

# 2024-08-12 - \_the formula\_ review

**This is my first entry not using twitter to write a journal entry - Feedback very welcome! - is this a better format? What do you like, not like? How can this content be improved?**

This is inflation.

You hear me call it "the spice" - it is a very tightly controlled - and more on that in a few minutes.



The west (G7) will do ANYTHING to keep oil prices stable...

1. Drain the spr:



2. Go to war to "manage" the price of the spice - everything you hear about today in the news isnt new. Here is GW talking about the same bullshit in 2015 - literally everything he says here sounds EXACTLY like what Netanyahu has been spewing for the past 30 years....and ever much more intently over the past 4 because the US government leadership is so weak....
3. And manipulate the F out of global bonds and currencies.... which is what I'm focusing on today.

Most of my work centers around the stonk and finance. Global currency plays a very important role re: the COST of oil, and the EU\$ includes oil as part of its metrics - as well as currencies - they are all interconnected.

I have something called "the formula" - it just models the EU\$. In its purist form it looks like this

$$\left[ \frac{d \cdot 576000 \left( a - \frac{1}{2b} \right)}{c \cdot e} \right]$$

where

a=USDJPY
b=OIL_CRUDE
c=USDGBP
d=USDEUR
e=VIX

Expanded back out....This is the EU\$

$$\left[ \frac{USDEUR * 576000 \left( USDJPY - \frac{1}{2 * OIL\_CRUDE} \right)}{USDGBP * VIX} \right]$$

The Central planners can manipulate the price of oil by manipulating any component part of that formula.

Over the past 2.5 years the planners have focused very heavily on vix manipulation because it causes much less damage to underlying economy - strengthening their currency by lifting interest rates causes economic slow down - something that is politically unattainable and persoanlly risky.

UVIX and SVIX were introduced March 2022, 1 month after Russia invaded Ukraine - as oil was swinging wildly day over day.

To see the EU\$ in action, just plot it vs the stonk.....



What is happening is the central planners are managing "inflation" (aka the spice) thru currency and EU\$ manipulation.

If "inflation" gets too hot on a particular day, the currencies are adjusted thru **Cross border capital flows**.....

When "inflation" drops too much, the central planners adjust the ratio of their currency to major oil producers currencies - in this example, I am using MXNSAR and EURSAR - which is the Peso to Saud and Euro-P to Saud currency ratios.... it may sound counter-intuitive, but the central planners are MORE worried about deflation than inflation at the moment



The adjustment of currency ratios happen thru the bond market - currencies are just short hand for bonds - the adjustment in particular happens in the US30y bond.

Last week the US30y bond yield PLUMMETED - and it tracked oil....thats not just a coincidence. When oil drops like that thats DEFLATION.

What stops deflation? Cutting interest rates....



What is correlated with deflation and inflation?

The vix....

What happened right here in Central Planner parlance is called "oops"....



Especially once you understand how much control they actually have over currencies and bonds.

If you are looking for the tradingview math for "the formula":

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FX_IDC:USDEUR*576000*(FX:USDJPY-0.5*CAPITALCOM:OIL_CRUDE)/(FX_IDC:USDGBP*TVC:VIX)
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Here is NVDA vs that formula - its not perfect, but it sure goes a long way to explain these insane moves - what that means is someone overseas is using \$NVDA as a currency hedge....



Zoomed in a bit more...its all Central Planners adjusting currencies to contain "inflation"...aka "the spice"



And the vix is a *MAJOR* part of that calculus - which is why the central planners fuck with it to

extremes....



Expond the profound-Cut'n thru bs 1 layer @a time

@frankoz95967943

You ever stop and wonder why "capitalism" needs so many volatility suppositories?

JustDario @DarioCpx · Aug 7

The US #stocks Casino is about to get another shot of steroids

x.com/dariocpx/statu...

### Cboe

## Cboe Announces Planned Launch of Options on VIX Futures, Further Expanding Volatility Product Suite

August 07, 2024

- New options planned to be listed on front-month Cboe Volatility Index (VIX) futures
- Options-on-future structure designed to offer new way to manage market volatility
- Expansion of VIX complex aims to address global demand for hedging tools

And here is the premarket open for 2024\_08\_12....the Central Planners want the market to go up



the dollar has been weakened in the overnight.