

Title: Know Your Enemies: Behind Door Number Three - Jeff Yass
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Created 2021-09-15 17:05:15 UTC
Permalink: /r/DDintoGME/comments/poua53/know_your_enemies_behind_door_number_three_jeff/
Url: https://www.reddit.com/r/DDintoGME/comments/poua53/know_your_enemies_behind_door_number_three_jeff/

0. TADR

This is the third part to my [Know Your Enemies](<https://github.com/verymeticulous/wikAPEdia/tree/main/Key-Players/Know-Your-Enemies-series-by-Meticulous>) series, you can find [part 1](<https://github.com/verymeticulous/wikAPEdia/blob/main/Key-Players/Know-Your-Enemies-series-by-Meticulous/2021-07-12-DD-into-Gabriel-Plotkin.md>) and [part 2](<https://github.com/verymeticulous/wikAPEdia/blob/main/Key-Players/Know-Your-Enemies-series-by-Meticulous/2021-07-22-Pulling-Back-the-Curtain-on-Steven-A-Cohen.md>) on [wikAPEdia](<https://github.com/verymeticulous/wikAPEdia>) \- the online archive of GME-related due diligence, content, and other relevant information. **The intent of this series is to shine some light on some of the names that get frequently mentioned in the community.**

1. TLDR

Jeffrey Yass, co-founder of the Susquehanna International Group (SIG) has a near perfect record in investing. From options to ETFs to TikTok, and now sports gambling and cryptocurrency, it's extremely suspicious how he's continually hitting grand slams.

Yass also has skeptical associations to charities and foundations with ties to political parties and hate groups.

When Yass isn't being suspicious, his second favorite activity is gambling and game theory. One of Yass' central philosophies is **if the odds are in your favor, go all out.** What a fitting motto for the current situation.

[Jeffrey Yass](<https://preview.redd.it/rdu6fg968pn71.png?width=201&format=png&auto=webp&s=9bea01ae64893a8b30341b369a920a7da5a51263>)

2. Overview

Jeffrey Yass is most notably known for co-founding the Susquehanna International Group (SIG), the largest trading firm of listed stock options in America. **In 2020, Susquehanna traded over 1.8 billion stock options contracts - an 80% increase compared to their prior year. According to** ***Alphacaution Research,*** **Susquehanna accounted for nearly a quarter of all options trades in the U.S.**^([1])([12])

Yass serves as an executive advisory council member of the [Cato Institute](https://en.wikipedia.org/wiki/Cato_Institute), an American libertarian think tank that advocates on policies such as limiting government's role in domestic and foreign affairs, abolishing most taxes, and privatizing government agencies.^([1])([13])

Additionally, Yass is a founding director of the CLAWS Foundation, a private grantmaking foundation with questionable donations and ties to political party members and hate groups.^([14])([15])([16])

According to Forbes, Yass' current net worth is reportedly \$12B USD.^([5])

Early Life

In 1979, Yass graduated from Binghamton University with a BA in mathematics and economics. However, during his undergraduate studies, Yass would often skip class to bet on horse races or play poker. His

fascination for gambling and game theory led him to have his senior year thesis, *"An Econometric Analysis of Horse Racing"* published in *"Gambling Times"* magazine.⁽²⁾⁽¹²⁾

After college, Yass and his roommate, Arthur Dantchik, moved to Vegas to gamble professionally. While the two had little success at the casinos, Yass' most important victory at the casinos was learning how to buy a seat on a commodities exchange after striking up conversation with a [COMEX](https://www.investopedia.com/terms/c/comex.asp) trader.⁽²⁾⁽¹²⁾

Yass returned to the east coast in pursuit of buying a seat at the the American Stock Exchange. He met [Israel A. Englander](https://en.wikipedia.org/wiki/Israel_Englander), billionaire and hedge fund owner of [Millennium Management](https://en.wikipedia.org/wiki/Millennium_Management,_LLC). In 1981, Englander offered Yass a seat on the Philadelphia Stock Exchange.⁽²⁾⁽³⁾⁽¹²⁾

Susquehanna International Group (SIG)

In 1987, Yass created the Susquehanna International Group (SIG) along side Arthur Dantchik, Eric Brooks, Andrew Frost, Steven H. Bloom and Joel Greenberg. ***In their first year in business, SIG made about \$30 million USD from put options on the Black Monday market crash of October 1987***.⁽²⁾⁽¹²⁾

>***What are options?***

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>[Options](https://www.investopedia.com/options-basics-tutorial-4583012) are basically bets on stocks going up or down - a "call" is a bet that the stock will go up in the future, while on the other hand, a "put" is a bet that the stock will go down.

In the 1990s, Susquehanna expanded beyond the options game and started trading convertible bonds, commodity options, index options, and exchange traded funds (ETFs).⁽¹²⁾

>***What are ETFs?***

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>An [ETF](https://www.investopedia.com/terms/e/etf.asp) holds multiple underlying assets compared to a stock which only holds one underlying asset.

*Since 1993, Susquehanna has been one of Wall Street's leading ETF market makers. Today ETFs, account for nearly \$8 trillion USD in assets.**⁽¹²⁾

Around the same time, SIG also started focusing on private investments in public equity (aka PIPEs).⁽³⁾

>***What are PIPEs?***

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>[PIPEs](https://www.investopedia.com/terms/p/pipe.asp) are a type of deal in which private investors buy equity stakes directly from a publicly traded company at market price.

TikTok

In the 2000s, Susquehanna built a venture investment team in the U.S. and China, launching SIG Asia Investments in Shanghai.⁽¹²⁾

*In 2012, SIG was one of the early investors in ByteDance, the creator of TikTok. Their original investment of \$5 million USD is now reportedly worth tens of billions of dollars currently.**⁽³⁾⁽¹²⁾

In addition to the ByteDance investment, Susquehanna has partnered with a large venture capitalist firm,

Sequoia, and have invested 36 different times in Chinese companies.^(\3\)

Sports Betting

Recently, Yass has been expanding into the sports gambling market. In June, Susquehanna significantly invested in Smarkets, one of the world's largest betting exchange and prediction market platforms.^(\16\)

In addition to the Series B investment, SIG has been building a Dublin-based sports trading outpost, with the vision of expanding into the U.S. in the future. ****It is estimated that there is a \$30 billion USD market cap for sports betting**.**^(\12\)

Recent News

On May 24, 2021 - MIAx, creator and operator of high-performance securities exchanges and SIG launched cash-settled futures contracts on Index Licensing's U.S. Corporate Tax Rate Index.^(\17\)

Corporate Tax Rate Futures will offer corporations and investors an efficient way to manage risk in uncertain corporate tax rate environments.^(\17\)

Closing Thoughts

Holy shit, this took a while. I apologize for the long hiatus, things at work have ramped up and I cannot nearly dedicate as much time as I'd like to due diligence and updating wikAPedia. Yass keeps a pretty low profile and I have gone down so many rabbit holes looking into Yass' connections. I feel like I can write a specific post for most of the names mentioned above. Like my previous post, this only scratches the surface of Yass' activities. I will continue to investigate and share my learnings with the community.

****Jeff, what's the probability of winning if your opponent has a royal flush?****

****Pre-edit:**** I'll attempt to post the sources in a comment. Looks like there's too many links in my post and it's getting flagged.