Title: Zen and the Credit Default Swap
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A lot of us have a few more wrinkles than we let on...so, here's your morning pep talk.

If you don't know what a credit default swap is, it's an insurance policy

From Investopedia:

What Is a Credit Default Swap (CDS)?

A credit default swap (CDS) is a financial derivative that allows an investor to swap or offset their [credit risk](https://www.investopedia.com/terms/c/creditrisk.asp) with that of another investor. To swap the risk of default, the lender buys a CDS from another investor who agrees to reimburse them if the borrower defaults.

Most CDS contracts are maintained via an ongoing [premium](https://www.investopedia.com/terms/p/premium.asp) payment similar to the regular premiums due on an insurance policy. A lender who is worried about a borrower [defaulting](https://www.investopedia.com/terms/d/default2.asp) on a loan often uses a CDS to offset or swap that risk.

So, if you watch the CDS market (passively), you already know that sovereign government CDS are through the roof, and now banks have joined them.

That begets the question... if the market is fine, why are the premiums rising, and WHO IS SELLING THE CDS? Why are the CDSes on GME Shorts like Credit Suisse the ones on fire?

It isn't retail.

They know, and they are now getting ready to "survive" the Storm of the Century...