

THE COMPOUNDERS PORTFOLIO

Ten Months of the Optimized Mixed Allocation, and What the Iran and Ukraine Wars Changed

August 30, 2026

EXECUTIVE SUMMARY

In September 2025 I published *The \$6–8 Trillion Technology Revolution*, which argued that the bulk of value creation this decade would come from ten specific hardware-driven technology platforms, and set out three model allocations for capturing it. This report tracks the third of those — the Optimized Mixed Portfolio — from the first month-end after publication.

Performance at a glance — 31 October 2025 to 28 August 2026

Optimized Mixed Portfolio: **+19.8%** S&P 500: **+12.7%** Alpha: **+7.1 pp**

On 100,000 invested at the outset: **119,843** today, against 112,742 for the index.

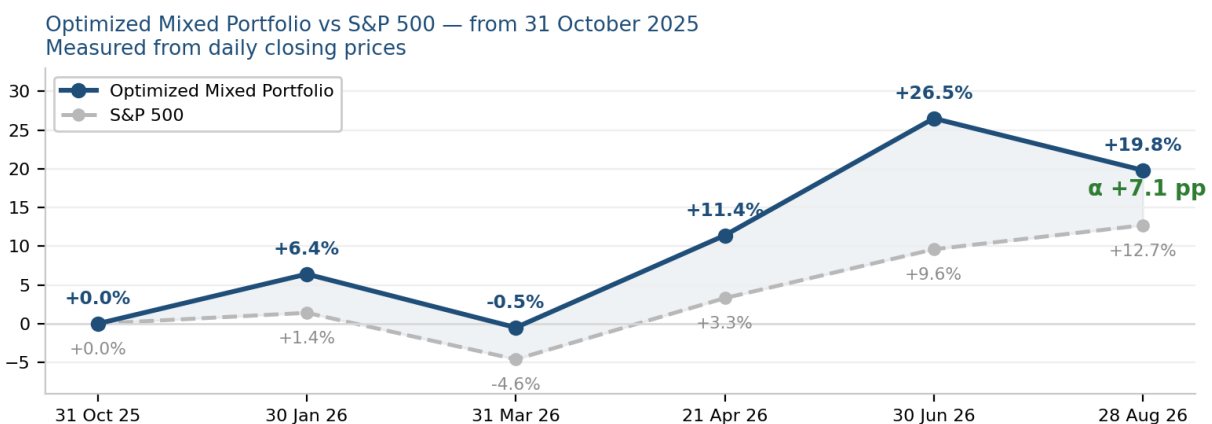
All figures computed from daily closing prices. Dividends excluded.

The allocation has worked, and the attribution is unusually concentrated: four positions — SMH, TSMC, ABB and ASML — produced 13.3 of the 19.8 points from 29% of the starting weight. The four regional champions held as direct equities did the opposite, costing 2.3 points between them.

But performance is the least interesting thing in this report. Two developments since publication change what the portfolio should hold, and neither is visible in a price chart.

The first is that the drone platform has been revalued by two wars, and not in the direction most investors assume. The economics that emerged from Ukraine and were confirmed in Iran point the spending not at drone manufacturers but at what stops drones. Section IV sets out the numbers.

The second is that humanoid robotics received its first public-market price on 19 August, when Unitree listed in Shanghai. That validates a Tier 3–4 thesis earlier than the framework anticipated — and the investable expression of it is not the robot makers.



Both series from closing prices on 31 October 2025, the first month-end following publication of the framework.

I. THE FRAMEWORK, AND WHICH ALLOCATION THIS IS

The 2025 paper identified ten platforms meeting a strict test: a dedicated hardware vehicle, a software stack built for it, and an ecosystem of third parties building on top. It then sorted them by commercial readiness rather than by enthusiasm — Tier 1 selling now (AI agents, industrial robots, drones), Tier 2 scaling 2027–2032 (AR/VR, autonomous vehicles, satellites), Tier 3–4 emerging 2028–2035 (wearables, humanoids, quantum, brain-computer interfaces) — and recommended splitting capital 50/35/15 across those groups.

Three model allocations followed. The All-Direct portfolio holds individual platform leaders; the All-ETF portfolio holds sector funds; and the Optimized Mixed Portfolio, tracked here, combines 60% direct holdings with 40% funds, allocating by conviction rather than strict tier adherence.

Holding	Weight	Platform exposure
NVIDIA	12%	AI agents — inference silicon across every platform
SMH — VanEck Semiconductors	12%	The shared dependency of all ten platforms
Apple	8%	AR/VR and wearables
TSMC	8%	Advanced manufacturing
ROBO — Robotics & Automation	8%	Industrial robots, diversified
EWJ — MSCI Japan	8%	Regional: Asian robotics expertise
Fanuc	7%	Industrial robots — ~20% global share, >50% of NC controllers
EFA — MSCI EAFE	7%	Regional: European automotive innovation
ABB	6%	Industrial robots — European leader
BMW	5%	Autonomous vehicles
Toyota	5%	Autonomous vehicles and humanoids
QTUM — Defiance Quantum	5%	Quantum computing
IBM	4%	Quantum computing
ASML	3%	Lithography monopoly
Sony	2%	Sensors and imaging

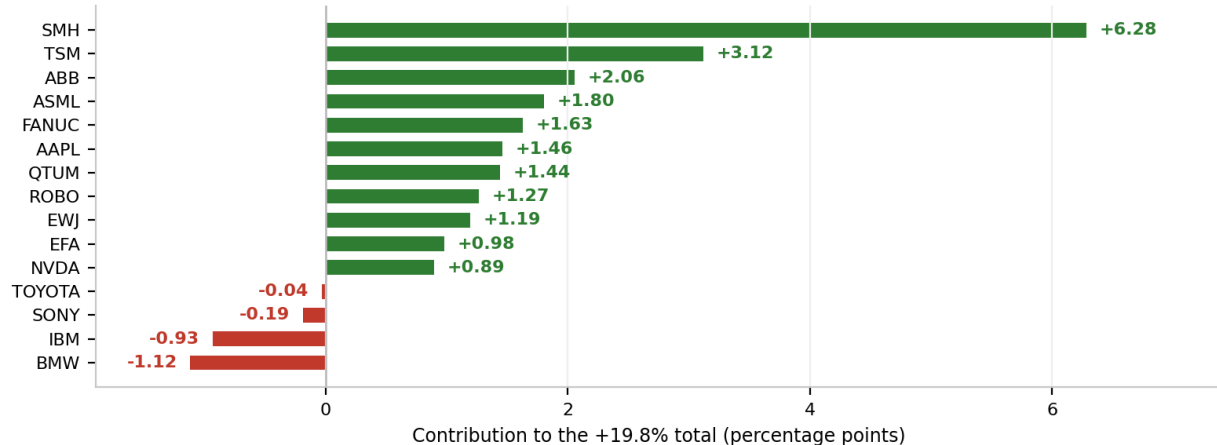
The Optimized Mixed Portfolio as published, September 2025.

II. WHAT THE TEN MONTHS PRODUCED

Holding	31 Oct 25	28 Aug 26	Return	Contribution	Weight today
SMH	363.02	553.11	+52.4%	+6.28 pp	15.26%
TSM	300.43	417.52	+39.0%	+3.12 pp	9.28%
ABB	59.66	80.10	+34.3%	+2.06 pp	6.72%
ASML	1,059.23	1,696.16	+60.1%	+1.80 pp	4.01%
FANUC	4,909.00	6,052.00	+23.3%	+1.63 pp	7.20%
AAPL	270.37	319.70	+18.2%	+1.46 pp	7.89%
QTUM	115.10	148.23	+28.8%	+1.44 pp	5.37%
ROBO	69.62	80.64	+15.8%	+1.27 pp	7.73%
EWJ	83.45	95.87	+14.9%	+1.19 pp	7.67%

Holding	31 Oct 25	28 Aug 26	Return	Contribution	Weight today
EFA	94.49	107.72	+14.0%	+0.98 pp	6.66%
NVDA	202.49	217.55	+7.4%	+0.89 pp	10.76%
TOYOTA	3,138.00	3,116.00	-0.7%	-0.04 pp	4.14%
SONY	4,332.00	3,928.00	-9.3%	-0.19 pp	1.51%
IBM	307.41	235.59	-23.4%	-0.93 pp	2.56%
BMW	80.72	62.64	-22.4%	-1.12 pp	3.24%
PORTFOLIO			+19.8%		100.00%

Where the return came from — four positions produced two-thirds of it



The clearest lesson of the period

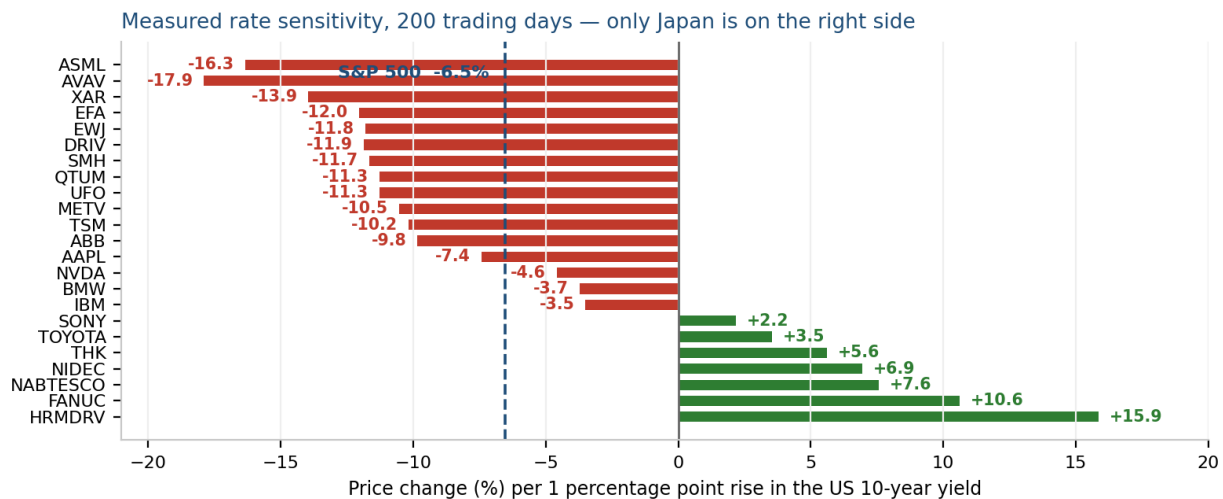
The four ETF and semiconductor positions delivered. The four regional champions held as individual equities — BMW, IBM, Sony, Toyota — cost 2.3 percentage points between them from 16% of starting weight. BMW fell 22.4% and IBM 23.4%.

That is not bad luck. It is what happens when a company is bought as a proxy for a platform rather than as a business. BMW is not an autonomous-vehicle platform; it is a carmaker with an AV programme inside it, and the rest of the business dominates the share price. The same applies to IBM and quantum. **Where a platform can be owned through a fund, the fund has been the better instrument.**

III. THE VARIABLE THAT NOW SETS THE PATH

The Federal Reserve held its target range at 3.50%–3.75% in July with three members dissenting in favour of an increase — the first time since September 2016 that three policymakers dissented with a unified view on direction. The US ten-year yield has moved from 4.10% to 4.72% over the period covered here.

That matters more to this portfolio than to most, because every platform holding is a long-duration asset: a company whose value sits mostly in profits many years out. When the discount rate rises, those profits are marked down first. Rather than assert this, it can be measured — regressing each holding's daily return against daily changes in the ten-year yield across 200 trading days.



Two findings stand out. **The portfolio is 21% more rate-sensitive than the index** — a 100 basis point rise implies roughly -7.9% against -6.5% for the S&P 500. And **the only holdings on the right side of the relationship are Japanese**: Fanuc at +10.6%, Toyota +3.6%, Sony +2.2%. The Bank of Japan is normalising policy from the opposite end of the cycle, which makes Japanese industrial exposure the single genuine rate diversifier available inside this universe.

What this does not mean

It does not mean the portfolio should be restructured around interest rates. The framework invalidates a platform thesis on milestones — sustained regulatory setback, technical stagnation, a competitor achieving superior adoption — and none of those has occurred. Rate sensitivity is a characteristic of owning long-duration growth, not a reason to stop owning it.

It does mean the exposure should be known rather than discovered. An investor holding this allocation into a September increase should expect roughly a fifth more drawdown than the index from that channel alone.

IV. WHAT THE DRONE WAR ACTUALLY TAUGHT

The framework put drone platforms in Tier 1 — commercially deployed, 2025–2027 — on the strength of agriculture, logistics and inspection. Two wars have since revalued the platform, and the lesson runs against the intuitive trade.

The economics are now documented and they are extraordinary. A single Patriot interceptor costs over \$3 million and a NASAMS round slightly over \$1 million. A Shahed loitering munition costs Russia as little as \$35,000 to build. Ukrainian interceptor drones cost between **\$1,000 and \$5,000** apiece, with interception rates above 90% by March 2026, and daily supply has reached 1,500 units.

Iran turned that from a Ukrainian curiosity into a global procurement problem. Iranian strikes exposed gaps in Gulf air defence built around expensive missile systems, and at least six regional actors requested Ukrainian support. The Pentagon's FY27 request includes roughly \$75bn for unmanned and counter-drone systems.

The finding that should change an allocation

Ukraine demonstrated cheap drone interceptors at operational scale in late 2024. **The first reported Pentagon procurement inquiry into that technology came in March 2026** — a gap of more than eighteen months during which Western institutions observed, were briefed, and did not act.

That gap is the investment case. The spending required to close it has not yet been committed, which means it is not yet in prices. And it flows less to drone manufacturers than to the layer that stops them: interceptors, frangible close-range munitions, electronic attack that breaks control links, and the sensor integration that ties them together. Air defence is being rebuilt around cost-exchange rather than performance, and that is a different supplier set from the one the market has bid up.

The practical consequence for this portfolio is that drones deserve weight it does not currently have — the Optimized Mixed allocation holds none — and that the exposure should be taken through the aerospace and defence complex broadly rather than through a single manufacturer, because the winners of a cost-exchange rebuild are not yet identifiable.

V. HUMANOID ROBOTICS GOT ITS FIRST PUBLIC PRICE

On 19 August 2026 Unitree Robotics listed on Shanghai's STAR Market. It priced at roughly \$9.0bn, raised about \$900m, and closed its first day up 487%, valuing the company near \$53bn. The offering was oversubscribed 8,000 times by retail investors.

Behind the theatre are real numbers. Revenue more than quadrupled in 2025 to about 1.7bn yuan, humanoids generated 867.8m yuan and overtook four-legged robots as the largest business for the first time, and gross margins run near 60%. Global humanoid shipments rose roughly 480% in 2025 to 13,318 units, with projections reaching 2.6 million by 2035.

This is a tier validation. The framework placed humanoid robots in Tier 3–4, arriving 2028–2035. A profitable pure-play at commercial scale in 2026, with a public price, is earlier than that. The thesis is ahead of schedule.

It is also not investable here, and the reasons are worth stating plainly rather than regretting. The STAR Market is restricted to mainland and QFII investors, so neither the shares nor a US-listed fund holding them is accessible until inclusion via Stock Connect. The first-day price implies a P/E near 1,300x. Growth decelerated in the first half of 2026. And HSBC has argued the shipment surge may prove illusory and hard to sustain over one to two years absent a significant improvement in robot makers' AI models.

Where the accessible exposure is

Every humanoid needs precision actuators, and that supply chain is Japanese and listed. Harmonic Drive Systems holds roughly 50% of the global harmonic reducer market and is investing 10bn yen in a humanoid expansion line at its Ariake plant, with demand expected to peak in 2026–2027. Nabtesco, THK and Nidec occupy adjacent positions in reducers, linear motion and precision motors.

This is the same picks-and-shovels logic the framework already applies to semiconductors through SMH: own the constraint rather than guess the winner. It is agnostic as to whether Unitree, Figure, Optimus or none of them prevails — all of them buy the same components.

The competitive caveat is real. Chinese manufacturers are reaching parity in precision and durability for mass-produced components, and the Japanese monopoly is eroding. This is a position to size modestly and monitor on market share, not a moat to assume.

Company	Role in the chain	Return	Volatility	Rate beta
Harmonic Drive	Harmonic reducers, ~50% global share	+101.6%	83.1%	+15.87%
THK	Linear motion; builds finished units in-house	+61.0%	52.2%	+5.61%
Nidec	Precision motors	+39.5%	48.2%	+6.93%

Returns from 31 October 2025 to 28 August 2026. Rate beta is the measured price response to a 1 percentage point rise in the US ten-year yield. Note that Harmonic Drive has more than doubled and carries 83% annualised volatility — a position to open small.

VI. THE TIERS ARE A FUNCTION OF TIME, NOT A FIXED ALLOCATION

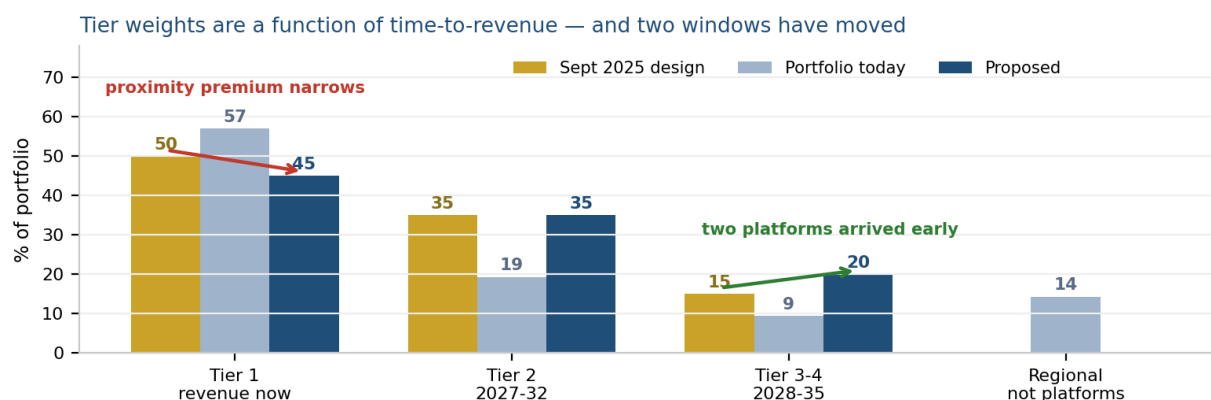
The 50/35/15 split published in September 2025 has been treated in the two reviews since as a constant. It is not one, and the framework's own logic says so.

Tier 3–4 was allocated 15% **because it was far away**, not because those platforms are inherently small — quantum computing carries the highest projected growth rate of all ten at 41–50% annually, and humanoid robots the second highest at 36.7%. The 15% was the price of temporal uncertainty. Tier 1 carried half the portfolio for the mirror reason: its revenue was closest, so its cash flows required the least discounting for time.

It follows that when a platform's commercial window moves, the weights have to move with it. A Tier 3–4 platform that arrives early no longer deserves the same uncertainty discount, and the proximity premium that justified Tier 1 at 50% narrows in proportion. The 50/35/15 was a photograph of the platform landscape in September 2025, not a permanent rule.

The paper anticipated this mechanism without drawing the allocation consequence. It warns that platform adoption follows non-linear patterns in which slow initial progress accelerates rapidly once critical technical or market thresholds are achieved. Two thresholds have now been crossed.

Platform	Window in Sept 2025	Evidence since	Revised window
Humanoid robots	2028–2035	Unitree listed publicly at commercial scale with 60% gross margins; humanoids overtook quadrupeds as its largest business; global shipments +480% in 2025.	Arriving now
Quantum computing	2030–2035	IonQ revenue +755% year over year with \$3.1bn cash; QTUM returned +28.8% over the period on commercial contract momentum, not speculation.	2027–2030
Drones	2025–2027 (Tier 1)	Two wars established the cost-exchange economics; \$75bn in the FY27 Pentagon request; procurement gap still unclosed.	Unchanged tier, larger market
AR/VR · Autonomous vehicles · Satellites	2027–2032	No milestone has moved either way. Robotaxi unit economics remain unpublished; AR/VR capital is being redirected to AI datacenters.	Unchanged
Wearables · Brain-computer interfaces	2028–2035	No accessible pure play has emerged. These remain gaps in the investable universe rather than positions.	Unchanged



What this changes about how the framework is reviewed

The quarterly question has been “how far have we drifted from 50/35/15?” That is the wrong question. The right one is “**has any platform moved its commercial window?**” — and if the answer is yes, the target weights themselves change rather than the portfolio being pulled back to a stale split.

Applied to the evidence above, the revised targets are **45% Tier 1, 35% Tier 2, 20% Tier 3–4**. Tier 1 gives up five points of proximity premium; Tier 3–4 takes them because two of its four platforms are no longer a decade out. Tier 2 does not move, because nothing in AR/VR, autonomous vehicles or satellites has changed.

This costs something and the cost should be stated. Weighted average volatility rises from 35.6% to 40.4% under the proposal. Earlier-stage platforms are more volatile, and buying the acceleration means accepting that. An investor unwilling to hold a portfolio of that volatility should hold the original split and accept later entry into the platforms that are compounding fastest.

VII. THE PROPOSED ALLOCATION

The table sets the September 2025 allocation against the proposal side by side, organised by tier and platform so the two can be compared on the framework’s own terms rather than line by line.

Tier	Platform	SEPT 2025 — as published	wt	PROPOSED — Aug 2026	wt
TIER 1 45% (was 50%)	AI agents & silicon	NVDA 12 · SMH 12 · TSM 8 · ASML 3	35%	NVDA 6 · SMH 8 · TSM 5 · ASML 3	22%
	Industrial robots	Fanuc 7 · ABB 6 · ROBO 8	21%	Fanuc 4 · ABB 3 · ROBO 3	10%
	Drones & counter-UAS	none	0%	XAR 8 · AVAV 3 · KTOS 2	13%
TIER 2 35% (unchanged)	AR/VR	Apple 8	8%	Apple 10 · METV 8	18%
	Autonomous vehicles	BMW 5 · Toyota 5	10%	DRIV 10	10%
	Satellites	none	0%	UFO 7	7%
TIER 3–4 20% (was 15%)	Quantum	QTUM 5 · IBM 4	9%	QTUM 8	8%
	Humanoid supply chain	none	0%	THK 5 · Nidec 4 · Harmonic Drive 3	12%
	Diversified Tier 3–4	Sony 2	2%	—	0%
REGIONAL not platforms	Country index funds	EWJ 8 · EFA 7	15%	—	0%
	TOTAL		100 %		100 %

Weights shown are the published September 2025 allocation and the proposed target. Current drifted weights differ; the order list below works from those.

Reading the comparison

Three platforms enter that were not held at all. Drones, satellites and the humanoid supply chain accounted for zero weight in the original allocation despite all three being named in the framework. Together they take 32 points.

Silicon halves. The AI-and-semiconductor block falls from 35% to 22%. This is not a judgement on the businesses — Nvidia grew revenue 106% year over year — but on concentration: the framework identifies advanced semiconductor manufacturing as the constraint every platform shares, so an overweight there is a leveraged bet on the portfolio's own single point of failure.

The country funds and the legacy proxies leave. EWJ, EFA, BMW, Toyota, IBM and Sony total 25.8% of the portfolio today. Regional exposure to Japanese robotics is better taken through Fanuc, THK and Nidec than through an index in which Japanese banks and insurers weigh as much as robotics.

Order	Holding	Type	Now	Target	Change	On 100,000
BUY	XAR SPDR Aerospace & Defense	ETF	—	8%	+8.0	8,000
BUY	DRIV Global X Autonomous & EV	ETF	—	10%	+10.0	10,000
BUY	METV Roundhill Ball Metaverse	ETF	—	8%	+8.0	8,000
BUY	UFO Procure Space	ETF	—	7%	+7.0	7,000
BUY	QTUM Defiance Quantum	ETF	5.4%	8%	+2.6	2,630
BUY	THK THK Co (Tokyo)	Equity	—	5%	+5.0	5,000
BUY	NIDEC Nidec (Tokyo)	Equity	—	4%	+4.0	4,000
BUY	AVAV AeroVironment	Equity	—	3%	+3.0	3,000
BUY	HRMDRV Harmonic Drive (Tokyo)	Equity	—	3%	+3.0	3,000

Order	Holding	Type	Now	Target	Change	On 100,000
BUY	AAPL Apple	Equity	7.9%	10%	+2.1	2,110
BUY	KTOS Kratos Defense	Equity	—	2%	+2.0	2,000
SELL	SMH VanEck Semiconductor	ETF	15.3%	8%	-7.3	7,260
SELL	EWJ iShares MSCI Japan	ETF	7.7%	0%	-7.7	7,670
SELL	EFA iShares MSCI EAFE	ETF	6.7%	0%	-6.7	6,660
SELL	ROBO ROBO Global Robotics	ETF	7.7%	3%	-4.7	4,730
SELL	NVDA NVIDIA	Equity	10.8%	6%	-4.8	4,760
SELL	TSM TSMC (ADR)	Equity	9.3%	5%	-4.3	4,280
SELL	TOYOTA Toyota (Tokyo)	Equity	4.1%	0%	-4.1	4,140
SELL	ABB ABB (Zurich)	Equity	6.7%	3%	-3.7	3,720
SELL	FANUC Fanuc (Tokyo)	Equity	7.2%	4%	-3.2	3,200
SELL	BMW BMW (Frankfurt)	Equity	3.2%	0%	-3.2	3,240
SELL	IBM IBM	Equity	2.6%	0%	-2.6	2,560
SELL	ASML ASML (Amsterdam)	Equity	4.0%	3%	-1.0	1,010
SELL	SONY Sony (Tokyo)	Equity	1.5%	0%	-1.5	1,510

Twenty-four orders. Sales are priced at the 28 August close, the last available; purchases would be executed at the following session's price. The proposal shifts the fund/stock balance from the published 60% direct / 40% funds to **48% direct / 52% funds** — a consequence of taking drones, autonomous vehicles and satellites through diversified vehicles where no winner is yet identifiable.

VIII. WHAT THIS DOES NOT FIX

Rate sensitivity is not materially improved. The Japanese block contributes genuine offset — Fanuc, THK, Nidec and Harmonic Drive all measure positive rate betas — but the drone, autonomous-vehicle, satellite and AR/VR additions give it back. The restructuring reorganises the portfolio around platform timing, which is a different objective from reducing duration, and should not be presented as achieving both.

The concentration in shared dependency remains. The framework itself identifies advanced semiconductor manufacturing as the constraint every platform runs through. Silicon exposure falls from 39.3% to 22% under the proposal, which helps, but the correlation does not disappear — drones, satellites, quantum and humanoids all require the same chips.

Three platforms remain uncovered. Wearables sit inside Apple rather than as a position; brain-computer interfaces have no accessible pure play; and humanoids are covered through components rather than through robot makers. These are gaps in the investable universe, not oversights, and they should be revisited as vehicles emerge.

Harmonic Drive has already run. It has more than doubled since October with 83% annualised volatility. A 3% position is the upper bound of what is defensible: enough to matter if the humanoid ramp is real, small enough that a 40% drawdown costs just over a point.

IX. THE HEDGES THAT DO NOT WORK

If the portfolio carries more duration than the index, the obvious next move is to hedge it. Three candidates present themselves — gold, cryptocurrency and cash — and each was tested by building the blended portfolio and measuring the result across the same 188 sessions rather than reasoning about what each asset is supposed to do.

Allocation	Return	Volatility	Deepest drawdown	Rate beta
Portfolio, unhedged	+19.8%	23.5%	-14.0%	-6.67%
+ Gold 8%	+19.1%	22.8%	-13.9%	-6.92%
+ Gold 8%, crypto 5%	+16.6%	22.8%	-13.6%	-6.83%
+ Gold 10%, crypto 5%	+16.4%	22.7%	-13.5%	-6.90%
+ Cash 15%	+16.9%	20.4%	-12.1%	-5.78%
+ Gold 8%, cash 10%	+17.2%	20.7%	-12.6%	-6.33%

Each blend built from daily closing series, 31 October 2025 to 28 August 2026, and measured directly rather than estimated from weighted averages of individual metrics.

Gold and crypto do not diversify this portfolio

Measured on daily returns, gold correlates **+0.39** with the portfolio, Bitcoin **+0.36** and Ether **+0.37**. All three move with it, not against it. Adding 8% gold reduces the deepest drawdown from 14.0% to 13.9% — one tenth of a percentage point — and makes the rate beta slightly worse, because gold's own rate beta is -9.8%, more negative than the portfolio's.

Adding crypto costs 3.3 points of return for four tenths of a point of drawdown. Bitcoin does have the most interesting single statistic in the whole universe measured — a rate beta of **-0.71%**, effectively neutral, the lowest of twenty-eight instruments — but it correlates positively with the portfolio and lost 29% over the period. Neutrality to rates purchased at that price is not a hedge.

Cash is the only one that does measurable work, and the trade is explicit: 15% cash cuts the drawdown by 1.9 points and the rate beta by 0.9, at a cost of 2.9 points of return. That is a fair price for ammunition. It is a poor price for insurance.

The conclusion is that the duration exposure should be reduced rather than hedged. Cutting silicon from 39.3% to 22%, which Section VII already proposes on platform-concentration grounds, does more for the portfolio's drawdown profile than any overlay tested here — and it does so without paying an ongoing premium. An 8–10% cash reserve is worth holding as capital to deploy into a drawdown, and should be described that way rather than as protection.

X. WHAT WOULD CHANGE THIS VIEW

Signal	What it would mean
Western procurement commits to cheap-interceptor air defence at scale	Confirms the drone thesis in Section IV. Increase the counter-UAS weight rather than the platform makers.
Chinese component makers take share from Harmonic Drive, THK and Nabtesco	The picks-and-shovels case for humanoids weakens materially, since the moat is manufacturing precision rather than design.
Humanoid shipment growth stalls below roughly 100% annually	Supports the HSBC view that the 2025 surge was inventory rather than demand. Tier 3–4 reverts to its original 2028–2035 timing.
Bank of Japan reverses course toward easing	Removes the only rate diversifier in the portfolio. The Japanese block would then be industrial exposure like any other.
A hyperscaler cuts AI capital spending guidance	The shared semiconductor dependency transmits to every platform at once. This is the single largest unhedged risk in the allocation.

XI. METHODOLOGY AND LIMITATIONS

Performance is measured from closing prices on 31 October 2025, the first month-end following publication of the framework, to 28 August 2026. Where a target date fell on a weekend, the preceding trading day is used. Returns exclude dividends, which understates EWJ, EFA and the direct equity holdings by roughly one to two

percentage points over the period.

Rate sensitivity is estimated by regressing each holding's daily return on the daily change in the US ten-year yield across 200 trading days. It is a historical relationship over a single period and a partial derivative, not a forecast: it isolates one channel while other factors move simultaneously.

Weights shown as “today” reflect price drift from the published starting allocation with no interim rebalancing. The portfolio is academic — weights are notional. The UCITS/PRIIPs contractability filter has not been applied; several US-listed funds here would require European equivalents before a retail investor in the EU could act. Ten months is evidence, not validation: the allocation has run through an AI capital-spending boom, a geopolitical shock and the start of a rate repricing, but not a full cycle.

XII. CONCLUSION

The framework has done what it was built to do. The Optimized Mixed allocation is ahead of the index by seven percentage points over ten months, and the platforms that were supposed to lead have led: semiconductors, industrial robots, lithography.

What has changed is not the thesis but the map. Two wars have revalued the drone platform and pointed the spending at the defensive layer rather than the offensive one, and that spending has not yet been committed. Humanoid robotics has arrived at commercial scale roughly two years ahead of the framework's own timetable, and the way to own it from Europe or the United States is the Japanese component chain rather than the robot makers.

Both conclusions point the same way: back toward the discipline the paper started with. Fifty percent in what is selling now, thirty-five in what arrives in five years, fifteen in what arrives in ten — with drones taking their proper place in the first group and humanoid components in the third. The allocation drifted from that split by holding country funds and legacy industrial proxies in place of platforms. Restoring it is most of the work.

The ten-year horizon is unchanged. What has moved is the variable that determines the path: for twelve months it was Tehran, and it is now the Federal Reserve. That is a reason to know the exposure precisely, not a reason to own less of the decade's largest structural change.

THOUGHT LEADERSHIP SERIES — INVESTMENT STRATEGY

Patricio Hunt · Managing Partner, Intelectium

August 30, 2026

DISCLAIMER: This analysis reflects the author's personal views for educational purposes only. The portfolio described is academic; weights are notional and no capital is represented as deployed. All price data are closing prices from a commercial market data provider. Returns exclude dividends. Rate sensitivity estimates are historical regressions over a single period, not forecasts. Market size and shipment projections cited from third-party research are estimates and are attributed in the text. This does not constitute financial advice or an investment recommendation. Past performance does not guarantee future results.