

MONTHLY NEWSLETTER

BATTERIES UP. BARRELS DOWN.

01

Fund Performance

The Vivid Energy Fund was up **4.54** percent in July, bringing year-to-date performance to just shy of **30 percent**. Contrasting sharply with typical benchmarks:

- **S&P 500: approximately +7 percent YTD**
- **S&P 500 Energy Sector: approximately +3.9 percent YTD**

This means Vivid is outperforming the broader U.S. market by more than 4x, and the energy sector by nearly 8x, clear evidence that our thematic, forward-looking positioning goes where the money hasn't already been.

Our strongest drivers this month? Battery stocks, lithium producers, and silver miners—the latter seeing upside from renewed demand in solar module production.

Our exposure across these sectors reflects what we believe is the beginning of a generational trade. While the market narrative remains cautious, even skeptical, our thesis remains intact:

We are still in the earliest innings of a global energy shift. And the U.S. is not the market. The world is.

02

Lithium, EVs, and Autonomy: Still Misunderstood

At Vivid, our outlook on **lithium, batteries, EVs, and autonomy** continues to diverge—radically—from the North American mainstream.

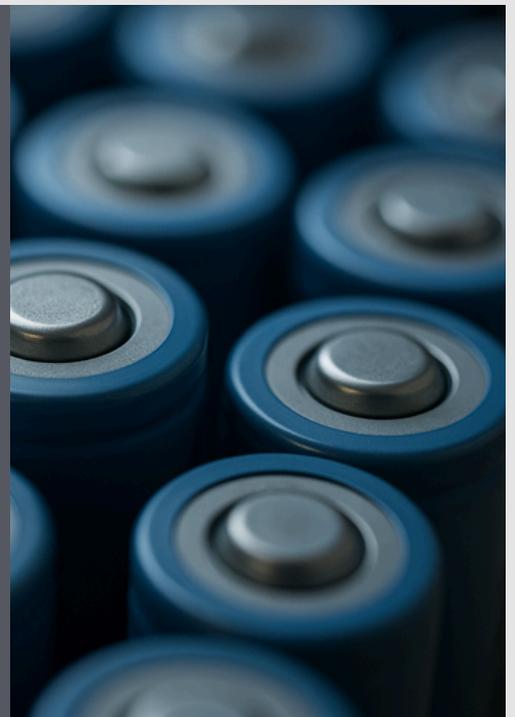
Wall Street continues to ask, "Where are the buyers?"

We keep asking, "Where are your passports?"

We see growth where others are still fixated on lagging indicators. Global demand for energy storage, fleet electrification, and driverless infrastructure is accelerating.

The smart money isn't waiting for the U.S. to catch up.

Neither are we.



Oil: The Other End of the Curve

On the flip side of the energy transition, we find the ongoing valuation of oil producers increasingly irrational.

Brent crude is still trading at \$66 per barrel, but if the **IEA's latest report** is even directionally accurate, oil is headed for a **record supply glut** in 2026.

High-decline shale firms in the U.S., already operating on tight margins, are not priced for this reality. At **\$50 or lower**, these producers don't just underperform. Many **bleed cash**.

How oil is still above \$50 is beyond us. How are shale stocks still holding their valuations? Even more so.

A **selective short position** in a few of the more vulnerable names seems **prudent at worst**, and potentially **asymmetric at best**.

[🔗 Bloomberg: "Global Oil Markets Face Record Supply Glut Next Year, IEA Says"](#)

The Road Ahead – and Why We're Already Driving It

We are now well past the halfway mark of 2025.

The divergence between **old energy** and **new energy** is only getting wider.

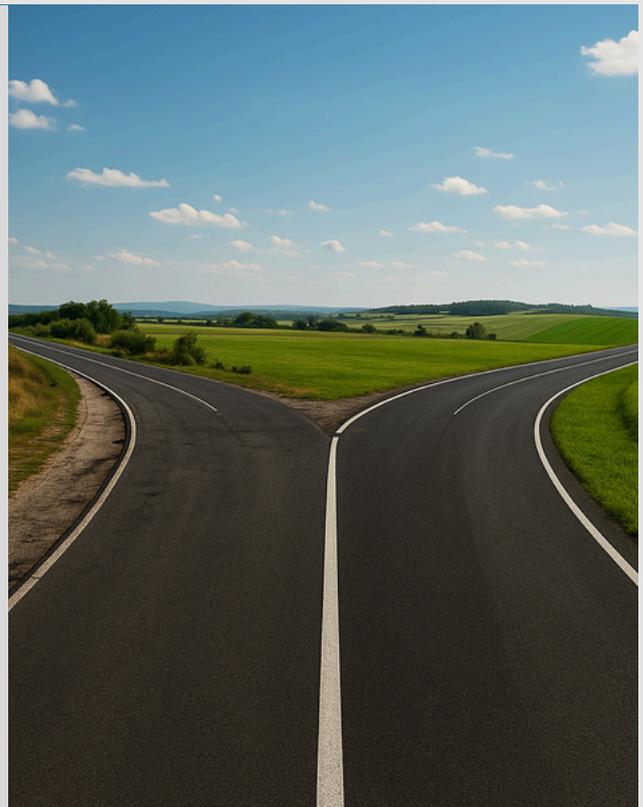
At Vivid, we are not betting on a shift.

We are investing in the inevitable.

Thank you for being on the ride with us.

More to come

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