



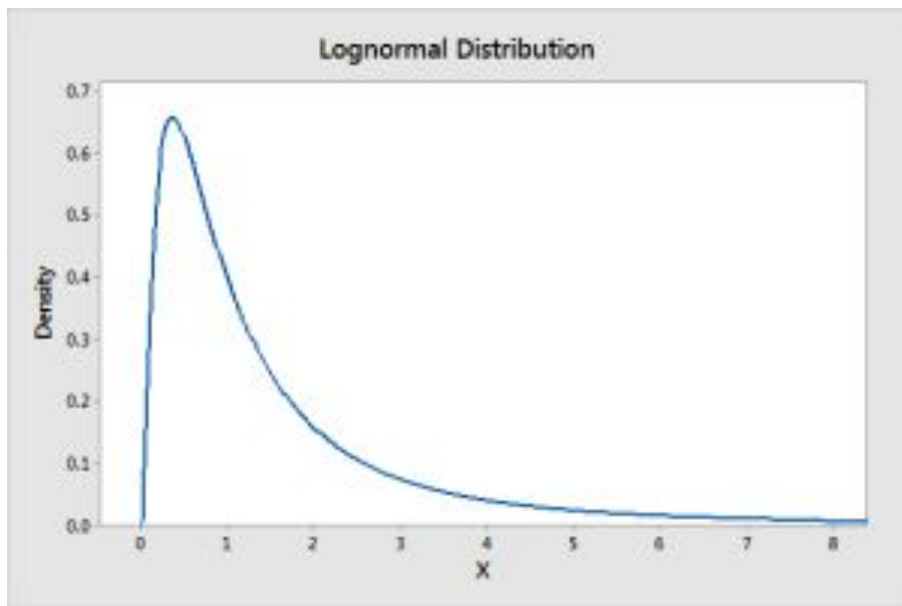


MGL Athena Intelligence Partners LTD

The AI Research Tool



Information is distributed log normally



This is creating information asymmetry.

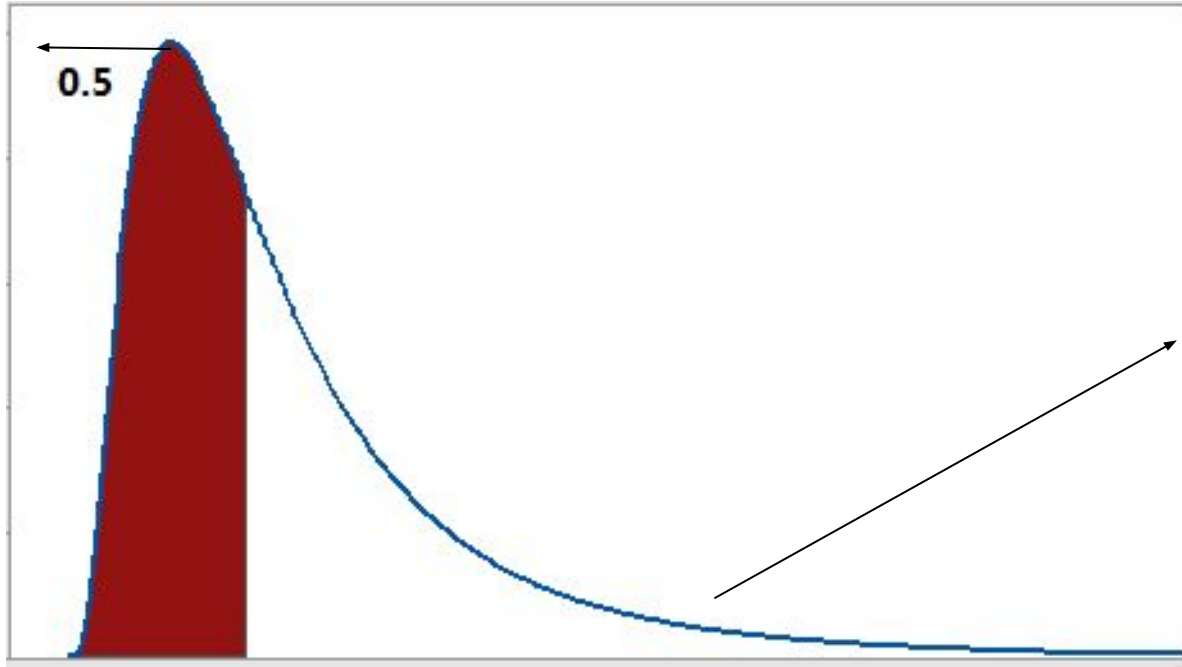
Podcast Example:

A significant portion, likely over 50% of podcast attention, might be directed towards the top 10 podcasts, considering how these platforms and posts highlight the dominance of a few shows. This estimation comes from understanding that top podcasts often have millions of listeners per episode, far outstripping the average podcast listenership.

The Echo Chamber

50% attention
on top **1%** of
news.

This is the
'echo chamber'
which drives
consensus.



99% of newsflow
is ignored, despite
being a rich source
of significant
news.

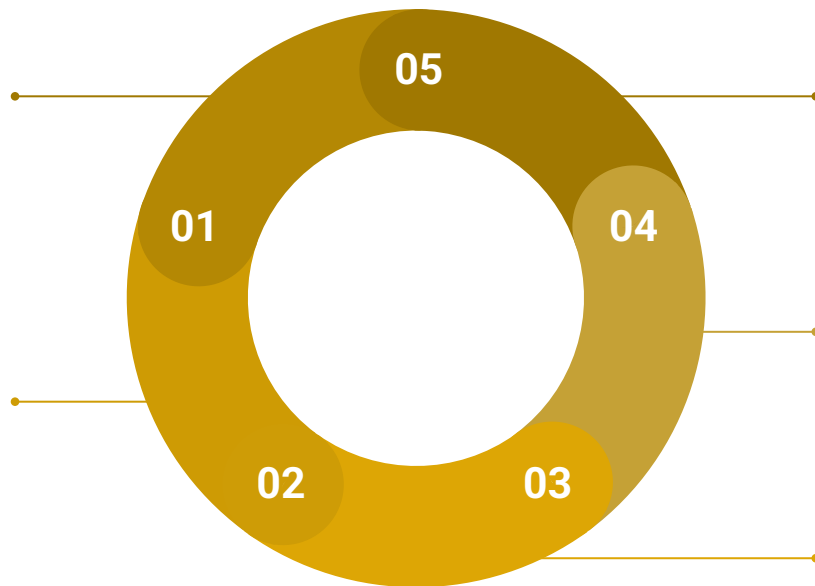
Key Features

Data

Global news from 100+ languages via GDELT Project; Crowdsourced Seeking Alpha analysis; 70,000+ stocks: Corporate news, transcripts, & filings

AI

State of the art semantic and textual similarity models 'learn' from user feedback to surface personalized recommendations



Topics

Monitor unlimited topics of interest and companies in our easy to use UI

Reporting

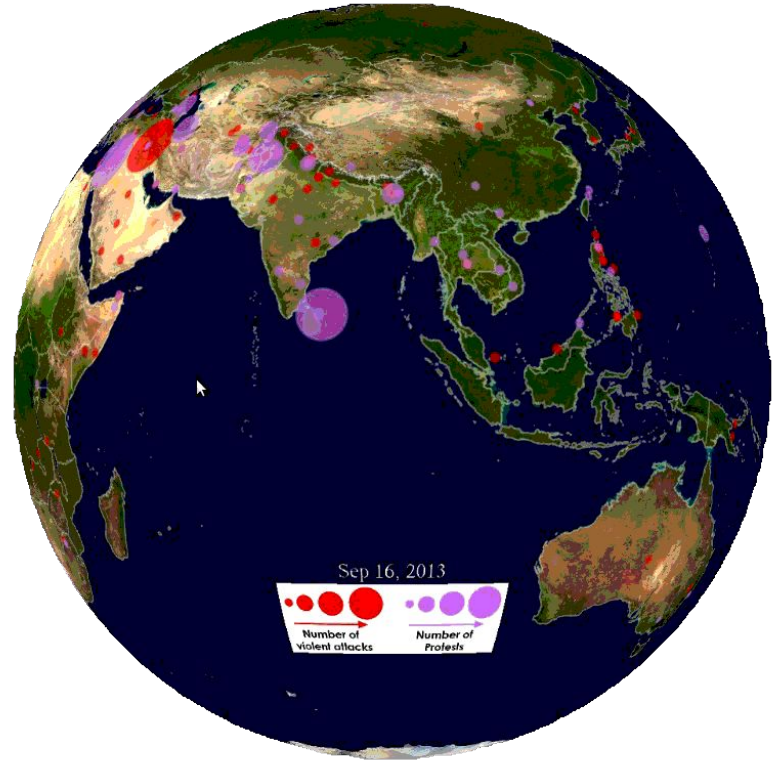
Create and share reports with colleagues and clients combining stories and your commentary and analysis.

Newsfeed

Read, Comment, and Vote on Stories recommended by your personalized AI. Provide instant feedback to the AI system by voting on each story.

Data: GDELT

- The GDELT Project monitors the world's broadcast, print, and web news from nearly every corner of every country in over 100 languages
- GDELT adds **25,000 unique stories per day** with the majority (~55%) focused on non-western events.
- Powered by the world's largest real-time news translation system, translating 98.4% of daily non-English news into English instantly.
- Our data warehouse will capture and make searchable the full text of all articles in **GDELT**, every day.



Tracking protest and counter-protest events in 2014. Source: <https://www.gdeltproject.org/>

Data: Corporate Analysis and News

- Supplementing GDELT global coverage will be company specific analysis from **Seeking Alpha**, the leading financial website for crowdsourced opinion and analysis of stocks, bonds and other investment analysis.
- Finally, a dedicated data broker will provide data coverage of over **70,000 traded instruments**. Initially, we will integrate company press releases, earnings call transcripts, and regulatory filings.

Artificial Intelligence Methods

- Our in-house, custom built AI module blends the latest techniques in semantic and textual analysis methods to drive our recommendation engine.
- The system uses a universal sentence encoder, named entity recognition, and cosine similarity scoring to recommend specific articles to users based on their prior interests.

Key Concept: Word Embeddings

- “You shall know a word by the company it keeps”
 - John R. Firth, NLP pioneer, 1957
- This concept enabled computer scientists to represent the **words as numbers** (specifically, **vectors**).
- It is fundamental to how all natural language-based AI systems work, from ChatGPT to Google Translate
- Early, simple approaches used **one-hot encoding** to generate sparse matrices
- Today, word embeddings are **trainable parameters** (weights learned by the model during training). Each word is represented as an n-dimensional vector of floating point values.

One-hot encoding

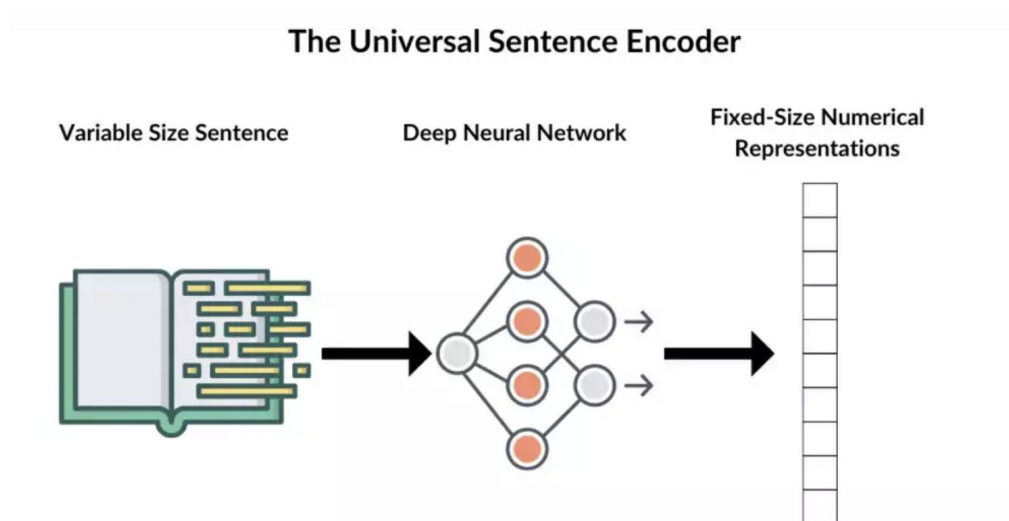
	cat	mat	on	sat	the
the =>	0	0	0	0	1
cat =>	1	0	0	0	0
sat =>	0	0	0	1	0

A 4-dimensional embedding

cat =>	1.2	-0.1	4.3	3.2
mat =>	0.4	2.5	-0.9	0.5
on =>	2.1	0.3	0.1	0.4

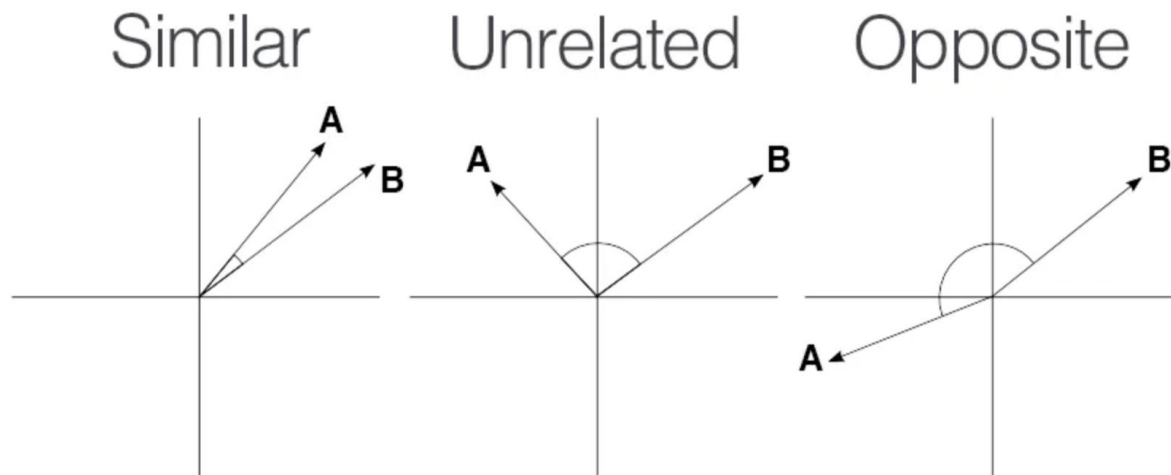
AI: Universal Sentence Encoder

- All newsflow passes through a pre-trained word embeddings model to create a **vector representation of each text**.
- Our AI system represents input text as a **512-dimension vectors**. It is trained and optimized for greater-than-word length text, such as **sentences, phrases or paragraphs**.



AI: Cosine Similarity Scoring

- **Vectors have direction**, therefore vectors pointing in a similar direction must have a similar meaning in the embedding space.
- Here, **A** is a new article, which is compared to **B**, an article a user has flagged as interesting in the past.



$$\|\vec{a}\| = \sqrt{a^2 + a^2 + a^2 + \dots + a^2}$$

AI: Named Entity Recognition

- We also use Named Entity Recognition models (NER) to extract real-world objects from text (places, people, things)
- We benchmark all incoming articles against the users previous articles. New articles with significant overlap to a users' prior interest will be recommended.

The diagram illustrates Named Entity Recognition (NER) on a news snippet. At the top, five colored boxes represent the entity types: ORGANISATION (orange), LOCATION (yellow), DATE (green), PERSON (cyan), and WEAPON (blue). Below these, a text snippet is shown with entities highlighted and labeled with their type and a small code:

The **ISIS** ORG has claimed responsibility for a suicide bomb blast in the **Tunisian** LOC capital **earlier this week** DATE, the **militant group** ORG 's **Amaq news agency** ORG said on **Thursday** DATE. A **militant** PER wearing an **explosives belt** WEAPON blew himself up in **Tunis** LOC.

Delivery Roadmap



11/24

Project Start

Development Phase



05/25

MVP Release

Early adopters provide feedback on essential functionality



06/25

Beta Testing

A small number of users are on boarded to a near final version of the software



07/25

Full Launch

Full release of v1.0 to all users

Actively hunting for 'significance' not yet on 'most read'

Custom Searches		Page 1/3	Most Read Stories
Most Read News for 8 Hours		Refresh	11:52
1	Treasury 10-Year Yields May Hit 5% in Six Months, T. Rowe Says	BN	03:57
2	Decade of Big S&P 500 Gains Is Over, Goldman Strategists Say	BN	11:41
3	Chinese Banks Slash Lending Rates to Bolster Ailing Economy	BN	03:22
4	Stocks Pause Gains With Focus on Busy Results Week: Markets Wrap	BN	10:34
5	Carson Block Says 'Close Your Eyes and Buy' US Stocks, Not China	BN	06:31
6	Hedge Funds Are Shorting Net Zero and Staying Long Fossil Fuels	BN	10:20
7	Israel Hones Plans to Attack Iran After Attempt on Netanyahu	BN	10:20
8	MetLife Is Said in Talks to Buy PineBridge's Non-China Assets	BN	05:58
9	Asia Hedge Funds Outperform Global Peers on September Rally	BN	06:46
10	Wall Street Braces for a Lost Decade - But Not Yet: John Authers	BSG	05:14
11	Hong Kong Summit Draws Top Bankers as City Seeks Revival	BN	07:43
12	Tariffs Pose Emerging Headache for European Stocks: Markets Live	BN	11:39
13	Norway's DNB Bank to Buy Carnegie Holding for \$1.1 Billion	BN	10:41
14	Moldova Approves EU Membership Path With Razor-Thin Margin	BN	10:18
15	Bitcoin Flirts With \$70,000 After \$2.4 Billion Inflow Into ETFs	BN	07:26
16	Voters Believe in Trump's Tariffs, They're So Wrong: Bill Dudley	BSG	11:00
17	How Russia's Spies Hacked the Entire Nation of Georgia	BN	05:46
18	WiseTech Sinks on Claims About Billionaire CEO's Behavior	BN	06:42
19	Oil Rises as Israel Plans Next Iran Move After Weekend Attack	BN	10:18
20	Israel Hits Hezbollah Finances as US Eyes Diplomacy in Lebanon	BN	09:45
21	Saxo Bank Is Said to Draw Altor-Led Group, Interactive Brokers	BN	09:21
22	Traders Bet China to Keep Yuan Calmer Onshore If Trump Wins	BN	03:26
23	JAB to Buy Mondelez's Stake in JDE Peet's for \$2.3 billion	BN	11:23
24	Carson Block Says 'Close Your Eyes and Buy' US Stocks, Not China	BN	04:59
25	Harris Says Trump's Profanity, Vulgar Remarks Will Repel Voters	BN	10:20
26	Mayfair's Real Estate Allure Gets Put to the Test: Chris Hughes	BSG	05:30
27	AI Search Startup Perplexity in Talks for \$9 Billion Valuation	BN	04:44
28	Gold Climbs to Record as Mideast, US Election Drive Haven Demand	BN	02:59
29	Loans Tied to SRTs Reach \$1 Trillion as Sales Run at Record Pace	BN	09:34
30	New Indonesia Leader Strikes Harsher Tone as He Takes Power	BN	03:54
31	Apple's New iPad Highlights Its Secret Advantage in AI: Power On	BN	10:20
32	CD&R Closes In on Sanofi Consumer Arm After France Steps In	BN	09:36
33	Top China Quant Winds Down Strategy Pummelled by Market Rally	BN	07:24
Australia 61 2 3777 3600 Brazil 55 11 2335 3000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000			
Japan 81 3 4565 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2024 Bloomberg Finance L.P.			
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The Echo Chamber. No alpha!

The Results (Jan 23 - 3 yrs)

Statistics	AI	No AI
	3 Years	5 Years
Standard Deviation	21.62	23.83
Arithmetic Mean	52.96	30.14
Sharpe Ratio	2.41	1.23
	3 Years	5 Years
Alpha	33.44	17.56
Beta	1.51	1.62
R-Squared	0.74	0.77
Information Ratio	4.03	1.69
Tracking Error	12.71	13.98

#5/670

Above Average

This is my stock portfolio.

No change in philosophy,
style or process; just better
decisions.

Over three years this is
statistically significant.

Critical Question?

- We have one person with one AI and one portfolio.
- We WANT many instances with many AI's and many portfolio's
- Critical question: can we generalise this skill amplifier?.

Summary

- We use AI to discover significant but undiscounted alpha.
- Value stocks are many, but names with positive undiscounted alpha are few.
- We try and distill many small pieces of information into an easily understood theme with which we test all the idea flow.

Appendix



The Angry Portfolio Record.

- The ideas
 - The actions
 - The results
-

Covid-19

- AI flagged Covid19 early, This was a significant negative event.
- We took 30% cash. A direct response to high risk.

Mark Latham of Commodity Intelligence displayed great prescience at an Independent Research Provider conference earlier this year telling investors the market was grossly underestimating the impacts to the real economy of Covid-19. And here we are. In addition, and as an expert in the field, he detailed accurately the price path for oil. Find out where oil heads next...

[Request Call](#)



2021: Oil, Gas & Coal

The AI alert:

21 Electricity grids falling over

Analysis:

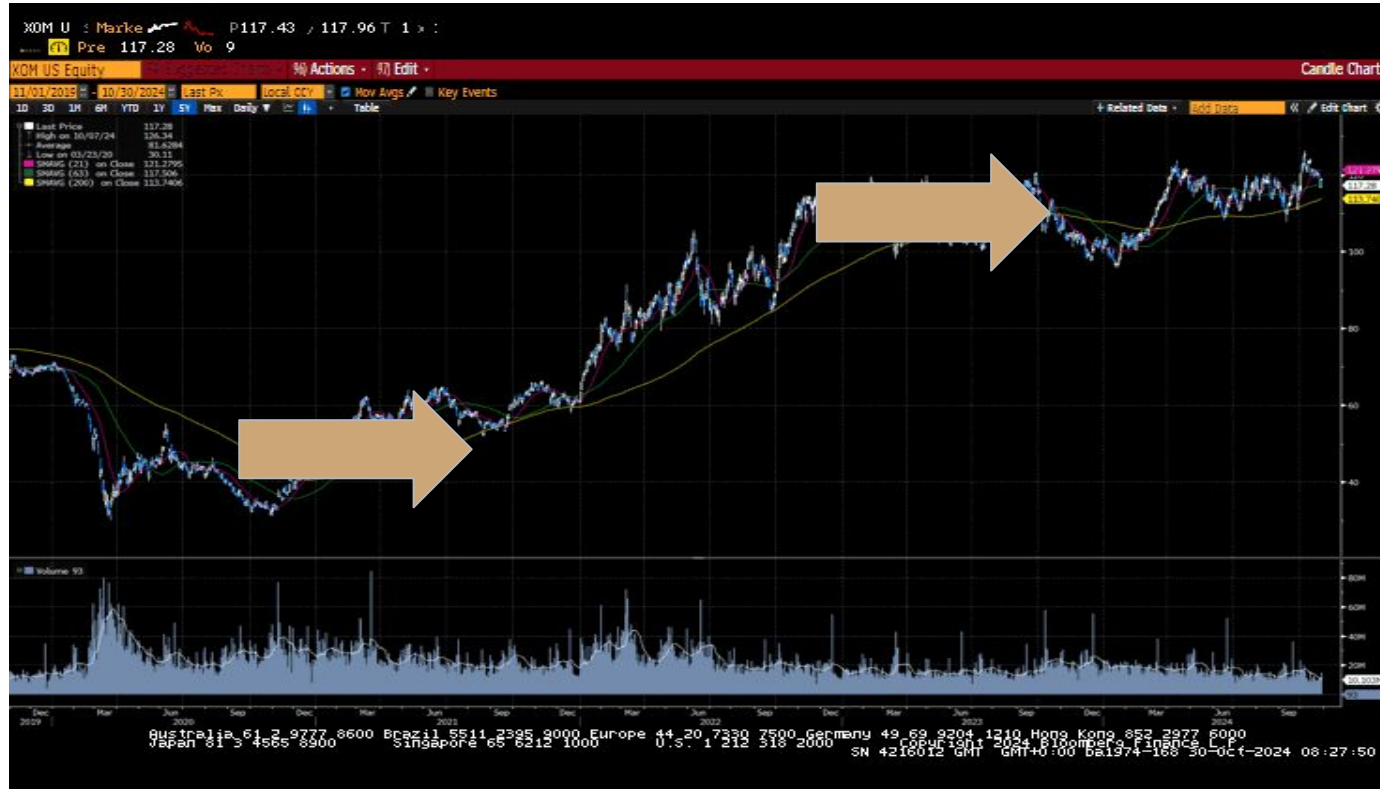
Too many renewables

Alpha:

Energy Crisis!



Buy Exxon, Sell Nasdaq!



The Angry
Portfolio at one
point was 80%
energy.

The Energy
Crisis
represented real
risk to markets.

The Terminator Theme: 2023=>Q2 2024

Observation: ChatGPT record speed to 100m users.

- AI
- Robots (Ford engineer: AI improves robot training)
- Defence (NATO: "we're short 155 ammo")

Actions: Nvidia, Taiwan; TSMC; Hanwha Aerospace.

This theme ran from late 2023=> q2 2025.



Hanwha Aerospace



Example: Steel

Our story: UAE trader reports seeing Chinese steel at \$400, late July.

Most read 14 August.

<Back> to Return
Previous Next Send Actions Translate News Story
08/14/2024 10:42:21 [BN]

World's Top Steel Producer Warns of 'Severe' Industry Crisis (2)

- Iron ore collapses to lowest since last year on demand outlook
- Cash now 'more important than profit,' China Baowu boss says

By Bloomberg News

(Bloomberg) -- The world's biggest steel producer sounded the alarm about an industry crisis in China that carries the potential to ripple around the globe and plunge the sector into a deeper downturn.

Conditions in China's steel sector are like a "harsh winter" that will be "longer, colder and more difficult to endure than we expected," China Baowu Steel Group Corp. chairman Hu Wangming told staff at the company's half-year meeting, warning of a worse challenge than major traumas in 2008 and 2015.

Global investors are lasered onto China's struggling economy, even as they also contemplate the possibility of a recession in the US, with the Federal Reserve

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 4565 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2024 Bloomberg Finance L.P.

MT NA Equity
Graphic Dashboard
LEVEL
Sentiment



Impact: Arcelor



Our commentary:

All year: deeply sceptical of Arcelor attempting to raise prices.

Baowu news hits 14th August.

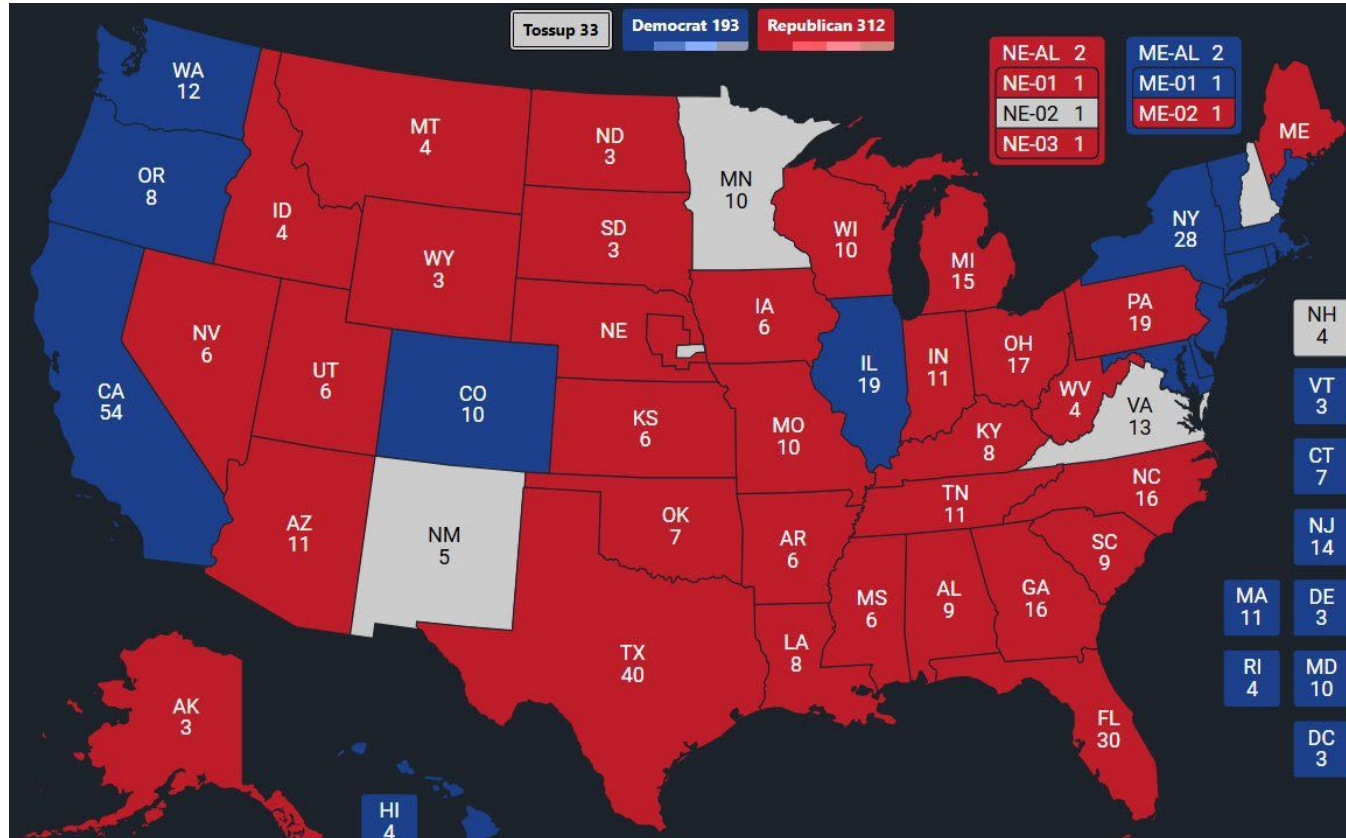
Stock hits low for the year.

The AI predicts a Milei Win.



The Echo Chamber was sceptical.

The AI prediction a week before the election



The Statistic:

1% pollster response vs **9%** in the year 2020

The Fact:

Senior Democrats join Trump. (JFK, Musk, Tulsi)

The Anecdote:
Kamala booed in Detroit

Powell industries: Both Terminator and Trump Victory



Star Trek is a better forecaster than Goldmans!



1967 and we have the first mobile.

Small story: the Motorola inventor of the first mobile phone admitted in an interview that he was inspired by Star Trek.

We have to think 20 years out when we do macro research.
