THE AIR POCKET LEDGER — SEQUEL TO NOTE NO. 006

Palantir's +48% Month Came on a Shrinking Tape. Here Is Who Was Actually Obliged to Sell — and Who Simply Wasn't There

Palantir closed at $125.65 on August 3, printed a quarter that beat on every line, and closed August 31 at $186.38 — up 48% in a month. Two sessions later it is $169.46, down 9% from that high, and the explanations on offer are the usual pair: "profit-taking" and "insider selling." Both are true and neither is the mechanism. This note does what the house always does: it counts. Who was contractually obliged to transact, how big they were against the tape, and what the tape itself was doing while the stock climbed. The answer is less dramatic and more useful than the headlines.

WHAT THE PRINT DID — AND WHAT THE TAPE DID AFTER

The catalyst was real. Q2 revenue of $1.94B against a $1.80B consensus, up 93% year over year; U.S. commercial revenue up 149%; adjusted EPS of $0.41 versus $0.35; full-year revenue guidance lifted to $8.15–8.16B from $7.65–7.66B; remaining U.S. commercial deal value of $6.24B. On August 4 the stock gapped **+29.5% on 175 million shares** — **4.7 times its 20-day average volume.** That is what a re-rating looks like: price and volume arriving together. What followed was different. From August 21 to the August 31 closing high, Palantir added roughly another 4% **on 0.65 to 0.75 times normal volume** — the tape was thinning as the price rose. The 14-day RSI peaked at 74 on August 10 and was 69 at the high: stretched, not extreme. Then September 1 (–3.5%, on 0.66× volume) and September 2 (–5.8%, on 1.07×). The decline did not need a crowd of sellers. It needed the absence of buyers that the last leg had already revealed.

4.7× → 0.7×

Volume relative to the 20-day average on the earnings gap (Aug 4) versus the final leg to the high (Aug 21–31). The re-rating was bought with conviction; the last 4% was bought with almost nobody on the other side. **A move built on absent sellers gives itself back on absent buyers** — that is an air pocket, and it is a liquidity fact, not a verdict on the company.

THE FORCED-SELLER LEDGER — WHO WAS ACTUALLY OBLIGED TO TRANSACT

PARTICIPANT	MECHANISM	SIZE VS. THE TAPE	VERDICT
CEO 10b5-1 plans	Pre-scheduled, price-agnostic sales (plan adopted Mar 12); 582,348 sh on Aug 20 at ~$175, ≈$102M	2.2% of that day's 27.0M shares; 1.3% of an average August day (44.5M)	Forced — and immaterial
S&P 500 trackers	Quarterly rebalance effective Sept 18 close; routine share-count / float true-up	Fractional weight drift; PLTR has been a constituent since Sept 2024	Mechanical, not a seller
Momentum & factor funds	Month-end reconstitution after a +48% month	Unquantified; direction is *buy*	Mechanical buyers at the top
Options dealers	Hedging one of the largest retail call books in the market	Not disclosed; see "What we do not know"	Amplifier, not originator
Discretionary holders	Profit-taking at ~144× earnings; macro (a hawkish Jackson Hole)	The bulk of the two-day volume	Choice, not obligation

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THE INSIDER-SELLING HEADLINE, SIZED HONESTLY

The Form 4 is the story everyone can point to, so it deserves the arithmetic. Under Rule 10b5-1 plans, the CEO sold 492,348 shares at an average of $174.79 and a further 90,000 shares on August 20 – about $102 million in total. Those sales were scheduled months in advance, which makes them the purest “forced flow” on the ledger: price-agnostic by construction. They are also 1.3% of an average August session. A seller of that size cannot move a $400-billion company's tape; what a filing like this moves is sentiment, and sentiment is a discretionary flow. The house distinction holds: the scheduled seller was real and small; the unscheduled sellers were large and free to choose. Only the second group explains the price.

> **1.3%** The CEO's ~$102M of plan-scheduled August sales as a share of one average August trading day in PLTR. **Forced, disclosed, and immaterial to price.** The number that actually explains the fade is the one above it – the volume the rally was running on when it stopped.

THE ANALOG LEDGER – EVERY +35% MONTH SINCE 2021, AND WHAT CAME NEXT

Since 2021 Palantir has rallied 35% or more over 21 sessions on eleven occasions; ten have full forward history. Measured from the day each rally first crossed the +35% line:

HORIZON	MEDIAN RETURN	POSITIVE	THE HONEST READ
5 sessions later	–2.3%	5 of 10	A coin flip; the first week rarely resolves anything
1 month later	–10.7%	4 of 10	The hangover. Range –39% (Jan 2021) to +35% (May 2023)
1 quarter later	+4.0%	7 of 10	Modest positive skew once the digestion is done

The current episode crossed +35% on August 10 at $175.23. Sixteen sessions later the stock is $169.46 – down 3.3% from that mark, tracking the deck almost exactly. The tape reads neutral now: RSI 52, 15% above the 50-day average ($147.17), 12% above the 200-day ($151.31), 18% below the 52-week high of $207.52. Nothing in those readings is a signal. They are a description of where a large, fast move has settled so far.

WHAT WE DO NOT KNOW

We cannot see the dealer book. Palantir carries one of the largest single-name options positions among retail-traded names, and a rally of this shape – steady, low-volume, grinding – is the kind that dealer hedging of call buying tends to assist on the way up and withdraw from on the way down. We have not quantified that here and will not pretend to. We also do not know whether the +93% quarter is the new run-rate or the peak of one; that is a question about the business, and the business is not our beat. What we can say is bounded and checkable: the forced seller on the ledger was too small to matter, the last leg of the rally was too thin to hold, and the month after a +35% month has historically been a losing one six times in ten. The old rule applies – *when everyone can see the trade, the trade is already crowded* – and after a 48% month, everyone could see it.

Sources & method: Price and volume – PLTR daily OHLCV, 2011 through the September 2, 2026 close, via public market-data feeds; all indicators (Wilder RSI-14, 50/200-day SMAs, ATR-14, 20-day volume ratios) computed by Ananke Alpha from the raw series, not quoted from third-party dashboards. “Normal volume” is the 20-session average preceding the earnings print. Analog study – every 21-session return of ≥ +35% since Jan 2021, one observation per episode (first crossing), forward returns from that close. Q2 2026 figures – Palantir's Q2 press release (Aug 3, 2026) and contemporaneous public reporting. Insider sales – SEC Form 4 filings dated Aug 20–24, 2026 (492,348 sh at avg. $174.79; 90,000 sh under a separate plan); plan adoption date per the filing. Index membership – S&P Dow Jones Indices constituent announcements (PLTR added Sept 2024). Volume ratios and analog returns approximate; verify