DRAFT

SoIA: State of Imperial Achievements

November 2026. Contracts, Compute and Corridors.

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Prepared for the consortium. Pen name: Wang Lei.

Labels: [V] = checked against a primary source or several independent sources, linked inline. [V-s] = confirmed through a single secondary source. [R] = refuted by the record. [U] = unconfirmed; listed only under open checks.

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1. Method note

This edition is written by Wang Lei for the consortium. It follows the method of the October Definitive. Claims are traced to primary sources wherever possible, such as filings, court decisions, official releases and statistical series. Press reports are used where no primary source is available. The lens is materialist. We ask who owns the asset, who finances it, who buys the output and who bears the cost, and we do not infer motive where the record shows only outcome.

Labels. [V] means verified against a primary source or several independent sources. [V-s] means verified from a single secondary source. [R] marks a claim that the record refutes. Attributed opinion is reported as opinion, not labelled [R]. Unverified items appear only in the "Open checks" list at the end of each section and are not asserted in the text.

Addenda. Direction 3 (the private-city pipeline), Direction 5 (Peter Thiel's Nashville lectures) and the Rockbridge/Vance thread move to the December edition unless there is news before publication.

2. AI bubble watch

AI: enterprise returns lag the spending

Firm-level evidence on returns is still thin. In an Atlanta Fed working paper surveying about 6,000 executives in the US, UK, Germany and Australia, 89% reported no productivity impact from AI over the past three years, while expecting gains of about 1.4% over the next three [V] (Atlanta Fed WP 2026-3). Attempts to turn AI into headcount savings have also met limits. A Reuters investigation found that Meta's plan to replace staff with AI coincided with more serious site incidents, and a second round of cuts was called off [V-s] (Reuters, Aug 26). US employers cited AI in about 120,000 announced job cuts through September, but only about 4,000 in September itself, down from about 38,600 in May [V] (Challenger, Gray & Christmas). Returns lagging spending weakens the revenue case behind data-centre capex. It does not by itself show that a burst is near; that remains a hypothesis to test against market and credit signals.

Live indicators: soiareport.com/ai-bubble-watch.

The verdict and its politics

The dashboard's verdict, as of 22 November, is Imminent, under review: an index drawdown of 10% or more together with confirmed credit stress [V-s] (AI Bubble Watch). On 5 November the Nasdaq Composite fell 5.5% to 24,315, about 11.9% below its 6 October record, and the S&P 500 fell 4.4% to 7,353.73, about 6% below; it was the worst day for both since April 2025 [V-s] (CNBC). The seven largest US tech firms lost more than US$1tn of market value in the session. Nvidia fell 9.3% to US$181.60 and CoreWeave 9.8% to US$43.66 [V-s] (Fox Business). On 6 November the Nikkei 225 closed at 57,434.77, down 5.96% [V] (Nikkei Indexes). The TOPIX closed at 3,707.99, down 5.90% [V-s] (Nikkei). The Kospi briefly fell more than 8%, triggering a circuit breaker [V-s] (Japan Times; Reuters via Business Standard). The same day's US session retraced only part of the 5 November fall. The Nasdaq Composite closed at 24,579.42, up 1.09%, and the S&P 500 at 7,376.86, up 0.31% [V-s] (CNBC; Fox Business). Nvidia closed at US$186.64, up 2.78%, and the semiconductor index rose 4.2% [V-s] (Fox Business). The partial rebound leaves the dashboard's verdict unchanged: it remains Imminent. On 9 November the Nikkei 225 recovered 2.33% to 58,775.50, still below its 5 November close [V] (Nikkei Indexes). Reuters had reported investor doubts that Anthropic could start its roadshow the week of 9 November at the valuation discussed [V-s] (Reuters via Investing.com); the roadshow has since launched, and the offering priced on 18 November and began trading the next day (see below). Mid-month this was a correction, not a bear market; the 20 November closes are taken up below. There is still no default, failed financing or public backstop on record. The stress is concentrated where AI spending is financed with debt and cash burn: Alphabet's record one-day fall on 29 October, Amazon's negative trailing free cash flow, and a Microsoft bond sale of at least US$25bn. The November datapoints below point the same way: compute is being sited wherever power is cheap and political permission is available, and the political argument over who absorbs the losses has begun.

On 10 November, after a hotter-than-expected October CPI print, the S&P 500 fell 0.38% and the Nasdaq Composite 0.74%; Nvidia closed at US$168.89, down 5.47% [V-s] (CNBC). CoreWeave reported third-quarter revenue of US$3.66bn and a net loss of US$709m, raised guidance, and said it expects under US$5bn of new capital this year; it later said its next asset-level debt should price at 7–7.5%, a shift away from unsecured bonds [V] (CoreWeave IR; CNBC). Anthropic launched its IPO roadshow at US$70–78 a share, a valuation of up to US$64.35bn, plus a US$26bn supplier private placement; people familiar with the matter then said pricing was expected on 18 November and a first trade on 19 November [V] (Anthropic) [V-s] (CNBC). On 11 November US AI stocks rebounded: the S&P 500 rose 1.31% to 7,619.38, about 2.6% below its 6 October record, and the Nasdaq Composite 1.60% to 25,466.19, about 7.7% below [V-s] (AP; Yahoo Finance).

On 12 November Nvidia's board accepted Jensen Huang's resignation as president, chief executive and director, effective 11 November [V] (NVIDIA Newsroom; Form 8-K). Colette Kress, the chief financial officer, became interim chief executive, and Harvey C. Jones became the company's first board chair [V]. The shares opened at US$150.99, 13.1% below the previous close of US$173.73, and the official close was US$166.19, down US$7.54 or 4.34% [V-s] (Nvidia IR; Yahoo Finance). In Asia that day the Nikkei 225 closed at 60,819.36, down 0.7%, and the Kospi at 5,342.73, down 0.61% [V-s] (Malay Mail). Markets also priced about a 90% chance of a Federal Reserve rate hike, and the 10-year Treasury yield briefly touched 5% [V-s] (Reuters via Investing.com). The same day Nebius guided its 2026 revenue to the low end of its range because of data-center delays, while raising 2026 capital spending to about US$27bn and guiding US$40–45bn for 2027 [V] (Nebius Q3 release); its shares fell 16.8% and CoreWeave's 6.9% [V-s] (AI Bubble Watch). By 13 November futures priced a December rate hike as certain, and the 10-year yield was about 5.13% [V-s] (CNBC). Bloomberg reported the Anthropic IPO about six times oversubscribed [V-s] (Reuters via The Star). A chief-executive change is not itself a collapse in demand for compute, and a guidance cut at one neocloud is not a default. Nvidia's results, Anthropic's pricing and first trade, and the October FOMC minutes have since arrived, and are taken up below. CoreWeave's planned investment-grade loan of at least US$4bn, which Bloomberg had said could launch in the week of 16 November, is not confirmed here as having priced in that window [V-s] (Quartz). The next scheduled policy test is the FOMC meeting on 8–9 December [V] (Federal Reserve).

On 13 November the Federal Reserve's Financial Stability Report found that 87% of market contacts in its survey of salient risks cited artificial intelligence, up from 50% in the spring [V] (Financial Stability Report, November 2026). In a speech on 16 November, Governor Michael S. Barr, recapping that report, said on-balance-sheet debt of the seven largest AI firms "is expected to exceed $800 billion before year's end," and that the potential maximum nominal value of off-balance-sheet obligations such as long-term contracts, leases and residual-value guarantees "now exceeds $3 trillion" [V] (Barr, 16 November). The same day, Taiwan's Taiex fell 6.03% to 41,040.08, its second-largest point drop, with TSMC down 5.74%, Hon Hai 9.34% and Delta Electronics limit-down [V-s] (Focus Taiwan / CNA). South Korea's Kospi fell 3.59% to 5,100.50 and Japan's Nikkei 225 2.42% to 59,662.02 [V-s] (The Edge wrap). There is still no default, failed financing or public backstop on record.

On 17 November Nvidia reported fiscal third-quarter revenue of US$115.8bn, up 20% from the previous quarter and 103% from a year earlier, with data-center revenue of US$107.6bn, up 110% year on year. GAAP and non-GAAP diluted earnings per share were US$2.70 and US$2.68; GAAP gross margin was 74.8%. The company guided fourth-quarter revenue, a quarter with an extra week, to US$130.0bn plus or minus 3%, and said it was not assuming any data-center compute revenue from China. It guided GAAP and non-GAAP gross margins to between 71.0% and 72.0%. Colette Kress, speaking as interim chief executive and chief financial officer, said Vera Rubin was "off to an explosive start" and that the roadmap was on track; the company said the Vera Rubin NVL72 platform had begun shipping [V] (Nvidia, 17 November). Reuters reported that on the call the firm declined questions about Jensen Huang's resignation and said it did not plan to reinstate him, and that Kress told investors it now expects fiscal 2028 revenue to grow about 75%, up from a prior 70% [V-s] (Reuters via Investing.com). The company filings still give no reason for the resignation. After the report the shares rose in extended trading, then sold off with the rest of the AI complex: they closed on 20 November at US$125.53, down 14.01% on the day [V-s] (CNBC). The same day Reuters, citing unnamed sources, reported that the US Securities and Exchange Commission is examining possible accounting issues at Nvidia; the SEC declined to comment, and no charge or finding is cited. An inquiry is not wrongdoing [V-s] (Reuters, 20 November).

Anthropic priced its initial public offering on 18 November at US$83.00 a share, above the earlier US$70–78 range. The offering was 980 million Class A shares, 956,351,354 of them sold by the company, expected to trade on the Nasdaq Global Select Market on 19 November under the ticker ANT and to close on 20 November [V] (Anthropic, 18 November). At US$83 the 980 million shares imply about US$81.3bn of gross proceeds, before the underwriters' option of up to 147 million

further shares. Nasdaq said the shares opened at US$111.50; they closed the first session at US$97.17, about 17% above the offer price, and on 20 November at US$88.91 [V-s] (Nasdaq; CNBC).

The Federal Reserve published the minutes of the 27–28 October FOMC meeting on 18 November. The Committee voted 10–2 to keep the federal-funds target range at 3¾ to 4 percent; Lisa D. Cook and Beth M. Hammack voted against, preferring a 25-basis-point increase. Many participants viewed the AI buildout as a material source of inflation risk [V] (FOMC minutes; minutes PDF).

On 20 November the S&P 500 fell 3.7% to 6,910.39, about 11.6% below its 6 October record close of 7,818.93, and entered a correction on that measure. The Nasdaq Composite fell 5.28% to 22,617.73, about 18.1% below its 6 October record of 27,599.79, and closed negative for the year. The Dow Jones Industrial Average fell 949.73 points, or 1.93%, to 48,147.33, which CNBC also described as 10% below its closing record. CNBC reported that the Nasdaq-100 entered a bear market on an intraday basis [V-s] (CNBC, 20 November; AP). The composite close is still short of a 20% decline from the October record. The dashboard's verdict, checked on 22 November against those Friday closes, stays Imminent, under review. There is still no default, failed financing or public backstop on record.

On 16 November the Commerce Department's Bureau of Industry and Security issued an interim final rule, "Addressing Remote Access to Advanced Semiconductors" (RIN 0694-AK50). It requires a licence to export, reexport or transfer advanced computing items for use in a data center, wherever located, that will provide more than 12 million aggregate TPP of compute to a company headquartered in, or whose ultimate parent is headquartered in, Macau or a Country Group D:5 destination, including China. Applications under that end-use control are reviewed case by case. Commercial recommender systems, such as those used by online retailers and social media companies, are carved out if the operator files a notice with BIS. Data centers already providing such compute before the rule's publication, and that wish to continue, have 90 days from the effective date to obtain a licence. Separately, and in addition to existing controls, a licence is now required to export, reexport or transfer those advanced semiconductors to or within Indonesia, Malaysia, Singapore, Thailand or Brazil, which the rule describes as presenting a "higher-than-normal risk of diversion." Those applications are also reviewed case by case. The new country-list licence does not apply when the ultimate consignee or end user is headquartered in, or has an ultimate parent headquartered in, the United States, provided the exporter files the reports required by new § 743.10 [V] (BIS IFR; BIS press release, 16 November).

The rule formally rescinds the Biden-era Framework for Artificial Intelligence Diffusion (90 FR 4544, 15 January 2025), which BIS had already said in May 2025 it would not enforce. Under that unused framework Brazil was a Tier 2 destination, subject to a cumulative 2025–2027 installed-base cap of 790 million TPP, commonly described as about 50,000 H100-equivalents. The IFR was published in the Federal Register on 19 November 2026 (91 FR 74970, FR Doc. 2026-23529) and is effective that day; comments are due by 19 January 2027. BIS said the rule was "written by and at the direction of the Department of Treasury and the National Security Council," and that it is designed to stop existing restrictions being circumvented through remote computing in third-country data centers [V] (same IFR; BIS press release). A licence requirement is not a denial, and a planned campus is not a shipment. Brazil's development, industry and trade ministry, quoted by O Globo on 16 November, said the government had taken note of the Commerce announcement, that the measure is not a prohibition but a requirement for authorisation, and that the effect on Brazilian imports cannot yet be assessed; interlocutors said a negotiation or a challenge had not been ruled out and that no response had been decided [V-s] (O Globo). No MCTI or Itamaraty statement was found in this pass.

Anthropic's Supported Regions Policy, as updated on 8 October and effective 12 November 2026, says Claude apps, the API, and Claude models sold through cloud platforms or authorised resellers are available only in listed countries. Mainland China, Hong Kong and Macau are not on the list. The policy bars use by people physically in an unsupported region, by entities incorporated or headquartered there, and by entities majority-owned or controlled, directly or indirectly, from those regions, including their staff wherever they work. Anthropic describes the November text as a clarification of how it enforces a restriction it had already tightened in September 2025, not as a new

government programme. Brazil is on the supported list [V] (Supported Regions Policy; 2026 Usage Policy update, 8 October; Updating restrictions of sales to unsupported regions, 4 September 2025). A company policy is not a government order.

SoftBank Group's shares closed 10.8% lower in Tokyo on 6 November and have fallen by almost half since the start of September; its five-year credit-default-swap spread rose to as much as 466 basis points, a four-year high [V] (Reuters via Street Insider; CNBC). SoftBank's own release puts its cumulative investment in OpenAI at US$64.6bn, about 13%, after the 1 October third tranche [V] (SoftBank). Separately, CNBC, citing Bloomberg, reports that ING is seeking buyers for about US$500m of data-center loans, including a US$25m piece tied to the Stargate site in New Mexico [V-s] (CNBC).

King Slide (2059.TW) makes the slide rails used in server racks. It reported October revenue of NT$4.562bn, up 191.1% from a year earlier [V-s] (TechNews, reporting the company's 6 November release). Its second-quarter gross margin was 87.42% [V-s] (Business Today). On 30 October the board of its wholly owned subsidiary approved a capital budget of NT$19.712bn for construction and equipment at two Kaohsiung plants, to be drawn in tranches [V-s] (CNA, reporting the company's announcement). CommonWealth in May 2026, citing an unnamed local broker report, estimates the firm's share of Nvidia's new-generation server rails at more than 70% [V-s] (CommonWealth). The share is an estimate, not a figure from a filing. October's revenue is the month before the November break in the indexes: the hardware orders and the equity prices are not the same series.

Memory: a forecast of glut. The memory boom has a supply answer coming. CXMT, China's largest DRAM maker, reported a third-quarter gross margin of 89.53%, up 1.94 points on the quarter, in its 30 October quarterly report [V-s] (TrendForce). Charles Kau, a former president of Taiwan's Nanya Technology, told TechNews on 10 November that CXMT is building 10 fabs across Beijing, Shanghai and other sites, with large new capacity due within about two years, and warned of a possible global memory glut [V-s] (TrendForce, citing TechNews). The 10-fab count rests on Kau alone. Reuters has reported new fabs in Shanghai and Hefei and a second Beijing plant under consideration [V-s] (Reuters, 3 Aug), and Commercial Times, as relayed by TrendForce, puts CXMT's capacity at about 320,000 wafers a month now and 420,000 by 2027, mostly for China's own market [V-s] (TrendForce). This is a medium-term forecast, not a present fact: today's margins reflect a shortage, and the risk is that the capacity bought to end it arrives as AI demand is being repriced.

Bailout politics

On 29 October 2026, Representative Greg Casar, with Maxine Waters and 11 other Democrats, introduced H.Res. 1642. It was referred to the Financial Services, Judiciary, and Education and Workforce committees [V] (H.Res. 1642, GovInfo; Congressional Progressive Caucus). It is a nonbinding sense-of-the-House resolution.

The text opposes any federal rescue of insolvent AI-related firms, or of financial firms exposed to the sector. It names the channels used in 2008: emergency lending under section 13(3) of the Federal Reserve Act, the Exchange Stabilization Fund, direct capital infusions and debt guarantee programmes [V]. It says such firms should go through ordinary bankruptcy or orderly resolution, with priority for workers, consumers and pension holders, and that executives should repay their gains. In place of a rescue it backs fiscal stimulus to create jobs, unemployment and housing aid, protection for pensions, and automatic stabilizers [V]. Its preamble states that AI-related firms hold trillions of dollars in debt, much of it in opaque private credit, and that their borrowing for data centres is a multiple of projected revenue [V, as the resolution's own findings].

The material point is that a bailout is already being argued over in Congress before any failure. The fight is over who carries the losses on the compute build-out.

Paraguay: Itaipu power for a US compute campus

Araico, a Paraguayan developer, is building Iguazú AI City in Yguazú, Alto Paraná, with the US firm Crusoe as its partner. The project is billed as a 1.3 GW, US$12bn campus [V] (RDN). On 22 October the state utility ANDE signed a 15-year supply contract with Kuntur S.A., a company linked to the project. Supply starts at 6 MW on 1 December 2026, rises to 146 MW in April 2028 and reaches 286 MW in April 2029. The average tariff is about US$48.91/MWh at 220 kV and US$56.39/MWh at 23 kV [V] (ABC Color; Hoy). Under the Itaipu treaty only ANDE and Brazil's ENBPar can buy the dam's output, so the chain runs Itaipu > ANDE > the campus [V-s] (RDN).

The material point is simple. Paraguay's share of Itaipu was for decades sold to Brazil near cost. Part of it will now be sold, at a similar price, to US cloud demand. The headline is US$12bn and 1.3 GW. The signed contract starts at 6 MW.

The host state's banks. On 2 November the board of the Banco Central del Paraguay unanimously opened a resolution procedure for ueno bank under Law 2.334/03, after the bank's solvency ratio fell below half the required minimum [V] (BCP release, quoted in ABC Color). Deposits are guaranteed up to 75 minimum monthly wages, G. 228.3m per depositor per institution, and the central bank's president, Carlos Carvallo, resigned [V-s] (ABC Color). No link between the bank and the compute campus has been shown. The case is context: the state selling cheap power to foreign compute is managing a bank failure at the same time.

Removal and succession. On 5 November Santiago Peña submitted his resignation. The joint session called to accept or reject it lost its quorum during the vote and was lifted, and the resignation was not accepted [V-s] (ABC Color). On 6 November the Senate, chaired by Basilio Núñez, found him guilty of mal desempeño de sus funciones and separated him from office. The vote was nominal and unanimous among the senators present, and the session was lifted at 18:58 [V] (Senate). ABC Color's roll is 44 votes to remove, none against, and one senator absent [V-s] (ABC Color). Pedro Alliana, until then vice president, was sworn before both chambers to complete the 2023–2028 term. The Congress then accepted Antonio Barrios's resignation from the Senate and swore him as vice president [V] (Senate). Article 227 provides that the vice president substitutes at once when the presidency falls vacant [V] (Constitution).

Article 189 makes a democratically elected former president a life senator, outside the quorum, with voice and no vote, unless he has been subjected to a juicio político and found guilty [V] (Constitution). The Senate's guilty finding is the exception the article names. Article 191 provides that a senator or deputy may not be detained, from election until leaving office, except when caught in a flagrant crime carrying a prison sentence; a criminal case then requires the chamber to lift that protection by a two-thirds vote [V] (same text). On 5 November opposition members argued that accepting the resignation would have left Peña the life seat and the protection that comes with it [V-s] (ABC Color). The Itaipu supply contract is a separate instrument. Nothing in these records ties the bank resolution to the compute campus.

Who owns ueno, and the San Bernardino vault. The bank's shareholder list as of 20 October 2026, published at the request of the Superintendencia de Bancos, gives the chain. U Paraguay S.A. holds 93.17% of ueno bank's capital and 98.03% of its votes, with minority holders under 5% holding the rest. U Paraguay is 100% owned by U Holdings S.à r.l., registered in Luxembourg (RCS B280698). U Holdings is owned 86.73% by Grupo Vázquez S.A.E., with 98.82% of the votes; 9.99% by OTP Bank Plc., with 0.89% of the votes; and 3.28% by minority holders, with 0.29% [V] (ueno, shareholder list, 20 Oct 2026; U Holdings list, Aug 2026). OTP's stake carries capital with little control: the votes sit with the Paraguayan group. On 10 November prosecutors in the ueno case opened a vault at Santiago Peña's house in San Bernardino and found it empty; the prosecutor leading the search said the defence describes the room as a panic room [V-s] (ABC Color; Última Hora; La Nación). An empty room shows nothing about what it held before, and a search or an imputation is not a finding of guilt. Separately, notes seized by prosecutors list public tenders that Itti, a technology firm linked to the same group, was pursuing with foreign partners, among them interception and radar projects [V-s] (ABC Color). None of those projects appears among Itti's awards

in Paraguay's public-procurement data, which are mainly software and office IT [V] (DNCP open data), and the 2025 Senad monitoring tender run through the Itaipu technology park was reported as awarded to TSV del Paraguay and Technoma [V-s] (Ñandutí). Notes on a tender are not a contract. An older file is separate. The February 2023 accusation in the A Ultranza case, as quoted by ABC Color and El Nacional, describes the accused operator Alberto Koube placing about US$4m in late 2021 in Credicentro and IOIO, entities later part of Ueno Holding SAECA, including matching loans and investments on 28 December 2021 [V-s] (ABC Color; El Nacional). No charge against Ueno Holding, the bank, Grupo Vázquez or its owners has been found. Koube's six-year sentence comes from a separate bid-rigging case at the national emergency secretariat, and the laundering counts await oral trial [V-s] (Última Hora; ABC Color). Ueno Holding SAECA, a Paraguayan company, is not U Holdings S.à r.l., the Luxembourg company registered in 2023 [V] (U Holdings list, Aug 2026). An accusation is not guilt; a loan is not proof of knowing complicity.

The midterms and the data-center vote

Democrats won control of both the House and the Senate in the 3 November midterms [V] (AP). As of 14 November the Associated Press had called 256 House seats for the Democrats and 169 for the Republicans, with 10 races still uncalled, and the Senate at 55 for the Democratic caucus, including two independents, to 44 Republicans, with Alaska still uncalled [V-s] (Guardian results, AP feed). Final House totals, and the Alaska Senate seat, await the remaining calls.

Data centers were on the ballot locally. At least 33 local restrictions on data-center construction passed, and only one measure, in North Dakota, went the other way [V] (Capacity; Axios). Ballotpedia's count, published on 6 November, is firmer: of 41 local data-center measures on 3 November, 40 went against development. Voters approved 27 measures limiting or opposing data centers, including five full bans and twelve partial bans, and defeated 13 measures that would have favoured them; Harwood, North Dakota, was the only exception. Three more local votes are due in December [V] (Ballotpedia; Ballotpedia results table). The AI industry's super PAC, Leading the Future, spent under US$10m in the general election after about US$26m in the primaries, and pro-regulation PACs outspent its network [V] (SF Standard, citing FEC filings; Puck). H.Res. 1642 remains in committee. The material point is that the build-out now meets resistance where it needs land, power and water, before any bailout question arises.

OpenAI's lame-duck push

Axios reported on 1 November that OpenAI plans a policy push after the US midterms. Its global affairs chief, Chris Lehane, outlines "speed limits" for the most powerful systems, community compacts and state siting laws, and data centres are to be rebranded as "AI compute campuses" [V] (Axios). The open-source developer Eric S. Raymond reads this as an effort to restrict open-weight models. That is his opinion; the Axios report does not mention open-weight models (X). The rebrand is a response to local opposition over power and water. A firm that has committed hundreds of billions to compute now needs the state to secure land, power and a favourable rulebook.

Kazakhstan: coal power turned into compute

Nvidia's chief executive Jensen Huang visited Astana on 23 October and met President Tokayev [V] (NVIDIA). The firm Firebird holds a US export licence for 45,000 Grace Blackwell (GB300) GPUs, as reported by NVIDIA and the Times of Central Asia [V-s] (NVIDIA; Times of Central Asia); the licence record itself has not been published by the US Commerce Department's Bureau of Industry and Security. Phase 1 is about US$5bn and up to 109 MW at Data Center Valley in Ekibastuz, with Kazakhtelecom, targeting the third quarter of 2027 [V] (NVIDIA; Times of Central Asia). Kazakhtelecom has already deployed 400 H200 and 480 B300 GPUs [V] (NVIDIA). Freedom Holding has a separate cluster order and a non-binding US$2bn "sovereign AI hub" plan [V-s] (Times of Central Asia). An energy exporter is turning its power into compute, and the access is gated by a US export licence.

Black October recap

The FBI attributes the 29 October theft from Binance, put at more than US$6bn, to North Korea's TraderTraitor group [V] (FBI). The two main blockchain trackers give close but different totals. TRM Labs, on 29 October, put the gross theft at about US$6.36bn, of which about US$2.7bn had been frozen, and traced it to a compromise of hot-wallet signing [V] (TRM Labs). Elliptic, in its final update of 1 November, put the theft at about US$6.43bn across 11 blockchains, with US$2.85bn frozen or seized on-chain [V] (Elliptic). Frozen funds are distinct from funds still in the attacker's wallets: as of 6 November, Elliptic puts the amount still in addresses linked to the theft at about US$3.11bn, mostly in bitcoin and ether, and judges it very likely still held by North Korea [V] (Elliptic, updated 6 November). For a sanctioned state, theft on this scale is a source of foreign currency.

The security cost of AI agents. CrowdStrike reports that the China-linked group VAPOR PANDA used the ARTEX AI-agent framework, with DeepSeek models, against more than 200 organizations in more than 14 countries over 11 days from 17 October, Latin American foreign ministries among them [V] (CrowdStrike). CrowdStrike told CyberScoop that about 140 were breached [V-s] (CyberScoop). The same automation that companies are buying to cut labour costs also cuts the cost of attacks. That cost lands on the targets, not on the makers of the models.

Open checks

- Water and cooling use at Iguazú AI City (MADES environmental licence); Kuntur S.A. ownership; the DFC and IDB Invest amounts. **[U: unconfirmed]**
- Whether OpenAI's "speed limits" are compute thresholds that would reach open-weight models (bill text not yet released). **[U: unconfirmed]**
- The BIS licence for Firebird, and the power source for Ekibastuz. **[U: unconfirmed]**
- Ueno bank: its market share and account numbers, and the balance of the deposit guarantee fund; U Holdings' official Luxembourg register filings (Última Hora reported on 12 November that the register published, on 11 November, the removal of two Category B managers of U Holdings S.à r.l., RCS B280698 [V-s] (Última Hora); the filing itself has not been retrieved, and a manager's exit is not a finding of wrongdoing); an official prosecutors' record of the vault search. **[U: unconfirmed]**
- Final House totals (10 races uncalled as of 14 November) and the Alaska Senate race; outcomes for candidates linked to the Thiel and Vance networks (no reliable roster found). **[U: unconfirmed]**
- Claims that SoftBank is defaulting on turbine orders, or that Japanese banks face a wider contagion. **[U: unconfirmed]**
- CXMT's fab count and ramp schedule from a company filing; the 10-fab figure comes from one interview. **[U: unconfirmed]**
- CoreWeave's planned investment-grade loan of at least US$4bn, reported as possibly launching in the week of 16–20 November: no confirmed pricing was found in this pass. **[U: unconfirmed]**

3. Reindustrialization, rare earths and the corridors

Reindustrialization: the claim, the credit and the carbonate

Reindustrialization is the economic promise of Lula's fourth term. The government's own figure is large. At the BNDES anniversary on 22 June 2026, the bank announced R$140bn more for Nova Indústria Brasil (NIB), saying the policy "will reach more than R$750bn in resources available" for 2023–26 [V] (BNDES). In his victory speech on 26 October, Lula spoke of "muito investimento na economia digital, na economia verde, na economia criativa" and of ceasing to be "um país periférico" [V-s] (O Globo).

Available is not lent. The R$750bn counts money made available across lenders and instruments. The harder number is BNDES's own: R$287.4bn approved under NIB since launch, of which R$203.6bn went to the "productivity" axis and R$9.1bn to "green" [V] (BNDES Estudo Especial 72, May 2026). The bank disbursed R$170bn in 2025, or 1.3% of GDP. Almost two-thirds of that (R$111.1bn) was lent at market rates rather than subsidized ones [V]. Public credit did revive. Whether it reached anyone other than the firms that already borrow is not shown in the bank's published data.

The output record. IBGE's industrial survey shows total industry up 0.1% in 2023, 3.1% in 2024 and 0.6% in 2025. Manufacturing fell 0.2% in 2025; extraction, mostly oil, rose 4.9% and carried the total. Output stands 16.3% below its May 2011 peak [V] (IBGE, 3 Feb 2026). Manufacturing's share of value added rose from 12.3% (2020) to 15.2% (2023), then slipped to 14.1% (2024) and 13.7% (2025) [V] (IBGE national accounts). Agriculture's share, 7.1%, is the highest since 2000 [V-s]. On IEDI's series, manufacturing peaked at 27.3% of GDP in 1986 [V-s] (IEDI). The 2024 rise looks like a cyclical bump that ended when rates rose, not a change in trend.

What capital faces. The Selic stayed at 15% through 2025 and was 14.25% by June 2026. The industry confederation CNI puts the real rate near 9.7%, against a 5% neutral rate [V-s] (CNI). Since 22 July 2026, US Section 301 surcharges of 25% and 12.5% stack to 37.5% on 16.5% of Brazil's US-bound exports. That band is mostly manufactures: machinery, footwear, furniture, apparel [V] (MDIC). Coffee, meat and most pulp go in free. The tariff structure spares commodities and penalizes the industry the policy is meant to build.

Machines from abroad. Capital-goods output fell 1.5% in 2025 while capital-goods imports rose 23.7% [V] (MDIC). The machinery makers' association ABIMAQ reports record imports of US$32.2bn, a sector deficit of US$18.4bn, and imports covering 46% of domestic consumption, about double the pre-2014 share. China supplies a third [V-s] (ABIMAQ). Brazil is investing, but the equipment for that investment is increasingly made elsewhere. Agriculture shows the same dependence: fertilizer imports reached 45.5 Mt in 2025 [V] (Conab), about nine-tenths of use, with China and Russia the main suppliers [V-s].

Exports. 2025 exports hit a record US$348.7bn. The "manufacturing" line reached US$189bn, but its record items were beef, pork, alumina and roasted coffee. Iron ore (416 Mt) and oil (98 Mt) set volume records [V] (MDIC).

Minerals: the test case. Brazil holds the world's second-largest rare-earth reserves, recently revised by USGS from 21 Mt to 11 Mt, and produced about 2,000 t in 2025 [V] (USGS MCS 2026). Serra Verde, the only scale producer, is the clearest example of where the value goes:

- It is financed by a US$565m loan from the US DFC, which includes an equity option.
- 100% of its Phase I output goes for 15 years to US SIIE, LLC, a special-purpose vehicle. On 24 August the US Department of War said it was investing US$750m in that vehicle through the Industrial Base Analysis and Sustainment programme, as part of a US$1.55bn structure that also includes a US$300m Defense Logistics Agency purchase commitment and a US$500m

bank-facility commitment. The US$750m is capitalization of the offtake vehicle, not the acquisition price; the April agreement already described the SPV as capitalized by US government entities and private capital sources, and the offtake has floor prices (dysprosium US$575/kg, terbium US$2,050/kg) [V] (Department of War, 24 August; USA Rare Earth, 24 August).

- USA Rare Earth, a Nasdaq company in which the US Commerce Department holds a stake, completed its acquisition of Serra Verde on 3 September 2026. The April agreement valued the equity at about US$2.8bn (US$300m in cash plus 126.849 million new USAR shares) [V]; Brazil's competition authority CADE has cleared the deal [V-s] (USA Rare Earth, 20 April; USA Rare Earth, 4 September; CNN Brasil; Serra Verde, Aug 2026).

What leaves Goiás is a mixed carbonate. Separation and magnets happen elsewhere. Not universally: Brazilian Rare Earths plans separation at Camaçari, Bahia, though only at scoping stage [V-s] (BRE), and Caldeira, held by Meteoric, is being bought by Australia's Lynas, pending Brazilian approval [V] (ASX).

Ownership has four layers, and they should not be confused. Mining titles are ANM concessions held by Brazilian subsidiaries; the subsoil itself belongs to the Union (Constitution, art. 176). Equity is foreign: all five leading projects belong to companies listed in Sydney, Toronto or New York, including Aclara, whose anchor holders are Peruvian and Chilean (Hochschild, CAP) [V] (Aclara). Offtake runs to states and their partners: Serra Verde's to a US-government vehicle, Brazilian Rare Earths' heavy rare earths to France's Carester [V-s]. Processing mostly happens abroad. Lithium concentrate has gone overwhelmingly to China (96.5% of value in 2025; 98.1% in January–October 2026). Rare-earth carbonate went almost entirely to China in 2025; a US and European path is now contracted, with later projects pointing to Louisiana, France or Malaysia. The customs flows are set out under Refining abroad, below. The question is less who holds the paper than where the value-adding step is built. Niobium is the exception: CBMM refines at Araxá and sold 100,173 t in 2025 [V-s] (CBMM). That shows domestic processing is possible when one owner controls both the deposit and the plant. The power grid follows the same pattern of ownership. In ANEEL's Transmission Auction 4/2026, held at B3 on Oct 30, all eight lots were awarded, with about R$8.9bn of planned investment and 1,866 km of new lines in seven states [V] (ANEEL). Groups of Spanish origin took seven lots: Celeo, Cymi, Neoenergia (controlled by Iberdrola) and Cox. Portugal's EDP took the eighth [V-s]. The largest lot, a 500 kV system across Paraná and Mato Grosso do Sul, went to Celeo at an annual revenue (RAP) of R$377.1m, 50.55% below ANEEL's cap [V] (ANEEL). Celeo Redes Brasil is jointly controlled by Spain's Elecnor (51%) and the Dutch pension investor APG (49%) [V] (Celeo filing). The average discount was about 50%, and Axia, the former Eletrobras, bid but won nothing [V-s] (MegaWhat). These are not sales of assets. They are 30-year regulated concessions whose revenue is fixed at auction and paid by grid users through tariffs [V-s], and the public development bank BNDES offers loans for up to 80% of such projects [V] (BNDES).

Law 15.506 (16 September 2026) creates a critical-minerals council attached to the Presidency. The council can approve changes of control and foreign supply contracts, and the law opens Fundo Clima credit for processing [V] (Planalto; Decree 13.118). The first live test is Lynas's purchase of Meteoric, due around March 2027 and the first foreign takeover of a rare-earth project since the law [V] (Meteoric). Whether it uses those powers on contracts already signed is the question taken up under "Own the corridor" below.

Copper: the mine and the refinery. Copper shows the same split. Vale's third-quarter results put its copper all-in cost at US$-175 per tonne: by-product revenue of US$6,771/t, mostly gold, exceeded unit cost of goods sold of US$6,721/t. The stronger real added US$258/t to that unit cost and took US$19m off copper EBITDA, which still rose 66% to US$1.02bn on a realized price of US$15,314/t [V] (Vale 3Q26 6-K). The domestic refining step is in a different state. Paranapanema, which describes itself as Brazil's largest non-integrated producer of refined copper, is in judicial recovery. On 30 October it told the CVM that converting its 11th debenture issue will give a single shareholder more than 81% of its capital, as part of a plan to settle liabilities and raise the working capital

needed to resume large-scale operations. The filing does not name the shareholder [V] (Paranapanema material fact, 30 Oct 2026).

Verdict. The claim holds only in part. The credit exists and is large, and it is smaller than the headline. Manufacturing's recovery was cyclical and has reversed. The new mineral wealth is so far being exported at the intermediate stage, financed and bought by foreign states.

How the contractor base was lost

Lula's rebuild starts from a weaker domestic contractor base than in his first terms. The Lava Jato investigations (2014 onward) used a legal toolkit passed under Dilma Rousseff, including the 2013 laws on criminal organisations, plea deals and corporate liability. The large Brazilian engineering firms lost contracts, credit and value. Foreign capital bought into the gap. China Communications Construction Company (CCCC) bought 80% of the engineering firm Concremat. The purchase agreement was signed on 10 January 2017 and closed on 27 January 2017, for R$330m according to CCCC's own Hong Kong exchange announcement [V] (CCCC, HKEX announcement, 30 Nov 2017). CCCC later took 51% of a port project in São Luís and, with a partner, won the Salvador–Itaparica bridge concession (2019, R$7.6bn) [V-s] (Valor, 31 Aug 2021). Whatever the motives of prosecutors or buyers, the measurable outcome was a transfer of heavy-engineering capacity from national private capital to foreign, largely Chinese state, capital.

Following the contracts

The October edition traced who signs the contracts behind infrastructure and compute. This month's new contracts point the same way. Serra Verde's output is contracted to a US-government vehicle. In Paraguay (see the AI bubble watch), Itaipu power is contracted to a US-linked compute campus. In our reading, the pattern is not a sale of national territory. It is the sale of long-dated revenue streams, under Brazilian or Paraguayan law, to foreign capital and foreign states.

Suppliers linked to Israeli firms: what the federal government paid. Four suppliers of defence and surveillance technology tied to Israeli companies appear in the federal payment records. AEL Sistemas and Ares Aeroespacial e Defesa are Brazilian subsidiaries of Elbit Systems of Haifa [V] (Elbit; Elbit 6-K, 2012). Cognyte Brasil is a subsidiary of Cognyte Software [V] (Cognyte filing), the Israeli intelligence-software group spun off from Verint in 2021 [V-s] (Agência Pública). TechBiz Forense Digital, a Brazilian firm, distributes the forensic tools of Cellebrite [V-s] (TechBiz), an Israeli company whose main shareholder is Japan's Sun Corporation [V] (Cellebrite 20-F, note 1). The amounts below are federal receipts by year from the CGU's open data series of payments by beneficiary [V] (Portal da Transparência, despesas por favorecido).

Supplier (R$ million)	2023	2024	2025	2026 (Jan–Oct)	Total
AEL Sistemas [V]	96.25	92.91	116.84	46.40	352.41
Ares Aeroespacial e Defesa [V]	27.15	53.59	45.50	31.66	157.91
Cognyte Brasil [V]	0.97	0.60	3.57	0.21	5.34
TechBiz Forense Digital, two branches [V]	8.41	45.00	87.28	73.13	213.82

Federal receipts only, [V] from CGU open data. They are cash received, not contracted value. State and municipal contracts are excluded, and 2026 runs only to October.

The Ministry of Defence paid 96% of AEL's receipts and 92% of Ares's; the Ministry of Justice and Public Security, mainly the Federal Police, paid 88% of TechBiz's; IBAMA and the Federal Highway Police paid Cognyte Brasil [V] (same series). The Federal Court of Accounts examined the Federal Highway Police's contracts with Cognyte Brasil and found them regular, with no misuse of purpose [V-s] (TCU Acórdão 67/2025-Plenário, ementa as republished by Licinexus). The Army cancelled the 27 October ceremony to sign the experimental-lot contract for Elbit's Atmos howitzer and set no new date [V-s] (Estadão). A contract is not proof of political control. What the records show is a state

buying military electronics and police forensics from foreign-owned suppliers, and paying for them through the budget.

Money, markets and the regulator

The securities regulator. Under its president Otto Lobo, the board of the securities regulator CVM ruled on 25 August 2026 that the fund Josephina III, whose main investor is the US manager Centaurus, must make a tender offer for shares of the cancer-care group Oncoclínicas. The board overruled two opinions from its own technical staff [V] (CVM vote, case 19957.003474/2025-07; UOL). The vote was three in favour with one abstention [V-s] (UOL). Minority holders saw a potential gain of up to R$14bn. A federal court in São Paulo suspended the decision on 23 October [V] (UOL; Valor). A regulator whose single ruling can move billions is a prize in itself.

The structure of supervision. In January 2026 the CVM's own economics unit published an exploratory study of the "twin peaks" model, which splits supervision into prudential and conduct objectives instead of the present sector-by-sector system. It lists 16 challenges for any migration [V] (CVM, Twin Peaks study; CVM release). The study does not claim that any specific case went unflagged because of the current structure, and neither do we.

Market reaction to the runoff. On 26 October, the first trading day after Lula's re-election, B3 triggered its circuit breaker for the first time since March 2020, and the Ibovespa closed down 13.88% at 176,608 points [V] (B3; Reuters via UOL). Exporters billing in dollars, including Suzano, Embraer and Vale, rose as the real fell [V-s] (TV7). The split is the material point: capital tied to commodity exports gained from the same event that hit domestically oriented capital.

Minas Gerais: extraction and water

On 2 November a federal deputy, Duda Salabert, published residents' video of dark material carried by water near Miguel Burnier, Ouro Preto, and said she had referred the case to the state environment agencies FEAM and SEMAD and to the state prosecutors MPMG [V] (X; Jornal Geraes). The local press shows discoloured streams [V-s] (Jornal Geraes). Gerdau's R$3.2bn Miguel Burnier expansion, which adds 5.5 Mt a year of pellet feed, has been pushed to the fourth quarter of 2026 and is in final tests [V-s] (Diário do Comércio). There is a precedent. After a lagoon overflow in February 2026, MPMG opened a preliminary procedure, while federal prosecutors closed their inquiry in March after the mining agency ANM found no structural rupture [V-s] (Correio de Minas). Reindustrialization in Minas means more pellet feed, more tailings and more pressure on the same watersheds.

Latin American grids: who builds them

On 30 October, Uruguay's state utility UTE inaugurated the 500 kV Anillo del Norte: 564 km of lines and more than 1,000 towers, at US$320m [V] (UTE; Presidencia). The Chinese state-owned firm CMEC built the Tacuarembó–Chamberlain–Salto Grande section, about 354 km, and the new Chamberlain substation, not the whole ring [V] (Xinhua). The model differs from Paraguay's. In Uruguay a state utility owns the grid and hires a foreign state firm to build it. In Paraguay, state power is sold to foreign compute.

Latin American foreign ministries were also among the targets of the China-linked VAPOR PANDA AI-agent campaign (see the AI bubble watch) [V].

Transition diplomacy and the oil frontier

On 3 November in Brasília, COP30 President André Corrêa do Lago and CEO Ana Toni presented two roadmaps, one on transitioning away from fossil fuels and one on halting deforestation by 2030. Both are voluntary, non-prescriptive contributions from the presidency and are not subject to negotiation [V] (COP30). The 182-page fossil-fuel roadmap proposes a staged collective agenda, the "TAFF Mutirão", through 2033: institutions and national plans to 2028, together with fossil-fuel subsidy

reform and an end to routine flaring; the physical build-out of grids, storage and electrification in 2029–30; and a supply-side push in 2031–33, when "producers and governments can adjust and diversify supply in step with demand". It also states that it "sets no targets or timelines for any country" [V] (roadmap PDF). Both descriptions in the press are therefore partly right: there is an indicative timetable, and there are no national deadlines.

Brazil's own oil frontier is expanding. On 29 October Petrobras completed the Morpho well in the Foz do Amazonas basin, in 2,886 m of water, with another oil discovery [V] (Petrobras). In June the oil regulator ANP put 86 Equatorial Margin blocks under study for future permanent-offer cycles, pending a joint statement by the energy and environment ministries [V] (ANP).

Analysis. In our reading the two facts are consistent. The roadmap places supply reduction last and in step with demand, which leaves a producer room to expand now. Oil rent and Petrobras's balance sheet help fund the state's industrial policy, and extraction carried industrial output in 2025. As with minerals, Brazil leads the transition diplomatically while extending the extractive frontier.

Own the corridor

One argument, made by an investor in the sector, is that in a supply shortage the owner of the railway and the berth decides who gets supplied, not the owner of the deposit. It is a thesis, not a finding, but it sets the right test. Brazil's next test is the Minas-Rio corridor, 733 km under a 99-year authorization, with bids due on 14 December and an auction session at B3 on 17 December 2026. The terms to read are three: equity in the rail and the berth, dollar-indexed take-or-pay contracts, and whether beneficiation and pelletizing must happen in Brazil. Niobium shows the alternative. CBMM refines at Araxá because one owner controls both deposit and plant [V-s] (CBMM).

The ministry's official 2027 portfolio is R$262.6bn: 11 road contracts worth R$102.68bn and 18 rail projects worth R$160bn [V] (Ministry of Transport). The R$214bn figure reported by Valor, for 11 road and 8 rail auctions, is a subset of that portfolio [V-s] (Valor). Minas-Rio is the first rail public call. ANTT's notice sets bids for 14 December and an open-outcry session at B3 on 17 December, in two lots (Iguatama to Barra Mansa with the Varginha–Lavras branch, and Barra Mansa to Angra dos Reis), for 99 years, awarded to the highest concession fee [V] (ANTT notice). Folha reported on 10 November that CSN, MRS Logística, Concremat and Porto Seco Sul de Minas are studying the auction; that is interest only, and no bids have been filed. Folha says Concremat is controlled by China's CCCC, a claim not checked here against company filings [V-s] (Folha). On 9 November the Ministry of Transport said at least 11 investors had shown interest, without naming them [V] (Ministry of Transport). Foreign capital already dominates this year's rounds: by NeoFeed's count, groups with foreign participation won five of the seven large infrastructure auctions held through October, covering about R$24.4bn of planned investment, some 75% of the total, across airports, sanitation, roads and transmission [V-s] (NeoFeed). The winners NeoFeed names check out against the records: ANEEL's 30 October transmission auction, with about R$8.9bn of estimated investment, went to Celeo, Cymi, Neoenergia and Cox, which NeoFeed links to Spanish groups, and to Portugal's EDP [V] (ANEEL; B3). EcoRodovias, controlled by Italy's ASTM, won Rota Gerais on 31 March [V] (ANTT). Consórcio 116 Sertões won Rota dos Sertões on 28 May, with R$8.5bn over 30 years, of which R$4.1bn is for works [V] (ANTT). NeoFeed does not name its two other auctions or say how it measured capex, so the R$24.4bn and 75% figures stay with NeoFeed. In our reading of the notice, none of the three terms above appears: there is no take-or-pay or dollar indexation, no requirement to process in Brazil, and no berth or port equity. The corridor is offered as rail only.

Water: the São Francisco transfer concession

On 12 November the Ministry of Integration and Regional Development (MIDR) published the tender for an administrative concession of the São Francisco river transfer (PISF), the first such public-private partnership by the federal government [V] (MIDR). For 30 years the operator would run and maintain the raw-water system of the North and East axes, the Apodi and Piancó branches and a stretch of the Piranhas-Açu river: intake, pumping, conveyance, storage, metering and access

control. The contract is estimated at R$13.65bn, the sum of monthly payments over the term at December 2024 values, and includes about R$500m of mandatory investment. The bid asking the lowest monthly payment wins, in a tender run with B3. Bid guarantees and documents are due on 5 March 2027, commercial proposals are opened on 12 March, and the contract is scheduled for signature on 5 July 2027 [V] (same source). The money runs one way: the Union pays the operator, partly against performance indicators, and the concessionaire does not charge water users. It is not a sale of the canal. The material point is who runs the infrastructure that moves water to the semi-arid north-east, and on what terms, for a generation.

Campinas: a data-center inquiry

In Campinas, the São Paulo Public Prosecutor's environmental group GAEMA opened a civil inquiry on 15 September into the water, power and urban effects of TERRANOVA's planned AI and cloud campus on the former Fazenda Pau d'Alho [V-s] (G1; Correio). The prefecture says the data center itself is not licensed, only a substation; the company, a hyperscale platform launched by Actis, says it will use closed-loop liquid cooling and will answer the prosecutor [V-s] (same sources). Company and trade figures put the first phase at more than US$500 million and about 216 MW of IT capacity [V-s] (G1, 20 August; Intelligent CIO). A peak-use water figure of 3.24 million litres a day appears in filings under review, not as a measured volume [V-s] (same G1, 17 September). A 12-year municipal tax package, under Law 16.174/2021, has been reported as granted in April [V-s] (Correio; the statute is Law 16.174/2021). The inquiry is not a finding of irregularity.

A Brazilian motor-maker in the US cooling chain

At its 2 October 2026 investor day, WEG presented a contract with a US pump manufacturer for about 25,000 W22/W01 motors (15–20 hp) for CDU pumps inside the data hall and about 2,000 W22/W40 motors (30–250 hp) for auxiliary pumps outside it [V] (WEG Day 2026 presentation, slide 86). The official deck gives no date, value or customer name; WEG does not break out data-center sales, and on its second-quarter call it said it does not sell directly to data centers, but supplies motors, transformers and backup generators into that chain, where it describes demand as strong, especially in the United States [V] (2Q26 earnings-call transcript, 23 July). A contract is not proof of control.

Refining abroad: who takes the next step

The new mineral wealth is leaving at the intermediate stage. This note follows the tonnes through MDIC/Comex Stat, updated on 6 November 2026 and complete through October, and, for 2025, the UN Comtrade mirrors [V] (Comex Stat; UN Comtrade). A declared destination is not always the refinery; the Netherlands and Singapore appear as logistics hubs.

Lithium. Three mines in the Jequitinhonha valley — Sigma Lithium, CBL and AMG — account for Brazil's spodumene. In 2025 the country exported 272,778 t of concentrate-like product under two headings, spodumene (2530.90.10) and "lithium oxide" (2825.20.10), worth US$182.3m, 96.5% of it declared to China and almost all of it from Minas Gerais [V]. The unit values are those of a concentrate, not a refined chemical; Sigma itself markets a "lithium oxide concentrate" [V]. In January–October 2026 the same two headings came to 182,707 t and US$251.1m, 98.1% of the value declared to China [V]. UN Comtrade reproduces the 2025 Chinese slices exactly [V].

Refined exports were a trickle: 95 t of lithium carbonate in 2025 and 322 t in January–October 2026, mostly from Minas, at an average US$18,958/t in 2026, almost all of it in May–July [V]. CBL's Divisa Alegre plant (2,000 t a year) is the only chemical works of any scale. In October its chief executive said it was running at about 40% for the domestic market only, with a plan to triple it still frozen, and Sigma's chief executive said there was no present economic case to move into carbonate or hydroxide [V-s] (Diário do Comércio, 10 Oct 2026). Sigma has not named the counterparties to its two 2026 offtake contracts in the filings reviewed [V] (Sigma, full-year 2025; Exhibit 99.2). A residual heading, 2530.90.90, shows about 591,000 t from Minas Gerais to China in January–October 2026, at

about US$66/t, consistent with Sigma's first-quarter disclosure of 650,000 t of lithium fines invoiced at about US$58/t [V]. The heading is a basket, not a complete census.

Value-add (analysis). Converted at about eight tonnes of 5.5–6% concentrate per tonne of carbonate, the 2025 concentrate implied a feedstock cost of roughly US$5,350/t against export unit values of about US$13,900/t; by January–October 2026 those figures were about US$11,000 and US$19,000/t. Platts assessed 5.5–6.0% spodumene FOB Brazil at US$1,850/t on 8 January 2026 [V-s] (S&P Global). The gap is real, cyclical, and the reason the companies give for not building the plant here.

Rare earths. What left in 2025 was 679 t of "other rare-earth compounds" (2846.90.90), worth US$12.0m — 99.9% of it to China, and all of it from Goiás [V]. USGS estimated Brazil's 2025 mine production at 2,000 t of rare-earth oxide, but that figure is not supported by the only scale producer's audited metrics: SVRE Holdings reported 40 t of TREO produced and 138 t sold in 2025, for revenue of US$2.5m [V] (USGS MCS 2026; SVRE Exhibit 99.2, 13 May 2026). The 679 t customs gross and the 138 t TREO sold should not be forced into a single conversion: the company has not published the TREO grade of the carbonate. The 2025 China flow is consistent with offtakes Serra Verde later said it had cut short; the last delivery under that earlier offtake was in February 2026 [V].

In January–October 2026 the same heading from Goiás shrank to 36 t, worth US$1.1m, in lots declared to Estonia, Canada and a small US parcel [V]. Neo Performance Materials operates the Silmet plant at Sillamäe, Estonia; the declaration does not name the consignee [V-s] (Neo). USA Rare Earth said commercial-scale shipments of mixed rare earth carbonate to US SIIE began in October, with first sales in November, under the 15-year, 100% take-or-pay contract for Phase I production, and guided fourth-quarter Serra Verde sales of at least 325 t of TREO; November customs had not been published at the time of writing [V] (USA Rare Earth, 9 November). The SPV takes title and intends to resell to separators; USA Rare Earth has said it plans to separate NdPr in the United States by early 2028 and send the heavies to Carester, but which plant will separate the first cargoes is not named [V-s]. A May 2026 Agência Pública report on a Semad-Goiás analysis, after a joint Semad/Ibama inspection, described pollution of Córrego Laje, deforestation in a spring area and extraction outside the authorised mining plan, and said fines had been recommended and autos issued; those proceedings were still administrative, and an auto is not a final finding [V-s] (Agência Pública, 4 May 2026). Later projects point the same way unless a plant is built in Brazil: Aclara to Louisiana in 2028 [V-s] (Aclara), Brazilian Rare Earths at Camaçari, and Lynas in Malaysia if it closes Meteoric.

Niobium, the contrast. Ferroniobium (7202.93.00) is made in Brazil and then exported: 98,628 t worth US$2.66bn in 2025, and 89,478 t in January–October 2026 [V]. About 80% of the 2025 tonnage came from Minas Gerais (CBMM at Araxá), 16% from Goiás (CMOC at Catalão) and 4% from Amazonas [V]. CBMM sold 100,173 t of niobium products in 2025, all processed at Araxá [V-s] (CBMM). The Moreira Salles group holds 70%; in 2011 a Japanese–Korean consortium and a Chinese consortium each acquired 15% [V] (CITIC; JOGMEC). A shareholding is not control of the plant. A smaller stream still leaves as ore: 676 t of niobium, tantalum or vanadium concentrates in 2025, worth US$37.3m, mainly from Minas Gerais and Rondônia, mainly to Thailand and Germany [V]. AMG has a life-of-mine contract to sell all of Mibra's tantalum concentrate to Taniobis, which processes material at Map Ta Phut, Thailand, and in Germany [V-s] (AMG; Taniobis). That would fit those destinations; the customs heading does not name the consignee, and Rondônia is a second origin.

Copper, nickel and alumina. Combining copper-concentrate headings, Brazil exported 1.45 Mt worth US$5.01bn in 2025 and 1.41 Mt worth US$6.53bn in January–October 2026 [V]. Most of the higher-value heading came from Pará — 903 kt, US$3.59bn. Vale's 2025 asset handbook gives concentrate grades of 35–42% copper at Salobo and 26–34% at Sossego, and contained-copper output of 219 kt and 74 kt [V] (Vale Base Metals). Those grades bracket the Pará heading and should not be applied to the rest of the national stream. As already noted, Paranapanema, Brazil's largest non-integrated copper refiner, is in judicial recovery. Nickel concentrates, almost all from Bahia, went to Finland, China and Canada: 132 kt worth US$238m in 2025 [V]. Bauxite is the partial exception: uncalcined exports were 6.04 Mt in 2025 at about US$31/t, mostly from Pará, but Brazil

also refined at scale, exporting 7.70 Mt of calcined alumina worth US$3.40bn from Pará and Maranhão — Hydro's Alunorte and the Alumar consortium [V]. The refining step is often done here; the smelting step often is not.

The customs data put numbers on the pattern already drawn. Lithium concentrate, and until the offtake was switched rare-earth carbonate, go to Chinese (and now prospective American and European) separators. Copper and nickel concentrates go to foreign smelters. Niobium and, in part, alumina show that the next step can be built in Brazil when an owner already runs the plant. Whether Law 15.506 changes the next contracts is the test already posed above.

Table. Brazilian exports by destination (Comex Stat, US$ FOB, net kg)

Figures are rounded. "Share" is of FOB value. 2026 is January–October. Source: MDIC/Comex Stat, dataset updated 6 November 2026 [V].

Product (NCM)	Period	Volume	US$ FOB	US$/t	Top destinations (share of value)
Spodumene (2530.90.10)	2025	111,690 t	66.6m	596	China 90.4%; South Korea 9.5%
Lithium oxide heading (2825.20.10)	2025	161,089 t	115.7m	718	China ~100%
Both concentrate-like headings	2025	272,778 t	182.3m	668	China 96.5%; South Korea 3.5%
Both concentrate-like headings	2026	182,707 t	251.1m	1,374	China 98.1%; Japan 1.6%; US 0.3%
Lithium carbonate (2836.91.00)	2026	322 t	6.1m	18,958	China 86.9%; India 6.3%; Spain 4.8%
RE compounds, other (2846.90.90)	2025	679 t	12.0m	17,623	China 99.9% (from Goiás)
RE compounds from Goiás (2846.90.90)	2026	36 t	1.1m	~30,600	Estonia, Canada, a small US lot
Ferroniobium (7202.93.00)	2025	98,628 t	2.66bn	26,954	China 49.8%; Netherlands 17.3%; US 8.1%
Ferroniobium (7202.93.00)	2026	89,478 t	2.54bn	28,365	China 47.7%; Netherlands 14.0%; US 10.4%
Nb/Ta/V ores (2615.90.00)	2025	676 t	37.3m	55,159	Thailand 57.9%; Germany 33.0%; China 9.1%
Nb/Ta/V ores (2615.90.00)	2026	616 t	62.7m	101,807	Thailand 96.2%; China 2.1%
Copper concentrates (2603.00.10+90)	2025	1.45 Mt	5.01bn	3,453	China 19.2%; Germany 17.5%; Spain 12.6%
Copper concentrates (2603.00.10+90)	2026	1.41 Mt	6.53bn	4,634	Germany 19.3%; China 16.1%; India 15.9%
Nickel ores (2604.00.00)	2025	131,643 t	237.9m	1,807	China 38.5%; Finland 35.1%; Canada 26.2%
Bauxite, uncalcined (2606.00.11)	2025	6.04 Mt	189.9m	31	Canada 41.1%; Ireland 26.1%; China 17.1%
Calcined alumina (2818.20.10)	2025	7.70 Mt	3.40bn	441	Canada 44.3%; Norway 29.4%; US 13.6%
Natural graphite, flake (2504.10.00)	2025	12,827 t	23.9m	1,866	US 26.3%; Belgium 26.0%; Germany 11.2%
Other mineral substances (2530.90.90)	2026	597,335 t	40.7m	68	China 95.6% (almost all from Minas Gerais)

The 2026 residual heading is listed because of the possible lithium-fines identification above; it is a basket and should not be added to the spodumene totals without that caveat.

Open checks

- Whether the Atmos experimental-lot contract has been signed since the cancelled 27 October ceremony; receipts before 2023 for the four suppliers above. **[U: unconfirmed]**
- The R$5bn "laundered in bets" claim: no primary police or prosecutor source has been found. **[U: unconfirmed]**
- Claims about sponsors of Otto Lobo's reappointment, dismissals of superintendents and weakened internal controls at the CVM (single column, not independently confirmed). **[U: unconfirmed]**
- Prediction-market errors on Brazil's election and the risk for the US vote (Bloomberg Línea, 28 Oct; not yet read). **[U: unconfirmed]**
- Planalto texts of Laws 12.683/2012, 12.850/2013 and 12.846/2013; the DOJ Odebrecht plea release; the foreign share of construction after 2015. **[U: unconfirmed]**
- ANM titles for each rare-earth deposit; whether the critical-minerals council reviews the Serra Verde and Meteoric takeovers. **[U: unconfirmed]**
- Gerdau: whether the material came from a new tailings pile (Gerdau says it is not yet operating); FEAM/SEMAD inspection report; water sampling. **[U: unconfirmed]**
- Uruguay: CMEC contract value and financing; whether the project counts as Belt and Road. **[U: unconfirmed]**
- Minas-Rio: whether any of the named prospects files a bid; Concremat's ownership against company filings; the capital origins of bidders, once filed. The notice itself has been read for the three contract terms above. **[U: unconfirmed]**
- Copper: the identity of Paranapanema's new controlling shareholder; the per-tonne currency effect against Vale's 20-F cost base; an ICSG forecast. **[U: unconfirmed]**
- COP30: the deforestation roadmap's finance figures; ANP's official sixth-cycle results; Petrobras's Equatorial Margin exploration budget for 2026–30. **[U: unconfirmed]**
- Concessions: how many of the 2027 auctions are held on schedule, given high interest rates. **[U: unconfirmed]**
- The TREO grade of Serra Verde's 2025 MREC, which would be needed to convert the 679 t customs gross into oxide equivalent and to reconcile it with SVRE's 138 t TREO sold and US$2.5m of revenue (against US$12.0m FOB in customs). **[U: unconfirmed]**
- Whether the October–November 2026 MREC shipments to US SIIE appear in November or December Comex Stat, and which plant will actually separate those first cargoes. The intended path (SPV on-sale; USAR US plant by early 2028, then Carester) is disclosed. **[U: unconfirmed]**
- The named counterparties to Sigma's 2026 offtake agreements: not disclosed in the 6-Ks or MD&A reviewed. **[U: unconfirmed]**
- A complete census of heading 2530.90.90 from Minas Gerais in 2026: most of the volume is consistent with Sigma's fines sales, but the heading is a basket and 300,000 t of inventory remained unsold at the plant in the first quarter. **[U: unconfirmed]**
- Why S&P Global, citing the trade ministry on 8 January 2026, printed 125,636 t of 2025 spodumene when the current official API and UN Comtrade support 111,690 t under 2530.90.10 (the FOB values match). Treat as a superseded extract; the official current number stands. **[U: unconfirmed]**
- Consignees for the 2615.90.00 shipments to Thailand and Germany. Taniobis is a contractual fit for AMG's Mibra output, not a proof from the customs record; Rondônia is a second origin. **[U: unconfirmed]**
- The residual 14 t of lithium carbonate declared to China in October 2026, after the May–July bulge and after CBL's early-October statement that it had stopped exporting chemicals. **[U: unconfirmed]**
- Why China reports no HS 2825.20 imports from Brazil in Comtrade when Brazil reports 161,088 t of exports, and why China's CIF value for HS 2846.90 (US$2.4m) is so far below Brazil's FOB (US$12.0m) despite matching volumes. **[U: unconfirmed]**
- Why the entire Alagoas copper-sulphide-concentrate heading is as large as the official figures (114,917 t / US$225.5m in 2025; 84,511 t / US$234.4m in January–October 2026). Mineração

Vale Verde states that its Serrote mine at Craíbas, Alagoas, exports copper concentrate, with nameplate capacity of about 84.5 kt of concentrate a year [V] (Mineração Vale Verde). The 2025 official mass exceeds that nameplate, so a one-to-one identity of the heading with that mine is not proven. **[U: unconfirmed]**

4. Brazil politics

A split result

Lula won the 25 October runoff against Flávio Bolsonaro with 51.79% of valid votes to 48.21%, a margin of about 4.4 million votes [V] (Reuters via UOL). The first round on 4 October had already given the right a strong Congress. The PL elected 121 federal deputies, 19 senators and 5 governors [V] (Valor). Michelle Bolsonaro won a Senate seat for the Federal District with 29.1%, and Carlos Bolsonaro won one for Santa Catarina [V] (Senado Notícias; G1). Sergio Moro (PL) won the Paraná governorship in the first round with 50.10% [V] (TSE). Lula's fourth term will therefore govern with a Congress in which the opposition's largest party is stronger than before. The market's reaction is covered in the reindustrialization section.

Flávio Bolsonaro's departure

Flávio Bolsonaro left Brazil despite a Supreme Court order to surrender his passport. He travelled via Argentina and landed at Opa-locka, Miami, on 28 October. US border records show he was let in under discretionary parole, not a visa, valid to 27 October 2027 [V-s] (G1; O Globo). On 29 October, House Democrats wrote to Secretary of State Rubio asking for an account of the department's role, "if any", with answers due 13 November [V] (letter; Rep. Kamlager-Dove release). As of 14 November no written State Department reply or staff briefing answering that letter had been made public [V-s]. On 31 October, before the deadline, Secretary Rubio told reporters in Atlanta, "We didn't facilitate anything," and said the president had decided to allow entry [V-s] (Al Jazeera / AP). A press comment is not the written answers the letter sought. A separate 2 November letter from the Oversight Committee's ranking Democrat, Robert Garcia, also asked for answers by 13 November; no public reply to that letter was found either [V] (letter). The case has a parallel. Poland's former justice minister Zbigniew Ziobro, wanted at home on 26 charges, entered the US in May; Poland's extradition request has had no US reply [V] (Polish National Prosecutor; Reuters). In both cases US executive discretion over entry decides the outcome.

Regional context: Venezuela. On 9 November Secretary of State Marco Rubio said that, if the schedule holds, new Supreme Court (TSJ) magistrates would be in place by mid-December and a new electoral council (CNE) soon after, after which he expected a declaration of presidential vacancy opening a six-month period for an election; he called the plan "a priority for us" [V] (State Department). The selection formally runs through Venezuelan bodies: talks between the interim government and representatives of the 2015 National Assembly produced a seven-member Credentials Council and a Judicial Nominations Committee to choose 32 new judges, a process the State Department calls Venezuelan-led and US-supported [V] (State Department fact sheet, 9 Oct), under a law that expanded the TSJ to 32 seats (Gaceta Oficial 7.025, 22 May 2026) [V-s] (El Universal). No magistrates or CNE members were named that day.

A former intelligence officer in the van

CNN Brasil reported, citing unnamed Brazilian government sources, that a former Mossad officer, now a naturalized US citizen, rode in Flávio's van on 27 October [V-s] (CNN Brasil). The report concerns one former officer of a state agency. It does not show that the agency acted, and it does not support claims about any community. A related 2025 episode is documented. After the Hind Rajab Foundation filed a complaint against an Israeli reservist on holiday in Bahia, a federal judge ordered a police inquiry. Eduardo Bolsonaro then ran an online campaign with Israel's Diaspora Affairs Ministry and later claimed credit for the outcome [V-s] (Jerusalem Post, citing Maariv). The material point is a Brazilian deputy lobbying alongside a foreign ministry against a Brazilian judicial process.

Unha e Carne: fuel stations and a deputy-elect

The Federal Police's Unha e Carne operation, under Supreme Court supervision, reached its eighth and ninth phases in October. On 15 October police served 6 preventive arrest warrants and 16 search warrants, and the court suspended 112 companies, 96 of them fuel stations, said to be used to launder money. A COAF financial-intelligence report puts the group's movements at more than R$7.6bn over six years [V] (Federal Police). Those arrested include Márcio Canella (União Brasil), former mayor of Belford Roxo and a state deputy-elect, whom investigators describe as the group's political articulator, and a former head of the state's civil police [V-s] (G1; O Globo). On 29 October the ninth phase served four search warrants in Barra da Tijuca and seized jewellery valued at about R$900,000 [V] (Federal Police). The addresses were offices linked to the pastor Márcio Poncio and the home of a nephew of the bicheiro Adilsinho [V] (G1; O Globo; CNN Brasil). No one has been convicted. The material point is the channel: retail fuel, holding companies and religious entities used to move cash, with public agents inside the network.

Banco do Brasil and rural credit

Banco do Brasil cut its 2026 profit guidance by half on 11 November, to R$9–11bn, after agribusiness loans more than 90 days overdue reached 6.92% of a R$404bn book [V] (BB release; fato relevante, 11 November; Agência Brasil). The bank blames medium and large Centre-West soy, corn and cattle producers, and its CEO spoke of "intentional" moral hazard, which the soy lobby rejects [V-s] (Reuters via UOL; G1, Aprosoja). Separately, federal police operations this year (Agroghost, Terra Falsa) and in 2025 (Imperium Fictum) have pursued rural loans backed by fictitious or inflated farm registrations at Caixa, Sicoob, Banco do Nordeste, Santander and Itaú; none of the published cases names Banco do Brasil, and no one has been convicted [V] (Federal Police, Agroghost II; Federal Police, Imperium Fictum) [V-s] (G1, Terra Falsa).

System-wide, the Central Bank's directed rural-credit series for individuals at market rates rose to 17.62% of the book overdue more than 90 days in August 2026, the high of a series that starts in 2011, and stood at 15.82% in September [V] (BCB SGS 21146). The broader individual rural book, including regulated-rate official credit, peaked at 9.67% in August and was 8.68% in September; regulated-rate individual default was 3.66%, and the corporate rural book about 0.96% [V] (SGS 21148; SGS 21147; SGS 21136). These official series are distinct from Banco do Brasil's own agribusiness non-performing ratio of 6.92% on a R$404bn book, already reported, which the bank still concentrates among medium and large Centre-West soy, corn and cattle clients [V] (same BB release). Serasa counted 1,990 agribusiness judicial-recovery filings in 2025, up 56.4% from 2024; filings then fell 20.7% year on year in the second quarter of 2026 [V] (Serasa, 9 March 2026; Serasa, Q2 2026). On 11 November the Senate approved MP 1.376/2026, which would refinance climate-hit rural debts on set rate and cap bands, and sent it for presidential sanction [V] (Agência Senado).

On 12 November the Federal Police opened Agroghost II in the Federal District and Goiás. The inquiry began when Caixa flagged signs of fraud in a rural loan of about R$8.5m whose named property owner denied the contract; investigators traced the money to accounts of relatives and linked companies and found signs of further fraud involving Caixa, Sicoob and Banco do Nordeste. Police served three search warrants and one preventive arrest warrant, and a court ordered assets of up to R$19m blocked [V] (Federal Police). The note does not name Banco do Brasil. The case is at the investigation stage; no one has been charged or convicted.

Public money under investigation

Two other federal police operations this month concern federal money spent by municipalities. Both are at the investigation stage, and no one has been convicted.

Deságue. On 13 November police served 13 search warrants in Rio Grande do Sul over emergency contracts for hiring and operating water pumps that Canoas and Cachoeirinha signed during the 2024 floods, paid with federal disaster-response funds. Investigators say a company without

matching operational capacity was favoured and then subcontracted specialist firms for less than it charged the municipalities; in Canoas some measurements billed nine to ten times the real cost, and the overpricing already documented is put at no less than R$7m. More than R$10m in financial assets was blocked [V] (Federal Police).

Fluxo Paralelo. On 10 November police served five search warrants issued by the Supreme Court in Porto Seguro, Eunápolis and Itamaraju, Bahia, in an inquiry into the use of federal "Pix amendments", the special parliamentary transfers paid straight to municipalities. More than R$607,000 in cash was seized, with phones, a computer and jewellery; the police name possible embezzlement and money laundering, and possible offences linked to electoral financing [V] (Federal Police).

The common thread is the channel: emergency and discretionary transfers, which skip the ordinary tender calendar, are where these inquiries find the money.

Open checks

- Whether the former officer acted for any state, and his identity and employer; the Federal Police report itself. **[U: unconfirmed]**
- The claim that Eduardo Bolsonaro "helped the Mossad extract" the reservist: not supported by the article cited; the court docket outcome is pending. **[U: unconfirmed]**
- Whether a written State Department reply or staff briefing on the 29 October House letter, or on the 2 November Oversight letter, has been issued privately; Ecuador as a transit-coordination point. **[U: unconfirmed]**
- Jair Renan: the reported 26 October complaint (TJDFT docket). **[U: unconfirmed]**
- Unha e Carne: the electoral court's ruling on Canella's candidacy and the separate abuse-of-power case; charges, if any. **[U: unconfirmed]**
- Outcomes of Agroghost (including Agroghost II), Terra Falsa and Imperium Fictum, including any charges or convictions, and whether any later published case names Banco do Brasil. **[U: unconfirmed]**
- Deságue and Fluxo Paralelo: the companies and officials investigated, the amounts finally attributed, and any charges. **[U: unconfirmed]**

5. Israel

The Knesset election was held on 27 October 2026. On 4 November the Central Elections Committee certified the results, by 15 votes to 2 with 14 abstentions, after its chair, Justice Noam Sohlberg, rejected Likud's bid to delay. The committee found no irregularities that would change the result, and President Herzog accepted it as binding the same day [V] (Times of Israel; AP). Turnout was 77.9% [V] (Central Elections Committee).

Party	Seats
Likud	27
Yashar!	21
B'Yachad	12
Joint List	11
Democrats	8
Ra'am	8
Yisrael Beytenu	7
Otzma Yehudit	7
United Torah Judaism	7
Shas	6
Religious Zionism	6

Certified seats, 26th Knesset [V] (Central Elections Committee).

The pro-Netanyahu bloc has 53 seats, Gadi Eisenkot's bloc 48 and the Arab-led parties 19, a record. No bloc reaches 61 [V]. The two Arab-led parties won about 840,000 votes [V-s] (Times of Israel). President Herzog's consultations with the parties ran to 5 November, and the Knesset was sworn in on 10 November [V-s] (Ynet).

The first mandate. On 8 November President Herzog assigned Gadi Eisenkot, leader of Yashar!, the task of forming a government. His office said that factions totalling 67 MKs had recommended Eisenkot and factions totalling 46 had recommended Netanyahu, while one faction of seven MKs chose to recommend no one [V] (Office of the President; Herzog). The faction of seven is United Torah Judaism [V-s] (Jerusalem Post). Eisenkot accepted the mandate and called for a broad emergency government [V] (Eisenkot). A recommendation is not a coalition commitment. Ra'am and the Joint List, with 19 seats, are part of the 67, and their recommendations do not commit them to join his coalition [V-s] (Jerusalem Post). No bloc reaches 61 on its own [V].

Under Basic Law: The Government, the member assigned the task has 28 days, and the President may extend this by further periods totalling no more than 14 days. If he fails, the President assigns another member or informs the Speaker that no government can be formed. A government is formed only when the Knesset expresses confidence in it, and until then the outgoing government continues to perform its functions [V] (Basic Law: The Government, arts. 8, 9, 13 and 30). Counted from 8 November, the first period ends around 6 December, or around 20 December with the full extension. Eisenkot is tasked with forming a government; he is not prime minister, and Netanyahu's government stays in office as a caretaker until a new one wins a confidence vote.

The Arrangements Committee is a procedural body for the opening of a Knesset; it is not a government. On 11 November the plenum approved its 22-member makeup, chaired by Roy Folkman of Yashar!, by 63 votes to 50, with support from the Arab-led parties [V-s] (Times of Israel; Jewish Chronicle; i24NEWS; Ynet). The same day the committee named temporary chairs of two committees, by 13 votes to 9: Liran Avisar Ben-Horin for Finance, and Avigdor Lieberman for Foreign Affairs and Defence [V-s] (Times of Israel).

Netanyahu wrote on his own account that the election was "stolen", and Likud said it was "stolen by Arab parties" [V] (X; The Hill). The committee's certification rejected that claim on the record. President Trump said his endorsement "helped him a lot" [V-s] (Times of Israel). The arithmetic is the material point: Arab citizens' votes now decide whether any Zionist bloc can govern, and the fraud claim was an attempt to remove those votes from the count politically.

Iran and Washington. Axios, citing three unnamed sources, reported on 13 November that Mossad director Roman Gofman was in Washington for talks on Iran with CIA director John Ratcliffe and was expected to meet White House envoy Steve Witkoff in Miami; Mossad, the CIA and the White House declined to comment [V-s] (Axios). Axios says Trump has so far rejected pressure from Netanyahu to return to combat and has instead sided with Saudi Arabia, Qatar and the UAE to continue the naval blockade and economic pressure campaign against Iran, while seeing if a deal is possible [V-s] (same source). The visit comes while Gadi Eisenkot holds the mandate to form a new government and Netanyahu leads the caretaker government. A meeting between intelligence chiefs is a channel, not a decision. On Axios's account, the caretaker government is still pressing Washington to resume the war, and Washington has so far declined.

Public diplomacy budget. In December 2025 Israel's finance and foreign ministers announced agreement on a NIS 2.35 billion public-diplomacy (hasbara) envelope for 2026, of which NIS 1 billion was described as commitment authority for later years, and said a public-diplomacy unit would be set up in the Foreign Ministry. The money was described as paying for worldwide campaigns, social-media work, civil-society partnerships, and delegations of officials and influencers [V-s] (Jerusalem Post, 6 December 2025; Ynet, same day). The 2026 budget law was passed by the Knesset at the end of March 2026; later reporting treats that public-diplomacy figure as included in the law, about US$730 million at the rates then used, or about US$732 million at a mid-November 2026 rate of NIS 1 = US$0.311 [V-s] (Times of Israel / JTA; Knesset vote on the Foreign Ministry article, 29 March 2026). A budget line is not evidence that any named influencer, or any post in Brazil, was paid from it.

Background only. Drop Site News reported, citing two unnamed US sources, a CIA Red Cell paper from August 2026 that names economic strain, military spending, Haredi draft exemptions, settler violence and the constitutional fight as pressures toward civil conflict [V-s] (Drop Site). Red Cell papers are alternative-analysis exercises, not forecasts. The text is unpublished, and the CIA has not confirmed it.

Open checks

- Whether Eisenkot forms a government that wins the Knesset's confidence within the mandate period, and with which factions. **[U: unconfirmed]**
- Outcome of the Shin Bet and police inquiries; no countries, people or evidence have been published on the reported foreign transfers. **[U: unconfirmed]**
- The Red Cell paper's text and any CIA or ODNI comment. **[U: unconfirmed]**

6. Prophecy meets policy

This section describes beliefs held by named movements and individuals. It does not assess whether any belief is true, and it makes no claim about any people as a whole.

Two Messiahs, one machine? A belief structure and an awkward analogy

One strand of Jewish tradition describes two messianic figures. The Babylonian Talmud (Sukkah 52a) speaks of a Messiah son of Joseph who is killed, alongside a Messiah son of David [V]. Later midrash cast the first figure as preparatory: he fights the battles that come before the end, and he may fall [V-s]. Maimonides, by contrast, describes one Davidic king, and he lists rebuilding the Temple among that king's tasks (Laws of Kings 11–12) [V]. In the twentieth century, Rabbi Abraham Isaac Kook read secular, material Zionism as "the beginning of redemption" [V-s]. These are beliefs held by particular schools, and many observant Jews reject them. What matters here is their shape: a worldly stage that builds the conditions, followed by a final redeemer.

The consortium's interpretation, offered as an analogy only, is that some technology discourse has a similar shape. Sam Altman writes that "we are past the event horizon; the takeoff has started", and that "we will have superintelligence in a few thousand days" may be possible [V]. Anthony Levandowski's Way of the Future church told the tax authorities that its aim was "the realization, acceptance, and worship of a Godhead based on Artificial Intelligence" [V-s]. The scholar Robert Geraci calls this genre "Apocalyptic AI" [V]. Peter Thiel reverses the picture. He warns that the slogan of the Antichrist is "peace and safety", sold as a one-world state that protects people from catastrophe [V].

The similarity is one of structure. No one cited here proposes a totalitarian state. But a sequence in which platform and state infrastructure prepares the ground and a machine sovereign completes it deserves the same scrutiny as any other belief about redemption.

The certified Knesset and the belief channel

Beliefs reach policy through institutions, and in Israel the institution is the coalition. On the certified count, the religious-nationalist and Haredi parties (Otzma Yehudit, Religious Zionism, Shas and United Torah Judaism) hold 26 seats, and with Likud 53, short of a majority [V] (Central Elections Committee). Some of their voters and leaders hold the redemptive beliefs described above; many do not, and this edition does not assess any of them. The material point is narrower: the bloc through which those beliefs carried weight in government no longer has the seats to govern alone.

Sources

- [V] Babylonian Talmud, Sukkah 52a: https://www.sefaria.org/Sukkah.52a
- [V] Maimonides, Mishneh Torah, Kings and Wars 11–12: https://www.sefaria.org/Mishneh_Torah,_Kings_and_Wars.11
- [V-s] Messiah son of Joseph in later midrash (Pesikta Rabbati; Sefer Zerubbabel): standard reference works such as the Jewish Encyclopedia, "Messiah"
- [V-s] A.I. Kook, atchalta de-geula ("beginning of redemption"), in Orot; secondary scholarship on religious Zionism
- [V] Sam Altman, "The Intelligence Age", Sept 23 2024: https://ia.samaltman.com/
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- [V] Robert M. Geraci, Apocalyptic AI: Visions of Heaven in Robotics, Artificial Intelligence, and Virtual Reality (Oxford University Press, 2010)

- [V] Peter Thiel with Peter Robinson, "Apocalypse Now? Part II", Hoover Institution: https://www.hoover.org/plus/research/part-ii-apocalypse-now-peter-thiel-ancient-prophecies-and-modern-tech

Open checks

- Any documented link between these belief traditions and specific policy decisions (party platforms, ministerial statements, funding records). **[U: unconfirmed]**

7. Conclusion

The month's evidence has one shape. In Paraguay, Itaipu power is contracted to a US-linked compute campus. On 6 November the Senate removed the president and swore the vice president in his place; the supply contract is a separate instrument. In Kazakhstan, coal-fired power is turned into compute under a US export licence. In Brazil, lithium concentrate and, until the offtake was switched, rare-earth carbonate leave as intermediates, overwhelmingly declared to China, with a US and European rare-earth path now contracted; they are financed and bought by foreign states and firms, while transmission is concessioned to Iberian groups and machinery is imported. Uruguay shows another model, a state-owned grid built by a Chinese state firm. In each case the asset stays put, under national law. The revenue stream and the value-adding step are what move.

Politically, Brazil enters Lula's fourth term with a stronger right in Congress, a regulator under pressure and a defeated candidate under US discretionary parole. The tests for the coming months are concrete: the Minas-Rio bids due on 14 December and the B3 session on 17 December, the critical-minerals council's first takeover review, the São Francisco transfer tender, with proposals opened on 12 March 2027, and the still-unpublished decree that would implement the Redata data-center regime. The 13 November deadline for the State Department's written answers on Flávio Bolsonaro's entry passed with no public reply. Abroad, Israel's certified Knesset leaves no bloc with a majority; an Arrangements Committee is sitting, which is procedural and is not a government, and Gadi Eisenkot holds the first mandate, with 28 days from 8 November, extendable by up to 14, to form a government that can win the Knesset's confidence. In the United States a new Democratic Congress arrives as local voters restrict data-center construction, the S&P 500 has joined the Nasdaq Composite in a correction, and the BIS remote-access rule is now in force. The next FOMC meeting is on 8–9 December.

Bibliography

Sources are linked in each section. The site wiki holds background pages for recurring actors.

Changelog (v15 → v16, 22 Nov 2026)

- **Header.** Version 16, 22 November 2026. Combined catch-up after the planned 17 and 18 November updates did not ship.
- **AI bubble watch.** The dashboard's verdict, checked on 22 November against the 20 November US closes, stays Imminent, under review. The stale "checked on 13 November" sentence in the 12 November paragraph is removed. Added: Nvidia's fiscal third-quarter results and fourth-quarter outlook (17 November), with the interim chief executive's reported comment that the company does not plan to reinstate Jensen Huang, and no upgrade of the Megaspeed allegation; Reuters' 20 November report that the SEC is examining possible accounting issues at Nvidia, labelled [V-s], with the SEC declining to comment and no charge or finding cited; Anthropic's 18 November pricing at US$83 and 19–20 November trading; the 18 November FOMC minutes of the 27–28 October meeting (held 10–2 at 3¾–4 percent); and the 20 November closes, which put the S&P 500 about 11.6% below its 6 October record, into a correction, and the Nasdaq Composite about 18.1% below, still short of a 20% bear close. There is still no default, failed financing or public backstop. CoreWeave's reported US$4bn loan is not confirmed as having priced.
- **Export controls.** Condensed account of the BIS interim final rule on remote access to advanced semiconductors (RIN 0694-AK50), now published as 91 FR 74970, FR Doc. 2026-23529, effective 19 November 2026, with Brazil on the five-country licence list and the MDIC reply as reported by O Globo. A licence requirement is not a denial. Anthropic's Supported Regions Policy, effective 12 November, is noted as a company rule, not a government order; Brazil is on the supported list.
- **Reindustrialization.** Serra Verde: USA Rare Earth's acquisition closed on 3 September; the Department of War's US$750m investment is recorded as capitalization of the US SIIE offtake vehicle within a US$1.55bn structure, not as the purchase price; October/November commercial-scale shipments and the 325 t fourth-quarter sales guide are retained; Semad/Ibama administrative findings are added from Agência Pública, not as a final finding.
- **Israel.** Short context line on the 2026 public-diplomacy (hasbara) budget announced in December 2025 and treated as included in the March 2026 budget law. A budget line is not evidence that any named influencer, or any post in Brazil, was paid from it.
- **Conclusion.** Coming tests updated for Redata (still unpublished), the BIS rule now in force, the US index correction, and the 8–9 December FOMC. Minas-Rio dates are unchanged (bids 14 December, B3 session 17 December).

Changelog (v14 → v15, 16 Nov 2026)

- **AI bubble watch.** The dashboard's verdict, checked on 16 November, stays Imminent, under review. Added: the Federal Reserve's 13 November Financial Stability Report (87% of contacts cite AI as a salient risk, up from 50%); Governor Barr's 16 November recap of on-balance-sheet debt at the seven largest AI firms, expected to exceed US$800bn by year-end, and off-balance-sheet obligations whose potential maximum nominal value now exceeds US$3tn; and the 16 November Asia session (Taiex −6.03% to 41,040.08, Kospi −3.59%, Nikkei 225 −2.42%). There is still no default, failed financing or public backstop.
- **Reindustrialization.** A short Campinas note on the GAEMA inquiry into TERRANOVA's planned campus (water, power and a reported municipal tax package; the inquiry is not a finding of irregularity). WEG's 2 October investor-day slide on a US pump-manufacturer contract for CDU and auxiliary motors, with the company's second-quarter statement that it does not sell directly to data centers.
- **Corridors.** Folha's 10 November report naming CSN, MRS Logística, Concremat and Porto Seco Sul de Minas as parties studying the Minas-Rio auction (interest, not bids); the Ministry of Transport's 9 November statement of at least 11 unnamed interested investors. Folha's claim that Concremat is controlled by China's CCCC is recorded as unchecked against filings.
- **Brazil politics.** System-wide Central Bank rural-credit default series for individuals, distinct from Banco do Brasil's own ratio; Serasa's 2025 judicial-recovery count and the second-quarter 2026 fall; Senate approval of MP 1.376/2026, sent for sanction.

Changelog (v13 → v14, 14 Nov 2026)

- **AI bubble watch.** The dashboard's verdict, checked on 13 November, stays Imminent, under review. Added: Nebius's guidance cut and capex raise of 12 November, a December rate hike priced as certain on 13 November, and the reported sixfold oversubscription of the Anthropic IPO; the next tests now include CoreWeave's planned loan, the 18 November pricing window and the 8–9 December FOMC. A new note on CXMT: a reported 89.53% third-quarter gross margin and a former Nanya president's forecast of a memory glut from 10 new fabs, a count that rests on him alone, set against lower capacity estimates. The SoftBank turbine and contagion claims move to the open checks. The US midterm totals are updated to the AP calls of 14 November: House 256–169 with 10 uncalled; Senate 55–44 with Alaska uncalled.
- **Reindustrialization.** A new subsection on the 30-year São Francisco transfer concession, from the ministry's tender notice: R$13.65bn of payments by the Union, about R$500m of mandatory investment, proposals opened on 12 March 2027. The Minas-Rio dates are aligned (bids 14 December, B3 session 17 December). The Atmos signature question moves to the open checks.
- **Brazil politics.** The 13 November deadline for a State Department answer passed with no public reply; Rubio's 31 October press comment and Representative Robert Garcia's separate 2 November letter are added. Agroghost II follows the Banco do Brasil subsection; a new subsection covers the Deságue and Fluxo Paralelo inquiries. All three are investigations, and no one has been convicted. The open check on claims about Mossad funding commentators is dropped, as no evidence was ever offered.
- **Israel.** Axios's 13 November report of the Mossad director's Iran talks in Washington, and Trump's continued preference for the blockade and economic pressure over a return to combat.
- **Paraguay.** The ueno open check notes Última Hora's report of two manager removals at U Holdings in the Luxembourg register; the filing itself is still outstanding.
- **Conclusion.** The coming tests are updated.

Changelog (v12 → v13, 14 Nov 2026)

- **Brazil politics.** A new subsection records Banco do Brasil's 11 November cut to its 2026 profit guidance, to R$9–11bn, after agribusiness loans more than 90 days overdue reached 6.92% of a R$404bn book. The bank blames medium and large Centre-West soy, corn and cattle producers, and its CEO spoke of "intentional" moral hazard, which the soy lobby rejects. Separate federal police operations this year (Agroghost, Terra Falsa) and in 2025 (Imperium Fictum) have pursued rural loans backed by fictitious or inflated farm registrations at Caixa, Sicoob, Banco do Nordeste, Santander and Itaú; none of the published cases names Banco do Brasil, and no one has been convicted.

Changelog (v11 → v12, 12 Nov 2026)

- **Reindustrialization.** A new subsection, Refining abroad, follows the official customs flows for lithium, rare earths, niobium, copper, nickel and alumina through October 2026. Lithium concentrate and 2025 rare-earth carbonate go overwhelmingly to China; a US and European rare-earth path is now contracted. The USGS 2,000 t rare-earth-oxide figure is qualified against Serra Verde's audited tonnes. Open checks on grade, offtakes, residual headings and Alagoas copper are listed.
- **AI bubble watch.** Nvidia's board accepted Jensen Huang's resignation as president, chief executive and director, effective 11 November, with Colette Kress as interim chief executive and Harvey C. Jones as board chair. The shares opened at US$150.99 and closed at US$166.19. The 10–12 November market, CoreWeave, Anthropic and Asia datapoints are added. The dashboard's verdict, checked on 12 November, stays Imminent, under review. Nvidia's 17 November earnings are noted as a coming test.
- **Israel.** The Knesset plenum approved the Arrangements Committee, chaired by Roy Folkman, 63–50 on 11 November; the committee named temporary Finance and Foreign Affairs and Defence chairs by 13–9. The body is procedural, not a government. The Eisenkot mandate clock is unchanged.
- **Conclusion.** The rare-earth sentence now includes lithium concentrate to China and the contracted US and European path.

Changelog (v10 → v11, 10 Nov 2026)

- **Brazil politics.** A short regional note on Venezuela: Secretary Rubio's 9 November timetable for new Supreme Court magistrates and a new electoral council, and the Venezuelan selection bodies the State Department describes as US-supported.
- **Paraguay.** The 2023 A Ultranza accusation's account of placements in entities later part of Ueno Holding SAECA, labelled as quoted in the press; no charge against the companies found; Ueno Holding SAECA kept distinct from U Holdings S.à r.l.

Changelog (v9 → v10, 10 Nov 2026)

- **Paraguay.** ueno's ownership chain from the bank's 20 October shareholder list, through U Paraguay and U Holdings S.à r.l. (Luxembourg) to Grupo Vázquez and OTP Bank; the empty vault at Santiago Peña's San Bernardino house, opened on 10 November; Itti's tender notes set against its public-procurement awards.
- **Reindustrialization.** Federal receipts in 2023–2026 for AEL Sistemas, Ares, Cognyte Brasil and TechBiz from CGU open data, with the TCU's finding on the PRF–Cognyte contracts and the unsigned Atmos contract left as an open check.

Changelog (v8 → v9, 9 Nov 2026)

- **Israel.** President Herzog's 8 November assignment of the first mandate to Gadi Eisenkot, with the recommendation counts of 67, 46 and 7 from the President's office, and the periods, reassignment rule, confidence vote and caretaker government under Basic Law: The Government. The first-mandate open check is closed and replaced by the confidence vote.
- **AI bubble watch.** The Nikkei 225's 9 November close. The dashboard's verdict, checked on 9 November, stays Imminent.
- **Conclusion.** The Israel sentence now names the mandate holder.

Changelog (v7 → v8, 8 Nov 2026)

- **AI bubble watch.** The Nikkei 225's 6 November close, 57,434.77, down 5.96%, with the TOPIX down 5.90%. The same day's partial US rebound: Nasdaq, S&P 500, Nvidia and the semiconductor index. The 5 November figures are unchanged, and the verdict stays Imminent. A short note on King Slide's October revenue, second-quarter margin and Kaohsiung plant budget.
- **Paraguay.** The Senate's removal of Santiago Peña on 6 November, the oaths of Pedro Alliana and Antonio Barrios, and Articles 189, 191 and 227. The resignation was not accepted. The compute contract is left as a separate instrument.

Changelog (v6 → v7, 6 Nov 2026)

- **AI bubble watch.** SoftBank's 6 November Tokyo close and four-year CDS high, its OpenAI stake from the company's own release, and ING's reported sale of data-center loans; turbine-order and contagion claims stay unverified.

Changelog (v5 → v6, 6 Nov 2026)

- **AI bubble watch.** Ballotpedia's count of the 3 November data-center measures: 40 of 41 went against development, with 27 approved and 13 defeated.
- **Reindustrialization.** The named winners in NeoFeed's auction count are checked against ANEEL, B3 and ANTT. The overall total stays labelled as NeoFeed's.

Changelog (v4 → v5, 6 Nov 2026)

- **AI bubble watch.** The verdict moves to Imminent after the Nasdaq's 5 November close in correction, with the S&P 500, Nvidia and CoreWeave closes, the Asian sell-off of 6 November and the doubts over Anthropic's roadshow. The Black October recap uses Elliptic's 6 November figure for funds still held.
- **Reindustrialization.** NeoFeed's count of foreign winners in 2026 infrastructure auctions, labelled as a single secondary source.
- **Header.** The version line now matches the edition record.

Changelog (v3 → v4, 5 Nov 2026)

- **AI bubble watch.** The Black October recap now has its own heading and cites both blockchain trackers with dates: TRM Labs (29 October) and Elliptic (final update, 1 November). Frozen funds are kept separate from funds still held by the attacker.

Changelog (v2 → v3, 4 Nov 2026)

- **AI bubble watch.** The US midterms: Democrats won both chambers, with Senate and House totals given as of 4 November; at least 33 local data-center restrictions passed; Leading the Future's spending fell in the general election. The Paraguay section adds the central bank's resolution of ueno bank as context.
- **Reindustrialization.** Copper: Vale's third-quarter copper costs from its 6-K, and Paranapanema's 30 October filing on a new controlling shareholder. The Ministry of Transport's R$262.6bn 2027 concession portfolio, with Valor's R$214bn as a subset, and the Minas-Rio notice terms. A new section on the COP30 fossil-fuel roadmap, read from the roadmap itself, set against Petrobras's Morpho well and ANP's 86 Equatorial Margin blocks; the link between the two is marked as analysis.
- **Brazil politics.** Unha e Carne phases 8 and 9, from Federal Police releases.
- **Israel.** The Central Elections Committee's certification of 4 November and the certified seat table. The first mandate to form a government remains an open check.
- **Prophecy meets policy.** The religious-nationalist and Haredi parties' seat count on the certified result, stated as a fact about seats; beliefs are described, not assessed.
- **Conclusion.** The tests for the coming months are updated.

Changelog (v1 → v2, 3 Nov 2026)

- **Citations.** Primary links added for the Jerusalem Post (citing Maariv), Valor (31 Aug 2021) and the House letter to Secretary Rubio.
- **Labels.** Firebird's US export licence is now marked as reported by NVIDIA and the Times of Central Asia; the BIS record remains an open check.
- **Removed.** An unsourced claim about the ANEEL transmission auction, and the matching sentence on Brazilian transmission concessions.

Changelog

- Version 1, 3 Nov 2026. First live draft of the November edition. Seven chapters, text only. Open checks are listed at the end of each chapter and will be closed or removed as verification continues.