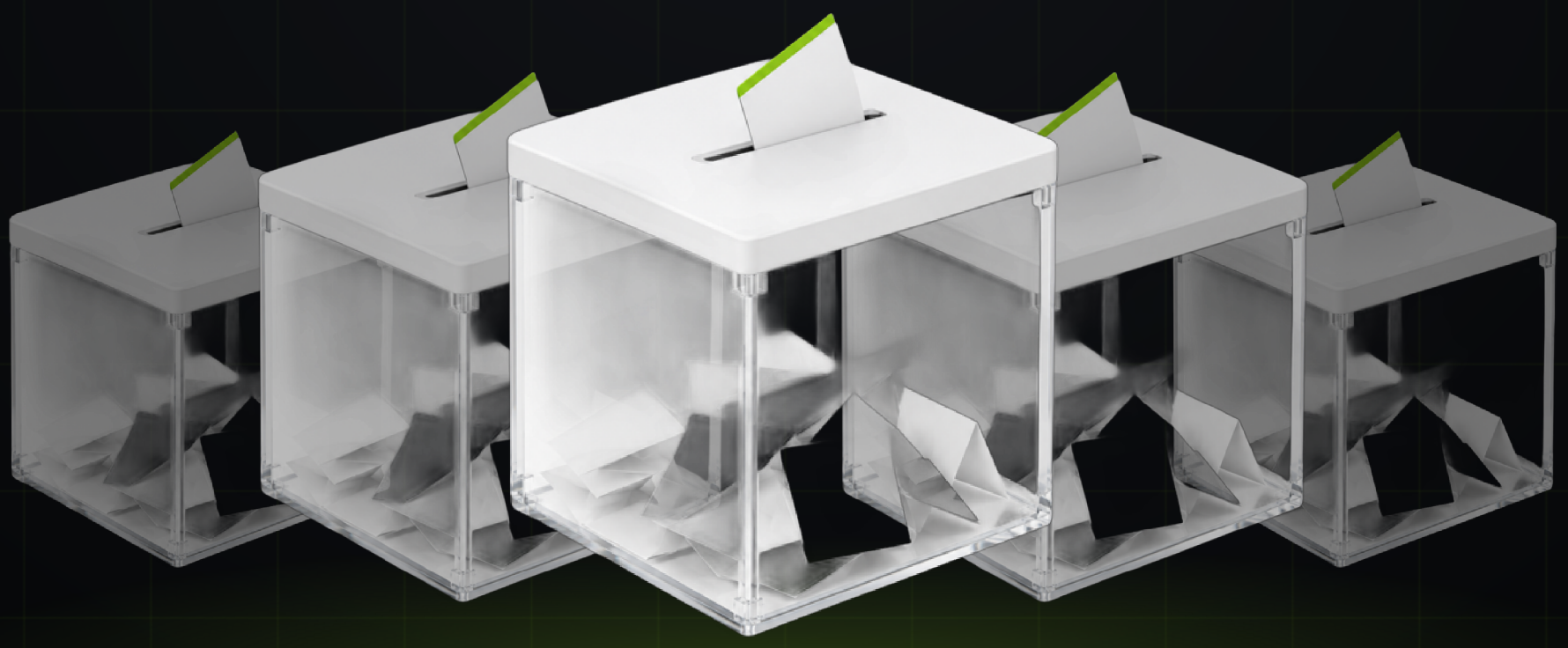
LESSON 015 THE FULL BREAKDOWN

THE ODDS MAP

The midterm betting boom in five numbers, from Kalshi's and Polymarket's own data, plus how to read a price.



ASSETWISP
SMART MONEY, SIMPLIFIED!

THE MAP

The boom in five numbers

Over $1.4B was traded on midterm markets (CNN, from the companies' figures). At Kalshi, politics is about $8B a year out of more than $1T. How to read a price: a contract pays $1 if it happens and nothing if not, so a price of 94 cents means the market puts it at about 94%.



NUMBER 1

The odds

NUMBER 2

The game

NUMBER 3

The dollar

NUMBER 4

The house

NUMBER 5

The blank

NUMBER 1

The odds



94%

Democrats' chance of winning the House on Kalshi and Polymarket, the night before the vote

75%

their chance of winning the Senate, same night

The result: Democrats won the House (the AP called it the morning after) and Democrats won the Senate (AP). Both favourites won.

A price is a forecast, not a promise. In 2024 the same markets called the House close to a coin flip, about 49 cents for Republicans, the night before.

Buy at a high price and you win a little if you're right, and lose almost all of it if you're wrong.

NUMBER 2

The game



104.4M

contracts traded on Kalshi on one NFL game, Bills at Rams

103.8M

contracts traded on Kalshi's House control market in about 2 years

This is the one most headlines skip: one football game traded about as much as two years of the House market.

Analysts put sports at about 80% of Kalshi's volume (press: Trefis, The Information). These apps are mostly sports books.

NUMBER 3

The dollar



$1

what every contract counts as in volume, whatever you paid for it

$8M

paid by people betting on a Republican House on Kalshi, for $69M of volume

Every resale counts again, so volume runs far above the money actually bet (studio calculation from Kalshi's public data).

So when you read a headline total, read it as trading, not as money on the line.

NUMBER 4

The house



$40B

what investors valued Kalshi at in its latest round

$5B

its valuation a year earlier (press: The Block)

Kalshi takes a fee on every trade, win or lose: 0.07 x price x (1 - price) per contract, rounded up. On a hundred contracts at fifty cents that is $1.75, the most expensive point.

Kalshi says you always trade with another member, not the exchange. The house doesn't bet. It gets paid.

This is the one I'd watch.

NUMBER 5

The blank



3

appeals courts that have split on whether the sports contracts break state gambling law

The Third Circuit sided with Kalshi; the Ninth and the Sixth did not.

New Jersey has asked the Supreme Court to take the case (Flaherty v. KalshiEX, No. 26-299). Kalshi's answer is due December 7.

Utah also filed criminal charges against Kalshi and its founders in late October (press: KUER). Watch the Supreme Court's decision on whether to hear the case.

RISK

The honest part

Two things the ads skip:

Polymarket users

69%

OF NEARLY 2.5M USERS LOST MONEY IN ONE STUDY

Kalshi takers

-31.5%

AVERAGE RETURN ON CONTRACTS BOUGHT AT THE POSTED PRICE

You're often trading against professional market makers: Susquehanna; Kalshi Trading LLC (Kalshi's affiliate). Profits are taxable. The National Council on Problem Gambling calls these markets functionally gambling. If it has stopped being fun: 1-800-MY-RESET (call or text).

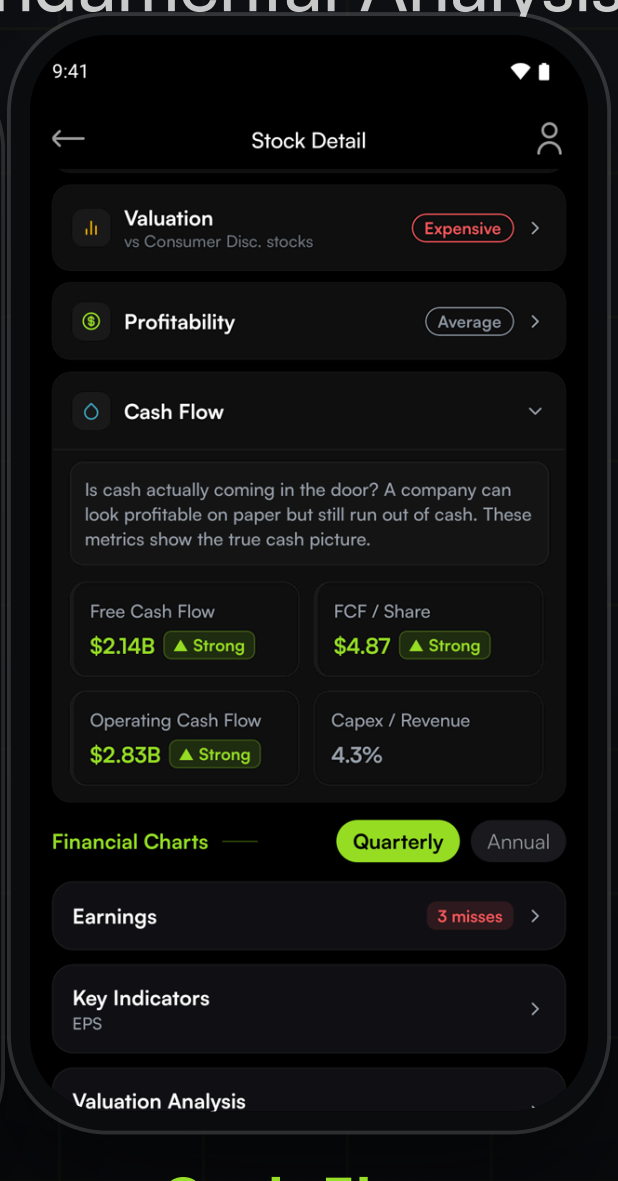
ASSETWISP

How I check

Kalshi and Polymarket aren't listed, but ICE, the New York Stock Exchange's owner, has put $1.64B into Polymarket and owns about 22% of it. That one I check in AssetWisp's Fundamental Analysis.



Financial Health



Cash Flow

App Store | Google Play | assetwisp.com

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