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Trading on Tomorrow: The Economics and Rise of Prediction Markets Toward a New Asset Class

Summer 2026

A Note from our Editor

As we finalized this report, the prediction markets industry reached a significant milestone. The US Commodity Futures Trading Commission (CFTC) announced the adoption of a Notice of Proposed Rulemaking (NPRM), which proposes a clearer regulatory framework for event contracts, signaling the agency's continued focus on a sector that has experienced rapid growth and increased public attention.

The NPRM reflects a broader shift in how prediction markets are viewed. Once considered a niche corner of the financial system, these platforms have increasingly become part of larger conversations about forecasting, information aggregation, risk management and market innovation. Investors, businesses, academics and policymakers are all paying closer attention to the role prediction markets can play in helping participants assess uncertainty and evaluate future outcomes.

The regulatory discussions now underway represent an important stage in the development of an industry that continues to evolve in both scale and sophistication. While the ultimate direction of the regulatory framework remains uncertain, the decisions made in the coming months may help shape how prediction markets operate and grow in the years ahead.

The analysis presented in this report is particularly timely. The chapters that follow examine the core economic functions of prediction markets, the benefits they can provide and the challenges that accompany their continued development. Understanding these issues is essential to understanding where the industry may be headed next.

"As prediction markets continue to grow in scale and visibility, the conversation has shifted from whether they belong in the financial system to how they should be regulated within it. That shift is reflecting both the maturity of the industry and its growing economic significance."

Carl E. Kennedy

Partner and Co-Chair,
Financial Markets and Regulation, Katten

Introduction

Pollsters ask what people think will happen; futures traders take a position on where prices are headed; prediction markets do both at once. These markets allow participants to trade on the outcomes of future events, converting collective opinion into market prices that can be interpreted as implied probabilities. Importantly, these probabilities reflect the distribution of participants' beliefs and preferences, rather than a purely objective estimate of likelihood. What started as an academic experiment and a niche outlet for election enthusiasts has grown into a multi-billion-dollar industry, attracting Wall Street heavyweights and reshaping how market participants approach risk.

Institutional investors, major exchanges, and retail platforms are increasingly participating, while advances in artificial intelligence[1] are further accelerating market activity and analysis. This article examines the rapid rise of prediction markets as an emerging category of tradable event-risk instruments, exploring their applications in forecasting, information aggregation, risk transfer, and financial products, while addressing at a high level the legal and regulatory considerations that accompany their expansion.[2] The numbers behind this transformation are striking.

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Market Growth and Institutional Adoption

The popularity of prediction markets has surged dramatically in recent years, marked by exponential growth in trading volumes and expanding participation from major financial institutions. One leading US exchange saw its weekly trading volume exceed $1 billion in December 2025, up over 1,000% from 2024,[3] and by May 2026, that figure had reached $4 billion.[4] Another major platform, which operates an exchange regulated by the CFTC alongside its global platform, experienced a similarly dramatic trajectory, with weekly trading volume rising from approximately $50 million in June 2024 to $1.6 billion in May 2026, an increase of more than 30-fold.[5]

Exhibit 1 shows the top five platforms by monthly global volume in June 2024 and April 2026.[6] Exhibit 2 shows the monthly volume breakdown by platform, both within and outside of the United States.

Exhibit 1: Top 5 Platforms by Monthly Global Volume in June 2024 and April 2026

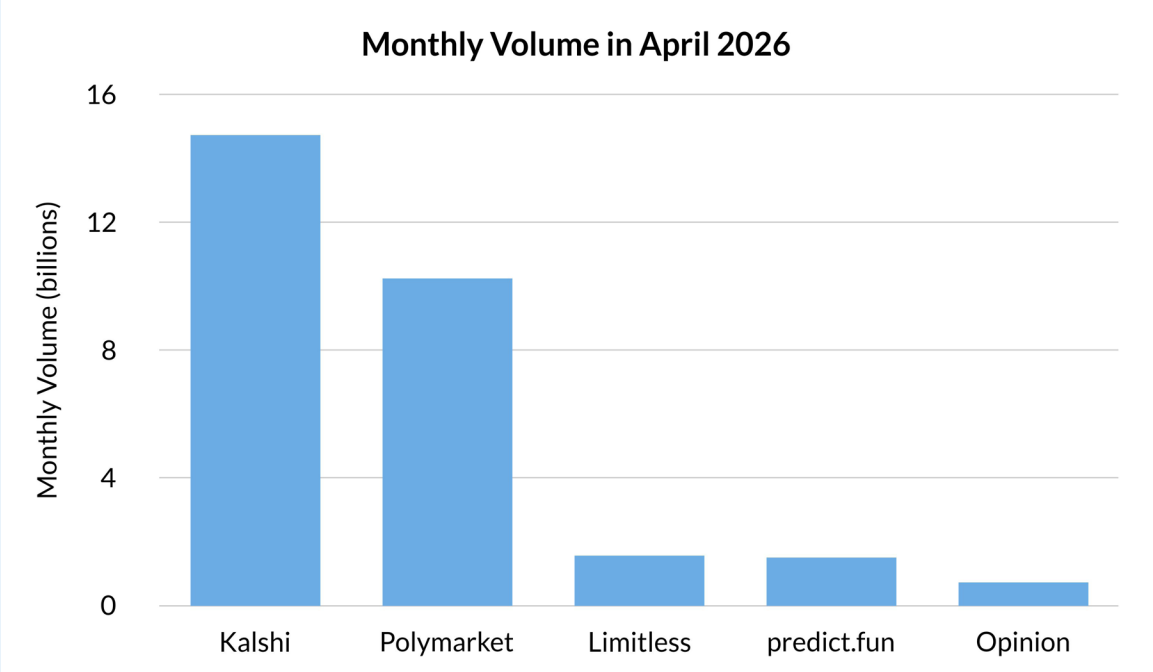
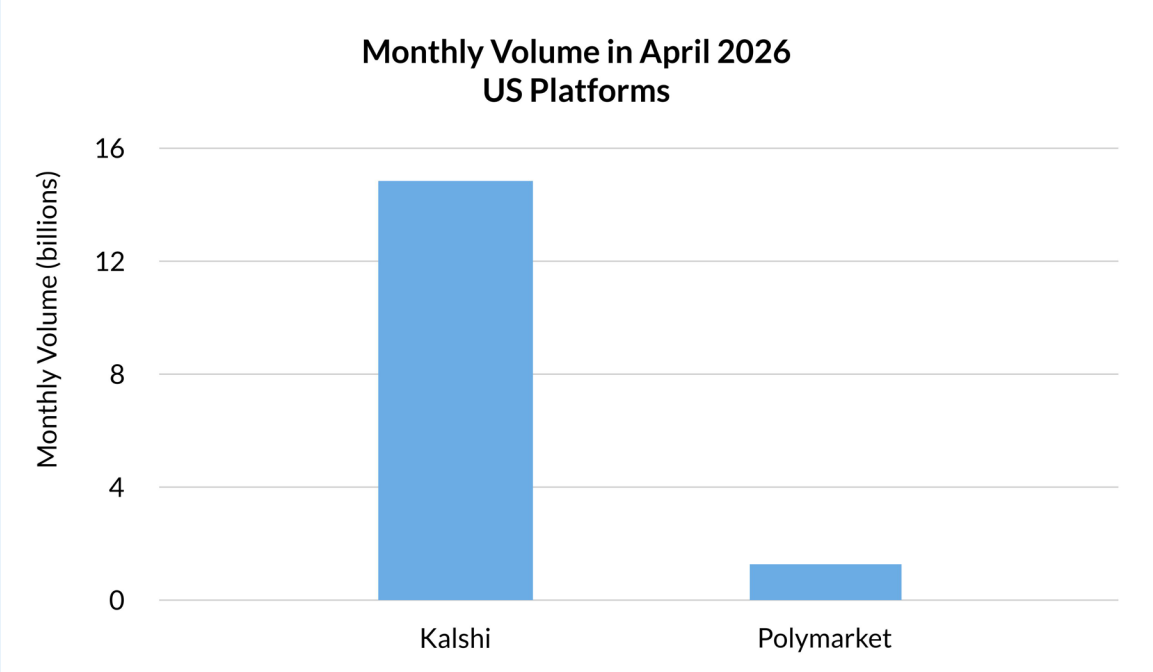
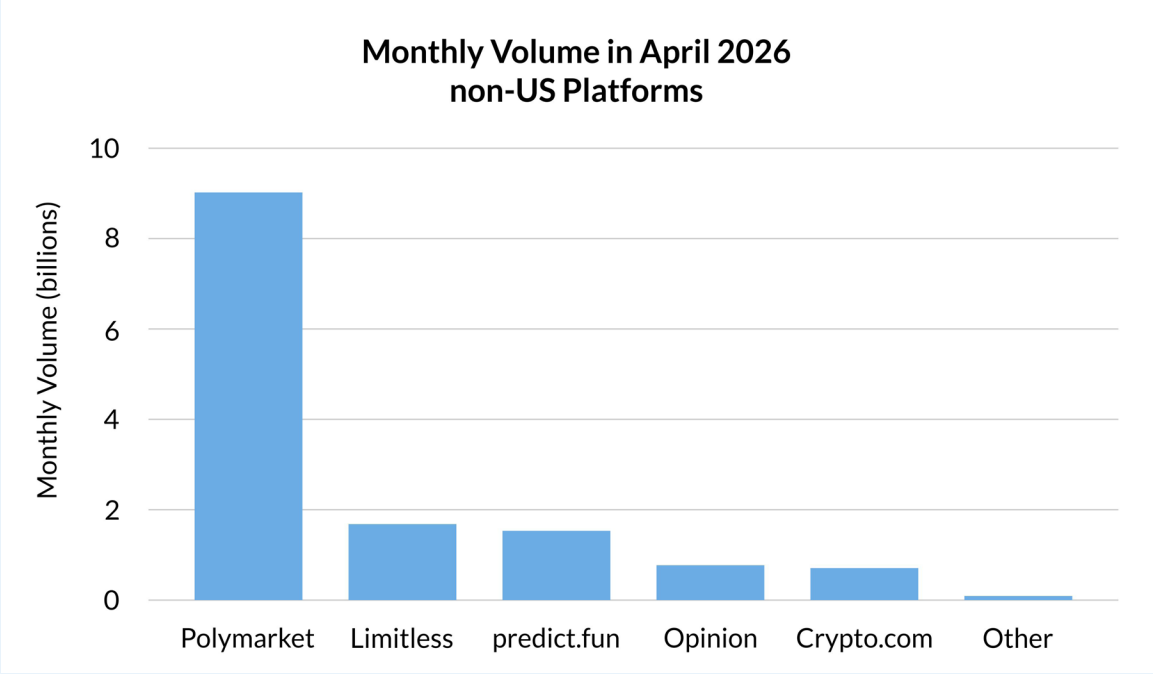


Exhibit 2: Monthly Volume by Platform in April 2026, US and Non-US Platforms[7]





The growth in popularity is fueled in part by established trading platforms entering the space. Several major brokerages and cryptocurrency exchanges have launched prediction market hubs,[8] formed partnerships with regulated exchanges,[9, 10] acquired derivatives infrastructure, and developed their own prediction platforms, bringing prediction market access to millions of existing retail customers.

Wall Street's interest has also intensified, with major proprietary trading firms establishing dedicated trading desks and the parent company of one of the nation's largest stock exchanges investing $2 billion in a leading prediction market platform.[11] Other major exchanges are seeking regulatory approval to launch outcome-related options, and asset managers have filed for exchange-traded funds (ETFs) tied to prediction market contracts.[12] Taken together, this combination of volume growth, platform expansion, and institutional adoption signals that prediction markets are rapidly establishing themselves as a new asset class warranting increased attention from market participants.

One indicator of this trend is the expanding presence of contracts referencing publicly traded companies within these markets. We examined the percentage of S&P 500 companies referenced in event contracts listed on a leading prediction market platform between October 2, 2020 and May 18, 2026.[13] During this period, there were 1,198,210 contracts listed, of which 25,767 (2.15%) referenced a total of 252 (50%) S&P 500 companies.[14] In the first quarter of 2026 alone, 6,509 contracts referenced 163 different S&P 500 companies, compared to 149 contracts referencing 36 companies throughout 2024. This growing prevalence has implications for publicly traded companies, particularly around the timeliness and accuracy of information disclosed, engagement with investors and other market participants, and the potential for increased regulatory scrutiny.

As prediction markets expand their reach into events associated with publicly traded companies, firms are taking proactive steps to manage the associated risks. Companies are engaging experienced legal counsel to advise on regulatory structuring, contract listing considerations, potential disclosure obligations, and litigation risk, alongside economic experts to evaluate potential exposure to market manipulation. The CFTC has made clear that insider trading in prediction markets will be aggressively pursued, issuing an advisory in February 2026 affirming full authority to prosecute the misappropriation of material nonpublic information and, in April 2026, bringing its first insider case involving event contracts.[15] In response, some companies are updating compliance policies to explicitly address prediction markets, implementing restricted lists and pre-clearance requirements for employee trading, and adopting surveillance tools to monitor for unusual trading patterns tied to corporate announcements.

A related question is how contracts referencing publicly traded companies should be characterized under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which assigns security-based swaps — generally those referencing a single security or issuer — to the Securities and Exchange Commission (SEC) and other swaps to the CFTC. Indeed, US Attorney Jay Clayton for the Southern District of New York recently cautioned that an event contract that pays out if a stock falls below a certain price could closely resemble a security-based swap, raising questions about its classification under federal securities law.[16]

How Prediction Markets Add Value

Prediction markets have rapidly evolved from a niche financial product into a subject of significant regulatory and public interest. As the CFTC continues its review of event contracts, the industry appears to be approaching a pivotal moment. Market participants are increasingly focused on the prospect of regulatory developments that could help shape the future of prediction markets in the United States. Regardless of the specific outcome, the growing attention devoted to these markets reflects their increasing importance within the broader financial ecosystem. The increased scrutiny is not simply a function of market growth, but also of the distinct economic functions these markets perform.

Forecasting Event Probability

Prediction markets have emerged as a powerful tool for forecasting event probabilities by aggregating trading activity into market-implied estimates of future outcomes. The price of each event contract, typically between 1 cent and 99 cents, reflects a collective market assessment of the probability that the referenced event will occur, with higher prices indicating a greater perceived likelihood. Academic studies, such as those by Wolfers and Zitzewitz (2004) and Berg, Nelson, and Rietz (2008), have demonstrated that such markets can serve as useful and efficient indicators of probability, reflecting the consensus view more quickly and accurately than polls or expert opinions.[17]

More recently, in February 2026, the Board of Governors of the Federal Reserve's Finance and Economic Discussion Series released a working paper examining the accuracy of prediction market-implied forecasts of macroeconomic outcomes from a major CFTC-regulated exchange and found that those forecasts were either comparable to or outperformed those of professional forecasters.[18] The paper also showed that these forecasts revealed the full range of possible outcomes and their probabilities, unlike traditional forecasts, which often only provide point estimates or limited scenarios.

Data Aggregation

Knowledge relevant to future events is often distributed across individuals with varying expertise, access and perspectives. Yet conventional sources are rarely able to elicit or consolidate this dispersed information. Prediction markets address this gap by capturing non-traditional and fragmented insights

and consolidating them into a single market-based estimate, thereby increasing access to data that conventional sources may overlook.

Traditional news coverage clearly illustrates this constraint. The information that reaches the public is filtered through editorial decisions about framing and shaped by the experts and observers that reporters choose to interview. Even when sources are varied to reflect diverse opinions, they represent only a small fraction of the informed views that exist. Prediction markets impose no such limit. Instead, they elicit information from any individual willing to back their judgment with money. Indeed, major news organizations have recognized these limitations and are increasingly partnering with prediction market platforms to supplement their coverage.

As market participants stand to gain or lose based on the accuracy of their beliefs, this financial incentive may accelerate the transmission of information as prices adjust dynamically to reflect evolving data and sentiment. Indeed, hedge funds and proprietary trading firms have already begun utilizing data from prediction markets to extract actionable data and refine their investment strategies, citing the speed of information transmission as one of the benefits.[19]

Price Discovery

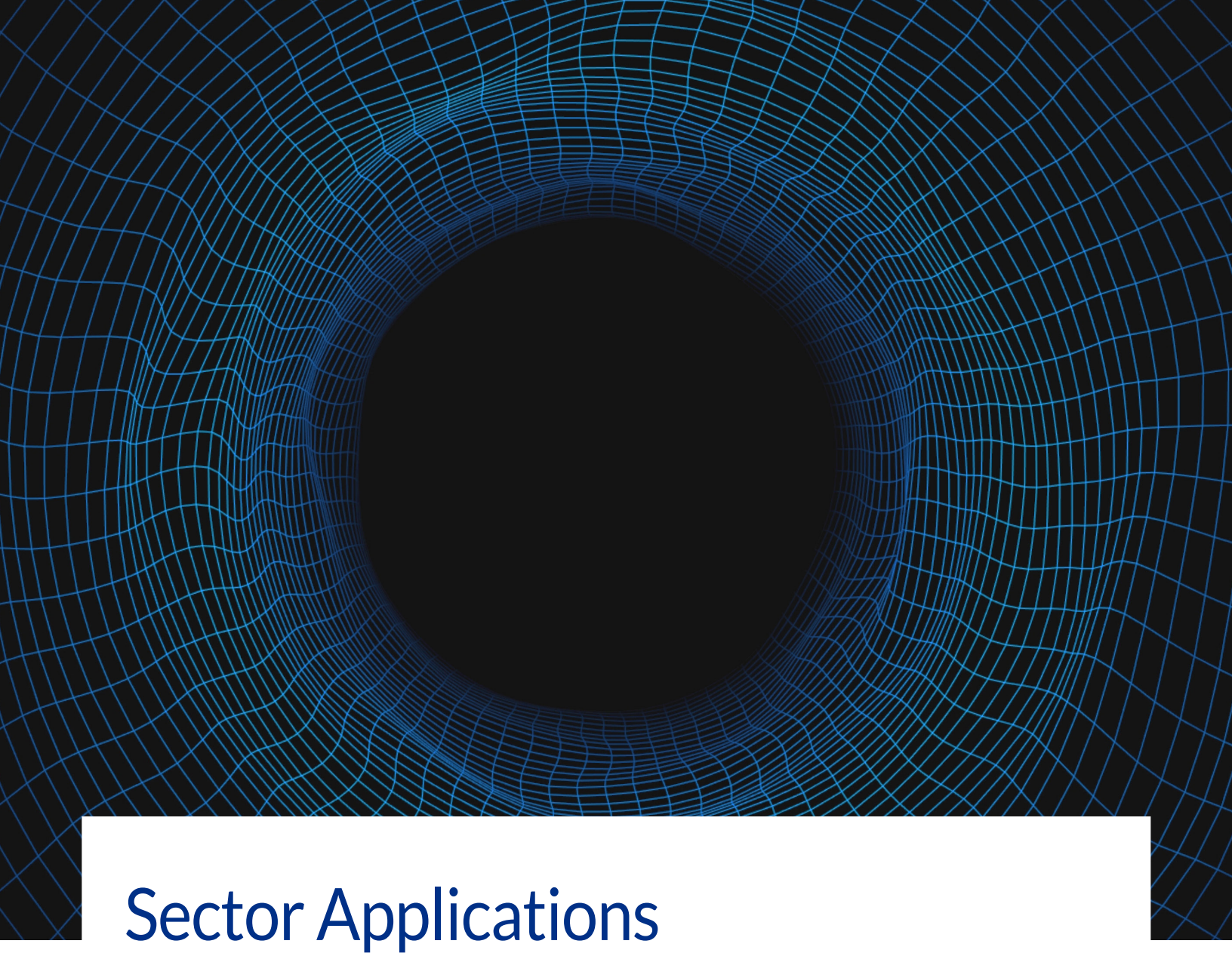
Prediction markets can also enhance price discovery by assigning market-based values to expectations about outcomes that have historically lacked transparency, such as the valuation of private companies or assets. Importantly, this does not make confidential information public. Rather, these markets operate on participants' existing knowledge, assumptions, and signals, transforming them into tradable prices.

What is novel, however, is the ability to *price* these expectations. In contexts where no formal market previously existed, prediction platforms create a mechanism for expressing and valuing beliefs about future performance. For example, at least one platform has launched a prediction market that allows users to trade on the valuation performance of private companies, effectively generating a market-implied view where none previously existed.[20] Increased accessibility to such information can help investors interpret dispersed opinions and may attract a broader spectrum of investors seeking opportunities in private markets that previously targeted mainly institutional and accredited investors.

Hedging of Discrete Event Risks

These markets offer a promising mechanism for hedging discrete event risks that are costly or excluded from traditional insurance coverage. The price discovery process associated with event contracts can provide a more flexible approach for businesses and investors seeking to manage exposure to low-frequency, high-impact events that are difficult to quantify or slow to settle. For example, a company concerned about a specific supply chain disruption can purchase a contract tied to that event. If the disruption occurs, the payout can be used to offset increased costs or lost revenue, effectively acting as a synthetic insurance policy.

Despite these advantages, several challenges hinder broader adoption. One obstacle is the difficulty in securing counterparties willing to take the opposite side of contracts, especially for rare or highly uncertain events. This issue is compounded by market fragmentation, where multiple small or specialized markets operate independently, limiting liquidity and reducing the efficiency of price discovery. Low liquidity can lead to wider bid-ask spreads and increased volatility, undermining both pricing accuracy and the reliability of these instruments as a hedging tool. These challenges highlight the need for thoughtful market design and incentives to attract diverse participants and enhance liquidity. Regulatory developments will likely play a pivotal role in shaping the future landscape of prediction markets.



Sector Applications

An analysis of event contracts on the largest US exchanges shows that beyond sports and cryptocurrencies — which together account for roughly 86-87% of the market — prediction markets are generating growing interest across areas such as economics, climate and weather, and entertainment.[21] These emerging applications span an increasingly diverse set of domains, several of which are discussed below.

Policy and Legal

In policymaking, prediction markets offer continuously updated assessments of policy and legal outcomes that reflect evolving expectations around legislative, regulatory, and judicial developments. Unlike traditional polling, which captures a static snapshot of public sentiment, these markets can rapidly integrate expectations regarding industry knowledge, lobbying intensity, and the political climate. This makes them particularly adept at forecasting legislative outcomes, such as the likelihood that the Digital Asset Market Clarity Act will pass by a specific 2026 deadline.

For policymakers, these indicators provide a dynamic gauge of feasibility, timing, and impact, helping to inform strategy and decision-making. For businesses and individuals, they offer forward-looking signals that can help anticipate regulatory or judicial outcomes, enabling more proactive planning around investment, compliance, and operational decisions. Policy-related contracts have yet to gain significant traction, but early examples — such as contracts on whether OPEC will hike production by its next meeting — illustrate the types of questions these markets can address.[22]

Economics

Well-functioning prediction markets could similarly improve both forecast accuracy and responsiveness by providing a dynamic, continuously updated view of economic expectations — particularly for event-driven outcomes where conditions change rapidly. Conventional forecasts, such as those produced by central banks or surveys of professional economists, are often released at fixed intervals and may quickly become outdated as new developments emerge. By contrast, prediction markets adjust continuously to incorporate both formal data releases and less tangible signals, such as shifts in sentiment and policy expectations. In practice, this enables businesses, investors, and policymakers to respond more quickly to evolving economic conditions through timely market-implied assessments of developments such as inflation, trade policy, and interest rate movements.

Although economics-related contracts currently account for under 1% of listed markets on major platforms, examples such as contracts on the US trade deficit for 2026 and on whether Argentina will dollarize by mid-2026[23] illustrate the range of forward-looking questions these markets can address.

Climate and Weather

Prediction markets complement traditional weather forecasting by capturing localized risks and expectations that broader meteorological models may not fully reflect. Because participants trade based on firsthand observations, regional weather patterns, and evolving local conditions, these markets can generate more granular assessments of the likelihood and impact of weather-related events. This region-specific perspective is particularly valuable for climate modeling and risk planning, especially for businesses and communities with concentrated geographic exposure that generalized forecasts may not adequately address.[24]

In addition, well-functioning prediction markets could serve as a hedging tool for businesses and individuals exposed to localized weather risks. Agricultural producers, for example, may hedge against region-specific drought conditions, while energy providers may manage exposure to abnormal temperature swings that affect electricity demand. In property insurance, event-based markets can complement existing coverage by offering rapid, parameter-based payouts tied to predefined weather conditions, such as wind speeds in a specific region following an impending storm. Climate and weather markets remain a niche but growing category across platforms, with contracts on topics such as peak temperatures in Los Angeles and precipitation levels in New York City reflecting the types of localized events being traded.[25, 26, 27]

Entertainment

Prediction markets allow for probabilistic assessments of entertainment outcomes, such as awards, box-office performance and show success. Their appeal lies in producing crowd-driven insights into audience sentiment and industry trends that may help studios, streaming platforms, and marketers gauge demand, refine release strategies, or allocate promotional budgets more effectively. They could also serve as a complementary tool to existing metrics such as pre-sales data, social media engagement, and critic reviews by translating multiple signals into a single, regularly updated probability. This can be particularly valuable in the entertainment industry, where outcomes are highly uncertain and driven by rapidly evolving public sentiment.

For example, one well-known online prediction market that uses virtual currency to forecast movie box-office success has been shown to be a reliable predictor of box-office outcomes.[28] Several movie studios have also utilized data from this platform in their marketing decisions. Entertainment-related contracts represent a limited but notable segment of prediction market activity, with listings such as contracts on the top artist on Spotify in a given year illustrating the breadth of outcomes traded.[29, 30]

Science

In scientific contexts, prediction markets translate distributed expert judgment into probabilistic estimates of research outcomes, such as the reproducibility and credibility of scientific studies.[31] In healthcare, they have been used to track and forecast infectious diseases, as demonstrated by a pilot study in Iowa, where researchers predicted seasonal influenza activity two to four weeks in advance using clinical data from healthcare workers.[32] The study's authors observed that infectious disease forecasting is particularly well suited to prediction markets because relevant knowledge is "subjective and asymmetrically distributed across multiple professions" and not easily captured through standard statistical methods. By synthesizing information from diverse participants into a single forecast, the authors noted, such markets may improve both responsiveness and accuracy.

Science remains an emerging category, but examples such as contracts on whether the WHO will declare Hantavirus a public health emergency of international concern[33] and contracts on FDA approval timelines for specific new drugs suggest growing interest in applying these markets to scientific and public health questions.

Business

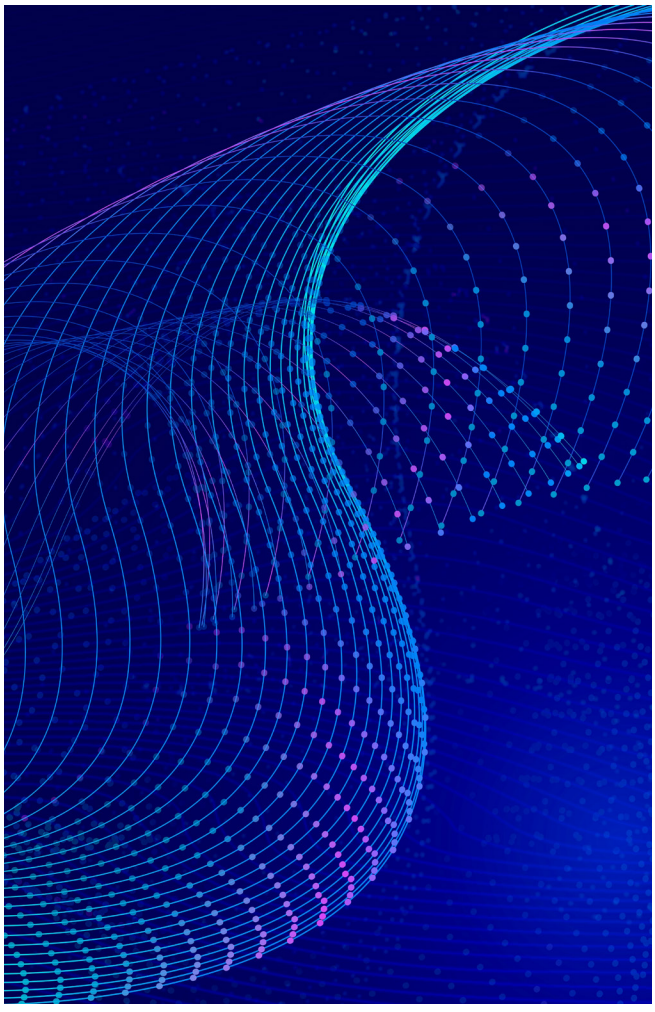
In business settings, prediction markets aggregate decentralized organizational knowledge into market-based projections that support strategic decision-making. One example is the use of corporate prediction markets, where employees trade on internal outcomes such as product launches, sales targets, or project timelines. By incentivizing participation, these markets convert dispersed insights into projections that, in some cases, outperformed traditional internal forecasting methods. Published case studies from several major technology and industrial companies suggest that forecast accuracy can improve over time as participants gain familiarity with the platform and refine their trading strategies.[34]

Business contracts remain a nascent segment, but listings such as contracts on when SpaceX will officially announce an IPO[35] and Amazon's 2026 capital expenditures[36] suggest that prediction markets are increasingly being used to express views on corporate financial outcomes.

Academia

In academia, prediction markets have the potential to support institutional planning by incentivizing participation and information sharing, capturing insights that are often difficult to obtain through traditional surveys or administrative processes. Faculty, researchers, and students can trade on the likelihood of academic outcomes (e.g., research milestones, grant approvals, or institutional decisions), thereby converting diverse perspectives into outcome projections. In practice, these markets can help academic institutions identify potential project delays, assess the likelihood of funding success, allocate resources more effectively, and gauge institutional sentiment on proposed policies or administrative decisions.

Academia-focused contracts are relatively uncommon to date, though contracts on the resolution of specific university disciplinary actions illustrate the range of events that can be priced.



New Financial Products Tied to Prediction Markets

The growth of prediction markets has spurred the development of new financial products that leverage event contract pricing and structures. As institutional participation increases, exchanges and asset managers are adapting these mechanisms into more accessible investment vehicles. This includes outcome-related options, politically themed ETFs, structured notes linked to binary events, and margined prediction contracts — each of which is discussed below.

Options

In early March 2026, a major US exchange filed for SEC approval to list binary options on broad market indices. These so-called Outcome-Related Options, priced from $0.01 to $1, would allow traders to take yes-or-no positions on the outcome of specific events.[37]

Another major exchange expects to roll out its first prediction market contract in Q2 2026. The contract will be structured as a standard options product that offers a fixed payout based on the outcome and will be cash-settled. This securities-based contract will trade on a regulated options exchange.[38]

ETFs

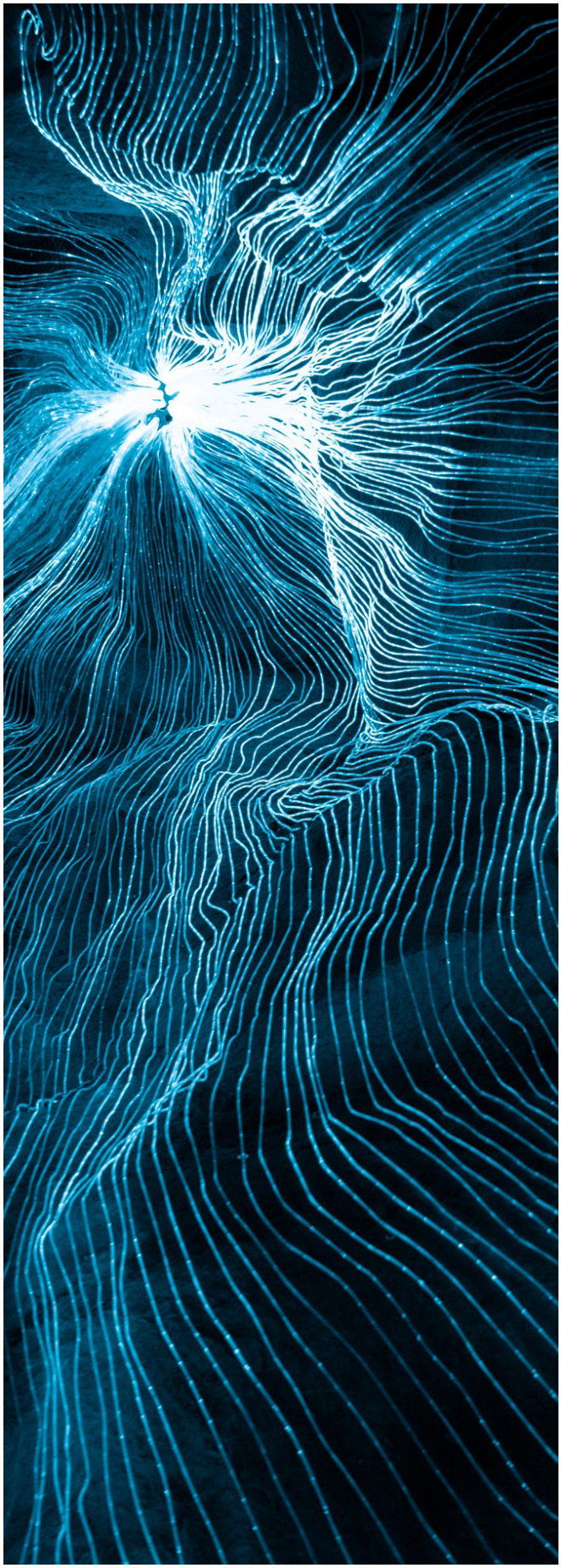
Several asset managers have filed for politically themed ETFs tied to prediction market outcomes, including funds linked to presidential election results and to party control of the US Senate and House. It is envisioned that these ETFs would track prices from major prediction market platforms.[39]

Structured notes

A London-based financial services company launched the first structured note tied to a binary outcome in April 2026. The note pays a 7% coupon if a specified company remains the world's largest by market capitalization in one year.[40]

Margin prediction contracts

At least one platform has been approved by the CFTC to offer margined prediction contracts on its trading platform. To date, prediction market contracts have been fully collateralized, meaning a participant must put up the maximum possible loss at the time of trade, with no credit extended by a broker or the platform. Margin capability changes that dynamic by allowing participants to take leveraged positions on event contracts, posting only a fraction of the notional exposure upfront. The result is potentially greater trading volume and deeper liquidity in individual markets. For institutional participants in particular, margin functionality brings prediction markets closer to the capital efficiency expectations of traditional derivatives trading. The CFTC's willingness to approve these structures signals a degree of regulatory comfort with expanding the product set beyond fully collateralized contracts.



Looking Ahead

Prediction markets have arrived. Weekly trading volumes now exceed $3 billion, year-over-year growth has peaked at 1,000%, and more than half of S&P 500 companies are referenced in event contracts. What began as an academic curiosity has become a multi-billion-dollar industry with genuine institutional backing, and several clear themes emerge from this rapid growth.

The forecasting accuracy of prediction markets has attracted serious attention from exchanges, asset managers, and corporate strategists alike. At the same time, the ability to hedge discrete event risks through event contracts has opened up use cases that traditional insurance and derivatives markets have not historically addressed.

On the product side, the pipeline is already crowded: several exchanges are seeking approval for outcome-related options, multiple asset managers have filed for politically themed ETFs, and structured notes tied to binary outcomes have reached the market. The regulatory picture, however, remains unsettled. The CFTC has moved to assert exclusive federal jurisdiction over event contracts, but that authority faces active challenges in federal courts and from state regulators. This is a tension that is unlikely to be resolved quickly. Beyond the products that are already on the market, exchanges have signaled interest in expanding into adjacent derivative structures, such as perpetual futures, suggesting that prediction market platforms may continue to broaden their product offerings.

Compliance frameworks will need to account for novel product structures, and legal teams should expect continued regulatory uncertainty as federal and state authorities define their respective roles. This is a market still taking shape. The institutions that engage with it early will help define its trajectory.

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Charlotte Giang, a senior data analyst for NERA, and Max Walman, a JD candidate from Western Law, contributed to the research and analysis in this report.

End Notes

[1] Agentic systems such as Polystrat (launched on Polymarket in February 2026) can trade autonomously on behalf of users. Platforms are also integrating artificial intelligence into operations, such as Polymarket's partnership with Palantir to deploy "Vergence AI" for real-time trade monitoring and compliance. Margaux Nijkerk, "AI Agents Are Quietly Rewriting Prediction Market Trading," *CoinDesk*, March 15, 2026, https://www.coindesk.com/tech/2026/03/15/ai-agents-are-quietly-rewriting-prediction-market-trading; Polymarket, "Polymarket Partners With Palantir and TWG AI to Build Next-Generation Sports Integrity Platform," press release, March 10, 2026, https://www.businesswire.com/news/home/20260310736467/en/Polymarket-Partners-With-Palantir-and-TWG-AI-to-Build-Next-generation-Sports-Integrity-Platform. For a discussion of how large language models offer a scalable way to aggregate and generate probabilistic forecasts, see Sarah Pratt, Seth Blumberg, Pietro Kreitlon Carolino, and Meredith Ringel Morris, "Can Language Models Use Forecasting Strategies?," *arXiv preprint arXiv:2406.04446* (2024).

[2] Benefits discussed in this article, including forecast accuracy, information aggregation, and hedging, depend on market-specific conditions such as sufficient liquidity, clear contract design, active participation, reliable settlement mechanisms, and the availability of counterparties willing to take opposing positions. Prediction markets vary significantly across platforms, jurisdictions, and contract structures, and not all markets will exhibit these characteristics to the same degree. Accordingly, the extent to which applications function as described is contingent on the presence of these underlying market conditions, which continuously evolve and need to be assessed on a case-by-case basis.

[3] Kalshi, "Kalshi Reaches $11 Billion Valuation as App Takes Over America," press release, December 2, 2025, https://news.kalshi.com/p/kalshi-11-billion-valuation-series-e.

[4] Graph "Weekly Prediction Market Notional Volume" at https://dune.com/datadashboards/prediction-markets, last accessed May 18, 2026.

[5] Graph "Weekly Prediction Market Notional Volume" at https://dune.com/datadashboards/prediction-markets, last accessed May 18, 2026.

[6] Graph "Monthly Prediction Market Notional Volume" at https://dune.com/datadashboards/prediction-markets, last accessed May 18, 2026.

[7] Kalshi and Crypto.com support both US and non-US users. However, for illustration purposes, Kalshi is shown among US platforms and Crypto.com among non-US platforms based on country of origination.

[8] Robinhood, "Robinhood Launches Prediction Markets Hub," press release, March 17, 2025, https://robinhood.com/us/en/newsroom/robinhood-prediction-markets-hub/.

[9] Robinhood, "Robinhood Extends Its Prediction Markets Offering through New Joint Venture and Partnership with Susquehanna to Operate CFTC-Licensed Exchange and Clearinghouse," press release, November 25, 2025, https://robinhood.com/us/en/newsroom/robinhood-prediction-markets-joint-venture/.

[10] Kalshi, "Kalshi Partners with Coinbase Custody on USDC-Powered Prediction Markets," press release, November 13, 2025, https://news.kalshi.com/p/kalshi-partners-coinbase-custody-usdc; Coinbase, "Coinbase to Acquire The Clearing Company: Powering the Future of Prediction Markets," company blog, December 22, 2025, https://www.coinbase.com/blog/Coinbase-to-acquire-The-Clearing-Company-Powering-the-future-of-prediction-markets.

[11] Kalshi, "Kalshi Onboards Its First Dedicated Institutional Market Maker," press release, April 3, 2024, https://www.businesswire.com/news/home/20240403664852/en/Kalshi-Onboards-Its-First-Dedicated-Institutional-Market-Maker; Intercontinental Exchange, "ICE Announces Strategic Investment in Polymarket," press release, October 7, 2025, https://ir.theice.com/press/news-details/2025/ICE-Announces-Strategic-Investment-in-Polymarket/default.aspx.

[12] Reuters, "Nasdaq Seeks SEC Approval for Prediction Markets Options on Major Stock Index," March 2, 2026, https://www.reuters.com/business/nasdaq-seeks-sec-approval-prediction-markets-options-major-stock-index-2026-03-02/.

[13] The data was fetched on May 18, 2026. The earliest market creation date obtained was October 2, 2020.

[14] Data obtained through Polymarket's Gamma API (https://gamma-api.polymarket.com/events/keyset). A list of names and tickers of the S&P 500 constituents as of May 11, 2026 was obtained from FactSet Research Systems, Inc. on May 12, 2026. Common words in the event contracts, such as "on", "app", "mar", "tech", "hd", "ice", "ball", "low", "now", and "all" were excluded from the matching process. Categories that are not relevant to the matching, including sports, crypto, esports, weather, politics, geopolitics, Grammys, and Oscars, were also excluded. Common words that happen to be company names and/or tickers are more frequently used with a different meaning in the titles of select categories. For example, "mar", Marriott International, Inc.'s ticker, often means the month of March in the politics category (e.g., "Donald Trump # of Truth Social posts Mar 21-28?"); "ball", Ball Corporation's ticker, is frequently used as a name of an award in the sports categories (e.g., "Will Lionel Messi win the Golden Ball at the 2025 FIFA Club World Cup?"); and "on", ON Semiconductor Corporation's ticker, is often used as a preposition (e.g., "Ethereum above $3,300 on August 2?"). To avoid overcounting mentions of companies, such common words and categories were excluded from the matching process.

[15] *See* CFTC Advisory on Enforcement Authority over Event Contracts, Release No. 9185-26 (Feb. 25, 2026) available at https://www.cftc.gov/media/13351/Enf_AdvisoryKalshi022526/download; CFTC, CFTC Charges U.S. Service Member with Insider Trading in Nicolás Maduro-Related Event Contracts, Release No. 9217-26 (Apr. 23, 2026), https://www.cftc.gov/PressRoom/PressReleases/9217-26.

[16] *See* Wall Street's Top Cop Expects Enforcement on Prediction Markets, Bloomberg, February 5, 2026, https://www.bloomberg.com/news/articles/2026-02-05/wall-street-s-top-cop-expects-enforcement-on-prediction-markets.

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