

# WHERE WE'RE STILL AHEAD OF THE CURVE

But adoption is unfolding

Breakwater Capital Markets

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## **Not every thesis gets validated in year one.**

Some structural shifts take years to materialize.

Being early means the evidence is still developing, but the logic remains compelling.

In 2025, we made three calls where infrastructure is building and early adopters are moving, but widespread validation hasn't arrived:

- All-source sentiment models for companies
- The valuation operating system
- Transformational scale of 24-hour trading

**Here's where these theses stand and why we're still confident in the direction.**

# 1

# Corporate Sentiment Intelligence

## What we said (May 2025):

- Institutional investors integrate diverse inputs—from disclosures to alternative data—to form dynamic views of value. Public companies need comparable all-source sentiment intelligence to understand real-time investor perception.

## The reality:

- Limited adoption on the corporate side: most IR teams still rely on street research and quarterly perception studies, not comprehensive internal sentiment models.

## Where we stand:

Still unproven, but the logic is compelling and infrastructure is maturing.

*“From Fragmented Inputs to Unified Intelligence: How Institutional Investors Build Valuations—and Why Public Companies Need All-Source Sentiment Models” (May 2025)*

# 2

# Valuation as an Operating System

## What we said (October 2025):

- Valuation should be managed as an enterprise operating discipline through a Valuation Operating System that integrates strategy, governance, investor intelligence, communication, and resilience.

## The reality:

- Markets price leadership credibility, governance effectiveness, narrative discipline, and resilience alongside financial performance.
- Boards are more engaged on valuation drivers, but most companies still lack a formal operating model.

**Where we stand:** Early but the trajectory is clear. In volatile markets, companies without a valuation operating system face persistent discounts; those institutionalizing valuation discipline are better positioned to sustain premiums.

*“Unveiling the Valuation Operating System to Redefine How Public Companies Build and Defend Value” (Oct 2025)*

# 3

# How Transformational Will 24-Hour Trading Be?

## What we said (February 2025):

- 24-hour trading would represent a structural shift, not a marginal extension of after-hours markets.
- We argued it would compress information windows, disrupt traditional news cycles, and require more continuous monitoring and response from IR teams.

## The Reality:

- Nasdaq has outlined plans for 24/5 trading beginning in H2 2026, but liquidity, spreads, and regulatory norms are still evolving.
- Early overnight activity is likely to concentrate in select sectors and names rather than reshape the market uniformly.

**Where we stand:** The shift toward extended trading hours is real, yet the day-to-day transformation of IR workflows will unfold unevenly as market structure, liquidity, and investor behavior mature.

*“What 24-Hour Trading Could Mean for Investor Relations—and How to Prepare” (Feb 2025)*

# The Strategic Value of Early Positioning

## **Why we make calls before consensus forms**

### **Infrastructure takes time to build**

Companies that start now gain 12–18 months of learning while competitors are just beginning.

### **Organizational change lags market change**

Early movers shape the conversation; late movers follow templates.

### **Market structure evolves unevenly**

IR teams that prepare early adapt workflows incrementally rather than scramble when change becomes mandatory.

Being early isn't about being right immediately. It's about being ready when the shift accelerates.

# How to Evaluate "Still Unproven" Theses

## Three tests for early-stage calls

### **Is the infrastructure forming?**

Early platforms, frameworks, and market initiatives signal direction well before broad adoption.

### **Are leading practitioners moving first?**

Sophisticated investors, boards, and top-quartile companies typically adopt ahead of the mainstream.

### **Is the logic structurally sound?**

If market behavior and expectations are changing, companies organized for the old model will be disadvantaged over time.

# **READY TO NAVIGATE 2026?**

*Whether you need early warnings or execution frameworks, we're here to help.*

*Let's discuss your IR strategy.*

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# BREAKWATER CAPITAL MARKETS

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