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The Big Short

By Charles Randolph

Hi ya Frank, how are the wife and kids?
You know, shouldn't y'all be considering
treasury bonds or utility stocks?
In the late seventies
banking wasn't a job you went into
to make large sums of money.
It was a fucking snooze!
Filled with losers!
Like selling insurance,
or accounting
and if banking was boring...
Then the bond department at the bank
was straight up comatose.
We all know about bonds...
You give em to your snot nosed kid
when he turns fifteen
maybe when he's thirty
he makes a hundred bucks.
Boring!
That is until Lewis rainieri
came on the scene at Salomon brothers
you might not know who he is
but he changed your life more than Michael
Jordan, the I-pod and YouTube put together!
Hey gentlemen, let's get
some money in here.
Let's make some money!
What do you say?!
You see, Lewis didn't know it yet,
but he already changed banking forever
with one simple idea.
The mortgage backed security.
Or... private label mbs
you got your average persons mortgage
fixed rate, thirty years, boring!
Same, small payoff. Right!
But
When you add thousands of them
all bundled together
suddenly, the yield goes up, but the
risk is still small, because...
Well, they're mortgages, and who the
hell doesn't pay their mortgage?
What exactly is the

credit-rating on this bond?
This bond gentlemen...
Is AAA-rating!
This is exactly what the Michigan state
pension fund has been looking for!
I'll buy twenty million!
Oh come on, live a little!
Twenty five million!
The money came raining down!
And for the first time, the banker went
from the country-club to the strip-club.
Pretty soon, stocks and savings
were almost inconsequential.
They were doing fifty, a hundred,
two hundred billion in mortgage bonds
and dozens of other securities a year.
And America barely noticed that it's number
one industry became boring old banking
and then one day,
almost thirty years later, in 2008
it all came crashing down!
Bear sterns was in a death spiral
and the fed brokered it's sale.
In the end Lewis Rainier's
mortgage backed security mutated
into a monstrosity that collapsed
the whole world economy
and none of the experts, or leaders,
or talking heads had a clue it was coming.
And I'm guessing most of you
still don't really know what happened.
Yeah, you got to have somebody to repeat
so you don't sound dumb, but come on
Our financial institutions are strong!
But there were some who saw it coming.
While the whole world was
having a big old party, few
outsiders and weirdos saw
what no-one else could.
Not me, I'm not a weirdo,
I'm pretty fucking
cool, but we'll
meet again later!
These outsiders saw the giant lie

at the heart of the economy
and they saw it by doing something the
rest of the suckers never thought to do.
They looked
through the nineteen thirties
The housing market collapsed...
Nationwide.
By approximately 8 percent.
And halve of all .. Eh... worries that...
It wasn't default.
There were.. Very...
Specific identifiers.
Extremely recognizable.
Wait... for instance
w-w-w-w one of the hallmarks of mania.
Is that rapid rise and complexity,
and the rates... they are fraud-ed
did you know...
They're going up!
I've always been.. More comfortable..
When alone.
I believe... maybe... it's because of...
My glass eye.
I lost the eye...
In a childhood illness.
Separates me from people.
Did you know... they're going up!
Highest frog-rates since
the nineteen thirties.
No, I didn't know that.
I mean.. Ghe Ghe Ghe...
Nine... nineteen thirty three
the fourth year of the great depression
you were playing saying great son,
even heard the coach say it!
Can we just go home?
All social interf.. Actions
are awkward for me and for the... person
even when I try to compliment...
It somehow... it comes out wrong...
You have a very nice haircut,
you do it yourself?
Huh, what?
No, I eh...

I'm sorry... please...
Pffffff...
I'm going on and on.
My wife told me I need to share more.
That seems healthy.
So .. I get the job?
I really think I could help you fund.
Yeah...
Yeah... sure!
You're David!...
David... great!
I guess I'll go find a desk. Is there
anything you want me to work on for start?
Eh... yeah.
You could let me know later!
s D... d... d... did ya... did you/s
think it was strange when...
Ehm...
The tech-bubble burst in 2001
and the housing market in San-Jose.
Tech-capitol of the world...
Went up...
It's strange...
No, no!
It's housing...
Housing is always stable... low-risk.
That's the idea... yeah.
I want you to get me...
The... eh... Top-20 selling mortgage bonds
so, you want to know
what the top-20 selling mortgage bonds are?
No, no, no, I want to know
what mortgages are in each one
- what.. Wait...
- Aren't those mortgages made up of
wait... aren't those bonds made up of
thousands and thousands of mortgages?
Yeah...
Right away, Dr. Burris.
Nice guy... all day long.
Hmm.. Ask anyone... Hmm,
pleasure to work with.
The second my son screws up,
and...

You'll hang it to him...
Just like my dad did to me.
You hear the words that are
coming out of my mouth.
Sorry I'm late, no cabs!
Aah
so get this...
I met with this retail banker yesterday..
I'm supposed to be getting
him to invest in a fund,
instead, I start drilling him
about overdraft analysis
and how his bank will let customers
write ten... twelve cheques
before telling them they're overdrawing.
And this creep...
Is making billions off
screwing over people this way.
And I'm getting madder and madder,
and I ask him.
I look him in the face and I say:
How can you sleep at night, knowing...
That you're ripping off working people.
And know what he did...
He left!
He just walks out of the lunch,
doesn't say a word.
What the fuck is that?
Who's fucked up in that scenario?
Am I?
Or is this douche-bag?
Who leaves me hanging...
Is he the fucked up one?
Trying to make me feel bad about myself!
We have talk about this numerous times
fuck him! -You can't come in late
and hijack the entire session!
What do you mean, I didn't
hijack the meeting.
Did I hijack this session?
Yeah
what do you do?
I'm in commodities.
Good luck with that!

Marc...

I know you've suffered a terrible loss,
do you want to talk about that?

I don't talk about that.

Hold on...

Hold on..

Shit.. Let's take this, sorry!

Sorry!

I don't care Porter...

This guy's whole business is build upon
ripping people off, how long can that last?

Bye everybody!

85...

That's 30 days late, that's 60 days late.

Pay on time.

These fico-scores

they're caught up with their pants...

30 days late...

Loan to value... maybe 5

maybe 90

60 days late, jeez!

I've never heard of that.

30 days late

he hasn't move all day.

He does this every few days.

Hasn't spoken to me since he hired me.

Michael, how are you guy?!

I've put out something

really interesting...

Great Michael, whenever you find something
interesting, we all sit to make money.

What stock are you vowing?

No, no, no no.. I wanna,

I wanna short the housing market.

Really?

But the housing market is rock-solid!

Green span just said:

"Bubbles are regional, defaults are rare!"

Tell em I'll be there in a minute

say again!

Look...

Greenspan's wrong!

Look, I don't think you mean to do this,
but eh..

Sometimes you sound very
dismissive and superior.
It's a fact, Greenspan's wrong.
I don't know how if you want your thr...
Look, Michael...
Metro capitol backed you four years ago
when you were a doctor with a
dinky wet page
and some inheritance money,
we've all done very well, look...
Why don't you just stick with stocks...
You know me...
I, I, I, I,
I look for value,
wherever it can be found.
The fact is
that these mortgage backed securities
are filled with extremely risky
sub-prime adjustable rates.
And when the majority of these
adjustable rates kick in... in '07
they will begin to fail
and if they fail above 15 percent
the whole bond is worthless.
Michael, just take a beat,
we'll talk about this later!
Lawrence please, don't patronize me,
if... it .. Is...
Mortgage backed securities,
sub-prime loans, tranches...
Is pretty confusing right?
Doesn't it make you feel bored...
Or stupid...
Well... it's supposed to.
Wall-street loves to use
confusing terms, to
make you think only they
can do what they do.
Or even better...
For you just to leave them the fuck alone.
So... here's Margot Robbie
in a bubble-bath to explain.
Basically, Lewis
rainieri's mortgage bonds

were amazingly profitable
for the big banks.
But then they ran out of
mortgages to put in them.
After all, there are only
so many homes and so many
people with good enough
jobs to buy them... right?
So the banks started filling these
bonds with riskier and riskier mortgages
thank you Henry
that way, they can keep that
profit machine churning right?
By the way, these risky
mortgages are called: Sub-prime.
So... whenever you hear sub-prime...

Think:

our friend Michael burry found out,
that these mortgages bonds
that were supposedly 65 percent AAA,
were actually just, basically full of shit.
So now he's going to short the bonds
which means... bet against.
Got it?...
Good!
Now fuck off!
It's only a matter of
time before someone else
sees this investment,
we have to act now.
How do you know the bonds are worthless?
Aren't they filled with fucking
thousands of pages of mortgages?
I read them!
You read them?
I read... yeah!
No-one reads them, only the lawyers
who put them together read them!
I don't think they even
know what they've made
the housing market is
propped up on these bad loans.
It's a time-bomb and I want to short it.

Through what instrument Michael?
There are no insurance-contracts
or options for mortgage bonds.
The bonds are too stable!
Lawrence...
This is what I'm gonna do...
I am gonna get a bank to make me one.
Then...
I'm gonna buy it.
I don't want that kind of business!
Money is not money!
That's bad money!
Hey... excuse me!
Let me ask you this: What company treats
its customers that shittily and succeeds?
Fine... ok... Goldman...
Without proving it
when he was a kid he excelled
at studying the Talmud and yeshiva.
Whatever!
But, one day his rabbi told his mom why.
Paul is a fine boy and mark is an
excellent student of the torah and Talmud
then what's the problem rabbi?
It's the reason mark is studying so hard.
He's looking for inconsistencies
in the word of god!
So has he found any?
Later Baum started his
own fund on wall-street.
He had an amazing nose for bullshit.
He wasn't afraid to let anyone know,
when and where the bull had gone number 2.
Then a tragedy happened to mark
and it turned his whole world really dark
and ready to believe the
whole system was a lie.
Hold on!
It's Cynthia,
I'll be in the office in twenty minutes.
Hi honey!
The therapist called...
You did it again!
There were no cabs...

What was I supposed to do?
I worry about you mark!
At least I went
you're running around like you
have to right every wrong in the world.
Ok... fine!
How angry
you know what...
I'm a mean guy and I'm pissed off!
But... it is a shitstorm
out here sweetie. You
have no idea the kind of
crap people are pulling.
And everybody is walking around like
they're in a goddamn Enya-video.
They're all getting screwed you know!
You know what they care about?
They care about the ballgame!
Or they care about what
actresses went into rehab!
I, I think you should try medication!
No, no, we agreed,
if it interfered with work.
You hate wall-street,
but maybe it's time to quit?
I love my job!
You hate your job!
I love my job!
You're miserable!
I love my job,
I love my job honey!
Mark!
I am sad every day about what happened.
I know you must feel the same,
but you never show it!
I knew how close you were to your brother.
Cab!
Where'd ya go pal?
Cab!!
Everyday I think you're gonna talk
about it, and you're gonna do!
Will you ever think about
the idea of making a change?
Fine, fine, honey, you know what,

I will consider it, but honestly...
Cynthia I'm ok,
I really am!
Hey, hey!
No, no, my cab!
That's my cab, that's my cab,
that is my cab!
Schmuck! Fuck you!
Fuck you!
I'll call you later.
I wanna buy...
Swaps on mortgage bonds
credit default swap, that will pay off...
If the underlying...
Bond fails.
You want to bet against
the housing market? Yes
why?
Those bonds only fail if millions of
Americans don't pay their mortgages.
That's never happened in history.
If you'll excuse me Dr. burry,
that seems like a foolish investment.
Based on... prevailing sentiment of the
market and banks, and popular culture...
Yes, it's a foolish investment.
But eh...
Everyone's wrong...
That's a good one.
This is wall-street Dr. burry, if you offer
us free money, we're going to take it
my one concern is, is that.. Eh..
When the bonds fail..
Eh... I want to be certain,
of payment,
in case of solvency issues with the bank.
I'm sorry, are you for real?
You want to bet against the housing market,
and you're worried we won't pay you?
Yes.. That's correct.
whispersListen.. I don't
think this will work...
whispers
the market on housing is never gonna crash

whispers
this is all rock-solid by now
whispers
it wouldn't even if we wanted it to.
whispers
kinda hard one to deal with...
whispers
did he awestruck you?
Mmhhhh.
Dr burry, we could work
out a pay-as-we-go
structure that would
payout if the bonds fail.
It would also apply to your payments
if the value of the mortgage-fund goes up
you'd have to pay us monthly premiums.
Is that acceptable Dr. burry?
Yes.. It is, yes.
Em.. I have prospectuses on,
six mortgage-backed securities
I want to show you
whispers the majority of
them are accepted mortgages.
Dr burry, these should be fine!
We're prepared to
sell you 5 million in
credit default swaps on
these mortgage bonds.
Can we make it a hundred million?
Absolutely! We can make
it one-hundred million.
We'll be in touch,
send some paperwork over.
I like these cups, could I take one for my son?
Have one, yes, yes!
Thank you!
Have two!
Is there any way to do two-hundred million?
We can...
But are you sure?
Absolutely...
Absolutely, we can!
We do, eh... different projects
we do gardening, we do

the bonds... I'd like to .. Eh...
It's not bad for yourself
to be found extreme
it's very cool!
Hey Randall, what with the Dom?
Bonuses aren't for three months.
We just sold 200 million in
credit-swaps for mortgage-bonds
some fund-manager from California,
fucking crazy right?!

Only way to make money dog!
I didn't know there
were swaps on mortgages
there are now, we made it for him!
His head must have caught up with his hole
or do something... I don't know.
Want one? No?
Awwwww
Jared
did you hear about the deal
that Randall did with some fund-manager?
Randall?
Bullshit!
He's a foot-soldier,
I'm sure it's a shit deal.
No, it's for real!
I told you we'd meet later.
Unfortunately... it's in a place like this,
which I would never be in.
I never hung out with these idiots after
work, ever! I had fashion friends.
Apparently this guy wanted
two-hundred mill in credit default swaps.
Randall made the sale,
can you believe it?
Somebody shorted two-hundred mill
in mortgage bonds?
That was just with deutsche...
Word is... he had half the town.
How much in total?
1.3 billion
what?
That's... that's pretty much
all of scion's liquidity!

Michael, that's highly distressing!

Lawrence...

That is not all of our liquidity!

And I'm not certain that you
really understand this trade.

This is a certainty.

Mike, I consider myself a mentor to you.

But our company is not
comfortable with this investment.

Am I being clear?

Lawrence

I have full autonomy when it
comes to investment strategy
you can read our agreement.

Do not throw our acception-
agreement in my face Michael!

We had an underlying understanding,
you wouldn't act like a goddamn crazy man!

This is not crazy...

It's all very logical.

So now we pay up premiums
on these swaps against
housing-market until
the mortgages fail?

In other words...

We lose millions until something
that has never happened before... happens?

That's correct!

Hello mark Baum

oh hey Cathy!

It wasn't me, I had a personal thing this afternoon.

I'm not your babysitter.

If your appoint makes money for
mark and Sally I'm happy!

Ok... hey did I hear you're expecting?

Eh, we're expecting to be expecting...

I'd be upset clearing this out, but we're ..

That's exciting!

Lump.. In my ball

I'll go in for a scan

hmm

turns out I have large thing,
called an epididymis

which is a thing that goes around the ball

and is like a sack underneath.
I have an extremely pronounced epididymis
enriveted that is.
Almost as large as another
testicle on itself
so get this... Cynthia..
Guys!
Cynthia wants me to quit!
And open a b&b in Vermont.
That's great! I'd love to see mark
Baum run a bed and breakfast!

Like:

oatmeal asshole!
Mark refused to kiss the ring
of the people with the checkbooks,
so he had to set up his fund
under Morgan Stanley's umbrella.
His small team his...
Distrust of the system.
You guys are sick..
You're sick!
She says, this job is making me unhappy.
But you're happy when you're unhappy!
I am happy when I'm unhappy!
Bennie Daniel
you know how to make a muffin?
Mark's numbers guy.
Do you even know how to do laundry?
Make a bed? -Okay!
Bennie lost his father to a
violent crime when he was young
just like mark,
he didn't talk about it.
I don't talk about that!
Cynthia's no joke, she could
actually make him move to Vermont!
I mean, she made me start wearing a suit.
Porter Collins, former Olympic rower,
went to brown.
He worked with Baum at
a previous firm, and
couldn't figure out why
no-one listened to Baum.

The guy with all the good ideas.
Sir, yeah, I know, do you have the
wrong front-point? Cause there
is another front-point in this
same building that is baum's
and Danny Moses, the optimist of the bunch.
And a hell of a trader,
which is the only
reason they put up with
his bullshit optimism.
You're a weird caller, you take longer
with a wrong number than anybody else
I mean... it's this guy...
From... deutsche,
who was talking about
shorting housing bonds.
And then, in the middle of the call where I
had realized he had the wrong front-point.
And then... and then... cause he
wanted the one on the eighth floor.
He wanted to short housing bonds?
Hmmm
it happens like five times a day, that
somebody uses the wrong front-point.
We should change our name!
Wait, wait...
He wanted to short housing bonds?
Who bets against housing?
What's the abx at?
What's abx?
- It tracks sub-prime mortgage bond value.
-Go back to sleep!
The abx is at... eh...
Wow! It's down, it's down 3 points
since last year, that's weird.
I haven't heard a peep about that!
What was this guys name?
Jared vennekt... vennett
that's right!
These lucky sons of bitches caught wind
of one of the best trades in
wall-street history from a wrong number.
They should've paid 10 percent
to my fox ticket system.

He was Jared vennett, vennett
Jared vennett, from deutsche, sounded very sketchy.
Sounds like a douchebag.
murmuring in himself
ok.. Hi... how are you?!
Have a seat!
Hey mister vennett from deutsche bank,
who do we have?
So, how many people have you talked to about this trade?
A few.
There's definitely some interest.
Ohh..
My boss would have my ass
are you crazy Jer?
Get lost!
Fuck you!
Which is why you're here
talking to us on the wrong number?
Sounds like there's a lot of interest.
Alright.
A few people have us in, just to laugh
at me on this deal, is that you?
Is that what this is?
That's not what this is,
that's just how mark is.
Let's see what you got.
I'm sorry, do you smell that, what is that?
What?
What's that smell?
Cologne?
No...
Opportunity!
No... money.
I smell money...
Chris...
Goddammit!
I'm sorry.
This is your basic mortgage bond.
Alright, the originals were simple.
They were just thousands of
AAA-mortgages bundled together,
guaranteed by the us-government.
The modern ones are different.
They're private.

And they're made up of layers of tranches.
Highest level AAA's getting paid first.
The lowest rated Bs getting paid last,
taking on defaults first.
No obviously if you're buying Bs
you could make more money.
But, they're a little risky,
sometimes they fail.
Chris...
Somewhere along the line, these Bs and
bb's went from a little risky to dogshit.
Where's the trash?
I'm talking rock-bottom fico-scores.
No income-verification.
Adjustable rates...
Dogshit!
The default-rates are already up
from one to four percent fellas.
And if they rise to eight percent...
And they will!
A lot of these bbb's
are going to zero too.
And that...
You're too close...
Is an opportunity.
Ok, you're saying that at 8 percent the
bonds fail and we're already at 4 percent?
That's right.
If they go to eight... it's Armageddon.
Yeah that's right.
How come nobody's talking about this?
And you're completely sure of the math?
Look at him...
That's my quant!
Your what?
My quantitative... my maths specialist!
Look at him!
You notice anything different about him?
Look at his face!
Look at his eyes!
I'll give you a hint..
His name is Yang!
He won a national maths competition..
In China!

He doesn't even speak English!

Yeah!

I'm sure of the math.

Actually, my name is jeong,

and... I do speak English

Jared likes to say it though.. Because he

thinks it makes me seem more authentic

and... I got second in that

national math competition

so... you're offering us a chance

to short this pile of blocks?

How?

With something called a

credit default swap.

It's like insurance on the bond, and

if it goes bust, you can make 10-to-1.

Even 20-to-1 return,

and it's already slowly going bust.

10-to-1, 20-to-1...

No way!

And no-one is paying attention.

No-one is paying attention.

Because the banks are too busy getting
paid obscene fees to sell these bonds.

But wait... you are the bank

you work for the bank,

I bet your margins are pretty nice and fat.

Let's not talk about my margins by the way.

Being nice and fat... that's a nice
shirt, do they make it for men?

Aren't you the bank?

I work for the bank!

I don't think like a bank

big banks, small bank...

I like to make money.

Alright...

Let me put it this way...

I'm standing in front of a burning house,
and I'm offering you fire insurance on it
how can these underlying bonds be...

As bad as you say?

It wouldn't be legal!

Nobody knows what's in them!

Nobody knows, what's in the bonds,

I've seen some that are
65 percent AAA-rating.
That I know, for a fact, are filled
with 95 percent sub-prime shit.
With fico's below 550
get the fuck out of here!
Want me to really blow your mind?
When the market deems a bond too risky
to buy, what do you think we do with it?
Take a guess! Wi don't
I don't know, you tell me!
Alright...
You think we just warehouse
it on the books?
No, we just repackage it,
with a bunch of other shit that didn't sell
and put it into a cdo.
A cdo?
Yes... a cdo.
What is that? W
where we take a bunch of
Bs, bb's and bbb's that haven't sold,
and we put em in a pile...
And when the pile gets large enough, the
whole is suddenly considered 'diversified'.
And then... the whores
of the rating agency,
give it a 92 / 93 percent AAA-rating,
no questions asked...
Holy... what!
Say that again!
Collateralized debt obligations
it's important to understand, because
it's what allowed the housing crisis
become a nationwide economic disaster.
Here's world-famous chef
Anthony bourdain to explain.
Ok, I'm a chef on a Sunday-afternoon
setting the menu of a big restaurant.
I ordered my fish on Friday, which is the
mortgage bond that Michael burry shorted.
But... some of the fresh doesn't sell..
I don't know why, maybe it just came out,
how Anthony has the

intelligence of a dolphin.
So... what am I gonna do?
Throw all this unsold fish, which is
the BBB-level of bond, in the garbage?
And take the loss?
No way!
Being a crafty and
morally honourous chef that I am...
Every crappy levels of the bond I don't
sell... I throw into a seafood stew.
It's not old fish!
It's a whole new thing!
The best part is...
They're eating retailed halibut!
That... is a cdo.
I just need to know
how these could possibly be correlated.
You're like d-d-
Dora the explorering,
you're the first person
who has found this...
So.. Hold on..
So mortgage bonds are dogshit?
Cdo's are dogshit wrapped in catshit.
Yeah... that's right!
Institutions treat these cdo's like
they're as solid as treasury bonds.
And they're going to zero..
No, that can't be right,
there, there, are 500
billion in housing bonds
sold last year alone
ratings agencies, the banks...
The fucking government?
You're saying they're all
asleep at the wheel?
Yeah!
My whole department is long on this stuff.
They call me chicken little.
They call me bubble-boy.
A's... zero.
B's.. Zero,
bb's... zero.
Bbb's... zero.

And then that happens!
What... is that?
That's America's housing market.
Thank you.
Fucking a Jared!
Shut your fucking mouth!
Bye Jared!
I don't like it!
He's playing us.
He's playing us, he's got too much skin in
the game, and he's dumping his position.
What if he's right?
You want him to be right!
Yes, I do!
The banks have given us twenty-five percent
interest rates on credit cards.
They have screwed us on student-loans,
so we can never get out from under.
Then this guy, walks
into my office and says:
"Those same banks got greedy,
they lost track of the market"
and I can profit off of their stupidity
fuck! Yeah!
I want him to be right!
I mean, how come you don't hate this guy?
He's everything you taught us not to trust!
You can't hate him! He is so transparent in
his self-interest that I kinda respect him.
Would I buy a car from him?...
No!
Is he right about the mortgage market?
Let's find out. Let's find out!
Look... it's two very simple questions:
Is there a housing bubble? And if there
is... how exposed are the banks?
Let's get on this quickly too,
because if he is right...
Every loser with a couple million bucks
in a fund is gonna be jumping on us.
Let's go!
J.P. Morgan-chase, j.P. Morgan-chase.
Ok.. Don't!...
Stop saying j.P. Morgan-chase!

I got a good feeling about this
just a meeting though, you know...
It's just a meeting!
People have meetings all the time...
You know!
People drink their coffee,
they have a meeting...
Brownfield funds?
Yes! Yes!
Hello, hey!
Chris... I'm on Ted's desk.
I'm Charlie, I'm Charlie Geller,
I'm Jamie, Jamie shipley.. Hi!
We're so excited to get setup
on your trading platform!
Here, eh.. Have a seat a second.
Alright!
So I... Ted did ask Ehm..
To do us some meeting in front.
But I eh... I couldn't find
any marketing material on you guys..
Oh... we just moved here from Boulder.
Oh, can we see some of
your offering documents?
Well brownfield has it own... money...
It's our money... yeah.
Well can you tell us how much you manage?
Of course!
We're doing 30 million right now... eh...
But we started four years ago,
with a hundred-ten thousand.
Wow!
So as you can see,
that's pretty phenomenal returns.
We wanna get an
isda-agreement with j.P. Morgan,
so we can deal in long-term options.
That's really cool!
Yeah!
That is so cool!
Thank you!
But eh.. You guys are under
the capitol requirements for an isda.
By how much?

Er.. How much eh...
One billion four-hundred-seventy millions
so...
A lot!
This makes us look bad doesn't it?
That we didn't know
what the capitol requirements were.
I... eh..
It's not great!
But, eh...
Keep up those returns
and give us a call
way down the line you know?
Ok?
Ok, of course!
Thanks Chris!
Have a good one guys!
Thank you Chris!
Shit!
Who the fuck schedules

a meeting at 4:

Dude, b of a and bear
didn't even return our calls
and even fucking morkovia blew us off!
I know man!
Here's the prospectuses of all the other
losers who didn't make it past the lobby.
I don't think I can do this anymore..
Yo, I'm young yet,
I can still do something with my life!
I miss Colorado anyway.
The weed's better!
Gentleman... I need you to leave!
Yep, yeah we're going, let's go!
Look at this, look at this!
This guy says that the
housing market is a giant bubble!
Ok, so this part isn't totally accurate.
Now, we didn't find Jared
vennett's housing bubble
pitch in a lobby of a
bank that rejected us.
Truth is... ehm..

A friend had told Charlie about it
and I read about it,
in grand central's trade observer.
This is crazy!
This is... crazy stuff!
Here, they're saying that
there's 10-to-1 returns,
on credit default swaps
for mortgage backed securities
and the whole housing market
is about to collapse.
For Jamie and Charlie,
the housing market
doomsday prediction was
music to their ears!
They had started working
out of Jamie's garage,
with a 110 thousand Jamie had saved taking
sailboats up and down the east-coast.
Our investment-strategy was simple.
People hate to think about
bad things happening
so they always underestimate
their likelihood.
Their strategy simple and brilliant.
What he said!
Jamie and Charlie found:
Markets will sell options
very cheaply on things they
think will never happen.
So, when they were wrong, they were wrong
small. But when they were right...
They were right big!
Boooooom!
Within a few years they had turned
a 110 grand into 30 million
then it was time to go to New York City,
and so far... it wasn't going very well
so what if it does seem interesting?
Nope, no bank will give us our isda.
We're dead in the water...
These kind of trades are
totally out of the question!
We gotta call Ben!

Pffff

call Ben!

Ben ricker was a former trader
in Singapore for chase.

Quit the whole game in disgust!

He just happened to be Jamie's
neighbor when they were in Colorado
they met, walking dogs...

But Ben was dark...

He didn't just think
the whole system would fail
he thought the whole world
was going down!

This salad's... oh.. Hmmm good!

You know, every one of these
vegetables is fresh from my garden
you guys should start your own garden!

What you gotta do is
get your soil off petrol chemicals,
use wood-ash and urine, help destroy
the soil, creates mono-nitrate,
seeds are gonna be the new currency!

And not those frankenseeds
from monsanto, I'm
talking about good
healthy organic seeds.

Make yourself a garden, learn to live off the land!

A fucking lunatic!

Ben had real experience in a big bank,
Jamie and Charlie, never even been
in a Manhattan bank bathroom!

But Ben was done with the banking world,
he was very clear!

Do you realize that?

Alright, let's crunch some numbers,
then maybe we'll talk about calling Ben

I don't wanna crunch the numbers,
when haven't we crunched the numbers?

Seriously guys!

I need you out of here
of course, yes mam!²
one second!

We're going, we're going!

Oh god, I hate this!

This is a total waste of time!
Come on!
Would you relax!
I think this is a housing development
about forty-five minutes outside of town.
Mark wants us to check that out first.
I hope there's some
Cuban restaurants on the way there,
because I heard the
Cuban food is amazing in Miami.
Please don't be chipper
in the face of me being miserable!
It really makes me hate you!
How is wanting to eat good food,
being chipper?
Hello?
Hello?
What's up man?
What do you want?
Hello, I'm surveying mortgage owners
who are over 90 days delinquent
I'm looking for a Harvey humpsy
you want my landlord's dog?
Your landlord filled out his
mortgage application using his dogs name?
I guess so!
Wait, has that asshole not been
paying his mortgage?
Coz, I've been paying my rent!
Well, yeah he is over 90 days delinquent
seriously man!
Am I gonna have to leave?
My kids just got setup in this school man!
Hey... how are ya?
Ehm.. You should talk to
your landlord about that
I'm sorry I don't have anymore information,
but you ehm...
You have a great day!
Seriously... is everything gonna be ok?
You should call...
You should call him!
You should give him a call!
It's not my fault dude!

I've been paying!
Hello!
I think somebody just left
all they took was the TV.
It's weird!
They didn't even clean up the counter
oh, god!
It's like chernobyl!
It's like a hundred houses,
it can't be four people living here.
No, fuck that!
Shit!
He's been there for seven hours
what is he looking at?
I heard he had a breakdown!
Just let him is what I think
Dr. burry's office
no, he actually prefers that
you e-mail him. Excuse me!
Hey Lawrence!
We have no confidence in your ability
to identify macro-economic trends.
You flew here to tell me that?
Why?
Every, e-e-anyone
can see there's a real-estate bubble
actually no-one can see a bubble,
that's what makes it a bubble
there's still warns!
There are always markers!
Mortgage fraud
quintupled since 2000 and the
average take-home pay is flat, but...
Home-prices are soaring, that means
the homes are dead, not assets
so Mike burry of San Jose,
a guy who...
Gets his haircut at supercuts,
and doesn't wear shoes,
knows more than Alan greenspan
and Hank Paulson...
I haven't talked to Hank,
but yes he does.
That's cute, that's cute!

Are you being sarcastic with us Mike?
Lawrence...
I don't know how to be sarcastic!
I don't know how to be funny
I don't know how to...
Work people..
I just know how to read numbers!
How big is your short position right now?
Eh...
1.3 billion
and the premiums?
Eh, we pay... eh... roughly...
80 to 90 million
each year, which is surprising,
because I was the first to do this trade
watch, it will pay!
I may have been early, but I'm not wrong!
It's the same thing!
It's the same thing Mike!
You're managing a fund of what?
555 million?
In six years,
it will all be gone!
On one bet
the second quarter of '07
is when the adjustable rates kick in!
The defaults will skyrocket!
Says you!
How much is eligible for withdrawal before
they're due? Say in the next two quarters.
If your investors panic
my god Mike!
No-one will pull out,
that would be suicide man
down 17 percent for the year,
but if they trust me, and they trust me!
No-one trusts you!
No-one!
I've sent several emails to my investors
letting them know that the.. The...
It's the second quarter of '07
is when our housing position shows returns
and ehm...
I've been very clear!

People will withdraw their money!
Why? You'd have to be so stupid!
If, if if the funds capitol
drops too much...
Then the swaps contracts are voided
and then the banks...
Get to keep all of it, all of it!
The contracts are voided?
The contracts are voided!?!
Holy shit!
O, motherfucker!
Michael...
Give me my money back.
Michael, do you hear me?
I want my money back!
Give me my fucking money back!
You motherfucker!
The market is in an itsybitsy
little gully right now
like everybody said: "Ok, that was
crazy, let's just all calm down!"
I sold that house for 350,
the year it was built.
Two years later... 480, then 585,
maybe eighteen months ago.
This couple bought it for 650 last year!
He'd let it go for that...
I don't
it will break his heart,
but he'll let it go
why is he selling?
Neither one is working right now
surely, they're motivated right?
As motivated as one can be
in this neighborhood.
This house on the left,
I'd say they're properly motivated.
Wow!
A lot of people seem very motivated.
It's just a gully that's all.
Just nerves
so... where do we stand?
I need to talk to my wife
ehm..

This market will last!
Actually, can I talk to a mortgage broker?
Anybody you recommend? Anybody you like?
Yes, yes,
there's someone, absolutely!
Yeah, bitch better like me,
sent her ass to Cabo!
So is Morgan Stanley recruiting us?
Is that..
No, eh no.
The bank owns our hedge-fund
we're not really a part of it,
we invest in financial service companies.
We're trying to understand the
residential mortgage business.
How many loans do you write each month?
I don't know, about six
what was it four years ago?
Ten... but maybe fifteen.
I was a bartender,
now I own a boat!
So, how many of these are eh..
Adjustable rate mortgages?
Well, most.
Yeah, I'd say about ninety percent
the bonuses on those
skyrocketed a few years ago
adjustables are bread and honey
so, do applicants ever get rejected?
Seriously?
Look if they get rejected
I suck at my job!
Even if they have no money?
Well, my firm offers a ninja loan.
No income no job application, I just leave
the income-section blank if I want.
Corporate doesn't care.
These people just want homes,
and they go with the flow.
Your companies don't verify?
If I write a loan on Friday afternoon,
big bank is gonna buy it by Monday lunch.
Deal!
Same here!

Could you hold on a second?
Yeah
I don't get it...
Why are they confessing?
They're not confessing...
They're bragging!
Do people have any idea
what they are buying?
I focus on immigrants!
Once they find out they're
getting homeless..
They'll sign where
you tell em to sign.
They don't ask questions,
don't understand the rates.
And you target them with red soup?
Their credit actually
isn't bad enough for him.
Look I'm a yield guy
I make two thousand on a fixed rate prime
but I can make ten thousand on
a sub-prime adjustable
trust me, I'm not driving that
7-series without strippers
no-one on the pole has good credit,
and they're all cash-rich.
Who's Warren buffett?
Ok, so, strippers...
Like exotic dancers...
Nude, 'n all...
Topless..
Strippers?
Yeah, hmmm.
Can you introduce us?
Yes!
Yes!
I always get option to pay adjustable.
I'm a private contractor.
Can't hear you, I'm sorry!
I always get option to
pay adjustable, I'm a
private contractor, I
need the flexibility.
And you tell the mortgage

company what you do?

I write:

you can touch me!

Always?

Only in v.I.P.

No, no, no you say

you always do adjustables

and you have more than

one loan on a property?

Everybody does!

At least down here

I'm sorry what?

Everybody does!

At least down here

that way you'll only put

down like five percent

well prices have leveled off though, right?

Yeah, it's a gully

would you mind not moving anymore?

I'll still pay you!

Sorry...

We're not alone.

Ok, look..

If home-prices don't go up,

you are not going to be able to refinance

and you're going to be stuck paying

whatever your monthly payment is once it

jumps up, whenever your tisa-rate expires

your monthly's could go up

two-to three hundred percent!

James says I can always refinance!

Well... he's... a liar.

Actually in this particular case,

James probably is wrong.

Two-hundred percent?

On all my loans?

What do you mean? We're talking

about two loans on one house right?

I have five houses

and a condo..

Hey, there's a bubble!

How do you know?

Trust me. Call vennett,

buy 50 million in swabs on the nbs
what do we got?
Garibaldi's are bbb!
Mark, are you sure?
Yeah, yeah! It's time to call bullshit!
Bullshit on what?
Every fucking thing!
Is this America's angriest hedge-fund?
Hi listen, I got one last question for you
how are you fucking us?
There's a nice way to say that Vinnie...
I'm serious
we'll buy your swaps,
but only if you say how you're fucking us.
I'm not fucking you Vinnie,
I'm kissing you
I'm looking deep into your eyes
as I make love to you Vinnie.
I'm handing you the deal
of the century on a fucking platter!
What do I get out of it?
Easy..
I got a 20 million a month negative carrier
I got bosses trying to
pull the plug, because
they're thinking I'm
out of my fucking mind
alright?
We make this trade,
those problems aren't so big anymore
and sure... swaps are a dark market so...
I set the price, whatever price I want.
And when you come for the payday,
I'm gonna rip your eyes out
I'm gonna make a fortune
but the good news is Vinnie,
you're not gonna care
cause you're going to make
so much fucking money!
That's what I get out of it
wanna know what you get out of it?
You get the ice-cream, the hot-fudge,
the banana and the nuts!
Right now I get the sprinkles

and yeah... if this goes through...
I get the cherry.
You get the sundae!
Alright, I'll buy that.
Thank you!
So what do you say?
Want me to make you a market?
We'll take 50 million
garibaldi-4 triple-b
sharpen your pencils,
I'll get the paperwork ready
aahhh... fuck you too!
Yes!
That's right!
He has so many numbers,
and I always forget,
which one he prefers, cause he's very specific!
Just pick the first one
I don't know if it's the first one
just try it!
Ok
Ben ricker
hey Ben it's Jamie!
Jamie, you know you're not
supposed to use this line.
Told ya...
Ok, let's try number two out of fourteen.
Ben ricker
Ben, why do you do that man?
You're a retired trader, ok..
No-one is listening to your calls!
The NSA has a 52 billion dollar budget
and the ability to tens of millions calls
a second, you think they're not using it?
Ok, I promise I will refrain from saying,
Ben ricker and dirty bomb
in the same sentence
Jesus!
I'm sorry dude!
Ben ricker
did you get a chance to look at
what we sent you Ben?
It's Charlie...
I'm here too!

Hi Charlie, yeah I did, hold on!
Ben, you still there?
Yeah
I'll be honest gentlemen
you scared the shit out of me!
That's a good thing right? That means
that this vennett guy is not wrong!
No, he's not!
Cool
tell me more about these cdo's
yeah yeah, ehm, ok
vennett mentioned the cdo's, but actually,
we took a look and they're
way worse then even he
realizes -these things
don't even make sense Ben.
We can't even model them
it's a hundred times bigger than the nbs
and ninety percent AAA-rating?
Yes, over ninety percent
it's incredible!
Yeah, I took a good hard look at
the cdo's you want to short.
They're brilliant!
Worthless, total crap!
Jamie, very good!
What can I say.. I, I'm, I'm,
good at finding shit!
So Ben, we shorted the bb's and the bbb's,
and the risk is relatively low,
pay-up is like 25-to-1
ok, so why are you calling me?
I don't do this anymore!
Look, Ben...
We need you to help us get the isda.
If we get a hunting license,
we can short this crap
we know you hate wall-street,
we're not asking you to do the trading
we're simply asking you to...
To help us.
To get a seat at the fucking table
it's a pretty ugly table guys
look Ben, the system fucked up

in a big, big way here, ok?
And somehow... we, eh..
Know before anyone else.
You know, this is a
once in a lifetime deal!
I'm thinking
ok, I'll call deutsche bank
thank you Ben!
Oh and bear, what about bear?
They have some apprehensible product!
Ok, bear will trade with anybody!
I'll see if I can push it through
and oh, thank Jared for us.
Hi, it's mark,
I need to talk to Vinnie right now!
Wait a second
how it is that you are fucking us,
cause what we are seeing here,
Morgan Stanley building fast!
Are we all jocks at the
same computer-screens?
Can we talk to one
person please?
Ok, yeah.
What do you mean, you're in the tower?
Vinnie, are you there?
Mark, are you there? Hello?
Yeah, yeah, did you hear?
Mortgages defaults have
gone through the roof!
Anybody jumping off the building yet?
Why would they?
Sub-prime mortgages are up?
What? -Vennett wants 1,5 million
more in collateral by-close
vennett's asking us to post collateral
what the hell is going on?
We don't know, but deutsche is
on the phone demanding payment
call vennett, call that little shit!
Call vennett!
Tell him to get his ass down here
so, sub-prime loans go bad,
but sub-rime bonds, which are made up

of sub-prime loans, are more valuable?
They want another 1.9
million by market close
what about the ratings-agencies?
Moody's, s&p?
Are they downgrading the
cdo's or mortgage bonds
where are the ratings-agencies at?
They're the fucking same!
Nope, they're all still AAA!
What the hell!
Are you fucking kidding me?
Those fuckers, those motherfuckers!
They go public and all the care about
is their bottom-line and their shit!
Mark, that's not all...
The Morgan Stanley risk-guys are here
they called in Kathy tao
I'm trying to convince her
to make her sell us swaps
apparently eh, tying up securing
some insurance payments
so, a housing armageddon
is not prudent investing.
What did Kathy say?
Nothing yet, she keeps asking
if this is one of your crusades
ok, I want you to walk back in there
and very calmly, very politely
tell the risk-assessors to fuck off!
And then meet me over at standard & poors,
we're gonna talk to Georgia
get that fuck Jared vennett
I want to bash his fucking head in
uh, gentlemen...
I spoke with mark baum

he says:

I don't see a damn thing.
Aaah, my eye-doctor is always busy
I end up taking any appointment
and my whole morning gets shot to hell!
So...
Alrighty

front-point partners
how can standard & poors help you?
Well, we don't understand
why the ratings-agencies
haven't downgraded
sub-prime bonds
since the underlying loans
are clearly deteriorating
well, the delinquency-rates
do have people
worried, but they're
actually within our models
so
Says you?
You're convinced the underlying mortgages
in these bonds are solid loans?
That is our opinion yeah.
Oh crack the tape!
Have you looked at the loan-level data?
What you think we do here all day?
They're giving
these loans to anyone with
a credit-score and a pulse
what do you think we do here all day?
Not sure, I guess that's why we're here.
What I don't understand
we can't re-recheck and then check again!
If these mortgage-bonds
are so stable, so solid
have you ever refused to rate?
You're delusional!
We stand behind it
Georgia!
Have you ever refused to rate
any of these bonds upper-tranches AAA?
Can we see the paperwork on those?
Oooh, I'm under no obligation to share that
information with you, whoever you might be.
Just answer the question Georgia,
can you name one time in the past year?
Where you checked the
tape and you didn't give
the banks the
AAA-percentage they wanted?

If we don't give them the ratings,
they'll go to moody's right down the block.
If we don't work with them
they will go to our competitors
not our fault,
simply the way the world works.
Holy shit!
Ah yes, now you see it!
And I never said that!
You're selling ratings for fee's
a ratings shop
you could afford to make less,
make less.
Nobody said that!
And it is not my decision,
I have a boss.
Are you kidding me?
No I am not kidding you!
Is that the angle you're taking?
So now anybody who has a boss,
can't be held responsible for doing shitty
and illegal things! -What are you? Four?
No, eh, eh, I am not four!
Mister baum, I am not, no!
And I wonder, I wonder,
what your incentives might be.
Is it maybe in your best interest to have
the ratings changed? Is it, perhaps?
How many credit default swaps do you own?
Doesn't make me wrong
just makes you a hypocrite!
Raaaaaahr!
Mortgage-delinquencies went up and the
cdo's got more valuable, unbelievable!
We know, it's completely backwards!
I just called an old friend at bear
he didn't even know what a cdo is.
Yeah, I just had to wire bear and deutsche
seventy thousand dollars
it's like two plus two equals...
Fish!
Great!
You bought into a rigged game
we lose everything.. -I'm gonna

have to move back in with my mom!
Can't do that
well, alright I got a
colon in a couple of mins
wait a minute, hold on! Ben!
Ben, look!
Either the banks are clueless and they
don't know how to value these cdo's or...
They're suck crooks that... the cdo's
are worth shit, and they're hiding it!
I think we should buy more swaps!
What? -Suck it up and pay
up fellas we made a deal
no way, no!
Are you fucking kidding me?
You come in here you fucking
fucking! -You're a fuck,
how do you even seriously?
No, no, no!
Yeah!
You're unbelievable!
Indistinct shouting and cussing
no, no, no!
Seriously, colonic once a year!
Ass! -You got a matching little
Butler-boy you butt-fuck!
Are you done?
Think so yeah -god I pulled a
muscle in my bowl from yelling
mortgage defaults have done nothing
but go up!
Yet you quote us
a higher price on the bonds
please explain that to me!
There's no way that makes sense!
There's no way you're
marketing these swaps appropriately!
I mean, why shouldn't we back out
of this trade right now?
Didn't I say, that when we made this deal,
that the rating-agencies, the scc
and the big banks were clueless!
Didn't I say that?
Didn't I say it?

Yes you did, you did!
Shut up!
Now their foot's on fire and they think
their steak is done, and you're surprised?
That's not stupidity...
That's fraud!
Tell me the difference
between stupid and illegal
and I'll have my wife's
brother arrested.
That was funny! -I guess you just don't
realize how clueless the system really is!
Yes, there's some shady shit going down!
But trust me, it's fueled by stupidity!
Look at yourselves!
You know you passed yourselves off
as cynical people but...
You still have some faith
in the system don't you?
I don't
well, except for Vinnie!
Who gives a shit?
No way!
Look!
Either we're right, or we're wrong
in a giant, giant way!
And if we're wrong then we gotta find
someone to help us get out of this trade
I'm not feeling remotely
confident that we're right
and, and... if we're wrong
who's gonna tell us? Who understands
this stuff? It makes no sense!
I think we need to go to Vegas!
What's in Vegas?
Vegas!
What the hell is in Las Vegas?
The American securitization forum
is there next week
every bond and cdo-salesman, sub-prime
lender and swap-trader is gonna be there
I'm telling you
your bet is against their money,
it's about time you find out

just how dumb that money really is
god no, I hate Vegas!
I hear the food has gotten really
good in Vegas, they have a nobu now
could you fucking stop!
In a sense?
If the bond is rich, it is.
Rich just means overpriced
I can't sleep on a plane so I did
my homework -ok, let's focus!
What's our goal?
Figure out if this is a
deal of a lifetime or...
Everyone knows here something we don't
and we're gonna get royally screwed
right, remember that
when you meet with guys from bear!
I'll set you up with a face-to-face
awesome, where is that?
Holy shit! Five years ago securitization
was a loser-convention
a hundred, maybe two-hundred
people would show
500 billion dollars later you get this!
There's a lot of smuck-looking
people in here huh!?
It looks like someone
just hit a piata that
was filled with white
people who suck at golf
I mean, who are all these clown?
Ah come on, I think it looks fun!
Charlie,
vennett says these are the people
we're betting against.
Yeah, here we go
Chris on my left, Chris, on my left!
Gentlemen! -When do we get a chance to
face-time with some of these lovely folks?
Chris, give em the key-cords!
Do you even know which
key-cords you're giving out?
First of all, how was your travel?
Uneventful?

Uneventful!

Ok, I've been here for six hours!

I've already been to the
gym, I had two poached eggs,
and I played Blackjack
with Harry Dean Stanton
thank you for your diary!

Face-time! I'd like some face-time!

Just

remember, we're here just
to gather information!

We're gathering information,
we're not advertising our short-position!

Right? We don't want to spook anybody!

Can we do that?

You got a big mouth,
and you like to run it
can you just keep it shut
for a few minutes? -Ok, ok!

Yeah, don't worry, we'll play nice!

Ladies and gentlemen!

Business is good!

Profits are strong!

And the mortgage continues to be
the bedrock on which this economy is built.

Yes, we had to take some losses
in our sub-prime department last year,
but those losses,
will be contained at only five percent!

Now

in our residential sector...

Mark, it's not a q&a!

Of those variable rate-packages
were gobbled up by the

I have a question please!

Sir, the q&a is after my statement,
but you know what, you seem anxious!

How can I help you?

How are you?

Fine, thank you!

Would you say,
that is it a possibility,
or a probability
that sub-prime losses stop at five percent?

Thank you!
I would say it is a very
strong probability, indeed!
So, ehm, back to the residential sector,
when we rolled out the new
variable rates package -excuse me!
The ehm. He he he!
Zero!
Zero!
Zero!
There is a zero percent chance
that your sub-prime losses
will stop at five percent!
Zero!
Excuse me!
I have to take this
he must be from bank of America!
No, I'm really not doing
anything right now!
As I was saying, our residential sector
uh huh, and how are the kids?
Consumers reacted to our packages
mark baum really did that!
When we were in Vegas he did that!
He said that... he took the call,
now you see what I had to deal with!
Woohoo!
This uzi is fucking awesome!
If I can get this cdo-machine to run
for another two years
and then, I'm rich as fuck
and I got my house in Aspen!
But do you have any
concerns about the
performance of the
underlying securitizations?
It's easy to see that delinquencies,
eh, default-rates are
on the rise right now!
Could you please stop being
such a buzz-kill dude!
We didn't bring you out here
to talk about work bro!
Why'd you bring us out here?

Because we need to be able
to expense the ammo to a client!
We're gonna shoot some terrorists,
watch out boys!
These guys are morons!
Fucking tool!
Woo!-
Fuck yes!
Boom, yeah man boom!
We ought to be buying every swap we can get our hands on!
Just hold on okay, hold on!
My brothers ex-girlfriend works for the
scc, she just told me she's in town, okay!?
So if we're missing something, maybe
she can tell me, give me some insight.
In the mean-time, you go to the main floor
to buy some more swaps
well actually, we're about
to invest in housing bonds.
I was just wondering if
the scc is worried about them at all
I know you're not allowed to tell
me specifics, but, just generally.
Ow, we don't investigate mortgage bonds
truth is, since we had our budgets cut,
we don't investigate much!
Then why are you here? I thought..
I'm not here for the scc!
I'm here on my own dime
I'm floating my resume to some big banks!
How's your brother by the way?
How are you floating your
resume to big banks?
I mean, you're supposed to be
the ones policing the big banks
grow up Jamie!
There must be some kind of law
against working for a financial institution
right after you've been working
in financial regulation right?
No!
No!
Hey!
Dougie!

Hey, come over here!
What are you doing at Caesar's?
He's a Goldman
we can do bbb-level swaps
at 500 basis points, maybe!
You're praising the swaps,
like the bond is gonna collapse
even though the bond-value
is going up? Really?
Exciting times!
What the hell is going on?!
Lewis, can you come early tomorrow, please?
I need to unload the aig and
country-wide Freddy Mac positions
so we can afford the premiums on the
core mortgage-shorts on the swaps
no problem Dr. burry
Dr. burry!
If the investors withdraw,
what's gonna happen here?
Are we done?
Honestly I don't know!
The, the...
The bonds aren't going down!
They won't move!
It's possible
that we are in a completely
fraudulent system.
Or... you're,
you're wrong.
Sure!
It's possible,
I just don't know how!
I guess...
When...
Someone's wrong, they never..
They never...
Know how!
See you in the morning!
Yeah.
Even bear up their prices!
They keep calling us brownhall
you just don't have the money or the
reputation, don't take it personal!

I don't think I have
the strip-club in me
tonight I'm just gonna
get some drinks around.
Watch some pay-per-view
book us some flights out for the morning.
D- d-deal, we need a deal, right, a deal.
Uhm, we need a deal we can afford,
we need a deal they're not gonna refuse!
So... what can we do?
We can...
The aa-tranches,
what if we bet against the aa-tranches?
Who's not gonna take that bet?
We know that they say
they're ninety-five percent AAA-rated
but in reality, they're
more like twenty-five
percent, some of them
are zero percent!
We also know that if the bottom-tranches
fail at over eight percent
the upper-tranches are affected
and they go to zero.
I'll bet you right now,
that those aa's are actually like b's!
I rarely ever say these words
but I think Charlie is right!
Look, Ben!
Pay-off!
Is 200-to-1, but they're all
taking the ratings off face value
they're charging penny's on the dollar
to bet against double-a's
just when I start thinking
you guys are clowns!
No-one on the planet is
betting against double-a's
the banks will think we're either high,
or having a stroke
and they'll take every
dime we have to offer!
Kind of brilliant!
This is what we did,

that no-one else thought of.
Not even baum or Berry thought
to short the double-a's
but we did.
Little brownhall capitol
so we're interesting in shorting
some of the aa-tranches of cdo's
come on guys, what's the angle?
I've got no angle, we're new to this,
we're just so hyped!
We wanna do fifteen million
in swaps on the double-a tranche
I don't understand!
You can buy as much
double-a tranches as you want!
Forty million against the double-a
brother, I would sell you
as much as you want!
I understand perfectly Bob!
Want the deal?
That's cool, that's alright with me!
He's gone!
Don't do that!
Stop, stop!
Stop that!
Charlie!
Woooooh!
Stop it, stop!
What?
Do you have any idea what you just did?
Come on, we just made the deal of
our lifetime, we should celebrate!
You just bet against the American economy!
Fuck yeah we did!
Yeah!
Which means!
Fuck yeah! Oh!
Which means...
If we're right...
If we're right, people lose homes!
People lose jobs!
People lose retirement savings,
people lose pensions!
You know what I hate about fucking banking!

It reduces people to numbers!
Here's a number!
Every one percent unemployment goes up,
40 thousand people die!
Did you know that?!
Did you know that?
No, I didn't know that!
We were just excited!
Just don't fucking dance!
Alright!
Where are you going?
Whoah, I just got really scared!
First of all, great show today!
You were terrific!
Thank you!
Your big mouth was a revelation!
I appreciate that!
You worried you,
and your swaps were getting played?
Well, this is an opportunity for you
to meet who you're betting against!
Try not to get too righteous
and listen a little!
Ok, fine!
Who is this guy?
A real solid-gold asshole!
I'm a cdo-manager
a cdo-manager?
Yup, at Harding advisors
I didn't realize that there
was anything to manage with cdo's
oh, well.
We select the securities that go into
the cdo-portfolio and monitor the assets
I do most of meryll-lynch's cdo's
do you represent the
investors or meryll-lynch?
The investors!
You do.
Yeah!
But...
Meryll-lynch isn't gonna send you
any costumers unless you put
merrill-lynch's bonds in your cdo...

Good question!

Let's just assume merrill and I have a...

We have a good relationship
you have a good relationship
with merrill-lynch?

We've been doing business together
and so the cdo's..

That you create
are, are, are, of the highest quality
and the highest of value!

Absolutely!

Absolutely!

Are you at all concerned
about the rising default-rates?

I assume no risk for
this produce myself mark
okay!

So let me get this straight
the bank calls you up
they give you the bonds they wanna sell
they give you clients,
they give you money to run your business,
give you fat fee's for doing so
but you represent the investors?

Is that right?

Yeah!

But we're not in the
merrill-lynch building!

Ok, where are you?

We're in New Jersey!

You're twenty minutes away!

Five, if you use the helicopter!

That's funny eh?

That's hilarious!

Oh boy!

Your boss is about to explode!

No, he's too curious to explode!

Hold on, say that again!

Cdo a, has parts of cdo b
and cdo b, has parts of cdo a
and then they both get put inside cdo c.

Yeah and that one is called cdo square!

A cdo of a cdo!

Right?

And then there's cdo's
made up of the opposite
sides of the bet you
made with the swaps
we call them, synthetic cdo's
what did you just say? Synthetic cdo's?
That is fucking crazy!
It's not!
It's awesome!
His face is starting to boil
he looks like the bad guy from doom
alright, let's say...
You have a pool of 50
million in sub-prime loans
how much money could be
out there betting on it
in your synthetic cdo's and swaps?
Right now! Tonight!
50 million.. Hmm..
A billion dollars
what?
If the mortgage-bonds that
Michael burry discovered were the match...
How much bigger is the market for insuring
mortgage bonds than for actual mortgages?
About twenty times!
If the mortgage bonds were the match...
Then the cdo's were the
kerosene soaked rags.
Then the synthetic cdo was the atomic bomb
with a drunk president holding
his finger over the button
it was at that moment
in that dumb restaurant
with that stupid look on his face
that mark baum realized
the whole world economy might collapse!
And I know what you're thinking!
What the fuck is a synthetic cdo?
Well, here's Dr. thaler,
father of behavioral
economics, and Selena
Gomez to explain!
Ok, so here's how a synthetic cdo works!

Let's say I bet ten million
o a black Jack hand.
Ten million, because this hand is
to represent a single mortgage bond
okay, Selena has a pretty good hand here!
Showing eighteen, dealer showing seven
that's a really good hand for Selena!
Good odds,
in fact her chances of winning this hand
are eighty-seven percent
so, my odds are good
I'm on a winning streak
everybody in this place
wants to get in on the action
how could I lose right?
Now this is a classic error
in basketball it's called
the hot-hand-fallacy
a player makes a bunch of shots in a row
people are sure they're
gonna make the next one
people think, whatever is happening now
is gonna continue to
happen into the future!
During the real-estate boom
markets were going up and up!
And people thought they
would never go down!
People who are watching and think
that I won't lose will make a side-bet
now this, is the first synthetic cdo
I love Selena Gomez!
I'll bet you fifteen million, she wins!
And I'll give you 3-to-1 odds!
3-to-1 odds?
Okay, I'll take that bet!
Now!
Somebody else is gonna wanna make
a bet on the outcome of their bet!
15 million she wins!
That will lead to synthetic cdo number two!
Hey!
I bet you 200 million,
that lady in the glasses, wins that bet!

She probably will win!
So I want great pay-off!
How about 20-to-1?
Deal!
And this will go on and on,
with more and more synthetic cdo's
and we can transform
an original ten million dollar investment
into billions of dollars
you're ok?
No!
I actually feel pretty sick!
So I'm going to leave
you think I'm a parasite
don't you mister baum?
But apparently society values me,
very much.
En fin, let's do this!
I'll tell you,
how much I'm worth.
You tell me how much you're worth!
You are an incredibly...
Big piece of shit!
Short everything that guy has touched,
I want half a billion more in swaps
sure about that?
The collateral calls could bankrupt you!
Yeah!
Where are you going?
I am going to try to find moral redemption
and to re-lactate
hey, hey, hey!
These are percentages of
honey, I do think the
economy might collapse!
You've been saying that
the system is broken for years mark
why are you so shocked?
It's more twisted, than
I could have imagined!
You love to be the virtuous one
I'm a banker, I'm a part of it!
You always have mark!
Like you're untainted

it changed me, it changed me!
Into a person,
who is not able to reach out to someone
he was in pain, my brother
was in real pain!
I lost so much!
There is no perfect way to help
it sounds scary!
So, stop!
Trying to fix the world!
He told me
you're not a Saint,
saints don't live on park Avenue!
That he was having bad thoughts.
Just feel the feelings,
like the rest of us!
My first response...
Was, to offer him some money.
I offered him fucking money!
His face was so smashed!
Michael?
Michael?
Yes, yes!
Is everything ok?
Yes honey!
Sure?
Yeah baby!
All fine, hehe!
To all investors, as you may know,
our agreement allows me,
to take extraordinary measures
when markets aren't functioning properly
I currently have reason to believe
the mortgage-bond market is fraudulent
so, in order to protect investors
from this fraudulent market
I've decided to restrict
investor withdrawals
until further notice.
Sincerely,
Dr. Michael j. Burry
oh my god dude, we...
Please stop changing the channel
it's been driving me crazy!

Fine!

Just put the business-news on please.

Thank you!

And the s&p picked up three points

Jesus!

Mortgage meltdown continues

sub-prime mortgage-lender

new century financial

once the industry-leader by

the way, filed for bankruptcy

the company immediately, ahem!

Good time for my voice to go

fired 3,200 workers

the manufacturing-index also

put out the month of march

it's starting...

A warning that the

economic growth could slow

the institute of sub-prime assets

also reported a rise of prices

I'm gonna call my mom!

The principle source of the

slowdown of economic growth

time, and time, and time again

have I bought them back from you Marcus

we've know each-other for seventeen years

she's got some lungs on her I'm impressed!

Can't help but enjoy it.

There's no fucking way, there's no fucking

way, that the big banks are that stupid!

Bye Kathy!

Well?

Kathy thinks it would be a good

idea if we sold our shorts

what else is new?

And she said that

Morgan-Stanley will buy them

holy shit!

What did you say?

I told her we're not selling shit!

Ah, if you need the.. Ehm,

files for 2005

mister field's suit is very specific

to files from the past year

good, then get out!
Say hi to Lawrence for me! And both do!
You can't call me back for a week?
I'm so sorry Mike!
Goldman had a systems failure
I lost a ton of messages!
B of a said they had a power outage, and
Morgan-Stanley said their server crashed!
Huh!
That's weird!
Meh, I will, I will call
it, improbable sue.
Where do you have our position-mark?
I think it's the same Mike
what? Can you explain that to me please?
H-h-h how can the value
of an insurance-contract
not be affected by the demise
of the very thing it insures?
They're independent markets,
they're not always correlated!
I know it sounds odd,
but these are very complicated products!
They are correlated!
They're gonna lose their
houses, they're gonna
lose their jobs, they're
gonna lose their p..
Will you listen to me!
This is like... the end of capitalism!
This is like the dark ages all-over again!
I don't want to talk to dad!
Okay, I love you too, save your money!
She says I need to be on Xanax,
and double my dose of Zoloft
I asked bear-stearns to price our shorts
they tell me the cdo's still haven't moved
this is fucking insane!
You realize that? These people are
crooks and they should be in prison!
Look at the theta-graphics,
you can see that the cdo's are worth zero!
So you know what they're doing huh?
You know what they're doing right?

Yeah!

They're not loading them...

They're selling their dogshit cdo's

then they go to another bank

and short the shit, while they fucking sold it!

Whoo ho ho, let's go to the press man!

This is a massive story!

Who wouldn't publish it?

Robert redford!

Shorting the ones they were gonna buy

I got it, I got it!

I got it, I got it...

And what am I supposed to do?

Want me to write a piece called:

"We're all fucked!"

Yes!

That's a perfect title!

Right now, every bank in town

is unloading these shit-bonds

under un-suspecting customers

and they won't devalue them

until they get them off their books

this level of criminality is unprecedented

even on fucking wall-street!

Jamie...

This is me being honest here okay.

It took me years to build my

relationships on wall-street

no bank or ratings-agency

is gonna confirm a story like this

just because it comes from two guys in a...

Garage-band hedge-fund that

thinks it's the apocalypse.

Wow!

I thought you were for real Casey

you know, I have to say, I really did!

Yeah Jamie, you try being for

real with a three-year old

and a wife getting her masters-degree

I'm not gonna burn my

reputation on your wild hunch

wow!

Thanks for coming guys,

totally fucking awesome to see you!

Yeah. Casey, I've always hated you
because you were a prick in college
and you are a prick today!
Thanks Charlie!
Still living with your mom?
Charlie, come on!
It's mark baum again. Call me!
Sub-prime bonds fell off a cliff
rumor has it default-numbers are huge!
Who got their remittance-data early?
I bet it's Goldman
nah, fuck you very much!
Jared!
It's chaos down here, where are we?
And Caesar wept,
for there were no more worlds to conquer.
Shane...
Shane!
Well...
Nobody's buying cdo's and
mortgage bonds anymore
and everybody wants swaps, swaps are not
the most popular product on the street
that's good for us!
Yes, and no.
I heard from somebody,
who heard from somebody
no Alex. No... sorry!
I'm betting kleeger over
at Morgan is taking
up some heavy losses
in the bond-department
your shit might be taking on water
time to get our life-jacket and get out.
Holy shit!
I'm jacked
I'm jacked!
I'm jacked to the tits!
Good!
Do you feel it?
No!
What'd you hear tiny?
It's happening
everybody wants our swaps

Kathy's office is looking for you!
Singing a different tune now, aren't they?
That's not good.
Maybe later.
No, no this isn't a joke
you gotta start unwinding...
Listening!
Dr. burry?
Yah!
Deev woonsen, Goldman sachs
listen, I've been reviewing your position
I wanted to discuss your marks,
make sure they're fair!
Yeah, I, I, I thi, I think you mean..
That you've..
Secured a net-short
position yourselves, so
you're free to mark my
swaps accurately for once
because it's now in your interest to do so.
Ehm... I'm not sure what you want me to say
I think that...
I think you've already said it.
You tell Jeff at Goldman that I'm not
transferring funds, this is bullshit!
Okay, we'll talk later.
Thank you...
Thanks for coming so quickly mark
yeah
ehm...
I know you've been hearing rumblings
about some losses Morgan has suffered.
Congratulations
on what?
Oh!
Thanks.
Ehm..
Having fun?
Yes! He he!
Tons!, ehm...
I just wanted you to know that ehm...
Yes, Morgan has suffered some losses,
but our liquidity is strong,
and there's no cause for concern!

Would Benny kleeger be concerned?
Because word on the street is
he took some pretty heavy losses
Kathy come on, we know each-other..
How, how?...
How bad is this?
Ok...
Two years ago, Benny kleeger
in Morgan's bond-department
also started shorting
sub-prime housing
two million in triple-b's
Benny is smarter than I thought!
No, he's not smart at all!
The premiums on the swaps
ate into his desks profit
to cover his triple-b shorts,
he sold a lot of a- and double-a
swaps as protection, a lot!
He believed that there was no way,
that they could be affected.
Tell me Morgan-Stanley doesn't
hold the contracts on these swaps
holy shit
all this time I've been trying to figure
out whom I've been betting against.
And it's Morgan-Stanley
which is me...
What's your exposure?
Three billion?
Please don't tell me it's more than four!
I can't answer that!
Yes you can answer that,
because...
I walk in here and people
are crying in your hallway
Kathy..
You bring me in to tell me everything
is fine, and everything is not fine!
What?
What is happening?
Long exposure is...
Fifteen billion
Jesus Christ, are you fucking

kidding me?! -You kept
saying defaults over eight
percent were impossible!
That there would be a million homeless
oh my god!
Yeah, but we have nothing
to do with Morgan-Stanley
yeah... just tell the bankruptcy-court
Morgan fails,
all our accounts go under bow and ship
that's just crazy!
Morgan makes a sucker's bet
and we pay their fucking gambling debt?
Short the bank's stocks!
Wait..
Or we sell our swaps,
when the market opens
we get our bonuses,
our investors get their profit
we get... thirty cents on the dollar,
not bad!
We're three times up
not if there's no market up to sell them in
forget it, I'm not giving
out any life-hooks
mark, if Morgan goes under,
we end up with nothing!
Vinnie...
Jesus, come on!
I say, when we sell
look I get that this is personal for you,
but we have a fiduciary responsibility
no, no we don't!
Respons...?
Nobody is acting responsible!
Fuck responsibility!
Are you kidding me?
The assholes at the big
banks, are gonna take..
You boys want menu's now?
We're talking!.. Please!
Excuse us!
We are going to wait,
and we are going to wait

we are going to wait, until they feel
the pain, until they start to bleed
that is what I want
yeah, but what about our clients, they've
been trusting us with their savings.
I say when we sell!
This isn't about you!
Hey, hey, hey!
I say when we sell!
Whatever you say mark
dude, did you hear the news?
Ok, so not only did two
mortgage hedge-funds
backed by bear-stearns
go belly-up
but now, there's a class-action
lawsuit against bear
holy shit!
Let's go! Push, push!
So? What? Bear could really collapse here?
That's a risk we really shouldn't take!
But eighty percent of our swaps is bear
we lose everything!
Hey sir!
One second!
That's my opinion! -Aw,
we bought these fucking
things, and we have no
clue how to sell them
I know, we have to get Ben to do it!
I've been trying to call him,
but he won't get back to me
no, he's on vacation with his
wife's family! They're in England!
What?!
Hello, Ben? Hey!
Guys?
Yeah, we're here, can you hear us?
Guys?--
We hear ya, yeah!
I probably got cell-phone and wifi-service
I'm trying to sell 200 million
dollars worth of securities
in a pub...

Smells like sheep
you can do this!
I don't want to pressure
you Ben, but if you
don't pull this off,
we lose everything!
Ok, let's see what credit
suisse's appetite is.
This is brownfield fund, I'm wanting
to unload my credit default swaps.
Alright, what've you got?
Twenty double-a tranches of abs cdo's
eh yes.. But these eh...
These are pretty bad
absolutely, they're complete shit!
What's your.. What's your?
Basevalue is two-hundred and five million
dollars
alright, we could, we could go to forty
no, we want at least a hundred million
a hundred million?
Who are you a drug-dealer or a banker?
Cause if you're a banker
you can fuck right off!
I don't know if we can make a market,
just give me your best price!
Yeah, check! A hundred million worth,
and aim higher!
I think we're far apart
look if you don't want
to deal, just hang up.
That's what I thought!
Ninety million
seventy!
Eighty-five
seventy-eight
eightyfour!
Seventy-eight
eightyfour!
It's Dr. burry
looks like the collapse of the
financial sector is imminent
start to sell my position
2.3 billion

sure, I'll hold!
So I was right.
I took a rash of shit for two years. But...
I was right! And...
Everyone was wrong!
And yeah I got a bonus-cheque for it
sue me!
You know.
It's a lot of money!
I get it, I can feel you judging me.
That's palpable
but hey!
I never said I was the hero of this story
hey, hey babe!
How are we looking?
Ace... goi..
S-sorry?
No, eighty million!
Ok, so eighty million!
Eighty million, eigthy million,
that's good right?
Eighty is great, no eighty is great,
thank you, thank you so much!
Most of them went to ubs
you're very lucky!
The largest bank in France froze it's
customer's money-market accounts today
this thing is hitting Europe!
Greece and Iceland are finished
Spain is teetering
are you serious? Fuck!
Ben call us when you get home!
But hey, before you go...
I'm just wondering...
Uhm..
Why did you do this with us?
You didn't have to, and eh..
You know, thank you, but, eh...
Why?
You guys said you wanted to get rich!
Now you're rich!
As the housing-markets
and banks continues to
hemorrhage, only one of the

big shorts refused to sell.

Mark baum

so it was beyond perfect,
when he was asked to
speak at a conference
opposite Bruce Miller
famous bull-ish investor
after he and mark had their debate
Alan greenspan, one of the architects of
the whole crisis, was scheduled to speak
everyone in mark's office showed up,
even invited friends!

This... was the Ali versus
foreman of the financial world
realists versus the fools
and if it seems almost too perfect...

Trust me!

This happened!

Welcome everyone!

Please... give a generous welcome to...

Mister Bruce Miller... and mark baum
strap yourself in!

So as some of you may know, bear-stearns
has just received a loan from j.P. Morgan
of course we're gonna have to see
how the markets react
but that should lay to rest
any concerns about the bank self!

No, I take it, you have no plans to sell
your two-hundred million in bear-stock
no, as a matter of fact, when we're done
here, I'll probably go buy some more!

For the opposing view...

Mister baum

I gotta stand for this

okay, hi!

My firms thesis is pretty simple
wall-street took a good idea:
Lewis raneiri's mortgage-bonds
and turned it into an atomic bomb
of fraud and stupidity
that's on it's way to
decimating the world economy
how do you really feel?

I'm glad you still have a sense of humor!
I wouldn't if I were you!
Now, anyone who knows me, knows..
That I have no problem telling
someone they're wrong.
It's a disaster, it just says here,
they got a liquidity-bravo
but for the first time.. In my life..
Holy fuck!
It's not so enjoyable
we live in an era of fraud in America
not just in banking, but in government
education, religion
food, even baseball
what bothers me...
Isn't that .. Fraud is not nice
or that fraud... is mean
it's that .. For fifteen thousand years
fraud and short-sighted thinking
have never ever worked
not once, eventually
Jesus
you'll get caught
we're at thirtyseven
things go south! -It's fucking
plummeting man, it's fucking plummeting!
When the hell did we forget all that?
I thought we were better
than this, I really did
and..
The fact that we're not, doesn't
make me feel all-right and superior!
It makes me feel... sad.
Every time I fucking hit refresh it's
dropping man -and hope it does goes down!
And as fun as it is to watch..
Pompous dumb wall-streeters be wildly wrong
and you are wrong sir!
I just know that at the end of the day
average people are going
to be the ones, -that
are going to have to
pay for all of this.
Because they always, always do!

Thirtytwo?
Shit! It's thirty-two
yeah it's fucking tanked man
that's my two cents, thank you!
I'm gonna drop a deuce at deutsche
does our bull have a response?
Only that in the entire
history of wall-street,
no investment-bank has ever failed,
unless caught in criminal activities.
So, yes!
I stand by my bear-stearns optimism.
Mister Miller, I'm sorry!
Quick question!
From the time you guys started
talking, bear-stearns'
stock is falling more
than thirty-eight percent
would you still buy more?
Yeah, sure!
Ofcourse I'd buy more, why not?
Baum!
Jesus Christ!
Oh no! That comcludes the first part of our presentation
up next, we have the legendary, former,
chairman of the fed, Alan greenspan!
Folks!
Employees of lehmann
brothers today, -as
the wall-street giant's
stock went to zero!
The collapse of the venerable New York bank
follows a tumultuous
few months of market
volatility, and fear for
the world economy...
I gotta see inside
how?
Come on
I left my phone in the office,
I threw my pass out already,
do you mind if I take your pass?
Borrow it? I don't
give a shit anymore, you

can do what you want!
Go directly to your
transportation, do not talk to
the press! -So that's it?
After eighteen years!
Go directly to your transportation,
do not talk to the press! -I just
leave? That's just fucking great, I
can talk to whomever the hell I want!
Do not talk to the press!
Go directly to your transportation,
do not talk to the
hey look, you want to get a bit tonight?
There's this ehm...
This new Cuban place just opened at the
lower east side, so I suppose we could..
Ah really?
Yeah!
You and I?
Yeah and eh.. Other people
that sounds nice!
Yeah, I would like that, thank
you very much! -Finally!
Mark, hey!
It's a bloodbath up here
Morgan's stock has lost half its value,
it's down to 23,10
it's in a free-fall decline, so I wanted
to talk to you about pulling their money
I mean... it's now or never mark!
We gotta sell!
Mark!
Mark, do you hear me?
Mailbox #1, you have fifteen messages.
Mike I can't seem to get
a hold of you, could you
please call me at your
earliest convenience?
It's Jeff, I.. Eh.. You're buying stocks?
The market is at an all-time
low, this is crazy!
I met my wife on match. Com
my profile said that I'm a medical student
with only one eye

an awkward social manner,
and 145 thousand dollars in student loans
she wrote back...
You're just what I've been looking for!
She meant honest, so let me be honest...
The housing-crisis represents
the greatest financial opportunity
making money is not what
I thought it would be.
This business... kills
the part of life that is
essential! The part, that has
nothing to do with business
for the past two years, my insides have
felt, like they're eating themselves.
All the people I respected,
won't talk to me anymore
except through lawyers.
People...
Want an authority to tell them how to value
things, but they chose this authority
not based on facts or... results
they chose it because it seems
authoritative... Or familiar!
And...
I'm not, and never have been... familiar
so..
So I've come to the solemn realization
that I must close down the fund
sincerely, Michael j. Burry md.
This isn't how I pictured it
what do you think you'd find?
I don't know
grown-ups
mark, are you there?
Mark?
Paulsson and bernanke just
left the White House.
There's going to be a bail-out
well, they had to!
Right?
We paid for mortgages with collaterals
they knew!
Cash would have stopped coming out the ATM,

they had to back-stop this
they knew the tax-payers
would bail them out,
they weren't stupid,
they just didn't care!
Yeah, 'cause they're fucking crooks!
But, at least we're gonna see
some of them go to jail.
Right?
We need to gonna have to break up the banks
the party is over!
I don't know, I don't know...
I have a feeling, that in
a few years, people are
gonna do, what they always
do when the economy tanks.
They will be blaming
immigrants and poor people.
But mark was wrong!
In the years that followed,
hundreds of bankers
and rating-agency's
executives went to jail.
The scc was completely overhauled
and congress had no choice,
but to break up the big banks
and regulate the mortgage
and derivative industries
just kidding!
Banks took the money
the American people gave them
and used it to pay themselves huge bonuses
and lobby the congress to kill big reform
and then they blamed
immigrants and poor people
and this time even teachers!
And when all was said and done,
only one single banker went to jail
this poor schmuck!
Kareem serageldin from credit suisse
he hit a few billion in
mortgage-bond losses
something most of the big banks
did on a good day during the crisis

mark, can we sell now?
I mean the fund will almost
make a billion dollars
you'll clear two-hundred mill mark!
You know... once we sell..
We'll be just like the rest of them
you know that!
No we're not, we're not the bad guys here!
We didn't defraud the American people
and prey on their dreams of owning a home
like they did!
Now we get to kick em in the teeth!
A billion dollars
that's right!
But we gotta close out our position,
or it could be zero
I- I-it's now or never, mark
okay.
Sell it all!
Annagram
Want to do another movie?
makes it a little less tedious...
Bye now!
Hope you enjoyed the movie!