

Underestimate FOMO at your own risk

In bubble-builds, FOMO can trump macro

Renewed inflation concerns and rising long-end yields have slowed the breakneck US equity rally, but numerous signs point to equity resilience and concerns over further upside. As one example, a striking disconnect has emerged between steep put skew in rates vol and historically flat call skew across equity indices & sectors. We note that in bubble-like markets, FOMO can overwhelm rising yields & macro headwinds, as seen in the Dotcom bubble when Nasdaq surged with 30y yields. Near term, the clash between macro risks and a bubble-prone market is pushing risk into both tails, making options' asymmetry valuable. TLT put spreads offer historic ~8x max payouts to hedge a further yield rise, while QQQ call spreads and NDX-USDGBP hybrids offer cheap, limited-risk upside participation. Upcoming mega-cap tech IPOs will likely be another driver of tech enthusiasm, and we reiterate NDX over SPX in delta and vol to hedge growing concentration risk and rising bubble-era boom/bust dynamics (see [6-May-26 GEVI](#) for more details).

UK-specific risk creates opportunities in banks & hybrids

UK political risk is reasserting itself as a meaningful macro driver, with Labour leadership uncertainty and associated fiscal divergence feeding into Gilt yields, macro volatility and renewed Sterling weakness. This uncertainty creates attractive trading opportunities for UK vs other regional assets. For instance, as UK banks remain sensitive to domestic political and fiscal risk, a historically low SX7E/SX7P vol ratio combined with persistently high correlation cheapens SX7E calls contingent on limited SX7P upside. More broadly, Sterling-equity correlations are counter to scenarios in which equities continue to rally even as idiosyncratic UK risk weighs on GBP. Specifically, we like SX5E up, EURGBP up dual-digitals offering 13:1 max payouts and AI-upside geared NDX calls contingent on weaker GBPUSD at a 60% discount vs vanilla.

China AI hardware: 7.1x payout call spreads on FTSE A50

AI hardware is starting to dominate the FTSE China A50 index (XIN9I) and the index doesn't include Hong Kong-listed "AI software" (e.g. Tencent and Alibaba). At 25%, IT is on track to overtake Financials as the largest sector in the A50 index, more than tripling its weight from a year ago. Indeed, recent performance is more in line with semiconductor stocks in the US than with common China Tech instruments such as the KWEB ETF and the Hang Seng Tech index. We like XIN9I 3m call spreads for a 7.1x max payout ratio as they leverage the most inverted call skew globally and offer good upside participation while limiting losses at 1.4%. With most AI-linked assets in Asia trading well above 50% vol, A50 vols remain in the low 20s.

Also in the GEVI

Global cross-asset stress finished higher after Friday's moves reversed earlier easing

BofA GFSI™ X-Asset Risk Landscape

GFSI slightly increases after Friday's market moves

The GFSI mildly increased last week as it moved from -0.13 on 8-May-26 to -0.11 on 15-May-26. Stress actually decreased through Thursday, as equities moved higher and the index reached -0.18, its lowest level since 27-Jan. However, Friday's move higher in rates and oil, coupled with equity weakness, erased earlier stress easing, leaving the GFSI in its 33rd percentile since 2000.

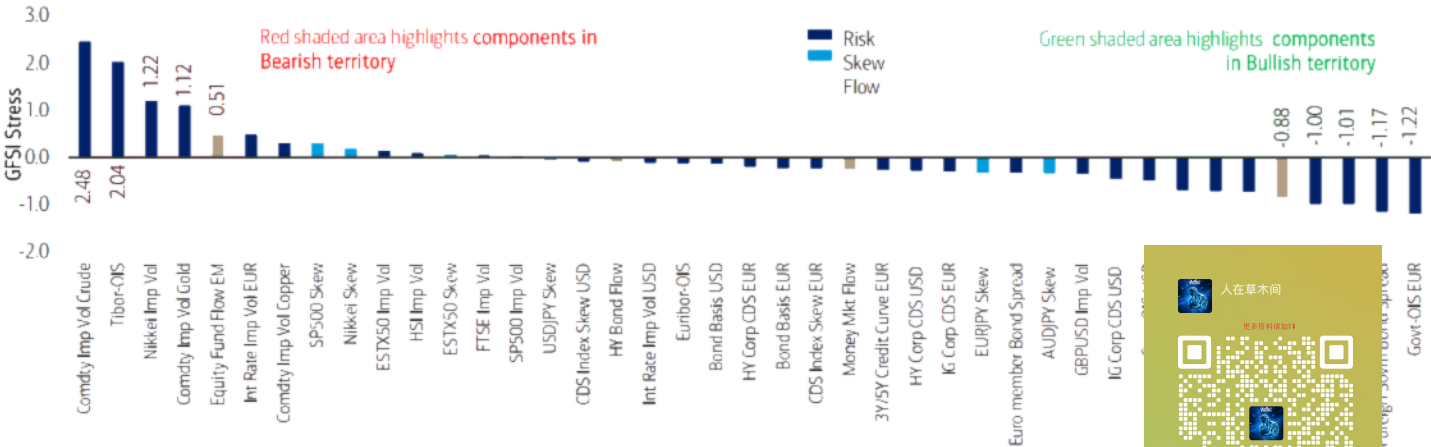
Commodities led stress higher with copper and crude implied vols among the top eight stress-gainers of the week (Exhibit 3 & Exhibit 4). In fact, copper implied vol recorded a 95th percentile gain in stress while crude implied vol stress increased for the fourth consecutive week (Exhibit 6). Crude implied vol remained the most stressed GFSI subcomponent and is joined in bearish territory by gold implied vol, with stress in both more than half a standard deviation above median levels (Exhibit 2).

Although all three commodity implied vol subcomponents saw stress increase last week, rates vol was the largest stress gainer versus all cross-asset vols and spreads (Exhibit 7). Interest rate implied vol EUR and USD were the first and third largest stress-gainers, respectively, as they each posted stress gains in their top deciles versus history (Exhibit 3 & Exhibit 6). Meanwhile, FX and equity stress also increased while credit stress slightly declined. Commodities remain the GFSI's most stressed asset class while FX is the least stressed (Exhibit 4).

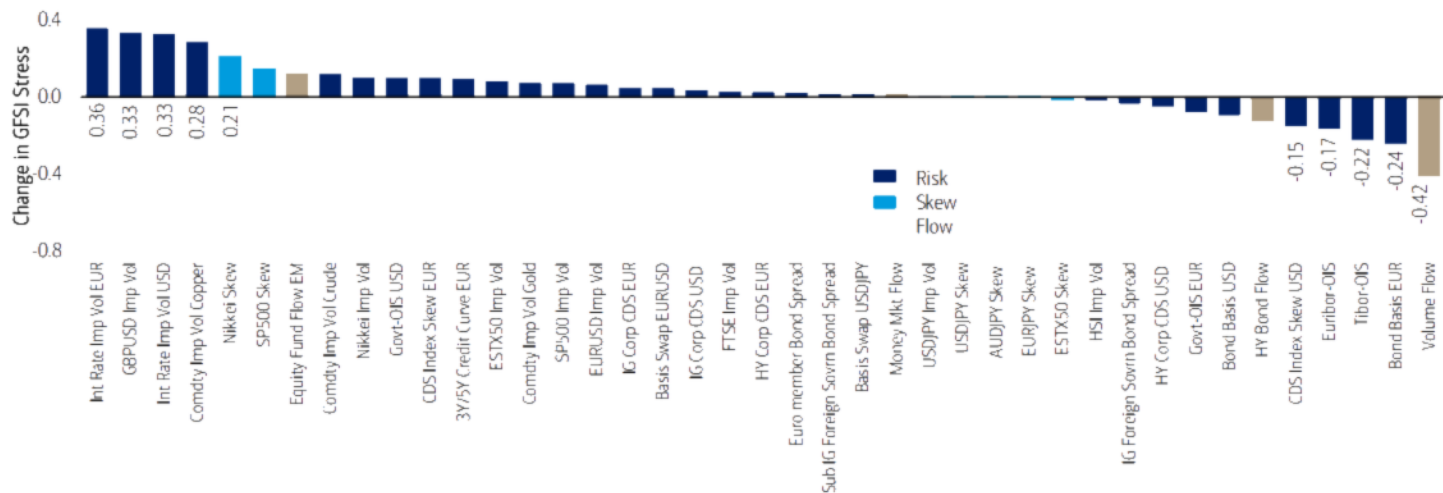
- **The US was the only region to record a decline in stress last week** (Exhibit 5). Stress decreased for the third consecutive week, as volume flow, the subcomponent that tracks bullish or bearish US stock volume, posted the largest decline in stress (Exhibit 3).
- **GBP/USD implied vol posted a 90th percentile stress gain** (Exhibit 6) as GBP was under pressure from risks of a change in UK leadership (see [UK Watch: 15-May-26](#) for perspective from our UK econ, rates, and FX teams).

Exhibit 2: Latest* stress across GFSI sub-components

Crude implied vol is the most stressed while Govt-OIS EUR is the least stressed



Interest rate implied vol EUR was the largest stress riser over the last week while volume flow stress fell the most



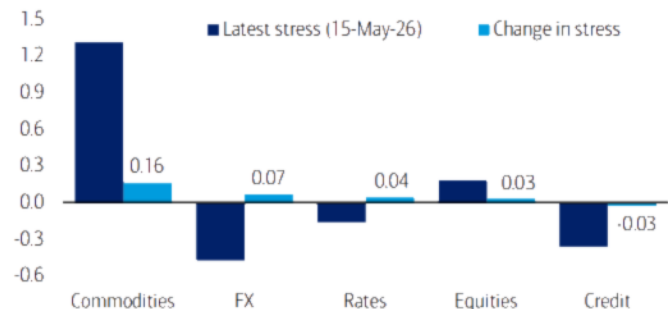
Source: BofA Global Research. **Latest as of 15-May-26. Change from 8-May-26 to 15-May-26.

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The GFSI Risk Allocator (using Bull, Bear & Neutral weights of 2, 0, 1) suggested a 7.3% overweight position as of 15-May-26 (vs a 14.6% overweight position as of 8-May-26). The percentages of Bullish, Bearish, and Neutral GFSI components (as used in the Risk Allocator) as of 15-May-26 were 22.0%, 14.6%, and 63.4%, respectively.

Exhibit 4: Commodity stress increased the most last week

On the other hand, credit stress decreased

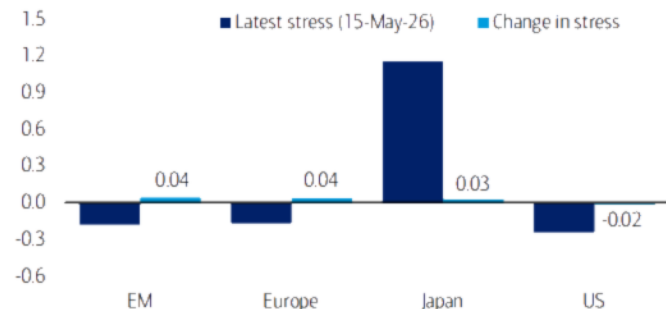


Source: BofA Global Research. Change from 8-May-26 to 15-May-26.

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Exhibit 5: EM led regional stress higher last week

In contrast, US stress declined

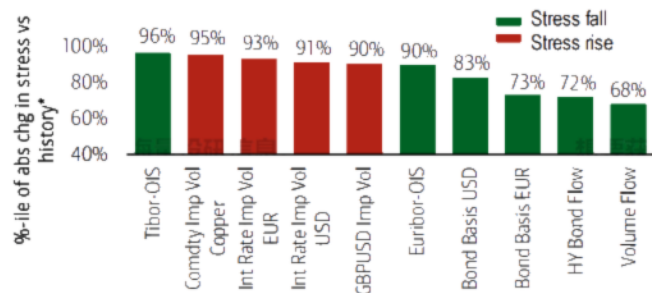


Source: BofA Global Research. Change from 8-May-26 to 15-May-26.

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Exhibit 6: Top 10 biggest stress movers (vs history)

Copper implied vol saw a historically large stress increase

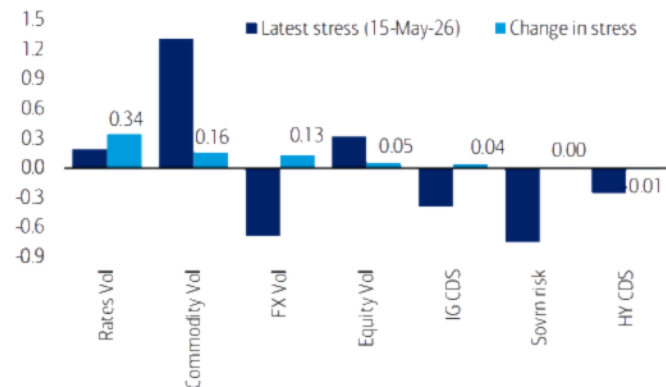


Source: BofA Global Research. * %-ile of 5-day moves in stress vs all historical 5-day moves (earliest 3-Jan-00). Bar colors represent rise (red) or fall (green) in stress, 5-day change (8-May-26 to 15-May-26).

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Exhibit 7: Biggest stress movers in cross-asset vols and spreads

Rates vol experienced the largest increase in stress last week



Source: BofA Global Research. Change from 8-May-26 to 15-May-26.

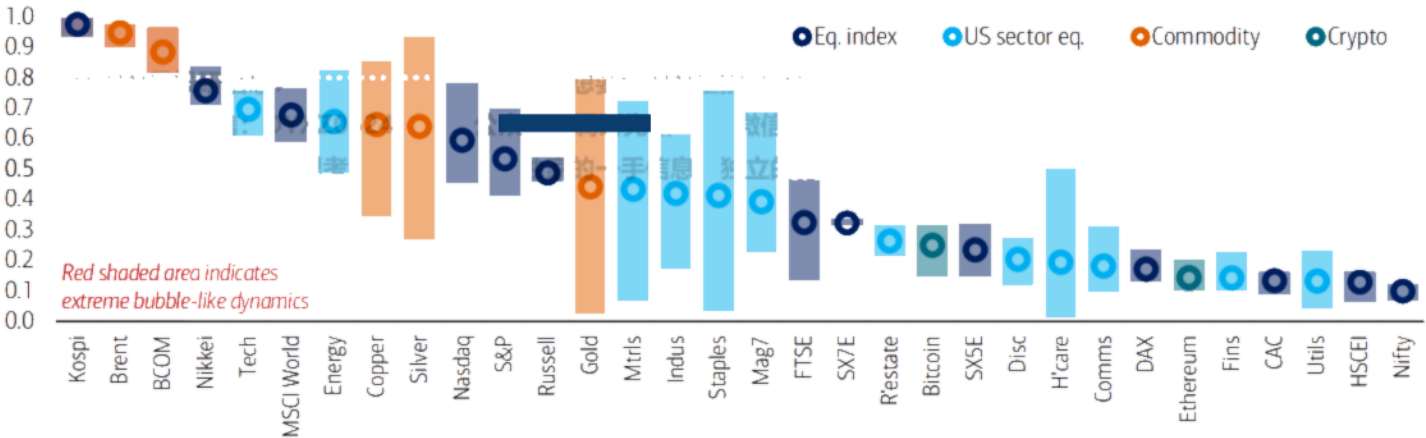
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BofA Bubble Risk Indicator Landscape

Global equity BRI rising, led by Kospi, Nikkei, US tech

The **BofA Bubble Risk Indicator (BRI)** is a price-based measure designed to detect bubble-like asset dynamics. Inspired by the way the first four moments describe a statistical distribution, the BRI distills an asset's returns, volatility, momentum, and fragility into a single bubble-risk reading on a 0 to 1 scale; 1 represents extreme bubble-like price action while 0 represents none. Historic asset bubbles have exhibited high BRI levels as they formed and peaked (see our [2026 Year Ahead](#) for more details).

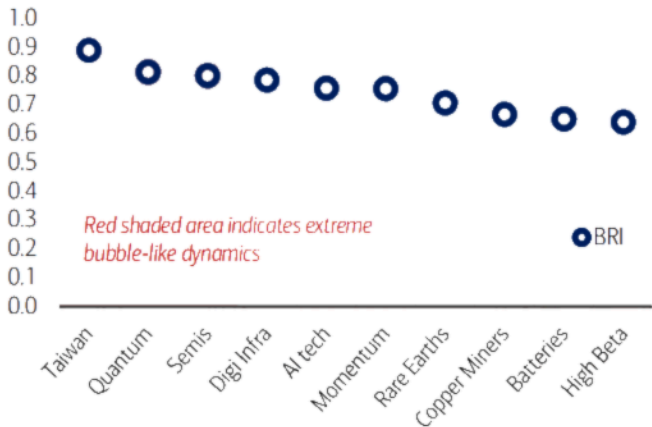
Exhibit 8: Bubble-like instability in global equities (MSCI World) broadly continues to rise, led by the BRI of Kospi, Nikkei and US tech (though Mag7 still appears subdued); persistent geopolitical stress understandably keeps the energy-complex's BRIs high
BofA Bubble Risk indicator (as of 15-May-26) across global equity indices, US equity sectors, commodities and crypto (bars: range of short- to long-term sub-indicators)



Source: BofA Global Research. Data as of 15-May-26. Underlying tickers: SPX, NDX, RTY, SX5E, SX7E, CAC, DAX, UKX, NKY, HSCEI, KOSPI2, NIFTY, MXWD, IXB, IXCPR, IXE, IXM, IXI, IXT, IXR, IXRE, IXU, IXV, IXY, BM7P, BCOM, CO1, XAU, XAG, HG1, XBTUSD, XETUSD. **Disclaimer:** The indicator identified as the BofA Bubble Risk Indicator is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This indicator was not created to act as a benchmark.

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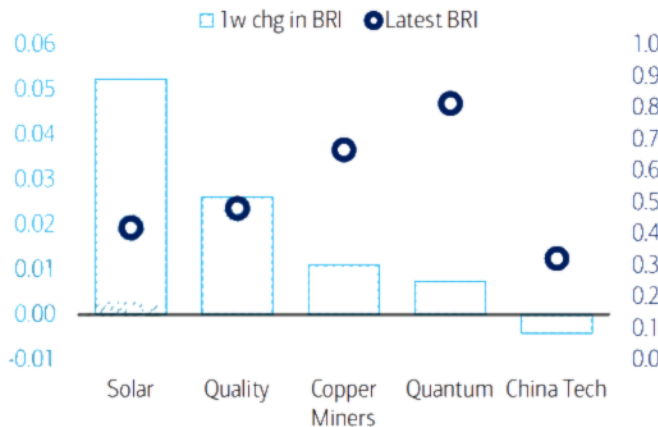
Exhibit 9: Taiwan, quantum and semis stocks are showing relatively high bubble-like dynamics among popular equity themes
Highest BRI readings across popular equity themes (as of 15-May-26)



Source: BofA Global Research. Data as of 15-May-26. Underlying tickers: M10XBISD, BQTUMTR, ICESEMIT, SPDIGIUT, IAQ, SP500MUT, MVREMTR, SOLGLOCO, SOLLIT, SP5HBIT. See Disclaimer in Exhibit 8.

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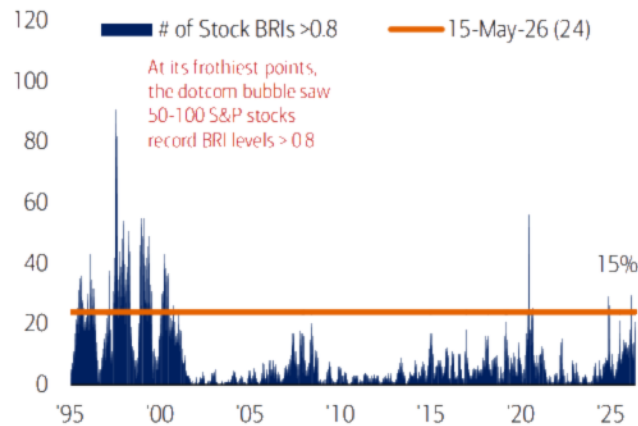
Exhibit 10: Solar & quality factor stocks have seen the biggest jump in their BRI over the past week among popular equity themes
Largest 1w changes in BRI across popular equity themes (as of 15-May-26)



Source: BofA Global Research. Data as of 15-May-26. Underlying tickers: SUNIDX, M2USSNQ, SOLGLOCO, BQTUMTR, FCATCNR. See Disclaimer in Exhibit 8.

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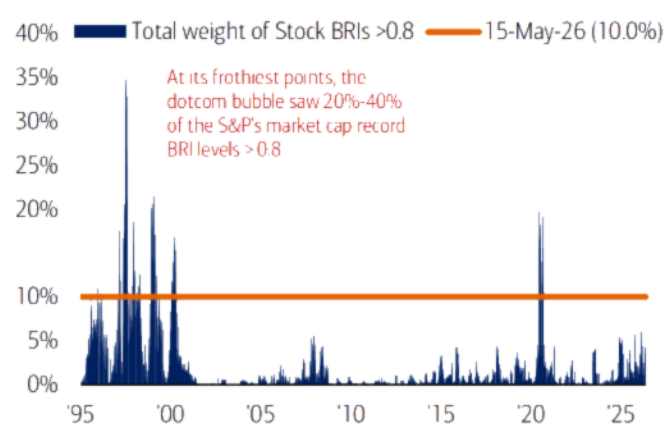
Exhibit 11: While the number of stocks exhibiting frothy price action has risen meaningfully, it remains localized vs Dotcom bubble peaks
of SPX stocks with BRIs above 0.8



Source: BofA Global Research. Data from 1-Jan-95 to 15-May-26. Stocks' BRI computed using data since SPX inclusion. See Disclaimer in Exhibit 8.

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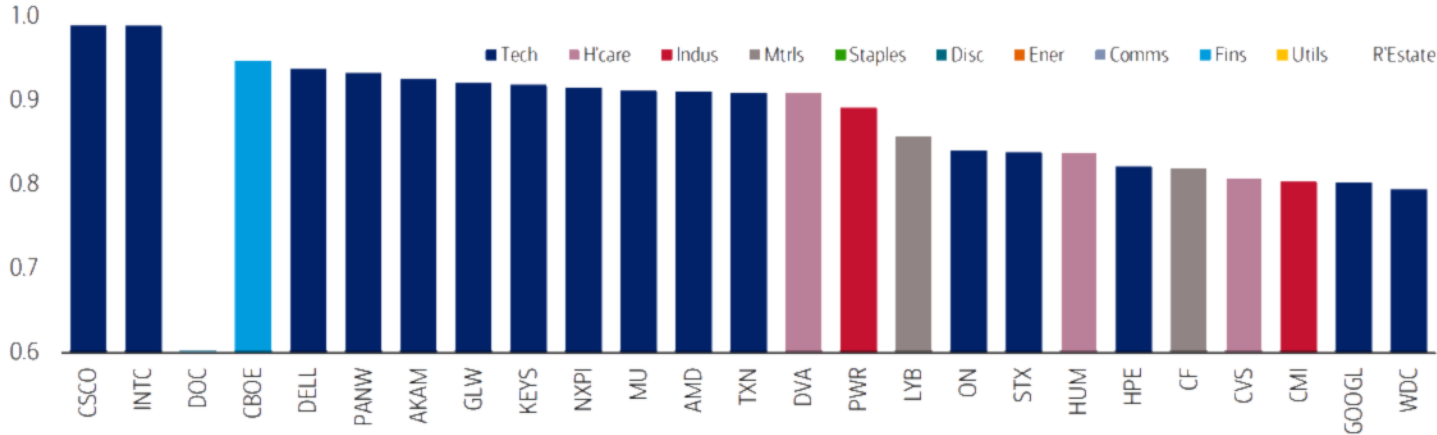
Exhibit 12: The total index weight of SPX stocks exhibiting frothy behaviour has risen significantly over the past week
Total weight of SPX stocks with BRIs above 0.8



Source: BofA Global Research. Data from 1-Jan-95 to 15-May-26. Stocks' BRI computed using data since SPX inclusion. See Disclaimer in Exhibit 8.

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Exhibit 13: Tech stocks like CSCO, INTC, DELL and PANW rank highest in terms of their Bubble Risk Indicators amongst S&P 500 members, with 16/25 of the top BRI stocks being in the tech space
S&P 500 member stocks with highest BRI reading (as of 15-May-26)



Source: BofA Global Research. Data as of 15-May-26. Note: Stocks' BRI computed using data since S&P 500 inclusion. See Disclaimer in Exhibit 8. Note that the BRI is a purely price-based metric intended to quantify the degree of bubble-like price action. It is not a fundamental view on the stock and should be used only as a complement to fundamental and positioning-based metrics.

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Exhibit 14: US momentum, EU semis and APAC AI beneficiaries are amongst the global themes showing bubble-like price action as per their high BRIs

Bubble Risk Indicator on selected BofA Custom Baskets* (as of 15-May-26)

Basket	Ticker	BRI	Basket	Ticker	BRI	Basket	Ticker	BRI	Basket	Ticker	BRI
AMRS			US Cyclical Industrials ex AI	MLUICXAI	0.40	EU Street	MLFSTFEI	0.70	Japan Fiscal Impact	MLAPGJP	0.77
US TMT Momentum Factor	MLUPTMMO	0.99	US Weak Balance Sheets	MLWEAK	0.40	European Reflation	MLD1REFL	0.67	China Robotics & AI	MLAPCHAI	0.71
US Industrials Momentum Factor	MLUPINMO	0.94	US Small Cap Lammers	MLSMEARN	0.35	EU Security DEIS	MLEUDEIS	0.65	China Little Giants	MLHKLHG	0.71
US Momentum Factor	MLUPMOMO	0.89	US Consensus Value Shorts	MLDIMSVI	0.34	EU Cyclical Chems	MLFCCHEM	0.59	Japan Industrials	MLAPJPIN	0.70
US TMT Memory Basket	MLUMEMOR	0.87	Brazil Election Basket	MLBZELEC	0.33	EU Cyclical	MLEUCYCL	0.59	China Property	MLCNPROP	0.68
US TMT Supply Shortage	MLUTMTSP	0.86	US Medicaid	MLELECHC	0.33	EU Renewable Utilities	MLEURNEU	0.57	Korea Defense	MLHKKRDF	0.68
US Exporters	MLUXPORT	0.85	US Defense Electronics	MLUDELEC	0.37	EU High USD Exposure	MLEUAMER	0.57	APAC Nuclear	MLHKNUCL	0.66
US Space Race	MLUSPACE	0.85	US Old Economy	MLOLDEC	0.32	EU Most Gas Exp	MLD1GASX	0.56	JPY Winners Depreciation	MLHKNJPF	0.64
US Electric Grid Enablers	MLUGRID	0.83	US Soft Landing	MLSLAND	0.32	EU stocks China expo	MLD1CHEX	0.55	Australian Mining	MLHKAUMN	0.64
US Staples Momentum Factor	MLUPSTMO	0.82	US EU Exposed	MLUSEURO	0.32	EU Stagflation	MLEUSTAG	0.48	Japan Tariff Exposed	MLAPJPTR	0.63
US Materials Momentum Factor	MLUPMAMO	0.82	US Software	MLUSSOFT	0.31	EU Max Momo Top	MLEMOMOL	0.53	Japan Mgmt Transformation	MLAPJACA	0.60
US Data Center Builders	MLDATACB	0.82	US Nuclear Energy Exposed	MLUSNUCL	0.29	EU Ukraine Recovery	MLERBUKR	0.48	Japan High EM Exposure	MLHKKHIC	0.60
US AI Beneficiaries	MLUSAI	0.77	US High Quality Yield	MLHQYLD	0.29	EU Consensus Longs	MLD1LSEU	0.47	Japan Inflation	MLHKNJPF	0.58
US Cyclical Ex Commods	MLCYCLX	0.77	US Stagflation	MLSTGFLB	0.29	EU HY Debt	MLEUDEBT	0.47	China AI Supply Chain	MLAPASC	0.57
US Managed Care	MLDIMNGC	0.77	US Boomers Spend	MLUBOOM	0.28	Industrial Manufacturing	MLTINMAN	0.44	APAC Oil exposed	MLAPCII	0.56
US Hardware	MLUSHROW	0.75	US Utility Growth Basket	MLUSGUTE	0.27	Gold Miners	MLD1GLDM	0.44	Japan Exporter to the US	MLAPJPEP	0.56
US AI Infrastructure	MLAINFR	0.75	US Discretionary Momentum Factor	MLUPCDMO	0.27	German Infrastructure	MLEGEINF	0.44	Korea Tourism	MLHKKRTM	0.55
US SMID Cap Semis	MLSFEMIF	0.75	US Leisure Travel	MLDLEFIS	0.25	EU Russia Exposed	MLEURUSS	0.42	APAC AI Infrastructure	MLAPAIIF	0.52
US Residual Volatility Factor	MLPVOILA	0.73	US Domestic Revenue	MLDOMSTC	0.25	EU M&A	MLEUMINAC	0.41	Japan Cyclical	MLHKNJPCY	0.51
US Transports	MLUTTRANS	0.73	US Defense Contractors	MLDEFCON	0.23	Italian Banks	MLEUITBK	0.39	APAC EV	MLHKAAPRN	0.47
US LNG	MLUTLNG	0.72	US SMID Cap Utilities	MLUSUTTS	0.21	EU Exposed to US Consumer	MLFUSCON	0.39	Japan GPPI	MLHKNJPF	0.43
US Renewables	MLUSRNEW	0.72	US Consumer Goods	MLGOODS	0.19	EU Short Cycle Industrial	MLEINSCY	0.39	Japan NISA	MLHKNJSA	0.38
US Beta Factor	MLUPBETA	0.70	US Consumer Services	MLSERVE	0.18	French Domestic	MLD1FRAN	0.38	Japan Sanaeconomics	MLAPJPSA	0.38
US Financials Momentum Factor	MLUPFINM	0.69	US Middle Income Spend	MLUMIDCG	0.18	UK Banks	MLD1UKRK	0.38	Korea Export ex Auto/Tech	MLKRRFXP	0.35
US Value Factor	MLUPVALU	0.69	US Health Care Momentum Factor	MLUPHCMO	0.16	EU AI Adopters	MLEADOPT	0.35	APAC Shipping	MLAPCSHP	0.34
Canada Infrastructure & Defense	MLCANFR	0.66	US Bond Proxy	MLEBOND	0.15	EU Consensus Shorts	MLD1MSEU	0.35	APAC Coal	MLAPCOAL	0.33
US PMI Sensitive Industrials	MLUINDUS	0.66	US Regulated Utilities	MLUREGU	0.15	EU Capital Goods	MLD1CAPG	0.34	China High Dividend Yield	MLAPCHDV	0.32
US Power Supercycle	MLUSPOWR	0.65	US Consumer China Tariff Exposed	MLCTARIF	0.14	EU Tariff Exposed	MLETARIF	0.31	China SOEs	MLHKSZOE	0.31
US National Champions	MLUKHAMP	0.64	US Quality Factor	MLUPQUAL	0.14	EU Software	MLESOFTW	0.26	Greater China Robotic	MLAPHUMA	0.28
US Low Int Coverage	MLINTC	0.61	US Strong Balance Sheets	MLSTRNG	0.14	UK M&A Candidates	MLUKMNAC	0.25	APAC World Cup	MLAPWCUP	0.28
US Copper Exposed Basket	MLUSCOPP	0.61	US Wellness Basket	MLUWELL	0.13	EU Defensives	MLEUDEFS	0.24	Japan Defensives	MLHKNJDF	0.26
US Battery Ecosystem	MLUSBATT	0.60	US Higher Oil Price 'At-Risk'	MLOILRSK	0.13	EU Sovereign Priority	MLEUSOVR	0.23	Japan Domestic Upcycle	MLAPJDOB	0.25
US Defense, Energy, Infra & Security	MLUDEIS	0.59	US New Construction	MLNCONST	0.13	EU Max Momo Bottom	MLEMOMOS	0.21	APAC Airline	MLHKNFLA	0.23
US NeoCloud Basket	MLUNECLD	0.58	US Growth Factor	MLUPGROW	0.12	EU European Domestic	MLEUDOMS	0.20	HK Dual listed H-shares	MLHKNPREM	0.21
US Hard Assets, Low Obsolesce (HALO)	MLUHALO	0.58	US Consensus Large Cap Shorts	MLDISRT	0.12	EU Defense Electronics	MLEDEFEL	0.19	China Anti Inflation Basket	MLAPANTI	0.20
US Cyber Security Basket	MLCYBRS	0.57	US Defensive Industrials	MLUDINDU	0.12	Germany Domestic	MLEGEDOM	0.18	China Consumption Stimulus	MLAPCHST	0.19
US Consensus High Beta Shorts	MLDHBHS	0.56	US Building Products	MLUBUILD	0.12	EU Cyclical Exp to US	MLECYCUS	0.18	APAC Petrochem	MLAPCHEM	0.19
Domestic Tax Policy	MLUTAXD	0.56	US True Defensives	MLTRUDEP	0.11	EU Travel Basket	MLD1TRAV	0.13	Japan Electric Power	MLJPTEPL	0.15
US Retail Signal	MLRETAIL	0.54	US Utility Defensive Yield	MLUSRUTE	0.11	EU Consumer Discretionary	MLEUCONS	0.13	China Tariff	MLHKNRPW	0.14
US Reshoring Basket	MLRSHORE	0.54	US Low Income Spend	MLSPREE	0.11	EU Autos	MLEUAUTO	0.12	China Internet	MLHKNCHI	0.07
US Crypto Exposed	MLDIKRYP	0.53	US Generation Z Basket	MLUGENZ	0.11	UK Doms ex-Homebuilders	MLUKDOMX	0.09	China Consumer Old	MLHKNHCO	0.07
US Consensus Small Cap Shorts	MLDISRT	0.53	US Private Equity Funds	MLDIPTPE	0.08	EU Defense	MLD1DEFE	0.07	Macau Gaming	MLHKNMGM	0.05
US AI Adopters	MLUADOPT	0.52	US Energy Momentum Factor	MLUPENMO	0.07	EU Luxury	MLEULUXG	0.07	Japan Retail	MLAPJRE	0.05
US Consensus Growth Shorts	MLDIMSGR	0.50	US Independent Power Producers (IPPs)	MLUIPPS	0.07	UK Domestic Names	MLUKDOMS	0.07	Japan Defense	MLAPJDEF	0.05
US Quantum Computing	MLUQUANT	0.50	US High End Consumer	MLDIHEC	0.06	EU Defence Exposed	MLEINDEF	0.04	China National Brand	MLHKNBVM	0.04
US TMT Durable Compounds	MLUTMTDC	0.49	US Private Credit Proxy	MLPRCRED	0.05	UK Consumer	MLD1UKCS	0.03	Japan Wage Growth	MLHKNPWG	0.03
US Hard Landing	MLHLAND	0.49	US Alternative Managers	MLUALTS	0.05	UK Housebuilders	MLUKHOME	0.03	Japan Engagement	MLAPJPAT	0.03
US TMT Profitable Growth	MLUTMTPG	0.48	US Water Ecosystem	MLUHZO	0.04	APAC			China Consumer New	MLAPHKCN	0.03
US High Default Risk	MLUHDFLX	0.47	US TMT Defensives	MLUTMTDF	0.02	Axj Inflation	MLHXAXIF	0.95	APAC Gold	MLAPGOLD	0.01
US Golden Dome Basket	MLUGDOME	0.47	US Pharma Hyperscalers Basket	MLURXHYP	0.01	Korea Holdco	MLAPKRHO	0.94			
US Boosters (Cyclicals)	MLBOOSTR	0.46	US GLP-1 Disruption Risk	MLXGLP1	0.00	APAC AI Beneficiaries	MLHKAPAI	0.93			
US Commodities Complex	MLCOMMOD	0.45	EMEA			Korea Corporate Reform	MLHKKRPB	0.91			
US China Importers	MLCHIMPT	0.44	EU Semis & Semicaps	MLD1EUSM	0.94	APAC 5G	MLHKAP5G	0.89			
US Defense Technology	MLUDEFTC	0.44	Oil & Gas ex-Renewables	MLD1OILX	0.87	Taiwan AI basket	MLHKTWAI	0.88			
US No Landing	MLNLAND	0.43	EU Power Grids	MLEUGRID	0.82	Korea Battery	MLHKBATT	0.87			
US Efficient Growth	MLUEGROW	0.42	EU Memory	MLEUBYTE	0.82	JPY Winners Appreciation	MLHKNJPA	0.83			
US Foreign Revenue	MLFORER	0.42	EU AI Power Surge	MLESURGE	0.82	China OpenClaw	MLAPCLAW	0.83			
US Refinance Risk	MLREFIN	0.42	EU Copper Miners	MLEUCOPP	0.75	China Technology Localization	MLHKNCTL	0.81			
US Long Term Debt Macurities	MLLTMAIS	0.41	EU HALO Basket	MLUHALO	0.72	Japan Corp Reform	MLHKNJPR	0.75			

Source: BofA Global Research. Data as of 15-May-26. *Disclaimer: These BofA baskets are proprietary baskets structured and maintained by the BofA Securities trading desk. For more details on these baskets, please contact the team. See BRI disclaimer in Exhibit 8.

Beta GLOBAL RESEARCH

Remember, in bubble-builds FOMO can trump macro
Renewed inflation concerns following hot CPI & PPI prints and UK fiscal turmoil have pushed bond yields sharply higher (US 30y yield > 5.1%) and paused the breakneck US equity rally. However, despite this renewed macro risk, US equities remain relatively resilient, still trading close to all-time highs.

Dissonance in the pricing of risk between equity & rates
Through the volatility lens, equity option markets are similarly looking through macro risk, with the VIX still in the high teens. More strikingly, equity vol skews have now become historically flat, reflecting risks to the upside vs the downside and in stark contrast to the steep put skew in TLT vol (20+ Yr Treasury Bond ETF; Exhibit 15). This divergence is particularly notable given positive equity-bond correlation in recent weeks.

Exhibit 15: Unlike TLT skew, which has reached extreme steepness towards the put side, US equity vol skews are broadly looking through macro concerns, pricing in resilience and greater call side risks in the near-term
1m 25d/ATMf put & call skew in US equity ETFs vs TLT (iShares 20+ Year Treasury Bond ETF)



Source: BofA Global Research. Data from 1-Jan-10 to 15-May-26. BofA GLOBAL RESEARCH

What is driving US equity resilience to macro risk?
Given today's FOMO-driven, reflexive backdrop, the relative strength in US equities is not surprising to us. As noted in our 2025 Outlook (see [The roaring 2020s?](#)), fear of missing the upside in bubble-like regimes can overwhelm rising yields, as seen from the strong Nasdaq rally in the latter stages of the Dotcom bubble alongside rising 30y yields (Exhibit 16). The concurrent rise in equities and long-end yields over the past couple of years has been a more recent example, with strong tech earnings results only bolstering this trend in 2026. Today, 30y yields sit at one of the highest levels vs the past quarter century for periods when US equities were similarly close to all-time highs, rivalling 2007 and the latter stages of the Dotcom bubble (Exhibit 17).

Navigating risks in both tails

As elevated macro risks collide with the fear of missing US equity upside, we continue to see risks in both right and left tails, an environment well suited to the asymmetry of options.

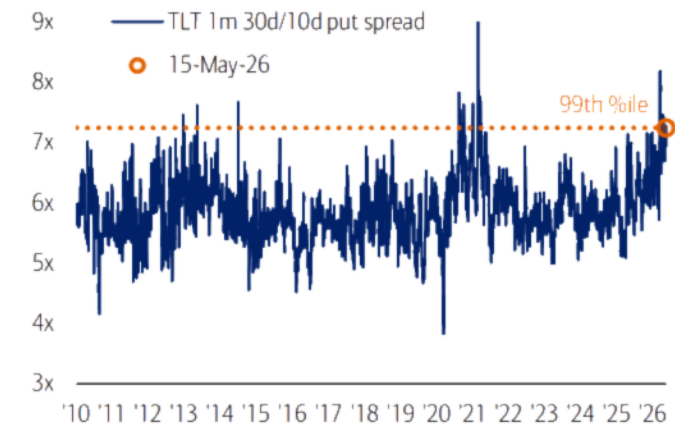
To hedge a further deterioration in macro sentiment, we particularly like TLT put spreads as a limited risk way to protect against further long-end bond weakness. Despite its recent uptick, rates vol remains largely subdued, which combined with steep TLT put skew creates an historic entry point for TLT put spreads (payout ratio in 99th %ile since 2010; Exhibit 19).

Trade (TLT put spread): Buy TLT Jun 82-78 put spread for 51c indicatively (**7.8x max payout ratio**; 30d-8d strikes; ref. 83.65).
Risk involves upfront premium paid.

To hedge a potential spillover of weakness into equities, we continue to like QQQ expanding put spreads, which help mitigate strike & timing risk in a market prone to upside asymmetry (see [12-May-26 GEVI](#) for more details).

For the right tail, structures like near-dated QQQ call spreads continue to setup well for limited-risk upside participation given flat call skew. Additionally, to cheapen equity upside exposure via equity-FX correlation, we like NDX up, USDGBP up hybrids (see later section).

Exhibit 19: With rates vol remaining relatively subdued and TLT put skew steep, TLT put spreads are offering historically attractive payout ratios to hedge against a further rise in long-end yields
TLT 1m 30d/10d put spread payout ratios



Source: BofA Global Research. Data from 1-Jan-10 to 15-May-26. Payout ratios based on indicative mid prices

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Risk of continued UK political instability creates cross-asset opportunities

What: Position for continued UK political uncertainty via:

- (i) SX7E Jul26 102% calls contingent on SX7P remaining at or below 102% for 0.77% qEUR (78% discount vs SX7E vanilla calls; 90% implied correl). Long SX7E vs short SX7P Jul26 40-delta (103% in each case) call switches offer a vanilla alternative for just 0.35% (refs: 257, 353 respectively)
- (ii) SX5E > 105%, EURGBP > 0.88 Jul26 dual digital for 7.69% (implied correlation offer -22%, refs: 5800 & 0.87 respectively, 13x max payout)
- (iii) NDX Sep26 107% calls contingent on GBPUSD <1.32 for 1.06% (60% discount vs vanilla, refs: 29125 and 1.335 respectively)

Risks: Losses involve the premium paid for contingent calls and dual-digitals. Call switches incur losses if the short call leg outperforms the long call leg.

UK political turmoil triggers fiscal concerns

UK political risk has re-emerged within the first 2y of Starmer’s premiership. Following heavy losses in local elections, and with party MPs calling for his resignation, the Prime Minister now faces a leadership challenge. Potential successors span a wide range of fiscal policy stances, and bond markets are beginning to price this uncertainty, against a backdrop of broader inflation-related macro risks. 10Y Gilt yields are near post GFC highs and recent sessions have seen historically large moves in yields, including a 99th percentile 1-day sigma move on Friday (Exhibit 20).

Sterling typically acts as bellwether for UK political and fiscal instability. Recent price action is consistent with this pattern with GBP/USD dropping 1.75% from its May-26 highs. Our FX strategists recently highlighted how UK assets have been underpricing renewed political noise, and they expect GBP/USD to remain under pressure through May and June (see [The rates redress, 18-May-26](#)). This is further supported in the latest [FX Quant Insight, 18-May-26](#), where our strategists note that Quant signals remain bearish GBP too. Now, while Sterling weakness has historically supported FTSE performance relative to broader European equities due to significant exporter exposure, this relationship itself has weakened structurally over time, making GBP view-driven FTSE-100 directional exposure less reliable (Exhibit 21).

Three expressions to position for continued UK political uncertainty

This backdrop creates a clear opportunity set in our view across relative value, cross-asset, and contingent structures that benefit from dislocations arising on account of UK idiosyncratic risk:

1. EZ vs UK Banks (SX7E vs SX7P): UK Banks, in contrast to FTSE-100, retain meaningful sensitivity to domestic politics through taxation risk and gearing to UK economic growth, often reacting sharply to political developments. With UK banks accounting for 28% (market cap weight) of the SX7P (see Exhibit 26), sustained pressure on PM Starmer and a more left-leaning challenger could weigh on the index. Current political uncertainty comes on top of an already challenging fiscal backdrop, with inflationary pressures due to the Iran war. As a result, policy risk also remains elevated. For instance, Angela Rayner, MP, has recently floated the idea of increasing the bank surcharge from 2% to 5% as part of broader tax measures, a stance echoed by Andy Burnham, who has also highlighted the importance of the fiscal outlook (see [UK Watch: Fiscal concerns 11 May 2026](#)). According to [our Banks' strategists](#), such a move could reduce attributable profits by approximately 3% for the domestic UK-focussed Lloyds

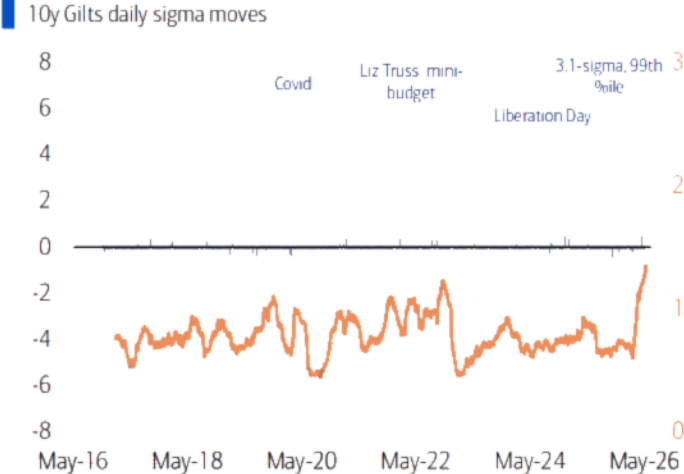
Recent relative outperformance (~2% in the last 2 weeks) of EZ Banks (SX7E) vs European banks (SX7P) reflects some UK-specific risk premium but leaves more relative upside potential given the 4% underperformance since Aug-25 (Exhibit 22). Moreover, Eurex Agent positioning data reinforces this view, as SX7E investor longs reduced in March since the start of the Iran war while SX7P longs remained elevated (Exhibit 23). Meanwhile, a historic tightening in the SX7E/SX7P vol ratio (to the 2nd 5y %-ile), cheapens the cost of SX7P upside-contingent calls on SX7E (as the indices maintain ~100% correlation). In our view, call switches are attractive too as a vanilla alternative (Exhibit 25).

2. European ‘war-relief’ rally at a 13:1 max payout: EU equities remain caught

between geopolitical uncertainty and anticipation of a post-war recovery. The SX5E is currently mid-range relative to its pre-war Feb26 highs and Mar26 lows, with risk assets often leaning towards looking through geopolitical risk. We recommend cheapening EU equity upside via hybrid dual digitals. While implied and realised correlations between SX5E and EUR/GBP are currently negative (Exhibit 28), this likely understates the probability of a joint move higher on account of idiosyncratic Sterling weakness (Exhibit 27). Indeed, a ‘war relief’ rally in EU equities could plausibly coincide with continued UK-specific weakness, making dual digitals an efficient way to capture this scenario, while offering a 13:1 max payout.

3. Nasdaq-100’s anti-gravity rally, cheapened 60% by idiosyncratic GBP: NDX has rallied 15% YTD, making it the best performing major global benchmark. Importantly, we see the index as being well-positioned to benefit from the AI race, with new fast entry index rules and many upcoming IPOs possibly catalysing the next leg of an AI bubble (see [How to own the AI race](#)). However, NDX Implied vol is historically high, making outright optionality expensive. Structuring NDX upside conditional on GBPUSD weakness materially improves pricing. Option markets anticipate NDX and GBPUSD to be positively correlated given their historical relationship (Exhibit 30), but this may break down if UK political stress drives Sterling lower but US tech continues to rally, fuelled by new listing anticipation and investor FOMO (Exhibit 29). We think this creates an attractive asymmetry for contingent call structures that offer a 60% discount vs outright NDX calls.

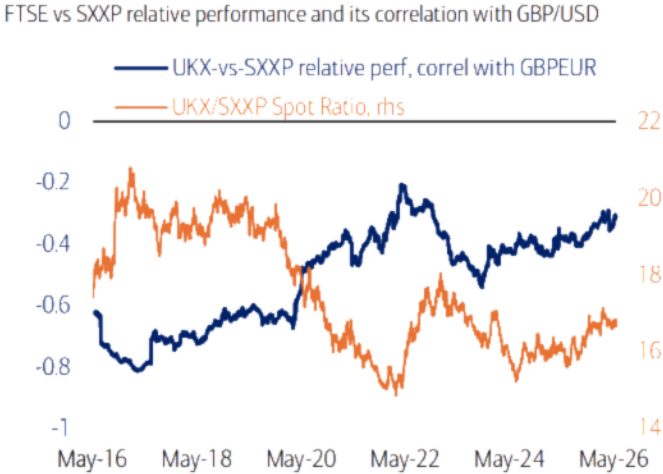
Exhibit 20: Gilt yields widened by a historically extreme amount last week, driven by global macro concerns and amplified further by emerging UK political risk



Source: BofA Global Research, Bloomberg. Data from 17-May-16 till 15-May-26. Sigma moves use 1-day rolling returns and the 3m trailing volatility preceding it.

Beta GLOBAL RESEARCH

Exhibit 21: The accompanying Sterling weakness has typically driven relative strength in FTSE vs EU equities, albeit this has lessened over the years (making FTSE less GBP-dependent)



Source: BofA Global Research, Bloomberg. Data from 17-May-16 till 15-May-26

Beta GLOBAL RESEARCH

Exhibit 22: UK-specific risks are clear in recent SX7E (EZ-Banks) vs SX7P (European banks) outperformance, although the former's long-run underperformance leaves room for a further catch-up

SX7E/SX7P Price Ratio



Source: BofA Global Research, Bloomberg. Data from 17-May-25 till 15-May-26
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Exhibit 23: Net longs in SX7E futures have sharply declined since February, while SX7P has seen incremental net long positioning

Eurex A-accounts futures open interest (in contracts)

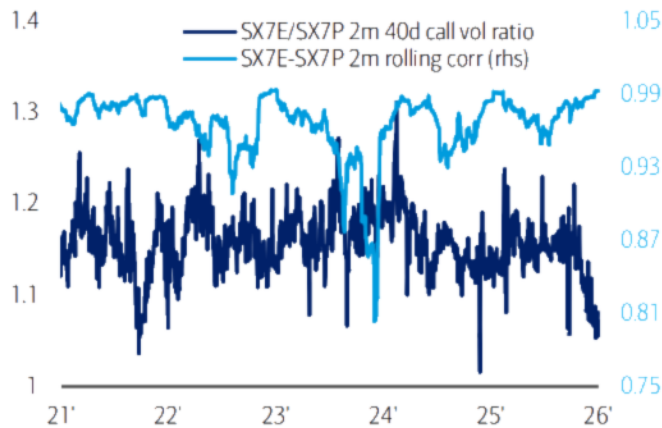


Source: BofA Global Research, Bloomberg, Deutsche Borse. Data: 02-Sep-24 to 14-May-26. EUREX defines participant types as: Agent (trading on behalf of customers), MM (providing liquidity), Prop (trading for own account)

BoFA GLOBAL RESEARCH

Exhibit 24: SX7P-SX7E correlation remains close to 100% while the SX7E/SX7P vol ratio screens historically low (2nd %tile)...

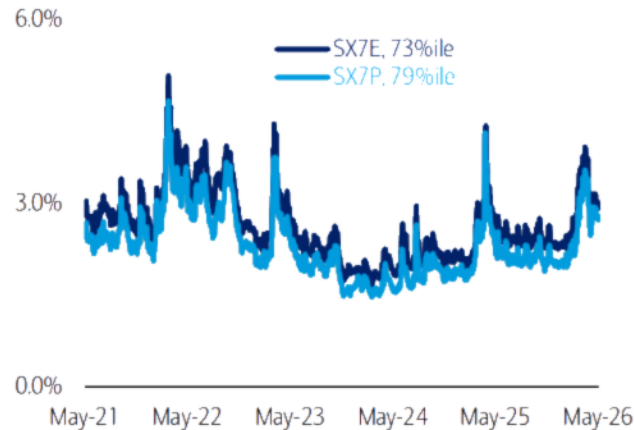
2m 40d call IV ratio for SX7E/SX7P and the 2m rolling correlation between both indices. The horizontal lines show their respective current value.



Source: BofA Global Research, Bloomberg Data from 14-May-21 till 14-May-26
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Exhibit 25: ... leading to a historically low cost of (+SX7E, -SX7P) call switches

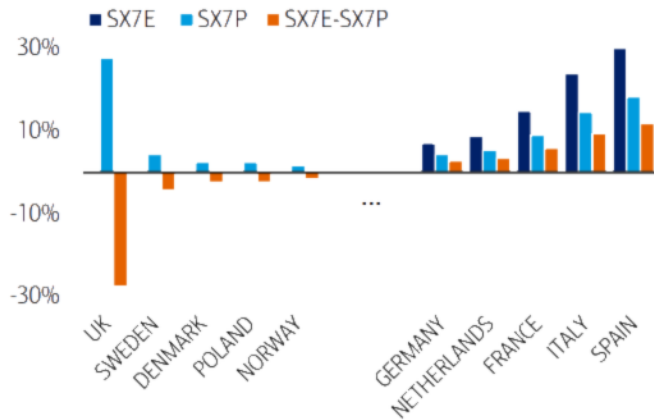
2m 40-delta call premia for SX7E, SX7P and their spread (rhs)



Source: BofA Global Research, Bloomberg. Data from 17-May-21 till 15-May-26
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Exhibit 26: SX7P embeds significant UK banks' exposure unlike SX7E, which has proportionally higher exposures to EU banks

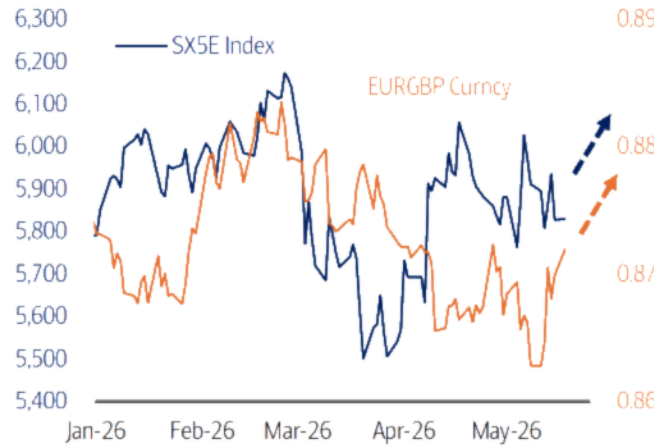
Top 5 countries vs bottom 5 countries in terms of market cap weights difference between SX7E and SX7P and the corresponding market cap weights in each index.



Source: BofA Global Research Data, Bloomberg Data as of 15-May-26
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Exhibit 27: European equities (SX5E) have been range-bound through the war, but may rally hard on a potential 'resolution', while EURGBP likely gains on UK political and fiscal concerns (GBP weakness)

YTD SX5E and EURGBP Spot levels



Source: BofA Global Research, Bloomberg. Data from 1-Jan-26 till 15-May-26.
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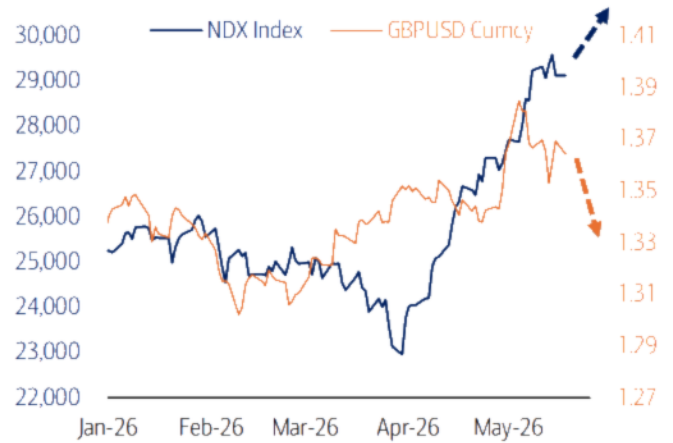
Exhibit 28: Recent SX5E-EURGBP realised correlation and current implied levels are negative, and could turn positive if both assets rise in the coming weeks

Rolling 1y SX5E-vs-EURGBP realised correlation and the latest implied level



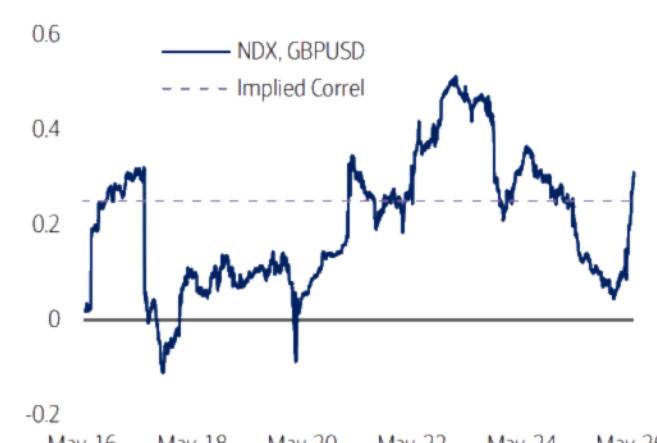
Source: BofA Global Research, Bloomberg. Data from 17-May-16 till 15-May-26
 BofA GLOBAL RESEARCH

Exhibit 29: NDX has rallied 15% YTD, and is now within 1.5% of all-time highs, while Cable may see further weakness on UK risk
YTD NDX and GBPUSD Spot levels



Source: BofA Global Research, Bloomberg. Data from 1-Jan-26 till 15-May-26.
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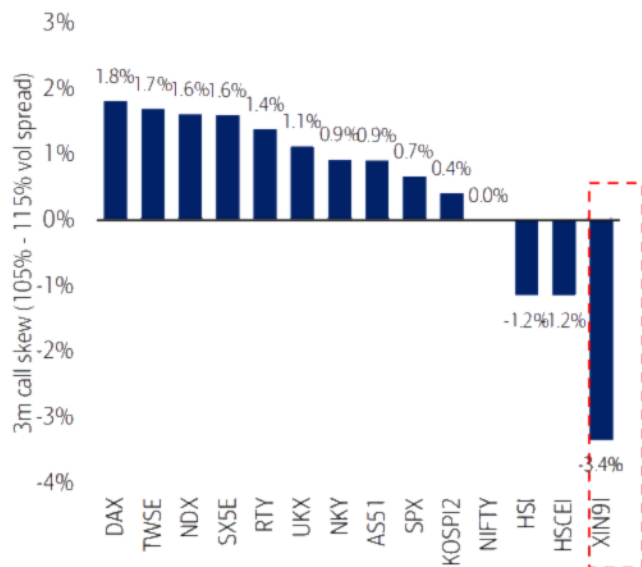
Exhibit 30: Recent realised and current implied NDX-GBPUSD correlations are positive, but could turn negative if Sterling weakens while NDX continues to make new highs
Rolling 1y NDX-vs-GBPUSD realised correlation and the latest implied level



Source: BofA Global Research, Bloomberg. Data from 17-May-16 till 15-May-26.
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Exhibit 33: The FTSE China A50 (XIN9I) index has by far the most inverted call skew relative to global peers. All else equal, this makes XIN9I call spreads relatively cheaper

Call skew across indices globally (3-month 105% - 115% vol spread)

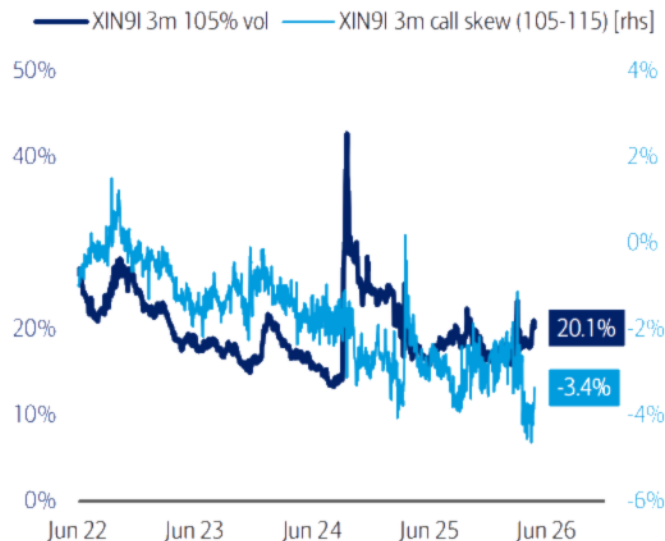


Source: BofA Global Research. Data from 24-Jan-2022 through 15-May-2026 (our good quality data for XIN9I vols goes back to 24 Jun 2022).

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Exhibit 34: While XIN9I vol is in the 76th percentile, call skew is in the 7th percentile, meaning one is buying skew at historically low levels

XIN9I 3-month 105% implied vol and call skew (105% minus 115% vol)



Source: BofA Global Research. Data from 24-Jan-2022 through 15-May-2026

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FTSE China A50 – What's in there and what's not in there

CATL, the world's leading battery manufacturer has the highest weight in the index at 8.8%. Among the top 10, 5 are now IT companies and all are primarily hardware:

Zhongji Innolight (5.5%, US\$171 bn market cap) The world's leading maker of optical transceiver modules, critical for AI data-centre transmission. Earnings momentum will be spurred by surging AI-server spending by US hyperscalers. China's approval of Nvidia H200 chips is poised to be a critical catalyst for the domestic high-speed optical market.

Foxconn (3.8%, \$201 bn) Foxconn Industrial Internet (FII) is a subsidiary of Taiwan's Hon Hai Precision (the world's largest electronics contract manufacturer). The company's top revenue generator and growth driver is its cloud computing division, fuelled by surging global demand for AI servers.

Cambricon (3.7%, \$112 bn) Specialises in AI accelerator chips for cloud servers, edge computing and intelligent devices. As a fabless company, it designs chips manufactured primarily by SMIC and focuses on China's push for technological self-sufficiency.

Hygon IT (3.4%, \$104 bn) \$104 bn) is a fabless semiconductor company specialising in high performance x86-compatible CPUs and deep learning processors / Data Centre Units for servers, workstations and AI computing. Also focusing on China's push for technological self-sufficiency.

Eoptolink (2.9%, \$88 bn) Designs and manufactures high-speed optical transceivers for AI/ML clusters, cloud data centres, telecom and enterprise networks. The company benefits greatly from the global AI infrastructure boom.

At the same time, the more "software" China Tech giants, listed in HK, are **not in the FTSE China A50**. This includes Tencent and Alibaba (US\$523 bn and \$323 bn market cap companies, respectively).

Frequently asked questions about the BofA Bubble Risk Indicator (BRI)

In our [2026 Year Ahead report](#), we introduced the BofA Bubble Risk Indicator (BRI), a price-based measure designed to detect bubble-like instability across financial assets. Given strong client interest, we are now adding a weekly one-page BRI update to the GEVI (see earlier pages). This update will track BRI levels across major markets and asset classes, highlight pockets of equities exhibiting the most froth, and call out recent increases in bubble-like price action. Below, we address some of the most frequently asked questions about the BRI.

The BofA Bubble Risk Indicator is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. The BRI was not created to act as a benchmark.

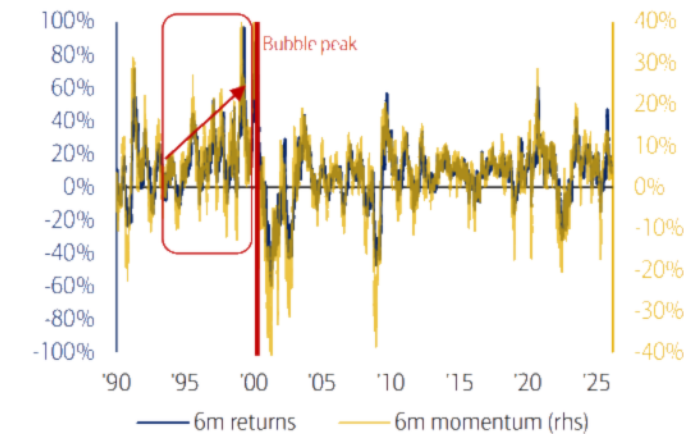
1. How does the BRI quantify ‘bubble risk’?

A defining feature of historical asset bubbles is that volatility tends to rise alongside prices. Building on this observation and drawing inspiration from how the four statistical moments characterize a distribution, the BRI quantifies bubble risk using the first four moments of an asset’s price action: (i) returns, (ii) realized volatility, (iii) price momentum¹, and (iv) fragility/convexity.²

These four moments typically become elevated during the frothiest phases of asset bubbles, reflecting the influence of exuberant sentiment, one-sided positioning and imbalanced supply-demand dynamics on price action. The late 90s dotcom bubble in the Nasdaq provides a clear and pertinent illustration of these dynamics (Exhibit 35 & Exhibit 36).

Exhibit 35: Both price returns and price momentum of the Nasdaq rose as the dotcom bubble inflated

NDX 6m price returns and 6m price momentum

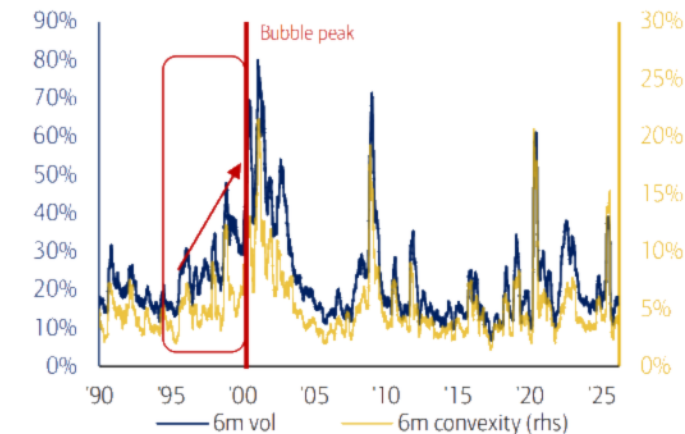


Source: BofA Global Research. Data from 1-Jan-90 to 16-Jan-26.

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Exhibit 36: Nasdaq’s vol and fragility also rose into the peak of the dotcom bubble as tech stock price rose

NDX 6m realized vol and 6m realized convexity



Source: BofA Global Research. Data from 1-Jan-90 to 16-Jan-26.

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2. How is the BRI constructed?

The BRI is constructed as an average of three sub-indicators: a short-term, medium-term, and long-term measure. Each sub-indicator ranges from 0 to 1. Using multiple time horizons allows the indicator to capture bubble-risk dynamics that can develop at different speeds.

¹ X-month price momentum = % distance of the current price from the X-month moving average price

7. Can an asset in a bubble have a low BRI reading?

Yes. A related limitation of the BRI's reliance on price data is the implicit assumption that the asset bubble in question would result in historically elevated instability. While the typical evolution of a bubble sees this happen as stretched positioning and exuberance translate into volatile & fragile rallies with high momentum into the peak, outlier cases where the bubble peak sees the bull run end in a whimper can occur and are a challenge for the BRI (e.g., the Nikkei bubble in the 1980s, which saw its most unstable rally earlier rather than later).

8. How can one use the short-term to long-term sub-indicators of the BRI?

As discussed above, the BRI aggregates short-term, medium-term, and long-term sub-indicators to capture asset price dynamics across multiple horizons. In addition to examining the sub-indicators to understand shorter vs longer-term trends, we also find the range across sub-indicators provides a confidence level on the BRI reading, with tighter ranges providing higher confidence. For example, a 0.7 BRI reading is likely more informative when the sub-indicators span 0.6 to 0.8 than when they range from 0.4 to 1.0, where disagreement across horizons suggests greater uncertainty.

9. What other indicators can help confirm elevated bubble risk?

At its core, the BRI is simply a parsimonious transformation of prices, avoiding a “kitchen-sink” approach that incorporates explicit positioning, leverage, or PB data. This keeps the framework robust to overfitting and makes it applicable across assets, regions, and historical periods where such data are often unavailable or unreliable.

Despite the appeal of such an approach, we find the BRI most effective when used in conjunction with complementary tools that can help assess whether frothy price action is supported by fundamentals – for example, more traditional valuation (e.g., PV of cash flows, valuation multiples, etc.) and/or positioning metrics (e.g., leverage, inflows, retail trading volumes etc.) where available.

10. What universe of assets will be covered in the BofA BRI Landscape?

We plan to include BRI levels on a broad set of assets covering global equity indices, large cap US equity sector indices (including the “Magnificent 7”), major commodities (including the BCOM Index), and major cryptocurrencies (Bitcoin and Ethereum). In addition to this core cross-asset universe, we plan to apply the BRI framework to popular equity themes that have experienced significant inflows over the prior week. This thematic lens is designed to spot emerging pockets of froth that may not yet be visible at the broader index or sector level.

Summary of Open Trades (19-May-26)

Price data for open level reflects the price on open date and does not necessarily reflect the price at which the trade could be executed at the date of this report. Our trades are structured to be executed on the open date and are not necessarily appropriate to execute as formulated beyond that date.

Table 1: Summary of open trades as of 19-May-26

Summary of open trades as of 19-May-26

Trade Description	Open Date	Open Level	Expected Trade Term	Rationale
Buy an SXSE Dec26 5000 call (for 9% indic., spot ref 4895, 45delta, 62bps vega), initially delta-hedged	5-Mar-24	9%	Dec-26	Don't miss a generational opportunity to lock in record low long-dated EU vol
Buy an SXSE Dec26 5000 call (for 9% indic., spot ref 4895, 45delta, 62bps vega), initially delta-hedged	05-Mar-24	9%	Dec-26	Attractive opportunity to lock in record low long-dated EU vol
Replicate a NKY Dec25-Dec26 36.5K FVA straddle with a static strip of options at an implied FVA level of 18.6. To trade US\$100k vega	9-Sep-24	18.6v	Dec26	Long discounted Nikkei vol. Fixed strike Dec-25/Dec-26 FVA straddles at 18.6%
Consider financing the call ratio ("Trade 1") by selling a NKY 1-month 80% put for 0.99%	7-Apr-25	0.99%	Jun25	Catching a falling knife at lower risk: NKY 2m call ratios funded by 1m 80% put
Buy NKY Dec25/Dec26 31,000 straddle FVAs for 21.27% (indic. Q=2.5%, R=0.5%)	7-Apr-25	21.27%	Dec25	Buy Nikkei Dec25/Dec26 straddle FVAs at 21% - 4% below current, 12m ATM vol
Trade (SPX upvar): Buy SPX Dec26 80% upvar for 18.45v indicatively (t & t-1 convention, var ref. 24.55v, fwd ref. 5551)	28-Apr-25	18.45v	Dec26	Position for spot up, vol up which leverage elevated tail skew and inverted term structure
Trade (SPX fwd upvar): Buy SPX Dec25/Dec26 80% fwd upvar for 17v indicatively (t & t-1 convention: fwd var ref. 23.6v; fwd ref. 5551)	28-Apr-25	17v	Dec26	Position for spot up, vol up which leverage elevated tail skew and inverted term structure
Long SPX 2028 annual dividend futures/short SPX 2026 annual dividend futures for \$1.15 net indicatively	6-May-25	\$1.15	Dec26	Position for the normalization of the dividend futures curve as time moves towards maturity and dividend growth is priced back in
Long SXSE Dec26 dividends, vs short SPX Dec26 dividends.	6-May-25	\$0.00	Dec26	Dec26 dividends are more heavily discounted for SXSE than for SPX, despite what we view as higher earnings risk in SPX companies, relative to SXSE
Buy SPX Dec26 110% upvar for 11.25v indic. (t & t-1 convention, var ref. 23v, fwd ref. 5915)	2-Jun-25	11.25v	Dec26	Hedge upside pain with long delta, long vol positions that leverage elevated long-dated tail skew
Buy SPX Dec25Dec26 110% fwd upvar for 11.36v indic. (t & t-1 convention: fwd var ref. 23.3v; fwd ref. 5915).	2-Jun-25	11.36v	Dec26	Hedge upside pain with long delta, long vol positions that leverage elevated long-dated tail skew
NIFTYM 31-Jul-25 24,400 23,500 1x3 put ratios for USD 36 (-0.14% of spot, indic. spot ref. 24,946, -8.8d, vols: 14.58%/16.23%) -1x 24,400 put (-29d) & +3x 23,500 puts (-12d)	16-Jun-25	0.75%	Sep25	Election and geopolitics: Replace longs by Nikkei calls contingent on weaker yen
Buy SPX Dec26 ATM upvar for 12.2v indicatively (t & t-1 convention: var ref. 22.5v)	11-Aug-25	12.2v	Dec26	Leverage record steep tail skew to enter into long vol positions via upvar
Sell SPX Dec26 var, buy SPX Dec26 60% upvar, to collect 3.5v indicatively (t & t-1 convention: var ref. 22.5v)	11-Aug-25	3.5v	Dec26	Leverage record steep tail to enter into carry trade via upvar vs var
Sell SXSE Dec26 var, buy SXSE Dec26 60% upvar, to collect 3.1v indicatively (t & t-1 convention, var ref. 21v).	18-Aug-25	3.1v	Dec 26	Vol-focused? Collect >3v on SXSE Upvar vs Var
Buy 1-year 105% 130% call spreads on a CSI 1000 tracking basket* for 3.52% (18d, 29v both legs). Consider fully financing the trade by selling 1-year 73.5% puts (37d, 29v calls vs 29.5v put)	13-Sep-25	3.52%	Oct-26	The low-cost/low risk way to buy China – deeply discounted call spreads
Sell initially delta-hedged KOSPI2 30-Dec-25 110% calls and collect 1.12% (indic. spot ref 535.28, 23.7% vol, 20d). Consider hedging the risk of a global tech rally into year-end by buying QQQ 31-Dec-25 110% calls against the KOSPI2 calls for 0.56% (17.8% vols, 14d)	20-Oct-25	1.12/0.56%	30-Dec-25	Kospi call vols near Liberation Day spike – Finally time to sell vol & hedge delta?
Buy SPX Dec26 ATM upvar for 13.95v indicatively (10v disc to vanilla: t & t-1 convention; Dec26 var ref. 24v)	3-Nov-25	13.95v	Dec26	Own spot-up, vol-up exposure as AI bubble continues to inflate
Buy 1x 20-Mar-2026 106% call on a CSI 1000 tracking basket* for 2.92% (+29d, 27.4v). Sell 1x ASHR US 20-Mar-2026 35 call for \$0.71 (-2.15% of spot; the 35.00 strike is 106% of spot, ref 33.00)	3-Nov-25	2.92/2.15%	20-Mar-26	CSI 1000 v ASHR calls: Benefit from repo with less China directional risk
(*several banks offer CSI tracking baskets; indic. in quanto USD) Sell NKY 9-Jan-26 55,000 calls for a JPY589 credit (-1.12% of spot, or 6.7% annualised, 23d 23.1 vol)	10-Nov-25	JPY589	9-Jan-26	Sell 99th percentile Nikkei calls as the Japan catch-up rally may take a breather
Buy Dec26 80% put on basket of HYG (38%), SPX (29%), XLF (29%) & EEM (4%) for 1.46% (27% cheaper vs avg of individual legs)	26-Nov-25	1.46%	18-Dec-26	The convergence of private and public market risk creates opportunities for hedging private risk with liquid, public market hedges. Crucially, stress in public assets closely linked to private markets may ultimately impact private valuations, while potential hedge gains will give investors the flexibility to add risk at better terms.
Buy a basket of Dec26 90-70 put spreads on individual underlyings: SPX (53%), XLF (32%), ILLI (9%) & EEM (6%) for 2.66% (weighted max payout ratio of put spreads is 7.7x)	26-Nov-25	2.66%	18-Dec-26	Given the higher volatility of the PF hedge constituents and significant decorrelation potential, we prefer buying put spreads on individual constituents rather than on the basket
Buy NDX Dec26 ATM upvar, currently 19.1v but target an entry level closer to 17v (t & t-1 convention, var ref. 29.9v)	26-Nov-25	19.1v / target 17v	18-Dec-26	Trade long-delta, long vol via upvar to capture the spot-up, vol-up typically seen in asset bubbles, with a deep discount to vanilla var
Buy QQQJun26 660-750 call spread for \$18 (-35D/10D strikes, 5x max payout ratio, ref. 605.16)	26-Nov-25	\$18	18-Jun-26	Asymmetrically capture equity upside while hedging a grind higher, which upvar can be vulnerable to
Buy 6-month 105% 125% call spreads on a CSI 1000 tracking basket for 2.53% (indic. 20d, 27.1v/28.7v, quanto USD)	26-Nov-25	2.53%	15-May-26	The "artificially" cheap CSI 1000 forward corresponds to an 8 vol discount. Investors can buy the most exciting part of the Chinese stock market, including AI innovation, at unusually low & limited risk
Buy long-dated OTM puts on NVDA, delta-hedged (e.g., NVDA 2y 10-delta puts)	26-Nov-25	\$830 / 49v	21-Jan-28	Tail hedge the AI trade with long-dated NVDA vol, which historically would have shown >35x payout vs carry cost
Sell SXSE Jun26 var (27.8v) & buy 1.7x Jun27 var (23.7v)	26-Nov-25	27.8v/23.7v	19-Jun-26	Long fwd var is most attractive for SXSE vs global peers. Resize legs to cut carry cost by 4v (45% better vs regular sizing) while preserving risk/reward
Buy 110% Dec26 SPX calls qEUR for 4.33% (17 bps over vanilla)	26-Nov-25	4.33%	18-Dec-26	Foreign investors with unhedged FX risk in their equity investments can be subject to large swings on USD volatility, which quanto options can protect against.
Buy 90% Dec26 SPX puts qAUD for 3.66% (16bps less than vanilla)	26-Nov-25	3.66%	18-Dec-26	Foreign investors with unhedged FX risk in their equity investments can be subject to large

Summary of Closed Trades (19-May-26)

Table 2: Summary of closed trades as of 19-May-26

Summary of closed trades as of 19-May-26

Trade Description	Open Date	Open Level	Close Level	Close Date	Rationale
Sell 1x VIX Jun fut, buy 2.5x VIX Sep fut, hold for at most one month (UXM5 ref. 25.0608, UXU5 ref. 23.4036)	14-Apr-25	\$0.00	-\$0.1141	21-May-25	Trade exited early
Buy SPX 23-May-25 5900 / 6050 1x2 call ratio (buy 1x / sell 2x) for \$29.4 indicatively (spot ref. 5844.19)	12-May-25	\$29.40	0	23-May-25	Trade expired
Buy QQQ 30-May-25 490/515 1x2 call ratio (buy 1x, sell 2x) for \$4.27 indicatively (5.9x max payout ratio; 300/90 strikes)	28-Apr-25	\$4.27	\$20.89	30-May-25	Trade expired ITM
Buy SPX over RTY 103% Jun25 outperf. call cont. on RTY up	26-Nov-24	0.59%	0	20-Jun-25	Trade expired
Buy SPX Jun 5400/5000/4600 put fly (+1x/-2x/+1x) for \$39.2 (10x max payout ratio; net delta = -8; ref. 5614.56)	10-Mar-25	\$39.20	0	20-Jun-25	Trade expired
Buy SPX < 95% & 10y SOFR < ATMf-30bps Jun25 dual digital for 9.25% indicatively (10.8x max payout ratio; ref. 5650.378%)	10-Mar-25	9.25%	0	20-Jun-25	Trade expired
Buy VIX Jun 25/35 call spread for 89c indicatively (11.2x max payout ratio, UXM5 ref. 20.01)	17-Mar-25	\$0.89	0	18-Jun-25	Trade expired
Buy Jun triple digital SPX < 95%, 10Y SOFR > ATMf+10bps, EURUSD > 102% for 8% offer (12x max payout, ref. 5460.384%, 1.134)	14-Apr-25	8%	0	20-Jun-25	Trade expired
Sell VIX Jun 17 puts (UXM5 ref. 19.5) to buy SPX Jun 5950/6150 call spreads (spot ref. 5844.19).	12-May-25	\$0	\$17.84	20-Jun-25	Trade expired ITM
Buy SPX > 102%, USO < 95% Jun dual digital for 14% indicatively (spot ref. 5850.681)	12-May-25	14%	0	20-Jun-25	Trade expired
Buy SPX > RTY Jul25 ATM outperf call for 2.86% indicatively (+85 correl bid, ref. 5747.2095)	24-Mar-25	2.86%	2.65%	18-Jul-25	Trade expired ITM
Buy SPX > RTY Jul25 ATM outperf call conditional on SPX < 100% for 1.42% indicatively (50% discount to unconditional, +85 correl bid, ref. 5747.2095)	24-Mar-25	1.42%	0	18-Jul-25	Trade expired
Buy SPX Jul 95% put contingent on 30y SOFR > ATMf + 25bps at expiry for 0.36% indicatively (67% discount to vanilla put; +9 correl bid, ref. 5980.406%)	19-May-25	0.36%	0	18-Jul-25	Trade expired
Sell VIX Jul 17 puts (UXN5 ref. 20.62) to buy SPX Jul 6050/6200 call spreads (spot ref. 5913.44). Sizing for zero cost ~1 SPX call spread for every 100 VIX puts sold	27-May-25	\$0	\$124	18-Jul-25	Trade expired ITM
Buy SPX Jul 5850/5250 put spread for \$39.4 (15.2x max payout ratio; ~25D/5D strikes; ref. 6036.78)	16-Jun-25	\$39	0	18-Jul-25	Trade expired
Buy USO Jul 82 / 92 call spread for \$1.63 indicatively (6.1x max payout, ~35D/15D strikes, ref. 77.39).	23-Jun-25	\$1.36	0	18-Jul-25	Trade expired
Buy KRE Jul 61/66 call spread for \$0.74 indicatively (6.8x max payout ratio; ~40D/6D strikes; ref. 59.54)	30-Jun-25	\$0.74	\$2.27	18-Jul-25	Trade expired ITM
Sell VIX Aug 16.5 puts (UXQ5 ref. 20.1) to buy SPX Aug 6300/6500 call spreads (spot ref. 6188.83). Sizing for zero cost is ~0.65 SPX call spreads for every 100 VIX puts sold.	30-Jun-25	\$0	\$11.9715	20-Aug-25	Trade expired ITM
XUA Jun25 110% 130% call spreads for 2.94% (indic. 22% delta) Partially funded by selling a NKY Jun25 110% call conditional on US 2yr rates lower, for 1.02%	26-Nov-24	2.94%/1.02%	0	13-Jun-25	Trade expired
Buy XIN91 27-Jun 2025 105% 115% call spread for 2.20% (indic. Spot ref. 13.450, 19% delta, vols. 24.0/25.3, 4.5x max payout).	18-Feb-25	2.2%	0	27-Jun-25	Trade expired
Buy KOSPI2 3-month 90% 105% 112% call spread collar for 0.39% (indic. spot ref. 353.24, 35d, vols. 21.1%/17.5%/16.9%)	24-mar 25	0.39%	7%	Jun 25	Trade expired ITM
Buy an HSCEI 16-May-25 9,100 9,700 10,300 call fly for HK\$77.5	10-Mar 25	0.9%	0	16-May 25	Trade expired
Buy NKY 2-month 107% 114% 1x1.5 call ratio for 1.29% +1x 107% call / -1.5x 114% call (5.4x max payout ratio)	7-Apr 25	1.29%	2%	Jun 25	Trade expired ITM
Buy SPX 8-Aug 6400 straddles delta-hedged at 10.7% implied vol (spot ref. 6379) paired with long VIX Aug 16.5/15 put spreads for 60c	29-Jul-25	10.7v (1.7%) / 60c	14v / \$1.09	20-Aug-25	Trade expired ITM
Long HSCFI 15-Aug-25 9,100 9,800 call spreads for HKD 89	30-Jun-25	HKD89	0	15-Aug-25	Trade expired
Buy NH1YM 28-Aug-25 25,500 calls for \$239 (indic. ~0.95%, ref. 25.091, +38% delta, 10.9% vol)	22-Jul-25	0.95%	0	Aug-25	Trade expired
Buy SPX Sep 6000 calls cont. on EURUSD < 100% at expiry for 1.17% (60% disc. to vanilla calls, +17 correl bid, ref. 5810f, 1.08 spot)	24-Mar-25	1%	0	19-Sep-25	Trade expired
Buy VIX Sep 30/45 call spread for \$1.50 indic. mid levels (10x max payout ratio; UXU5 ref. 23.75)	4-Apr-25	\$1.50	0	17-Sep-25	Trade expired
Buy VIX Sep 30/50 call spread for \$2 indicatively (10x max payout ratio; UXU5 ref. 23.50)	7-Apr-25	\$2.00	0	17-Sep-25	Trade expired
Buy SPX Sep 95%/75% put down & out for 1.03% indicatively (continuous obs., 58% discount to put spread, ref. 5534.08)	28-Apr-25	1.03%	0	19-Sep-25	Trade expired
Buy SPX Sep 95%/85% put down & out for 26bps indicatively (continuous obs., 79% discount to put spread; ref. 5912.12)	27-May-25	0.26%	0	19-Sep-25	Trade expired
Buy SPX < 95% / USO > 107% Sep25 dual digital for 8% indicatively (12.5x max payout ratio, correl bid +0, ref. 6073.8022)	16-Jun-25	8%	0	19-Sep-25	Trade expired
Buy VIX Sep 18/17/16 put ladder (+1x / -1x / -1x) for 12c indicatively (8.3x max payout; UXU5 ref. 21.86).	23-Jun-25	12c	86c	17-Sep-25	Trade expired ITM
Buy EEM Sep25 51/55 call spreads for 47c (~35d/5d strikes, ref. 49.1350).	29-Jul-25	47c	\$2.01	19-Sep-25	Trade expired ITM
Sell VIX Sep 16.5 puts (UXU5 ref. 20.05) to buy SPX Sep 6250/5900 put spreads (spot ref. 6318.62). Sizing for zero cost is ~0.75 SPX put spreads for every 100 VIX puts sold.	4-Aug-25	\$0.00	-\$0.64	19-Sep-25	Trade expired
Buy SPX 30-Sep 6350-6100 put spread for \$37.2 indicatively (6.7x max payout ratio, ~35d/15d strikes; ref. 6415.54).	2-Sep-25	\$37.20	0	30-Sep-25	Trade expired
Buy SX5E Jun25/Dec25 floating (110% of spot) FVA call for 1.1% (14v)	19-Aug-24	1.1%	-0.8v	Jun25	Trade expired
Buy a Jun25 ATMf (115% strike) call on return dispersion on a basket of low (vs history) vol stocks that are most positively & negatively geared to USD	26-Nov-24	2%	0%	20-Jun-25	Trade expired
Buy SXAP Jun25 105%-115%-125% appearing call spread (daily obs.) for 1.96% indicatively (10.2x max payout ratio, 32bps/19% premium to vanilla 105%-115% call spread, ref. 567.64)	10-Feb-25	1.96%	0	Jun25	Trade expired
Buy 1.3x SX7E Jun25 30d puts, fully funded by 1x KRE Jun25 30d put (spot refs. 177.78 and 61.71, respectively). Alternatively, consider SX7E Jun25 put spreads.	24-Feb-25	0%	-0.6%	Jun25	Trade expired
Buy SXXP Jun25 103.5% (23-delta) calls for 82bps (ref 550.6) for continued European upside exposure at low cost	18-Mar-25	82bps	0	Jun25	Trade expired
Buy Jun25 105%-115% MDAX call spreads for 2.8% indicatively	11-Mar-25	2.8%	0	Jun25	Trade expired
Long 1.2x SXXP, Short 1x SX6P 35D Jun25 put switches for zero premium (refs 564.395 respectively)	4-Mar-25	0%	2.1%	Jun25	Trade expired ITM

Table 2: Summary of closed trades as of 19-May-26

Summary of closed trades as of 19-May-26

Trade Description	Open Date	Open Level	Close Level	Close Date	Rationale
As a zero premium call switch alternative, fund SX5E 40-delta calls with SX6P (EU-Utilities) 40-delta calls (refs: 5392.36 and 425.09 respectively)	12-May-25	0	-2.3%	Jun25	Trade expired
Buy SX5E 15-Aug-25 40d/25d (98.5%/94.2%) put spread for 1% indicatively (60% discount vs naked 40d put, 4x max payout ratio, spot ref. 5326).	27-May-25	1%	0	15-Aug-25	Trade expired
Buy an Aug-25 SX5E up, EURUSD up dual digital qEUR 30-delta strikes on both assets are 5550 and 1.17 respectively for 12.5% indicatively (refs: 5345 & 1.14)	2-Jun-25	12.5%	0	Aug-25	Trade expired
Long Aug-25 SX7E<95%, Brent futures (COV5) > 85 dual digital for 8.65% indicatives (Correlation bid -18%, refs. SX7F 196.85 and COV5 74.4)	23-Jun-25	8.65%	0	Aug25	Trade expired
Long FTSE Aug25 97.6% (30-delta) puts for 1.06% (ref: 8758.04)	23-Jun-25	1.06%	0	Aug25	Trade expired
Aug25 20D (+1.4x 103%, -1x 96%) zero premium nsk reversals on SX5E (ref. 5371)	15-Jul-25	0%	0	Aug-25	Trade expired
Buy +1x QQQ Oct 605-625 call spread (-30D/10D strikes), sell -1x QQQ Oct 545 put (-10D strike) for \$1.87 indicatively (ref. 590.97)	15-Sep-25	\$1.87	0	17-Oct-25	Trade expired
Long SX5E 12-Sep ATM straddle for 2.4% indic. (Ref: 5291) and look to enter long VIX Oct, short Nov futures at -0.6v or better.	2-Sep-25	2.5%/-0.6v	0/-2.05v	Nov-25	Trade expired
Trade 1 (protection): Zero cost XIN9I 3-month 96% 90% 1x3 put ratios for 0.05% credit, rolled 1-2 months into the trade (indic. spot ref. 14,962, delta -6.1%, vols: 18.5/17.4); +3x 90% puts -1x 96% put	26-Aug-25	0%	0	Nov 25	Trade expired
Trade 2 (participation): XIN9I call spreads for investors wanting to add upside. Buy XIN9I 3m 105% 115% call spread for 1.38% (indic. spot ref. 14,962, 20% delta, vols: 20.1/23.0, 7.2x max payout)	26-Aug-25	1.38%	0	Nov 25	Trade expired
XIN9I 3-month 95% 85% put spreads for 1.7% (indic. spot ref. 14,825, delta -22%, vols: 20/21v, 5.9x max payout)	9-Sep-25	1.7%	0	Nov 25	Trade expired
Buy long VIX Nov 18 puts vs short VIX Apr 18 puts for \$0.10 indicatively	22-Sep-25	\$0.10	\$23.9	Nov-25	Trade expired
Buy NDX Dec25 ATM upvar for 17v indicatively (t & t-1 convention, Dec25 var ref. 25.1v)	26-Nov-24	17v	15.77v	19-Dec-25	Trade expired
Buy NDX Dec25 80% upvar for 20.15v indicatively (t & t-1 convention, Dec25 var ref. 25.1v)	26-Nov-24	20.15v	23.36v	19-Dec-25	Trade expired ITM
Buy NDX Dec25 ATM upvar for 16.8v indicatively (t & t-1 convention)	27-Jan-25	16.8v	15.12v	19-Dec-25	Trade expired
Buy NDX Dec25 ATM upvar for 18.15v indicatively (t & t-1 convention)	24-Mar-25	18.15v	14.98v	19-Dec-25	Trade expired
Buy 31-Dec-25 SPX 6250/5750/5250 put ladder (+1x / -1x / -1x) for \$40.1 indicatively (12.4x max payout ratio; spot ref. 6373.45)	11-Aug-25	\$40.10	0	31-Dec-25	Trade expired
Long SPX Dec 6300/5800 put spreads for -575 indicatively or 1.16% of spot (6.6x max payout ratio; ref. 6449.23), outright or paired with long VIX Nov 18/15 put spreads for \$1.13 indicatively (2.6x max payout ratio, UXX5 ref. 20.70)	18-Aug-25	\$75 / \$1.13	0 / 1.99	19-Dec-25	Trade expired
Buy SPX 31-Dec-25 95% / 85% down-and-out put for 0.31% indic. (cont. obs., 32x max payout ratio, 68% discount to vanilla put spread, ref. 6654)	13-Sep-25	31bps	0	31-Dec-25	Trade expired
Buy SPX 31-Dec-25 95% / 85% down-and-out put for 0.28% indic. (cont. obs., 35x max payout ratio, 65% discount to vanilla put spread, ref. 6735.13)	20-Oct-25	28bps	0	31-Dec-25	Trade expired
Sell VIX Dec 16.5 puts (UX25 ref. 19.93) to buy SPX Dec 7000/7250 call spreads (spot ref. 6852.43). Sizing for zero cost is ~0.7 SPX call spreads per ~100 VIX puts sold.	3-Nov-25	\$0.00	-\$0.49	19-Dec-25	Trade expired
Buy 12-Jun-25 85%/65% Best of Put spreads on NKY/KOSPI2 / SX5E/SPX for 0.50% (indic. quanto USD, 64% discount to avg vanilla, 40x max payout ratio)	16-Jul-24	0.50%	0	Jun-25	Trade expired
Buy 19-Dec-25 85%/65% Best of Put spreads on NKY/KOSPI2 / SPX for 0.90% (indic. quanto USD, 56% discount to avg vanilla)	26-Nov-24	0.90%	0	19-Dec-25	Trade expired
Buy Sep25 NKY > 104% / USDJPY > 104% dual digital at maturity for 15.8% (+37 correl offer, ref. 37,760, 150.0) 6.3x max payout	3-Mar-25	15.8%	0	Sep-25	Trade expired
Buy VIX Feb26 15.5/20/25 call spread collar for \$0.11 indicatively (UXG6 ref. 17.92)	12-Jan-26	\$0.11	0	18-Feb-26	Trade expired
Dec25 +DAX vs -SXDP zero-premium call switch (-20-delta strikes, refs: 24160 and 1036 respectively)	15-Jul-25	0%	-2%	Dec-25	Trade expired
Long SX7E Dec25 Appearing Put Spread (€205-€185-€160) for 2.65% (ref. 216.89)	4-Aug-25	2.65%	0	Dec25	Trade expired
Long Dec25 DAX vs SX5E 102.5% outperformance, conditioned on EURUSD > 1.2 at expiry for 0.84%	11-Aug-25	0.84%	0	Dec25	Trade expired
Buy DAX Dec25 call spread collar (+24800 call-25500 call-22400 put) for 0 cost	18-Aug-25	0	0	Dec-25	Trade expired
Buy DAX Dec25 105% call contingent on EURUSD > 1.20 for 0.77%	18-Aug-25	0.77%	0	Dec-25	Trade expired
Buy SX5E Dec25 put ladder +5350/-5125/-4875 for 10bps premium indicatively	18-Aug-25	10bps	0	Dec-25	Trade expired
Replace FTSE longs with Dec25 103% (~28D) calls for 80bps (ref. 9299.84)	29-Sep-25	80bps	3.21%	Dec-25	Trade expired
Long Dec25 35d-15d (97.2%-92.3%) CAC put spreads for 0.98% indic (max payout ratio of 5.7x)	27-Oct-25	0.98%	0	Dec-25	Trade expired
DAX Dec25 102.5% calls, contingent on the CAC <102.5% at expiry for 39bps (-69% discount vs vanilla calls)	27-Oct-25	39bps	0	Dec-25	Trade expired
Long Dec25 VolSwap dispersion on custom names vs the ESTX50	26-Nov-24	9.5v	12.0v	19-Dec-25	Trade expired +2.5%
Buy DAX Dec-25 85% upvar for 18.3v (fair variance ref of 23.3v)	11-Mar-25	18.3v	17v	19-Dec-25	Trade expired
Long SX5E Dec25 Volswap, short SX5E Dec25 Varswap for a credit of 2.9v indicatively (var ref. 23.75). For a more defensive alternative, short 0.95x Varswap vs the Volswap for 1.7v, indicatively.	6-May-25	2.9 credit	-4.3v	19-Dec-25	Trade expired
Long SX7E-SX5E Mar26 60-110% Corridor Var Spread for 7.7v (vanilla var refs. 9.9v, 31.5v & 21.6 respectively, T&T-1 convention)	4-Aug-25	7.7v	10.2v	20-Mar-26	Trade expired ITM
S&P calls quantoed into EUR (for only 3 bps more than vanilla Dec25 102.5% calls that cost 1.86%)	22-Sep-25	1.89%	0%	19-Dec-25	Trade expired
Cheapening S&P calls by conditioning on EUR higher, also quantoed into EUR for 1.23%, a 35% cheapening vs Dec25 SPX 102.5% calls qEUR)	22-Sep-25	1.23%	0%	19-Dec-25	Trade expired
Sell SX5E Dec25 AIM Downvar vs buy Var to collect 4.7v (1-convention, var ref: 19v)	29-Sep-25	4.7v	4.7v collected	19-Dec-25	Trade expired ITM
Buy Dec25 FTSE div futures as a Dollar (vs Sterling) strength beneficiary	26-Nov-24	299.5	3.9 GBP	19-Dec-25	Trade expired
Buy TWSE > KOSPI2 103% 11-Sep-25 outperformance call contingent on KOSPI2 up for 1.52%	3-Feb-25	1.52%	0	11-Sep-25	Trade expired
Buy a 27-Jun-25 110% Worst of Call on 700 HK / 9988 HK / 1211 HK for 2.5% (63% discount to average vanilla call cost)	18-Feb-25	2.5%	0	27-Jun25	Trade expired
Buy 12 Sep 25 NKY-SPX 3% outperformance call contingent on USDJPY > 3%, 2.8% offer (indic. contingency gives 38% discount)	14-Apr-25	2.8%	0	Sep25	Trade expired
Buy NIFTYM 29-May-25 23,200-25,200 bullish risk reversal for INR 24 (-0.10% of spot, indic. spot ref: 24,329, 37d, vols: 17.2%/12.8%)	28-Apr-25	INR 24	0	29-May-25	Trade expired
(Appearing call spread): Buy XIN9I Sep25 105%-115%-125% appearing call spread (continuous obs.) for 1.82%	28-Apr-25	1.82%	0	Sep-25	Trade expired

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Summary of closed trades as of 19-May-26

Trade Description	Open Date	Open Level	Close Level	Close Date	Rationale
(Up & out call): Buy XIN91 29-Sep-25 105% calls with 27-Jun-25 window knock out at 115% for 1.83% (indic. 26% discount to vanilla call, ref. 13,200)	28-Apr-25	1.83%	8.13%	Sep-25	Trade expired ITM
Sell TWSF 18.5k/19.5k/21.5k Put Spread Collars (PSC) and collect TWD 34 (~0.17% of spot, indic. spot ref. 20,500, 37d, vols: 28.6%/25.8%/21.4%)	6-May-25	TWD 34	-2800.48 TWD	Aug-25	Trade expired
Buy a TWSE 1m/3m 22k call calendar for TWD 132 (0.64% of spot, indic. spot ref. 20,522, 7d, +15.1 vega, vols: 20.9%/20.8%)	6-May-25	TWD 132	2156.74 (8.8%)	Aug-25	Trade expired ITM
Buy HSCFI delta 1 overlaid by a near zero-cost 15-Aug-25 7,700/9,400 risk reversal for HKD 11 credit (indic. 0.13% of spot)	12-May-25	HKD 11	468.86 HKD	15-Aug-25	Trade expired ITM
Buy HSCFI 20-Jun-25 1x1.5 8,800/9,200 call ratio for HKD 49 (indic. 0.58% of spot) (Options on futures, Jun fut ref 8,500, +5 delta, Vols: 27.3% / 28.0%)	12-May-25	HKD 49	0	Jun25	Trade expired
Sell NKY 2m +1x/-1x/-1x/+1x 32,500/35,000/40,000/42,500 "iron condor" for JPY 515 (-1.4%, equivalent to 8.2% yield per annum)	19-May-25	JPY515	JPY 515	Jul25	Trade expired
Buy NKY 8-Aug 2025 double-no-touch on 36,000 and 40,000 for 11% spot ref.37,499 (indic. 9x max payout, continuous observation)	19-May-25	11%	0	8-Aug 25	Trade expired
Buy KOSPI2 2m 105% calls (0.98%) financed by selling KOSPI2 1m 95% put (0.57%) for 0.41% of spot	27-May-25	0.41%	17.31%	Jul-25	Trade expired ITM
Trade NIFTYM 26-Jun-25 24,200/23,500 1x3 put ratios for INR 12 (-0.05% of spot, indic. spot ref. 24,717, -6.5d, vols: 16.84%/15.35%)	2-Jun-25	INR 12	0	26-Jun-25	Trade expired
NIFTYM 31-Jul-25 24,400/23,500 1x3 put ratios for USD 36 (-0.14% of spot, indic. spot ref. 24,946, -8.8d, vols: 14.58%/16.23%)	16-Jun-25	0.14%	0	31-Jul 25	Trade expired
-1x 24,400 put (-29d) & +3x 23,500 puts (-12d)					
Buy KOSPI2 3-month 360/440 risk reversals for a KRW 0.7 credit (indic. 0.17% of spot) instead of taking profits on longs in Korea	23-Jun-25	KRW 0.7	32.74 KRW	Sep25	Trade expired ITM
Buy TWSE 3m 110% calls & sell KOSPI2 3m 110% calls and collect 0.33% (spot ref 22,615 & 430.78, for TWSE and KOSPI2, respectively, 17.7/19.1% vols, 12.5/17.6 deltas)	15-Jul-25	0.33%	9.68%	Oct-25	Trade expired ITM
Sell NKY 1m 105% calls and buy 3m 105% calls for 0.98% (indic. Spot ref: 39,460, vols: 17.2/17.7)	15-Jul-25	0.98%	9.61%	Oct-25	Trade expired ITM
Buy Nikkei 10-Oct 2025 105%-115% call spread for 1.01% (indic. Spot ref: 40,998, 21% delta, vols: 17.3/18.1, 9.9x max payout).	29-Jul-25	1.01%	8.99%	10-Oct 25	Trade expired ITM
Long HSCFI 21-Nov-25 1x1.5 105% 110% call ratios for 0.39% (indic. options on futs, spot ref: 8,893, 12.8x max payout)	4-Aug-25	0.39%	0	21-Nov 25	Trade expired
Buy 12-Dec 25 NKY>SPX 103% outperf calls for 2.60% (indic.)	18-Aug-25	2.60%	1.27%	Dec 25	Trade expired ITM
Buy KOSPI2 3-month 105-115% call spreads for 1.62% (indic. spot ref: 478, 24d, vols: 19.2%/19.4%)	27-Sep-25	1.62%	8.38%	Dec-25	Trade expired ITM
Buy NKY 3-month 105% 115% call spreads for 1.62% (indic. Spot ref: 45,043, 24.6 delta, vols: 19.2/18.8, 6.2x max payout)	29-Sep-25	1.62%	3.29%	Dec-25	Trade expired ITM
Buy a TWSF 1m/2m 30k call calendar for TWD 183 (0.65% of spot, indic. spot ref. 27,994, 9d, +17.3 vega, vols: 18.3%/18.2%)	27-Oct-25	TWD 183	0	Dec-25	Trade expired
Buy NIFTYM 24-Feb-26 25.5k/26.5k call spread for USD 189 (indic. 0.75% of spot, spot ref. 25,048, vols: 11.9%/11.4%, delta 29.3%)	26-Jan-26	\$189	0	24-Feb-26	Trade expired
Buy TWSE 18-Mar 34.5k calls funded by selling 23-Feb 30.5k 28.9k put spreads for TWSG5 (spot ref. 32,065)	26-Jan-26	TWSG5	0	18-Mar-26	Trade expired
Sell NKY 13-Feb 57k calls to fund 13-Mar 57k/60k call spreads for JPY 277: 10.8x max payout (indic. 0.52% of spot, ref: 53,806, 31.9v 28.6v 28.3v, delta -2%)	2-Feb-26	JPY 277	0	13-Mar-26	Trade expired
Buy QQQ Mar26 660-720 call spread for \$8.92 indicatively (6.7x max payout ratio, ~27d/7d strikes, ref. 599.44).	29-Sep-25	\$8.92	0	Mar26	Trade expired
Buy SPX Mar26 105% call contingent on XAU > 102% at expiry for 1.31% indicatively	29-Sep-25	1.31%	0	Mar26	Trade expired
Buy QQQ Mar26 675-735 call spread for \$8.25 (7.3x max payout ratio; ~25d/7d strikes; ref. 611.56)	20-Oct-25	\$8.25	0	Mar26	Trade expired
Buy TLT Mar26 88 puts for \$1.31 (~30D strike, 4.1% OTM, ref. 91.78)	27-Oct-25	\$1.31	\$2.17	Mar26	Trade expired ITM
Buy TLT (20+Yr Treasury Bond ETF) Mar26 86 puts for \$1.03 (~25D strike, ref. 90.01)	26-Nov-25	\$1.03	\$0.17	Mar26	Trade expired ITM
Buy 30y SOFR + ATMf + 20bps / XAU > 106% Mar26 dual digitals for 7.95% (12.5x max payout ratio, ~18 correl offer, ref. 3.955%, 4078.70)	26-Nov-25	7.95%	0	Mar26	Trade expired
Buy GLD Mar26 490-550 call spread for \$9.9 indicatively (6x max payout, ~36d (5% OTM) / 11d (18% OTM) strikes, ref. 464.7)	26-Jan-26	\$9.9	0	Mar26	Trade expired
Buy 1x EWZ Mar26 40 call, sell 1x Jul26 48 call for 14c indicatively (28d/14d strikes, ref. 37.585)	17-Feb-26	\$0.14	-0.18	Mar26	Trade expired
Buy Mar26 straddle on liquid EZ banks vs short SX7E straddle for 2.36%	26-Nov-25	2.36%	1.2%	20-Mar-26	Trade expired ITM
Buy SPX MarQ 6525-5925 put spread for \$50 indicatively, ref 6795.99	9-Mar-26	\$50.00	\$0	31-Mar-26	Trade expired
Buy IWM MarQ 240-215 put spread for \$2.60 indicatively, ref 253.62.	9-Mar-26	\$2.60	\$0	31-Mar-26	Trade expired
Buy GLD Apr26 450 calls (~106% / 35d strike), sell SLV Apr26 120 calls (~155% / 17d strike) notional-matched for zero cost indicatively (ref. 423.26, 77.34)	12-Jan-26	\$0	\$0	17-Apr-26	Trade expired
Buy SPX Apr26 6800/6300/5800 put ladder (+1x/-1x/-1x) for \$63.8 indicatively (7.8x max payout: ~40d/15d/5d strikes; ref. 6881.62)	2-Mar-26	\$63.8	\$0	17-Apr-26	Trade expired
Buy SPX Apr26 97%/85% PDO for 57bps indicatively (50% discount to vanilla put spread; ref. 6881.62).	2-Mar-26	57bps	0%	17-Apr-26	Trade expired
Buy VIX Apr 20-18 put spread for \$0.50 mid indicatively (4x max payout ratio; UXJ6 ref. 24.30)	23-Mar-26	\$0.5 mid	\$2	15-Apr-26	Trade expired ITM
Long SX5E Apr26 6175 (~30d) call (1.2%, ref 5992.4), short V2X Apr26 18 put (ref 20.6) in a ~1.8 contract ratio for almost 0 cost (10bps credit of eq. notional)	17-Feb-26	10bps	0	Apr-26	Trade expired
Buy SXEP<95%, USO US > 110% May26 dual digital for qUSD 8.9% indicatively (11.2x max payout; ref. 517.66, 117.06)	16-Mar-26	8.9%	0	May26	Trade expired
Buy USO May26 80/70/60 put fly (+1x/-2x/1x) for \$1.9 mid indicatively (5.2x max payout ratio: ~30d/15d/5d strikes; ref. 87.19).	2-Mar-26	\$1.9 mid	0	May26	Trade expired

Source: BofA Global Research. Prices reflective of most recently available data which may be delayed in some cases. "Trade Value" represents current valuation of trades initiated on the "Open Date"

BoFA GLOBAL RESEARCH

Acronyms

BTD: Buy-the-dip

FOMC = Federal Open Market Committee

NFP = Non-Farm Payrolls

SPY = SPDR S&P 500 ETF Trust (ETF)

QQQ = Invesco QQQ Trust (ETF)

CPI = Consumer Price Index

XLF = Financial Select Sector SPDR Fund (ETF)

ATM = At-The-Money