

Global Equity Volatility Insights

Buying dips has rarely been better

Capture more US buy-the-dip strength, with asymmetry

US equities have experienced a historic rebound from the April lows, reaching new all-time highs last week. Indeed, the Nasdaq saw its fifth-fastest retracement ever from a 15%+ drawdown, powered by a buy-the-dip dynamic that by some metrics has been even stronger than that seen in the latter stages of the 90s tech bubble. Concurrently, VIX spot remains near 17, which is well-supported vs typical vol levels at S&P all-time highs. This bolsters our view of a VIX floor near 16-17, with vol support continuing to stem from the collision of policy uncertainty and an AI bubble, yet to still fully develop. In this context, we like selling VIX Aug 16.5 puts to fund S&P call spreads, monetizing the vol floor to hedge further US equity upside risk. Separately, following last week's favourable bank stress test results and potential de-regulation, we also like trading a regional bank catch-up via KRE call spreads, which benefit from historically flat call skew & offer over 6x max payout ratios.

EU markets sanguine ahead of 9-Jul tariffs deadline

Trump's tariff deadline for the EU is just over a week away, yet European equity index option markets appear largely unconcerned. Specifically, SX5E 11-July weekly options are pricing in little event risk premium (in line recent realised vol but almost 4x lower than the average move realized during Liberation week in April). Given the uncertainty around a potential deadline extension and, more broadly, the possibility that President Trump could do "whatever he wants" vis-à-vis tariffs, we see this as a compelling opportunity to buy gamma and hedge bi-directional risks via initially delta-hedged calls. We recommend the SX5E 11-Jul weekly expiry as they most closely isolate this event risk while also being more liquid than newer daily SX5E contracts.

US/China trade framework: 7.9x payout HSCEI call spreads

In March this year, due to US trade uncertainties, we dialled down exposure to the HSCEI. With the US/China relationship seemingly on a better path and HSCEI vols near 3-year lows, we wanted to revisit upside trades that are moderately long vega. The positive forces that fuelled that 56% 6-month rally from depressed levels last summer may only have been put on pause during trade negotiations. While the details about the newly agreed trade framework are sparse, and a "full deal" will take time, easing tensions should at least gradually lift the HSCEI ceiling. Investors can take advantage of the HSCEI's lower vol and flat call skew via call spreads. Max payout of 7.9x would be achieved if the HSCEI rallies to 9,800, near the key psychological 10,000 level (+15%).

Also in the GEVI

EZ Banks (SX7E) dividend futures: Rolling forward for better upside potential
Commodities lead global x-asset stress lower as Iran tensions fall and trade hopes rise

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Exhibit 1: 3M volatility (weekly chg)

Level and changes (in parentheses) in vol points

| | Implied | Realized |
|--------|-------------|-------------|
| S&P500 | 15.0 (-2.2) | 30.0 (-0.1) |
| ESTX50 | 14.9 (-2.4) | 23.8 (0.1) |
| FTSE | 10.6 (-1.4) | 19.0 (0.0) |
| DAX | 15.6 (-2.4) | 24.5 (0.2) |
| NKY | 18.7 (-1.1) | 33.8 (0.3) |
| HSCEI | 22.1 (-0.6) | 35.8 (-0.8) |
| KOSPI | 20.6 (0.4) | 26.0 (0.8) |
| EEM US | 15.4 (-0.6) | 25.1 (0.5) |
| XIN9I | 16.7 (1.3) | 15.8 (0.5) |

Source: BofA Global Research

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See list of acronyms at the end of the report

BofA GFSI™ X-Asset Risk Landscape

GFSI declines as Iran tensions fall and trade hopes rise

Last week, the GFSI declined from +0.11 on 20-Jun-25 to -0.09 on 27-Jun-25 to reach its 34th percentile since 2000. The decline in stress came in tandem with the Israel-Iran ceasefire and the announcement of a US-China trade deal. The GFSI is now back to levels last seen on 11-Jun before Israel's 13-Jun strikes on Iran.

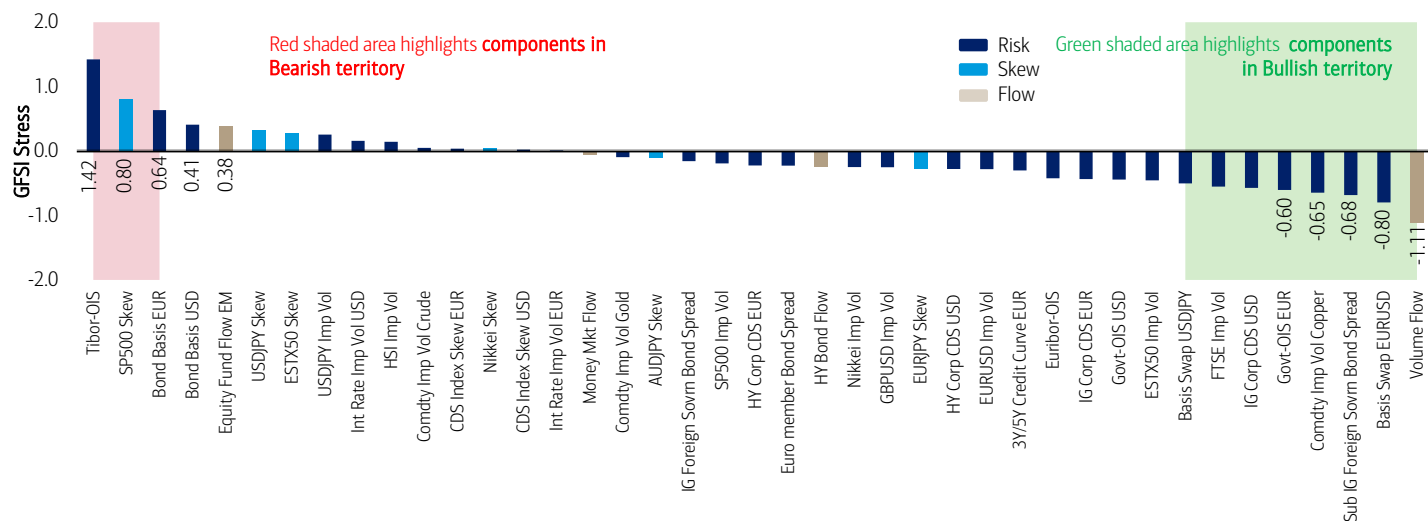
Although every asset class saw stress fall over the last week, the bulk of the GFSI's decline was driven by commodities and equities (Exhibit 4). In fact, this was the fifth largest weekly (Friday to Friday) decline in commodity stress recorded in the GFSI's live period since Nov 2010. The last time commodity stress fell by more in a single week was in 2022 as stress came down from the highs seen in the immediate aftermath of Russia's invasion into Ukraine. At the subcomponent level, the top six stress-decliners of the last week were all commodity or equity subcomponents with crude implied vol and Nikkei skew posting the largest stress decreases (Exhibit 3). In addition to crude implied vol and Nikkei skew, ESTX50 & S&P 500 skews and gold implied vol also experienced stress declines in their top deciles vs history (Exhibit 6). Last week's moves make commodities the least stressed asset class (Exhibit 4)

Rates, FX, and credit saw smaller declines in stress, and FX is now the most stressed asset class (Exhibit 4). Euribor-OIS and EURJPY skew were the only non-equity or commodity subcomponents among the top 10 stress-decliners of the week (Exhibit 3).

- **Stress declined in all regions last week** (Exhibit 5). Japan experienced the largest stress decline on falling Nikkei skew and implied vol stress, but it remains the most stressed region. On the other hand, Europe is still the least stressed region.
- **FX vol was the only cross-asset vol or spread to post an increase in stress last week** (Exhibit 7). The three FX implied vol subcomponents saw stress rise last week as the US dollar resumed its decline.

Exhibit 2: Latest* stress across GFSI sub-components

Tibor-OIS is the most stressed while volume flow is the least stressed

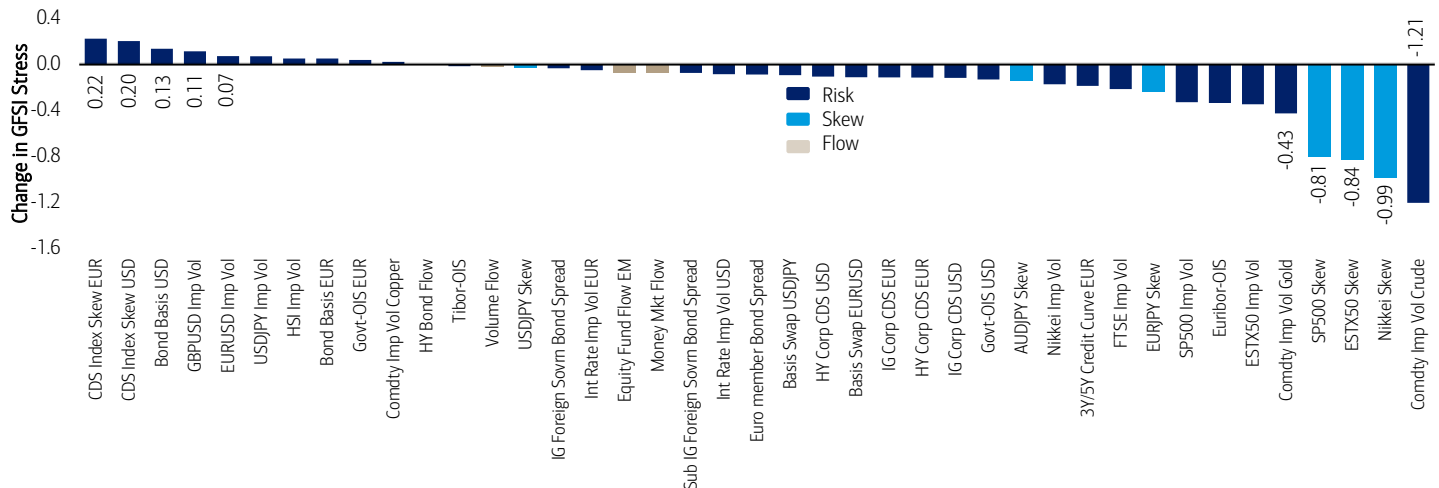


Source: BofA Global Research. *Latest as of 27-Jun-25. Disclaimer: The indicator identified above as BofA GFSI is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This indicator was not created to act as a benchmark.



Exhibit 3: Change in stress across GFSI sub-components**

CDS index skew EUR was the largest stress riser over the last week while crude implied vol stress fell the most



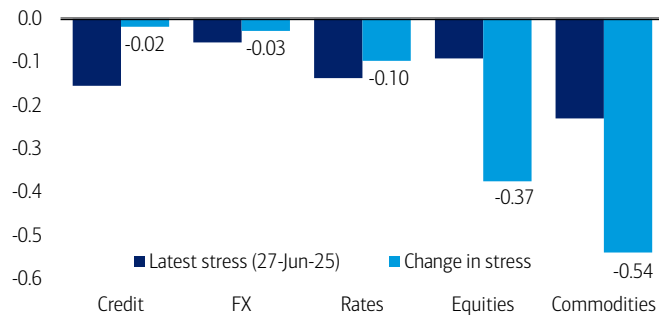
Source: BofA Global Research. **Latest as of 27-Jun-25. Change vs 1 week prior (20-Jun-25).

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The GFSI Risk Allocator (using Bull, Bear & Neutral weights of 2, 0, 1) suggested a 12.2% overweight position as of 27-Jun-25 (vs a 2.4% underweight position as of 20-Jun-25). The percentages of Bullish, Bearish, and Neutral GFSI components (as used in the Risk Allocator) as of 27-Jun-25 were 19.5%, 7.3%, and 73.2% respectively.

Exhibit 4: Commodity stress declined the most over the past week

On the other hand, credit stress declined the least

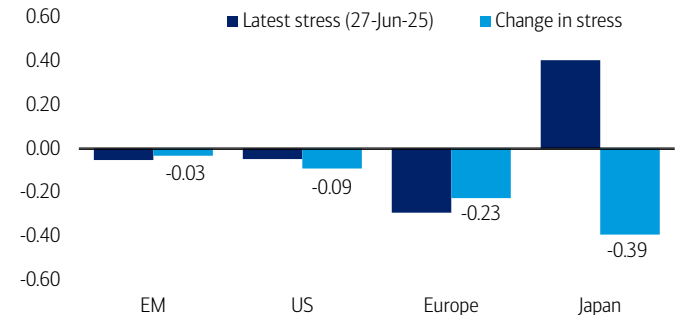


Source: BofA Global Research. 1wk change (20-Jun-25 to 27-Jun-25).

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Exhibit 5: Japan led regional stress lower last week

Meanwhile, EM stress decreased the least

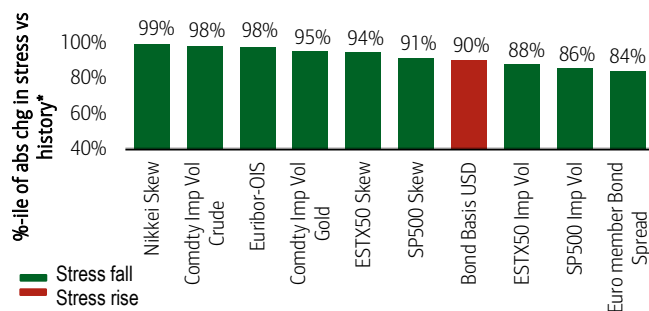


Source: BofA Global Research. 1wk change (20-Jun-25 to 27-Jun-25).

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

Nikkei skew saw a historically large stress decline

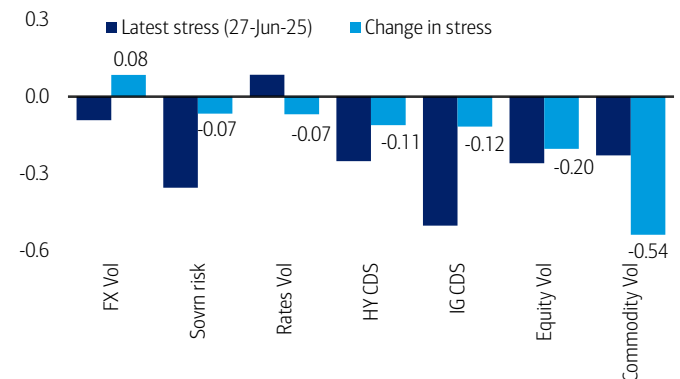


Source: BofA Global Research. * %-ile of 1 week moves in stress vs all historical 1 week moves (earliest 3-Jan-00). Bar colors represent rise (red) or fall (green) in stress. 1wk change (20-Jun-25 to 27-Jun-25).

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

Commodity vol experienced the largest decline in stress last week



Source: BofA Global Research. 1wk change (20-Jun-25 to 27-Jun-25).

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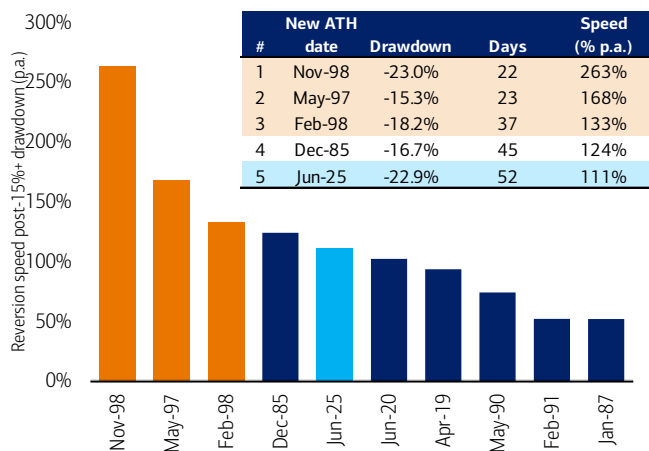
Capture more US buy-the-dip strength, with asymmetry

With the easing of geopolitical tensions powering the S&P and Nasdaq to new all-time highs last week, April's tariff turmoil feels like a distant memory and the "end of US exceptionalism" narrative that kept a lid on US equities appears to have faded (though it has not completely dissipated).

The retracement in US equities from April lows has been historic, with the Nasdaq having experienced its 5th fastest retracement from a 15%+ drawdown ever, in the rare air occupied by rallies during the late 90s tech bubble (Exhibit 8). Over this period, buy-the-dip (BTD) has been influential, with the Nasdaq showing historic BTD strength in 2025 so far (even more so than in the latter stages of the tech bubble, by some metrics (Exhibit 9). As we have argued (most recently in our [24-Jun-25 GEVI](#)), buy-the-dip fervour could strengthen even further from here as the AI bubble inflates.

Exhibit 8: The Nasdaq's most recent rally back to all-time highs was its 5th fastest reversion from a 15%+ drawdown, with the fastest being those seen during the late '90s tech bubble

Fastest Nasdaq 100 rallies to new all-time highs after a 15%+ drawdown

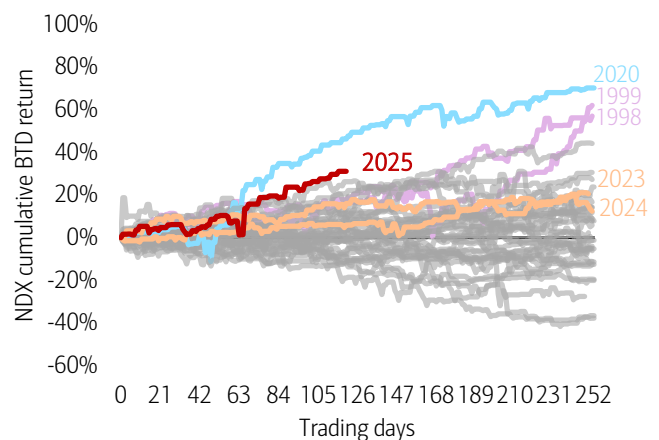


Source: BofA Global Research. Data from 4-Feb-85 to 27-Jun-25. 'Speed of reversion' is calculated as an annualized ratio of drawdown to the number of days taken to reach new all-time highs.

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Exhibit 9: Buy-the-dip strength in the Nasdaq in 2025 has been one of the strongest ever in its history, currently run-rating above the historically strong tech bubble years of 1998 & 1999

Nasdaq 100 buy-the-dip ("BTD") cumulative returns*



Source: BofA Global Research. Data from 4-Feb-85 to 27-Jun-25. *BTD return accrues 1d close-to-close return if previous day was a down day, and 0 otherwise.

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While the VIX has concurrently retreated from 20, it has remained more supported than many may expect given the equity rally. Indeed, VIX spot today is elevated vs previous instances of the S&P hitting all-time highs, with periods of even higher VIX being historically high vol regimes like the late 90s Tech Bubble and Covid (Exhibit 10).

However, with S&P 1m realized vol now closer to 10 than 15, many have questioned whether we are on the cusp of seeing a 2017-esque vol crush this summer. In our view, this is unlikely given the likely vol support from the collision of the administration's disruptive policy agenda and a potential AI bubble in the making. So far, our view has played out despite the recent low realized vol environment (where 10d realized vol has occasionally dropped below 10), as evidenced by the resilience of hedging long equities with long VIX futures (Exhibit 11). Resilience in this trade signifies that vol has not retraced as much as equities have risen, something that was not seen in the 2017 vol crush.

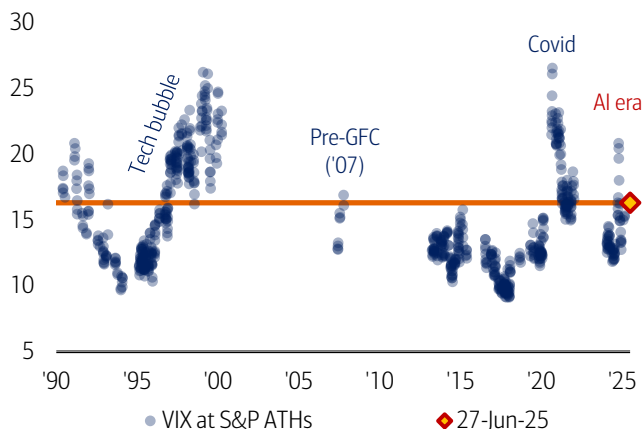
With this view of continued vol support, we continue to like monetizing the vol floor to cheapen directional equity trades. In this respect, given US equity upside remains a pain trade for many, we like to cheapen S&P call spreads by selling VIX Aug 16.5 puts.



Trade (SPX call spread vs VIX put): 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. *Risk involves losses on short VIX put position exceeding gains on long SPX call spread position.*

Exhibit 10: While vol has receded from its elevated levels seen earlier this year, VIX remains relatively well-supported versus previous instances of when the S&P hit all-time highs

VIX spot levels at S&P all-time highs

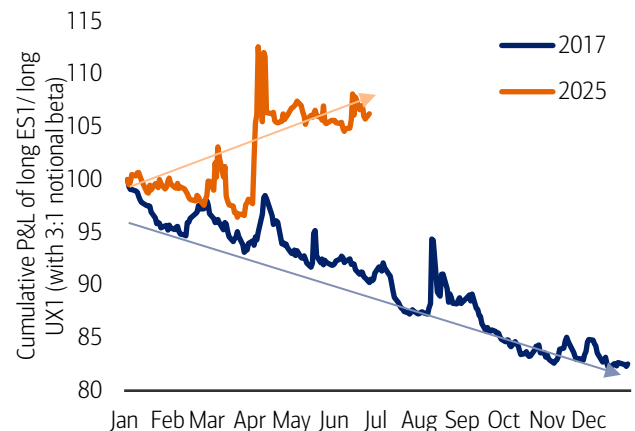


Source: BofA Global Research. Data from 1-Jan 90 to 27-Jun-25.

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Exhibit 11: While the recent collapse in realized vol has led many to question if we are returning to a 2017-esque vol crush, long equity + long vol would have held up well in recent weeks, quite unlike 2017

Hypothetical P&L of long S&P futures + long VIX 1m futures (on a notional beta of 3) in 2017 and 2025YTD



Source: BofA Global Research. Data from 1-Jan-17 to 29-Dec-17 and 1-Jan-25 to 26-Jun-25. This performance is backtested and does not represent the actual performance of any account or fund. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

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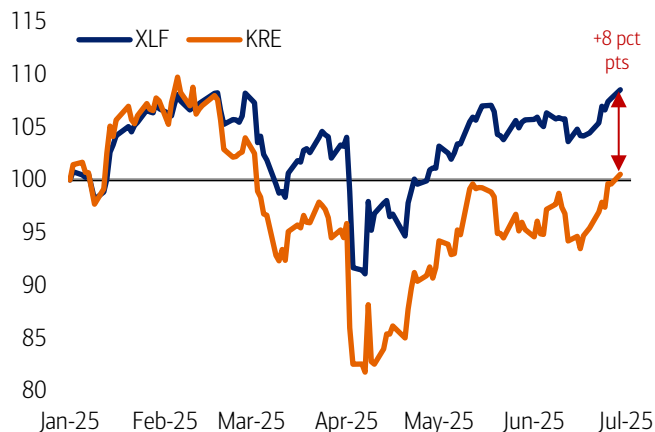
In the sector ETF space, we like positioning for near-term upside in regional banks via KRE call spreads. Better-than-expected results from last week's bank stress tests setup a favourable backdrop for financial stocks; potential de-regulation from the administration acts as a further upside catalyst. Moreover, as BofA analysts have recently noted, the underperformance of regional banks vs larger financial stocks (Exhibit 12) creates scope for a regional bank catch-up in a soft-landing scenario (see [27-Jun-25 Catalyst watch: Regional bank catch-up brewing?](#) for more details).

From an entry point perspective, KRE call spreads benefit from a historically flat call skew (4th %ile since 2010; Exhibit 13), which creates 6x payout ratio potential while being limited risk (which we find valuable given the murky macro outlook).

Trade (KRE call spreads): Buy KRE Jul 61/66 call spread for \$0.74 indicatively (**6.8x max payout ratio**; ~37D/6D strikes; ref. 59.54). *Risk involves upfront premium paid.*

Exhibit 12: Regional banks (KRE) have lagged larger financials (XLF) by ~8pct pts year-to-date, setting up a catch-up trade that could be catalysed by the administration's de-regulatory agenda

XLF vs KRE year-to-date performance (indexed to 100)

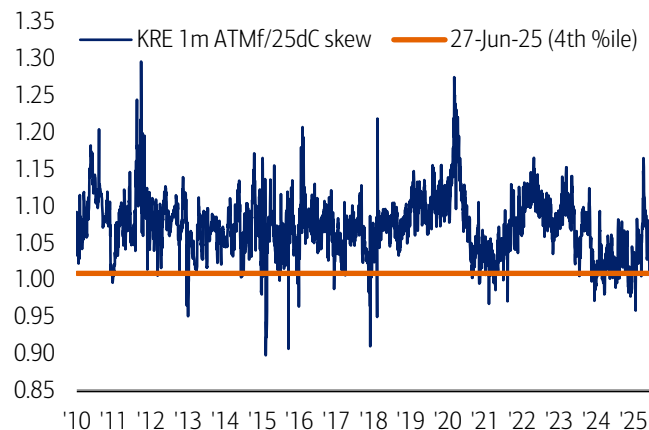


Source: BofA Global Research, Bloomberg. Data from 1-Jan-25 to 27-Jun-25.

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Exhibit 13: With 1m call skew in the 4th %ile since 2010, KRE call spreads currently benefit from an attractive entry point to position for near-term upside in regional banks

KRE 1m ATMf/25dC call skew



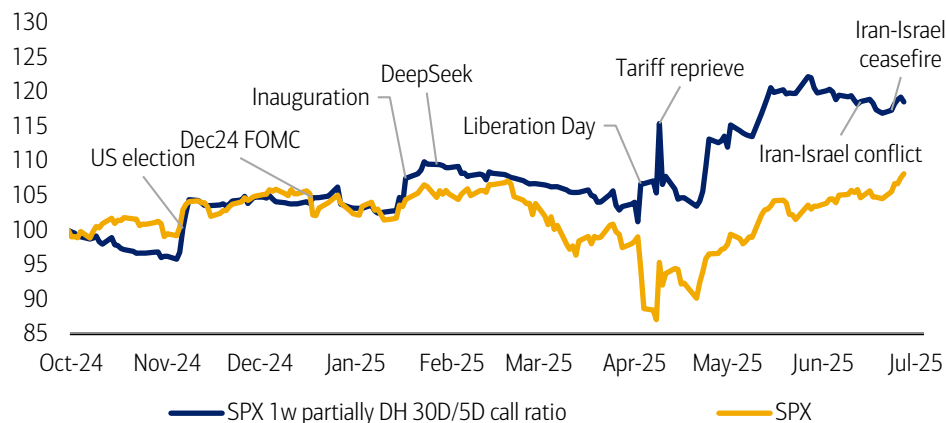
Source: BofA Global Research. Data from 1-Jan-10 to 27-Jun-25.

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Lastly, to trade the US equity boom as the AI bubble inflates while mitigating the risk of timing the bust in the longer-term, we continue to find value in buying S&P 1w 1x2 call ratios with a partial delta-hedge, a framework we first introduced in our [2025 Outlook](#). The trade's low premium, long-delta exposure with the added defensiveness of a partial delta-hedge would have navigated a turbulent 2025 well so far and outperformed the S&P on a risk-adjusted basis, remaining resilient to downside shocks like Liberation Day while capturing explosive rallies like that of 9-Apr (Exhibit 14).

Exhibit 14: Partially delta-hedged SPX 1w 1x2 call ratios would have navigated 2025's turbulent environment well and outperformed the S&P on a risk-adjusted basis

Hypothetical backtest of S&P 1w 30d/5d 1x2 call ratio with partial delta-hedge (DH) vs SPX total returns



Source: BofA Global Research. Data from 1-Oct-24 to 27-Jun-25. **No transaction costs included.** Call ratio with ~5.3x leverage to match SPX vol. This performance is backtested and does not represent the actual performance of any account or fund. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

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EU markets sanguine before 9-Jul deadline: Buy gamma

What: Consider owning cheap European gamma ahead of Trump's tariff deadline (9-Jul) via SX5E 11-Jul-25 calls, initially delta-hedged.

Why: Trump's tariff deadline for the EU is just over a week away, yet European equity index option markets appear largely unconcerned, likely factoring in a benign scenario like a deadline extension. Indeed, the event premium priced into SX5E 11-July weekly options is only 0.9% - just marginally above the index's recent average realized move and almost 4x less than average moves during 'Liberation week' in April (Exhibit 15).

With uncertainty of a potential deadline extension and negotiations set to ramp up in the coming week, we anticipate options may start to price in greater event risk, as occurred in the lead-up to 2-April (Exhibit 16). Consequently, we believe weekly options offer a good opportunity to buy cheap gamma ahead of the event, and we recommend doing so via initially-hedged calls. Such structures offer upside potential in the event of a positive outcome (deadline extension or trade deadlock resolution), while also providing downside protection should President Trump really decide to do "whatever he wants" vis-a-vis tariffs.

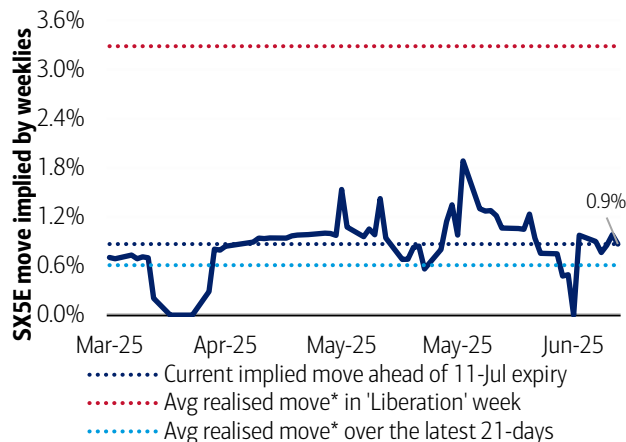
Weekly SX5E options isolate event risk more effectively than the third Friday monthlies while also being more liquid than the newer daily contracts. Exhibit 17 shows that traded option volume for weeklies has been fairly steady over time, with frequent surges in activity around key periods like April 'Liberation week'. According to the last week's average, weekly contracts account for ~12% of total SX5E index option notional traded, while monthlies and dailies represent 83% and 2%, respectively (Exhibit 18).

Risks: The trade can incur losses if the SX5E is unchanged and/or implied volatility falls.



Exhibit 15: Trump's 9-Jul tariff deadline is fast-approaching, yet equity option markets show little signs of concern, pricing in very low event premium.

SX5E move expected around 9th of July trade deadline, as implied by weekly options, and recent realized daily moves.

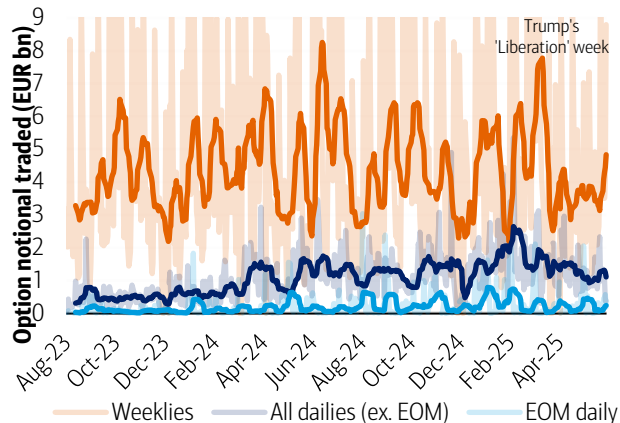


Source: BofA Global Research, Bloomberg. Data from 27-Mar-25 to 27-Jun-25. *Average of absolute daily SX5E returns. We consider 'Liberation' week between the 2-Apr to 10-Apr-25. Implied moves are calculated using weekly options expiring on 4-Jul-25, 11-Jul-25 and 18-Jul-25.

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Exhibit 17: Traded option volume for SX5E index weeklies has been fairly steady over time, with frequent surges in activity around key periods like April's 'Liberation week'.

Traded option volumes on SX5E by contract tenor type (Weekly, Daily, and EoM daily) per day since the introduction of Daily expiries.

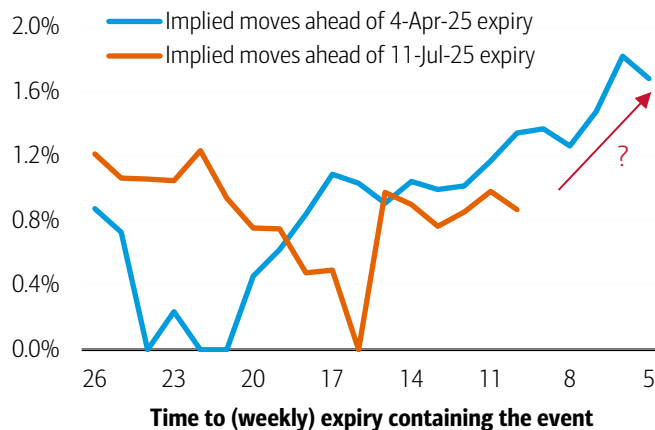


Source: BofA Global Research, Bloomberg. Data from 28-Aug-23 to 27-Jun-25. EoM = End-of-month. The sharp lines represent a 10-day moving average.

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Exhibit 16: With uncertainty over a deadline extension and trade talks set to ramp up in the coming days, we anticipate options may catch up to rising event risk.

SX5E option implied moves expected prior to 'Liberation' day and 9-July trade deadline

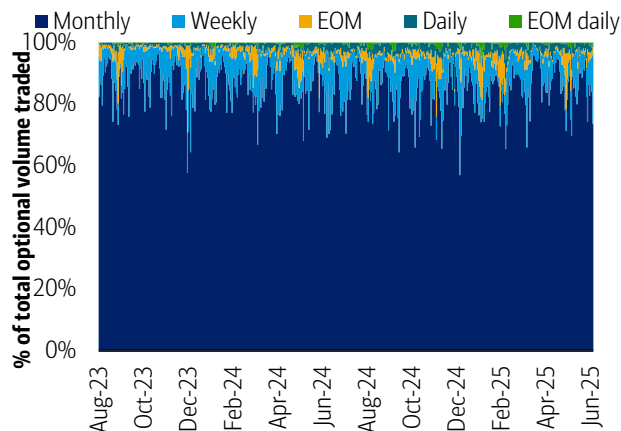


Source: BofA Global Research, Bloomberg. Data from 27-Feb-25 to 27-Jun-25.

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Exhibit 18: SX5E option volume profile: Monthly (3rd Friday) 83%, Weekly 12%, End-of-month (EoM) 2%, Daily 2%, and End-of-Month Daily: 1%.

The proportion of traded option volume on SX5E by contract tenor type (Monthly, Weekly, EoM, Daily, and EoM daily) per day since the introduction of Daily expiries.



Source: BofA Global Research, Bloomberg. Data from 28-Aug-23 to 27-Jun-25. EoM = End-of-month.

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EZ Banks (SX7E) dividend futures: Rolling forward for better upside potential

What: Roll SX7E Dec26 dividend future longs to Dec27.

Alternatively, consider buying +Dec27/-Dec26 div calendar spread on SX7E dividends to capture relative upside potential vs estimates.

Why: Dividend futures in Europe (as well as in the U.S.) have rallied strongly since U.S. Liberation Day lows in April (Exhibit 19). However, much of the performance of European Dec26 dividends appears tied to the rally in the underlying equity indices, as Dec26 div “alpha” (i.e. return in excess of what market beta would suggest) has been negative in Europe. This is especially noticeable for the SX7E where dividend alpha only saw a partial recovery in June. This contrasts with +6% alpha observed in Dec26 SPX dividends over the same period (Exhibit 20). This relatively lacklustre Dec26 SX7E div performance and the corresponding reduction in implied dividend yields (Exhibit 21) is likely a result of (now) capped upside potential vs bottom-up analyst estimates (just 2.6% p.a., Exhibit 23).

This, combined with backwardation in the SX7E dividend futures curve, means that Dec27 offers attractive upside compared to Dec26 – both in annualized terms (Exhibit 24), as well as on a risk-adjusted basis using recent constant tenor futures realised volatility (Exhibit 25).

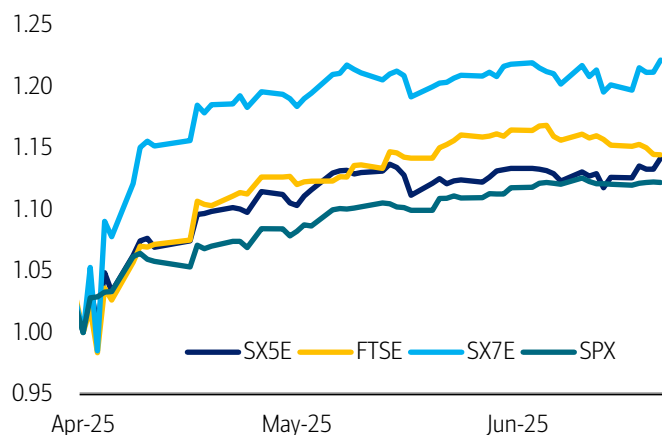
We recommend that SX7E Dec26 div longs roll their positions from Dec26 to Dec27 given the relatively larger upside potential in the latter. Alternatively, investors may consider long calendar spread trades (+Dec27, -Dec26). These structures would be expected to be long market beta and can be hedged with a beta-sized short SX7E futures position or with SX7E puts/put spreads.

SX5E index Rebalance Effect: For SX5E dividends, the upcoming Sep-25 index rebalance remains a key driver of dividend pricing. Based on current market capitalizations, we expect ENR, DBK and ENGI to enter the index, replacing RI FP, STLAM and VOW3. The expected impact of this change on bottom-up div estimates is negative (-0.85 points for Dec25, and worse than -2.5 points for Dec26 and beyond). Notably, SX5E Dec25 and Dec26 div contracts are now trading within 3% of this (reshuffle-adjusted) bottom-up estimate (Exhibit 22).

Risks: A dividend calendar trade will incur losses if the longer-dated contracts underperform the shorter-dated contracts.

Exhibit 19: Short-dated dividends in Europe and the US have rallied strongly since April lows...

Rebased performance of constant tenor 2y dividend futures

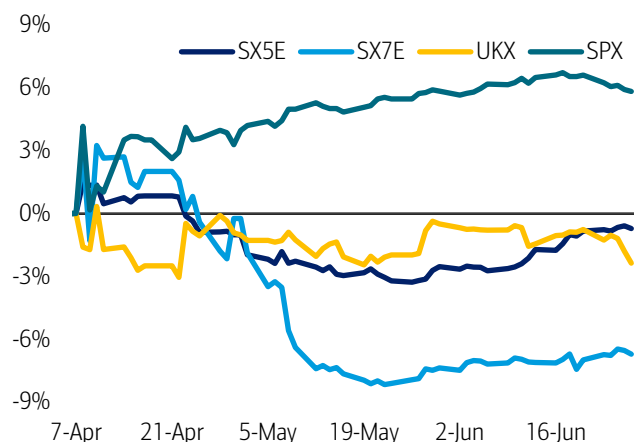


Source: BofA Global Research, Bloomberg. Data from 07-Apr-25 to 27-Jun-25. Performance rebased as of 7th April'25 to capture the post-US Liberation day lows

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Exhibit 20: ... but after adjusting for beta to their underlying equities, dividend "alpha" has been positive only for SPX in this period

Cumulative market beta-adjusted performance of Dec26 dividend futures

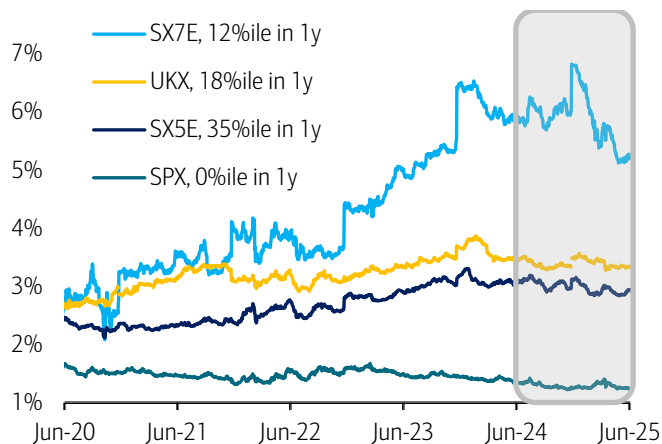


Source: BofA Global Research, Bloomberg. Data from 07-Apr-25 to 27-Jun-25. We cumulate daily returns in excess of returns indicated by SX5E moves and the trailing 1m rolling beta.

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Exhibit 21: This dividend underperformance vs the equity market rally has resulted in a notable drop in SX7E implied dividend yields.

Implied Dividend Yields of 2Y constant tenor dividend futures

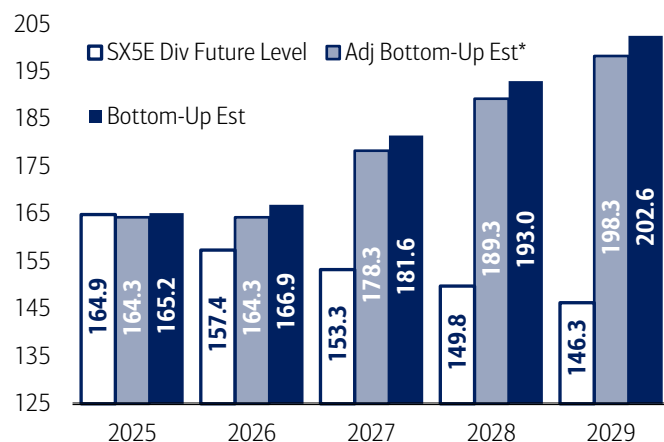


Source: BofA Global Research, Bloomberg. Data from 27-Jun-20 to 27-Jun-25. Implied dividend yield is computed as the ratio of constant tenor dividend futures and the equity index forward of the same tenor.

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Exhibit 22: SX5E Dec25 & Dec26 divs are trading close to estimates when considering the impact of the upcoming Sep-25 index reshuffle

SX5E dividend futures and bottom-up estimates (with and without Sep'25 reshuffle adjustments)



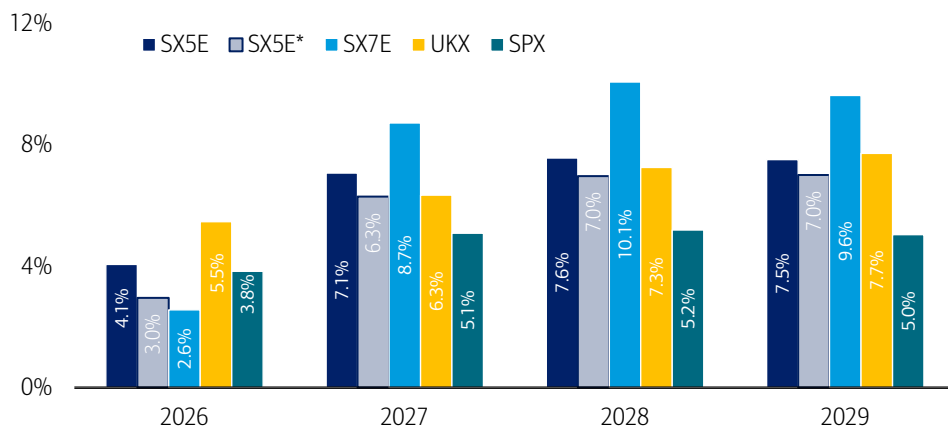
Source: BofA Global Research, Bloomberg. Data as of 27-Jun-25. *SX5E adjusted estimates factor in the possibility of ENR GY, DBK GY and ENGI FP replacing RI FP, STLAM IM and VOW3 GY at the upcoming Sep'25 SX5E index reshuffle event.

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Exhibit 23: The annualised upside for div futures versus bottom-up estimates is modest for 2026 but remains attractive for 2027 and beyond across most markets.

Upside (p.a.) to Bottom-up Estimates

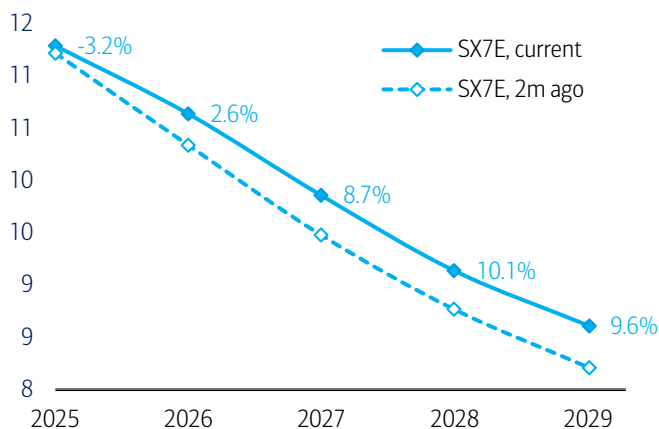


Source: BofA Global Research, Bloomberg. Data as of 27-Jun-25. *SX5E adjusted estimates factor in the possibility of ENR GY, DBK GY and ENGI FP replacing RI FP, STLAM IM and VOW3 GY at the upcoming Sep'25 SX5E index reshuffle event.

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Exhibit 24: The SX7E dividend curve has steepened vs a few weeks ago, but is still inverted; this backwardation results in larger (annualized) upside potential in Dec27 vs Dec26 divs

SX7E dividend curves, currently and 2 months ago. Labels show the current upside p.a. to bottom-up estimates

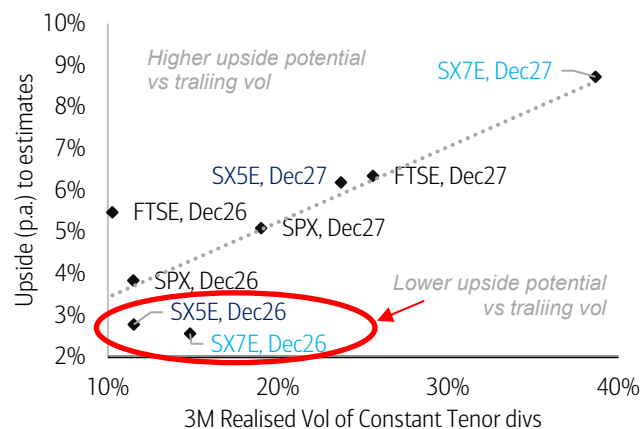


Source: BofA Global Research, Bloomberg. Data as of 30-Jun-25.

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Exhibit 25: Dec27 vs Dec26 upside potential is also attractive for SX7E (and SX5E) in risk-adjusted terms.

Risk (trailing 3m realised vol of constant tenor futures) vs reward (upside p.a. to bottom-up estimates) for SX5E and SX7E dividend futures



Source: BofA Global Research, Bloomberg. Data from 27-Mar-25 to 27-Jun-25. Upside to bottom-up estimates shown here for SX5E are including the impact of the potential Sep25 index reshuffle. We plot Dec26 upside vs trailing RV for constant tenor 2y futures, and Dec27 contracts vs 3y constant tenor futures' RV.

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US/China trade talks shifting HSCEI ceiling higher: Buy 7.9x payout call spreads

What: Long HSCEI 15-Aug-25 9,100 9,800 call spreads for HKD 89 (indic 1.02% of spot, options on futs, Aug fut ref: 8,668, 20 delta, vols: 21.1%/23.6%, 7.9 max payout): +1x 9,100 call / -1x 9,800 call

Why: With the exception of Q2 this year (see [11-Mar GEVI](#)), we have been in the positive camp when it comes to Hong Kong stocks and the HSCEI. With the arrival of Q3 and reports of a US-China trade framework in place, we think positive forces are trickling back into HK.

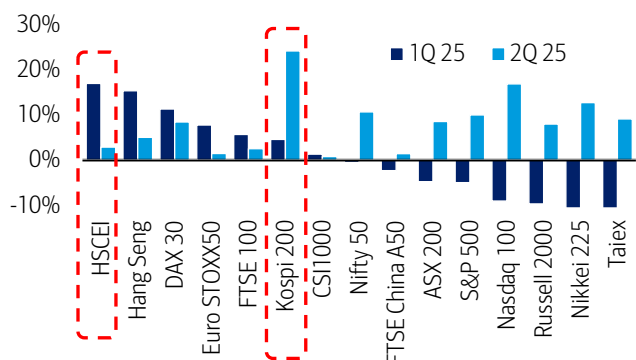
It is worth remembering that prior to the Q2 hiccups, HK/China markets had just turned a corner on a 5-6 year long slump, pushing valuations towards bargain-levels. Government stimulus, AI headlines, upside momentum and record-low interest rates (stocks yielding 2x bonds, Exhibit 29). Improvements in the US/China relationship can shift market drivers back to what they were from Sep-24 through Mar-25.

Having underperformed in Q2 (Exhibit 26), the HSCEI could be relatively more sensitive to upside surprises, ala China AI headlines. Moreover, our China Strategists believe that flows from mainland China into HK stocks will continue to support the HSCEI (Exhibit 31 and [Banks – China \(see June 23 note\)](#)). For mainland investors, several alternatives to HK stocks look less appealing (e.g. China real estate, bonds, US Tech, Gold toppish).

HSCEI call skew looks too flat (Exhibit 30). Call vols perceive upside risks as large as they were last summer. A time when positioning was very light, and investors feared stimulus. Positioning is more balanced now and chances of a Sep-24 or Jan-24 rip higher seem more muted.

Risks: Risks would involve the premium paid.

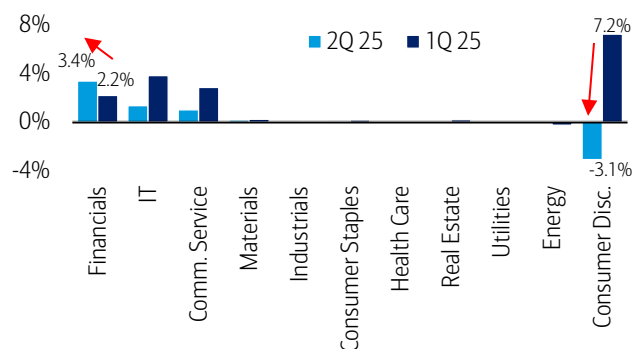
Exhibit 26: HSCEI posted 17% gains through 1Q, leading global peers, but have since lagged, rising only 4% in 2Q. The Kospi now leads globally at +26%, highlighting a shift in regional performance dynamics
1Q and 2Q return for major indices



Source: BofA Global Research. Data: from 30-Dec-2024 through 27-Jun-2025.

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Exhibit 27: Q1 HSCEI gains were mostly due to DeepSeek-related AI momentum. However, tariff uncertainties and deflation risk drove rotation into Financials, which have benefited from southbound flows
HSCEI performance attribution of each sector



Source: BofA Global Research. Data: from 30-Dec-2024 to 27-Jun-2025.

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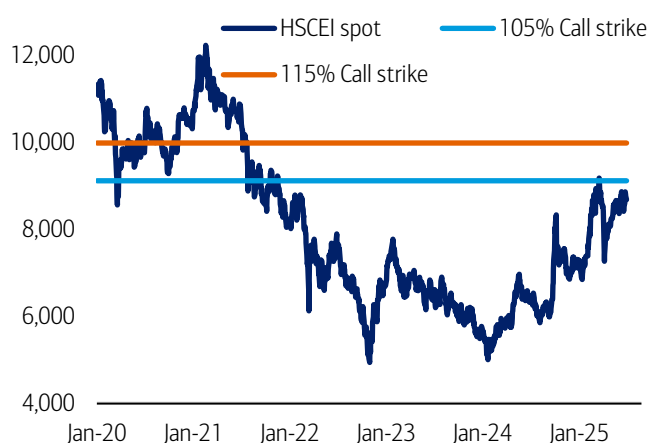


Improved China outlook signals economic resilience

BofA's economist recently upgraded China's GDP forecasts, 4.7% in 2025 (up from 4.0%) and 4.3% in 2026 (up from 4.2%) due to strong data prints and trade ceasefire, see [Global Economic Viewpoint](#). However, risks still include 1) Weak domestic demand and deflation risks, 2) Policy stimulus hard to come by and 3) Energy security if a potential extension and escalation in the Middle East, See [Global Economic Viewpoint](#).

Our China Strategist, Winnie Wu, is calling for rangebound markets in the near term but remains constructive in the longer term. Partly based on client feedback, however, she views a broad macro rally as less likely since investors have increasingly been more focused on "the micro" and stock picking. See [Equity Strategy – China](#).

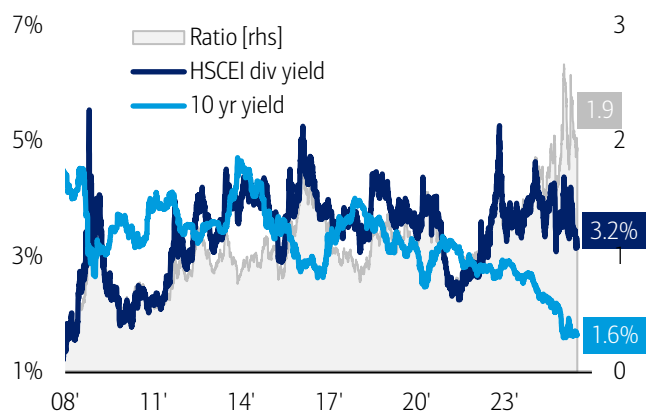
Exhibit 28: The HSCEI 105% 115% call spread positions investors to gain from a medium-term rally towards 10,000. To get beyond that we may need a stronger catalyst and/or a stronger economic upturn
HSCEI spot, and call strikes



Source: BofA Global Research and Bloomberg. Data: from 1-Jan-2020 through 30-Jun-2025.
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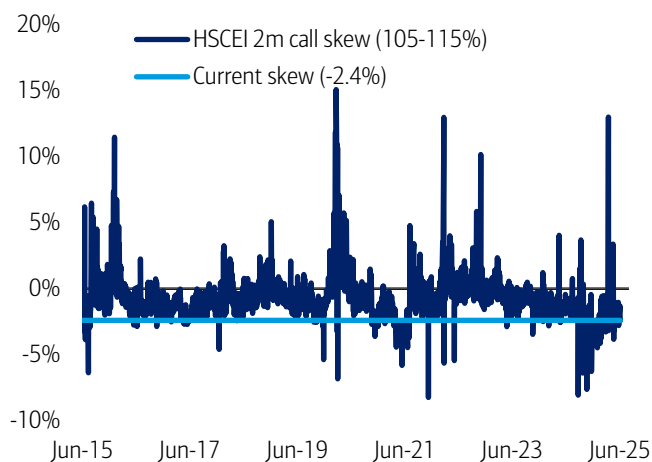
Exhibit 29: Chinese interest rates are at record-lows with government bonds an increasingly unattractive alternative compared to other investments. Indeed, with the 10y bond yielding 1.6%, the HSCEI is offering ~2x the yield as well as the "bonus" of having a sizable Tech and AI exposure

HSCEI dividend yield and China 10-year government bond yield



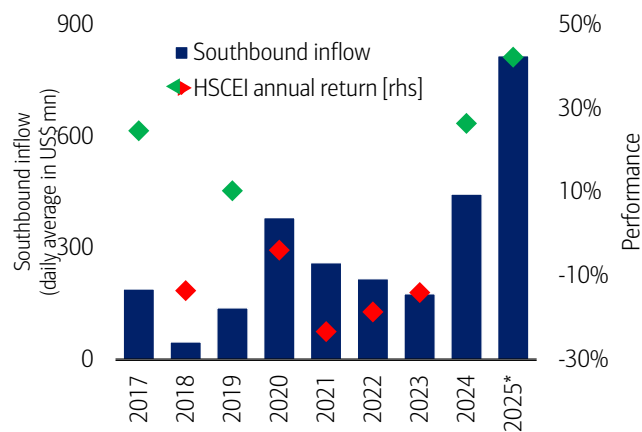
Source: BofA Global Research and Bloomberg. Data: from 1-Jan-2008 through 27-Jun-2025.
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Exhibit 30: The current skew (105%-115%) sits at -2.4%, corresponding to the 9th %-ile vs the past 10 years
HSCEI 2-month skew (105%-115%)



Source: BofA Global Research and Bloomberg. Data: from 27-Jun-2015 through 27-Jun-2025.
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Exhibit 31: Southbound flows in 2025 have nearly doubled from last year. Recently, these flows have predominately targeted Hong Kong financials, providing crucial support for the sector's performance
Southbound flows and annualised return of HSCEI

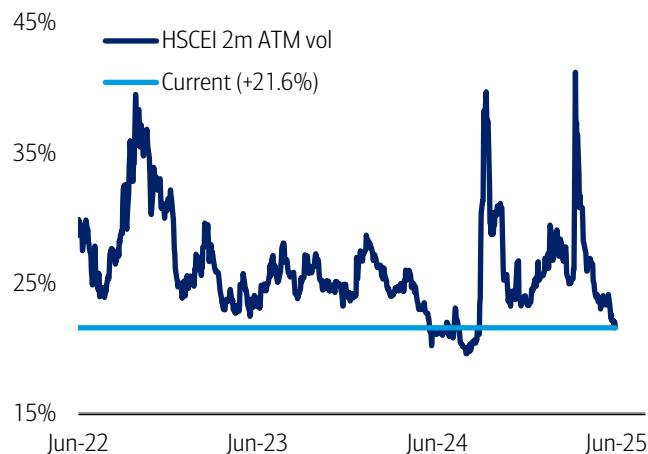


Source: BofA Global Research. Data: from 31-Dec-2016 through 27-Jun-2025. *: estimated annualized return.

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Exhibit 32: HSCEI vol has fallen towards 3-year lows, making long vega trades such as calls and call spreads seem more sensible

HSCEI 2-month ATM vol



Source: BofA Global Research and Bloomberg. Data: from 27-Jun-2022 through 27-Jun-2025.

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Strong positive inflows from mainland China: Remaining supportive

Southbound inflows (mainland China investments into Hong Kong stocks) have accelerated dramatically in 2025, running at nearly double the 2024 pace.

These flows have predominantly targeted Financials, which offer attractive dividend yield compared to mainland stocks. While this flow won't go on forever, chances are that low bond yields will continue to "force" investors look for dividend yield in Hong Kong. And even if the flow into State Owned Enterprises slows down, chances are that Tech-driven flows return. Earlier in 2025, the rally was fuelled by DeepSeek-related AI plays, benefiting tech giants such as Alibaba, Tencent, Xiaomi, BYD, and Meituan (Exhibits 27 and 31). However, that was interrupted by tariffs and persistent deflationary pressures.



Summary of Open Trades (30-Jun-25)

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 30-Jun-25

Summary of open trades as of 30-Jun-25

| Trade Description | Open Date | Open Level | Expected Trade Term | Rationale |
|---|-----------|-------------|---------------------|---|
| Replicate ESTX50 Dec24-Dec25 3900 FVA with a static option portfolio implying an FVA level of 16.2v (vs OTC level of 19.3v) | 22-Nov-22 | 19.3v | Dec-25 | Backwardation in vol term structure makes fwd starting vol lower; Expensive fwd var argues for vol replication, for a 3+ vol pt cheapening vs OTC, a level at ~2/3rd of YTD realised vol (and 13v lower than fwd var). Shift to participation products may steepen vol term structure |
| Long SX7E Dec24/Dec25 fwd-starting var replication: Long Dec25 60%-120% corridor var replication* & short Dec24 60% upvar replication for 22.4v (~6v disc. with replication; SX7E spot ref: 113.70) | 21-Nov-23 | 22.4v | Dec-25 | Alpha from still-stressed variance premia for long or short volatility |
| Buy an SX5E 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 SX5E 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 |
| 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% | Jun-25 | Taiwan risk: Unlikely but high impact; low-cost tail hedge for 40x max payout |
| Buy SX5E Jun25/Dec25 floating (110% of spot) FVA call for 1.1% (14v) | 19-Aug-24 | 1.1% | Jun25 | Leverage record-low SX5E forward-starting implied volatility. |
| 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% |
| Buy NDX Dec25 ATM upvar for 17v indicatively (t & t-1 convention, Dec25 var ref. 25.1v) | 26-Nov-24 | 17v | 19-Dec-25 | Dislocations in deep OTM put skew have created a historically attractive entry point for upside conditioned variance relative to unconditional variance, especially if a higher vol bubble regime is likely. |
| Buy NDX Dec25 80% upvar for 20.15v indicatively (t & t-1 convention, Dec25 var ref. 25.1v) | 26-Nov-24 | 20.15v | 19-Dec-25 | Dislocations in deep OTM put skew have created a historically attractive entry point for upside conditioned variance relative to unconditional variance, especially if a higher vol bubble regime is likely. |
| Buy a Jun25 ATM (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% | 20-Jun-25 | We anticipate the coming months to be rife with US trade policy discussions. Swings in the USD are to be expected and a call on return dispersion on low(er) vol, USD-sensitive stocks can offer a way to position for currency volatility. |
| Buy Dec25 FTSE div futures as a Dollar (vs Sterling) strength beneficiary | 26-Nov-24 | 299.5 | 19-Dec-25 | FTSE Dec25 dividend futures stand out vs SX5E and SX7E for having a large discount. FTSE dividends should be a beneficiary of USD strength, as ~43% of its dividends are announced by globally-exposed FTSE companies in USD. |
| Long Dec25 VolSwap dispersion on custom names vs the ESTX50 | 26-Nov-24 | 9.5v | 19-Dec-25 | A highly fragile environment and greater idiosyncratic risk for EU stocks creates a favourable backdrop for vol dispersion strategies |
| 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% | 19-Dec-25 | Taiwan risk: Low-cost tail hedge for 22x max payout |
| XUA Jun25 110% 130% call spreads for 2.94% (indic. 22% delta) | 26-Nov-24 | 2.94%/1.02% | 13-Jun 25 | China > Japan: Hedging a reversal of the ABC trade |
| Partially funded by selling a NKY Jun25 110% call conditional on US 2yr rates lower, for 1.02% (47% of vanilla, corr bid @0.1, indicative only) | | | | |
| Buy NKY 3-month 102% 106% 1x1.5 call ratio for 0.65% (indic. Spot ref: 39,028, 3.5 delta, -16.4 vega, vols: 18.5/17.9, 6.1x max payout) | 21-Jan-25 | 0.65% | Apr-25 | Nikkei upside trade: Call ratios for 6.1x max payout |
| Buy NDX Dec25 ATM upvar for 16.8v indicatively (t & t-1 convention) | 27-Jan-25 | 16.8v | Dec25 | Own upside vol at historic entry point with NDX upvar |
| Buy TWSE > KOSPI2 103% 11-Sep-25 outperformance call contingent on KOSPI2 up for 1.52% | 3-Feb-25 | 1.52% | 11-Sep-25 | 66% discounted low-risk way to buy the dip in Taiwan |
| 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% | Jun25 | Unloved EU Autos can race ahead in a beta-fuelled rally; leverage the extreme flat call skew for over 10x upside |
| 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% | 27-Jun25 | Stock replace rallying China Tech names by Worst of calls for 63% discount |
| 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% | 27-Jun 25 | China laggards: FTSE China A50 call spreads for 4.5x max payout |
| 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% | Jun25 | EZ Banks lead but hedge EU risks &/or rotation into US banks from deregulation |
| 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% | Sep-25 | Buy the NKY & USD/JPY dips at limited risk: 6.3x payout via dual digitals |
| Buy NDX Dec25 ATM upvar for 18.15v indicatively (t & t-1 convention) | 24-Mar-25 | 18.15v | Dec25 | Long delta / long vol expression to benefit from a continuation of an AI bubble |
| 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 | 1.17% | Sep25 | Position for higher US stocks and a stronger US dollar if increased appetite for the US |
| Buy SPX > RTY Jul25 ATM outperf call for 2.86% indicatively (+85 correl bid; ref. 5747, 2095) | 24-Mar-25 | 2.86% | Jul25 | Position for continued US exceptionalism which may be led by further tech (S&P) growth in excess of small caps (Russell) |
| 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% | Jul25 | Position for continued US exceptionalism which may be led by further tech (S&P) growth in excess of small caps (Russell) |
| 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% | Jun25 | Make up to 18x should the Kospi rally back towards 2024 highs |



Table 1: Summary of open trades as of 30-Jun-25

Summary of open trades as of 30-Jun-25

| Trade Description | Open Date | Open Level | Expected Trade Term | Rationale |
|--|-----------|------------|---------------------|--|
| 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 | Jun25 | Europe unleashed amidst growth-tariff tussle: Buy low cost SXXP calls |
| Buy Jun25 105%-115% MDAX call spreads for 2.8% indicatively | 11-Mar-25 | 2.8% | Jun25 | Cheaply hedge two-way risk of historic German policy push |
| Buy DAX Dec-25 85% upvar for 18.3v (fair variance ref of 23.3v) | 11-Mar-25 | 18.3v | Dec25 | Cheaply hedge two-way risk of historic German policy push |
| Long 1.2x SXXP, Short 1x SX6P 35D Jun25 put switches for zero premium (refs 564, 395 respectively) | 4-Mar-25 | 0% | Jun25 | EU equities scale dizzying heights amidst war & tariffs: Proceed with caution |
| 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. | 25-Feb-25 | 0% | Jun25 | EZ Banks lead but hedge EU risks &/or rotation into US banks from deregulation |
| Buy an HSCEI 16-May-25 9,100 9,700 10,300 call fly for HK\$77.5 (-0.9%, 6d, Vols: 28.5 29.9 31.2, Options on futs, Spot/May fut refs: 8,725/8,757, +1x 9,100 call/-2x 9,700 calls/+1x 10,300 call) | 10-Mar-25 | 0.9% | 16-May-25 | Replacing HSCEI longs with low premium 7.7x max payout call flies |
| Buy VIX Sep 30/45 call spread for \$1.50 indic mid levels(10x max payout ratio; UXU5 23.75) | 4-Apr-25 | \$1.50 | Sep25 | Own laggard forward vol in case of further temporary stress turn systemic |
| Buy VIX Sep 30/50 call spread for \$2 indicatively (10x max payout ratio; UXU5 ref 23.50) | 7-Apr-25 | \$2.00 | Sep25 | Own laggard forward vol in case of further temporary stress turn systemic |
| 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% | Jun25 | Catching a falling knife at lower risk: NKY 2m call ratios funded by 1m 80% put |
| 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 |
| 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% | Sep25 | Limited-risk NKY>SPX outperformance hybrid as JPY longs hit 25yr highs |
| 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% | Sep25 | Monetize elevated tail skew to cheapen grind lower hedges |
| 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 |
| 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 | 29-May-25 | Bullish Nifty riskies: Strongest recovery, trade optimism, low vol/steep skew |
| (Appearing call spread): Buy XIN9I Sep25 105%-115%-125% appearing call spread (continuous obs.) for 1.82% (10.9x max payout ratio, vs 1.75% vanilla 105%-115% call spread, ref. 13,200) | 28-Apr-25 | 1.82% | Sep-25 | A US/China deal may not be imminent, but hedge the risk of a Q3 upside rip |
| (Up & out call): Buy XIN9I 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% | Sep-25 | A US/China deal may not be imminent, but hedge the risk of a Q3 upside rip |
| 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 SX5E Dec26 dividends, vs short SPX Dec26 dividends. | 6-May-25 | \$0.00 | Dec26 | Dec26 dividends are more heavily discounted for SX5E than for SPX, despite what we view as higher earnings risk in SPX companies, relative to SX5E |
| Sell TWSE 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 | Aug25 | TWSE rallied 9 out of 10 times on TWD up-fragility: Trade PSCs & call calendars |
| 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 | Aug25 | TWSE rallied 9 out of 10 times on TWD up-fragility: Trade PSCs & call calendars |
| 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 | Dec25 | Monetize 'crash-fear' via selling still elevated ESTX50 variance convexity |
| Buy HSCEI delta 1 overlayed 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 | 15-Aug-25 | Reprieve rally: Long HSCEI but add low cost hedges for rare asymmetry |
| Buy HSCEI 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 | Jun25 | Reprieve rally: Long HSCEI but add low cost hedges for rare asymmetry |
| Buy initially delta-hedged SX5E Jul'25 40-delta calls (implied vol: 15.5v). | 12-May-25 | 15.5v | Jun25 | What if Europe is next after China? Own initially delta-hedged SX5E calls |
| 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 | Jun25 | What if Europe is next after China? Own initially delta-hedged SX5E calls |
| 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, 4.06%) | 19-May-25 | 0.36% | Jul25 | Harvest elevated equity-rates correlation to cheaply hedge lower equities and higher long-end yields |
| 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 | Jul25 | Rangebound on lower vol? Trade iron condors or double no-touch |
| 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% | 8-Aug 25 | Rangebound on lower vol? Trade iron condors or double no-touch |
| 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 | Jul25 | Monetize vol floor to cheapen US equity upside |
| 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% | Sep25 | Hedge grind lower risk using PDOs with nearly 80% discount to vanilla put spread |
| 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% | Jul-25 | Kospi calendar riskies: Efficient beta amid FX strength & improving sentiment |



Table 1: Summary of open trades as of 30-Jun-25

Summary of open trades as of 30-Jun-25

| Trade Description | Open Date | Open Level | Expected Trade Term | Rationale |
|---|-----------|------------|---------------------|---|
| Buy SX5E 15-Aug-25 40d/25d (98.5%/94.2% ^f) put spread for 1% indicatively (60% discount vs naked 40d put, 4x max payout ratio; spot ref. 5326). | 27-May-25 | 1% | 15-Aug-25 | Deal or no deal: Hedge EU tariff tremors with SX5E put spreads |
| 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 |
| 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 | 26-Jun-25 | Nifty skew collapse offers a near zero premium way to own downside convexity |
| 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 (max 8x payoff, refs: 5345 and 1.141 respectively) | 2-Jun-25 | 12.5% | Aug-25 | SX5E up, EUR/USD up dual digitals |
| Buy SX5E Sep25/Mar26 85% Forward Upvar at 16.3v (-6v discount vs vanilla forward var, t & t-1 convention). | 2-Jun-25 | 16.3v | Sep25/Mar26 | Still-rich tails & flat term offer ESTX50 85% Fwd Upvar at ~16v |
| Buy SPX Jul 5850/5250 put spread for \$39.4 (15.2x max payout ratio; ~25D/5D strikes; ref. 6036.78) | 16-Jun-25 | \$39.4 | Jul25 | Leverage historically steep SPX skew to hedge downside equity risk |
| Buy SPX < 95% / USO > 107% Sep25 dual digital for 8% indicatively (12.5x max payout ratio, correl bid +0, ref. 6073, 80.22) | 16-Jun-25 | 8% | Sep25 | Hedge geopolitical risk by targeting equity- down, oil up scenarios in hybrid format |
| 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 | 0.75% | Sep25 | Election and geopolitics: Replace longs by Nikkei calls contingent on weaker yen |
| -1x 24,400 put (-29d) & +3x 23,500 puts (-12d) | | | | |
| 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% | 31-Jul 25 | The collapsing put skew still favours 1x3 put ratios |
| -1x 24,400 put (-29d) & +3x 23,500 puts (-12d) | | | | |
| 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 | Sep25 | Position for vol normalization while monetizing vol floor. |
| 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 | Jul25 | Hedge oil spike redux with USO call spreads that leverage near record call skew. |
| 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 | Sep25 | Kospi zero-cost riskies: Adding hedges onto the world's best performing stocks |
| Long SX5E Aug25 5375 (~33d) call (1.3%, ref 5221.9), short V2X Aug25 19 put for €1.4 (ref 21.0) in a ~1:5 contract ratio for a credit (0.2% of eq notional) | 23-Jun-25 | €1.4 | Aug 25 | What about a resolution? Fund SX5E calls with V2X puts as vol likely supported |
| Long Aug-25 SX7E<95%, Brent futures (COV5) > 85 dual digital for 8.65% indicatives (11.6x max payout ratio. Correlation bid -18%, refs: SX7E 196.85 and COV5 74.4) | 23-Jun-25 | 8.65% | Aug25 | Brace for impact if Middle East tensions accelerate: Buy SX7E, FTSE hedges |
| Long FTSE Aug25 97.6% (30-delta) puts for 1.06% (ref: 8758.04) | 23-Jun-25 | 1.06% | Aug25 | Brace for impact if Middle East tensions accelerate: Buy SX7E, FTSE hedges |
| 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 | Aug25 | Monetize vol floor to directionally trade equities. |
| 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 | Jul25 | Leverage flat call skew to trade upside in regional banks. |
| Long HSCEI 15-Aug-25 9,100 9,800 call spreads for HKD 89 (indic. 1.02% of spot, options on futs, Aug fut ref: 8,668, 20 delta, vols: 21.1%/23.6%, 7.9 max payout): | 30-Jun-25 | HKD 89 | 15-Aug-25 | US/China trade talks shifting HSCEI ceiling higher: Buy 7.9x payout call spreads |

Source: Bloomberg, 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".

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Summary of Closed Trades (30-Jun-25)

Table 2: Summary of closed trades as of 30-Jun-25

Summary of closed trades as of 30-Jun-25

Trade Description

Consider selling SXSE May24 -4900+4850 (1x2) put ratios and pay 74bps upfront (spot ref: 4935), hedged or unhedged.

Buy IWM May 212-225 call spreads for \$3.34 (3.9x max payout, 40d-18d, ref. 205.24)

Buy IWM May 185-175 put spreads for \$1.11 (9x max payout, ref. 195.78)

Buy SPY May 510-525 call spreads for \$5

Fully finance a NIFTY 30-May-24 22,500 call by selling a NIFTY 27-Jun-24 23,700 call (indic. +13% delta, vols: 13.0/18.7, spot ref: 22,004). Consider delta hedging

Buy a 13-Jun-24 NKY KOSPI2 SXSE 90%-70% Best of put spread for 0.85% (qUSD, 24x max payout, 52% discount to avg. vanilla)

Buy KOSPI2 Jun-24 variance against NKY variance at -4.25% KOSPI2 var offered at 18.10% vs NKY var bid at 22.35% (Indic. Sep fut refs: 346.00 and 32,670)

Long 1.5x SX7E Jun24 132 (50d) calls and short 1x Mar25 142.5 (40d) call for indicatively 0 upfront premium (spot ref: 135.69).

Consider Jun24 SX7E vs SXSE ATM outperformance, contingent on SXSE being up at expiry for 0.91%, a discount of 53% vs vanilla outperformance (spot ref: SX7E: 127.30, SXSE: 4925.73)

Buy SX8P Jun24 900 calls for 2.3% (33d, 19v; Mar fut ref: 848)

Replicate an SX7E Jun24 varswap at 24.8v with just 5 puts and 5 calls with strikes ranging from €70 to €135 (~10d, SX7E ref: 104.37).

Long SXSE Jun24 90% put (20d) for 1.7% (ref: 4340), short iTraxx Main S40 5y CDS at 69bp. Credit/equity notional = 1.61x (8.1x delta-adjusted). Sizing such that CDS carry & roll P&L in 6m funds ~65% of the equity put premium.

Sell 1x Jun24 4850 call, buy 1.5x Aug23 4425 calls

Buy a Jun24 Mag7 40D equal-weight basket of calls (AAPL @ 205, MSFT @ 430, NVDA @ 700, AMZN @ 175, META @ 435, GOOGL @ 165 and TSLA @ 215, equal notional) for 5.18% offer (spot refs. 191.73, 409.72, 624.65, 161.26, 401.02, 153.51, 190.93)

Buy a Jun24 Mag7 40D equal-weight basket of calls (see Trade #1), sell an equal notional of Jun24 XLK 215 calls for 2.92% (40D equiv. strike on XLK, spot ref: 203.60)

Buy Jun24 QQQ 450 calls, sell an equal notional of IWM Jun24 210-220 call spreads for 1.36% (40D equiv. strike on QQQ, 40D-25D equiv. strikes on IWM, spot refs. 428.15, 199.36)

Buy SMH Jun24 110%/130%/150% call fly (+1x/-2x/+1x) for 2.24% (spot ref. 210.35)

Buy NVDA Jun24 105% calls contingent on 2y SOFR > ATMS for 5.95% (37% discount to vanilla, ref. 785, 4.56%, +0.2 correl offer). Risk limited to upfront premium paid.

Buy HYG Jun 75-72 put spreads for \$0.36 (8x max payout, 25d-6d, ref. 77.34)

Buy IWM Jun ATM call contingent on 10Y SOFR between ATMf-ATMf+50bps for 2.25% (54% disc. vs vanilla call, 15 correl offer, ref. 205.24, 3.673%)

Buy IWM over QQQ Jun-24 3% outperf. call for 2.43% (+55 correl bid, ref. 201.96 & 438.71)

Buy SPX Jun24 5050 puts (~25D strike) for \$55.20, with an initial offsetting long delta position on the underlying index (spot ref: 5218.19).

Buy XLE Jun 100-105 calls for 0.66% (4.6x max payout, 34-15 delta, ref. 95.59)

Buy USO Jun 85-90 call spread for \$0.91 (5.5x max payout, 30-15 delta, ref. 78.78)

Buy QQQ Jun 445/470 call spread for \$6.39 (3.9x max payout, 40-10 delta, ref. 432.75)

Buy SMH Jun 230/240/250 call fly (+1x/-2x/+1x) for \$1.29 (7.8x max payout, 38-25-15 delta, ref. 218.38)

Buy HYG Jun 76-73 put spreads for \$0.30 (~25D-5D strikes, 10x max payout ratio, spot ref 77.1).

Buy VIX Jun 15.5-20 call spreads for \$0.57 (7.9x max payout ratio, futures ref. 14.71).

Buy HSCEI 21-Jun 6,500 calls funded by selling 5,200/5,700 put spreads for HK\$103 (~1.64% of spot) (Indicative, 49% delta, Options on Futures [OOF], May fut ref: 6,292)

Buy HSCEI 21-Jun 6,800 calls funded by selling 5,500/6,000 put spreads for HK\$72.7 (~1.11% of spot) (Indicative, 46% delta, Options on Futures [OOF], May fut ref: 6,536)

Buy NVDA Sep24 840 calls for \$97.30 with an initial partially offsetting short delta position on the underlying stock (spot ref: 790.92).

Buy a 20-Sep-24 105% Worst of Call (WoC) on 5 global AI-linked stocks for 2.05% (qUSD, 76% discount to avg. vanilla call): NVIDIA (US), ASML (EU), TSMC (Taiwan), Samsung Elec (Korea) and Tokyo Electron (Japan)

Buy KOSPI2 vs NKY Jun-24 delta-hedged ATM straddles at -2.82% (indic.)

KOSPI2 Jun24 ATM Straddles cost 10.85% (14.88 vol, spot ref 344.32)

NKY Jun24 ATM Straddles cost 13.15% (17.70 vol, spot ref 32,701)

Buy NIFTYM 27-Jun-2024 1x1.5 23,750 24,250 call ratio for 59

Max payout ratio 8.5x; upside break-even at 25,191 (+10.1% from here)

(indic. Spot ref: 22,888, 2.6% delta, -0.01% vega, 20.2/19.6% vols)

Buy NIFTYM 27-Jun-2024 1x1.5 24,000 24,500 call ratio for 55

Max payout ratio 9.1x; upside break-even at 25,445 (+9.4% from here)

(indic. Spot ref: 23,264, 4.3% delta, -0.01% vega, 18.6/18.8% vols)

COQ4 > 95.25 & EURUSD < 98.5%*spot 25-Jun-24 expiry dual digital for 8% indic. (12.5x max payout ratio, correl bid = -0.12, ref. 88.25, 1.0855)

COQ4 > 95.25 & USDCAD > 101.5%*spot 25-Jun-24 expiry dual digital for 7.8% indic. (12.8x max payout ratio, correl offer = +0.05, ref. 88.25, 1.3575).

Long V2X Jun24 20 call for €0.425 (Jun fut. ref: 14.55)

Buy SPX 1y 95% put for indicatively 3.48% (ref. 4556.64)

Buy SPX 1y 95-75% put spread for indicatively 2.44% (8.2x max payout, ref. 4556.64)

GLD Jul 225-235 call spread for \$2.3 (4.3x max payout, ref. 216.5).

SLV Jul 27-30 call spread for 59c (5.1x max payout, ref. 25.4).

HYG Jul24 74-71 put spread for 30c (10x max payout, 25-delta/10-delta strikes, ref. 76.425).

Buy VIX Jul 16/26 call spread for \$0.53 indicatively (~18.8x max payout ratio, ref. 14.3967 in UXN4).

| Open Date | Open Level | Close Level | Close Date | Rationale |
|-----------|---------------|-------------|------------|--------------------------|
| 23-Apr-24 | 74 bps | 0 | 17-May-24 | Trade expired |
| 11-Mar-24 | \$3.34 | 0 | 17-May-24 | Trade expired |
| 16-Apr-24 | \$1.11 | 0 | 17-May-24 | Trade expired |
| 29-Apr-24 | \$5.00 | \$15.00 | 17-May-24 | Trade expired ITM |
| 14-may-24 | 0 | 0.03% | 30-May-24 | Trade expired |
| 06-Nov-23 | 0.85% | 0 | 13-Jun-24 | Trade expired |
| 25-Jul-23 | -4.25% | +1.63% | Jun-24 | Trade expired |
| 25-Mar-24 | 0 | 15.5% | Jun-24 | Trade expired ITM |
| 12-Mar-24 | 0.91% | 0 | Jun-24 | Trade expired |
| 21-Feb-24 | 2.3% | 0 | Jun-24 | Trade expired |
| 23-May-23 | 24.8v | 16.6v | Jun-24 | Trade expired |
| 21-Nov-23 | 1.7% | 9 bps | Jun-24 | Trade expired |
| 11-Jul-23 | \$0.40 credit | -\$118.37 | 18-Aug-23 | Trade exited in Aug23 |
| 29-Jan-24 | 5.18% | 18.55% | 21-Jun-24 | Trade expired ITM |
| 29-Jan-24 | 2.92% | 12.09% | 21-Jun-24 | Trade expired ITM |
| 29-Jan-24 | 1.36% | 7.05% | 21-Jun-24 | Trade expired ITM |
| 26-Feb-24 | 2.24% | 15.93% | 21-Jun-24 | Trade expired ITM |
| 26-Feb-24 | 5.95% | 49.12% | 21-Jun-24 | Trade expired ITM |
| 11-Mar-24 | \$0.36 | 0 | 21-Jun-24 | Trade expired |
| 11-Mar-24 | 2.25% | 0 | 21-Jun-24 | Trade expired |
| 18-Mar-24 | 2.43% | 0 | 21-Jun-24 | Trade expired |
| 25-Mar-24 | \$55.20 | \$61.61 | 21-Jun-24 | Trade expired ITM |
| 22-Apr-24 | 0.66% | 0 | 21-Jun-24 | Trade expired |
| 22-Apr-24 | \$0.91 | 0 | 21-Jun-24 | Trade expired |
| 30-Apr-24 | \$6.39 | \$25 | 21-Jun-24 | Trade expired ITM |
| 30-Apr-24 | \$1.29 | 0 | 21-Jun-24 | Trade expired |
| 7-May-24 | \$0.30 | 0 | 21-Jun-24 | Trade expired |
| 7-May-24 | \$0.57 | 0 | 18-Jun-24 | Trade expired |
| 30-Apr-24 | HK\$103 | 0 | 21-Jun-24 | Trade expired |
| 7-May-24 | HK\$72.7 | 0 | 21-Jun-24 | Trade expired |
| 26-Feb-24 | \$97.30 | \$263.66 | 8-Jul-24 | Exited early at a profit |
| 25-Mar-24 | 2.05% | TBD | 9-Jul-24 | Taking early profit |
| 25-Jul-23 | -2.82% | +0.4% | Jun-24 | Trade expired |
| 28-May-24 | 0.3% | 1.3% | 27-jun-24 | Trade expired |
| 04-Jun-24 | 0.24% | 0.2% | 27-jun-24 | Trade expired |
| 8-Apr-24 | 8% | 0 | 25-Jun-24 | Trade expired |
| 8-Apr-24 | 7.8% | 0 | 25-Jun-24 | Trade expired |
| 14-May-24 | €0.425 | 0 | 16-Jul-24 | Trade expired |
| 25-Jul-23 | 3.48% | 0 | 22-Jul-24 | Trade expired |
| 25-Jul-23 | 2.44% | 0 | 22-Jul-24 | Trade expired |
| 8-Apr-24 | \$2.30 | 0 | 22-Jul-24 | Trade expired |
| 8-Apr-24 | \$0.59 | 0 | 22-Jul-24 | Trade expired |
| 11-Apr-24 | 30c | 0 | 22-Jul-24 | Trade expired |
| 24-Jun-24 | ~\$0.53 | 0 | 22-Jul-24 | Trade expired |



Table 2: Summary of closed trades as of 30-Jun-25

Summary of closed trades as of 30-Jun-25

| Trade Description | Open Date | Open Level | Close Level | Close Date | Rationale |
|---|-----------|---------------|---------------|------------|---------------------------------------|
| Sell 1x NKY 1y 95-75% put spread, buy 2x SPX 1y 95-75% put spreads for ~zero cost (ref. 32700.94 & 4556.64) | Jul-24 | 0 | 0 | 22-Jul-24 | Trade expired |
| Buy HSCEI 19-Jul-24 6,600 / 6,900 / 7,200 call fly financed by selling a 5,700 put for a HK\$5 (-0.08%) -1x 5,700 put / +1x 6,600 call / -2x 6,900 calls / +1x 7,200 call (indic. OOF; June fut ref: 6,466, +18% delta, -0.1% vega) | 19-Jul-24 | HK\$5 | 0 | 22-Jul-24 | Trade expired |
| Buy QQQ Aug24 455/440 put spread for \$3.36 (4.5x max payout ratio, ref. 463.9, ~34D/~16D strikes). | 29-Jul-24 | \$3.36 | \$7.69 | 5-Aug-24 | Exited early at a profit |
| Buy QQQ 5-Aug-24 490-500 call spread for \$2.78 indicatively (3.59x max payout, ~36D-16D strikes, ref. 482.32) | 22-Jul-24 | \$2.78 | 0 | 5-Aug-24 | Trade expired |
| Sell 1x SPX 12m 110% call, buy 1x SPX 12m 90% put (ref. 4588.96) | 1-Aug-23 | \$7.62 credit | \$483 debit | 16-Aug-24 | Trade expired ITM |
| Sell 1x SPX 12m 110%-120% call spread, buy 1x SPX 12m 90% put (ref. 4588.96) | 1-Aug-23 | \$19.82 | \$458 debit | 16-Aug-24 | Trade expired ITM |
| Buy SPX Aug24 5500-5300 put spread for \$30.8 indicatively (6.49x max payout, ~33D-11D strikes, ref. 5564.41). | 22-Jul-24 | \$3.63 | 0 | 16-Aug-24 | Trade expired |
| Buy IWM (Russell 2000) Aug24 228/238 call 1x1.5 for \$1.78 (5.6x max payout ratio, ref. 222.06, ~35D/~13D strikes) | 29-Jul-24 | \$1.78 | 0 | 16-Aug-24 | Trade expired |
| Buy 1x VIX Sep 25 put, sell 1x VIX Oct 25 put for zero upfront cost indicatively (UXU4 ref. 30.39111, UXV4 ref. 27.3048) | 5-Aug-24 | ~\$0 | \$1.20 credit | 27-Aug-24 | Exited early at a profit |
| Sell 1x KOSPI2 3-mothn 105% call against 1x NDX 3-month 105% call for zero cost (both 105% of forward) (Indic, both 28.5% delta & 15.8% vol; forward refs: 375.29 & 18.365) | 7-May-24 | 0 | 0 | 8-Aug-24 | Trade expired |
| Buy NKY 3-month 103% 110% call spreads funded by selling 95% 88% put spreads for 0.48% (spot ref: 39,070, +42% delta) +1x 103% call / -1x 110% call / -1x 92% put / +1x 85% put | 21-May-24 | 0.48% | 0 | 9-Aug-24 | Trade expired |
| Buy 29-Aug NIFTYM "bullish condors" and collect \$149 (indic. listed, ~0.61% of spot, corresponding to 7.3% annualised yield) | 22-Jul-24 | \$149 | 0 | 29-Aug-24 | Trade expired |
| +1x 22,800 put / -1x 23,800 put / -0.5x 25,500 call / +0.5x 26,500 call | 25-Aug-24 | \$1.81 | \$10.00 | 6-Sep-24 | Trade expired ITM |
| Buy SPY 6-Sep 555-545 put spreads for \$1.81 offer over 5x max payout, ref. 561.07 | 09-Apr-24 | 2.17% | 0 | 20-Sep-24 | Trade expired |
| Sep24 SXPP > UKX 105% outperformance call, contingent on UKX > 0 at expiry, for 2.17% (implied correl: 58%, fwd: 99.9% for SXPP; 100.5% for UKX) | 23-Apr-24 | 5.6% | 0 | 20-Sep-24 | Trade expired |
| Buy a Sep24 Dual digital that pays out if SX5E < 4600 (25d) & oil (COX4) > 94 (25d) for 5.6% indicatively (refs VGM4: 4900; COX4: 83, correl bid: ~15%). | 23-Apr-24 | 55 bps | 0 | 20-Sep-24 | Trade expired |
| Buy a Sep24 SX5E 105% (~30d) call contingent on EURUSD < 1.055 (33d) for 55bps indicatively, a ~65% discount vs vanilla call (vanilla ref 1.58%). | 7-May-24 | 86bps | 38bps | 20-Sep-24 | Trade expired ITM |
| Long SX5E Sep24 97.5% put conditioned on EURUSD > 1.09 for 86bp (~60% discount vs vanilla put, EURUSD spot ref: 1.078). | 30-Jul-24 | 1.06% | 0 | 20-Sep-24 | Trade expired |
| Long SX5E Sep24 €4700 put (30d, ref: €4815.4) for 1.25%, sell RSP Sep24 \$166 put (30d ref: \$170.2) for 1.06%. | 11-Mar-24 | 2.22% | 0 | 20-Sep-24 | Trade expired |
| Buy an SPX Sep24 95% resettable put with single monthly reset until Jun24 and reset barrier of 105% for 2.22% indic. (34bp premium to vanilla, spot ref. 5123.69) | 11-Mar-24 | 2.58% | 0 | 20-Sep-24 | Trade expired |
| Buy an SPX Sep24 95% max lookback put with reset in Jun24 (monthly observation) for 2.58% indic. (70bp premium to vanilla, spot ref. 5123.69) | 18-Mar-24 | 3.35% | 1.07% | 20-Sep-24 | Trade expired ITM |
| Buy INDU, NDX & RTY Sep 100% call on an equally weighted basket, sell equal notional of INDU, NDX & RTY Sep 100% worst-of calls for 3.35% (44% discount to average individual call, spot ref. 38790.43, 17985.01, 2024.74) | 10-Jun-24 | 47bps | 0 | 20-Sep-24 | Trade expired |
| Buy EFA 103% Sep24 calls contingent on EURUSD < ATMs for 47bps (65% discount to vanilla, +0.33 correl bid, ref. 81.17, 1.0755) | 24-Jun-24 | 1.75% | 1.94% | 20-Sep-24 | Trade expired ITM |
| Buy SPW > SPX Sep24 ATM outperformance call for 1.75% offer (+80 correl bid, ref. 6725.85, 5447.87) | 24-Jun-24 | 0.87% | 1.94% | 20-Sep-24 | Trade expired ITM |
| Buy SPW > SPX Sep24 ATM outperformance call contingent on SPX > 100% at expiry for 0.87% offer (50% discount to unconditional, +80 correl bid, ref. 6725.85, 5447.87) | 5-Aug-24 | ~\$1 | 0 | 18-Sep-24 | Trade expired |
| Buy VIX Sep 35/50/65 call fly (+1x/-2x/+1x) for ~\$1 indicatively (theoretical mid pricing + bid-offer TBD at time of trade), ~15x max payout ratio, UXU4 ref. 30.3911) | 5-Aug-24 | \$0.24 | 0 | 20-Sep-24 | Trade expired |
| Buy HYG Sep 75/72 put spread for \$0.24 indicatively (12.5x max payout ratio, ~23D/11D strikes, ref. 77.22) | 5-Aug-24 | \$3.12 | \$2.44 | 20-Sep-24 | Trade expired ITM |
| Buy QQQ Sep 480/500 call spread for \$3.12 indicatively (6.4x max payout ratio, ~19D/8D, ref. 435.37) | 16-Sep-24 | \$0.40 | 0 | 20-Sep-24 | Trade expired |
| Buy XLP Sep 83/81 put spread for \$0.40 | 5-Feb-24 | 4.98% | 0 | 20-Sep-24 | Trade expired |
| Buy CSI 1000(1) 20-Sep-24 110% calls for 4.98% (+27d, 37.3v) | 25-Mar-24 | 0.74% | 0 | 12-Sep-24 | Trade expired |
| Buy a 12-Sep-24 105% Worst of call on NKY, KOSPI2 & TWSE for 0.74% (qUSD, 70% discount to avg. vanilla calls) | 16-Jul-24 | JPY 236 | 0 | 12-Sep-24 | Trade expired |
| Buy NKY 13-Sep-24 42,500 44,000 1x1.5 call ratios for JPY 236 (~0.57% of spot; +1x 42.5k calls, -1.5x 44k calls; 8% delta and 6.3x-to-1 max payout ratio; vols: 16.6% 16.3%; spot ref: 41,190) | 29-Jul-24 | 0.48 debit | 15 | 12-Sep-24 | Trade expired ITM |
| Sell KOSPI2 12-Sep-24 350 365 390 PSC for a KRW 0.48 debit (~0.13% of spot. Spot ref: 374.20, 45% delta, 19.1v/17.9v/16.2v) | 12-Aug-24 | 0.46% | 0 | 13-Sep-24 | Trade expired |
| Sell NKY 13-Sep-24 105% calls and buy 13-Dec-24 105% 112% call spreads for 0.46% (indic. Spot ref: 35,609, vols: 27.5/22.6/20.9) | 30-Sep-24 | \$0.82 | 0 | 4-Oct-24 | Trade expired |
| Buy SPY 40ct 580-585 call spreads for \$0.82 (6x max payout, ref. 571.47) | 16-Apr-24 | 3.24% | 0 | 18-Oct-24 | Trade expired |
| 6m SPX>RTY 3% outperformance calls for 3.24% (72 correl bid, ref. 5071 & 1975) | 16-Apr-24 | 0.61% | 0 | 18-Oct-24 | Trade expired |
| 6m SPX>RTY 3% outperformance calls contingent on RTY up at expiry for 0.61% (81% discount to vanilla). | 19-Aug-24 | \$25.80 | 0 | 18-Oct-24 | Trade expired |
| Buy SPX Oct24 5450-5250 put spread for \$25.8 indicatively (~31D/~17D strikes; 7.7x max payout ratio; ref. 5608.25). | 19-Aug-24 | \$0.00 | \$61.60 | 16-Oct-24 | Trade closed at expiration of VIX leg |
| Sell VIX Oct24 17 puts (~36D strike, UXV4 ref. 17.92) to buy SPX Dec24 5450-5000 put spreads (~34D/~14D strikes, ref. 5608.25). | 27-Aug-24 | \$37.30 | 0 | 18-Oct-24 | Trade expired |
| Sizing for zero cost is ~2.2 SPX put spreads for every 100 VIX puts sold. | 27-Aug-24 | \$0.00 | 0 | 18-Oct-24 | Trade expired |
| Buy SPX Oct24 5550-5300 put spread for \$37.3 indicatively (~34D/15D strikes, 6.7x max payout ratio; ref. 5625.80). | 9-Sep-24 | \$46.00 | 0 | 18-Oct-24 | Trade expired |
| Sell VIX Oct24 17 puts (~39D strike, UXV4 ref. 17.64) to buy SPX Oct24 5550-5300 put spreads (~34D/15D strikes; ref. 5625.80). | 9-Sep-24 | \$21.30 | 0 | 18-Oct-24 | Trade expired |
| Buy SPX Oct24 5400-5150 put spread for \$46 indicatively (~36D/~16D strikes; 5.4x max payout ratio; ref. 5471.05) | 16-Sep-24 | \$0.65 | \$1.95 | 18-Oct-24 | Trade expired ITM |
| Buy SPX Oct24 5400-5200-5000 put fly (+1x/-2x/+1x) for \$21.3 indicative (~36D/~19D/~10D strikes; 9.3x max payout ratio; ref. 5471.05) | 9-Jul-24 | 0.04% | 0 | Oct-24 | Trade expired |
| Buy XLU Oct 80 calls for \$0.65 | 27-Aug-24 | \$130 | \$500 | 26-Sep-24 | Call legs expired ITM |
| Sell 1x KOSPI2 3-month 105% call against 1x NDX 3-month 105% call for 0.04% (both strikes 105% of fwd, indic. NDX delta 27.9%, KOSPI2 delta 27.6%, both 15.4% vol; fwd refs: 396.58 & 20,711) | 30-Sep-24 | \$0.41 | 0 | 18-Oct-24 | Trade expired |
| Sell NIFTYM 26-Sep-24 24,000 24,500 25,700 26,200 Iron Condors for \$130 (~0.52% of spot or 6.7% p.a.; spot ref: 25,018) +1x 24,000 put / -1x 24,500 put / -1x 25,700 call / +1x 26,200 call | 07-Oct-24 | 2.1% | 0 | Nov-24 | Trade expired |
| Buy FXI Oct24 33-36 call 1x2 (buy 1x, sell 2x) for \$0.41 indicatively. (7.3x max payout ratio, ~37D/13D strikes, ref. 31.805). | 7-May-24 | 2.49% | 0 | 15-Nov-24 | Trade expired |
| Buy an SX7E Nov24 147 call (for 2.1% indic., spot ref 144.47, 40delta, 13bps vega), initially delta-hedged. | | | | | |
| Buy SPX > RTY 6m 3% outperformance calls for 2.49% (spot ref. 5187.7, 2064.65) | | | | | |



Table 2: Summary of closed trades as of 30-Jun-25

Summary of closed trades as of 30-Jun-25

Trade Description

Buy SPX > RTY 6m ATM outperformance calls contingent on RTY up at expiry for 0.9% (76% discount to vanilla, spot ref. 5187.7, 2064.65).

Buy KRE Nov 60-65 call spreads for \$0.87 (6x max payout, ref. 55.92)

Buy SPX Nov 5500-5200 put spread for \$37.3 indicatively (8x max payout ratio, ~27D/~12D strikes, spot ref. 5695.94)

Buy VIX Nov 18-16 1x1.5 put ratio (buy 1x / sell 1.5x) for \$0.69 indicatively (2.9x max payout ratio, ~28D/15D strikes, UXX4 ref. 19.47)

Buy ASHR Nov24 30-35 call spread for \$0.71 indicatively (~35D/10D strikes, 7x max payout ratio, ref. 28.03).

Buy QQQ 31Oct 510 call for \$2.52 or 0.50% (2.5% OTM, 25 delta, ref. 497.50).

Buy QQQ 31Oct 505-515 call spread for \$2.84 (36-16 delta, ref. 497.50).

Buy NIFTYM 31-Oct-24 expiry 23.6k/25.9k risk reversals for 18.5 INR (indic. spot ref: 24,796, 20.6% delta, vols: 16.7% and 11.5%).

Buy SPY Nov 575-555 put spreads for \$3.35 or 0.57% (6x max payout, 98.5%-95%, 32d-12d, ref. 583.68).

Buy XLF Nov 46 puts for \$0.45 or 0.94% (2.6% OTM, 28d, ref. 47.235).

Buy SPX 1-Nov 5875 call for \$21.3 indicatively (~35D strike, ref. 5823.52).

Sell 1x IWM 8Nov ATM straddle, buy 1.6x SPY 8Nov ATM straddles for zero cost (refs. 222.49, 580.77)

Buy SPY 22Nov 610-620 call spreads for \$0.93, over 10x max payout, ref. 598.20).

Buy SPY 22Nov 610-620 call spreads for \$1.03, nearly 10x max payout, ref. 597.87

Buy QQQ 22Nov 490-480 put spreads for \$2

Buy KOSPI2 3-month 90-110 risk reversals for a 0.32% credit (indic. spot ref: 365.52, 30% delta, vols: 22.5% and 16.7%).-1x KOSPI2 3m 90% put / +1x KOSPI2 3m 110% call

Buy 3x TWSE 20-Nov-24 23,500 calls and sell 1x 20-Nov-24 22,300 call for a total cost of TWS15 (-0.07% of spot, spot ref: 21,850) -1x 22,300 call: \$536, 42d, 19.9v / +3x 23,500 call: \$184, 19.4d, 19.1v

Buy SPY 13Dec 605-600 put spreads cost \$0.83

Buy 12-Dec-24 110% 130% call spreads on a basket of strong momentum Asia Tech names for 3.7%. 5.4x max payout ratio (indic. quanto USD, equal weighted basket of 3690 HK / 2330 TT / 000660 KS)

Buy a 13Dec24 NKY 105% call option contingent on JPY OIS 10y rates > ATMF+20bps at expiry for 1.32% (Correlation offer: -0.05, 63% discount to vanilla; indicative)

Buy NDX Dec24 ATM Upvar for 16.3v (t & t-1 convention, Dec24 var ref: 23.9v).

Buy NDX Dec24 80% Upvar for 19.6v (t & t-1 convention, Dec24 var ref: 23.9v).

Buy XLI 105% Dec24 call contingent on TLT < 97% at expiry for 1.65% (42% discount to vanilla, -0.10 correl bid, ref. 122.71, 90.89).

Buy RTY < 95%, TLT > 105% Dec24 dual digital for 10.5% (9.5x max payout, 0 correl bid, ref. 2031.61, 90.89)

Buy SPX < 95% / 2y SOFR > ATMs + 25bps Dec24 dual digi for 8.25% indicatively (12.1x max payout ratio, +10 correl bid, ref. 5336.02, 3.8195)

Buy SPX < 99% / 2y SOFR > ATMs + 25bps Dec24 dual digital for 6.5% indicatively (15.3x max payout ratio, +9 correl bid, ESU4 ref. 5598.5, 2y SOFR spot ref. 3.85%)

Buy SPX < 98% / 2y SOFR > ATMF + 25bps Dec24 dual digital for 9.1% indicatively (~11x max payout ratio, +16 correl bid, SPX spot ref. 5616, 2y SOFR fwd ref. 3.043%).

Buy SPX < 98% / EURUSD < 99.6% Dec24 dual digital for 15.2% indicative (~6.6x max payout ratio, +20 correl offer, SPX spot ref. 5616, EURUSD spot ref. 1.11245).

Sell VIX Oct24 17 put to buy VIX Dec24 17 put for net cost of \$1.32 indicatively (UXV4 ref. 18.75, UXZ4 ref. 18.27).

Buy VIX Dec24 17 / 14 put 1x2 (+1x / -2x) for \$1.27 indicatively (UXZ4 ref. 18.27).

Buy FXI Dec24 105%-115%-125% appearing call spread (daily obs.) for 2.15% indicatively (9.3x max payout ratio, 12bps/6% premium to vanilla 105%-115% call spread, ref. 32.74).

Buy FXI Dec24 105%-120% up & out call (daily obs.) with rebate of 1.6% for 1.06% indicatively (14.1x max payout ratio, 72% discount to vanilla 105% call, ref. 32.74).

Buy SPY 31Dec 610-620 call spreads for \$1.72 (ref. 604.27)

Buy SPX < 95% / 2y SOFR > ATMF + 25bps Dec24 dual digital for 5.85% indicatively (17x max payout ratio, +13 correl bid, ESU4 ref. 5625, 2y SOFR fwd ref. 3.41%)

Fund NKY Dec-24 36,500 calls by selling 25,000 30,000 put spreads for nearly zero cost (JPY 24 or ~0.07%, spot ref: 33,037, 49d)

Sell 0.55x NKY Dec-24 95% 75% put spreads to fund Dec-24 SPX 95% 75% put spread for 0% (indic. spot refs: 4,547 & 33,354)

Buy NKY Dec-24 105% calls contingent on USDJPY in the [98%, 103%] range for 1.98% (corresponds to [147.0, 154.5] at a 150 JPY ref) (indic. 58% discount to vanilla @4.73%, 55 correl offer)

Buy NKY Dec-24 105% calls contingent on USDJPY in the [98%, 103%] range for 1.50% (corresponds to [142.3, 149.6] at a 145.2 JPY ref) (indic. 64% discount to vanilla @4.22%, 46/52 correl bid/offer)

Buy NKY Dec-24 105% calls contingent on USDJPY > 105% for 1.63% (corresponds to 153.9 at a 146.6 JPY ref) (indic. 50% discount to vanilla @3.25%, 60 correl offer)

Buy HSCEI 20-Dec-24 6,500 7,000 call spreads for \$108 (OOF Sep fut ref 6,167, 20 delta, Vols: 21.2% / 21.5%, 4.6x max payout)

Buy NKY 3-month 102% 106% 1x1.5 call ratio for 0.60% (indic. Spot ref: 37,724, 0 delta, -0.06% vega, vols: 21.4/20.4, 6.7x max payout)

Buy a HSCEI 20-Dec-24 8,000 9,000 call spread financed by selling a 15-Nov-24 6,800 put for \$99

Consider long DAX Dec24 35d-15d put spreads for ~1.2% (spot ref: 18617.01)

Long DAX Dec24 97% put conditioned on EURUSD > 1.12 is offered at 0.6%, > 60% discount vs vanilla.

Long Dec24 DAX < 97% & EURUSD > 1.12 dual digital offered at 10.45% (9.6x max payout).

Buy a 102% Dec24 call on DAX, contingent on SX5E<103% of spot at expiry for 46bps (71% discount vs vanilla DAX calls)

Buy FXI Jan25 106% calls contingent on USDCNH > 101% at expiry for 1.03% indicatively (76% discount to vanilla, -28 correl offer, ref. 32.13, 7.0000).

Buy EEM Jan25 104% calls contingent on USDCNH > 101% at expiry for 0.72% indicatively (72% discount to vanilla, -26 correl offer, ref. 46.02, 7.0000).

| Open Date | Open Level | Close Level | Close Date | Rationale |
|-----------|------------|-------------|------------|----------------------|
| 7-May-24 | 0.90% | 1.6% | 15-Nov-24 | Trade expired ITM |
| 30-Sep-24 | \$0.87 | \$5.00 | 15-Nov-24 | Trade expired ITM |
| 7-Oct-24 | \$37.30 | 0 | 15-Nov-24 | Trade expired |
| 7-Oct-24 | \$0.69 | \$1.35 | 20-Nov-24 | Trade expired ITM |
| 14-Oct-24 | \$0.71 | 0 | 15-Nov-24 | Trade expired |
| 14-Oct-24 | \$2.52 | 0 | 31-Oct-24 | Trade expired |
| 14-Oct-24 | \$2.84 | 0 | 31-Oct-24 | Trade expired |
| 7-Oct-24 | 18.5 INR | 0 | 31-Oct-24 | Trade expired |
| 21-Oct-24 | \$3.35 | 0 | 15-Nov-24 | Trade expired |
| 21-Oct-24 | \$0.45 | 0 | 15-Nov-24 | Trade expired |
| 28-Oct-24 | \$21.30 | 0 | 1-Nov-24 | Trade expired |
| 28-Oct-24 | \$0.00 | -\$4.92 | 8-Nov-24 | Trade expired |
| 11-Nov-24 | \$0.93 | 0 | 22-Nov-24 | Trade expired |
| 11-Nov-24 | \$1.03 | 0 | 22-Nov-24 | Trade expired |
| 17-Nov-24 | \$2.00 | 0 | 15-Nov-24 | Trade expired |
| 19-Aug-24 | 0.32% | 3.08% | Nov-24 | Put leg expired ITM |
| 16-Sep-24 | 0.07% | 1.7% | 20-Nov-24 | Call leg expired ITM |
| 8-Dec-24 | \$0.83 | \$0.79 | 13-Dec-24 | Trade expired ITM |
| 24-Jun-24 | 3.7% | 2.69% | 12-Dec-24 | Trade expired ITM |
| 30-Apr-24 | 1.32% | 0 | 13-Dec-24 | Trade expired |
| 5-Feb-24 | 16.3v | 18.10v | 20-Dec-24 | Trade expired ITM |
| 5-Feb-24 | 19.6v | 18.48v | 20-Dec-24 | Trade expired |
| 10-Jun-24 | 1.65% | 0 | 20-Dec-24 | Trade expired |
| 10-Jun-24 | 10.50% | 0 | 20-Dec-24 | Trade expired |
| 12-Aug-24 | 8.25% | 0 | 20-Dec-24 | Trade expired |
| 19-Aug-24 | 6.50% | 0 | 20-Dec-24 | Trade expired |
| 16-Sep-24 | 9.10% | 0 | 20-Dec-24 | Trade expired |
| 16-Sep-24 | 15.20% | 0 | 20-Dec-24 | Trade expired |
| 16-Sep-24 | \$1.32 | \$1.34 | 18-Dec-24 | Trade expired ITM |
| 16-Sep-24 | \$1.27 | \$1.34 | 18-Dec-24 | Trade expired ITM |
| 14-Oct-24 | 2.15% | 0 | 20-Dec-24 | Trade expired |
| 14-Oct-24 | 1.06% | 0 | 20-Dec-24 | Trade expired |
| 15-Dec-24 | \$1.72 | 0 | 31-Dec-24 | Trade expired |
| 27-Aug-24 | 5.85% | 0 | 20-Dec-24 | Trade expired |
| 06-Sep-23 | 0.07% | 8.9% | 13-Dec-24 | Trade expired ITM |
| 21-Nov-23 | 0% | 0% | 13-Dec-24 | Trade expired |
| 21-Nov-23 | 1.98% | 12.3% | 13-Dec-24 | Trade expired ITM |
| 09-Jan-23 | 1.50% | 0% | 13-Dec-24 | Trade expired |
| 12-Aug-24 | 1.63% | 0% | 13-Dec-24 | Trade expired |
| 4-Sep-24 | \$108 | \$500 | 20-Dec-24 | Trade expired ITM |
| 23-Sep-24 | 0.60% | 2.6% | 13-Dec-24 | Trade expired ITM |
| 30-Sep-24 | \$99 | \$0 | 20-Dec-24 | Trade expired 2.6% |
| 27-Aug-24 | 1.2% | 0 | 24-Dec | Trade expired |
| 23-Sep-24 | 0.60% | 0 | 24-Dec | Trade expired |
| 23-Sep-24 | 10.45% | 0 | 24-Dec | Trade expired |
| 21-oct-24 | 46bps | 0 | 24-Dec | Trade expired |
| 30-Sep-24 | 1.03% | 0 | 17-Jan-25 | Trade expired |
| 30-Sep-24 | 0.72% | 0 | 17-Jan-25 | Trade expired |



Table 2: Summary of closed trades as of 30-Jun-25

Summary of closed trades as of 30-Jun-25

Trade Description

| Trade Description | Open Date | Open Level | Close Level | Close Date | Rationale |
|--|-----------|-----------------|---------------|------------|--------------------|
| Buy Jan25 RTY < 95% / 10Y SOFR > ATMf+15bps dual digi for 10% (+7 correl bid, ref. 2447, 3.8%) | 11-Nov-24 | 10.00% | 100% | 17-Jan-25 | Trade expired ITM |
| Buy Jan25 RTY < 95% / EURUSD < 98% dual digi for 10% (+25 correl offer, ref. 2447, 1.065) | 11-Nov-24 | 10.00% | 100% | 17-Jan-25 | Trade expire ITM |
| Sell VIX Oct24 17 put to buy VIX Jan25 22-27 call spread for zero cost indicatively (UXV4 ref. 18.75, UXF5 ref. 18.71). | 16-Sep-24 | \$0.00 | 0 | 22-Jan-25 | Trade expired |
| Buy LQD Feb25 104-102 put spread for 42c indicatively (4.8x max payout ratio, ~33D/~14D strikes, ref. 105.3). | 13-Jan-25 | 42c | 0 | 21-Feb-25 | Trade expired |
| Buy QQQ 28-Feb-25 530/560 call spread for \$4.41 indicatively (6.8x max payout ratio, ~30D/5D strikes, ref. 512.80). | 27-Jan-25 | \$4.41 | 0 | 28-Feb-25 | Trade expired |
| Buy SPX Mar25 95% put contingent on 10y SOFR > ATMf+15bps | 26-Nov-24 | 0.53% | 0 | 21-Mar-25 | Trade expired |
| Buy SPX over SX5E Mar25 ATM outperf call cont. on EURUSD down | 26-Nov-24 | 2.21% | 0 | 21-Mar-25 | Trade expired |
| Sell VIX Mar 15 put to buy VIX Mar 20/30 call spread for indicatively \$0.44 (22.7x max payout ratio; UXH5 ref. 17.55) | 10-Feb-25 | \$0.44 | 1.63 | 18-Mar-25 | Trade expired ITM |
| Buy Mar 103% worst-of call on [KWEB, SMH] for 1.26% offer (60% disc. vs average vanilla call, refs. 35.63 & 256.22). Risks limited to upfront premium paid | 18-Feb-25 | 1.26% | 0 | 21-Mar-25 | Trade expired |
| Buy 1.5x KOSPI2 13-Mar-25 352.50 calls financed by selling 1.0x KOSPI2 12-Jun-25 370 call for near zero (KRW 0.39 or 0.12% of spot) | 27-Jan-25 | KRW0.39 | 0 | 13-Mar-25 | Trade expired |
| Buy HSCEI delta 1 overlayed by a near zero-cost 21-Mar-25 6,800 8,200 risk reversal and receive HKD 8 (indic. 0.11% of spot) | 27-Jan-25 | HKD8 | HKD818 | 21-Mar-25 | Trade expired ITM |
| i) Long Dec24 ESTX50 divs (ref 115.2) | 23-Nov-21 | 115.2 | 160.77 | 20-Dec-24 | Trade expired ITM |
| Buy SX5E Dec24 div future at 113.4, which is over-pricing recession risk | 22-Nov-22 | 113.4 | 160.77 | 20-Dec-24 | Trade expired ITM |
| Buy 1x SX7E Dec24 25d (~112%fc) call, fully funded by a SXXP Dec24 35d (~104%fc) call (spot refs: SX7E: 123.20, SXXP: 497.24) | 27-Feb-24 | 0% | 12.2% | 20-Dec-24 | Trade expired ITM |
| Long SX5E Dec24 5425 (31d) call fully funded by selling a Dec25 168 (38d) call on the DEDZ5 div future (spot refs: DEDZ5: 163.7; SX5E: 5077.08) | 14-May-24 | 0 | -11% | 20-Dec-24 | Trade expired |
| Long SX7E Mar25 90% Upvar replication* for 19.8v (spot ref: 140.83) | 9-Sep-24 | 19.8v | 21.1v | 21-Mar-25 | Trade expired ITM |
| Buy DAX Dec24 90% upvar at 14.0v (versus a fair variance ref of 16.8v). | 27-Aug-24 | 14.0v | 12.6v | 20-Dec-24 | Trade expired |
| Buy ESTX50 Dec24 70% UpVar funded by ESTX50 Dec24 Var to collect 3.5v (spot ref. 4167.37) | 26-Sep-23 | 3.5v (Credit) | 0v | 20-Dec-24 | Trade expired ITM |
| Harvest SPX var premium: Buy SPX Dec24 60% upvar replication, funded by Dec24 Var to collect 3.0v (SPX spot ref: 4508.24) | 21-Nov-23 | 3.0v (Credit) | 0v | 20-Dec-24 | Trade expired ITM |
| Buy SX8P 90% upvar for 20.9v and buy ASML and SAP Dec24 ~90% Upvar replication* for 27.7v and 21.1v, respectively (spot refs: 859.50 and 164.24) | 21-Feb24 | 20.9/27.7/21.1v | 23.1/45.2/23v | 20-Dec-24 | Trade expired ITM |
| Short a SX5E Jun26 call ratio -1x 5100 (50d) +2x5600 (35d) for 42bps (spot ref: 5016, net delta: +0.21, net vega: €25) with the intention of unwinding early (say in 6m) | 04-Jun-24 | 42bps | 1.2% | 20-Dec-24 | Trade expired ITM |
| Long Dec24 SX7E (EZ Banks) vs SX6P (EU Utils) 102.5% outperformance option, contingent on the SX7E up at expiry, for 3.48%. | 22-Jul-24 | 3.48% | 0% | 20-Dec-24 | Trade expired |
| Short V2X Oct24 17 put and long V2X Dec24 15 put for +0.25v indicatively (V2X Oct24 & Dec24 refs: 18.45v and 16.95v, respectively) | 4-Sep-24 | +0.25v | 0.94 | 20-Dec-24 | Trade expired |
| Long Dec24 FTSE 100 35d ~ 15d call spreads for 1.1% (4.1x max payout ratio, spot ref: 8168.10) | 12-Aug-24 | 1.1% | 0% | 20-Dec-24 | Trade expired |
| Buy SX5E Mar25 35d-15d put spreads for 1.7% (5.5x max payout ratio) | 19-Aug-24 | 1.7% | 0% | 20-Dec-24 | Trade expired |
| Buy a Dec24 102% outperformance option on DAX over SX5E for 29bps, contingent on both indices being up (73% discount vs the vanilla outperformance) | 21-Oct-24 | 29bps | 0% | 20-Dec-24 | Trade expired |
| Buy SX5E Mar25 calls vs short SX6P (Utilities) calls for a small credit. | 26-Nov-24 | 8 bps credit | 9.7% | 21-Mar-25 | Trade expired ITM |
| Buy a SX5E vs SX6P Mar25 ATM outperformance call conditioned on SX6P up at expiry | 26-Nov-24 | 1.3% | 9.9% | 21-Mar-25 | Trade expired ITM |
| Buy Apr25 SPX 95% put contingent on 10Y SOFR > ATMf+15bp for 70bps offer (52% discount to vanilla S&P puts; +2 correl bid; ref. 5944 & 4.2%). | 13-Jan-25 | 70bps | 0 | 17-Apr-25 | Trade expired |
| Buy 3m 102% worst-of call on SPX/SX5E/FXI for 0.87% (73% and 55% cheaper than avg. and cheapest vanilla call, respectively; 0.58 correl avg.) | 21-Jan-25 | 0.87% | 0 | 17-Apr-25 | Trade expired |
| Buy XAU > 103% & 30y SOFR > ATMf+22bps Apr25 dual digital for 10% indicatively (10x max payout ratio; implied correl offer -17; ref. 2809, 3.93%) | 3-Feb-25 | 10% | 0 | 17-Apr-25 | Trade expired |
| Buy SPX Apr25 5650-5400 put spread for \$42.6 indicatively (~31D/16D strikes; 5.9x max payout ratio; ref. 5826.73). | 3-Mar-25 | \$42.60 | \$250.00 | 17-Apr-25 | Trade expired ITM |
| Sell 1x SPY Apr25 600-615 call spread to fully fund 1.9x RSP Apr25 183 calls (equiv. to a notional ratio of 1x SPY to 0.6x RSP; ref. 582.17, 177.97). | 3-Mar-25 | \$0.00 | 0 | 17-Apr-25 | Trade expired |
| Buy QQQ 4Apr 500-510 call spreads for \$2.61 (3.8x max payout, ref. 490.44) | 24-Mar-25 | \$2.61 | 0 | 4-Apr-25 | Trade expired |
| Buy SPX Apr25 5500/5200 put spread for \$43.2 indicatively (6.9x max payout ratio; ~30D/10D strikes; ref. 5608.40) | 31-Mar-25 | \$43.20 | \$199.72 | 17-Apr-25 | Trade expired ITM |
| Buy VIX Apr25 23/33 call spread for \$1 indicatively (10x max payout ratio, ref. UXJ5 = 21) | 31-Mar-25 | \$1.00 | \$8.91 | 16-Apr-25 | Trade expired ITM |
| Buy GLD Apr25 292/302 call spread for \$2.08 indicatively (4.8x max payout; ~35d/10d strikes; ref. 287.92) | 31-Mar-25 | \$2.08 | \$10.00 | 17-Apr-25 | Trade expired ITM |
| Buy VIX Apr 28/25 put spread for \$1.03 indic mid levels (2.5x max payout ratio; UXJ5 32.50) | 4-Apr-25 | \$1.20 | 0 | 16-Apr-25 | Trade expired |
| Buy NIFTYM 24-Apr 25 23k/24k call spread for INR 217 (indic. spot ref: 22,509, 30d, vols: 12.5%/11.9%, +1x 23k call / -1x 24k call). | 17-Mar-25 | 217 INR | 1,000 INR | 24-Apr-25 | Trade expired ITM |
| Buy HSCEI delta 1 overlayed by a near zero-cost 21-Mar-25 6,300 7,800 risk reversal for HKD 12.4 (indic. 0.17% of spot) | 13-Jan-25 | 0.17% | 20.5% | Mar25 | Trade expired ITM |
| Systematically trade dynamically sized delta-hedged 3m NKY 1x3* put ratios | 26-Nov 24 | -77bps | 0 | 14-Feb-25 | Trade expired |
| Buy HYG May 79-77 put spread for \$0.36 (5.5x max payout, ref. 79.585). | 3-Mar-25 | \$0.36 | 0 | 16-May-25 | Trade expired |
| Buy XLI May 125 puts for \$1.53 or 1.15% (ref. 132.72) | 17-Mar-25 | \$1.53 | 0 | 16-May-25 | Trade expired |
| Buy HYG May 78-76 put spreads for \$0.39 (5x max payout, ref. 79.00) | 17-Mar-25 | \$0.39 | 0 | 16-May-25 | Trade expired |
| 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; 30D/9D 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, 3.78%) | 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, 3.84%, 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, 68.1) | 12-May-25 | 14% | 0 | 20-Jun-25 | 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"

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

META = Meta Platforms



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