Daily Packet: 2026-05-16 to 2026-05-17

Trading_and_investment_papers plus Daily Shot when available.

WINDOW PDFS	CHART EXTRACTS	TOP CHARTS
7	21	3

DAILY SHOT
skipped

> **Bottom line:** This packet is the one-stop morning read: curated chart evidence first, Daily Shot context second, and source links at the end.

Top Charts

1. BofA Systematic Flows Monitor Systematic flows stabilize as equity: Options are shaping the path of the underlying

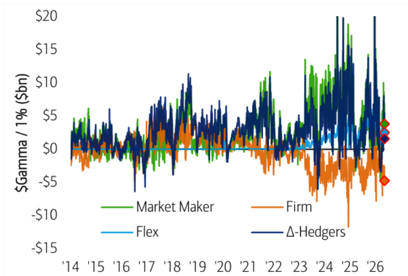
Page 23 | BofA Systematic Flows Monitor Systematic flows stabilize as equity

What it says: BofA Systematic Flows Monitor Systematic flows stabilize as equity: Systematic Flows Monitor | 15 May 2026 23 Exhibit 81: Historical SPX gamma for Firms, MMs, Flex and Δ-Hedgers Our estimates for Δ-Hedger (= firm + mm + flex) gamma assume that firms delta-hedge only regular options while market makers hedge regular & flex S...

Worldview update: The rally has become more flow-mechanical. Fundamentals still matter, but call demand, vol compression, and dealer positioning are first-order timing variables.

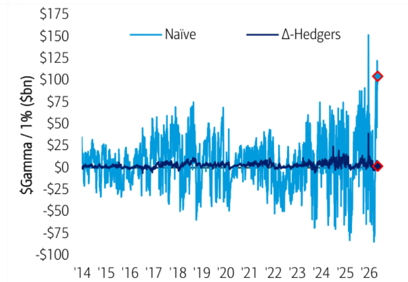
Portfolio/use: Favor defined-risk upside and start adding downside while hedges are ignored.

Exhibit 81: Historical SPX gamma for Firms, MMs, Flex and Δ-Hedgers
Our estimates for Δ-Hedger (= firm + mm + flex) gamma assume that firms delta-hedge only regular options while market makers hedge regular & flex



Source: BofA Global Research, CBOE. Data as of 14-May-26.
BofA GLOBAL RESEARCH

Exhibit 82: Comparison of gamma for Δ-Hedgers with a naïve estimate
A naïve estimate of gamma which assumes end-users buy all puts and sell all calls tends to be larger in magnitude than our gamma level for Δ-Hedgers



Source: BofA Global Research, CBOE. Data as of 14-May-26.
BofA GLOBAL RESEARCH

Quantifying the impact of gamma on realized volatility

To infer the impact of SPX option gamma on S&P 500 e-mini realized volatility (as presented in Exhibit 9) we perform the following steps: (i) Use the gamma level from the prior day's close and the subsequent realized equity move to estimate the delta that hedgers need to buy or sell. (ii) Quantify the market impact of trading the required delta in the S&P 500 e-mini futures market with trading confined to the last 1-hour, 30-minutes, or 15-minutes of the trading session. (iii) Calculate new hypothetical daily market returns after removing the impact from trading the delta. These new returns are then used to estimate the realized volatility in the absence of delta-hedgers.

A comment on model diversity and market impact

It is important to note that the analysis in this report on trend following and risk parity is based on one implementation of each class of strategy that attempts to track a respective benchmark for each. Actual trend following and risk parity strategies that compose the benchmark indices could vary in their rules-based implementations. This is an important consideration with regards to market impact from this class of strategies. That is, to the extent the models have more diversity, the potentially less impact they can have on the market as trading may not occur at the same levels and/or at the same time. This is a crucial point that is commonly not discussed surrounding this type of analysis.

Exhibit 83: List of abbreviations
Abbreviations used in this report

0DTE: zero-days-to-expiration
AUD: Australian dollar
CTA: Commodity Trading Advisor
CGB: China Government Bond
FV: 5-Year US Treasury Note Futures
JPY: Japanese Yen
YTD: year-to-date
MXN: Mexican Peso
RTY: Russell 2000 Index
ETP: Exchange-traded-product
SG: Soc Gen
SPX: S&P 500 Index
TSY: Treasury
TU: 2-Year US Treasury Note Futures
US: U.S. Treasury Bond Futures
USDJPY: United States Dollar/ Japanese Yen Cross
UST: US Treasury
UXY: Ultra 10-Year US Treasury Note Futures
WN: CME Ultra Long Term U.S. Treasury Bond Future

Source: BofA Global Research
BofA GLOBAL RESEARCH

2. JPM The J P Morgan View Higher for Longer in Oil and Rates Own AI: Oil stress is feeding rates, while equities are looking through it

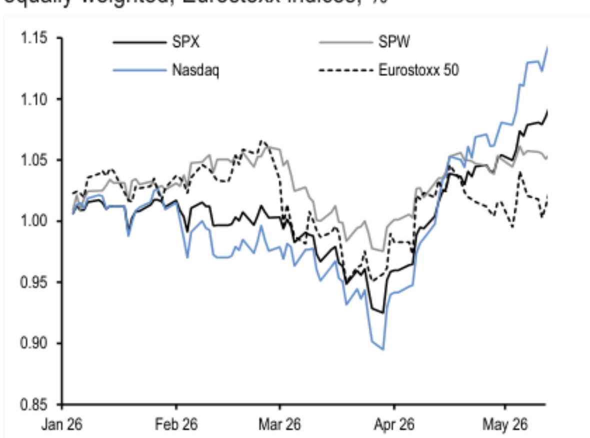
Page 3 | JPM The J P Morgan View Higher for Longer in Oil and Rates Own AI

What it says: JPM The J P Morgan View Higher for Longer in Oil and Rates Own AI: Figure 1: Stick to our momentum view of “buying the winners” with AI upstream theme being the key pillar of our bullish outlook in risk assets Normalized YTD performance for Nasdaq, S&P 500, S&P 500 equally weighted, Eurostoxx indices; % 0.85 0.90 0.95 1.00...

Worldview update: The cleaner market signal is the cross-asset divergence: oil stress has mattered for rates, but equities are already looking through it. That calm is fragile if energy pressure starts feeding inflation or growth expectations again.

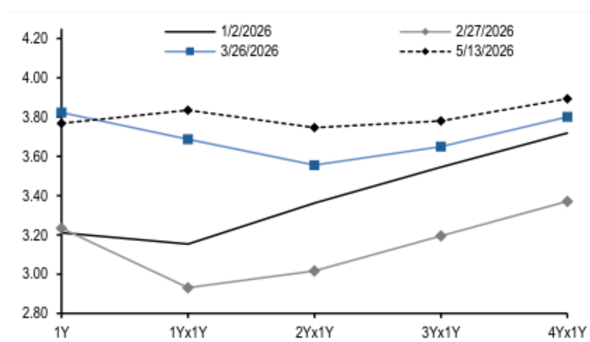
Portfolio/use: Track Brent, rates, and equity correlation together; use oil/rates stress as the warning light rather than treating headlines in isolation.

Normalized YTD performance for Nasdaq, S&P 500, S&P 500 equally weighted, Eurostoxx indices; %



Source: J.P. Morgan

USD OIS 1Y spot and 1Y forward rates



Source: J.P. Morgan

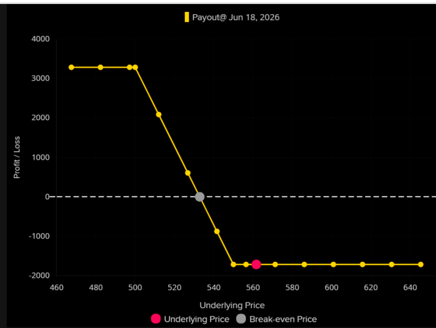
3. One Of Tech s Biggest Rotations Is Brewing: AI is becoming a capex, power, and politics story

Page 2 | One Of Tech s Biggest Rotations Is Brewing

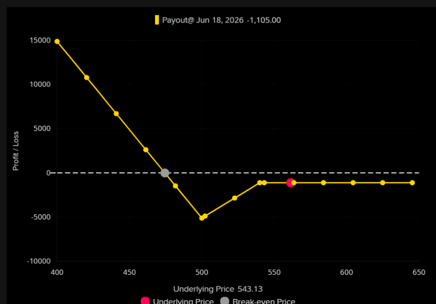
What it says: One Of Tech s Biggest Rotations Is Brewing: LSEG Workspace LSEG Workspace IGV IGV has bounced aggressively since hitting major range lows some weeks ago. Software has consolidated over the past week, but continues inching higher. A close above $92 could re-ignite the squeeze. Note we are already back...

Worldview update: The AI trade is no longer only about demand and model progress. The constraint is shifting toward cash-flow intensity, grid capacity, permitting, and public tolerance.

Portfolio/use: Map AI exposure through power, grid, utilities, gas, and capex beneficiaries; be careful where capex consumes free cash flow.



LSEG Workspace



LSEG Workspace

IGV

IGV has bounced aggressively since hitting major range lows some weeks ago. Software has consolidated over the past week, but continues inching higher.

A close above $92 could re-ignite the squeeze. Note we are already back above the 100 day MA.

A sell-off in semis could create a bid for software as investors unwind the pairs trade and/or rotate into a relatively cheaper part of tech.

LSEG Workspace

IGV upside

It is worth looking at the upside here given the still-negative positioning in a group experiencing accelerating revenue growth and expanding margins according to JPM market intelligence.

One way to express the view is via upside optionality. Chart shows the IGV June 95/102 call spreads, max around 4x.

Daily Shot

> Daily Shot skipped: Daily Shot credentials are not configured.

Additional Chart Selection

One Of Tech s Biggest Rotations Is Brewing

2 additional extracted charts

Chart 1

Page 1 | vector-cluster | score 0.898

THEMARKETEAR.COM

Live news, market analysis & unbiased commentary

part of ZeroHedge Premium

Crowded Semis, Hated Software

The positioning dislocation between semis and software remains extreme. Investors continue crowding aggressively into semis and AI hardware while software positioning remains heavily depressed despite improving fundamentals, accelerating growth, and expanding margins.

Software remains one of the few major AI-adjacent groups still heavily underowned. If semis finally start losing momentum, the unwind of one of the market's most crowded trades could quickly fuel a violent rotation into software.

The Jaws gap

The dislocation between semis and software remains huge.

JPM

Shorts

Shorts "herding" in software, while semis shorts are hovering near recent lows. Short squeeze risk is building rapidly in software, now sitting at the 100th percentile versus the past six years.

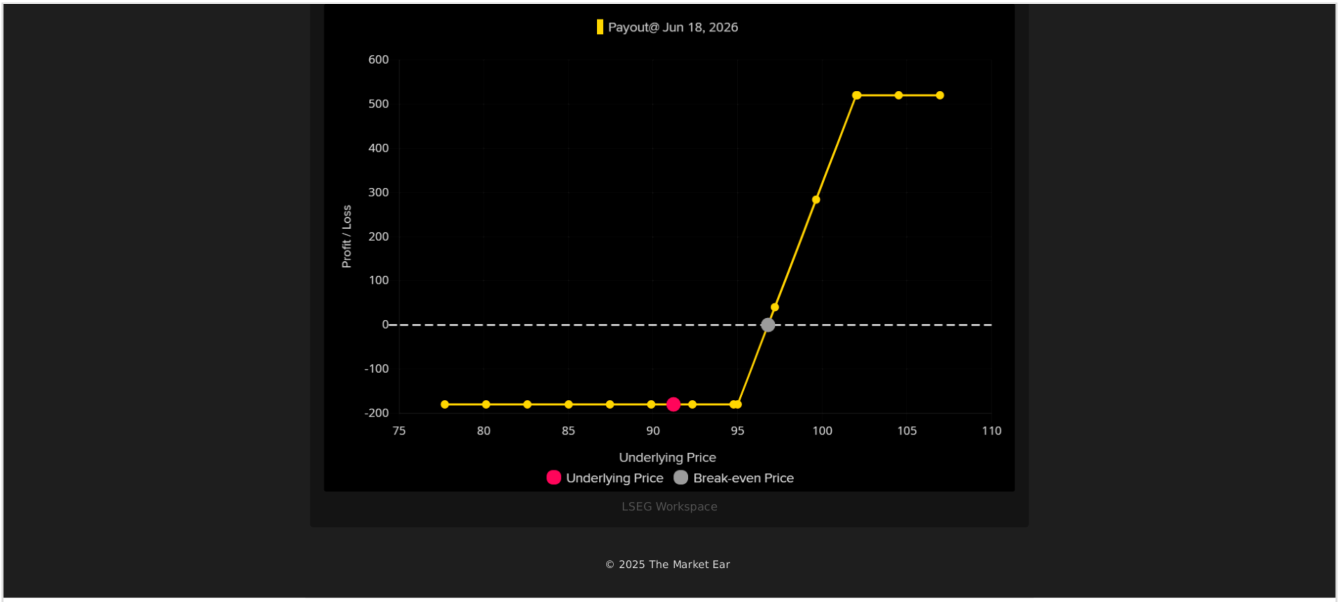
JPM

Play semis downside

JPM likes buying SMH downside protection here. Chart 2 shows the SMH June 550/500 put spread, chart 3 McElligott's favorite play in SMH, the June 1x3 ratio put spread.

Chart 2

Page 3 | vector-cluster | score 0.717



---

weekly mash --1

3 additional extracted charts

Chart 1

Page 1 | vector-cluster | score 0.729

weekly mash –

15 May 2026

Mark Wilson
Goldman Sachs International
Global Banking & Markets

On this day 29 years ago … Amazon IPO'd

The stock IPO'd at $18 per share; adjusted for the 4 stock splits since, its listing price was $0.075/share

That's a 3,563x return to last night's closing price

To add some perspective on just how different those times were : total gross proceeds raised in the 3 million share offering were a modest $54,000,000 …

+++

I had a lot of excited pushback, & hostility, to last week's argument that the market hadn't really got that irrational at all yet, despite the eye-watering moves in semis & other pockets of tech through April. The Amazon stats above are a decent reminder that the equity market is at its core a reactive organism, inherently programmed to excite excesses as a feature, not a bug : today's perceived mis-allocation of capital will more often-than-not draw in new capital & breed the next generation of unforetold compounders, pushing the boundaries of commerce in some obscure area of the economy we weren't yet even aware could offer such growth & opportunity

Even as stocks have had to digest both a huge move through April & new highs in yields this week, space stocks put in close to another double digit gain. Today's AI-led innovation cycle will continue to open up upside optionality, especially through this period as the behemoth tech companies in the market continue to internally fund record quantums of capex. As per the Amazon IPO-era referenced above, of course the mis-allocation of capital's unfortunate – but its also part of the cycle of creative destruction, and a small number of Amazon's or Nvidia's pays for an awful lot of Pets.com

On 6th January 2023, close to the peak of the post-covid hangover, I wrote this – which will prove to be an accurate picture of the capital & innovation cycle again ::
"For investors, after of a long period of ZIRP & NIRP monetary policy, the bursting of the worst Covid-market excesses have left plenty of lasting scar tissue. However, the flip-side of that free-money period is that a never-before-seen quantum of capital was 'invested' (?) in innovation & 'moon shot' projects which tested the limits of human & scientific ambition. Partly as a consequence of that staggering excess of prior capital deployment, 2023 proves to be a year of significant & historic scientific breakthrough, continuing the theme of late 2022 where scientists made groundbreaking strides around subjects as transformative as fusion energy & practical delivery of cancer gene editing."

And a couple of charts to underline the point ::

Chart 2

Page 5 | image-block | score 0.621

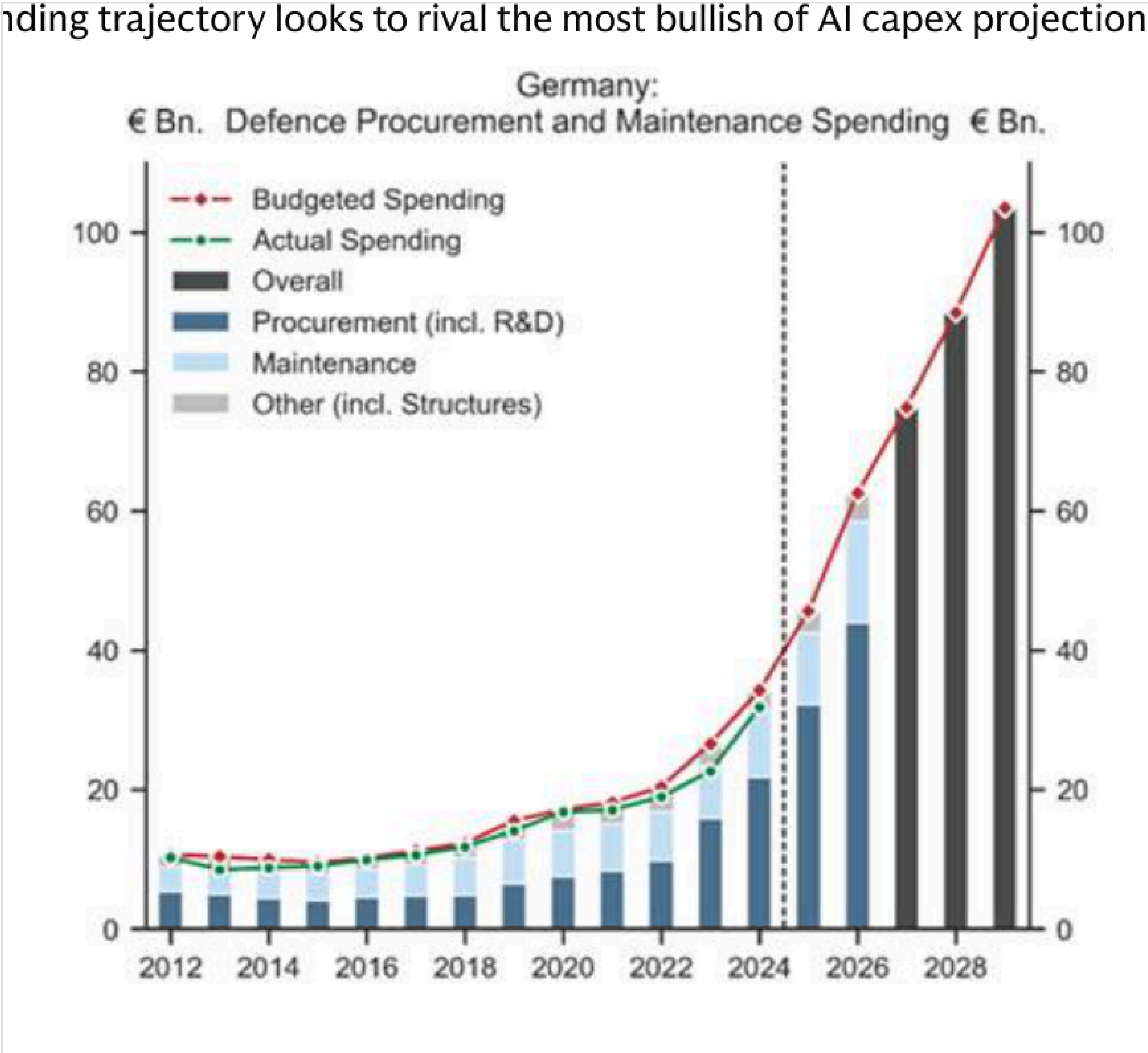


Chart 3

Page 6 | image-block | score 0.675

Prime Services Weekly Report 5.15.26

3 additional extracted charts

Chart 1

Page 1 | page-fallback | score 0.775

Prime Insights & Analytics

Prime Services Weekly Report

Global Banking & Markets
Prime Services
May 15, 2026
Friday 5/8 – Thursday 5/14

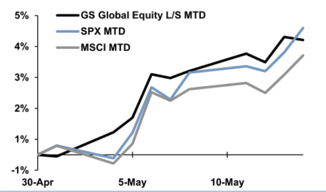
Key Takeaways

- **The GS Equity Fundamental L/S Performance Estimate[2] rose +1.23% between 5/8 and 5/14 (vs MSCI World TR +1.44%),** driven by alpha of +0.97% on the back of short and long side gains and beta of +0.25%. **The GS Equity Systematic L/S Performance Estimate[2] rose +0.32% during the same period,** driven by beta of +0.25% and alpha of +0.07% on the back of short side gains.
- **Overall book Gross leverage +5.3 pts to 318.0% (5-year high) and Net leverage +0.4 pts to 78.4% (56th percentile 1-year).** Overall book L/S ratio -0.7% to 1.654 (13th percentile 1-year). **Fundamental L/S Gross leverage -3.3 pts to 205.9% (19th percentile 1-year) and Net leverage unchanged at 57.2% (82nd percentile 1-year).**
- **Global equities were net sold (-0.8 SDs 1-year) as gross trading activity saw the largest % increase in 6 months,** driven by short sales outpacing long buys (1.4 to 1).
  - **All major regions (sans DM Asia) were net sold,** led in $ terms by North America and Europe.
  - **Macro Products were net sold at the fastest pace in 7 weeks,** driven almost entirely by short sales, **while Single Stocks were net bought for a 2nd straight week,** driven by long buys outpacing short sales (1.3 to 1).
  - **Info Tech, Financials, and Materials were the most $ net bought global sectors,** while Comm Svcs, Industrials, and Energy were the most net sold.
- **Info Tech was by far the most $ net bought sector in Asia (DM + EM) this week, driven almost entirely by long buys.** Gross and Net allocations to Asia Info Tech (DM + EM, as a % of Overall Prime Book) now stand at 10.8% and 17.5%, which are both record highs (since 2016).
- **Industrials was the worst performing and by far the most $ net sold European sector this week as the sector saw the largest % net selling in 5 months, driven by short and long sales.**

	MSCI World TR	S&P 500 TR	Eurostoxx	Nikkei 225	CSI 300	GS VIP Long[7]	GS VISP Short[7]	GS Most Short[7]	NYSE Volume	VIX	SPX Realized Correlation	10Y UST	WTI Future	Gold Future
Level	15494.68	16748.21	5934.96	62654.05	4450.05	866.15	505.87	301.10	1219.95	17.26	5.4%	4.5%	101.17	4,685.30
WoW Chg	1.4%	2.3%	-0.6%	-0.3%	-9.2%	1.4%	2.3%	2.5%	-16.1%	1.1%	-4.6 pp	0.06 pp	6.7%	-0.5%

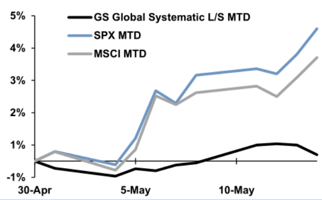
Sources: Goldman Sachs Global Banking & Markets, Reuters as of 15-May-2026

GS Equity Fundamental Long/Short Performance Estimate (Asset Weighted)[2]



Region	Metric	WoW	MTD	YTD
Global	wAvg	1.23%	3.71%	11.76%
U.S.	wAvg	0.89%	2.74%	7.45%
Europe	wAvg	-0.79%	0.81%	5.60%
Asia	wAvg	2.75%	7.92%	28.02%
Indices				
	SPX TR	2.27%	4.10%	10.04%
	MSCI TR	1.44%	3.21%	9.07%

GS Equity Systematic Long/Short Performance Estimate (Asset Weighted)[2]



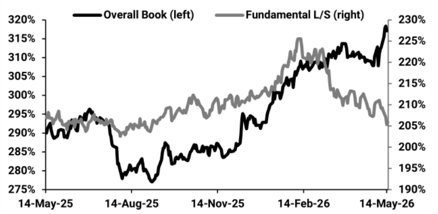
	Metric	WoW	MTD	YTD
Global	wAvg	0.32%	0.20%	9.58%
Indices				
	SPX TR	2.27%	4.10%	10.04%
	MSCI TR	1.44%	3.21%	9.07%

Chart 2

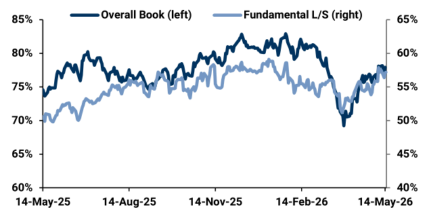
Page 2 | page-fallback | score 0.662

Gross and Net Leverage[3]

Leverage	Overall Book: Gross	Overall Book: Net	Overall: L/S Ratio	Fundamental L/S: Gross	Fundamental L/S: Net	Fundamental: L/S Ratio
Current	318.0	78.4	1.65	205.9	57.2	1.76
Current 1-Yr %ile	**100%**	**56%**	**13%**	**19%**	**82%**	**100%**
Current 3-Yr %ile	**100%**	**78%**	**8%**	**73%**	**87%**	**43%**
Current 5-Yr %ile	**100%**	**71%**	**5%**	**84%**	**76%**	**33%**
T12M High	318.4	82.9	1.80	225.6	59.1	1.76
T12M Low	277.0	69.2	1.57	202.5	49.8	1.62
T12M Average	294.7	77.9	1.72	210.4	55.0	1.71



Gross Leverage

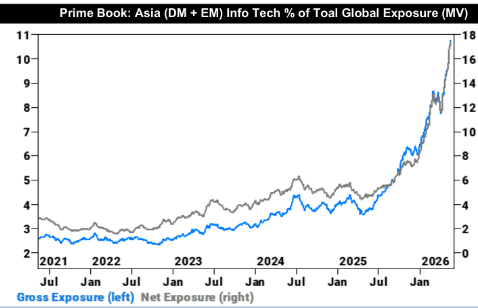


Net Leverage

Info Tech was by far the most $ net bought sector in Asia (DM + EM) this week, driven almost entirely by long buys

- **Info Tech was by far the most $ net bought sector in Asia (DM + EM) this week,** driven almost entirely by long buys.
- Info Tech was net bought across nearly all DM Asia markets, led in $ terms Japan and to a lesser extent Singapore. On a subsector level, most were net bought, led in $ terms by Semis & Semi Equip and Electronic Equip, Instruments & Components.
- Info Tech buying in EM Asia was driven by China and to a much lesser extent Taiwan, offsetting selling in Korea. On a subsector level, most were net bought, led in $ terms by Semis & Semi Equip, Tech Hardware, Storage & Peripherals, and Comm Equip.
- **Gross and Net allocations to Asia Info Tech (DM + EM, as a % of overall Prime Book) now stand at 10.8% and 17.5%, which are both record highs (since 2016).**

Prime Book: Asia (DM + EM) Info Tech % of Toal Global Exposure (MV)



Europe Industrials saw the largest % net selling in 5 months, driven by short and long sales

- **Industrials was the worst performing and by far the most $ net sold European sector this week as the sector saw the largest % net selling in 5 months,** driven by short and long sales (1.3 to 1).
- The sector was net sold in most markets, led in $ terms by Denmark, Germany, France, and Ireland, offsetting modest net buying in Sweden.
- On a subsector level, most were net sold, led in $ terms by Electrical Equip, Passenger Airlines, and Machinery.
- Gross and Net allocations to Industrials (as a % of total EU Exposure) now stand at 21.6%/24.7%, which rank in the 42nd/29th percentiles vs. the past year and in the 88th/83rd percentiles vs. the past five years.
- EU Industrials long/short ratio now stands at 2.14 (down -5.9% week/week), which is at the lowest level since Jan '24 and ranks in the 14th percentile vs. the past five years.

Prime Book: EU Long/Short Ratio (MV)

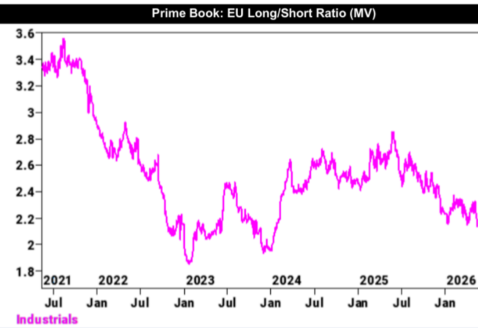
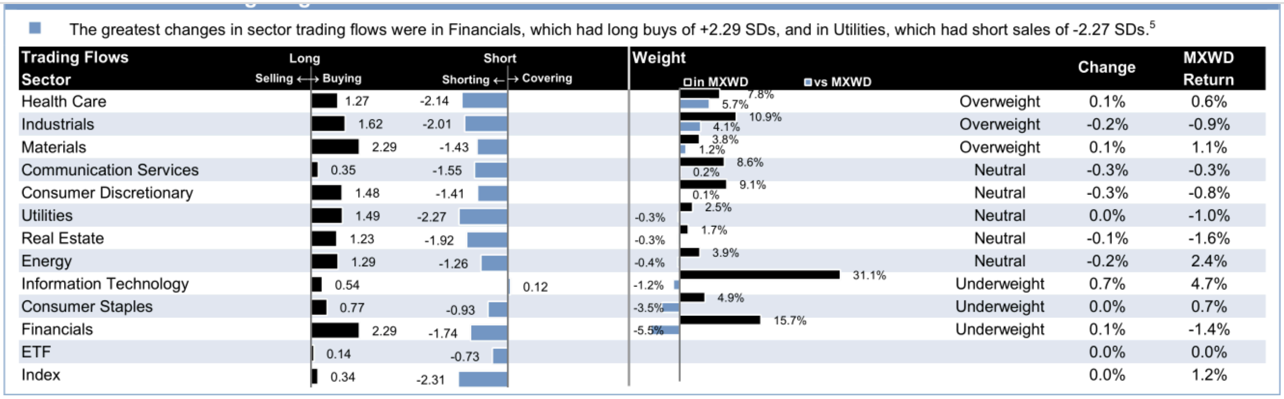


Chart 3

Page 3 | vector-cluster | score 0.668



The greatest changes in sector trading flows were in Financials, which had long buys of +2.29 SDs, and in Utilities, which had short sales of -2.27 SDs.[5]

Trading Flows Sector	Long (Selling ⟷ Buying)	Short (Shorting ← → Covering)	Weight in MXWD	Weight vs MXWD		Change	MXWD Return
Health Care	1.27	-2.14	7.8%	5.7%	Overweight	0.1%	0.6%
Industrials	1.62	-2.01	10.9%	4.1%	Overweight	-0.2%	-0.9%
Materials	2.29	-1.43	3.8%	1.2%	Overweight	0.1%	1.1%
Communication Services	0.35	-1.55	8.6%	0.2%	Neutral	-0.3%	-0.3%
Consumer Discretionary	1.48	-1.41	9.1%	0.1%	Neutral	-0.3%	-0.8%
Utilities	1.49	-2.27	2.5%	-0.3%	Neutral	0.0%	-1.0%
Real Estate	1.23	-1.92	1.7%	-0.3%	Neutral	-0.1%	-1.6%
Energy	1.29	-1.26	3.9%	-0.4%	Neutral	-0.2%	2.4%
Information Technology	0.54	0.12	31.1%	-1.2%	Underweight	0.7%	4.7%
Consumer Staples	0.77	-0.93	4.9%	-3.5%	Underweight	0.0%	0.7%
Financials	2.29	-1.74	15.7%	-5.5%	Underweight	0.1%	-1.4%
ETF	0.14	-0.73				0.0%	0.0%
Index	0.34	-2.31				0.0%	1.2%

US Equities Weekly Rundown 5-15-26

3 additional extracted charts

Chart 1

Page 1 | page-fallback | score 1.000

US Equities Weekly Rundown

Positioning, Flows, and Observations Across the Floor

Goldman Sachs

Global Banking & Markets
May 15, 2026

Portfolio Manager’s Summary

US stocks traded decidedly lower on Friday with the S&P 500 finishing ~flat for the week, as the upward momentum in the AI/Semis story somewhat stalled out by the end of the week amidst higher oil prices + a spike in bond yields. Space/Satellites, Oil, and Sensors were among the themes that outperformed this week, while Rare Earths, Retail, and Home Builders were among the themes that logged the sharpest losses.

- **Prime**: US equities were net sold this week, driven by short sales in Macro Products which saw the largest net selling in 2 months. Across single stocks, Non-Consumer Cyclicals collectively were net bought for the first time in 17 weeks, led by Financials which saw the largest net buying YTD, driven by long buys, as exposures to the sector have fallen to 5-year lows. In contrast, Info Tech, by far the best performing sector this week & in the past month, was the only sector that saw de-grossing activity this week as HFs continued to take some chips off the table amid the price rally.
- **Shares**: Desk flows on the week point to Asset Managers and HFs both finishing net sellers, driven by scattered supply across sectors/macro products amidst a breather in high beta momentum, upward pressure on bond yields, and crude. Reminder, the most prominent trading dynamic has been SWFs and Asset Mangers getting stopped into this tape as buyers in everything AI over the past few weeks. While breadth remains narrow, dips have been extremely shallow and quick to reverse because the long only community has been and will likely continue to be buyers.
- **Futures**: Europe has underperformed US markets YTD, and Friday’s negative price action was enough to flip some trend signals more negative. While 100% of long trend signals are more positive globally, for short and medium trend it’s 62% and 76% respectively, and the more negative signals are concentrated in non-US markets. This means the CTA/systematic community is not as long globally as US markets alone would suggest, and in a case of more equity downside there could be a cascading effect of earlier sales in some markets followed by others later.
- **Derivatives:** Over the last two weeks we have seen a dramatic spot up / vol up tape, with the QQQ spot vs vol 3-week rolling correlation currently sitting at one of the highest levels in the past 5 years and leading to a sharp decline in skews. However, on Thursday we started to see clients begin to hedge and monetize longs, while Friday brought even more hedging demand. Some cohorts think NVDA could be a 'sell-the-news' event when they report next week, and as we've been highlighting, there is lot of long delta + short gamma in NVDA + other correlated names through levered ETF products. Short-dated put spreads make sense to play for a reversion, with our favorite implementation expressed through MTUM.
- **Baskets**: Higher for longer rates is a problem for equities: (1) GS economists pushed rate cuts to two 25 bps in Dec ’26 and Mar ’27, (2) Oil is unlikely to revert to January levels, (3) Inflation print is above expectations, and (4) growth optimism is lower. Given this backdrop, we like (1) shorting non-profitable & non-secular technology companies (GSCBNOPS) and (2) shorting low quality themes (GSXULOWQ) vs. long hyperscalers (GSXUHYPR), which are tech companies that have significantly lagged the outperformance of the AI hype and present an attractive opportunity.

  From a factor perspective, Momentum is having its best start to the year with unconstrained high beta momentum (GSPRHIMO) up 49% YTD and pure momentum (GSP1MOMO) up 25% and yet the # of 5%+ selloffs in high beta momentum YTD has already eclipsed every full year since 2022. In order for momentum to have a sustained drawdown, we expect it to be more likely a function of the short leg catching up (link to full note here).
- **Sector Specialists**: **NDX posted its first (modest) ‘down’ week of the quarter as upward momentum in the AI / Semis story (somewhat) stalled out by the end of the week as demanding technicals bumped into a more difficult macro backdrop.** While fundamentals remain quite strong, there has been a bit more “awareness” around the market backdrop. Said another way, the local AI debate is mostly one about challenging technicals vs. robust fundamentals. Away from AI/Semis, investor focus has been on managing Mag 7 exposures, how to think about Software, and the health of the U.S. Consumer. **Another choppy weak for Financials, with the group largely performing at the inverse of Tech momentum, particularly the banks and card networks.** There were a couple of notable subsector flashpoints, including 1) Consumer Finance, which was net sold amidst a slew of negative soundbites on the health of the consumer from Consumer Discretionary management teams, 2) Banks, which saw capital market levered names catch some of the tech momentum (read throughs into ECM activity) and outperform banks overweight consumer depositsc. Thus far, banks as a group have been more resilient to the macro tape relative to Consumer Finance, which we’d chalk up to a combination of both capital markets exposure as well as moneycenters generally being beneficiaries of higher rates and steeper curves.

What We Are Reading and Listening to This Week

- **US Equity Views:** The rise and reach of retail trading in US equities (link)
- **Commodity Analyst:** Commodity Primer for Portfolio Managers (link)
- **Global Market Views:** Shortages (link)
- **The Breaks of the Game:** Has the AI rally gone too far? (link)

	S&P 500	Nasdaq 100	Russell 2000	STOXX 600	Nikkei 225	HSI	CSI 300	SPX 1-M Realized Correlation	VIX	10Y UST	US Dollar	WTI Future	Gold Future	Bitcoin
Level	**7,408.50**	**29,125.20**	**2,793.30**	**606.92**	**61,409.29**	**25,962.73**	**4,859.59**	**5.4%**	**18.48**	**4.60%**	**99.30**	**105.83**	**4,542.10**	**79,093.04**
WoW Chg	**0.1%**	**-0.4%**	**-2.4%**	**-0.9%**	**-2.1%**	**-1.6%**	**-0.3%**	**-1.0 pp**	**7.5%**	**0.25 pp**	**1.4%**	**10.9%**	**-4.0%**	**-1.3%**
YTD Chg	8.2%	15.3%	12.5%	2.5%	22.0%	1.3%	5.0%	-6.5 pp	23.6%	0.43 pp	1.0%	84.3%	4.6%	-9.8%

Macro/Thematic Baskets: Top Perfomers This week

Basket	Ticker	WoW Price Chg	YTD Price Chg
Space / Satellites	GSXUMOON	9.99%	62.33%
Oil	GSENOILB	8.27%	44.25%
Sensors	GSXUSENS	7.24%	63.21%
Domestic Solar	GSXUSOLR	6.09%	50.83%
Nat Gas	GSENNATG	5.39%	13.49%

Macro/Thematic Pairs: Top Perfomers This week

Basket	Ticker	WoW Price Chg	YTD Price Chg
Oil Sensitive Pair (Hi/Lo)	GSPUOILY	5.66%	4.16%
Software Immune vs At-Risk	GSPUSFTX	5.61%	51.42%
Secular vs NonSecular Non-Profit Tech	GSPUSNOP	5.34%	39.22%
AI Winners vs AI At Risk	GSPUARTI	4.46%	64.25%
L/S Stagflation	GSPUSTAG	2.96%	-7.64%

Macro/Thematic Baskets: Bottom Perfomers This week

Basket	Ticker	WoW Price Chg	YTD Price Chg
Global Rare Earths	GSXGRARE	-10.39%	32.00%
Retail (Index)	GSX1RETL	-7.31%	-8.68%
HomeBuilders	GSXUBLDR	-7.10%	-9.98%
Nuclear	GSXURANI	-6.61%	7.27%
AI-at-Risk	GSTMTAIR	-5.08%	-21.36%

Macro/Thematic Pairs: Bottom Perfomers This week

Basket	Ticker	WoW Price Chg	YTD Price Chg
Low vs High Stock Based Comp	GSPUSBCP	-4.02%	-8.78%
Long Value vs Secular Growth	GSPUVLSG	-3.71%	4.06%
Nat Gas vs Oily Energy	GSPUNATO	-2.74%	-23.21%
China ADR/HK listing vs ADR-only	GSPUCADR	-2.08%	6.94%
Cycs vs Defs ex-Commods (Index)	GSP1CYDE	-1.65%	0.39%

Track these themes with the GS Custom Baskets Launchpad on Bloomberg: *please reach out to your sales coverage and gs-gssu permissioning@gs.com*
Source: Bloomberg, Goldman Sachs FICC and Equities data as of 15-May-26. Past performance is not indicative of future results.

Chart 2

Page 10 | image-block | score 0.694

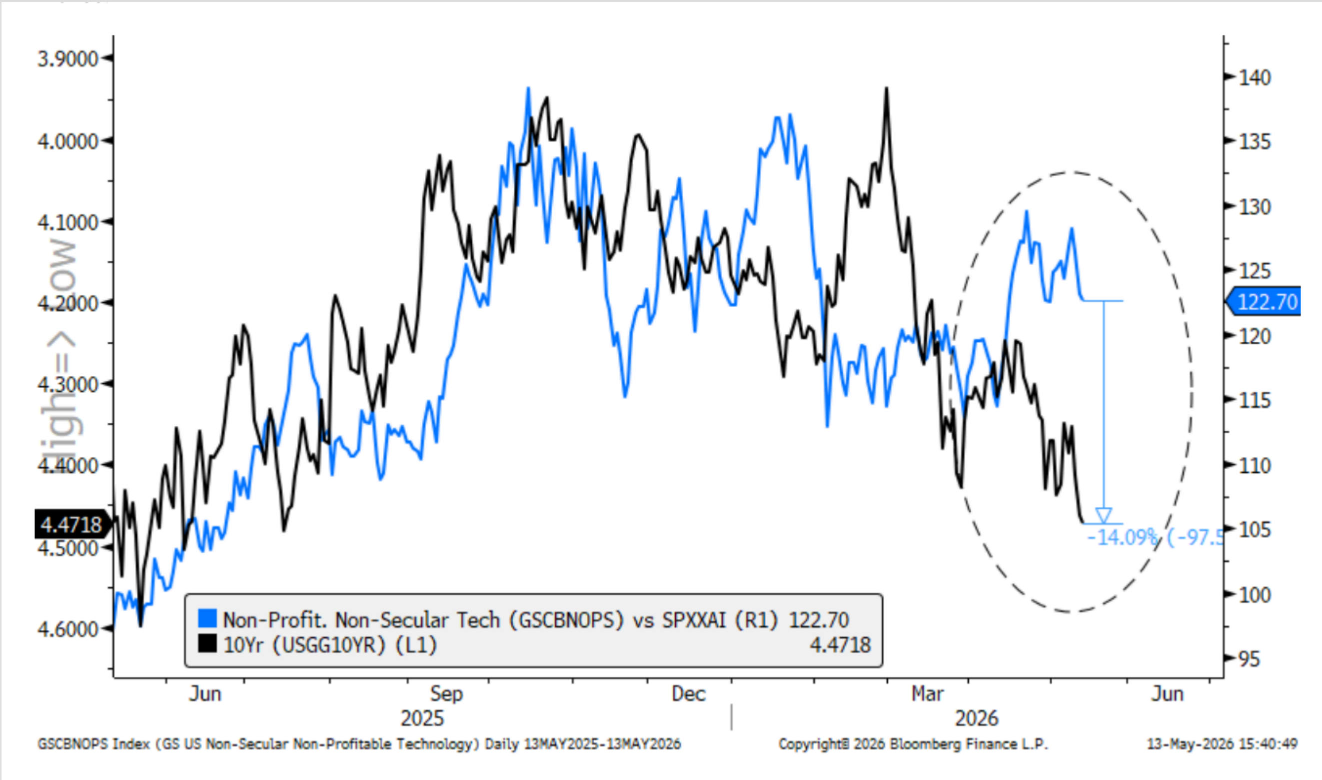
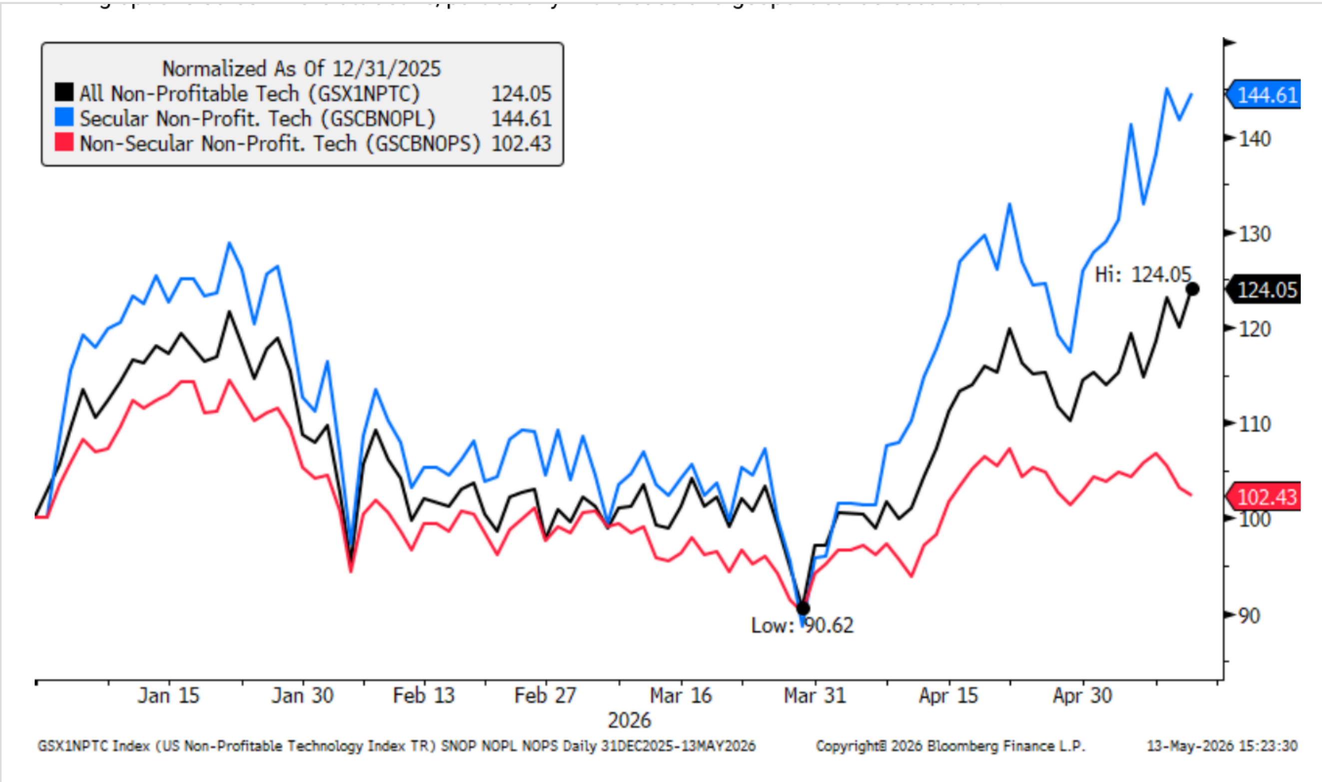


Chart 3

Page 12 | image-block | score 0.732



BofA Systematic Flows Monitor Systematic flows stabilize as equity

2 additional extracted charts

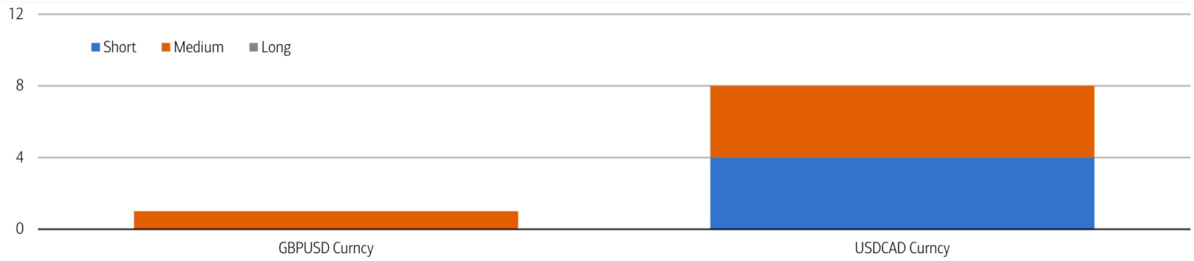
Chart 1

Page 5 | vector-cluster | score 0.927

CTA risk management. In Exhibit 12 below we show the number our 12 CTA models that are currently stopped out and then in Exhibit 13 we show the number of additional models projected to stop out at the end of each of our 5-day price paths.

Exhibit 12: Summary of BofA Trend Following (CTA) Model Stopped Out Positions

We run our model 12 times using four stop loss sensitivities and three trend windows and show the number of models currently stopped out

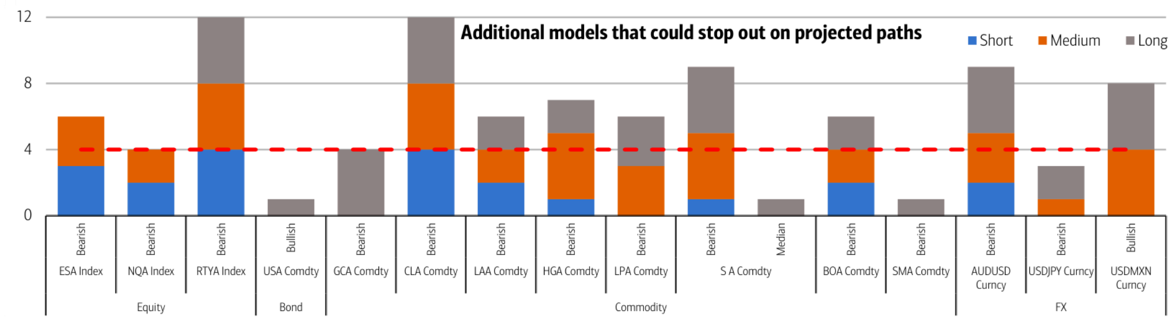


Source: BofA Global Research. Data as of 15-May-2026.

BofA GLOBAL RESEARCH

Exhibit 13: Summary of BofA Trend Following (CTA) Model Stopped Out Positions on Projected 5 Day Price Paths

We project bearish, median, and bullish prices paths and show the number of additional models that could stop out along these paths



Source: BofA Global Research. Data as of 15-May-2026.

BofA GLOBAL RESEARCH

Chart 2

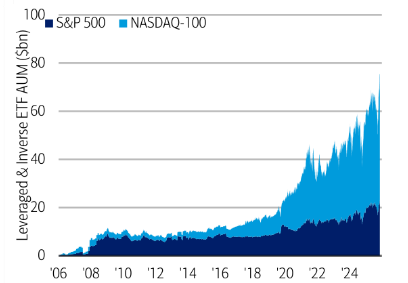
Page 14 | page-fallback | score 1.000

Leveraged and Inverse ETFs

Our analysis indicates that US based ETFs currently could be responsible for approximately $1.1bn and $2.7bn in S&P 500 and NASDAQ-100 buying (selling), respectively, per 1% move up (down) in the underlying index. This would equate to 4% and 28% of the average notional S&P 500 futures (ES) and NASDAQ-100 futures (NQ) & ETFs (QQQ) traded from 3:55 PM to 4:00 PM over the last month. Notably, the amount of NASDAQ-100 that leveraged & inverse ETFs would theoretically need to trade for each 1% move decreased with spot this week.

Exhibit 62: While S&P 500-focused ETFs were initially more favored, NASDAQ-100 strategies have seen much faster growth since 2017

Since their introduction in 2008, leveraged and inverse ETF AUM has grown to approximately $24bn for the S&P 500 and $54bn for the NASDAQ-100



Source: BofA Global Research. Data as of 14-May-2026.

BofA GLOBAL RESEARCH

There is now approximately $75bn outstanding AUM in US domiciled S&P 500 and NASDAQ-100 leveraged and inverse ETFs, equating to over $100bn notional for these two indices. These vehicles aim to provide investors with a daily return proportional to the return of their underlying index. For example, a 2x leveraged ETF targets a 2% increase for each 1% gain in its underlying index while a 2x inverse ETF targets a 2% decline for each 1% increase in the underlying.

Leveraged and inverse ETFs must systematically rebalance at the end of each trading day to achieve their daily leverage target. In fact, in these rebalances both leveraged and inverse ETFs will buy in a rising market and sell in a falling market (see example in the Appendix). Therefore, the rebalance has the potential to accelerate index gains or losses into the close if a significant amount of the underlying futures need to be bought or sold. Notably, our analysis cannot account for the creation or redemption of ETF shares on T and must rely on prior day AUM.

Exhibit 63: S&P 500 flow from leveraged & inverse ETFs per 1% move

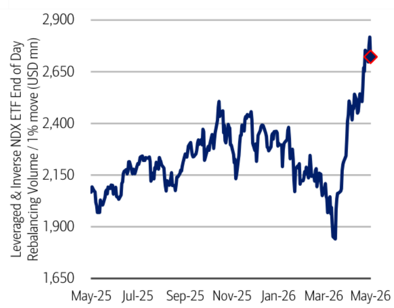
Leveraged & inverse ETFs need to trade approximately $1.1bn for every 1% the index moves. This is approximately $5mn more than last week

Source: BofA Global Research. This analysis only includes leveraged and inverse ETFs traded on US exchanges. Data as of 15-May-2026.

BofA GLOBAL RESEARCH

Exhibit 64: NASDAQ-100 leveraged & inverse ETF flow per 1% move

Leveraged & inverse ETFs need to trade approximately $2.7bn for every 1% the index moves. This is approximately $32mn less than last week



Source: BofA Global Research. This analysis only includes leveraged and inverse ETFs traded on US exchanges. Data as of 15-May-2026.

BofA GLOBAL RESEARCH

The rebalance of leveraged and inverse ETFs may also amplify moves into the close at the single stock level. Tesla and NVIDIA currently top single stock leveraged and inverse ETF AUM with approximately $6.6bn and $6.3bn outstanding, respectively. Our analysis indicates that ETFs could be responsible for approximately $154mn and $139mn in TSLA and NVDA buying (selling), respectively, per 1% move up (down) in the underlying

DB Investor Positioning and Flows Tech Comes Full Circle 20260515

3 additional extracted charts

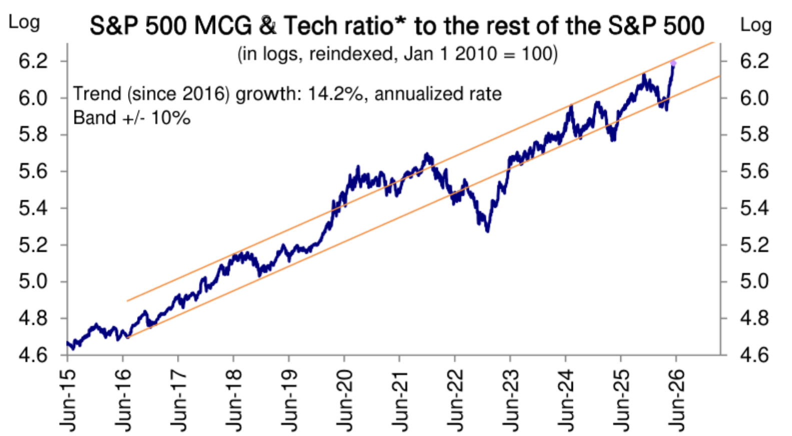
Chart 1

Page 2 | vector-cluster | score 1.025

years

Source : Bloomberg Finance LP, Deutsche Bank Asset Allocation

Figure 2: Mega-cap Growth & Tech has now come full circle back to the top of its trend channel relative to the rest of the S&P 500



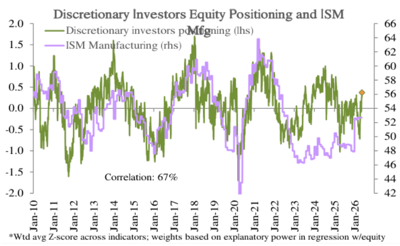
*natural log of the ratio

Source : Bloomberg Finance LP, Deutsche Bank Asset Allocation

Chart 2

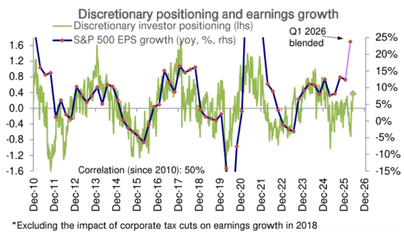
Page 11 | page-fallback | score 1.000

Figure 12: Discretionary investors positioning vs ISM Manufacturing



Source : ISM, Haver Analytics, Deutsche Bank Asset Allocation

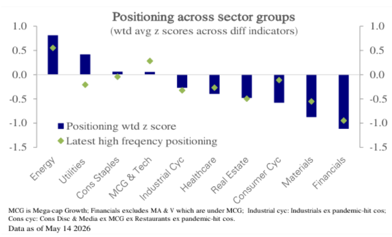
Figure 13: Discretionary investors positioning vs S&P 500 earnings growth



Source : Bloomberg Finance LP, Deutsche Bank Asset Allocation

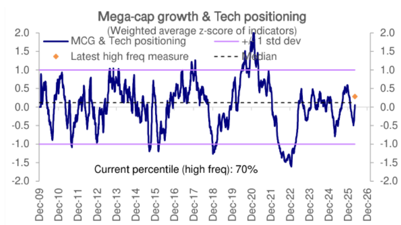
Sector Positioning

Figure 14: Equity positioning across sectors[3]



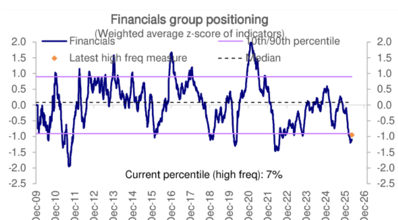
Source : Deutsche Bank Asset Allocation

Figure 15: Mega-cap growth & Tech positioning



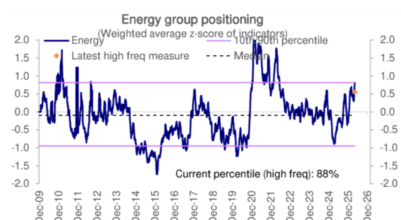
Source : Deutsche Bank Asset Allocation

Figure 16: Financials positioning



Source : Deutsche Bank Asset Allocation

Figure 17: Energy positioning



Source : Deutsche Bank Asset Allocation

3 Sector positioning indicator includes: Net call volume, cash equity median shorts, sector fund flows, active MF excess return correlation and Sell-side analyst consensus targets. More details can be found in Appendix

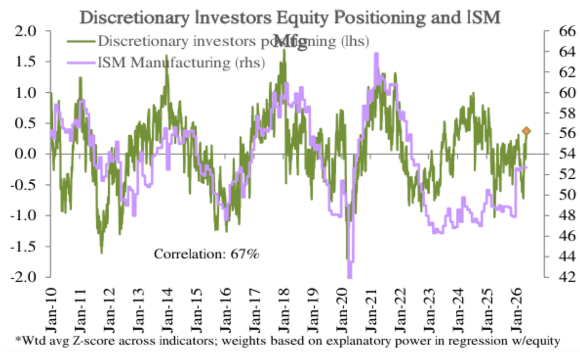
Chart 3

Page 11 | vector-cluster | score 0.975

15 May 2026

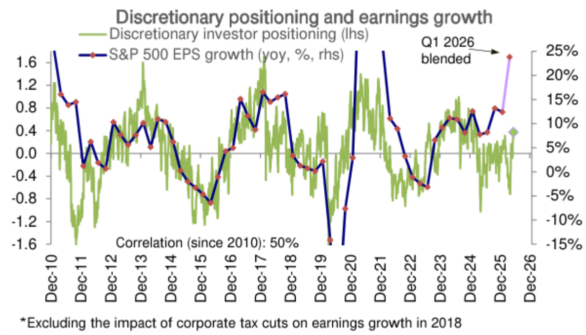
Investor Positioning and Flows

Figure 12: Discretionary investors positioning vs ISM Manufacturing



Source : ISM, Haver Analytics, Deutsche Bank Asset Allocation

Figure 13: Discretionary investors positioning vs S&P 500 earnings growth



Source : Bloomberg Finance LP, Deutsche Bank Asset Allocation

JPM The J P Morgan View Higher for Longer in Oil and Rates Own AI

2 additional extracted charts

Chart 1

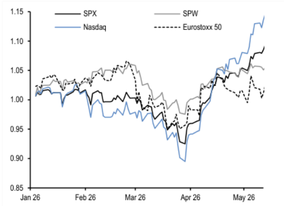
Page 3 | page-fallback | score 0.954

J.P. Morgan Securities plc
Fabio Bassi [AC]
(44-20) 7134-1989
fabio.bassi@jpmorgan.com

our economists' forecast for the FOMC to remain on hold, and resulting in a positively sloped money market curve, with the next move for the FOMC being a hike, which is supportive for USD. Consequently, we revise our year-end EUR/USD target lower to 1.14 from 1.20 previously. Notably, in the event of a de-escalation of the Iran conflict, we would expect EUR/USD to move higher, so we prefer to express our view via options to insulate against this. Elsewhere in FX, we continue to favour G10 commodity exporters such as AUD and NOK and prefer high-yielders in the EM space including BRL and MXN. In EMEA EM FX, we are also bullish HUF given the election outcome and the multi-year convergence story.

Figure 1: Stick to our momentum view of "buying the winners" with AI upstream theme being the key pillar of our bullish outlook in risk assets

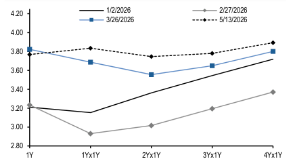
Normalized YTD performance for Nasdaq, S&P 500, S&P 500 equally weighted, Eurostoxx indices; %



Source: J.P. Morgan

Figure 2: US money market curve is now positively sloped with markets pricing ~30bp of hikes by June 2027

USD OIS 1Y spot and 1Y forward rates



Source: J.P. Morgan

Table 1: Core recommendations by asset class

Equities	**Country**: OW Eurozone, N Japan, UK. OW EM vs DM ex US. **Sector**: OW Technology, Comm Services, Utilities; Neutral Industrials, Cons. Staples, Cons. Discretionary, Financials, Health Care; UW Energy, Materials, Real Estate.
Bonds	**DM Duration**: In the US, hold short 5Y in 2s/5s/10s butterflies and 5s/10s/30s belly-cheapening butterflies. In Euro rates, **we buy 10Y Bund, enter 10s/30s conditional bull-stseepner (via 3m receivers), short 3Mx2Y EUR gamma vs. long USD gamma and take profit in 6Mx10Y JPY payer vs. Euribor**. We hold fronts/greens conditional bear flattener via 3M payers, hold long Sep26 SONIA calls vs. Euribor, 3Mx(1Yx1Y) receiver fly A/A-25/A-50, 2s/10s conditional bull steepener, 6Mx5Y USD payers vs. EUR. In the UK, **we go long 10Y gilt**, hold long 3Mx10Y gamma, Dec26 3M SONIA A/A+25/A+50 put fly, fronts/greens SONIA curve conditional bear flatteners and stay long gilt Mar27 on ASW basis. In Japan, hold tactical 5s/20s JGB curve steepener and 30s/31s curve steepeners. In AUS/NZ, stay recieved AUD 2Y1Y IRS vs. US, hold AUD 10Y EFP and NZD-AUD 5Y5Y IRS spread. **EM Duration**: MW; OW Hungary, Brazil, Mexico, while UW Peru and Chile.
Credit	**US HG**: OW Healthcare, Yankee banks, US Banks; UW Media Entertainment, Technology, Automotive, Basic Industries, Retail **Euro HG**: OW Financials vs. Non-Financials, OW EUR IG vs. GBP IG, iTraxx Main 75bp June payer option **Euro HY**: Long Single-B Basket **EM**: MW sovereigns and corporates
Currencies	**DM**: **Sell EUR/USD via 1.1650/1.14 3m put spread, buy 3m 40d/20d USD/CAD call spread (k=1.3782 / 1.3982), take profit on short CAD vs.50:50 basket of AUD & NOK**. Stay long-NOK/SEK via 3m call spread, long NOK vs JPY, CHF, short CAD/MXN and short EUR/AUD. **EM**: MW; OW MYR, HUF, TRY, BRL, MXN, while UW CZK, INR, THB and PEN.
Commodities	**Long**: Gold, Copper, Aluminum, Silver, and Platinum. **Short**: Oil and Zinc.

Source: J.P. Morgan. New recommendations in bold.

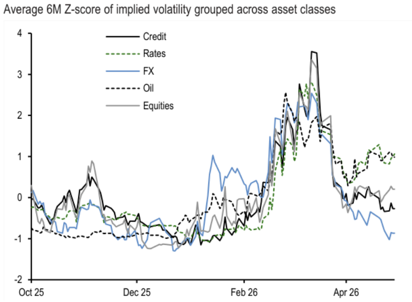
Chart 2

Page 5 | page-fallback | score 0.794

J.P. Morgan Securities plc
Fabio Bassi [AC]
(44-20) 7134-1989
fabio.bassi@jpmorgan.com

Figure 3: Non-linear hedges in rates and oil remain the most attractive ways to protect geopolitical-driven inflation risk making oil and rates vol sticky

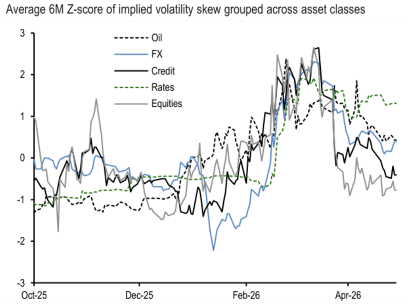
Average 6M Z-score of implied volatility grouped across asset classes



Implied vol on S&P 500 and EuroStoxx for equities, 3Mx2Y swaption vol in USD, EUR and GBP for rates, Brent and WTI for oil, and TRACX for US/Euro HG and HY credit.
Source: J.P. Morgan, Bloomberg Finance L.P.

Figure 4: Demand to hedge stagflationary risks remains more persistent in DM front-end rates where the relative skew stays the most elevated

Average 6M Z-score of implied volatility skew grouped across asset classes



Implied vol on S&P 500 and EuroStoxx for equities, 3Mx2Y swaption vol in USD, EUR and GBP for rates, Brent and WTI for oil, and TRACX for US/Euro HG and HY credit (see footnote here for details).
Source: J.P. Morgan, Bloomberg Finance L.P.

The AI upstream theme has been further reinforced by strong earnings in the first quarter, providing further support to our bullish equity outlook. However, given the sharp rally from recent lows, a geopolitical backdrop that remains in flux and high crowding in Quality Growth (93.5%ile, Figure 5) or in Semis (99.3%ile) vs. Software (22.8%ile) (Figure 6), we see a non-negligible risk of a short-term consolidation/correction phase before the market resumes its upward trajectory. We are not overly worried about concentration risk given that about 45% of the market cap is now tied to the AI/Quality Growth theme (AI-50 stocks), which should be in line with our analysis of less sensitivity to higher rates and inflation risk, with a more muted beta to geopolitical uncertainty. Elsewhere in the equity space, we think investors should be selective and differentiated within cyclicals, focusing on areas most linked to Security and Resiliency (SRI) themes. In line with JPM's SRI initiative, we launch 5 equity baskets with exposure to: 1) Advanced Manufacturing and Supply Chains (JPRAMANS <Index>), 2) Aerospace and Defense (JPRAEROD <Index>, 3) Energy Independence and Resiliency (JPREIRES <Index>), 4) Frontier and Strategic Technologies (JPRFRSTT <Index>) and 5) Pharma and Healthcare (JPRPHHTR <Index>).

Sources

Chart report PDF