

Two New Trades in the New Year – 01/08/2026

Macro Views



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The first full week of 2026 has been defined by geopolitical shocks, renewed AI optimism, and soft economic data, pushing the S&P 500 to new all-time highs. The index managed to get slightly above the 6,925 minor resistance level before pulling back. The Venezuela intervention heightened tensions and triggered a risk-on rally as oil prices declined after an initial spike. A softer ISM Manufacturing reading shifted rate-cut expectations. Storage AI stocks also saw double-digit gains on the back of comments from NVIDIA. 10-year bond yields held up around 4.2%, acting as a cap on valuation expansion. Although equities have shrugged off this concern, I think this will come to a head with the sheer number of Russell 1000 stocks without enough profit to service their debt. Tomorrow's December Nonfarm Payroll, with an expectation of 60K jobs added and 4.6% unemployment, is a key driver of forward sentiment, followed by next Tuesday's CPI print. These will be important for rate-cut expectations needed to sustain the S&P rally. Earnings season begins next week, and it could set the tone for 2026.

For more information, please watch the replay video.

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Trade Idea



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NVIDIA continues to redefine AI infrastructure innovation just as investors were beginning to debate durability. While the market has largely absorbed the Blackwell ramp up, the Rubin chip unveiling reinforces NVIDIA's central position through 2027. With government and enterprise AI expansion, NVIDIA's growth appears more resilient than prior cycles. To express a bullish view while maintaining defined risk, I want to consider buying the March 185/220 call vertical at a debit of \$11.20.

NVDA @ \$187.14	BUY 1 MAR 20 TH 185 CALL AT \$14.85
	SELL 1 MAR 20 TH 220 CALL AT \$3.65
01.08.2026	DEBIT $(\$14.85 - \$3.65) * 100 = \$1,120$
	$(\$220 - \$185 - \$11.20) * 100 = \text{MAX GAIN OF } \$2,380$
NVDA BULL CALL SPREAD	$(\$14.85 - \$3.65) * 100 = \text{MAX RISK OF } \$1,120$

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Block (XYZ) is emerging from a multi-year reset as a disciplined fintech platform. Management has successfully reoriented around margin expansion and ecosystem convergence, now confirmed by price action. With XYZ breaking above a multi-month resistance level and valuations still anchored to a payments processor legacy, I believe the stock is positioned for a re-rating as investors reassess earnings growth durability. To express a bullish view while defining downside risk, I want to consider selling the XYZ February 70/65 put vertical for a credit of \$1.80.

XYZ @ \$70.59	BUY 1 FEB 20 TH 65 PUT AT \$1.70
	SELL 1 FEB 20 TH 70 PUT AT \$3.50
01.08.2026	CREDIT $(\$3.50 - \$1.70) * 100 = \$180$
	$(\$3.50 - \$1.70) * 100 = \text{MAX GAIN OF } \180
XYZ BULL PUT SPREAD	$(\$70 - \$65 - \$1.80) * 100 = \text{MAX RISK OF } \320

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