

Macro Views



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Markets are shrugging off escalating trade tensions with China, hoping for a Trump and Xi meeting at the end of the month. Another rate cut is expected later this month, which has helped support equities as the labor market continues to weaken. Strong M&A activity and asset management divisions have led to positive earnings for major banks. One thing to note was Jamie Dimon's comment about watching out for "cockroaches" after Tricolor and First Brands declared surprise bankruptcies. Overall, equity markets remain more defensive with only utilities and consumer staples up while all other sectors are in the red. The S&P 500 saw a meaningful correction in the wake of the nearly six-month 37% rally off April lows. With another all-time high for gold and the VIX at 22%, I expect more downside for equities and more volatility if trade escalations and economic slowdowns continue.

For more information, please watch the replay video.

Trade Idea



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As escalating trade tensions cause market uncertainty, utilities offer defensive positioning. PG&E (PCG) demonstrates both improving fundamentals and technical leadership. Its wildfire mitigation progress and expanding data-center pipeline support steady growth. Seeing possible upside potential, I'm using a simple options strategy buying the December 16 call at a \$1.57 debit.

PCG @ \$16.78	BUY 1 DEC 19 TH 16 CALL AT \$1.57
10.16.25	DEBIT $\$1.57 * 100 = \157
	MAX GAIN = UNLIMITED
PCG LONG CALL	$\$1.57 * 100 = \text{MAX RISK OF } \157

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Tony's Lookback



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A few weeks ago, I bought the Citigroup (C) October 100/110 call vertical at \$3.80. While delivering strong performance on earnings, the macro environment let us down and the option is now trading at \$0.53. With only one day until expiration, it's time to cut my loss on this trade and move on.

C
09.18.2025 \$102.12

BUY 1 OCT 17TH 100 CALL AT \$4.85

SELL 1 OCT 17TH 110 CALL AT \$1.05

NET DEBIT = \$380

C BULL CALL SPREAD



C
10.16.2025 \$99.41

SELL 1 OCT 17TH 100 CALL AT \$0.54

BUY 1 OCT 17TH 110 CALL AT \$0.01

CURRENT NET CREDIT = \$53

LOSS IF CLOSED = \$327

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