Inflation Cools while Oil Heats Back Up – 7/16/2026

Macro Views

Tony Zhang
Chief Strategist and Cofounder
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June CPI came in cooler than expected, but the bond market doesn’t appear to be buying a rapid, durable disinflation. With the Middle East reescalating and energy already reversing higher, the bond market is reading June as more of an isolated datapoint than a trend, and inflation may well rear its head again—which could lead to higher chances of a rate hike. This puts the major resistance level of 7,600 on the S&P 500 Index as the main headwind ahead of earnings season, despite healthy market rotation and consolidation under the surface and signs of a resilient consumer.

For more information, please watch the replay video.

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Trade Idea

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Anxiety about overspending pinned Meta (META) in a downtrend from its September 2025 highs—all the while, the business kept compounding and AI investment appears to be paying off. Unlike most of the AI companies, Meta is not expensive. It trades at a discount to its own industry while growing faster and earning far higher margins than nearly anything else in big tech. When a business this dominant re-rates off a technical breakout while still priced below its peer group, the risk and reward tends to skew in the bull's favor. To express a bullish view with defined risk, I'm looking to buy the August 660/695 call vertical at a debit of $15.15.

META @ $669.40	BUY 1 AUG 21ST 660 CALL AT $49.18
	SELL 1 AUG 21ST 695 CALL AT $34.03
07.16.2026	DEBIT ($49.18 – $34.03) * 100 = $1,515
	($695 – $660 – $15.15) * 100 = MAX GAIN OF $1,985
META BULL CALL SPREAD	($49.18 – $34.03) * 100 = MAX RISK OF $1,515

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Trade Idea

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Reddit (RDDT) is being re-rated in real time from a hard-to-value social platform into one of the clearest data stories of the AI era. The market is starting to treat Reddit like core infrastructure for the AI answer layer. The breakout after a volatile stretch that saw the stock swing from deep drawdown to sharp rallies is showing that buyers have stepped back in with conviction. The bull case is that it is one of the very few internet platforms growing fast enough and sitting in a rare enough position in the AI supply chain to keep earning its premium. To express a bullish view with defined risk, I'm looking to sell the August 190/170 put vertical for a credit of $8.40.

RDDT @ $190.94	BUY 1 AUG 21ST 170 PUT AT $9.90
	SELL 1 AUG 21ST 190 PUT AT $18.30
07.16.2026	CREDIT ($18.30 – $9.90) * 100 = $840
	($18.30 – $9.90) * 100 = MAX GAIN OF $840
RDDT BULL PUT SPREAD	($190 – $170 – $8.40) * 100 = MAX RISK OF $1,160

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Tony's Lookback

I sold the GOOGL July 365/345 put vertical for a credit of $7.50, which is now trading at $1.25. I'm looking to take the profits on this trade and roll into a new August trade to potentially continue to capitalize on my thesis.

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Chief Strategist and Cofounder
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GOOGL
06.04.2026
$366.53

BUY 1 JUL 17TH 345 PUT AT $7.08

SELL 1 JUL 17TH 365 PUT AT $14.58

NET CREDIT = $750

GOOGL BULL PUT SPREAD

GOOGL
07.16.2026
$370.43

SELL 1 JUL 17TH 345 PUT AT $0.06

BUY 1 JUL 17TH 365 PUT AT $1.31

CURRENT NET DEBIT = $125

GAIN IF CLOSED = $625

For more information, please watch the replay video.

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Tony's Lookback

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I'm looking to roll the July GOOGL trade to the August 365/345 put vertical for a credit of $7.20.

GOOGL @ $370.43	BUY 1 AUG 21ST 345 PUT AT $7.35 SELL 1 AUG 21ST 365 PUT AT $14.55
07.16.2026	CREDIT ($14.55 – $7.35) * 100 = $720
COMBINED MAX GAIN = $1,345	($14.55 – $7.35) * 100 = MAX GAIN OF $720
COMBINED MAX RISK = $655	($365 – $345 – $7.20) * 100 = MAX RISK OF $1,280

GOOGL BULL PUT SPREAD

For more information, please watch the replay video.

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