How Long Can the Stock Market's All-Time High Last? — 08/06/2026

Macro Views

Tony Zhang
Chief Strategist and Cofounder
OptionsPlay®

The tech trade came roaring back to life as Middle East tensions simmered, and the valuation premium largely evaporated. The recent rotation out of tech and into the rest of the market brought the tech sector down to around 20x forward earnings, essentially in line with the broader S&P 500. Compared against the other sectors, tech is still expecting significantly higher revenue growth, EPS growth, and profitability. While the first phase of the AI rally was driven by chips, fabrication equipment, and hardware, we're starting to see that diversify toward companies successfully putting AI to work—and then able to accelerate generating revenue as a result. Additionally, strong Q2 earnings and recent breakouts to new all-time highs in both .SPX and RSP provide a strong bullish signal for equities.

For more information, please watch the replay video.

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Trade Idea

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Broadcom (AVGO) is growing its AI semiconductor revenue at triple-digit rates—converting nearly half of that revenue into free cash flow—and is pointing to one of the steepest near-term revenue accelerations in the sector. The chart is now starting to confirm the fundamentals following its recent breakout, and yet the stock trades at a major discount compared with the semiconductor group as a whole. AVGO's most recent quarter reinforced the idea that this is not just a momentum trade. Q2 earnings has been firing on all cylinders, but its current valuation does not fully reflect that yet. To express a bullish income view with defined risk, I'm looking to sell the September 410/390 put vertical for a credit of $7.90.

AVGO @ $425.31	BUY 1 SEP 18TH 390 PUT AT $15.80
	SELL 1 SEP 18TH 410 PUT AT $23.70
08.06.2026	CREDIT ($23.70 – $15.80) * 100 = $790
	($23.70 – $15.80) * 100 = MAX GAIN OF $790
AVGO BULL PUT SPREAD	($410 – $390 – $7.90) * 100 = MAX RISK OF $1,210

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The market still tends to treat Zoom like a pandemic-era meeting app whose best days are behind it. Zoom Communications (ZM) is not growing fast enough to screen like a classic high-growth software name, but it is generating enormous cash flow, and there's growing evidence that AI can turn the platform into more than a meeting utility. ZM trades below the software industry multiple despite producing net margins that are nearly four times the sector average. The chart suggests that the market is beginning to price ZM less like a declining video-conferencing stock and more like a high-margin software platform with AI-driven optionality. If the breakout holds, the next upside price target is $115. To express a bullish view with defined risk, I'm looking to sell the September 95 put for a credit of $4.65.

ZM @ $100.10	SELL 1 SEP 18TH 95 PUT AT $4.65
08.06.2026	CREDIT $4.65 * 100 = $465
	$4.65 * 100 = MAX GAIN OF $465
ZM SHORT PUT	($95 – $4.65) * 100 = MAX RISK OF $9,035

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Tony's Lookback

I sold the August 190/170 put vertical for a credit of $8.40, and it's now trading at $17.90. It's time to cut losses and move on to the next trade.

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RDDT
07.16.2026
$190.94

BUY 1 AUG 21ST 170 PUT AT $9.90
SELL 1 AUG 21ST 190 PUT AT $18.30
NET CREDIT = $840

RDDT BULL PUT SPREAD

RDDT
08.06.2026
$154.69

SELL 1 AUG 21ST 170 PUT AT $18.05
BUY 1 AUG 21ST 190 PUT AT $35.95
CURRENT NET DEBIT = $1,790
LOSS IF CLOSED = $950

For more information, please watch the replay video.

RSP (Invesco S&P 500 Equal Weight ETF)

Quarter-End Average Annual Total Returns as of 06/30/2026

	NAV Return	Market Return
1 Year	+18.99%	+19.01%
3 Year	+14.30%	+14.30%
5 Year	+8.93%	+8.93%
10 Year	+12.13%	+12.13%
Life	+11.33%	+11.33%

Top 10 (2.72% of total holdings as of 06/30/2026)

MRNA	Moderna Inc	0.29%
GLW	Corning Inc	0.29%
AMAT	Applied Materials Inc	0.28%
KLAC	KLA Corp	0.27%
TER	Teradyne Inc	0.27%
SNDK	SanDisk Corp Ordinary Shares	0.27%
GEV	GE Vernova Inc	0.26%
LRCX	Lam Research Corp	0.26%
TECH	Bio-Techne Corp	0.26%
UAL	United Airlines Holdings Inc	0.26%

The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted.

All Life of Fund returns are as of 04/24/2003. Market returns are based on the closing price on the listed exchange at 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times.

Gross Expense Ratio: 0.20%

Average annual total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated. Life of fund figures are reported as of the commencement date to the period indicated. Since ETFs are bought and sold at prices set by the market - which can result in a premium or discount to NAV- the returns calculated using market price (market return) can differ from those calculated using NAV (NAV return).

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There are additional costs associated with option strategies that call for multiple purchases and sales of options, such as spreads, straddles, and collars, as compared with a single option trade.

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Stock markets are volatile and can fluctuate significantly in response to company, industry, political, regulatory, market, or economic developments. Investing in stock involves risks, including the loss of principal.

Technical analysis focuses on market action — specifically, volume and price. Technical analysis is only one approach to analyzing stocks. When considering which stocks to buy or sell, you should use the approach that you're most comfortable with. As with all your investments, you must make your own determination as to whether an investment in any particular security or securities is right for you based on your investment objectives, risk tolerance, and financial situation. Past performance is no guarantee of future results.

Greeks are mathematical calculations used to determine the effect of various factors on options.

Indexes are unmanaged. It is not possible to invest directly in an index.

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