

Mid curve De-escalation Play

From Harry Dhindsa <harry.dhindsa@silvertidefinancial.com>
 Date Sat 09/05/2026 11:27
 To Harry Dhindsa <harry.dhindsa@silvertidefinancial.com>

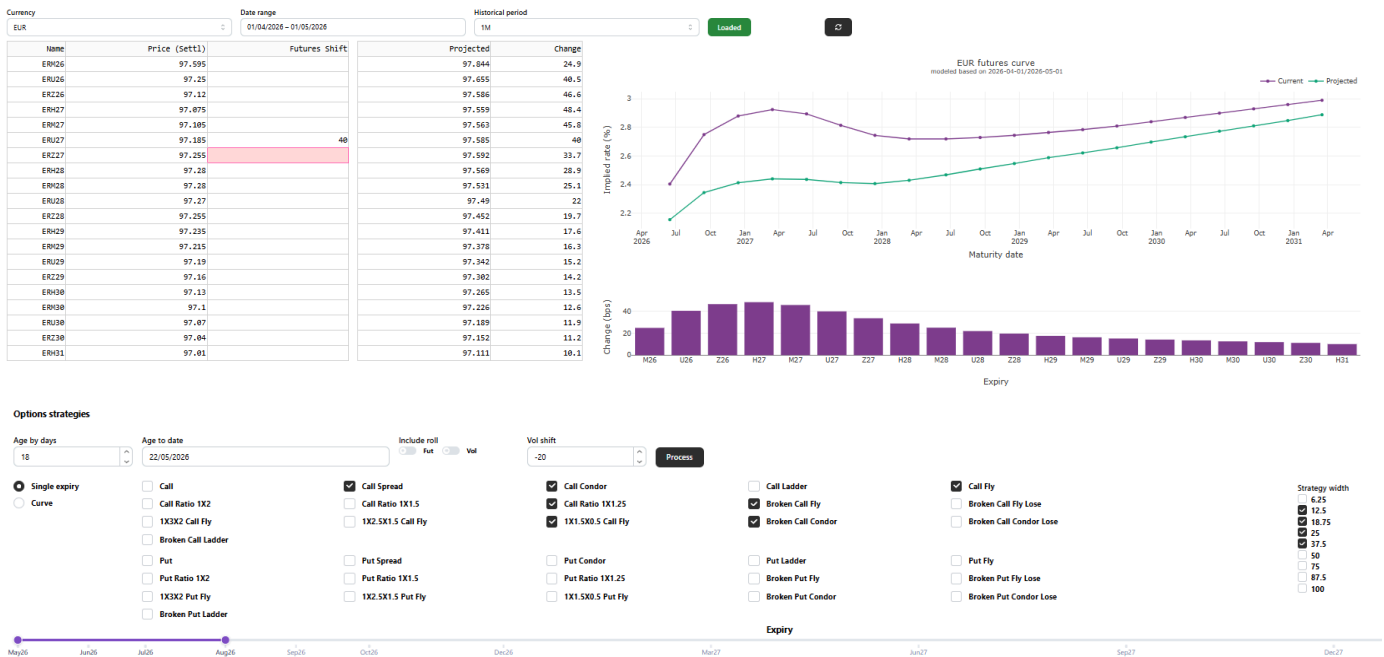
Hi Team

I ran analysis for the optimised trades for a de-escalation scenario in the coming weeks.

Trades were re-valued based on the below criteria:

- 1) 40bp rally in U7
- 2) -20bpv (~40% of what the move would be if we returned to Pre Iran levels)
- 3) Aged all trades 18 days (22/05)

Based on the PC's a 40bp move in U7 would project the curve as below:



We filtered for trades with no/minimal tail and at least 5% delta

We take a look at top 2:

StrategyName	CurrentPrice	ProjectedPrice	leverage ↓	Delta	Max Leverage
ORM26 97.5625/97.8125 1.0x1.25 CS	0.01	0.0625	5.25	0.0554	25
ORM26 97.5625/97.8125/98.0625 1.0x1.5x0.5 Call Fly	0.01	0.0575	4.75	0.0502	25
ORM26 97.5/97.875/98.25 Call Fly	0.0175	0.0975	4.57	0.0873	21.4
ORM26 97.5625/97.75 1.0x1.25 CS	0.01	0.055	4.5	0.0517	18.8
ORM26 97.5625/97.75/97.9375/98.125 Call Condor	0.01	0.055	4.5	0.0503	18.8
ORM26 97.625/98.0/98.375 Call Fly	0.01	0.055	4.5	0.0574	37.5
ORM26 97.5625/97.9375/98.3125/98.6875 Call Condor	0.015	0.0825	4.5	0.0851	25
ORM26 97.5625/97.8125 CS	0.0125	0.0675	4.4	0.0664	20
ORM26 97.5/97.875 1.0x1.25 CS	0.02	0.1075	4.38	0.1051	18.8
ORM26 97.5625/97.9375 1.0x1.25 CS	0.015	0.08	4.33	0.0828	25

Trades will sit negative Theta but we are focusing on optimised ways to own upside convexity here

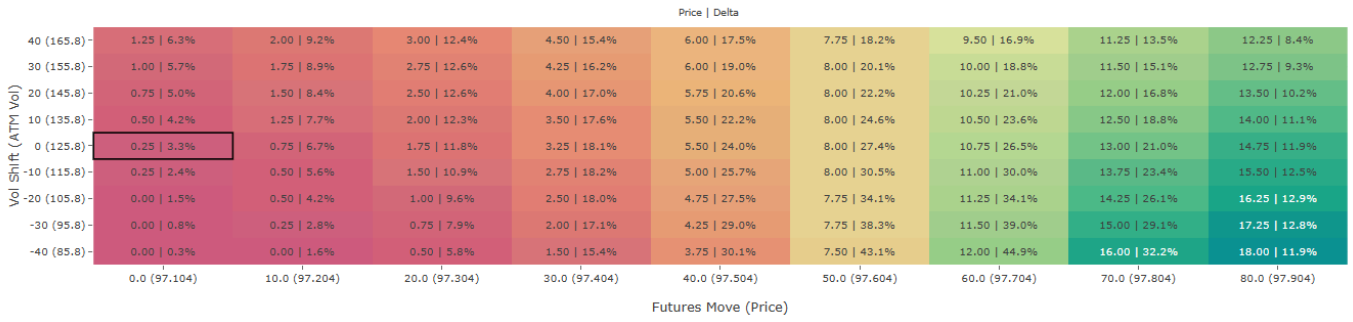
Orm6 97.56/97.81 1x1.25 cs 1.25/2, try pay 1.75, settled 1.1, runs +9d

Further BE of ~98.7725 is ~165bps from spot, effectively closing off the tail. Paper is short ~92k at 98.25, potential pin from dealer hedging if we rally up there.

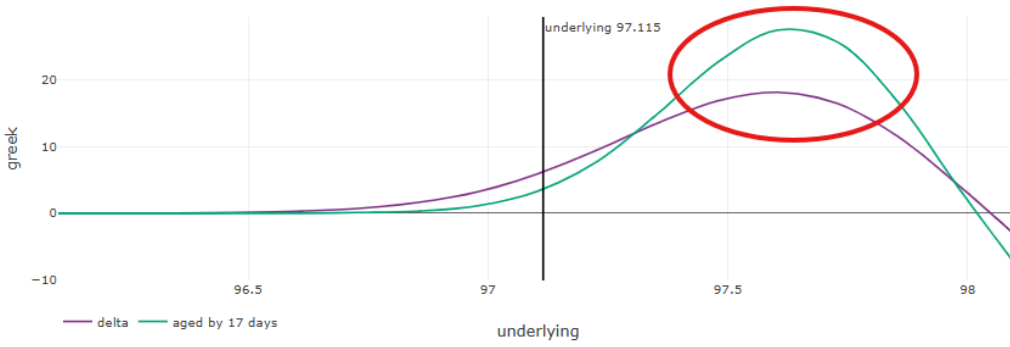
Aged Delta shows the increase in directionality at your long strike. Nice way to own Gamma during this period.

Aged Stress test shows in our scenario trade is worth 4.75 - max payout of ~25x at exp.

B ORM26 97.5625/97.8125 1.0x1.25 CS aged by 17 days (22May2026) stress test



B ORM26 97.5625/97.8125 1.0x1.25 CS delta profile



Options Flow Report - OR

Data Range: 2025-07-23 - 2026-05-05

	Expiry Code / Option Type						
	K26 C	K26 P	M26 C	M26 P	N26 C	N26 P	Q26 C
99.0000			1k				
98.7500			-1k				
98.6875				4k			
98.6250			-4k				10k
98.5625			-4k				
98.5000			-6k	-4k			
98.4375			-1k				
98.3750			19k				
98.3125			7k				
98.2500			-92k		-5k		
98.1875			-12k				
98.1250			14k	100			
98.0625	2k	1k	13k	-100			
98.0000			57k	5k	11k		
97.9375	-2k	-2k	-8k	-11k			
97.8750	5k		-4k	9k			

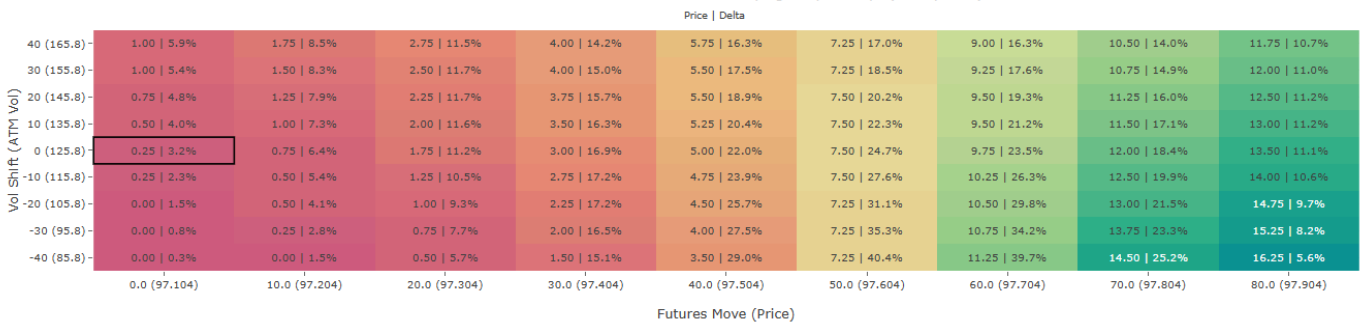
Orm6 97.56/97.81/98.06 1x1.5x0.5 c fly 1/1.75, try pay 1.5, settled 1.1, runs +9d

A way to own upside convexity in a fixed loss format without paying up for elevated call skew.

Aged Stress test shows in our scenario trade is worth 4.5 - max payout of ~25x at exp.

Aged Payout profile shows decent time value remaining before the 97.5625 strike.

B ORM26 97.5625/97.8125/98.0625 1.0x1.5x0.5 Call Fly aged by 17 days (22May2026) stress test



Mid curve De-escalation Play - Harry Dhindsa - Outlook

B 0RM26 97.5625/97.8125/98.0625 1.0x1.5x0.5 Call Fly Price Profile
ATM Vol: 125.2 Vol shifted by 0 bps (125.2)

