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Global Macro Strategy - Views and Trade Ideas



Mythbusting UST Concerns Amid the Global Bond Glut

CITI'S TAKE

Bessent may get what he wants. Our Global Bond Glut framework suggests excess supply is well-priced. We see only weak evidence that fiscal (swap spreads), inflation (breakevens) or hyperscaler issuance has driven yields higher. The move has been all real yields and has co-moved mainly with energy and slightly with equities. This is an Iran and growth problem. Good news for Bessent is that oil and the US labor market will soften, per Citi expectations. Bad news is that real action on issuance twists and fiscal must wait for the November QRA (Nov 2nd) and midterm elections (Nov 3rd). How to bridge the gap? Guide against coupon increases, clearer Fed communication and use the TGA. Moderate financial repression may calm the long end, but the release valve will move to FX. We stay short USD via [EUR](#), [XAU](#) & [HY EMFX](#), and long risk via [NDX topside](#) and [SPW spot](#).

UST buybacks not a no brainer — While we are less pessimistic on the efficacy of the intervention than many, we do think that there was no need to intervene as markets were relatively well behaved.

Organic consolidation in USTs could happen — We see 3 triggers how rates could perform better: Fed Chair Warsh avoiding hikes in 2026 and giving some slight reaction function hints, Treasury Secretary Bessent gives fiscal guidance towards no coupon increases, or, least likely, some fiscal consolidation.

US real yields driving up USTs — Fiscal risk premia, as measured by asset swap spreads, have compressed and inflation expectations were well behaved. We attribute the rise in real yields to positive growth dynamics, potentially from the AI expansion raising R^* , rather than a structural inflation or fiscal problem.

Issuance by hyperscalers also not the main driver for rates — The spread widening in US IG has been contained, and any supply pressures should have shown up there more clearly than in US rates. Furthermore, we find no correlation between supply by hyperscalers and higher rates.

Global bond selloff also due to real rates not fiscal — Our analysis shows a mix of real yield and inflation drivers in Japan and the UK, with real yields dominating. In Germany, real yields have driven the move since Q1. France is the only clear candidate for an asset swap-driven selloff, but this is likely as fiscal concerns were reinforced by a rising political risk premium ahead of elections.

Using TGA for the buybacks — If large UST buybacks are TGA-financed, which is not our rates team's base case, this would likely increase bank reserves and provide a modest boost to risky assets, especially Bitcoin, and weigh on the dollar.

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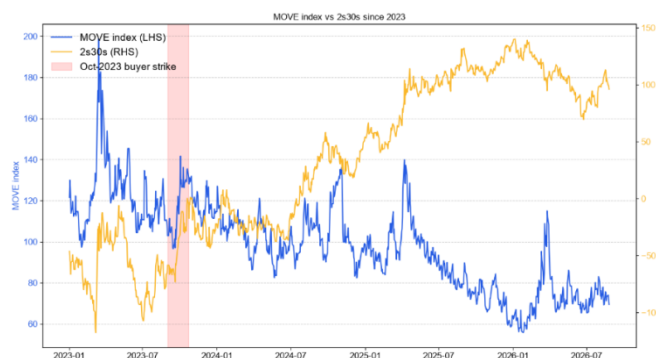
Mythbusting UST concerns amid the Global Bond Glut

Trade Expiry (portfolio hedge): Aug-26 (17-Aug-2026) expiry USD denom Dual Digi SPX > 106.25% (7833.29), CLU6 > 110% (91.19). Entered at 7.5% in \$2mio notional on [07-May-2026](#) risking \$150k premium/0.15% of GMS PF. Refs SPX cash 7372.50, CLU6 82.90. Pricing as of 14:43 UKT on 07-May-2026. The trade expired OTM. P/L on trade -\$150k/-0.15% of GMS PF. NB: Futures trading involves substantial risk of loss.

Is there a UST problem? No

No panic at the back end. There has been a fair amount of criticism of the US Treasury's buyback announcement. Some believe that Bessent is leaning against fundamentals and that his intervention would therefore not be overly successful. At Citi, both our US rates strategists ([US Rates Strategy: Getting long 20y after today's buyback announcement](#)) and we ([Global Macro Strategy: Our Take on US Treasury Announcement: Buy Gold](#)) have been much more open minded on whether the action by the US Treasury can work. Where we would agree with some critics, though, is that the extent of the sell-off at the backend has not been large or volatile enough to make an intervention a no brainer. Compared to the buyer strike of October 2023, both the magnitude of the sell-off and the volatility have been much more contained (Figure 1). Incidentally, that move was stopped by a commitment by the US Treasury to slow the pace of increases in the backend, and a more dovish Fed, both of which may be on the cards in the coming weeks and months ([Short-End Notes: Will Treasury skip coupon increases until the next admin?](#)). When judging term premia by regressing the slope on the front end, in the bigger picture the residuals of this regression do not seem stretched, even though they are at the upper end of the recent range, harking back to the 2016 levels, as can be seen in Figure 2. This suggests that it is not fully clear to us that the intervention was, strictly speaking, necessary. This is important, because buying bonds is easier to do when markets panic, and policy makers come to the rescue, rather than when markets are fairly benign, and policy makers jump into action regardless. Still, it does not take away from the fact we think this intervention may stabilize markets for a few months.

Figure 1. Smaller move and lower vol than in 2023



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Figure 2. Curve steepeners locally stretched, but in the bigger picture not so much, and term premia estimates are more benign (regressions of curve vs front end)



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Can the Treasury Twist work? Yes but...

Organic consolidation would be healthier than financial repression. As we discuss above and further below, there is no obvious UST back-end problem that needs to be solved. So an issuance twist, combined with less hawkish Fed premium ([we remain received October FOMC](#)), should be enough to contain back-end yields. We see three main channels towards calmer UST yields (outside of a growth shock), which are not mutually exclusive:

1. **Fed Chair Warsh avoiding hikes in 2026 and giving some slight reaction function hints.** This removes the risk of another July meeting reaction and should allow UST yields to move lower with the front end. We could get some hints at Jackson Hole, but we expect little, especially with PCE methodology revisions and Task Force conclusions still to come. This could be a slow burn into year end. Negative USD, positive risk.
2. **Treasury Secretary Bessent gives fiscal guidance towards no coupon increases.** Reduces supply concerns via financial repression. May have to wait until the November 2nd QRA. Negative USD, positive risk.
3. **Fiscal consolidation.** Politically tricky, this may have to wait until after the November 3rd mid-term elections. Positive USD, mixed on risk.

What about other UST concerns? We outline more UST Q&A below.

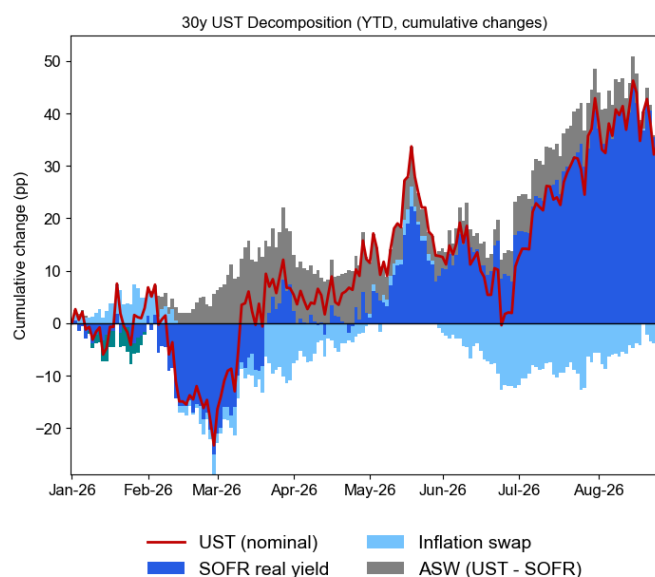
Mythbusting reasons for higher UST yields

Reason #1: UST yields have a fiscal problem

Keeping it real – yields are here due to energy and growth. Breaking down the move in the 30y UST into component parts sheds light on the story (Figure 3). We decompose the 30y UST into 30Y SOFR real yield, plus 30y inflation swap, plus the inverse of the 30y ASW (UST – SOFR yield in this instance) as a barometer of fiscal risk premium. As we can see, the bulk of the YTD move, and especially since July, has been led by the real yield. The inflation breakeven rally has been mild, and if anything, fiscal risk premia has compressed recently. The move in yields has mostly correlated with cyclical moves in energy prices and equities (Figure 4). This signals three things to us: 1) Fiscal does not seem to be the main concern, given that ASW did not reflect fiscal fears; 2) there are only limited structural inflation concerns embedded in UST yields, mostly limited to Iran risk; 3) We note that positive growth dynamics driven by the US AI expansion are potentially raising R^* , which is a better explanation of what has been driving rates. Figure 5 shows two measures of productivity rising with 5y5y real yields. We use S&P1000 sales per employee (SPK rather than SPX as a broader set of US companies less dominated by global hyperscalers) and the 3y CAGR of real output per hour ([per KKR](#)). Figure 6 shows that higher productivity regimes coincide with higher, not lower, yields. This suggests stronger growth dominates any disinflation from productivity improvements, even though we are open minded as to how this AI boom could eventually play out differently.

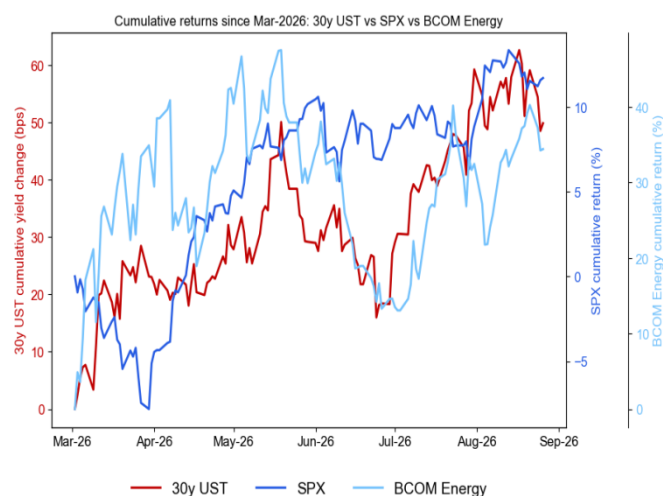
Oil and US growth likely to move lower. On oil, Citi Commodity Strategy [forecasts](#) are for \$80 and \$75 Brent in Q3 & Q4 and their modelling on inventories suggests at current draw rates we have until late-2027 to reach 1970/80s level of cover ([Oil Monitor: At visible draw rates, when do we “run out” of oil stockpiles?](#)). On US growth, Citi Economists see downside data risks into year-end ([US Economics Weekly: The resilient narrative of US resilience](#)).

Figure 3. 30y UST decomposition of YTD changes – all RY



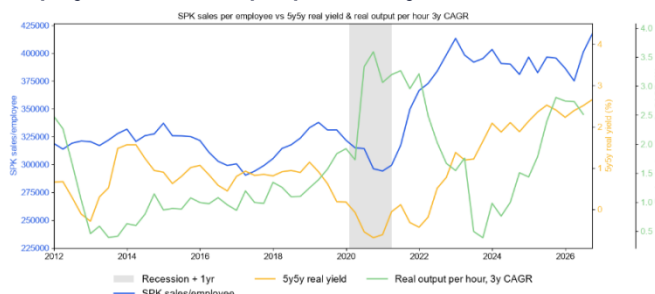
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Figure 4. 30y UST since March has co-moved with BCOM Energy and S&P500 price returns



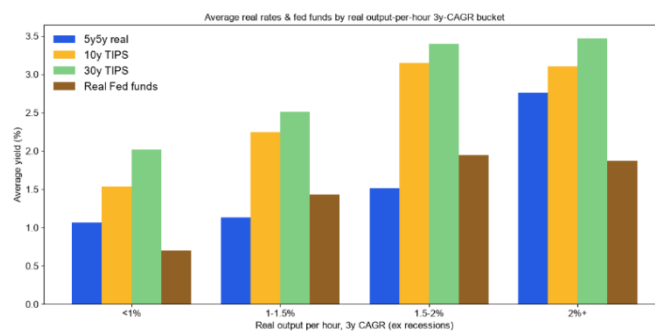
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Figure 5. US 5y5y real yields vs S&P1000 sales per employee and real output per hour 3y CAGR



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Figure 6. Higher productivity = higher yields, not lower

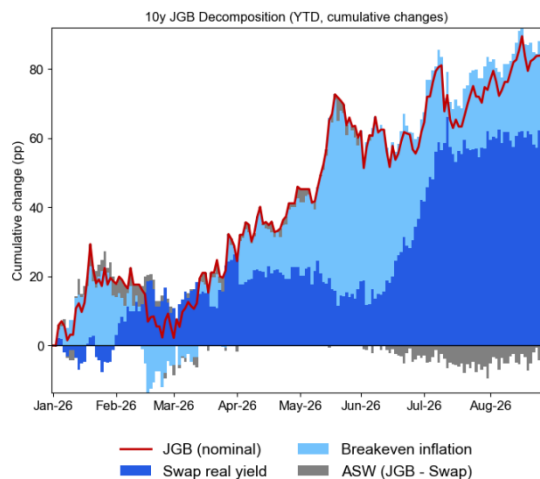


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Reason #2: Global selloff = fiscal problem

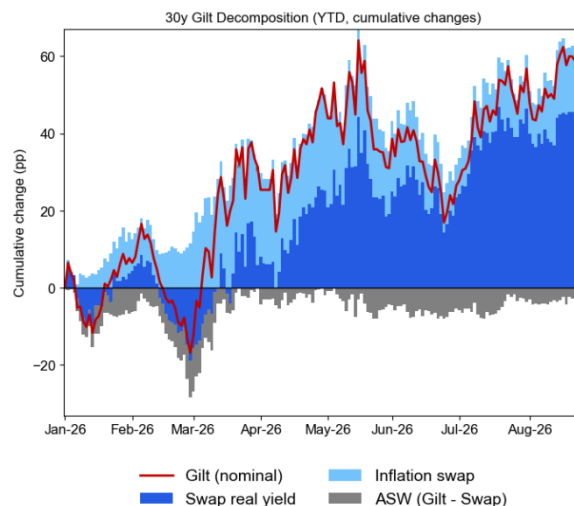
Under the hood of global core rates – mixed messages. We expand our 30y decomposition work to Japan (10y due to data issues), the UK, France and Germany. In Japan, we see an even mix of inflation and real yield drivers, but limited ASW move. Similarly in the UK, inflation risk premia is a positive factor of the 30y selloff, but real yields still dominate. For larger ASW contributions, we need to look to Europe. In Germany it was a dominant driver in Q1, but the delta of real yields has dominated ever since. The only clear candidate for an ASW driven selloff is France, but this is likely a mix of fiscal concerns and political risk premia, given upcoming elections. In the global synchronized selloff, real yields and to a lesser extent, inflation risk has dominated.

Figure 7. Japan saw a mix of real yields and inflation drivers



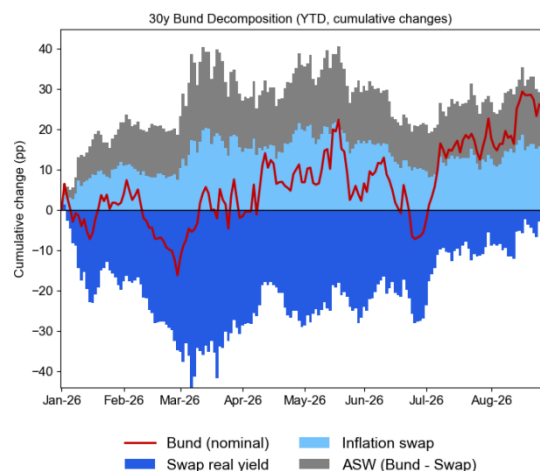
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Figure 8. In UK, mostly real yields with some inflation



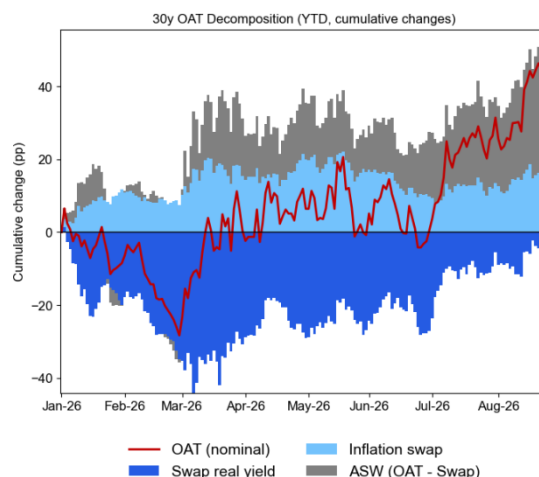
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Figure 9. Germany saw some ASW dominance in Q1 but mostly real yields driving the bund move since then



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Figure 10. France has been mostly real yield led, but with some strong ASW moves as the French election approaches



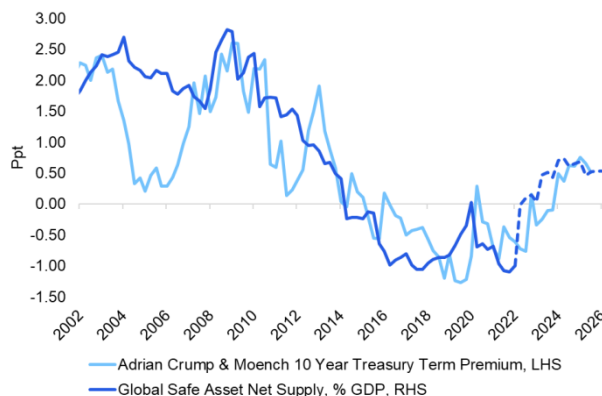
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Reason #3: The Global Bond Glut is unstoppable

US term premium has developed in line with our safe asset net supply work. In [De-dollarization and the global bond glut: myths and reality](#) (30-May-2025) we analyzed rising long-end yields and term premia across G10 through the lens of the net supply of global safe assets. Inspired by Schabel's speech on transitioning from a global 'savings glut' to a global 'bond glut' (ECB, [Feb 25](#)), estimated DM safe asset supply and demand to quantify the size of the global bond glut using the [Crowe \(2019\)](#) model. We show updated results below and make two observations. First, structurally, as we explained before, the model points towards an increasingly adverse environment for duration given ever increasing government funding needs (defense and military, technology spending, etc), and reduced demand (mainly QT).

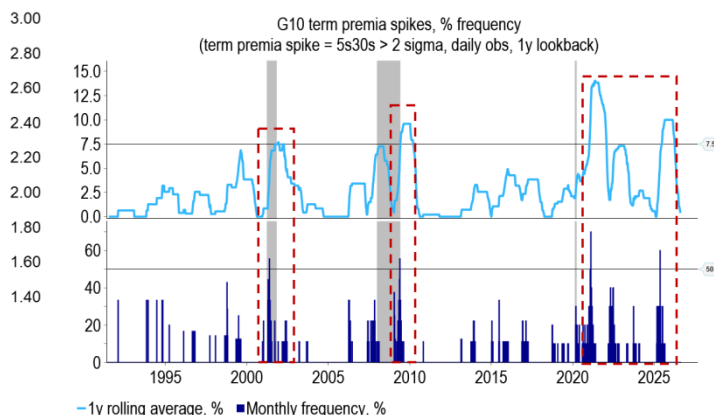
But in the short term, we see term premium roughly in line with (global net supply) fundamentals. If anything, since the publication, the ACM Term premia (ACMTP10 Index) is flat, 5s30s has flattened, and 2y UST is 30bps higher. A similar story is true YTD.

Figure 11. Global safe asset net supply explains term premia



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Figure 12. High frequency of term premia spikes was unusual outside of recessions, until post-covid fiscal binge



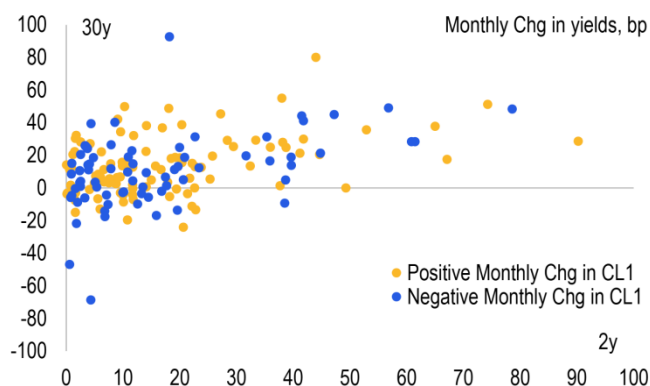
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The Global Bond Glut increases the frequency of term premia spikes. We disagree with the notion that the Global Bond Glut is a one-way ticket to higher yields and steeper curves. Instead, our analysis shows that it has increased the frequency of term premia spikes. We show this more clearly in Figure 12 where we calculate the frequency of G10 term premia spikes. In 2021 and 2025, we saw a frequency of term premia spikes that are typically only seen during recessionary bull steepening events. There has been a regime change, but in curve volatility. This is in line with our overall observation that fiscal fears are somewhat episodic. They become the main market driver at certain times, but they also disappear again without the underlying issues been solved.

Reason #4: The Fed needs a 'credibility hike'

Does the US need a 'credibility hike'? We think not. We get questions about the idea that Fed Chair Warsh needs to hike in order to stabilize the UST backend. We disagree with the idea that a more hawkish Fed can cause the curve to sustainably twist flatten. Overall twist flattening regimes are quite rare. Figure 13 below shows UST 30s vs 2s monthly changes, conditional on oil regime (previous month increase or decrease). In general, the relationship is obviously positive, but even more so when oil is also moving higher (reflecting either positive growth or a supply shock). Japan can also offer an insight on what a credibility hike could look like in terms of market reaction. For more than a year now, the JPY curve has bear steepened on the idea that the BoJ is behind the curve. After the US-Japan FX joint intervention, the market has priced a more hawkish BoJ. As shown in Figure 14, while the curve has flattened since, the backend has continued to sell off. Hence, we don't believe a hawkish Fed will lead to backend rally. In fact, we find it hard to believe UST demand would pick up in a hawkish Fed regime.

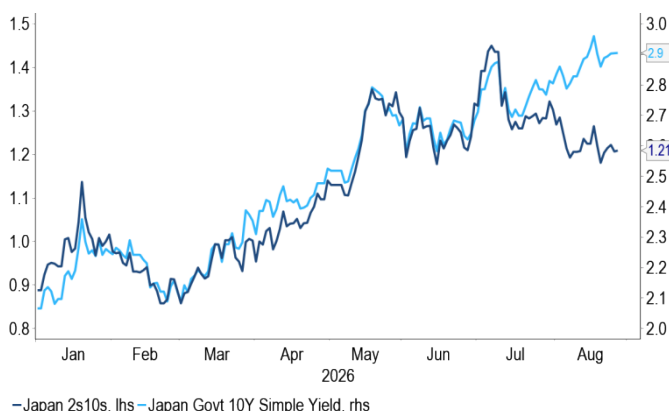
Figure 13. As shown by our US rates strategists, typically, 30y yields move higher in large 2y selloffs ([US Rates Weekly – Can Secretary Bessent and Chair Warsh save the curve?](#))



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Source: Citi Research, Bloomberg

Figure 14. Market has priced a more hawkish BoJ, the curve has flattened but the backend has continued to sell off



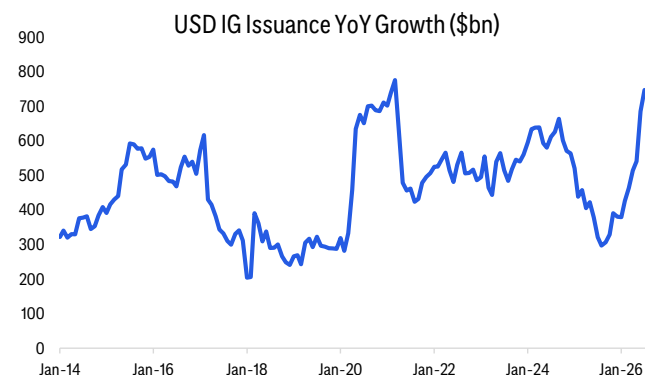
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Source: Citi Research, Bloomberg

Reason #5: Competition for capital from credit

Hyperscaler issuance is large... As per our credit strategists, US IG issuance has come in at around 600bn YTD, roughly the same size as total issuance in 2025. Net issuance is currently up by around 8%YoY, a growth rate that is just recovering to normal from very low levels following the Covid overhang (not shown). However, we would also say that in USD terms, an increase in supply last year by 700bn is quite relevant, as can be seen in Figure 15, especially when compared to the additional Treasury buybacks of at least 14bn this quarter and 16bn for subsequent quarters. This is especially the case as credit growth from banks has also accelerated, as can be seen in Figure 16. It is therefore worthwhile to see if the increase in hyperscaler debt may be behind the pressure on the backend.

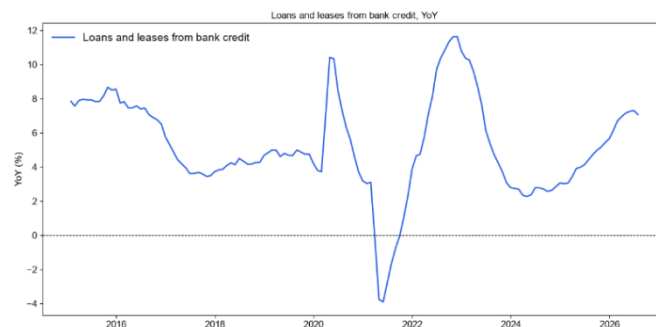
Figure 15. USD growth in YoY terms of IG issuance is high



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Source: Citi Research, Bloomberg

Figure 16. Credit extended by banks also growing



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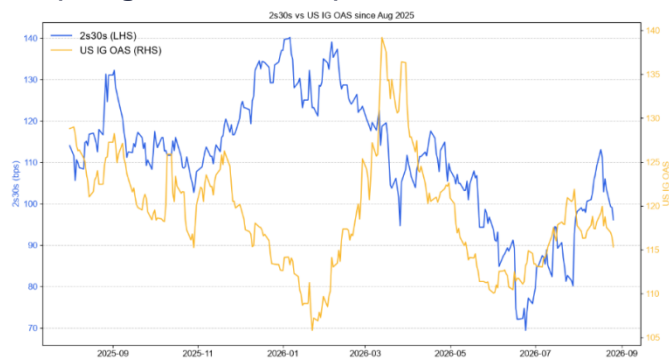
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...but hyperscaler supply does not seem to be main culprit for weaker backend.

We think that the hyperscalers supply is unlikely to have put too much pressure on the backend of the UST curve. The argument is two-fold. First, it did not even put that much pressure on the IG market itself. This is illustrated by Figure 17, where we show the OAS of the Bloomberg IG index, next to the 2s30s UST. As can be seen,

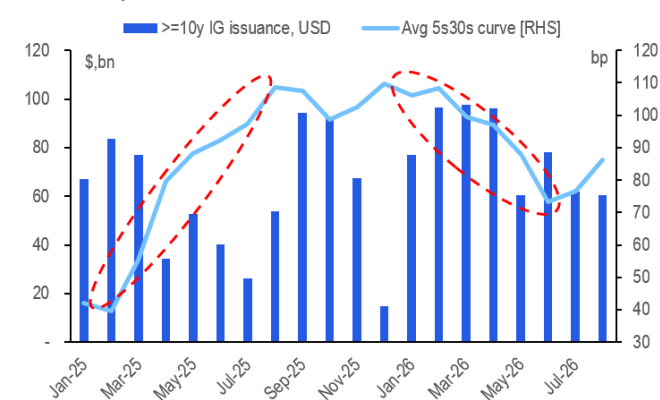
during the period where 2s30s moved up by 40bp (late June to mid-August), the CDS spread moved up by 8bp. Those 8bp are presumably the upper end of how much the supply should impact UST, given that IG supply must be a bigger deal for the IG market than for the UST market. We think the real impact may have been even smaller. This is illustrated by Figure 18, from our US rates team. The blue bars are US IG issuance longer than 10 years. Clearly, there is no correlation between the 5s30s curve and the issuance. What could be more plausible is that we have an omitted variable problem at our hand, where growth is strong, leading to higher issuance and also to higher rates, focused on the backend given that the Fed outlook is currently somewhat clouded. This circles back to the key point: if there is a problem, Secretary Bessent faces a growth “problem”, rather than an issuance problem.

Figure 17. IG spread not explaining the bulk of the steepening, weak relationship YTD



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Figure 18. Issuance data for US IG > 10yr confirming a limited impact

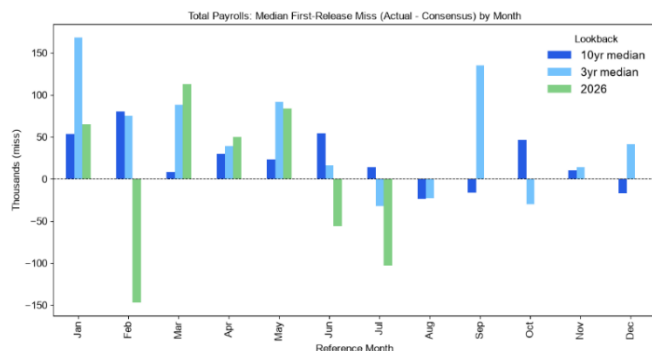


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Reason #6: US data is set to recover into year-end

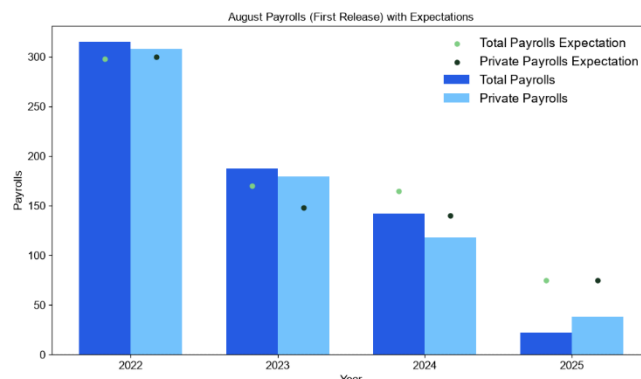
Seasonals imply a weaker August payrolls report, not stronger. August NFP historically misses consensus expectations by 23k jobs across both 10-year and 3-year lookbacks (Figure 19) and missing the last two consecutive prints in 2024 and 2025. Seasonal factors have been particularly strong over the past few years with the labor market softening in the summer due to weaker hiring and exacerbated by low turnover and immigration changes. July payrolls have now missed consensus expectations for four consecutive years (2023 – 2026), with this year's print delivering a severe negative surprise of 103k jobs. While initial jobless claims come in at lower levels, they continue to track the standard seasonal changes established in previous years, indicating that the labor market is softening in the somewhat typical seasonal fashion before improving in the September print.

Figure 19. August NFP historically misses



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Figure 20. Total & private payrolls have missed last 2 years

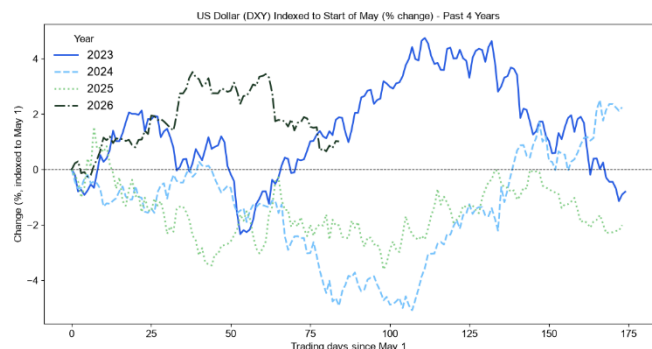


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Tailwinds for softer CPI as well. Details in July were benign across all categories, with no evidence of reaccelerating inflationary pressures. Our US economists project the August CPI will slow further to approximately 2.3%YoY. Tariffs dropping out are also a key seasonal tailwind for Aug/Sep prints. Stronger MoM increases in July and August 2025 (reflecting early tariff pass-through) will drop out of annual calculations over the next two months, mechanically pulling core CPI YoY lower even with neutral sequential monthly data. Late-summer seasonality for airfares also historically produces declines.

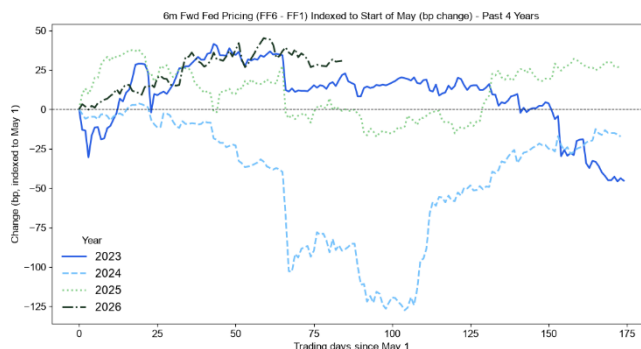
Seasonality in DXY and rates – sideways to lower in near term. In Figure 21 and Figure 22, we show changes in the dollar and front-end Fed pricing since the beginning of May. We choose May to exclude the tariff volatility from last year and Iran spike from this year. The dollar and rates show a clear seasonal pattern in 2024 and 2025, both falling after the July employment report. 2023 was slightly different for DXY as rest of world growth looked weaker and lower churn labor market was not yet apparent. The dollar then bottomed around the beginning of October these last two years. We have had a [short USD bias since before the July FOMC](#) and stay long EM carry and long EUR. In rates, the repricing around the July payrolls precedes further sideways to lower yields. We stay [received Oct FOMC](#), especially ahead of a weaker payrolls number and annual PCE revisions.

Figure 21. DXY bottoms around the beginning of October



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Figure 22. Rates have been repricing lower over summer

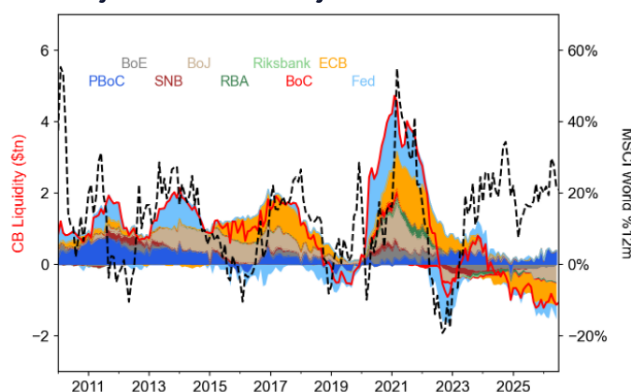


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Until November, what other tools can they use?

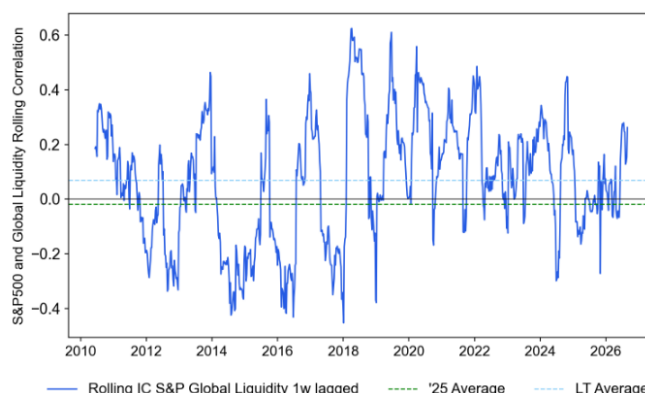
How much TGA firepower? Recent press reports ([CNBC, 24th Aug](#)) saying that the Treasury could use its general account (TGA) to fund bond purchases have caught the market's attention. While there are no details of the size or scope, such a move would increase bank reserves, all else equal. This can provide a boost to risky assets. In terms of the mechanism, our colleagues note from early 2022 outlines how: [QT, or not QT? RRP is the question](#). Empirically, we have argued that central bank liquidity (i.e. changes in bank reserves) has become less important as central banks have moved to conventional monetary policy via the level of interest-rates. This is shown in Figure 23, where equities have delivered positive returns in the last few years even as bank reserves have declined gradually. Using higher frequency weekly correlations, we can see the picture is more nuanced, with the time-varying correlations (rolling 26w) with risky assets picking up in recent months. This suggests that a TGA drawdown, should one occur, would provide a boost to risky assets. However, in the base-case, our Rates Strategy colleagues do not think the TGA target balance (of 5 days coverage of government operations) will change. Without a change in the target balance, there is close to zero firepower for TGA drawdown. But we explore what a large bank reserve increase could look like and mean for macro, in case of any surprise changes.

Figure 23. Recent strong performance in equities has co-existed with gradual bank-reserves drain as monpol has been set by interest rates away from the ZLB



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Figure 24. Shorter-term rolling weekly correlation between risky assets and bank reserves changes has turned positive in recent months



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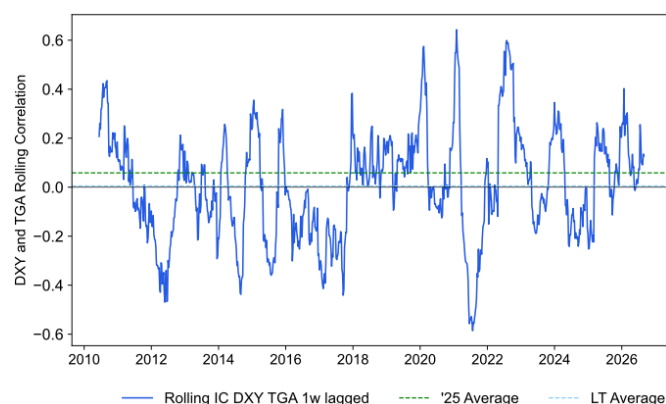
Large bank reserve increases are generally equity positive but rates neutral. We have studied the bank-reserve question in the past (see [Post #1](#) and [more](#)) but usually from the opposite perspective. In those times, the TGA has been drawing down gradually in the past due to debt-ceiling constraints and the [rebuild presented tactical equity risk](#) via a bank reserve drain. We used \$500bn, as we have in the past for rebuilds. In [Tactical Macro \(Post #30\): The TGA, bank reserves, and risky assets](#) we reverse those prior studies assuming a bank reserve increase from a TGA-financed buyback program of \$500bn. This would represent 1:1 bank reserve increase due to a large change in the TGA, more than 50% lower than the \$950bn target, and so would act as a likely upper-bound on potential action. Such bank reserves increases are unusual and typically cluster around QE actions. The median effect on 10Y yields was close to 0 over the next 100 trading days.

TGA drawdowns of a similar magnitude are even rarer. If we restrict our analysis to times when these moves were TGA-driven i.e. a 12w move down in the TGA of -

\$500bn. We only find two instances, isolated to the post-pandemic stimulus spending in March 2021 and then debt-ceiling-related drawdown in the fall of that year. Equities rallied in both instances but 10Y yields were down -17bps 100 trading days after March and up +31bps in the end-of-August episode, not leading to strong conclusions.

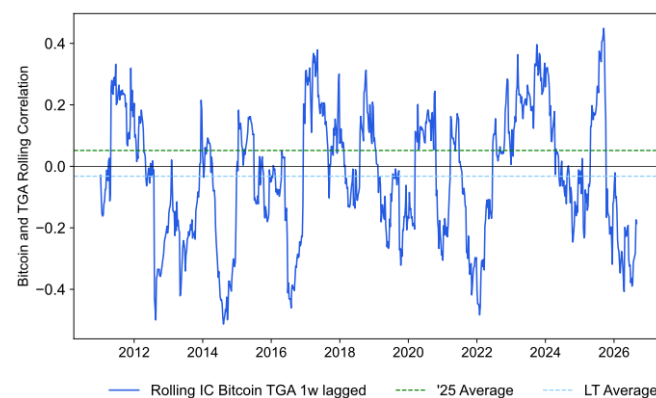
TGA decreases are bad for the US dollar but good for Bitcoin. Given the uncertainty around the size and potential scope of any action, we analyze the potential effects on DXY using weekly changes in the TGA regardless of the size. Correlations are generally positive, suggesting any drawdown in the TGA would support a weaker dollar. For US treasury returns, we find the long-term correlation is close to zero. Bitcoin, however, currently has a very strong negative correlation suggesting it could benefit should such actions be put into effect.

Figure 25. DXY correlation with TGA changes is usually and currently positive...



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Figure 26. ...whereas for Bitcoin it is negative on average and very negative today..



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Figure 27. Trade Summary

[illegible]

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NDX call owned by **Vinh Vo**; NKY owned by **Giammarco Miani**; SPW trade idea owned by **Adam Pickett**

Note: Futures trading involves substantial risk of loss.

Source: Citi Research

- P&L on trades includes carry and roll costs but not trading commissions/costs.
- It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list.
- Closed trade recommendation details available on request.
- Table shows opening levels and current mark where appropriate. Third column is % gain or loss on the trade. Summary statistics show % of trades in profit.

Reasonable Basis and Risks

Please see Figure 28 for hyperlinks to previous publications discussing the rationale and risks around each of the outstanding trade recommendations shown above in Figure 27.

Figure 28. Reasonable Basis and Risks

Trade	Basis & Risks Discussion
Buy 1y (Dec-26) 32,000 NDX digital call (15-Dec-2025)	Please see here
Buy 6m(11-Sep-2026) USD denom Dual Digi NKY > 61000, USDJPY < 157 at 15.9% (04-Mar-2026)	Please see here
Pay 1y OIS JPY (09-Jul-2026)	Please see here
EMFX carry ZAR, MXN, COP, TRY vs. CAD / CHF (14-Jul-2026)	Please see here, here, here, and here
Buy EURUSD at 1.1387 (28-Jul-2026)	Please see here
Buy EURUSD 2m (28-Sep-26) 1.1750 one touch (28-Jul-2026)	Please see here
Short EURSEK at 10.9928 (05-Aug-2026)	Please see here
Receive Oct26 FOMC Meeting (07-Aug-2026)	Please see here
Buy SPW (07-Aug-2026)	Please see here
Buy Gold (19-Aug-2026)	Please see here

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NDX call owned by **Vinh Vo**; NKY owned by **Giammarco Miani**; SPW trade idea owned by **Adam Pickett**

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Source: Citi Research

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Please contact us for further details on the options recommendations that appear in this note.

Figure 29. Representative Market Conditions

	Opening	Marked to Market/ Current Level as of 27 August 2026, 15:17
NDX	25390	29541
EURGBP	0.8715	0.8573
NKY	56368	66132
USDJPY	157.00	159.44
2y IBR	11.87	11.29
USDZAR	5.07	16.00
USDMXN	17.44	16.97
USDCOP	3250.970	3156.41
USDTRY	47.03	48.13
JPY 1y OIS	1.22	1.47
USDCAD	1.41	1.39
EURUSD	1.13	1.16
EURCHF	0.93	0.94
EURSEK	10.99	11.09
SPW	8917.00	8987.15
Oct26 FOMC	3.81	3.78
Gold	4488.00	4610.74

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Source: Citi Research

12-Month Trade Recommendation History

Please refer to Figure 30 for a full 12-month trade recommendation change history.

Figure 30. 12-Month Trade Recommendation History

Closed Trades	Recommendation Date	Closed Date	%
Buy 17-Aug-2026 expiry SPX > 106 25% (7833 29). CLU6 > 110% (91 19) dual digital	07/05/2026	17/08/2026	-0.15
Buy 6m (13-Aug-2026) EURGBP 0.90 digi call w/ 1m (30-May-2026) 0.8550/0.8875	13/02/2026	13/08/2026	-0.10
Buy 05-Aug-2026 expiry LME copper 15.250 digi call	11/05/2026	05/08/2026	-0.40
Buy TES 2031s. FX hedged vs 2y IRR payer	01/06/2026	03/08/2026	0.27
Receive CORRA Z6 (previously paid against IR Z6)	14/05/2026	14/07/2026	-0.11
Receive SFI Z6 (previously paid against ER Z6)	14/05/2026	14/07/2026	0.07
Long HGB 2031s (FX hedged as of 14-May-2026, removed FX hedge as of 11-Jun-2026)	09/04/2026	09/07/2026	1.19
Long VG1	12/06/2026	09/07/2026	0.06
Long KMZ6	08/04/2026	03/07/2026	1.30
Long USDNOK spot	17/06/2026	03/07/2026	0.63
Short USDJPY spot	21/05/2026	29/06/2026	-0.01
Long Aug-26 Brent 120 digi call	30/04/2026	26/06/2026	-0.50
Long gold spot	08/04/2026	06/06/2026	-0.32
USD OIS 2s10s steepener	15/05/2026	06/06/2026	-0.58
Buy ES1 and buy CDX IG S45 5y	15/12/2025	05/06/2026	1.15
Long KOSPI2 Partial TP	08/04/2026	05/06/2026	1.31
Long BRL CLP vs COP	14/05/2026	29/05/2026	-0.12
Short USDSEK	08/04/2026	14/05/2026	-0.51
2s30s gilts steepener	09/04/2026	30/04/2026	0.12
Short USDJPY spot	01/04/2026	30/04/2026	0.17
Receive 2y CAD	06/04/2026	29/04/2029	-0.92
Receive Jan29 offshore DI	17/04/2026	29/04/2026	-0.54
Long HGB 2031s	09/04/2026	17/04/2026	0.82
3m (17-Apr-2026) SPX < 100% (6840). EURUSD > 102% (1.1949)	20/01/2026	17/04/2026	-0.25
3m (17-Apr-2026) SPX < 98% (6703). EURUSD > 103% (1.2066)	20/01/2026	17/04/2026	-0.13
3m (14-Apr-2026) Gold > 110% (5084.20). USD 30y SOFR > ATMF+10bp (4.161%)	14/01/2026	14/04/2026	-0.05
Long SSY26 vs ERZ6	19/03/2026	08/04/2026	0.10
EURUSD 2m (31-Mar-2026) 1.23 digital call KO 1.27	29/01/2026	31/03/2026	-0.15
Long TPM6 (partially unwound)	09/01/2026	27/03/2026	-0.07
Pay IRZ6 vs. Receive CORRA Z6	15/12/2025	24/03/2026	1.00
CDX IG payer spread vs. receiver spread	16/10/2026	18/03/2026	-0.05
Gold 5400/5800 call spread EKI 6200	05/02/2026	19/03/2026	-0.18
Feb-Mar ECB OIS flattener	09/10/2025	19/03/2026	-0.64
Long BRL MXN. ZAR. TRY. CLP vs CAD. SGD	02/10/2025	12/03/2026	0.64
Receive SOFR Z7	05/02/2026	12/03/2026	-0.24
Buy Mar-26 expiry LME copper 12000 digi call	02/10/2025	03/03/2026	1.64
Buy 30y Gilts vs OATS	15/12/2025	03/03/2026	-0.05
Vol weighted barry basket with tariff twist. BRL. MXN vs EUR. USD	01/05/2025	03/03/2026	1.59
Receive Jan29s offshore IRS	08/05/2025	03/03/2026	-0.24
Buy EURUSD spot	20/01/2026	03/03/2026	-0.41
2y HUF reciever (previously 2s10s steepener)	27/02/2026	03/03/2026	-0.69
Receive Jan28s offshore IRS	29/01/2026	03/03/2026	-0.12
HUF 2s10s steepener	29/01/2026	27/02/2026	-0.17
6m fwd 5s30s JPY flattener	29/01/2026	24/02/2026	0.00
6m fwd 5y JPY payer	29/01/2026	24/02/2026	-0.38
6m NDX up/5s30s up dual digi	06/08/2025	20/02/2026	-0.10
Long MSCI All Argentina Index	27/10/2025	13/02/2026	0.26
2s10s HUF steepener (DV01 equal weight)	17/12/2026	29/01/2026	-0.19
Gold > 109% (5037.98). USD 30y SOFR > ATMF (4.161%)	14/01/2026	29/01/2026	0.23
Pay 12x15 NOK vs. Receive 12x15 SEK FRA 164 5bp	15/12/2025	29/01/2026	0.58
Long TPH6 (partial unwind)	09/01/2026	29/01/2026	-0.14
3m (09-Jan-2026) USDTRY 43 80 digital put	09/10/2025	09/01/2026	0.52
Buy 6m (12-Jan-2026) EURUSD 1.21 digi call with 2m (10-Sep-2025) 1.21 WKO	10/07/2025	12/01/2026	-0.25
Buy Mar-26 EUA emissions future (MOH26)	15/12/2025	20/01/2026	-0.20
2m (31-Dec-2025) SPX 105%/107.5% (7243.95/7416.43) call spread	31/10/2025	31/12/2025	-0.50
BoJ Dec/Jan steepener	30/10/2025	19/12/2025	-0.48
16-Dec-2025 USD denom CLF6/AUDUSD dual digital	10/07/2025	16/12/2025	-0.25
Receive Dec-25 CAD OIS	08/08/2025	10/12/2025	0.00
Long Dec26 SARON future	03/12/2025	09/12/2025	-0.57
Long HC1 vs. VG1	19/09/2025	03/12/2025	-0.60
GBP 6m fwd 5s30s steepener	11/07/2025	27/11/2025	-0.01
Sell 10y Gilt ASW	13/12/2024	27/11/2025	0.13
Long NQ1 SPW	11/07/2025	20/11/2025	0.35
Long ESZ5	31/10/2025	20/11/2025	-0.80
Receiver 2y INR	06/10/2025	13/11/2025	-0.08
Long USDCHF	04/11/2025	13/11/2025	-0.53
Receive 2y F-TIE (Partial)	05/02/2025	06/11/2025	0.65
SOFR M6M7 Steepener	02/10/2025	30/10/2025	-0.13
Receive Dec CAD OIS (partial TP)	08/08/2025	27/10/2025	0.33
Buy gold spot (full unwind)	01/09/2025	21/10/2025	1.07
Buy gold spot (partial unwind)	01/09/2025	09/10/2025	0.79
Receive BoJ October meeting OIS	29/07/2025	06/10/2025	0.31
3m (06-Oct-2025) USDTRY 41.85 Digital Put	03/07/2025	06/10/2025	0.59
Pay 1y1y JPY OIS	13/06/2025	06/10/2025	0.45
Long 1m (26-Sep-2025) EURUSD 1.17 call RKO 1.21	27/08/2025	26/09/2025	0.13
Enter 6m fwd 5s30s USD steepener	08/05/2025	23/09/2025	0.28
Receive NOK 2y2y	13/12/2024	18/09/2025	-0.24
Receive 5y ZAR IRS	27/06/2025	18/09/2025	0.83
Buy a 2m 40/42 XAGUSD Call Spread	29/07/2025	16/09/2025	0.79
EURIBOR H627 steepener	10/07/2025	09/09/2025	-0.60
Buy KRS1	14/08/2025	01/09/2025	-0.57

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Source: Citi Research

Note that the following trades are intended for OTC transactions only.

Buy 1y (18-Dec-26) 32,000 NDX digital call. Risks to trade include AI bubble bursting, excessively hawkish Fed, US recession risks. Trade idea owned by **Vinh Vo**.

Buy 6m (11Sep26) USD denom Dual Digi NKY > 61000, USDJPY < 157 at 15.9%. Risk to trade includes prolonged geopolitical risk off, dovish BoJ. Trade idea owned by **Giammarco Miani**.

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Appendix A-1

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