FW: *** BEST CARRY TRADE FOR UNCH ECB ***

14 January 2026 14:07

Subject	**FW: *** BEST CARRY TRADE FOR UNCH ECB *****
From	De Rekeneire, Karl
To	Mougeot, Jacques
Sent	14 January 2026 13:45

*** BEST CARRY TRADE FOR UNCH ECB ***

1- Those trades are now too exp on U6, So I focused on Z6 (if care we can look at h7, that will be cheaper but a bit far I think)

2- We developed with the team quant an ‘option strategy finder’ based on the gauss model (looking to maximize the gain at exp), where we define the target, with a degree of uncertainty

Here are the criteria we put:
- 9793 target (for unch) with a probability of future trading between 9781 and 9800 at exp – pls see the gauss curve below
- very thin tail risk (not 0) of erz6 below 9768 (1 hike at exp) and above 98.25 (1 cut).
- we want to pay 3 ticks max on the package
- we don’t want to be short more than 1 naked option (1x2 max, not 1x3s etc..) and we don’t sell any option for less than 1.5 ticks,

I ofc triple ccked and validated all the strategies below

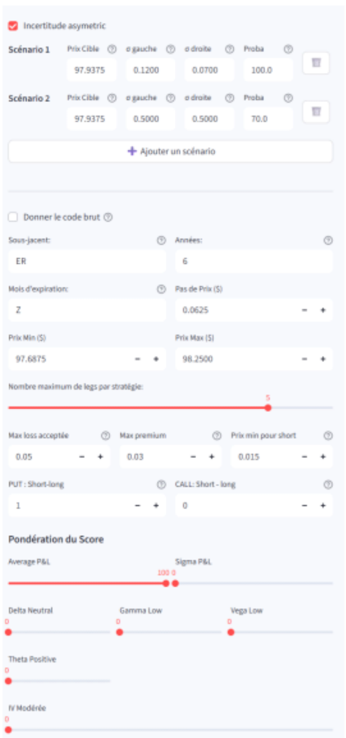
Here’s the result, ref 97.94s on ERZ6

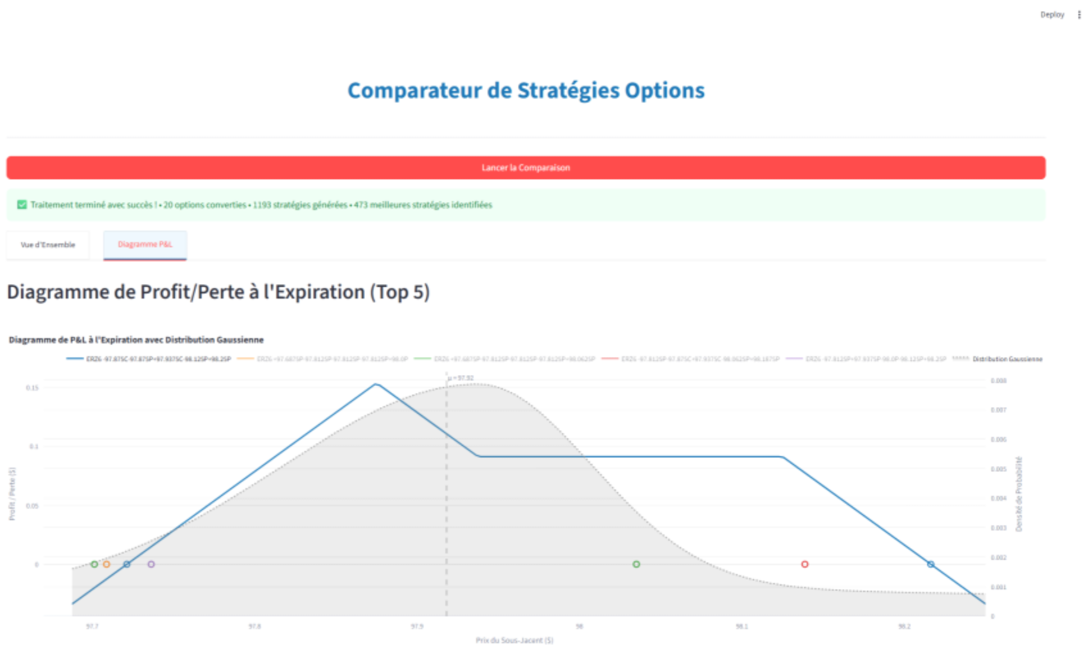
Buy the ERZ6 9825/12/87 put ladder @ 1, +32d
Vs
Sell the ERZ6 9787/9793 cs @ 4, +8d

⇨ **Receive -3 MID on the package, +24d**

ROLLS well with THE SEP version at +1.5

V interesting payout where u make 12 ticks between 9812 and 97.93 at exp, with a peak of max 15 ticks ref 97.87, risk below 97.72, pls see payout graph below





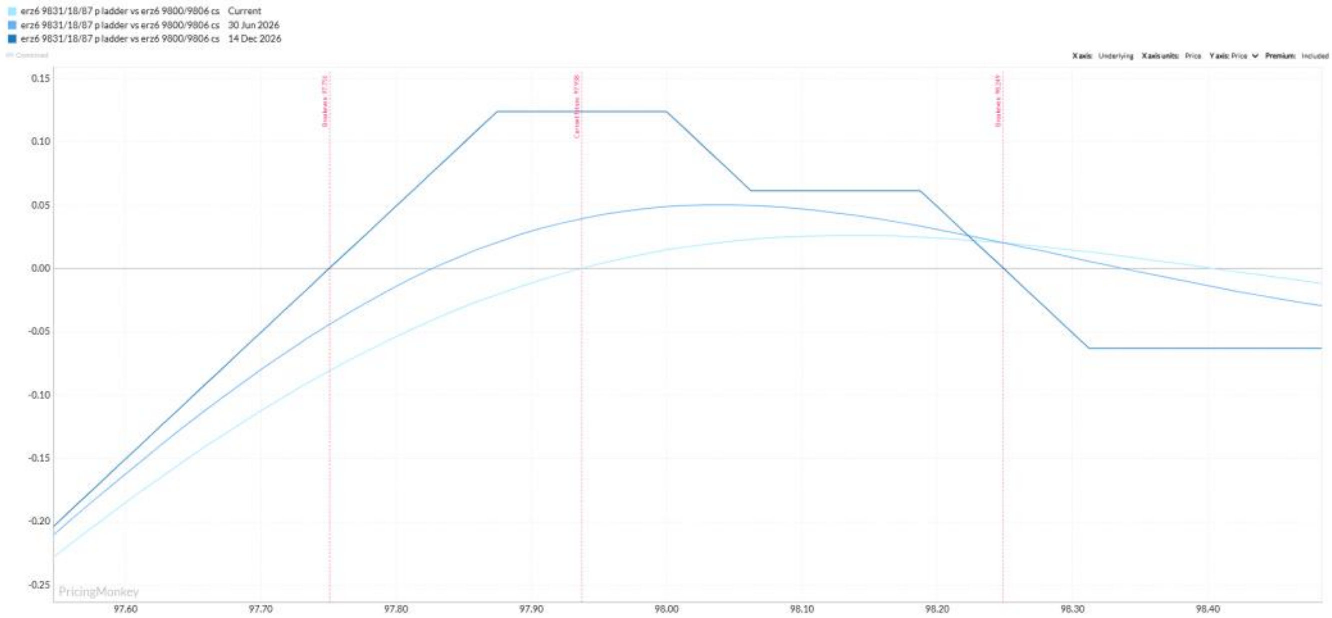
Inspired by the strategy above, there’s another version I like a lot – or even prefer

BUY erz6 9831/18/87 p ladder at 1.5, +34d
vs
SELL erz6 9800/9806 cs at 1.5, +7d

Package is 0 MID, +27d
Mkt is -0.5/0.25

I slightly prefer it as
BETTER roll .. the same in U6 is +5 MID, +15d
And I love the payout
You make money (probably 6 ticks) if one cut,
You make the max (12.5 ticks) if exp between 9800 and 97.87 (perfect landing zone)
Risk below 97.75

Pls see payout graph below



ALTERNATIVE

We asked to the model something more simple with 3 legs max, with the same criteria as above

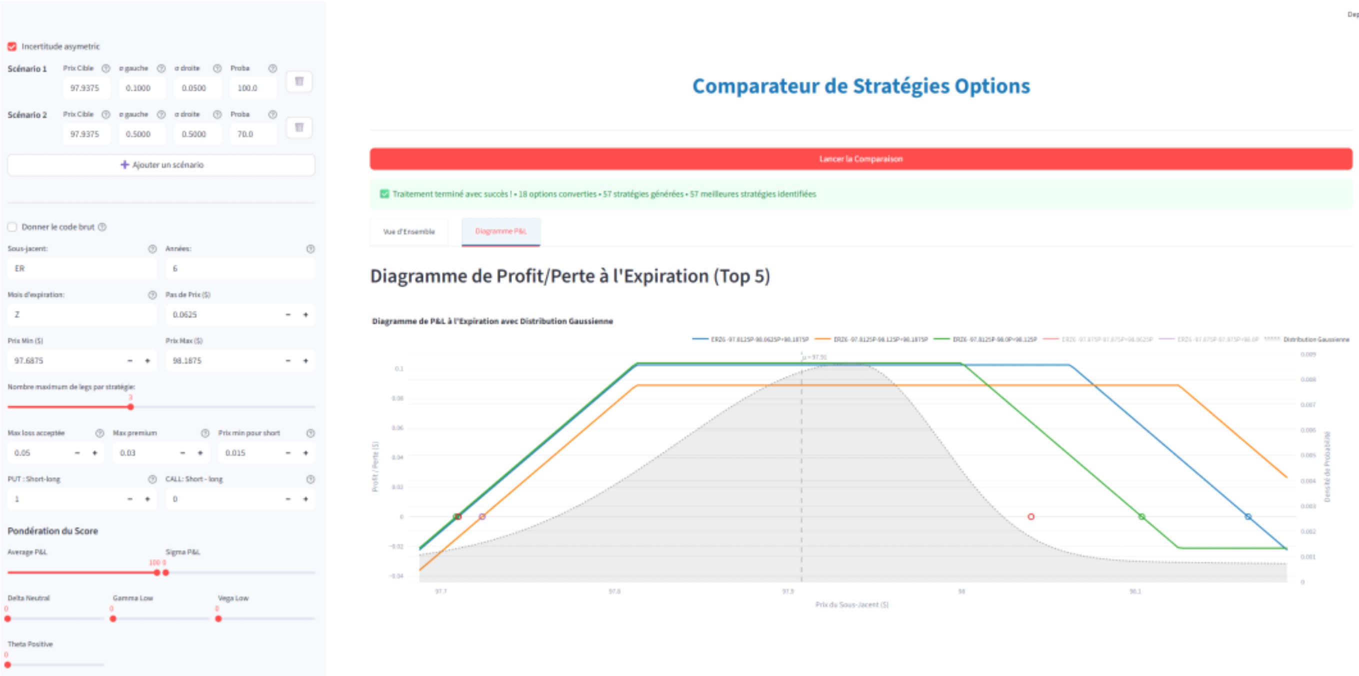
The best is the ERZ6 9818/06/81 put ladder, which is 2.5 ticks MID, +24d

It rolls 4 ticks positive and has the highest expected gain at exp with 9 ticks net at exp

See table (which ranks the strats, starting with the best one)

Rang	Stratégie	Expiration	Premium	Max Profit	↓ Avg P&L	σ P&L	Delta	Gamma	Vega	Theta	IV
1	ERZ6 -97.8125P-98.0625P+98.1875P	Dec 2026	0.02	0.10	0.09	0.13	0.274	-0.030	-0.009	0.000	-1361.36%
3	ERZ6 -97.8125P-98.0P+98.125P	Dec 2026	0.02	0.10	0.09	0.12	0.257	-0.031	-0.009	0.000	-1302.44%
4	ERZ6 -97.875P-97.875P+98.0625P	Dec 2026	0.02	0.16	0.09	0.11	0.228	-0.034	-0.008	0.000	-1200.24%
2	ERZ6 -97.8125P-98.125P+98.1875P	Dec 2026	-0.03	0.09	0.08	0.13	0.329	-0.027	-0.008	0.000	-1494.65%
5	ERZ6 -97.875P-97.875P+98.0P	Dec 2026	-0.03	0.15	0.08	0.10	0.293	-0.030	-0.008	0.000	-1373.35%
6	ERZ6 -97.8125P-98.0625P+98.125P	Dec 2026	-0.03	0.09	0.08	0.13	0.322	-0.028	-0.008	0.000	-1475.55%
7	ERZ6 -97.8125P-97.875P+98.0P	Dec 2026	-0.01	0.13	0.08	0.09	0.221	-0.028	-0.008	0.000	-1477.93%
8	ERZ6 -97.8125P-97.8125P+98.0P	Dec 2026	0.01	0.18	0.08	0.09	0.149	-0.025	-0.007	0.000	-1582.50%
9	ERZ6 -97.8125P-98.0P+98.0625P	Dec 2026	-0.03	0.09	0.08	0.12	0.312	-0.028	-0.008	0.000	-1435.72%
10	ERZ6 -97.8125P-97.9375P+98.0625P	Dec 2026	0.02	0.11	0.08	0.11	0.232	-0.032	-0.008	0.000	-1296.10%

and the gauss curve below



Regards,

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