

AI Sector Themes – Weekly Update & Basket Performance

46 Libella AI thematic baskets • Equal-weighted USD price returns • 1D / 5D / 1M / 3M / YTD / 1YR

Data to 23 October 2026 close | Sources, methodology and currency qualifications on pages 2–4

PRICES AS OF	MEDIAN 5-DAY	POSITIVE 5-DAY	MEDIAN 1-MONTH
23 OCT	–1.3%	18 / 46	–11.8%
latest completed close	1D median +0.4%	46 baskets analysed	11 / 46 baskets positive

CROSS-ASSET REGIME | CAPEX FUNDING SPLITS THE AI TRADE

Nasdaq 100: **–0.8%** on the week and the **S&P 500** **–0.5%**; the **PHLX Semiconductor index** fell **–3.2%**. AI funding concerns framed the week: Super Micro's sales update and SpaceX's first profit lifted AI names on Wednesday; on Thursday gains reversed as attention shifted to Meta's capex and share plans and Lam Research's results. **18 of 46** Libella baskets advanced (median 5D **–1.3%**). Houthi attacks in Saudi Arabia lifted Brent to \$116.72 (+6.2%), its highest since April; the US 10-year yield fell 11bp to 4.99%.

WEEK IN BRIEF

- ◆ **Meta.** **–7.0%** on 22 Oct and **–9.4%** on the week as capex topped operating cash flow and a new share class pointed to future capital raising.
- ◆ **Equipment.** Lam Research (in AISEMILD) fell **11.8%** on 22 Oct despite results slightly ahead of estimates; basket **–9.4%** 5D.
- ◆ **Servers & SpaceX.** SMC1 **+9.5%** on 21 Oct after preliminary sales of \$18.5–19.5bn, above its \$14.5–15.5bn guide; Dell **+5.3%** the same day. SpaceX rose **7.8%** on its first operating profit as a listed company.
- ◆ **Software.** Outperformed chips; AICYBER **+16.4%**; the NSA and FBI warned of software flaws found with AI tools.
- ◆ **Power.** GE Vernova, the gas-turbine and grid-equipment maker, **–10.6%** on 22 Oct; DCBLD **–11.3%** 5D.

POSITIONING

- ◆ **CTA research:** semis **+0.8 SD** against software **–0.6 SD**; tech options flow **–0.9 SD** (22 Oct).
- ◆ **Fund flows:** US equity funds **+\$5.07bn**, tech funds **+\$0.43bn**, week to 21 Oct (LSEG Lipper).
- ◆ **Options:** skew moved toward puts in chip and Nasdaq ETFs (20–23 Oct); SMH put/call **3.28**. Implied move to the 30 Oct expiry, with results next week: Microsoft **±5.4%**, Alphabet **±6.1%**.

COMPLEX SNAPSHOT

Median YTD	+32.3%
Best YTD	AIEDGE +151.2%
Worst YTD	BPAUTO –15.0%
Best 1YR	AIEDGE +213.1%
RSI-14D†	Median 37.6

WEEKLY MOVERS — TOP 5 (5D)

BASKET	THEME	5D	YTD
AICYBER	AI Cybersecurity	+16.4%	+49.2%
ROBOTH	Robotics Supply / Unitree China	+15.8%	+10.3%
AIDATAINF	AI Software & Data Infrastructure	+14.0%	–2.5%
WFAUTO	AI Workforce / Back-Office Automation	+9.0%	–5.4%
AISOFTW	AI Software	+8.2%	+26.4%

WEEKLY MOVERS — BOTTOM 5 (5D)

BASKET	THEME	5D	YTD
DCBLD	AI Data-Centre Buildout	–11.3%	+22.2%
AISEMILD	AI US Semi Equipment Leaders	–9.4%	+40.2%
SEMIUSC	SEMI US CAPEX	–8.2%	+36.5%
AIOFCM	AI US Optical & Fiber Infrastructure	–8.2%	+62.3%
PWRGEN	AI Power Generation / Grid	–8.1%	–0.4%

THEMATIC READ-THROUGH

- ◆ **Divergence:** 38 of 46 baskets are up YTD but only 11 over one month; this week's gap between AICYBER (+16.4%) and DCBLD (–11.3%) was 27.7 points.
- ◆ **Software / security:** AIDATAINF and WFAUTO led yet remain down YTD, so this may be recovery rather than new leadership. AIEURSOFT (+5.2%) lagged the US; its RSI of 75.4 is above the 70 overbought level.
- ◆ **Semi equipment:** Europe fell less than the US (AIESEMI **–7.0%** v SEMIUSC **–8.2%**); eight baskets have RSI below 30.
- ◆ **Asia robotics:** ROBOTH **+15.8%** 5D (**+9.0%** on Friday), led by Leader Harmonious Drive **+22.8%** and Estun **+20.7%**, after China's Commerce Ministry plan to widen robot use (19 Oct) and Unitree's conference.

LIBELLA PORTFOLIO READ-THROUGH

This week's split is consistent with our tilt to funded demand and cash conversion: software and security led while capital-intensive suppliers fell. Next tests: Microsoft and Alphabet (28 Oct), Amazon (29 Oct) and the FOMC.

LIBELLA — AI SECTOR THEMES AND BASKETS

46-BASKET PERFORMANCE SUMMARY | LATEST AVAILABLE CLOSE TO 23 OCTOBER 2026

Equal-weighted constituent USD price returns; non-USD listings use matched exact-date ECB FX. Five-session and rolling-month windows follow each listing's trading calendar. Data are unaudited.

#	Group	Theme	N	1D	5D	1M	3M	YTD	1YR	RSI†
1	AIFOUNF	Foundries	3	+1.9%	-2.7%	-11.5%	-4.2%	+68.4%	+73.8%	38.6
2	USEMIF	US Foundries & Semi Manufacturing	4	+2.1%	-1.3%	-12.7%	-5.6%	+108.6%	+136.0%	41.8
3	AIMEM	Memory	5	+0.5%	+0.7%	-22.9%	-17.2%	+129.1%	+201.9%	35.0
4	AICCPSEM	China Compute & Semiconductor	5	+1.5%	-7.6%	-25.5%	-30.3%	+7.8%	+12.5%	25.6
5	AISERV	Servers / HPC	3	+0.2%	+2.7%	-15.4%	+11.7%	+137.0%	+103.0%	39.3
6	AIDATAINF	AI Software & Data Infrastructure	3	+1.2%	+14.0%	+14.5%	+32.2%	-2.5%	-8.9%	65.5
7	AISOFTW	AI Software	5	+2.5%	+8.2%	+1.0%	+23.5%	+26.4%	+22.8%	52.3
8	AICLOTEC	Cloud / Telecom	6	-1.7%	-3.4%	-5.8%	+4.2%	-3.9%	-2.4%	40.5
9	AIEDGE	Edge Storage / Memory Controllers	4	0.0%	+0.6%	-21.2%	-8.9%	+151.2%	+213.1%	36.7
10	AIESEMI	Europe Semiconductor Equipment	4	-3.1%	-7.0%	-15.4%	-11.1%	+29.2%	+34.0%	31.8
11	AIENF	Europe AI Infrastructure	6	-1.4%	-7.6%	-16.7%	-11.5%	+16.6%	+16.6%	32.7
12	AIEURSOFT	Europe AI Software	4	+0.3%	+5.2%	+17.8%	+23.6%	-4.5%	-13.0%	75.4
13	SEMIUSC	SEMI US CAPEX	6	+0.1%	-8.2%	-20.9%	-20.9%	+36.5%	+56.1%	28.5
14	SEMIXC	SEMI ex-US / ex-China CAPEX	6	-2.3%	-7.3%	-10.5%	-12.2%	+30.1%	+35.8%	33.8
15	ROBOTH	Robotics Supply / Unitree China	4	+9.0%	+15.8%	+3.1%	-8.7%	+10.3%	+21.7%	56.7
16	SEMIANGL	Semi Analog US	5	-0.2%	-0.7%	-1.9%	-6.3%	+36.7%	+37.2%	45.3
17	AINETINF	AI Networking Infrastructure	6	+0.9%	-0.7%	-8.9%	+3.9%	+63.5%	+65.7%	38.5
18	AICOFACC	AI US Compute & Accelerators	3	+1.0%	-2.3%	-18.6%	+2.2%	+96.7%	+87.9%	36.6
19	AISERENT	AI US Services & Enterprise	5	+0.5%	+5.9%	+4.9%	+34.0%	-8.2%	-14.5%	56.2
20	AIOFCM	AI US Optical & Fiber Infrastructure	4	-0.1%	-8.2%	-22.6%	-15.7%	+62.3%	+155.4%	33.6
21	AIDATAC	Data Centre Connectivity & Custom Silicon	3	+0.4%	-1.1%	-8.7%	+4.0%	+58.3%	+61.8%	37.8
22	AISEMILD	AI US Semi Equipment Leaders	4	-0.3%	-9.4%	-22.0%	-21.1%	+40.2%	+64.9%	26.7
23	AISPEQ	AI Specialist Process Equipment	5	+0.9%	-7.1%	-26.0%	-32.0%	+48.5%	+51.7%	29.5
24	AIPACK	AI US Packaging / HBM Enablers	6	+0.8%	-8.0%	-22.5%	-17.6%	+50.8%	+83.0%	29.5
25	SEMISUP	Semi Equipment / AI Supply Chain	8	+0.7%	-7.8%	-20.9%	-21.3%	+48.1%	+57.1%	29.6
26	PHOTOMASK	Photomasks / Lithography Supply Chain	3	0.0%	-4.7%	-12.2%	-13.0%	+18.2%	+31.6%	33.5
27	SUBSYS	Semiconductor Subsystems & Materials	3	+2.3%	-8.0%	-27.7%	-31.0%	+81.5%	+57.2%	30.2
28	STEST	Semiconductor Test	3	+1.3%	-5.6%	-14.1%	+1.7%	+66.7%	+111.4%	35.7
29	ADVPCK	Advanced Packaging	4	-1.7%	-7.8%	-22.5%	-26.0%	+34.4%	+49.1%	28.7
30	HBMEM	HBM / AI Memory	7	+0.1%	-3.6%	-20.2%	-17.1%	+84.1%	+130.9%	32.7
31	AIINF	AI Edge / Inference	3	+2.3%	+1.6%	-10.5%	-13.9%	+6.5%	+1.1%	42.6
32	INDAUT	AI Industrial Automation	4	+0.2%	+1.3%	+6.8%	+12.9%	+26.6%	+25.5%	54.5
33	ROBOTMV	AI Robotics / Machine Vision	4	+1.1%	+1.8%	-9.9%	-6.2%	+18.5%	+16.5%	42.4
34	AICYBER	AI Cybersecurity	3	+4.7%	+16.4%	+13.5%	+41.6%	+49.2%	+21.8%	62.8
35	BPAUTO	AI Business Process Automation	4	-0.5%	+7.8%	+12.4%	+24.7%	-15.0%	-16.1%	65.0
36	WFAUTO	AI Workforce / Back-Office Automation	3	0.0%	+9.0%	+14.1%	+37.3%	-5.4%	-6.6%	66.8
37	DGTWIN	AI Construction / Digital Twins	3	-0.1%	+6.5%	+25.2%	+28.8%	-1.2%	-16.4%	72.1
38	DCPWR	AI Data-Centre Power / Electrical	4	-0.5%	-7.2%	-14.1%	-15.6%	+16.3%	+8.9%	31.3
39	DCCOOL	AI Data-Centre Cooling / Thermal	3	-0.4%	-5.8%	-18.0%	-24.7%	+13.3%	+7.9%	31.9
40	DCBLD	AI Data-Centre Buildout	4	-2.9%	-11.3%	-20.5%	-21.4%	+22.2%	+18.2%	26.9
41	PWRGEN	AI Power Generation / Grid	4	-0.9%	-8.1%	-8.2%	-10.8%	-0.4%	-5.6%	36.0
42	ETHNET	AI Ethernet Networking	4	+1.0%	-1.3%	-9.1%	-0.3%	+57.9%	+58.5%	37.7
43	ASIC	AI Custom ASIC / Silicon	2	+0.9%	-0.9%	-10.0%	+2.4%	+80.9%	+84.8%	37.6
44	AISTOR	AI Storage	4	-0.2%	+1.9%	-15.9%	-7.4%	+134.3%	+189.8%	39.4
45	AUTOWIN	AI Automation Winners - Russell 2000 / Small Cap	5	+1.9%	+6.3%	-0.3%	+8.6%	+12.7%	+0.8%	49.3
46	PRODLAB	AI Productivity / Labour Replacement	3	+0.6%	+6.6%	+9.6%	+20.1%	+13.4%	+3.2%	58.5

LIBELLA WATCH

WHAT WE ARE MONITORING

- ◆ Meta's funding needs and AI capex financing META -7.0% (22 Oct), -9.4% (5D) • hyperscaler capex 96% of OCF (Q2)
- ◆ Chip-equipment reversal AISEMILD -9.4% • SEMIUSC -8.2% (5D)
- ◆ Software and security leadership AICYBER +16.4% • AIDATAINF +14.0% (5D)

Five-session windows may differ across exchanges; overlapping baskets are not independent portfolio exposures.

DATA CONTROLS / INTERPRETATION

- Coverage: all 46 baskets shown.
- Methodology: equal-weighted USD price returns ex dividends, exact-date ECB FX, split-only adjustment; not investable benchmarks.
- Cross-check: all 106 closing prices for 23 Oct matched a second source within 0.5%.
- † RSI(14): Wilder 14-day RSI as at 23 October. Red below 30 (oversold); green above 50; above 70 overbought. Not a trading signal.

AI & Macro Positioning – Capex Funding Tests the AI Trade

Capex funding, positioning and volatility • Closing market data through 23 October 2026

HYPERSCALER CAPEX

Capex vs operating cash flow

96% of OCF

Q2 2026; Microsoft, Amazon, Alphabet, Meta

US VOLATILITY

VIX at the weekly close

19.45 VIX

-0.54 pts on the week • VIX3M 20.48

LIBELLA BREADTH

Baskets declining over 5 sessions

28 / 46 5D decline

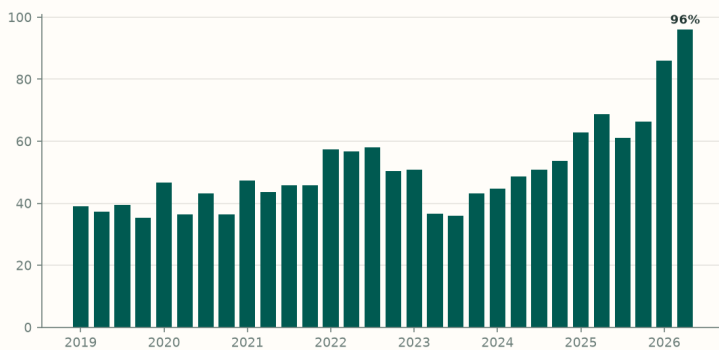
Median 5D -1.3% • 46 baskets analysed

AI CAPEX | HYPERSCALER CAPEX VS OPERATING CASH FLOW

CAPEX AS % OF OPERATING CASH FLOW • QUARTERLY

HYPERSCALER CAPEX VS CASH FLOW • %

Capex as % of operating cash flow, quarterly: Microsoft, Amazon, Alphabet, Meta combined (calendar quarters)



Source: SEC EDGAR company filings • Libella

Source: SEC EDGAR company filings; Libella calculation (Libella Chart Library). Q3 2026 filings not yet included.

CAPEX & FUNDING

Combined capex reached 96.1% of operating cash flow in Q2 2026, against 68.7% a year earlier and 39.1% in Q1 2019.

Meta's Q3 capex of \$34.9bn, including finance-lease payments, exceeded operating cash flow of \$32.8bn: free cash flow -\$2.1bn. Its new non-voting share class creates a vehicle for future capital raising; no raise has been made.

Options into results: at-the-money straddles imply $\pm 5.4\%$ for Microsoft and $\pm 6.1\%$ for Alphabet through 30 Oct. Amazon's 30-day IV rose 3.8 pts (20-23 Oct) to 43.9%.

POSITIONING INTERPRETATION | WHERE THE RISK SITS

01

INSTITUTIONAL POSITIONING

CTA research still has semis long against software (22 Oct). Options moved the other way: from 20 to 23 Oct skew shifted toward puts in SOXX (-1.2 vol pts), QQQ and SMH, and toward calls in software (IGV +0.5).

02

FUTURES & VOLATILITY

CFTC data to 20 Oct: asset managers' net VIX futures short is larger than in 96% of weeks and their 10-year note long the largest. Leveraged funds' Nasdaq-100 position is near flat (+950 contracts), their least short in three years.

03

AI PORTFOLIO BIAS

From next week's results we want capex guidance funded from operating cash, not new capital. Our view changes if software gains fade without better earnings, or equipment orders and backlog turn up.

SOURCE, COMPARABILITY & REDISTRIBUTION NOTES

Sources: Libella data (EODHD closes, ECB FX, option snapshots, OCC volume; macro library from FRED, Cboe, CFTC); SEC EDGAR; LSEG Lipper; CTA research; Schwab; Investing.com; Reuters, AP, CNBC. YFDP = exchanges and data providers distributed through Yahoo Finance. Methodology notes on request.

Options Activity – Put Activity Rises in Chip Equipment

AI options screen: 40 most active AI names and 8 AI/tech ETFs • Libella snapshots 20–23 Oct • OCC volume 19–23 Oct

Put activity increased in chips this week: after Lam Research's results, trading in puts rose across chip-equipment names and the semiconductor ETFs (KLAC's put/call 1.30 against a 0.69 average). Options priced more downside risk for chips and less for software, alongside the week's split (SOXX –3.1%, IGV +6.0%). Bullish signals were rare, with only Super Micro qualifying; on Friday puts still outnumbered calls in chip equipment (Applied Materials 1.62) but not in Nvidia (0.60).

BULLISH SCREEN SIGNALS

TICKER	5D	PUT/CALL WK v 20D	ΔRR25	TOP CALL, 23 OCT
SMCI	+4.1%	0.34 v 0.41	+1.5	30 Oct 35C · 35,177

All three needed: put/call below its 20-day average, skew up 20–23 Oct and a 5-day gain. Only Super Micro qualified, after its 20 Oct sales upgrade.

DEFENSIVE SCREEN SIGNALS

TICKER	5D	PUT/CALL WK v 20D	ΔRR25	TOP PUT, 23 OCT
KLAC	–12.1%	1.30 v 0.69	–2.5	19 Mar 27 105P · 1,951
SOXX	–3.1%	2.60 v 1.73	–1.1	15 Jan 27 455P · 4,470
AVGO	–2.2%	0.75 v 0.56	–1.2	18 Dec 270P · 1,839

Mirror tests: put/call above average, skew down, 5-day fall. Schwab's Nathan Peterson: "Sentiment around the AI trade continues to be under pressure." Intraday, Comfort Systems' puts ran 2:1 over calls on 9× normal volume; the shares closed –9.3% on 23 Oct.

VOLUME SIGNALS

TICKER	× 20D AVG	AVG DAILY	MOST ACTIVE, 23 OCT	5D
LRCX	2.14×	91,947	15 Jan 27 310C · 3,946	–12.8%
SOXX	1.78×	93,217	15 Jan 27 455P · 4,470	–3.1%
KLAC	1.55×	23,065	19 Mar 27 105P · 1,951	–12.1%
SMCI	1.34×	309,976	30 Oct 35C · 35,177	+4.1%
AMZN	1.11×	946,603	28 Oct 250C · 11,431	–0.8%

Lam Research's option volume ran at 2.1 times its 20-day average in the week of its results. On 23 Oct put/call volume stayed above one in chip equipment (KLA 1.50, Applied Materials 1.62) and below one in Nvidia (0.60), Micron and AMD (both 0.9).

NOTABLE CALL ACTIVITY

TICKER	CONTRACT	VOLUME	OI	VOL/OI	MONEYNES	IV
BE	30 Oct 195C	4,031	11	366×	1.3% OTM	86.6%
TXN	30 Oct 297.5C	1,522	54	28×	4.8% OTM	44.9%

Bloom Energy's 195 call traded 4,031 contracts against 11 open on 23 Oct, after its results; the 366× multiple reflects a tiny base.

NOTABLE PUT ACTIVITY

TICKER	CONTRACT	VOLUME	OI	VOL/OI	MONEYNES	IV
TSM	20 Nov 500P	1,098	5	220×	19.1% ITM	45.7%
MRVL	27 Nov 300P	2,309	12	192×	31.5% ITM	66.0%

Both deep in the money with little prior open interest; this could reflect multi-leg strategies, hedging or restructuring, intent unconfirmed. Highest-volume put contract: SMH 30 Oct 400P, 77,508 contracts against 661 open (24.1% OTM).

VOLATILITY

ETF	30D IV	20D RV	IV/RV	RR25	PUT/CALL VOL
SPY	15.2%	9.5%	1.60	–6.0	2.85
QQQ	24.7%	18.1%	1.37	–7.8	1.68
SMH	41.4%	33.4%	1.24	–5.7	3.28

VIX 19.45 (–0.54 pts on the week) • VIX3M 20.48 • VXN 28.30

30D IV, largest rises 20–23 Oct (vol pts): AIQ +6.4 • ETN +5.2 • NVDA +4.3 • SMH +4.2 • SOXX +4.0

Largest falls: NOK –8.3 • META –7.5 • TXN –7.0 • LRCX –5.1 • WDC –3.7

IV percentiles: history building (8 observations held; shown from 60).

AI OPTIONS SCREEN / DATA NOTES / IMPORTANT INFORMATION

- AI screen (48 symbols):** NVDA, INTC, PLTR, META, GOOGL, CRWV, AMZN, MU, ORCL, SMCI, AMD, BE, MSFT, NOK, AVGO, TSM, LRCX, T, MRVL, NOW, VZ, DELL, WDC, VST, VRT, STX, LITE, AMAT, AAOI, ETN, KLAC, CSCO, QCOM, HPE, COHR, GEV, MDB, TXN, SNOW, ASML; ETFs SMH, SOXX, IGV, QQQ, XLK, AIQ, BOTZ, ARKK. SPY shown as a market comparator.
- Data:** Libella option snapshots 20–23 Oct (YFDP delayed chains); OCC cleared volume for 28 of 48 screen symbols, 19–23 Oct against the prior 20 sessions. RR25 = 25-delta risk reversal; negative = puts priced above calls. Volumes do not show buyer, seller or intent.

Disclaimer: For professional investors only; not for retail clients (in the UK, investment professionals under Article 19 of the FSMA (Financial Promotion) Order 2005). For information only; not investment advice, a personal recommendation or an offer. Libella basket returns are hypothetical and exclude dividends, fees and costs. Data are unaudited; errors or omissions possible. Past performance is not a reliable indicator of future results; capital is at risk. Reproduction requires consent. © 2026 Libella Group Limited.