



# The 2026 Playbook

## Navigating a Market

*Astoria's 10 ETF Themes for 2026*

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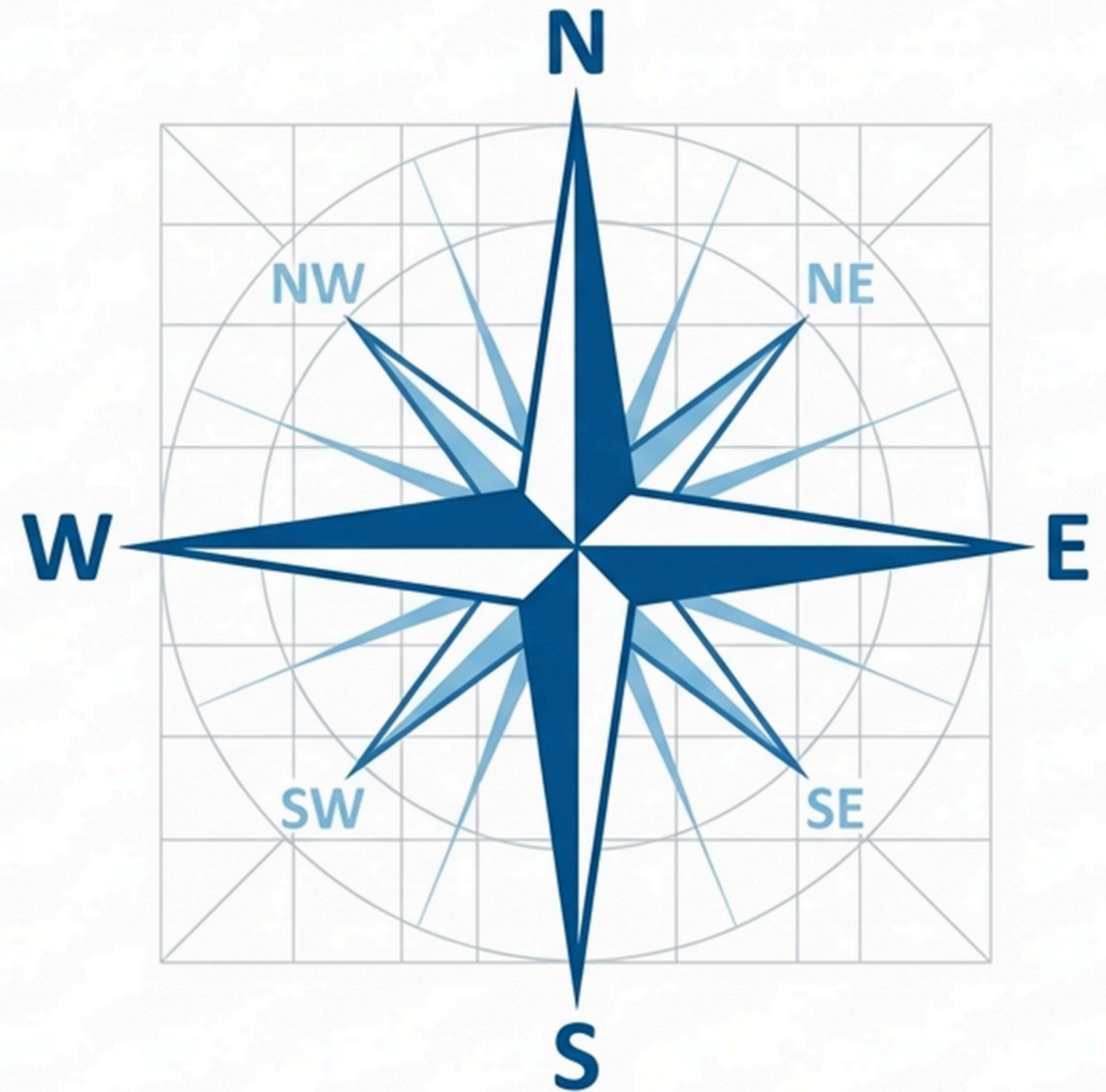


# Beyond Predictions: A Framework for Action

At the moment, the industry is flooded with 2026 outlooks loaded with bold predictions, yet very few translate into actionable guidance. Even fewer provide transparency.

Our aim is to deliver genuine thought leadership backed by actionable investment ideas. We believe investing is about acquiring assets below intrinsic value, identifying catalysts, and **capturing favorable convexity**.

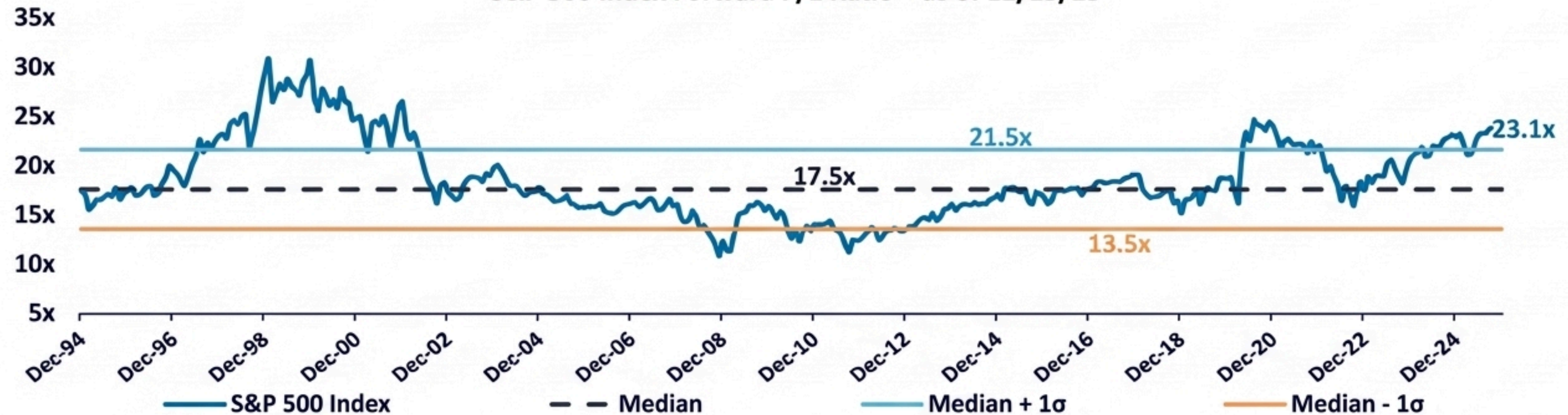
The path ahead in 2026 requires more discipline, a tactical risk-managed framework, and a willingness to move beyond traditional beta.





# We Are Navigating an AI-Driven Bubble

S&P 500 Index Forward P/E Ratio – as of 12/15/25



**Key Assertion:** Markets are exhibiting some of the strongest bubble dynamics we have seen in decades. Importantly, we view this period as more analogous to 1996–1998 rather than the onset of a bubble bursting (i.e., 2000).

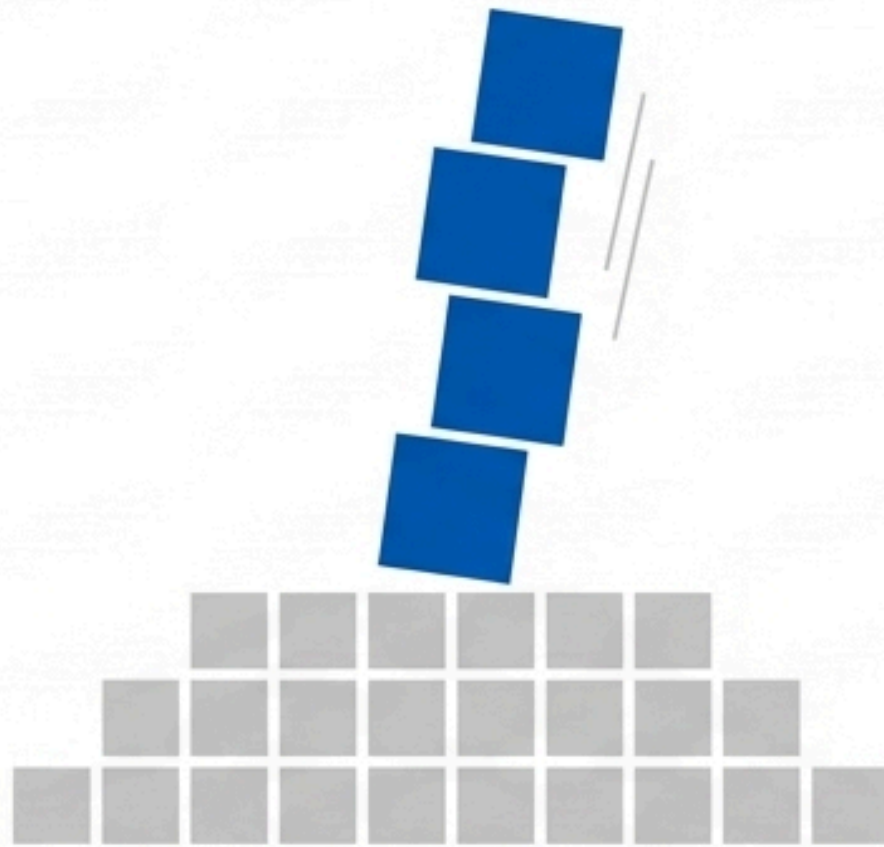
## Supporting Points:

- The crucial difference: The Fed was tightening into the 1999–2000 bubble; today, it is cutting rates.
- This environment does not reward complacency. Our mandate is clear: “we are paid to manage risk as diligently as we pursue returns.”

\*Source: Wisdom Tree’s daily dashboard (<https://www.wisdomtree.com/-/media/us-media-files/documents/resource-library/daily-dashboard.pdf>)



# The Dangers of Concentration and Passive Flows



## Concentration Risk

While owning certain mega-cap names remains a valid strategy, concentration risk is now at generational highs. The hurdle rate for large-caps to continue their run is extraordinarily high, especially if earnings or sentiment falter.



## The Reflexivity Loop

Endless money flowing into passive US large-cap ETFs is creating a self-reinforcing feedback loop. Passive vehicles, by design, are inelastic buyers. This structural shift reduces the market's ability to absorb flows efficiently and amplifies both momentum and



# A Complex Macro Backdrop: Navigating the “Trump Put” and Inflation Risks

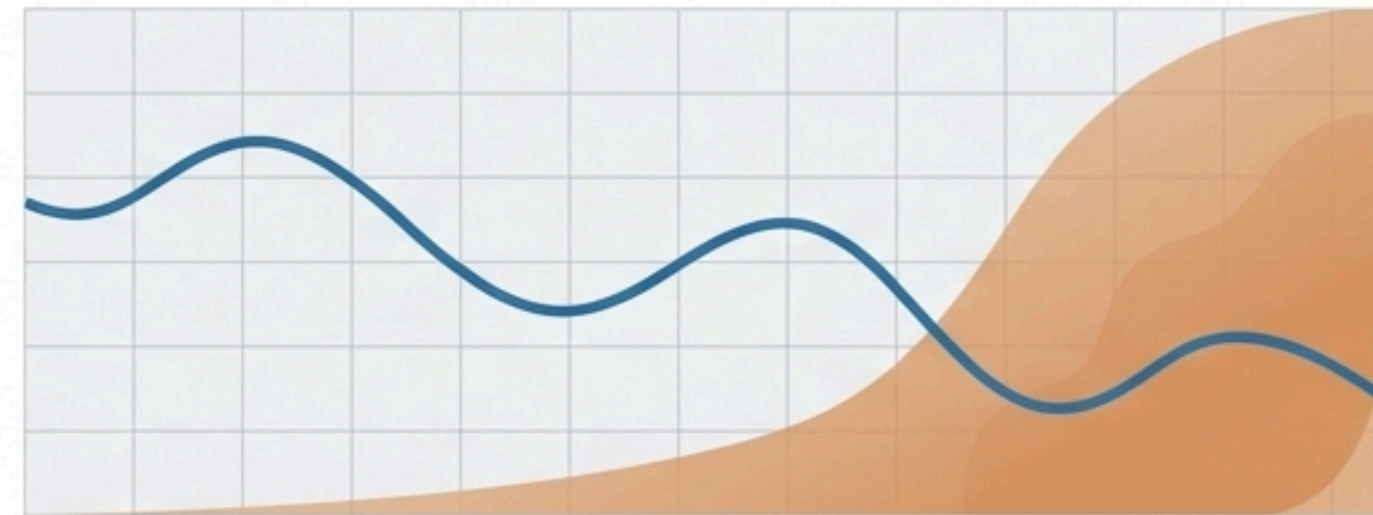
## Political Influence



The ‘Trump Put’ will continue to be deep with wide strikes, as no president has more closely tied their success to the stock market.

Pro-growth policies, deregulation, and protectionism create a specific investment environment.

## Monetary Policy vs. Inflation



The Fed has cut rates three times in 2025 due to recession-like conditions in parts of the economy.

However, a ‘left tail asymmetric risk’ is a shift to rate hikes in 2026 if the economy runs hot.

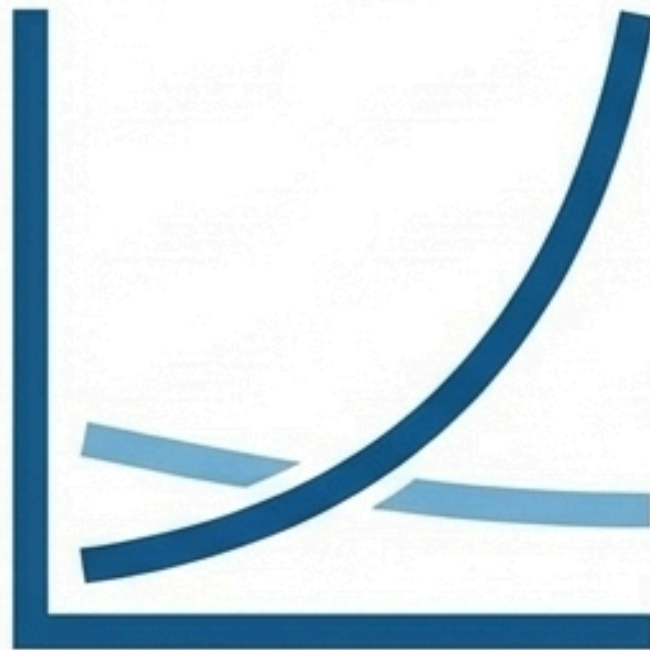
Broader concern: Long-end rates may move higher due to inflation and a widening deficit.

*“Straightforward trades are becoming increasingly scarce.”*



# Our Guiding Philosophy for 2026: A New Cycle Demands a New Playbook

2026 is unlikely to reward complacency. Instead, Astoria believes it will favor asymmetric thinking, attention to structured outcomes, selective risk-taking, and openness to evolving structures.



## 1. Prioritize Asymmetry & Structured Outcomes

Focus on investment structures with defined payoffs and non-linear return profiles.



## 2. Be Tactical & Actively Manage Risk

Move beyond static beta exposure, especially in areas like fixed income where relative value is key.



## 3. Broaden Exposure Beyond the Consensus

Find value in overlooked areas like international equities, real assets, and digital assets to escape crowded large-cap trades.



# A New Frontier in Portfolio Construction: The Rise of Structured Income

## The Opportunity:

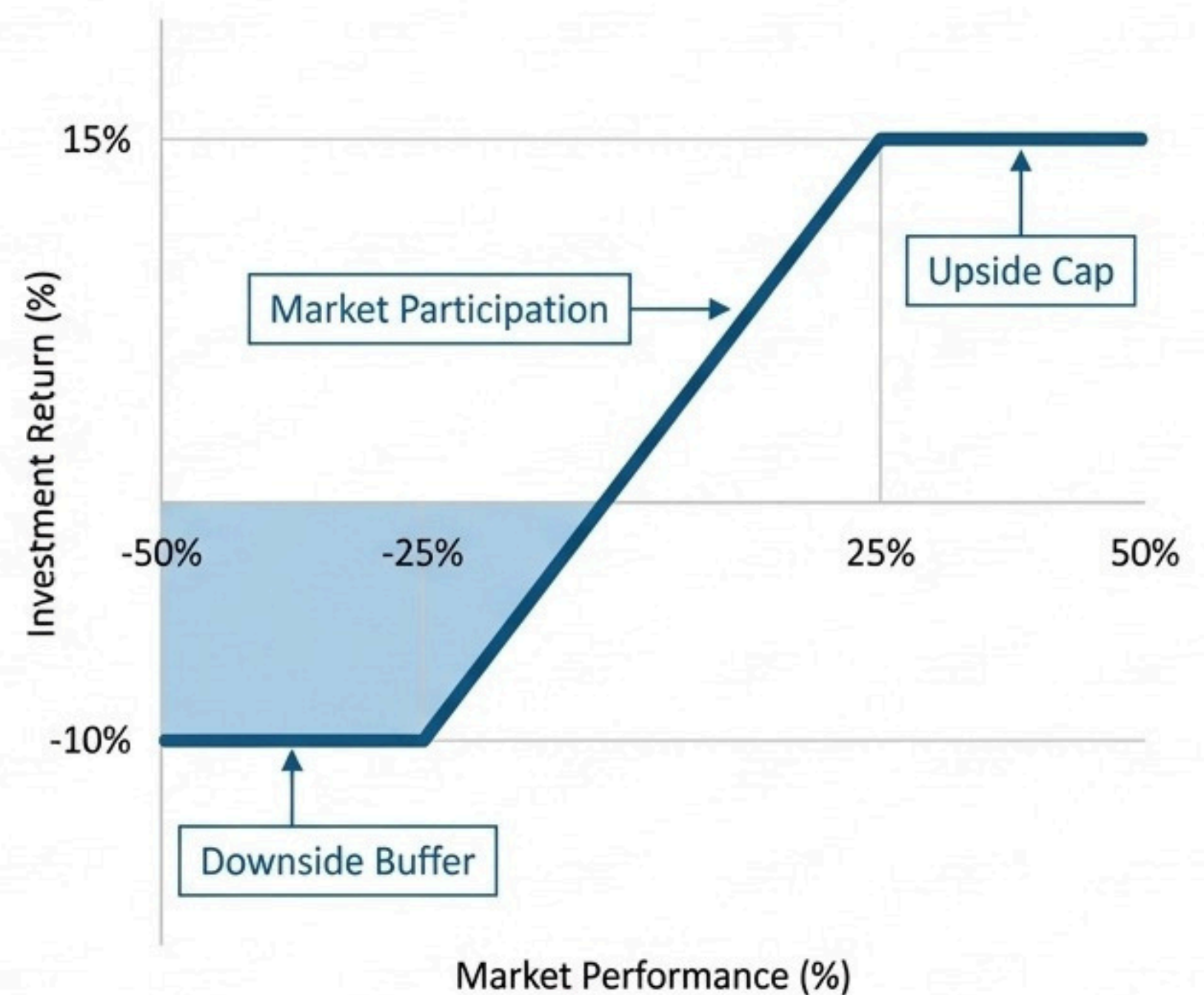
- We believe structured income and defined-outcome strategies are likely to receive greater attention in 2026.
- **Why now?** Yield demand remains exceptionally strong, and as front-end rates move lower, these solutions become more relevant.

## The Instruments:

- We expect the use of puts, put spreads, collars, and buffered ETFs to increase meaningfully next year.
- **Autocallables:** One area we believe is on the cusp of significant adoption is autocallable structures... this could become one of the next major frontiers in income-based portfolio construction.

## Astoria's Edge:

- Many of Astoria's team members spent years at large investment banks that issued autocallables, and we have firsthand familiarity with the global appetite for these instruments.





# The 2026 Toolkit: Astoria's 10 ETF Themes

Theme	Theme Description	Name	Segment
All Weather Strategy	ALLW	SPDR Bridgewater All Weather ETF	Multi-Asset/Alternatives
Structured Income	CAIE	Calamos Autocallable Income ETF	Income/Options Strategies
Digital Asset Exposure	BITW	Bitwise 10 Crypto Index ETF	Crypto/Digital Assets
International Equity	ACWX	iShares MSCI ACWI ex U.S. ETF	International Equities
Real Assets/Commodity Exposure	HARD	Simplify Commodities Strategy No K-1 ETF	Commodities
Active Fixed Income	PYLD	PIMCO Multisector Bond Active Exchange-Traded Fund	Multi-Sector Fixed Income
Master Limited Partnership	AMLPP	Alerian MLP ETF	Energy Infrastructure/MLPs
Hedged Equity Income	SPYH	NEOS S&P 500 Hedged Equity Income ETF	Income/Options Strategies
Structured Income	SBAR	Simplify Barrier Income ETF	Income/Options Strategies
Power Infrastructure/Energy Transition	POWR	iShares U.S. Power Infrastructure ETF	Infrastructure/Thematic Equity

Source: Astoria Portfolio Advisors



# Toolkit Spotlight: Structured Income & Hedged Equity

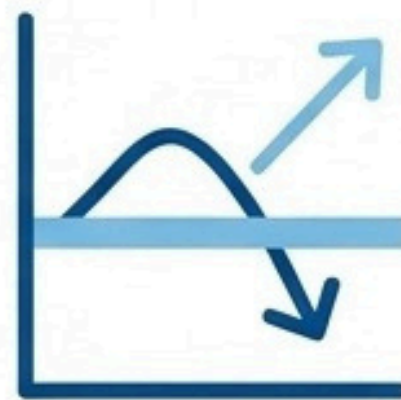
These strategies are designed to generate income and provide downside protection in an environment of high valuations and potential volatility, directly implementing our focus on structured outcomes.



## CAIE - Calamos Autocallable Income ETF

**Segment:** Income/Options Strategies

**Role:** Provides exposure to the emerging asset class of autocallable structures.



## SBAR - Simplify Barrier Income ETF

**Segment:** Income/Options Strategies

**Role:** A defined-outcome strategy offering a buffer against market declines while capturing income.



## SPYH - NEOS S&P 500 Hedged Equity Income ETF

**Segment:** Income/Options Strategies

**Role:** Delivers monthly income and risk mitigation on a core U.S. equity holding.



# Toolkit Spotlight: Alternatives, Real Assets & Infrastructure

In a world of deglobalization and structurally higher real rates, portfolios should be adjusted to include inflation-sensitive assets. These ETFs provide diversification and resilience.

## **ALLW - SPDR Bridgewater All Weather ETF**

**Segment:** Multi-Asset/Alternatives

**Role:** An all-weather approach that can adapt to shifting growth and inflation dynamics.

## **HARD - Simplify Commodities Strategy No K-1 ETF**

**Segment:** Commodities

**Role:** Provides exposure to physical commodities, attractive in an inflationary environment.

## **AMPLP (Alerian MLP ETF) & POWR (iShares U.S. Power Infrastructure ETF)**

**Segment:** Energy Infrastructure/Thematic Equity

**Role:** Targeted exposure to real assets benefiting from onshoring, reshoring, and the energy transition.



# Toolkit Spotlight: Seeking Growth in Uncrowded Areas

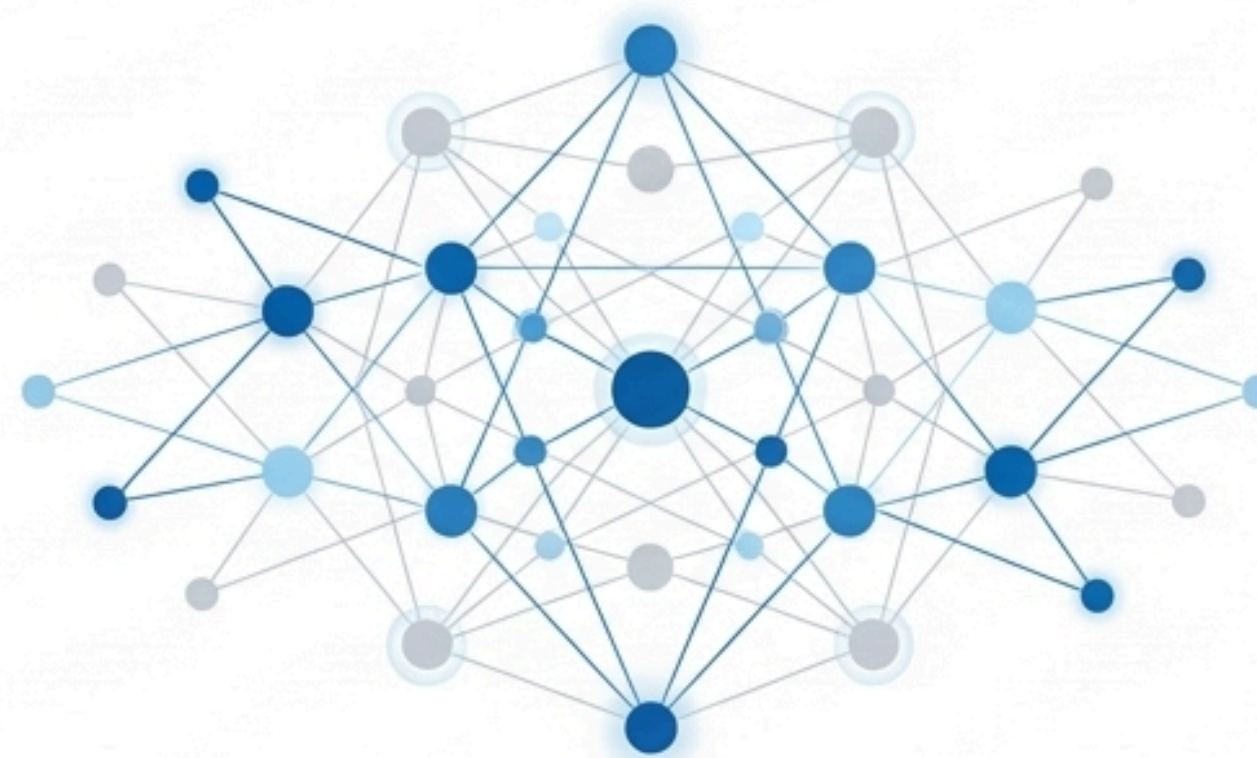
## ACWX - iShares MSCI ACWI ex U.S. ETF

- **The Catalyst:** The weakening dollar is a powerful regime shift that historically precedes extended periods of international outperformance.
- **The Opportunity:** A long-standing valuation gap between US and non-US equities could finally compress. Foreign central banks are often cutting rates more aggressively than the Fed.



## BITW - Bitwise 10 Crypto Index ETF

- **The Thesis:** “Crypto is no longer a fringe asset class.” It offers asymmetry and is a hedge against debasement risk due to its nature as a fixed supply asset.
- **The Strategy:** Opportunity lies in selective, diversified ecosystem exposure, not chasing parabolic moves. “BITW represents our preferred implementation as it aims to own a market-cap-weighted portfolio of the largest, investable cryptocurrencies.”





# Toolkit Spotlight: The Necessity of Active Fixed Income

*“If there is an asset class on which you want to be tactical, we would point to fixed income. This is a space where active managers can add value.”*

## **PYLD - PIMCO Multisector Bond Active Exchange-Traded Fund**

Segment: Multi-Sector Fixed Income

### **Why Active Management Matters Now**

- Navigating credit, interest rate, and sector risk in a nuanced environment.
- Corporate credit and high-yield spreads are very narrow, making security selection critical.
- Flexibility to manage duration as the yield curve is expected to continue steepening.
- Ability to find relative value in areas like mortgage-backed securities (MBS) where spreads are attractive.

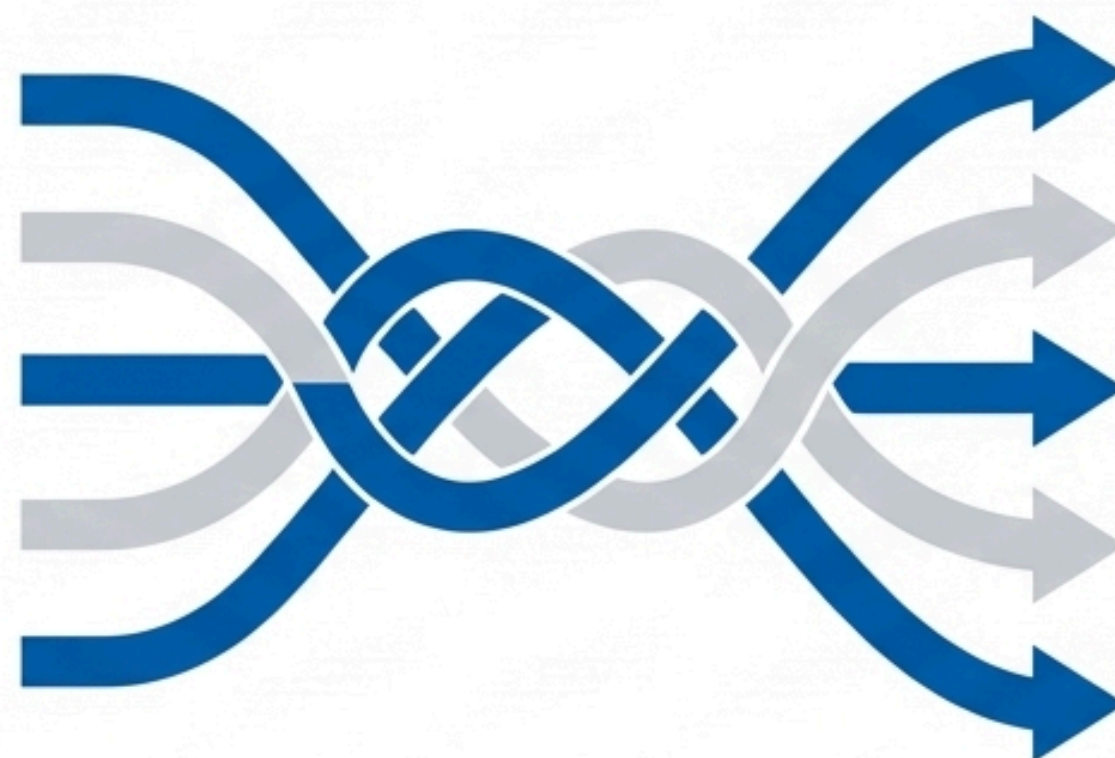




# The Astoria 2026 Playbook: A Cohesive System

## Our Guiding Philosophy

-  Prioritize Asymmetry & Structured Outcomes
-  Be Tactical & Actively Manage Risk
-  Broaden Exposure Beyond the Consensus



## Our Actionable Toolkit Themes

- Structured Income & Hedged Equity
- Active Fixed Income
- Alternatives, Real Assets & Infrastructure
- International Equities
- Digital Assets

Our 10 ETF ideas for 2026 are designed to reflect this philosophy. This is not the time for unchecked bullishness, but for a disciplined, tactical framework.





## About Astoria Portfolio Advisors

- Our team has been producing a dedicated year-ahead ETF outlook for over a decade. We were the first group to publish a dedicated ETF outlook with actionable ideas.
- Astoria runs various ETF managed portfolios with different risk tolerance bands and holdings (e.g., Dynamic, Risk Managed, Strategic).
- The commentary in this report is generally centered around our Dynamic and Risk Managed ETF Portfolios.

### Engagement:

Readers are welcome to follow Astoria's research, blogs, and social media updates to see how our portfolios may shift throughout the year.

**Website:** [www.astoriaadvisors.com](http://www.astoriaadvisors.com)

**Twitter:** @AstoriaAdvisors



# Background Information on 10 ETFs for 2026

- Our team has been producing a dedicated year-ahead ETF outlook for over a decade. We were the first group to publish a dedicated ETF outlook with actionable ideas (i.e. a top 10 ETF list), and we like the fact that our peers are starting to throw their hats into the ring. We try not to repeat our ETFs from one year to the next, as our goal is to communicate unique and actionable thematic ideas for the investment community.
- Astoria runs various ETF managed portfolios with different risk tolerance bands and with different holdings. The commentary in this report is generally centered around our Dynamic and Risk Managed ETF Portfolios. We offer strategic ETF Portfolios with lower tracking error vs. their benchmark in which case will have different holdings than what is included in this report
- The ETFs highlighted in this report are solutions that Astoria finds attractive on a per unit of risk basis. However, this list is not meant to be an asset allocation strategy, a trading idea, or an ETF managed portfolio. As such, this list does not constitute a recommendation of any ETF. There are other ETFs that Astoria currently owns which are not highlighted in this report. Contact us for a list of all of Astoria's ETF holdings.
- Any ETF holdings discussed are for illustrative purposes only and are subject to change at any time. Readers are welcome to follow Astoria's research, blogs, and social media updates to see how our portfolios may shift throughout the year. Refer to [www.astoriaadvisors.com](http://www.astoriaadvisors.com) or @AstoriaAdvisors on Twitter.
- Past performance is not indicative of future results. Investors should understand that Astoria's 10 ETF Themes for 2025 are not indicative of how Astoria manages money or risk for its investors. Note that Astoria shifts portfolios depending on market conditions, risk tolerance bands, and risk budgeting. As of the time of this writing, Astoria held positions in ALLW, BITW, ACWX, PYLD, AMLP, and SPYH on behalf of its clients.



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