

FX OPTIONS MARKET UPDATE

- EURPLN spot to the top of the range and vols higher after a corruption scandal involving the financial regulator unfolded last week, 1 month up 1%.
- GBP vols drifting lower as it looks like May will avoid a no confidence vote, 1 month GBP down 1% from the highs.

	EURUSD		USDJPY		AUDUSD		GBPUSD		EURGBP		EURJPY		NZDUSD	
	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng
1 mth	7.69	-0.37	7.24	0.40	9.26	0.34	14.42	1.65	12.13	1.75	9.03	-0.07	9.38	0.47
3 mth	7.38	-0.49	7.36	0.13	8.87	-0.01	12.72	1.14	10.87	1.23	8.92	-0.11	9.10	0.05
	EURSEK		EURNOK		EURCHF		USDCAD		AUDJPY		USDNOK		USDSEK	
	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng
1 mth	6.93	0.36	6.81	0.36	5.77	0.39	6.89	0.27	10.76	0.43	9.04	-0.18	9.73	0.04
3 mth	6.64	0.00	6.54	0.21	5.76	0.23	6.69	-0.03	10.52	0.19	8.74	-0.39	9.20	-0.37
	USDCNH		USDTRY		USDRUB		USDMXN		USDZAR		XAUUSD		XAGUSD	
	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng
1 mth	6.26	0.38	19.70	0.39	14.11	0.07	16.75	0.33	17.85	0.20	10.60	0.22	19.24	1.51
3 mth	6.48	0.15	19.28	-0.09	13.66	-0.14	15.71	-0.07	17.39	-0.06	10.50	0.09	18.85	1.15



AUDUSD has been trading higher over the last month and broken out of the down trend that started back in January.

Vol trades bid despite the higher spot and 1 month trades at the highest level seen over the last months, 1 month currently at 9.25. Risk reversals have traded softer with spot off the lows with, 1 month currently trades at 0.65 for

AUD puts compared to 1.25 when spot was down on the lows.

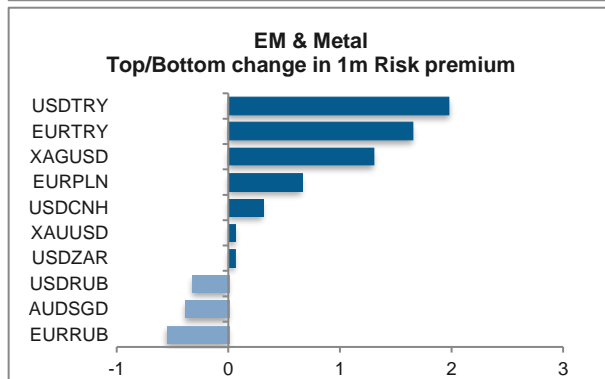
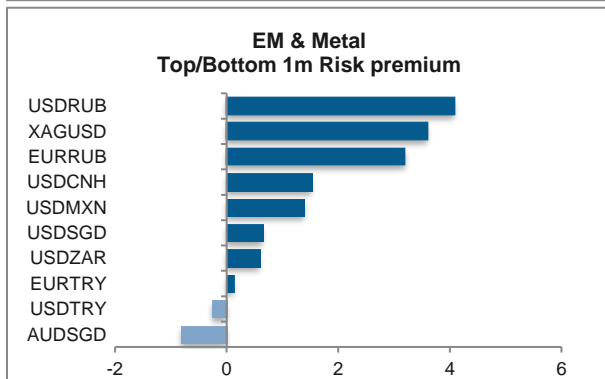
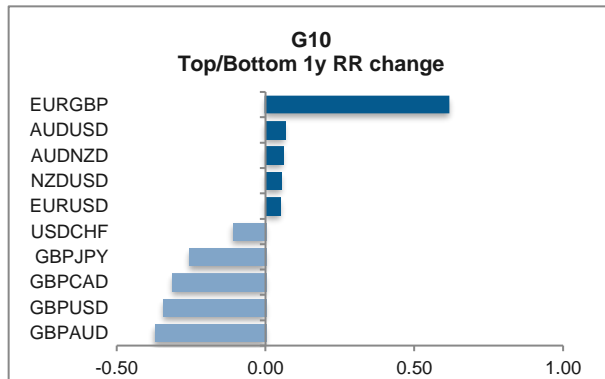
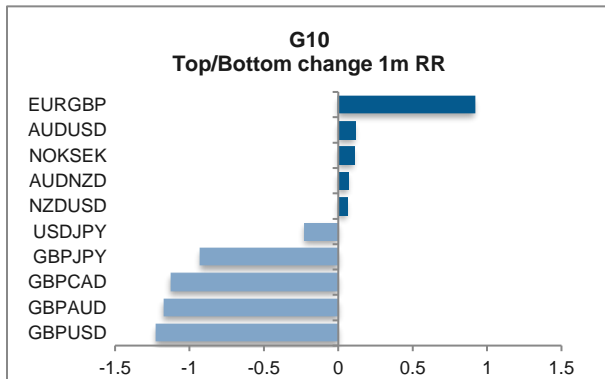
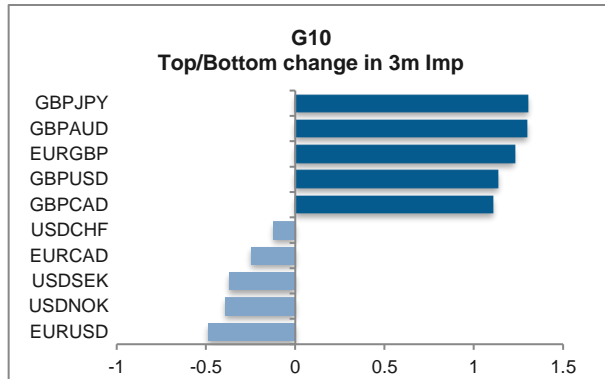
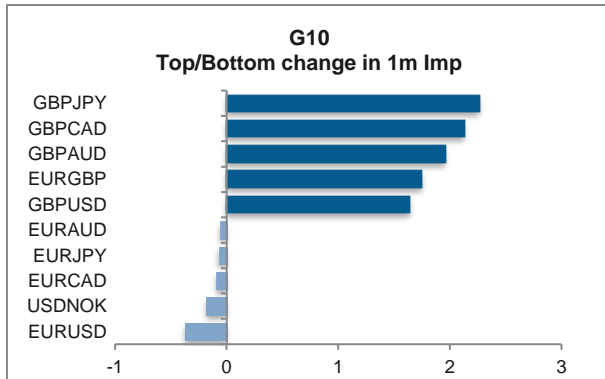
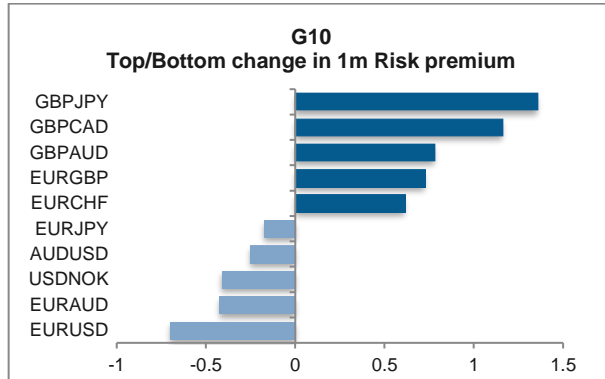
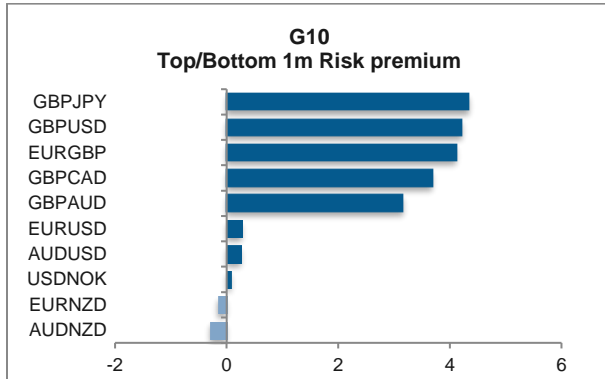
We like to fade the move in higher spot and vol by selling AUD calls.

Sell 1 month 0.7400 AUDUSD call

Receive 35 pips

Spot ref. 0.7300

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- Risk premium: Implied minus realized volatility. A positive risk premium means implied volatility trades above realized volatility, i.e. the implied volatility can be seen as “rich”.
- Change: The difference between current price and where it closed 1w ago.