

FX OPTIONS MARKET UPDATE

- EURUSD vols are marked lower as spot moves up from the lows.

	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	5.35	-0.34	5.49	0.36	7.65	-0.04	6.20	-0.35	5.08	-0.42	6.67	0.20	8.32	0.06
3 mth	5.65	-0.02	5.93	0.38	7.56	-0.13	6.86	-0.19	5.93	-0.17	6.87	0.05	8.01	-0.08
	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	5.14	-0.06	5.37	0.28	3.95	-0.18	5.20	-0.03	8.78	0.16	7.82	-0.19	7.65	-0.26
3 mth	5.38	0.08	5.57	0.19	4.25	-0.01	5.33	-0.10	8.82	0.12	7.91	0.02	7.90	0.08
	USDCNH		USDTRY		USDRUB		USDMXN		USDZAR		EURPLN		EURHUF	
	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng	Imp.	1w chng
1 mth	3.66	-0.04	21.38	-1.76	9.42	0.31	9.43	-0.24	14.63	-0.31	3.37	-0.04	4.66	0.36
3 mth	3.97	0.00	23.32	-1.00	10.42	0.22	9.87	-0.11	14.56	-0.01	3.69	-0.04	4.68	0.20



EURHUF has traded higher over the last week and getting close to the 325 resistance. Both vols and risk reversals are trading bid with spot closer to the topside of the range and with NBH out today. Rates are expected to be on hold with a possible indication of a hike in any of the next meetings after strong CPI data.

EURHUF 1 month vol up 0.75 from the lows when spot was trading around 320. We like to sell in to

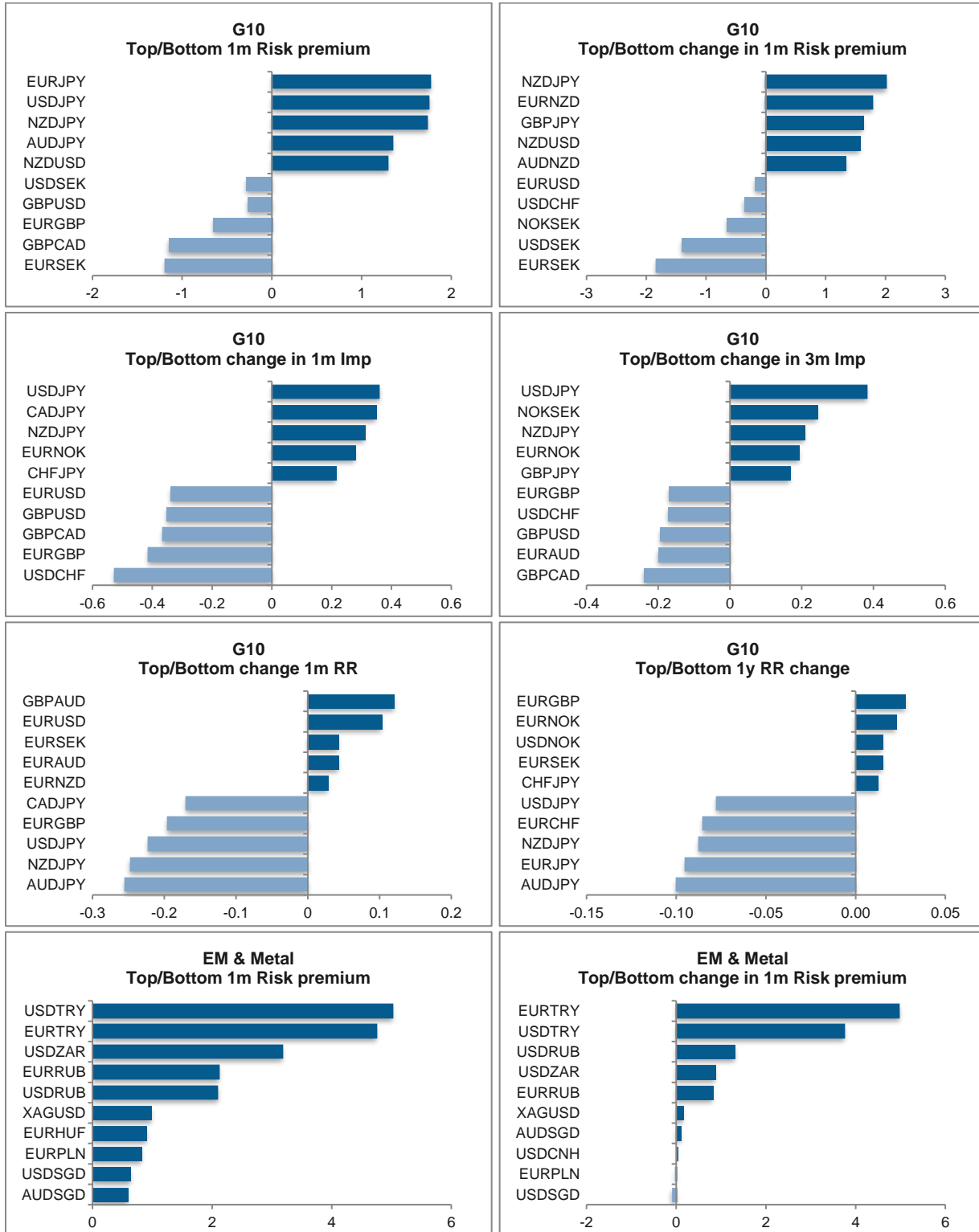
the higher vols by either selling EURHUF calls to benefit from the higher risk reversal or selling strangles.

Sell 1 month EURHUF 326.00 call
Receive 70 pips

Sell 1 month EURHUF 321.00 put
Receive 50 pips

Spot ref. 323.30

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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.