

FX OPTIONS MARKET UPDATE

- GBP spot trades higher and vols lower as No Deal risk is priced out.

	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	5.69	-0.40	5.47	-0.22	8.34	0.01	11.29	0.55	10.23	0.56	6.44	-0.21	8.42	0.56
3 mth	5.96	-0.39	6.06	-0.39	8.55	-0.12	10.80	-0.97	9.81	-0.80	7.04	-0.14	8.56	0.03
	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	6.10	0.33	5.99	0.29	4.07	-0.31	6.15	0.22	9.29	0.03	7.62	0.08	7.76	-0.08
3 mth	6.17	0.29	6.16	0.00	4.35	-0.34	6.25	-0.04	9.84	-0.09	7.95	-0.09	8.05	-0.07
	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	5.30	0.14	13.58	-2.05	10.25	-0.34	10.64	-0.36	14.72	-1.04	8.76	-0.63	14.74	-0.64
3 mth	5.39	0.15	15.21	-1.75	11.13	-0.34	11.55	-0.30	16.33	-0.59	9.30	-0.67	16.00	-0.54



After a volatile January, EURHUF looks to have established a new range between 315/320. Vol is trading above the last months mean and Implied currently trades with a 0.5 vol risk premium to realized vol.

With spot now trading lower in a new range, risk reversal has been marked lower and trades at the lowers level in almost a year, 1 month risk reversal currently at 0.8.

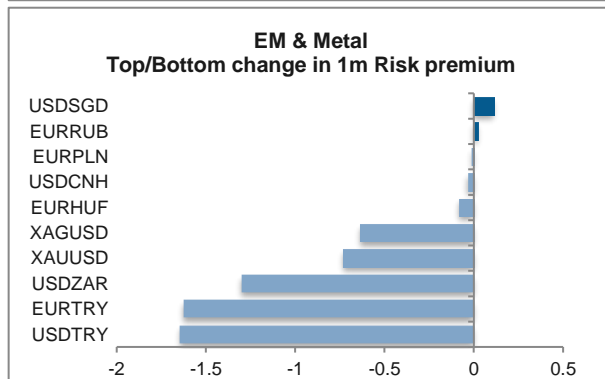
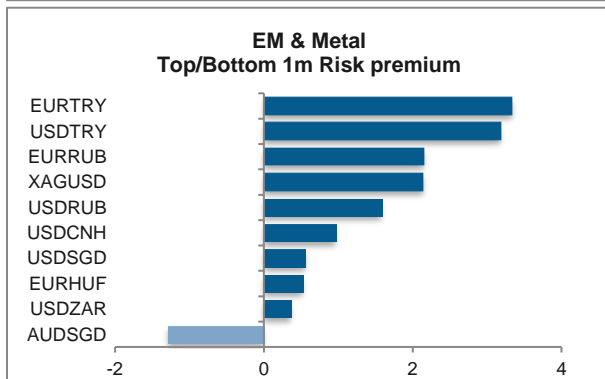
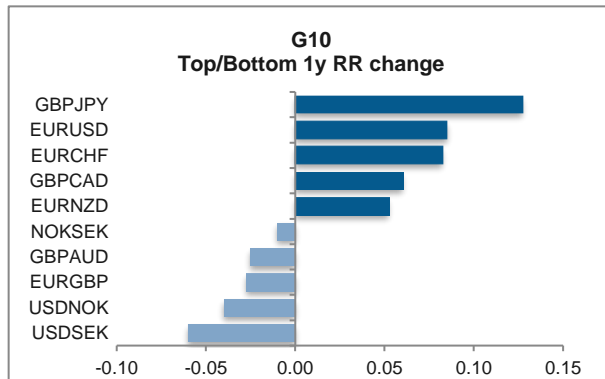
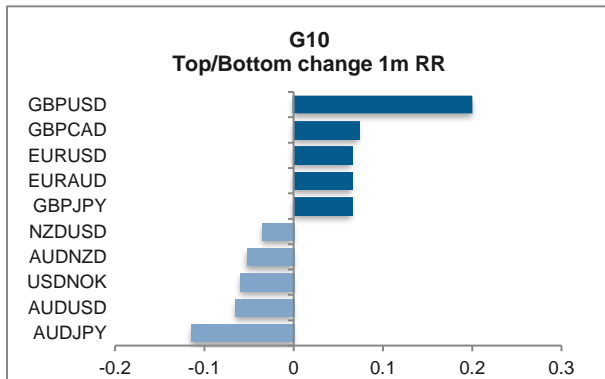
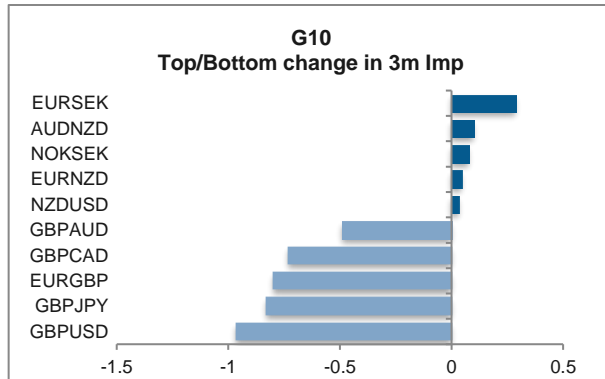
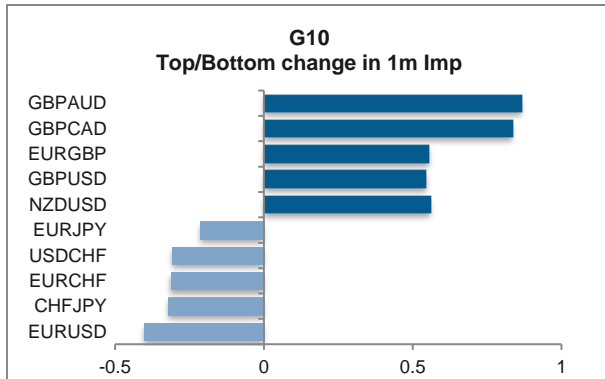
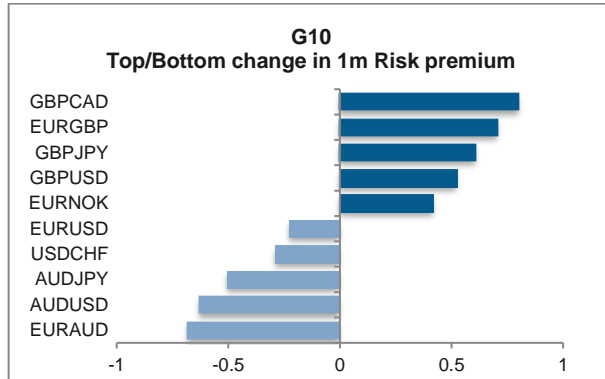
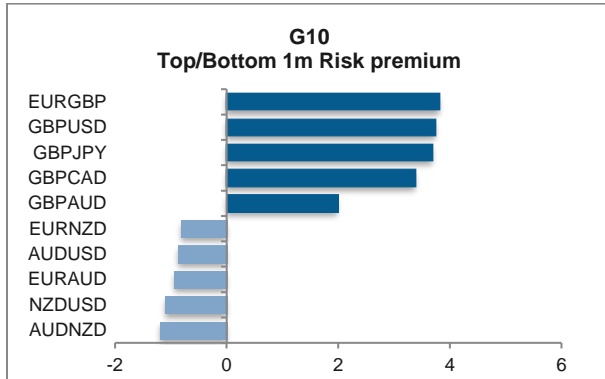
Below are two strategies to play a 315/320 range trade.

Sell 1 month 320.00 EURHUF call
Sell 1 month 315.00 EURHUF put
Receive 145 pips

Buy 1 month 315.00 EURHUF call in 1 mio
Sell 1 month 317.50 EURHUF call in 2 mio
Buy 1 month 320.00 EURHUF call in 1 mio
Pay 110 pips

Spot ref. 317.70

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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.