

FX OPTIONS MARKET UPDATE

- GBP vols continue to trade firm with a vote on Art50 extension today, O/N GBPUSD around 22 vol.
- EURUSD vols trades softer as spot trades back above 1.1300.

| | 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 | 5.51 | -0.24 | 5.21 | -0.54 | 7.63 | -0.29 | 11.78 | -0.08 | 10.62 | -0.38 | 6.26 | -0.16 | 7.73 | -0.18 |
| 3 mth | 5.90 | -0.19 | 5.80 | -0.31 | 8.22 | -0.20 | 10.59 | 0.03 | 9.67 | -0.03 | 6.83 | -0.11 | 8.10 | -0.15 |
| | 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 | 5.78 | 0.00 | 5.67 | -0.05 | 3.97 | -0.02 | 5.49 | -0.07 | 8.73 | -0.41 | 7.41 | -0.15 | 7.59 | -0.04 |
| 3 mth | 6.02 | 0.02 | 5.97 | 0.00 | 4.40 | 0.05 | 5.76 | -0.24 | 9.59 | -0.24 | 7.89 | -0.09 | 8.01 | 0.01 |
| | 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 | 4.31 | -0.40 | 15.17 | -0.48 | 9.93 | -0.70 | 8.99 | -0.37 | 15.10 | -0.89 | 8.67 | -0.28 | 13.93 | -0.16 |
| 3 mth | 4.71 | -0.28 | 15.60 | -0.30 | 10.72 | -0.37 | 9.77 | -0.54 | 15.99 | -0.58 | 9.15 | -0.07 | 15.10 | -0.03 |



EM vols are overpriced at the moment where TRY vols are the most expensive. We are already short USDTRY from two weeks back and we now look to short USDRUB vol which is the second most expensive vol in the EM space, 1 month trades at a risk premium of 2.5 vol.

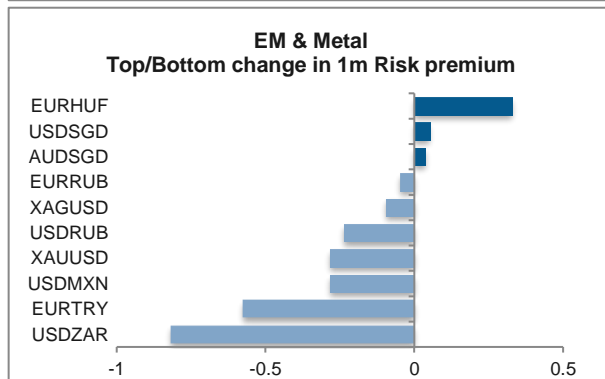
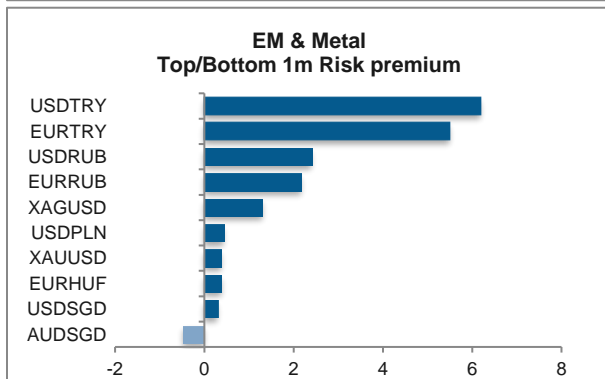
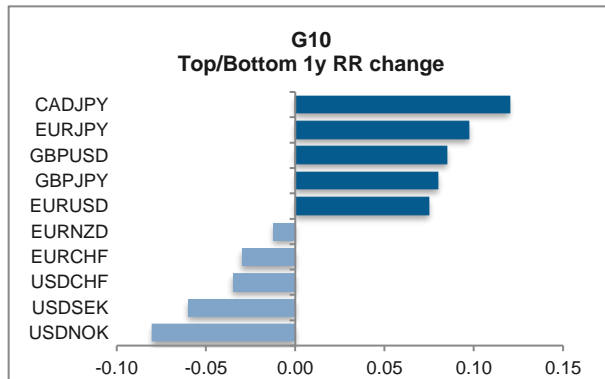
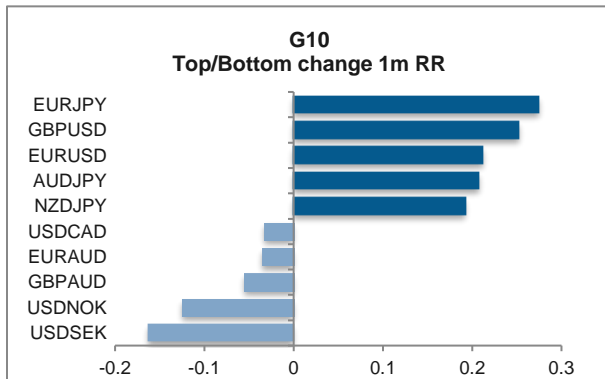
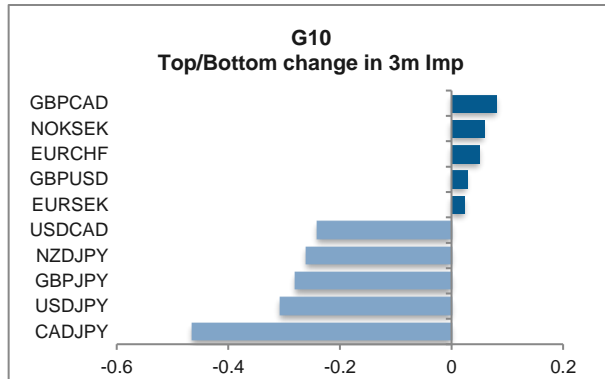
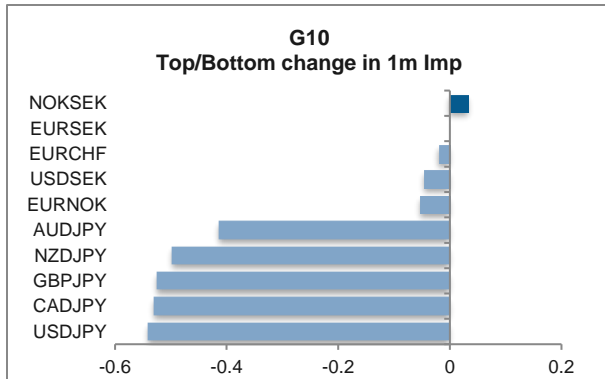
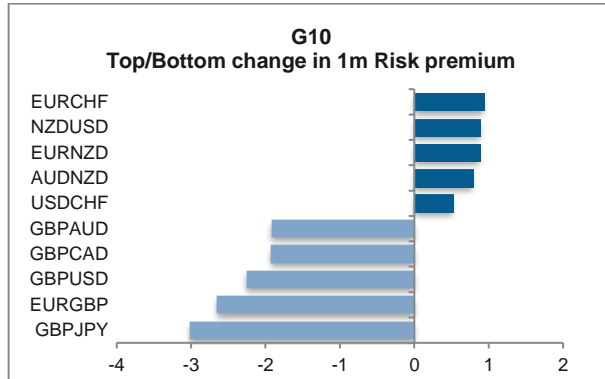
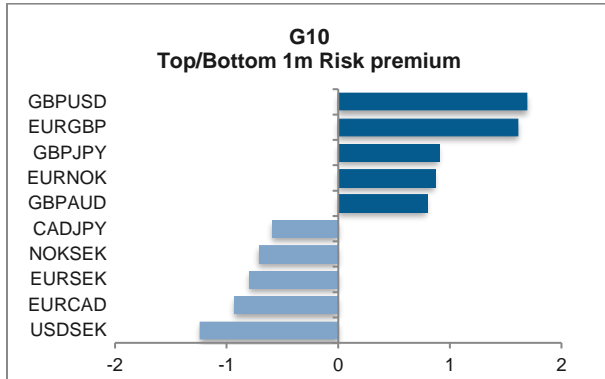
RUB has traded stronger over the last week on back of exporters hedging and oil trading stronger.

Spot has traded down close to the bottom of the last months range where the 65.00 level has been a strong support for the last 6 months. Top of the range since beginning of January at 67.30.

Sell 1 month 64.50 USDRUB put
Sell 1 month 67.00 USDRUB call
Receive 53 pips

Spot ref. 65.38

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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.