

FX OPTIONS MARKET UPDATE

- We see a small pickup in implied vols across G10 while realized continue to drop.
- USDMXN 1 month trades below 10 vol for the first time in over a year.

	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	5.78	0.09	5.52	-0.19	8.31	-0.04	10.59	0.36	9.72	0.40	6.26	-0.13	8.44	0.08
3 mth	5.95	0.04	5.99	-0.22	8.51	-0.07	9.63	0.05	8.74	0.09	6.78	-0.18	8.48	-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	5.95	0.04	5.84	-0.12	4.03	0.06	6.40	0.31	9.15	-0.23	7.57	-0.02	7.74	0.07
3 mth	6.04	-0.07	5.99	-0.11	4.25	-0.04	6.41	0.17	9.70	-0.16	7.88	-0.01	8.00	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	4.66	-0.39	15.66	2.48	10.52	0.29	9.76	-0.08	15.43	1.21	8.62	0.20	14.27	0.23
3 mth	4.87	-0.40	15.42	0.49	11.05	-0.02	10.69	-0.39	16.18	0.23	8.91	-0.07	15.18	-0.36



Canadian GDP came in on the weak side last week which took USDCAD 1.3150 to 1.3300. Spot is now approaching the top of the range at 1.3380.

Vol is trading better bid after the sharp move higher last week, 1 month is up 0.5 vol and currently trades at 6.5. 1 month implied is trading with a 0.75 risk premium against realized vol and is one of the most expensive in G10, outside the GBP space.

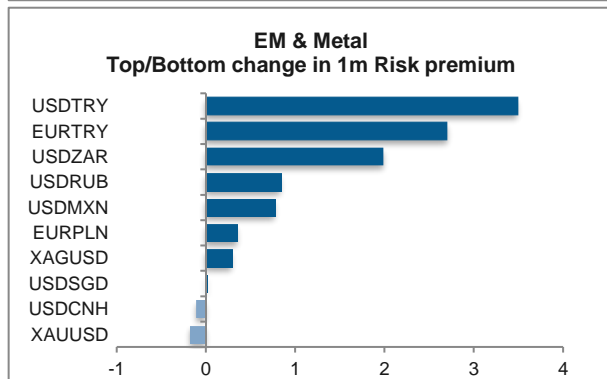
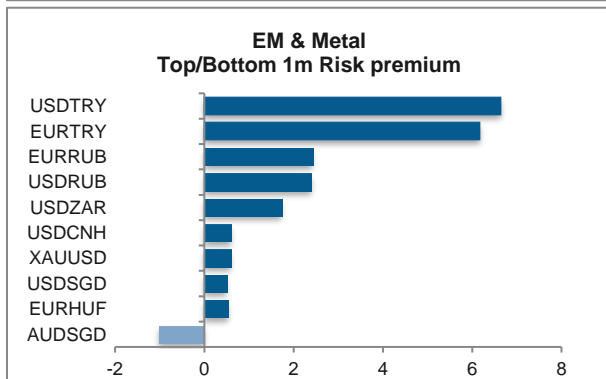
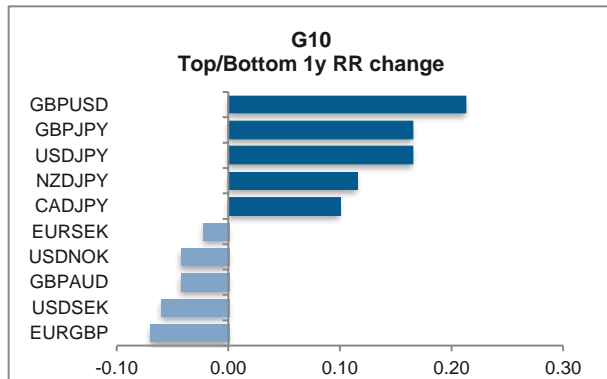
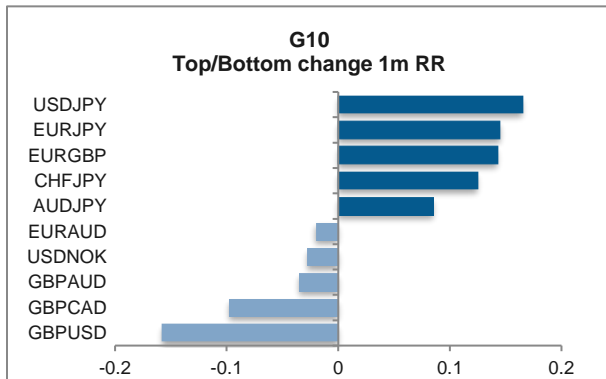
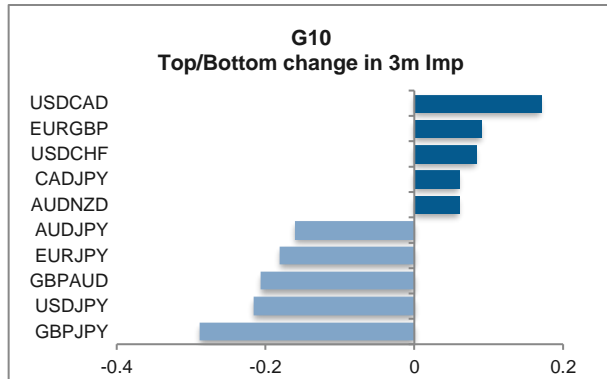
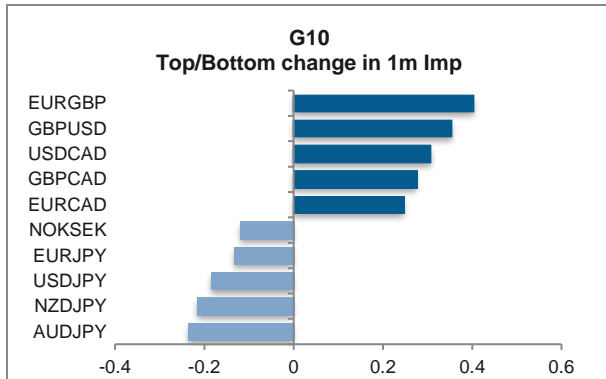
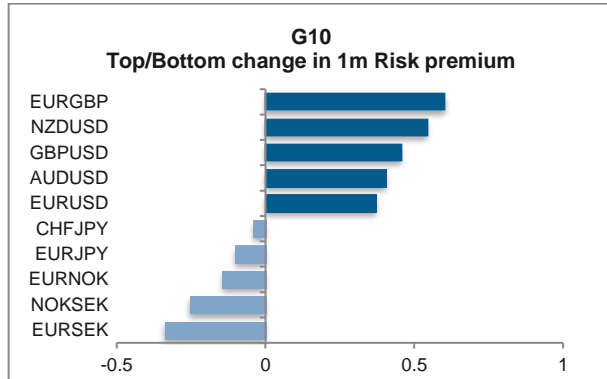
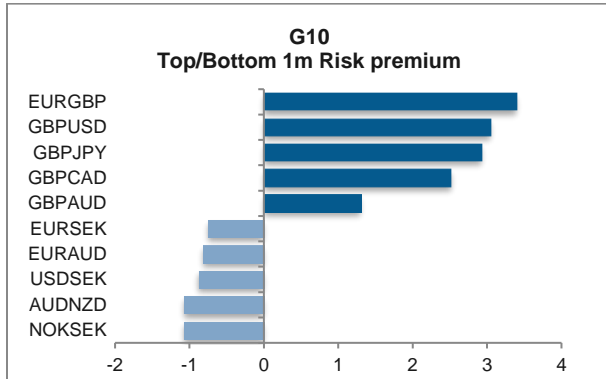
Risk reversals have not moved much over the last week and 1 month trades with 0.25 premium for the topside.

Sell 2 week 1.3500 USDCAD call
Receive 15 pips

Sell 1 month 1.3600 USDCAD call
Receive 20 pips

Spot ref. 1.3335

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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.