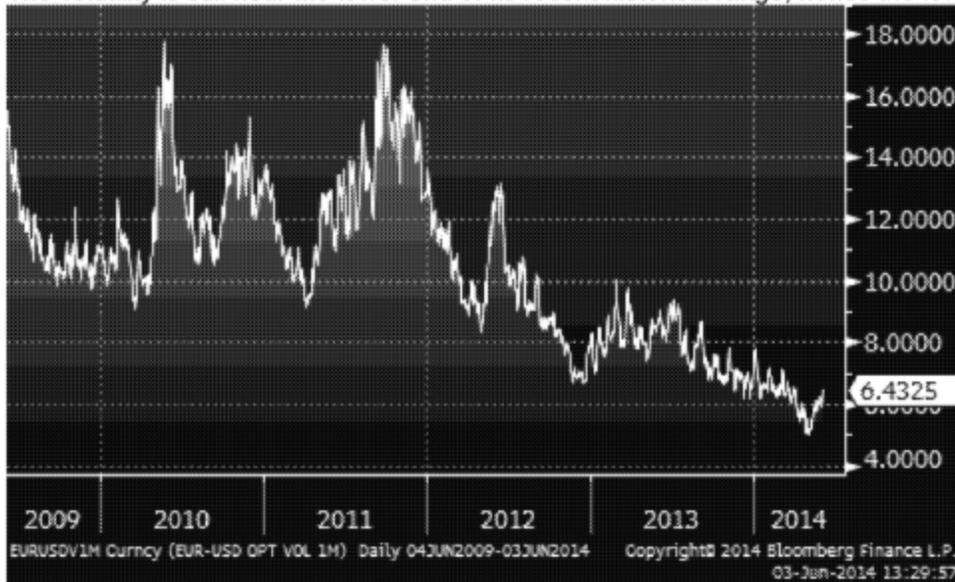


EURUSD 1m implied volatility - 5 year history

The volatility is still near the lower end of its recent historical range, hence the low premium



Trade 2: Buy a 3-month European style 1.03% OTMspot EURUSD put, funded by selling a 3-month European style 0.81% OTMspot EURUSD call, offered at zero premium

Ref spot: 1.3610

Put strike: 1.347 (1.03% OTMspot)

Call strike: 1.372 (0.81% OTMspot)

3m forward: 1.3611

Mid premium: -0.03% of EUR notional (i.e. investor would receive 0.03% of EUR notional)

Put option vol: 6.0%, call option vol: 5.9%

Scenario analysis for Trade 2:

Table shows mid net premium (as % of EUR notional, that investor pays) for the above trade, as spot and time to expiry vary (only the highlighted premium for current spot is the offer level)

Spot % move	Spot level	Time to expiry			
		3m	2m	1m	At exp
6%	1.4427	-4.98%	-4.94%	-4.90%	-5.15%
4%	1.4154	-3.24%	-3.18%	-3.21%	-3.17%
2%	1.3882	-1.56%	-1.50%	-1.48%	-1.18%
0%	1.3610	0.00%	-0.02%	-0.06%	0.00%
-2%	1.3338	1.48%	1.40%	1.28%	0.98%
-4%	1.3066	3.25%	3.18%	3.13%	3.00%
-6%	1.2793	5.32%	5.30%	5.30%	5.02%

EURUSD spot FX rate - 1 year history