

# EMCORE Volatility Picture

$$C = SN(d_1) - N(d_2) Ke^{-rt}$$

20 January 2023

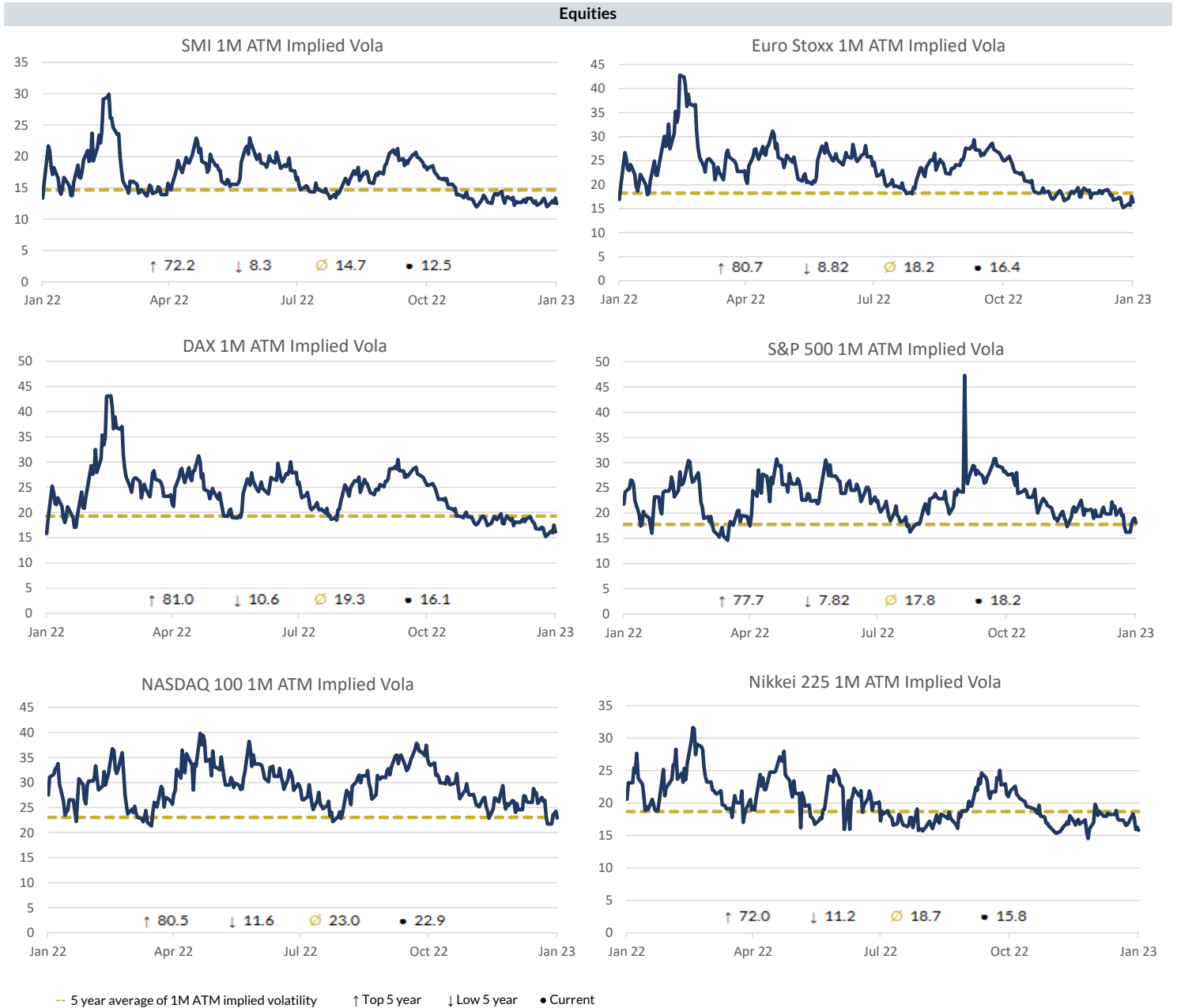


## Vola Headlines

- Equity markets extending their Q4 strength into 2023. Implied vols have been relatively supported, with skew flattening.
- Equity index puts become attractive again for hedging. Implied trading below the 5-year average.
- FX vols remain elevated globally, in contrast to equity vols.
- Gold spot went through the \$1900-handle this week. But implied vols were little changed and appear low vs Miners.

2022 was a very frustrating year for 60:40 investors, but 2023 has so far seen the strongest rally in decades.

Overview							
SMI	12.48	Euro Stoxx	16.38	SPX	18.18	Nikkei	15.82
DAX	16.12	FTSE 100	11.47	NASDAQ	22.92	Hang Seng	20.77



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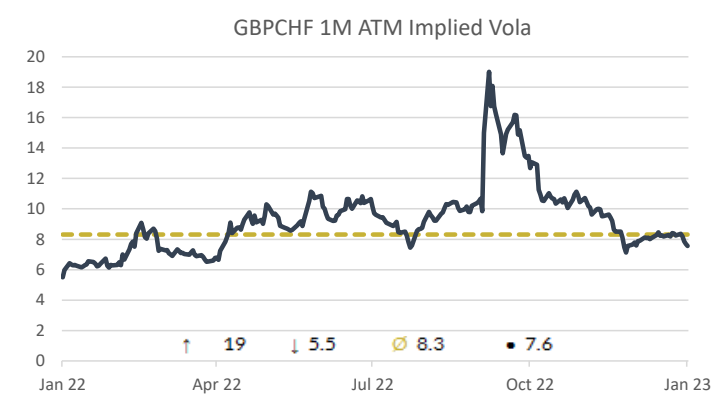
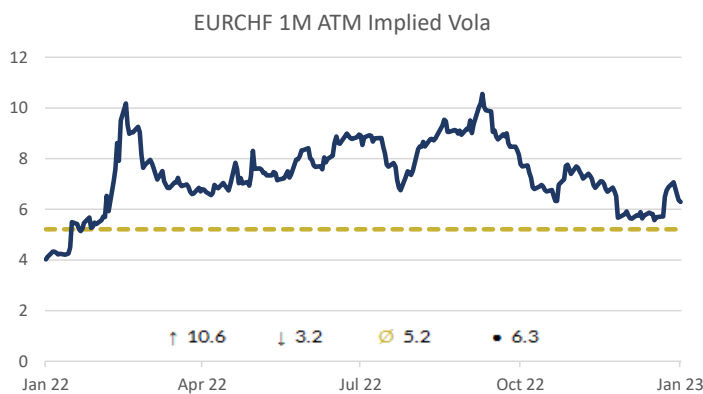
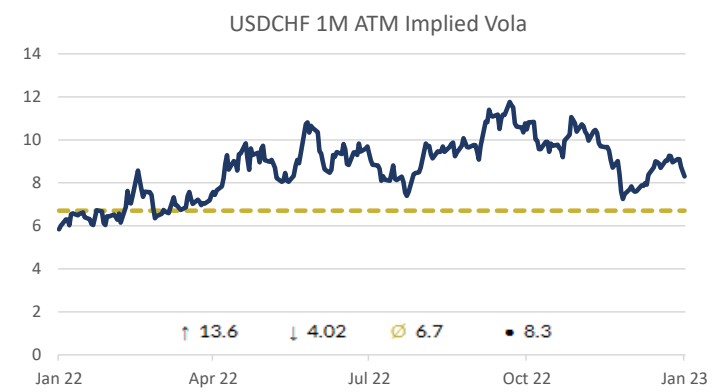
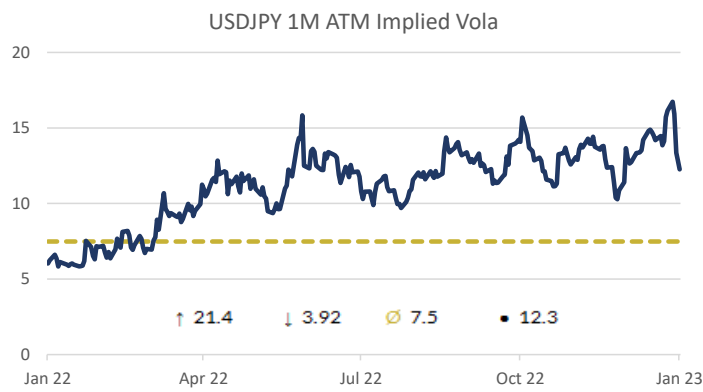
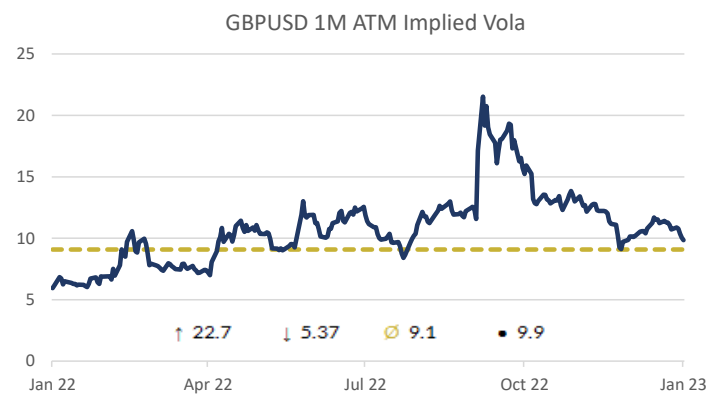
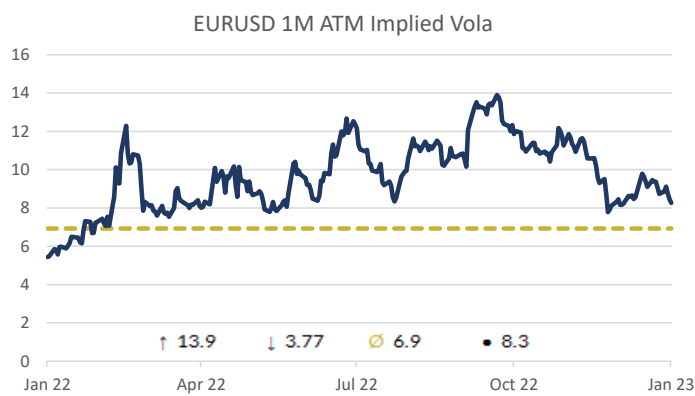
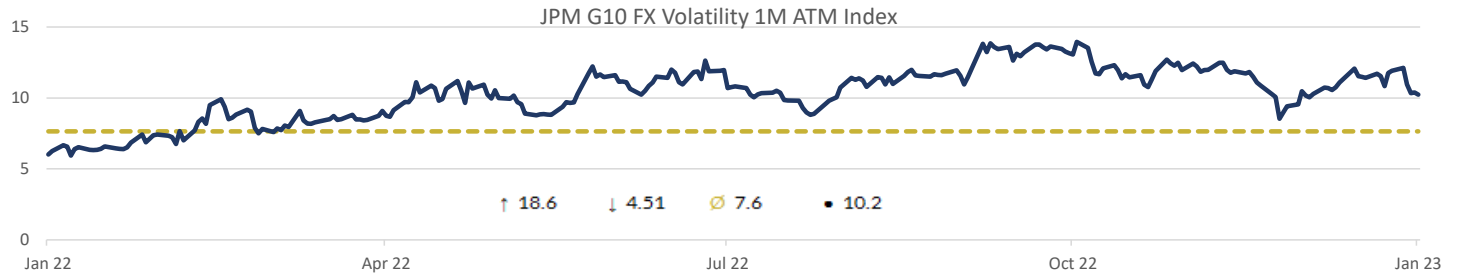
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## Overview

G10	10.24	USDJPY	12.26	EURGBP	6.75	USDCHF	8.30
EURUSD	8.27	EURCHF	6.29	GBPUSD	9.85	EURJPY	11.33

## FX



-- 5 year average of 1M ATM implied volatility
 ↑ Top 5 year
↓ Low 5 year
● Current

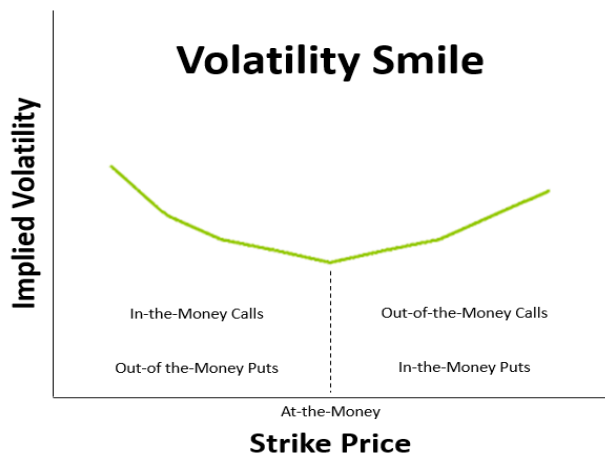
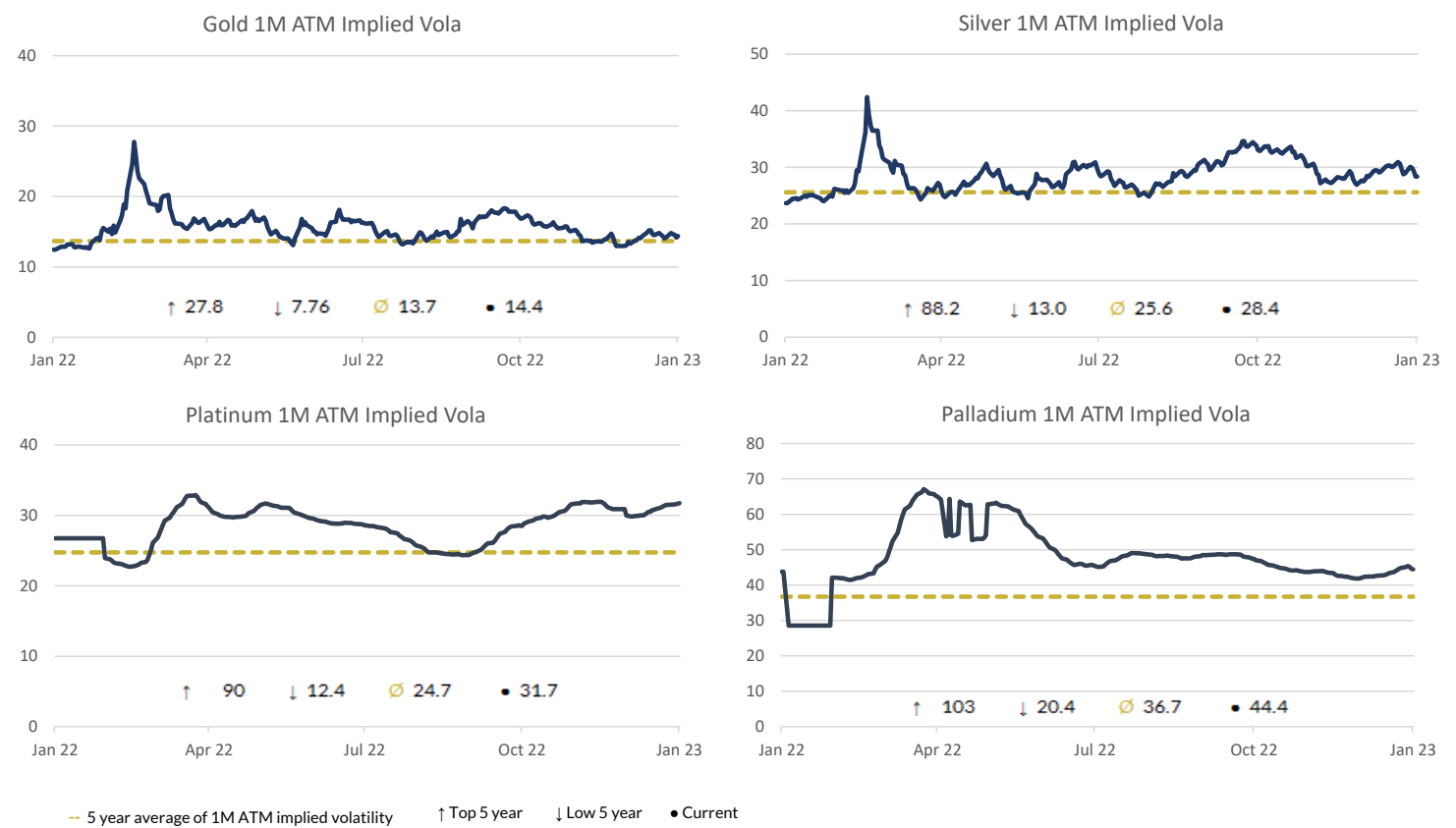
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Overview							
Gold	14.38	Silver	28.38	Platinum	31.73	Palladium	44.45
Metals							



"Implied volatility is the market's forecast of a likely movement in a security's price."

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