

EMCORE Volatility Picture

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

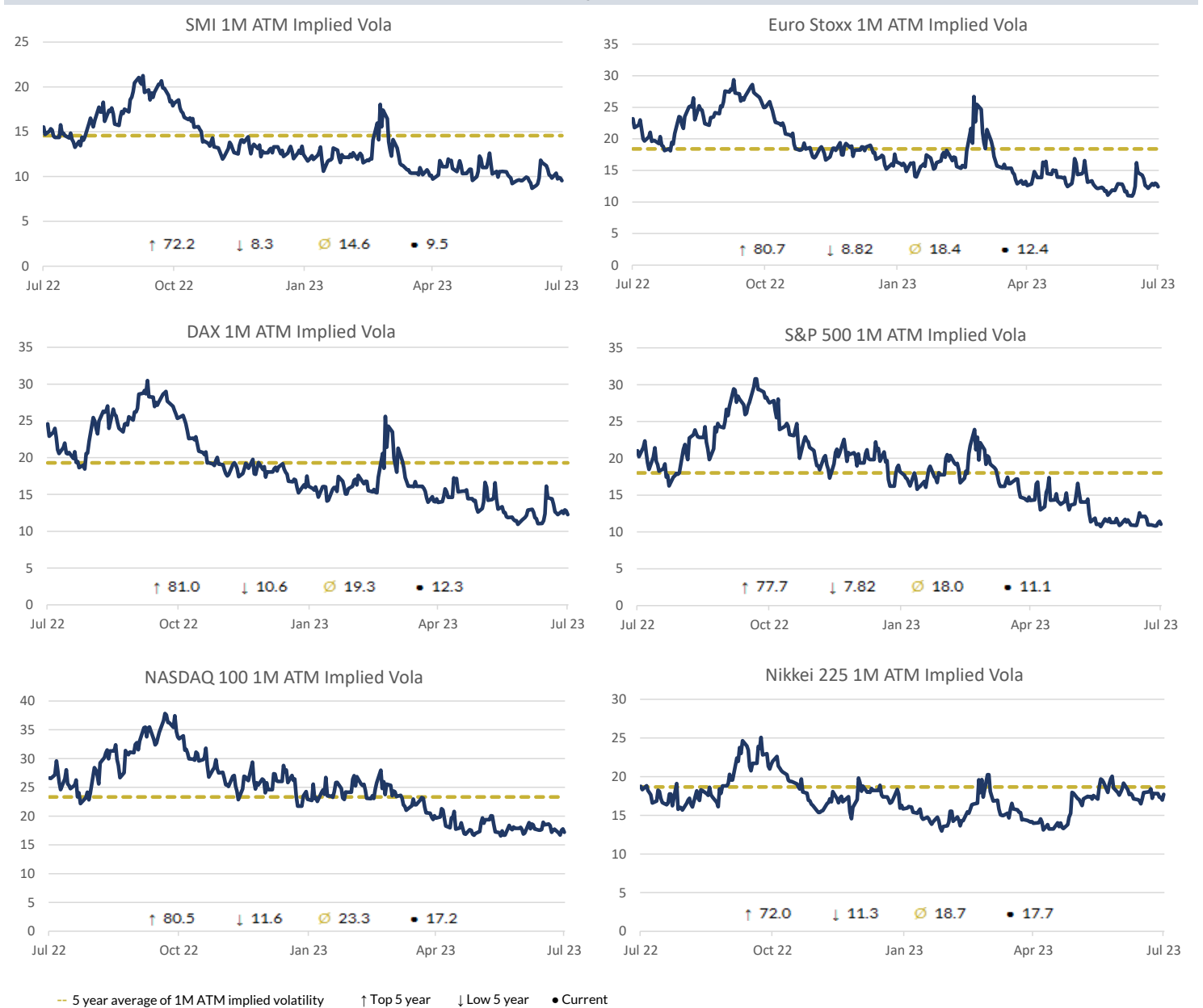
21 July 2023



Vola Headlines

- The S&P and the SX5E reach new highs, while equity markets increasingly initiate a nice & soft landing.
- Implied volatility is at historic lows, which creates attractive risk-return profiles via derivatives for existing long positions.
- Replace equity positions with call options or use downside structures to hedge your equity exposure.
- The currencies of the G10 universe have shown initial signs of becoming nervous, which has led to a slight increase in implied volatility.

Overview							
SMI	9.54	Euro Stoxx	12.43	SPX	11.05	Nikkei	17.71
DAX	12.27	FTSE 100	10.61	NASDAQ	17.18	Hang Seng	22.77



This document is intended for institutional investors only. The information contained herein is for the purpose of personal use and information only and should not be construed as an offer or a solicitation of an offer to purchase, subscribe, sell or redeem any investments. Past performance is no guarantee for future returns. While EMCORE uses reasonable efforts to obtain information from sources, which it believes to be reliable; EMCORE makes no representation or warranty as to the accuracy, reliability or completeness of the information.

EMCORE Volatility Picture

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

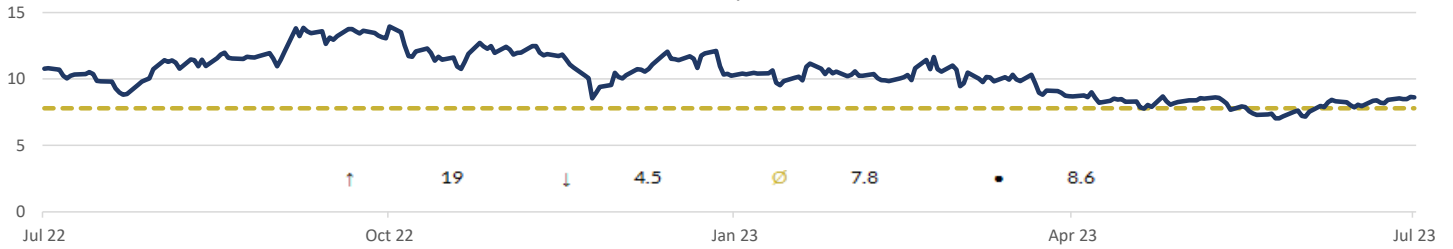


Overview

G10	8.61	USDJPY	10.95	EURGBP	5.98	USDCHF	7.53
EURUSD	6.73	EURCHF	4.88	GBPUSD	8.44	EURJPY	10.30

FX

JPM G10 FX Volatility 1M ATM Index



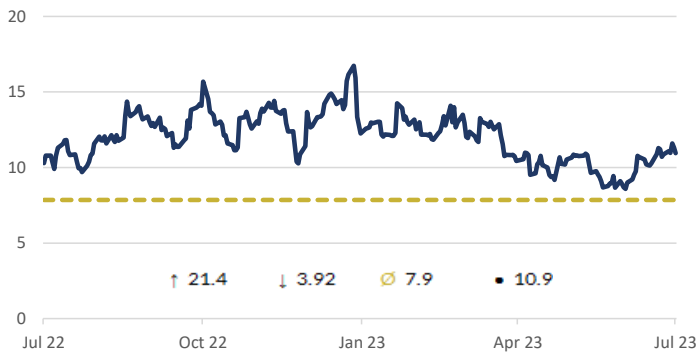
EURUSD 1M ATM Implied Vola



GBPUSD 1M ATM Implied Vola



USDJPY 1M ATM Implied Vola



USDCHF 1M ATM Implied Vola



EURCHF 1M ATM Implied Vola



GBPCHF 1M ATM Implied Vola



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

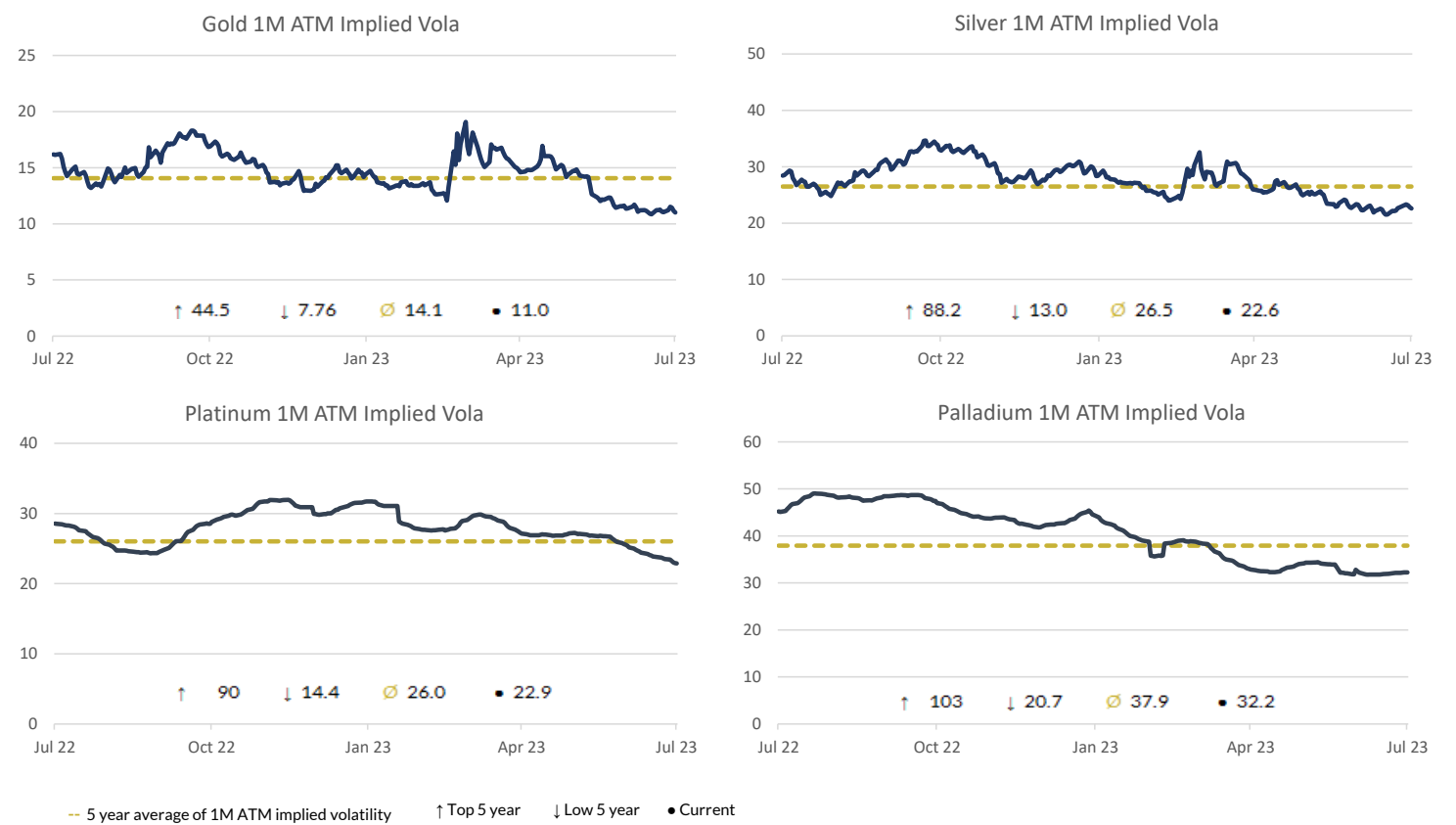
This document is intended for institutional investors only. The information contained herein is for the purpose of personal use and information only and should not be construed as an offer or a solicitation of an offer to purchase, subscribe, sell or redeem any investments. Past performance is no guarantee for future returns. While EMCORE uses reasonable efforts to obtain information from sources, which it believes to be reliable, EMCORE makes no representation or warranty as to the accuracy, reliability or completeness of the information.

EMCORE Volatility Picture

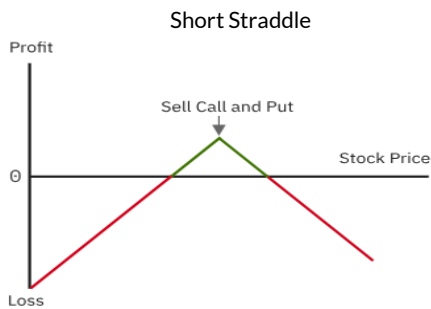
$$C = SN(d_1) - N(d_2) Ke^{-rt}$$



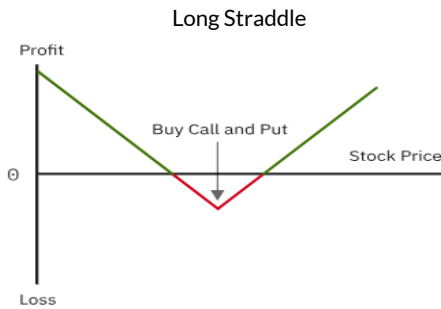
Overview							
Gold	11.00	Silver	22.60	Platinum	22.89	Palladium	32.23
Metals							



The Straddle



Short Straddle
 Sell a Put and Call at the same strike near the stock price.
 Your view is that the stock will not go up or down.



Long Straddle
 Buy a put and call at the same strike near the stock price.
 Your view is that the stock will either go down or up in a big way.

"The term **implied volatility** refers to a metric that captures the market's view of the likelihood of changes in a given security's price."

EMCORE AG
 Marktgass 11
 9490 Vaduz
 Liechtenstein

Phone: +423 239 81 71
 info@emcore.li
 www.emcore.li

EMCORE Asset Management AG
 Schochenmühlestrasse 6
 6340 Baar (ZG)
 Switzerland

Phone: +41 41 729 70 00
 info@emcore.ch
 www.emcore.ch

This document is intended for institutional investors only. The information contained herein is for the purpose of personal use and information only and should not be construed as an offer or a solicitation of an offer to purchase, subscribe, sell or redeem any investments. Past performance is no guarantee for future returns. While EMCORE uses reasonable efforts to obtain information from sources, which it believes to be reliable; EMCORE makes no representation or warranty as to the accuracy, reliability or completeness of the information.