EMCORE
House of Asymmetry

Vola Headlines

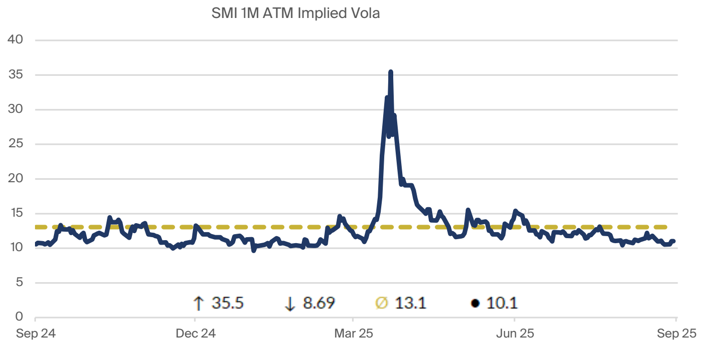
- Cross-asset volatility maintained its downward trajectory through September, marking a fifth consecutive month of compression and leaving most major benchmarks firmly below their long-term averages.
- Equity volatility remained subdued, with the VIX spending the majority of the month in a tight 13–15 range despite bouts of softer macro data. Brief spikes following U.S. labor market surprises and renewed political uncertainty in Europe quickly reversed, reinforcing the prevailing pattern of mean reversion and investor confidence in policy backstops.
- FX volatility eased modestly after August's elevated swings, though idiosyncratic drivers persisted. Shifting rate expectations in the U.S. and U.K., coupled with renewed intervention chatter in Japan, created episodic bursts of movement across G10 pairs, but these were largely contained.
- Rates volatility drifted to fresh cyclical lows as investors continued to price in policy steadiness into year-end.

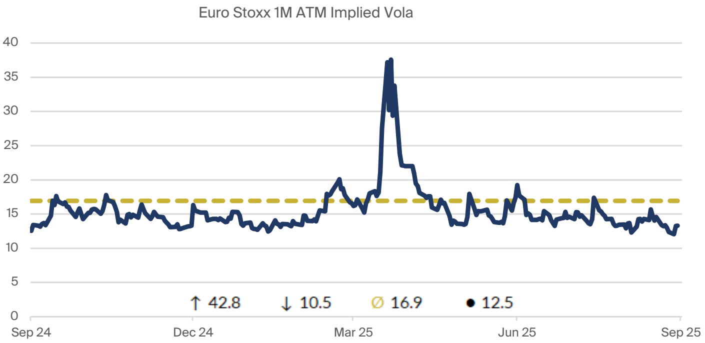
Overall, smart derivative strategies, like call overwriting, put protection, or capital-protected calls, can boost resilience while preserving return potential.

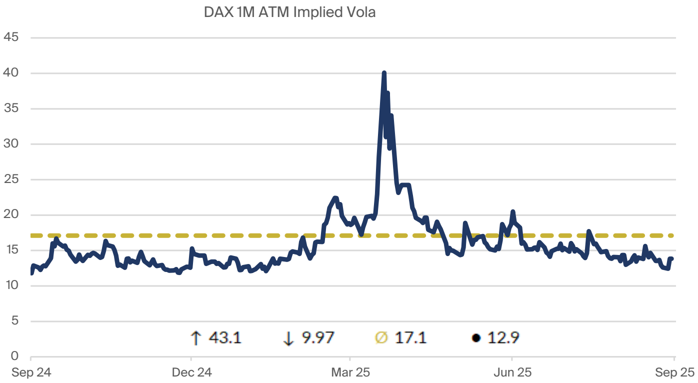
Overview

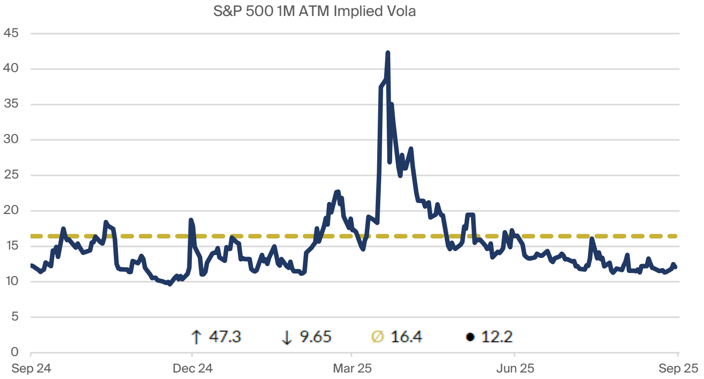
SMI	10.07	Euro Stoxx	12.53	SPX	12.18	Nikkei	19.54
DAX	12.94	FTSE 100	9.02	NASDAQ	15.71	Hang Seng	19.24

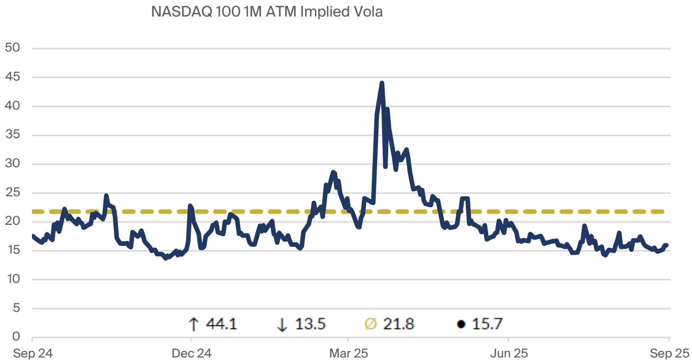
Equities

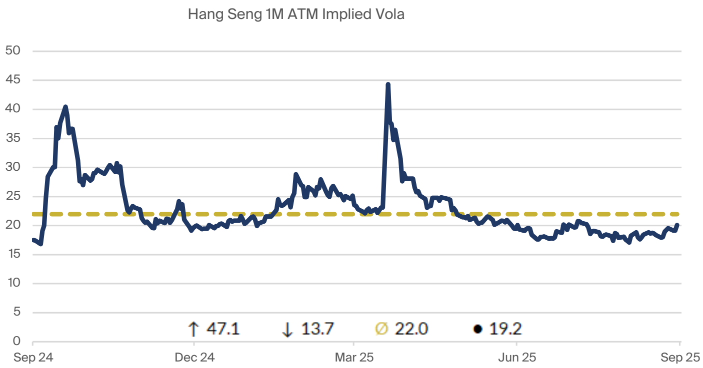












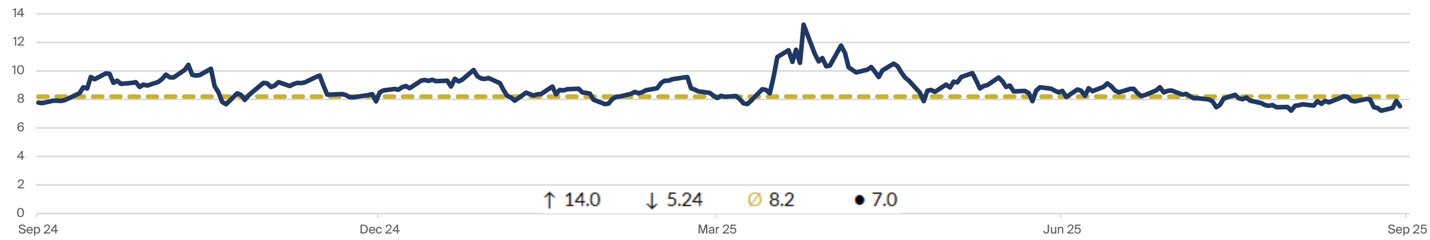
-- 5 year average of 1M ATM implied volatility ↑ Top 5 year ↓ Low 5 year ● Current

Overview

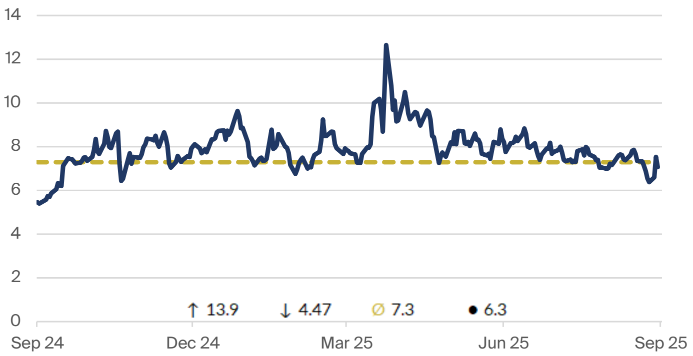
G10	6.99	USDJPY	8.45	EURGBP	4.53	USDCHF	6.68
EURUSD	6.27	EURCHF	3.82	GBPUSD	6.49	EURJPY	6.55

FX

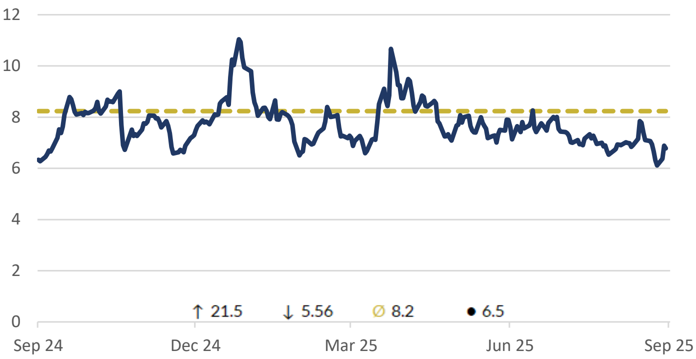
JPM G10 FX Volatility 1M ATM Index



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

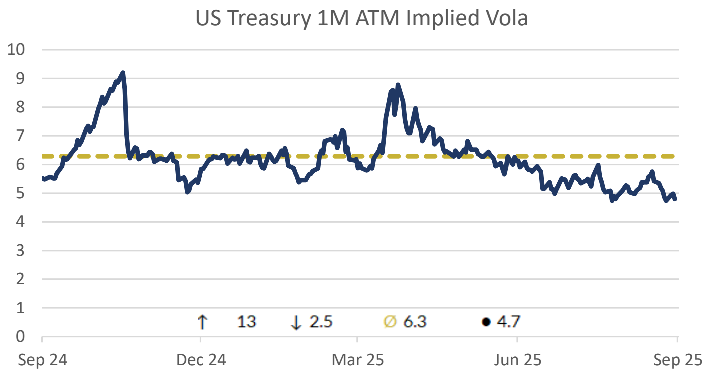
Volatility Picture

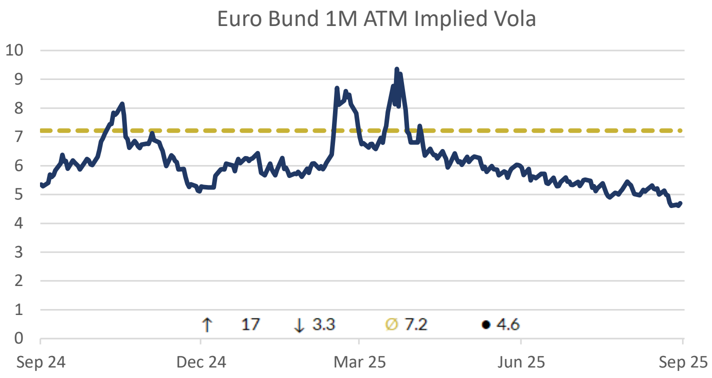
September 2025

Overview

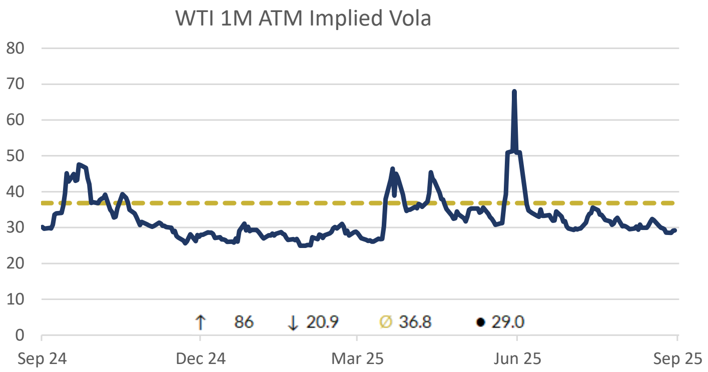
US Treasury	4.73	Euro Bund	4.60				
WTI	28.97	Brent	25.72	Natural Gas	54.77	Corn	17.00

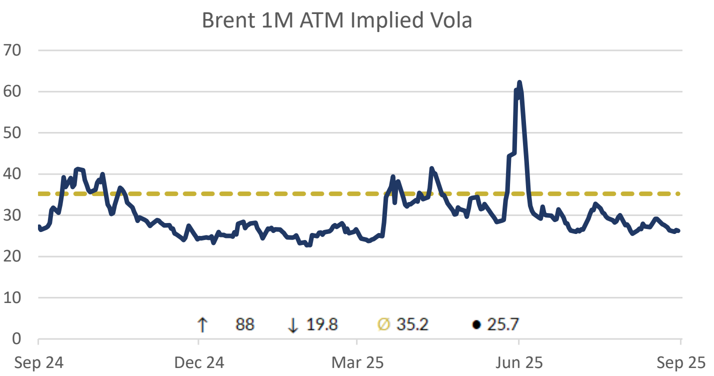
Rates

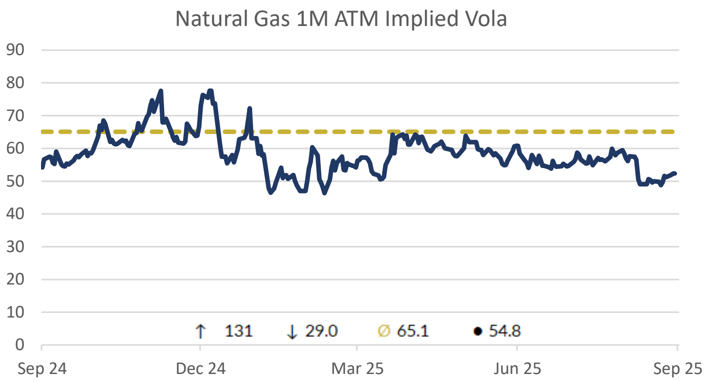


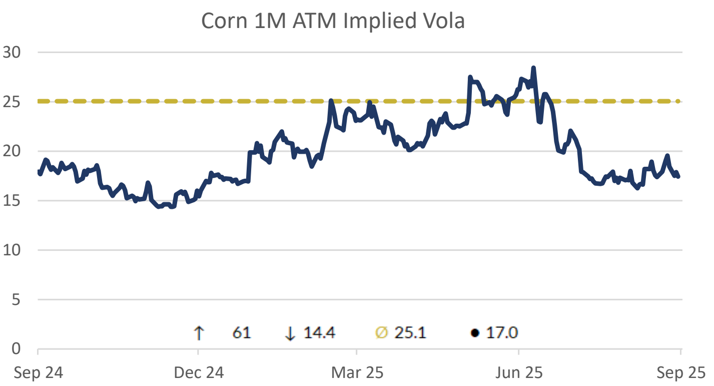


Commodities









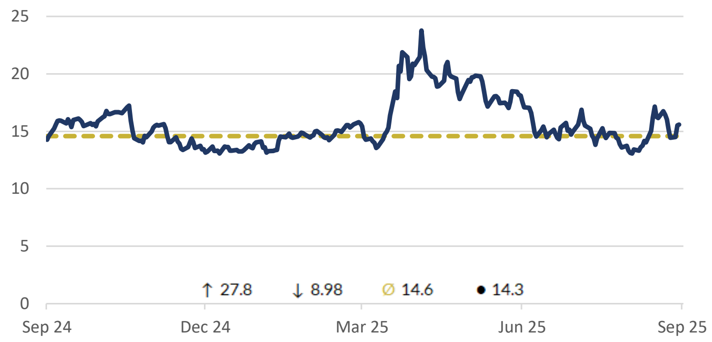
-- 5 year average of 1M ATM implied volatility ↑ Top 5 year ↓ Low 5 year ● Current

Overview

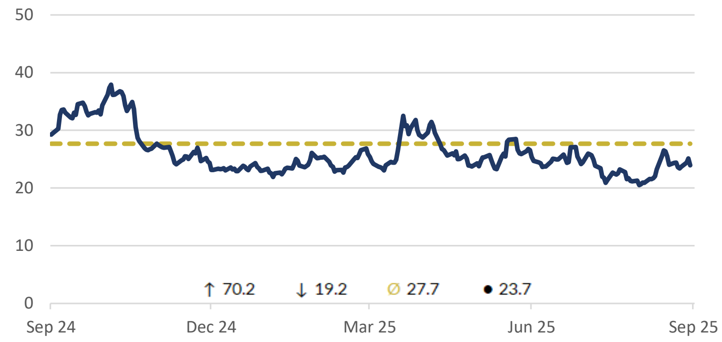
Gold	14.30	Silver	23.68	Platinum	27.23	Palladium	27.75

Metals

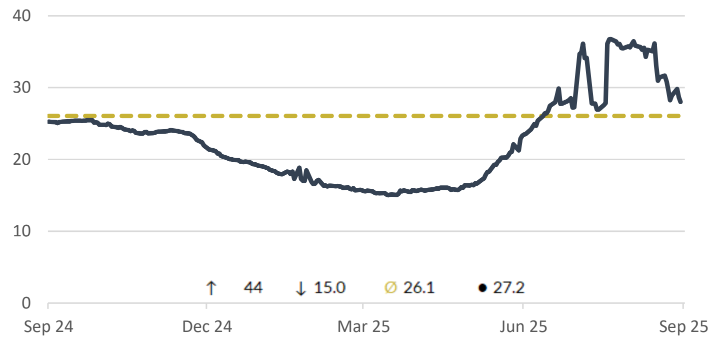
Gold 1M ATM Implied Vola



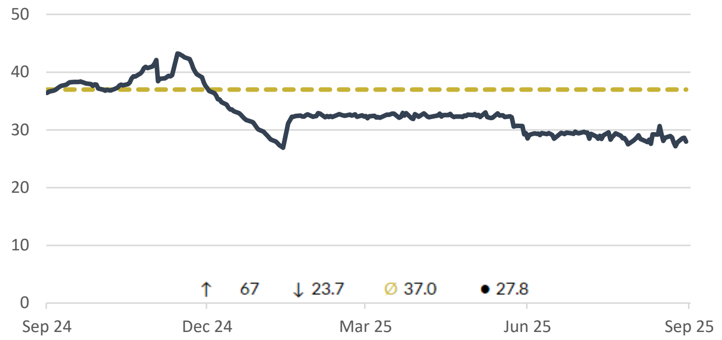
Silver 1M ATM Implied Vola



Platinum 1M ATM Implied Vola

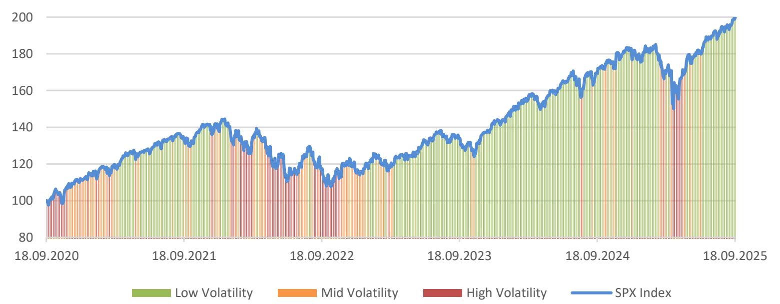


Palladium 1M ATM Implied Vola



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

Volatility Cycles and Market Outcomes



SPX Index Performance In Different Volatility Environments	Low Volatility Return p.a	Mid Volatility Return p.a	High Volatility Return p.a
SPX Index	55.20%	-1.51%	-47.90%

The chart illustrates the performance of the **S&P 500 Index (SPX)** from September 2020 to September 2025 across different volatility regimes. The SPX index (blue line) trends upward over the period, while the background is segmented into three volatility environments: **low volatility (green), mid volatility (orange), and high volatility (red).**

The analysis highlights a clear dispersion in returns depending on volatility conditions:
Low volatility periods (green) delivered the strongest results, with an annualized return of **55.20%.**
Mid volatility periods (orange) also underperformed, with an annualized return of **-1.51%.**
High volatility periods (red) proved least favorable, producing a strong annualized return of **-47.90%.**

This shows how using a tailored volatility strategy can help with risk-adjusted performance as high-volatility environments offer opportunities to harvest premium.

"The market's best moves usually start with volatility."

EMCORE AG
Pflugstrasse 20
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