



Vola Headlines

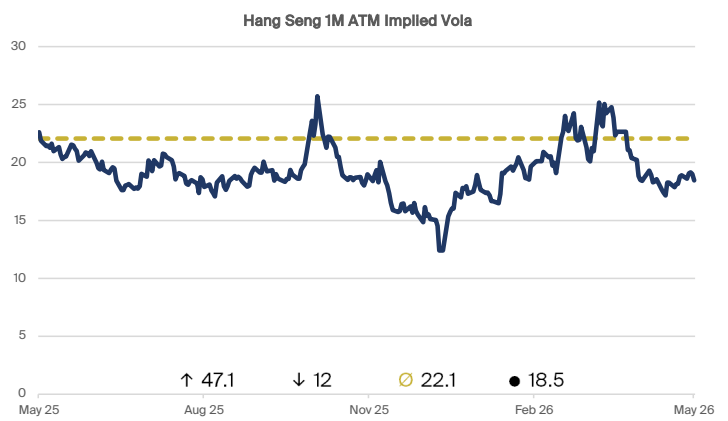
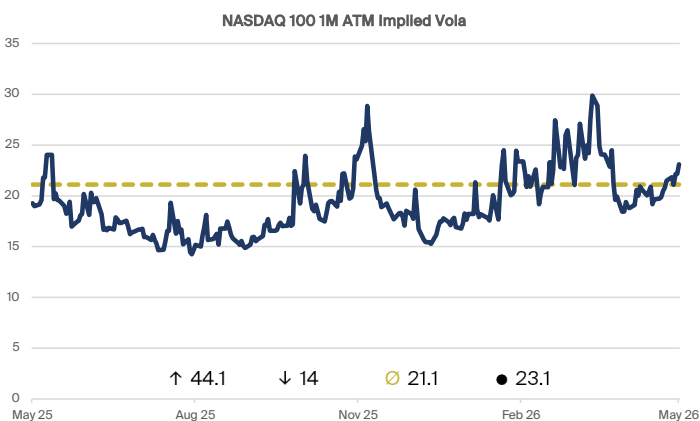
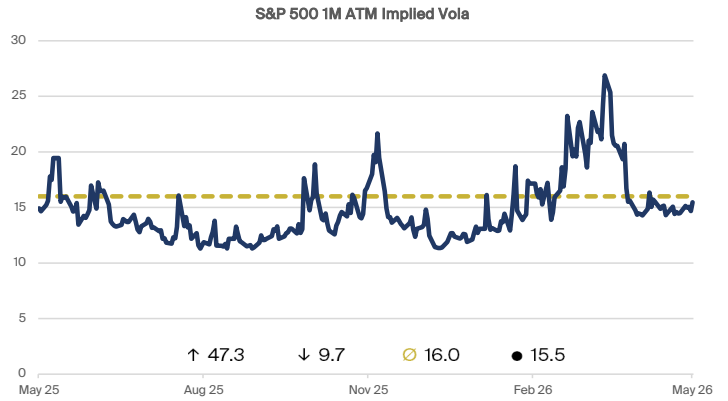
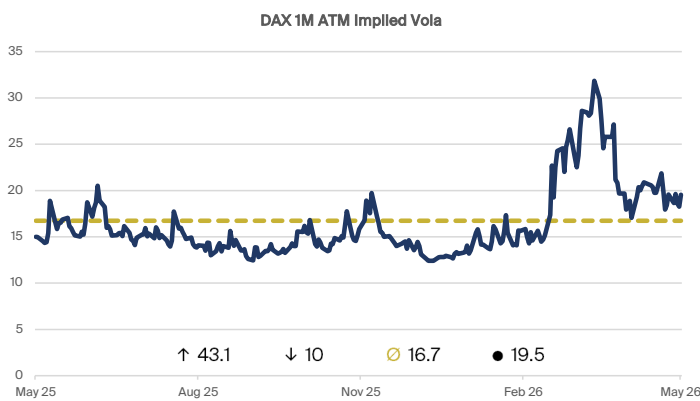
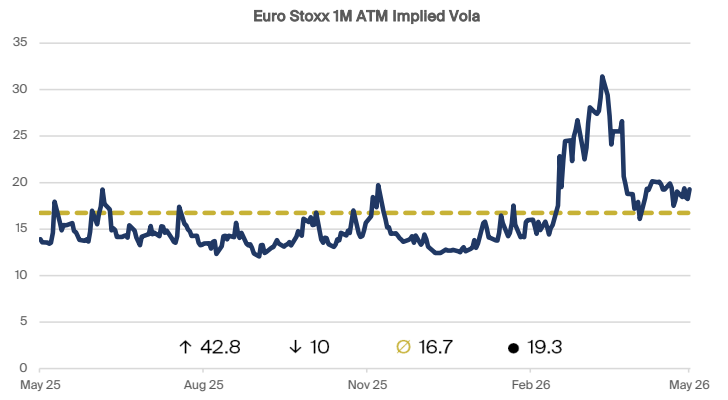
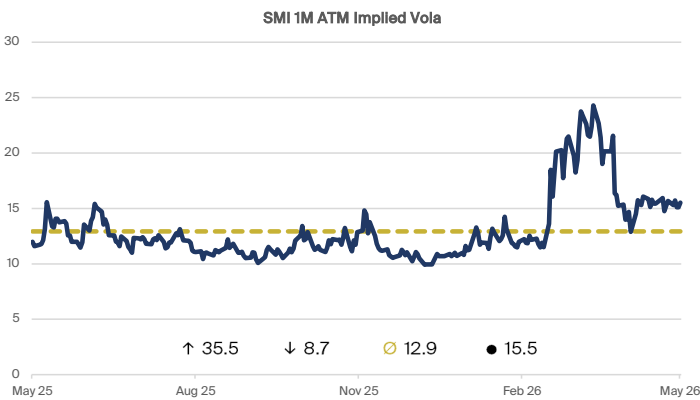
- Cross-asset volatility partially reversed course in May, with the broad compression seen through April giving way to a rebound across most developed-market equity indices, even as currency and rates volatility continued to grind lower.
- Equity volatility remained range bound, with Euro Stoxx, DAX and NASDAQ implied volatilities remained above their five-year averages, while the S&P 500 lagged and continues to leave downside buyer protection attractively priced.
- FX volatility in the majority of G10 currency pairs continued to grind lower, with the JPM G10 vol index sliding further below its five-year average.
- Bond market volatility stayed contained, with rates volatility drifting back toward historical lows after the brief Q1 spike. Oil volatility re-accelerated in WTI while Brent eased, leaving a notable divergence between the two crude benchmarks that points to US-specific supply concerns rather than a renewed Middle East premium. The metals complex held broadly steady – gold and silver implied volatilities continues to stay above their long-term averages but well below the March highs.

Following the broad compression in volatility through April, the cross-asset picture remains largely subdued despite the geopolitical risks that continue to overhang the market. Low-correlated, capital-efficient return generation, combined with an optimised risk-reward profile, remains key to navigating an environment where calm can shift rapidly.

Overview

SMI	15.52	Euro Stoxx	19.28	SPX	15.46	Nikkei	26.59
DAX	19.53	FTSE 100	14.66	NASDAQ	23.10	Hang Seng	18.46

Equities



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

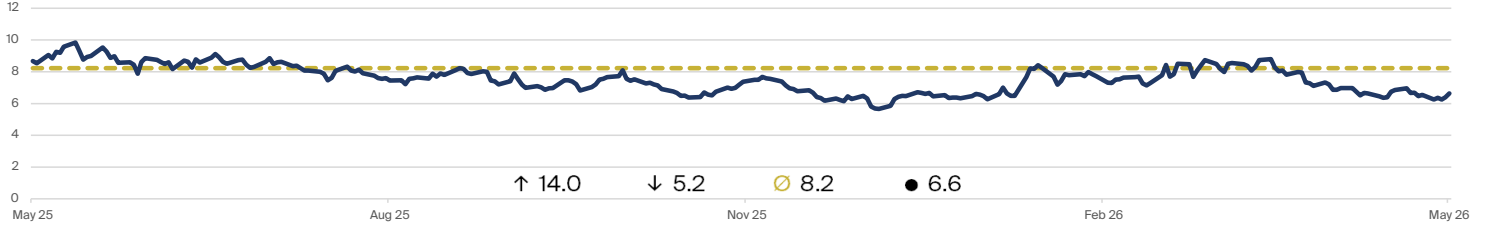


Overview

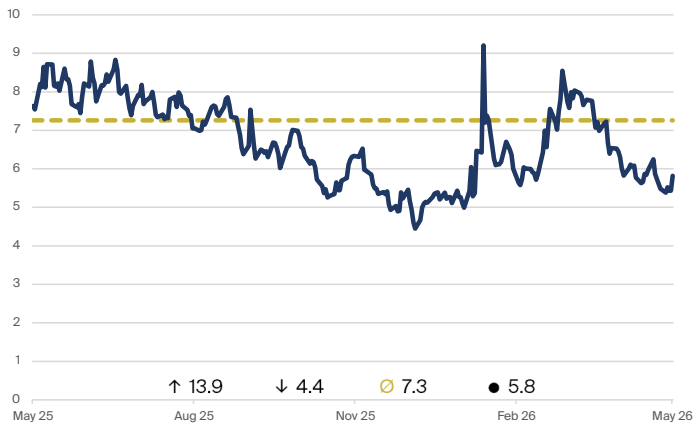
G10	6.63	USDJPY	7.58	EURGBP	4.76	USDCHF	6.61
EURUSD	5.82	EURCHF	3.65	GBPUSD	7.36	EURJPY	6.49

FX

JPM G10 FX Volatility 1M ATM Index



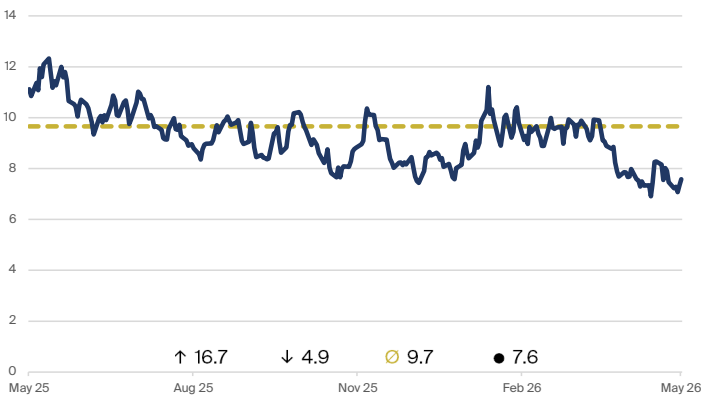
EURUSD 1M ATM Implied Vola



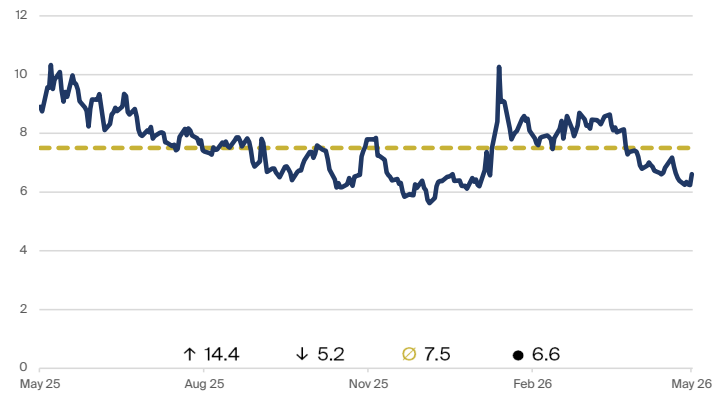
GBPUSD 1M ATM Implied Vola



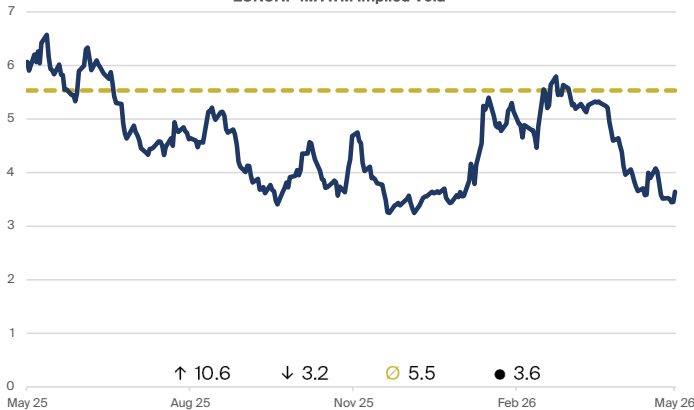
USDJPY 1M ATM Implied Vola



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

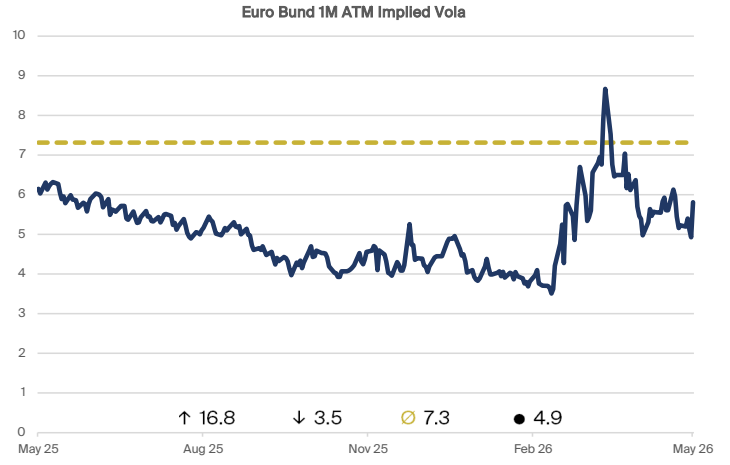
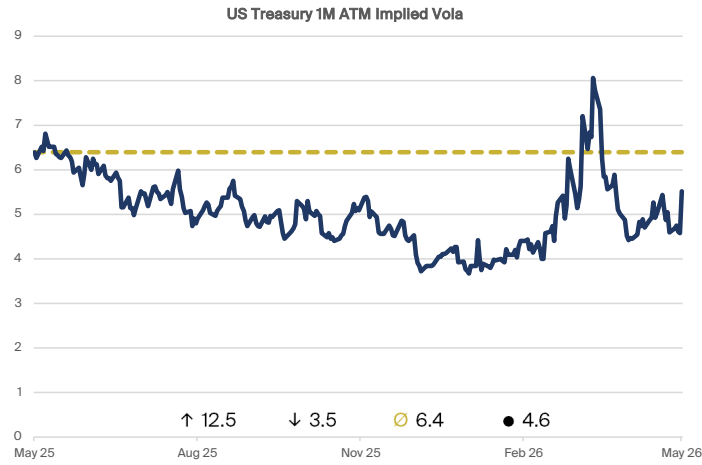
● Current



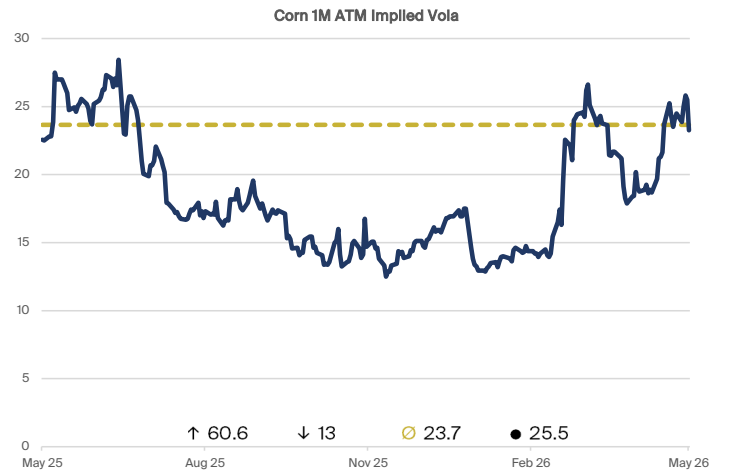
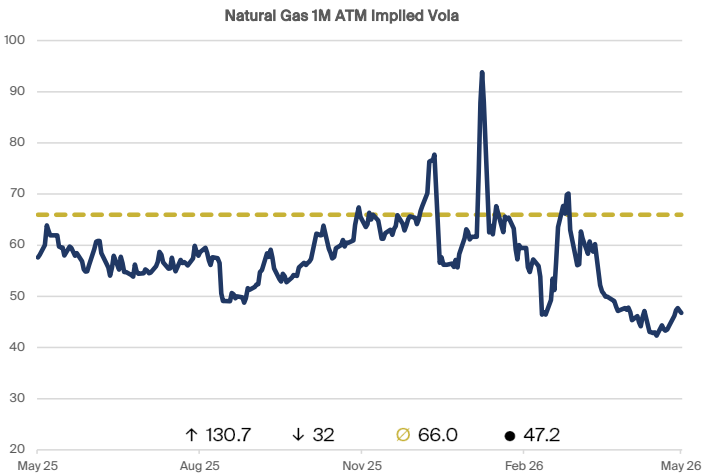
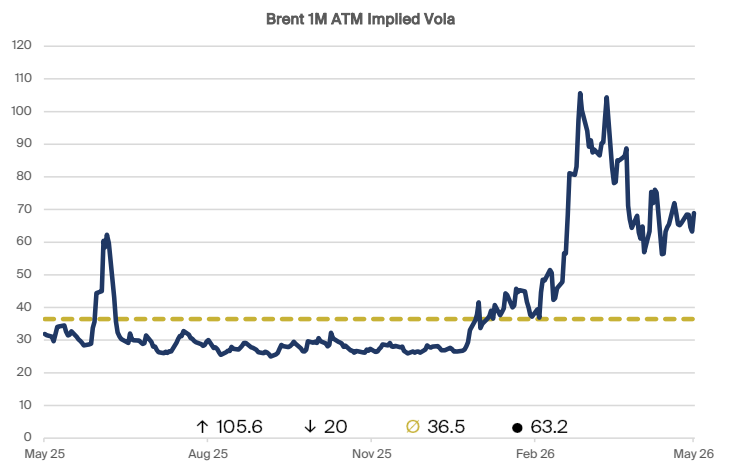
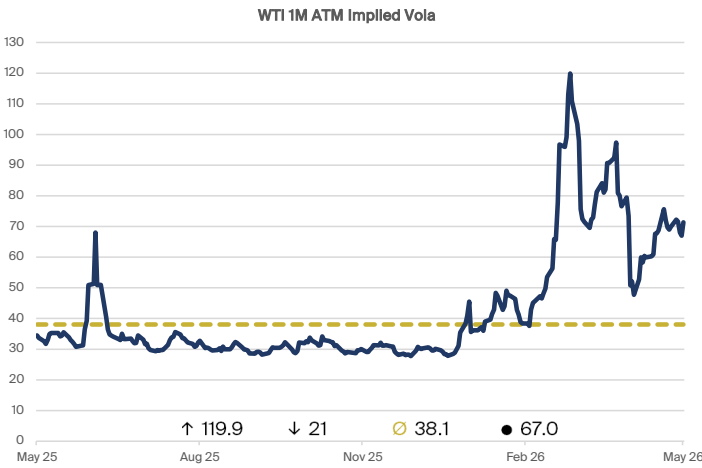
Overview

US Treasury	5.52	Euro Bund	5.81
WTI	71.37	Brent	68.94
Natural Gas	46.78	Corn	23.25

Rates



Commodities



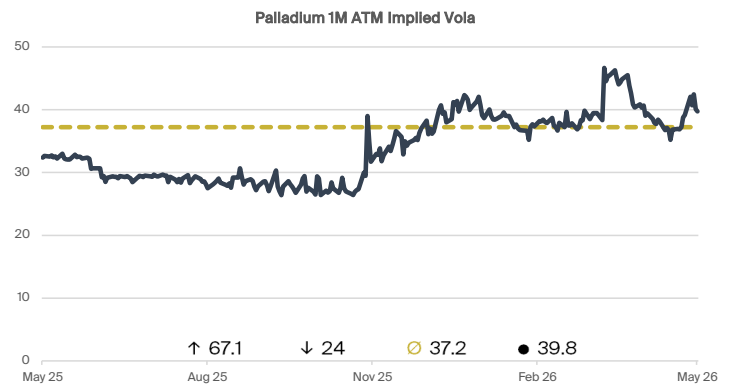
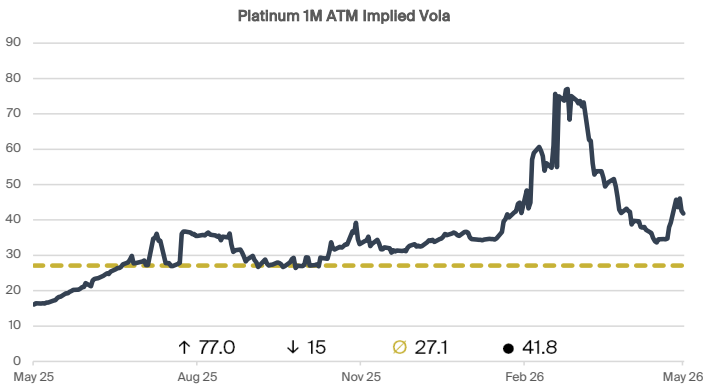
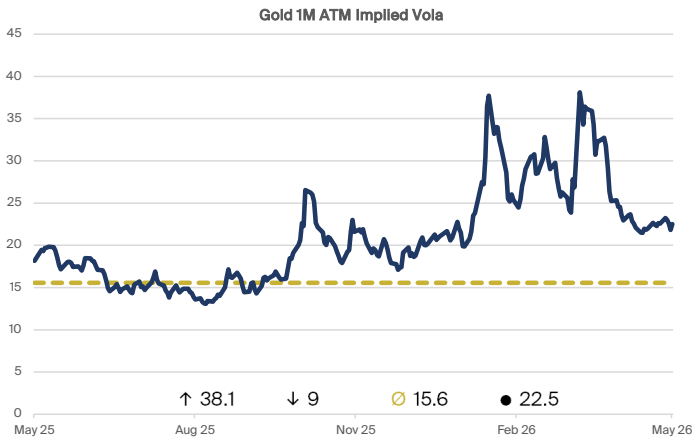
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Overview

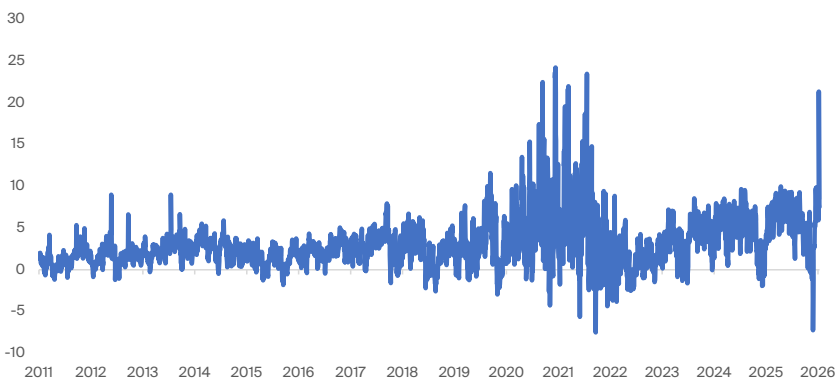
Gold	22.52	Silver	52.40	Platinum	41.80	Palladium	39.76
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Metals



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Three Gauges Flashing – A Late-Cycle Signature



On the surface, equity markets keep setting new highs in deceptively calm conditions. Underneath, option-market positioning, how tightly stocks move together, and the gap between winners and losers have all simultaneously hit extremes not seen in over a decade. When these signals align, calm rarely lasts.

The cause is narrow leadership – a few large stocks doing most of the work while the rest of the market moves on its own. Historically, similar setups have appeared before major market turning points, not at the moment of one. The warning is structural, not immediate.

For a volatility seller, this calls for discipline. When the surface is calm but the internals are stretched, premiums often look richer than they really are, and a regime shift can compress that carry back to nothing quickly.

"Risk comes from not knowing what you're doing."

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