

Bloomberg

ECB FXCG

FX Options

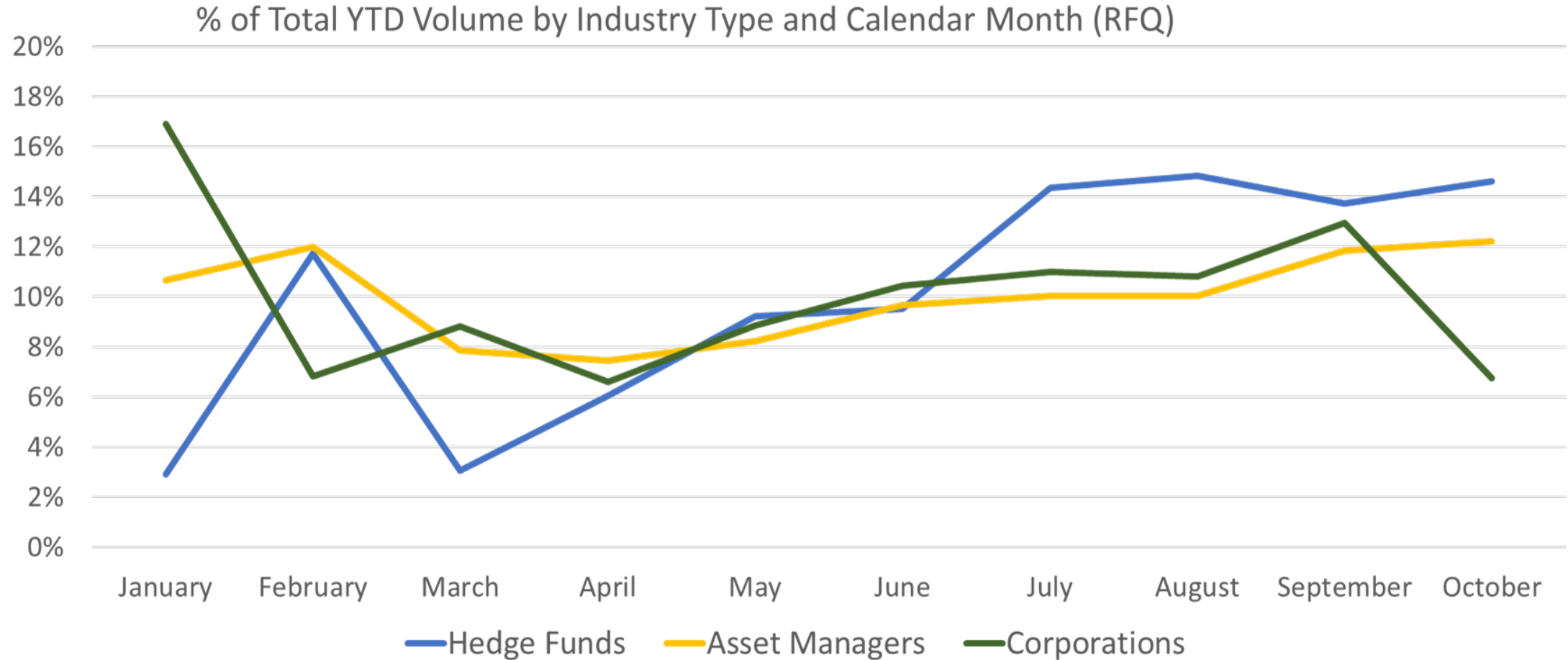
- Bloomberg Observations in 2020
- November 2020

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FX Options 2020

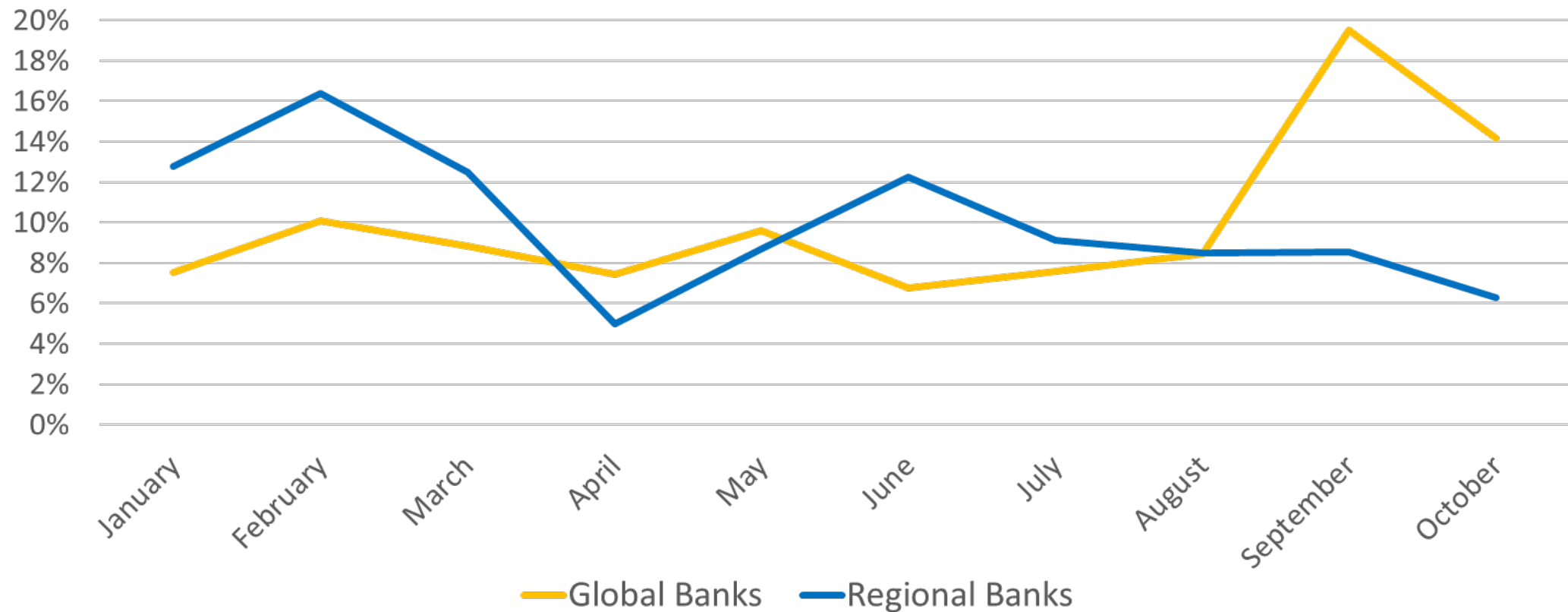
- Bloomberg FX
- Driving (slowly) toward Electronification
- Impact of Covid
- Activity by Client Type
- Nuance of Voice - Chat – RFQ
- Spreads

Option Activity by Client Type – Buy Side

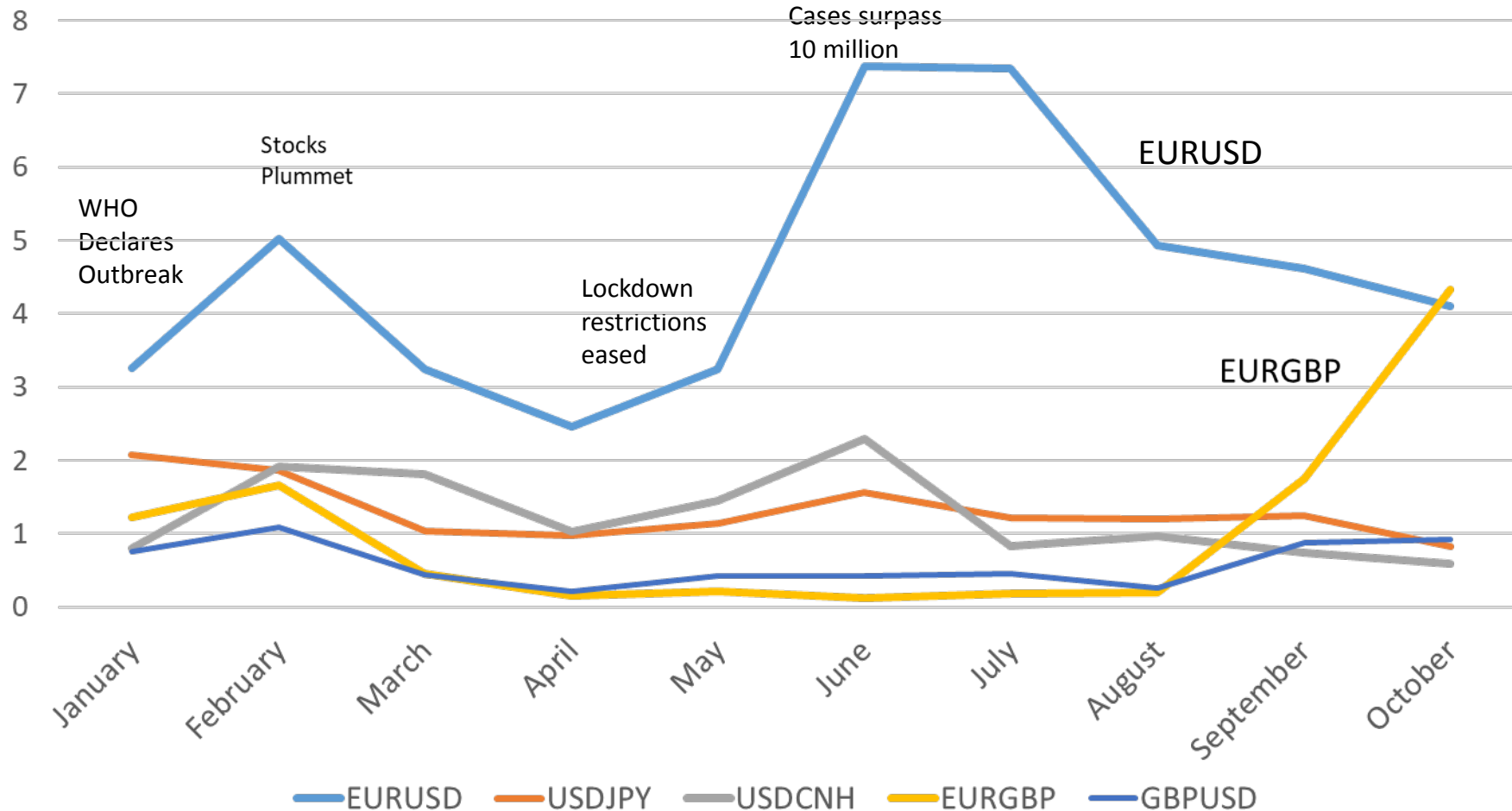


Option Activity by Client Type - Banks

% of Total YTD Volume by Industry Type and Calendar Month (RFQ)

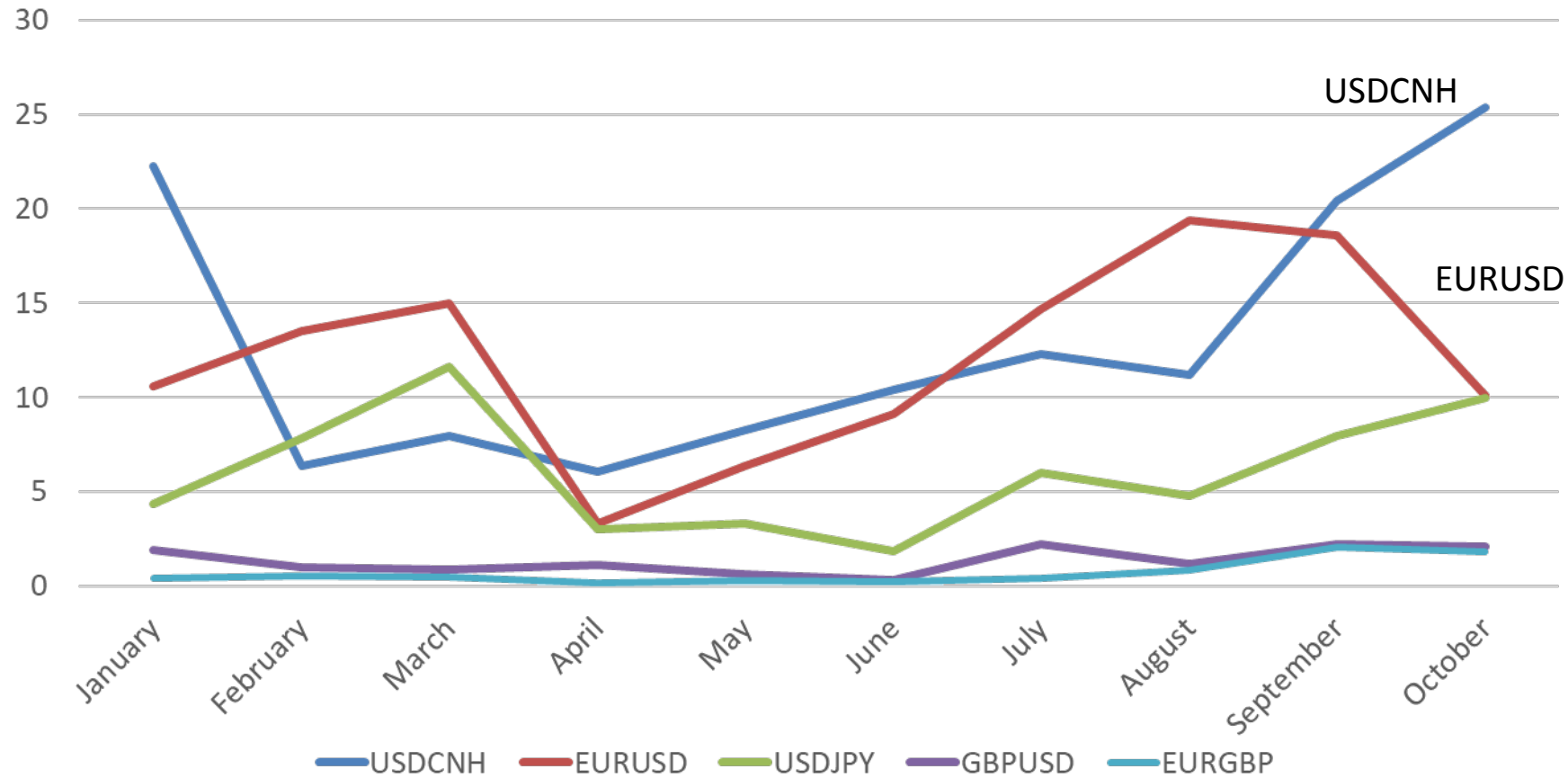


Top Currency pairs via RFQ



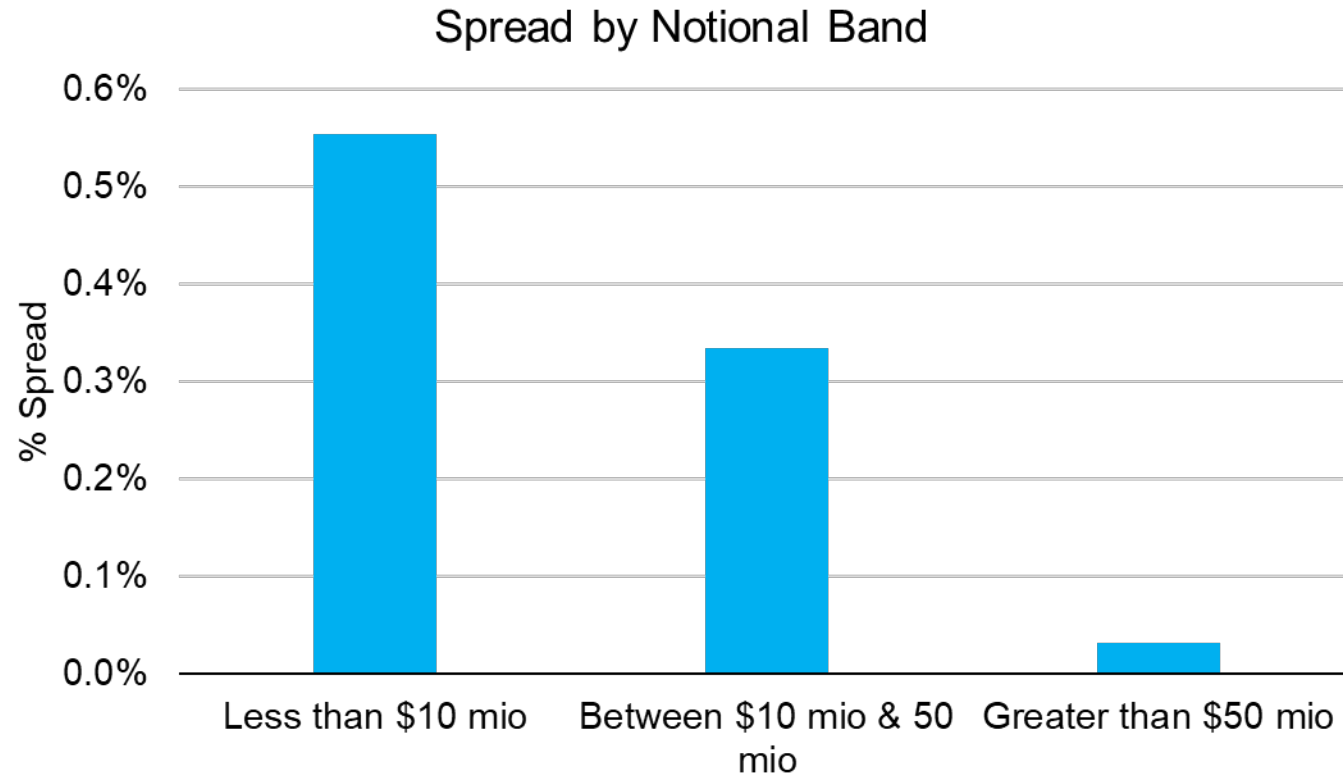
- EUR/USD Trade volume, by far the most active pair, has also been the most erratic
- EUR/GBP now takes center stage leading up to Brexit – volume
- Other pairs saw a drop in volatility and volume leading up to and after US elections

Top Currency pairs via Voice/Chat (CNF)



- USDCNH options were the top traded pair by volume, and not only saw the sharpest decline, but also the steepest recovery
- Only EUR/USD volume is below levels seen in January

Spreads by Notional Band



- Size Matters
- Small trades incur wider spreads in part to hit minimal yield thresholds and higher relative overhead
- Trades in larger size tend to be clients who are more price sensitive and have the business to justify the kindness

Thank you