

## 7 reasons why cross asset volatility is too low

*Reason 1: Central bank liquidity is shrinking*

*Reason 2: The USD yield curve tells us that volatility is too low*

*Reason 3: The market is positioned towards even lower volatility*

*Reason 4: Financial market volatility is cheap compared to political volatility*

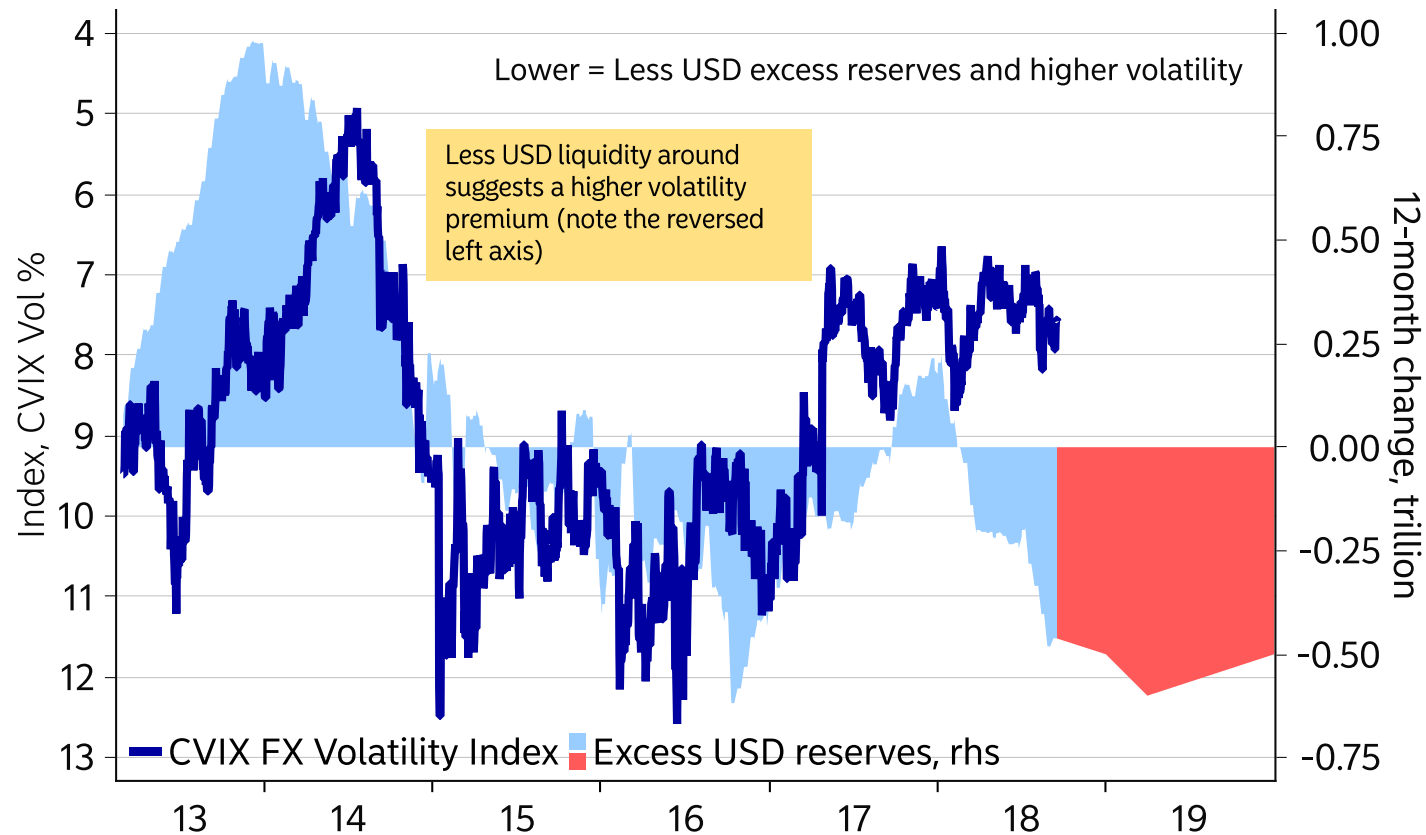
*Reason 5: Issuance calendar suggests a re-ignition of Treasury volatility around the corner*

*Reason 6: Something almost always happens to VIX in October or November*

*Reason 7: Volatility is cheap compared to historical volatility (and in certain cases also realized volatility)*

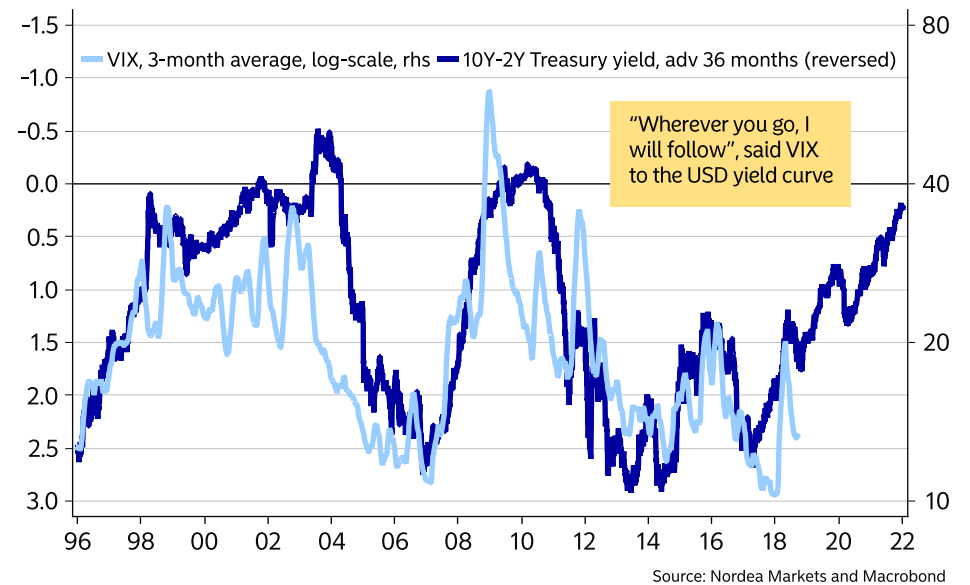
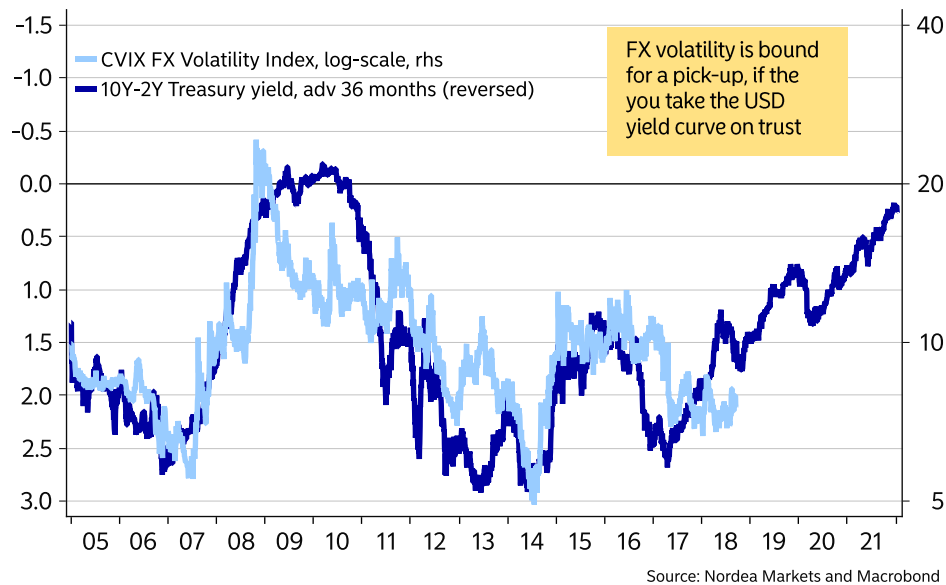


## Reason 1: Central bank liquidity is shrinking

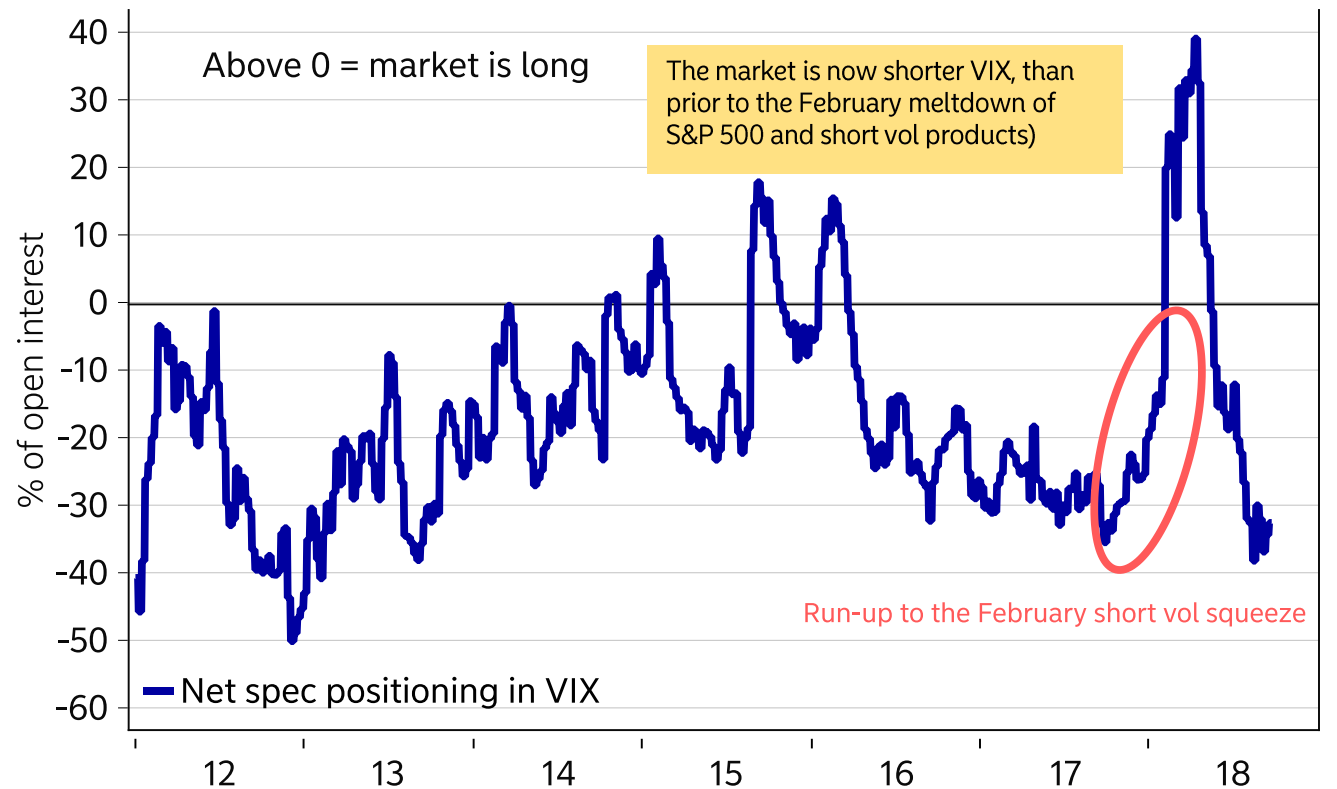


Sources: Nordea Markets, US Treasury and Macrobond

## Reason 2: The USD yield curve tells us that volatility is too low

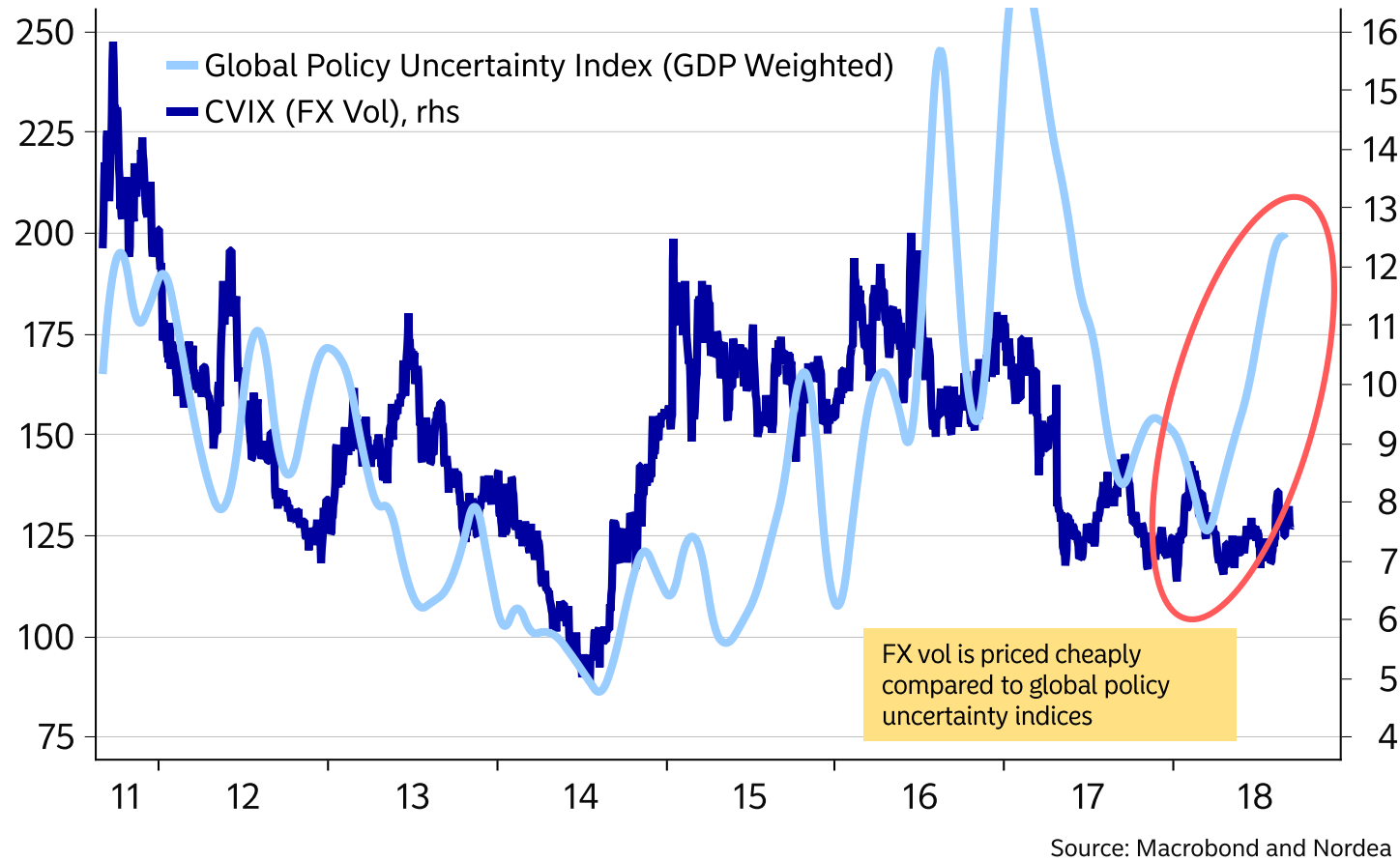


## Reason 3: The market is positioned towards even lower volatility

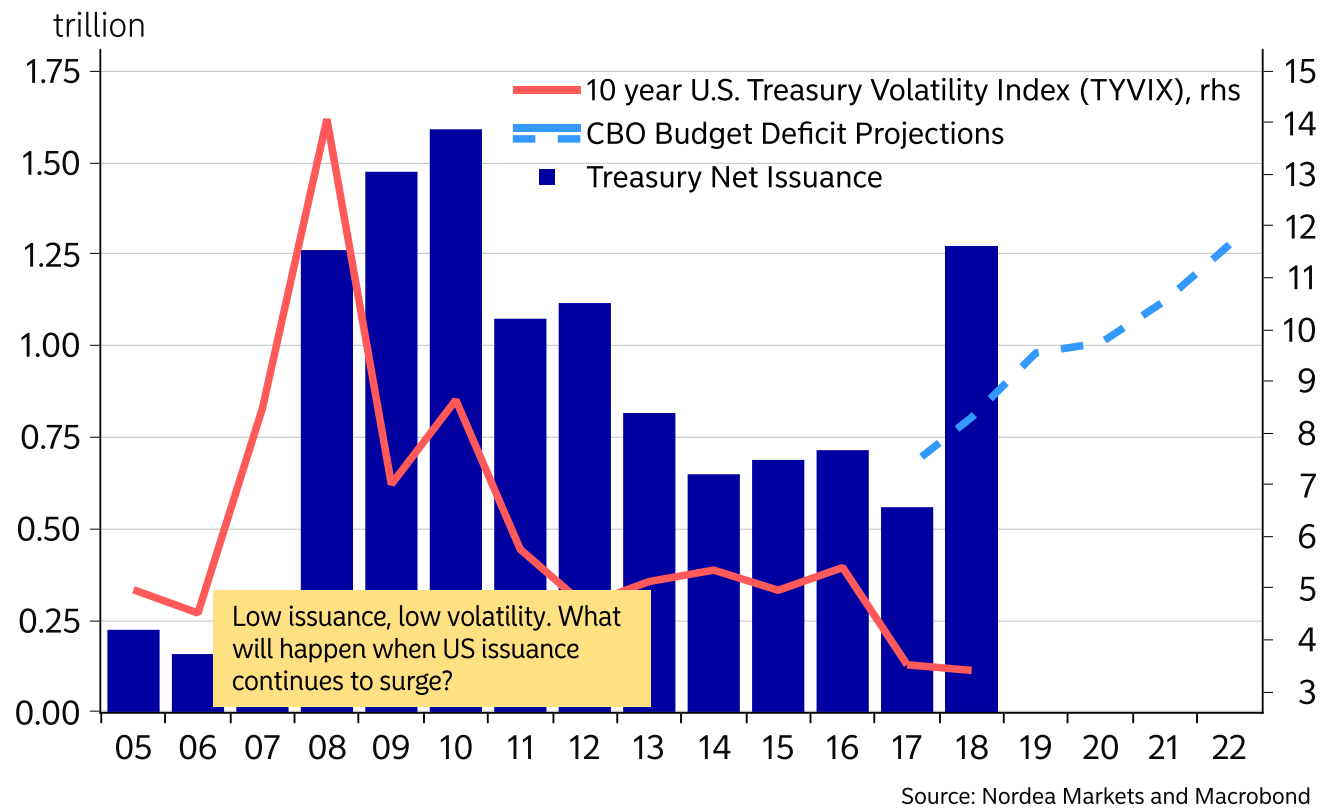


Source: Nordea Markets and Macrobond

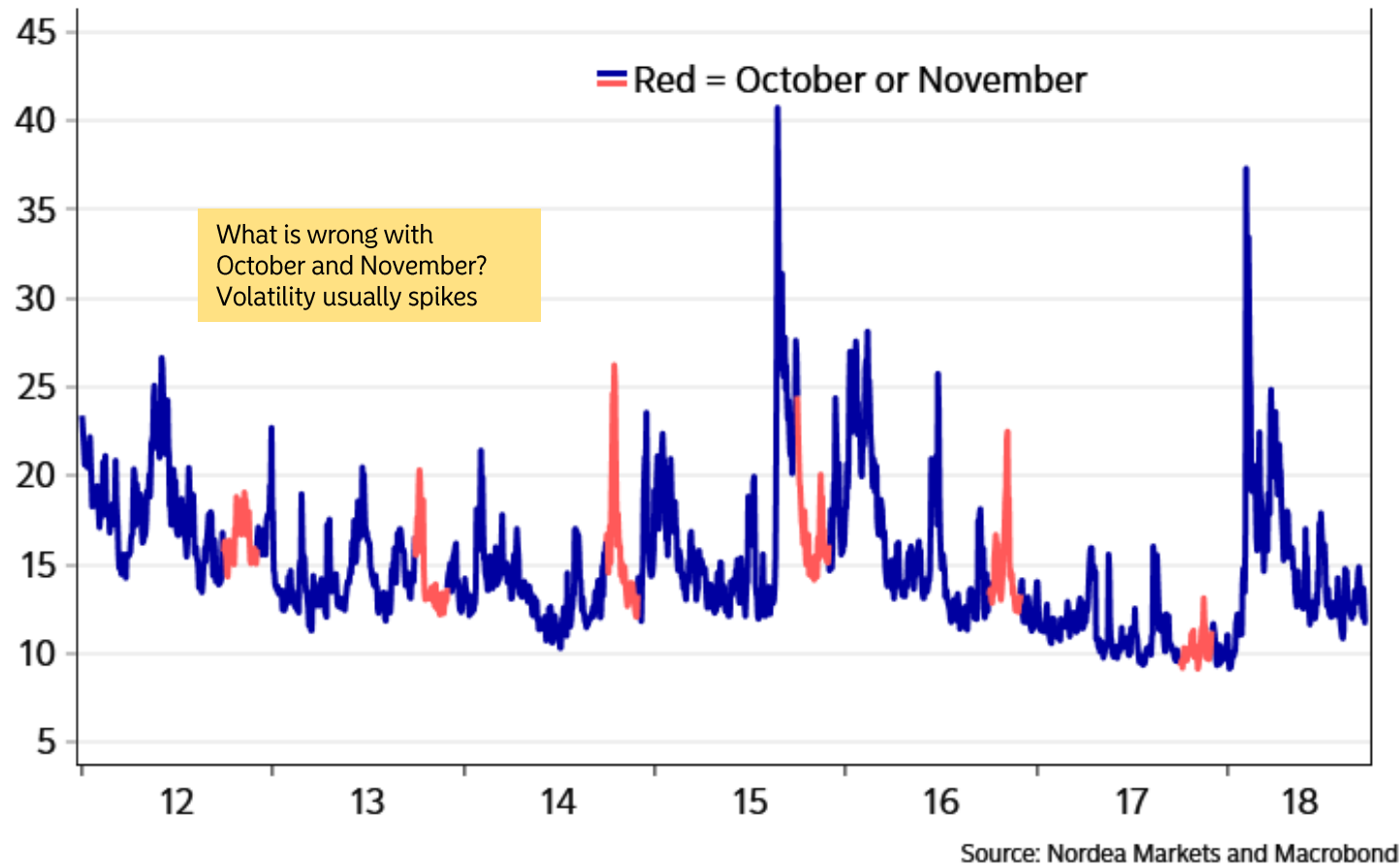
## Reason 4: Financial market volatility is cheap compared to political volatility



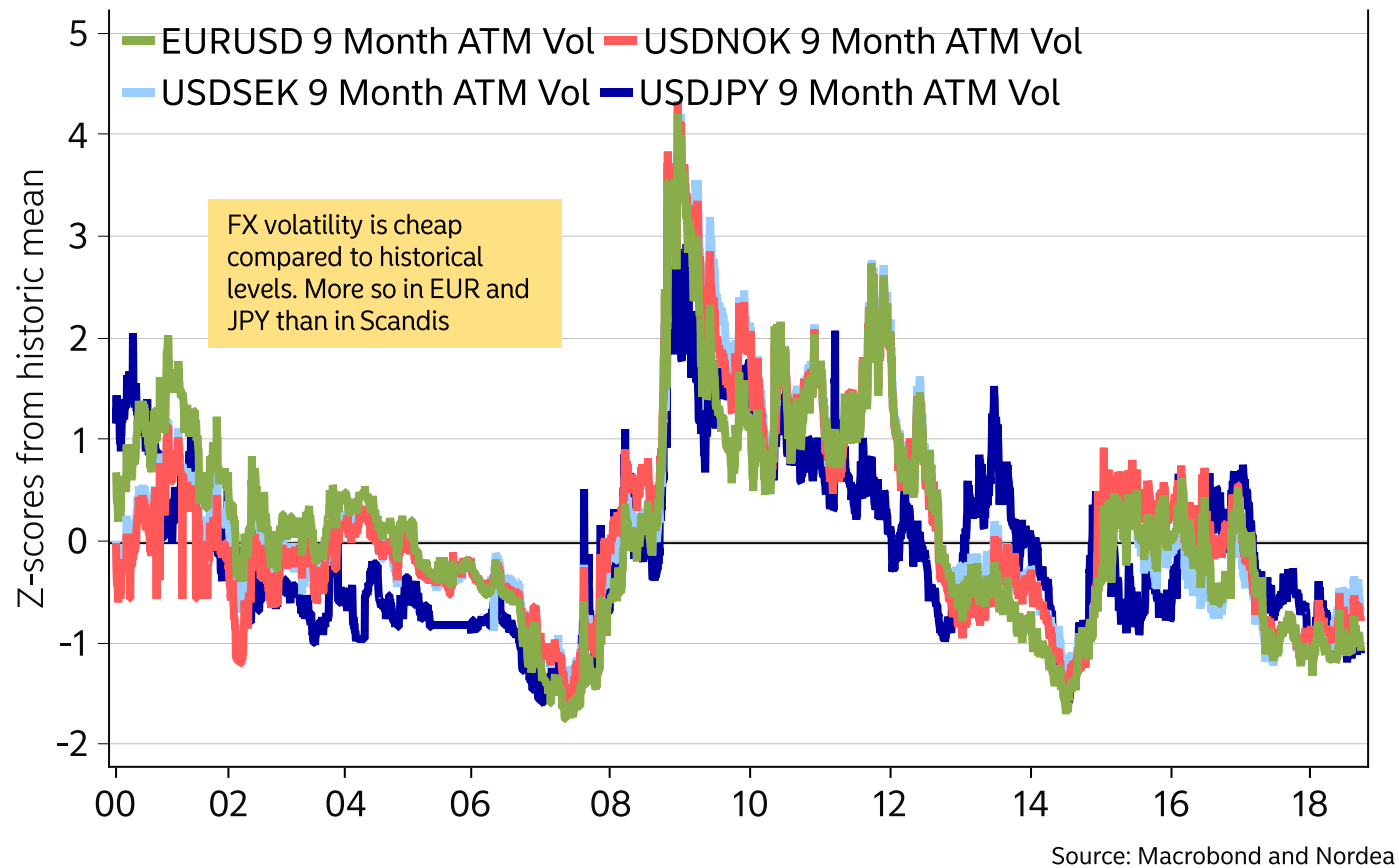
## Reason 5: Issuance calendar suggests a re-ignition of Treasury volatility



## Reason 6: Something almost always happens to VIX in October or November



## Reason 7: Volatility is cheap compared to historical volatility





# Disclaimer

*Thank you!*

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