



LME Historical Market Data

Options Volatilities

Cost

LME Options Volatilities data is available to purchase from the LME for \$400 per year, per contract. This data is only available at the end of each calendar year. For example 2016 closing prices will be available for purchase from January 2017.

Delivery

Data will be supplied in MS Excel (CSV) format by email once payment by bank transfer or credit card has been received.

Please refer to section E of the LME Historical Data Terms and Conditions of Use. This prohibits the customer to use LME data externally:

<http://www.lme.com/store-terms.asp>

Description

Option pricing uses a number of parameters to determine the Premium of each option contract. One of the most important of these is known as Implied Volatility. Each day closing Implied Volatility levels are contributed by certain members into the LMEcvrs system and these are then used in the valuation of Open option positions.

Volatility itself is an annualised standard deviation which gives a measure of the rate and magnitude of the change of prices of an underlying price. On the LME this underlying price is the 3rd Wednesday monthly contract price and it is the Implied Volatilities relating to these which are used for the monthly Traded Option contracts. The Implied Volatilities for the Traded Average Price Options (TAPO) are derived from the monthly levels using an averaging formula.

The closing LME (Implied) Volatilities are captured in Delta space with contributors providing the At-the-Money 50 delta outright volatility level and then the differential from this to +/- 25 and +/- 10 delta points. Then an interpolation is made to provide the At-the-Money Forward volatility level.

This data is available to purchase from 2009 – 2016.

Below is a sample of LME Primary Aluminium Options Volatilities:

Fig. 1 – Format for data from 2012

Fig. 2 – Format for data from 2009 – 2011



Fig.1

Report Date	Contract Type	Expiry Date	Commodity	Delta	Strike Price	Volatility	Call Premium	Put Premium
20120103	O	120104	AA	-0.1	1991	2.55	37.41	1.41
20120103	O	120104	AA	-0.25	2009	1.28	22.18	4.18
20120103	O	120104	AA	ATM	2027	24.59	10.41	10.41
20120103	O	120104	AA	0.5	2027	24.59	10.41	10.41
20120103	O	120104	AA	0.25	2045	-0.01	3.82	21.82
20120103	O	120104	AA	0.1	2062	0.64	1.24	36.24
20120103	O	120201	AA	-0.1	1845	2.54	193.09	7.67
20120103	O	120201	AA	-0.25	1937	1.28	116.46	23
20120103	O	120201	AA	ATM	2030	24.89	57.04	56.54
20120103	O	120201	AA	0.5	2035	24.82	54.48	58.98
20120103	O	120201	AA	0.25	2134	0.01	20.44	123.9
20120103	O	120201	AA	0.1	2232	0.66	6.7	208.12
20120103	O	120307	AA	-0.1	1768	2.53	278.35	11.63
20120103	O	120307	AA	-0.25	1901	1.27	168.94	35.08



Fig. 2

Contract	Trading Day	Currency	Expiry Date	Prov Strike	Prov Volatility	CALL Final Strike	CALL Final Volatility	CALL Closing Premium	PUT Final Strike	PUT Final Volatility	PUT Closing Premium
Aluminium High Grade	04/01/2005	USD	31/01/2005	1800	23.13	1800	23.13	30.5	1800	23.13	21.51
Aluminium High Grade	04/01/2005	USD	28/02/2005	1800	23.22	1800	23.22	57.48	1800	23.22	48.48
Aluminium High Grade	04/01/2005	USD	31/03/2005	1800	22.58	1800	22.58	72.48	1800	22.58	64.75
Aluminium High Grade	04/01/2005	USD	29/04/2005	1800	21.3	1800	21.3	76.67	1800	21.3	78.82
Aluminium High Grade	04/01/2005	USD	31/05/2005	1800	20.62	1800	20.62	80.54	1800	20.62	92.58
Aluminium High Grade	04/01/2005	USD	30/06/2005	1775	19.97	1775	19.97	94.69	1775	19.97	88.77

