



EUR

29/05/2015



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RESEARCH PRODUCTS



Market Research



Dominant Events of the Period

Yellow Area

May 22

06:00 - 14:00

- German GDP, Ifo Survey
- US CPI
- Canadian CPI
- BoE Governor Carney's Speech

Turquoise Area

May 26

07:00 - 14:30

- Swiss Employment Level
- US Durable Goods Orders, Flash Markit PMI, Consumer Confidence

Blue Area

May 27

13:00 - 15:30

- BoC Interest Rate Decision

Purple Area

May 28

01:00 - 17:30

- Australian Private Capital Expenditure
- UK Flash GDP, Total Business Investment
- Euro Zone Economic Sentiment
- US Jobless Claims, Pending Home Sales

EUR Currency Index Change

-0.32%

0.34%

0.42%

0.52%

Max EUR Volatility Index

1.84

1.26

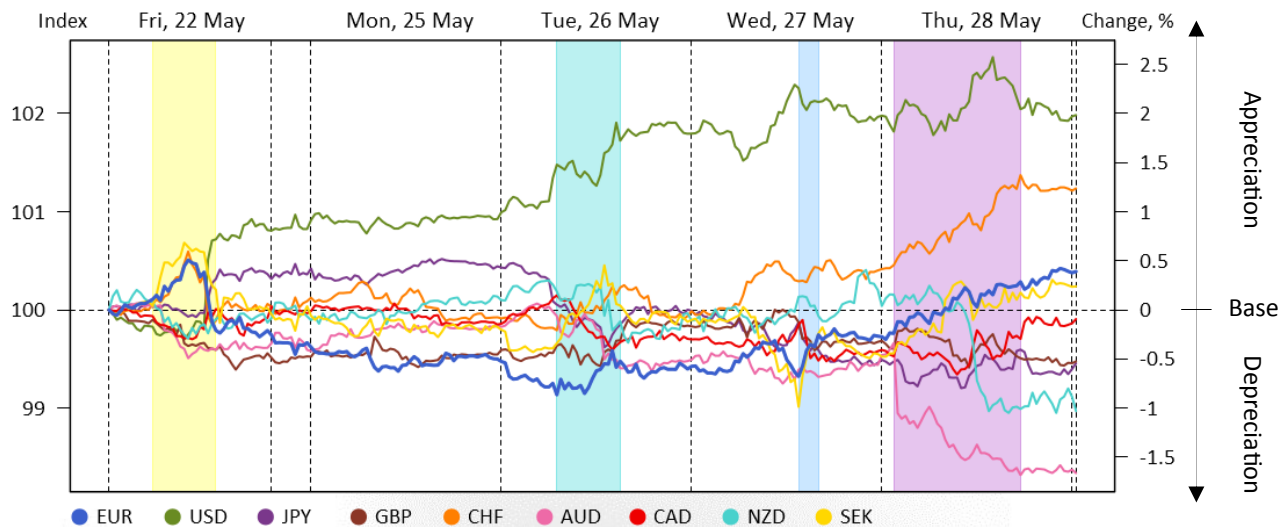
1.89

1.27



Relative Currency Strength

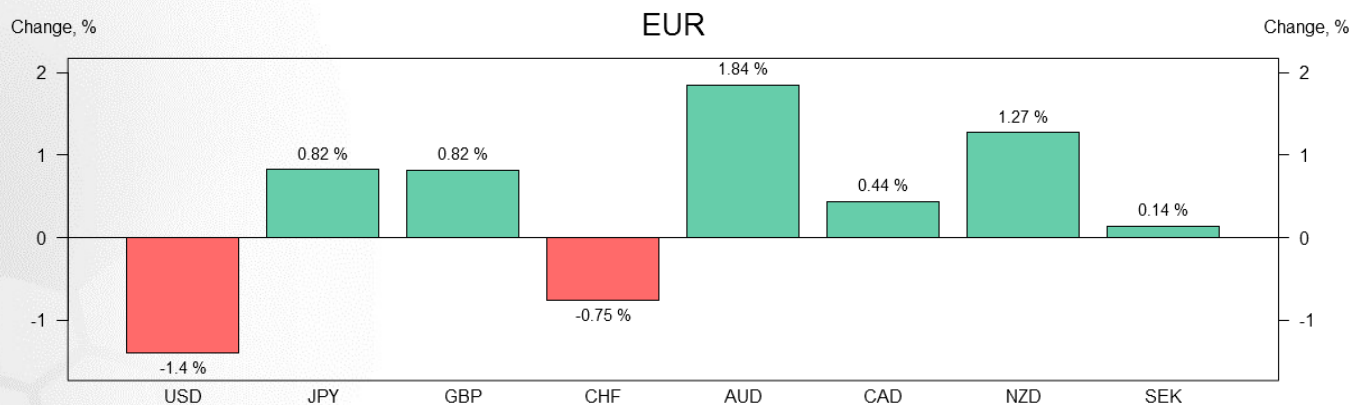
Currency Indexes



The past week was undoubtedly the dollar's period, as the USD Index spent the past four trading days towering over its peers after shooting up on Friday's core CPI numbers. The EUR Index, in turn, was less firm and kept below the baseline for most of the period, albeit not showing any heavy downtrends and holding around the level it initially slid to. The least fortunate currencies of the period were the Aussie and the Kiwi, both of which suffered sharp falls on Thursday. Thus, the AUD Index dropped below 99 points as weak actual and projected business investment data freshened the worries over another rate cut. Later that day, the Kiwi's gauge

tumbled after Fonterra, a dairy cooperative group and New Zealand's largest company, trimmed its forecast payout for the country's largest commodity export.

The EUR Index had a promising start of the period, climbing above most of its peers as strong German GDP pushed the single currency up. However, the strengthening was cut short by the US CPI release and the Greenback's upsurge that sent the Euro's gauge below the baseline. A slow recovery started on Tuesday, and on Thursday, supported by steady economic sentiment and news of agreement between Greece and its creditors on bank deposits and pensions safeguard, the EUR index climbed out of the depreciation area to post a 0.39% weekly gain.

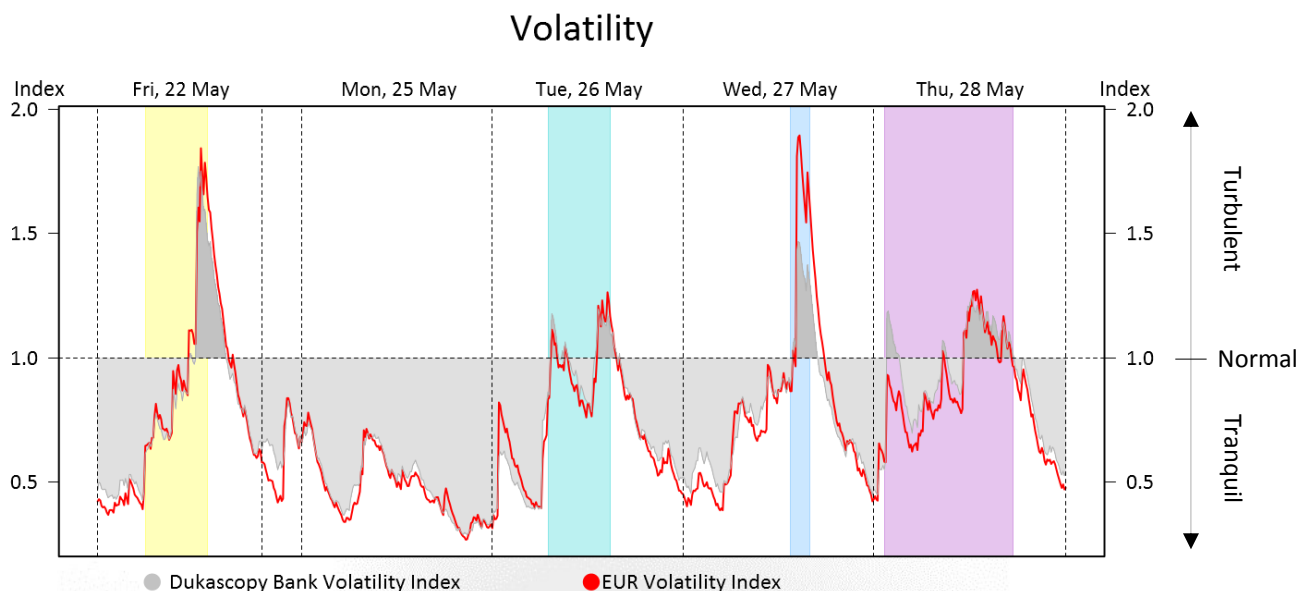


Currency Index Change

Days	EUR	USD	JPY	GBP	CHF	AUD	CAD	NZD	SEK
5	0.39%	1.98%	-0.54%	-0.52%	1.24%	-1.66%	-0.09%	-1.03%	0.24%
20	-0.49%	2.24%	-1.2%	2.64%	1.05%	-0.95%	-0.46%	-3.7%	0.33%
130	-7.08%	6.84%	2.39%	4.49%	9.93%	-4.72%	-2.32%	-2.92%	-7.44%
250	-8.24%	15.99%	-6.07%	6.16%	10.5%	-5.13%	1.01%	-2.96%	-11.26%



Volatility



The period was notably lacking turbulence, as most elevated volatility portions stood below 20% and none of the indexes managed to lift its average to at least 0.80 points. The Euro was amongst the calmest currencies, with only pound and the Kiwi surpassing it in stability. Meanwhile, the strengthening dollar and the feeblish yen were the least tranquil, their overturbulence percentage at 24 and average volatility at 0.79. Additionally, the Greenback and the Aussie reached the highest volatility peaks, both a little over 3.00 points. The dollar's index spiked on Friday's inflation data, taking the market's gauge to its period's high, while the Aussie's measure surged on Thursday, evoking a much more modest splash of the aggregate.

Friday's upsurge of the dollar was by all accords the most turbulent event of the period, as it pushed all observed volatility indexes above the 1.0 point line and caused the greatest spike of the composite measure. The Euro was among the currencies that suffered the sharpest decline at the Greenback's move, and so its volatility measure jumped to the week's second highest level. The week's maximum, however, was reached on an uptick in the single currency. As news started to come in on positive developments in the Greek debt negotiations on Wednesday, the Euro climbed out of the dip it fell into hours earlier, creating a zigzagging pattern and lifting its volatility index 0.43 points above the market's gauge.

Elevated Volatility (% of the observed period)

Market	EUR	EURUSD	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
17	15	23	20	15	20	17	18	10	22

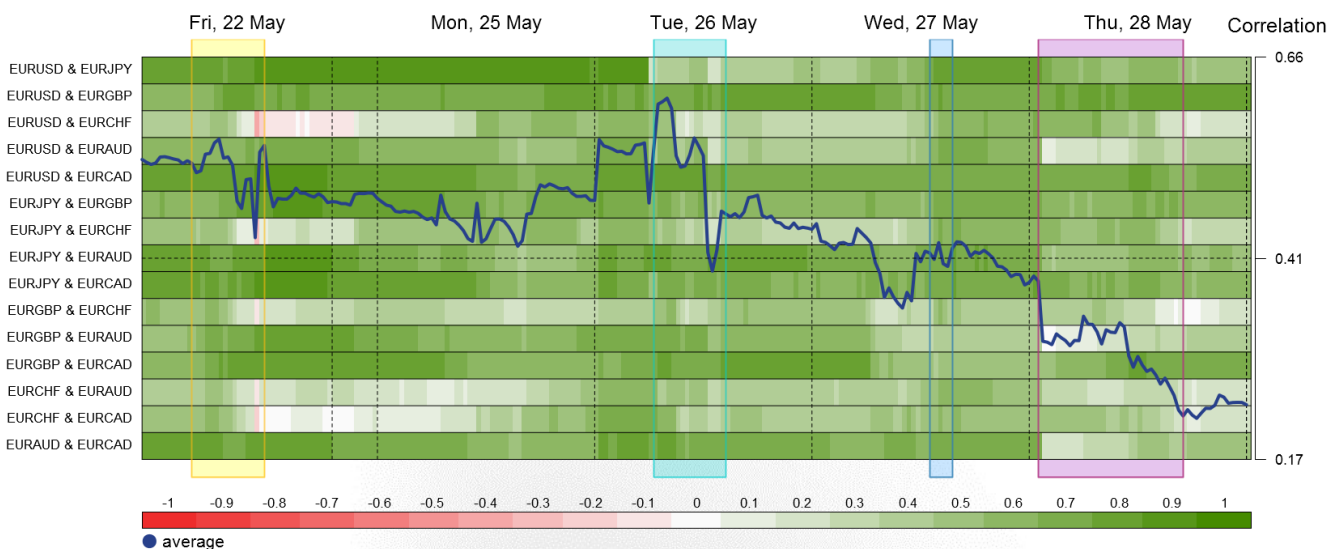
Volatility Index (for the observed period)

	Market	EUR	EURUSD	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
Max	1.77	1.89	3.21	2.6	1.84	1.7	3.11	2.28	1.55	1.75
Min	0.29	0.27	0.18	0.21	0.22	0.31	0.17	0.23	0.26	0.11
Average	0.74	0.72	0.8	0.77	0.66	0.77	0.74	0.71	0.67	0.68



Currency Significance

Correlations

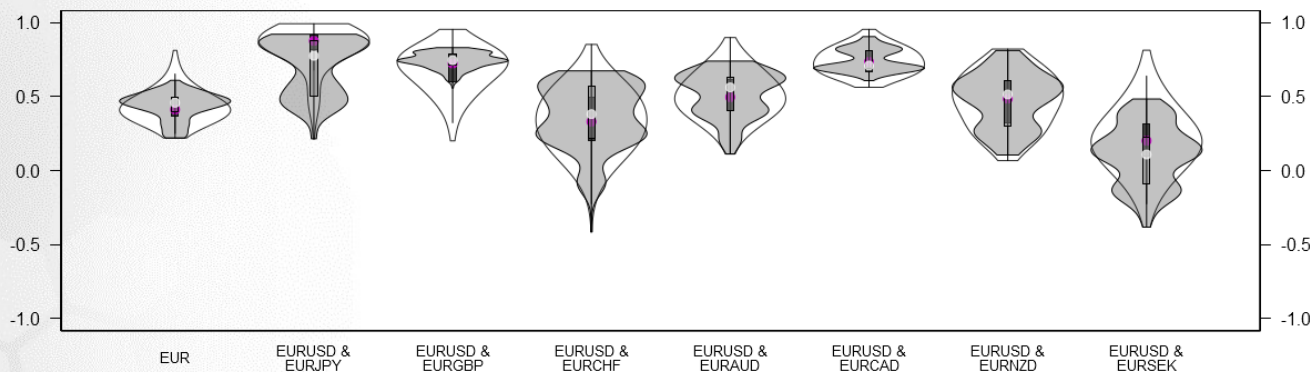


The Euro's significance measure was showing a clear downtrend, losing 0.3 points by the end of the period. The averages of the composite and its EUR/USD components also decreased. Thus, the composite's average has lost 0.07 points compared with the previous value. The maximal change took place in correlations between EUR/USD and EUR/SEK. The Swedish trade balance and consumer confidence data released on Wednesday considerably weakened the bond, and the average declined by 0.26. There was also a significant decline in the component containing

EUR/JPY. The strengthening of the Greenback on Tuesday morning pushed the yen down, and the component fell from 0.90 to 0.21, and the average dropped by 0.19 points.

The composite started the period at a rather high level of 0.53, and after a small-scale rippling caused by Mario Draghi's speech and the US CPI report, begun to slowly descent. On Monday, the composite made an attempt to recover, and reached the maximum value of the week (0.61) by Tuesday morning. However, the US economic news and the dollar's rally made the composite to sharply lose 0.16 points and return to the downtrend.

Correlations (5 vs 20 days)



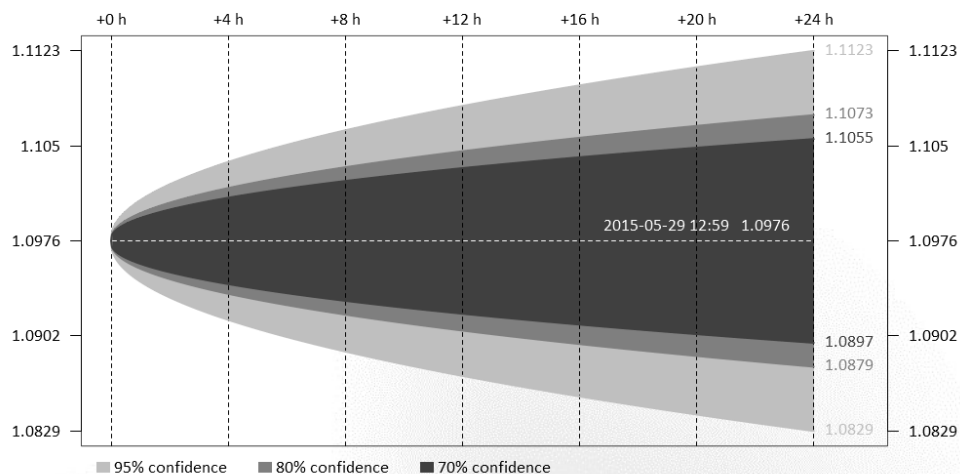
Mean Correlation Coefficient (with EURUSD)

Days	EUR	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
5	0.44	0.69	0.74	0.36	0.51	0.74	0.48	0.1
20	0.43	0.84	0.68	0.33	0.51	0.74	0.47	0.21
130	0.35	0.63	0.65	0.26	0.38	0.62	0.33	0.15
250	0.29	0.54	0.59	0.07	0.32	0.57	0.22	0.12

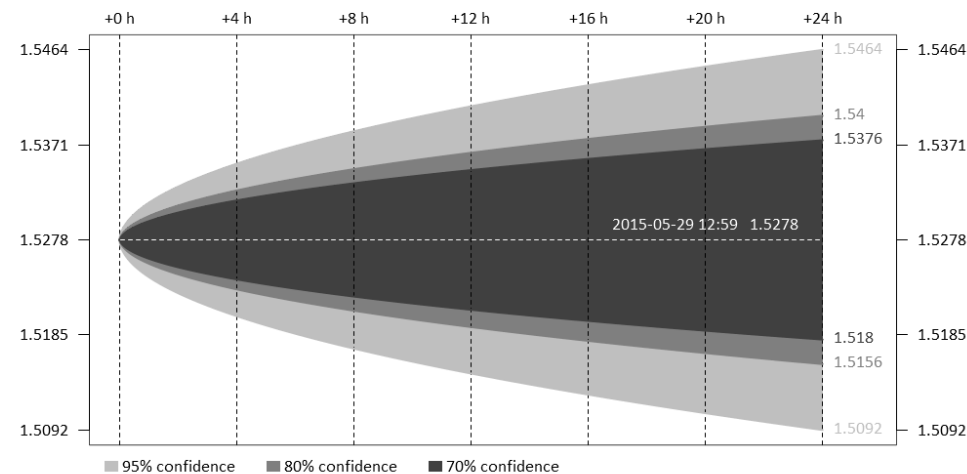
Friday, May 29, 2015
15:30 GMT

Confidence Intervals for Next 24 Hours

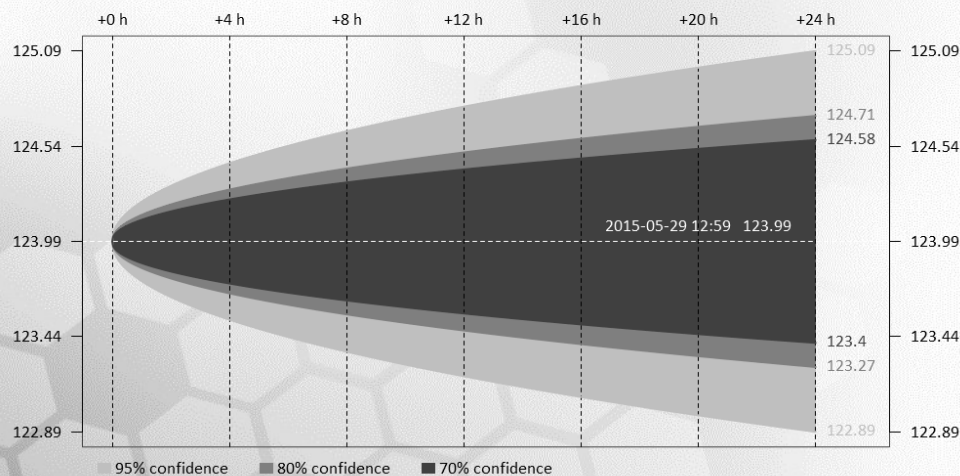
EURUSD Potential Rates



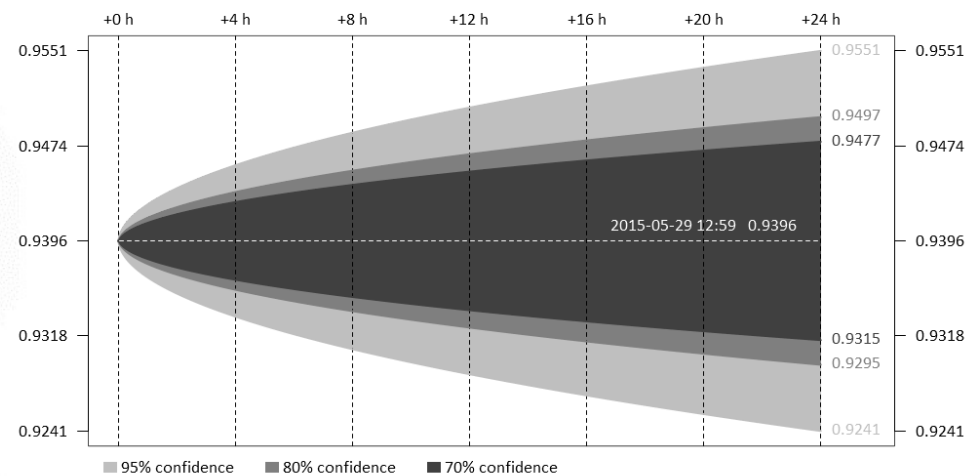
GBPUSD Potential Rates



USDJPY Potential Rates



USDCHF Potential Rates



EXPLANATIONS

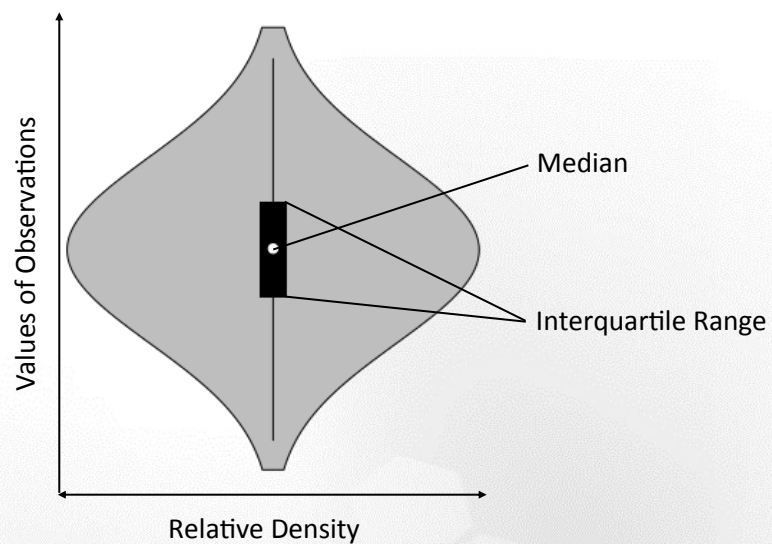
Violin Plot

Violin Plot is a combination of a Box Plot
and rotated Kernel Density Plot

Methodologies

Volatility Index

Confidence Interval





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