



**EUR**

12/06/2015



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# Dominant Events of the Period

Yellow Area	Turquoise Area	Blue Area	Purple Area	Orange Area
June 5	June 8	June 9	June 10	June 10-11
06:30 - 13:00	06:00 - 17:30	01:00 - 15:00	03:30 - 16:30	21:00 - 15:30
<ul style="list-style-type: none"> <li>UK Consumer Inflation Expectation</li> <li>US Average Weekly Hours, Average Hourly Earnings, Nonfarm Payrolls, Unemployment Rate</li> <li>Canadian Unemployment Rate, Net Change in Employment</li> </ul>	<ul style="list-style-type: none"> <li>German Trade Balance, Industrial Production</li> <li>Canadian Housing Starts</li> <li>US Labor Market Conditions Index</li> </ul>	<ul style="list-style-type: none"> <li>Chinese CPI</li> <li>Swiss Unemployment Rate, CPI</li> <li>Euro Zone GDP</li> <li>US JOLTS Job Openings</li> </ul>	<ul style="list-style-type: none"> <li>Swedish Industrial Production</li> <li>UK Manufacturing, Industrial Production, NIESR GDP Estimate</li> <li>US Monthly Budget Statement</li> </ul>	<ul style="list-style-type: none"> <li>RBNZ Interest Rate Decision, Monetary Policy Statement</li> <li>Australian Unemployment Rate</li> <li>Swedish CPI</li> <li>US Retail Sales, Jobless Claims</li> </ul>

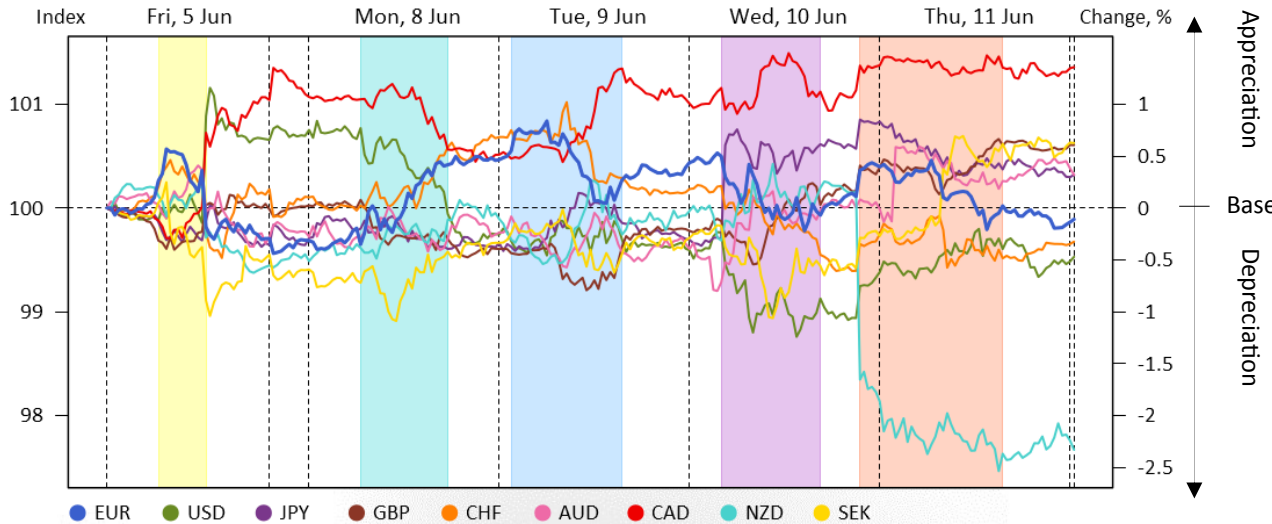
EUR Currency Index Change	-0.45%	0.77%	-0.28%	-0.57%	-0.34%
Max EUR Volatility Index	4.85	1.49	1.42	2.36	2.08





# Relative Currency Strength

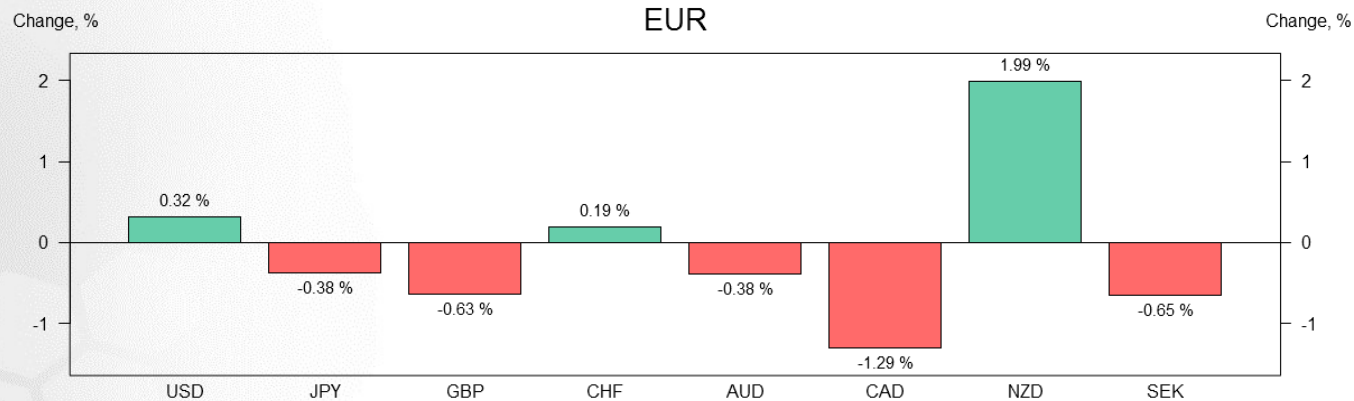
Currency Indexes



After spending more than a month below the baseline, the Canadian dollar managed to improve its position in the past week. The notably greater-than-expected Canadian employment data release on Friday caused the rise of the Loonie. Thus the CAD Index has spent the vast part of the week distinctly above its peers and ended the period with a 1.36% growth. The US economic news, published on Friday along with the Canadian, also led to the increase of the national currency. However, on Monday, the Greenback's index has dropped below the baseline and did not manage to cross back above, ending the week with the second worst result. The worst result,

in turn, was showed by the Kiwi's gauge. The RBNZ's rate cut pushed the index down, and by the end of the week it fell to the extremely low level of -2.33%.

The single currency's index was quite changeable during the past week, though its ups-and-downs were fairly small and did not exceeded 0.85 points. The German economic news on Monday caused the growth of the Euro, and on Tuesday morning the index has reached its maximum value of the period (100.84). Afterwards, ahead the Euro zone GDP release, the index has reduced to the 100.07 level. Following the Pacific countries' news, the Euro tried to recover, but the attempts failed and the EUR index ended the week with a 0.11% lost.



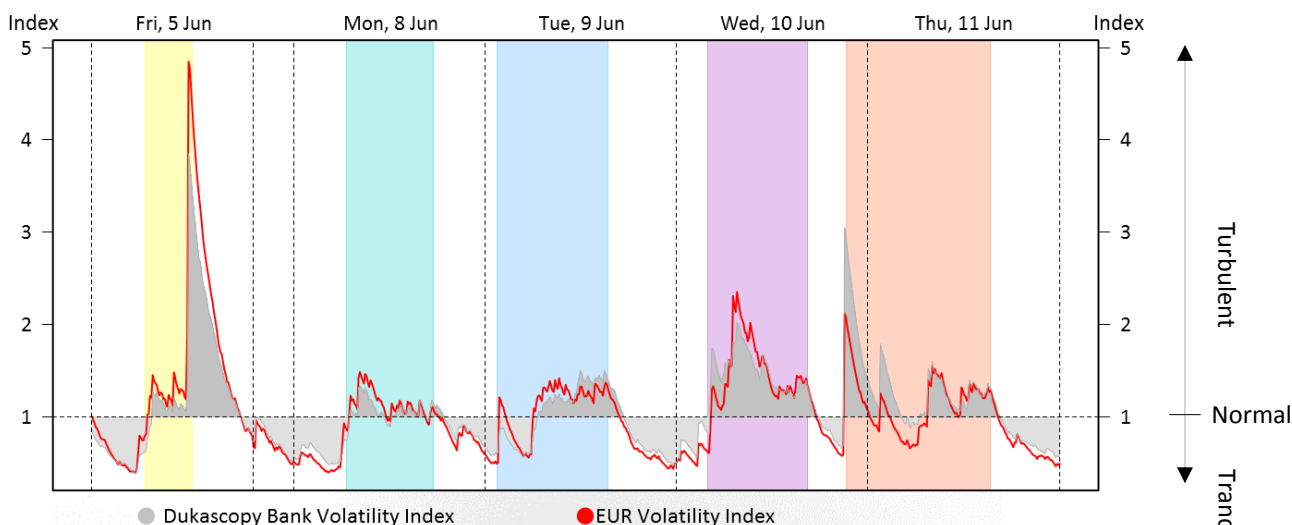
Currency Index Change

Days	EUR	USD	JPY	GBP	CHF	AUD	CAD	NZD	SEK
5	-0.11%	-0.47%	0.32%	0.61%	-0.32%	0.32%	1.36%	-2.33%	0.63%
20	1.25%	2.22%	-1.32%	0.64%	0.3%	-1.78%	-0.19%	-4.63%	3.33%
130	-5.84%	5.09%	0.69%	4.06%	9.08%	-2.03%	-1.22%	-6.57%	-4.21%
250	-5.6%	15.27%	-6.29%	6.34%	11.06%	-6.38%	1.37%	-8.02%	-7.74%



# Volatility

## Volatility



Turbulence on the market finally picked up, putting the portion of elevated volatility at around 50% for all observed currencies. The Euro with its 50% was the third most volatile in this respect, having also the third highest 4.85 peak of the index. EUR/USD, EUR/CAD and EUR/NZD were the most volatile Euro's pairs, both based on the indexes' values and on the overturbulence portion in the latter's case. Thus, EUR/USD and EUR/CAD volatility reached its maximum with the Friday's US labor and Canada's employment data releases, respectively. EUR/NZD index, in turn, spiked as the Kiwi was pushed down by the RBNZ's decision to further cut interest rate.

While the EUR Volatility Index, along with the market's gauge, was prompted to its highest point by the US and Canada's fundamentals, the single currency had few of its own shakers during the period. Firstly, the EUR index stood above the market's for most of Monday, as the currency was affected by the batch of releases demonstrating improvement in German trade and industrial production data. Then on Tuesday, the index peaked slightly above the aggregate measure as the Euro zone GDP came out at the predicted level. All the subsequent spikes of the gauge were associated with the movements of the Euro's counterparts in reaction to some domestic events.

Elevated Volatility (% of the observed period)

Market	EUR	EURUSD	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK	
	52	50	39	46	42	36	46	44	51	46

Volatility Index (for the observed period)

	Market	EUR	EURUSD	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
Max	3.85	4.85	8.23	5.34	5.18	2.24	3.87	8.13	10.54	5.17
Min	0.39	0.4	0.28	0.36	0.23	0.25	0.37	0.27	0.44	0.19
Average	1.07	1.05	1.04	1.09	0.95	0.89	1.05	1.08	1.25	1.02



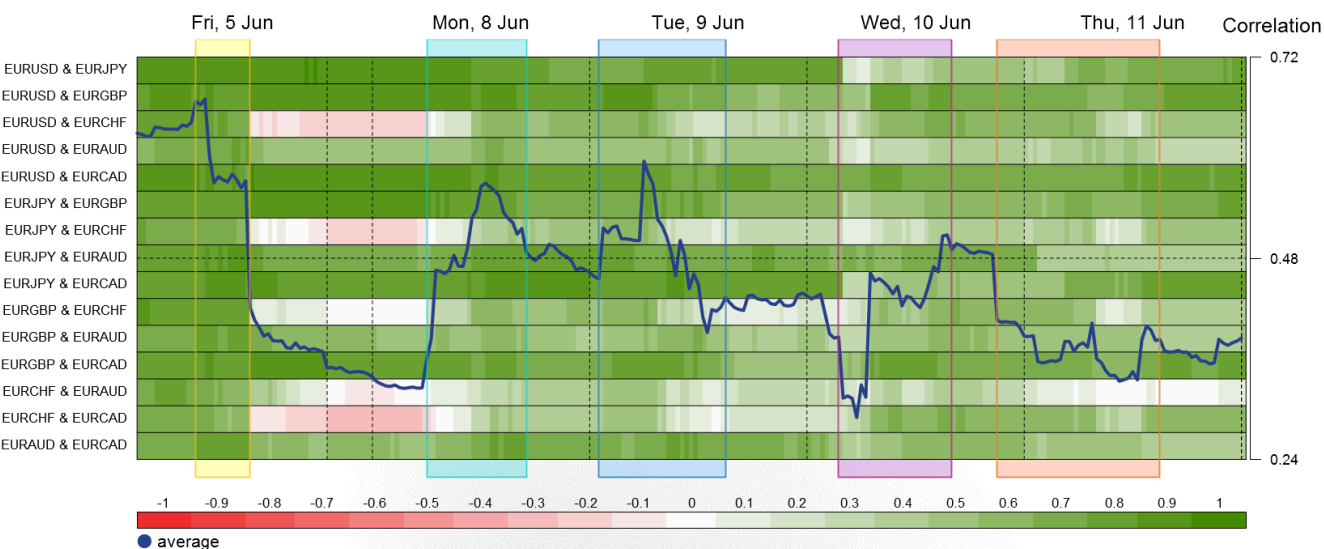


# Currency Significance

## Correlations

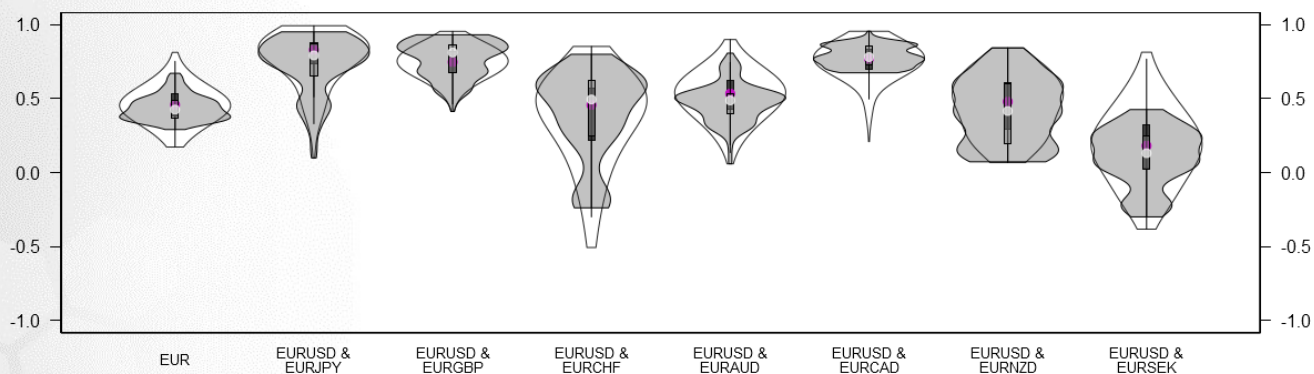
The single currency's significance measure was showing a downward trend during the past week. However, the movement was not smooth, and the composite had a few ups-and-downs and ranged from 0.29 to 0.67 points. Nonetheless, averages of the composite and its EUR/USD components were almost in row with the previous week's values. The most notable changes occurred in EUR/USD correlations with EUR/JPY (-0.09 points) and EUR/CAD (+0.1 points). The aggregate, in turn, has risen by 0.01 points.

The Euro measure started the period with a sharp fall caused by the US nonfarm payrolls and



employment data. The composite lost more than 0.3 points and reduced to 0.33. On Monday, the increase of the German trade balance and industrial production led to the strengthening of most of the components, and the aggregate jumped to 0.57. The next surge place on Tuesday. The Euro zone GDP, released in line with forecasts, pushed the measure slightly up, and it reached the 0.6 level. However, then followed the weakening, and after the RBA Governor's speech the composite fell to the week's minimum value of 0.29. Nonetheless, against the background of the UK manufacturing and industrial productions report, the measure managed to recover and returned to its average level. The RBNZ's move caused the next lowering of the composite, and it ended the week at 0.38 points.

## Correlations (5 vs 20 days)

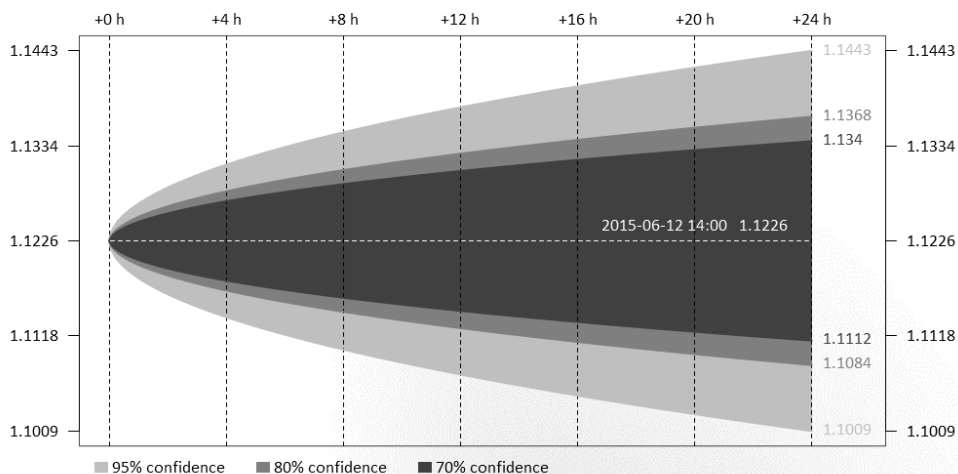


## Mean Correlation Coefficient (with EURUSD)

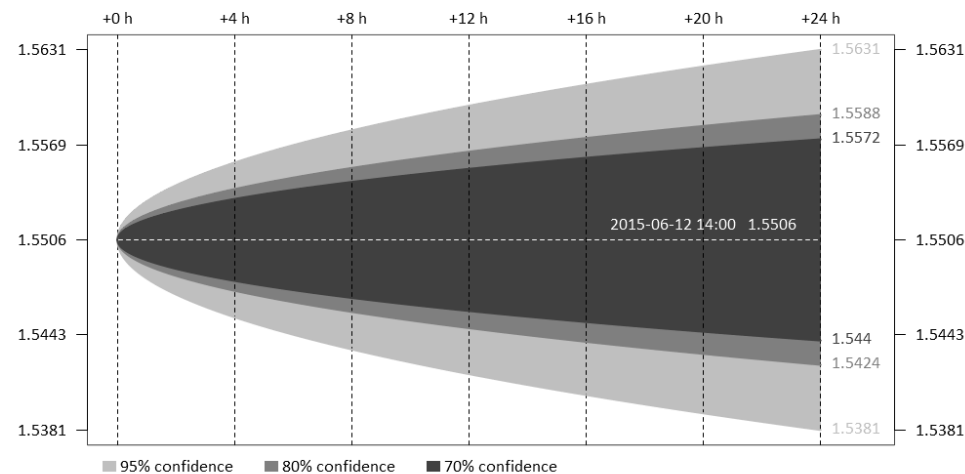
Days	EUR	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
5	0.44	0.72	0.77	0.39	0.47	0.78	0.42	0.11
20	0.45	0.78	0.75	0.37	0.52	0.76	0.46	0.18
130	0.36	0.67	0.67	0.3	0.41	0.64	0.36	0.14
250	0.3	0.55	0.6	0.09	0.32	0.57	0.23	0.12

# Confidence Intervals for Next 24 Hours

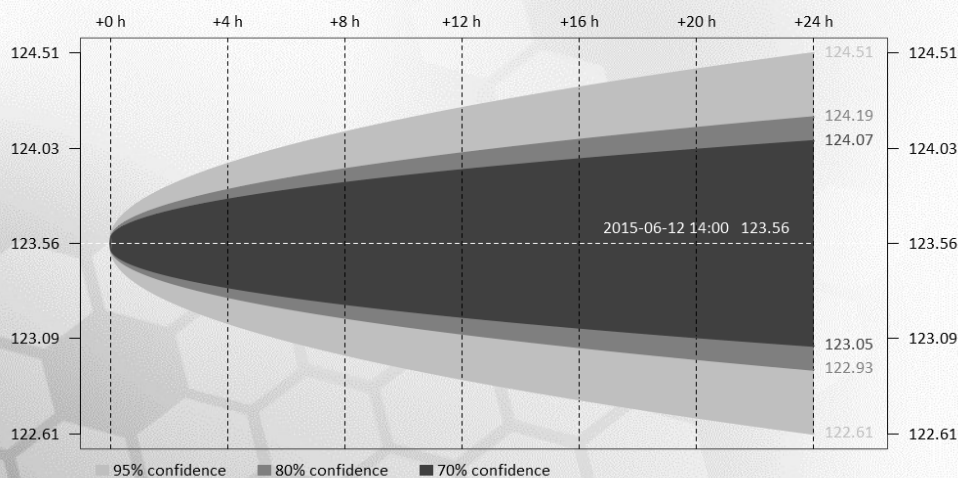
EURUSD Potential Rates



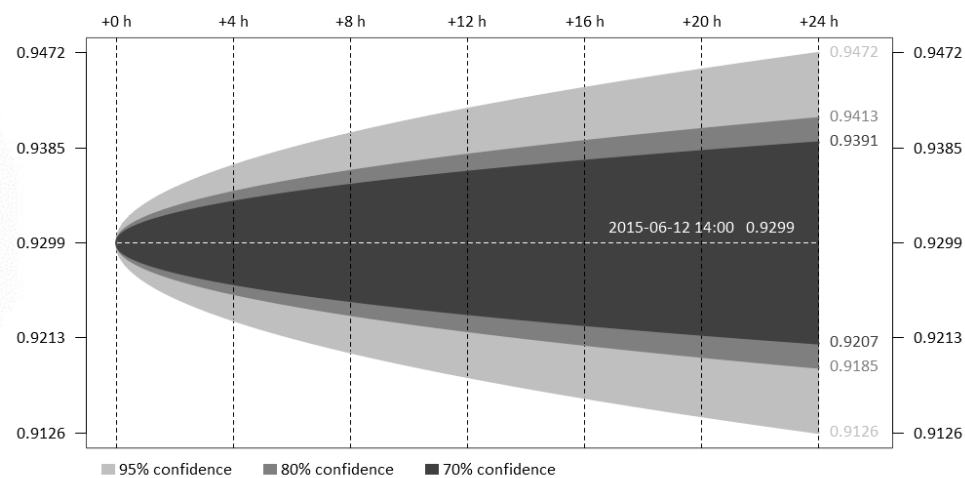
GBPUSD Potential Rates



USDJPY Potential Rates



USDCHF Potential Rates





# EXPLANATIONS

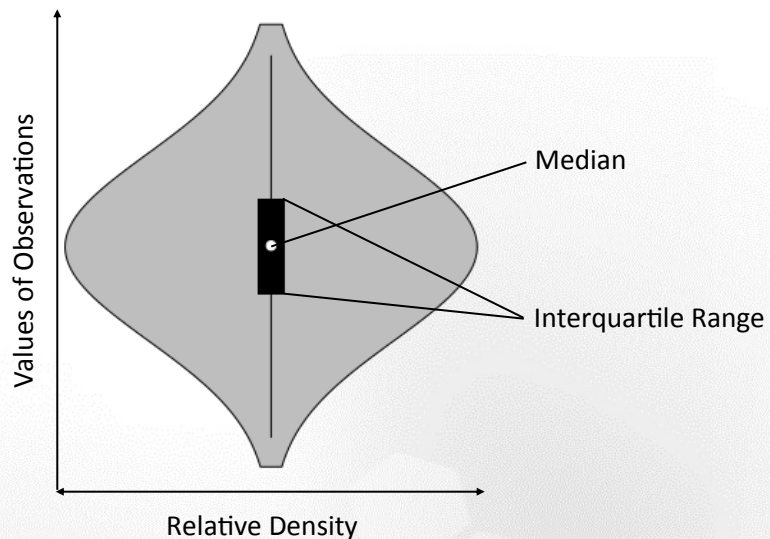
## Violin Plot

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

## Methodologies

Volatility Index

Confidence Interval





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