

DenizBank AG 



FX & Markets Weekly

Week 6/2015

DenizBank AG
Economic Research and Development
Vienna, Austria



Greece- Troika standoff ends Greek debt collateral

Greek efforts to get a haircut on its debt to the Troika didn't go as intended. Instead the ECB ended its waiver on Greek government debt as ECB collateral. The waiver allowed these instruments to be used in Eurosystem monetary policy operations despite the fact that they did not fulfil minimum credit rating requirements. The central bank of Greece will continue to have access to the Emergency Liquidity Assistance (ELA) for local banks. The risk will move from the ECB to the central bank of Greece though.

Crude oil on track for a 2nd weekly gain

Renewed chaos in Libya, and Saudi Arabia deepening its Asia oil discount helped oil futures rebound from almost-6-year lows. Prices remained 50% below last year's peak. Rapid recovery is not in sight due to rising global inventories and steady OPEC supply. However, Libya related concerns and expectations of further declines in U.S. oil-rigs are expected to support oil prices, as well as prolonged strikes at several U.S. refineries.

TRY slumps to fresh record low

Amid political pressure threatening the central bank's independence, and damaged investor confidence due to increased risk of monetary policy volatility the TRY lost ground vs. the USD and flopped to 2,4683. Governor Basci's data dependent approach to schedule an interim meeting to cut rates should monthly inflation decline by more than 1 ppt didn't prevent the currency from depreciating to a new record low.

Ukraine lets currency float, UAH dives 33% vs. USD

The Central Bank of Ukraine lifted its pegged exchange rate regime, scrapped its daily currency auctions, and hiked its key- and overnight rates by 550bps to 19,5% and 23% respectively. The Ukrainian Hryvnia (UAH) depreciated to fresh record lows vs USD (25,00) and EUR (28,57). IMF officials supported the move, as currently IMF is discussing extending and expanding a USD 17bn bailout agreed already in April 2014. Ukrainian Finance Minister said Ukraine is in need of another USD 15bn . Additionally, the government is planning a potential restructuring of sovereign bonds after receiving fresh IMF cash. While the central bank loosened its grip in the currency, it continues to impose capital controls until at least March 3. The weaker currency will boost Ukrainian exports but also increase the country's debt/GDP ratio. Without sustainable peace in eastern Ukraine we will continue to see major disruptions in Ukrainian assets.



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Exchange Rates	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
EUR/USD	1,1378	0,78	-4,55	-8,22
EUR/TRY	2,8001	1,27	0,83	-0,44
EUR/CHF	1,0521	1,25	-12,40	-12,62
EUR/GBP	0,74446	-0,64	-5,23	-4,85
EUR/JPY	134,92	1,54	-4,65	-5,44
EUR/RUB	76,1711	-2,64	0,92	31,59
EUR/CNY	7,1476	0,87	-3,55	-6,49
USD/TRY	2,4604	0,48	5,65	8,51
USD/JPY	118,58	0,74	-0,10	3,01
USD/RUB	66,9486	-3,71	5,81	43,52
USD/CNY	6,2446	-0,10	0,50	2,16

Sovereign Bonds 10Y	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Ask YTM
Austria	124,22	-0,34	0,56	0,24
Belgium	114,87	-0,43	0,88	0,42
China	104,25	0,62	1,64	3,45
EFSF	122,39	-0,07	0,82	0,25
ESM	114,84	-0,18	0,84	0,38
France	114,27	-0,41	0,42	0,36
Germany	110,59	-0,42	0,49	0,16
Greece	62,00	7,44	-1,82	10,36
Japan	104,70	-0,43	-0,49	0,19
Portugal	122,42	1,45	2,46	2,09
Spain	131,17	-0,17	0,42	1,26
Russia	75,50	4,86	9,42	13,07
Switzerland	134,44	-0,04	2,16	-0,30
Turkey	97,75	-2,25	2,87	7,69
UK	102,43	-1,71	-0,33	1,40
US	99,03	-1,62	0,63	1,74

Turkey related	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
TRY Basket	2,6207	0,84	3,02	3,57
WAC of CBRT (T -2)	7,95	1,79	-6,69	-3,87
Gold TRY / gram	98,60	-2,20	8,48	18,50
TR Gov. Bond 2Y	7,75	12,48	-0,51	-9,04

Euribor/Eonia	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
Eonia (T -1)	-0,026	7,14	64,87	38,10
Euribor 1 Month	0,002	100,00	-86,67	-77,78
Euribor 3 Month	0,053	-1,85	-27,40	-34,57
Euribor 6 Month	0,132	0,00	-21,43	-27,47
Euribor 12 Month	0,261	-3,33	-18,18	-22,55

EUR Libor	Price as of 02/04/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
EUR Libor O/N	-0,080	-2,75	42,27	-15,46
EUR Libor 1M	-0,004	-20,17	-185,80	-220,17
EUR Libor 3M	0,025	-23,41	-55,57	-57,65
EUR Libor 6M	0,090	-4,55	-37,00	-39,13
EUR Libor 12M	0,226	-3,65	-22,30	-26,62

Commodities	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
Energy Futures				
WTI crude	52,05	7,13	6,64	-33,59
BRENT crude	58,28	9,27	11,07	-31,61
GAS oil	552,75	15,30	10,22	-25,78
Heating oil	184,65	8,02	8,43	-24,47
Natural gas	2,59	-3,83	-11,49	-40,04
Gold Spot	1.245,95	-2,68	2,66	9,19
Silver Spot	17,06	-0,84	3,31	10,90
Platinum Spot	1.237,13	0,13	1,90	3,84
Palladium Spot	790,50	2,76	-0,91	5,48
Copper	258,80	3,77	-6,45	-14,05

Stock Indices	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
ATX	2.267	3,03	6,47	3,05
BIST 100	85.312	-3,63	-1,38	10,58
CAC 40	4.700	1,79	14,77	10,85
DAX	10.861	1,28	14,38	15,51
Dow Jones (T-1)	17.885	2,69	2,95	1,88
Euro Stoxx 50	3.402	1,19	12,75	9,32
FTSE 100	6.866	1,51	7,62	4,58
HANG SENG	24.679	0,70	5,08	4,36
IBEX 35	10.561	1,11	6,56	2,51
MICEX	1.755	6,63	18,66	17,33
NASDAQ 100 (T-1)	4.256	1,79	3,54	2,21
NIKKEI 225	17.649	-0,15	4,53	5,10
S&P 500 (T-1)	2.063	2,04	2,99	1,54

Interest Rate Futures	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
Bobl	130,85	-0,05	0,38	1,09
Bund	158,56	-0,56	1,01	4,34

Risk Sentiment	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
Baltic Dry Index	564	-10,75	-25,59	-60,72
VIX	16,85	-10,18	-20,22	23,26
Turkey 5Y CDS (T -1)	188,425	-2,02	-3,31	4,98
MSCI EM Index	982,21	2,14	5,08	-0,92

USD Libor	Price as of 02/04/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
USD Libor O/N	0,118	0,25	4,80	27,57
USD Libor 1M	0,173	1,76	3,58	11,58
USD Libor 3M	0,255	0,20	-0,20	10,03
USD Libor 6M	0,360	0,95	-1,10	10,62
USD Libor 12M	0,625	1,21	-1,17	12,52

TRY Libor	Price as of 02/06/2015	Change % 5 days	Change % 1 Month	Change % 3 Months
TRY Libor O/N	10,658	0,55	-3,21	8,81
TRY Libor 1M	9,889	1,58	-2,41	-1,56
TRY Libor 3M	8,976	2,64	-6,34	-10,81
TRY Libor 6M	8,659	4,32	-9,61	-13,51
TRY Libor 12M	8,659	4,32	-9,61	-13,51

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Date Time	Country	Economic Release	Period	Consensus	Actual	Prior
01/30/2015 14:30	US	GDP Annualized QoQ	4Q A	3.0%	2.6%	5.0%
01/30/2015 14:30	US	Personal Consumption	4Q A	4.0%	4.3%	3.2%
01/30/2015 15:45	US	Chicago Purchasing Manager	Jan	57.5	59.4	58.3
02/02/2015 14:30	US	Personal Income	Dec	0.2%	0.3%	0.4%
02/02/2015 14:30	US	Personal Spending	Dec	-0.2%	-0.3%	0.6%
02/02/2015 15:45	US	Markit US Manufacturing PMI	Jan F	53.7	53.9	53.7
02/02/2015 16:00	US	ISM Manufacturing	Jan	54.5	53.5	55.5
02/03/2015 16:00	US	Factory Orders	Dec	-2.4%	-3.4%	-0.7%
02/04/2015 13:00	US	MBA Mortgage Applications	Jan 30	--	1.3%	-3.2%
02/04/2015 14:15	US	ADP Employment Change	Jan	223K	213K	241K
02/05/2015 14:30	US	Initial Jobless Claims	Jan 31	290K	278K	265K
02/05/2015 14:30	US	Continuing Claims	Jan 24	2400K	2400K	2385K
02/05/2015 14:30	US	Trade Balance	Dec	-\$38.0B	-\$46.6B	-\$39.0B
02/06/2015 14:30	US	Change in Nonfarm Payrolls	Jan	228K	257K	252K
02/06/2015 14:30	US	Unemployment Rate	Jan	5.6%	5.7%	5.6%
02/06/2015 14:30	US	Labor Force Participation Rate	Jan	62.7%	62.9%	62.7%
01/30/2015 11:00	EU	Unemployment Rate	Dec	11.5%	11.4%	11.5%
01/30/2015 11:00	EU	CPI Core YoY	Jan A	0.7%	0.6%	0.7%
02/02/2015 10:00	EU	Markit Eurozone Manufacturing PMI	Jan F	51.0	51.0	51.0
02/03/2015 11:00	EU	PPI MoM	Dec	-0.7%	-1.0%	-0.3%
02/03/2015 11:00	EU	PPI YoY	Dec	-2.5%	-2.7%	-1.6%
02/04/2015 10:00	EU	Markit Eurozone Services PMI	Jan F	52.3	52.7	52.3
02/04/2015 10:00	EU	Markit Eurozone Composite PMI	Jan F	52.2	52.6	52.2
02/04/2015 11:00	EU	Retail Sales MoM	Dec	0.0%	0.3%	0.6%
02/04/2015 11:00	EU	Retail Sales YoY	Dec	2.0%	2.8%	1.5%
02/05/2015 10:10	EU	Markit Eurozone Retail PMI	Jan	--	46.6	47.6
01/30/2015 09:00	TR	Trade Balance	Dec	-8.50B	-8.51B	-8.32B
02/02/2015 09:00	TR	Turkey Manufacturing PMI	Jan	--	49.8	51.4
02/03/2015 09:00	TR	CPI MoM	Jan	0.70%	1.10%	-0.44%
02/03/2015 09:00	TR	CPI YoY	Jan	6.80%	7.24%	8.17%
02/03/2015 09:00	TR	CPI Core Index YoY	Jan	8.10%	8.63%	8.73%
02/03/2015 09:00	TR	PPI MoM	Jan	-0.50%	0.33%	-0.76%
02/03/2015 09:00	TR	PPI YoY	Jan	3.46%	3.28%	6.36%
01/30/2015 09:00	RU	Money Supply Narrow Def	Jan 23	--	8.26T	8.45T
01/30/2015 11:30	RU	Key Rate	Jan 30	17.00%	15.00%	17.00%
01/30/2015 14:30	RU	Annual GDP YOY	2014	0.5%	0.6%	1.3%
02/02/2015 07:00	RU	Russia Manufacturing PMI	Jan	--	47.6	48.9
02/02/2015 16:15	RU	Reserve Fund	Jan	--	\$85.1B	\$87.9B
02/02/2015 16:16	RU	Wellbeing Fund	Jan	--	\$74.0B	\$78.0B
02/05/2015 13:03	RU	Gold and Forex Reserve	Jan 30	--	376.3B	378.1B
02/05/2015 14:00	RU	CPI MoM	Jan	2.5%	3.9%	2.6%
02/05/2015 14:00	RU	CPI YoY	Jan	13.5%	15.0%	11.4%
02/06/2015 09:00	RU	Money Supply Narrow Def	Jan 30	--	8.05T	8.26T
02/06/2015 13:00	RU	Official Reserve Assets	Jan	375.5B	376.2B	385.5B



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Shareholder structure: Member of the Sberbank Group

Purpose of document: This report summarises the significant developments within the financial markets over the previous week and comments on their underlying background.