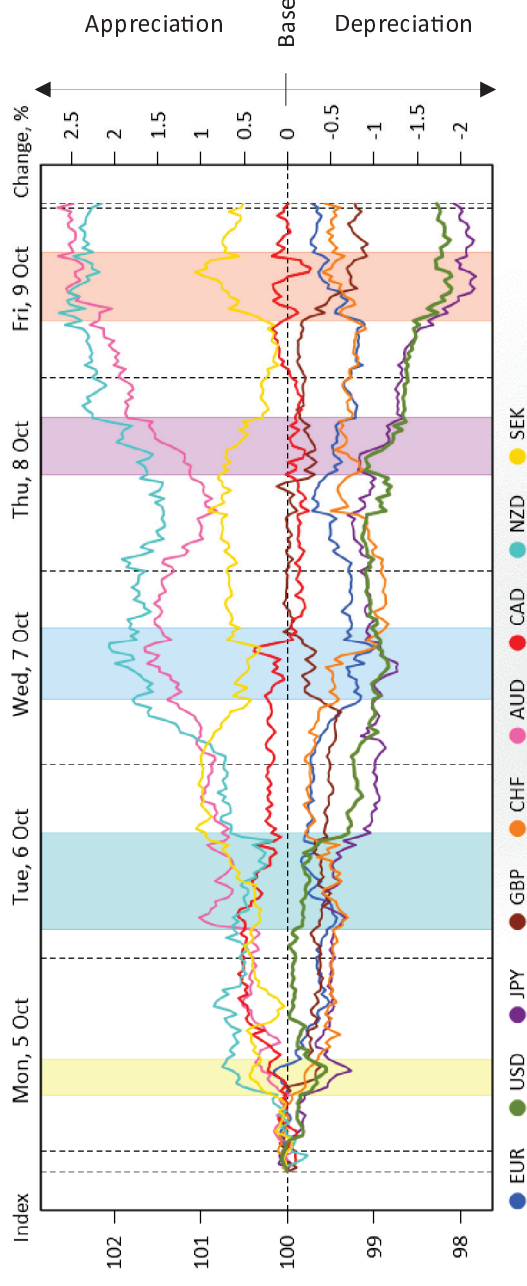




Monday, October 12, 2015
14:30 GMT

Relative Currency Strength

Currency Indexes

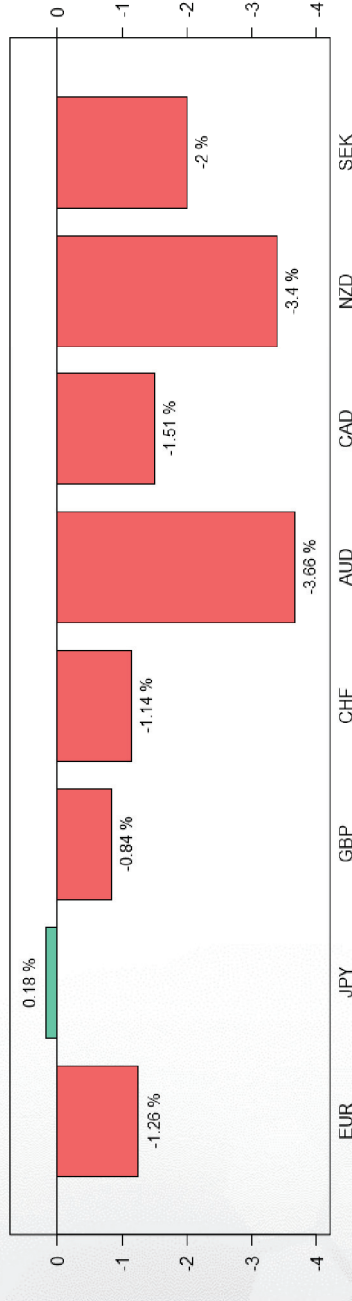


Weak confidence that the Fed will raise interest rates this year as well as the increase of some commodity prices were the main drivers of the past period. Thus the Greenback fell against almost all observed currencies for the second week in a row, causing its index to lose more than 1.7%. Meanwhile, the Pacific currencies showed impressive growth. The RBA interest rate decision has lived up to the expectations and pushed the Aussie up. Thus the AUD Index became the best performer of the period (+2.47%). Recovery in the milk prices, in turn, managed the Kiwi's gauge to rise, and it lost only 0.32% to AUD.

Change, %

USD

Change, %



Currency Index Change

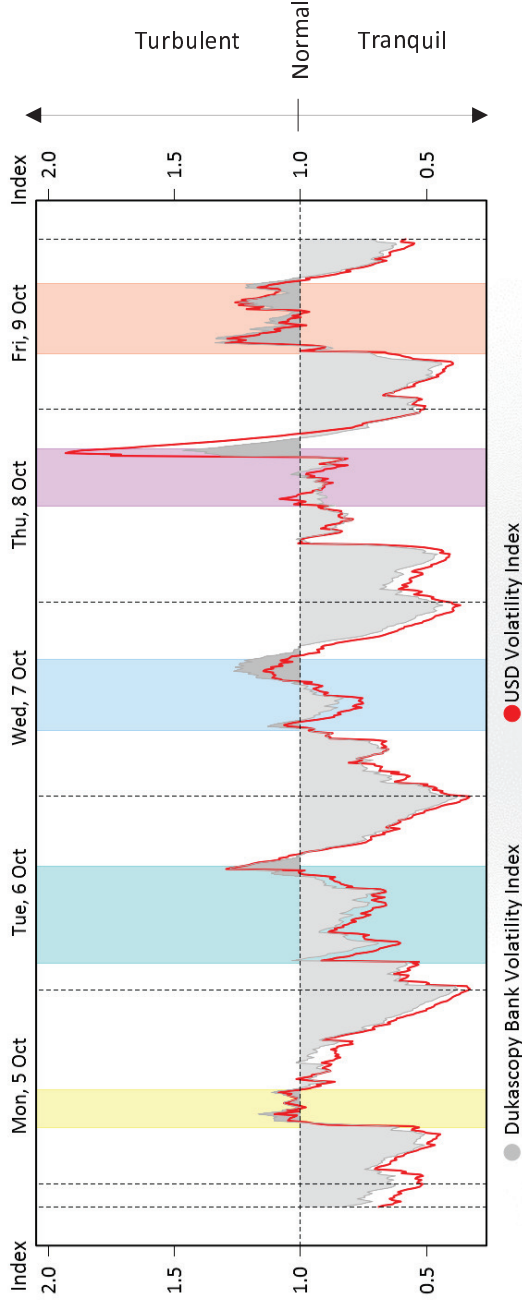
Days	EUR	JPY	GBP	CHF	AUD	CAD	NZD	SEK
5	-0.28%	-1.92%	-0.78%	-0.44%	2.47%	-0.01%	2.15%	0.51%
20	-1.31%	-1.25%	-2.24%	-0.5%	2.42%	1.14%	5.64%	-1.25%
130	8.25%	-0.47%	4.26%	1.49%	-4.5%	-3.92%	-12.22%	8.78%
250	-1.01%	-1.77%	5.46%	10.41%	-8.43%	-5.52%	-6.79%	-3.23%

After a sharp drop caused by the unexpectedly low US payrolls at the end of the previous week, the USD Index was showing a downward trend throughout the whole period. On Monday, as the commodity currencies ticked up, the Greenback's index declined to the 99.55 mark. On Thursday, the slight decrease of the Euro following the ECB report led to the increase of the USD index. However, the dollar quickly returned to downward trend and by the time of the FOMC minutes release reduced to the 98.6 level. The dovish tone of the minutes did not change the mood of the Greenback, and it continued to drop till the end of the week.



Volatility

Volatility



Turbulence on the market started to fade again, with the aggregate portion of elevated volatility losing 10% from the previous readings. The dollar, whose currency index moved on a slow downtrend throughout the period, scored below the average with 18% overtubulence. Meanwhile, the yen spent even less time above the baseline – 14% of the period, with USD/JPY posting only 3%. The most turbulent currency was the Swedish krona with the 27% of elevated volatility. The height of the volatility peaks was also rather small, and after the previous week's spike to 4.5 caused by the US payrolls data, the Greenback's index failed to rise even to the 2-point level.

The past week was rather tranquil for the Greenback, and its index barely exceeded the 1.3 level. The movements of the dollar were associated mainly with its counterparts' activity. Thus on Tuesday, against the background of the Canadian Ivey PMI, the index surged to 1.3 points, whereas the Wednesday's rise was largely attributed to the UK NIESR GDP data. However, the most notable surge took place on Thursday at the time of the FOMC minutes, when the USD Volatility Index jumped to the highest value of the period. Friday was relatively volatile for the Greenback, and the index held above the historical level in 35% of the time, though its spikes did not exceed 1.3 points.

Elevated Volatility (% of the observed period)

Market	USD	EURUSD	USDJPY	GBPUSD	USDCHF	AUDUSD	USDCAD	NZDUSD	USDSEK
21	18	20	3	22	23	18	32	27	23

Volatility Index (for the observed period)

	Market	USD	EURUSD	USDJPY	GBPUSD	USDCHF	AUDUSD	USDCAD	NZDUSD	USDSEK
Max	1.47	1.93	1.65	1.32	2.05	2.07	2.61	2.01	2.75	1.87
Min	0.38	0.33	0.24	0.23	0.22	0.18	0.36	0.25	0.33	0.27
Average	0.8	0.77	0.73	0.55	0.76	0.73	0.82	0.85	0.88	0.77