



Weekly Market Recap

November 29, 2013

News of Past Week

- Japanese Inflation is higher than expected (0,6%).
- BofE reins in mortgage market by refocusing Funding for Lending scheme on small businesses. Mortgage approvals in decline.
- Italian Prelim CPI Negative (-0,4%)
- Germany ready to implement a minimum wage.
- UK GDP growth estimate confirmed at 0.8%

Coming Next Week

- China Manufacturing PMI (1/12) - expected 51,2
- BOJ Kuroda Speaks (2/12)
- US, UK, Spanish and Italian manufacturing PMI (2/12)
- FED Bernanke Speaks (2/12)
- US unemployment rate (6/11) - expected 7,2%

Latest Indicators (vs expectations)

- 0,1%** U.S. Core Dur. Goods Or.
- 70,4** U.S. CB con. confidence
- 0,9%** Japan H. Spending
- 0,2%** Germany Prelim CPI
- 0,6%** Japan Prelim CIP

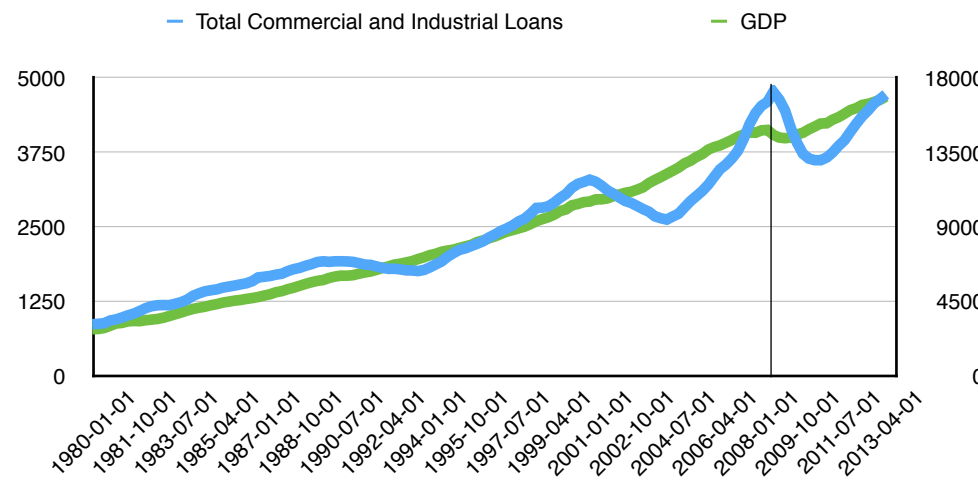
Weekly Data

Equities	Level	Index Return (%)		
		1 week	YTD	1 year
S&P 500	1 805,81	0,06	29,12	30,29
DOW JONES 30	16 086,41	0,13	25,65	26,63
FTSE 100	6 650,57	-0,36	17,31	18,03
DAX	9 405,3	2,02	23,55	27,00
MIB	19 021,48	1,06	20,68	24,24
CAC 40	4 295,21	0,39	21,88	25,02
IBEX 35	9 837,60	1,65	26,41	30,72
SMI	8 264,2	0,17	23,91	23,94
STOXX 50	3 055,98	1,00	21,70	24,70
Nikkei 225	15 661,87	1,82	53,04	68,66
SSE	2 220,5	1,10	0,86	15,59
Hang Seng	23 881,29	5,00	9,19	12,32
MICEX	1 479,35	-0,97	4,35	9,45

Key Rates (%)

U.S. 2-yr	0,28	ITA 2-yr	1,19	ITA 10-yr	4,05
U.S. 10-yr	2,74	FRA 2-yr	0,23	FRA 10-yr	2,15
U.S. 30-yr	3,81	UK 2-yr	0,45	UK 10-yr	2,77
LIBOR 3-mo	0,24	SPA 2-yr	1,05	SPA 10-yr	4,11
EURIBOR 3-mo	0,22	GER 2-yr	0,12	GER 10-yr	1,69
Fixed Mortgage 30-yr	4,67	JAP 2-yr	0,08	JAP 10-yr	0,60
EFSF 10-yr	1,20	CHF 2-yr	-0,08	CHF 10-yr	0,87

Chart of the Week



Index Characteristics (%)		
P/E	P/B	Div. Yld
19,85	2,71	2,01
15,34	3,19	2,12
17,34	4,13	3,00

Currencies	Levels		
	29/11/13	6-mo	1-yr
USD per €	1,359	1,310	1,274
GBP per €	0,830	0,845	0,797
YEN per €	139,220	130,127	101,612
CHF per €	1,232	1,233	1,205
CAD per €	1,443	1,314	1,272
AUD per €	1,492	1,286	1,221
HKD per €	10,536	10,170	9,874

Commodities	Levels (\$)		
	29/11/13	6-mo	1-yr
Oil (WTI)	92,72	96,24	85,07
Natural Gas	3,95	3,86	3,45
Gold (oz)	1253,35	1448,57	1715,91
Silver (oz)	20,03	24,03	31,72
Copper (oz)	3,20	3,34	3,48
Wheat*	668,75	706,00	902,50
Corn*	424,50	633,00	741,25

* CBOT 3-month futures

US GDP vs Loans to companies

On this chart we compare the GDP and the loans to commercial and industrial companies in the U.S. (a key variable for recovery and growth).

We can observe that even if today's GDP is way higher than before the crisis, the amount of loans has not even reached its pre-crisis level.

We believe this is a good argument about the ineffectiveness of quantitative easings as an incentive for financial institutions to give loans.