

# Global Markets Weekly Preview

November 16, 2009

## GLOBAL UPDATE & WEEK AHEAD

- Negative US data unable to stop the rally
- China demand support commodities
- Inflation in focus this week

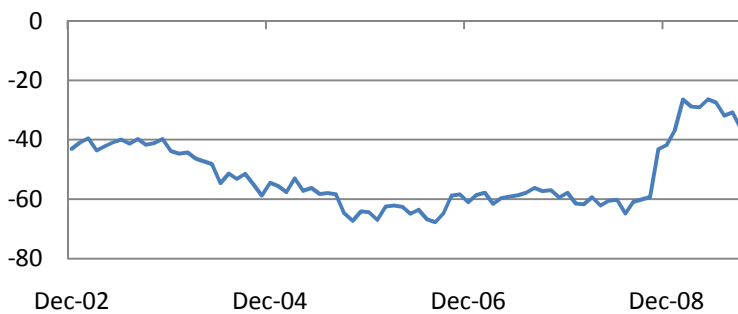
Market Data*		
CDS HY 5Y	672.67	-3.17%
ITX Crossover	508.78	-1.95%
CDS Japan 5Y	135.75	+0.03%
CDS EM 5Y	110.67	+0.70%
CDS Russia 5Y	181.40	-5.48%
US Tsys 10Y	3.70%	+3.6609
US Tsys 5Y	2.38%	+2.3545
Brazil 10Y	4.98%	+4.9313
UK 10Y	3.74%	+3.7036
Germany 10Y	3.26%	+3.2255
LIBOR-OIS	0.1363	+0.0093
EUR/USD	1.4961	-0.23%
USD/JPY	89.45	-0.57%
EUR/GBP	0.8944	-0.32%
Oil Brent	77.03	-1.38%
Gold	1128.5	+2.03%
Copper	6520	+0.46%
Nickel	16048	-7.15%
S&P 500	1093.48	+0.67%
Topix	863	-1.43%
Shanghai Comp	3,275.05	+3.13%
DJ EURO Stoxx	2915.31	+1.93%
VIX	23.36	-0.85%

\*Weekly change, as of 14:00 GMT, Bloomberg

**US: Negative data unable to stop the rally**

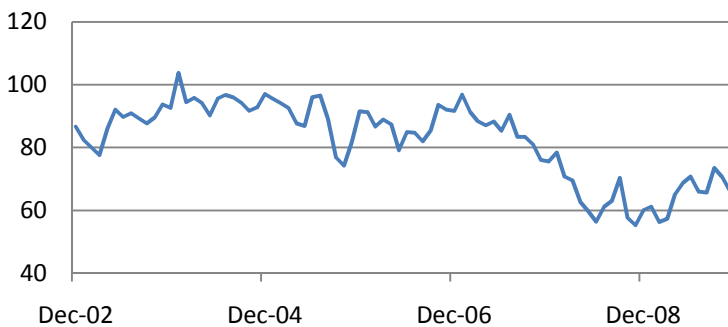
Recent week was not rich in economic news. Jobless claims were slightly better than estimates and the data on Friday were rather pessimistic ones. The nominal trade deficit widened to \$36.5bn in September from a revised \$30.8bn in August. Imports surged 5.8%, outpacing the strong 2.9% gain in exports. The real goods deficit widened to \$41.7bn from \$37.9bn, indicating that 3Q GDP reading may be revised downwards.

The US Trade Balance, \$bn.



The University of Michigan’s index of consumer sentiment dropped to 66.0 in the November preliminary release from 70.6 in October worse than consensus expectations of 71.0. The fall in index was broad-based, as both current conditions and expectations declined significantly;

The Uof Michigan consumer confidence index, prel.



Most companies reported, topped 3Q earnings forecast. Among those surprised the markets were Wal-Mart and Disney.

The new week started with encouraging APEC summit speeches and Chinese official critical remarks on the US loose monetary policy. Retail sales data look neutral – 0.3% rise in retail sales less auto's and gas met expectations. Empire State manufacturing index fell to 23.5 points in November, well below the consensus of 30 points.

### **The Week Ahead**

This week the most important event will be CPI reading release on Wednesday. CPI index is likely to have risen 0.2% m/m and have fallen 0.3% y/y. In UK CPI data will be released on Tuesday.

US Industrial production data on Tuesday will be another significant event this week. IP is likely to rise 0.4% in October. Leading indicators index and Philly Fed PMI will end the trading week in the US.

On Friday, Bank of Japan will also announce its policy meeting results

The Q3 earnings reporting season will also continue in Europe this week.

Economic Calendar*					
Time, GMT	Country	Data	Period	Consensus	Prior
11/16/2009 00:01	UK	Rightmove House Prices (MoM)	NOV	--	2.80%
11/16/2009 13:30	US	Advance Retail Sales	OCT	0.90%	-1.50%
11/16/2009 13:30	US	Retail Sales Less Autos	OCT	0.40%	0.50%
11/16/2009 13:30	US	Retail Sales Ex Auto & Gas	OCT	0.20%	0.40%
11/16/2009 13:30	US	Empire Manufacturing	NOV	28.5	34.57
11/16/2009 15:00	US	Business Inventories	SEP	-0.60%	-1.50%
11/17/2009 09:30	UK	CPI (MoM)	OCT	0.10%	0%
11/17/2009 09:30	UK	Core CPI YOY	OCT	1.80%	1.70%
11/17/2009 09:30	UK	Retail Price Index	OCT	215.8	215.3
11/17/2009 09:30	UK	RPI (MoM)	OCT	0.10%	0.40%
11/17/2009 13:30	US	Producer Price Index (MoM)	OCT	0.50%	-0.60%
11/17/2009 13:30	US	PPI Ex Food & Energy (MoM)	OCT	0.10%	-0.10%
11/17/2009 14:00	US	Total Net TIC Flows	SEP	--	1.02E+10
11/17/2009 14:15	US	Industrial Production	OCT	0.40%	0.70%
11/17/2009 14:15	US	Capacity Utilization	OCT	70.80%	70.50%
11/17/2009 18:00	US	NAHB Housing Market Index	NOV	19	18
11/17/2009 22:00	US	ABC Consumer Confidence	15-	--	-46
11/18/2009 09:30	UK	Bank of England Minutes	18-		
11/18/2009 12:00	US	MBA Mortgage Applications	13-	--	3.20%
11/18/2009 13:30	US	Consumer Price Index (MoM)	OCT	0.20%	0.20%
11/18/2009 13:30	US	CPI Ex Food & Energy (MoM)	OCT	0.10%	0.20%
11/18/2009 13:30	US	CPI Ex Food & Energy (YoY)	OCT	1.60%	1.50%
11/18/2009 13:30	US	Housing Starts	OCT	598000	590000
11/18/2009 13:30	US	CPI Core Index SA	OCT	--	220.053
11/18/2009 13:30	US	Building Permits	OCT	580000	573000
11/18/2009 13:30	US	Consumer Price Index NSA	OCT	216.045	215.969
11/18/2009 15:30	US	DOE U.S. Crude Oil Inventories	13-	--	1.76E+06
11/18/2009 15:30	US	DOE U.S. Gasoline Inventories	13-	--	2.56E+06
11/18/2009 15:30	US	DOE U.S. Distillate Inventory	13-	--	349000
11/19/2009 09:30	UK	Retail Sales (MoM)	OCT	0.50%	0%
11/19/2009 09:30	UK	M4 Money Supply (MoM)	OCT P	1%	0.80%
11/19/2009 13:30	US	Initial Jobless Claims	14-	502000	502000
11/19/2009 13:30	US	Continuing Claims	7-Nov	5.62E+06	5.63E+06
11/19/2009 15:00	US	Leading Indicators	OCT	0.40%	1%
11/19/2009 15:00	US	Philadelphia Fed.	NOV	12	11.5

US Treasuries auctions		
Time	Ct	Event
11/16/2009 18:00	US	\$30 Bn 3-Month Bills
11/16/2009 18:00	US	\$31 Bn 6-Month Bills
11/17/2009 18:00	US	4-Week Bills
11/17/2009 18:00	US	\$27 Bn 52-Week Bills

Central Bank Speakers		
Time	Ct	Event
11/16/2009 08:15	FR	ECB's Noyer Speaks in Tokyo
11/16/2009 10:30	AS	ECB's Tumpel-Gugerell Speaks in Vienna
11/16/2009 17:15	US	Bernanke Speaks on Economic Outlook in New York
11/16/2009 18:15	US	Fed's Fisher Speaks in Tyler, Texas, on U.S. Economy
11/16/2009 23:15	US	Fed's Kohn Speaks on Policy Challenges at Northwestern U.
11/17/2009 10:30	US	Fed's Yellen Speaks in Hong Kong on the Banking Crisis
11/17/2009 14:30	GE	ECB's Stark Speaks on Financial Stability in Frankfurt
11/17/2009 15:15	US	Fed's Lacker Speaks on Economy to Lawmakers in Virginia
11/17/2009 16:00	GE	ECB's Tumpel-Gugerell Speaks in Hamburg
11/17/2009 17:00	GE	ECB President Trichet, Euro Group's Juncker Speak in Frankfurt
11/18/2009 08:40	GE	ECB President Trichet Speaks in Frankfurt
11/18/2009 14:15	US	Fed's Bullard to Speak on Economy at Missouri Breakfast
11/19/2009 04:45	US	Fed's Plosser Speaks on Food and Water in Singapore
11/19/2009 16:00	FR	ECB President Trichet Speaks in Paris
11/19/2009 18:00	GE	ECB's Gonzalez-Paramo Speaks in Berlin
11/19/2009 21:45	US	Fed's Fisher Speaks at Cato Conference in Washington

## Global Markets Weekly

Earnings calendar, Europe*				
Company Name	Ticker	Date	Time	Cons.
Marine Harvest	MHG NO	11/16/2009	6:00	0.079
Lonmin Plc	LMI LN	11/16/2009	7:00	-0.515
Cofinimmo	COFB BB	11/16/2009	7:00	1.86
European Aeronautic Defence	EAD FP	11/16/2009		0.22
Sacyr Vallehermoso SA	SYV SM	11/16/2009		-0.285
Portugal Telecom SGPS SA	PTC PL	11/17/2009	Bef-mkt	0.12
VT Group PLC	VTG LN	11/17/2009	7:00	0.173
British Land Co PLC	BLND LN	11/17/2009	7:00	0.177
Enterprise Inns Plc	ETI LN	11/17/2009	7:00	0.306
Fortis	FORB BB	11/17/2009		
FLSmidth & Co A/S	FLS DC	11/17/2009		5.94
ICAP PLC	IAP LN	11/17/2009		0.163
Burberry Group PLC	BRBY LN	11/17/2009		0.132
Zon Multimedia Servicos de Telecomunicacoes e Multimedia	ZON PL	11/17/2009		0.049
Koninklijke Ahold NV	AH NA	11/18/2009	6:30	0.15
Corio NV	CORA NA	11/18/2009	Aft-mkt	0.735
Befimmo SCA Sicafi	BEFB BB	11/18/2009	Aft-mkt	4.658
Air France-KLM	AF FP	11/18/2009		-0.35
Experian PLC	EXPN LN	11/18/2009		
Land Securities Group PLC	LAND LN	11/18/2009		0.207
Koninklijke BAM Groep NV	BAMNB NA	11/19/2009	Bef-mkt	0.16
SABMiller plc	SAB LN	11/19/2009	7:00	0.66
National Grid PLC	NG/ LN	11/19/2009	7:00	0.202
Piraeus Bank SA	TPEIR GA	11/19/2009	Aft-mkt	
Infineon Technologies AG	IFX GR	11/19/2009		-0.425
Voestalpine AG	VOE AV	11/19/2009		-0.247
Investec PLC	INVP LN	11/19/2009		0.142
Pennon Group PLC	PNN LN	11/19/2009		0.194

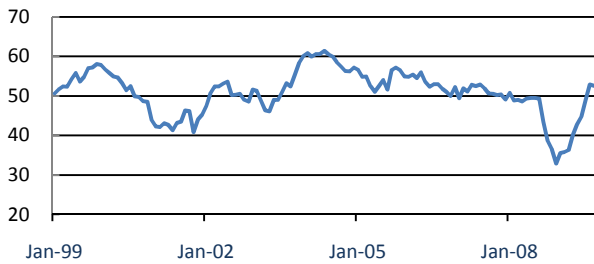
## Global Markets Weekly

Earnings calendar, US*				
Company Name	Ticker	Date	Time	Cons.
Verisk Analytics Inc	VRSK US	11/16/2009	Aft-mkt	
Lowe's Cos Inc	LOW US	11/16/2009		0.239
Genta Inc	GETA US	11/16/2009		
Jacobs Engineering Group Inc	JEC US	11/17/2009	Bef-mkt	0.651
Home Depot Inc	HD US	11/17/2009	Bef-mkt	0.355
Saks Inc	SKS US	11/17/2009	13:00	-0.113
TJX Cos Inc	TJX US	11/17/2009	14:30	0.784
Salesforce.com Inc	CRM US	11/17/2009	Aft-mkt	0.159
Target Corp	TGT US	11/17/2009		0.499
Autodesk Inc	ADSK US	11/17/2009		0.221
NetApp Inc	NTAP US	11/18/2009	Aft-mkt	0.295
Ltd Brands Inc	LTD US	11/18/2009	Aft-mkt	-0.015
Cowen Group Inc	COWND US	11/18/2009		-0.39
Chico's FAS Inc	CHS US	11/18/2009		0.066
Gymboree Corp	GYMB US	11/18/2009		1.128
Sears Holdings Corp	SHLD US	11/19/2009	Bef-mkt	-1.092
Childrens Place Retail Stores	PLCE US	11/19/2009	12:00	1.342
Gap Inc/The	GPS US	11/19/2009	21:30	0.427
Helmerich & Payne Inc	HP US	11/19/2009		0.431
GameStop Corp	GME US	11/19/2009		0.303
Dell Inc	DELL US	11/19/2009		0.272
Foot Locker Inc	FL US	11/19/2009		0.128
Buckle Inc/The	BKE US	11/19/2009		0.701
DR Horton Inc	DHI US	11/20/2009	Bef-mkt	-0.241
Fairpoint Communications Inc	FRCMQ US	11/20/2009		

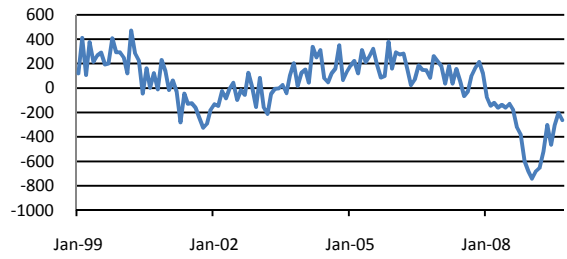
\*Data provided by Bloomberg

### Economic monitor

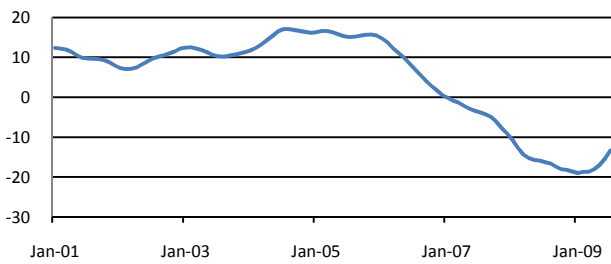
ISM Manufacturing survey



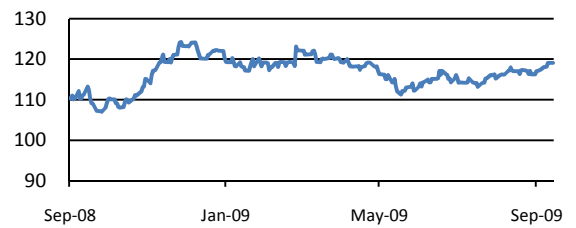
Non-farm payrolls, month



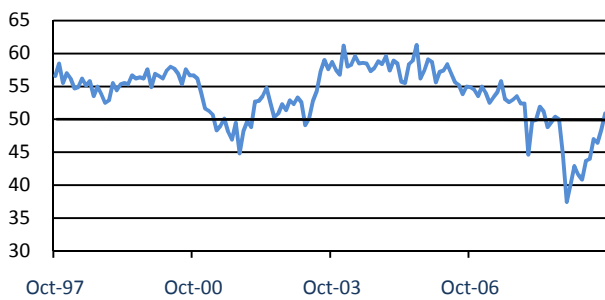
S&P/Case-Shiller Composite Index



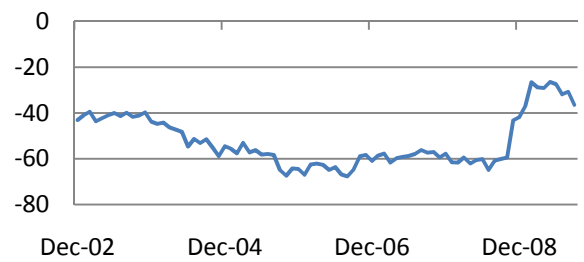
10-y Treasuries Futures



ISM Non-Manufacturing Index



US Trade Deficit



### Technical Analyst View

S&P 500 Index, 60 min



**S&P 500 Index tested 1100 and after consolidation new highs (1125, 1160) may be seen soon. Yet, price should hold above 1110 to confirm the bullish scenario. Current support can be seen around 1050 level.**

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