

**Survey Date
June 8, 2015**

Every month, Foreign Exchange Consensus Forecasts surveys more than 250 financial and economic forecasters for their currency exchange rate projections. The results covering over 90 currencies – together with reference data and analysis of factors such as inflation, interest rates, balance of payments, government policies and politics – are rushed to subscribers by express mail and e-mail.

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Long Term Forecasts – A Special Survey

This month's special survey (pages 34 and 35) updates our panel's long-term currency predictions. The survey covers 36 currencies for the period between now and the end of 2021.

Tracking Currency Volatility

The recent bond market rout has triggered an upturn in risk aversion and a re-pricing of global currencies and assets. We feature on the back page 36 two implied volatility indices (**VXY** and **EM-VXY**) tracking the aggregate risk premia on baskets of major currencies and emerging market currencies since January 2001.

Overview

The recent selling frenzy of government bond markets has dominated headlines, as investors sought to curb their exposure to risk. FX volatility, which rose sharply in the second half of 2014, has also remained relatively high (see JP Morgan indices in back page charts). Fixed income traders were caught off-guard in April by signs that most major countries around the globe will avoid deflation. Further improvements in the euro zone outlook, alongside seemingly relaxed comments from the European Central Bank regarding the volatility, fuelled a flight to safety. Clearly, the incentive to hold debt securities with near zero yields diminishes in an environment

(continued on page 2)

(continued from front page)

of rising inflation and Consensus Forecasts suggest that most countries (major and developed) will avoid a sustained period of negative price increases. These shifts in risk sentiment, which has seen the German Bund lead the selloff, have contributed to the swings in **US dollar NYBOT index** (next page), which resumed an upward trend in the second half of May but dropped back in early June. The chances of a US rate hike at the next Federal Open Market Committee meeting on June 16-17 looks slim, following recent financial turbulence and news that the US economy suffered a significant slowdown in Q1. However, the resilience in monthly employment and consumption indicators confirm that a move to normalise monetary conditions later in 2015 remains on

the cards. The **Japanese yen** (pages 6-7) has suffered a sharp decline in recent weeks, leading to fears about competitive currency realignments across Asia. **South Korea** (page 25) and **Taiwan** (page 26) have warned of policy responses to the perceived unfair devaluation of the yen, which puts their exporters, which compete in similar markets, at a disadvantage. The latter is thought to have sold local currencies in recent weeks order to limit upward pressure on the T\$. This month's currencies in the spotlight include the **Chinese renminbi** (pages 8-9), which may be in line to be included in the IMF's Special Drawing Rights basket. In addition, we feature the **Mexican peso** (pages 10-11), the **Norwegian krone** (pages 12-13) and the **Hungarian forint** (pages 14-15).

Summary: Foreign Exchange Consensus Forecasts

Currency units per US\$ or Euro, except the UK£, A\$ and Euro which are the reciprocals.	See Page	% change Since End Dec. 2014	Spot Rate Jun. 8 2015	Consensus Forecasts			Forecast % change to End Jun. 2016
				End Jul. 2015	End Sep. 2015	End Jun. 2016	
Exchange rates vs. US\$							
Australian Dollar (US\$/A\$)	17	-7.0	0.763	0.755	0.741	0.717	-6.0
Brazilian Real	17	-15.1	3.128	3.146	3.256	3.262	-4.1
Canadian Dollar	17	-6.8	1.245	1.247	1.255	1.245	0.0
Chinese Renminbi	8	-1.4	6.206	6.215	6.221	6.233	-0.4
Euro (US\$/€)	4	-7.7	1.120	1.080	1.065	1.048	-6.5
Indian Rupee	20	-1.2	64.13	63.77	64.01	64.29	-0.3
Japanese Yen	6	-4.3	125.3	122.6	123.9	126.5	-1.0
Mexican Peso	10	-6.0	15.69	15.21	15.36	15.02	4.5
Russian Rouble	24	0.1	56.20	55.14	55.81	58.91	-4.6
South Korean Won	25	-2.1	1123	1110	1120	1139	-1.4
Turkish Lira	26	-15.5	2.766	2.711	2.741	2.788	-0.8
UK Pound (US\$/UK£)	27	-2.2	1.527	1.503	1.495	1.484	-2.9
Exchange rates vs. Euro							
Hungarian Forint	14	0.1	314.2	306.4	308.3	310.6	1.2
Norwegian Krone	12	2.0	8.850	8.511	8.472	8.348	6.0
Polish Zloty	23	2.0	4.173	4.108	4.112	4.067	2.6
Swedish Krona	25	1.3	9.364	9.296	9.264	9.111	2.8
Swiss Franc	25	14.4	1.050	1.043	1.045	1.061	-1.0

NOTES AND ABBREVIATIONS

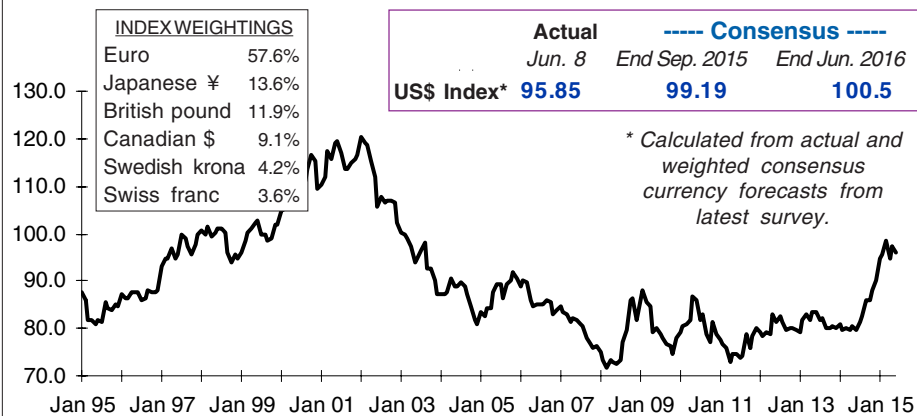
JUNE 2015

- | | | | |
|---------|---|-------|----------------------|
| □ GDP | - Gross Domestic Product | q-o-q | - quarter-on-quarter |
| □ M/S&P | - Moody's and Standard & Poor's sovereign debt ratings | y-o-y | - year-on-year |
| □ ICPI | - International Corruption Perception Index (details below) | e | - consensus estimate |
| □ PPP | - Purchasing Power Parity, see top of page 4 | na | - not available |
- GDP is expressed in real (i.e. inflation-adjusted) terms. GDP and consumer prices are expressed as average percentage changes over the previous year unless otherwise indicated. Measures of trade, current account and foreign exchange reserves (which exclude gold) are expressed as nominal amounts in US dollars (billion).
- The **International Corruption Perceptions Index (ICPI)**, as calculated by Transparency International, ranks countries on a scale of "0" to "100" where a "0" equals the highest level of perceived corruption; "100" equals lowest. High levels of perceived corruption can affect the ability of a nation to attract long-term investment, possibly making it more dependent on short-term capital to meet its financial obligations. A sudden, sharp reversal in international sentiment could therefore put such a country under pressure and expose its currency to risks.
- **Interpolated rates** on pages 5-27 are calculated as period average or end period forecasts based on simple straight-line interpolations from consensus forecasts.
- All individual foreign exchange forecasts on pages 5-15 are listed in descending order of their 1 year percent change estimates. In a few cases, monthly point forecasts are to the nearest end quarter period. Consensus forecasts are averages of the named forecasters shown plus Other Forecasters.

The US\$ is the principal benchmark currency against which the values of other currencies (except most Europeans) are measured throughout this publication. (For cross rates and forecasts against the yen and euro see page 33.) The only exchange-traded index of the US dollar's value is the NYBOT (composition below), which was originated by the Federal Reserve in the early 1970s. Futures based on its 'cash' index (DXY) are traded on the New York Cotton Exchange. From the direction of trade statistics (below right) it will be noted that Canada has a greater weight in US trade than in the NYBOT index, while Mexico is not represented; the principal European countries have a greater weight in the index than in US trade.

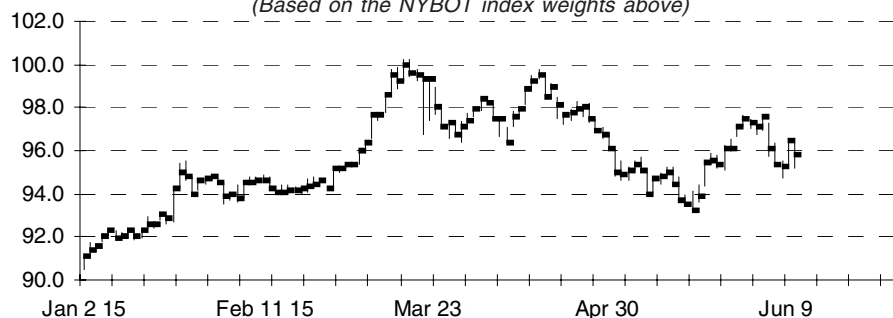
US\$ INDEX: Monthly

(Based on the NYBOT index weights below)



US\$ INDEX: Daily High, Low, Closing

(Based on the NYBOT index weights above)



Rate Hike Caution

The US dollar appreciated in the second half of May, due to weakness in the euro and Japanese yen, as well as renewed confidence in the US economy. However, it retreated in early June, amid uncertainties regarding the path of US monetary tightening. Monthly employment indicators continue to suggest that the US recovery is on track, but the true extent of the Q1 slowdown remains unclear. Real GDP contracted 0.7% (q-o-q annualised), according to the second release on May 29, compared with a first estimate of +0.2%, and down from advances of 5.5% and 2.2% in Q3 and Q4 of 2014, respectively. The consensus has trimmed its full year forecast as a consequence, while concerns about low pay and productivity cast doubt over the long-term growth potential. Most observers, though, appear confident about a GDP rebound in Q2 and forecasts (bottom left box) suggest a high chance that the US Fed will raise rates within the next six months. Much, of course, is data-dependent and policy makers may be cautious about the impact of monetary tightening on the US dollar, which has risen around 20% over the past twelve months (NYBOT index).

DIRECTION OF TRADE

EXPORTS TO:	2013 US\$bn	% of Total
Canada	300.2	19.0
Mexico	226.2	14.3
China	122.0	7.7
Japan	65.1	4.1
United Kingdom	47.4	3.0
Other	817.9	51.8
TOTAL:	1578.8	100.0

IMPORTS FROM:	2013 US\$bn	% of Total
China	449.0	19.6
Canada	334.6	14.6
Mexico	281.5	12.3
Japan	140.0	6.1
Germany	115.7	5.0
Other	973.0	42.4
TOTAL:	2293.8	100.0

Economic Indicators and Consensus Forecasts

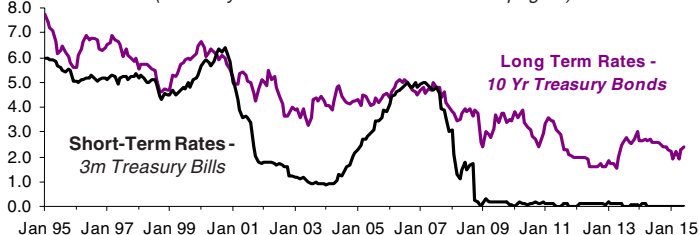
Nominal GDP (2013): US\$16768.1bn GDP per Capita: US\$52,383 Consensus Forecasts
Population (mid-2013): 320.1mn Corruption Index (ICPI) - 74/100

	2011	2012	2013	2014	2015	2016
Real GDP, %	1.6	2.3	2.2	2.4	2.2	2.8
Consumer Prices, %	3.1	2.1	1.5	1.6	0.2	2.1
Current Account, US\$bn	-459.3	-460.8	-400.3	-410.6	-455.9	-497.3
Short Term Interest Rates ¹	0.0	0.1	0.1	0.0	0.2 ¹	1.0 ¹
FX Reserves, end yr, US\$bn	51.9	49.9	47.7	41.9	na	na

¹ 3 mth treasury bills (%), end period. Forecasts for 3 and 12 months from survey date.

US Interest Rates

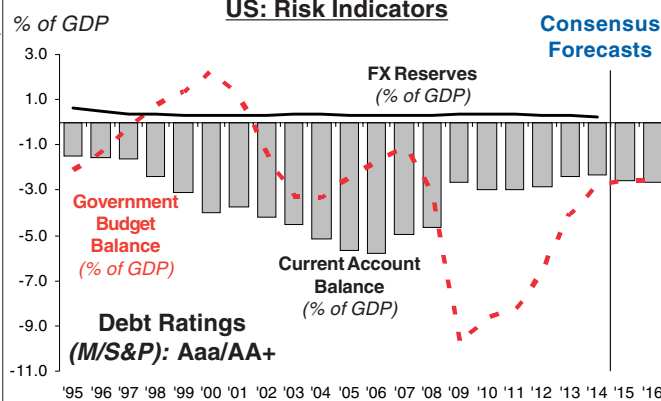
(Treasury bill and bond forecasts also on page 4)

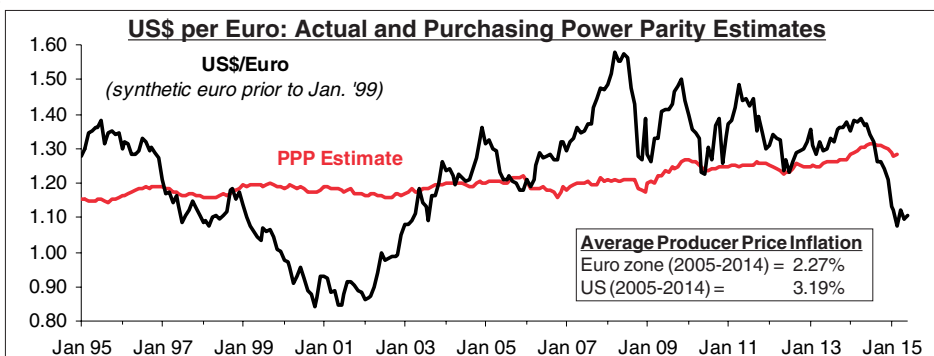


Fed Funds Forecasts	End Jun. 2015	End Sep. 2015	End Dec. 2015	End Mar. 2016
(Latest = 0 to 0.25%)				
Consensus (mean average)	0.142%	0.308%	0.549%	0.828%
Mode (most frequent f'cast)	0.125%	0.375%	0.625%	0.875%

US: Risk Indicators

Consensus Forecasts





The Purchasing Power Parity (PPP) theory asserts that, over the long-term, the trend of an exchange rate is determined by cumulative differences in the national inflation rates of the two countries concerned. We have estimated a long-term PPP trend by relating the average real exchange rate (1995-2014) to indices of producer price inflation in the US and the euro zone over the same period. Figures for the euro prior to January 1999 are 'synthetic' i.e. they have been calculated using a basket of the eleven original member currencies. The PPP line represents an approximation of the euro's long-run value, and a currency may be considered over- or under-valued if it is more than 10% above or below the PPP estimate. **Our latest PPP estimate is US\$1.28 per euro.**

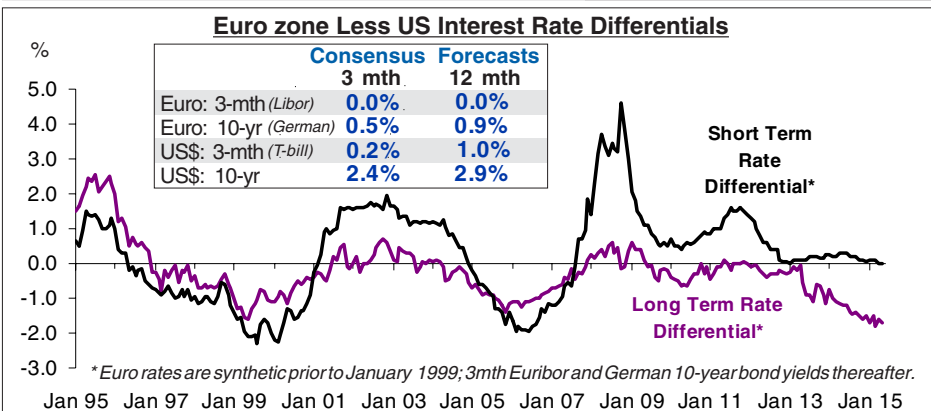
European Currency Union: The euro replaced individual currencies of the eleven original members in January 1999. Greece adopted the euro in 2001, followed by Slovenia in 2007, Cyprus and Malta in 2008 and Slovakia in 2009. Estonia joined in 2011; Latvia in 2014; and Lithuania in January 2015. The fixed conversion exchange rates of euro member countries are shown on the right.

Central Bank: The European Central Bank (ECB) is responsible for monetary policy, which is set by a committee drawn from EMU-members' central banks. Policy is carried out by a six-member executive board, currently headed by the Italian ECB president Mr. Mario Draghi (appointed in November 2011).

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Fixed Conversions per Euro

Austrian schilling	13.7603
Belgian/Lux. franc	40.3399
Cypriot pound	0.58527
Deutschemark	1.95583
Estonian Kroon	15.6466
Finnish markka	5.94573
French franc	6.55957
Greek drachma	340.750
Irish punt	0.78756
Italian lira	1936.27
Latvian Lat	0.70280
Lithuanian Litas	3.45280
Maltese lira	0.42930
Netherlands guilder	2.20371
Portuguese escudo	200.482
Slovakian koruna	30.1260
Slovenian tolar	239.640
Spanish peseta	166.386



Bearish Sentiment

Despite the recent rout in European bonds, the euro has retraced most of the losses it made in the second half of May. Mario Draghi, governor of the European Central Bank (ECB), noted last week that markets needed to become accustomed to higher levels of volatility in an era of ultra low interest rates. His remarks caught investors by surprise and spurred them to reduce their exposure to risk. Benchmark yields rose significantly last week in the US and Germany, while bourses across Europe suffered successive daily losses. Uncertainty about whether and when Greece may default on its debts added to anxiety about the long-term outlook for the euro, which faces tough questions about banking integration and common fiscal rules. The ECB has rejected speculation that the recent up-tick in inflation will encourage it to wind down its bond buying program early and that it was prepared to raise stimulus, if needed. In its updated staff projections, the ECB expects inflation to average 0.3% in 2015 and 1.5% for 2016, while growth accelerates to 1.5% and 1.9% in the same years. Growth in Germany slowed to 0.3% (q-o-q) in Q1 from 0.7% in Q4 2014, but the regional recovery is becoming more balanced, lifted by France and Spain, which expanded 0.6% and 0.9%, respectively. On balance, although the economic outlook has improved, our panel is predicting that the euro will depreciate 6.5% over the next twelve months.

Recent Economic Outturns (y-o-y)

GDP	Q2 2014	Q3	Q4	Q1 2015
USA	2.6%	2.7%	2.4%	2.7%
Euro zone	0.8%	0.8%	0.9%	1.0%
Germany	1.4%	1.2%	1.5%	1.0%

CPI	Q2 2014	Q3	Q4	Q1 2015
USA	2.1%	1.8%	1.2%	-0.1%
Euro zone	0.6%	0.4%	0.2%	-0.3%
Germany	0.9%	0.8%	0.5%	0.0%

	GDP Growth					Consumer Price Inflation					Background Data (2013)				
	Average % change					Average % change					GDP	Population	GDP per		
	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016	(US\$bn)	(mn)	Capita (\$)
Germany	3.6	0.4	0.1	1.6	1.9	2.0	2.1	2.0	1.5	0.9	0.5	1.7	3,641	82.7	44,014
France	2.1	0.2	0.7	0.2	1.2	1.6	2.1	2.0	0.9	0.5	0.2	1.2	2,723	64.3	42,347
Italy	0.6	-2.8	-1.7	-0.4	0.7	1.2	2.8	3.1	1.2	0.2	0.2	0.9	2,072	61.0	33,970
Austria	3.1	0.9	0.2	0.3	0.8	1.5	3.3	2.4	2.0	1.7	1.1	1.6	416	8.5	48,918
Belgium	1.6	0.1	0.3	1.0	1.2	1.5	3.5	2.8	1.1	0.3	0.3	1.6	506	11.1	45,577
Finland	2.6	-1.4	-1.3	-0.1	0.5	1.3	3.5	2.8	1.5	1.0	0.5	1.4	257	5.4	47,366
Greece	-8.2	-5.9	-3.8	0.8	0.0	1.8	3.3	1.5	-0.9	-1.3	-1.3	0.3	242	11.1	21,725
Ireland	2.8	-0.3	0.2	4.8	3.7	3.4	2.6	1.7	0.5	0.2	0.1	1.2	218	4.6	47,041
Netherlands	1.7	-1.6	-0.7	0.9	1.9	1.7	2.4	2.4	2.5	1.0	0.5	1.3	801	16.8	47,810
Portugal	-1.8	-3.3	-1.4	0.9	1.6	1.8	3.7	2.8	0.3	-0.3	0.3	0.9	220	10.6	20,735
Spain	-0.6	-2.1	-1.2	1.4	2.9	2.6	3.2	2.4	1.4	-0.2	-0.3	1.2	1,359	46.9	28,947
Euro Zone *	1.7	-0.8	-0.3	0.9	1.5	1.8	2.7	2.5	1.3	0.4	0.2	1.3	12,728	331.1	38,441

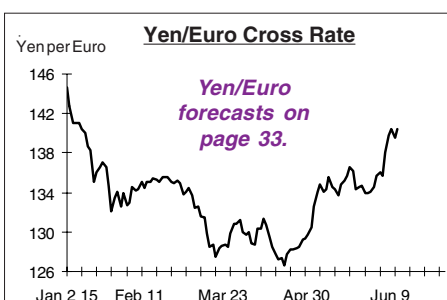
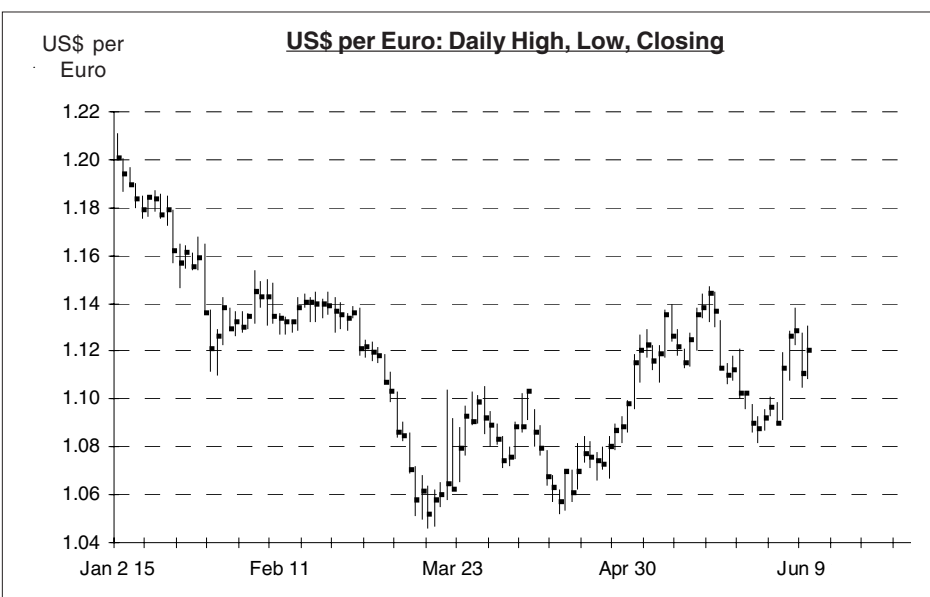
SURVEY DATE SPOT RATE (Jun 8, 2015) 1 Euro = US\$ 1.120	FORECASTS: US\$ PER EURO				
	End Jul.	End Sep.	End Jun.	% change	End Jun.
	2015	2015	2016	from spot	2017
Royal Bank of Canada	1.070	1.070	1.160	3.6	na
Allianz	1.070	1.070	1.120	0.0	1.180
Standard Chartered	na	1.050	1.120	0.0	na
IHS Economics	1.090	1.070	1.110	-0.9	1.190
HSBC	1.050	1.050	1.080	-3.6	na
Oxford Economics	1.110	1.104	1.071	-4.4	1.061
ABN Amro	1.090	1.000	1.050	-6.3	na
Nomura Securities	1.080	1.050	1.050	-6.3	na
UBS	1.140	1.160	1.050	-6.3	1.100
Rabobank	1.090	1.080	1.040	-7.1	1.080
JP Morgan	1.120	1.060	1.030	-8.0	na
Citigroup	na	1.071	1.013	-9.6	1.056
Commerzbank	1.087	1.060	1.010	-9.8	na
BoA - Merrill Lynch	na	1.020	1.000	-10.7	na
Credit Suisse	1.072	1.039	0.980	-12.5	1.133
Bank of Tokyo Mitsubishi	1.050	1.000	0.960	-14.3	na
BNP Paribas	1.033	1.020	0.950	-15.2	na
Goldman Sachs	1.020	1.000	0.950	-15.2	0.850
Royal Bank of Scotland	1.015	1.000	0.950	-15.2	na
Morgan Stanley	1.037	1.030	0.930	-17.0	na
ING Financial Markets	1.100	1.030	0.920	-17.9	na
Deutsche Bank Research	1.040	1.020	0.900	-19.6	0.850
Other Forecasters (83)	1.082	1.070	1.057	-5.6	1.083
CONSENSUS (Mean)	1.080	1.065	1.048	-6.5	1.078
Jun. Discount/Premium on Spot	-3.6	-4.9	-6.5		-3.8
May Discount/Premium on Spot	-3.7	-5.0	-6.0		-3.4
Apr. Discount/Premium on Spot	1.1	-0.3	-1.0		1.4
Jun. High	1.150	1.160	1.200		1.220
Jun. Low	1.000	0.970	0.900		0.800
Jun. Standard Deviation	0.035	0.045	0.067		0.095

THE CONSENSUS

On the second Monday of every month we ask our panel to forecast spot rates for the US\$ against the euro over a range of time horizons. The *Consensus* is the mean of all the forecasts received, including *Other Forecasters* polled whose names do not appear. FECF then calculates the annual percent change and the discount (-) or premium (+) of the consensus forecast to the survey date spot rate. The quarter average and end quarter figures shown below are based on a simple straight line interpolation of consensus forecasts.

Interpolated Rates US\$ per Euro

	Quarter Average	End Quarter
2015 Q2	1.100	1.107
Q3	1.079	1.065
Q4	1.062	1.059
2016 Q1	1.057	1.054
Q2	1.051	1.048
Q3	1.052	1.056
Q4	1.059	1.063
2017 Q1	1.067	1.070
Q2	1.074	1.078



FX Policy: Independent float. The ECB aims to keep inflation 'below but close to 2.0%' over the medium term.

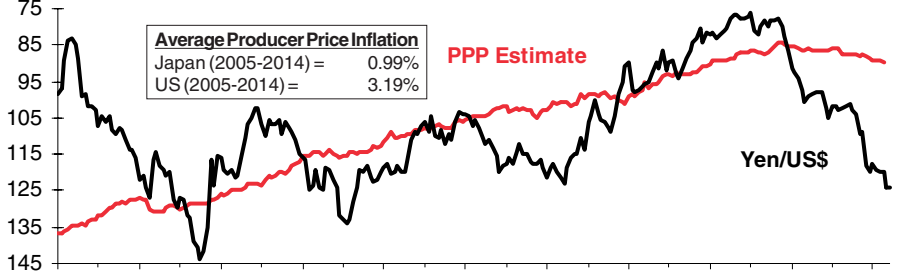
Trading and Hedging Markets: The euro is the second largest forex market currency after the US\$. US\$/€ futures and options on futures are traded on the Chicago Mercantile Exchange (CME).

	Current Account Balances						Country Risk Indicators						Sovereign Debt Rating		Corruption Perceptions Index	
	US\$bn				Consensus Forecasts		Current Account (% of GDP)		Budget Balance (% of GDP) ¹		Public Debt (% of GDP) ²		Moody's/S&P		Index (ICPI)	
	2011	2012	2013	2014	2015	2016	2015	2016	2015	2016	2015	2016				
Germany	228.7	240.7	241.7	291.9	255.7	245.4	6.7	6.2	0.5	0.5	71.5	68.2	Aaa/AAA	79/100		
France	-29.5	-41.3	-40.2	-28.1	-19.3	-18.0	-0.7	-0.6	-4.0	-3.7	96.4	97.0	Aa1/AA	69/100		
Italy	-70.0	-8.9	19.9	41.1	44.0	45.1	1.9	1.9	-2.9	-2.3	133.1	130.6	Baa2/BBB-	43/100		
Austria	7.0	6.1	4.1	3.4	5.0	5.5	1.1	1.2	-2.0	-2.0	87.0	85.8	Aaa/AA+	72/100		
Belgium	-5.7	-3.6	-1.2	9.8	5.3	4.8	1.0	0.9	-2.6	-2.4	106.5	106.4	Aa3/AA	76/100		
Finland	-4.9	-5.0	-4.8	-5.1	-0.9	-3.2	-0.3	-1.1	-3.3	-3.2	62.6	64.8	Aaa/AA+	89/100		
Greece	-28.7	-5.9	1.4	2.1	2.0	2.0	0.7	0.7	-2.1	-2.2	180.2	173.5	Caa2/CCC+	43/100		
Ireland	1.9	3.5	10.1	15.2	11.4	7.6	4.8	3.0	-2.8	-2.9	107.1	103.8	Baa1/A	74/100		
Netherlands	79.0	90.6	93.5	89.6	75.4	70.4	8.5	7.7	-2.0	-1.7	69.9	68.9	Aaa/AA+	83/100		
Portugal	-14.8	-4.5	3.2	1.4	1.4	1.8	0.6	0.7	-3.1	-2.8	124.4	123.0	Ba1/BB	63/100		
Spain	-47.3	-3.8	20.0	11.3	7.5	6.6	0.5	0.4	-4.6	-3.4	100.4	101.4	Baa2/BBB	60/100		
Euro Zone *	-9.6	194.1	284.2	313.0	263.0	247.7	1.9	1.8	-2.3	-2.0	94.0	92.5	na	na		

¹ Excludes intra euro zone member transactions, ECB definition.

² Calculated by Consensus Economics except Austria, Belgium, Finland, Greece, Ireland and Portugal, which are from the ³European Commission.

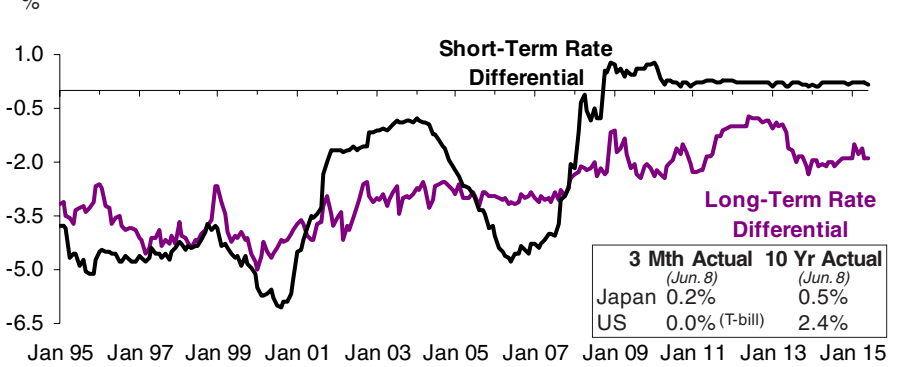
YEN per US\$: Actual and Purchasing Power Parity Estimates



Jan 95 Jan 97 Jan 99 Jan 01 Jan 03 Jan 05 Jan 07 Jan 09 Jan 11 Jan 13 Jan 15

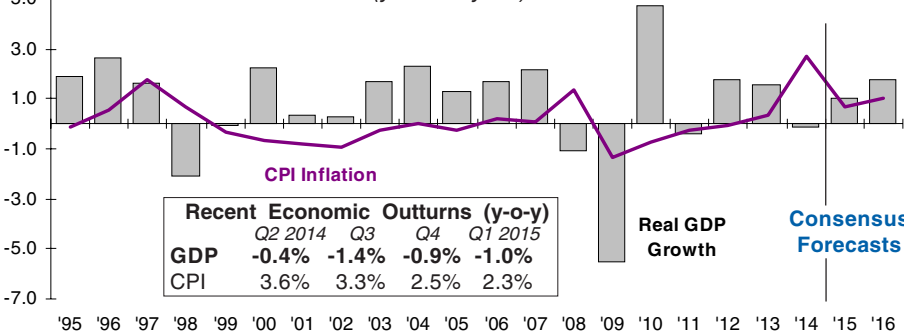
The Purchasing Power Parity (PPP) theory of exchange rates asserts that, over the long term, the trend of an exchange rate is determined by cumulative differences in the inflation rates of the two countries concerned. In the above chart we have estimated a long term PPP trend by relating the real average exchange rate (1995-2014) to indices of producer price inflation in the US and Japan over the same period. The PPP line above represents an approximation of the yen's long run value, and a currency may be considered over- or under-valued if it is more than 10% above or below the PPP estimate. **On June 8, the Japanese yen was UNDERVALUED by 28.5%, compared with its recently estimated PPP of ¥89.6 per US\$.**

JAPANESE Less US Interest Rate Differentials



Jan 95 Jan 97 Jan 99 Jan 01 Jan 03 Jan 05 Jan 07 Jan 09 Jan 11 Jan 13 Jan 15

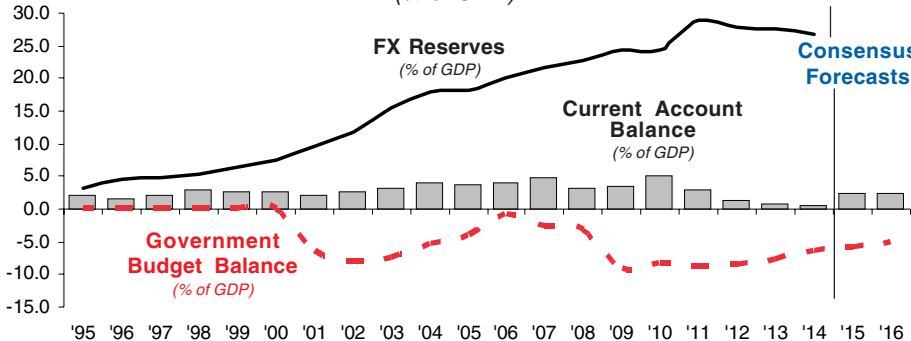
JAPAN: GDP Growth and Inflation
(year-on-year)



Recent Economic Outturns (y-o-y)				
	Q2 2014	Q3	Q4	Q1 2015
GDP	-0.4%	-1.4%	-0.9%	-1.0%
CPI	3.6%	3.3%	2.5%	2.3%

'95 '96 '97 '98 '99 '00 '01 '02 '03 '04 '05 '06 '07 '08 '09 '10 '11 '12 '13 '14 '15 '16

JAPAN: Risk Indicators
(% of GDP)



'95 '96 '97 '98 '99 '00 '01 '02 '03 '04 '05 '06 '07 '08 '09 '10 '11 '12 '13 '14 '15 '16

Yen Stumbles

As expected, the narrow trading range occupied by the yen in the first few months of 2015 proved difficult to sustain. A drop from around ¥120/US\$ to below ¥124 took place in the second half of May, as fresh indicators from the US solidified expectations that the US will raise rates later in 2015. According to Japanese government officials, high volatility in yen is undesirable but its devaluation has not reached levels considered to be excessive. The Bank of Japan declined to comment, but indicated that currencies should move to reflect economic fundamentals. Real GDP rose by an upwardly revised 1.0% (q-o-q) in Q1, much higher than the 0.3% in Q4 2014, but the y-o-y equivalent remained negative due to a surge in consumption prior to the sales tax hike in April 2014. Latest PMI indicators also provided evidence that the recovery is on track, as the index for service sector activity rose to 51.5 in May, from 51.3 in April (any figure above 50 suggest an expansion). A large part of the upturn reflects improvements in exports and recent changes to corporate governance that makes companies more transparent to investors. Inflation, as measured by the CPI, dipped to 0.6% (y-o-y) in April due to statistical base effects and the BoJ does not appear likely to achieve its 2.0% target for the core rate before the end of 2016. Additional monetary stimulus has not been ruled out, which could weigh on the yen. Yet further currency corrections could have a negative effect on Asian FX dynamics. On balance, the consensus is predicting that the yen will be 1.0% below current levels over the next twelve months.

DIRECTION OF TRADE

EXPORTS TO:	2013	% of
	US\$bn	Total
China	134.4	18.8
USA	129.1	18.1
South Korea	56.5	7.9
Hong Kong	37.3	5.2
Thailand	36.0	5.0
Other	321.3	45.0

TOTAL: 714.6 100.0

IMPORTS FROM:	2013	% of
	US\$bn	Total
China	180.8	21.7
USA	71.9	8.6
Australia	51.0	6.1
Saudi Arabia	49.9	6.0
UAE	42.5	5.1
Other	436.3	52.4

TOTAL: 832.3 100.0

SURVEY DATE SPOT RATE (Jun 8, 2015): US\$1 = ¥ 125.3	FORECASTS: YEN PER US\$				
	End Jul.	End Sep.	End Jun.	% change	End Jun.
	2015	2015	2016	from spot	2017
Morgan Stanley	120.3	121.0	122.0	2.7	na
JP Morgan	121.0	124.0	123.0	1.9	na
IHS Economics	121.0	121.7	124.6	0.6	127.4
Allianz	123.0	123.0	125.0	0.2	125.0
Bank of Tokyo Mitsubishi	123.0	124.0	125.0	0.2	na
HSBC	120.0	120.0	125.0	0.2	na
Standard Chartered	na	130.0	125.0	0.2	na
UBS	122.0	127.0	125.0	0.2	130.0
Rabobank	124.5	125.0	126.0	-0.6	128.0
Royal Bank of Canada	125.0	128.0	126.0	-0.6	na
BoA - Merrill Lynch	na	121.0	127.0	-1.3	na
Nomura Securities	123.0	124.0	127.5	-1.7	na
Royal Bank of Scotland	125.0	127.0	128.0	-2.1	na
Commerzbank	120.7	122.0	129.0	-2.9	na
Credit Suisse	126.7	128.5	129.1	-2.9	97.7
BNP Paribas	123.0	125.0	130.0	-3.6	na
Citigroup	na	128.1	130.0	-3.6	129.7
Deutsche Bank Research	121.0	123.0	130.0	-3.6	120.0
Goldman Sachs	122.0	125.0	130.0	-3.6	135.0
ING Financial Markets	122.0	124.0	130.0	-3.6	na
Oxford Economics	121.0	124.6	131.5	-4.7	136.0
ABN Amro	124.0	125.0	135.0	-7.2	na
Other Forecasters (76)	122.7	123.7	126.3	-0.8	125.2
CONSENSUS (Mean)	122.6	123.9	126.5	-1.0	125.2
Jun. Discount/Premium on Spot	2.2	1.1	-1.0		0.1
May Discount/Premium on Spot	-0.8	-1.8	-4.2		-2.4
Apr. Discount/Premium on Spot	-0.8	-1.9	-4.3		-2.7
Jun. High	118.0	118.0	115.0		97.7
Jun. Low	127.9	133.0	136.4		140.0
Jun. Standard Deviation	2.2	2.9	3.8		10.1

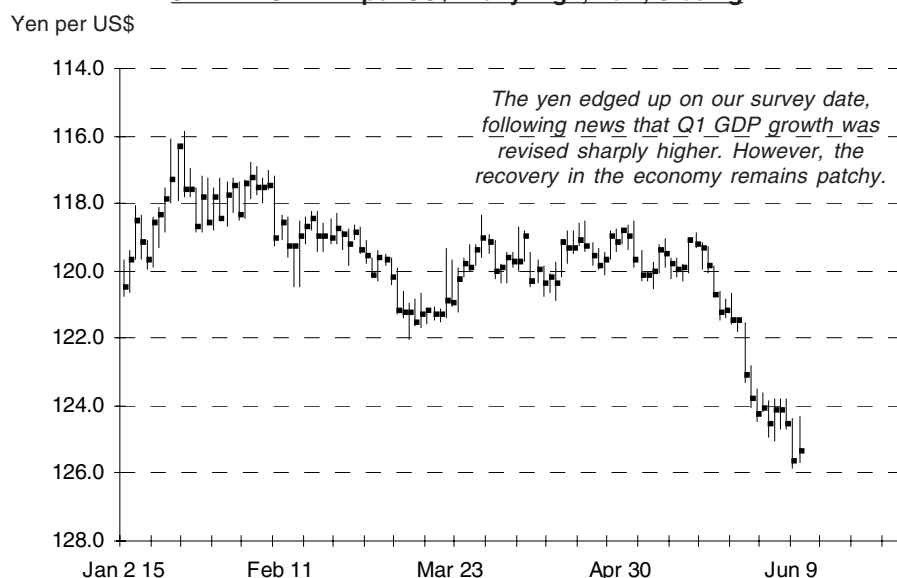
THE CONSENSUS

On the second Monday of every month we ask our panel to forecast spot rates for the yen against the US\$ over a range of time horizons. The *Consensus* is the mean of all the forecasts received, including *Other Forecasters* polled whose names do not appear. FECF then calculates the annual percent change and the discount (-) or premium (+) of the consensus forecast to the survey date spot rate. The quarter and annual average figures shown below are based on a simple straight line interpolation of consensus forecasts.

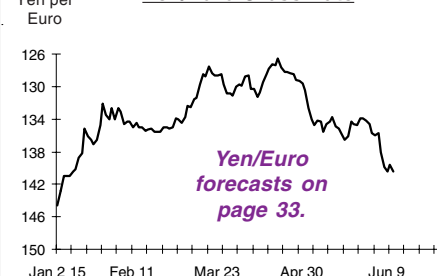
Interpolated Rates

Yen per US\$	Quarter Average	End Quarter
2015 Q2	121.5	124.4
Q3	123.4	123.9
Q4	124.4	124.8
2016 Q1	125.2	125.7
Q2	126.1	126.5
Q3	126.4	126.2
Q4	126.0	125.9
2017 Q1	125.7	125.5
Q2	125.3	125.2

JAPANESE YEN per US\$: Daily High, Low, Closing



Yen/Euro Cross Rate



Economic Indicators and Consensus Forecasts

Nominal GDP (2013): US\$4902.1bn	GDP per Capita: US\$38,566		Consensus Forecasts			
Population (mid-2013): 127.1mn	Corruption Index (ICPI) - 76/100					
	2011	2012	2013	2014	2015	2016
Real GDP, %	-0.4	1.7	1.6	-0.1	1.0	1.7
Consumer Prices, %	-0.3	0.0	0.4	2.7	0.7	1.0
Current Account, US\$bn	128.0	62.4	39.4	25.0	117.6	109.8
Yen/US\$, annual average	79.81	79.79	97.65	105.6	122.1 ¹	125.9 ¹
Short Term Interest Rates ¹	0.3	0.3	0.2	0.2	0.2	0.2
FX Reserves, end yr, US\$bn	1221	1194	1203	1200	na	na

¹ 3 mth yen TIBOR (%), end period. Forecasts for 3 and 12 months from survey date.

Currency Unit: The currency is the yen (¥), which is divided into 100 sen.

Central Bank: The Bank of Japan (BoJ) is responsible for setting monetary policy. Its governor is Mr. Haruhiko Kuroda (appointed 2013).

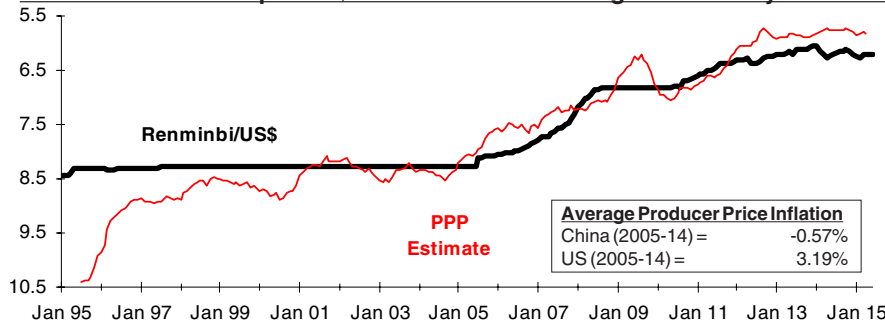
FX Policy: The yen is an independent floating currency, although the BoJ will intervene in consultation with the Ministry of Finance in periods of disorderly market conditions or rapid FX change. The BoJ has an inflation target of 2%.

Trading Markets: The yen is the third largest forex market currency after the US\$ and the euro, with unrestricted trading in spot and forward markets.

Hedging Markets: ¥/US\$ and ¥/euro futures and options on futures traded on the Chicago Mercantile Exchange. ¥/US\$ and ¥/euro options are offered by international commercial banks.

Government: The Liberal Democratic Party of Japan (LDP), led by Mr. Shinzo Abe, retained significant support in the December 2014 snap elections, winning 294 out of the 475 seats. Together with the New Komeito Party (35 seats), it holds a two thirds super majority in the lower house. A majority was also secured in the upper house in July 2013.

Debt ratings: Moody's: A1
Standard & Poor's: AA-

CHINESE RENMINBI per US\$: Actual and Purchasing Power Parity Estimates

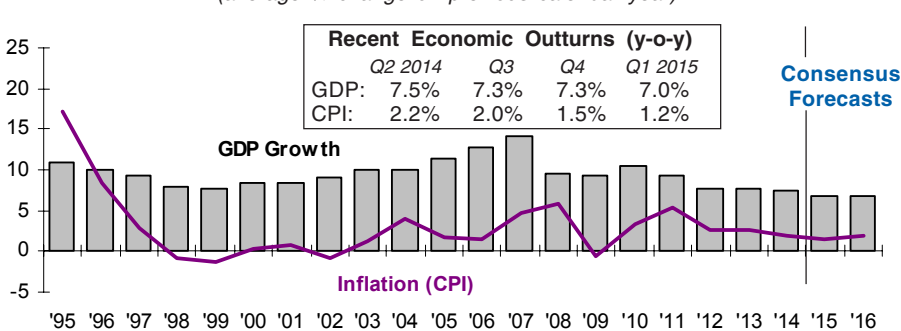
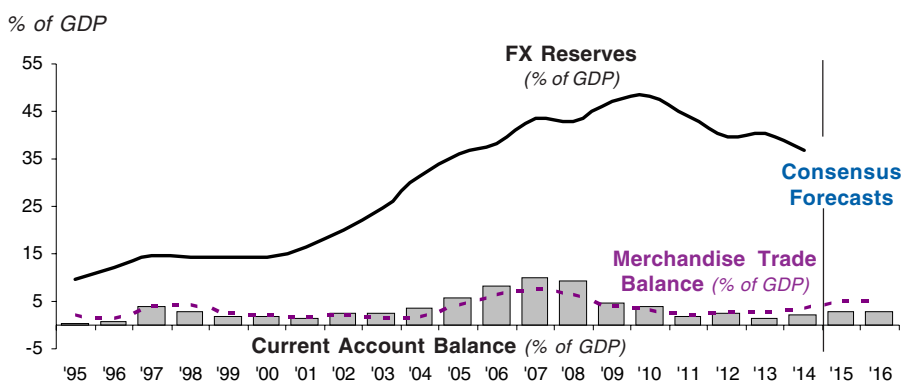
The Purchasing Power Parity (PPP) theory of exchange rates asserts that, over the long term, the trend of an exchange rate is determined by cumulative differences in the inflation rates of the two countries concerned. In the chart above we have estimated a long term PPP trend by relating the average exchange rate (2005-2014) to indices of producer price inflation in the two countries over the same period. The PPP line represents an approximation of the renminbi's long run value, and a currency may be considered over- or under-valued if it is more than 10% above or below the PPP estimate. **On June 8, the Chinese renminbi was 6.1% below its recently estimated PPP of Rmb 5.83 per US\$.**

CHINA: Foreign Exchange Controls

The system of foreign exchange controls is implemented by the State Administration of Foreign Exchange (SAFE). Transactions in foreign exchange must be carried out via the China Foreign Exchange Trading System (CFETS), which links domestic banks and foreign exchange centres. For current account purposes (i.e. trade in goods and services and remittances of interest profits and dividends), these have been gradually liberalised since December 1996, subject to registration, and foreign exchange surrender and other requirements. Those for the capital account have also been loosened since 2013, with various pilot schemes across China to increase the ease of convertibility in banking transactions and allow foreign investors greater access to Chinese capital markets. In the communique of its Third Plenum in 2013, China pledged to move toward full renminbi convertibility, transform the underdeveloped financial system and liberalize cross-border capital flows. SAFE announced in March 2015 (effective June 1) that foreign companies in select Free Trade Zones may now convert RMB to and from foreign currency in the capital account without prior approval.

CHINA: GDP Growth and Inflation

(average % change on previous calendar year)

**CHINA: Current Account, Exports and FX Reserves****Rmb Expansion**

The renminbi has traded in a narrow range in recent months, in contrast to its decline in January-February, when concerns about slower growth led to a spike in capital flight. Currency support re-emerged in March as confidence in the economy stabilised while China reported high trade surpluses despite a weak Japanese yen. In a bid to aid the recovery, Beijing cut its one-year lending rate by another 25bp to 5.1% on May 10, its third rate cut in six months. Low inflation has provided room for additional monetary stimulus, just as planned public spending on infrastructure should offset slowdowns in real estate investment. From a financial standpoint, the recent revival in renminbi sentiment also reflects efforts by China to liberalise its exchange rate and the possibility that the IMF will soon include the Chinese currency to its Special Drawing Rights basket. The latter acknowledges the importance of China in the global economy and would make the renminbi a more attractive investment vehicle. The establishment of the China-led Asian Infrastructure Investment Bank highlights the desire from Beijing to expand its regional influence. Its construction of an artificial island in the South China Sea, though, has escalated territorial tensions, which could put a strain on economic relations. Some observers warn of a focus on the renminbi internationalisation and the need for reforms to reduce central government debt and promote sustainable growth. In all, the consensus is predicting that the renminbi, which is no longer considered undervalued by the IMF, will be near current levels in twelve months time.

DIRECTION OF TRADE

EXPORTS TO:	2013 US\$bn	% of Total
Hong Kong	384.9	17.4
USA	369.0	16.7
Japan	149.9	6.8
South Korea	91.2	4.1
Germany	67.3	3.0
Other	1147.3	51.9
TOTAL:	2209.6	100.0

IMPORTS FROM:	2013 US\$bn	% of Total
South Korea	182.9	9.4
Japan	162.2	8.3
USA	147.0	7.5
Germany	94.1	4.8
Australia	91.6	4.7
Other	1272.6	65.2
TOTAL:	1950.4	100.0

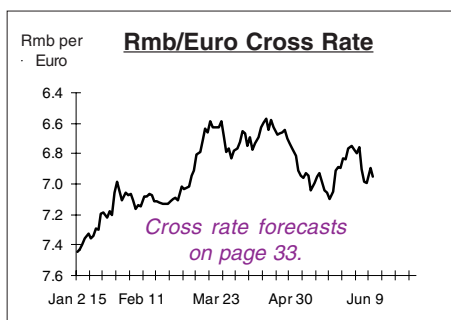
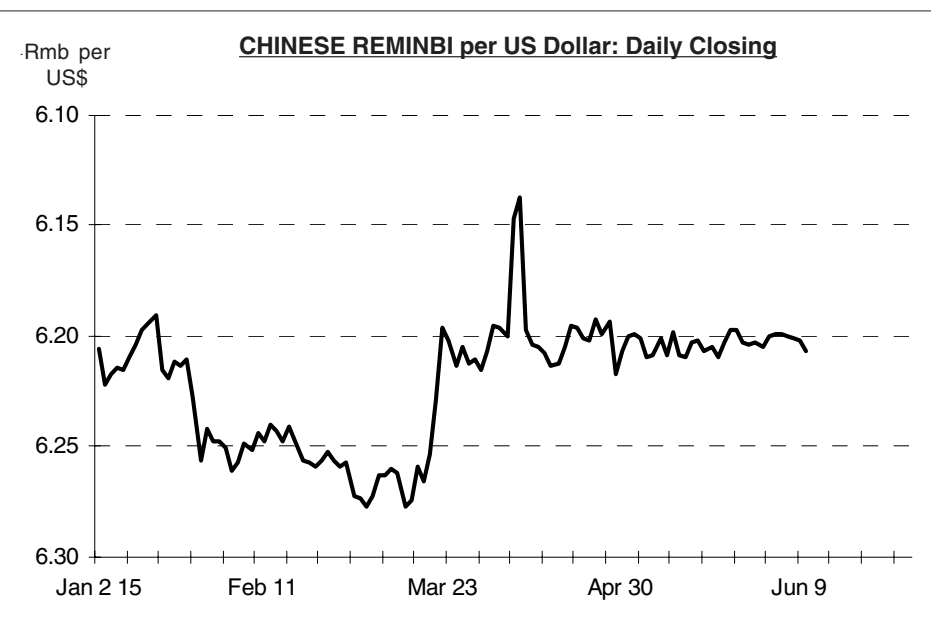
SURVEY DATE SPOT RATE (Jun. 8, 2015) 1 US\$ = Rmb 6.206	FORECAST: CHINESE RENMINBI PER US DOLLAR				
	End Jul.	End Sep	End Jun.	% change	End Jun.
	2015	2015	2016	from spot	2017
Bank of Nova Scotia	6.155	6.133	6.050	2.6	na
Bank of Tokyo Mitsubishi	6.150	6.120	6.080	2.1	na
Morgan Stanley	6.127	6.120	6.090	1.9	na
Goldman Sachs	na	6.150	6.150	0.9	na
ING Financial Markets	6.195	6.190	6.150	0.9	6.150
Nomura Securities	6.150	6.170	6.160	0.7	na
Standard Chartered	na	6.210	6.170	0.6	na
Bank of China (HK)	6.210	6.200	6.180	0.4	6.210
Societe Generale	6.215	6.230	6.190	0.3	na
ANZ Bank	6.217	6.211	6.193	0.2	na
Citigroup	na	6.218	6.263	-0.9	6.295
HSBC	6.230	6.240	6.300	-1.5	na
UBS	6.200	6.200	6.350	-2.3	6.400
Rabobank	6.230	6.240	6.400	-3.0	6.550
Oxford Economics	6.204	6.260	6.412	-3.2	6.325
IHS Economics	6.278	6.334	6.534	-5.0	6.549
Other Forecasters (11)	6.237	6.250	6.230	-0.4	6.217
CONSENSUS (Mean)	6.215	6.221	6.233	-0.4	6.304
Jun. Discount/Premium on Spot	-0.1	-0.2	-0.4		-1.5
May Discount/Premium on Spot	-0.2	-0.4	-0.8		-0.5
Apr. Discount/Premium on Spot	-0.1	-0.4	-0.6		-0.2
Jun. High	6.127	6.120	6.050		5.960
Jun. Low	6.307	6.380	6.534		6.550
Jun. Standard Deviation	0.047	0.066	0.125		0.181

THE CONSENSUS

On the second Monday of every month we ask our panel to forecast spot rates for the Chinese renminbi against the US dollar over a range of time horizons. The *Consensus* is the mean of all the forecasts received, including *Other Forecasters* polled whose names do not appear. FECF then calculates the annual percent change and the discount (-) or premium (+) of this month's consensus forecast to the survey date spot rate. The interpolated quarter and annual average figures shown below are based on a simple straight line interpolation of consensus forecasts.

Interpolated Rates

Renminbi per US Dollar		
	Quarter Average	End Quarter
2015 Q2	6.202	6.209
Q3	6.216	6.221
Q4	6.223	6.225
2016 Q1	6.227	6.229
Q2	6.231	6.233
Q3	6.241	6.250
Q4	6.259	6.268
2017 Q1	6.277	6.286
Q2	6.295	6.304



Economic Indicators and Consensus Forecasts

Nominal GDP (2013): US\$9540.2bn	GDP per Capita: US\$6,885		Consensus Forecasts			
Population (mid-2013): 1.4bn	Corruption Index (ICPI) - 36/100					
	2011	2012	2013	2014	2015	2016
Real GDP, %	9.3	7.7	7.7	7.4	6.9	6.7
Consumer Prices, %	5.4	2.6	2.6	2.0	1.4	1.9
Current Account, US\$bn	136.1	305.4	148.2	230.8	326.1	327.0
Rmb/US\$, annual average	6.461	6.312	6.194	6.143	6.220	6.240
Short Term Interest Rates ¹	6.6	6.0	6.0	5.6	4.9	4.6
FX Reserves, end yr, US\$bn	3203	3331	3840	3843	na	na

¹ One-year base lending rate for working capital (%), end period. Forecasts for 3 and 12 months from survey date.

Currency Unit: The currency is the renminbi (Rmb), also known as the yuan.

Central Bank: The Peoples Bank of China is governed by Mr. Zhou Xiaochuan.

Currency Linkages: Technically a managed float, but with exchange controls on capital transactions and frequent intervention. The rate is determined in the interbank market, and is theoretically subject to a limit of +/-2.0% on daily movements against the US\$ (widened from +/-1.0% in March 2014).

Trading Markets: All forex transactions take place through the national interbank trading system, which is linked to the 25 trading centres in major cities.

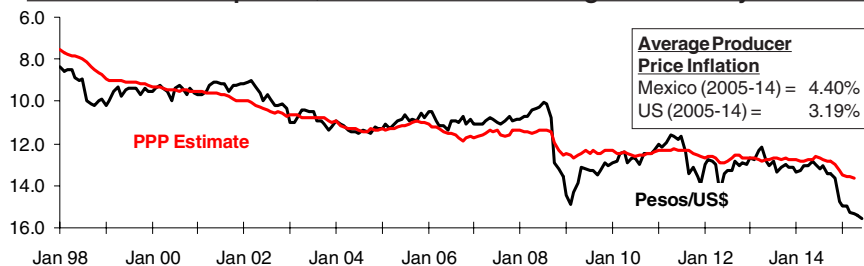
Hedging Markets: Non-deliverable forwards (NDFs) are available for maturities of up to one year. However, the market is illiquid and NDFs can only be quoted outside mainland China.

Government: The president and leader of the communist party is Mr. Xi Jinping. The premier is Mr. Li Keqiang. The Communist Party of China is the ruling political party, a position guaranteed by the country's constitution.

Exchange Controls: See box on page 8.

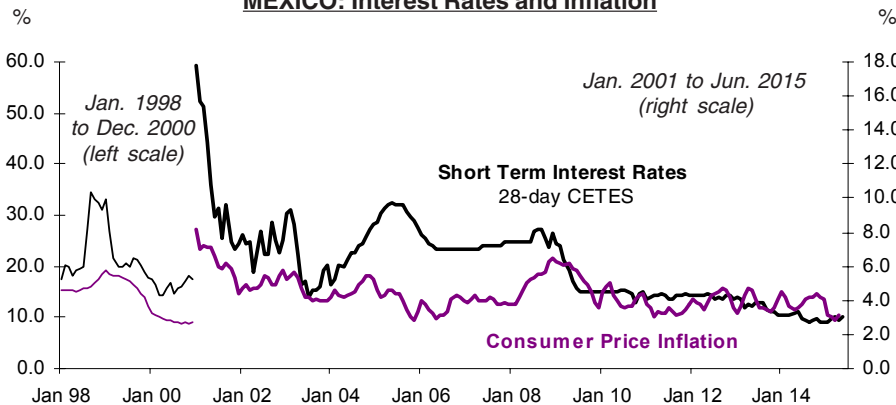
Debt Ratings: Moody's: Aa3
Standard & Poor's: AA-

MEXICAN PESOS per US\$: Actual and Purchasing Power Parity Estimates



The Purchasing Power Parity (PPP) theory asserts that, over the long-term, the trend of an exchange rate is determined by cumulative differences in the inflation rates of the two countries concerned. In the chart on the right we have estimated a long-term PPP trend by relating the average exchange rate (2004-2013) to indices of producer price inflation in the two countries over the same period. The PPP line represents an approximation of the Mexican peso's long run value, and a currency may be considered over- or under-valued if it is more than 10% above or below the PPP estimate. **On June 8, the peso was UNDERVALUED by 12.8%, compared with its recently estimated PPP of Ps13.68/US\$.**

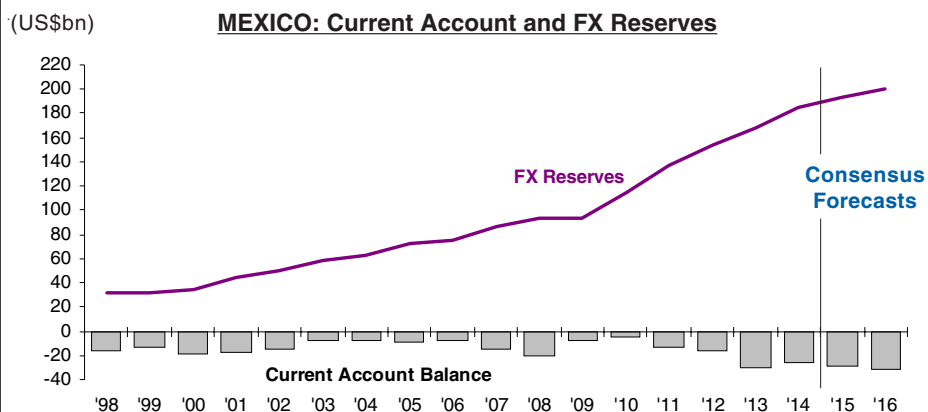
MEXICO: Interest Rates and Inflation



MEXICO: GDP Growth & Inflation (year-on-year)



MEXICO: Current Account and FX Reserves



Peso Under Pressure

The peso has drifted lower in recent weeks amid uncertainty surrounding legislative elections and lacklustre economic data, both domestically and in the US. Mexicans went to the polls on June 7 to elect 500 deputies in the lower house of congress. However, the vote was largely overshadowed by a sense of apathy towards the political system, as reflected in a turnout of less than 50%. A series of corruption scandals over the past year, including the abduction and killing of forty-three students in the Southern city of Iguala, has rocked the country and weighed on foreign investment. In addition to the political crisis, the peso has been hit by sluggish economic activity and an expected rise in interest rates north of the border. The Bank of Mexico last month hinted that it will likely hold rates as they are until the US Federal Reserve begins to normalise monetary policy. Real GDP advanced by a relatively modest 2.5% (y-o-y) in Q1, supported mainly by consumer spending. Prospects for the economy will depend largely on the recovery in the US, the destination for around 80% of Mexican exports. According to the IGAE economic indicator, economic output shrank in March, just as industrial production expanded by only 1.7% (y-o-y) in the same month. The central bank had earlier suggested that it could raise rates should currency weakness stoke inflationary pressures. However, inflation eased by more than expected to just above its 3% target level in April. On balance, the consensus is predicting that the peso will appreciate 4.5% over the next year.

DIRECTION OF TRADE

	2013	% of
EXPORTS TO:	US\$bn	Total
USA	299.5	78.8
Canada	10.5	2.7
Spain	7.2	1.9
China	6.5	1.7
Germany	3.8	1.0
Other	52.7	13.9
TOTAL:	380.2	100.0
IMPORTS FROM:		
USA	206.0	49.1
China	67.5	16.1
Japan	18.8	4.5
South Korea	14.9	3.5
Germany	14.8	3.5
Other	97.4	23.2
TOTAL:	419.3	100.0

SURVEY DATE SPOT RATE (Jun. 8, 2015)
US\$1 = Ps 15.69

FORECAST: MEXICAN PESOS PER US\$

	End Jul. 2015	End Sep. 2015	End Jun. 2016	% change from spot	End Jun. 2017
IHS Economics	14.70	14.60	14.22	10.3	13.43
JP Morgan	15.35	15.60	14.70	6.7	na
Oxford Economics	15.25	15.15	14.70	6.7	14.51
Standard Chartered	na	15.50	14.75	6.4	na
UBS	15.15	15.50	15.00	4.6	14.70
Bank of Nova Scotia	15.49	15.67	15.10	3.9	na
Citigroup	na	15.46	15.17	3.4	14.45
HSBC	15.03	15.10	15.20	3.2	na
Morgan Stanley	15.50	15.70	16.40	-4.3	na
CONSENSUS (Mean)	15.21	15.36	15.02	4.5	14.26
Jun. Discount/Premium on Spot	3.2	2.1	4.5		10.0
May Discount/Premium on Spot	-0.2	-0.2	1.8		6.1
Apr. Discount/Premium on Spot	1.5	0.7	3.6		8.6
Jun. High	14.70	14.60	14.22		13.43
Jun. Low	15.50	15.70	16.40		14.70
Jun. Standard Deviation	0.283	0.356	0.600		0.573

THE CONSENSUS

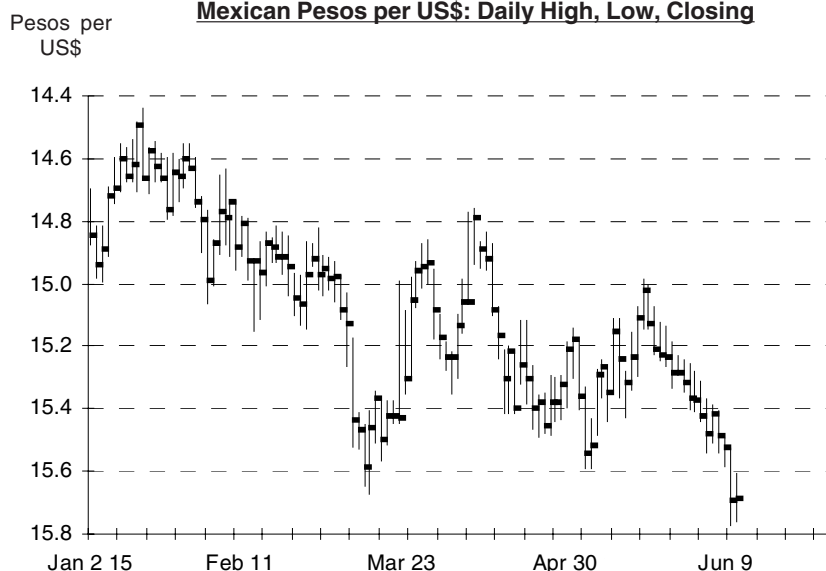
On the second Monday of every month we ask our panel to forecast spot rates for the Mexican peso against the US\$ over a range of time horizons. The *Consensus* is the mean of all the forecasts received. FECF then calculates the annual percent change and the discount (-) or premium (+) of this month's consensus forecast to the survey date spot rate. The quarter and annual average figures shown below are based on a simple straight line interpolation of consensus forecasts.

Interpolated Rates

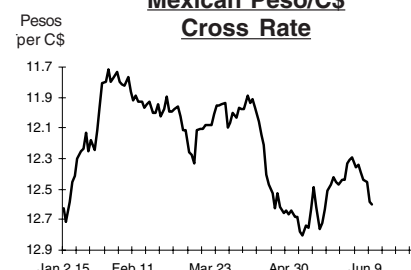
Pesos per US\$

	Quarter Average	End Quarter
2015 Q2	15.32	15.53
Q3	15.31	15.36
Q4	15.30	15.25
2016 Q1	15.19	15.13
Q2	15.07	15.02
Q3	14.92	14.83
Q4	14.73	14.64
2017 Q1	14.55	14.45
Q2	14.36	14.26

Mexican Pesos per US\$: Daily High, Low, Closing



Mexican Peso/C\$ Cross Rate



Economic Indicators and Consensus Forecasts

	2011	2012	2013	2014	2015	2016
Nominal GDP (2013): US\$1261.8bn						
GDP per Capita: US\$10,315						
Population (mid-2013): 122.3mn						
Corruption Index (ICPI) - 35/100						
Real GDP, %	4.0	4.0	1.4	2.1	2.8	3.3
Consumer Prices, Dec/Dec, %	3.8	3.6	4.0	4.1	3.0	3.4
Current Account, US\$bn	-13.3	-15.9	-30.4	-26.5	-28.6	-30.9
Pesos/US\$, annual avge.	12.42	13.17	12.77	13.30	15.22	14.98
Short Term Interest Rates¹	4.3	4.0	3.2	2.7	3.1	3.8
FX Reserves, end yr, US\$bn	137.5	153.5	168.6	185.2	193.6	199.8

¹ 28-day CETES (%), end period. Forecasts for approximately 3 and 12 months from survey date.

Currency Unit: The Mexican nuevo peso (Ps) was introduced in January 1993 and was equal to 1000 old pesos. 1 peso = 100 centavos.

Central Bank: The Banco de Mexico is governed by Mr. Agustin Carstens.

Currency Linkages: Since the December 1994 devaluation, the government has adopted a floating exchange rate system.

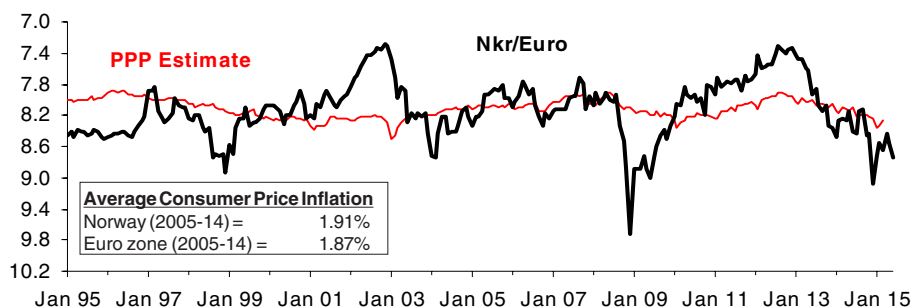
Hedging Markets: Options on Mexican peso futures available on the Chicago Mercantile Exchange.

Government: Mr. Enrique Pena Nieto (PRI) was elected for a six-year term in July 2012. Based on preliminary results from the June 7, 2015 parliamentary elections, the Institutional Revolutionary Party (PRI) is on course to retain a slim majority with its allies in the Green Party and the smaller New Alliance Party in the Chamber of Deputies (lower house). Next elections by 2018 (presidential and parliamentary).

Exchange Controls: Controls on exchange transactions were abolished in November 1991.

Debt Ratings : Moody's: A3
Standard and Poor's: BBB+

NORWEGIAN KRONE per Euro: Actual and Purchasing Power Parity Estimates

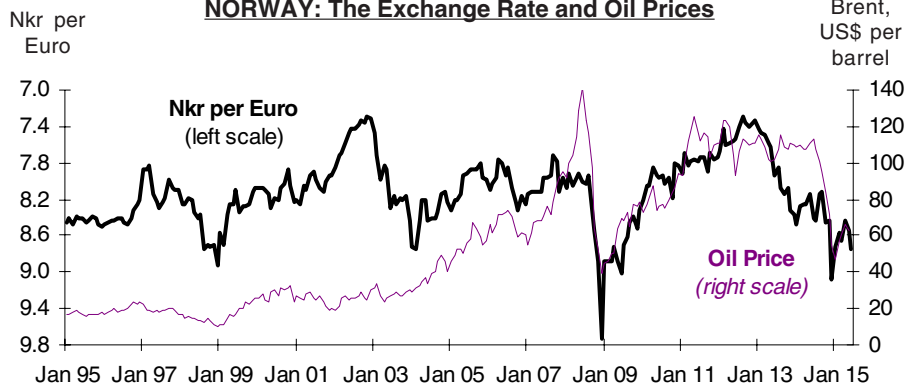


The Purchasing Power Parity (PPP) theory of exchange rates asserts that, over the long term, the trend of an exchange rate is determined by cumulative differences in the national inflation rates of the two countries concerned. In the above chart we have estimated a long term PPP trend by relating the average exchange rate (2005-2014) to indices of consumer price inflation in Norway and the euro zone over the same period. The PPP line above represents an approximation of the krone's correct long run valuation, and a currency may be considered over- or under-valued if it is more than 10% above or below the PPP estimate. **On June 8, the Norwegian krone was 6.6% below its recently estimated PPP of Nkr 8.27 per euro.**

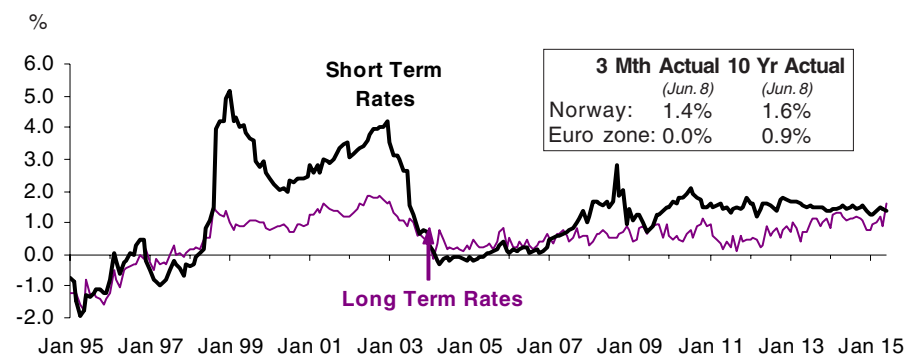
Possible Rate Cut

The krone slumped in the run-up to our survey date as a raft of disappointing economic data added to speculation that Norges bank, the central bank, may cut rates from the current record low of 1.25% at its next meeting on June 18. Resilient consumer spending in Q1 managed to dampen the negative impact of a slump in prices for its main export crude oil. However, latest indicators on manufacturing and credit growth hint at a notable slowdown in Q2. Brent has rebounded from a January 2015 low of around US\$45 per barrel, but the rout on jobs in the nation's energy sector continues to send ripples through the economy. The unemployment rate stood at a ten-year high of 4.1% over the three months February-April. The PMI for manufacturing plummeted to a two-year low of 46.6 in May (well below the expansionary threshold of 50), weighed down by weakness in new domestic orders and softer investment in the sector. Moreover, strong credit growth, cited by the central bank as one of the main reasons for not cutting rates last month, cooled in April, according to approximations of domestic debt. With regards to inflation, the Consumer Price Index rose 2.0% (y-o-y) in April, unchanged from March. The consensus for 2015 and 2016 inflation was 1.9% and 2.0%, respectively, this month. Together with monetary policy, prospects for the currency hinge largely on trends in the price of oil (second chart, left). Mainland Norwegian GDP growth is forecast to moderate to 1.4% in 2015. On balance, our panel predicts a 6.0% rebound in the krone over the next twelve months.

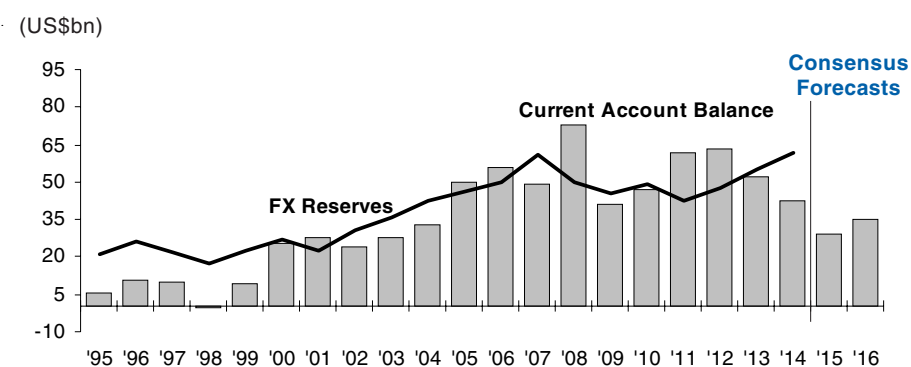
NORWAY: The Exchange Rate and Oil Prices



NORWEGIAN Less Euro Zone Interest Rate Differentials



NORWAY: Current Account and Foreign Exchange Reserves



DIRECTION OF TRADE

	2013	% of
<u>EXPORTS TO:</u>	<u>US\$bn</u>	<u>Total</u>
United Kingdom	37.5	24.5
Netherlands	20.0	13.1
Germany	19.8	12.9
France	10.1	6.6
Sweden	8.9	5.8
Other	57.0	37.2
TOTAL:	153.3	100.0
<u>IMPORTS FROM:</u>		
Sweden	12.0	13.3
Germany	11.1	12.4
China	8.2	9.1
Denmark	5.4	6.0
USA	5.3	5.9
Other	48.0	53.3
TOTAL:	90.1	100.0

SURVEY DATE SPOT RATE (Jun. 8, 2015): Euro 1 = Nkr 8.850	FORECAST: NORWEGIAN KRONE PER EURO				
	End Jul. 2015	End Sep. 2015	End Jun. 2016	% change from spot	End Jun. 2017
ABN Amro	8.250	8.250	7.750	14.2	na
ING Financial Markets	8.350	8.350	8.000	10.6	na
BoA - Merrill Lynch	na	8.400	8.100	9.3	na
Commerzbank	8.400	8.400	8.100	9.3	na
Nordea Markets	na	8.500	8.150	8.6	8.000
Nomura Securities	8.270	8.200	8.200	7.9	na
IHS Economics	8.298	8.285	8.235	7.5	8.180
Bank of Tokyo Mitsubishi	8.600	8.500	8.250	7.3	na
Rabobank	8.600	8.400	8.250	7.3	8.100
Goldman Sachs	8.500	8.400	8.300	6.6	7.700
JP Morgan	8.450	8.400	8.300	6.6	na
Swedbank	8.400	8.300	8.300	6.6	8.300
Credit Suisse	8.707	8.679	8.365	5.8	7.854
BNP Paribas	8.730	8.600	8.400	5.4	na
HSBC	8.570	8.500	8.400	5.4	na
Royal Bank of Canada	8.670	8.600	8.400	5.4	na
Royal Bank of Scotland	8.400	8.600	8.400	5.4	na
UBS	8.300	8.150	8.500	4.1	8.250
Oxford Economics	8.600	8.487	8.589	3.0	8.352
Citigroup	na	8.786	8.684	1.9	8.190
Morgan Stanley	9.070	9.200	8.900	-0.6	na
Other Forecasters (9)	8.507	8.455	8.412	5.2	8.249
CONSENSUS (Mean)	8.511	8.472	8.348	6.0	8.173
Jun. Discount/Premium on Spot	4.0	4.5	6.0		8.3
May Discount/Premium on Spot	-0.9	-0.4	1.2		3.7
Apr. Discount/Premium on Spot	-1.5	-0.6	2.1		4.8
Jun. High	8.250	8.150	7.750		7.700
Jun. Low	9.070	9.200	8.900		8.400
Jun. Standard Deviation	0.190	0.217	0.229		0.192

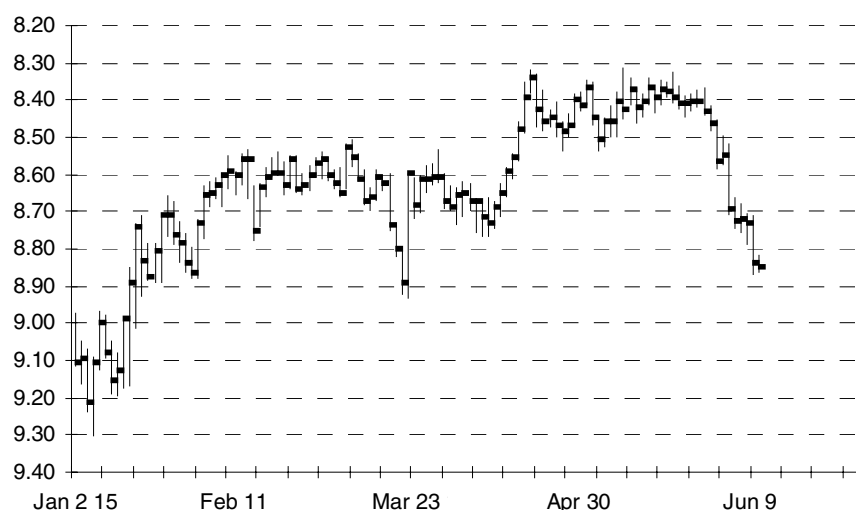
THE CONSENSUS

On the second Monday of every month we ask our panel to forecast spot rates for the Norwegian krone against the Euro over a range of time horizons. The *Consensus* is the mean of all the forecasts received, including *Other Forecasters* polled whose names do not appear. FECF then calculates the annual percent change and the discount (-) or premium (+) of this month's consensus forecast to the survey date spot rate. The interpolated quarter and annual average figures shown below are based on a simple straight line interpolation of consensus forecasts.

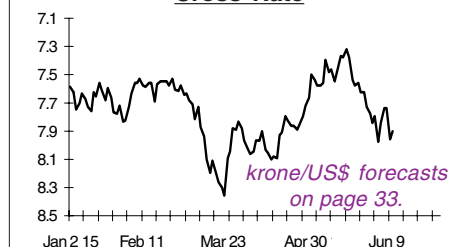
Interpolated Rates Krone per Euro

	Quarter Average	End Quarter
2015 Q2	8.531	8.737
Q3	8.536	8.472
Q4	8.452	8.431
2016 Q1	8.410	8.390
Q2	8.369	8.348
Q3	8.327	8.305
Q4	8.283	8.261
2017 Q1	8.239	8.217
Q2	8.195	8.173

Nkr per Euro **Norwegian Krone per Euro: Daily, High, Low, Closing**



Nkr per US\$ **Norwegian Krone/US\$ Cross Rate**



Currency Unit: The currency unit is the Norwegian krone (Nkr), which is divided into 100 øere.

Central Bank: The central bank is the Norges Bank. The governor is Mr. Øystein Olsen. Although the bank administers monetary and exchange rate policy, its policy guidelines are set by the government. The government has obliged the central bank to stabilise core inflation (consumer price inflation less taxes and energy costs) at around 2.5% in y-o-y terms.

Currency Linkages: The krone is independently floating, with the exchange rate broadly determined on the basis of supply and demand in the foreign exchange market.

Trading Markets: The Norwegian krone is traded on principal European markets.

Government: Parliamentary elections were held in September 2013. The leader of the centre-right Conservative Party Ms. Erna Solberg has formed a coalition government with the populist Progress Party. Next elections in 2017.

Exchange Controls: There are a few remaining restrictions and duties on trade in some goods, but no significant exchange controls.

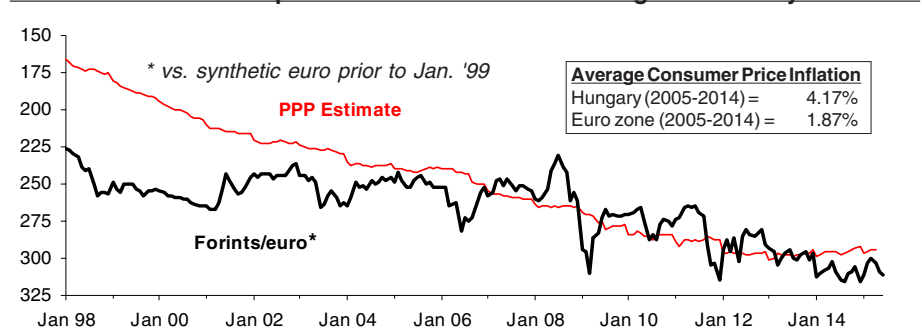
Debt Rating: Moody's: Aaa
Standard & Poor's: AAA

Economic Indicators and Consensus Forecasts

Nominal GDP (2013):	US\$512.6bn	GDP per Capita:	US\$101,702	Consensus Forecasts					
Population (mid-2013):	5.0mn	Corruption Index (ICPI) -	86/100						
				2011	2012	2013	2014	2015	2016
Real GDP, mainland, %	1.9	3.5	2.3	2.2	1.4	1.9			
Consumer Prices, %	1.2	0.8	2.1	2.0	1.9	2.0			
Current Account, US\$bn	61.5	63.3	52.4	42.3	29.3	33.9			
Nkr/Euro, annual aveg.	7.793	7.481	7.799	8.377	8.558	8.347			
Short Term Interest Rates ¹	2.9	1.8	1.7	1.5	1.2	1.1			
FX Reserves, end yr, US\$bn	42.5	48.0	54.8	61.4	na	na			

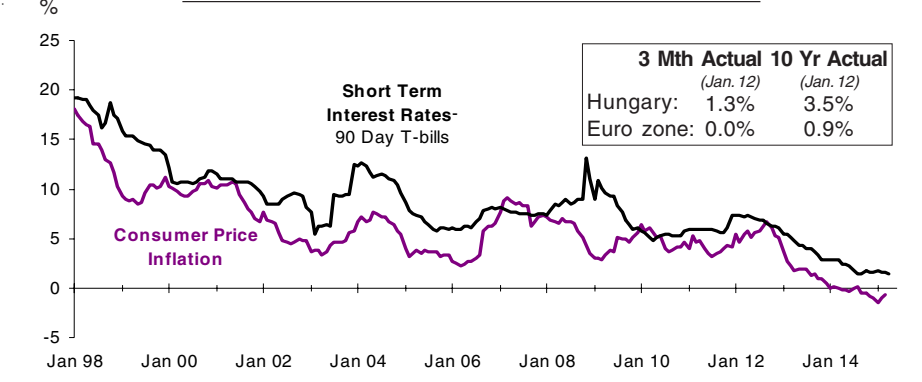
¹ 3 mth Euro-krone deposits (%), end period. Forecasts for 3 and 12 months from survey date.

HUNGARIAN FORINTS per Euro: Actual and Purchasing Power Parity Estimates

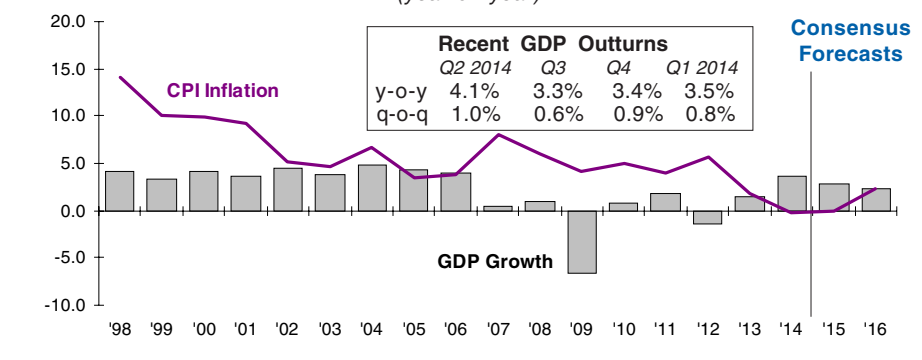


The Purchasing Power Parity (PPP) theory asserts that, over the long-term, the trend of an exchange rate is determined by cumulative differences in the inflation rates of the two countries concerned. In the above chart we have estimated a long-term PPP trend by relating the average exchange rate (2005-2014) to indices of consumer price inflation in Hungary and the euro zone over the same period. The PPP line above represents an approximation of the forint's long-run value, and a currency may be considered over- or under-valued if it is more than 10% above or below the PPP estimate. **On June 8, the Hungarian forint was 7.0% below its recently estimated PPP of Hft 292 per euro.**

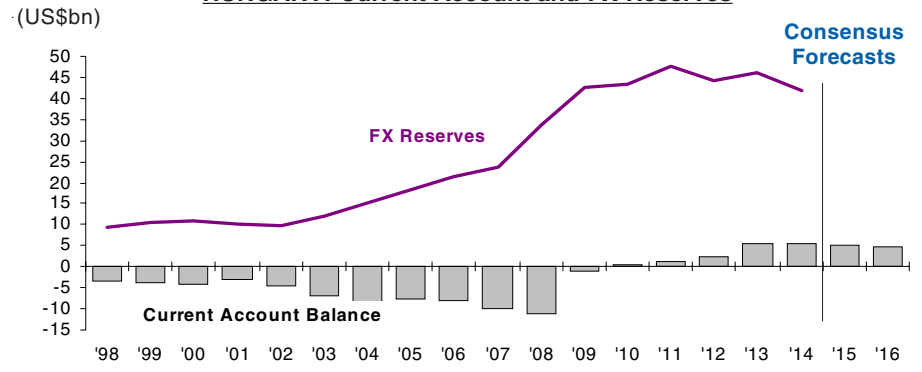
HUNGARY: Short Term Interest Rates and Inflation



HUNGARY: GDP Growth and Inflation
(year-on-year)



HUNGARY: Current Account and FX Reserves



Policy Change

The forint has reversed a large portion of the gains it made in the first four months of 2015, after the National Bank (NBH) cut interest rates and announced a shift in its policy framework that could result in looser monetary conditions. With an eye on the inflation outlook (consumer price increases are forecast to remain negative for a second successive year in 2015), the NBH reduced rates to 1.65% from 1.8% on May 26, the third 15bp cut in as many months. In addition, from September 23, the bank will replace its benchmark two-week rate with a new three-month deposit rate. Two-week deposits at the NBH currently stand at almost US\$20bn, but are set to be capped at less than US\$4bn by year-end. It is hoped that these changes will encourage retail banks to buy more government debt and reduce the country's reliance on external financing, a risk that has undermined its efforts to secure an investment-grade credit rating. Looking at growth fundamentals, Hungary's economy maintained its momentum in Q1 as gains in manufacturing and services helped fuel a 3.5% (y-o-y) expansion, while early Q2 indicators point to a resilient performance. The PMI for manufacturing climbed further into expansionary territory in May (i.e. above 50), while industrial production and retail sales advanced by 6.3% (y-o-y) and 5.3%, respectively, in April. With further rate cuts over the coming months a possibility and September's changes to monetary policy expected to increase liquidity, our panel expects only a mild appreciation in the forint over the next year.

DIRECTION OF TRADE

EXPORTS TO:	2013	% of
	US\$bns	Total
Germany	28.1	26.7
Romania	6.1	5.8
Austria	6.0	5.7
Slovakia	5.7	5.4
Italy	5.2	4.9
Other	54.0	51.3
TOTAL:	105.2	100.0
IMPORTS FROM:		
Germany	25.1	25.5
Russia	8.4	8.6
Austria	6.7	6.8
China	6.6	6.7
Slovakia	5.7	5.8
Other	45.6	46.5
TOTAL:	98.2	100.0

**SURVEY DATE SPOT
RATE (Jun. 8, 2015):
Euro 1 = Hft 314.2**

FORECASTS: HUNGARIAN FORINTS PER EURO

	End Jul. 2015	End Sep. 2015	End Jun. 2016	% change from spot	End Jun. 2017
BoA - Merrill Lynch	305.0	300.0	295.0	6.5	na
Morgan Stanley	300.7	302.0	295.0	6.5	na
Oxford Economics	303.5	305.0	300.7	4.5	294.7
HSBC	305.0	305.0	305.0	3.0	na
JP Morgan	297.0	300.0	310.0	1.4	na
Commerzbank	306.7	310.0	315.0	-0.3	na
Vienna Institute - WIW	310.0	310.0	315.0	-0.3	315.0
IHS Economics	309.0	311.8	317.3	-1.0	322.2
Citigroup	na	316.8	320.0	-1.8	320.2
Raiffeisen Research	310.0	310.0	320.0	-1.8	330.0
Credit Suisse	317.2	321.2	325.7	-3.5	na

CONSENSUS (Mean) 306.4 308.3 310.6 1.2 316.2

Jun. Discount/Premium on Spot	2.6	1.9	1.2	-0.6
May Discount/Premium on Spot	0.3	-0.6	-1.6	-2.7
Apr. Discount/Premium on Spot	-2.0	-3.7	-4.5	-5.0
Jun. High	297.0	300.0	295.0	294.7
Jun. Low	317.2	321.2	325.7	330.0
Jun. Standard Deviation	5.6	6.8	10.5	13.3

THE CONSENSUS

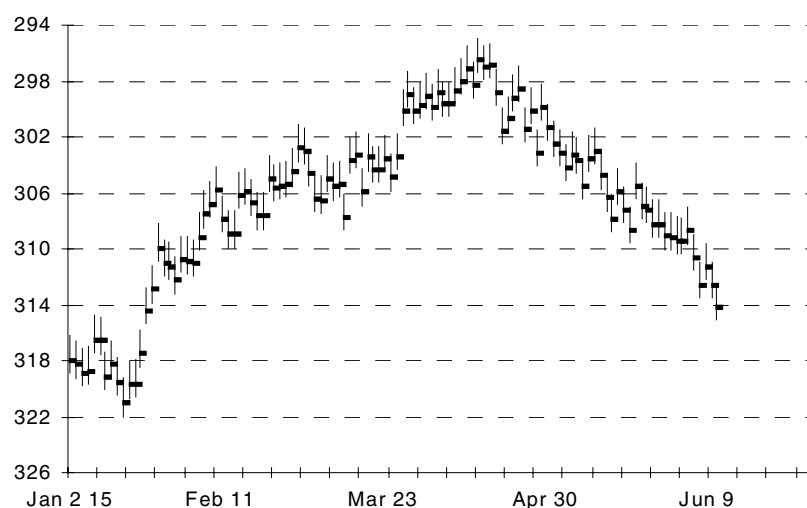
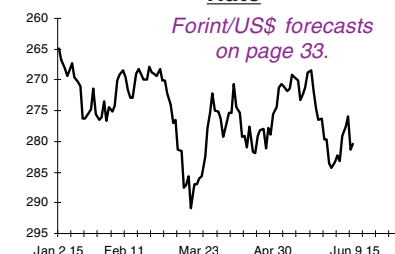
On the second Monday of every month we ask our panel to forecast spot rates for the Hungarian forint against the euro over a range of time horizons. The *Consensus* is the mean of all the forecasts received. FECF then calculates the annual percent change and the discount (-) or premium (+) of this month's consensus forecast to the survey date spot rate. The interpolated quarter and annual average figures shown below are based on a simple straight line interpolation of consensus forecasts.

Interpolated Rates**Forints per Euro**

	Quarter Average	End Quarter
2015 Q2	305.5	311.6
Q3	307.9	308.3
Q4	308.7	309.1
2016 Q1	309.5	309.8
Q2	310.2	310.6
Q3	311.3	312.0
Q4	312.7	313.4
2017 Q1	314.1	314.8
Q2	315.5	316.2

HUNGARIAN FORINTS per Euro: Daily, High, Low, Closing

Hft per Euro

**Forint /US\$ Cross Rate**

Currency unit: The Hungarian forint is divided into 100 filler.

Central Bank: The state-owned National Bank of Hungary is responsible for implementing monetary policy. The governor is Dr. György Matolcsy.

Currency Linkages: In February 2008, the horizontal ERM-2 like trading range arrangement was abandoned in favour of a independent float. Medium term inflation target of 3.0%.

Trading and Hedging Markets: Hft/US\$ and Hft/euro futures and options on futures on the Chicago Mercantile Exchange (CME).

Government: The president is Mr. Janos Ader. Mr. Viktor Orban is the prime minister, whose Fidesz party won 133 of the 199 seats available at elections held in April 2014. Next parliamentary elections; April 2018, presidential elections are due in 2017.

Debt Ratings: Moody's: Ba1
Standard & Poor's: BB+

Economic Indicators and Consensus Forecasts

	2011	2012	2013	2014	2015 Consensus Forecasts	2016
Nominal GDP (2013): US\$130.0bn	GDP per Capita: US\$13,064					
Population (mid-2013): 10.0mn	Corruption Index (ICPI) - 54/100					
Real GDP, %	1.8	-1.5	1.5	3.6	2.8	2.4
Consumer Prices, %	4.0	5.7	1.7	-0.2	-0.1	2.3
Current Account, US\$bn	1.1	2.3	5.4	5.7	5.3	4.8
Forints/Euro, annual average	279.5	289.5	297.2	309.1	307.7	310.9
Short Term Interest Rates ¹	7.4	5.5	2.9	1.5	1.6	1.9
FX Reserves, end yr, US\$bn	47.7	44.0	46.3	41.8	na	na

¹ 90 day T-bills (%), end period. Forecasts for approx. 3 and 12 months from survey date.

Forecasts for the currencies shown on the next several pages were provided by the following leading forecasters:

<i>ABN AMRO</i>	<i>Allianz</i>	<i>ANZ Bank</i>
<i>AXA Investment Managers</i>	<i>BoA - Merrill Lynch</i>	<i>Bank of Nova Scotia</i>
<i>Bank of Tokyo Mitsubishi</i>	<i>Bank Julius Baer</i>	<i>Bank Vontobel</i>
<i>BNP Paribas</i>	<i>Barclays Capital</i>	<i>BBVA</i>
<i>Capital Economics</i>	<i>Citigroup</i>	<i>Commerzbank</i>
<i>Credit Agricole CIB</i>	<i>Credit Suisse</i>	<i>Deutsche Bank Research</i>
<i>ECOSA</i>	<i>Erste Bank</i>	<i>Feri EuroRating</i>
<i>Goldman Sachs</i>	<i>HSBC</i>	<i>IHS Economics</i>
<i>ING Financial Markets</i>	<i>JP Morgan</i>	<i>Macquarie Bank</i>
<i>Moody's Analytics</i>	<i>Morgan Stanley</i>	<i>Nedbank Economics</i>
<i>Nomura Securities</i>	<i>Oxford Economics</i>	<i>Rabobank</i>
<i>Raiffeisen Research</i>	<i>Rand Merchant Bank</i>	<i>Royal Bank of Canada</i>
<i>Royal Bank of Scotland</i>	<i>Santander</i>	<i>Societe Generale</i>
<i>Standard Chartered</i>	<i>The Vienna Institute - WIW</i>	<i>UBS</i>
	<i>UniCredit</i>	

plus more than 200 other forecasters located in 27 countries.

e = consensus estimate based on latest survey, except for FX reserves, which in some cases are latest available monthly data.

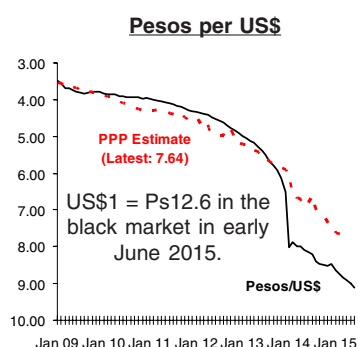
MAJOR CURRENCIES

JUNE 2015

ARGENTINIAN PESO

<u>Pesos per US\$</u>	<u>Consensus of 7 F'csts</u>	<u>% Chge</u>		
		<u>from Spot</u>	<u>Range High</u>	<u>Range Low</u>
Spot Rate (Jun. 8)	9.018			
Forecasts (end-Jul. 2015)	9.295	-3.0	9.000	9.670
(end-Sep. 2015)	9.522	-5.3	9.200	10.00
(end-Jun. 2016)	11.60	-22.3	9.482	13.33
(end-Jun. 2017)	11.57	-22.1	9.935	13.82

<u>Interpolated Rates</u>		
	<u>Quarter Average</u>	<u>End Quarter</u>
2015 Q2	8.952	9.110
Q3	9.340	9.522
Q4	9.867	10.21
2016 Q1	10.56	10.91
Q2	11.25	11.60
Q3	11.59	11.59
Q4	11.59	11.58
2017 Q1	11.58	11.58
Q2	11.57	11.57



Policy: The Ps1=US\$1 peg was abandoned in 2002, in favour of a managed float and, later, a crawl-like system. Devaluation to near Ps8.0/US\$ in January 2014. Major economic and political problems.

Outlook: Despite fresh optimism in the run-up to October's elections and the end of Cristina Fernández de Kirchner's presidency, the peso continues to head south. Government revenues have been hit by lower commodity prices and the country's primary budget balance swung into a large deficit in March. Argentina has thus far refused to negotiate with holdout creditors over its sovereign debt.

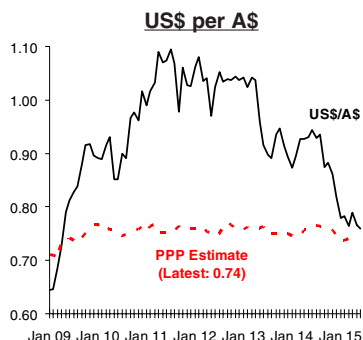
<u>Economic Indicators and Consensus Forecasts</u>						
Nominal GDP (2013): US\$612.0bn	Debt Ratings (M/S&P): Caa1/SD					
Population (mid-2013): 41.5mn	ICPI: 34/100					
					Consensus	
	2011	2012	2013	2014	2015	2016
Real GDP, %	8.4	0.8	2.9	0.5	-0.2	2.0
Consumer Prices, Dec/Dec,	9.5	10.8	10.9	24.0	19.0	24.8
Current Account, US\$bn	-3.7	-1.2	-4.7	-5.1	-8.3	-8.2
Pesos/US\$, annual ave.	4.110	4.537	5.459	8.110	9.201	11.24
Short Term Interest Rates¹	13.3	12.4	17.8	19.6	21.5	24.8
FX Reserves, end yr, US\$bn	40.1	36.8	25.0	26.0	24.9	28.1

¹ 30-day peso deposits (%), end period. Forecasts approximately for 3 and 12 months from survey date.

AUSTRALIAN DOLLAR

US\$ per A\$	Consensus of 34 F'csts	% Chge from Spot	Forecast	
			High	Low
Spot Rate (Jun. 8)	0.763			
Forecasts (end-Jul. 2015)	0.755	-1.1	0.792	0.695
(end-Sep. 2015)	0.741	-2.9	0.820	0.680
(end-Jun. 2016)	0.717	-6.0	0.779	0.640
(end-Jun. 2017)	0.737	-3.4	0.831	0.670

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	0.775	0.760
Q3	0.751	0.741
Q4	0.737	0.733
2016 Q1	0.729	0.725
Q2	0.721	0.717
Q3	0.720	0.722
Q4	0.725	0.727
2017 Q1	0.730	0.732
Q2	0.735	0.737



Policy: The A\$ is free floating. Inflation target of 2% to 3%.

Outlook: Weighed down by the threat of further monetary easing in Australia and a focus on interest rate normalisation in the US, the immediate outlook for the A\$ remains weak. The Reserve Bank decided against another rate cut on June 2, following a move in May, partly due to the boom in house prices in Sydney and parts of Melbourne. However, it did not rule out a possible rate reduction later in the year, reflecting the slump in commodities, sluggish investment and spare capacity in the economy.

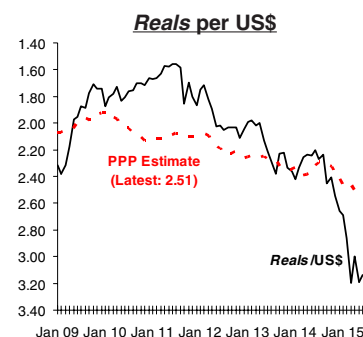
Economic Indicators and Consensus Forecasts						
Nominal GDP (2013):	US\$1503.5bn	Debt Ratings (M/S&P):		Aaa/AAA		
Population (mid-2013):	23.3mn	ICPI:	80/100	Consensus		
		2011	2012	2013	2014	2015 2016
Real GDP, %		2.7	3.6	2.1	2.7	2.5 2.9
Consumer Prices, %		3.3	1.8	2.4	2.5	1.8 2.7
Current Account, US\$bn		-43.9	-66.4	-50.2	-40.2	-38.4 -32.8
US\$/A\$, annual ave.		1.032	1.035	0.969	0.903	0.762 0.724
Short Term Interest Rates ¹		4.5	3.1	2.6	2.8	2.2 ¹ 2.3 ¹
FX Reserves, end yr, US\$bn		36.0	37.9	42.5	44.7	na na

¹ 90-day Dealer bill rate (%), end period. Forecasts for 3 and 12 months from survey date.

BRAZILIAN REAL

Reals per US\$	Consensus of 10 F'csts	% Chge from Spot	Forecast	
			High	Low
Spot Rate (Jun. 8)	3.128			
Forecasts (end-Jul. 2015)	3.146	-0.6	3.000	3.350
(end-Sep. 2015)	3.256	-3.9	3.084	3.700
(end-Jun. 2016)	3.262	-4.1	2.750	3.730
(end-Jun. 2017)	3.236	-3.3	2.900	3.520

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	3.090	3.134
Q3	3.181	3.256
Q4	3.257	3.258
2016 Q1	3.259	3.260
Q2	3.261	3.262
Q3	3.259	3.256
Q4	3.252	3.249
2017 Q1	3.246	3.243
Q2	3.239	3.236



Policy: Crawling peg was abandoned in 1999 in favour of a floating exchange rate with inflation targeting. A tax on foreign fixed income investment (introduced in 2009) was scrapped in June 2013.

Outlook: The real has come renewed under pressure amid fresh concerns over Brazil's finances and GDP prospects. Real GDP shrank by 0.2% (q-o-q) in Q1, dragged down by a build-up in inventories, which could weigh on production in Q2. The government has unveiled plans to freeze US\$23bn in expenditures as it seeks to protect the country's investment-grade credit rating.

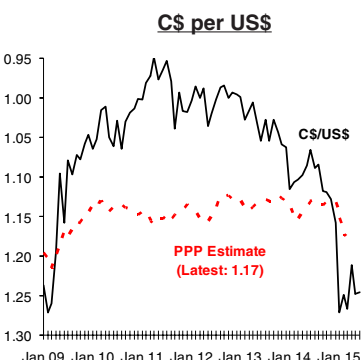
Economic Indicators and Consensus Forecasts						
Nominal GDP (2013):	US\$2249.4bn	Debt Ratings (M/S&P):		Baa2/BBB-		
Population (mid-2013):	200.4mn	ICPI:	43/100	Consensus		
		2011	2012	2013	2014	2015 2016
Real GDP, %		3.9	1.8	2.7	0.1	-1.2 1.1
Consumer Prices, Dec/Dec,		6.5	5.8	5.9	6.4	8.0 5.5
Current Account, US\$bn		-52.5	-54.2	-81.2	-105	-82.9 -75.8
Reals/US\$, annual ave.		1.673	1.953	2.155	2.351	3.092 3.258
Short Term Interest Rates ¹		11.0	7.3	10.0	11.8	13.6 ¹ 12.6 ¹
FX Reserves, end yr, US\$bn		343.4	362.1	349.0	354.8	363.0 362.3

¹ SELIC overnight rate (%), end period. Forecasts for approximately 3 and 12 months from survey date.

CANADIAN DOLLAR

C\$ per US\$	Consensus of 84 F'csts	% Chge from Spot	Forecast	
			High	Low
Spot Rate (Jun. 8)	1.245			
Forecasts (end-Jul. 2015)	1.247	-0.2	1.190	1.303
(end-Sep. 2015)	1.255	-0.8	1.180	1.310
(end-Jun. 2016)	1.245	0.0	1.100	1.400
(end-Jun. 2017)	1.212	2.7	1.100	1.400

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	1.233	1.246
Q3	1.249	1.255
Q4	1.254	1.252
2016 Q1	1.250	1.248
Q2	1.246	1.245
Q3	1.241	1.237
Q4	1.233	1.228
2017 Q1	1.224	1.220
Q2	1.216	1.212



Policy: The C\$ is freely floating. The US is Canada's largest trading partner, hence the relationship with the US\$ is of particular importance. Medium term inflation target of between 1.0% and 3.0%.

Outlook: The recovery in the C\$ stalled in late May on news that Canadian GDP shrank by 0.1% (q-o-q) in Q1 while investment plunged in response to lower oil prices. Inflation slipped just below 1% in April, but policymakers appear optimistic about a near-term turnaround in activity. Interest rates are widely expected to be held at 0.75% over the coming months.

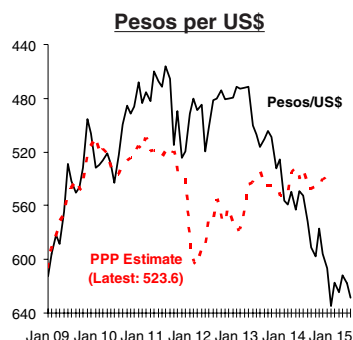
Economic Indicators and Consensus Forecasts						
Nominal GDP (2013):	US\$1826.0bn	Debt Ratings (M/S&P):		Aaa/AAA		
Population (mid-2013):	35.2mn	ICPI:	81/100	Consensus		
		2011	2012	2013	2014	2015 2016
Real GDP, %		3.0	1.9	2.0	2.4	1.6 2.2
Consumer Prices, %		2.9	1.5	0.9	1.9	1.1 2.1
Current Account, US\$bn		-47.7	-60.0	-54.6	-37.6	-51.5 -38.5
C\$/US\$, annual ave.		0.990	0.999	1.029	1.105	1.244 1.242
Short Term Interest Rates ¹		0.8	0.9	0.9	0.9	0.6 ¹ 0.8 ¹
FX Reserves, end yr, US\$bn		52.8	55.2	58.4	62.8	na na

¹ 3 month treasury bills (%), end period. Forecasts approximately for 3 and 12 months from survey date.

CHILEAN PESO

	Consensus of 10 F'csts	% Chge from Spot	Forecast Range	
			High	Low
Spot Rate (Jun. 8)	631.9			
Forecasts (end-Jul. 2015)	621.2	1.7	605.0	643.3
(end-Sep. 2015)	620.0	1.9	590.0	650.0
(end-Jun. 2016)	618.5	2.2	570.0	670.0
(end-Jun. 2017)	602.9	4.8	569.1	626.8

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	614.9	628.3
Q3	622.0	620.0
Q4	619.8	619.5
2016 Q1	619.3	619.0
Q2	618.8	618.5
Q3	616.6	614.6
Q4	612.7	610.7
2017 Q1	608.8	606.8
Q2	604.9	602.9



Policy: The peso was linked to a fixed basket of currencies until late 1999. It has since been allowed to float, with policy focused on targeting core inflation (currently set at 3.0% +/-1.0%).

Outlook: Hampered by a slump in the price for leading export, copper, the peso has remained at a low level. Base metals have been hit by concerns about growth in China and the US, following their recent weak Q1 GDP outturns. Growth in Chile was a little higher than expected in Q1, but a political corruption scandal has dented investor sentiment and prospects for the currency.

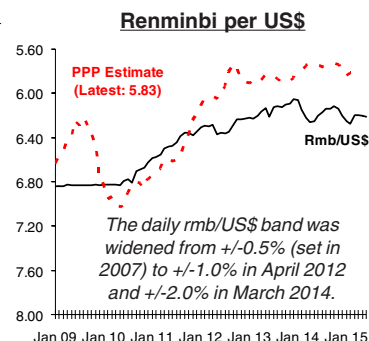
Economic Indicators and Consensus Forecasts						
Nominal GDP (2013):	US\$277.2bn	Debt Ratings (M/S&P):		Aa3/AA-		
Population (mid-2013):	17.6mn	ICPI:		73/100		
				Consensus		
		2011	2012	2013	2014	2015 2016
Real GDP, %		5.8	5.5	4.2	1.9	2.7 3.5
Consumer Prices, Dec/Dec,		4.4	1.5	3.0	4.6	3.4 3.0
Current Account, US\$bn		-3.1	-9.6	-10.1	-3.0	-1.7 -1.5
Pesos/US\$, annual avge.		483.7	486.5	494.8	570.1	620.3 616.8
Short Term Interest Rates ¹		5.3	5.0	4.5	3.0	3.0 ¹ 3.4 ¹
FX Reserves, end yr, US\$bn		40.1	39.7	39.3	38.9	39.9 40.6

¹ Central bank monetary policy rate (%), end period. Forecasts for approximately 3 and 12 months from survey date.

CHINESE RENMINBI

	Consensus of 25 F'csts	% Chge from Spot	Forecast Range	
			High	Low
Spot Rate (Jun. 8)	6.206			
Forecasts (end-Jul. 2015)	6.215	-0.1	6.127	6.307
(end-Sep. 2015)	6.221	-0.2	6.120	6.380
(end-Jun. 2016)	6.233	-0.4	6.050	6.534
(end-Jun. 2017)	6.304	-1.5	5.960	6.550

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	6.202	6.209
Q3	6.216	6.221
Q4	6.223	6.225
2016 Q1	6.227	6.229
Q2	6.231	6.233
Q3	6.241	6.250
Q4	6.259	6.268
2017 Q1	6.277	6.286
Q2	6.295	6.304



Policy: A decade-long peg was dropped in 2005 in favour of a managed trading band. The managed rise pattern has been replaced by a freer floating band. (See chart for description).

Outlook: See pages 8 and 9.

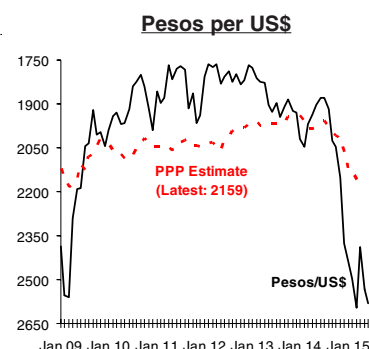
Economic Indicators and Consensus Forecasts						
Nominal GDP (2013):	US\$9539.4bn	Debt Ratings (M/S&P):		Aa3/AA-		
Population (mid-2013):	1.4bn	ICPI:		36/100		
				Consensus		
		2011	2012	2013	2014	2015 2016
Real GDP, %		9.3	7.7	7.7	7.4	6.9 6.7
Consumer Prices, %		5.4	2.6	2.6	2.0	1.4 1.9
Current Account, US\$bn		136.1	215.4	148.2	219.7	326.1 327.0
Rmb/US\$, annual avge.		6.461	6.312	6.194	6.143	6.220 6.240
Short Term Interest Rates ¹		6.6	6.0	6.0	5.6	4.9 ¹ 4.6 ¹
FX Reserves, end yr, US\$bn		3203	3331	3840	3843	na na

¹ One-year base lending rate for working capital (%), end period. Forecasts approximately for 3 and 12 months from survey date.

COLOMBIAN PESO

	Consensus of 9 F'csts	% Chge from Spot	Forecast Range	
			High	Low
Spot Rate (Jun. 8)	2619			
Forecasts (end-Jul. 2015)	2505	4.6	2375	2717
(end-Sep. 2015)	2566	2.1	2370	2800
(end-Jun. 2016)	2605	0.6	2258	2900
(end-Jun. 2017)	2381	10.0	2127	2600

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	2497	2581
Q3	2538	2566
Q4	2573	2579
2016 Q1	2586	2592
Q2	2598	2605
Q3	2577	2549
Q4	2521	2493
2017 Q1	2465	2437
Q2	2409	2381



Policy: Independently floating since 1999. Inflation targeting (set at between 2.0% and 4.0%) was part of the switch to a more flexible exchange rate strategy.

Outlook: The peso has retraced most of its recent gains over the past month as growth forecasts for Colombia's economy were trimmed in response to lower oil prices. With a current account deficit of around US\$20bn and inflation above the central bank's 2%-4% target range, policymakers have found it difficult to justify interest rate cuts to boost economic activity. Our panel is predicting that the peso will rebound by 10% over the next twelve months.

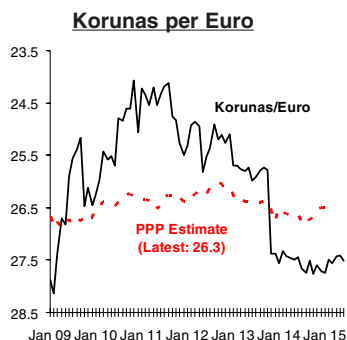
Economic Indicators and Consensus Forecasts						
Nominal GDP (2013):	US\$377.8bn	Debt Ratings (M/S&P):		Baa2/BBB		
Population (mid-2013):	48.3mn	ICPI:		37/100		
				Consensus		
		2011	2012	2013	2014	2015 2016
Real GDP, %		6.6	4.0	4.9	4.6	3.3 3.5
Consumer Prices, Dec/Dec,		3.7	2.4	1.9	3.7	3.8 3.1
Current Account, US\$bn		-9.7	-11.3	-12.3	-19.8	-19.6 -17.2
Pesos/US\$, annual avge.		1848	1797	1868	1998	2519 2570
Short Term Interest Rates ¹		5.0	5.3	4.1	4.3	na na
FX Reserves, end yr, US\$bn		29.9	34.9	41.2	44.9	44.8 45.3

¹ Average CD rate (%), end period.

CZECH KORUNA

	Consensus of 11 F'csts	% Chge from Spot	Forecast		Czk per US\$
			--- Range --- High Low		
Spot Rate (Jun. 8)	27.42				24.47
Forecasts (end-Jul. 2015)	27.68	-1.0	27.20	29.00	25.64
(end-Sep. 2015)	27.59	-0.6	27.00	29.00	25.91
(end-Jun. 2016)	27.34	0.3	26.78	29.00	26.09
(end-Jun. 2017)	26.44	3.7	25.82	27.00	24.53

Interpolated Rates		
Quarter	End	Average
2015 Q2	27.43	27.51
Q3	27.62	27.59
Q4	27.55	27.51
2016 Q1	27.47	27.42
Q2	27.38	27.34
Q3	27.23	27.12
Q4	27.00	26.89
2017 Q1	26.78	26.67
Q2	26.55	26.44



Policy: Managed float since 1997. Inflation targeting (1% to 3%) was introduced in 1998. The National Bank has intervened to hold the koruna below 27.0 per euro since November 2013.

Outlook: The koruna has remained in a narrow trading range, amid suggestions from the National Bank that the Czk27.0/euro cap will remain in place until at least mid-2016. Supported by robust domestic demand, Czech GDP growth rose to 4.2% (y-o-y) in Q1. Policymakers are hopeful that consumer spending will drive a pickup in inflation, which stood at 0.7% (y-o-y) in May.

Economic Indicators and Consensus Forecasts

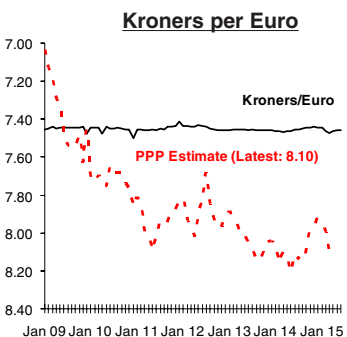
Nominal GDP (2013):	US\$198.3bn	Debt Ratings (M/S&P):	A1/AA-			
Population (mid-2013):	10.7mn	ICPI:	51/100			
Consensus						
	2011	2012	2013	2014	2015	2016
Real GDP, %	2.0	-0.8	-0.7	2.0	2.7	2.7
Consumer Prices, %	1.9	3.3	1.4	0.4	0.4	1.6
Current Account, US\$bn	-4.8	-3.2	-1.2	1.4	0.5	-0.4
Korunas/Euro, annual ave.	24.60	25.18	25.97	27.57	27.56	27.27
Short Term Interest Rates ¹	1.2	0.6	0.4	0.3	0.3	0.3
FX Reserves, end yr, US\$bn	37.5	42.4	53.9	52.4	na	na

¹ 3 mth interbank (%), end period. Forecasts approximately for 3 and 12 months from survey date.

DANISH KRONE

	Consensus of 12 F'csts	% Chge from Spot	Forecast		Dkr per US\$
			--- Range --- High Low		
Spot Rate (Jun. 8)	7.459				6.657
Forecasts (end-Jul. 2015)	7.454	0.1	7.440	7.469	6.905
(end-Sep. 2015)	7.454	0.1	7.440	7.469	6.999
(end-Jun. 2016)	7.453	0.1	7.439	7.469	7.111
(end-Jun. 2017)	7.461	0.0	7.444	7.508	6.923

Interpolated Rates		
Quarter	End	Average
2015 Q2	7.462	7.458
Q3	7.455	7.454
Q4	7.454	7.454
2016 Q1	7.454	7.453
Q2	7.453	7.453
Q3	7.454	7.455
Q4	7.456	7.457
2017 Q1	7.458	7.459
Q2	7.460	7.461



Policy: The krone is linked to the euro via ERM-2, moving within limits of +/-2.25% around its central rate of Dkr7.46038/€. A referendum on euro adoption appears unlikely anytime soon.

Outlook: The National Bank last month indicated its preference for FX interventions over interest rate changes to protect the ERM-2 regime. The krone has come under downward pressure amid a reversal in speculative capital inflows after the bank slashed the deposit rate below zero earlier this year. GDP growth cooled to 0.4% (q-o-q) in Q1 amid a slowdown in consumer spending.

Economic Indicators and Consensus Forecasts

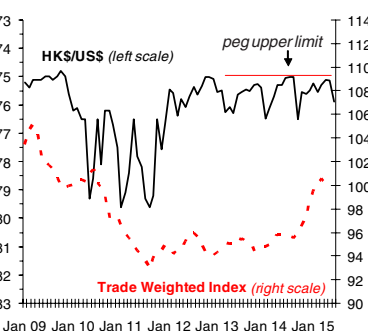
Nominal GDP (2013):	US\$330.9bn	Debt Ratings (M/S&P):	Aaa/AAA			
Population (mid-2013):	5.6mn	ICPI:	92/100			
Consensus						
	2011	2012	2013	2014	2015	2016
Real GDP, %	1.2	-0.7	-0.5	1.0	1.7	1.9
Consumer Prices, %	2.7	2.4	0.8	0.5	0.6	1.5
Current Account, US\$bn	19.6	18.1	24.2	21.1	17.4	15.9
Kroners/Euro, annual ave.	7.463	7.449	7.458	7.469	7.455	7.454
Short Term Interest Rates ¹	1.3	-0.2	-0.2	0.1	na	na
FX Reserves, end yr, US\$bn	78.2	82.4	82.4	69.7	na	na

¹ 3 mth Euro-krone deposits (%), end period.

HONG KONG DOLLAR

	Consensus of 22 F'csts	% Chge from Spot	Forecast		HK\$ per US\$
			--- Range --- High Low		
Spot Rate (Jun. 8)	7.753				
Forecasts (end-Jul. 2015)	7.771	-0.2	7.750	7.800	
(end-Sep. 2015)	7.776	-0.3	7.750	7.800	
(end-Jun. 2016)	7.784	-0.4	7.750	7.850	
(end-Jun. 2017)	7.768	-0.2	7.750	7.800	

Interpolated Rates		
Quarter	End	Average
2015 Q2	7.753	7.759
Q3	7.771	7.776
Q4	7.777	7.779
2016 Q1	7.780	7.781
Q2	7.783	7.784
Q3	7.782	7.780
Q4	7.778	7.776
2017 Q1	7.774	7.772
Q2	7.770	7.768



Policy: Limits of HK\$7.75 and HK\$7.85 introduced around the HK\$7.80 = US\$1 peg in May 2005. Major FX regime changes seem unlikely until the renminbi (page 18) becomes fully convertible.

Outlook: Upward pressure on the HK\$ eased in early June, due to active intervention by the HKMA to keep the currency within the ceiling of its two way convertibility band. The Hang Seng Index has experienced mixed fortunes in recent weeks, reflecting an increase in financial volatility in mainland China and ongoing concerns about the knock on effect of eventual US rate hikes.

Economic Indicators and Consensus Forecasts

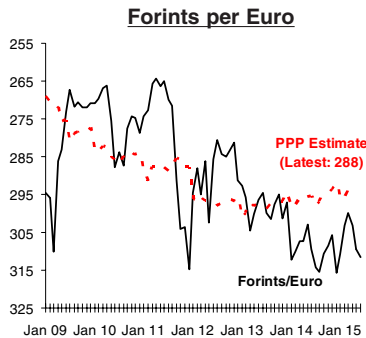
Nominal GDP (2013):	US\$274.1bn	Debt Ratings (M/S&P):	Aa1/AAA			
Population (mid-2013):	7.2mn	ICPI:	74/100			
Consensus						
	2011	2012	2013	2014	2015	2016
Real GDP, %	4.8	1.7	3.1	2.5	2.4	2.7
Consumer Prices, %	5.3	4.1	4.3	4.4	3.4	3.3
Goods & Services, US\$bn	9.6	3.0	1.6	0.1	3.8	3.4
HK\$/US\$, annual ave.	7.784	7.756	7.756	7.755	7.764	7.781
Short Term Interest Rates ¹	0.4	0.4	0.4	0.4	0.6	1.2
FX Reserves, end yr, US\$bn	282.4	317.2	311.0	328.4	na	na

¹ 3 month interbank rate (%), end period. Forecasts approximately for 3 and 12 months from survey date.

HUNGARIAN FORINT

<u>Forints per Euro</u>	Consensus of 11 F'csts	% Chge from Spot	Forecast		Hft per US\$
			--- Range --- High Low		
Spot Rate (Jun. 8)	314.2				280.4
Forecasts (end-Jul. 2015)	306.4	2.6	297.0	317.2	283.8
(end-Sep. 2015)	308.3	1.9	300.0	321.2	289.5
(end-Jun. 2016)	310.6	1.2	295.0	325.7	296.4
(end-Jun. 2017)	316.2	-0.6	294.7	330.0	293.4

<u>Interpolated Rates</u>		
Quarter	Average	End Quarter
2015 Q2	305.5	311.6
Q3	307.9	308.3
Q4	308.7	309.1
2016 Q1	309.5	309.8
Q2	310.2	310.6
Q3	311.3	312.0
Q4	312.7	313.4
2017 Q1	314.1	314.8
Q2	315.5	316.2



Policy: In February 2008, the horizontal ERM-2 like trading range arrangement was abandoned in favour of an independent float. Medium term inflation target of 3.0%.

Outlook: See pages 14 and 15.

Economic Indicators and Consensus Forecasts

Nominal GDP (2013): US\$130.0bn Debt Ratings (M/S&P): Ba1/BB+
Population (mid-2013): 10.0mn ICPI: 54/100 **Consensus**

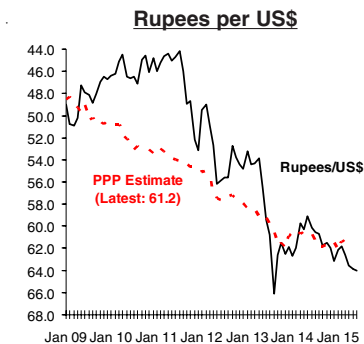
	2011	2012	2013	2014	2015	2016
Real GDP, %	1.8	-1.5	1.5	3.6	2.8	2.4
Consumer Prices, %	4.0	5.7	1.7	-0.2	-0.1	2.3
Current Account, US\$bn	1.1	2.3	5.4	5.7	5.3	4.8
Forints/Euro, annual avge.	279.5	289.5	297.2	309.1	307.7	310.9
Short Term Interest Rates ¹	7.4	5.5	2.9	1.5	1.6	1.9
FX Reserves, end yr, US\$bn	47.7	44.0	46.3	41.8	na	na

¹ 90 day T-bill rate (%), end period. Forecasts approximately for 3 and 12 months from survey date.

INDIAN RUPEE

<u>Rupees per US\$</u>	Consensus of 19 F'csts	% Chge from Spot	Forecast	
			--- Range --- High Low	
Spot Rate (Jun. 8)	64.13			
Forecasts (end-Jul. 2015)	63.77	0.6	62.50	65.20
(end-Sep. 2015)	64.01	0.2	62.50	65.50
(end-Jun. 2016)	64.29	-0.3	61.50	66.75
(end-Jun. 2017)	65.07	-1.4	64.42	66.76

<u>Interpolated Rates</u>		
Quarter	Average	End Quarter
2015 Q2	63.48	64.01
Q3	63.89	64.01
Q4	64.06	64.10
2016 Q1	64.15	64.20
Q2	64.24	64.29
Q3	64.39	64.49
Q4	64.58	64.68
2017 Q1	64.78	64.87
Q2	64.97	65.07



Policy: The Reserve Bank targets a stable real effective exchange rate. It intervenes to influence the rupee/US\$ rate to offset US\$ movements against other trading partners' currencies.

Outlook: The Reserve Bank cut its key repo rate by 25 basis points to 7.25% on June 2, its third rate cut in the year to date. Its decision partly reflected the drop in inflation to below 5.0% (y-o-y) in April and the uneven recovery in the economy. Real GDP rose 7.5% (y-o-y) in Q1, according to revised government data, but this is at odds with softer industrial indicators and corporate earnings.

Economic Indicators and Consensus Forecasts*

Nominal GDP (2013): US\$1803.3bn Debt Ratings (M/S&P): Baa3/BBB-
Population (mid-2013): 1.3bn ICPI: 38/100 **Consensus**

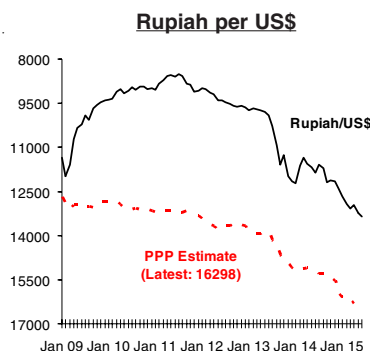
	2011	2012	2013	2014	2015	2016
Real GDP (market prices), %	6.7	5.1	6.9	7.4	7.8	8.1
Consumer Prices, % ¹	8.3	10.2	9.5	6.0	5.4	5.6
Current Account, US\$bn	-78.2	-88.2	-32.4	-27.7	-24.2	-37.3
Rupees/US\$, annual avge.	46.67	53.44	58.59	61.01	63.43	64.34
Short Term Interest Rates ²	8.9	8.2	8.9	8.3	7.9	7.7
FX Reserves, end yr, US\$bn	262.9	261.7	267.7	295.9	na	na

*All data are for fiscal years beginning April 1 except rupees/US\$ and forex reserves ¹ Rural and urban from FY2012 ² 91 day T-bill rate (%), fiscal year end. Forecasts for 3 and 12 months from survey date.

INDONESIAN RUPIAH

<u>Rupiah per US\$</u>	Consensus of 25 F'csts	% Chge from Spot	Forecast	
			--- Range --- High Low	
Spot Rate (Jun. 8)	13380			
Forecasts (end-Jul. 2015)	13316	0.5	12950	13633
(end-Sep. 2015)	13485	-0.8	12989	13800
(end-Jun. 2016)	13648	-2.0	12640	14200
(end-Jun. 2017)	13233	1.1	11950	14069

<u>Interpolated Rates</u>		
Quarter	Average	End Quarter
2015 Q2	13121	13359
Q3	13379	13485
Q4	13512	13539
2016 Q1	13567	13594
Q2	13621	13648
Q3	13596	13544
Q4	13492	13440
2017 Q1	13388	13337
Q2	13284	13233



Policy: Until August 1997, the rupiah followed a crawling US\$ peg system, with a 4.0% to 5.0% annual decline. It is now managed within horizontal bands. FX controls were tightened in late 2008.

Outlook: The rupiah continues to be weighed down by concerns about the fragile economic outlook. President Widodo has struggled to unclog state and private sector investment channels to bolster infrastructure development. Scope for monetary easing by Bank Indonesia, which has hinted at FX intervention to stabilise the currency, is also constrained by high inflation.

Economic Indicators and Consensus Forecasts

Nominal GDP (2013): US\$872.5bn Debt Ratings (M/S&P): Baa3/BB+
Population (mid-2013): 249.9mn ICPI: 34/100 **Consensus**

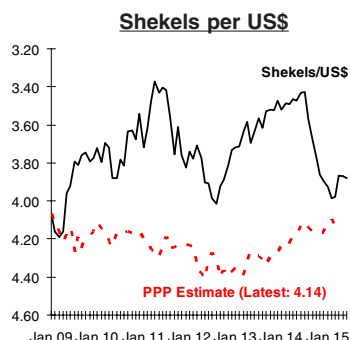
	2011	2012	2013	2014	2015	2016
Real GDP, %	6.2	6.0	5.6	5.0	5.0	5.6
Consumer Prices, %	5.3	4.0	6.4	6.4	6.2	4.8
Current Account, US\$bn	1.7	-24.4	-29.1	-25.4	-22.9	-23.9
Rupiah/US\$, annual avge.	8770	9387	10440	11880	13200	13569
Short Term Interest Rates ¹	5.5	4.9	8.0	7.3	6.5	6.7
FX Reserves, end yr, US\$bn	103.6	105.5	93.4	106.1	na	na

¹ 3 month deposits (%), end year. Forecasts approximately for 3 and 12 months from survey date.

ISRAELI SHEKEL

Shekels per US\$	Consensus of 11 F'csts	% Chge from Spot	Forecast		Shekel per Euro
			--- Range --- High Low		
Spot Rate (Jun. 8)	3.841				4.304
Forecasts (end-Jul. 2015)	3.958	-3.0	3.796	4.230	4.273
(end-Sep. 2015)	3.981	-3.5	3.804	4.300	4.239
(end-Jun. 2016)	3.992	-3.8	3.700	4.300	4.184
(end-Jun. 2017)	3.950	-2.8	3.730	4.141	4.257

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	3.849	3.880
Q3	3.952	3.981
Q4	3.983	3.985
2016 Q1	3.986	3.988
Q2	3.990	3.992
Q3	3.987	3.982
Q4	3.976	3.971
2017 Q1	3.966	3.960
Q2	3.955	3.950



Policy: Inflation targeting was introduced in 1997, with an annual CPI price stability target range of 1% to 3%. The shekel has floated independently since 2004, with occasional FX intervention.

Outlook: The shekel has trended higher in recent weeks after the Bank of Israel decided against a rate cut at its May 25 meeting. Policy makers voted to hold rates at 0.1%, citing improvements in inflation data and the growth outlook. However, monetary easing could resume if strength in the currency dampens exports, which account for around a third of total output in the economy.

Economic Indicators and Consensus Forecasts

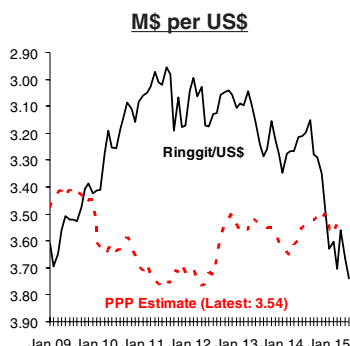
Nominal GDP (2013):	US\$290.2bn	Debt Ratings (M/S&P):	A1/A+			
Population (mid-2013):	7.7mn	ICPI: 60/100	Consensus			
from survey date.						
	2011	2012	2013	2014	2015	2016
Real GDP, %	4.2	3.0	3.2	2.9	3.1	3.4
Consumer Prices, %	3.5	1.7	1.5	0.5	0.1	1.6
Current Account, US\$bn	3.9	2.1	6.9	9.0	11.4	11.8
Shekels/US\$, annual ave.	3.578	3.856	3.610	3.581	3.932	3.985
Short Term Interest Rates ¹	2.7	1.9	0.8	0.2	na	na
FX Reserves, end yr, US\$bn	76.3	74.0	81.0	84.3	na	na

¹ 3 mth treasury bills (%), end period.

MALAYSIAN RINGGIT

M\$ per US\$	Consensus of 24 F'csts	% Chge from Spot	Forecast	
			--- Range --- High Low	
Spot Rate (Jun. 8)	3.768			
Forecasts (end-Jul. 2015)	3.687	2.2	3.543	3.835
(end-Sep. 2015)	3.715	1.4	3.522	3.900
(end-Jun. 2016)	3.699	1.8	3.428	4.000
(end-Jun. 2017)	3.580	5.2	3.297	3.780

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	3.645	3.741
Q3	3.705	3.715
Q4	3.713	3.710
2016 Q1	3.707	3.705
Q2	3.702	3.699
Q3	3.684	3.669
Q4	3.654	3.639
2017 Q1	3.624	3.610
Q2	3.595	3.580



Policy: Pegged to the US\$ at M\$3.80 between September 3, 1998 and July 2005. The central bank has since adopted a managed float with exchange controls.

Outlook: The ringgit fell to a seven week low in early June, driven lower by speculation that the US will soon begin the process of rate normalisation. Fresh weakness in the Japanese yen also hampered the Malaysian currency. Merchandise exports underperformed in April due to a decline in the price of key commodities and recent lacklustre electronics demand.

Economic Indicators and Consensus Forecasts

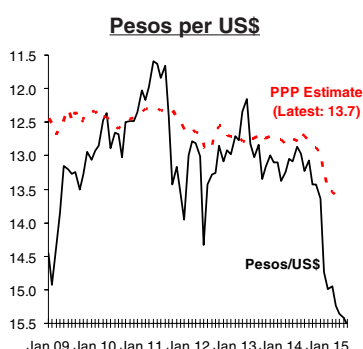
Nominal GDP (2013):	US\$313.3bn	Debt Ratings (M/S&P):	A3/A-			
Population (mid-2013):	29.7mn	ICPI: 52/100	Consensus			
from survey date.						
	2011	2012	2013	2014	2015	2016
Real GDP, %	5.3	5.5	4.7	6.0	4.8	5.1
Consumer Prices, %	3.2	1.7	2.1	3.1	2.2	3.0
Current Account, US\$bn	32.5	16.2	11.3	14.5	9.3	12.9
Ringgits/US\$, annual ave.	3.060	3.089	3.150	3.273	3.670	3.687
Short Term Interest Rates ¹	3.2	3.2	3.2	3.7	3.7 ¹	3.8 ¹
FX Reserves, end yr, US\$bn	130.0	134.9	130.5	111.8	na	na

¹ 3 month interbank (%), end period. Forecasts for 3 and 12 months from survey date.

MEXICAN PESO

Pesos per US\$	Consensus of 9 F'csts	% Chge from Spot	Forecast	
			--- Range --- High Low	
Spot Rate (Jun. 8)	15.69			
Forecasts (end-Jul. 2015)	15.21	3.2	14.70	15.50
(end-Sep. 2015)	15.36	2.1	14.60	15.70
(end-Jun. 2016)	15.02	4.5	14.22	16.40
(end-Jun. 2017)	14.26	10.0	13.43	14.70

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	15.32	15.53
Q3	15.31	15.36
Q4	15.30	15.25
2016 Q1	15.19	15.13
Q2	15.07	15.02
Q3	14.92	14.83
Q4	14.73	14.64
2017 Q1	14.55	14.45
Q2	14.36	14.26



Policy: Since the 1994 devaluation, Mexico has adopted a floating exchange rate system with occasional intervention. Inflation targeting was introduced in 2001 (currently 3% with a band of +/-1%).

Outlook: See pages 12 and 13.

Economic Indicators and Consensus Forecasts

Nominal GDP (2013):	US\$1261.8bn	Debt Ratings (M/S&P):	A3/BBB+			
Population (mid-2013):	122.3mn	ICPI: 35/100	Consensus			
from survey date.						
	2011	2012	2013	2014	2015	2016
Real GDP, %	4.0	4.0	1.4	2.1	2.8	3.3
Consumer Prices, Dec/Dec,	3.8	3.6	4.0	4.1	3.0	3.4
Current Account, US\$bn	-13.3	-15.9	-30.4	-26.5	-28.6	-30.9
Pesos/US\$, annual ave.	12.42	13.17	12.77	13.30	15.22	14.98
Short Term Interest Rates ¹	4.3	4.0	3.2	2.7	3.1 ¹	3.8 ¹
FX Reserves, end yr, US\$bn	137.5	153.5	168.6	185.2	193.6	199.8

¹ 28-day CETES (%), end period. Forecasts for approximately 3 and 12 months from survey date.

NEW ZEALAND DOLLAR

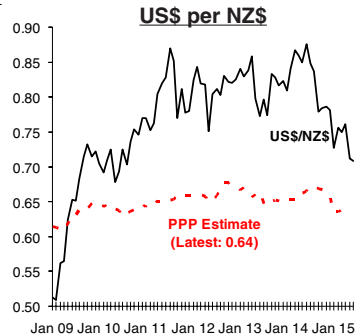
US\$ per NZ\$

- See p.33 for cross rates

	Consensus of 32 F'csts	% Chge Spot	Forecast	
			High	Low
Spot Rate (Jun. 8)	0.708			
Forecasts (end-Jul. 2015)	0.720	1.8	0.760	0.690
(end-Sep. 2015)	0.708	0.0	0.770	0.670
(end-Jun. 2016)	0.682	-3.7	0.720	0.600
(end-Jun. 2017)	0.682	-3.7	0.740	0.610

Interpolated Rates

	Quarter Average	End Quarter
2015 Q2	0.735	0.708
Q3	0.714	0.708
Q4	0.704	0.699
2016 Q1	0.695	0.690
Q2	0.686	0.682
Q3	0.682	0.682
Q4	0.682	0.682
2017 Q1	0.682	0.682
Q2	0.682	0.682



Policy: The NZ\$ floats freely, but the central bank monitors its trade weighted value in setting monetary policy, with a view to keeping 'near-term' inflation anchored near 2.0%.

Outlook: The NZ\$ has tumbled amid speculation that the Reserve Bank – which has suggested a preference for a lower currency – will cut rates on June 11. Inflation was only 0.1% (y-o-y) in Q1, while the recovery, though relatively buoyant, has slowed in recent quarters, constrained by lower dairy income, the lingering effects of drought and a drop in currency export competitiveness.

Economic Indicators and Consensus Forecasts

	2011	2012	2013	2014	2015	2016
Nominal GDP (2013): US\$181.5bn						
Debt Ratings (M/S&P): Aaa/AA						
Population (mid-2013): 4.5mn						
ICPI: 91/100						
Real GDP, %	1.8	2.4	2.3	3.3	2.9	2.7
Consumer Prices, %	4.0	1.1	1.1	1.2	0.6	1.9
Current Account, US\$bn	-4.6	-6.9	-6.0	-6.5	-8.1	-8.5
US\$/NZ\$, annual ave.	0.790	0.810	0.821	0.831	0.726	0.686
Short Term Interest Rates ¹	2.7	2.7	2.8	3.7	3.5 ¹	3.5 ¹
FX Reserves, end yr, US\$bn	15.2	15.8	14.4	14.1	na	na

¹ 90-day bank bills (%), end year. Forecasts for 3 and 12 months from survey date.

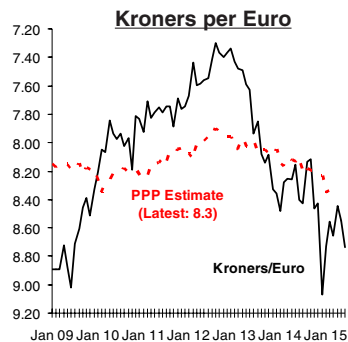
NORWEGIAN KRONE

Kroners per Euro

	Consensus of 28 F'csts	% Chge Spot	Forecast		Nkr per US\$
			High	Low	
Spot Rate (Jun. 8)	8.850				7.899
Forecasts (end-Jul. 2015)	8.511	4.0	8.250	9.070	7.884
(end-Sep. 2015)	8.472	4.5	8.150	9.200	7.955
(end-Jun. 2016)	8.348	6.0	7.750	8.900	7.966
(end-Jun. 2017)	8.173	8.3	7.700	8.400	7.583

Interpolated Rates

	Quarter Average	End Quarter
2015 Q2	8.531	8.737
Q3	8.536	8.472
Q4	8.452	8.431
2016 Q1	8.410	8.390
Q2	8.369	8.348
Q3	8.327	8.305
Q4	8.283	8.261
2017 Q1	8.239	8.217
Q2	8.195	8.173



Policy: The krone exchange rate is determined on the basis of supply and demand in the FX market. Inflation targeting (currently set at 2.5%) was introduced in 2001.

Outlook: See pages 10 and 11.

Economic Indicators and Consensus Forecasts

	2011	2012	2013	2014	2015	2016
Nominal GDP (2013): US\$512.6bn						
Debt Ratings (M/S&P): Aaa/AAA						
Population (mid-2013): 5.0mn						
ICPI: 86/100						
Mainland GDP, %	1.9	3.5	2.3	2.2	1.4	1.9
Consumer Prices, %	1.2	0.8	2.1	2.0	1.9	2.0
Current Account, US\$bn	61.5	63.3	52.4	42.3	29.3	33.9
Kroners/Euro, annual ave.	7.793	7.481	7.799	8.377	8.558	8.347
Short Term Interest Rates ¹	2.9	1.8	1.7	1.5	1.2 ¹	1.1 ¹
FX Reserves, end yr, US\$bn	42.5	48.0	54.8	61.4	na	na

¹ 3 month Interbank (%), end period. Forecasts for 3 and 12 months from survey date.

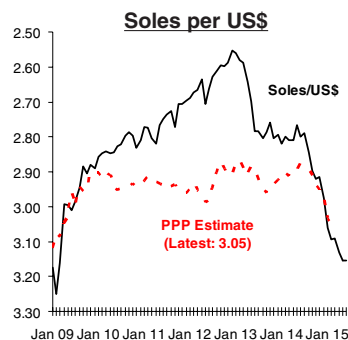
PERUVIAN SOL

Soles per US\$

	Consensus of 8 F'csts	% Chge Spot	Forecast	
			High	Low
Spot Rate (Jun. 8)	3.152			
Forecasts (end-Jul. 2015)	3.160	-0.3	3.094	3.200
(end-Sep. 2015)	3.185	-1.0	3.105	3.250
(end-Jun. 2016)	3.247	-2.9	3.000	3.430
(end-Jun. 2017)	3.217	-2.0	3.167	3.250

Interpolated Rates

	Quarter Average	End Quarter
2015 Q2	3.140	3.155
Q3	3.168	3.185
Q4	3.196	3.206
2016 Q1	3.216	3.226
Q2	3.237	3.247
Q3	3.243	3.239
Q4	3.236	3.232
2017 Q1	3.228	3.225
Q2	3.221	3.217



Policy: The Peruvian sol is allowed to float independently. Since 2001, the main objective of the central bank has been to maintain price stability. Inflation target of 2% (with a band of +/-1%).

Outlook: The depreciation of the sol has slowed amid signs of recovery in Peru's mining-driven economy, which suffered a commodities slump in 2014. Annual growth should approach 3.5% in 2015, according to consensus forecasts, but our panel expects the currency to extend its losses. The central bank has reduced bank reserve requirements in a bid to spur encourage lending.

Economic Indicators and Consensus Forecasts

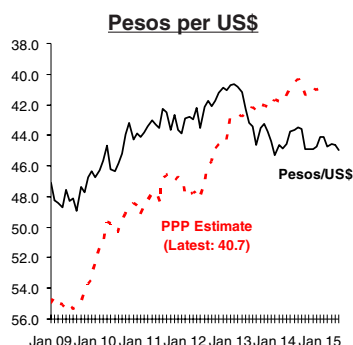
	2011	2012	2013	2014	2015	2016
Nominal GDP (2013): US\$202.5bn						
Debt Ratings (M/S&P): A3/BBB+						
Population (mid-2013): 30.4mn						
ICPI: 38/100						
Real GDP, %	6.5	6.0	5.8	2.4	3.4	4.5
Consumer Prices, Dec/Dec,	4.7	2.6	2.9	3.2	2.9	2.7
Current Account, US\$bn	-3.2	-5.2	-8.5	-8.0	-8.7	-8.5
Soles/US\$, annual ave.	2.754	2.638	2.702	2.836	3.140	3.233
Short Term Interest Rates ¹	2.4	4.2	3.9	4.4	na	na
FX Reserves, end yr, US\$bn	46.1	61.2	63.2	60.1	60.5	60.5

¹ 180-Day Deposit Rate (%), end period.

PHILIPPINE PESO

Pesos per US\$	Consensus of 22 F'csts	% Chge from Spot	Forecast	
			High	Low
Spot Rate (Jun. 8)	45.03			
Forecasts (end-Jul. 2015)	44.87	0.4	44.17	45.67
(end-Sep. 2015)	45.11	-0.2	44.00	46.00
(end-Jun. 2016)	45.12	-0.2	42.50	47.00
(end-Jun. 2017)	45.04	0.0	42.50	47.44

Interpolated Rates		
Quarter	End	
Average	Quarter	
2015 Q2	44.60	44.98
Q3	44.97	45.11
Q4	45.11	45.11
2016 Q1	45.12	45.12
Q2	45.12	45.12
Q3	45.11	45.10
Q4	45.09	45.08
2017 Q1	45.07	45.06
Q2	45.05	45.04



Policy: The peso floats independently, although there are some restrictions on currency sales in capital transactions and the central bank frequently intervenes to stabilise the exchange rate.

Outlook: The peso has drifted lower in recent weeks, following news that the Philippine economy suffered a significant loss of momentum in Q1. Real GDP rose 5.2% (y-o-y), high by global standards but was down from the buoyant 6.6% pace in Q4 2014, due to a drop in exports. Most observers, though, remain cautiously optimistic about the growth outlook due to the resilience in domestic demand.

Economic Indicators and Consensus Forecasts

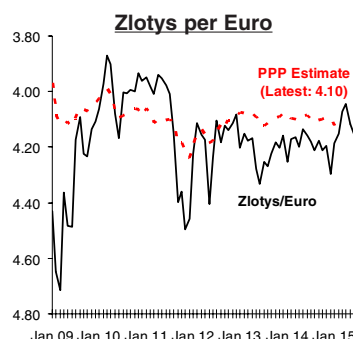
Nominal GDP (2013):	US\$272.1bn	Debt Ratings (M/S&P):	Baa2/BBB				
Population (mid-2013):	98.4mn	ICPI:	38/100				
		Consensus					
		2011	2012	2013	2014	2015	2016
Real GDP, %		3.7	6.8	7.2	6.1	6.1	6.2
Consumer Prices, %		4.6	3.2	3.0	4.1	2.4	3.5
Current Account, US\$bn		5.6	6.9	11.4	12.7	13.2	12.7
Pesos/US\$, annual ave.		43.31	42.23	42.39	44.39	44.77	45.11
Short Term Interest Rates ¹		1.6	0.2	0.0	1.4	2.3	2.9
FX Reserves, end yr, US\$bn		65.7	71.7	73.8	70.3	na	na

¹ 3 month interbank rate (%), end period. Forecasts for 3 and 12 months from survey date.

POLISH ZLOTY

Zlotys per Euro	Consensus of 12 F'csts	% Chge from Spot	Forecast		Zl per US\$
			High	Low	
Spot Rate (Jun. 8)	4.173				3.725
Forecasts (end-Jul. 2015)	4.108	1.6	4.050	4.177	3.805
(end-Sep. 2015)	4.112	1.5	4.050	4.201	3.861
(end-Jun. 2016)	4.067	2.6	3.932	4.200	3.880
(end-Jun. 2017)	3.940	5.9	3.694	4.150	3.655

Interpolated Rates		
Quarter	End	
Average	Quarter	
2015 Q2	4.079	4.151
Q3	4.116	4.112
Q4	4.104	4.097
2016 Q1	4.089	4.082
Q2	4.074	4.067
Q3	4.051	4.035
Q4	4.019	4.003
2017 Q1	3.987	3.971
Q2	3.956	3.940



Policy: Until 2000 the zloty was pegged against a US\$ and euro basket. It has since been allowed to float. Inflation targeting introduced in 1999 (currently 2.5% with a band of +/-1%).

Outlook: The zloty sunk to a two-month low on May 26 as it emerged that Andrzej Duda had beaten the incumbent Bronislaw Komorowski in a presidential run-off. A drop in confidence partly reflects pledges by Mr Duda to unwind austerity measures, including the increased retirement age. Q2 GDP expectations were dampened as industrial production and retail sales disappointed in April.

Economic Indicators and Consensus Forecasts

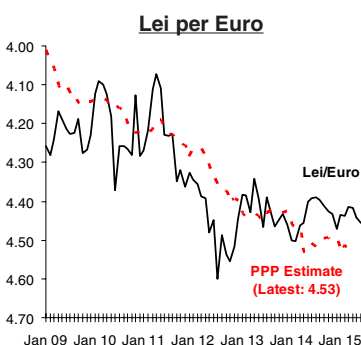
Nominal GDP (2013):	US\$516.3bn	Debt Ratings (M/S&P):	A2/A-				
Population (mid-2013):	38.2mn	ICPI:	61/100				
		Consensus					
		2011	2012	2013	2014	2015	2016
Real GDP, %		4.8	1.8	1.7	3.4	3.5	3.5
Consumer Prices, %		4.3	3.7	0.9	0.0	-0.5	1.6
Current Account, US\$bn		-27.0	-17.6	-6.9	-7.6	-5.3	-7.8
Zlotys/Euro, annual ave.		4.118	4.188	4.199	4.192	4.122	4.058
Short Term Interest Rates ¹		4.9	4.0	2.6	2.0	1.6	1.8
FX Reserves, end yr, US\$bn		89.7	100.3	99.3	94.1	na	na

¹ 3 mth interbank (%), end period. Forecasts for approximately 3 and 12 months from survey date.

ROMANIAN LEU

Lei per Euro	Consensus of 7 F'csts	% Chge from Spot	Forecast		Lei per US\$
			High	Low	
Spot Rate (Jun. 8)	4.473				3.992
Forecasts (end-Jul. 2015)	4.424	1.1	4.366	4.462	4.098
(end-Sep. 2015)	4.411	1.4	4.326	4.472	4.142
(end-Jun. 2016)	4.415	1.3	4.345	4.502	4.213
(end-Jun. 2017)	4.441	0.7	4.350	4.542	4.120

Interpolated Rates		
Quarter	End	
Average	Quarter	
2015 Q2	4.437	4.456
Q3	4.425	4.411
Q4	4.412	4.412
2016 Q1	4.413	4.414
Q2	4.414	4.415
Q3	4.418	4.421
Q4	4.425	4.428
2017 Q1	4.431	4.434
Q2	4.437	4.441



Policy: Managed float. The euro became the sole reference rate in March 2003. Exchange controls regulate the sale of foreign currency. Four zeros were dropped from the leu in July 2005.

Outlook: Buoyed by robust consumer demand, the Romanian economy expanded by a better-than-expected 4.3% (y-o-y) in Q1. Positive growth dynamics bode well for the leu, as should progress in reforms. However, concerns about negative inflation amid a reduction in value-added tax could trigger further monetary easing by the National bank, which is next due to meet on July 1.

Economic Indicators and Consensus Forecasts

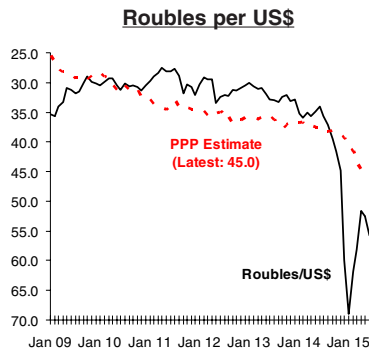
Nominal GDP (2013):	US\$188.8bn	Debt Ratings (M/S&P):	Baa3/BBB-				
Population (mid-2013):	21.7mn	ICPI:	43/100				
		Consensus					
		2011	2012	2013	2014	2015	2016
Real GDP, %		1.1	0.6	3.4	2.8	3.1	3.4
Consumer Prices, %		5.8	3.3	4.0	1.1	0.4	1.2
Current Account, US\$bn		-8.7	-7.9	-1.6	-1.0	-1.6	-2.5
Lei/Euro, annual ave.		4.238	4.462	4.419	4.444	4.431	4.418
Short Term Interest Rates ¹		6.1	6.1	2.4	1.7	na	na
FX Reserves, end yr, US\$bn		42.9	41.2	44.8	39.2	36.4	37.4

¹ Interbank lending rate (%), end period.

RUSSIAN ROUBLE

Roubles per US\$	% Chge		Forecast		Rbl per Euro
	Consensus	from	Range	---	
	of 11 F'csts	Spot	High	Low	
Spot Rate (Jun. 8)		56.20			62.96
Forecasts (end-Jul. 2015)	55.14	1.9	51.50	60.70	59.53
(end-Sep. 2015)	55.81	0.7	51.06	62.00	59.44
(end-Jun. 2016)	58.91	-4.6	50.00	68.00	61.75
(end-Jun. 2017)	61.29	-8.3	55.25	69.00	66.06

Interpolated Rates	Roubles per US\$	
	Quarter Average	End Quarter
2015 Q2	52.58	55.84
Q3	55.48	55.81
Q4	56.33	56.85
2016 Q1	57.36	57.88
Q2	58.40	58.91
Q3	59.21	59.51
Q4	59.80	60.10
2017 Q1	60.40	60.69
Q2	60.99	61.29



Policy: Efforts to hold the rouble in a narrow corridor basket were abandoned in November 2014. Officially a free-floating exchange rate, with occasional intervention.

Outlook: The rouble drifted lower in early June as the central bank sought to limit its appreciation, which is threatening to exacerbate Russia's budget deficit by reducing oil revenues in local currency terms. The bank purchased US\$200mn on May 28 and has suspended some FX auctions. With inflation seemingly past a peak, near-term rate cuts are widely expected.

Economic Indicators and Consensus Forecasts

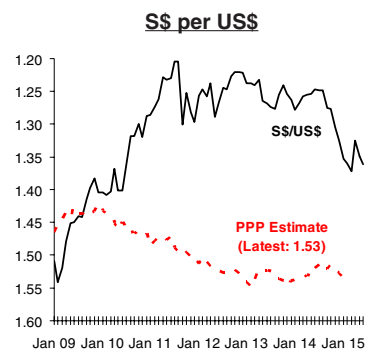
Nominal GDP (2013):	US\$2096.4bn	Debt Ratings (M/S&P):	Ba1/BB+			
Population (mid-2013):	142.8mn	ICPI:	27/100			
Consensus						
	2011	2012	2013	2014	2015	2016
Real GDP, %	4.3	3.4	1.3	0.6	-3.6	0.4
Consumer Prices, Dec/Dec,	6.1	6.6	6.5	11.4	12.3	6.8
Current Account, US\$bn	97.3	71.3	34.8	59.5	52.8	57.8
Roubles/US\$, annual ave.	29.38	30.84	31.86	38.60	56.71	58.69
Short Term Interest Rates ¹	8.0	8.3	5.5	17.0	na	na
FX Reserves, end yr, US\$bn	454	487	470	339	296	280

¹ Central bank refinancing rate (%) in 2011 and 2012; One-week auction rate (%) from 2013.

SINGAPOREAN DOLLAR

S\$ per US\$	% Chge		Forecast	
	Consensus	from	Range	---
	of 22 F'csts	Spot	High	Low
Spot Rate (Jun. 8)		1.358		
Forecasts (end-Jul. 2015)	1.365	-0.5	1.330	1.423
(end-Sep. 2015)	1.379	-1.5	1.345	1.430
(end-Jun. 2016)	1.385	-1.9	1.340	1.440
(end-Jun. 2017)	1.368	-0.7	1.297	1.430

Interpolated Rates	S\$ per US\$	
	Quarter Average	End Quarter
2015 Q2	1.346	1.361
Q3	1.369	1.379
Q4	1.380	1.381
2016 Q1	1.382	1.383
Q2	1.384	1.385
Q3	1.383	1.381
Q4	1.379	1.377
2017 Q1	1.374	1.372
Q2	1.370	1.368



Policy: Managed float. The S\$ is monitored by the Monetary Authority of Singapore (MAS) against a trade-weighted basket. The exchange rate is the main instrument used in controlling inflation.

Outlook: The S\$ has retraced some of its recent gains, as speculation about a US rate hike reduced the appeal of local assets. News that inflation contracted 0.5% (y-o-y) in April also dampened the currency, even though positive March production numbers suggest that the economy expanded by more than the preliminary estimate of 2.1% (y-o-y). The MAS might loosen policy prior to its next bi-annual review in October, just as it did in January.

Economic Indicators and Consensus Forecasts

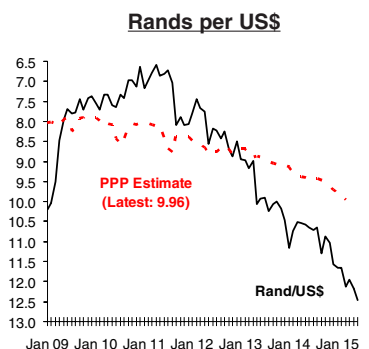
Nominal GDP (2013):	US\$298.0bn	Debt Ratings (M/S&P):	Aaa/AAA			
Population (mid-2013):	5.4mn	ICPI:	84/100			
Consensus						
	2011	2012	2013	2014	2015	2016
Real GDP, %	6.2	3.4	4.4	2.9	2.8	3.3
Consumer Prices, %	5.2	4.6	2.4	1.0	0.0	1.3
Current Account, US\$bn	60.6	49.8	54.1	58.8	58.6	57.7
S\$/US\$, annual ave.	1.258	1.250	1.251	1.267	1.363	1.382
Short Term Interest Rates ¹	0.4	0.4	0.4	0.5	1.0	1.5
FX Reserves, end yr, US\$bn	235.4	256.8	270.5	258.1	na	na

¹ 3 month-S\$ interbank (%), end period. Forecasts for 3 and 12 months from survey date.

SOUTH AFRICAN RAND

Rands per US\$	% Chge		Forecast		Rand per Euro
	Consensus	from	Range	---	
	of 25 F'csts	Spot	High	Low	
Spot Rate (Jun. 8)		12.60			14.12
Forecasts (end-Jul. 2015)	12.15	3.7	11.10	12.90	13.12
(end-Sep. 2015)	12.29	2.5	10.90	13.15	13.09
(end-Jun. 2016)	12.27	2.7	10.32	13.50	12.86
(end-Jun. 2017)	12.32	2.3	11.07	13.63	13.28

Interpolated Rates	Rands per US\$	
	Quarter Average	End Quarter
2015 Q2	11.17	12.45
Q3	12.25	12.29
Q4	12.29	12.28
2016 Q1	12.28	12.27
Q2	12.27	12.27
Q3	12.27	12.28
Q4	12.29	12.29
2017 Q1	12.30	12.31
Q2	12.31	12.32



Policy: Since the abolition of the financial rand in 1995, the unified FX rate has been determined by market forces and exchange controls. Inflation targeting introduced in 2000 (currently 3% to 6%).

Outlook: With growth prospects muted and investors shying away from riskier assets amid bond market volatility, the rand remains under pressure. Real GDP rose by only 2.1% (y-o-y) in Q1, while the unemployment rate soared to 26.4%. The currency outlook is dependent on the US outlook and on how its effects US rate expectations and capital flows.

Economic Indicators and Consensus Forecasts

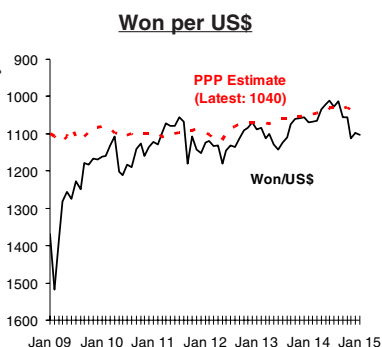
Nominal GDP (2013):	US\$351.4bn	Debt Ratings (M/S&P):	Baa2/BBB-			
Population (mid-2013):	52.8mn	ICPI:	44/100			
Consensus						
	2011	2012	2013	2014	2015	2016
Real GDP, %	3.2	2.2	2.2	1.5	2.0	2.5
Consumer Prices, %	5.0	5.6	5.7	6.1	4.8	6.0
Current Account, US\$bn	-9.0	-19.7	-21.1	-19.0	-14.4	-14.9
Rand/US\$, annual ave.	7.261	8.210	9.645	10.85	11.85	12.28
Short Term Interest Rates ¹	5.6	5.1	5.1	6.1	na	na
FX Reserves, end yr, US\$bn	39.8	41.2	41.9	41.5	na	na

¹ 3 month JIBar (%), end period.

SOUTH KOREAN WON

Won per US\$	Consensus of 20 F'csts	% Chge	Forecast	
			Spot	Range
			High	Low
Spot Rate (Jun. 8)	1123			
Forecasts (end-Jul. 2015)	1110	1.2	1083	1139
(end-Sep. 2015)	1120	0.3	1070	1155
(end-Jun. 2016)	1139	-1.4	1029	1310
(end-Jun. 2017)	1144	-1.8	1028	1391

Interpolated Rates		
Quarter	End Average	End Quarter
2015 Q2	1097	1119
Q3	1115	1120
Q4	1123	1126
2016 Q1	1130	1133
Q2	1136	1139
Q3	1140	1140
Q4	1141	1141
2017 Q1	1142	1143
Q2	1143	1144



Policy: Until late-1997, the exchange rate was allowed to fluctuate in a +/-10% band around the weighted average US\$ exchange rate from the previous day's trading. The won now floats freely.

Outlook: Concerns about yen devaluation and its trade implications have heightened speculation about policy responses from Seoul. The Bank of Korea cut rates to a record low 1.75% in March, in a bid to aid the recovery and curb increases in the currency. However, exports fell sharply in May and the Q1 slowdown in China has led observers to consider the probability of further rate cuts.

Economic Indicators and Consensus Forecasts

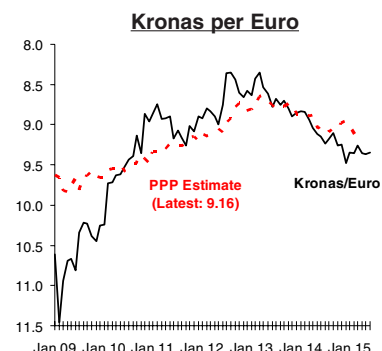
Nominal GDP (2013): US\$1305.2bn		Debt Ratings (M/S&P): Aa3/A+				
Population (mid-2013): 49.3mn		ICPI: 55/100				
		Consensus				
	2011	2012	2013	2014	2015	2016
Real GDP, %	3.7	2.3	2.9	3.3	3.0	3.4
Consumer Prices, %	4.0	2.2	1.3	1.3	0.8	1.9
Current Account, US\$bn	18.7	50.8	81.1	89.2	107.2	97.5
Won/US\$, annual ave.	1108	1126	1095	1053	1109	1136
Short Term Interest Rates ¹	3.6	2.9	2.7	2.1	1.8 ¹	1.9 ¹
FX Reserves, end yr, US\$bn	298.2	316.9	335.6	353.6	na	na

¹ 91-day CDs (%), end year. Forecasts for 3 and 12 months from survey date.

SWEDISH KRONA

Kronas per Euro	Consensus of 30 F'csts	% Chge	Forecast		Skr per US\$
			Spot	Range	
			High	Low	
Spot Rate (Jun. 8)	9.364				8.357
Forecasts (end-Jul. 2015)	9.296	0.7	9.000	9.500	8.610
(end-Sep. 2015)	9.264	1.1	8.900	9.550	8.698
(end-Jun. 2016)	9.111	2.8	8.600	9.600	8.693
(end-Jun. 2017)	8.983	4.2	8.400	9.200	8.334

Interpolated Rates		
Quarter	End Average	End Quarter
2015 Q2	9.333	9.341
Q3	9.293	9.264
Q4	9.238	9.213
2016 Q1	9.187	9.162
Q2	9.137	9.111
Q3	9.095	9.079
Q4	9.063	9.047
2017 Q1	9.031	9.015
Q2	8.999	8.983



Policy: The Swedish krona floats independently. Primary focus of monetary policy is the inflation target (introduced in 1993 and currently set at 2.0%).

Outlook: The krona lost ground in early June amid fresh concerns over private sector debt in Sweden. Household borrowing soared as Riksbank cut rates to below zero to kickstart inflation, which fell 0.2% (y-o-y) in April. Near-term prospects for the currency have become more uncertain as the central bank said that policy decisions could fall outside of its scheduled meeting calendar.

Economic Indicators and Consensus Forecasts

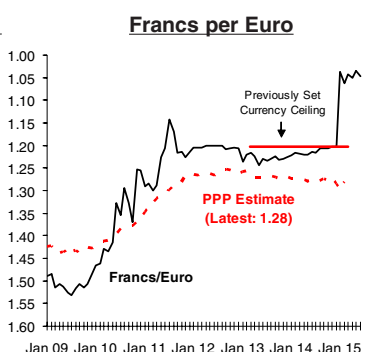
Nominal GDP (2013): US\$557.9bn		Debt Ratings (M/S&P): Aaa/AAA				
Population (mid-2013): 9.6mn		ICPI: 87/100				
		Consensus				
	2011	2012	2013	2014	2015	2016
Real GDP, %	2.7	-0.3	1.3	2.3	2.7	2.9
Consumer Prices, %	2.6	0.9	0.0	-0.2	0.2	1.4
Current Account, US\$bn	38.7	36.0	42.3	35.7	27.8	27.7
Krona/Euro, annual ave.	9.03	8.712	8.648	9.120	9.312	9.120
Short Term Interest Rates ¹	2.6	1.3	0.9	0.3	-0.3 ¹	-0.2 ¹
FX Reserves, end yr, US\$bn	44.0	45.5	60.5	53.3	na	na

¹ 3 mth Interbank (%), end period. Forecasts for 3 and 12 months from survey date.

SWISS FRANC

Francs per Euro	Consensus of 32 F'csts	% Chge	Forecast		Swfr per US\$
			Spot	Range	
			High	Low	
Spot Rate (Jun. 8)	1.050				0.937
Forecasts (end-Jul. 2015)	1.043	0.6	0.980	1.083	0.966
(end-Sep. 2015)	1.045	0.5	0.960	1.100	0.981
(end-Jun. 2016)	1.061	-1.0	0.950	1.150	1.012
(end-Jun. 2017)	1.099	-4.5	1.000	1.152	1.019

Interpolated Rates		
Quarter	End Average	End Quarter
2015 Q2	1.040	1.048
Q3	1.044	1.045
Q4	1.047	1.050
2016 Q1	1.053	1.055
Q2	1.058	1.061
Q3	1.065	1.070
Q4	1.075	1.080
2017 Q1	1.084	1.089
Q2	1.094	1.099



Policy: Until August 2011, the Swiss franc had floated independently. In January 2015, the National Bank abandoned its ceiling on currency appreciation set at Sfr1.20 per euro (see graph).

Outlook: The Swiss economy contracted by 0.2% (q-o-q) in Q1 as a strong franc clobbered exports. Currency appreciation also reduced the cost of imports and saw inflation fall to -0.7% (y-o-y) in Q1. The National Bank expects the franc to weaken over time, but has emphasised that it stands ready to intervene in the FX market to reduce volatility if required.

Economic Indicators and Consensus Forecasts

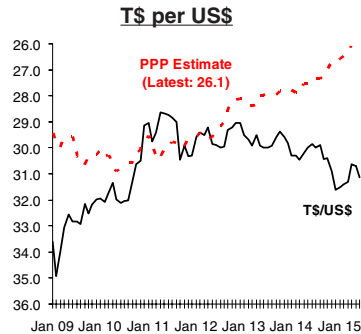
Nominal GDP (2013): US\$650.8bn		Debt Ratings (M/S&P): Aaa/AAA				
Population (mid-2013): 8.1mn		ICPI: 86/100				
		Consensus				
	2011	2012	2013	2014	2015	2016
Real GDP, %	1.8	1.1	1.9	2.0	0.7	1.2
Consumer Prices, %	0.2	-0.7	-0.2	0.0	-1.1	-0.1
Current Account, US\$bn	47.3	66.1	73.3	49.5	50.8	48.6
Francs/Euro, annual ave.	1.234	1.206	1.231	1.216	1.050	1.063
Short Term Interest Rates ¹	0.2	-0.1	-0.1	-0.1	-0.8 ¹	-0.8 ¹
FX Reserves, end yr, US\$bn	271.1	468.0	488.6	499.0	na	na

¹ 3 month Euro-Swiss franc deposits (%), end period. Forecasts for 3 and 12 months from survey date.

TAIWANESE DOLLAR

T\$ per US\$	Consensus of 23 F'csts	% Chge from Spot	Forecast	
			High	Low
- See p.33 for cross rates				
Spot Rate (Jun. 8)	31.08			
Forecasts (end-Jul. 2015)	31.22	-0.5	30.50	32.40
(end-Sep. 2015)	31.63	-1.7	30.75	32.80
(end-Jun. 2016)	31.82	-2.3	30.48	33.00
(end-Jun. 2017)	31.40	-1.0	29.78	33.60

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	30.84	31.13
Q3	31.34	31.63
Q4	31.66	31.69
2016 Q1	31.73	31.76
Q2	31.79	31.82
Q3	31.77	31.72
Q4	31.66	31.61
2017 Q1	31.56	31.51
Q2	31.45	31.40



Policy: Managed float. The central bank has intervened, sometimes heavily, in order to smooth fluctuations in the T\$. A ban on foreign time deposits was introduced in November 2009.

Outlook: Taiwan is reported to have intervened to hold back the T\$, which ended its recent uptrend in late May and depreciated in early June. Fears about export competitiveness followed a contraction in exports in April and a sharp drop in the Japanese yen, which is now at 12 year lows. Deflation is also thought to have encouraged the country to engineer a decline in its currency.

Economic Indicators and Consensus Forecasts

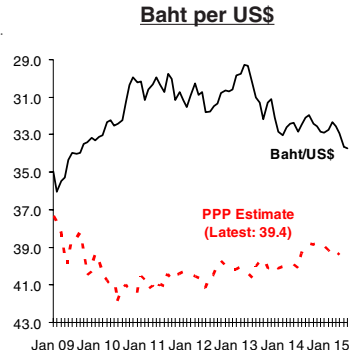
Nominal GDP (2013): US\$490.6bn	Debt Ratings (M/S&P): Aa3/AA-					
Population (mid-2013): 23.4mn	ICPI: 61/100	Consensus				
	2011	2012	2013	2014	2015	2016
Real GDP, %	3.8	2.1	2.2	3.8	3.5	3.6
Consumer Prices, %	1.4	1.9	0.8	1.2	-0.1	1.5
Current Account, US\$bn	39.9	49.0	55.3	65.4	73.0	68.0
T\$/US\$, annual ave.	29.38	29.57	29.68	30.30	31.34	31.74
Short Term Interest Rates ¹	0.8	0.8	0.6	0.8	0.8 ¹	1.1 ¹
FX Reserves, end yr, US\$bn	385.6	401.0	416.8	419.0	na	na

¹ 91-day commercial paper (%), end period. Forecasts for 3 and 12 months from survey date.

THAI BAHT

Baht per US\$	Consensus of 26 F'csts	% Chge from Spot	Forecast	
			High	Low
- See p.33 for cross rates				
Spot Rate (Jun. 8)	33.83			
Forecasts (end-Jul. 2015)	33.50	1.0	32.24	34.25
(end-Sep. 2015)	33.78	0.1	32.11	34.50
(end-Jun. 2016)	33.98	-0.5	31.00	35.30
(end-Jun. 2017)	34.35	-1.5	31.73	36.00

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	33.23	33.72
Q3	33.63	33.78
Q4	33.81	33.85
2016 Q1	33.88	33.91
Q2	33.95	33.98
Q3	34.03	34.08
Q4	34.12	34.17
2017 Q1	34.21	34.26
Q2	34.31	34.35



Policy: Managed float with intervention as required. The Bank of Thailand adopted an inflation targeting framework in 2000 in a bid to keep core price increases between 0.5% and 3.0%.

Outlook: The baht has depreciated as the Bank of Thailand warned that the currency could remain volatile due to economic risks and that it could cut its 2015 growth forecast below 3.8%. An upturn in the tourism sector and increased public expenditure should aid the recovery. Yet investor sentiment remains muted due to uncertainty regarding the timing of the next election.

Economic Indicators and Consensus Forecasts

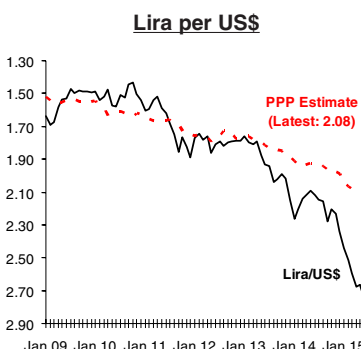
Nominal GDP (2013): US\$387.5bn	Debt Ratings (M/S&P): Baa1/BBB+					
Population (mid-2013): 67.0mn	ICPI: 38/100	Consensus				
	2011	2012	2013	2014	2015	2016
Real GDP, %	0.8	7.3	2.8	0.9	3.3	3.9
Consumer Prices, %	3.8	3.0	2.2	1.9	-0.1	2.3
Current Account, US\$bn	8.9	-1.5	-2.5	13.1	15.8	11.4
Baht/US\$, annual ave.	30.49	31.08	30.71	32.48	33.33	33.99
Short Term Interest Rates ¹	3.2	2.9	2.4	2.2	1.7 ¹	2.0 ¹
FX Reserves, end yr, US\$bn	167.4	173.3	159.0	149.1	na	na

¹ 3 month interbank (%), end period. Forecasts for 3 and 12 months from survey date.

TURKISH LIRA

Lira per US\$	Consensus of 29 F'csts	% Chge from Spot	Forecast		Lira per Euro
			High	Low	
- See p.33 for cross rates					
Spot Rate (Jun. 8)	2.766				3.100
Forecasts (end-Jul. 2015)	2.711	2.0	2.600	2.900	2.927
(end-Sep. 2015)	2.741	0.9	2.550	3.000	2.919
(end-Jun. 2016)	2.788	-0.8	2.500	3.150	2.922
(end-Jun. 2017)	2.860	-3.3	2.618	3.400	3.082

Interpolated Rates		
Quarter	Average	End Quarter
2015 Q2	2.667	2.748
Q3	2.727	2.741
Q4	2.749	2.757
2016 Q1	2.765	2.772
Q2	2.780	2.788
Q3	2.797	2.806
Q4	2.815	2.824
2017 Q1	2.833	2.842
Q2	2.851	2.860



Policy: The crawling peg regime was abandoned in 2001, causing a sharp devaluation of the lira. The currency now floats independently. Six zeroes were dropped from the lira in January 2005.

Outlook: The lira plunged to a record-low on our survey date after the ruling AK Party failed to secure a parliamentary majority for the first time in 13 years. With Turkey in need of widespread structural reforms, investors are cautious over the prospect of a coalition government. The currency is forecast to drift lower over the next two years as interest rates are hiked in the US.

Economic Indicators and Consensus Forecasts

Nominal GDP (2013): US\$820.7bn	Debt Ratings (M/S&P): Baa3/BB+					
Population (mid-2013): 74.9mn	ICPI: 45/100	Consensus				
	2011	2012	2013	2014	2015	2016
Real GDP, %	8.8	2.1	4.2	2.9	3.1	3.7
Consumer Prices, %	6.7	8.9	7.5	8.9	7.1	6.7
Current Account, US\$bn	-75.0	-48.5	-64.7	-46.4	-35.9	-39.6
Lira/US\$, annual ave.	1.675	1.796	1.904	2.186	2.649	2.789
Short Term Interest Rates ¹	12.5	9.0	7.8	11.3	10.6 ¹	10.5 ¹
FX Reserves, end yr, US\$bn	78.3	99.9	110.9	105.3	na	na

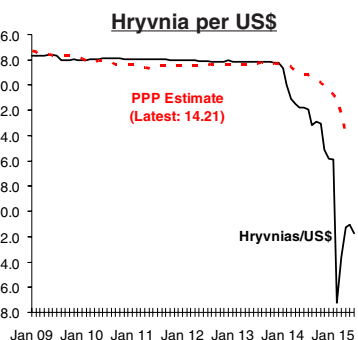
¹ Overnight interbank lending rate (%), end period. Forecasts for approximately 3 and 12 months from survey date.

UKRAINIAN HRYVNIA

	% Chge	Forecast		Hrv per Euro
		Consensus	from --- Range ---	
Hryvnia per US\$	of 5 F'csts	Spot	High	Low
Spot Rate (Jun. 8)	21.13			23.67
Forecasts (end-Jul. 2015)	22.89	-7.7	20.26	25.00
(end-Sep. 2015)	23.67	-10.8	20.13	29.40
(end-Jun. 2016)	24.28	-13.0	17.00	31.40
(end-Jun. 2017)	26.64	-20.7	18.73	33.00

Interpolated Rates

Quarter	End	
	Average	Quarter
2015 Q2	21.65	21.71
Q3	22.95	23.67
Q4	23.77	23.87
2016 Q1	23.97	24.08
Q2	24.18	24.28
Q3	24.57	24.87
Q4	25.16	25.46
2017 Q1	25.76	26.05
Q2	26.35	26.64



Policy: Closely managed against the US\$ with exchange controls to discourage sharp movements. Major political and economic problems. Territorial dispute with Russia.

Outlook: Reduced volatility in the hryvnia would be required for the National Bank to ease policy to support activity. Despite high borrowing costs, inflation is set to soar almost 45% this year due to currency weakness and a cut in utility subsidies, as demanded under IMF bailout conditions. The IMF has praised the country's commitment to economic reform, lifting hopes that it will be granted the second tranche of its US2.5bn loan.

Economic Indicators and Consensus Forecasts

	Consensus					
	2011	2012	2013	2014	2015	2016
Nominal GDP (2013): US\$178.9bn	Debt Ratings (M/S&P): Ca/CC					
Population (mid-2013): 45.2mn	ICPI: 26/100					
Real GDP, %	5.2	0.3	0.0	-6.8	-7.4	1.6
Consumer Prices, %	8.0	0.6	-0.3	12.1	44.2	15.8
Current Account, US\$bn	-10.2	-14.3	-16.5	-5.3	-1.1	-0.4
Hryvnia/US\$, annual ave.	7.968	7.991	7.993	11.84	22.37	24.47
Short Term Interest Rates ¹	7.8	7.5	6.5	14.0	na	na
FX Reserves, end yr, US\$bn	30.4	22.7	18.8	6.6	11.7	14.3

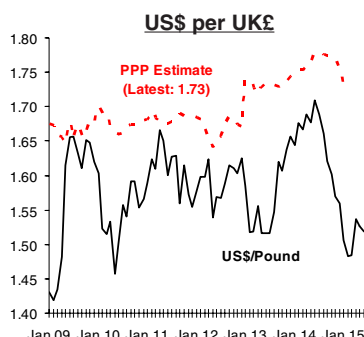
¹ Discount rate (%), end period.

UNITED KINGDOM POUND

	% Chge	Forecast		UK£ per Euro
		Consensus	from --- Range ---	
US\$ per UK£	of 83 F'csts	Spot	High	Low
Spot Rate (Jun. 8)	1.527			0.734
Forecasts (end-Jul. 2015)	1.503	-1.6	1.580	1.390
(end-Sep. 2015)	1.495	-2.1	1.610	1.400
(end-Jun. 2016)	1.484	-2.9	1.630	1.220
(end-Jun. 2017)	1.487	-2.6	1.603	1.150

Interpolated Rates

Quarter	End	
	Average	Quarter
2015 Q2	1.521	1.519
Q3	1.503	1.495
Q4	1.493	1.491
2016 Q1	1.489	1.487
Q2	1.486	1.484
Q3	1.484	1.485
Q4	1.485	1.485
2017 Q1	1.486	1.486
Q2	1.487	1.487



Policy: The UK left the EU Exchange Rate Mechanism in 1992. Sterling now floats independently. Inflation target of 2.0%.

Outlook: The UK pound has retraced its post-election gains in recent weeks as latest PMI surveys on manufacturing and services disappointed, while Q1 GDP growth was not, as earlier hoped, revised higher from 0.3% (q-o-q). With the economy suffering deflation in April and the Bank of England trimming its growth outlook last month, some observers believe that the start of the monetary tightening cycle may not occur until mid-2016.

Economic Indicators and Consensus Forecasts

	Consensus					
	2011	2012	2013	2014	2015	2016
Nominal GDP (2013): US\$2522.8bn	Debt Ratings (M/S&P): Aa1/AAA					
Population (mid-2013): 63.1mn	ICPI: 78/100					
Real GDP, %	1.6	0.7	1.7	2.8	2.4	2.5
Consumer Prices, %	4.5	2.8	2.5	1.5	0.3	1.6
Current Account, US\$bn	-43.3	-97.8	-120	-161	-127	-116
US\$/Pound, annual ave.	1.602	1.580	1.564	1.648	1.508	1.486
Short Term Interest Rates ¹	1.1	0.5	0.5	0.6	0.6	1.1
FX Reserves, end yr, US\$bn	56.2	64.9	69.6	76.4	na	na

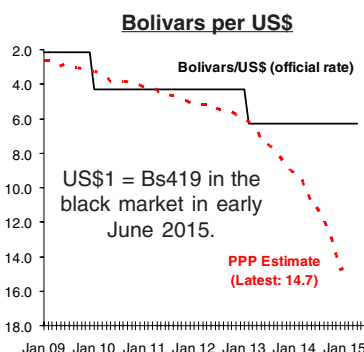
¹ 3 mth interbank (%), end period. Forecasts for 3 and 12 months from survey date.

VENEZUELAN BOLIVAR

	% Chge	Forecast		
		Consensus	from --- Range ---	
Bolivars per US\$	of 4 F'csts	Spot	High	Low
Spot Rate (Jun. 8)	6.290			
Forecasts (end-Jul. 2015)	13.01	-51.7	6.300	23.00
(end-Sep. 2015)	14.45	-56.5	6.300	23.00
(end-Jun. 2016)	45.17	-86.1	29.33	58.00
(end-Jun. 2017)	45.14	-86.1	37.70	54.04

Interpolated Rates

Quarter	End	
	Average	Quarter
2015 Q2	6.643	8.530
Q3	12.66	14.45
Q4	19.37	24.69
2016 Q1	29.68	34.93
Q2	39.96	45.17
Q3	45.17	45.16
Q4	45.16	45.16
2017 Q1	45.15	45.15
Q2	45.14	45.14



Policy: The FX regime was altered again in February 2015 in an effort to address US\$ shortages and counter black market activity. Rates remained fixed at 6.29 for priority imports, while two weaker pre-existing exchange rate tiers were merged. A third market-based mechanism, known as Simadi, has been introduced.

Outlook: Amid fears of hyperinflation, the bolivar plunged by a third in the black market in May. Simadi, the new official rate (policy above), has been criticised as impractical and for the small amount of FX transactions it is able to process.

Economic Indicators and Consensus Forecasts

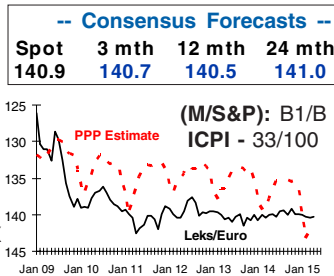
	Consensus					
	2011	2012	2013	2014	2015	2016
Nominal GDP (2013): US\$419.9bn	Debt Ratings (M/S&P): Caa3/CCC					
Population (mid-2013): 30.4mn	ICPI: 19/100					
Real GDP, %	4.2	5.6	1.3	-3.7 e	-6.0	-2.3
Consumer Prices, Dec/Dec, %	29.0	19.5	52.7	64.7	105.9	79.1
Current Account, US\$bn	24.4	11.0	5.3	7.4 e	-6.9	-1.8
Bolivars/US\$, annual ave.	4.289	4.289	6.057	6.284	10.06	39.44
Short Term Interest Rates ¹	14.5	14.5	14.5	14.5	15.4	17.4
FX Reserves, end yr, US\$bn	6.0	6.0	2.1	##### e	3.8	4.6

¹ 30 Day Deposits, annualised, %, end period. Forecasts for approximately 3 and 12 months from survey date.

Albania Lek (per Euro)

	average	
	2008-2012	2013
Inflation, %	2.9	1.9
Leks/Euro, % chge	-2.6	-0.6
Current Account, US\$bn	-1.4	-1.2
FX Reserves, end yr, US\$bn	2.3	2.6

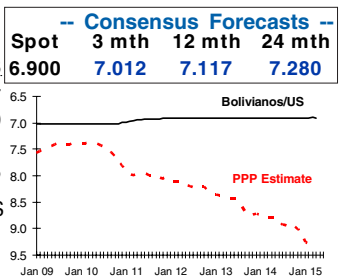
Policy: Independent float. Occasional intervention to smooth excessive FX fluctuations. 3% inflation target.



Bolivian Boliviano

	average	
	2008-2012	2013
Inflation, Dec/Dec, %	6.1	5.7
Bolivianos/US\$, % chge	0.3	0.0
Current Account, US\$bn	1.3	1.1
FX Reserves, end yr, US\$bn	8.8	12.5

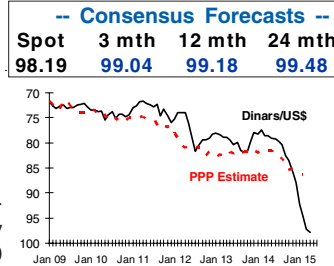
Policy: The boliviano has been US\$ pegged since 2008. Capital controls. (M/S&P): Ba3/BB ICPI - 35/100



Algerian Dinar

	average	
	2008-2012	2013
Inflation, %	6.0	3.3
Dinars/US\$, % chge	-2.6	-0.1
Current Account, US\$bn	15.4	0.9
FX Reserves, end yr, US\$bn	164.1	192.4

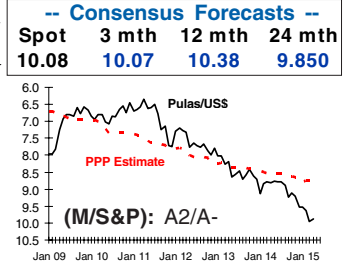
Policy: Managed float against a currency basket. Rate determined by interbank transactions. ICPI - 36/100



Botswanan Pula

	average	
	2008-2012	2013
Inflation, %	8.7	5.9
Pula/US\$, % chge	-0.7	-10.9
Current Account, US\$bn	-0.3	-0.1
FX Reserves, end yr, US\$bn	8.3	7.5

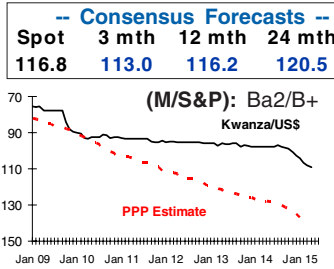
Policy: Pegged to a currency basket comprising South African rand (70%) and SDR (30%). ICPI - 63/100



Angolan Kwanza

	average	
	2008-2012	2013
Inflation, %	12.9	8.8
Kwanza/US\$, % chge	-4.7	-1.8
Current Account, US\$bn	6.8	7.0
FX Reserves, end yr, US\$bn	22.7	32.8

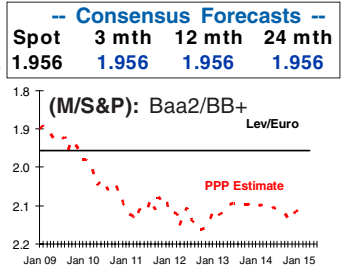
Policy: Managed float. Kwanza has been largely stable since 2003. Oil-dependent economy. ICPI - 19/100



Bulgarian Lev (per Euro)

	average	
	2008-2012	2013
Inflation, %	5.0	0.9
Lev / Euro, % chge	0.1	0.0
Current Account, US\$bn	-3.4	1.1
FX Reserves, end yr, US\$bn	16.6	17.3

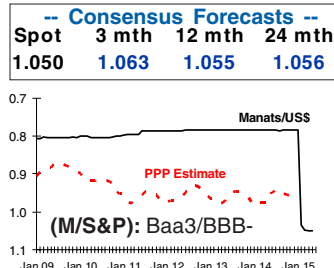
Policy: Pegged at Lev1.95583 = €1. The government is in no hurry to adopt the euro. ICPI - 43/100



Azerbaijani Manat

	average	
	2008-2012	2013
Inflation, %	7.4	2.4
Manat/US\$, % chge	0.4	0.1
Current Account, US\$bn	14.8	14.5
FX Reserves, end yr, US\$bn	7.9	14.2

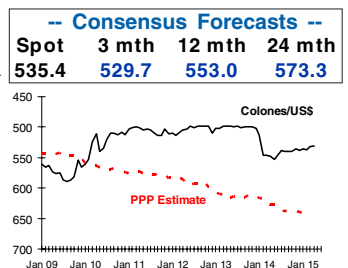
Policy: Managed float. Oil-dependent. Currency devalued by a third in February 2015. ICPI - 29/100



Costa Rican Colon

	average	
	2008-2012	2013
Inflation, Dec/Dec, %	6.6	3.7
Colons/US\$, % chge	1.8	1.4
Current Account, US\$bn	-1.8	-2.5
FX Reserves, end yr, US\$bn	4.8	7.1

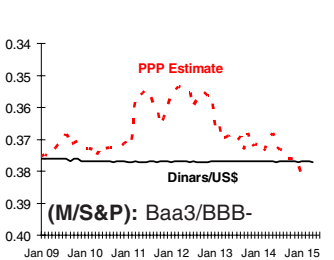
Policy: Managed float. Crawling peg prior to 2006. (M/S&P): Ba1/BB ICPI - 54/100



Bahrain Dinar

	average	
	2008-2012	2013
Inflation, %	1.1	5.3
Dinars/US\$, % chge	0.0	0.0
Current Account, US\$bn	1.8	2.3
FX Reserves, end yr, US\$bn	4.2	5.0

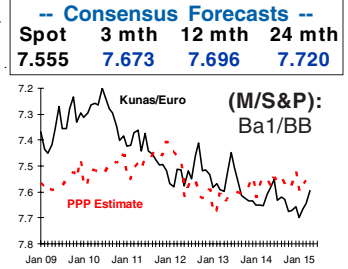
Policy: Fixed at Bdr0.376 = US\$1. Plans for monetary union with other GCC members. ICPI - 49/100



Croatian Kuna (per Euro)

	average	
	2008-2012	2013
Inflation, %	3.0	2.2
Kuna/Euro, % chge	-1.0	-1.3
Current Account, US\$bn	-2.2	0.7
FX Reserves, end yr, US\$bn	14.3	17.8

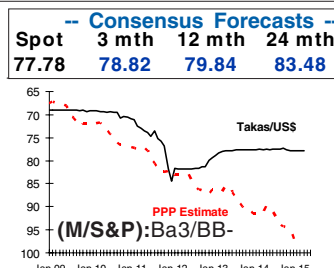
Policy: Managed float. Temporarily pegged against the Swiss franc in January 2015. ICPI - 48/100



Bangladesh Taka

	average	
	2008-2012	2013
Inflation, %	8.4	5.0
Taka/US\$, % chge	-2.9	2.7
Current Account, US\$bn	1.6	2.6
FX Reserves, end yr, US\$bn	9.4	16.6

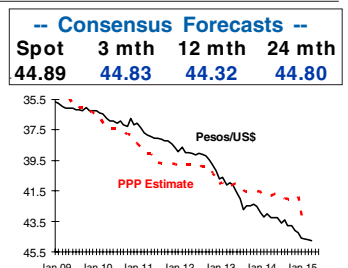
Policy: Managed float with a pre-announced exchange rate path since June 2003. ICPI - 25/100



Dominican Republic Peso

	average	
	2008-2012	2013
Inflation, Dec/Dec %	5.6	3.9
Pesos/US\$, % chge	-2.4	-5.7
Current Account, US\$bn	-3.9	-2.6
FX Reserves, end yr, US\$bn	3.5	4.7

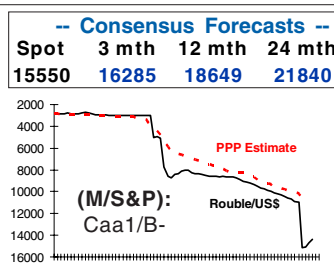
Policy: Managed float. Country has high external funding requirements. (M/S&P): B1/B+ ICPI - 32/100



Belarussian Rouble

	average	
	2008-2012	2013
Inflation, %	31.0	18.4
Rouble/US\$, % chge	-23.8	-9.9
Current Account, US\$bn	-5.3	-7.3
FX Reserves, end yr, US\$bn	4.6	4.9

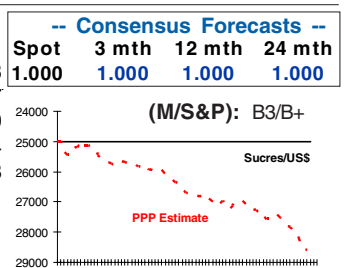
Policy: Managed float. Fragile economy. Sharp currency devaluation in 2011. ICPI - 31/100



Ecuadorian Sucre

	average	
	2008-2012	2013
Inflation, Dec/Dec, %	5.2	2.7
Sucres/US\$, % change	0.0	0.0
Current Account, US\$bn	0.0	-1.4
FX Reserves, end yr, US\$bn	2.2	3.3

Policy: The sucre was abandoned and replaced by the US\$ at US\$1 = Suc25,000 in 2000. ICPI - 33/100

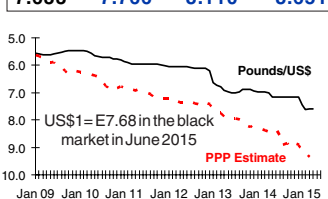


Egyptian Pound

	average	
	2008-2012	2013
Inflation, %	4.2	2.1
E£/US\$, % chge	-2.1	-12.8
Current Account, US\$bn	-5.5	-3.5
FX Reserves, end yr, US\$bn	24.9	12.3

Policy: Manged float. Pound under pressure due to political discord. (M/S&P): B3/B- ICPI - 37/100

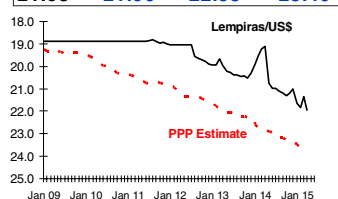
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
7.633	7.766	8.110	8.651	

**Honduran Lempira**

	average	
	2008-2012	2013
Inflation, %	6.7	5.2
Lempira/US\$, % chge	-1.1	-3.1
Current Account, US\$bn	-1.3	-1.7
FX Reserves, end yr, US\$bn	2.5	2.8

Policy: Crawling peg until 2006. Lempira now trades in a currency band. (M/S&P): B3/B ICPI - 29/100

-- Consensus Forecasts* --				
Spot	3 mth	12 mth	24 mth	
21.98	21.96	22.58	23.40	

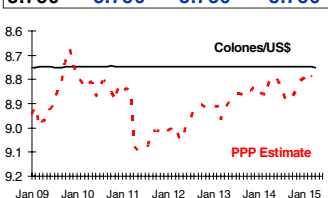
**El Salvadorian Colon**

	average	
	2008-2012	2013
Inflation, %	3.2	0.5
Colones/US\$, % chge	0.0	0.0
Current Account, US\$bn	-1.0	-1.6
FX Reserves, end yr, US\$bn	2.6	2.2

Policy: Colon was replaced by the US\$ in 2001 at Cs8.75=US\$1.

(M/S&P): Ba3/B+ ICPI - 39/100

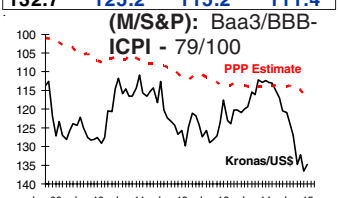
-- Consensus Forecasts* --				
Spot	3 mth	12 mth	24 mth	
8.750	8.750	8.750	8.750	

**Icelandic Krona**

	average	
	2008-2012	2013
Inflation, %	7.9	3.9
Krona/US\$, % chge	-1.3	11.6
Current Account, US\$bn	-1.7	0.1
FX Reserves, end yr, US\$bn	5.1	4.1

Policy: Independent float. Capital controls imposed following 2008 crisis were lifted in June 2015.

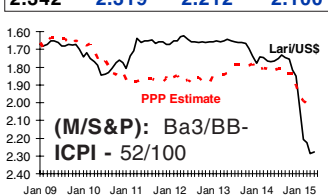
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
132.7	125.2	115.2	111.4	

**Georgian Lari**

	average	
	2008-2012	2013
Inflation, %	5.3	-0.5
Laris/US\$, % chge	0.1	-4.6
Current Account, US\$bn	-1.9	-1.0
FX Reserves, end yr, US\$bn	2.1	na

Policy: Managed float. Lari replaced Russian rouble in 1993. Inflation target of 6.0%.

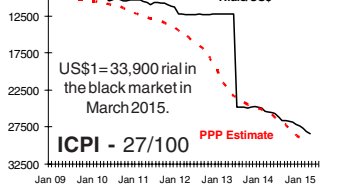
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
2.342	2.319	2.212	2.100	

**Iranian Rial**

	average	
	2008-2012	2013
Inflation, %	19.4	44.8
Rials/US\$, % chge	-4.3	-50.5
Current Account, US\$bn	29.1	-3.6
FX Reserves, end yr, US\$bn	82.0	67.8

Policy: Managed float. Exchange controls. US economic sanctions triggered rial slump in mid-2013.

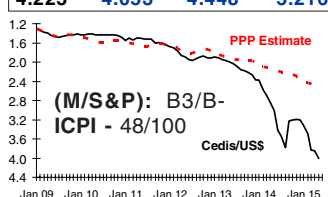
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
7500	12500	17500	22500	

**Ghanaian Cedi**

	average	
	2008-2012	2013
Inflation, %	12.9	11.6
Cedis/US\$, % change	-8.4	-14.5
Current Account, US\$bn	-3.3	-5.8
FX Reserves, end yr, US\$bn	4.2	4.9

Policy: Managed float. Four zeros dropped from Cedi in 2007. Inflation target of 9.5%.

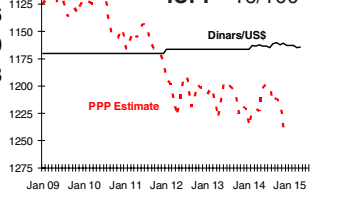
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
4.225	4.053	4.448	5.216	

**Iraqi Dinar**

	average	
	2008-2012	2013
Inflation, %	3.1	3.6
Dinar/US\$, % chge	0.1	0.0
Current Account, US\$bn	17.9	19.8
FX Reserves, end yr, US\$bn	54.8	76.1

Policy: Managed float. Economy trying to rebuild after 2003 war. Major political and security risks.

-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
1100	1125	1150	1175	

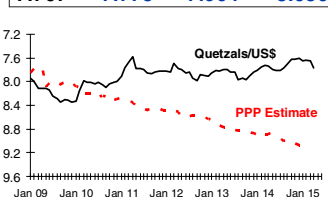
**Guatemalan Quetzal**

	average	
	2008-2012	2013
Inflation, %	6.4	4.3
Quetzals/US\$, % chge	-0.3	0.5
Current Account, US\$bn	-1.1	-1.6
FX Reserves, end yr, US\$bn	5.4	6.7

Policy: Managed float. Rate determined by interbank transactions.

(M/S&P): Ba1/BB ICPI - 32/100

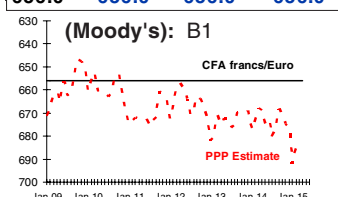
-- Consensus Forecasts* --				
Spot	3 mth	12 mth	24 mth	
7.707	7.773	7.904	8.036	

**Ivory Coast (CFA Franc)**

	average	
	2008-2012	2013
Inflation, %	3.1	2.6
CFA francs/Euro, % chge	0.0	0.0
Current Account, US\$bn	1.1	-1.2
FX Reserves, end yr, US\$bn	3.5	4.2

Policy: Pegged at CFA franc 655.957 per euro. Used in other former French African colonies. ICPI - 32/100

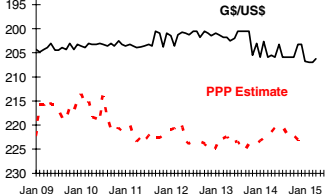
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
656.0	656.0	656.0	656.0	

**Guyanese Dollar**

	average	
	2008-2012	2013
Inflation, %	4.1	1.9
G\$/US\$, % chge	0.1	-1.0
Current Account, US\$bn	-0.3	-0.5
FX Reserves, end yr, US\$bn	0.7	0.8

Policy: Managed float. Guyana is a recipient of an IMF ESAF grant. Black market rates. ICPI - 30/100

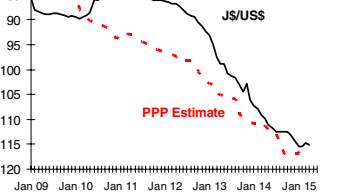
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
190	195	200	205	

**Jamaican Dollar**

	average	
	2008-2012	2013
Inflation, %	11.8	9.4
J\$/US\$, % chge	-2.8	-12.7
Current Account, US\$bn	-1.8	-1.4
FX Reserves, end yr, US\$bn	2.1	1.8

Policy: Managed float. Rates largely market-determined. (M/S&P): Caa3/B- ICPI - 38/100

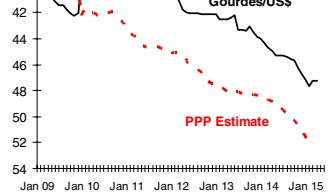
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
80	85	90	95	

**Haitian Gourde**

	average	
	2008-2012	2013
Inflation, %	7.2	5.9
Gourdes/US\$, % chge	-1.3	-3.0
Current Account, US\$bn	-0.3	-0.5
FX Reserves, end yr, US\$bn	1.0	1.6

Policy: Managed float with no pre-determined path for the exchange rate. ICPI - 19/100

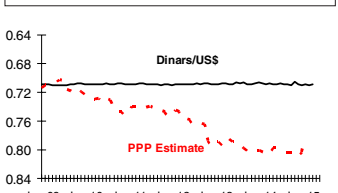
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
38	40	42	44	

**Jordanian Dinar**

	average	
	2008-2012	2013
Inflation, %	5.7	5.5
Dinars/US\$, % chge	0.0	0.0
Current Account, US\$bn	-2.6	-4.7
FX Reserves, end yr, US\$bn	10.6	13.2

Policy: Effectively pegged to the US\$ since late 1995. (M/S&P): B1/BB- ICPI - 49/100

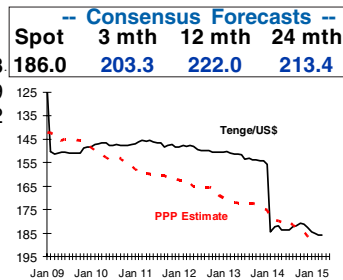
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
0.708	0.709	0.709	0.708	



Kazakhstani Tenge

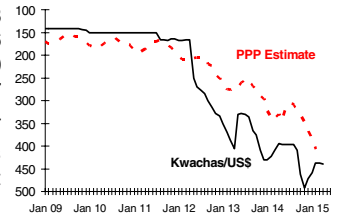
	average	
	2008-2012	2013
Inflation, %	9.0	5.9
Tenge/US\$, % chge	-4.3	-2.2
Current Account, US\$bn	3.0	-0.1
FX Reserves, end yr, US\$bn	22.2	19.1

Policy: De facto currency peg. 15.7% devaluation in February 11, 2014.
(M/S&P): Baa2/BBB ICPI - 29/100

**Malawian Kwacha**

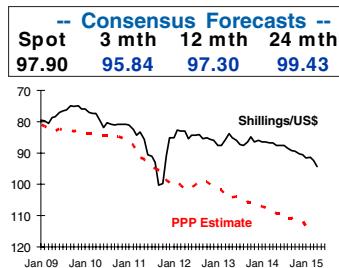
	average	
	2008-2012	2013
Inflation, %	10.7	27.6
Kwacha/US\$, % chge	-15.9	-23.0
Current Account, US\$bn	-0.7	-0.7
FX Reserves, end yr, US\$bn	0.2	0.4

Policy: Heavily managed prior to its devaluation and shift to a free float regime in April 2012. ICPI - 33/100

**Kenyan Shilling**

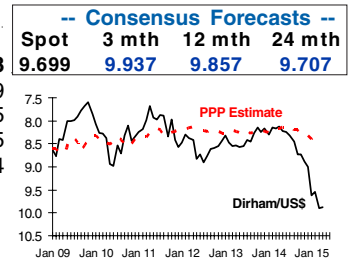
	average	
	2008-2012	2013
Inflation, %	12.6	5.7
Shillings/US\$, % chge	-2.0	-0.4
Current Account, US\$bn	-2.8	-3.9
FX Reserves, end yr, US\$bn	4.2	6.6

Policy: Managed float. Economy dependent on agriculture and tourism.
(M/S&P): B1/B+ ICPI - 25/100

**Moroccan Dirham**

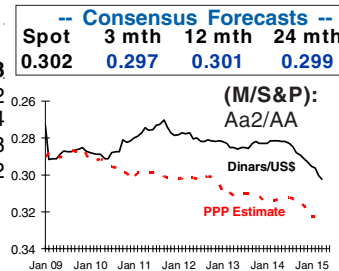
	average	
	2008-2012	2013
Inflation, %	1.6	1.9
Dirham/US\$, % chge	-0.8	3.5
Current Account, US\$bn	-6.7	-9.5
FX Reserves, end yr, US\$bn	20.7	18.4

Policy: Pegged to currency basket weighted according to trade.
(M/S&P): Ba1/BBB- ICPI - 39/100

**Kuwaiti Dinar**

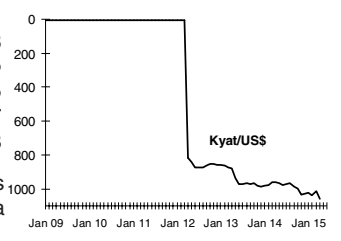
	average	
	2008-2012	2013
Inflation, %	5.3	4.2
Dinars/US\$, % chge	-0.4	-0.4
Current Account, US\$bn	54.6	70.8
FX Reserves, end yr, US\$bn	22.7	32.2

Policy: Pegged to undisclosed currency basket. Plans for GCC monetary union. ICPI - 44/100

**Myanmarian Kyat**

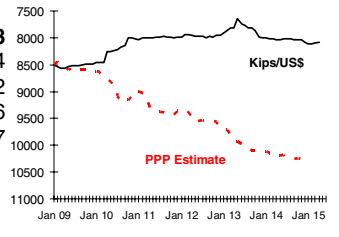
	average	
	2008-2012	2013
Inflation, %	8.6	5.5
Kyat/US\$, % chge	-63.5	-13.5
Current Account, US\$bn	0.1	-2.7
FX Reserves, end yr, US\$bn	5.7	8.3

Policy: The 35-year old peg was scrapped on April 2012 in favour of a managed float. ICPI - 21/100

**Laos Kip**

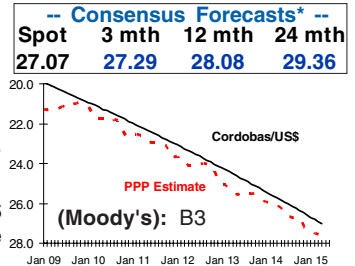
	average	
	2008-2012	2013
Inflation, %	5.1	6.4
Kip/US\$, % chge	1.2	-0.2
Current Account, US\$bn	-0.1	-0.6
FX Reserves, end yr, US\$bn	0.7	0.7

Policy: Managed float. Kip is permitted to move within assigned ranges against the US\$ and Thai baht. ICPI - 25/100

**Nicaraguan Cordoba**

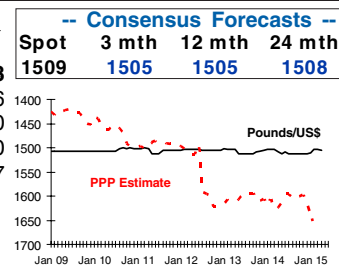
	average	
	2008-2012	2013
Inflation, %	8.9	7.1
Cordobas/US\$, % chge	-3.8	-4.8
Current Account, US\$bn	-1.2	-1.3
FX Reserves, end yr, US\$bn	1.7	2.0

Policy: Crawling peg. 5% annual US\$ depreciation. No significant exchange or capital controls. ICPI - 28/100

**Lebanese Pound**

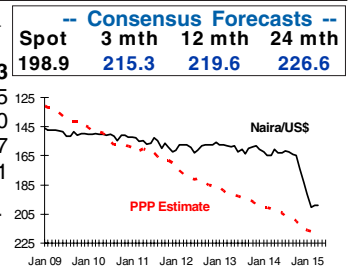
	average	
	2008-2012	2013
Inflation, %	5.7	5.6
L£/US\$, % chge	0.0	0.0
Current Account, US\$bn	-5.0	-5.0
FX Reserves, end yr, US\$bn	30.4	36.7

Policy: Managed exchange rate. Border security issues.
(M/S&P): B2/B- ICPI - 27/100

**Nigerian Naira**

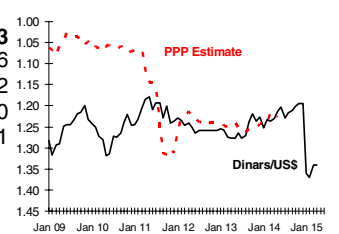
	average	
	2008-2012	2013
Inflation, %	12.0	8.5
Naira/US\$, % chge	-3.1	0.0
Current Account, US\$bn	18.1	20.7
FX Reserves, end yr, US\$bn	42.9	45.1

Policy: Managed float. FX Controls. Internal security issues.
(M/S&P): Ba3/B+ ICPI - 27/100

**Libyan Dinar**

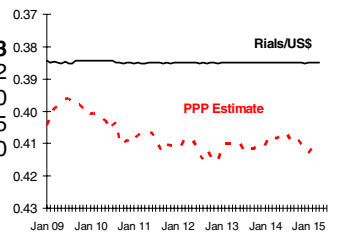
	average	
	2008-2012	2013
Inflation, %	7.6	2.6
Dinars/US\$, % chge	0.0	0.2
Current Account, US\$bn	17.8	-3.0
FX Reserves, end yr, US\$bn	102.8	110.1

Policy: Official exchange rate pegged at Ld1 = SDR 0.5175, with a 25% margin of fluctuation. ICPI - 18/100

**Oman Rial**

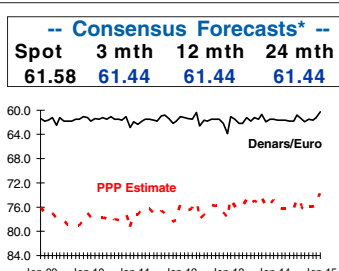
	average	
	2008-2012	2013
Inflation, %	5.3	1.2
Rials/US\$, % chge	0.0	0.0
Current Account, US\$bn	5.8	7.5
FX Reserves, end yr, US\$bn	13.1	16.0

Policy: Pegged at Rials 0.385 = US\$1. Problems with inflation in 2008.
(M/S&P): A1/A- ICPI - 45/100

**Macedonian Denar (per Euro)**

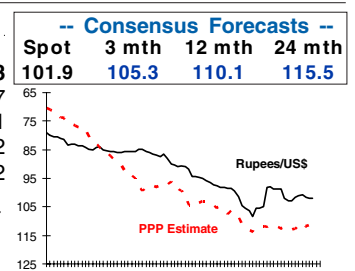
	average	
	2008-2012	2013
Inflation, %	3.1	3.3
Denars/euro, % chge	0.0	-1.3
Current Account, US\$bn	-0.6	-0.3
FX Reserves, end yr, US\$bn	2.1	2.5

Policy: Managed float. Money supply and rates dictated by the FX target.
(S&P): BB- ICPI - 45/100

**Pakistani Rupee**

	average	
	2008-2012	2013
Inflation, %	13.9	7.7
Rupees/US\$, % chge	-4.0	-8.1
Current Account, US\$bn	1.1	-4.2
FX Reserves, end yr, US\$bn	11.5	5.2

Policy: Managed float. Border disputes with India. (M/S&P): Caa1/B- ICPI - 29/100

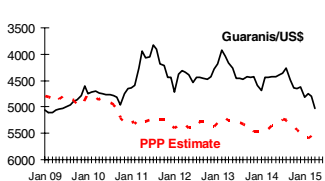


Paraguayan Guarani

	average	
	2008-2012	2013
Inflation, Dec/Dec %	5.1	3.7
Guarani/US\$, % chge	2.9	-5.2
Current Account, US\$bn	0.2	1.1
FX Reserves, end yr, US\$bn	4.1	5.6

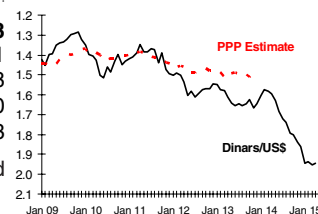
Policy: Managed float. Central bank will intervene to smooth out FX fluctuations.
(M/S&P): Ba1/BB ICPI - 24/100

-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
5113	5101	5250	5494	

**Tunisian Dinar**

	average	
	2008-2012	2013
Inflation, %	4.4	6.1
Dinars/US\$, % chge	-3.3	-5.8
Current Account, US\$bn	-2.4	-4.0
FX Reserves, end yr, US\$bn	9.0	7.3

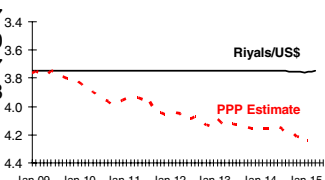
Policy: Managed float. Rate determined in the interbank market.
(Moody's): Ba3 ICPI - 40/100

**Saudi Arabian Riyal**

	average	
	2008-2012	2013
Inflation, % chge	6.0	2.7
Riyals/US\$, % chge	0.0	0.0
Current Account, US\$bn	108.7	134.7
FX Reserves, end yr, US\$bn	498.8	725.3

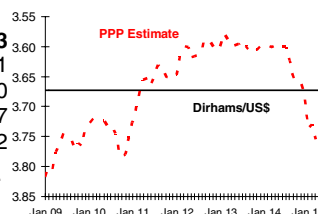
Policy: Pegged at R3.745 = US\$1. Plans for GCC monetary union.
(M/S&P): Aa3/AA- ICPI - 49/100

-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
3.750	3.750	3.750	3.750	

**UAE Dirham**

	average	
	2008-2012	2013
Inflation, %	3.2	1.1
Dirhams/US\$, % chge	0.0	0.0
Current Account, US\$bn	31.0	61.7
FX Reserves, end yr, US\$bn	35.0	68.2

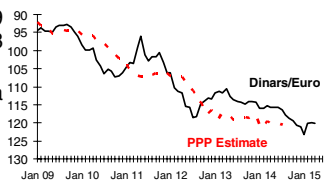
Policy: Pegged at D3.67275 = US\$1. Plans for GCC monetary union.
(Moody's): Aa2 ICPI - 70/100

**Serbian Dinar (per Euro)**

	average	
	2008-2012	2013
Inflation, %	9.1	7.9
Dinars/Euro, % chge	-5.1	-0.8
Current Account, US\$bn	-5.1	-2.1
FX Reserves, end yr, US\$bn	13.8	na

Policy: Managed float. Serbia proclaimed independence in 2006.
(M/S&P): B1/BB- ICPI - 41/100

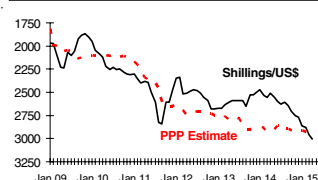
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
120.6	124.0	125.0	128.0	

**Ugandan Shilling**

	average	
	2008-2012	2013
Inflation, %	12.5	5.4
Shillings/US\$, % chge	-6.2	6.2
Current Account, US\$bn	-1.6	-1.3
FX Reserves, end yr, US\$bn	2.8	3.3

Policy: Independent float. Rate determined in the interbank market.
(M/S&P): B1/B ICPI - 26/100

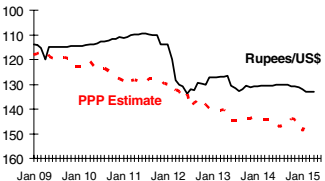
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
3110	3071	3080	3097	

**Sri Lankan Rupee**

	average	
	2008-2012	2013
Inflation, %	9.3	7.2
Rupees/US\$, % chge	-2.3	-2.7
Current Account, US\$bn	-2.8	-2.7
FX Reserves, end yr, US\$bn	5.3	6.6

Policy: Independent float. Some FX controls were imposed in 2008.
(M/S&P): B1/B+ ICPI - 38/100

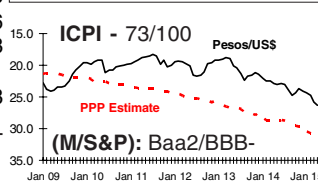
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
134.0	133.5	135.5	136.9	

**Uruguayan Peso**

	average	
	2008-2012	2013
Inflation, Dec/Dec %	7.6	8.6
Pesos/US\$, % chge	4.7	-9.3
Current Account, US\$bn	-1.4	-3.1
FX Reserves, end yr, US\$bn	9.2	16.3

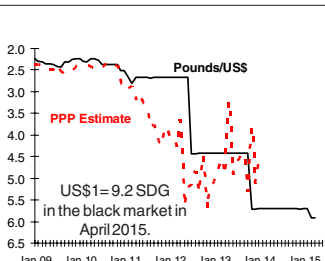
Policy: Independent float after crawling peg was abandoned in 2002. Inflation target of 3% to 7%.

-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
26.85	26.57	27.51	27.64	

**Sudanese Pound**

	average	
	2008-2012	2013
Inflation, %	23.7	1.7
Pounds/US\$, % chge	-13.2	-22.3
Current Account, US\$bn	-3.5	-4.5
FX Reserves, end yr, US\$bn	0.8	0.2

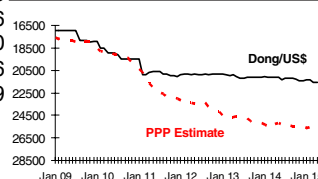
Policy: Managed float. Devaluation in November 2013 to bring it closer to its black market rate. ICPI - 11/100

**Vietnamese Dong**

	average	
	2008-2012	2013
Inflation, %	13.4	6.6
Dong/US\$, % chge	-4.0	-1.0
Current Account, US\$bn	-2.5	10.6
FX Reserves, end yr, US\$bn	18.4	25.9

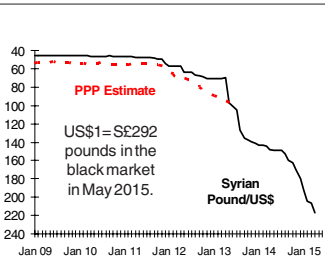
Policy: Managed float. Dong devalued by 7.0% in Feb. 2011.
(M/S&P): B1/BB- ICPI - 31/100

-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
21815	21755	22086	22866	

**Syrian Pound**

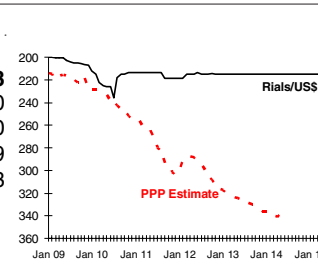
	average	
	2008-2012	2013
Inflation, %	12.9	41.4
S£/US\$, % chge	-8.1	-49.8
Current Account, US\$bn	-3.1	-5.2
FX Reserves, end yr, US\$bn	14.6	1.9

Policy: Managed float with capital controls. SYP has plummeted since 2011 due to internal war. ICPI - 20/100

**Yemeni Rial**

	average	
	2008-2012	2013
Inflation, %	13.1	11.0
Rials/US\$, % chge	-1.4	0.0
Current Account, US\$bn	-1.6	-2.9
FX Reserves, end yr, US\$bn	6.3	5.3

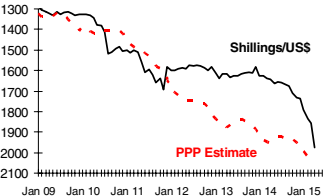
Policy: Independent float. Rial tumbled in first half of 2010 due to internal security concerns. ICPI - 19/100

**Tanzanian Shilling**

	average	
	2008-2012	2013
Inflation, %	11.5	7.9
Shillings/US\$, % chge	-4.0	-0.4
Current Account, US\$bn	-3.4	-5.1
FX Reserves, end yr, US\$bn	3.6	4.7

Policy: Independent float. Agriculture accounts for the largest portion of economic output. ICPI - 31/100

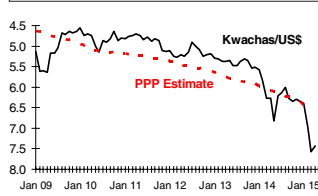
-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
2175	2058	2128	2237	

**Zambian Kwacha**

	average	
	2008-2012	2013
Inflation, %	9.5	7.0
Kwachas/US\$, % chge	-1.3	-6.6
Current Account, US\$bn	0.1	-1.0
FX Reserves, end yr, US\$bn	2.1	2.7

Policy: Managed float. Kwacha redenominated in Jan. 2013.
(M/S&P): B1/B+ ICPI - 38/100

-- Consensus Forecasts --				
Spot	3 mth	12 mth	24 mth	
7.250	7.237	7.481	7.783	



In managing its foreign exchange exposure a firm must first consider the nature of its operations and the types of exposure which result. It must then examine those exposures in the light of its overall financial objectives and risk tolerance. In the course of this examination it may discover that it has economic, accounting translation or transaction exposures, and it may also wish to consider the exposures of its principal international competitors.

Once foreign exchange exposures have been identified and gauged in terms of magnitude, the time over which they will prevail and risk, managers will wish to consider hedging techniques. The four most common alternatives are:

- remain unhedged (or partly unhedged);
- hedge in the forward market, through entering into contracts with banks, or hedge in the futures market by entering into contracts traded on exchanges;
- hedge in the money market, by borrowing in one currency, converting to another and depositing or investing the proceeds; the hedging cost will thus reflect the difference between borrowing and re-investment rates; and
- hedge in the options market, by purchasing puts or calls.

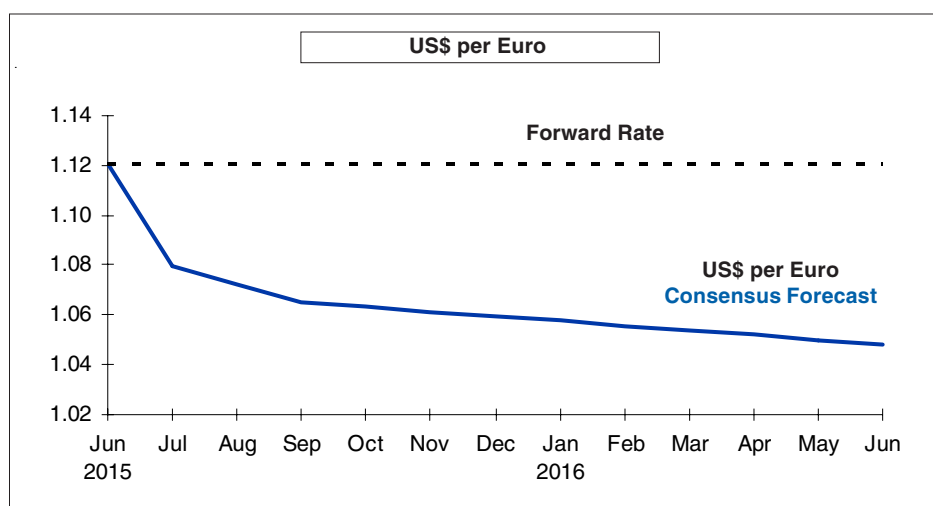
In recent years other techniques including currency swaps or active use of leads and lags have also been brought to bear, and more elaborate contractual or derivative hedges combining some of the above have also come into regular practice. The choice among the various alternatives will depend both on their cost and on their perceived risk.

In considering whether to remain unhedged or to enter into a forward contract, a comparison of the consensus forecast (or an individual forecast) with a forward exchange rate may be a useful starting point. The rates in the table above are from our June 8, 2015 survey date.

Comparison of Consensus Exchange Rate Forecasts and Forward Foreign Exchange Rates at June 8, 2015

Currency Against the US\$		Jun. 8 Spot Rate	In 3 mths	In 12 mths
Canadian dollar	- Consensus Forecast	1.245	1.255	1.245
	- Forward Rate		1.243	1.242
Euro	- Consensus Forecast	1.120	1.065	1.048
	- Forward Rate		1.121	1.121
Japanese yen	- Consensus Forecast	125.3	123.9	126.5
	- Forward Rate		125.3	125.3
UK pound	- Consensus Forecast	1.527	1.495	1.484
	- Forward Rate		1.527	1.528
Nowegian krone *	- Consensus Forecast	7.899	7.955	7.966
	- Forward Rate		7.845	7.865
Swedish krona *	- Consensus Forecast	8.357	8.698	8.693
	- Forward Rate		8.297	8.230
Swiss franc *	- Consensus Forecast	0.937	0.981	1.012
	- Forward Rate		0.926	0.891
South African rand	- Consensus Forecast	12.60	12.29	12.27
	- Forward Rate		12.67	13.29
Chinese renminbi	- Consensus Forecast	6.206	6.221	6.233
	- Forward Rate		6.153	6.245
Singaporean dollar	- Consensus Forecast	1.358	1.379	1.385
	- Forward Rate		1.356	1.362
South Korean won	- Consensus Forecast	1123	1120	1139
	- Forward Rate		1119	1119
Thai baht	- Consensus Forecast	33.83	33.78	33.98
	- Forward Rate		33.95	34.53
Brazilian real	- Consensus Forecast	3.128	3.256	3.262
	- Forward Rate		3.211	3.486
Mexican peso	- Consensus Forecast	15.69	15.36	15.02
	- Forward Rate		15.83	16.17

* Original forecasts against the euro, converted using consensus forecasts for US\$/euro.



In addition to their regular forecasts, this month we asked our panellists for their longer term projections until the end of 2021. The resulting consensus end-period forecasts have then been interpolated to provide period average estimates.

* 2014 end year and annual average figures represent actual outturns.

G-7, Western Europe and South Africa									
Forecasts vs US Dollar		2014*	2015	2016	2017	2018	2019	2020	2021
Euro	<i>end year</i>	1.214	1.059	1.063	1.161	1.199	1.245	1.254	1.270
(US\$/€)	<i>annual average</i>	1.329	1.091	1.055	1.112	1.180	1.222	1.249	1.262
Japanese yen	<i>end year</i>	119.9	124.8	125.9	123.4	121.7	120.2	120.1	125.8
	<i>annual average</i>	105.6	122.1	125.9	124.6	122.5	120.9	120.1	122.9
UK pound	<i>end year</i>	1.561	1.491	1.485	1.528	1.517	1.522	1.528	1.560
(US\$/£)	<i>annual average</i>	1.648	1.508	1.486	1.507	1.522	1.520	1.525	1.544
Canadian dollar	<i>end year</i>	1.160	1.252	1.228	1.199	1.183	1.161	1.151	1.109
(C\$/US\$)	<i>annual average</i>	1.105	1.244	1.242	1.214	1.191	1.172	1.156	1.130
South African rand	<i>end year</i>	11.58	12.28	12.29	12.46	12.77	13.27	13.73	14.12
	<i>annual average</i>	10.85	11.85	12.28	12.38	12.61	13.02	13.50	13.92
Forecasts vs Euro									
Danish krone	<i>end year</i>	7.446	7.454	7.457	7.392	7.338	7.284	7.231	7.051
	<i>annual average</i>	7.469	7.455	7.454	7.425	7.365	7.311	7.258	7.141
Norwegian krone	<i>end year</i>	9.025	8.431	8.261	8.340	8.307	8.502	8.416	7.467
	<i>annual average</i>	8.377	8.558	8.347	8.300	8.324	8.405	8.459	7.941
Swedish krona	<i>end year</i>	9.484	9.213	9.047	8.936	8.765	8.990	8.910	8.146
	<i>annual average</i>	9.120	9.312	9.120	8.991	8.850	8.878	8.950	8.528
Swiss franc	<i>end year</i>	1.201	1.050	1.080	1.093	1.059	1.044	1.033	1.017
	<i>annual average</i>	1.216	1.050	1.063	1.086	1.076	1.052	1.038	1.025

Eastern Europe									
Forecasts vs US Dollar		2014*	2015	2016	2017	2018	2019	2020	2021
Israeli shekel	<i>end year</i>	3.889	3.985	3.971	3.925	3.862	3.830	3.882	3.915
	<i>annual average</i>	3.581	3.932	3.985	3.948	3.893	3.846	3.856	3.898
Russian rouble	<i>end year</i>	56.24	56.85	60.10	62.34	63.56	64.93	66.32	68.60
	<i>annual average</i>	38.60	56.71	58.69	61.22	62.95	64.25	65.63	67.46
Turkish lira	<i>end year</i>	2.338	2.757	2.824	2.763	2.769	2.805	2.843	2.887
	<i>annual average</i>	2.186	2.649	2.789	2.793	2.766	2.787	2.824	2.865
Ukrainian hryvnia	<i>end year</i>	15.82	23.87	25.46	25.06	25.00	25.09	25.15	25.43
	<i>annual average</i>	11.84	22.37	24.47	25.26	25.03	25.05	25.12	25.29
Forecasts vs Euro									
Czech koruna	<i>end year</i>	27.72	27.51	26.89	25.37	24.58	24.25	24.00	23.72
	<i>annual average</i>	27.57	27.56	27.27	26.13	24.98	24.41	24.12	23.86
Hungarian forint	<i>end year</i>	314.6	309.1	313.4	311.2	306.1	305.2	304.4	301.9
	<i>annual average</i>	309.1	307.7	310.9	312.3	308.6	305.6	304.8	303.1
Polish zloty	<i>end year</i>	4.258	4.097	4.003	3.729	3.597	3.567	3.542	3.515
	<i>annual average</i>	4.192	4.122	4.058	3.866	3.663	3.582	3.554	3.528
Romanian leu	<i>end year</i>	4.472	4.412	4.428	4.316	4.222	4.036	4.032	4.023
	<i>annual average</i>	4.444	4.431	4.418	4.372	4.269	4.129	4.034	4.028

* 2014 end year and annual average figures represent actual outturns.

		Asia/Pacific							
Forecasts vs US Dollar		2014*	2015	2016	2017	2018	2019	2020	2021
Australian dollar (US\$/A\$)	<i>end year</i>	0.820	0.733	0.727	0.737	0.756	0.781	0.793	0.843
	<i>annual average</i>	0.903	0.762	0.724	0.732	0.746	0.769	0.787	0.818
Chinese renminbi	<i>end year</i>	6.119	6.225	6.268	6.242	6.159	6.078	6.004	5.947
	<i>annual average</i>	6.143	6.220	6.240	6.255	6.200	6.118	6.041	5.975
Hong Kong dollar	<i>end year</i>	7.755	7.779	7.776	7.754	7.754	7.754	7.754	7.754
	<i>annual average</i>	7.755	7.764	7.781	7.765	7.754	7.754	7.754	7.754
Indian rupee	<i>end year (December)</i>	63.33	64.10	64.68	65.88	66.60	66.95	66.98	68.15
	<i>annual average</i>	61.01	63.43	64.34	65.28	66.24	66.77	66.96	67.57
Indonesian rupiah	<i>end year</i>	12440	13539	13440	12303	12063	11942	11894	11862
	<i>annual average</i>	11880	13200	13569	12872	12183	12002	11918	11878
Malaysian ringgit	<i>end year</i>	3.495	3.710	3.639	3.437	3.363	3.311	3.261	3.214
	<i>annual average</i>	3.273	3.670	3.687	3.538	3.400	3.337	3.286	3.238
New Zealand dollar (US\$/NZ\$)	<i>end year</i>	0.783	0.699	0.682	0.691	0.705	0.702	0.717	0.742
	<i>annual average</i>	0.831	0.726	0.686	0.686	0.698	0.704	0.710	0.730
Philippine peso	<i>end year</i>	44.73	45.11	45.08	43.10	42.73	42.48	42.28	42.10
	<i>annual average</i>	44.39	44.77	45.11	44.09	42.91	42.61	42.38	42.19
Singapore dollar	<i>end year</i>	1.321	1.381	1.377	1.275	1.257	1.244	1.234	1.222
	<i>annual average</i>	1.267	1.363	1.382	1.326	1.266	1.251	1.239	1.228
South Korean won	<i>end year</i>	1099	1126	1141	1028	1013	1004	995	979
	<i>annual average</i>	1053	1109	1136	1085	1021	1009	999	987
Taiwanese dollar	<i>end year</i>	31.60	31.69	31.61	29.82	29.33	28.87	28.41	27.96
	<i>annual average</i>	30.30	31.34	31.74	30.72	29.58	29.10	28.64	28.19
Thai baht	<i>end year</i>	32.90	33.85	34.17	33.77	33.88	33.93	34.00	34.08
	<i>annual average</i>	32.48	33.33	33.99	33.97	33.82	33.91	33.97	34.04

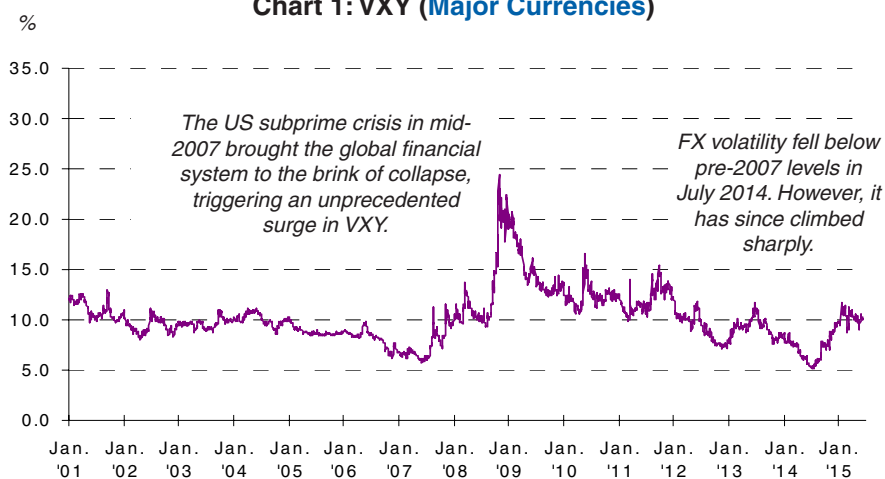
		Latin America							
Forecasts vs US Dollar		2014*	2015	2016	2017	2018	2019	2020	2021
Argentinian peso	<i>end year</i>	8.465	10.21	11.58	12.19	13.15	13.85	14.59	15.34
	<i>annual average</i>	8.110	9.201	11.24	11.89	12.67	13.50	14.22	14.96
Brazilian real	<i>end year</i>	2.656	3.258	3.249	3.292	3.407	3.501	3.581	3.654
	<i>annual average</i>	2.351	3.092	3.258	3.271	3.349	3.454	3.541	3.617
Chilean peso	<i>end year</i>	607.4	619.5	610.7	590.2	574.7	554.5	551.8	550.7
	<i>annual average</i>	570.1	620.3	616.8	600.5	582.4	564.6	553.1	551.3
Colombian peso	<i>end year</i>	2392	2579	2493	2212	2203	2231	2261	2268
	<i>annual average</i>	1998	2519	2570	2352	2207	2217	2246	2264
Mexican peso	<i>end year</i>	14.74	15.25	14.64	13.92	13.88	14.04	14.26	14.40
	<i>annual average</i>	13.30	15.22	14.98	14.28	13.90	13.96	14.15	14.33
Peruvian sol	<i>end year</i>	2.977	3.206	3.232	3.184	3.187	3.190	3.193	3.201
	<i>annual average</i>	2.836	3.140	3.233	3.208	3.185	3.188	3.191	3.197
Venezuelan bolivar	<i>end year</i>	6.284	24.69	45.16	45.24	50.44	54.18	57.14	59.50
	<i>annual average</i>	6.284	10.06	39.44	45.20	47.84	52.31	55.66	58.32

* 2014 end year and annual average figures represent actual outturns.

Implied Currency Volatility Indices by JP Morgan

(based on 3-month at-the-money forward options for US\$ pairs, weighted by market turnover)

Chart 1: VXY (Major Currencies)



Source: JP Morgan

Chart 2: EM-VXY (Emerging Markets)



Source: JP Morgan

Index Weights

VXY (Major Currencies)

Euro (p. 4)	36.3%
Japanese yen (p. 6)	31.8%
UK Pound (p. 27)	11.4%
Australian \$ (p. 17)	7.4%
Canadian \$ (p. 17)	5.2%
Swiss franc (p. 25)	4.1%
New Zealand \$ (p. 22)	2.5%
Norwegian krone (p. 12)	0.9%
Swedish krona (p. 25)	0.3%
Total	100%

EM-VXY (Emerging Markets)

South Korean won (p. 25)	14.1%
Mexican peso (p. 10)	13.9%
Brazilian real (p. 17)	13.5%
Indian rupee (p. 20)	13.5%
Chinese renminbi (p. 8)	11.2%
Turkish lira (p. 26)	10.0%
Singapore \$ (p. 24)	7.8%
South African rand (p. 24)	4.8%
Taiwanese \$ (p. 26)	3.4%
Polish zloty (p. 23)	3.2%
Russian rouble (p. 12)	2.4%
Hungarian forint (p. 14)	1.6%
Philippine peso (p. 23)	1.6%
Total	100%

VXY and EM-VXY Indices

Analogous to the VIX index measure of equity price volatility, the VXY and EM-VXY indices of major and emerging market currencies, compiled by JP Morgan, are used to gauge aggregate risk premia in the FX markets.

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