

**Manus Cranny
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News, Views & Topics 2014**





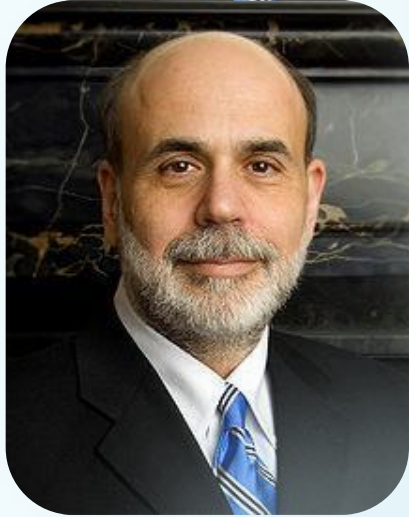
BANK FOR INTERNATIONAL SETTLEMENTS

- **FX Market \$5.3 Trillion per day
2013**
- **Japanese Yen trading up 63% vs.
2010**
- **Japanese Yen expands global FX
share**

NEW YEAR RISK

TAPER





Euro\Dollar Outlook - Top Market Calls

2013 Q4 1.34

2014 Q1 1.32 Q2 1.30

Q3 1.28



Bloomberg Most Accurate FX Forecasters



78% Accuracy forecast Q3

2013	Q4	1.35
2014	Q1	1.36
	Q2	1.36
	Q3	1.38

Bloomberg Most Accurate FX Forecasters



73.5% Accuracy forecast Q3

2013	Q4	1.34
2014	Q1	1.33
	Q2	1.31
	Q3	1.29

Bloomberg Most Accurate FX Forecasters



73% Accuracy forecast Q3

2013	Q4	1.35
2014	Q1	1.38
	Q2	1.40
	Q3	1.40



The Bears are back in town!

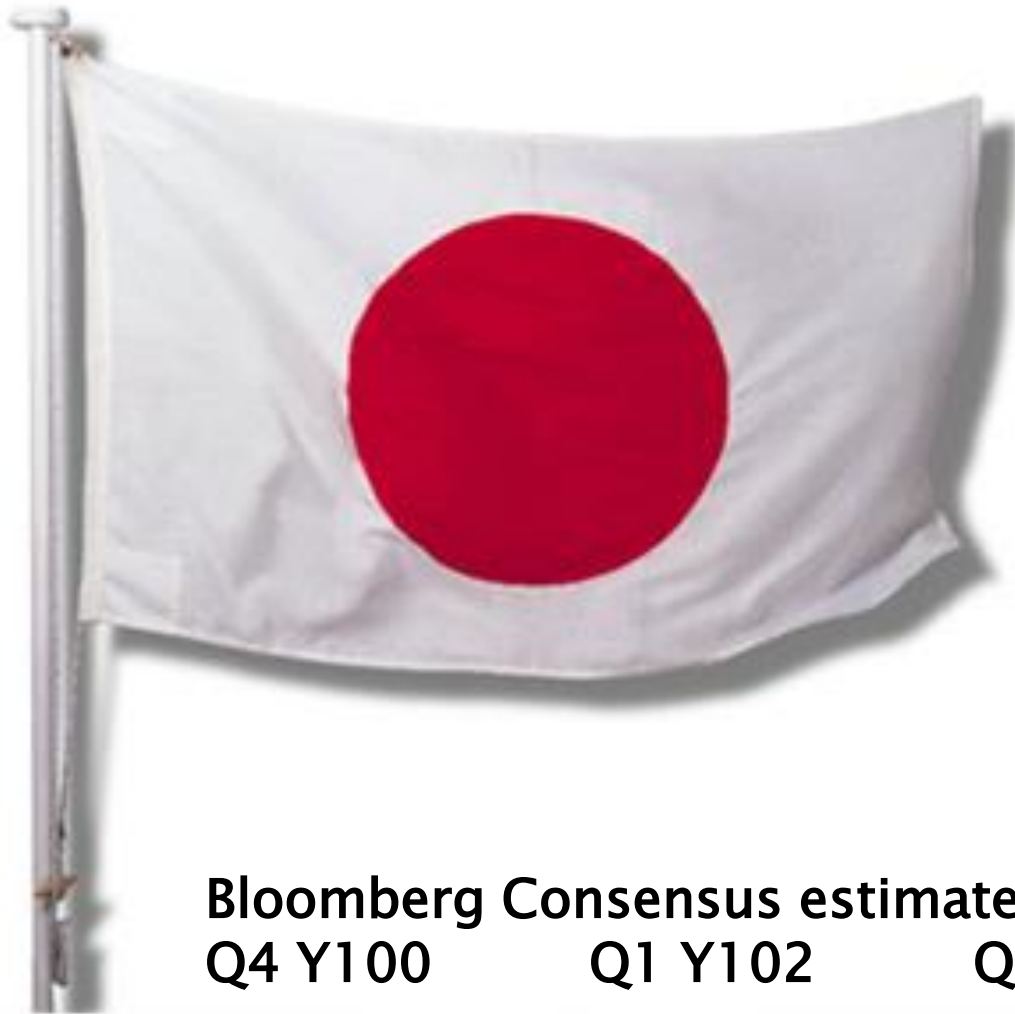
Abe to unlock \$8.5 Trillion Savings





**Yen set to trade 20% lower
Currency Target Y120 2014**

Rising Sun... Falling Yen



Bloomberg Consensus estimates USD/YEN

Q4 Y100

Q1 Y102

Q2 Y104

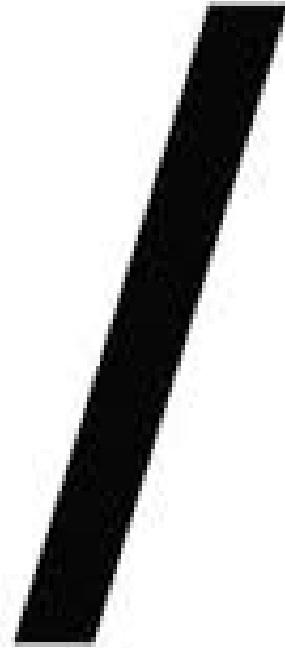
Q3 Y105

Rule Britannia!

**BNP Paribas: GBP/YEN set to trade higher
Top Trade 2014**

Soc Gen EUR/GBP target 77 in 6 months

**BNP Paribas EUR/GBP dramatic move
expected**



GBP/YEN

Bloomberg Consensus Estimate

Q4 84

Q1 83

Q2 82

Q3 82

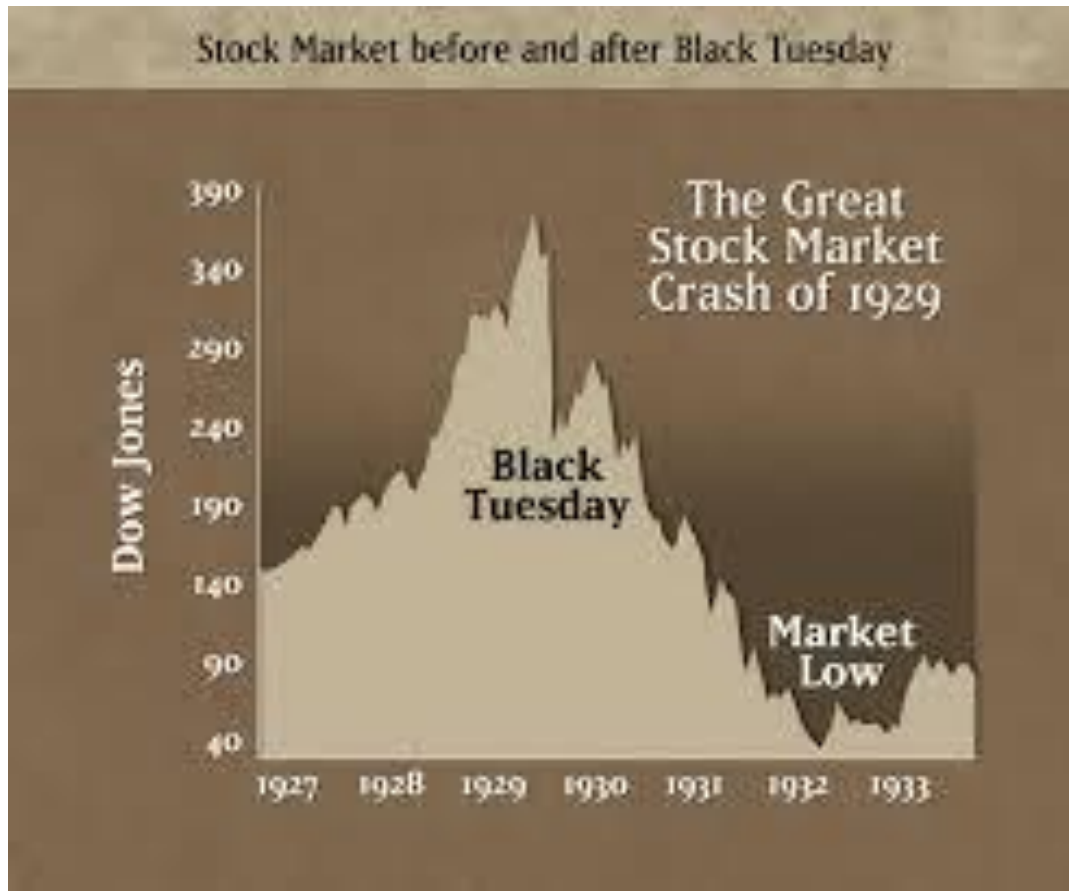
The Only Way is Equities (Citi)

S&P 500 – 166% rally since March 2009

2013 Best Year since 1990

Bloomberg estimates profits to expand





Nothing
Lasts
Forever?

