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BANKING / INVESTMENTS \ ADVISORY

Global Financial Market: Topical Issues in November

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Results of November 2012

Macroeconomic reports released in November once again confirmed that the economic situation in the euro zone and Japan continues to deteriorate, threatening to seriously weaken the pace of world economic growth in the ending year compared to 2011.

According to the November Eurostat report, the euro zone economy in Q3 2012 fell by 0.1% after falling by 0.2% in Q2 2012, i.e., officially entered into a recession again, after a deep recession (5 consecutive quarters) in 2008-2009.

It is expected that the euro zone economy will close 2012 with overall fall (according to the European Commission forecast – by about 0.3%).

The data on Japan's GDP in Q3 2012 were also negative, indicating a decline of 0.9% (q/q), after rising by 1.3% and 0.1% in the first and second quarters.

At the corporate level, the situation in Europe is less negative, and after publishing the reports for Q3 2012, companies from BE 500 showed an increase in profits by 14.7%, compared to Q3 2011 (though in Q3 2011 there was profit fall by 18.7% recorded).

US companies of S&P 500 showed a much smaller quarterly profit growth – only by 1.1%, but it should be borne in mind that in the base quarter (Q3 2011) profit growth (to Q3 2010) by 13.3% was recorded.

However, both in Europe and in America the companies alongside rather good results often published negative profit forecast for the next 12 months, due to the negative expectations of the macroeconomic situation.

One of the key topics in November remained the situation in the euro zone, where new solutions to help Greece were adopted, but the alarm call was the failure to harmonize the new seven-year EU budget.

However, as we approach 2013, the focus of the financial market players gradually moved from Europe to America, having the problem of "fiscal cliff" expected to occur at the beginning of the year.

In response to these problems, almost all global stock markets spent the first half of November considerably falling, also interpreting Obama's election victory as potentially more negative scenario for the "fiscal cliff."

However, in the last two weeks of November, positive trends returned to the global stock market, and most of the major stock indexes closed the month with an increase, and the world stock index MSCI WORLD rose over the month by 1.1%.

In the bond market, last month again showed significant price increases in the PIIGS sector, due to the ongoing easing of the crisis pressure, and more moderate growth in the emerging markets sector.

The only exception were the securities of Argentina, where given the ongoing litigation between the American hedge funds and the state extremely volatile trading was preserved, and securities having lost 15% more in the first 3 weeks managed to reduce these losses to 5% during the last week.

In the currency market, the dollar in November showed mixed movement to leading developed and emerging currencies, with minor fluctuations in prices in the range of 1%-2% (the exception was the growth of the dollar against the Brazilian real and the Japanese yen by 4.5% and 3.4%).

The precious metals market in November demonstrated good growth in prices of all metals except gold, which closed the month with a fall by 0.3%. The largest monthly growth among other metals was that of palladium, the price of which soared by 13%!

In the oil market, November started with a fall in prices, but from the middle of the month it was replaced by growth, and the resulting price of a barrel of Brent crude rose over the month by 1% to reach \$111.

The spread between the prices of Brent and WTI at the beginning of the month continued to grow and reached \$26 (!) for frontal futures contract, but a new frontal contract to the end of November already traded near \$22.

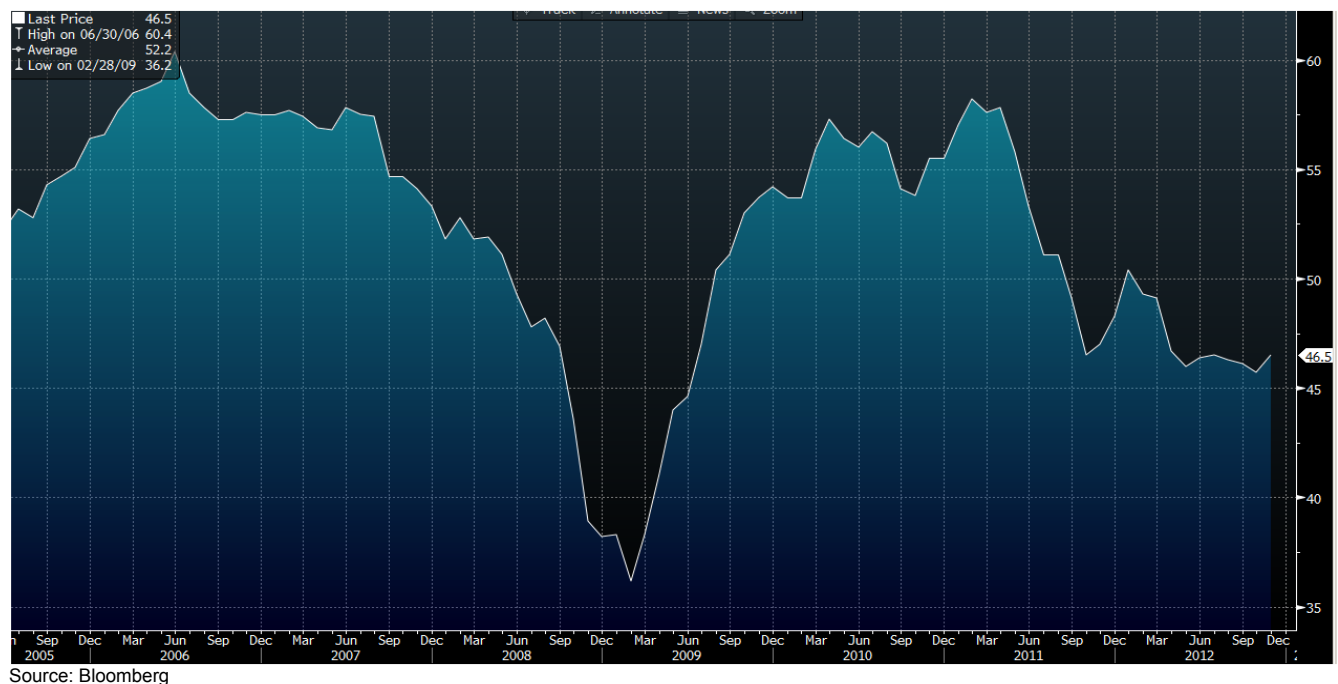
Situation in financial and economic system

Macroeconomic reports released in November once again confirmed that the economic situation in the euro zone and Japan continues to deteriorate, threatening to seriously weaken the indicators of world economic growth in 2012.

The euro zone economy in Q3 2012 fell by 0.1% after falling by 0.2% in Q2 2012, i.e., officially entered into a recession again, after a deep recession (5 consecutive quarters of negative GDP growth) in 2008-2009. At the same time, the EU economy was able to show an increase of 0.1% (after falling by 0.2% in Q2), mainly due to the growth of the economy of Great Britain and Sweden, but also including Latvia: +1.7% (q/q) and +5.3% (y/y) – the best figure in the EU. The data on Japan's GDP in Q3 2012 were negative, indicating a decline of 0.9% (q/q), after rising by 1.3% and 0.1% in the first and second quarters.

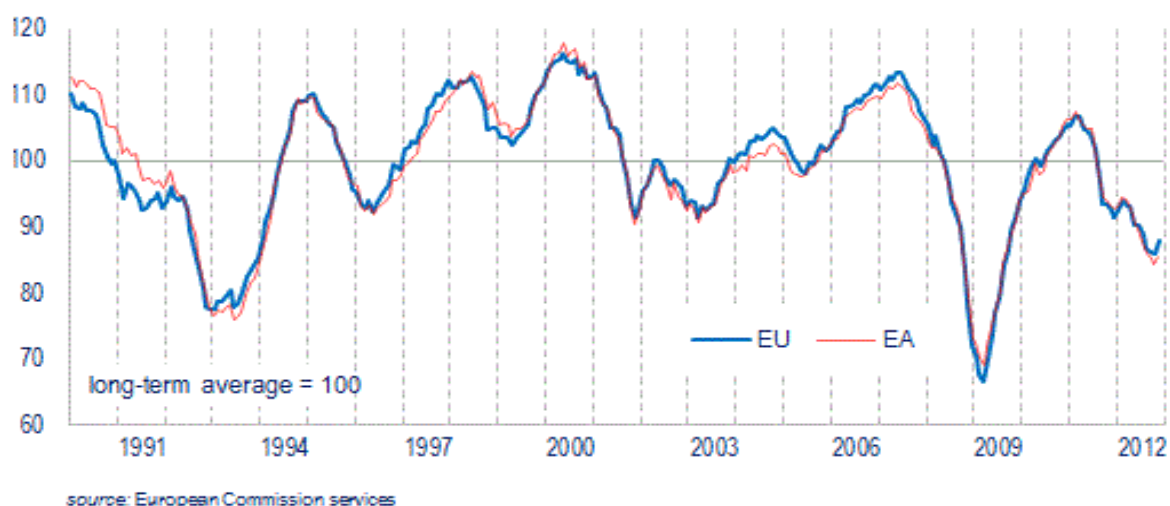
In November, there were also preliminary GDP data for Russia in Q3 2012 published. It grew by 2.9% (y/y), which is significantly lower than growth by 4% in the second and 4.9% in the first quarter. In the euro zone in November stagnation in the manufacturing and services sectors continued, and the composite index of business activity PMI, although it rose from 45.8 to 46.5, in fact, remains below 50 since September 2011 (see Fig. 1).

Fig. 1. Dynamics of the euro zone PMI composite index, calculated by Markit



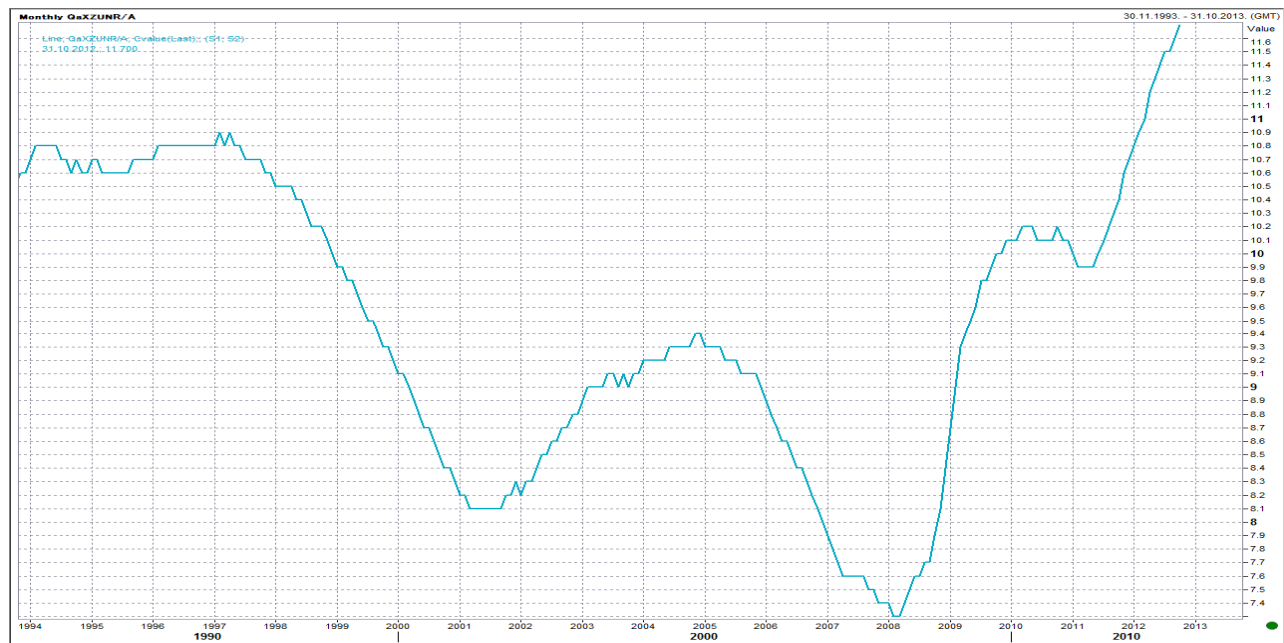
Index ESI (Economic Sentiment Indicator), which is also an important indicator of the state of the economy, although it has grown in the zone in November by 1.4 to reach 85.7, remains at very low levels, corresponding to the recession (see Fig. 2).

Fig. 2. Dynamics of ESI indexes in the euro zone and the EU



Data on unemployment in the euro zone in September published in November also showed a new record of this indicator – this time at the level of 11.7% (see Fig. 3).

Fig. 3. Dynamics of changes in the level of unemployment in the euro zone



Source: Thomson Reuters

Additional impact on the situation in the euro zone was the Moody's rating of France decreased in November from the highest Aaa to Aa1 with a negative outlook, which means a new probable downgrade in the near future.

This is the second agency depriving France of the highest rating – in January, the S&P agency was the first to make it.

An even more serious blow to the euro zone Moody's inflicted on 1 December, denying the highest credit rating of European aid mechanisms funds ESM and EFSF, also with a negative outlook.

Agency explained its actions by degrading reliability of states guaranteeing the funds' loans, including France, which is the second largest donor of funds after Germany.

Depriving ESM and EFSF of the highest rating could further lead to a substantial increase in the price of funds borrowed for providing aid in the euro zone and complicate way out of the debt crisis.

USA: nearing the cliff...

As we approach the year 2013, the attention of economists and financial market participants is increasingly shifting from the debt crisis in the euro zone to the US problems.

From the beginning of 2013, there will be a situation called "fiscal cliff".

Situation where tax breaks introduced by Bush will be cancelled, new taxes planned by Obama will be introduced, and automatic budget cuts will take effect.

The latter seems inevitable, since it is a result of the agreement made in August 2011 between the Democrats and Republicans during the epic public debt limit increase.

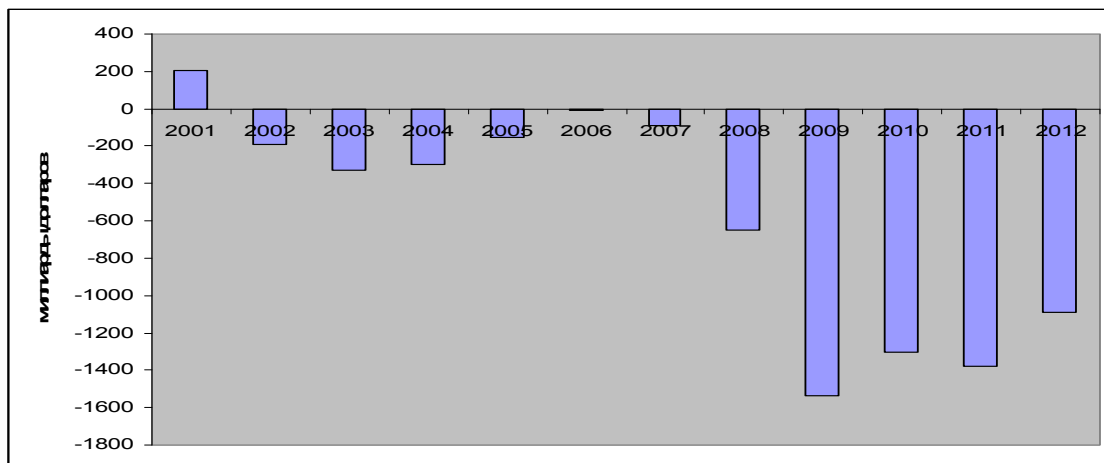
The first two points still can be a subject of bargaining between the Republicans and the Democrats, and, as usual, a brutal battle is expected.

If fiscal tightening is introduced in full, economists estimate the tax burden on the residents of America to increase by \$550 - \$600 billion.

The purpose of all these tough measures is to drastically reduce the budget deficit to stop the catastrophic growth of public debt.

The figures here have reached alarming levels. The USA closed the fiscal year ended in September 2012 with a budget deficit of \$1.09 trillion. And this is the fourth consecutive year when the deficit exceeds a trillion (see Fig. 4).

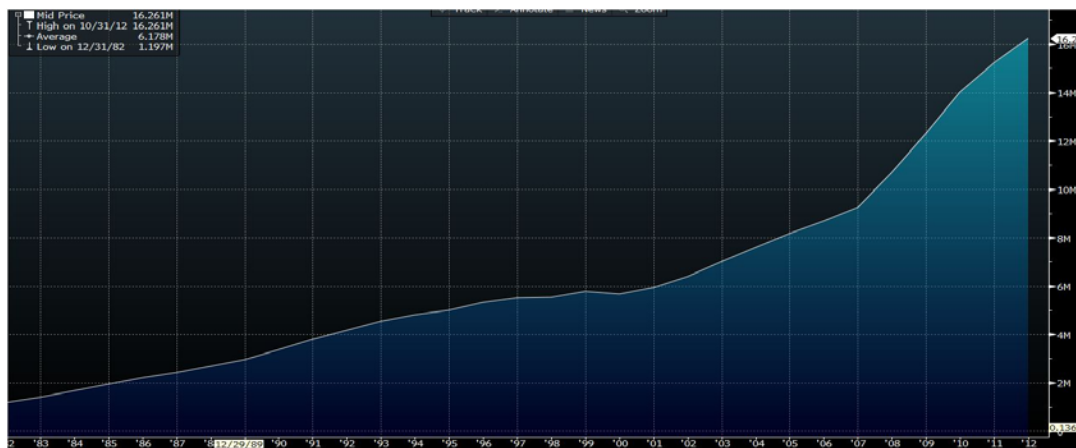
Fig. 4. The dynamics of the surplus/deficit of the US state budget in recent years



Source: Economywatch, ABLV Bank

Accordingly, the US public debt has shown a meteoric rise in recent years and now exceeds \$16.2 trillion (see Fig. 5), which is about 103% of GDP.

Fig. 5. Dynamics of the US public debt increase



Source: Bloomberg

Clearly, if such dynamics are not stopped, the US debt market crisis may occur, like that in Greece, with far more serious consequences for the global financial and economic system.

Note that the measures now planned to be taken by leadership of the US partly use the strategy of Merkel-Sarkozy tandem earlier criticized in the US.

While the euro zone leadership, on the contrary, now tends to use the US Geithner-Obama strategy earlier criticized in Europe.

Recall that the former offers a dramatic reduction in the budget deficit and the limited action of the Central Bank on the public debt markets, in order to restore market confidence and rebalance the national economy.

The latter proposes to keep government spending at a high level, and the Central Bank to maintain a policy of supporting public debt market, in order to give time for the economy to resume high growth.

In the hope that this growth will help to solve severe debt problems in the future.

Such "exchange with strategies" again confirms the fact that the world leaders currently do not have really "good" plan to get out of a dangerous situation of leading developed countries being overburdened by public debts.

And the situation resembles chess zugzwang, where any move leads to a deterioration of the position...

If the budget deficit is not reduced rapidly, the absolute and relative debt continues to grow quickly, as evidenced by the American experience.

But if deficit is reduced by dramatically cutting government spending and increasing taxes, then GDP begins to fall and public debt to GDP continues to grow rapidly. This is demonstrated by troubled euro zone countries.

According to some experts, the fiscal cliff can "eat" 3% - 4% of US GDP and also force slowly growing US economy to enter the recession.

Of course, there is some time till the end of the year to reduce the size of the fiscal cliff by negotiation.

However, such a half-measure is unlikely to help quickly solve the main task – to free the economy from the burden of the colossal public debt.

EU: is the union necessary at this price?

One of the most important events in November was the EU budget summit ended in failure: the EU leaders have failed to agree on the size and structure of the long-term budget for 2014-2020.

For the first time in the EU history, leaders discussed not increase, but cuts in the budget, and the dialogue was interrupted due to the significant differences in the views of the parties, and the resumption of the discussion cannot be expected before the end of January 2013.

The main contradictions actually arose between the donor states and recipient countries within the union.

The most rigid position was taken by the leaders of the UK, Sweden and the Netherlands, led by Cameron, insisting on serious cost cutting in the union alongside cutting spending of national governments.

According to Cameron, "Brussels continues to exist as if it is in a parallel universe. More than 200 commission staff earn more than I do... The EU Commission had failed to offer up a single euro in savings – an insult to taxpayers."

Although the Commission proposed the cost of the budget for years 2014-2020 to be €973 billion, which is 2% lower than the cost of the current seven-year period, Cameron said it was not enough and proposed to cut the budget to €900 billion. Another important event in November was the adoption by the Euro Group (17 finance ministers of the euro zone) and IMF of joint action plan to reduce Greece's public debt below 124% by 2020 (previously 120%).

The plan provides for a number of comprehensive measures, including lower interest rates on Greek debts, the return of ECB interest payments on Greek bonds in the state budget and buying out Greek bonds of the market with the existing big discount.

One way or another, money not received from Greece will be actually lost by governments of the other euro zone countries in proportion to their economic power.

The same may happen with funds provided for the salvation of other troubled euro zone countries.

And while the national governments of "strong" countries in combating the crisis must apply strict austerity measures to reduce budget deficits, of course, there arise questions.

Should national funds be thrown down the drain of problematic countries of the Union, feeding them at cost of national taxpayers? After all, money is disappearing, but problems still remain.

And do self-sufficient European economies need such union at that price?

All these issues seriously reinforce the growing centrifugal forces within the Union.

It is significant that separatists winning elections in the Spanish Catalonia in November included the slogan "Stop feeding Madrid!" in their campaign. Catalonia is one of the most developed provinces in Spain.

It seems that similar thoughts already hover in the minds of the leaders of many countries of the Union, but when they get to the majority of European voters, situation can really change dramatically.

Now, more than ever, there is a real risk of the transfer of political power, especially in the most developed countries of the Union, to the opponents of union.

Or political views of the the parties in power can shift accordingly (to retain this power), as seen in the UK.

And then the collapse of the Union may come out from where it was least expected.

Global stock market

Almost all global stock markets spent the first half of November considerably falling, also interpreting Obama's election victory as potentially more negative scenario for the "fiscal cliff." However, in the last two weeks of November, positive trends returned to the global stock market, and most of the major stock indexes closed the month with an increase (see Table 1).

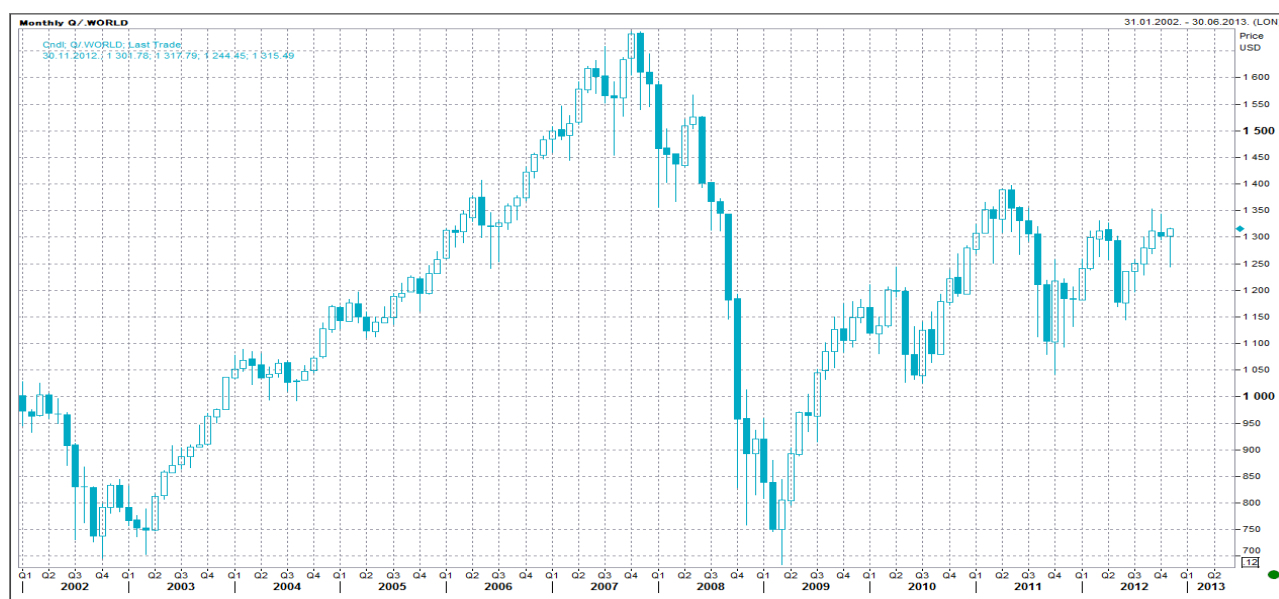
Table 1. The dynamics of movements of several leading world stock market indexes

Stock index	P/E Div. Yeld		2003-2007	2008	2009	2010	2011	Q1 2012	Q2 2012	Q3 2012	October 2012	November 2012	Since the beginning of 2012
DJI (USA)	12.7	2.6	59.0%	-33.8%	18.8%	11.0%	5.5%	8.1%	-2.5%	4.3%	-2.5%	-0.5%	6.6%
S&P 500 (USA)	14.3	2.1	66.9%	-38.5%	23.5%	12.7%	0.0%	12.0%	-3.3%	5.7%	-1.9%	0.3%	12.6%
Nasdaq Comp. (USA)	16.1	1.2	98.6%	-40.5%	43.9%	16.9%	-1.8%	18.7%	-5.0%	6.2%	-4.5%	1.1%	15.5%
GDAX (Germany)	13.8	3.6	178.9%	-40.4%	23.8%	16.1%	-14.7%	17.8%	-7.6%	12.5%	0.6%	2.0%	25.6%
FTSE (UK)	13.4	4.2	61.5%	-31.0%	23.2%	9.0%	-5.6%	3.5%	-3.4%	3.1%	0.7%	1.5%	5.3%
CAC (France)	12	4.1	83.2%	-42.7%	22.3%	-3.4%	-17.0%	8.4%	-6.7%	4.9%	2.2%	3.9%	12.8%
N225 (Japan)	23.2	2.3	78.4%	-42.1%	19.0%	-3.0%	-17.3%	19.3%	-10.7%	-1.5%	0.7%	5.8%	11.7%
RTS (Russia)	5.7	3.7	537.9%	-72.4%	128.6%	22.5%	-22.0%	18.8%	-17.7%	9.4%	-3.0%	0.2%	4.1%
MICEX (Russia)	5.8	3.5	492.3%	-67.2%	121.1%	23.2%	-16.9%	8.3%	-8.7%	5.3%	-2.3%	-1.4%	0.2%
SSEC (China)	11.6	2.7	287.4%	-65.4%	80.0%	-14.3%	-21.7%	2.9%	-1.6%	-6.2%	-0.9%	-4.3%	-10.0%
HSI (Hong Kong)	10.9	3.3	198.4%	-48.3%	52.0%	5.3%	-20.0%	11.5%	-5.4%	7.2%	3.8%	1.8%	19.5%
KOSPI (Korea)	25.4	1.4	202.3%	-40.7%	49.7%	21.9%	-11.0%	10.4%	-7.9%	7.7%	-4.2%	1.0%	5.9%
TWII (Taiwan)	24.1	3.8	91.0%	-46.0%	78.3%	9.6%	-21.2%	12.9%	-8.6%	5.7%	-7.1%	5.8%	7.2%
SENSEX (India)	15.7	1.5	500.7%	-52.4%	81.0%	17.4%	-24.6%	12.6%	0.1%	7.6%	-1.4%	4.5%	25.1%
BOVESPA (Brazil)	18.6	4.4	467.0%	-41.2%	82.7%	1.0%	-18.1%	13.7%	-15.7%	8.9%	-3.6%	0.7%	1.3%
IPC (Mexico)	18.1	1.5	382.1%	-24.2%	43.5%	20.0%	-3.8%	6.6%	1.7%	1.7%	1.8%	0.5%	12.8%
TOP40 (South Africa)	13.9	3.2	202.4%	-25.9%	28.6%	14.6%	-0.6%	4.0%	0.1%	6.3%	4.7%	2.6%	19.0%
MSCI WD (world)			100.6%	-42.1%	27.0%	9.6%	-7.7%	11.0%	-5.9%	6.2%	-0.8%	1.1%	11.3%
MSCI EM (emerging)			326.6%	-54.5%	74.4%	16.4%	-20.4%	13.6%	-10.0%	6.9%	-0.7%	1.2%	9.9%

Source: Thomson Reuters, Bloomberg, ABLV Bank

While MSCI World Index spent a month in a very volatile trading, but the growth of recent weeks has allowed it to close the month with an increase by 1.1% (see Fig. 6), and its growth from the beginning of the year amounted to considerable 11.3%.

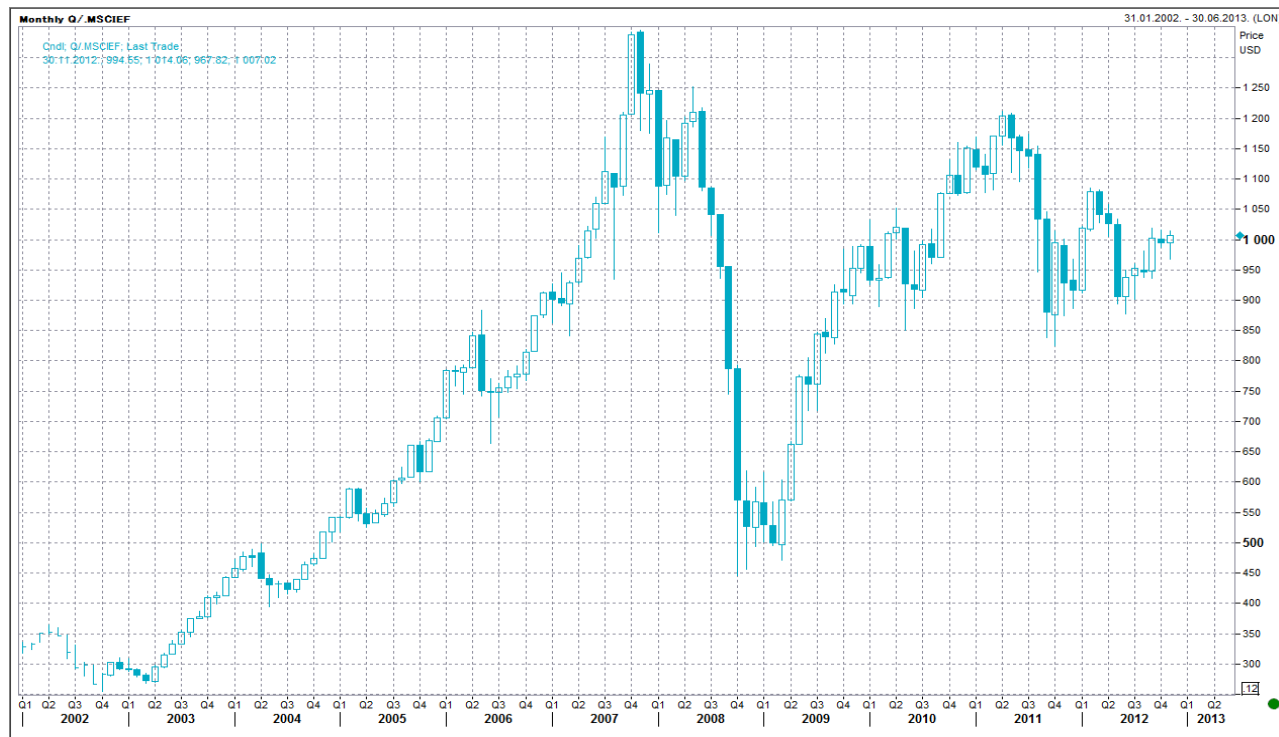
Fig. 6. Dynamics of the MSCI WORLD index, monthly bars



Source: Thomson Reuters

The situation on the stock market of developing countries in November, with a few exceptions, was similar to the situation in developed markets, and the MSCI EM index closed a volatile month with an increase of 1.2% (see Fig. 7), and its growth from the beginning of the year was 9.9%.

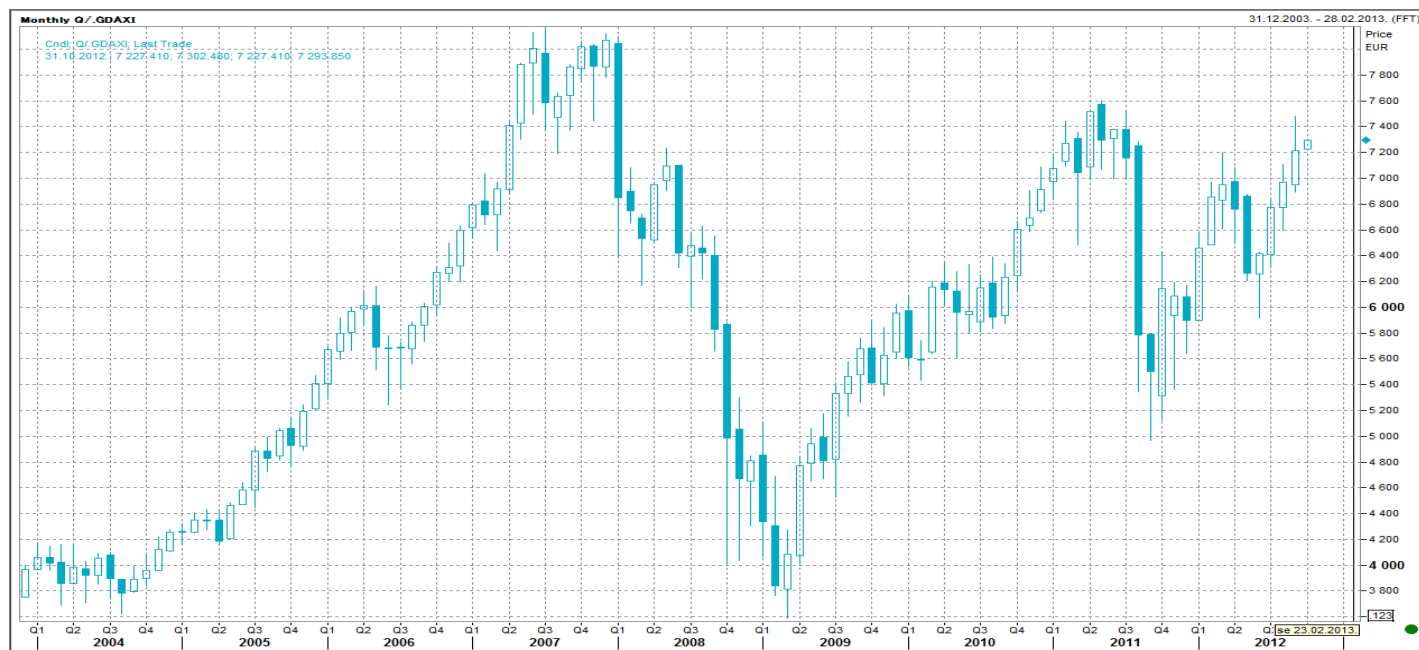
Fig. 7. Dynamics of the MSCI EMERGING MARKETS index, monthly bars



Source: Thomson Reuters

The highest growth among indexes monitored by us this time was demonstrated by Japanese N225, which grew over the month by 5.8% (see Fig. 8).

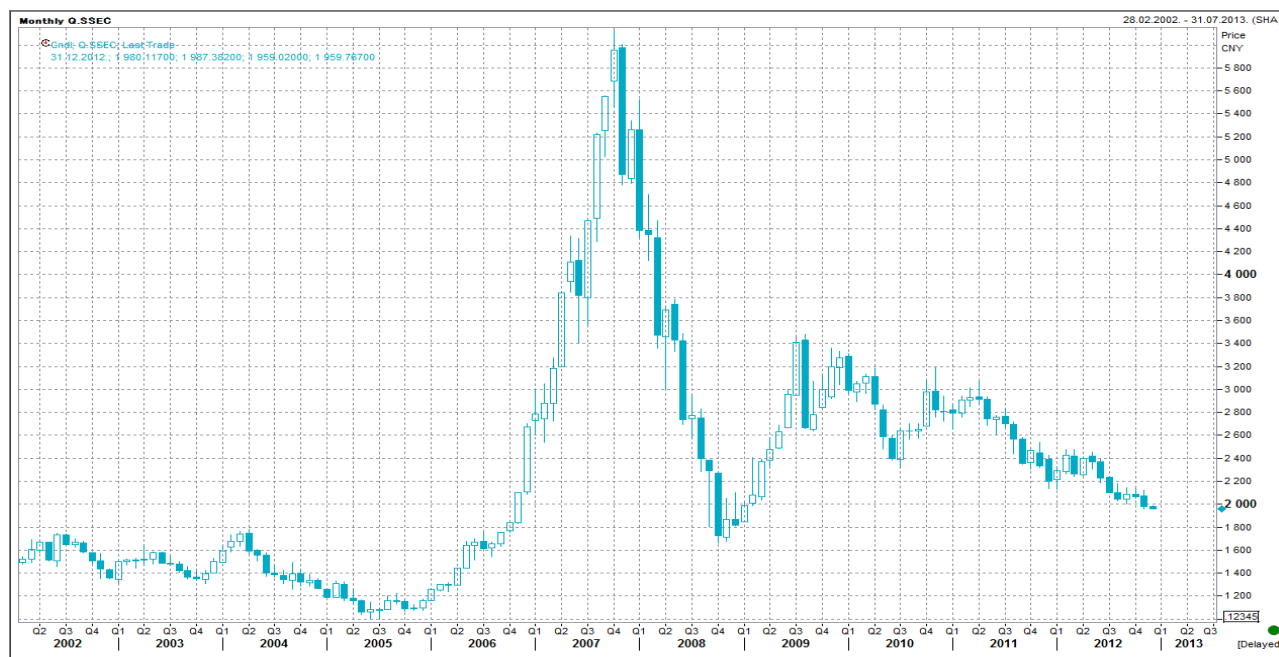
Fig. 8. Dynamics of N225 index, monthly bars



Source: Thomson Reuters

The largest decline among indexes monitored by us was that of the the Chinese SSEC, which fell in November by 4.3% (see Fig. 9). Chinese index remains an outsider from the beginning of the year, falling over this time by 10% (!), given an overall growth of the other indexes.

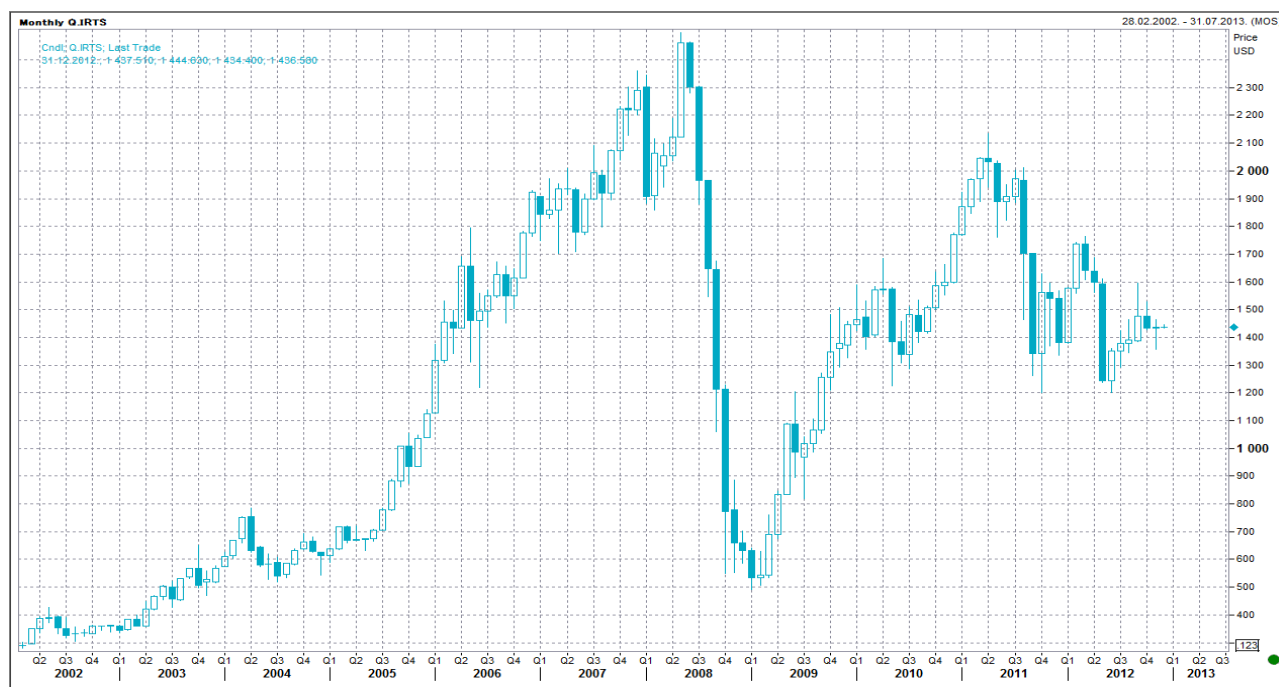
Fig. 9. Dynamics of SSEC index, monthly bars



Source: Thomson Reuters

Russia's RTS in November showed one of the worst dynamics and grew by only 0.2% (see Fig. 10). The index growth was only due to the growth of the rouble, and rouble index of the Russian MICEX Stock Exchange closed the month with a fall of 1.4%.

Fig. 10. Dynamics of RTS index, monthly bars



Source: Thomson Reuters

Our assessment of future scenarios

Although measures of quantitative easing taken by leading central banks in September will have a positive impact on the global stock market, until the crisis in the euro zone is not over, the market will be unstable and turbulent, with possible periodic return of strong negative trends to the market.

However, one can continue to adhere to our proposed strategy for entering the market, choosing the "strong" companies (or indexes) with low P/E and high Div. Yield (see table).

Even if strong negative trends return to the market, the high level of dividends will allow investors to outwait the period of market decline, receiving a steady cash flow in the form of dividends, which currently exceeds yield under government bonds of the leading countries.

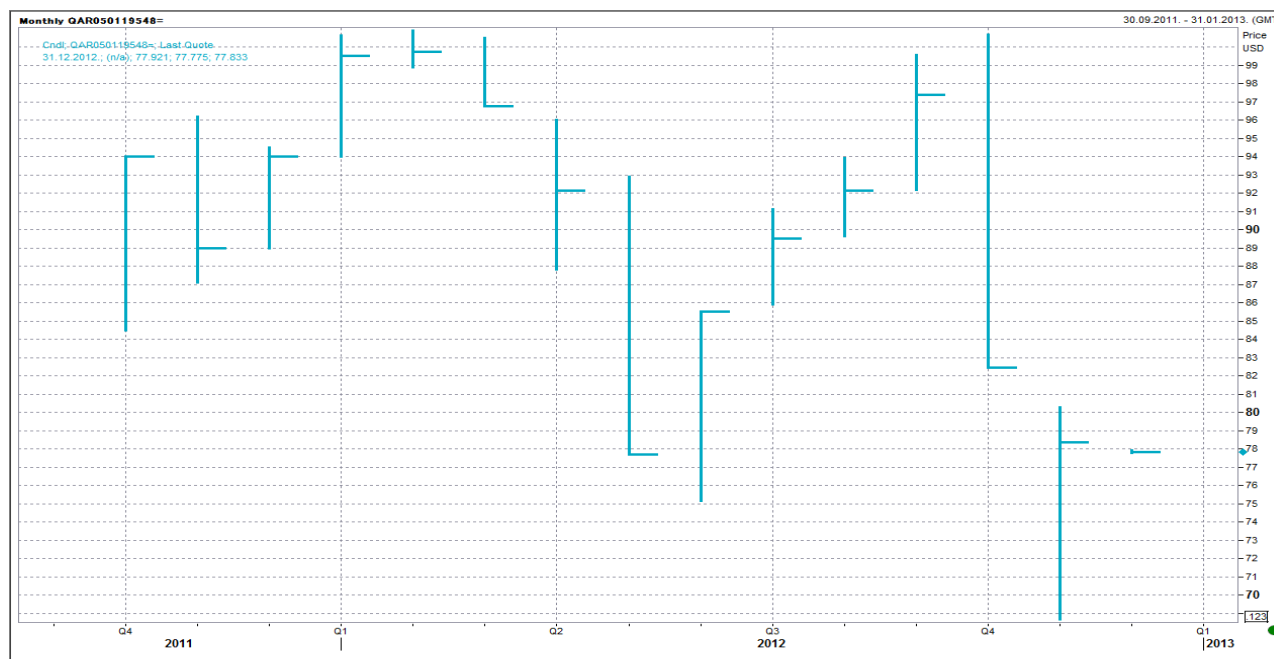
Whereas in case stable growth is resumed, the investor will gain considerable profit due to increase in stock prices.

Global bond market

In the bond market, last month again showed significant price increases in the PIIGS sector, due to the ongoing easing of the crisis pressure, and more moderate growth in the emerging markets sector.

The only exception were the securities of Argentina, where given the ongoing litigation between the American hedge funds and the state extremely volatile trading was preserved, and securities having lost 15% more in the first 3 weeks reduced these losses to 5% during the last week (see Fig. 11). Yield of 5-year bonds amounted to 19.5%, but closed the month at 15.5%.

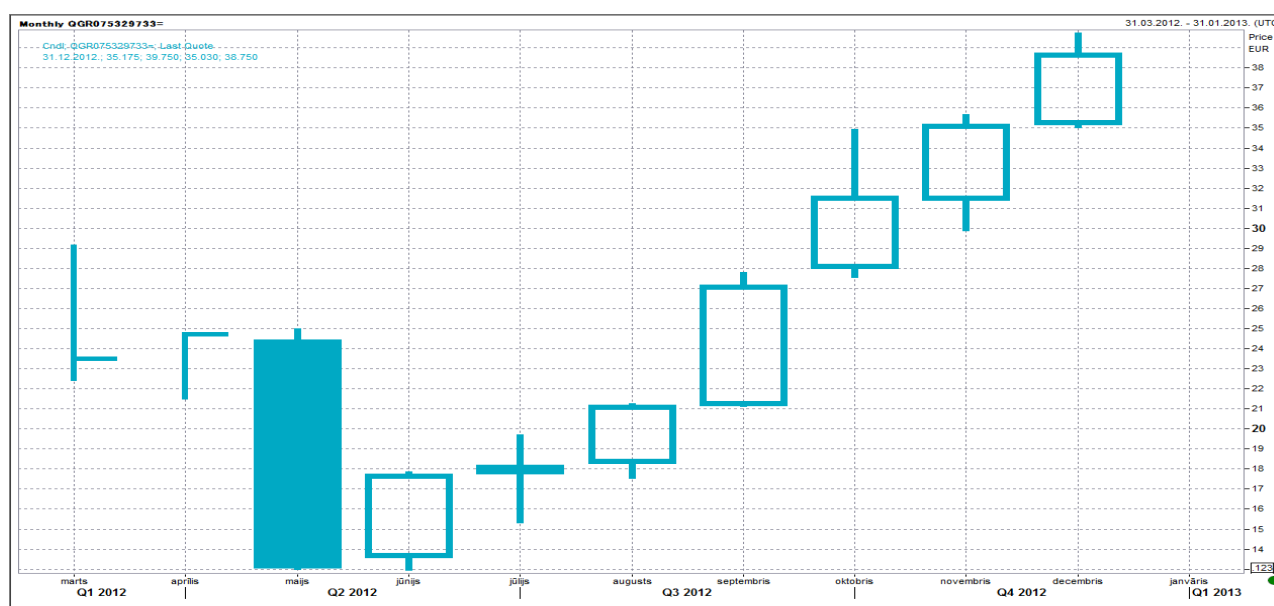
Fig. 11. Dynamics of price movements of 5-year bonds of Argentina, monthly bars



Source: Thomson Reuters

Among PIIGS securities, the largest monthly movement again was shown by those of Greece, where the growth rates on 10-year bonds was 12% and their yield has fallen from 17.5% to 16%. In early December, given detailed conditions of repurchasing Greek bonds, this growth was continued (see Fig. 12). Securities of other PIIGS countries in November showed an increase of 2%-3.5%.

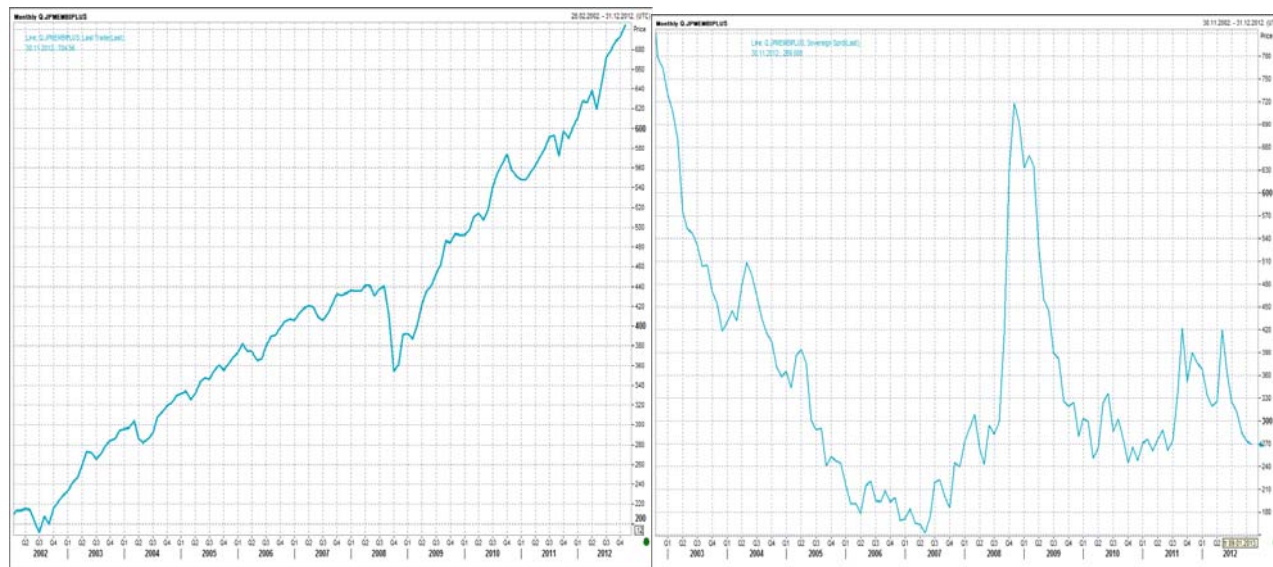
Fig. 12. Dynamics of price movements of 10-year bonds of Greece, monthly bars



Source: Thomson Reuters

In the sector of public debt of developing countries, moderate growth continued in November and the EMBI + index closed the month with an increase by 1.7%, and the growth from the beginning of the year has reached 17%. Index spread to treasuries in November fell by 9 basis points to reach 2.69% (see Fig. 13).

Fig. 13. Dynamics of the EMBI+ index and index spread, monthly closures line

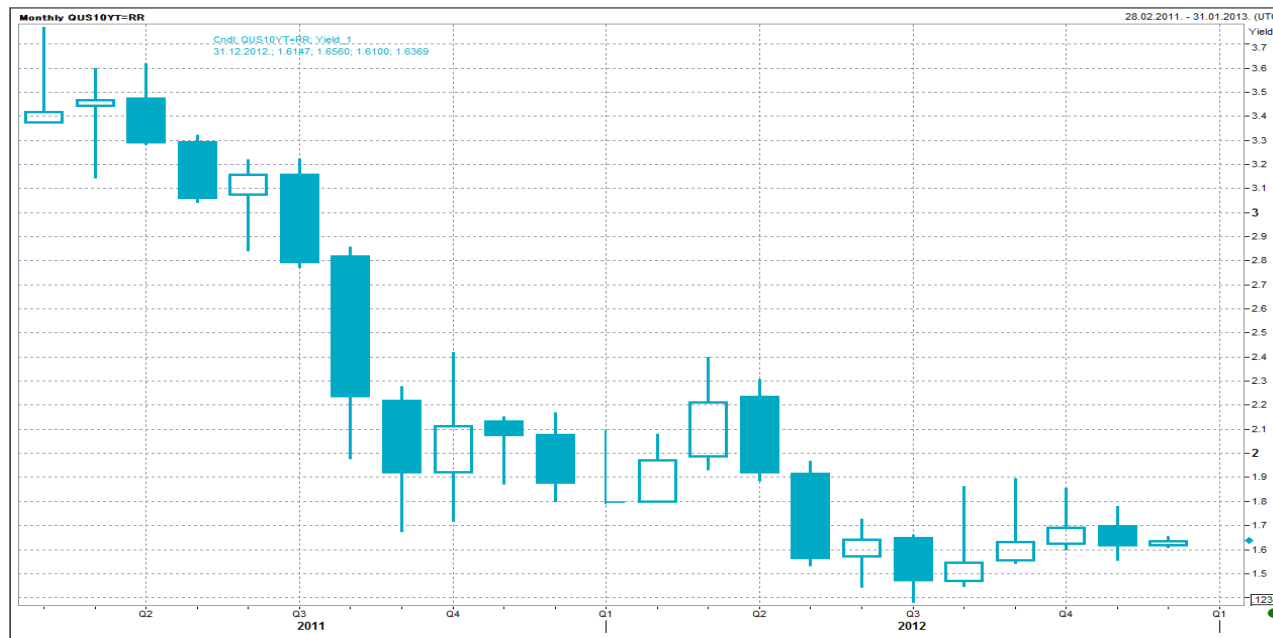


Source: Thomson Reuters

In the emerging market corporate bonds there was a smaller growth, and the index CEMBI rose over November by 0.54%, whereas the growth since the beginning of the year amounted to 14%.

In the safe haven markets of the US and German bonds in November there was also a slight increase recorded. According to US benchmark bonds, which now are 10-year ones, the increase was less than 1%, and their yield fell from 1.7% to 1.6% (see Fig. 14).

Fig. 14. Yield dynamics of the US 10-year government bonds, monthly bars



Source: Thomson Reuters

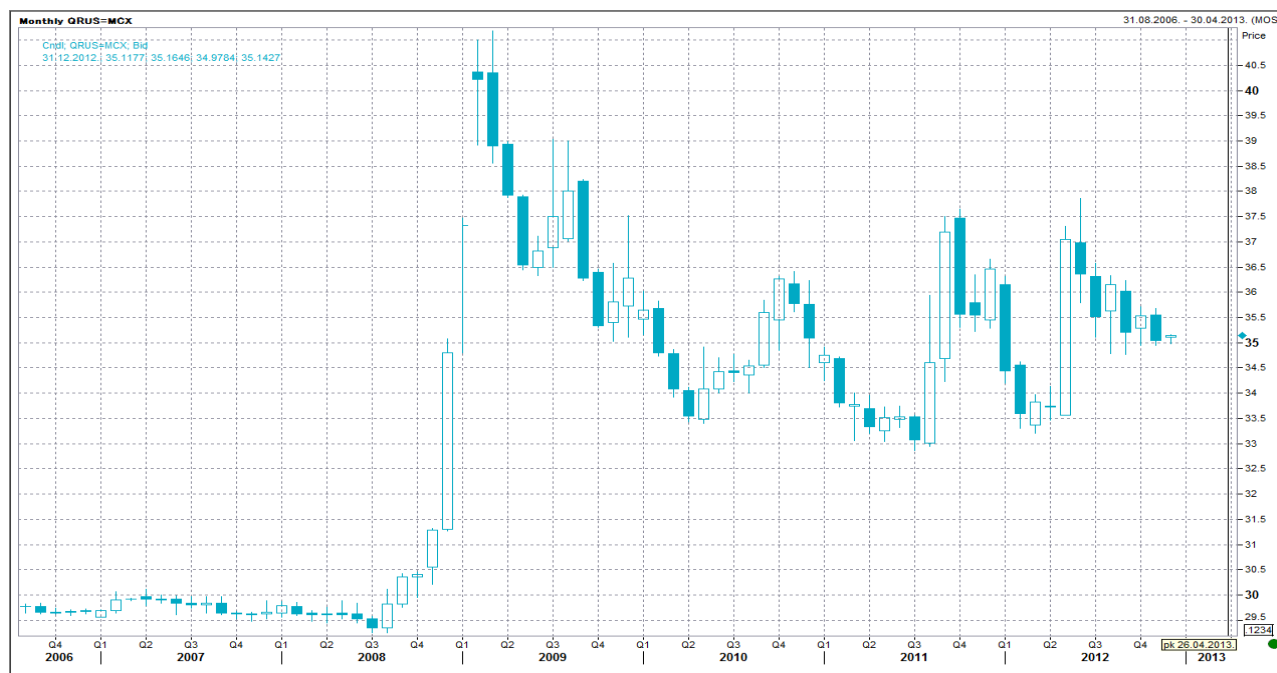
Global currency market

In November, the dollar showed mixed dynamics of growth and decline against leading developed and emerging currencies, but the magnitude of movements, with rare exceptions, has been in the range of 1% -2%.

The exception was a strong growth of the dollar against the Brazilian real – by 4.5% and the Japanese yen – by 3.4%.

The Russian rouble in November grew against the dollar by just 1.5%, but the growth against the euro-dollar basket was 1.4% (see Fig. 15).

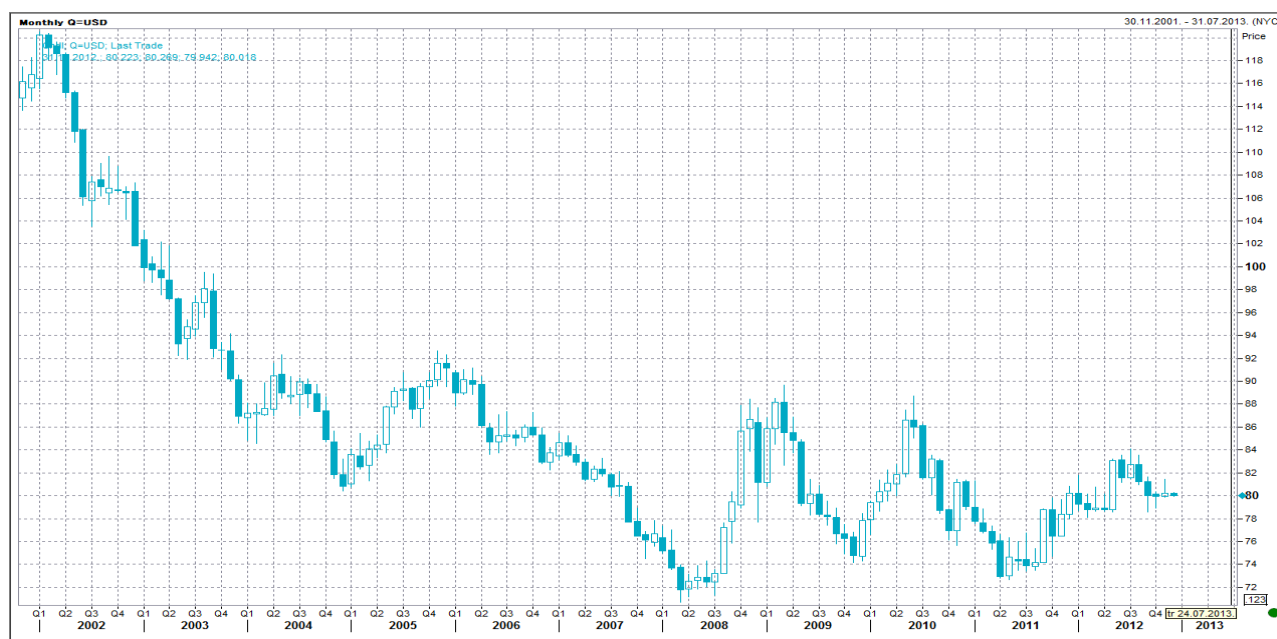
Fig. 15. Dynamics of euro-dollar basket to the Russian rouble, monthly bars



Source: Thomson Reuters

The dollar index – the dollar's rate to six major world currencies – was able to show a small increase in November, by 0.4%, breaking the trend of 3-month fall of the index (see Fig. 16).

Fig. 16. Dollar index dynamics, monthly bars



Source: Thomson Reuters

Growth of the dollar index has actually been achieved due to growth of the dollar against the yen, amounting to 3.4% in November, after rising by 2.4% in September (see Fig. 17). In this market another players' attempt to change the yen long-term growth trend with the long-term drop trend is made.

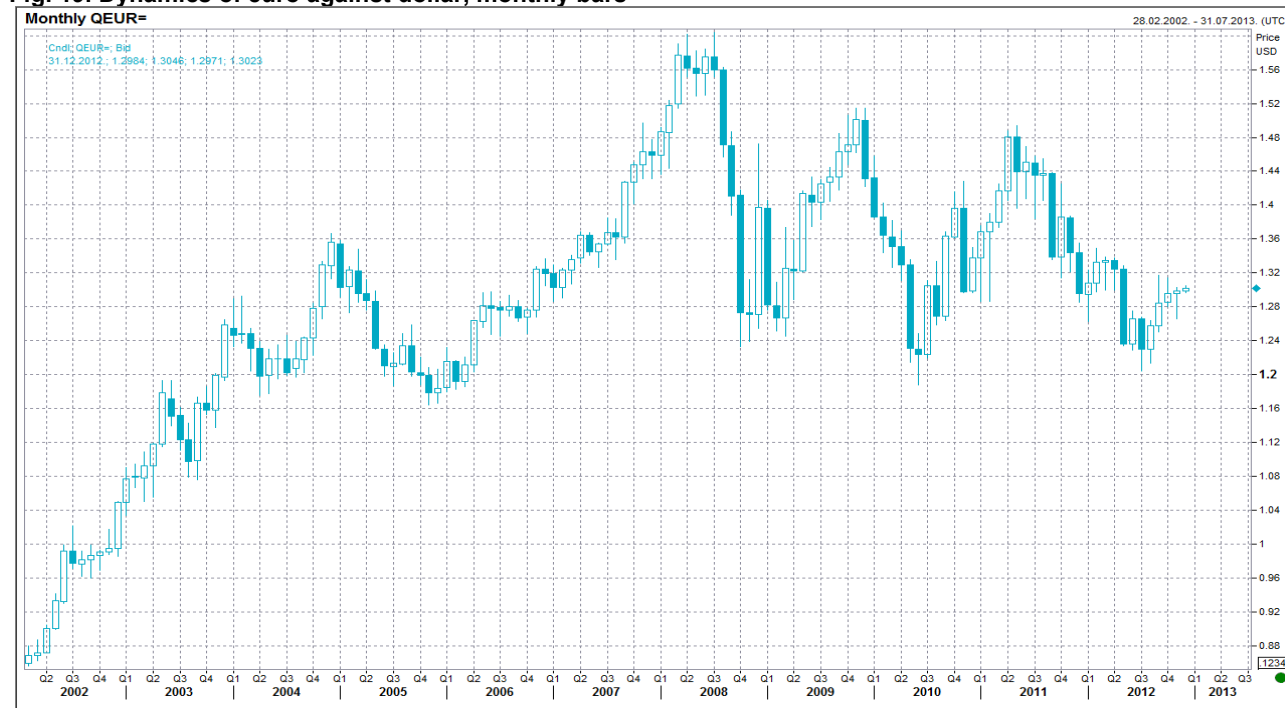
Fig. 17. Dynamics of the dollar against yen, monthly bars



Source: Thomson Reuters

As for the main rival of the dollar – the euro, the US currency began this month with a tangible increase in prices, but lost it to the end of November, down by 0.2% over the month (see Fig. 19).

Fig. 19. Dynamics of euro against dollar, monthly bars



Source: Thomson Reuters

Our assessment of future scenarios

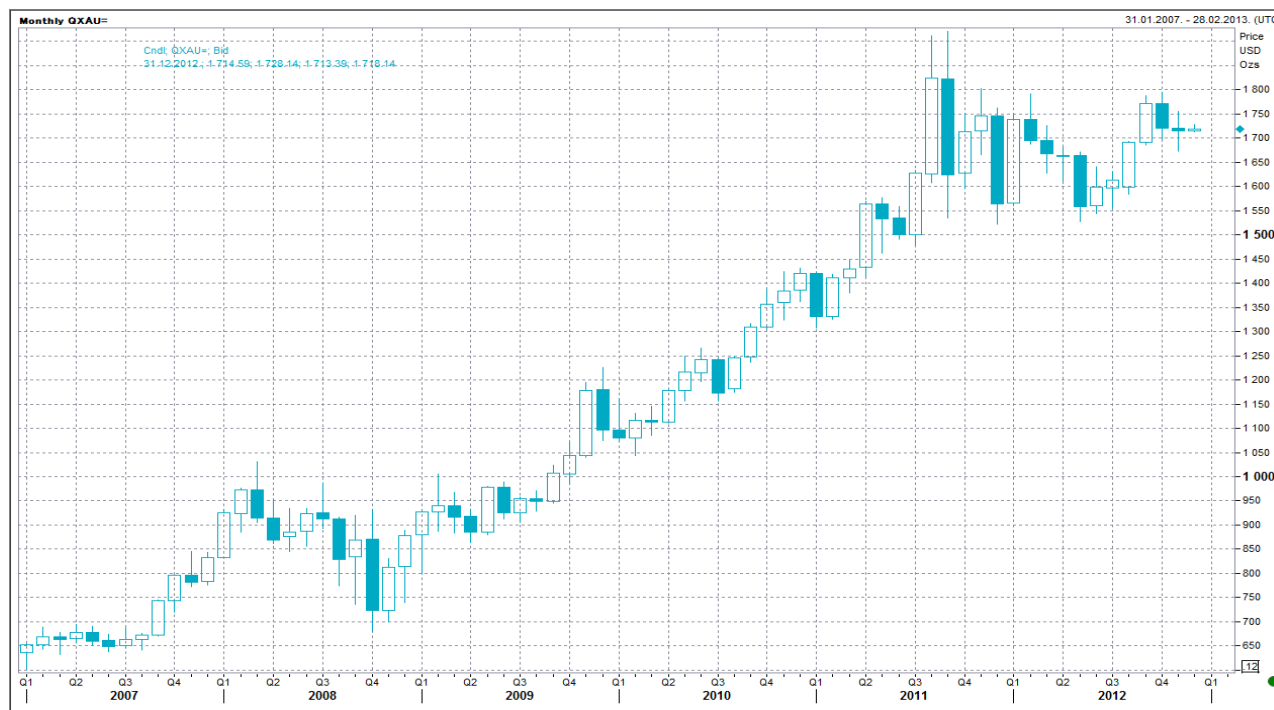
Our main scenario for the euro-dollar market remains unchanged. According to this scenario, the dollar minimum reached in July 2008 at the level of 1.6040 EUR/USD, is the end point of the long-term trend of the dollar falling against euro and the beginning of the trend for its long-term growth.

Consequently, we do not change our fundamental outlook for the market, according to which exchange of the euro to the dollar will fall to parity-close levels (1 EUR/USD) in 1-1.5 years.

Gold

In the gold market in November trades were quite volatile, with alternating changing direction of price movements. Price of an ounce was rising above \$1750 and falling below \$1700, but closed the month virtually unchanged (- 0.3%) at \$1714 (see Fig. 20).

Fig. 20. Dynamics of gold prices, monthly bars



Source: Thomson Reuters

Our assessment of future scenarios

However, given the strength of the growth trend in 2004-2011, it is still very likely that prices will continue to grow, reaching the level of \$2000-\$2500 per ounce. From a technical point of view, the current growth trend can be considered active until support zone of \$1400-\$1500 is not broken.

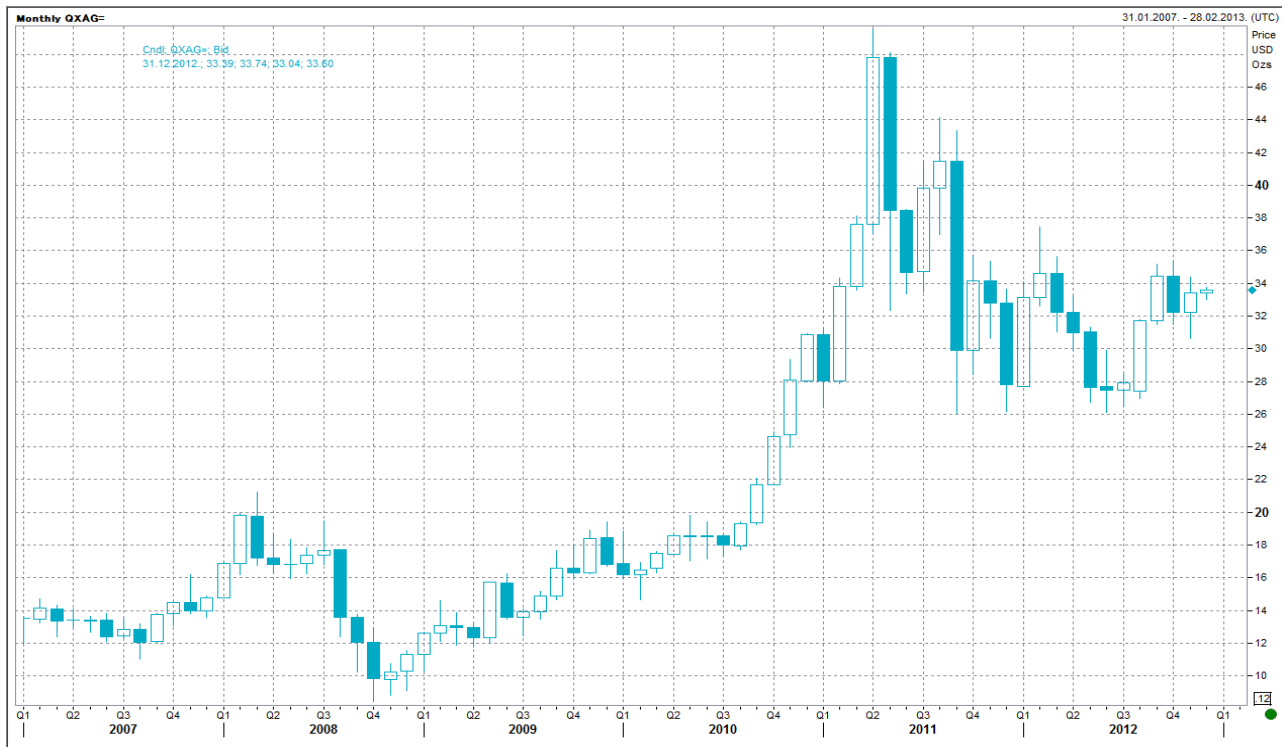
But it should be noted that the movement in gold prices in recent years is strikingly speculative, and prices are unlikely to remain at high levels for long periods of time. Later, we are likely to see a rapid fall in prices, often observed in other speculative bubbles. Of course, it is possible that prices do not go back to previous levels of \$300-\$400 per ounce, but return to levels near \$1000 is very likely.

A possible signal for the bubble break can be a sharp rise in prices for a short time, similar to the silver price movements in February-April 2011, but with greater amplitude and during a shorter time.

Silver

Silver in November, in contrast to gold, managed to show growth – by 3.7%, and the price of an ounce rose above \$33 (see Fig. 21).

Fig. 21. Dynamics of silver prices, monthly bars



Source: Thomson Reuters

Our assessment of future scenarios

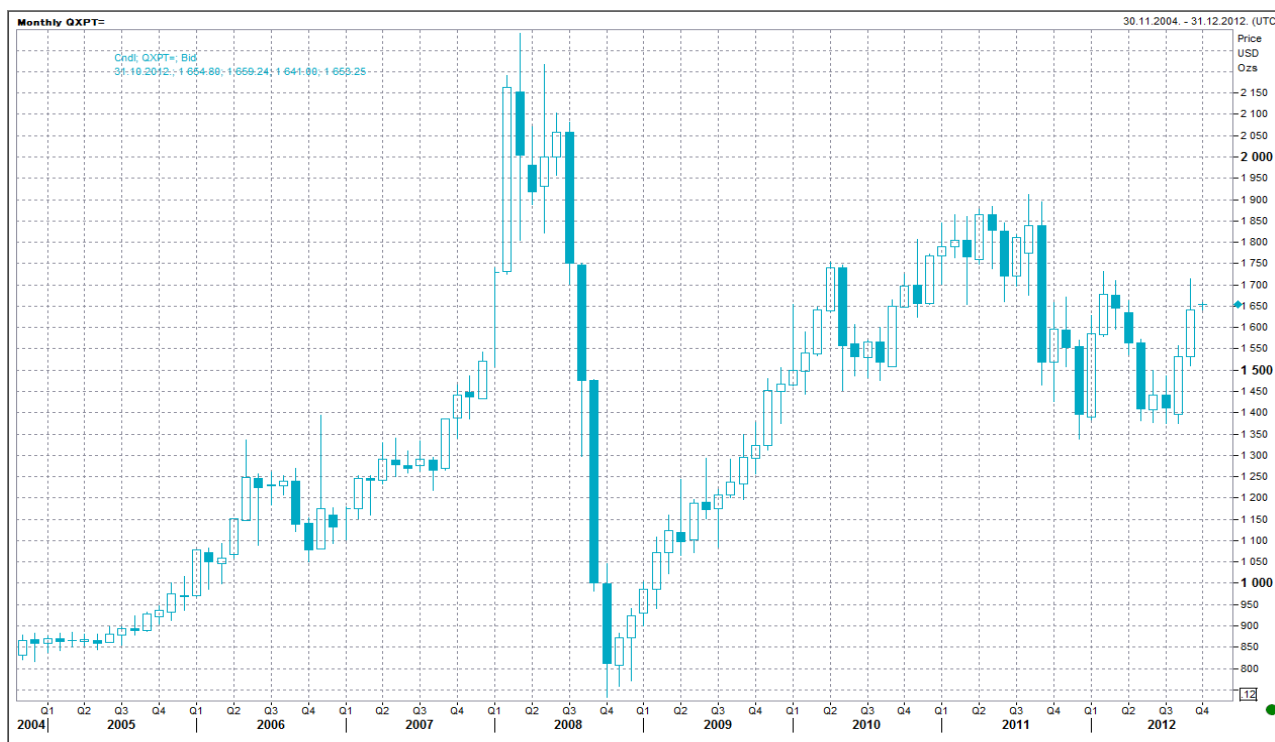
The sharp rise and the subsequent strong drop in the price of silver in 2011 indicate that the price bubble of 2010-2011 actually burst in this market.

However, the dynamics of further movement in prices is still uncertain and may depend on price movements in the gold market.

Platinum

Platinum in November also showed an increase in prices – by 2.2%, and the price of an ounce reached the level of \$1 600 (see Fig. 22).

Fig. 22. Dynamics of platinum prices, monthly bars



Source: Thomson Reuters

Our assessment of future scenarios

Giving forecasts for the movements in the platinum market, it should be noted that in 2004-2008 the speculators have already "played" the market. In 2004, after many years of history the price of platinum diverged from gold price and soared almost 3 times over 4 years (by 200%), and then fell by 65% in 2008 (i.e., again nearly three times).

After 2008, the correlation between the markets of platinum and gold was resumed, but now gold shows larger growth. We expect that in case gold prices resume growth and reach the range of \$2000-\$2500 per ounce, platinum prices will increase as well, but their growth will be less significant.

Palladium

Palladium was the growth leader among the precious metals in November, and the price of an ounce here soared by 13% (!) to reach \$680 (see Fig. 23).

Fig. 23. Dynamics of palladium prices, monthly bars



Source: Thomson Reuters

Our assessment of future scenarios

Palladium market has already experienced its "bubbling" – in 1998-2001 price of an ounce increased more than 5 times (by 400%), and then dropped 5 times in 2002-2003. Since 2009, there is a new, more moderate growth trend observed in this market. And after the correction in August - October 2011 from \$850 to \$550 per ounce, we expect further consolidation movement in the corridor of \$550-\$750 per ounce, followed by a more likely resumption of growth in prices.

Oil

In the oil market, November started with a fall in prices, but from the middle of the month it was replaced by growth, and the resulting price of a barrel of Brent crude rose by 1% to reach \$111 (see Fig. 24). The spread between the prices of Brent and WTI at the beginning of the month continued to grow and reached \$26 (!) for frontal futures contract, but a new frontal contract to the end of November already traded near \$22.

Fig. 24. Brent price dynamics, monthly bars



Source: Thomson Reuters

Our assessment of future scenarios

As before, we expect further price consolidation in the market within the corridor \$100 - \$20 per barrel, with more likely breaking through the lower boundary of the corridor and the prices declining below \$100 per barrel in the medium term.

Review information

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