



October 26th 2009

GLOBAL EQUITIES

SUMMARY

Le WEEKLY

| | |
|---|----------|
| Thoughts : Ladies and Gentlemen, the bankers, it's your turn! | 2 |
| Economic data released this week | 3 |
| Markets : The euro and the dollar: Let's bring down those clichés! | 4 |
| Events from October 12 th to October 16 th : A 3% growth in the United-States. | 6 |
| Analysis and Perspectives : 200 million Brazilians... | 7 |
| Global calendar of the statistics and economic event for this week: | 8 |
| Our economic and financial forecasts for 2009-2010. | 9 |

Thoughts: Ladies and Gentlemen, the bankers, it's your turn!

Just a year ago, most banks around the world were agonizing and the whole financial system on the brink of imploding. At that time, it was commonly believed that bank failures would escalate, with the consequence that capitalism would be radically transformed. Obviously the source of this suspicion resided in the sudden collapse of Lehman Brothers, "authorized" by the Secretary to the Treasury, Henri Paulson, the former head of Goldman Sachs, Lehman's main competitor. The end of the "too big to fail" approach opened the Pandora's box of banks' bankruptcies and strong worries arose as to the survival of the international banking structures. Not only because all the financial institutions were directly or indirectly clients of Lehman, but they also tasted the sweetness of securitized subprimes and/or of structured products. That elixir was supposed to open the gates of paradise but instead instilled a deadly poison. Even worse, not only did those institutions played with fire by investing on behalf of clients, but they aggressively gambled with their own capital (that was called excessive prop trading). Due to the debacle on the markets, and to the regulation forcing banks to mark their positions to market, banks' equity melted away like snow in the sun. Due to the same regulation (which shows how destructive regulation can be!), forcing banks to keep some capital requirements, they almost instantaneously became insolvent. Hence the general state of panic which led some clients to withdraw their deposits, making matters worse. The only way out of this mess was for banks to raise capital, an impossible task due to the prevailing market conditions. Governments had then to play the rescuers of last resort, either by adding equity to banks balance sheets or by nationalizing (as it was the case in the United Kingdom) or by lending under certain conditions, (the route taken by the French authorities).






















































A year later, the situation has radically changed, not only because the spectre of bankruptcy vanished but because those institutions are profitable again, hence the strong performance of bank stocks. They are now in a position to reimburse those state loans. The environment is such today that those who vilified the French government for having saved banks through loans, are now complaining that it should have acquired equity stakes instead. For sure looking at bank shares today, the latter would have been far more lucrative than interests (8%) earned on those loans. How funny to see how those, critical of speculation and profits, are now criticizing the State for not being capitalist enough! But a question arises from this unexpected bullish improvement; how did the banks do it? From agonizing to radiating health again in less than one year? As the French actor Louis de Funès said in the film "Rabbi Jacob": It's a miracle, Salomon! Actually, not really! The return to grace is very logical. Firstly because the year ago worries of a potential collapse of the banking system and capitalism in a broad sense were overdone. At that time, against the general views, we were almost a lonely voice in refuting this analysis. Furthermore because of the sharp cuts in interest rates, the purchase of bad debts by central banks and the setting up of huge recovery plans by governments, it was no wonder banks rejuvenated. All the more so that they also benefited from an excess of liquidity thanks to public and private sovereign funds from emerging countries.

For sure this redemption is good news but at the same time calls for a new policy. Banks are making profits thanks to their market activities and that's fine, in as much as excesses of previous years will not be repeated as prop trading has been curtailed. But banks have to return to their basic job: to irrigate the economy through lending to corporates and households. That's where the shoe pinches, especially in France. Already shy in good times, banks are even more reticent today. Keep in mind that the 2007/09 crisis is a crisis of bad risk management. Hence banks are tempted to reduce their risks to a minimum, especially when it comes to financing the economy, leading sometimes to the absurd whereas loans have to be collateralized by a similar amount by companies and /or households. One can ask oneself about the bank's role and why do they charge interest and fees that are supposed to cover the risk involved!

One must not get the wrong post-crisis strategy: Banks are not being asked to stop taking risks, but to better manage them by looking at the real potential return on investment projects and not by playing it safe by lending to those who don't need it. If they cannot, they shouldn't be surprised to see their reputation further tarnished. But beyond their image, it is the health of the economic and financial system that is at stake. If they remain shy, economic growth will remain soft and LBOs will be harder to finance, hence further weakening the banks. Banks must not forget that there are other ways to fund the economy and corporates can siphon capital from independent investment funds, which are currently flush with cash. That would mean a loss of influence by banks, meaning a smaller market share and lower profits. No one wants to see bank's lending running scarce. Banks must realize that they will grow by increasing and winning the loyalty of its clientele by being there when needed. So let's forget the traditional motto; "call us if you don't need anything".

Marc Touati

Economic data released this week:

| Country | Event | Period | Actual | Prior | Climat | Sum up |
|---|--------------------------------------|---------------|----------------------|----------------------|---|---|
|  | US NAHB house market index | October | 18 | 19 |  |  |
| | US Production price index | September | -0,6%,-4,8% YoY | +1,7%,-4,3% YoY |  | |
| | US Production price index core | September | +0,1%,+1,8% YoY | +0,2%,+2,3% YoY |  | |
| | US Housing starts | September | 590 000 | 587 000 |  | |
| | US Building permits | September | 573 000 | 580 000 |  | |
| | US ABC consumer confidence | October 18 th | -50 | -48 |  | |
| | US MBA mortgage applications | October 16 th | -13,7% | -1,8% |  | |
| | US Initial jobless claims | October 17th | 531 000 | 520 000 |  | |
| | US Continuing claims | October 10th | 5 923 000 | 6 021 000 |  | |
| | US Conference Board leading index | September | 1,0% | 0,6% |  | |
| | US House price index | September | -0,3% | 0,3% |  | |
| | US Existing home sales | September | 5,57 million (+9,4%) | 5,09 million (-2,9%) |  | |
|  | ZE Construction output | August | -0,4%,-11,3% YoY | -1,4%,-9,8% YoY |  |  |
| | ZE Current account balance | August | -1,3 bn | + €3,7 bn |  | |
| | ZE PMI manufacturing (advanced) | October | 50,7 | 49,3 |  | |
| | ZE PMI services (advanced) | October | 52,9 | 50,9 |  | |
| | ZE PMI composite (advanced) | October | 53,0 | 51,1 |  | |
| | ZE Industrial new orders | August | +2,0%,-23,1% YoY | +3,0%,-24,9% YoY |  | |
|  | Fr Business confidence indicator | October | 89 | 86 |  |  |
| | Fr Production outlook | October | -11 | -16 |  | |
| | Fr Consumer spending | September | +2,3%,+1,0% YoY | -1,0%,-1,3% YoY |  | |
| | Fr PMI manufacturing (preliminary) | October | 55,3 | 53,0 |  | |
| | Fr PMI services (preliminary) | October | 57,8 | 53,2 |  | |
|  | All Producer price index | September | -0,5%,-7,6% YoY | +0,5%,-6,9% YoY |  |  |
| | All PMI manufacturing (advanced) | October | 51,1 | 49,6 |  | |
| | All PMI services (advanced) | October | 50,9 | 52,1 |  | |
| | All IFO business climate | October | 91,9 | 91,3 |  | |
| | All IFO current assessment | October | 87,3 | 87,1 |  | |
| | All IFO expectations | October | 96,8 | 95,7 |  | |
|  | UK Public sector net borrowings | September | +£14,8 bn | +£14,7 bn |  |  |
| | UK M4 money supply (preliminary) | September | +0,7%,+11,3% YoY | +0,0%,+12,1% YoY |  | |
| | UK Gross Domestic Product (advanced) | third quarter | -0,4%,-5,2% YoY | -0,6%,-5,5% YoY |  | |
|  | JP Leading indicator (final) | August | 83,2 | 83,3 |  |  |
| | JP Coincident indicator (final) | August | 91,2 | 91,4 |  | |
| | JP Machine tool orders (final) | September | -62,1% YoY | -61,9% YoY |  | |
| | JP Trade balanced adjusted | September | + ¥58,6 bn | + ¥173,5 bn |  | |
|  | CH Gross Domestic Product | third quarter | 8,9% YoY | 7,9% YoY |  |  |
| | CH Retail sales | September | +15,4% YoY | +15,4% YoY |  | |
| | CH Industrial production | September | +13,9% YoY | +12,3% YoY |  | |

Markets:

The euro and the dollar: Let's bring down those clichés!

\$1.60 for 1 € in July 2008, \$1.75, 6 months later, and now \$ 1.50. Obviously the €/ \$ couple loves roller-coasters! And not just for the past year, but for decades when looking at the €'s predecessor the Ecu that prevailed before 1999: \$0.83 in 2001/2, \$1.16 in January 1999 and \$0.68 in 1985. In view of those wild gyrations, most of the time unforeseen by economists, they, the economists, are trying to come up with ad hoc explanations, no matter if they contradict themselves within a few months. But instead of looking for retrospective justifications, it appears to us more judicious to bring down those clichés that are currently surrounding the euro and the dollar.

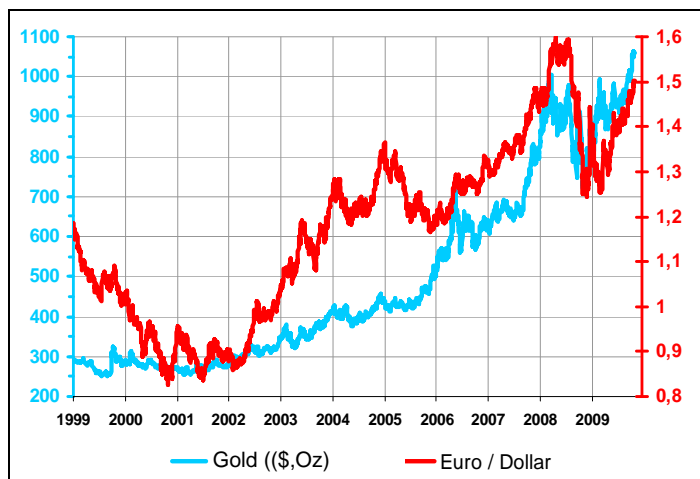
Cliché Nr.1: The appreciation in the € is due to the weakness of the US economy

The truth is plain and straight: the GDP in the Eurozone will decline by 4% this year as against 2.2% in the USA. According to the leading indicators (especially the ISM indices for the manufacturing and services sectors) the US economy will grow by 2% as early as the beginning of 2010 as against 0.5% in the Eurozone. So if the value of a currency depends on the economic activity, the € should be much lower.

Cliché Nr.2: The Central Bank of China is switching part of its reserves from \$s into €s

There again the truth is elsewhere: How can the Chinese be so naïve not to understand that such policy would surely increase their foreign exchange risks, as well as the costs of transacting? Why selling dollars and buy euros which in turn would have to be converted into dollars in order to settle the bulk of their commercial transactions (commodities and most commercial transactions, outside the Eurozone, are billed in dollars)?

Rise in gold and rise in dollar are getting along.



Cliché Nr.3: Oil will soon be quoted in DTS or based on a basket of currencies

Here again, how far from reality. It's already difficult to forecast and therefore hedge oneself against one currency, how would it be possible with a basket of

currencies or with DTS, whereas there are no market on those tools?

Cliché Nr.4: The rise in the € is in fact not so painful for the Eurozone as showed by the strength of German exports,

True for Germany thanks to the quality of those highly specialized products, but maybe not so true for the other parts of the Eurozone and the strong € will slow the economic growth across the board, including Germany. For 3 reasons:

-Dearer exports

-Lower import prices lead to increased competition on domestic markets

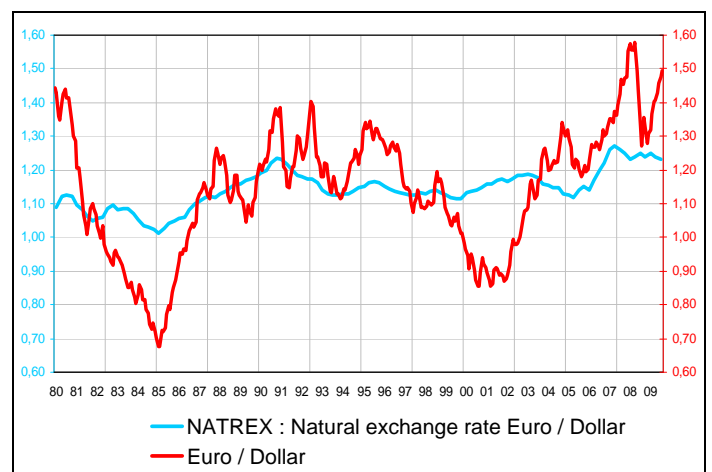
-A cut in direct investment from the \$ zone into the Eurozone and vice versa a increased flow of investment out of the Eurozone.

All reasons for a weakening in the economy and pressure on the job market.

Cliché Nr.5: The objective parity of the euro is close to \$ 2.00 than \$ 1.00

In order to agree with such statement, one would have to bypass the structural growth in the USA of 2.8% as against 1.3% in the Eurozone. Also the purchasing power parity and the Natrex parity (\$1.10 and \$1.25 for € 1.00 respectively) would have to be considered null and void. A simple fact: the value of a currency reflects the strength of an economy. If not, it's only speculation. In other words; it's not a strong currency that leads to a vigorous economy but a vigorous economy allows for a strong currency.

Euro/dollar still far from its « fair price ».



That is the real problem for an overvalued euro. That the current valuation is caused by interest rates differentials, we agree. That the Chinese Central Bank feeds the decline in the \$ by selling some in order to increase its gold reserve, there isn't much to do about it. Those are really the factors behind the current \$ weakness.

But it becomes intolerable when those erratic currency moves put further pressure on the Eurozone economic growth, still in negative territories. That is why we believe that once those costs are being taken into account, the €/€ parity will return to more normalized levels, around \$ 1.25 for € 1.00. That's where it did stand a few months ago but

the ECB policy together with the American laissez-faire led to this sharp turnaround.

Once again, European companies and consequently the Eurozone economy were fooled again!

Economic events from October 26th to October 30th: A 3% growth in the United-States

For the last week of October we will concentrate on Thursday on the advanced release of the US GDP for the third quarter. On Tuesday focus will be on the Conference Board consumer confidence, on Wednesday durable goods orders, and on Friday on US personal income and personal expenses.

In the euro zone, we will follow on Thursday, the economic confidence index and on Friday, the first estimate for inflation in October.

Tuesday, October 27, 14:00 GMT: US household confidence rises in October.

After rising by 15% in August to 54.5, the Conference Board consumer confidence index slightly declined in September to 53.1. Despite the rise in unemployment in the United States, this advanced indicator of household consumption should progress in October to reach 54.5. This rise will be led by the US recovery, the rebound in the stock markets, not to mentioned low interest rates and weak consumer prices.

Wednesday, October 28, 12:30 GMT: rise in US durable goods in September.

After strongly rebounding in July rising by 4,8%, the fastest increase since July 2007, US durable goods orders declined by 2,6% in August. However this very volatile index should increase in September by 1%. This improvement should be driven by the orders sub index of the ISM manufacturing indicator which reached 60.8 in September. Excluding transportation orders which dropped by 0.3% in August, ending three consecutive up months, should increase by 1% as well in September.

Thursday October 29th, 10:00 GMT: New rise in the economic confidence index in the euro zone.

After reaching an historical low at 64.6 in March 2009, the euro area economic confidence index should rise for a seventh consecutive month in October to reach 83.2 its highest level since September 2008. Indeed, the euro zone economy is recovering as showed by the sharp rise in French business confidence indicator which reached its highest mark since September 2008, and by the seventh consecutive rise the IFO index in Germany in October.

Thursday, October 29, 12:30 GMT: sharp rise in the US GDP for the third quarter.

After dropping by 6,4%YoY in the first quarter 2009, due to the collapse in investment as well as a massive destocking, the US GDP dropped by 0,7% only in the second quarter (meaning a fall of 0.18% QoQ). The recession ended in the third quarter, as showed by the rebound in capital spending in the industry and services sectors, as well as the rise in US household consumption (70% of the American GDP) over this same period. As a matter of fact the US GDP should rise by 3.5% in the third quarter, a level which should be consolidated at the fourth quarter.

Friday, October 30, 10:00 GMT: the euro zone is still hit by deflation

In negative territory since June, and after reaching a new bottom at -0.6% in July due to the effect of last year surge in energy prices and commodities, consumer price index reached - 0.3%YoY in September. The deflation will still hit the euro area in October but to a smaller extent due to the rise in energy prices and commodities. Consequently we anticipate the consumer prices index to be - 0.1%YoY in October. Nevertheless, it should get back to positive territories to reach 0.9% in December and 1.5% at the beginning of 2010.

Friday, October 30, 13:30: US personal income increases and personal spending declines in September.

After increasing in April - May, US personal income declined by 1.1% in June, and rebounded by 0.2% in July and in August. For September, we anticipate that household personal income up 1%, mainly led by the decline in job destruction and by the rise in wages. Meanwhile, household expenses which increased by 1.3% in August the sharpest rise since October 2001, should regress by 0.5% in September. This mainly due to the fall in retail sales in September impacted by the end of the cash for clunkers.

Jérôme Boué

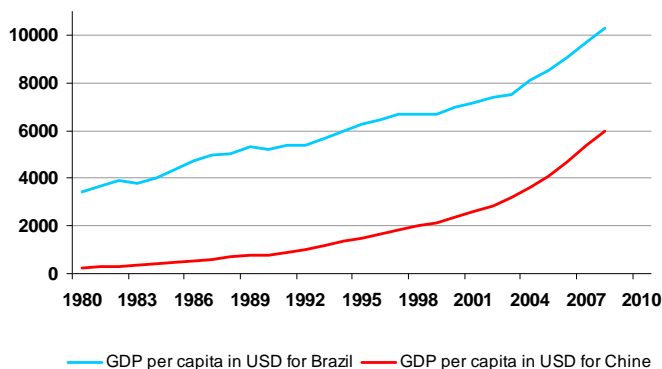
Analysis and Perspectives: 200 million Brazilians...

According to our forecasts, the world economy should grow by 3.2% in 2010. Nevertheless, European companies will benefit to various degrees and those actively involved in Asia and in Latin America will fare better.

GDP in the Eurozone should grow by 1.3% next year, but Brazil by 5% and China by around 9%. But there is a fundamental difference between the 3rd (soon to become the 2nd) largest economy worldwide and the largest economy in South America. The Chinese market is far more restrictive and foreign companies have far fewer control levers. Profit margins are low as splitting profits within the joint ventures with Chinese partners, is a must.

As an example, over the past 9 months Volkswagen sold 1.06 million cars in China, of which 871 000 locally manufactured via 2 ventures with SAIC Motors Corp. and FAW Group. With its capacity fully utilized, Volkswagen cannot meet the demand and consequently loses market share (14.6% at the end of September as against 17.0% at the end of June) China has become the largest car market in the world, growing so far this year by 42% to 7.21 million units. But beyond its market share, the real problem is profitability. The average net proceed per car amounts to € 400 as against an average of € 1015 on a worldwide basis.

A GDP / capita 1.7 x higher than in China



Source : Bloomberg, World Bank Group

On the other hand, Brazil represents a far more profitable market for European companies. Oil revenues are growing fast and GDP par capita (£ 9400) is twice the Chinese one. Capital expenditure in infrastructure for 2009/2010 amount to \$ 280 billions and should greatly contribute to the resilience of the world's 9th economy.

We are highlighting 10 companies that have a strong exposure to the Brazilian economy.

Autos:

Over the past 9 months, Volkswagen share rose to 25.8% of a 3 million car market, just ahead of Fiat (25%). Brazil now represents 12% and 23% of total unit sales for VW and Fiat respectively.

Pharmaceuticals:

Sanofi, because of its purchase of MEDLEY, has become the leading pharma company in Brazil with a 12% market share. The French company is also the largest generic company across Latin America

Oil & Gas :

BG Group and Repsol are the privileged partners of Petrobras in the Brazilian oceanic basin and in particular in the giant Carioca field whose potential reserves could reach 33 bboe. BG Group's assets in Brazil represent 25% of its enterprise value. For Repsol the same figure is around 7 – 8 % of its EV.

In the service sector TECHNIP and SEADRILL are well positioned. They should be among the largest beneficiaries of Petrobras expected \$ 100 billions exploration/production program over the next 5 years.

Technip presence includes: a production unit for flexible pipes and an assembly line for subsea rigid pipes. Its newest ship, the SKANDI VITORIA, whose delivery is expected in 2010 has been especially designed for laying down pipes in the Brazilian deep waters.

Banking:

20% of Santander 's profits stem from Brazil and its subsidiary Santander Brasil is valued at € 23 billions, about 30% of the group's E.V

Construction and Building Materials:

Holcim has a very strong presence in Brazil and across all of Latin America. For 1H09 the area represented 16% of the group's turnover and 31% of its operating income

Telecoms:

Brazil represents 14% of Telefonica's turnover and about ¼ of its subscribers (62.5 millions). As a whole Latin America represents 160 million users of which 123 million wireless. The whole zone produces 60% of Telefonica's clients, 39% of its revenues and 37% of its operating income.

Philippe Moni / Gerard Weinberg
(Institutional Sales at Global Equities)

Global calendar of the statistics and economic events for this week:

| Date | Time | Country | Event | Period | GE forecast | Consensus | Previous |
|---------------|----------|----------------|--|----------------------|-------------------------|-------------------------|-------------------------|
| 26-30 October | 1.01 am | United Kingdom | Nat'wide house prices | October | | +0,6%,+2,0% YoY | +0,9%,+0,0% YoY |
| 26/10/2009 | 8.00 am | Germany | Gfk consumer confidence | November | | 4,5 | 4,3 |
| 26/10/2009 | 1.30 pm | United-States | Chicago Fed National activity | September | | | -0,90 |
| 26/10/2009 | 3.30 pm | United-States | Dallas Fed manufacturing activity | October | | | -6,4% |
| 26/10/2009 | 18.00 am | France | Total jobseekers | September | | | 2 553 000 |
| 27/10/2009 | 8.50 am | France | Consumer confidence indicator | October | | -36 | -36 |
| 27/10/2009 | 2.00 pm | United-States | S&P/VCS composite-20 | août | | -11,80% | -13,30% |
| 27/10/2009 | 3.00 pm | United-States | Conference Board consumer confidence | October | 54,5 | 54,0 | 53,1 |
| 27/10/2009 | 3.00 pm | United-States | Richmond Fed Manufacturing index | October | | | 14 |
| 27/10/2009 | 10.00 pm | United-States | ABC consumer confidence | 25 October | | | -50 |
| 28/10/2009 | 0.50 am | Japan | Retail sales | September | | +0,2%, -1,6% YoY | +1,0%, -1,8% YoY |
| 28/10/2009 | | Germany | Consumer price index (preliminary) | October | | | -0,4%, -0,3% YoY |
| 28/10/2009 | 12.00 pm | United-States | MBA mortgage applications | 23 October | | | -13,7% |
| 28/10/2009 | 1.30 pm | United-States | Durable goods orders | September | + 1 % | + 1 % | -2,4% |
| 28/10/2009 | 1.30 pm | United-States | Durable goods orders excluding transport | September | + 1 % | +0,7% | +0,0% |
| 28/10/2009 | 3.00 pm | United-States | New home sales | September | | 440 000 (+2,6%) | 429 000 (+0,7%) |
| 29/10/2009 | 0.50 am | Japan | Industrial production (preliminary) | September | | +1,0%, -19,3% YoY | +1,6%, -19,0% YoY |
| 29/10/2009 | 5.00 am | Japan | Vehicle production | September | | | -25,9% YoY |
| 29/10/2009 | 9.55 am | Germany | Unemployment rate | October | | 8,3% | 8,2% |
| 29/10/2009 | 10.30 am | United Kingdom | Net consumer credit | September | | -0,2 bn | -0,3 bn |
| 29/10/2009 | 10.30 am | United Kingdom | Mortgage applications | September | | 53 600 | 52 300 |
| 29/10/2009 | 10.30 am | United Kingdom | M4 money supply (final) | September | | | 0,7%, 11,3% YoY |
| 29/10/2009 | 11.00 am | Euro zone | Economic confidence | October | 83,2 | 84,0 | 82,8 |
| 29/10/2009 | 1.30 pm | United-States | Growth Domestic Product (advanced) | Third quarter | +3,5% QoQ | +3,0% QoQ | -0,7% QoQ |
| 29/10/2009 | 1.30 pm | United-States | Personal consumption (advanced) | Third quarter | | +3,0 % | -0,9% |
| 29/10/2009 | 1.30 pm | United-States | Personal consumption core (advanced) | Third quarter | | +1,5% | +2,0% |
| 29/10/2009 | 1.30 pm | United-States | Initial jobless claims | 24 October | | 523 000 | 531 000 |
| 29/10/2009 | 1.30 pm | United-States | Continuing claims | 17 October | | | 5 923 000 |
| 30/10/2009 | 0.30 am | Japan | Unemployment rate | September | | 5,6% | 5,5% |
| 30/10/2009 | 0.30 am | Japan | Household spending | September | | +1,0% YoY | +2,6% YoY |
| 30/10/2009 | 0.30 am | Japan | National consumer price index | October | | -2,2% YoY | -2,2% YoY |
| 30/10/2009 | 0.30 am | Japan | National consumer price index core (ex food and energy) | October | | -1,0% YoY | -0,9% YoY |
| 30/10/2009 | 1.01 am | United Kingdom | Gfk consumer confidence | October | | -14 | -16 |
| 30/10/2009 | | Japan | BoJ target rates | October 30th | 0,10 % | | 0,10% |
| 30/10/2009 | | Germany | Retail sales | September | | +0,9%, -2,6% YoY | -1,5%, -2,6% YoY |
| 30/10/2009 | 8.45 am | France | Producer prices | September | | -0,4%, -8,3% YoY | +0,4%, -8,5% YoY |
| 30/10/2009 | 11.00 am | Euro zone | Consumer price index (first estimation) | October | -0,1 % | -0,1 % | -0,3% YoY |
| 30/10/2009 | 11.00 am | Euro zone | Unemployment rate | September | | 9,7% | 9,6% |
| 30/10/2009 | 1.30 pm | United-States | Personal income | September | +0,1% | +0,1% | +0,2% |
| 30/10/2009 | 1.30 pm | United-States | Personal spending | September | -0,5% | -0,5% | +1,3% |
| 30/10/2009 | 1.30 pm | United-States | Personal spending core | September | +0,2%, +1,3% YoY | +0,2%, +1,3% YoY | +0,1%, +1,3% YoY |
| 30/10/2009 | 2.45 pm | United-States | Chicago purchasing manager | October | | 48,1 | 46,1 |
| 30/10/2009 | 3.00 pm | United-States | University of Michigan confidence (final) | October | | 70,0 | 69,4 |
| 30/10/2009 | 3.00 pm | United-States | NAPM-Milwaukee | October | | | 58,0 |

Our economic and financial forecast for 2009-2010.

| | Real GDP growth | | | | Inflation | | | | Unemployment rate | | | |
|-----------------|-----------------|------|------|------|----------------|------|------|------|-------------------|------|------|------|
| | | | | | Annual average | | | | Annual average | | | |
| | 2007 | 2008 | 2009 | 2010 | 2007 | 2008 | 2009 | 2010 | 2007 | 2008 | 2009 | 2010 |
| US | 2,0 | 1,1 | -2,2 | 2,8 | 2,9 | 3,8 | -0,4 | 2,3 | 4,6 | 5,8 | 9,3 | 9,0 |
| Japan | 2,1 | -0,7 | -5,0 | 0,2 | 0,5 | 1,2 | -0,2 | 1,2 | 3,9 | 4,1 | 5,0 | 4,8 |
| Eurozone | 2,7 | 0,7 | -3,9 | 1,3 | 2,1 | 3,3 | 0,3 | 1,8 | 7,4 | 7,4 | 9,4 | 9,4 |
| Germany | 2,5 | 1,0 | -4,9 | 1,5 | 2,1 | 2,6 | 0,5 | 2,0 | 9,0 | 7,8 | 9,4 | 9,4 |
| France | 1,9 | 0,7 | -2,2 | 1,3 | 1,6 | 2,8 | 0,1 | 1,5 | 8,0 | 7,5 | 9,5 | 9,5 |
| Italy | 1,7 | -1,0 | -4,5 | 0,9 | 2,2 | 3,2 | 1,0 | 2,0 | 6,2 | 6,9 | 9,3 | 9,3 |
| Spain | 3,8 | 1,1 | -3,5 | 0,6 | 3,2 | 3,5 | 1,0 | 2,0 | 8,3 | 10,5 | 16,0 | 16,2 |
| UK | 3,1 | 0,7 | -3,9 | 1,4 | 2,3 | 4,0 | 0,9 | 2,2 | 5,4 | 5,6 | 7,5 | 7,3 |
| World | 5,0 | 2,8 | 0,0 | 3,2 | | | | | | | | |

| | Key interest rates | | | | 10 years government bond interest rates | | | | |
|-----------------------|--------------------|-------------|-------------|-----------|---|-------------|-------------|-----------|------|
| | Oct 26th | in 3 months | in 6 months | in 1 year | Oct 26th* | in 3 months | in 6 months | in 1 year | |
| United States | 0-0,25 | 0,25 | 0,50 | 1,75 | United States | 3,50 | 3,50 | 4,00 | 4,30 |
| Euroland | 1,00 | 1,25 | 1,50 | 1,75 | Euroland | 3,37 | 3,50 | 3,90 | 4,20 |
| United Kingdom | 0,50 | 0,50 | 0,75 | 1,50 | United Kingdom | 3,70 | 3,70 | 4,00 | 4,30 |
| Japan | 0,10 | 0,10 | 0,10 | 0,10 | Japan | 1,40 | 1,40 | 1,70 | 1,90 |

| | Exchange rates | | | | International equities markets | | | | |
|----------------|----------------|----------|----------|--------|--------------------------------|----------|----------|--------|--------|
| | Oct 26th* | 3 months | 6 months | 1 year | Oct 26th* | 3 months | 6 months | 1 year | |
| EUR/USD | 1,503 | 1,45 | 1,30 | 1,20 | Dow Jones | 9,972 | 10,000 | 10,800 | 11,500 |
| USD/JPY | 91,88 | 95 | 100 | 110 | Nikkei | 10,363 | 10,700 | 11,000 | 11,500 |
| EUR/JPY | 138,08 | 138 | 130 | 132 | Cac 40 | 3,828 | 3,900 | 4,200 | 4,400 |
| EUR/GBP | 0,92 | 0,87 | 0,85 | 0,82 | Euro Stoxx 50 | 2,898 | 2,950 | 3,100 | 3,300 |

* Level at 9.15 am (Paris Time)



GLOBAL EQUITIES

ENTREPRISE D'INVESTISSEMENT

23, rue Balzac– 75008 Paris - France
Standard: + 33 (0) 1 444 333 00 – Fax : + 33 (0) 1 70 70 19 19
www.global-equities.com

CONTACTS

Economic and Financial Research

Marc TOUATI

HEAD OF ECONOMIC AND FINANCIAL RESEARCH

+33(0)1.44.43.33.80

mtouati@global-equities.com

Jérôme BOUE

ECONOMIST

+33(0)1.44.43.33.77

jboue@global-equities.com

Luis CAMEIRAO

STRATEGIST

+33(0)1.44.43.33.69

lcameirao@global-equities.com