

# **XIV CIS and Baltic States Bond Congress**

**June 8—9, 2017**

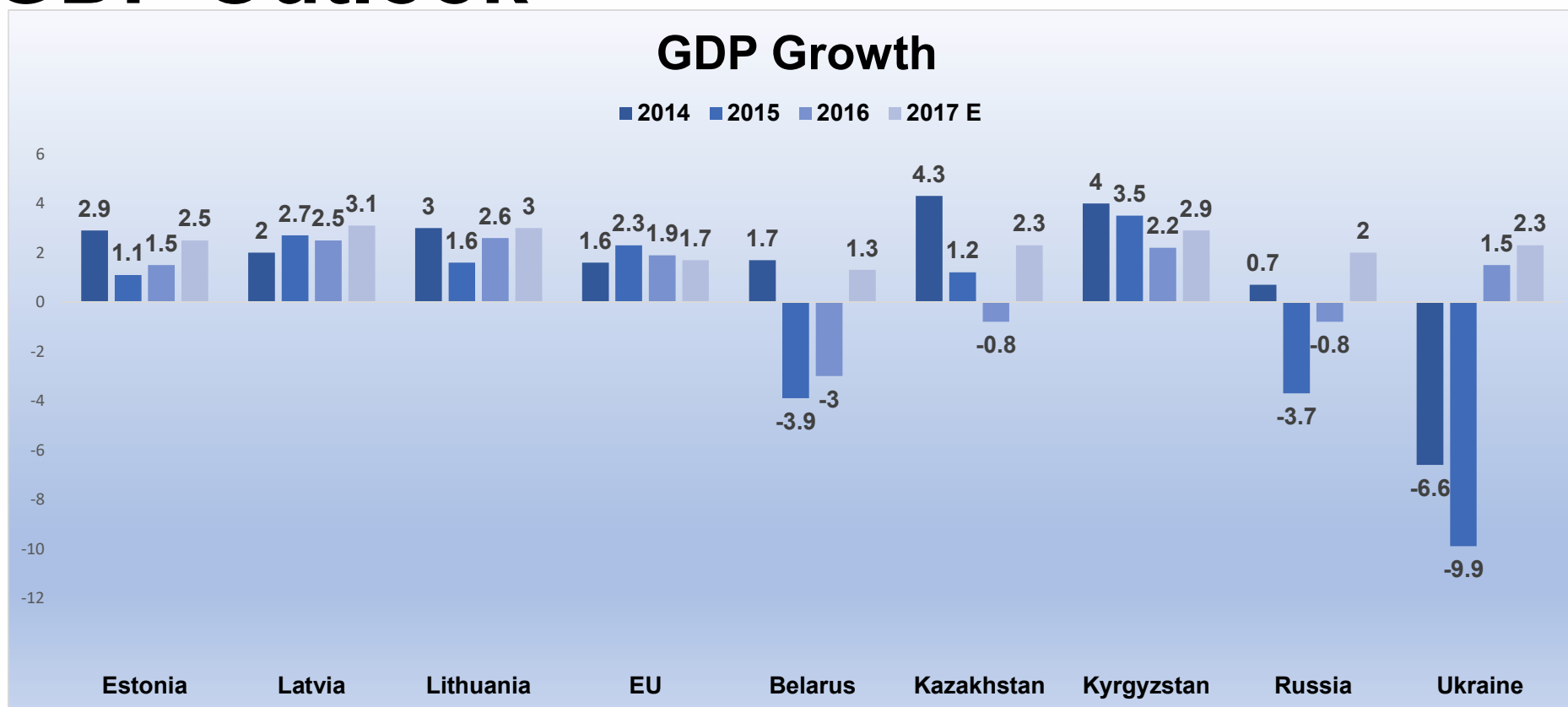
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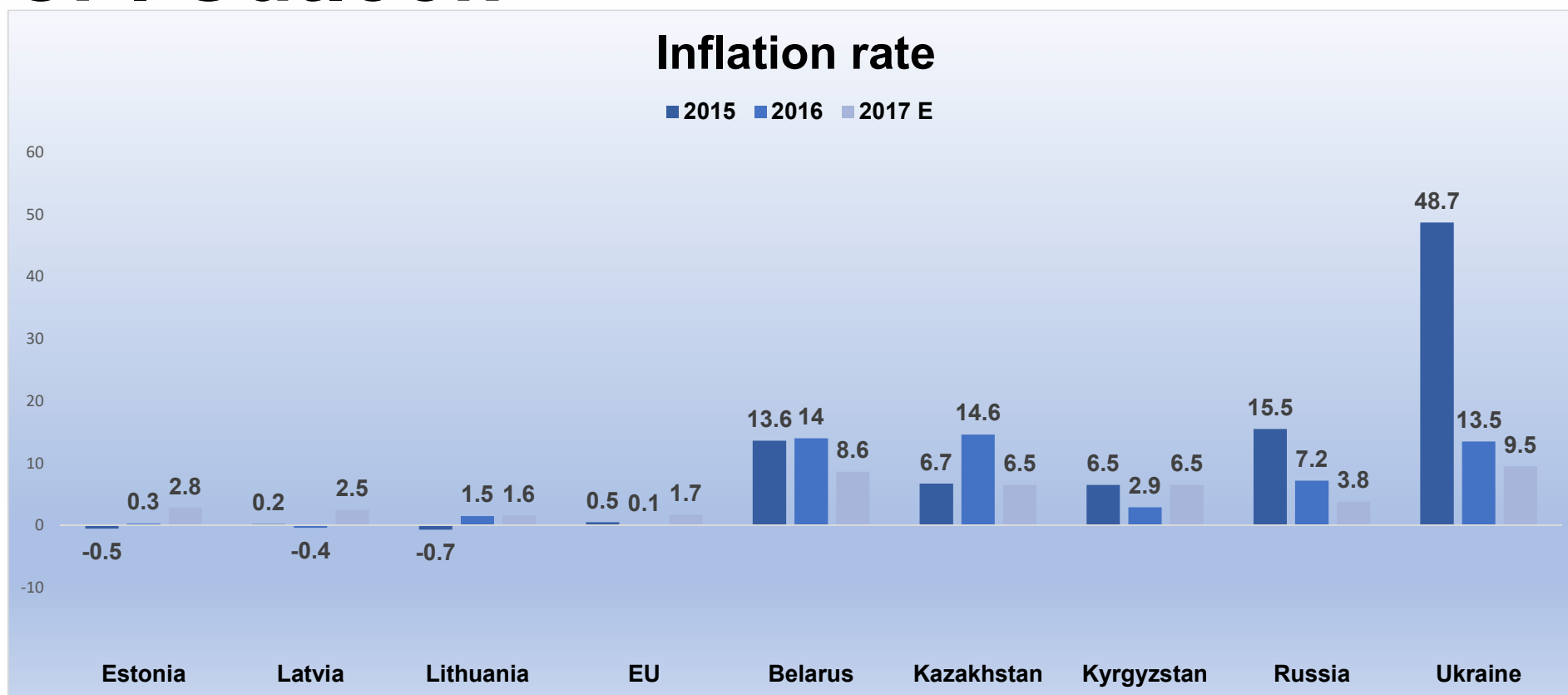
# Macroeconomic trends in financial market development

- The CIS and Baltic economies: key trends, problems and ways to solve them
- Outlook for oil prices, GDP, and inflation by the end of 2017
- Sanctions and the tight monetary policy as key macroeconomic performance factors
- The first interim results of Donald Trump's presidency: Have concerns turned out to be true? Is there a beacon of hope?
- There are elections upcoming in several European countries this year. How can this impact cooperation with the CIS and Baltic states?

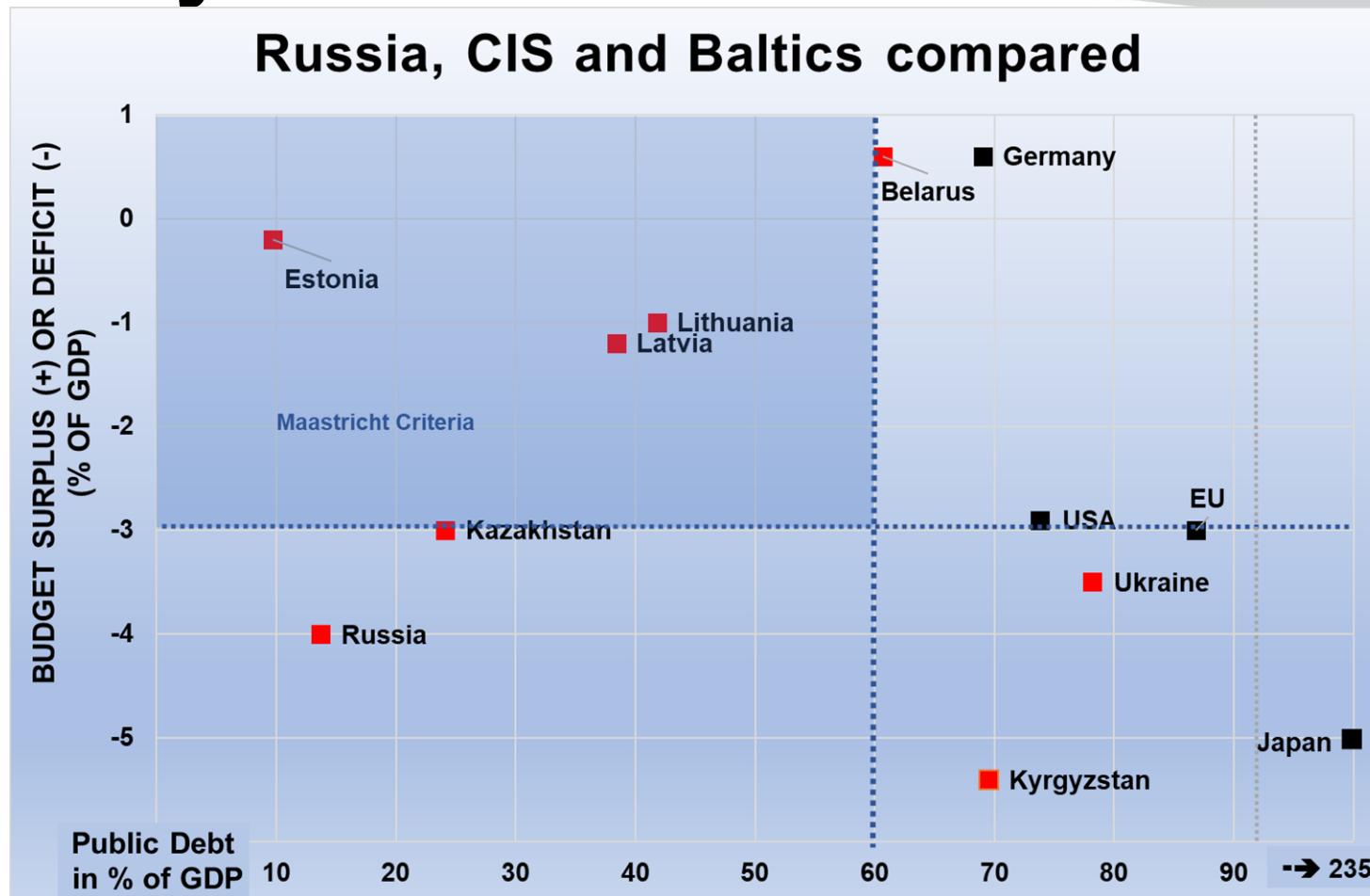
# The CIS and Baltic economies: GDP Outlook



# The CIS and Baltic economies: CPI Outlook



# Country overview












































































Data as per 2016

# Outlook for oil prices

- Saudi Arabia faces growing social unrest, budget problems.
  - How long will Ghawar last?
- Nigeria: criminal gangs attack oil infrastructure on a regular basis
- Libya, Venezuela, Iraq are failed states
- Russia and Iran possibly need western technology to increase production
- US-Shale Permian Field has potential to change global oil market
- China as biggest oil consumer gets more pricing power
- WTI and Brent price by end of year is mostly seen between USD 45-60/bbl
- Random Walk Analysis by WolframAlpha sees WTI in the 95% range for 1 Year between USD 27.47/bbl and USD 99.47/bbl
  - High possibility of increasing price volatility

# Politics in the Age of Trump

	Trump	Deep State USA	NATO	Merkel	May	Macron	EU	City of London	Putin
Trump									
Deep State USA									
NATO									
Merkel									
May									
Macron									
EU									
City of London									
Putin									

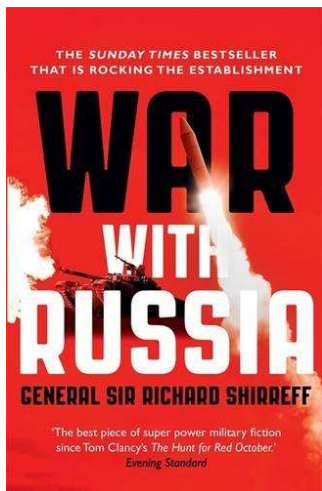
 Not easy to find common ground in the West



# Upcoming European Elections

- 11 June: France, Parliament (1st round)
  - 18 June: France, Parliament (2nd round)
    - Macron's supporters ahead in polls
  - 25 June: Italy, Local elections (second round)
    - Renzi's position could be strengthened
  - 24 September: Germany, Parliament
    - Merkel ahead in polls
  - 15 October: Austria, Parliament
    - Conservative parties ahead in polls
  - Autumn – 20 May 18: Italy, Parliament
    - Renzi's position could be strengthened
-  **No immediate change in the relations to Russia**

# Military situation in the Baltics



- Russia: 330'000 soldiers on western border
- NATO: "Very High Readiness Joint Task Force" (VJTF) up to 40'000 soldiers
- Belarus: 6th Mech. Brig. in Grodno with up to 65'000 soldiers

Green circle: 100 km radius around Suwalki. The Suwalki Gap is a strategic line in the Baltics.



**Thank you**  
**Спасибо**