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Daily Report – Global markets

STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|-------------|--------|----------------|-----------------|
| DJIA | 13 880 | ↓ -0,93 | ↓ -0,01 |
| S&P500 | 1 496 | ↓ -1,15 | ↓ -0,30 |
| Nasdaq100 | 2 716 | ↓ -1,75 | ↓ -0,98 |
| Russell2000 | 899 | ↓ -1,31 | ↓ -0,82 |
| Stoxx600 | 284 | ↓ -1,49 | ↓ -1,89 |
| DAX | 7 638 | ↓ -2,49 | ↓ -2,49 |
| FTSE 100 | 6 247 | ↓ -1,58 | ↓ -0,76 |
| CAC40 | 3 660 | ↓ -3,01 | ↓ -3,20 |
| ATX | 2 385 | ↓ -2,26 | ↓ -3,00 |
| IBEX35 | 7 920 | ↓ -3,77 | ↓ -8,68 |
| Nikkei 225 | 11 047 | ↓ -1,90 | ↑ 1,66 |
| Hang Seng | 23 685 | ↓ -0,16 | ↑ 0,06 |
| SSEC | 2 428 | ↑ 0,38 | ↑ 3,48 |
| SENSEX | 19 751 | ↓ -0,15 | ↓ -1,75 |
| RTS | 1 613 | ↓ -0,97 | ↓ -1,41 |
| Bovespa | 59 576 | ↓ -1,28 | ↓ -0,75 |

FX MARKET

| | Close | Daily chg. (%) | Weekly chg. (%) |
|---------|--------|----------------|-----------------|
| EUR/USD | 1,3486 | ↓ -0,20 | ↓ -0,04 |
| EUR/CHF | 1,2276 | ↑ 0,02 | ↓ -1,24 |
| USD/GBP | 1,5755 | ↓ -0,03 | ↓ -0,04 |
| USD/JPY | 92,36 | ⇒ 0,00 | ↑ 1,80 |
| AUD/USD | 1,0405 | ↓ -0,30 | ↓ -0,67 |
| USD/CAD | 0,9986 | ↓ -0,01 | ↓ -0,22 |

RISK INDICATORS

| | Close | Daily chg (bp) | Weekly chg (bp) |
|---------------|-------|----------------|-----------------|
| VIX | 14,7 | ↑ 1,8 | ↑ 1,1 |
| EMBI+ Spread | 287 | ↑ 12 | ↑ 30 |
| CDS 5Y PIIS | 245 | ↑ 10 | ↑ 20 |
| CDS 5Y Italy | 225 | ↑ 16 | ↑ 23 |
| CDS 5Y Belg. | 43 | ↑ 0 | ↓ -3 |
| iTraxx 5Y EU | 117,0 | ↑ 6 | ↑ 11 |
| US TED Spread | 22,3 | ↓ -1 | ↓ -1 |

Source: Reuters, OTP Research

Summary

- The escalating corruption scandal in Spain, the uncertainty surrounding the forthcoming elections in Italy, and Commerzbank's profit warning all weighed on advanced markets' key indices.
- The dollar's firming to the euro led the EUR/HUF below 1.35 for a while.
- Durable goods orders in December missed expectations in the USA.

The escalating corruption scandal in Spain, the uncertainty surrounding the forthcoming Italian elections, and Commerzbank's profit warning all reduced risk appetite, and most Western European market indices suffered 1.5%-4.5% losses.

Neither could American indices cut loose from European problems. Moreover, the December reading of factory orders fell short of estimates and the November gauge was revised downwards. This sent major American indices 0.9%-1.8% lower.

The negative sentiment persisted throughout Asian trading sessions, and most Far-Eastern indices closed in the negative territory.

In line with these developments, the dollar regained some ground against the euro, and the cross made a brief visit below 1.35.

GOV'T BOND MARKET

| | Yield (%) | | Daily chg (bp) | | Weekly chg (bp) |
|---------|-----------|---|----------------|---|-----------------|
| US 2Y | 0,25 | ↓ | -1 | ↓ | -3 |
| US 10Y | 1,96 | ↓ | -8 | ↓ | 0 |
| JP 2Y | 0,07 | ↑ | 0 | ↓ | -1 |
| JP 10Y | 0,80 | ↑ | 3 | ↑ | 5 |
| GER 2Y | 0,27 | ⇒ | 0 | ↓ | -2 |
| GER 10Y | 1,71 | ⇒ | 0 | ↑ | 2 |

CENTRAL BANKS' RATES

| | Rate (%) | | 6M Consensus | | 1Y Consensus |
|------------|----------|---|--------------|---|--------------|
| Fed Funds | 0,25 | ⇒ | 0,25 | ⇒ | 0,25 |
| ECB Rate | 0,75 | ↓ | 0,50 | ⇒ | 0,75 |
| BOE Rate | 0,50 | ⇒ | 0,50 | ⇒ | 0,50 |
| BOJ Rate | 0,10 | ⇒ | 0,10 | ⇒ | 0,10 |
| SNB Target | 0,00 | ⇒ | 0,00 | ⇒ | 0,00 |

MONEY MARKET

| | Rate (%) | | Daily chg (bp) | | Weekly chg (bp) |
|----------------|----------|---|----------------|---|-----------------|
| US 3M Libor | 0,30 | ⇒ | 0 | ↓ | -1 |
| US 2Y Swap | 0,40 | ↓ | -1 | ↓ | -3 |
| US 5Y Swap | 0,97 | ↓ | -1 | ↓ | -3 |
| EUR 3M Euribor | 0,23 | ↓ | 0 | ↑ | 1 |
| EUR 2Y Swap | 0,62 | ↓ | -1 | ↓ | -6 |
| EUR 5Y Swap | 1,10 | ↓ | -1 | ↓ | -7 |
| GB 3M Libor | 0,51 | ⇒ | 0 | ⇒ | 0 |
| GB 2Y Swap | 0,71 | ↓ | -1 | ↓ | 0 |
| GB 5Y Swap | 1,15 | ↓ | -1 | ↑ | 1 |
| JP 3M Libor | 0,17 | ⇒ | 0 | ⇒ | 0 |
| JP 2Y Swap | 0,20 | ↓ | -1 | ↓ | 0 |
| JP 5Y Swap | 0,30 | ↓ | -1 | ↑ | 1 |
| CHF 3M Libor | 0,02 | ⇒ | 0 | ↑ | 0 |
| CHF 2Y Swap | 0,12 | ↓ | -1 | ↓ | -3 |
| CHF 5Y Swap | 0,51 | ↓ | -1 | ↓ | -1 |

COMMODITIES

| | Close | | Daily chg. (%) | | Weekly chg. (%) |
|-----------|-------|---|----------------|---|-----------------|
| Oil Brent | 115,2 | ↓ | -0,32 | ↑ | 0,76 |
| Gold | 1 676 | ↑ | 0,12 | ↑ | 0,76 |

Source: Reuters, OTP Research

As expected, the eurozone's producer price index dropped by 0.2% month-on-month in December. However, factory orders from the USA were short of expectations in the last month of 2012. Today's highlights are the purchasing managers' indices.

| | COUNTRY | DATE | | FACT | CONSENSUS | PREVIOUS |
|---------|---------|------|------------------------------|------|-----------|----------|
| Monday | EZ | Dec | Producer prices (mom, %) | -0,2 | -0,2 | -0,2 |
| | US | Dec | Factory orders (mom, %) | 1,8 | 2,2 | -0,3 |
| Tuesday | EZ | Jan | Markit Composite PMI (point) | | 48,2 | 48,2 |
| | DE | Jan | Markit Services PMI (point) | | 55,3 | 55,3 |
| | EZ | Dec | Retail Sales (m-o-m, %) | | -0,5 | 0,1 |
| | US | Jan | ISM Non-Mfg PMI (point) | | 55,2 | 55,7 |

Source: Reuters, OTP Research

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