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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	14 550	↓ -0,76	↑ 0,17
S&P500	1 554	↓ -1,05	↓ -0,59
Nasdaq100	2 795	↓ -0,91	↓ -0,41
Russell2000	919	↓ -1,67	↓ -3,28
Stoxx600	295	↓ -0,91	↑ 0,81
DAX	7 875	↓ -0,87	↑ 1,10
FTSE 100	6 422	↓ -1,06	↑ 0,35
CAC40	3 755	↓ -1,32	↑ 1,17
ATX	2 374	↓ -0,37	↑ 0,67
IBEX35	7 904	↓ -1,81	↑ 0,05
Nikkei 225	12 609	↑ 2,00	↑ 2,21
Hang Seng	22 337	↓ -0,14	↓ -0,57
SSEC	2 225	↓ -0,11	↓ -3,30
SENSEX	18 802	↓ -1,26	↑ 0,52
RTS	1 426	↓ -0,98	↓ -1,39
Bovespa	55 563	↑ 1,23	↓ -0,84

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,2828	↓ -0,17	↑ 0,11
EUR/CHF	1,2147	↑ 0,04	↓ -0,19
USD/GBP	1,5102	↓ -0,17	↓ -0,59
USD/JPY	94,62	↑ 1,70	↑ 0,54
AUD/USD	1,0439	↓ -0,20	↑ 0,30
USD/CAD	1,0147	↑ 0,04	↓ -0,14

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,2	↑ 1,4	↑ 1,4
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	242	↓ -3	↓ -6
CDS 5Y Italy	236	↓ -3	↓ -11
CDS 5Y Belg.	42	↓ 0	↑ 0
iTraxx 5Y EU	120,6	↓ -5	↑ 2
US TED Spread	22,1	→ 0	↑ 2

Source: Reuters, OTP Research

Summary

- Japan's central bank announced significantly more aggressive monetary stimulus than markets had expected. The JPY weakened 2% to the dollar, and the Nikkei advanced 2%.
- American and European stock markets closed in the red on Wednesday.
- The non-manufacturing index published by the ISM institute in the USA missed expectations.

Stock market indices sank across the world, with the exception of Japan's Nikkei, which added 2%.

This increase is related to a special event. Japan's new central bank governor Haruhiko Kuroda announced monetary easing that exceeds market expectations after the first meeting he had led. Japan's government bond purchases may amount to HUF 7,000 billion a month, surpassing the market's expectation of 5,000 billion. The tenor of these assets may be as much as 40 years, as opposed to the market consensus of 15-20 years. In addition, the BoJ will spend JPY 1,000 billion a year on purchasing risky assets.

The USD/JPY rose as high as 95.56, from the 92.8 mark seen prior to the central bank's announcement. The aggressive monetary stimulus also benefited Japan's stock market.

The retreat in the USA was backed by the ISM institute's non-manufacturing index, which missed expectations but is still above the 50-point mark.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,23	↓	-1	↓	-2
US 10Y	1,81	↓	-6	↓	-4
JP 2Y	0,06	→	0	↑	2
JP 10Y	0,56	↓	-1	↑	5
GER 2Y	-0,01	↑	3	↓	-1
GER 10Y	1,31	↑	3	↓	-2

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	→	0,25	→	0,25
ECB Rate	0,75	→	0,75	→	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	0,28	↓	0	↓	0
US 2Y Swap	0,38	↓	0	↓	-2
US 5Y Swap	0,90	↑	1	↓	-2
EUR 3M Euribor	0,21	→	0	↓	0
EUR 2Y Swap	0,45	↓	0	↓	-3
EUR 5Y Swap	0,85	↓	0	↓	-6
GB 3M Libor	0,51	→	0	→	0
GB 2Y Swap	0,57	↓	0	↓	-1
GB 5Y Swap	0,92	↓	-2	↓	-1
JP 3M Libor	0,16	↓	0	→	0
JP 2Y Swap	0,20	↓	0	↓	-1
JP 5Y Swap	0,26	↓	-2	↓	-1
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,06	↓	0	↓	-1
CHF 5Y Swap	0,40	→	0	↑	0

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	107,4	↑	0,24	↓	-2,12
Gold	1 552	↓	-0,38	↓	-2,80

Source: Reuters, OTP Research

Today's meeting of the ECB is expected to maintain the key policy rate. The regular weekly labour market data will be released in the USA. Thus today's trading is unlikely to be led by macroeconomic data.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Wednesday	EZ	Mar	Inflation (flash, y-o-y, %)	1,7	1,7	1,8
	US	Mar	ADP employment report ('000)	158,0	200,0	198,0
	US	Mar	ISM non-manufacturing PMI (point)	54,40	55,80	56,00
Wednesday	EZ	Mar	Markit composite PMI (points)	47	46,5	46,5
	EZ	Apr	ECB rate decision (%)		0,75	0,75
	US	weekly	Initial jobless claims (ths)		350	357
	US	weekly	Continued jobless claims (ths)		3 050	3 050

Source: Reuters, OTP Research

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