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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	14 613	↑ 0,33	↑ 0,28
S&P500	1 563	↑ 0,63	↑ 0,06
Nasdaq100	2 786	↑ 0,52	↓ -0,39
Russell2000	931	↑ 0,89	↓ -0,78
Stoxx600	288	↑ 0,18	↓ -2,09
DAX	7 663	↑ 0,05	↓ -1,70
FTSE 100	6 277	↑ 0,43	↓ -2,10
CAC40	3 667	↑ 0,09	↓ -1,73
ATX	2 336	↑ 0,41	↓ -0,66
IBEX35	7 787	↓ -0,14	↓ -1,68
Nikkei 225	13 192	↓ 0,00	↑ 9,90
Hang Seng	21 718	↓ -0,04	↓ -2,61
SSEC	2 212	↓ -0,62	↓ -1,02
SENSEX	18 438	↓ -0,07	↓ -2,26
RTS	1 420	↑ 0,61	↓ -1,79
Bovespa	55 092	↑ 0,08	↓ -1,45

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3037	↑ 0,23	↑ 1,71
EUR/CHF	1,2175	↑ 0,11	↑ 0,10
USD/GBP	1,5265	↑ 0,09	↑ 1,08
USD/JPY	99,15	↓ -0,20	↑ 6,13
AUD/USD	1,0427	↑ 0,19	↓ -0,18
USD/CAD	1,0163	↓ -0,01	↑ 0,20

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,2	↓ -0,7	↓ -0,4
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	237	↓ -2	↓ -11
CDS 5Y Italy	225	↓ -7	↓ -22
CDS 5Y Belg.	37	↓ -4	↓ -5
iTraxx 5Y EU	116,4	↓ -2	↓ -9
US TED Spread	21,4	→ 0	↑ 0

Source: Reuters, OTP Research

Summary

- Most stock markets in Western Europe had a day of sideways moves, but sentiment in the USA was favourable.
- The revenue in Alcoa's earnings reports missed analysts' forecasts, while its profit line exceeded expectations.
- The EUR/USD did not change materially, its interbank rates are around 1.304.

After Friday's downward move, advanced markets mostly moved sideways (even though the London index edged up almost 0.5%) as investors waited to see Alcoa's report, which kicks off the American earnings season. The US aluminium giant's revenues missed forecasts but its profit exceeded expectations. With this knowledge in mind, American investors pushed US benchmarks 0.5% higher, but this report came too late to improve the sentiment in Europe.

Spanish and Italian long-term yields sank deeper, essentially returning to the levels seen before the turbulence caused by the developments in Cyprus. News from Italy suggest that there might be an opportunity to form a government. On the other hand, Portugal's constitutional court found a number of austerity measures unconstitutional, which impaired the assessment of the periphery's countries – the Madrid and Milan stock markets sank into the red, and the Portuguese stock exchange dipped almost 1.5%.

There was no significant change in the EUR/USD yesterday. In the early hours of Tuesday the cross steeply rose, only to fall back to its Monday-afternoon level by the time Europe opened. Asia's stock markets did not move meaningfully, while Western Europe began Tuesday's session with gains.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,23	↑	0	↓	-1
US 10Y	1,74	↑	4	↓	-9
JP 2Y	0,10	↑	1	↑	3
JP 10Y	0,52	↓	-2	↓	-4
GER 2Y	0,02	↑	3	↑	4
GER 10Y	1,22	↓	-3	↓	-5

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	0,36	↑	1	↓	-4
US 5Y Swap	0,86	↓	-2	↓	-8
EUR 3M Euribor	0,21	→	0	↓	0
EUR 2Y Swap	0,44	↑	0	↓	-2
EUR 5Y Swap	0,83	↓	-1	↓	-5
GB 3M Libor	0,51	→	0	→	0
GB 2Y Swap	0,56	↑	2	↑	1
GB 5Y Swap	0,89	→	0	↑	7
JP 3M Libor	0,16	→	0	↓	-1
JP 2Y Swap	0,22	↑	2	↑	1
JP 5Y Swap	0,35	→	0	↑	7
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,07	↑	1	↑	2
CHF 5Y Swap	0,41	→	0	↑	0

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	105,2	↑	0,53	↓	-4,95
Gold	1 576	↑	0,16	↑	0,02

Source: Reuters, OTP Research

In February, Germany's industrial output grew stronger than had been thought, but the statistical office revised down the January month/month dynamics. This suggests that the quarter/quarter index may be slightly negative again, after the -2.6% reading in the fourth quarter. This is supported by the fact that, instead of the expected stagnation, the exports of Europe's largest economy contracted by 1.5% month/month in the second month of the year.

Today's publications include industrial output data from Britain. Switzerland's inflation (deflation) reading may be of interest, too.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Monday	DE	Feb	Industrial output (mom, %)	0,5	0,3	0,0
Tuesday	UK	Feb	Industrial output (mom, %)		0,3	-1,2
	CH	Mar	CPI (yoy, %)		-0,5	-0,3
	DE	Feb	Export (mom, %)	-1,5	0,0	1,3

Source: Reuters, OTP Research

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