

Treasury Sales Team

Alina Elena Vrabioiu

+4021 307 58 17

alina.vrabioiu@otpbank.ro

Irina Ananiese

+4021 307 58 17

irina.ananiese@otpbank.ro

Tania Fantana

+4021 307 58 17

tania.fantana@otpbank.ro

Chief Economist

Gergely Tardos

+36 1 374 7273

tardosg@otpbank.hu

FX/FI Strategist

Levente Pápa

+36 1 354 7490

papal@otpbank.hu



Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	14 599	↓ -1,79	↓ -0,10
S&P500	1 552	↓ -2,30	↓ -0,69
Nasdaq100	2 797	↓ -2,07	↑ 0,41
Russell2000	907	↓ -3,78	↓ -2,61
Stoxx600	290	↓ -0,67	↑ 0,97
DAX	7 713	↓ -0,41	↑ 0,65
FTSE 100	6 344	↓ -0,64	↑ 1,06
CAC40	3 710	↓ -0,50	↑ 1,19
ATX	2 381	↓ -2,33	↑ 1,89
IBEX35	8 014	↓ -0,33	↑ 2,92
Nikkei 225	13 221	↓ -0,41	↑ 0,22
Hang Seng	21 773	↓ -1,43	↑ 0,25
SSEC	2 182	↓ -1,13	↓ -1,34
SENSEX	18 358	↑ 0,63	↓ -0,43
RTS	1 367	↓ -2,77	↓ -3,74
Bovespa	52 950	↓ -3,66	↓ -3,89

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3072	↑ 0,29	↓ -0,07
EUR/CHF	1,2153	↑ 0,12	↓ -0,37
USD/GBP	1,5305	↑ 0,14	↓ -0,10
USD/JPY	97,53	↑ 0,81	↓ -1,50
AUD/USD	1,0371	↑ 0,58	↓ -1,07
USD/CAD	1,0227	↓ -0,26	↑ 0,63

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,3	↑ 5,2	↑ 4,1
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	232	↑ 0	↓ -5
CDS 5Y Italy	221	↑ 0	↓ -4
CDS 5Y Belg.	39	↑ 0	↑ 2
iTraxx 5Y EU	111,3	↑ 1	↓ -5
US TED Spread	21,8	↓ 0	↑ 1

Source: Reuters, OTP Research

Summary

- The lower-than-expected Chinese GDP reading and the selloff on the commodity market both weighed on equity markets, and the key indices of the USA suffered the heaviest losses in five months.
- The contraction was more modest in Europe.
- After the dollar's slight firming to the euro on Monday, the US currency retreated this morning.

Owing to the weaker-than-forecast Chinese Q1 growth figure, the week started rather cautiously. The Asian country's relative ailing put commodity prices under new pressure. In addition, a 25% year-on-year plummet in India's gold imports catalysed the selloff, thus the precious metal's price fell by 9.1%, to a two-year low of 1,348 USD/ounce. Silver, the industrial utilization of which is more widespread, was even worse off as its price nose-dived to a two-and-a-half-year minimum.

Some commentaries say that the plunge in precious metal prices contributed to the weak performance of equity markets, as investors likely sold their stocks in an attempt to avert the involuntary liquidation of their positions in precious metals. Moreover, the weaker-than-expected Empire Manufacturing index in the USA also encouraged selling. Then news on the blasts in Boston pushed the key indices even lower. The three most important stock market benchmarks lost 1.8%-2.3%, the largest intraday fall in five months. The Russell2000, seen by many as a precursor of the future stock market processes, paints an even gloomier picture: the index of small cap companies slid 3.8%. Even Citigroup's better-than-expected earnings report could not perceivably improve the sentiment.

Europe's equity markets dropped more moderately; true enough, news on the Boston blast arrived after European markets closed. Asian sessions were less pessimistic and Western Europe's markets opened with below-1% losses this morning. The dollar firmed to the euro yesterday, but the greenback was weakening this morning.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,22	↓ -1	↓ -1
US 10Y	1,69	↓ -3	↓ -5
JP 2Y	0,13	↑ 0	↑ 3
JP 10Y	0,66	↑ 3	↑ 14
GER 2Y	0,02	↓ -2	↑ 0
GER 10Y	1,26	↓ -5	↑ 4

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	0,35	↓ -1	↓ -1
US 5Y Swap	0,85	↑ 3	↓ -2
EUR 3M Euribor	0,21	→ 0	→ 0
EUR 2Y Swap	0,41	↓ -1	↓ -5
EUR 5Y Swap	0,80	↓ 0	↓ -7
GB 3M Libor	0,51	→ 0	↓ 0
GB 2Y Swap	0,56	↓ -1	↑ 3
GB 5Y Swap	0,91	↓ -2	↑ 5
JP 3M Libor	0,16	→ 0	→ 0
JP 2Y Swap	0,26	↓ -1	↑ 3
JP 5Y Swap	0,40	↓ -2	↑ 5
CHF 3M Libor	0,02	→ 0	↓ 0
CHF 2Y Swap	0,06	↓ -1	↓ -4
CHF 5Y Swap	0,40	↓ -1	↓ -1

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	99,8	↓ -0,83	↓ -6,06
Gold	1 375	↑ 1,62	↓ -13,26

Source: Reuters, OTP Research

The New York Fed's manufacturing industry index for April missed expectations. The eurozone's trade surplus reached unprecedented high, thanks to the dropping imports caused by the problems with domestic demand, and to businesses' increasingly turning towards exports, partly for the same reason.

A number of important data will be out today, of which American property data and industrial production dynamics are worth keeping an eye on.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Monday	EZ	Feb	Trade balance (million EUR)	10,4	3,0	-4,7
	US	Apr	NY Fed manufacturing index (point)	3,05	6,50	9,24
Tuesday	UK	Mar	CPI (yoy, %)		2,8	2,8
	DE	Apr	ZEW economic sentiment (points)		42,0	48,5
	US	Mar	CPI (yoy, %)		1,6	2,0
	US	Mar	Building permits (ann, ths)		940	939
	US	Mar	Housing starts (ann, ths)		930	917
	US	Mar	Industrial output (mom, %)		0,2	0,8

Source: Reuters, OTP Research

Chief Economist
Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

FX/FI Strategist
Levente Pápa
papal@otpbank.hu
+36 1 354 7490

Fundamental Analyst
Gábor Dunai
dunaig@otpbank.hu
+36 1 374 7272

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