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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 307	↓ -0,52	↑ 0,21
S&P500	1 655	↓ -0,83	↓ -0,21
Nasdaq100	2 999	↓ -0,90	↓ -0,12
Russell2000	982	↓ -1,65	↓ -0,64
Stoxx600	311	↑ 0,19	↑ 0,82
DAX	8 531	↑ 0,69	↑ 2,01
FTSE 100	6 840	↑ 0,53	↑ 2,19
CAC40	4 051	↑ 0,37	↑ 1,73
ATX	2 495	↓ -1,04	↓ 0,00
IBEX35	8 462	↓ -0,02	↓ -1,40
Nikkei 225	14 484	↓ -7,32	↓ -3,68
Hang Seng	23 261	↓ -0,45	↑ 0,94
SSEC	2 302	↓ -0,12	↑ 3,49
SENSEX	20 062	↓ -0,25	↓ -0,75
RTS	1 462	↑ 2,02	↑ 5,10
Bovespa	56 429	↑ 0,29	↑ 2,72

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,2834	↓ -0,17	↓ -0,36
EUR/CHF	1,2526	↓ -0,42	↑ 0,80
USD/GBP	1,5030	↓ -0,11	↓ -1,56
USD/JPY	101,70	↓ -1,41	↓ -0,53
AUD/USD	0,9603	↓ -0,96	↓ -2,08
USD/CAD	1,0387	↑ 0,19	↑ 1,91

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,8	↑ 0,5	↑ 1,0
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	172	↓ -2	↓ -24
CDS 5Y Italy	179	↓ -3	↓ -17
CDS 5Y Belg.	32	↓ -4	↓ -4
iTraxx 5Y EU	87,0	↓ -5	↓ -7
US TED Spread	23,4	→ 0	↓ -1

Source: Reuters, OTP Research

Summary

- European markets closed with gains on Wednesday but US markets saw profit-taking from late afternoon.
- According to Chairman Ben Bernanke's statement, the Fed is not planning to tighten the extremely loose monetary conditions.
- Today's preliminary PMI readings in the euro area came in better than expected.

Speaking before the Congress yesterday, chairman Ben Bernanke said that the Fed was not yet planning to reduce the quantitative easing's monthly amount of USD 85 billion. The loose monetary conditions strongly support the economic upswing and if the economy shows more obvious signs of recovery (e.g. faster growth in employment figures), then a change may take place probably as early as at an upcoming Fed meeting, the central banker added.

After Bernanke's words, European markets could make gains but in US markets, profit-taking started late in the afternoon. Apparently, Europe is following suit this morning as Germany's DAX opened 2% in the red.

This morning the Markit institute published the preliminary readings of purchasing managers' indices for March. The euro area's composite index (which includes the manufacturing and services sectors) stood at 47.7, instead of the anticipated 47.2 points. The gauge for Germany's manufacturing industry was 49. In other words, the figures are still below the 50-point line, which would signify economic upswing.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,25	↑	1	↑	1
US 10Y	2,05	↑	12	↑	11
JP 2Y	0,13	↓	0	↓	-1
JP 10Y	0,98	↑	10	↑	12
GER 2Y	0,01	↓	0	↓	-2
GER 10Y	1,38	↑	2	↓	-1

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	→	0,25	→	0,25
ECB Rate	0,50	→	0,50	→	0,50
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	0,27	↓	0	↓	0
US 2Y Swap	0,38	↓	-1	↑	2
US 5Y Swap	1,02	↓	-1	↑	9
EUR 3M Euribor	0,20	↑	0	↓	0
EUR 2Y Swap	0,35	↓	-2	→	0
EUR 5Y Swap	0,80	↓	-3	↑	2
GB 3M Libor	0,51	→	0	→	0
GB 2Y Swap	0,60	↓	-1	↑	1
GB 5Y Swap	1,02	↓	-6	↓	0
JP 3M Libor	0,16	→	0	→	0
JP 2Y Swap	0,27	↓	-1	↑	1
JP 5Y Swap	0,50	↓	-6	↓	0
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,07	↑	1	↓	-1
CHF 5Y Swap	0,39	↓	-3	↓	-1

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	101,6	↓	-0,97	↓	-2,12
Gold	1 373	↑	0,30	↓	-0,94

Source: Reuters, OTP Research

Today the USA is to publish the usual weekly data on the job market. A new set of housing market statistics is also in the pipeline. The April reading of new home sales will see the light of day too.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Wednesday	EZ	Mar	Current account (EUR bn, sa)	25,9	-	14,6
	US	Apr	Existing home sales (m)	4,97	4,99	4,92
Thursday	US	weekly	Initial jobless claims (ths)	25,9	-	14,6
	US	weekly	Continued jobless claims (ths)		2,0	-0,5
	US	Apr	New home sales (m)		0,425	0,417
	EZ	May	Markit composite flash PMI (points)	47,7	47,2	46,9

Source: Reuters, OTP Research

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