

## Treasury Sales Team

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# Daily Report – Global markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 112	↓ -1,35	↑ 0,78
S&P500	1 629	↓ -1,39	↑ 1,02
Nasdaq100	2 960	↓ -1,22	↑ 1,14
Russell2000	987	↓ -1,35	↑ 1,46
Stoxx600	292	↓ -0,23	↑ 0,58
DAX	8 197	↓ -0,39	↑ 0,66
FTSE 100	6 349	↓ -0,40	↑ 0,78
CAC40	3 839	↓ -0,55	↑ 1,20
ATX	2 381	↓ -0,08	↑ 1,09
IBEX35	8 098	↓ -1,00	↓ -0,31
Nikkei 225	13 015	↓ -1,74	↑ 4,57
Hang Seng	20 987	↓ -1,13	↓ -1,72
SSEC	2 143	↓ -0,73	↓ -0,23
SENSEX	19 246	↑ 0,12	↑ 1,07
RTS	1 292	↓ -1,70	↑ 2,22
Bovespa	47 893	↓ -3,18	↓ -2,62

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3261	↓ -0,25	↓ -0,84
EUR/CHF	1,2317	↓ -0,17	↓ -0,08
USD/GBP	1,5456	↓ -0,18	↓ -1,67
USD/JPY	96,96	↑ 0,52	↑ 1,68
AUD/USD	0,9246	↓ -0,50	↓ -4,05
USD/CAD	1,0296	↑ 0,23	↑ 1,38

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	16,6	↑ 0,0	↓ -2,0
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	221	↓ -1	↑ 1
CDS 5Y Italy	225	↓ -1	↑ 6
CDS 5Y Belg.	38	↑ 0	↓ -1
iTraxx 5Y EU	107,1	↓ -1	↓ -5
US TED Spread	22,2	→ 0	↓ 0

Source: Reuters, OTP Research

- Markets tumbled after the Fed chairman's words.
- Investors assume that QE3 may end at an earlier time and interest rates may be lifted earlier in the USA than had been thought. The 10Y treasury note yield rose by 18 basis points.
- The higher yields have strengthened the USD in relation to the EUR, the JPY and the AUD.

The Fed chairman's words have considerably slashed share prices on global markets. Ben Bernanke said that the Fed had lowered its forecast on unemployment, thus market players anticipate that the Fed may raise its interest rate at the beginning of 2015. So far, markets have expected the interest rate hike to start from mid-2015. As a result, the 10Y US treasury note yield grew materially, by 18 basis points.

Ben Bernanke also suggested that the QE3 programme may be tightened this year, and money printing, currently at USD 85 billion per month, may be gradually tapered from as early as the second half of 2013. In this context, the central banker hinted at a kind of flexibility: if processes became less favourable, then the USD 85 billion monthly amount would remain in place.

The Fed chairman added that interest rates would not be hiked if the rate of inflation remains below 2%, regardless of the favourable developments in unemployment. In addition to other remarks that suggest a forthcoming monetary tightening, this can provide ammo for those who believe in the exceptionally loose monetary policy.

These developments have strengthened the dollar to the euro and the yen. The AUD also sank into long unseen depths versus the dollar.

In this morning's publication, HSBC revealed worse-than-expected purchasing managers' index on China, intensifying markets' risk aversion.

The June composite purchasing managers' index in the eurozone has beaten expectations, chiefly owing to the better-than-thought development of the services sub-index.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,32	↑	5	↓	-1
US 10Y	2,37	↑	18	↑	14
JP 2Y	0,13	→	0	↑	0
JP 10Y	0,85	↑	1	↓	-3
GER 2Y	0,18	↑	2	↓	-3
GER 10Y	1,56	↑	2	↓	-4

**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	0,46	↑	4	↑	3
US 5Y Swap	1,47	↑	11	↑	22
EUR 3M Euribor	0,21	↑	0	↑	0
EUR 2Y Swap	0,59	↑	2	↑	8
EUR 5Y Swap	1,19	↑	9	↑	12
GB 3M Libor	0,51	→	0	↑	0
GB 2Y Swap	0,73	↓	-1	↓	-2
GB 5Y Swap	1,36	↑	3	↓	-4
JP 3M Libor	0,15	→	0	→	0
JP 2Y Swap	0,24	↓	-1	↓	-2
JP 5Y Swap	0,48	↑	3	↓	-4
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,14	↑	1	↓	0
CHF 5Y Swap	0,58	↑	1	↓	-2

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	104,4	↓	-1,59	↑	0,17
Gold	1 344	↓	-0,52	↓	-3,02

Source: Reuters, OTP Research

In addition to the purchasing managers' indices, the eurozone's consumer confidence index is also due out. In more publications from the USA, the Philly Fed business index, existing home sales and the weekly labour market data are to be released today.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Wednesday	US	Jun	Fed rate decision (%)	0-0,25	0,25	0,25
Thursday	CN	Jun	HSBC Mfg PMI Flash (point)	48,3		49,2
	US	weekly	Continued jobless claims (ths)		340	334
	US	weekly	Existing home sales (annualized, m)		2 960	2 973
	US	May	Philly Fed business index (point)		5,0	5,0
	US	Jun	Fed rate decision (%)		-2,0	-5,2
	US	Jun	Markit Mfg PMI prelim. (points)		52,5	52,3
	EZ	Jun	Consumer confidence (point)		-21,5	-21,9
	EZ	Jun	Markit Mfg PMI prelim. (points)	48,7	48,6	48,3

Source: Reuters, OTP Research

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