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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 024	↑ 0,77	↑ 1,80
S&P500	1 613	↑ 0,62	↑ 1,57
Nasdaq100	2 907	↑ 0,45	↑ 0,57
Russell2000	980	↑ 1,67	↑ 2,02
Stoxx600	286	↑ 0,66	↑ 0,97
DAX	7 991	↑ 0,63	↑ 0,79
FTSE 100	6 243	↑ 1,26	↑ 1,36
CAC40	3 762	↑ 0,97	↑ 1,71
ATX	2 244	↑ 0,73	↓ -3,30
IBEX35	7 844	↑ 0,27	↑ 0,29
Nikkei 225	13 677	↑ 3,51	↑ 3,38
Hang Seng	20 440	↑ 0,50	↑ 0,28
SSEC	1 950	↓ -0,08	↓ -6,43
SENSEX	18 876	↑ 1,75	↑ 0,84
RTS	1 263	↑ 0,13	↑ 1,56
Bovespa	47 609	↑ 0,93	↓ -1,25

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3072	↑ 0,28	↓ -0,38
EUR/CHF	1,2337	↑ 0,11	↑ 0,62
USD/GBP	1,5273	↑ 0,10	↓ -0,93
USD/JPY	98,75	↑ 0,42	↑ 0,88
AUD/USD	0,9276	↑ 0,06	↑ 0,67
USD/CAD	1,0456	↓ -0,19	↑ 0,01

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	16,9	↓ -0,4	↓ -3,6
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	237	↓ -6	↓ -3
CDS 5Y Italy	234	↓ -6	↓ -10
CDS 5Y Belg.	44	↓ -1	↑ 1
iTraxx 5Y EU	116,7	↓ -2	↓ -2
US TED Spread	21,9	→ 0	↓ -1

Source: Reuters, OTP Research

- On Thursday, the optimism persevered on the world's stock markets. The S&P in the USA rose by 2.6% over the past three days.
- The Fed's decision makers sought to calm markets that the stimulus was unlikely to be phased out in the near future.
- Gold price fell further; the precious metal is trading at 1,200 USD/ounce.

The optimism on global markets persisted on Thursday. European markets closed nearly 1% higher. American indices grew by 0.5-1.5%, in the best winning streak since January. The S&P index advanced 2.6% over the past three days, but this level is still 3% below the high hit on 21 May.

Apparently, the frosty sentiment following last week's meeting of the Fed has somewhat eased. The Fed's decision makers worked hard to communicate that the stimulus was unlikely to peter out in the near future. The head of the New York Fed, William Dudley said that if the growth or unemployment level communicated by Bernanke fell behind the current forecast, the Fed's money printing would become more aggressive.

Japan's stock exchange was 3.5% higher this morning, in a sign of the sustained optimism in Asia. The price of gold fell further, continuing the downtrend. Currently the 1,200 psychological level holds the price.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,36	↓ -3	↑ 3
US 10Y	2,48	↓ -6	↑ 8
JP 2Y	0,15	↑ 0	↑ 2
JP 10Y	0,84	↓ -3	↓ -2
GER 2Y	0,21	↓ -4	↑ 0
GER 10Y	1,77	↓ -3	↑ 10

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	0,48	↓ -1	↓ -6
US 5Y Swap	1,49	↓ -4	↓ -12
EUR 3M Euribor	0,22	↓ 0	↑ 1
EUR 2Y Swap	0,57	↑ 1	↓ -9
EUR 5Y Swap	1,19	↓ -2	↓ -12
GB 3M Libor	0,51	↓ 0	↑ 0
GB 2Y Swap	0,83	↓ -1	↑ 0
GB 5Y Swap	1,60	↓ -1	↓ -2
JP 3M Libor	0,16	⇒ 0	↑ 0
JP 2Y Swap	0,26	↓ -1	↑ 0
JP 5Y Swap	0,47	↓ -1	↓ -2
CHF 3M Libor	0,02	⇒ 0	↑ 0
CHF 2Y Swap	0,18	↓ -2	↓ -1
CHF 5Y Swap	0,77	⇒ 0	↑ 8

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	103,1	↑ 0,29	↑ 2,19
Gold	1 209	↑ 0,79	↓ -6,74

Source: Reuters, OTP Research

Most of the macroeconomic statistics Japan published yesterday were encouraging. The YoY price index rose to -0,3%, after the -0,7% reading in the previous month. Retail sales were up 0,8% month on month, and industrial production grew by 2% in May.

In the USA, households income picked up 0,5% MoM, beating the consensus. The deflator for personal consumption expenditures (PCE), an inflation index closely watched by the Fed, was a mere 1%.

The Chicago purchasing managers' index will be out today. In other relevant publications, the final reading of the University of Michigan's sentiment index will see the light of day.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Thursday	EZ	Jun	EC consumer confidence point (point)	-18,8	-18,8	-21,9
	JP	May	CPI (yoy, %)	-0,3	-	-0,7
	JP	May	Industrial output (preliminary, mom, %)	2,0	0,2	0,9
	JP	May	Retail sales (yoy, %)	0,8	0,0	-0,1
	US	May	Household consumption (mom, %)	0,2	-	0,1
	US	May	Household income (mom, %)	1	0,2	0,0
	US	May	PCE deflator (yoy, %)	1,0	-	0,7
	US	May	Pending home sales (mom, %)	6,7	1,0	0,3
	Friday	US	Jun	Chicago PMI (points)		56,0
US		Jun	U Michigan sentiment (points)		82,8	82,7

Source: Reuters, OTP Research

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