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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 521	↓ -0,01	↓ -0,30
S&P500	1 686	↑ 0,04	↓ -0,38
Nasdaq100	3 085	↑ 0,53	↑ 1,86
Russell2000	1 044	↑ 0,27	↓ -0,83
Stoxx600	299	↑ 0,12	↓ 0,00
DAX	8 271	↑ 0,15	↓ -0,52
FTSE 100	6 571	↑ 0,16	↓ -0,40
CAC40	3 987	↑ 0,45	↑ 1,62
ATX	2 335	↓ -0,81	↑ 1,60
IBEX35	8 457	↑ 0,96	↑ 4,74
Nikkei 225	13 668	↓ -1,45	↓ -7,22
Hang Seng	21 954	↑ 0,48	↑ 0,18
SSEC	1 990	↑ 0,70	↓ -2,63
SENSEX	19 348	↓ -1,25	↓ -4,70
RTS	1 326	↓ -1,11	↓ -3,87
Bovespa	48 562	↓ -1,32	↓ -0,53

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3254	↓ -0,06	↑ 0,41
EUR/CHF	1,2320	↓ -0,09	↓ -0,43
USD/GBP	1,5225	↓ -0,07	↓ -0,57
USD/JPY	97,83	↓ -0,20	↓ -2,40
AUD/USD	0,9041	↓ -0,22	↓ -1,33
USD/CAD	1,0301	↓ -0,06	↓ -0,14

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,4	→ 0,0	↑ 0,7
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	232	↓ -1	↓ -5
CDS 5Y Italy	212	↓ -4	↓ -9
CDS 5Y Belg.	35	↑ 0	↓ -1
iTraxx 5Y EU	99,6	↓ -3	↑ 0
US TED Spread	22,5	↓ 0	↓ -1

Source: Reuters, OTP Research

Summary

- European and American markets climbed slightly.
- The Fed will communicate the future of the U.S.'s monetary policy at 6 p.m. (Hungarian time).
- German retail sales in June were significantly lower than expected.

American indices added at most 0.5%, while European ones climbed only slightly.

All market participants are waiting for the results of the Fed's meeting. Tonight the central bank's leadership will most likely communicate that the asset purchase program will for now continue with its monthly volume of 85 billion dollars, and give some pointers as to what conditions might lead to the downscaling of the program. The market is currently expecting that the 85 billion dollar magnitude will be scaled down in September. It is unlikely that the Fed will announce specific dates for the changes, it will rather define more accurately the labour market conditions that, when realized, will most likely lead to the abandonment of the extraordinarily loose monetary policy.

This morning, the June data for German retail sales was published. The figures significantly underperform expectations: volume declined by 1.5% on a month-on-month basis compared to the expected stagnation.

European markets opened in the red this morning.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,32	↓	0	↓	-1
US 10Y	2,60	↑	0	↑	10
JP 2Y	0,12	↓	-1	↓	-1
JP 10Y	0,80	↓	0	↑	1
GER 2Y	0,17	↑	3	↑	6
GER 10Y	1,67	↑	1	↑	15

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	0,47	↑	1	↓	-2
US 5Y Swap	1,52	↓	-2	↓	-2
EUR 3M Euribor	0,23	↑	0	↑	0
EUR 2Y Swap	0,56	↓	-1	↓	-2
EUR 5Y Swap	1,18	↑	0	↓	-1
GB 3M Libor	0,51	→	0	↓	0
GB 2Y Swap	0,69	→	0	↓	-2
GB 5Y Swap	1,38	↓	-1	↓	-1
JP 3M Libor	0,16	→	0	→	0
JP 2Y Swap	0,24	↓	-2	↓	-2
JP 5Y Swap	0,43	↓	-1	↓	-1
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,14	↑	0	↓	-3
CHF 5Y Swap	0,67	↑	0	↓	-1

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	106,7	↓	-0,19	↓	-0,45
Gold	1 334	↑	0,54	↑	0,96

Source: Reuters, OTP Research

Besides the German retail sales figures, other important indicators will be published as well. July's preliminary inflation for the Eurozone and the U.S.'s Q2 GDP estimate as well as the Chicago PMI all come out today. Furthermore, the ADP institute will publish its employment report.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	US	Jun	CaseShiller 20 house price index (m-o-m, SA, %)	1	1,5	1,7
	US	Jul	Consumer confidence (point)	80,3	81,4	81,4
	US	Jul	ADP employment report (change, ths)		180	188
	US	Q2	GDP Advance (annualized %)		1,0	1,8
	US	Jul	Chicago PMI (points)		54,0	54,6
	EZ	Jul	Eurozone inflation (flash, yoy, %)		1,6	1,6
	DE	Jun	Retail sales (mom, %)	-1,5	0,0	0,8

Source: Reuters, OTP Research

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