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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 849	↑ 0,70	↓ -2,15
S&P500	1 794	↑ 1,13	↓ -1,87
Nasdaq100	3 532	↑ 1,86	↓ -0,26
Russell2000	1 139	↑ 1,51	↓ -0,42
Stoxx600	323	↑ 0,29	↓ -2,82
DAX	9 373	↑ 0,39	↓ -2,67
FTSE 100	6 538	↓ -0,09	↓ -3,47
CAC40	4 180	↑ 0,55	↓ -2,36
ATX	2 582	↓ -0,68	↓ -3,67
IBEX35	9 965	↑ 0,69	↓ -2,70
Nikkei 225	14 915	↓ -0,62	↓ -3,10
Hang Seng	0	↓ -100,00	↓ -100,00
SSEC	0	↓ -100,00	↓ -100,00
SENSEX	20 540	↑ 0,20	↓ -2,81
RTS	1 321	↑ 0,99	↓ -4,39
Bovespa	47 244	↓ -0,66	↓ -2,23

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3534	↓ -0,15	↓ -1,03
EUR/CHF	1,2235	↓ -0,02	↑ 0,05
USD/GBP	1,6484	↓ -0,46	↑ 0,02
USD/JPY	102,49	↓ -0,20	↑ 0,21
AUD/USD	0,8766	↓ -0,27	↑ 0,98
USD/CAD	1,1181	↑ 0,23	↑ 0,85

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,3	↓ -0,1	↑ 3,5
EMBI+ Spread	287	↓ -6	↓ -5
CDS 5Y PIIS	148	↑ 39	↑ 16
CDS 5Y Italy	145	↑ 5	↑ 21
CDS 5Y Belg.	28	↑ 1	↑ 3
iTraxx 5Y EU	80,7	↓ -1	↑ 9
US TED Spread	21,6	→ 0	↑ 2

Source: Reuters, OTP Research

Summary

- Advanced markets' stock markets have picked up, benefiting from favourable corporate reports.
- Facebook rallied 14%, after sharing better-than-expected quarterly earnings report.
- Most of Asia's markets closed lower; Europe's key benchmarks are also heading down.

Developed economies' stock markets have recovered. A string of reassuring earnings reports caused the leading US stock indices to work off their weekly losses. All of the S&P500's sector indices have risen. Facebook leapt 14% on the back of better-than-expected quarterly revenue, which soared 63% YoY. Google benefited 2.6% from news on a striking a deal with Lenovo about selling its stake in Motorola. After market close, Google came up with its earnings report, which slightly missed expectations but did not trigger strong moves in after-hours trading. Amazon fell 7.7%; after market hours, it revealed the quarterly figures, which missed analysts' forecasts. Blackstone, the global investment consultancy, also cheered investors with better-than-expected quarterly figures (its stock price jumped 4.2% higher), as did the Under Armour sports clothing company (23% rally).

The J.C. Penney retail chain fell 8.3% yesterday, bringing its year-to-date loss to 37%. Disappointing profit reports slashed a number of technology companies' share price yesterday; one of them, Symantec plunged 7.3%.

In America, AON, MasterCard, and Tyco Intl. will publish their earnings figures today.

Western Europe's stock markets gained impetus too. It was also corporate earnings reports that galvanized markets. The Stoxx600 upped by 0.3%, and 12 of the 18 national benchmarks achieved gains (e.g. DAX +0.4%, CAC40 +0.6%), while the FTSE inched down 0.1%. Britain's Diageo and the Netherlands-based Royal Dutch Shell published their reports today. Seeing the former's greatly disappointing revenue and profit data, the market punished it by sell-off (-4.7%). On the other hand, RDS firmed 1.5% despite giving account of 48% lower profit, and postponing its drilling project in Alaska. In Sweden, H&M and TeliaSonera lost because of disappointing profit reports.

Most of Asia's indices closed lower this morning, while Europe's stock markets opened cautiously. It is likely to close January with near-1.9% MoM loss. The eurozone's most recent jobless reading, as well as American consumption statistics and business cycle indices may be today's market-moving factors.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,34	↓ -1	↓ -2
US 10Y	2,70	↑ 1	↓ -8
JP 2Y	0,09	→ 0	↓ 0
JP 10Y	0,63	↑ 0	↓ -1
GER 2Y	0,11	↓ -2	↓ -6
GER 10Y	1,63	↓ -6	↓ -12

CENTRAL BANKS' RATES

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0,25	→ 0,25	→ 0,25
ECB Rate	0,25	→ 0,25	→ 0,25
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	0,24	↑ 0	↓ 0
US 2Y Swap	0,44	↓ -1	↓ -3
US 5Y Swap	1,61	↓ -1	↓ -3
EUR 3M Euribor	0,30	↓ 0	↓ 0
EUR 2Y Swap	0,45	↑ 1	↓ -2
EUR 5Y Swap	1,04	↑ 0	↓ -3
GB 3M Libor	0,52	↓ 0	↓ 0
GB 2Y Swap	0,96	→ 0	↑ 1
GB 5Y Swap	1,95	↑ 1	↑ 2
JP 3M Libor	0,14	→ 0	→ 0
JP 2Y Swap	0,19	↑ 1	↑ 1
JP 5Y Swap	0,33	↑ 1	↑ 2
CHF 3M Libor	0,02	↓ 0	↓ 0
CHF 2Y Swap	0,04	↑ 1	↓ -1
CHF 5Y Swap	0,51	→ 0	↓ -1

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	107,9	↓ -0,07	↓ -0,01
Gold	1 242	↓ -0,08	↓ -2,08

Source: Reuters, OTP Research

On Thursday, the US Department of Trade reported 3.2% annualized QoQ GDP growth, matching expectations. This figure indicates deceleration in relation to the 4.1% reading in Q4. Consumption grew by a less-than-expected 3.3%.

The weekly unemployment data were worse-than-expected, the weekly initial jobless claims jumped to 348,000 from the previous week's 327,000, in a period when a national holiday was included. Equity markets' growth was impeded by the worse-than-expected property data, and pending home sales plunged 8.7% in December MoM.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	US	Q4	GDP advance (qoq annualized, %)	3,20	3,20	4,10
	US	weekly	Initial jobless claims (ths)	348	330	327
	US	weekly	Continued jobless claims (ths)	2 991	3 020	3 056
	EZ	Jan	Economic sentiment (points)	100,9	101,0	100,0
	DE	Jan	HICP (yoy, %)	1,2	1,3	1,2
	JP	Jan	Manufacturing PMI (points)	56,6	-	55,2
	JP	Dec	Housing starts (yoy, %)	18,0	14	14
	DE	Dec	Retail sales (yoy, %)	-2,4	2	2
	EZ	Jan	HICP flash (yoy, %)		0,9	0,8
	EZ	Dec	Unemployment rate (%)		12,1	12,1
	US	Dec	Personal incomes (mom, %)		0,2	0,2
	US	Dec	Consumption, adjusted (mom, %)		0,2	0,5
	US	Jan	Chicago PMI (points)		59,0	59,1
	US	Jan	Michigan consumer sentiment, final (points)		81,0	81,4

Source: Reuters, OTP Research

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