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# Daily Report – Global markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 027	↓ -0,89	↓ -2,35
S&P500	1 816	↓ -0,95	↓ -2,65
Nasdaq100	3 447	↓ -1,17	↓ -1,74
Russell2000	1 111	↓ -1,44	↓ -2,14
Stoxx600	329	↓ -1,39	↓ -3,07
DAX	9 315	↓ -1,47	↓ -3,92
FTSE 100	6 562	↓ -1,21	↓ -2,00
CAC40	4 366	↓ -1,08	↓ -2,65
ATX	2 498	↓ -0,85	↓ -3,24
IBEX35	10 205	↓ -1,26	↓ -4,42
Nikkei 225	13 910	↓ -0,36	↓ -4,77
Hang Seng	23 003	↓ 0,00	↑ 0,70
SSEC	2 125	↓ -0,27	↑ 3,20
SENSEX	22 629	↓ -0,38	↑ 1,59
RTS	1 204	↓ -0,77	↓ -2,42
Bovespa	51 127	↓ -0,11	↑ 0,09

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3848	↓ -0,25	↑ 0,79
EUR/CHF	1,2147	↓ -0,14	↓ -0,43
USD/GBP	1,6732	↓ -0,30	↑ 0,75
USD/JPY	101,56	↓ -0,03	↓ -1,48
AUD/USD	0,9389	↓ -0,03	↑ 1,28
USD/CAD	1,0977	↓ -0,02	↑ 0,05

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,0	↑ 1,1	↑ 3,1
CDS 5Y PIIS	17	↑ 4,9	↑ 0,1
CDS 5Y Italy	96	↑ 6,4	↑ 2,4
CDS 5Y Belg.	101	↑ 0,6	↑ 0,5
iTraxx 5Y EU	25,6	↑ 2,4	↑ 3,7
US TED Spread	73,1	→ 0,0	↓ -1,6

Source: Reuters, OTP Research

**Summary**

- The globally adverse investment mood slashed the key indices of the USA, Europe, and the Far East.
- In the small hours of Monday, the UN Security Council held an emergency meeting on Ukraine crisis.
- Friday's release of macroeconomic data has met expectations.

All of Europe's indices closed with losses on Friday. Germany's DAX dropped 1.5%, the Stoxx600 index of Europe's top 600 corporations dipped 1.4%, the FTSE and the IBEX shed 1.2% each, the CAC40 sank by 1.1%, and the ATX went down 0.8%.

In Friday's unhelpful global investment mood, all indices fell on both sides of the Atlantic. Investors' pessimism may have stemmed from the intensifying Russia-Ukraine crisis, China's slowing economy, and the underperformance of the tech sector. The technology sector, which played a part in the S&P 500's 0.9% fall, contracted by 1.1% on Friday. The Dow eased 0.9%, the Nasdaq100 was 1.2% down, and the Russel2000 fell 1.4%. In America, where the Q1 earnings report season began last week, Citigroup will post its figures before US market hours today. On Friday, JP Morgan's earnings report gave account of USD 23.9 billion revenue, missing the USD 24.53 billion forecast. The bank's earnings per share (at USD 1.28) also fell short of analysts' poll (USD 1.4). The poorer figures may be attributed to its investment and mortgage arms. That did not prevent the bank from raising its dividend per share from USD 0.38 to USD 0.4. On the other hand, Wells Fargo published better figures: its Q1 revenue was within a whisker of economists' forecast of USD 20.6 billion, and its EPS has beaten analysts' poll (USD 0.97) by 8%. A significant improvement in the bank's loan portfolio in the first quarter has slashed its credit losses by USD 594 billion. The encouraging earnings figures helped Wells Fargo to end Friday's trading almost 0.8% higher.

The escalating tension in Ukraine caused the UN Security Council to hold an emergency meeting at 2:00 on Monday (CET). Acting President Oleksander Turchinov gave ultimatum to pro-Russia protestors in Eastern Ukraine to lay down their arms until today. In his televised speech, Turchinov announced plans to use the military to launch a 'full-scale anti-terrorist operation' in Eastern Ukraine. This made Russia call the UN Security Council to convene. The SC's meeting did not arrive at a decision but given that the deadline set by Ukraine's president expired, the Ukrainian army may be deployed against pro-Russia protestors.

Asia's indices closed with losses this morning: the Nikkei and the SENSEX dipped 0.4% each, and the Hang Seng moved sideways.

**GOV'T BOND MARKET**

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,36	→ 0	↓ -6
US 10Y	2,60	↓ -4	↓ -12
JP 2Y	0,08	↓ 0	→ 0
JP 10Y	0,60	↓ -1	↓ -2
GER 2Y	0,17	↓ 0	↓ -2
GER 10Y	1,54	↓ -1	↓ -7

**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	0,23	↓ 0	↓ 0
US 2Y Swap	0,46	↓ 0	↓ -4
US 5Y Swap	1,63	↓ -1	↓ -13
EUR 3M Euribor	0,33	↑ 0	↑ 0
EUR 2Y Swap	0,45	↓ -1	↓ -2
EUR 5Y Swap	0,92	↓ -2	↓ -1
GB 3M Libor	0,52	→ 0	↓ 0
GB 2Y Swap	0,98	→ 0	↓ 0
GB 5Y Swap	1,89	↑ 1	↓ -1
JP 3M Libor	0,14	→ 0	↓ 0
JP 2Y Swap	0,18	↑ 1	↓ 0
JP 5Y Swap	0,31	↑ 1	↓ -1
CHF 3M Libor	0,02	→ 0	↓ 0
CHF 2Y Swap	0,05	↓ -2	↓ 0
CHF 5Y Swap	0,39	→ 0	↓ -2

**COMMODITIES**

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	107,9	↑ 0,53	↑ 1,97
Gold	1 327	↑ 0,67	↑ 2,37

Source: Reuters, OTP Research

Friday's release of macroeconomic statistics was in line with expectations. Germany's consumer price index did not cause surprise, China's CPI slightly undershot forecasts even it has grown since last year.

The University of Michigan's consumer sentiment index has beaten forecasts. The current economic conditions sub-index rose to 97.1, up from 95.7 in March; the index of consumer expectations for the next half year grew to 73.3, up from 70.

Today's important publications include the eurozone's industrial production figures, as well as US retail sales data.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	CN	Mar	CPI (YoY, %)	2,4	2,5	2,0
	DE	Mar	CPI (YoY, %)	1,0	1,0	1,0*
	PL	Mar	Current account (EURm)	-572	-580	-1 135
	US	Apr	Michigan Consumer Sentiment Index, preliminary (points)	82,6	81,0	80,0
Monday	EZ	Feb	Industrial production (mom, %)		0,2	-0,2
	US	Mar	Retail sales (mom, %)		0,8	0,3

Source: Reuters, OTP Research

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