



**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 695	↑ 0,68	↑ 1,00
S&P500	1 897	↑ 0,97	↑ 0,64
Nasdaq100	3 613	↑ 1,60	↑ 1,58
Russell2000	1 134	↑ 2,39	↑ 2,31
Stoxx600	341	↑ 0,71	↑ 1,21
DAX	9 702	↑ 1,26	↑ 1,81
FTSE 100	6 852	↑ 0,55	↑ 0,43
CAC40	4 494	↑ 0,37	↑ 0,69
ATX	2 493	↑ 0,42	↓ -0,37
IBEX35	10 567	↑ 0,76	↑ 0,86
Nikkei 225	14 425	↑ 1,95	↑ 2,79
Hang Seng	22 302	↑ 0,18	↑ 2,13
SSEC	2 045	↓ -0,39	↑ 0,83
SENSEX	23 976	↑ 4,27	↑ 4,63
RTS	1 234	↑ 0,12	↑ 7,95
Bovespa	54 053	↑ 1,79	↑ 0,51

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3760	↑ 0,03	↓ -1,20
EUR/CHF	1,2210	↓ -0,02	↑ 0,28
USD/GBP	1,6867	↑ 0,11	↓ -0,64
USD/JPY	102,25	↑ 0,14	↑ 0,57
AUD/USD	0,9343	↓ -0,15	↓ -0,04
USD/CAD	1,0903	↑ 0,08	↑ 0,11

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,2	↓ -0,7	↓ -1,1
CDS 5Y PIIS	12	↓ -0,8	↓ -22,3
CDS 5Y Italy	68	→ 0,0	↓ -5,6
CDS 5Y Belg.	89	↓ -1,6	↓ -2,6
iTraxx 5Y EU	22,5	↑ 0,9	↓ -2,3
US TED Spread	66,8	→ 0,0	↓ -0,1

Source: Reuters, OTP Research

**Summary**

- The EU imposed new sanctions against 13 Russian citizens and two companies.
- In Monday's buoyant sentiment, the S&P and the Dow hit all-time highs.
- Two ECB officials hinted at using other tools than the key policy rate, to tackle the persistently low inflation.

On Monday evening, the EU announced new sanctions against Russian companies and private entities, owing to Crimea's annexation. The assets of 13 people and two businesses will be frozen, and EU visa bans will be imposed.

Even the stormy Russia-Ukraine relations could not sour investors' optimism on Monday. The S&P and the Dow hit new record highs, touching the USD 1,897.2 and the 16,704.8 marks respectively during the day. The S&P's technology sector gained 1.4%, in the best performance of the index's constituents. In addition to the S&P's and the Dow's nice gains, the Russel2000 surged 2.4%.

Europe's gains were less impressive than those of the USA. All of the key indices closed in the green yesterday. Germany's DAX upped 1.3%, in the best performance in the continent's key benchmarks. The Stoxx index of Europe's 600 big businesses soared 0.7%; the London, Paris and the Vienna indices grew by 0.4-0.5%.

Two policy-makers made statements regarding the European Central Bank's monetary policy yesterday. Ewald Nowotny, the governor of Austria's central bank and member of the ECB's board said the Bank should consider new measures to deal with the eurozone's steadily low inflation. In his view, the interest rate policy alone might be insufficient, and he hinted that a new package of measures may come. ECB Vice-President Vitor Constancio said that following the recent months' low inflation figures, it is important to know more about the medium-term outlook. By the June rate decision, the central bank will have the most recent forecasts. Inflation projection will weigh heavily in the ECB's June decision, the Vice Chairman pointed out.

Asia's key indices closed higher; only the SSEC dropped as China's macroeconomic figures had missed analysts' forecasts. The Nikkei added 2%, the Hang Seng edged up 0.2% this morning.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,40	↑	1	↓	-2
US 10Y	2,66	↑	3	↑	6
JP 2Y	0,09	↑	0	↓	-1
JP 10Y	0,62	→	0	↓	0
GER 2Y	0,13	↑	2	↑	1
GER 10Y	1,47	↑	2	↑	2

**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	0,51	↓	0	↓	-4
US 5Y Swap	1,72	↑	1	↓	-5
EUR 3M Euribor	0,34	↓	0	↓	0
EUR 2Y Swap	0,43	↑	1	↓	-2
EUR 5Y Swap	0,88	↑	1	↓	-4
GB 3M Libor	0,53	↓	0	↑	0
GB 2Y Swap	1,19	→	0	↑	1
GB 5Y Swap	0,00	↓	0	↑	1
JP 3M Libor	0,14	→	0	→	0
JP 2Y Swap	0,18	↓	-1	↑	1
JP 5Y Swap	0,32	↓	0	↑	1
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,03	↑	1	↓	-3
CHF 5Y Swap	0,34	↑	0	↓	-3

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	108,4	↑	0,03	↑	1,29
Gold	1 291	↓	-0,34	↓	-1,23

Source: Reuters, OTP Research

Monday's only influential US macroeconomic release, the federal budget balance, slightly missed analysts' expectations but it has changed for the better since the last reading.

On balance, this morning's release of Chinese macroeconomic figures undershot analysts' projections. China's industrial output did not grow as strongly as had been thought, and retail sales were also short of forecasts. It appears that the figures were not only bleaker than had been expected, but they also fell in year-on-year comparison.

The US retail sales figures will be released today. In Europe, Germany's business climate index and Britain's retail sales statistics are due out.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	US	Apr	Federal budget (monthly, USD bn)	106,9	114,0	-36,9
Tuesday	GB	Apr	Retail sales (YoY, %)		1,8	-1,7
	CN	Apr	Retail sales (YoY, %)	11,90	12,20	12,20
	CN	Mar	Industrial production (YoY, %)	8,7	8,9	8,8
	DE	May	ZEW business climate (point)		41,50	43,20
	US	Apr	Retail sales (MoM, %)		0,4	1,20

Source: Reuters, OTP Research

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