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Daily Report – Global markets

STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|-------------|--------|----------------|-----------------|
| DJIA | 16 986 | ↑ 0,47 | ↑ 0,06 |
| S&P500 | 1 973 | ↑ 0,46 | ↓ -0,09 |
| Nasdaq100 | 3 893 | ↑ 0,75 | ↓ -0,77 |
| Russell2000 | 1 174 | ↑ 0,14 | ↓ -2,84 |
| Stoxx600 | 340 | ↓ -0,01 | ↓ -1,65 |
| DAX | 9 808 | ↑ 0,36 | ↓ -1,04 |
| FTSE 100 | 6 718 | ↓ -0,30 | ↓ -1,44 |
| CAC40 | 4 360 | ↑ 0,40 | ↓ -1,91 |
| ATX | 2 391 | ↑ 0,31 | ↓ -5,32 |
| IBEX35 | 10 747 | ↑ 0,54 | ↓ -2,44 |
| Nikkei 225 | 15 216 | ↓ -0,56 | ↓ -1,43 |
| Hang Seng | 23 243 | ↑ 0,29 | ↓ -1,26 |
| SSEC | 2 041 | ↑ 0,11 | ↓ -1,08 |
| SENSEX | 25 209 | ↓ -1,46 | ↓ -1,47 |
| RTS | 1 404 | ↑ 0,73 | ↑ 0,95 |
| Bovespa | 53 635 | → 0,00 | ↓ -0,45 |

FX MARKET

| | Close | Daily chg. (%) | Weekly chg. (%) |
|---------|--------|----------------|-----------------|
| EUR/USD | 1,3649 | ↑ 0,04 | ↑ 0,29 |
| EUR/CHF | 1,2151 | → 0,00 | ↓ -0,03 |
| USD/GBP | 1,7156 | ↑ 0,15 | ↑ 0,02 |
| USD/JPY | 101,48 | ↓ -0,14 | ↓ -0,69 |
| AUD/USD | 0,9389 | ↓ -0,20 | ↑ 0,48 |
| USD/CAD | 1,0651 | ↑ 0,01 | ↑ 0,17 |

RISK INDICATORS

| | Close | Daily chg (bp) | Weekly chg (bp) |
|---------------|-------|----------------|-----------------|
| VIX | 11,7 | ↓ -0,3 | ↑ 0,5 |
| CDS 5Y PIIS | 12 | ↑ 8,4 | ↑ 10,0 |
| CDS 5Y Italy | 89 | ↑ 3,9 | ↑ 2,6 |
| CDS 5Y Belg. | 84 | → 0,0 | ↑ 5,0 |
| iTraxx 5Y EU | 32,8 | ↑ 0,2 | ↓ -1,1 |
| US TED Spread | 60,9 | → 0,0 | ↑ 0,6 |

Source: Reuters, OTP Research

Summary

- US markets went up after the release of the Fed meeting minutes, which had no indication that the US Federal Reserve would raise interest rates sooner than expected.
- The dollar slightly appreciated after the Fed minutes' publication, but did not make sharp moves in daily charts.
- Commerzbank was fined USD 600-800 million for violating US economic sanctions via transactions with Iran and other countries.

Reversing Tuesday's downward moves, American indices recovered on Wednesday. Europe's stock markets ended the day with near-stagnation. Germany's DAX opened in the red this morning.

The gains made in the USA were attributed to the publication of the Fed's most recent meeting as the document had no hint that the US Federal Reserve would raise interest rates sooner than expected. However, today's losses indicate that this caused just a momentary change in investment sentiment.

The publication of the Fed meeting minutes modestly firmed the dollar, but the move was not significant in day-on-day comparison.

Commerzbank is to pay USD 600-800 million for the transactions completed with Iran and other sanctioned countries. Over the past five years, half a dozen of international banks had to pay penalties for violating US economic sanctions.

GOV'T BOND MARKET

| | Yield (%) | | Daily chg (bp) | | Weekly chg (bp) |
|---------|-----------|---|----------------|---|-----------------|
| US 2Y | 0,49 | ↓ | -2 | ↑ | 0 |
| US 10Y | 2,56 | ↓ | 0 | ↓ | -7 |
| JP 2Y | 0,07 | ↑ | 0 | ↓ | -1 |
| JP 10Y | 0,55 | ↓ | 0 | ↓ | -2 |
| GER 2Y | 0,02 | ↓ | -1 | ↓ | -1 |
| GER 10Y | 1,22 | ↓ | -4 | ↓ | -3 |

CENTRAL BANKS' RATES

| | Rate (%) | | 6M Consensus | | 1Y Consensus |
|------------|----------|---|--------------|---|--------------|
| Fed Funds | 0,25 | ⇒ | 0,25 | ⇒ | 0,25 |
| ECB Rate | 0,15 | ⇒ | 0,15 | ⇒ | 0,15 |
| BOE Rate | 0,50 | ⇒ | 0,50 | ↑ | 1,00 |
| 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 | 0,59 | ↓ | -2 | ↓ | -3 |
| US 5Y Swap | 1,72 | ↓ | -2 | ↓ | -4 |
| EUR 3M Euribor | 0,20 | ⇒ | 0 | ↓ | 0 |
| EUR 2Y Swap | 0,31 | ↓ | 0 | ↓ | 0 |
| EUR 5Y Swap | 0,64 | ↑ | 1 | ↓ | -3 |
| GB 3M Libor | 0,56 | ⇒ | 0 | ↑ | 0 |
| GB 2Y Swap | 1,35 | ↓ | 0 | ↓ | 0 |
| GB 5Y Swap | 2,19 | ↓ | -1 | ↓ | -1 |
| JP 3M Libor | 0,13 | ⇒ | 0 | ⇒ | 0 |
| JP 2Y Swap | 0,15 | ↓ | -1 | ↓ | 0 |
| JP 5Y Swap | 0,24 | ↓ | -1 | ↓ | -1 |
| CHF 3M Libor | 0,01 | ⇒ | 0 | ↑ | 0 |
| CHF 2Y Swap | 0,03 | ↓ | -2 | ↓ | -1 |
| CHF 5Y Swap | 0,28 | ↓ | 0 | ↓ | -3 |

COMMODITIES

| | Close | | Daily chg. (%) | | Weekly chg. (%) |
|-----------|-------|---|----------------|---|-----------------|
| Oil Brent | 108,1 | ↓ | -0,17 | ↓ | -2,61 |
| Gold | 1 330 | ↑ | 0,30 | ↑ | 0,77 |

Source: Reuters, OTP Research

China's exports grew by 7.2% in June, compared with the same period of 2013. The gauge misses analysts' forecast of 10.6%. Today's rate decision of the Bank of England is expected to leave the base rate at 0.5%.

| | COUNTRY | DATE | INDICATOR | FACT | CONSENSUS | PREVIOUS |
|-----------|---------|------|--------------------------------|------|-----------|----------|
| Wednesday | CN | Jun | CPI (yoy, %) | 2,3 | 2,4 | 2,5 |
| | CZ | Jun | CPI (yoy, %) | 0,0 | 0,1 | 0,4 |
| Thursday | CN | Jun | Exports (yoy, %) | 7,2 | 10,6 | 7,0 |
| | UK | Jul | Interest rate decision (%) | | 0,5 | 0,5 |
| | US | May | Wholesale inventories (mom, %) | | 0,6 | 1,1 |

Source: Reuters, OTP Research

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