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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 098	↑ 0,11	↑ 0,57
S&P500	2 003	↑ 0,33	↑ 0,75
Nasdaq100	4 083	↑ 0,40	↑ 0,37
Russell2000	1 174	↑ 0,72	↑ 0,78
Stoxx600	342	↑ 0,28	↑ 1,56
DAX	9 470	↑ 0,08	↑ 1,40
FTSE 100	6 820	↑ 0,20	↑ 0,66
CAC40	4 381	↑ 0,34	↑ 3,02
ATX	2 302	↑ 0,49	↑ 0,13
IBEX35	10 729	↑ 0,06	↑ 2,18
Nikkei 225	15 477	↑ 0,34	↓ -0,29
Hang Seng	24 794	↑ 0,21	↓ -0,50
SSEC	2 232	↑ 0,67	↑ 0,13
SENSEX	26 830	↑ 0,72	↓ -0,60
RTS	1 190	↓ -2,40	↓ -5,54
Bovespa	61 288	↑ 1,65	↑ 2,60

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3130	↓ -0,02	↓ -0,46
EUR/CHF	1,2060	↑ 0,01	↓ -0,12
USD/GBP	1,6597	↑ 0,08	↑ 0,12
USD/JPY	104,16	↑ 0,11	↑ 0,12
AUD/USD	0,9338	↑ 0,05	↑ 0,50
USD/CAD	1,0865	↓ -0,09	↓ -1,07

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,0	↓ -0,1	↑ 0,5
CDS 5Y PIIS	12	↑ 5,2	↑ 1,0
CDS 5Y Italy	83	↑ 4,5	↑ 0,5
CDS 5Y Belg.	86	↑ 0,9	↓ -1,5
iTraxx 5Y EU	37,3	↑ 0,6	↑ 0,8
US TED Spread	59,5	⇒ 0,0	↓ -1,1

Source: Reuters, OTP Research

Summary

- Friday's session was cautiously optimistic on both sides of the Atlantic.
- Unemployment in the eurozone stagnated at 11.5% in July.
- US households' personal consumption expenditure price index rose by 0.1% in July.
- The University of Michigan's consumer confidence index for August was revised to 82.5, up from the preliminary reading of 79.2.

Friday's trading was shaped by news from Ukraine most of all, but investors have calmed down after Thursday's losses. Accordingly, Western Europe's leading indices achieved modest gains by the close: the FTSE inched up 0.2%, the DAX edged 0.1% higher, and the CAC40 rose by 0.3%. Europe's indices closed the month with gains for the first time since May. AstraZeneca Plc. upped by 2%, benefiting from news that Pfizer is to buy the company. Tesco plunged 6.6% on Friday as its management slashed this year's profit forecast and dividend.

American markets were likewise restrained on Friday. Some macroeconomic statistics surpassed expectations but investors' eyes focussed on news from Ukraine. US indices closed with modest gains: the Dow added 0.1%, the S&P advanced 0.3%, and the Nasdaq100 ended 0.4% higher on Friday but finished August with the strongest monthly gains since February. The S&P closed at a fresh record high, ending the day at 2003 for the first time in its history. Utility (+0.7%) was the most energetic within the S&P's sector indices, and the weakest component was industry (-0.1%).

This morning's trading in Asia was moderately sanguine. China's benchmarks gained 0.2-0.7% even though both the official and HSBC's index found that manufacturing activity contracted in August. Japan's Nikkei rose 0.3% and the TOPIX upped by 0.4% this morning.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,50	↓ -1	↑ 3
US 10Y	0,00	→ 0	→ 0
JP 2Y	0,07	↓ -2	↓ 0
JP 10Y	0,50	↑ 1	↓ -1
GER 2Y	-0,01	↓ 0	↓ -2
GER 10Y	0,88	↓ -3	↓ -12

CENTRAL BANKS' RATES

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0,25	→ 0,25	↑ 0,5
ECB Rate	0,15	→ 0,15	→ 0,15
BOE Rate	0,50	↑ 0,75	↑ 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	0,71	↑ 3	↑ 1
US 5Y Swap	1,76	↑ 2	↓ -1
EUR 3M Euribor	0,16	↓ 0	↓ -2
EUR 2Y Swap	0,27	↑ 0	↑ 1
EUR 5Y Swap	0,50	↑ 0	↓ -1
GB 3M Libor	0,56	→ 0	↓ 0
GB 2Y Swap	1,21	↑ 0	↓ -1
GB 5Y Swap	1,91	↓ -1	↓ -1
JP 3M Libor	0,13	→ 0	→ 0
JP 2Y Swap	0,16	↓ -1	↓ -1
JP 5Y Swap	0,24	↓ -1	↓ -1
CHF 3M Libor	0,02	↓ 0	↓ 0
CHF 2Y Swap	0,01	↓ 0	↓ -2
CHF 5Y Swap	0,21	↑ 4	↑ 1

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	103,2	↑ 0,05	↑ 0,57
Gold	1 288	↑ 0,06	↑ 0,90

Source: Reuters, OTP Research

Unemployment in the European Union stayed flat at 10.2% in July – the decline that started last summer seems to have halted again. The eurozone's unemployment rate stagnated at 11.5% in July.

According to the US Department of Commerce's release, the personal consumption expenditures price index increased by 0.1% in July, bringing the year-on-year rate to 1.6%. Personal income rose by 0.2% month on month in July, the smallest growth in seven months. Personal consumption expenditure contracted by 0.1% since June.

The Chicago purchasing managers' index hit a more-than-three-month high of 64.3 in August, rising from 52.6 in July.

The revised August gauge of the University of Michigan's consumer confidence index came in at 82.5, up from the preliminary reading of 79.2. After four months of optimism, buyers became slightly gloomier: the index of consumer expectations slipped to 71.3, from 71.8. The current economic conditions gauge hit a seven-year high of 99.8, up from 97.4. According to the final data, inflationary expectations on the more-than-one year horizon decreased to 3.2% from 3.3%, and they grew to 2.9% for the five-to-ten-year horizon, up from 2.7%.

US stock markets are closed for Labor Day today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	EZ	Aug	CPI (flash, yoy, %)	0,3	0,3	0,4
	EZ	Jul	Unemployment rate (%)	11,5	11,5	11,5
	DE	Jul	Retail sales (mom, %)	-1,4	0,1	1,3
	US	Jul	Household spending (mom, %)	-0,2	-	0,2
	US	Jul	Household income (mom, %)	0,2	0,3	0,4
	US	Aug	Chicago PMI (point)	64,3	56,0	52,6
	US	Aug	University Michigan sentiment index (point)	82,5	80,1	79,2
	Monday	CN	Aug	NBS Manufacturing PMI (final, point)	51,1	51,2
CN		Aug	HSBC Manufacturing PMI (final, point)	50,2	-	50,3
DE		Q2	GDP detailed (qoq, %)	-0,2	-0,2	-0,2
DE		Q2	GDP detailed (yoy, %)	0,8	0,8	0,8
DE		Aug	Markit Manufacturing PMI (final, point)		52,0	52,0
FR		Aug	Markit Manufacturing PMI (final, point)		46,5	46,5
EZ		Aug	Markit Manufacturing PMI (final, point)		50,8	50,8

Source: Reuters, OTP Research

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