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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 673	↓ -0,79	↑ 0,92
S&P500	2 052	↓ -0,55	↑ 1,60
Nasdaq100	4 278	↑ 0,18	↑ 3,28
Russell2000	1 189	↓ -0,12	↑ 1,04
Stoxx600	370	↑ 1,74	↑ 5,10
DAX	10 650	↑ 2,05	↑ 4,74
FTSE 100	6 833	↑ 0,53	↑ 4,31
CAC40	4 641	↑ 1,93	↑ 5,96
ATX	2 228	↓ -0,11	↑ 3,93
IBEX35	10 582	↑ 0,67	↑ 5,40
Nikkei 225	17 469	↓ -0,25	↑ 2,67
Hang Seng	24 812	↓ -0,15	↑ 4,52
SSEC	3 379	↑ 0,81	↑ 8,43
SENSEX	29 279	↑ 0,94	↓ -0,60
RTS	821	↑ 0,47	↑ 6,65
Bovespa	48 775	↓ -1,35	↑ 2,13

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1219	↑ 0,11	↓ -3,32
EUR/CHF	0,9873	↑ 0,10	↓ -3,25
USD/GBP	1,4987	↓ -0,14	↓ -0,81
USD/JPY	118,05	↑ 0,26	↑ 0,43
AUD/USD	0,7898	↓ -0,08	↓ -3,81
USD/CAD	1,2440	↑ 0,18	↑ 4,21

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	16,7	↑ 0,3	↓ -5,7
CDS 5Y PIIS	17	↓ -8,3	↓ -16,9
CDS 5Y Italy	81	↓ -12,8	↓ -26,8
CDS 5Y Belg.	82	↑ 0,1	↑ 1,5
iTraxx 5Y EU	38,7	↓ -1,0	↓ -5,9
US TED Spread	53,3	→ 0,0	↑ 1,1

Source: Reuters, OTP Research

Summary

- Europe's key indices ended higher on Friday, US benchmarks moved mixed.
- Syriza has won Sunday's snap elections in Greece, but as Mr Tsipras's party fell short of an absolute majority, it will need a coalition partner to form government.
- Asia's leading indices closed lower on the first day of the week.

The announcement of the ECB's asset purchase programme continued to fuel Europe's markets on Friday. Stock exchanges shrugged off worries about Sunday's snap elections in Greece – growing 2%, the DAX achieved one of the nicest gains. France's CAC40 went up 1.9%, and London's FTSE100 climbed 0.5% higher on Friday.

In Sunday's snap elections in Greece, the Radical Coalition of the Left (Syriza) fell short of outright majority in parliament, thus it will need to find coalition partner(s) to form government. With more than 99% of the votes counted, Syriza obtained 36.3%, winning 149 seats out of 300. The New Democracy party of Antonis Samaras got 27.8%. Syriza's candidate for PM Alexis Tsipras is likely to swear in today, and form government by Friday the latest. When the preliminary results were out, Tsipras pledged that the new government would renegotiate the country's international financial bailout so that they would be, 'fair and advantageous' for both parties. Mr Tsipras also pointed out that he wanted to avoid a 'damaging collision' with Athens' European partners.

In the USA, indices opened on a weak note and could not improve a lot by the close. Benchmarks ended the day mixed: the Dow slipped 0.8%, the S&P sank 0.6%, while the Nasdaq upped by 0.2%. Of the S&P's sector indices, only utilities closed in the positive territory (+0.3%), while commodities (-1.5%) was the weakest component. In individual names, GoPro sky-rocketed 8.6% after announcing a deal with NHL, under which players and referees would wear GoPro cameras during matches. UPS nosedived almost 10%, as it slashed its 2014 forecast and said that Q4 2014 profits may miss analysts' estimations.

By Monday morning, investors became uncertain on Asian markets, where the key indices finished 0.1-0.6% lower, with the exception of the Shanghai stock exchange's 1% gain. The uncertainty stems from the outcome of Greek elections and the renewed fights in Eastern Ukraine.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,48	↓ -5	↑ 6
US 10Y	1,77	↓ -11	↑ 4
JP 2Y	-0,01	↑ 1	↑ 1
JP 10Y	0,23	↓ -6	↓ -1
GER 2Y	-0,18	↓ -2	↓ -2
GER 10Y	0,44	↓ -9	↓ -2

CENTRAL BANKS' RATES

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0,25	↑ 0,5	↑ 1,00
ECB Rate	0,05	→ 0,05	→ 0,05
BOE Rate	0,50	→ 0,50	↑ 1,00
BOJ Rate	0,10	→ 0,10	→ 0,10
SNB Target	-0,75	↑ 0,00	↑ 0,00

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
US 3M Libor	0,26	↓ 0	↑ 0
US 2Y Swap	0,71	↓ -2	↑ 4
US 5Y Swap	1,41	↓ -2	↑ 1
EUR 3M Euribor	0,05	↓ 0	↓ -1
EUR 2Y Swap	0,10	↓ 0	↓ -1
EUR 5Y Swap	0,27	↓ -4	↓ -1
GB 3M Libor	0,56	↑ 0	↑ 0
GB 2Y Swap	0,00	↓ -1	↑ 1
GB 5Y Swap	0,00	↑ 0	↑ 5
JP 3M Libor	0,10	→ 0	↓ -1
JP 2Y Swap	0,11	↓ -2	↑ 1
JP 5Y Swap	0,19	↑ 0	↑ 5
CHF 3M Libor	-0,81	↓ -7	↓ -43
CHF 2Y Swap	-1,03	↑ 2	↓ -38
CHF 5Y Swap	-0,80	↑ 1	↓ -28

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	48,2	↓ -1,25	↓ -1,35
Gold	1 293	↓ -0,07	↓ -0,05

Source: Reuters, OTP Research

On Friday, Markit published its purchasing managers' indices for the eurozone and Germany's manufacturing industry. The readings were broadly in line with expectations, and continue to project slow growth in Europe.

The US manufacturing PMI fell short of analysts' consensus, while the December reading of housing sales statistics matched expectations.

Ifo's business sentiment index will be out in Germany today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS	
Friday	CH	jan.	HSBC Manufacturing Flash PMI (points)	49,8	49,6	49,6	
	DE	jan.	Markit Manufacturing Flash PMI (points)	51,0	52	51	
	DE	jan.	Markit Services Flash PMI (points)	52,7	53	52	
	EZ	jan.	Markit Manufacturing Flash PMI (points)	51,0	51,0	50,6	
	EZ	jan.	Markit Services Flash PMI (points)	52,3	52,0	51,6	
	GB	dec.	Retail sales (yoy, %)	4,3	3,0	6,4	
	US	jan.	Markit Manufacturing Flash PMI (points)	53,7	54,0	53,9	
	US	dec.	Existing home sales (mom, %)	2,4	2,4	-6,1	
	Monday	DE	jan.	Ifo business climate index (point)		106,3	105,5

Source: Reuters, OTP Research

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