

Headquarter Treasury Sales

Tania Fantana

+4021 30758 76

tania.fantana@otpbank.ro

Alexandru Tibuleac

+4021 30758 52

alexandru.tibuleac@otpbank.ro

Alina Gheorghita

+4021 30758 25

alina.gheorghita@otpbank.ro

Andreea Nica

+4021 30758 27

andreea.nica@otpbank.ro

Regional Treasury Sales

Szilamer Kozma - Cluj

+40755 000 400

szilamer.kozma@otpbank.ro

Tudor Zaman - Bucuresti

+4021 30758 76

tudor.zaman@otpbank.ro



Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 906	↓ -0,94	↓ -0,28
S&P500	2 096	↓ -0,86	↓ -0,32
Nasdaq100	4 487	↓ -0,73	↓ -1,07
Russell2000	1 251	↓ -1,05	↑ 0,39
Stoxx600	393	↓ -0,83	↓ -2,68
DAX	11 341	↓ -0,69	↓ -2,21
FTSE 100	6 859	↓ -1,31	↓ -1,28
CAC40	4 987	↓ -0,93	↓ -2,02
ATX	2 612	→ 0,00	↑ 1,39
IBEX35	11 146	↓ -1,08	↓ -1,01
Nikkei 225	20 461	↓ -0,13	↓ -0,50
Hang Seng	27 288	↓ -0,96	↓ -0,50
SSEC	4 978	↑ 0,62	↑ 7,94
SENSEX	26 813	↓ -0,09	↓ -0,60
RTS	923	↓ -2,60	↓ -4,40
Bovespa	53 523	→ 0,00	↓ -0,84

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1237	↓ -0,33	↑ 2,23
EUR/CHF	1,0490	↓ -0,40	↑ 1,48
USD/GBP	1,5364	↑ 0,18	↑ 0,50
USD/JPY	124,49	↑ 0,10	↑ 0,31
AUD/USD	0,7695	↑ 0,10	↑ 0,77
USD/CAD	1,2495	↓ -0,06	↑ 0,40
USD/RUB	56,24	→ 0,00	↑ 7,41

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,7	↑ 1,1	↑ 1,4
CDS 5Y PIIS	15	↓ -4,7	↑ 3,0
CDS 5Y Italy	86	↓ -10,1	↓ -0,9
CDS 5Y Belg.	96	↓ -0,8	↑ 3,7
iTraxx 5Y EU	30,9	↑ 0,4	↑ 1,4
US TED Spread	64,6	→ 0,0	↓ -1,2

Source: Reuters, OTP Research

Summary

- The deadlock in the talks between Greece and its creditors left its mark on Thursday's trading, the stock markets of Europe and the USA closed with losses. Greece asked for a delay in the IMF repayment that is due today.
- The IMF lowered its forecast on US growth and asked the Fed to put off any interest rate rises.
- The most recent employment report will be out in the USA today.
- Today's meeting of Alexis Tsipras and Jean-Claude Juncker was cancelled.

European markets had closed before Greece requested a delay in the repayment it should have made today and said it would bundle four payments into one at the end of June instead. Yet the angst about its debt saga had adversely affected markets, causing losses to Western Europe's key benchmarks for the third day this week. The Stoxx600 shed 0.8%, but it was almost 2% in the red at one point on Friday, while bond yields also fell as Wednesday night's meeting of Alexis Tsipras and Jean-Claude Juncker failed to bring positions closer. Commodity producers were the weakest of the Stoxx600 sector indices; Anglo-American and Fresnillo slid more than 3%. Utility companies did not do well; Electricité de France contracted by 2.8%. Greece's ASE index and the Footsie were the worst performing national benchmarks. Owing to the Greek developments, Western Europe opened with huge losses.

Investors' anxiety about the impasse between Greece and its creditors dragged down American stock indices too. The Dow and the S&P subsided 0.9% each, all of the S&P's sector indices closed lower. Primary producers and the energy sector were the losers of the day. Neither did investment mood benefit from the IMF's move to cut its forecast on US growth; besides, it urged the Fed to put off the beginning of the tightening cycle until the first half of 2016. The WTI oil slipped 2.8% yesterday, wrecking the energy sector. Exxon Mobil declined by 0.9%, Chesapeake shrank 2%. Despite the cheaper oil, transportation and airline companies reversed Wednesday's gains yesterday.

Ahead of the OPEC's Friday meeting, the WTI and the Brent oil dropped 2.8% each. The euro weakened versus both the USD and the CHF.

Most of Asia's indices closed in the negative territory this morning, and Europe followed suit, opening with massive falls.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,67	↓ 0	↑ 3
US 10Y	2,32	↓ -5	↑ 18
JP 2Y	0,00	↓ -1	↓ 0
JP 10Y	0,48	↓ -2	↑ 8
GER 2Y	-0,17	↑ 2	↑ 6
GER 10Y	0,90	↑ 20	↑ 37

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	→ -0,75	→ -0,75

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
US 3M Libor	0,00	↑ 0	↓ 0
US 2Y Swap	0,90	↑ 2	↑ 90
US 5Y Swap	1,75	↑ 2	↑ 175
EUR 3M Euribor	-0,01	↑ 0	→ 0
EUR 2Y Swap	0,12	↓ 0	↑ 12
EUR 5Y Swap	0,49	↓ -6	↑ 49
GB 3M Libor	0,00	↑ 0	↑ 0
GB 2Y Swap	1,00	↓ -1	↑ 14
GB 5Y Swap	1,60	↑ 0	↑ 29
JP 3M Libor	0,00	↓ 0	↓ 0
JP 2Y Swap	0,14	↑ 1	↑ 14
JP 5Y Swap	0,29	↑ 0	↑ 29
CHF 3M Libor	0,00	→ 0	→ 0
CHF 2Y Swap	0,00	↑ 69	↑ 77
CHF 5Y Swap	0,00	↑ 22	→ 0

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	62,0	↓ -0,10	↓ -5,48
Gold	1 177	↑ 0,04	↓ -1,11

Source: Reuters, OTP Research

As expected, the Bank of England left its key policy rate on hold yesterday and kept its bond purchase programme in place.

Before today's release of May labour market report in the USA, a reassuring set of weekly employment data saw the light of day in America: initial jobless claims fell 8,000 last week, bringing down the continuing claims figure to its lowest in 14 years. However, productivity deteriorated stronger in the first quarter than had been thought.

Germany's industrial orders grew stronger in April than had been predicted.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	UK	Jun	Rate decision (%)	0,5	0,5	0,5
	US	weekly	Initial jobless claims ('000)	276	279	284
	US	weekly	Continued jobless claims ('000)	2 196	2 208	2 226
	US	Q1	Productivity, revised (QoQ, %)	-3,1	-2,9	-1,9
	RU	May	CPI (YoY, %)	15,8	15,9	16,4
Friday	DE	Apr	Industrial orders (YoY, %)	1,4	0,5	1,1
	US	May	Non-farm payrolls ('000)		225	223
	US	May	Manufacturing payrolls ('000)		5	1
	US	May	Unemployment rate (%)		5,4	5,4
	US	May	Average earnings (MoM, %)		0,2	0,1
	US	Apr	Consumer credit (USDbn)		16,7	20,5

Source: Reuters, OTP Research

Chief Economist
Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

Fundamental Analyst
Orsolya Rátkai
ratkaio@otpbank.hu
+36 1 374 7270

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