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Daily Report – Global Markets



STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 120	↑ 0,39	↑ 2,86
S&P500	2 124	↑ 0,80	↑ 2,73
Nasdaq100	4 595	↑ 1,47	↑ 5,58
Russell2000	1 273	↑ 0,66	↑ 0,59
Stoxx600	405	↑ 1,35	↑ 4,98
DAX	11 717	↑ 1,53	↑ 4,94
FTSE 100	6 796	↑ 0,63	↑ 2,62
CAC40	5 122	↑ 1,47	↑ 6,10
ATX	2 532	↑ 1,35	↑ 3,59
IBEX35	11 511	↑ 1,54	↑ 5,88
Nikkei 225	20 651	↑ 0,25	↑ 4,40
Hang Seng	25 467	↑ 1,21	↑ 2,27
SSEC	3 957	↑ 3,49	↑ 2,03
SENSEX	28 455	↑ 0,03	↓ -0,60
RTS	920	↑ 1,14	↑ 2,21
Bovespa	53 070	↑ 0,32	↑ 2,16

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,0874	↓ -0,67	↓ -2,40
EUR/CHF	1,0416	↓ -0,01	↓ -0,50
USD/GBP	1,5605	↓ -0,19	↑ 0,52
USD/JPY	123,96	↓ -0,14	↑ 0,99
AUD/USD	0,7403	↑ 0,04	↓ -0,44
USD/CAD	1,2954	↑ 0,02	↑ 2,36
USD/RUB	56,87	↓ -0,12	↑ 0,96

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,1	↓ -1,1	↓ -7,9
CDS 5Y PIIS	12	↓ -6,8	↓ -32,0
CDS 5Y Italy	88	↓ -7,1	↓ -36,5
CDS 5Y Belg.	96	↓ -0,5	↓ -4,6
iTraxx 5Y EU	30,6	↓ -3,4	↓ -13,9
US TED Spread	60,9	→ 0,0	↑ 0,0

Source: Reuters, OTP Research

Summary

- Greece will be given a bridge loan until the third rescue package is put together.
- In Thursday's benign sentiment, developed markets marched higher in unison.
- The ECB left its monetary policy in place, and emphasized that it would do its best to alleviate any market turbulences.

The Greek parliament's approval of the bailout terms earlier in the day led to sanguine trading sentiment on global markets on Thursday. Yesterday MPs in Finland and France also authorized their leaders to sign the deal, and German lawmakers will vote today. The ECB said it would raise EUR 900 million the daily cap on the ELA (emergency liquidity assistance) it had frozen at the beginning of July. This may be enough to re-open Greek banks on Monday, after three weeks of closure. An agreement was reached to grant bridge loan until the third rescue package is prepared, to secure financing for Greece to meet its payment obligations on 20 July and 20 August (a total of EUR 7.4 billion).

In America, the NASDAQ100 index hit an all-time high, as Google grew by 3%, eBay surged 3.4%, and Netflix skyrocketed 18%. Google, the giant best known for its search engine, jumped 12%, hitting a record high at USD 673, as its earnings report gave account of stronger-than-expected profit figures, and it pledged strict cost control for the coming quarters. In Europe, the Frankfurt and Paris stock markets advanced 1.5% each, and London's Footsie rose by 0.6%.

Yesterday's rate decision of the ECB left its monetary policy framework unchanged. President Mario Draghi said the ECB was prepared to use every available instrument (e.g. targeted government bond purchases) to safeguard the eurozone's stability, and if the bank deems it necessary, it may step up the current amount of monthly purchases (EUR 60 billion) it had launched under the QE in March.

In Asia's optimistic trading, the Shanghai stock exchange rallied 3.5% this morning, while Europe seemed to be correcting yesterday's positive attitude. Owing to the ECB's announcements, the EUR/USD is trading below 1.09, at its lowest in two months.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,67	↑	2	↑	5
US 10Y	2,36	↓	-1	↑	1
JP 2Y	0,01	↓	0	↓	-1
JP 10Y	0,45	↓	-1	↓	-1
GER 2Y	-0,23	↓	-1	↑	3
GER 10Y	0,77	↓	-7	↑	7

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	↑	1
US 2Y Swap	0,89	↑	2	↑	1
US 5Y Swap	1,73	↓	-2	↓	-2
EUR 3M Euribor	-0,02	→	0	↓	0
EUR 2Y Swap	0,10	↓	0	↓	-3
EUR 5Y Swap	0,46	↑	2	↓	-8
GB 3M Libor	0,00	↑	0	↑	1
GB 2Y Swap	1,16	→	0	↓	-1
GB 5Y Swap	1,73	↓	-1	↓	-2
JP 3M Libor	0,00	→	0	→	0
JP 2Y Swap	0,13	↓	0	↓	-1
JP 5Y Swap	0,26	↓	-1	↓	-2
CHF 3M Libor	0,00	↑	0	↑	3
CHF 2Y Swap	-0,74	→	0	↑	1
CHF 5Y Swap	-0,27	↓	-1	↑	1

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	57,1	↓	-0,75	↓	-2,81
Gold	1 145	↑	0,00	↓	-1,62

Source: Reuters, OTP Research

The eurozone's June inflation remained at 0.2% in the detailed publication.

Today the USA will release important statistics. A Reuters poll on inflation suggests a slight acceleration, while the property market's forward-looking indicators may remain encouraging, continuing the past two months' favourable statistics.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	EZ	Jun	CPI (final, YoY, %)	0,2	0,2	0,2
	EZ	Jul	Rate decision (%)	0,05	-	0,05
Friday	US	Jun	CPI (YoY, %)		0,1	0
	US	Jun	Core CPI (YoY, %)		1,8	1,7
	US	Jun	Building permits (ann, ths)		1150	1250
	US	Jun	Housing starts (ann, ths)		1 110,0	1 036,0
	US	Jul	University of Michigan, consumer confidence (prelim, point)		96,1	96,1

Source: Reuters, OTP Research

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