



**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 647	↑ 0,90	↑ 2,50
S&P500	2 075	↑ 1,10	↑ 2,07
Nasdaq100	4 624	↑ 2,68	↑ 4,18
Russell2000	1 166	↑ 1,00	↑ 0,15
Stoxx600	377	↑ 1,99	↑ 3,92
DAX	10 795	↑ 2,88	↑ 6,83
FTSE 100	6 444	↑ 1,06	↑ 1,04
CAC40	4 924	↑ 2,53	↑ 4,70
ATX	2 468	↑ 0,23	↑ 3,41
IBEX35	10 476	↑ 1,07	↑ 2,39
Nikkei 225	18 947	↑ 0,65	↑ 4,50
Hang Seng	23 085	↓ -0,29	↑ 0,04
SSEC	3 425	↑ 0,36	↑ 1,13
SENSEX	27 456	↓ -0,05	↓ -0,60
RTS	873	↑ 1,41	↓ -0,95
Bovespa	47 597	↓ -0,37	↑ 0,76

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1014	↓ -0,84	↓ -2,55
EUR/CHF	1,0779	↓ -0,27	↓ -0,39
USD/GBP	1,5313	↓ -0,51	↓ -0,96
USD/JPY	121,08	↓ -0,30	↑ 1,34
AUD/USD	0,7245	↑ 0,46	↓ -0,06
USD/CAD	1,3167	↑ 0,05	↑ 1,15
USD/RUB	62,61	↑ 0,70	↑ 0,37

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,5	↑ 0,0	↓ -0,6
CDS 5Y PIIS	14	↓ -5,7	↓ -9,7
CDS 5Y Italy	87	↓ -6,9	↓ -10,6
CDS 5Y Belg.	93	↓ -0,1	↓ -0,5
iTraxx 5Y EU	28,3	↓ -4,4	↓ -9,7
US TED Spread	69,7	⇒ 0,0	↑ 0,2

Source: Reuters, OTP Research

**Summary**

- At the post-meeting press conference on Thursday Mario Draghi said that the ECB was ready to review its asset purchases in December, and extend the programme beyond September 2016 if needed.
- The world's key stock indices closed higher on Friday.
- The dollar has appreciated against the euro.

Friday's trading sentiment was quite positive on the major stock markets of the world, owing to the cheering corporate earnings reports, macroeconomic data and the ECB's Thursday announcement. Speaking at the ECB Monetary Council's post-meeting press conference, Mario Draghi said the Bank was prepared to review its monthly EUR 60 billion asset purchases in December, and extend the programme beyond September 2016 if needed. This is a clear signal for the market that the EKB can not only increase the volume of, but also extend the duration of its quantitative easing.

Europe's stock indices reacted with a sharp increase, and the good mood persisted on Friday. On the last trading day of the week the Stoxx600 advanced 2%, the DAX soared 2.9%, the CAC40 surged 2.5%, and the FTSE100 rose by 1.1%. Moody's worsened the outlook on Austria's AAA debt rating from Stable to Negative, suggesting that a downgrade may follow. The agency's rationale cited the weak growth prospects.

The positive sentiment spread onto US markets too. The Dow upped 0.9%, the S&P500 climbed 1.1% higher, the NASDAQ100 added 2.7%, and the Russel2000 grew by 1%. In corporate news, Procter & Gamble's revenue of USD 16.5 billion is 12% less than a year earlier, largely owing to the dollar's firming. American Airlines' USD 10.7 billion revenue is 4% less than in the same period of last year. The company explained the drop with the strong dollar and with the weaker demand in Brazil and Venezuela.

Asia's markets closed mixed this morning. The Hang Seng dropped 0.3%, the SENSEX shed 0.05%, while the Nikkei225 was up 0.65%.

Following the ECB's Thursday announcement, the EUR retreated 2.65% versus the US dollar; after a slight euro firming on Friday morning, the EUR/USD fell further. This morning the euro opened on a stronger note against the greenback.

Trading on the Brent's market lacked a single direction last Thursday and Friday; it closed at 48 USD/barrel on Friday.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,64	↑	3	↑	4
US 10Y	2,08	↑	5	↑	6
JP 2Y	0,02	↑	2	↑	0
JP 10Y	0,31	↑	0	↓	-1
GER 2Y	-0,31	↓	-6	↓	-6
GER 10Y	0,50	↓	-7	↓	-6

**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	0,32	↑	0	↑	0
US 2Y Swap	0,76	↑	1	↑	6
US 5Y Swap	1,40	↓	-2	↑	6
EUR 3M Euribor	-0,06	↓	-1	↓	-1
EUR 2Y Swap	-0,02	↓	0	↓	-4
EUR 5Y Swap	0,27	↓	0	↓	-5
GB 3M Libor	0,58	↓	0	→	0
GB 2Y Swap	0,94	↑	2	↓	-1
GB 5Y Swap	1,43	↑	5	↑	7
JP 3M Libor	0,08	→	0	↑	0
JP 2Y Swap	0,09	↑	1	↓	-1
JP 5Y Swap	0,17	→	0	↓	-1
CHF 3M Libor	-0,73	→	0	→	0
CHF 2Y Swap	-0,79	↑	1	↓	-6
CHF 5Y Swap	-0,55	↓	-1	↓	-8

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	48,0	→	0,00	↓	-1,28
Gold	1 164	↓	-0,03	↓	-0,58

Source: Reuters, OTP Research

The October gauges of Markit's purchasing managers' indices for Europe and America, released on Friday, mostly surprised on the upside. The service sector PMI's growth in Germany, France, and the eurozone have all beaten analysts' expectations. The eurozone's manufacturing PMI, at 52.0, matches the previous month's reading and surpasses economists' forecast of 51.7. Germany's manufacturing PMI was 51.6, while the previous month's reading was 52.3 and analysts had predicted 51.8 for October. The US Markit manufacturing index was 54.2 in October, wrong-footing analysts who had projected 53.

Important statistics on US housing market are due out today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS	
Friday	FR	Oct	Markit manufacturing PMI (preliminary, point)	50,7	50,2	50,6	
	FR	Oct	Markit service sector PMI (preliminary, point)	52,3	51,6	51,9	
	DE	Oct	Markit manufacturing PMI (preliminary, point)	51,6	51,8	52,3	
	DE	Oct	Markit service sector PMI (preliminary, point)	55,2	54,0	54,1	
	EZ	Oct	Markit manufacturing PMI (preliminary, point)	52	51,7	52	
	EZ	Oct	Markit service sector PMI (preliminary, point)	54	54	54	
	PL	Sep	Unemployment rate (%)	9,7	9,9	10,0	
	US	Oct	Markit manufacturing PMI (preliminary, point)	54,0	53,0	53,1	
	Monday	DE	Oct	IFO economic sentiment index (point)		-	108,5
		US	Sep	New home sales (annualized monthly, ths)		550,0	552,0

Source: Reuters, OTP Research

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