



**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 623	↓ -0,13	↑ 2,28
S&P500	2 071	↓ -0,19	↑ 1,84
Nasdaq100	4 631	↑ 0,15	↑ 3,78
Russell2000	1 160	↓ -0,56	↓ -0,32
Stoxx600	376	↓ -0,39	↑ 3,20
DAX	10 801	↑ 0,06	↑ 6,27
FTSE 100	6 417	↓ -0,42	↑ 1,02
CAC40	4 897	↓ -0,54	↑ 4,10
ATX	2 468	↑ 0,23	↑ 3,41
IBEX35	10 478	↑ 0,02	↑ 2,65
Nikkei 225	18 777	↓ -0,90	↑ 3,13
Hang Seng	23 065	↓ -0,22	↑ 0,33
SSEC	3 420	↓ -0,27	↓ -0,15
SENSEX	27 261	↓ -0,37	↓ -0,60
RTS	858	↓ -1,70	↓ -1,23
Bovespa	47 209	↓ -0,81	↓ -0,50

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1056	↑ 0,38	↓ -2,55
EUR/CHF	1,0873	↑ 0,87	↑ 0,05
USD/GBP	1,5349	↑ 0,24	↓ -0,59
USD/JPY	120,70	↓ -0,31	↑ 0,73
AUD/USD	0,7240	↓ -0,08	↓ -0,25
USD/CAD	1,3169	↑ 0,14	↑ 1,49
USD/RUB	63,25	↑ 0,45	↑ 2,21

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,3	↑ 0,8	↑ 0,3
CDS 5Y PIIS	15	↓ -4,2	↓ -8,5
CDS 5Y Italy	87	↓ -4,6	↓ -9,8
CDS 5Y Belg.	93	↓ -0,4	↓ -1,2
iTraxx 5Y EU	27,9	↓ -4,4	↓ -9,7
US TED Spread	69,7	⇒ 0,0	↓ -0,9

Source: Reuters, OTP Research

**Summary**

- Advanced equity markets ran out of steam by Monday, as investors wait to see what the Fed's Wednesday meeting and the Bank of Japan's Friday rate decision hold for them.
- The energy sector and basic material producers saw the biggest losses in yesterday's session.
- BASF's earnings report missed expectations, and the company lowered its profit forecast for this year. BP's profit fell 40% year on year.

The optimism stemming from Mario Draghi's Thursday announcement and China's interest rate cut on Friday has evaporated by Monday; investors appear to be waiting to see what the Fed's Wednesday rate decision holds for them. The Bank of Japan's rate-setting meeting this Friday may also make investors think twice before placing their bets. Europe's stock indices performed mixed yesterday: the Stoxx600 index shed 0.4% and the FTSE dropped 0.5% yesterday. The DAX inched up only 6 basis points, while Germany's IFO business sentiment index eased less than had been thought. It was chiefly commodity producers and energy names that saw losses; while the Brent's price sank 1% in Monday's trading from where it slipped almost 1% this morning. PSA plunged 3.6% yesterday, after its quarterly sales data missed analysts' expectations. Dialog Semiconductor's share price contracted by 20%, also because of the worse-than-expected third quarter. BASF and BP also published their Q3 earnings this morning; the German chemical giant cut its 2015 growth forecast, as its Q3 revenue and profit both shrank, undershooting forecasts. On the other hand, BP's quarterly report exceeded market expectations: the low oil price helped its refinery segment, but the profit without one-off items contracted by 40% year on year. Earlier Barclay's analysts had opined that Europe's oil companies may hit rock bottom in Q3 this year; curbing costs and selling assets may be the solutions in the current environment.

America's stock indices moved mixed, chiefly energy companies and basic materials manufacturers saw losses. In the technology sector, Apple lost 3.2% as one of its suppliers, Dialog Semiconductor published disappointing quarterly figures. The NASDAQ was saved by the soaring of Google's parent company Alphabet and some biotech companies. The health care sector fared well, counterbalancing the energy sector's ailing within the S&P. Consumer discretionary also advanced: Amazon topped its 6.2% surge on Friday (when its earnings came out) by 1.6%, whereas Priceline and Netflix soared more than 3%.

Asia's markets closed lower this morning. The Hang Seng slipped 0.2%, the SENSEX dropped 0.4%, and the Nikkei225 fell 0.9%.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,64	→	0	↑	5
US 10Y	2,06	↓	-3	↑	3
JP 2Y	0,02	↑	0	↑	1
JP 10Y	0,32	↑	1	↓	-1
GER 2Y	-0,32	↓	0	↓	-5
GER 10Y	0,51	↑	1	↓	-4

**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	0,74	↑	0	↑	3
US 5Y Swap	1,38	↓	-1	↓	-2
EUR 3M Euribor	-0,06	↓	0	↓	-1
EUR 2Y Swap	-0,03	↑	0	↓	-7
EUR 5Y Swap	0,25	↓	-2	↓	-11
GB 3M Libor	0,00	→	0	↑	0
GB 2Y Swap	0,93	↓	-1	↓	0
GB 5Y Swap	1,40	↓	-3	↓	-1
JP 3M Libor	0,00	↓	0	↓	0
JP 2Y Swap	0,09	↓	-1	↓	0
JP 5Y Swap	0,16	↓	-1	↓	-2
CHF 3M Libor	0,00	↓	-1	↓	-1
CHF 2Y Swap	-0,82	↓	-3	↓	-10
CHF 5Y Swap	-0,56	↓	-2	↓	-10

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	47,1	↓	-0,95	↓	-3,33
Gold	1 164	↑	0,12	↓	-0,98

Source: Reuters, OTP Research

Even though the October reading of the German IFO economic research institute decreased since the previous month, it has beaten forecasts. The companies polled reported improved business expectations, which is surprising in the light of the Volkswagen scandal and the fears about China's deceleration. Nonetheless, the current conditions sub-index has been deteriorating for the second month in a row; it is at its lowest since March, although still above the long-term average.

The new home sales statistics published in the USA missed expectations, and the 468,000 reading was short of the previous month's gauge. America will publish a number of market-moving data today, including statistics on durable goods orders, the CaseShiller home price index, the service sector PMI, and a consumer sentiment index.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	DE	Oct	IFO economic sentiment index (point)	108,2	107,9	108,5
	US	Sep	New home sales (annualized monthly, ths)	468	550	552
Tuesday	JP	Sep	Retail sales (yoy, %)		0,4	0,8
	GB	Q3	GDP (yoy, %)		2,4	2,4
	US	Sep	Durable goods orders (mom, %)		-1,2	-2,3
	US	Aug	CaseShiller 20 index (mom, %, SA)		0,1	-0,2
	US	Oct	Markit Services flash PMI (points)		55,1	55,1
US	Oct	Consumer confidence index (points)		103,0	103,0	

Source: Reuters, OTP Research

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