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Daily Report – Global Markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 492	↓ -0,43	↓ -1,34
S&P500	2 048	↓ -0,77	↓ -1,53
Nasdaq100	4 622	↓ -1,55	↓ -1,37
Russell2000	1 146	↓ -1,17	↓ -2,11
Stoxx600	364	↓ -0,43	↓ -5,20
DAX	10 592	↓ -0,76	↓ -5,34
FTSE 100	6 127	↓ -0,14	↓ -4,58
CAC40	4 637	↓ -0,95	↓ -5,47
ATX	2 373	↓ -2,34	↓ -4,61
IBEX35	9 836	↓ -0,02	↓ -4,90
Nikkei 225	19 047	↓ -1,32	↓ -4,48
Hang Seng	21 753	↓ -0,23	↓ -2,96
SSEC	3 454	↓ -0,53	↓ -3,65
SENSEX	25 125	↑ 0,36	↓ -0,60
RTS	792	↑ 1,96	↓ -4,98
Bovespa	46 108	↑ 3,75	↑ 2,66

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1025	↑ 1,20	↑ 0,48
EUR/CHF	1,0837	↑ 0,27	↓ -0,25
USD/GBP	1,5180	↑ 1,16	↑ 0,24
USD/JPY	121,68	↑ 0,21	↓ -0,74
AUD/USD	0,7281	↑ 0,75	↓ -0,76
USD/CAD	1,3557	↓ -0,13	↑ 1,51
USD/RUB	69,32	↓ -0,41	↑ 2,81

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	19,6	↑ 2,0	↑ 3,7
CDS 5Y PIIS	20	↓ -2,2	↓ -3,1
CDS 5Y Italy	83	↓ -2,2	↓ -3,3
CDS 5Y Belg.	81	↑ 0,2	↓ -0,2
iTraxx 5Y EU	25,0	↑ 2,0	↑ 6,3
US TED Spread	75,0	⇒ 0,0	↑ 1,7

Source: Reuters, OTP Research

Summary

- The negative sentiment on Europe's markets has brought the key indices 0.4-0.8% down.
- America's benchmarks also underperformed, losing 0.4-1.5%.
- The USD and the CHF have advanced versus the EUR.

Wednesday's unsupportive sentiment on Europe's equity markets led to losses: the DAX fell 0.8%, the CAC40 closed 1.0% down, the Stoxx600 shed 0.4%, and the FTSE100 ended 0.1% lower. Volkswagen said that only 36,000 vehicles (instead of 800,000 as assumed earlier) are affected by the carbon-dioxide emission scandal (i.e. that many cars have a mismatch in the carbon-dioxide emission figure stated by the manufacturer versus the official test results). The report sent the carmaker's share price soaring more than 5%. But this shall not be confused with the diesel scandal, which is estimated to cost EUR 10 million. Rabobank Group announced plans to lay off 9,000 workers, or 19% of its total workforce, citing tougher supervisory rules. The Dutch bank is planning to shed EUR 150 billion in assets from its balance sheet by 2020.

The key indices of the USA were ailing too: the Dow sank 0.4%, the S&P500 dropped 0.8%, and the NASDAQ100 lost 1.6%. Despite the slump in oil prices, the energy names in the S&P fared well (+1.3%), and only basic material stocks saw considerable gains (+3%).

This morning Asia's markets closed in the red too. The Hang Seng eased 0.2%, the Nikkei225 dipped 1.3%, the SSEC slipped 0.5%; only the SENSEX grew by 0.4%.

The Brent oil sank 1.2%, to 40.4 USD/barrel by the close.

The USD lost 1.2% and the CHF retreated 0.27% versus the EUR yesterday. The JPY firmed 1.2% against the USD. This morning the CHF was seen appreciating against the EUR, after the monetary council of the Swiss National Bank left its key policy rate on hold.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,93	↓ -1	↓ -1
US 10Y	2,22	↓ -1	↑ 4
JP 2Y	-0,03	↓ 0	↓ -2
JP 10Y	0,31	↓ 0	↓ -2
GER 2Y	-0,31	↓ -1	↑ 12
GER 10Y	0,58	↓ -2	↑ 11

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	↑ 1	↑ 6
US 2Y Swap	1,02	↑ 2	↑ 1
US 5Y Swap	1,59	↑ 3	↓ -4
EUR 3M Euribor	-0,12	↓ 0	↓ 0
EUR 2Y Swap	-0,07	↓ -1	↓ -5
EUR 5Y Swap	0,25	↓ 0	↓ -9
GB 3M Libor	0,00	↑ 0	↑ 0
GB 2Y Swap	0,99	↑ 0	↓ -1
GB 5Y Swap	1,45	↑ 2	↑ 7
JP 3M Libor	0,00	↑ 0	↑ 1
JP 2Y Swap	0,09	↓ -1	↓ -1
JP 5Y Swap	0,15	↓ -1	↓ -2
CHF 3M Libor	0,00	⇒ 0	↑ 2
CHF 2Y Swap	-0,82	↑ 2	↑ 14
CHF 5Y Swap	-0,55	↓ -2	↓ -1

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	40,6	↑ 1,22	↓ -7,39
Gold	1 072	↓ -0,04	↑ 0,96

Source: Reuters, OTP Research

Germany's October trade balance statistics were released yesterday: exports contracted by 1.2% month on month, as opposed to the expected 0.5% decline; imports shrank by 3.4% from the previous month, whereas analysts had forecast only 1.0% contraction.

France published cheering data this morning: industrial production grew by 0.5% month/month in October, wrong-footing analysts who had predicted -0.1% decrease.

The USA is to publish the November balance of the Federal budget today. Elsewhere, the monetary council of the Bank of England will hold its rate decision.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	CN	Nov	CPI (yoy, %)	1,5	1,4	1,3
	DE	Oct	Exports (mom, %)	-1,2	-0,5	2,6
	DE	Oct	Imports (mom, %)	-3,4	-1,0	3,6
	US	Oct	Wholesale inventories (mom, %)	-0,1	0,1	0,5
Thursday	UK	Oct	Base rate (%)		0,5	0,5
	US	Nov	Federal budget balance (billion dollars)		-	-136,5
	FR	Oct	Industrial output (mom, %)	0,5	-0,1	0,0

Source: Reuters, OTP Research

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