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## Daily Report – Global Markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 865	↑ 2,11	↑ 2,64
S&P500	1 978	↑ 2,39	↑ 2,97
Nasdaq100	4 334	↑ 3,15	↑ 3,16
Russell2000	1 054	↑ 2,01	↑ 3,17
Stoxx600	339	↑ 1,44	↑ 3,34
DAX	9 717	↑ 2,34	↑ 3,19
FTSE 100	6 153	↑ 0,92	↑ 3,20
CAC40	4 407	↑ 1,22	↑ 3,97
ATX	2 192	↑ 1,74	↑ 2,67
IBEX35	8 611	↑ 1,77	↑ 4,15
Nikkei 225	16 747	↑ 4,11	↑ 5,22
Hang Seng	20 034	↑ 3,23	↑ 4,38
SSEC	2 848	↑ 4,18	↓ -2,78
SENSEX	24 178	↑ 1,68	↓ -0,60
RTS	786	↑ 2,28	↑ 3,27
Bovespa	44 122	↑ 3,10	↑ 3,76

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,0864	↓ -0,06	↓ -1,43
EUR/CHF	1,0837	↓ -0,17	↓ -0,40
USD/GBP	1,3946	↑ 0,22	↑ 0,14
USD/JPY	114,24	↑ 0,23	↑ 1,85
AUD/USD	0,7225	↑ 0,71	↑ 0,40
USD/CAD	1,3426	↑ 0,15	↓ -2,00
USD/RUB	73,41	↑ 0,03	↓ -3,15

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,7	↓ -2,9	↓ -3,3
CDS 5Y PIIS	18	↓ -13,2	↓ -18,6
CDS 5Y Italy	123	↓ -6,0	↓ -8,6
CDS 5Y Belg.	120	↓ 0,0	↓ -2,0
iTraxx 5Y EU	34,5	↓ -3,3	↓ -12,5
US TED Spread	95,1	⇒ 0,0	↑ 0,3

Source: Reuters, OTP Research

**Summary**

- Tuesday's trading was fairly positive on the world' stock markets.
- Moody's has cut its outlook for China to Negative from Stable, yet Asia opened with massive gains today.
- The New York Stock exchange's owner, ICE considers a takeover bid for the London Stock Exchange.

In Tuesday's supportive sentiment in Europe, the Stoxx600 gained 1.44%, the DAX rallied 2.3%, the CAC40 added 1.2%, and the FTSE100 rose by 0.9%. Yesterday Spain's Abengoa reported EUR 1.2 billion loss for year 2015. The energy company plans to reduce its EUR 9 billion debt to EUR 3 billion, with 70% write-off for banks. After the recapitalization talks halted last year, it filed for bankruptcy protection and started to develop its reorganization strategy. Yesterday Moody's downgraded the Enquest and Seadrill oil companies (by one and three notches respectively) and warned that the low oil prices may keep energy companies under downgrade pressure. According to Reuters' sources, Fiat Chrysler, which is not conducting acquisition talks, deems similar multi-brand strategy very important in later buy-ups. Speculation began after Peugeot said last week that it was open to making use of strategic opportunities in this industry. Lego's CEO is more than satisfied with 3-4% growth in China, he said yesterday, because the company's shift to consumption-driven growth leaves the toy maker with plenty of opportunities even with slower expansion.

US stock markets also fared well yesterday. The DJIA increased by 2.1%, the S&P500 rallied 2.4%, the NASDAQ100 surged 3.2%, and the Russell 2000 closed 2% higher yesterday. According to Reuters' information, the New York Stock Exchange's new owner, Intercontinental Exchange (ICE) considers a takeover offer for the London Stock Exchange, which is in also in talks with Deutsche Börse.

Asia's stock markets opened with impressive gains this morning, when the Nikkei 225 jumped 4.1% higher, the Hang Seng surged 3.2%, and the Sensex advanced 1.7%. On Tuesday Moody's worsened its outlook on China from Stable to Negative, citing poor fiscal indicators, shrinking currency reserves, and the uncertain commitment of China's leaders to reforms. Japan's biggest banks expect yen appreciation this year, because the US interest rate hikes may last longer, and the yen's exchange rate will be less and less sensitive to the BoJ's quantitative easing.

The Brent oil's price rose 0.2% this morning. An article by Bloomberg identifies the accumulated inventories as Saudi Arabia's biggest enemy, rather than US shale oil, because they can put prices under pressure for years even after production is reduced. The International Energy Agency forecasts oil inventories to rise until the end of 2017.

**GOV'T BOND MARKET**

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,84	↑ 6	↑ 9
US 10Y	1,82	↑ 8	↑ 10
JP 2Y	-0,22	↑ 1	↓ -2
JP 10Y	-0,03	↑ 2	↓ -4
GER 2Y	-0,57	↓ -3	↓ -4
GER 10Y	0,11	↓ -3	↓ -8

**CENTRAL BANKS' RATES**

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0,5	↑ 0,75	↑ 1,25
ECB Rate	0,05	→ 0,05	→ 0,05
BOE Rate	0,50	↑ 0,75	↑ 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	0,88	↑ 0	↑ 9
US 5Y Swap	1,20	↓ -1	↑ 9
EUR 3M Euribor	-0,21	↓ 0	↓ -1
EUR 2Y Swap	-0,20	↑ 1	↓ -3
EUR 5Y Swap	-0,02	↑ 2	↓ -4
GB 3M Libor	0,00	↑ 0	↑ 0
GB 2Y Swap	0,73	↑ 2	↓ -3
GB 5Y Swap	0,90	↑ 4	↓ -9
JP 3M Libor	0,00	↑ 0	↓ 0
JP 2Y Swap	-0,17	↑ 2	↓ -3
JP 5Y Swap	-0,13	↑ 1	↓ 0
CHF 3M Libor	0,00	↑ 0	↓ -2
CHF 2Y Swap	-0,91	↑ 3	↓ -1
CHF 5Y Swap	-0,70	↑ 1	↓ -5

**COMMODITIES**

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	36,9	↑ 0,22	↑ 7,21
Gold	1 226	↓ -0,49	↓ -0,25

Source: Reuters, OTP Research

A number of countries published manufacturing PMIs yesterday. Those from the eurozone, Germany and the USA have beaten expectations, but the figures from China and France undershot forecasts. The rate of unemployment in Germany remained at 6.2%, and the unemployment rate in the euro zone fell to 10.3%.

Today's publication on Switzerland's GDP came as a positive surprise. Later in the day, the ADP non-farm employment change and the Fed's Beige Book will be out.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	CN	Feb	Caixin Manufacturing PMI (points)	48,0	48,3	48,4
	EZ	Feb	Markit Manufacturing PMI (points)	51,2	51,0	51,0
	EZ	Jan	Unemployment rate (%)	10,3	10,4	10,4
	DE	Feb	Markit Manufacturing PMI (points)	50,5	50,2	50,2
	DE	Jan	Unemployment rate (%)	6,2	6,2	6,2
	UK	Feb	Markit Manufacturing PMI (points)	50,8	52,2	52,9
	CH	Feb	Markit Manufacturing PMI (points)	51,6	49,6	50,0
	US	Feb	ISM Manufacturing PMI (points)	49,5	48,5	48,2
	US	Jan	Construction spending (mom, %)	1,5	0,4	0,1
	US	Feb	Total vehicle sales (millions)	17,5	17,7	17,6
	Wednesday	CH	Q4	GDP (qoq, %)	0,4	0,2
CH		Q4	GDP (yoy, %)	0,4	0,1	0,8
US		Feb	ADP National employment (mom, thousands)		185,0	205,0
US		-	Fed Beige Book		-	-

Source: Reuters, OTP Research

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