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Daily Report – Global Markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 706	↓ -0,20	↓ -1,04
S&P500	2 059	↑ 0,08	↓ -1,09
Nasdaq100	4 341	↑ 0,26	↓ -0,91
Russell2000	1 118	↑ 0,32	↓ -0,31
Stoxx600	333	↑ 0,47	↓ -2,35
DAX	9 980	↑ 1,12	↓ -1,41
FTSE 100	6 115	↓ -0,18	↓ -2,04
CAC40	4 323	↑ 0,50	↓ -2,70
ATX	2 217	↓ -1,02	↓ -4,59
IBEX35	8 661	↓ -0,47	↓ -4,00
Nikkei 225	16 541	↑ 2,00	↑ 2,44
Hang Seng	20 143	↓ -0,07	↓ -2,58
SSEC	2 839	↑ 0,25	↓ -5,13
SENSEX	25 666	↓ -0,09	↓ -0,60
RTS	912	↓ -0,49	↓ -4,11
Bovespa	50 990	↓ -1,41	↓ -4,80

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1381	↓ -0,18	↓ -1,06
EUR/CHF	1,1051	↓ -0,32	↑ 0,72
USD/GBP	1,4406	↓ -0,15	↓ -0,87
USD/JPY	108,80	↑ 0,45	↑ 2,07
AUD/USD	0,7329	↑ 0,21	↓ -2,06
USD/CAD	1,2967	↑ 0,05	↑ 1,95
USD/RUB	66,54	↓ -0,07	↑ 0,17

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,6	↓ -0,2	↓ -0,1
CDS 5Y PIIS	15	↑ 1,2	↑ 3,6
CDS 5Y Italy	117	↑ 0,0	↑ 3,8
CDS 5Y Belg.	111	↑ 0,2	↑ 1,2
iTraxx 5Y EU	38,5	↑ 0,9	↑ 8,8
US TED Spread	79,4	⇒ 0,0	↓ -3,7

Source: Reuters, OTP Research

Summary

- The DAX grew by 1.1% after Germany released cheering factory goods orders data.
- China's weaker-than-expected trade balance data pushed commodity-related names in the red in London.
- The Brent oil fell more than 4% yesterday.

Western Europe's leading indices closed with gains on the first day of the week, except for the FTSE100's 0.2% drop. The London stock exchange was largely dragged down by commodity-related names, mostly because of the disappointing trade balance data from China. Nose-diving 13.8% made Anglo American the loser of the day, closely followed by Glencore (-9%), Rio Tinto (-7.9%), and BHP Billiton (-6.1%). France's CAC40 advanced 0.5%, and Germany's DAX added 1.1% in Monday's session. The German index's good performance greatly benefited from Monday morning's publication of the March factory orders data, which topped expectations. The winner of the day there was Deutsche Telekom (+2.9%); but pharmaceutical and car manufacturing businesses also made healthy gains. Greece's stock exchange closed 0.7% higher, after the parliament approved the austerity measures required for the new tranche of the third rescue package. This may help the country reach another agreement with creditors in two weeks' time.

America's stock markets changed little in Monday's trading. Investors' decisions were influenced by re-intensifying worries about the deceleration in China's economic growth and the uncertainty surrounding the agreement among oil producing countries. The Dow dipped 0.2%, while the NASDAQ100 and the Russell2000 rose by 0.3%; the S&P500 closed flat. The weakest names in the Dow were Caterpillar (-3.5%) and Chevron (-1.5%).

Asia's markets moved mixed in this morning's trading. Japan's Nikkei225 advanced 2.2% by the close, while the Shanghai Composite and the Hang Seng oscillated near the previous day's close.

Ending a day of ebbs and flows, the EUR/USD closed 0.2% down yesterday. The USD firmed 0.5% versus the JPY.

The crude oil market barely moved on Monday morning, but the Brent (-4.1%) and the WTI (-3%) started to fall sharply at midday. The continued wildfire in Alberta, Western Canada cause supply disruption in oil sand production, which can ultimately reduce inventories. Meanwhile, the dismissal of the Saudi Energy Minister adds to the uncertainty whether OPEC members could come to an agreement in June. Most probably, his successor will not change the country's existing energy policy, and will continue to struggle for its share in the world market; maintaining production even if prices are lower, squeezing out the more expensive producers (e.g. US shale producers). China imported 7.96 million barrels of oil in April, nearing the record hit in February, the latest statistics show.

GOV'T BOND MARKET				
	Yield (%)	Daily chg (bp)	Weekly chg (bp)	
US 2Y	0,72	↓ -2	↓ -6	
US 10Y	1,75	↓ -4	↓ -10	
JP 2Y	-0,24	↑ 0	↓ -24	
JP 10Y	-0,10	↑ 2	↓ -10	
GER 2Y	-0,49	↑ 2	↓ -2	
GER 10Y	0,17	↑ 2	↓ -11	

CENTRAL BANKS' RATES				
	Rate (%)	6M Consensus	1Y Consensus	
Fed Funds	0,5	↑ 0,75	↑ 1,25	
ECB Rate	0,00	↑ 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	0,84	↑ 0	↓ -5	
US 5Y Swap	1,14	↑ 0	↓ -7	
EUR 3M Euribor	-0,26	↓ 0	↓ -1	
EUR 2Y Swap	-0,17	↓ -1	↓ -2	
EUR 5Y Swap	-0,02	↓ -4	↓ -4	
GB 3M Libor	0,00	↓ 0	↓ 0	
GB 2Y Swap	0,75	↓ -2	↓ -3	
GB 5Y Swap	0,98	↓ -2	↓ -15	
JP 3M Libor	0,00	↓ 0	↓ 0	
JP 2Y Swap	-0,15	↓ -1	↓ -3	
JP 5Y Swap	-0,10	↓ -1	↓ -2	
CHF 3M Libor	0,00	→ 0	↓ 0	
CHF 2Y Swap	-0,74	↓ -3	↓ -3	
CHF 5Y Swap	-0,60	↓ -2	↓ -3	

COMMODITIES			
	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	43,8	↑ 0,32	↓ -2,67
Gold	1 264	↑ 0,02	↓ -1,70

Source: Reuters, OTP Research

Germany published an important gauge yesterday: industrial orders' growth in March has exceeded forecasts. According to the German economy ministry's data, factory orders in the first three months of the year were 0.5% higher than in the previous quarter. However, the month/month March industrial output data published in Germany this morning, was disappointing (-1.3%), even compared to the not too ambitious expectations (-0.2%). This is the weakest figure in the past 12 months.

The month/month reading of wholesale inventories in March is due out in the United States today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	CH	Apr	Export (yoy, %)	-1,8	-0,1	11,5
	CH	Apr	Import (yoy, %)	-10,9	-5,0	-7,6
	EZ	May	Sentix confidence indicator (points)	6,2	6,1	5,7
	DE	Mar	Industrial orders (mom, %)	1,9	0,7	-0,8
	UK	Apr	Halifax house price index, 3M (yoy, %)	9,2	9,5	10,1
Tuesday	DE	Mar	Industrial output (mom, %)	-1,3	-0,2	-0,5
	DE	Mar	Export (mom, %)	1,9	0,0	1,3
	US	Mar	Wholesale Inventories (mom, %)		0,1	-0,5

Source: Reuters, OTP Research

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