

## Treasury Sales Team

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## Daily Report – Global Markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 828	↓ -0,13	↑ 2,25
S&P500	2 090	↓ -0,02	↑ 2,45
Nasdaq100	4 488	↑ 0,26	↑ 3,99
Russell2000	1 140	↓ -0,11	↑ 2,47
Stoxx600	349	↑ 0,10	↑ 4,49
DAX	10 273	↑ 0,66	↑ 4,87
FTSE 100	6 266	↑ 0,04	↑ 3,51
CAC40	4 513	↑ 0,69	↑ 5,37
ATX	2 273	→ 0,00	↑ 4,11
IBEX35	9 079	↓ -0,50	↑ 4,66
Nikkei 225	16 835	↑ 0,37	↑ 1,13
Hang Seng	20 479	↑ 0,40	↑ 3,16
SSEC	2 821	↓ -0,06	↓ -0,17
SENSEX	26 567	↑ 0,76	↓ -0,60
RTS	919	↑ 1,19	↑ 3,77
Bovespa	49 483	→ 0,00	↓ -1,30

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1192	↑ 0,35	↓ -0,29
EUR/CHF	1,1073	↑ 0,18	↓ -0,36
USD/GBP	1,4664	↓ -0,20	↑ 1,13
USD/JPY	109,71	↓ -0,04	↓ -0,39
AUD/USD	0,7223	↓ -0,03	↑ 0,06
USD/CAD	1,2994	↑ 0,14	↓ -0,89
USD/RUB	65,87	↑ 0,01	↓ -1,29

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,4	↓ -0,5	↓ -2,9
CDS 5Y PIIS	13	↓ -1,6	↓ -1,9
CDS 5Y Italy	112	↓ -3,0	↓ -3,0
CDS 5Y Belg.	108	↑ 0,0	↓ -0,6
iTraxx 5Y EU	36,9	↓ -0,5	↓ -9,1
US TED Spread	70,6	→ 0,0	↑ 4,6

Source: Reuters, OTP Research

**Summary**

- Europe's and Asia's indices made modest gains; US stock markets made subtle moves yesterday.
- Markets are waiting for the Fed's June decision, and received Thursday's data with mixed feelings.
- Oil prices made a brief visit above USD 50 yesterday.

Europe's stock indices made modest gains on Thursday, with the DAX (+0.66%) and the CAC40 (+0.69%) being the top performers. IBEX (-0.5%) was dragged down mostly by Spanish banking shares. In Europe, mining and commodity names excelled, benefiting from the rise in copper price. ArcelorMittal's 6.9% surge was the biggest gain in the sector, after Goldman Sachs raised the target price on its shares. The banking sector was the loser of the day in Europe. Spain's Banco Popular plunged 25.64% following an unexpected EUR 2.4 billion cash call. This dragged down periphery countries' banks; the financial sector index slipped 0.5%. Oil shares dropped 0.3%, while the Brent's price returned below 50 USD/barrel. Daily Mail's shares fell 10.8% after the announcement that the declining revenue from print media advertisements will lower its first-half-year profits.

US indices barely moved and generated light turnover yesterday. The Dow (-0.13%), the S&P500 (-0.02%), and the Russell 2000 (-0.11%) all sank into the red, while the NASDAQ100 crept higher (+0.26%). The utilities sector and consumer goods producers climbed higher, while the commodity, energy, and financial sectors fell. Of the S&P500's constituents, Apple rose by 0.8% while Citigroup shed 1.8%. The Dollar General retailer gained 4%, and Dollar Tree rallied 13%, as both companies posted better-than-expected quarterly data. Abercrombie's shares fell 15.67%, after reporting the 13th month of shrinking sales.

Japan's stock exchange upped on the back of news that the government will postpone by at least two years the VAT increase planned for April 2017, probably owing to the weak inflation. Asia's other indices also posted gains this morning.

**GOV'T BOND MARKET**

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,88	↓ -5	↓ -1
US 10Y	1,83	↓ -3	↓ -2
JP 2Y	-0,23	↓ 0	↓ -1
JP 10Y	-0,11	↓ -2	↓ -3
GER 2Y	-0,51	↓ 0	↓ -1
GER 10Y	0,15	↓ -2	↓ -4

**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	0,67	↑ 0	↑ 3
US 2Y Swap	0,99	↓ -1	↓ -1
US 5Y Swap	1,31	↑ 1	↑ 2
EUR 3M Euribor	-0,26	→ 0	→ 0
EUR 2Y Swap	-0,16	↓ 0	↑ 0
EUR 5Y Swap	0,00	↓ -2	↓ -1
GB 3M Libor	0,59	↓ 0	↑ 0
GB 2Y Swap	0,84	↓ -1	↓ 0
GB 5Y Swap	1,09	↓ -2	↑ 5
JP 3M Libor	-0,02	↑ 0	↑ 0
JP 2Y Swap	-0,14	↑ 0	↓ 0
JP 5Y Swap	-0,11	↓ 0	↓ -1
CHF 3M Libor	-0,73	↑ 0	↑ 0
CHF 2Y Swap	-0,68	↓ -1	↑ 7
CHF 5Y Swap	0,00	↓ -1	↑ 5

**COMMODITIES**

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	49,2	↓ -0,85	↑ 0,92
Gold	1 221	↑ 0,09	↓ -2,49

Source: Reuters, OTP Research

Markets are waiting to hear Janet Yellen Fed chair's Friday afternoon speech, as she may hint at the future of the US interest rates. On Thursday two Fed presidents (Bullard and Powell) referred to the impending interest rate hike, and the recent job market data was also reassuring. But the assessment of factory orders' structure was mixed, and the preliminary purchasing managers' indices (PMI) for May also signify weakness, after the growth seen in the first quarter. Thursday's news pushed US bond yields about five basis points lower almost across the whole yield curve.

Oil prices spiked above 50 USD/barrel, only to close below both the 50-dollar mark and its opening price, owing to fears about the oversupply on the oil market.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Thursday	UK	Q1	GDP (yoy, %)	2,0	2,1	2
	UK	Q1	GDP (qoq, %)	0,4	0,4	0,4
	US	Apr	Durable goods (mom, %)	3,4	0,8	1
	US	Apr	Pending home sales (mom, %)	5,1	0,6	1,4
Friday	JP	Apr	CPI (yoy, %)	-0,5	-	-0,3
	US	Q1	GDP (second estimation, qoq, annualized, %)		0,8	0,5*
	US	May	Janet Yellen at Harvard University		-	-

Source: Reuters, OTP Research

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