

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 067	↓ -1,41	↓ -2,54
S&P500	2 127	↓ -1,48	↓ -2,72
Nasdaq100	4 723	↓ -0,88	↓ -2,21
Russell2000	1 212	↓ -1,91	↓ -3,86
Stoxx600	339	↓ -1,03	↓ -3,07
DAX	10 387	↓ -0,43	↓ -2,81
FTSE 100	6 666	↓ -0,53	↓ -2,35
CAC40	4 387	↓ -1,19	↓ -3,15
ATX	2 356	↓ -0,81	↓ -1,05
IBEX35	8 724	↓ -1,61	↓ -1,97
Nikkei 225	16 614	↓ -0,69	↓ -2,74
Hang Seng	22 129	↑ 0,04	↓ -2,18
SSEC	3 005	↓ -0,61	↓ -2,81
SENSEX	28 306	↓ -0,17	↓ -0,60
RTS	969	↓ -1,55	↓ -2,69
Bovespa	56 821	↓ -3,01	↓ -5,50

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1217	↓ -0,13	↓ -0,08
EUR/CHF	1,0953	↑ 0,32	↑ 0,60
GBP/USD	1,3193	↓ -1,05	↓ -1,08
USD/JPY	102,95	↑ 0,41	↑ 1,22
AUD/USD	0,7480	↑ 0,24	↓ -2,50
USD/CAD	1,3154	↓ -0,14	↑ 2,11
USD/RUB	65,05	↓ -0,57	↑ 1,41

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,9	↑ 2,7	↑ 5,8
CDS 5Y PIIS	18	↑ 0,8	↑ 0,8
CDS 5Y Italy	117	↑ 0,8	↑ 0,4
CDS 5Y Belg.	116	→ 0,0	↓ -0,9
iTraxx 5Y EU	22,6	↑ 1,4	↑ 5,6
US TED Spread	71,4	→ 0,0	↓ -1,5

Source: Reuters, OTP Research

Summary

- Investor sentiment has not improved in Europe or America.
- The IEA lowered its oil demand forecast; oil price has significantly fallen.
- The GBP fell after the publication of weak UK inflation data.

The IEA's fresh oil market report projects that the oversupply may persist longer than had been thought; this message depressed crude price and weighed on oil shares. Following the speech of Fed decision maker Lael Brainard, US interest rate expectations reduced, dragging down US banking shares on Tuesday. By Wednesday morning, Asia's markets stood in the red but European stock markets' futures indicated slight gains.

Reversing the morning's gains, European stock markets fell in the afternoon, and US markets opened with losses on Tuesday. The STOXX Europe 600 index dropped nearly 1%, dragged down by the weak performance of mining and energy companies. In the USA, all sectors contributed to stock indices' slump.

US mobile service providers reported robust demand for the new iPhone model, with pre-orders quadrupling since last year. The news sent Apple's share price almost 3% higher. Bayer made a new bid to buy Monsanto, the seeds and pesticides company on Tuesday. This offer, with a total value of USD 56.5 billion, is 22% above Monsanto's current share price.

The GBP's meaningful weakening against the EUR and USD on Tuesday was due to the lower-than-expected inflation data, which may spur the BoE to ease monetary conditions. US and German government bond yields have increased.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,79	↑	3	↑	6
US 10Y	1,73	↑	6	↑	18
JP 2Y	-0,26	↓	-2	↓	-7
JP 10Y	-0,03	↓	-2	↑	1
GER 2Y	-0,64	↓	-2	↑	0
GER 10Y	0,03	↑	1	↑	8

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,5	↑	0,75	↑	1,25
ECB Rate	0,00	→	0,00	→	0,00
BOE Rate	0,25	→	0,25	→	0,25
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	0,85	↑	0	↑	2
US 2Y Swap	1,01	↓	-3	↑	3
US 5Y Swap	1,22	↓	-1	↑	11
EUR 3M Euribor	-0,30	↑	0	↑	0
EUR 2Y Swap	-0,22	↓	-1	↑	3
EUR 5Y Swap	-0,08	↑	2	↑	10
GB 3M Libor	0,38	↓	0	↓	0
GB 2Y Swap	0,47	↑	1	↓	-3
GB 5Y Swap	0,62	↑	5	↑	14
JP 3M Libor	-0,03	↓	0	↓	-1
JP 2Y Swap	-0,13	↓	-1	↓	-3
JP 5Y Swap	-0,09	↓	-2	↑	0
CHF 3M Libor	-0,74	↑	0	↑	1
CHF 2Y Swap	-0,65	↑	4	↑	4
CHF 5Y Swap	-0,53	↓	-2	↑	4

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	47,1	↓	-2,52	↓	-1,46
Gold	1 319	↓	-0,64	↓	-1,76

Source: Reuters, OTP Research

Oil price has significantly fallen, after the IEA predicted subdued demand, and more persistent oversupply on the oil market than had been estimated. This has confirmed OPEC's recent assessment of the oil market. The weak demand adds to analysts' doubts if OPEC's 26-28 September meeting could decide to hold back production. Nevertheless, the weekly US inventory figures were below expectations, which helped stabilize the WTI's price. Precious metal and crop prices also sank on Tuesday.

Of the macrostatistics released on Tuesday, chiefly the lower-than-expected UK inflation figure had a market-moving effect. Germany's ZEW sentiment index paints a gloomy picture of growth prospects, but the Chinese data somewhat surpassed expectations. Wednesday's most important publication is industrial production data from the eurozone.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS	
Tuesday	CN	Aug	Industrial output (yoy, %)	6,3	6,1	6,0	
	CN	Aug	Urban investments (yoy, %)	8,1	8	8,1	
	CN	Aug	Retail sales (yoy, %)	10,6	10,6	10,2	
	DE	Aug	CPI, final (yoy, %)	0,4	0,4	0,4	
	DE	Sep	ZEW Economic Sentiment (points)	0,5	2,5	0,5	
	UK	Aug	CPI (yoy, %)	0,6	0,7	0,6	
	US	Aug	Federal budget (USD bn)	-107	-108	-113	
	Wednesday	EZ	Jul	Industrial output (mom, %)		-0,8	0,6

Source: Reuters, OTP Research

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