



**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 329	↑ 0,49	↑ 0,41
S&P500	2 164	↑ 0,46	↑ 0,11
Nasdaq100	4 894	↑ 0,60	↑ 0,56
Russell2000	1 251	↑ 1,15	↑ 0,89
Stoxx600	342	↑ 0,69	↓ -0,36
DAX	10 624	↑ 1,27	↑ 1,08
FTSE 100	7 098	↑ 0,75	↑ 1,63
CAC40	4 497	↑ 1,06	↑ 0,98
ATX	2 407	↑ 0,69	↑ 0,08
IBEX35	8 702	↑ 0,90	↓ -0,57
Nikkei 225	17 023	↑ 0,97	↑ 3,28
Hang Seng	23 538	↓ -1,31	↓ -0,64
SSEC	3 057	↑ 0,29	↑ 1,74
SENSEX	n.a	n.a	n.a
RTS	1 018	↑ 1,58	↑ 1,31
Bovespa	61 668	↑ 0,92	↑ 3,71

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1137	↓ -0,56	↓ -0,74
EUR/CHF	1,0941	↓ -0,05	↓ -0,24
GBP/USD	1,2358	↓ -0,60	↓ -2,89
USD/JPY	104,00	↑ 0,41	↑ 1,09
AUD/USD	0,7552	↓ -0,71	↓ -0,88
USD/CAD	1,3197	↑ 0,18	↑ 0,05
USD/RUB	62,10	↑ 0,47	↓ -1,09

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,4	↓ -0,1	↓ -0,2
CDS 5Y PIIS	13	↓ -3,9	↓ -6,4
CDS 5Y Italy	121	↓ -4,2	↓ -6,6
CDS 5Y Belg.	125	↓ -0,4	↓ -1,1
iTraxx 5Y EU	20,1	↓ -1,0	↓ -1,3
US TED Spread	72,8	⇒ 0,0	↓ -1,8

Source: Reuters, OTP Research

**Summary**

- Russia's supporting OPEC's output freeze cheered up investors on both sides of the Atlantic.
- Crude prices are on the rise, boosting oil producer and mining shares.
- Samsung is to stop producing its Galaxy Note 7; Apple and Google may fill the market niche.
- Today Alcoa unofficially kicks off the quarterly earnings season in the USA.

Russia's announcement on Monday to support OPEC's initiative to set production limits, agreed during an informal meeting at the end of September, triggered a rally in the price of oil and its producers. Saudi Arabia's Energy Minister topped this by adding that oil price may hit 60 USD/barrel by the end of this year. On Monday the Stoxx600 index closed 0.7% higher, working off the morning's 0.6% loss. At sector level, oil producers and mining companies were the best performers, closely followed by the automotive industry. Royal Dutch Shell advanced 2.3%, Total SA rallied 2.0% as the Brent upped 2%, and the WTI surged 2.8%. Russia's RTS index added 1.6%. In mining companies, Rio Tinto soared 2.1%, and BHP Billiton shot up 2.8%. The FTSE rose by 0.8% and the DAX gained 1.3%. The winners of the DAX were the steel giant ThyssenKrupp (+3.4%), Deutsche Bank (+2.5%) and E.On (+2.3%); but car manufacturers also fared well: Volkswagen advanced 1.6%, Daimler rallied 1.3%, and BMW went up 0.9%. Nearly all European benchmarks closed higher, Italy's index also benefited from cheering industrial output statistics. Today Europe's stock markets are likely to edge down as Asia did this morning; this is what British, French and German index futures suggest. But the release of a EUR 1.1 billion tranche of the rescue package may brighten up Greece today.

America's equity market was on the mend yesterday, the recovery of petroleum prices helped oil companies climb higher, lifting US benchmarks. The Dow and the S&P were each up 0.5% on Monday, when the NASDAQ100 increased by 0.6%. All of the S&P's sectors ended in positive territory, with the energy sector being the strongest performer, followed by utilities and tech names. Exxon Mobil closed with 2.0% gain and Chevron grew by 1.7%. One big winner of the tech sector was Apple (+1.8%), as Samsung stops the manufacturing of the dangerous Galaxy Note 7, which tends to catch fire; thus, with the Christmas season coming, Apple and Google may offer alternatives to it on the market of large-screen smartphones. Alcoa's report, due out today, will unofficially kick off the Q3 earnings season. A Bloomberg poll expects the S&P500 companies' cumulated profit to drop 1.6% year on year, but the actual facts exceeded expectations by an average of 3.6% percentage points in the past five years, thus higher profits cannot be ruled out.

Asia's stock markets opened mixed. Mainland China was optimistic after US markets closed with gains but the Hong Kong index fell. Many names, including Samsung, ended in the red this morning, China has maintained its slight advantage. There is no trading in India today.

**GOV'T BOND MARKET**

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,87	↑ 87	↑ 7
US 10Y	1,77	↑ 177	↑ 14
JP 2Y	-0,27	↓ -27	↑ 0
JP 10Y	-0,06	↓ -6	→ 0
GER 2Y	-0,66	↑ 0	↑ 2
GER 10Y	0,01	↑ 2	↑ 13

**CENTRAL BANKS' RATES**

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0	↑ 0,75	↑ 1,25
ECB Rate	0,00	→ 0,00	→ 0,00
BOE Rate	0,25	→ 0,25	→ 0,25
BOJ Rate	0,00	↑ 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	↑ 2
US 2Y Swap	1,08	↑ 3	↑ 4
US 5Y Swap	1,28	↑ 2	↑ 5
EUR 3M Euribor	-0,31	↓ 0	↓ 0
EUR 2Y Swap	-0,21	↓ 0	↑ 1
EUR 5Y Swap	-0,07	↑ 3	↑ 6
GB 3M Libor	0,00	↑ 1	↑ 1
GB 2Y Swap	0,55	↑ 4	↑ 0
GB 5Y Swap	0,68	↑ 5	↑ 20
JP 3M Libor	0,00	↓ 0	↑ 1
JP 2Y Swap	-0,09	↑ 0	↑ 0
JP 5Y Swap	-0,08	→ 0	↑ 1
CHF 3M Libor	0,00	→ 0	↑ 2
CHF 2Y Swap	-0,67	↓ -1	↑ 3
CHF 5Y Swap	0,00	↑ 1	↑ 6

**COMMODITIES**

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	53,1	↑ 2,33	↑ 4,29
Gold	1 259	↑ 0,23	↓ -0,79

Source: Reuters, OTP Research

The Mexican peso, which is highly sensitive to the US presidential campaign, surged more than 2% yesterday, following the second televised debate of the two candidates on Sunday. The peso's exchange rate is an excellent indicator of the fears that Donald Trump may win; it weakens when polls show the advance of the Republican nominee, who is about to re-negotiate the North American Free Trade Agreement (NAFTA), while the MXN appreciates after his weaker performances, like this time.

Monday was the day of petrocurrencies; the CAD (Canadian dollar) made its sharpest intraday move versus the US dollar since July, and the RUB worked off the morning's loss after the pick-up in oil prices.

The GBP's ailing against the EUR and the USD continued yesterday. The EUR/USD sank to 1.1137, and the dollar extended its gains this morning.

Italy's industrial production statistics have wring-footed analysts who had forecast a drop: output in August increased in both month/month (1.7%) and year/year (4.1%) terms. Besides, the July figure was revised higher.

In their Luxembourg meeting on Monday, the eurozone's finance ministers agreed to disburse the new tranche of the EUR 1.1 billion rescue package to Greece, which was conditional on the implementation of 15 reforms, which Greece completely and successfully fulfilled. The current tranche may be followed by an additional EUR 1.7 billion before the end of this month.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Monday	DE	Aug	Export (mom, %)	5,4	1,2	-2,6
	EZ		Sentix investor confidence (pont)	8,5	6,2	5,6
	IT	Sep	Industrial output (mom, %)	4,1	-0,1	0,4
Tuesday	DE	Oct	ZEW sentiment index (points)		4,3	0,5

Source: Reuters, OTP Research

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