

## Treasury Sales Team

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## Daily Report – Global Markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 099	↓ -0,25	↓ -0,93
S&P500	2 133	↓ -0,31	↓ -1,31
Nasdaq100	4 803	↓ -0,34	↓ -1,45
Russell2000	1 216	↓ -0,93	↓ -1,68
Stoxx600	336	↓ -0,87	↓ -2,10
DAX	10 414	↓ -1,04	↓ -1,46
FTSE 100	6 978	↓ -0,66	↓ -0,32
CAC40	4 405	↓ -1,06	↓ -1,67
ATX	2 383	↓ -1,08	↓ -1,15
IBEX35	8 609	↓ -0,90	↓ -1,70
Nikkei 225	16 860	↑ 0,51	↓ 0,00
Hang Seng	23 160	↑ 0,56	↓ -2,90
SSEC	3 052	↓ -0,31	↑ 0,12
SENSEX	27 667	↑ 0,09	↑ 0,09
RTS	988	↓ -0,80	↓ -1,62
Bovespa	61 119	↑ 0,16	↑ 0,78

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1056	↑ 0,45	↓ -1,58
EUR/CHF	1,0901	↓ -0,01	↓ -0,52
GBP/USD	1,2251	↑ 0,37	↓ -1,46
USD/JPY	104,08	↑ 0,39	↑ 1,15
AUD/USD	0,7578	↑ 0,13	↑ 0,04
USD/CAD	1,3208	↑ 0,15	↓ -0,66
USD/RUB	62,97	↑ 0,01	↑ 1,20

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	16,7	↑ 0,8	↑ 3,9
CDS 5Y PIIS	17	↓ -0,7	↓ -8,0
CDS 5Y Italy	120	↑ 0,8	↓ -8,2
CDS 5Y Belg.	125	↑ 0,0	↓ -1,1
iTraxx 5Y EU	19,8	↑ 0,5	↑ 1,3
US TED Spread	75,0	→ 0,0	↑ 4,8

Source: Reuters, OTP Research

**Summary**

- The recent negative reports caused pessimistic trading yesterday.
- Hard Brexit is the only real alternative to no exit Britain, Donald Tusk said.
- The EUR has strengthened vs the USD.

Investor sentiment was rather sour on both sides of the Atlantic yesterday. In Europe, the DAX slipped 1%. In America, the S&P fell to 2115 at one point but it managed to work off some of the loss and close only 0.3% lower. The negative sentiment stemmed from a number of factors. Alcoa's quarterly report, which unofficially kicked off the quarterly earnings season, was rather discouraging; there are concerns about the OPEC agreement, and the recently released minutes of the Fed meeting suggest that the postponed interest rate hike may take place in December.

The only alternative to hard Brexit is no Brexit at all, the president of the European Council, Donald Tusk said in a conference yesterday, offering little hope for the British. Scotland may hold a new independence referendum. Presumably, this strategic step is meant to ensure that Scottish interests are efficiently represented during Brexit talks.

Deutsche Bank's CEO announced a hiring freeze for the entire bank, to curb costs.

Crude prices edged up, although OPEC's September market report on oil prices added to concerns that the agreement on freezing output could fail. The US dollar weakened 0.4-0.5% in Thursday's session against the key currencies (EUR, CHF, and JPY).

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,85	↓	-1	↑	0
US 10Y	1,75	↓	-1	↑	2
JP 2Y	-0,26	↓	-1	↑	1
JP 10Y	-0,06	↑	0	→	0
GER 2Y	-0,67	↓	-1	↑	1
GER 10Y	0,03	↓	-1	↑	5

**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	0,00	↑	0	↑	1
US 2Y Swap	1,06	↑	2	↑	1
US 5Y Swap	1,27	↑	1	↑	2
EUR 3M Euribor	-0,31	↓	0	↓	-1
EUR 2Y Swap	-0,21	↓	0	↑	1
EUR 5Y Swap	-0,08	→	0	↑	2
GB 3M Libor	0,00	→	0	↑	1
GB 2Y Swap	0,57	↓	-1	↑	1
GB 5Y Swap	0,69	↓	-2	↑	12
JP 3M Libor	0,00	↑	1	↑	1
JP 2Y Swap	-0,08	↓	0	↑	1
JP 5Y Swap	-0,08	↓	-1	↑	0
CHF 3M Libor	0,00	↑	0	↑	1
CHF 2Y Swap	-0,67	↓	-1	↓	-1
CHF 5Y Swap	-0,54	↓	-1	↑	2

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	52,0	↑	0,42	↑	0,46
Gold	1 257	↑	0,22	↓	-0,18

Source: Reuters, OTP Research

A raft of important data are due out in the USA today, including the September gauge of retail sales and the August data on business inventories. The preliminary figure of the University of Michigan's consumer sentiment index in October and the Federal budget balance in September will also see the light of day. But Janet Yellen's speech at the Boston Fed conference is likely to outshine these statistics, particularly because the rate hike seems imminent.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Thursday	CN	Sep	Import (yoy, %)	-1,9	1,0	1,5
	CN	Sep	Export (yoy, %)	-10,0	-3,0	-2,8
	DE	Sep	CPI (final, yoy, %)	0,7	0,7	0,7*
Friday	CN	Sep	CPI (yoy, %)	1,9	1,6	1,3
	CN	Sep	PPI (yoy, %)	0,1	-0,3	-0,8
	GB	Apr	Construction output (yoy, %)		1,5	-1,5
	US	Sep	Retail trade (mom, %)		0,6	-0,3
	US	Apr	Business inventories (mom, %)		0,2	0,0
	US	Oct	University of Michigan, consumer confidence (points)		91,9	91,2
	US	Sep	Federal Budget (bn USD)		25,0	-107,0

Source: Reuters, OTP Research

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