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Summary

- Western Europe's key indices closed with modest gains on Wednesday.
- Donald Trump's press conference briefly halted the upward move of US indices; pharmaceuticals were the biggest losers.
- Despite the EIA's report on stronger-than-thought oil inventories, crude futures rose yesterday.
- The fall of the Turkish lira continued.

The leading indices of Western Europe climbed higher in yesterday's trading. In Germany, E.ON (+4.9%) and RWE (+3.5%) were the powerful engines of the DAX's growth. The former benefited from a shareholder's proposal to further split up the company. The latter gained impetus as Barclays issued an Equal Weight recommendation, up from Underweight, and raised its target price to EUR 12.2, which is the same as yesterday's closing price.

America's leading indices ground higher after opening but the president-elect's press conference brought them to a brief halt. Pharmaceutical companies saw the sharpest fall, as Donald Trump once again criticized their existing practice. But most indices recovered and inched up by the close, with oil and gas companies being the best performers.

Asia's key indices closed in the red this morning. The sharpest fall was seen in Japan, where the Nikkei225 fell 1.2%.

Yields on US government securities barely moved on Wednesday.

On currency markets, the EUR wobbled against the USD, but a correction before the close sent the EUR/USD 0.1% higher, to 1.06 by the end of the day. The Mexican peso (MXN) lost 0.6% versus the USD after Donald Trump's press conference came with a promise to build a wall on the Mexican border very soon. The Turkish lira continued its five-day losing streak against the key currencies; falling almost 2% vs. the EUR and the USD.

The EIA reported stronger-than-expected increase in oil US inventories – yet the Brent and the WTI oil futures closed almost 3% higher.

Today the USA will publish the December balance of the federal budget. Europe is to release the month/month November reading of industrial production.

	Stocks				Bonds				Commodity & FX			
	Product name	Close	Daily change (%)	YTD (%)	Product name	Yield	Daily change*	YTD*	Product name	Close	Daily change (%)	YTD (%)
Global	S&P500	2275,3	0,3	1,6	VIX	11,3	-2,0	-20	WTI	52,25	2,8	-3
	DOW	19954,3	0,5	1	US 2Y	1,19	-0,9	-1	Brent	55,10	2,7	-3
	Nasdaq100	5050,2	0,3	3,8	US 10Y	2,37	-0,9	-6	Gold	1191,5	0,3	3
	DAX	11646,2	0,5	1,4	GER 2Y	-0,71	1,2	8	Silver	16,72	-0,4	5
	CAC40	4888,7	0,0	0,5	GER 10Y	0,25	-3,5	4	EUR/USD	1,0580	0,3	0,6
	FTSE 100	7290,5	0,2	2	PT10Y	3,98	-8,6	22	EUR/GBP	0,8663	0,0	2
	FTSE MIB	19486,9	0,3	1	IT 10Y	1,87	-5,0	4	EUR/NOK	9,0455	-0,4	-0,4
	Stoxx600	364,9	0,2	1	SP 10	1,42	-6,1	2	USD/CAD	1,3177	-0,4	-1,9
	- Banks	135,5	-1,3	1	iTRAXX	69,6	0,9	-4	AUD/USD	0,7440	1,0	3,1
	Nikkei 225	19364,7	-1,2	0	JPY 2Y	-0,24	0,0	-7	USD/JPY	115,40	-0,3	-1
SSEC	3119,3	-0,6	1	JPY 10Y	0,06	0,0	1	GBP/USD	1,2211	0,3	-1	
Regional	RTS	1155,5	-1,7	0	RUS10	8,11	0,5	-3	USD/RUB	59,687	-0,6	-3
	WIG20	2030,6	0,3	4,2	POL 10	3,56	-0,5	-2	EUR/PLN	4,3651	-0,1	-0,9
	PX50	927,9	0,2	0,7	CZ10	0,37	-18,5	-21	EUR/RON	4,4928	0,0	-0,9

* In the case of bond yields, the change is in basispoint instead of percentage (VIX and ITRAXX not included).

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2017 1. 9.	8 : 00	DE Industrial production (mom, %)	Nov.	53,2	-	0,3
	2 : 45	DE Export (mom, %)	Dec.	51,9	50,7	50,9
	8 : 00	DE Import (mom, %)	Nov.	3,5	0,2	1,3
	9 : 00	HU Trade balance (preliminary, million euro)	Nov.	908,0	883,0	891,0
	9 : 15	CH Retail sales (yoy, %)	Nov.	0,9	-	-0,5
	9 : 30	UK Halifax house prices (mom, %)	Dec.	1,7	0,2	0,2
	10 : 30	EZ Sentix Investor confidence (points)	Jan.	18,2	12,5	10,0
	11 : 00	EZ Unemployment rate (%)	Nov.	9,8	9,8	9,8
10.	2 : 30	CN Producer prices (yoy, %)	Dec.	1,9	4,5	3,3
	2 : 30	CN CPI (yoy, %)	Dec.	2,1	2,3	2,3
	2 : 30	CN CPI (mom, %)	Dec.	0,2	0,3	0,1
	6 : 00	JP Consumer sentiment index	Dec.	43,1	-	40,9
	7 : 45	CH Unemployment rate, adjusted (%)	Dec.	2,9	3,3	3,3
	12 : 00	US NFIB Business optimism index	Dec.	105,8	-	98,4
	16 : 00	US Wholesale inventories (mom, %)	Nov.	1,0	0,9	0,9
11.	10 : 30	UK Industrial production (mom, %)	Nov.	2,1	0,8	-1,3
	11 : 30	PL Interest rate decision (%)	Jan.	3,9	1,5	1,5
12.	8 : 00	RO Industrial production (mom, %)	Nov.	0,6	-	-0,7
	8 : 00	DE Wholesale price index (mom, %)	Dec.		-	0,1
	9 : 00	HU Industrial production (final, yoy, %)	Nov.		-	0,6*
	11 : 00	EZ Industrial production (mom, %)	Nov.		0,5	-0,1
	20 : 00	US Federal budget balance (USDbn)	Dec.		-25,0	-137,0
13.	3 : 00	CN Export (yoy, %)	Dec.		-3,5	0,1
	3 : 00	CN Import (yoy, %)	Dec.		2,7	6,7
	3 : 00	CN Trade balance (monthly, billion USD)	Dec.		46,5	44,6
	9 : 00	HU Core inflation (yoy, %)	Dec.		-	1,6
	9 : 00	HU Inflation (yoy, %)	Dec.		1,6	1,1
	14 : 30	US Retail sales (mom, %)	Dec.		0,7	0,1

*preliminary data

Source: Reuters, OTP Research

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