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Global Daily Report

Summary

- Optimism ruled global stock markets yesterday.
- The EUR lost 0.8% against the USD after Germany's inflation data missed expectations.
- The CEE region's banks may outperform their Western-European peers, a Reuters poll found

Thursday's trading sentiment was benign on global stock markets. In Europe, the DAX and the CAC40 advanced 0.4% each, while the FTSE100 inched down 0.1%. On the other side of the Atlantic, the S&P500 upped 0.3% and the NASDAQ100 rose by 0.2%. In Asia, Japan ended an unimpressive trading session this morning; the Nikkei closed 0.8% down.

The EUR weakened 0.8% against the USD, after Germany's inflation data came in lower than had been forecast. The greenback advanced versus the JPY (0.7%) and the CHF (0.5%). The Brent upped 1%, while precious metal prices dropped slightly.

According to the US Congressional Budget Office's long-term budget outlook, US federal debt may nearly double by 2047 if the current trends persist. Over the next 30 years, health care expenses will increase by 50%, while budget revenues will not change meaningfully, thus federal debt may reach 8% of GDP, the analysis concluded. Because of the wide budget gap and the high debt, the consequences of a crisis cannot be abated with fiscal easing; and reducing government debt would require economic loss that would lastingly keep the economy in near-stagnation.

Over the next two years, the stock prices of banks in the CEE region may grow faster than those of their Western European peers, analysts polled by Reuters opine, citing the rising interest rates, the accelerating growth, the abating political pressure, and the improving loan portfolios.

In today's releases, the inflation of the eurozone, as well as US personal income and spending data are worth keeping an eye on. Given that Thursday's inflation readings in Germany, Italy, and Belgium were all short of projections, today's eurozone inflation data may surprise on the downside too.

	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	2363,7	0,1	5,6	VIX	11,5	1,1	-18	WTI	50,35	1,7	-6,3
	DOW	20694,5	0,2	4,7	US 2Y	1,29	0,8	9	Brent	52,47	0,1	-7,7
	Nasdaq100	5439,7	0,2	11,8	US 10Y	2,42	3,1	-1	Gold	1251,1	-0,1	8,7
	DAX	12256,4	0,4	6,8	GER 2Y	-0,74	-0,4	5	Silver	18,14	-0,3	13,8
	CAC40	5089,6	0,4	4,7	GER 10Y	0,33	-1,5	12	EUR/USD	1,0767	0,0	2,4
	FTSE 100	7369,5	-0,1	3,2	PT10Y	3,95	-5,7	19	EUR/GBP	0,8655	0,0	1,6
	FTSE MIB	20367,8	0,4	5,9	IT 10Y	2,30	0,7	48	EUR/NOK	9,1596	0,1	0,8
	Stoxx600	380,5	0,5	5,3	SP 10	1,65	1,5	26	USD/CAD	1,3328	0,0	-0,8
	- Banks	143,3	0,2	6,9	iTRAXX	74,5	0,0	3	AUD/USD	0,7658	-0,1	6,1
	Nikkei 225	19063,2	-0,8	-2,1	JPY 2Y	-0,19	4,0	-1	USD/JPY	111,03	0,0	-5,0
SSEC	3210,2	0,0	3,4	JPY 10Y	0,07	0,8	2	GBP/USD	1,2437	0,0	0,8	
Regional	RTS	1137,3	1,1	-1,3	RUS10	7,88	-0,9	-6	USD/RUB	56,650	0,1	-8
	WIG20	2209,1	-0,2	13,4	POL 10	3,52	-0,5	-3	EUR/PLN	4,2306	0,2	-3,9
	PX50	983,7	0,1	6,7	CZ10	0,98	-1,1	109	EUR/RON	4,5498	-0,1	0,3
Hungary	BUX	32145	-0,3	0,4	3M TB	0,15	0	-1	EUR/HUF	309,50	0,0	0,2
	OTP	8248	-0,9	-1,8	1Y	0,22	0	4	USD/HUF	287,32	0,0	-2,1
	MOL	20215	0,1	-2,0	3Y	1,18	-4	32	CHF/HUF	288,57	0,1	0,2
	MTelekom	485	-0,6	-2,6	5Y	2,28	-2	51	PLN/HUF	73,130	-0,1	4,4
	Richter	6640	0,2	6,9	10Y	3,32	-4	12	GBP/HUF	357,38	0,0	-1

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

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2017 3. 27.	10 : 00 DE	IFO Economic sentiment index (points)	March	112,3	111,0	111,0
	28. 14 : 00 HU	Interest rate decision (%)	March	0,9	0,9	0,9
	15 : 00 US	Case-Shiller Home Price Index (yoy, %)	Jan.	5,7	5,7	5,6
	16 : 00 US	Consumer confidence (point)	March	125,6	114,0	114,8
29.	9 : 00 HU	Unemployment rate (%)	Febr.	4,4	-	4,3
	16 : 00 US	Pending home sales (mom, %)	Febr.	5,5	2,1	-2,8
30.	12 : 00 EZ	European Commission Economic sentiment Index (point)	March	107,9	108,3	108,0
	14 : 00 DE	CPI (preliminary, yoy, %)	March	1,6	1,9	2,2
	14 : 00 CZ	Interest rate decision (%)	March	0,05	0,05	0,05
	14 : 30 US	GDP (third estimate, annualized, qoq, %)	Q4	2,1	2,0	2,0*
31.	1 : 30 JP	CPI (yoy, %)	Febr.		-	0,4
	1 : 30 JP	core-CPI (yoy, %)	Febr.		0,2	0,1
	3 : 00 CN	NBS Manufacturing PMI (points)	March		-	51,6
	3 : 00 CN	NBS non-Manufacturing PMI (points)	March		-	54,2
	8 : 00 DE	Retail sales (mom, %)	Febr.		0,6	-0,8
	9 : 00 HU	Industrial producer prices (yoy, %)	Febr.		-	2,2
	9 : 00 HU	Fiscal balance (bn HUF)	Q4		-	287,1
	11 : 00 EZ	CPI (preliminary, yoy, %)	March		1,8	2,0
	11 : 00 EZ	Core CPI (flash, yoy, %)	March		0,9	0,9
	14 : 30 US	Personal income (mom, %)	Febr.		0,4	0,4
	14 : 30 US	Personal consumption (adjusted, mom, %)	Febr.		0,2	0,2
	15 : 45 US	Chicago PMI (points)	March		56,8	57,4
4. 1.	3 : 45 CN	Caixin Manufacturing PMI (points)	March		-	51,7

Source: Reuters, OTP Research

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