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Global Daily Report

Summary

- Some US stock indices closed at new peaks and optimism ruled Europe on Thursday
- America is to withdraw from the Paris climate accord
- ADP employment data topped expectations in the USA

Despite Reuters' information that Donald Trump may withdraw the USA from the Paris climate accord, the S&P 500 and the NASDAQ closed at all-time highs. Markets put down the rise to the impressive ADP employment report. Nearly all stock markets in Europe made gains: the DAX upped 0.4%, the CAC40 advanced 0.7%, the Athens and Milan indices closed 1% higher each. Italy is reported to have reached agreement with the European Commission to rescue Monte dei Paschi di Siena, at a planned cost of EUR 6.6 billion. Conditions for the bailout include substantial cost cuts, salary caps for senior executives, and writing off losses on some bonds. This morning Asia saw optimistic investors.

The West Texas Intermediate crude's future price dropped, and simultaneously with the stock market rally, safe haven asset prices headed down. Reversing Wednesday's sharp rise, the EUR/USD dropped but remained above 1.12, and its decline has stopped since last night.

In the USA, the ADP institute reported surprisingly strong employment data for May, gauging a growth of 253,000, beating the consensus forecast of 185,000. The professional and business services, the manufacturing, and the constructions sectors have all increased. The manufacturing ISM purchasing managers' index also surprised on the upside. The pleasant surprises were not overshadowed by the pale construction figure or the lower-than-expected new vehicle sales statistics. Today America will release the 'official' labour market data; a stronger-than expected growth in wages might move markets.

	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	2430,1	0,8	8,5	VIX	9,9	-5,0	-30	WTI	48,05	-0,6	-10,6
	DOW	21144,2	0,6	7,0	US 2Y	1,30	2,0	10	Brent	50,63	0,6	-10,9
	Nasdaq100	5816,5	0,5	19,6	US 10Y	2,22	1,9	-22	Gold	1265,3	-0,2	9,9
	DAX	12664,9	0,4	10,3	GER 2Y	-0,71	0,7	8	Silver	17,26	-0,2	8,3
	CAC40	5318,7	0,7	9,4	GER 10Y	0,30	0,1	9	EUR/USD	1,1211	-0,3	6,6
	FTSE 100	7543,8	0,3	5,6	PT10Y	2,99	-5,1	-77	EUR/GBP	0,8700	-0,2	2,1
	FTSE MIB	20936,1	1,0	8,8	IT 10Y	2,24	5,7	41	EUR/NOK	9,4754	-0,1	4,3
	Stoxx600	391,7	0,4	8,4	SP 10	1,56	1,6	17	USD/CAD	1,3513	0,1	0,6
	- Banks	151,4	-0,1	12,9	iTRAXX	62,5	0,4	-14	AUD/USD	0,7372	-0,8	2,2
	Nikkei 225	20177,3	1,6	5,6	JPY 2Y	-0,15	0,7	2	USD/JPY	111,34	0,5	-4,7
SSEC	3130,4	0,9	0,9	JPY 10Y	0,05	1,0	1	GBP/USD	1,2879	-0,1	4,4	
Regional	RTS	1045,6	-0,7	-9,3	RUS10	7,54	-1,3	-10	USD/RUB	56,404	-0,3	-8
	WIG20	2278,26	-0,1	17,0	POL 10	3,26	0,6	-10	EUR/PLN	4,1911	0,3	-4,8
	PX50	1006,1	0,4	9,2	CZ10	0,68	-4,1	45	EUR/RON	4,5670	0,1	0,7
Hungary	BUX	34762	0,6	8,6	3M TB	0,15	0	-1	EUR/HUF	307,49	-0,1	-0,4
	OTP	8654	1,2	3,0	1Y	0,22	2	4	USD/HUF	274,40	0,2	-6,5
	MOL	22310	0,0	8,1	3Y	0,86	1	0	CHF/HUF	282,26	-0,3	-2,0
	MTelekom	460	0,7	-7,6	5Y	1,94	2	17	PLN/HUF	73,340	-0,5	4,7
	Richter	6944	-1,0	11,8	10Y	3,11	1	-10	GBP/HUF	353,13	0,1	-2

* 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 5. 29.	15 : 00	EZ	Mario Draghi speech in EP	May	-	-	-
30.	9 : 00	HU	Investment (yoy, %)	Q1	34,0	-	-24
	11 : 00	EZ	EC Economic Sentiment Index (points)	May	109,2	110	109,6
	14 : 00	DE	CPI (preliminary, yoy, %)	May	1,5	1,6	2
	14 : 30	US	Personal income (mom, %)	Apr.	0,4	0,4	0,2
	14 : 30	US	Personal consumption (adjusted, mom, %)	Apr.	0,4	0,4	0
	15 : 00	US	Case-Shiller Home Price Index (yoy, %)	March	5,9	5,7	5,9
	16 : 00	US	Consumer confidence (points)	May	117,9	119,8	120,3
31.	3 : 00	CN	NBS Manufacturing PMI (points)	May	51,2	51,0	51,2
	3 : 00	CN	NBS non-Manufacturing PMI (points)	May	54,5	-	54
	8 : 00	DE	Retail sales (mom, %)	Apr.	-0,2	0,2	0,1
	9 : 00	HU	Industrial producer prices (yoy, %)	Apr.	4,4	-	4,2
	11 : 00	EZ	CPI (preliminary, yoy, %)	May	1,4	1,5	1,9
	11 : 00	EZ	Core CPI (flash, yoy, %)	May	1,0	1,0	1,2
	11 : 00	EZ	Unemployment rate (%)	Apr.	9,3	9,4	9,5
	15 : 45	US	Chicago PMI (points)	May	55,2	57,0	58,3
	16 : 00	US	Pending home sales (mom, %)	Apr.	-1,3	0,3	-0,8
	20 : 00	US	Beige Book	May	-	-	-
6. 1.	2 : 30	JP	Nikkei Manufacturing PMI (points)	May	53,1	-	52
	9 : 00	HU	Manufacturing PMI (points)	May	62,1	-	55,9
	9 : 00	HU	Trade balance (detailed, monthly, EURmn)	March	978	-	956*
	14 : 15	US	ADP non-farm employment (mom, '000s)	May	253	180	174
	16 : 00	US	Construction expenditure (mom, %)	Apr.	-1,4	0,5	1,1
	16 : 00	US	ISM Manufacturing PMI (points)	May	54,9	54,5	54,8
	21 : 30	US	Vehicle sales (annualized monthly, million)	May	16,7	16,97	16,88
2.	14 : 30	US	Unemployment rate (%)	May		4,4	4,4
	14 : 30	US	Average earnings (yoy, %)	May		2,5	2,5
	14 : 30	US	Average earning (mom, %)	May		0,2	0,3
	14 : 30	US	Non-farm payroll (mom, '000s)	May		182	211

*preliminary data

Source: Reuters, OTP Research

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