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Global Daily Report

Summary

- Catalonia's parliament did not declare unilateral independence after all; the Catalan president calls for dialogue with leaders in Madrid.
- America's stock markets hit new highs yesterday.
- Crude futures have climbed.

In Tuesday's most important event, the Catalan parliament's session, the region's president Carles Puigdemont refrained from unilaterally declaring Catalonia's independence. Citing the outcome of the anti-constitutional referendum, the Catalan parliament insists on becoming independent but attempts to find a peaceful solution and urges talks with the government in Madrid.

This announcement may bring some relief to Western Europe's stock markets, which were ailing on Tuesday – only Britain's FTSE100 could end in positive territory (+0.4%). Spain's IBEX fell 0.9% in Tuesday's trading, and the yield on Spain's 10Y bonds was up 2 basis points (to 1.7%).

The modest gains America's stock markets made on Tuesday were enough to break new records. In the corporate world, the winner of the day was Wal-Mart, which jumped more than 5%. Hand in hand with the rise in crude oil prices, energy-related businesses' shares headed higher. Following the damages caused by the hurricanes, the United States now faces wildfires in California. Because of the disaster, which claimed many lives, tens of thousands had to be evacuated and more than thousand structures were destroyed by the flames.

On currency markets, the Turkish lira started to erase the losses suffered on Friday versus the USD, but it reversed later, and the USD/TRY closed 0.3% higher as the diplomatic conflict was not resolved. This morning the TRY regained 0.5%, and the cross was seen closer to Friday's levels.

Crude oil futures prices have risen; the Brent traded at 56.6 USD/barrel at the end of the day. One reason may have been news that Saudi Arabia was to cut its output in accordance with the OPEC agreement. Industrial and precious metal prices both edged higher.

Asia's markets ended an optimistic session this morning, when the benchmark indices soared near ten-year highs.

The minutes of the Fed's September rate-setting meeting are due out today. Madrid's reaction to the Catalan Parliament's decision may be worth keeping an eye on.

	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	2550,6	0,2	13,9	VIX	10,1	-2,4	-28	WTI	51,09	3,0	-4,9
	DOW	22830,7	0,3	15,5	US 2Y	1,51	-0,4	31	Brent	56,61	1,5	-0,4
	Nasdaq100	6063,5	0,1	24,7	US 10Y	2,35	-2,3	-9	Gold	1287,5	0,3	11,8
	DAX	12949,3	-0,2	12,8	GER 2Y	-0,69	0,9	10	Silver	17,08	0,8	7,2
	CAC40	5363,7	0,0	10,3	GER 10Y	0,45	0,3	24	EUR/USD	1,1806	0,6	12,3
	FTSE 100	7538,3	0,4	5,5	PT10Y	2,39	-0,9	-137	EUR/GBP	0,8940	0,1	5,0
	FTSE MIB	22335,9	-0,6	16,1	IT 10Y	2,19	1,4	36	EUR/NOK	9,3880	0,1	3,3
	Stoxx600	390,2	0,0	8,0	SP 10	1,70	1,5	30	USD/CAD	1,2513	-0,3	-6,8
	- Banks	165,2	0,3	23,1	iTRAXX	56,0	-1,7	-23	AUD/USD	0,7776	0,3	7,8
	Nikkei 225	20870,8	0,3	9,2	JPY 2Y	-0,14	0,3	4	USD/JPY	112,44	-0,2	-3,8
SSEC	3368,8	-0,4	8,5	JPY 10Y	0,06	0,6	1	GBP/USD	1,3202	0,5	7,0	
Regional	RTS	1134,9	0,2	-1,5	RUS10	7,59	-0,4	-9	USD/RUB	57,940	-0,5	-5
	WIG20	2516,49	0,7	29,2	POL 10	3,47	-1,1	-4	EUR/PLN	4,2937	-0,1	-2,5
	PX50	1050,1	-0,9	13,9	CZ10	1,34	0,2	188	EUR/RON	4,5840	0,3	1,1
Hungary	BUX	38032	0,1	18,8	3M TB	0,03	0	-13	EUR/HUF	310,59	-0,3	0,6
	OTP	10380	0,1	23,6	1Y	0,04	0	-14	USD/HUF	262,97	-0,9	-10,4
	MOL	3006	0,5	16,5	3Y	0,64	-1	-22	CHF/HUF	270,03	-0,3	-6,2
	MTelekom	480	0,2	-3,6	5Y	1,38	0	-39	PLN/HUF	72,290	-0,2	3,2
	Richter	6582	-0,7	6,0	10Y	2,79	1	-41	GBP/HUF	347,22	-0,4	-4

* 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 10. 9.	8 : 00	DE Industrial production (mom, %)	Aug.	2,6	0,7	-0,1
	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	Aug.	440	520	303,0
	10 : 30	EZ Sentix Investor confidence (points)	Oct.	29,7	28	28,2
10.	8 : 00	DE Export (mom, %)	Aug.	3,1	1,1	0,2
	9 : 00	HU Inflation (yoy, %)	Sept.	2,5	2,6	2,6
	9 : 00	HU Core inflation (yoy, %)	Sept.	2,9	-	2,8
	10 : 30	UK Industrial production (mom, %)	Aug.	0,2	0,2	0,30
11.	20 : 00	US FOMC Minutes	Sept.		-	-
12.	9 : 00	HU Industrial production (second estimate, yoy, %)	Aug.		-	6,8*
	12 : 00	EZ Industrial production (mom, %)	Aug.		0,3	0,1
	20 : 00	US Federal budget balance (USDbn)	Sept.		-	-108
13.	14 : 30	CN Export (yoy, %)	Sept.		8,8	5,5
	14 : 30	CN Import (yoy, %)	Sept.		13,5	13,3
	4 : 00	DE CPI (final, yoy, %)	Sept.		1,8	1,8*
	4 : 00	US CPI (yoy, %)	Sept.		2	1,9
	8 : 00	US CPI (mom, %)	Sept.		0,4	0,4
	14 : 30	US core-CPI (yoy, %)	Sept.		1,8	1,7
	14 : 30	US core-CPI (mom, %)	Sept.		0,2	0,2
	14 : 30	US Retail sales (mom, %)	Sept.		0,4	-0,2
	16 : 00	US Business inventories (mom, %)	Aug.		0,4	0,2
	16 : 00	US Michigan Consumer confidence (preliminary, points)	Oct.		95,8	95
	0 : 0	US IMF - Annual Conference (13-15th Oct.)	-		-	-
15.	0 : 0	AT Parliamentary election	-		-	-

* preliminary data

Source: Reuters, OTP Research

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