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Global Daily Report

Summary

- The Nikkei and America's indices broke new records
- The USD weakened; the Fed minutes suggest that decision-makers are worried about low inflation

In Wednesday's buoyant trading the Nikkei hit a 20-year high, and it extended the gains this morning. US stock indices also broke records. Europe painted a mixed picture. The Spanish IBEX's 1.3% jump was outstanding, as the Catalan president refrained from declaring Catalonia's independence from Spain. His vague speech puzzled analysts, and Madrid gave five days to the Catalan leaders to clarify their position.

Oil prices climbed higher as OPEC's latest forecast projected higher demand for its oil and diminished glut. Another reason for the higher oil prices may be Iraq's deployment of more troops near Kurdish regions, which adds to the probability of an attack on the oil-rich province that wishes to cut loose from Iraq. After trading hours, the API reported an unexpected rise in US crude oil inventories, which triggered a drop in Brent and WTI prices.

The USD weakened on Wednesday; the EUR/USD upped 0.4%. The loser of the day, the Turkish lira, depreciated 1.6% versus the USD as the disagreement between the USA and Turkey worsened: the US ambassador to Turkey suspended new visa services for Turkish citizens – Turkey followed suit, making the visa suspension mutual.

On Wednesday evening the minutes of the Fed's September meeting were released. America's policy-makers appear to be somewhat more worried about inflationary processes than the post-meeting statement had suggested. A number of FOMC members expect a convincing proof that inflation was rising, before supporting the interest hike this year. After the publication of the minutes, the greenback weakened, and precious metal prices have increased.

From among the string of macrodata due out today, the eurozone industrial production and US producer prices may be worth attention. A number of oil market figures will be out on Thursday: after API's surprisingly high oil inventory estimate, the EIA will also publish its weekly inventory data, and the IEA is to release its monthly oil market report.

	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	2555,2	0,2	14,1	VIX	9,9	-2,3	-30	WTI	51,60	1,0	-3,9
	DOW	22872,9	0,2	15,7	US 2Y	1,52	1,3	32	Brent	56,94	0,6	0,2
	Nasdaq100	6081,3	0,3	25,0	US 10Y	2,35	0,0	-9	Gold	1291,7	0,3	12,2
	DAX	12970,7	0,2	13,0	GER 2Y	-0,69	0,1	10	Silver	17,16	0,5	7,7
	CAC40	5362,4	0,0	10,3	GER 10Y	0,47	2,0	26	EUR/USD	1,1857	0,4	12,8
	FTSE 100	7533,8	-0,1	5,5	PT10Y	2,33	-6,1	-143	EUR/GBP	0,8966	0,3	5,3
	FTSE MIB	22552,2	1,0	17,2	IT 10Y	2,16	-2,7	34	EUR/NOK	9,3924	0,0	3,4
	Stoxx600	390,2	0,0	7,9	SP 10	1,66	-3,2	27	USD/CAD	1,2458	-0,4	-7,2
	- Banks	165,4	0,2	23,3	iTRAXX	55,3	-1,3	-24	AUD/USD	0,7787	0,1	7,9
	Nikkei 225	20954,7	0,4	9,6	JPY 2Y	-0,14	0,4	4	USD/JPY	112,48	0,0	-3,8
SSEC	3368,8	-0,6	8,5	JPY 10Y	0,07	0,3	2	GBP/USD	1,3221	0,1	7,2	
Regional	RTS	1143,3	0,7	-0,8	RUS10	7,54	-0,7	-10	USD/RUB	57,775	-0,3	-6
	WIG20	2551,78	1,4	31,0	POL 10	3,42	-1,5	-6	EUR/PLN	4,2689	-0,6	-3,1
	PX50	1054,4	0,4	14,4	CZ10	1,37	1,6	192	EUR/RON	4,5826	0,0	1,0
Hungary	BUX	38453	1,1	20,2	3M TB	0,03	0	-13	EUR/HUF	308,99	-0,5	0,1
	OTP	10540	1,5	25,5	1Y	0,04	0	-14	USD/HUF	260,61	-0,9	-11,2
	MOL	3020	0,5	17,1	3Y	0,62	-2	-24	CHF/HUF	267,75	-0,8	-7,0
	MTelekom	482	0,4	-3,2	5Y	1,33	-5	-44	PLN/HUF	72,270	0,0	3,2
	Richter	6670	1,3	7,4	10Y	2,67	-12	-53	GBP/HUF	344,57	-0,8	-5

* 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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