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# Global Daily Report

### Summary

- Stock markets ground higher yesterday
- Crude price went up as US oil inventories sank owing to the cold snap
- The USD and the JPY firmed; the Bank of Japan trimmed its government bond purchases
- The US 10Y Treasury Note yield jumped higher

The leading stock indices of the world extended their gains on Tuesday. The global stock market rally owes a lot to the optimism surrounding the forthcoming earnings report season as well as to the easing of the North Korea tension. Health care and financial names booked the strongest gains, while defensive sectors (utilities, real property, and telecommunications) all underperformed. Asia's markets inched down this morning.

Even though Bitcoin dropped on Tuesday, the cryptocurrency mania has not subsided. Eastman Kodak's share price nearly doubled after announcing a blockchain-based platform to manage photographers' copyrights.

Petroleum prices climbed again on Tuesday as markets expected that the unusually harsh winter had slashed US crude reserves again. Indeed, American Petroleum Institute signified an even sharper fall in inventories than the market had estimated and the word on that pushed the WTI to 63 USD/barrel. Meanwhile, the US energy ministry's agency, the EIA said that America's oil production might reach the all-time-high 10 million barrels/day level in February – several months sooner than had been expected. The surge in shale oil production has made the USA the third largest oil producer in the world. That said, the EIA also raised its forecasts for US oil demand.

The USD continued its winning streak against the euro but it could not beat the yen. The Japanese currency started to appreciate after the Bank of Japan's move to reduce its long-term government bond purchases, which may be seen as a sign that the bank would soon start phasing out its huge asset purchase programme.

US bond yields have significantly increased: that on the 10Y Treasury note upped seven points. A bond market guru, Bill Gross interpreted this in his in his Twitter post as the beginning of the bond bear market. Elsewhere in the developed world, bond yields did not change that sharply.

Of the few macroeconomic data published on Tuesday, the continued drop in the eurozone's unemployment rate, and the massive (3.4% month/month) increase in Germany's industrial production were eye-catching. Germany's government has also raised its GDP growth forecast to 2.2% for this year and next.

Today's important data include Britain's industrial production. Poland's central bank is to make an interest rate decision.

	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	2751,3	0,3	2,9	VIX	10,1	9	-9	WTI	62,96	2,5	4,2
	DOW	25385,8	0,4	2,7	US 2Y	2,0	1	8	Brent	68,82	1,8	2,9
	Nasdaq100	6677,9	0,4	4,4	US 10Y	2,5	7	14	Arany	1312,58	-0,5	0,8
	DAX	13385,6	0,5	3,6	GER 2Y	-0,6	0	2	Ezüst	16,95	-1,6	0,0
	CAC40	5523,9	1,0	4,0	GER 10Y	0,5	2	3	EUR/USD	1,19	-0,8	-0,5
	FTSE 100	7731,0	0,1	0,6	PT10Y	1,8	-7	-9	EUR/GBP	0,88	-0,6	-0,8
	FTSE MIB	23005,0	1,1	5,3	IT 10Y	2,0	3	3	EUR/NOK	9,67	-0,1	-1,8
	Stoxx600	400,1	0,7	2,8	SP 10	1,5	-1	-6	USD/CAD	1,25	0,4	-0,9
	- Banks	168,5	0,1	2,1	iTRAXX	44,0	1	-3	AUD/USD	0,78	-0,5	0,3
	Nikkei 225	23788,2	-0,3	4,5	JPY 2Y	-0,1	1	1	USD/JPY	112,64	-0,4	0,0
SSEC	3368,8	-1,3	1,9	JPY 10Y	0,1	2	4	GBP/USD	1,35	-0,2	0,2	
Regional	RTS	1229,2	0,8	6,5	RUS10	7,5	-1	-2	USD/RUB	56,875	-0,1	-1,4
	WIG20	2528,4	0,0	2,7	POL 10	3,3	3	0	EUR/PLN	4,19	0,9	0,3
	PX50	1104,5	-0,1	2,4	CZ10	1,6	0	8	EUR/RON	4,644	0,4	-0,7
Hungary	BUX	39870	-0,3	1,3	3 hó DKJ	0,05	1	2	EUR/HUF	309,43	0,4	-0,4
	OTP	10850	-0,8	1,2	1 év	0,07	0	2	USD/HUF	259,20	1,3	0,1
	MOL	3082	0,1	2,6	3 év	0,52	-2	-3	CHF/HUF	263,50	0,3	-0,6
	MTelekom	473	1,7	3,3	5 év	1,07	1	-10	PLN/HUF	73,83	-0,6	-0,6
	Richter	6700	-0,5	-1,2	10 év	1,97	2	-7	GBP/HUF	350,91	0,9	0,4

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

\*\* YTD change relative to 30 December 2016

Source: Reuters, OTP Research

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2018 01. 8.	8 : 00 DE	Industrial orders (mom, %)	Nov.	-0,4	0,5	0,7
	9 : 00 HU	Budget balance (% of GDP)	Nov.	6,4	-	6,3
	9 : 00 HU	Industrial production (preliminary, yoy, %)	Nov.	3,4	-	7,6
	10 : 30 EZ	Sentix Investor confidence (points)	Jan.	32,9	31,5	31,1
	11 : 00 EZ	Retail sales (mom, %)	Nov.	2	1	-1
	11 : 00 HU	Fiscal balance (monthly, billion HUF)	Dec.	-334,9	-	-220,8
	11 : 00 EZ	EC Economic Sentiment Index (points)	Dec.	116	115	114,6
	13 : 00 RO	Interest rate decision (%)	Jan.	2	2,0	1,8
	0 : 0 HU	International reserves (preliminary, EURbn)	Dec.		-	22,2
9.	8 : 00 DE	Industrial production (mom, %)	Nov.	3,4	1,8	-1,4
	8 : 00 DE	Export (mom, %)	Nov.	4,1	1,2	-0,4
	9 : 00 HU	Trade balance (preliminary, monthly, EUR mn)	Nov.	718	-	495,0
	11 : 00 EZ	Unemployment rate (%)	Nov.	8,7	8,7	8,8
10.	10 : 30 UK	Industrial production (mom, %)	Nov.		0,3	0,0
	13 : 00 PL	Interest rate decision (%)	Jan.		1,5	1,5
11.	9 : 00 HU	Industrial production (second estimate, yoy, %)	Nov.		-	7,6
	11 : 00 EZ	Industrial production (mom, %)	Nov.		0,5	0,2
	13 : 30 EZ	ECB Minutes	Dec.		-	-
	20 : 00 US	Federal budget balance (USDbn)	Dec.		-	-139,0
12.	4 : 00 CN	Export (yoy, %)	Dec.		9,1	12,3
	4 : 00 CN	Import (yoy, %)	Dec.		13,0	17,7
	9 : 00 HU	Inflation (yoy, %)	Dec.		-	2,5
	9 : 00 HU	Core inflation (yoy, %)	Dec.		-	2,7
	14 : 30 US	CPI (yoy, %)	Dec.		2,2	2,2
	14 : 30 US	CPI (mom, %)	Dec.		0,2	0,4
	14 : 30 US	core-CPI (yoy, %)	Dec.		1,8	1,7
	14 : 30 US	core-CPI (mom, %)	Dec.		0,2	0,1
	14 : 30 US	Retail sales (mom, %)	Dec.		0,4	0,8
	16 : 00 US	Business inventories (mom, %)	Nov.		0,2	-0,1

\*preliminary data

Source: Reuters, OTP Research

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