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Global Daily Report

Summary

- US markets picked up by the end of Wednesday's trading.
- America published better-than-expected employment data.
- The ECB governing council's monetary policy meeting is today.

Europe's leading stock markets closed with gains on Wednesday; the Stoxx Europe 600 index (+0.4%) rose on all days this week. With the progress of Brexit talks, the position of London as a financial centre is still up in the air. The Chancellor of Exchequer Philip Hammond made the case for a bilateral free trade agreement, which would include the financial sector, but this idea is incompatible with the EU's current position.

In the first half of trading, the key indices of the USA headed down, but they recovered by the end of the day. The Dow shed 0.3%. Apparently, the resignation of Donald Trump's top economic adviser, and the President's plans to impose import tariffs on steel and aluminium concerned investors. Regarding the latter, the EU promised similar measures unless the president renounces his plans.

The EUR/USD closed at 1.24, as the greenback won the duel of the EUR and the USD. In the CEE region, the forint and the Turkish lira fared well.

Crude oil prices slipped about 2%, and the most important industrial metals sank about 1% by the end of the day.

The most important macroeconomic index published yesterday was America's ADP non-farm employment, which grew by 235,000 in February, overshooting the Reuters poll by 40,000. The US Bureau of Labor Statistics' detailed data will arrive on Friday. The European Commission's Country Reports on member states' economic and social health were published on Wednesday.

As expected, Moody's downgraded Turkey's long-term FX debt to Ba2, with Stable outlook. The rationale cited the deterioration of the institutional environment and the increased external vulnerability.

Optimism ruled this morning's trading in Asia, where Hong Kong's HangSeng was the best performer. The yen firmed versus the US dollar and the EUR, but investors may sit on the fence until the Bank of Japan's rate decision, due this Friday.

Today's important event, the ECB's policy meeting, is likely to leave interest rates in place but the details of phasing out the asset purchase programme may be touched upon.

	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	2726,8	0,0	2,0	VIX	17,8	-3	61	WTI	61,30	-2,1	1,5
	DOW	24801,4	-0,3	0,3	US 2Y	2,3	1	36	Brent	64,34	-2,2	-3,8
	Nasdaq100	6929,4	0,2	8,3	US 10Y	2,9	1	47	Arany	1325,49	-0,6	1,8
	DAX	12245,4	1,1	-5,2	GER 2Y	-0,5	0	9	Ezüst	16,50	-1,4	-2,6
	CAC40	5187,8	0,3	-2,3	GER 10Y	0,7	-2	23	EUR/USD	1,24	0,1	3,5
	FTSE 100	7157,8	0,2	-6,9	PT10Y	1,9	-6	-8	EUR/GBP	0,89	-0,1	0,5
	FTSE MIB	22473,5	1,2	2,8	IT 10Y	2,0	-4	5	EUR/NOK	9,69	0,5	-1,6
	Stoxx600	372,7	0,4	-4,2	SP 10	1,4	-4	-12	USD/CAD	1,29	0,3	2,6
	- Banks	167,3	0,3	1,4	iTRAXX	52,8	1	17	AUD/USD	0,78	-0,1	0,3
	Nikkei 225	21363,9	0,5	-6,2	JPY 2Y	-0,2	0	-2	USD/JPY	106,06	0,0	-5,9
SSEC	3288,4	0,5	-0,6	JPY 10Y	0,1	0	1	GBP/USD	1,39	0,1	2,9	
Regional	RTS	1270,2	-0,9	10,0	RUS10	7,1	0	-7	USD/RUB	56,834	0,2	-1,4
	WIG20	2359,6	0,9	-4,1	POL 10	3,3	-1	-1	EUR/PLN	4,20	0,4	0,7
	PX50	1113,0	-0,7	3,2	CZ10	1,9	-1	28	EUR/RON	4,619	-0,9	-1,3
Hungary	BUX	38186	0,5	-3,0	3M T-Bill	0,02	0	-2	EUR/HUF	311,96	-0,2	0,5
	OTP	11340	1,1	5,8	1Y	0,06	0	1	USD/HUF	251,26	-0,3	-2,9
	MOL	2940	2,2	-2,2	3Y	0,90	-1	35	CHF/HUF	266,14	-0,8	0,4
	MTelekom	443	-1,1	-3,3	5Y	1,56	-2	39	PLN/HUF	74,10	-0,7	-0,2
	Richter	5700	-3,0	-15,9	10Y	2,72	0	68	GBP/HUF	348,98	-0,2	-0,1

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

Sources: Reuters, OTP Research

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2018 3. 5. 10 : 30	EZ	Sentix Investor confidence (points)	Jan.	24	31	32
	EZ	Retail sales (yoy, %)	Jan.	2,3	2,1	1,9
6. 9 : 15	CH	CPI (yoy, %)	Febr.	0,6	0,5	0,7
	RU	CPI (yoy, %)	Febr.	2,2	2,3	2,2
7. 9 : 30	UK	Halifax house prices (mom, %)	Febr.	0,4	0,3	-0,6
	PL	Interest rate decision (%)	Jan.	1,5	1,5	1,5
0 14 : 15	US	ADP non-farm employment (mom, '000s)	Dec.	235,0	195,0	234,0
8. 0 : 50	JP	Balance of payments (quarterly, EURbn)	Febr.	607,4	310,0	797,2
	CN	Jerome Powell testimony (House Financial Services Comm.)	-	44,5	13,9	11,1
	CN	Import (yoy, %)	Febr.	6,3	9,7	36,9
	CN	Trade balance (monthly, billion USD)	Febr.	33,7	0,6	20,3
	DE	Industrial orders (mom, %)	Q4	-3,9	-1,6	3,8
	HU	CPI (yoy, %)	Jan.		2,0	2,1
	EZ	Interest rate decision (deposit rate, %)	Q4		-0,4	-0,4
	US	Initial jobless claims ('000s)	Q4		220	210
	US	Continuous jobless claims ('000)	Febr.		-	1931
9. 0 : 30	JP	Household spending (yoy, %)	Febr.		-1,2	-0,1
	CN	CPI (yoy, %)	Q4		2,5	1,5
	JP	Interest rate decision (%)	Febr.		-0,1	-0,1
	DE	Industrial production (mom, %)	Jan.		0,5	-0,6
	DE	Trade balance (adjusted, million euro)	Febr.		20,7	21,4
	FR	Industrial production (mom, %)	Jan.		-0,3	0,5
	SP	Industrial production (yoy, %)	Jan.		5,1	6,1
	CZ	CPI (yoy, %)	Jan.		-	2,2
	HU	Trade balance (monthly, EUR mn)	Q4		-	513
	UK	Industrial production (yoy, %)	Jan.		1,5	0,0
	UK	Manufacturing production (yoy, %)	Febr.		2,8	1,4
	US	Non-farm payroll (mom, '000s)	Febr.		190	200
	US	Unemployment rate (%)	Jan.		4,0	4,1
	US	Average earnings (mom, %)	Dec.		0,2	0,3
	US	Average earnings (yoy, %)	Q4		2,8	2,9
	US	Average workweek hours	Q4		34,4	34,3
	US	Wholesale inventories (mom, %)	Jan.		-	0,6

Sources: Reuters, OTP Research

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