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Global Daily Report

Summary

- Optimism ruled Europe's stock markets on Tuesday.
- Overseas indices fell sharply; largely dragged down by the technology sector.
- The MNB left its base rate unchanged.

Europe's key indices recovered from Monday's losses, with the most important indices posting considerable gains. The most successful of them, Britain's FTSE100 rallied 1.6%. In the corporate world, GlaxoSmithKline (+4.9%) is to buy out Novartis' (+2.1%) consumer health business (for USD 13 billion), in a move that gives GSK full control of popular brands. Investors welcomed the developments.

America's key indices ended a gloomy day. After the morning's sideways moves, indices fell sharply; the Dow sank 1.4%, the S&P500 dropped 1.7%, and the NASDAQ slid 2.9%. The latter's weakest component, Tesla reversed 8% owing to the planned investigation into the fatal accident caused by a self-driving car. The data breach scandal made investors consider Facebook a black sheep; accordingly, the social networking company's share price shrank 4.9% by the end of Tuesday. The big surprise in the Dow was GE's contraction by 4% due to market speculations that Warren Buffett was to buy a stake in the conglomerate. Within the S&P, the technology, consumer discretionary and financial sectors were the weakest ones. The losses of the tech sector stemmed from fears of a full-blown trade war between the USA and China as the Trump administration continues to consider scaling back Chinese investment in certain fields.

The CEE region's stock markets marched higher in unison.

The March meeting of the MNB's Monetary Council left its base rate unchanged, as expected.

The USD regained some ground from the EUR but it retreated versus the JPY by the close. The 10Y US Treasury note yield sank eight points (to 2.77%) and that on the German Bund was two basis points down (0.5%).

Tuesday's pessimism reverberated in Asia, where the major indices stood at least 1% in the red this morning.

	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	2612,6	-1,7	-2,3	VIX	22,5	7,0	104	WTI	64,81	-1,1	7,3
	DOW	23857,7	-1,4	-3,5	US 2Y	2,28	-0,5	39	Brent	70,11	0,0	4,8
	Nasdaq100	6529,8	-3,3	2,1	US 10Y	2,79	-5,3	38	Gold	1344,3	-0,6	3,2
	DAX	11970,8	1,6	-7,3	GER 2Y	-0,60	-0,5	4	Silver	16,49	-1,0	-2,7
	CAC40	5115,7	1,0	-3,7	GER 10Y	0,50	-1,9	8	EUR/USD	1,24	-0,3	3,4
	FTSE 100	6999,9	1,6	-8,9	PT10Y	1,66	-5,2	-28	EUR/GBP	0,88	0,2	-1,4
	FTSE MIB	22209,8	0,9	1,6	IT 10Y	1,87	-3,8	-13	EUR/NOK	9,6	0,2	-2,8
	Stoxx600	367,6	1,2	-5,6	SP 10	1,23	-2,2	-34	USD/CAD	1,29	0,3	2,4
	- Banks	159,8	0,2	-3,2	iTRAXX	60,4	-3,1	34	AUD/USD	0,77	-0,9	-1,6
	Nikkei 225	21009,5	-1,4	-7,7	JPY 2Y	-0,15	0,2	-1	USD/JPY	105,33	-0,1	-6,5
SSEC	3133,8	-1,0	-5,2	JPY 10Y	0,03	0,1	-2	GBP/USD	1,4154	-0,5	4,8	
Regional	RTS	1244,0	1,1	7,8	RUS10	7,08	0,4	-7	USD/RUB	57,356	0,3	-0,5
	WIG20	2246,3	0,3	-8,7	POL 10	3,22	-0,1	-2	EUR/PLN	4,2116	-0,2	0,9
	PX50	1115,1	0,4	3,4	CZ10	1,90	-0,6	25	EUR/RON	4,6510	0,0	-0,6
Hungary	BUX	37301,0	0,6	-5,3	3M BUBOR	0,02	0,0	-2	EUR/HUF	312,72	-0,1	0,7
	OTP	11330,0	-0,2	5,7	3M D T-Bill	0,06	0,0	1	USD/HUF	252,03	0,3	-2,6
	MOL	2824,0	0,1	-6,0	3Y	0,87	-1,7	32	CHF/HUF	266,22	0,0	0,5
	MTelekom	446,0	0,7	-2,6	5Y	1,40	-1,0	23	PLN/HUF	74,210	0,1	-0,1
	Richter	5355,0	3,0	-21,0	10Y	2,46	-5,6	42	GBP/HUF	356,75	-0,3	2,1

* 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. 27.	11 : 00	EZ EC Economic Sentiment Index (points)	March	113	113	114,2
	14 : 00	HU Interest rate decision (%)	March	0,9	0,9	0,9
	15 : 00	US Case-Shiller Home Price Index (yoy, %)	Jan.	6,4	6,2	6,3
	16 : 00	US Consumer confidence (point)	March	127,7	131,0	130,0
28.	9 : 00	HU Unemployment rate (%)	Febr.		-	3,8
	14 : 30	US GDP (3rd estimate, annualized, qoq, %)	Q4		2,6	2,5*
	16 : 00	US Pending home sales (mom, %)	Febr.		2,3	-4,7
29.	9 : 00	HU Industrial producer prices (yoy, %)	Febr.		-	3,3
	9 : 00	HU Trade balance (detailed, monthly, EUR mn)	Jan.		-	676*
	10 : 30	UK GDP (third estimate, yoy, %)	Q4		1,4	1,4*
	14 : 00	DE CPI (flash, yoy, %)	March		1,6	1,4
	14 : 30	US Personal income (mom, %)	Febr.		0,4	0,4
	14 : 30	US Personal consumption (adjusted, mom, %)	Febr.		0,2	0,2
	15 : 45	US Chicago PMI (points)	March		62,0	61,9
31.	3 : 00	CN NBS Manufacturing PMI (points)	March		50,7	50,3
	3 : 00	CN NBS non-Manufacturing PMI (points)	March		-	54,4

* preliminary data

Sources: Reuters, OTP Research

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