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Global Daily Report

Summary

- America's stock markets closed with losses and the US 10Y yield exceeded 3% on Tuesday.
- The USD appreciated against most currencies yesterday.
- Hungary's economy grew by 4.4% YoY in the first quarter of 2018.

Europe's key stock markets ended mixed on Tuesday: the CAC40 in Paris and London's FTSE inched higher, while Frankfurt's DAX edged down. Part of the latter's weak performance can be attributed to Germany's Q1 economic growth figure (2.3% year/year), which missed the already modest expectations.

Despite the correction at the end of Tuesday's session, America could not climb out of the negative territory; its weakest index was the NASDAQ100. The S&P was largely dragged down by the health care and technology sectors. The US 10Y yield rose by seven basis points, exceeding the psychologically important 3% level. The 3.07% yield marks a seven-year high.

On currency markets, the greenback's soaring sent the EUR/USD 0.8% lower, and the USD/JPY 0.6% higher. Emerging market currencies could not defy the dollar's strength.

Crude futures barely moved since Monday. The most important precious metals, gold and silver fell more than 2%.

Surpassing market expectations, Hungary's economy grew by 4.4% in the first quarter of 2018, the preliminary data show. Central and Eastern Europe maintained its robust growth pace but Romania and the Czech Republic witnessed slight deceleration in the first quarter.

Tuesday's gloomy sentiment reached Asia in this morning's trading when none of the major markets could eke out gains. The USD/JPY was seen stagnating this morning. Japan's Q1 economic output data, published earlier this morning, undershot the already muted expectations, shrinking 0.2% from the previous quarter.

Today the USA will publish industrial production data for April, and the EIA's latest oil inventory data are worth checking.

	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	2711,5	-0,7	1,4	VIX	14,6	13,1	33	WTI	71,0	0,0	17,5
	DOW	24706,4	-0,8	-0,1	US 2Y	2,59	3,8	69	Brent	78,43	0,3	17,3
	Nasdaq100	6888,5	-1,1	7,7	US 10Y	3,08	8,5	67	Gold	1290,2	-1,7	-0,9
	DAX	12970,0	-0,1	0,4	GER 2Y	-0,54	0,7	10	Silver	16,23	-1,6	-4,2
	CAC40	5553,2	0,2	4,5	GER 10Y	0,64	3,0	22	EUR/USD	1,18	-0,7	-1,3
	FTSE 100	7723,0	0,2	0,5	PT10Y	1,76	2,3	-17	EUR/GBP	0,88	-0,4	-1,4
	FTSE MIB	24297,2	0,3	11,2	IT 10Y	1,94	2,5	-6	EUR/NOK	9,61	0,4	-2,4
	Stoxx600	392,4	0,0	0,8	SP 10	1,36	3,0	-21	USD/CAD	1,29	0,5	2,3
	- Banks	158,9	-0,7	-3,7	iTRAXX	55,2	1,6	22	AUD/USD	0,75	-0,7	-4,2
	Nikkei 225	22732,5	-0,3	-0,1	JPY 2Y	-0,13	0	1	USD/JPY	110,34	0,6	-2,1
SSEC	3189,0	-0,1	-3,6	JPY 10Y	0,06	0	1	GBP/USD	1,35	-0,4	-0,1	
Regional	RTS	1178,8	-2,0	2,1	RUS10	7,4	0,5	-3	USD/RUB	62,246	0,6	8,0
	WIG20	2276,45	-1,9	-7,5	POL 10	3,3	1,6	0	EUR/PLN	4,29	0,5	2,8
	PX50	1106,3	0,2	2,6	CZ10	1,9	1,6	24	EUR/RON	4,634	0,2	-0,9
Hungary	BUX	37664	-2,4	-4,4	3M DKJ	0,14	0	10	EUR/HUF	316,55	0,4	1,9
	OTP	10760	-5,6	0,4	1Y	0,23	7	18	USD/HUF	267,38	1,2	3,3
	MOL	2844	-0,8	-5,4	3Y	1,15	12	60	CHF/HUF	266,89	1,1	0,7
	MTelekom	422	-0,5	-7,9	5Y	1,73	9	56	PLN/HUF	73,68	0,0	-0,8
	Richter	5500	-0,6	-18,9	10Y	3,05	15	100	GBP/HUF	360,78	0,8	3,3

* 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 5. 14.	9 : 00	HU Industrial production (second estimate, yoy, %)	March	-2,4	-	-2,4*
15.	4 : 00	CN Infrastructural spending (yoy, %)	Apr.	7,0	7,4	7,5
	4 : 00	CN Industrial production (yoy, %)	Apr.	7,0	6,3	6,0
	4 : 00	CN Retail sales (yoy, %)	Apr.	9,4	10,0	10,1
	8 : 00	DE GDP (first estimate, yoy, SA,%)	Q1	2,3	2,4	2,9
	8 : 00	DE GDP (first estimate, qoq, SA%)	Q1	0,3	0,4	0,6
	8 : 00	RO GDP (first estimate, yoy, %)	Q1	4,0	5,7	6,7
	9 : 00	CZ GDP (first estimate, yoy, %)	Q1	4,5	4,8	5,1
	9 : 00	HU GDP (first estimate, yoy, %)	Q1	4,4	4,1	4,4
	9 : 00	HU GDP (first estimate, qoq, %)	Q1	1,2	-	1,3
	10 : 00	PL GDP (first estimate, yoy, %)	Q1	5,1	4,8	4,9
	11 : 00	EZ Industrial production (mom, %)	March	0,5	0,7	-0,8
	11 : 00	DE ZEW Economic Sentiment (points)	May	-8,2	-8,2	-8,2
	11 : 00	EZ GDP (second estimate, yoy, %)	Q1	0,4	0,4	0,4*
	11 : 00	EZ GDP (second estimate, qoq, %)	Q1	2,5	2,5	2,5*
	14 : 30	US Retail sales (mom, %)	Apr.	0,3	0,3	0,6
	14 : 30	US New York Fed Manufacturing index (points)	May	20,1	15,0	16
	16 : 00	US Business inventories (mom, %)	March	0,0	0,1	0,6
16.	1 : 50	JP GDP (preliminary, qoq, %)	Q1	-0,2	0,0	0,4
	8 : 00	DE CPI (final, yoy, %)	Apr.	1,6	1,6	1,6*
	11 : 00	EZ CPI (final, yoy, %)	Apr.		1,2	1,2*
	14 : 00	PL Interest rate decision (%)	May		-	1,5
	14 : 30	US Housing starts (annualized monthly, '000s)	Apr.		1310	1319
	14 : 30	US Building permits (annualized monthly, '000s)	Apr.		1349	1379
	15 : 15	US Industrial production (mom, %)	Apr.		0,5	0,5
17.	16 : 00	US Leading index (mom, %)	Apr.		0,3	0,3
18.	1 : 30	JP CPI (yoy, %)	Apr.		-	1,1
	1 : 30	JP core-CPI (yoy, %)	Apr.		0,8	0,9

*preliminary data

Sources: Reuters, OTP Research

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