

Global Daily Report



Treasury Sales Team

+40372 31 85 88

sales.treasury@otpbank.ro

www.otpresearch.com

Summary

- Europe's stock indices fell 1%, and their US peers slid 3% ahead of today's national day of mourning.
- The BoE's governor warned the UK against a no-deal Brexit.
- A string of detailed GDP data will see the light of day in Europe today.

The optimism arising from the trade war truce did not last long on Western Europe's stock markets, where on Tuesday the key indices wiped off Monday's gains. The UK's leaving the EU without a deal would imply severe growth risks for the country, the Bank of England's governor Mark Carney reiterated, speaking before the Parliament's Treasury Committee. At the end of Tuesday's debate, the House forced the government to publish the legal advice on its Brexit agreement. Moreover, MPs issued a motion, unprecedented in Britain's modern-day legislation, which finds the government in contempt of Parliament for failing to publish the whole legal advice on Brexit. This bodes ill for the government before the Brexit vote on 11 December.

Monday's jump was followed by painful losses on Wall Street yesterday, where investors sold all types of assets. America's indices plunged more than 3%; in the worst performance, the Nasdaq100 slumped 3.8%. Of the S&P's sector indices, the financial, industrial and technology shares saw the sharpest losses. What made investors worry, apart from the uncertainties of the trade war, was a possible deceleration in the USA's economic growth. The flattening of the US yield curve continued: the 5Y yield came three basis points down (to 2.79%), which is one basis point less than that on the 2Y one, and is two points below the 3Y yield. The 30Y yield fell eight basis points (to 3.17%).

Geopolitical tensions escalated further, as the USA gave 60 days to Russia to observe the Intermediate-Range Nuclear Forces Treaty (INF). The USA and NATO agree that Russia is violating the INF. This poses an immediate threat to Europe, but Moscow denies the charges. The USA may withdraw from the INF agreement unless the situation is resolved.

Climbing 0.9% higher made the BUX the CEE region's outperformer on Tuesday, when Warsaw's WIG20 gained 0.7% and Prague's PX lost that much.

Crude oil prices climbed higher on Tuesday morning, owing to news that OPEC's Thursday meeting might decide to freeze production. But the gloom on equity markets brought down oil prices, which closed slightly in the red.

Among emerging market currencies, the Turkish lira was the loser of the day, sliding 3% against the EUR and the USD each.

The pessimism in the USA left its mark on this morning's trading in Asia, where the major indices ended in the red. The greenback regained some of its losses from the yen.

A batch of detailed Q3 GDP data will be out across Europe today. The eurozone will also release the October reading of retail sales. In the United States, the ADP institute's employment data and the Fed Beige Book will see the light of day. America's money markets will be closed on Wednesday, a national day of mourning in the honour of the late former US President George H.W. Bush.

| | Részvény | | | | Kötvény | | | | Nyersanyag és deviza | | | |
|--------|-------------|---------|-------------------|---------|-------------|-------|----------------|---------|----------------------|---------|-------------------|---------|
| | Termék neve | Záró ár | Napi változás (%) | YTD (%) | Termék neve | Hozam | Napi változás* | YTD* | Termék neve | Záró ár | Napi változás (%) | YTD (%) |
| Globál | S&P500 | 2700,1 | -3,2 | 1,0 | VIX | 20,7 | 26,2 | 88 | WTI | 52,8 | -0,3 | -12,6 |
| | DOW | 25027,1 | -3,1 | 1,2 | US 2Y | 2,81 | -2,2 | 92 | Brent | 62,08 | 0,6 | -7,2 |
| | Nasdaq100 | 6795,2 | -3,8 | 6,2 | US 10Y | 2,92 | -6,8 | 51 | Arany | 1238,2 | 0,6 | -4,9 |
| | DAX | 11335,3 | -1,1 | -12,2 | GER 2Y | -0,61 | -0,9 | 2 | Ezüst | 14,52 | 1,0 | -14,3 |
| | CAC40 | 5012,7 | -0,8 | -5,6 | GER 10Y | 0,26 | -4,3 | -16 | EUR/USD | 1,1344 | -0,1 | -5,4 |
| | FTSE 100 | 7022,8 | -0,6 | -8,7 | PT10Y | 1,80 | -1,1 | -13 | EUR/GBP | 0,8916 | -0,1 | 0,4 |
| | FTSE MIB | 19353,4 | -1,4 | -11,4 | IT 10Y | 3,15 | 1,3 | 115 | EUR/NOK | 9,6465 | -0,4 | -2,1 |
| | Stoxx600 | 358,4 | -0,8 | -7,9 | SP 10 | 1,49 | -0,5 | -8 | USD/CAD | 1,3259 | 0,5 | 5,4 |
| | - Banks | 121,3 | -1,7 | -26,5 | iTRAXX | 81,0 | 0,0 | 79,4 | AUD/USD | 0,7337 | -0,2 | -5,9 |
| | Nikkei 225 | 21907,0 | -0,6 | -3,8 | JPY 2Y | -0,13 | -0,5 | 0 | USD/JPY | 112,77 | -0,8 | 0,1 |
| SSEC | 2649,3 | -0,6 | -19,9 | JPY 10Y | 0,07 | 0,0 | 2 | GBP/USD | 1,2718 | 0,0 | -5,9 | |
| Régió | RTS | 1155,9 | 0,1 | 0,1 | RUS10 | 8,6 | 0,3 | 14 | USD/RUB | 66,833 | 0,6 | 15,9 |
| | WIG20 | 2344,91 | 0,7 | -4,7 | POL 10 | 3,0 | 0,4 | -8 | EUR/PLN | 4,28 | 0,1 | 2,5 |
| | PX50 | 1066,0 | -0,7 | -1,1 | CZ10 | 2,1 | 0,0 | 37 | EUR/RON | 4,649 | 0,1 | -0,6 |
| Magyar | BUX | 40945 | 0,9 | 4,0 | 3 hó DKJ | 0,06 | -0,5 | 2 | EUR/HUF | 323,54 | 0,3 | 4,2 |
| | OTP | 11810 | 0,9 | 10,2 | 1 év | 0,35 | 1,5 | 30 | USD/HUF | 285,14 | 0,4 | 10,2 |
| | MOL | 3206 | 0,5 | 6,7 | 3 év | 1,28 | -0,5 | 73 | CHF/HUF | 285,86 | 0,5 | 7,9 |
| | MTelekom | 454 | 0,7 | -0,9 | 5 év | 2,68 | -6,0 | 151 | PLN/HUF | 75,59 | 0,3 | 1,8 |
| | Richter | 5760 | 1,9 | -15,0 | 10 év | 3,14 | -5,6 | 110 | GBP/HUF | 362,80 | 0,4 | 3,9 |

* A kötvényhozamok esetén a változás százalék helyett bázispontban van kifejezve (kivéve VIX és ITRAXX).

Sources: Reuters, OTP Research

| Data | Cd. | Event/Data | Period | Fact | Cons. | Prev. |
|------------|---------|---|--------|------|-------|--------|
| 2018 12 3. | 8 : 00 | TR Inflation (yoy, %) | Nov | 21,6 | 22,6 | 25,2 |
| | 9 : 00 | HU Manufacturing PMI (points) | Nov | 53,5 | - | 57,3 |
| | 16 : 00 | US ISM Manufacturing PMI (points) | Nov | 59,3 | 58,0 | 57,7 |
| | 16 : 00 | US Construction expenditure (mom, %) | Oct | -0,1 | 0,4 | 0,0 |
| | 21 : 30 | US Vehicle sales (annualized monthly, million) | Nov | 17,5 | 17,3 | 17,6 |
| 5. | 9 : 00 | HU Retail sales (SA, first estimate, yoy, %) | Oct | | - | 5,40 |
| | 9 : 00 | HU GDP (detailed, yoy, %) | Q3 | | 4,8 | 4,8* |
| | 11 : 00 | EZ Retail sales (mom, %) | Oct | | 0,2 | 0,0 |
| | 14 : 00 | PL Interest rate decision (%) | Dec | | 1,5 | 1,5 |
| | 14 : 15 | US ADP non-farm employment (mom, '000s) | Nov | | | 227 |
| | 16 : 00 | US ISM non-Manufacturing PMI (points) | Nov | | 59,9 | 60,3 |
| | 16 : 15 | US Jerome Powell testimony (Economic Committe) | - | | - | - |
| | 20 : 00 | US Fed Beige Book | - | | - | - |
| 6. | 8 : 00 | DE Industrial orders (mom, %) | Oct | | -0,4 | 0,30 |
| | 9 : 00 | HU Industrial production (preliminary, yoy, %) | Oct | | - | -0,6 |
| | 16 : 00 | US Factory orders (mom, %) | Oct | | -2,0 | 0,7 |
| | | OPEC Meeting | - | | - | - |
| 7. | 8 : 00 | DE Industrial production (mom, %) | Oct | | 0,3 | 0,2 |
| | 9 : 00 | HU Trade balance (preliminary, monthly, EUR mn) | Oct | | - | 268,0 |
| | 10 : 00 | HU International reserves (preliminary, EURbn) | Nov | | - | 24,7 |
| | 11 : 00 | EZ GDP (detailed, yoy, %) | Q3 | | 1,7 | 1,7* |
| | 11 : 00 | EZ GDP (detailed, qoq, %) | Q3 | | 0,2 | 0,2* |
| | 11 : 00 | HU Fiscal balance (monthly, billion HUF) | Nov | | - | -181,6 |
| | 14 : 30 | US Unemployment rate (%) | Nov | | 3,7 | 3,7 |
| | 14 : 30 | US Average earnings (yoy, %) | Nov | | 3,1 | 3,1 |
| | 14 : 30 | US Average earnings (mom, %) | Nov | | 0,3 | 0,2 |
| | 14 : 30 | US Non-farm payroll (mom, '000s) | Nov | | 205 | 250 |
| | 16 : 00 | US Michigan Consumer confidence (preliminary, points) | Dec | | 97,0 | 97,5 |

* preliminary data

Sources: Reuters, OTP Research

Chief Economist

Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

Analyst

Beáta Váradi
varadibe@otpbank.hu
+36 1 374 7271

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