

Global Daily Report



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Summary

- US stock indices finished the day with a moderate increase, investor sentiment was gloomy on the European stock markets.
- Donald Tusk proposed a new alternative to break the Brexit impasse.
- The pound weakened compared to the euro.
- Favourable data was published about the German industrial sector.

US stock markets closed moderately higher. The Dow gained 0.6%, the S&P500 edged upwards by 0.2%, while the Nasdaq100 declined by 0.1%. One of the biggest losers of the day was the Tesla. Stocks of the electric car manufacturer fell by 8.2% after sales data published by the company significantly lagged behind expectations. During the last quarter of the previous year 91 thousand cars were delivered to clients, while this number was only 63 thousand for the first quarter of 2019. The sudden drop was partly a result of the ending government subsidies on electric vehicles in the US, but the company's logistical problems with car deliveries likely played a part as well. Investor sentiment was subdued in Europe: the Stoxx600 weakened by 0.3% the FTSE by 0.2% and the CAC40 by 0.1%, while the DAX ended trading with a 0.3% gain.

Yesterday negotiations continued between the British governing Conservative Party and the Labour Party to resolve the Brexit impasse. They have to be able to reach a compromise until the EU-summit on next Wednesday, as it is possible that the EU will allow further postponement of Brexit on condition of a concrete plan about the way forward. Meanwhile, this morning news broke that Donald Tusk, head of the European Council, recommend a flexible delay to postpone Brexit. This would refer to a longer period which could be unilaterally ended by the United Kingdom if and when the British parliament accepts the withdrawal agreement. Tusk have been generally more tractable towards the British during the negotiations and the current proposal is also surprisingly soft, but it is still not clear if the European Council would accept such a solution.

Minutes were published about the latest meeting of the ECB's governing council. The document highlights the importance of weak economic data and persisting external risks (trade war, rise of protectionism), which affect the growth outlook negatively. Decision makers agreed to continue the forward guidance until the end of 2019.

The British pound lost 0.6% against the euro. German industrial production data surpassed expectations. In February the volume increased by 0.7% MoM compared to the economic consensus of +0.5% and the 0.8% drop in the previous month.

Important statistics are expected about the US labour market. Furthermore it is worth to keep note of new developments about the Brexit process.

	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	2879,4	0,2	14,9	VIX	13,6	-1,2	-47	WTI	62,1	-0,5	36,8
	DOW	26384,6	0,6	13,1	US 2Y	2,34	0,6	-16	Brent	69,40	0,1	29,0
	Nasdaq100	7540,6	-0,1	19,1	US 10Y	2,51	-0,7	-18	Gold	1292,1	0,2	0,7
	DAX	11988,0	0,3	13,5	GER 2Y	-0,58	0,6	1	Silver	15,15	0,1	-2,2
	CAC40	5463,8	-0,1	15,5	GER 10Y	-0,01	-0,3	-25	EUR/USD	1,1220	-0,1	-2,2
	FTSE 100	7401,9	-0,2	10,0	PT10Y	1,28	0,3	-44	EUR/GBP	0,8581	0,6	-4,5
	FTSE MIB	21705,6	-0,2	18,5	IT 10Y	2,51	-3,6	-26	EUR/NOK	9,6500	0,2	-2,6
	Stoxx600	387,9	-0,3	14,9	SP 10	1,11	-3,2	-31	USD/CAD	1,3358	0,1	-2,0
	- Banks	122,0	0,1	7,9	iTRAXX	61,6	1,1	-30,1	AUD/USD	0,7111	0,0	0,9
	Nikkei 225	21791,4	0,4	8,9	JPY 2Y	-0,15	-0,1	-2	USD/JPY	111,65	0,2	1,9
	SSEC	3246,6	0,0	30,2	JPY 10Y	-0,03	0,6	-3	GBP/USD	1,3077	-0,6	2,5
Regional	RTS	1219,9	-0,4	14,4	RUS10	8,4	-0,2	-4	USD/RUB	65,410	0,3	-6,1
	WIG20	2388,59	-0,8	4,9	POL 10	2,9	0,6	2	EUR/PLN	4,29	0,0	0,0
	PX50	1085,5	-0,1	10,0	CZ10	1,8	-1,0	-5	EUR/RON	4,745	-0,2	2,0
Hungary	BUX	41870	-0,8	7,0	3M DKJ	0,04	2,6	-3	EUR/HUF	319,98	0,1	-0,3
	OTP	12680	-1,6	12,3	1Y	0,28	0,0	-17	USD/HUF	285,02	0,2	1,9
	MOL	3256	-1,3	5,8	3Y	1,33	1,5	8	CHF/HUF	285,39	-0,1	0,0
	MTelekom	464	0,3	5,5	5Y	2,05	3,0	-48	PLN/HUF	74,60	0,0	0,0
	Richter	5490	1,1	1,1	10Y	3,07	3,0	3	GBP/HUF	373,00	-0,5	4,7

* 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.
2019 4. 1.	2 : 30	JP Nikkei Manufacturing PMI (points)	Mar	49,2	-	48,9
	9 : 00	HU Manufacturing PMI (points)	Mar	52,4	-	55,5
	9 : 00	HU Trade balance (detailed, monthly, EUR mn)	Jan	392	-	382*
	9 : 00	HU Balance of general government sector (GDP %)	Q4	-5,8	-	-0,4
	11 : 00	EZ CPI (flash, yoy, %)	Mar	1,4	1,5	1,5
	11 : 00	EZ Core CPI (flash, yoy, %)	Mar	0,8	1,0	1,0
	14 : 30	US Retail sales (mom, %)	Feb	-0,2	0,3	0,7
	16 : 00	US ISM Manufacturing PMI (points)	Mar	55	55	54,2
	16 : 00	US Construction expenditure (mom, %)	Feb	1,0	0,4	2,5
	16 : 00	US Business inventories (mom, %)	Jan	0,8	0,3	0,8
2.	11 : 00	EZ Unemployment rate (%)	Feb	7,8	7,8	7,8
	14 : 00	RO Interest rate decision (%)	Apr	2,5	2,5	2,5
	14 : 30	US Durable goods orders (mom, %)	Feb	-1,6	-1,8	0,2
	21 : 30	US Vehicle sales (annualized monthly, million)	Mar		17	16,6
3.	9 : 00	TR Inflation (yoy, %)	Mar	19,7	19,6	19,7
	9 : 00	HU Retail sales (first estimate, yoy, %)	Feb	8,4	-	5,4
	11 : 00	EZ Retail sales (mom, %)	Feb	0,4	0,2	1,3
	14 : 00	PL Interest rate decision (%)	Apr	1,5	1,5	1,5
	14 : 15	US ADP non-farm employment (mom, '000s)	Mar	129,0	170	183
	16 : 00	US ISM non-Manufacturing PMI (points)	Mar	56	58	59,7
4.	8 : 00	DE Industrial orders (mom, %)	Feb	-4,2	0,3	-2,6
	12 : 30	EZ ECB Minutes	Mar		-	-
	14 : 30	US Continuing jobless claims ('000s)	weekly		1750	1756
	14 : 30	US Initial jobless claims ('000s)	weekly	202,0	216	211
5.	8 : 00	DE Industrial production (mom, %)	Feb	0,7	0,5	-0,8
	9 : 00	HU Industrial production (preliminary, yoy, %)	Feb		-	4,4
	10 : 00	HU International reserves (preliminary, EURbn)	Mar		-	26,3
	14 : 30	US Unemployment rate (%)	Mar		3,8	3,8
	14 : 30	US Average earnings (yoy, %)	Mar		3,4	3,4
	14 : 30	US Average earnings (mom, %)	Mar		0,3	0,4
	14 : 30	US Non-farm payroll (mom, '000s)	Mar		180	20

*preliminary data

Sources: Reuters, OTP Research

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