

Global Daily Report



Treasury Sales Team

+40372 31 85 88

sales.treasury@otpbank.ro

Summary

- Donald Trump's Twitter post has calmed America's stock markets.
- Crude prices climbed higher as Saudi Arabia claims 'sabotage attacks'.
- A number of EU member states release their Q1 GDP data today.

America's markets were driven by Donald Trump's Twitter posts on trade war. The USA will reach a trade agreement with China, the President tweeted. He criticized the Fed once again for making the mistake of not reducing the fed funds rate. In his opinion, China is trying to give impetus to its slowing growth by reducing interest rates. The White House announced plans to impose import tariffs on additional USD 300 bn Chinese goods. Meanwhile, investors were surprised by the New York Times' report that the USA was ready to deploy as many as 120,000 troops in the Middle East if the tension with Iran escalates.

The key stock markets of Western Europe and America closed with gains. The US 10Y Treasury note yield inched up one basis point, to 2.41%, while the German 10Y Bund yield stagnated at -0.07%.

The EUR/USD ended at 1.12 as the US dollar began to work off the recent days' losses versus the euro.

Crude oil prices have risen as Saudi Arabia reported a drone attack on two oil pumping stations. The resulting fire was soon extinguished and it did not affect output, the Saudi energy minister said. This was the second incident in the region in the past few days, following an attack on four commercial vessels of the United Arab Emirates last week.

The eurozone's industrial production shrank 0.3% in month/month comparison. This brings the sector's first-quarter output to +0.8% (quarter/quarter). In the biggest economies, Germany's output has risen, while those of France and Italy contracted.

In Britain, Labour leader Jeremy Corbyn and Theresa May returned to the negotiation table yesterday, to discuss Brexit issues. Neither of them announced the talks. Reportedly, Mrs May will table her proposal to Parliament in early June, despite lacking support from Labour Party.

In today's upbeat trading on Asia's stock markets, the slightest gain was the 0.5% rise in Japan's Nikkei index. The dollar opened a tad stronger versus the yen. China published worse-than-expected industrial production, investment and retail sales statistics today.

A number of European countries publish GDP data today. Alibaba will release its first-quarter earnings report today. Germany's economic growth figure, published this morning, is in line with expectations, while Romania's year/year growth rate surpassed economists' forecasts by a large margin.

	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	2834,4	0,8	13,1	VIX	18,1	-12,1	-29	WTI	61,8	1,2	36,0
	DOW	25532,1	0,8	9,5	US 2Y	2,20	1,0	-30	Brent	71,24	1,4	32,4
	Nasdaq100	7401,9	1,1	16,9	US 10Y	2,42	1,4	-27	Gold	1296,8	-0,2	1,1
	DAX	11991,6	1,0	13,6	GER 2Y	-0,64	-0,2	-5	Silver	14,79	0,1	-4,5
	CAC40	5341,4	1,5	12,9	GER 10Y	-0,07	0,3	-32	EUR/USD	1,1203	-0,2	-2,3
	FTSE 100	7241,6	1,1	7,6	PT10Y	1,16	-0,7	-56	EUR/GBP	0,8680	0,2	-3,4
	FTSE MIB	20892,7	1,5	14,0	IT 10Y	2,74	4,5	-3	EUR/NOK	9,7983	-0,4	-1,1
	Stoxx600	376,3	1,0	11,5	SP 10	0,98	-1,8	-44	USD/CAD	1,3459	-0,1	-1,3
	- Banks	116,6	0,6	3,1	iTRAXX	65,7	0,0	-25	AUD/USD	0,6941	0,0	-1,5
	Nikkei 225	21188,6	0,6	5,9	JPY 2Y	-0,16	0,0	-2	USD/JPY	109,59	0,3	0,0
SSEC	2933,1	1,7	17,6	JPY 10Y	-0,05	-0,1	-5	GBP/USD	1,2904	-0,4	1,2	
Regional	RTS	1241,5	2,8	16,5	RUS10	8,2	-0,1	-7	USD/RUB	64,895	-0,7	-6,9
	WIG20	2163,94	-0,4	-4,9	POL 10	2,9	0,7	1	EUR/PLN	4,31	0,0	0,4
	PX50	1050,3	0,6	6,5	CZ10	1,9	-1,2	-4	EUR/RON	4,758	0,0	2,3
Hungary	BUX	40085	-1,1	2,4	3M DKJ	0,09	-0,9	2	EUR/HUF	324,34	0,1	1,1
	OTP	12050	-3,2	6,7	1Y	0,29	-1,0	-16	USD/HUF	289,45	0,3	3,5
	MOL	3182	1,7	3,4	3Y	1,39	-4,9	13	CHF/HUF	286,73	0,2	0,5
	MTelekom	430	-5,3	-2,3	5Y	2,19	-7,0	-34	PLN/HUF	75,28	0,1	0,9
	Richter	5125	-1,8	-5,6	10Y	3,23	-8,0	19	GBP/HUF	373,66	0,0	4,9

* 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 5. 14.	9 : 00	HU	Industrial production (second estimate, yoy, %)	Mar	8,0	-	8,0*
	9 : 00	HU	Construction output (yoy, %)	Mar	67,6	-	48,0
	11 : 00	DE	ZEW Economic Sentiment (points)	May	2,1	5,0	3,1
	11 : 00	EZ	Industrial production (mom, %)	Mar	-0,3	-0,3	-0,2
15.	4 : 00	CN	Infrastructural spending (yoy, %)	Apr	6,1	6,4	6,3
	4 : 00	CN	Industrial production (yoy, %)	Apr	5,4	6,5	8,5
	4 : 00	CN	Retail sales (yoy, %)	Apr	7,2	8,6	8,7
	8 : 00	DE	GDP (preliminary, yoy, %)	Q1	0,6	0,7	0,9
	8 : 00	DE	GDP (preliminary, qoq, %, SA)	Q1	0,4	0,4	0,0
	8 : 00	RO	GDP (preliminary, yoy, %)	Q1	5,0	3,9	4,1
	9 : 00	HU	GDP (preliminary, yoy, %)	Q1		5,1	5
	9 : 00	HU	GDP (preliminary, qoq, %, SA)	Q1			1,0
	9 : 00	SK	GDP (preliminary, yoy, %)	Q1		3,6	3,6
	10 : 00	PL	GDP (preliminary, yoy, %)	Q1		4,5	4,9
	11 : 00	EZ	GDP (second estimate, yoy, %)	Q1		1	1,2*
	11 : 00	EZ	GDP (second estimate, qoq, %)	Q1		0	0,4*
	14 : 00	RO	Interest rate decision (%)	May		2,5	2,5
	14 : 30	US	New York Fed Manufacturing index (points)	May		8,5	10,1
	14 : 30	US	Retail sales (mom, %)	Apr		0,2	1,6
	15 : 15	US	Industrial production (mom, %)	Apr		0,0	-0,1
	16 : 00	US	Business inventories (mom, %)	Mar		0,0	0,3
16.	14 : 30	US	Housing starts (annualized monthly, '000s)	Apr		1205	1139
	14 : 30	US	Building permits (annualized monthly, '000s)	Apr		1290	1288
	14 : 30	US	Continuing jobless claims ('000s)	weekly		1680	1684
	14 : 30	US	Initial jobless claims ('000s)	weekly		220	228
17.	11 : 00	EZ	CPI (final, yoy, %)	Apr		1,7	1,7*
	16 : 00	US	Leading index (mom, %)	Apr		0,2	0,4
	16 : 00	US	Michigan Consumer confidence (preliminary, points)	May		97,5	97,2

*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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