



### Summary

- Trade war fears intensified on Friday
- Stock markets posted gains on both sides of the Atlantic
- The US job market data were paler than expected.

The US-China trade conflict escalated further on Friday. China is planning to impose USD 60 billion tariffs, ranging from 5% to 25%, on goods imported from America, in a countermeasure to retaliate America's move to increase the USD 200 billion tariffs imports from China from 10% to 25%. Nevertheless, China's trade ministry pointed out that the implementation of the import tariff hinges on the future US measures.

Stock markets fared well in Europe on Friday. Germany's DAX grew by 0.6%, France's CAC40 upped 0.3%, and Italy's FTSE-MIB gained 0.8%. In Friday's strongest performance, the FTSE100 gained 1.1% even though Britain's trade minister Liam Fox said that a no-deal Brexit was more likely than reaching a successful agreement with the EU. In the corporate world, the HSBC and UniCredit banks are to publish their earnings figures today.

America's stock markets had a good day on Friday. The Dow rose by 0.5%, the NASDAQ100 advanced 0.3%, and the S&P500 closed 0.5% higher.

The BUX soared 2% on Friday, while Prague's PX rose by 0.3%, and Poland's WIG20 inched up 0.1%.

Japan's Nikkei225 virtually flat-lined, ending this morning's trading 0.1% down. The Shanghai Composite sank 0.8%, but Hong Kong's Hang Seng upped 0.5%.

Commodity markets barely moved. Oil prices edged down: the Brent dropped 0.2%, while the WTI slipped 0.4%. Among industrial metal prices, copper nudged 0.2% higher while zinc climbed 1.5%. Precious metal prices rose, with gold adding 0.3% and silver increasing by 0.5%.

The EUR weakened 0.3% versus the US dollar, while the yen firmed 0.4% versus the greenback.

The US labour market figures released on Friday surprised on the downside. Non-farm payrolls grew by 157,000, missing the forecast of 190,000. The unemployment rate stagnated at 3.9%, as expected, and the annual wage growth remained at 2.7%. This negative surprise might prompt the Fed to slow its interest rate hikes, some economists say.

Germany's industrial orders contracted by 4%, wrong-footing analysts who had forecast -0.4%.

Today's meeting of the National Bank of Romania is expected to raise the base rate from 2.5% to 2.75%.

	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	2840,4	0,5	6,2	VIX	11,6	-4,5	5	WTI	68,5	-0,7	13,4
	DOW	25462,6	0,5	3,0	US 2Y	2,65	-2	75	Brent	73,21	-0,3	9,5
	Nasdaq100	7395,5	0,3	15,6	US 10Y	2,95	-3	54	Gold	1213,0	0,5	-6,9
	DAX	12615,8	0,6	-2,3	GER 2Y	-0,59	-2	4	Silver	15,38	0,5	-9,2
	CAC40	5479,0	0,3	3,1	GER 10Y	0,41	-5	-2	EUR/USD	1,16	-0,1	-3,6
	FTSE 100	7659,1	1,1	-0,4	PT10Y	1,80	-1	-13	EUR/GBP	0,89	0,0	0,1
	FTSE MIB	21586,9	0,8	-1,2	IT 10Y	2,94	2	94	EUR/NOK	9,55	0,0	-3,0
	Stoxx600	389,2	0,7	0,0	SP 10	1,44	-2	-13	USD/CAD	1,30	-0,3	3,3
	- Banks	142,8	0,5	-13,5	iTRAXX	64,2	1,5	42	AUD/USD	0,74	0,6	-5,2
	Nikkei 225	22507,3	-0,1	-1,1	JPY 2Y	-0,11	0	3	USD/JPY	111,25	-0,4	-1,3
	SSEC	2710,7	-1,1	-18,0	JPY 10Y	0,11	0	6	GBP/USD	1,30	-0,1	-3,8
Regional	RTS	1145,1	0,4	-0,8	RUS10	7,8	0,0	3	USD/RUB	63,298	0,0	9,8
	WIG20	2286,92	0,1	-7,1	POL 10	3,1	-1,5	-6	EUR/PLN	4,26	-0,3	2,1
	PX50	1092,2	0,3	1,3	CZ10	2,2	-0,6	44	EUR/RON	4,616	-0,1	-1,3
Hungary	BUX	36760	2,0	-6,6	3M DKJ	0,16	0	12	EUR/HUF	320,05	-0,3	3,1
	OTP	10550	1,2	-1,6	1Y	0,49	1	44	USD/HUF	276,56	-0,2	6,8
	MOL	2802	3,6	-6,8	3Y	1,59	-1	104	CHF/HUF	277,82	-0,2	4,8
	MTelekom	396	1,0	-13,5	5Y	2,88	3	171	PLN/HUF	75,18	0,1	1,2
	Richter	5200	2,2	-23,3	10Y	3,34	-2	129	GBP/HUF	359,01	-0,5	2,8

\* 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 8. 6.	8 : 00	DE Industrial orders (mom, %)	Jun	-4,0	-0,2	2,6
	10 : 30	EZ Sentix Investor confidence (points)	Aug		14,0	12,1
	14 : 00	RO Interest rate decision (%)	Jun		2,8	2,5
7.	8 : 00	DE Export (mom, %)	Jun		-0,4	1,8
	8 : 00	DE Industrial production (mom, %)	Jun		-0,5	2,6
	9 : 00	HU Industrial production (preliminary, yoy, %)	Jun		-	0,4
	10 : 00	HU International reserves (preliminary, EURbn)	Jul		-	24,1
	11 : 00	HU Fiscal balance (monthly, billion HUF)	Jul		-	-233,0
8.	9 : 00	HU Inflation (yoy, %)	Jul		3,3	3,1
	9 : 00	HU Core inflation (yoy, %)	Jul		-	2,4
9.	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	Jun		-	577,0
10.	9 : 00	HU Construction output (yoy, %)	Jun		-	15,1
	10 : 30	UK GDP (preliminary, yoy, %)	Q2		1,3	1,2
	10 : 30	UK GDP (preliminary, qoq, %)	Q2		0,4	0,2
	10 : 30	UK Industrial production (mom, %)	Jun		0,4	-0,4
	14 : 30	US CPI (yoy, %)	Jul		2,9	2,9
	14 : 30	US CPI (mom, %)	Jul		0,2	0,1
	14 : 30	US core-CPI (yoy, %)	Jul		2,3	2,3
	14 : 30	US core-CPI (mom, %)	Jul		0,2	0,2
	20 : 00	US Federal budget balance (USDbn)	Jul		-	-75,0
	1 : 50	JP GDP (annualized qoq, %)	Q2		1,4	-0,6

Sources: Reuters, OTP Research

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