Global Daily Report

Treasury Sales Team

+40372 31 85 88

sales.treasury@otpbank.ro

Summary

- Emerged economies' equity markets fared well on Monday
- Oil prices continued the winning streak
- The USA's University of Michigan consumer sentiment index fell sharply
- Hungary's MNB is to make rate decision today

Monday's trading was optimistic on European markets. Frankfurt's DAX advanced 1.0%, London's FTSE 100 added 0.4%, and France's CAC40 closed 0.7% higher. In Milan, the FTSE-MIB climbed 0.3%. One reason for the optimism is the talks resuming this Wednesday between the USA and China, to avoid a full-fledged trade war.

Most US indices fared well yesterday. The Dow rose by 0.4%, while the S&P500 gained 0.3%. Only the tech-heavy NASDAQ100 inched 0.1% lower. In a negative development, President Trump once again criticized the Fed's tightening measures.

Asia's markets did well this morning. Japan's Nikkei225 nudged 0.1% higher. Hong Kong's Hang Seng was up 0.5% before market close. The brightest star, China's Shanghai Composite was seen 1.3% higher before the end of today's trading.

On Friday the US dollar surged 3.7% versus the Turkish lira, but dropped 0.6% against the euro and gave back 0.3% to the yen. On Monday the USD/TRY climbed 0.5%. The EUR/USD upped 0.4%, while the yen topped its gain by 0.5% versus the USD.

Oil prices marched higher on Friday, with the Brent advancing 0.6% and the WTI increasing by 0.7%. They ran out of steam on Monday when the Brent closed 0.5% higher but the WTI became 0.7% cheaper. Precious metals glittered on Monday: the price of gold grew by 1.1%, while silver added 0.7%. In Industrial metals, copper price increased by 1.4%.

A string of data was released in Turkey on Friday. One of them, the consumer confidence index, has sunk to 68.3, down from 73.1 in the previous month. Any reading below 100 suggests that consumers' expectations are pessimistic. In the USA, the University of Michigan consumer sentiment index dropped to 95.3, missing expectations of 98.0. Matching expectations, the eurozone's final inflation reading was 2.1% (year/year).

In today's meeting, Hungary's central bank MNB is expected to leave the base rate at 0.9%.

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	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	2857,1	0,2	6,9	VIX	12,5	-1,2	13	WTI	65,5	-0,7	8,4
	DOW	25758,7	0,3	4,2	US 2Y	2,59	-3	70	Brent	72,21	0,5	8,0
	Nasdaq100	7371,4	-0,1	15,2	US 10Y	2,82	-5	41	Gold	1190,2	0,5	-8,6
	DAX	12331,3	1,0	-4,5	GER 2Y	-0,63	-1	0	Silver	14,71	-0,3	-13,2
	CAC40	5379,7	0,6	1,3	GER 10Y	0,30	0	-12	EUR/USD	1,15	0,4	-4,3
	FTSE 100	7591,3	0,4	-1,3	PT10Y	1,84	-3	-9	EUR/GBP	0,90	0,0	1,0
	FTSE MIB	20471,0	0,3	-6,3	IT 10Y	3,05	-8	105	EUR/NOK	9,70	0,3	-1,5
	Stoxx600	383,2	0,6	-1,5	SP 10	1,42	-6	-15	USD/CAD	1,30	-0,1	3,7
	- Banks	133,9	0,4	-18,9	iTRAXX	70,8	-0,4	57	AUD/USD	0,73	0,4	-5,9
	Nikkei 225	22219,7	0,1	-2,4	JPY 2Y	-0,12	0	2	USD/JPY	110,06	-0,4	-2,3
	SSEC	2738,3	1,5	-17,2	JPY 10Y	0,09	0	4	GBP/USD	1,28	0,4	-5,3
Regional	RTS	1065,3	1,2	-7,7	RUS10	8,7	0,1	15	USD/RUB	66,956	0,0	16,1
	WIG20	2236,08	0,8	-9,1	POL 10	3,1	-0,8	-5	EUR/PLN	4,31	0,3	3,1
	PX50	1062,0	0,4	-1,5	CZ10	2,2	-0,2	43	EUR/RON	4,645	-0,2	-0,7
Hungary	BUX	36437	0,0	-7,5	3M DKJ	0,17	0	13	EUR/HUF	323,73	0,3	4,3
	OTP	10330	0,0	-3,6	1Y	0,58	0	53	USD/HUF	282,00	0,0	8,9
	MOL	2740	0,0	-8,8	3Y	1,77	0	122	CHF/HUF	284,71	0,0	7,4
	MTelekom	401	0,0	-12,4	5Y	3,01	0	184	PLN/HUF	75,10	0,0	1,1
	Richter	5390	0,0	-20,5	10Y	3,59	0	154	GBP/HUF	361,55	0,2	3,5

* 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. 21.	14 : 00	HU	Interest rate decision (%)	Aug		0,9	0,9
22.	9 : 00	HU	Gross wages (yoy, %)	Jun		-	10,9
	16 : 00	US	Existing home sales (mom, %)	Jun		5 400	5 380
	20 : 00	US	FOMC Minutes	Aug		-	-
23.	2 : 30	JP	Nikkei Manufacturing PMI (points)	Aug		-	52,3
	9 : 15	FR	Markit Manufacturing PMI (points)	Aug		53,5	53,3
	9 : 15	FR	Markit Service PMI (points)	Aug		55,1	54,9
	9 : 30	DE	Markit Manufacturing PMI (points)	Aug		56,5	56,9
	9 : 30	DE	Markit Service PMI (points)	Aug		54,3	54,1
	10 : 00	EZ	Markit Manufacturing PMI (points)	Aug		55,0	55,1
	10 : 00	EZ	Markit Service PMI (points)	Aug		54,4	54,2
	13 : 30	EZ	ECB Minutes	Jul		-	-
	15 : 45	US	Markit Manufacturing PMI (points)	Aug		55,2	55,3
	15 : 45	US	Markit Service PMI (points)	Aug		56,0	56,0
	16 : 00	EZ	Consumer confidence index (flash, points)	Aug		-0,6	-0,6
	16 : 00	US	New home sales (annualized monthly, '000s)	Jul		650	631
		US	Jackson Hole Economic Symposium	-		-	-
24.	1 : 30	JP	CPI (yoy, %)	Jul		-	0,7
	1 : 30	JP	core-CPI (yoy, %)	Jul		0,9	0,8
	8 : 00	DE	GDP (detailed, yoy, %)	Q2		2,0	2,0*
	14 : 30	US	Durable goods orders (mom, %)	Jul		0,8	0,8

* preliminary data

Sources: Reuters, OTP Research

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

Analyst
Gergely Buczkó
ratkaio@otpbank.hu
+36 1 374 7270

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This document was prepared on 21 August 2018.

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