

Summary

- European stock markets stuttered, America was closed on Labor Day.
- EM currencies slid deeper on Monday.
- The USA is to release important statistics today.

US markets were closed on Labor Day, and Europe's benchmark indices made subtle moves on low turnover yesterday. The Stoxx600 upped 0.1%. Asian stock markets slipped following the release of China's Caixin manufacturing purchasing managers' index for August, which fell to a 14-month low. In the final reading for August, most European PMIs also subsided. New export orders rose at their slowest in two years, reflecting the intensified global trade tensions. The losses of Europe's carmakers and real property names were offset by insurance companies' gains on Monday. The DAX edged 0.1% down but the FTSE jumped 1% higher.

The sentiment in the CEE region was mixed again. The WIG20 rallied 0.8%, the BUX dropped 0.7%, and the PX50 stagnated.

Recovering from Friday's fall, the euro firmed 0.2% against the US dollar and appreciated 0.8% versus the GBP. Once again, Brexit reports were in the centre of attention: most recently EU chief negotiator for Brexit, Michel Barnier's comment, and its misunderstanding influenced the pound's exchange rate, and Boris Johnson's message also weakened the sterling on Monday. Emerging market currencies remained under pressure. In a bid to boost its budget revenues, Argentina announced to tax exports, but this could not stop its currency from continuing its losing streak: the peso's 4.4% depreciation lifted the USD/ARD near 38.5. Turkey's lira extended its losses by 2% after releasing statistics on rising inflation. Brazil's real lost more than 1% against the US dollar, while the Indonesian rupee subsided to 20-year low, and Iran's rial hit an all-time low.

Government bond yields sank on global markets: that on the German 10Y Bund shed one basis point, British bond yields came down two basis points, and Italy's benchmark yield slid five basis points as the finance minister's speech about budget plans lacked the populist rhetoric this time.

Brent price climbed 0.7%, above 78 USD/barrel. The WTI upped 0.3% to more than 70 USD/barrel. Iran's petroleum supplies in August marked the lowest since 2016.

Asia's stock markets ended a rather listless session this morning. The Nikkei edged lower, while mainland China's and Hong Kong's benchmark nudged higher. The yen oscillated as the Bank of Japan boosted its monthly short-term bond buys, to counterbalance the decline in the number of days available for purchases.

Today the USA will release a raft of important data, including the ISM manufacturing PMI for August, the July gauge of construction spending, and statistics for August vehicle sales. Reportedly, President Trump is planning to impose additional USD 200 billion tariffs on goods imported from China.

	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	2901,5	0,0	8,5	VIX	12,9	0,0	16	WTI	70,1	0,3	16,0
	DOW	25964,8	0,0	5,0	US 2Y	2,63	0	74	Brent	78,15	0,9	16,9
	Nasdaq100	7654,6	0,0	19,7	US 10Y	2,85	0	44	Gold	1200,4	0,0	-7,8
	DAX	12346,4	-0,1	-4,4	GER 2Y	-0,62	0	1	Silver	14,46	-0,3	-14,7
	CAC40	5413,8	0,1	1,9	GER 10Y	0,34	0	-9	EUR/USD	1,16	0,2	-3,1
	FTSE 100	7504,6	1,0	-2,4	PT10Y	1,93	0	0	EUR/GBP	0,90	0,8	1,6
	FTSE MIB	20395,8	0,6	-6,7	IT 10Y	3,19	-5	119	EUR/NOK	9,71	-0,2	-1,4
	Stoxx600	382,5	0,1	-1,7	SP 10	1,49	0	-8	USD/CAD	1,31	0,4	4,1
	- Banks	134,4	0,1	-18,5	iTRAXX	68,4	-0,1	51	AUD/USD	0,72	0,3	-7,6
	Nikkei 225	22696,9	0,0	-0,3	JPY 2Y	-0,11	-1	3	USD/JPY	111,07	0,0	-1,4
	SSEC	2754,7	1,2	-16,7	JPY 10Y	0,12	0	7	GBP/USD	1,29	-0,7	-4,8
Regional	RTS	1085,2	-0,7	-6,0	RUS10	8,7	-0,6	14	USD/RUB	67,925	0,7	17,8
	WIG20	2355,67	0,8	-4,3	POL 10	3,2	0,8	-3	EUR/PLN	4,29	-0,2	2,8
	PX50	1073,1	0,0	-0,5	CZ10	2,1	-0,3	38	EUR/RON	4,630	-0,2	-1,0
Hungary	BUX	36972	-0,7	-6,1	3M DKJ	0,20	0	16	EUR/HUF	326,66	0,1	5,2
	OTP	10240	-1,2	-4,5	1Y	0,55	-5	50	USD/HUF	281,08	-0,1	8,6
	MOL	2862	-0,3	-4,8	3Y	1,67	-1	112	CHF/HUF	290,05	0,3	9,5
	MTelekom	414	0,2	-9,7	5Y	2,92	0	175	PLN/HUF	76,07	0,0	2,4
	Richter	5455	-1,4	-19,5	10Y	3,49	1	145	GBP/HUF	361,61	-0,7	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 9. 3.	2 : 30	JP Nikkei Manufacturing PMI (points)	Aug	51,9	-	52,5
	9 : 00	HU Manufacturing PMI (points)	Aug	56,2	-	53,1
	9 : 00	TR Inflation (mom, %)	Jun	2,3	2,2	0,6
	9 : 00	TR Inflation (yoy, %)	Aug	17,9	17,8	15,9
4.	16 : 00	US ISM Manufacturing PMI (points)	Aug		57,7	58,1
	16 : 00	US Construction expenditure (mom, %)	Jul		0,6	-1,1
	21 : 30	US Vehicle sales (annualized monthly, million)	Aug		16,8	16,8
5.	9 : 00	HU Retail sales (first estimate, yoy, %)	Jul		-	6,8
	9 : 00	HU GDP (detailed, yoy, %)	Q2		4,6	4,6*
	9 : 00	HU GDP (detailed, qoq, %)	Q2		0,9	0,9*
	11 : 00	EZ Retail sales (mom, %)	Jul		-0,2	0,3
	14 : 00	PL Interest rate decision (%)	Sept		-	1,5
6.	8 : 00	DE Industrial orders (mom, %)	Jul		2,1	-4,0
	9 : 00	HU Industrial production (preliminary, yoy, %)	Jul		-	4,2
	14 : 15	US ADP non-farm employment (mom, '000s)	Aug		187,0	219,0
	16 : 00	US Factory orders (mom, %)	Jul		-1	1
	16 : 00	US ISM non-Manufacturing PMI (points)	Aug		56,0	55,7
7.	8 : 00	DE Export (mom, %)	Jul		0,5	0,0
	8 : 00	DE Industrial production (mom, %)	Jul		0,2	-0,9
	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	Jul		-	1070,0
	10 : 00	HU International reserves (preliminary, EURbn)	Aug		-	23,9
	11 : 00	EZ GDP (detailed, qoq, %)	Q2		0,4	0,4*
	11 : 00	EZ GDP (detailed, yoy, %)	Q2		2,2	2,2*
	11 : 00	HU Fiscal balance (monthly, billion HUF)	Aug		-	-70,4
	14 : 30	US Unemployment rate (%)	Aug		3,9	3,9
	14 : 30	US Average earnings (yoy, %)	Aug		2,8	2,7
	14 : 30	US Average earnings (mom, %)	Aug		0,3	0,3
	14 : 30	US Non-farm payroll (mom, '000s)	Aug		187,0	157,0
9.	0 : 0	SE Swedish parliamentary elections	Sept			

Sources: Reuters, OTP Research

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