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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	14 010	↑ 1,08	↑ 0,82
S&P500	1 513	↑ 1,01	↑ 0,68
Nasdaq100	2 764	↑ 1,19	↑ 0,99
Russell2000	911	↑ 1,01	↑ 0,66
Stoxx600	288	↑ 0,34	↓ -0,52
DAX	7 833	↑ 0,74	↓ -0,31
FTSE 100	6 347	↑ 1,12	↑ 1,00
CAC40	3 774	↑ 1,10	↓ -0,12
ATX	2 440	↓ -0,23	↓ -0,77
IBEX35	8 230	↓ -1,59	↓ -5,67
Nikkei 225	11 260	↑ 0,62	↑ 4,03
Hang Seng	23 722	↓ -0,03	↑ 0,60
SSEC	2 419	↑ 1,41	↑ 5,57
SENSEX	19 781	↓ -0,57	↓ -1,60
RTS	1 628	↑ 0,38	↑ 0,58
Bovespa	60 351	↑ 0,99	↓ -1,34

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3623	↓ -0,12	↑ 1,25
EUR/CHF	1,2384	↑ 0,02	↓ -0,61
USD/GBP	1,5696	↑ 0,04	↑ 0,01
USD/JPY	92,58	↓ -0,15	↑ 1,92
AUD/USD	1,0432	↑ 0,26	↑ 0,15
USD/CAD	0,9972	↑ 0,09	↓ -0,86

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,9	↓ -1,4	↑ 0,0
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	234	↑ 1	↑ 13
CDS 5Y Italy	209	↑ 0	↑ 11
CDS 5Y Belg.	43	↑ 0	↓ -4
iTraxx 5Y EU	111,0	↓ -1	↑ 6
US TED Spread	22,8	→ 0	↑ 0

Source: Reuters, OTP Research

Summary

- In Friday's positive trading sentiment, the major indices of Europe and America achieved near-1% gains.
- The January reading of manufacturing ISM index came in at 53.1, versus the expected 50.6 points.
- Employment grew by 157,000 in the USA in January; jobless rate is at 7.9%.

Friday's trading saw optimistic investors in Western Europe's key markets. The positive investment mood benefited from the purchasing managers' indices from China and Europe and from the overall better American macroeconomic data. On the last business day of the week, European benchmarks gained 0.5-1%. One of the top percentage earners in London was the BT Group telecommunications company: it benefited 7% from an excellent earnings report. In Europe, the financial sector weighed on the indices: despite the general optimism, banking shares were underperformers.

There investment mood in American trading was just as favourable, all major indices went up more than 1%. Of the S&P sector indices, the financial sector was the best performer, with 1.32% gain. The runner-up was industrial commodities (advancing 1.23%), and the technology sub-index came third, adding 1.12%. Of the Dow's components, the Bank of America was the strongest performer with 3.4% rally, and falling 3.5% made Merck the weakest link. Google closed 2.63% higher in Friday's trading, hitting an all-time high.

On Friday, the euro continued to make inroads into the dollar, which halted at the 1,3700 mark. This morning, the EUR/USD started from 1.3648.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,27	↓	0	↓	-1
US 10Y	2,04	↑	5	↑	8
JP 2Y	0,07	↓	0	↓	-1
JP 10Y	0,77	↑	2	↑	4
GER 2Y	0,27	→	0	↑	1
GER 10Y	1,70	→	0	↑	4

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	→	0,25	→	0,25
ECB Rate	0,75	↓	0,50	→	0,75
BOE Rate	0,50	→	0,50	→	0,50
BOJ Rate	0,10	→	0,10	→	0,10
SNB Target	0,00	→	0,00	→	0,00

MONEY MARKET

	Rate (%)		Daily chg (bp)		Weekly chg (bp)
US 3M Libor	0,30	↓	0	↓	-1
US 2Y Swap	0,40	↓	-1	↓	-3
US 5Y Swap	1,02	↑	1	↑	3
EUR 3M Euribor	0,23	↑	0	↑	2
EUR 2Y Swap	0,67	↓	0	↓	-1
EUR 5Y Swap	1,17	↓	-1	↓	-1
GB 3M Libor	0,51	→	0	→	0
GB 2Y Swap	0,72	↓	-1	↓	0
GB 5Y Swap	1,16	↑	1	↑	2
JP 3M Libor	0,17	→	0	→	0
JP 2Y Swap	0,20	↓	-1	↓	0
JP 5Y Swap	0,31	↑	1	↑	2
CHF 3M Libor	0,02	↑	0	↑	0
CHF 2Y Swap	0,14	↓	-1	↓	-3
CHF 5Y Swap	0,51	↓	0	↓	0

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	116,5	↓	-0,22	↑	2,66
Gold	1 671	↑	0,24	↑	0,98

Source: Reuters, OTP Research

Manufacturing outlook in the USA has considerably improved since December, the ISM index's January survey found. The manufacturing index climbed to 53.1 points, from 50.2, versus the expected 50.6 points. The breakdown reveals that the assessment of sales and labour market outlook has both improved: the new orders sub-index was at 53.3, up from 49.7 points, while the employment sub-index grew to 54 points, from 51.9.

Employment in the United States grew by 157,000 in January, a report by the US Department of Labor concluded. Analysts had expected 170,000 increase. According to the detailed data for January, the most spectacular increases were seen in retail and wholesale, construction, and health care. However, there was a decline in manufacturing, the government sector and in transportation companies. At the same time, end-2012 data were considerably revised upwards: November's reading was changed to 247,000 (from 161,000), and that of December was raised from 155,000 to 196,000. Unemployment rate stagnated at 7.9% in January; the consensus was 7.7%.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Friday	EZ	Jan	Inflation (flash, yoy, %)	2,0	2,2	2,2
		Dec	Unemployment (%)	11,7	11,9	11,8
	EZ	Jan	Manufacturing PMI (point)	47,9	47,5	47,5
	DE	Jan	Manufacturing PMI (point)	49,8	48,8	48,8
	US	Jan	Non-farm payroll (thousand)	157,0	160,0	155,0
	US	Jan	Unemployment rate (%)	7,9	7,8	7,8
	US	Jan	University of Michigan sentiment (final, point)	73,8	71,5	71,3
	US	Jan	ISM Manufacturing PMI (point)	53,1	50,6	50,2
	Monday	EZ	Dec	Producer prices (mom, %)		-0,2
US		Dec	Factory orders (mom, %)		2,2	0,0

Source: Reuters, OTP Research

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