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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	13 973	↓ -0,07	↑ 0,21
S&P500	1 521	↑ 0,07	↑ 0,79
Nasdaq100	2 771	↓ -0,08	↑ 0,91
Russell2000	924	↑ 0,35	↑ 1,72
Stoxx600	288	↓ -0,17	↑ 1,38
DAX	7 631	↓ -1,05	↑ 0,53
FTSE 100	6 327	↓ -0,50	↑ 1,59
CAC40	3 670	↓ -0,78	↑ 1,90
ATX	2 417	↓ -0,85	↑ 2,08
IBEX35	8 247	↓ -0,71	↑ 2,90
Nikkei 225	11 174	↓ -1,18	↑ 0,19
Hang Seng	23 413	↑ 0,85	↑ 1,02
SSEC	2 432	→ 0,00	↑ 0,57
SENSEX	19 497	↓ -0,57	↓ -0,42
RTS	1 588	↓ -1,51	↓ -0,44
Bovespa	58 077	↓ -0,56	↓ -0,51

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3371	↑ 0,08	↑ 0,06
EUR/CHF	1,2315	↑ 0,07	↑ 0,48
USD/GBP	1,5519	↑ 0,17	↓ -1,75
USD/JPY	92,45	↓ -0,43	↓ -0,23
AUD/USD	1,0361	↑ 0,04	↑ 0,43
USD/CAD	1,0009	↑ 0,02	↓ -0,14

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,7	↓ -0,3	↓ -0,8
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	219	↓ 0	↓ -24
CDS 5Y Italy	197	↓ -2	↓ -29
CDS 5Y Belg.	41	↑ 1	↓ -2
iTraxx 5Y EU	110,1	↓ -1	↓ -7
US TED Spread	19,0	→ 0	↓ -3

Source: Reuters, OTP Research

Summary

- The disappointing GDP data from Japan and Europe led most European and US benchmarks into the negative territory.
- Some relief came from the better-than-expected US jobless data.
- The dollar has firmed to the euro.

The poor GDP data from Japan and Europe soured investor sentiment and dragged most of Europe's and America's leading indices down in Thursday's trading. The DAX eased 1.05%, the FTSE edged down 0.5%, and the CAC 40 lost 0.78%. Nose-diving 12% made Spain's Bankia one of Thursday's losers as media reports expect the bank's reorganization to significantly slash the securities' nominal value. Nestlé lost 2.3% as its quarterly report's results filtered from exchange rate changes and one-off items signify slowing growth. Renault rallied 7.9% on the back of a better-than-expected earnings report and the management's optimistic forecasts. The EDF energy company soared 5%, benefiting from cost-cutting plans. The Rio Tinto mining company sank 0.44%, after giving account of loss for the first time in its history.

The weak European and Japanese GDP data were somewhat offset by the decline in the number of jobless claims in the USA. Thus the Dow edged down 0.07% and the Nasdaq shed 0.08%, whereas the S&P inched up 0.07% in Thursday's session. The Heinz food company's stocks skyrocketed 20%, following news that Warren Buffett's Berkshire Hathaway and 3G Capital are to acquire it for USD 28 billion, at 20% premium per share compared with Wednesday's closing price. American Airlines' parent company AMR Corp and US Airways announced their merger, which creates the largest airline company in the world. At the rear of the news, AMR's share price shot up 63%, whereas US Airways dived 4.6%. Cisco eased 0.7% despite the quarterly results that surpassed expectations. Pepsi upped 1.1%, at the back of the better-than-expected earnings report and higher dividend payment. General Motors lost 3.2%, most probably because, due to the losses suffered in European markets, its quarterly report's profit filtered from one-off items, was less than the market consensus had expected.

The dollar's firming led the EUR/USD to 1.336, from the 1.345. Gold added 0.09%, the Brent slipped 0.14%. Today, markets' focus is shifting to the G20 summit, where members are likely to make a declaration against currency war.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,27	↓	-1	↑	1
US 10Y	2,00	↓	-3	↑	4
JP 2Y	0,04	↑	1	↑	1
JP 10Y	0,77	↑	2	↑	0
GER 2Y	0,18	↓	-2	↑	0
GER 10Y	1,63	↓	-5	↑	1

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	0,29	⇒	0	↓	0
US 2Y Swap	0,40	↓	-1	↑	2
US 5Y Swap	0,97	↓	-2	↑	1
EUR 3M Euribor	0,23	⇒	0	↓	-1
EUR 2Y Swap	0,55	↓	-1	↓	-3
EUR 5Y Swap	1,06	↓	-2	↑	0
GB 3M Libor	0,51	⇒	0	⇒	0
GB 2Y Swap	0,68	↑	0	↑	1
GB 5Y Swap	1,19	↓	-1	↑	1
JP 3M Libor	0,16	↓	0	↓	0
JP 2Y Swap	0,20	↑	0	↑	1
JP 5Y Swap	0,28	↓	-1	↑	1
CHF 3M Libor	0,02	⇒	0	⇒	0
CHF 2Y Swap	0,11	↑	1	↓	-1
CHF 5Y Swap	0,46	⇒	0	↓	-2

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	117,8	↓	-0,14	↓	-0,89
Gold	1 633	↓	-0,09	↓	-2,04

Source: Reuters, OTP Research

The 0.6% contraction in Germany's Q4 GDP fell short of the consensus of 0.5% decline. The Eurozone's output sank 0.6%, also missing forecasts (-0.4%).

Initial jobless claims in the US declined stronger than had been expected, to 341,000 against the forecasted 360,000. To a certain extent, those staying at home because of the snowstorms may have contributed to the decrease. The four-week moving average indicates stagnation.

Continued jobless claims also tended to decline. Surpassing expectations, the figure was at 3.2 million, against the estimated 3.11 million.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Thursday	US	weekly	Initial jobless claims (ths)	341	360	366
	US	weekly	Continued jobless claims (ths)	3 114,0	3 200	3 224
	EZ	Q4	GDP (preliminary, qoq, %)	-0,6	-0,4	-0,1
	DE	Q4	GDP (preliminary, qoq, %)	-0,6	-0,5	0,2
Friday	US	Feb	New York Fed Manufacturing Index (point)		-2,00	-7,78
	US	Jan	Industrial output (mom, %)		0,2	0,3
	US	Feb	University of Michigan Sentiment Index (point)		74,8	73,8

Source: Reuters, OTP Research

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