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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	13 982	↑ 0,06	↓ -0,08
S&P500	1 520	↓ -0,10	↑ 0,12
Nasdaq100	2 765	↓ -0,24	↓ -0,39
Russell2000	923	↓ -0,07	↑ 1,04
Stoxx600	287	↓ -0,16	→ 0,00
DAX	7 594	↓ -0,49	↓ -0,77
FTSE 100	6 328	↑ 0,01	↑ 1,03
CAC40	3 660	↓ -0,25	↑ 0,30
ATX	2 400	↓ -0,70	↓ -0,23
IBEX35	8 150	↓ -1,18	↓ -0,30
Nikkei 225	11 408	↑ 2,09	↑ 2,28
Hang Seng	23 445	↑ 0,13	↑ 0,99
SSEC	2 432	→ 0,00	→ 0,00
SENSEX	19 468	↓ -0,15	↓ -0,09
RTS	1 577	↓ -0,70	↓ -0,81
Bovespa	57 903	↓ -0,30	↓ -1,02

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3344	↓ -0,13	↓ -0,46
EUR/CHF	1,2334	↑ 0,16	↓ -0,02
USD/GBP	1,5496	↓ -0,13	↓ -1,03
USD/JPY	93,92	↑ 0,47	↓ -0,40
AUD/USD	1,0297	↓ -0,07	↑ 0,42
USD/CAD	1,0070	↑ 0,08	↑ 0,23

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,5	↓ -0,2	↓ -0,6
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	220	↑ 1	↓ -21
CDS 5Y Italy	199	↑ 1	↓ -25
CDS 5Y Belg.	41	↓ 0	↓ -2
iTraxx 5Y EU	112,1	↑ 2	↓ -3
US TED Spread	19,0	↑ 0	↓ -3

Source: Reuters, OTP Research

Summary

- Advanced markets' major indices posted moderate losses, amid rather adverse sentiment.
- Participants of the weekend's G20 summit in Moscow agree that economic policy's meddling into FX rates is unwanted and harmful.
- After this statement, the JPY weakened further and the Tokyo exchange rallied on Monday morning.

Investors' attention was riveted on G20's Moscow summit on Friday, with special focus on whether a common standpoint could be established about the recent currency moves (in particular, the massive depreciation of the yen). This comes after days of confusing statements from the world's leading economic policy makers. The summit concluded with a statement that condemns any form of influencing exchange rates, underlining that market processes should form the crosses. Accordingly, the JPY weakened further and Japan's equity market did extremely well this morning.

Major benchmarks on equity markets eased less than 1%, only the London stock exchange and the Dow Jones Industrial Average could edge higher. Downgrades by Citigroup triggered a heavy selling in precious metal miners. Renault benefited 3.3% from an upgrade by JP Morgan, and Commerzbank gained 1.2% after publishing the Q4 earnings report.

In the USA, an e-mail leaked from Wal-Mart (describing February as a 'total disaster') caused some anxiety, thus the much better than expected New York Fed purchasing managers' index, which hit an eleven-month high, only temporarily could improve the sentiment and the key indices closed with near-stagnation losses.

In another volatile trading, the euro/dollar oscillated within a 100-point bracket, to end near Thursday-evening level. This morning, the greenback is firming. This week started rather gloomily across Western Europe: the Madrid stock exchange accumulated another 1% loss after the opening. In Asia, only the Nikkei225 and the TOPIX showed visible strength: Japanese indices gained more than 2 per cent.

In the USA, markets are closed for President's Day. This bodes quiet trading session in Europe.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,27	→ 0	↑ 2
US 10Y	2,01	→ 0	↑ 5
JP 2Y	0,04	→ 0	↑ 1
JP 10Y	0,75	↓ -2	↓ -1
GER 2Y	0,18	↑ 0	→ 0
GER 10Y	1,65	↑ 2	↑ 6

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	↑ 1
US 5Y Swap	1,00	↓ 0	↑ 3
EUR 3M Euribor	0,23	↓ 0	↓ 0
EUR 2Y Swap	0,56	↓ -1	↓ -2
EUR 5Y Swap	1,07	↓ -1	↓ -1
GB 3M Libor	0,51	↓ 0	↓ 0
GB 2Y Swap	0,69	↓ -1	↓ 0
GB 5Y Swap	1,17	↓ -1	↑ 0
JP 3M Libor	0,16	↓ 0	↓ 0
JP 2Y Swap	0,19	↓ -1	↓ 0
JP 5Y Swap	0,28	↓ -1	↑ 0
CHF 3M Libor	0,02	→ 0	→ 0
CHF 2Y Swap	0,12	↓ 0	↑ 0
CHF 5Y Swap	0,47	↑ 2	↑ 0

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	117,8	↑ 0,08	↓ -0,32
Gold	1 614	↑ 0,32	↓ -2,14

Source: Reuters, OTP Research

The confidence indices published in the USA were encouraging: the University of Michigan's preliminary reading on the overall index of consumer confidence for February and the New York Fed's manufacturing purchasing managers' index have both beaten expectations and the latter hit the highest reading since May 2012.

The USA's industrial output paints a less rosy picture, and Britain's retail sales are just as far from being encouraging. In January, both sectors' performance deteriorated, as opposed to analysts' estimates of 0.2% and 0.4% growth rates respectively.

Today, in addition to the eurozone's current account balance for December, ZEW will publish its economic sentiment index for Germany, a gauge that analysts polled by Reuters expect to improve.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Friday	US	Feb	New York Fed Manufacturing Index (point)	10,04	-2,00	-7,78
	US	Jan	Industrial output (mom, %)	-0,1	0,2	0,4
	UK	Jan	Retail trade (mom, %)	-0,6	0,4	-0,3
	US	Feb	University of Michigan consumer confidence (preliminary, point)	76,3	74,8	71,3
Monday	EZ	Dec	Current account (monthly, EUR bn)		-	14,8
	DE	Feb	ZEW economic sentiment (point)		35,0	31,5

Source: Reuters, OTP Research

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