

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	14 448	↓ -0,44	↓ -0,03
S&P500	1 552	↓ -0,33	↓ -0,03
Nasdaq100	2 789	↓ -0,41	↓ -0,10
Russell2000	946	↓ -0,04	↓ -0,14
Stoxx600	293	↓ -0,27	↓ -1,20
DAX	7 871	↓ -0,51	↓ -1,75
FTSE 100	6 393	↔ 0,00	↓ -1,01
CAC40	3 728	↓ -1,12	↓ -2,55
ATX	2 380	↓ -1,73	↓ -3,69
IBEX35	8 141	↓ -2,27	↓ -4,32
Nikkei 225	12 472	↓ -0,60	↑ 0,03
Hang Seng	22 251	↑ 0,61	↑ 0,76
SSEC	2 327	↓ -0,07	↑ 3,87
SENSEX	18 681	↓ -0,29	↓ -3,17
RTS	1 459	↓ -0,82	↓ -2,38
Bovespa	54 873	↓ -0,67	↓ -3,69

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,2876	↑ 0,19	↓ -0,04
EUR/CHF	1,2204	↑ 0,14	↑ 0,06
USD/GBP	1,5196	↑ 0,15	↑ 0,66
USD/JPY	94,32	↑ 0,18	↓ -0,85
AUD/USD	1,0471	↑ 0,07	↑ 1,03
USD/CAD	1,0190	↓ -0,22	↓ -0,74

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,7	↑ 0,2	↑ 0,4
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	237	↑ 2	↑ 0
CDS 5Y Italy	234	↑ 4	↓ 0
CDS 5Y Belg.	40	↑ 2	↑ 2
iTraxx 5Y EU	122,1	↑ 3	↑ 14
US TED Spread	20,3	↓ -2	↑ 0

Source: Reuters, OTP Research

Summary

- On Monday most markets opened higher on news about the agreement in Cyprus, but an interview with the eurogroup's head made the sentiment gloomier in the afternoon.
- The words suggesting that more burden may be put on deposit holders weighed heavily on European banking shares, the periphery's stock indices suffered nearly 2.5% losses.
- The dollar's firming hit a four-month record to the euro; this morning the greenback appreciated further. European stock markets opened higher, while the EUR/USD also started to decline.

News on the successful deal with Cyprus triggered optimism at the beginning of the week. But in the afternoon the eurogroup's head, the Dutch finance minister Jeroen Dijsselbloem said that using private deposits for the consolidation of the Cypriot banking system may be a pattern for future bank rescues. Meanwhile, Cypriot banks remain closed for two more days and on Monday evening the prime minister said that the movement of capital should be restricted in order to preserve stability, which affects domestic and foreign clients alike.

Although the eurogroup's spokesperson made attempts to take the edge off the Dutch finance minister's interview, Europe and the USA saw a heavy sell-off. In Europe, investors sold banking shares most of all; Société Générale was 6% in the red at one point. In London, Vodafone achieved gains after hints that it may sell its American subsidiary Verizon for USD 135 billion. The dollar sharply appreciated to the euro, and the pair touched a four-month low.

This morning, the sentiment has eased. Although Asia tried to catch up on yesterday's developments, most of Western Europe's equity markets opened in the green. In the context of the dollar's firming, the Fed's chairman Ben Bernanke said at a conference in London that the American central bank did not launch QE3 to weaken the dollar, and since all the key central banks follow loose monetary policy, this effect will not be strong. Axel Weber, the former chairman of the Bundesbank said that quantitative easings make far more intensive impact than the traditional interest rate policy, but they do not lift aggregate demand, only shift it towards countries where the currency is appreciating.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,25	↓ 0	↑ 0
US 10Y	1,92	↓ -3	↓ -3
JP 2Y	0,04	→ 0	↓ 0
JP 10Y	0,56	↓ 0	↓ -3
GER 2Y	0,04	↑ 3	↑ 4
GER 10Y	1,41	↑ 6	↑ 4

CENTRAL BANKS' RATES

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0,25	→ 0,25	→ 0,25
ECB Rate	0,75	→ 0,75	→ 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	0,28	↓ 0	↑ 0
US 2Y Swap	0,40	↓ -1	↓ -1
US 5Y Swap	0,96	↓ 0	↑ 2
EUR 3M Euribor	0,21	↓ 0	↑ 1
EUR 2Y Swap	0,48	↑ 1	↓ -2
EUR 5Y Swap	0,89	↓ 0	↓ 0
GB 3M Libor	0,51	→ 0	→ 0
GB 2Y Swap	0,60	↓ 0	↓ -1
GB 5Y Swap	0,96	↓ -2	↓ -3
JP 3M Libor	0,16	→ 0	→ 0
JP 2Y Swap	0,21	↓ 0	↓ -1
JP 5Y Swap	0,26	↓ -2	↓ -3
CHF 3M Libor	0,02	→ 0	→ 0
CHF 2Y Swap	0,07	↑ 0	↑ 3
CHF 5Y Swap	0,41	↓ 0	↑ 1

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	108,1	↓ -0,06	↑ 0,60
Gold	1 602	↓ -0,16	↓ -0,64

Source: Reuters, OTP Research

There were no influential macroeconomic statistics published yesterday. Today, only the United States is expected to release data that may influence markets. For the February reading of durable goods orders, it will be important whether the significant decline in the preceding month is followed by a meaningful rebound. In addition, property market data, as well as information on households' sentiment in March will see the light of day.

	COUNTRY	DATE	FACT	CONSENSUS	PREVIOUS
Monday			no data		
Tuesday	US	Feb	Durable goods (mom, %)	3,8	-4,9
	US	Feb	New home sales (ann, ths)	422	437
	US	Mar	Conference Board consumer confidence (point)	68,0	69,6

Source: Reuters, OTP Research

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