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Daily Report – Global markets

STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|-------------|--------|----------------|-----------------|
| DJIA | 14 865 | ↑ 0,42 | ↑ 1,77 |
| S&P500 | 1 593 | ↑ 0,36 | ↑ 2,14 |
| Nasdaq100 | 2 859 | ↓ 0,00 | ↑ 2,30 |
| Russell2000 | 947 | ↑ 0,10 | ↑ 2,31 |
| Stoxx600 | 295 | ↑ 0,60 | ↑ 1,11 |
| DAX | 7 872 | ↑ 0,78 | ↑ 0,69 |
| FTSE 100 | 6 416 | ↑ 0,45 | ↑ 1,14 |
| CAC40 | 3 776 | ↑ 0,85 | ↑ 1,33 |
| ATX | 2 470 | ↑ 1,20 | ↑ 4,87 |
| IBEX35 | 8 160 | ↑ 0,28 | ↑ 3,97 |
| Nikkei 225 | 13 467 | ↓ -0,61 | ↑ 4,94 |
| Hang Seng | 22 101 | ↑ 0,30 | ↓ -1,06 |
| SSEC | 2 220 | ↓ -0,30 | ↓ -0,26 |
| SENSEX | 18 542 | ↑ 0,69 | ↑ 0,18 |
| RTS | 1 433 | ↓ -1,43 | ↑ 0,96 |
| Bovespa | 55 401 | ↓ -1,40 | ↑ 1,38 |

FX MARKET

| | Close | Daily chg. (%) | Weekly chg. (%) |
|---------|--------|----------------|-----------------|
| EUR/USD | 1,3102 | ↑ 0,26 | ↑ 1,29 |
| EUR/CHF | 1,2192 | ↑ 0,03 | ↑ 0,30 |
| USD/GBP | 1,5382 | ↑ 0,35 | ↑ 0,98 |
| USD/JPY | 99,67 | ↓ -0,10 | ↑ 3,47 |
| AUD/USD | 1,0544 | ↑ 0,04 | ↑ 1,05 |
| USD/CAD | 1,0102 | ↓ -0,38 | ↓ -0,22 |

RISK INDICATORS

| | Close | Daily chg (bp) | Weekly chg (bp) |
|---------------|-------|----------------|-----------------|
| VIX | 12,2 | ↓ -0,1 | ↓ -1,7 |
| EMBI+ Spread | 287 | ↑ 12 | ↑ 30 |
| CDS 5Y PIIS | 232 | ↓ -5 | ↓ -10 |
| CDS 5Y Italy | 216 | ↓ -9 | ↓ -20 |
| CDS 5Y Belg. | 37 | ↑ 0 | ↓ -5 |
| iTraxx 5Y EU | 107,8 | ↓ -2 | ↓ -12 |
| US TED Spread | 20,7 | ↓ 0 | ↓ -1 |

Source: Reuters, OTP Research

Summary

- Europe's and America's indices closed higher on Thursday.
- According to media reports, the bailout package for Cyprus needs to be increased by EUR 5 billion, which the troubled country needs to raise on its own.
- The USD/JPY sank to 99.67.

Europe's and America's indices extended their earlier gains on Thursday. The DAX advanced 0.8%, the FTSE added 0.5%, and the CAC40 surged 0.9%. Skyrocketing 13% made Ashmore Group a winner of the day, after reports that the assets managed by the company grew by 9.4% in the fourth quarter. Nose-diving 11.4% made the Evraz steel manufacturer a loser of the day as the company warned of the risks surrounding sector. France Telekom benefited 1.3% from Societe Generale's Buy recommendation.

In the USA, better-than-expected unemployment data bolstered the rise. The Dow and the S&P climbed 0.4%, whereas the Nasdaq stagnated. Ross Stores, a discount apparel chain, soared 5.9% after giving account of 6% higher sales. HP and Microsoft plummeted 6.5% and 4.4% respectively, as IDC's statistics on global PC sales signify an unprecedented 14% plunge in PC sales in the first quarter. Microsoft's share price may have also been impaired by Goldman Sachs' Sell recommendation for its shares.

Investment mood may be influenced by news that the final cost of bailing out Cyprus may be EUR 23 billion, more than the originally planned EUR 17 billion. According to the media reports that leaked out, Cyprus will need to raise the difference; the options considered include selling some of its gold reserves, coercing the Bank of Cyprus' losses on its lenders, and bond swaps forced on holders of Cypriot government bonds of more than EUR 1 billion.

The JPY broke through the 100 line to the dollar, pushing the USD/JPY to 99.67.

Asian markets were in the red this morning.

GOV'T BOND MARKET

| | Yield (%) | | Daily chg (bp) | | Weekly chg (bp) |
|---------|-----------|---|----------------|---|-----------------|
| US 2Y | 0,23 | ↑ | 0 | ↑ | 0 |
| US 10Y | 1,81 | ↑ | 5 | ↓ | 0 |
| JP 2Y | 0,13 | ↑ | 2 | ↑ | 7 |
| JP 10Y | 0,62 | ↑ | 8 | ↑ | 6 |
| GER 2Y | 0,03 | ↑ | 1 | ↑ | 4 |
| GER 10Y | 1,28 | ↑ | 3 | ↓ | -3 |

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 | 0,36 | ↓ | -1 | ↓ | 0 |
| US 5Y Swap | 0,87 | ↓ | -2 | ↓ | 0 |
| EUR 3M Euribor | 0,21 | → | 0 | ↑ | 0 |
| EUR 2Y Swap | 0,45 | ↓ | -1 | ↑ | 3 |
| EUR 5Y Swap | 0,87 | ↓ | -1 | ↑ | 5 |
| GB 3M Libor | 0,51 | → | 0 | → | 0 |
| GB 2Y Swap | 0,59 | ↓ | -3 | ↑ | 5 |
| GB 5Y Swap | 0,96 | ↓ | -5 | ↑ | 12 |
| JP 3M Libor | 0,16 | → | 0 | ↓ | 0 |
| JP 2Y Swap | 0,25 | ↓ | -3 | ↑ | 5 |
| JP 5Y Swap | 0,39 | ↓ | -5 | ↑ | 12 |
| CHF 3M Libor | 0,02 | → | 0 | ↓ | 0 |
| CHF 2Y Swap | 0,08 | → | 0 | ↑ | 1 |
| CHF 5Y Swap | 0,42 | → | 0 | ↑ | 2 |

COMMODITIES

| | Close | | Daily chg. (%) | | Weekly chg. (%) |
|-----------|-------|---|----------------|---|-----------------|
| Oil Brent | 104,3 | ↓ | -1,44 | ↓ | -1,95 |
| Gold | 1 561 | ↑ | 0,17 | ↑ | 0,52 |

Source: Reuters, OTP Research

In the USA, initial jobless claims fell to 346,000, undershooting the forecast of 365,000. On the other hand, the continued jobless claim gauge is at 3.079 million, as opposed to the expected 3,066 million.

In today's publications, the Eurozone's industrial production, the US industrial producer price index, retail sales and the University of Michigan's sentiment index will see the light of day.

| | COUNTRY | DATE | | FACT | CONSENSUS | PREVIOUS |
|----------|---------|--------|---|-------|-----------|----------|
| Thursday | US | weekly | Initial jobless claims (ths) | 346 | 365 | 385 |
| | US | weekly | Continued jobless claims (ths) | 3 079 | 3 066 | 3 063 |
| | DE | Mar | CPI (yoy, %) | 1,4 | 1,4 | 1,4 |
| Friday | EZ | Feb | Industrial production (mom, %) | | 0,1 | -0,4 |
| | US | Mar | Producer prices (mom, %) | | -0,2 | 0,7 |
| | US | Mar | Retail sales (mom, %) | | 0,0 | 1,1 |
| | US | Apr | University of Michigan sentiment (preliminary, point) | | 78,5 | 78,6 |

Source: Reuters, OTP Research

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