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# Daily Report – Global markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 409	↑ 0,69	↑ 0,14
S&P500	1 660	↑ 0,63	↓ -0,55
Nasdaq100	3 012	↑ 0,70	↓ -0,48
Russell2000	997	↑ 1,33	↓ -0,14
Stoxx600	308	↑ 1,28	↓ -0,57
DAX	8 481	↑ 1,16	↑ 0,10
FTSE 100	6 762	↑ 1,62	↓ -0,62
CAC40	4 051	↑ 1,39	↑ 0,36
ATX	2 473	↑ 0,67	↓ -1,90
IBEX35	8 511	↑ 1,77	↑ 0,55
Nikkei 225	14 326	↑ 0,10	↓ -8,32
Hang Seng	22 924	↑ 1,05	↓ -1,89
SSEC	2 321	↑ 1,23	↑ 0,70
SENSEX	20 161	↑ 0,65	↑ 0,24
RTS	1 399	↑ 1,01	↓ -2,37
Bovespa	56 036	↓ -0,64	↓ -0,41

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,2853	↓ -0,01	↓ -0,02
EUR/CHF	1,2541	↓ -0,12	↓ -0,30
USD/GBP	1,5026	↓ -0,09	↓ -0,14
USD/JPY	102,15	↓ -0,21	↓ -0,97
AUD/USD	0,9544	↓ -0,73	↓ -1,57
USD/CAD	1,0414	↑ 0,16	↑ 0,45

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,5	↑ 0,5	↑ 1,5
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	190	↓ -6	↑ 16
CDS 5Y Italy	203	↓ -4	↑ 22
CDS 5Y Belg.	35	↑ 0	↓ -1
iTraxx 5Y EU	93,9	↓ -4	↑ 4
US TED Spread	22,8	↑ 4	↑ 0

Source: Reuters, OTP Research

**Summary**

- Most global markets extended their gains, the optimism was bolstered by cheering US macroeconomic data.
- Advanced markets' long-term bond yields grew notably, the dollar has made inroads into the euro.
- The Conference Board consumer confidence index hit more-than-five-year high in the USA.

Tuesday's trading on global stock markets was fairly optimistic: of the benchmarks on our radar, only Brazilian indices sank yesterday or this morning. Market players appreciated ECB governors' Tuesday statements, and the cheering macroeconomic figures from the USA bolstered the optimism in the afternoon. The Stoxx 50 surpassed the local high hit on 22 May and closed at its best since mid-2011. The Dow Jones 30 industrial index broke another record, while the S&P 500, the Nasdaq 100 and Russell 2000 all drew near the maximum readings reached last week. Rallying almost 100% made Omthera Pharmaceuticals the winner of the day on the New York Stock Exchange. It was bought up by AstraZeneca, which benefited 2.7% from the news, in London.

Advanced markets' bond yields have considerably increased. The US 10Y yield rose by 14 basis points to 2.17%, its peak since April 2012. Japanese bonds yields upped by 12 basis points, while that of the German Bund increased by 4 basis points. But currently it would be too early to identify a rising trend in yields.

The dollar has firmed versus the euro, and the EUR/USD is around 1.284 this morning. After the European opening, the pair moved somewhat higher. Following the optimism in Asian trading, Europe opened mostly in the red.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,31	↑	6	↑	7
US 10Y	2,17	↑	14	↑	24
JP 2Y	0,13	↑	1	→	0
JP 10Y	0,95	↑	12	↑	6
GER 2Y	0,03	↑	2	↑	2
GER 10Y	1,48	↑	4	↑	12

**CENTRAL BANKS' RATES**

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	→	0,25	→	0,25
ECB Rate	0,50	→	0,50	→	0,50
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	0,27	→	0	↓	0
US 2Y Swap	0,46	↑	0	↑	8
US 5Y Swap	1,25	↑	4	↑	21
EUR 3M Euribor	0,20	↓	0	↑	0
EUR 2Y Swap	0,44	↑	0	↑	7
EUR 5Y Swap	0,93	↑	1	↑	10
GB 3M Libor	0,51	→	0	→	0
GB 2Y Swap	0,63	↓	0	↓	-1
GB 5Y Swap	1,07	↑	0	↑	0
JP 3M Libor	0,16	→	0	→	0
JP 2Y Swap	0,27	↓	0	↓	-1
JP 5Y Swap	0,57	↑	0	↑	0
CHF 3M Libor	0,02	→	0	↓	0
CHF 2Y Swap	0,09	↑	0	↑	3
CHF 5Y Swap	0,44	↑	1	↑	2

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	104,1	↓	-0,11	↑	1,48
Gold	1 383	↑	0,21	↑	1,04

Source: Reuters, OTP Research

After the University of Michigan's mid-May survey, which signified a near-six-year high in American households' sentiment index, the Conference Board gauged more-than-five-year peak in its similar indicator. The soaring of the consumer confidence indices makes it increasingly likely that the negative economic effects of the fiscal austerity measures will be milder than had been thought, and coupled with the loose monetary policies, this generates considerable buoyance on capital markets, on top of the fundamental advantages against a struggling Europe (where the confidence of French consumers sank to an unprecedented low) .

The US real property market sent positive news too. Real estate prices increased further in March: the most closely watched statistics suggest 1.1% MoM growth, instead of the forecast 1%. The YoY index was at 10.9%, reflecting a significant increase in prices: the last time when prices saw such a rapid change was at the high of the home loan boom in early 2006. This figure tells us how robust the real estate market's upsurge is. Coupled with the stock market's attempts to break records, this greatly contributes to the improvement of consumer sentiment.

Today's publications include labour market data as well as preliminary inflation figures for May from Germany (data on the eurozone will become available on Friday) – none of these releases is likely to cause noticeable market move.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Tuesday	CH	Q1	Nonfarm payroll ('000)	4 152	-	4 116
	US	Mar	CaseShiller Housing Price Index (m-o-m, %, SA)	1,1	1,0	1,2
	US	May	Conference Board, Consumer Confidence (point)	76,2	71,0	68,1
Wednesday	DE	May	Change of number of unemployed persons (mom, ths)		5	4

Source: Reuters, OTP Research

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