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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 325	↑ 0,14	↑ 0,20
S&P500	1 654	↑ 0,37	↑ 0,24
Nasdaq100	3 012	↑ 0,57	↑ 0,68
Russell2000	994	↑ 0,76	↑ 1,03
Stoxx600	304	↑ 0,35	↓ -0,14
DAX	8 400	↑ 0,76	↑ 0,58
FTSE 100	6 605	↓ -0,24	↓ -1,37
CAC40	3 996	↑ 0,56	↑ 0,74
ATX	2 451	→ 0,00	↑ 0,10
IBEX35	8 434	↓ -0,10	↑ 1,08
Nikkei 225	13 775	↑ 1,37	↓ -5,73
Hang Seng	22 484	↓ -0,31	↓ -0,82
SSEC	2 318	↓ -0,27	↑ 1,85
SENSEX	20 215	↑ 0,34	↑ 2,75
RTS	1 350	↓ -0,71	↓ -3,60
Bovespa	54 635	→ 0,00	↓ -3,04

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3040	↓ -0,06	↑ 0,86
EUR/CHF	1,2448	↑ 0,10	↑ 0,14
USD/GBP	1,5225	↓ -0,04	↑ 0,66
USD/JPY	100,80	↑ 0,08	↓ -0,46
AUD/USD	0,9652	↓ -0,06	↑ 0,07
USD/CAD	1,0306	↑ 0,10	↓ -0,11

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,5	↓ -0,3	↑ 0,7
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	197	↑ 0	↑ 15
CDS 5Y Italy	210	↓ -2	↑ 19
CDS 5Y Belg.	36	↑ 0	↑ 2
iTraxx 5Y EU	100,1	↑ 0	↑ 13
US TED Spread	24,2	↓ 0	↑ 1

Source: Reuters, OTP Research

Summary

- Most of the US statistics released on Thursday missed expectations, providing ammo for the argument that the Fed will not revoke printing money in the near future.
- This possibility led US markets higher, the advances were headed by technology and banking shares, providing encouraging news for those who expect further gains.
- This morning the euro broke down from its three-week high to the dollar.

On one of the last trading days of the month, American indices could achieve gains. The good news for those having faith in further gains is that the upward move was fuelled by the technology and banking sectors.

Given that the weekly unemployment data and pending home sales statistics fell short of predictions, some commentators suggest that at this point, there is no reason to be afraid that the Fed would cancel its monetary easing. This relief may have contributed to yesterday's advances.

Those hoping that German consumption will be the engine of growth in Europe may feel disappointed at this point. The data released today suggest that the volume of Germany's retail sales contracted by 0.4%. The bitter cold in April must have weighed on the decline too.

Europe's stock markets opened in the red this morning. The euro broke down from a three-week high versus the dollar.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,30	→ 0	↑ 5
US 10Y	2,11	↓ -1	↑ 9
JP 2Y	0,15	↑ 1	↑ 3
JP 10Y	0,90	↓ -3	↑ 4
GER 2Y	0,08	↓ 0	↑ 8
GER 10Y	1,52	↓ -1	↑ 13

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	0,43	↓ 0	↑ 5
US 5Y Swap	1,16	↓ -2	↑ 12
EUR 3M Euribor	0,20	→ 0	↑ 0
EUR 2Y Swap	0,45	↓ -1	↑ 6
EUR 5Y Swap	0,95	↓ -1	↑ 8
GB 3M Libor	0,51	→ 0	→ 0
GB 2Y Swap	0,65	↓ -1	↓ 0
GB 5Y Swap	1,13	↓ -2	↑ 2
JP 3M Libor	0,15	→ 0	↓ 0
JP 2Y Swap	0,27	↓ -1	↓ 0
JP 5Y Swap	0,52	↓ -2	↑ 2
CHF 3M Libor	0,02	→ 0	↓ 0
CHF 2Y Swap	0,10	↓ -1	↑ 3
CHF 5Y Swap	0,47	↓ -1	↑ 8

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	102,2	↓ -0,04	↓ -0,48
Gold	1 417	↑ 0,28	↑ 2,29

Source: Reuters, OTP Research

Most of the data released in the USA yesterday fell short of expectations. Europe's business sentiment index was somewhat better than had been thought.

In today's publications, the Chicago purchasing managers' index and the University of Michigan's sentiment index will see the light of day. The euro area is to publish inflation and unemployment rates.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Thursday	EZ	May	Business sentiment (points)	89,4	89,0	88,6
	EZ	May	Consumer sentiment (points)	-21,9	-21,9	-22,3
	US	Q1	GDP Preliminary (annualized, %)	2,4	2,5	2,5
	US	Apr	Pending home sales (mom, %)	0,3	1,1	1,5
	US	weekly	Initial jobless claims (ths)	354,0	340	340
	US	weekly	Continued jobless claims (ths)	2 986	2 950	2 912
	Friday	US	May	Chicago PMI (point)		50,0
US		May	Michigan sentiment (point)		83,7	83,7
EZ		May	EZ inflation (flash, yoy, %)		1,4	1,2
EZ		Apr	Unemployment rate (%)		12,2	12,1
DE		Apr	Retail sales (mom, %)	-0,4	0,2	-0,1

Source: Reuters, OTP Research

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