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# Daily Report – Global markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 225	↑ 0,59	↑ 1,67
S&P500	1 640	↑ 0,53	↑ 1,58
Nasdaq100	2 966	↑ 0,10	↑ 1,32
Russell2000	1 009	↑ 0,38	↑ 1,96
Stoxx600	292	↑ 1,41	↑ 1,42
DAX	7 969	↑ 2,08	↓ -0,19
FTSE 100	6 450	↑ 1,17	↑ 2,26
CAC40	3 824	↑ 1,86	↑ 1,50
ATX	2 267	↑ 0,86	↑ 0,58
IBEX35	8 018	↑ 1,90	↑ 1,40
Nikkei 225	14 473	↑ 2,58	↑ 2,65
Hang Seng	20 582	↓ -1,31	↓ -1,06
SSEC	1 958	↓ -2,44	↓ -1,85
SENSEX	19 325	↓ -0,88	↓ -1,29
RTS	1 277	↑ 0,69	↑ 0,03
Bovespa	45 076	↓ -0,30	↓ -4,56

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,2890	↑ 0,16	↓ -0,67
EUR/CHF	1,2434	↑ 0,27	↑ 0,80
USD/GBP	1,4965	↑ 0,10	↓ -1,24
USD/JPY	101,25	↑ 0,30	↑ 0,63
AUD/USD	0,9147	↑ 0,15	↑ 0,05
USD/CAD	1,0544	↓ -0,10	↑ 0,01

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,8	↓ -0,1	↓ -2,1
EMBI+ Spread	287	↑ 12	↑ 30
CDS 5Y PIIS	253	↓ -3	↑ 15
CDS 5Y Italy	231	↓ -4	↓ -6
CDS 5Y Belg.	43	↓ -2	↓ -1
iTraxx 5Y EU	109,4	↑ 1	↓ -5
US TED Spread	22,4	↓ 0	↓ -1

Source: Reuters, OTP Research

**Summary**

- Developed stock markets climbed further, the most important benchmarks continued to rise this morning.
- The euro appreciated against the dollar, the EUR/CHF pair was nearing 1.245 this morning.
- Disregarding extraordinary items, Alcoa achieved better-than-expected results in the second Quarter.

The effects of the ECB's forward guidance (which stated that the current favourable interest rate policy will remain for at least a year) were continued to be felt on Monday. Furthermore, Portugal's coalition government will stay together, after an agreement has been reached Friday night. These factors contributed to the rise of the main stock indices in the US, Asia, and the core as well as the periphery of the Eurozone. In the U.S., investors' confidence was also supported by the better-than-expected quarterly financial report of Alcoa, which opened the Earnings Season in the U.S.

In Europe, the most sought-after securities were those of the financial sector. Carmakers in Frankfurt and oil companies in Paris and London also saw their shares rise. In the U.S., the quarterly report of Alcoa marked the beginning of the Earnings Season pertaining to the second quarter. The aluminium company reported losses and a decrease in revenues as expected; however, disregarding extraordinary items, it realized profits in the April-June period.

After the EUR/USD sank to 1.28 yesterday morning, there were a few explicit jumps, and this morning the interbank trading was at 1.29. The euro is appreciating against the Swiss franc, the EUR/CHF cross rose close to 1.245, which previously only happened during 2 few-week periods since the introduction of the exchange rate floor. Meanwhile, the maximum exchange rate of 1,2648 experienced during these periods is still distant. Almost all European stock markets opened in the green today.

**GOV'T BOND MARKET**

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,37	↓ -3	↑ 1
US 10Y	2,64	↓ -9	↑ 16
JP 2Y	0,14	↓ 0	↓ -1
JP 10Y	0,88	↑ 2	↓ -2
GER 2Y	0,10	↓ -1	↓ -12
GER 10Y	1,71	↑ 5	↓ -3

**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	0,53	↑ 2	↑ 4
US 5Y Swap	1,68	↑ 2	↑ 16
EUR 3M Euribor	0,22	⇒ 0	↓ -1
EUR 2Y Swap	0,48	↑ 0	↓ -10
EUR 5Y Swap	1,12	↓ -1	↓ -5
GB 3M Libor	0,51	↓ 0	↓ 0
GB 2Y Swap	0,71	↓ -1	⇒ 0
GB 5Y Swap	1,52	↓ -1	↑ 0
JP 3M Libor	0,16	⇒ 0	⇒ 0
JP 2Y Swap	0,27	↓ -1	⇒ 0
JP 5Y Swap	0,51	↓ -1	↑ 0
CHF 3M Libor	0,02	⇒ 0	⇒ 0
CHF 2Y Swap	0,12	↑ 0	↓ -4
CHF 5Y Swap	0,69	↑ 1	↓ -3

**COMMODITIES**

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	107,5	↑ 0,02	↑ 3,32
Gold	1 258	↑ 1,75	↑ 1,30

Source: Reuters, OTP Research

Regarding macro data, yesterday was not an eventful day. It must be noted however that German industrial output has seriously underperformed expectations with a 1% month-on-month decline. This means a 1% decline in yearly terms as well, although it seems that with the strong performance in April, overall the sector was able to expand in the second quarter. The weak May data also partly explains the disappointing data about the Hungarian industrial output, which was published on Friday. The surplus of the German trading account was also lower than expected.

Today, the UK will publish its industrial output data, while we can expect other European countries to do the same later this week. In light of the German numbers, it would not be surprising to see month-on-month performances to weaken, although it must be noted that in many aspects, the performance of the German industry deviates from that of other Western-European countries.

The Chinese year-on-year Consumer Price Index increased more than expected, as prices stagnated instead of falling on a month-on-month basis.

	COUNTRY	DATE		FACT	CONSENSUS	PREVIOUS
Monday	DE	May	Trade balance (bn euro)	14,1	17,5	17,5
	DE	May	Industrial output (mom, %)	-1,0	-0,5	2,0
Tuesday	UK	May	Industrial output (mom, %)		0,2	0,1
	CN	Jun	CPI (yoy, %)	2,7	2,5	2,1

Source: Reuters, OTP Research

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