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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	14 931	↑ 0,65	↑ 0,72
S&P500	1 653	↑ 0,81	↑ 1,11
Nasdaq100	3 125	↑ 1,06	↑ 1,70
Russell2000	1 026	↑ 0,92	↑ 0,89
Stoxx600	302	↑ 0,19	↑ 1,49
DAX	8 196	↑ 0,19	↑ 0,47
FTSE 100	6 475	↑ 0,10	↑ 0,65
CAC40	3 980	↑ 0,16	↑ 0,50
ATX	2 481	↑ 0,84	↑ 1,24
IBEX35	8 490	↑ 0,53	↑ 1,10
Nikkei 225	14 065	↑ 0,08	↑ 4,50
Hang Seng	22 326	↓ -0,31	↑ 3,72
SSEC	2 128	↑ 0,21	↑ 1,25
SENSEX	18 568	↑ 1,83	↑ 3,18
RTS	1 299	↑ 0,42	↓ -0,09
Bovespa	51 716	↑ 0,18	↑ 3,71

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3167	↓ -0,30	↓ -0,55
EUR/CHF	1,2378	↑ 0,22	↑ 0,46
USD/GBP	1,5609	↓ -0,10	↑ 0,68
USD/JPY	99,66	↓ -0,09	↑ 1,34
AUD/USD	0,9152	↓ -0,15	↑ 2,50
USD/CAD	1,0487	↓ -0,04	↓ -0,41

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,9	↓ -0,7	↓ -0,9
EMBI+ Spread	287	↓ -6	↓ -5
CDS 5Y PIIS	237	↑ 1	↑ 6
CDS 5Y Italy	197	↑ 1	↓ -4
CDS 5Y Belg.	37	↓ 0	↓ 0
iTraxx 5Y EU	104,8	↓ 0	↓ -2
US TED Spread	23,5	↓ -1	↑ 1

Source: Reuters, OTP Research

Summary

- Europe's markets were mostly gloomy on Wednesday, but the optimistic opening in the USA galvanized Western European indices too.
- The Bank of Japan did not change its benchmark rate or the pace of its asset purchases.
- The ECB and the BoE will decide on their base rates, and the USA will publish labour market statistics today.

Europe's markets were mostly pessimistic on Wednesday, but the optimistic opening in the USA gave impetus to Western European indices too. US indices advanced 0.7-1%, and those of Western Europe edged 0.1-0.2% higher in Wednesday's session. This morning, the Nikkei closed near its previous day's close. The influential macroeconomic figures to be published today may cause significant market moves.

US military intervention in Syria is becoming increasingly probable, as the Senate's foreign relations committee yesterday approved the resolution that permits the use of military force against Syria. The Senate itself may vote some time next week.

The President of the Minneapolis Fed, Narayana Kocherlakota has said that the moderate inflation and the labour market processes both warrant further monetary policy intervention. This goes against market expectations, which suppose that the Fed may start scaling back its QE3 asset purchase programme as early as in September. However, Mr. Kocherlakota is not a member of the FOMC, which is in charge of this decision.

The Bank of Japan did not change its benchmark rate or the pace of asset purchases. The central bank is satisfied with the economic recovery.

The dollar depreciated to the euro yesterday but it regained some lost ground today; the EUR/USD was hovering near 1.318 this morning. Today the JPY weakened versus the dollar.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,48	↑	6	↑	8
US 10Y	2,90	↑	3	↑	12
JP 2Y	0,12	→	0	↑	0
JP 10Y	0,78	↓	0	↑	5
GER 2Y	0,29	↑	2	↑	5
GER 10Y	1,93	↑	3	↑	10

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	0,26	↓	0	↓	0
US 2Y Swap	0,57	↑	3	↑	5
US 5Y Swap	1,82	↑	6	↑	13
EUR 3M Euribor	0,23	→	0	→	0
EUR 2Y Swap	0,64	↑	1	↑	3
EUR 5Y Swap	1,40	↑	2	↑	8
GB 3M Libor	0,52	→	0	→	0
GB 2Y Swap	0,85	↑	1	↑	0
GB 5Y Swap	1,79	↓	0	↑	1
JP 3M Libor	0,15	→	0	→	0
JP 2Y Swap	0,25	↓	-1	↑	0
JP 5Y Swap	0,43	↓	0	↑	1
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,20	↑	3	↑	2
CHF 5Y Swap	0,77	↓	0	↓	-2

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	115,1	↑	0,16	↓	-0,06
Gold	1 385	↓	-0,45	↓	-1,63

Source: Reuters, OTP Research

The eurozone's Q2 GDP data showed 0.3% QoQ growth, matching expectations. Retail sales turnover inched up by a less-than-expected 0.1% MoM. The German Services purchasing managers' index stood at 52.8 points, slightly exceeding expectations.

The National Bank of Poland and the Bank of Japan both left their policy rates on hold.

Of the plenty of statistics due out today, the usual weekly labour market data in USA and the ADP employment statistics for August may be the most influential ones.

The ECB and the BoE hold rate-setting meetings today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	CN	Aug	HSBC Services PMI (point)	52,8	-	51,3
	US	Aug	Total Vehicle Sales (annualised monthly, million)	16,1	15,8	15,7
	EZ	Jul	Retail sales (m-o-m, %)	0,1	0,4	-0,5
	PL	Sep	Rate decision (%)	2,5	2,5	2,5
	US	Jul	Trade balance (monthly, USD bn)	-39,2	-38,7	-34,2
	EZ	Q2	GDP (q-o-q, %)	0,3	0,3	0,3
	Thursday	US	weekly	Initial jobless claims (thousands)		330
US		weekly	Continued jobless claims (thousands)		2 980	2 989
US		Aug	ADP national employment (m-o-m, thousands)		180,0	200,0
US		Aug	ISM Non-manufacturing PMI (points)		55,0	56,0
US		Jul	Durable goods (m-o-m, %)		-	-7,3
EZ		Sep	Rate decision (%)		0,5	0,5
JP		Sep	Rate decision (%)	0,1	-	0,1
DE		Aug	Markit services PMI (points)	52,8	52,4	52,4
GB		Sep	Rate decision (%)		0,5	0,5

Source: Reuters, OTP Research

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