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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 637	↓ -0,26	↑ 2,20
S&P500	1 722	↓ -0,18	↑ 2,31
Nasdaq100	3 238	↑ 0,19	↑ 1,95
Russell2000	1 075	↓ -0,16	↑ 2,56
Stoxx600	315	↑ 0,56	↑ 1,39
DAX	8 694	↑ 0,67	↑ 2,36
FTSE 100	6 625	↑ 1,01	↑ 0,55
CAC40	4 206	↑ 0,85	↑ 2,42
ATX	2 516	↑ 0,38	↑ 0,28
IBEX35	9 154	↑ 1,01	↑ 2,57
Nikkei 225	14 750	↓ -0,11	↑ 2,40
Hang Seng	23 503	↑ 1,67	↑ 2,39
SSEC	2 192	→ 0,00	↓ -2,83
SENSEX	20 647	↑ 3,43	↑ 4,37
RTS	1 479	↑ 3,44	↑ 5,51
Bovespa	55 096	↓ -1,09	↑ 3,36

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3532	↑ 0,02	↑ 1,81
EUR/CHF	1,2321	↑ 0,03	↓ -0,32
USD/GBP	1,6044	↑ 0,09	↑ 1,08
USD/JPY	99,30	↓ -0,13	↓ -0,04
AUD/USD	0,9450	↑ 0,14	↑ 2,25
USD/CAD	1,0275	↑ 0,14	↓ -0,72

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,2	↓ -0,4	↓ -1,1
EMBI+ Spread	287	↓ -6	↓ -5
CDS 5Y PIIS	240	↓ -9	↓ -6
CDS 5Y Italy	200	↓ -6	↓ -2
CDS 5Y Belg.	34	↓ 0	↓ -2
iTraxx 5Y EU	93,7	↓ 0	↓ -4
US TED Spread	24,8	→ 0	↑ 1

Source: Reuters, OTP Research

Summary

- The Fed surprise's effect on stock markets seems to have faded in a single day; despite the favourable macroeconomic data, US markets headed down, as did Asia and Western Europe this morning.
- The EUR/USD has been practically stagnant since Wednesday night's jump higher.

The Fed's surprise move left its mark on Asia and Europe, but the buoyancy faded away by the American trading, despite the better-than-expected figures on the job and property markets. The DAX hit a new all-time high, and other European indices broke new five-year records, led by the financial sector. Investors were particularly eager to buy the stocks of Roche (owing to the planned American acquisition), Scania (positive forecast by the management) and Swatch (favourable export data). Meanwhile in the USA, Oracle declined following a report on poor turnover data and weak outlook.

After Wednesday night's leap higher, the EUR/USD has been trading in a narrow bracket of 1.351-1.357. This morning's trading in Asia and Europe also lacks a single direction. One day after the decision, the Fed's words on weaker macroeconomic performance seem to have resonated stronger: most American markets were heading down, and this morning Asian and Western European benchmarks were chiefly in the red.

The Bank of Switzerland has not changed its LIBOR target for the CHF, it will stay the 0-0.25% range. On 11 September, the EUR/CHF went beyond the 1,241 line, a mark that had proved to be a turning point in July and August. Since then, the pair had drawn close to 1.23.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,34	↑	1	↓	-11
US 10Y	2,75	↑	5	↓	-16
JP 2Y	0,11	↓	-1	↓	-1
JP 10Y	0,68	↓	-3	↓	-5
GER 2Y	0,17	↓	-5	↓	-8
GER 10Y	1,87	↓	-10	↓	-9

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	0,25	↓	0	↓	0
US 2Y Swap	0,47	↓	-2	↓	-11
US 5Y Swap	1,61	↓	-2	↓	-22
EUR 3M Euribor	0,22	↓	0	↓	0
EUR 2Y Swap	0,57	↓	-1	↓	-4
EUR 5Y Swap	1,32	↓	-1	↓	-6
GB 3M Libor	0,52	→	0	→	0
GB 2Y Swap	0,86	→	0	↓	0
GB 5Y Swap	1,83	↓	0	↓	-1
JP 3M Libor	0,15	→	0	→	0
JP 2Y Swap	0,25	↓	0	↓	0
JP 5Y Swap	0,40	↓	0	↓	-1
CHF 3M Libor	0,02	→	0	→	0
CHF 2Y Swap	0,17	↓	-2	↓	-2
CHF 5Y Swap	0,72	↓	-2	↓	-10

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	108,7	↓	-0,08	↓	-3,64
Gold	1 364	↓	-0,03	↑	2,85

Source: Reuters, OTP Research

As opposed to the expected minor drop, US existing home sales hit another six-year record, to an annualized 5.48 mn in August. This calls into question the statement that the housing market recovery has halted, even though the forward indicators and new home sales indicate that.

There are no particularly influential data to be published today. The incumbent CDU/CSU seems to be the front-runner in Sunday's German elections, and Angela Merkel is expected to become Germany's chancellor for the third term in a row. This scenario is unlikely to bring about considerable market reaction on Monday.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	US	Q2	Current Account balance (quarterly, USD bn)	-98,9	-97,0	-104,9
	UK	Aug	Retail sales (mom, %)	-0,9	0,4	1,1
	US	Aug	Existing home sales (annualised monthly, million)	5,48	5,25	5,39
Friday	EZ	Sep	EC consumer confidence (point)		-15	-16

Source: Reuters, OTP Research

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