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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 616	↑ 0,45	↑ 0,29
S&P500	1 762	↑ 0,29	↑ 0,11
Nasdaq100	3 380	↑ 0,06	↓ -0,12
Russell2000	1 096	↓ -0,41	↓ -2,03
Stoxx600	322	↓ -0,27	↑ 0,44
DAX	9 008	↓ -0,29	↑ 0,25
FTSE 100	6 735	↑ 0,05	↑ 0,20
CAC40	4 273	↓ -0,62	↑ 0,02
ATX	2 603	→ 0,00	↑ 2,42
IBEX35	9 838	↓ -0,70	↑ 0,23
Nikkei 225	14 202	→ 0,00	↓ -1,35
Hang Seng	23 205	↓ -0,19	↑ 1,75
SSEC	2 146	↓ -0,18	↑ 0,55
SENSEX	21 197	→ 0,00	↑ 3,05
RTS	1 475	↓ -0,35	↓ -1,14
Bovespa	54 013	↓ -0,45	↓ -0,26

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3492	↑ 0,05	↓ -2,12
EUR/CHF	1,2306	↑ 0,05	↓ -0,33
USD/GBP	1,5924	↓ -0,72	↓ -1,33
USD/JPY	98,69	↑ 0,02	↑ 1,07
AUD/USD	0,9496	↑ 0,63	↓ -0,75
USD/CAD	1,0413	↓ -0,06	↓ -0,28

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,3	↓ -0,5	↑ 0,2
EMBI+ Spread	287	↓ -6	↓ -5
CDS 5Y PIIS	180	↓ -8	↓ -5
CDS 5Y Italy	166	↓ -6	↓ -3
CDS 5Y Belg.	30	↓ -1	↓ -2
iTraxx 5Y EU	84,2	↑ 1	↓ -2
US TED Spread	20,2	→ 0	↑ 0

Source: Reuters, OTP Research

Summary

- Europe's key indices saw gains on Thursday but they ran out of steam on Friday, when all but the Footsie closed in the red.
- US indices declined on Thursday and picked up in Friday's brighter investment sentiment.
- HSBC's survey found that China's manufacturing companies became more optimistic about the future: the main index hit 50.9 points in October, up from 50.2 in September.
- In the USA, the ISM index for October jumped to a level last seen in April 2011.

Investors have lost some confidence since the Fed's rate decision on Wednesday. The US Federal reserve left its asset purchase programme in place and it remains to be seen when tapering could begin. On Thursday, Europe's key indices advanced 0.4-0.7%, benefiting from good corporate earnings reports. But US markets ran out of breath by Thursday night, when the key benchmarks slipped 0.2-0.5% into the red.

In the first half of Friday's trading, Europe's benchmarks did not fare well; even the better-than-expected Chinese and US macroeconomic data did not bring investors' appetite to buy. The key indices closed mixed: the DAX retreated almost 0.3%, the CAC40 declined more than 0.6%, while the Footsie inched higher.

US stock indices started Friday's session near Thursday's close, but the better-than-expected US macroeconomic data helped the benchmarks to 0.1-0.5% gains. Of the S&P's sector indices, industry and utilities were the strongest sub-indices, and energy was the weakest one. Dropping 1.6% made Chevron the weakest name in the Dow. The top performer was Pfizer, swelling almost 1.6%.

The Asian region's leading indices closed mixed this morning: China's stock markets closed with gains, while Australia and South Korea ended lower.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,31	→ 0	↓ 0
US 10Y	2,56	→ 0	↑ 5
JP 2Y	0,10	→ 0	↓ 0
JP 10Y	0,60	→ 0	↓ -1
GER 2Y	0,11	↓ -6	↓ -8
GER 10Y	1,67	↓ -4	↓ -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	0,24	↓ 0	↑ 0
US 2Y Swap	0,40	↓ 0	↓ -1
US 5Y Swap	1,46	↓ -1	↑ 6
EUR 3M Euribor	0,23	↓ 0	↓ 0
EUR 2Y Swap	0,48	↓ -1	↓ -10
EUR 5Y Swap	1,10	↑ 0	↓ -11
GB 3M Libor	0,52	↑ 0	↑ 0
GB 2Y Swap	0,77	→ 0	↓ 0
GB 5Y Swap	1,65	↑ 0	↓ 0
JP 3M Libor	0,14	→ 0	→ 0
JP 2Y Swap	0,21	↑ 0	↓ 0
JP 5Y Swap	0,34	↑ 0	↓ 0
CHF 3M Libor	0,02	→ 0	→ 0
CHF 2Y Swap	0,08	↑ 0	↓ -2
CHF 5Y Swap	0,59	↑ 1	↓ -2

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	106,3	↑ 0,36	↓ -3,03
Gold	1 314	↓ -0,02	↓ -2,75

Source: Reuters, OTP Research

Both China's statistical office and HSBC's survey show that Chinese manufacturing companies are optimistic about future prospects. At 50.9 points in October, HSBC's manufacturing purchasing managers' index hit a seven-month high, up from the 50.2 gauged in September. The findings of the October manufacturing survey indicate that Beijing spares no effort to prevent the economy from deceleration, thus it is hardly surprising that respondents became far more optimistic about the outlook.

In the USA, the October reading of manufacturing purchasing managers' index leapt to a level last seen in April 2011. The most recent statistics show that the ISM index rose to 56.4 points, from the previous 52.8 reading.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	JP	Oct	BoJ interest rate decision	0,1	-	0,1
	US	Oct	Chicago PMI (points)	66	55,0	55,7
Friday	DE	Nov	GfK consumer sentiment (points)	7,0	7	7
	DE	Sep	Retail sales (mom, %)	0,2	0,1	0,5
	EZ	Oct	CPI (preliminary, y/y, %)	1	1,1	1,1
	EZ	Sep	Unemployment rate (%)	12,2	12,0	12,0
	CH	Oct	PMI (point)	54,2	55,5	55,3
	US	Oct	Markit Manufacturing PMI (final, point)	56,4	55,0	56,20
	CN	Oct	HSBC manufacturing PMI (final, point)	50,9	-	50,9
Monday	CN	Oct	NBS Manufacturing PMI	51,4	51,2	51,1
	DE	Oct	Markit Manufacturing PMI (point)		51,5	51,5
	EZ	Oct	Markit Manufacturing PMI (point)		51,3	51,3
	US	Sep	Factory orders (%)		1,7	-2,4

Source: Reuters, OTP Research

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