

## Headquarter Treasury Sales

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# Daily Report – Global markets

**STOCK EXCHANGE**

|             | Close  | Daily chg. (%) | Weekly chg. (%) |
|-------------|--------|----------------|-----------------|
| DJIA        | 15 822 | ↑ 0,45         | ↑ 0,47          |
| S&P500      | 1 782  | ↑ 0,81         | ↑ 0,65          |
| Nasdaq100   | 3 406  | ↑ 1,20         | ↑ 0,60          |
| Russell2000 | 1 112  | ↑ 0,97         | ↑ 1,23          |
| Stoxx600    | 320    | ↓ -0,58        | ↓ -1,06         |
| DAX         | 9 055  | ↓ -0,24        | ↑ 0,15          |
| FTSE 100    | 6 728  | ↑ 0,30         | ↓ -0,52         |
| CAC40       | 4 240  | ↓ -0,56        | ↓ -1,10         |
| ATX         | 2 618  | ↓ -0,71        | ↓ -1,79         |
| IBEX35      | 9 675  | ↓ -0,33        | ↓ -1,65         |
| Nikkei 225  | 14 876 | ↑ 2,12         | ↑ 4,55          |
| Hang Seng   | 22 663 | ↑ 0,89         | ↓ -0,95         |
| SSEC        | 2 101  | ↑ 0,60         | ↓ -1,36         |
| SENSEX      | 20 442 | ↑ 1,23         | ↓ -1,83         |
| RTS         | 1 407  | ↓ -2,12        | ↓ -3,56         |
| Bovespa     | 52 230 | ↑ 0,82         | ↓ -2,16         |

**FX MARKET**

|         | Close  | Daily chg. (%) | Weekly chg. (%) |
|---------|--------|----------------|-----------------|
| EUR/USD | 1,3454 | ↓ -0,22        | ↑ 0,27          |
| EUR/CHF | 1,2330 | ↑ 0,11         | ↑ 0,34          |
| USD/GBP | 1,6056 | ↑ 0,96         | ↓ -0,25         |
| USD/JPY | 99,71  | ↑ 0,49         | ↑ 1,66          |
| AUD/USD | 0,9331 | ↓ -0,29        | ↓ -1,29         |
| USD/CAD | 1,0471 | ↑ 0,17         | ↑ 0,13          |

**RISK INDICATORS**

|               | Close | Daily chg (bp) | Weekly chg (bp) |
|---------------|-------|----------------|-----------------|
| VIX           | 12,5  | ↓ -0,3         | ↓ -0,2          |
| EMBI+ Spread  | 287   | ↓ -6           | ↓ -5            |
| CDS 5Y PIIS   | 175   | ↑ 1            | ↓ -5            |
| CDS 5Y Italy  | 163   | ↓ -1           | ↓ -5            |
| CDS 5Y Belg.  | 26    | ↓ -1           | ↓ -4            |
| iTraxx 5Y EU  | 83,7  | ↑ 2            | ↑ 1             |
| US TED Spread | 16,4  | → 0            | ↓ -2            |

Source: Reuters, OTP Research

**Summary**

- Germany's fresh GDP reading was favourable while that of France caused disappointment.
- In today's testimony before the Senate Banking Committee, Fed chair candidate Janet Yellen is expected to defend the Fed's ultra easy monetary policy. This assumption bolstered markets this morning.
- Japan's economy grew by 1.9% in Q3 (annualized), in a slight deceleration from the 3.8% growth gauged in Q2.

Germany's gross domestic product grew by 1.1% year/year and by 0.3% in quarter/quarter terms. France's GDP dropped by 0.1% QoQ. In the CEE region, Slovakia expanded by 0.9%, the Czech Republic contracted by -1.6%, and Poland's GDP increased by +1.9%.

American stock markets saw gains yesterday, while most of Europe's stock markets slipped into the red. This morning, Asia fared well.

Some US stock markets (the S&P and the Dow) climbed to historical highs. One of the possible factors may be that Janet Yellen, who has been nominated to lead the Fed, is likely to stand up for the Fed's ultra easy monetary policy. In today's testimony before the Senate Banking Committee, Mrs Yellen is unlikely to make specific statements regarding the Fed's future actions. Given that Democrats have 12 of the 22 seats in the committee, it is expected to endorse her nomination.

Japan's economy grew by an annualized 1.9% in the third quarter, indicating a slight deceleration since the previous quarter's 3.8% increase and the first quarter's 4.3% surge. In the third largest country of the world, Prime Minister Abe's policy is seen as successful, but investments or wages are not seen growing at this point. The government may set the stage for permanent growth via reforms.

**GOV'T BOND MARKET**

|         | Yield (%) |   | Daily chg (bp) |   | Weekly chg (bp) |
|---------|-----------|---|----------------|---|-----------------|
| US 2Y   | 0,30      | ↓ | -3             | → | 0               |
| US 10Y  | 2,72      | ↓ | -5             | ↑ | 7               |
| JP 2Y   | 0,09      | ↓ | 0              | ↓ | -1              |
| JP 10Y  | 0,60      | ↓ | 0              | ↓ | -2              |
| GER 2Y  | 0,10      | ↓ | 0              | ↓ | -4              |
| GER 10Y | 1,78      | ↑ | 2              | ↑ | 5               |

**CENTRAL BANKS' RATES**

|            | Rate (%) |   | 6M Consensus |   | 1Y Consensus |
|------------|----------|---|--------------|---|--------------|
| Fed Funds  | 0,25     | → | 0,25         | → | 0,25         |
| ECB Rate   | 0,25     | ↑ | 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     | 0,39     | ↓ | 0              | ↑ | 1               |
| US 5Y Swap     | 1,47     | ↑ | 0              | ↑ | 7               |
| EUR 3M Euribor | 0,22     | → | 0              | ↓ | -1              |
| EUR 2Y Swap    | 0,43     | ↓ | 0              | ↓ | -2              |
| EUR 5Y Swap    | 1,05     | ↓ | -6             | ↑ | 1               |
| GB 3M Libor    | 0,52     | → | 0              | ↓ | 0               |
| GB 2Y Swap     | 0,83     | ↓ | -1             | ↓ | -1              |
| GB 5Y Swap     | 1,77     | → | 0              | ↑ | 0               |
| JP 3M Libor    | 0,14     | → | 0              | → | 0               |
| JP 2Y Swap     | 0,20     | ↓ | -1             | ↓ | -1              |
| JP 5Y Swap     | 0,33     | → | 0              | ↑ | 0               |
| CHF 3M Libor   | 0,02     | → | 0              | → | 0               |
| CHF 2Y Swap    | 0,08     | ↑ | 0              | ↑ | 2               |
| CHF 5Y Swap    | 0,59     | ↓ | 0              | ↑ | 3               |

**COMMODITIES**

|           | Close |   | Daily chg. (%) |   | Weekly chg. (%) |
|-----------|-------|---|----------------|---|-----------------|
| Oil Brent | 107,4 | ↑ | 0,24           | ↑ | 3,79            |
| Gold      | 1 282 | ↑ | 0,26           | ↓ | -1,96           |

Source: Reuters, OTP Research

Somewhat disappointingly, retail sales in the UK dropped by 0.7% in October. Today's important publications include US trade balance and the usual weekly labour market data.

|           | COUNTRY | DATE   | INDICATOR                        | FACT  | CONSENSUS | PREVIOUS |
|-----------|---------|--------|----------------------------------|-------|-----------|----------|
| Wednesday | UK      | Sep    | Unemployment rate (%)            | 8     | 7,7       | 7,7      |
|           | EZ      | Sep    | Industrial production (m-o-m, %) | -0,5  | -0,3      | 1,0      |
|           | US      | Oct    | Budget balance (USD bn)          | -91,6 | -104,0    | 75,1     |
| Thursday  | JP      | Q3     | GDP (qoq, %)                     | 0,5   | 0,4       | 0,9      |
|           | DE      | Q3     | GDP (qoq, %)                     | 1,1   | 0,7       | 0,9      |
|           | UK      | Oct    | Retail sales (mom, %)            | -0,7  | 0,0       | 0,6      |
|           | EZ      | Q3     | GDP (qoq, %)                     | 0,1   | 0,2       | 0,3      |
|           | US      | Sep    | Trade balance (monthly, USD bn)  |       | -38,9     | -38,8    |
|           | US      | weekly | Initial jobless claims (ths)     |       | 330       | 336      |
|           | US      | weekly | Continued jobless claims (ths)   |       | 2 870     | 2 868    |

Source: Reuters, OTP Research

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