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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 065	↑ 0,34	↑ 0,65
S&P500	1 805	↑ 0,50	↑ 0,37
Nasdaq100	3 422	↑ 0,57	↓ -0,02
Russell2000	1 125	↑ 0,47	↑ 0,78
Stoxx600	323	↑ 0,11	↓ -0,07
DAX	9 219	↑ 0,25	↑ 0,55
FTSE 100	6 674	↓ -0,11	↓ -0,52
CAC40	4 279	↑ 0,58	↓ -0,32
ATX	2 635	↑ 0,22	↑ 0,72
IBEX35	9 677	↑ 0,81	↓ -0,19
Nikkei 225	15 619	↑ 1,54	↑ 3,00
Hang Seng	23 708	↑ 0,05	↑ 0,20
SSEC	2 191	↓ -0,24	↓ -0,28
SENSEX	20 466	↑ 1,23	↓ -1,85
RTS	1 445	↑ 1,34	↑ 0,05
Bovespa	52 801	↑ 0,21	↓ -1,22

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3539	↓ -0,14	↑ 0,27
EUR/CHF	1,2304	↑ 0,11	↓ -0,19
USD/GBP	1,6223	↑ 0,15	↑ 0,71
USD/JPY	101,86	↑ 0,58	↑ 1,88
AUD/USD	0,9132	↓ -0,37	↓ -2,60
USD/CAD	1,0561	↑ 0,46	↑ 1,29

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,3	↓ -0,4	↑ 0,1
EMBI+ Spread	287	↓ -6	↓ -5
CDS 5Y PIIS	173	↓ -3	↓ -2
CDS 5Y Italy	157	↓ -5	↓ -5
CDS 5Y Belg.	27	↑ 2	↑ 2
iTraxx 5Y EU	79,4	↓ -3	↓ -4
US TED Spread	16,3	→ 0	↑ 0

Source: Reuters, OTP Research

Summary

- In Friday's fairly positive trading on global markets, Europe's key indices closed mixed, and American benchmarks went up 0.3-0.6%.
- In the small hours of Sunday, the P5+1 group of nations and Iran reached an agreement about Tehran's nuclear programme.
- Germany's Ifo business sentiment index hit a 1.5-year high in November.

Europe's major indices closed with mixed results on the last trading day of the week. Germany's Ifo business sentiment index hit a 1.5-year high in November, sending the DAX almost 0.3% higher. France's CAC40 added 0.6%, while the Footsie in London closed Friday's trading somewhat lower.

With no important macroeconomic data releases or further news about the Fed's asset purchase programme, Friday's trading in the USA was quiet. American indices opened with slight rise, and gained 0.3-0.6%. The S&P hit a new record high, exceeding the 1,800 line for the first time. Of the S&P's sub-indices, health care excelled with 1.3% surge. Among the Dow's components, Intel nose-dived: its stocks fell 5.4% after the management published its most recent 2014 forecast, wherein the management does not expect higher revenues in 2014.

This morning's benign sentiment in Asian trading benefited from the Friday gains of American indices and from the Geneva agreement on Iran's nuclear programme. The increase was headed by Japan's stock exchanges: the Nikkei upped by 1.5%, and the TOPIX added 0.8%. Australia's stock index firmed 0.4%, and South Korea picked up 0.5% this morning. On the other hand, China's indices did not fare well: the Shanghai Composite eased 0.5%, and the Hang Seng CE slipped 0.4%.

In the early hours of Sunday, the P5+1 group of nations and Iran reached agreement in Geneva about Tehran's nuclear programme. The agreement will last for six months at this point, but it may pave the way for creating a comprehensive agreement later on. Under its terms, Iran agreed not to enrich its uranium reserves to more than 5%, and to neutralize the stockpile enriched to more than 20%. In exchange, the world powers will ease their sanctions worth USD 7 billion, but in a 'limited, temporary, and targeted' way, and this step is reversible if needed. The G6 agreed to not imposing further sanctions over the next six months if Iran meets its commitments. However, most of the American trade and financial restrictions or the sanctions made by UN Security Council have not been suspended. Oil price has significantly fallen in response.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,29	↑	1	↓	0
US 10Y	2,76	↓	-3	↑	4
JP 2Y	0,10	↓	0	↑	0
JP 10Y	0,63	↓	-2	↓	-2
GER 2Y	0,10	↓	-1	↓	-1
GER 10Y	1,74	↓	-3	↑	3

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	→	0,25	→	0,25
ECB Rate	0,25	→	0,25	→	0,25
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	0,37	↑	1	↑	0
US 5Y Swap	1,46	↑	4	↑	8
EUR 3M Euribor	0,22	↑	1	↑	1
EUR 2Y Swap	0,45	↑	0	↑	0
EUR 5Y Swap	1,07	↑	0	↑	4
GB 3M Libor	0,52	→	0	→	0
GB 2Y Swap	0,79	↓	-2	↓	0
GB 5Y Swap	1,72	→	0	↑	0
JP 3M Libor	0,14	→	0	↓	0
JP 2Y Swap	0,18	↓	0	↓	0
JP 5Y Swap	0,33	→	0	↑	0
CHF 3M Libor	0,02	→	0	↓	0
CHF 2Y Swap	0,06	↓	0	↓	-2
CHF 5Y Swap	0,00	↓	-56	↓	-59

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	108,2	↓	-2,57	↓	-0,25
Gold	1 230	↓	-1,04	↓	-3,43

Source: Reuters, OTP Research

Germany's Ifo business sentiment index hit a 1.5-year high in November. According to the November survey, business climate in Germany is improving: the main index reached 109.3 points, up from 107.4 in October, as opposed to analysts' forecast of stagnation. The index for the current business climate rose to 109.3 points in November. The sub-index for the current situation has also increased, by 0.9 points, to 112.2. The expectations sub-index has also grown, hitting 106.3 points, up from October's (revised) 103.7.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	DE	Nov	Ifo business climate index (point)	109,3	107,7	107,4
Monday	US	Oct	Pending home sales (%)		1,3	-5,6

Source: Reuters, OTP Research

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