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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 470	↑ 0,17	↓ -0,05
S&P500	1 831	↓ -0,03	↓ -0,54
Nasdaq100	3 539	↓ -0,70	↓ -0,88
Russell2000	1 156	↑ 0,47	↓ -0,65
Stoxx600	328	↑ 0,56	↓ -0,01
DAX	9 435	↑ 0,37	↓ -1,61
FTSE 100	6 731	↑ 0,19	↓ -0,01
CAC40	4 248	↑ 0,48	↓ -0,70
ATX	2 553	↑ 0,77	↑ 0,12
IBEX35	9 798	↑ 0,39	↓ -1,03
Nikkei 225	15 909	↓ -2,35	↓ -2,35
Hang Seng	22 669	↓ -0,65	↓ -2,48
SSEC	2 045	↓ -1,85	↓ -2,52
SENSEX	20 796	↓ -0,26	↓ -1,64
RTS	1 443	→ 0,00	↓ -0,18
Bovespa	50 981	↑ 1,27	↓ -0,56

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3582	↓ -0,04	↓ -1,60
EUR/CHF	1,2303	↑ 0,02	↑ 0,42
USD/GBP	1,6413	↓ -0,23	↓ -0,53
USD/JPY	104,38	↓ -0,42	↓ -0,73
AUD/USD	0,8950	↑ 0,08	↑ 0,53
USD/CAD	1,0625	↓ -0,07	↓ -0,19

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,8	↓ -0,5	↑ 1,4
EMBI+ Spread	287	↓ -6	↓ -5
CDS 5Y PIIS	153	↓ -16	↓ -18
CDS 5Y Italy	126	↓ -17	↓ -17
CDS 5Y Belg.	27	↓ -2	↓ -1
iTraxx 5Y EU	69,0	↓ -1	↓ -2
US TED Spread	17,5	→ 0	↓ -1

Source: Reuters, OTP Research

Summary

- Europe's major indices saw modest gains, and their US peers closed mixed on the last trading day of the week.
- A number of Fed officials made speeches on Friday, but they left markets unaffected.
- Asia's key indices started the week lower.

Europe's leading indices opened on a negative note on the second trading day of the new year, chiefly because the purchasing managers' index that gauges the activity of China's services sector sank to a four-month low in December. In the rest of the day, the sentiment improved, helping benchmarks to modest gains. In London, the FTSE inched 0.2% higher, the DAX in Frankfurt added 0.4%, and France's CAC40 advanced 0.5%.

US indices opened the day with gains, but they soon ran out of impetus. American indices closed mixed: the Dow added 0.2%, while the Nasdaq and the S&P ended Friday's trading with decline. Of the S&P's sector indices, the financial sub-index was the strongest performer, gaining almost 0.7%. The weakest sub-index was technology, which sank 0.5%.

Various Fed officials made speeches on Friday, but they failed to induce significant market moves. The Philadelphia Fed chairman Charles Plosser, among other things warned that the Fed should act aggressively in its future interest rate hikes if banks release their reserves too fast. The Richmond Fed chairman was sceptic about the US economy's accelerating growth in 2014; Jeffrey Lacker put the 2014 growth at around 2%, as opposed to analysts' expectation of 3% expansion. The Fed's outgoing chairman Ben Bernanke defended his policy of the past eight years. In his opinion, the US economy would have stagnated or sunk into recession without the near-zero base rate, the new communication and the stimulus programme.

Asia's stock markets started the week lower: Japan's Nikkei fell 2.4%. Chinese indices also made a sluggish start; the Hang Seng dropped almost 1.5%.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,40	↑	2	↓	0
US 10Y	3,01	↑	3	↑	2
JP 2Y	0,10	↑	10	→	0
JP 10Y	0,74	↑	74	↑	3
GER 2Y	0,22	↓	-2	↑	22
GER 10Y	1,94	↓	-2	↑	194

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	↓	-1
US 2Y Swap	0,50	↑	1	↑	5
US 5Y Swap	1,75	↓	0	↑	2
EUR 3M Euribor	0,28	↓	0	↓	-1
EUR 2Y Swap	0,52	↑	0	↑	0
EUR 5Y Swap	1,25	↓	-1	↓	0
GB 3M Libor	0,53	↑	0	↓	0
GB 2Y Swap	0,99	→	0	↓	-1
GB 5Y Swap	2,10	↑	0	↓	-1
JP 3M Libor	0,15	→	0	↑	0
JP 2Y Swap	0,20	↑	1	↓	-1
JP 5Y Swap	0,38	↑	0	↓	-1
CHF 3M Libor	0,02	↓	0	↑	0
CHF 2Y Swap	0,10	↓	-1	↓	-2
CHF 5Y Swap	0,70	→	0	↓	-2

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	107,1	↑	0,22	↓	-4,51
Gold	1 240	↑	0,32	↑	3,69

Source: Reuters, OTP Research

The PMI that reflects the activity of China's services sector fell to a four-month low in December: the gauge declined to 54.6, down from 56.0 November. The fresh data – along with the decline in manufacturing activity, the credit squeeze, and the shrinking corporate stock-building – is yet another sign that the second largest economy in the world may lose steam at the end of 2013.

The USA is to release a raft of important macroeconomic statistics later this week; the most influential of them will be Friday's publication of labour market data. The ECB will make this year's first rate decision this week; the majority of analysts expect the bank to keep the benchmark rate unchanged.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	US	Dec	Total vehicle sales (annualized monthly, millions)	15,4	16,0	15,2
Monday	CN	Dec	HSBC services PMI (point)	50,9	-	52,5
	FR	Dec	Markit Services PMI (revised, point)		47,4	47,4
	DE	Dec	Markit Services PMI (revised, point)		54,0	54,0
	EZ	Dec	Markit Services PMI (revised, point)		51,0	51,0
	DE	Dec	CPI (preliminary, mom, %)		0,4	0,2
	US	Mar	Factory orders (mom, %)		1,8	-0,9
	US	Dec			54,5	53,9

Source: Reuters, OTP Research

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