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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 739	↓ -1,19	↓ -3,88
S&P500	1 774	↓ -1,02	↓ -3,83
Nasdaq100	3 468	↓ -1,08	↓ -4,04
Russell2000	1 122	↓ -1,39	↓ -4,26
Stoxx600	322	↓ -0,56	↓ -4,07
DAX	9 337	↓ -0,75	↓ -3,94
FTSE 100	6 544	↓ -0,43	↓ -4,13
CAC40	4 157	↓ -0,68	↓ -3,88
ATX	2 600	↓ -1,74	↓ -3,97
IBEX35	9 896	↑ 0,17	↓ -3,73
Nikkei 225	15 007	↓ -2,45	↓ -4,39
Hang Seng	22 035	↓ -0,48	↓ -3,07
SSEC	2 033	↓ -0,82	↓ -0,45
SENSEX	20 426	↓ -1,07	↓ -4,43
RTS	1 308	↓ -1,84	↓ -6,02
Bovespa	47 557	↓ -0,59	↓ -3,54

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3628	↓ -0,25	↓ -0,48
EUR/CHF	1,2234	↑ 0,10	↓ -0,43
USD/GBP	1,6560	↓ -0,10	↓ -0,46
USD/JPY	102,39	↑ 0,11	↓ -0,83
AUD/USD	0,8725	↓ -0,16	↓ -0,48
USD/CAD	1,1185	↑ 0,13	↑ 0,77

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,4	↑ 1,6	↑ 4,5
EMBI+ Spread	287	↓ -6	↓ -5
CDS 5Y PIIS	144	↑ 33	↑ 13
CDS 5Y Italy	140	↓ -2	↑ 16
CDS 5Y Belg.	27	↑ 0	↑ 2
iTraxx 5Y EU	81,2	↓ -3	↑ 10
US TED Spread	19,4	→ 0	↓ -1

Source: Reuters, OTP Research

Summary

- Last night's meeting of the Fed decided to go on with scaling back its monetary stimulus programme. The Fed will spend USD 65 billion each month on asset purchases.
- The weakening of emerging economies' currencies forced South Africa's central bank to raise its main interest rate.
- The preliminary reading of the USA's fourth-quarter GDP will be out today.

At the back of the favourable consumer confidence index in the USA, most of the world's key indices ended Tuesday's trading with gains. The interest rate hike in Turkey helped Asian markets climb into the positive territory.

Last night the central bank of Turkey raised its overnight lending rate to 12% from 7.75%, and lifted the one-week repo rate to 10% from 4.5%. The central bank also announced to provide liquidity primarily from the one-week repo rate (10%, instead of the former 7.75%), thus the effective rate hike is 225 basis points.

Following the decision, the Turkish lira firmed 3%. The interest rate hike has also benefited emerging market currencies and equities.

Tonight's meeting of the Fed may scale back the QE3 asset purchase programme by another USD 10 billion a month.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,36	↓ -4	↓ -5
US 10Y	2,69	↓ -9	↓ -18
JP 2Y	0,09	↓ 0	→ 0
JP 10Y	0,62	↓ -1	↓ -6
GER 2Y	0,12	↓ -1	↓ -5
GER 10Y	1,69	↑ 1	↓ -6

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	0,46	↑ 0	↓ -3
US 5Y Swap	1,63	↑ 2	↓ -5
EUR 3M Euribor	0,30	↓ 0	↓ 0
EUR 2Y Swap	0,47	↑ 0	↓ -1
EUR 5Y Swap	1,04	↓ -4	↓ -5
GB 3M Libor	0,52	↓ 0	↓ 0
GB 2Y Swap	0,97	↑ 1	↑ 1
GB 5Y Swap	1,95	→ 0	↑ 0
JP 3M Libor	0,14	→ 0	→ 0
JP 2Y Swap	0,20	→ 0	↑ 1
JP 5Y Swap	0,33	→ 0	↑ 0
CHF 3M Libor	0,02	→ 0	→ 0
CHF 2Y Swap	0,08	↑ 3	↓ -1
CHF 5Y Swap	0,52	↓ -1	↓ -5

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	107,8	↓ -0,06	↑ 0,19
Gold	1 257	↓ -0,82	↓ -0,52

Source: Reuters, OTP Research

The weekly US labour market data will be out today. In addition, Germany will publish inflation its figure, which is unlikely to cause surprise. The eurozone's economic sentiment index may have moderate effect on market moves.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	US	Jan	Fed rate decision (%)	0,25	0,25	0,25
	US	Q4	GDP advance (qoq annualized, %)		3,2	4,1
	US	weekly	Initial jobless claims (ths)		330	326
	US	weekly	Continued jobless claims (ths)		3 020	3 056
	EZ	Jan	Economic sentiment (points)		101	100
	DE	Jan	HICP (yoy, %)		1,3	1,2

Source: Reuters, OTP Research

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