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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	15 629	↑ 1,22	↓ -1,39
S&P500	1 773	↑ 1,24	↓ -1,16
Nasdaq100	3 498	↑ 1,24	↓ -0,69
Russell2000	1 104	↑ 0,95	↓ -2,38
Stoxx600	323	↑ 1,49	↓ -0,17
DAX	9 257	↑ 1,54	↓ -1,25
FTSE 100	6 558	↑ 1,55	↑ 0,30
CAC40	4 188	↑ 1,71	↑ 0,19
ATX	2 566	↑ 0,94	↓ -0,62
IBEX35	9 965	↑ 1,94	↑ 0,00
Nikkei 225	14 462	↑ 2,17	↓ -3,03
Hang Seng	21 645	↑ 1,04	↑ 1,16
SSEC	2 044	↑ 0,56	↑ 0,56
SENSEX	20 428	↑ 0,58	↓ -0,42
RTS	1 330	↑ 0,97	↑ 0,71
Bovespa	47 738	↑ 2,39	↑ 1,05

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3584	↓ -0,03	↑ 0,73
EUR/CHF	1,2238	↓ -0,05	↑ 0,15
USD/GBP	1,6320	↑ 0,07	↓ -0,68
USD/JPY	102,13	↑ 0,05	↑ 0,10
AUD/USD	0,8942	↓ -0,13	↑ 2,16
USD/CAD	1,1070	↑ 0,02	↓ -0,50

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,2	↓ -2,7	↓ -0,1
CDS 5Y PIIS	17	↓ -3	↓ 0
CDS 5Y Italy	138	↓ -8	↓ -6
CDS 5Y Belg.	138	↓ -6	↓ -3
iTraxx 5Y EU	27,0	↓ -1	↓ 0
US TED Spread	78,3	↓ -3	↓ -2

Source: Reuters, OTP Research

Summary

- Corporate earnings reports rekindled confidence on advanced stock markets.
- The eurozone's benchmark rate was kept at 0.25%, matching market expectations.
- Ahead of the afternoon's job market report, optimism persists on global equity markets.

Investors in the USA paid no heed to the encouraging weekly labour market data or to the sudden jump in trade deficit – but corporate earnings reports have strongly boosted their appetite to buy. The S&P and the Dow both closed 1.2% higher. All of the S&P ten sector indices have gained, with the non-cyclical consumer goods leading the way. Walt Disney and Akamai, the data storage and transmission company, both benefited from posting better-than-expected quarterly profit figures, surging 5.3% and 21% respectively. Moreover, Akamai's Q1 forecasts surpassed analysts' expectations. Coca-Cola picked up 1.1% on news that it acquires 10% stake in Green Mountain Coffee Roasters; the latter's shares rallied 26%. At the other end of the list, Twitter nose-dived 24% as the microblogging site, floated on the stock exchange since November, reported higher-than-expected losses in its first intra-year earnings report. Spirit Aerosystems, known as Boeing's and Airbus's supplier, subsided 20%, following reports on losses for the fourth quarter. General Motors posted a profitable quarter, the 16th one in a row, but its figures missed analysts' expectations. Moreover, GM has lost its leading role in China's automotive market, thus its share price retreated 3.3% in yesterday's trading.

Europe's key stock indices continued their winning streak; the Stoxx600 gained 1.5%. All of the Stoxx600's sector indices have advanced, driven by car manufacturers and construction companies. Daimler and Volvo both reported profit figures that topped analysts' consensus, gaining 2.6% and 4.6% respectively. The weakest performers were health care companies; AstraZeneca's profit forecast did not live up to analysts' expectations, thus its share price was 1.6% down. Sanofi contracted by 2.7% for the same reason.

Asia's indices have been rising for three days in a row; there is optimism before today's release of US employment report.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,33	↑ 2	↓ -2
US 10Y	2,70	↑ 3	↓ 0
JP 2Y	0,09	↑ 0	↓ 0
JP 10Y	0,62	↑ 1	↓ -1
GER 2Y	0,09	↑ 1	↓ -2
GER 10Y	1,65	↑ 0	↑ 2

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	0,43	↑ 1	↓ -1
US 5Y Swap	1,61	↑ 2	↑ 3
EUR 3M Euribor	0,29	↓ 0	↓ -1
EUR 2Y Swap	0,46	↓ -1	↑ 3
EUR 5Y Swap	1,05	↑ 5	↑ 5
GB 3M Libor	0,52	→ 0	↑ 0
GB 2Y Swap	0,92	↑ 1	↓ 0
GB 5Y Swap	1,91	↓ -1	↑ 0
JP 3M Libor	0,14	→ 0	↓ 0
JP 2Y Swap	0,19	↓ -1	↓ 0
JP 5Y Swap	0,32	↓ -1	↑ 0
CHF 3M Libor	0,02	→ 0	↓ -1
CHF 2Y Swap	0,05	↓ -1	↑ 0
CHF 5Y Swap	0,48	↓ -1	↓ 0

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	107,3	↑ 0,14	↑ 0,88
Gold	1 261	↑ 0,33	↑ 1,46

Source: Reuters, OTP Research

In yesterday's rate decisions, the ECB and the Bank of England both left their benchmark rates on hold. The external environment may remain supportive, growth risks remain to the downside, and the anxiety on emerging markets casts a shadow on the eurozone's growth prospects, Mario Draghi has said. He confirmed that the ECB would act if the (dis)inflationary outlook deteriorates or money market turmoil re-intensifies.

The weekly number of initial jobless claims shrank by 20,000, to less than had been expected. Continued jobless claims also suggest improvement in the USA. The unexpected high trade deficit could not shake investors' confidence yesterday.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	US	weekly	Initial jobless claims (ths)	331	335	351
	US	weekly	Continued jobless claims (ths)	2 964,0	2 998,0	2 949,0
	EZ	Feb	ECB interest rate (%)	0,3	0,3	0,3
	US	Q4	Productivity (% , prelim.)	3,2	2,5	3,0
	US	Dec	Trade balance (USDbn)	-39	-36	-34
Friday	DE	Dec	Industrial output (m/m, %)		0,5	1,9
	UK	Dec	Industrial output (m/m, %)		0,6	0,0
	UK	Dec	Manufacturing output (m/m, %)		0,6	0,0
	US	Jan	Nonfarm payrolls ('000)		185	74
	US	Jan	Manufacturing payrolls ('000)		10	9
	US	Jan	Unemployment rate (%)		6,7	6,7
	US	Jan	Average eqarnings (m/m, %)		0,2	0,1
	US	Jan	Consumer credits (m/m, USDbn)		12,0	12,3

Source: Reuters, OTP Research

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