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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 331	↑ 0,67	↑ 1,38
S&P500	1 872	↑ 0,60	↑ 1,39
Nasdaq100	3 694	↑ 0,30	↑ 1,82
Russell2000	1 199	↑ 0,28	↑ 1,49
Stoxx600	328	↑ 0,01	↑ 0,97
DAX	9 296	↑ 0,21	↑ 3,09
FTSE 100	6 542	↓ -0,47	↓ -0,17
CAC40	4 328	↑ 0,46	↑ 1,82
ATX	2 471	↓ -0,50	↑ 2,64
IBEX35	10 080	↓ -0,13	↑ 1,30
Nikkei 225	14 224	↓ -1,65	↓ -3,99
Hang Seng	21 406	↑ 1,06	↓ -0,82
SSEC	2 048	↑ 2,71	↑ 2,16
SENSEX	21 774	↑ 2,71	↑ 2,16
RTS	1 151	↓ -0,43	↑ 6,77
Bovespa	47 278	↑ 1,53	↑ 5,14

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3786	↑ 0,06	↓ -0,92
EUR/CHF	1,2174	↓ -0,02	↑ 0,33
USD/GBP	1,6503	↓ -0,23	↓ -0,84
USD/JPY	102,33	↓ -0,05	↑ 0,98
AUD/USD	0,9065	↑ 0,30	↑ 0,45
USD/CAD	1,1253	↑ 0,12	↑ 1,36

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,5	↓ -0,6	↓ -1,7
CDS 5Y PIIS	15	↓ -1	↓ -2
CDS 5Y Italy	111	↓ -1	↓ -6
CDS 5Y Belg.	114	↓ -3	↓ -2
iTraxx 5Y EU	27,1	↑ 0	↑ 1
US TED Spread	70,2	↓ -1	↓ -3

Source: Reuters, OTP Research

Summary

- America's stock picked up on Thursday as markets seem to have come to terms with Janet Yellen's hints at future interest rate hikes.
- Most of Europe's stock markets closed in the red yesterday, but they seem to be recovering this morning.
- Asia's stock markets grew dynamically, but the Nikkei declined.

US stock exchanges recovered yesterday as the market's worries about the Fed Chair's hints at future interest rate hikes could be offset by a string of relatively encouraging macroeconomic data. Both the Philadelphia Fed manufacturing business index and initial jobless claims statistics showed improvement, and concurrently existing home sales also increased since the previous month. Nine of the S&P500's ten sector indices went up, with the telecom and banking sectors seeing the steepest rises. The KBW Bank Index, the composite of 24 banks, surged 2.2% yesterday even though the current annual banking stress test's detailed results have not been unveiled. After market close, the Fed said that 29 of the 30 banks examined had met capital adequacy requirements. AT&T (+3.4%) and JP Morgan Chase (+3.1%) grew sturdily. Microsoft benefited (+2.7%) from expectations relating to its announcement on Office for iPad. The winner of the S&P Universe was Terradata, the shares of which jumped 4.6% higher, after winning an order from Japan's largest mobile service provider NTT Docomo. No major macroeconomic data will be released today; the political tensions relating to the Ukraine crisis and Russia may come to the forefront again.

Western Europe was not optimistic at all on Thursday, with 11 of the 18 stock exchanges closing lower. The Footsie sank, while the DAX and the CAC40 made small advance. The Stoxx600 index inched up 0.1%. Yesterday's trading was influenced by corporate news; Glaxo shrank 1.6% in the wake of news that its lungs cancer medication failed the clinical trial. Rheinmetall plunged 4.1% after Germany's economy minister pressed it to cancel the building of a training camp in the Volga region; thus it lost a 100 EUR million agreement. News that the UK is to increase tax on gambling machines triggered a 5% fall Ladbrokers yesterday, following a 12% nose-dive on Wednesday. Yesterday's big loser was the Swiss Meyer Burger Technologies, the manufacturer of solar cell production machinery; its stock price tumbled 15%, to CHF 14.45, after issuing 4.8 million shares at CHF 16.20.

All of Asia's indices but the Nikkei soared this morning, and Europe also seems to be making gains in today's trading.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,42	↓	-1	↑	8
US 10Y	2,78	↑	1	↑	13
JP 2Y	0,00	↓	-7	↓	-9
JP 10Y	0,00	↓	-62	↓	-63
GER 2Y	0,19	↑	3	↑	2
GER 10Y	1,64	↑	7	↑	4

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	0,23	↓	0	↑	0
US 2Y Swap	0,53	↓	-1	↑	7
US 5Y Swap	1,77	↑	0	↑	16
EUR 3M Euribor	0,31	↑	0	↑	1
EUR 2Y Swap	0,51	↓	0	↑	4
EUR 5Y Swap	1,05	→	0	↑	9
GB 3M Libor	0,52	↑	0	↑	0
GB 2Y Swap	1,01	↓	-1	↑	0
GB 5Y Swap	2,01	↑	0	↓	-1
JP 3M Libor	0,14	↓	0	↓	0
JP 2Y Swap	0,18	↑	0	↑	0
JP 5Y Swap	0,31	↑	0	↓	-1
CHF 3M Libor	0,02	↓	0	↑	1
CHF 2Y Swap	0,08	→	0	↑	2
CHF 5Y Swap	0,51	↑	1	↑	5

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	106,4	↓	-0,05	↓	-2,00
Gold	1 331	↑	0,26	↓	-3,64

Source: Reuters, OTP Research

Initial jobless claims in the United States have decreased in week-on-week terms, but the continued claims figure could not do down and its most recent reading has beaten analysts' expectations. Existing home sales data were in line with forecasts in February, the 4.66 million new contracts are slightly higher than in January. The Philadelphia Fed manufacturing business index has meaningfully improved, rising to 9.0 points, up from the -6.3 gauged a month ago. It was particularly the new orders and the investments sub-indices that improved significantly, while the employment component deteriorated.

No market-moving macroeconomic data will be out in the USA today. In Europe, the preliminary reading of the eurozone's consumer confidence index may be worth keeping an eye on.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	DE	Feb	Producer prices (YoY, %)	-0,9	-0,9	-1,1
	CH	Q1	Rate decision (%)	0-0,25	0,1	0,3
	US	heti	Initial jobless claims ('000)	327,0	-	331,0
	US	heti	Continued claims ('000)	2 889,0	2 868,0	2 848,0
	US	Feb	Existing home sales ('000)	4 660,0	4 660,0	4 620,0
	US	Mar	Philly Fed business index (%)	9,0	3,8	-6,3
Friday	EZ	Mar	Consumer Confidence Indicator, flash (points)		-12,4	-12,7

Source: Reuters, OTP Research

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