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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 264	↓ -0,03	↓ -0,41
S&P500	1 849	↓ -0,19	↓ -1,23
Nasdaq100	3 563	↓ -0,55	↓ -2,46
Russell2000	1 151	↓ -0,35	↓ -3,54
Stoxx600	331	↑ 0,14	↑ 1,14
DAX	9 451	↑ 0,03	↑ 1,67
FTSE 100	6 588	↓ -0,26	↑ 0,70
CAC40	4 379	↓ -0,14	↑ 1,18
ATX	2 459	↓ -0,99	↓ -0,51
IBEX35	10 199	↑ 0,57	↑ 1,18
Nikkei 225	14 696	↑ 0,50	↑ 1,52
Hang Seng	22 061	↑ 1,04	↑ 1,51
SSEC	2 038	↓ -0,41	↓ -0,46
SENSEX	22 196	↓ -0,41	↓ -0,46
RTS	1 179	↓ -1,62	↑ 2,49
Bovespa	49 647	↑ 3,50	↑ 4,78

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3742	↑ 0,02	↓ -0,36
EUR/CHF	1,2192	↑ 0,09	↑ 0,16
USD/GBP	1,6609	↑ 0,14	↑ 0,76
USD/JPY	102,15	↓ -0,01	↓ -0,08
AUD/USD	0,9263	↑ 0,04	↑ 2,03
USD/CAD	1,1007	↓ -0,21	↓ -1,89

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,6	↓ -0,3	↑ 0,1
CDS 5Y PIIS	15	↓ 0	↑ 0
CDS 5Y Italy	107	↓ -5	↓ -3
CDS 5Y Belg.	114	↓ -2	→ 0
iTraxx 5Y EU	26,5	↓ -1	↓ 0
US TED Spread	78,8	↓ -1	↑ 9

Source: Reuters, OTP Research

Summary

- Risk appetite has diminished in both Europe and America; President Obama warned of the escalation of the Ukraine crisis.
- The US House of Representatives adopted new sanctions against Russia.

In the USA, indices closed lower again, chiefly dragged down by the banking and technology sectors. Citigroup lost 5.4% as the Fed rejected its dividend boost and 6.4-billion-dollar share buyback programme plans. The situation in Ukraine may also have soured investors' mood, especially after President Obama's warning that the crisis might get worse. The risk-on mood could not return even though the initial jobless claims figure declined again, while the final reading of the Q4 GDP was revised down, from the preliminary gauge. Another loser of the day was Accenture; the global management consultancy shed 5% after warning about business risks in Eastern Europe. One of the top winners of the day may have been Alcoa, surging 6.2%. Another strong performer was Baxter International; investors boosted the pharmaceutical company's share price by 3.9%, welcoming information on splitting its biotech & drug research division, and drug sales into two separate companies.

Europe's indices made subtle moves yesterday, the Stoxx600 inched only 0.1% higher. Ten of Western Europe's 18 benchmarks closed with losses, on below-average turnover. In corporate headlines, Alstom got involved in corruption charges: the French transport engineering firm's Chinese and Indian projects are scrutinized by the US Department of Justice. Its stock price fell 4.9% in yesterday's trading. Sweden's clothing retailer H&M shrank 4.3%, after publishing worse-than-expected quarterly profit figures. The Daily Mail media conglomerate lowered the outlook on its risk management solution division, which dented its stock price by 7.4%.

Most of Asia's major indices went up this morning. European indices are grinding higher amid today's optimism.

The UN general assembly approved a non-binding resolution affirming Ukraine's territorial integrity, and called Russia's annexation of Crimea's illegal. Russia has vetoed a similar resolution in the UN Security Council. Meanwhile, in yesterday's vote, the US Senate passed the legal framework that paves the way for the House of Representatives to impose further sanctions against Russia. The set of measures is likely to secure USD 150 million aid and USD 1 billion loan guarantee for Ukraine. It also imposes sanctions on high-ranking Ukrainian and Russian individuals who are suspected of corruption and violence.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,45	↑ 1	↑ 2
US 10Y	2,69	↓ -1	↓ -8
JP 2Y	0,10	↑ 2	↑ 10
JP 10Y	0,62	↓ -1	↑ 62
GER 2Y	0,16	↓ -1	↓ -3
GER 10Y	1,56	↓ -2	↓ -8

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	0,55	↑ 2	↑ 1
US 5Y Swap	1,78	↑ 0	↑ 0
EUR 3M Euribor	0,31	↓ 0	→ 0
EUR 2Y Swap	0,45	↓ -1	↓ -7
EUR 5Y Swap	0,95	↓ -1	↓ -8
GB 3M Libor	0,52	↓ 0	↓ 0
GB 2Y Swap	1,02	→ 0	↓ -1
GB 5Y Swap	1,96	↓ 0	↑ 1
JP 3M Libor	0,14	→ 0	↓ 0
JP 2Y Swap	0,17	↓ -1	↓ -1
JP 5Y Swap	0,31	↓ 0	↑ 1
CHF 3M Libor	0,02	→ 0	↓ 0
CHF 2Y Swap	0,05	↑ 1	↓ -3
CHF 5Y Swap	0,45	↑ 2	↓ -5

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	107,9	↑ 0,06	↑ 0,91
Gold	1 296	↑ 0,45	↓ -2,81

Source: Reuters, OTP Research

In the USA, Q4 GDP worsened in the final data release, in comparison with the preliminary statistics. The weekly gauge of initial jobless claims declined again, reflecting a slowly improving labour market situation. On the other hand, pending home sales statistics unexpectedly fell sharply in February.

In today's most important data, the eurozone's confidence indices as well as the US personal income and personal consumption statistics will be out.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	UK	Feb	Retail sales (MoM, %)	1,7	0,5	-2
	CZ	Mar	Repo rate (%)	0,05	0,05	0,05
	US	Q4	GDP (%)	2,6	2,7	2,4
	US	Q4	CPI (YoY, %)	1,3	1,3	1,3
	US	Feb	Pending home sales (MoM, %)	-0,8	0,0	0,1
	US	weekly	Initial jobless claims ('000)	311	325	320
	Friday	JP	Feb	Household spendings (YoY, %)	-2,5	0,1
JP		Feb	CPI (YoY, %)	1,5	-	1,4
JP		Feb	Unemployment rate (%)	3,6	3,7	3,7
JP		Feb	Retail sales (YoY, %)	3,6	3,2	4,4
EZ		Mar	Business Climate Indicator (points)		0,40	0,37
DE		Mar	CPI (YoY, %)		1,1	1,2
US		Feb	Personal incomes (MoM, %)		0,2	0,3
US		Feb	Consumption, adjusted (MoM, %)		0,3	0,4
US		Mar	Michigan consumer confidence, final (points)		80,5	79,9

Source: Reuters, OTP Research

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