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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 531	↑ 0,11	↑ 0,50
S&P500	1 885	↑ 0,19	↑ 0,81
Nasdaq100	3 605	↑ 0,49	↑ 0,87
Russell2000	1 126	↓ -0,22	↑ 0,49
Stoxx600	337	↓ -0,26	↑ 0,83
DAX	9 530	↓ -0,28	↑ 0,88
FTSE 100	6 822	→ 0,00	↑ 1,82
CAC40	4 463	↑ 0,10	↑ 0,05
ATX	2 502	↓ -1,01	↑ 0,88
IBEX35	10 477	↑ 0,02	↑ 1,51
Nikkei 225	14 458	↓ -0,19	↑ 1,07
Hang Seng	21 976	→ 0,00	↓ -0,71
SSEC	2 029	↑ 0,07	↑ 0,42
SENSEX	22 517	↑ 0,51	↓ -0,09
RTS	1 143	↓ -0,48	↑ 0,36
Bovespa	53 446	↑ 0,88	↑ 3,10

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3885	↑ 0,08	↑ 0,54
EUR/CHF	1,2180	↑ 0,02	↓ -0,17
USD/GBP	1,6862	↓ -0,02	↑ 0,22
USD/JPY	102,00	↓ -0,13	↓ -0,59
AUD/USD	0,9285	↑ 0,17	↑ 0,18
USD/CAD	1,0947	↓ -0,05	↑ 0,05

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,3	↑ 0,4	↓ -0,7
CDS 5Y PIIS	13	↓ -0,9	↓ -2,8
CDS 5Y Italy	91	↓ 0,0	↓ -3,1
CDS 5Y Belg.	95	↓ -0,6	↓ -0,5
iTraxx 5Y EU	25,1	↓ -0,4	↓ -4,0
US TED Spread	68,7	→ 0,0	↓ -1,8

Source: Reuters, OTP Research

Summary

- Europe's and America's key indices closed mixed on Monday.
- Lufthansa has published its Q1 earnings report.
- The macro statistics from Europe and the USA were in line with expectations.

The key indices closed mixed on both sides of the Atlantic. In the USA, the Dow, the S&P and the Nasdaq100 made modest gains, with the latter rising 0.5%, in the best gain in America. The Dow inched up 0.1%, the S&P added 0.2%, and the Russell2000 sank 0.2%. In the S&P, the healthcare and public utilities sectors made the strongest growth, advancing 0.7% and 0.9% respectively. The financial sector saw the biggest contraction; it sank 0.4% into the red. In Europe, the Stoxx and the DAX shed 0.3% each; the ATX was 1% down. The CAC40 edged 0.1% higher, and IBEX stayed practically flat.

According to the Fed's quarterly loan survey, American banks have eased their policies for corporate and commercial mortgage loans. They did not change the terms and conditions for prime mortgage loans, but have tightened rules for subprime loans; the conditions for car loans have been eased.

Lufthansa has published its Q1 earnings report, giving account of another period in the red. Cost-cutting has made its impact: losses have shrunk since the base period. Still, the airline company has missed analysts' forecasts. Its operating loss amounted to EUR 190 million – down from the previous quarter's EUR 295 million loss but still worse than analysts had expected (EUR 123 million). The first quarter of the year is typically an uneasy time for carriers in general but Lufthansa's revenues have plunged stronger in year-on-year terms than analysts had expected. The good news is that the management has confirmed its projection of EUR 1.3-1.5 billion operating profit in 2014.

Asia's key indices (except the Nikkei's 0.2% drop and the stagnant Hang Seng) closed in the green this morning. The SSEC climbed 0.1% higher, and the SENSEX added 0.5%. Elsewhere, Russia's RTS slid 0.5%.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,42	↓ 0	↓ -2
US 10Y	2,61	↑ 3	↓ -10
JP 2Y	0,00	→ 0	→ 0
JP 10Y	0,00	→ 0	→ 0
GER 2Y	0,13	↓ -1	↓ -5
GER 10Y	1,45	↓ -1	↓ -5

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	0,22	→ 0	↓ 0
US 2Y Swap	0,54	↑ 0	↓ -1
US 5Y Swap	1,73	↓ -1	↓ -5
EUR 3M Euribor	0,34	→ 0	↓ -1
EUR 2Y Swap	0,44	↑ 1	↓ -1
EUR 5Y Swap	0,89	↓ 0	↓ -4
GB 3M Libor	0,53	↑ 0	↓ 0
GB 2Y Swap	1,11	↑ 0	→ 0
GB 5Y Swap	2,04	↓ 0	↓ 0
JP 3M Libor	0,14	→ 0	↓ 0
JP 2Y Swap	0,19	→ 0	→ 0
JP 5Y Swap	0,32	↓ 0	↓ 0
CHF 3M Libor	0,00	↓ -2	↓ -2
CHF 2Y Swap	0,08	↑ 2	↑ 1
CHF 5Y Swap	0,38	↑ 2	↓ -1

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	107,8	↑ 0,10	↓ -1,06
Gold	1 311	↑ 0,14	↑ 1,18

Source: Reuters, OTP Research

In Monday's publication, HSBC's China manufacturing purchasing manager index subsided 0.2 since the last reading. The eurozone's producer price index matched analysts' forecast. In the USA, the services and the non-manufacturing purchasing managers' indices have improved since the previous gauge.

Today the National Bank of Romania is to make rate decision. Eurostat will release retail sales and purchasing managers' index figures. The US trade balance will be out in the afternoon.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	CN	Apr	HSBC Manufacturing PMI (final, point)	48,1	-	48,3
	EZ	Mar	Producer prices (mom, %)	-0,2	-0,2	-0,2
	US	Apr	Markit Services PMI (final, point)	55,0	-	54,2
	US	Apr	ISM Non-Manufacturing PMI (final, point)	55	54	53
Tuesday	RO	May	Base rate (%)	-	-	3,50
	EZ	Mar	Retail sales (MoM, %)	-0,1	-	0,4
	EZ	Mar	Markit Services PMI (final, point)	-1,8	-	-1,7
	US	Mar	International trade balance (bn USD)	-40,5	-	-42,3

Source: Reuters, OTP Research

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