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# Daily Report – Global markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 734	↓ -0,65	↓ -0,61
S&P500	1 930	↓ -0,71	↓ -0,53
Nasdaq100	3 764	↓ -0,90	↓ -0,81
Russell2000	1 159	↓ -0,63	↓ -0,50
Stoxx600	348	↑ 0,03	↑ 0,82
DAX	9 939	↓ -0,11	↓ -0,09
FTSE 100	6 843	↑ 0,06	↑ 0,43
CAC40	4 554	↓ -0,02	↑ 0,12
ATX	2 560	↑ 0,19	↑ 0,67
IBEX35	11 089	↑ 0,12	↑ 1,95
Nikkei 225	15 098	↑ 0,83	↓ -0,17
Hang Seng	23 336	↑ 0,69	↑ 0,09
SSEC	2 070	↑ 0,91	↑ 1,99
SENSEX	25 514	↑ 0,16	↑ 0,71
RTS	1 375	→ 0,00	↑ 3,08
Bovespa	55 102	→ 0,00	↑ 3,72

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,3563	↑ 0,09	↓ -0,57
EUR/CHF	1,2176	↑ 0,01	↓ -0,14
USD/GBP	1,6928	↑ 0,84	↑ 0,76
USD/JPY	101,96	↑ 0,26	↓ -0,50
AUD/USD	0,9410	↓ -0,15	↑ 0,84
USD/CAD	1,0859	↑ 0,08	↓ -0,67

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	12,6	↑ 1,0	↑ 0,9
CDS 5Y PIIS	13	↓ -0,6	↓ -16,4
CDS 5Y Italy	52	↓ -1,7	↓ -21,9
CDS 5Y Belg.	73	↑ 0,5	↓ -1,2
iTraxx 5Y EU	23,0	↑ 0,6	↓ -1,2
US TED Spread	59,4	→ 0,0	↓ -0,2

Source: Reuters, OTP Research

**Summary**

- Risk aversion has been rising since Thursday evening; the dollar is seen retreating versus the euro, and the WTI crude future rose to nine-month high.
- The better-than-expected macroeconomic data China published this morning have not boosted Europe's markets.

Thursday's US trading ended on a negative note. Asia, where the effect of China's cheering macroeconomic statistics was felt, closed mixed this morning. Europe's equity markets started Friday's session in an utterly subdued manner, after Thursday's modest optimism. News reports on Russian tanks on Ukraine's border and on militia taking over control from the Iraqi army in Kirkuk have made investors more cautious. The WTI crude hit nine-month high, and the EUR/USD has been climbing higher since Thursday noon. President Barack Obama said all intervention options were open to defend Iraq.

Another factor to the wary mood was what the Bank of England's Chairman's said in London on Thursday night: of the 'big' central banks, Britain's will be the first one to raise the interest rate, and this could happen sooner than markets currently expect. This announcement triggered a sudden surge in the sterling, pushing the GBP/USD to five-year high, which may play a part in the euro's current appreciation.

The Bank of Japan has not changed its monetary policy but it admitted that its April move to raise VAT rate has slightly reduced demand.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,45	↑	2	↑	7
US 10Y	2,61	↓	-4	↑	2
JP 2Y	0,09	↑	0	↓	0
JP 10Y	0,60	↓	0	↓	-2
GER 2Y	0,05	↓	-1	↑	0
GER 10Y	1,41	↓	-1	↓	-2

**CENTRAL BANKS' RATES**

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	→	0,25	→	0,25
ECB Rate	0,15	→	0,15	→	0,15
BOE Rate	0,50	→	0,50	↑	0,75
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	0,60	↑	3	↑	9
US 5Y Swap	1,75	↑	0	↑	5
EUR 3M Euribor	0,24	↓	-2	↓	-5
EUR 2Y Swap	0,32	↑	1	↓	-1
EUR 5Y Swap	0,70	↓	-2	↑	1
GB 3M Libor	0,53	↑	0	↑	0
GB 2Y Swap	0,00	↓	-115	↓	0
GB 5Y Swap	0,00	↑	0	↓	-1
JP 3M Libor	0,14	→	0	→	0
JP 2Y Swap	0,17	↑	0	↓	0
JP 5Y Swap	0,29	↑	0	↓	-1
CHF 3M Libor	0,01	→	0	↑	0
CHF 2Y Swap	0,02	↓	-2	↓	-1
CHF 5Y Swap	0,30	↑	1	↑	3

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	113,7	↑	0,58	↑	4,67
Gold	1 273	↑	0,02	↑	1,67

Source: Reuters, OTP Research

The May reading of US retail sales somewhat undershot expectations, while the eurozone published much stronger industrial output data for April than analysts had forecast.

This morning's statistics on China's economic state in May caused pleasant surprise: the YTD cumulative investments have increased year on year (as opposed to the forecast decline), and retail sales' growth has substantively accelerated. Industrial production's year-on-year index also exceeded the previous month's figure. New lending has also risen since the previous month.

The University of Michigan's preliminary consumer sentiment index will be out later today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	EZ	Apr	Industrial production (mom, %)	0,8	0,4	-0,4
	US	May	Retail sales (mom, %)	0	1	1
Friday	CN	May	Urban investment (ytd, %)	17,2	17,1	17,3
	CN	May	Retail sales (yoy, %)	12,5	12,1	11,9
	CN	May	Industrial production (yoy, %)	8,8	8,8	8,7
	EZ	Apr	Trace balance (monthly, EUR bn)		13,9	17,1
	US	Jun	Michigan consumer confidence (preliminary, pont)		83,0	81,9

Source: Reuters, OTP Research

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