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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 737	↓ -0,95	↓ -0,54
S&P500	2 045	↓ -0,84	↓ -0,65
Nasdaq100	4 213	↓ -0,64	↓ -0,40
Russell2000	1 186	↓ -0,87	↑ 0,37
Stoxx600	338	↓ -1,29	↓ -1,00
DAX	9 649	↓ -1,92	↓ -1,19
FTSE 100	6 501	↓ -1,05	↓ -0,71
CAC40	4 179	↓ -1,90	↓ -1,72
ATX	2 148	↓ -1,01	↓ -1,97
IBEX35	9 719	↓ -3,91	↓ -6,10
Nikkei 225	17 198	→ 0,00	↓ -1,21
Hang Seng	23 984	↑ 0,27	↑ 1,11
SSEC	3 230	↓ -1,69	↓ -3,60
SENSEX	27 458	↑ 0,67	↓ -0,60
RTS	783	↓ -3,62	↑ 2,80
Bovespa	48 840	↓ -2,21	↑ 2,79

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1855	↑ 0,14	↓ -0,64
EUR/CHF	1,2010	↑ 0,01	↓ -0,03
USD/GBP	1,5158	↑ 0,47	↓ -0,59
USD/JPY	118,24	↓ -0,22	↓ -1,16
AUD/USD	0,8246	↑ 0,56	↑ 2,03
USD/CAD	1,1842	↓ -0,20	↑ 0,68

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,6	↑ 0,5	↓ -0,2
CDS 5Y PIIS	18	↓ -0,6	↑ 4,6
CDS 5Y Italy	107	↓ -2,6	↑ 3,6
CDS 5Y Belg.	122	→ 0,0	↓ -0,1
iTraxx 5Y EU	38,3	↑ 1,7	↑ 0,4
US TED Spread	62,8	→ 0,0	↓ -0,1

Source: Reuters, OTP Research

Summary

- Friday's trading sentiment was unfavourable on stock markets, the dollar weakened, and the rise in the crude's price proved to be temporary.
- This morning the downward moves continued in Asia, but the key markets of Europe opened mostly higher.
- Fitch downgraded Russia's credit rating but left in investment status; S&P's decision may come later this week.

Despite the better-than-expected data on US job market and wholesale inventories, and as Germany's industrial output missed analysts' poll, the developed world's equity markets fell on Friday. Out of the Dow Jones Industrial Average's 30 constituents, three IT businesses (IBM, Intel, and Cisco) could advance, as did Pfizer and Walt Disney. Stock markets in Frankfurt and Paris fell sharply too. On Monday morning, Asia's stock markets saw cautious investors, then Europe opened on a strong note; the DAX and the CAC40 both rose by 1% before 10:00 (CET).

Crude oil price rose slightly on Friday, but it started to slip this morning. After European markets closed, Fitch cut Russia's credit rating to BBB-, the lowest investment grade. The outlook remained negative, suggesting that another lowering may follow; the agency's analysts pencil in 4% economic contraction for Russia this year. On 23 December, S&P said it would review its rating on Russia's debt; the decision could be made this week.

According to media reports, President Mario Draghi may announce smaller asset purchase programme in January than the ECB had indicated earlier. After hitting a low on Thursday morning, the euro regained some lost ground from the dollar; but the single European currency was seen dropping after Europe opened this morning.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,61	↓	-1	↓	-6
US 10Y	2,02	↑	4	↓	-8
JP 2Y	0,00	↑	2	↑	2
JP 10Y	0,29	→	0	↓	-4
GER 2Y	-0,10	↑	1	↓	0
GER 10Y	0,51	↑	2	↓	-4

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	↑	0,375	↑	1,00
ECB Rate	0,05	→	0,05	→	0,05
BOE Rate	0,50	→	0,50	↑	1,00
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	0,25	→	0	↓	0
US 2Y Swap	0,77	→	0	↓	-9
US 5Y Swap	1,53	↓	-1	↓	-13
EUR 3M Euribor	0,07	→	0	↓	-1
EUR 2Y Swap	0,16	↑	1	↓	0
EUR 5Y Swap	0,34	↓	0	↓	0
GB 3M Libor	0,56	→	0	↓	0
GB 2Y Swap	0,00	↓	-3	↑	2
GB 5Y Swap	0,00	↑	0	↑	1
JP 3M Libor	0,11	↓	0	↓	0
JP 2Y Swap	0,14	↑	1	↑	2
JP 5Y Swap	0,21	↑	0	↑	1
CHF 3M Libor	-0,11	↓	-1	↓	-5
CHF 2Y Swap	-0,23	↓	-1	↓	-6
CHF 5Y Swap	-0,04	↑	0	↓	-7

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	49,2	↓	-1,90	↓	-7,44
Gold	1 227	↑	0,39	↑	1,97

Source: Reuters, OTP Research

US non-farm payrolls grew by 252,000 in December, instead of the forecast 240,000, and the previous two months' data were revised upwards by a total of 50,000. As a result of this revision, and owing to a decline in the number of people active in the labour market, the unemployment rate came down to 5.6%. However, wage dynamics was surprisingly low – the average wage growth reading of 0.2% month-on-month may well be revised subsequently.

Germany's industrial production fell in November since the previous month; and the year-on-year index of Britain's construction index also fell short of expectations.

There are no important data releases in today's calendar.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	DE	Nov	Industrial output (mom, %)	-0,1	0,4	0,6
	GB	Nov	Construction output (yoy, %)	3,6	6,9	1,1
	GB	Nov	Industrial output (yoy, %)	1,1	1,6	1,0
	US	Dec	Non-farm payroll ('000)	252	240	353
	US	Dec	Manufacturing payroll ('000)	17	15	29
	US	Dec	Unemployment rate (%)	5,6	5,7	5,8
	US	Nov	Wholesale inventories (mom, %)	0,8	0,3	0,6
	Monday			no data		

Source: Reuters, OTP Research

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