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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 427	↓ -1,06	↓ -0,90
S&P500	2 011	↓ -0,58	↓ -0,72
Nasdaq100	4 146	↓ -0,49	↓ -0,34
Russell2000	1 177	↓ -0,30	↓ -1,59
Stoxx600	340	↓ -1,48	↑ 1,94
DAX	9 817	↓ -1,25	↑ 3,14
FTSE 100	6 388	↓ -2,35	↓ -0,49
CAC40	4 223	↓ -1,56	↑ 2,69
ATX	2 122	↓ -1,59	↓ -0,76
IBEX35	9 846	↓ -1,20	↓ -0,46
Nikkei 225	17 109	↑ 1,86	↓ -0,34
Hang Seng	24 272	↑ 0,66	↑ 1,83
SSEC	3 336	↑ 3,52	↑ 1,29
SENSEX	27 347	↓ -0,29	↓ -0,60
RTS	743	↑ 0,70	↓ -0,46
Bovespa	47 646	↓ -0,82	↓ -4,60

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1773	↓ -0,14	↓ -0,16
EUR/CHF	1,2009	↑ 0,01	⇒ 0,00
USD/GBP	1,5232	↑ 0,49	↑ 0,96
USD/JPY	117,70	↑ 0,32	↓ -1,63
AUD/USD	0,8225	↑ 0,97	↑ 1,27
USD/CAD	1,1958	↑ 0,06	↑ 1,09

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	21,5	↑ 0,9	↑ 2,2
CDS 5Y PIIS	21	↓ -2,3	↓ -3,3
CDS 5Y Italy	102	↓ -4,4	↓ -5,3
CDS 5Y Belg.	114	↓ 0,0	↓ 0,0
iTraxx 5Y EU	38,3	↑ 1,0	↓ -2,0
US TED Spread	62,0	⇒ 0,0	↓ -0,3

Source: Reuters, OTP Research

Summary

- Following last night's rise in oil price, Europe's stock markets opened in the green this morning. However, today the crude's price fell 3% again, suggesting that the bounce may be fragile.
- Germany's economy expanded by 1.5% in 2014, in line with recent expectations, yet it grew slower than predicted in spring 2014.
- The National Bank of Poland has left its benchmark rate at 2%. In a surprise move, India's central bank slashed its key policy rate to 7.75%, from 8%, citing smaller inflationary pressure.

The major indices of the world closed in the red on Wednesday. The price of the most important commodities bounced higher, helping European indices to open in the positive territory this morning.

In Wednesday night's trading, oil price grew to USD 49, from 46.6. Copper ricocheted from the low it last hit in 2009, triggering upward moves in mining and oil company names this morning. The cheering earnings reports of Germany's Beiersdorf, and Sweden's H&M further bolstered growth. However, oil price sank 3% in this morning's trading, suggesting that the bounce higher may be fragile.

Germany's economy output was 1.5% higher in 2014 than a year earlier, in line with expectations. However, it grew slower than analysts had thought in spring 2014 (the European Commission's forecast was 2%) and this deceleration is likely to continue. However, Germany may express conflicting opinion; Germany may raise its growth forecast to 1.5%, up from 1.3%, according to Reuters.

The National Bank of Poland left its benchmark rate flat at 2% yesterday. In a surprise move, India's central bank cut its benchmark rate to 7.75% from 8%, citing smaller inflationary pressure.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,51	↓ -4	↓ -12
US 10Y	1,86	↓ -4	↓ -12
JP 2Y	-0,02	↓ 0	↓ 0
JP 10Y	0,25	↓ -2	↓ -5
GER 2Y	-0,12	↓ 0	↓ -2
GER 10Y	0,46	↓ -2	↓ -1

CENTRAL BANKS' RATES

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0,25	↑ 0,5	↑ 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	0,73	↑ 4	↓ -8
US 5Y Swap	1,47	↑ 5	↓ -13
EUR 3M Euribor	0,07	↓ 0	↓ 0
EUR 2Y Swap	0,15	↑ 0	↓ -2
EUR 5Y Swap	0,32	↓ -2	↓ -3
GB 3M Libor	0,56	↓ 0	↓ 0
GB 2Y Swap	0,00	↓ -2	↓ 0
GB 5Y Swap	1,22	↑ 0	↓ 0
JP 3M Libor	0,10	→ 0	↓ -1
JP 2Y Swap	0,13	↓ 0	↓ 0
JP 5Y Swap	0,21	↑ 0	↓ 0
CHF 3M Libor	-0,12	↓ -1	↓ -4
CHF 2Y Swap	-0,24	↓ -1	↓ -1
CHF 5Y Swap	-0,11	↑ 0	↓ -7

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	48,0	↓ -1,48	↓ -5,87
Gold	1 229	↓ -0,06	↑ 1,67

Source: Reuters, OTP Research

In the USA, the seasonally adjusted reading of retail sales fell substantially in December. Today's important publications include the New York Fed and the Philadelphia Fed manufacturing indicators.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Wednesday	EZ	Nov	Industrial production (m-o-m, %)	0,2	0,0	0,1
	PL	Jan	Rate decision (%)	2,0	-	2,0
	US	Dec	Retail sales (m-o-m, %)	-0,9	-0,1	0,7
Thursday	US	Jan	New York Fed manufacturing (points)		5,0	-3,6
	US	Jan	Philly Fed manufacturing (points)		19,9	24,5
	DE	Dec	Full year GDP (yoy, %)		1,5	0,1

Source: Reuters, OTP Research

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