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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 869	↑ 0,79	↑ 1,15
S&P500	2 069	↑ 1,07	↑ 0,91
Nasdaq100	4 281	↑ 1,54	↑ 1,23
Russell2000	1 203	↑ 0,62	↑ 0,99
Stoxx600	373	↑ 0,64	↑ 0,72
DAX	10 754	↑ 0,85	↓ -1,26
FTSE 100	6 829	↓ -0,12	↓ -0,62
CAC40	4 696	↑ 0,96	↑ 0,38
ATX	2 327	↑ 1,73	↑ 2,83
IBEX35	10 500	↑ 1,30	↓ -0,93
Nikkei 225	17 653	⇒ 0,00	↓ -0,15
Hang Seng	24 334	↓ -0,79	↓ -1,40
SSEC	3 156	↑ 0,44	↓ -0,59
SENSEX	28 356	↑ 0,45	↓ -0,60
RTS	826	↓ -1,74	↑ 4,98
Bovespa	48 510	↓ -1,77	↓ -1,60

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1313	↓ -0,05	↓ -0,27
EUR/CHF	1,0488	↑ 0,04	↓ -0,15
USD/GBP	1,5252	↑ 0,28	↑ 0,47
USD/JPY	119,60	↑ 0,16	↑ 2,00
AUD/USD	0,7771	↑ 0,03	↑ 0,28
USD/CAD	1,2582	↓ -0,03	↑ 0,07
USD/RUB	65,46	↑ 0,77	↓ -2,78

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,2	↓ -1,3	↓ -0,1
CDS 5Y PIIS	17	↑ 5,2	↑ 2,5
CDS 5Y Italy	95	↑ 7,8	↑ 7,1
CDS 5Y Belg.	100	↑ 1,0	↑ 1,1
iTraxx 5Y EU	38,3	↓ -1,1	↑ 1,8
US TED Spread	57,6	⇒ 0,0	↑ 1,6

Source: Reuters, OTP Research

Summary

- After an initial hesitation, advanced stock markets picked up. The EUR/USD ebbed and flowed; crude oil price edged down.
- Greece's Parliament has approved a proposal to suspend the bailout from the Troika.
- EU leaders are holding a two-day summit to discuss the possibilities to transform Greece's debt financing.

Concerns about Greece's debt financing ruled markets on Tuesday morning, but investors turned optimistic when US markets opened in the afternoon. The European Union's finance minister and prime ministers begin a two-day summit about Greece's proposals. On Tuesday afternoon, the Greek Parliament approved a bill that refuses further help from the Troika (the next tranche could be drawn in May), and tap markets by issuing short-term securities to avoid default, as kind of bridging solution before financing is set on new grounds in August. In this respect, a number of eurozone leaders made sceptical remarks. Ireland's agricultural minister said that any debt concession should be automatically extended to other members of the eurozone who are participating in the crisis management (Ireland, Portugal).

US stock markets advanced almost 1% yesterday. Western Europe made similar moves; the only noticeable exception was London. Apple's market capitalization exceeded USD 700 billion, breaking a new record. Tesla's January car sales in China missed expectations.

A number of earnings reports are due out today, including the Q4 financial figures of Tesla, Pepsi, Cisco, L'Oreal and Barclay's.

Reversing the strengthening earlier on Tuesday, the dollar retreated in the afternoon, sending the EUR/USD to 1.132. This morning the cross was seen sinking. After hitting a six-week high of USD 60, the Brent crude started to drop; it was traded near USD 57.6 this morning.

Trading in Asia was mixed this morning. South Korea's stock market climbed higher, Hong Kong fell, and there was no trading in Tokyo. The picture on Europe is colourful, with Russia's stock market showing some strength.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,65	↑	1	↑	14
US 10Y	1,97	↑	3	↑	18
JP 2Y	0,06	↑	2	↑	3
JP 10Y	0,36	↑	1	↑	1
GER 2Y	-0,20	→	0	↓	-2
GER 10Y	0,37	↓	0	↑	6

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	-0,75	→	-0,75	→	-0,75

MONEY MARKET

	Rate (%)		Daily chg (bp)		Weekly chg (bp)
US 3M Libor	0,26	↑	0	↑	1
US 2Y Swap	0,89	↑	0	↑	17
US 5Y Swap	1,62	↓	-2	↑	24
EUR 3M Euribor	0,05	↓	0	↓	-1
EUR 2Y Swap	0,14	↓	0	↑	0
EUR 5Y Swap	0,31	↓	0	↑	1
GB 3M Libor	0,56	↑	0	↑	0
GB 2Y Swap	0,98	↑	3	↓	0
GB 5Y Swap	1,43	↓	0	↑	2
JP 3M Libor	0,10	→	0	→	0
JP 2Y Swap	0,14	↓	-1	↓	0
JP 5Y Swap	0,27	↓	0	↑	2
CHF 3M Libor	-0,91	↓	-3	↓	-5
CHF 2Y Swap	-0,83	↓	0	↓	-6
CHF 5Y Swap	-0,53	→	0	↑	5

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	56,5	↑	0,12	↑	4,32
Gold	1 238	↑	0,32	↓	-2,52

Source: Reuters, OTP Research

The UK's industrial output in December was short of expectations. The USA's wholesale inventories rose in line with expectations (stagnated) at the end of 2014.

There no market-moving data releases scheduled for today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	CN	jan.	CPI (y-o-y, %)	0,8	1,0	1,5
	UK	dec.	Industrial production (m-o-m, %)	-0,2	0,1	0,0
	US	dec.	Wholesale inventories (m-o-m, %)	0,1	0,2	0,8
Wednesday	US	jan.	Federal budget (monthly, USD bn)		-10,0	2,0

Source: Reuters, OTP Research

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