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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 986	↓ -0,24	↑ 0,07
S&P500	2 097	↓ -0,11	↑ 0,43
Nasdaq100	4 412	↑ 0,48	↑ 1,47
Russell2000	1 228	↓ 0,00	↑ 0,39
Stoxx600	381	↑ 0,27	↑ 1,76
DAX	11 002	↑ 0,37	↑ 0,75
FTSE 100	6 881	↑ 0,52	↑ 0,77
CAC40	4 833	↑ 0,71	↑ 2,27
ATX	2 426	↓ -0,07	↑ 2,11
IBEX35	10 910	↑ 0,97	↑ 3,30
Nikkei 225	18 332	↑ 0,37	↑ 2,34
Hang Seng	24 832	↔ 0,00	↑ 0,61
SSEC	3 247	↔ 0,00	↑ 1,34
SENSEX	29 462	↑ 0,48	↓ -0,60
RTS	907	↓ -2,46	↑ 5,17
Bovespa	51 294	↑ 0,03	↑ 1,30

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1343	↓ -0,20	↓ -0,35
EUR/CHF	1,0795	↑ 0,04	↑ 1,63
USD/GBP	1,5412	↓ -0,12	↑ 0,10
USD/JPY	118,85	↓ -0,08	↑ 0,11
AUD/USD	0,7810	↑ 0,24	↑ 0,54
USD/CAD	1,2485	↓ -0,08	↑ 0,31
USD/RUB	61,90	↓ -0,26	↓ -2,77

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,3	↓ -0,2	↓ -1,7
CDS 5Y PIIS	15	↓ -6,7	↓ -3,9
CDS 5Y Italy	93	↓ -8,3	↓ -1,4
CDS 5Y Belg.	102	↓ -1,1	↓ -1,1
iTraxx 5Y EU	37,2	↓ -0,8	↓ -4,5
US TED Spread	53,5	↔ 0,0	↓ -0,5

Source: Reuters, OTP Research

Summary

- The unresolved Greek debt issue eroded optimism on Thursday; advanced markets ended mixed.
- E-commerce companies powered US markets, but failed to lift the Dow and the S&P into the positive territory.
- Germany rejected Greece's request to extend the bailout that expires on 28 February, the euro zone's finance ministers meet today to discuss the Greek proposal.

Trading in Europe was mostly hesitant on Thursday. Germany rejected Greece's unilateral proposal to extend the EUR 240 million bailout by six months. This move immediately slashed the DAX by 100 points, preventing it from hitting a new record high. By the close, optimism took the upper hand, and most of Europe's key indices closed higher. The Stoxx600 index upped by 0.3%, but only half of its 19 constituents could go up. In corporate headlines, Danone closed 0.3% higher, despite the lowered revenue forecast for this year. Temporary employment agency Randstad shot up 7.3%, on the back of accelerating growth in revenues. Cap Gemini, the consulting company jumped 4.9% higher as its annual profit had beaten analysts' forecast. Rheinmetall rallied 7.9% as its car parts manufacturing arm broke record, lifting its annual profit above expectations. Britain's Centrica energy company contracted by 8.5%, and Air France-KLM lost 5% of its value in Thursday's session. The former announced smaller dividend, citing losses, and the air company gave account of descending annual profit.

US equity markets ended a mixed day: the Dow and the S&P dropped, while the Nasdaq100 advanced. Six of the S&P's ten sector indices went down, utilities' 1.1% loss the worst one. The falling oil price (the Brent shrank 0.5%, trading near 60 USD/barrel) undermined energy companies. Technology businesses rallied: Priceline, America's top online travel agency skyrocketed 8.5% as its report overshot analysts' forecast, largely owing to a jump in online reservations. Benefiting from Priceline's gains, TripAdvisor and Expedia surged 3.6% and 2.4% respectively. Facebook soared 3.5%, and Twitter added 1.8%, helping the Dow Jones Technology Index end 1.6% higher. Airline shares profited from lower oil prices; the weekly statistics on US oil inventories (signifying smaller increase in inventories than before) prevented a massive fall in crude prices. Wal-Mart was one of the losers of the day: the retail chain warned that higher wages and the expenses of launching online commerce would reduce its operating results. That said, its Q4 profit was better than had been thought.

Asia's markets (the ones that were not closed for the Chinese lunar new year) closed with small gains this morning.

Today's most important market-moving event could be the Greek conundrum whether parties succeed in striking a deal on the country's bailout.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,63	↑	3	↓	0
US 10Y	2,12	↑	4	↑	14
JP 2Y	0,04	↓	-1	↓	-1
JP 10Y	0,39	↓	-2	↓	0
GER 2Y	-0,23	↓	-2	↑	0
GER 10Y	0,37	↓	-1	↑	2

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	↑	0
US 2Y Swap	0,86	↓	-1	↓	-1
US 5Y Swap	1,69	↓	0	↑	4
EUR 3M Euribor	0,05	→	0	→	0
EUR 2Y Swap	0,13	↑	0	↓	0
EUR 5Y Swap	0,31	↑	0	↑	0
GB 3M Libor	0,56	↑	0	↓	0
GB 2Y Swap	0,00	↓	-2	↓	-2
GB 5Y Swap	0,00	↓	-1	↓	-4
JP 3M Libor	0,10	↓	0	↓	0
JP 2Y Swap	0,13	↓	0	↓	-2
JP 5Y Swap	0,23	↓	-1	↓	-4
CHF 3M Libor	-0,90	→	0	↑	3
CHF 2Y Swap	-0,78	↑	0	↑	6
CHF 5Y Swap	-0,44	→	0	↑	5

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	60,5	↑	0,50	↓	-1,64
Gold	1 208	↑	0,08	↓	-1,73

Source: Reuters, OTP Research

Instead of rising as expected, the 'Philly Fed' index (a US business outlook survey) declined in February. The weekly employment data were also short of expectations; even though initial jobless claims missed forecasts, the continued claims figure grew stronger than had been thought.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	US	febr.	Philly Fed business index	5,2	9,3	6,3
	US	heti	Initial jobless claims (ths)	283	293	304
	US	heti	Continued jobless claims (ths)	2 425	2 374	2 354
Friday	JP	febr.	Markit Manufacturing PMI, flash (points)	51,5	-	50,9
	DE	febr.	Markit Manufacturing PMI, flash (points)	50,9	-	52,6
	DE	febr.	PPI (YoY, %)	-2,2	-2,0	-1,7
	EZ	febr.	Markit Manufacturing PMI, flash (points)	51,1	51,5	51,0
	US	febr.	Markit Manufacturing PMI, flash (points)		9,3	6,3

Source: Reuters, OTP Research

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