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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 857	↓ -1,54	↑ 0,02
S&P500	2 071	↓ -1,42	↓ -0,16
Nasdaq100	4 399	↓ -1,19	↓ -0,93
Russell2000	1 218	↓ -1,36	↓ -2,02
Stoxx600	394	↑ 0,10	↑ 0,40
DAX	11 551	↑ 0,41	↑ 0,90
FTSE 100	6 912	↓ -0,71	↓ -0,50
CAC40	4 964	↑ 0,02	↑ 0,24
ATX	2 548	↑ 1,65	↑ 0,47
IBEX35	11 092	↓ -0,29	↓ -0,48
Nikkei 225	18 791	↓ -0,95	↓ -0,19
Hang Seng	24 125	↓ -0,16	↓ -3,06
SSEC	3 302	↑ 1,89	↓ -1,02
SENSEX	29 449	↔ 0,00	↓ -0,60
RTS	903	↓ -0,98	↑ 1,76
Bovespa	49 981	↓ -0,76	↓ -2,36

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,0857	↑ 0,13	↓ -2,92
EUR/CHF	1,0695	↑ 0,02	↓ -0,21
USD/GBP	1,5035	↓ -1,35	↓ -2,13
USD/JPY	120,91	↑ 0,07	↑ 0,66
AUD/USD	0,7713	↑ 0,03	↓ -0,67
USD/CAD	1,2595	↓ -0,19	↑ 0,48
USD/RUB	60,37	↑ 0,26	↓ -2,92

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,2	↑ 1,2	↑ 1,9
CDS 5Y PIIS	15	↓ -8,8	↓ -8,7
CDS 5Y Italy	73	↓ -8,7	↓ -7,7
CDS 5Y Belg.	82	↓ -1,1	↓ -2,2
iTraxx 5Y EU	33,9	↑ 0,8	↓ -0,8
US TED Spread	48,5	↔ 0,0	↑ 0,7

Source: Reuters, OTP Research

Summary

- Europe's key indices ended Friday with mixed results.
- The better-than-expected US job market data dragged America's benchmarks down.
- The US created 295,000 new jobs in February, 55,000 more than had been thought. The unemployment rate came down to 5.5%.

Europe's markets opened mixed, before they started to rise on the back of the cheering US job market data. But they lost steam by the close, and the key indices ended the last trading day of the week mixed. The Footsie closed 0.7% in the red, while the DAX closed 0.4% higher and the CAC40 inched up 0.02%.

US indices started on a weaker note, and remained in the negative territory throughout Friday as the market began to price in the possibility of interest rate hikes, seeing the better-than-expected job market data. The Dow's 1.5% drop marked the weakest performance. The S&P shed 1.3% and the NASDAQ lost 1.2%. All of the S&P's sector indices closed in the red. Utilities' 3% contraction was the worst performance. Healthcare and consumer staples fell 2% each. All of the Dow's components ended lower, with Johnson & Johnson (-2.4%) and Procter & Gamble (-2.3%) being the weakest names. After a long time, Apple was included in the Dow index; it will replace AT&T stocks, effective from the market close of 18 March.

This morning's trading was a tad pessimistic in Asia. After last week's outperformance, the Nikkei fell more than 1% this morning, probably because the revised data came in worse than the preliminary Q4 GDP figures. China's indices fared well; the Shanghai Composite added almost 2%, probably owing to the better-than-expected trade surplus figure.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,74	↑	9	↑	10
US 10Y	2,25	↑	13	↑	25
JP 2Y	0,01	↓	0	↓	-1
JP 10Y	0,40	↑	1	↑	7
GER 2Y	-0,20	↓	0	↑	2
GER 10Y	0,35	↓	-4	↑	4

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	0,95	↓	0	↑	7
US 5Y Swap	1,80	↓	-1	↑	11
EUR 3M Euribor	0,04	→	0	↓	0
EUR 2Y Swap	0,11	↓	0	↑	2
EUR 5Y Swap	0,32	↑	3	↑	5
GB 3M Libor	0,56	↓	0	↓	0
GB 2Y Swap	1,05	↓	-1	↑	1
GB 5Y Swap	1,67	↑	1	↑	4
JP 3M Libor	0,09	→	0	↓	-1
JP 2Y Swap	0,13	↓	-1	↑	1
JP 5Y Swap	0,26	↑	1	↑	4
CHF 3M Libor	-0,79	↑	3	↑	5
CHF 2Y Swap	-0,76	→	0	→	0
CHF 5Y Swap	-0,36	→	0	→	0

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	59,5	↓	-0,44	↓	-0,12
Gold	1 173	↑	0,54	↓	-2,49

Source: Reuters, OTP Research

The USA published excellent job market statistics on Friday: non-farm payroll was 295,000 in February, 55,000 more than had been forecast. But the January data was revised somewhat lower: 239,000 non-farm jobs were created, instead of 257,000 in the first month of 2015. In contrast, the activity rate declined to 62.8% from 62.9% in January. In February, the unemployment rate fell to its lowest since June 2008, 5.5%, down from 5.7% in January. This means that US unemployment dropped into the 5.2-5.6% bracket, the range the Fed considers natural. These facts may add more ammo for the Fed to hike interest rates, as the strong growth makes it impractical to keep up loose monetary conditions for long.

Today the Eurogroup will meet to discuss the developments in Greece's debt deal.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	DE	Jan	Industrial output (mom, %)	0,6	0,5	0,1
	EZ	Q4	GDP (detailed, qoq, %)	0	0	0
	US	Feb	Non-farm payrolls ('000)	295	240	257
	US	Feb	Unemployment rate (%)	5,5	5,6	5,7
Monday	CN	Feb	Exports (yoy, %)	48,3	14,2	3,3
	JP	Q4	GDP (revised, qoq, %)	0,4	0,6	0,6
	DE	Jan	Exports (mom, %)	-2,1	-1,5	3,4

Source: Reuters, OTP Research

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