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Daily Report – Global markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 105	↓ -0,47	↑ 0,67
S&P500	2 105	↓ -0,51	↑ 0,08
Nasdaq100	4 439	↓ -0,45	↓ -0,98
Russell2000	1 236	↑ 0,08	↑ 1,68
Stoxx600	401	↑ 0,29	↑ 0,84
DAX	11 673	↓ -0,31	↑ 0,77
FTSE 100	7 030	↓ -0,24	↑ 0,87
CAC40	5 028	↓ -1,23	↑ 0,17
ATX	2 654	↑ 0,02	↑ 1,50
IBEX35	11 446	↑ 0,18	↓ -0,04
Nikkei 225	19 625	↑ 0,02	↑ 0,48
Hang Seng	27 628	↓ -0,33	↓ -0,46
SSEC	4 391	↑ 1,33	↑ 2,16
SENSEX	27 507	↑ 1,48	↓ -0,60
RTS	1 060	→ 0,00	↑ 2,93
Bovespa	57 197	↑ 0,08	↓ -0,36

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1154	↓ -0,44	↓ -0,02
EUR/CHF	1,0418	↓ -0,22	↑ 0,67
USD/GBP	1,5584	↑ 0,84	↑ 2,66
USD/JPY	120,19	↑ 0,10	↑ 0,31
AUD/USD	0,7923	↑ 0,46	↓ -0,21
USD/CAD	1,2097	↓ -0,04	↑ 0,27
USD/RUB	51,14	↓ 0,00	↑ 1,30

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,9	↑ 1,0	↑ 1,0
CDS 5Y PIIS	14	↓ -2,6	↓ -0,3
CDS 5Y Italy	84	↓ -2,3	↓ -0,4
CDS 5Y Belg.	106	↓ -1,7	↓ -1,6
iTraxx 5Y EU	34,6	↑ 1,0	↑ 0,3
US TED Spread	59,8	→ 0,0	↓ -0,4

Source: Reuters, OTP Research

Summary

- Greece's debt issue is on the agenda again; in the absence of other market-moving news, this determined the sentiment on Monday. No agreement has been reached.
- The dollar has firmed, and the EUR/USD pair is noticeably rising this morning.
- There are no influential publications before Wednesday's release of EU members' Q1 GDP statistics.

The eurozone finance ministers are negotiating about Greece's debts with the representatives of the Greek government again. It is unlikely to lead to a final agreement – moreover, because of the schedule of the payment obligations, an acceptable compromise may not be reached before the 13 July meeting of the Eurogroup. In the absence of other macroeconomic or corporate news, the major stock indices edged lower. Paris saw a major loss.

In Frankfurt, Volkswagen and Continental were the losers of the day, dropping -1.8% and -1.3% respectively. In VW-related news, the car manufacturer is planning to reorganize its cooperation with MAN: bus and truck manufacturing would be in a new division, and MAN would focus on commercial vehicles and power engineering products.

In the USA, the key benchmarks suffered near-0.5% losses, and only six of the Dow Jones Industrial Average's 30 components could climb higher. Caterpillar rallied 1.7%. Encouragingly, Russell2000, the index of small cap businesses achieved gain, albeit a small one.

This morning, Asia's benchmarks mostly headed down; India's stock exchange fell 1.9%. On the other hand, the Shanghai stock index gained more than 1.5%.

The dollar's firming led the EUR/USD to 1.113 on Monday. This morning the greenback's losing ground pushed the cross to 1.23. The EUR has been strengthening versus the CHF since Monday noon. The Brent crude's price is trading around 65 USD/barrel again, after drawing close to USD 70 in the second half of last week.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,61	↑	4	↑	1
US 10Y	2,28	↑	14	↑	13
JP 2Y	0,01	↓	-1	↑	1
JP 10Y	0,42	↑	1	↑	42
GER 2Y	-0,21	↑	0	↑	1
GER 10Y	0,53	↓	-4	↑	16

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	0,28	↑	0	↑	0
US 2Y Swap	0,87	↑	1	↑	1
US 5Y Swap	1,72	↑	0	↑	5
EUR 3M Euribor	-0,01	→	0	↓	0
EUR 2Y Swap	0,09	↓	-1	↓	-1
EUR 5Y Swap	0,40	↑	3	↑	3
GB 3M Libor	0,57	↓	0	→	0
GB 2Y Swap	0,00	↑	5	↑	1
GB 5Y Swap	1,62	↑	2	↑	2
JP 3M Libor	0,10	→	0	↑	0
JP 2Y Swap	0,15	↑	1	↑	1
JP 5Y Swap	0,29	↑	2	↑	2
CHF 3M Libor	-0,79	→	0	↑	0
CHF 2Y Swap	0,00	↑	69	↑	69
CHF 5Y Swap	0,00	↑	25	↑	27

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	64,8	↓	-0,17	↓	-4,03
Gold	1 182	↓	-0,13	↓	-0,89

Source: Reuters, OTP Research

The Bank of England did not change the effective monetary conditions yesterday: it left the benchmark rate at 0.5%, and it will not renew the asset purchase programme.

Today's macroeconomic calendar does not feature really influential data but most member states of the European Union will release Q1 GDP figures on Wednesday.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	UK	May	Rate decision (%)	0,5	0,5	0,5
Tuesday	UK	Apr	Retail sales (yoy, %)		-2,4	3,2
	UK	Mar	Industrial output (mom, %)		0,0	0,1
	US	Apr	Federal budget (monthly, USD bn)		154,8	-53,0

Source: Reuters, OTP Research

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