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Daily Report – Global markets

STOCK EXCHANGE

| | Close | Daily chg. (%) | Weekly chg. (%) |
|-------------|--------|----------------|-----------------|
| DJIA | 18 012 | ↓ -0,16 | ↓ -0,01 |
| S&P500 | 2 110 | ↓ -0,10 | ↑ 0,36 |
| Nasdaq100 | 4 509 | ↓ -0,29 | ↑ 0,80 |
| Russell2000 | 1 252 | ↑ 0,17 | ↓ -0,21 |
| Stoxx600 | 396 | ↓ -1,03 | ↓ -0,75 |
| DAX | 11 329 | ↓ -0,94 | ↓ -1,63 |
| FTSE 100 | 6 928 | ↓ -0,36 | ↑ 0,07 |
| CAC40 | 5 004 | ↓ -0,41 | ↓ -1,15 |
| ATX | 2 579 | ↑ 0,95 | ↓ -1,64 |
| IBEX35 | 11 271 | ↑ 0,30 | ↓ -0,02 |
| Nikkei 225 | 20 462 | ↓ -0,39 | ↓ -0,05 |
| Hang Seng | 27 676 | ↑ 0,76 | ↓ -1,44 |
| SSEC | 4 874 | ↓ -0,75 | ↓ -1,38 |
| SENSEX | 27 188 | ↓ -2,37 | ↓ -0,60 |
| RTS | 973 | ↑ 2,05 | ↓ -6,95 |
| Bovespa | 54 236 | ↑ 2,27 | ↓ -1,12 |

FX MARKET

| | Close | Daily chg. (%) | Weekly chg. (%) |
|---------|--------|----------------|-----------------|
| EUR/USD | 1,1152 | ↑ 2,04 | ↑ 2,53 |
| EUR/CHF | 1,0404 | ↑ 0,68 | ↑ 0,69 |
| USD/GBP | 1,5342 | ↑ 0,93 | ↓ -0,07 |
| USD/JPY | 123,83 | ↓ -0,20 | ↑ 0,15 |
| AUD/USD | 0,7801 | ↑ 0,42 | ↑ 1,04 |
| USD/CAD | 1,2386 | ↓ -0,10 | ↓ -0,51 |
| USD/RUB | 52,74 | ⇒ 0,00 | ↑ 1,84 |

RISK INDICATORS

| | Close | Daily chg (bp) | Weekly chg (bp) |
|---------------|-------|----------------|-----------------|
| VIX | 14,2 | ↑ 0,3 | ↑ 0,2 |
| CDS 5Y PIIS | 14 | ↑ 7,3 | ↑ 9,2 |
| CDS 5Y Italy | 91 | ↑ 7,9 | ↑ 8,8 |
| CDS 5Y Belg. | 106 | ↑ 0,0 | ↑ 0,0 |
| iTraxx 5Y EU | 31,7 | ↑ 0,7 | ↑ 5,6 |
| US TED Spread | 66,3 | ⇒ 0,0 | ↓ -0,2 |

Source: Reuters, OTP Research

Summary

- The major indices of Europe lost about 0.5% in Tuesday's pessimistic session.
- Risk aversion ruled American trading, with benchmarks going 0.1-0.3% down.
- The eurozone's inflation in May was better than had been thought.

Negative sentiment ruled Europe on Tuesday, when neither the better-than-expected EZ inflation nor the minor advance in restructuring Greece's debts could help indices advance. On Monday night Prime Minister Alexis Tsipras sent a comprehensive reform package to international bondholders, the EU and the IMF; which could be the basis for negotiations. Today he will meet the European Commission's President in Brussels, hoping to reach agreement on his country's debts. Greece is left with little time as it needs to meet its payment obligation to the IMF by Friday. Tuesday's risk aversion sent the key indices of Western Europe lower: the Footsie and the CAC40 both shed 0.4%. The DAX lost almost 1%.

The pessimism spread out to America. As the enthusiasm vanished, benchmarks spent most of Tuesday in the negative territory. The S&P inched down 0.1%, the Dow sank 0.2%, and the NASDAQ100 dropped 0.3%. Within the S&P, utilities index suffered the biggest loss (-1.3%) and energy was the strongest performer (+0.7%). Intel had a bad day, with its share price contracting by 2%.

This morning's trading in Asia was not exactly enthusiastic: Japan's benchmarks closed 0.3% in the red, while China's Shanghai Composite index ended with a slight loss.

GOV'T BOND MARKET

| | Yield (%) | | Daily chg (bp) | | Weekly chg (bp) |
|---------|-----------|---|----------------|---|-----------------|
| US 2Y | 0,66 | ↑ | 1 | ↑ | 1 |
| US 10Y | 2,26 | ↑ | 7 | ↑ | 11 |
| JP 2Y | 0,00 | ↓ | 0 | ↓ | 0 |
| JP 10Y | 0,47 | ↑ | 5 | ↑ | 6 |
| GER 2Y | -0,21 | ↑ | 1 | → | 0 |
| GER 10Y | 0,55 | ↑ | 5 | ↓ | -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 | 0,28 | ↑ | 0 | ↓ | 0 |
| US 2Y Swap | 0,86 | ↓ | 0 | ↑ | 1 |
| US 5Y Swap | 1,71 | ↓ | 0 | ↑ | 6 |
| EUR 3M Euribor | -0,01 | → | 0 | → | 0 |
| EUR 2Y Swap | 0,11 | ↑ | 0 | ↑ | 2 |
| EUR 5Y Swap | 0,43 | ↑ | 3 | ↑ | 6 |
| GB 3M Libor | 0,57 | ↓ | 0 | ↓ | 0 |
| GB 2Y Swap | 0,99 | ↑ | 1 | ↓ | 0 |
| GB 5Y Swap | 1,58 | ↓ | -1 | ↑ | 2 |
| JP 3M Libor | 0,10 | ↓ | 0 | ↓ | 0 |
| JP 2Y Swap | 0,13 | ↓ | 0 | ↓ | 0 |
| JP 5Y Swap | 0,25 | ↓ | -1 | ↑ | 2 |
| CHF 3M Libor | -0,79 | → | 0 | → | 0 |
| CHF 2Y Swap | -0,78 | → | 0 | ↓ | -6 |
| CHF 5Y Swap | -0,32 | → | 0 | ↓ | -2 |

COMMODITIES

| | Close | | Daily chg. (%) | | Weekly chg. (%) |
|-----------|-------|---|----------------|---|-----------------|
| Oil Brent | 65,1 | ↓ | -0,55 | ↑ | 4,95 |
| Gold | 1 193 | ↓ | -0,05 | ↑ | 0,45 |

Source: Reuters, OTP Research

The eurozone's preliminary inflation figure for May have beaten expectations as consumer prices grew by 0.3%, up from 0% in April, largely owing to the rising energy prices.

ADP's employment statistics are due out in America today; analysts forecast a 200,000 increase. The comprehensive US labour markets statistics will be released on Friday.

| | COUNTRY | DATE | INDICATOR | FACT | CONSENSUS | PREVIOUS |
|-----------|---------|------|--|------|-----------|----------|
| Tuesday | EZ | May | HICP, flash (yoy, %) | 0,3 | 0,2 | 0,0 |
| | EZ | Apr | Producer prices (yoy, %) | -2,2 | -2,0 | -2,3 |
| | DE | May | Unemployment (%) | 6,4 | 6,4 | 6,4 |
| | US | Apr | Factory orders (mom, %) | -0,4 | 0,0 | 2,1 |
| Wednesday | EZ | Apr | Retail sales (mom, %) | | 0,7 | -0,8 |
| | EZ | May | Rate decision (%) | | 0,05 | 0,05 |
| | US | May | ADP national employment survey (mom, ths.) | | 200 | 169 |

Source: Reuters, OTP Research

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