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# Daily Report – Global markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 904	↑ 0,64	↑ 0,15
S&P500	2 096	↑ 0,57	↑ 0,21
Nasdaq100	4 456	↑ 0,52	↑ 0,64
Russell2000	1 270	↑ 0,67	↑ 0,21
Stoxx600	385	↑ 0,64	↓ -0,22
DAX	11 044	↑ 0,54	↓ -0,15
FTSE 100	6 710	↓ -0,01	↓ -0,64
CAC40	4 840	↑ 0,51	↓ -0,72
ATX	2 452	↑ 0,71	↓ -2,74
IBEX35	10 871	↑ 0,27	↓ -0,88
Nikkei 225	20 219	↓ -0,19	↑ 0,86
Hang Seng	26 783	↑ 0,81	↑ 0,36
SSEC	4 895	↑ 0,16	↓ -4,12
SENSEX	26 687	↑ 0,38	↓ -0,60
RTS	978	↑ 2,18	↑ 1,47
Bovespa	53 702	↑ 1,06	↑ 0,61

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1246	↓ -0,33	↓ -0,62
EUR/CHF	1,0484	↓ -0,02	↓ -0,67
USD/GBP	1,5644	↑ 0,29	↑ 0,74
USD/JPY	123,52	↑ 0,15	↑ 0,71
AUD/USD	0,7724	↓ -0,30	↓ -0,44
USD/CAD	1,2290	↓ -0,01	↑ 0,30
USD/RUB	54,06	→ 0,00	↓ -0,48

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,8	↓ -0,6	↑ 0,3
CDS 5Y PIIS	15	↑ 9,4	↑ 11,1
CDS 5Y Italy	101	↑ 9,2	↑ 12,7
CDS 5Y Belg.	112	↑ 1,9	↑ 0,9
iTraxx 5Y EU	32,7	↑ 1,9	↑ 1,0
US TED Spread	68,2	→ 0,0	↑ 0,9

Source: Reuters, OTP Research

**Summary**

- The unfavourable reports related to Greece could be slightly counterbalanced by the news related to the delay in the increase of the American interest rates. Therefore both the American and main European stock markets closed with gains.
- The euro slightly weakened against the dollar.
- The German ZEW sentiment index fell more sharply than expected.

There still has been no agreement on the debt financing of Greece, thus the major European financial decision makers will be holding a meeting tomorrow in Luxembourg. If they cannot find any solution for the problem, the presidents and PMs of the EU may discuss the issue on Friday. Nevertheless, the Greek default seems to become more and more probable due to the lack of consistence in the standpoints of the parties. Because of the unfavourable news about the situation of Greece, the European benchmarks weakened in the first half of yesterday's trading. Following the opening of the American stock market, the European trading continued on a more positive note after allegations of the postponing of the interest rate increase. Hence the main European benchmarks closed in the positive territory.

British authorities seem to allow the acquisition of the British BG Group by Royal Dutch Shell. If, after further permits, the transaction becomes reality in 2016, it would be the most significant investment seen by the oil industry in the past few years.

The two-day long session of the Federal Open Market Committee (FOMC) commenced yesterday. They will decide whether the Fed increases the interest rates. As a result of market information that the FOMC is expected not to raise the rates at this point, the American stocks started to become mildly stronger. Voting members of the FOMC deem an increase in the interest rates to be unavoidable in September or December. The American benchmarks closed 0.5-0.6% higher yesterday.

The main Asian benchmarks were growing after hitting a three-month low, except the Japanese Nikkei that saw a decrease of 0.19%.

The EUR/USD fell below 1.13 as the euro became weaker. This morning the pair started off the day with slightly heading higher.

The hurricane expected to hit the Mexican Gulf shortly made the oil prices grow slightly.

Australia signed a free trade agreement with China, its key trading partner. Under the deal, the two countries will abolish duties for several sectors.

**GOV'T BOND MARKET**

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,69	↓ -1	↓ -3
US 10Y	2,31	↓ -4	↓ -12
JP 2Y	0,00	↑ 0	↓ 0
JP 10Y	0,50	↓ -1	↑ 3
GER 2Y	-0,19	↓ -1	↓ -3
GER 10Y	0,82	↑ 1	↓ -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	0,28	↑ 0	↑ 0
US 2Y Swap	0,94	↑ 2	↓ -1
US 5Y Swap	1,77	↑ 1	↓ -10
EUR 3M Euribor	-0,01	→ 0	↓ 0
EUR 2Y Swap	0,16	↑ 1	↑ 2
EUR 5Y Swap	0,54	↓ -1	↓ -4
GB 3M Libor	0,57	↑ 0	↑ 0
GB 2Y Swap	1,01	↑ 1	↓ 0
GB 5Y Swap	1,61	↓ -1	↓ -3
JP 3M Libor	0,10	↑ 0	↓ 0
JP 2Y Swap	0,14	↓ -1	↓ 0
JP 5Y Swap	0,28	↓ -1	↓ -3
CHF 3M Libor	-0,78	→ 0	↑ 0
CHF 2Y Swap	-0,77	→ 0	↓ -8
CHF 5Y Swap	-0,29	→ 0	↓ -7

**COMMODITIES**

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	63,8	↑ 0,22	↓ -2,83
Gold	1 180	↓ -0,14	↓ -0,52

Source: Reuters, OTP Research

The German ZEW economic sentiment index decreased by 10 points, more than previously expected. This fall is mainly said to be the result of the significant fears surrounding the Greek crisis. According to media reports, certain external factors (such as the Greek crisis) hinder the potential for further growth of the German economy.

It will be unveiled today whether the Fed is increasing its interest rates, as the two-day session of the US central bank is drawing to an end.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	UK	May	CPI (yoy, %)	0,1	0,1	-0,1
	DE	Jun	ZEW economic sentiment (point)	31,50	37,1	41,9
	US	May	Building permits (ann, ths)	1275	1 100	1 140
	US	May	Housing starts (ann, ths)	1 036,0	1 100	1 135
Wednesday	EZ	May	Inflation (final, yoy, %)		0,3	0
	US	Jun	Rate decision (%)		0,1	0,1

Source: Reuters, OTP Research

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