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Daily Report – Global Markets



STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 730	⇒ 0,00	↓ -1,21
S&P500	2 077	⇒ 0,00	↓ -1,18
Nasdaq100	4 433	⇒ 0,00	↓ -1,13
Russell2000	1 248	⇒ 0,00	↑ 0,12
Stoxx600	383	↓ -0,53	↓ -2,87
DAX	11 058	↓ -0,37	↓ -3,42
FTSE 100	6 586	↓ -0,67	↓ -1,82
CAC40	4 808	↓ -0,57	↓ -4,42
ATX	2 433	↓ -0,18	↓ -2,87
IBEX35	10 780	↓ -0,61	↓ -4,62
Nikkei 225	20 125	↓ -2,02	↑ 0,07
Hang Seng	24 784	↓ -4,91	↓ -4,56
SSEC	3 657	↓ -0,82	↓ -9,78
SENSEX	28 093	↑ 0,53	↓ -0,60
RTS	920	↓ -1,33	↓ -1,16
Bovespa	52 519	↓ -1,10	↓ -1,69

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1112	↑ 0,26	↓ -1,58
EUR/CHF	1,0445	↓ -0,11	↑ 0,32
USD/GBP	1,5568	↓ -0,24	↓ -1,07
USD/JPY	122,39	↓ -0,33	↓ -0,11
AUD/USD	0,7491	↓ -0,23	↓ -2,37
USD/CAD	1,2595	↑ 0,18	↑ 1,57
USD/RUB	56,01	↑ 0,13	↑ 0,60

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	16,8	↑ 0,7	↑ 2,8
CDS 5Y PIIS	17	↑ 1,2	↑ 16,8
CDS 5Y Italy	106	↓ -0,5	↑ 20,0
CDS 5Y Belg.	119	↑ 0,0	↑ 2,2
iTraxx 5Y EU	32,4	↓ -1,0	↑ 5,0
US TED Spread	72,2	⇒ 0,0	↓ -0,3

Source: Reuters, OTP Research

Summary

- The referendum in Greece on Sunday concluded in 61% of those eligible voting “no”.
- The Finance Minister of Greece resigned.
- Major Western European indexes closed in the red, while stock markets did not open overseas due to the Independence Day celebrations.

Greek voters rejected the last offer of the creditors at the referendum held on Sunday. It is rather ludicrous that Greek citizens expressed their opinion in the referendum about a plan that they might not know (but certainly do not understand all of the details), furthermore this plan is no longer valid. According to the final results, 61.3% voted “no”, while merely 38.7% went for the “yes” option. Turnover at the referendum was 62.5% which significantly exceeded the 40% required for the votes to be valid. Reflecting on the results Greece’s PM Aleksis Tsipras called for unity among the Greek nation and emphasized that the rejection was not pointed against Europe and the Eurozone. The situation seems highly uncertain so far, it is hard to predict the possible effects of the outcome of the referendum. Greek Finance Minister Jannis Varoufakis resigned this morning. In his brief announcement he claimed that a few Eurozone Finance Ministers pointed out that after the result of the referendum he should no longer keep his post. Eurozones Finance Ministers will be holding a summit around the Greek issues. Major leaders of the EU have not yet commented on what the aftermaths of the referendum holds.

The settlement of the bank system of the South European state is highly pressing since Greek banks may run out of cash in a few days. According to certain news releases banks were holding only 500-1,000 million euros last Friday already. The future of the Greek bank system is in the hands of the ECB which might deny Greece’s access to the ELA funding. The last day of the week was characterised by small liquidity at leading European markets. The ECB may decide first on Monday and later on Wednesday whether it is willing to continue the emergency funding (ELA) programme, although it seems less and less probable due to possible defaults of government bonds.

European stock markets started off the week with a fall.

The last day of the week was characterised by small liquidity at leading European markets. Investors still acutely focus on news about Greece’s situation. Friday’s trading started off the day in the positive segment, however this trend experienced a shift and traders were selling their stocks in several waves. The Footsie, the French CAC40 and the DAX closed 0.7%, 0.6% and 0.4% lower respectively compared to Thursday. Last week has been the worst week of the European indexes so far this year. The Euro STOXX 50 index closed having a minus of 0.6, thus it fell by 5% overall last week. The DAX fell by 11% compared to its peak in April after its weakening on Friday.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,57	↓	-12	↓	-5
US 10Y	2,27	↓	-16	↓	-3
JP 2Y	0,02	↑	1	↑	2
JP 10Y	0,47	↓	-4	↑	2
GER 2Y	-0,24	↓	-1	↓	-4
GER 10Y	0,84	↑	7	↑	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	0,28	↓	0	↑	0
US 2Y Swap	0,83	↓	-5	↓	-3
US 5Y Swap	1,66	↓	-9	↓	-5
EUR 3M Euribor	-0,02	→	0	→	0
EUR 2Y Swap	0,11	↓	-1	↓	-1
EUR 5Y Swap	0,49	↓	-4	↓	-2
GB 3M Libor	0,58	↑	0	↑	0
GB 2Y Swap	1,09	↓	-4	↓	0
GB 5Y Swap	1,69	↓	-2	↓	0
JP 3M Libor	0,10	→	0	↑	0
JP 2Y Swap	0,14	↓	-1	↓	0
JP 5Y Swap	0,28	↓	-2	↓	0
CHF 3M Libor	-0,79	→	0	↓	-1
CHF 2Y Swap	-0,79	↑	0	↑	0
CHF 5Y Swap	-0,28	→	0	↑	3

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	59,5	↓	-1,31	↓	-4,00
Gold	1 167	↓	-0,03	↓	-1,09

Source: Reuters, OTP Research

The results of the Greek referendum also affected the stock markets of Asia. Most of the indexes fell this morning.

Earnings season is starting this week. Alcoa will be the first one to release its report as usual. The aluminium manufacturer is unveiling its Q2 results after the closing down of the American markets on Tuesday.

German Industrial Orders data and Swiss Consumer Price Index statistics will be published today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	EZ	May	Retail sales (év/év, %)	2,4	2,3	2,2
Monday	DE	May	Industrial orders (mom, %)	0	-0,4	1,4
	CH	Jun	CPI (yoy, %)		-1,2	-1,2
	EZ	Jul	Sentix index (point)		15,0	17,1

Source: Reuters, OTP Research

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