



**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 684	↓ -0,26	↓ -1,21
S&P500	2 069	↓ -0,39	↓ -1,18
Nasdaq100	4 419	↓ -0,33	↑ 0,89
Russell2000	1 247	↓ -0,10	↓ -0,56
Stoxx600	379	↓ -1,24	↓ -0,71
DAX	10 891	↓ -1,52	↓ -0,22
FTSE 100	6 536	↓ -0,76	↓ -0,52
CAC40	4 712	↓ -2,01	↓ -1,26
ATX	2 374	↓ -2,43	↑ 0,25
IBEX35	10 540	↓ -2,22	↓ -0,68
Nikkei 225	20 377	↑ 1,31	↑ 0,70
Hang Seng	25 049	↓ -0,74	↓ -4,57
SSEC	3 699	↓ -2,03	↓ -13,51
SENSEX	28 209	↑ 0,41	↓ -0,60
RTS	903	↓ -1,82	↓ -0,91
Bovespa	52 149	↓ -0,70	↓ -0,93

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1055	↓ -0,52	↓ -0,93
EUR/CHF	1,0418	↓ -0,26	↑ 0,01
USD/GBP	1,5601	↑ 0,21	↓ -0,66
USD/JPY	122,70	↑ 0,12	↑ 0,17
AUD/USD	0,7491	↓ -0,05	↓ -2,76
USD/CAD	1,2658	↑ 0,06	↑ 1,34
USD/RUB	56,84	↓ -0,09	↑ 2,78

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,0	↑ 0,2	↑ 3,0
CDS 5Y PIIS	17	↑ 12,3	↑ 27,2
CDS 5Y Italy	116	↑ 12,7	↑ 31,5
CDS 5Y Belg.	131	↑ 0,4	↑ 2,6
iTraxx 5Y EU	32,9	↑ 6,0	↑ 11,7
US TED Spread	78,2	→ 0,0	↓ -0,5

Source: Reuters, OTP Research

**Summary**

- Angela Merkel and Francois Hollande declared that “the door is still open for negotiations” but they urge a quick and well-founded response from Greece.
- Greek PM may propose an agreement proposition at today’s eurozone summit.
- The stocks of major European banks experienced a wave of selling.

French president Francois Hollande and German chancellor Angela Merkel announced after their discussion in Paris that they were open to further negotiate with the Greek leadership about the issue of debt financing, in spite of the rather unfavourable result of Sunday’s referendum. The two European leaders emphasized that they expected a reasonable and well-founded proposal from the Greek PM Alexis Tsipras. Ms Merkel stressed that she sees this opportunity as a last chance for Greece to avoid Grexit and she highlighted the pressing need for a quick decision. Markets will be still focusing today on the events surrounding the Greek developments. At 1pm GMT+1 the finance ministers of the eurozone will be holding a meeting where they will be deciding on the ESM loan. Later, at 6pm Eurozone presidents and PMs are going to discuss the situation at an extraordinary summit. Mr Tsipras promised to come up with a new proposition today. Jean-Claude Juncker is not expecting the birth of an agreement today; however, he is in favour of further negotiations.

The European Central Bank decided last night to maintain the flow of the liquidity funding (ELA) but with stricter terms. Thanks to this Greek banks will not run out of cash yet. The Greek ruling party Syriza decided to keep banks shut on Tuesday and Wednesday and they will not be altering the daily withdrawal limit of 60 Euros.

Due to the result of the Greek referendum the first day of the week was characterised by pessimistic sentiment. The wave of selling mainly affected the stocks of the financial sector. Among others, BNP Paribas, Commerzbank, Erste Group, Raiffeisen and Deutsche Bank all lost between 3.5% and 5%. The main European benchmarks ended the day in a fall as well: the German DAX, the French CAC40 and the Footsie closed down, weakening 1.15%, 2.01% and 0.76% respectively. In a hope of an improvement of the situation around the debt Greek crisis, today’s sentiment seems to be getting more optimistic.

Overseas markets had a rough day yesterday too, mostly because of the news from Greece. Although trends changed by the end of the day, the main American indices closed down. Both the Dow and NASDAQ fell by 0.3%, while the S&P closed down 0.4%.

The Shanghai Composite continued its downfall on Monday (-2.03%). The fall of Chinese benchmarks may cause further problems, despite Beijing’s intervention.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,61	↑	4	↓	-3
US 10Y	2,30	↑	2	↓	-3
JP 2Y	0,02	↑	0	↑	2
JP 10Y	0,47	↑	0	↑	2
GER 2Y	-0,27	↓	-2	↓	-6
GER 10Y	0,73	↓	-13	↓	-19

**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	0,00	↑	0	↑	0
US 2Y Swap	0,83	↑	1	↓	-5
US 5Y Swap	1,70	↑	2	↓	-6
EUR 3M Euribor	-0,02	↓	0	→	0
EUR 2Y Swap	0,12	↑	0	↑	1
EUR 5Y Swap	0,46	↓	-3	↓	-4
GB 3M Libor	0,00	↓	0	→	0
GB 2Y Swap	0,00	↓	-2	↓	-1
GB 5Y Swap	0,00	↑	0	↑	0
JP 3M Libor	0,00	→	0	↑	1
JP 2Y Swap	0,14	↓	-1	↓	-1
JP 5Y Swap	0,28	↑	0	↑	0
CHF 3M Libor	0,00	→	0	↓	-1
CHF 2Y Swap	-0,80	↑	1	↑	1
CHF 5Y Swap	0,00	↑	30	↑	30

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	56,9	↑	0,62	↓	-10,54
Gold	1 168	↓	-0,16	↓	-0,38

Source: Reuters, OTP Research

The US dollar has been strengthening steadily against the euro since last night.

The oil started off the day very poorly. The selling pressure stemmed from a series of different factors. The strong dollar, the negotiations with Iran about its nuclear program, the effects of the Greek issues on the European oil market, and an increase in the number of oil platforms in North America all contributed to the dive of the oil price. Nevertheless, rates seem to be stabilising today: the WTI saw a growth of 0.6% while Brent rates grew by 0.9%.

According to data released this morning German industrial production stayed the same in May compared to April. Today data on UK's May industrial output and US international trade statistics will be published.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	DE	May	Industrial orders (mom, %)	-0,2	-0,4	1,4
	CH	Jun	CPI (yoy, %)	-1	-1,2	-1,2
	EZ	Jul	Sentix index (point)	18,5	15,0	17,1
Tuesday	DE	May	Industrial Output (m/m, %)	0,0	0,1	0,9
	UK	May	Industrial Output (m/m)		-0,2	0,4
	US	May	International Trade (monthly, billion dollars)		-42,6	-40,9

Source: Reuters, OTP Research

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