

## Treasury Sales Team

### Headquarter Treasury Sales

**Tania Fantana**  
+4021 30758 76  
tania.fantana@otpbank.ro

**Alexandru Tibuleac**  
+4021 30758 52  
alexandru.tibuleac@otpbank.ro

**Alina Gheorghita**  
+4021 30758 25  
alina.gheorghita@otpbank.ro

**Andreea Nica**  
+4021 30758 27  
andreea.nica@otpbank.ro

### Regional Treasury Sales

**Szilamer Kozma - Cluj**  
+40755 000 400  
szilamer.kozma@otpbank.ro

**Tudor Zaman - Bucuresti**  
+4021 30758 76  
tudor.zaman@otpbank.ro



## Daily Report – Global Markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 760	↑ 1,21	↓ -1,02
S&P500	2 077	↑ 1,23	↓ -1,23
Nasdaq100	4 420	↑ 1,57	↓ -0,30
Russel2000	1 252	↑ 1,44	↑ 0,31
Stoxx600	389	↑ 2,03	↓ -0,62
DAX	11 316	↑ 2,90	↓ -0,56
FTSE 100	6 673	↑ 1,39	↓ -0,06
CAC40	4 903	↑ 3,07	↓ -1,06
ATX	2 465	↑ 2,19	↓ -0,87
IBEX35	11 036	↑ 3,08	↓ -0,68
Nikkei 225	20 106	↑ 1,65	↓ -0,03
Hang Seng	25 083	↑ 0,73	↓ -0,61
SSEC	4 025	↑ 3,80	↑ 6,60
SENSEX	27 661	↑ 0,32	↓ -1,54
RTS	905	↑ 1,74	↓ -3,25
Bovespa	52 591	↑ 1,56	↓ -1,40

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1162	↑ 1,13	↑ 0,82
EUR/CHF	1,0471	↑ 0,11	↑ 0,60
USD/GBP	1,5524	↑ 0,96	↓ -0,49
USD/JPY	122,62	↓ -0,10	↑ 0,06
AUD/USD	0,7445	↑ 0,12	↓ -0,67
USD/CAD	1,2692	↑ 0,29	↑ 0,32

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	16,8	↓ -3,1	↑ 0,0
EMBI+ Spread	0	⇒ 0	⇒ 0
CDS 5Y PIGS	102	↓ -19	↓ -2
CDS 5Y Italy	110	↓ -22	↓ -7
CDS 5Y Belg.	31	↓ -4	↓ -1
iTraxx 5Y EU	67,5	↓ -7	↓ -5
US TED Spread	26,9	⇒ 0	↓ -1

Source: Reuters, OTP Research

**Summary**

- The weekend summit of the Eurogroup ended successfully; the ESM bailout programme for Greece was approved. The EZ's leaders attached extremely tight conditions to the agreement.
- Benefiting from Friday's benign investor sentiment, the key indices of Europe and America closed with gains.
- On Friday Janet Yellen confirmed that the interest rate hikes would start this year, with gradual implementation.

The reform package submitted by Greece on Thursday evening includes savings measures worth EUR 13 billion, in return for which the Greek government expects EUR 53.5 billion financing by 2018. The proposals include VAT and other tax increases, curbing pension expenses and raising the retirement age, as well as privatization plans. International lenders found Greece's package satisfactory for negotiations. The weekend discussions have brought the positions about resolving the Greek crisis closer. The marathon talks, which ended this morning, reached agreement in all points. This morning the European Council's President Donald Tusk said that the eurozone leaders have unanimously accepted the ESM bailout plan for Greece, with significant reform measures and financial backing. They attached extremely strict conditions to the agreement, which poses the question how long the government led by Syriza and PM Alexis Tsipras can keep their head above water. Participants failed to agree on one important issue, the 50-billion-euro privatization package. Western Europe's major stock markets responded to the favourable development with gains.

Fuelled by the favourable reports from Greece, investor sentiment was positive in Europe on Friday. Buyers' camp was also bolstered by the stabilization of Chinese markets. London's Footsie upped by 1.4%, and Germany's DAX added 2.9%, and France's CAC40 surged 3% on Friday.

US trading was likewise optimistic on Friday. Greece's reform proposal boosted investors' confidence, as an agreement became likely again. All of the key benchmarks added more than 1% on Friday: the Dow and the S&P both rose by 1.2%, and the NASDAQ100 closed 1.6% higher. All of the S&P's sector indices ended in positive territory. Technology was the strongest sector index (+1.6%). Consumer discretionaries also fared well, the sub-index rose by 1.5%.

Speaking at an event in Cleveland on Friday, the Fed's chair Janet Yellen confirmed that the first interest rate hikes may come this year. However, she also reiterated that the weaknesses of the labour market allow only step by step pace at the outset. The Fed's chair also pointed out that course of economic growth and inflation remained highly uncertain, and unexpected developments may delay or accelerate the first interest rate hikes.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,64	↑	2	↑	7
US 10Y	2,39	↑	4	↑	11
JP 2Y	0,01	↓	0	↓	-1
JP 10Y	0,45	↓	0	↓	-1
GER 2Y	-0,24	↑	2	↑	1
GER 10Y	0,82	↑	12	↓	-4

**CENTRAL BANKS' RATES**

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,25	↑	0,5	↑	1
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	0,29	↑	0	↑	0
EUR 3M Eurib	0,86	↓	-2	↑	4
GB 3M Libor	1,74	↓	-1	↑	6
JP 3M Libor	-0,02	→	0	↓	0
CHF 3M Libor	0,12	↓	-1	↓	0
US 2Y Swap	0,54	↑	6	↑	9
EUR 2Y Swap	0,58	↑	0	↑	0
GB 2Y Swap	1,07	↑	3	↓	-1
JP 2Y Swap	1,72	↓	-2	↓	-2
CHF 2Y Swap	0,10	→	0	↓	0
US 5Y Swap	0,13	↓	-1	↓	-1
EUR 5Y Swap	0,26	↓	-2	↓	-2
GB 5Y Swap	-0,78	↑	0	↑	0
JP 5Y Swap	-0,74	↑	1	↑	7
CHF 5Y Swap	-0,27	↑	1	↑	3

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil NY	57,6	↓	-1,99	↑	1,80
Gold	1 160	↓	-0,30	↓	-0,82

Source: Reuters, OTP Research

There are no influential American statistical releases scheduled for today.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	RO	Jun	Consumer price index (yoy, %)	-1,6	-	1,2
	US	May	Wholesale Inventories (mom %)	0,8	0,3	0,4
	JP	May	Industrial output (revised, mom, %)	-2,1	-	2,2
	JP	May	Capacity utilisation (mom, %)	-3,0	-	-0,4

Source: Reuters, OTP Research

**Chief Economist**  
Gergely Tardos  
tardosg@otpbank.hu  
+36 1 374 7273

**Fundamental Analyst**  
Piroska Beáta Balogh  
szabopb@otpbank.hu  
+36 1 374 7276

## Disclaimer

**OTP Bank Plc. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.**

This communication does not contain a comprehensive analysis of the described issues. This material is only for information purposes and it is not intended as an investment advice, an offer or solicitation for the purchase or sale of any financial instrument, and it does not constitute legal, tax or accounting advice.

Information herein reflects the market situation at the time of writing. It provides only momentary information and may change as market conditions and circumstances develop. Additional information may be available on request. Although the information in this document has been prepared in good faith from sources which OTP Bank believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. Opinions and estimates constitute our judgment and are subject to change without notice. OTP Bank may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments is made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. Any concrete individual decision or investment made based on this publication is the sole risk of the Client and OTP Bank shall not be held responsible for the success of the investment decisions or for attaining the Client's target.

Figures described herein refer to the past and past performance is not a reliable indicator of future results.

OTP Bank Plc. (registered seat: Nádor utca 16., Budapest H-1051, Hungary; Supervisory authority: Hungarian Financial Supervisory Authority (PSZÁF, Pénzügyi Szervezetek Állami Felügyelete – H-1013 Budapest, Krisztina krt. 39.sz.) PSZÁF licence numbers: III/41.003-22/2002 and E-III/456/2008. For more information, please refer to: <https://www.otpbank.hu/portal/hu/Megtakaritas/Ertekpapir/MIFID>). All rights reserved. This publication is exclusively owned by OTP Bank Plc., no part of this material can be reproduced, re-used or disseminated without the prior written consent of OTP Bank Plc.

If you received this document from OTP Bank Plc, then it was sent to you with your previous consent. You may withdraw this permission by sending an e-mail to [research@otpbank.hu](mailto:research@otpbank.hu) or writing a letter addressed to "Research Center" Hungary 1051, Budapest Nádor utca. 21. Please refer to your name and e-mail address in both cases.

## Disclaimer for OTP Bank Romania S.A. customers

OTP Bank Romania S.A. does not intend to present this document as an objective or independent explanation of the matters contained therein. This document a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This communication does not contain a comprehensive analysis of the described issues. This report is issued for information purposes only and should not be interpreted as a suggestion, an invitation or an offer to enter into any transaction, as an investment advice, and it does not constitute legal, tax or accounting advice. Also it is not and should not be considered a recommendation for investment in financial instruments according to NSC Regulations no. 32/2006 and 15/2006.

Information herein reflects current market practices. Additional information may be available on request. This document is intended only for the direct and sole use of the selected customers of OTP Bank Romania S.A. Any form of reproduction or redistribution to any other person that the intended recipients, including publication in whole or in part for any purpose, must not be made without the express written agreement of OTP Bank Romania S.A. Although the information in this document has been prepared in good faith from sources which OTP Bank Romania S.A. believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. The issuer of this report does not claim that the information presented herein is perfectly accurate or complete. However it is based on sources available to the public and widely believed to be reliable. Also the opinions and estimates presented herein reflect a professional subjective judgment at the original date of publication and are therefore subject to change thereafter without notice. Furthermore there can be no guarantees that any market developments will unfold as forecasted. Opinions and estimates constitute our judgment and are subject to change without notice.

OTP Bank Romania S.A. may have issued reports that are different or inconsistent with the information expressed within this report and is under no obligation to update or keep current the information contained herein.

OTP Bank Romania S.A. may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank Romania S.A. does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

This report is not intended to influence in any way or to be considered a substitute to research and advice centred on the specific investment objectives and constraints of the recipient (including tax concerns) therefore investors should obtain individual financial advice. Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please refer to your competent adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. OTP Bank Romania S.A. in compliance with the applicable law, assumes no responsibility, obligation, warranty or guarantee whatsoever for any direct or indirect damage (including losses arising from investments), or for the costs or expenses, detrimental legal consequences or other sanctions (including punitive and consequential damage) sustained by any natural or legal person as a result of the purchase or sale of financial instruments or engaging investment services described herein, even if OTP Bank Romania S.A. was warned of the possibility of such occurrences.

Figures described herein refer to the past and past performance is not a reliable indicator of future results. Investments in financial instruments carry a certain degree of risk (fluctuation of share prices, uncertainty of dividend, yields and / or profits, exchange rate fluctuations, etc.). The capital invested is not guaranteed, investment gains, usually assumed proportionate to risk, and past performance of financial instruments is not a guarantee for future performance.

Please note that the Internet is not a secure environment and OTP Bank Romania S.A. does not accept any liability for any loss caused by the result of using this report in a form altered or delayed by the wilful or accidental interception, corruption or virus infection.

All rights reserved – OTP Bank Romania S.A. (registered seat: Street Buzesti, no. 66-68, 1st district Bucharest, Romania; company registration number: 01-10-041585; NBR registration no RB-PJR-40-028/1999; for further information please refer to: <https://www.otpbank.ro/en>).

This document has been provided to the recipients upon their prior request. Your abovementioned permission may be withdrawn by an e-mail addressed to [csaba.balint@otpbank.ro](mailto:csaba.balint@otpbank.ro) or a written mail addressed to OTP Bank Romania S.A , Buzesti Street, no. 66-68, 1st district, Bucharest, Romania. Please refer to your name and e-mail address in both cases.