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## Daily Report – Global Markets



**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	16 315	↑ 0,70	↓ -0,43
S&P500	1 931	↓ -0,05	↓ -1,36
Nasdaq100	4 225	↓ -0,85	↓ -2,29
Russell2000	1 123	↓ -1,30	↓ -3,30
Stoxx600	349	↑ 2,84	↓ -4,27
DAX	9 689	↑ 2,77	↓ -4,93
FTSE 100	6 109	↑ 2,47	↓ -2,34
CAC40	4 481	↑ 3,07	↓ -4,16
ATX	2 207	↑ 1,57	↓ -3,05
IBEX35	9 520	↑ 2,45	↓ -5,64
Nikkei 225	17 645	↓ -1,32	↓ -2,90
Hang Seng	21 186	↑ 0,43	↓ -3,35
SSEC	3 078	↓ -0,46	↓ -2,48
SENSEX	25 827	↓ -0,14	↓ -0,60
RTS	789	↑ 2,49	↓ -5,78
Bovespa	44 831	↓ -1,02	↓ -5,15

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1194	↓ -0,31	↓ -0,12
EUR/CHF	1,0962	↑ 0,11	↑ 0,74
USD/GBP	1,5181	↓ -0,39	↓ -2,09
USD/JPY	120,26	↓ -0,24	↓ -0,22
AUD/USD	0,7018	↓ -0,01	↓ -1,56
USD/CAD	1,3324	↓ -0,08	↑ 0,53
USD/RUB	65,42	↓ -0,11	↓ -0,92

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	23,6	↑ 0,2	↑ 1,3
CDS 5Y PIIS	24	↑ 2,0	↑ 10,3
CDS 5Y Italy	100	↑ 3,9	↑ 12,4
CDS 5Y Belg.	109	↓ -0,5	↑ 1,2
iTraxx 5Y EU	30,3	↓ -1,2	↑ 15,6
US TED Spread	84,4	→ 0,0	↓ -1,4

Source: Reuters, OTP Research

**Summary**

- Friday's session was positive in Europe, but US markets closed mixed.
- Switzerland will also impose a temporary ban on the sales of Volkswagen cars.
- Ukraine and Russia have agreed on the terms of winter gas supplies.

The Volkswagen scandal cast a long shadow on last week's trading in Europe, but trading sentiment turned positive on Friday. The DAX advanced 2.8%, the CAC40 grew by 3.1%, the Stoxx600 added 2.8%, and the FTSE 100 gained 2.5%. At the end of last week, the Volkswagen group said that nearly 5 million of the 11 million cars affected are Volkswagen diesel vehicles; the remaining are other brands of the group. Meanwhile Switzerland, following other countries, announced a temporary ban on selling the affected models. According to the Sunday Times' sources, this scandal may prompt the ECB to temporarily exclude Volkswagen from its asset purchase programme. In a Brussels meeting on Friday, the EU, Russia and Ukraine agreed on the terms of winter gas supplies. Ukraine will purchase 2 billion cubic metres of Russian gas for USD 500 million, and presumably pay via loans from international institutions.

Friday's benign sentiment in Europe barely spread onto America's equity markets. All major US stock markets opened with slight gains but later the S&P 500 shed 0.1%, the NASDAQ100 dropped 0.85%, while the Dow Jones upped by 0.7%. At the weekend, global regulators reached a draft agreement on new rules for the 30 'globally systemic' big banks, in order to reduce the systemic lying therein. The goal is to ensure that these banks hold sufficient reserves in case of financial turbulence, so that they could be rescued through investors' involvement rather than using taxpayers' money.

Yields on US and German bonds rose by 1-3 basis points on Friday.

China's Shanghai Composite Index shed 0.46%, and Japan's Nikkei sank by 1.32% at one point this morning. The Brent crude was trading 1.1% lower since the open, and the price of gold was seen rising this morning.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,70	↑	3	↑	0
US 10Y	2,16	↑	1	↑	1
JP 2Y	0,01	↓	0	↑	1
JP 10Y	0,33	↓	0	↑	33
GER 2Y	-0,24	↑	1	↓	-2
GER 10Y	0,63	↑	3	↓	-7

**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	0,33	↑	0	↓	-2
US 2Y Swap	0,79	↑	1	↓	-2
US 5Y Swap	1,47	↓	-2	↓	-6
EUR 3M Euribor	-0,04	↓	0	↓	0
EUR 2Y Swap	0,05	↓	0	↓	-2
EUR 5Y Swap	0,37	↓	-1	↓	-2
GB 3M Libor	0,58	↓	0	↓	0
GB 2Y Swap	0,00	↑	2	↑	0
GB 5Y Swap	0,00	↑	2	↑	2
JP 3M Libor	0,08	↑	1	↑	0
JP 2Y Swap	0,09	↑	0	↑	0
JP 5Y Swap	0,18	↑	2	↑	2
CHF 3M Libor	-0,73	→	0	↑	1
CHF 2Y Swap	-0,34	↑	35	↑	33
CHF 5Y Swap	-0,39	↓	-2	↓	-6

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	48,1	↓	-1,13	↓	-1,78
Gold	1 145	↓	-0,06	↑	1,07

Source: Reuters, OTP Research

In the third estimate, the US economy grew by 3.9% in the second quarter of 2015 (QoQ, annualized), beating economists' expectations. Japan's final Leading Indicators Index, released this morning, was slightly better than analysts had forecast, but it was short of the previous month's data. Later today, Italy will publish confidence indices. In the afternoon, the USA will release pending home sales data, as well as the PCE price index.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Friday	US	Q2	Consumer price index (yoy, %)	3,9	3,7	3,7
Monday	JP	Jul	Leading economic index (final, point)	105	104,9	106,7
	IT	Sep	Business confidence		102,7	102,5
	IT	Sep	Consumer confidence		108,7	109,0
	US	Aug	Pending home sales (MoM, %)		0,20	0,50
	US	Aug	PCE Core inflation (MoM, %)		0,10	0,10
	US	Aug	PCE inflation (MoM, %)		-	0,10

Source: Reuters, OTP Research

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