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Daily Report – Global Markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 082	↓ -0,29	↑ 1,74
S&P500	2 004	↓ -0,68	↑ 1,20
Nasdaq100	4 383	↑ 0,29	↑ 1,18
Russell2000	1 164	↓ -0,08	↑ 2,71
Stoxx600	358	↓ -0,92	↓ -0,54
DAX	10 033	↓ -0,86	↑ 1,31
FTSE 100	6 342	↓ -0,45	↑ 0,25
CAC40	4 643	↓ -0,97	↓ -0,37
ATX	2 315	↓ -1,83	↓ -0,43
IBEX35	10 115	↓ -1,28	↑ 0,12
Nikkei 225	17 891	↓ -1,89	↓ -2,36
Hang Seng	22 457	↓ -0,64	↓ -0,26
SSEC	3 278	↓ -0,47	↑ 4,28
SENSEX	26 822	↓ -0,09	↓ -0,60
RTS	867	↓ -1,13	↑ 4,82
Bovespa	47 363	↓ -4,00	↓ -0,78

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1376	↑ 0,18	↑ 1,43
EUR/CHF	1,0897	↓ -0,33	↓ -0,26
USD/GBP	1,5245	↓ -0,65	↓ -0,45
USD/JPY	119,66	↓ -0,06	↓ -0,28
AUD/USD	0,7240	↓ -0,03	↑ 0,50
USD/CAD	1,3000	↓ -0,29	↓ -0,42
USD/RUB	62,95	↓ -0,05	↑ 1,80

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	17,7	↑ 1,5	↓ -1,7
CDS 5Y PIIS	18	↑ 0,3	↓ -5,2
CDS 5Y Italy	95	↓ -0,5	↓ -5,4
CDS 5Y Belg.	103	↓ -0,4	↓ -1,6
iTraxx 5Y EU	28,7	↑ 1,5	↓ -4,8
US TED Spread	79,3	⇒ 0,0	↓ -0,5

Source: Reuters, OTP Research

Summary

- Tuesday's trading in Europe and America was rather gloomy.
- The earnings of the first bank to report have missed expectations.
- China released lower-than-expected inflation figure.

The disappointing macroeconomic data soured trading sentiment on both sides of the Atlantic yesterday. The DAX fell 0.9%, the CAC40 dropped 1%, the Stoxx600 decreased by 0.9% and the FTSE 100 lost 0.45%. Volkswagen is to curb investments by EUR 1 million a year and speed up the group's spending cuts. Owing to the negative sentiment, 2Y and 10 Y Bund yields sank by 1-3 basis points.

In the USA the DJIA shed 0.3%, the S&P500 closed 0.7% down, the Russel2000 edged down 0.1%, while the NASDAQ100 upped 0.3%. Intel's quarterly figures, published yesterday, have beaten analysts' expectations. The tech company's revenues contracted by 0.6%, and its net profit shrank 6% in the third quarter. Its data centre division grew at a double-digit rate, but the management expects slower growth in the future. JP Morgan published its quarterly report after market close on Tuesday. Its revenue plunged 6.4%, and earnings per share fell 2.9% from the same period of last year. Johnson&Johnson's earnings per share was USD 1.33 in Q3. The health care company announced to repurchase up to USD 10 billion of its stock, by issuing bonds. Today the Bank of America and Blackrock will publish their quarterly figures. Yesterday Fed governor Daniel Tarullo said to CNBC that the hard facts on rising inflation and wage growth, rather than the Phillips curve, shall be taken into consideration.

Asia's stock markets have been falling since they opened. The Hang Seng dropped 0.6%, the Nikkei was 1.9% down, and the SSEC lost 0.5%, partly owing to the morning's figures of smaller-than-expected inflation.

The price of oil was seen opening 0.1% higher this morning, and that of gold grew almost 0.5%. The US dollar lost 0.2% versus the euro, 0.65% against the GBP, and 0.1% compared to the JPY.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,62	↓ -2	↑ 2
US 10Y	2,05	↓ -2	↓ 0
JP 2Y	0,01	↑ 0	↑ 0
JP 10Y	0,32	↓ 0	↓ 0
GER 2Y	-0,25	↓ -1	→ 0
GER 10Y	0,58	↓ -3	↑ 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	0,00	↑ 0	↓ 0
US 2Y Swap	0,72	↑ 0	↓ -1
US 5Y Swap	1,37	↓ -1	↓ -4
EUR 3M Euribor	-0,05	→ 0	↓ 0
EUR 2Y Swap	0,05	↑ 0	↑ 0
EUR 5Y Swap	0,34	↓ 0	↓ -2
GB 3M Libor	0,00	↑ 0	↓ -1
GB 2Y Swap	0,94	↓ -1	↓ 0
GB 5Y Swap	1,43	↓ 0	↑ 1
JP 3M Libor	0,00	↓ 0	↓ 0
JP 2Y Swap	0,10	↓ -1	↓ 0
JP 5Y Swap	0,18	↓ -1	↓ -1
CHF 3M Libor	0,00	→ 0	↑ 1
CHF 2Y Swap	-0,69	↑ 3	↑ 2
CHF 5Y Swap	-0,42	↓ -1	↑ 1

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	49,3	↑ 0,14	↓ -3,94
Gold	1 174	↑ 0,47	↑ 2,52

Source: Reuters, OTP Research

The statistics released yesterday were short of expectations. China's exports contracted by less than had been thought but its imports shrank 20% year on year, missing analysts' forecasts. In line with expectations, Germany's consumer price index shed 0.2% in September from the previous month. The ZEW business confidence index sank to 1.9, wrong-footing analysts who had predicted 6. In the UK, the consumer price index turned negative, while analysts' consensus expected stagnation. Early morning today China published the inflation figure, which rose by 1.6% in September from the same month of 2014, missing both analysts' expectations and the previous month's reading. Later today, unemployment figures will be out in the UK, Spain will release inflation statistics, and the eurozone will publish industrial production data. Retail sales and business inventory data will see the light of day in the USA.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Tuesday	CN	Sep	Export (yoy, %)	-3,7	-6,3	-5,5
	CN	Sep	Import (yoy, %)	-20,4	-15	-13,8
	DE	Sep	CPI (mom, %), final	-0,2	-0,2	-0,2
	DE	Sep	CPI (yoy, %), final	0	0	0
	DE	Oct	ZEW Economic Sentiment (points)	1,9	6,0	12,1
	GB	Sep	CPI (yoy, %)	-0,1	0,0	0,0
	Wednesday	CN	Sep	CPI (yoy, %)	1,6	1,8
UK		Aug	Unemployment rate (%)		5,5	5,5
SP		Aug	CPI (MoM, %)		-0,3	-0,3
EZ		Aug	Industrial production (MoM, %)		-0,6	0,6
US		Sep	Retail sales (MoM, %)		0,3	0,2
US		Sep	Business inventories (MoM, %)		0,1	0,1

Source: Reuters, OTP Research

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