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Daily Report – Global Markets

RÉSZVÉNYPIAC

	Záró	Napi vált. (%)	Heti vált. (%)
DJIA	16 449	↓ -0,10	↑ 3,55
S&P500	1 939	↓ -0,04	↑ 3,32
Nasdaq100	4 287	↑ 0,17	↑ 2,15
Russell2000	1 032	↓ -0,29	↑ 1,42
Stoxx600	342	↓ -0,19	↑ 1,59
DAX	9 758	↓ -0,41	↑ 0,22
FTSE 100	6 060	↓ -0,39	↑ 3,12
CAC40	4 392	↓ -0,56	↑ 1,88
ATX	2 141	↓ -0,99	↑ 0,10
IBEX35	8 789	↓ -0,31	↑ 2,58
Nikkei 225	17 751	↓ -0,64	↑ 6,23
Hang Seng	19 518	↓ -0,40	↑ 3,48
SSEC	2 748	↑ 2,19	↓ -0,07
SENSEX	24 892	↑ 0,27	↓ -0,60
RTS	730	↓ -2,00	↑ 7,16
Bovespa	40 570	↑ 0,41	↑ 6,68

DEVIZAPIAC

	Záró	Napi vált. (%)	Heti vált. (%)
EUR/USD	1,0886	↑ 0,48	↑ 0,34
EUR/CHF	1,1103	↑ 0,19	↑ 0,55
USD/GBP	1,4429	↑ 1,29	↑ 0,55
USD/JPY	120,53	↓ -0,36	↑ 1,79
AUD/USD	0,7067	↓ -0,60	↑ 0,93
USD/CAD	1,4014	↑ 0,49	↓ -0,71
USD/RUB	77,97	↑ 0,97	↓ -1,08

KOCKÁZATI INDIKÁTOROK

	Záró	Napi vált. (bp)	Heti vált. (bp)
VIX	20,0	↓ -0,2	↓ -4,2
CDS 5Y PIIS	102	↑ 4,2	↑ 1,4
CDS 5Y Italy	102	↑ 3,7	↑ 1,1
CDS 5Y Belg.	29	↓ -0,1	↑ 2,2
iTraxx 5Y EU	92,7	↑ 1,5	↓ -0,1
US TED Spread	30,8	→ 0,0	↓ -2,7

Source: Reuters, OTP Research

Summary

- The streak of weak economic data from China sent oil futures tumbling, bringing global growth fears on equity markets to the fore.
- Tech names dragged Europe's indices down while internet firms rallied in the USA yesterday.
- British Petroleum's profit nose-dived 91% YoY, its earnings report revealed.

Friday's sanguinity on equity markets evaporated from Western Europe by Monday. First the poor Caixin manufacturing PMI (which remained below the 50 line, signifying deceleration) soured the sentiment. Then the afternoon's release of US manufacturing index sent stock prices lower. The Stoxx600 index sank 0.2%, partly working off the 1.2% loss seen earlier in the day. It was dragged down chiefly by the technology sector: Nokia contracted by 11%, following a court ruling in its patent lawsuit with Samsung. Alcatel-Lucent plunged 12%. The energy sector was also hit hard yesterday; oil price started to sink again. Commodity producers and companies offering services for them both fell. By contrast, travel and leisure service providers fared well; driven by Ryanair, which soared 5.5% as the revenue in its Q4 report has surpassed forecasts, and its management announced a EUR 800 million share buyback programme. British Telecom's better-than-expected earnings report strengthened the telecommunications sector. Energy stocks weakened further today, as BP's earnings report gave account of 91% year-on-year fall in its Q4 profit, missing expectations. Its share price tumbled almost 6%. UBS is almost 5% in the red, as its fresh earnings report is also short of expectations. Germany's Infineon will publish its quarterly report today.

America's stock markets also weakened yesterday, with a few sectors (e.g. technology) bucking the trend. Within the technology sector, internet companies performed particularly well; Google's parent company, Alphabet jumped more than 6% as Google's revenue and profit figures have beaten expectations. Thus it has overtaken Apple in terms of valuation. Facebook also closed higher, and Twitter soared almost 6%. Netflix advanced 2.5%. In addition to the technology sector, telecommunications companies and utilities were the winners of the day; basic materials producers and the consumption sector's companies also made gains. The energy sector shrank, while WTI futures fell 6% after the manufacturing PMI data were released in China. In the USA, Exxon Mobil, Dow Chemical, Pfizer and Yahoo! all publish their earnings today.

Asia's stock markets closed mixed this morning. The Nikkei and the Hang Seng closed down, while China's indices corrected the previous day's losses.

The Brent oil slipped 1.6% yesterday.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,80	↑	2	↓	-6
US 10Y	1,94	↑	1	↓	-6
JP 2Y	-0,14	↓	-6	↓	-12
JP 10Y	0,08	↓	-1	↓	-14
GER 2Y	-0,47	↓	-1	↓	-3
GER 10Y	0,34	↓	-4	↓	-15

CENTRAL BANKS' RATES

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,5	↑	0,75	↑	1,25
ECB Rate	0,05	→	0,05	→	0,05
BOE Rate	0,50	↑	0,75	↑	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	↓	-1
US 2Y Swap	0,83	↓	-2	↓	-7
US 5Y Swap	1,28	↓	-1	↓	-6
EUR 3M Euribor	-0,16	→	0	↓	-1
EUR 2Y Swap	-0,19	↓	-2	↓	-4
EUR 5Y Swap	0,06	↑	0	↓	-7
GB 3M Libor	0,00	→	0	↓	0
GB 2Y Swap	0,82	↑	4	↓	-15
GB 5Y Swap	1,20	↑	5	↓	-7
JP 3M Libor	0,00	↓	-3	↓	-3
JP 2Y Swap	-0,08	↑	1	↓	-15
JP 5Y Swap	-0,01	↑	1	↓	-13
CHF 3M Libor	0,00	↓	-1	↓	0
CHF 2Y Swap	-0,79	↓	-1	↑	1
CHF 5Y Swap	-0,53	↑	2	↑	1

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	33,7	↓	-1,58	↑	5,97
Gold	1 126	↓	-0,21	↑	0,53

Source: Reuters, OTP Research

Markit's manufacturing PMIs were released for a number of European economies yesterday. They were mostly in line with expectations, or surpassed them (e.g. Britain and Spain), except for the large deterioration in Italy's data.

Missing expectations, US personal income and consumption data stagnated in December. Likewise, construction spending growth also undershot forecasts.

The unemployment rate in Germany sank to 6.2%, the lowest reading since the country's reunification. Today the UK will publish construction PMI and the January statistics on vehicle sales will be out in the USA.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	JP	Jan	Nikkei Manufacturing PMI (points)	52,3	-	52,4
	CH	Jan	Caixin Manufacturing PMI (final, points)	48,4	48,0	48,2
	EZ	Jan	Markit Manufacturing PMI (points)	52,3	52,3	52,3
	DE	Jan	Markit Manufacturing PMI (points)	52,3	52,1	52,1
	GB	Jan	Markit Manufacturing PMI (points)	52,9	51,7	51,9
	CH	Jan	Markit Manufacturing PMI (points)	50,0	50,9	52,1
	IT	Jan	Markit Manufacturing PMI (points)	53,2	55,0	55,6
	SP	Jan	Markit Manufacturing PMI (points)	55,4	52,4	53,0
	US	Dec	Personal income (mom, %)	0,3	0,2	0,3
	US	Dec	Personal consumption (mom, %)	0,0	0,1	0,3
	US	Dec	Construction spending (mom, %)	0,1	0,6	-0,4
	Tuesday	EZ	Jan	Unemployment rate (%)		10,5
DE		Jan	Unemployment rate (%)		6,3	6,3
GB		Jan	Markit PMI Construction (points)		57,5	57,8
US		Jan	Total vehicle sales (millions)		17,4	17,3

Source: Reuters, OTP Research

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