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Daily Report – Global Markets



STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 535	↑ 0,11	↓ -0,38
S&P500	2 037	↑ 0,05	↓ -0,61
Nasdaq100	4 398	↓ -0,17	↓ -0,29
Russell2000	1 080	↑ 0,06	↓ -1,67
Stoxx600	335	↓ -1,46	↓ -1,64
DAX	9 851	↓ -1,71	↓ -0,41
FTSE 100	6 106	↓ -1,49	↓ -1,53
CAC40	4 330	↓ -2,13	↓ -2,55
ATX	2 221	↓ -2,04	↓ -3,30
IBEX35	8 790	↓ -1,54	↓ -2,10
Nikkei 225	17 095	↓ -0,23	↑ 0,27
Hang Seng	20 348	↑ 0,01	↓ -1,56
SSEC	2 932	↓ -0,87	↓ -2,24
SENSEX	24 860	↓ -0,43	↓ -0,60
RTS	852	↓ -1,22	↓ -3,61
Bovespa	50 838	↑ 2,38	↑ 0,05

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1193	↑ 0,27	↓ -0,25
EUR/CHF	1,0900	↓ -0,14	↓ -0,08
USD/GBP	1,4252	↑ 0,78	↑ 0,32
USD/JPY	113,52	↑ 0,08	↑ 1,03
AUD/USD	0,7545	↑ 0,03	↓ -1,00
USD/CAD	1,3198	↑ 0,12	↑ 1,18
USD/RUB	68,49	↓ -0,35	↑ 1,83

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,2	↑ 0,5	↑ 1,2
CDS 5Y PIIS	15	↓ 0,0	↑ 8,1
CDS 5Y Italy	113	↓ 0,0	↑ 11,3
CDS 5Y Belg.	110	↑ 0,0	↑ 2,6
iTraxx 5Y EU	36,5	↑ 2,2	↑ 5,0
US TED Spread	76,1	→ 0,0	↑ 1,6

Source: Reuters, OTP Research

Summary

- Easter Monday's trading produced very thin volumes in the USA; the key indices barely changed.
- Friday's final release signified 1.4% GDP growth in the USA in Q4.
- Stock markets were closed in Europe on Easter Monday; Asia's benchmarks closed mixed.

While European stock markets were practically all closed on Easter Monday (and thus the table on the left shows Thursday's closes in Europe), America's stock markets opened yesterday after a three-day Easter weekend. Trading volume was anaemic, the weakest one this year, and was 40% less than the average in 2016. The S&P500 climbed merely one point higher (+0.05%), the Dow upped 0.1%, while the NASDAQ100 shed 0.2%. Indices ebbed and flowed on Monday: opening on a strong note, they fell into the red, before gradually creeping back above the previous day's close. In the absence of market-moving information, investors' decisions were based on the expectations on the data due out this week and on the Fed chair's speech today. Six out of the S&P's ten sector indices have risen, mostly the real estate and the consumption sectors. The non-cyclical consumer segment was driven by the hotel sector, after Starwood Hotels & Resorts, for which Marriott International had made a bid, received a higher price offer from Angbang Insurance Group. Starwood's share price jumped 2% higher and that of Marriott by 3.9%. Time Warner soared 3.6% in Monday's trading, owing to the success of Batman vs. Superman (in North America) on the first weekend, even though its USD 166 million box office receipt ranked it only seventh on the respective list. General Electric gained 1.2%, returning to the level last seen in May 2008. The energy and the utilities sectors were the worst performers. The energy sector was pulled back by the four-day slip in oil prices. The tech sector was also ailing, with Microsoft and Qualcomm dropping 1.2% and 1.3% respectively.

The Brent and the WTI crude prices sank 0.7% (to USD 40) and 0.2% (below USD 40) respectively yesterday. Gold's spot price went 0.2% down. The USD slightly weakened versus the EUR, and meaningfully against the GBP.

Starting out with dynamic rally, Japan's indices reversed as the sentiment soured later in the day, and the indices sank into the red as the end of the session drew closer this morning. Amid the negative sentiment in China throughout this morning, the benchmark indices remained in the red.

Europe's stock markets are likely to open lower after an EgyptAir domestic flight has been hijacked.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,88	↓ -1	↑ 0
US 10Y	1,88	↓ -3	↓ -4
JP 2Y	-0,23	↑ 0	↓ -1
JP 10Y	-0,08	↑ 1	↑ 0
GER 2Y	0,00	→ 0	↑ 47
GER 10Y	0,00	→ 0	↓ -21

CENTRAL BANKS' RATES

	Rate (%)	6M Consensus	1Y Consensus
Fed Funds	0,5	↑ 0,75	↑ 1,25
ECB Rate	0,00	↑ 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	0,63	↑ 0	↓ -1
US 2Y Swap	0,93	↓ -2	↓ -4
US 5Y Swap	1,32	↑ 0	↓ -3
EUR 3M Euribor	-0,24	↓ 0	↓ -1
EUR 2Y Swap	-0,16	→ 0	↓ -1
EUR 5Y Swap	0,04	↑ 0	↑ 0
GB 3M Libor	0,59	↓ 0	↓ 0
GB 2Y Swap	0,82	↓ -1	↓ -1
GB 5Y Swap	1,04	↑ 0	↓ 0
JP 3M Libor	-0,01	↑ 0	↓ 0
JP 2Y Swap	-0,12	↑ 1	↓ -1
JP 5Y Swap	-0,10	↑ 0	↓ -2
CHF 3M Libor	-0,73	↑ 0	↑ 1
CHF 2Y Swap	-0,73	↑ 0	↑ 2
CHF 5Y Swap	0,00	↓ -3	↓ -3

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	40,0	↓ -0,74	↓ -3,78
Gold	1 218	↓ -0,20	↓ -2,39

Source: Reuters, OTP Research

On Friday the USA released the final GDP figure for the fourth quarter, showing 1.4% quarter/quarter growth, beating forecasts (1%). Matching expectations, personal consumption rose slightly in February from the previous month; personal income grew as expected last month. The 3.5% month/month growth in pending home sales in February has surpassed analysts' poll. The Dallas Fed Manufacturing Index has improved far more than had been anticipated, but it remained in negative territory.

Today Japan and the USA publish important macroeconomic data. Janet Yellen Fed chair's speech can be an important guidance for investors as to the expected economic growth and the future of the interest rates.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Monday	US	Feb	Personal consumption, SA (mom, %)	0,1	0,1	0,1
	US	Feb	Personal income (mom, %)	0,2	0,1	0,5
	US	Feb	Pending home sales (mom, %)	3,5	1,2	-3,0
	US	Feb	Dallas Fed Manufacturing Index (points)	-13,6	-26,0	-31,8
Tuesday	JP	Feb	Household spending (yoy, %)	1,2	-1,5	-3,1
	JP	Feb	Retail sales (yoy, %)	0,5	1,7	-0,1
	US	Jan	Case-Shiller home price index, SA (mom, %)		0,7	0,8
	US	Mar	Fed Yellen Speech	-	-	-

Source: Reuters, OTP Research

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