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Daily Report – Global Markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 926	↑ 0,10	↑ 2,19
S&P500	2 083	↑ 0,02	↑ 2,00
Nasdaq100	4 555	↓ 0,00	↑ 1,77
Russell2000	1 129	↓ -0,12	↑ 2,85
Stoxx600	344	↑ 0,27	↑ 4,84
DAX	10 094	↑ 0,67	↑ 5,91
FTSE 100	6 365	↑ 0,03	↑ 3,72
CAC40	4 512	↑ 0,47	↑ 6,26
ATX	2 318	↑ 1,05	↑ 4,88
IBEX35	8 862	↑ 0,46	↑ 6,86
Nikkei 225	16 864	↓ -0,28	↑ 6,59
Hang Seng	21 304	↓ -0,16	↑ 4,58
SSEC	3 074	↓ -0,26	↑ 2,99
SENSEX	25 627	↑ 1,91	↓ -0,60
RTS	914	↓ -0,88	↑ 6,41
Bovespa	52 411	↓ -1,39	↑ 8,03

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1266	↓ -0,05	↓ -1,20
EUR/CHF	1,0890	↓ -0,08	↑ 0,23
USD/GBP	1,4153	↓ -0,35	↑ 0,22
USD/JPY	109,61	↑ 0,22	↑ 1,46
AUD/USD	0,7706	↑ 0,14	↑ 2,07
USD/CAD	1,2812	↓ -0,24	↓ -1,34
USD/RUB	66,11	↑ 0,22	↓ -1,51

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,7	↓ -0,1	↓ -2,4
CDS 5Y PIIS	14	↓ -3,9	↓ -0,3
CDS 5Y Italy	118	↓ -6,3	↓ -2,9
CDS 5Y Belg.	113	↓ -0,1	↓ -0,8
iTraxx 5Y EU	36,4	↓ -2,8	↓ -2,9
US TED Spread	73,9	⇒ 0,0	↑ 0,5

Source: Reuters, OTP Research

Summary

- Western Europe's key indices ended Thursday's trading with gains; US stock markets closed nearly flat.
- China's GDP grew by 6.7% year/year in Q1.
- The world's largest oil producers will meet in Doha this Sunday.

The most important indices of Western Europe achieved slight gains on Thursday. The DAX closed 0.7% higher, the CAC40 advanced 0.5%, and the FTSE100 inched up 0.03%. In individual names, Nestlé's share price grew by 2% as its earnings figures beat expectations. Owing to the appreciation in Italy's banks, the banking sector remained a good performer. Shrinking more than 3.6% made Burberry one of the weakest names in the FTSE100. The luxury fashion company sank into the red after projecting a fall in sales in the second half of the year as almost 40% of its global customers are in China. ASM International fell 4.7% as its Taiwan-based rival the chipmaker Taiwan Semiconductor Manufacturing Co posted sales figures that were short of analysts' forecasts.

The key US indices closed nearly flat on Thursday. Wells Fargo and the Bank of America published their Q1 earnings report yesterday. The former's USD 21.6 billion revenue and USD 0.99 earnings per share, surpassed analysts' forecast, but the profit shrank by 5.9% in the first quarter. The latter's figures have also topped expectations as it posted USD 20.9 billion revenue, USD 0.21 earnings per share, while its profit fell 13%.

This morning Japan's Nikkei225 closed 0.7% lower, and China's Shanghai Composite was flat before the end of trading.

The USD firmed 0.2% against the JPY on Thursday, but it retreated 0.4% versus the GBP. The EUR/USD barely moved from its Wednesday's closing value.

Reversing an intraday rise, the Brent sank 0.7% to 43.8 USD/barrel. Investors are waiting to see what the Doha meeting, where non-OPEC oil countries will also participate, holds for them. A decision to freeze production is in the cards too. What makes this scenario even more likely is that Saudi Arabia's current account deficit may reach 10.2% of GDP, in the IMF's estimate. The United Arab Emirates are facing similar problem in 2016; that would be an unprecedented event in the country's history according to the IMF's respective statistics, collected since 1980.

GOV'T BOND MARKET				
	Yield (%)	Daily chg (bp)	Weekly chg (bp)	
US 2Y	0,77	↑ 1	↑ 6	
US 10Y	1,79	↑ 1	↑ 9	
JP 2Y	-0,25	↓ -2	↓ -2	
JP 10Y	-0,08	→ 0	↓ -2	
GER 2Y	-0,52	↓ 0	↓ -3	
GER 10Y	0,13	↓ -4	↑ 2	

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	0,00	↓ 0	↓ 0	
US 2Y Swap	0,87	↓ 0	↑ 4	
US 5Y Swap	1,20	↑ 0	↑ 8	
EUR 3M Euribor	-0,25	↓ 0	↓ 0	
EUR 2Y Swap	-0,16	↓ 0	↑ 1	
EUR 5Y Swap	0,02	↑ 2	↑ 4	
GB 3M Libor	0,00	↑ 0	↓ 0	
GB 2Y Swap	0,81	↑ 1	↑ 2	
GB 5Y Swap	1,01	↑ 2	↑ 11	
JP 3M Libor	0,00	↓ 0	↓ -1	
JP 2Y Swap	-0,13	↓ -1	↑ 2	
JP 5Y Swap	-0,10	↓ -1	↑ 1	
CHF 3M Libor	0,00	↑ 0	↑ 0	
CHF 2Y Swap	-0,79	↓ -4	↓ -3	
CHF 5Y Swap	0,00	↓ -3	↓ -3	

COMMODITIES				
	Close	Daily chg. (%)	Weekly chg. (%)	
Oil Brent	43,9	↑ 0,11	↑ 4,65	
Gold	1 230	↑ 0,23	↓ -0,82	

Source: Reuters, OTP Research

In the final reading, the eurozone's consumer price index in March was 0% year/year, within a whisker of the preliminary inflation figure (0.1%).

The USA also published the March reading of consumer price index, which slightly missed expectations. The year/year gauge rose by 0.9%, and it was up 0.1% from the previous month. Core inflation rose by 0.1% month/month, and grew by 2.2% year on year.

Earlier this morning China published its Q1 2016 GDP data. In line with the consensus forecast, economic output expanded by 6.7% year/year. The year/year statistics for March on infrastructural investments, retail sales and industrial production were also released today. The latter grew by nearly 7%, surprising analysts who had predicted less than 6% increase.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	EZ	Mar	Inflation (final, yoy, %)	0,0	-0,1	-0,1
	UK	Apr	Interestrates decision (%)	0,5	0,5	0,5
	US	Mar	CPI (yoy, %)	0,9	1,1	1,0
	US	Mar	CPI (mom, %)	0,1	0,2	-0,2
	US	Mar	core-CPI (yoy, %)	2,2	2,3	2,3
	US	Mar	core-CPI (mom)	0,1	0,2	0,3
	Friday	CN	Q1	GDP (qoq, %)		1,5
CN		Q1	GDP (yoy, %)	6,7	6,7	6,8
CN		Mar	Urban investment (yoy, %)	10,7	10,3	10,2
CN		Mar	Industrial output (yoy, %)	6,8	5,9	5,4
CN		Mar	Retail sales (yoy, %)	10,5	10,4	10,2
US		Apr	NY Fed manufacturing index (point)		2,21	0,62
US		Mar	Industrial output (mom, %)		-0,1	-0,5
US		Apr	Uni Michigan Sentiment (preliminary, point)		92,0	91,0

Source: Reuters, OTP Research

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