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Daily Report – Global Markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 831	↓ -1,17	↓ -0,84
S&P500	2 076	↓ -0,92	↓ -0,75
Nasdaq100	4 364	↓ -1,19	↓ -3,89
Russell2000	1 140	↓ -1,19	↓ -0,55
Stoxx600	349	↑ 0,17	↓ -0,20
DAX	10 321	↑ 0,21	↓ -1,10
FTSE 100	6 322	↑ 0,04	↓ -0,93
CAC40	4 557	↓ -0,04	↓ -0,56
ATX	2 344	↑ 0,60	↑ 0,45
IBEX35	9 269	↓ -0,68	↑ 0,78
Nikkei 225	16 666	→ 0,00	↓ -5,16
Hang Seng	21 105	↓ -1,32	↓ -1,69
SSEC	2 940	↓ -0,20	↓ -0,66
SENSEX	25 678	↑ 0,29	↓ -0,60
RTS	964	↑ 4,03	↑ 4,01
Bovespa	54 312	↓ -0,30	↑ 1,27

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1351	↑ 0,28	↑ 1,43
EUR/CHF	1,0969	↓ -0,22	↓ -0,14
USD/GBP	1,4608	↑ 0,48	↑ 1,44
USD/JPY	107,23	↓ -0,79	↓ -4,07
AUD/USD	0,7660	↑ 0,46	↓ -0,56
USD/CAD	1,2522	↓ -0,22	↓ -1,15
USD/RUB	64,72	↓ -0,05	↓ -2,48

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,2	↑ 1,5	↑ 1,3
CDS 5Y PIIS	15	↓ -0,6	↓ -3,4
CDS 5Y Italy	113	↓ -1,7	↓ -3,7
CDS 5Y Belg.	107	↑ 0,1	↑ 0,5
iTraxx 5Y EU	37,3	↓ -0,6	↑ 0,7
US TED Spread	70,3	→ 0,0	↑ 2,1

Source: Reuters, OTP Research

Summary

- The US economy grew by an annualized 0.5% QoQ in the first quarter, in the first estimate.
- Europe's stock indices closed mixed on Thursday; trading in the USA was rather pessimistic.
- The Brent oil's price has risen.

Europe's stock indices ended Thursday's trading with mixed results, as on the previous day the Bank of Japan decided to discontinue monetary easing measures. The Stoxx600 and the DAX added 0.2% each, while the FTSE100 and the CAC40 closed nearly flat. Thursday's trading was largely driven by individual corporate news. Airbus was a big loser of the day; its stock price nose-dived 5.6% on the back of weak cash flow data in its quarterly report and news on more problems with its A400M military aircraft. The Royal Bank of Scotland fell 2.9% on the announcement that it is unlikely to meet the end-2017 deadline for selling the William & Glyn brand, which would mean more severe financial consequences for the financial institution than had been estimated. Another financial name, Lloyds dropped 1.6% as its Q1 profit figures did not surpass analysts' expectations. By contrast, Deutsche Bank rallied 4%, benefiting from surprisingly strong profit figures, partly owing to lower lawsuit costs. Commodity producers also did well; the sector index surged 3.3%, largely helped by Anglo American's 8% soaring, as the company sold a number of businesses to reduce its debt burden.

The underwhelming US GDP reading for the first quarter soured the sentiment on America's markets. The Dow, the NASDAQ100 and the Russell2000 were 1.2% down each, and the S&P500 sank 0.9%. Apple shrank 3%, after the billionaire investor Carl Icahn said he no longer kept Apple shares in his portfolio. Amazon rallied 13% on the back of whopping earnings in the first quarter. Ahead of trading hours, Facebook shares skyrocketed 10.8%, owing to reports on a 50% surge in Q1 revenues.

Asia's markets also posted mixed results this morning. The Hang Seng slipped 1.3%, the SSEC nudged down 0.2%, while the SENSEX gained 0.3%. Japan was closed on today's bank holiday.

The Brent's price increased by 1.7%, going beyond USD 48.

The greenback's retreat led the EUR/USD 0.3% higher and pushed the USD/JPY 0.8% lower.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,81	→ 0	↓ 0
US 10Y	1,85	→ 0	↓ -2
JP 2Y	-0,23	→ 0	↑ 3
JP 10Y	-0,06	→ 0	↑ 5
GER 2Y	-0,50	↓ -1	↓ 0
GER 10Y	0,25	↓ -5	↑ 7

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	0,90	↑ 0	↓ -3
US 5Y Swap	1,24	↓ -1	↓ -4
EUR 3M Euribor	-0,25	↓ 0	↓ 0
EUR 2Y Swap	-0,15	↑ 1	↑ 1
EUR 5Y Swap	0,05	↑ 1	↑ 2
GB 3M Libor	0,00	↓ 0	↑ 0
GB 2Y Swap	0,87	↓ -1	↑ 19
GB 5Y Swap	1,14	↓ -3	↑ 3
JP 3M Libor	0,00	↑ 1	↓ -1
JP 2Y Swap	0,00	↑ 12	↑ 19
JP 5Y Swap	0,00	↑ 7	↑ 13
CHF 3M Libor	0,00	↓ 0	↓ 0
CHF 2Y Swap	-0,69	↑ 4	↑ 4
CHF 5Y Swap	0,00	↑ 1	↑ 2

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	48,1	↓ -0,06	↑ 6,65
Gold	1 275	↑ 0,73	↑ 3,52

Source: Reuters, OTP Research

The USA has published its first estimate on Q1 GDP data. America's economy grew by an annualized 0.5% quarter on quarter, the weakest figure since Q1 2014, and short of economists' forecast (0.7%).

The eurozone's economic sentiment index stood at 103.9 in April, topping analysts' expectations by 0.4%.

Inflation in Germany came down to 0.1% in April, and the unemployment rate remained at 6.2%; both matching analysts' forecasts.

Today France and Spain will publish their Q1 GDP statistics; and the eurozone's inflation data for April will see the light of day.

	COUNTRY	DATE	INDICATOR	FACT	CONSENSUS	PREVIOUS
Thursday	JP	Apr	Bank of Japan, rate decision (%)	-0,1	-0,1	-0,1
	JP	Mar	Household spending (yoy, %)	-5,3	-4,2	1,2
	JP	Mar	Industrial production, preliminary (yoy, %)	3,6	2,9	-5,2
	JP	Mar	Retail sales (yoy, %)	-1,1	-1,5	0,4
	EZ	Apr	Economic Sentiment Index (points)	103,9	103,4	103,0
	EZ	Apr	Consumer Confidence Index (points)	-9,3	-9,3	-9,7
	DE	Apr	Unemployment rate (%)	6,2	6,2	6,2
	DE	Apr	CPI (yoy, %)	0,1	0,1	0,3
	UK	Apr	Nationwide house price index (yoy, %)	4,9	5,0	5,7
	US	Q1	GDP flash (ann., qoq, %)	0,5	0,7	1,4
	US	weekly	Initial jobless claims ('000)	257,0	260,0	247,0
Friday	US	Mar	Continued jobless claims ('000)	2130,0	2137,0	2137,0
	FR	Q1	GDP (preliminary, qoq, %)	-	-	0,3
	ES	Q1	GDP (preliminary, qoq, %)	-	-	0,8
	EZ	Apr	Core consumer price index (preliminary, yoy, %)	0,9	0,9	1,0
	EZ	Apr	Consumer price index (preliminary, yoy, %)	0,0	0,0	0,0
	EZ	Mar	Unemployment rate (%)	10,3	10,3	10,3
	US	Mar	Personal income (mom, %)	0,3	0,3	0,2
	US	Mar	Personal expenditure (mom, %)	-	-	0,2
	US	Apr	Chicaho purchasing manager index (points)	53,1	53,1	53,6

Source: Reuters, OTP Research

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