

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	17 938	↑ 0,10	↑ 0,85
S&P500	2 112	↑ 0,13	↑ 0,72
Nasdaq100	4 513	↓ -0,23	↓ -0,24
Russell2000	1 180	↑ 0,26	↑ 1,46
Stoxx600	346	↑ 1,12	↓ -0,34
DAX	10 288	↑ 1,65	↑ 0,24
FTSE 100	6 285	↑ 0,18	↑ 0,86
CAC40	4 476	↑ 1,19	↓ -0,66
ATX	2 264	↑ 1,35	↑ 0,13
IBEX35	8 895	↑ 0,80	↓ -1,54
Nikkei 225	16 831	↑ 0,93	↓ -2,34
Hang Seng	21 313	↓ -0,07	↑ 2,66
SSEC	2 932	↓ -0,14	↑ 0,64
SENSEX	27 021	↑ 0,04	↓ -0,60
RTS	949	↑ 2,81	↑ 4,93
Bovespa	50 488	↑ 0,11	↑ 4,16

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1356	↑ 0,04	↑ 1,60
EUR/CHF	1,0959	↓ -0,54	↓ -0,78
USD/GBP	1,4542	↑ 0,73	↑ 0,89
USD/JPY	107,07	↓ -0,24	↓ -2,24
AUD/USD	0,7451	↓ -0,08	↑ 2,66
USD/CAD	1,2728	↓ -0,05	↓ -2,65
USD/RUB	64,66	↑ 0,02	↓ -3,38

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	14,1	↑ 0,4	↓ -0,1
CDS 5Y PIIS	14	↓ 0,0	↑ 4,6
CDS 5Y Italy	117	→ 0,0	↑ 5,9
CDS 5Y Belg.	114	↑ 0,0	↓ 0,0
iTraxx 5Y EU	36,9	↓ -0,6	↓ -0,1
US TED Spread	72,0	→ 0,0	↓ -0,5

Source: Reuters, OTP Research

Summary

- Stock markets closed higher on both sides of the Atlantic; the DAX excelled yesterday.
- Investor sentiment was benign on emerging markets; oil prices climbed higher.
- Eurozone GDP grew faster than had been thought; China's imports topped forecasts but exports missed them.

On Tuesday markets were still driven by Fed Chair Janet Yellen's recent speech. The pale labour markets data for May put off the Fed's next interest rate hike. Fed fund rates are unlikely to rise in June, and the probability of raising rates in July is just 24%, according to a Bloomberg survey. News on the lower-than-expected interest rate path weakened the US dollar, and lifted stock and commodity prices. The Dow and the S&P 500 inched up 0.1% each. Energy companies posted the strongest growth (the sector index surged 2.3%), the health care sector (-0.6%) was the most anaemic one. Valeant, the pharmaceutical company struggling with a high debt pile, nose-dived 14.6%, as the management lowered revenue and profit expectations for this year. Biogen and Alexion fell more than 10%, owing to underwhelming clinical study test results. Among the most traded stocks, Tesla's share price advanced 5%, after the billionaire Ron Baron spoke optimistically about the company's expected profitability.

In Europe, the DAX did extremely well (+1.6%) yesterday, benefiting from favourable German industrial production data for April. Britain's Footsie hit its highest since April (FTSE 100: +0.2%). Emerging markets extended their gains on Tuesday. The MSCI Emerging Markets Index upped 1.5%; and Russia's RTS surged 2.8%.

Asia's markets closed all differently this morning, as China published a mixed bag of macroeconomic data. Nikkei could climb higher (+0.9%), while China's indices sank into the red.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,79	↓ 0	↓ -9
US 10Y	1,72	↓ -1	↓ -13
JP 2Y	-0,24	↑ 1	↓ -1
JP 10Y	-0,11	↑ 1	↓ -1
GER 2Y	-0,54	↓ 0	↓ -2
GER 10Y	0,08	↑ 1	↓ -9

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	0,6566	↓ -2	↑ 66
US 2Y Swap	0,91	↓ 0	↓ -12
US 5Y Swap	1,18	↓ -1	↓ -15
EUR 3M Euribor	-0,26	↑ 0	→ 0
EUR 2Y Swap	-0,18	↑ 0	↓ -1
EUR 5Y Swap	-0,02	↓ -1	↓ -1
GB 3M Libor	0,58	↓ 0	↑ 58
GB 2Y Swap	0,73	↑ 1	↑ 1
GB 5Y Swap	0,92	↓ 0	↓ -17
JP 3M Libor	-0,03	↓ 0	↓ -3
JP 2Y Swap	-0,14	↑ 1	↑ 1
JP 5Y Swap	-0,12	↑ 1	↓ -1
CHF 3M Libor	-0,74	↑ 0	↓ -74
CHF 2Y Swap	-0,74	↓ -2	↓ -6
CHF 5Y Swap	0,00	↓ -2	↓ -6

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	51,5	↑ 0,12	↑ 3,58
Gold	1 250	↑ 0,54	↑ 3,11

Source: Reuters, OTP Research

The Brent oil's price hit USD 51.5, bolstered by Tuesday's data on lower US oil inventories and by news on oil supply. Nigeria may drop out from oil supply for a longer while; Shell said that security risks prevent it from repairing the Forcados oil pipeline, which was damaged by gunmen.

Of Tuesday's macroeconomic statistics, the eurozone's revised GDP growth was a pleasant surprise; it topped the preliminary reading by 0.2 percentage points. China's below-consensus exports data, published in the small hours of Wednesday, may bode ill for global economy's growth. In contrast, imports have surpassed expectations by a large margin, which is a good sign for China's growth.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Tuesday	EZ	Q1	Revised GDP (qoq %)	0,6	0,5	0,5
	EZ	Q1	Revised GDP (yoy, %)	1,7	1,5	1,5
	DE	Apr	Industrial output (mom, %)	0,8	0,7	-1,1
Wednesday	GB	Apr	Halifax home price index, 3M (yoy, %)	9,2	8,9	9,2
	US	Q1	Labour costs (qoq, %)	4,5	4,0	4,1
	US	Q1	Productivity, revised (qoq, %)	-0,6	-0,6	-1,0
	US	Apr	Consumer credits (USDbn)	13,4	18,0	29,7
	JP	Q1	Revised GDP (qoq, %)	0,5	0,5	0,4
	CN	May	Revised GDP (qoq, %)	-0,4	-6,0	-10,9
	CN	May	Import (yoy, %)	-4,1	-3,60	-1,8
	CH	May	Export (yoy, %)			-0,4
	UK	Apr	Consumer prices (yoy, %)			0,3
	PL	Jun	Rate decision (%)		1,5	1,5

Source: Reuters, OTP Research

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