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## Daily Report – Global Markets

**STOCK EXCHANGE**

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 544	↑ 1,04	↑ 0,60
S&P500	2 183	↑ 0,86	↑ 0,43
Nasdaq100	4 791	↑ 1,00	↑ 1,29
Russell2000	1 231	↑ 1,45	↑ 1,01
Stoxx600	341	↑ 1,05	↓ -0,15
DAX	10 367	↑ 1,36	↑ 0,29
FTSE 100	6 793	↑ 0,79	↑ 1,03
CAC40	4 411	↑ 1,49	↓ -0,66
ATX	2 230	↑ 1,93	↓ -0,16
IBEX35	8 539	↑ 1,84	↓ -0,56
Nikkei 225	16 628	↑ 2,30	↑ 0,35
Hang Seng	22 129	↑ 1,20	↑ 1,28
SSEC	2 989	↑ 0,42	↑ 1,21
SENSEX	28 164	↑ 0,30	↓ -0,60
RTS	935	↑ 0,86	↑ 0,85
Bovespa	57 661	↑ 0,12	↑ 0,62

**FX MARKET**

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1085	↓ -0,39	↓ -0,61
EUR/CHF	1,0869	↑ 0,28	↑ 0,56
USD/GBP	1,3068	↓ -0,27	↓ -0,80
USD/JPY	102,05	↑ 0,25	↓ -0,32
AUD/USD	0,7607	↓ -0,16	↑ 0,97
USD/CAD	1,3171	↑ 0,04	↑ 0,38
USD/RUB	65,58	↑ 0,19	↓ -2,12

**RISK INDICATORS**

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	11,4	↓ -1,0	↓ -0,5
CDS 5Y PIIS	11	↓ -1,4	↓ -2,3
CDS 5Y Italy	115	↓ -1,7	↓ -2,8
CDS 5Y Belg.	111	↓ -0,4	↓ -2,1
iTraxx 5Y EU	29,3	↓ -2,2	↓ -1,4
US TED Spread	66,4	→ 0,0	↑ 2,6

Source: Reuters, OTP Research

**Summary**

- The better-than-expected US job market data caused benign sentiment on Friday.
- VIX, the 'fear index' sank to two-year low in Friday's trading.
- Oil price may pick up to USD 70 in 2017, according to RBC Capital.

Investor sentiment was positive on both sides of the Atlantic, owing to Friday afternoon's release of much-better-than-expected US labour market data. In Europe, the Stoxx600 upped by 1%, the DAX closed 1.4% higher, the CAC40 advanced 1.5%, and the FTSE100 gained 0.8%. In America, the DJIA grew by 1%, the S&P500 added 0.9%, and the Russell2000 closed 1.5% higher. In Friday's trading the VIX 'fear index' fell to two-year low.

According to Bloomberg's sources, the slump in recent weeks made the ECB staff prepare a new oil price forecast for the September rate-setting meeting. The renewed fall in oil prices may bring deflation fears about the eurozone to the forefront again.

Asia's markets also ended a benign trading this morning. The Nikkei increased by 2.3%, the Hang Seng climbed 1.2%, while the SSEC nudged 0.4% higher even though this morning's export-import data were somewhat disappointing. Speaking in a televised interview, Japan's 82-year-old emperor disclosed plans to step down in few weeks' time because of health reasons. He may be succeeded by his son Crown Prince Naruhito.

The Brent oil's price grew by 0.4% this morning. A research by RBC Capital attributes the increase to the global developments in the coming months. Production in Nigeria and Libya may surge faster than expected, after the former hiatus in production – but political instability in these countries may prevent this, which may surprise markets, RBC's analysts opine. They expect that the most important story on the oil market in the near future will be the settlement of this summer's petrol oversupply. RBC Capital forecasts oil price to rebound to USD 50 in 2016, and possibly reach USD 70 in 2017.

The US dollar gained 0.4% against the EUR and 0.3% versus the JPY, but lost 0.3% compared to the GBP.

**GOV'T BOND MARKET**

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,74	↑	10	↑	8
US 10Y	1,60	↑	9	↑	13
JP 2Y	-0,16	↑	1	↑	9
JP 10Y	-0,06	↑	3	↑	13
GER 2Y	-0,60	↓	-2	↑	0
GER 10Y	-0,10	↓	-6	↓	-4

**CENTRAL BANKS' RATES**

	Rate (%)		6M Consensus		1Y Consensus
Fed Funds	0,5	↑	0,75	↑	1,25
ECB Rate	0,00	→	0,00	→	0,00
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	0,79	↑	1	↑	3
US 2Y Swap	0,98	↑	2	↑	8
US 5Y Swap	1,15	↓	-1	↑	7
EUR 3M Euribor	-0,30	→	0	↓	0
EUR 2Y Swap	-0,22	↓	0	↑	0
EUR 5Y Swap	-0,13	↑	2	↑	1
GB 3M Libor	0,41	↓	-1	↓	-2
GB 2Y Swap	0,41	↓	0	↑	1
GB 5Y Swap	0,47	↑	2	↓	-6
JP 3M Libor	-0,02	↓	0	↑	2
JP 2Y Swap	-0,07	↑	1	↑	1
JP 5Y Swap	-0,05	↑	2	↑	3
CHF 3M Libor	-0,75	→	0	↓	0
CHF 2Y Swap	-0,72	↑	2	↑	4
CHF 5Y Swap	-0,66	↑	1	↑	5

**COMMODITIES**

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	44,4	↑	0,36	↑	5,43
Gold	1 336	↑	0,07	↓	-1,24

Source: Reuters, OTP Research

Exceeding expectations, US non-farm payrolls have grown by 255,000 but the unemployment rate remained flat. The deficit of US trade balance, at USD 44.5 billion, has surpassed forecasts.

Friday's release of German industrial orders disappointed but industrial production in June topped projections.

The Sentix investor confidence index is due out today.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Friday	DE	Jun	Industrial Orders (mom, %)	-0,4	0,6	0,0
	US	Jul	Average Earnings (yoy, %)	2,6	2,5	2,6
	US	Jul	Average Earnings (mom, %)	0,3	0,2	0,1
	US	Jul	Unemployment rate (%)	4,9	4,8	4,9
	US	Jul	Non-Farm Payrolls	255,0	180,0	287,0
	US	Jun	Trade Balance (monthly, bn USD)	-44,5	-43,1	-41,1
	Monday	CN	Jul	Import (yoy, %)	-4,4	-7,0
CN		Jul	Export (yoy, %)	-12,5	-3,0	-4,8
DE		Jun	Industrial output (mom, %)	0,8	0,7	-1,3
EZ		Aug	Sentix Investor sentiment (point)		3,5	1,7

Source: Reuters, OTP Research

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