

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 401	↓ -0,29	↓ -0,44
S&P500	2 171	↓ -0,24	↓ -0,21
Nasdaq100	4 771	↓ -0,10	↓ -0,26
Russell2000	1 240	↓ -0,49	↓ -0,01
Stoxx600	344	↓ -0,35	↓ -0,41
DAX	10 593	↓ -0,61	↓ -0,29
FTSE 100	6 782	↓ -0,58	↓ -0,79
CAC40	4 438	↓ -0,43	↑ 0,06
ATX	2 314	↓ -0,78	↑ 0,27
IBEX35	8 717	↑ 0,36	↑ 0,71
Nikkei 225	16 907	↑ 0,11	↑ 1,86
Hang Seng	22 129	↑ 0,58	↑ 1,30
SSEC	3 082	↓ -0,12	↑ 0,44
SENSEX	28 489	↑ 0,13	↓ -0,60
RTS	950	↓ -0,88	↓ -0,81
Bovespa	57 901	↓ -1,15	↑ 0,32

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1156	↑ 0,13	↓ -1,16
EUR/CHF	1,0976	↑ 0,15	↑ 0,46
USD/GBP	1,3137	↑ 0,43	↓ -0,39
USD/JPY	103,30	↓ -0,12	↑ 2,78
AUD/USD	0,7539	↑ 0,33	↓ -1,00
USD/CAD	1,3097	↓ -0,05	↑ 1,37
USD/RUB	65,22	↓ -0,21	↑ 0,76

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,4	↑ 0,3	↓ 0,0
CDS 5Y PIIS	13	↓ -0,7	↓ -0,6
CDS 5Y Italy	118	↓ -0,8	↑ 1,7
CDS 5Y Belg.	116	⇒ 0,0	↓ 0,0
iTraxx 5Y EU	25,0	↑ 0,3	↓ -0,2
US TED Spread	67,3	⇒ 0,0	↑ 0,2

Source: Reuters, OTP Research

Summary

- The major stock indices of Western Europe closed with slight losses yesterday.
- Crude oil price fell more than 3% after the publication of larger-than-expected US oil inventory figures.
- The key markets of the USA closed in the red; oil companies were the weakest performers.

Western Europe's key indices closed somewhat lower on Wednesday. Basic materials producers were the weakest performers, while banks and insurance companies excelled. Deutsche Bank (+2.5%) and Commerzbank (+3.4%) greatly benefited from an info in Manager Magazin on Germany's two largest banks merging plans.

The key indices of the USA edged down from the beginning on Wednesday's session, and the increase in the last hours of trading was not enough drive them back into positive territory. The pessimism mostly stemmed from the sinking crude prices, which sent energy-related businesses' share prices into the red.

This morning trading sentiment in Asia was supportive as China's NBS manufacturing index, published in the small hours of Thursday, had beaten expectations with an above-50 reading, signifying growth.

The EUR/USD reversed direction several times yesterday, to close 0.1% higher, at 1.12. The EUR shed 0.3% against the GBP (ending at 0.85). The dollar fared well against the JPY throughout Wednesday; its 0.4% advance led the USD/JPY to 103.36 by the close.

The Brent and WTI prices slid more than 3% in Wednesday's trading, owing to the most recent US inventory oil data, which indicate that inventories did not shrink as strongly as analysts had forecast. The Brent oil stood at 47 USD/barrel at the end of the day, and the WTI closed at USD 44.8.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,81	↑	0	↑	4
US 10Y	1,58	↑	1	↑	2
JP 2Y	-0,19	↑	0	↓	0
JP 10Y	-0,06	↑	1	↑	1
GER 2Y	-0,62	↑	0	↑	1
GER 10Y	-0,09	↓	-1	↑	0

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	0,25	→	0,25	→	0,25
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	↑	1	↑	2
US 2Y Swap	1,04	↑	1	↑	5
US 5Y Swap	1,20	↑	0	↑	6
EUR 3M Euribor	-0,30	→	0	↓	0
EUR 2Y Swap	-0,22	↓	-1	↓	-2
EUR 5Y Swap	-0,13	↑	0	↓	-1
GB 3M Libor	0,00	↑	0	↑	0
GB 2Y Swap	0,42	↓	-1	↓	-2
GB 5Y Swap	0,47	↓	0	↓	-1
JP 3M Libor	0,00	↓	-1	↓	0
JP 2Y Swap	-0,09	↑	0	↓	-2
JP 5Y Swap	-0,06	↑	2	↑	0
CHF 3M Libor	0,00	↑	0	↑	0
CHF 2Y Swap	-0,68	↑	1	↑	3
CHF 5Y Swap	0,00	↑	5	↑	5

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	47,0	↓	-2,75	↓	-5,05
Gold	1 308	↓	-0,17	↓	-0,97

Source: Reuters, OTP Research

The data released yesterday indicate that inflation in the eurozone was lower than expected while the unemployment rate was higher than forecast. This adds to the probability that the European Central Bank will soon ease its monetary conditions further. Many experts project that it may take place in September.

On Wednesday the USA published the findings of the ADP survey for August; as the non-farm employment reading matched expectations, it was not followed by considerable market reaction. This figure suggests that the labour market report – which is to be released on Friday and which may be of key importance for the September rate hike, according to statements Fed officials made in Jackson Hole last week – may be in line with expectations, with below-200,000 job growth.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Wednesday	EZ	Aug	Consumer prices (flash, yoy, %)	0,2	0,3	0,2
	EZ	Jul	Unemployment rate (%)	10,1	10,0	10,1
	DE	Jul	Retail sales (mom, %)	1,7	0,5	-0,1
	DE	Jul	Unemployment rate (%)	6,1	6,1	6,1
	UK	Aug	Nationwide house price index (mom, %)	0,6	-0,3	0,5
	US	Aug	ADP nonfarm employment (mom, thousand)	177,0	175,0	179,0
	US	Aug	Chicago PMI (point)	51,5	54,0	55,8
	Thursday	CN	Aug	NBS Manufacturing PMI (point)	50,4	49,9
CN		Aug	Non-Manufacturing PMI (point)	53,5	-	53,9
CN		Aug	Caixin Manufacturing PMI (point)	50,0	50,1	50,6
CH		Jul	Retail sales (yoy, %)	-	-	-3,9
US		Aug	Markit Manufacturing PMI (point)	-	-	52,1
US		Jul	Construction Spending (mom, %)	-	0,5	-0,6

Source: Reuters, OTP Research

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