

Treasury Sales Team

Headquarter Treasury Sales

Alexandru Tibuleac
0372 31 85 85
alexandru.tibuleac@otpbank.ro

Cristian Ilie
0372 31 85 86
ilie.cristian@otpbank.ro

Corina Bejan
0372 31 85 84
corina.bejan@otpbank.ro

Andreea Nica
0755 000 106
andreea.nica@otpbank.ro

Regional Treasury Sales

Szilamer Kozma - Cluj
0755 000 400
szilamer.kozma@otpbank.ro

Tudor Zaman - Bucuresti
0755 000 199
tudor.zaman@otpbank.ro

Alexandru Sabin - Arad
0730 577 959
alexandru.sabin@otpbank.ro



Daily Report – Global Markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 120	↓ -0,02	↓ -1,12
S&P500	2 139	↓ 0,00	↓ -0,92
Nasdaq100	4 796	↓ -0,46	↑ 0,66
Russell2000	1 233	↑ 0,63	↑ 1,67
Stoxx600	341	↑ 1,02	↓ -0,28
DAX	10 374	↑ 0,95	↓ -0,56
FTSE 100	6 814	↑ 1,54	↑ 1,68
CAC40	4 394	↑ 1,43	↓ -1,03
ATX	2 350	↑ 1,27	↓ -1,08
IBEX35	8 633	↓ -1,00	↓ -4,34
Nikkei 225	16 466	↑ 0,95	↓ -1,70
Hang Seng	22 129	↓ -0,18	↑ 1,26
SSEC	3 024	↓ -0,06	↑ 0,03
SENSEX	28 557	↓ -0,27	↓ -0,60
RTS	970	↑ 0,87	↓ -1,43
Bovespa	57 350	↑ 0,47	↓ -2,11

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1173	↑ 0,18	↓ -0,40
EUR/CHF	1,0951	↑ 0,11	↓ -0,01
GBP/USD	1,3025	↑ 0,23	↓ -1,27
USD/JPY	101,78	↓ -0,14	↓ -0,73
AUD/USD	0,7540	↑ 0,09	↑ 1,05
USD/CAD	1,3204	↑ 0,02	↑ 0,24
USD/RUB	64,68	↑ 0,13	↓ -1,12

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,5	↑ 0,2	↑ 0,4
CDS 5Y PIIS	16	↓ -2,2	↑ 2,4
CDS 5Y Italy	119	↓ -0,8	↑ 0,5
CDS 5Y Belg.	115	↑ 0,1	↓ -0,4
iTraxx 5Y EU	22,2	↑ 1,1	↑ 3,1
US TED Spread	71,4	→ 0,0	↑ 11,0

Source: Reuters, OTP Research

Summary

- Investors were fairly sanguine on Western Europe's key markets in Monday's trading.
- US markets made subtle moves, as investors are waiting for the rate decisions of the Fed and the BoJ.
- Crude prices strongly picked up, as Venezuela's President said OPEC members and non-members are close to striking a deal to stabilize prices.

In Monday's upbeat mood on Western Europe's major stock exchanges, indices closed 1-1.5% higher. The DAX's weakest name was Deutsche Bank, which lost 2.4% yesterday. The FTSE100 posted the strongest gain (+1.5%), largely benefiting from mining companies.

America's leading indices ended the first trading day of the week with subtle moves; the most successful of them was Russell2000 (+0.6%). Apple, which had marched high since launching the new iPhone7, was dented by the ailing of tech names, and closed in the red (-1.3%) for the second day in a row. Banking shares' performance was modest as investors are waiting for the Fed's and the BoJ's rate decisions.

Asia's leading indices closed in the red this morning as investors adopted a wait-and-see approach ahead of the meeting of the Bank of Japan (in the small hours of Wednesday, CET) and the end of the Fed's two-day meeting (Wednesday evening, CET).

Currency markets saw slight moves; the EUR modestly firmed against the USD and the CHF, while the greenback lost some ground from the JPY. More pronounced moves are expected after the rate decisions.

In the hours before the close, crude oil futures started to rise strongly after Venezuela's President Nicolas Maduro's speech. Referring to the talks with his colleagues from Iran and Ecuador, he said that OPEC members and non-members were very close to an agreement to stabilize crude oil prices. By the end of the day, crude price started to subside, thus the Brent ended Monday's trading 0.2% lower, at 45.9 USD/barrel.

GOV'T BOND MARKET

	Yield (%)		Daily chg (bp)		Weekly chg (bp)
US 2Y	0,78	↑	2	↑	2
US 10Y	1,71	↑	1	↑	5
JP 2Y	-0,27	↓	-27	↓	-2
JP 10Y	-0,04	↓	-4	↓	-3
GER 2Y	-0,65	↓	-1	↓	-4
GER 10Y	0,01	↓	-2	↓	-2

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	0,00	↑	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	1,01	↓	-1	↓	-3
US 5Y Swap	1,21	↑	1	↓	-2
EUR 3M Euribor	-0,30	→	0	↑	0
EUR 2Y Swap	-0,24	↓	-1	↓	-3
EUR 5Y Swap	-0,11	↑	1	↓	-3
GB 3M Libor	0,00	↓	0	↓	0
GB 2Y Swap	0,43	↓	-1	↓	0
GB 5Y Swap	0,55	↑	0	↓	-2
JP 3M Libor	0,00	↓	0	↓	-1
JP 2Y Swap	-0,12	↓	-1	↓	0
JP 5Y Swap	-0,11	↑	0	↓	-4
CHF 3M Libor	0,00	↓	-1	↓	-2
CHF 2Y Swap	-0,67	↓	0	↑	2
CHF 5Y Swap	0,00	↑	0	→	0

COMMODITIES

	Close		Daily chg. (%)		Weekly chg. (%)
Oil Brent	46,0	↑	0,39	↓	-2,76
Gold	1 313	↑	0,24	↓	-0,17

Source: Reuters, OTP Research

Today the USA is to release housing market data. Analysts expect the building permits issued in August to have risen, and forecast the housing starts figure to drop from the July reading. The NAHB housing market index published yesterday has vastly topped expectations; therefore today's housing market data may also cause surprise.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Monday	CN	Aug	Home Price Index (yoy, %)	9,2	8,1	7,9
	EZ	Jul	Current account balance (EURbn)	31,5	-	37,6
	US	Sep	NAHB Housing Market Index (points)	65,0	60,0	60,0
Tuesday	US	Aug	Building permits (annualized, thousands)		1170	1144
	US	Aug	Housing Starts Number (annualized, thousands)		1190	1211

Source: Reuters, OTP Research

Chief Economist

Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

Fundamental Analyst

Beáta Váradi
varadibe@otpbank.hu
+36 1 374 7271

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