

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	18 144	↑ 0,09	↓ -0,75
S&P500	2 139	↑ 0,11	↓ -0,95
Nasdaq100	4 820	↓ -0,05	↓ -1,19
Russell2000	1 227	↓ -0,03	↓ -1,53
Stoxx600	339	↓ -0,47	↓ -1,64
DAX	10 523	↓ -0,51	↓ -0,59
FTSE 100	7 024	↓ -0,66	↓ -0,13
CAC40	4 452	↓ -0,44	↓ -0,84
ATX	2 410	↓ -0,13	↓ -0,30
IBEX35	8 687	↓ -0,08	↓ -1,05
Nikkei 225	16 786	↓ -0,32	↓ -1,29
Hang Seng	23 105	↓ -1,29	↓ -3,54
SSEC	3 056	↓ -0,08	↑ 0,26
SENSEX	27 837	↓ -0,87	↓ -0,87
RTS	996	↓ -0,95	↓ -0,12
Bovespa	61 022	↓ -1,05	↑ 2,84

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,1006	↓ -0,43	↓ -1,21
EUR/CHF	1,0902	↓ -0,26	↓ -0,39
GBP/USD	1,2206	↑ 0,73	↓ -3,23
USD/JPY	103,79	↓ -0,37	↓ -0,13
AUD/USD	0,7532	↓ -0,37	↓ -0,66
USD/CAD	1,3287	↑ 0,10	↑ 0,54
USD/RUB	63,12	↑ 0,05	↑ 1,66

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,9	↑ 0,6	↑ 2,9
CDS 5Y PIIS	16	↓ 0,0	↓ -7,0
CDS 5Y Italy	121	↓ 0,0	↓ -8,2
CDS 5Y Belg.	124	↑ 0,0	↓ -1,1
iTraxx 5Y EU	19,7	↑ 1,6	↑ 1,0
US TED Spread	74,5	→ 0,0	↓ -1,4

Source: Reuters, OTP Research

Summary

- Investor mood was mixed on global markets yesterday.
- Support for a rate hike was nearly 50% in September, the Fed minutes revealed.
- Crude oil price fell after OPEC published its September market report.

There was mixed sentiment on global markets on Wednesday. European stock indices fell (DAX: -0.4%; CAC40: -0.6%), while the S&P was the only American index to inch up. The Fed's recent minutes suggest that a December rate hike is imminent. In the September meeting, nearly half of decision makers advocated rate hike. The probability of December rate hike is 70%, according to markets prices. US indices barely moved even after the publication of the Fed minutes.

In Hong Kong, the Hang Seng was seen more than 1% in the red before the end of this morning's trading, and the Shanghai Composite practically closed flat. Japan's Nikkei ended 0.4% lower, and even the yen's 0.4% appreciation this morning did not cheer up investors.

The greenback fared well on currency markets, firming 0.4% against the EUR and 0.6% versus the JPY. However, its steady advance against the GBP halted yesterday as the pound regained 0.6% lost ground, leading the GBP/USD to 1.22 by the close.

Oil prices dropped more than 1%, as OPEC published its monthly market report for September, when output hit 33.4 million barrels and oversupply on markets jumped to 800,000, up from 760,000 in August. Besides, the report shows that non-OPEC countries' forecast for 2017 has increased by 200,000 barrels. The report triggered speculation on markets that the recent OPEC agreement would not bring the desired results.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,86	↓ -1	↑ 2
US 10Y	1,77	↓ 0	↑ 6
JP 2Y	-0,26	↑ 0	↑ 2
JP 10Y	-0,06	↓ -1	↓ 0
GER 2Y	-0,66	↑ 0	↑ 1
GER 10Y	0,05	↓ -1	↑ 10

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	↑ 0	↑ 1
US 2Y Swap	1,04	↓ -1	↓ -2
US 5Y Swap	1,25	↓ -3	↓ -1
EUR 3M Euribor	-0,31	↓ 0	↓ -1
EUR 2Y Swap	-0,21	↓ 0	↑ 1
EUR 5Y Swap	-0,08	⇒ 0	↑ 3
GB 3M Libor	0,00	↓ 0	↑ 1
GB 2Y Swap	0,57	↑ 3	↑ 2
GB 5Y Swap	0,71	↑ 6	↑ 18
JP 3M Libor	0,00	↑ 1	↑ 1
JP 2Y Swap	-0,07	⇒ 0	↑ 2
JP 5Y Swap	-0,08	↓ -1	↓ 0
CHF 3M Libor	0,00	↑ 0	↑ 1
CHF 2Y Swap	-0,67	↑ 1	↓ 0
CHF 5Y Swap	0,00	↑ 1	↑ 2

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	51,8	↓ -1,14	↓ -2,09
Gold	1 255	↑ 0,16	↑ 0,49

Source: Reuters, OTP Research

The eurozone's robustly increasing August industrial production figure suggests that the sector may give, albeit little, impetus to GDP growth in the third quarter.

China's September export and import readings, released earlier this morning, showed 10% year-on-year contraction in exports, vastly missing the pessimistic forecast of 3.0% slump.

In Germany, the final reading of year-on-year September inflation was 0.7%, matching the preliminary gauge.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Wednesday	EZ	Aug	Industrial production (mom, %)	1,6	1,5	-1,1
	US	Sep	FOMC minutes	-	-	-
Thursday	CN	Sep	Import (yoy, %)	-1,9	1,0	1,5
	CN	Sep	Export, yoy, %)	-10,0	-3	-2,8
	DE	Sep	CPI (final, yoy, %)	0,7	0,7	0,7*
	US	Sep	Federal Budget (bn USD)		25,0	-107,0

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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