

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 146	↓ -0,09	↑ 0,04
S&P500	2 141	↓ -0,01	↑ 0,38
Nasdaq100	4 852	↑ 0,40	↑ 0,90
Russell2000	1 218	↓ -0,14	↑ 0,66
Stoxx600	344	→ 0,00	↑ 1,28
DAX	10 711	↑ 0,09	↑ 1,23
FTSE 100	7 020	↓ -0,09	↑ 0,10
CAC40	4 536	↓ -0,09	↑ 1,46
ATX	2 464	↓ -0,09	↑ 1,89
IBEX35	9 100	↑ 0,43	↑ 3,79
Nikkei 225	17 234	↑ 0,29	↑ 3,82
Hang Seng	23 467	↑ 0,40	↑ 1,86
SSEC	3 131	↑ 1,29	↑ 2,95
SENSEX	28 122	↑ 0,16	↑ 0,16
RTS	986	↓ -0,11	↑ 0,34
Bovespa	64 108	↑ 0,42	↑ 3,79

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,0882	↓ -0,42	↓ -1,04
EUR/CHF	1,0812	↓ -0,32	↓ -0,58
GBP/USD	1,2233	↓ -0,14	↑ 0,43
USD/JPY	103,74	↓ -0,06	↓ -0,14
AUD/USD	0,7630	↑ 0,37	↑ 0,07
USD/CAD	1,3328	↓ -0,02	↑ 1,56
USD/RUB	62,41	↑ 0,05	↓ -1,14

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	13,3	↓ -0,4	↓ -2,8
CDS 5Y PIIS	13	↓ -0,1	↓ -2,9
CDS 5Y Italy	117	↓ -0,4	↓ -4,6
CDS 5Y Belg.	120	→ 0,0	↓ 0,0
iTraxx 5Y EU	19,7	↑ 0,2	↓ -2,6
US TED Spread	71,2	→ 0,0	↓ -2,1

Source: Reuters, OTP Research

Summary

- Sentiment was mixed on Friday
- The finance minister of Kuwait expects the oil price between 50-60 dollar in 2017. Iraq supports the OPEC agreement but does not want to reduce its own output
- In a few week time banks could leave London due to the Brexit
- The USD appreciated against the EUR

Sentiment on the international markets was mixed on Friday. Among the leading European indices the DAX gained a bit, but the CAC40 declined slightly. The US indices closed in a small minus (except the Nasdaq100).

According to the director of the British Banking Association, the banks in Britain could start to leave the country in a few week time due to the Brexit. The trade volume of the British financial services is GBP 20 billion annually. According to the Oliver Wyman Advisory firm, due to the Brexit the trade volume with the EU could decline by 40-50% and could negatively effect 31-35 thousands jobs.

In Spain a long-awaited political agreement is in the pipe line. Spain's socialist party signalled that withdraw from the upcoming elections and therefore Mariano Rajoy could start his second term in power. With the end of the political gridlock investment sentiment could turn positive for Spain.

According to the finance minister of Kuwait, oil prices could be between 50-60 US dollar in 2017. Kuwait want to increase its production from 2.8 million barrel a day to 4 million. According to the oil minister of Iraq the September OPEC agreement about the restriction of oil production could not be done in a way which could reduce his countries oil production. In Friday's trading the price of oil increased only slightly.

The dollar appreciated against the euro by 0.4% The euro depreciated against the major FX pairs.

Sentiment was positive in the Asian markets in the early hours. The Nikkei increased by 0.3% and the Hang Seng by 0.4%.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,83	↑ 0	↓ -1
US 10Y	1,74	↓ -2	↓ -5
JP 2Y	-0,25	↑ 2	↑ 2
JP 10Y	-0,05	↑ 1	↓ 0
GER 2Y	-0,67	↓ 0	↓ -1
GER 10Y	0,01	↓ -3	↓ -3

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	0,88	→ 0	↑ 0
US 2Y Swap	1,03	↓ -1	↑ 0
US 5Y Swap	1,25	↓ 0	↑ 1
EUR 3M Euribor	-0,31	↑ 0	↓ 0
EUR 2Y Swap	-0,21	↑ 0	↑ 0
EUR 5Y Swap	-0,08	→ 0	↓ -1
GB 3M Libor	0,40	↓ 0	↑ 0
GB 2Y Swap	0,57	↓ -1	↑ 4
GB 5Y Swap	0,72	↓ 0	↓ -1
JP 3M Libor	-0,01	↓ 0	↑ 0
JP 2Y Swap	-0,04	↑ 1	↑ 4
JP 5Y Swap	-0,04	↓ 0	↑ 4
CHF 3M Libor	-0,72	→ 0	↑ 0
CHF 2Y Swap	-0,67	↑ 1	↓ -1
CHF 5Y Swap	-0,53	↑ 1	↓ 0

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	51,8	↑ 0,78	↑ 0,23
Gold	1 266	↑ 0,04	↑ 0,91

Source: Reuters, OTP Research

Eurozone consumer confidence came as expected on Friday. Today we have PMI data from Japan, US and various European countries. Japan PMI data came stronger than expected. If the other PMI data are broadly above expectation that could lift market sentiment.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Friday	EZ	Oct	Consumer confidence (flash, point)	-8,0	-8,0	-8,2
Monday	JP	Oct	Nikei Manufacturing PMI (point)	51,7		50,4
	FR	Oct	Markit Service PMI (point)		52,9	53,3
	FR	Oct	Markit manufacturing PMI (point)		50,0	49,7
	DE	Oct	Markit Service PMI (point)		51,5	50,9
	DE	Oct	Markit manufacturing PMI (point)		54,3	54,3
	EZ	Oct	Markit Service PMI (point)		52,5	52,2
	EZ	Oct	Markit manufacturing PMI (point)		52,6	52,6
	US	Oct	Markit manufacturing PMI (point)		51,6	51,5

Source: Reuters, OTP Research

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