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Daily Report – Global Markets

STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
DJIA	18 170	↓ -0,16	↑ 0,04
S&P500	2 133	↓ -0,30	↓ -0,39
Nasdaq100	4 836	↓ -0,50	↑ 0,08
Russell2000	1 190	↓ -1,23	↓ -2,31
Stoxx600	342	↓ -0,01	↓ -0,75
DAX	10 717	↑ 0,07	↑ 0,15
FTSE 100	6 987	↑ 0,41	↓ -0,57
CAC40	4 534	↓ -0,02	↓ -0,14
ATX	2 507	↓ -0,04	↑ 1,67
IBEX35	9 197	↑ 0,26	↑ 1,50
Nikkei 225	17 446	↑ 0,63	↑ 2,88
Hang Seng	22 955	↓ -0,77	↓ -1,79
SSEC	3 113	↑ 0,02	↑ 0,71
SENSEX	27 942	↑ 0,09	↑ 0,09
RTS	993	↑ 0,32	↑ 0,53
Bovespa	64 250	↑ 0,66	↑ 0,64

FX MARKET

	Close	Daily chg. (%)	Weekly chg. (%)
EUR/USD	1,0894	↓ -0,12	↑ 0,27
EUR/CHF	1,0826	↓ -0,08	↑ 0,20
GBP/USD	1,2161	↓ -0,69	↓ -0,59
USD/JPY	105,37	↑ 0,09	↑ 1,51
AUD/USD	0,7576	↓ -0,16	↓ -0,34
USD/CAD	1,3385	→ 0,00	↑ 0,41
USD/RUB	62,74	↑ 0,13	↑ 0,58

RISK INDICATORS

	Close	Daily chg (bp)	Weekly chg (bp)
VIX	15,4	↑ 1,1	↑ 1,6
CDS 5Y PIIS	15	↓ -0,5	↓ -3,6
CDS 5Y Italy	114	↓ -1,2	↓ -1,0
CDS 5Y Belg.	120	↓ 0,0	↓ -0,1
iTraxx 5Y EU	19,7	↑ 0,6	↑ 1,1
US TED Spread	72,1	→ 0,0	↑ 5,2

Source: Reuters, OTP Research

Summary

- The leading indices of the world closed mixed yesterday.
- Despite the rise in commodity prices, commodity currencies did not do well yesterday. The SEK delivered the story of the day.
- A number of countries, including the USA, will publish preliminary GDP data today.

The key indices of the Western world ended Thursday's trading mixed. Europe climbed into positive territory by the end of the day but US markets ran out of impetus. The sentiment soured as investors started to fear that US monetary environment may tighten. Accordingly, long-term yields also increased. The 10Y US bond yield is flirting with 10 bp. Among US sectors, the IT, mining, and industry sectors did not do well. The latter two are definitely surprising because silver, gold, and copper as well as oil prices all went up, and durable goods orders figure came in as expected. The financial and the health care sectors were the winners of the day. The weakening yen helped markets in Japan.

Despite the rise in commodity prices, the AUD, the NZD and the CAD were all ailing against the USD and the EUR. The GBP also lost ground versus the greenback and the single European currency. This is somewhat surprising, because the preliminary reading of Q3 GDP has beaten expectations, and the previous quarter was also revised higher. This indicates that, in the short term, the UK's economy took a smaller hit from Brexit than had been thought. But the currency market story of the day came from the EUR/SEK, because Sweden's central bank, the Riksbank struck a markedly dovish tone, hinting at the possibility of extending its asset purchase programme.

It seems that a major obstacle, blocking the free trade agreement between the EU and Canada (CETA), has been removed; apparently, consensus has been reached in Belgium about supporting the plan.

GOV'T BOND MARKET

	Yield (%)	Daily chg (bp)	Weekly chg (bp)
US 2Y	0,89	↑ 2	↑ 7
US 10Y	1,85	↑ 6	↑ 9
JP 2Y	-0,24	↑ 1	↑ 3
JP 10Y	-0,05	↑ 1	↑ 2
GER 2Y	-0,64	↑ 1	↑ 3
GER 10Y	0,09	↑ 6	↑ 5

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	↓ -89	↓ -88
US 2Y Swap	1,08	↓ -1	↑ 4
US 5Y Swap	1,33	↓ 0	↑ 9
EUR 3M Euribor	-0,31	↑ 0	↑ 0
EUR 2Y Swap	-0,17	↑ 1	↑ 4
EUR 5Y Swap	0,01	↑ 3	↑ 9
GB 3M Libor	0,00	↓ -40	↓ -40
GB 2Y Swap	0,62	↑ 1	↑ 0
GB 5Y Swap	0,84	↑ 6	↑ 12
JP 3M Libor	0,00	↑ 2	↑ 1
JP 2Y Swap	-0,04	↑ 1	↑ 0
JP 5Y Swap	-0,04	↓ -1	↑ 0
CHF 3M Libor	0,00	↑ 73	↑ 72
CHF 2Y Swap	-0,63	↑ 2	↑ 4
CHF 5Y Swap	0,00	↑ 6	↑ 8

COMMODITIES

	Close	Daily chg. (%)	Weekly chg. (%)
Oil Brent	50,5	↑ 0,98	↓ -2,57
Gold	1 268	↑ 0,09	↑ 0,17

Source: Reuters, OTP Research

Today will be a busy day in terms of macroeconomic statistics. The USA, France, and Spain will release preliminary GDP data; and inflation figures will see the light of day in Japan, Germany and Spain. According to statistics published by France earlier today, the French economy grew by 0.2% from the previous quarter, which is just a tad below analysts' forecast of 0.3%.

	COUNTRY	DATE	INDICATOR / EVENT	FACT	CONSENSUS	PREVIOUS
Thursday	UK	Q3	GDP (preliminary, qoq, %)	0,5	0,3	0,7
	UK	Q3	GDP (preliminary, yoy, %)	2,3	2	2
	US	Sep	Durable goods orders (mom, %)	-0,1	1,0	0,1
	US	Sep	Pending home sales (mom, %)	1,5	1,0	-2
Friday	Fr	Q3	GDP (preliminary, qoq, %)	0,2	0,3	0,0
	Sp	Q3	GDP (preliminary, qoq, %)		0,7	0,8
	US	Q3	GDP (preliminary, qoq, %)		2,5	1,4
	JP	Sep	CPI (yoy, %)	-0,5	-0,4	-0,5
	JP	Sep	Core CPI (yoy, %)	-0,5	-0,5	-0,5
	DE	Oct	CPI (preliminary, yoy, %)		0,8	0,7

Source: Reuters, OTP Research

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