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Summary

- The ECB's Thursday meeting left monetary conditions unchanged, as expected.
- The key indices of Western Europe and America closed in the red, but Italy outperformed.
- China's Q4 economic growth data are in line with forecasts.
- The TRY's ailing continued; the EUR could advance versus the USD.

Thursday's most-awaited event, the ECB Governing Council's rate decision, left monetary conditions in place, as it had been widely expected. In the subsequent press briefing, President Mario Draghi confirmed the Bank's commitment to its December decision, and it will definitely continue its asset purchase programme until the end of 2017. This refuted opposing speculations spreading last week after Germany published higher-than-expected inflation data.

Western Europe's leading indices closed in negative territory on Thursday. The DAX, whose strongest component Commerzbank surged 4.3%, edged down only 0.02%. Italy's FTSE MIB (+0.7%) was the best-performing stock exchange in the region, largely benefiting from cheering news that Ubi Banca (+7.3%) signed a deal to buy three minor Italian financial institutions.

America's major indices closed down; Russell 2000's 0.9% fall was the sharpest one. Investors are waiting for the new US administration's measures; the president's inauguration will take place today. In his campaign, Donald Trump promised generous fiscal policy, which may benefit stock markets.

The Q4 economic growth figure (+6.8% year/year) China released this morning slightly overshot the consensus of economists (+6.7%). Accordingly, China's Shanghai Composite stood 0.7% higher before the end of this morning's session. Japan's Nikkei 225 gained 0.3% today.

The GBP has somewhat firmed against the EUR (+0.4%) and the USD (+0.6%) on Thursday. Following Mario Draghi's speech, the EUR started to fall sharply, but corrected at the end of the day, pushing the EUR/USD 0.3% higher, to 1.06. Failing to recover, the TRY lost 0.8% vs. the greenback (USD/TRY: 3.83) yesterday.

Crude future prices barely changed on Thursday, while precious and industrial metal prices dropped.

	Stocks				Bonds				Commodity & FX			
	Product name	Close	Daily change (%)	YTD (%)	Product name	Yield	Daily change*	YTD*	Product name	Close	Daily change (%)	YTD (%)
Global	S&P500	2263,7	-0,4	1,1	VIX	12,8	2,4	-9	WTI	52,12	1,8	-3
	DOW	19732,4	-0,4	-0,2	US 2Y	1,23	3,2	3	Brent	54,16	0,4	-5
	Nasdaq100	5051,2	-0,1	3,9	US 10Y	2,46	7,2	3	Arany	1204,8	0,1	5
	DAX	11596,9	0,0	1,0	GER 2Y	-0,70	1,1	9	Ezüst	17,01	-0,1	7
	CAC40	4841,1	-0,3	-0,4	GER 10Y	0,38	2,6	17	EUR/USD	1,0663	0,3	1,4
	FTSE 100	7208,4	-0,5	0,9	PT10Y	3,86	4,3	10	EUR/GBP	0,8630	-0,4	1
	FTSE MIB	19491,0	0,7	1,3	IT 10Y	1,98	3,0	16	EUR/NOK	9,0130	-0,1	-0,8
	Stoxx600	362,9	-0,1	0,4	SP 10	1,48	1,5	8	USD/CAD	1,3318	0,4	-0,8
	- Banks	137,6	-0,2	2,6	iTRAXX	69,1	-0,2	-4	AUD/USD	0,7558	0,7	4,8
	Nikkei 225	18813,5	-1,5	1,6	JPY 2Y	-0,23	-0,8	-6	USD/JPY	114,86	0,2	-2
SSEC	3123,1	0,7	0,6	JPY 10Y	0,07	-0,9	2	GBP/USD	1,2341	0,7	0	
Regional	RTS	1136,6	-1,3	-1,4	RUS10	8,07	0,0	-4	USD/RUB	59,862	0,7	-2
	WIG20	2015,47	0,5	3,5	POL 10	3,70	1,9	2	EUR/PLN	4,3704	0,2	-0,8
	PX50	928,7	0,3	0,8	CZ10	0,44	26,0	-6	EUR/RON	4,4945	0,0	-0,9

* In the case of bond yields, the change is in basispoint instead of percentage (VIX and iTRAXX not included).

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2017 1. 16.	9 : 00 HU	Construction output (yoy, %)	Nov.	-14,4	-	-12,8
	17. 2 : 45 UK	CPI (yoy, %)	Dec.	1,6	50,7	50,9
	11 : 00 DE	ZEW Economic Sentiment (points)	Jan.	16,6	18,3	13,8
	14 : 30 US	New York Fed Manufacturing index (points)	Jan.	6,5	8,5	9,0
	21 : 30 US	Janet Yellen speech	Jan.	-	-	-
	18. 8 : 00 DE	CPI (final, yoy, %)	Dec.	1,7	1,7	1,7*
	11 : 00 EZ	CPI (final, yoy, %)	Dec.	1,1	1,1	1,1*
	14 : 30 US	CPI (yoy, %)	Dec.	2,1	2,1	1,7
	14 : 30 US	CPI (mom, %)	Dec.	0,3	0,3	0,2
	14 : 30 US	core-CPI (yoy, %)	Dec.	2,2	2,2	2,1
	14 : 30 US	core-CPI (yoy, %)	Dec.	0,2	0,2	0,2
	15 : 15 US	Industrial production (mom, %)	Dec.	0,8	0,6	-0,4
	20 : 00 US	Beige Book	Jan.	-	-	-
	19. 13 : 45 EZ	Interest rate decision (lending rate, %)	Jan.	0,0	0,0	0,0
	13 : 45 EZ	Interest rate decision (deposit rate, %)	Jan.	-0,4	-0,4	-0,4
	14 : 00 PL	Retail sales (yoy, %)	Dec.	6,4	6,1	6,6
	14 : 30 US	Building permits (annualized monthly, '000s)	Dec.	1210	1225	1212
	14 : 30 US	New home sales (annualized monthly, '000s)	Dec.	1226	1200	1090
	20. 3 : 00 CN	Industrial production (yoy, %)	Dec.	6,0	6,1	6,2
	3 : 00 CN	Retail sales (yoy, %)	Dec.	10,9	10,7	10,8
	3 : 00 CN	Infrastructural spending (yoy, %)	Dec.	8,1	8,3	8,3
	3 : 00 CN	GDP (preliminary, qoq, %)	Q4	1,7	1,7	1,8
	3 : 00 CN	GDP (preliminary, yoy, %)	Q4	6,8	6,7	6,7
	9 : 00 HU	Gross wages (yoy, %)	Nov.		-	5,4
	10 : 30 UK	Retail sales (mom, %)	Dec.		-0,1	0,2

*preliminary data

Source: Reuters, OTP Research

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