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Summary

- Friday's trading was fairly optimistic
- The USD made modest gain vs. the EUR, on a low-volatility day on currency markets
- Electing Le Pen would cause a serious panic on EZ periphery countries' bond markets, an analysis by Commerzbank opines.
- Easing Greece's debt burden could be back on the agenda again.

In Friday's overall upbeat trading, the S&P500 advanced 0.4% and the NASDAQ100 climbed 0.3% higher in America, while in Europe the DAX upped 0.2%, the CAC40 nudged 0.05% higher, and the FTSE100 added 0.4%.

Trading in Asia was upbeat this morning, even though Japan's Q4 GDP data slightly missed expectations. The Nikkei rallied 2.5%, and China's SSEC added 0.6%.

There were only subtle moves on currency markets on Friday. The USD gained 0.2% ground from the EUR and 0.1% from the JPY.

A recent analysis by Commerzbank examined what would happen if Marine Le Pen won presidential election in France this year. Although polls show her victory unlikely, the analyst warned that opinion pollsters were not exactly accurate about the outcome of US presidential elections or Brexit. Several points of her election programme goes against EU basic principles (e.g. 'intelligent protectionism', fines for foreign employees, lowering the retirement age), which would give rise to renewed tension between France and the remaining EU member states. If Le Pen succeeds in simplifying the narrative of the presidential campaign to convince the electorate that it is only about national sovereignty and re-gaining control, then she could stand a chance. If she won, foreign capital would start to leave French investment, which would create a wave of panic, and ultimately spread onto the EZ periphery countries' bonds markets as well. In that case, theoretically, only the ECB's far-reaching intervention could help, but its resources are limited, and Germany does not support the idea of issuing common European bond, ends the analysis.

In 2016 Greece's public debt amounted to 177% of GDP; allegedly the country wants the EU and the IMF to reduce its debt burden. An IMF research last week estimated that Greece's debt might hit 260% of GDP by 2060. Regarding the debt cancellation, Germany's finance minister said last week that it could only happen if Greece left the euro area. For now, markets started to price in the negative scenario. The secondary-market yield of the 2Y Greek government yield is above 10%, having grown by more than 100 basis points on Thursday alone.

	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	2316,1	0,4	3,5	VIX	10,9	-0,3	-23	WTI	53,86	1,4	0
	DOW	20269,4	0,5	2,6	US 2Y	1,20	1,3	0	Brent	56,70	1,9	0
	Nasdaq100	5226,7	0,3	7,5	US 10Y	2,41	1,2	-2	Gold	1234,0	0,3	7
	DAX	11667,0	0,2	1,6	GER 2Y	-0,78	-1,1	1	Silver	17,95	1,7	13
	CAC40	4828,3	0,0	-0,7	GER 10Y	0,32	0,8	11	EUR/USD	1,0638	-0,2	1,2
	FTSE 100	7258,8	0,4	1,6	PT10Y	4,11	4,8	35	EUR/GBP	0,8507	-0,2	0
	FTSE MIB	18862,1	-0,5	-1,9	IT 10Y	2,27	8,1	44	EUR/NOK	8,9205	0,4	-1,8
	Stoxx600	367,4	0,2	1,7	SP 10	1,70	7,6	31	USD/CAD	1,3078	-0,5	-2,6
	- Banks	137,0	-1,2	2,1	iTRAXX	74,9	1,7	4	AUD/USD	0,7669	0,6	6,3
	Nikkei 225	19378,9	2,5	-1,3	JPY 2Y	-0,21	0,0	-4	USD/JPY	113,19	0,0	-3
SSEC	3216,8	0,6	3,6	JPY 10Y	0,09	0,4	4	GBP/USD	1,2489	0,0	1	
Regional	RTS	1164,2	0,1	1,0	RUS10	8,05	-0,7	-4	USD/RUB	58,260	-1,2	-5
	WIG20	2154,79	1,0	10,6	POL 10	3,83	1,1	6	EUR/PLN	4,2945	-0,4	-2,5
	PX50	964,3	1,1	4,6	CZ10	0,52	7,8	12	EUR/RON	4,4984	0,1	-0,8
Hungary	BUX	33156	0,6	3,6	3MTB	0,06	0	0	EUR/HUF	308,01	0,0	-0,3
	OTP	8975	0,8	6,8	1Y	0,32	-1	14	USD/HUF	289,41	0,1	-1,4
	MOL	20450	0,0	-0,9	3Y	1,50	1	64	CHF/HUF	288,60	0,0	0,2
	MTelekom	516	-0,6	3,6	5Y	2,24	1	47	PLN/HUF	71,500	0,1	2,1
	Richter	6480	1,6	4,3	10Y	3,60	3	40	GBP/HUF	362,02	0,3	0

* 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 2. 13.	0 : 50 JP	GDP (preliminary, mom, %)	Q4	0,2	0,3	0,5
	0 : 50 JP	GDP (preliminary, annualized qoq, %)	Q4	1,0	1,1	1,3
	9 : 00 HU	Construction output (yoy, %)	dec.	-14,9	-	-14,4
	9 : 00 HU	Construction output (yoy, %)	2016	-18,8	-	8,1
	14 : 00 PL	Inflation (yoy, %)	jan.		-	0,8
14.	2 : 30 CN	CPI (yoy, %)	jan.		2,4	2,1
	2 : 30 CN	CPI (mom, %)	jan.		0,7	0,2
	8 : 00 DE	CPI (final, yoy, %)	jan.		1,9	1,9*
	8 : 00 DE	GDP (preliminary, yoy, %, NSA)	Q4		1,7	1,5
	8 : 00 DE	GDP (preliminary, qoq, %, SA)	Q4		0,5	0,2
	9 : 00 CZ	GDP (preliminary, yoy, %)	Q4		-	1,9
	9 : 00 HU	Industrial production (final, yoy, %)	dec.		-	-0,5*
	9 : 00 HU	Core inflation (yoy, %)	jan.		-	1,7
	9 : 00 HU	Inflation (yoy, %)	jan.		2,0	1,8
	9 : 00 HU	GDP (preliminary, yoy, %)	Q4		2,1	2,2
	9 : 00 RO	GDP (preliminary, yoy, %)	Q4		-	4,3
	9 : 00 SK	GDP (preliminary, yoy, %)	Q4		-	3,0
	10 : 00 IT	GDP (preliminary, yoy, %)	Q4		1,0	1,0
	10 : 00 PL	GDP (preliminary, yoy, %)	Q4		-	2,5
	10 : 30 UK	CPI (yoy, %)	jan.		1,9	1,6
	11 : 00 EZ	Industrial production (mom, %)	dec.		-1,2	1,5
	11 : 00 EZ	GDP (second estimate, qoq, %)	Q4		0,5	0,5*
	11 : 00 EZ	GDP (second estimate, yoy, %)	Q4		1,8	1,8*
	11 : 00 EZ	Industrial production (yoy, %)	dec.		1,7	3,2
	16 : 00 US	Fed MPC Report	febr.		-	-
	16 : 00 US	Janet Yellen speech (Senate Banking Committee)	febr.		-	-

Dátum	Cd.	Esemény/adat	Időszak	Tény	Konsz.	Előző
15.	8 : 00	RO	Inflation (yoy, %)	jan.	-	-0,5
	9 : 00	SK	Inflation (yoy, %)	jan.	-	0,2
	14 : 30	US	Retail sales (mom, %)	jan.	0,1	0,6
	14 : 30	US	New York Fed Manufacturing index (points)	febr.	6,75	6,5
	14 : 30	US	CPI (yoy, %)	jan.	2,4	2,1
	14 : 30	US	CPI (mom, %)	jan.	0,3	0,3
	14 : 30	US	core-CPI (yoy, %)	jan.	2,2	2,2
	14 : 30	US	core-CPI (yoy, %)	jan.	0,2	0,2
	15 : 15	US	Industrial production (mom, %)	jan.	0,1	0,8
	16 : 00	US	Janet Yellen speech (Financial Services Committee)	febr.	-	-
	16 : 00	US	Business inventories (mom, %)	dec.	0,4	0,7
16.	13 : 30	EZ	ECB Minutes	jan.	-	-
	14 : 30	US	Housing starts (annualized monthly, '000s)	jan.	1233	1228
	14 : 30	US	New home sales (annualized monthly, '000s)	jan.	1226	1226
17.	10 : 30	UK	Retail sales (mom, %)	jan.	1,0	-1,9
	14 : 00	PL	Retail sales (yoy, %)	jan.	-	6,4
	16 : 00	US	Leading index (mom, %)	jan.	0,4	0,5

Source: Reuters, OTP Research

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