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# Global Daily Report

### Summary

- Stock markets closed a low-volatility session with mixed results on Friday
- Despite Janet Yellen's hint at interest rate hike in March, the USD lost 1% against the EUR on Friday
- PSA Peugeot Citroen is to buy Opel from GM
- China's leaders expect 6.5% growth this year, and continue to close down zombie companies.

Friday's trading sentiment was mixed in Europe and slightly positive in America. The DAX slipped 0.3%, the FTSE100 edged down 0.1%, while the CAC40 upped 0.6%. The S&P500 rose by 0.05%, and the NASDAQ100 nudged 0.2% higher. In US stock markets, climbing 1% made Goldman Sachs and Caterpillar outperformers, while Nike shrank 2% and Wal-Mart lost 1.1%. This morning in Asia, Japan's Nikkei fell 0.5% and China's SSEC made that much gain.

Even though the Fed chair's speech on Friday came with a strong signal for an interest rate hike in March, the USD weakened 1% versus the EUR, 0.4% against the JPY, and 0.3% vs. the GBP. A few weeks ago hardly anyone believed in March rate hike, but the odds have jumped to nearly 80% by now, owing to Janet Yellen's speech. The euro advance against all key currencies in Friday's trading.

Oil prices rose nearly 1% on Friday. Precious metals lacked a single direction: gold descended 0.3% while silver added 0.1%.

An analysis by Morgan Stanley found that China would avoid a serious financial shock feared by investors, and the Chinese market may be a good investment in the coming years. However, analysts mention that protectionism's global thriving could have substantial adverse effect on China's growth outlook. Speaking at the National People's Congress, the chairman said that China's economic growth was likely to decelerate from 6.7% to 6.5% this year. Regarding growth strategy, there is no meaningful change in China's politics. Scaling down and closing down zombie companies (in the steel and coal sectors) remained on the agenda; this year steel and coal production capacities will be cut by 50 and 150 million tons respectively. Moreover, infrastructure investments will be nearing USD 40 billion.

PSA Peugeot-Citroen will buy Opel's European arm from the American-based GM. Back in 2009, GM tried to sell Opel but talks collapsed then because the prospective buyer was unwilling to assume the liabilities arising from Opel workers' corporate pension fund, estimated at USD 7-10 billion. The transaction raises PSA's annual sales from 3.2 million to 4.1 million; there are plans to boost it to 5 million by 2020. Opel has been operating in the red since 1999.

	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	2383,1	0,1	6,4	VIX	11,0	-7,2	-22	WTI	53,33	1,4	-0,7
	DOW	21005,7	0,0	6,3	US 2Y	1,31	-1,9	11	Brent	55,90	1,5	-1,6
	Nasdaq100	5373,5	0,2	10,5	US 10Y	2,49	0,3	6	Gold	1234,2	0,0	7,2
	DAX	12027,4	-0,3	4,8	GER 2Y	-0,81	2,6	-1	Silver	17,96	1,1	12,7
	CAC40	4995,1	0,6	2,7	GER 10Y	0,36	4,4	15	EUR/USD	1,0620	1,1	1,0
	FTSE 100	7374,3	-0,1	3,2	PT10Y	3,94	0,0	18	EUR/GBP	0,8640	0,9	1,4
	FTSE MIB	19664,5	1,2	2,2	IT 10Y	2,11	-2,5	28	EUR/NOK	8,9464	0,4	-1,5
	Stoxx600	375,2	-0,1	3,8	SP 10	1,67	-1,8	28	USD/CAD	1,3375	-0,1	-0,4
	- Banks	139,4	1,5	3,9	iTRAXX	69,4	-0,8	-4	AUD/USD	0,7594	0,3	5,3
	Nikkei 225	19283,5	-0,5	1,9	JPY 2Y	-0,29	-0,7	-11	USD/JPY	113,99	-0,3	-2,5
SSEC	3233,9	0,5	4,2	JPY 10Y	0,08	0,0	3	GBP/USD	1,2290	0,2	-0,4	
Regional	RTS	1108,3	0,8	-3,8	RUS10	8,22	-0,2	-2	USD/RUB	58,236	-0,9	-5
	WIG20	2232,98	-1,0	14,6	POL 10	3,73	-0,3	3	EUR/PLN	4,3011	0,1	-2,3
	PX50	974,2	-0,3	5,7	CZ10	0,69	8,5	47	EUR/RON	4,5297	0,3	-0,1
Hungary	BUX	33194	0,1	3,7	3MTB	0,18	0	2	EUR/HUF	308,85	-0,2	0,0
	OTP	8950	0,0	6,5	1Y	0,24	0	6	USD/HUF	290,91	-1,2	-0,9
	MOL	20700	0,4	0,3	3Y	1,59	1	73	CHF/HUF	289,34	-0,4	0,5
	MTelekom	498	-0,6	0,0	5Y	2,34	0	57	PLN/HUF	71,830	-0,2	2,5
	Richter	6503	0,1	4,7	10Y	3,47	1	27	GBP/HUF	358,65	-0,7	-1

\* 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 3. 6.	10 : 30 EZ	Sentix Investor confidence (points)	March		16,0	17,4
	16 : 00 US	Factory orders (mom, %)	Jan.		1,2	1,3
7.	8 : 00 DE	Industrial orders (mom, %)	Jan.		-2,7	5,2
	9 : 00 HU	Industrial production (preliminary, yoy, %)	Jan.		-	-0,5
	9 : 00 HU	GDP (detailed, yoy, %)	Q4		-	1,6*
	9 : 00 HU	GDP (detailed, qoq, %)	Q4		-	0,4*
	11 : 00 HU	International reserves (final, EURbn)	Jan.		-	24,7
	11 : 00 HU	Fiscal balance (monthly, billion HUF)	Febr.		-	123,4
	11 : 00 EZ	GDP (revision, qoq, %)	Q4		0,4	0,4*
	11 : 00 EZ	GDP (revision, yoy, %)	Q4		1,7	1,7*
8.	0 : 50 JP	GDP (revision, annualized qoq, %)	Q4		1,6	1,0*
	3 : 00 CN	Import (yoy, %)	Febr.		20,3	16,7
	3 : 00 CN	Export (yoy, %)	Febr.		10,0	7,9
	8 : 00 DE	Industrial production (mom, %)	Jan.		2,7	-3,0
	9 : 00 HU	Core inflation (yoy, %)	Febr.		-	1,6
	9 : 00 HU	Inflation (yoy, %)	Febr.		-	2,3
	13 : 00 PL	Interest rate decision (%)	March		1,5	1,5
	14 : 15 US	ADP non-farm employment (mom, '000s)	Febr.		180	246
9.	2 : 30 CN	CPI (yoy, %)	Febr.		1,6	2,5
	2 : 30 CN	CPI (mom, %)	Febr.		0,6	1,0
	13 : 45 EZ	Interest rate decision (lending rate, %)	March		0,0	0,0
	13 : 45 EZ	Interest rate decision (deposit rate, %)	March		-0,4	-0,4
10.	8 : 00 DE	Export (mom, %)	Jan.		2,0	-3,3
	9 : 00 HU	Trade balance (preliminary, monthly, EURmn)	Jan.		-	579
	10 : 30 UK	Industrial production (mom, %)	Jan.		-0,1	1,1
	14 : 30 US	Unemployment rate (%)	Febr.		4,7	4,8
	14 : 30 US	Average earnings (yoy, %)	Febr.		2,6	2,5
	14 : 30 US	Average earning (mom, %)	Febr.		0,2	0,1
	14 : 30 US	Non-farm payroll (mom, '000s)	Febr.		180	227
	20 : 00 US	Federal budget balance (USDbn)	Febr.		-	51,0

Source: Reuters, OTP Research

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