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## Global Daily Report

### Summary

- US job market data surprised on the upside, but wage growth missed forecasts
- The EUR gained 1% vs. the USD as investors were concerned about US wage data
- Global stock markets fared well on Friday, except Germany
- The most recent monthly indicators suggest China's economy is in good shape, the head of China's statistics office said

Thanks to the better-than-expected employment data released in America, Friday's trading was fairly optimistic on the key stock markets of the world, except Germany. Surpassing estimations, non-farm payrolls grew by 230,000, and jobless rate sank to 4.7%, while wages' growth (0.2% month/month) was short of expectations.

The DAX shed 0.1%, while the CAC40 and the FTSE100 climbed 0.2% and 0.4% respectively. In America, the S&P500 advanced 0.3% and the NASDAQ100 grew by 0.4%.

Commerzbank's Early Bird indicator tells a story of faster-than-though growth in Germany in 2017. The bank's calculations conclude that the Q1 performance of the German economy in quarter/quarter comparison may exceed the previous year's 0.4% expansion. Reasons for this improvement include global economic recovery, the weak euro, and the loose monetary policy conditions.

According to Der Spiegel's sources, Germany's Chancellor is preparing with strong messages for Tuesday's meeting with the US President. She will warn him that if the US implements the border adjustment tax he had been voicing for weeks, Germany will lodge a complaint with the World Trade Organization (WTO), because the plan would fail to comply with the WTO framework. Moreover, Germany could strike back in several ways, such as lowering corporate taxes, imposing duties, and making the extra costs of exports to the USA deductible from German companies' taxes.

In Friday's trading the EUR appreciated 1% against the USD as – because of the excellent ADP figure released on Wednesday – the possibility of a cheering job market figure had been priced in the exchange rate, therefore investors focussed on wage dynamics, which undershot expectations.

Precious metal and crude prices edged lower.

China's economy picked up again at the beginning of 2017, therefore it is likely to avoid the danger of 'hard landing', the head of the country's statistical service said. This is corroborated by the better-than-expected retail turnover and fixed assets data. Another positive development is the deceleration in coal and steel production, which illustrates the success of China's industrial policy, aimed at winding up loss-making zombie companies.

A number of legislators warned Prime Minister Theresa May to prepare for the scenario if Britain fails to reach an agreement with the EU and thus the country finds itself out of the EU without trade agreement after two years' time. A number of decision-makers find this realistic. In this case, Britain would be subject to the basic rules of the WTO.

	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	2372,6	0,3	6,0	VIX	11,7	-5,2	-17	WTI	48,49	-2,3	-9,7
	DOW	20903,0	0,2	5,8	US 2Y	1,36	-1,2	16	Brent	51,37	-1,6	-9,6
	Nasdaq100	5385,9	0,4	10,7	US 10Y	2,58	-1,6	15	Gold	1204,5	0,3	4,6
	DAX	11963,2	-0,1	4,2	GER 2Y	-0,81	5,4	-2	Silver	17,03	0,5	6,8
	CAC40	4993,3	0,2	2,7	GER 10Y	0,49	7,0	28	EUR/USD	1,0669	0,9	1,5
	FTSE 100	7343,1	0,4	2,8	PT10Y	4,06	4,9	30	EUR/GBP	0,8775	1,0	3,0
	FTSE MIB	19658,4	0,4	2,2	IT 10Y	2,37	7,0	55	EUR/NOK	9,1813	1,1	1,1
	Stoxx600	373,2	0,1	3,3	SP 10	1,89	6,0	50	USD/CAD	1,3469	-0,3	0,3
	- Banks	142,3	1,5	6,1	iTRAXX	71,7	0,5	-1	AUD/USD	0,7540	0,5	4,5
	Nikkei 225	19601,6	1,5	0,7	JPY 2Y	-0,25	0,6	-8	USD/JPY	114,74	-0,1	-1,8
SSEC	3237,0	0,8	4,3	JPY 10Y	0,09	0,1	4	GBP/USD	1,2169	0,0	-1,4	
Regional	RTS	1055,9	0,9	-8,4	RUS10	8,13	-0,4	-3	USD/RUB	58,857	-0,6	-4
	WIG20	2200,03	0,5	12,9	POL 10	3,75	0,4	3	EUR/PLN	4,3362	0,3	-1,5
	PX50	972,3	-0,2	5,5	CZ10	0,68	-6,1	45	EUR/RON	4,5430	-0,1	0,2
Hungary	BUX	32727	-0,8	2,3	3M TB	0,15	0	-1	EUR/HUF	312,71	0,4	1,3
	OTP	8540	-1,5	1,7	1Y	0,24	0	6	USD/HUF	292,85	-0,6	-0,2
	MOL	20595	-0,8	-0,2	3Y	1,62	3	76	CHF/HUF	290,18	-0,2	0,8
	MTelekom	501	-0,2	0,6	5Y	2,55	11	78	PLN/HUF	72,100	0,1	2,9
	Richter	6535	-0,2	5,2	10Y	3,66	2	46	GBP/HUF	356,53	-0,4	-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. 14.	8 : 00 DE	CPI (final, yoy, %)	Febr.		2,2	2,2*
	9 : 00 HU	Industrial production (final, yoy, %)	Jan.		-	6,5*
	3 : 00 CN	Industrial production (yoy, %)	Jan.		6,2	6,0
	3 : 00 CN	Retail sales (yoy, %)	Jan.		10,5	10,9
	3 : 00 CN	Infrastrukturális beruházások (év/év, %)	Jan.		8,2	8,1
	11 : 00 EZ	Industrial production (mom, %)	Jan.		1,5	-1,6
	11 : 00 DE	ZEW Economic Sentiment (points)	March		12,5	10,4
15.	13 : 30 US	Retail sales (mom, %)	Febr.		0,2	0,4
	13 : 30 US	New York Fed Manufacturing index (points)	March		16,5	18,7
	13 : 30 US	CPI (yoy, %)	Febr.		2,8	2,5
	13 : 30 US	CPI (mom, %)	Febr.		0,1	0,6
	13 : 30 US	core-CPI (yoy, %)	Febr.		2,2	2,3
	13 : 30 US	core-CPI (yoy, %)	Jan.		0,2	0,3
	15 : 00 US	Business inventories (mom, %)	Jan.		0,3	0,4
	19 : 00 US	Interest rate decision (%)	March		0,75-1,0	0,5-0,75
	NL	Parlamentarian elections	March		-	-
16.	5 : 00 JP	Interest rate decision (%)	March		-0,1	-0,1
	9 : 00 HU	Construction output (yoy, %)	Jan.		-	-15
	11 : 00 EZ	CPI (final, yoy, %)	Febr.		2,0	2,0*
	13 : 00 UK	Interest rate decision (%)	March		0,3	0,3
	13 : 30 US	Existing home sales (annualized monthly, '000s)	Febr.		1280,0	1293,0
	13 : 30 US	New home sales (annualized monthly, '000s)	Febr.		1267,0	1246,0
17.	14 : 15 US	Industrial production (mom, %)	Febr.		0,2	-0,3
	15 : 00 US	Michigan Consumer confidence (preliminary, points)	March		96,0	96
	15 : 00 US	Leading index (hó/hó, %)	Febr.		0,4	0,6

\*preliminary data

Source: Reuters, OTP Research

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