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Global Daily Report

Summary

- Most stock markets closed higher, on light trading volumes yesterday, the BUX fell.
- Crude prices' increase was fuelled by shrinking oil inventories and disrupted supplies.
- The USD firmed on the back of Fed decision-makers' words.
- The UK's request to leave the EU was officially submitted.
- Today the Czech and the Mexican central banks will make rate decisions; confidence indices and inflation figures are due out in Europe.

Most stock markets of the world ended Wednesday's trading with gains, on light trading volumes. The weakening EUR led the DAX towards a two-year high. In America, the energy sector was the most vigorous one, helped by rising oil prices. Asia's markets also fell by Thursday morning.

The growth in crude prices basically stemmed from the week/week decline in US oil inventories. Besides, a number of oil producers faced interruption in output in recent days – on Tuesday local militias reduced Libya's exports by a third, protesting unpaid wages, while a broken oil pipeline disrupted the operation of a key oil terminal in Venezuela. Precious metal and copper prices also ground higher on Wednesday.

The US dollar's appreciation can be attributed to the speeches of two Fed decision-makers (Evans and Rosengren), making the case for three more rate hikes. This seems to have stopped the greenback's two-week-long losing streak, and it pushed the EUR/USD down to 1.076. Gaining 1.5% against the USD made the Mexican peso the winner of the day. Following the flop of President Trump's health care bill in the US House of Representatives, investors find the implementation of the border adjustment tax less likely.

Government bond yields sank on both sides of the Atlantic yesterday.

Britain's Prime Minister officially submitted the letter to invoke Article 50, and the country's departure from the European Union, opening the way for up to two years of negotiations on Brexit and the future of the UK's relations with the EU. Theresa May's letter to the European Council indicated an attempt to seek a free trade agreement, including financial services.

In the USA, existing home sales printed the steepest growth in the past ten months.

The eurozone will publish confidence indicators, and a number of countries will release preliminary inflation figures for March. The revised Q4 GDP data are due out in the USA. Markets expect the central bank of Mexico to raise its base rate by 25 basis points, from the current 6.25%. This could be the fifth increase in a row, aimed at taming the rising inflation, which hit a ten-year high of 4.8% in February on the back of the weakening peso and fuel price increases. Today's rate-setting meeting of the Czech National Bank may be particularly special because on CNB's cap on the EUR/CZK, which has so far blocked the koruna's appreciation against the single European currency, expires on 31 March.

	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	2358,6	0,7	5,3	VIX	11,5	-7,8	-18	WTI	48,37	1,3	-10,0
	DOW	20701,5	0,7	4,8	US 2Y	1,30	4,5	10	Brent	51,33	1,1	-9,7
	Nasdaq100	5407,2	0,6	11,2	US 10Y	2,41	3,4	-2	Gold	1251,5	-0,2	8,7
	DAX	12149,4	1,3	5,8	GER 2Y	-0,70	-0,3	9	Silver	18,15	0,4	13,9
	CAC40	5046,2	0,6	3,8	GER 10Y	0,38	-3,0	17	EUR/USD	1,0812	-0,5	2,8
	FTSE 100	7343,4	0,7	2,8	PT10Y	4,07	-0,6	31	EUR/GBP	0,8682	0,4	1,9
	FTSE MIB	20330,4	1,0	5,7	IT 10Y	2,32	-4,8	50	EUR/NOK	9,2161	-0,1	1,4
	Stoxx600	377,3	0,6	4,4	SP 10	1,67	-1,0	28	USD/CAD	1,3382	0,1	-0,4
	- Banks	144,9	1,2	8,0	iTRAXX	74,8	0,0	3	AUD/USD	0,7633	0,2	5,8
	Nikkei 225	19262,5	1,1	0,4	JPY 2Y	-0,25	0,9	-7	USD/JPY	111,12	0,4	-4,9
SSEC	3249,9	-0,1	4,7	JPY 10Y	0,06	-0,3	1	GBP/USD	1,2448	-0,8	0,9	
Regional	RTS	1125,6	1,0	-2,3	RUS10	7,94	-0,3	-5	USD/RUB	56,993	0,2	-7
	WIG20	2225,41	1,1	14,2	POL 10	3,53	-0,3	-3	EUR/PLN	4,2388	-0,1	-3,7
	PX50	983,2	0,4	6,7	CZ10	0,97	-2,2	107	EUR/RON	4,5520	0,0	0,4
Hungary	BUX	32294	1,3	0,9	3M TB	0,15	0	-1	EUR/HUF	309,60	0,3	0,3
	OTP	8360	2,3	-0,5	1Y	0,23	0	5	USD/HUF	286,24	0,7	-2,5
	MOL	20285	0,3	-1,7	3Y	1,28	-9	42	CHF/HUF	288,38	0,1	0,2
	MTelekom	489	0,4	-1,8	5Y	2,37	1	60	PLN/HUF	72,980	0,4	4,2
	Richter	6600	1,5	6,3	10Y	3,36	-2	16	GBP/HUF	356,27	-0,2	-1

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

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2017 3. 27. 10 : 00	DE	IFO Economic sentiment index (points)	March	112,3	111,0	111,0
28. 14 : 00	HU	Interest rate decision (%)	March	0,9	0,9	0,9
15 : 00	US	Case-Shiller Home Price Index (yoy, %)	Jan.	5,7	5,7	5,6
16 : 00	US	Consumer confidence (point)	March	125,6	114,0	114,8
29. 9 : 00	HU	Unemployment rate (%)	Febr.		-	4,3
16 : 00	US	Pending home sales (mom, %)	Febr.		2,1	-2,8
30. 12 : 00	EZ	Janet Yellen speech (Fed Research Conference)	March		108,3	108,0
14 : 00	DE	CPI (preliminary, yoy, %)	March		1,9	2,2
14 : 00	CZ	Interest rate decision (%)	March		0,05	0,05
14 : 30	US	GDP (third estimate, annualized, qoq, %)	Q4		2,0	2,0*
31. 1 : 30	JP	CPI (yoy, %)	Febr.		-	0,4
1 : 30	JP	core-CPI (yoy, %)	Febr.		0,2	0,1
3 : 00	CN	NBS Manufacturing PMI (points)	March		-	51,6
3 : 00	CN	NBS non-Manufacturing PMI (points)	March		-	54,2
8 : 00	DE	Retail sales (mom, %)	Febr.		0,6	-0,8
9 : 00	HU	Industrial producer prices (yoy, %)	Febr.		-	2,2
9 : 00	HU	Fiscal balance (bn HUF)	Q4		-	287,1
11 : 00	EZ	CPI (preliminary, yoy, %)	March		1,8	2,0
11 : 00	EZ	Core CPI (flash, yoy, %)	March		0,9	0,9
14 : 30	US	Personal income (mom, %)	Febr.		0,4	0,4
14 : 30	US	Personal consumption (adjusted, mom, %)	Febr.		0,2	0,2
15 : 45	US	Chicago PMI (points)	March		56,8	57,4
4. 1. 3 : 45	CN	Caixin Manufacturing PMI (points)	March		-	51,7

Source: Reuters, OTP Research

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