

## Treasury Sales Team

### Headquarter Treasury Sales

**Alexandru Tibuleac**  
0372 31 85 85  
alexandru.tibuleac@otpbank.ro

**Ionut Constandache**  
0372 31 85 86  
ionut.constandache@otpbank.ro

**Corina Bejan**  
0372 31 85 87  
corina.bejan@otpbank.ro

**Andreea Nica**  
0755 000 106  
andreea.nica@otpbank.ro

### Regional Treasury Sales

**Szilamer Kozma - Cluj**  
0755 000 400  
szilamer.kozma@otpbank.ro

**Tudor Zaman - Bucuresti**  
0755 000 199  
tudor.zaman@otpbank.ro

**Alexandru Sabin - Arad**  
0755 000 255  
alexandru.sabin@otpbank.ro



# Global Daily Report

### Summary

- Geopolitical tensions cast shadow on Wednesday's trading
- Safe haven asset prices increased, oil and industrial metal prices fell
- At odds with his campaign promises, Trump will not label China a currency manipulator
- Many US financial companies release their Q1 reports on Thursday.

Most stock indices ended Wednesday's trading in the red; the DAX could avoid losses thanks to Daimler's positive earnings report. The mounting political uncertainty across the globe has discouraged investors. In the run-up to French presidential election campaign, the far left candidate Jean-Luc Melenchon has climbed to the third position, after Marine Le Pen and Emmanuel Macron. The visit of US Foreign Secretary Rex Tillerson to Russia is overshadowed by the intensifying US-Russian tension over Syria. This morning, Asia's stock market closed mixed, the Hong Kong index benefited from the reassuring foreign trade data from China.

In the gloomy sentiment, safe haven asset prices (including gold) soared, while metal prices fell. Crude became cheaper on the back of stronger production and inventories data in the USA.

The major currency pairs made subtle moves yesterday. By Thursday morning, the US dollar weakened on Donald Trump's words: the US President re-iterated that the greenback was too strong. But he also said that he would not call China a currency manipulator, in a reversal from his earlier campaign promises. This mitigates the risk that US-Chinese trade relations may sour. The Czech koruna slightly firmed against the EUR on Wednesday; but on the whole the EUR/CZK has been stable since its sudden fall on 6 April, when the cap on the koruna was scrapped.

Opposing forces influenced US government bond markets. On the one hand, geopolitical tensions boosted demand for safe haven assets. On the other hand, Dallas Fed president Robert Kaplan joined his colleagues in saying that the Fed might begin the gradual shrinking of its USD 4,500 billion balance sheet before the end of this year. The German 10Y yields stayed flat, but EU periphery countries' yields went up on Wednesday.

Today's important macroeconomic releases include China's exports and imports data, and US consumer confidence index. Besides, the US earnings season will continue with financial companies' reports: the Bank of America, Blackrock, Citigroup, JPMorgan, and Wells Fargo all releasing their quarterly figures on the same day.

	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	2344,9	-0,4	4,7	VIX	15,8	4,6	12	WTI	53,11	-0,5	-1,1
	DOW	20591,9	-0,3	4,2	US 2Y	1,24	0,4	4	Brent	55,86	-0,7	-1,7
	Nasdaq100	5377,0	-0,4	10,6	US 10Y	2,30	-0,2	-14	Gold	1286,1	0,9	11,7
	DAX	12154,7	0,1	5,9	GER 2Y	-0,84	-0,1	-5	Silver	18,46	0,9	15,9
	CAC40	5101,1	0,0	4,9	GER 10Y	0,20	-0,9	-1	EUR/USD	1,0664	0,6	1,4
	FTSE 100	7349,0	-0,2	2,9	PT10Y	3,84	0,1	8	EUR/GBP	0,8503	0,2	-0,2
	FTSE MIB	20004,9	-0,5	4,0	IT 10Y	2,28	1,5	46	EUR/NOK	9,1163	0,0	0,3
	Stoxx600	381,9	0,2	5,7	SP 10	1,66	3,4	27	USD/CAD	1,3251	-0,5	-1,3
	- Banks	138,0	-0,6	2,9	iTRAXX	76,8	0,0	6	AUD/USD	0,7520	0,3	4,2
	Nikkei 225	18426,8	-0,7	-3,6	JPY 2Y	-0,22	0,7	-4	USD/JPY	109,00	-0,5	-6,7
SSEC	3274,3	0,0	5,5	JPY 10Y	0,02	0,2	-3	GBP/USD	1,2538	0,4	1,6	
Regional	RTS	1078,7	-1,1	-6,4	RUS10	8,01	0,3	-4	USD/RUB	56,606	-0,5	-8
	WIG20	2214,06	-0,3	13,7	POL 10	3,44	0,0	-5	EUR/PLN	4,2447	0,0	-3,6
	PX50	983,6	-0,9	6,7	CZ10	1,08	6,0	130	EUR/RON	4,5149	0,1	-0,4
Hungary	BUX	32410	0,7	1,3	3M TB	0,15	0	-1	EUR/HUF	312,23	0,1	1,1
	OTP	8104	0,0	-3,5	1Y	0,18	0	0	USD/HUF	292,70	-0,4	-0,3
	MOL	20905	0,2	1,3	3Y	1,09	-2	23	CHF/HUF	291,76	0,1	1,3
	MTelekom	489	-0,2	-1,8	5Y	2,20	-2	43	PLN/HUF	73,530	0,2	5,0
	Richter	6750	2,5	8,7	10Y	3,31	-1	11	GBP/HUF	366,91	0,0	2

\* 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 4. 10.	10 : 30	EZ	Sentix Investor confidence (points)	Apr.	23,9	21,0	20,7	
	11.	9 : 00	HU	Core inflation (yoy, %)	March	1,8	-	1,8
		9 : 00	HU	Inflation (yoy, %)	March	2,7	-	2,9
		9 : 00	HU	Industrial production (second estimate, yoy, %)	Febr.	2,7	-	2,7*
		10 : 30	UK	CPI (yoy, %)	March	2,3	2,3	2,3
		11 : 00	EZ	Industrial production (mom, %)	Febr.	-0,3	0,1	0,9
		11 : 00	DE	ZEW Economic Sentiment (points)	Apr.	19,5	14,0	12,8
	12.	20 : 00	US	Federal budget balance (USDbn)	March	-176,0	-167,0	-192,0
	13.	4 : 00	CN	Import (yoy, %)	March	20,3	18,0	38,1
		4 : 00	CN	Export (yoy, %)	March	16,4	3,2	-1,3
		8 : 00	DE	CPI (final, yoy, %)	March	1,6	1,6	1,6*
		9 : 00	HU	Construction output (yoy, %)	Febr.	15,2	-	18,5
		16 : 00	US	Michigan Consumer confidence (preliminary, points)	Apr.		96,5	96,9
	14.	14 : 30	US	Retail sales (mom, %)	March		0	0
		14 : 30	US	CPI (yoy, %)	March		2,6	2,7
		14 : 30	US	CPI (mom, %)	March		0,0	0,1
		14 : 30	US	core-CPI (yoy, %)	March		2,3	2,2
		14 : 30	US	core-CPI (yoy, %)	March		0,2	0,2
		16 : 00	US	Business inventories (mom, %)	Febr.		0,3	0,3

\*preliminary data

Source: Reuters, OTP Research

**Chief Economist**  
Gergely Tardos  
tardosg@otpbank.hu  
+36 1 374 7273

**Analyst**  
Gábor Pellényi  
pellenyig@otpbank.hu  
+36 1 374 7276

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