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Daily Report

Summary

- The Dow slightly down, S&P added 0.2%, the Nasdaq Composite on new peak.
- Stock markets in Asia were mixed this morning, the Shanghai Composite declined as worse than expected PMI appeared.
- International currency markets were flat, the pound lost 0.5% vs. the dollar.
- Oil prices keep on declining.
- The FOMC's two-day meeting starts today.

US stock indices closed with mixed results on May 1st, while European stock markets were closed for holiday. The US benchmarks advanced towards new highs, but the Dow finally lost 0.1%, while the S&P added 0.2% and the Nasdaq100 rose 0.8%. The Nasdaq Composite reached new historic level. The technology, the financials and the real estate performed the best among the S&P sectors, while the utilities, the consumer staples and the industrials were the worst performers. The semiconductor industry performed the best in the technology segment, Applied Materials gained 2.7% and NVidia rose 2.2% yesterday. Online service sector also was an overperformer, Amazon increased 2.5% and Netflix gained 2.1%. The bank sector suffered intraday losses, after President Trump weighed on breaking up Wall Street Banks, and said in an interview he was examining the revival of 1933 law on the separating commercial and investment banking. The president also said he was open to increasing the US gas tax to fund infrastructure development like improving US Highways. The bipartisan agreement on the spending bill significantly contributed to the change of market sentiment, while investors keep on focusing on corporate earnings. Apple, who is expected to release quarterly results on Tuesday, gained 2.0%, and earning reports from pharma producers Merck and Pfizer alongside Altria and Mastercard are also scheduled for today. 73% of corporates who released their latest results reported better than expected figures, technology companies absolutely overperformed.

Asian stocks markets were also mixed this morning, benchmarks in Japan increased while Chinese stock indices ended in the red. The Shanghai Composite lost 0.3% after worse than expected 50.3 point final April reading of Caixin PMI had been published. The Hang Seng in Hing Kong added a few basis points, but its financial sector index lost 0.5%.

The dollar was flat yesterday, The EURUSD fixing hardly moved from the level registered on Friday, while the greenback strengthened 0.5% against the British pound. The yen gained 0.3% against the dollar on Friday. 10-year US bond yield added 4bps after Treasury Secretary Mnuchin said, the secretary was considering the introduction of ultra-long bonds with maturity over 30 years. On the Hungarian market, the debt management agency sells 3 month discount bills today in the amount of the regular HUF 20bn.

Prices on the commodity markets fell except the industrial metals. The WTI fell 1.1% below 49 USD/barrels, while the Brent declined 0.4%. The British Petroleum is expected to release quarterly earning figures today. Gold futures declined 0.8% while silver futures fell more than 2% on Monday. Copper futures gained 2.1%.

US economic data published yesterday all in all were worse than expected. The personal income and the personal spending data increased on a monthly basis less than expected in March, what's more in the case of spending no growth could be seen at all. Construction spending declined 0.2% m/m and April ISM manufacturing PMI also performed worse than expected.

A lot of important business data are scheduled for today, PMIs in the Eurozone and unemployment data in Germany are yet to be published. ISM New York manufacturing data and vehicle sales statistics are also expected to release on Tuesday.

The FOMC starts two-day meeting today, according to the market expectations rates remain unchanged after the Wednesday's decision. The Australian National Bank holds rate-setting meeting today, the market expects that the 1.5% rate also remains unchanged.

	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	2388,3	0,2	6,7	VIX	10,1	-6,6	-28	WTI	48,84	-1,0	-9,1
	DOW	20913,5	-0,1	5,8	US 2Y	1,28	1,2	8	Brent	51,52	-0,4	-9,3
	Nasdaq100	5629,6	0,8	15,7	US 10Y	2,33	4,5	-11	Gold	1256,3	-0,9	9,1
	DAX	12438,0	0,0	8,3	GER 2Y	-0,73	0,2	6	Silver	16,84	-2,0	5,7
	CAC40	5267,3	0,0	8,3	GER 10Y	0,32	-0,9	11	EUR/USD	1,0898	0,0	3,7
	FTSE 100	7203,9	0,0	0,9	PT10Y	3,55	0,0	-21	EUR/GBP	0,8455	0,5	-0,7
	FTSE MIB	20609,2	0,0	7,1	IT 10Y	2,28	0,3	46	EUR/NOK	9,3663	0,1	3,1
	Stoxx600	386,6	-0,1	7,0	SP 10	1,65	0,0	25	USD/CAD	1,3680	0,2	1,9
	- Banks	149,8	0,2	11,7	ITRAXX	66,5	0,0	-8	AUD/USD	0,7523	0,5	4,3
	Nikkei 225	19437,0	0,7	1,7	JPY 2Y	-0,20	0,2	-2	USD/JPY	111,83	0,3	-4,3
SSEC	3149,8	-0,2	1,5	JPY 10Y	0,02	0,5	-3	GBP/USD	1,2885	-0,5	4,5	
Regional	RTS	1114,4	0,0	-3,3	RUS10	7,61	0,0	-9	USD/RUB	56,960	0,1	-7
	WIG20	2376,87	0,0	22,0	POL 10	3,43	0,0	-5	EUR/PLN	4,2178	-0,2	-4,2
	PX50	1007,9	0,0	9,4	CZ10	0,99	0,0	112	EUR/RON	4,5342	0,0	0,0
Hungary	BUX	32956	0,0	3,0	3M TB	0,15	0	-1	EUR/HUF	311,72	-0,2	0,9
	OTP	8087	0,0	-3,7	1Y	0,22	0	4	USD/HUF	285,97	-0,4	-2,6
	MOL	21650	0,0	4,9	3Y	1,00	0	14	CHF/HUF	288,25	0,0	0,1
	MTelekom	481	0,0	-3,4	5Y	2,15	0	38	PLN/HUF	74,150	0,3	5,9
	Richter	6962	0,0	12,1	10Y	3,24	0	4	GBP/HUF	369,89	-0,3	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 5. 1.	2 : 30	JP	Nikkei Manufacturing PMI (points)	ápr.	52,7	-	52,8
	14 : 30	US	Personal income (mom, %)	márc.	0,2	0,3	0,4
	14 : 30	US	Personal consumption (adjusted, mom, %)	márc.	0,0	0,3	0,1
	16 : 00	US	Construction expenditure (mom, %)	márc.	-0,2	0,4	0,8
	16 : 00	US	ISM Manufacturing PMI (points)	ápr.	54,8	56,4	57,2
2.	9 : 00	HU	Manufacturing PMI (points)	ápr.		-	56,0
	11 : 00	EZ	Unemployment rate (%)	márc.		9,4	9,5
	21 : 30	US	Vehicle sales (annualized monthly, million)	ápr.		17	17
3.	9 : 00	HU	Trade balance (detailed, monthly, EURmn)	febr.		-	633*
	11 : 00	EZ	GDP (preliminary, qoq, %)	Q1		0,5	0,4
	11 : 00	EZ	GDP (preliminary, yoy, %)	Q1		1,7	1,7
	14 : 15	US	ADP non-farm employment (mom, '000s)	ápr.		175	263
	16 : 00	US	ISM non-Manufacturing PMI (points)	ápr.		55,8	55,2
	20 : 00	US	Interest rate decision (%)	máj.		0,75-1,0	0,75-1,0
4.	9 : 00	HU	Retail sales (first estimate, yoy, %)	márc.		-	0,8
	11 : 00	EZ	Retail sales (mom, %)	márc.		0,1	0,7
	16 : 00	US	Factory orders (mom, %)	márc.		0,4	1
5.	9 : 00	HU	Industrial production (preliminary, yoy, %)	márc.		-	2,7
	11 : 00	HU	International reserves (final, EURbn)	márc.		-	24,4*
	11 : 00	HU	Aggregate real MNB home-price index	IV. né.		-	117,6
	14 : 00	RO	Interest rate decision (%)	máj.		1,8	1,8
	14 : 30	US	Unemployment rate (%)	ápr.		4,6	4,5
	14 : 30	US	Average earnings (yoy, %)	ápr.		2,7	2,7
	14 : 30	US	Average earning (mom, %)	ápr.		0	0
	14 : 30	US	Non-farm payroll (mom, '000s)	ápr.		185,0	98,0
	15 : 30	US	Stanley Fischer's speech (Hoover Monetary Policy Conference)	máj.		-	-
7.	23 : 00	FR	Presidential election (second round)	-		-	E. Macron

*preliminary data

Source: Reuters, OTP Research

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