

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

- The developed world's stock markets closed in the red yesterday.
- The fall in crude futures continued; oil prices sank to bear-market territory.
- The GBP weakened as the official Brexit talks began.

Western Europe's leading stock exchanges opened on a bright note on Tuesday, but ran out of impetus later, making most indices slip into negative territory. A more than 1% drop in copper prices weighed on mining companies' performance. A dive in crude prices left its mark on oil and gas businesses' share prices, dragging down America's key indices. Brent's price slid (-1.8%) to a seven-month low of 46 USD/barrel, while the WTI was traded 1.9% lower (at USD 43.5) at the end of Tuesday's session. Technically, the 20% year-to-date dive in the price of black gold marks the return of the bear market.

Asia's leading stock exchanges closed mixed in this morning's trading. Japan's Nikkei225 and Hong Kong's HangSeng both stood 0.5% in the red before the end of trading, while China's Shanghai Composite was seen gaining 0.2% before the close.

As expected, the MNB's Monetary Council left its base rate unchanged, but it reduced the cap on the 3M deposits from HUF 500 bn to 300 bn.

On currency markets, the pound was in the spotlight on Tuesday. Sterling lost 0.9% against the dollar (USD/GBP: 0.79) and went back 0.7% versus the euro (EUR/GBP: 0.88) after the Bank of England's governor Mark Carney voiced concern about Brexit's impact on the economy. The EUR/USD sank 0.2%, to 1.11. In sync with the plunge in oil prices, the RUB weakened 2.4% vs. the USD.

The EIA's report on US oil inventories is worth keeping an eye on today.

	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	2437,0	-0,7	8,9	VIX	10,9	4,7	-23	WTI	43,48	-1,6	-19,1
	DOW	21467,1	-0,3	8,6	US 2Y	1,35	-1,6	15	Brent	46,02	-1,9	-19,0
	Nasdaq100	5726,3	-0,8	17,7	US 10Y	2,15	-3,5	-28	Gold	1242,8	0,0	7,9
	DAX	12814,8	-0,6	11,6	GER 2Y	-0,64	1,5	16	Silver	16,46	0,0	3,3
	CAC40	5293,7	-0,3	8,9	GER 10Y	0,26	-1,6	6	EUR/USD	1,1134	-0,1	5,9
	FTSE 100	7472,7	-0,7	4,6	PT10Y	2,88	0,3	-89	EUR/GBP	0,8813	0,7	3,5
	FTSE MIB	20810,0	-1,0	8,2	IT 10Y	1,92	-3,4	9	EUR/NOK	9,5090	0,3	4,7
	Stoxx600	389,2	-0,7	7,7	SP 10	1,38	-6,0	-1	USD/CAD	1,3264	0,4	-1,2
	- Banks	149,4	-1,6	11,4	iTRAXX	55,6	-0,9	-23	AUD/USD	0,7579	-0,2	5,0
	Nikkei 225	20138,8	-0,5	5,4	JPY 2Y	-0,10	1,2	8	USD/JPY	111,42	-0,1	-4,7
SSEC	3130,4	-0,3	0,9	JPY 10Y	0,06	-0,1	1	GBP/USD	1,2629	-0,8	2,4	
Regional	RTS	981,0	-1,7	-14,9	RUS10	7,85	-0,1	-6	USD/RUB	59,619	2,0	-3
	WIG20	2302,83	-1,3	18,2	POL 10	3,17	0,0	-13	EUR/PLN	4,2466	0,7	-3,6
	PX50	998,2	-0,6	8,3	CZ10	0,90	0,0	92	EUR/RON	4,5952	0,1	1,3
Hungary	BUX	35990	0,1	12,5	3M TB	0,11	1	-5	EUR/HUF	308,88	0,4	0,0
	OTP	9300	0,2	10,7	1Y	0,20	0	2	USD/HUF	277,41	0,4	-5,5
	MOL	22050	0,2	6,9	3Y	0,81	-1	-5	CHF/HUF	284,56	0,6	-1,2
	MTelekom	469	-0,2	-5,8	5Y	1,87	-1	10	PLN/HUF	72,720	-0,4	3,8
	Richter	7190	0,0	15,8	10Y	2,99	-8	-21	GBP/HUF	350,49	-0,3	-3

* 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 6. 20.	14 : 00 HU	Interest rate decision (%)	June	0,9	0,9	0,9
	23 : 00 US	Fed Monetary Policy Report	-	-	-	-
21.	8 : 30 HU	Balance of payment (quarterly, EURbn)	Q1	1,2	1,4	0,7
	9 : 00 HU	Gross wages (yoy, %)	Apr.		-	12,8
	16 : 00 US	Existing home sales (mom, %)	May		5550	5570
22.	10 : 00 HU	MNB Inflation Report	June		-	-
	16 : 00 US	Leading index (mom, %)	May		0,3	0,3
	16 : 00 EZ	Consumer confidence index (flash, points)	June		-3	-3,3
23.	2 : 30 JP	Nikkei Manufacturing PMI (points)	June			53,1
	9 : 00 HU	Retail sales (second estimate, yoy, %)	Apr.		-	3,5*
	9 : 00 FR	Markit Service PMI (points)	June		57	57,2
	9 : 00 FR	Markit Manufacturing PMI (points)	June		54	53,8
	9 : 30 DE	Markit Service PMI (points)	June		55,5	55,4
	9 : 30 DE	Markit Manufacturing PMI (points)	June		59,0	59,5
	10 : 00 EZ	Markit Service PMI (points)	June		56,2	56,3
	10 : 00 EZ	Markit Manufacturing PMI (points)	June		56,8	57
	15 : 45 US	Markit Service PMI (points)	June		53,7	53,6
	15 : 45 US	Markit Manufacturing PMI (points)	June		53	52,7
	16 : 00 US	New home sales (annualized monthly, '000s)	May		597	569

*preliminary data

Source: Reuters, OTP Research

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

Analyst
Beáta Váradi
varadibe@otpbank.hu
+36 1 374 7271

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