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Daily Report

Summary

- Europe's stock markets closed down (except Spain and Italy), while their US peers ground higher yesterday.
- The EUR's drop, triggered by Mario Draghi's words, was transitory: the EUR/USD is trading above 1.14 again.
- Commodity prices edged higher, but oil prices remained well below 50 USD/barrel.

Most of Europe's stock markets closed in the red on Wednesday, but the Madrid and Milan stock exchanges benefited from the words of ECB President Mario Draghi and the Bank of England governor Mark Carney. Both central bankers mentioned the economy's stability and strength, causing a meaningful appreciation of the euro (on Tuesday) and the pound. Raiffeisen Bank International successfully raised capital, with the papers three times oversubscribed; the issued securities will pay 6.125% interest rate by the end of 2022. On a bright trading day in America, all important stock indices closed higher, as optimism surrounded all sectors, only pharmaceuticals were under some pressure.

This morning, Asia followed the direction America showed on Wednesday; stock markets were seen 1% higher ahead of the close.

Recovering from a short-lived drop (after Mario Draghi, in a panel discussion, hinted at the undesirability of the firming euro), the EUR is regained strength against the greenback, and the EUR/USD is trading above 1.14 again. Commodity prices increased yesterday, but that of oil remained well below 50 USD/barrel.

The existing homes statistics released in the USA yesterday missed expectations.

Today's important publications include preliminary inflation figures from Germany, economic sentiment index from the eurozone, the Czech central bank's rate decision, as well as the third release of the first-quarter GDP in the USA. A substantial difference from the expected 1.4% CPI in Germany might influence markets.

	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	2440,7	0,9	9,0	VIX	10,0	-9,3	-29	WTI	44,88	2,4	-16,5
	DOW	21454,6	0,7	8,6	US 2Y	1,35	-1,6	16	Brent	47,31	1,4	-16,7
	Nasdaq100	5753,0	1,4	18,3	US 10Y	2,22	2,5	-21	Gold	1248,8	0,1	8,5
	DAX	12647,3	-0,2	10,2	GER 2Y	-0,60	-2,7	19	Silver	16,77	0,7	5,2
	CAC40	5252,9	-0,1	8,0	GER 10Y	0,35	-0,1	15	EUR/USD	1,1376	0,3	8,2
	FTSE 100	7387,8	-0,6	3,4	PT10Y	2,97	-6,4	-79	EUR/GBP	0,8800	-0,5	3,3
	FTSE MIB	21047,8	1,2	9,4	IT 10Y	2,02	-0,4	19	EUR/NOK	9,5858	0,4	5,5
	Stoxx600	385,8	0,0	6,8	SP 10	1,42	-5,5	3	USD/CAD	1,3037	-1,2	-2,9
	- Banks	155,4	2,0	15,8	iTRAXX	54,4	-0,5	-25	AUD/USD	0,7640	0,8	5,9
	Nikkei 225	20130,4	0,0	5,3	JPY 2Y	-0,12	0,2	6	USD/JPY	112,28	-0,1	-3,9
SSEC	3130,4	-1,3	0,9	JPY 10Y	0,06	0,7	1	GBP/USD	1,2924	0,9	4,8	
Regional	RTS	1002,8	-0,1	-13,0	RUS10	7,68	0,1	-8	USD/RUB	59,219	-0,3	-3
	WIG20	2327,68	-0,7	19,5	POL 10	3,29	0,6	-10	EUR/PLN	4,2285	-0,2	-4,0
	PX50	977,2	0,1	6,0	CZ10	0,90	0,1	92	EUR/RON	4,5473	-0,3	0,3
Hungary	BUX	35456	-0,5	10,8	3M TB	0,11	1	-5	EUR/HUF	309,00	-0,2	0,1
	OTP	9200	-0,9	9,5	1Y	0,20	0	2	USD/HUF	271,71	-0,5	-7,4
	MOL	21115	-1,2	2,3	3Y	0,76	1	-10	CHF/HUF	283,47	-0,3	-1,5
	MTelekom	470	-0,4	-5,6	5Y	1,86	10	9	PLN/HUF	73,080	0,1	4,3
	Richter	7169	0,5	15,4	10Y	3,07	6	-13	GBP/HUF	351,10	0,4	-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. 26. 10 : 00	DE	IFO Economic sentiment index (points)	June	115,1	114,4	114,6
14 : 30	US	Durable goods orders (mom, %)	May	-1,1	-0,5	-0,8
27. 15 : 00	US	Case-Shiller Home Price Index (yoy, %)	Apr.	5,7	5,9	5,9
16 : 00	US	Consumer confidence (point)	June	118,9	116,0	117,9
28. 9 : 00	HU	Unemployment rate (%)	May	4,4	-	4,6
16 : 00	US	Pending home sales (mom, %)	May	-0,8	0,8	-1,3
23 : 55	US	Fed Monetary Policy Report	-	-	-	-
29. 11 : 00	EZ	EC Economic Sentiment Index (points)	June		109,5	109,2
14 : 00	DE	CPI (preliminary, yoy, %)	June		1,4	1,5
13 : 00	CZ	Interest rate decision (%)	June		-	0,05
14 : 30	US	GDP (3rd estimate, qoq, %)	Q1		1,2	1,2*
30. 1 : 30	JP	CPI (yoy, %)	May		-	0,4
1 : 30	JP	core-CPI (yoy, %)	May		0,2	0,3
1 : 50	JP	Industrial production (preliminary, mom, %)	May		-3,2	4,0
3 : 00	CN	NBS Manufacturing PMI (points)	June		51,0	51,2
3 : 00	CN	NBS non-Manufacturing PMI (points)	June		-	54,5
8 : 00	DE	Retail sales (mom, %)	May		0,3	-0,2
9 : 00	HU	Industrial producer prices (yoy, %)	May		-	4,4
9 : 00	HU	Trade balance (detailed, monthly, EURmn)	Apr.		-	878,0*
11 : 00	EZ	CPI (preliminary, yoy, %)	June		1,2	1,4
11 : 00	EZ	Core CPI (flash, yoy, %)	June		1,0	1,0
14 : 30	US	Personal income (mom, %)	May		0,3	0,4
14 : 30	US	Personal consumption (adjusted, mom, %)	May		0,1	0,4
15 : 45	US	Chicago PMI (points)	June		58,0	59,4

* preliminary data

Source: Reuters, OTP Research

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