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Global Daily Report

Summary

- Friday's trading was rather gloomy across the board
- Oil prices have been rising for the seventh day in a row
- US markets will close sooner today and will not open tomorrow on Independence Day

In Friday's unenthusiastic sentiment on global markets, Europe's key stock indices closed in the red: the DAX and the CAC40 dropped 0.7%, and the FTSE100 lost 0.5%. In America, the S&P500 inched up 0.2%, while the NASDAQ100 shed 0.1%. Despite Friday's sour sentiment, global indices closed a successful half-year, thanks to the meaningful improvement in the eurozone's growth prospects, as indicated by economic data, unemployment rate, and the first-quarter GDP figure. On top of that, the outcome of the Dutch and French elections appears to solidify the EU's unity. Moreover, even though elections in Germany have not ended, Angela Merkel's current advantage may be a cause for investors' optimism.

US markets will close earlier today and will not open on Tuesday, to observe Independence Day. This morning Japan's stock exchange barely moved but China's SSE fell nearly 2%.

Currency markets lacked sharp moves in Friday's trading. The US dollar gained 0.2% against the euro and the yen.

Continuing a six-day-long streak, the Brent oil's price was up 1.3% on Friday. That said, black gold's price fell 14% in the first six months of the year, in its sharpest first-half-year plunge since 1998. The rise seen last week can be partly attributed to producers' perception that demand from China has been growing, and to the lower number of active oil wells in the USA. The latter is important because the number of oil rigs had been steadily increasing in the previous 23 weeks. According to the data of the week ending 27 June, money market managers and fund managers have trimmed their net combined futures and options long positions in oil to the lowest level since September, a CFTC (Commodity Futures Trading Commission) survey found. Last week analysts at BofA Merrill Lynch reduced their forecast for average Brent prices in 2017 from USD 54 to USD 50, and lowered their estimate on the WTI from USD 52 to USD 47, since they expect the petroleum production of Libya and Nigeria, as well as the shale oil production of the USA to rise, and because the increase in demand may be somewhat short of expectations. Precious metal prices (gold and silver) slightly dropped in Friday's trading.

	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	2423,4	0,2	8,2	VIX	11,2	-2,3	-20	WTI	46,04	2,5	-14,3
	DOW	21349,6	0,3	8,0	US 2Y	1,39	1,3	19	Brent	47,92	1,1	-15,7
	Nasdaq100	5646,9	0,8	16,1	US 10Y	2,30	3,5	-13	Gold	1241,2	-0,3	7,8
	DAX	12325,1	-0,7	7,4	GER 2Y	-0,57	-1,0	22	Silver	16,57	-0,1	4,0
	CAC40	5120,7	-0,7	5,3	GER 10Y	0,47	1,8	26	EUR/USD	1,1423	-0,1	8,7
	FTSE 100	7312,7	-0,5	2,4	PT10Y	3,02	-0,5	-74	EUR/GBP	0,8769	-0,3	2,9
	FTSE MIB	20584,2	-0,6	7,0	IT 10Y	2,15	0,2	32	EUR/NOK	9,5349	-0,6	4,9
	Stoxx600	379,4	-0,3	5,0	SP 10	1,53	0,7	14	USD/CAD	1,2962	-0,3	-3,5
	- Banks	155,3	-1,1	15,8	iTRAXX	56,0	0,0	-23	AUD/USD	0,7686	0,1	6,5
	Nikkei 225	20055,8	0,1	4,9	JPY 2Y	-0,12	-0,7	6	USD/JPY	112,35	0,2	-3,9
SSEC	3130,4	-1,9	0,9	JPY 10Y	0,08	-0,2	3	GBP/USD	1,3025	0,2	5,6	
Regional	RTS	1001,0	0,1	-13,1	RUS10	7,69	-0,4	-8	USD/RUB	58,921	-0,8	-4
	WIG20	2299,8	-1,3	18,1	POL 10	3,33	-0,8	-8	EUR/PLN	4,2304	-0,2	-3,9
	PX50	980,4	0,5	6,4	CZ10	0,97	0,0	107	EUR/RON	4,5575	-0,2	0,5
Hungary	BUX	35205	0,2	10,0	3M TB	0,11	0	-6	EUR/HUF	308,70	-0,3	0,0
	OTP	9050	-0,9	7,7	1Y	0,19	-1	0	USD/HUF	270,04	-0,2	-8,0
	MOL	21225	0,7	2,9	3Y	0,77	-2	-9	CHF/HUF	282,69	-0,1	-1,8
	MTelekom	472	0,4	-5,2	5Y	1,86	-2	9	PLN/HUF	73,060	0,1	4,3
	Richter	7067	1,1	13,8	10Y	3,12	-1	-8	GBP/HUF	351,70	-0,1	-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 7. 3.	2 : 30	JP Nikkei Manufacturing PMI (points)	June		-	52,0
	9 : 00	HU Manufacturing PMI (points)	June		-	62,1
	9 : 00	HU Budget balance (% of GDP)	Q1		-	-1,8
	11 : 00	EZ Unemployment rate (%)	May		9,2	9,3
	14 : 00	RO Interest rate decision (%)	July		1,75	1,75
	16 : 00	US Construction expenditure (mom, %)	May		0,2	-1,4
	16 : 00	US ISM Manufacturing PMI (points)	-		55,1	54,9
	21 : 30	US Vehicle sales (annualized monthly, million)	June		16,7	16,6
5.	9 : 00	HU Retail sales (first estimate, yoy, %)	May		-	2,0
	11 : 00	EZ Retail sales (mom, %)	May		0,3	0,1
	14 : 00	PL Interest rate decision (%)	July		-	1,5
	16 : 00	US Factory orders (mom, %)	May		-0,4	-0,2
	20 : 00	US FOMC Minutes	June		-	-
	23 : 55	US Fed Monetary Policy Report	July		-	-
6.	8 : 00	DE Industrial orders (mom, %)	May		2,0	-2,1
	9 : 00	HU Industrial production (preliminary, yoy, %)	May		-	-3,0
	11 : 00	HU Fiscal balance (monthly, billion HUF)	June		-	-91,9
	13 : 30	EZ ECB Minutes	June		-	-
	14 : 15	US ADP non-farm employment (mom, '000s)	June		184	253
	16 : 00	US ISM non-Manufacturing PMI (points)	June		56,5	56,9
7.	8 : 00	DE Industrial production (mom, %)	May		0,3	0,8
	8 : 30	HU International reserves (preliminary, EURbn)	June		-	23,7
	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	May		-	865
	10 : 30	UK Industrial production (mom, %)	May		0,4	0,2
	14 : 30	US Unemployment rate (%)	June		4,3	4,3
	14 : 30	US Average earnings (yoy, %)	June		2,6	2,5
	14 : 30	US Average earning (mom, %)	June		0,3	0,2
	14 : 30	US Non-farm payroll (mom, '000s)	June		177	138
	23 : 55	HU Moody's Credit Rating Decision	July			Baa3 (stable)
	23 : 56	DE G-20 Summit (July 7-8.)	July		-	-

Source: Reuters, OTP Research

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