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Global Daily Report

Summary

- The commodity sector picked up in Europe; technology was the strongest player in the USA.
- Oil prices are on the rise again.
- Greece received a new tranche of the bailout package

Europe's stock markets opened the week with gains, chiefly thanks to commodity producers and the energy sector. The Stoxx600 index upped 0.4%; the FTSE climbed 0.3 higher, the CAC40 added 0.4%, and the DAX gained 0.5%. Italy's FTSE MIB advanced 0.8% yesterday. The Q2 earnings reports season is to start soon in Europe. Markets expect near 10% year/year profit increases, a Bloomberg survey found.

Technology names played the strongest role in America; second to it were commodities, owing to the rising oil price. The S&P inched up 0.1%, the Dow shed a few points, while the NASDAQ100 closed 0.7% higher. Within the tech sector, semiconductors were the favourites, but manufacturers of network devices and IT systems also fared well yesterday. Within the S&P sector indices, real property and consumer staples were the losers of the day. Today PepsiCo's earnings reports will fire the starting gun of the Q2 reporting season in the USA; Delta Airlines will follow it on Thursday, while Citigroup, JP Morgan and Wells Fargo will report on Friday.

In Asia's upbeat mood, the Nikkei closed with 0.6% gain, the Shanghai Composite erased earlier losses and ended the session 0.3% higher, and the Hang Seng grew by 1.7%. On the back of this general optimism, Europe is likely to open on a strong note today.

In Monday's trading the EUR/USD hovered in a narrow range, before ending practically at Friday's closing level. The GBP slightly weakened.

On developed bonds markets, yields sank on Monday. Italy and Portugal saw major bond rallies, with the 10Y yields dropping six basis points.

On commodity markets, crude oil prices grew by 0.5% (WTI), and 0.4% (Brent) yesterday. OPEC invited Libya and Nigeria to its 24 July meeting; markets expect these oil exporting countries to join the output freeze agreement to further stabilize prices.

The European Stability Mechanism (ESM) disbursed the latest, EUR 7.7 bn tranche of the rescue package to Greece. The remaining EUR 800 million laid down in the agreement of EU member states and the IMF will be due in September.

Hungary's June inflation figure matched our in-house forecast of 1.9% year/year growth.

	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	2427,4	0,1	8,4	VIX	11,1	-0,7	-21	WTI	44,40	0,1	-17,3
	DOW	21408,5	0,0	8,3	US 2Y	1,39	-2,0	19	Brent	46,88	0,4	-17,5
	Nasdaq100	5694,2	0,7	17,1	US 10Y	2,37	-2,2	-6	Gold	1214,0	0,1	5,4
	DAX	12445,9	0,5	8,4	GER 2Y	-0,60	-0,6	19	Silver	15,63	0,3	-1,9
	CAC40	5165,6	0,4	6,2	GER 10Y	0,54	-3,0	33	EUR/USD	1,1399	0,0	8,4
	FTSE 100	7370,0	0,3	3,2	PT10Y	3,12	-0,2	-64	EUR/GBP	0,8847	0,1	3,9
	FTSE MIB	21190,7	0,8	10,2	IT 10Y	2,27	-5,2	45	EUR/NOK	9,4916	-0,5	4,5
	Stoxx600	381,6	0,4	5,6	SP 10	1,67	-7,2	28	USD/CAD	1,2888	0,1	-4,0
	- Banks	160,0	0,2	19,3	iTRAXX	56,4	-1,8	-22	AUD/USD	0,7605	0,0	5,4
	Nikkei 225	20195,5	0,6	5,7	JPY 2Y	-0,10	-0,2	8	USD/JPY	114,03	0,1	-2,4
SSEC	3130,4	-2,6	0,9	JPY 10Y	0,10	0,1	5	GBP/USD	1,2875	-0,1	4,4	
Regional	RTS	1006,1	1,1	-12,7	RUS10	7,85	-0,5	-6	USD/RUB	60,190	-0,3	-2
	WIG20	2300,66	0,2	18,1	POL 10	3,32	-1,8	-9	EUR/PLN	4,2348	0,1	-3,8
	PX50	999,0	0,7	8,4	CZ10	1,09	0,0	134	EUR/RON	4,5679	-0,1	0,7
Hungary	BUX	35725	0,6	11,6	3M TB	0,10	1	-6	EUR/HUF	307,81	0,0	-0,3
	OTP	9575	0,7	14,0	1Y	0,19	-1	1	USD/HUF	270,04	0,0	-8,0
	MOL	21095	-0,4	2,2	3Y	0,83	-1	-3	CHF/HUF	279,70	-0,2	-2,9
	MTelekom	475	0,8	-4,6	5Y	1,92	-2	15	PLN/HUF	72,680	0,1	3,8
	Richter	6900	1,5	11,1	10Y	3,21	-3	0	GBP/HUF	347,88	-0,1	-4

* 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. 10.	3 : 30 CN	CPI (yoy, %)	June	1,5	1,5	1,5
	8 : 00 DE	Export (mom, %)	May	1,4	0,3	0,9
	10 : 30 EZ	Sentix Investor confidence (points)	July	28,3	-	28,4
11.	9 : 00 HU	Inflation (yoy, %)	June		2,0	2,1
	9 : 00 HU	Core inflation (yoy, %)	June		-	2,10
12.	9 : 00 HU	Industrial production (second estimate, yoy, %)	May		-	8,8*
	11 : 00 EZ	Industrial production (mom, %)	May		0,3	0,5
	16 : 00 US	Janet Yellen testimony (House Financial Services Committee)	June		-	-
	20 : 00 US	Beige Book	July		-	-
13.	4 : 00 CN	Import (yoy, %)	June		13,1	14,8
	4 : 00 CN	Export (yoy, %)	June		8,7	8,7
	8 : 00 DE	CPI (final, yoy, %)	June		1,6	1,6*
	20 : 00 US	Federal budget balance (USDbn)	June		-	-88,4
14.	9 : 00 HU	Construction output (yoy, %)	May		-	22,1
	14 : 30 US	CPI (yoy, %)	June		1,8	1,9
	14 : 30 US	CPI (mom, %)	June		0,1	-0,1
	14 : 30 US	core-CPI (yoy, %)	June		1,7	1,7
	14 : 30 US	core-CPI (mom, %)	June		0,2	0,1
	14 : 30 US	Retail sales (mom, %)	June		0,2	-0,3
	15 : 15 US	Industrial production (mom, %)	June		0,3	0,0
	16 : 00 US	Business inventories (mom, %)	May		0,3	-0,2
	16 : 00 US	Michigan Consumer confidence (preliminary, points)	July		95,8	95,1

* preliminary data

Source: Reuters, OTP Research

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