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Global Daily Report

Summary

- The sentiment did not improve much on global stock markets yesterday; trading volumes are low, only corporate reports may set markets in motion today.
- The USD hit a 2.5-year low.
- The WTI exceeded 50 USD/barrel again. Apple's earnings figures are due out today.

Investment mood did not improve much on the world's stock exchanges on Monday, when they closed mixed on both sides of the Atlantic. The pan-European Stoxx600 index inched down 0.1%, bringing its total loss in July to 0.4%. The FTSE edged up less than 0.1%, the DAX dropped 0.4%, and the CAC40 lost 0.5%. In terms of sectors, carmakers made the smallest advance, while financial service providers were the strongest performers. One of them, HSBC grew by 1.8% as its quarterly figures surprised on the upside.

Of the major US indices, only the Dow could eke out some gain (+0.3%) on Monday. The S&P edged down two points (less than 0.1%), the NASDAQ100 shed 0.5%, the NASDAQ Composite slipped 0.4%, and the Russell 2000, the index of small and mid-cap companies, sank 0.3%. At sector level, financial service providers and utilities were the brightest ones, but their gains could not counterbalance the losses of raw materials and technology names.

Asia's stock markets ended a sanguine session this morning, with all major indices posting gains. China's manufacturing index has beaten expectations, and South Korea's stronger-than-thought exports growth gave rise to a bright trading day.

A string of quarterly reports will see the light of day today. The UK-based BP, Germany's HeidelbergCement AG and Infineon may grab the attention of investors in Europe, and Apple's Q2 results will be the most important one in the USA today.

The USD's continued depreciation on Monday sent the EUR/USD 0.8% higher, the USD/JPY 0.4% lower and the GBP/USD 0.4% higher. The greenback has not been that weak since the beginning of 2015.

On major commodity markets, the across-the-board upswing that started on Friday continued on Monday. The WTI's price surpassed the 50 USD/barrel mark for the first time since May. Copper hit a two-year high and iron ore price is on the rise too.

In the USA, the July reading of the Chicago purchasing managers' index missed expectations, while the Dallas Fed manufacturing index topped forecasts. Pending home sales grew faster in June than had been predicted.

A number of business cycle indicators is due out today, including Caixin in China, the final reading of July Markit PMIs for the eurozone, and the ISM index in the USA. In addition, Eurostat will publish preliminary Q2 GDP data for the whole of the eurozone. In the light of the Bank of England's Thursday rate decision, the July gauge of Britain's manufacturing PMI could be interesting, as well as statistics on home prices. In the USA, updates on personal spending, construction expenditure, and vehicle sales statistics are due out.

In today's meeting, the Reserve Bank of Australia left interest rates on hold, in line with market expectations.

	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	2470,3	-0,1	10,3	VIX	10,3	-0,3	-27	WTI	50,17	0,5	-6,6
	DOW	21891,1	0,3	10,8	US 2Y	1,35	0,0	15	Brent	52,65	0,2	-7,3
	Nasdaq100	5880,3	-0,5	20,9	US 10Y	2,29	0,5	-14	Gold	1269,1	0,0	10,2
	DAX	12118,3	-0,4	5,5	GER 2Y	-0,68	0,7	11	Silver	16,79	0,8	5,4
	CAC40	5093,8	-0,7	4,8	GER 10Y	0,53	-1,2	32	EUR/USD	1,1840	0,8	12,6
	FTSE 100	7372,0	0,0	3,2	PT10Y	2,87	-5,1	-89	EUR/GBP	0,8961	0,2	5,2
	FTSE MIB	21486,9	0,3	11,7	IT 10Y	2,09	-3,2	27	EUR/NOK	9,3127	0,2	2,5
	Stoxx600	377,9	-0,1	4,5	SP 10	1,49	-2,6	10	USD/CAD	1,2477	0,4	-7,1
	- Banks	164,9	0,2	22,9	iTRAXX	52,6	1,2	-27	AUD/USD	0,8002	0,2	10,9
	Nikkei 225	19985,8	0,3	4,6	JPY 2Y	-0,11	0,1	6	USD/JPY	110,25	-0,4	-5,7
SSEC	3213,4	-1,8	3,5	JPY 10Y	0,08	0,2	3	GBP/USD	1,3212	0,6	7,1	
Regional	RTS	1007,1	-0,7	-12,6	RUS10	7,82	0,4	-7	USD/RUB	59,768	0,4	-2
	WIG20	2374,17	0,6	21,9	POL 10	3,37	0,6	-7	EUR/PLN	4,2543	0,0	-3,4
	PX50	1009,0	0,1	9,5	CZ10	0,88	-1,7	88	EUR/RON	4,5579	0,0	0,5
Hungary	BUX	35770	0,1	11,8	3M TB	0,10	0	-6	EUR/HUF	303,95	-0,1	-1,6
	OTP	9560	0,6	13,8	1Y	0,18	1	0	USD/HUF	256,65	-0,9	-12,6
	MOL	22230	0,6	7,7	3Y	0,86	-1	0	CHF/HUF	266,92	-0,2	-7,3
	MTelekom	464	-0,6	-6,8	5Y	1,93	1	16	PLN/HUF	71,470	-0,1	2,0
	Richter	6575	-1,3	5,9	10Y	3,15	-1	-5	GBP/HUF	339,28	-0,2	-6

* 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. 31	1 : 50 JP	Industrial production (preliminary, mom, %)	June	1,6	1,7	-3,6
	3 : 00 CN	NBS Manufacturing PMI (points)	July	51,4	51,6	51,7
	3 : 00 CN	NBS non-Manufacturing PMI (points)	July	54,5		54,9
	8 : 00 DE	Retail sales (mom, %)	June	1,1	0,2	0,5
	9 : 00 HU	Industrial producer prices (yoy, %)	June	1,5	-	2,7
	11 : 00 EZ	CPI (flash, yoy, %)	July	1,3	1,3	1,3
	11 : 00 EZ	Core CPI (flash, yoy, %)	July	1,3	1,1	1,2
	11 : 00 EZ	Unemployment rate (%)	June	9,1	9,2	9,3
	15 : 45 US	Chicago PMI (points)	July	58,9	61,3	65,7
	16 : 00 US	Pending home sales (mom, %)	June	1,5	1,0	-0,8
8. 1.	2 : 30 JP	Nikkei Manufacturing PMI (points)	July	52,1	-	52,4
	9 : 00 HU	Trade balance (detailed, monthly, EUR mn)	May	959,0	-	913,0*
	9 : 00 HU	Manufacturing PMI (points)	July	54,2	-	57,2
	11 : 00 EZ	GDP (preliminary, qoq, %)	Q2		0,6	0,6
	11 : 00 EZ	GDP (preliminary, yoy, %)	Q2		2,1	1,9
	14 : 30 US	Personal income (mom, %)	June		0,4	0,4
	14 : 30 US	Personal consumption (adjusted, mom, %)	June		0,1	0,1
	16 : 00 US	Construction expenditure (mom, %)	June		0,3	0,0
	16 : 00 US	ISM Manufacturing PMI (points)	July		56,5	57,8
	21 : 30 US	Vehicle sales (annualized monthly, million)	July		16,7	16,5
2.	14 : 15 US	ADP non-farm employment (mom, '000s)	July		190	158
3.	9 : 00 HU	Retail sales (first estimate, yoy, %)	June		-	6,0
	11 : 00 EZ	Retail sales (mom, %)	June		0,2	0,4
	13 : 00 UK	Interest rate decision (%)	Aug.		0,25	0,25
	16 : 00 US	Factory orders (mom, %)	June		2,7	-0,8
	16 : 00 US	ISM non-Manufacturing PMI (points)	July		57,0	57,4
4.	8 : 00 DE	Industrial orders (mom, %)	June		0,5	1,0
	9 : 00 HU	Industrial production (preliminary, yoy, %)	June		-	8,8
	10 : 00 HU	Real MNB house price index	Q1		-	105,9
	14 : 00 RO	Interest rate decision (%)	Aug.		1,8	1,8
	14 : 30 US	Unemployment rate (%)	July		4,3	4,4
	14 : 30 US	Average earnings (yoy, %)	July		2,4	2,5
	14 : 30 US	Average earning (mom, %)	July		0,3	0,2
	14 : 30 US	Non-farm payroll (mom, '000s)	July		187	222

*preliminary data

Source: Reuters, OTP Research

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