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Daily Report

Summary

- A number of embarrassing signs send advanced economies' stock markets lower
- The EUR appreciated yesterday
- The Fed's two-day symposium started today, with Janet Yellen and Mario Draghi speaking on Friday.

Developed equity markets headed down yesterday. Investors were cautious as President Trump's envisioned that free trade talks with Canada and Mexico may fail, and he warned twice to close the government, while the October deadline for raising the debt ceiling is also approaching. If the latter fails, Fitch may review its US sovereign debt rating, the agency said. In Europe, Germany's environment minister said diesel engines should be mechanically modified, in addition to rewriting the software, which may cost billions of euros to car manufacturers.

The ECB's President Mario Draghi spoke about the future of the euro without giving out new information. Wednesday's uptick in the EUR/USD above 1.18 may have been caused by the US developments. Today the Fed's usual two-day meeting kicks off in Jackson Hole, where Janet Yellen's and Mario Draghi's speeches on Friday are likely to get plenty of investor attention.

This morning the EUR/USD started to sink again, and Asia's markets moved in various directions, changing less than 1%.

The eurozone published better-than-expected manufacturing purchasing manager index yesterday. The US services sector PMI surprised on the upside. The August reading of the European Commission's economic sentiment index continued its uptick, wrong-footing analysts who had projected a slight deterioration.

Today's important macroeconomic statistics include inflation figures from Japan, and existing home sales data from the USA. Wednesday's release of US new home sales statistics missed expectations – a similarly disappointing home sales figure would bode ill for households' 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	2444,0	-0,3	9,2	VIX	12,3	7,9	-13	WTI	48,41	1,5	-9,9
	DOW	21812,1	-0,4	10,4	US 2Y	1,31	-1,3	12	Brent	52,57	1,3	-7,5
	Nasdaq100	5851,8	-0,4	20,3	US 10Y	2,17	-4,4	-26	Gold	1289,7	0,4	12,0
	DAX	12174,3	-0,5	6,0	GER 2Y	-0,73	-1,1	6	Silver	17,02	0,3	6,8
	CAC40	5115,4	-0,3	5,2	GER 10Y	0,38	-2,5	17	EUR/USD	1,1805	0,4	12,3
	FTSE 100	7382,7	0,0	3,4	PT10Y	2,81	5,3	-95	EUR/GBP	0,9226	0,6	8,3
	FTSE MIB	21620,3	-0,5	12,4	IT 10Y	2,12	1,8	29	EUR/NOK	9,2893	-0,1	2,2
	Stoxx600	373,9	-0,5	3,5	SP 10	1,45	-0,3	5	USD/CAD	1,2555	0,0	-6,5
	- Banks	159,3	-0,3	18,8	ITRAXX	58,0	1,1	-20	AUD/USD	0,7902	-0,1	9,5
	Nikkei 225	19353,8	-0,4	1,3	JPY 2Y	-0,14	-0,7	4	USD/JPY	109,02	-0,5	-6,7
SSEC	3281,6	-0,2	5,7	JPY 10Y	0,03	-1,1	-2	GBP/USD	1,2798	-0,2	3,7	
Regional	RTS	1045,0	0,5	-9,3	RUS10	7,79	-0,1	-7	USD/RUB	59,045	0,0	-4
	WIG20	2391,06	0,2	22,7	POL 10	3,32	-0,4	-9	EUR/PLN	4,2842	0,2	-2,7
	PX50	1031,3	-0,2	11,9	CZ10	0,93	5,0	99	EUR/RON	4,5845	0,1	1,1
Hungary	BUX	37753	0,3	18,0	3M TB	0,10	0	-6	EUR/HUF	302,46	-0,2	-2,1
	OTP	10345	0,1	23,2	1Y	0,15	0	-3	USD/HUF	256,14	-0,5	-12,7
	MOL	23550	0,7	14,1	3Y	0,86	-3	0	CHF/HUF	265,24	-0,5	-7,9
	MTelekom	479	-0,2	-3,8	5Y	1,89	0	12	PLN/HUF	70,570	-0,4	0,7
	Richter	6660	0,7	7,2	10Y	3,03	-3	-17	GBP/HUF	327,71	-0,8	-9

* 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 8. 22.	9 : 00 HU	ZEW Economic Sentiment Index (point)	June	14,4	-	12,9
	11 : 00 DE	ZEW Economic Sentiment (points)	Aug.	10	15,0	17,5
	14 : 00 HU	Interest rate decision (%)	Aug.	0,9	0,9	0,9
23.	9 : 00 HU	Retail sales (second estimate, yoy, %)	June	5,2	-	5,5*
	10 : 00 EZ	Markit Manufacturing PMI (points)	Aug.	57,4	56,3	56,6
	10 : 00 EZ	Markit Service PMI (points)	Aug.	54,9	55,4	55,4
	15 : 45 US	Markit Manufacturing PMI (points)	Aug.	52,5	53,3	53,3
	15 : 45 US	Markit Service PMI (points)	Aug.	56,9	54,9	54,7
	16 : 00 EZ	EC Economic Sentiment Index (points)	Aug.	-1,5	-1,8	-1,7
	16 : 00 US	New home sales (annualized monthly, thousand)	July	571	612	630
24.	1 : 30 JP	Inflation (yoy, %)	July		-	0,4
	1 : 30 JP	Core inflation (yoy, %)	July		0,5	0,4
	10 : 00 PL	Unemployment rate (%)	July		7,0	7,1
	10 : 30 UK	GDP (detailed, yoy, %)	Q2		1,7	1,7*
	16 : 00 US	Existing home sales (mom, %)	July		5530	5520
25.	8 : 00 DE	GDP (detailed, yoy, %)	Q2		2,1	2,1*
	10 : 00 DE	IFO Economic sentiment index (points)	Aug.		115,5	116,0
	14 : 30 US	Durable goods orders (mom, %)	July		-4,0	6,4

*preliminary data

Source: Reuters, OTP Research

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