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Global Daily Report

Summary

- Bucking the positive trend on global stock markets, the CEE region's indices sank on Friday
- The US labour market data disappointed
- The New York Fed president may step down this week
- Oil prices rose 2%

In Friday's European trading, the DAX advanced 0.3%, the CAC40 and the FTSE100 inched up 0.1% each. Their American peers also made gains: the S&P500 added 0.3%, while the NASDAQ100 rallied almost 1%. Despite the optimism elsewhere in the world, Central and Eastern Europe's indices sank on Friday. The WIG20 shed 0.3% and the BUX fell 1%.

America's stock markets closed higher even though the labour market data published in the USA on Friday were underwhelming on the whole. Non-farm payrolls expanded by 261,000 'only', wrong-footing investors who had expected job growth to exceed 300,000. Although the unemployment rate fell to 4.1%, wage dynamic declined to 2.4% in October from the same period of the previous year, down from 2.7% in the previous month. Despite the pale data, the US dollar firmed 0.4% against the euro, but it barely changed versus the yen or the pound sterling.

Oil prices ground higher, with the Brent surging 2.6% and the WTI adding 2%. The increase came partly because the number of oil rigs in America dropped by eight, the data released on Friday showed. Another possible factor is the strengthening demand and the expectation that OPEC will extend its production freezing measures. In precious metals, gold price sank 0.7%, and silver slipped 1.7%.

Last week President Trump nominated Jerome Powell to take the helm of the Fed – for the first time in many decades the term of a chair will not be prolonged for a second cycle. Investors expect that the new chairman will loosen financial regulation. Analysts at Commerzbank also point out that Mr. Powell, who does not have a doctorate in economics (he is a law-school graduate), is more likely to seek consensus in monetary policy decisions, which could make the transition smoother. ING Bank's economists underline that during his five-year-long history at the Federal Reserve Mr. Powell never voted against the majority, so he is likely to govern by consensus. According to the CNBC's sources, the New York Fed chair William Dudley may announce his resignation this week, which move is reportedly not related to President Trump's decisions.

	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	2587,8	0,3	15,6	VIX	9,1	-8,0	-35	WTI	54,54	0,4	1,5
	DOW	23539,2	0,1	19,1	US 2Y	1,63	1,3	43	Brent	62,07	2,4	9,2
	Nasdaq100	6295,6	0,8	29,4	US 10Y	2,34	-0,6	-9	Gold	1269,5	-0,5	10,2
	DAX	13478,9	0,3	17,4	GER 2Y	-0,75	-0,2	4	Silver	16,80	-1,6	5,5
	CAC40	5518,0	0,1	13,5	GER 10Y	0,37	-0,6	16	EUR/USD	1,1607	-0,4	10,4
	FTSE 100	7560,4	0,1	5,8	PT10Y	2,06	-4,8	-170	EUR/GBP	0,8876	-0,6	4,2
	FTSE MIB	23014,1	-0,1	19,6	IT 10Y	1,79	-1,8	-4	EUR/NOK	9,4897	0,1	4,4
	Stoxx600	396,1	0,3	9,6	SP 10	1,48	-0,8	8	USD/CAD	1,2761	-0,4	-5,0
	- Banks	159,8	-1,3	19,2	ITRAXX	49,3	-1,1	-32	AUD/USD	0,7650	-0,8	6,0
	Nikkei 225	22597,3	0,3	18,2	JPY 2Y	-0,18	-1,9	0	USD/JPY	114,06	0,0	-2,4
SSEC	3368,8	-0,1	8,5	JPY 10Y	0,03	-2,7	-2	GBP/USD	1,3074	0,1	6,0	
Regional	RTS	1109,4	-0,8	-3,7	RUS10	7,63	0,4	-9	USD/RUB	59,051	1,5	-4
	WIG20	2494,52	-0,3	28,1	POL 10	3,48	0,1	-4	EUR/PLN	4,2439	0,3	-3,6
	PX50	1051,6	-1,4	14,1	CZ10	1,58	-4,5	239	EUR/RON	4,5926	-0,1	1,3
Hungary	BUX	39763	-1,0	24,2	3M TB	0,03	0	-13	EUR/HUF	310,64	0,0	0,6
	OTP	10675	-0,4	27,1	1Y	0,06	0	-12	USD/HUF	267,52	0,4	-8,9
	MOL	3170	-3,9	22,9	3Y	0,54	-3	-32	CHF/HUF	267,51	0,3	-7,1
	MTelekom	469	1,1	-5,8	5Y	1,25	-4	-52	PLN/HUF	73,210	-0,2	4,5
	Richter	6808	0,3	9,6	10Y	2,46	-5	-74	GBP/HUF	350,13	0,7	-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 11. 6.	8 : 00	DE Industrial orders (mom, %)	Sept.		-1,5	3,6
	10 : 30	EZ Sentix Investor confidence (points)	Nov.		30,8	29,7
7.	8 : 00	DE Industrial production (mom, %)	Sept.		-0,8	2,6
	9 : 00	HU Retail sales (first estimate, yoy, %)	Sept.		-	4,7
	11 : 00	HU International reserves (preliminary, EURbn)	Oct.		-	22,2
	11 : 00	EZ Retail sales (mom, %)	Sept.		0,6	-0,5
	11 : 00	HU Fiscal balance (monthly, billion HUF)	Oct.		-	-256,4
	14 : 00	RO Interest rate decision (%)	Nov.		1,8	1,8
	0 : 0	EZ Speech of Mario Draghi	-		-	-
8.	4 : 00	CN Export (yoy, %)	Oct.		-	8,1
	4 : 00	CN Import (yoy, %)	Oct.		-	18,7
	9 : 00	HU Industrial production (preliminary, yoy, %)	Sept.		-	6,8
	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	Sept.		-	458,0
	14 : 00	PL Interest rate decision (%)	Nov.		-	1,5
9.	8 : 00	DE Export (mom, %)	Sept.		-1,1	3,1
	9 : 00	HU Inflation (yoy, %)	Oct.		-	2,5
	9 : 00	HU Core inflation (yoy, %)	Oct.		-	2,9
	11 : 00	EU EC Economic Forecast	-		-	-
10.	10 : 30	UK Industrial production (mom, %)	Sept.		0,3	0,2
	16 : 00	US Michigan Consumer confidence (preliminary, points)	Nov.		101	101
	0 : 0	HU Fitch Credit Rating Decision	-		-	BBB- (stabil)

Source: Reuters, OTP Research

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