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Global Daily Report

Summary

- The developed world's markets closed with losses on Tuesday.
- Crude oil prices fell further, and the key industrial metals shrank nearly 2%.
- The Q3 GDP data published yesterday paint a reassuring picture on Europe's growth prospects.
- The USA is to reveal October inflation data today.

Western Europe's stock markets edged lower in Tuesday's session. The plunge in Frankfurt was headed by RWE, whose nose-dive headed the downward moves, despite the cheering figures in its third-quarter earnings report. In Paris, base material producers, energy-related businesses, and the financial sector were ailing.

In the USA, the slip in black gold and industrial metals prices weighed on mining and energy-related companies, and the benchmark indices fell, as did their European peers. In the weakest performance within the Dow's components, GE slid 5.9% on news that is about to cut costs. Crude oil futures slipped nearly 2% by the end of the day, the Brent sank below 62 USD/barrel. The most important industrial metals contracted by about 2%, with the exception of nickel's 5.5% slump. Meanwhile US 10Y bond yield dropped three basis points, to 2.38%.

Speaking at the ECB'S conference on central banks' communication, the Fed's outgoing chair Janet Yellen said yesterday that markets expect more specific guidance from central banks than central bankers think is in fact required. Investors' attention focused on the third-quarter GDP data released in Europe, most of which surprised on the upside. The gross domestic product of the eurozone and Europe expanded by 2.5%, Germany surged 2.8%, and France grew by 2.2%, the seasonally adjusted year/year data showed. Romania's stellar performance (+8.6% year/year) was followed by Latvia (6.2%). In Central and Eastern Europe, Poland and the Czech Republic grew by 5.0%, and Slovakia expanded by 3.4% (year over year, seasonally adjusted data). Economic growth in Hungary was at 3.6% (year/year) in the third quarter.

In this morning's trading Asia's stock markets fell sharply. The energy sector took the hardest hit, in sync with the dip in crude oil prices.

Today the USA will publish retail sales and inflation data.

	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	2578,9	-0,2	15,2	VIX	11,6	0,8	-17	WTI	55,06	-3,0	2,5
	DOW	23409,5	-0,1	18,5	US 2Y	1,69	0,4	49	Brent	62,21	-1,5	9,5
	Nasdaq100	6293,6	-0,4	29,4	US 10Y	2,38	-1,9	-5	Gold	1280,6	0,2	11,2
	DAX	13033,5	-0,3	13,5	GER 2Y	-0,74	-0,2	5	Silver	17,01	-0,2	6,8
	CAC40	5315,6	-0,5	9,3	GER 10Y	0,40	-2,1	19	EUR/USD	1,1796	1,1	12,2
	FTSE 100	7414,4	0,0	3,8	PT10Y	1,97	-2,3	-179	EUR/GBP	0,8961	0,8	5,2
	FTSE MIB	22297,1	-0,6	15,9	IT 10Y	1,82	-0,7	0	EUR/NOK	9,6517	1,3	6,2
	Stoxx600	383,9	-0,6	6,2	SP 10	1,53	-0,1	14	USD/CAD	1,2729	0,0	-5,2
	- Banks	158,3	0,0	18,0	iTRAXX	52,7	1,6	-27	AUD/USD	0,7629	0,1	5,7
	Nikkei 225	22028,3	-1,6	15,2	JPY 2Y	-0,18	-0,6	-1	USD/JPY	113,44	-0,1	-2,9
SSEC	3368,8	-1,8	8,5	JPY 10Y	0,04	-0,8	-1	GBP/USD	1,3163	0,4	6,7	
Regional	RTS	1136,9	-1,0	-1,3	RUS10	7,75	0,5	-8	USD/RUB	60,441	1,8	-1
	WIG20	2464,35	0,4	26,5	POL 10	3,45	0,7	-5	EUR/PLN	4,2453	0,2	-3,6
	PX50	1062,5	0,0	15,3	CZ10	1,74	-2,1	273	EUR/RON	4,6410	-0,2	2,3
Hungary	BUX	39140	-0,3	22,3	3M TB	0,03	0	-13	EUR/HUF	311,63	0,0	0,9
	OTP	10100	-0,5	20,2	1Y	0,06	0	-12	USD/HUF	264,08	-1,1	-10,0
	MOL	3152	-1,2	22,2	3Y	0,65	1	-21	CHF/HUF	266,86	-0,4	-7,3
	MTelekom	473	-0,6	-5,0	5Y	1,25	0	-52	PLN/HUF	73,350	-0,2	4,7
	Richter	6910	-0,2	11,3	10Y	2,33	0	-87	GBP/HUF	347,52	-0,8	-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 11. 13.	9 : 00	HU Construction output (yoy, %)	Sept.	23,8	-	4,1
	9 : 00	HU Industrial production (second estimate, yoy, %)	Sept.	5,4	-	5,4*
	20 : 00	US Federal budget balance (USDbn)	Oct.	-63,2	-50,0	8,0
14.	3 : 00	CN Infrastructural spending (yoy, %)	Oct.	7,3	7,4	7,5
	3 : 00	CN Industrial production (yoy, %)	Oct.	6,2	6,3	6,6
	3 : 00	CN Retail sales (yoy, %)	Oct.	10,0	10,4	10,3
	8 : 00	DE CPI (final, yoy, %)	Oct.	1,5	1,6	1,6*
	8 : 00	DE GDP (preliminary, yoy, %)	Q3	2,8	2,2	2,2
	8 : 00	DE GDP (preliminary, qoq, %)	Q3	0,8	0,6	0,6
	8 : 00	RO GDP (preliminary, yoy, %)	Q3	8,8	5,8	6,1
	9 : 00	CZ GDP (preliminary, yoy, %)	Q3	5,0	-	4,7
	9 : 00	HU GDP (preliminary, yoy, %)	Q3	3,6	3,7	3,2
	9 : 00	HU GDP (preliminary, qoq, %)	Q3	0,8	0,7	0,9
	9 : 00	SK GDP (preliminary, yoy, %)	Q3	3,3	3,4	3,3
	10 : 00	IT GDP (preliminary, yoy, %)	Q3	1,8	1,6	1,5
	10 : 00	PL GDP (preliminary, yoy, %)	Q3	4,7	4,4	3,9
	10 : 30	UK Inflation (yoy, %)	Oct.	3,0	3,1	3,0
	10 : 30	UK Core inflation (yoy, %)	Oct.	2,7	2,8	2,7
	11 : 00	EZ Industrial production (mom, %)	Sept.	-0,6	-0,5	1,4
	11 : 00	DE ZEW Economic Sentiment (points)	Nov.	18,7	19,2	17,6
	11 : 00	EZ GDP (second estimate, yoy, %)	Q3	2,5	2,5	2,5*
	11 : 00	EZ GDP (second estimate, qoq, %)	Q3	0,6	0,6	0,6*
		EZ ECB Communications Conference		-	-	-
15.	0 : 50	JP GDP (preliminary, qoq, %)	Q3	0,3	0,3	0,6
	14 : 30	US CPI (yoy, %)	Oct.		2,2	2,2
	14 : 30	US CPI (mom, %)	Oct.		0,1	0,5
	14 : 30	US core-CPI (yoy, %)	Oct.		1,7	1,7
	14 : 30	US core-CPI (mom, %)	Oct.		0,2	0,1
	14 : 30	US Retail sales (mom, %)	Oct.		0,1	1,6
	14 : 30	US New York Fed Manufacturing index (points)	Nov.		27,0	30,2
	16 : 00	US Business inventories (mom, %)	Sept.		0,0	0,7
16.	10 : 30	UK Retail sales (mom, %)	Oct.		0,0	-0,8
	11 : 00	EZ CPI (final, yoy, %)	Oct.		1,4	1,4*
	15 : 15	US Industrial production (mom, %)	Oct.		0,5	0,3
17.	14 : 30	US Housing starts (annualized monthly, '000s)	Oct.		1190	1127
	14 : 30	US Building permits (annualized monthly, '000s)	Oct.		1247	1225

* preliminary data

Source: Reuters, OTP Research

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