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# Global Daily Report

### Summary

- Buyers ruled the developed world's stock markets, helping the S&P500 and the Dow hit new highs.
- A gas explosion hit Austria's largest gas hub.
- The Fed's last rate-setting meeting this year, ending today, is widely expected to raise interest rates.

Reversing the morning's downward moves, the major indices of Western Europe achieved gains yesterday, with France's CAC40 (+0.8%) being the strongest performer. In corporate news, Germany's traffic watchdog ordered Volkswagen to recall 57,600 Volkswagen Touareg SUVs; the carmaker's share price fell 0.7% by the end of trading.

The Dow and the S&P500 closed at new record highs but the NASDAQ100 dropped 0.2% on Tuesday. Investors focussed on Tuesday's election for Alabama Senate seat and the rate decision to be made by the Fed today. Democrat candidate Doug Jones's victory in the Alabama elections reduced Republicans' majority in Senate to 51-49. Of the S&P's sector indices, the financial sector underperformed, but utilities was the weakest sector. The USD gained 0.2% versus the EUR; the US 10Y yield edged one basis point higher.

Tuesday's optimism spilled over to the mainland China and the Hong Kong stock exchanges, but Japan's Nikkei225 stood 0.5% in the red this morning.

Brent futures dropped almost 2% even though the price pierced through the 65 USD/barrel line at one point on Tuesday as one of the most important oil pipelines in the world had been damaged. Natural gas market was shaken by an explosion in Austria. As a result, one of the largest gas hubs of the region was stopped for an undetermined period but this has not disrupted natural gas supplies.

Investors' attention will shift to America today. The most important event of the day, the Fed's last rate-setting meeting this year, is widely expected to raise interest rates by 25 basis points. The USA will also release November inflation figures today.

	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	2664,1	0,2	19,0	VIX	9,9	6,2	-29	WTI	57,45	-0,9	6,9
	DOW	24504,8	0,5	24,0	US 2Y	1,83	0,8	63	Brent	63,34	-2,1	11,5
	Nasdaq100	6383,7	-0,2	31,3	US 10Y	2,40	1,8	-3	Gold	1243,5	0,1	8,0
	DAX	13183,5	0,5	14,8	GER 2Y	-0,74	-0,4	5	Silver	15,72	0,1	-1,3
	CAC40	5427,2	0,7	11,6	GER 10Y	0,32	2,6	11	EUR/USD	1,1740	-0,2	11,7
	FTSE 100	7500,4	0,6	5,0	PT10Y	1,83	4,5	-193	EUR/GBP	0,8816	-0,1	3,5
	FTSE MIB	22727,3	0,2	18,2	IT 10Y	1,70	5,1	-12	EUR/NOK	9,7992	-0,7	7,9
	Stoxx600	391,6	0,7	8,4	SP 10	1,47	5,4	7	USD/CAD	1,2860	0,0	-4,2
	- Banks	163,9	0,1	22,2	iTRAXX	47,4	0,0	-35	AUD/USD	0,7557	0,4	4,7
	Nikkei 225	22758,1	-0,5	19,1	JPY 2Y	-0,15	-0,1	3	USD/JPY	113,53	0,0	-2,9
SSEC	3368,8	2,7	8,5	JPY 10Y	0,05	0,4	0	GBP/USD	1,3315	-0,2	7,9	
Regional	RTS	1149,9	0,5	-0,2	RUS10	7,62	0,3	-9	USD/RUB	59,204	0,5	-3
	WIG20	2413,68	1,1	23,9	POL 10	3,25	1,0	-11	EUR/PLN	4,2089	0,3	-4,4
	PX50	1059,5	0,1	15,0	CZ10	1,42	0,1	205	EUR/RON	4,6270	-0,1	2,0
Hungary	BUX	38018	1,2	18,8	3M TB	0,03	0	-13	EUR/HUF	313,83	-0,2	1,6
	OTP	10280	2,4	22,4	1Y	0,06	0	-12	USD/HUF	267,21	0,0	-9,0
	MOL	2935	0,3	13,8	3Y	0,62	-3	-24	CHF/HUF	269,47	0,0	-6,4
	MTelekom	467	-0,4	-6,2	5Y	1,20	1	-57	PLN/HUF	74,530	-0,5	6,4
	Richter	6400	0,0	3,1	10Y	2,17	1	-104	GBP/HUF	355,82	-0,2	-1

\* 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 12. 12.	10 : 30	UK Inflation (yoy, %)	Nov.	3,1	3,0	4,1
	10 : 30	UK Core inflation (yoy, %)	Nov.	2,7	2,7	2,7
	11 : 00	DE ZEW Economic Sentiment (points)	Dec.	17,4	17,3	18,7
	20 : 00	US Federal budget balance (USDbn)	Nov.	-139	-	-63,0
13.	8 : 00	DE CPI (final, yoy, %)	Nov.	1,8	1,8	1,8*
	9 : 00	HU Industrial production (second estimate, yoy, %)	Oct.		-	7,6*
	11 : 00	EZ Industrial production (mom, %)	Oct.		-0,4	-0,6
	14 : 30	US CPI (yoy, %)	Nov.		2,0	2,0
	14 : 30	US CPI (mom, %)	Nov.		0,3	0,1
	14 : 30	US core-CPI (yoy, %)	Nov.		1,7	1,8
	14 : 30	US core-CPI (mom, %)	Nov.		0,2	0,2
	20 : 00	US Interest rate decision (%)	Dec.		1,25-1,5	1-1,25
14.	1 : 30	JP Nikkei Manufacturing PMI (points)	Dec.		-	53,8
	3 : 00	CN Infrastructural spending (yoy, %)	Nov.		7,2	7,3
	3 : 00	CN Industrial production (yoy, %)	Nov.		6,0	6,2
	3 : 00	CN Retail sales (yoy, %)	Nov.		10,2	10,0
	9 : 00	FR Markit Service PMI (points)	Dec.		59,9	60,4
	9 : 00	FR Markit Manufacturing PMI (points)	Dec.		57,2	57,7
	9 : 30	DE Markit Service PMI (points)	Dec.		54,6	54,3
	9 : 30	DE Markit Manufacturing PMI (points)	Dec.		62,1	62,5
	10 : 00	EZ Markit Service PMI (points)	Dec.		55,8	56,2
	10 : 00	EZ Markit Manufacturing PMI (points)	Dec.		59,7	60,1
	10 : 30	UK Retail sales (mom, %)	Nov.		0,4	0,3
	13 : 00	UK Interest rate decision (%)	Dec.		0,5	0,5
	13 : 45	EZ Interest rate decision (lending rate, %)	Dec.		0,0	0,0
	13 : 45	EZ Interest rate decision (deposit rate, %)	Dec.		-0,4	-0,4
	14 : 30	US Retail sales (mom, %)	Nov.		0,3	0,2
	15 : 45	US Markit Service PMI (points)	Dec.		55,0	54,5
	15 : 45	US Markit Manufacturing PMI (points)	Dec.		54	54
	16 : 00	US Business inventories (mom, %)	Oct.		-0,1	0,0
15.	9 : 00	HU Construction output (yoy, %)	Oct.		-	24
	14 : 30	US New York Fed Manufacturing index (points)	Dec.		19,3	19,4
	15 : 15	US Industrial production (mom, %)	Nov.		0,4	0,9

\*preliminary data

Source: Reuters, OTP Research

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