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Global Daily Report

Summary

- Thursday's trading sentiment was rather sourish in Europe but investors in the USA were more upbeat
- The ECB minutes did not convey new information, yet the euro firmed against the dollar
- Oil prices pierced through the USD 70 line for the first time since 2014

Thursday's trading ended with mixed results on global stock markets. In Europe, the DAX lost 0.6%, the CAC40 shed 0.3%, while the FTSE100 added 0.2%. On the other side of the Atlantic, the S&P500 and the NASDAQ100 advanced 0.7% each. Energy and technology companies were the winners of the day in US trading.

In Thursday's bright sentiment in the CEE region, the WIG20 surged 0.9%, and the BUX rose by 0.3%.

This morning Asia ended a rather unenthusiastic trading, with the Nikkei dropping 0.2% and China's SSEC falling 1.7%.

Currency markets has an uneventful morning but publishing the minutes of the ECB's latest interest rate decision made the euro firm against the US dollar even though it did not contain new information. Some voices say that the market may be speculating that Europe's central bank may abandon its bond purchase programme sooner than planned. However, neither the officials nor the minutes of ECB hinted at that. All in all, the euro firmed 0.6% against the USD.

In Germany the exploratory negotiations about forming a government are faring well, Reuters reported. This opens the way to official coalition talks.

In the commodity world, the Brent made a brief visit above the USD 70 line in Thursday's trading – a level last seen three years ago. It is the stronger demand, OPEC's output freeze and the mounting geopolitical risks that drive oil prices higher.

| | 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 | 2767,6 | 0,7 | 3,5 | VIX | 9,9 | 1 | -11 | WTI | 63,80 | 0,6 | 5,6 |
| | DOW | 25574,7 | 0,8 | 3,5 | US 2Y | 2,0 | 0 | 8 | Brent | 69,26 | 0,1 | 3,6 |
| | Nasdaq100 | 6708,5 | 0,7 | 4,9 | US 10Y | 2,5 | -2 | 12 | Arany | 1322,34 | 0,4 | 1,5 |
| | DAX | 13202,9 | -0,6 | 2,2 | GER 2Y | -0,6 | 6 | 8 | Ezüst | 16,97 | 0,2 | 0,1 |
| | CAC40 | 5488,6 | -0,3 | 3,3 | GER 10Y | 0,5 | 5 | 10 | EUR/USD | 1,20 | 0,7 | 0,3 |
| | FTSE 100 | 7762,9 | 0,2 | 1,0 | PT10Y | 1,8 | -2 | -11 | EUR/GBP | 0,89 | 0,4 | 0,0 |
| | FTSE MIB | 23305,3 | 0,6 | 6,6 | IT 10Y | 2,1 | 2 | 6 | EUR/NOK | 9,64 | 0,0 | -2,1 |
| | Stoxx600 | 397,3 | -0,3 | 2,1 | SP 10 | 1,5 | -1 | -3 | USD/CAD | 1,25 | -0,2 | -0,5 |
| | - Banks | 174,2 | 0,8 | 5,6 | iTRAXX | 44,3 | -1 | -2 | AUD/USD | 0,79 | 0,6 | 1,1 |
| | Nikkei 225 | 23653,8 | -0,2 | 3,9 | JPY 2Y | -0,1 | 0 | 1 | USD/JPY | 111,24 | -0,2 | -1,3 |
| SSEC | 3368,8 | -1,7 | 1,9 | JPY 10Y | 0,1 | 0 | 2 | GBP/USD | 1,35 | 0,2 | 0,2 | |
| Regional | RTS | 1248,8 | 1,1 | 8,2 | RUS10 | 7,5 | 0 | -1 | USD/RUB | 56,427 | -1,1 | -2,1 |
| | WIG20 | 2534,6 | 0,9 | 3,0 | POL 10 | 3,3 | 0 | 1 | EUR/PLN | 4,17 | -0,2 | -0,2 |
| | PX50 | 1107,7 | 0,5 | 2,7 | CZ10 | 1,7 | -2 | 10 | EUR/RON | 4,639 | 0,0 | -0,8 |
| Hungary | BUX | 39773 | 0,3 | 1,0 | 3M T-Bill | 0,05 | 2 | 1 | EUR/HUF | 308,57 | -0,2 | -0,6 |
| | OTP | 10940 | 1,4 | 2,1 | 1Y | 0,08 | 0 | 3 | USD/HUF | 256,44 | -0,9 | -0,9 |
| | MOL | 3024 | -0,2 | 0,6 | 3Y | 0,53 | -3 | -2 | CHF/HUF | 262,67 | -0,7 | -0,9 |
| | MTelekom | 475 | 0,7 | 3,6 | 5Y | 1,07 | 0 | -10 | PLN/HUF | 74,02 | 0,0 | -0,4 |
| | Richter | 6730 | -0,4 | -0,7 | 10Y | 2,04 | -2 | -1 | GBP/HUF | 347,13 | -0,6 | -0,6 |

* In the case of bond yields, the change is in basis points instead of percentage (VIX and ITRAXX not included).

Source: Reuters, OTP Research

| Data | Cd. | Event/Data | Period | Fact | Cons. | Prev. |
|-------------|---------|--|--------|--------|-------|--------|
| 2018 01. 8. | 8 : 00 | DE Industrial orders (mom, %) | Nov. | -0,4 | 0,5 | 0,7 |
| | 9 : 00 | HU Budget balance (% of GDP) | Nov. | 6,4 | - | 6,3 |
| | 9 : 00 | HU Industrial production (preliminary, yoy, %) | Nov. | 3,4 | - | 7,6 |
| | 10 : 30 | EZ Sentix Investor confidence (points) | Jan. | 32,9 | 31,5 | 31,1 |
| | 11 : 00 | EZ Retail sales (mom, %) | Nov. | 2 | 1 | -1 |
| | 11 : 00 | HU Fiscal balance (monthly, billion HUF) | Dec. | -334,9 | - | -220,8 |
| | 11 : 00 | EZ EC Economic Sentiment Index (points) | Dec. | 116 | 115 | 114,6 |
| | 13 : 00 | RO Interest rate decision (%) | Jan. | 2 | 2,0 | 1,8 |
| | 0 : 0 | HU International reserves (preliminary, EURbn) | Dec. | | - | 22,2 |
| 9. | 8 : 00 | DE Industrial production (mom, %) | Nov. | 3,4 | 1,8 | -1,4 |
| | 8 : 00 | DE Export (mom, %) | Nov. | 4,1 | 1,2 | -0,4 |
| | 9 : 00 | HU Trade balance (preliminary, monthly, EUR mn) | Nov. | 718 | - | 495,0 |
| | 11 : 00 | EZ Unemployment rate (%) | Nov. | 8,7 | 8,7 | 8,8 |
| 10. | 10 : 30 | UK Industrial production (mom, %) | Nov. | 0,4 | 0,3 | 0,2 |
| | 13 : 00 | PL Interest rate decision (%) | Jan. | 1,5 | 1,5 | 1,5 |
| 11. | 9 : 00 | HU Industrial production (second estimate, yoy, %) | Nov. | 3,4 | 6,8 | 7,6 |
| | 11 : 00 | EZ Industrial production (mom, %) | Nov. | 1,0 | 0,8 | 0,2 |
| | 13 : 30 | EZ ECB Minutes | Dec. | | - | - |
| | 20 : 00 | US Federal budget balance (USDbn) | Dec. | -23,0 | -40,0 | -139,0 |
| 12. | 4 : 00 | CN Export (yoy, %) | Dec. | 10,9 | 9,1 | 12,3 |
| | 4 : 00 | CN Import (yoy, %) | Dec. | 4,5 | 13,0 | 17,7 |
| | 9 : 00 | HU Inflation (yoy, %) | Dec. | 2,1 | 2,3 | 2,5 |
| | 9 : 00 | HU Core inflation (yoy, %) | Dec. | 2,6 | - | 2,7 |
| | 14 : 30 | US CPI (yoy, %) | Dec. | | 2,1 | 2,2 |
| | 14 : 30 | US CPI (mom, %) | Dec. | | 0,2 | 0,4 |
| | 14 : 30 | US core-CPI (yoy, %) | Dec. | | 1,7 | 1,7 |
| | 14 : 30 | US core-CPI (mom, %) | Dec. | | 0,2 | 0,1 |
| | 14 : 30 | US Retail sales (mom, %) | Dec. | | 0,4 | 0,8 |
| | 16 : 00 | US Business inventories (mom, %) | Nov. | | 0,3 | -0,1 |

*preliminary data

Source: Reuters, OTP Research

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