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Global Daily Report

Summary

- Developed stock markets closed higher on Friday
- Turkey attacked Syrian territories, Syria launched missiles to Turkey, the UN SC is to meet today
- The US Senate rejected the bill to raise debt ceiling
- Germany's SPD party agreed to start formal coalition negotiations with Angela Merkel's party

Reversing Thursday's direction, America's stock markets climbed higher on Friday, as did most indices in Europe – even though Turkey attacked a region in Syria and despite odds that the US Senate would not vote for raising the debt ceiling before the deadline, Friday evening, thus US government (at least its non-vital functions) may shut down. Military actions in Syria continued during the weekend, including a missile attack against Turkey from Syrian territory. Today the United Nations Security Council is set to meet, to discuss these developments. On Saturday morning, European time, the US administration was shut down, on the first anniversary of President Trump's inauguration, after the Senate voted 50-49 against the bill that would have ended budget impasse. The most recent shutdown, in the autumn of 2013, lasted for 16 days and did not cause noticeable economic damage or serious panic. In more positive market news, the weekend meeting of Germany's Social Democrat Party (SPD) agreed to begin formal coalition negotiations, 120 days after the elections. Forming a government has never been lengthier in Germany.

Sports articles manufacturers did well on Friday, when Nike (+4.6%) was the winner of the day within the Dow, as the Wedbush analysts company raised its rating on the sports apparel company. In Europe, Adidas booked similar gains. Standard & Poor's raised its rating on Greece's sovereign debt (from B- to B), and Fitch upgraded Spain's sovereign debt by one notch (to A-, with stable outlook). This morning most indices in Asia headed higher.

The Brent crude's price remained below 70 USD/barrel on Friday. The EUR/USD ended slightly down, but it stuck above 1.22 – the weekend's developments in America and Europe suggest that the pair may rise. It remains to be seen how investors weigh the importance of these changes, and how much impact the Turkish-Syrian conflict will have on them.

	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	2810,3	0,4	5,1	VIX	11,3	-8	2	WTI	63,37	-0,8	4,9
	DOW	26071,7	0,2	5,5	US 2Y	2,1	2	17	Brent	68,61	-1,0	2,6
	Nasdaq100	6834,3	0,3	6,8	US 10Y	2,6	3	23	Arany	1331,41	0,3	2,2
	DAX	13434,5	1,2	4,0	GER 2Y	-0,6	-2	3	Ezüst	17,00	0,4	0,3
	CAC40	5526,5	0,6	4,0	GER 10Y	0,6	0	14	EUR/USD	1,22	-0,1	1,9
	FTSE 100	7730,8	0,4	0,6	PT10Y	1,7	-3	-19	EUR/GBP	0,88	0,1	-0,7
	FTSE MIB	23749,2	0,5	8,7	IT 10Y	2,0	-2	-4	EUR/NOK	9,62	0,1	-2,4
	Stoxx600	400,9	0,5	3,0	SP 10	1,4	-5	-13	USD/CAD	1,25	0,6	-0,7
	- Banks	177,3	0,1	7,5	iTRAXX	44,5	-1	-1	AUD/USD	0,80	-0,1	2,4
	Nikkei 225	23816,3	0,0	4,6	JPY 2Y	-0,1	0	0	USD/JPY	110,76	-0,3	-1,7
SSEC	3368,8	-3,4	1,9	JPY 10Y	0,1	0	3	GBP/USD	1,38	-0,3	2,5	
Regional	RTS	1270,9	-0,7	10,1	RUS10	7,4	0	-2	USD/RUB	56,679	0,3	-1,7
	WIG20	2601,8	0,4	5,7	POL 10	3,3	0	1	EUR/PLN	4,17	0,3	-0,1
	PX50	1123,6	0,4	4,2	CZ10	1,8	2	18	EUR/RON	4,659	0,2	-0,4
Hungary	BUX	40022	0,9	1,6	3M D T-Bill	0,03	0	-1	EUR/HUF	309,07	0,3	-0,5
	OTP	10970	0,5	2,3	1Y	0,10	3	5	USD/HUF	252,77	0,4	-2,3
	MOL	3098	2,1	3,1	3Y	0,59	4	4	CHF/HUF	262,62	0,1	-0,9
	MTelekom	474	0,6	3,4	5Y	1,21	10	4	PLN/HUF	74,04	0,0	-0,3
	Richter	6700	0,1	-1,2	10Y	2,21	13	16	GBP/HUF	350,00	0,1	0,2

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

Sources: Reuters, OTP Research

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2018 01. 23.	5 : 00	JP Interest rate decision (%)	Jan.		-0,1	-0,1
	11 : 00	DE Budget balance (% of GDP)	Jan.		18,0	17,4
	16 : 00	EZ Consumer confidence index (flash, points)	Jan.		0,6	0,5
24.	1 : 30	JP Nikkei Manufacturing PMI (points)	Jan.		-	54,0
	9 : 00	FR Markit Service PMI (points)	Jan.		58,8	59,1
	9 : 00	FR Markit Manufacturing PMI (points)	Jan.		59,0	58,8
	9 : 30	DE Markit Service PMI (points)	Jan.		55,8	55,8
	9 : 30	DE Markit Manufacturing PMI (points)	-		63,0	63,3
	10 : 00	EZ Markit Service PMI (points)	Jan.		56,5	56,6
	10 : 00	EZ Markit Manufacturing PMI (points)	Jan.		60,4	60,6
	15 : 45	US Markit Service PMI (points)	Jan.		-	53,7
	15 : 45	US Markit Manufacturing PMI (points)	Jan.		-	55,1
	16 : 00	US Existing home sales (mom, %)	Dec.		5690	5810
25.	10 : 00	DE IFO Economic sentiment index (points)	Jan.		117,2	117,2
	13 : 45	EZ Interest rate decision (lending rate, %)	Jan.		0,0	0,0
	13 : 45	EZ Interest rate decision (deposit rate, %)	Jan.		-0,4	-0,4
	16 : 00	US Leading index (mom, %)	Dec.		0,5	0,4
	16 : 00	US New home sales (annualized monthly, '000s)	Dec.		707,0	733,0
26.	0 : 30	JP CPI (yoy, %)	Dec.		-	0,6
	0 : 30	JP core-CPI (yoy, %)	Dec.		0,9	0,9
	10 : 30	UK GDP (preliminary, yoy, %)	Q4		1,4	1,7
	14 : 30	US Durable goods orders (mom, %)	Dec.		0,8	1,3
	14 : 30	US GDP (annualized qoq, %)	Q4		3,0	3,2

*preliminary data

Sources: Reuters, OTP Research

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