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Global Daily Report

Summary

- Advanced stock markets extended their winning streak on Monday.
- America's stock indices rose, headed by tech shares.

Continuing the rally seen in America on Friday and in Asia on Monday, optimism ruled in yesterday's trading in Western Europe. The Stoxx600 index closed 0.5% higher. The DAX added 0.4%, and the FTSE grew by 0.6% on Monday. The rise in commodity prices, a result of the US dollar weakening, helped mining shares soar; the Stoxx600 Europe's sub-index of commodity producers was up 1.6% on Monday. Germany's car manufacturers fared well; even though the Q4 operating profit of Volkswagen (+1.7%) missed expectations, its free cash flow points to such strong fundamentals, suggesting that its profitability is improving, Deutsche Bank's analysts found. Deutsche Bank upgraded its recommendation for VW's largest shareholder, Porsche Automobil Holding, from Hold to Buy, which triggered almost 3% surge in the latter's share price yesterday.

Central and Eastern Europe's stock indices closed mixed on Monday. Warsaw's WIG20 inched up 0.1%, Prague's PX shed 0.3%, and the BUX gained 1.0%

The enthusiasm prevailed on US markets, helping the major indices advance more than 1%, largely driven by the technology sector's march higher. The S&P increased by 1.2% and the NASDAQ100 closed 1.3% higher. Rising 1.6%, the Dow is just 3.4% from its record high hit on 26 January, S&P is 3.3% shy of its own record, and the NASDAQ100 is only 0.5% (or 34 points) away from its all-time high. Within tech giants, Apple grew by almost 2%, as Bloomberg's sources expect it to launch three new iPhone models this year. Intel and Cisco jumped nearly 3%, Microsoft added 1.5%, and Google upped 1.4%. Chipmakers performed well, and Applied Materials surged more than 3%. HP soared 6%, and Qualcomm, a communication device maker, advanced 5.8%.

Most of Asia's markets closed in the red this morning, except for Japan, where the Nikkei upped 1.1%.

On currency markets, Monday was a rather dull day, with the Bloomberg Dollar Spot Index practically remaining flat. The EUR and the GBP strengthened 0.1% against the US dollar.

Crude oil prices nudged higher on Monday, with the WTI adding 0.1%, and the Brent climbing 0.3% higher. Gold price virtually stagnated yesterday.

The USA published new home sales statistics for January yesterday. The gauge fell by 593,000, wrong-footing analysts who had expected stagnation. The December reading was revised from 625,000 to 643,000.

Today's important event is Fed chair Jerome Powell's testimony before US Congress.

	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	2779,6	1,2	4,0	VIX	15,8	-4	43	WTI	63,91	0,6	5,8
	DOW	25709,3	1,6	4,0	US 2Y	2,2	-1	34	Brent	67,50	0,3	0,9
	Nasdaq100	6989,1	1,3	9,3	US 10Y	2,9	-1	45	Arany	1333,10	0,3	2,4
	DAX	12527,0	0,3	-3,0	GER 2Y	-0,5	0	10	Ezüst	16,66	0,7	-1,7
	CAC40	5344,3	0,5	0,6	GER 10Y	0,7	0	23	EUR/USD	1,23	0,2	2,7
	FTSE 100	7289,6	0,6	-5,2	PT10Y	2,0	-4	6	EUR/GBP	0,88	0,2	-0,7
	FTSE MIB	22706,2	0,2	3,9	IT 10Y	2,1	-5	11	EUR/NOK	9,63	-0,1	-2,2
	Stoxx600	383,1	0,5	-1,6	SP 10	1,6	-4	-2	USD/CAD	1,27	0,4	0,8
	- Banks	170,8	0,0	3,5	iTRAXX	53,2	-7	18	AUD/USD	0,79	0,2	0,7
	Nikkei 225	22389,9	1,1	-1,6	JPY 2Y	-0,2	-1	-3	USD/JPY	106,92	0,0	-5,1
SSEC	3292,1	-1,1	-0,5	JPY 10Y	0,0	0	-1	GBP/USD	1,40	0,0	3,4	
Regional	RTS	1324,6	1,8	14,7	RUS10	7,0	-1	-8	USD/RUB	55,593	-1,2	-3,6
	WIG20	2408,6	0,1	-2,1	POL 10	3,4	-1	3	EUR/PLN	4,17	-0,1	-0,2
	PX50	1101,5	-0,3	2,2	CZ10	1,9	4	26	EUR/RON	4,655	0,1	-0,5
Hungary	BUX	38621	1,0	-1,9	3M T-Bill	0,08	0	4	EUR/HUF	313,59	0,2	1,0
	OTP	11500	1,6	7,3	1Y	0,07	0	2	USD/HUF	254,44	0,0	-1,7
	MOL	2800	1,1	-6,8	3Y	0,89	0	34	CHF/HUF	271,36	-0,3	2,4
	MTelekom	456	0,1	-0,5	5Y	1,45	-2	28	PLN/HUF	75,20	0,3	1,2
	Richter	6080	0,8	-10,3	10Y	2,55	4	50	GBP/HUF	355,41	-0,1	1,7

* 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 2. 26.	16 : 00	US New home sales (annualized monthly, '000s)	Jan.	593	624	643
	27.	9 : 00 HU Unemployment rate (%)	Jan.		-	3,8
		11 : 00 EZ EC Economic Sentiment Index (points)	Febr.		114,0	114,7
		14 : 00 HU Interest rate decision (%)	Febr.		0,9	0,9
		14 : 00 DE CPI (flash, yoy, %)	Febr.		1,5	1,6
		14 : 30 US Durable goods orders (mom, %)	Jan.		-2,0	2,8
		15 : 00 US Case-Shiller Home Price Index (yoy, %)	Dec.		6,2	6,4
		16 : 00 US Consumer confidence (point)	Febr.		126,0	125,4
	28.	2 : 00 CN NBS Manufacturing PMI (points)	Febr.		51,2	51,3
		2 : 00 CN NBS non-Manufacturing PMI (points)	Febr.		-	55,3
		8 : 45 FR GDP (preliminary, qoq, %)	Q4		0,6	0,6
		9 : 00 HU Industrial producer prices (yoy, %)	Jan.		-	3,9
		9 : 00 HU Investment (yoy, %)	Q4			18,0
		10 : 00 PL GDP (detailed, yoy, %)	Q4		-	5,1*
		11 : 00 EZ CPI (flash, yoy, %)	Febr.		1,3	1,3
		11 : 00 EZ Core CPI (flash, yoy, %)	Febr.		1,1	1,2
		14 : 30 US GDP (second estimate, annualized, yoy, %)	Q4			2,6*
		15 : 45 US Chicago PMI (points)	Febr.		64,0	65,7
		16 : 00 US Pending home sales (mom, %)	Jan.		0,5	0,5
		16 : 00 US Jerome Powell testimony (House Financial Services Comm.)	-		-	-
3.	1.	9 : 00 HU Manufacturing PMI (points)	Febr.		-	60,9
		11 : 00 EZ Unemployment rate (%)	Jan.		8,6	8,7
		14 : 30 US Personal income (mom, %)	Jan.		0,3	0,4
		14 : 30 US Personal consumption (adjusted, mom, %)	Jan.		0,2	0,4
		14 : 30 ES GDP (detailed, qoq, %)	Q4		0,7	0,7
		16 : 00 US Construction expenditure (mom, %)	Jan.		0,2	0,7
		16 : 00 US ISM Manufacturing PMI (points)	Febr.		58,6	59,1
		21 : 30 US Vehicle sales (annualized monthly, million)	Febr.		17,3	17,1
	2.	8 : 00 DE Retail sales (mom, %)	Jan.		0,9	-1,9
		9 : 00 HU Trade balance (detailed, monthly, EUR mn)	Dec.		-	502*
		9 : 00 CZ GDP (detailed, qoq, %)	Q4			0,5
		10 : 00 IT GDP (detailed, qoq, %)	Q4		0,3	0,4
		16 : 00 US Michigan Consumer confidence (preliminary, points)	Jan.		95,0	94,4
4.		IT Italian general election	-			Paolo G.

* preliminary data

Sources: Reuters, OTP Research

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