

Global Daily Report



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Summary

- Equity markets and government bond yields fell on both sides of the Atlantic on Friday
- The dollar firmed against the euro
- Oil and precious metal prices fell
- North Korea said it would stop denuclearization if the USA imposes new sanctions
- Italy's new budget plan comes with 2% deficit target

Negative sentiment ruled Friday's trading on global stock markets. In America the S&P500 dropped 1.9%, and the Nasdaq100 fell 2.6%. Meanwhile Europe's DAX shed 0.5%, the CAC40 slid 0.9%, and the FTSE100 lost 0.5%. Nonetheless, long-term government bond yields sank in both the USA and the eurozone.

The lack of appetite to buy led to mixed results in Central and Eastern Europe. Warsaw's WIG20 edged down while the BUX inched up 0.2%.

This morning Asia's stock markets were seen in positive territory, with the Nikkei gaining 0.7% and the SSEC rising 0.2%.

On the currency market, the dollar gained 0.5% against the euro but subsided 0.2% versus the yen.

In commodities, Brent slipped almost 2%. Gold and silver closed 0.3% and 1.3% lower, respectively.

Today Theresa May is to inform the House of Common about her Brexit talks with EU leaders. Separately, it also turned out that Mrs May would refuse a second Brexit referendum, in which people would vote for or against the UK's withdrawal, based on the terms that became known.

North Korea said it would stop nuclear disarmament if the USA imposed new sanctions. Previously, the USA imposed sanctions on three major officials of North Korea last week.

By Sunday night, Italy prepared a draft budget with a 2% deficit target, to be re-submitted to the EU, Bloomberg reported.

Turkey's industrial production contracted by 5.7% year/year in October, the country's statistical office revealed the disappointing figure this morning. Later in the day, the eurozone inflation rate and the New York Fed manufacturing index will be worth checking. Later this week, the central banks of Hungary and the USA will hold rate decisions on Tuesday and Wednesday, respectively.

	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	2600,0	-1,9	-2,8	VIX	21,6	4,7	96	WTI	51,3	-2,4	-15,0
	DOW	24100,5	-2,0	-2,5	US 2Y	2,73	-2,9	84	Brent	60,28	-1,9	-9,9
	Nasdaq100	6595,0	-2,6	3,1	US 10Y	2,89	-2,2	48	Gold	1238,1	-0,3	-4,9
	DAX	10865,8	-0,5	-15,9	GER 2Y	-0,60	-2,3	3	Silver	14,57	-1,3	-14,0
	CAC40	4853,7	-0,9	-8,6	GER 10Y	0,26	-2,8	-17	EUR/USD	1,1307	-0,5	-5,7
	FTSE 100	6845,2	-0,5	-11,0	PT10Y	1,68	-1,6	-25	EUR/GBP	0,8982	0,1	1,1
	FTSE MIB	18910,8	-0,7	-13,5	IT 10Y	2,95	-2,1	95	EUR/NOK	9,7403	0,2	-1,1
	Stoxx600	347,2	-0,6	-10,8	SP 10	1,42	-1,4	-15	USD/CAD	1,3382	0,2	6,4
	- Banks	116,0	-1,0	-29,7	iTRAXX	80,7	1,2	78,7	AUD/USD	0,7176	-0,7	-8,0
	Nikkei 225	21506,9	0,7	-5,5	JPY 2Y	-0,15	0,0	-1	USD/JPY	113,37	-0,2	0,6
SSEC	2598,0	0,2	-21,4	JPY 10Y	0,03	-0,4	-2	GBP/USD	1,2583	-0,6	-6,9	
Regional	RTS	1116,5	-1,1	-3,3	RUS10	8,7	0,5	15	USD/RUB	66,761	0,8	15,8
	WIG20	2303,41	-0,3	-6,4	POL 10	2,9	-0,8	-11	EUR/PLN	4,29	-0,1	2,8
	PX50	1028,4	-0,1	-4,6	CZ10	2,0	-0,1	32	EUR/RON	4,653	0,1	-0,5
Hungary	BUX	40126	0,2	1,9	3M DKJ	0,07	-0,2	4	EUR/HUF	323,47	0,0	4,2
	OTP	11760	-0,7	9,7	1Y	0,34	-9,2	29	USD/HUF	286,04	0,5	10,5
	MOL	3146	1,6	4,7	3Y	1,24	-4,2	69	CHF/HUF	287,46	0,5	8,5
	MTelekom	448	-0,6	-2,2	5Y	2,77	2,0	160	PLN/HUF	75,41	0,3	1,5
	Richter	5470	0,2	-19,3	10Y	3,27	4,3	122	GBP/HUF	360,24	0,0	3,1

* 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 12. 17.	8 : 00	TR Industrial production (SA, yoy, %)	Oct	-5,7		-2,7
	11 : 00	EZ CPI (final, yoy, %)	Nov		2,0	2,0*
	14 : 30	US New York Fed Manufacturing index (points)	Dec		20,2	23,3
18.	10 : 00	DE IFO Economic sentiment index (points)	Dec		101,7	102,0
	14 : 00	HU Interest rate decision (%)	Dec		0,9	0,9
	14 : 00	US Building permits (annualized monthly, '000s)	Nov		1 269	1 265
	14 : 30	US Housing starts (annualized monthly, '000s)	Nov		1 230	1 228
19.	10 : 30	UK Inflation (yoy, %)	Nov		2,3	2,4
	10 : 30	UK Core inflation (yoy, %)	Nov		1,8	1,9
	16 : 00	US Existing home sales (mom, %)	Nov		5 200	5 220
	20 : 00	US Interest rate decision (%)	Dec		2,25-2,5	2,0-2,25
	20 : 00	US FOMC economic forecast	-		-	-
20.	5 : 00	JP Interest rate decision (%)	Dec		-0,1	-0,1
	8 : 30	HU Balance of payments (quarterly, EURm)	Q3		-	0,8
	9 : 00	HU Gross wages (yoy, %)	Oct		-	10,4
	10 : 30	UK Retail sales (mom, %)	Nov		0,3	-0,5
	13 : 00	UK Interest rate decision (%)	Dec			0,8
	14 : 00	CZ Interest rate decision (%)	Dec			1,8
	14 : 30	US Continuing jobless claims ('000s)	weekly		-	1 661
	14 : 30	US Initial jobless claims ('000s)	weekly		222	206
	16 : 00	US Leading index (mom, %)	Nov		0,1	0,1
21.	0 : 30	JP CPI (yoy, %)	Nov			1,4
	0 : 30	JP core-CPI (yoy, %)	Nov			1,0
	9 : 00	HU Trade balance (detailed, monthly, EUR mn)	Oct		-	293,0*
	14 : 30	US Durable goods orders (mom, %)	Nov		1,8	-4,3
	16 : 00	EZ Consumer confidence (point)	Dec		-4,3	-3,9
	16 : 00	US Personal income (mom, %)	Nov		0,3	0,5
	16 : 00	US Personal consumption (adjusted, mom, %)	Nov		0,3	0,6

* preliminary data

Sources: Reuters, OTP Research

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