

Summary

- Theresa May won Wednesday's vote of no confidence.
- US trading opened with a positive surprise.

After Tuesday's historical defeat, Theresa May's government survived Wednesday's no-confidence vote, with 325 to 306 votes. The next milestone is 21 January, when the Prime Minister shall present her plans to tackle Brexit from here, but its implementation requires the Parliament's approval. Theresa May remains committed to the 29 March Brexit deadline but markets expect that it would be delayed. In an interview published yesterday Scotland's PM said that Scotland would prefer to stay within the EU, therefore Scotland may quit the United Kingdom unless a new Brexit referendum is held. London's FTSE100 closed 0.5% in the red, while Frankfurt and Paris extended their gains. The UK 10Y government bond yield upped seven basis points and the German one climbed two points.

US trading started on a bright note as the earnings reports of Bank of America (+7.2%) and Goldman Sachs (+9.5%), both released before market hours, printed cheering figures on the key lines. The S&P500 and Dow kept up the momentum, and despite the correction in the last hour of trading, preserved some of the gain. By contrast, the NASDAQ100 dipped into the red, partly dragged down by reports that US federal prosecutors are investigating Huawei for alleged stealth of trade secrets.

The EUR/USD barely changed; the greenback firmed 0.4% against the yen.

Extending Tuesday's rally, WTI inched higher and Brent upped 1.1%. The most important industrial and precious metal prices increased, except for tin.

This morning Asia's key indices closed in the red and the yen regained some ground from the USD.

Brexit-related news may set markets in motion. In the USA, the government shutdown continues, and earnings reports may be worth checking; Morgan Stanley and Netflix are to release their 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	2616,1	0,2	4,4	VIX	19,0	2,4	-25	WTI	52,3	0,4	15,2
	DOW	24207,2	0,6	3,8	US 2Y	2,55	1,8	5	Brent	61,32	1,1	14,0
	Nasdaq100	6668,6	0,0	5,3	US 10Y	2,73	2,1	4	Gold	1293,4	0,3	0,8
	DAX	10931,2	0,4	3,5	GER 2Y	-0,61	0,9	-2	Silver	15,59	0,1	0,7
	CAC40	4810,7	0,5	1,7	GER 10Y	0,22	1,7	-2	EUR/USD	1,1397	-0,1	-0,6
	FTSE 100	6862,7	-0,5	2,0	PT10Y	1,67	-0,6	-6	EUR/GBP	0,8841	-0,4	-1,6
	FTSE MIB	19477,8	1,6	6,3	IT 10Y	2,76	-11,0	-1	EUR/NOK	9,7290	-0,2	-1,8
	Stoxx600	350,6	0,5	3,8	SP 10	1,38	-2,1	-4	USD/CAD	1,3253	-0,1	-2,8
	- Banks	120,3	2,2	6,4	iTRAXX	78,1	-3,3	-11,3	AUD/USD	0,7166	-0,5	1,7
	Nikkei 225	20397,5	-0,1	1,9	JPY 2Y	-0,17	-1,0	-3	USD/JPY	109,08	0,4	-0,4
SSEC	2559,6	-0,4	2,6	JPY 10Y	0,01	0,0	0	GBP/USD	1,2881	0,2	1,0	
Regional	RTS	1153,0	0,4	8,1	RUS10	8,2	-0,5	-6	USD/RUB	66,272	-1,1	-4,9
	WIG20	2364,17	0,8	3,8	POL 10	2,8	0,7	-2	EUR/PLN	4,28	-0,2	-0,2
	PX50	1019,0	1,5	3,3	CZ10	1,8	3,9	-5	EUR/RON	4,686	0,1	0,7
Hungary	BUX	40933	0,8	4,6	3M DKJ	0,17	10,1	10	EUR/HUF	321,29	-0,5	0,1
	OTP	11690	0,8	3,5	1Y	0,32	-3,2	-13	USD/HUF	281,95	-0,3	0,8
	MOL	3208	0,9	4,2	3Y	1,13	8,7	-13	CHF/HUF	284,81	-0,7	-0,2
	MTelekom	465	1,5	5,7	5Y	2,35	13,0	-18	PLN/HUF	75,10	-0,2	0,7
	Richter	5825	0,3	7,3	10Y	2,81	6,2	-23	GBP/HUF	362,79	0,2	1,8

* 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.
2019 1. 14.	9 : 00	HU Industrial production (second estimate, yoy, %)	Nov	4,0	-	4,0*
	11 : 00	EZ Industrial production (mom, %)	Nov	-1,7	-1,5	0,2
		US Jerome Powell testimony (Economic Committee)	-	-	-	-
15.	9 : 00	HU Inflation (yoy, %)	Dec	2,7	3,0	3,1
	9 : 00	HU Core inflation (yoy, %)	Dec	2,8	-	2,6
	9 : 00	DE GDP (yoy, %)	2018	1,5	1,5	2,2
	14 : 30	US New York Fed Manufacturing index (points)	Jan	3,9	10,8	10,9
		UK Brexit vote (UK Parliament)	-	-	-	-
16.	8 : 00	DE CPI (final, yoy, %)	Dec	1,7	1,7	1,7*
	10 : 30	UK Inflation (yoy, %)	Dec	2,1	2,1	2,3
	10 : 30	UK Core inflation (yoy, %)	Dec	1,9	1,8	1,8
	12 : 00	TR Interest rate decision (%)	Jan	24,0	24,0	24,0
	20 : 00	US Fed Beige Book	-	-	-	-
17.	11 : 00	EZ CPI (final, yoy, %)	Dec		1,6	1,6*
	14 : 30	US Building permits (annualized monthly, '000s)	Dec		1 290	1 328
	14 : 30	US Housing starts (annualized monthly, '000s)	Dec		1 250	1 256
	14 : 30	US Continuing jobless claims ('000s)	weekly		1 735	1 722
	14 : 30	US Initial jobless claims ('000s)	weekly		220	216
18.	0 : 30	JP CPI (yoy, %)	Dec			0,8
	0 : 30	JP core-CPI (yoy, %)	Dec		0,8	0,9
	10 : 30	UK Retail sales (mom, %)	Dec		-0,8	1,4
	15 : 15	US Industrial production (mom, %)	Dec		0,2	0,6
	16 : 00	US Michigan Consumer confidence (preliminary, points)	Jan		97,0	98,3

* preliminary data

**Because of the US government shutdown, the release of some US data can be delayed.

Sources: Reuters, OTP Research

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This document was prepared on 17 January 2019.

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