

# Global Daily Report



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### Summary

- Pessimism ruled the developed world's stock markets on Tuesday.
- The GBP firmed; a second Brexit referendum seems to have become an option.
- Crude oil prices slipped yesterday.

Amid the gloom on Europe's key stock markets, the 1.0% drop in London's FTSE100 marked the sharpest loss. One reason for the unsupportive sentiment was the IMF's latest forecast, predicting economic global growth rates of 3.5% this year, and 3.6% in 2019; both slightly lower than in previous projections. In the corporate world, the Swiss-based UBS suffered hefty loss as its annual profit undershot market expectations.

US trading was dragged down by the IMF's forecast as well as the angst that trade talks with China halted again. Re-opening after Monday's holiday, markets were under strong selling pressure on Tuesday, with the most important indices on Wall Street dropping more than 1%. IBM's earnings figures, released after market close, surpassed analysts' expectations. Republican Senate Majority leader Mitch McConnell proposed a bill, to be voted on Thursday, which may end the one-month-long government shutdown.

The GBP firmed 0.5% against the EUR and the USD, thanks to the favourable labour market data from the United Kingdom. What also helped the GBP appreciate was Labour Leader Jeremy Corbyn's motion, which could prevent a no-deal Brexit by paving the way for a second Brexit referendum. The UK Parliament may debate the motions next week. Ending a day of ups and downs, the EUR/USD closed almost flat.

Global growth fears left their mark on crude prices: Brent and WTI sank 2% each.

The most important industrial metal prices fell.

In today's session in Asia, Hong Kong's Hang Seng and Japan's Nikkei225 stood a tad in the red, while mainland China's Shanghai Composite nudged higher. During Asian trading, the US dollar worked off yesterday's loss against the yen. There will be no more regular White House press briefings, Donald Trump said on Twitter, blaming journalists' behaviour.

Today the eurozone's consumer confidence index may be worth checking. In the USA, API will release its weekly oil inventory data. Elsewhere, Christine Lagarde, Kenneth Rogoff, and Angela Merkel will speak at the World Economic Forum in Davos.

	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	2632,9	-1,4	5,0	VIX	20,8	16,9	-18	WTI	52,9	-2,5	16,5
	DOW	24404,5	-1,2	4,6	US 2Y	2,58	-3,5	8	Brent	61,50	-2,0	14,3
	Nasdaq100	6646,8	-2,0	5,0	US 10Y	2,73	-5,0	4	Gold	1284,6	0,4	0,1
	DAX	11090,1	-0,4	5,0	GER 2Y	-0,59	-1,6	0	Silver	15,33	0,7	-1,0
	CAC40	4847,5	-0,4	2,5	GER 10Y	0,24	-1,9	-1	EUR/USD	1,1358	-0,1	-1,0
	FTSE 100	6901,4	-1,0	2,6	PT10Y	1,61	-0,6	-11	EUR/GBP	0,8766	-0,6	-2,4
	FTSE MIB	19437,3	-1,0	6,1	IT 10Y	2,75	-0,7	-2	EUR/NOK	9,7689	0,4	-1,4
	Stoxx600	355,1	-0,4	5,2	SP 10	1,35	-2,9	-7	USD/CAD	1,3352	0,5	-2,1
	- Banks	119,4	-1,0	5,6	iTRAXX	77,7	2,7	-11,7	AUD/USD	0,7122	-0,5	1,0
	Nikkei 225	20583,5	-0,2	2,8	JPY 2Y	-0,16	0,1	-3	USD/JPY	109,36	-0,3	-0,2
	SSEC	2581,0	0,1	3,5	JPY 10Y	0,01	0,4	0	GBP/USD	1,2957	0,5	1,6
Regional	RTS	1169,8	-0,1	9,7	RUS10	8,3	0,2	-5	USD/RUB	66,477	0,2	-4,6
	WIG20	2359,23	0,0	3,6	POL 10	2,8	-0,6	0	EUR/PLN	4,29	0,1	-0,1
	PX50	1017,0	0,0	3,1	CZ10	1,9	-0,9	-4	EUR/RON	4,766	1,2	2,5
Hungary	BUX	40964	0,2	4,7	3M DKJ	0,15	1,0	8	EUR/HUF	318,02	0,2	-0,9
	OTP	11700	0,2	3,6	1Y	0,45	0,0	0	USD/HUF	279,87	0,3	0,1
	MOL	3250	1,9	5,6	3Y	1,25	-3,0	-1	CHF/HUF	280,68	0,3	-1,7
	MTelekom	456	0,2	3,5	5Y	2,46	-1,0	-7	PLN/HUF	74,24	0,2	-0,5
	Richter	5770	-2,4	6,3	10Y	2,94	0,9	-10	GBP/HUF	362,66	0,6	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. 21.	3 : 00	CN	Infrastructural spending (yoy, %)	Dec	5,9	6,0	5,9
	3 : 00	CN	Industrial production (yoy, %)	Dec	5,7	5,3	5,4
		CN	Retail sales (yoy, %)	Dec	8,2	8,2	8,1
	3 : 00	CN	GDP (yoy, %)	Q4	6,4	6,4	6,5
	3 : 00	CN	GDP (qoq, SA, %)	Q4	1,5	1,5	1,6
22.	9 : 00	HU	Gross wages (yoy, %)	Nov	10,4	-	10,8
	11 : 00	DE	ZEW Economic Sentiment (points)	Jan	-15,0	-18,4	-17,5
		US	Existing home sales (mom, %)	Dec	4990,0	5250	5320
	23 : 45	CH	Davos World Economic Forum 2019 (22-29, January, 2019)	-	-	-	-
23.	5 : 00	JP	Interest rate decision (%)	Jan	-0,1	-0,1	-0,1
	16 : 00	EZ	Consumer confidence (point)	Jan		-6,5	-6,2
24.	1 : 30	JP	Nikkei Manufacturing PMI (points)	Jan		-	52,6
	9 : 15	FR	Markit Manufacturing PMI (points)	Jan		49,8	49,7
	9 : 15	FR	Markit Service PMI (points)	Jan		51,0	49,0
	9 : 30	DE	Markit Manufacturing PMI (points)	Jan		51	52
	9 : 30	DE	Markit Service PMI (points)	Jan		52	52
	10 : 00	EZ	Markit Manufacturing PMI (points)	Jan		51,4	51,4
	10 : 00	EZ	Markit Service PMI (points)	Jan		51,6	51,2
	13 : 45	EZ	Interest rate decision (deposit rate, %)	Jan		0,0	0,0
	13 : 45	EZ	Interest rate decision (lending rate, %)	Jan		-0,4	-0,4
	14 : 30	US	Continuing jobless claims ('000s)	weekly		-	1 737
	14 : 30	US	Initial jobless claims ('000s)	weekly			213
	15 : 45	US	Markit Manufacturing PMI (points)	Jan		53,4	53,8
	15 : 45	US	Markit Service PMI (points)	Jan		54,2	54,4
	16 : 00	US	Leading index (mom, %)	Dec		0,0	0,2
25.	10 : 00	DE	IFO Economic sentiment index (points)	Jan		100,7	101,0
	14 : 30	US	Durable goods orders (mom, %)	Dec		2,3	
2019.01.14-24.		US	New home sales (annualized monthly, '000s)	Nov		567,0	544
2019.01.14-25.		US	Federal budget balance (USDbn)	Dec		-12,0	-205
2019.01.14-25.		US	Construction expenditure (mom, %)	Nov		0,2	-0,1
2019.01.14-25.		US	Factory orders (mom, %)	Nov		0,2	-2,1
2019.01.17-31.		US	Business inventories (mom, %)	Nov		0,3	0,6
2019.01.17-31.		US	Building permits (annualized monthly, '000s)	Dec		1 290	1 230
2019.01.17-31.		US	Housing starts (annualized monthly, '000s)	Dec		1 254	1 256
2019.01.17-31.		US	Retail sales (yoy, %)	Dec		0,2	0,2

\* 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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