

Summary

- Pessimism ruled global stock markets on Thursday.
- Oil prices have increased.
- The US retail sales data caused disappointment.

Pessimism ruled America's equity markets on Thursday, when the S&P500 slipped 0.3%, the Dow declined 0.4%, and only the Nasdaq100 could nudge 0.1% higher. The retail sales data from the USA disappointed investors, and the sour sentiment did not improve even on news that Donald Trump may extend by 60 days the deadline in the 'ceasefire' in the trade war with China in case an agreement was round the corner. In the corporate world, nose-diving 7.5% made Coca-Cola the loser of the day as its Q4 earnings report fell short of analysts' forecasts. In contrast, Cisco's share price soared 3%, as the IT networks company's revenues surpassed expectations.

Europe's key indices were also weakish, with the DAX dropping 0.7%, the Stoxx600 shedding 0.3% and the CAC40 contracting by 0.2%. Only London's FTSE100 could eke out 0.1% gain. In individual names, the winner of the day, AstraZeneca sky-rocketed 9.3% as its turnover figures for full-year 2018 exceeded expectations.

In the USA, the Democrat-majority House of Representative passed an agreement that averts a new government shutdown. The bill appropriates USD 1.375 bn to reinforce border defence, less than the USD 5.7 bn requested by President Trump for building the border wall. Previously it was reported that President Trump was likely to sign off the new bill but he would announce national emergency later, to bypass Congress in securing the funds to build the wall. In that case, he is expected face a number of lawsuits, as Congressmen and the state of California would challenge the legal ground for the decision.

Britain's government lost another vote in the UK Parliament, this time in a rather symbolic issue. MPs voted on a Tory motion whether to back the government's Brexit strategy. The House of Representatives rejected it by 303 to 258, but that has no legally binding consequences.

The US dollar's weakening sent the EUR/USD 0.3% higher. The GBP depreciated 0.7% versus the euro.

Despite an uptick in US oil inventories, Brent rose by 1.2% and WTI upped 0.9%.

Thursday's update on US retail sales data caused disappointment. The December volume contracted by 1.2% from the previous month, in the sharpest fall since September 2019. The dismal data can be put down to the combined effect a number of factors: the fall on equity markets, the deteriorating business sentiment, the government shutdown and the adverse weather conditions. Likewise, the November gauge of US business inventories sank 0.1% month/month, whereas economists had projected 0.3% growth. The weekly figure of initial jobless claims, at 239,000, slightly surpassed analysts' predictions.

The USA will publish a sting of macroeconomic data today. It is also worth checking whether Donald Trump signs the fiscal law and if he announces national emergency, in order to build the wall.

	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	2745,7	-0,3	9,5	VIX	16,2	3,6	-36	WTI	54,4	0,9	19,8
	DOW	25439,4	-0,4	9,1	US 2Y	2,50	-4,3	0	Brent	64,57	1,5	20,0
	Nasdaq100	7022,4	0,1	10,9	US 10Y	2,66	-4,7	-3	Gold	1312,5	0,5	2,3
	DAX	11089,8	-0,7	5,0	GER 2Y	-0,56	0,4	3	Silver	15,62	0,4	0,9
	CAC40	5062,5	-0,2	7,0	GER 10Y	0,10	-2,0	-14	EUR/USD	1,1299	0,3	-1,5
	FTSE 100	7197,0	0,1	7,0	PT10Y	1,58	-3,1	-14	EUR/GBP	0,8824	0,7	-1,8
	FTSE MIB	19835,0	-0,8	8,2	IT 10Y	2,81	2,1	3	EUR/NOK	9,7712	0,2	-1,4
	Stoxx600	363,8	-0,3	7,7	SP 10	1,25	0,1	-18	USD/CAD	1,3293	0,3	-2,5
	- Banks	116,1	-1,4	2,7	iTRAXX	70,3	0,0	-20,1	AUD/USD	0,7105	0,2	0,8
	Nikkei 225	20900,6	-1,1	4,4	JPY 2Y	-0,17	-0,4	-3	USD/JPY	110,47	-0,5	0,8
	SSEC	2684,0	-1,3	7,6	JPY 10Y	-0,02	-0,7	-2	GBP/USD	1,2811	-0,3	0,4
Regional	RTS	1156,3	-2,9	8,5	RUS10	8,4	1,7	-4	USD/RUB	66,653	0,2	-4,3
	WIG20	2319,92	-1,1	1,9	POL 10	2,7	-1,1	-5	EUR/PLN	4,33	-0,2	0,9
	PX50	1049,0	-0,9	6,3	CZ10	1,8	3,2	-7	EUR/RON	4,737	-0,1	1,8
Hungary	BUX	39899	-0,8	1,9	3M DKJ	0,13	0,0	6	EUR/HUF	318,33	-0,2	-0,8
	OTP	11320	-0,7	0,3	1Y	0,45	-0,6	0	USD/HUF	281,73	-0,5	0,7
	MOL	3280	-0,1	6,6	3Y	1,07	-1,2	-19	CHF/HUF	281,41	0,4	-1,4
	MTelekom	465	-1,0	5,7	5Y	2,31	2,0	-22	PLN/HUF	73,64	0,2	-1,3
	Richter	5390	-2,2	-0,7	10Y	2,75	0,8	-29	GBP/HUF	362,23	-0,4	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.	
2019 2. 11.	10 : 30	UK	Industrial production (mom, %)	Dec	-0,5	0,2	-0,4
	10 : 30	UK	GDP (preliminary, qoq, %)	Q4	0,2	0,2	0,6
	12. 9 : 00	HU	Inflation (yoy, %)	Jan	2,7	2,8	2,7
	9 : 00	HU	Core inflation (yoy, %)	Jan	3,2		2,8
	13. 9 : 00	HU	Industrial production (second estimate, yoy, %)	Dec	5,4	-	5,4*
	9 : 00	HU	Construction output (yoy, %)	Dec	17,5	-	27,3
	10 : 30	UK	Inflation (yoy, %)	Jan	1,8	1,9	2,1
	10 : 30	UK	Core inflation (yoy, %)	Jan	1,9	1,9	1,9
	11 : 00	EZ	Industrial production (mom, %)	Dec	-0,9	-0,3	-1,7
	14 : 30	US	CPI (yoy, %)	Jan	1,6	1,5	1,9
	14 : 30	US	core-CPI (mom, SA, %)	Jan	0,0	0,1	0,0
	14 : 30	US	core-CPI (yoy, %)	Jan	2,2	2,1	2,2
	14 : 30	US	core-CPI (mom, SA, %)	Jan	0,2	0,2	0,2
	20 : 00	US	Federal budget balance (USDbn)	Dec	-14,0	-11,0	-205,0
	14. 0 : 50	JP	GDP (preliminary, qoq, %)	Q4	0,3	0,4	-0,6
	8 : 00	DE	GDP (preliminary, SA, qoq, %)	Q4	0,0	0,1	-0,2
	8 : 00	RO	GDP (preliminary, yoy, %)	Q4	0,6	3,9	4,4
	9 : 00	HU	GDP (yoy, %)	Q4	5,0	4,5	4,8
	9 : 00	HU	GDP (qoq, %)	Q4	1,1		1,3
	9 : 00	SK	GDP (preliminary, yoy, %)	Q4	3,6	4,4	4,6
	10 : 00	PL	GDP (preliminary, qoq, %)	Q4	0,5	0,9	1,7
	10 : 30	PT	GDP (preliminary, qoq, %)	Q4	0,4	0,3	0,3
	11 : 00	EZ	GDP (second estimate, yoy, %)	Q4	1,2	1,2	1,2*
	11 : 00	EZ	GDP (second estimate, qoq, %)	Q4	0,2	0,2	0,2*
	14 : 30	US	Continuing jobless claims ('000s)	weekly	1 770,0	1 740,0	1 736
	14 : 30	US	Initial jobless claims ('000s)	weekly	239,0	225,0	234
	16 : 00	US	Business inventories (mom, %)	Nov	-0,1	0,3	0,6
	15. 9 : 00	CZ	GDP (qoq, %)	Q4			0,6
	10 : 30	UK	Retail sales (mom, %)	Jan		0,1	-0,9
	14 : 30	US	New York Fed Manufacturing index (points)	Feb		7,0	3,9
	14 : 30	US	Retail sales (mom, %)	Jan		0,2	0,2
	15 : 15	US	Industrial production (mom, %)	Jan		0,2	0,3
	16 : 00	US	Michigan Consumer confidence (preliminary, points)	Feb		93,0	91,2
	2019.02.11-02.15	US	Construction expenditure (mom, %)	Dec		0,2	0,8
	2019.02.11-02.15	US	Building permits (annualized monthly, '000s)	Dec		1 290	1 322
	2019.02.11-02.15	US	Housing starts (annualized monthly, '000s)	Dec		1 254	1 256
	2019.02.11-02.15	US	Retail sales (yoy, %)	Dec	-1,2	0,2	0,2
	2019.02.11-02.15	US	Durable goods orders (mom, %)	Dec		1,8	1
	2019.02.11-02.15	US	Factory orders (mom, %)	Dec		0,2	-0,6
	2019.02.11-02.15	US	New home sales (annualized monthly, '000s)	Dec		570	657
	2019.02.11-02.15	US	Personal income (mom, %)	Dec		0,5	0,2
	2019.02.11-02.15	US	Personal consumption (adjusted, mom, %)	Dec		0,3	0,4
	2019.02.11-02.15	US	GDP (preliminary, annualized qoq, %)	Q4		2,6	3,4

* preliminary data

Sources: Reuters, OTP Research

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