

Global Daily Report



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Summary

- OECD has lowered its global growth forecast.
- US markets were driven by unfavourable macroeconomic releases.
- The ECB's Governing Council meets today.

Wednesday's trading ended with a minor drop in the stock markets of Germany and France. It was car manufacturers that dragged the DAX down as the Handelsblatt newspaper said, citing sources, that Volkswagen, BMW and Daimler may have colluded to cheat on emission tests. Britain's FTSE100 edged minimally higher, even though the OECD's latest forecast projects recession in the UK in case of hard Brexit. The organization further reduced its global growth projections for 2019 (to 3.3%) and 2020 (to 3.4%) after lowering them in November 2018. In the United Kingdom, the House of Lords approved a motion that urges the government to start talks on a custom union with the EU, a move Theresa May had previously categorically refused.

Ending Tuesday's sideways moves, US stock markets were a sea of red yesterday, with the key indices closing 0.5% down at the end of the session. Investors were worried as the uptick in the ADP institute's February non-farm employment data missed the already muted expectations. Moreover, the US trade deficit hit a 10-year high in December. In the corporate world, GE extended the losing streak that started after the CEO's speech on Tuesday; its share price slid 7.9% yesterday.

The EUR/USD inched higher as the US dollar's strengthening halted on Wednesday. The US 10Y Treasury note yield sank three basis points; the German 10Y Bund yield dropped four points, while the UK bond yield slipped six basis points.

Brent did not budge yesterday but WTI took a hit as EIA inventories' increase in the USA surpassed expectations. The WTI's plunge weighed on the most important industrial metal prices.

Huawei sues the USA – the Chinese company says it is unconstitutional to ban federal agencies and their contractors from procuring Huawei products.

This morning's trading was rather gloomy on Asia's major stock markets; only mainland China's Shanghai Composite could eke out a small gain.

Today's meeting of the European Central Bank is expected to keep interest rates unchanged. However, in the light of the eurozone's subdued growth outlook, the ECB's message about any future monetary tightening may change.

	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	2771,5	-0,7	10,6	VIX	15,7	6,8	-38	WTI	56,1	-0,8	23,6
	DOW	25673,5	-0,5	10,1	US 2Y	2,52	-3,1	2	Brent	65,99	0,2	22,7
	Nasdaq100	7112,5	-0,6	12,4	US 10Y	2,69	-3,0	0	Gold	1286,4	-0,1	0,3
	DAX	11587,6	-0,3	9,7	GER 2Y	-0,52	-1,7	7	Silver	15,07	-0,3	-2,6
	CAC40	5288,8	-0,2	11,8	GER 10Y	0,13	-3,7	-12	EUR/USD	1,1305	0,0	-1,4
	FTSE 100	7196,0	0,2	7,0	PT10Y	1,43	-3,1	-29	EUR/GBP	0,8583	0,0	-4,5
	FTSE MIB	20851,6	0,7	13,8	IT 10Y	2,61	-9,3	-16	EUR/NOK	9,7968	0,0	-1,1
	Stoxx600	375,5	0,0	11,2	SP 10	1,12	-4,3	-30	USD/CAD	1,3440	0,7	-1,4
	- Banks	121,6	0,3	7,5	iTRAXX	61,4	0,9	-30,3	AUD/USD	0,7032	-0,7	-0,2
	Nikkei 225	21444,0	-0,7	7,1	JPY 2Y	-0,15	-0,4	-1	USD/JPY	111,75	-0,1	2,0
SSEC	3106,8	0,2	24,6	JPY 10Y	-0,01	-0,3	-1	GBP/USD	1,3169	0,0	3,2	
Regional	RTS	1191,5	1,0	11,8	RUS10	8,5	0,6	-3	USD/RUB	65,904	0,2	-5,4
	WIG20	2327,16	0,3	2,2	POL 10	2,9	-0,8	2	EUR/PLN	4,30	-0,1	0,2
	PX50	1080,5	0,4	9,5	CZ10	1,9	0,4	-1	EUR/RON	4,742	-0,1	1,9
Hungary	BUX	41087	0,9	5,0	3M DKJ	0,18	5,5	11	EUR/HUF	315,30	0,0	-1,7
	OTP	12050	1,1	6,7	1Y	0,39	-4,5	-7	USD/HUF	278,81	0,0	-0,3
	MOL	3332	1,4	8,3	3Y	1,03	-3,7	-23	CHF/HUF	277,34	-0,2	-2,8
	MTelekom	470	0,3	6,8	5Y	2,32	-5,0	-21	PLN/HUF	73,35	-0,1	-1,7
	Richter	5320	-0,4	-2,0	10Y	3,29	50,0	25	GBP/HUF	365,87	-0,3	2,7

* 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 3. 4. 8 : 00	TR	Inflation (yoy, %)	Feb	19,7	19,9	20,4
9 : 00	HU	Trade balance (detailed, monthly, EUR mn)	Dec	393	-	398*
10 : 30	EZ	Sentix Investor confidence (points)	Mar	-2,2	-3,2	-3,7
16 : 00	US	Construction expenditure (mom, %)	Dec	-0,6	0,2	0,8
5. 9 : 00	HU	Retail sales (first estimate, yoy, %)	Jan	5,4	-	3,7
11 : 00	EZ	Jerome Powell's Senate hearing	Jan	1,3	1,2	-1,6
16 : 00	US	ISM non-Manufacturing PMI (points)	Feb	59,7	57,3	56,7
16 : 00	US	New home sales (annualized monthly, '000s)	Dec	621,0	600,0	657,0
20 : 00	US	Federal budget balance (USDbn)	Jan	9,0	25,0	-14,0
6. 12 : 00	TR	Interest rate decision (%)	Mar	24,0	24,0	24,0
14 : 00	PL	Jerome Powell's Senate hearing	Mar	1,5	1,5	1,5
14 : 15	US	Donald Trump Kim Jong Un meet in Vietnam (2 days)	Feb	183,0	189,0	213,0
20 : 00	US	Fed Beige Book	Mar	-	-	-
7. 9 : 00	HU	Industrial production (preliminary, yoy, %)	Jan		-	5,4
10 : 00	HU	International reserves (preliminary, EURbn)	Feb		-	26,6
10 : 00	EZ	Interest rate decision (deposit rate, %)	Mar		0,0	0,0
10 : 00	EZ	Interest rate decision (lending rate, %)	Mar		-0,4	-0,4
11 : 00	EZ	GDP (detailed, yoy, %)	Q4		1,2	1,2*
11 : 00	EZ	GDP (detailed, qoq, %)	Q4		0	0,2*
14 : 30	US	Continuing jobless claims ('000s)	weekly		1775	1805
14 : 30	US	Initial jobless claims ('000s)	weekly		225	225
8. 0 : 50	JP	GDP (detailed, qoq, %)	Q4		-0,5	0,3
8 : 00	DE	Industrial orders (mom, %)	Jan		0,5	-1,6
9 : 00	HU	Inflation (yoy, %)	Feb		2,9	2,7
9 : 00	HU	Core inflation (yoy, %)	Feb			3,2
11 : 00	HU	Fiscal balance (monthly, billion HUF)	Feb			244,5
14 : 30	US	Unemployment rate (%)	Feb		3,9	4,0
14 : 30	US	Average earnings (yoy, %)	Feb		3,3	3,2
14 : 30	US	Average earnings (mom, %)	Feb		0,3	0,1
14 : 30	US	Non-farm payroll (mom, '000s)	Feb		180,0	304,0
20 : 00	US	Speech of Fed Jerome Powell (SIEPR Economic Meeting)	-		-	-

*preliminary data

Sources: Reuters, OTP Research

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