

Global Daily Report



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Summary

- Monday's trading was unenthusiastic on the equity markets of Europe and America.
- The USA sanctioned Iran.
- Daimler issued profit warning.

Western Europe's stock indices closed mostly in the red on Monday, with the Stoxx600 slipping 0.3%, the DAX and the MIB falling 0.5% each, and France's CAC40 inching down 0.1%. London's FTSE closed 0.1% higher. One reason for the negative sentiment was Daimler's profit warning; the German carmaker expects lower profit this year and raises diesel-vehicle-related provisions by hundreds of million euros. Daimler's share price reversed 3.2%, dragging down its rival BMW (-1.2%). Peugeot Citroen slid 1.3% and Renault went back 1.0%. Volkswagen descended 0.5%. Another reason for the sour sentiment in Western Europe was the 0.5-point drop in Germany's IFO business climate indicator, to a 4.5-year low, while the June reading of the business expectations component undershot even the downwardly revised May gauge.

The sentiment has not brightened since Friday on the other side of the Atlantic, where the benchmark indices closed with slight losses. The S&P dipped 0.2%, the Nasdaq100 inched down 0.1%, while the Dow nudged less than 0.1% higher. The Russell2000 small-cap index fell 1.3%. In the S&P, the energy sector was the loser of the day, as President Trump announced US sanctions on Iran. The WTI crude rose by 0.8%, nearing USD 58, and Brent slipped 0.5%. The intensified geopolitical tensions soured risk appetite and made government bonds more popular: the 10Y bond yield sank four basis points on Monday. The twitter post of the US President called the Fed a stubborn child because central bankers did not cut interest rates last week.

The health care sector's stocks were among the losers yesterday, following Bristol-Myers-Squibb's announcement that completing the purchase of Celgene could be delayed until the end of 2019 or beginning of 2020. BMS's share prices slid more than 7%, and that of Celgene fell more than 5%, dragging down many companies of the biotech segment. The technology sector has firmed within the S&P; investors are holding their breath before the weekend's G20 summit, where the US president and China's leader will meet informally.

The Bloomberg Dollar Spot Index edged lower; the euro's appreciation made the pair sink to 1.1388. The GBP/USD barely moved, and the USD/JPY made subtle moves. Europe's bond yields sank, Germany's 10Y bond sank two basis points, and the UK's 10Y bond yield dropped three basis points. Gold price grew by 1.5% to 1,421 USD/ounce, nearing a six-year high.

Asia's stock markets were mostly negative in today's trading: Japan's Nikkei lost 0.4% and China's Shanghai Composite fell 1.3%.

Today's rate-setting meeting of the MNB is not expected to change interest rates.

	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	2945,4	-0,2	17,5	VIX	15,3	-0,9	-40	WTI	57,9	0,8	27,5
	DOW	26727,5	0,0	14,6	US 2Y	1,74	-4,4	-76	Brent	64,86	-0,5	20,6
	Nasdaq100	7723,0	-0,1	22,0	US 10Y	2,02	-4,7	-67	Gold	1419,2	1,5	10,6
	DAX	12274,6	-0,5	16,2	GER 2Y	-0,73	-1,4	-14	Silver	15,43	0,5	-0,3
	CAC40	5521,7	-0,1	16,7	GER 10Y	-0,31	-2,8	-56	EUR/USD	1,1396	0,3	-0,6
	FTSE 100	7416,7	0,1	10,2	PT10Y	0,56	-3,4	-116	EUR/GBP	0,8944	0,2	-0,4
	FTSE MIB	21284,1	-0,5	16,2	IT 10Y	2,16	-0,3	-61	EUR/NOK	9,6678	0,1	-2,4
	Stoxx600	383,8	-0,3	13,7	SP 10	0,41	-3,3	-101	USD/CAD	1,3177	-0,3	-3,4
	- Banks	111,7	-0,2	-1,2	iTRAXX	54,2	0,6	-38	AUD/USD	0,6961	0,5	-1,2
	Nikkei 225	21193,8	-0,4	5,9	JPY 2Y	-0,23	0,2	-9	USD/JPY	107,28	0,0	-2,1
SSEC	2973,1	-1,2	19,2	JPY 10Y	-0,15	0,1	-16	GBP/USD	1,2739	0,0	-0,1	
Regional	RTS	1387,1	0,9	30,1	RUS10	7,4	-0,9	-15	USD/RUB	62,541	-0,7	-10,2
	WIG20	2331,08	1,0	2,4	POL 10	2,4	-1,8	-17	EUR/PLN	4,25	-0,1	-0,9
	PX50	1056,2	0,3	7,1	CZ10	1,5	-0,5	-22	EUR/RON	4,719	-0,2	1,4
Hungary	BUX	40475	0,2	3,4	3M DKJ	0,14	0,0	7	EUR/HUF	323,52	-0,2	0,8
	OTP	11710	-0,3	3,7	1Y	0,31	0,0	-14	USD/HUF	283,71	-0,4	1,4
	MOL	3104	-0,1	0,8	3Y	0,97	-1,0	-29	CHF/HUF	292,30	0,2	2,4
	MTelekom	414	-0,6	-5,9	5Y	1,62	0,0	-91	PLN/HUF	76,11	-0,1	2,0
	Richter	5210	1,7	-4,1	10Y	2,70	0,0	-34	GBP/HUF	361,46	-0,5	1,5

* 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 6. 24. 10 : 00	DE	IFO Economic sentiment index (points)	Jun	97,4	97,3	97,9
25. 14 : 00	HU	Interest rate decision (%)	Jun		0,9	0,9
15 : 00	US	Case-Shiller Home Price Index (yoy, %)	Apr		2,6	2,7
16 : 00	US	New home sales (annualized monthly, '000s)	May		680	673
16 : 00	US	Consumer confidence (point)	Jun		132	134
19 : 00	US	Panel discussion of Janet Yellen, Mark Carney and Mario Draghi	-		-	-
26. 13 : 00	CZ	Interest rate decision (%)	Jun			2,0
14 : 30	US	Durable goods orders (mom, %)	May		0,2	-2,1
27. 9 : 00	HU	Unemployment rate (%)	May		-	3,5
11 : 00	EZ	EC Economic Sentiment Index (points)	Jun		104,0	105,1
14 : 00	DE	CPI (preliminary, yoy, %)	Jun			1,4
14 : 30	US	Continuing jobless claims ('000s)	weekly			
14 : 30	US	Initial jobless claims ('000s)	weekly			
14 : 30	US	GDP (detailed, qoq annualized, %)	Q1		3	3,1*
16 : 00	US	Pending home sales (mom, %)	May			-1,5
28. 9 : 00	HU	Gross wages (yoy, %)	Apr		-	10,2
9 : 00	HU	Industrial producer prices (yoy, %)	May		-	4,1
11 : 00	EZ	CPI (flash, yoy, %)	Jun		1,2	1,2
11 : 00	EZ	Core CPI (flash, yoy, %)	Jun		1,0	0,8
14 : 30	US	Personal income (mom, %)	May		0,3	0,5
14 : 30	US	Personal consumption (adjusted, mom, %)	May		0,4	0,3
15 : 45	US	Chicago PMI (points)	Jun		54,3	54,2
0 : 0	JP	G20 meeting (two days)	-		-	-
30. 3 : 00	CN	NBS Non-manufacturing PMI (points)	Jun			54,3
3 : 00	CN	NBS Manufacturing PMI (points)	Jun		50	49

*preliminary data

Sources: Reuters, OTP Research

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