

Global Daily Report



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Summary

- The USA and China still may reach an agreement at the G20 summit.
- Donald Trump urged the Fed again to cut the benchmark rate.
- Andrej Babis survived a no-confidence vote in the Czech parliament.

The new trading day delivered new hope that the USA-China trade war might be resolved. While Tuesday's reports said that the G20 summit was unlikely to bring parties' positions closer, on Wednesday US Treasury Secretary Steve Mnuchin said the deal was 90% completed. Meanwhile Donald Trump said that import tariffs may further rise in the absence of an agreement, adding that China wants to avoid that by all means, so the deal may be inked after all.

America's major stock markets gave an optimistic explanation to these reports, but ran out of the impetus by the close; only the Nasdaq could eke out gains following Donald Trump's message that the summit might end without a deal. Europe also closed mixed, only the DAX could make it into positive territory.

The US President will also meet Vladimir Putin at the G20 summit.

Donald Trump urged the Fed to lower interest rates, in order to boost America's economy. This came one day after the Fed Chair Jerome Powell categorically refused to bend to political pressure, and stood up for the Fed's independence. Moreover, Fed officials' messages increasingly aim at dampening the intensifying rate cut expectations.

The 10Y US and German bond yields rose yesterday; the EUR/USD closed flat. Brent and WTI headed higher, while gold and silver prices dropped.

Prime Minister Andrej Babis survived a no-confidence motion in the Czech parliament this morning. Ending a more-than-15-hour marathon of heated debate, only 85 MPs backed the idea in the 200-seat parliament.

Asia ended an optimistic trading session this morning, with the benchmark indices making near-1% gains. The dollar's continued appreciation sent the USD/JPY higher.

Today's highlights include the European Commission's Economic Sentiment and Business Climate indicators for June, as well as labour market data from the USA.

	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	2913,8	-0,1	16,2	VIX	16,2	-0,4	-36	WTI	59,4	1,0	30,8
	DOW	26536,8	0,0	13,8	US 2Y	1,78	4,5	-72	Brent	66,49	2,2	23,6
	Nasdaq100	7627,1	0,5	20,5	US 10Y	2,05	5,7	-64	Gold	1408,4	-1,0	9,8
	DAX	12245,3	0,1	16,0	GER 2Y	-0,72	1,5	-13	Silver	15,24	-0,8	-1,6
	CAC40	5500,7	-0,3	16,3	GER 10Y	-0,31	2,6	-55	EUR/USD	1,1368	0,0	-0,9
	FTSE 100	7416,4	-0,1	10,2	PT10Y	0,49	-0,6	-123	EUR/GBP	0,8958	0,0	-0,3
	FTSE MIB	21057,1	-0,3	14,9	IT 10Y	2,14	-1,4	-63	EUR/NOK	9,6559	-0,4	-2,5
	Stoxx600	382,2	-0,3	13,2	SP 10	0,39	1,4	-103	USD/CAD	1,3125	-0,3	-3,8
	- Banks	112,1	0,9	-0,8	iTRAXX	54,9	0,2	-38	AUD/USD	0,6983	0,4	-0,9
	Nikkei 225	21338,2	1,1	6,6	JPY 2Y	-0,21	0,5	-7	USD/JPY	107,77	0,6	-1,6
SSEC	2997,9	0,7	20,2	JPY 10Y	-0,14	0,4	-14	GBP/USD	1,2688	-0,1	-0,5	
Regional	RTS	1386,6	0,4	30,1	RUS10	7,4	0,0	-15	USD/RUB	62,982	0,2	-9,6
	WIG20	2317,17	0,6	1,8	POL 10	2,4	1,7	-17	EUR/PLN	4,26	0,1	-0,7
	PX50	1034,7	-0,5	4,9	CZ10	1,5	0,0	-20	EUR/RON	4,717	0,0	1,4
Hungary	BUX	40065	0,0	2,4	3M DKJ	0,28	-1,0	21	EUR/HUF	323,28	0,0	0,7
	OTP	11400	-0,9	1,0	1Y	0,32	0,0	-13	USD/HUF	284,25	0,0	1,6
	MOL	3080	0,3	0,1	3Y	0,97	1,0	-29	CHF/HUF	291,04	-0,2	2,0
	MTelekom	420	0,6	-4,7	5Y	1,66	5,0	-87	PLN/HUF	75,88	-0,1	1,7
	Richter	5180	0,7	-4,6	10Y	2,73	4,0	-31	GBP/HUF	360,18	-0,2	1,1

* 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	0,9
15 : 00	US	Case-Shiller Home Price Index (yoy, %)	Apr	2,5	2,6	2,7
16 : 00	US	New home sales (annualized monthly, '000s)	May	626	680	673
16 : 00	US	Consumer confidence (point)	Jun	122	131	134
19 : 00	US	Jerome Powell speech	-	-	-	-
26. 13 : 00	CZ	Interest rate decision (%)	Jun	2,0	2,0	2,0
14 : 30	US	Durable goods orders (mom, %)	May	-1,3	-0,1	-2,1
27. 9 : 00	HU	Unemployment rate (%)	May		-	3,5
11 : 00	EZ	EC's Economic Sentiment and Business Climate indicators	Jun		104,6	105,1
14 : 00	DE	CPI (preliminary, yoy, %)	Jun		1,4	1,4
14 : 30	US	Continuing jobless claims ('000s)	weekly		1665	1662
14 : 30	US	Initial jobless claims ('000s)	weekly		220	216
14 : 30	US	GDP (detailed, qoq annualized, %)	Q1		3,1	3,1*
16 : 00	US	Pending home sales (mom, %)	May		1,0	-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		53,1	54,2
	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		49,5	49,4

*preliminary data

Sources: Reuters, OTP Research

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