

Global Daily Report



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Summary

- The major stock indices of America and Europe ended the week in positive territory.
- The meeting of Donald Trump and Xi Jinping may further ease trade war tensions.
- Donald Trump visited the Korean peninsula, to talk to North Korea's leader Kim Jong Un.
- The EZ's headline inflation was at 1.2% in June.

In Friday's benign trading sentiment, the Nasdaq100 upped 0.2%, the Dow added 0.3%, and the S&P500 advanced 0.6%. In Europe Germany's DAX gained 1%, France's CAC40 rose by 0.8%, and London's FTSE100 closed 0.3% higher.

At the G20 meeting last Saturday, US president Donald Trump and China's leader Xi Jinping agreed on 'truce' in the trade war, and continue negotiations. The USA suspends additional tariffs until these talks end. Donald Trump hinted at the possibility of partially lifting the Huawei ban. Yet the Chinese party was rather reserved about the continuation of talks, warning that there was a long way to go before the deal is inked.

Following the weekend's G20 meeting, Donald Trump unexpectedly visited the Korean peninsula, to meet North Korea's leader. Kim Jong Un received the US president at the demilitarized zone between North and South Korea. The leaders' walk to the Northern territory made Donald Trump the first US president to visit North Korea. During their meeting, leaders agreed to continue talks on the denuclearization of the Korean peninsula. Donald Trump spoke highly of the meeting but the US and Korean parties' positions have not come closer. US Secretary of State Mike Pompeo said that even though the American party was ready to talk, the sanctions on North Korea remained in place.

The GBP's firming pushed the EUR/GBP 0.2% lower.

Oil prices slipped; WTI declined 1.6%.

The eurozone's June inflation statistics, published on Friday, indicated that the consumer price index rose by 1.2% year/year, as expected. Core inflation was up 1.1%, surpassing analysts' forecast by 0.1 percentage point. Inflation was largely driven by food and energy prices, as well as higher services prices. Elsewhere, China's manufacturing purchasing managers' index for June was at 49.4, missing analysts' forecast of 50, and marking the worst reading since January. One reason for this unfavourable reading is the negative effect of the trade war.

Today the EZ will publish unemployment statistics for May. The meeting of OPEC member states' oil ministers begins today. Previously, OPEC's leader Saudi Arabia agreed with Russia to extend their 2016 agreement to hold back oil production.

	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	2941,8	0,6	17,3	VIX	15,1	-4,7	-41	WTI	58,5	-1,6	28,8
	DOW	26600,0	0,3	14,0	US 2Y	1,74	0,0	-76	Brent	66,55	0,0	23,7
	Nasdaq100	7671,1	0,2	21,2	US 10Y	2,00	-0,5	-69	Gold	1409,1	0,0	9,9
	DAX	12398,8	1,0	17,4	GER 2Y	-0,74	-1,1	-15	Silver	15,31	0,3	-1,1
	CAC40	5539,0	0,8	17,1	GER 10Y	-0,33	-1,1	-57	EUR/USD	1,1368	0,0	-0,9
	FTSE 100	7425,6	0,3	10,4	PT10Y	0,49	-0,7	-123	EUR/GBP	0,8953	-0,2	-0,3
	FTSE MIB	21234,8	0,6	15,9	IT 10Y	2,09	-4,3	-68	EUR/NOK	9,7025	0,2	-2,1
	Stoxx600	384,9	0,7	14,0	SP 10	0,40	-0,3	-103	USD/CAD	1,3090	0,0	-4,0
	- Banks	113,6	0,6	0,5	iTRAXX	52,0	-3,0	-41	AUD/USD	0,7020	0,2	-0,4
	Nikkei 225	21730,0	2,1	8,6	JPY 2Y	-0,22	-0,2	-8	USD/JPY	107,88	0,1	-1,5
	SSEC	3040,1	2,1	21,9	JPY 10Y	-0,14	1,5	-15	GBP/USD	1,2693	0,1	-0,5
Regional	RTS	1380,5	-0,5	29,5	RUS10	7,4	-0,3	-15	USD/RUB	63,253	0,3	-9,2
	WIG20	2327,67	-0,3	2,2	POL 10	2,4	0,5	-16	EUR/PLN	4,24	-0,2	-1,1
	PX50	1041,7	0,4	5,6	CZ10	1,5	0,0	-22	EUR/RON	4,722	0,0	1,5
Hungary	BUX	40279	-0,4	2,9	3M DKJ	0,28	0,0	21	EUR/HUF	322,90	-0,2	0,6
	OTP	11300	-0,9	0,1	1Y	0,30	-1,0	-15	USD/HUF	283,88	-0,2	1,5
	MOL	3152	0,0	2,4	3Y	0,98	0,0	-28	CHF/HUF	290,58	-0,2	1,8
	MTelekom	421	0,0	-4,3	5Y	1,68	-1,0	-85	PLN/HUF	76,00	-0,1	1,9
	Richter	5235	-0,3	-3,6	10Y	2,70	-3,0	-34	GBP/HUF	360,46	-0,1	1,2

* 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	7.	1.	2 : 30	JP	Nikkei Manufacturing PMI (points)	Jun	49,3	-	49,5
			9 : 00	HU	Manufacturing PMI (points)	Jun		-	57,9
		9 : 00	0	OPEC Meeting	-		-	-	
		11 : 00	EZ	Unemployment rate (%)	May		8	8	
		16 : 00	US	Construction expenditure (mom, %)	May		0	0	
		16 : 00	US	Jerome Powell speech	Jun		51,5	52,1	
		2.	9 : 00	HU	Trade balance (detailed, monthly, EUR mn)	Apr		-	228*
	9 : 00	HU	Government sector balance (in % of GDP)	Q1		-	2,2		
	3.	9 : 00	TR	Inflation (yoy, %)	Jun			18,7	
		14 : 00	PL	Interest rate decision (%)	Jul		1,5	1,5	
		14 : 15	US	ADP non-farm employment (mom, '000s)	Jun		150,0	27,0	
				14 : 30	US	Continuing jobless claims ('000s)	weekly		1688
				14 : 30	US	Initial jobless claims ('000s)	weekly		227
				16 : 00	US	Factory orders (mom, %)	May	0,2	-1
				16 : 00	US	ISM non-Manufacturing PMI (points)	Jun	56,0	56,9
	4.	9 : 00	HU	Retail sales (first estimate, yoy, %)	May		-	8,5	
		11 : 00	EZ	Retail sales (mom, %)	May		0,4	-0,4	
14 : 00		RO	Interest rate decision (%)	Jul		2,5	2,5		
5.	8 : 00	DE	Industrial orders (mom, %)	May		0,1	0,3		
	9 : 00	HU	Industrial production (preliminary, yoy, %)	May		-	6,3		
	10 : 00	HU	International reserves (preliminary, EURbn)	Jun		-	26,7		
	14 : 30	US	Average earnings (yoy, %)	Jun			3,1		
			US	Average earnings (mom, %)	Jun		0,3	0,2	
	14 : 30	US	Unemployment rate (%)	Jun		3,6	3,6		
	14 : 30	US	Non-farm payroll (mom, '000s)	Jun		165,0	75,0		

*preliminary data

Sources: Reuters, OTP Research

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This document was prepared on 01 July 2019.

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