

Global Daily Report



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Summary

- The stock markets of the world were rather gloomy yesterday, owing to mounting risk of a trade war
- The dollar firmed and the forint weakened against the euro
- Turkey's líra slumped 3.8% vs. the US dollar following President Erdogan's words that interest rates may fall soon
- The Brent nose-dived almost 7%

In Wednesday's rather lacklustre trading on global stock markets, the DAX and the CAC40 fell 1.5% each, and the FTSE100 slipped 1.3%. On the other side of the Atlantic, the S&P500 dropped 0.7% and the NASDAQ100 closed 0.5% down.

The sentiment was not any brighter in Central and Eastern Europe, where the WIG20 and the BUX shed around 1% each.

The bearish sentiment left its mark on the currency market. The US dollar appreciated 0.6% versus the EUR and 0.9% against the yen. The HUF lost 0.5% ground from the euro and 0.9% versus the USD. The Turkish lira slumped 3.8% against the US dollar, as investors increasingly question the Turkish central bank's independence and thus the course of its monetary policy. Moreover, President Erdogan said that interest rates may drop in Turkey in the near future. Apparently investors did not appreciate the leader's statement, given the rise in both inflation and long-term bond yields.

The price of Brent fell more than 5%; that of gold and silver sank 1% and 1.7% respectively. Market players attribute the oil price's plunge to the escalation of the trade war, because it holds back the world economy's growth, which affects demand for oil.

Today's important publications include US inflation data, the minutes of the ECB's rate-setting meeting, and the US federal budget balance.

	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	2774,0	-0,7	3,8	VIX	13,6	7,8	23	WTI	70,5	-4,7	16,7
	DOW	24700,5	-0,9	-0,1	US 2Y	2,58	-2	69	Brent	73,40	-6,9	9,8
	Nasdaq100	7244,0	-0,5	13,3	US 10Y	2,84	-3	43	Gold	1241,8	-1,1	-4,7
	DAX	12417,1	-1,5	-3,9	GER 2Y	-0,65	1	-2	Silver	15,74	-1,9	-7,1
	CAC40	5353,9	-1,5	0,8	GER 10Y	0,31	-1	-12	EUR/USD	1,17	-0,6	-2,7
	FTSE 100	7592,0	-1,3	-1,2	PT10Y	1,79	-1	-14	EUR/GBP	0,88	-0,1	-0,5
	FTSE MIB	21708,1	-1,6	-0,7	IT 10Y	2,69	0	69	EUR/NOK	9,47	0,6	-3,9
	Stoxx600	381,4	-1,3	-2,0	SP 10	1,31	2	-26	USD/CAD	1,32	0,7	5,0
	- Banks	140,5	-1,4	-14,9	iTRAXX	67,9	2,0	50	AUD/USD	0,74	-1,2	-5,6
	Nikkei 225	22188,0	1,3	-2,5	JPY 2Y	-0,13	0	1	USD/JPY	112,00	0,9	-0,6
	SSEC	2843,4	2,4	-14,0	JPY 10Y	0,04	0	-1	GBP/USD	1,32	-0,5	-2,3
Regional	RTS	1186,4	-1,3	2,8	RUS10	7,6	-0,3	0	USD/RUB	62,393	1,0	8,2
	WIG20	2154,28	-1,1	-12,5	POL 10	3,2	-0,9	-4	EUR/PLN	4,34	0,6	3,9
	PX50	1088,3	-0,1	0,9	CZ10	2,2	0,0	44	EUR/RON	4,656	0,0	-0,4
Hungary	BUX	35063	-1,0	-11,0	3M DKJ	0,20	0	16	EUR/HUF	325,18	0,4	4,7
	OTP	9885	-1,3	-7,8	1Y	0,61	-1	56	USD/HUF	278,57	1,1	7,6
	MOL	2670	-1,1	-11,1	3Y	1,86	-4	131	CHF/HUF	279,63	0,7	5,5
	MTelekom	402	-0,4	-12,2	5Y	2,83	43	166	PLN/HUF	74,87	-0,1	0,8
	Richter	4838	-0,2	-28,6	10Y	3,35	-7	130	GBP/HUF	367,73	0,5	5,3

* 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.
2018 7. 9.	8 : 00	DE Export (mom, %)	May	1,8	0,8	-0,3
	10 : 30	EZ Sentix Investor confidence (points)	July	12,1	8	9,3
	15 : 00	EZ Mario Draghi speech (European Parliament ECON committee)	-	-	-	-
10.	9 : 00	HU Inflation (yoy, %)	June	3,1	3,1	2,8
	9 : 00	HU Core inflation (yoy, %)	June	2,4	-	2,4
	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	May	577	725	517
	10 : 30	UK Industrial production (mom, %)	May	-0,4	0,5	-0,8
	11 : 00	DE ZEW Economic Sentiment (points)	July	-24,7	-18,0	-16,1
11.	14 : 00	PL Interest rate decision (%)	July	1,5	1,5	1,5
12.	8 : 00	DE CPI (final, yoy, %)	June	2,1	2,1	2,1*
	9 : 00	HU Industrial production (second estimate, yoy, %)	May		-	0,4*
	11 : 00	EZ Industrial production (mom, %)	May		0,2	-0,9
	13 : 30	EZ ECB Minutes	Apr.		-	-
	14 : 30	US CPI (yoy, %)	June		2,9	2,8
	14 : 30	US CPI (mom, %)	June		0,2	0,2
	14 : 30	US core-CPI (yoy, %)	June		2,3	2,2
	14 : 30	US core-CPI (mom, %)	June		0,2	0,2
	20 : 00	US Federal budget balance (USDbn)	June		-98,2	-147,0
13.	16 : 00	US Michigan Consumer confidence (preliminary, points)	July		98,2	99,3
	16 : 00	US Fed Monetary Policy Report	June		-	-

* preliminary data

Sources: Reuters, OTP Research

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