

Global Daily Report



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Summary

- US trading was bright but Europe was less enthusiastic.
- The US dollar weakened
- Oil and precious metal prices picked up
- Facebook's Q2 report disappointed
- The adverse effect of steel tariffs made a number of US firms cut profit forecasts, a Bloomberg survey found

There was mixed sentiment on global stock markets on Wednesday. In America, the S&P500 advanced 0.9% and the NASDAQ100 surged 1.4%. In Europe, the DAX fell 0.9%, the CAC40 dipped 0.1%, while the FTSE100 slipped 0.7%. In the CEE region, Poland's WIG20 closed 0.7% higher, and Hungary's BUX dropped 0.2%.

The US dollar weakened 0.3% versus the EUR and the GBP each, and lost 0.2% against the JPY.

Brent climbed 0.4% higher. Gold (0.5%) and silver (0.7%) shine brighter.

Facebook fell 25% in after-hours trading, following a streak of negative news about the company. The number of active users was 1.47 billion, wrong-footing analysts who had expected 1.48 billion. More importantly, the number of all users grew by only 1.54% in the second quarter, down from the 3.14% surge in the previous quarter. The management expects even slower growth in the second quarter. Revenues were also short of the USD 13.3 billion forecast, even as they grew to USD 13.2 billion (largely benefiting from an uptick in mobile ads). Headcount surged 47% from the previous year, largely because of a huge jump in demand for filtering content (for election manipulation, racism, etc.). Nevertheless, the social media company's earnings per share (at USD 1.74) have beaten expectations (USD 1.71). In recent days Facebook was permitted to open its office in China, which authorities have rescinded since then.

President Trump and the European Commission's President Jean-Claude Juncker agreed that the EU would try to promote liquefied natural gas imports from the USA and boost soy imports, Dow Jones' sources informed. In return, industrial products' tariffs may reduce on both sides. On the whole, this compromise may help avoid the onset – or the escalation – of the USA-EU trade war.

The corporate profits of US companies are beginning to feel the pain from the trade war, a Bloomberg survey found. Citing the rise in metal prices, a number of US firms (including General Motors, Harley-Davidson, Whirlpool, Lincoln Electric Holdings, Alcoa Corp, Electrolux, and Sonoco Product) have cut profit forecasts.

	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	2846,1	0,9	6,5	VIX	12,3	-1,0	11	WTI	69,3	0,9	14,7
	DOW	25414,1	0,7	2,8	US 2Y	2,66	2	77	Brent	73,93	0,7	10,6
	Nasdaq100	7508,6	1,4	17,4	US 10Y	2,94	-1	53	Gold	1231,2	0,6	-5,5
	DAX	12579,3	-0,9	-2,6	GER 2Y	-0,61	1	3	Silver	15,56	0,8	-8,2
	CAC40	5426,4	-0,1	2,1	GER 10Y	0,39	0	-3	EUR/USD	1,17	0,4	-2,2
	FTSE 100	7658,3	-0,7	-0,4	PT10Y	1,76	-5	-17	EUR/GBP	0,89	0,0	0,1
	FTSE MIB	21561,5	-1,4	-1,3	IT 10Y	2,68	0	68	EUR/NOK	9,54	-0,1	-3,1
	Stoxx600	387,2	-0,3	-0,5	SP 10	1,38	6	-19	USD/CAD	1,30	-0,8	3,7
	- Banks	143,2	-0,8	-13,2	iTRAXX	62,7	-1,4	39	AUD/USD	0,75	0,4	-4,5
	Nikkei 225	22586,9	-0,1	-0,8	JPY 2Y	-0,12	1	2	USD/JPY	110,97	-0,2	-1,5
	SSEC	2879,4	-0,8	-12,9	JPY 10Y	0,09	2	4	GBP/USD	1,32	0,3	-2,4
Regional	RTS	1141,7	-0,2	-1,1	RUS10	7,8	0,5	2	USD/RUB	62,783	-0,8	8,9
	WIG20	2260,7	0,7	-8,1	POL 10	3,1	-1,6	-5	EUR/PLN	4,30	-0,1	2,9
	PX50	1090,4	-0,3	1,1	CZ10	2,1	0,5	39	EUR/RON	4,619	-0,2	-1,2
Hungary	BUX	34963	-0,2	-11,2	3M DKJ	0,20	-1	16	EUR/HUF	325,42	-0,2	4,8
	OTP	9990	-0,1	-6,8	1Y	0,57	-2	52	USD/HUF	277,36	-0,6	7,2
	MOL	2650	-1,1	-11,8	3Y	1,73	-5	118	CHF/HUF	279,48	-0,4	5,5
	MTelekom	404	0,7	-11,8	5Y	2,82	-3	165	PLN/HUF	75,64	-0,1	1,8
	Richter	4840	0,6	-28,6	10Y	3,39	-1	134	GBP/HUF	365,54	-0,2	4,6

* 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. 23.	16 : 00	EZ Consumer confidence index (flash, points)	Jul	-0,6	-0,7	-0,6
	16 : 00	US Existing home sales (mom, %)	Jun	5 380	5 470	5 430
24.	2 : 30	JP Nikkei Manufacturing PMI (points)	Jun	51,6	-	53,0
	9 : 00	FR Markit Manufacturing PMI (points)	Jul	53,1	52,4	52,5
	9 : 00	FR Markit Service PMI (points)	Jul	55,3	55,7	55,9
	9 : 30	DE Markit Manufacturing PMI (points)	Jul	57,3	55,5	55,9
	9 : 30	DE Markit Service PMI (points)	Jul	54,4	54,3	54,5
	10 : 00	EZ Markit Manufacturing PMI (points)	Jul	55,1	54,6	54,9
	10 : 00	EZ Markit Service PMI (points)	Jul	54,4	55,0	55,2
	14 : 00	HU Interest rate decision (%)	Jul	0,9	0,9	0,9
	15 : 45	US Markit Manufacturing PMI (points)	Jul	55,5	55,4	55,4
	15 : 45	US Markit Service PMI (points)	Jul	56,2	56,5	56,5
25.	10 : 00	DE IFO Economic sentiment index (points)	Jul	102	101,5	101,8
	16 : 00	US New home sales (annualized monthly, '000s)	Jun	631,0	670	689
26.	13 : 45	EZ Interest rate decision (deposit rate, %)	Jul		-0,4	-0,4
	13 : 45	EZ Interest rate decision (lending rate, %)	Jul		0,0	0,0
	14 : 30	US Durable goods orders (mom, %)	Jun		3,0	-0,4
27.	7 : 30	FR GDP (preliminary, qoq, %)	Q2		0,3	0,2
	9 : 00	HU Unemployment rate (%)	Jun		-	3,7
	14 : 30	US GDP (preliminary, annualized qoq, %)	Q2		4,1	2,0

* preliminary data

Sources: Reuters, OTP Research

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