

Global Daily Report



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Summary

- Brexit talks entered deadlock, Theresa May said.
- The Dow closed at all-time high.
- Brent exceeded 80 USD/barrel at one point on Friday.

Western Europe's key indices opened on a strong note on Friday and preserved gains, shrugging off news on the eurozone's disappointing manufacturing purchasing managers' index for September. Its 53.3-point reading was the worst one since September 2016, but remaining above the 50-point mark indicates the manufacturing industry's expansion. Friday's best-performing index, Britain's FTSE100 marched 1.7% higher while a selloff pushed the pound 1.2% lower; the EUR/GBP ended at 0.9. The British currency's ailing owes a lot to Theresa May's interview with the BBC, in which Britain's PM said that Brexit negotiations were at an impasse.

Investors in America were less optimistic than in Europe and the Dow was the only benchmark index to climb into positive territory on Friday, closing at new high. It growth was fuelled by energy-related companies, which rose simultaneously with oil prices. The weakest performer, the Nasdaq100 (-0.5%) was largely dragged down by the tech sector.

The CEE region's indices could not keep pace with the growth of their Western European peers.

The USD strengthened against the euro on Friday, erasing a fraction of the previous day's loss; the EUR/USD ended Friday's session at 1.18.

The US 10Y bond yield remained practically flat above 3%, while the yield on Germany' Bund dropped one basis point, and that of the UK fell three points.

The effect of Donald Trump' Thursday Twitter message, in which he indirectly urged OPEC members to reduce oil prices, did not last long. The Brent's price crept higher during Friday's trading hours in Europe, going beyond the 80-dollar mark, before a sharp fall led it below 79 dollars. The most important industrial metals' prices rose, including the more-than-4% jump in copper and nickel prices.

The stock markets of Japan and China were closed on holiday this morning.

Today the German Ifo institute's economic sentiment index is worth checking. It may also be interesting to see investors' reaction to the new round of trade tariffs, which take effect between China and the USA today – especially because the talks between the two parties came to nothing, according to the Wall Street Journal's sources.

	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	2929,7	0,0	9,6	VIX	11,7	-1,0	6	WTI	70,8	0,7	17,1
	DOW	26743,5	0,3	8,2	US 2Y	2,80	0	91	Brent	78,80	0,1	17,8
	Nasdaq100	7531,1	-0,5	17,7	US 10Y	3,07	-1	66	Gold	1199,1	-0,6	-7,9
	DAX	12430,9	0,8	-3,8	GER 2Y	-0,55	-1	8	Silver	14,25	-0,1	-15,9
	CAC40	5494,2	0,8	3,4	GER 10Y	0,46	-2	4	EUR/USD	1,17	-0,2	-2,1
	FTSE 100	7490,2	1,7	-2,6	PT10Y	1,89	-2	-4	EUR/GBP	0,90	1,2	1,1
	FTSE MIB	21536,7	0,7	-1,4	IT 10Y	2,84	-6	84	EUR/NOK	9,57	-0,2	-2,8
	Stoxx600	384,3	0,4	-1,3	SP 10	1,51	-1	-6	USD/CAD	1,29	0,1	2,7
	- Banks	142,0	0,4	-13,9	iTRAXX	68,3	0,4	51	AUD/USD	0,73	0,0	-6,6
	Nikkei 225	23891,5	0,0	4,9	JPY 2Y	-0,10	0	4	USD/JPY	112,56	0,1	-0,1
SSEC	2797,5	0,0	-15,4	JPY 10Y	0,13	0	8	GBP/USD	1,31	-1,4	-3,2	
Regional	RTS	1149,5	0,8	-0,4	RUS10	8,7	-1,0	14	USD/RUB	66,441	0,2	15,2
	WIG20	2257,47	-0,1	-8,3	POL 10	3,2	0,0	-2	EUR/PLN	4,30	0,3	3,1
	PX50	1101,7	-0,2	2,2	CZ10	2,2	0,4	44	EUR/RON	4,654	0,0	-0,5
Hungary	BUX	35783	-1,0	-9,1	3M DKJ	0,09	6	6	EUR/HUF	324,06	0,2	4,4
	OTP	9960	-0,2	-7,1	1Y	0,44	-8	39	USD/HUF	275,86	0,5	6,6
	MOL	2830	-2,1	-5,8	3Y	1,83	-1	128	CHF/HUF	287,63	0,5	8,5
	MTelekom	402	-1,6	-12,3	5Y	3,10	-4	193	PLN/HUF	75,26	-0,1	1,3
	Richter	5050	-1,0	-25,5	10Y	3,64	-5	159	GBP/HUF	360,75	-0,9	3,3

* 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 9. 24.	10 : 00	DE IFO Economic sentiment index (points)	Sept		103,2	103,8
	25. 15 : 00	US Case-Shiller Home Price Index (yoy, %)	Jul		6,2	6,3
	16 : 00	US Consumer confidence (point)	Sept		132,0	133,4
26.	13 : 00	CZ Interest rate decision (%)	Sept			1,25
	16 : 00	US New home sales (annualized monthly, '000s)	Aug		630	627
	20 : 00	US Interest rate decision (%)	Sept		2,0-2,25	1,75-2,0
	20 : 00	US FOMC economic forecast	-		-	-
27.	9 : 00	HU Unemployment rate (%)	Aug		-	3,6
	11 : 00	EZ EC Economic Sentiment Index (points)	Sept		111,2	111,6
	14 : 00	DE CPI (flash, yoy, %)	Sept		2,0	2,0
	14 : 30	US Durable goods orders (mom, %)	Aug		2,0	-1,7
	16 : 00	US Pending home sales (mom, %)	Aug		-0,1	-0,7
28.	9 : 00	HU Industrial producer prices (yoy, %)	Aug		-	8,4
	11 : 00	EZ CPI (flash, yoy, %)	Sept		2,1	2,0
	11 : 00	EZ Core CPI (flash, yoy, %)	Sept		1,1	1,0
	14 : 30	US Personal income (mom, %)	Aug		0,4	0,3
	14 : 30	US Personal consumption (adjusted, mom, %)	Aug		0,3	0,4
	15 : 45	US Chicago PMI (points)	Sept		63,8	64
30.	3 : 00	CN NBS Manufacturing PMI (points)	Sept		51,2	51,3
	3 : 00	CN NBS non-Manufacturing PMI (points)	Sept		-	54,2

Sources: Reuters, OTP Research

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