

Global Daily Report



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Summary

- Investor sentiment was positive in Europe, while mixed in the US
- The EURUSD did not change much, emerging currencies appreciated against the USD
- President Trump criticized the Fed; the Italian finance minister is worried by the increase in Italian government bond yields
- Asian trading ended in the positive territory

Investor's sentiment was positive yesterday in Europe .The DAX increased by 0.3%, the CAC40 by 0.4%, while the FTSE 100 by 0.6%. Among the regional stock indices, the WIG closed higher by 1.2% and the BUX by 0.9%. Among the Hungarian blue chip stocks, the MOL increased by 2% and the MTelekom by 1.3%. The OTP and the Richter closed only slightly higher.

In the US, the S&P500 closed slightly lower, but the Nasdaq100 could increase a bit. After the rapid rise in US long term yields in the past few days, they closed a few basis point lower. Among the US stock sectors, the energy sector over performed, but industrials and materials greatly underperformed. The tech sector could gain only slightly in yesterday's trading session.

In today's morning hours, Asian stock indices closed in the positive territory and the Japanese long term government bond yields decreased slightly.

The EURUSD did not change much, but the USD appreciated against the JPY. The HUF appreciated a bit against the majors. The emerging currencies had an acceptable day yesterday. The Turkish lira and the South African Rand appreciated against the USD.

The price per barrel of the Brent crude oil is increased by 1.3%. Precious metals could only increase slightly. Behind the increase in oil price is the fact, that reports emerged which proves that the Iranian export is indeed decreasing due to US sanctions, as expected.

According to the Italian finance minister, the current high government bond yields are unacceptable. He also emphasised that it is not likely that the spread between Italian and German government bonds would increase from the current 300 bps. to 500 bps. The Italian bond yield increased slightly yesterday.

The IMF reduced its global growth forecast for 2018 and 2019 due to the US-Chinese trade war.

President Trump criticized the Fed again as he sees the Fed lifting rates too fast. Although he emphasised that he did not share the concern with the Fed Chairman.

Today the only data which is worth mentioning is the industrial production data from Great Britain. Besides that no major data will arrive.

	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	2880,3	-0,1	7,7	VIX	16,0	1,7	44	WTI	75,0	0,9	24,1
	DOW	26430,6	-0,2	6,9	US 2Y	2,89	0	100	Brent	85,00	1,3	27,1
	Nasdaq100	7371,6	0,3	15,2	US 10Y	3,21	-2	80	Gold	1189,2	0,1	-8,7
	DAX	11977,2	0,3	-7,3	GER 2Y	-0,55	1	8	Silver	14,37	0,2	-15,2
	CAC40	5318,6	0,3	0,1	GER 10Y	0,54	0	12	EUR/USD	1,15	0,0	-4,2
	FTSE 100	7237,6	0,1	-5,9	PT10Y	1,98	1	5	EUR/GBP	0,87	-0,4	-1,6
	FTSE MIB	20062,3	1,1	-8,2	IT 10Y	3,53	-4	153	EUR/NOK	9,50	-0,1	-3,5
	Stoxx600	372,9	0,2	-4,2	SP 10	1,61	0	4	USD/CAD	1,29	-0,1	2,9
	- Banks	130,3	0,2	-21,0	iTRAXX	71,0	-0,6	57	AUD/USD	0,71	0,4	-9,0
	Nikkei 225	23506,0	0,2	3,3	JPY 2Y	-0,12	0	2	USD/JPY	112,94	-0,3	0,2
	SSEC	2724,1	0,1	-17,6	JPY 10Y	0,15	0	10	GBP/USD	1,31	0,4	-2,7
Regional	RTS	1159,5	0,1	0,4	RUS10	8,9	-0,1	17	USD/RUB	66,218	-0,5	14,8
	WIG20	2251,32	1,2	-8,5	POL 10	3,3	-0,5	0	EUR/PLN	4,30	-0,3	3,0
	PX50	1095,8	0,0	1,6	CZ10	2,2	0,2	42	EUR/RON	4,659	-0,2	-0,4
Hungary	BUX	37109	0,9	-5,8	3M DKJ	0,06	2	2	EUR/HUF	324,50	-0,2	4,5
	OTP	10190	0,4	-4,9	1Y	0,43	3	38	USD/HUF	282,17	-0,3	9,0
	MOL	3040	2,0	1,2	3Y	1,86	9	131	CHF/HUF	284,52	-0,2	7,4
	MTelekom	400	1,3	-12,7	5Y	3,31	10	214	PLN/HUF	75,39	0,1	1,5
	Richter	5180	0,3	-23,6	10Y	3,84	8	180	GBP/HUF	370,98	0,1	6,2

* 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.
2018 10. 8.	8 : 00	DE	Industrial production (mom, %)	Aug	-0,3	0,4	-1,1
	10 : 30	EZ	Sentix Investor confidence (points)	Oct	11,4	11,8	12,0
	11 : 00	HU	Fiscal balance (monthly, billion HUF)	Sept	149,7	-	-155,3
9.	8 : 00	DE	Export (mom, %)	Aug	-0,1	0,3	-0,90
	9 : 00	HU	Inflation (yoy, %)	Sept	3,6	3,5	3,4
	9 : 00	HU	Core inflation (yoy, %)	Sept	2,4	-	2,2
	9 : 00	HU	Trade balance (preliminary, monthly, EUR mn)	Aug	51,0	-	362,0
10.	10 : 30	UK	Industrial production (mom, %)	Aug		0	0,1
11.	13 : 30	EZ	ECB Minutes	Sept		-	-
	14 : 30	US	CPI (yoy, %)	Sept		2,8	2,7
	14 : 30	US	CPI (mom, %)	Sept		0,2	0,2
	14 : 30	US	core-CPI (yoy, %)	Sept		2,3	2,2
	14 : 30	US	core-CPI (mom, %)	Sept		0,2	0,1
	20 : 00	US	Federal budget balance (USDbn)	Sept		-	-214,0
12.	8 : 00	DE	CPI (final, yoy, %)	Sept		2	2,3*
	9 : 00	HU	Industrial production (second estimate, yoy, %)	Aug		-	1,5*
	11 : 00	EZ	Industrial production (mom, %)	Aug		0,3	-0,8
	16 : 00	US	Michigan Consumer confidence (preliminary, points)	Oct		98,5	100,1
			IMF - World Bank Annual Meeting, October 12-14	-		-	-

* preliminary data

Sources: Reuters, OTP Research

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This document was prepared on 10 October 2018.

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