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# Global Daily Report

### Summary

- The NASDAQ100 hit new high yesterday.
- Italy's new government won its confidence voted in the Senate.

America's stock indices opened with losses but the subsequent recovery helped most of them to gains, except for the Dow. A 0.3% increase took the NASDAQ100 to a new record high, bolstered by the technology sector's march higher. Twitter surged 5% on the back of news that it will join the S&P 500 index.

In Europe, the Frankfurt stock markets extended its gains yesterday, while sellers took the upper hand in London (-0.7%) and Paris (-0.2%). On Tuesday Britain announced to further reduce its stake in the Royal Bank of Scotland, to 62%, by selling 925 million shares. The banking fell 5.3% by the close. Italy's markets were still driven by reports about government forming. In his inauguration speech, Prime Minister of Italy's new cabinet Giuseppe Conte pledged to boost social expenditure and end migration, but said his cabinet would not aim at steering Italy out of the eurozone. The populist promises gave new impetus to the rise of yields, thus the yield on the 10Y Italian government bond recovered (2.77%) from the recent days' drop. Meanwhile the euro's 0.1% uptick led the EUR/USD to 1.17. The FTSE MIB slipped 1.2%, dragged down by its weakest component, the financial sector. At the end of the day, the new government won its confidence vote (by 171 to 117) in the upper chamber of Italy's parliament. The House of Representatives will decide today.

In Central and Eastern Europe, only the Czech koruna could firm against the euro.

Reversing the previous days' drops, the WTI futures climbed 0.9% higher, exceeding USD 65, while the Brent traded just above 75 USD/barrel at the end of the day.

Today's release of the EIA's oil inventory data may move crude oil prices.

|          | 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       | 2748,8  | 0,1              | 2,8     | VIX          | 12,4  | -2,7          | 12      | WTI            | 65,8   | 1,6              | 8,9     |
|          | DOW          | 24800,0 | -0,1             | 0,3     | US 2Y        | 2,49  | -1,6          | 60      | Brent          | 75,38  | 0,1              | 12,7    |
|          | Nasdaq100    | 7166,8  | 0,3              | 12,0    | US 10Y       | 2,92  | -1,8          | 51      | Gold           | 1295,7 | 0,3              | -0,5    |
|          | DAX          | 12787,1 | 0,1              | -1,0    | GER 2Y       | -0,66 | -2,5          | -3      | Silver         | 16,46  | 0,6              | -2,9    |
|          | CAC40        | 5461,0  | -0,2             | 2,8     | GER 10Y      | 0,37  | -5,1          | -6      | EUR/USD        | 1,17   | 0,2              | -2,3    |
|          | FTSE 100     | 7686,8  | -0,7             | 0,0     | PT10Y        | 1,87  | 9,5           | -6      | EUR/GBP        | 0,87   | -0,4             | -1,5    |
|          | FTSE MIB     | 21750,2 | -1,2             | -0,5    | IT 10Y       | 2,76  | 19,9          | 76      | EUR/NOK        | 9,50   | 0,1              | -3,5    |
|          | Stoxx600     | 386,9   | -0,3             | -0,6    | SP 10        | 1,39  | 4,7           | -18     | USD/CAD        | 1,30   | 0,3              | 3,1     |
|          | - Banks      | 142,3   | -2,0             | -13,8   | iTRAXX       | 67,1  | 3,2           | 49      | AUD/USD        | 0,76   | -0,4             | -2,4    |
|          | Nikkei 225   | 22620,5 | 0,4              | -0,6    | JPY 2Y       | -0,13 | 0             | 1       | USD/JPY        | 109,78 | 0,0              | -2,6    |
| SSEC     | 3112,0       | -0,1    | -5,9             | JPY 10Y | 0,05         | 0     | 0             | GBP/USD | 1,34           | 0,6    | -0,9             |         |
| Regional | RTS          | 1172,8  | -0,6             | 1,6     | RUS10        | 7,4   | 0,7           | -3      | USD/RUB        | 62,128 | 0,1              | 7,8     |
|          | WIG20        | 2255,95 | 2,1              | -8,3    | POL 10       | 3,2   | 0,4           | -2      | EUR/PLN        | 4,28   | 0,2              | 2,5     |
|          | PX50         | 1073,2  | -0,6             | -0,5    | CZ10         | 2,0   | 1,9           | 30      | EUR/RON        | 4,649  | -0,1             | -0,6    |
| Hungary  | BUX          | 36678   | -1,4             | -6,9    | 3M DKJ       | 0,19  | 0             | 15      | EUR/HUF        | 318,46 | -0,1             | 2,6     |
|          | OTP          | 10210   | -2,3             | -4,8    | 1Y           | 0,27  | 0             | 22      | USD/HUF        | 271,78 | -0,2             | 5,0     |
|          | MOL          | 2700    | -2,5             | -10,1   | 3Y           | 1,14  | -1            | 59      | CHF/HUF        | 275,89 | 0,1              | 4,1     |
|          | MTelekom     | 425     | 0,2              | -7,2    | 5Y           | 1,66  | -3            | 49      | PLN/HUF        | 74,35  | -0,2             | 0,1     |
|          | Richter      | 5465    | 1,2              | -19,4   | 10Y          | 3,11  | -5            | 107     | GBP/HUF        | 363,70 | 0,4              | 4,1     |

\* 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 6. 4. 10 : 30 | EZ  | Sentix Investor confidence (points)          | June   | 9,3  | 18,7  | 19,2   |
| 16 : 00            | US  | Factory orders (mom, %)                      | Apr.   | -0,5 | -0,3  | 1,6    |
| 5. 9 : 00          | HU  | Retail sales (first estimate, yoy, %)        | Apr.   | 4,3  | -     | 8,7    |
| 9 : 00             | HU  | GDP (yoy, detailed, %)                       | Q1     | 4,4  | -     | 4,4*   |
| 11 : 00            | EZ  | Retail sales (mom, %)                        | Apr.   | 0,1  | 0,5   | 0,1    |
| 16 : 00            | US  | ISM non-Manufacturing PMI (points)           | May    | 58,6 | 57,5  | 56,8   |
| 0 : 0              | EU  | Brussels Economic Forum                      | -      | -    | -     | -      |
| 6. 9 : 00          | HU  | Industrial production (preliminary, yoy, %)  | Apr.   |      | -     | -2,4   |
| 14 : 00            | PL  | Interest rate decision (%)                   | June   |      |       | 1,5    |
| 7. 8 : 00          | DE  | Industrial orders (mom, %)                   | Apr.   |      | 0,8   | -0,9   |
| 10 : 00            | HU  | International reserves (preliminary, EURbn)  | May    |      | -     | 23,2   |
| 11 : 00            | EZ  | GDP (detailed, yoy, %)                       | Q1     |      | 2,5   | 2,5    |
| 11 : 00            | EZ  | GDP (detailed, qoq, %)                       | Q1     |      | 0,4   | 0,4    |
| 11 : 00            | HU  | Fiscal balance (monthly, billion HUF)        | May    |      | -     | -209,4 |
| 8. 8 : 00          | DE  | Industrial production (mom, %)               | Apr.   |      | 0,3   | 1,0    |
| 8 : 00             | DE  | Export (mom, %)                              | Apr.   |      | 0     | 2      |
| 9 : 00             | HU  | Inflation (yoy, %)                           | May    |      | 2,8   | 2      |
| 9 : 00             | HU  | Core inflation (yoy, %)                      | May    |      | -     | 2,4    |
| 9 : 00             | HU  | Trade balance (preliminary, monthly, EUR mn) | Apr.   |      |       | 567*   |

\* preliminary data

Sources: Reuters, OTP Research

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