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# Daily Report

### Summary

- Advanced stock markets headed down on Friday owing to unfavourable developments on both sides of the Atlantic
- The US Senate passed the corporate tax overhaul bill
- The USD had a hectic day; the EUR/HUF closed higher, and crude prices grew
- The eurozone's PMI hit 17-year high; the Sentix index is due out today

Advanced stock markets ended a pessimistic trading session on Friday. In Europe, investors dumped carmakers on the back of news that there would be no independent investigation into the role of Volkswagen's former management in the diesel scandal.

In the USA, the ABC channel informed that Donald Trump's former advisor Michael Flynn had said that he was prepared to testify against the President. Unsurprisingly, the benchmark indices headed down, chiefly dragged down by the unfavourable performance of the technology sector. Later in the day, the tension eased and the focus of attention shifted to the Senate to see whether it passes the tax reform plan – it did, on early morning Saturday (European time). Thus both houses of the legislation have passed the bill, and the next step will be to reconcile them. The White House hopes that President Trump would sign the final version before the end of this year.

The BUX underperformed the CEE region, as OTP fell 1.2%, closing below the 10,000 line. Richter and Mol also sank into the red. In other Hungarian premium stocks, Opus dived 4% even though Magyar Takarékszövetkezeti Bank (The Bank of Hungarian Savings Co-operatives) had bought a 2% share in it. Appeninn raised its capital by HUF 850 million, by bringing in the assets (a real estate on Andrásy út, a prestigious location in Budapest) of Takaré Invest. Appeninn's share price closed 1% higher on Friday.

Ending a volatile day, the EUR/USD closed near Thursday's closing level (1.1894) on Friday. This morning the greenback was seen firming, and Asia's stock markets moved mixed.

The WTI and Brent rose by more than 1.5% each on Friday.

The forint's weakening led the EUR/HUF near 314.

Today the eurozone's Sentix investment sentiment index is due out in Europe. Analysts expect a slight drop, but cannot rule out an upward surprise, considering that the comparable indices are at their ten-year peaks – the eurozone's purchasing managers' index (PMI), released on Friday, hit a 17-year high.

The USA will release manufacturing orders statistics in the afternoon.

	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	2642,2	-0,2	18,0	VIX	11,4	1,3	-19	WTI	58,36	1,2	8,6
	DOW	24231,6	-0,2	22,6	US 2Y	1,78	-1,2	58	Brent	63,73	0,3	12,2
	Nasdaq100	6337,9	-0,5	30,3	US 10Y	2,36	-5,2	-7	Gold	1280,2	0,5	11,2
	DAX	12861,5	-1,2	12,0	GER 2Y	-0,71	-2,4	8	Silver	16,44	0,1	3,2
	CAC40	5316,9	-1,0	9,3	GER 10Y	0,36	-1,2	16	EUR/USD	1,1889	-0,1	13,1
	FTSE 100	7300,5	-0,4	2,2	PT10Y	1,86	-1,2	-190	EUR/GBP	0,8822	0,3	3,6
	FTSE MIB	22106,1	-1,2	14,9	IT 10Y	1,70	-3,8	-12	EUR/NOK	9,8525	-0,5	8,4
	Stoxx600	384,0	-0,7	6,2	SP 10	1,40	-4,5	1	USD/CAD	1,2681	-1,7	-5,6
	- Banks	159,8	-1,6	19,1	ITRAXX	48,5	1,0	-33	AUD/USD	0,7609	0,6	5,5
	Nikkei 225	22819,0	0,0	19,4	JPY 2Y	-0,14	0,9	3	USD/JPY	112,10	-0,4	-4,1
SSEC	3368,8	1,5	8,5	JPY 10Y	0,04	0,6	-1	GBP/USD	1,3470	-0,4	9,2	
Regional	RTS	1133,3	0,2	-1,6	RUS10	7,61	0,0	-9	USD/RUB	58,869	0,7	-4
	WIG20	2389,92	-0,8	22,7	POL 10	3,34	-0,2	-8	EUR/PLN	4,2128	0,2	-4,3
	PX50	1064,0	0,4	15,4	CZ10	1,55	-2,0	231	EUR/RON	4,6282	-0,3	2,1
Hungary	BUX	38189	-1,3	19,3	3M TB	0,05	0	-11	EUR/HUF	313,74	0,2	1,6
	OTP	9930	-1,2	18,2	1Y	0,07	1	-11	USD/HUF	263,90	0,4	-10,1
	MOL	2981	-2,3	15,6	3Y	0,60	-1	-26	CHF/HUF	269,06	0,7	-6,5
	MTelekom	469	-0,4	-5,8	5Y	1,13	-3	-64	PLN/HUF	74,530	0,1	6,4
	Richter	6795	0,0	9,4	10Y	2,08	-7	-112	GBP/HUF	355,44	-0,1	-2

\* In the case of bond yields, the change is in basis points instead of percentage (VIX and ITRAXX not included).

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2017 12. 4.	10 : 30	EZ Sentix Investor confidence (points)	Dec.		33,6	4,1
	16 : 00	US Factory orders (mom, %)	Oct.		0,6	1,4
5.	8 : 00	RO GDP (detailed, yoy, %)	Q3		-	8,8*
	9 : 00	HU Retail sales (first estimate, yoy, %)	Oct.		-	5,6
	9 : 00	HU GDP (detailed, yoy, %)	Q3		-	3,6*
	9 : 00	HU GDP (detailed, qoq, %)	Q3		-	0,8*
	9 : 00	SK GDP (detailed, yoy, %)	Q3		-	3,3*
	11 : 00	EZ Retail sales (mom, %)	Oct.		-0,7	0,7
	16 : 00	US ISM non-Manufacturing PMI (points)	Nov.		59,0	60,1
6.	8 : 00	DE Industrial orders (mom, %)	Oct.		-0,1	1,0
	9 : 00	HU Industrial production (preliminary, yoy, %)	Oct.		-	5,4
	14 : 15	US ADP non-farm employment (mom, '000s)	Nov.		191	235
7.	8 : 00	DE Industrial production (mom, %)	Oct.		1,1	-1,6
	11 : 00	HU Fiscal balance (monthly, billion HUF)	Nov.		-	-181,9
	11 : 00	EZ GDP (third estimate, yoy, %)	Q3		2,5	2,5*
	16 : 00	EZ Mario Draghi press conference on Basel reforms				
	0 : 0	HU International reserves (preliminary, EURbn)	Nov.		-	22,6
8.	0 : 50	JP GDP (revision, qoq, %)	Q3		-	0,3*
	4 : 00	CN Export (yoy, %)	Nov.		-	6,9
	4 : 00	CN Import (yoy, %)	Nov.		-	17,2
	8 : 00	DE Export (mom, %)	Oct.		1,0	-0,4
	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	Oct.		-	928,0
	9 : 00	HU Inflation (yoy, %)	Nov.		-	2,2
	9 : 00	HU Core inflation (yoy, %)	Nov.		-	2,7
	10 : 30	UK Industrial production (mom, %)	Oct.		0,1	0,7
	14 : 30	US Unemployment rate (%)	Oct.		4,1	4,1
	14 : 30	US Average earnings (yoy, %)	Nov.		-	2,4
	14 : 30	US Average earning (mom, %)	Nov.		0,3	0,0
	14 : 30	US Non-farm payroll (mom, '000s)	Nov.		188	261
	16 : 00	US Michigan Consumer confidence (preliminary, points)	Dec.		99,5	97,8

\*preliminary data

Source: Reuters, OTP Research

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