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# Daily Report

### Summary

- Friday's trading in Europe was optimistic, while America's indices stagnated on the last day of the week
- Trade war tensions intensified as Donald Trump insists on imposing tariffs on USD 200 million worth of goods imported from China
- Oil prices nudged higher.
- The USA released disappointing retail data but stable IP statistics.

US stock markets closed at near-stagnating levels on Friday. The S&P500 inched up, extending a four-day winning streak.

In Europe, the key indices climbed higher. The Stoxx600 upped 0.4% and the DAX advanced 0.6%. Ryanair was one of the winners of the day. The budget airline stocks ascended 1.2% after announcement that a deal is imminent about the collective labour agreement with Italian employees. The loser of the day was Danske Bank. The stocks of the Danish financial shrank 1.1% following reports on the US regulator's investigation in money laundering. It was reported this morning that, because of Brexit concerns, Deutsche Bank is mulling the idea of moving most of its assets from London to Frankfurt, in order to maintain compliance with EU regulations.

The BUX added 0.3% as Mol advanced 1%, OTP rose by 0.3%, Richter contracted by 0.8%, while Magyar Telekom stagnated.

Friday's investment sentiment was somewhat soured by reports that Donald Trump insists on imposing tariffs on USD 200 billion imports from China. Bloomberg's sources informed that President Trump had ordered on Thursday to implement tariffs even as his treasury secretary Steven Mnuchin was engaged in negotiations with China to prevent an escalation of trade war. Reports on the Florence hurricane's reaching the eastern coast of the USA weighed on markets.

US government debt yields rose on Friday. The yield on the 10Y government bond ended the day 2.8 basis points higher, at 2.992%, its highest reading since the beginning of August, after hitting 3% earlier in the day.

The WTI crude price rose by 0.6%, as the USA steps up pressure on countries that did not impose sanctions on Iran. Assistant Secretary of State for Economic and Business Affairs, Manisha Singh said her country was ready to take the 'strongest measures' against these countries.

The US dollar's firming against the euro led the EUR/USD 0.6% lower. The forint's weakening drove the EUR/HUF near 325.

The USA released disappointing retail sales data on Friday. Retail sales volumes inched up just 0.1% month/month in August, in the slightest uptick over the past six months, missing analysts' forecast of 0.4% growth. On the other hand, the industrial production statistics published on Friday showed a stable 0.4% expansion, meeting economists' expectations.

Hungary' construction output volume shot up 38% year/year in July. Within that, the construction of buildings (28.5%) went through the roof, and civil engineering work skyrocketed 48.3%. In month/month comparison, Hungary's total construction output expanded by 4.5%, the KSH office said on Friday.

Today the eurozone will publish the final inflation reading for August. On the other side of the Atlantic, the New York Fed manufacturing index is due out.

	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	2905,0	0,0	8,7	VIX	12,1	-2,4	9	WTI	69,0	0,6	14,2
	DOW	26154,7	0,0	5,8	US 2Y	2,78	3	89	Brent	78,09	-0,1	16,8
	Nasdaq100	7545,5	-0,2	18,0	US 10Y	2,99	3	58	Gold	1193,3	-0,6	-8,4
	DAX	12124,3	0,6	-6,1	GER 2Y	-0,55	0	8	Silver	14,04	-0,9	-17,1
	CAC40	5352,6	0,5	0,8	GER 10Y	0,45	3	3	EUR/USD	1,16	-0,5	-3,1
	FTSE 100	7304,0	0,3	-5,0	PT10Y	1,87	-1	-6	EUR/GBP	0,89	-0,3	0,1
	FTSE MIB	20885,4	0,2	-4,4	IT 10Y	2,81	3	81	EUR/NOK	9,60	-0,1	-2,5
	Stoxx600	377,9	0,4	-2,9	SP 10	1,51	2	-6	USD/CAD	1,30	0,3	3,6
	- Banks	135,4	0,2	-17,9	iTRAXX	59,6	-1,1	32	AUD/USD	0,72	-0,6	-8,3
	Nikkei 225	23094,7	0,0	1,4	JPY 2Y	-0,11	0	3	USD/JPY	112,04	0,1	-0,6
SSEC	2656,0	-1,0	-19,7	JPY 10Y	0,11	0	6	GBP/USD	1,31	-0,3	-3,3	
Regional	RTS	1094,7	0,9	-5,2	RUS10	8,9	-0,1	17	USD/RUB	68,017	-0,3	18,0
	WIG20	2232,07	-0,1	-9,3	POL 10	3,2	0,5	-2	EUR/PLN	4,30	0,0	3,0
	PX50	1095,5	0,2	1,6	CZ10	2,2	0,0	42	EUR/RON	4,638	0,0	-0,8
Hungary	BUX	36269	0,3	-7,9	3M DKJ	0,21	1	17	EUR/HUF	324,70	0,3	4,6
	OTP	10100	0,3	-5,8	1Y	0,54	-5	49	USD/HUF	279,26	0,8	7,9
	MOL	2890	1,0	-3,8	3Y	1,78	2	123	CHF/HUF	288,31	0,6	8,8
	MTelekom	405	0,0	-11,6	5Y	3,04	-2	187	PLN/HUF	75,45	0,3	1,6
	Richter	5055	-0,8	-25,4	10Y	3,67	8	162	GBP/HUF	364,53	0,4	4,3

\* 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. 17. 11 : 00	EZ	CPI (final, yoy, %)	Aug		2,0	2,0*
14 : 30	US	New York Fed Manufacturing index (points)	Sept		23,6	25,6
18. 14 : 00	HU	Interest rate decision (%)	Sept		0,9	0,9
19. 5 : 00	JP	Interest rate decision (%)	Sept		-0,1	-0,1
10 : 30	UK	Inflation (yoy, %)	Aug		2,4	2,5
10 : 30	UK	Core inflation (yoy, %)	Aug		1,9	1,9
14 : 30	US	Housing starts (annualized monthly, '000s)	Aug		1 228	1 168
14 : 30	US	Building permits (annualized monthly, '000s)	Aug			1 303
20. 8 : 30	HU	Balance of payments (quarterly, EURm)	Q2		-	1,0
9 : 00	HU	Gross wages (yoy, %)	Jul		-	11,2
10 : 30	UK	Retail sales (mom, %)	Aug			0,7
16 : 00	EZ	Consumer confidence index (flash, points)	Sept		-2,0	-1,9
16 : 00	US	Leading index (mom, %)	Aug		0,5	0,6
16 : 00	US	Existing home sales (mom, %)	Aug		5 340	5 340
21. 1 : 30	JP	CPI (yoy, %)	Aug		-	0,9
1 : 30	JP	core-CPI (yoy, %)	Aug		0,9	0,8
2 : 30	JP	Nikkei Manufacturing PMI (points)	Sept		-	52,5
9 : 15	FR	Markit Manufacturing PMI (points)	Sept		53,2	54
9 : 15	FR	Markit Service PMI (points)	Sept		55,2	55,4
9 : 30	DE	Markit Manufacturing PMI (points)	Sept		55,7	55,9
9 : 30	DE	Markit Service PMI (points)	Sept		55,0	55,0
10 : 00	EZ	Markit Manufacturing PMI (points)	Sept		54,4	54,6
10 : 00	EZ	Markit Service PMI (points)	Sept		54,5	54,4
15 : 45	US	Markit Manufacturing PMI (points)	Sept			54,7
15 : 45	US	Markit Service PMI (points)	Sept			54,8

\* preliminary data

Sources: Reuters, OTP Research

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