

## Treasury Sales Team



### Head of Sales

**Ottó Demjén**

+36 1 288 7558

[Otto.Demjen@otpbank.hu](mailto:Otto.Demjen@otpbank.hu)

### Retail

**Zsigmond Csillag**

+36 1 288 7556

[zsigmond.csillag@otpbank.hu](mailto:zsigmond.csillag@otpbank.hu)

**Attila Keresztyén**

+36 1 288 7552

[KeresztyenA@otpbank.hu](mailto:KeresztyenA@otpbank.hu)

**István Milán Nagy**

+36 1 288 7554

[milan.nagy@otpbank.hu](mailto:milan.nagy@otpbank.hu)

**Frigyes Soós**

+36 1 288 7571

[SoosF@otpbank.hu](mailto:SoosF@otpbank.hu)

**Pál András Saághy**

+36 1 288 7553

[Pal.Andras.Saaghy@otpbank.hu](mailto:Pal.Andras.Saaghy@otpbank.hu)

### Institutional

**Lóránt Fábrián**

+36 1 288 7572

[Lorant.Fabian@otpbank.hu](mailto:Lorant.Fabian@otpbank.hu)

**Szilvia Lovas**

+36 1 288 7545

[LovasSz@otpbank.hu](mailto:LovasSz@otpbank.hu)

**János Mladoniczki**

+36 1 288 7551

[MladoniczkiJ@otpbank.hu](mailto:MladoniczkiJ@otpbank.hu)

### Corporate

**Nóra Ilona Gordos**

+36 1 288 7549

[Nora.Ilona.Gordos@otpbank.hu](mailto:Nora.Ilona.Gordos@otpbank.hu)

**János Imrei**

+36 1 288 7555

[janos.imrei@otpbank.hu](mailto:janos.imrei@otpbank.hu)

**Csinszka Kis-Böndi**

+36 1 288 7544

[Kis-bondics@otpbank.hu](mailto:Kis-bondics@otpbank.hu)

**Roxána Kosztelnik**

+36 1 288 7541

[roxana.kosztelnik@otpbank.hu](mailto:roxana.kosztelnik@otpbank.hu)

**Edit Kovács Gyimóti**

+36 1 288 7542

[KovacsGyE@otpbank.hu](mailto:KovacsGyE@otpbank.hu)



## Daily Report

## Summary

- Global stock markets closed mixed on Friday
- The EUR/USD and the EUR/HUF ended nearly flat before the weekend
- Oil prices picked up on Friday when Libya's biggest oil field was closed
- Protests in France continued at the weekend; a minority government was set up in Belgium

Global stock markets closed mixed on Friday. A selloff hit America's stock markets on Friday, dragging down the S&P500 by 2.3%, and the Nasdaq100 by 3.3%. The sentiment was somewhat better in Europe, where the CAC40 upped 0.7%, the FTSE100 added 1.1%, and only the DAX inched down.

The CEE region was rather gloomy on Friday, with the WIG20 dropping 0.6% and the BUX losing 0.9%. Among Hungarian blue chips, OTP closed 2% down, while MOL and MTelekom slipped 1% each. Richter edged somewhat higher.

The sentiment was rather negative in Asia this morning – Japan's Nikkei sank 2.1% and mainland China's SSEC declined 0.9%.

The EUR/USD barely moved on Friday. The euro gained 0.6% against the GBP. The forint closed nearly flat against the key currencies.

Precious metal prices climbed 1% higher on Friday. Crude prices picked up 2.5%. Oil production on Libya's largest oil field, Sharara, was suspended after armed abductions. The precautionary measures temporarily reduce the country's output by 315,000 barrels a day, out of the daily production of 1.3 million barrels.

The foreign trade data China had published at the weekend missed expectations. Exports surged by 5.4%, and imports grew by 3% year/year. Analysts had expected 10% and 14.5% growth rates, respectively. In contrast, the month/month growth in Germany's exports in October had increased faster than had been thought. The quarter/quarter contraction in Turkey's GDP matched expectations.

Yellow-vest protests continued in France during the weekend. France's economy minister warned that the protests may have noticeable adverse effects on economic growth, given that the weeks preceding Christmas are extremely important for the retail sector, and the demonstrations in big cities drastically reduce turnover.

A minority government was formed in Belgium, following the resign of several ministers and state secretaries of the government's biggest coalition partner, the New Flemish Alliance.

US defence spending may continue to rise in 2020, Reuters informed. There are plans to boost the defence budget by 9.3%, to USD 750 billion by 2020, up from USD 686 bn in 2019.

Later this week, the USA will publish CPI inflation data. Tuesday's important events include the UK Parliament's vote on the Brexit deal, and the ECB's policy decision.

	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	2633,1	-2,3	-1,5	VIX	23,2	9,6	110	WTI	52,7	2,4	-12,8
	DOW	24389,0	-2,2	-1,3	US 2Y	2,71	-4,7	82	Brent	61,67	2,7	-7,8
	Nasdaq100	6613,3	-3,3	3,4	US 10Y	2,85	-2,6	44	Gold	1247,7	0,8	-4,2
	DAX	10788,1	-0,2	-16,5	GER 2Y	-0,60	2,7	4	Silver	14,62	1,0	-13,7
	CAC40	4813,1	0,7	-9,4	GER 10Y	0,25	2,7	-17	EUR/USD	1,1376	0,0	-5,2
	FTSE 100	6778,1	1,1	-11,8	PT10Y	1,80	0,0	-13	EUR/GBP	0,8948	0,6	0,7
	FTSE MIB	18742,0	0,5	-14,2	IT 10Y	3,13	-6,5	113	EUR/NOK	9,6883	0,0	-1,6
	Stoxx600	345,5	0,6	-11,2	SP 10	1,46	-0,7	-11	USD/CAD	1,3319	-0,4	5,9
	- Banks	116,6	0,4	-29,4	iTRAXX	85,3	-3,1	88,9	AUD/USD	0,7199	-0,5	-7,7
	Nikkei 225	21219,5	-2,1	-6,8	JPY 2Y	-0,14	-0,1	-1	USD/JPY	112,72	0,1	0,0
	SSEC	2583,5	-0,9	-21,9	JPY 10Y	0,04	-1,6	-1	GBP/USD	1,2726	-0,4	-5,8
Regional	RTS	1157,9	2,1	0,3	RUS10	8,7	-0,9	14	USD/RUB	66,384	-0,7	15,1
	WIG20	2281,54	-0,6	-7,3	POL 10	3,0	0,9	-8	EUR/PLN	4,29	0,2	2,7
	PX50	1040,4	0,2	-3,5	CZ10	2,0	-0,3	34	EUR/RON	4,645	-0,1	-0,7
Hungary	BUX	39385	-0,9	0,0	3M DKJ	0,05	0,0	1	EUR/HUF	323,08	0,1	4,0
	OTP	11270	-1,8	5,1	1Y	0,32	-5,9	27	USD/HUF	283,80	0,0	9,6
	MOL	3084	-1,0	2,6	3Y	1,30	-0,1	75	CHF/HUF	285,89	0,1	7,9
	MTelekom	440	-1,0	-3,9	5Y	2,70	-3,0	153	PLN/HUF	75,28	-0,1	1,3
	Richter	5585	0,8	-17,6	10Y	3,17	4,2	113	GBP/HUF	361,37	-0,4	3,4

\* 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 12. 10.	8 : 00	DE Export (mom, %)	Oct	0,7	0,3	-0,8
	8 : 00	TR GDP (qoq, %)	Q3	-1,1	-1,2	0,9
	8 : 00	TR GDP (yoy, %)	Q3	1,6	2,7	5,2
	10 : 30	EZ Sentix Investor confidence (points)	Dec			8,8
	10 : 30	UK Industrial production (mom, %)	Oct		0,1	0,0
11.	9 : 00	HU Inflation (yoy, %)	Nov		3,3	3,8
	9 : 00	HU Core inflation (yoy, %)	Nov		-	3
	11 : 00	DE ZEW Economic Sentiment (points)	Dec		-25,1	-24,1
		UK Brexit vote (UK Parliament)	-		-	-
12.	9 : 00	HU Industrial production (second estimate, yoy, %)	Oct		-	5,9*
	11 : 00	EZ Industrial production (mom, %)	Oct		-0,3	1,0
	14 : 30	US core-CPI (mom, %)	Nov		0,2	0,2
	14 : 30	US CPI (yoy, %)	Nov		2,4	2,5
	14 : 30	US CPI (mom, %)	Nov		0,1	0,30
	14 : 30	US core-CPI (yoy, %)	Nov		2,2	2,1
		Federal budget balance (USDbn)	Nov		-	-100,0
	0 : 0	US Jerome Powell testimony (Economic Committee)	-		-	-
13.	8 : 00	DE CPI (final, yoy, %)	Nov		2,3	2,3*
	13 : 45	EZ Interest rate decision (deposit rate, %)	Dec			0,0
	13 : 45	EZ Interest rate decision (lending rate, %)	Dec			-0,4
	14 : 30	US Continuing jobless claims ('000s)	weekly			231,0
14.	3 : 00	CN Infrastructural spending (yoy, %)	Nov		5,8	5,7
	3 : 00	CN Industrial production (yoy, %)	Nov		5,9	5,9
	3 : 00	CN Retail sales (yoy, %)	Nov		9,0	8,6
	9 : 00	EZ Markit Manufacturing PMI (points)	Dec		52,0	51,8
	9 : 00	EZ Markit Service PMI (points)	Dec		53,5	53,4
	9 : 00	HU Construction output (yoy, %)	Oct		-	26
	9 : 15	FR Markit Manufacturing PMI (points)	Dec			50,8
	9 : 15	FR Markit Service PMI (points)	Dec			55,1
	9 : 30	DE Markit Manufacturing PMI (points)	Dec		52,0	51,8
	9 : 30	DE Markit Service PMI (points)	Dec		53,5	53,3
	14 : 30	US Retail sales (mom, %)	Nov		0,2	0,8
	15 : 15	US Industrial production (mom, %)	Nov		0	0
	15 : 45	US Markit Manufacturing PMI (points)	Dec		55,2	55,3
	15 : 45	US Markit Service PMI (points)	Dec		55,0	54,7
	16 : 00	US Business inventories (mom, %)	Oct		0,5	0,3

\* preliminary data

Sources: Reuters, OTP Research

**Chief Economist**

Gergely Tardos  
tardosg@otpbank.hu  
+36 1 374 7273

**Analyst**

Dániel Módos  
modosd@otpbank.hu  
+36 1 301 2810

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