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Daily Report

Summary

- Trading sentiment was rather mixed on Thursday.
- The USD appreciated and the HUF weakened against the key currencies yesterday.
- The EU offered Britain a two-tier Brexit approach at yesterday's summit.
- An Indonesian airline is to cancel a multi-billion-dollar order for Boeing 737 Max 8 jets.

Thursday's trading sentiment was rather mixed on global stock markets. In America, the S&P500 rose by 1.1% and the Nasdaq100 gained 1.5%. In contrast, trading was rather gloomy in Europe, where Germany's DAX fell 0.5% and France's CAC40 shed 0.1%. London's FTSE100 surged 0.9%.

In the CEE region, Poland's WIG20 advanced 0.3%, while the BUX barely moved. OTP (+1.1%) was its only blue chip to close higher; MOL edged down 0.1%, Richter slid 1.5%, and MTelekom lost 0.6%.

This morning the stock indices of China and Japan were nudging higher.

The government bond yields of the EU's core and periphery countries sank yesterday, on both short-term and long-term maturities. This may be related to the ECB's recent TLTRO announcement and to the Fed's admitting that it would not raise interest rates this year, in line with market expectations.

In Thursday's trading the US dollar regained 0.3% from the euro and 0.6% from the pound sterling. The JPY suffered only small losses versus the US dollar. The forint's weakening pushed the EUR/HUF and the USD/HUF 0.3% and 0.7% higher, respectively.

Brent dropped nearly 1%; precious metal prices did not budge.

On Thursday an Indonesian airline said it cancelled a multi-billion-dollar order for Boeing 737 Max 8 jets, citing passengers who no longer trust this model. Boeing's share price descended 1% in Thursday's trading.

The EU offered Britain a two-stage Brexit solution in Thursday's EU summit. On the one hand, if the House of Commons passes Theresa May's agreement (which it had turned down twice), the departure date would be put off from 29 March to 22 May. Alternatively, if MPs reject the conditions of the departure, a long extension would be possible only if Britain agrees to stand in the European Parliament elections.

Today's important releases include Markit manufacturing and services sector purchasing manager indices.

	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	2854,9	1,1	13,9	VIX	13,6	-2,0	-46	WTI	60,0	-0,4	32,0
	DOW	25962,5	0,8	11,3	US 2Y	2,41	1,0	-9	Brent	67,86	-0,9	26,1
	Nasdaq100	7493,3	1,5	18,4	US 10Y	2,54	0,2	-15	Gold	1309,2	-0,2	2,1
	DAX	11550,0	-0,5	9,4	GER 2Y	-0,55	-1,5	4	Silver	15,47	0,1	-0,1
	CAC40	5378,9	-0,1	13,7	GER 10Y	0,04	-4,2	-21	EUR/USD	1,1373	-0,3	-0,8
	FTSE 100	7355,3	0,9	9,3	PT10Y	1,29	-2,7	-43	EUR/GBP	0,8676	0,3	-3,4
	FTSE MIB	21373,1	0,2	16,6	IT 10Y	2,44	-6,8	-33	EUR/NOK	9,6161	-0,9	-2,9
	Stoxx600	380,7	0,0	12,7	SP 10	1,11	-6,3	-31	USD/CAD	1,3358	0,4	-2,0
	- Banks	120,8	-1,3	6,8	iTRAXX	66,8	1,5	-24,1	AUD/USD	0,7111	-0,1	0,9
	Nikkei 225	21627,4	0,1	8,1	JPY 2Y	-0,17	-1,0	-3	USD/JPY	110,80	0,1	1,1
	SSEC	3102,0	0,0	24,4	JPY 10Y	-0,07	-2,9	-7	GBP/USD	1,3107	-0,7	2,7
Regional	RTS	1237,7	0,9	16,1	RUS10	8,2	-1,0	-6	USD/RUB	63,864	0,1	-8,3
	WIG20	2359,02	0,3	3,6	POL 10	2,9	0,1	2	EUR/PLN	4,29	0,2	-0,1
	PX50	1078,4	0,5	9,3	CZ10	1,9	-3,7	-4	EUR/RON	4,754	0,0	2,2
Hungary	BUX	41956	0,0	7,2	3M DKJ	0,03	-4,1	-4	EUR/HUF	314,52	0,3	-2,0
	OTP	12980	1,1	15,0	1Y	0,31	-5,6	-14	USD/HUF	276,65	0,7	-1,1
	MOL	3364	-0,1	9,3	3Y	1,52	-10,3	26	CHF/HUF	278,95	0,7	-2,3
	MTelekom	470	-0,5	6,8	5Y	2,13	-10,0	-40	PLN/HUF	73,45	0,3	-1,5
	Richter	5125	-1,6	-5,6	10Y	3,04	-11,0	0	GBP/HUF	361,78	-0,7	1,6

* 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.
2019 3. 19.	11 : 00	DE ZEW Economic Sentiment (points)	Mar	-3,6	-11,6	-13,4
	15 : 00	US Factory orders (mom, %)	Jan	0,1	-0,5	0,1
	20. 10 : 30	UK Inflation (yoy, %)	Feb	1,9	1,8	1,8
	10 : 30	UK Core inflation (yoy, %)	Feb	2	2	1,9
	19 : 00	US Interest rate decision (%)	Mar	2,25-2,5	2,25-2,5	2,25-2,5
	19 : 00	US FOMC economic forecast	Mar		-	-
	21. 10 : 30	UK Retail sales (mom, %)	Feb	0,4		1,0
	13 : 00	UK Interest rate decision (%)	Mar	1	0,8	0,8
	13 : 30	US Continuing jobless claims ('000s)	weekly	1750,0		1773
	13 : 30	US Initial jobless claims ('000s)	weekly	221,0		239
	15 : 00	US Leading index (mom, %)	Feb	0,2	0,1	-0,1
	16 : 00	EZ Consumer confidence (point)	Mar	-7	-7,4	-7,4
	22. 0 : 30	JP CPI (yoy, %)	Feb	0,2		0,2
	0 : 30	JP core-CPI (yoy, %)	Feb	0,7		0,8
	1 : 30	JP Nikkei Manufacturing PMI (points)	Mar	48,9	-	48,9
	8 : 15	FR Markit Manufacturing PMI (points)	Mar	52		51,5
	8 : 15	FR Markit Service PMI (points)	Mar	50,2		50,2
	9 : 30	DE Markit Manufacturing PMI (points)	Mar		48,2	47,6
	9 : 30	DE Markit Service PMI (points)	Mar		54,9	55,3
	10 : 00	EZ Markit Manufacturing PMI (points)	Mar		49,5	49,3
	10 : 00	EZ Markit Service PMI (points)	Mar		52,5	52,8
	14 : 45	US Markit Service PMI (points)	Mar			56,0
	15 : 00	US Existing home sales (mom, %)	Feb		5100	4940
	15 : 45	US Markit Manufacturing PMI (points)	Mar			53,0
	19 : 00	US Federal budget balance (USDbn)	Feb			9,0

Sources: Reuters, OTP Research

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