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Daily Report

Summary

- Pessimism ruled the stock markets on Tuesday.
- IMF has lowered its global growth forecast, again.
- The ECB's Governing Council meets today.

Donald Trump threatened again by a tariffs on the products from EU because of the support for Airbus SE, which made investors more pessimistic, so developed equity markets fell on Wednesday. In addition, the IMF reduced further its global growth forecast for 2019 to 3.3% from the 3.5% forecasted in January 2019 (in October the prognosis was 3.7%).. Energy-related companies showed the weakest performance, falling hand in hand with crude prices, however none of the main sectors fared well. In the end, the Brent dived 0.6% and the WTI slipped 0.7% yesterday.

Germany's 10-year yield declined two basis points to -0.01%. The 10Y US Treasury Note sank two basis points (+2.5%). The EUR/USD barely moved from Monday's close.

The European Council meets today to come to a decision about Britain's request for an extension to the Brexit deadline, which is scheduled for April 12. Meanwhile European Council President Donald Tusk rejected Theresa May's request for a short postponement to the U.K.'s membership, Tusk wants an extension of up to a year. The EUR/GBP climbed higher as the EU looked set to force the U.K to delay Brexit longer than June 30.

The BUX rose by 0.6%, all Hungarian blue chips posted gains; Richter was the best performer with a 1.4% rally. The EUR/HUF and USD/HUF closed slightly higher.

IMF lifted its growth projections for Hungary in 2019 to 3.6% in it's new forecast. In Tuesday's auction of 3M discount Treasury bills; the ÁKK sold the amount on offer, HUF 20 billion, at an average yield of 0.01%. On the secondary market, government bond yields upped by five or six basis points as both headline and core CPI rose more than expected.

Pessimism ruled Asian trading this morning. The USD/JPY barely moved since its opening.

Today the European Central Bank meeting may influence markets. The ECB is expected to keep interest rates unchanged, but new information may emerge about the framework of new TLTRO program. The USA will release inflation data for March. The minutes of the Fed's March meeting will be out today.

	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	2878,2	-0,6	14,8	VIX	14,3	8,3	-44	WTI	64,0	-0,6	40,9
	DOW	26150,6	-0,7	12,1	US 2Y	2,34	-1,4	-15	Brent	70,61	-0,7	31,2
	Nasdaq100	7568,5	-0,4	19,6	US 10Y	2,50	-2,0	-19	Gold	1303,9	0,5	1,6
	DAX	11850,6	-0,9	12,2	GER 2Y	-0,57	0,5	2	Silver	15,22	-0,2	-1,7
	CAC40	5436,4	-0,6	14,9	GER 10Y	-0,01	-0,7	-25	EUR/USD	1,1261	0,0	-1,8
	FTSE 100	7425,6	-0,4	10,4	PT10Y	1,20	-2,9	-52	EUR/GBP	0,8626	0,0	-4,0
	FTSE MIB	21671,8	-0,5	18,3	IT 10Y	2,58	-6,1	-20	EUR/NOK	9,6350	0,1	-2,7
	Stoxx600	385,7	-0,5	14,2	SP 10	1,08	-0,6	-34	USD/CAD	1,3328	0,1	-2,3
	- Banks	121,7	0,2	7,7	iTRAXX	61,1	-1,7	-30,6	AUD/USD	0,7122	-0,1	1,0
	Nikkei 225	21687,6	-0,5	8,4	JPY 2Y	-0,17	-0,6	-3	USD/JPY	111,12	-0,3	1,4
SSEC	3249,5	0,3	30,3	JPY 10Y	-0,06	-1,2	-6	GBP/USD	1,3060	0,0	2,4	
Regional	RTS	1248,4	0,7	17,1	RUS10	8,3	0,5	-4	USD/RUB	64,917	0,1	-6,8
	WIG20	2367,84	0,4	4,0	POL 10	2,9	-0,1	3	EUR/PLN	4,28	0,0	-0,1
	PX50	1083,4	-0,1	9,8	CZ10	1,9	-1,1	-4	EUR/RON	4,756	0,2	2,2
Hungary	BUX	42064	0,6	7,5	3M DKJ	0,08	0,0	1	EUR/HUF	322,14	0,3	0,4
	OTP	12700	0,5	12,5	1Y	0,28	0,0	-17	USD/HUF	285,99	0,4	2,2
	MOL	3278	0,6	6,5	3Y	1,40	5,2	14	CHF/HUF	285,47	0,0	0,0
	MTelekom	467	0,1	6,1	5Y	2,17	5,0	-36	PLN/HUF	75,18	0,3	0,8
	Richter	5540	1,4	2,0	10Y	3,20	6,0	16	GBP/HUF	372,91	0,2	4,7

* 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 4. 8.	8 : 00	DE Export (mom, %)	Feb	-1,3	-0,5	0,0
	9 : 00	HU Trade balance (preliminary, monthly, EUR mn)	Feb	891,0	600	392
	10 : 30	EZ Sentix Investor confidence (points)	Apr	-0,3	-2,1	-2,2
	11 : 00	HU Fiscal balance (monthly, billion HUF)	Mar	-209,3	-	-177,2
	16 : 00	US Factory orders (mom, %)	Feb	-0,5	-0,6	0,1
9.	9 : 00	HU Inflation (yoy, %)	Mar	3,7	3,4	3,1
	9 : 00	HU Core inflation (yoy, %)	Mar	3,8	3,6	3,5
10.	10 : 30	UK Industrial production (mom, %)	Feb		0,1	0,6
	13 : 45	EZ Interest rate decision (deposit rate, %)	Apr		0,0	0,0
	13 : 45	EZ Interest rate decision (lending rate, %)	Apr		-0,4	-0,4
	14 : 30	US CPI (yoy, %)	Mar		1,8	1,5
	14 : 30	US CPI (mom, SA, %)	Mar		0,3	0,2
	14 : 30	US core-CPI (yoy, %)	Mar		2,1	2,1
	14 : 30	US core-CPI (mom, SA, %)	Mar		0,2	0,1
	20 : 00	US Federal budget balance (USDbn)	Mar		-180	-234
	20 : 00	US FOMC Minutes	Mar		-	-
11.	14 : 30	US Continuing jobless claims ('000s)	weekly		1738	1717
	14 : 30	US Initial jobless claims ('000s)	weekly		211	202
		OPEC Meeting	-		-	-
12.	9 : 00	HU Industrial production (second estimate, yoy, %)	Feb		-	5,9*
	11 : 00	EZ Industrial production (mom, %)	Feb		-0,6	1,4
	16 : 00	US Michigan Consumer confidence (preliminary, points)	Apr		98,0	98,4
		IMF - World Bank Semiannual Spring Summit (2 days)	-	-	-	-

*preliminary data

Sources: Reuters, OTP Research

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