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# Daily Report

### Summary

- Friday's trading was rather gloomy on both sides of the Atlantic
- The USA launched cyber attack on Iran and is planning further sanctions
- The USA imposed sanction on additional Chinese companies
- Oil prices climbed higher, the dollar weakened.

Trading sentiment was rather pessimistic in America's stock markets on the last day of the week. The Dow, the S&P500 and the Nasdaq100 all shed 0.1%. Europe's key indices closed in the red too: the DAX and the CAC40 dipped 0.1% each, and the FTSE100 dropped 0.2%. Rising 0.4% made the telecommunications sector the winner of the day, following Telecom Italia's agreement which allows its optical cables subsidiary to merge with its rival, Open Fiber. Germany's regulator obliged Daimler to recall 60,000 diesel cars, claiming that the car maker used forbidden software to distort cars' nitrogen-oxide emission during the measurement process.

In this unsupportive environment Hungary's BUX fell 0.9% as all of its blue chips ended in the red: OTP dropped 0.3%, Richter shrank 1.0%, Mol slipped 1.4%, and Magyar Telekom slid 1.8%.

The political tensions between the USA and Iran have further intensified. Last week Iran's army downed an American drone, nearly prompting US military counter-strike. Ten minutes before the action started, Donald Trump cancelled the airstrike, the President tweeted. This came after a general informed him that the attack would kill 150 people. America found another way to strike back, by launching a cyberattack on Iran during the weekend, in order to disable the computer-controlled weapons that shot down the American drone. Moreover, the USA is preparing additional economic sanctions on Iran.

Meanwhile the USA-China trade war is intensifying too. Last week the USA launched sanctions against additional Chinese companies, cutting them away from their American business partners. These companies design and manufacture supercomputers, and develop the related technology. Later this week, Donald Trump is to meet China's leader Xi Jinping at the G20 meeting to discuss how to resolve the trade war conflict.

A scandal reduced the advantage of Boris Johnson in the race to lead the Conservative Party, pollsters found. Johnson's popularity has sharply fallen, on news and records of a heated row with his partner. Tory party members will decide next month whether to name Boris Johnson or the current Foreign Minister Jeremy Hunt as their next leader.

Oil prices have increased further: Brent climbed 1.2% higher and WTI added 0.5%.

The dollar's weakening led the EUR/USD 0.7% higher. The forint's 0.4% depreciation sent the EUR/HUF above 324.

The June reading of Germany's IFO economic sentiment index is due out today. Any political developments with Iran as well as the USA-China trade war are worth keeping an eye on.

	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	2950,5	-0,1	17,7	VIX	15,4	4,4	-39	WTI	57,4	0,5	26,5
	DOW	26719,1	-0,1	14,5	US 2Y	1,78	5,2	-72	Brent	65,20	1,2	21,2
	Nasdaq100	7728,8	-0,1	22,1	US 10Y	2,07	6,5	-63	Gold	1398,7	0,8	9,0
	DAX	12339,9	-0,1	16,9	GER 2Y	-0,72	2,6	-13	Silver	15,35	-0,4	-0,8
	CAC40	5528,3	-0,1	16,9	GER 10Y	-0,28	4,1	-53	EUR/USD	1,1366	0,7	-0,9
	FTSE 100	7407,5	-0,2	10,1	PT10Y	0,60	4,6	-112	EUR/GBP	0,8923	0,4	-0,7
	FTSE MIB	21388,6	0,1	16,7	IT 10Y	2,16	1,2	-61	EUR/NOK	9,6627	0,0	-2,5
	Stoxx600	384,8	-0,4	14,0	SP 10	0,44	5,4	-98	USD/CAD	1,3221	0,2	-3,1
	- Banks	111,8	-0,3	-1,1	iTRAXX	53,9	0,2	-39	AUD/USD	0,6923	0,0	-1,8
	Nikkei 225	21286,0	0,1	6,4	JPY 2Y	-0,23	0,7	-9	USD/JPY	107,30	0,0	-2,1
	SSEC	2996,1	-0,2	20,1	JPY 10Y	-0,15	1,0	-16	GBP/USD	1,2740	0,3	-0,1
Regional	RTS	1375,0	-1,2	29,0	RUS10	7,5	1,5	-14	USD/RUB	63,000	0,3	-9,6
	WIG20	2308,32	-0,5	1,4	POL 10	2,4	1,5	-16	EUR/PLN	4,25	0,1	-0,8
	PX50	1053,5	-0,1	6,8	CZ10	1,5	0,8	-21	EUR/RON	4,727	0,3	1,6
Hungary	BUX	40387	-0,9	3,2	3M DKJ	0,14	-3,0	7	EUR/HUF	324,15	0,4	1,0
	OTP	11750	-0,3	4,1	1Y	0,31	0,0	-14	USD/HUF	284,94	-0,3	1,9
	MOL	3106	-1,4	0,9	3Y	0,98	1,0	-28	CHF/HUF	291,75	0,0	2,2
	MTelekom	417	-1,8	-5,3	5Y	1,62	4,0	-91	PLN/HUF	76,16	0,2	2,1
	Richter	5125	-1,0	-5,6	10Y	2,70	3,0	-34	GBP/HUF	363,39	-0,1	2,0

\* 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 6. 24. 10 : 00	DE	IFO Economic sentiment index (points)	Jun		97,3	97,9
25. 14 : 00	HU	Interest rate decision (%)	Jun		0,9	0,9
15 : 00	US	Case-Shiller Home Price Index (yoy, %)	Apr		2,6	2,7
16 : 00	US	New home sales (annualized monthly, '000s)	May		680	673
16 : 00	US	Consumer confidence (point)	Jun		132	134
19 : 00	US	Panel discussion of Janet Yellen, Mark Carney and Mario Draghi	-		-	-
26. 13 : 00	CZ	Interest rate decision (%)	Jun			2,0
14 : 30	US	Durable goods orders (mom, %)	May		0,2	-2,1
27. 9 : 00	HU	Unemployment rate (%)	May		-	3,5
11 : 00	EZ	EC Economic Sentiment Index (points)	Jun		104,0	105,1
14 : 00	DE	CPI (preliminary, yoy, %)	Jun			1,4
14 : 30	US	Continuing jobless claims ('000s)	weekly			
14 : 30	US	Initial jobless claims ('000s)	weekly			
14 : 30	US	GDP (detailed, qoq annualized, %)	Q1		3	3,1*
16 : 00	US	Pending home sales (mom, %)	May			-1,5
28. 9 : 00	HU	Gross wages (yoy, %)	Apr		-	10,2
9 : 00	HU	Industrial producer prices (yoy, %)	May		-	4,1
11 : 00	EZ	CPI (flash, yoy, %)	Jun		1,2	1,2
11 : 00	EZ	Core CPI (flash, yoy, %)	Jun		1,0	0,8
14 : 30	US	Personal income (mom, %)	May		0,3	0,5
14 : 30	US	Personal consumption (adjusted, mom, %)	May		0,4	0,3
15 : 45	US	Chicago PMI (points)	Jun		54,3	54,2
0 : 0	JP	G20 meeting (two days)	-		-	-
30. 3 : 00	CN	NBS non-Manufacturing PMI (points)	Jun			54,3
3 : 00	CN	NBS Manufacturing PMI (points)	Jun		50	49

\*preliminary data

Sources: Reuters, OTP Research

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