

Summary

- Europe's stock markets climbed higher and their US peers rose sharply yesterday.
- Word that oil output might be curbed sent oil prices soaring 21-24%.
- The dollar strengthened against the euro.
- US initial jobless claims hit 6.65 million.

Europe's stock markets rose slightly yesterday, when the FTSE100 increased by 0.5%, the Stoxx600 rose by 0.4%, the DAX and CAC40 upped 0.3% respectively. Reasons for the supportive sentiment include hopes that Russia and Saudi Arabia might agree on curbing oil production. Oil companies' shares skyrocketed: Royal Dutch Shell, Total, and British Petrol all jumped 3-9% higher. Lundin Energi, a Swedish oil company saw its stock price surging 15% in Thursday's trading. The Travel & Leisure sector index fell 4.4%. Carnival, a cruise ship company plunged 20% after announcing a capital increase plan. The technology sector's stock index, the SX8P closed 1.2% lower. In the benign sentiment, Hungary's BUX gained 0.7%. MOL advanced 5.9%, while OTP shed 0.3%, Magyar Telekom sank 0.6%, and Richter fell 2.7%.

US stock markets grew dynamically, with the S&P500 surging 2.3%, the Dow advancing 2.2%, and the Nasdaq100 gaining 2%. Oil companies fuelled the growth in America, too: Exxon Mobil and Chevron soared 7.6% and 11% respectively in Thursday's session. US stock markets could rise despite a spike in initial jobless claims to 6.65 million over the past week. In today's unenthusiastic trading in Asia, Japan's Nikkei225 was down 0.7% and China's SSEC slipped 0.6%.

An agreement between Russia and Saudi Arabia to cut oil supply by 10-15 million barrels a day (making up 10-15% of global supply), may be round the corner, US President Donald Trump announced yesterday. This triggered a 24.7% immediate spike in WTI, and 21% jump in Brent. But this morning saw crude oil prices trading at 5.8% in the red – apparently, investors doubt the extent of the announced production cut. Meanwhile, Saudi Arabia invited representatives of OPEC member states to an extraordinary meeting.

The dollar's strengthening sent the EUR/USD 1% lower. On a highly volatile day, the HUF tried to strengthen against the euro twice (briefly touching the 359 mark) but weakened later; the EUR/HUF closed at 362.5, where it had opened in the morning.

Initial jobless claims skyrocketed to an all-time high of 6,648,000 over the past week, from a previous record of 3,331,000. The VIX ('fear index'), a measure of stock market volatility plunged 10.8%. Italy's 10Y bond yield slipped 5.5 bps.

Today's release of US unemployment rate for March, and non-farm payrolls will tell us more about the health of the U.S. economy and labor market. Analysts expect non-farm payrolls to have fallen by 100,000 (this would be the first negative figure since 2010), while the unemployment rate may have risen from 3.5% to 3.8%. The USA and Italy are to publish purchasing managers' indices. Reports on curbing oil production may also be worth checking.

	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	2526,9	2,3	-21,8	VIX	50,9	-10,8	269	WTI	25,3	24,7	-58,5
	DOW	21413,4	2,2	-25,0	US 2Y	0,22	-1	-134	Brent	29,94	21,0	-54,6
	Nasdaq100	7635,7	2,0	-12,6	US 10Y	0,63	-1	-128	Gold	1612,4	1,4	6,3
	DAX	9570,8	0,3	-27,8	GER 2Y	-0,64	1	-5	Silver	14,51	3,6	-18,6
	CAC40	4221,0	0,3	-29,4	GER 10Y	-0,44	3	-25	EUR/USD	1,0856	-1,0	-3,2
	FTSE 100	5480,2	0,5	-27,3	PT10Y	0,85	-1	40	EUR/GBP	0,8754	-1,2	3,5
	FTSE MIB	16834,0	1,7	-28,4	IT 10Y	1,49	-5	6	EUR/NOK	11,280	-1,6	14,7
	Stoxx600	312,1	0,4	-25,0	SP 10	0,71	2	24	USD/CAD	1,4131	-0,4	8,8
	- Banks	66,7	-1,1	-44,5	iTRAXX	103,5	0	134	AUD/USD	0,6059	-0,2	-13,7
	Nikkei 225	17705,9	-0,7	-25,2	JPY 2Y	-0,13	0	-1	USD/JPY	107,90	0,7	-0,7
Regional	SSEC	2762,9	-0,6	-9,4	JPY 10Y	-0,01	0	1	GBP/USD	1,2392	0,1	-6,5
	RTS	1034,1	4,7	-33,2	RUS10	6,9	2	11	USD/RUB	77,043	-2,0	24,4
	WIG20	1491,55	0,6	-30,6	POL 10	1,8	3	-16	EUR/PLN	4,56	-0,7	7,3
Hungary	PX50	780,9	1,3	-30,0	CZ10	1,4	-4	-13	EUR/RON	4,831	0,0	0,9
	BUX	32592	0,7	-29,3	3M DKJ	1,10	5	103	EUR/HUF	362,50	0,0	9,5
	OTP	8815	-0,3	-42,9	1Y	1,25	25	117	USD/HUF	334,72	0,9	13,4
	MOL	2000	5,9	-32,0	3Y	1,56	7	120	CHF/HUF	343,70	0,3	12,8
	MTelekom	355	-0,6	-20,4	5Y	1,71	-7	46	PLN/HUF	79,46	0,6	2,1
	Richter	6210	-2,7	-3,2	10Y	2,86	4	78	GBP/HUF	413,96	0,8	6,1

* 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.
2020	3. 30.	11 : 00	EZ	EC Economic Sentiment Index (points)	Mar	94,50	93	103,5
		14 : 00	DE	CPI (preliminary, YoY, %)	Mar	1,4	1,4	1,7
		15 : 00	HU	FX-swap tender (maturing / stock bn HUF)	-	134/2009	-	132,03/2197
		16 : 00	US	Pending home sales (MoM, %)	Feb	2,4	-1,0	5,3
	31.	3 : 00	CN	NBS Manufacturing PMI (points)	Mar	52,0	45,0	35,7
		3 : 00	CN	NBS Non-manufacturing PMI (points)	Mar	52,3	-	29,6
		9 : 00	HU	Gross wages (YoY, %)	Jan	9,2	-	13,1
		9 : 00	HU	Industrial producer prices (YoY, %)	Feb	3,8	-	3,8
		11 : 00	EZ	CPI (flash, YoY, %)	Mar	0,8	0,7	1,2
		11 : 00	EZ	Core CPI (flash, YoY, %)	Mar	1	1,1	1,2
		15 : 00	US	Case-Shiller Home Price Index (YoY, %)	Jan	3,1	3,2	2,9
		15 : 45	US	Chicago PMI (points)	Mar	47,8	40,0	49,0
	4. 1.	16 : 00	US	Consumer confidence (point)	Mar	120	110	131
		9 : 00	HU	Manufacturing PMI (points)	Mar	29,1	-	50,1
		9 : 00	HU	Trade balance (detailed, monthly, EUR mn)	Jan	423	-	433*
		9 : 00	HU	Budget balance (% of GDP)	Q4	2	-	0,1
9 : 45		IT	IHS/Market manufacturing PMI (points)	Mar	40,3	40,5	48,7	
11 : 00		EZ	Unemployment rate (%)	Feb	7,3	7,4	7,4	
14 : 15		US	ADP non-farm employment (MoM, '000s)	Mar	-27	-150,0	183,0	
16 : 00		US	ISM Manufacturing PMI (points)	Mar	49,1	45,0	50,1	
2.	16 : 00	US	Construction expenditure (MoM, %)	Feb	-1,3	0,5	1,8	
		14 : 30	US	Continuing jobless claims ('000s)	weekly	3029	4882	1803
		14 : 30	US	Initial jobless claims ('000s)	weekly	6648	3500	3283
		16 : 00	US	Factory orders (MoM, %)	Feb	0	0,2	-0,5
	3.	9 : 00	HU	Retail sales (YoY, SA, %)	Feb		-	7,6
		9 : 45	IT	IHS/Markit service PMI (points)	Mar		22,0	52,1
		11 : 00	EZ	Retail sales (MoM, %)	Feb		0,1	0,6
		14 : 30	US	Non-farm payroll (MoM, '000s)	Mar		-100	273
		14 : 30	US	Average earnings (YoY, %)	Mar		3,0	3,0
		14 : 30	US	Average earnings (MoM, %)	Mar		0,2	0,3
		14 : 30	US	Unemployment rate (%)	Mar		3,8	3,5
		16 : 00	US	ISM non-Manufacturing PMI (points)	Mar		44,0	57,3

* preliminary data

Sources: Reuters, OTP Research

Chief Economist

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

Analyst

Balázs Lukács
balazs.lukacs@otpbank.hu
+36 1 354 7490

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