BPI

Financial Markets

Daily Report 17-Apr-2024

- Generalized risk-off sentiment in yesterday's session as markets remained attentive to further developments in the Middle East and as expectations of interest rate cuts, especially in the US, are delayed. Sovereign bond yields rose across the board and equities sold off globally, while the US dollar ended slightly higher, and Brent held steady at $90/barrel.
- Yesterday was full of Fedpseak with Powell on the spotlight as he indicated that the Fed might need to keep rates higher for longer than previously anticipated given the lack of further progress in inflation, while other Fed officials omitted any mentions to interest rate cuts in their speeches.
- Other macro developments yesterday included the release of the IMF's world economic outlook, in which 2024 global growth was revised upwards from 3.1% to 3.2% with US strength pushing world output, but warning of geopolitical and inflation risks. Today's focus will be UK inflation data which will be key for determining the BoE's next step.

Interest Rates (%)	4/16	4/15	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4,50**	4,50	0	0	0	100
€STR	**3,91**	3,91	0	0	3	102
Swap €STR (10Y)	**2,65**	2,58	7	15	36	-20
3 months (Euribor)	**3,90**	3,89	2	-1	0	73
12 months (Euribor)	**3,70**	3,69	1	1	19	-2
Germany - 2-Year Bond	**2,94**	2,91	2	5	56	6
Germany - 10-Year Bond	**2,49**	2,44	5	12	54	5
France - 10-Year Bond	**3,01**	2,96	5	15	54	0
Spain - 10-Year Bond	**3,33**	3,28	5	15	43	-15
Portugal - 10-Year Bond	**3,18**	3,13	5	14	63	-10
Italy - 10-Year Bond	**3,94**	3,87	7	19	35	-35
Risk premium - Spain (10Y)	**84**	84	1	3	-12	-19
Risk premium - Portugal (10Y)	**70**	69	0	3	9	-15
Risk premium - Italy (10Y)	**145**	143	2	8	-20	-40
US						
Fed - Upper Bound	**5,50**	5,50	0	0	0	50
Fed Funds Rate Future (Dec.-24)	**4,97**	4,97	0	21	113	198
3 months (SOFR)	**5,33**	5,32	1	2	0	35
12 months (SOFR)	**5,22**	5,17	5	13	45	54
2-Year Bond	**4,99**	4,92	7	25	74	89
10-Year Bond	**4,67**	4,60	7	31	79	116

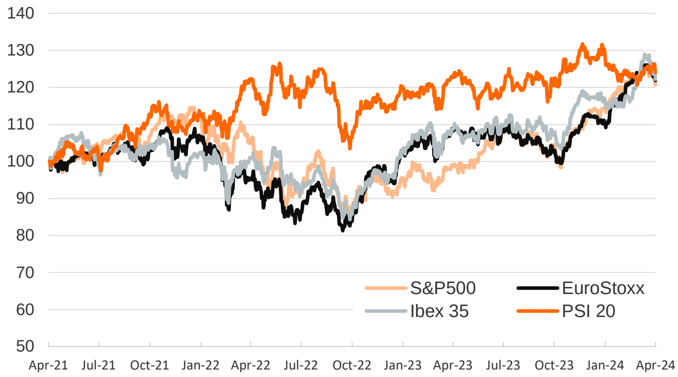
Stock Markets	4/16	4/15	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**4,63**	4,70	-1,6	-1,9	24,2	30,6
Ibex 35	**10527**	10687	-1,5	-2,7	4,2	12,4
PSI 20	**6224**	6269	-0,7	-0,8	-2,7	1,2
MIB	**33394**	33954	-1,7	-1,6	10,0	19,8
DAX	**17766**	18027	-1,4	-1,7	6,1	12,4
CAC 40	**7933**	8045	-1,4	-1,4	5,2	5,5
Eurostoxx50	**4917**	4984	-1,4	-1,5	8,7	12,0
S&P 500	**5051**	5062	-0,2	-3,0	5,9	22,1
Nasdaq	**15865**	15885	-0,1	-2,7	5,7	30,9
Nikkei 225	**38471**	39233	-1,9	-3,3	15,0	35,0
MSCI Emerging Index	**1010**	1031	-2,0	-4,3	-1,4	0,9
MSCI Emerging Asia	**542**	553	-2,0	-3,9	-0,1	0,4
MSCI Emerging Latin America	**2375**	2434	-2,4	-8,1	-10,8	3,8
Shanghai	**3007**	3057	-1,6	-1,4	1,1	-9,9
VIX Index	**18,40**	19,23	-4,3	22,8	47,8	7,8

Currencies	4/16	4/15	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,062**	1,062	0,0	-2,2	-3,8	-3,4
EUR/GBP	**0,85**	0,85	0,1	-0,2	-1,4	-3,5
EUR/CHF	**0,97**	0,97	0,1	-1,2	4,4	-1,3
USD/JPY	**154,72**	154,28	0,3	2,0	9,7	15,6
USD/CNY	**7,24**	7,24	0,0	0,1	1,9	5,4

Commodities	4/16	4/15	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**102,8**	102,8	0,0	0,0	4,2	-4,6
Brent (US$/barrel)	**90,0**	90,1	-0,1	0,7	16,8	4,3
TTF Natural Gas-1M Future (€/MWh)	**33,1**	31,1	6,4	21,2	2,4	-19,5
TTF Natural Gas-Dec.-24 Future (€/MWh)	**35,8**	34,7	3,2	12,8	-6,4	-34,1
Gold (US$/ounce)	**2382,9**	2383,3	0,0	1,3	15,5	18,9

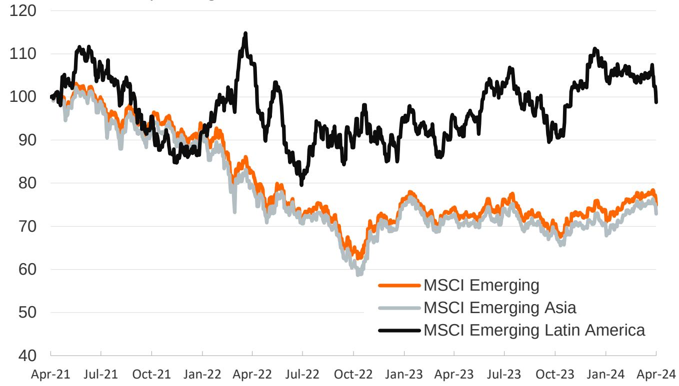
Main advanced stock markets

Index (100=Three years ago)



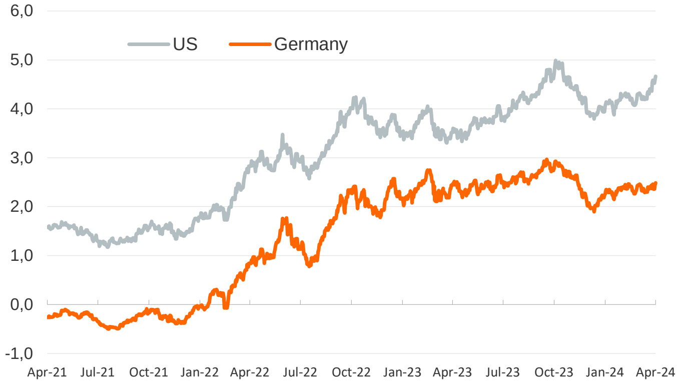
Emerging economies stock markets

Index (100=Three years ago)



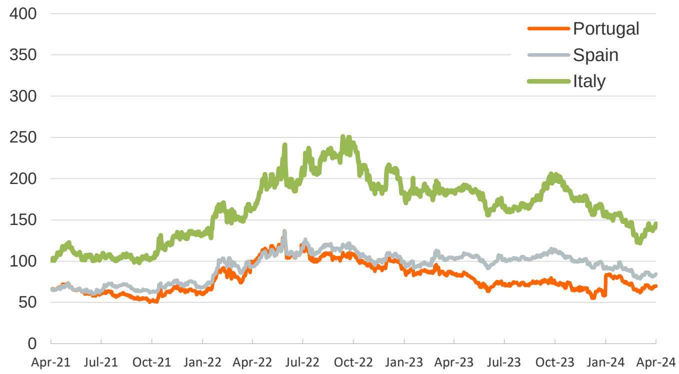
Yield on 10-year public debt: U.S. and Germany

(%)



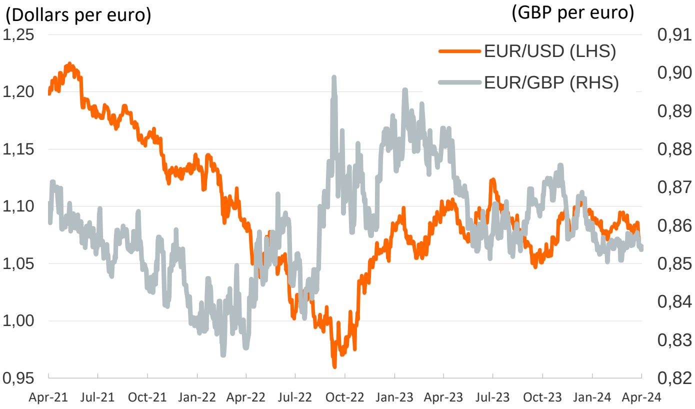
Risk Premium on 10-year debt: Italy, Spain and Portugal

(basis points)



Exchange rate: Advanced-economy currencies

(Dollars per euro) (GBP per euro)



Exchange rate: emerging economies index

(Index (100=Three years ago)

Brent oil price

(US$/barrel)

Dutch TTF Natural gas price

(€/MWh)