BPI

Financial Markets

Daily Report 5-May-2022

- In line with expectations, the Federal Reserve raised its policy rate by 50 bp to the 0.75-1.00% range and confirmed a plan to reduce the size of its balance sheet (with a monthly cap of $95 billion). The Fed chair Powell noted that the recovery could withstand tighter monetary policy but also ruled out more aggressive rate hikes of 75 bp.
- In Europe, the EU Commission unveiled a plan to ban Russian crude oil over the next six months and refined fuels by the end of the year. The proposal still needs to be approved by the EU 27 member states.
- In this context, stocks rose strongly in the US while fell across Europe and emerging markets. Sovereign bond yields edged down in the US, the USD depreciated modestly against the EUR while commodity prices went up.
- Today, the OPEC+ is holding a meeting to discuss its supply policy. The Bank of England is also due to announce policy decisions while the ECB chief economist Philip Lane is giving a speech.

Interest Rates (%)	5/4	5/3	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	**0,00**	0,00	0	0	0	0
€STR	**-0,59**	-0,58	-1	0	1	-2
Swap €STR (10Y)	**1,43**	1,43	0	17	134	149
3 months (Euribor)	**-0,43**	-0,43	0	2	15	10
12 months (Euribor)	**0,23**	0,23	1	13	74	72
Germany - 2-Year Bond	**0,27**	0,28	0	17	89	97
Germany - 10-Year Bond	**0,97**	0,97	1	17	115	120
France - 10-Year Bond	**1,50**	1,48	2	20	131	136
Spain - 10-Year Bond	**2,07**	2,02	4	27	150	162
Portugal - 10-Year Bond	**2,10**	2,07	4	26	164	164
Italy - 10-Year Bond	**2,96**	2,88	8	38	179	206
Risk premium - Spain (10Y)	**110**	106	4	10	35	42
Risk premium - Portugal (10Y)	**113**	110	3	9	49	44
Risk premium - Italy (10Y)	**198**	192	7	21	64	86
US						
Fed - Upper Bound	**1,00**	0,50	50	50	75	75
3 months (Libor)	**1,36**	1,36	0	12	115	119
12 months (Libor)	**2,69**	2,69	0	15	211	241
2-Year Bond	**2,64**	2,78	-14	5	191	249
10-Year Bond	**2,93**	2,97	-4	10	142	136

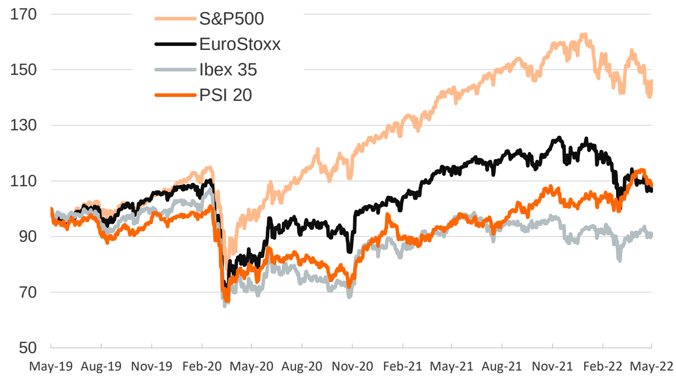
Stock Markets	5/4	5/3	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,06**	3,16	-3,3	3,1	26,6	13,2
Ibex 35	**8501**	8590	-1,0	0,3	-2,4	-5,2
PSI 20	**5832**	5883	-0,9	-0,9	4,7	14,5
MIB	**23902**	24242	-1,4	0,3	-12,6	-2,3
DAX	**13971**	14039	-0,5	1,3	-12,0	-7,9
CAC 40	**6396**	6476	-1,2	-0,8	-10,6	0,9
Eurostoxx50	**3725**	3761	-1,0	-0,3	-13,3	-6,9
FTSE 100	**7493**	7561	-0,9	0,9	1,5	6,5
S&P 500	**4300**	4175	3,0	2,8	-9,8	3,2
Nasdaq	**12965**	12564	3,2	3,8	-17,1	-4,5
Nikkei 225	**26819**	26819	0,0	1,6	-6,9	-6,9
MSCI Emerging Index	**1064**	1069	-0,5	1,9	-13,7	-20,2
MSCI Emerging Asia	**568**	572	-0,7	2,5	-14,7	-22,4
MSCI Emerging Latin America	**2313**	2277	1,6	-0,4	8,6	-3,8
Shanghai	**3047**	3047	0,0	3,0	-16,3	-11,6
VIX Index	**25,42**	29,25	-13,1	-19,6	47,6	32,7

Currencies	5/4	5/3	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,062**	1,052	1,0	0,6	-6,6	-11,5
EUR/GBP	**0,84**	0,84	-0,1	-0,1	-0,1	-2,6
EUR/CHF	**1,03**	1,03	0,3	1,0	-0,4	-5,8
USD/JPY	**129,09**	130,14	-0,8	0,5	12,2	18,2
USD/CNY	**6,61**	6,61	0,0	0,7	4,0	2,1
USD/MXN	**20,02**	20,29	-1,3	-1,8	-2,5	-1,2

Commodities	5/4	5/3	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**131,4**	128,6	2,2	1,4	32,5	42,5
Brent (US$/barrel)	**110,1**	105,0	4,9	4,6	41,6	59,7
Dutch TTF Natural Gas (EUR/MWh)	**103,8**	99,4	4,4	-3,4	47,6	333,3
Gold (US$/ounce)	**1881,2**	1868,1	0,7	-0,3	2,8	5,3

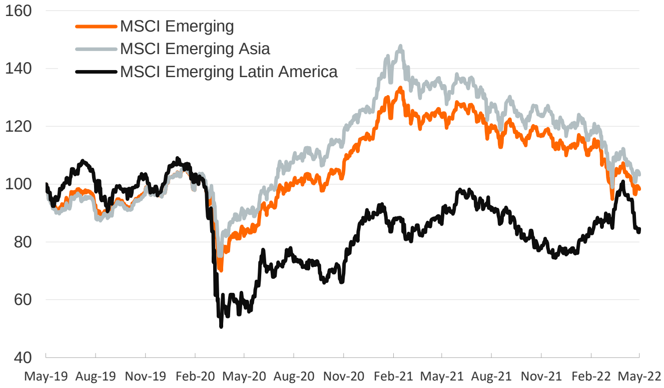
Main advanced stock markets

Index (100=Three years ago)



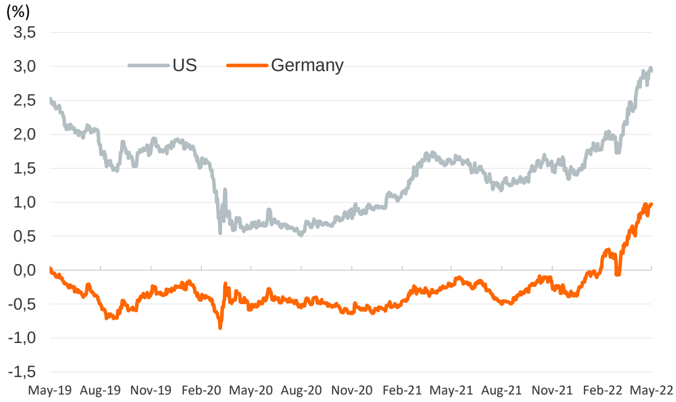
Emerging economies stock markets

Index (100=Three years ago)



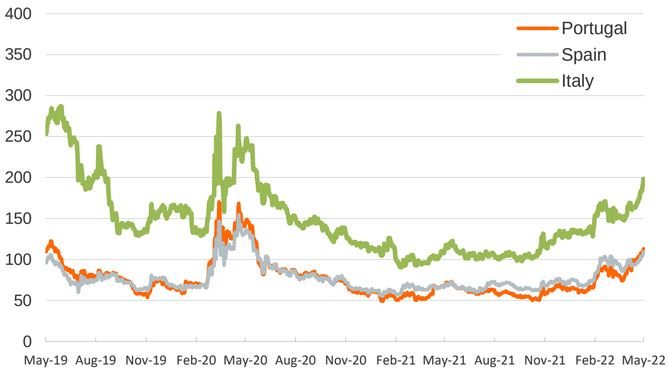
Yield on 10-year public debt: U.S. and Germany

(%)



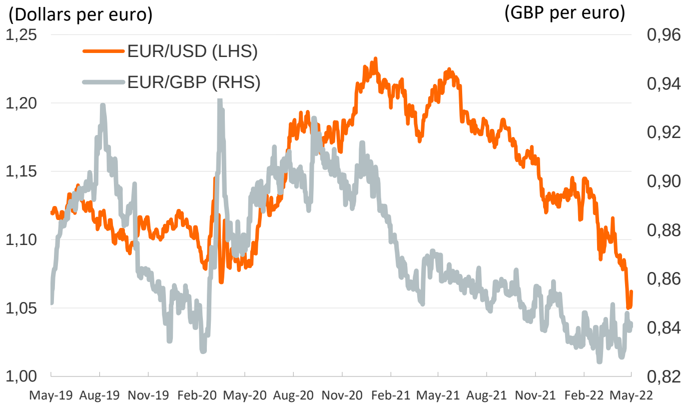
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)