BPI

Financial Markets

Daily Report 6-May-2022

- Risk-aversion returned to the fore during a volatile session on Thursday, as investors continued to digest recent monetary policy decisions by central banks (Fed, BoE) and took on board disappointing economic data (e.g. the fall in factory orders in Germany and the uptick in new jobless claims in the US).
- The BoE raised its policy rate by 25 bp, in line with expectations, but warned that the UK risks falling into recession. In the euro area, ECB chief economist Philip Lane noted that the timeline to normalize monetary policy is “intrinsically uncertain” while ECB Board member Fabio Panetta said the economic expansion has lost traction.
- In this context, sovereign bond yields rose across the board, while stocks fell notably in the US and Europe. Oil prices continued to march higher, following the confirmation by the OPEC+ to stick to its plan for a gradual rise in supply.
- Today, the focus will be on the US payrolls report for April, with consensus expectations looking for a rise of 380k.

Interest Rates (%)	5/5	5/4	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**	-0,59	0	0	1	-2
Swap €STR (10Y)	**1,49**	1,43	6	13	140	155
3 months (Euribor)	**-0,42**	-0,43	1	2	15	11
12 months (Euribor)	**0,25**	0,23	2	14	75	74
Germany - 2-Year Bond	**0,29**	0,27	1	9	90	98
Germany - 10-Year Bond	**1,04**	0,97	7	14	122	127
France - 10-Year Bond	**1,57**	1,50	7	17	138	143
Spain - 10-Year Bond	**2,15**	2,07	8	25	158	169
Portugal - 10-Year Bond	**2,18**	2,10	8	24	172	171
Italy - 10-Year Bond	**3,04**	2,96	8	33	187	212
Risk premium - Spain (10Y)	**110**	110	1	10	36	42
Risk premium - Portugal (10Y)	**114**	113	0	9	49	45
Risk premium - Italy (10Y)	**199**	198	1	18	65	85
US						
Fed - Upper Bound	**1,00**	1,00	0	50	75	75
3 months (Libor)	**1,41**	1,41	0	12	120	125
12 months (Libor)	**2,75**	2,75	0	20	217	248
2-Year Bond	**2,70**	2,64	6	8	197	255
10-Year Bond	**3,04**	2,93	11	22	153	147

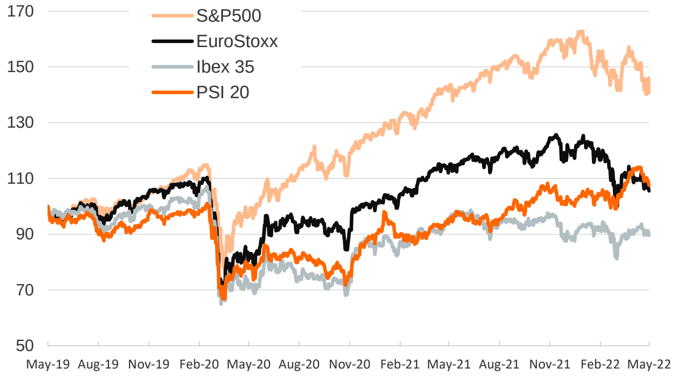
Stock Markets	5/5	5/4	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,01**	3,06	-1,6	1,5	24,6	12,7
Ibex 35	**8435**	8501	-0,8	-0,9	-3,2	-6,1
PSI 20	**5790**	5832	-0,7	-2,4	4,0	13,7
MIB	**23760**	23902	-0,6	-1,2	-13,1	-3,0
DAX	**13903**	13971	-0,5	-0,6	-12,5	-8,5
CAC 40	**6368**	6396	-0,4	-2,1	-11,0	0,2
Eurostoxx50	**3697**	3725	-0,8	-2,1	-14,0	-7,6
FTSE 100	**7503**	7493	0,1	-0,1	1,6	6,0
S&P 500	**4147**	4300	-3,6	-3,3	-13,0	-1,3
Nasdaq	**12318**	12965	-5,0	-4,3	-21,3	-9,6
Nikkei 225	**26819**	26819	0,0	-0,1	-6,9	-8,6
MSCI Emerging Index	**1059**	1064	-0,5	0,5	-14,1	-21,0
MSCI Emerging Asia	**567**	568	-0,2	1,2	-14,9	-22,9
MSCI Emerging Latin America	**2256**	2313	-2,5	-3,2	5,9	-8,3
Shanghai	**3068**	3047	0,7	3,1	-15,7	-10,9
VIX Index	**31,20**	25,42	22,7	4,0	81,2	69,7

Currencies	5/5	5/4	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,054**	1,062	-0,8	0,4	-7,3	-12,6
EUR/GBP	**0,85**	0,84	1,4	1,2	1,4	-1,8
EUR/CHF	**1,04**	1,03	0,5	1,7	0,1	-5,1
USD/JPY	**130,20**	129,09	0,9	-0,5	13,1	19,4
USD/CNY	**6,66**	6,61	0,7	0,4	4,7	3,0
USD/MXN	**20,24**	20,02	1,1	-1,0	-1,4	0,6

Commodities	5/5	5/4	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**132,4**	131,4	0,7	2,5	33,5	42,6
Brent (US$/barrel)	**110,9**	110,1	0,7	3,1	42,6	62,9
Dutch TTF Natural Gas (EUR/MWh)	**106,5**	103,8	2,6	6,4	51,4	337,8
Gold (US$/ounce)	**1877,2**	1881,2	-0,2	-0,9	2,6	3,4

Main advanced stock markets

Index (100=Three years ago)

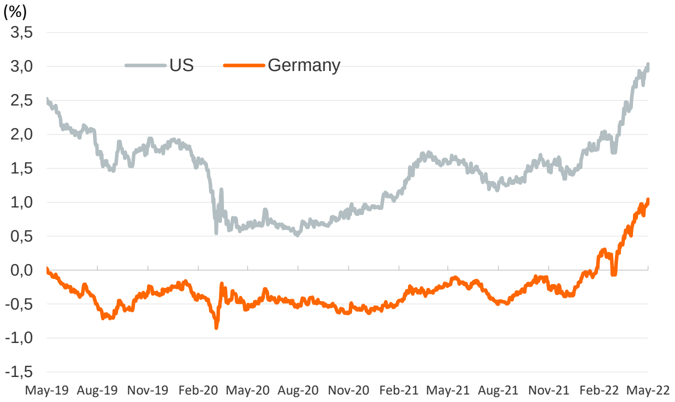


Emerging economies stock markets

Index (100=Three years ago)

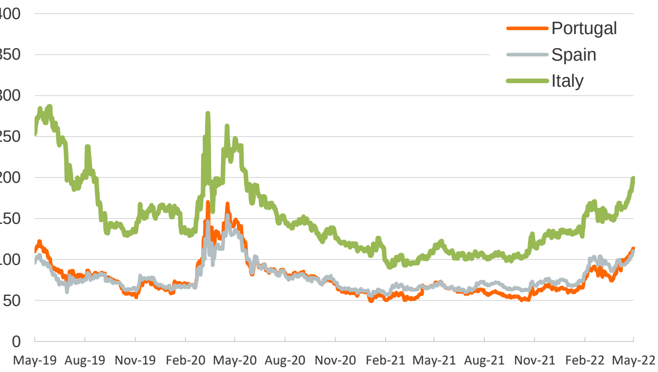
Yield on 10-year public debt: U.S. and Germany

(%)



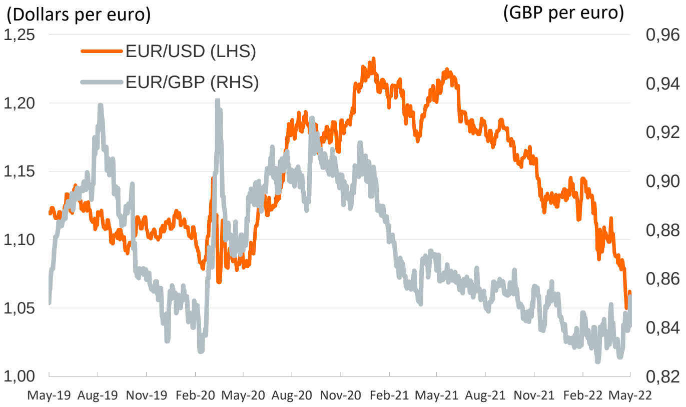
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)