BPI

Financial Markets

Daily Report 11-May-2022

- In yesterday's session, sentiment recovered somewhat as investors continued to assess the inflation and growth outlook amid several central bank officials' comments.
- Regional members, including Loretta Mester and John Williams, reinforced Jerome's Powell signal to hike rates by 50bp in June and July but did not rule out a 75bp hike later. In the ECB, the Bundesbank president Joachim Nagel reiterated that he would support ending APP net purchases in late June and hiking rates in the July meeting.
- In this context, stocks in both sides of the Atlantic recovered some of the ground lost in the previous days and yields on sovereign bonds edged markedly down in the euro area.
- Today the focus will be on the US CPI data for April, which is expected to edge down in yoy terms from March (headline 8.5%; core 6.5%).

Interest Rates (%)	5/10	5/9	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	**-0.58**	-0.59	0	-1	1	-2
Swap €STR (10Y)	**1.51**	1.58	-8	7	141	152
3 months (Euribor)	**-0.42**	-0.40	-2	1	16	12
12 months (Euribor)	**0.24**	0.26	-3	1	74	72
Germany - 2-Year Bond	**0.16**	0.23	-7	-11	78	83
Germany - 10-Year Bond	**1.00**	1.10	-10	4	118	116
France - 10-Year Bond	**1.53**	1.63	-10	5	134	131
Spain - 10-Year Bond	**2.10**	2.21	-11	8	154	158
Portugal - 10-Year Bond	**2.15**	2.25	-10	8	168	161
Italy - 10-Year Bond	**3.00**	3.15	-15	12	183	201
Risk premium - Spain (10Y)	**110**	112	-2	4	36	42
Risk premium - Portugal (10Y)	**115**	116	-1	4	51	45
Risk premium - Italy (10Y)	**200**	205	-5	8	65	85
US						
Fed - Upper Bound	**1.00**	1.00	0	50	75	75
3 months (Libor)	**1.40**	1.40	0	4	119	124
12 months (Libor)	**2.67**	2.67	0	-2	209	240
2-Year Bond	**2.61**	2.59	2	-17	188	245
10-Year Bond	**2.99**	3.03	-4	2	148	137

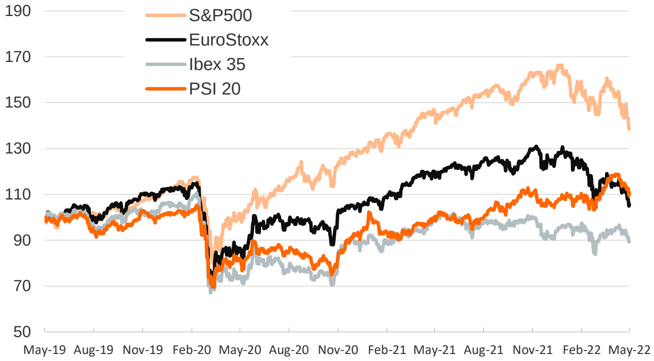
Stock Markets	5/10	5/9	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**2.95**	2.94	0.6	-6.6	22.3	7.3
Ibex 35	**8139**	8139	0.0	-5.3	-6.6	-9.4
PSI 20	**5721**	5658	1.1	-2.8	2.7	12.6
MIB	**23070**	22833	1.0	-4.8	-15.6	-5.4
DAX	**13535**	13381	1.2	-3.6	-14.8	-10.5
CAC 40	**6117**	6086	0.5	-5.5	-14.5	-2.4
Eurostoxx50	**3555**	3527	0.8	-5.5	-17.3	-9.9
FTSE 100	**7243**	7217	0.4	-4.2	-1.9	4.2
S&P 500	**4001**	3991	0.2	-4.2	-16.1	-3.6
Nasdaq	**11738**	11623	1.0	-6.6	-25.0	-12.3
Nikkei 225	**26167**	26319	-0.6	-2.4	-9.1	-8.5
MSCI Emerging Index	**1007**	1015	-0.7	-5.8	-18.2	-24.2
MSCI Emerging Asia	**537**	541	-0.7	-6.1	-19.3	-25.8
MSCI Emerging Latin America	**2159**	2166	-0.3	-5.2	1.4	-14.7
Shanghai	**3036**	3004	1.1	-0.4	-16.6	-11.8
VIX Index	**32.99**	34.75	-5.1	12.8	91.6	51.1

Currencies	5/10	5/9	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.053**	1.056	-0.3	0.1	-7.4	-13.3
EUR/GBP	**0.86**	0.86	-0.2	1.6	1.6	-0.5
EUR/CHF	**1.05**	1.05	-0.1	1.8	1.0	-4.5
USD/JPY	**130.45**	130.29	0.1	0.2	13.4	20.1
USD/CNY	**6.73**	6.73	0.1	1.9	6.0	4.8
USD/MXN	**20.39**	20.40	0.0	0.5	-0.7	2.2

Commodities	5/10	5/9	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**124.6**	124.8	-0.1	-3.1	25.7	32.8
Brent (US$/barrel)	**102.5**	105.9	-3.3	-2.4	31.7	49.5
Dutch TTF Natural Gas (EUR/MWh)	**98.8**	93.8	5.3	-0.6	40.5	282.9
Gold (US$/ounce)	**1838.3**	1854.2	-0.9	-1.6	0.5	0.0

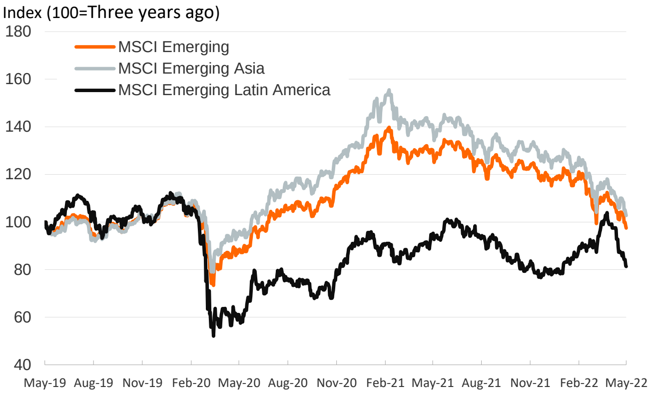
Main advanced stock markets

Index (100=Three years ago)



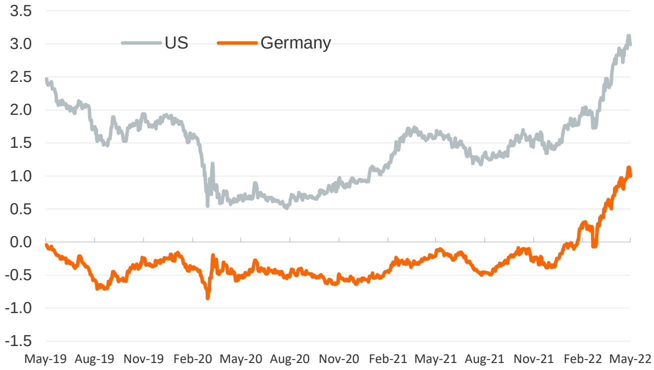
Emerging economies stock markets

Index (100=Three years ago)



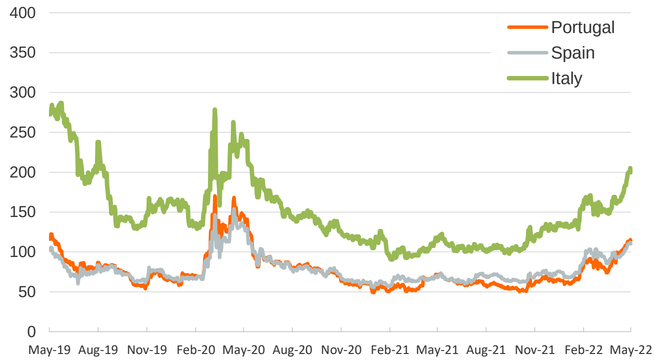
Yield on 10-year public debt: U.S. and Germany

(%)



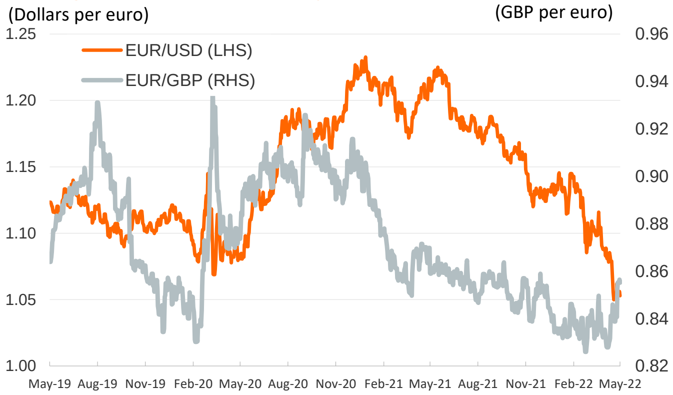
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)