

- ▶ Risk-off sentiment returned to financial markets on Wednesday, as investors reassessed the outlook for the global economy amid the jump in inflation and the rapid withdrawal of monetary policy accommodation. These factors are weighting in the earnings projections of the private sector.
- ▶ Fed Chairman, Jerome Powell, noted that the central bank will raise interest rates until there is “clear and convincing” evidence that inflation is in retreat. Separately, Chicago Fed Charles Evans said that he supports 50bp hike in June and “probably thereafter”. In Europe, Bank of Spain Pablo Hernandez de Cos said he sees policy rates rising this year.
- ▶ In this context, equity indices fell sharply in both sides of the Atlantic, more strongly in the US, while sovereign bond yields dropped back. The USD strengthened against its peers, while commodity prices went down modestly.
- ▶ Today the ECB releases the accounts of its April’s meeting.

Interest Rates (%)	5/18	5/17	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)	1,45	1,48	-2	2	136	144
3 months (Euribor)	-0,37	-0,38	1	5	20	18
12 months (Euribor)	0,31	0,24	7	9	81	79
Germany - 2-Year Bond	0,39	0,38	2	25	101	104
Germany - 10-Year Bond	1,03	1,05	-2	4	121	114
France - 10-Year Bond	1,53	1,55	-2	3	133	124
Spain - 10-Year Bond	2,10	2,12	-1	8	154	150
Portugal - 10-Year Bond	2,16	2,17	-1	8	169	155
Italy - 10-Year Bond	2,96	2,96	0	6	179	184
Risk premium - Spain (10Y)	107	107	0	3	33	36
Risk premium - Portugal (10Y)	113	112	0	3	48	41
Risk premium - Italy (10Y)	193	191	2	2	58	70

US

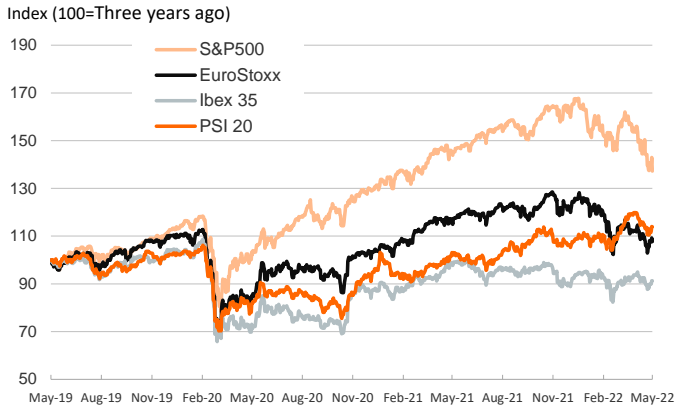
Fed - Upper Bound	1,00	1,00	0	0	75	75
3 months (Libor)	1,45	1,45	0	3	124	130
12 months (Libor)	2,68	2,68	0	6	210	242
2-Year Bond	2,67	2,70	-3	3	194	251
10-Year Bond	2,88	2,99	-11	-4	137	121

Stock Markets	5/18	5/17	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	3,08	3,05	1,0	4,2	27,6	9,9
Ibex 35	8476	8476	0,0	2,0	-2,7	-6,6
PSI 20	5829	5834	-0,1	0,7	4,7	11,7
MIB	24086	24302	-0,9	1,5	-11,9	-1,6
DAX	14008	14186	-1,3	1,3	-11,8	-7,3
CAC 40	6353	6430	-1,2	1,3	-11,2	1,4
Eurostoxx50	3691	3742	-1,4	1,2	-14,1	-6,2
FTSE 100	7438	7518	-1,1	1,2	0,7	7,0
S&P 500	3924	4089	-4,0	-0,3	-17,7	-4,7
Nasdaq	11418	11985	-4,7	0,5	-27,0	-14,1
Nikkei 225	26911	26660	0,9	2,7	-6,5	-4,0
MSCI Emerging Index	1033	1031	0,2	2,2	-16,1	-22,2
MSCI Emerging Asia	554	551	0,5	2,6	-16,9	-23,6
MSCI Emerging Latin America	2292	2338	-2,0	4,4	7,6	-7,6
Shanghai	3086	3094	-0,2	0,9	-15,2	-12,1
VIX Index	30,96	26,10	18,6	-4,9	79,8	39,6

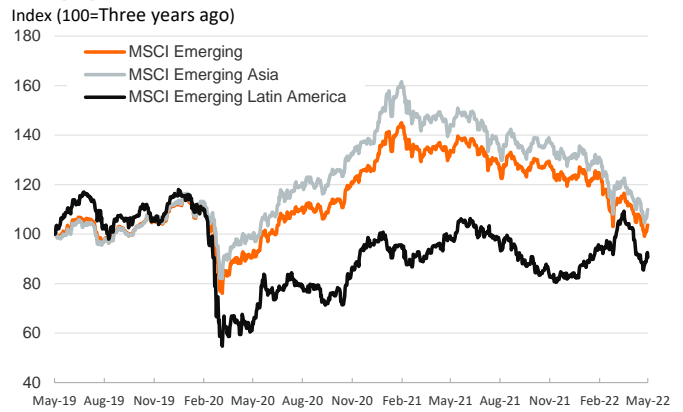
Currencies	5/18	5/17	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	1,046	1,055	-0,8	-0,5	-8,0	-14,1
EUR/GBP	0,85	0,84	0,4	-1,2	0,8	-1,7
EUR/CHF	1,03	1,05	-1,4	-1,1	-0,3	-6,0
USD/JPY	128,23	129,38	-0,9	-1,3	11,4	17,4
USD/CNY	6,75	6,74	0,2	0,5	6,3	5,0
USD/MXN	20,04	19,94	0,5	-1,4	-2,4	0,5

Commodities	5/18	5/17	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	129,6	131,6	-1,5	1,7	30,7	41,8
Brent (US\$/barrel)	109,1	111,9	-2,5	1,5	40,3	63,7
Dutch TTF Natural Gas (EUR/MWh)	94,5	94,2	0,4	0,6	34,4	317,1
Gold (US\$/ounce)	1816,6	1815,2	0,1	-1,9	-0,7	-2,8

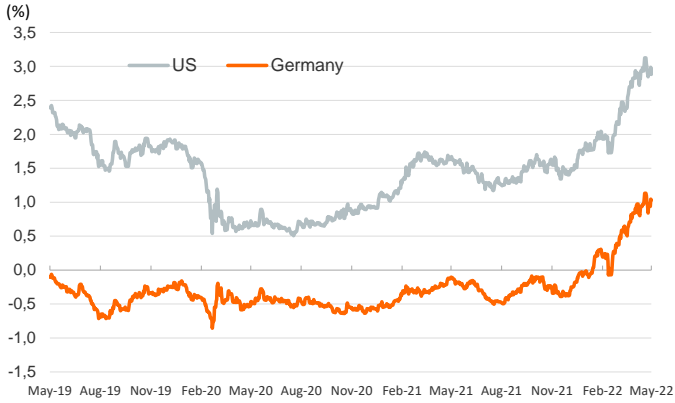
Main advanced stock markets



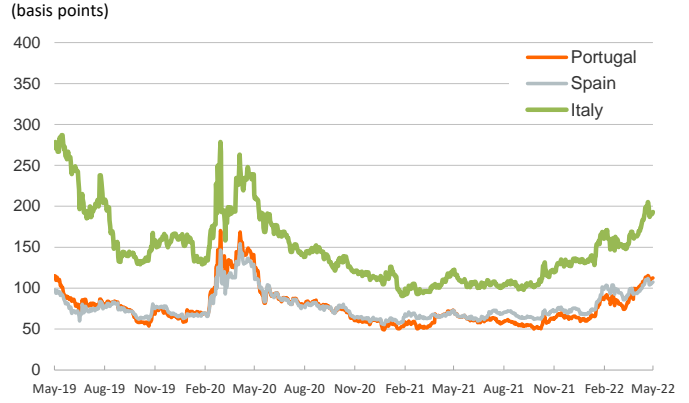
Emerging economies stock markets



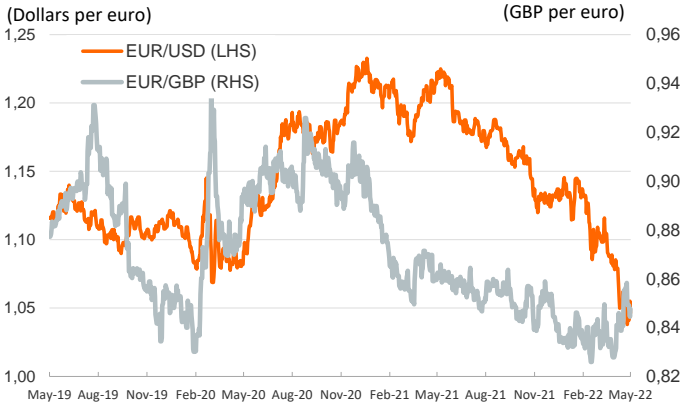
Yield on 10-year public debt: U.S. and Germany



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



Exchange rate: Advanced-economy currencies



Exchange rate: emerging economies index



Brent oil price



Dutch TTF Natural gas price



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