Financial Markets

Daily Report 13-Jul-2022

- In yesterday's session, investors' concerns of a decelerating economy spiked after worse-than-expected sentiment data in Germany and the euro area and comments from Richmond Federal Reserve President Thomas Barkin.
- In particular, Barkin said he sees signs of softening in economic activity while expecting inflation to come down "not immediately, not suddenly and not predictably".
- In this context, stock indices fell in the US and were mixed in the euro area. In fixed-income markets, sovereign yields declined in both sides of the Atlantic, particularly so in Europe, and peripheral spreads ticked up. Elsewhere, Brent oil prices declined below $100 per barrel amid recessionary fears and the US dollar reached almost parity vs the euro.
- Today, the focus will be on June CPI data for the US, for which the Bloomberg consensus expects a 0.2pp increase to 8.8% y/y. Earlier this morning INE confirmed June CPI inflation figures for Spain at 10.2% y/y.

Interest Rates (%)	7/12	7/11	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**	-0.58	0	0	1	-1
Swap €STR (10Y)	**1.68**	1.80	-11	-10	159	181
3 months (Euribor)	**-0.06**	-0.07	1	9	51	49
12 months (Euribor)	**0.93**	0.97	-4	-1	143	142
Germany - 2-Year Bond	**0.36**	0.44	-9	-8	97	103
Germany - 10-Year Bond	**1.13**	1.25	-11	-5	131	143
France - 10-Year Bond	**1.73**	1.86	-13	-5	154	169
Spain - 10-Year Bond	**2.23**	2.34	-11	-6	166	191
Portugal - 10-Year Bond	**2.24**	2.34	-10	-5	177	194
Italy - 10-Year Bond	**3.11**	3.21	-10	-4	194	239
Risk premium - Spain (10Y)	**110**	109	1	-1	35	48
Risk premium - Portugal (10Y)	**110**	109	1	0	46	51
Risk premium - Italy (10Y)	**198**	196	2	1	63	97
US						
Fed - Upper Bound	**1.75**	1.75	0	0	150	150
3 months (Libor)	**2.46**	2.46	0	11	225	233
12 months (Libor)	**3.72**	3.72	0	13	314	348
2-Year Bond	**3.05**	3.07	-2	23	232	280
10-Year Bond	**2.97**	2.99	-2	16	146	155

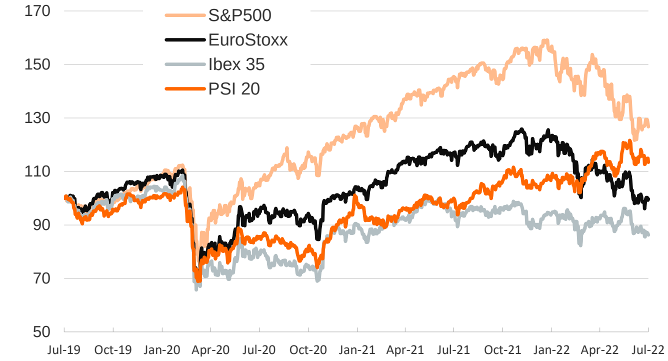
Stock Markets	7/12	7/11	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**2.70**	2.96	-8.6	-12.1	11.9	7.7
Ibex 35	**8015**	8065	-0.6	0.7	-8.0	-7.8
PSI 20	**5921**	6001	-1.3	0.7	6.3	13.9
MIB	**21486**	21568	-0.4	3.8	-21.4	-14.6
DAX	**12905**	12832	0.6	4.1	-18.8	-18.3
CAC 40	**6044**	5996	0.8	4.3	-15.5	-7.8
Eurostoxx50	**3487**	3472	0.4	3.8	-18.9	-14.8
FTSE 100	**7210**	7197	0.2	2.6	-2.4	1.2
S&P 500	**3819**	3854	-0.9	-0.3	-19.9	-12.6
Nasdaq	**11265**	11373	-0.9	-0.5	-28.0	-23.3
Nikkei 225	**26337**	26812	-1.8	-0.3	-8.5	-8.3
MSCI Emerging Index	**967**	981	-1.4	-2.4	-21.5	-27.8
MSCI Emerging Asia	**526**	535	-1.7	-2.9	-21.0	-27.9
MSCI Emerging Latin America	**1965**	1981	-0.8	-1.1	-7.8	-23.5
Shanghai	**3281**	3314	-1.0	-3.6	-9.8	-8.0
VIX Index	**27.29**	26.17	4.3	-0.9	58.5	59.4

Currencies	7/12	7/11	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.004**	1.004	0.0	-2.2	-11.7	-14.8
EUR/GBP	**0.84**	0.84	0.0	-1.8	0.3	-1.0
EUR/CHF	**0.99**	0.99	-0.2	-0.9	-5.0	-8.9
USD/JPY	**136.87**	137.44	-0.4	0.8	18.9	23.7
USD/CNY	**6.72**	6.72	0.1	0.1	5.8	4.0
USD/MXN	**20.86**	20.74	0.6	1.6	1.6	4.0

Commodities	7/12	7/11	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**112.0**	116.4	-3.8	0.1	12.9	18.5
Brent (US$/barrel)	**99.5**	107.1	-7.1	-3.2	27.9	30.1
Dutch TTF Natural Gas (EUR/MWh)	**172.6**	164.5	4.9	4.6	145.4	386.7
Gold (US$/ounce)	**1726.0**	1734.0	-0.5	-2.2	-5.6	-4.5

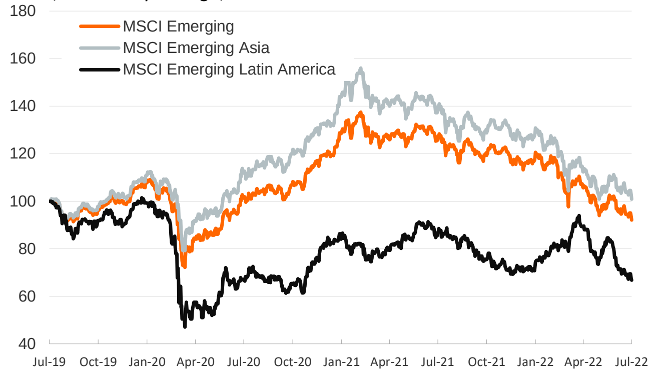
Main advanced stock markets

Index (100=Three years ago)



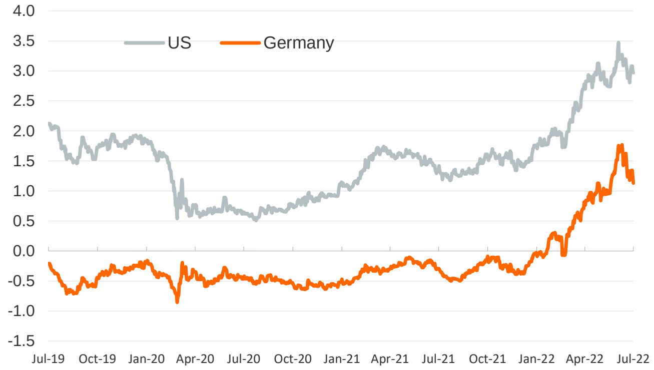
Emerging economies stock markets

Index (100=Three years ago)



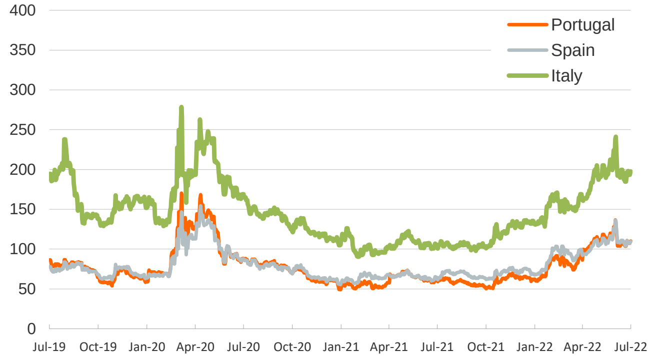
Yield on 10-year public debt: U.S. and Germany

(%)



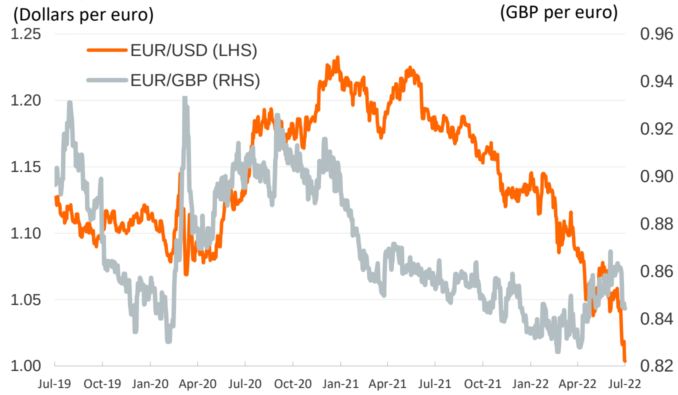
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)