BPI

Financial Markets

Daily Report 25-Nov-2022

- Financial markets extended gains during a session characterized by low trading volumes, due to the Thanksgiving holiday in the US. The key theme remained expectations for a slowdown in the pace of monetary policy tightening by major central banks, after a dovish reading of the accounts of the last Fed meeting.
- The minutes of the last ECB meeting also revealed that "a few" officials favored a smaller rate increase in October but that, at the end, 75 bp were judged to be appropriate in view of the protracted period of high inflation. In this vein, ECB Board member Isabel Schnabel argued yesterday that it may be premature to reduce the pace of rate hikes.
- In this context, equity prices ticked higher while sovereign bond yields fell, more notably for the eurozone periphery, sending the risk premium in the 10-year Italian bond (versus Germany) near 180 bp, the lowest level since the spring.
- Elsewhere, oil prices hovered around recent levels while natural gas prices fell modestly.

Interest Rates (%)	11/24	11/23	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	**2,00**	2,00	0	0	200	200
€STR	**1,41**	1,41	0	0	200	198
Swap €STR (10Y)	**2,33**	2,42	-9	-19	224	231
3 months (Euribor)	**1,91**	1,90	1	11	248	248
12 months (Euribor)	**2,88**	2,85	2	4	338	338
Germany - 2-Year Bond	**2,11**	2,14	-3	-1	273	285
Germany - 10-Year Bond	**1,85**	1,93	-8	-17	203	210
France - 10-Year Bond	**2,29**	2,38	-9	-20	210	218
Spain - 10-Year Bond	**2,80**	2,90	-10	-24	223	229
Portugal - 10-Year Bond	**2,73**	2,83	-10	-23	226	230
Italy - 10-Year Bond	**3,66**	3,80	-14	-26	249	261
Risk premium - Spain (10Y)	**95**	97	-2	-7	21	19
Risk premium - Portugal (10Y)	**88**	90	-2	-6	24	20
Risk premium - Italy (10Y)	**181**	187	-6	-9	47	51
US						
Fed - Upper Bound	**4,00**	4,00	0	0	375	375
3 months (Libor)	**4,76**	4,76	0	8	455	458
12 months (Libor)	**5,64**	5,64	0	18	506	517
2-Year Bond	**4,48**	4,48	0	3	375	384
10-Year Bond	**3,69**	3,69	0	-8	218	206

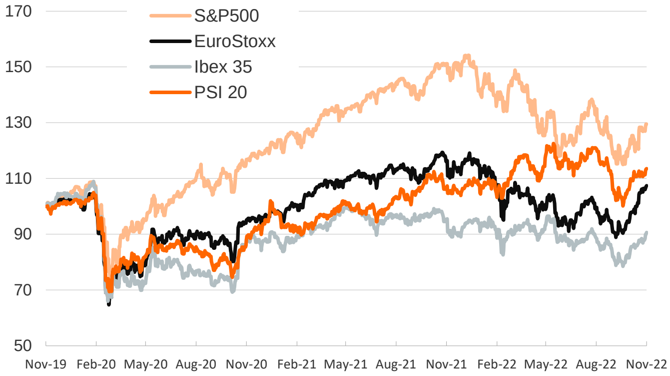
Stock Markets	11/24	11/23	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,55**	3,55	-0,1	7,0	47,1	47,7
Ibex 35	**8388**	8331	0,7	4,3	-3,7	-5,1
PSI 20	**5880**	5871	0,2	2,5	5,6	5,7
MIB	**24731**	24581	0,6	1,6	-9,6	-8,7
DAX	**14540**	14428	0,8	1,9	-8,5	-8,7
CAC 40	**6707**	6679	0,4	2,0	-6,2	-5,2
Eurostoxx50	**3962**	3946	0,4	2,2	-7,8	-7,7
FTSE 100	**7467**	7465	0,0	1,6	1,1	2,1
S&P 500	**4027**	4027	0,0	2,0	-15,5	-14,3
Nasdaq	**11285**	11285	0,0	1,3	-27,9	-28,8
Nikkei 225	**28383**	28116	1,0	1,6	-1,4	-3,8
MSCI Emerging Index	**946**	932	1,4	0,3	-23,2	-24,6
MSCI Emerging Asia	**502**	495	1,5	-0,1	-24,6	-26,4
MSCI Emerging Latin America	**2212**	2156	2,6	2,7	3,8	4,6
Shanghai	**3089**	3097	-0,2	-0,8	-15,1	-13,8
VIX Index	**20,42**	20,35	0,3	-14,7	18,6	9,9

Currencies	11/24	11/23	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,041**	1,040	0,1	0,5	-8,4	-7,1
EUR/GBP	**0,86**	0,86	-0,4	-1,6	2,1	2,1
EUR/CHF	**0,98**	0,98	0,3	-0,5	-5,3	-6,4
USD/JPY	**138,54**	139,60	-0,8	-1,2	20,4	20,1
USD/CNY	**7,15**	7,16	-0,1	-0,1	12,5	12,0
USD/MXN	**19,38**	19,36	0,1	-0,2	-5,6	-10,2

Commodities	11/24	11/23	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**116,5**	116,5	0,0	1,2	17,5	12,5
Brent (US$/barrel)	**85,3**	85,4	-0,1	-4,9	9,7	3,8
Dutch TTF Natural Gas (EUR/MWh)	**123,8**	129,6	-4,5	10,0	76,0	32,8
Gold (US$/ounce)	**1755,2**	1749,7	0,3	-0,3	-4,0	-1,9

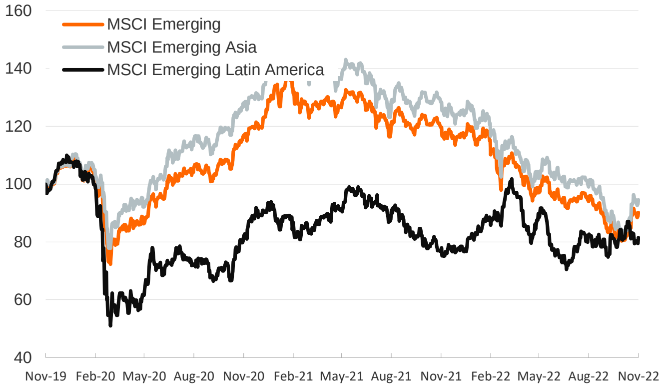
Main advanced stock markets

Index (100=Three years ago)



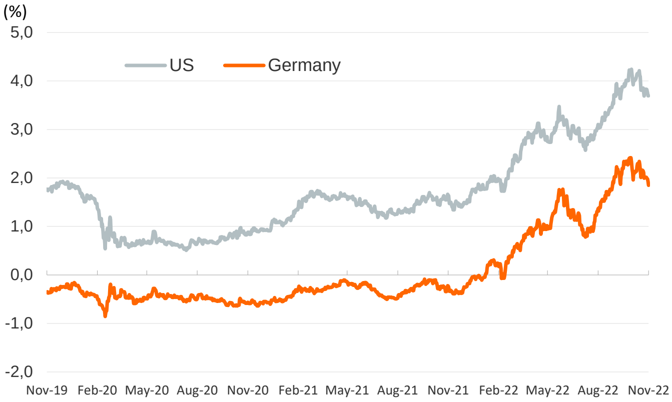
Emerging economies stock markets

Index (100=Three years ago)



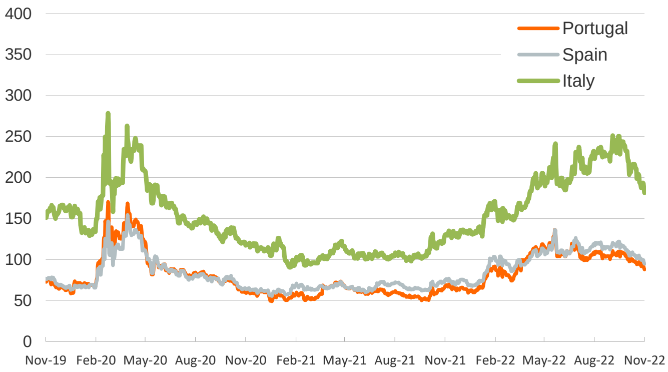
Yield on 10-year public debt: U.S. and Germany

(%)



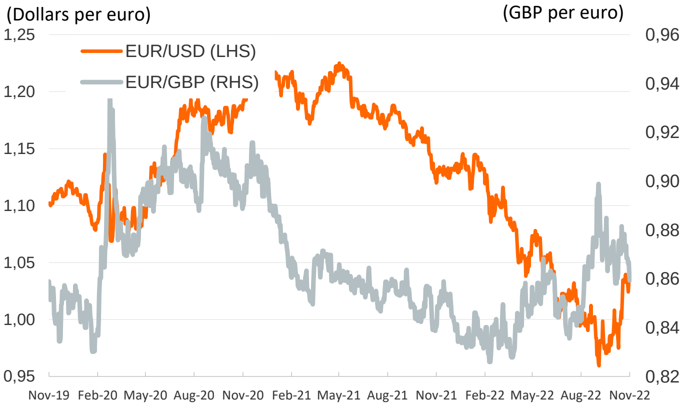
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)