BPI

Financial Markets

Daily Report 27-Jan-2023

- Hopes for a so-called "soft landing" continued to lift spirits across financial markets on Thursday, following stronger-than-expected economic data as well as solid Q4 earnings results by some large US tech firms.
- On the data front, US real GDP rose at a 2.9% annualized rate in Q4, above expectations and implying only a modest slowdown relative to the 3.2% gain in Q3. In addition, new jobless claims surprised by falling in the previous week (to the minimum level since April) while new home sales ended 2022 on a strong footing (2.3% m/m in December).
- In this context, equities rose across the board, led by stocks in the US. Sovereign bond yields went up while the USD appreciated modestly against its peers. Elsewhere, oil prices ticked up while natural gas prices fell further, with 1-month gas deliveries in the US trading below 3 USD per million British thermal units.
- This morning, data showed Spanish GDP rose by 0.2% q/q in Q4, the same pace as in Q3 (revised up from 0.1%).

Interest Rates (%)	1/26	1/25	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	**2,50**	2,50	0	0	0	250
€STR	**1,90**	1,90	0	0	1	248
Swap €STR (10Y)	**2,52**	2,49	3	12	-42	232
3 months (Euribor)	**2,47**	2,46	1	8	34	302
12 months (Euribor)	**3,35**	3,36	-1	5	6	382
Germany - 2-Year Bond	**2,58**	2,53	6	6	-8	320
Germany - 10-Year Bond	**2,22**	2,16	6	15	-22	228
France - 10-Year Bond	**2,67**	2,60	8	19	-29	233
Spain - 10-Year Bond	**3,19**	3,11	7	19	-33	252
Portugal - 10-Year Bond	**3,10**	3,03	7	20	-34	250
Italy - 10-Year Bond	**4,03**	3,94	9	26	-48	274
Risk premium - Spain (10Y)	**97**	95	2	4	-11	24
Risk premium - Portugal (10Y)	**88**	87	1	5	-12	23
Risk premium - Italy (10Y)	**181**	178	3	11	-26	47
US						
Fed - Upper Bound	**4,50**	4,50	0	0	0	425
Fed Funds Rate Future (Dec.-23)	**4,52**	4,49	3	4	-13	269
3 months (Libor)	**4,81**	4,81	0	-1	4	451
12 months (Libor)	**5,34**	5,34	0	4	-14	442
2-Year Bond	**4,18**	4,13	5	5	-25	299
10-Year Bond	**3,49**	3,44	5	10	-38	169

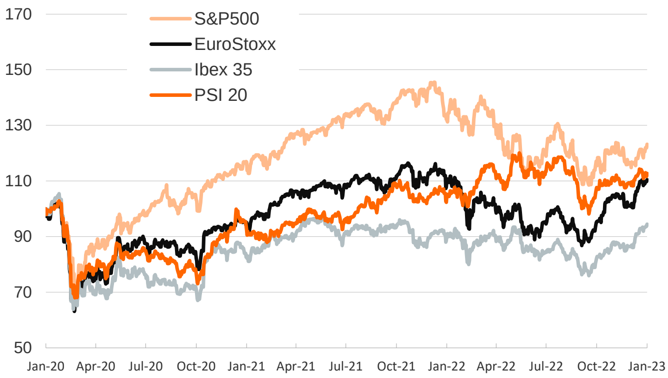
Stock Markets	1/26	1/25	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,99**	3,94	1,4	3,4	9,1	39,1
Ibex 35	**9036**	8958	0,9	2,8	8,6	3,8
PSI 20	**5962**	5899	1,1	1,7	4,1	7,2
MIB	**26218**	25875	1,3	2,4	10,6	-2,5
DAX	**15133**	15082	0,3	1,4	8,7	-2,5
CAC 40	**7096**	7044	0,7	2,1	9,6	1,0
Eurostoxx50	**4174**	4148	0,6	1,9	10,0	-0,3
FTSE 100	**7761**	7745	0,2	0,2	4,2	2,7
S&P 500	**4060**	4016	1,1	4,1	5,8	-6,1
Nasdaq	**11512**	11313	1,8	6,1	10,0	-13,8
Nikkei 225	**27363**	27395	-0,1	3,6	4,9	4,6
MSCI Emerging Index	**1052**	1041	1,1	2,4	10,0	-11,7
MSCI Emerging Asia	**571**	563	1,4	2,4	11,0	-10,0
MSCI Emerging Latin America	**2355**	2353	0,1	3,9	10,7	4,4
Shanghai	**3265**	3265	0,0	0,8	5,7	-3,8
VIX Index	**18,73**	19,08	-1,8	-8,7	-13,6	-38,6

Currencies	1/26	1/25	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,089**	1,092	-0,2	0,5	1,7	-2,3
EUR/GBP	**0,88**	0,88	-0,3	0,4	-0,9	5,4
EUR/CHF	**1,00**	1,00	0,0	1,0	1,3	-3,4
USD/JPY	**130,22**	129,59	0,5	1,4	-0,7	12,9
USD/CNY	**6,78**	6,78	0,0	0,1	-1,7	6,5

Commodities	1/26	1/25	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**112,4**	111,7	0,6	0,5	-0,4	5,8
Brent (US$/barrel)	**87,5**	86,1	1,6	1,5	1,8	-2,1
TTF Natural Gas-1M Future (€/MWh)	**54,8**	56,7	-3,3	-9,7	-28,2	-40,6
TTF Natural Gas-Dec.-23 Future (€/MWh)	**66,9**	68,5	-2,4	-7,2	-20,5	52,2
Gold (US$/ounce)	**1929,2**	1946,1	-0,9	-0,2	5,8	7,3

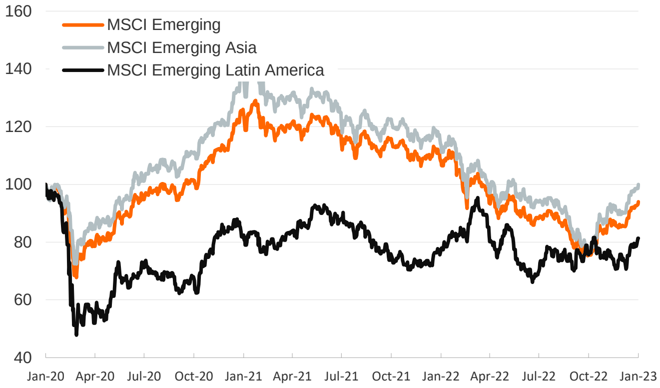
Main advanced stock markets

Index (100=Three years ago)



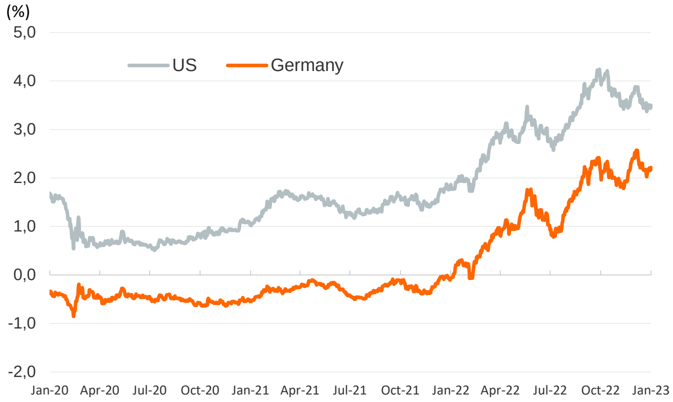
Emerging economies stock markets

Index (100=Three years ago)



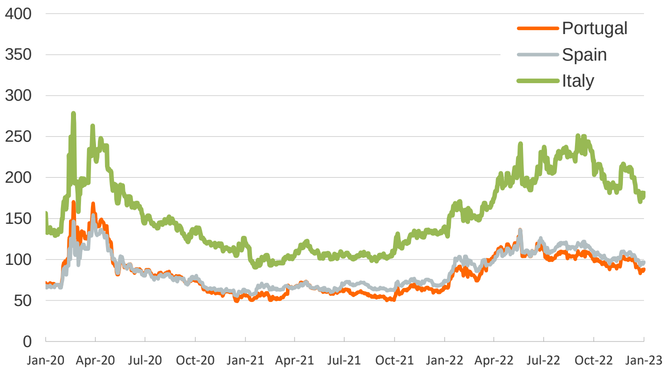
Yield on 10-year public debt: U.S. and Germany

(%)



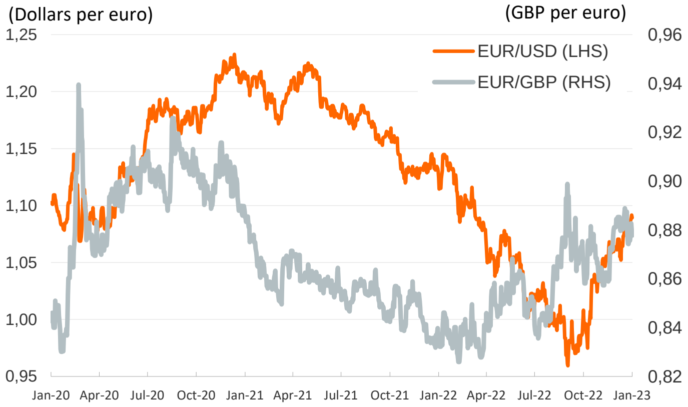
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)