BPI

Financial Markets

Daily Report 30-Mar-2023

- Investors traded with a risk-on mood on Wednesday. The main drivers were a rally in tech stocks, boosted by the restructuring plans from China's Alibaba Group , as well as receding fears of contagion from the banking turmoil.
- In the eurozone, ECB chief economist Philip Lane said more interest rate hikes will be needed if tensions in the banking sector continue to settle down. Separately, fellow Governing Council member, Peter Kazimir, also said further rate hikes are likely but "maybe at slower pace".
- In this context, stock indices rebounded across the board while sovereign bond yields were little changed. Oil prices reduced previous gains, even after data showed US crude inventories shrank last week.
- Today, the focus turns to March's flash HICP inflation in Spain (reported this morning at 3.1% y/y after 6.0% in February) and Germany, ahead of the release of the eurozone aggregate tomorrow.

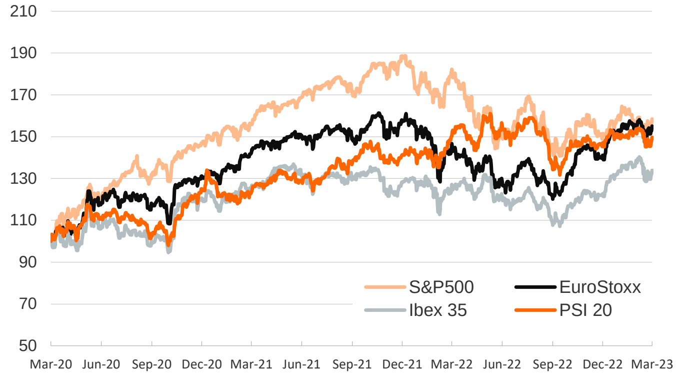
Interest Rates (%)	3/29	3/28	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	**3,50**	3,50	0	0	100	350
€STR	**2,89**	2,89	0	0	100	347
Swap €STR (10Y)	**2,76**	2,76	0	1	-18	173
3 months (Euribor)	**3,02**	2,99	2	1	88	348
12 months (Euribor)	**3,57**	3,54	3	11	28	368
Germany - 2-Year Bond	**2,65**	2,59	6	-5	-1	265
Germany - 10-Year Bond	**2,33**	2,29	4	0	-11	168
France - 10-Year Bond	**2,83**	2,80	2	-1	-13	175
Spain - 10-Year Bond	**3,35**	3,33	2	-2	-17	180
Portugal - 10-Year Bond	**3,18**	3,16	2	-1	-26	174
Italy - 10-Year Bond	**4,15**	4,13	1	-2	-37	202
Risk premium - Spain (10Y)	**102**	104	-2	-2	-7	12
Risk premium - Portugal (10Y)	**85**	87	-2	-1	-15	6
Risk premium - Italy (10Y)	**182**	184	-3	-2	-26	33
US						
Fed - Upper Bound	**5,00**	5,00	0	0	50	450
Fed Funds Rate Future (Dec.-23)	**4,39**	4,34	4	9	-26	143
3 months (Libor)	**5,16**	5,16	0	8	39	419
12 months (Libor)	**5,19**	5,19	0	1	-29	306
2-Year Bond	**4,10**	4,08	2	16	-33	179
10-Year Bond	**3,56**	3,57	-1	13	-31	121

Stock Markets	3/29	3/28	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,62**	3,54	2,1	-3,0	-1,1	15,0
Ibex 35	**9071**	8944	1,4	0,7	9,0	6,1
PSI 20	**5901**	5836	1,1	1,2	3,1	-1,8
MIB	**26739**	26329	1,6	0,8	12,8	5,7
DAX	**15329**	15142	1,2	0,7	10,1	4,9
CAC 40	**7187**	7088	1,4	0,8	11,0	6,6
Eurostoxx50	**4231**	4168	1,5	0,8	11,5	6,9
FTSE 100	**7564**	7484	1,1	0,0	1,5	-0,2
S&P 500	**4028**	3971	1,4	2,3	4,9	-12,5
Nasdaq	**11926**	11716	1,8	2,2	13,9	-17,4
Nikkei 225	**27884**	27518	1,3	1,5	6,9	-0,5
MSCI Emerging Index	**980**	971	1,0	1,9	2,5	-14,7
MSCI Emerging Asia	**531**	526	1,0	1,8	3,4	-13,1
MSCI Emerging Latin America	**2177**	2141	1,7	4,2	2,3	-18,8
Shanghai	**3240**	3245	-0,2	-0,8	4,9	-0,8
VIX Index	**19,12**	19,97	-4,3	-14,1	-11,8	-1,1

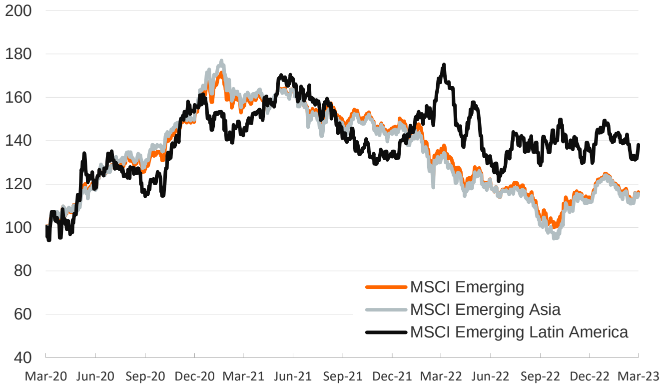
Currencies	3/29	3/28	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,084**	1,085	0,0	-0,1	1,3	-2,8
EUR/GBP	**0,88**	0,88	0,2	-0,5	-0,5	3,7
EUR/CHF	**1,00**	1,00	-0,2	0,0	0,6	-3,3
USD/JPY	**132,86**	130,89	1,5	1,1	1,3	9,1
USD/CNY	**6,89**	6,88	0,2	0,3	-0,1	8,5

Commodities	3/29	3/28	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**104,2**	104,4	-0,2	1,5	-7,7	-17,6
Brent (US$/barrel)	**78,3**	78,7	-0,5	2,1	-8,9	-31,0
TTF Natural Gas-1M Future (€/MWh)	**42,8**	42,8	0,1	7,1	-43,9	-64,0
TTF Natural Gas-Dec.-23 Future (€/MWh)	**53,2**	53,0	0,4	6,1	-36,8	-8,7
Gold (US$/ounce)	**1964,7**	1973,5	-0,4	-0,3	7,7	1,6

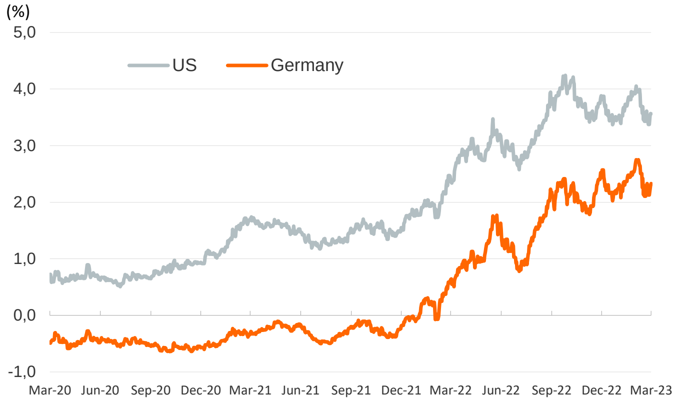
Main advanced stock markets
Index (100=Three years ago)



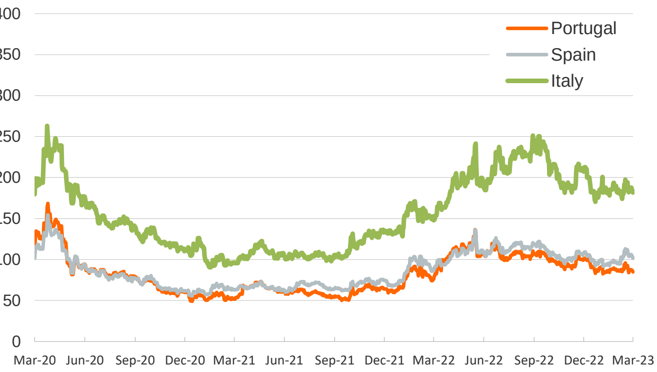
Emerging economies stock markets
Index (100=Three years ago)



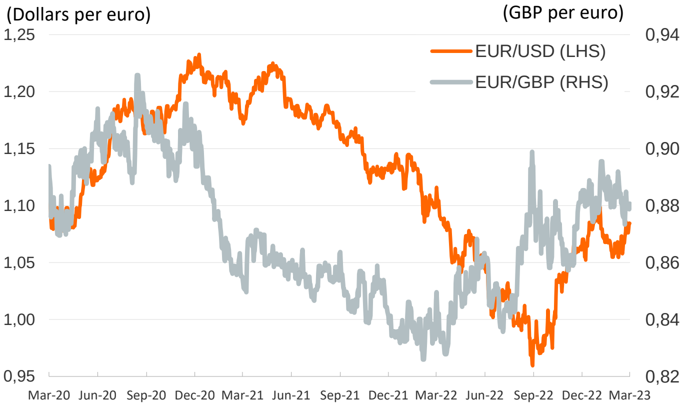
Yield on 10-year public debt: U.S. and Germany
(%)



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)