BPI

Financial Markets

Daily Report 5-Jun-2023

- Risk appetite extended during the last session of the week, as investors took on board the final approval of the deal to raise the US debt ceiling and data suggesting a strong but cooling US labour market in May.
- In particular, the unemployment rate rose by 0.3pp to 3.7% in May while average hourly earnings decelerated (4.3% y/y after 4.4%). The US economy created 339.000 nonfarm payrolls, up from 294.000 in the previous month.
- In this context, stocks rose across the board, reducing the losses registered at the beginning of the week. Sovereign bond yields increased notably while the USD appreciated modestly against peers. Commodity prices also edged up as traders look ahead to the OPEC+ meeting.
- Today, the final composite PMIs for May are released across advanced economies, including the ISM services in the US. On Wednesday, Germany's industrial production and China's exports will also be published.

Interest Rates (%)	6/2	6/1	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	**3,75**	3,75	0	0	125	375
€STR	**3,15**	3,15	0	0	126	374
Swap €STR (10Y)	**2,73**	2,69	4	-22	-20	102
3 months (Euribor)	**3,49**	3,46	3	3	136	382
12 months (Euribor)	**3,88**	3,88	0	-8	58	339
Germany - 2-Year Bond	**2,80**	2,72	8	-14	14	214
Germany - 10-Year Bond	**2,31**	2,25	6	-23	-13	104
France - 10-Year Bond	**2,86**	2,81	5	-25	-10	106
Spain - 10-Year Bond	**3,32**	3,29	3	-29	-20	88
Portugal - 10-Year Bond	**3,00**	2,97	3	-28	-44	53
Italy - 10-Year Bond	**4,06**	4,08	-2	-32	-45	67
Risk premium - Spain (10Y)	**100**	104	-3	-7	-8	-16
Risk premium - Portugal (10Y)	**69**	72	-4	-5	-31	-51
Risk premium - Italy (10Y)	**175**	184	-8	-9	-32	-37
US						
Fed - Upper Bound	**5,25**	5,25	0	0	75	425
Fed Funds Rate Future (Dec.-23)	**5,06**	4,92	14	-1	42	199
3 months (Libor)	**5,50**	5,50	0	2	73	387
12 months (Libor)	**5,66**	5,73	-7	0	18	288
2-Year Bond	**4,50**	4,34	16	-6	7	185
10-Year Bond	**3,69**	3,60	9	-11	-18	76

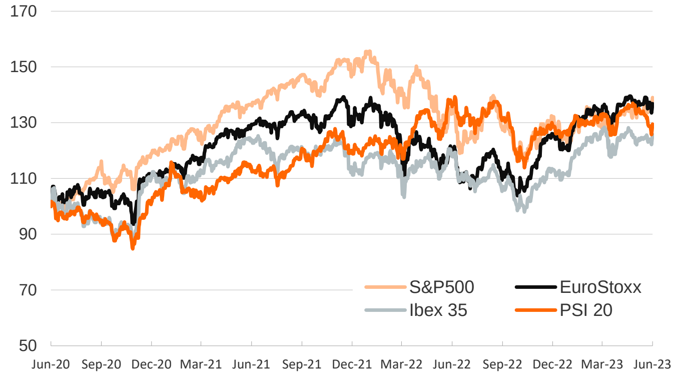
Stock Markets	6/2	6/1	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,63**	3,55	2,4	1,9	-0,7	7,4
Ibex 35	**9317**	9168	1,6	1,4	12,0	6,8
PSI 20	**5902**	5802	1,7	0,6	3,1	-5,2
MIB	**27068**	26576	1,9	1,3	14,2	12,0
DAX	**16051**	15854	1,2	0,4	15,3	11,0
CAC 40	**7271**	7137	1,9	-0,7	12,3	12,1
Eurostoxx50	**4324**	4258	1,5	-0,3	14,0	14,3
S&P 500	**4282**	4221	1,5	1,8	11,5	4,2
Nasdaq	**13241**	13101	1,1	2,0	26,5	10,2
Nikkei 225	**31524**	31148	1,2	2,0	20,8	13,6
MSCI Emerging Index	**984**	962	2,3	1,2	2,9	-7,2
MSCI Emerging Asia	**531**	518	2,5	1,3	3,3	-6,5
MSCI Emerging Latin America	**2324**	2259	2,9	1,4	9,2	-4,7
Shanghai	**3230**	3205	0,8	0,5	4,6	1,1
VIX Index	**14,60**	15,65	-6,7	-18,7	-32,6	-41,1

Currencies	6/2	6/1	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,071**	1,076	-0,5	-0,1	0,0	-0,1
EUR/GBP	**0,86**	0,86	0,1	-1,0	-2,9	0,2
EUR/CHF	**0,97**	0,97	-0,1	0,2	-1,7	-5,7
USD/JPY	**139,92**	138,80	0,8	-0,5	6,7	6,9
USD/CNY	**7,10**	7,10	0,0	0,5	2,9	6,6

Commodities	6/2	6/1	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**99,8**	99,2	0,6	-0,3	-11,5	-25,4
Brent (US$/barrel)	**76,1**	74,3	2,5	-1,1	-11,4	-35,3
TTF Natural Gas-1M Future (€/MWh)	**23,7**	23,1	2,5	-3,4	-69,0	-71,8
TTF Natural Gas-Dec.-23 Future (€/MWh)	**42,9**	42,5	0,9	-3,6	-49,1	-45,4
Gold (US$/ounce)	**1948,0**	1977,6	-1,5	0,1	6,8	5,2

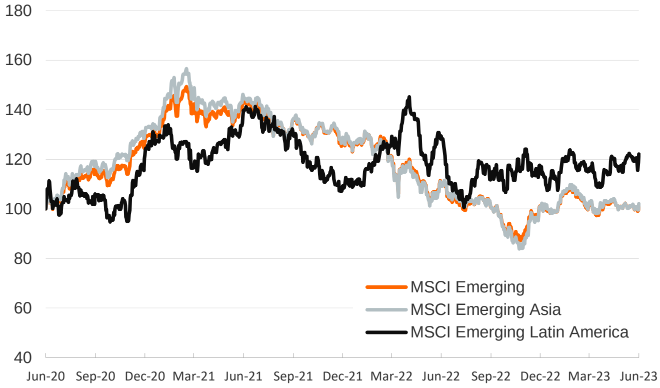
Main advanced stock markets

Index (100=Three years ago)



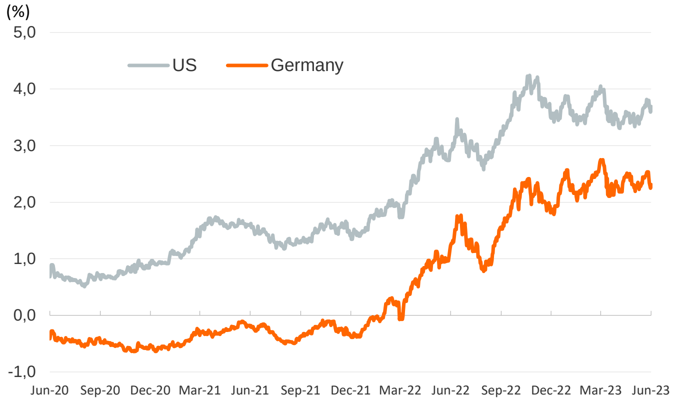
Emerging economies stock markets

Index (100=Three years ago)



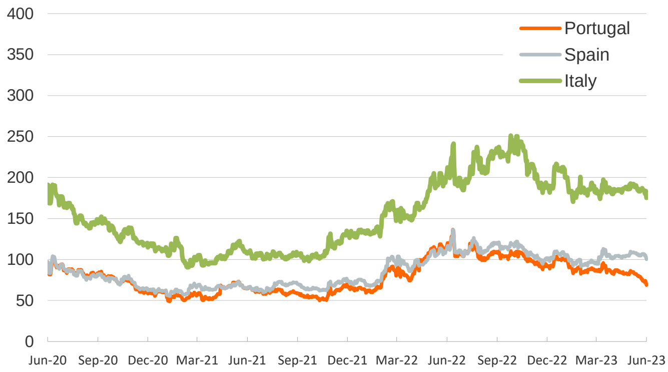
Yield on 10-year public debt: U.S. and Germany

(%)



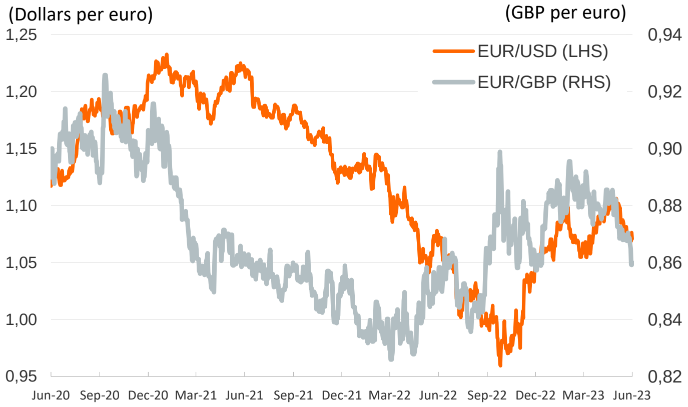
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)