BPI

Financial Markets

Daily Report 19-Jun-2023

- In the last session of the week, investors weighed better-than-expected economic data releases in the US with a hawkish tone from Federal Reserve officials. In particular, Christopher Waller and Thomas Barkin highlighted that inflation remains too high and stubbornly persistent, which might prompt a 25bp rate hike at the July meeting.
- On the data front, University of Michigan sentiment indicators rose in June, according to the preliminary release, while inflation expectations declined (from 4.2% to 3.3% the one-year ahead, and from 3.1% to 3.0% the 5-to-10 year).
- In this context, yields on US sovereign bonds edged up while the S&P 500 and Nasdaq halted six consecutive sessions of advances. On the other hand, yields edged lower in the euro area and stock indices posted moderate gains.
- This week the focus will be on June's flash PMIs for the main advanced economies. Today US financial markets will be closed due to the Juneteenth holiday.

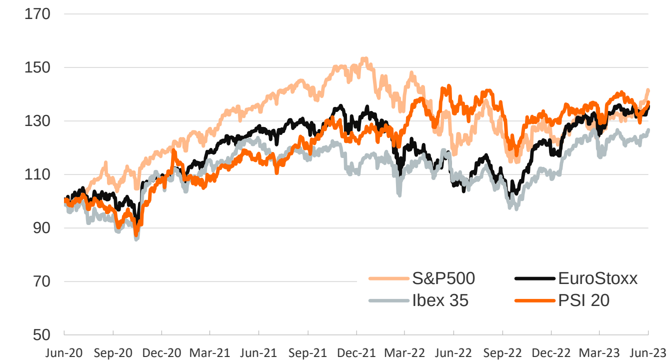
Interest Rates (%)	6/16	6/15	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	**4.00**	4.00	0	25	150	400
€STR	**3.14**	3.15	0	0	125	373
Swap €STR (10Y)	**2.85**	2.87	-2	8	-9	72
3 months (Euribor)	**3.57**	3.55	2	10	144	374
12 months (Euribor)	**4.02**	3.97	5	9	73	290
Germany - 2-Year Bond	**3.12**	3.13	0	21	46	203
Germany - 10-Year Bond	**2.47**	2.50	-3	10	4	81
France - 10-Year Bond	**2.97**	3.02	-5	6	1	77
Spain - 10-Year Bond	**3.39**	3.45	-6	2	-13	64
Portugal - 10-Year Bond	**3.11**	3.17	-6	2	-33	41
Italy - 10-Year Bond	**4.03**	4.13	-9	-8	-48	45
Risk premium - Spain (10Y)	**91**	94	-3	-7	-17	-17
Risk premium - Portugal (10Y)	**64**	66	-3	-8	-36	-40
Risk premium - Italy (10Y)	**156**	162	-6	-17	-51	-36
US						
Fed - Upper Bound	**5.25**	5.25	0	0	75	350
Fed Funds Rate Future (Dec.-23)	**5.24**	5.22	2	13	59	176
3 months (Libor)	**5.51**	5.51	0	-3	74	341
12 months (Libor)	**5.88**	5.88	0	10	40	229
2-Year Bond	**4.71**	4.64	7	11	28	153
10-Year Bond	**3.76**	3.72	4	2	-11	53

Stock Markets	6/16	6/15	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3.75**	3.70	1.4	4.2	2.5	10.0
Ibex 35	**9495**	9431	0.7	2.0	14.1	16.6
PSI 20	**6076**	6039	0.6	1.8	6.1	3.3
MIB	**27862**	27732	0.5	2.6	17.5	27.9
DAX	**16358**	16290	0.4	2.6	17.5	24.6
CAC 40	**7389**	7291	1.3	2.4	14.1	25.6
Eurostoxx50	**4395**	4365	0.7	2.4	15.8	27.8
S&P 500	**4410**	4426	-0.4	2.6	14.8	20.0
Nasdaq	**13690**	13783	-0.7	3.2	30.8	26.8
Nikkei 225	**33706**	33485	0.7	4.5	29.2	29.8
MSCI Emerging Index	**1030**	1024	0.6	2.8	7.7	2.5
MSCI Emerging Asia	**554**	549	0.8	3.0	7.7	1.5
MSCI Emerging Latin America	**2473**	2483	-0.4	1.7	16.2	18.1
Shanghai	**3273**	3253	0.6	1.3	6.0	-1.3
VIX Index	**13.54**	14.50	-6.6	-2.1	-37.5	-56.5

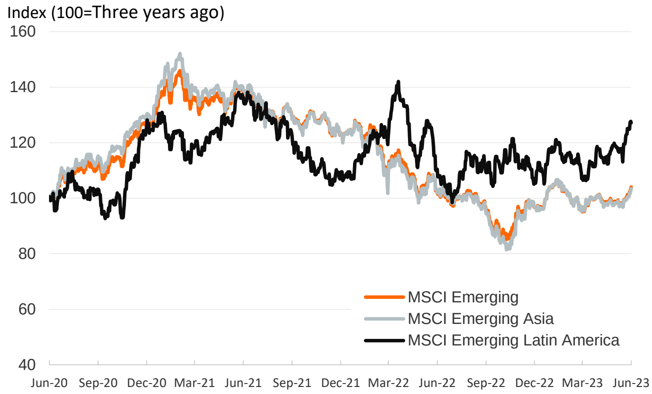
Currencies	6/16	6/15	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.094**	1.095	-0.1	1.7	2.2	4.2
EUR/GBP	**0.85**	0.86	-0.3	-0.2	-3.6	-0.6
EUR/CHF	**0.98**	0.98	0.2	0.7	-1.2	-4.0
USD/JPY	**141.82**	140.29	1.1	1.7	8.2	5.0
USD/CNY	**7.13**	7.12	0.1	-0.1	3.3	6.1

Commodities	6/16	6/15	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**105.1**	103.5	1.6	4.1	-6.8	-17.1
Brent (US$/barrel)	**76.6**	75.7	1.2	2.4	-10.8	-32.8
TTF Natural Gas-1M Future (€/MWh)	**35.0**	41.1	-14.9	9.2	-54.1	-70.3
TTF Natural Gas-Dec.-23 Future (€/MWh)	**53.1**	58.8	-9.7	10.8	-36.9	-31.5
Gold (US$/ounce)	**1958.0**	1958.0	0.0	-0.2	7.3	6.4

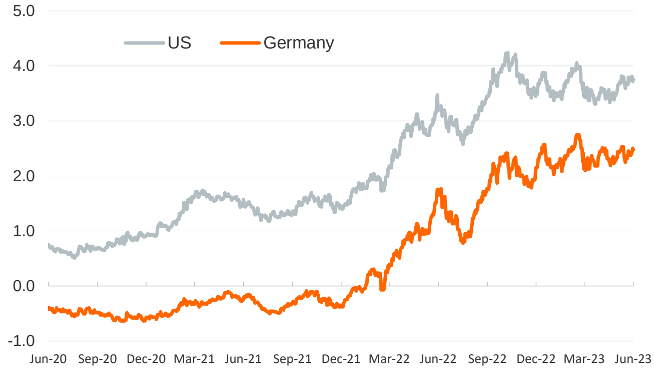
Main advanced stock markets
Index (100=Three years ago)



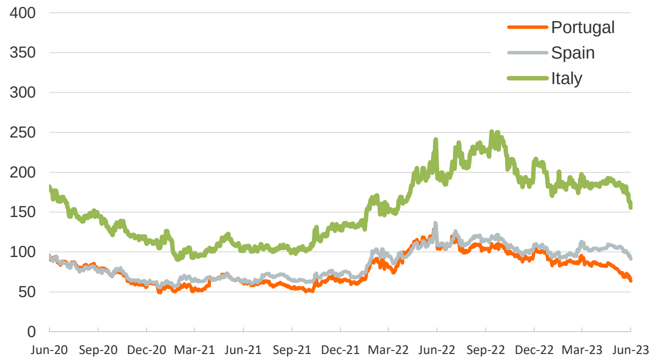
Emerging economies stock markets
Index (100=Three years ago)



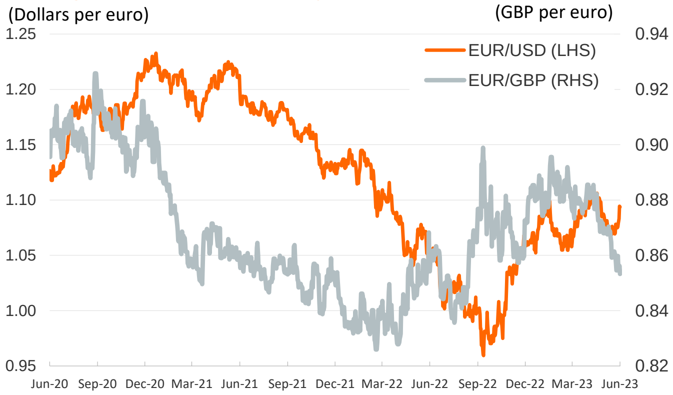
Yield on 10-year public debt: U.S. and Germany
(%)



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)