BPI

Financial Markets

Daily Report 26-Sep-2023

- In the first session of the week, central banks remained the focus of investors' attention, as they continue to digest the high-for-longer rhetoric. Yesterday, the hawkish tone of some FOMC members' comments pushed US 10-year Treasury yields higher, fluctuating above 4.5%, a level not seen since late 2007.
- In particular, Boston Fed President Susan Collins said that further rate hikes are certainly not off the table while Governor Michelle Bowman said that more than one rate increase might be needed to bring inflation back to 2%.
- In this context, stock indices edged up modestly in the US and fell in the euro area, where sovereign yields rose after Christine Lagarde reiterated that official interest rates will need to be kept at current levels for a sufficiently long period of time. In FX markets, the US dollar strengthened against most of its peers, leaving the euro below $1.06.
- In commodity markets, European natural gas prices rose towards 45€/MWh amid concerns over this winter’s supply.

Interest Rates (%)	9/25	9/22	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	**4,50**	4,50	0	0	200	325
€STR	**3,90**	3,91	0	26	201	324
Swap €STR (10Y)	**3,14**	3,09	5	9	20	58
3 months (Euribor)	**3,98**	3,96	2	7	185	282
12 months (Euribor)	**4,21**	4,21	0	2	92	171
Germany - 2-Year Bond	**3,24**	3,26	-2	-2	58	132
Germany - 10-Year Bond	**2,80**	2,74	6	9	36	77
France - 10-Year Bond	**3,34**	3,29	6	9	38	75
Spain - 10-Year Bond	**3,87**	3,82	5	9	35	69
Portugal - 10-Year Bond	**3,55**	3,50	4	10	11	48
Italy - 10-Year Bond	**4,66**	4,59	7	15	15	33
Risk premium - Spain (10Y)	**107**	108	-1	0	-1	-8
Risk premium - Portugal (10Y)	**75**	76	-2	1	-25	-30
Risk premium - Italy (10Y)	**186**	185	1	6	-21	-45
US						
Fed - Upper Bound	**5,50**	5,50	0	0	100	225
Fed Funds Rate Future (Dec.-23)	**5,42**	5,43	-1	-2	77	96
3 months (SOFR)	**5,39**	5,40	-1	-1	80	187
12 months (SOFR)	**5,47**	5,49	-2	3	60	114
2-Year Bond	**5,12**	5,11	1	7	69	92
10-Year Bond	**4,53**	4,43	10	23	66	85

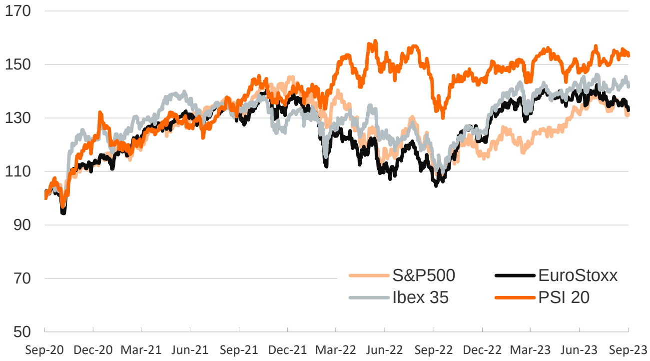
Stock Markets	9/25	9/22	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,62**	3,67	-1,3	1,9	-1,0	4,1
Ibex 35	**9386**	9502	-1,2	-1,0	12,8	23,8
PSI 20	**6120**	6169	-0,8	-0,1	6,9	11,5
MIB	**28382**	28576	-0,7	-0,7	19,7	34,7
DAX	**15405**	15557	-1,0	-2,0	10,6	25,4
CAC 40	**7124**	7185	-0,8	-2,1	10,0	23,2
Eurostoxx50	**4167**	4207	-0,9	-1,8	9,9	24,5
S&P 500	**4337**	4320	0,4	-2,6	13,0	17,4
Nasdaq	**13271**	13212	0,5	-3,2	26,8	22,1
Nikkei 225	**32679**	32402	0,9	-2,5	25,2	#¡VALOR!
MSCI Emerging Index	**957**	964	-0,7	-1,9	0,1	5,7
MSCI Emerging Asia	**513**	516	-0,7	-2,0	-0,3	6,2
MSCI Emerging Latin America	**2308**	2339	-1,3	-3,6	8,4	8,8
Shanghai	**3116**	3132	-0,5	-0,3	0,9	0,9
VIX Index	**16,90**	17,20	-1,7	20,7	-22,0	-43,5

Currencies	9/25	9/22	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,059**	1,065	-0,6	-0,9	-1,0	9,4
EUR/GBP	**0,87**	0,87	-0,2	0,5	-2,0	-2,9
EUR/CHF	**0,97**	0,97	0,0	0,7	-2,4	1,4
USD/JPY	**148,88**	148,37	0,3	0,9	13,5	3,9
USD/CNY	**7,31**	7,30	0,2	0,3	6,0	2,6

Commodities	9/25	9/22	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**105,8**	106,2	-0,4	-1,5	-6,3	-5,9
Brent (US$/barrel)	**93,3**	93,3	0,0	-1,2	8,6	8,3
TTF Natural Gas-1M Future (€/MWh)	**44,4**	39,8	11,7	28,9	-41,8	-76,0
TTF Natural Gas-Dec.-23 Future (€/MWh)	**50,6**	48,6	4,1	4,1	-39,9	-71,1
Gold (US$/ounce)	**1915,9**	1925,2	-0,5	-0,9	5,0	16,5

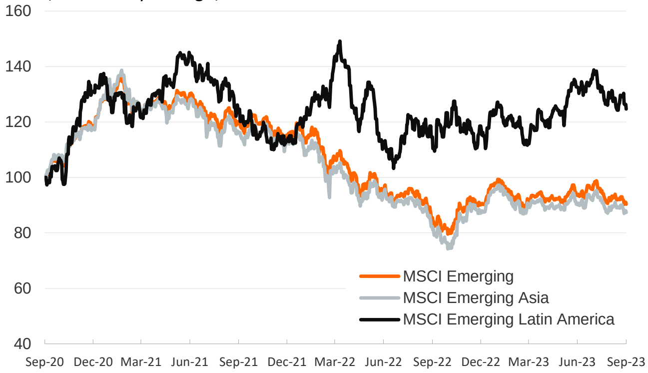
Main advanced stock markets

Index (100=Three years ago)



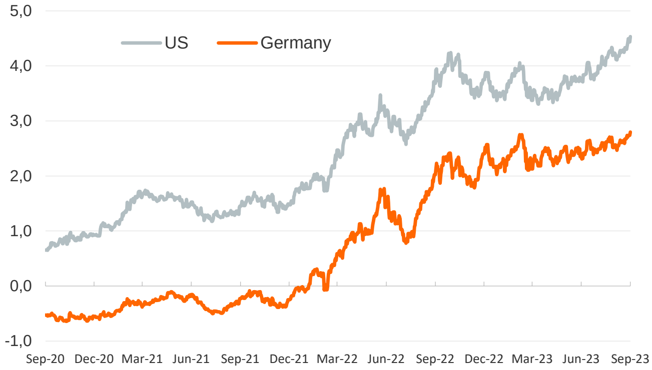
Emerging economies stock markets

Index (100=Three years ago)



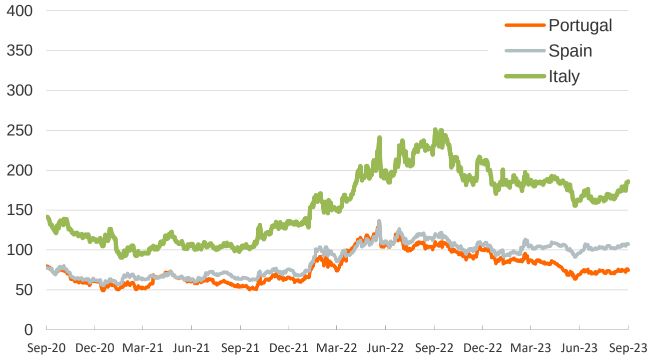
Yield on 10-year public debt: U.S. and Germany

(%)



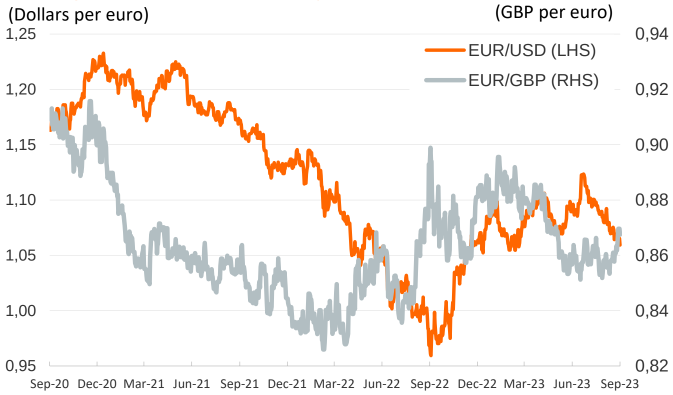
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)