Financial Markets

Daily Report 27-Nov-2023

- Financial markets ended the week with subdued trading volumes, as the US trading session on Friday was shortened for the Thanksgiving holiday, which reduced participants and hence liquidity.
- Sovereign bond yields rose across the board on both sides of the Atlantic. In the eurozone, the Geman debt brake affair continued to push yields higher, although ECB's Lagarde said on Friday the Bank had done a lot on interest rates hikes and is now in a position to observe the impact of its actions.
- Major equity indices in Europe and the US were also higher, as both the German IFO and the US PMI came in in line with expectations, while Asian stocks were in the red. In the FX market, the USD depreciated slightly against its peers.
- This week's focus will be on inflation data, as both the eurozone preliminary CPI for November, and the US PCE report for October, are due on Thursday. The OPEC+ meeting expect to finalize output for 2024 will also take place on Thursday.

Interest Rates (%)	11/24	11/23	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4,50**	4,50	0	0	200	250
€STR	**3,90**	3,90	0	0	201	250
Swap €STR (10Y)	**2,92**	2,90	2	4	-2	59
3 months (Euribor)	**3,94**	3,96	-2	-5	180	203
12 months (Euribor)	**4,06**	4,03	2	6	77	118
Germany - 2-Year Bond	**3,07**	3,04	3	11	41	96
Germany - 10-Year Bond	**2,64**	2,62	2	5	21	79
France - 10-Year Bond	**3,20**	3,18	2	5	24	91
Spain - 10-Year Bond	**3,63**	3,62	1	4	12	84
Portugal - 10-Year Bond	**3,31**	3,27	4	6	-13	58
Italy - 10-Year Bond	**4,39**	4,39	1	4	-12	73
Risk premium - Spain (10Y)	**99**	100	-1	-2	-9	4
Risk premium - Portugal (10Y)	**67**	65	2	0	-33	-21
Risk premium - Italy (10Y)	**175**	177	-2	-2	-32	-6
US						
Fed - Upper Bound	**5,50**	5,50	0	0	100	150
Fed Funds Rate Future (Dec.-24)	**4,59**	4,54	5	9	95	93
3 months (SOFR)	**5,39**	5,38	1	2	80	100
12 months (SOFR)	**5,26**	5,23	3	6	39	34
2-Year Bond	**4,95**	4,90	5	6	52	47
10-Year Bond	**4,47**	4,40	7	3	60	78

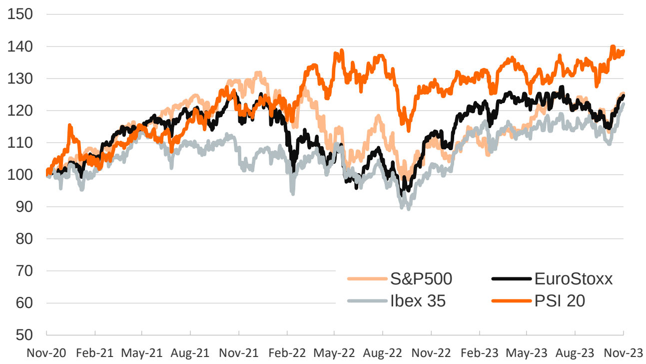
Stock Markets	11/24	11/23	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**4,15**	4,15	0,0	2,6	13,1	17,0
Ibex 35	**9939**	9906	0,3	1,8	20,8	18,5
PSI 20	**6335**	6313	0,3	0,9	10,6	7,7
MIB	**29432**	29236	0,7	-0,2	24,2	19,0
DAX	**16029**	15995	0,2	0,7	15,1	10,2
CAC 40	**7293**	7278	0,2	0,8	12,7	8,7
Eurostoxx50	**4372**	4361	0,2	0,7	15,2	10,4
S&P 500	**4559**	4557	0,1	1,0	18,7	13,2
Nasdaq	**14251**	14266	-0,1	0,9	36,2	26,3
Nikkei 225	**33626**	33452	0,5	0,1	28,9	18,5
MSCI Emerging Index	**980**	988	-0,8	0,4	2,5	3,7
MSCI Emerging Asia	**522**	528	-1,0	0,5	1,6	4,1
MSCI Emerging Latin America	**2456**	2472	-0,6	-0,1	15,4	11,0
Shanghai	**3041**	3062	-0,7	-0,4	-1,6	-1,6
VIX Index	**12,46**	12,80	-2,7	-9,7	-42,5	-39,0

Currencies	11/24	11/23	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,094**	1,091	0,3	0,2	2,2	5,1
EUR/GBP	**0,87**	0,87	-0,3	-0,9	-2,0	1,0
EUR/CHF	**0,97**	0,96	0,1	-0,1	-2,4	-1,7
USD/JPY	**149,44**	149,56	-0,1	-0,1	14,0	7,9
USD/CNY	**7,15**	7,15	0,0	-0,9	3,6	0,0

Commodities	11/24	11/23	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**101,4**	102,2	-0,7	-0,5	-10,1	-13,0
Brent (US$/barrel)	**80,6**	81,4	-1,0	0,0	-6,2	-5,6
TTF Natural Gas-1M Future (€/MWh)	**46,7**	46,8	-0,4	3,5	-38,9	-62,3
TTF Natural Gas-Dec.-24 Future (€/MWh)	**51,0**	51,1	-0,2	0,9	-39,1	-61,6
Gold (US$/ounce)	**2000,8**	1992,3	0,4	1,0	9,7	14,0

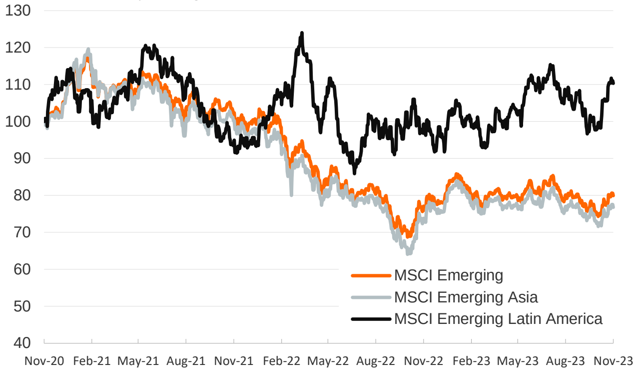
Main advanced stock markets

Index (100=Three years ago)



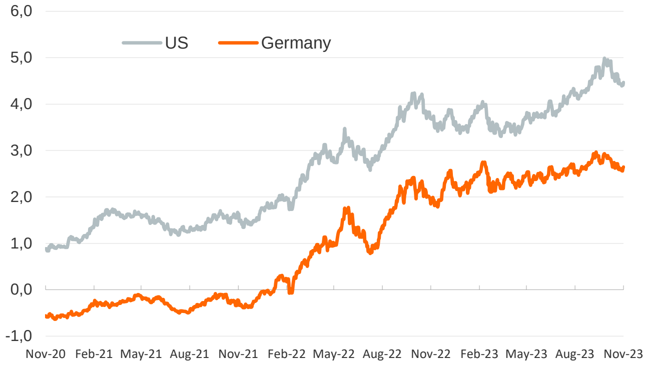
Emerging economies stock markets

Index (100=Three years ago)



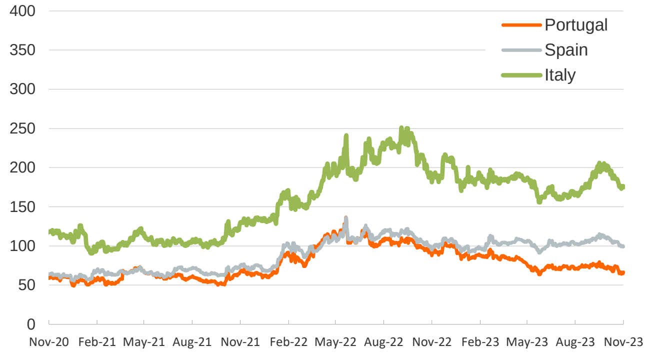
Yield on 10-year public debt: U.S. and Germany

(%)



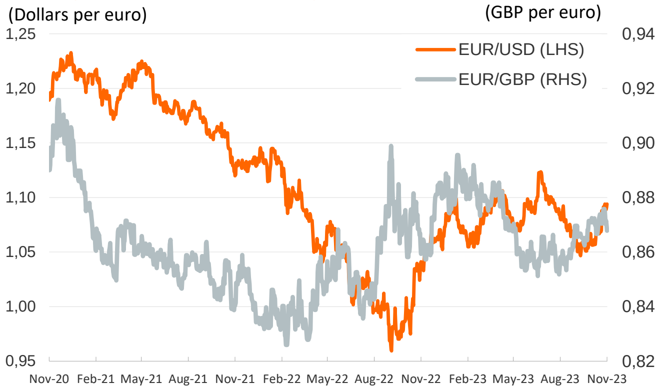
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)