BPI

Financial Markets

Daily Report 4-Apr-2024

- Investors traded cautiously during yesterday's session as they digested a mixed bag of economic data releases. Euro area March inflation cooled to 2.4% y/y from 2.6%, slightly below consensus. In the US, the ISM services index surprised to the downside by falling to 51.4, down from 52.6 in February, while the ADP employment report surprised to the upside.
- Central bank officials also sent mixed signals. From the Fed, Powell continued to focus on the importance of data-dependency, Bostic directly said rates should not be cut until the fourth quarter, while Mester pointed to the summer as the most likely start date. From the ECB, De Cos kept June as the most probable month for the first interest rate cut.
- In this context, sovereign bond yields were mostly flat across the board, pausing after two days of gains, and equities edged slightly higher. The euro gained against the US dollar, trading around the $1.08 mark, while the yen continued to weaken. Commodities extended their rally, with Brent now touching $89.5/barrel.

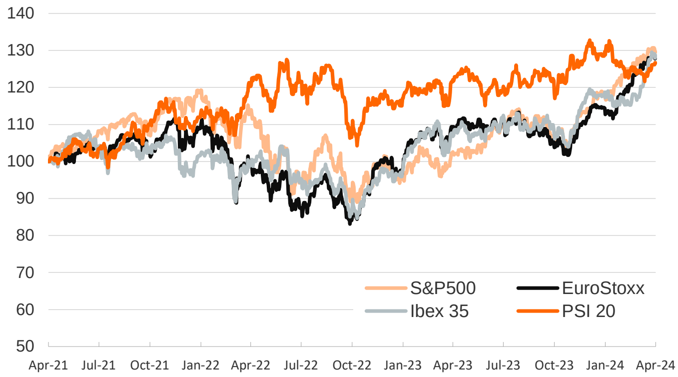
Interest Rates (%)	4/3	4/2	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4,50**	4,50	0	0	0	100
€STR	**3,91**	3,91	0	0	3	101
Swap €STR (10Y)	**2,51**	2,52	-2	8	22	-19
3 months (Euribor)	**3,86**	3,88	-3	-5	-5	80
12 months (Euribor)	**3,65**	3,66	-2	-4	14	0
Germany - 2-Year Bond	**2,85**	2,84	1	2	48	18
Germany - 10-Year Bond	**2,40**	2,40	0	10	45	14
France - 10-Year Bond	**2,91**	2,92	-2	12	43	15
Spain - 10-Year Bond	**3,26**	3,26	-1	12	35	-2
Portugal - 10-Year Bond	**3,09**	3,10	-1	12	54	2
Italy - 10-Year Bond	**3,85**	3,84	1	24	26	-24
Risk premium - Spain (10Y)	**86**	86	0	2	-10	-16
Risk premium - Portugal (10Y)	**70**	70	0	2	9	-12
Risk premium - Italy (10Y)	**146**	144	2	14	-19	-38
US						
Fed - Upper Bound	**5,50**	5,50	0	0	0	50
Fed Funds Rate Future (Dec.-24)	**4,73**	4,74	-2	9	89	174
3 months (SOFR)	**5,31**	5,31	0	1	-2	39
12 months (SOFR)	**5,07**	5,07	0	6	30	32
2-Year Bond	**4,67**	4,69	-2	10	42	71
10-Year Bond	**4,35**	4,35	0	16	47	94

Stock Markets	4/3	4/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**4,59**	4,58	0,2	-5,6	23,2	27,3
Ibex 35	**11032**	10976	0,5	-0,7	9,2	20,5
PSI 20	**6304**	6307	-0,1	0,4	-1,4	3,7
MIB	**34481**	34325	0,5	-0,8	13,6	26,9
DAX	**18368**	18283	0,5	-0,6	9,6	17,9
CAC 40	**8153**	8130	0,3	-0,6	8,1	11,0
Eurostoxx50	**5069**	5042	0,5	-0,2	12,1	17,6
S&P 500	**5211**	5206	0,1	-0,7	9,3	26,4
Nasdaq	**16277**	16240	0,2	-0,7	8,4	33,5
Nikkei 225	**39452**	39839	-1,0	-3,2	17,9	40,0
MSCI Emerging Index	**1043**	1050	-0,6	0,6	1,9	5,5
MSCI Emerging Asia	**559**	564	-0,8	0,8	3,1	4,5
MSCI Emerging Latin America	**2514**	2522	-0,3	-1,0	-5,6	14,6
Shanghai	**3069**	3075	-0,2	2,5	3,2	-6,9
VIX Index	**14,33**	14,61	-1,9	12,1	15,1	-22,7

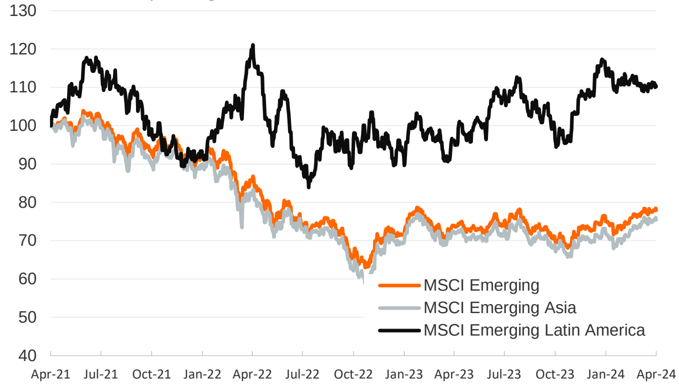
Currencies	4/3	4/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,084**	1,077	0,6	0,1	-1,8	-0,6
EUR/GBP	**0,86**	0,86	0,0	0,0	-1,2	-2,5
EUR/CHF	**0,98**	0,98	0,1	0,0	5,3	-1,7
USD/JPY	**151,70**	151,56	0,1	0,2	7,6	14,5
USD/CNY	**7,23**	7,23	0,0	0,1	1,9	5,2

Commodities	4/3	4/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**101,9**	100,7	1,2	3,7	3,3	-4,3
Brent (US$/barrel)	**89,4**	88,9	0,5	3,8	16,0	5,2
TTF Natural Gas-1M Future (€/MWh)	**25,6**	26,2	-2,4	-7,7	-21,0	-50,2
TTF Natural Gas-Dec.-24 Future (€/MWh)	**29,3**	29,4	-0,6	-6,2	-23,5	-51,0
Gold (US$/ounce)	**2300,0**	2280,7	0,8	4,8	11,5	15,9

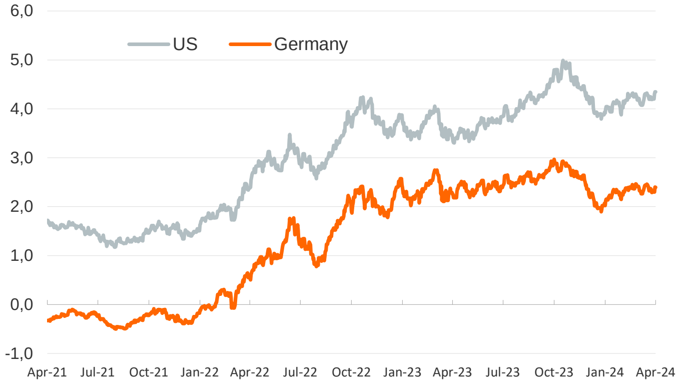
Main advanced stock markets
Index (100=Three years ago)



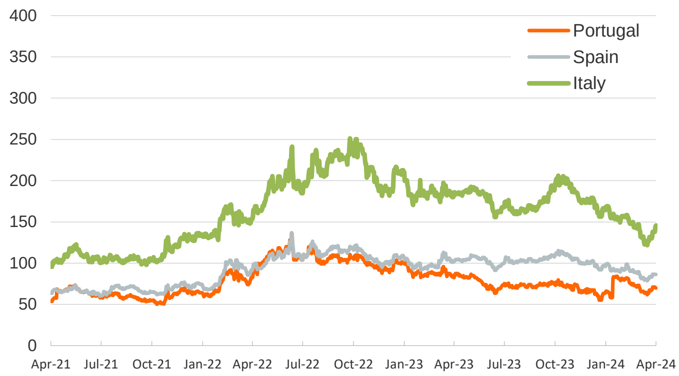
Emerging economies stock markets
Index (100=Three years ago)



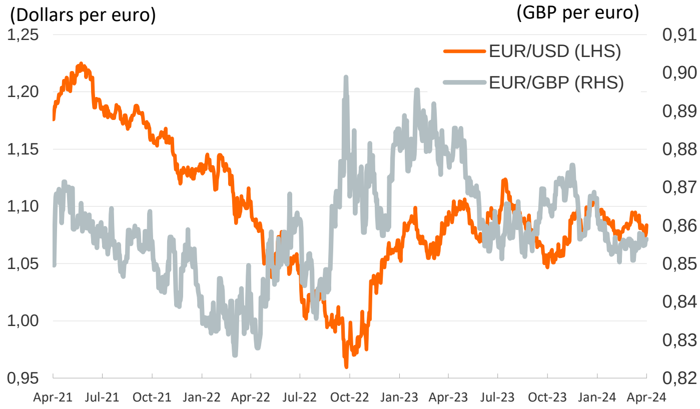
Yield on 10-year public debt: U.S. and Germany
(%)



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)