BPI

Financial Markets

Daily Report 10-Jul-2024

- During yesterday's session, investors continued to assess the results of the French elections last weekend which left the country with a fragmented National Assembly. Financial markets seemed to value the situation negatively and adopted a risk-averse tone, sending euro area sovereign bond yields higher and equities sharply lower, particularly in France.
- In the US, Powell delivered his semi-annual testimony to Congress, repeating the same message the Fed has been sending lately: he emphasized the need for more months of good data to increase the Fed's confidence that inflation is falling sustainably, while also highlighted the strength of the labor market.
- With no surprises from Powell, US financial markets had a much quieter session, as investors await key inflation data and the start of the earnings season later this week. Treasury yields edged higher at the long end of the curve, and equities were mostly unchanged.

Interest Rates (%)	7/9	7/8	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4,25**	4,25	0	0	-25	25
€STR	**3,66**	3,66	0	0	-22	26
Swap €STR (10Y)	**2,68**	2,64	3	-6	39	-36
3 months (Euribor)	**3,71**	3,70	1	-1	-20	7
12 months (Euribor)	**3,59**	3,60	-1	0	8	-60
Germany - 2-Year Bond	**2,92**	2,91	2	2	55	-33
Germany - 10-Year Bond	**2,58**	2,54	4	-2	64	-6
France - 10-Year Bond	**3,25**	3,17	8	-7	77	6
Spain - 10-Year Bond	**3,36**	3,30	5	-9	45	-33
Portugal - 10-Year Bond	**3,19**	3,14	5	-8	63	-19
Italy - 10-Year Bond	**3,94**	3,89	5	-11	35	-41
Risk premium - France (10Y)	**67**	63	4	-5	14	12
Risk premium - Spain (10Y)	**78**	76	1	-6	-18	-27
Risk premium - Portugal (10Y)	**61**	60	1	-6	0	-13
Risk premium - Italy (10Y)	**136**	135	1	-9	-29	-35
US						
Fed - Upper Bound	**5,50**	5,50	0	0	0	25
Fed Funds Rate Future (Dec.-24)	**4,95**	4,94	1	-3	111	108
3 months (SOFR)	**5,30**	5,30	0	-2	-3	0
12 months (SOFR)	**4,96**	4,97	-1	-9	19	-49
2-Year Bond	**4,63**	4,63	0	-11	38	-32
10-Year Bond	**4,30**	4,28	2	-13	42	24

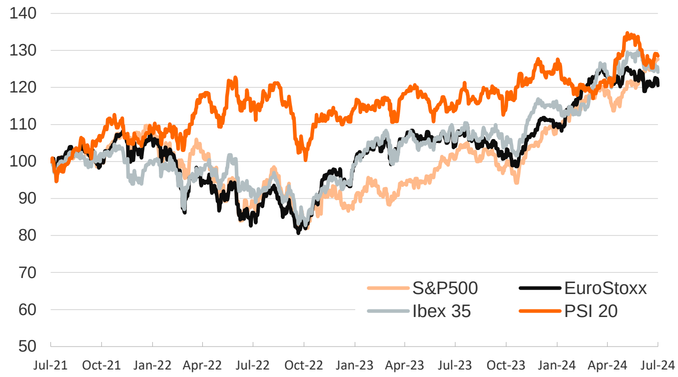
Stock Markets	7/9	7/8	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**5,09**	5,11	-0,3	2,0	36,7	37,9
Ibex 35	**10899**	11022	-1,1	-0,1	7,9	17,8
PSI 20	**6651**	6656	-0,1	0,9	4,0	12,9
MIB	**33864**	34047	-0,5	1,1	11,6	21,9
DAX	**18236**	18472	-1,3	0,4	8,9	16,9
CAC 40	**7509**	7627	-1,6	-0,4	-0,5	5,6
Eurostoxx50	**4904**	4970	-1,3	-0,1	8,5	15,7
S&P 500	**5577**	5573	0,1	1,2	16,9	26,8
Nasdaq	**18429**	18404	0,1	2,2	22,8	34,9
Nikkei 225	**41580**	40781	2,0	3,8	24,3	28,4
MSCI Emerging Index	**1112**	1107	0,4	3,0	8,6	13,4
MSCI Emerging Asia	**611**	608	0,4	2,8	12,6	16,9
MSCI Emerging Latin America	**2271**	2250	0,9	5,1	-14,7	-7,1
Shanghai	**2959**	2922	1,3	-1,3	-0,5	-7,4
VIX Index	**12,51**	12,37	1,1	4,0	0,5	-15,6

Currencies	7/9	7/8	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,081**	1,082	-0,1	0,6	-2,0	-1,4
EUR/GBP	**0,85**	0,85	0,1	-0,2	-2,4	-1,0
EUR/CHF	**0,97**	0,97	-0,1	0,0	4,5	-0,4
USD/JPY	**161,33**	160,83	0,3	-0,1	14,4	13,4
USD/CNY	**7,27**	7,27	0,1	0,0	2,4	0,7

Commodities	7/9	7/8	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**100,7**	101,3	-0,6	-0,5	2,1	-1,2
Brent (US$/barrel)	**84,7**	85,8	-1,3	-1,8	9,9	7,9
TTF Natural Gas-1M Future (€/MWh)	**31,3**	32,3	-2,9	-7,0	-3,1	-6,4
TTF Natural Gas-Dec.-24 Future (€/MWh)	**35,4**	36,2	-2,2	-4,3	-7,5	-33,6
Gold (US$/ounce)	**2364,1**	2359,1	0,2	1,5	14,6	22,8

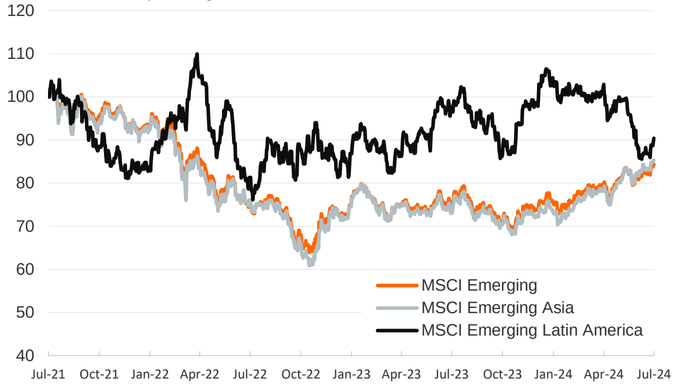
Main advanced stock markets

Index (100=Three years ago)



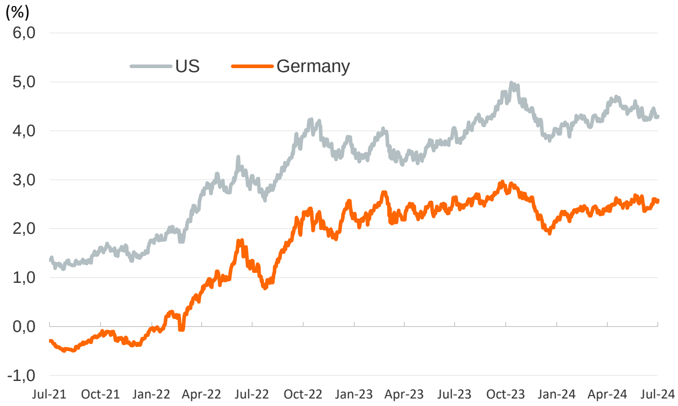
Emerging economies stock markets

Index (100=Three years ago)



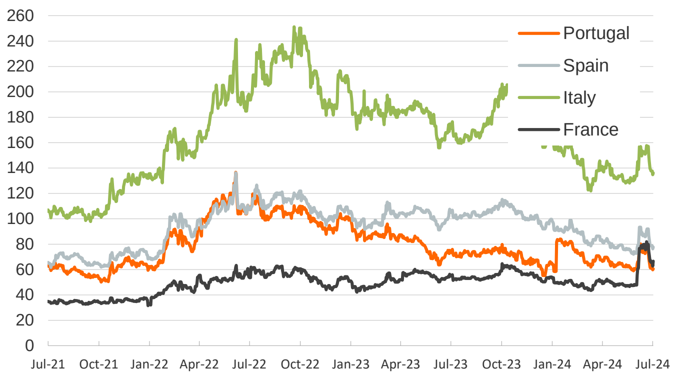
Yield on 10-year public debt: U.S. and Germany

(%)



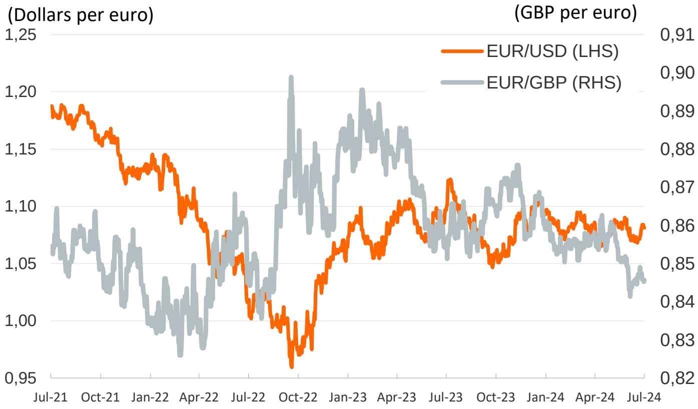
Risk Premium on 10-year debt: France, Italy, Spain and Portugal

(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)