

- ▶ Global financial markets operated yesterday in a very positive mood and stock indices advanced across the globe. Gains were particularly strong in Europe and Japan while, in the U.S., the S&P 500 edged up by a moderate 0.5%.
- ▶ In fixed-income markets, European peripheral spreads decreased after the Italian Prime Minister, Giuseppe Conte, announced a lower deficit target for 2019 (2.0% down from 2.4% of GDP). Yields on long term German and U.S. sovereign bonds edged up.
- ▶ In FX markets, the main movement was driven by the political situation in the U.K., where Theresa May survived its party confidence vote. The British pound appreciated by 0.7% and 1.1% against the euro and the U.S. dollar, respectively.
- ▶ November CPI inflation in the U.S. fell to 2.2% (from 2.5% in October). This fall is mostly explained by the decrease in the energy component. Core inflation ticked up to 2.2%, which encourages the Fed to hike rates at its meeting next week.
- ▶ Today, investors will pay attention to the ECB Governing Council meeting. See what we expect [here](#).

Interest Rates (%)	12/12	12/11	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
Eurozone						
ECB - Official Interest Rate (Refi)	0.00	0.00	0	0	0	0
Eonia	-0.36	-0.36	0	0	-1	0
Swap Eonia (10Y)	0.72	0.70	2	2	3	12
3 months (Euribor)	-0.31	-0.31	0	0	2	2
12 months (Euribor)	-0.13	-0.13	0	1	6	6
Germany - 2-Year Bond	-0.57	-0.60	4	4	6	17
Germany - 10-Year Bond	0.28	0.23	5	0	-15	-4
France - 10-Year Bond	0.73	0.71	2	5	-5	7
Spain - 10-Year Bond	1.43	1.44	-1	-3	-14	-7
Portugal - 10-Year Bond	1.72	1.76	-4	-7	-22	-16
Italy - 10-Year Bond	3.00	3.12	-12	-6	99	121
Risk premium - Spain (10Y)	115	121	-6	-3	1	-3
Risk premium - Portugal (10Y)	144	153	-8	-7	-7	-13
Risk premium - Italy (10Y)	272	289	-17	-6	114	124
US						
Fed - Upper Bound	2.25	2.25	0	0	75	75
3 months (Libor)	2.78	2.78	0	1	109	119
12 months (Libor)	3.09	3.09	0	-4	98	105
2-Year Bond	2.77	2.76	1	-2	89	100
10-Year Bond	2.91	2.88	3	0	50	57
Stock Markets						
	12/12	12/11	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	3.38	3.31	2.1	-2.6	-13.0	-15.3
Ibex 35	8853	8736	1.3	-1.8	-11.9	-13.7
PSI 20	4843	4778	1.4	-1.6	-10.1	-10.1
MIB	18946	18591	1.9	-2.0	-13.3	-15.4
DAX	10929	10781	1.4	-2.4	-15.4	-16.7
CAC 40	4909	4806	2.1	-0.7	-7.6	-9.1
Eurostoxx50	3108	3055	1.7	-1.3	-11.3	-13.2
FTSE 100	6880	6807	1.1	-0.6	-10.5	-8.2
S&P 500	2651	2637	0.5	-1.8	-0.8	-0.4
Nasdaq	7098	7032	0.9	-0.8	2.8	3.2
Nikkei 225	21603	21148	2.2	-1.4	-5.1	-5.1
MSCI Emerging Index	979	965	1.5	-2.3	-15.5	-12.5
MSCI Emerging Asia	493	486	1.4	-2.4	-16.0	-13.8
MSCI Emerging Latin America	2567	2521	1.8	-1.2	-9.2	-6.1
Shanghai	2602	2594	0.3	-1.8	-21.3	-21.2
VIX Index	21.46	21.76	-1.4	3.5	94.4	110.8
Currencies						
	12/12	12/11	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	1.137	1.132	0.5	0.2	-5.3	-3.9
EUR/GBP	0.90	0.91	-0.7	1.0	1.4	2.2
EUR/CHF	1.13	1.12	0.5	-0.2	-3.5	-3.1
USD/JPY	113.29	113.38	-0.1	0.1	0.5	0.7
USD/CNY	6.88	6.90	-0.3	0.3	5.7	3.9
USD/MXN	20.07	20.20	-0.6	-2.1	2.1	5.6
Commodities						
	12/12	12/11	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	82.2	82.6	-0.5	-1.4	-6.8	-1.5
Brent (US\$/barrel)	60.2	60.2	-0.1	-2.3	-10.0	-3.7
Gold (US\$/ounce)	1245.7	1243.2	0.2	0.7	-4.4	-0.8
Metal Index	191.3	191.2	0.0	-1.5	-16.9	-8.6
Agricultural Index	255.2	254.0	0.5	0.6	0.1	1.0

Note (*): one more day for Asian stock markets

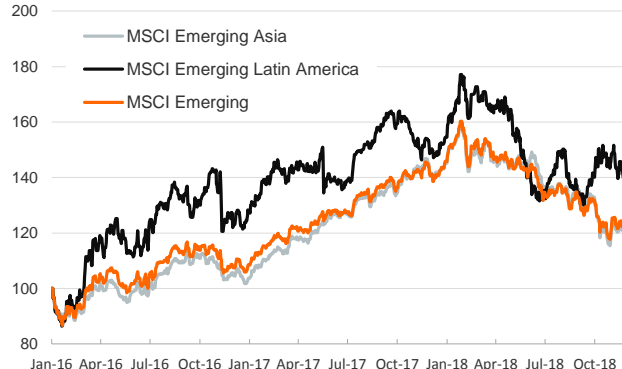
Main advanced stock markets

Index (100=January 2016)



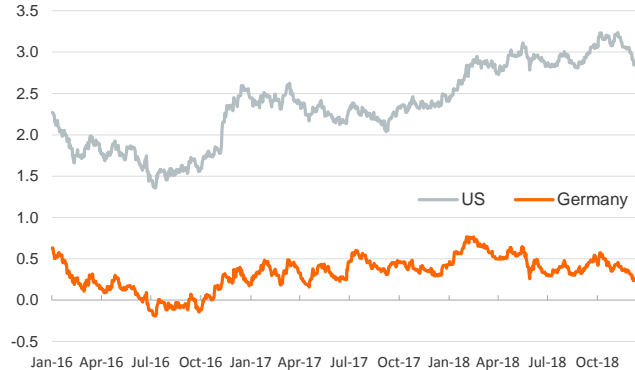
Emerging economies stock markets

Index (100=January 2016)



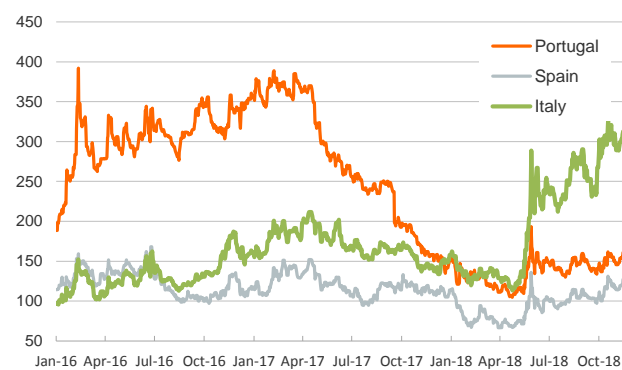
Yield on 10-year public debt: U.S. and Germany

(%)



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

(basis points)



Exchange rate: EUR/USD

(Dollars per euro)



Exchange rate: emerging economies index

(Index (100= January 2016))



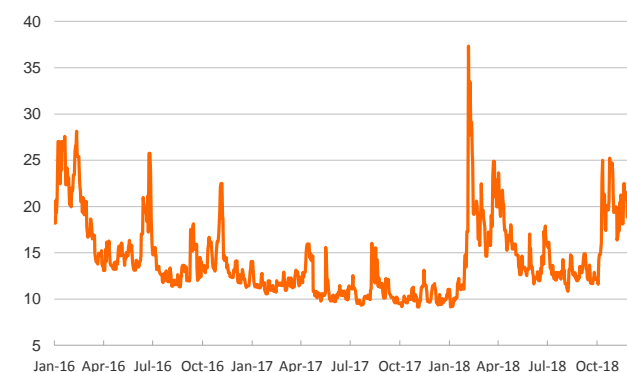
Brent oil price

(US\$/barrel)



Implied volatility on US stock markets

VIX Index



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