

- ▶ Investors exhibited higher risk aversion in yesterday's session. Stocks declined across advanced and emerging economies in a movement led by the U.S., where Apple's cut to its sales outlook added to concern that global growth is slowing and dragged on all the major benchmark indices.
- ▶ In fixed income markets, U.S. 10-year sovereign yields dropped to their lowest level since January 2018 and the curve edged closer to inversion as the 10-year/3-month spread declined below 20bp. In the Eurozone, core sovereign yields were roughly stable but peripheral spreads ticked up as investors digested both the ECB's intervention of Italy's Banca Carige and Spain's first bond auction of the year.
- ▶ In FX markets, the euro fluctuated close to \$1.14 and EM currencies exhibited a mixed performance against the USD.
- ▶ In oil markets, the barrel of Brent rose towards \$56.
- ▶ In the U.S., the ISM Manufacturing index slid to 54.1 points in December. Although the indicator keeps signaling solid activity growth, its drop was unexpectedly large (November: 59.3) and the indicator reached its lowest level since end-2016.
- ▶ Today the focus will be on the release of the U.S. December labour market report.

Interest Rates (%)	1/3	1/2	Daily Change (basis points)	Weekly Change (basis points)	YTD (basis points)	YoY Change (basis points)
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Eurozone

ECB - Official Interest Rate (Refi)	0.00	0.00	0	0	0	0
Eonia	-0.37	-0.37	0	-3	-1	-1
Swap Eonia (10Y)	0.58	0.58	-1	-10	-8	-12
3 months (Euribor)	-0.31	-0.31	0	0	0	2
12 months (Euribor)	-0.12	-0.12	0	0	0	7
Germany - 2-Year Bond	-0.61	-0.61	0	2	0	0
Germany - 10-Year Bond	0.15	0.17	-1	-8	-9	-28
France - 10-Year Bond	0.65	0.65	0	-4	-5	-13
Spain - 10-Year Bond	1.43	1.40	3	4	1	-11
Portugal - 10-Year Bond	1.77	1.71	5	8	4	-15
Italy - 10-Year Bond	2.86	2.69	17	11	12	85
Risk premium - Spain (10Y)	128	124	4	12	10	17
Risk premium - Portugal (10Y)	161	155	7	16	13	13
Risk premium - Italy (10Y)	271	253	18	19	21	113

US

Fed - Upper Bound	2.50	2.50	0	0	0	100
3 months (Libor)	2.79	2.79	0	-1	-2	109
12 months (Libor)	3.00	3.00	0	-3	-1	86
2-Year Bond	2.38	2.47	-9	-18	-11	43
10-Year Bond	2.55	2.62	-7	-22	-13	10

Stock Markets	1/3	1/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
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CaixaBank	3.13	3.13	-0.1	2.2	-1.2	-22.9
Ibex 35	8523	8550	-0.3	1.9	-0.2	-17.4
PSI 20	4746	4741	0.1	3.5	0.3	-15.6
MIB	18218	18331	-0.6	0.9	#iVALOR!	-19.1
DAX	10417	10580	-1.5	0.3	#iVALOR!	-20.9
CAC 40	4611	4689	-1.7	0.3	-2.5	-14.8
Eurostoxx50	2955	2993	-1.3	0.6	-1.6	-17.2
FTSE 100	6693	6734	-0.6	1.6	-0.5	-13.0
S&P 500	2448	2510	-2.5	-1.6	-2.4	-10.1
Nasdaq	6464	6666	-3.0	-1.8	-2.6	-8.7
Nikkei 225	20015	20015	0.0	-0.3	#iVALOR!	-14.9
MSCI Emerging Index	950	956	-0.6	-0.3	-1.7	-20.4
MSCI Emerging Asia	471	477	-1.2	-1.9	-3.0	-22.0
MSCI Emerging Latin America	2694	2663	1.2	7.6	5.0	-9.0
Shanghai	2464	2465	0.0	-0.8	#iVALOR!	-27.2
VIX Index	25.45	23.22	9.6	-15.1	0.1	176.0

Currencies	1/3	1/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
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EUR/USD	1.139	1.134	0.4	-0.3	-0.6	-5.6
EUR/GBP	0.90	0.90	0.3	-0.2	0.4	1.3
EUR/CHF	1.12	1.12	0.1	-0.4	-0.1	-4.4
USD/JPY	107.68	108.88	-1.1	-3.0	-1.8	-4.5
USD/CNY	6.87	6.86	0.1	0.1	#iVALOR!	5.8
USD/MXN	19.63	19.57	0.3	-0.2	-0.1	1.8

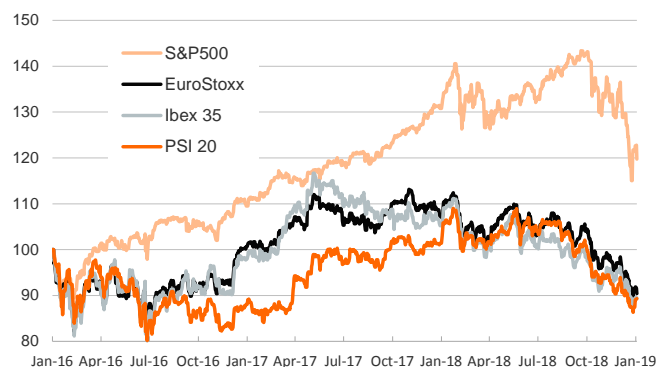
Commodities	1/3	1/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
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Global Commodities Index	77.5	77.0	0.6	-0.4	1.0	-12.5
Brent (US\$/barrel)	56.0	54.9	1.9	7.3	4.0	-17.8
Gold (US\$/ounce)	1294.3	1284.6	0.8	1.5	0.9	-2.2
Metal Index	181.1	181.9	-0.4	-2.3	-1.3	-20.7
Agricultural Index	248.4	246.5	0.8	1.1	1.1	-3.5

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

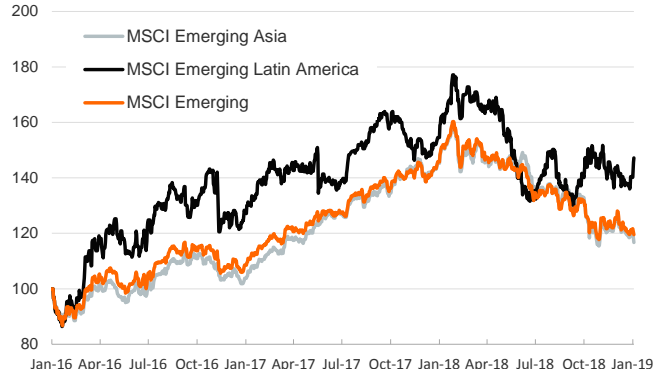
Main advanced stock markets

Index (100=January 2016)



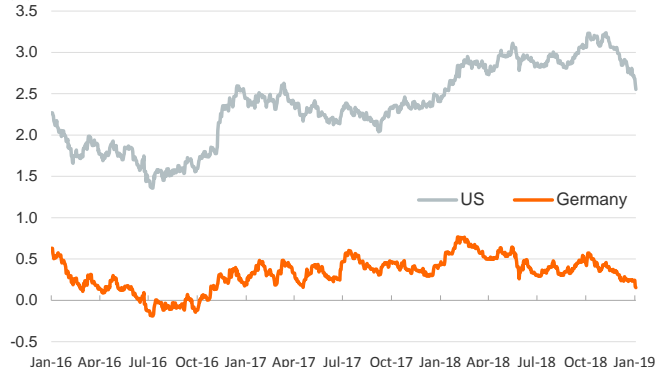
Emerging economies stock markets

Index (100=January 2016)



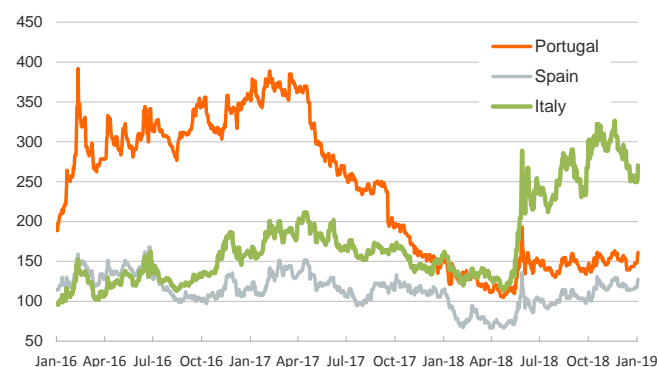
Yield on 10-year public debt: U.S. and Germany

(%)



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))



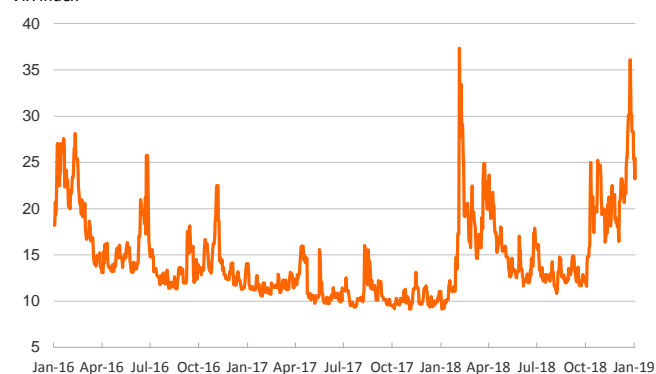
Brent oil price

(US\$/barrel)



Implied volatility on US stock markets

VIX Index



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