BPI

Financial Markets

Daily Report 10-Sep-2019

- Financial markets started the week with a positive tone as investors perceived that trade tensions between China and the U.S. moderated. In this context, investors' expectations of highly accommodative monetary policy decisions from the Fed (next week) and the ECB (on Thursday) decreased.
- This change in expectations pushed sovereign yields up in the U.S. and in core and peripheral euro area countries. In stock markets, European shares rose, supported by the financial sector, while U.S. indices were mixed.
- In oil markets, the price of the barrel of Brent rose after some OPEC members signaled the willingness to continue limiting production.

Interest Rates (%)	9/9	9/6	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	-1
Swap Eonia (10Y)	**-0.35**	-0.40	5	12	-100	-104
3 months (Euribor)	**-0.43**	-0.44	0	0	-12	-11
12 months (Euribor)	**-0.36**	-0.36	0	2	-24	-19
Germany - 2-Year Bond	**-0.86**	-0.87	1	7	-25	-28
Germany - 10-Year Bond	**-0.59**	-0.64	5	12	-83	-94
France - 10-Year Bond	**-0.28**	-0.34	6	12	-99	-98
Spain - 10-Year Bond	**0.22**	0.17	5	9	-120	-123
Portugal - 10-Year Bond	**0.24**	0.19	5	11	-148	-164
Italy - 10-Year Bond	**0.94**	0.87	7	-2	-180	-211
Risk premium - Spain (10Y)	**80**	81	-1	-3	-37	-29
Risk premium - Portugal (10Y)	**83**	83	0	-1	-65	-70
Risk premium - Italy (10Y)	**153**	151	1	-14	-97	-117
US						
Fed - Upper Bound	**2.25**	2.25	0	0	-25	25
3 months (Libor)	**2.13**	2.13	0	0	-68	-20
12 months (Libor)	**1.95**	1.95	0	0	-106	-90
2-Year Bond	**1.59**	1.54	5	9	-90	-104
10-Year Bond	**1.64**	1.56	8	14	-104	-123

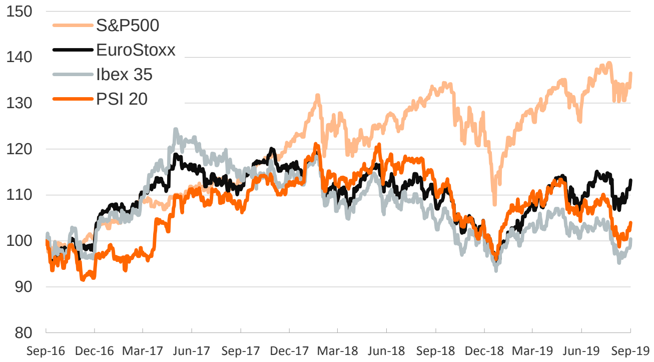
Stock Markets	9/9	9/6	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**2.21**	2.14	3.3	9.5	-30.2	-44.7
Ibex 35	**9011**	8990	0.2	2.2	5.5	-2.2
PSI 20	**4966**	4969	0.0	0.9	5.0	-5.6
MIB	**21990**	21947	0.2	2.5	20.0	7.1
DAX	**12226**	12192	0.3	2.3	15.8	2.3
CAC 40	**5589**	5604	-0.3	1.7	18.1	6.6
Eurostoxx50	**3495**	3495	0.0	1.8	16.4	6.0
FTSE 100	**7236**	7282	-0.6	-0.6	7.5	-1.1
S&P 500	**2978**	2979	0.0	1.8	18.8	3.5
Nasdaq	**8087**	8103	-0.2	1.6	21.9	2.1
Nikkei 225	**21318**	21200	0.6	3.4	6.5	-5.2
MSCI Emerging Index	**1011**	1008	0.3	2.7	4.6	-0.8
MSCI Emerging Asia	**509**	507	0.4	2.5	4.9	-3.6
MSCI Emerging Latin America	**2673**	2681	-0.3	4.1	4.2	10.9
Shanghai	**3025**	3000	0.8	3.4	21.3	12.4
VIX Index	**15.27**	15.00	1.8	-19.5	-39.9	4.2

Currencies	9/9	9/6	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.105**	1.103	0.2	0.7	-3.7	-4.9
EUR/GBP	**0.89**	0.90	-0.3	-1.6	-0.5	-0.5
EUR/CHF	**1.10**	1.09	0.6	0.8	-2.6	-2.3
USD/JPY	**107.24**	106.92	0.3	0.9	-2.2	-3.2
USD/CNY	**7.12**	7.12	0.1	-0.7	3.5	4.2
USD/MXN	**19.57**	19.53	0.2	-2.9	-0.4	2.0

Commodities	9/9	9/6	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**78.5**	77.9	0.7	1.9	2.3	-4.8
Brent (US$/barrel)	**62.6**	61.5	1.7	6.7	16.3	-18.2
Gold (US$/ounce)	**1499.1**	1506.7	-0.5	-2.0	16.9	24.9
Metal Index	**199.2**	198.5	0.4	2.6	8.5	3.0
Agricultural Index	**231.3**	230.8	0.2	-1.1	-5.8	-4.7

Main advanced stock markets

Index (100=Three years ago)

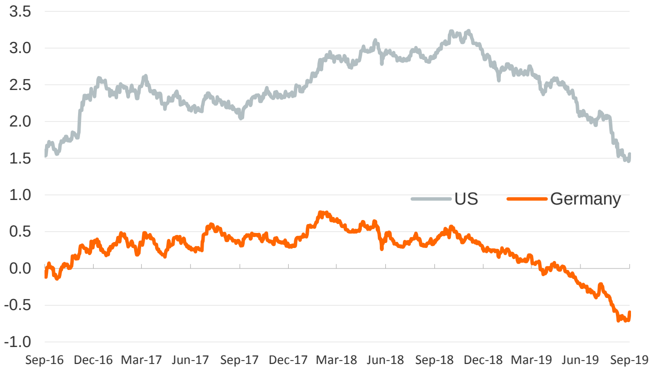


Emerging economies stock markets

Index (100=Three years ago)

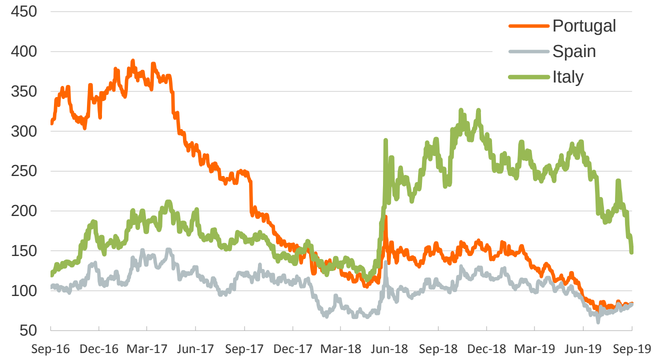
Yield on 10-year public debt: U.S. and Germany

(%)



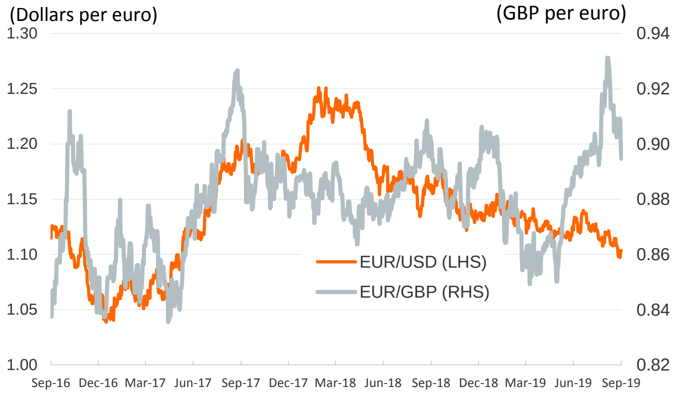
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)

Implied volatility on US stock markets

VIX Index