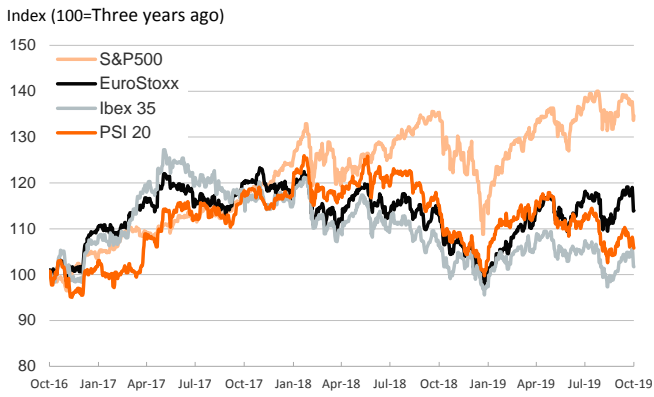


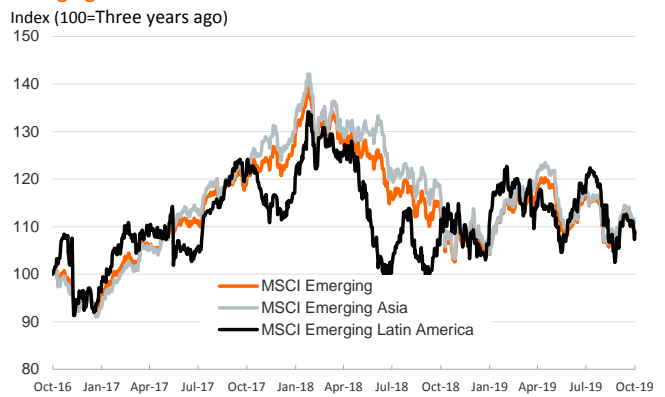
- ▶ Investor expectations of easier U.S. monetary policy pushed down sovereign yields and fueled an across-the-board advance in stock markets. The market-implied probability of a 25bp cut in October rose to 85% (43% last Friday) after the release of indicators suggesting that the non-manufacturing side of the economy is also decelerating.
- ▶ In particular, the U.S. ISM non-manufacturing declined markedly in September (52.6 points, down from 56.4 in August). This followed releases showing weak manufacturing indicators earlier in the week.
- ▶ On the trade front, the U.S. announced new 10%-25% tariffs on European products starting Oct. 18. On Tuesday, the WTO allowed the U.S. to impose tariffs on as much as \$7.5bn of EU exports in retaliation for illegal aid to Airbus.
- ▶ Today the focus will be on the release of the U.S. Bureau of Labor Statistics employment report for September as well as on a speech Fed Chairman Powell is scheduled to deliver a few hours after the release of employment figures.

Interest Rates (%)	10/3	10/2	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	-0.47	-0.47	0	-1	-11	-10
Swap Eonia (10Y)	-0.34	-0.31	-3	0	-100	-122
3 months (Euribor)	-0.43	-0.43	0	-1	-12	-11
12 months (Euribor)	-0.33	-0.32	-1	0	-21	-17
Germany - 2-Year Bond	-0.78	-0.76	-2	-3	-17	-27
Germany - 10-Year Bond	-0.59	-0.55	-4	-1	-83	-112
France - 10-Year Bond	-0.29	-0.25	-4	0	-100	-116
Spain - 10-Year Bond	0.13	0.17	-4	-2	-129	-143
Portugal - 10-Year Bond	0.15	0.19	-4	-3	-158	-177
Italy - 10-Year Bond	0.83	0.90	-7	0	-191	-250
Risk premium - Spain (10Y)	72	72	1	-1	-45	-31
Risk premium - Portugal (10Y)	74	73	0	-2	-74	-65
Risk premium - Italy (10Y)	142	145	-3	1	-108	-138
US						
Fed - Upper Bound	2.00	2.00	0	0	-50	-25
3 months (Libor)	2.06	2.06	0	-4	-75	-35
12 months (Libor)	1.96	1.96	0	-6	-105	-100
2-Year Bond	1.39	1.48	-9	-27	-110	-148
10-Year Bond	1.53	1.60	-7	-16	-115	-166
Stock Markets						
	10/3	10/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	2.30	2.30	-0.1	-3.1	-27.4	-41.4
Ibex 35	8902	8912	-0.1	-2.5	4.2	-4.4
PSI 20	4866	4882	-0.3	-0.8	2.8	-7.4
MIB	21312	21298	0.1	-2.9	16.3	3.4
DAX	11925	11925	0.0	-3.0	12.9	-2.6
CAC 40	5439	5423	0.3	-3.2	15.0	0.5
Eurostoxx50	3417	3413	0.1	-3.3	13.9	1.3
FTSE 100	7078	7123	-0.6	-3.7	5.2	-4.6
S&P 500	2911	2888	0.8	-2.2	16.1	0.3
Nasdaq	7872	7785	1.1	-2.0	18.6	-0.1
Nikkei 225	21342	21779	-2.0	-3.2	6.6	-11.0
MSCI Emerging Index	992	989	0.3	-1.7	2.7	-1.8
MSCI Emerging Asia	501	500	0.2	-1.4	3.3	-2.3
MSCI Emerging Latin America	2633	2593	1.6	-2.1	2.6	-0.2
Shanghai	2905	2905	0.0	-0.8	16.5	3.0
VIX Index	19.12	20.56	-7.0	19.0	-24.8	34.5
Currencies						
	10/3	10/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	1.097	1.096	0.1	0.4	-4.4	-4.8
EUR/GBP	0.89	0.89	-0.2	0.3	-1.1	0.5
EUR/CHF	1.10	1.09	0.3	0.9	-2.7	-4.1
USD/JPY	106.92	107.18	-0.2	-0.8	-2.5	-6.1
USD/CNY	7.15	7.15	0.0	0.2	3.9	4.1
USD/MXN	19.65	19.79	-0.7	-0.1	0.0	2.8
Commodities						
	10/3	10/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	77.7	77.5	0.3	-1.1	1.3	-10.4
Brent (US\$/barrel)	57.7	57.7	0.0	-8.0	7.3	-31.8
Gold (US\$/ounce)	1505.2	1499.5	0.4	0.0	17.4	25.4
Metal Index	194.3	194.4	0.0	0.0	5.8	-4.8
Agricultural Index	246.8	246.4	0.2	2.3	0.5	-0.5

Main advanced stock markets



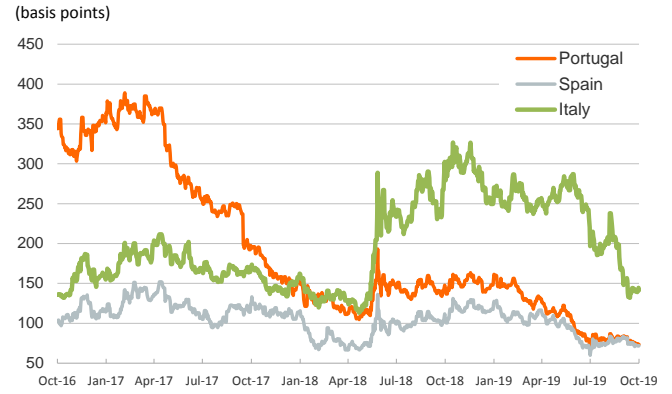
Emerging economies stock markets



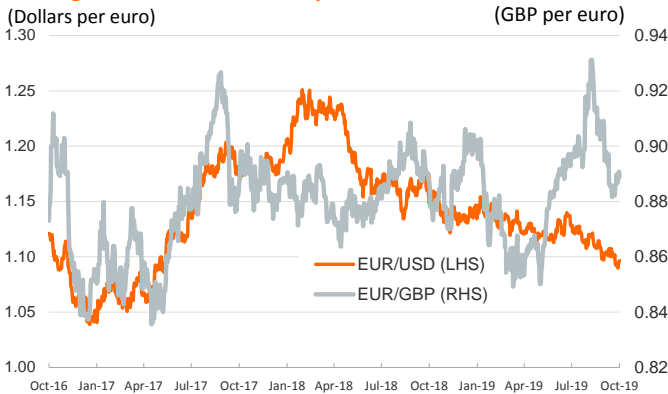
Yield on 10-year public debt: U.S. and Germany



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



Exchange rate: Advanced-economy currencies



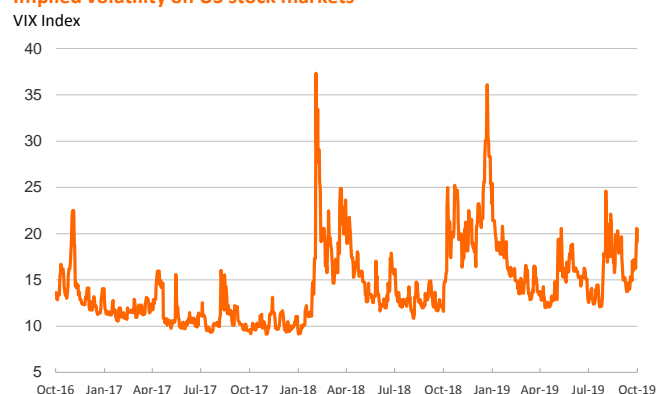
Exchange rate: emerging economies index



Brent oil price



Implied volatility on US stock markets



Notice regarding publication of the Banco BPI "Daily Report".

Daily Report – Financial Markets is a publication of Banco BPI prepared by its Research and Economic Analysis Department that contains information and opinions that come from sources considered reliable, but Banco BPI does not guarantee the accuracy of the same and is not responsible for errors or omissions contained therein. This document has a purely informative purpose, for which reason Banco BPI is not responsible in any case for the use made of it. Opinions and estimates are specific to the area and may be subject to change without notice.