BPI

Financial Markets

Daily Report 24-May-2019

- In yesterday's session a risk-off mood dominated investor sentiment. Stock indices declined across the globe and the price of safe assets (such as U.S. Treasuries, Japanese yen, Swiss franc and gold) rose.
- This move was triggered by somewhat lower economic sentiment data in the U.S. and in the euro area (May's manufacturing PMI fell to 50.6 and 47.7, respectively) and higher fears of a further escalation in trade tensions between the U.S. and China.
- Euro area sovereign yields were little changed as the release of the accounts of the last ECB meeting offered few new information. The medium-term economic outlook remains positive, although risks continue tilted to the downside.
- In oil markets, the price of the barrel of Brent decreased more than 6% amid concerns on global demand growth. Also, the weekly release of the U.S. DOE showed an increase in U.S. oil inventories.

Interest Rates (%)	5/23	5/22	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	**-0.37**	-0.37	0	0	-1	0
Swap Eonia (10Y)	**0.23**	0.25	-3	-3	-43	-54
3 months (Euribor)	**-0.31**	-0.31	0	0	0	1
12 months (Euribor)	**-0.15**	-0.15	0	-2	-3	4
Germany - 2-Year Bond	**-0.64**	-0.63	-1	1	-3	-4
Germany - 10-Year Bond	**-0.12**	-0.09	-3	-3	-36	-59
France - 10-Year Bond	**0.28**	0.31	-2	-1	-42	-48
Spain - 10-Year Bond	**0.85**	0.87	-2	-5	-56	-54
Portugal - 10-Year Bond	**1.01**	1.03	-1	-7	-71	-89
Italy - 10-Year Bond	**2.64**	2.63	0	-5	-10	25
Risk premium - Spain (10Y)	**97**	95	2	-3	-20	5
Risk premium - Portugal (10Y)	**113**	111	2	-4	-35	-30
Risk premium - Italy (10Y)	**276**	272	4	-2	26	84
US						
Fed - Upper Bound	**2.50**	2.50	0	0	0	75
3 months (Libor)	**2.52**	2.52	0	0	-29	20
12 months (Libor)	**2.67**	2.67	0	6	-34	-7
2-Year Bond	**2.15**	2.22	-7	-4	-34	-36
10-Year Bond	**2.32**	2.38	-6	-7	-36	-66

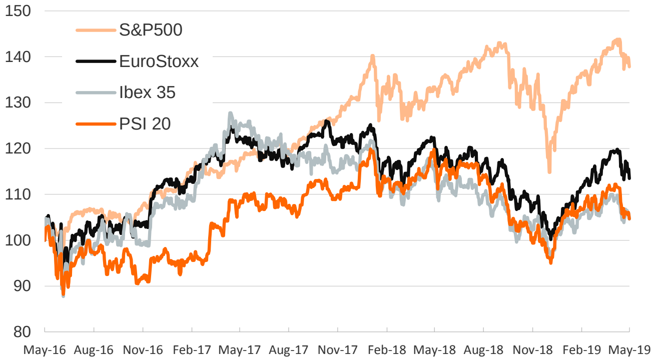
Stock Markets	5/23	5/22	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**2.77**	2.78	-0.5	-1.4	-12.5	-31.9
Ibex 35	**9114**	9232	-1.3	-2.0	6.7	-8.8
PSI 20	**5058**	5108	-1.0	-1.4	6.9	-10.7
MIB	**20136**	20573	-2.1	-4.8	9.9	-11.5
DAX	**11952**	12169	-1.8	-2.9	13.2	-7.0
CAC 40	**5281**	5379	-1.8	-3.1	11.6	-4.8
Eurostoxx50	**3327**	3387	-1.8	-3.2	10.9	-5.5
FTSE 100	**7231**	7334	-1.4	-1.7	7.5	-6.3
S&P 500	**2822**	2856	-1.2	-1.9	12.6	3.5
Nasdaq	**7628**	7751	-1.6	-3.4	15.0	2.7
Nikkei 225	**21151**	21283	-0.6	0.4	5.7	-5.7
MSCI Emerging Index	**985**	998	-1.3	-2.6	2.0	-13.2
MSCI Emerging Asia	**495**	502	-1.3	-3.1	2.1	-15.3
MSCI Emerging Latin America	**2596**	2618	-0.8	1.7	1.2	-3.2
Shanghai	**2853**	2892	-1.4	-3.5	14.4	-9.6
VIX Index	**16.92**	14.75	14.7	10.7	-33.4	35.0

Currencies	5/23	5/22	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.118**	1.115	0.3	0.1	-2.5	-4.6
EUR/GBP	**0.88**	0.88	0.3	1.2	-1.7	0.9
EUR/CHF	**1.12**	1.13	-0.4	-0.6	-0.3	-3.5
USD/JPY	**109.61**	110.36	-0.7	-0.2	-0.1	0.3
USD/CNY	**6.91**	6.91	0.1	0.4	0.5	8.3
USD/MXN	**19.04**	18.99	0.3	-0.4	-3.1	-2.7

Commodities	5/23	5/22	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**78.0**	79.0	-1.3	-2.9	1.6	-14.8
Brent (US$/barrel)	**67.8**	71.0	-4.5	-6.7	25.9	-14.0
Gold (US$/ounce)	**1283.5**	1273.3	0.8	-0.3	0.1	-1.6
Metal Index	**187.9**	187.8	0.1	-3.0	2.3	-17.4
Agricultural Index	**234.8**	236.3	-0.6	-0.2	-4.4	-14.7

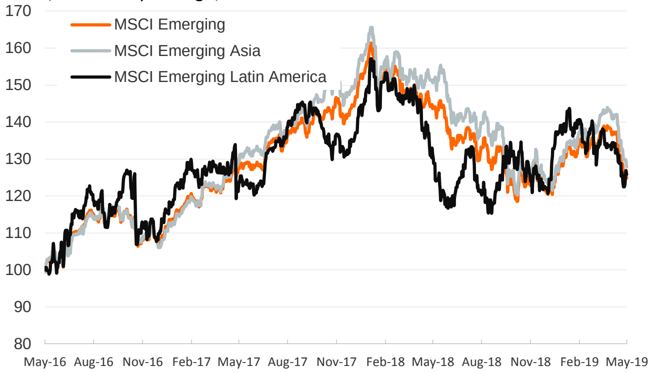
Main advanced stock markets

Index (100=Three years ago)



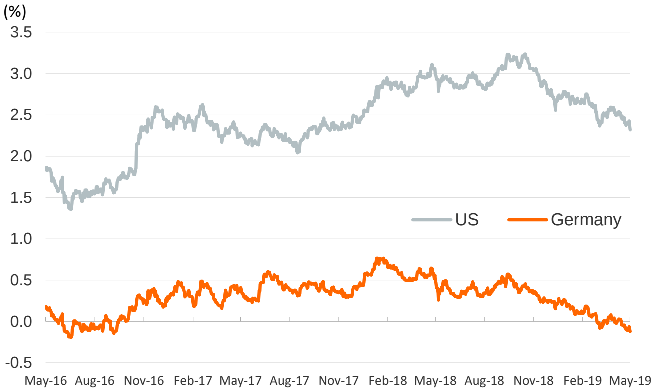
Emerging economies stock markets

Index (100=Three years ago)



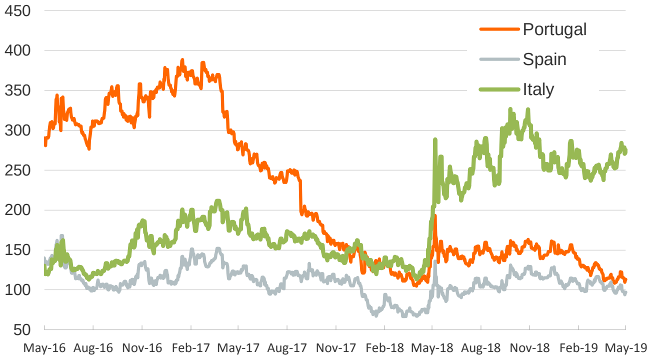
Yield on 10-year public debt: U.S. and Germany

(%)



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

(basis points)



Exchange rate: EUR/USD

(Dollars 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