

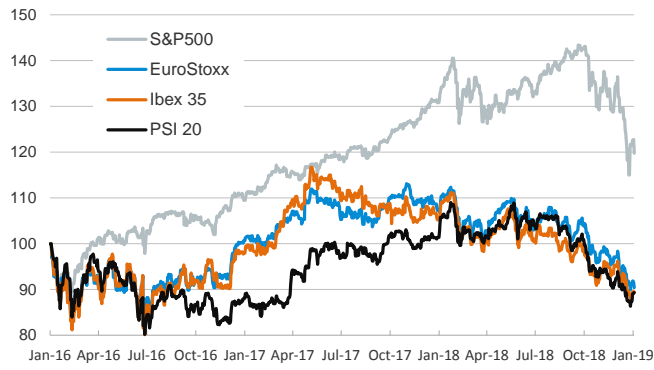
- ▶ In the last session of the week, financial markets' sentiment was dominated by optimism as investors read positively the latest U.S. labour market data and the comments of Fed President, Jerome Powell, suggesting a more flexible pace of the upcoming interest rate hikes. Stock indices in Europe and U.S. advanced around 3%, while increases in EM equities were more moderated.
- ▶ In fixed-income markets, yields on U.S. sovereign bonds increased by more than 10 bp. In the euro area, yields on core European sovereign bonds edged up while spreads ticked down in the periphery. In this context, the U.S. dollar appreciated against most advanced currencies while emerging market's currencies were mixed.
- ▶ Non-farm payrolls in the U.S. increased by 312,000 in December, after a solid increase of 172,000 payrolls in November. These numbers surprised investors to the upside and suggest that the labour market is strong and that the economy grew at a solid pace in Q4 2018.
- ▶ In Europe, headline inflation declined 0.3 pp to 1.6% in December due to the fall in oil prices suffered in the last months of 2018.
- ▶ This week investors will pay attention to the release of the Fed and ECB minutes on Wednesday and Thursday, respectively, and to the first meeting between U.S. and Chinese officials since Donald Trump and Xi Jinping agreed a temporary truce on the trade conflict on December 1st.

Interest Rates (%)	1/4	1/3	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	-1	-1	-1
Swap Eonia (10Y)	0.64	0.58	6	-2	-2	-6
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	-0.60	-0.61	2	1	2	1
Germany - 10-Year Bond	0.21	0.15	6	-3	-3	-23
France - 10-Year Bond	0.70	0.65	5	-1	-1	-9
Spain - 10-Year Bond	1.47	1.43	4	6	6	-7
Portugal - 10-Year Bond	1.81	1.77	4	9	9	-11
Italy - 10-Year Bond	2.90	2.86	4	16	16	89
Risk premium - Spain (10Y)	127	128	-1	9	9	16
Risk premium - Portugal (10Y)	160	161	-1	12	12	12
Risk premium - Italy (10Y)	269	271	-2	19	19	111
US						
Fed - Upper Bound	2.50	2.50	0	0	0	100
3 months (Libor)	2.80	2.80	0	0	-1	110
12 months (Libor)	2.96	3.01	-5	-5	-5	82
2-Year Bond	2.49	2.38	11	-3	0	54
10-Year Bond	2.67	2.55	12	-5	-1	22
Stock Markets						
	1/4	1/3	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	3.25	3.13	3.8	3.6	2.6	-19.9
Ibex 35	8738	8523	2.5	2.9	2.3	-15.3
PSI 20	4880	4746	2.8	5.0	3.1	-13.2
MIB	18832	18218	3.4	2.8	2.8	-16.3
DAX	10768	10417	3.4	2.0	2.0	-18.2
CAC 40	4737	4611	2.7	1.2	0.1	-12.5
Eurostoxx50	3042	2955	3.0	1.9	1.3	-14.8
FTSE 100	6837	6693	2.2	1.5	1.6	-11.2
S&P 500	2532	2448	3.4	1.9	1.0	-7.1
Nasdaq	6739	6464	4.3	2.3	1.6	-4.8
Nikkei 225	19562	20015	-2.3	-2.3	-2.3	-16.8
MSCI Emerging Index	965	950	1.6	0.2	-0.1	-19.1
MSCI Emerging Asia	477	471	1.3	-1.3	-1.6	-20.9
MSCI Emerging Latin America	2738	2694	1.6	6.6	6.7	-7.5
Shanghai	2515	2464	2.0	0.8	0.8	-25.7
VIX Index	21.38	25.45	-16.0	-24.6	-15.9	131.9
Currencies						
	1/4	1/3	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	1.140	1.139	0.0	-0.4	-0.6	-5.6
EUR/GBP	0.90	0.90	-0.7	-0.6	-0.4	0.5
EUR/CHF	1.12	1.12	0.0	-0.1	-0.1	-4.4
USD/JPY	108.51	107.68	0.8	-1.6	-1.1	-3.8
USD/CNY	6.87	6.87	0.0	-0.1	-0.1	5.8
USD/MXN	19.42	19.63	-1.1	-1.2	-1.2	0.7
Commodities						
	1/4	1/3	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	78.3	77.5	1.1	1.0	2.1	-11.6
Brent (US\$/barrel)	57.1	56.0	2.0	9.3	6.1	-16.2
Gold (US\$/ounce)	1285.2	1294.3	-0.7	0.3	0.2	-2.8
Metal Index	185.6	181.1	2.5	0.4	1.1	-18.8
Agricultural Index	250.6	248.4	0.9	1.4	2.0	-2.6

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

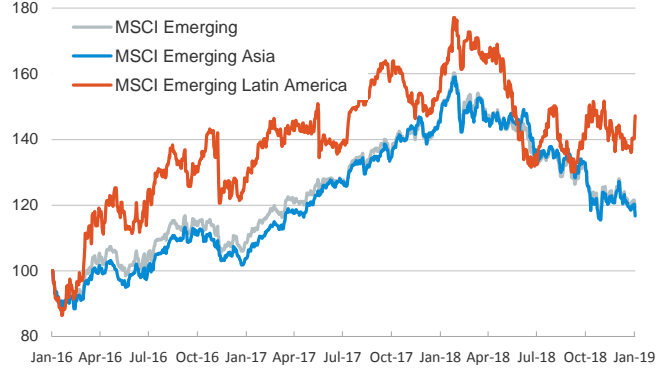
Main advanced stock markets

Index (100=January 2016)



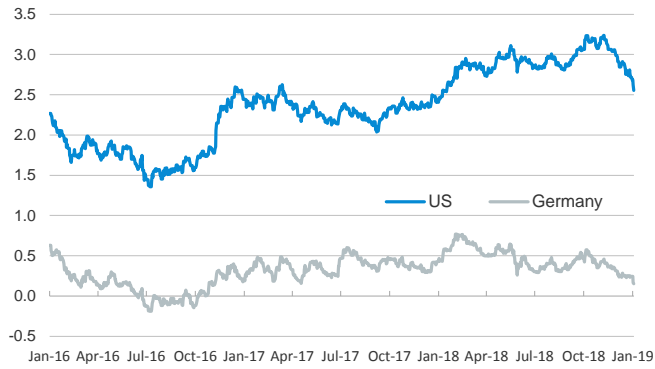
Emerging economies stock markets

Index (100=January 2016)



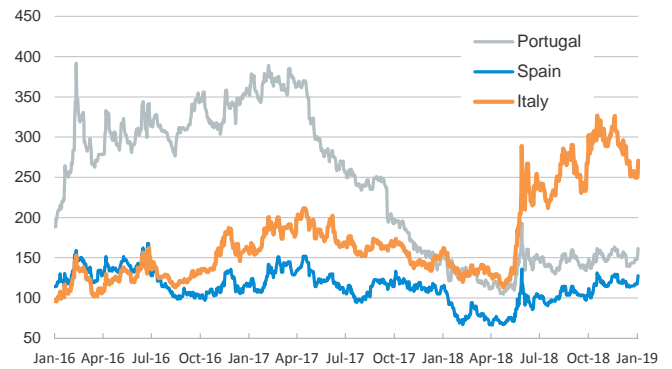
Yield on 10-year public debt: U.S. and Germany

(%)



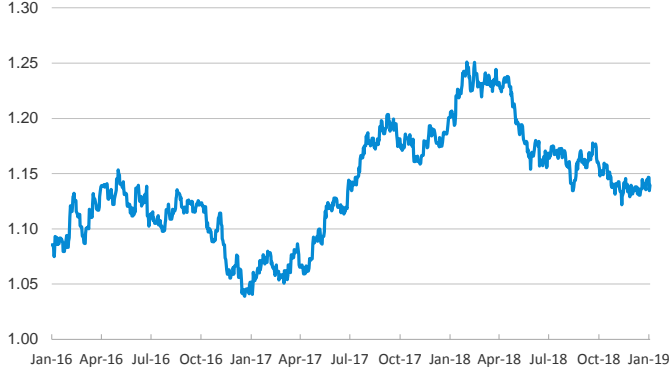
Risk Premium on 10-year debt: Italy, Spain, and Portugal

(basis points)



Exchange rate: EUR/USD

(Dollars per euro)



Exchange rate: Emerging economies Index

Index (100=January 2016)



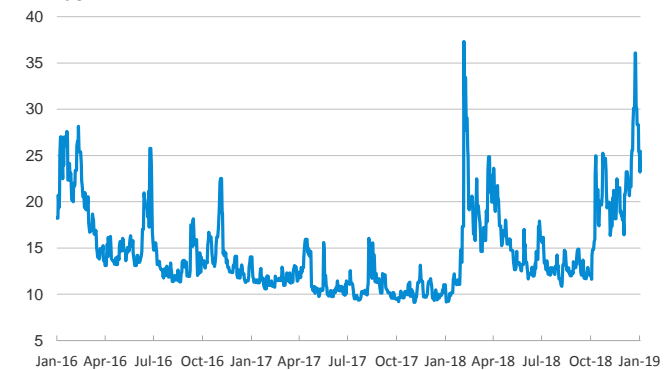
Brent oil price

(US\$/barrel)



Implied volatility on US stock markets

VIX Index



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