CaixaBank Research

Financial Markets

Daily Report 24-Oct-2023

- The week started off with a volatile session as markets await key economic data this week (PMIs for advanced economies and US 3Q GDP), 3Q euro area Bank Lending Survey, the ECB's rate decision, further 3Q earnings, and news from the Middle East.
- In the US, the 10Y treasury yield rose to hit the 5% mark as investors continue to expect high rates for longer, but finished the day lower falling 6 bps. The moves in treasuries dragged down equity indices and the S&P 500 closed at its lowest level since May. Euro area sovereign yields fell and equity indices were mixed.
- The US dollar depreciated against major currencies and the euro rose to $1.067. In commodities, the price of the barrel of Brent traded below $90 responding to diplomatic advances in Gaza. Today the focus will be on the release of October flash PMIs for advanced countries which will give investors further clues of the state of the economies.

Interest Rates (%)	10/23	10/20	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4,50**	4,50	0	0	200	325
€STR	**3,91**	3,91	0	0	202	325
Swap €STR (10Y)	**3,23**	3,26	-3	7	29	24
3 months (Euribor)	**3,96**	3,97	-1	-2	182	241
12 months (Euribor)	**4,15**	4,19	-4	-3	85	137
Germany - 2-Year Bond	**3,13**	3,12	1	-2	47	109
Germany - 10-Year Bond	**2,87**	2,89	-1	9	44	46
France - 10-Year Bond	**3,48**	3,51	-3	8	52	51
Spain - 10-Year Bond	**3,97**	4,00	-3	6	45	43
Portugal - 10-Year Bond	**3,58**	3,61	-3	7	15	13
Italy - 10-Year Bond	**4,84**	4,92	-9	8	33	10
Risk premium - Spain (10Y)	**109**	111	-2	-3	1	-2
Risk premium - Portugal (10Y)	**71**	72	-1	-2	-29	-33
Risk premium - Italy (10Y)	**196**	203	-7	-1	-11	-36
US						
Fed - Upper Bound	**5,50**	5,50	0	0	100	225
Fed Funds Rate Future (Dec.-23)	**5,37**	5,36	0	-2	72	-8998
3 months (SOFR)	**5,38**	5,40	-2	-2	79	132
12 months (SOFR)	**5,38**	5,44	-6	-1	51	59
2-Year Bond	**5,05**	5,07	-2	-5	62	58
10-Year Bond	**4,85**	4,91	-6	14	98	63

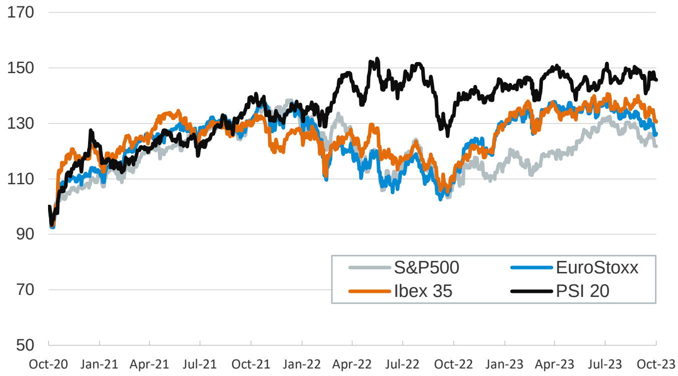
Stock Markets	10/23	10/20	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,74**	3,80	-1,5	-1,3	2,0	7,0
Ibex 35	**8996**	9029	-0,4	-3,1	9,3	19,2
PSI 20	**6028**	6039	-0,2	-1,4	5,3	9,8
MIB	**27559**	27357	0,7	-2,9	16,2	27,8
DAX	**14801**	14798	0,0	-2,9	6,3	16,3
CAC 40	**6850**	6816	0,5	-2,4	5,8	13,5
Eurostoxx50	**4042**	4025	0,4	-2,6	6,5	16,3
S&P 500	**4217**	4224	-0,2	-3,6	9,8	12,4
Nasdaq	**13018**	12984	0,3	-4,1	24,4	19,9
Nikkei 225	**31000**	31259	-0,8	-2,1	18,8	15,3
MSCI Emerging Index	**918**	926	-0,9	-3,0	-4,0	6,1
MSCI Emerging Asia	**493**	497	-0,9	-3,0	-4,2	9,8
MSCI Emerging Latin America	**2178**	2177	0,1	-3,1	2,3	-4,6
Shanghai	**2939**	2983	-1,5	-4,4	-4,9	-3,3
VIX Index	**20,37**	21,71	-6,2	18,4	-6,0	-31,4

Currencies	10/23	10/20	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,067**	1,059	0,7	1,0	-0,3	8,2
EUR/GBP	**0,87**	0,87	0,0	0,8	-1,6	-0,2
EUR/CHF	**0,95**	0,95	0,6	0,0	-3,9	-3,4
USD/JPY	**149,71**	149,86	-0,1	0,1	14,2	1,4
USD/CNY	**7,31**	7,32	-0,1	0,0	5,9	1,1

Commodities	10/23	10/20	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**104,9**	105,8	-0,9	0,1	-7,0	-5,8
Brent (US$/barrel)	**89,8**	92,2	-2,5	0,2	4,6	-3,9
TTF Natural Gas-1M Future (€/MWh)	**51,3**	51,1	0,3	5,8	-32,8	-54,9
TTF Natural Gas-Dec.-23 Future (€/MWh)	**55,7**	55,5	0,3	6,4	-33,9	-62,2
Gold (US$/ounce)	**1972,9**	1981,4	-0,4	2,7	8,2	19,0

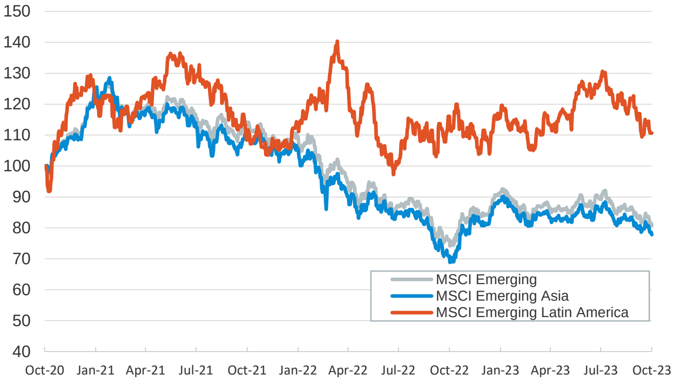
Main advanced stock markets

Index (100=Three years ago)



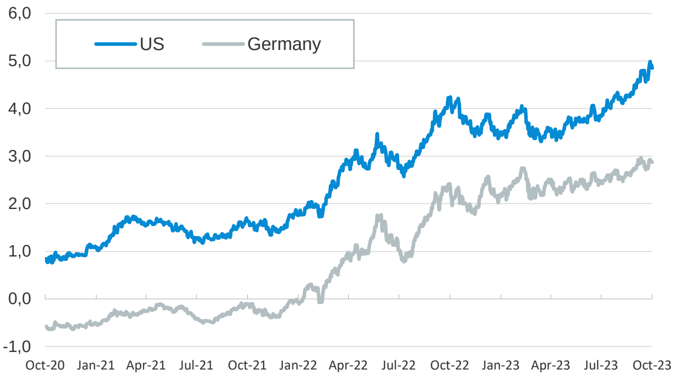
Emerging economies stock markets

Index (100=Three years ago)



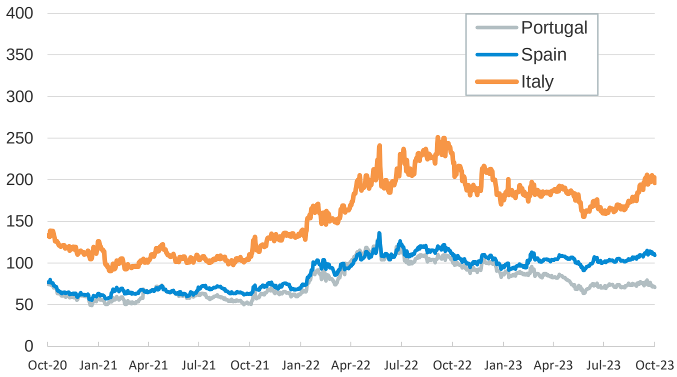
Yield on 10-year public debt: U.S. and Germany

(%)



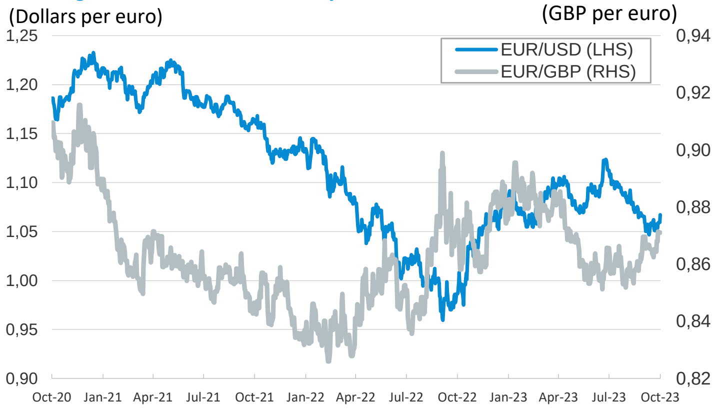
Risk Premium on 10-year debt: Italy, Spain, and Portugal

(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)

Dutch TTF Natural gas price

(€/MWh)