CaixaBank Research

Financial Markets

Daily Report 22-Jan-2024

- Global financial markets were mixed in the last session of the week as investors continue to navigate through interest rate cut expectations and new economic data. US University of Michigan consumer sentiment index improved to 78.8, the highest reading since July 2021, boosting the stock market and bringing the S&P 500 to a new record high.
- Euro area main stock indices closed slightly lower on Friday and were mixed in Asia. Sovereign bond yields were little changed on both sides of the Atlantic. In currency markets, the US dollar held steady against most of its peers and the dollar/euro cross traded at the 1.09 level. The price of a barrel of Brent oil remained below the $78 mark.
- This week the market will have many data releases to watch out for. In the US: January PMI (Wed.), 4Q GDP (Thurs.), PCE Deflator (Fri.). In the euro area: consumer confidence (Tues.), PMI for France, Germany and the euro area (Wed.), and the ECB will meet on Thursday, with investors not expecting any interest rate changes on this meeting.

Interest Rates (%)	1/19	1/18	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4,50**	4,50	0	0	0	200
€STR	**3,90**	3,91	0	0	2	200
Swap €STR (10Y)	**2,54**	2,56	-2	13	25	15
3 months (Euribor)	**3,96**	3,97	-1	3	5	157
12 months (Euribor)	**3,66**	3,66	-1	2	14	36
Germany - 2-Year Bond	**2,74**	2,69	5	22	36	21
Germany - 10-Year Bond	**2,34**	2,35	-1	16	40	28
France - 10-Year Bond	**2,83**	2,85	-2	15	36	35
Spain - 10-Year Bond	**3,25**	3,27	-2	16	34	26
Portugal - 10-Year Bond	**3,17**	3,18	-1	40	62	28
Italy - 10-Year Bond	**3,88**	3,92	-4	15	28	11
Risk premium - Spain (10Y)	**91**	92	-1	0	-5	-2
Risk premium - Portugal (10Y)	**83**	83	0	25	22	0
Risk premium - Italy (10Y)	**154**	157	-4	-1	-11	-17
US						
Fed - Upper Bound	**5,50**	5,50	0	0	0	100
Fed Funds Rate Future (Dec.-24)	**4,11**	4,02	9	37	28	120
3 months (SOFR)	**5,32**	5,32	0	0	-1	67
12 months (SOFR)	**4,80**	4,80	0	1	3	-1
2-Year Bond	**4,38**	4,35	3	24	13	25
10-Year Bond	**4,12**	4,14	-2	18	24	73

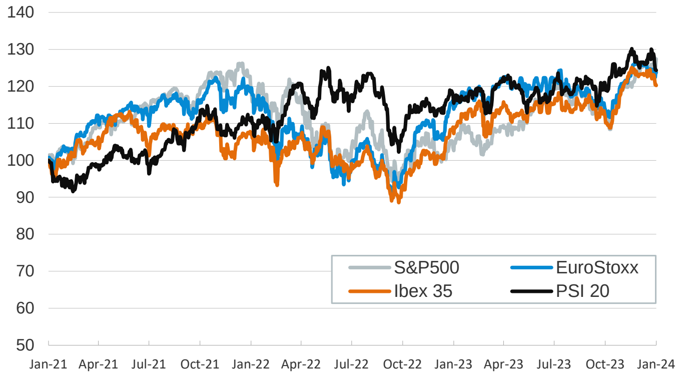
Stock Markets	1/19	1/18	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3,83**	3,83	0,0	-2,0	2,9	-0,7
Ibex 35	**9858**	9880	-0,2	-2,3	-2,4	12,1
PSI 20	**6314**	6323	-0,1	-3,4	-1,3	7,7
DAX	**16555**	16567	-0,1	-0,9	-1,2	11,0
CAC 40	**7372**	7401	-0,4	-1,3	-2,3	6,0
Eurostoxx50	**4449**	4453	-0,1	-0,7	-1,6	8,7
S&P 500	**4840**	4781	1,2	1,2	1,5	24,1
Nasdaq	**15311**	15056	1,7	2,3	2,0	41,1
Nikkei 225	**35963**	35466	1,4	1,1	7,5	36,2
MSCI Emerging Index	**971**	961	1,0	-2,5	-5,2	-5,5
MSCI Emerging Asia	**512**	506	1,1	-2,5	-5,6	-8,1
MSCI Emerging Latin America	**2515**	2491	0,9	-3,3	-5,6	11,0
Shanghai	**2832**	2846	-0,5	-1,7	-4,8	-12,6
VIX Index	**13,30**	14,13	-5,9	4,7	6,8	-35,2

Currencies	1/19	1/18	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,090**	1,088	0,2	-0,5	-1,3	0,6
EUR/GBP	**0,86**	0,86	0,2	-0,1	-1,0	-1,9
EUR/CHF	**0,95**	0,94	0,2	1,3	1,9	-4,6
USD/JPY	**148,12**	148,16	0,0	2,2	5,0	15,3
USD/CNY	**7,19**	7,20	0,0	0,4	1,3	6,2

Commodities	1/19	1/18	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**96,8**	97,2	-0,4	-1,2	-1,9	-13,5
Brent (US$/barrel)	**78,6**	79,1	-0,7	0,3	2,0	-8,8
TTF Natural Gas-1M Future (€/MWh)	**28,4**	27,9	1,9	-11,1	-12,1	-53,2
TTF Natural Gas-Dec.-24 Future (€/MWh)	**35,1**	34,5	2,0	-6,1	-8,2	-51,4
Gold (US$/ounce)	**2029,5**	2023,3	0,3	-1,0	-1,6	5,0

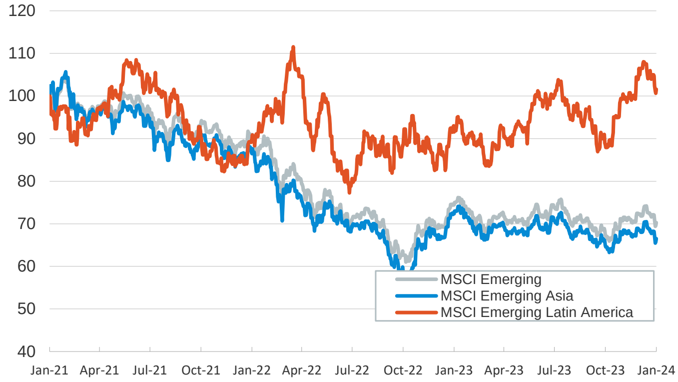
Main advanced stock markets

Index (100=Three years ago)



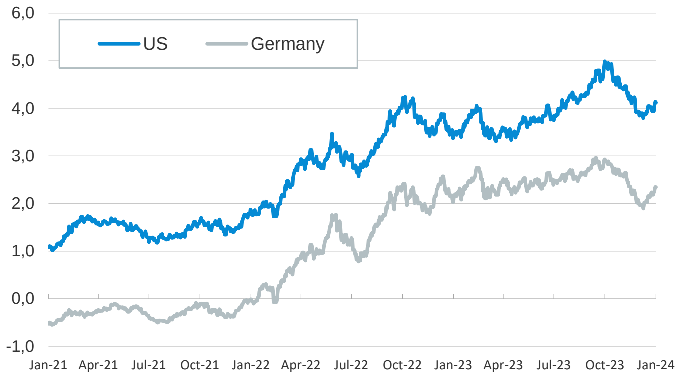
Emerging economies stock markets

Index (100=Three years ago)



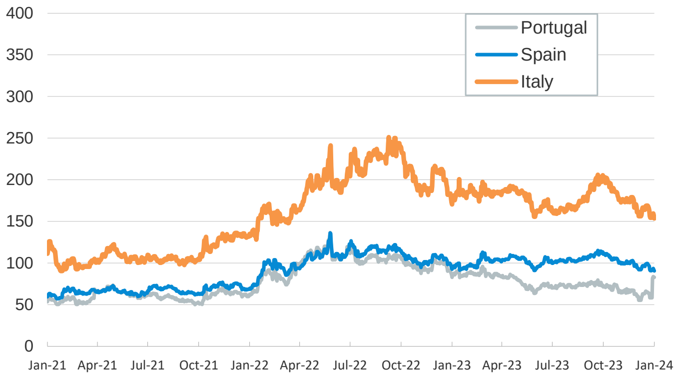
Yield on 10-year public debt: U.S. and Germany

(%)



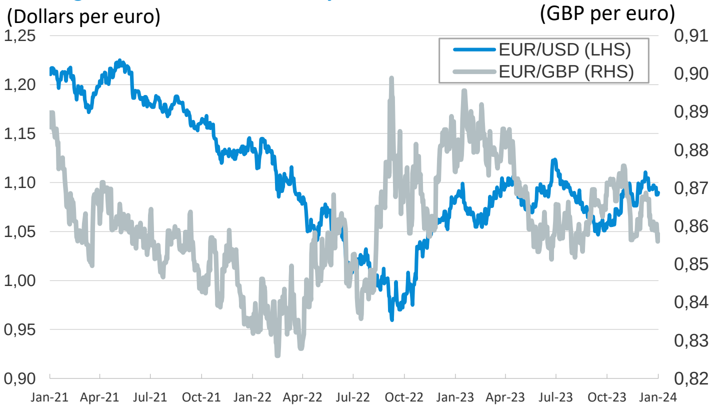
Risk Premium on 10-year debt: Italy, Spain, and Portugal

(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)