CaixaBank Research

# Financial Markets

Daily Report 24-Jan-2024

- Investors traded cautiously in yesterday's session as they await the ECB's decision and US macro data in the coming days. Sovereign bond yields edged higher across the board, while stock markets were mixed, falling in the euro area and modestly rising in the US. Chinese stocks rallied on reports of a government stimulus to stabilize stock markets.
- On the macro front, euro area January consumer confidence fell from -15.0 to -16.1, vs. -14.3 expected. The ECB's Bank Lending Survey showed banks expect a small rebound in the demand for loans following a quarter of tighter conditions. In the US, the Richmond Fed Manufacturing Index dropped for the fourth consecutive month.
- Elsewhere, the US dollar strengthened against most peers, leaving its cross with the euro at around $1.085. Oil prices dropped on news of rising supply in the U.S., Libya and Norway, and European natural gas prices extended declines. Today, markets will be looking at PMIs for France, Germany and the euro area group.

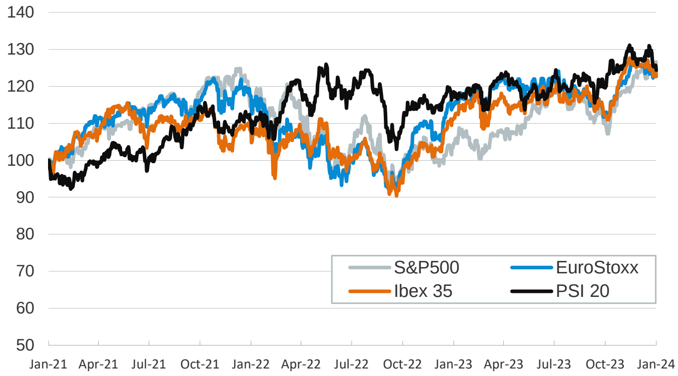
| Interest Rates (%) | 1/23 | 1/22 | Daily Change (bp) | Weekly Change (bp) | YTD (bp) | YoY Change (bp) |
|---|---|---|---|---|---|---|
| **Euro area** | | | | | | |
| ECB - Official Interest Rate (Refi) | **4,50** | 4,50 | 0 | 0 | 0 | 200 |
| €STR | **3,90** | 3,90 | 0 | 0 | 2 | 200 |
| Swap €STR (10Y) | **2,57** | 2,51 | 6 | 10 | 28 | 2 |
| 3 months (Euribor) | **3,95** | 3,95 | 0 | 5 | 4 | 150 |
| 12 months (Euribor) | **3,67** | 3,67 | -1 | 7 | 15 | 32 |
| Germany - 2-Year Bond | **2,71** | 2,69 | 2 | 11 | 34 | 12 |
| Germany - 10-Year Bond | **2,35** | 2,29 | 6 | 9 | 41 | 15 |
| France - 10-Year Bond | **2,85** | 2,78 | 6 | 10 | 38 | 19 |
| Spain - 10-Year Bond | **3,27** | 3,20 | 7 | 9 | 37 | 10 |
| Portugal - 10-Year Bond | **3,19** | 3,13 | 6 | 12 | 64 | 11 |
| Italy - 10-Year Bond | **3,91** | 3,84 | 8 | 9 | 32 | -11 |
| Risk premium - Spain (10Y) | **92** | 91 | 0 | 0 | -4 | -5 |
| Risk premium - Portugal (10Y) | **84** | 84 | 0 | 3 | 23 | -4 |
| Risk premium - Italy (10Y) | **156** | 155 | 2 | -1 | -9 | -25 |
| **US** | | | | | | |
| Fed - Upper Bound | **5,50** | 5,50 | 0 | 0 | 0 | 100 |
| Fed Funds Rate Future (Dec.-24) | **4,09** | 4,09 | 0 | 23 | 25 | 110 |
| 3 months (SOFR) | **5,32** | 5,32 | 0 | 2 | -1 | 66 |
| 12 months (SOFR) | **4,83** | 4,84 | -1 | 18 | 6 | -1 |
| 2-Year Bond | **4,37** | 4,39 | -2 | 15 | 12 | 14 |
| 10-Year Bond | **4,13** | 4,11 | 2 | 7 | 25 | 62 |

| Stock Markets | 1/23 | 1/22 | Daily Change (%) | Weekly Change (%) | YTD (%) | YoY Change (%) |
|---|---|---|---|---|---|---|
| CaixaBank | **3,91** | 3,92 | -0,3 | -0,1 | 4,8 | -1,5 |
| Ibex 35 | **9859** | 9968 | -1,1 | -1,3 | -2,4 | 10,2 |
| PSI 20 | **6269** | 6336 | -1,1 | -2,3 | -2,0 | 5,0 |
| DAX | **16627** | 16683 | -0,3 | 0,3 | -0,7 | 10,1 |
| CAC 40 | **7388** | 7413 | -0,3 | -0,1 | -2,1 | 5,1 |
| Eurostoxx50 | **4466** | 4480 | -0,3 | 0,4 | -1,2 | 7,6 |
| S&P 500 | **4865** | 4850 | 0,3 | 2,1 | 2,0 | 21,0 |
| Nasdaq | **15426** | 15360 | 0,4 | 3,2 | 2,8 | 35,7 |
| Nikkei 225 | **36518** | 36547 | -0,1 | 2,5 | 9,1 | 35,7 |
| MSCI Emerging Index | **970** | 964 | 0,6 | -1,0 | -5,3 | -6,6 |
| MSCI Emerging Asia | **511** | 508 | 0,7 | -1,1 | -5,8 | -9,1 |
| MSCI Emerging Latin America | **2496** | 2479 | 0,7 | -1,5 | -6,3 | 9,0 |
| Shanghai | **2771** | 2756 | 0,5 | -4,3 | -6,9 | -15,1 |
| VIX Index | **12,55** | 13,19 | -4,9 | -9,3 | 0,8 | -36,6 |

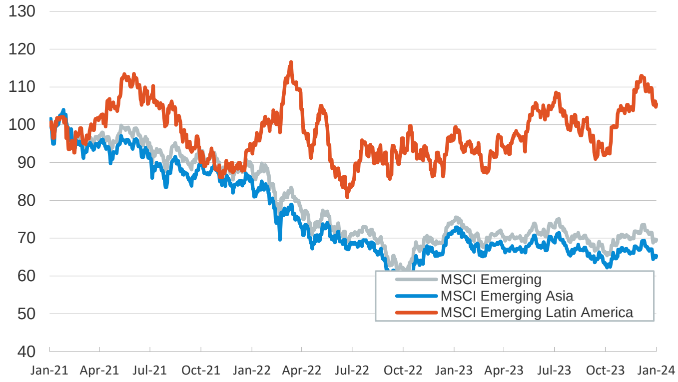
| Currencies | 1/23 | 1/22 | Daily Change (%) | Weekly Change (%) | YTD (%) | YoY Change (%) |
|---|---|---|---|---|---|---|
| EUR/USD | **1,085** | 1,088 | -0,3 | -0,2 | -1,7 | -0,2 |
| EUR/GBP | **0,86** | 0,86 | -0,1 | -0,6 | -1,3 | -2,6 |
| EUR/CHF | **0,94** | 0,95 | -0,1 | 0,8 | 1,7 | -5,7 |
| USD/JPY | **148,35** | 148,10 | 0,2 | 0,8 | 5,2 | 13,5 |
| USD/CNY | **7,17** | 7,19 | -0,3 | -0,2 | 1,0 | 5,7 |

| Commodities | 1/23 | 1/22 | Daily Change (%) | Weekly Change (%) | YTD (%) | YoY Change (%) |
|---|---|---|---|---|---|---|
| Global Commodities Index | **97,6** | 96,9 | 0,7 | 0,2 | -1,1 | -13,3 |
| Brent (US$/barrel) | **79,6** | 80,1 | -0,6 | 1,6 | 3,3 | -9,8 |
| TTF Natural Gas-1M Future (€/MWh) | **27,2** | 27,3 | -0,1 | -8,2 | -15,8 | -58,7 |
| TTF Natural Gas-Dec.-24 Future (€/MWh) | **34,7** | 34,4 | 0,7 | -2,2 | -9,4 | -55,4 |
| Gold (US$/ounce) | **2029,3** | 2021,7 | 0,4 | 0,0 | -1,6 | 5,1 |

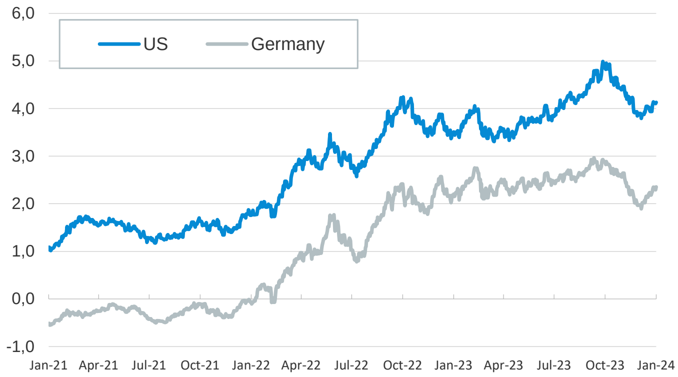
### Main advanced stock markets
Index (100=Three years ago)



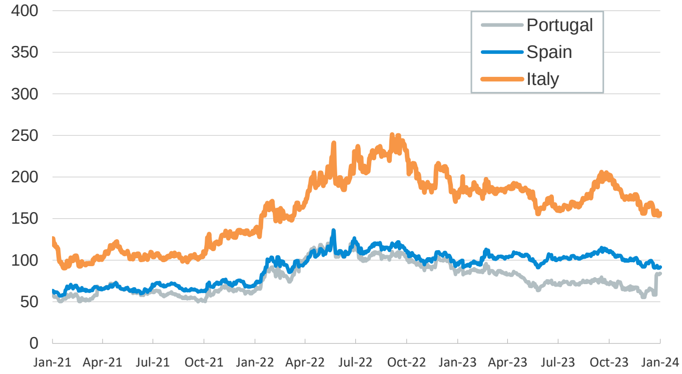

### Emerging economies stock markets
Index (100=Three years ago)



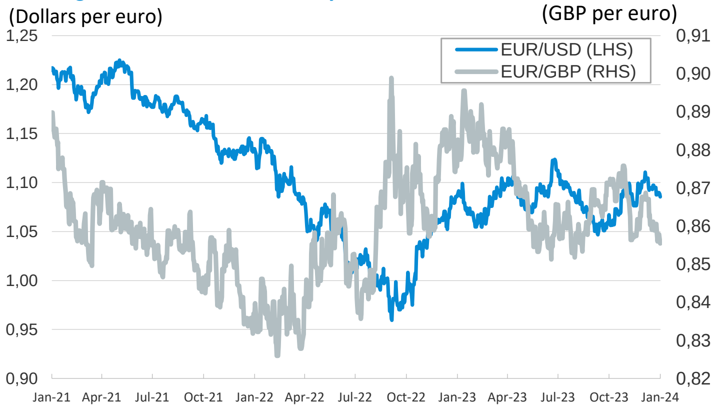

### Yield on 10-year public debt: U.S. and Germany
(%)




### 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)