- In the first session of the week, investors continued to reassess their expectations on the upcoming easing of the ECB and Fed's monetary policy stance. The January PMI and ISM data releases showed a stronger-than-expected start of 2024 that decreased further the probabilities of seeing the first rate cut in April and May for both central banks.
- In particular, the US Services PMI rose from 50.4 to 53.4 and its prices paid component jumped from 56.7 to 64.0, a level not seen since last February that increases concerns on inflation's last mile to 2%. In Spain and Italy, the Composite PMI rose to 51.5 and 50.7.
- In this context, yields on sovereign bonds rose on both sides of the Atlantic, with the increase being sharper in the US. Elsewhere, stock indices edged modestly down across the board and the US dollar strengthened against most of its peers, with the euro fluctuating below $1.08. Today the focus will be on December euro are retail sales.

Interest Rates (%)	2/5	2/2	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	150
€STR	**3.91**	3.91	0	0	2	201
Swap €STR (10Y)	**2.51**	2.44	7	8	23	0
3 months (Euribor)	**3.92**	3.90	2	1	1	138
12 months (Euribor)	**3.63**	3.54	10	5	12	26
Germany - 2-Year Bond	**2.61**	2.57	4	4	24	7
Germany - 10-Year Bond	**2.32**	2.24	7	8	37	12
France - 10-Year Bond	**2.81**	2.74	7	10	34	17
Spain - 10-Year Bond	**3.23**	3.17	6	10	32	11
Portugal - 10-Year Bond	**3.11**	3.05	6	7	56	7
Italy - 10-Year Bond	**3.88**	3.81	7	15	29	-14
Risk premium - Spain (10Y)	**91**	93	-1	2	-5	-1
Risk premium - Portugal (10Y)	**79**	81	-1	-1	19	-5
Risk premium - Italy (10Y)	**156**	157	-1	7	-9	-27
US						
Fed - Upper Bound	**5.50**	5.50	0	0	0	75
Fed Funds Rate Future (Dec.-24)	**4.29**	4.18	11	22	45	62
3 months (SOFR)	**5.32**	5.29	3	1	-1	63
12 months (SOFR)	**4.86**	4.69	17	6	9	7
2-Year Bond	**4.47**	4.36	11	15	22	18
10-Year Bond	**4.16**	4.02	14	9	28	64

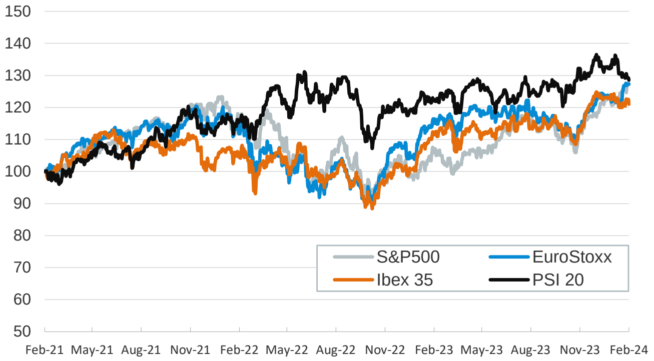
Stock Markets	2/5	2/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**3.87**	3.91	-1.0	0.3	3.9	0.0
Ibex 35	**9941**	10063	-1.2	0.5	-1.6	7.8
PSI 20	**6223**	6257	-0.5	-0.5	-2.7	5.0
DAX	**16904**	16918	-0.1	-0.2	0.9	9.2
CAC 40	**7590**	7592	0.0	-0.7	0.6	4.9
Eurostoxx50	**4655**	4655	0.0	0.3	3.0	9.3
S&P 500	**4943**	4959	-0.3	0.3	3.6	19.5
Nasdaq	**15598**	15629	-0.2	-0.2	3.9	29.9
Nikkei 225	**36354**	36158	0.5	0.9	8.6	32.2
MSCI Emerging Index	**983**	988	-0.5	-0.7	-3.9	-5.3
MSCI Emerging Asia	**520**	522	-0.5	-0.7	-4.2	-8.0
MSCI Emerging Latin America	**2523**	2534	-0.4	-0.7	-5.2	11.9
Shanghai	**2702**	2730	-1.0	-6.3	-9.2	-17.2
VIX Index	**13.67**	13.85	-1.3	0.5	9.8	-25.4

Currencies	2/5	2/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.074**	1.079	-0.4	-0.8	-2.7	-0.5
EUR/GBP	**0.86**	0.85	0.3	0.5	-1.2	-4.3
EUR/CHF	**0.94**	0.94	0.0	0.2	0.7	-6.4
USD/JPY	**148.68**	148.38	0.2	0.8	5.4	13.3
USD/CNY	**7.20**	7.19	0.1	0.3	1.4	5.9

Commodities	2/5	2/2	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**96.5**	96.7	-0.2	-1.5	-2.2	-9.9
Brent (US$/barrel)	**78.0**	77.3	0.9	-5.4	1.2	-2.4
TTF Natural Gas-1M Future (€/MWh)	**28.3**	29.3	-3.3	0.6	-12.4	-51.0
TTF Natural Gas-Dec.-24 Future (€/MWh)	**33.8**	34.9	-3.0	-3.5	-11.6	-49.7
Gold (US$/ounce)	**2025.1**	2039.8	-0.7	-0.4	-1.8	8.6

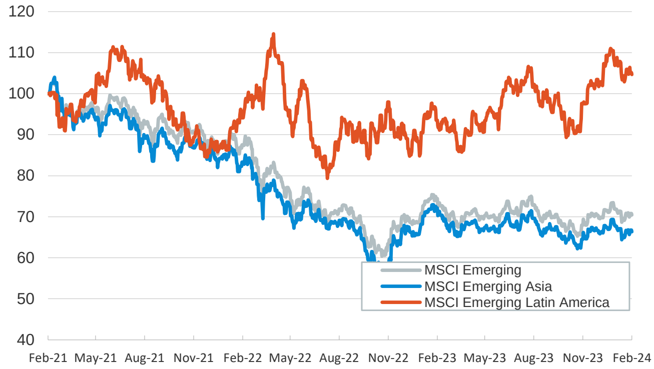
Main advanced stock markets

Index (100=Three years ago)



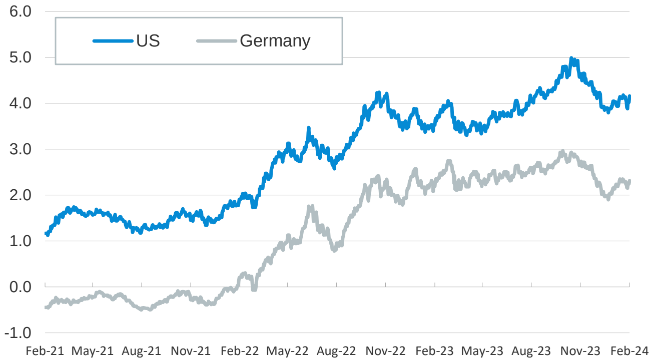
Emerging economies stock markets

Index (100=Three years ago)



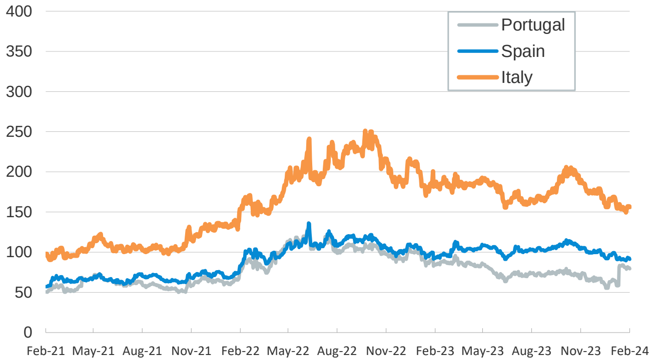
Yield on 10-year public debt: U.S. and Germany

(%)



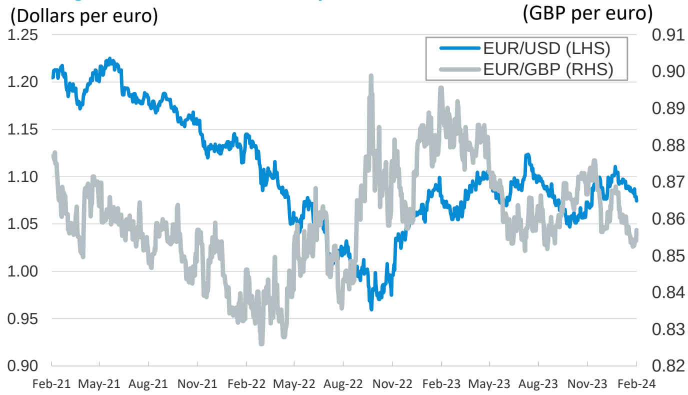
Risk Premium on 10-year debt: Italy, Spain, and Portugal

(basis points)



Exchange rate: Advanced-economy currencies

(Dollars per euro) (GBP per euro)

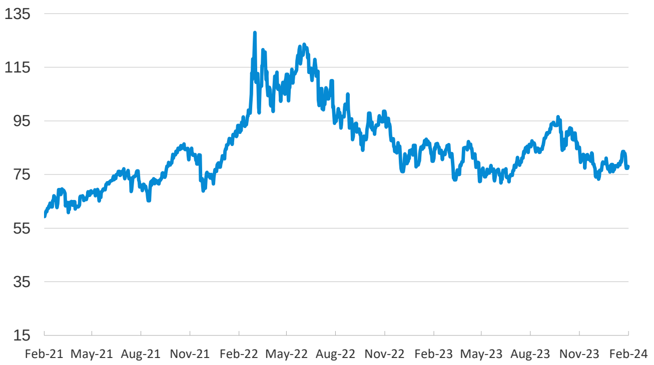


Exchange rate: Emerging economies Index

Index (100=Three years ago)

Brent oil price

(US$/barrel)



Dutch TTF Natural gas price

(€/MWh)