BPI

Financial Markets

Daily Report 20-Mar-2024

- In yesterday's session monetary policy continued to take center stage in financial markets. Investors positioned themselves ahead of today's US Federal Reserve meeting (where no change in interest rates is expected and the focus will be placed on the dot plot) and weighed comments from ECB officials.
- In particular, Kazaks, de Cos and de Guindos seem happy with the current financial market implied interest rate cuts, which are expected to start in June's meeting.
- In this context, sovereign bond yields edged modestly lower on both sides of the Atlantic, while euro area peripheral spreads widened mildly. In equity markets, indices rose in advanced economies and declined in emerging Asia and Latin America. Elsewhere, the US dollar strengthened against most currencies and the euro fluctuated below $1.09.
- Today the focus will also be on the euro area preliminary March Consumer Confidence index.

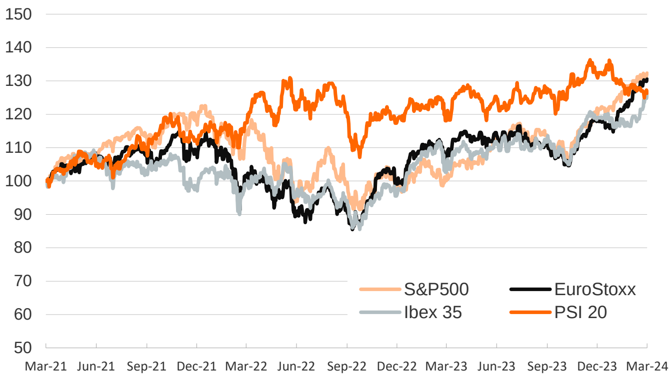
Interest Rates (%)	3/19	3/18	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4,50**	4,50	0	0	0	100
€STR	**3,91**	3,91	0	0	3	151
Swap €STR (10Y)	**2,57**	2,57	-1	12	28	-5
3 months (Euribor)	**3,94**	3,93	1	1	3	119
12 months (Euribor)	**3,76**	3,75	1	4	24	38
Germany - 2-Year Bond	**2,92**	2,95	-3	7	54	53
Germany - 10-Year Bond	**2,45**	2,46	-1	12	51	34
France - 10-Year Bond	**2,89**	2,89	-1	11	41	21
Spain - 10-Year Bond	**3,25**	3,24	1	11	35	2
Portugal - 10-Year Bond	**3,08**	3,08	0	10	53	4
Italy - 10-Year Bond	**3,70**	3,68	2	10	11	-35
Risk premium - Spain (10Y)	**80**	79	1	-1	-16	-32
Risk premium - Portugal (10Y)	**63**	62	1	-2	2	-30
Risk premium - Italy (10Y)	**125**	122	3	-2	-40	-69
US						
Fed - Upper Bound	**5,50**	5,50	0	0	0	75
Fed Funds Rate Future (Dec.-24)	**4,70**	4,72	-2	11	87	172
3 months (SOFR)	**5,33**	5,33	0	0	0	48
12 months (SOFR)	**5,10**	5,08	2	12	33	59
2-Year Bond	**4,68**	4,73	-5	9	43	84
10-Year Bond	**4,29**	4,32	-3	14	41	86

Stock Markets	3/19	3/18	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**4,67**	4,57	2,2	5,7	25,3	33,0
Ibex 35	**10701**	10597	1,0	3,0	5,9	22,7
PSI 20	**6123**	6171	-0,8	-0,3	-4,3	7,0
MIB	**34262**	33941	0,9	1,5	12,9	34,4
DAX	**17987**	17933	0,3	0,1	7,4	21,8
CAC 40	**8201**	8148	0,6	1,4	8,7	18,4
Eurostoxx50	**5008**	4983	0,5	0,5	10,8	23,2
S&P 500	**5179**	5149	0,6	0,1	8,6	32,2
Nasdaq	**16167**	16103	0,4	-0,6	7,7	39,0
Nikkei 225	**40004**	39740	0,7	3,1	19,5	46,4
MSCI Emerging Index	**1028**	1038	-1,0	-2,0	0,4	8,0
MSCI Emerging Asia	**551**	557	-1,2	-2,4	1,5	6,3
MSCI Emerging Latin America	**2485**	2499	-0,6	-0,3	-6,7	20,0
Shanghai	**3063**	3085	-0,7	0,2	3,0	-5,8
VIX Index	**13,82**	14,33	-3,6	-0,1	11,0	-45,8

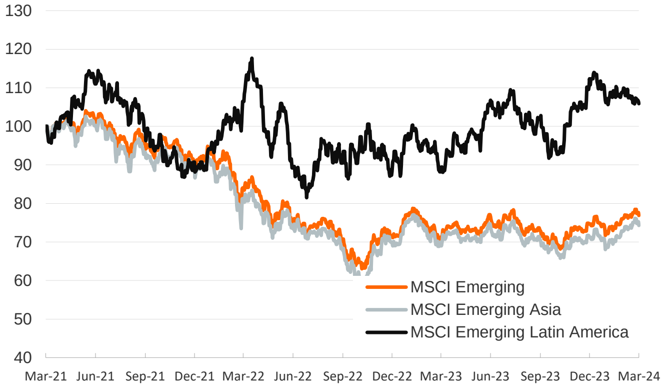
Currencies	3/19	3/18	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,087**	1,087	-0,1	-0,6	-1,6	1,8
EUR/GBP	**0,85**	0,85	0,0	0,0	-1,5	-2,5
EUR/CHF	**0,96**	0,97	0,0	0,7	3,9	-2,3
USD/JPY	**150,86**	149,15	1,1	2,2	7,0	14,4
USD/CNY	**7,20**	7,20	0,0	0,2	1,4	4,5

Commodities	3/19	3/18	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**99,6**	99,7	-0,1	1,4	1,0	-2,9
Brent (US$/barrel)	**87,4**	86,9	0,6	6,7	13,4	19,7
TTF Natural Gas-1M Future (€/MWh)	**28,9**	28,8	0,2	16,5	-10,8	-32,6
TTF Natural Gas-Dec.-24 Future (€/MWh)	**31,0**	30,8	0,5	9,6	-19,0	-36,9
Gold (US$/ounce)	**2157,6**	2160,4	-0,1	0,0	4,6	8,5

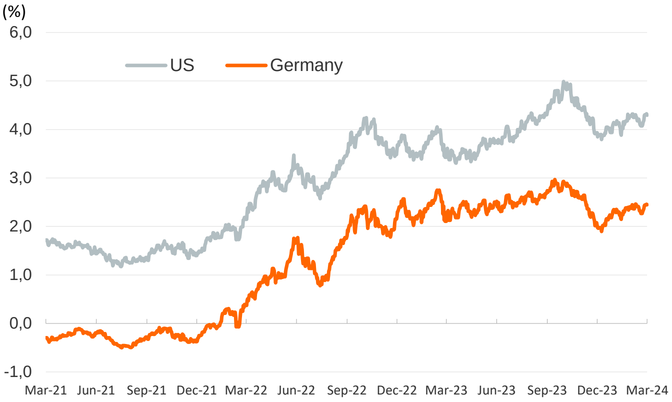
Main advanced stock markets
Index (100=Three years ago)



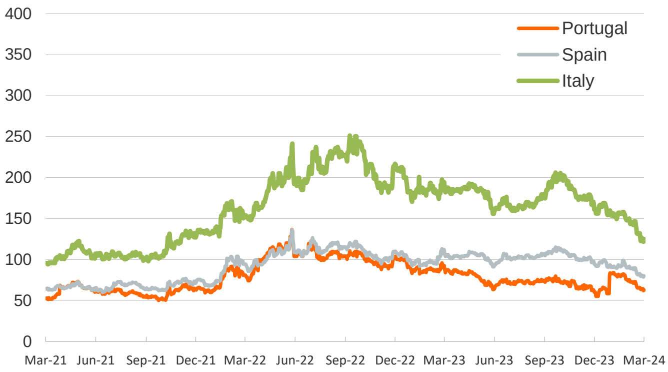
Emerging economies stock markets
Index (100=Three years ago)



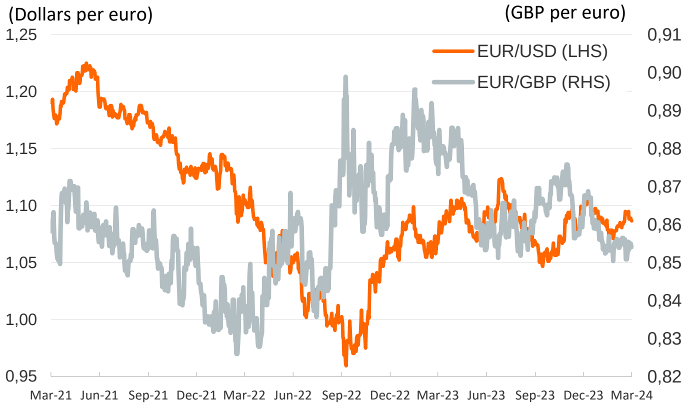
Yield on 10-year public debt: U.S. and Germany
(%)



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)