BPI

Financial Markets

Daily Report 22-Mar-2024

- Economic activity data and central bank decisions centered the stage in yesterday's session. On the one hand, the Bank of England kept interest rates unchanged and hinted that the next move could be a rate cut, as there have been "further encouraging signs that inflation is coming down". The Swiss National Bank cut rates by 25bp to 1.50%.
- On the data front, March PMIs confirmed the dynamics observed in the prior two months, with the euro area Composite index still below 50, dragged by the weakness in the manufacturing sector. In the US, the manufacturing index increased slightly towards 52.5 while services slipped and remain comfortably above the 50-point threshold (52.2).
- In this context, sovereign yields edged down in the euro area and increased in the short end of the US treasury curve. Elsewhere, equities advanced across the board, particularly in Asia, and the US dollar strengthened against most peers.
- The next Financial Markets Daily Report will be released on April 2nd. Happy Easter!

Interest Rates (%)	3/21	3/20	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Refi)	**4.50**	4.50	0	0	0	100
€STR	**3.91**	3.91	0	0	2	151
Swap €STR (10Y)	**2.53**	2.55	-2	-1	25	-20
3 months (Euribor)	**3.93**	3.92	0	0	2	102
12 months (Euribor)	**3.74**	3.76	-2	3	22	41
Germany - 2-Year Bond	**2.88**	2.93	-5	-4	50	26
Germany - 10-Year Bond	**2.41**	2.43	-3	-2	46	11
France - 10-Year Bond	**2.85**	2.87	-3	-3	37	3
Spain - 10-Year Bond	**3.21**	3.25	-4	-3	31	-12
Portugal - 10-Year Bond	**3.04**	3.08	-4	-3	49	-9
Italy - 10-Year Bond	**3.67**	3.71	-4	-3	8	-44
Risk premium - Spain (10Y)	**81**	82	-1	0	-15	-23
Risk premium - Portugal (10Y)	**64**	65	-1	-1	3	-20
Risk premium - Italy (10Y)	**127**	128	-1	0	-38	-55
US						
Fed - Upper Bound	**5.50**	5.50	0	0	0	75
Fed Funds Rate Future (Dec.-24)	**4.63**	4.60	3	-4	79	164
3 months (SOFR)	**5.32**	5.33	-1	-1	-1	50
12 months (SOFR)	**5.04**	5.08	-4	1	27	62
2-Year Bond	**4.64**	4.60	4	-5	39	47
10-Year Bond	**4.27**	4.27	0	-2	39	66

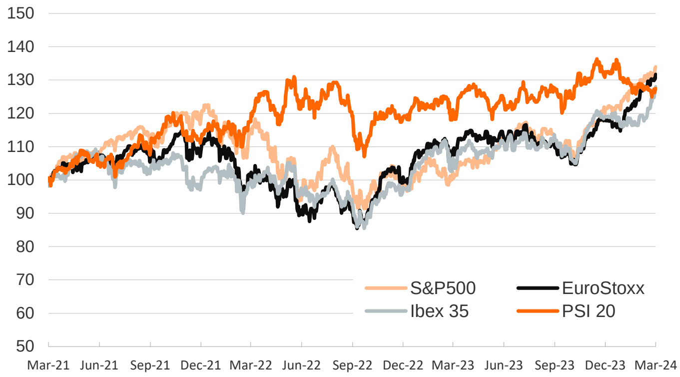
Stock Markets	3/21	3/20	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**4.73**	4.73	0.1	7.9	27.0	24.2
Ibex 35	**10868**	10753	1.1	3.6	7.6	20.1
PSI 20	**6179**	6152	0.4	2.0	-3.4	5.2
MIB	**34328**	34293	0.1	1.6	13.1	29.3
DAX	**18179**	18015	0.9	1.3	8.5	19.6
CAC 40	**8180**	8161	0.2	0.2	8.4	15.0
Eurostoxx50	**5052**	5000	1.0	1.2	11.7	20.8
S&P 500	**5242**	5225	0.3	1.8	9.9	30.9
Nasdaq	**16402**	16369	0.2	1.7	9.3	38.3
Nikkei 225	**40816**	40004	2.0	5.2	22.0	51.5
MSCI Emerging Index	**1048**	1032	1.6	0.0	2.4	10.1
MSCI Emerging Asia	**562**	552	1.9	-0.1	3.6	8.9
MSCI Emerging Latin America	**2529**	2530	0.0	0.5	-5.0	20.4
Shanghai	**3077**	3080	-0.1	1.3	3.4	-5.5
VIX Index	**12.92**	13.04	-0.9	-10.3	3.8	-39.6

Currencies	3/21	3/20	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1.086**	1.092	-0.6	-0.2	-1.6	0.9
EUR/GBP	**0.86**	0.85	0.4	0.5	-1.0	-2.7
EUR/CHF	**0.97**	0.97	0.6	1.3	4.9	-1.9
USD/JPY	**151.62**	151.26	0.2	2.2	7.5	14.4
USD/CNY	**7.20**	7.20	0.0	0.1	1.4	4.7

Commodities	3/21	3/20	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**99.4**	99.2	0.2	0.4	0.8	-3.2
Brent (US$/barrel)	**85.8**	86.0	-0.2	0.4	11.3	13.9
TTF Natural Gas-1M Future (€/MWh)	**26.4**	27.7	-4.8	1.4	-18.4	-37.7
TTF Natural Gas-Dec.-24 Future (€/MWh)	**29.6**	30.3	-2.5	1.2	-22.8	-39.9
Gold (US$/ounce)	**2181.3**	2186.4	-0.2	0.9	5.7	12.4

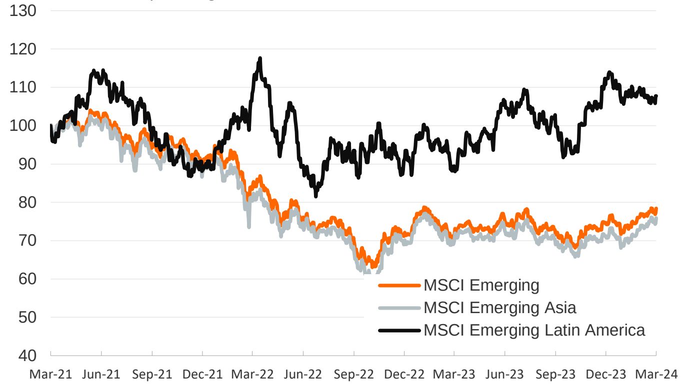
Main advanced stock markets

Index (100=Three years ago)



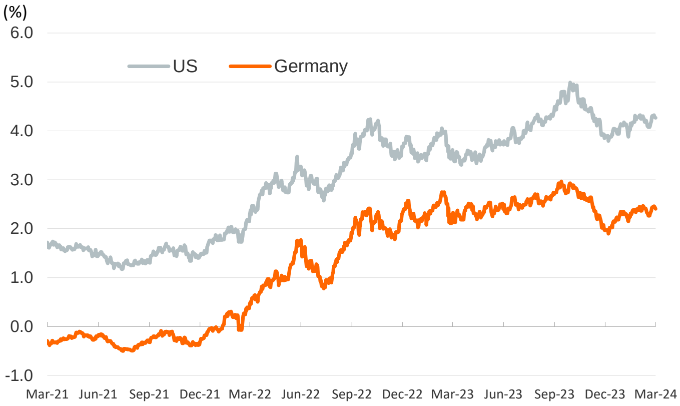
Emerging economies stock markets

Index (100=Three years ago)



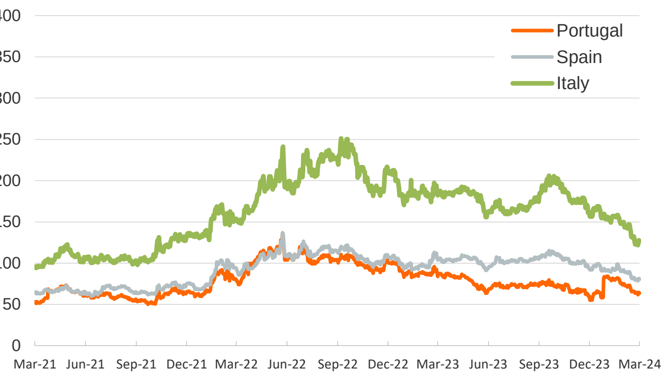
Yield on 10-year public debt: U.S. and Germany

(%)



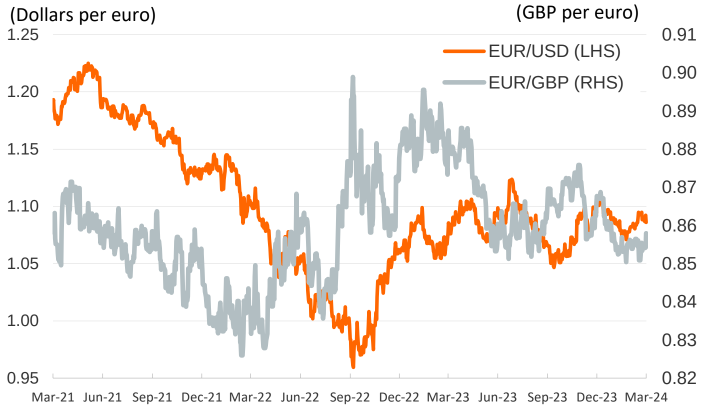
Risk Premium on 10-year debt: Italy, Spain and Portugal

(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)