

Good morning Treasury!

Apr 19, 2018

➔ Economy, stock market

On Wednesday stock market indices showed a slight increase except for Dow Jones, while European indices earned gains, thanks to favorable corporate earnings published in corporate earnings reporting season, currently coming into front rather than geopolitical tensions and negative effects of trade war. On Asian markets positive atmosphere is evolving currently.

➔ EURUSD

EURUSD was moving in the range of 1.2350 – 1.2400 on Wednesday, Final reading of March Eurozone inflation printed 1.3%, slightly below market expectations, but above level of 1.1% of February, leading to short term strengthening of euro. EURUSD was not affected significantly by publishing of Beige Book. Assessment of FED's decision makers does not indicate changes in tightening path of FED's monetary policy outlined earlier. According to the document, US economy continues to grow "modest and moderate", introduction of protective tariffs may not hinder it, but it has a negative impact on it as well as lack of skilled labor force. EURUSD rates are fluctuating above 1.2350 this morning

➔ EURHUF, USDHUF

On Wednesday, forint trading against euro was near 310.00, close to a two months peak, against USD fluctuating around 250.00-251.00. During morning hours, EURHUF rates are above 310.50 levels, and USDHUF rates were close to the closing price of yesterday.

➔ Commodities

Oil markets continued to rise, near to heights not seen since 2014, WTI per barrel is traded around \$ 68.75, Brent is near \$73.80/ barrel due to the fact that Saud Arabia wants to see crude oil prices in the range near \$80 or even \$100 a barrel, therefore it is unlikely that OPEC would change its supply cut measures by a daily amount of 1.8 million. Gold an ounce is traded around \$1356.00.

➔ Macro Calendar

Today, number of new applicants for unemployment benefits of last week in the USA will be published and retail sales data of March from United Kingdom will be published today.

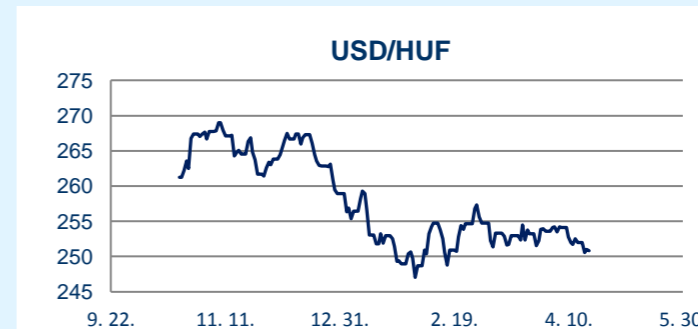
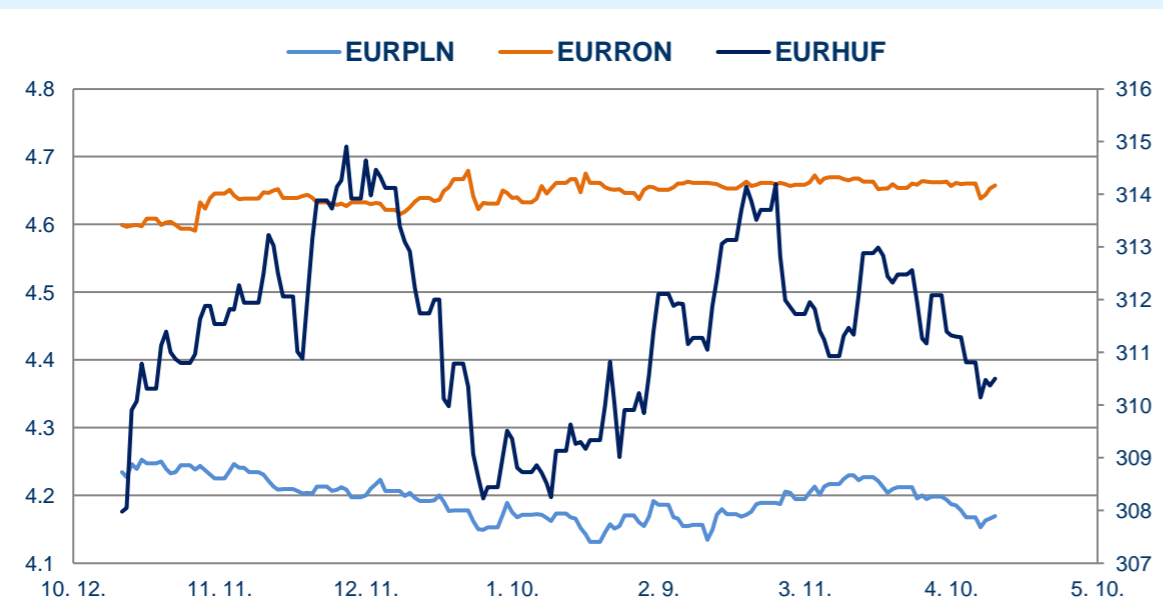
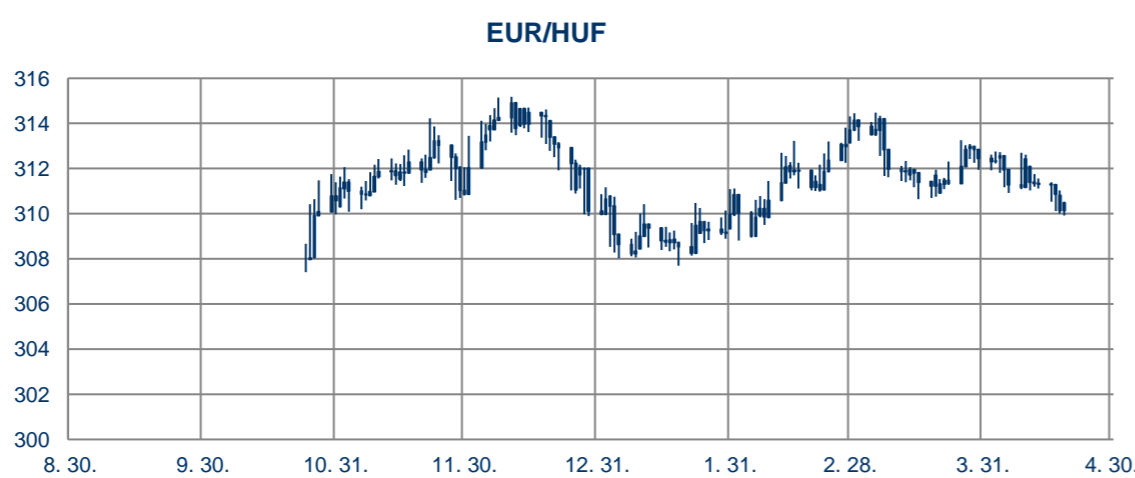
Spot FX rates			
9:57	Bid	Ask	Direction*
EURHUF	309.51	311.47	↗
USDHUF	249.88	251.47	↘
CHF/HUF	257.98	259.69	↘
EURUSD	1.2349	1.2424	↘
EURCHF	1.1959	1.2031	↘
EURGBP	0.8700	0.8753	↘
GBPHUF	354.54	357.02	↘
PLNHUF	74.22	74.71	↘
RONHUF	66.44	66.88	↗
CZKHUF	12.2205	12.3040	↗
EURPLN	4.1567	4.1828	↗
EURCZK	25.24	25.40	↗
JPYHUF	232.6699	234.3309	↗
TRYHUF	61.92	62.34	↗

*The current mid rate based on yesterday's close price

Forward FX swap			
9:57	EUR/HUF	USD/HUF	CHF/HUF
1 week	3.70	-12.50	5.75
1 month	9.50	-45.71	16.24
2 months	25.00	-98.94	28.42
3 months	29.50	-148.79	48.18
6 months	62.00	-306.67	98.24
9 months	75.00	-493.57	138.28
1 year	117.50	-668.57	186.64

Bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q1 18	310	254	1.2200
Q2 18	312	254	1.2300
Q3 18	313	253	1.2500
Q4 18	311	250	1.2600

K&H Bank forecast			
	EURHUF	USDHUF	EURUSD
2018.04.30	314	255	1.23
2018.05.31	311	255	1.22
2018.06.30	308	252	1.22
2018.07.31	310	250	1.24
2018.08.31	310	250	1.24
2018.09.30	310	246	1.26
2018.12.31	310	246	1.26
2019.03.31	305	242	1.26
2019.06.30	310	244	1.27



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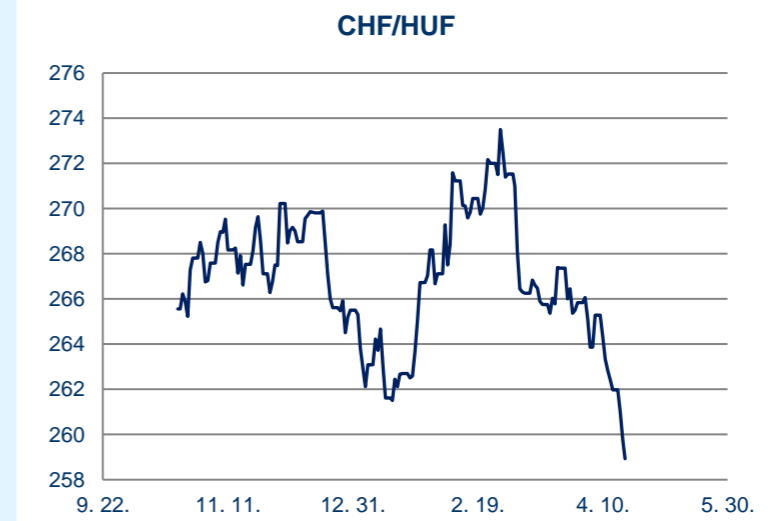
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Resource: Bloomberg

Base rates				
	current(%)	last decision	next decision	expected (%)
NBH	0.90	2018.03.27	2018.04.24	0.90
ECB	0.00	2018.03.08	2018.04.26	n.a.
SNB	-0.75	2017.12.14	N/A Field Not Applicat	n.a.
FED	1.75	2018.01.31	2018.05.02	1.75

Government bonds		
tenor	benchmark (%)	change (%)*
6 months	0.00	0.00
3 years	0.75	-3.85
10 years	2.43	-0.41
15 years	3.40	-0.29

Hungarian 5 year CDS price	
actual value:	#N/A N/A
last one year min:	0.00
last one year max:	0.00



* Based on opening and closing rates of yesterday

Interbank offered rates (%)					
	1 day	1 month	3 months	6 months	1 year
USD LIBOR	1.7038	1.8956	2.3554	2.5013	2.7461
CHF LIBOR	- 0.7820	- 0.7862	- 0.7332	- 0.6500	- 0.5234
BUBOR	-0.05	0.02	0.03	0.05	0.11
EURIBOR	- 0.3710	- 0.3710	- 0.3280	- 0.2700	- 0.1890
EUR LIBOR	- 0.4419	- 0.4016	- 0.3650	- 0.3237	- 0.2463
EONIA	value date:	2018.04.17	value:	-0.368	

Main international stock indices		
index	yesterday close	change (%)*
S&P 500	2,708.64	0.08
Dow Jones	24,748.07	-0.16
CAC 40	5,380.17	0.22
FTSE 100	7,317.34	0.23
Hang Seng	30,284.25	1.34
Nikkei 225	22,158.20	0.15

* Based on opening and closing rates of yesterday

HUF IRS (swap market rates, %)									
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
0.0800	0.2500	0.5075	0.7725	1.0150	1.2425	1.4650	1.6700	1.8688	2.0525

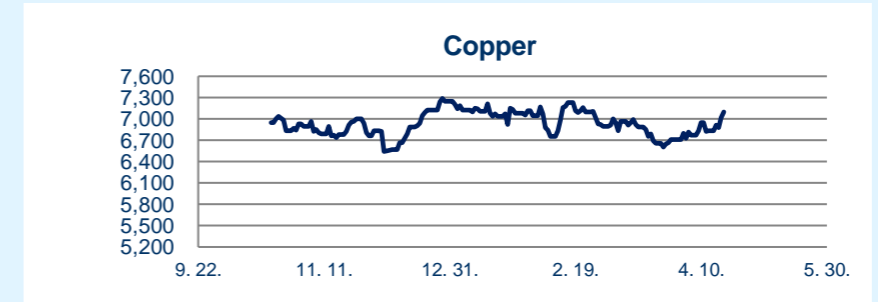
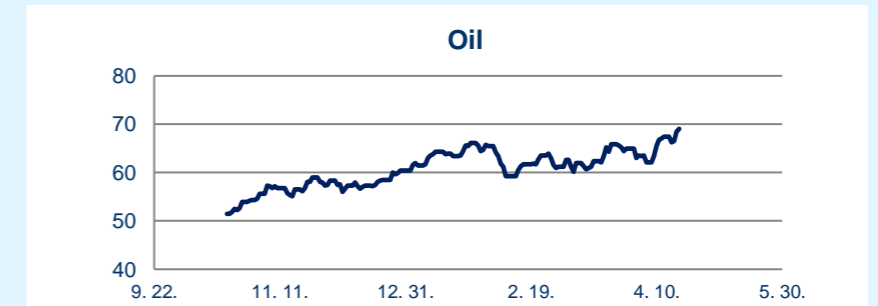
EUR IRS (swap market rates, %)									
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
- 0.2605	- 0.1435	0.0380	0.2240	0.3909	0.5355	0.6640	0.7793	0.8838	0.9767

Main macro economical data of Hungary				
	last date	y/y	next date	forecast
GDP (%)	2017.12.31	3.98	n.a.	n.a.
CPI (%)	2018.03.31	2.00	2018.05.09	n.a.
PPI (%)	2018.02.28	3.90	2018.05.03	n.a.
industrial output (%)	2018.02.28	4.10	2018.05.08	n.a.
rate of unemployment (%)	2018.02.28	3.80	2018.04.27	3.9
trade balance (m EUR)	2018.02.28	838.00	2018.05.03	n.a.
current account (EUR)	2017.12.31	0.58	n.a.	n.a.
retail sales (%)	2018.02.28	6.50	2018.05.04	n.a.

Commodity			
	oil* (USD/barrel)	gold (USD/ounce)	copper** (USD/ton)
price	69.04	1,353.42	7,094.50
52 week high	69.13	1,366.18	7,312.50
52 week low	44.34	1,204.68	5,462.50

* WTI next expiry

** LME 3-mth forward



Main macro economical data of the USA				
	last date	y/y	next date	forecast
GDP (%)	2017.12.31	2.60	2018.04.27	n.a.
CPI (%)	2018.03.31	2.40	2018.05.10	n.a.
PPI (%)	2018.03.31	3.00	2018.05.09	n.a.
industrial output (%)	2018.03.31	4.33	2018.05.16	n.a.
rate of unemployment (%)	2018.03.31	4.10	2018.05.04	4.00
trade balance (b USD)	2018.02.28	-57.591	2018.05.03	-56.4
current account (%)	2017.12.31	-2.36	n.a.	n.a.
retail sales (%)	2018.03.31	4.50	2018.05.15	n.a.

Main macro economical data of the Eurozone				
	last date	y/y	next date	forecast
GDP (%)	2017.12.31	2.80	2018.05.02	n.a.
CPI (%)	2018.03.31	1.30	2018.05.16	n.a.
PPI (%)	2018.02.28	1.60	2018.05.03	n.a.
industrial output (%)	2018.02.28	-0.80	2018.05.15	n.a.
rate of unemployment (%)	2018.02.28	8.50	2018.05.02	n.a.
trade balance (m EUR)	2018.02.28	18897.50	2018.05.17	n.a.
current account (%)	2018.01.31	37.56	2018.04.19	n.a.
retail sales (%)	2018.02.28	1.80	2018.05.04	n.a.

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