

Good Morning Treasury!

January 14, 2016



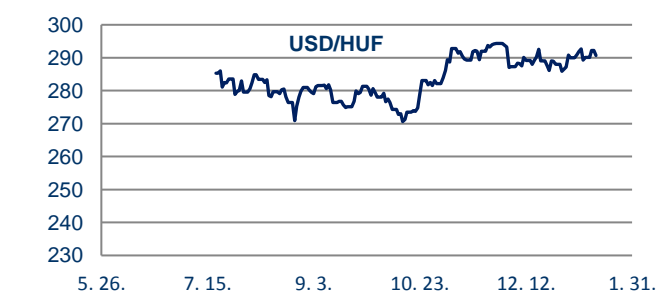
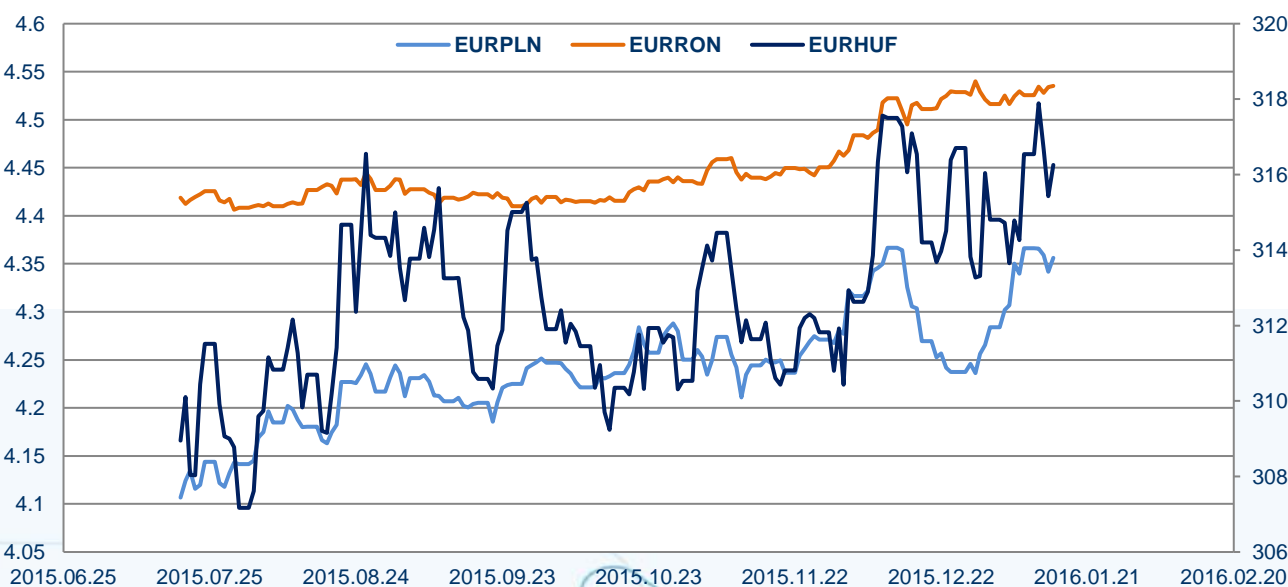
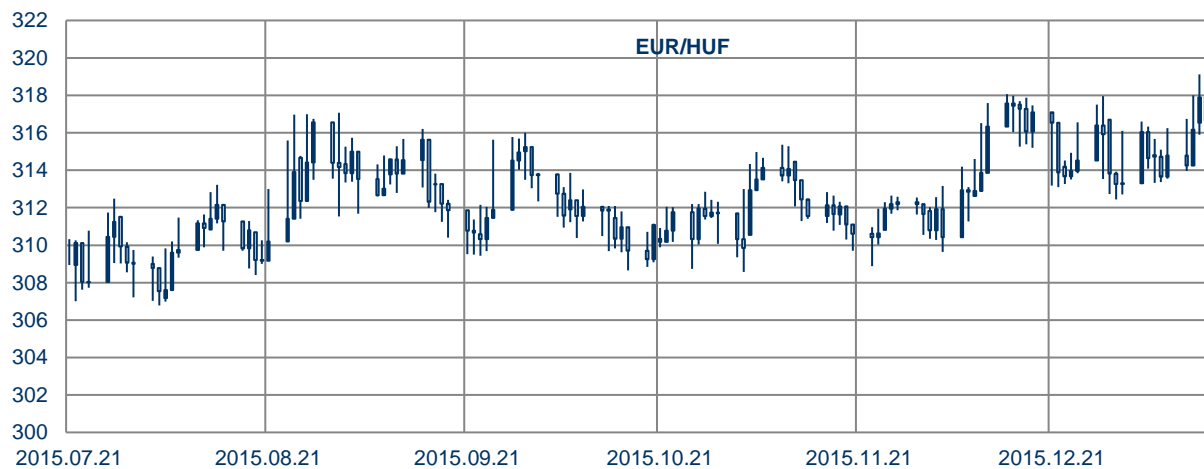
- **Most of the European equities finished the trading with slight increase on Wednesday** which was supported by better-than-expected Chinese macro data. **US stocks** could not hold their Tuesday's strengthening and due to the pessimistic mood they **closed with massive, more than 2% drop**.
- **The yesterday released Beige book showed mixed picture.** According to Fed's officials US economy expanded further moderately. While manufacturing, agriculture and energy sectors continue to struggle, consumption and real estate strengthen.
- **The euro-area industrial production growth decelerated from 1.9% to 1.1% in November YoY** and decreased by 0.7% on a monthly based. Overall the sector contributed to GDP increase of fourth quarter in 2015 but in slower pace. The capital goods dropped which suggested that investors' confidence had moderated about the sustainability of the economy recovery.
- **Oil prices were hit by renewed selling-off.** Brent dropped below 30 USD/barrel after that the investors started to concern about Iran's sanctions that may be lifted by Monday which could raise the oil glut.
- **HUF continued to strengthen against EUR** on Wednesday so the pair closed below its opening price around 315.40.
- Later today, US initial jobless claims will be posted, **Bank of England will hold a rate session and ECB will release its minutes.**

spot FX rates			
10:02	Bid	Ask	Direction*
EURHUF	315.53	317.64	↗
USDHUF	288.73	290.67	↘
CHFHUF	287.23	289.33	↘
EURUSD	1.0895	1.0962	↘
EURCHF	1.0945	1.1012	↘
EURGBP	0.7563	0.7610	↘
GBPHUF	415.90	418.73	↘
PLNHUF	72.34	72.85	↗
RONHUF	69.54	69.98	↗
CZKHUF	11.6636	11.7479	↗
EURPLN	4.3465	4.3745	↗
EURCZK	26.93	27.11	↘
JPYHUF	245.2520	247.0590	↗
TRYHUF	94.97	95.63	↗

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

forward FX swap			
10:02	EUR/HUF	USD/HUF	CHF/HUF
1 week	10.20	4.03	13.70
1 month	44.50	19.00	53.93
2 months	85.55	32.50	104.23
3 months	125.18	41.50	156.48
6 months	229.00	55.00	308.80
9 months	344.32	50.00	458.39
1 year	468.88	45.00	618.42

bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q1 16	312.00	294.50	1.06
Q2 16	312.00	302.00	1.05
Q3 16	314.50	301.50	1.05
Q4 16	313.50	300.50	1.06



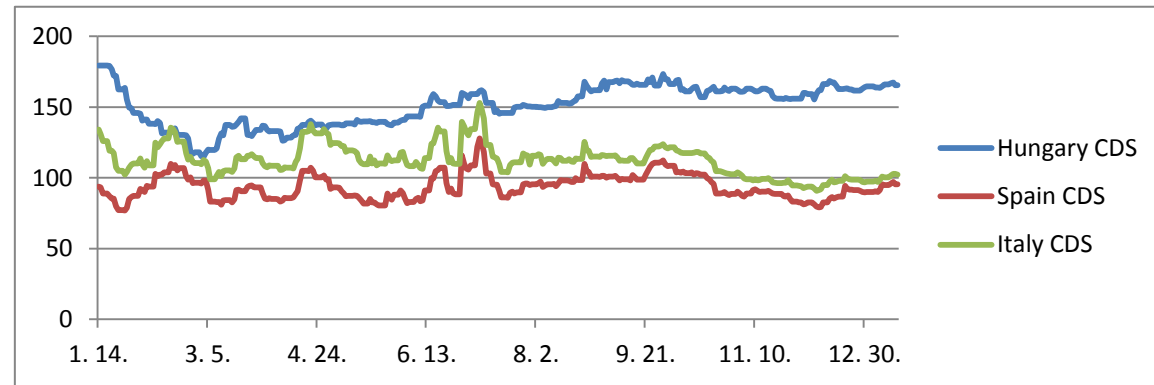
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base rates				
	current(%)	last decision	next decision	expected (%)
NBH	1.35	2015.12.15	2016.01.26	1.35
ECB	0.05	2015.12.03	2016.01.21	0.05
SNB	-0.75	2016.01.13	Field Not Applied	n.a.
FED	0.50	2016.01.13	2016.01.27	0.50



government bonds		
tenor	benchmark (%)	change (%)*
6 months	0.93	-11.43
3 years	1.76	-7.85
10 years	3.25	-2.40
15 years	3.81	-2.31

* Based on opening and closing rates of yesterday

Hungarian 5 year CDS price	
actual value:	166.22
last one year min:	114.69
last one year max:	179.36

interbank offered rates (%)					
	1 day	1 month	3 months	6 months	1 year
USD LIBOR	0.3661	0.4245	0.6236	0.8548	1.1561
CHF LIBOR	- 0.7710	- 0.7860	- 0.7490	- 0.6790	- 0.6016
BUBOR	1.27	1.35	1.35	1.35	1.35
EURIBOR	-	- 0.2200	- 0.1440	- 0.0540	0.0490
EUR LIBOR	- 0.2843	- 0.2193	- 0.1407	- 0.0579	0.0493
EONIA	value date:	2016.01.13	value:	-0.237	

main international stock indices		
index	yesterday close	change (%)*
S&P 500	1 890.28	-2.50
Dow Jones	16 151.41	-2.21
CAC 40	4 391.94	-1.56
FTSE 100	5 960.97	-1.28
Hang Seng	19 934.88	-0.59
Nikkei 225	17 715.63	-2.68

* Based on opening and closing rates of yesterday

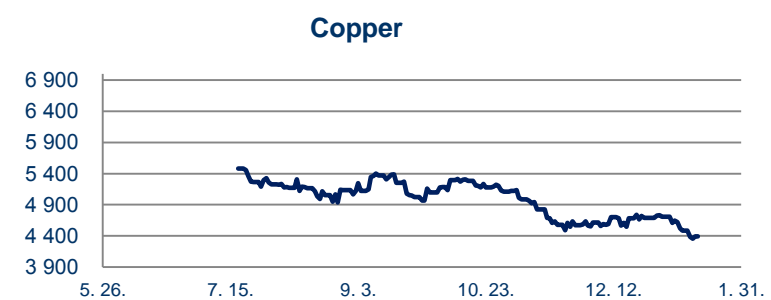
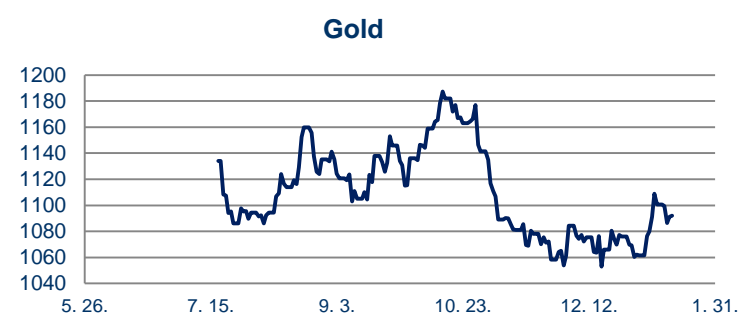
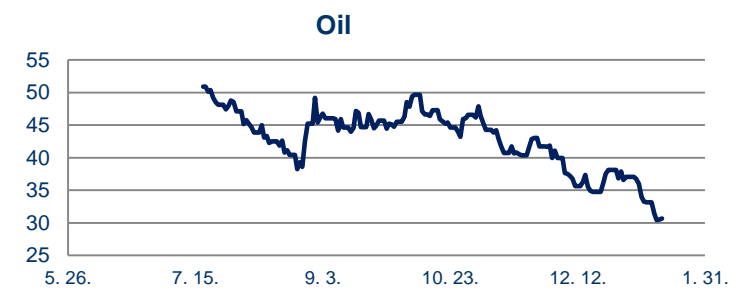
HUF IRS (swap market rates, %)									
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
1.3100	1.3400	1.4250	1.5700	1.7525	1.9400	2.1250	2.2975	2.4500	2.5725
EUR IRS (swap market rates, %)									
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
- 0.0830	- 0.0818	- 0.0160	0.0965	0.2255	0.3611	0.4918	0.6205	0.7415	0.8495

main macro economical data of Hungary				
	last date	y/y	next date	forecast
GDP (%)	2014.12.31	3.63	n.a.	n.a.
CPI (%)	2015.12.31	0.90	2016.01.14	0.9
PPI (%)	2015.11.30	-0.80	2016.01.29	n.a.
industrial output (%)	2015.11.30	7.00	2016.02.05	n.a.
rate of unemployment (%)	2015.12.31	6.20	2016.01.28	6.3
trade balance (m EUR)	2015.11.30	673.00	2016.02.02	n.a.
current account (EUR)	2015.09.30	6.20	n.a.	n.a.
retail sales (%)	2015.11.30	112.40	n.a.	n.a.

commodity			
	oil* (USD/barrel)	gold (USD/ounce)	copper** (USD/ton)
price	30.67	1 092.08	4 392.00
52 week high	65.61	1 307.98	6 481.00
52 week low	29.93	1 046.43	4 350.00

* WTI next expiry

** LME 3-mth forward



main macro economical data of the USA				
	last date	y/y	next date	forecast
GDP (%)	2015.09.30	2.10	2016.01.29	n.a.
CPI (%)	2015.11.30	0.50	2016.01.20	0.8
PPI (%)	2015.11.30	-3.20	2016.01.15	n.a.
industrial output (%)	2015.11.30	-1.17	n.a.	n.a.
rate of unemployment (%)	2015.12.31	5.00	2016.02.05	n.a.
trade balance (b USD)	2015.11.30	-42.374	2016.02.05	n.a.
current account (%)	2015.09.30	-2.53	n.a.	n.a.
retail sales (%)	2015.11.30	1.40	2016.01.15	n.a.

main macro economical data of the Eurozone				
	last date	y/y	next date	forecast
GDP (%)	2015.09.30	1.60	2016.02.12	n.a.
CPI (%)	2015.12.31	0.20	2016.01.21	n.a.
PPI (%)	2015.11.30	-3.20	2016.02.02	n.a.
industrial output (%)	2015.11.30	-0.70	2016.02.12	n.a.
rate of unemployment (%)	2015.11.30	10.50	2016.02.02	n.a.
trade balance (m EUR)	2015.10.31	24115.70	2016.01.15	23
current account (%)	2015.10.31	20.36	2016.01.19	n.a.
retail sales (%)	2015.11.30	1.40	2016.02.03	n.a.

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