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Good Morning Treasury!

Markets, economy

There was mixed sentiment overseas, with the Nasdaq (-2%) and S&P 500 (-0.88%) closing lower on Friday, but the Dow Jones managed to rise 0.56%, while growing pessimism that the Federal Reserve will soon cut interest rates also weighed on sentiment. The Eurostoxx 600 experienced a small loss, ending the day down 0.08%. Sentiment was bearish in the Hungarian market, with the BUX index falling 1%, largely due to news of a gasoline price freeze that hit Mol hard, down 2%, while among the remaining blue chips, OTP (-0.6%) and Richter (-1.1%) posted losses, and only Magyar Telekom managed to stay in the plus with a 0.5% rise.

EURUSD

At dawn on Friday, the dollar started to move towards the 1.06 level against the euro, but then the euro started to rally back, reaching the 1.0670 level with a huge momentum during the day, and then settled around 1.0660 by the end of the day. This morning, the pair is trading in the 1.0660-1.0670 range.

EURHUF, USDHUF

The forint had an unpleasant experience in the early hours of Friday, rising to around 396 against the euro and 373 against the dollar. The EURHUF exchange rate was above 395 in the middle of the day, but then the forint recovered and settled around 394.5. Against the dollar, the Hungarian currency managed to strengthen, but this was largely due to the euro's momentum, managing to go below 370 for a while, but by the end of the day the exchange rate was above 370. Against both currencies, the forint has found strength this morning, with the EURHUF below 394 and the USDHUF below 370.

Commodities

Oil rose slightly on Friday but posted a weekly decline after Iran downplayed an Israeli attack on its territory, a sign that it may avoid an escalation of hostilities in the Middle East. Brent settled at \$87.29 a barrel. May WTI closed at \$83.14 per barrel. The more active June closed at \$82.22 per barrel.

Macro calendar

It's going to be an exciting week on the macro front, with the NBH interest rate decision tomorrow, S&P Global Ratings presenting their new debt rating on Hungary on Friday, quarterly GDP data from the US, followed by the Federal Reserve's PCE inflation data.

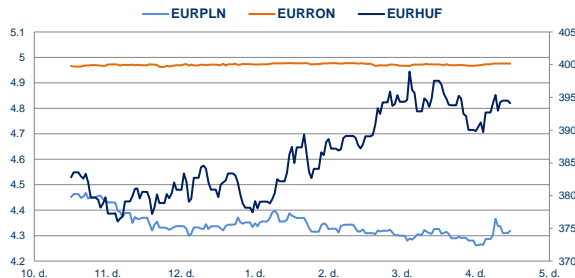
Spot FX rates			
9:46	Bid	Ask	Direction*
EURHUF	392.68	395.23	↓
USDHUF	368.50	370.92	↓
CHFHUF	404.76	407.40	↓
EURUSD	1.06	1.07	↓
EURCHF	0.97	0.97	↓
EURGBP	0.86	0.86	↓
GBPUSD	455.24	458.55	↑
PLNHUF	90.90	91.53	↑
RONHUF	78.90	79.47	↓
CZKHUF	15.55	15.66	↑
EURPLN	4.31	4.33	↑
EURCZK	25.17	25.33	↓
JPYHUF	238.32	239.88	↓
TRYHUF	11.31	11.38	↓

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

Forward FX swap			
9:46	EUR/HUF	USD/HUF	CHF/HUF
1 week	32	18	6
1 month	119	68	211
2 months	233	125	417
3 months	333	169	609
6 months	656	305	1198
9 months	989	425	1793
1 year	1329	560	2374

Bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q1 24	375	357	1.0900
Q2 24	395	371	1.0700
Q3 24	386	374	1.0800
Q4 24	402	369	1.0900

K&H Bank forecast			
	EURHUF	USDHUF	EURUSD
2024.01.31	384	348	1.10
2024.02.29	383	346	1.11
2024.03.31	382	344	1.11
2024.04.30	383	344	1.11
2023.05.31	384	344	1.12
2024.06.30	385	344	1.12
2024.09.30	387	342	1.13
2024.12.31	392	347	1.13



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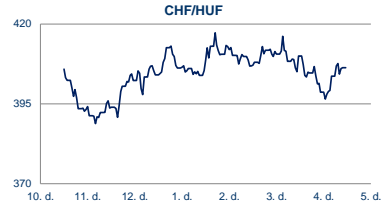
Base rates				
	current(%)	last decision	next decision	expected (%)
NBH	8.25	2024.03.26	2024.04.23	7.75
ECB	4.50	2024.04.11	2024.06.06	n.a.
SNB	-0.75	2021.12.31	I/A Field Not Applicat	n.a.
FED	5.50	2024.04.19	2024.05.01	5.50

Government bonds		
tenor	benchmark (%)	change (%)*
6 months	6.88	0.00
3 years	7.25	0.55
10 years	#N/A Connection	0.28
15 years	7.11	0.28

* Based on opening and closing rates of yesterday

Hungarian 5 year CDS price	
actual value:	80.51
last one year min:	74.80
last one year max:	94.26

EONIA	
value date:	2021.12.31
value:	-0.505



Interbank offered rates (%)					
	1 day	1 month	3 months	6 months	1 year
USD LIBOR	5.0616	5.4314	5.5880	5.7312	6.0414
CHF LIBOR	-0.7786	-0.7754	-0.7530	-0.7028	-0.5532
BUBOR	8.2500	7.9800	7.6800	7.4700	7.2200
EURIBOR	3.8370	3.8920	3.8460	3.8460	3.7320
EUR LIBOR	-0.6496	-0.6194	-0.5806	-0.5560	-0.4857

Main international stock indices		
index	yesterday close	change (%)*
S&P 500	4 967.23	-0.88
Dow Jones	37 986.40	0.56
CAC 40	8 022.41	0.24
FTSE 100	7 895.85	1.16
Hang Seng	16 224.14	1.91
Nikkei 225	37 068.35	1.00

* 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
7.3675	7.1100	7.0400	7.0050	6.9900	6.9800	6.9807	7.0025	7.0450	7.0700

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
3.6804	3.3205	3.1131	2.9815	2.8995	2.8514	2.8231	2.8088	2.8035	2.8040

Main macro economical data of Hungary				
	last date	y/y	next date	forecast
GDP (%)	2023.12.31	-0.93	n.a.	n.a.
CPI (%)	2024.03.31	3.60	2024.05.10	n.a.
PPI (%)	2024.02.29	-4.30	2024.04.30	n.a.
industrial output (%)	2024.02.29	1.40	2024.05.08	n.a.
rate of unemployment (%)	2024.02.29	4.70	2024.04.26	n.a.
trade balance (m EUR)	2024.02.29	1652.00	2024.05.02	n.a.
current account (EUR)	2023.12.31	0.22	n.a.	n.a.
retail sales (%)	2024.02.29	1.10	2024.05.07	n.a.

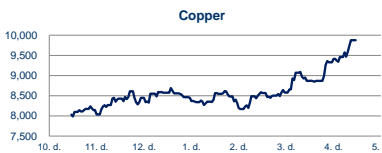
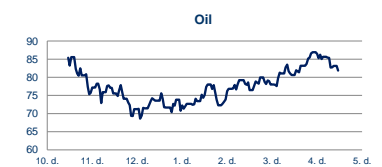
Main macro economical data of the USA				
	last date	y/y	next date	forecast
GDP (%)	2023.12.31	3.10	2024.04.25	n.a.
CPI (%)	2024.03.31	3.50	2024.05.15	n.a.
PPI (%)	2024.03.31	1.90	2024.05.14	n.a.
industrial output (%)	2024.03.31	0.00	2024.05.16	n.a.
rate of unemployment (%)	2024.03.31	3.80	2024.05.03	3.80
trade balance (b USD)	2024.02.29	-68.901	2024.05.02	-67.3
current account (%)	2023.12.31	-2.93	n.a.	n.a.
retail sales (%)	2024.03.31	4.00	2024.05.15	n.a.

Main macro economical data of the Eurozone				
	last date	y/y	next date	forecast
GDP (%)	2023.12.31	0.10	2024.04.30	n.a.
CPI (%)	2024.03.31	2.40	2024.05.17	n.a.
PPI (%)	2024.02.29	-8.30	2024.05.06	n.a.
industrial output (%)	2024.02.29	0.80	2024.05.15	n.a.
rate of unemployment (%)	2024.02.29	6.50	2024.05.03	n.a.
trade balance (m EUR)	2024.02.29	23607.10	2024.05.21	n.a.
current account (%)	2024.02.29	29.45	2024.05.21	n.a.
retail sales (%)	2024.02.29	-0.70	2024.05.07	n.a.

Commodity		
	oil* (USD/barrel)	gold (USD/ounce)
price	81.85	2 359.11
52 week high	87.67	2 431.52
52 week low	65.18	1 810.51
		7 856.00

* WTI next expiry

** LME 3-mth forward



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