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Good Morning Treasury!

Markets, economy

All three major US indices ended the last trading day of the previous week with modest gains. The S&P 500 finished up 0.2%, while the Dow and NASDAQ were up 0.1%. US stock markets can thus look back on a struggling week with a difficult start. In the eurozone, Friday's session was marked by negative inflation data. The STOXX 600 closed 0.3% below Thursday's close. In Hungary, the BUX was able to post a positive performance, with the domestic index up 1.0% thanks to gains in Magyar Telekom and OTP shares.

EURUSD

The timing of interest rate cuts by the Fed and the ECB remains uncertain, which is still one of the main causes of the recent equity and currency price fluctuations. The dollar has retraced the previous week's strength, its exchange rate against the euro is currently trading at 1.0933.

EURHUF, USDHUF

Compared to last week, the forint has strengthened and is currently stable against both the dollar and the euro, with minimal fluctuations. The dollar-forint exchange rate is hovering between 345.00 and 346.00, while the euro-forint is approaching the 377.50 level and could possibly strengthen further.

Commodities

Oil prices fell by more than 1% on Monday after Saudi Arabia's sharp price cuts and the OPEC+ producer group increased its supply. This offset investors' concerns about geopolitical tensions in the Middle East. Brent crude fell 0.93 percent or 73 cents, to \$78.03 a barrel at 7am this morning, while US West Texas Intermediate crude futures fell 1.04%, or 77 cents, to \$73.04 a barrel.

Macro calendar

Inflation figures for Europe were released on Friday and this week they will also be published for the United States and Hungary.

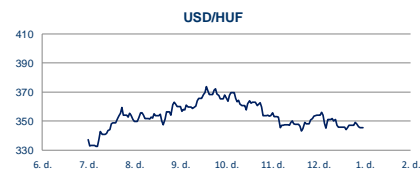
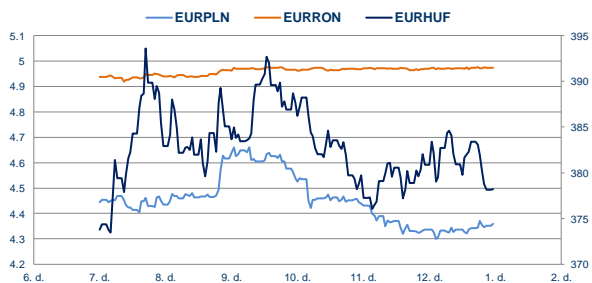
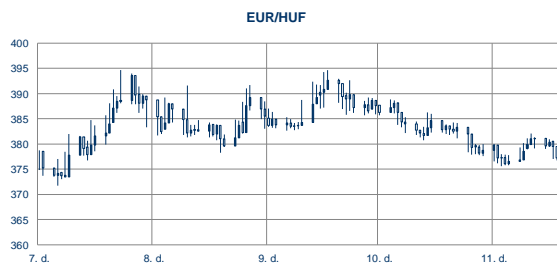
Spot FX rates			
9:48	Bid	Ask	Direction*
EURHUF	376.90	379.46	↗
USDHUF	344.69	347.02	↗
CHFHF	405.28	408.06	↗
EURUSD	1.09	1.10	↘
EURCHF	0.93	0.93	↘
EURGBP	0.86	0.86	↘
GBPHUF	437.40	440.62	↗
PLNHUF	86.47	87.09	↗
RONHUF	75.76	76.35	↘
CZKHUF	15.30	15.41	↗
EURPLN	4.34	4.37	↗
EURCZK	24.55	24.70	↘
JPYHUF	238.53	240.15	↘
TRYHUF	11.52	11.60	↗

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

Forward FX swap			
9:48	EUR/HUF	USD/HUF	CHF/HUF
1 week	46	33	6
1 month	205	142	307
2 months	351	235	538
3 months	499	325	775
6 months	826	490	1346
9 months	1095	590	1825
1 year	1296	610	2202

Bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q4 23	384	358	1.0700
Q1 24	385	350	1.1000
Q2 24	386	352	1.1000
Q3 24	385	350	1.1100

K&H Bank forecast			
	EURHUF	USDHUF	EURUSD
2023.12.31	385	350	1.10
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
2024.05.31	384	344	1.12
2024.06.30	385	344	1.12



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Base rates				
	current(%)	last decision	next decision	expected (%)
NBH	10.75	2023.12.19	2024.01.30	n.a.
ECB	4.50	2023.12.14	2024.01.25	n.a.
SNB	-0.75	2021.12.31	VA Field Not Applicab	n.a.
FED	5.50	2024.01.05	2024.01.31	5.50

Government bonds		
tenor	benchmark (%)	change (%)*
6 months	7.05	1.00
3 years	6.40	1.11
10 years	6.17	1.31
15 years	6.41	1.10

* 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	5.4537	5.5909	5.6211	6.0414
CHF LIBOR	-0.7786	-0.7754	-0.7530	-0.7028	-0.5532
BUBOR	10.7500	10.5600	9.9300	9.5000	8.9600
EURIBOR		3.8780	3.9360	3.9120	3.5840
EUR LIBOR	-0.6496	-0.6194	-0.5806	-0.5560	-0.4857

Main international stock indices		
index	yesterday close	change (%)*
S&P 500	4 697.24	0.18
Dow Jones	37 466.11	0.07
CAC 40	7 420.69	-0.04
FTSE 100	7 689.61	-0.28
Hang Seng	16 535.33	-1.88
Nikkei 225	33 377.42	0.27

* Based on opening and closing rates of yesterday

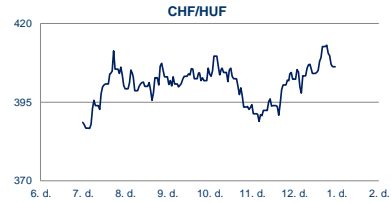
HUF IRS (swap market rates, %)									
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
7.8700	6.4400	5.9900	5.7800	5.7000	5.7000	5.7300	5.7800	5.8300	5.8800

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
3.5676	2.9609	2.7210	2.6230	2.5850	2.5742	2.5780	2.5885	2.6035	2.6215

Main macro economical data of Hungary				
	last date	y/y	next date	forecast
GDP (%)	2022.12.31	4.78	n.a.	n.a.
CPI (%)	2023.11.30	7.90	2024.01.12	5.9
PPI (%)	2023.11.30	-6.60	2024.01.31	n.a.
industrial output (%)	2023.10.31	-2.80	2024.01.09	-1.44
rate of unemployment (%)	2023.11.30	4.30	2024.01.26	n.a.
trade balance (m EUR)	2023.11.30	1717.90	2024.02.01	n.a.
current account (EUR)	2023.09.30	-2.14	n.a.	n.a.
retail sales (%)	2023.11.30	-5.40	2024.01.08	-6.13

Main macro economical data of the USA				
	last date	y/y	next date	forecast
GDP (%)	2023.09.30	2.90	2024.01.25	n.a.
CPI (%)	2023.11.30	3.10	2024.01.11	3.2
PPI (%)	2023.11.30	-0.90	2024.01.12	n.a.
industrial output (%)	2023.11.30	-0.39	2024.01.17	n.a.
rate of unemployment (%)	2023.12.31	3.70	2024.02.02	n.a.
trade balance (b USD)	2023.10.31	-64.255	2024.01.09	-64.95
current account (%)	2023.09.30	-3.07	n.a.	n.a.
retail sales (%)	2023.11.30	4.10	2024.01.17	n.a.

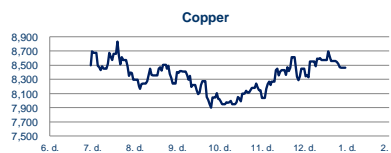
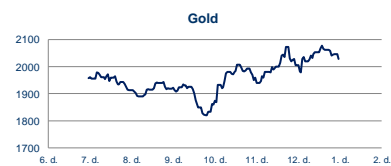
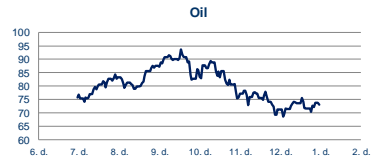
Main macro economical data of the Eurozone				
	last date	y/y	next date	forecast
GDP (%)	2023.09.30	0.00	2024.01.30	n.a.
CPI (%)	2023.12.31	2.90	2024.01.17	n.a.
PPI (%)	2023.11.30	-8.80	2024.02.05	n.a.
industrial output (%)	2023.10.31	-0.70	2024.01.15	n.a.
rate of unemployment (%)	2023.10.31	6.50	2024.01.09	6.50
trade balance (m EUR)	2023.10.31	11091.00	2024.01.15	n.a.
current account (%)	2023.10.31	33.80	2024.01.18	n.a.
retail sales (%)	2023.10.31	-1.20	2024.01.08	-1.5



Commodity			
	oil* (USD/barrel)	gold (USD/ounce)	copper** (USD/ton)
price	73.07	2 028.55	8 463.00
52 week high	88.21	2 135.39	9 550.50
52 week low	64.24	1 804.92	7 856.00

* WTI next expiry

** LME 3-mth forward



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