

Good Morning Treasury!

January 5, 2016



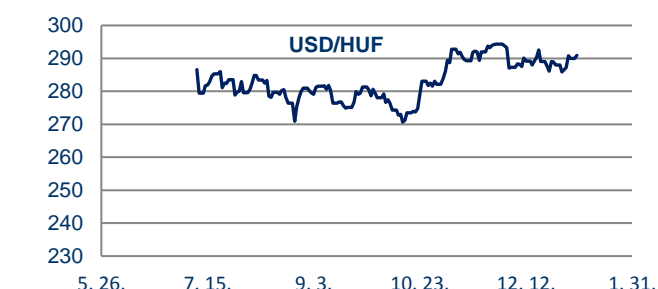
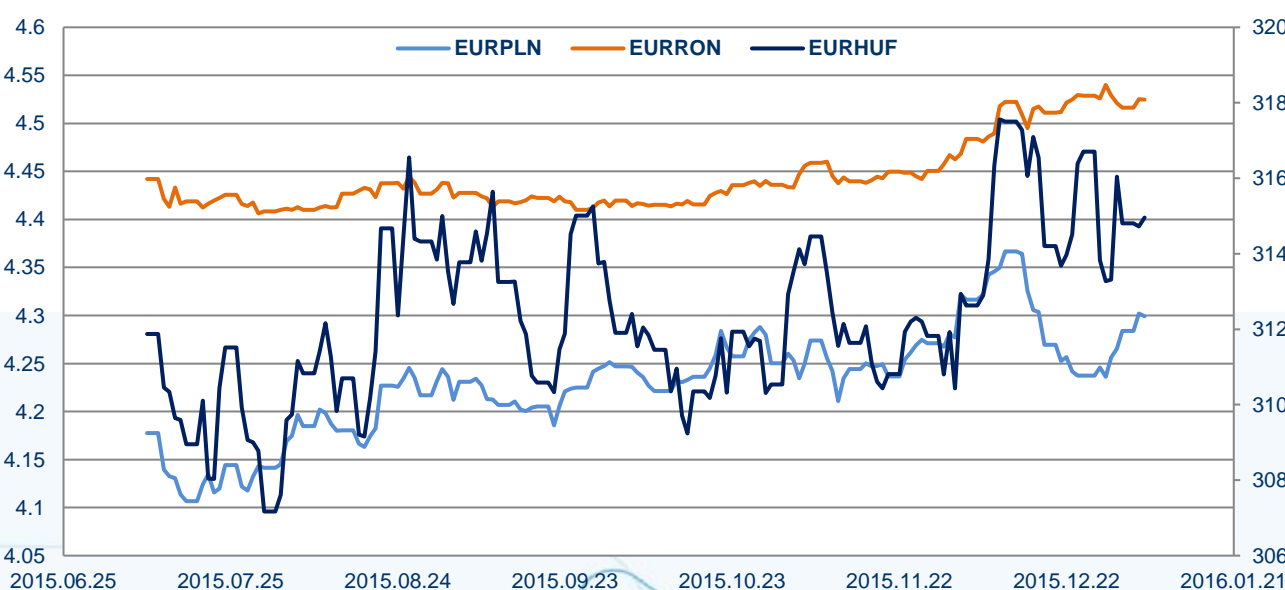
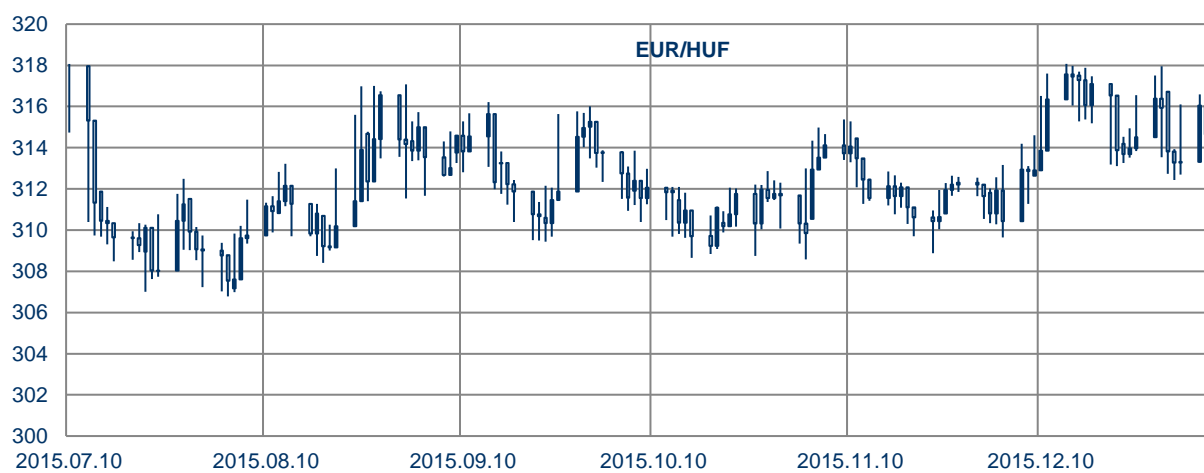
- ➔ **The renewed fears of Chinese slowdown and increasing tensions between Saudi Arabia and Iran had negative effect on the sentiment of this year's first trading day.** As a consequence, massive drops were seen on global equities. DAX fell more than 4% and US main shares indexes closed by 1.5-2% in negative territory.
- ➔ **After yesterday's huge decline of stocks the Chinese central bank interfered again to the regulation of the financial system.** The institution offered 130 billion yuan of seven-day reverse repos at an interest rate of 2.25%.
- ➔ **US ISM manufacturing index could not beat the expectations** and fell further from 48.6 in November to 48.2 in December. The drop was driven by falling new orders and production measures. The figure was below 50 for the second consecutive month which refers to the contraction of the sector.
- ➔ **Oil prices closed with losses the yesterday's volatile trading despite the conflict between Saudi Arabia and Iran.** It can be owed to that potential prices increase relative to geopolitical tensions was outweighed by concerns about significant supply. (Brent and WTI traded around 37.0 and 36.6 USD/barrel this morning)
- ➔ HUF could give back its initial weakening against EUR yesterday so **EUR/HUF closed around its opening level (314.70).**
- ➔ Today's eco calendar contains **inflation data in Eurozone and unemployment rate in Germany.**

spot FX rates			
9:50	Bid	Ask	Direction*
EURHUF	313.80	315.99	↗
USDHUF	290.66	292.70	↘
CHF/HUF	289.09	291.13	↗
EURUSD	1.0764	1.0829	↗
EURCHF	1.0821	1.0888	↘
EURGBP	0.7332	0.7377	↘
GBPHUF	426.66	429.67	↗
PLNHUF	72.82	73.37	↗
RONHUF	69.39	69.87	↗
CZKHUF	11.6098	11.6963	↗
EURPLN	4.2946	4.3221	↗
EURCZK	26.93	27.11	↗
JPYHUF	243.5173	245.3840	↗
TRYHUF	97.81	98.51	↘

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

forward FX swap			
9:50	EUR/HUF	USD/HUF	CHF/HUF
1 week	13.75	6.51	13.70
1 month	51.29	23.25	63.26
2 months	88.03	37.00	109.09
3 months	126.62	48.00	163.24
6 months	244.90	70.00	320.75
9 months	362.22	71.17	477.97
1 year	489.20	74.72	648.64

bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q4 15	312.00	295.00	1.06
Q1 16	312.00	296.00	1.05
Q2 16	312.00	303.00	1.05
Q3 16	314.00	302.50	1.05



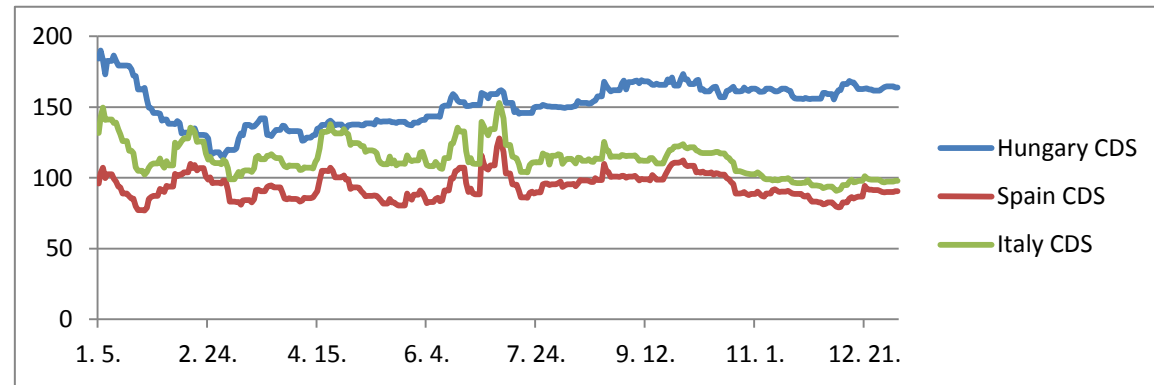
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base rates				
	current(%)	last decision	next decision	expected (%)
NBH	1.35	2015.12.15	2016.01.26	n.a.
ECB	0.05	2015.12.03	2016.01.21	n.a.
SNB	-0.75	2016.01.01	Field Not Applied	n.a.
FED	0.50	2016.01.01	2016.01.27	0.50



government bonds		
tenor	benchmark (%)	change (%)*
6 months	0.87	2.35
3 years	2.11	0.00
10 years	3.33	0.30
15 years	3.88	-0.26

* Based on opening and closing rates of yesterday

Hungarian 5 year CDS price	
actual value:	165.88
last one year min:	114.69
last one year max:	190.10

interbank offered rates (%)					
	1 day	1 month	3 months	6 months	1 year
USD LIBOR	0.2745	0.4295	0.6127	0.8462	1.1780
CHF LIBOR	- 0.7830	- 0.7980	- 0.7560	- 0.6896	- 0.5916
BUBOR	1.93	1.36	1.35	1.35	1.35
EURIBOR	-	- 0.2100	- 0.1320	- 0.0410	0.0580
EUR LIBOR	- 0.2814	- 0.2043	- 0.1279	- 0.0386	0.0593
EONIA	value date:	2015.12.31	value:	-0.127	

main international stock indices		
index	yesterday close	change (%)*
S&P 500	2 043.94	-0.94
Dow Jones	17 425.03	-1.02
CAC 40	4 637.06	-2.97
FTSE 100	6 242.32	-2.60
Hang Seng	21 914.40	-2.68
Nikkei 225	19 033.71	-3.06

* Based on opening and closing rates of yesterday

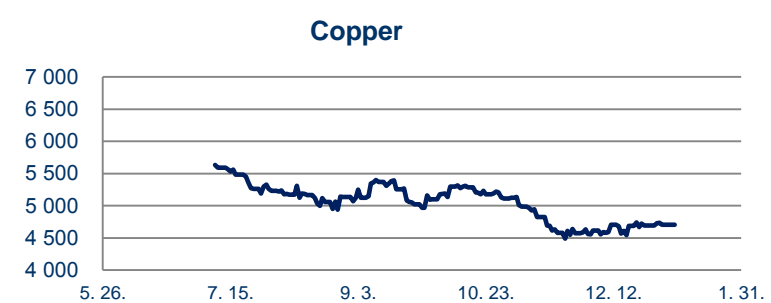
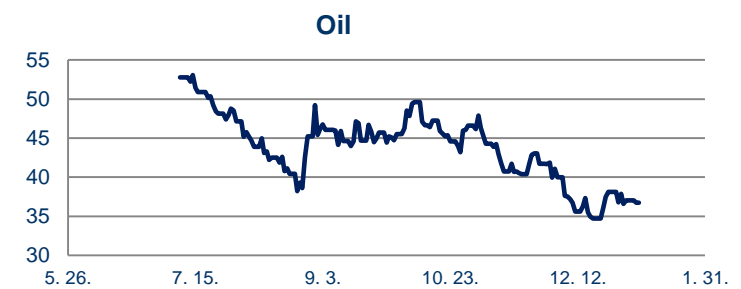
HUF IRS (swap market rates, %)									
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
1.3350	1.4325	1.5775	1.7600	1.9800	2.2000	2.3975	2.5650	2.7100	2.8300
EUR IRS (swap market rates, %)									
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
- 0.0640	- 0.0438	0.0420	0.1618	0.2923	0.4288	0.5657	0.6963	0.8193	0.9305

main macro economical data of Hungary				
	last date	y/y	next date	forecast
GDP (%)	2014.12.31	3.63	n.a.	n.a.
CPI (%)	2015.11.30	0.50	2016.01.14	n.a.
PPI (%)	2015.10.31	-1.30	2016.01.06	n.a.
industrial output (%)	2015.10.31	12.70	2016.01.08	n.a.
rate of unemployment (%)	2015.10.31	6.40	2016.01.05	6.3
trade balance (m EUR)	2015.10.31	605.00	2016.01.08	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	37.25	1 072.22	4 705.00
52 week high	65.61	1 307.98	6 481.00
52 week low	35.35	1 046.43	4 443.50

* 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	n.a.
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 (%)	2015.11.30	5.00	2016.01.08	5.00
trade balance (b USD)	2015.10.31	-43.891	2016.01.06	-44
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 (%)	2015.11.30	0.20	2016.01.21	n.a.
PPI (%)	2015.10.31	-3.10	2016.01.06	-3.20
industrial output (%)	2015.10.31	0.60	2016.01.13	n.a.
rate of unemployment (%)	2015.10.31	10.70	2016.01.07	10.70
trade balance (m EUR)	2015.10.31	24115.70	2016.01.15	n.a.
current account (%)	2015.10.31	20.36	2016.01.19	n.a.
retail sales (%)	2015.10.31	2.50	2016.01.07	2

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