

# Good Morning Treasury!

January 11, 2016



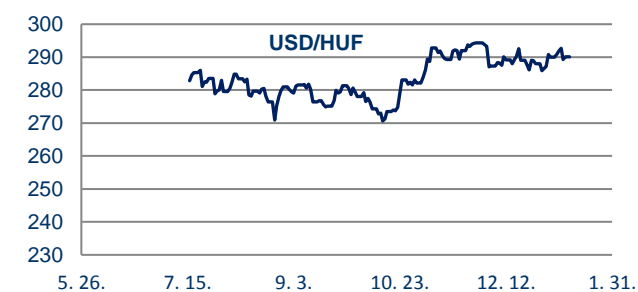
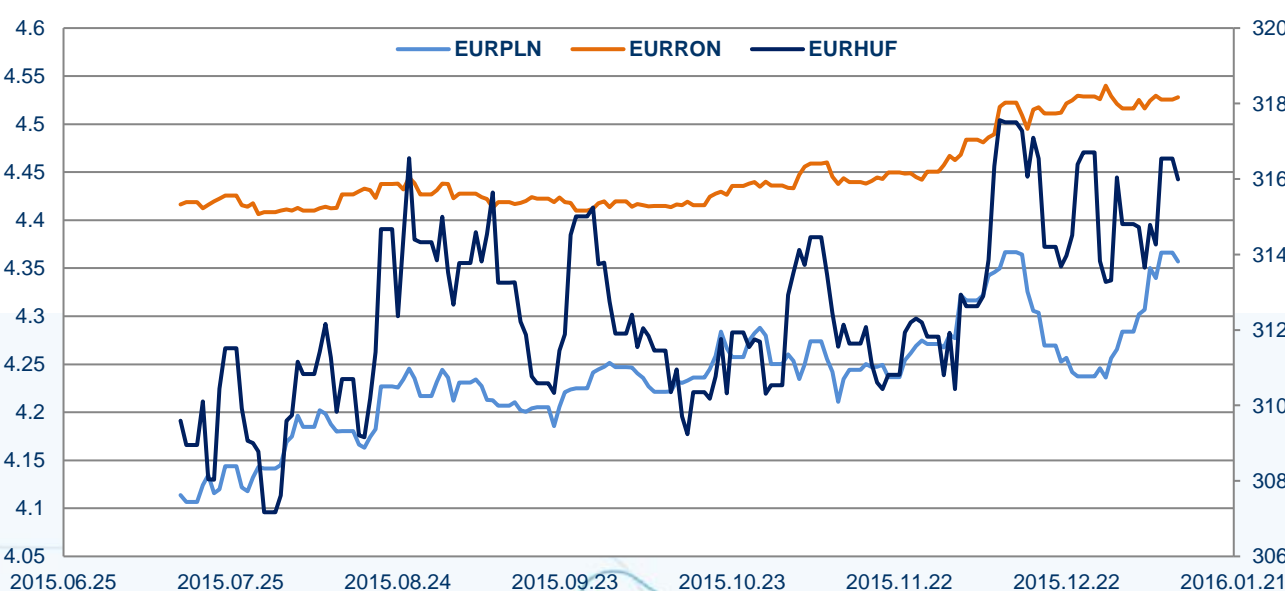
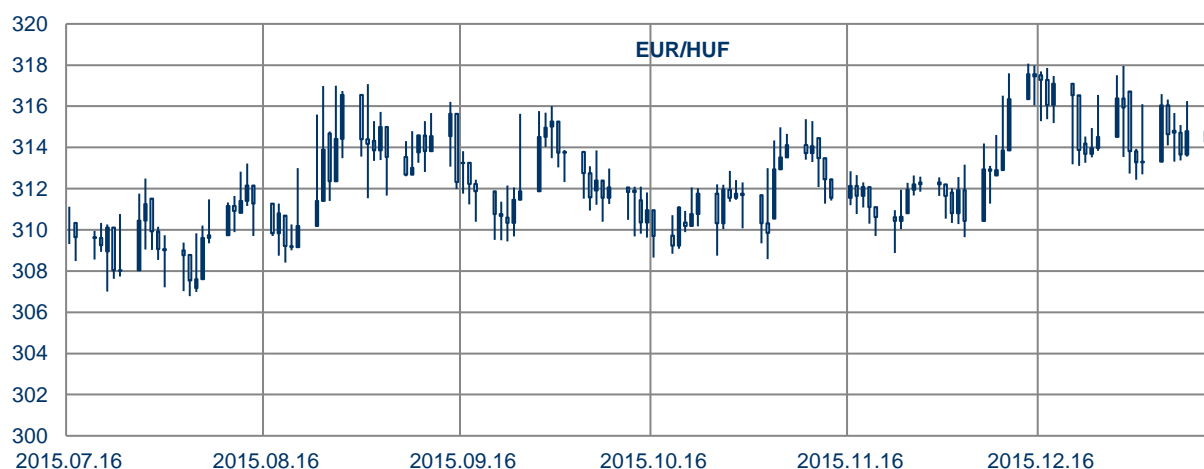
- **European markets dropped on the last trading day of the week.** Initially, the favourable macro data and Chinese papers' rise supported the US shares but because of the oil prices decline, **the overseas indexes turned to fall again.** Asian shares traded in red overnight, Shanghai Composite index was around -5%.
- **The labour market data released on Friday exceeded the expectations in the USA.** 292 thousands new jobs were created in December despite the anticipated 200 thousands by analysts. The unemployment rate held at low level 5% which bolsters that US labour market is stable and hereby rate-hike cycle may continue. After the data release USD started to strengthen and EUR/USD sunk around 1.0805 where the pair headed north again.
- **Chinese consumer price index accelerated from 1.5% to 1.6%YoY** in December which was supported by rising food prices. The inflation remained further significantly below the inflation target in 2015 in China leaving more room to add more stimulus.
- **Oil prices were again under pressure** on Friday and continued to drop in today's trading. (Brent and WTI traded around 32.7 and 32.4 USD/barrel this morning)
- **During the week** besides the US macro data **Fed is going to release its Beige book** in which the current economy will be evaluated. Furthermore, **ECB's minutes will be posted** on Thursday.
- **Today's eco calendar is empty.** After the close of US equities Alcoa will publish its Q4 results, starting the Q4 corporate earnings season.

spot FX rates			
10:02	Bid	Ask	Direction*
EURHUF	315.15	317.34	↓
USDHUF	289.47	291.48	↑
CHF/HUF	290.10	292.16	↓
EURUSD	1.0854	1.0921	↑
EURCHF	1.0830	1.0897	↑
EURGBP	0.7450	0.7496	↑
GBPHUF	421.70	424.67	↓
PLNHUF	72.27	72.81	↓
RONHUF	69.62	70.10	↓
CZKHUF	11.6596	11.7474	↓
EURPLN	4.3452	4.3733	↓
EURCZK	26.94	27.11	↑
JPYHUF	245.5910	247.5103	↓
TRYHUF	95.95	96.64	↓

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

forward FX swap			
10:02	EUR/HUF	USD/HUF	CHF/HUF
1 week	9.54	3.83	13.70
1 month	43.35	16.42	55.29
2 months	79.50	28.50	100.55
3 months	119.00	40.00	155.50
6 months	247.50	68.50	316.12
9 months	376.50	75.73	481.65
1 year	498.25	73.00	647.94

bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q1 16	312.50	294.50	1.06
Q2 16	312.50	303.00	1.05
Q3 16	315.00	303.50	1.06
Q4 16	316.00	302.00	1.07



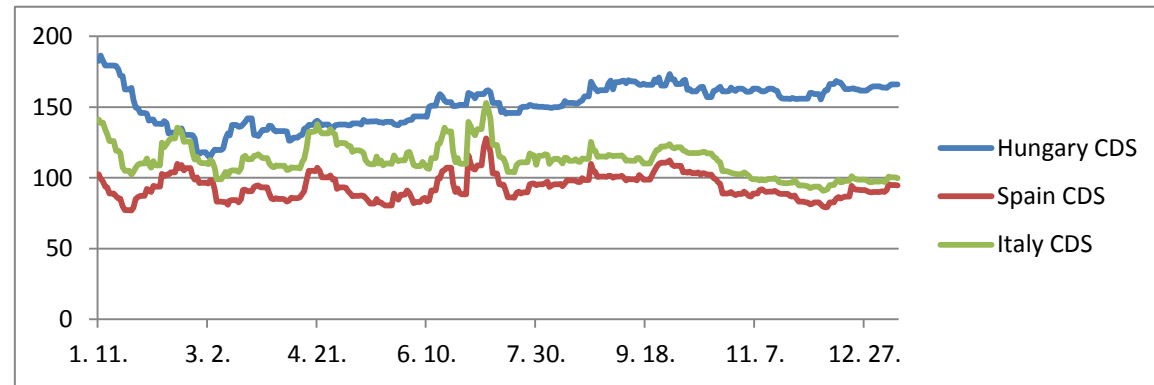
This document is published for information purposes only and does not represent a solicitation to deal in the instruments described. While the information given is believed to be reliable, K&H Bank cannot guarantee its accuracy or completeness, and accepts no responsibility whatsoever (including but not limited any loss, cost, litigation costs, indirect or special loss suffered by any company or other person) resulting from any company or other person trading on its basis. K&H Bank may have positions in or options on the securities mentioned herein which may change at any time. Opinions expressed are given in good faith, but are subject to change without notice. Should you have any questions concerning the content of this newsletter, please do not hesitate to contact Roxána Kosztelnik (roxana.kosztelnik@kh.hu).

➤ K&H TeleCenter (06 1/20/30/70) 335 3355  
➤ www.kh.hu ➤ bank@kh.hu



a KBC csoport tagja

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	n.a.
SNB	-0.75	2016.01.08	Field Not Applied	n.a.
FED	0.50	2016.01.08	2016.01.27	0.50



government bonds		
tenor	benchmark (%)	change (%)*
6 months	1.05	-0.94
3 years	2.06	0.00
10 years	3.41	2.40
15 years	3.98	1.79

\* Based on opening and closing rates of yesterday

Hungarian 5 year CDS price	
actual value:	166.07
last one year min:	114.69
last one year max:	186.44

interbank offered rates (%)					
	1 day	1 month	3 months	6 months	1 year
USD LIBOR	0.3662	0.4238	0.6211	0.8508	1.1551
CHF LIBOR	- 0.7710	- 0.7900	- 0.7510	- 0.6830	- 0.6036
BUBOR	0.35	1.35	1.35	1.35	1.35
EURIBOR	-	- 0.2180	- 0.1430	- 0.0510	0.0510
EUR LIBOR	- 0.2843	- 0.2136	- 0.1386	- 0.0529	0.0479
EONIA	value date:	2016.01.08	value:	-0.235	

main international stock indices		
index	yesterday close	change (%)*
S&P 500	1 922.03	-1.08
Dow Jones	16 346.45	-1.02
CAC 40	4 333.76	0.74
FTSE 100	5 912.44	0.17
Hang Seng	20 453.71	-2.76
Nikkei 225	17 697.96	-0.39

\* 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
1.3450	1.4050	1.5450	1.7275	1.9350	2.1450	2.3525	2.5325	2.7050	2.8025

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
- 0.0820	- 0.0739	0.0005	0.1199	0.2560	0.3933	0.5306	0.6585	0.7878	0.8940

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	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.

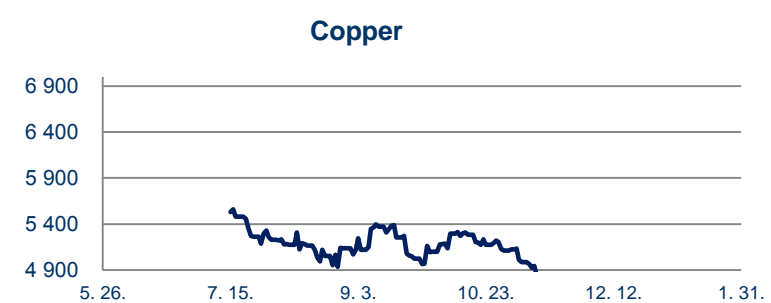
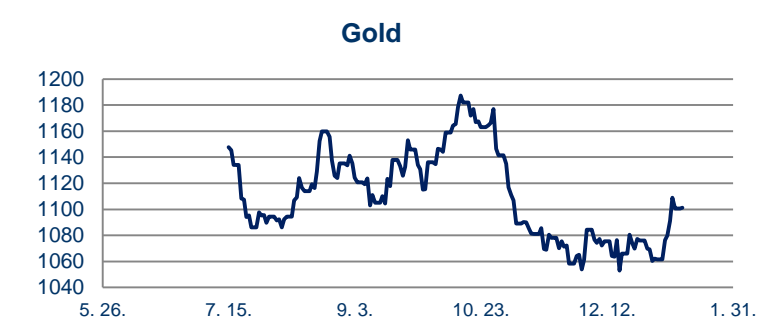
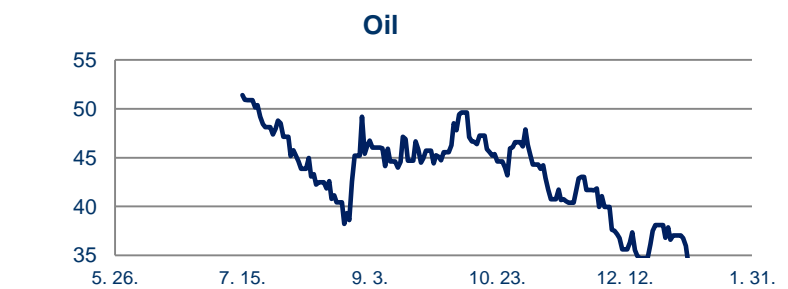
main macro economical data of the USA				
	last date	y/y	next date	forecast
GDP (%)	2015.09.30	2.10	2016.01.29	n.a.
CPI (%)	2015.11.30	0.50	2016.01.20	n.a.
PPI (%)	2015.11.30	-3.20	2016.01.15	n.a.
industrial output (%)	2015.11.30	-1.17	n.a.	n.a.
rate of unemployment (%)	2015.12.31	5.00	2016.02.05	n.a.
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 (%)	2015.10.31	0.60	2016.01.13	-0.3
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.

commodity			
	oil* (USD/barrel)	gold (USD/ounce)	copper** (USD/ton)
price	32.49	1 101.18	4 485.00
52 week high	65.61	1 307.98	6 481.00
52 week low	32.10	1 046.43	4 430.00

\* WTI next expiry

\*\* LME 3-mth forward



This document is published for information purposes only and does not represent a solicitation to deal in the instruments described. While the information given is believed to be reliable, K&H Bank cannot guarantee its accuracy or completeness, and accepts no responsibility whatsoever (including but not limited any loss, cost, litigation costs, indirect or special loss suffered by any company or other person) resulting from any company or other person trading on its basis. K&H Bank may have positions in or options on the securities mentioned herein which may change at any time. Opinions expressed are given in good faith, but are subject to change without notice. Should you have any questions concerning the content of this newsletter, please do not hesitate to contact Roxana Kosztelnik (roxana.kosztelnik@kh.hu).

→ K&H TeleCenter (06 1/20/30/70) 335 3355  
→ www.kh.hu → bank@kh.hu



a KBC csoport tagja