

Good Morning Treasury!

February 5, 2016



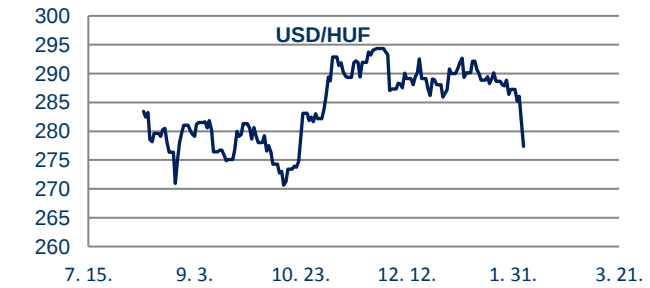
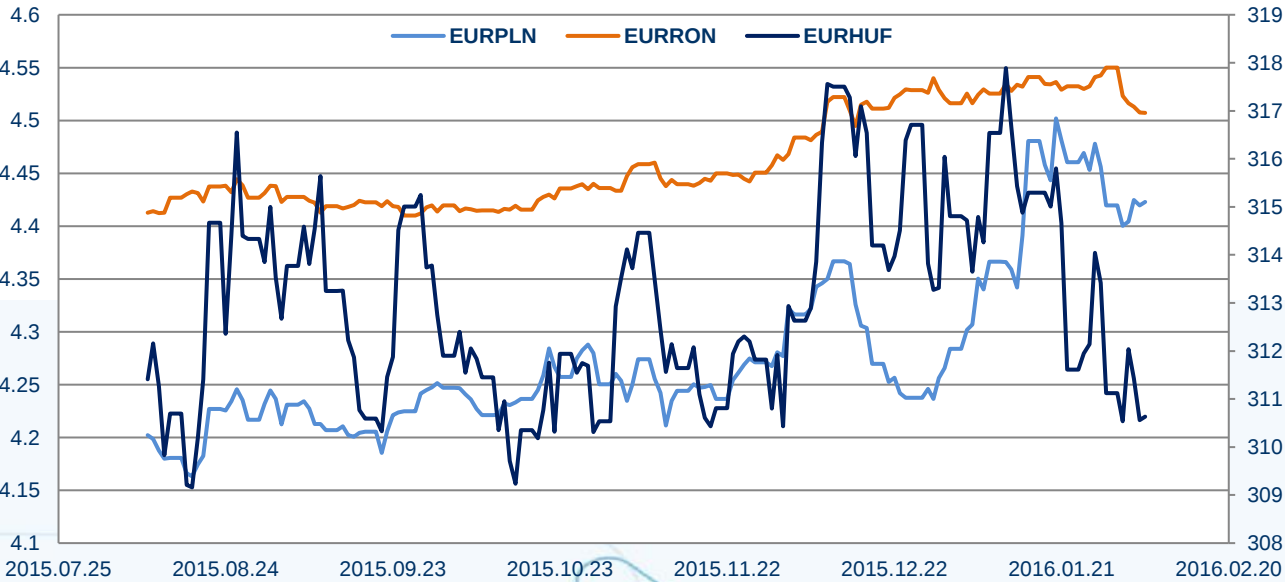
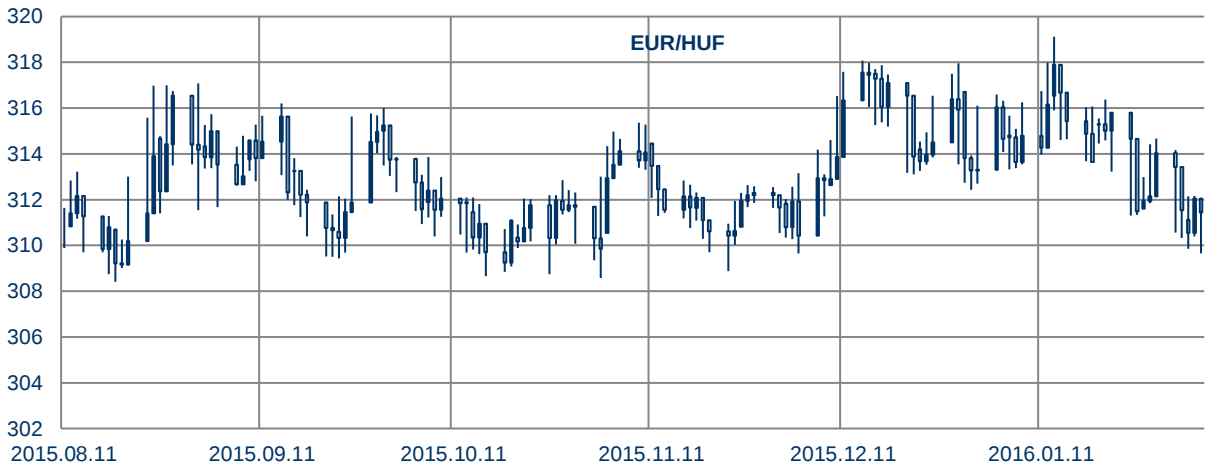
- **European equities closed mixed and US papers ended the day with slight gains after a volatile trading session** on Thursday. Asian markets traded mixed overnight, Japan's shares were weakened by stronger yen.
- **Mario Draghi emphasized yesterday that acting late is riskier than acting too early.** He added that if inflation stays too low for a longer period there is more risk that it will not automatically return to the central bank's 2% target. **This shows that he is prepared to provide extra stimulus to keep inflation from dropping further.**
- **The Bank of England's officials kept its benchmark rate at a record low level of 0,5%** and held unchanged the asset purchase program. The central bankers voted unanimously which was widely expected as low oil prices hurt the inflation and economic outlook. Furthermore, they cut the economic growth forecasts for the next three years.
- **After oil prices' rally on Wednesday they closed lower yesterday** as doubts about global supply glut offset the earlier support from weakness in the US dollar.
- **USD lost further ground against EUR** on Thursday. EUR/USD jumped above 1.12 despite the speech of ECB's President which suggest further stimulus. The pair traded around 1.119 this morning.
- **Investors will focus on afternoon release US labour market report** which may determine USD's movement.

spot FX rates			
10:02	Bid	Ask	Direction*
EURHUF	309.20	311.27	↗
USDHUF	276.21	278.08	↘
CHF/HUF	278.25	280.17	↗
EURUSD	1.1159	1.1228	↘
EURCHF	1.1076	1.1144	↗
EURGBP	0.7678	0.7725	↘
GBPHUF	401.47	404.18	↗
PLNHUF	69.93	70.42	↗
RONHUF	68.68	69.15	↗
CZKHUF	11.4401	11.5231	↘
EURPLN	4.4067	4.4345	↗
EURCZK	26.94	27.11	↘
JPYHUF	236.1893	238.0119	↗
TRYHUF	94.70	95.36	↗

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

forward FX swap			
10:02	EUR/HUF	USD/HUF	CHF/HUF
1 week	10.08	4.69	13.70
1 month	37.79	17.50	48.25
2 months	79.04	27.50	98.83
3 months	114.51	35.00	144.92
6 months	216.55	37.50	279.42
9 months	323.49	35.00	420.31
1 year	447.60	40.00	580.61

bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q1 16	315.00	294.00	1.06
Q2 16	312.00	303.00	1.05
Q3 16	313.00	304.00	1.05
Q4 16	312.00	297.50	1.05



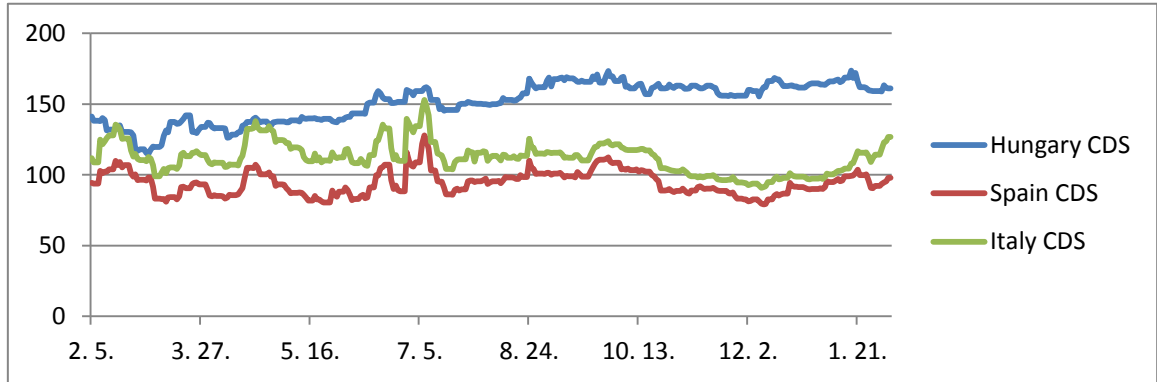
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➤ K&H TeleCenter (06 1/20/30/70) 335 3355
➤ www.kh.hu ➤ bank@kh.hu



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base rates				
	current(%)	last decision	next decision	expected (%)
NBH	1.35	2016.01.26	2016.02.23	1.35
ECB	0.05	2016.01.21	2016.03.10	n.a.
SNB	-0.75	2016.01.29	Field Not Appli	n.a.
FED	0.50	2016.01.29	2016.03.16	0.75



interbank offered rates (%)					
	1 day	1 month	3 months	6 months	1 year
USD LIBOR	0.3674	0.4250	0.6126	0.8603	1.1398
CHF LIBOR	- 0.7688	- 0.7890	- 0.7570	- 0.6934	- 0.6232
BUBOR	1.67	1.35	1.35	1.35	1.35
EURIBOR	-	- 0.2290	- 0.1620	- 0.0890	0.0150
EUR LIBOR	- 0.2829	- 0.2329	- 0.1807	- 0.1064	0.0033
EONIA	value date:	2016.01.29	value:	-0.228	

government bonds		
tenor	benchmark (%)	change (%)*
6 months	0.95	2.15
3 years	1.93	-6.76
10 years	3.48	-1.69
15 years	3.71	-2.11

* Based on opening and closing rates of yesterday

Hungarian 5 year CDS price	
actual value:	159.28
last one year min:	114.69
last one year max:	173.69

main international stock indices		
index	yesterday close	change (%)*
S&P 500	1 940.24	2.48
Dow Jones	16 466.30	2.47
CAC 40	4 417.02	2.19
FTSE 100	6 083.79	2.56
Hang Seng	19 683.11	-0.58
Nikkei 225	17 518.30	1.98

* 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
1.2600	1.2400	1.2600	1.3700	1.5500	1.7400	1.9250	2.1000	2.2550	2.3900
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
- 0.1520	- 0.1700	- 0.1183	- 0.0315	0.0788	0.2008	0.3270	0.4530	0.5725	0.6770

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	2016.02.11	1.2
PPI (%)	2015.12.31	-1.30	2016.02.29	n.a.
indsutrial output (%)	2015.11.30	7.00	2016.02.05	7.28
rate of unemployment (%)	2015.12.31	6.20	2016.02.26	n.a.
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.

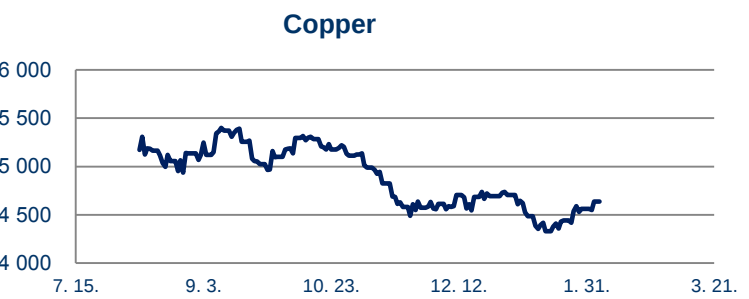
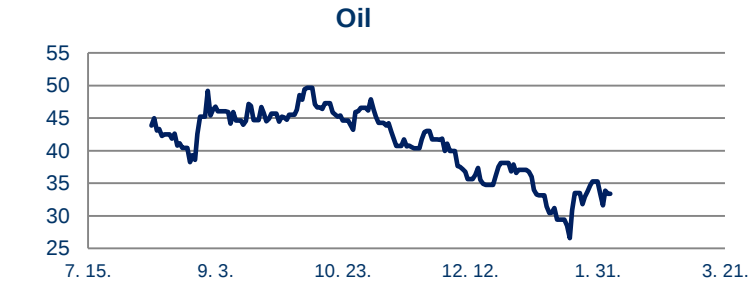
main macro economical data of the USA				
	last date	y/y	next date	forecast
GDP (%)	2015.12.31	1.80	2016.02.26	n.a.
CPI (%)	2015.12.31	0.70	2016.02.19	n.a.
PPI (%)	2015.12.31	-2.70	2016.02.17	n.a.
indsutrial output (%)	2015.12.31	-1.75	n.a.	n.a.
rate of unemployment (%)	2015.12.31	5.00	2016.02.05	5.00
trade balance (b USD)	2015.11.30	-42.374	2016.02.05	-43.2
current account (%)	2015.09.30	-2.53	n.a.	n.a.
retail sales (%)	2015.12.31	2.20	2016.02.12	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 (%)	2016.01.31	0.40	2016.02.25	n.a.
PPI (%)	2015.11.30	-3.20	2016.02.02	-2.80
indsutrial output (%)	2015.11.30	-0.70	2016.02.12	n.a.
rate of unemployment (%)	2015.11.30	10.50	2016.02.02	10.50
trade balance (m EUR)	2015.11.30	23618.10	2016.02.15	n.a.
current account (%)	2015.11.30	26.43	2016.02.18	n.a.
retail sales (%)	2015.11.30	1.40	2016.02.03	1.5

commodity			
	oil* (USD/barrel)	gold (USD/ounce)	copper** (USD/ton)
price	32.88	1 121.73	4 561.00
52 week high	65.69	1 285.97	6 481.00
52 week low	27.56	1 046.43	4 318.00

* WTI next expiry

** LME 3-mth forward



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