

Good Morning Treasury!

January 29, 2016



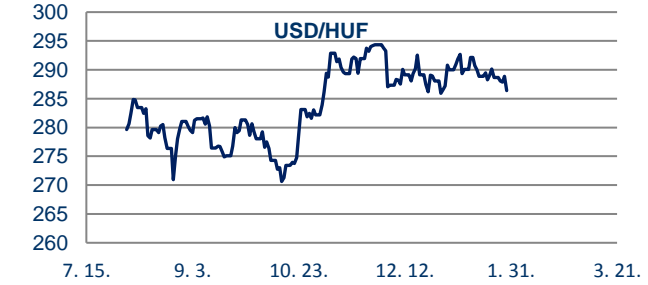
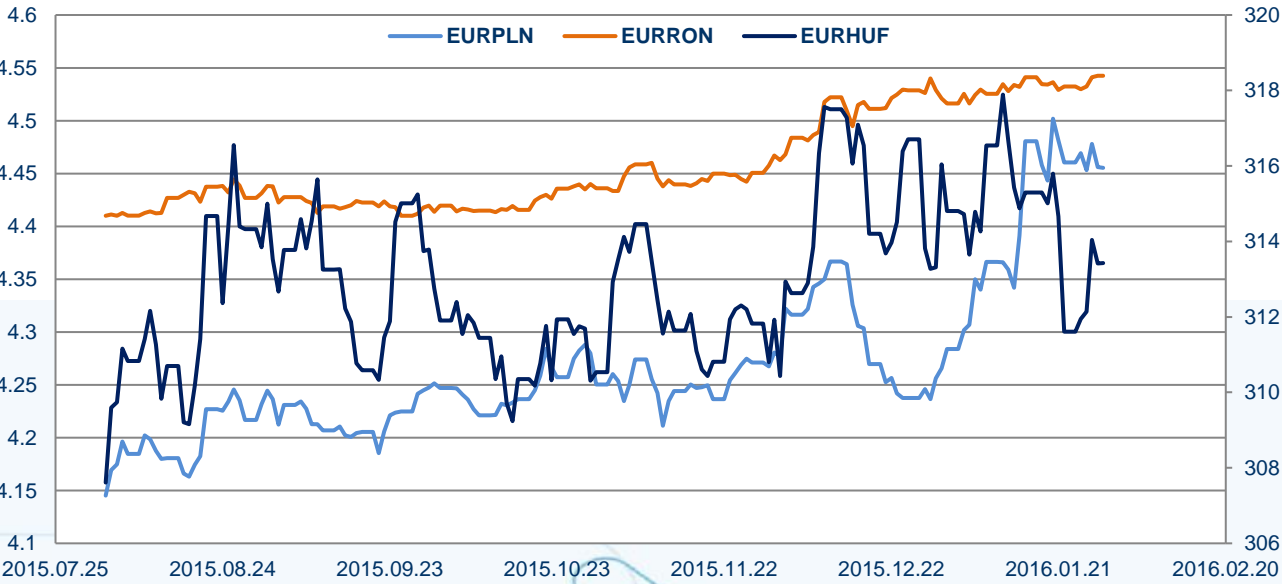
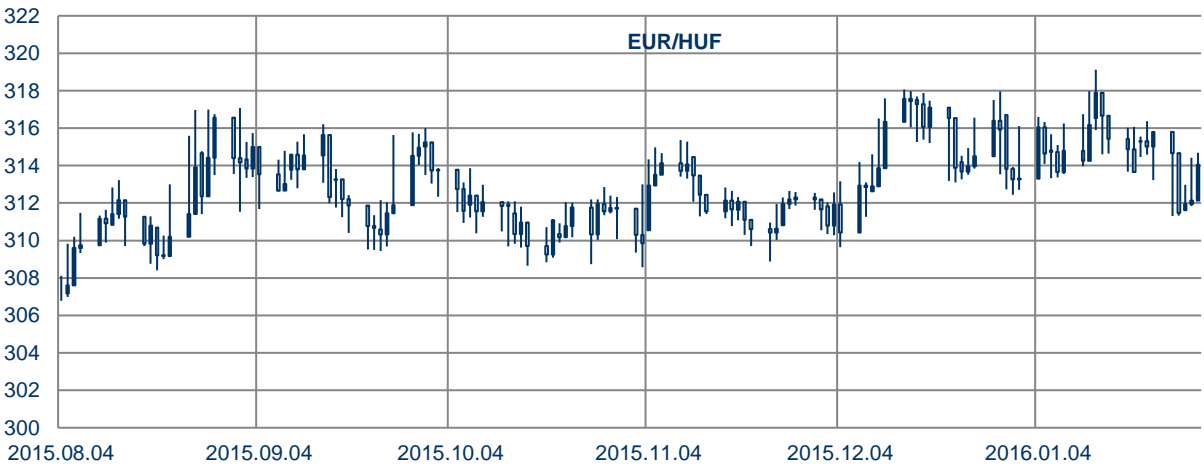
- **Pessimistic mood was dominating on European stocks on Thursday** and as a consequence they close with massive losses. Favourable and adverse movements can be observed however, all the three main shares indices rose due to the favourable corporate earnings.
- **US initial jobless claims grew in better pace than expected by 287 thousands people last week.** However, the **US durable goods orders were under the expectations as fell by 5.1% in December.** While the former supports further the rate-hike but the latter strengthen the concerns that the too strong dollar and slowing demand hurt the US economy. Therefore **the outcome of the Fed's rate decision in March is still choppy.**
- In the first half of the day oil jumped significantly. The reason for that is the news according to which Saudi Arabia would be willing to meet Russia to stabilize the oil prices but the biggest producer of the OPEC already contradicted that. Despite that the **WTI traded above 33, Brent above 34 USD/barrel this morning.**
- **More than 3 times demand arrived from domestic banks for NBH's original 200 billion offer of new-3year interest rate swaps yesterday.** The bigger demand put pressure on government bonds' yield.
- **The Japanese central bank surprised markets by cutting its benchmark rate from 0.1% to -0.1% into negative territory overnight.** In addition, they added that if it was necessary they would cut further the base rate. As a result, yen weakened significantly versus USD and USD/JPY jumped above 120.
- After Fed's dovish statement on Wednesday and less favourable than expected US macro data **USD weakened against EUR.**EUR/USD climbed above 1.096 however, the pair corrected this morning around 1.089.

spot FX rates			
10:04	Bid	Ask	Direction*
EURHUF	311.73	313.80	↗
USDHUF	285.99	287.90	↘
CHF/HUF	280.49	282.40	↗
EURUSD	1.0866	1.0933	↘
EURCHF	1.1079	1.1148	↘
EURGBP	0.7565	0.7611	↘
GBPHUF	410.77	413.51	↗
PLNHUF	70.14	70.62	↗
RONHUF	68.71	69.17	↗
CZKHUF	11.5312	11.6141	↗
EURPLN	4.4289	4.4573	↗
EURCZK	26.93	27.11	↗
JPYHUF	239.9380	242.5254	↗
TRYHUF	96.29	96.95	↘

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

forward FX swap			
10:04	EUR/HUF	USD/HUF	CHF/HUF
1 week	9.31	4.23	13.70
1 month	37.65	15.13	47.24
2 months	78.00	21.00	91.19
3 months	117.50	36.00	147.78
6 months	240.00	46.25	291.29
9 months	362.50	65.00	463.89
1 year	492.12	70.00	630.65

bloomberg forecast			
	EURHUF	USDHUF	EURUSD
Q1 16	315.00	295.00	1.06
Q2 16	312.00	303.00	1.04
Q3 16	314.50	304.00	1.05
Q4 16	312.00	297.50	1.04

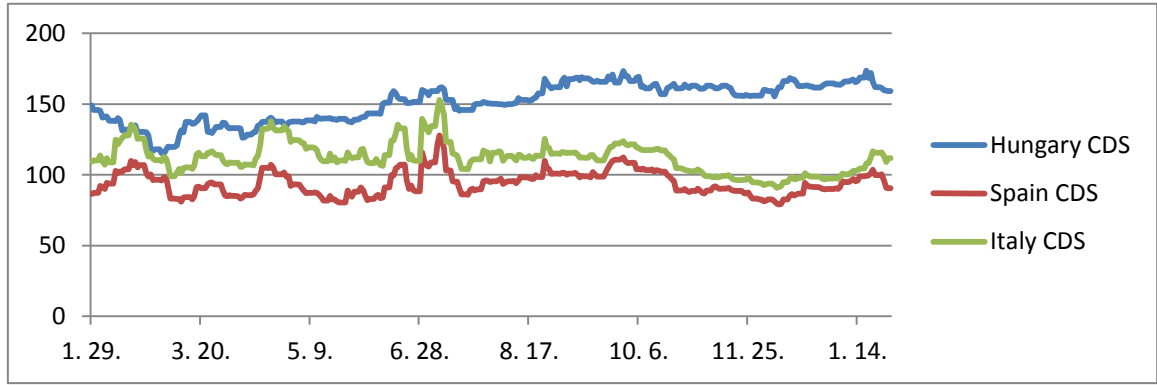


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base rates				
	current(%)	last decision	next decision	expected (%)
NBH	1.35	2016.01.26	2016.02.23	n.a.
ECB	0.05	2016.01.21	2016.03.10	n.a.
SNB	-0.75	2016.01.26	Field Not Applied	n.a.
FED	0.50	2016.01.26	2016.01.27	0.50



interbank offered rates (%)					
	1 day	1 month	3 months	6 months	1 year
USD LIBOR	0.3660	0.4306	0.6213	0.8657	1.1529
CHF LIBOR	- 0.7708	- 0.7830	- 0.7510	- 0.6920	- 0.6250
BUBOR	2.07	1.35	1.35	1.35	1.35
EURIBOR		- 0.2310	- 0.1580	- 0.0820	0.0250
EUR LIBOR	- 0.2821	- 0.2257	- 0.1657	- 0.0893	0.0200
EONIA	value date:	2016.01.26	value:	-0.236	

government bonds		
tenor	benchmark (%)	change (%)*
6 months	0.94	-1.05
3 years	1.78	1.14
10 years	3.35	0.90
15 years	3.87	0.78

* Based on opening and closing rates of yesterday

Hungarian 5 year CDS price	
actual value:	160.60
last one year min:	114.69
last one year max:	173.69

main international stock indices		
index	yesterday close	change (%)*
S&P 500	1 903.63	1.41
Dow Jones	16 167.23	1.78
CAC 40	4 356.81	0.26
FTSE 100	5 911.46	0.11
Hang Seng	18 860.80	1.02
Nikkei 225	16 708.90	2.72

* 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
1.3100	1.3350	1.4225	1.5675	1.7450	1.9350	2.1200	2.3000	2.4750	2.6050
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
- 0.1325	- 0.1460	- 0.0935	0.0033	0.1215	0.2508	0.3838	0.5145	0.6345	0.7465

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	n.a.
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.

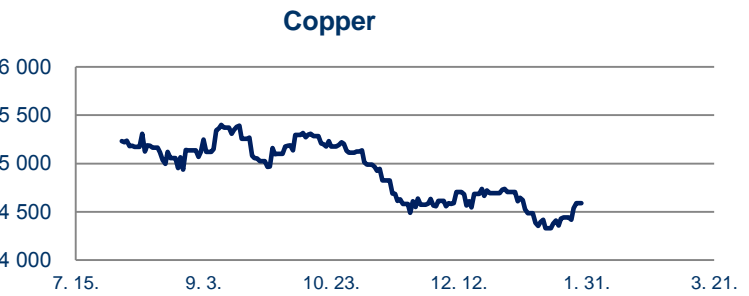
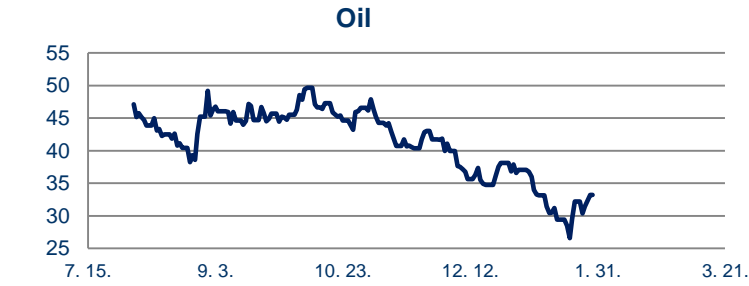
main macro economical data of the USA				
	last date	y/y	next date	forecast
GDP (%)	2015.09.30	2.10	2016.01.29	n.a.
CPI (%)	2015.12.31	0.70	2016.02.19	n.a.
PPI (%)	2015.12.31	-2.70	2016.02.17	n.a.
industrial output (%)	2015.12.31	-1.75	n.a.	n.a.
rate of unemployment (%)	2015.12.31	5.00	2016.02.05	5.00
trade balance (b USD)	2015.11.30	-42.374	2016.02.05	-43
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 (%)	2015.12.31	0.20	2016.02.25	n.a.
PPI (%)	2015.11.30	-3.20	2016.02.02	n.a.
industrial output (%)	2015.11.30	-0.70	2016.02.12	n.a.
rate of unemployment (%)	2015.11.30	10.50	2016.02.02	n.a.
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	n.a.

commodity			
	oil* (USD/barrel)	gold (USD/ounce)	copper** (USD/ton)
price	30.75	1 117.55	4 539.00
52 week high	65.69	1 297.67	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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