



## WEEKLY FINANCIAL MARKET OVERVIEW period 12.07.2021.-18.07.2021.

Financial Markets	Price	5D,%	1M,%	YTD,%	1YR,%
S&P 500 INDEX	4 327.16	-0.97	3.86	15.20	34.19
DOW JONES INDUS. AVG	34 687.85	-0.52	4.20	13.33	30.05
STOXX Europe 600 Index	454.74	-0.64	0.60	13.96	22.01
DAX INDEX	15 540.31	-0.94	0.60	13.28	20.28
RTS Index	1 387.46	-1.95	-2.65	15.54	31.82
SHANGHAI SE COMPOSITE	3 539.30	-0.30	0.34	1.85	10.05
NIKKEI 225	28 003.08	-3.21	-4.53	0.76	21.84
MSCI WORLD	3 024.66	-1.42	2.39	12.44	31.86
European Renewable Energy Index	2 264.86	-7.78	-0.85	-17.72	38.12
Chicago Board Options Exchange Volatility Index (VIX)	18.45	14.03	-10.87	-18.90	-28.15
Commodities	Price	5D,%	1M,%	YTD,%	1YR,%
GOLD Futures	1 815.00	-0.06	2.09	-4.76	-0.29
SILVER Futures	25.78	-3.02	-2.09	-3.74	29.16
LME COPPER 3MO (\$)	9 486.50	-0.97	-2.48	21.39	46.46
LME NICKEL 3MO (\$)	18 768.00	1.72	8.05	14.79	41.69
Brent	73.59	-3.02	-0.84	40.71	68.96
WTI	71.81	-4.06	-0.77	46.52	75.14
Currencies	Price	5D,%	1M,%	YTD,%	1YR,%
EUR/USD	1.18	-0.50	-1.01	-3.48	3.15
USD/JPY	110.07	0.33	0.14	-6.11	-2.50
GBP/USD	1.38	-0.95	-1.28	0.73	8.69
Money Market	Price	5D,%	1M,%	YTD,%	1YR,%
LIBOR USD 3M	0.13	4.37	7.83	-43.68	-50.60
LIBOR EUR 3M	-0.56	-0.49	-1.07	1.99	-22.87
EURIBOR 3M	-0.55	-0.92	-0.18	-0.55	-22.05
EUR SWAP (EONIA) 3M	-0.48	0.10	-0.21	-0.96	-2.66
Government Bonds	Yield	5D,%	1M,%	YTD,%	1YR,%
US Government Bonds 10 YR (USD)	1.29	-5.81	-10.63	40.74	105.11
German Government Bonds 10 YR (EUR)	-0.35	-23.05	-81.50	36.20	18.79
UK Government Bonds 10 YR (GBP)	0.63	-4.43	-15.29	217.77	350.36
Swiss Government Bonds 10 YR (CHF)	-0.30	-14.29	-53.27	40.36	24.42
Japan Government Bonds 10 YR (JPY)	0.02	-33.33	-55.56	0.00	100.00

### Main events of the previous week

OPEC countries and Russia agreed to increase oil production by two million barrels per day from August to December 2021 to lower the price of oil and ease the pressure on the global economy. The decision is intended to halt the rise in oil and gasoline prices, fueled by the recent economic recovery in many countries after the crisis caused by the coronavirus pandemic. Last year, OPEC countries and partners cut production by a record 10 million barrels per day amid falling demand and prices caused by the pandemic. However, this year the price of oil has surged due to the rising economic activity, which fueled inflation in some countries and threatened to stunt the global economic recovery. At a July 1 meeting, oil-producing ministers were unable to agree to ease production restrictions until the end of this year. The decision to increase production from August turned out to be blocked due to disagreements between Saudi Arabia and the UAE. Since May 2022, higher production quotas have also been agreed for several member countries, including the UAE, Saudi Arabia, Russia, Kuwait and Iraq.

The Bank of Japan at its July meeting once again kept the interest rate at the negative level - minus 0.1%. Eight participants in the meeting were in favor of maintaining a negative interest rate, one - against. The regulator plans to buy an unlimited number of government bonds and continue targeting the yield on 10-year government bonds at a level close to zero. The regulator also decided to continue the additional repurchases of commercial paper (CP) and corporate bonds until the end of March 2022. The maximum purchase amount is about 20 trillion yen in total. The Japanese central bank also kept the annual volume of exchange-traded fund (ETF) buybacks at about 12 trillion yen and assets of real estate investment trusts (J-REITs) at about 180 billion yen. The central bank of Japan noted that it will closely monitor the situation with the coronavirus and will not hesitate to take additional measures to ease monetary policy if necessary. In the short and long term, the Japanese central bank expects to keep the rate at or below the current level. The regulator also lowered the forecast for GDP growth in the country in the current financial year to 3.8%, in April it was expected to grow by 4%.



#### Economic data

**Eurozone.** The consumer price index in June rose by 0.3% versus May, while the annual inflation rate was 1.9%. The growth of the core inflation rate, excluding food and energy, amounted to 0.9% y/y in June.

**US.** The consumer price index in June rose by 0.9% versus May, while the annual inflation rate was 5.4%. The growth of the core inflation rate, excluding food and energy, amounted to 4.5% y/y in June.

The number of initial jobless claims for the week was registered in the amount of 360 thousand, which is 26 thousand less than the week before and 8 thousand less than predicted by analysts.

June retail sales rose 0.6%, while retail sales were expected to fall 0.4%. In turn, excluding data on gasoline and car sales from the indicator, retail sales in June rose by 1.3%.

**China.** GDP in the second quarter grew by 1.3% compared to the first quarter of 2021, while GDP growth compared to the second quarter of 2020 amounted to 7.9%.

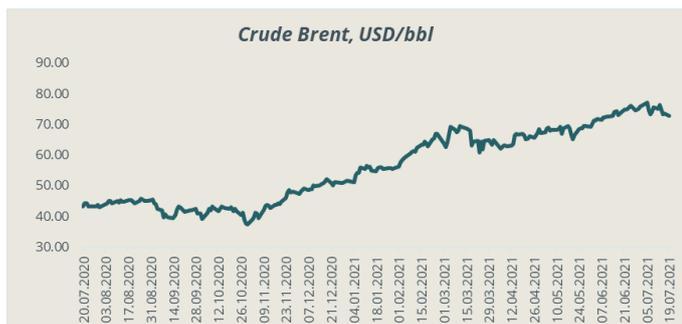
Industrial production in June increased by 8.3% compared to June 2020, while industrial growth was expected at the level of 8%.

June retail sales rose 12.1% compared to June 2020, while retail sales were expected to grow by 11%.

The unemployment rate in June remained unchanged at 5%.

#### Key events this week

- On Wednesday, the US will publish data on changes in oil reserves for the week.
- On Thursday, the ECB will publish its decision on the key interest rate, and in the US will publish the number of initial jobless claims for the week.
- On Friday, the state of the business sector in July will become known in the Eurozone and the United States.



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