

Successful bond auction eases tensions on the Spanish stock market

MADRID, Jan. 10 (Xinhua) -- The successful bond auction held on Thursday by the Spanish treasury eased tensions in the IBEX-35 stock market where both the Spanish risk premium and the interest rate on the country's ten-year bond plunged.

The Spanish risk premium dropped by 18 points to 348 after the treasury placed 5.82 billion euros (7.63 billion U.S. dollars) of new 2015 bonds on the market in the first auction of the year, far exceeding the previous expectation of 5 billion euros.

The two-year bond's yields fell by 25 basis points to 2.214 percent, while that with a ten-year life span dropped by 0.23 percent, from 5.13 percent in early session to 4.90 percent by closing time, its lowest level since March 2012.

At around 04:00 p.m. local time (1500 GMT) Spain's risk premium fell to 334 points before ending trading on 333 points, 33 points down on Wednesday's close.

The Spanish stock market rose at 0.15 percent by closing time to reach 8,618 points.

The statement of the head of European Central Bank Mario Draghi on Thursday which said that the economy should start to recover by the end of this year as a result of greater stability in economic indicators and an improvement in the condition of the financial markets also help raise the optimistic mood on the IBEX-35.