

### KEY UPCOMING DATA & EVENTS THIS WEEK

#### GLOBAL

##### US

- Mar 5: ISM non-manuf. (Feb)
- Mar 6: Factory orders (Jan)
- Mar 7
  - ADP employment (Feb)
  - Trade balance (Jan)
  - Fed's Dudley speaks
  - Fed's Bostic speaks
  - Fed's Beige Book
- Mar 8: Jobless claims (weekly)
- Mar 9
  - Non-farm payrolls (Feb)
  - Fed's Evans speaks

##### EUROZONE

- Mar 5
  - PMI services (Feb final)
  - Retail sales (Jan)
- Mar 7: Q4 GDP (details)
- Mar 8
  - German ind/I orders (Jan)
  - ECB meeting
- Mar 9: German & French industrial production (Jan)

##### UK

- Mar 5: PMI services (Feb)
- Mar 9
  - Industrial production (Jan)
  - Trade balance (Jan)

##### GREECE

- Mar 5: GDP (Q4, f)
- Mar 8 U/E rate (Dec)
- Mar 9: HICP/CPI (Feb)

##### CYPRUS

- Mar 6: HICP (Feb)
- Mar 9: GDP (Q4, f)

##### SEE

##### BULGARIA

- Mar 7: GDP (Q4, f)
- Mar 9
  - Industrial production (Jan)
  - Retail sales (Jan)

##### ROMANIA

- Mar 5
  - Retail sales (Jan)
  - 3.65% 2031 T-bonds auction
- Mar 7: GDP (Q4, f)
- Mar 8: T-bonds auction

##### SERBIA

- Mar 6: T-bonds auction
- Mar 8: MPC rate decision
- Mar 9: Moody's rating review

Source: Reuters, Bloomberg,  
Eurobank Research

## HIGHLIGHTS

### WORLD ECONOMIC & MARKET DEVELOPMENTS

**GLOBAL MARKETS:** Market fears over a trade war re-emerged following Gary Cohn's resignation yesterday as the White House's top economic advisor after disagreement with US President Donald Trump over the latter's proposal for the introduction of tariffs on imported steel and aluminum. Heightened trade war concerns put pressure on global equity markets and the USD while government bonds firmed. Today at 20:00 CET the Fed releases its Beige Book while, on the data front, we expect US January trade balance and the February's ADP employment report.

**GREECE:** Eurogroup President Mario Centeno stated yesterday in an interview among others that, as agreed, the potential debt relief measures for Greece will only be adopted if two conditions are met: the ESM programme must be successfully completed and debt relief must be considered necessary. TRAINOSE – subsidiary of Ferrovie dello Stato Italiane – submitted yesterday the only binding offer for the acquisition of 100% of EESSTY (ROSCO). The annual growth rate of real GDP in Greece accelerated to 1.4% in 2017 from -0.2% in 2016. The main driver of this economic performance was total investment contributing 1.8 ppts to the annual growth rate. Net exports and public consumption had a negative contribution of -0.3 and -0.2 ppts respectively. Finally, private consumption remained almost stagnant for the fourth consecutive year.

#### DISCLAIMER

This document has been issued by Eurobank Ergasias S.A. (Eurobank) and may not be reproduced in any manner. The information provided has been obtained from sources believed to be reliable but has not been verified by Eurobank and the opinions expressed are exclusively of their author. This information does not constitute an investment advice or any other advice or an offer to buy or sell or a solicitation of an offer to buy or sell or an offer or a solicitation to execute transactions on the financial instruments mentioned. The investments discussed may be unsuitable for investors, depending on their specific investment objectives, their needs, their investment experience and financial position. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions, all of which are subject to change without notice. No responsibility or liability, whatsoever or howsoever arising, is accepted in relation to the contents thereof by Eurobank or any of its directors, officers and employees.

## Latest world economic & market developments

### GLOBAL MARKETS



Source: Reuters, Bloomberg, Eurobank Research

Market fears over a trade war re-emerged following Gary Cohn's resignation yesterday as the White House's top economic advisor after disagreement with US President Donald Trump over the latter's proposal for the introduction of tariffs on imported steel and aluminum. A meeting between the US President and executives from US companies that depend on steel and aluminum has been scheduled for Thursday. Unless Donald Trump pulls back from his proposal, he is reportedly expected to sign the paperwork on tariffs on Saturday. Heightened trade war concerns put pressure on US equity markets while major European bourses followed suit with the FTSEurofirst 300 index standing 0.6% lower in early trade, giving back part of 1.1% cumulative gains recorded in the first two sessions of this week. In FX markets, the USD lost some ground while core government bonds were firmer favored by reduced risk appetite. US Treasuries outperformed German Bunds with the respective 10-yr yield spread narrowing to a multi-session low slightly below 220bps earlier today, c. 1.5bps tighter on the day as investors retain a cautious stance ahead of Thursday's ECB monetary policy meeting. Turning to the EMU periphery sovereign bonds, with the exception of Greece, yield spreads against their respective 10-yr German paper undertook some further tightening on the day of 1.0-2.5bps in spite of the market unfriendly result of Sunday's general election in Italy. This probably reflects market optimism that the Five Star Movement (M5S) will not participate in the new government and the right-wing coalition will manage to lure MPs from Partito Democratico (PD) and the M5S into supporting a government led by League leader Matteo Salvini. Today at 20:00 CET the Fed releases its Beige Book while, on the data front, we expect US January trade balance and February's ADP employment report.

[petropoulou@eurobank.gr](mailto:petropoulou@eurobank.gr)

### GREECE

Eurogroup President Mario Centeno stated yesterday in an interview among others that, as agreed, the potential debt relief measures for Greece will only be adopted if two conditions are met: the ESM programme must be successfully completed and debt relief must be considered necessary. As a result, the issue should be analysed in a comprehensive way by the institutions and this moment has not yet arrived. Meanwhile, on the privatisations front, TRAINOSE – subsidiary of Ferrovie dello Stato Italiane – submitted yesterday the only binding offer for the acquisition of 100% of EESSTY (ROSCO). Provided that the binding offer is accepted by the Hellenic Republic Asset Development Fund (HRADF), the deal will then have to be ratified by the Court of Audit and the Hellenic Competition Commission. The 2018 State Budget foresees from this privatisation revenues in the order of EUR 5.0 million to be received in 2018. According to the provisional data released by the Hellenic Statistical Authority, the annual growth rate of real GDP in Greece accelerated to 1.4% in 2017 from -0.2% in 2016. This rate was the highest during the last 10 years (Greece's lost decade). In nominal terms, the domestic production of final goods and services expanded by 2.0% or €3.5 bn (from €174.2 to €177.7 bn). The main driver of the aforementioned economic performance was total investment contributing 1.8 ppts to the annual growth rate. Net exports and public consumption had a negative contribution of -0.3 and -0.2 ppts respectively. Finally, private consumption remained almost stagnant for the fourth consecutive year.

[andimitriadou@eurobank.gr](mailto:andimitriadou@eurobank.gr)

[sgogos@eurobank.gr](mailto:sgogos@eurobank.gr)

March 7, 2018

**GLOBAL MARKETS**

Stock markets				FOREX			Government Bonds			Commodities					
	Last	ΔD	ΔYTD		Last	ΔD	ΔYTD	(yields)	Last	ΔDbps	ΔYTD bps	Last	ΔD	ΔYTD	
S&P 500	2728.12	0.3%	2.0%	EUR/USD	1.2415	0.1%	3.4%	UST - 10yr	2.87	-2	46	GOLD	1333	-0.2%	2.3%
Nikkei 225	21252.72	-0.8%	-6.6%	GBP/USD	1.3878	-0.1%	2.6%	Bund-10yr	0.67	0	25	BRENT CRUDE	65	-1.2%	-2.8%
STOXX 600	370.20	-0.3%	-4.9%	USD/JPY	105.73	0.4%	6.6%	JGB - 10yr	0.05	-1	0	LMEX	3335	0.8%	-2.4%

**CESEE MARKETS**

**SERBIA**

**Money Market**

BELIBOR	Last	ΔDbps	ΔYTD bps
T/N	2.61	1	9
1-week	2.73	1	12
1-month	2.91	0	6
3-month	3.18	0	6
6-month	3.33	1	9

**RS Local Bonds**

	Last	ΔDbps	ΔYTD bps
3Y RSD	3.92	0	-36
5Y RSD	4.23	0	-1
7Y RSD	4.63	3	-55

**RS Eurobonds**

	Last	ΔDbps	ΔYTD bps
USD Feb-20	3.51	0	52
USD Nov-24	6.34	-18	31

**CDS**

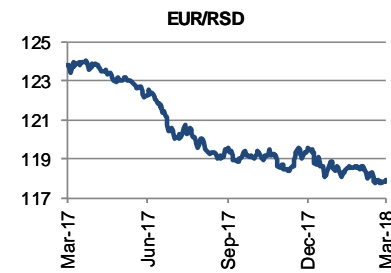
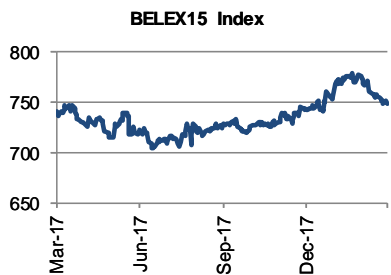
	Last	ΔDbps	ΔYTD bps
5-year	96	-1	-22
10-year	135	-2	-27

**STOCKS**

	Last	ΔD	ΔYTD
BELEX15	748.5	0.07%	-1.48%

**FOREX**

	Last	ΔD	ΔYTD
EUR/RSD	117.83	0.16%	0.91%



**ROMANIA**

**Money Market**

ROBOR	Last	ΔDbps	ΔYTD bps
O/N	1.35	1	26
1-month	1.6	0	-27
3-month	2.08	0	3
6-month	2.41	0	14
12-month	2.53	-1	21

**RO Local Bonds**

	Last	ΔDbps	ΔYTD bps
3Y RON	3.43	0	4
5Y RON	4.01	0	23
10Y RON	4.60	0	28

**RO Eurobonds**

	Last	ΔDbps	ΔYTD bps
EUR Oct-25	1.55	#N/A	N/A
USD Jan-24	3.72	0	72

**CDS**

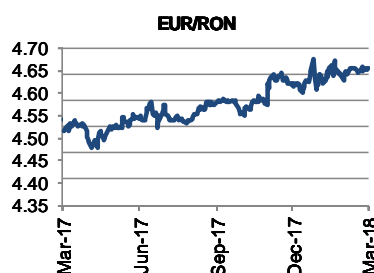
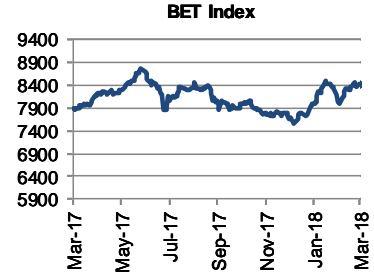
	Last	ΔDbps	ΔYTD bps
5-year	82	-1	-8
10-year	126	-2	-7

**STOCKS**

	Last	ΔD	ΔYTD
BET	8423.8	-0.11%	8.64%

**FOREX**

	Last	ΔD	ΔYTD
EUR/RON	4.6606	0.02%	0.09%



**BULGARIA**

**Money Market**

SOFIBOR	Last	ΔDbps	ΔYTD bps
LEONIA	0.01	0	1
1-month	-0.27	1	-2
3-month	-0.19	0	-1
6-month	-0.06	0	-1
12-month	0.27	0	-5

**BG Local Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
3Y BGN	-0.02	1	4
5Y BGN	0.24	0	10
10Y BGN	1.08	0	11

**BG Eurobonds**

	Last	ΔDbps	ΔYTD bps
EUR Mar-22	0.21	2	28
EUR Sep-24	0.83	13	26

**CDS**

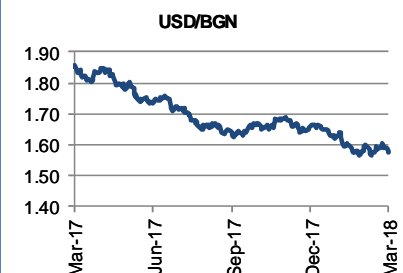
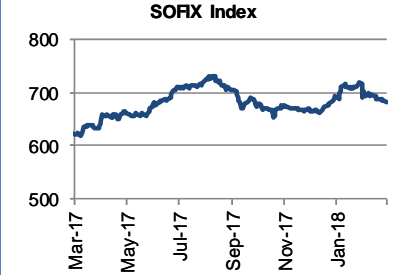
	Last	ΔDbps	ΔYTD bps
5-year	55	0	-41
10-year	92	0	-49

**STOCKS**

	Last	ΔD	ΔYTD
SOFIX	685.5	0.57%	1.19%

**FOREX**

	Last	ΔD	ΔYTD
USD/BGN	1.5754	0.09%	3.43%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research

Data updated as of 11:00 EST

March 7, 2018

## Contributors

**Paraskevi Petropoulou**  
Senior Economist, Eurobank Ergasias  
+30 210 3718991  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)

**Galatia Phoka**  
Research Economist, Eurobank Ergasias  
+30 210 3718922  
[gphoka@eurobank.gr](mailto:gphoka@eurobank.gr)

**Ioannis Gkionis (Special Contributor)**  
Senior Economist, Eurobank Ergasias  
++30 210 3337305  
[igkionis@eurobank.gr](mailto:igkionis@eurobank.gr)

**Anna Dimitriadou**  
Economic Analyst, Eurobank Ergasias  
+30 210 3718793  
[andimitriadou@eurobank.gr](mailto:andimitriadou@eurobank.gr)

**Olga Kosma (Special Contributor)**  
Research Economist, Eurobank Ergasias  
+30 210 3371227  
[okosma@eurobank.gr](mailto:okosma@eurobank.gr)

**Theodoros Stamatou (Special Contributor)**  
Senior Economist, Eurobank Ergasias  
+ 30 210 3371228  
[tstamatou@eurobank.gr](mailto:tstamatou@eurobank.gr)

## Regional Contributors

**Đorđe Lučić**  
Fixed Income Dealer, Eurobank a.d. Beograd  
+381 11 2065891  
[djordje.lucic@eurobank.rs](mailto:djordje.lucic@eurobank.rs)

**Zoran Korac**  
FX dealer, Eurobank ad Beograd  
+381 11 206 5821  
[zoran.korac@eurobank.rs](mailto:zoran.korac@eurobank.rs)

**Ruslan Raychev**  
Trader, Eurobank Bulgaria  
+359 2 8166 482  
[rsraychev@postbank.bg](mailto:rsraychev@postbank.bg)

## Eurobank Economic Analysis and Financial Markets Research

**Dr. Tasos Anastasatos: Group Chief Economist**  
[tanastasatos@eurobank.gr](mailto:tanastasatos@eurobank.gr), + 30 210 33 71 178

## Research Team

**Anna Dimitriadou: Economic Analyst**  
[andimitriadou@eurobank.gr](mailto:andimitriadou@eurobank.gr), + 30 210 3718 793

**Ioannis Gkionis: Senior Economist**  
[igkionis@eurobank.gr](mailto:igkionis@eurobank.gr) + 30 210 33 71 225

**Stylianios Gogos: Economic Analyst**  
[sgogos@eurobank.gr](mailto:sgogos@eurobank.gr) + 30 210 3371 226

**Olga Kosma: Research Economist**  
[okosma@eurobank.gr](mailto:okosma@eurobank.gr) + 30 210 33 71 227

**Mariana Papoutsaki**  
[mpapoutsaki@eurobank.gr](mailto:mpapoutsaki@eurobank.gr) + 30 210 33 71 224

**Paraskevi Petropoulou: Senior Economist**  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr), + 30 210 37 18 991

**Galatia Phoka: Research Economist**  
[gphoka@eurobank.gr](mailto:gphoka@eurobank.gr), + 30 210 37 18 922

**Theodoros Stamatou: Senior Economist**  
[tstamatou@eurobank.gr](mailto:tstamatou@eurobank.gr), + 30 210 3371228

**Elia Tsiampaou: Economic Analyst**  
[etsiampaou@eurobank.gr](mailto:etsiampaou@eurobank.gr), +30 210 3371207

Eurobank Ergasias S.A, 8 Othonos Str, 105 57 Athens, tel: +30 210 33 37 000, fax: +30 210 33 37 190, email: [Research@eurobank.gr](mailto:Research@eurobank.gr)

## Eurobank Economic Analysis and Financial Markets Research

More research available at <https://www.eurobank.gr/en/group/economic-research>

**7 Ημέρες Οικονομία:** Weekly review of the Greek economy

- **Greece Macro Monitor - Focus Notes:** Periodic publication on the latest economic & market developments in Greece
- **Economy & Markets:** Analysis & research on the Greek and international economy
- **Regional Economics & Market Strategy Monthly:** Monthly edition on economic & market developments in the region
- **Emerging Markets Special Focus Reports:** Periodic publication on specific EM economy and markets developments
- **Daily Overview of Global markets & the SEE Region:** Daily overview of key macro & market developments in Greece, regional economies & global markets
- **Global Macro Themes & Market Implications for the EA Periphery and the CESEE:** Monthly review of the international economy and financial markets
- **Global Markets Special Focus Reports:** Periodic publication on specific global economy and markets developments

Subscribe electronically at <https://www.eurobank.gr/el/omilos/oikonomikes-analuseis>

