

KEY UPCOMING DATA & EVENTS THIS WEEK

US

- Jun 25: New home sales (May)
- Jun 26: CB consumer confidence (Jun)
- Jun 27
 - Durable goods orders (May)
 - Pending home sales (May)
- Jun 28
 - Q1 real GDP
 - Fed's Bullard speakers on monetary policy
- Jun 29
 - Personal expenditure & income (May)
 - Chicago PMI (Jun)

EUROZONE

- Jun 25: DE: IFO (Jun)
- Jun 27: M3 money supply (May)
- Jun 28
 - EU Summit (two-day meeting)
 - EC Economic Sentiment (Jun)
- Jun 29: CPI (Jun)

GREECE

- Jun 29
 - Retail sales (Apr)
 - PPI (May)

SEE

BULGARIA

- Jun 28: Gross external debt (Apr)
- Jun 29
 - Budget balance (May)
 - PPI (May)

ROMANIA

- Jun 25: T-bonds auction

SERBIA

- Jun 25: Real gross wages (Apr)
- Jun 29
 - Industrial production (May)
 - Trade balance (May)
 - Retail sales (May)

Source: Reuters, Bloomberg,
Eurobank Research

HIGHLIGHTS

WORLD ECONOMIC & MARKET DEVELOPMENTS

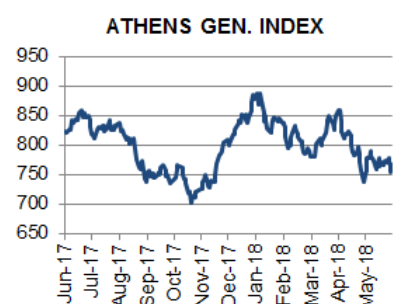
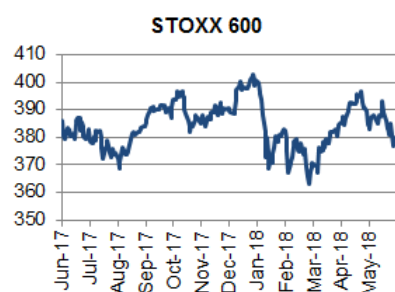
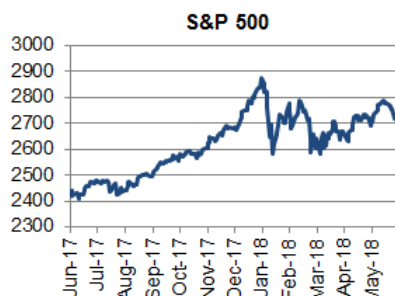
GLOBAL MARKETS: WTI crude oil prices surged to a 3 ½ year high slightly above 73\$/barrel y-day on news that US crude stockpiles declined by the most since September 2016. Meanwhile, the majority of global equity indices traded in the red early on Thursday as trade worries persist, despite President Trump's softer stance that he would use a strengthened "Committee on Foreign Investment in the US" to review his proposed restrictions related to Chinese acquisitions on US technology companies. US Treasuries retained a firm tone with the 2/10-yr yield spread narrowing close to a 10-yr low of 32bps. In FX markets, the DXY dollar index traded around one-year highs of 95.531 in European trade on Thursday, while the EUR/USD was hovering around a one week low of 1.1527 at the time of writing. Looking at today's calendar, market focus centres on the two-day EU Summit in Brussels, with the relevant agenda including economic and monetary union reforms, migration policy, Brexit and security issues.

GREECE: According to Bank of Greece (BoG) data, private sector deposits increased on a monthly basis by €1.1 bn in May-18. The 56.1% (€0.6 bn) of the aforementioned increase came from private firms and the remaining 43.9% (€0.5 bn) from households. It is worth noting that, relative to a 15 ½ year low marked in Apr -17 private sector deposits have increased by €9.1 bn cumulatively.

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Latest world economic & market developments



Source: Reuters, Bloomberg, Eurobank Research

GLOBAL MARKETS

WTI crude oil prices surged to a 3 ½ year high slightly above 73\$/barrel y-day on news that US crude stockpiles declined by the most (by nearly 10 million barrels) since September 2016, adding to supply jitters in a rather vulnerable market regarding production disruptions in Canada and Libya, and US President Donald Trump's pressure to all countries to cut oil imports from Iran to zero by November 4. Meanwhile, the majority of global equity indices traded in the red early on Thursday as trade worries persist, despite President Trump's softer stance that he would use a strengthened "Committee on Foreign Investment in the US" to review his proposed restrictions related to Chinese acquisitions on US technology companies. Comments by Larry Kudlow, the Chief Economic Advisor to the US President, that Donald Trump is not adopting a softer stance as he has not been satisfied with China's response to US trade demands prompted an increase in trade war fears. Turning to government bonds, US Treasuries retained a firm tone with the 10-yr yield consolidating around y-day's one-month intraday low of 2.82% and the 2/10-yr yield spread narrowed close to a 10-yr low of 32bps. In FX markets, the DXY dollar index traded around one-year highs of 95.531 in European trade on Thursday favored by ongoing US-China trade tensions. The EUR/USD was hovering around a one week low of 1.1527 at the time of writing pressured by the weaker euro area macroeconomic environment and political concerns in Germany and Italy. Looking at today's calendar, market focus centres on the two-day EU Summit in Brussels, with the relevant agenda including economic and monetary union reforms, migration policy, Brexit and security issues. On the macro data front, June confidence indicators for the Euro area and US's third estimate for Q1 GDP are due later today.

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GREECE

According to Bank of Greece (BoG) data, private sector deposits increased on a monthly basis by €1.1 bn in May-18. The 56.1% (€0.6 bn) of the aforementioned increase came from private firms and the remaining 43.9% (€0.5 bn) from households. It is worth noting that, relative to a 15 ½ year low marked in Apr -17 private sector deposits have increased by €9.1 bn cumulatively.. Household deposits have increased by €5.7 bn and the respective figure for private firms was €3.4 bn. This positive development is mainly attributed to the improvement of the economic sentiment and the increase of real GDP. For the same period, the cumulative decrease of credit to private sector was -€13.9 bn (households -€6.0 bn, private firms -€7.2 bn and sole proprietors -€0.8 bn). As a result the difference between private sector deposits and credit was reduced to -€50.9 bn in May-18 from -73.8 bn in Apr-18 (-€85.9 bn in Jun-15).

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Thursday 28 June 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	2699.63	-0.9%	1.0%	EUR/USD	1.1569	0.1%	-3.6%	UST - 10yr	2.83	0	42	GOLD	1251	-0.1%	-4.0%
Nikkei 225	22270.39	0.0%	-2.2%	GBP/USD	1.3102	-0.1%	-3.1%	Bund-10yr	0.31	-1	-12	BRENT CRUDE	78	0.2%	16.3%
STOXX 600	377.92	-0.5%	-2.9%	USD/JPY	110.21	0.1%	2.3%	JGB - 10yr	0.04	0	-1	LMEX	3238	0.2%	-5.3%

SERBIA

BELIBOR	Last	ΔDbps	ΔYTD bps
T/N	2.29	1	-23
1-week	2.41	0	-20
1-month	2.60	1	-25
3-month	2.90	2	-22
6-month	3.06	1	-18

RS Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RSD	3.42	-3	-85
5Y RSD	4.00	0	-24
7Y RSD	4.37	0	-81

RS Eurobonds

	Last	ΔDbps	ΔYTD bps
USD Feb-20	3.78	0	79
USD Nov-24	#N/A N/A	#N/A N/A	-13164

CDS

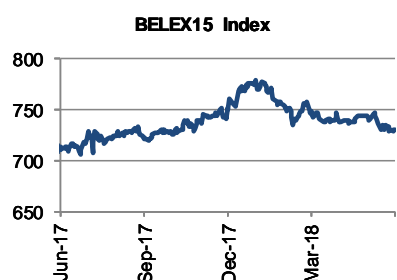
	Last	ΔDbps	ΔYTD bps
5-year	127	1	9
10-year	171	1	9

STOCKS

	Last	ΔD	ΔYTD
BELEX15	729.6	-0.13%	-3.98%

FOREX

	Last	ΔD	ΔYTD
EUR/RSD	118.08	-0.85%	0.70%



ROMANIA

Money Market

ROBOR	Last	ΔDbps	ΔYTD bps
O/N	3.44	1	235
1-month	3.17	0	130
3-month	3.16	1	111
6-month	3.23	0	96
12-month	3.31	0	99

RO Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RON	4.35	0	97
5Y RON	4.97	0	119
10Y RON	5.24	0	93

RO Eurobonds

	Last	ΔDbps	ΔYTD bps
EUR Oct-25	1.67	#N/A N/A	7
USD Jan-24	4.26	0	126

CDS

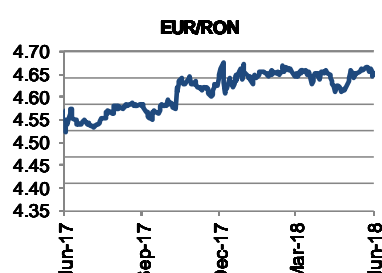
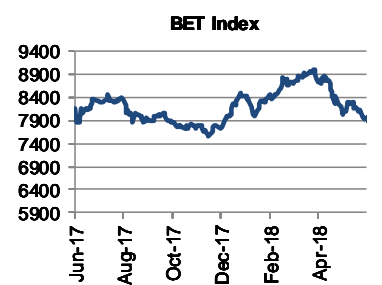
	Last	ΔDbps	ΔYTD bps
5-year	98	-4	8
10-year	143	-5	9

STOCKS

	Last	ΔD	ΔYTD
BET	7911.6	-0.37%	2.04%

FOREX

	Last	ΔD	ΔYTD
EUR/RON	4.6577	-0.11%	0.15%



BULGARIA

Money Market

SOFIBOR	Last	ΔDbps	ΔYTD bps
LEONIA	0.01	0	1
1-month	-0.30	0	-5
3-month	-0.23	0	-5
6-month	-0.12	-2	-7
12-month	0.22	-1	-11

BG Local Bonds

(yields)	Last	ΔDbps	ΔYTD bps
3Y BGN	-0.07	0	-1
5Y BGN	0.15	0	0
10Y BGN	0.93	0	-3

BG Eurobonds

	Last	ΔDbps	ΔYTD bps
EUR Mar-22	0.07	-5	14
EUR Sep-24	0.70	-38	13

CDS

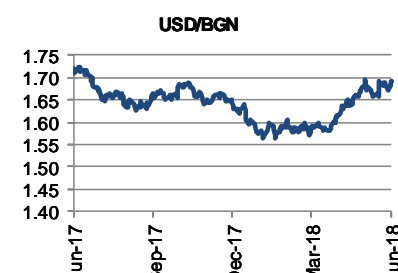
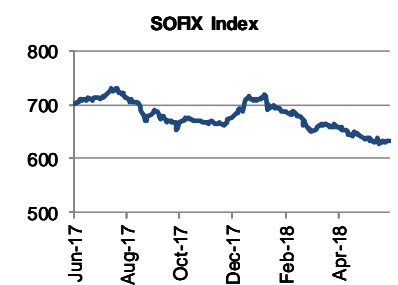
	Last	ΔDbps	ΔYTD bps
5-year	74	0	-22
10-year	112	0	-30

STOCKS

	Last	ΔD	ΔYTD
SOFIX	633.0	-0.08%	-6.56%

FOREX

	Last	ΔD	ΔYTD
USD/BGN	1.6907	0.14%	-3.63%



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

Data updated as of 12:45 EEST

Thursday 28 June 2018

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