

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

October 2, 2019

Global Markets

The US ISM manufacturing surprised negatively dropping by 1.3pts to 47.8 in September, the lowest level since June 2009, against expectations for a modest improvement following positive signals from other survey measures of manufacturing activity over the same month. US Treasuries gained and the majority of Asian bourses ended lower, taking their lead from Wall Street's losses overnight. In FX markets, the USD weakened, with the EUR/USD revisiting levels above 1.09 after marking a fresh year-to-date low of 1.0877 yesterday following a drop in Eurozone September's headline inflation to 0.9%YoY from 1.0%YoY in the prior month. Focus today is on the US ADP employment survey ahead of Friday's labor market report.

Greece

The IHS Markit Manufacturing PMI eased at 53.6 in Sep-2019 down from 54.9 in Aug, recording the slowest improvement in manufacturing since Jun-2019, yet well above the long-run series average of 49.8. The expansion was supported by greater client demand and a steep rise in new order volumes. According to the meeting agenda, the 9 Oct Eurogroup will discuss the 4th EPPS report and assess the progress with the post-programme commitments as attached to the Jun-2018 Eurogroup statement and on key reforms agreed under the ESM programme. The EPPS reports also serve as a basis for the further implementation of the policy contingent debt measures. Finally, as regards the exploitation of the 10 ports in the HRADF Asset Development Plan, the government is expected to announce its plans in Oct.

CESEE

Serbia: Over the weekend, Serbia's sovereign rating was upgraded to BB+ from BB by Fitch, citing a consolidation of more stable macroeconomic position underpinned by the IMF Policy Coordination Instrument. The outlook remained stable. Meanwhile, on Tuesday, the country's Fiscal Council stated in parliamentary discussions that GDP growth is expected to stand barely over 3.0% in 2019. Moreover, an intergovernmental conference between the EU Commission and Serbia will be scheduled by the end of the year, marking the opening of new chapters in the country's accession talks. Serbia has opened 17 out of the 35 chapters in its accession talks with the EU and 2 chapters have already been provisionally closed.

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GLOBAL MARKETS

Stock markets

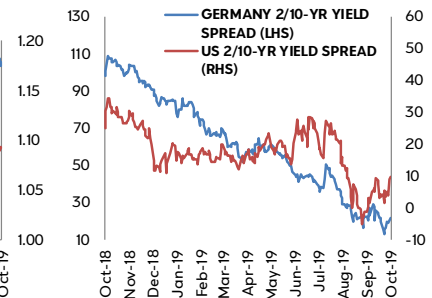
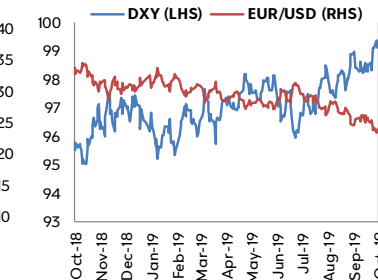
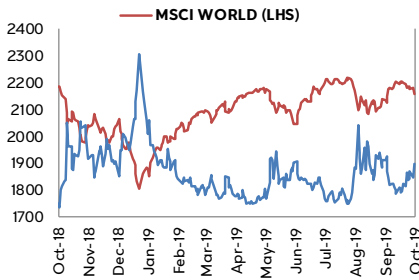
	Last	ΔD	ΔYTD
S&P 500	2940.25	-1.23%	17.3%
Nikkei 225	21778.61	-0.5%	8.8%
STOXX 600	387.99	-1.3%	14.9%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.0921	-0.1%	-4.8%
GBP/USD	1.2263	-0.4%	-3.9%
USD/JPY	107.7	0.0%	1.9%

Government Bonds

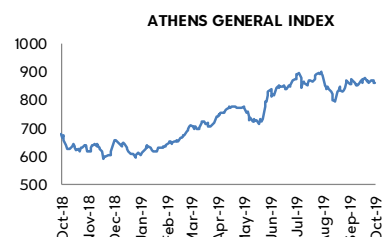
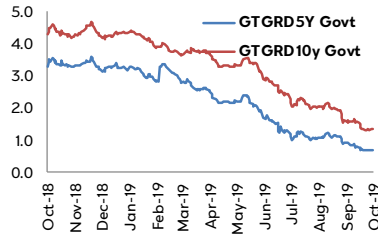
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.64	0	-105
Bund-10yr	-0.55	1	-79
JGB - 10yr	-0.17	-2	-17



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.69	0	-249
10Y Bond	1.35	0	-300
Δ(10YBund-10YGG)	1.90	0	-221



EMERGING MARKETS

Stock markets

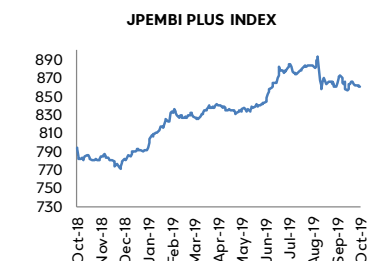
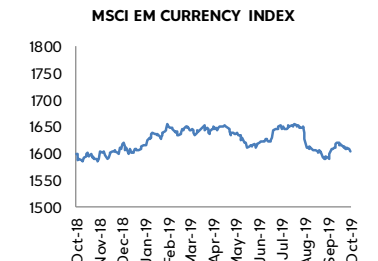
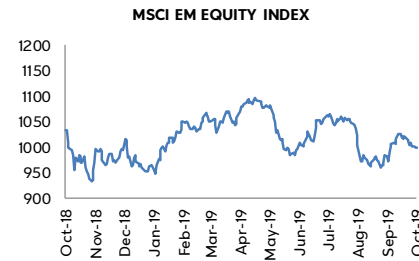
	Last	ΔD	ΔYTD
SOFIX	569.32	-0.2%	-4.2%
BELEX	753.51	0.3%	-107.4%
XU100	103832.40	0.0%	1376.3%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.3825	-0.1%	-2.1%
EUR/RSD	117.491	0.1%	0.7%
USD/TRY	5.7392	-0.3%	-7.8%

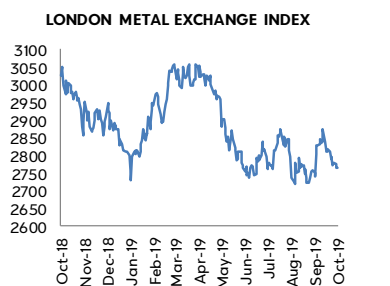
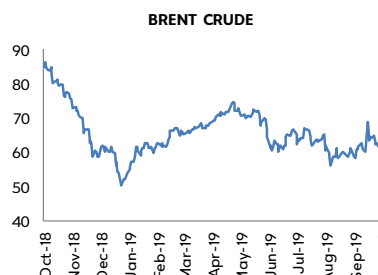
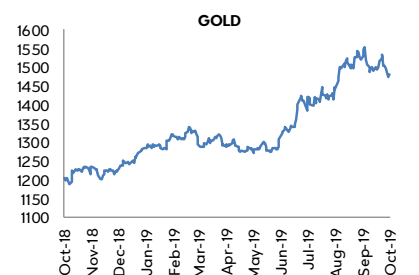
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.73	-2	-37
BG 8Y yield	0.19	8	-28
PL 10Y yield	2.00	0	-81



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1480	0.0%	15.4%
BRENT CRUDE	59	0.7%	10.3%
LMEX	2764	-0.4%	-1.3%



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