

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 3, 2019

Global Markets

Brexit developments lure market attention as the UK House of Commons returns today from its summer recess. Market speculation suggests that pro-EU UK MPs will likely try to prevent a no-deal Brexit while PM Boris Johnson called on the around 20 Conservative MPs to not vote against the government. Gilt yields moved further lower across maturities in early trade today, while in FX markets, the GBP came under pressure moving below 1.2000 against the USD for the first time in more than 2 ½ years. Today, Italy's Five Star Movement's members vote on whether they agree with the formation of a M5S-PD government, while on the data front, focus is on US ISM manufacturing for August.

Greece

According to press, the 4th EPPS review is to officially commence on 16 Sep with the arrival of the institutions' technical team in Athens, while the mission heads will reportedly arrive on the 23rd. The HIS Markit Manufacturing PMI rose to 54.9 in Aug-19, a 4-month high driven by sharper increases in output and new orders. Employment rose sharply while backlogs fell further. Output expectations rose to a new series high. According to the BoG apartment prices are estimated to have increased by 7.7%YoY in Q2-19, up from 4.9% in Q1-19 and 1.7% in 2018. The 2nd pending JMD for Hellinikon was issued yesterday. The competent Minister appeared confident in an interview that the 1st tranche of €300mn will be received in 2019.

CESEE

Following an upwardly revised economic growth print of 2.7% YoY in Q1 from 2.5% initially, Serbia's GDP expanded by 2.9% YoY in Q2, setting economic growth at 2.8% YoY in H1. The key driver remains consumption while investment picked up on the back of solid construction activity (8.6% YoY in Q2 vs 7.8% YoY in Q1), absorbing sizably the drawback from net exports. According to the IMF and the National Bank of Serbia, GDP is expected to grow by 3.5% in FY2019, suggesting expectations for an acceleration in the next two quarters, broadly based on consumption and investment. Regarding the later component, we outline the five year public investments plan up to EUR12bn coming into effect in 2020 and focusing primarily on infrastructure projects.

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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	2926.46	0.1%	16.7%	EUR/USD	1.094	-0.3%	-4.6%	UST - 10yr	1.50	1	-118	GOLD	1527	-0.2%	19.1%
Nikkei 225	20625.16	0.0%	3.0%	GBP/USD	1.1981	-0.7%	-6.1%	Bund-10yr	-0.71	-1	-96	BRENT CRUDE	59	-0.1%	8.9%
STOXX 600	380.69	0.3%	12.7%	USD/JPY	106.17	0.1%	3.3%	JGB - 10yr	-0.27	-1	-28	LMEX	2752	-0.2%	-1.8%

SERBIA
Money Market

BELIBOR	Last	ΔDbps	ΔYTD bps
T/N	1.42	0	-102
1-week	1.51	0	-105
1-month	1.75	0	-98
3-month	1.99	0	-104
6-month	2.11	0	-107

RS Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RSD	2.18	-1	-88
5Y RSD	2.42	0	-109
7Y RSD	2.99	0	-117

RS Eurobonds

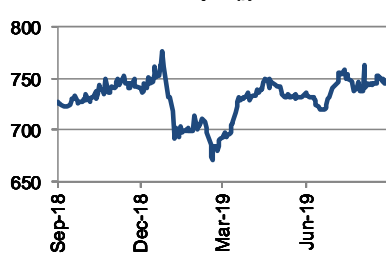
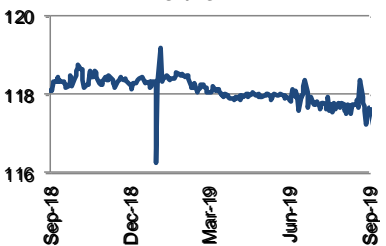
	Last	ΔDbps	ΔYTD bps
USD Feb-20	2.54	#N/A N/A	-145

STOCKS

	Last	ΔD	ΔYTD
BELEX15	746.4	0.18%	-2.01%

FOREX

	Last	ΔD	ΔYTD
EUR/RSD	117.68	0.02%	0.47%

BELEX15 Index

EUR/RSD

ROMANIA
Money Market

ROBOR	Last	ΔDbps	ΔYTD bps
O/N	2.71	0	162
1-month	2.8	0	93
3-month	3.05	0	100
6-month	3.13	0	86
12-month	3.24	0	92

RO Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RON	3.43	0	-60
5Y RON	3.71	0	-63
10Y RON	4.06	0	-75

RO Eurobonds

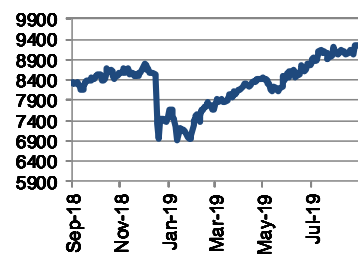
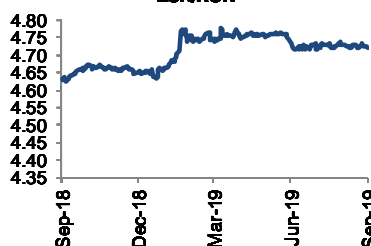
	Last	ΔDbps	ΔYTD bps
EUR Oct-25	0.60	-	-94
USD Jan-24	2.45	0	-179

STOCKS

	Last	ΔD	ΔYTD
BET	9259.7	0.26%	25.41%

FOREX

	Last	ΔD	ΔYTD
EUR/RON	4.7222	0.03%	-1.44%

BET Index

EUR/RON

BULGARIA
Money Market

SOFIBOR	Last	ΔDbps	ΔYTD bps
LEONIA	0.01	0	1
1-month	-0.22	8	3
3-month	-0.14	9	4
6-month	-0.02	10	3
12-month	0.36	14	4

BG Local Bonds

(yields)	Last	ΔDbps	ΔYTD bps
3Y BGN	-0.36	-1	-30
5Y BGN	-0.17	0	-28
10Y BGN	0.17	0	-58

87.94

BG Eurobonds

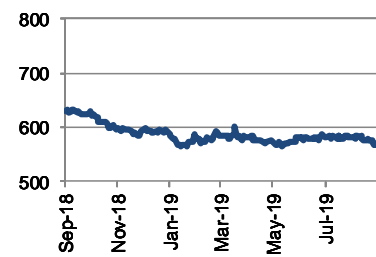
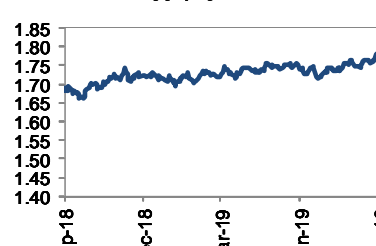
	Last	ΔDbps	ΔYTD bps
EUR Mar-22	-0.31	0	-26
EUR Sep-24	-0.10	0	-58

STOCKS

	Last	ΔD	ΔYTD
SOFIX	569.9	0.44%	-4.13%

FOREX

	Last	ΔD	ΔYTD
USD/BGN	1.788	-0.27%	-4.61%

SOFIX Index

USD/BGN


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

Data updated as of 09:45 EEST

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