

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 4, 2019

Global Markets

Fixed income markets came under some pressure early today and the GBP's recent downtrend came to a halt on hopes that the Brexit deadline on 31 October may be delayed. UK MPs voted 328 to 301 to take control of the parliamentary order agenda last night with the aim of passing a bill today requiring the government to seek a three-month extension of Article 50. If the said bill passes, UK PM Boris Johnson threatens to table a motion for a general election. Meanwhile, BTPs extended recent gains, with the 10-yr Bund-BTP yield spread narrowing close to 150bps earlier today, as the positive outcome of yesterday's online vote from the members of the Italian M5S, paved the way for the formation of a new government with the PD.

Greece

The Greek PM Kyriakos Mitsotakis met yesterday the Dutch PM Mark Rutte in Hague and discussed, among others, boosting the Greek economy and migration in the EU. According to press, although the potential reduction of the primary surplus targets has not been officially put forward, the prospect of using the SMP/ANFA income to this effect may be considered in the future. Meanwhile, the Deputy Minister of Energy Gerasimos Thomas will reportedly meet with Director-General for Energy Ditte Juul Jørgensen to discuss the possibility of abandoning the NOME auctions mechanism and changing the target for the reduction of the PPC market share by the end of 2019 from 50% currently to 60%-65%.

CESEE

Bulgaria: Following the affirmation of the BBB credit rating by Fitch ratings agency in late August, Moody's maintained the country's sovereign debt both in local and foreign currency at Baa2 and upgraded the outlook from stable to positive late last week. In the relevant assessment, Moody's backed the improved outlook primarily on strengthening fiscal metrics and improved growth prospects due to enhanced EU integration and rising competitiveness. *Serbia:* The Ministry of Finance sold RSD7.8bn in 7y bonds yesterday, at the reopening of the January 9 2019 issuance, with a 4.5% annual coupon and at an average yield of 3.40%, 10 bps down from the yield achieved at the previous identical auction.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Maria Kasola
Economic Analyst
mkasola@eurobank.gr

GLOBAL MARKETS
Stock markets

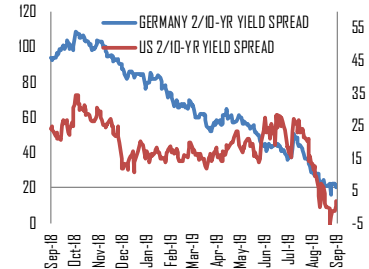
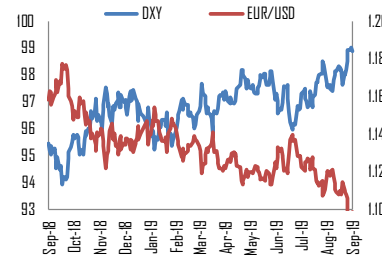
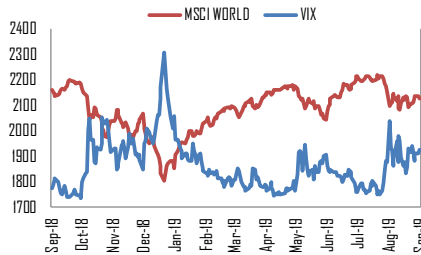
	Last	ΔD	ΔYTD
S&P 500	2906.27	-0.69%	15.9%
Nikkei 225	20649.14	0.1%	3.2%
STOXX 600	379.81	-0.2%	12.5%

FOREX

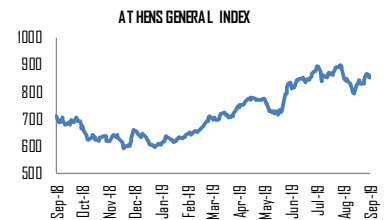
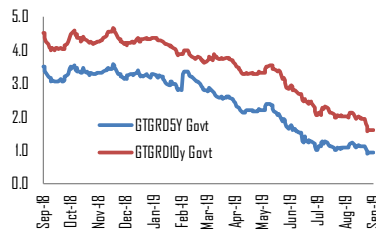
	Last	ΔD	ΔYTD
EUR/USD	1.0984	0.1%	-4.2%
GBP/USD	1.2124	0.4%	-5.0%
USD/JPY	106.15	-0.2%	3.3%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.48	2	-121
Bund-10yr	-0.68	2	-93
JGB - 10yr	-0.28	0	-29


GREECE
Government Bonds

	Last	ΔDbps	ΔYTDbps
5Y Yield	0.92	-1	-226
10Y Yield	1.60	0	-275
Δ(10Y Bund-10Y GGB)	228.66	-2	-182


EMERGING MARKETS
Stock markets

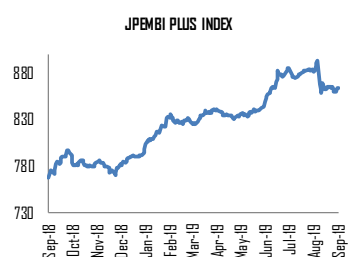
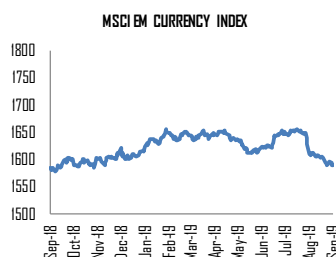
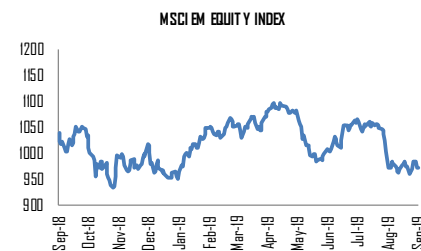
	Last	ΔD	ΔYTD
SOFIX	571.80	0.3%	-3.8%
BELEX	743.15	-0.4%	-243.4%
XU100	98826.11	0.5%	827.8%

FOREX

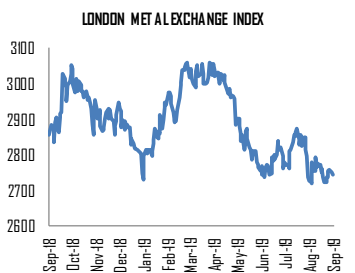
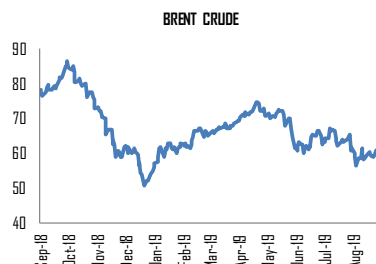
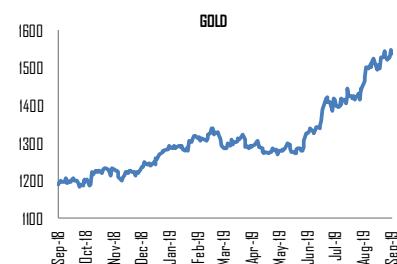
	Last	ΔD	ΔYTD
EUR/PLN	4.3436	0.0%	-1.2%
EUR/RSD	117.643	0.0%	0.6%
USD/TRY	5.6813	0.8%	-6.9%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
TR 10Y	7.04	-5	-7
BG 8Y	0.22	0	-26
PL 10Y	1.81	0	-100


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1539	-0.5%	20.0%
BRENT CRUDI	59	0.7%	9.0%
LMEX	2742	-0.4%	-2.1%



Research Team



Dr. Tasos Anastasatos | Group Chief Economist
tanastasatos@eurobank.gr | + 30 214 40 59 706



Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr
+ 30 210 37 18 793



Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr
+ 30 214 40 59 707



Dr. Stylianos Gogos
Economic Analyst
sgogos@eurobank.gr
+ 30 210 37 18 733



Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 33 18 708



Olga Kosma
Research Economist
okosma@eurobank.gr
+ 30 210 37 18 728



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991



Dr. Theodoros Stamatou
Senior Economist
tstamatou@eurobank.gr
+ 30 214 40 59 708



Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

Marisa Yiannisis | Administrator
magiannisi@eurobank.gr | + 30 210 33 71 178

More research available at: <https://www.eurobank.gr/en/group/economic-research>
Subscribe electronically at: <https://www.eurobank.gr/el/omilos/oikonomikes-analises...>
Follow us on twitter: https://twitter.com/Eurobank_Group
Follow us on LinkedIn: <https://www.linkedin.com/company/eurobank>

DISCLAIMER

This report has been issued by Eurobank Ergasias S.A. ("Eurobank") and may not be reproduced in any manner or provided to any other person. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell the securities mentioned herein. Eurobank and others associated with it may have positions in, and may effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for those companies. The investments discussed in this report may be unsuitable for investors, depending on the specific investment objectives and financial position. The information contained herein is for informative purposes only and has been obtained from sources believed to be reliable but it has not been verified by Eurobank. The opinions expressed herein may not necessarily coincide with those of any member of Eurobank. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility or liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank or any of its directors, officers or employees. Any articles, studies, comments etc. reflect solely the views of their author. Any unsigned notes are deemed to have been produced by the editorial team. Any articles, studies, comments etc. that are signed by members of the editorial team express the personal views of their author.

