

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

August 5, 2019

### Global markets

Asian equity indices suffered their steepest daily drop in 10 months on Monday morning, as concerns escalated about the U.S.-China trade war. Japan's Nikkei index lost 1.74% of its value ending at 20,720.29 the lowest level since early June. The South Korean's KOSPI index tumbled by 2.56% at 1946.98, to the lowest level since November 2016. Following US President Trump's announcement that he will implement new tariffs of 10% on the remaining \$300bn of Chinese imports, China responded letting the Yuan slump beyond the psychological 7-per-dollar threshold, to the weakest level in more than a decade and asked state-owned companies to suspend imports of U.S. agricultural products. The 10yr US Treasury yield was trading almost 8bps lower at 1.76% at the time of writing, dropping to a new three-year low as markets priced in a more aggressive pace of rate cuts by the US Fed.

### Greece

Christos Staikouras, the Minister of Finance, in an interview with Kathimerini newspaper, mentioned that the government's focus is on the implementation of structural reforms and that the latter will contribute in the discussions with the Eurozone partners over the reduction of the fiscal primary surplus from 2020 onwards. According to press reports, the Bank of Greece has recommended to the government the full abolishment of the restrictions on capital transfers at the end of September or October 2019, more than 4 years and 2 months after they were imposed.

### CESEE

Serbia: The Dinar remained bound within a weekly range of 117.65 – 117.80/€. The FX intervention has become a daily routine on €/Dinar market. Out of 23 working days in July, the National Bank of Serbia (NBS) intervened in fifteen occasions buying €630mn. In the past week, NBS bought €75mn pushing the cross rate at 117.75/€. Considering NBS's consistency in defending the 117.70 level, and the fact that there are no crucial macroeconomic announcements scheduled this week, EUR/RSD is most likely to continue hovering in narrow spread of only 10 paras (117.65/75-117.75/85).

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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	2932.05	-0.7%	17.0%	EUR/USD	1.1149	0.4%	-2.8%	UST-10yr	1.75	-10	-93	GOLD	1458	1.2%	13.7%
Nikkei 225	20720.29	-1.7%	3.5%	GBP/USD	1.2148	-0.1%	-4.8%	Bund-10yr	-0.52	-3	-76	BRENT CRUDE	61	-1.3%	13.5%
STOXX 600	370.33	-2.1%	9.7%	USD/JPY	105.96	0.6%	3.5%	JGB-10yr	-0.19	-3	-19	LMEX	2737	-2.1%	-2.3%

**SERBIA**
**Money Market**

BELIBOR	Last	ΔDbps	ΔYTD bps
T/N	1.77	0	-67
1-week	1.86	-1	-70
1-month	2.14	0	-59
3-month	2.41	0	-62
6-month	2.61	0	-57

**RS Local Bonds**

	Last	ΔDbps	ΔYTD bps
3Y RSD	2.59	0	-47
5Y RSD	3.12	0	-38
7Y RSD	3.28	0	-88

**RS Eurobonds**

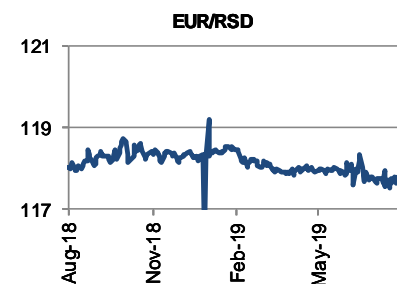
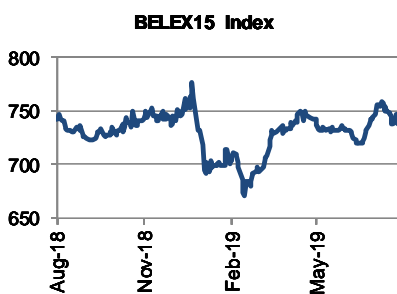
	Last	ΔDbps	ΔYTD bps
USD Feb-20	2.69	-6	-131

**STOCKS**

	Last	ΔD	ΔYTD
BELEX15	736.0	-0.31%	-3.37%

**FOREX**

	Last	ΔD	ΔYTD
EUR/RSD	118.18	-0.09%	0.05%


**ROMANIA**
**Money Market**

ROBOR	Last	ΔDbps	ΔYTD bps
O/N	2.64	0	155
1-month	2.77	-1	90
3-month	3.08	0	103
6-month	3.17	-2	90
12-month	3.33	0	101

**RO Local Bonds**

	Last	ΔDbps	ΔYTD bps
3Y RON	3.44	0	-59
5Y RON	3.94	0	-40
10Y RON	4.32	0	-49

**RO Eurobonds**

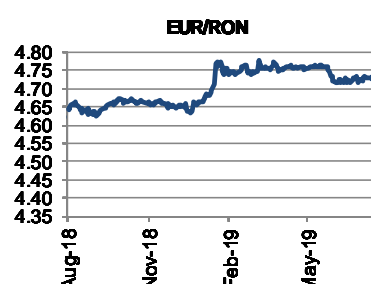
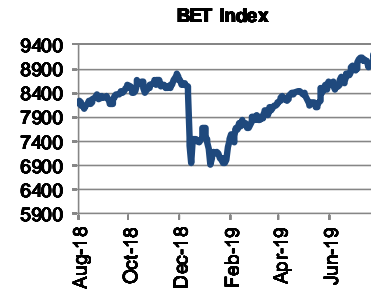
	Last	ΔDbps	ΔYTD bps
EUR Oct-25	0.75	-	-79
USD Jan-24	2.84	-1	-140

**STOCKS**

	Last	ΔD	ΔYTD
BET	9039.5	-0.32%	22.43%

**FOREX**

	Last	ΔD	ΔYTD
EUR/RON	4.7335	-0.10%	-1.68%


**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	-0.31	-2	-25
5Y BGN	-0.12	-2	-24
10Y BGN	0.12	1	-63

**BG Eurobonds**

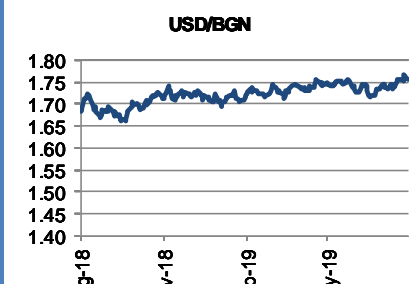
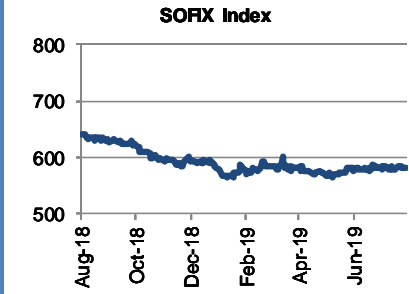
	Last	ΔDbps	ΔYTD bps
EUR Mar-22	-0.21	0	-19
EUR Sep-24	-0.04	0	-52

**STOCKS**

	Last	ΔD	ΔYTD
SOFIX	580.8	0.12%	-2.30%

**FOREX**

	Last	ΔD	ΔYTD
USD/BGN	1.7543	0.37%	-2.78%



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