

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

December 5, 2019

### Global Markets

Global equity markets advanced on Thursday amid hopes that the US and China may soon seal a preliminary trade deal following US President Donald Trump's comments that the talks were going "very well" shrugging off his own earlier remarks that a trade deal may have to wait until after the US presidential election in November 2020. In other positive news, the House Democrats noted overnight that a deal regarding the U.S.-Mexico-Canada free-trade agreement is about to be reached and commented that Mexico should compromise on labor-rights enforcement. Risk-on sentiment hurt demand for safe-haven currencies and sovereign bonds, with the JPY trading down 0.1% at 108.77 against the USD earlier today before consolidating around levels of 108.90 in European trade.

### Greece

The Eurogroup yesterday discussed the 4th EPPS report concluding that progress has broadly been made in structural reforms but the positive momentum must be maintained. The Eurogroup also opined that the primary surplus targets for 2019 and 2020 will be met. Following the positive review, the EWG and EFSF are expected to approve the transfer of SMP-ANFA income equivalent amounts and the reduction to zero of the step-up interest margin on certain EFSF loans worth €767mn in total. The European Institutions are consequently mandated to initiate technical work on the possible use of ANFA-SMP income equivalents to reduce gross financing needs or to finance mutually agreed investments.

### CESEE

Serbia: GDP growth accelerated to 4.8% YoY in Q3 from 2.9% YoY in the previous quarter. On the expenditure side, economic growth was primarily led by fixed investments, increased by 17.3% YoY and contributing almost 75% to this quarter's headline economic growth. Traditionally, private consumption remained robust while the negative contribution of net exports to growth decreased in Q3 on the back of improved exports. Finally, the Ministry of Finance redeemed at an auction on November 29 3-year bonds of RSD 4.8bn maturing on April 5, 2020. The offered redemption volume amounted to RSD 7bn, while the volume of submitted bids reached RSD 4.8bn. The bonds carrying a 4.5% annual coupon rate were redeemed at a rate of 1.80%.

### Contributing Authors

**Olga Kosma**  
Research Economist  
[okosma@eurobank.gr](mailto:okosma@eurobank.gr)

**Anna Dimitriadou**  
Economic Analyst  
[andimitriadou@eurobank.gr](mailto:andimitriadou@eurobank.gr)

**Maria Kasola**  
Economic Analyst  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)

**GLOBAL MARKETS**
**Stock markets**

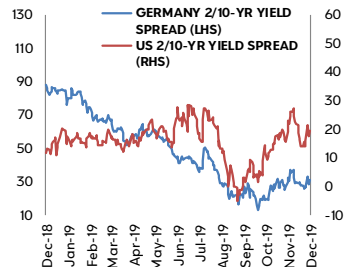
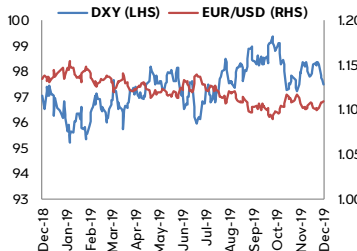
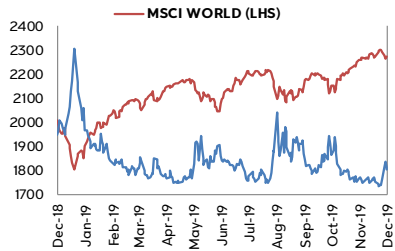
	Last	ΔD	ΔYTD
S&P 500	3112.76	0.63%	24.2%
Nikkei 225	23300.09	0.7%	16.4%
STOXX 600	403.94	0.2%	19.6%

**FOREX**

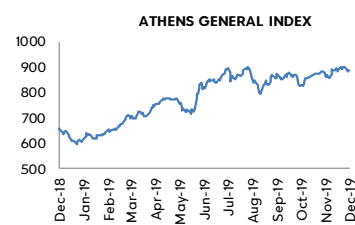
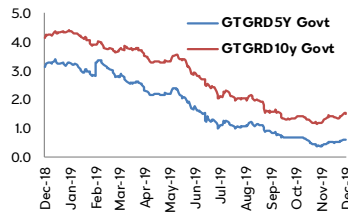
	Last	ΔD	ΔYTD
EUR/USD	1.109	0.1%	-3.3%
GBP/USD	1.3141	0.3%	3.0%
USD/JPY	108.9	0.0%	0.7%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.78	0	-91
Bund-10yr	-0.30	1	-55
JGB - 10yr	-0.03	1	-3


**GREECE**
**Government Bonds**

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.62	0	-256
10Y Bond	1.52	-1	-283
Δ(10YBund-10YGB)	1.83	0	-228


**EMERGING MARKETS**
**Stock markets**

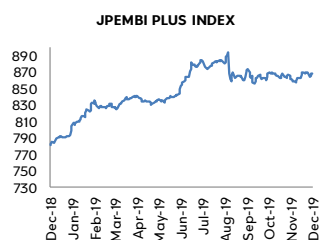
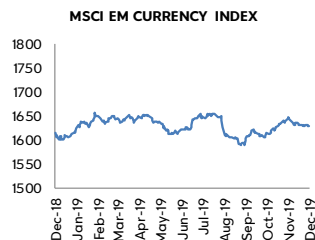
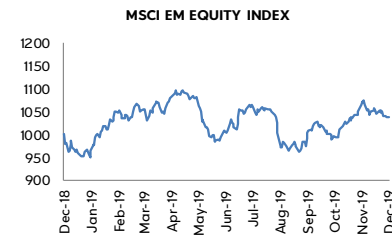
	Last	ΔD	ΔYTD
SOFIX	543.51	0.0%	-8.6%
BELEX	766.37	-0.8%	61.4%
XU100	108187.30	0.5%	1853.5%

**FOREX**

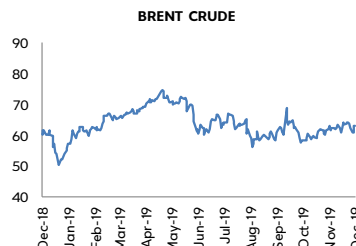
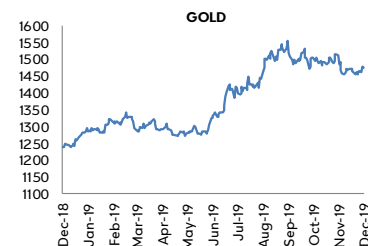
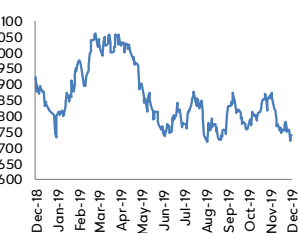
	Last	ΔD	ΔYTD
EUR/PLN	4.2784	0.0%	0.3%
EUR/RSD	117.622	0.0%	0.6%
USD/TRY	5.7652	-0.3%	-8.3%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.32	-7	-79
BG 8Y yield	0.13	-2	-35
PL 10Y yield	2.03	2	-78


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1475	0.0%	15.0%
BRENT CRUDE	63	-0.1%	17.0%
LMEX	2737	0.6%	-2.3%


**LONDON METAL EXCHANGE INDEX**


Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research  
Data updated as of 11:20 EEST

## 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 Stamatiou**  
Senior Economist  
tstamatiou@eurobank.gr  
+ 30 214 40 59 708



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

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