

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

December 6, 2019

### Global Markets

Germany's industrial production unexpectedly dropped by 1.7%MoM in October, the biggest decline since April, reviving market worries over the growth outlook of the Eurozone's largest economy. Turning to fixed income markets, USTs and German Bunds remained under pressure on the overall positive take on the US/China trade talks following the latest comments by US President Donald Trump that discussions are "moving right along". In FX markets, the GBP remained well-supported favored by new polls indicating that the Conservative Party will likely win a clear majority in the 12 December general election. Elsewhere, the EUR/USD continued to struggle at around 1.11 ahead of today's US November non-farm payrolls report.

### Greece

According to ELSTAT provisional data, in Q3-2019 s.a. GDP in volume terms rose by 0.6%QoQ and 2.3%YoY (against 1.3%QoQ and 2.8%YoY in Q2-2019). The annual rates of change of the GDP components is as follows: total final consumption expenditure increased by 0.5%YoY, gross fixed capital formation increased by 2%YoY, exports of goods and services increased by 9.5%YoY (with goods exports increasing by 6.2% and services exports increasing by 14.5%) and imports of goods and services decreased by 2.9%YoY. It should be noted that Q1-2019 and Q2-2019 s.a. GDP growth rates were upwards revised to 1.4%YoY (from 1.1%YoY) and 2.8%YoY (from 1.9%YoY) respectively.

### CESEE

Bulgaria: GDP growth came in at 3.7% YoY in Q3, compared to 3.8% YoY and 3.9% YoY in Q2 and Q1 respectively. Economic growth was primarily driven by final consumption which is underpinned by rising wages due to labor shortages. The government kept its real GDP growth projection for 2019 at 3.4%, unchanged from the autumn forecast, while the EC and the IMF expect 3.6% and 3.7% GDP growth respectively for the year in their latest forecasts. Moreover, the parliament approved the balanced budget bill for 2020 at its second reading. Total revenues and total expenditure each are projected to amount to BGN 46.8bn or 36.9% of GDP. The budget prioritises income increases, as well as higher allocations to the education, healthcare and defense sectors.

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

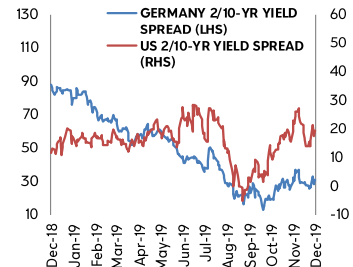
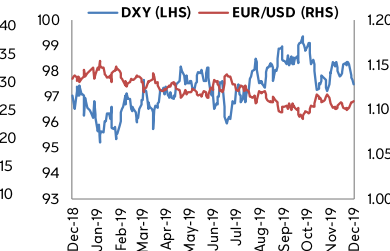
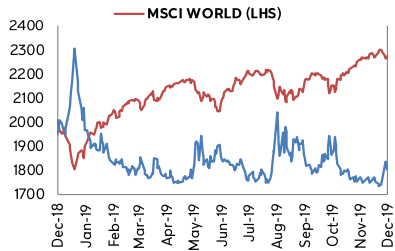
	Last	ΔD	ΔYTD
S&P 500	3112.76	0.63%	24.2%
Nikkei 225	23300.09	0.7%	16.4%
STOXX 600	403.94	0.2%	19.6%

**FOREX**

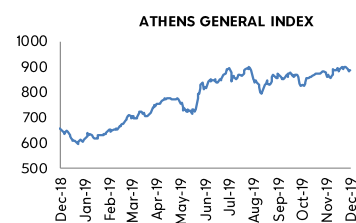
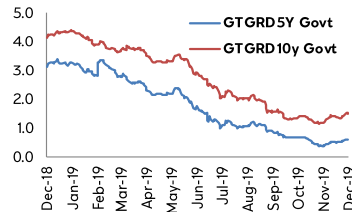
	Last	ΔD	ΔYTD
EUR/USD	1.109	0.1%	-3.3%
GBP/USD	1.3141	0.3%	3.0%
USD/JPY	108.9	0.0%	0.7%

**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-10YGG)	1.83	0	-228


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

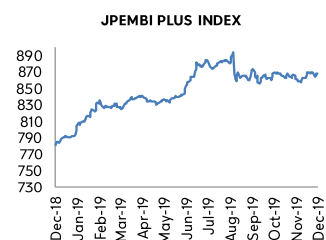
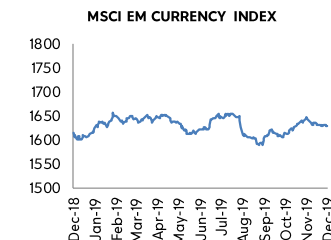
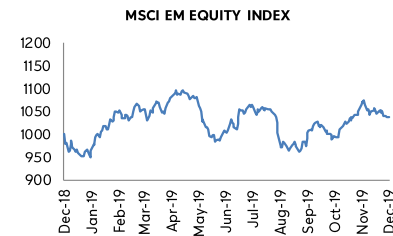
	Last	ΔD	ΔYTD
SOFIX	543.51	0.0%	-8.6%
BELEX	766.37	-0.8%	61.4%
XU100	108187.30	0.5%	1853.5%

**FOREX**

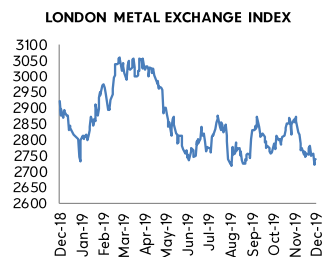
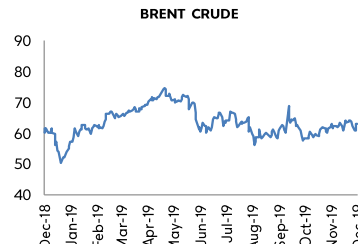
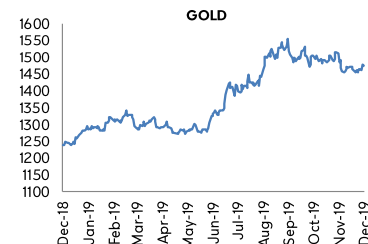
	Last	ΔD	ΔYTD
EUR/PLN	4.2784	0.0%	0.3%
EUR/RSD	117.622	0.0%	0.6%
USD/TRY	5.7652	-0.3%	-8.3%

**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%



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

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