

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

August 7, 2019

Global markets

Wall Street rebounded overnight with S&P 500 closing +1.30% higher, following comments from President Trump's economic advisor Larry Kudlow that the US administration is planning to host a Chinese delegation for trade negotiations in September. Nevertheless, market sentiment remains fragile with investors moving into safe haven assets. Gold surged to a six-year high of \$1,491.31 per ounce in Asian trade on Wednesday, while US Treasuries extended their recent gains with the 10yr respective yield falling to 1.66%, its lowest level since October 2016. In FX markets, the offshore yuan was trading around 7.0690 per dollar in European trade, within distance from y-day's intraday decade low of 7.1400. The safe haven yen remained firmed, with the USD/JPY hovering around 106.28 at the time of writing, not far from a seven-month low of 105.52 hit on Tuesday. Elsewhere, the New Zealand and Australian dollars fell to multi-year lows, following New Zealand Reserve Bank's decision to cut interest rates by a larger-than-expected 50bps to a record low of 1.00% on increased worries over the global economic outlook.

Greece

According to ERGANI, a real time information system from the Ministry of Labor, Social Security and Welfare, 1,669,921 jobs were created in the January-July 2019 period registering an annual increase of 4.4%, of which 797,882 were full-time, 674,272 were part-time and 197,767 were on a rotation basis. On the other hand, lay-offs were at 1,388,146 in the January-July 2019 period registering an annual increase of 6.0%. The balance between new hirings and lay-offs in the January-July 2019 period was positive at 281,775 new jobs but below the respective 2018 balance of 289,561 jobs. In other news, the Greek government passed in parliament y-day, a bill that aims at the reorganization of public administration and the increase of its efficiency.

CESEE

Romania: NBR maintained the key policy rate (KPR) unchanged at 2.5% and MRRs for FX and RON denominated liabilities at 8%, respectively. At the same time, the NBR also decided to preserve the deposit facility rate at 1.50% and the lending facility rate at 3.50%, leaving the interest rate corridor unchanged at 2%. The decision was widely anticipated by market participants, as it met the expectations of the vast majority of analysts in the relevant surveys. In the press release published thereafter, NBR emphasized external risks as the main driver of future rate decisions, but also balanced them against increased domestic inflationary pressures.

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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	2881.77	1.3%	15.0%	EUR/USD	1.119	-0.1%	-2.4%	UST - 10yr	1.68	-2	-100	GOLD	1485	0.7%	15.8%
Nikkei 225	20516.56	-0.3%	2.5%	GBP/USD	1.215	-0.1%	-4.8%	Bund-10yr	-0.56	-3	-81	BRENT CRUDE	59	-0.1%	9.5%
STOXX 600	370.27	0.7%	9.7%	USD/JPY	106.27	0.2%	3.2%	JGB - 10yr	-0.19	-1	-19	LMEX	2727	0.1%	-2.6%

SERBIA
Money Market

BELIBOR	Last	ΔDbps	ΔYTD bps
T/N	1.77	0	-67
1-week	1.86	0	-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	2.58	0	-48
5Y RSD	3.12	0	-38
7Y RSD	3.27	0	-89

RS Eurobonds

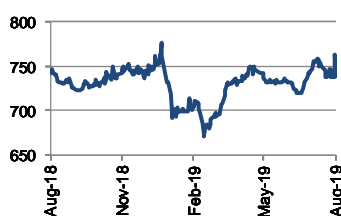
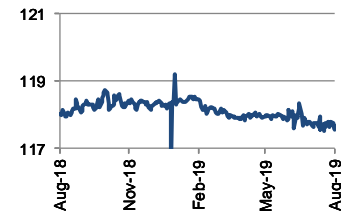
	Last	ΔDbps	ΔYTD bps
USD Feb-20	2.70	0	-130

STOCKS

	Last	ΔD	ΔYTD
BELEX15	739.6	-3.17%	-2.90%

FOREX

	Last	ΔD	ΔYTD
EUR/RSD	117.69	0.06%	0.47%

BELEX15 Index

EUR/RSD

ROMANIA
Money Market

ROBOR	Last	ΔDbps	ΔYTD bps
O/N	2.6	-2	151
1-month	2.77	1	90
3-month	3.09	0	104
6-month	3.17	-1	90
12-month	3.31	0	99

RO Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RON	3.32	0	-71
5Y RON	3.86	0	-48
10Y RON	4.18	0	-64

RO Eurobonds

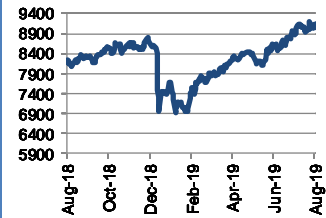
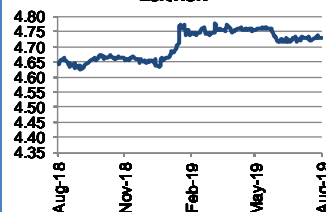
	Last	ΔDbps	ΔYTD bps
EUR Oct-25	0.65	-	-89
USD Jan-24	2.73	-5	-151

STOCKS

	Last	ΔD	ΔYTD
BET	9120.0	0.80%	23.52%

FOREX

	Last	ΔD	ΔYTD
EUR/RON	4.7308	-0.07%	-1.62%

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	-0.30	0	-25
5Y BGN	-0.12	0	-23
10Y BGN	0.25	-1	-50

87.94

BG Eurobonds

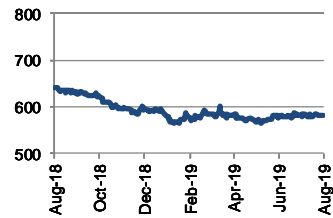
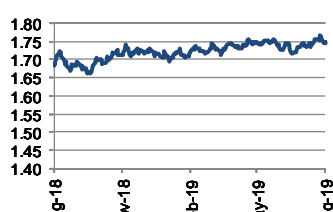
	Last	ΔDbps	ΔYTD bps
EUR Mar-22	-0.24	-2	-22
EUR Sep-24	-0.04	0	-52

STOCKS

	Last	ΔD	ΔYTD
SOFIX	581.3	0.23%	-2.21%

FOREX

	Last	ΔD	ΔYTD
USD/BGN	1.7477	-0.06%	-2.41%

SOFIX Index

USD/BGN


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

Data updated as of 11:40 EEST

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