

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

September 11, 2019

### Global Markets

Government bond yields remained in an upward trend in early trade today on the back of the ongoing repricing of monetary policy expectations amid reduced US/China trade war escalation fears and diminishing woes over a no-deal Brexit. Germany's 30-yr bond yield moved into positive territory for the first time since early August while the 10-yr Bund was standing close to a one-month high of -0.53% at the time of writing, having recovered around a third of the mid-July to early September decline on the view that the ECB may refrain from reintroducing a QE program. Similarly, the 10-yr UST yield was hovering around yesterday's 1.74% one-month closing peak, some 30bps higher from recent lows (3 Sep). In FX markets, the EUR/USD was consolidating recent gains ahead of Thursday's ECB monetary policy meeting.

### Greece

According to ELSTAT's HICP, the annual inflation rate decelerated further in August 2019 to 0.1% from 0.4% and 0.9% in July 2019 and August 2018 respectively. During the 8-month period of January 2019 to August 2019, the average inflation rate registered a value of 0.6%, equal to the respective figure in 2018. The decrease of specific VAT rates in May-2019 along with the annual drop of oil prices, create downward pressures to the FY-2019 inflation rate (1.1% in 2018). The respective figure with constant taxes was 1.2% in the period of January 2019 to August 2019.

### CESEE

Cyprus: According to CYSTAT, the total value of building permits issued during the period January-June 2019 increased by 115.9%YoY vs. 19.5%YoY in FY2018. Accordingly, the total area of building permits rose by 52.1% YoY in the same period, up from 45.4%YoY in January-April 2019 vs. 11.9% YoY in FY2018. During the period January-June 2019, 4,200 building permits were issued, up from 2,839 in the corresponding period of the previous year. Although construction output expanded in double-digit pace throughout 2017-2018, it still increased by 12.8% YoY in Q1-2019 underpinned by the program 'citizenship through investment' (an investment of €2mn in real estate enables the beneficial owner to acquire the Cypriot passport, while the required amount is reduced to just €500,000 after 3 years)..

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

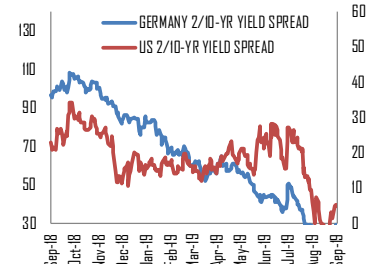
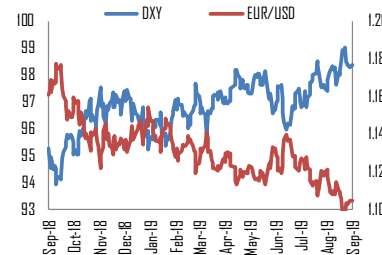
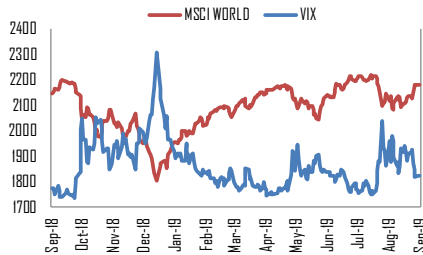
	Last	ΔD	ΔYTD
S&P 500	2979.39	0.03%	18.8%
Nikkei 225	21597.76	1.0%	7.9%
STOXX 600	386.44	0.1%	14.4%

**FOREX**

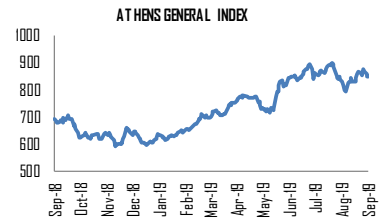
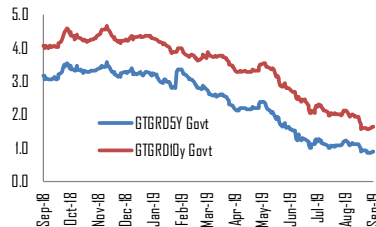
	Last	ΔD	ΔYTD
EUR/USD	1.1046	0.0%	-3.7%
GBP/USD	1.2364	0.2%	-3.1%
USD/JPY	107.76	-0.2%	1.8%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.71	-2	-97
Bund-10yr	-0.55	0	-79
JGB - 10yr	-0.20	2	-21


**GREECE**
**Government Bonds**

	Last	ΔDbps	ΔYTDbps
5Y Bond	0.88	0	-230
10Y Bond	1.63	-1	-272
Δ(10Y Bund-10Y GGB)	2.17	0	-2


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

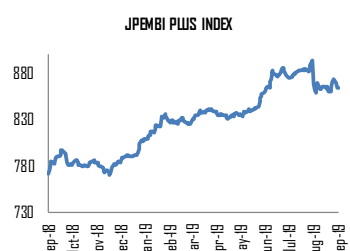
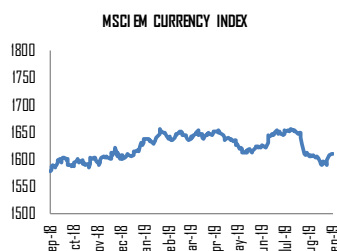
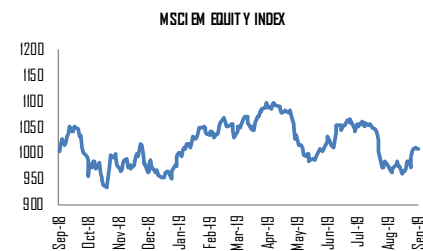
	Last	ΔD	ΔYTD
SOFIX	576.29	0.5%	-3.1%
BELEX	751.84	-0.2%	-129.3%
XU100	10121.90	0.6%	1089.3%

**FOREX**

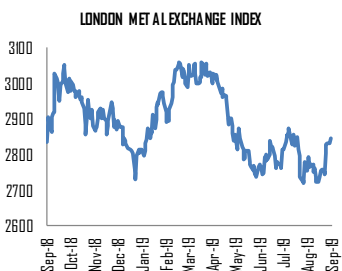
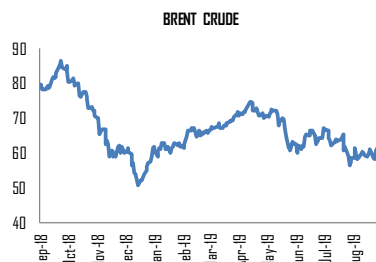
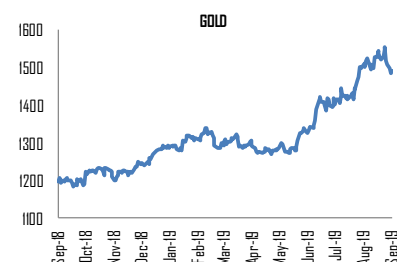
	Last	ΔD	ΔYTD
EUR/PLN	4.3334	0.0%	-1.0%
EUR/RSD	117.628	0.0%	0.6%
USD/TRY	5.7879	-0.3%	-8.6%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y	7.17	-4	6
BG 8Y	0.21	0	-26
PL 10Y	2.16	0	-66


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1493	0.5%	16.4%
BRENT CRUD	63	0.6%	16.7%
LME X	2845	0.5%	1.6%



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