

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

October 11, 2019

Global Markets

UST and German Bunds remained under pressure in early European trade amid increased optimism on the outcome of this week's US/China trade negotiations and easing worries over a no-deal Brexit. US/China talks are scheduled to continue today following yesterday's comments by President Donald Trump which raised hopes that the US may hold off on tariff hikes scheduled to be imposed next week and in December. Meanwhile, EU chief negotiator Michel Barnier met UK Brexit Secretary Steve Barclay earlier today, a few hours after UK Prime Minister Boris Johnson and Irish Taoiseach Leo Varadkar said in a joint statement that they had bound a "pathway" to a possible Brexit deal by the end of October. In FX markets, the GBP rallied across the board and the EUR/USD continued to hover above the 1.10 handle.

Greece

According to the monthly Labour Force Survey (LFS), the unemployment rate registered a value of 16.9% in Jul-19 (below 17.0% for the first time since May-11), lower on a monthly and on an annual basis by 0.2 and 2.1 ppts respectively. Employment growth decelerated to 1.5 YoY% from 1.9 YoY% in Jun-19, while the unemployed and the labour force continued to follow a downward path trajectory. Finally, the inflation rate, measured by the YoY% of the HICP, marginally increased to 0.2% in Sep-19 from 0.1% in Aug-19. The respective figure with constant taxes stood at 1.6% from 1.4% in the former month.

CESEE

Serbia: The Executive Board of the National Bank of Serbia (NBS) decided yesterday to keep the key policy rate unchanged at 2.5%. Amid a divided market consensus between unchanged rates and a further 25bps cut, following a cumulative rate easing of 50bps in July and August, the NBS decided to remain cautious, presumably worried more about persisting external headwinds than the country's sluggish economic growth and the dinar's appreciation. In the relevant announcement, the NBS stated that external developments require caution in the monetary policy. Moreover, it inferred that the Fed and the ECB may provide support to global economy but it is not clear to what extent their monetary policies will differ from the expectations of the market, which could, consequently, affect capital flows towards emerging economies.

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GLOBAL MARKETS

Stock markets

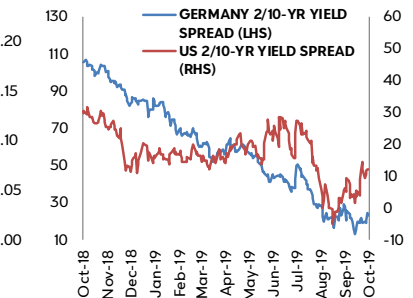
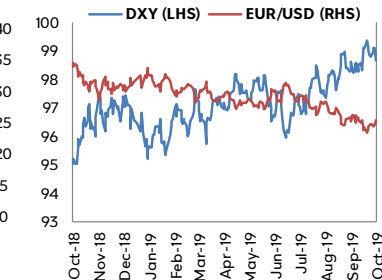
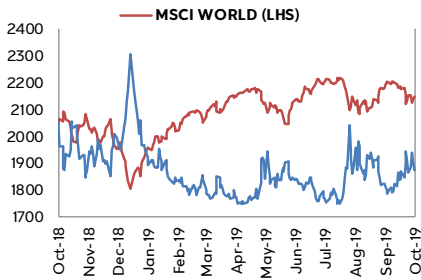
	Last	ΔD	ΔYTD
S&P 500	2938.13	0.64%	17.2%
Nikkei 225	21798.87	1.1%	8.9%
STOXX 600	384.39	0.4%	13.8%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1015	0.1%	-4.0%
GBP/USD	1.2459	0.1%	-2.4%
USD/JPY	107.96	0.0%	1.6%

Government Bonds

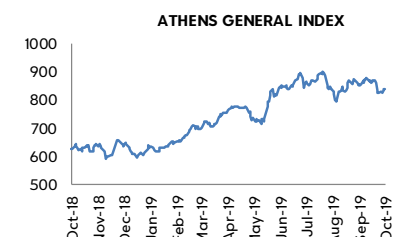
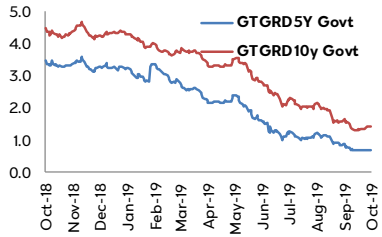
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.64	-3	-104
Bund-10yr	-0.49	-3	-74
JGB - 10yr	-0.18	2	-18



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.69	0	-249
10Y Bond	1.43	-1	-292
Δ(10YBund-10YGG)	1.93	0	-218



EMERGING MARKETS

Stock markets

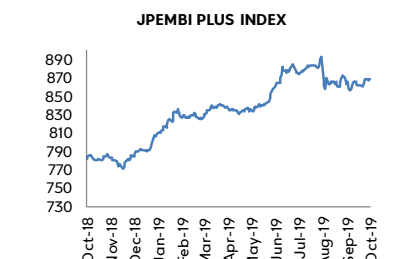
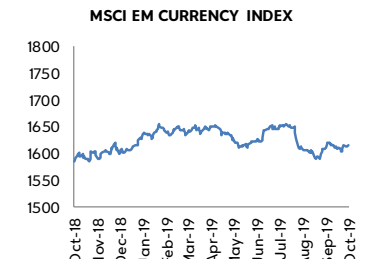
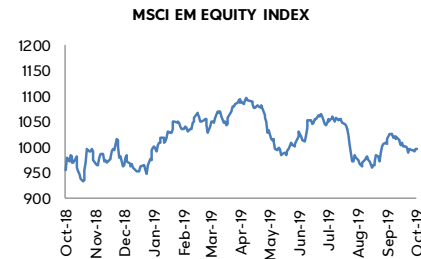
	Last	ΔD	ΔYTD
SOFIX	558.51	0.2%	-6.0%
BELEX	747.70	0.0%	-183.7%
XU100	98928.26	0.1%	839.0%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.3062	0.1%	-0.4%
EUR/RSD	117.572	0.0%	0.6%
USD/TRY	5.8437	-0.1%	-9.5%

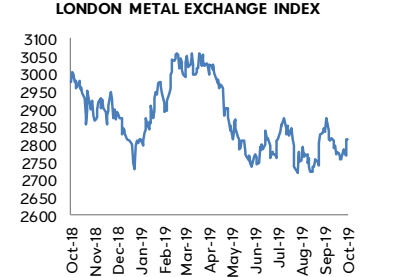
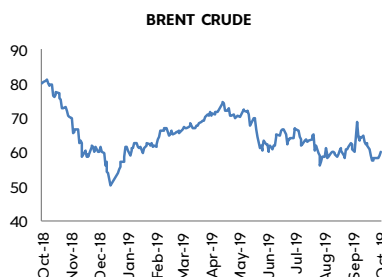
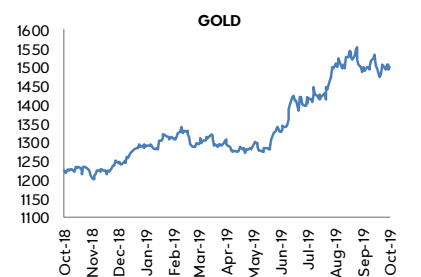
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.98	-5	-13
BG 8Y yield	0.12	0	-35
PL 10Y yield	1.91	-2	-90



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1501	0.5%	17.1%
BRENT CRUDE	60	1.9%	11.9%
LME	2814	1.6%	0.4%



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