

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

December 12, 2019

Global Markets

In line with market expectations, the FOMC kept the federal funds rate unchanged at 1.50-1.75%. The post-meeting statement said that “the current stance of monetary policy is appropriate”, while Chairman Jerome Powell indicated that he would only support higher rates after a “persistent” and “significant” move up in inflation, reiterating that adjusting interest rates would require “a material reassessment of the outlook”. The prospect of dovish FOMC monetary policy in the period ahead supported global bourses and fixed income markets, while the USD weakened with the DXY index dropping to a four-month low close to 97.00 earlier today. Today the ECB convenes with Christine Lagarde serving as the new President and the UK holds snap elections with polls indicating a Conservative majority.

Greece

According to ELSTAT, in Sep-19 total building activity (in number of issued building permits), amounted to 1,323, up by 8.5%YoY. The private building activity amounted to 1,316, higher by 8.9%YoY. Year-to-Sep, total building activity rose by 7.9%YoY, while private building activity rose by 8.4%YoY. With regard to the NPLs reduction scheme ‘Hercules’ the ECB made a number of observations relating to: legal certainty, clearer wording when allowing full repayment of the senior tranche prior to any payment of interest on the mezzanine tranche in the waterfall structure, credit assessment of senior notes, term of the State guarantee and regular reviews of the scheme. Compliance with state aid rules will be assessed by the Commission.

CESEE

Serbia: The Ministry of Finance sold RSD 3.7bn in 5-year bonds earlier in the week at the reopening of the February 5, 2019 issue. The scope of the auction was RSD 9.4bn, investors submitted bids for RSD 7.6bn and the Ministry decided to place up to RSD 5bn. The notes that bear a 4.0% annual coupon were sold at an average yield of 2.25%, down from the yield of 4.0% achieved at the February 5 auction. The bonds, sold at the last auction of the year, mature on February 7, 2024.

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GLOBAL MARKETS
Stock markets

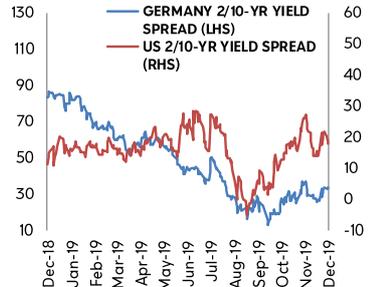
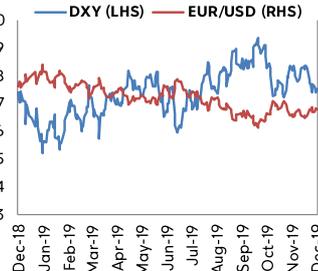
	Last	ΔD	ΔYTD
S&P 500	3141.63	0.29%	25.3%
Nikkei 225	23424.81	0.1%	17.0%
STOXX 600	406.22	0.2%	20.3%

FOREX

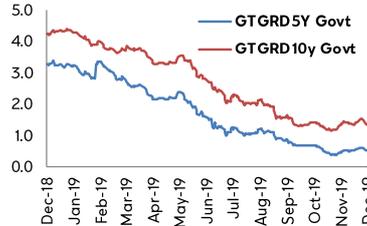
	Last	ΔD	ΔYTD
EUR/USD	1.1137	0.1%	-2.9%
GBP/USD	1.3203	0.1%	3.5%
USD/JPY	108.63	-0.1%	1.0%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.81	1	-88
Bund-10yr	-0.32	0	-57
JGB - 10yr	-0.01	-2	-2


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.50	0	-268
10Y Bond	1.35	0	-300
Δ(10YBund-10YGGB)	1.68	0	-243


EMERGING MARKETS
Stock markets

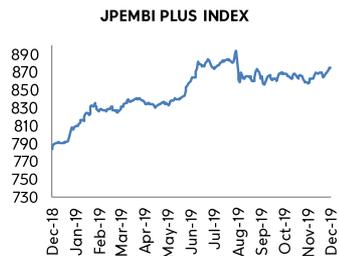
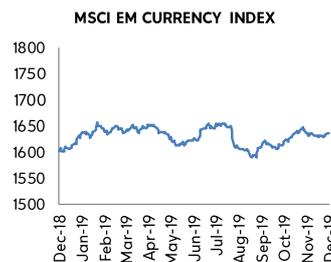
	Last	ΔD	ΔYTD
SOFIX	542.96	-0.6%	-8.7%
BELEX	779.67	0.2%	236.1%
XU100	108736.60	0.8%	1913.7%

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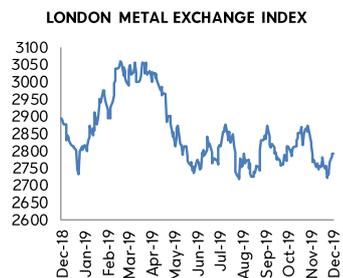
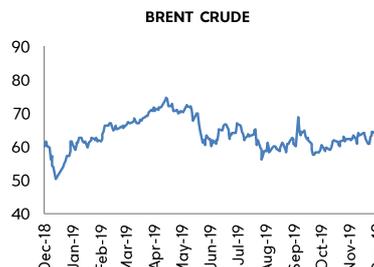
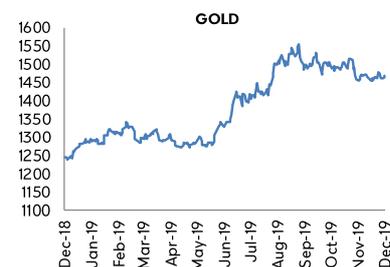
	Last	ΔD	ΔYTD
EUR/PLN	4.2848	0.0%	0.1%
EUR/RSD	117.573	0.1%	0.6%
USD/TRY	5.7979	0.1%	-8.8%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.28	-5	-83
BG 8Y yield	0.13	0	-35
PL 10Y yield	1.98	0	-83


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1474	-0.1%	14.9%
BRENT CRUDE	64	0.3%	18.8%
LME X	2813	0.8%	0.4%



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