

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

August 13, 2019

Global markets

Asian equities were in deep red on Tuesday on fears about a prolonged U.S.-China trade war, increasingly violent protests in Hong Kong and a currency crash in Argentina's peso drove investors to safe assets like bonds, gold, and the yen. The Hang-Seng index tumbled by -2.1% to the lowest level of the last seven months, Japan's Nikkei index lost 1.2% of its value trading at 20,455.44. Having reached a seven month high at 105.05/\$, yen traded at 105.27/\$ at the time of the writing. Argentina's peso lost roughly 15% of its value to 52.15/\$ while the main stock-market index Merval collapsed by -37.93% on Monday in the aftermath of the primary elections results, in which the incumbent conservative President Mauricio Macri was defeated by a margin much wider than expected.

Greece

According to ELSTAT's data, the annual inflation rate (based on the HICP) increased to 0.4% in Jul-19 from 0.2% in Jun-19. Nevertheless, due to decreases in indirect taxation (i.e. VAT rates) ratified in May-19, it was lower by 0.3 ppts relative to its value a year ago. For the whole period of Jan-Jul-19, the inflation rate registered a value of 0.7%, higher by 0.2 ppts compared to its value in the respective period of 2018. EC's forecast (summer 2019, interim) for the average annual inflation rate in 2019 and 2020 stands at 0.8%.

CESEE

Serbia: The headline inflation rate increased on an annual basis to -0.2% MoM/+1.6% YoY in July vs. -0.3% MoM/+1.5% YoY in June down from +0.7% MoM/+2.2% YoY in May. The rise in vegetables (+7.7% YoY) and tobacco (+5.6% YoY) prices were the main drivers behind the increase on an annual basis. Fruits (-4.2% YoY) was the category which registered the largest decline. Core inflation (headline excluding energy, food, alcohol and tobacco) remained unchanged at 1.5% YoY in an illustration of subdued inflationary pressures. Recall that in August 8, the National Bank of Serbia (NBS) cut interest rates by 25bps from 2.75% to 2.50% which is the lowest level in the inflation targeting regime of the Central Bank.

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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	2883.09	-1.2%	15.0%	EUR/USD	1.1194	-0.2%	-2.4%	UST - 10yr	1.63	-1	-105	GOLD	1525	1.3%	19.0%
Nikkei 225	20455.44	-1.1%	2.2%	GBP/USD	1.2067	-0.1%	-5.4%	Bund-10yr	-0.61	-2	-85	BRENT CRUDE	59	0.3%	9.2%
STOXX 600	369.58	-0.2%	9.5%	USD/JPY	105.21	0.1%	4.3%	JGB - 10yr	-0.23	-2	-24	LMEX	2754	0.1%	-1.7%

SERBIA
Money Market

BELIBOR	Last	ΔDbps	ΔYTD bps
T/N	1.53	0	-91
1-week	1.64	0	-92
1-month	1.92	0	-81
3-month	2.17	0	-86
6-month	2.35	0	-83

RS Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RSD	2.23	0	-83
5Y RSD	2.43	0	-107
7Y RSD	2.99	0	-117

RS Eurobonds

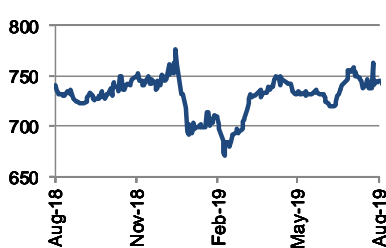
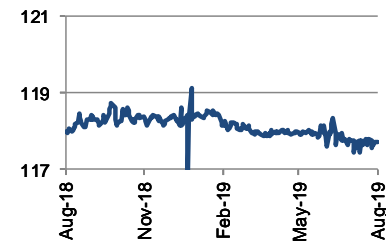
	Last	ΔDbps	ΔYTD bps
USD Feb-20	2.65	-1	-135

STOCKS

	Last	ΔD	ΔYTD
BELEX15	744.9	0.19%	-2.21%

FOREX

	Last	ΔD	ΔYTD
EUR/RSD	117.71	-0.01%	0.45%

BELEX15 Index

EUR/RSD

ROMANIA
Money Market

ROBOR	Last	ΔDbps	ΔYTD bps
O/N	2.58	0	149
1-month	2.74	-3	87
3-month	3.09	0	104
6-month	3.19	2	92
12-month	3.29	-1	97

RO Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RON	3.28	0	-75
5Y RON	3.74	0	-60
10Y RON	4.03	0	-79

RO Eurobonds

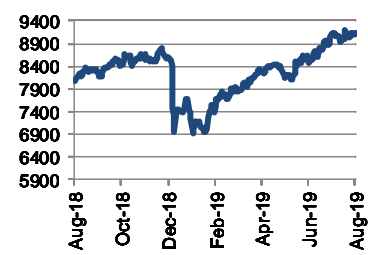
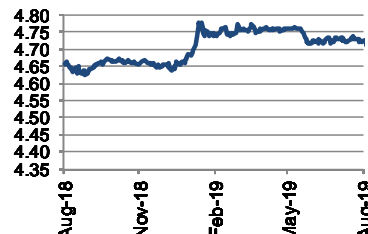
	Last	ΔDbps	ΔYTD bps
EUR Oct-25	0.60	-	-94
USD Jan-24	2.64	-2	-160

STOCKS

	Last	ΔD	ΔYTD
BET	9130.0	0.32%	23.65%

FOREX

	Last	ΔD	ΔYTD
EUR/RON	4.7262	-0.06%	-1.53%

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	-3	-25
5Y BGN	-0.13	-5	-25
10Y BGN	0.21	0	-54

87.94

BG Eurobonds

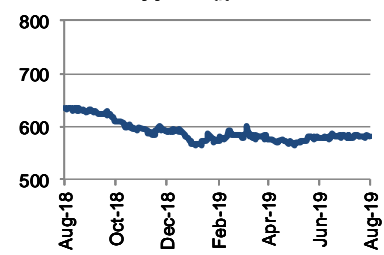
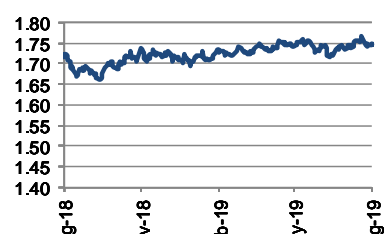
	Last	ΔDbps	ΔYTD bps
EUR Mar-22	-0.25	0	-20
EUR Sep-24	-0.04	-5	-52

STOCKS

	Last	ΔD	ΔYTD
SOFIX	581.8	-0.01%	-2.12%

FOREX

	Last	ΔD	ΔYTD
USD/BGN	1.7474	-0.19%	-2.40%

SOFIX Index

USD/BGN


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

Data updated as of 11:30 EEST

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