

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 13, 2019

Global Markets

Global equity markets were well-supported in early trade on Friday amid hints of progress in US/China trade talks and an aggressive package of new stimulus measures from the ECB at yesterday's policy meeting. The ECB cut its deposit rate by 10bps to a new record low of -0.50%, strengthened its forward guidance, announced the introduction of a tiered reserves system and the resumption of its QE programme as from 1 November at a monthly pace of €20bn and eased the TLTRO-III terms. In FX markets, improved risk sentiment dented the safe haven appeal of the JPY, while the EUR/USD proved resilient recovering back above 1.10 following a short-lived drop close to 1.09. Elsewhere, government bonds weakened on market optimism about a resolution to the US/China trade conflict, giving back post-ECB gains.

Greece

At the Eurogroup that convenes today the Greek Finance Minister George Staikouras will present the new government's policy priorities. Meanwhile, the last pending JMD for Hellinikon is expected to be discussed today. According to ELSTAT, in June 2019 total building activity measured by the number of issued building permits increased by 4.7%YoY with building permits for the private building activity in particular recording a 5.4% increase. For the period Jul-18-Jun-19 total building permits increased by 6.8% compared with the corresponding period Jul-17-Jun-18.

CESEE

As broadly expected, the National Bank of Serbia (NBS) kept the key policy interest rate stable at 2.50% in yesterday's meeting, following two consecutive 25bp cuts in July and August. The NBS preferred to adopt a wait and see mode so as to assess the effects of the two previous cuts on the inflation trajectory, which after reaching the 3.0% midpoint in April is broadly on a downtrend ever since. In detail, the inflation print in August released yesterday came in at 1.3% YoY from 1.6% YoY in July. The reading came below expectations (the relevant monthly survey stood at 1.8% YoY) while it remains at the lower side of the target band (3.0%, ±150bps).

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GLOBAL MARKETS

Stock markets

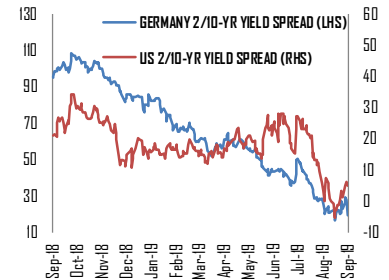
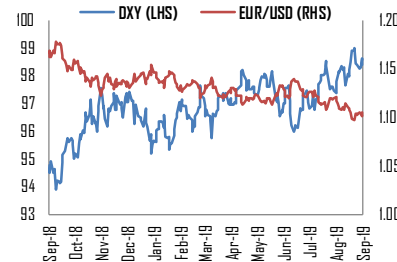
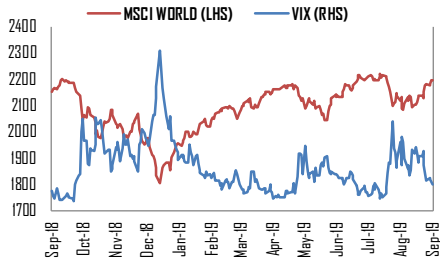
	Last	ΔD	ΔYTD
S&P 500	3009.57	0.29%	20.1%
Nikkei 225	21988.29	1.1%	9.9%
STOXX 600	390.48	0.2%	15.6%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1093	0.3%	-3.3%
GBP/USD	1.2402	0.5%	-2.8%
USD/JPY	107.98	0.1%	1.6%

Government Bonds

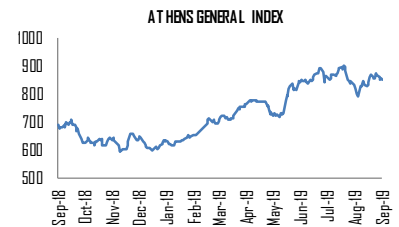
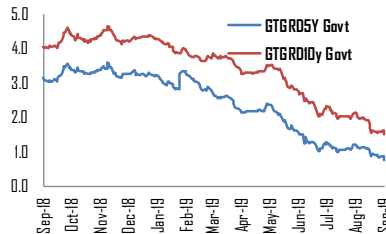
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.79	2	-90
Bund-10yr	-0.50	1	-75
JGB - 10yr	-0.16	5	-16



GREECE

Government Bonds

	Last	ΔDbps	ΔYTDbps
5Y Bond	0.81	3	-237
10Y Bond	1.56	3	-278
Δ(10Y Bund-10Y GGB)	2.07	0	-2



EMERGING MARKETS

Stock markets

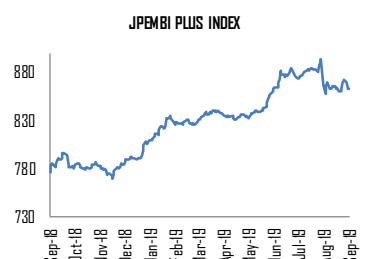
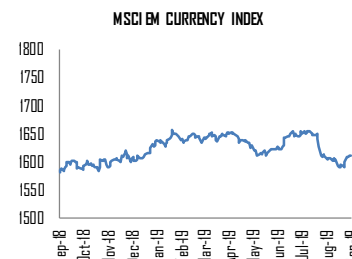
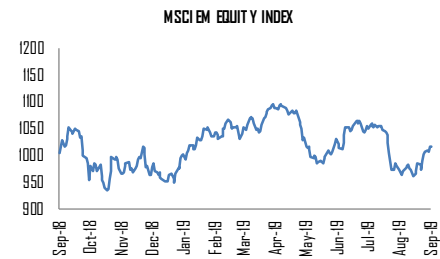
	Last	ΔD	ΔYTD
SOFIX	578.01	0.0%	-2.8%
BELEX	762.59	0.4%	11.8%
XU100	102447.30	0.5%	1224.6%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.3349	0.0%	-1.0%
EUR/RSD	117.658	0.0%	0.6%
USD/TRY	5.6756	-0.3%	-6.8%

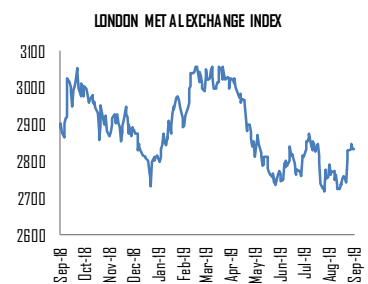
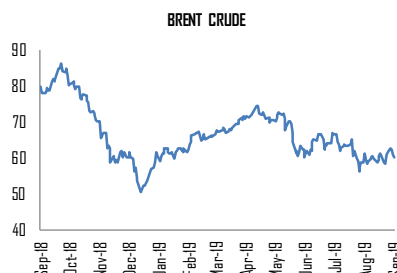
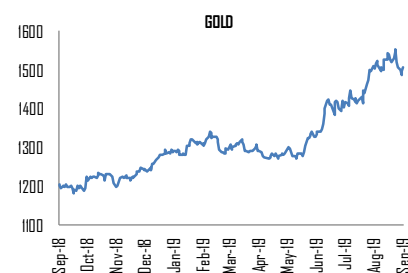
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y	6.98	-4	-13
BG 8Y	0.24	0	-23
PL 10Y	2.01	0	-80



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1504	0.3%	17.3%
BRENT CRUDI	60	-0.3%	11.9%
LME X	2840	0.2%	1.4%



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