

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 16, 2019

Global Markets

Oil prices surged amid supply concerns following the attacks over the weekend on crude facilities in Saudi Arabia, the largest in the world. Brent crude hit a 3-½ month high of \$71.95/br at today's opening before retreating close to \$66.30/br in early European trade but still near 10% higher so far this month. Currencies of oil-producing countries gained and fears of escalation in geopolitical tensions in the region favored the safe-haven JPY, while the EUR/USD retreated close to 1.1065/70 on firmer than expected US August retail sales after marking a two-week peak of 1.1109 on Friday. In fixed income markets, US Treasuries and German Bunds remained under pressure ahead of this week's two-day FOMC monetary policy meeting which concludes on Wednesday and a 25bps rate cut is largely priced-in.

Greece

Delegates of the institutions (EC/ECB/ESM/IMF) are expected to arrive in Athens today for the 4th EPPS review which will focus, among others, on the 2020 Budget and privatisations. On that front, the last pending JMD for Hellinikon has been issued, while as regards the PPC, the government will reportedly pursue the full transition from lignite to other sources of energy gradually as of 2020 and the abolition of the NOME auctions mechanism. At Friday's Eurogroup, ESM Managing Director Klaus Regling clarified that the potential reduction of the primary surplus targets will be discussed if annual GDP growth is higher than foreseen in the debt sustainability analysis and interest rates lower in the long-term.

CESEE

SERBIA: The EUR/RSD remained bound within a 117.50/60 -117.57/67 trading range in the past week. The EUR/RSD remains stuck in this range amid low trading volumes, continuing to test the 117.50 support level and kept its stability thanks to Central Bank (NBS) interventions. In the past week, NBS bought 20 million euros, bringing the total amount at €110mn in September. After NBS announced that it kept its policy rate unchanged at 2.50%, the EUR/RSD pair did not react at all and continued trading around the same levels, closing the week at 117.55/65. In other news, the EBRD allocated €160mn for financing small and medium-sized enterprises (SMEs) and first residence housing loans. A credit line of €100mn, including €35mn loans in dinars, is designed for SMEs for the purpose of improving their access to finance, advancing their competitiveness in the local and international markets, and increasing the use of the domestic currency.

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GLOBAL MARKETS
Stock markets

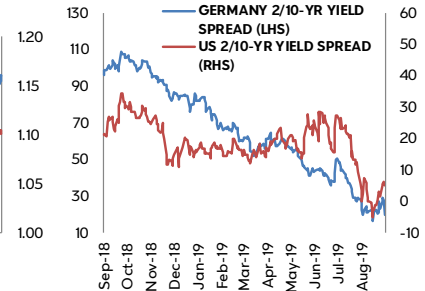
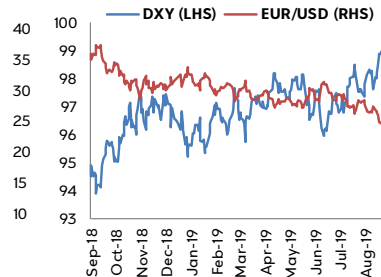
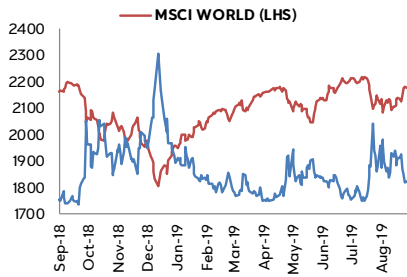
	Last	ΔD	ΔYTD
S&P 500	3007.39	-0.07%	20.0%
Nikkei 225	21988.29	1.1%	9.9%
STOXX 600	389.93	-0.5%	15.5%

FOREX

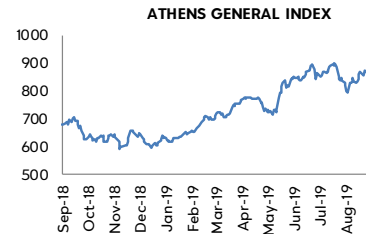
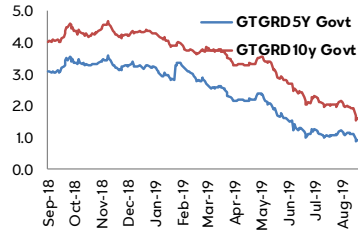
	Last	ΔD	ΔYTD
EUR/USD	1.1061	-0.1%	-3.6%
GBP/USD	1.2449	-0.4%	-2.4%
USD/JPY	107.91	0.1%	1.7%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.86	-4	-83
Bund-10yr	-0.46	-1	-70
JGB - 10yr	-0.15	6	-16


GREECE
Government Bonds

	Last	ΔDbps	ΔYTDbps
5Y Bond	0.82	0	-236
10Y Bond	1.58	2	-277
Δ(10YBund-10YGGB)	n/a	n/a	n/a


EMERGING MARKETS
Stock markets

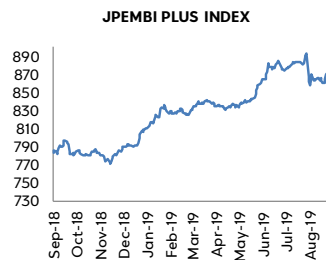
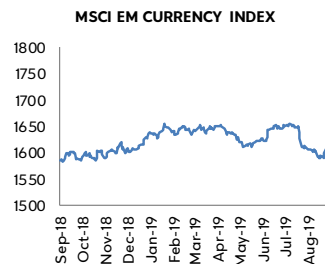
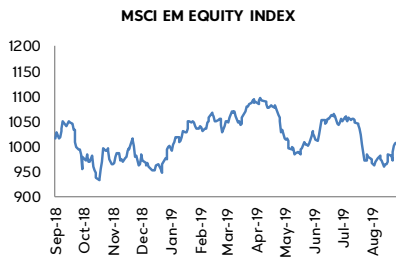
	Last	ΔD	ΔYTD
SOFIX	577.50	-0.2%	-2.9%
BELEX	757.97	-0.1%	-48.8%
XU100	102960.90	-0.1%	1280.9%

FOREX

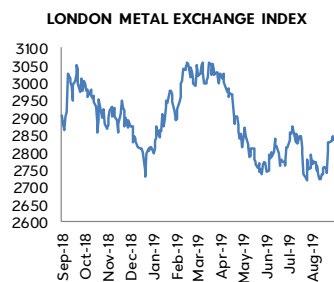
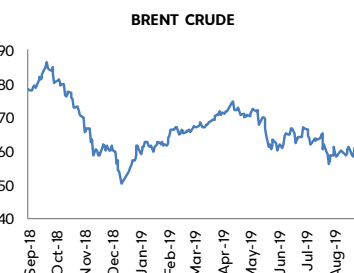
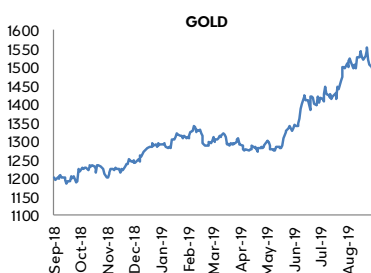
	Last	ΔD	ΔYTD
EUR/PLN	4.326	-0.1%	-0.8%
EUR/RSD	117.709	0.0%	0.5%
USD/TRY	5.7212	-0.6%	-7.5%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y	7.09	-1	-2
BG 8Y	0.22	-3	-26
PL 10Y	2.15	1	-66


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1502	0.9%	17.1%
BRENT CRUDE	66	8.9%	21.9%
LME	2874	1.2%	2.6%



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