

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 17, 2019

Global Markets

Oil prices gave back some of Monday's gains recorded after the attacks over the weekend on crude facilities in Saudi Arabia which are the largest in the world. Brent crude was standing close to \$68.50/bbl at the time of writing, 5.0% lower from Monday's 3-½ month intraday high following US President Donald Trump's authorization for the release of emergency crude stockpiles if needed. Amid lingering geopolitical woes, Asian bourses closed in the red and European bourses opened lower today, while the recent sell-off in USTs and Bunds came to a halt. Favored by increased risk aversion, the USD was firmer in early European trade, taking the EUR/USD down 0.7% from Monday's session highs. Market focus today is on Germany's September ZEW survey and US industrial production for August.

Greece

The Minister of Finance Christos Staikouras, in cooperation with the Public Debt Management Agency, submitted yesterday to the ESM and EFSF a request for the early repayment of part of IMF loans – out of the remaining c. €9bn – with annual interest 4.91%. The early repayment will reduce debt servicing costs by around €70 mn while debt sustainability is anticipated to improve due to expected lower interest rates in the long-term. Note that at the time of writing, the 10-Yr GGB yield stands at 1.533%. Meanwhile, according to state budget execution for August 2019 (preliminary data), the state budget primary balance registered a surplus of €2,903 mn against a primary deficit target of €272mn and a primary surplus of €1,124mn in August 2018.

CESEE

Bulgaria: Headline inflation remained at 2.9% YoY in August, unchanged compared to the July's print. Food inflation increased by 5.1% YoY but fuel prices declined by 3.9% YoY leading to stable prices on average. Serbia: According to the updated auction calendar, the Ministry of Finance plans to offer RSD26.9bn and EUR87.9mn bonds in the last quarter of 2019. While the 2019 budget envisaged financing needs of ca RSD635.6bn with sovereign debt issuance initially scheduled for RSD396bn, financing needs are expected to come in at a lower level at year end eventually due to prudent budget execution.

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GLOBAL MARKETS
Stock markets

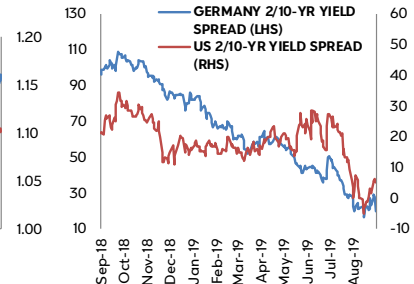
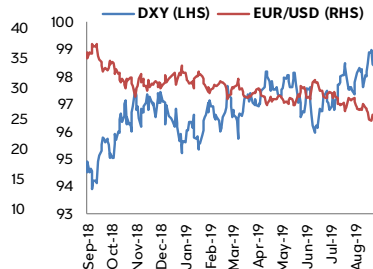
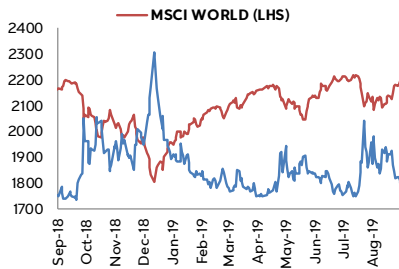
	Last	ΔD	ΔYTD
S&P 500	2997.96	-0.31%	19.6%
Nikkei 225	22001.32	0.1%	9.9%
STOXX 600	389.53	-0.6%	15.4%

FOREX

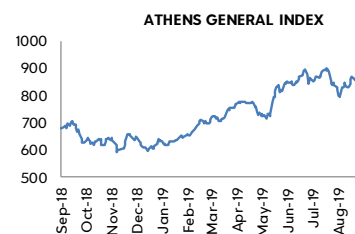
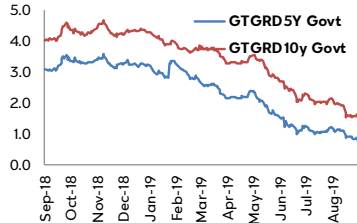
	Last	ΔD	ΔYTD
EUR/USD	1.1004	0.0%	-4.1%
GBP/USD	1.2409	-0.2%	-2.8%
USD/JPY	108.2	-0.1%	1.4%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.84	-1	-84
Bund-10yr	-0.48	0	-72
JGB - 10yr	-0.15	0	-16


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.79	0	-240
10Y Bond	1.53	0	-282
Δ(10YBund-10YGGB)	2.01	0	-210


EMERGING MARKETS
Stock markets

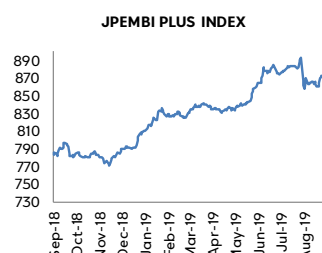
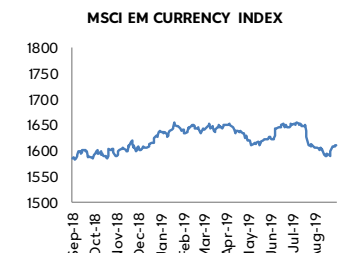
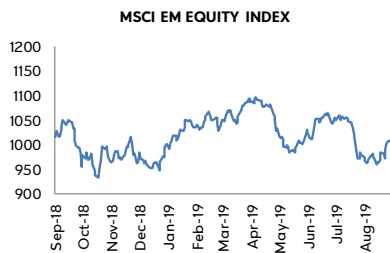
	Last	ΔD	ΔYTD
SOFIX	580.02	0.2%	-2.4%
BELEX	757.47	-0.1%	-55.4%
XU100	102658.80	0.1%	1247.8%

FOREX

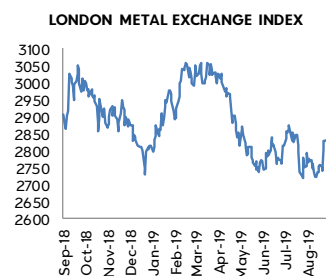
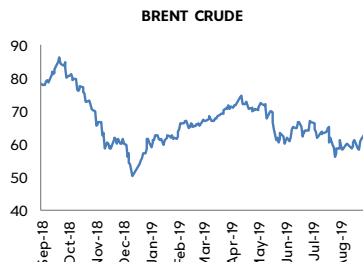
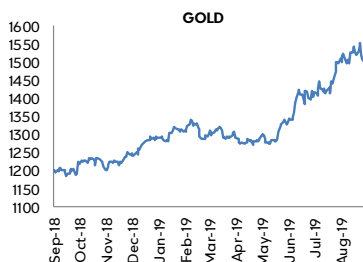
	Last	ΔD	ΔYTD
EUR/PLN	4.3351	-0.1%	-1.1%
EUR/RSD	117.596	-0.1%	0.6%
USD/TRY	5.7391	-0.2%	-7.8%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	7.05	-4	-6
BG 8Y yield	0.21	0	-27
PL 10Y yield	2.12	0	-69


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1496	-0.2%	16.6%
BRENT CRUDE	69	-0.7%	27.4%
LME	2839	-1.2%	1.3%



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