

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

December 18, 2019

Global Markets

Fixed income markets remained supported in early trade today on fears over the risk of a no-deal Brexit following news that UK PM Boris Johnson intends to pass legislation to rule out the extension of the transition period scheduled to expire at the end of 2020. Against this background, yesterday's positive housing and industrial production data in the US failed to exert a long-lasting negative impact on sovereign paper. In FX markets, the GBP extended recent losses, marking a session low of 1.3070 against the USD earlier today, some 3% lower from last week's one-and-half year peak hit in the aftermath of the Tories' landslide victory at the 12 December election. Focus today is on Germany's IFO business climate index for December.

Greece

According to press reports, the SSM requests cash collateral – to be drawn from the cash buffer – or the issuance of government bonds in order to assign zero risk factor to the senior notes under the Asset Protection Scheme 'Hercules', which aims at the reduction of NPLs. The Greek government reportedly rejects both proposals as they would affect borrowing costs and debt management. Deliberations on the matter are ongoing. Meanwhile, according to press, the ECB lifted the ceiling on GGB holdings for Greek banks.

CESEE

Cyprus: Despite concerns for a difficult year for the tourism industry and the Thomas Cook agency bankruptcy, the latest tourist arrivals statistics surprised to the upside. According to the latest release, tourist arrivals increased by +6.7% YoY in November (from 158,685 in November 2018 to 169,392 in November 2019), bringing the rate of expansion up to +0.9% YoY in the first eleven months of the year. Tourist arrivals from the UK – the island's biggest market – posted a negligible increase (+0.1% YoY) while the second largest market, Russia, recorded a -0.2% YoY negligible decline in the same period. Key markets such as Germany and Greece were also down by -19.7% and -5.6% respectively. However, arrivals from Israel, now the third largest market, expanded by +25.3% YoY contributing to the overall result.

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GLOBAL MARKETS

Stock markets

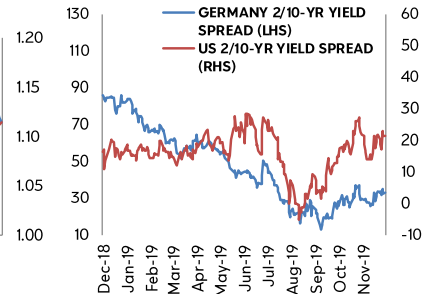
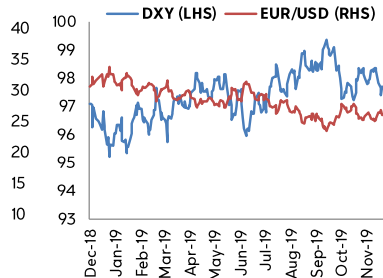
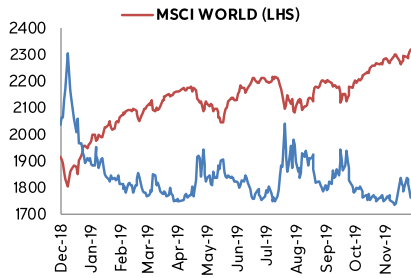
	Last	ΔD	ΔYTD
S&P 500	3192.52	0.03%	27.4%
Nikkei 225	23934.43	-0.5%	19.6%
STOXX 600	414.92	-0.7%	22.9%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1133	-0.2%	-2.9%
GBP/USD	1.3093	-0.3%	2.6%
USD/JPY	109.46	0.0%	0.2%

Government Bonds

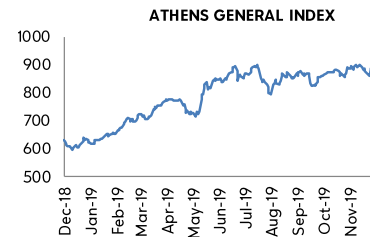
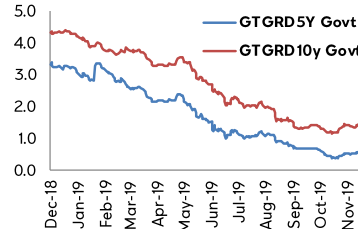
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.87	-1	-81
Bund-10yr	-0.29	0	-54
JGB - 10yr	-0.01	-1	-2



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.43	0	-275
10Y Bond	1.33	0	-301
Δ(10YBund-10YGB)	1.63	0	-248



EMERGING MARKETS

Stock markets

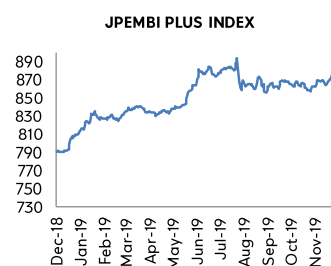
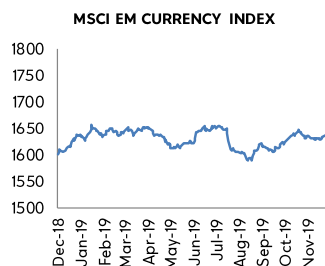
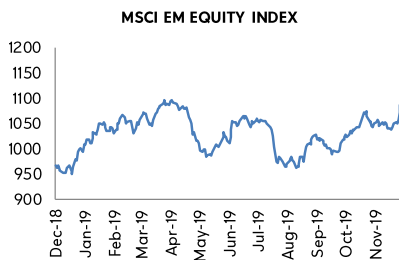
	Last	ΔD	ΔYTD
SOFIX	541.34	-0.8%	-8.9%
BELEX	769.42	-1.0%	101.5%
XU100	110676.00	-0.4%	2126.2%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.2619	-0.1%	0.6%
EUR/RSD	117.524	0.0%	0.7%
USD/TRY	5.9122	-0.4%	-10.5%

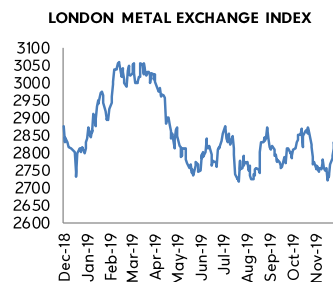
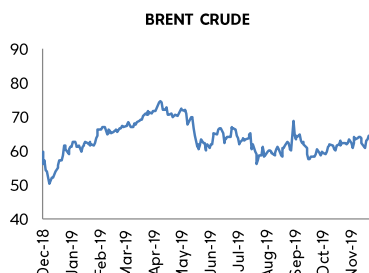
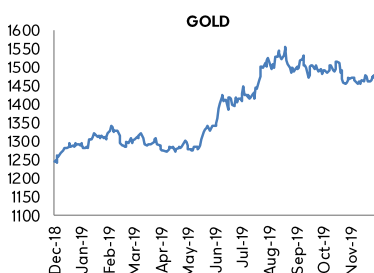
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.15	-3	-96
BG 8Y yield	0.17	0	-30
PL 10Y yield	2.01	0	-81



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1478	0.1%	15.2%
BRENT CRUDE	66	-0.5%	22.2%
LMEX	2833	-0.3%	1.2%



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