

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

November 22, 2019

Global Markets

Recovering part of yesterday's losses, major European bourses were firmer in early trade today, but gains were limited on diminished prospects of a phase one deal between the US and China any time soon. Turning to fixed income markets, US Treasury yields were higher in early European trade, remaining though not far from Thursday's two-week intraday lows, with the yield curve undertaking some bearish flattening. Meanwhile, Bund yields were slightly lower, coming close to Wednesday's -0.38% multi-session trough, shrugging off today's data showing that Germany's Markit composite PMI improved to a three-month high of 49.2 in November. In FX markets, the EUR/USD was little changed, failing to capitalize on yesterday's data showing that Eurozone consumer confidence rose by 0.4pt in November to -7.2.

Greece

The draft 2020 Budget that was submitted to Parliament yesterday, foresees a primary surplus of 3.73% of GDP for 2019, 0.23% of GDP above the target. In 2020, GDP is projected to grow by 2.8% in constant prices supported mainly by gross fixed capital formation (f: +13.4%YoY), and private consumption (f: +1.8%YoY), while public consumption is expected to grow but at a slower pace (f: +0.6%YoY). The external sector is expected to have a marginally negative impact on GDP of 0.1ppp as investments and private consumption are expected to lead to imports growing slightly faster than exports. Revenues from privatisations are expected to reach €2,446mn with €2,114mn coming from corporate and infrastructure projects and €332mn from real-estate.

CESEE

Cyprus: According to the latest European Commission (EC) assessment, Cyprus' draft budgetary plan (DBP), was found to be compliant with the Stability and Growth Pact in 2020. On Cyprus, the EC stated there is limited progress with the implementation of the fiscal-structural part of the 2019 country-specific recommendations, but the medium-term budgetary objective and the debt reduction benchmark are met both in 2019 and 2020. Cyprus remains on the list of countries with excessive macroeconomic imbalances along with Italy and Greece, though it does not require corrective action. Cyprus' DBP envisages the general government surplus to decline to 2.8% of GDP in 2020 down from a projected 3.8% in 2019. The primary general government surplus is envisaged to reach 5.1% of GDP in 2020 down from a projected 6.2% of GDP in 2019.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Ioannis Gkionis
Senior Analyst
igkionis@eurobank.gr

GLOBAL MARKETS

Stock markets

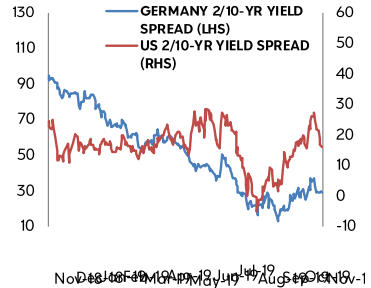
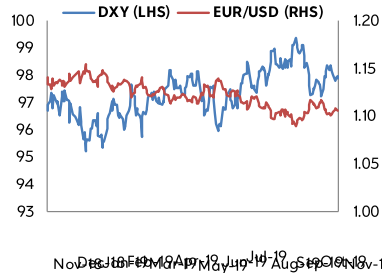
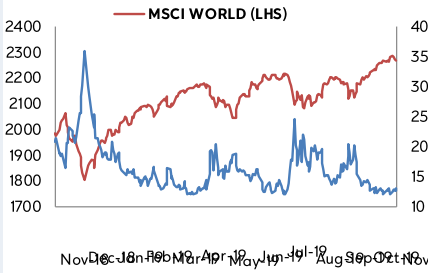
	Last	ΔD	ΔYTD
S&P 500	3103.54	-0.16%	23.8%
Nikkei 225	23112.88	0.3%	15.5%
STOXX 600	405.40	0.8%	20.1%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1056	0.0%	-3.6%
GBP/USD	1.2901	-0.1%	1.1%
USD/JPY	108.59	0.0%	1.0%

Government Bonds

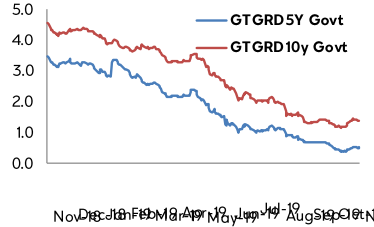
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.77	-1	-92
Bund-10yr	-0.34	-2	-58
JGB - 10yr	-0.07	3	-8



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.52	1	-267
10Y Bond	1.38	-1	-297
Δ(10YBund-10YGGB)	1.72	0	-239



EMERGING MARKETS

Stock markets

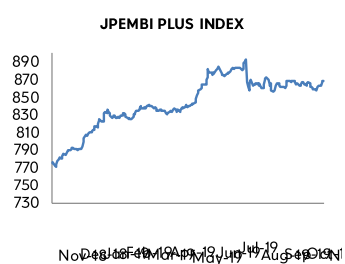
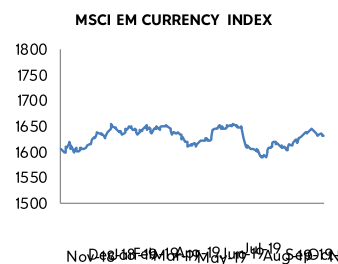
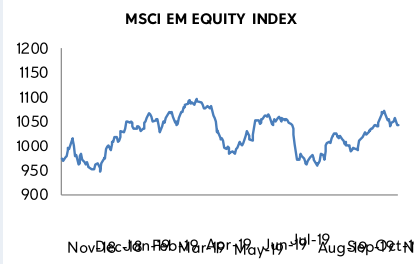
	Last	ΔD	ΔYTD
SOFIX	549.69	-0.1%	-7.5%
BELEX	761.98	-0.2%	3.8%
XU100	107183.00	0.4%	1743.4%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.2967	0.0%	-0.2%
EUR/RSD	117.55	-0.1%	0.7%
USD/TRY	5.7024	-0.1%	-7.2%

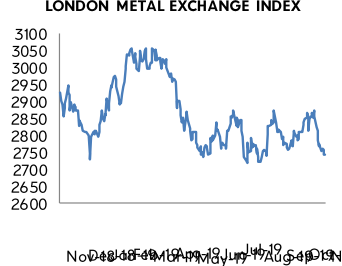
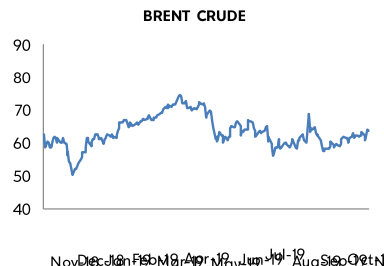
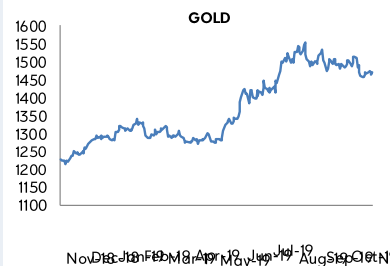
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.17	-5	-94
BG 8Y yield	0.13	-1	-35
PL 10Y yield	2.06	-1	-75



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1469	0.3%	14.5%
BRENT CRUDE	64	-0.2%	18.6%
LMEX	2745	-0.5%	-2.0%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 11:00 EEST

Research Team



Dr. Tasos Anastasatos | Group Chief Economist
tanastasatos@eurobank.gr | + 30 214 40 59 706



Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr
+ 30 210 37 18 793



Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr
+ 30 214 40 59 707



Dr. Stylianos Gogos
Economic Analyst
sgogos@eurobank.gr
+ 30 210 37 18 733



Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 33 18 708



Olga Kosma
Research Economist
okosma@eurobank.gr
+ 30 210 37 18 728



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991



Dr. Theodoros Stamatou
Senior Economist
tstamatou@eurobank.gr
+ 30 214 40 59 708



Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

Marisa Yiannisis | Administrator
magiannisi@eurobank.gr | + 30 210 33 71 178

More research available at: <https://www.eurobank.gr/en/group/economic-research>
Subscribe electronically at: <https://www.eurobank.gr/el/omilos/oikonomikes-analises..>
Follow us on twitter: https://twitter.com/Eurobank_Group
Follow us on LinkedIn: <https://www.linkedin.com/company/eurobank>

DISCLAIMER

This report has been issued by Eurobank Ergasias S.A. ("Eurobank") and may not be reproduced in any manner or provided to any other person. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell the securities mentioned herein. Eurobank and others associated with it may have positions in, and may effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for those companies. The investments discussed in this report may be unsuitable for investors, depending on the specific investment objectives and financial position. The information contained herein is for informative purposes only and has been obtained from sources believed to be reliable but it has not been verified by Eurobank. The opinions expressed herein may not necessarily coincide with those of any member of Eurobank. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility or liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank or any of its directors, officers or employees. Any articles, studies, comments etc. reflect solely the views of their author. Any unsigned notes are deemed to have been produced by the editorial team. Any articles, studies, comments etc. that are signed by members of the editorial team express the personal views of their author.

