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Eurobank Research

GLOBAL & REGIONAL DAILY
HIGHLIGHTS

September 25, 2019

Global Markets

Market sentiment on risk assets remained tepid in early trade today amid concerns about the outcome of the October US/China trade talks. In addition, the leader of the Democrats in the House of Representatives, Nancy Pelosi, announced a formal impeachment inquiry into President Donald Trump over claims for undermining national security and violating the US Constitution. Furthermore, data from both sides of the Atlantic disappointed, with the US CB consumer confidence index falling more than expected in September and the business expectations component of Germany's September Ifo deteriorating once again. The EUR/USD continued to consolidate slightly below 1.10 and the GBP gained some ground, albeit limited, following the UK Supreme Court's verdict that the prorogation of the UK parliament was unlawful.

Greece

The visit of the institutions' heads to Greece is concluded today and according to press there are some deviations between the institutions and the Greek government regarding the 2020 Budget. These reportedly stem primarily from the reduction of the VAT and the 120- installments scheme for the repayment of debts to the tax authorities and social security funds. However, according to government sources, any potential gap will be addressed with measures of structural nature such as the increase of electronic payments, rather than new taxes or expense cuts. The draft 2020 Budget will be submitted to Parliament on 7 October, while the 4 December Eurogroup will decide about the use of SMP/ANFA income.

CESEE

Turkey: Following the completion of the 2019 article IV mission, the IMF stated yesterday that it revised the GDP growth rate forecast for 2019 to 0.25% instead of a 2.5% contraction in April. Still, the recent economic recovery remains fragile and as such the IMF recommended tight monetary policy and prudent fiscal policies. *Bulgaria & Serbia*: Credit growth eased to 5.5% YoY in August from 6.0% YoY in July. On the flipside, credit conditions in Serbia appear looser as credit growth in August came in at 10.1% YoY from 9.7% in July.

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GLOBAL MARKETS

Stock markets

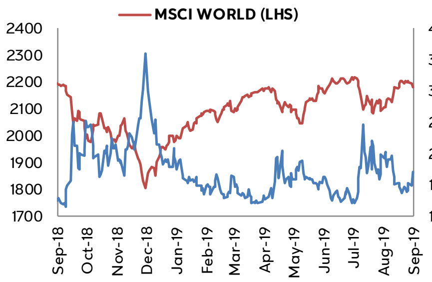
	Last	ΔD	ΔYTD
S&P 500	2966.60	-0.84%	18.3%
Nikkei 225	22020.15	-0.4%	10.0%
STOXX 600	387.58	-0.6%	14.8%

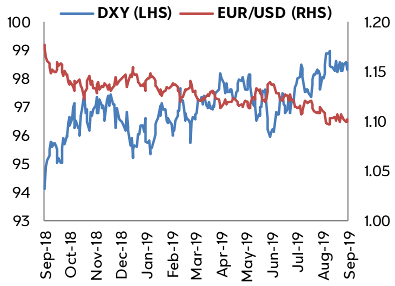
FOREX

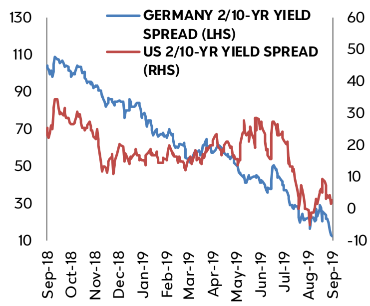
	Last	ΔD	ΔYTD
EUR/USD	1.0995	-0.2%	-4.1%
GBP/USD	1.2452	-0.3%	-2.4%
USD/JPY	107.31	-0.2%	2.2%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.64	0	-104
Bund-10yr	-0.61	-1	-86
JGB - 10yr	-0.26	-2	-26



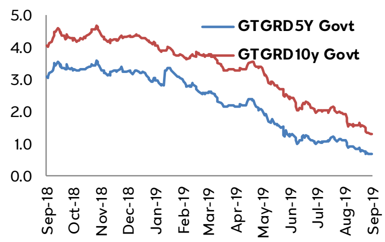


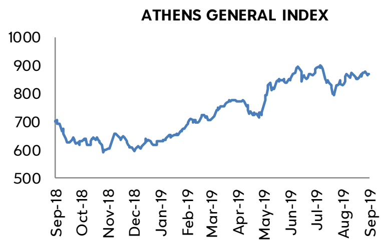


GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.68	0	-250
10Y Bond	1.32	0	-303
Δ(10YBund-10YGGB)	1.93	0	-217





EMERGING MARKETS

Stock markets

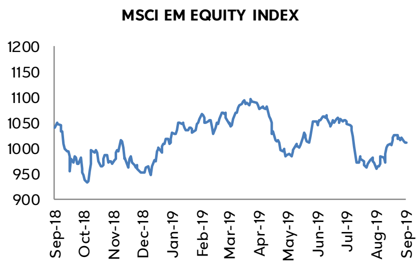
	Last	ΔD	ΔYTD
SOFIX	572.20	0.0%	-3.7%
BELEX	753.45	-0.1%	-108.2%
XU100	101787.50	-0.1%	1152.3%

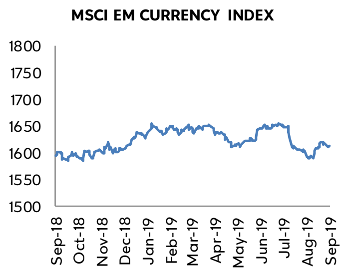
FOREX

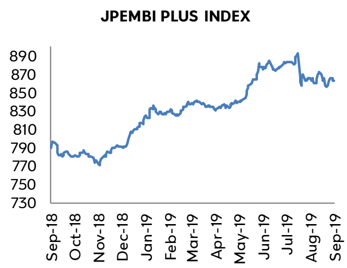
	Last	ΔD	ΔYTD
EUR/PLN	4.3834	-0.1%	-2.1%
EUR/RSD	117.451	0.1%	0.7%
USD/TRY	5.7065	-0.2%	-7.3%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.87	-2	-24
BG 8Y yield	0.20	-1	-28
PL 10Y yield	2.03	-2	-78

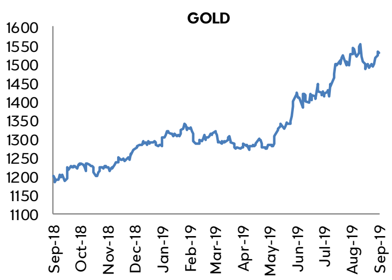


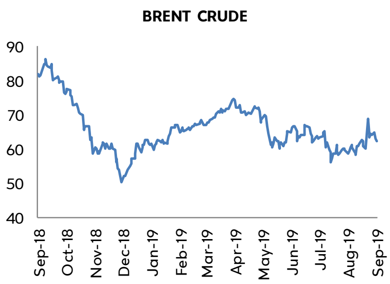


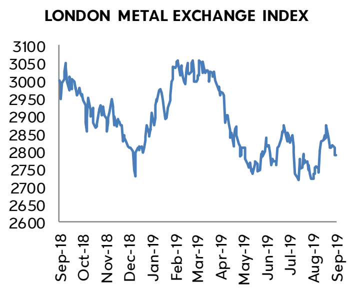


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1530	-0.1%	19.3%
BRENT CRUDE	62	-1.1%	16.0%
LMEX	2790	-0.7%	-0.4%







Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research

Data updated as of 10:15 EEST

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