

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

August 27, 2019

Global Markets

Shrugging off US President Donald Trump's comments on the sidelines of the G7 Summit yesterday that Chinese officials had contacted their US trade counterparts expressing their desire to resume negotiations, European equity were under pressure in early trade, along with US equity futures, on market uncertainty over the chance of a meaningful resolution in the US/China trade dispute. In FX markets, the EUR/USD was hovering around 1.1109/10 at the time of writing following a spike to a multi-session peak of 1.1164 yesterday, weighted down by a renewed decline in the German IFO index. Focus today is on the political front in Italy as President Sergio Mattarella starts a new round of talks with party leaders.

Greece

The full lifting of capital controls effective September 1st was voted yesterday in parliament, 50 months after their introduction in July 2015, on the back of improved confidence in the banking system, continued improvement in deposits and successful access of banks to markets with multi-year issues, continued efforts to reduce NPEs, detachment from the ELA mechanism, successful issues of Greek government bonds and steady improvement of the economic sentiment indicator. Meanwhile, for the period Jan-Jul 2019, the State Budget Primary Balance amounted to a surplus of €1,763 mn, against the primary deficit target of €803 mn and the primary surplus of €926 mn performed at the same period of the previous year.

CESEE

Serbia: Intervening in FX markets for the first time since January from the sell side, the National Bank of Serbia (NBS) sold EUR30mn yesterday. The NBS noted that the intervention came as a frontier towards the depreciation pressures on the dinar which are usual at this time of the year. As such, the dinar is anticipated to trade around EUR/RSD 117.8530 today, strengthened by 0.3% since the beginning of the year.

Bulgaria: Fitch ratings agency affirmed on Friday Bulgaria's long-term FX rating at BBB and maintained the outlook positive, grounding its decision on the country's sound external and public finances, accession efforts in the Eurozone and stable GDP growth prospects.

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GLOBAL MARKETS

Stock markets				FOREX			Government Bonds			Commodities					
	Last	ΔD	ΔYTD		Last	ΔD	ΔYTD	(yields)	Last	ΔDbps	ΔYTD bps	Last	ΔD	ΔYTD	
S&P 500	2878.38	1.1%	14.8%	EUR/USD	1.1112	0.1%	-3.1%	UST - 10yr	1.51	-3	-117	GOLD	1534	0.5%	19.6%
Nikkei 225	20456.08	1.0%	2.2%	GBP/USD	1.2242	0.2%	-4.1%	Bund-10yr	-0.68	-1	-92	BRENT CRUDE	59	0.3%	9.5%
STOXX 600	370.27	-0.3%	9.7%	USD/JPY	105.64	0.5%	3.8%	JGB - 10yr	-0.26	0	-27	LMEX	2724	-0.4%	-2.8%

SERBIA

Money Market

BELIBOR	Last	ΔDbps	ΔYTD bps
T/N	1.45	0	-99
1-week	1.54	0	-102
1-month	1.78	0	-95
3-month	2.02	-1	-101
6-month	2.14	-1	-104

RS Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RSD	2.28	-1	-78
5Y RSD	2.44	0	-106
7Y RSD	2.99	0	-116

RS Eurobonds

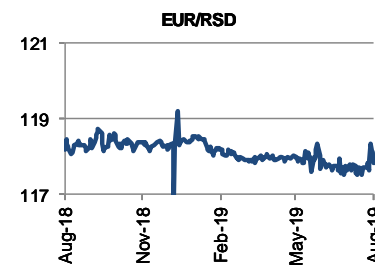
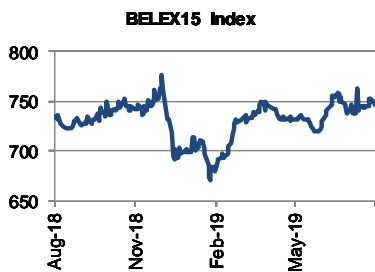
	Last	ΔDbps	ΔYTD bps
USD Feb-20	2.60	-3	-140

STOCKS

	Last	ΔD	ΔYTD
BELEX15	747.3	-0.51%	-1.89%

FOREX

	Last	ΔD	ΔYTD
EUR/RSD	117.87	0.17%	0.31%



ROMANIA

Money Market

ROBOR	Last	ΔDbps	ΔYTD bps
O/N	2.99	0	190
1-month	2.81	0	94
3-month	3.07	0	102
6-month	3.16	0	89
12-month	3.26	0	94

RO Local Bonds

	Last	ΔDbps	ΔYTD bps
3Y RON	3.43	0	-60
5Y RON	3.70	0	-64
10Y RON	4.08	0	-73

RO Eurobonds

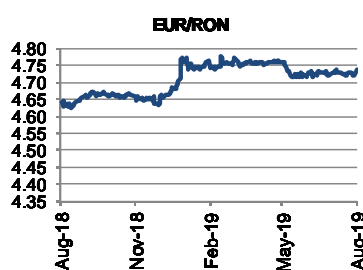
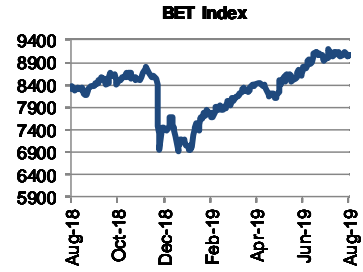
	Last	ΔDbps	ΔYTD bps
EUR Oct-25	0.61	-	-93
USD Jan-24	2.55	#N/A	N/A

STOCKS

	Last	ΔD	ΔYTD
BET	9066.2	0.24%	22.79%

FOREX

	Last	ΔD	ΔYTD
EUR/RON	4.7373	-0.21%	-1.76%



BULGARIA

Money Market

SOFIBOR	Last	ΔDbps	ΔYTD bps
LEONIA	0.01	0	1
1-month	-0.22	8	3
3-month	-0.14	9	4
6-month	-0.02	10	3
12-month	0.36	14	4

BG Local Bonds

(yields)	Last	ΔDbps	ΔYTD bps
3Y BGN	-0.34	-1	-28
5Y BGN	-0.14	0	-25
10Y BGN	0.21	0	-54

87.94

BG Eurobonds

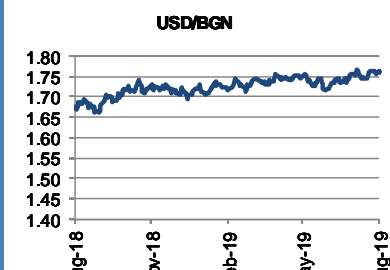
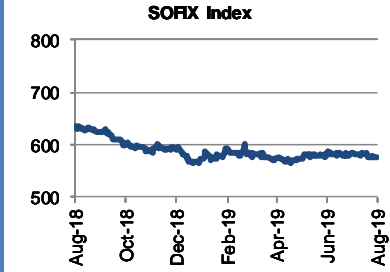
	Last	ΔDbps	ΔYTD bps
EUR Mar-22	-0.32	#VALUE!	-28
EUR Sep-24	-0.07	#VALUE!	-55

STOCKS

	Last	ΔD	ΔYTD
SOFIX	574.5	-0.02%	-3.35%

FOREX

	Last	ΔD	ΔYTD
USD/BGN	1.7603	0.09%	-3.11%



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

Data updated as of 10:30 EEST

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