

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

October 29, 2019

### Global Markets

Major government bonds retained a negative tone in early trade today amid increased optimism for progress in US/China trade talks after US President Donald Trump said to reporters yesterday that he expects to sign a significant part of a trade deal with China ahead of schedule. The EU's decision to grant the UK a three-month Brexit extension to 31 January 2020, market expectations for a further 25bps rate cut by the Fed at this week's two-day monetary policy meeting which concludes on Wednesday, the latest political developments in Germany which raised the risk of tensions within the coalition government and expectations for sluggish Q3 GDP growth figures from both the Eurozone and the US later this week, have also had an impact. In FX markets, caution prevails with the GBP/USD continuing to defend the 1.28 handle, while the EUR/USD retreated to levels slightly below 1.1100 earlier today, 0.2% lower on the day and down 0.9% from recent highs (Oct. 21).

### Greece

Standard & Poor's raised Greece's sovereign credit rating by one notch, from B+ to BB- with a positive outlook, on the basis of the improved 2020 budget forecasts and the full abolition of capital controls. The European Stability Mechanism (ESM) and the European Financial Stability Facility (EFSF) agreed y-day to waive the mandatory repayment obligation of the ESM/EFSF loans in connection with the partial early repayment of ca €2.7 bn from the outstanding IMF loan.

### CESEE

*Cyprus:* Retail sales in volume terms expanded by 5.7% YoY in August up from 4.7% YoY in July and 2.4% YoY in June, bringing the year to August performance at 3.2% YoY. *Serbia:* The EUR/RRD remained bound within the 117.50 -117.70 trading range in the past week ending at 117.55/65. The EUR/RSD dropped to the lower end of its monthly range following sluggish demand from corporate and overall perception that the recent dinar weakening is just a temporary misbalance in favor of Euro(€) demand. In other news, the average net salary stood at RSD 54,257 in January-August2019 expanding by 9.9% YoY in nominal and by 7.6% YoY in real terms.

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## GLOBAL MARKETS

### Stock markets

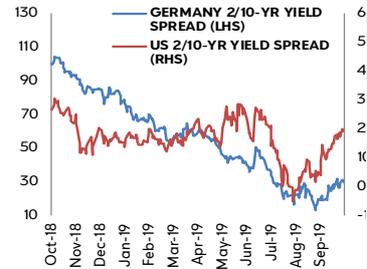
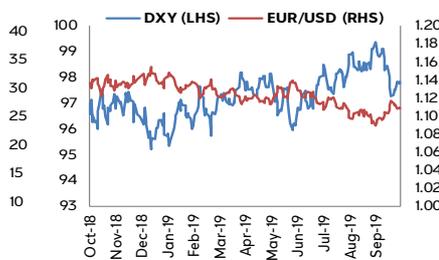
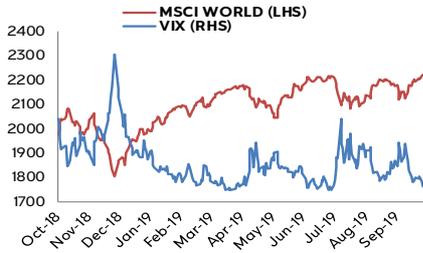
	Last	AD	ΔYTD
S&P 500	3039.42	0.56%	21.2%
Nikkei 225	22974.13	0.5%	14.8%
STOXX 600	397.87	-0.3%	17.8%

### FOREX

	Last	AD	ΔYTD
EUR/USD	1.1082	-0.2%	-3.4%
GBP/USD	1.2846	-0.1%	0.7%
USD/JPY	108.86	0.1%	0.8%

### Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.83	-1	-85
Bund -10yr	-0.35	-1	-59
JGB - 10yr	-0.10	2	-11



## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.45	0	-273
10Y Bond	1.22	1	-312
Δ(10YBund-10YGG)	A Invalid Sect/N/A	Invalid Securit	#VALUE!



## EMERGING MARKETS

### Stock markets

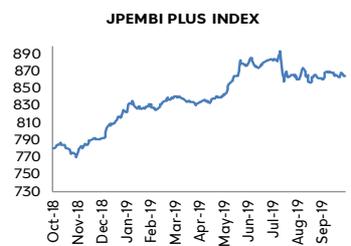
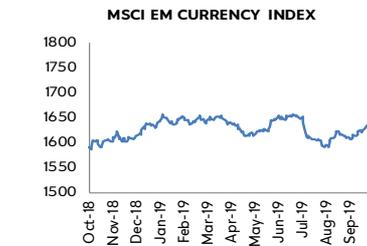
	Last	AD	ΔYTD
SOFIX	560.16	0.0%	-5.8%
BELEX	747.46	0.0%	-186.8%
XU100	99838.30	-0.4%	938.7%

### FOREX

	Last	AD	ΔYTD
EUR/PLN	4.2719	0.0%	0.4%
EUR/RSD	117.541	-0.1%	0.7%
USD/TRY	5.739	-0.1%	-7.8%

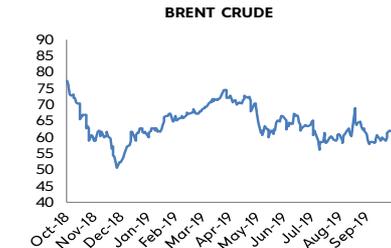
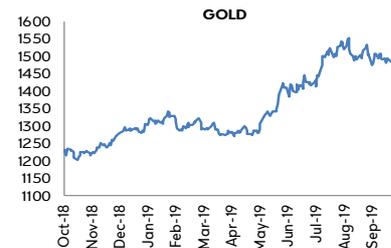
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.50	-8	-60
BG 8Y yield	0.18	1	-30
PL 10Y yield	2.00	-2	-81



## COMMODITIES

	Last	AD	ΔYTD
GOLD	1494	0.1%	16.5%
BRENT CRUDE	61	-0.6%	13.8%
LMEX	2851	0.0%	1.8%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research  
Data updated as of 10:34 EEST

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