

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

January 2, 2020

Global Markets

Global equity markets kicked off 2020 on a strong note on Thursday, following news that the People's Bank of China (PBOC) will cut banks' reserve requirement ratio by 50bps, effective as of January 6, to support domestic activity as economic growth has slowed to the weakest pace in nearly 30 years. Adding to the positive tone, US President Donald Trump said that the first phase of the US/China trade deal will be signed on January 15 at the White House, though no version of the text has been made public. Elsewhere, US Treasuries and European fixed income markets were weaker in the first trading day of the New Year, while in FX markets, the USD started the New Year slightly stronger against its major currency peers, but gains were limited on the back of market expectations for a more encouraging global growth outlook.

Greece

The seasonally adjusted retail trade volume index (source: ELSTAT) increased on an annual basis by 7.2 YoY% in October 2019 from 4.3 YoY% in September 2019. On a monthly basis it decreased by -0.6 MoM% compared to 1.5 MoM% in the former month. During the 10-month period of January-October 2019, the average volume of sales in the retail trade sector expanded by 0.8 YoY% from 1.3 YoY% in the respective period of 2018. The aforementioned deceleration is also observed in the national accounts time series, where the annual percentage change of real private consumption dropped to 0.2 YoY% in 2019Q1-2019Q3 from 1.0% in 2018Q1-2018Q3.

CESEE

Serbia: According to official estimates released on December 29, the real GDP growth rate in 2019 stands at 4.0% YoY. Economic growth may have decelerated compared to 4.4% YoY in 2018 but, still, surpassed forecasts of both local authorities and international foreign institutions. Recall that in November, the National Central Bank (NBS) revised upwards its 2019 real GDP growth forecast to 3.6% from 3.5% projected in August. The Minister of Finance, Sinisa Mali was more optimistic suggesting that real GDP growth will come in somewhere between 3.6-3.8%. On the more conservative side, the IMF expected economic growth to reach 3.5% in 2019 while the European Commission in the autumn outlook, forecasted real economic growth rate at 3.2%. Economic growth in 2019 is mainly driven by investment, private consumption and exports.

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GLOBAL MARKETS

Stock markets

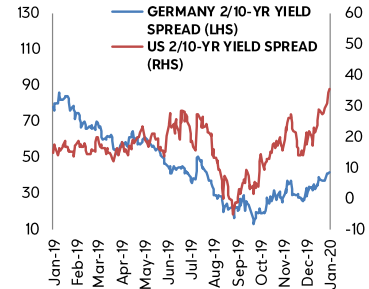
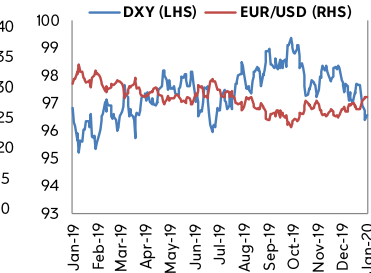
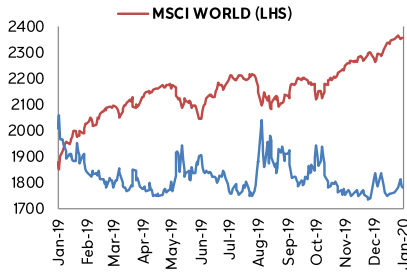
	Last	ΔD	ΔYTD
S&P 500	3230.78	0.29%	0.0%
Nikkei 225	23656.62	-0.8%	0.0%
STOXX 600	418.57	0.7%	0.7%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1211	0.0%	0.0%
GBP/USD	1.3228	-0.2%	-0.2%
USD/JPY	108.8	0.0%	-0.2%

Government Bonds

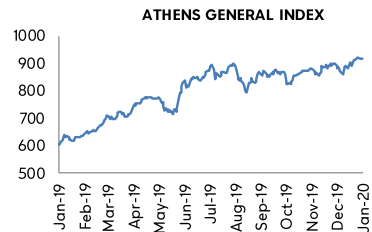
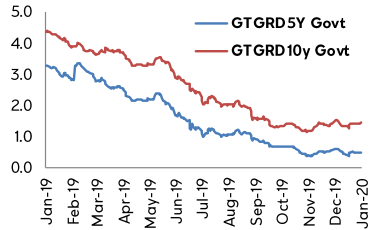
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.94	2	2
Bund-10yr	-0.17	2	1
JGB - 10yr	-0.01	0	0



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.48	-1	-1
10Y Bond	1.45	2	2
Δ(10YBund-10YGG)	1.62	0	1



EMERGING MARKETS

Stock markets

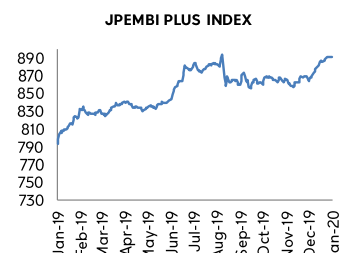
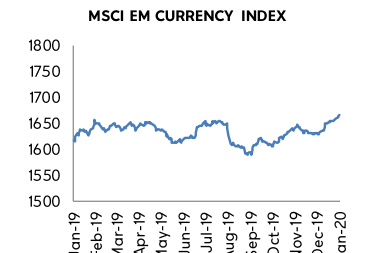
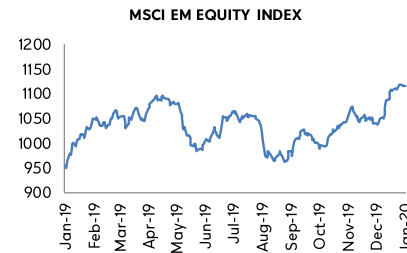
	Last	ΔD	ΔYTD
SOFIX	564.52	-0.6%	-0.6%
BELEX	801.69	1.4%	0.0%
XU100	115344.40	0.8%	80.3%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.2569	0.1%	-0.1%
EUR/RSD	117.819	-0.1%	-0.1%
USD/TRY	5.9573	-0.2%	-0.1%

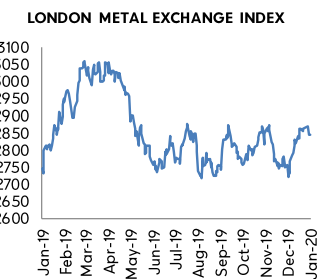
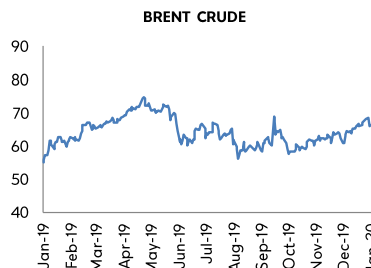
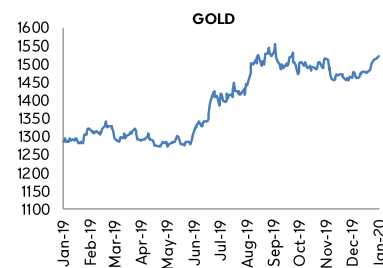
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.09	-4	-4
BG 8Y yield	0.13	#N/A	#N/A
PL 10Y yield	2.13	2	#N/A



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1520	0.2%	0.2%
BRENT CRUDE	66	0.6%	0.6%
LMEX	2843	-0.9%	0.0%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:45 EEST

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