

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

March 3, 2020

Global Markets

The majority of global equity markets extended gains earlier today and US stock futures point to a positive open on news that G7 Finance Ministers and Central Bank Governors will hold a conference call later today (12:00GMT) aiming to set up a coordinated policy response to offset the negative impact of the coronavirus outbreak. Meanwhile, the RBA lowered its benchmark cash rate by 25bps to a fresh record low of 0.50% earlier today and ECB President Christine Lagarde said in a statement yesterday that the Central Bank stands ready to take “appropriate and targeted measures”, if necessary, to support the economy. The above developments led to some upward correction in core government bond yields, while in FX markets, the EUR/USD continued to hover above 1.1100 favored by market expectations for lower Fed interest rates.

Greece

According to IHS Markit, in Feb-20 the PMI Manufacturing indicator reached a ten-month high with the rates of output and new order growth accelerating to the fastest pace since Apr-19, business confidence reaching new series high and a marked rise in employment. More specifically, the PMI climbed to 56.2 in Feb, up from 54.4 in Jan, due to a steep rise in output, which is broadly attributed to stronger demand from both foreign and domestic clients. The production growth resulted in the second-fastest job creation rate in the series history while input costs rose at a slower pace despite the impact of the coronavirus on global supply chains. In other news, the government is contemplating suspending tax and social security obligations for businesses in specific sectors affected by covid-19.

CESEE

Cyprus: According to the Ministry of Finance, the Cypriot Republic has fully repaid the IMF loan granted to the country in 2013-2016. The total repayment amount came at €716.7mn, an equivalent of 569.6mn SDR. The early repayment of the loan, combined with its re-financing through a 20-year bond with an interest rate of 0.625% achieved in the tender in mid-January, is expected to save the budget a total amount of €13.4mn over the period 2020-2025. **Serbia:** The global markets turmoil has had no impact on the dinar and the government bonds in the past week. The dinar kept its narrow trading range between 117.50-60, while local currency government bonds shifted 1 basis point lower on both ends of the curve. The average daily trading volume remained within the monthly average (RSD 3-5bn).

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GLOBAL MARKETS

Stock markets

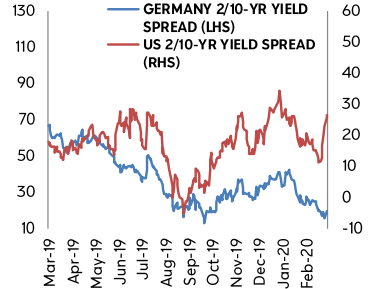
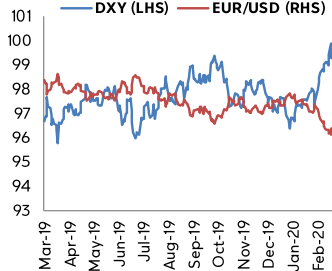
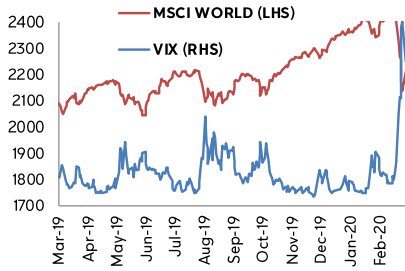
	Last	ΔD	ΔYTD
S&P 500	3090.23	4.60%	-4.4%
Nikkei 225	21082.73	-1.2%	-10.9%
STOXX 600	375.97	0.1%	-9.6%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1146	0.1%	-0.6%
GBP/USD	1.2789	0.3%	-3.5%
USD/JPY	107.85	0.4%	0.7%

Government Bonds

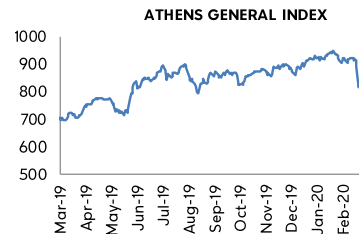
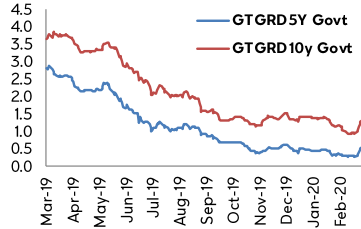
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.13	-3	-79
Bund-10yr	-0.62	-2	-44
JGB - 10yr	-0.11	1	-10



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.57	0	9
10Y Bond	1.35	0	-8
Δ10YBund-10YGGGB	1.98	0	36



EMERGING MARKETS

Stock markets

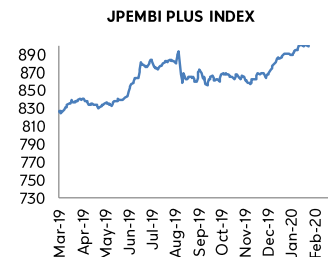
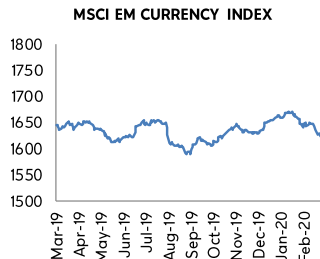
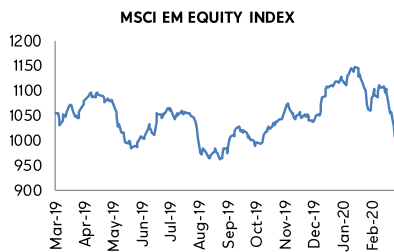
	Last	ΔD	ΔYTD
SOFIX	546.75	-0.6%	-3.8%
BELEX	795.01	-0.5%	-83.3%
XU100	107309.90	1.2%	-621.8%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.3187	-0.1%	-1.5%
EUR/RSD	117.564	-0.1%	0.2%
USD/TRY	6.1991	-0.3%	-4.0%

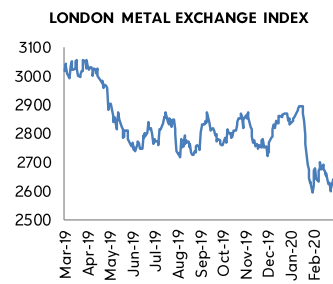
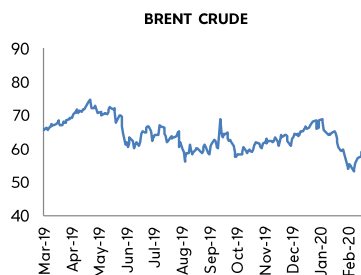
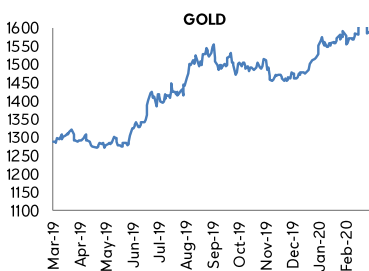
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.36	-5	23
BG 8Y yield	Invalid Security		
PL 10Y yield	1.64		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1594	0.3%	5.1%
BRENT CRUDE	52	1.0%	-20.6%
LME	2639	1.2%	-7.2%



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