

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

February 5, 2020

Global Markets

Following the positive momentum in Wall Street overnight with all three indices returning to positive territory YTD, global equity markets traded higher earlier today on hopes that Chinese authorities' measures should help to contain the negative impact of the novel coronavirus. Against this background, fixed income markets lost some ground, with the 10-yr UST and German Bund yields rising to one-week highs of 1.64% and -0.36%. In FX markets, the USD/JPY firmed to a two-week high of 109.71 in early European trade, while the EUR/USD consolidated around levels of 1.1040. In commodities market, oil prices firmed with Brent crude rising c. 2.4% to \$55.25/bbl in early European trade, amid news that OPEC and its producer allies are considering oil output cuts by a further 500,000bbl/day to mitigate the impact on global oil demand resulting from China's new coronavirus.

Greece

Addressing the Parliament yesterday, the Governor of the BoG Yiannis Stournaras stated that, based on the debt sustainability analysis conducted by the BoG, lowering the primary surplus targets for 2021 and 2022 would not have the least negative impact on debt sustainability, while it would enhance economic growth, coupled with the timely implementation of the agreed reforms and the privatizations program. The BoG sees GDP growth of 2.5% for both 2020 and 2021. Meanwhile, the government is reportedly seeking ways to accelerate judicial procedures for pending cases under the 'Katseli' Law - c. 90,000 - which is to be replaced soon by a new household insolvency framework.

CESEE

Serbia: The central government recorded a surplus of RSD12.8bn in 2019 compared to 32.2bn in 2018. The print fares much better than the revised and the initial target of RSD 23.6bn & RSD 22.9bn respectively. As a percentage of GDP, the central government still targets a deficit of 0.5% in 2020 compared to a surplus of 0.2% in 2019 and 0.6% in 2018. In other news, the Venice Commission, the advisory body of the Council of Europe, has advocated that electoral legislation should not be changed in such a short notice before the elections. Recall that the ruling party SNS intends to introduce a bill amending the election law, that foresees lowering the entry threshold for parliamentary, local and provincial elections.

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GLOBAL MARKETS

Stock markets

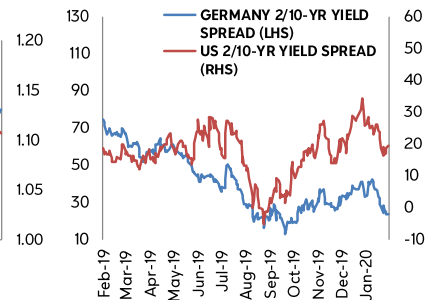
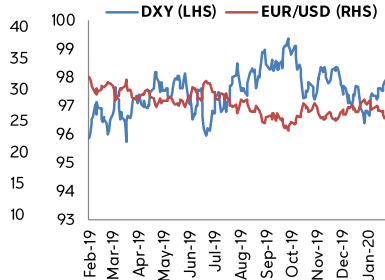
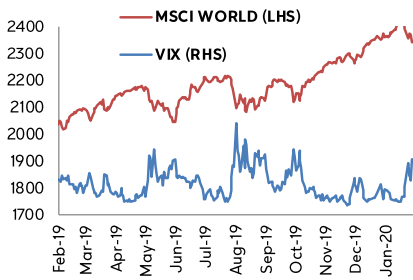
	Last	ΔD	ΔYTD
S&P 500	3298.25	1.52%	2.1%
Nikkei 225	23084.59	0.5%	-2.4%
STOXX 600	418.14	1.6%	0.6%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1039	-0.2%	-1.6%
GBP/USD	1.3023	0.2%	-1.8%
USD/JPY	109.33	-0.6%	-0.7%

Government Bonds

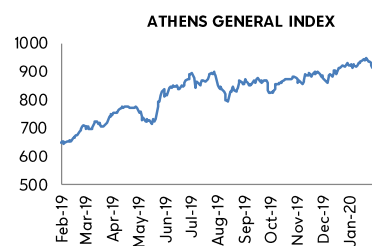
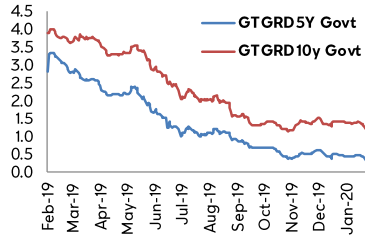
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.59	7	-32
Bund-10yr	-0.41	3	-23
JGB - 10yr	-0.05	1	-4



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.35	-2	-14
10Y Bond	1.16	-2	-27
Δ(10YBund-10YGG)	1.57	0	-5



EMERGING MARKETS

Stock markets

	Last	ΔD	ΔYTD
SOFIX	575.15	0.2%	1.2%
BELEX	815.87	0.2%	176.9%
XU100	122136.20	2.4%	673.9%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.2751	0.5%	-0.5%
EUR/RSD	117.568	0.1%	0.1%
USD/TRY	5.9713	0.2%	-0.3%

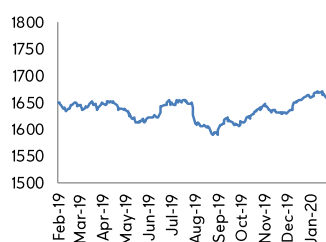
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.43	1	-70

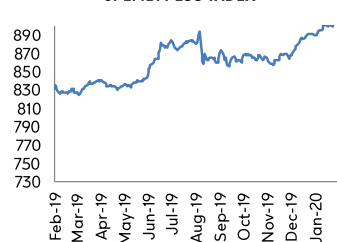
MSCI EM EQUITY INDEX



MSCI EM CURRENCY INDEX

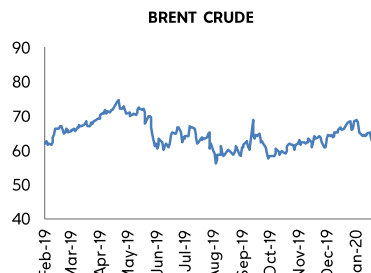
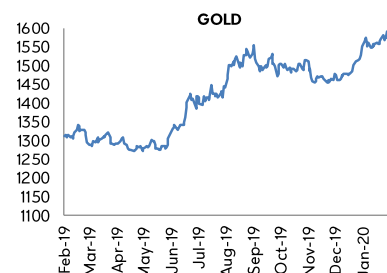


JPEMBI PLUS INDEX

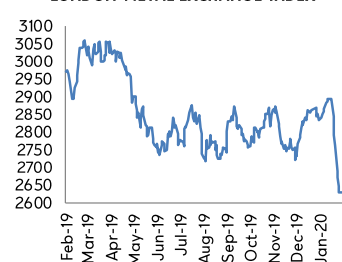


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1555	-1.4%	2.5%
BRENT CRUDE	55	0.4%	-17.2%
LMEX	2593	-1.4%	-8.8%



LONDON METAL EXCHANGE INDEX



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