

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

March 5, 2020

Global Markets

Market sentiment on risk assets remained supported in early trade today, favored by the adoption of several stimulus measures by central banks and governments around the world to address the impact of the COVID-19 outbreak, including a package of \$8.3bn that was endorsed by the US House of Representatives yesterday. Turning to fixed income markets, US sovereign bond yields were modestly higher earlier today on equity markets' improved performance and yesterday's positive US data releases. The US ISM services index rose by 1.8pts to a one-year high of 57.3 in February, while ADP private payrolls rose by a higher than expected 183k over the same month, partly due to unseasonably mild weather. Higher UST yields favored the USD, but gains were limited amid expectations for further Fed rate easing ahead.

Greece

Following the Eurogroup conference call yesterday, it was announced that the Stability and Growth Pact rules allow "for a temporary deviation from the adjustment path, while preserving fiscal stability." The Euroworking Group is mandated to work on policy options to prepare the ground for the 16 March Eurogroup when the situation will be reassessed. It is noted that the full range of fiscal, financial and structural policies may be used if needed. In other news, according to the Bank of Greece, in Jan-20 the overall weighted average (w.a.) interest rate on all new deposits remained almost unchanged at 0.17%, while the overall (w.a.) interest rate on all new loans to households and non-financial corporations remained basically unchanged at 4.36%.

CESEE

Serbia: The Q4 GDP print that came in earlier this week outperformed market expectations. GDP expanded by 6.2%YoY in Q4, from 4.8%YoY in Q3 and 2.7%YoY in Q2 and Q1 respectively, setting the annual economic growth rate at 4.1%, above the preliminary estimation of 4.0%. From the production side, ca 5 out of 6.2pps were contributed by construction activity (2.4%) and services (2.6%) while turning to the demand side the key drivers remained investments (7%) and private consumption (3%) with net exports weighing negatively as imports grew stronger compared to exports. On the political front, President Aleksandar Vucic, announced yesterday officially that the parliamentary and municipal elections will be held on April 26.

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GLOBAL MARKETS

Stock markets

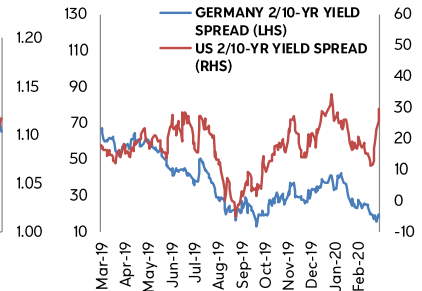
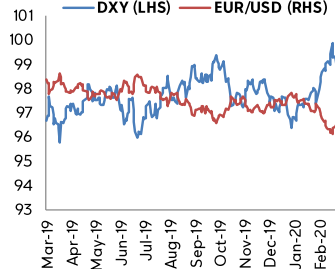
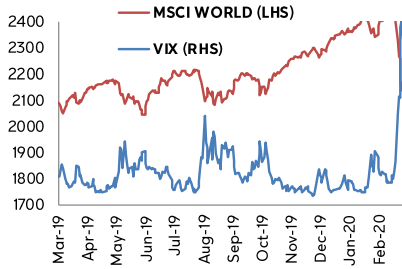
	Last	ΔD	ΔYTD
S&P 500	3150.12	4.22%	-3.1%
Nikkei 225	21529.12	1.1%	-9.8%
STOXX 600	386.30	1.4%	-7.1%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1121	-0.1%	-0.8%
GBP/USD	1.2869	0.0%	-2.9%
USD/JPY	107.36	0.2%	1.2%

Government Bonds

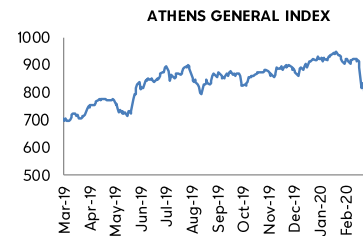
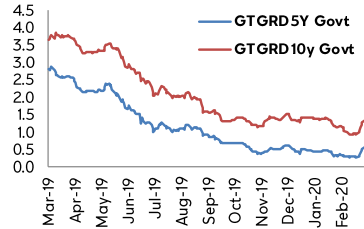
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.02	-3	-90
Bund-10yr	-0.62	2	-43
JGB - 10yr	-0.11	1	-10



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.47	-2	-2
10Y Bond	1.18	-1	-25
Δ10YBund-10YGGB)	1.80	0	18



EMERGING MARKETS

Stock markets

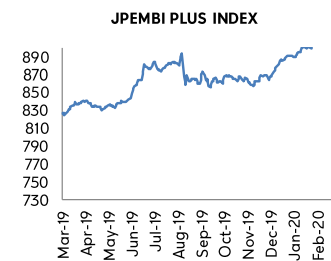
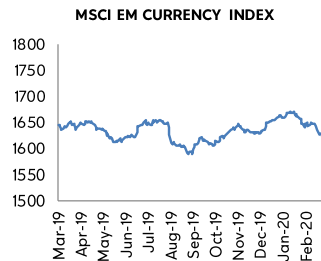
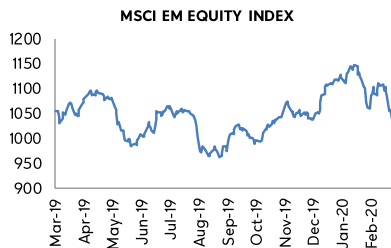
	Last	ΔD	ΔYTD
SOFIX	543.21	-0.6%	-4.4%
BELEX	778.03	-1.4%	-295.1%
XU100	112612.00	1.6%	-158.4%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.2884	0.0%	-0.8%
EUR/RSD	117.598	-0.1%	0.1%
USD/TRY	6.0802	0.0%	-2.1%

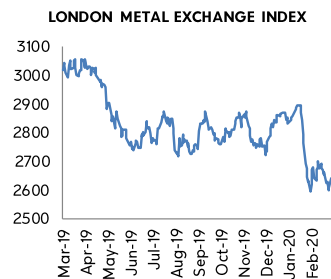
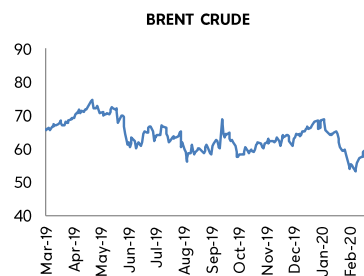
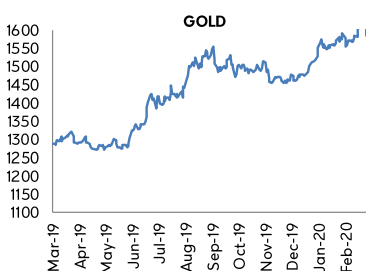
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.70	-4	-43
BG 8Y yield	Invalid Security		
PL 10Y yield	1.71		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1638	0.0%	7.9%
BRENT CRUDE	52	0.9%	-21.8%
LME	2633	0.3%	-7.4%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 09:30 EEST

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