

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

January 7, 2020

### Global Markets

The geopolitical situation in the Middle East remains on investors' radars but the performance of financial markets over the last few hours suggests that investors are now optimistic that their worst fears after the killing of Iranian top commander Soleimani in Iraq, will likely not materialize. Halting a two-day falling streak, European equity markets opened on a positive note today and the majority of Asian bourses closed higher, also supported by encouraging service-related data from both the US and the Eurozone. Fixed income markets came under some pressure, the USD/JPY recovered from yesterday's multi-week session lows and the oil price moved lower, with Brent crude standing at around \$68.60 per barrel earlier today after moving above \$70 yesterday for the first time since mid-September 2019.

### Greece

According to press, among the main goals of the government's financial staff for the period ahead are the reduction of the primary surplus targets (which the German Parliament, however, is reportedly unlikely to approve), the upgrade of Greece's sovereign credit rating and the use of SMP/ANFA income to boost investments. As regards the Enhanced Post Programme Surveillance, the next review is due in February and the government has to record progress in a number of difficult issues such the lift of the protection of the first residence and the establishment of a new framework for the insolvency of private individuals and the realignment of zonal property tax values with the subsequent adjustment of property tax rates.

### CESEE

*Serbia:* The National Bank of Serbia (NBS) decided to start publishing an overview of the global financial market developments as of January 3. In this way, the NBS attempts to streamline its functions and publications with those of the majority of the EU central banks. Towards that direction, it was also decided that the NBS interventions in the FX market will be reported on a monthly basis through a regular press release rather than at the time they happen. Remember that within 2019 the NBS bought EUR3.1bn and sold EUR0.4bn in order to prevent the dinar from appreciating. *CESEE:* This week is heavily loaded with data releases in the region. We point out the first Executive Board meeting of the NBS on Thursday.

### Contributing Authors

**Paraskevi Petropoulou**  
Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)

**Anna Dimitriadou**  
Economic Analyst  
[andimitriadou@eurobank.gr](mailto:andimitriadou@eurobank.gr)

**Maria Kasola**  
Economic Analyst  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)

**GLOBAL MARKETS**
**Stock markets**

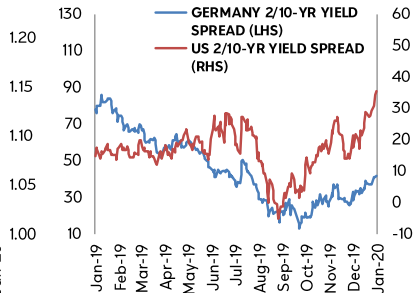
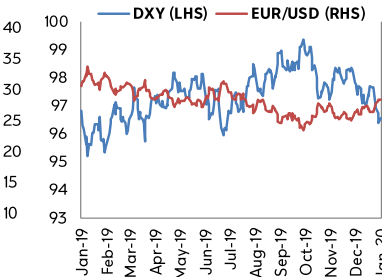
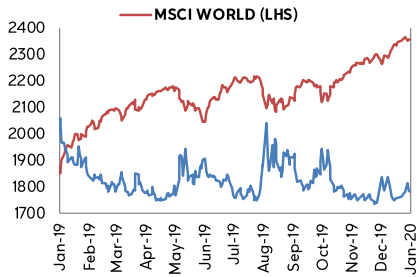
	Last	ΔD	ΔYTD
S&P 500	3257.85	0.84%	0.8%
Nikkei 225	23656.62	-0.8%	0.0%
STOXX 600	417.42	-0.5%	0.4%

**FOREX**

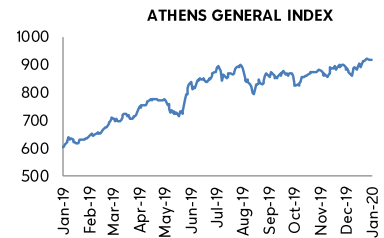
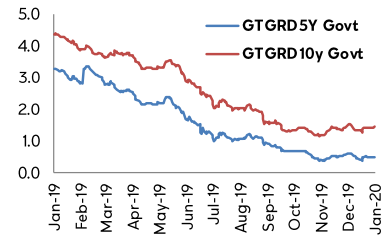
	Last	ΔD	ΔYTD
EUR/USD	1.1151	-0.2%	-0.6%
GBP/USD	1.3099	-0.4%	-1.2%
USD/JPY	107.97	0.6%	0.6%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.82	-6	-10
Bund-10yr	-0.27	-5	-9
JGB - 10yr	-0.01	0	0


**GREECE**
**Government Bonds**

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.45	-1	-4
10Y Bond	1.41	0	-3
Δ(10YBund-10YGG)	1.68	0	6


**EMERGING MARKETS**
**Stock markets**

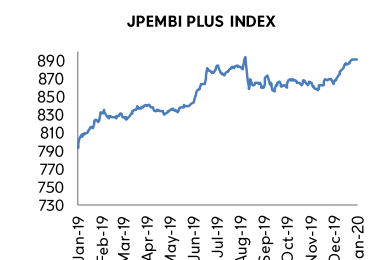
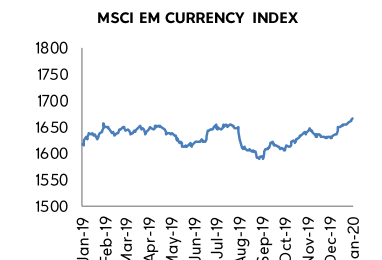
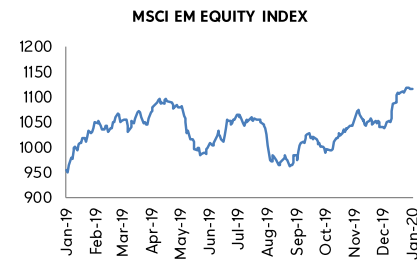
	Last	ΔD	ΔYTD
SOFIX	568.05	0.0%	0.0%
BELEX	801.69	1.4%	0.0%
XU100	114672.80	-1.1%	21.7%

**FOREX**

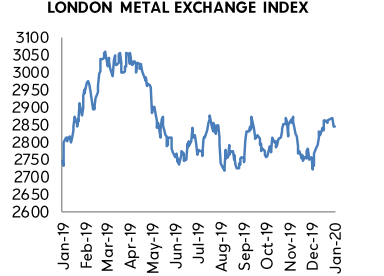
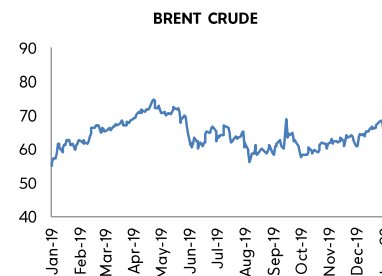
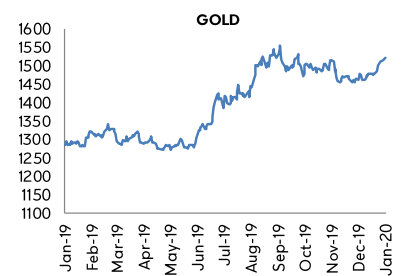
	Last	ΔD	ΔYTD
EUR/PLN	4.2491	-0.2%	0.1%
EUR/RSD	117.559	0.0%	0.2%
USD/TRY	5.9731	-0.3%	-0.4%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.03	-3	-10
BG 8Y yield	0.13	0	#N/A N/A
PL 10Y yield	2.07	-3	#N/A N/A


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1544	1.0%	1.8%
BRENT CRUDE	68	3.2%	3.5%
LME	2852	0.3%	0.3%



## Research Team



**Dr. Tasos Anastasatos** | Group Chief Economist  
tanastasatos@eurobank.gr | + 30 214 40 59 706



**Anna Dimitriadou**  
Economic Analyst  
andimitriadou@eurobank.gr  
+ 30 210 37 18 793



**Ioannis Gkionis**  
Senior Economist  
igkionis@eurobank.gr  
+ 30 214 40 59 707



**Dr. Stylianos Gogos**  
Economic Analyst  
sgogos@eurobank.gr  
+ 30 210 37 18 733



**Maria Kasola**  
Economic Analyst  
mkasola@eurobank.gr  
+ 30 210 33 18 708



**Olga Kosma**  
Research Economist  
okosma@eurobank.gr  
+ 30 210 37 18 728



**Paraskevi Petropoulou**  
Senior Economist  
ppetropoulou@eurobank.gr  
+ 30 210 37 18 991



**Dr. Theodoros Stamatou**  
Senior Economist  
tstamatou@eurobank.gr  
+ 30 214 40 59 708



**Elia Tsiampaou**  
Economic Analyst  
etsiampaou@eurobank.gr  
+ 30 214 40 59 712

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