

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

March 12, 2020

Global Markets

Tracking Wall Street's poor performance overnight, Asian bourses dropped and European equities opened in the red, reacting to the US administration's decision to suspend travel from Europe to the US, except from the UK, to stem the spread of the COVID-19. Meanwhile, the World Health Organization labelled COVID-19 a pandemic, calling for "urgent and aggressive action". Oil prices dropped with Brent crude hovering around \$34/bbl at the time of writing, c. 5.5% lower on the day, approaching last week's \$31/bbl four-year low. Safe-haven assets were back in favour, with gold up on the day close to \$1,630 per ounce, but still below Monday's seven-year peak of \$1,703. In FX markets, the EUR/USD has weakened c. 1.6% from last week's one-year highs trading close to 1.1300 in early European trade, ahead of today's ECB policy meeting.

Greece

According to ELSTAT, the overall turnover index in accommodation and food service activities in Q4-2019 rose by 4.8% against Q4-2018, when it had decreased by -2.8% against Q4-2017. The 2019 annual average of the overall turnover index in accommodation and food service activities rose by 1.3%YoY while in 2018 it had increased by 7.6%YoY. More specifically, the average turnover index of the accommodation sub-sector in 2019 decreased by -1.1%YoY against an increase of 6.5%YoY in 2018. In other news, the Greek government announced a package of measures to support coronavirus-hit business, which includes among others the suspension taxes and social security contributions payment and the suspension of VAT for four months in sectors and areas where economic activity is halted.

CESEE

Serbia: The National Bank of Serbia (NBS) Executive Board cut the key rate by 50bps to 1.75% yesterday at an extraordinary meeting held a day ahead of the scheduled sitting, originally planned for March 12. The move aims to provide support to lending and economic growth amid low inflationary pressures and increased uncertainty regarding the spread of the Covid-19. The central bank also decided to narrow the interest rate corridor from ± 1.25 pps to ± 1.0 pp. Thus, the deposit facilities interest rate was lowered by 25bps to 0.75%, while lending facilities interest rate was cut by 75bps to 2.75%. The decision of the NBS came at a moment when the number of confirmed Covid-19 cases in Serbia climbed to 18 yesterday from only 1 the previous day and the WHO was about to declare Covid-19 a pandemic.

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GLOBAL MARKETS

Stock markets

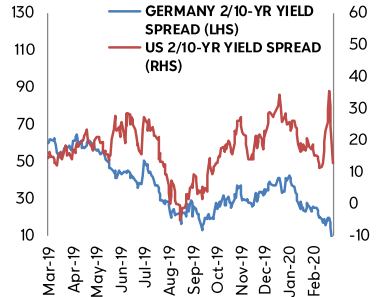
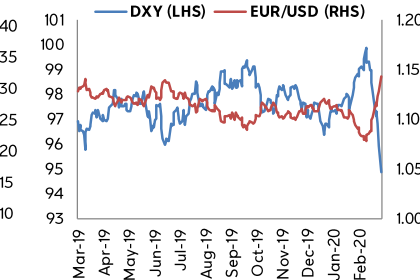
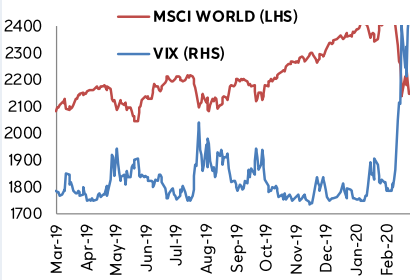
	Last	ΔD	ΔYTD
S&P 500	2882.23	4.94%	-10.8%
Nikkei 225	19416.06	-2.3%	-17.9%
STOXX 600	335.64	-1.1%	-19.3%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.133	0.4%	1.0%
GBP/USD	1.2887	-0.2%	-2.8%
USD/JPY	104.91	0.7%	3.5%

Government Bonds

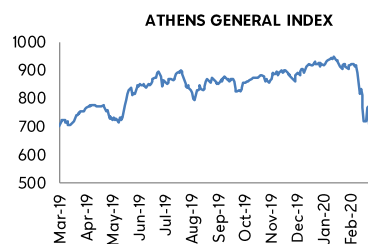
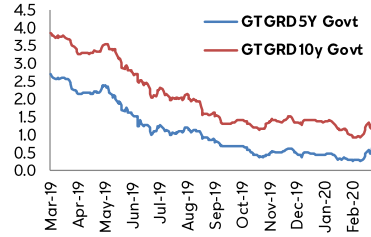
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.66	-14	-125
Bund-10yr	-0.78	1	-59
JGB - 10yr	-0.07	-2	-6



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	1.16	2	67
10Y Bond	1.60	-1	17
Δ(10YBund-10YGGB)	2.38	0	76



EMERGING MARKETS

Stock markets

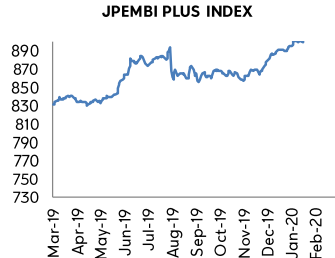
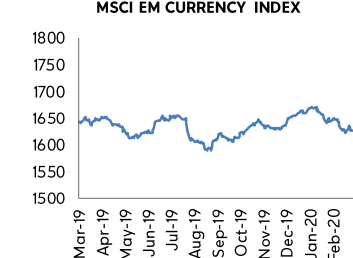
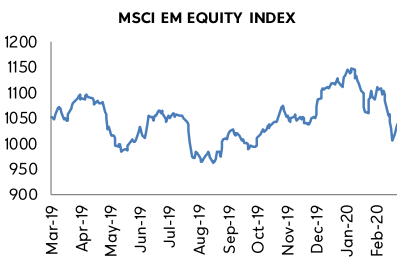
	Last	ΔD	ΔYTD
SOFIX	494.81	4.0%	-12.9%
BELEX	757.33	-1.0%	-553.3%
XU100	101708.80	0.6%	-1111.3%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.3135	0.0%	-1.4%
EUR/RSD	117.644	0.1%	0.1%
USD/TRY	6.1387	0.3%	-3.1%

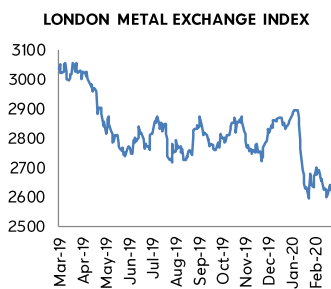
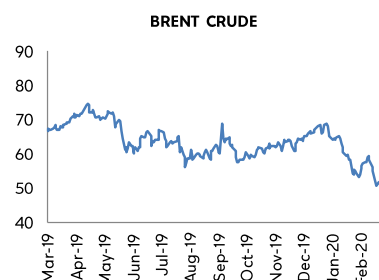
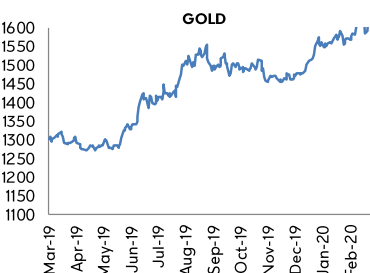
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.19	-5	6
BG 8Y yield	Invalid Security		
PL 10Y yield	1.53		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1663	0.8%	9.6%
BRENT CRUDE	37	-1.0%	-44.2%
LMEX	2590	0.5%	-8.9%



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