

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

January 14, 2020

Global Markets

De-escalation in the Middle East crisis has shifted market focus to the expected signing of a Phase One US-China trade deal agreement tomorrow. Undoubtedly, the signing of the deal would mark an important step towards a comprehensive trade agreement in the future but it is probably not enough to eliminate trade policy uncertainty as a number of contentious issues could remain open with an intention to be covered in the context of the Phase Two negotiations. Against this background, European equity markets opened a tad lower earlier today, while longer-dated UST and European government bonds were slightly firmer on the day, ahead of today's US December inflation data. In FX markets, the GBP remained under pressure amid growing speculation for a BoE rate cut in the near future.

Greece

According to ELSTAT, in Dec-19 the Consumer Price Index (CPI) increased by 0.8%YoY while in Dec-18 the corresponding change was 0.6%YoY. On a monthly basis, in Dec-19 the CPI increased by 0.7% while for the 12-month period from Jan-19 to Dec-19 the average CPI increased by 0.3%YoY. According to press, property auctions in 2019 increased 7%YoY reaching 18,421. The pace of auctions may accelerate after May, when the new household insolvency framework will be in effect. In other news, deliberations between the Greek government and the institutions on the 5th Enhanced Surveillance report are scheduled to commence on the 22nd of January.

CESEE

Serbia: Headline inflation accelerated to 1.9% YoY in December from 1.5% YoY in November. The main upward pressure on the headline index came on the back of increases in utility-related prices by 2.9% YoY from 1.4% YoY in the previous month and higher transport prices. Core inflation came in at 1.1% YoY in December from 1.2% YoY in November. All in all, headline inflation averaged 1.7% YoY in 2019, boding well within the National Bank of Serbia (NBS) target tolerance band of 3%±1.5pps.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Maria Kasola
Economic Analyst
mkasola@eurobank.gr

GLOBAL MARKETS

Stock markets

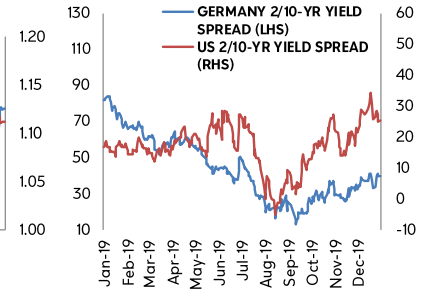
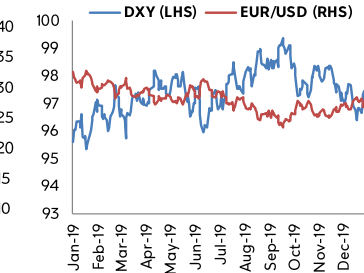
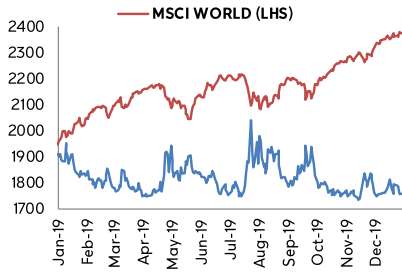
	Last	ΔD	ΔYTD
S&P 500	3288.13	0.70%	1.8%
Nikkei 225	24025.17	0.7%	1.6%
STOXX 600	417.98	-0.1%	0.5%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1141	0.1%	-0.7%
GBP/USD	1.2972	-0.1%	-2.1%
USD/JPY	109.9	0.0%	-1.2%

Government Bonds

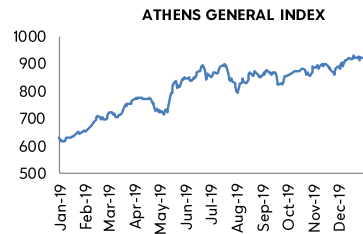
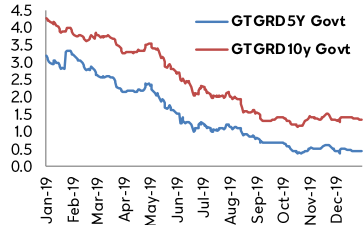
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.83	-1	-8
Bund-10yr	-0.17	-1	1
JGB - 10yr	0.02	2	3



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.47	0	-2
10Y Bond	1.38	0	-5
Δ(10YBund-10YGGB)	1.55	0	-7



EMERGING MARKETS

Stock markets

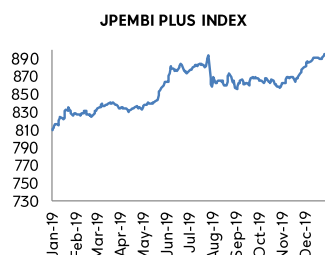
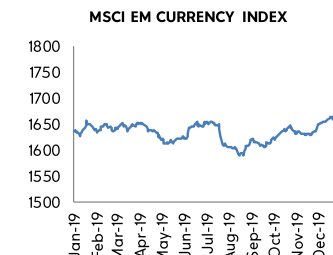
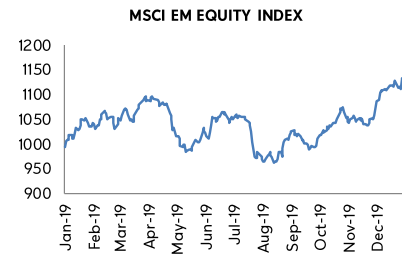
	Last	ΔD	ΔYTD
SOFIX	578.16	0.0%	1.8%
BELEX	802.68	-0.3%	12.3%
XU100	119732.90	-0.4%	463.9%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.2343	0.0%	0.5%
EUR/RSD	117.612	0.0%	0.1%
USD/TRY	5.8967	-0.5%	0.9%

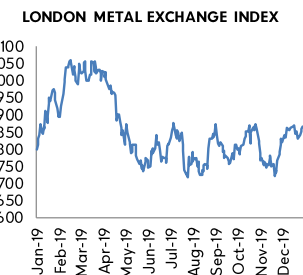
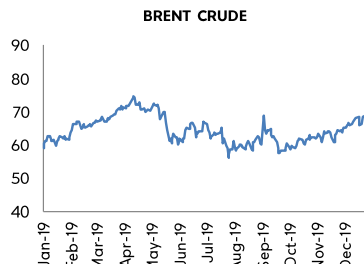
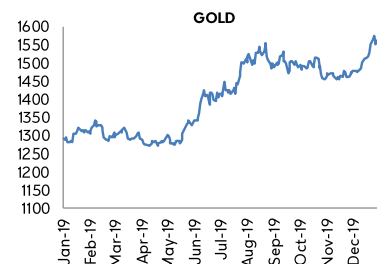
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.87	-3	-26
BG 8Y yield	Invalid Se	Invalid Se	Invalid Security
PL 10Y yield	2.31	-3	#N/A N/A



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1544	-0.3%	1.7%
BRENT CRUDE	64	-0.2%	-2.9%
LME X	2882	0.6%	1.4%



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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