

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

February 17, 2020

Global Markets

Market sentiment for risk assets improved modestly, supported by a new string of measures by the Chinese authorities to cushion the impact of the coronavirus epidemic. The PBoC lowered the rate on the one-year medium-term lending facility and injected more liquidity into the system while China's Finance Minister announced that the government will roll out targeted and phased tax and fee cuts. In FX markets, the EUR/USD remained under pressure, hitting a 33-month low of 1.0822 earlier today, amid mounting worries over the Eurozone growth outlook. Today, the data calendar is light partly due to US markets being closed for Presidents' Day. Looking ahead, the most important release of this week is the Eurozone February PMIs on Friday, which will provide some indicators about the effects of the coronavirus on the economy.

Greece

According to ELSTAT, in January 2020 inflation rose by 0.9% against 0.4% in January 2019. The sub-indices that recorded the highest CPI annual increase were transport (+5.2%), health (+1.6%) hotels, cafes, restaurants (+1.0%) while the highest decreases were recorded in clothing and footwear (-1.1%), recreation and culture (-1.1%) and durable goods, household appliances and services (-0.5%). The 12-month average CPI from Feb-19 to Jan-20 rose by 0.3%YoY while in the corresponding period from Feb-18 to Jan-19 it had risen by 0.7%YoY. The core CPI in Jan-20 increased by 0.7%YoY against 0.3%YoY one year ago. In other news, the new pensions and social security bill is expected to be tabled to Parliament today and voted by 21 February.

CESEE

Cyprus: The flash estimate of Q4-2019 confirmed that economic activity remained relatively strong in the last quarter of the year. Real GDP expanded by 0.8% on a quarterly basis bringing the annual rate of expansion at 3.2% YoY in Q4-2019 on a seasonally adjusted basis compared to 3.3% YoY in Q3-2019 and 3.5% YoY in Q4-2018. Although the components are not known yet, we expect no major breakthrough in the trends witnessed so far. Domestic demand is expected to have had the lion's share in the GDP growth reading of Q4, while net exports are most likely to have come under pressure. Overall, output growth slowed visibly to 3.3% in FY2019 – in line with our initial forecast – down from 4.1% in FY2018, but remained still above its peers.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr

GLOBAL MARKETS

Stock markets

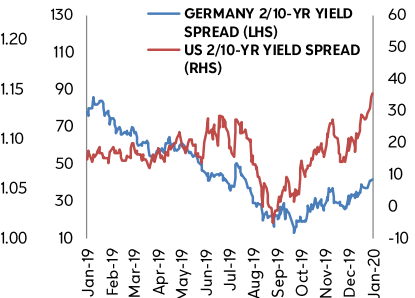
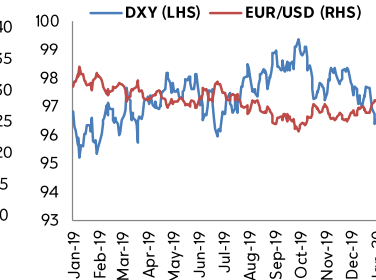
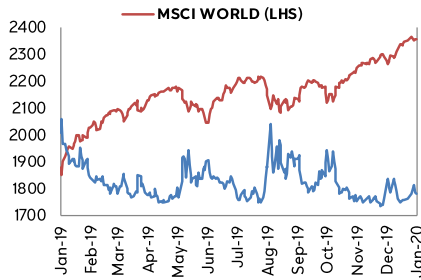
	Last	ΔD	ΔYTD
S&P 500	3380.16	0.18%	4.6%
Nikkei 225	23523.24	-0.7%	-0.6%
STOXX 600	432.12	0.4%	3.9%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.0839	0.1%	-3.3%
GBP/USD	1.3042	0.0%	-1.6%
USD/JPY	109.86	-0.1%	-1.1%

Government Bonds

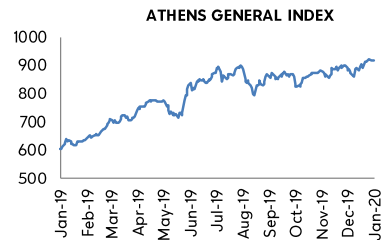
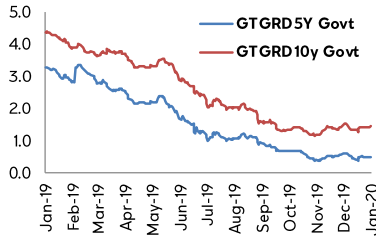
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.58	0	-33
Bund-10yr	-0.39	1	-21
JGB - 10yr	-0.03	-1	-2



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.29	0	-20
10Y Bond	0.93	0	-50
Δ(10YBund-10YGGB)	1.32	0	-30



EMERGING MARKETS

Stock markets

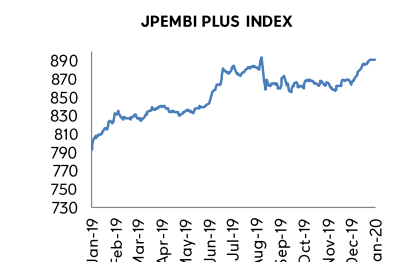
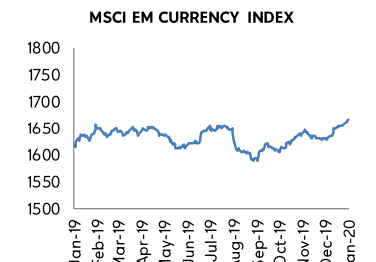
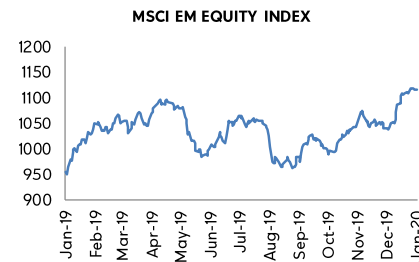
	Last	ΔD	ΔYTD
SOFIX	558.70	0.0%	-1.7%
BELEX	817.49	0.1%	197.1%
XU100	121033.70	0.7%	577.6%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.249	0.0%	0.1%
EUR/RSD	117.548	-0.1%	0.2%
USD/TRY	6.0423	0.3%	-1.5%

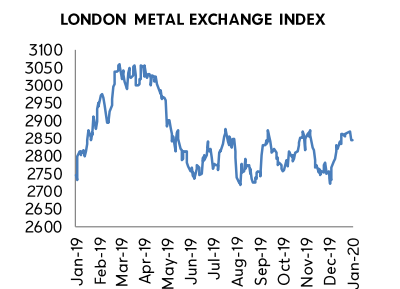
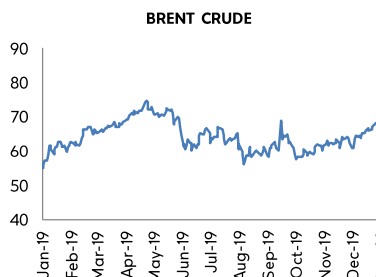
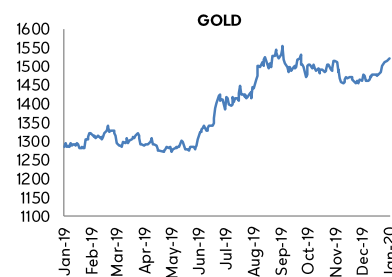
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.60	-4	-53
PL 10Y yield	2.20	2	-1.5%



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1580	-0.3%	4.1%
BRENT CRUDE	57	-0.1%	-13.3%
LME X	2675	-0.9%	-5.9%



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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