

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

February 26, 2020

### Global Markets

Global equity markets remained under pressure on rising fears that the virus outbreak is close to becoming a pandemic. The World Health Organization said yesterday that the epidemic has peaked in China, but expressed concerns that the spread is accelerating in other countries. Favored by their safe-haven appeal, core government bonds in the US and Germany extended recent gains. The 10-yr UST yield hit a fresh all-time low slightly below 1.31% yesterday before rising modestly close to 1.36% earlier today, remaining well below recent highs of 1.68% (Feb. 6), while the 10-yr Bund yield reached a trough of -0.52% earlier today, the lowest since mid-October 2019. In FX markets, the USD lost some ground on lower UST yields, allowing the EUR/USD to move slightly higher to levels around 1.0880 at the time of writing.

### Greece

Discussions in the Parliament on the new social security bill began yesterday with the Labour Minister Yiannis Vrotsis arguing that the insurance reform guarantees the system's viability until 2070. Among others, the bill foresees the retroactive (from 1 Oct-19) increase of main pensions for pensioners with contributions of over 30 years as well as the increase of auxiliary pensions, the disconnection of contributions of freelancers and farmers from their income and minimal wage and the abolishment of the "13<sup>th</sup> pension". It also establishes the new unified pension fund e-EFKA. Meanwhile, Eurobank applied yesterday to join 'Hercules' asset protection scheme (APS) seeking provision of state guarantees on senior notes amounting to €1.65bn. All systemic banks will participate in the Hercules APS.

### CESEE

*Bulgaria:* Fitch Ratings maintained the long-term foreign-currency rating at BBB with a positive outlook on February 21. The agency based its decision primarily on cemented fiscal discipline as well as public policy credibility, taking into account its EU membership and the ERM II accession efforts. Despite the latest public debate regarding the euro adoption that increased the risks for a delayed entry, the agency stated that Bulgaria is close to enter the ERM II most likely in H2 2020. Moreover, all other things being equal, the agency is willing to upgrade Bulgaria's rating by one notch upon ERM II entry and by one additional notch when Bulgaria adopts the euro, which is expected to take place in 2023 at the earliest.

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## GLOBAL MARKETS

### Stock markets

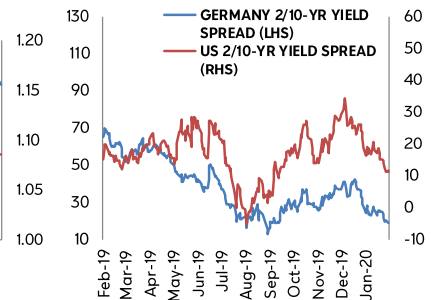
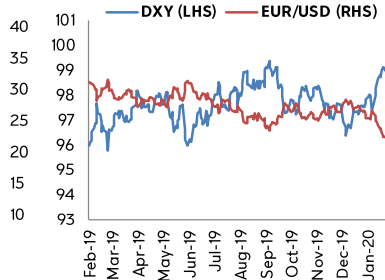
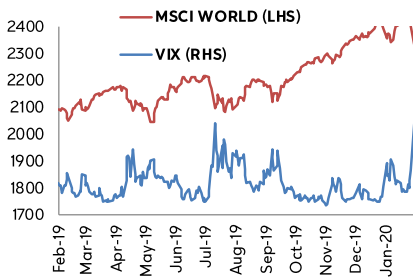
	Last	ΔD	ΔYTD
S&P 500	3128.21	-3.03%	-3.2%
Nikkei 225	22426.19	-0.8%	-5.2%
STOXX 600	401.52	-0.8%	-3.4%

### FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.0878	0.0%	-3.0%
GBP/USD	1.2985	-0.2%	-2.0%
USD/JPY	110.41	-0.2%	-1.6%

### Government Bonds

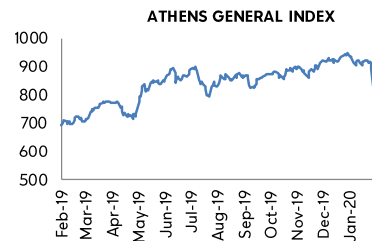
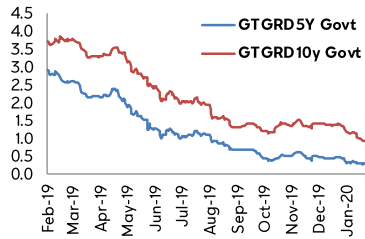
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.35	0	-57
Bund-10yr	-0.51	0	-32
JGB - 10yr	-0.09	2	-8



## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.37	2	-12
10Y Bond	1.08	3	-35
Δ(10YBund-10YGG)	1.59	0	-3



## EMERGING MARKETS

### Stock markets

	Last	ΔD	ΔYTD
SOFIX	545.01	0.0%	-4.1%
BELEX	809.42	1.0%	96.4%
XU100	114115.30	-0.2%	-27.1%

### FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.305	0.0%	-1.2%
EUR/RSD	117.561	0.1%	0.2%
USD/TRY	6.1463	0.0%	-3.2%

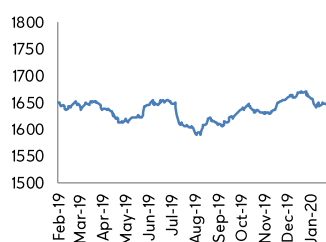
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.92	0	-21
BG 8Y yield	Invalid Security		
PL 10Y yield	1.90		

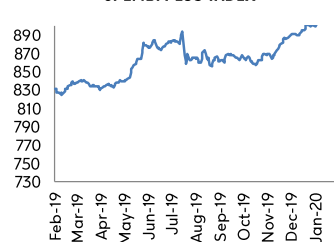
### MSCI EM EQUITY INDEX



### MSCI EM CURRENCY INDEX

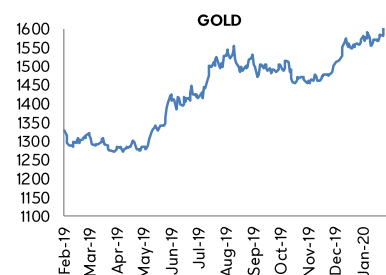


### JPEMPI PLUS INDEX

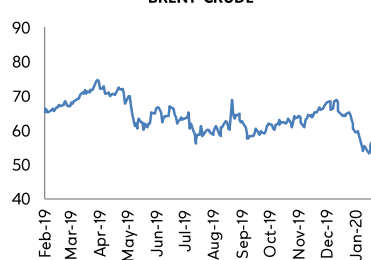


## COMMODITIES

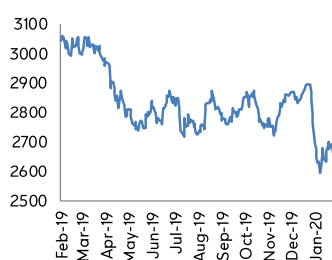
	Last	ΔD	ΔYTD
GOLD	1646	0.7%	8.5%
BRENT CRUDE	55	-0.5%	-17.2%
LMEX	2629	0.1%	-7.5%



### BRENT CRUDE



### LONDON METAL EXCHANGE INDEX



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