

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

January 31, 2020

Global Markets

Asian bourses ended mixed and major European equity markets opened a tad higher, as investors are slightly optimistic about the measures adopted by Chinese and international authorities to contain the spread of the virus. The World Health Organization (WHO) declared yesterday the coronavirus outbreak a “public health emergency of international concern”, and the WHO Director-General expressed his concern about the virus spreading to countries that do not have the resources to deal with it. Meanwhile, top-rated government bonds moved modestly lower earlier today remaining though close to yesterday’s multi-month highs, while in FX markets, the GBP firmed favored by the BoE’s decision to stay on hold. Eurozone Q4 GDP and January’s inflation data, lure market attention today.

Greece

The Economic Sentiment Indicator for January 2020 retreated slightly to 108.4 from 109.5 in December, remaining though close to multi-year highs. The decrease of confidence was recorded in all sectors but industry as follows: services -3.9pts, consumers -3.8pts, retail -0.5pts, construction-7.9pts and industry +0.7pts. In other news, Hard Rock International – the rejected candidate for the Hellinikon casino license – filed yesterday an appeal against this decision. The appeal may cause delays in the casino tender and consequently the financial closing of the Hellinikon concession, but preliminary construction works may nevertheless begin due to a recent regulation that allows such works to begin before the financial closing of the concession.

CESEE

Bulgaria: The Finance Minister, Vladislav Goranov, stated yesterday in the parliament that the government will give up the ERM-II entry in case of a change in the EUR/BGN exchange which stands at 1.95 since 2005. The statement came after the recent legislative amendments required for the ERM-II accession, according to which the exchange rate could change if other Eurozone member states consider it necessary. The amendments have caused significant public tension amid speculations that the government might aim to give itself room for changing the fixed exchange rate regime. The ECB, in turn, welcomed the latest amendments as they constitute part of a standard procedure, followed by all candidate members in efforts to streamline each country’s legal framework with that of the ECB’s.

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GLOBAL MARKETS
Stock markets

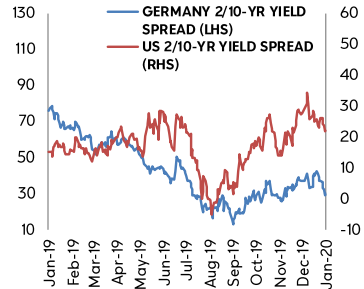
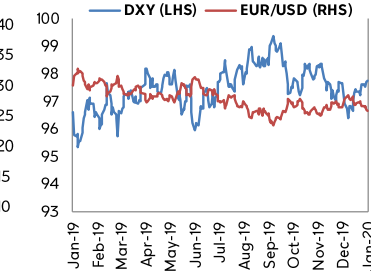
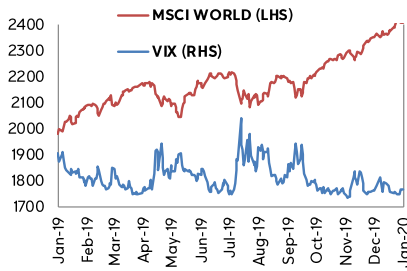
	Last	ΔD	ΔYTD
S&P 500	3283.66	0.31%	1.6%
Nikkei 225	23205.18	1.0%	-1.9%
STOXX 600	416.69	0.4%	0.2%

FOREX

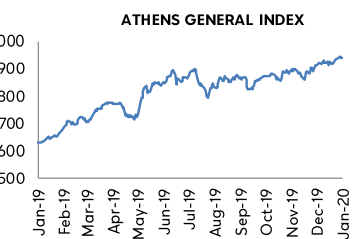
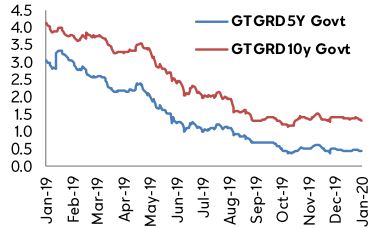
	Last	ΔD	ΔYTD
EUR/USD	1.1027	0.0%	-1.7%
GBP/USD	1.3135	0.3%	-0.9%
USD/JPY	109.06	-0.1%	-0.4%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.57	-1	-35
Bund-10yr	-0.40	1	-22
JGB - 10yr	-0.07	-1	-6


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.32	0	-16
10Y Bond	1.15	0	-28
Δ(10YBund-10YGG)	1.55	0	-7


EMERGING MARKETS
Stock markets

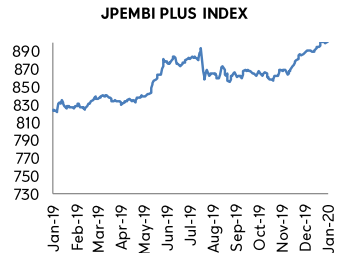
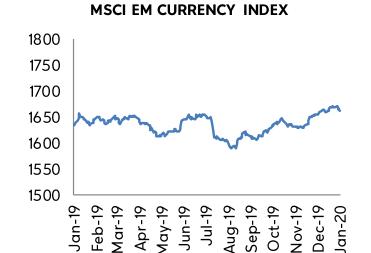
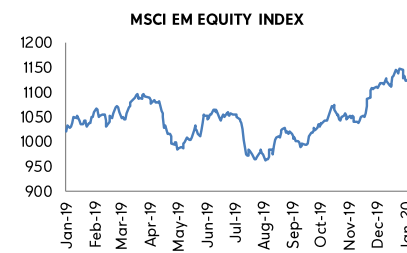
	Last	ΔD	ΔYTD
SOFIX	574.27	0.0%	1.1%
BELEX	806.98	0.1%	66.0%
XU100	119359.50	-0.4%	431.2%

FOREX

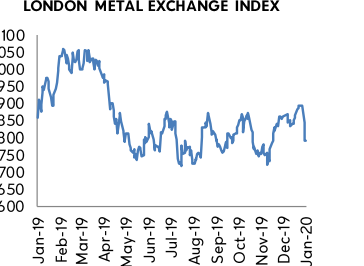
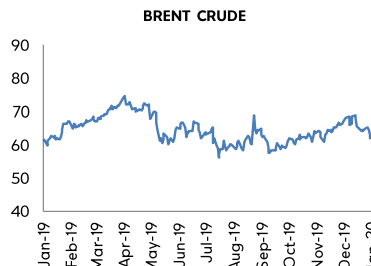
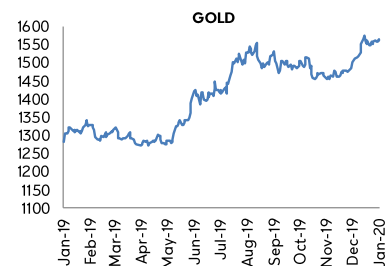
	Last	ΔD	ΔYTD
EUR/PLN	4.2949	0.0%	-0.9%
EUR/RSD	117.615	0.0%	0.1%
USD/TRY	5.9782	-0.1%	-0.5%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.37	-5	-76
BG 8Y yield			
PL 10Y yield	2.18	1	


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1577	0.1%	3.9%
BRENT CRUDE	59	1.2%	-10.6%
LMEX	2628	-0.7%	-7.6%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:20 EEST

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