

# DAILY OVERVIEW OF GLOBAL MARKETS & THE SEE REGION

December 29, 2014

## KEY UPCOMING DATA & EVENTS THIS WEEK

### GLOBAL

#### US

- December 22: Existing home sales (Nov)
- December 23
  - Durable goods orders (Nov)
  - GDP (Q3)
  - UoM consumer confidence (Dec, f)
  - New home sales (Nov)
- December 24: Initial jobless claims (Dec. 20)

### SEE

#### SERBIA

- December 22: Current account (Oct)
- December 23: EUR 50mn 4% 3-year T-Notes auction
- December 25: Real gross wages (Nov)

#### BULGARIA

- December 23: Gross external debt (Oct)

Source: Reuters, Bloomberg,  
Eurobank Global Markets Research

## HIGHLIGHTS

### WORLD ECONOMIC & MARKET DEVELOPMENTS

**GLOBAL MARKETS:** Tracking new record highs in both Dow Jones and S&P 500 indices on Friday, the majority of Asian bourses ended higher earlier today supported by increased market optimism about the growth prospects of the US economy. In FX markets, the EUR/USD was hovering around 1.2185/90 at the time of writing, close to last week's 28-month low of 1.2165 amid market anxiety ahead of today's crucial vote in Greek Parliament for the election of a new President of the Hellenic Republic.

**GREECE:** The third and final vote in the 300-seat Greek Parliament for the election of a new President of the Hellenic Republic is scheduled to take place today at 12:00 noon (Athens time). According to the Constitution of Greece, a 3/5<sup>ths</sup> majority i.e., 180 "yes" votes is needed for electing the presidential nominee. In case that today's vote also fails to produce a qualified majority, Parliament will have to be dissolved within ten days and general elections will be called.

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## Latest world economic & market developments

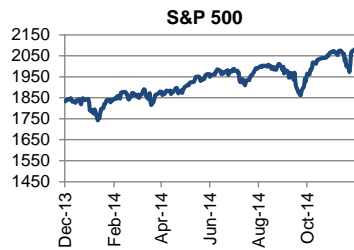
### GLOBAL MARKETS

Tracking new record highs in both Dow Jones and S&P 500 indices on Friday, the majority of Asian bourses ended higher earlier today supported by increased market optimism about the growth prospects of the US economy. Japan's Nikkei 225 index bucked the trend and slid 0.5% on reports suggesting that a man is being tested in Tokyo for Ebola. If confirmed, it would be the first case of the Ebola virus in Asia. In FX markets, most of major currency pairs were broadly range-bound in early European trade today as many investors have already closed out their positions for the year. The USD/JPY was hovering around 120.40/45 in early European trade at the time of writing, little changed compared to levels hit late last week and not far from a 7 ½ year high of 121.84 marked earlier this month. Though market conditions are likely to remain volatile as the end of the year is approaching, the USD/JPY seem poised to retain a positive momentum in the sessions/weeks ahead in view of the expected divergence of monetary policy direction between the Fed and the BoJ. Elsewhere, the EUR/USD was standing close to 1.2185/90 at the time of writing, not far from last week's 28-month low of 1.2165 amid market anxiety ahead of today's crucial vote in Greek Parliament for the election of a new President of the Hellenic Republic. Activity is likely to remain thin in global markets this week ahead of the New Year's holiday while key data releases include November's M3 money supply growth in the euro area (Tuesday), US December's Chicago PMI (Wednesday) and US December's ISM manufacturing (Friday)

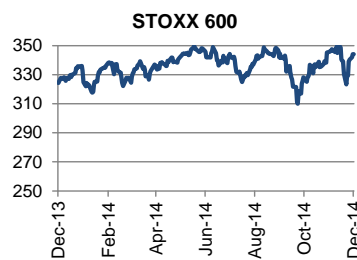
### GREECE

The third and final vote in the 300-seat Greek Parliament for the election of a new President of the Hellenic Republic is scheduled to take place today at 12:00 noon (Athens time) with the result expected around an hour later. According to the Constitution of Greece, in the third round of vote, a 3/5<sup>th</sup> majority *i.e.*, 180 "yes" votes is needed for electing the presidential nominee compared to a 2/3<sup>rd</sup> majority *i.e.*, 200 in-favor votes that was required in the first two ballots. As a reminder, in the second parliamentary vote that was held last Tuesday, December 23<sup>rd</sup>, the presidential nominee secured 168 positive votes while the number of *no* ("present") votes totaled 131 and one lawmaker was absent. In case that today's vote also fails to produce a qualified majority, Parliament will have to be dissolved within ten days and general elections will be called. In a TV interview that was aired late on Saturday, Greece's Prime Minister Antonis Samaras repeated his call for consensus over the government's nominee for the presidential post and warned that the country would face "turbulence for no reason" if a snap general election is held.

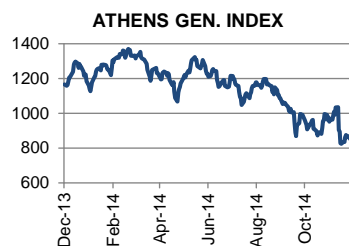
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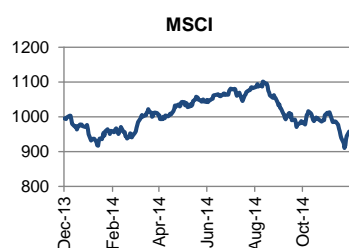
Source: Reuters, Bloomberg, Eurobank Global Markets Research



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GLOBAL MARKETS

Stock markets				FOREX			Government Bonds				Commodities				
	Last	ΔD	ΔYTD		Last	ΔD	ΔYTD	(yields)	Last	ΔDbps	ΔYTD bps		Last	ΔD	ΔYTD
S&P 500	2088.77	0.3%	13.0%	EUR/USD	1.2191	0.1%	-11.3%	UST - 10yr	2.24	-1	-79	GOLD	1194	-0.2%	-1.0%
Nikkei 225	17729.84	-0.5%	8.8%	GBP/USD	1.5576	0.1%	-5.9%	Bund-10yr	0.58	-1	-135	BRENT CRUDE	175	0.0%	4.8%
STOXX 600	343.98	0.0%	4.8%	USD/JPY	120.38	0.0%	-12.5%	JGB - 10yr	0.33	-1	-42	LMEX	2915	-0.2%	-7.7%

SEE MARKETS

SERBIA				ROMANIA				BULGARIA			
<b>Money Market</b>				<b>Money Market</b>				<b>Money Market</b>			
<b>BELIBOR</b>	Last	ΔDbps	ΔYTD bps	<b>ROBOR</b>	Last	ΔDbps	ΔYTD bps	<b>SOFIBOR</b>	Last	ΔDbps	ΔYTD bps
T/N	on	-8	218	O/N	0.61	#VALUE!	-113	LEONIA	0.02	1	-5
1-week	10.29	-1	201	1-month	0.95	#VALUE!	-93	1-month	0.23	0	-9
1-month	10.13	0	155	3-month	1.71	#VALUE!	-73	3-month	0.43	0	-21
3-month	9.88	6	100	6-month	2.03	#VALUE!	-96	6-month	0.79	0	-36
6-month	9.83	6	68	12-month	2.04	#VALUE!	-111	12-month	1.50	0	-69
<b>RS Local Bonds</b>				<b>RO Local Bonds</b>				<b>BG Local Bonds</b>			
	Last	ΔDbps	ΔYTD bps		Last	ΔDbps	ΔYTD bps	(yields)	Last	ΔDbps	ΔYTD bps
3Y RSD	9.09	-1	-86	3Y RON	1.95	3	-200	3Y BGN	0.97	-1	-17
5Y RSD	10.19	0	-264	5Y RON	2.45	-2	-220	5Y BGN	1.40	-1	-44
7Y RSD	11.25	0	-255	10Y RON	3.48	1	-182	10Y BGN	2.41	0	-110
<b>RS Eurobonds</b>				<b>RO Eurobonds</b>				<b>BG Eurobonds</b>			
	Last	ΔDbps	ΔYTD bps		Last	ΔDbps	ΔYTD bps		Last	ΔDbps	ΔYTD bps
USD Nov-17	4.18	-9	-82	EUR Sep-20	1.77	#N/A N/A	-207	USD Jan-15	-2.37	-140	-322
USD Nov-24	3.30	-330	-360	USD Aug-23	3.61	#N/A N/A	-120	EUR Jul-17	1.17	-1	-63
<b>CDS</b>				<b>CDS</b>				<b>CDS</b>			
	Last	ΔDbps	ΔYTD bps		Last	ΔDbps	ΔYTD bps		Last	ΔDbps	ΔYTD bps
5-year	295	2	-114	5-year	138	0	-50	5-year	194	1	66
10-year	357	0	-90	10-year	185	0	-47	10-year	243	0	68
<b>STOCKS</b>				<b>STOCKS</b>				<b>STOCKS</b>			
	Last	ΔD	ΔYTD		Last	ΔD	ΔYTD		Last	ΔD	ΔYTD
BELEX15	654.8	-0.17%	17.36%	BET	6961.9	0.90%	7.21%	SOFIX	525.3	0.27%	6.86%
<b>FOREX</b>				<b>FOREX</b>				<b>FOREX</b>			
	Last	ΔD	ΔYTD		Last	ΔD	ΔYTD		Last	ΔD	ΔYTD
EUR/RSD	120.94	-0.46%	-5.27%	EUR/RON	4.4675	-0.13%	0.12%	USD/BGN	1.6044	0.10%	-11.30%

SERBIA		ROMANIA		BULGARIA	
<b>BELEX15 Index</b>		<b>BET Index</b>		<b>SOFIX Index</b>	
<b>EUR/RSD</b>		<b>EUR/RON</b>		<b>USD/BGN</b>	

Source: Reuters, Bloomberg, Eurobank Global Markets Research  
Data updated as of 11:00 EET

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