

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

November 7, 2019

Global Markets

Risk-on sentiment prevailed in early trade today on news reports suggesting that the US and China will likely agree to lift existing tariffs in phases as a condition for reaching a final agreement on a “Phase One” deal. News that a meeting between US President Donald Trump and his Chinese counterpart Xi Jinping to sign the preliminary deal could be delayed until December, was shrugged off. Against this background, US Treasuries remained under pressure in early European trade with the 10-yr UST yield rising 3.6bps on the day, while the 10-yr Bund yield was up just 0.2bps compared to Wednesday’s close following Germany’s industrial production data earlier today which showed the fifth consecutive quarterly decrease in Q3 2019. Improved risk sentiment favored the USD, with the DXY index hitting a three-week intraday peak slightly above 98 earlier today. Later today we expect the EU Commission’s updated economic and fiscal forecasts, while the BoE is expected to stay put on rates ahead of the 12 December general elections.

Greece

The Greek government is expected to put up on public consultation later today its new tax bill. The bill is expected to include, among others, the overhaul of the amount of e-payments required for meeting the tax threshold, the lowering of the tax rate for incomes up to 10,000 euros (9% from 22% previously) and the corporate tax rate (24% from 28% previously). The PDMA issued for a second time in a row 3-month T-Bills of 487.5 mn at a negative yield of -0.08%.

CESEE

Serbia raised EUR 550mn through a 10-year Eurobond on November 5, reopening last June’s Eurobond issue. The Eurobond bears a 1.5% coupon rate and was placed under a yield of 1.25%, down from 1.62% achieved at the June offering. Investor interest was strong as bids exceeded EUR 1.7bn. According to the Finance Minister’s statements, the newly issued Eurobond will be consolidated with the one issued in June. Proceeds from the newly placed Eurobond will be used to buy back part of USD-denominated Eurobond issued in 2013 that bears a coupon rate of 4.875% and matures in February 2020.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Dr. Theodoros Stamatiou
Senior Economist
tstamatiou@eurobank.gr

Maria Kasola
Economic Analyst
mkasola@eurobank.gr

GLOBAL MARKETS

Stock markets

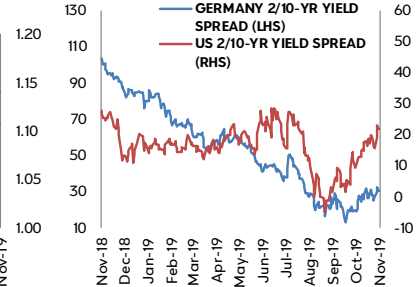
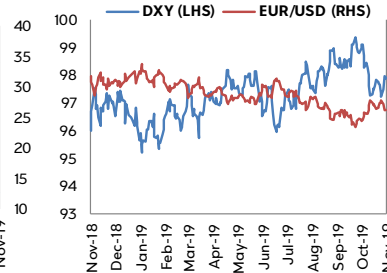
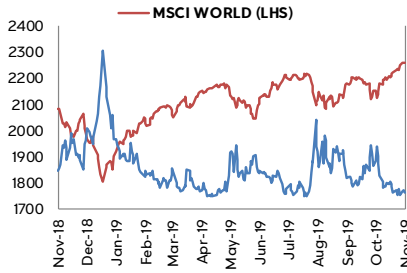
	Last	ΔD	ΔYTD
S&P 500	3076.78	0.07%	22.7%
Nikkei 225	23330.32	0.1%	16.6%
STOXX 600	406.50	0.4%	20.4%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1072	0.1%	-3.5%
GBP/USD	1.2867	0.1%	0.8%
USD/JPY	108.97	0.0%	0.7%

Government Bonds

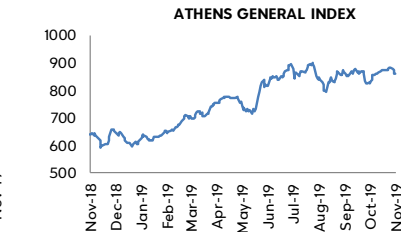
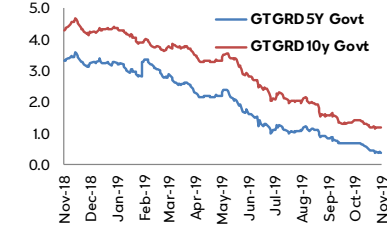
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.85	2	-84
Bund-10yr	-0.32	1	-56
JGB - 10yr	-0.06	2	-7



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.39	-1	-279
10Y Bond	1.18	0	-316
Δ10YBund-10YGG8	1.51	0	-260



EMERGING MARKETS

Stock markets

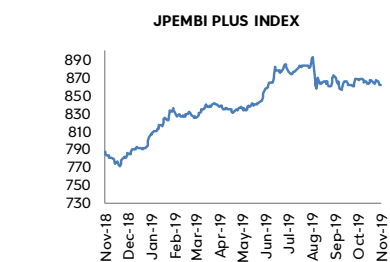
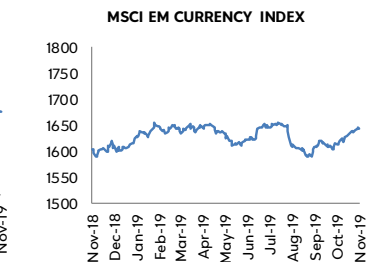
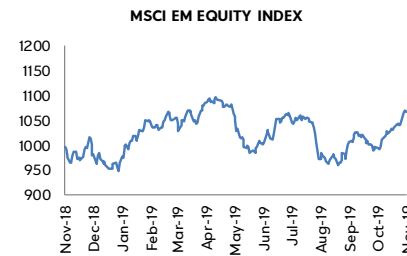
	Last	ΔD	ΔYTD
SOFIX	557.83	0.0%	-6.2%
BELEX	750.15	-0.2%	-151.5%
XU100	102444.30	1.3%	1224.3%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.2635	0.1%	0.6%
EUR/RSD	117.482	-0.3%	0.7%
USD/TRY	5.748	0.0%	-8.0%

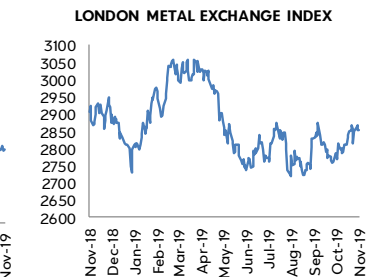
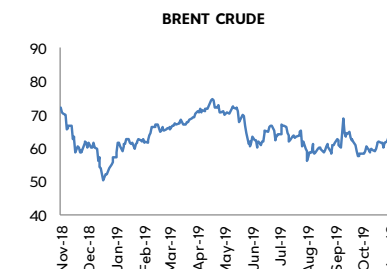
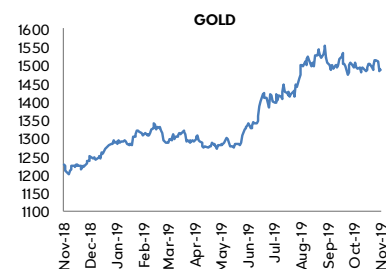
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.45	-7	-66
BG 8Y yield	0.14	0	-34
PL 10Y yield	2.02	1	-79



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1487	-0.2%	15.9%
BRENT CRUDE	62	0.6%	15.5%
LME	2854	-0.4%	1.9%



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 Stamatiou
Senior Economist
tstamatiou@eurobank.gr
+ 30 214 40 59 708



Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

Marisa Yiannisis | Administrator
magiannisi@eurobank.gr | + 30 210 33 71 178

More research available at: <https://www.eurobank.gr/en/group/economic-research>
Subscribe electronically at: <https://www.eurobank.gr/el/omilos/oikonomikes-analisesis...>
Follow us on twitter: https://twitter.com/Eurobank_Group
Follow us on LinkedIn: <https://www.linkedin.com/company/eurobank>

DISCLAIMER

This report has been issued by Eurobank Ergasias S.A. ("Eurobank") and may not be reproduced in any manner or provided to any other person. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell the securities mentioned herein. Eurobank and others associated with it may have positions in, and may effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for those companies. The investments discussed in this report may be unsuitable for investors, depending on the specific investment objectives and financial position. The information contained herein is for informative purposes only and has been obtained from sources believed to be reliable but it has not been verified by Eurobank. The opinions expressed herein may not necessarily coincide with those of any member of Eurobank. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility or liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank or any of its directors, officers or employees. Any articles, studies, comments etc. reflect solely the views of their author. Any unsigned notes are deemed to have been produced by the editorial team. Any articles, studies, comments etc. that are signed by members of the editorial team express the personal views of their author.

