

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

November 11, 2019

### Global Markets

Global equity markets started the week on a weaker note and the safe haven yen rose amid escalation of violence in Hong Kong and news that a protester has been shot by police. Meanwhile, market focus centres on trade negotiations; although US President Donald Trump denied on Friday that the US and China finally agreed to rollback tit-for-tat tariffs as a part of a preliminary deal, the DXY dollar index traded on Monday within distance from Friday's 3<sup>1/2</sup>-week high of 98.404 amid optimism for a trade agreement on a "Phase One" deal. Against this backdrop, the implied probability of another Fed rate cut has declined to 5.8% for December, from 16.5% the previous week. USD strength weighed on the common currency, with the EUR/USD trading at a one-month low of 1.1015 in early European trade on Monday. In Spain, Sunday's election, the second in less than a year, has not resolved the political impasse, with Socialists (PSOE) winning the most seats but falling short of a majority in parliament. The main macro highlight this week is the policy testimony of Fed Chair Jerome Powell to Congress, while key economic releases for Germany (ZEW on Tuesday, GDP on Thursday), China (IP, retail sales on Thursday) and the US (retail sales and IP on Friday) are also expected to lure market attention.

### Greece

According to ELSTAT, the Consumer Price Index in October 2019 registered a decrease of -0.7% compared to October 2018 and an increase of 0.1% compared to September 2019.

### CESEE

**Serbia:** The EUR/RSD remained bound within a 117.40/50 -117.45/55 trading range in the past week. The pair remained broadly unchanged amid low trading volumes, continuing to test 117.50 support level, and kept its stability thanks to interventions by the Central Bank of Serbia (NBS). In the past week, NBS bought €120mn bringing the total amount at €2.66bn so far in 2019. Looking ahead, EUR/RSD is expected to continue trading sideways between 117.40/50 and 117.60/70 as recent history suggests that NBS is most likely to intervene on both sides of the said range. The European Commission (EC) has revised upwards its 2019 projection for GDP growth by 0.1 percentage points to 3.2% in its autumn forecasts up from 3.1% in the spring forecasts. The EC now expects GDP growth to reach 3.8% in 2020, and decline modestly to 3.7% in 2021.

### Contributing Authors

**Olga Kosma**  
Research Economist  
[okosma@eurobank.gr](mailto:okosma@eurobank.gr)

**Dr. Theodoros Stamatiou**  
Senior Economist  
[tstamatiou@eurobank.gr](mailto:tstamatiou@eurobank.gr)

**Ioannis Gkionis**  
Senior Economist  
[igkionis@eurobank.gr](mailto:igkionis@eurobank.gr)

We would like to thank Djorce Lucic from Eurobank Beograd for his valuable contribution in today's issue.

**GLOBAL MARKETS**
**Stock markets**

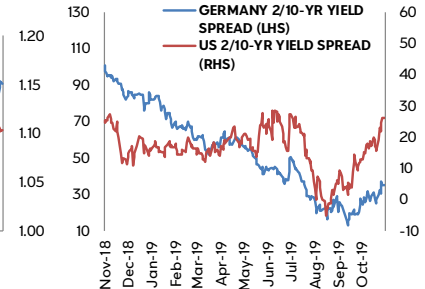
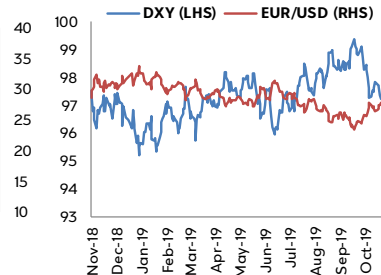
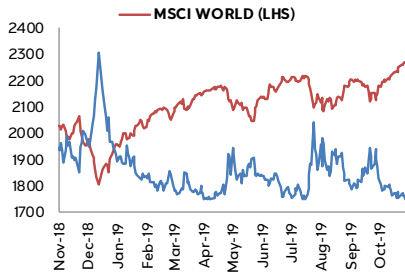
	Last	ΔD	ΔYTD
S&P 500	3093.08	0.26%	23.4%
Nikkei 225	23331.84	-0.3%	16.6%
STOXX 600	404.94	-0.1%	19.9%

**FOREX**

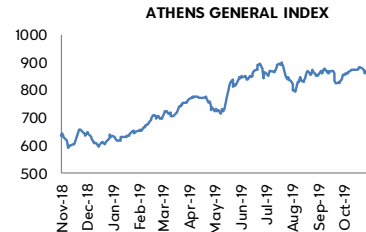
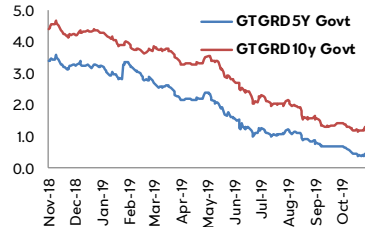
	Last	ΔD	ΔYTD
EUR/USD	1.1028	0.1%	-3.8%
GBP/USD	1.2801	0.2%	0.3%
USD/JPY	108.97	0.3%	0.7%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.94	0	-74
Bund-10yr	-0.26	0	-50
JGB - 10yr	-0.06	-1	-7


**GREECE**
**Government Bonds**

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.44	0	-274
10Y Bond	1.32	1	-303
Δ(10YBund-10YGGB)	1.58	0	-253


**EMERGING MARKETS**
**Stock markets**

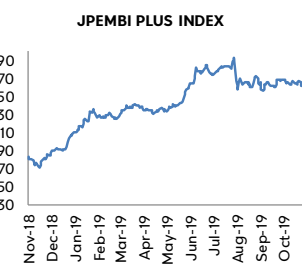
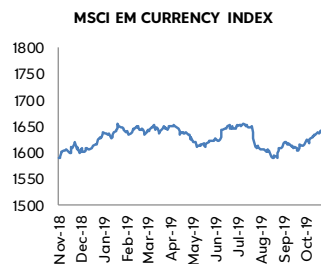
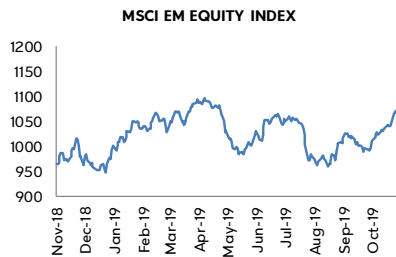
	Last	ΔD	ΔYTD
SOFIX	553.49	-1.3%	-6.9%
BELEX	751.93	-0.1%	-128.1%
XU100	102749.00	-0.4%	1257.6%

**FOREX**

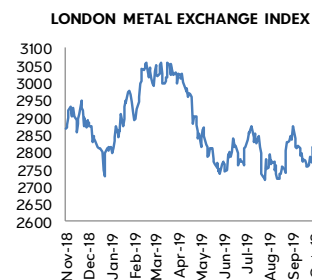
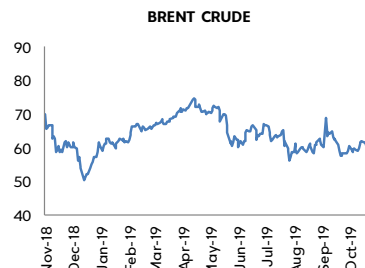
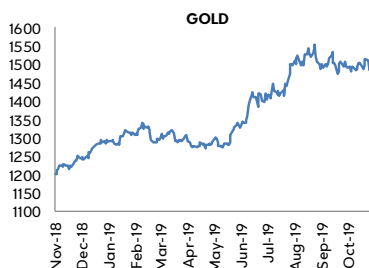
	Last	ΔD	ΔYTD
EUR/PLN	4.2728	-0.2%	0.4%
EUR/RSD	117.225	-0.1%	0.9%
USD/TRY	5.7807	-0.3%	-8.5%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.38	-4	-73
BG 8Y yield	0.17	0	-31
PL 10Y yield	2.17	3	-65


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1465	0.4%	14.2%
BRENT CRUDE	62	-0.8%	15.2%
LME X	2857	-0.5%	2.0%



## 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](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.

