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Eurobank

Eurobank Research

GLOBAL & REGIONAL DAILY
HIGHLIGHTS

February 13, 2020

Global Markets

Although Wall Street surged to new record highs overnight, risk-off sentiment prevailed on Thursday morning with global equity markets trading in the red, government bonds rising and trade-related currencies such as the Australian (AUD) and New Zealand (NZD) dollars falling. Following a change in officials' methodology for counting infections from the COVID-19, the number of reported cases in China's Hubei province jumped by 14,840 on Feb. 12 and new fatalities rose by 242, double the previous day's death toll. Along these lines, the 10-yr Treasury and German Bund yields were trading 5bps and 3bp lower around 1.58% and -0.41%, respectively, in early European trade. In FX markets, the EUR/USD fell around 1.0863 earlier today, its lowest level since April 2017, following the disappointing Euro area industrial production data for December, which reported the biggest monthly contraction since February 2016 (-2.1%MoM).

Greece

The 10-year bond yield was 0.961 pct in midday trade yesterday, down 7.0 pct from Tuesday's closing level, while the 5-year bond yield was 0.3 pct, down 13 pct from the previous day. The record-breaking performance is largely attributed by international press to implemented reforms as well as a friendlier business environment. Meanwhile, according to ELSTAT, in Nov-19 private building activity, (measured in the number of issued building permits), increased by 13.5%YoY, while in the period Dec-18 to Nov-19 private building activity increased by 8.6% compared to the period Dec-17 to Nov-18. Finally, the deadline for the expression of interest for DEPA Infrastructure, which was tomorrow, was extended by HRADF to 21 February 2020 reportedly to accommodate the relevant request of interested investors.

CESEE

Bulgaria: According to yesterday's press release by Investbank, its shareholders approved an increase of the equity capital by up to EUR 11.2mn through the issuance of new shares. Investbank was one of the two Bulgarian banks to have EUR 51.8mn capital shortage in the ECB asset quality review in mid-2019 and the capital increase is one of Investbank's measures to tackle this capital adequacy shortfall. Serbia: The Ministry of Finance raised EUR 59.9mn in 2-year bonds at an auction held yesterday. The issuance was undersubscribed as investors submitted bids for EUR 65.9mn against the offered EUR 100mn. The notes bear a 0.5% annual coupon and were sold at an average yield of 0.49%, lower than the yield of 0.84% achieved at an identical auction on May 27, 2019.

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GLOBAL MARKETS

Stock markets

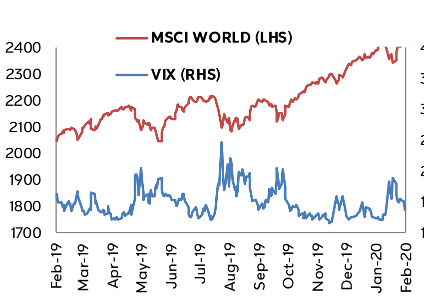
	Last	ΔD	ΔYTD
S&P 500	3379.45	0.65%	4.6%
Nikkei 225	23827.73	-0.1%	0.7%
STOXX 600	429.85	-0.3%	3.4%

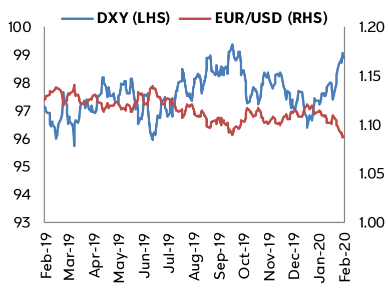
FOREX

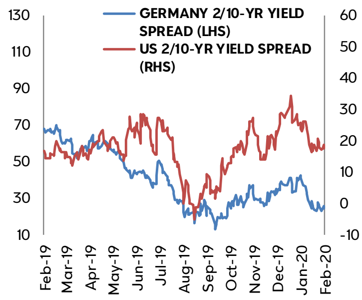
	Last	ΔD	ΔYTD
EUR/USD	1.0886	0.1%	-2.9%
GBP/USD	1.2967	0.1%	-2.2%
USD/JPY	109.77	0.3%	-1.1%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.58	-5	-33
Bund-10yr	-0.40	-2	-21
JGB - 10yr	-0.03	0	-2



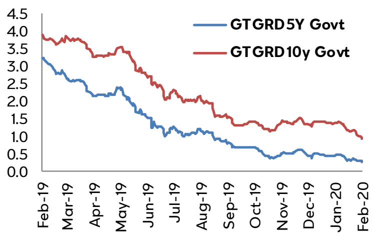


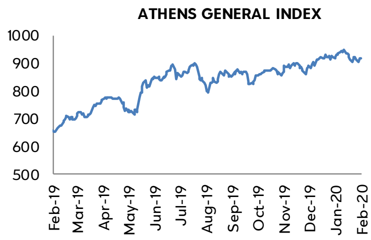


GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.29	-1	-20
10Y Bond	0.93	-3	-51
Δ(10YBund-10YGGB)	1.32	0	-30





EMERGING MARKETS

Stock markets

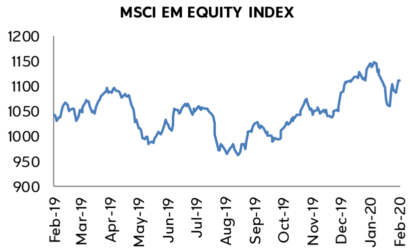
	Last	ΔD	ΔYTD
SOFIX	570.07	0.2%	0.3%
BELEX	809.70	-0.4%	99.9%
XU100	119820.60	-0.2%	471.5%

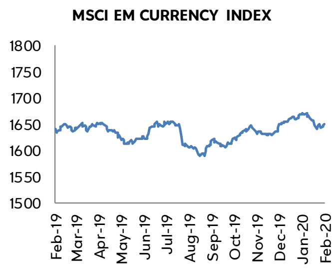
FOREX

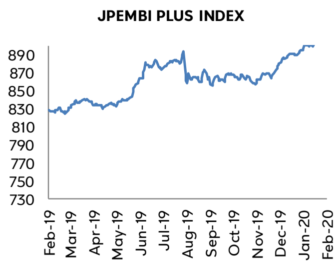
	Last	ΔD	ΔYTD
EUR/PLN	4.2557	-0.1%	0.0%
EUR/RSD	117.532	0.0%	0.2%
USD/TRY	6.0515	-0.1%	-1.7%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.62	-4	-51
BG 8Y yield	Invalid Security		
PL 10Y yield	2.17		

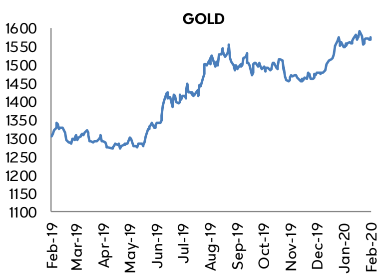


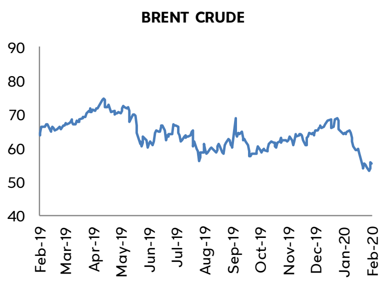


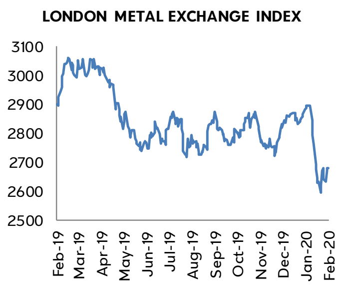


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1575	0.6%	3.8%
BRENT CRUDE	55	-0.7%	-16.0%
LMEX	2677	0.2%	-5.9%







Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research

Data updated as of 10:35 EEST

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