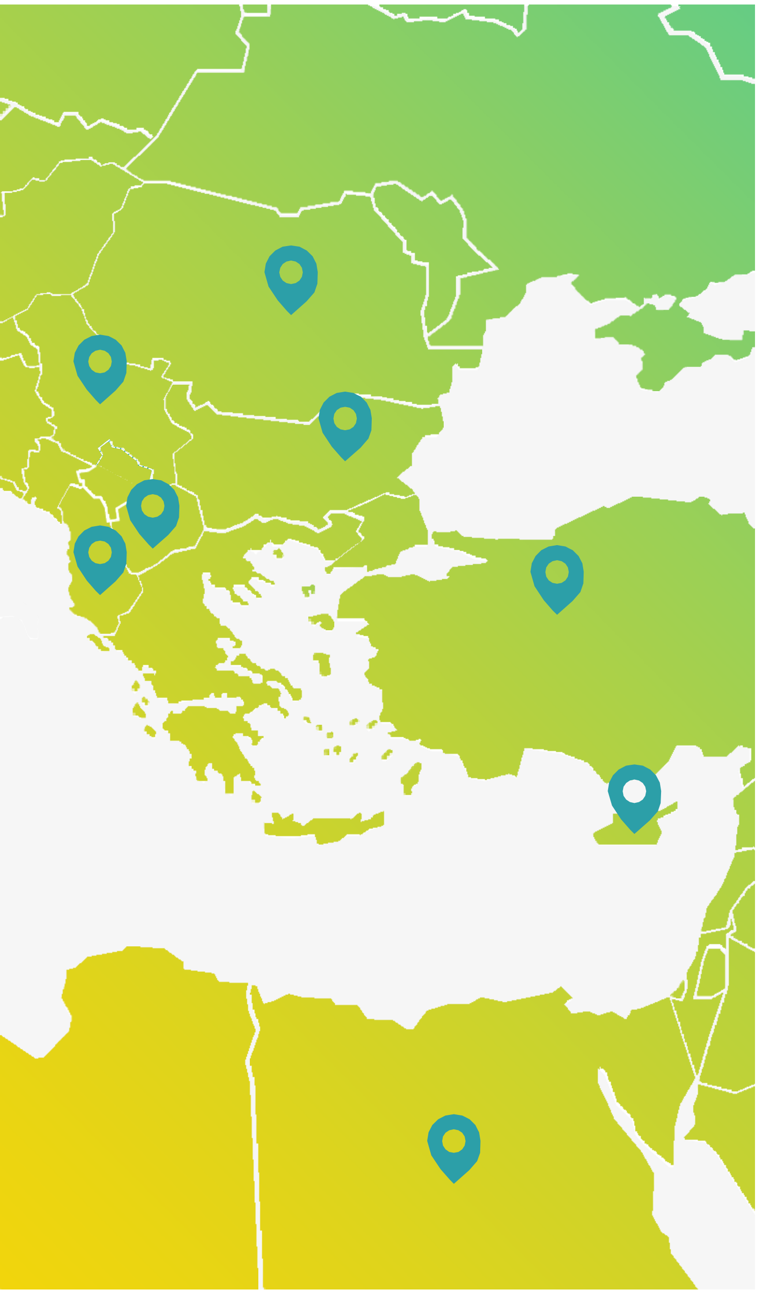
Bi-WEEKLY REPORT
Emerging Markets Analysis

15 - 28 November 2022



COUNTRIES IN FOCUS:
Türkiye, Bulgaria & Serbia

The weaker TRY and surging energy and food prices pushed up headline inflation to a 24-year high of 85.5% y-o-y in October from 36.1% at end-2021

Although favourable base effects will kick in over the next months, inflation is unlikely to fall back to comfortable levels anytime soon

The CBRT cut its key policy rate by another 150 bps, to 9.0%, confirming, at the same time, the end of its unorthodox easing cycle

An adjustment in monetary policy is crucial to preserving macroeconomic and financial stability

Albeit having slowed, economic growth remained relatively resilient in Q3:22, despite strong headwinds from record-high inflation

Economic growth is set to slow down markedly in the period ahead, as private consumption and net exports will lose steam

Despite slowing economic growth, bank profitability strengthened in 9M:22, driven by higher net interest income (NII) and income from fees & commissions

Nonetheless, the sector's profitability is set to come under pressure in the period ahead, due to a potential deterioration in asset quality

NBG - Economic Analysis Division
https://www.nbg.gr/en/group/studies-and-economic-analysis

Emerging Markets Analysis

Head:
Konstantinos Romanos-Louizos
+30 210 33 41 225
romanos.louizos.k@nbg.gr

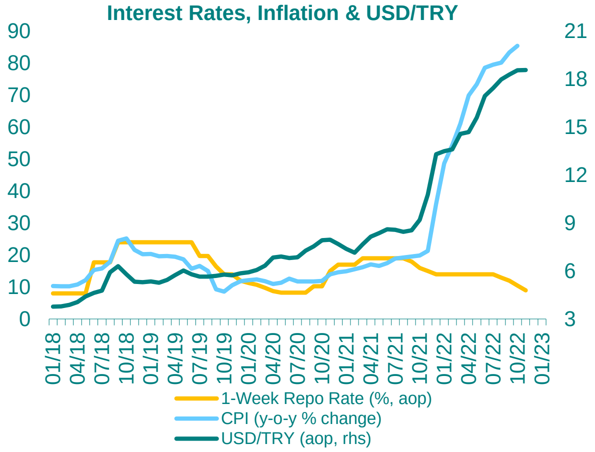
Louiza Troupi
+30 210 33 41 696
troupi.louiza@nbg.gr

Georgios Ntinenis
+30 210 33 41 434
ntinenis.georgios@nbg.gr

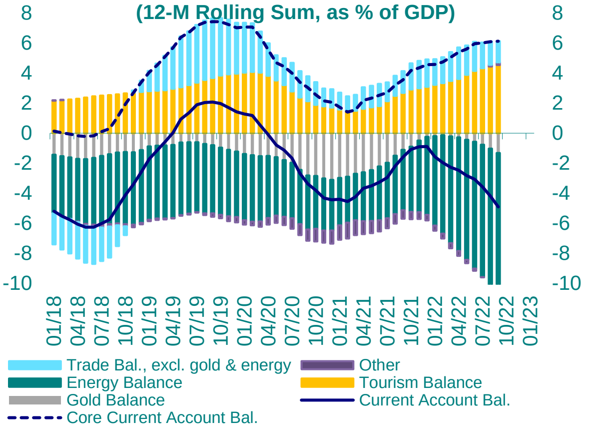
Türkiye

B+ / B2 / B+ (S&P/ Moody's / Fitch)

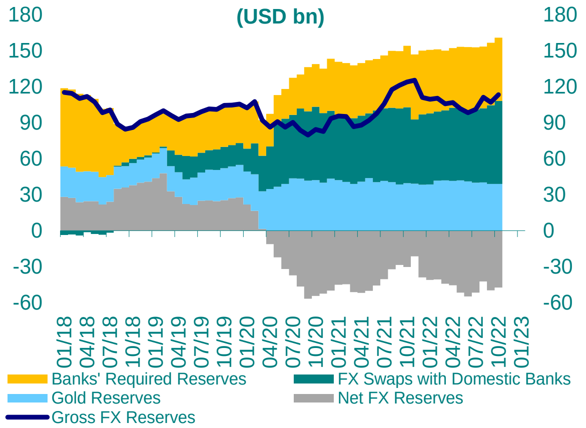
Interest Rates, Inflation & USD/TRY



Current Account Balance (12-M Rolling Sum, as % of GDP)



CBRT's FX Reserves (USD bn)



	28 Nov.	3-M F	6-M F	12-M F
O/N TLREF (%)	10.1	9.5	9.5	25.0
TRY/USD	18.62	19.40	20.05	21.30
Sov. Spread (2025, bps)	313	400	380	330

	28 Nov.	1-W %	YTD %	2-Y %
ISE 100	4,923	7.7	165.0	270.5

	2020	2021	2022F	2023F	2024F
Real GDP Growth (%)	1.8	11.0	5.0	2.5	3.5
Inflation (eop, %)	14.6	36.1	65.0	32.0	20.0
Cur. Acct. Bal. (% GDP)	-4.4	-0.9	-5.5	-3.8	-2.8
Fiscal Bal. (% GDP)	-3.4	-2.7	-3.5	-3.8	-3.2

Sources: Reuters, CBRT, BDDK, Turkstat & NBG estimates

The weaker TRY and surging energy and food prices pushed up headline inflation to a 24-year high of 85.5% y-o-y in October from 36.1% at end-2021. The hike in consumer prices has been across the board, reflecting the impact of the sharp weakening in the TRY (see below). As expected, energy and food prices have made by far the biggest contributions (each adding c. 14.0 pps to the headline figure between end-2021 and October 2022), as the impact of the weaker TRY was compounded by that of the jump in global commodity prices, in the aftermath of the Russia-Ukraine conflict. Note that inflationary pressures have been much more acute for producers, with the PPI going up 157.7% y-o-y in October against a rise of 79.9% at end-2021.

Although favourable base effects will kick in over the next months, inflation is unlikely to fall back to comfortable levels anytime soon. An accommodative monetary policy, together with the continuing pass-through of higher global commodity prices and the weaker TRY, high inertia and still unanchored expectations, mean that inflation dynamics are unlikely to improve materially in the short-term. In fact, assuming some easing in depreciation pressures on the TRY, we see headline inflation embarking on a downward path, but mostly thanks to large supportive base effects. Still, headline inflation is projected to remain at unsustainably high levels throughout the projection period, ending 2023 at 32.0% y-o-y against 65.0% at end-2022.

The CBRT cut its key policy rate by another 150 bps, to 9.0%, confirming, at the same time, the end of its unorthodox easing cycle. The move brings the total policy rate cuts to 500 bps since August and 1000 bps September 2021, coming in stark contrast to the global monetary policy tightening cycle.

Having been widely anticipated, the policy rate cut left the TRY broadly stable against the USD, despite being inconsistent with Türkiye's skyrocketing inflation and the economy's structurally weak external position (largely reflecting the country's almost complete reliance on imports to cover its energy needs). That said, the TRY has lost 55.0% of its value against the USD since the launch of this unorthodox monetary policy easing cycle, in September 2021, on top of a 55.0% depreciation between end-2017 and late-2021. Note that this year's losses would have been larger had authorities not contained the tide of dollarization, through the launch of a state scheme protecting TRY deposits against FX risk and the adoption of tighter macroprudential policies.

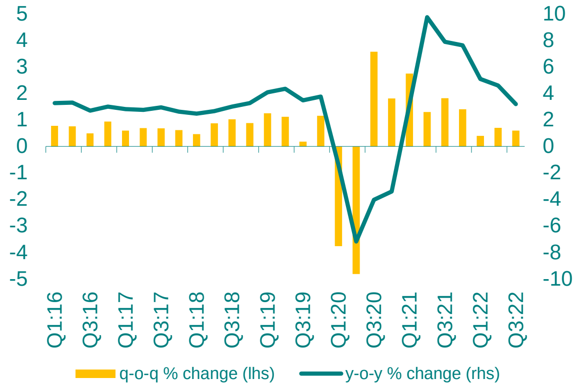
An adjustment in monetary policy is crucial to preserving macroeconomic and financial stability. The rapid widening in the current account deficit (see chart), together with the sizeable external debt payments looming in the short-term (worth c. 24.0% of GDP), paint a gloomy picture for the TRY, especially in light of rapidly tightening global financing conditions. The picture gets even worse when considering the CBRT's lack of ammunition, with net FX reserves (i.e. excl. gold, the CBRT's short-term borrowing and banks' required reserves) having long turned negative (see chart). Against this backdrop, authorities' efforts to secure non-market FX financing from international partners (with agreements with Qatar and Saudi Arabia, worth a total of USD 15bn, being reportedly in the pipeline) should provide some relief.

All said, a reversal in monetary policy is crucial to containing external imbalances and breaking the vicious cycle of weakening TRY & rising inflation. Recall that, in 2018, authorities hiked rates by 1600 bps to 24.0% (or c. 3.0% in real *ex-post* terms), before the TRY stabilised. For illustrative purposes, note that the real *ex-post* policy rate currently stands at c. -40.0%, the lowest worldwide. Worryingly, it is hard to foresee such a policy reversal, before the next general elections (due by mid-2023), in which President Erdogan's is set to face a tough fight.

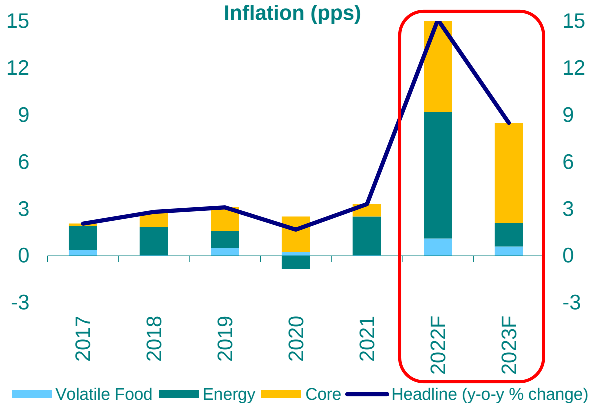
Bulgaria

BBB / Baa2 / BBB (S&P / Moody's / Fitch)

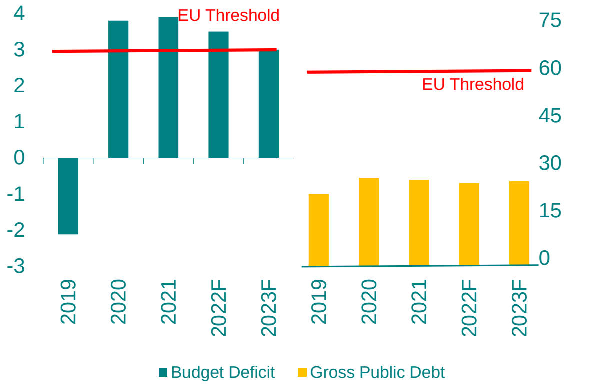
Real GDP (seasonally adjusted)



Contribution to Average Headline CPI Inflation (pps)



Fiscal Balance & Gross Public Debt (% of GDP, EU definition)



	28 Nov.	3-M F	6-M F	12-M F
Base Interest Rate (%)	0.6	0.9	1.1	1.4
BGN/EUR	1.96	1.96	1.96	1.96
Sov. Spread (2027, bps)	127	140	125	110

	28 Nov.	1-W %	YTD %	2-Y %
SOFIX	597	0.8	-6.1	40.2

	2020	2021	2022F	2023F	2024F
Real GDP Growth (%)	-4.0	7.6	3.6	1.6	3.5
Inflation (eop, %)	0.1	7.8	16.0	5.5	3.4
Cur. Acct. Bal. (% GDP)	0.0	-0.5	0.5	0.8	1.2
Fiscal Bal. (% GDP)	-2.9	-2.8	-3.0	-3.0	-2.4

Sources: Reuters, NSI, Ministry of Finance & NBG estimates

Albeit having slowed, economic growth remained relatively resilient in Q3:22, despite strong headwinds from record-high inflation. According to a flash estimate, GDP growth eased marginally to a still solid 0.6% q-o-q s.a. in Q3:22, with the annual pace of economic expansion moderating to 3.2%, at the same time, from 4.6% in Q2:22, mainly reflecting the fading impetus from the reopening of the economy from COVID-19 restrictions. Despite record-high inflation, private consumption continued to expand in Q3:22, but at a slightly slower pace compared with the previous quarter, mainly underpinned by a tight labour market (with employment growing by an impressive 2.6% y-o-y following a rise of 1.6% on average in H1:22). At the same time, despite weakening external trade dynamics, due to the implications of the negative terms-of-shock that has hit Europe, export growth continued to outpace that of imports, thanks, *inter alia*, to additional exports of electricity to neighbouring countries, lending support to economic growth. On a negative note, fixed investment continued to decline for a 8th consecutive quarter, driven by the construction sector.

Economic growth is set to slow down markedly in the period ahead, as private consumption and net exports will lose steam. Given the economy's' very high energy intensity (putting Bulgaria at the top of EU rankings), the spike in energy prices and associated second-round effects should keep inflation at current record-high levels until early next year, eroding significantly households' purchasing power. This impact, together with rising debt-servicing costs and a poor economic sentiment, cannot but dampen private consumption over the next quarters, despite a tight labour market (with widespread staff shortages keeping unemployment subdued over the projection horizon).

Weaker private consumption should be partly mitigated, however, by a rebound in EU-funded investment. Note that Bulgaria is entitled to receive grants worth c. 10.0% of FY:21 GDP under the RRF in 2021-26. Worryingly, the ongoing political uncertainty, together with Bulgaria's historical low EU funds absorption rate, raise challenges in this regard.

In contrast, amid rising input costs, tightening financing conditions and heightened uncertainty, exclusively privately-funded investment is unlikely to add meaningfully to economic growth in the period ahead.

At the same time, with GDP growth in the EU (with the latter absorbing $^{2}/_{3}$^{rds} of the country's exports) losing steam rapidly and, in view of the large import content of fixed investment, which is expected to overperform in the period ahead, net exports cannot but deteriorate, despite softening private consumption and easing global supply strains.

Fiscal policy should help alleviate the impact of the inflation shock on economic activity. Following a significant overperformance in H1:22, we expect from the authorities to keep the public purse strings loose, in view, inter alia, of the ample fiscal space available (see chart).

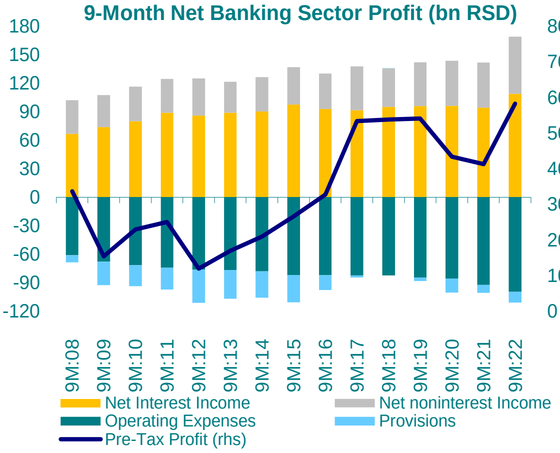
All said, we see GDP growth at 3.6% in FY:22 (with the latter underpinned by a strong carry-over effect, 2.3 pps), and moderating to 1.6% next year. Importantly, with gas accounting for a minor share in the country's energy mix, which is dominated by nuclear and coal-based power generation, and Bulgaria having secured a temporary exemption from conforming with the EU sanctions on Russian oil deliveries, energy supply risks appear to be limited.

In fact, the most prominent risk to economic outlook comes from the ongoing political uncertainty. Recall that, after the October elections (the 4th held in less than 2 years), the country remains in limbo, as negotiations for a broadly backed Government have stalled. As a result, the prospect of a weak minority Government (potentially led by the "We Continue the Change" party) or (more likely) of another snap election seems to gain ground. Worryingly, political uncertainty could bring about delays in policy and reform implementation. However, the risk of serious slippage is low, given the anchors provided by the currency board and the inclusion of the BGN into the ERM II, a precursor to euro adoption.

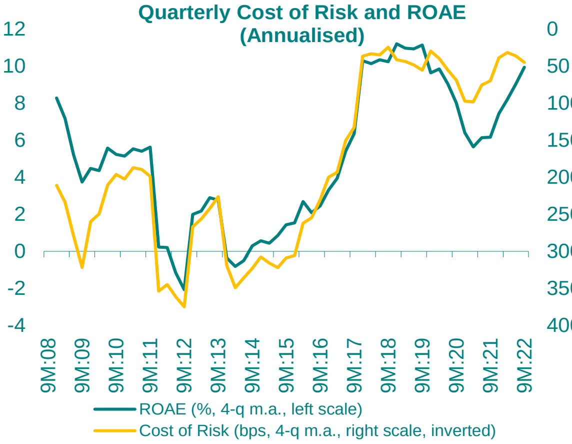
Serbia

BB+ / Ba2 / BB+ (S&P / Moody's / Fitch)

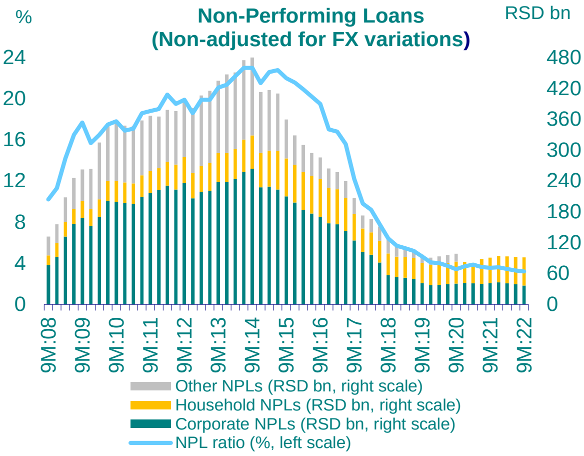
9-Month Net Banking Sector Profit (bn RSD)



Quarterly Cost of Risk and ROAE (Annualised)



Non-Performing Loans (Non-adjusted for FX variations)



	28 Nov.	3-M F	6-M F	12-M F
1-m BELIBOR (%)	4.0	4.8	4.8	4.8
RSD/EUR	117.2	117.5	117.5	117.5
Sov. Spread (2029, bps)	434	440	415	375

	28 Nov.	1-W %	YTD %	2-Y %
BELEX-15	814	1.3	-0.8	13.8

	2020	2021	2022F	2023F	2024F
Real GDP Growth (%)	-0.9	7.4	2.2	1.4	3.7
Inflation (eop, %)	1.3	7.9	15.5	7.4	3.4
Cur. Acct. Bal. (% GDP)	-4.1	-4.5	-7.7	-7.1	-6.0
Fiscal Bal. (% GDP)	-8.0	-4.1	-3.8	-2.8	-2.0

Sources: Reuters, NBS & NBG estimates

Despite slowing economic growth, bank profitability strengthened in 9M:22, driven by higher net interest income (NII) and income from fees & commissions. Banking sector's pre-tax profits surged by 41.1% to RSD 58.3bn (0.8% of GDP) in 9M:22, overshooting FY:21 profits. As a result, the (annualised) ROAE and ROAA rose to 4-year highs of 10.9% and 1.5%, respectively, in 9M:22 from 7.5% and 1.1% in FY:21 -- almost reaching pre-COVID levels.

Stronger profitability came on the back of a surge in pre-provision income (PPI, up 40% y-o-y in 9M:22, after declining throughout 2019-21), supported by double-digit growth in NII (up 15.4% y-o-y in 9M:22, after remaining broadly flat in 2019-21). The latter was attributed to the jump in average interest earning assets (up 9.0% y-o-y in 9M:22, with banks' loan portfolio expanding by 11.1%, at the same time, outpacing deposit growth -- up 7.1%). In our view, the strong credit growth y-t-d reflects a frontloading in credit uptake ahead of higher interest rates as well as the extension of NBS's measures facilitating mortgage uptake until end-2022. The widening interest margins (NIM, up 15 y-o-y to an annualised 288 bps, after having been steadily squeezed since FY:14), due to faster repricing of loans, in the wake of the NBS's rate tightening cycle (with the policy rate having gone up by a total 250 bps in 9M:22), also underpinned NII. Amid strong credit growth, net fees & commission income also increased substantially in 9M:22, further supporting PPI.

Stronger top line revenue was only partly offset by the hike in operating expenses (OPEX, up 7.9% y-o-y in 9M:22, including a 9.5% y-o-y rise in personnel costs). Indeed, despite the continuing downsizing of the sector (with the number of employees and branches dropping by 2.1% and 7.5% y-o-y, respectively, in 9M:22), OPEX grew at a fast pace, in line with growing inflationary pressures. All said, banking sector efficiency improved further in 9M:22, with the cost-to-income ratio declining by 5 pps y-o-y to 58.7%, below its historical average of 62.0%.

Unsurprisingly, amid a challenging operating environment (see below), banks increased provisioning charges in 9M:22, albeit modestly (with the annualised cost of risk rising by 10 bps y-o-y to 50 bps in 9M:22 -- still half its FY:20 level), putting a lid on profits. Note that the NPL ratio continued to fall, to 3.2% in September from 3.6% at end-2021, mainly reflecting the impact of strong credit expansion.

Nonetheless, the sector's profitability is set to come under pressure in the period ahead, due to a potential deterioration in asset quality. Continued monetary policy tightening (with additional policy rate hikes, totaling 200 bps, expected to be carried out between Q4:22 and end-2023) should strengthen further banks' NIM, in view of: i) their still comfortable liquidity position (with a loan-to-deposit ratio of 96%); and ii) the large share of (low cost) demand deposits in total customer deposits (c. $^2/_3$).

Nevertheless, amid record high inflation and rising interest rates, on the one hand, and weakening economic growth, on the other hand, the private sector's debt repayment capacity cannot but be affected in the period ahead, prompting banks to raise impairment charges. At the same time, credit uptake is expected to slow down, weighing on NII.

Risks to this outlook are, however, mitigated by: i) the relatively high NPL coverage ratio (standing at 57.2% in Q3:22 -- above the end-2021 outcome of 56.3% and the EU average of 44%) and the low NPL base; as well as ii) banks' adequate capital buffers (with the CAR standing at 19.5% in Q3:22 -- well above the regulatory floor of 8.0%), suggesting significant headroom to absorb any potential stress. Note that the NBS has announced measures mitigating the impact of losses from securities revaluation on banks' capital until end-2022.

.

DETAILED MACROECONOMIC DATA

TÜRKIYE	2020	2021	2022f	2023f	2024f
Real Sector					
Nominal GDP (USD million)	719,168	815,755	786,799	909,020	1,078,963
GDP per capita (USD)	8,601	9,633	9,183	10,488	12,310
GDP growth (real, %)	1.8	11.0	5.0	2.5	3.5
Unemployment rate (%, aop)	13.2	12.0	10.7	10.3	9.7
Prices and Banking					
Inflation (%, eop)	14.6	36.1	65.0	32.0	20.0
Inflation (%, aop)	12.3	19.3	71.6	37.5	25.3
Loans to the Private Sector (% change, eop)	34.8	37.0			
Customer Deposits (% change, eop)	33.0	51.5			
Loans to the Private Sector (% of GDP)	70.9	68.0			
Retail Loans (% of GDP)	16.8	14.5			
Corporate Loans (% of GDP)	54.1	53.4			
Customer Deposits (% of GDP)	62.1	65.8			
Loans to Private Sector (% of Cust. Deposits)	114.1	103.2			
Foreign Currency Loans (% of Total Loans)	34.2	42.2			
External Accounts					
Merchandise exports (USD million)	168,387	224,686	253,499	269,101	282,531
Merchandise imports (USD million)	206,250	253,999	333,317	343,906	355,350
Trade balance (USD million)	-37,863	-29,313	-79,817	-74,806	-72,819
Trade balance (% of GDP)	-5.3	-3.6	-10.1	-8.2	-6.7
Current account balance (USD million)	-31,878	-7,255	-43,493	-34,836	-30,436
Current account balance (% of GDP)	-4.4	-0.9	-5.5	-3.8	-2.8
Net FDI (USD million)	4,592	6,876	7,151	8,224	9,868
Net FDI (% of GDP)	0.6	0.8	0.9	0.9	0.9
International reserves (USD million)	93,277	111,181	105,000	110,000	117,000
International reserves (Months[a])	4.9	4.7	2.9	3.7	3.8
Public Finance					
Primary balance (% of GDP)	-0.8	-0.2	-0.8	-1.1	-0.4
Fiscal balance (% of GDP)	-3.4	-2.7	-3.5	-3.8	-3.2
Gross public debt (% of GDP)	39.7	41.8	39.5	38.0	37.0
External Debt					
Gross external debt (USD million)	432,848	441,064	460,000	485,000	520,000
Gross external debt (% of GDP)	60.2	54.1	58.5	53.4	48.2
External debt service (USD million)	70,931	74,311	80,000	85,000	90,000
External debt service (% of reserves)	76.0	66.8	76.2	77.3	76.9
External debt service (% of exports)	37.5	27.6	25.2	25.3	25.5
Financial Markets					
Policy rate (Effective funding rate, %, eop)	17.0	14.0	9.0	25.0	20.0
Policy rate (Effective funding rate, %, aop)	10.5	17.6	12.6	17.0	22.5
10-Y T-bill rate (%, eop)	12.5	23.1	13.0	17.0	15.5
Exchange rate: USD (eop)	7.43	13.32	19.00	21.50	22.75
Exchange rate: USD (aop)	7.02	8.89	16.60	20.25	22.13

f: NBG forecasts; a: months of imports of GNFS

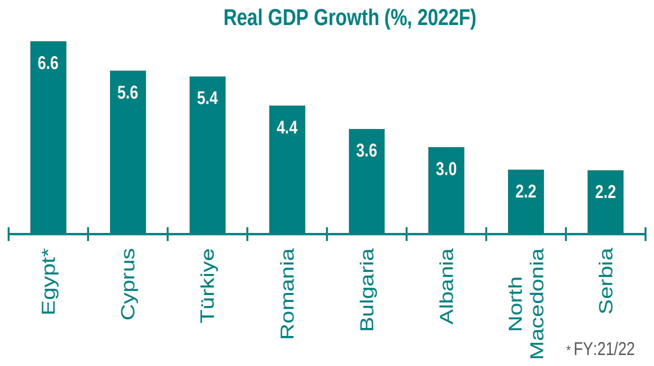
BULGARIA					
	2020	**2021**	**2022f**	**2023f**	**2024f**
Real Sector					
Nominal GDP (EUR million)	61,638	71,076	84,753	93,429	100,954
GDP per capita (EUR)	8,911	10,393	12,467	13,827	15,030
GDP growth (real, %)	-4.0	7.6	3.6	1.6	3.5
Unemployment rate(ILO definition, %, aop)	6.1	5.3	4.3	4.3	4.2
Prices and Banking					
Inflation (%, eop)	0.1	7.8	16.0	5.5	3.4
Inflation (%, aop)	1.7	3.3	15.1	8.5	4.4
Loans to the Private Sector (% change, eop)	4.5	8.3			
Customer Deposits (% change, eop)	10.2	9.0			
Loans to the Private Sector (% of GDP)	50.7	47.6			
Retail Loans (% of GDP)	20.9	21.5			
Corporate Loans (% of GDP)	29.8	26.1			
Customer Deposits (% of GDP)	73.5	72.3			
Loans to Private Sector (% of Deposits)	69.0	65.8			
Foreign Currency Loans (% of Total Loans)	31.1	28.7			
External Accounts					
Merchandise exports (EUR million)	27,272	34,405	44,411	47,193	53,354
Merchandise imports (EUR million)	29,213	37,291	48,522	51,476	57,905
Trade balance (EUR million)	-1,941	-2,887	-4,111	-4,283	-4,551
Trade balance (% of GDP)	-3.1	-4.1	-4.9	-4.6	-4.5
Current account balance (EUR million)	0,024	-0,351	0,400	0,711	1,180
Current account balance (% of GDP)	0.0	-0.5	0.5	0.8	1.2
Net FDI (EUR million)	2,762	0,988	1,037	1,115	1,355
Net FDI (% of GDP)	4.5	1.4	1.2	1.2	1.3
International reserves (EUR million)	30,848	34,597	37,234	39,810	42,507
International reserves (Months[a])	11.1	9.8	8.2	8.2	8.4
Public Finance					
Primary balance (% of GDP)	-2.4	-2.4	-2.5	-2.5	-1.9
Fiscal balance (% of GDP)	-2.9	-2.8	-3.0	-3.0	-2.4
Gross public debt [b] (% of GDP)	24.5	23.9	23.0	23.6	24.3
External Debt					
Gross external debt (EUR million)	39,297	41,491	43,394	44,472	45,429
Gross external debt (% of GDP)	63.8	58.4	51.2	47.6	45.0
External debt service (EUR million)	7,041	7,000	8,200	7,100	7,250
External debt service (% of reserves)	22.8	20.2	22.0	17.8	17.1
External debt service (% of exports)	20.4	16.1	14.8	12.0	11.7
Financial Markets					
Base Interest Rate (%, eop)	0.0	0.0	0.8	1.5	1.8
Base Interest Rate (%, aop)	0.0	0.0	0.3	1.8	1.7
10-Y Bond Yield (%, eop)	0.4	0.7	5.2	3.8	3.9
Exchange rate: EUR (eop)	1.956	1.956	1.956	1.956	1.956
Exchange rate: EUR (aop)	1.956	1.956	1.956	1.956	1.956

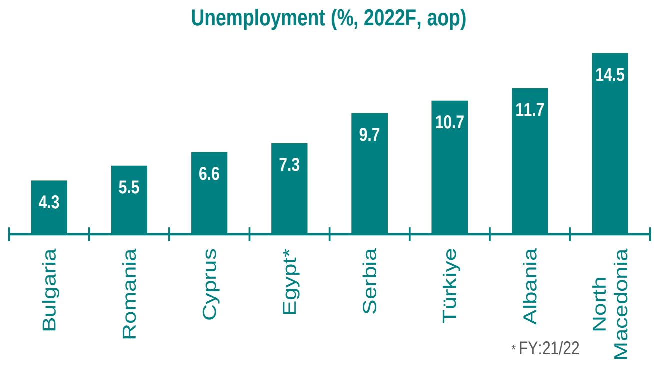
f: NBG forecasts; a: months of imports of GNFS; b: ESA 2010

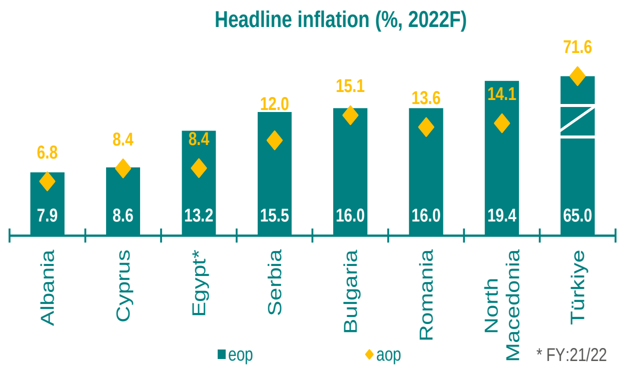
SERBIA	2020	2021	2022f	2023f	2024f
Real Sector					
Nominal GDP (EUR million)	46,822	53,351	61,037	69,396	75,680
GDP per capita (EUR)	6,787	7,806	8,994	10,287	11,264
GDP growth (real, %)	-0.9	7.4	2.2	1.4	3.7
Unemployment rate (%, aop)	9.7	11.1	9.7	9.5	9.1
Prices and Banking					
Inflation (%, eop)	1.3	7.9	15.5	7.4	3.4
Inflation (%, aop)	1.6	4.1	12.0	12.2	5.1
Loans to the Private Sector (% change, eop)	12.2	10.1			
Customer Deposits (% change, eop)	17.4	13.3			
Loans to the Private Sector (% of GDP)	49.0	47.4			
Retail Loans (% of GDP)	22.6	21.9			
Corporate Loans (% of GDP)	26.4	25.4			
Customer Deposits (% of GDP)	52.3	52.1			
Loans to Private Sector (% of Deposits)	93.6	91.0			
Foreign Currency Loans (% of Total Loans)	62.1	61.1			
External Accounts					
Merchandise exports (EUR million)	16,079	20,771	25,083	26,442	28,537
Merchandise imports (EUR million)	21,280	26,697	33,970	35,756	37,778
Trade balance (EUR million)	-5,201	-5,926	-8,887	-9,314	-9,241
Trade balance (% of GDP)	-11.1	-11.1	-14.6	-13.4	-12.2
Current account balance (EUR million)	-1,929	-2,389	-4,730	-4,920	-4,524
Current account balance (% of GDP)	-4.1	-4.5	-7.7	-7.1	-6.0
Net FDI (EUR million)	2,938	3,724	4,003	4,424	4,977
Net FDI (% of GDP)	6.3	7.0	6.6	6.4	6.6
International reserves (EUR million)	13,492	16,455	16,078	17,632	19,085
International reserves (Months[a])	6.1	6.0	4.5	4.7	4.8
Public Finance					
Primary balance (% of GDP)	-6.0	-2.4	-2.1	-1.2	-0.3
Fiscal balance (% of GDP)	-8.0	-4.1	-3.8	-2.8	-2.0
Central Government debt (% of GDP)	57.9	57.1	56.2	53.4	51.3
External Debt					
Gross external debt (EUR million)	30,787	36,536	37,843	41,291	44,651
Gross external debt (% of GDP)	65.8	68.5	62.0	59.5	59.0
External debt service (EUR million)	3,900	4,700	4,900	4,600	4,900
External debt service (% of reserves)	28.9	28.6	30.5	26.1	25.7
External debt service (% of exports)	17.5	16.4	13.8	12.3	12.2
Financial Markets					
Policy rate (2-w repo rate, %, eop)	1.0	1.0	5.0	5.5	5.0
Policy rate (2-w repo rate, %, aop)	1.5	1.0	2.6	5.5	5.4
10-Y T-bill rate (%, eop)	3.1	4.1	7.4	7.0	6.6
Exchange rate: EUR (eop)	117.5	117.5	117.5	117.5	117.5
Exchange rate: EUR (aop)	117.5	117.5	117.5	117.5	117.5

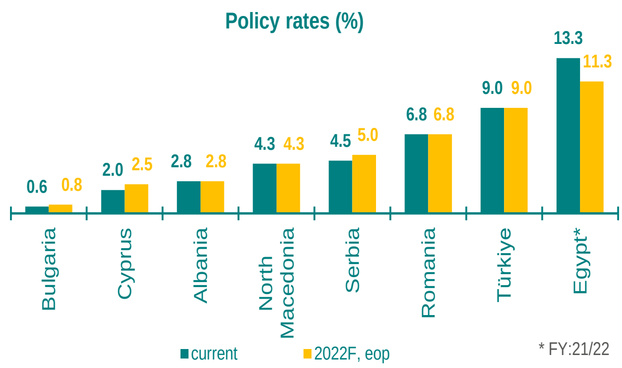
f: NBG forecasts; a: months of imports of GNFS

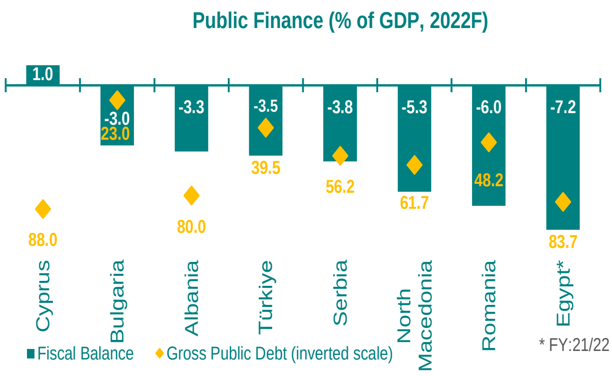
REGIONAL SNAPSHOT: MACROECONOMIC INDICATORS

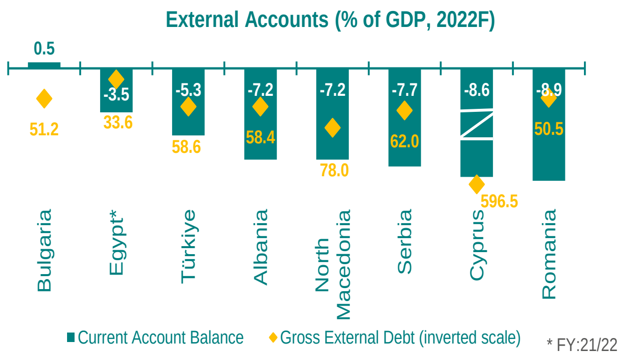


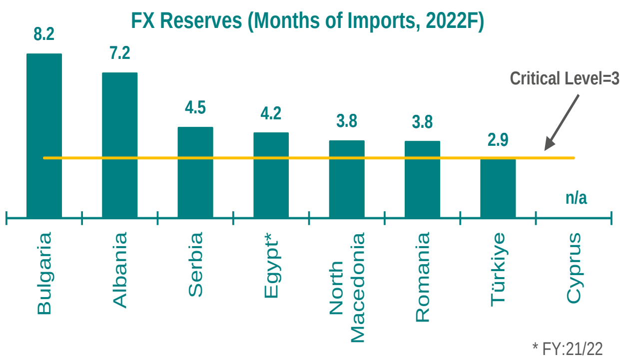






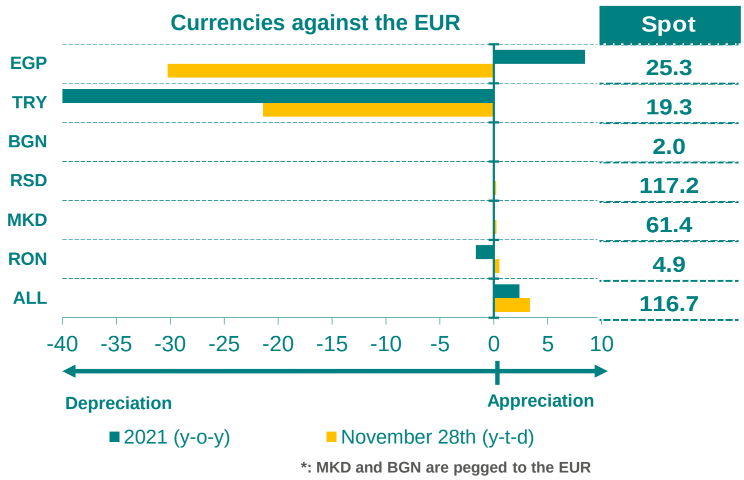


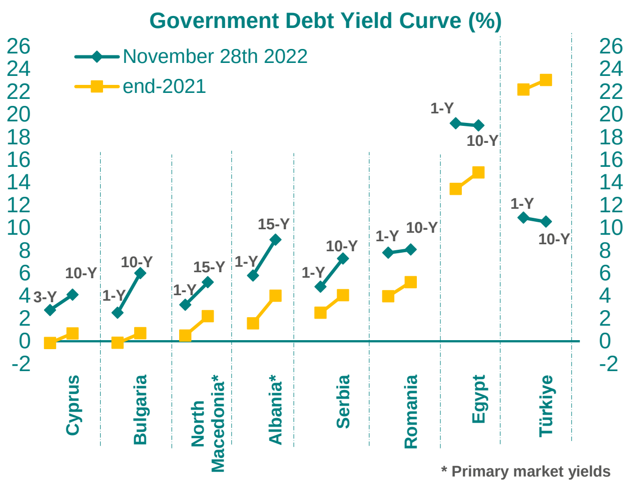


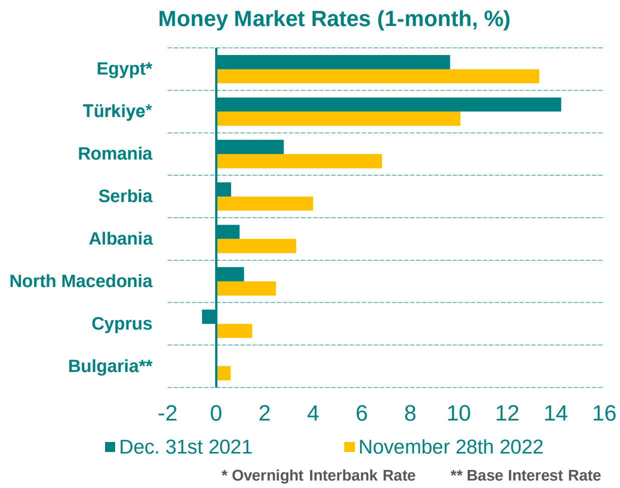


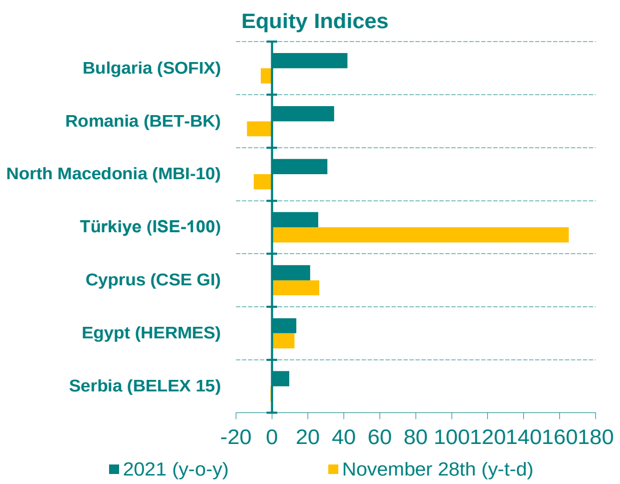
Sources: National Sources & NBG estimates

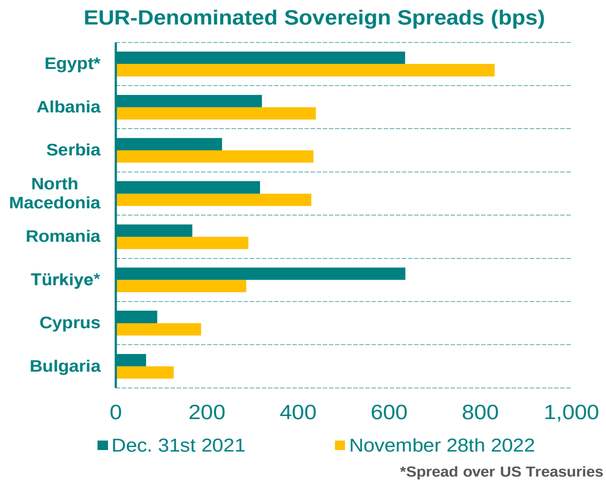
REGIONAL SNAPSHOT: FINANCIAL MARKETS











Sources: Reuters & NBG estimates