



# Economic Analysis Division Emerging Markets Analysis

## Bi-Weekly Report 12 - 25 January 2021



### NBG - Economic Analysis Division

<https://www.nbg.gr/en/the-group/press-office/e-spot/reports>

#### Emerging Markets Analysis

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### TURKEY ..... 1

Following an aggressive policy tightening in Q4:20 -- that led to a c. 13% appreciation in the TRY against the USD from its all-time lows in November -- the CBRT shifts to a “wait-and-see” mode

Higher food prices and a weaker TRY pushed up headline inflation to a 16-month high of 14.6% y-o-y at end-2020 against 11.8% at end-2019

Inflationary pressures are projected to ease modestly, but only after mid-2021

### SERBIA ..... 2

Headline inflation eased to 1.3% y-o-y at end-2020 from 1.9% at end-2019, below the lower-end of the NBS’s target range (3±1.5%)

The inflation path is set to remain in the lower half of the NBS’s target range until end-2022

Monetary policy is expected to remain accommodative in 2021, despite limited room for further rate cuts

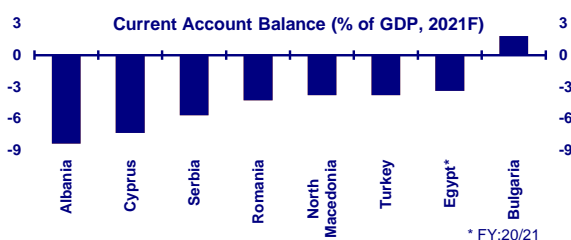
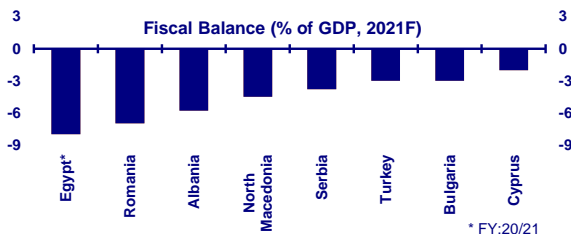
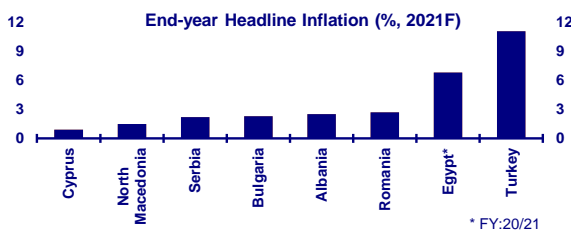
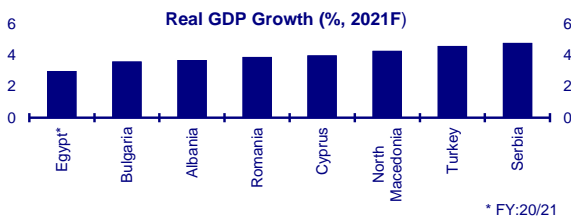
### ALBANIA ..... 3

GDP contraction eased markedly to -3.5% y-o-y (up 9.8% q-o-q s.a.) in Q3:20 from -10.5% in Q2:20, following the re-opening of the economy

Economic activity is expected to have lost momentum again in Q4:20, in view of the particularly intense second COVID-19 wave

However, in FY:21, GDP is set to rebound strongly -- on the back of a procyclical fiscal policy -- recouping most part of its COVID-19-related losses

### APPENDIX: FINANCIAL MARKETS ..... 4

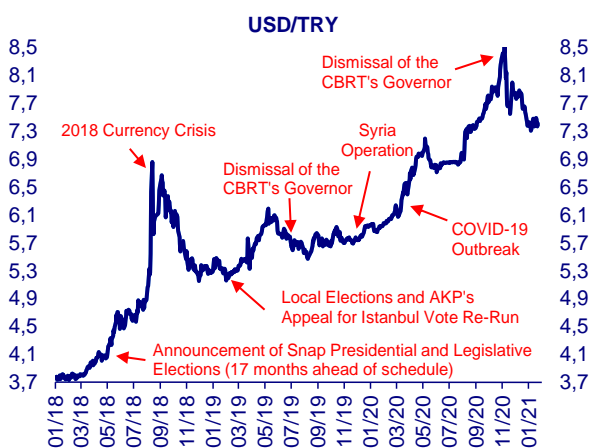
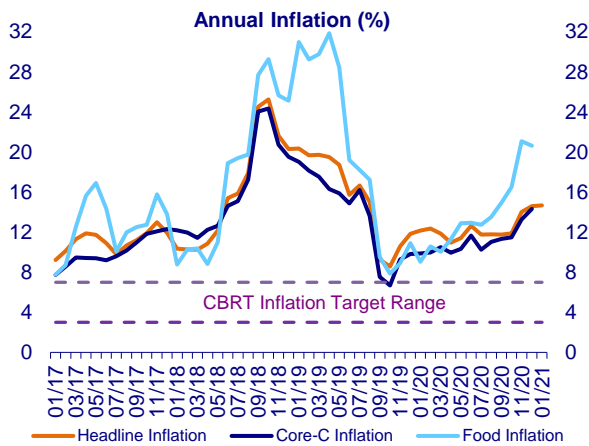
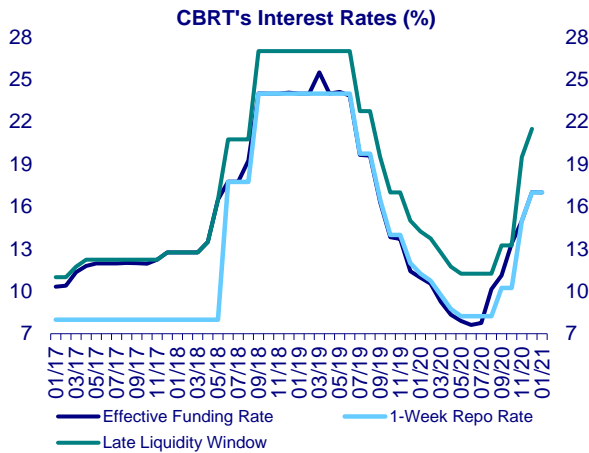


Sources: National authorities, IMF & NBG estimates



# Turkey

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



	25 Jan.	3-M F	6-M F	12-M F
1-m TRIBOR (%)	18.0	18.0	18.0	17.0
TRY/EUR	8.99	9.02	9.04	9.08
Sov. Spread (2025, bps)	407	390	370	320

	25 Jan.	1-W %	YTD %	2-Y %
ISE 100	1,540	-1.1	4.3	51.3

	2018	2019	2020E	2021F	2022F
Real GDP Growth (%)	2.8	0.9	0.7	4.6	4.6
Inflation (eop, %)	20.3	11.8	14.6	11.1	9.9
Cur. Acct. Bal. (% GDP)	-2.8	0.9	-5.2	-3.4	-2.8
Fiscal Bal. (% GDP)	-1.9	-2.9	-3.5	-3.0	-2.3

Sources: Reuters, CBRT & NBG estimates

Following an aggressive policy tightening in Q4:20, the CBRT shifts to a “wait-and-see” mode. At its January meeting, the CBRT maintained its key 1-week repo rate unchanged at a high of 17.0% (among the highest worldwide), reaffirming, at the same time, its hawkish bias. Recall that, in light of a strong depreciation pressures on the TRY, the CBRT was forced to raise its key rate by a total of 675 bps in two rounds in November-December. At its current level, the real *ex-post* policy rate stands at c. 2.5%, well above that of its peers and slightly above its natural real rate of interest.

Turkey is in a dire need of a tight monetary policy to restore confidence in the TRY and contain inflation. The former lost another 20% of its value against the USD in 2020, following losses of 36% in 2018-19. Indeed, rapidly deteriorating external imbalances (with the 12-month rolling current account balance turning into a deficit of 5.4% of GDP in November from a surplus of 1.2% a year ago), on the back, *inter alia*, of a sizeable credit impulse (see below), have drained the CBRT's FX reserves (adjusted for gold, short-term borrowing from banks and banks' required reserves, net FX reserves stand at c. USD -50bn), putting significant pressure on the TRY. Note, though, that, following the recent aggressive tightening in monetary policy, the TRY has recovered from its all-time lows in November, recording gains of c. 13% since then, boosted by inflows of “hot money”.

A credible monetary policy, together with the implementation of meaningful structural reforms, are a *sine qua non* condition for financial stability. This means that the CBRT should maintain its tight stance until signs of correction in external imbalances emerge and inflation expectations get anchored. All said, we do not expect the CBRT to be able to lower rates earlier than Q4:21.

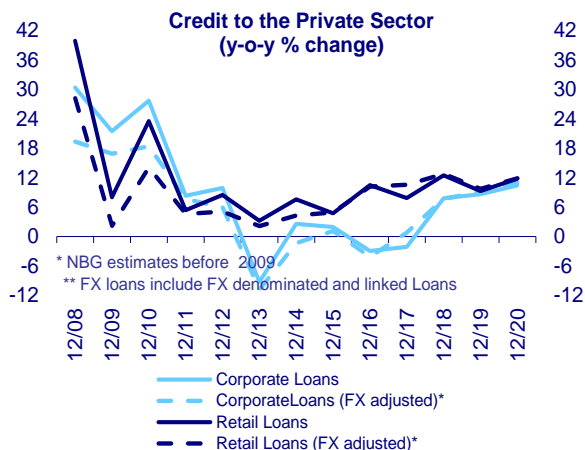
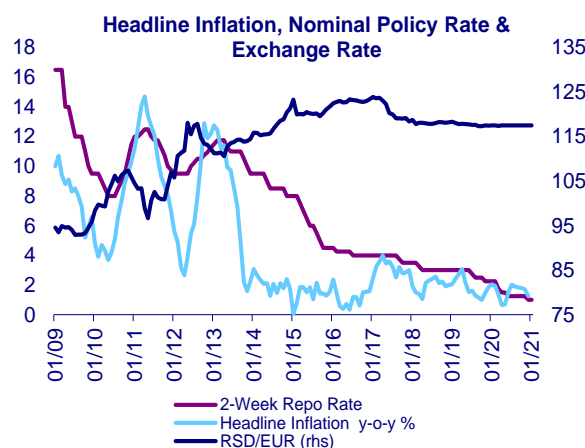
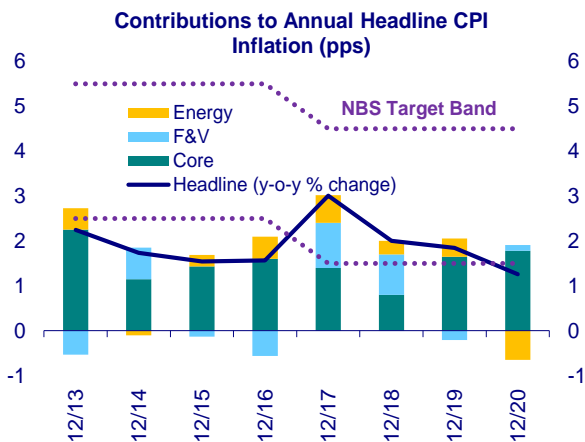
Higher food prices and a weaker TRY pushed up headline inflation to a 16-month high of 14.6% y-o-y at end-2020 against 11.8% at end-2019. Indeed, core inflation accelerated markedly (to 14.3% y-o-y at end-2020 from 9.8% at end-2019), reflecting the impact of the sharp depreciation of the TRY. Note that, despite the lack of opportunity and/or confidence to spend amid the pandemic, domestic demand remained quite resilient in 2020, underpinned by a sizeable credit impulse (albeit having slowed down over the past few months, credit to the private sector was up 34.8% y-o-y at end-2020 against a rise of 10.8% at end-2019). Adding to inflationary pressures, food prices also surged (up 20.6% y-o-y at end-2020 against 10.9% at end-2019), due, *inter alia*, to supply-side effects from the pandemic (including disruptions in supply chains and export bans from agricultural commodity-exporting countries). These factors were partly offset, however, by the drop in energy inflation (to 7.4% y-o-y at end-2020 from 14.3% at end-2019), in line with developments in global energy markets.

Headline inflation is set to ease modestly, but only after mid-2021. Indeed, negative base effects related to the first COVID-19 wave shock should distort the disinflation picture in H1:21. Thereafter, assuming a relatively stable exchange rate, we expect core inflation to embark on a (slow) downward path, in line with tighter monetary conditions. Non-core inflation should also decelerate, albeit modestly, with lower food inflation more than compensating for the envisaged pick-up in energy inflation (we see the price of Brent oil rising by c. 20% in FY:21, with Turkey being almost fully dependent on imports to meet its energy needs). All said, we see headline inflation at 11.1% y-o-y at end-2021, with average inflation jumping, however, to 14.0% in FY:21 from 12.3% in FY:20. Risks to our forecast are tilted to the upside, reflecting cost-push pressures, sticky services inflation and the possibility of hikes in administrative prices.



# Serbia

BB+ / Ba3 / BB+ (S&P / Moody's / Fitch)



**Headline inflation eased to 1.3% y-o-y at end-2020 from 1.9% at end-2019, below the lower-end of the NBS's target range (3±1.5%).**

The main driver was energy inflation, which dropped markedly (to -4.0% y-o-y at end-2020 from 2.5% at end-2019), in line with developments in global energy markets. This factor more than offset the jump in volatile food inflation (to 1.5% y-o-y at end-2020 from -2.4% at end-2019), mainly reflecting the impact of COVID-19-related supply-side disruptions. At the same time, core inflation remained broadly stable (at 2.4% y-o-y against 2.2% at end-2019), as the impact of softer domestic demand, reflecting weaker confidence and limited spending options amid the pandemic, was broadly offset by that of the hike in administered telecommunication prices and higher travel and medical services prices.

**Headline inflation is set to remain in the lower half of the NBS's target range until end-2022.**

Core inflation is unlikely to come under much pressure this year, reflecting a still negative, albeit rapidly closing output gap (especially after H1:21, when we expect the COVID-19 containment measures to be lifted). A stable exchange rate, together with favourable inflation expectations, which remain firmly anchored below the mid-point of the NBS's target range, and low imported inflation should also help to this end. At the same time, non-core inflation is set to remain in check, as the envisaged pick-up in energy inflation should be broadly compensated by a correction in volatile food inflation. All said, we see headline inflation reaching 2.2% y-o-y at end-2021, with average inflation remaining broadly flat at 1.6% this year, still below its 7-year historic average of c. 2.0%. Headline inflation is projected to move towards the mid-point of the NBS's target range only by end-2022, following the complete elimination of the output gap (expected by mid-2022, earlier than in Serbia's regional peers).

**Monetary policy is set to remain accommodative in 2021, despite limited room for further rate cuts.**

Recall that, in a bid to mitigate the economic impact of COVID-19, the NBS cut its key rate 4 times since March 2020 (with the last cut coming in December) by a total of 125 bps (to a low of 1.0% or -0.3% in *ex-post* real terms). At the same time, it has increased the amount of liquidity provided to banks through repo operations, FX swaps and outright purchases of Government and corporate securities. As a result, market liquidity remains high, with short-term money market rates stuck at the lower bound of the NBS's interest rate corridor (±0.9 pps around the policy rate).

Note that, in light of the drop in remittances and FDI inflows, the central bank has been actively engaged in the FX market (selling a net total of c. EUR 1.5bn last year, with the bulk of the sales concentrated, however, in 9M:20), so as to contain the RSD. The latter has remained broadly stable since early-2018. Importantly, the NBS has still enough firepower to defend the currency, with its FX reserves currently standing at EUR 13.5bn (covering 5 times Serbia's short-term external debt and more than 6 months of GNFS imports).

Considering the broadly stable inflation outlook and the fact that Serbia's slightly negative real *ex-post* policy rate is broadly in line with that of its peers, we believe that the NBS has limited room for further rate cuts. In this context, the NBS's focus has already shifted on stimulating credit activity. Indeed, the central bank has been subsidizing new business loans under the state guarantee scheme (by raising the remuneration rate on banks' required reserves), effectively boosting corporate lending activity (up 12.5% y-o-y at end-2020 against 8.7% at end-2019). At the same time, the NBS has relaxed regulation so as to provide easier access to mortgage loans (with the latter eventually going up 12.5% y-o-y at end-2020 against 4.3% at end-2019).

	25 Jan.	3-M F	6-M F	12-M F
1-m BELIBOR (%)	0.6	0.5	0.5	0.5
RSD/EUR	117.5	117.5	117.5	117.5
Sov. Spread (2029, bps)	189	182	170	150

	25 Jan	1-W %	YTD %	2-Y %
BELEX-15	732	0.0	-2.2	4.7

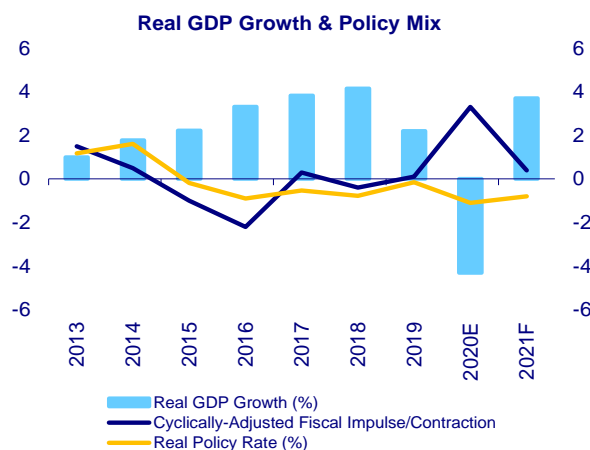
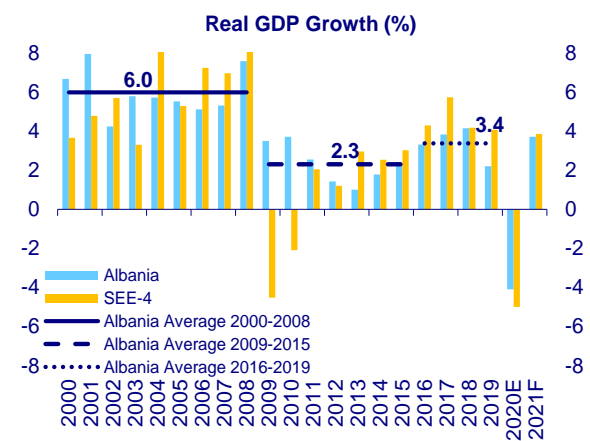
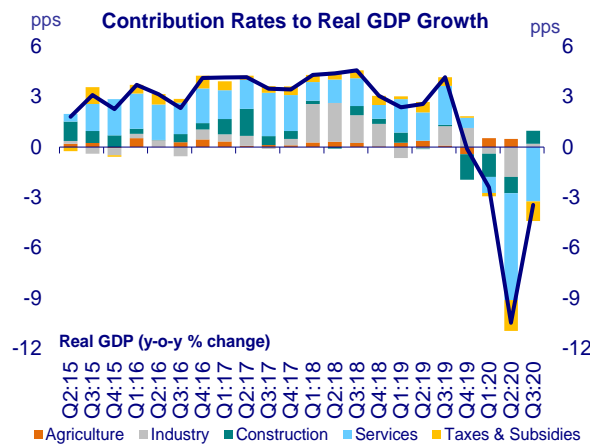
	2018	2019F	2020E	2021F	2022F
Real GDP Growth (%)	4.5	4.2	-1.1	4.8	4.0
Inflation (eop, %)	2.0	1.9	1.3	2.2	2.6
Cur. Acct. Bal. (% GDP)	-4.8	-6.9	-5.5	-5.7	-5.8
Fiscal Bal. (% GDP)	0.6	-0.2	-8.8	-3.8	-2.0

Sources: Reuters, NBS, OPBC & NBG estimates



# Albania

B+ / B1 / NR (S&P / Moody's / Fitch)



**GDP contraction eased markedly to -3.5% y-o-y (up 9.8% q-o-q s.a.) in Q3:20 from -10.5% in Q2:20, following the re-opening of the economy.** The main driver behind the improvement was the services sector (subtracting 3.2 pps from overall annual growth in Q3:20 against a negative contribution of 6.4 pps in Q2:20), in line with higher community mobility following the relaxation of COVID-19 restrictions. Recall that due to Albania's close links to hard-hit Italy, the authorities had adopted some of the toughest containment measures in Europe. Moreover, the industrial sector added (marginally) to growth in Q3:20 (against a negative contribution of 1.8 pps in Q2:20), following, *inter alia*, the gradual restoration of global supply chains. The restart in construction activity also underpinned the recovery in Q3:20 (adding 0.8 pps to overall growth against a negative contribution of 1.0 pp in Q2:20) The contribution of the balancing item "net taxes" remained negative in Q3:20 (subtracting 1.2 pps from overall growth following 1.8 pps in Q2:20), suggesting that the Government continued to absorb a part of the losses through its policies.

**GDP growth is estimated to have lost momentum again in Q4:20, in view of the particularly intense second COVID-19 wave.** The partial reinstatement of social distancing measures, together with a renewed setback in confidence, following the resurgence in COVID-19 infections in Q4:20, is estimated to have taken a toll on economic activity. Overall, we see GDP dropping by 1.3% y-o-y (down 2.5% q-o-q s.a.) in Q4:20, bringing full-year contraction to 4.3%, a slightly better performance than that of Albania's regional peers. The latter should be partly attributed to the strong performance of the agriculture sector (accounting for a significant 17% of GDP).

**GDP is set to rebound in FY:21, recouping most part of its COVID-19-related losses.** Our baseline scenario assumes that some sort of social distancing measures will remain in place until end-H1:21, pointing to a slow and uneven recovery during that period. In this context, we expect the construction sector overperform, mainly due to the high post-earthquake reconstruction needs (estimated at c. 6.0% of GDP). On a positive note, the better targeting of the containment measures should prevent large-scale supply-side disruptions in the industrial sector. Looking further ahead, we expect economic recovery to gain momentum, driven by the services sector. Stronger demand-side pressures, on the back, *inter alia*, of a loose incomes policy (including a 15% rise in the minimum wage and targeted hikes in public sector wages), should also help to this end. Note, however, that the economy's high dependence on tourism (accounting for 21% of GDP, the highest in the region) poses downside risks.

Importantly, adjusting for cyclical, fiscal policy should remain expansionary this year. In addition to the loose incomes policy, other drivers include higher discretionary spending ahead of the April legislative elections and increased capital spending.

At the same time, monetary policy is set to remain accommodative. Although we believe that no further rate cuts are on the cards (note that the policy rate currently stands at 0.5% or c. -1.5% in real *ex-post* terms, below that of its peers), we expect the BoA to focus on stimulating credit activity (currently up 7.0% y-o-y against 6.1% at end-2019, with the stock of credit to the private sector standing at c. 35% of GDP, among the lowest in the region).

All said, we see GDP growth rebounding to 3.7% in FY:21. Increased political noise ahead of the April legislative elections, which will be the first to be held after the 2020 controversial election reform, clouds this outlook. On the other hand, the pending launch of EU accession negotiations could strengthen investor sentiment.

	25 Jan.	3-M F	6-M F	12-M F
1-m TRIBOR (mid, %)	1.1	1.0	1.0	1.0
ALL/EUR	123.4	123.9	124.3	125.0
Sov. Spread (bps)	306	290	275	240

	25 Jan.	1-W %	YTD %	2-Y %
Stock Market	---	---	---	---

	2018	2019	2020E	2021F	2022F
Real GDP Growth (%)	4.1	2.2	-4.3	3.7	3.9
Inflation (eop. %)	1.8	1.1	1.1	2.5	2.5
Cur. Acct. Bal. (% GDP)	-6.7	-8.0	-9.2	-8.4	-7.7
Fiscal Bal. (% GDP)	-1.6	-1.9	-7.0	-5.8	-3.3

Sources: Reuters, INSTAT, BoA, Ministry of Finance & NBG estimates



**FOREIGN EXCHANGE MARKETS. JANUARY 25<sup>TH</sup> 2021**

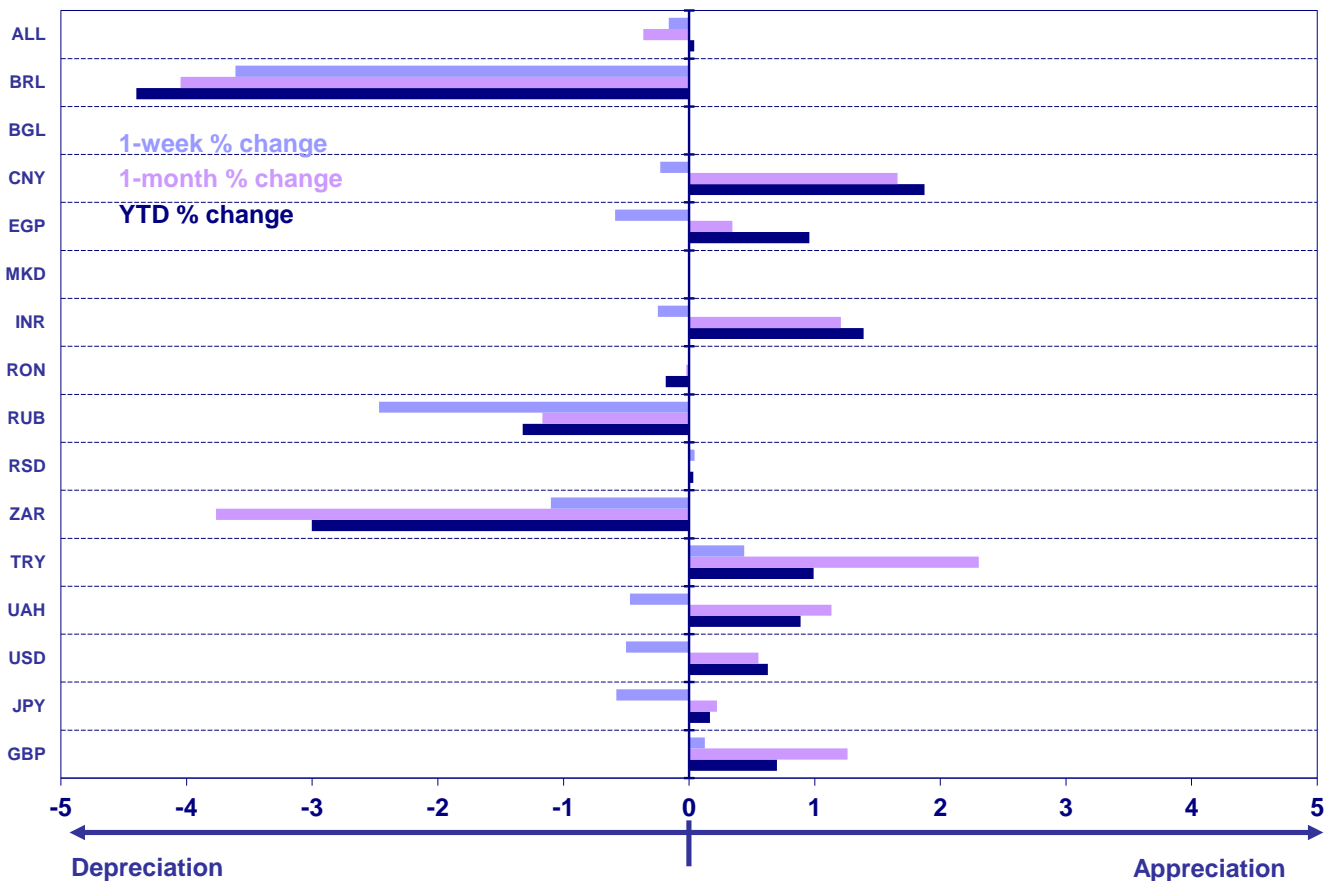
*Against the EUR*

Currency	2021										2020	2019	
	SPOT	1-week %change	1-month %change	YTD %change*	1-year %change	Year-Low	Year-High	3-month Forward rate**	6-month Forward rate**	12-month Forward rate**	% change*	% change*	
Albania	ALL	123.4	-0.2	-0.4	0.0	-1.1	123.3	123.7	123.3	123.3	123.1	-1.5	1.4
Brazil	BRL	6.63	-3.6	-4.0	-4.4	-30.1	6.29	6.71	---	---	6.88	-29.0	-1.2
Bulgaria	BGL	1.96	0.0	0.0	0.0	0.0	1.96	1.96	1.96	1.96	1.96	0.0	0.0
China	CNY	7.85	-0.2	1.7	1.9	-2.4	7.81	8.00	---	---	8.09	-2.3	0.6
Egypt	EGP	18.98	-0.6	0.3	1.0	-6.6	17.95	19.30	---	---	---	-6.5	16.2
North Macedonia	MKD	61.6	0.0	0.0	0.0	0.0	61.3	61.6	61.3	61.3	61.3	0.0	0.0
India	INR	88.6	-0.2	1.2	1.4	-11.1	88.2	90.3	---	---	---	-10.9	-0.3
Romania	RON	4.87	0.0	0.0	-0.2	-1.9	4.86	4.88	4.89	4.92	4.97	-1.6	-2.8
Russia	RUB	91.5	-2.5	-1.2	-1.3	-24.2	88.7	92.3	92.6	93.7	96.1	-23.1	15.1
Serbia	RSD	117.5	0.0	0.0	0.0	-0.1	117.6	117.6	117.6	117.7	---	-0.1	0.6
S. Africa	ZAR	18.5	-1.1	-3.8	-3.0	-13.0	17.83	19.01	18.8	19.0	19.5	-12.4	4.8
Turkey	YTL	8.99	0.4	2.3	1.0	-27.2	8.88	9.14	9.34	9.69	10.46	-26.6	-9.2
Ukraine	UAH	34.2	-0.5	1.1	0.9	-20.9	33.88	35.02	---	---	---	-22.6	18.6
US	USD	123.4	-0.2	-0.4	0.0	-1.1	123.3	123.7	123.3	123.3	123.1	-1.5	1.4
JAPAN	JPY	6.63	-3.6	-4.0	-4.4	-30.1	6.29	6.71	---	---	6.88	-29.0	-1.2
UK	GBP	7.85	-0.2	1.7	1.9	-2.4	7.81	8.00	---	---	8.09	-2.3	0.6

\* Appreciation (+) / Depreciation (-)

\*\* Forward rates have been calculated using the uncovered interest rate parity for Brazil, China, Egypt, India and Ukraine

**Currencies against the EUR (January 25<sup>th</sup> 2021)**



Sources: Reuters & NBG estimates



**MONEY MARKETS. JANUARY 25<sup>TH</sup> 2021**

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
<b>O/N</b>	0.8	1.9	0.0	2.5	---	8.4	---	---	1.2	4.8	---	17.8	8.0	5.8	---	0.1
<b>T/N</b>	---	---	---	---	---	---	---	---	1.2	4.4	0.3	---	8.0	---	---	---
<b>S/W</b>	0.9	1.9	---	2.3	-0.6	---	1.1	---	---	4.4	0.3	---	4.8	6.5	-0.6	0.1
<b>1-Month</b>	1.1	1.9	---	2.5	-0.6	---	1.2	3.6	1.4	4.5	0.6	18.0	5.7	8.0	-0.6	0.1
<b>2-Month</b>	---	1.9	---	---	---	---	---	---	---	5.0	0.7	18.0	5.8	---	---	0.2
<b>3-Month</b>	1.4	2.0	---	2.6	---	---	1.4	3.7	1.6	5.1	0.9	18.0	5.8	9.8	---	0.2
<b>6-Month</b>	1.7	2.4	---	2.7	---	---	1.5	---	1.7	5.2	1.1	18.1	8.0	---	---	0.2
<b>1-Year</b>	2.2	3.5	---	2.9	-0.1	---	1.8	---	1.8	4.8	---	18.1	7.0	---	-0.1	0.3

\*For Bulgaria. The Base Interest Rate (BIR) is reported. For Egypt. The O/N Interbank Rate is reported.

**LOCAL DEBT MARKETS. JANUARY 25<sup>TH</sup> 2021**

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
<b>3-Month</b>	1.1	---	---	---	---	12,7	---	3,4	---	4,2	---	14,1	---	9,2	-0,6	0,1
<b>6-Month</b>	---	---	---	---	---	12,9	---	3,5	2,1	4,3	3,3	14,5	---	10,7	-0,6	0,1
<b>12-Month</b>	2.0	---	-0,1	2,6	---	13,0	0,6	4,0	2,2	4,3	1,8	14,4	---	11,7	-0,6	0,1
<b>2-Year</b>	2.6	---	---	2,7	---	---	0,9	4,2	2,1	4,6	---	14,3	4,6	11,9	-0,7	0,1
<b>3-Year</b>	---	---	0,0	2,8	0,2	---	---	5,0	2,1	4,7	---	13,8	7,1	12,2	-0,8	0,2
<b>5-Year</b>	3.7	6,6	---	2,9	0,1	14,1	---	5,3	2,3	5,7	2,3	13,0	6,7	12,5	-0,7	0,4
<b>7-Year</b>	---	---	0,3	---	0,1	14,3	---	5,9	2,4	6,0	---	---	---	---	-0,7	0,7
<b>10-Year</b>	5.4	8,1	0,4	3,1	---	14,4	---	6,0	2,9	6,3	---	12,8	8,8	---	-0,6	1,0
<b>15-Year</b>	---	---	---	---	---	---	3,0	6,4	---	6,7	---	---	9,9	---	-0,4	---
<b>25-Year</b>	---	---	---	---	---	---	---	---	---	---	---	---	10,9	---	---	---
<b>30-Year</b>	---	---	---	---	---	---	---	6,5	---	---	---	---	10,8	---	-0,1	1,8

\*For Albania. North Macedonia and Ukraine primary market yields are reported

**CORPORATE BONDS SUMMARY. JANUARY 25<sup>TH</sup> 2021**

		Currency	Rating S&P / Moody's	Maturity	Amount Outstanding (in million)	Bid Yield	Gov. Spread	Asset Swap Spread
<b>Bulgaria</b>	<b>Bulgaria Energy Hold EAD 4.875% '21</b>	EUR	NA/NA	2/8/2021	550	0.9	150	144
<b>South Africa</b>	<b>Standard Bank Group Ltd 5.95% '29</b>	USD	BB/Baa3	31/5/2029	400	4.6	447	440
	<b>FirstRand Bank Ltd 6.25% '28</b>	USD	NA/NA	23/4/2028	500	4.3	414	411
	<b>Arcelik AS 3.875% '21</b>	EUR	BB+/NA	16/9/2021	350	1.3	195	190
	<b>Garanti Bank 5.25% '22</b>	USD	NA/Ba3	13/9/2022	750	3.6	346	340
	<b>Turkiye Is Bankasi 6% '22</b>	USD	NA/B2	24/10/2022	1,000	5.2	505	496
<b>Turkey</b>	<b>Vakifbank 5.75% '23</b>	USD	NA/B1	30/1/2023	650	5.1	501	491
	<b>TSKB 5.5% '23</b>	USD	NA/B2	16/1/2023	350	5.2	511	498
	<b>Petkim 5.875% '23</b>	USD	NA/B1	26/1/2023	500	4.8	469	461
	<b>Koc Holding 5.25% '23</b>	USD	BBB-/Ba2	15/3/2023	750	3.4	330	325

**CREDIT DEFAULT SWAP SPREADS. JANUARY 25<sup>TH</sup> 2021**

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine
<b>5-Year</b>	---	177	45	31	98	356	---	77	120	98	115	327	228	362
<b>10-Year</b>	---	247	95	60	119	429	---	85	145	160	163	358	300	390

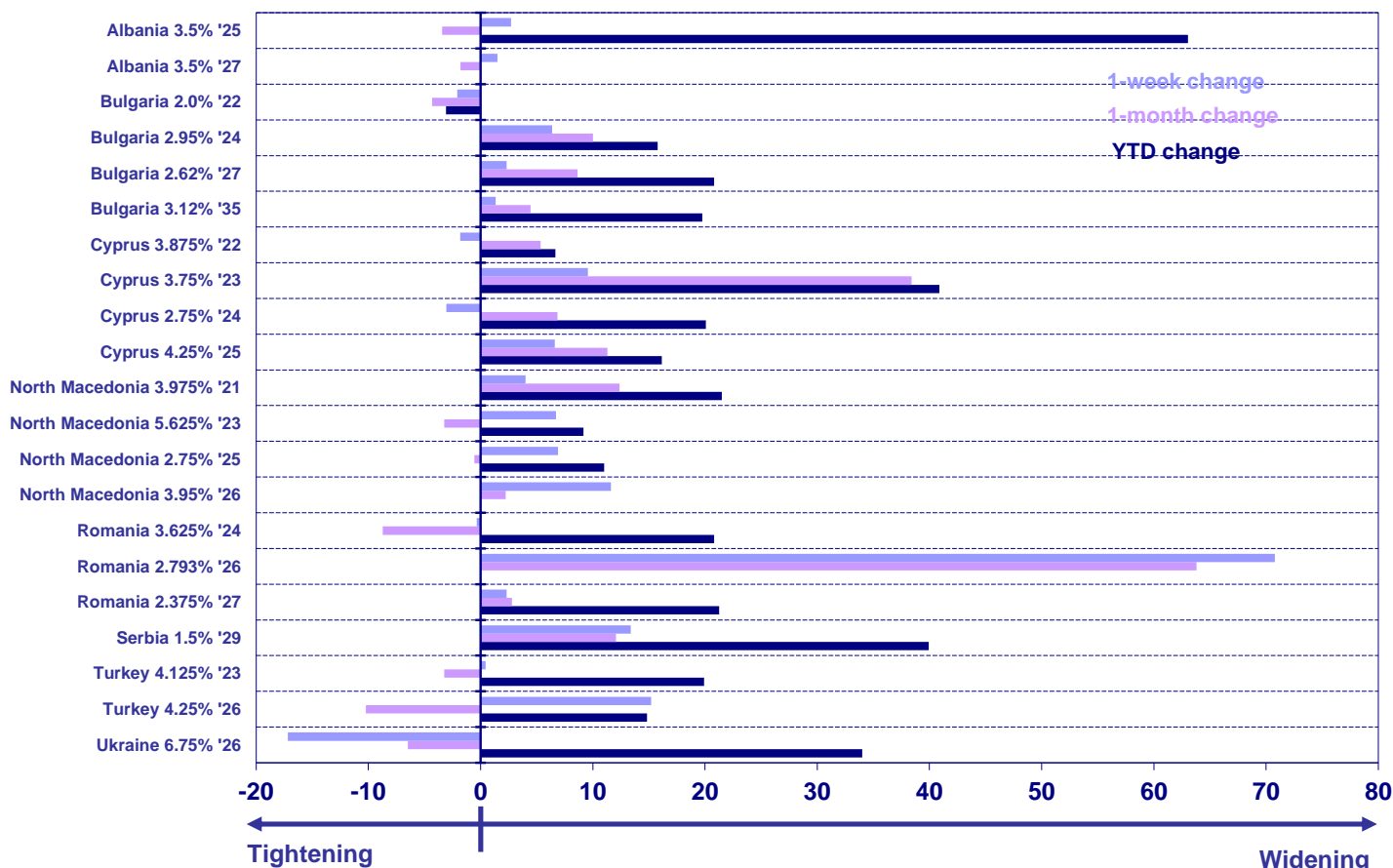
Sources: Reuters & NBG estimates



**EUR-DENOMINATED SOVEREIGN EUROBOND SUMMARY. JANUARY 25<sup>TH</sup> 2021**

	Currency	Rating S&P / Moody's	Maturity	Amount Outstanding (in million)	Bid Yield	Gov. Spread	Asset Swap Spread
Albania 3.5% '25	EUR	B+/B1	9/10/2025	500	2.1	287	265
Albania 3.5% '27	EUR	B+/B1	16/6/2027	650	2.3	306	278
Bulgaria 2.0% '22	EUR	BBB-/Baa2	26/3/2022	1.250	-0.2	45	37
Bulgaria 2.95% '24	EUR	BBB-/Baa2	3/9/2024	1.493	-0.2	62	36
Bulgaria 2.62% '27	EUR	BBB-/Baa2	26/3/2027	1.000	0.0	71	40
Bulgaria 1.12% '35	EUR	BBB-/Baa2	26/3/2035	900	0.8	120	103
Cyprus 1.875% '22	EUR	NA/Baa2	6/5/2022	1.000	0.0	60	54
Cyprus 1.75% '23	EUR	NA/Baa2	26/7/2023	1.000	0.2	99	43
Cyprus 2.75% '24	EUR	NA/Baa2	27/6/2024	850	0.0	76	51
Cyprus 4.25% '25	EUR	NA/Baa2	4/11/2025	1.000	0.1	84	63
North Macedonia 1.975% '21	EUR	BB-/NA	24/7/2021	500	0.8	139	520
North Macedonia 5.625% '23	EUR	BB-/NA	26/7/2023	450	1.0	180	165
North Macedonia 2.75% '25	EUR	BB-/NA	18/1/2025	500	1.3	205	179
North Macedonia 3.95% '26	EUR	BB-/NA	3/6/2026	700	1.4	214	194
Romania 1.625% '24	EUR	BBB-/BBB-	24/4/2024	1.250	0.2	95	73
Romania 2.793% '26	EUR	BBB-/BBB-	26/2/2026	1.300	3.7	209	268
Romania 2.375% '27	EUR	BBB-/BBB-	19/4/2027	2.000	0.9	161	132
Serbia 1.5% '29	EUR	BB/Baa3	26/6/2029	1.550	1.2	189	152
Turkey 4.125% '23	EUR	NR/Baa3	11/4/2023	1.000	2.3	305	288
Turkey 5.2% '26	EUR	NA/Baa3	16/2/2026	1.500	4.6	421	398
Ukraine 6.75% '26	EUR	B-/Caa2	20/6/2026	1.000	4.5	526	520

**EUR-Denominated Eurobond Spreads (January 25<sup>th</sup> 2021)**



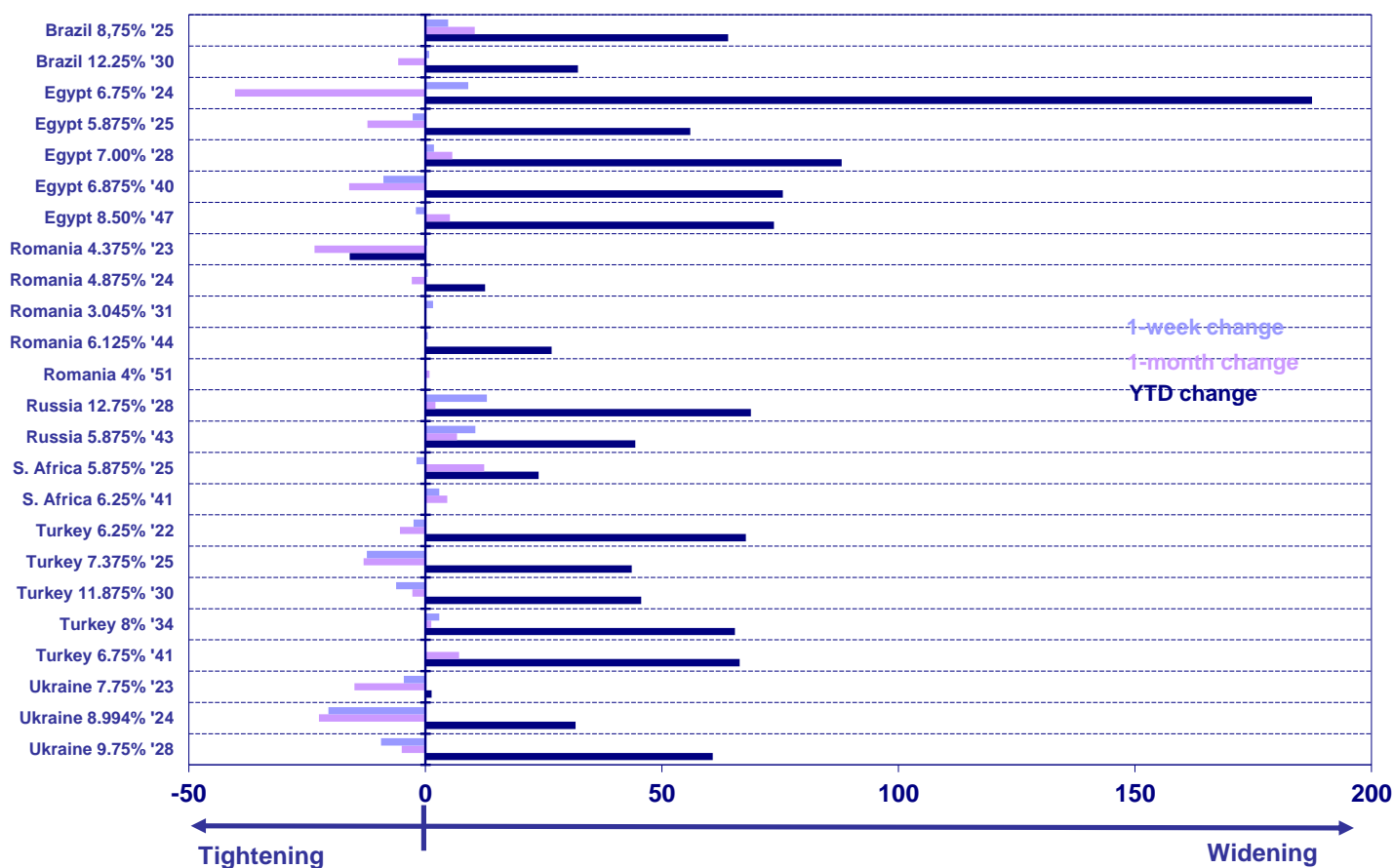
Sources: Reuters & NBG estimates



**USD-DENOMINATED SOVEREIGN EUROBOND SUMMARY. JANUARY 25<sup>TH</sup> 2021**

	Currency	Rating S&P / Moody's	Maturity	Amount Outstanding (in million)	Bid Yield	Gov. Spread	Asset Swap Spread
Brazil 8.75% '25	USD	NA/Ba2	4/2/2025	688	2.2	178	206
Brazil 12.25% '30	USD	NA/Ba2	6/3/2030	238	3.6	260	369
Egypt 6.75% '24	USD	NA/B2	10/11/2024	1,320	4.8	459	453
Egypt 5.875% '25	USD	B/B2	11/6/2025	1,500	3.8	342	352
Egypt 7.00% '28	USD	NA/B2	10/11/2028	1,320	5.6	488	491
Egypt 6.875% '40	USD	B/B2	30/4/2040	500	6.7	520	520
Egypt 8.50% '47	USD	NA/B2	31/1/2047	2,500	7.6	589	639
Romania 4.375% '23	USD	BBB-/BBB-	22/8/2023	1,500	0.9	70	68
Romania 4.875% '24	USD	BBB-/BBB-	22/1/2024	1,000	1.0	78	75
Romania 3.045% '31	USD	BBB-/BBB-	14/2/2031	1,300	2.3	131	131
Romania 6.125% '44	USD	BBB-/BBB-	22/1/2044	1,000	3.7	209	268
Romania 4% '51	USD	BBB-/BBB-	14/2/2051	2,000	3.7	186	215
Russia 12.75% '28	USD	BBB-/Baa3	24/6/2028	2,500	2.5	175	236
Russia 5.875% '43	USD	BBB-/Baa3	16/9/2043	1,500	3.4	176	231
S. Africa 5.875% '25	USD	BB/Baa3	16/9/2025	2,000	2.9	246	256
S. Africa 6.25% '41	USD	BB/Baa3	8/3/2041	750	5.9	427	446
Turkey 6.25% '22	USD	NR/Ba3	26/9/2022	2,500	3.8	366	364
Turkey 7.375% '25	USD	NR/Ba3	5/2/2025	3,250	4.5	407	430
Turkey 11.875% '30	USD	NR/Ba3	15/1/2030	1,500	5.7	465	586
Turkey 8% '34	USD	NR/Ba3	14/2/2034	1,500	6.2	519	537
Turkey 6.75% '41	USD	NR/Ba3	14/1/2041	3,000	6.5	490	477
Ukraine 7.75% '23	USD	B-/Caa1	1/9/2023	1,355	3.8	364	375
Ukraine 8.994% '24	USD	B-/Caa1	1/2/2024	750	4.3	416	434
Ukraine 9.75% '28	USD	B-/Caa1	1/11/2028	1,600	6.1	539	588

**USD-Denominated Eurobond Spreads (January 25<sup>th</sup> 2021)**



Sources: Reuters & NBG estimates

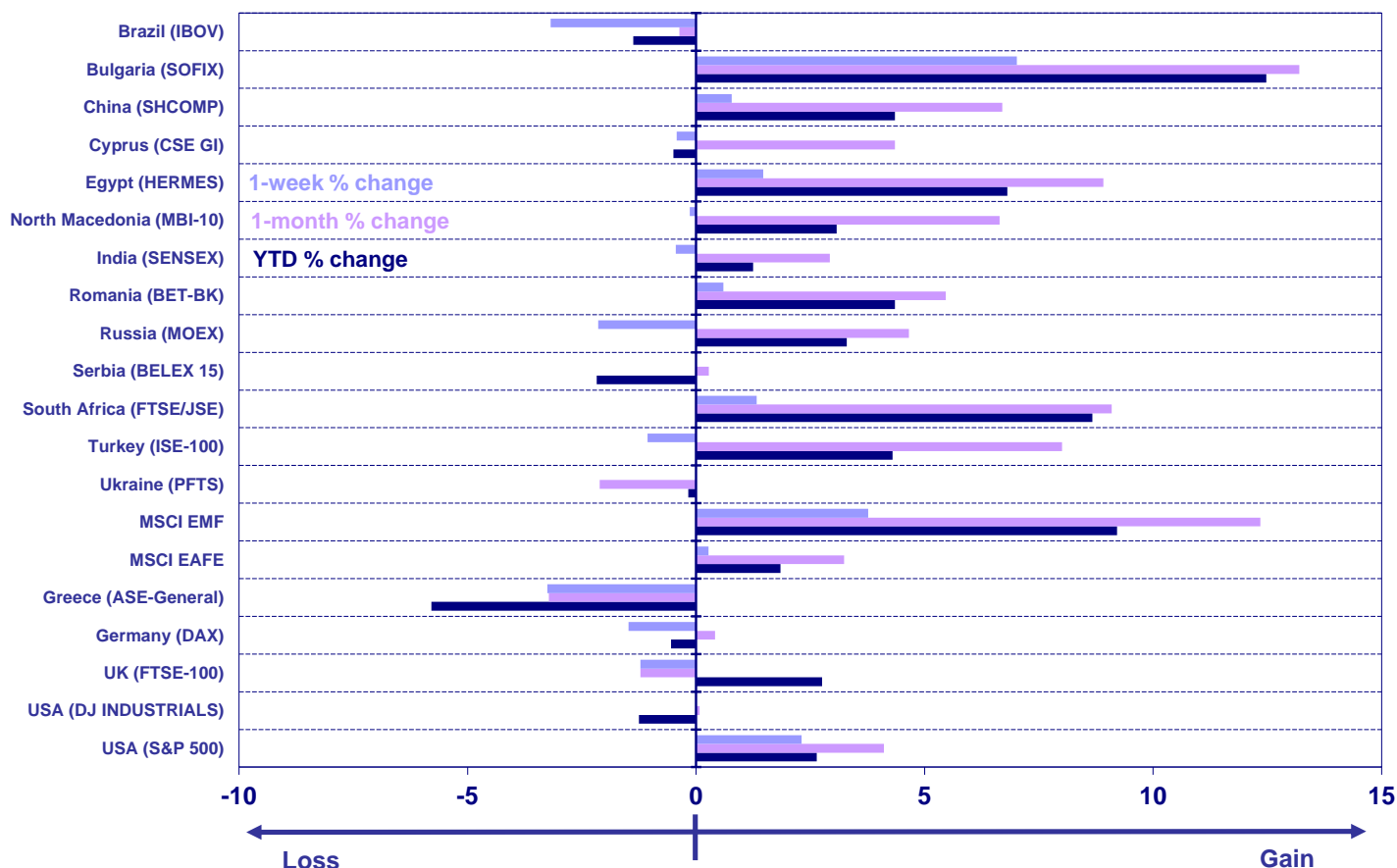




**STOCK MARKETS PERFORMANCE. JANUARY 25<sup>TH</sup> 2021**

	2021							2020		2019		
	Local Currency Terms							EUR Terms	Local Currency Terms	EUR terms	Local Currency terms	EUR terms
	Level	1-week % change	1-month % change	YTD % change	1-year % change	Year-Low	Year-High	YTD % change	% change	% change	% change	% change
Brazil (IBOV)	117,380	-3.2	-0.4	-1.4	2.5	116,109	125,324	-5.3	2.9	-27.5	31.6	29.8
Bulgaria (SOFIX)	503	7.0	13.2	12.5	-13.1	444	505	12.5	-21.2	-21.2	-4.4	-4.4
China (SHCOMP)	3,624	0.8	6.7	4.4	21.8	3,457	3,637	5.8	13.9	11.5	22.3	23.3
Cyprus (CSE GI)	56	-0.4	4.4	-0.5	-16.4	55	58	-0.5	-13.0	-13.0	-2.6	-2.6
Egypt (HERMES)	1,204	1.5	8.9	6.8	-3.0	1,075	1,215	7.8	-12.1	-17.9	0.4	16.7
North Macedonia (MBI)	4,849	-0.1	6.6	3.1	-1.4	4,705	4,886	3.1	1.2	1.2	34.0	34.0
India (SENSEX)	48,348	-0.4	2.9	1.2	17.5	25,639	50,184	2.0	15.8	3.8	14.4	14.1
Romania (BET-BK)	1,948	0.6	5.5	4.4	-0.3	1,356	1,979	4.2	-1.3	-3.0	29.7	26.1
Russia (MOEX)	3,397	-2.1	4.7	3.3	10.1	3,302	3,521	3.2	8.0	-18.0	30.8	49.8
Serbia (BELEX-15)	732	0.0	0.3	-2.2	-8.2	730	754	-2.1	-6.6	-6.7	5.3	5.8
South Africa (FTSE/JSE)	64,560	1.3	9.1	8.7	15.5	59,409	65,347	5.4	4.1	-8.9	8.2	13.4
Turkey (ISE 100)	1,540	-1.1	8.0	4.3	28.2	1,475	1,582	5.3	29.1	-5.2	25.4	13.8
Ukraine (PFTS)	499	0.0	-2.1	-0.2	-1.4	499	500	1.4	-1.9	-25.2	-8.9	8.9
MSCI EMF	1,410	3.8	12.3	9.2	27.9	1,290	1,414	9.9	15.8	10.4	15.4	13.7
MSCI EAFE	2,187	0.3	3.2	1.8	9.0	2,148	2,215	2.5	5.4	-2.2	18.4	19.9
Greece (ASE-General)	762	-3.3	-3.2	-5.8	-18.6	756	827	-5.8	-11.7	-11.7	49.5	49.5
Germany (XETRA DAX)	13,644	-1.5	0.4	-0.5	3.3	13,566	14,132	-0.5	3.5	3.5	25.5	25.5
UK (FTSE-100)	6,639	-1.2	2.1	2.8	-10.4	6,461	6,904	3.5	-14.3	-19.0	12.1	19.1
USA (DJ INDUSTRIALS)	30,960	0.5	1.8	1.2	8.5	30,223	31,188	-1.5	7.2	-1.6	22.3	25.2
USA (S&P 500)	3,855	2.3	4.1	2.6	18.9	3,663	3,861	3.3	16.3	6.7	28.9	31.9

**Equity Indices (January 25<sup>th</sup> 2021)**



Sources: Reuters & NBG estimates



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