



# Economic Analysis Division Emerging Markets Analysis

## Bi-Weekly Report 17 - 30 November 2020



### NBG - Economic Analysis Division

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

#### Emerging Markets Analysis

Head: Konstantinos Romanos-Louizos

☎ : +30 210 33 41 225

✉ : romanos.louizos.k@nbg.gr

Andromachi Papachristopoulou

☎ : +30 210 33 41 057

✉ : papachristopoulou.a@nbg.gr

### TURKEY ..... 1

The easing of COVID-19 containment measures, together with a sizeable credit impulse, brought about a rebound in GDP growth in Q3:20 (up 6.7% y-o-y and 15.6% q-o-q s.a., well above consensus expectations)

Economic recovery would be constrained by a resurgence in COVID-19 infections in Q4:20 and a tight monetary policy in FY:21

### NORTH MACEDONIA ..... 2

A new delay in North Macedonia's EU membership process

Higher provisioning, due to COVID-19, together with weaker pre-provision operating income, eroded banks' profitability in 9M:20

Banks' strong capital adequacy provides a line of defense against COVID-19-related losses

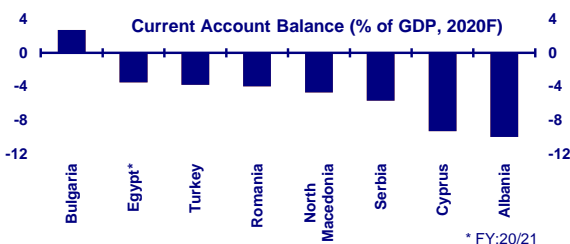
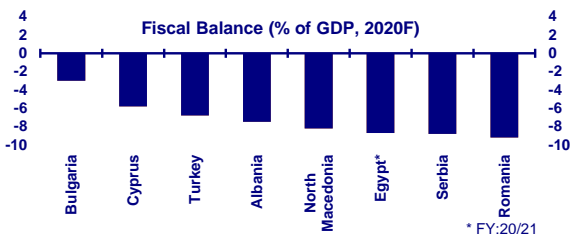
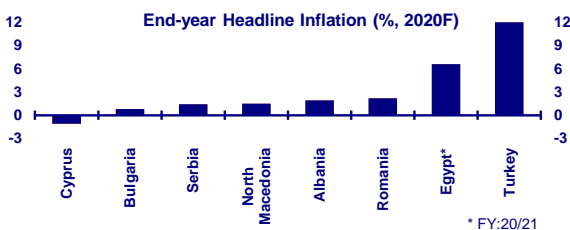
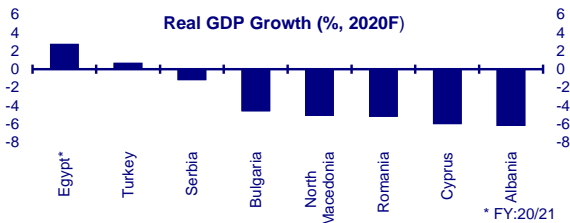
### CYPRUS ..... 3

GDP contraction eased markedly to -4.1% y-o-y (up 9.4% q-o-q s.a.) in Q3:20, following the re-opening of the economy

Economic momentum appears to be slowing in Q4:20, as the second COVID-19 wave kicks-in

GDP is set to rebound in FY:21, recouping a large part of its COVID-19-related losses

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

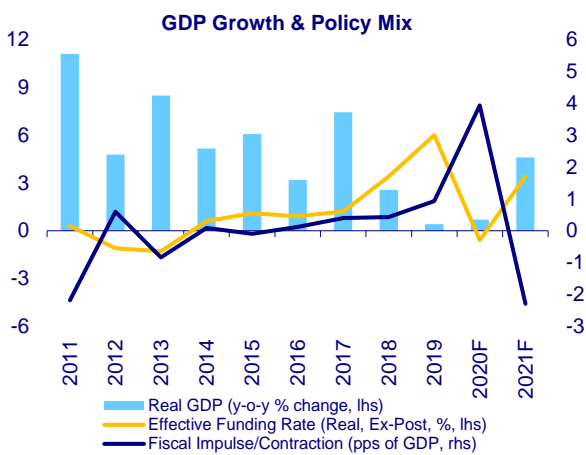
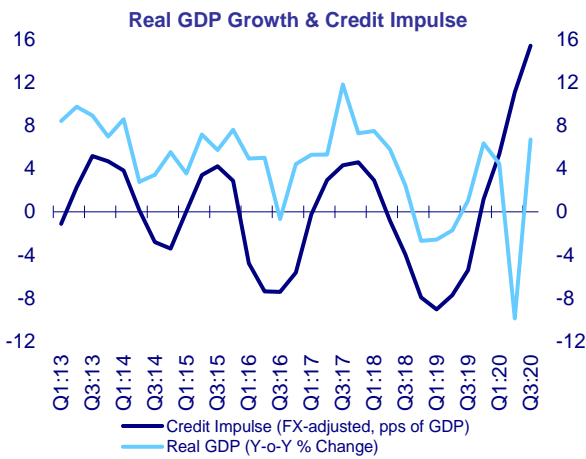
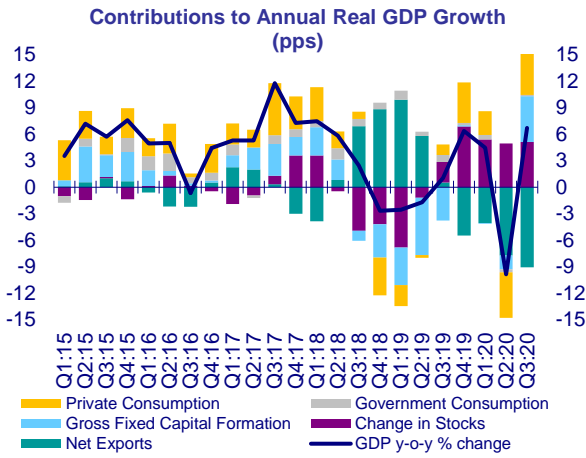


Sources: National authorities, IMF & NBG estimates



# Turkey

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



	30 Nov.	3-M F	6-M F	12-M F
1-m TRIBOR (%)	15.9	16.0	14.5	13.0
TRY/EUR	9.34	9.35	9.60	9.85
Sov. Spread (2025, bps)	481	430	390	320

	30 Nov.	1-W %	YTD %	2-Y %
ISE 100	1284	-2.3	12.2	34.5

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	7.5	2.8	0.9	0.7	4.6
Inflation (eop, %)	11.9	20.3	11.8	12.0	10.8
Cur. Acct. Bal. (% GDP)	4.8	-2.7	1.1	-3.6	-2.9
Fiscal Bal. (% GDP)	-1.5	-1.9	-2.9	-6.8	-4.5

Sources: Reuters, CBRT & NBG estimates

**The easing of COVID-19 containment measures, together with a sizeable credit impulse, brought about a rebound in GDP growth in Q3:20 (up 6.7% y-o-y and 15.6% q-o-q s.a.).** The main driver was private consumption which picked-up sharply in Q3:20 (adding 5.3 pps to overall growth against a negative contribution of 5.2 pps in Q2:20), reflecting the release of pent-up demand, following the relaxation of COVID-19 restrictions. Investment activity also improved in Q3:20 (adding 5.3 pps to overall growth against a negative contribution of 1.5 pps in Q2:20), with construction leading the way. Note that the rebound in domestic demand has been supported by the monetary stimulus the CBRT has been providing since end-2019 (see chart). On the other hand, highlighting the relatively weak fiscal position from which Turkey entered the crisis (adjusted for one-off transfers from the CBRT, the budget deficit stood at c. 4.0% of GDP in FY:19), public consumption failed once again to sustain GDP growth. Unsurprisingly, despite the (sluggish) revival in external demand, the drag on overall growth from net exports increased in Q3:20 (to 9.1 pps from 7.8 pps in Q2:20), in line with stronger domestic demand. Overall, GDP growth jumped to 6.7% y-o-y (up 15.6% q-o-q s.a.) in Q3:20 -- well above consensus expectations of 4.8% -- from a negative 10.8% in Q2:20, exceeding pre-COVID-19 levels.

In light of a resurgence in COVID-19 infections, we expect economic growth to lose momentum in Q4:20, as the authorities re-instated some of the restrictions implemented earlier in the year. Note that, despite the tightening in monetary policy (including a 675 bp hike in the CBRT's policy rate between July and November), lending activity has yet to show signs of slowdown (according to the latest data, credit to the private sector increased by c. 31.0% y-o-y in FX-adjusted and real ex-post terms in October against a decline of 1.0% at end-2019). All said, we see GDP growth easing to 1.2% y-o-y in Q4:20, bringing the full-year figure to an eye-catching 0.7% (for comparison, GDP in the EU is expected to contract by c. 7.5% at the same time).

**Economic recovery would be constrained by a tight monetary policy in FY:21.** Tighter financing conditions will eventually take a toll on domestic demand next year. On the flip side, however, this tightening should help restore investor confidence in the country, which has been shaken by the implementation of inconsistent policies. Indeed, while helping to contain the fallout from COVID-19, the expansionary monetary policy has led to a sharp deterioration in net exports, eroding FX reserves and putting significant pressure on the TRY (down 24% against the USD y-t-d, following losses of 36% in 2018-19).

In this context, private consumption is set to pick-up in FY:21, but largely due to base effects. The structurally weak labour market (with the unemployment rate stuck at over 13% since end-2018) could act as a drag on the recovery. At the same time, after declining for 3 years, investment is due to rebound, albeit moderately, as corporate balance sheets would remain under stress, due, *inter alia*, to the impact of the weak TRY (note that the non-financial sector's open FX position stands at a high of 30% of GDP). Importantly, with domestic demand expanding at a more measured pace, net exports should sustain economic growth next year, reflecting stronger external demand and competitiveness gains. Note, however, that the large share of tourism, transportation and automotive industries in Turkey's exports means that the latter are unlikely to revert to their pre-COVID-19 crisis levels before 2022.

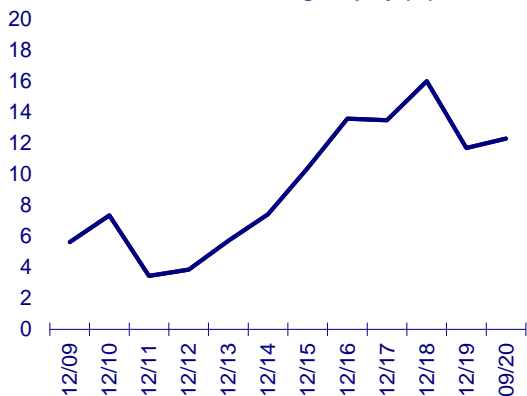
All said, we see GDP growth rebounding to 4.6% in FY:21. The uncertainty over the extent and duration of the pandemic, together with elevated geopolitical tensions and structural vulnerabilities (as highlighted above) pose significant downside risks to this outlook.



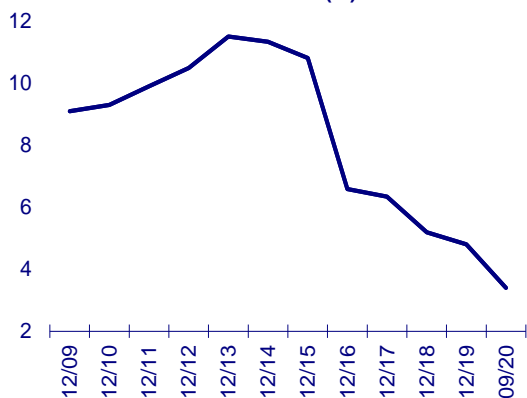
# North Macedonia

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

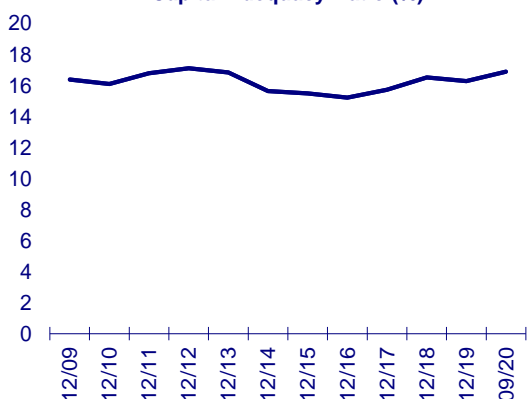
Return on Average Equity (%)



NPL Ratio (%)



Capital Adequacy Ratio (%)



**A new delay in North Macedonia's EU membership process.** The EU membership talks were expected to be launched by year-end. However, Bulgaria refused to endorse the negotiating framework for North Macedonia at EU affairs minister level in mid-November, citing open disputes between the two countries. The disputes have mostly to do with the recognition of North Macedonia's language and history by Bulgaria. The latter has been also demanding its neighbour to drop any (potential) claims over an ethnic minority in its territory. To this end, Bulgaria called for the negotiating framework to be amended to include these issues.

Recall that in March 2020, and following the resolution of the country's name dispute with Greece, the European Council finally consented to open accession negotiations with North Macedonia, a candidate country since 2005. Bulgaria's veto (which is expected to be officially confirmed in the upcoming EUCO meeting in December) now puts a new stumbling block to North Macedonia's long-delayed EU membership process. Note that, whenever negotiations start, they could last up to 6-7 years, while the ratification by all member states could take a further 2 years.

**Higher provisioning, due to COVID-19, together with weaker pre-provision operating income, eroded banks' profitability in 9M:20.** In 9M:20, banks' profits rose by 2.1% y-o-y to MKD 5.9bn, with ROAE reaching 12.3%. This improvement is solely attributed to the removal of the (loss-making) Eurostandard Bank (ESB) from the dataset, following the revocation of its license in August, due to the lender's non-compliance with minimum capital requirements. Given that the ESB's financial statements for this year are not available, it is difficult to make any comparison between the y-t-d banking system profitability and that of 2019. Anyway, adjusted for the impact of the ESB, we would expect banks' profitability to have come under pressure in 9M:20, in line with higher provisioning needs and weaker pre-provision operating income.

Indeed, with the economy plunging into recession, due to COVID-19, household and corporate balance sheets have come under stress, with negative implications on debt repayment capacity. As a result of rising credit risk, banks are expected to have increased provisioning charges in 9M:20, despite the drop in the NPL ratio. The latter fell to a low of 3.4% in September 2020 from 5.0% a year ago, with the bulk of the improvement (c. 1.0 pp) attributed to the closure of the ESB. The remaining part of the improvement is considered to be temporary, resulting from the NBRNM's initiatives to: i) lengthen the limit for classifying NPLs to 150 days from 90 days previously (effective until end-year); and ii) allow banks to restructure loans (including deferring debt payments, effective until March 2021).

At the same time, pre-provision operating income is estimated to have weakened, driven by lower net non-interest income (mainly fees and commission) and higher operating expenses (due to increased COVID-19-related spending and a hike in the deposit insurance premium). Despite the continuing expansion in interest earning assets, net interest income (NII) is unlikely to have improved in 9M:20, in view of a lower net interest margin, reflecting the drop in lending rates and debt yields, on the back of a looser monetary policy (incl. policy rate cuts of 75 bps).

**Banks' strong capital adequacy provides a line of defense against COVID-19-related losses.** Although asset quality metrics would benefit from the NBRNM's forbearance measures in the short-term, we expect banks to continue building up provisions, in line with the underlying rise in credit risk, amid a weak operating environment (GDP is due to return to its pre-crisis levels only in 2022). At the same time, NII should weaken, as a result of deferred debt payments, raising additional pressure on banks' profitability and capital. Importantly, the strong capital adequacy ratio (16.9%, well above the minimum regulatory threshold of 8.0%) implies that there is significant headroom to absorb the ongoing stress.

	30 Nov.	3-M F	6-M F	12-M F
1-m SKIBOR (%)	1.2	1.2	1.2	1.3
MKD/EUR	61.3	61.3	61.3	61.3
Sov. Spread (2025. bps)	229	210	190	160

	30 Nov.	1-W %	YTD %	2-Y %
MBI 100	4,478	0.0	-3.7	29.1

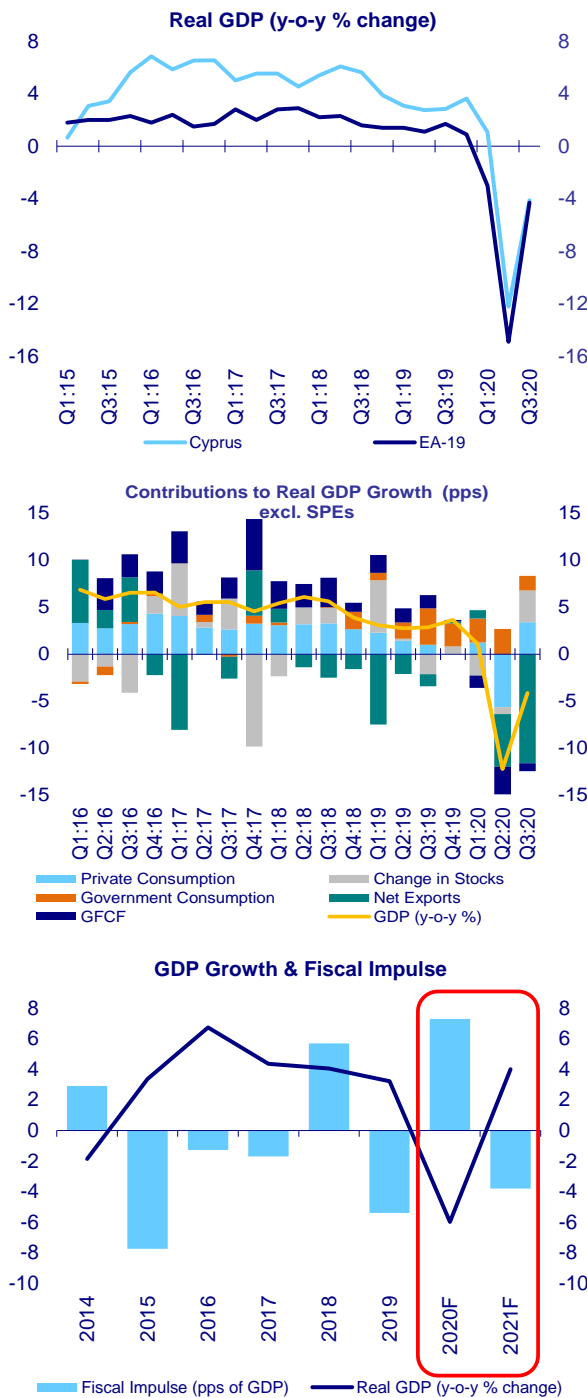
	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	1.1	2.7	3.6	-5.1	4.2
Inflation (eop. %)	2.4	0.9	0.5	1.7	1.3
Cur. Acct. Bal. (% GDP)	-1.0	-0.1	-3.3	-4.7	-3.6
Fiscal Bal. (% GDP)	-2.7	-1.8	-2.0	-8.2	-4.7

Sources: Reuters, NBRNM & NBG estimates



# Cyprus

BBB- / Ba2 / BBB- (S&P / Moody's / Fitch)



## GDP contraction eased markedly to -4.1% y-o-y (up 9.4% q-o-q s.a.) in Q3:20, following the re-opening of the economy.

The main driver was private consumption, which rebounded in Q3:20 (adding 3.4 pps to overall growth against a negative contribution of 5.6 pps in Q2:20), helped by the relaxation of COVID-19 restrictions and increased confidence. Moreover, albeit continuing to drop on an annual basis, fixed investment (excl. SPEs) improved in Q3:20 (subtracting just 0.8 pps from overall growth against 2.9 pps in Q2:20), following the resumption in construction activity. The rebuilding in stocks after two quarters of drawdown also sustained the recovery in Q3:20 (adding 3.4 pps to overall growth). Unsurprisingly, net exports deteriorated further in Q3:20 (subtracting a sizeable 11.6 pps of GDP from overall growth following 5.6 pps in Q2:20), reflecting the plunge in tourism receipts from a seasonally high base, due to the travel restrictions in place. All said, GDP contraction eased markedly to 4.1% y-o-y in Q3:20 (up 9.4% q-o-q s.a., comparing unfavourably with the 12.5% rise in the euro area) from a whopping 12.2% in Q2:20.

**Economic momentum appears to be slowing in Q4:20, as the second COVID-19 wave kicks-in.** Weaker confidence, in light of a resurgence in COVID-19 infections, together with the reinstatement of social distancing measures, should dent domestic demand in Q4:20. At the same time, external demand is unlikely to improve, in view of the critical epidemiological situation in the EU, Cyprus' main trading partner. Importantly, the extension of the wage subsidy scheme and the granting of an additional one-off subsidy to affected businesses should help contain the fallout from the pandemic. Overall, we see GDP falling by 8.2% y-o-y in Q4:20, bringing FY:20 contraction to 6.0%.

**GDP is set to rebound in FY:21, recouping a large part of its COVID-19-related losses.** Private consumption is set to recover next year, in line with the gradual lifting of COVID-19 restrictions (under our baseline scenario, we assume the latter to be completed by mid-year). Nevertheless, second round effects from the measures enforced earlier, together with the unwinding of the employment support measures, could impact the (already weak) labour market, delaying the recovery.

Amid accommodative monetary conditions (which are supplemented by several loan guarantee schemes), investment activity is also set to gain steam in FY:21, albeit at a measured pace, as corporate profitability may need some time to recover from the COVID-19 shock. Note that the abolition of the "Golden Visa" scheme, following a scandal, should take a toll on high-end residential construction activity.

Public consumption should continue to grow in FY:21, reflecting the phasing-out of the crisis-era cuts in public sector wages and impact of the reform of the national healthcare and insurance system, albeit at a more measured pace compared with FY:20.

Importantly, net exports should improve next year, in line with a revival in tourism activity (which, nonetheless, will remain significantly lower than its pre-COVID-19 levels -- c. 14.0% of GDP). Note, though, that net exports are set to remain a drag on overall growth, as stronger domestic demand feeds into imports.

Economic activity will receive little help from fiscal policy next year. Indeed, following the expiry of most of the emergency schemes implemented in FY:20, we see the budget deficit narrowing by 3.8 pps to 2.0% of GDP in FY:21.

All said, we see GDP growth rebounding to 4.0% in FY:21. The timely activation of the EU Recovery Fund could provide a significant impetus to economic growth. On the other hand, besides the uncertainty related to the evolution of the pandemic, the large public and private sector debt burden and the future of EU-UK relations (given Cyprus' close links with the latter) pose downside risks to our forecast.

	30 Nov.	3-M F	6-M F	12-M F
1-m EURIBOR (%)	-0.55	-0.55	-0.55	-0.52
EUR/USD	1.19	1.19	1.20	1.21
Sov. Spread (2023. bps)	101	120	117	110

	30 Nov.	1-W %	YTD %	2-Y %
CSE Index	52	4.9	-20.2	-22.3

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	5.2	5.2	3.1	-6.0	4.0
Inflation (eop. %)	-0.6	1.7	0.7	-1.1	0.9
Cur. Acct. Bal. (% GDP)	-5.3	-3.9	-6.3	-9.3	-7.3
Fiscal Bal. (% GDP)	1.9	-3.5	1.5	-5.8	-2.0

Sources: Reuters, Cystat, Eurostat & NBG estimates





## FOREIGN EXCHANGE MARKETS. NOVEMBER 30<sup>TH</sup> 2020

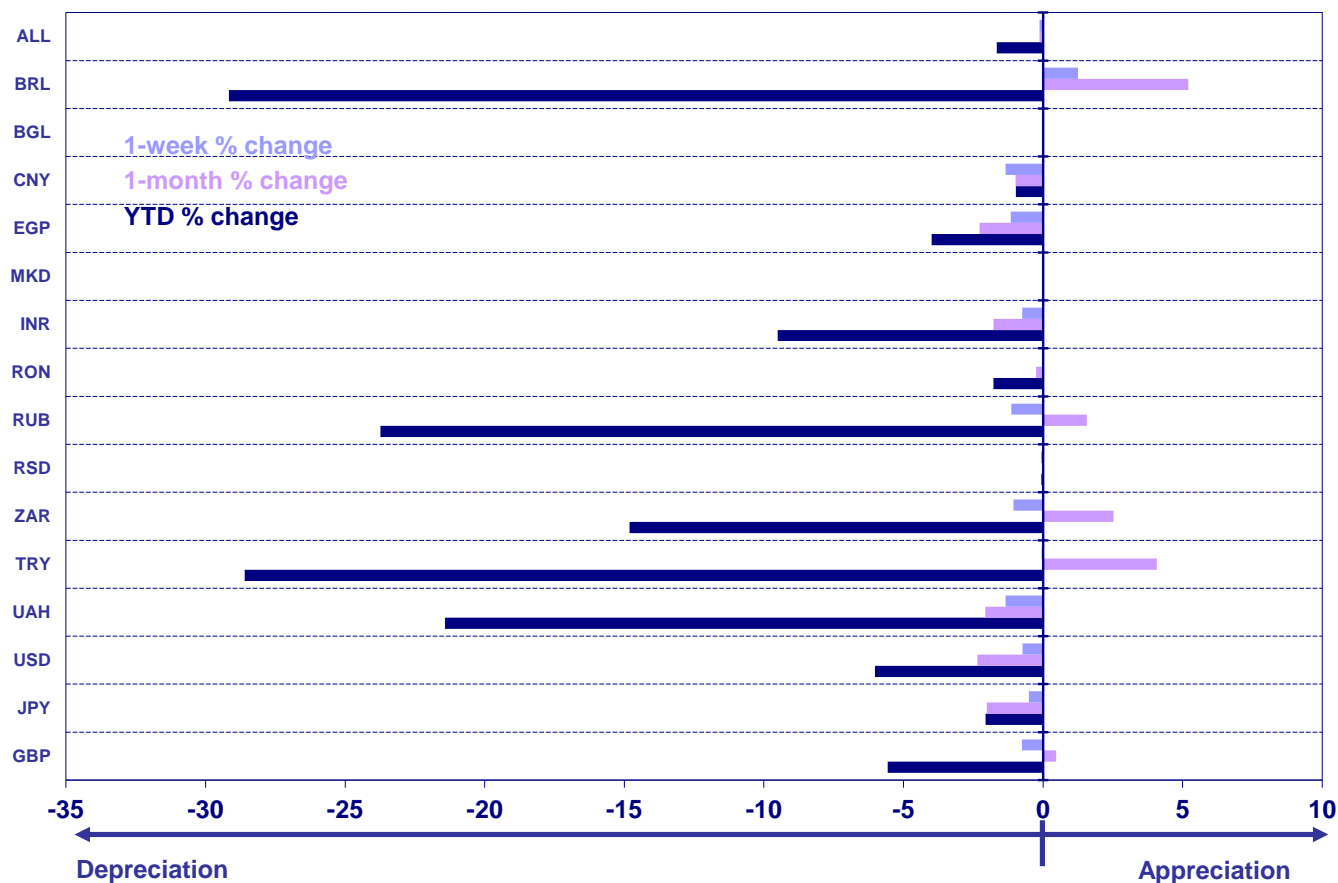
Against the EUR

Currency	2020										2019	2018	
	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	123.7	-0.1	-0.1	-1.7	-1.0	121.9	129.3	123.6	123.6	123.3	1.4	7.8
Brazil	BRL	6.36	1.3	5.2	-29.2	-26.4	4.48	6.79	---	---	6.57	-1.2	-10.7
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	7.89	-1.3	-1.0	-1.0	-1.2	7.54	8.32	---	---	8.16	0.6	-0.8
Egypt	EGP	18.66	-1.2	-2.3	-4.0	-5.4	16.28	19.57	---	---	---	16.2	0.0
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	88.4	-0.7	-1.8	-9.5	-10.3	77.2	89.4	---	---	---	-0.3	-3.9
Romania	RON	4.87	0.0	-0.2	-1.8	-2.0	4.82	4.88	4.90	4.94	5.01	-2.8	0.6
Russia	RUB	91.1	-1.1	1.6	-23.7	-22.0	67.7	94.1	92.2	93.3	95.4	15.1	-13.4
Serbia	RSD	117.5	-0.1	0.0	-0.1	-0.1	117.5	117.7	117.6	117.5	---	0.6	0.2
S. Africa	ZAR	18.4	-1.1	2.5	-14.8	-12.6	15.61	20.93	18.7	18.9	19.4	4.8	-9.9
Turkey	YTL	9.34	-0.1	4.1	-28.6	-31.9	6.51	10.19	9.67	10.06	10.87	-9.2	-24.9
Ukraine	UAH	34.0	-1.3	-2.1	-21.4	-21.9	26.35	34.23	---	---	---	18.6	6.0
US	USD	1.19	-0.7	-2.4	-6.0	-7.1	1.1	1.2	1.20	1.20	1.20	4.6	0.7
JAPAN	JPY	124.4	-0.5	-2.0	-2.1	-3.0	114.4	127.1	124.6	124.7	124.9	7.5	0.6
UK	GBP	0.90	-0.8	0.5	-5.6	-4.4	0.8	1.0	0.90	0.90	0.90	-1.1	1.4

\* Appreciation (+) / Depreciation (-)

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

### Currencies against the EUR (November 30<sup>th</sup> 2020)



Sources: Reuters & NBG estimates



### MONEY MARKETS. NOVEMBER 30<sup>TH</sup> 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
<b>O/N</b>	0.6	1.9	0.0	1.1	---	8.3	---	---	---	4.5	---	15.3	5.6	6.1	---	0.1
<b>T/N</b>	---	---	---	---	---	---	---	---	---	4.1	0.4	---	6.3	---	---	---
<b>S/W</b>	0.7	1.9	---	2.4	-0.5	---	1.1	---	---	4.1	0.4	---	5.7	6.3	-0.5	0.1
<b>1-Month</b>	1.0	1.9	---	2.7	-0.6	---	1.2	---	---	4.3	0.7	15.9	5.5	8.1	-0.6	0.2
<b>2-Month</b>	---	2.0	---	---	---	---	---	---	---	4.9	0.8	16.1	5.3	---	---	0.2
<b>3-Month</b>	1.4	2.0	---	3.1	---	---	1.4	3.8	2.0	5.0	1.0	16.3	5.1	10.1	---	0.2
<b>6-Month</b>	1.7	2.3	---	3.2	---	---	1.6	---	2.1	5.0	1.2	16.6	5.1	---	---	0.3
<b>1-Year</b>	2.1	3.1	---	3.3	-0.1	---	1.8	---	2.1	4.5	---	16.8	5.1	---	-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. NOVEMBER 30<sup>TH</sup> 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
<b>3-Month</b>	0.5	---	---	---	---	13.1	---	3.3	---	4.2	---	14.2	---	---	-0.7	0.1
<b>6-Month</b>	---	---	---	---	---	13.2	---	3.4	2.3	4.2	3.3	14.5	---	10.0	-0.7	0.1
<b>12-Month</b>	1.8	---	-0.1	3.1	---	13.3	0.6	3.5	2.6	4.3	1.7	14.7	---	10.8	-0.7	0.1
<b>2-Year</b>	2.4	---	---	3.0	---	---	0.9	4.2	2.8	4.5	---	13.4	4.3	11.4	-0.7	0.1
<b>3-Year</b>	---	---	0.0	3.0	0.2	---	---	4.7	2.8	4.6	---	12.9	7.1	11.7	-0.8	0.2
<b>5-Year</b>	3.7	6.5	---	3.1	0.1	14.2	---	5.2	3.0	5.2	2.7	12.4	7.1	---	-0.8	0.4
<b>7-Year</b>	---	---	0.3	---	0.1	14.3	---	5.9	3.0	5.6	---	---	---	---	-0.7	0.6
<b>10-Year</b>	---	7.6	0.4	3.3	---	14.5	---	5.9	3.3	5.9	---	11.9	9.0	---	-0.6	0.8
<b>15-Year</b>	---	---	---	---	---	---	3.0	6.4	---	6.3	---	---	9.9	---	-0.4	---
<b>25-Year</b>	---	---	---	---	---	---	---	---	---	---	---	---	11.2	---	---	---
<b>30-Year</b>	---	---	---	---	---	---	---	6.8	---	---	---	---	11.1	---	-0.2	1.6

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

### CORPORATE BONDS SUMMARY. NOVEMBER 30<sup>TH</sup> 2020

	Currency	Rating S&P / Moody's	Maturity	Amount Outstanding (in million)	Bid Yield	Gov. Spread	Asset Swap Spread
<b>Bulgaria</b>	Bulgaria Energy Hold EAD 4.875% '21	EUR	NA/NA	2/8/2021	550	1.4	189
<b>South Africa</b>	Standard Bank Group Ltd 5.95% '29	USD	BB/Baa3	31/5/2029	400	5.0	473
	FirstRand Bank Ltd 6.25% '28	USD	NA/NA	23/4/2028	500	4.8	455
<b>Turkey</b>	Arcelik AS 3.875% '21	EUR	BB+/NA	16/9/2021	350	2.4	293
	Garanti Bank 5.25% '22	USD	NA/Ba3	13/9/2022	750	4.9	460
	Turkiye Is Bankasi 6% '22	USD	NA/B2	24/10/2022	1,000	7.9	739
	Vakifbank 5.75% '23	USD	NA/B1	30/1/2023	650	5.7	542
	TSKB 5.5% '23	USD	NA/B2	16/1/2023	350	5.9	559
	Petkim 5.875% '23	USD	NA/B1	26/1/2023	500	5.2	493
	Koc Holding 5.25% '23	USD	BBB-/Ba2	15/3/2023	750	4.1	386

### CREDIT DEFAULT SWAP SPREADS. NOVEMBER 30<sup>TH</sup> 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine
<b>5-Year</b>	---	165	45	31	98	370	---	77	110	81	105	382	227	512
<b>10-Year</b>	---	232	95	63	119	451	---	85	140	144	123	408	289	545

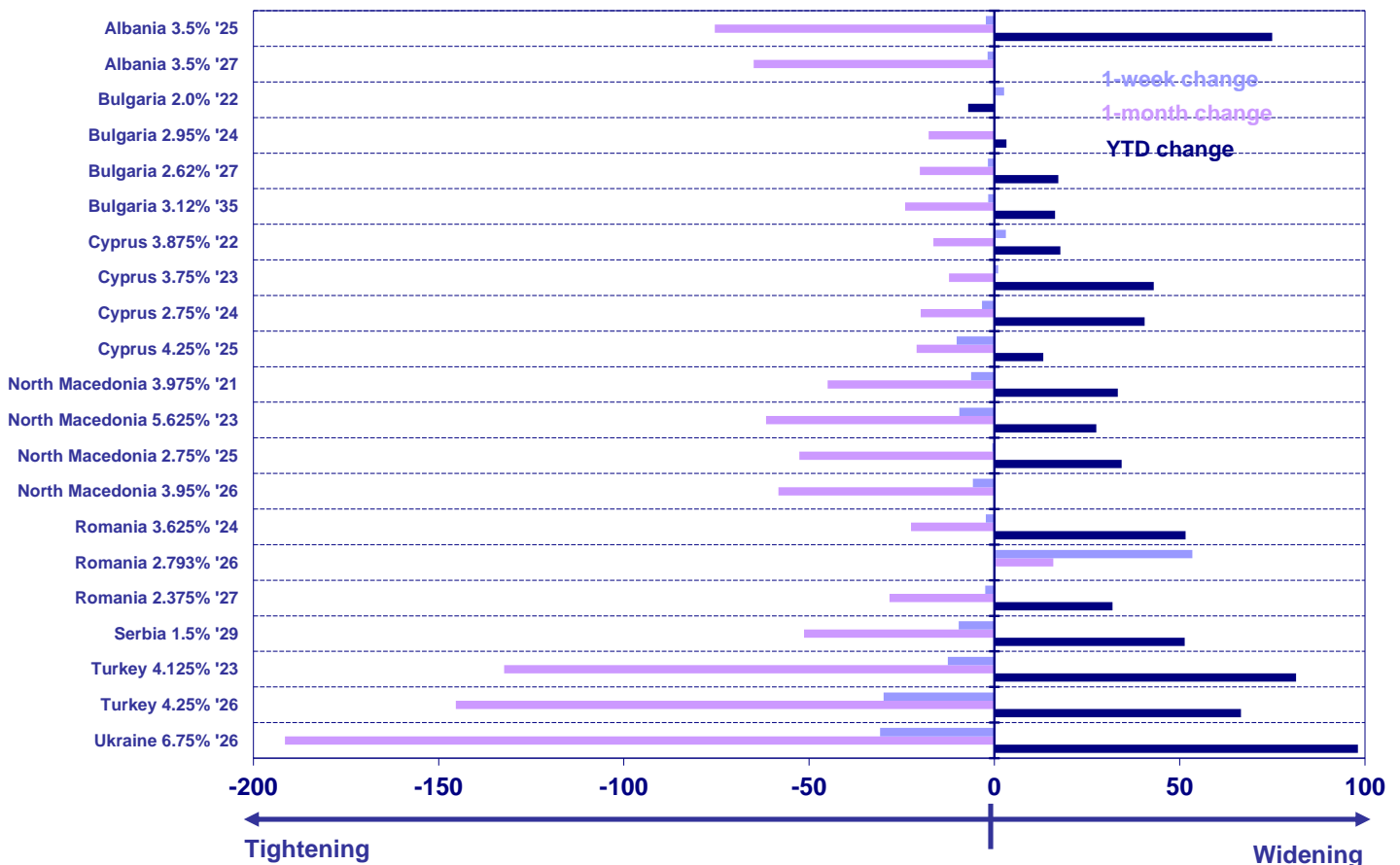
Sources: Reuters & NBG estimates



**EUR-DENOMINATED SOVEREIGN EUROBOND SUMMARY. NOVEMBER 30<sup>TH</sup> 2020**

	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	2.2	299	275
Albania 3.5% '27	EUR	B+/B1	16/6/2027	650	2.4	312	290
Bulgaria 2.0% '22	EUR	BBB-/Baa2	26/3/2022	1.250	-0.3	41	23
Bulgaria 2.95% '24	EUR	BBB-/Baa2	3/9/2024	1.493	-0.3	50	22
Bulgaria 2.62% '27	EUR	BBB-/Baa2	26/3/2027	1.000	-0.1	67	36
Bulgaria 1.12% '35	EUR	BBB-/Baa2	26/3/2035	900	0.8	116	104
Cyprus 1.875% '22	EUR	NA/Baa2	6/5/2022	1.000	0.0	71	56
Cyprus 1.75% '23	EUR	NA/Baa2	26/7/2023	1.000	0.2	101	71
Cyprus 2.75% '24	EUR	NA/Baa2	27/6/2024	850	0.2	97	71
Cyprus 4.25% '25	EUR	NA/Baa2	4/11/2025	1.000	0.1	81	58
North Macedonia 1.975% '21	EUR	BB-/NA	24/7/2021	500	0.8	151	563
North Macedonia 5.625% '23	EUR	BB-/NA	26/7/2023	450	1.2	199	183
North Macedonia 2.75% '25	EUR	BB-/NA	18/1/2025	500	1.5	229	202
North Macedonia 3.95% '26	EUR	BB-/NA	3/6/2026	700	1.6	231	211
Romania 1.625% '24	EUR	BBB-/BBB-	24/4/2024	1.250	0.5	126	103
Romania 2.793% '26	EUR	BBB-/BBB-	26/2/2026	1.300	3.5	214	284
Romania 2.375% '27	EUR	BBB-/BBB-	19/4/2027	2.000	1.0	172	149
Serbia 1.5% '29	EUR	BB/Baa3	26/6/2029	1.550	1.4	200	168
Turkey 4.125% '23	EUR	NR/Baa3	11/4/2023	1.000	2.9	366	345
Turkey 5.2% '26	EUR	NA/Baa3	16/2/2026	1.500	5.2	473	446
Ukraine 6.75% '26	EUR	B-/Caa2	20/6/2026	1.000	5.2	590	578

**EUR-Denominated Eurobond Spreads (November 30<sup>th</sup> 2020)**



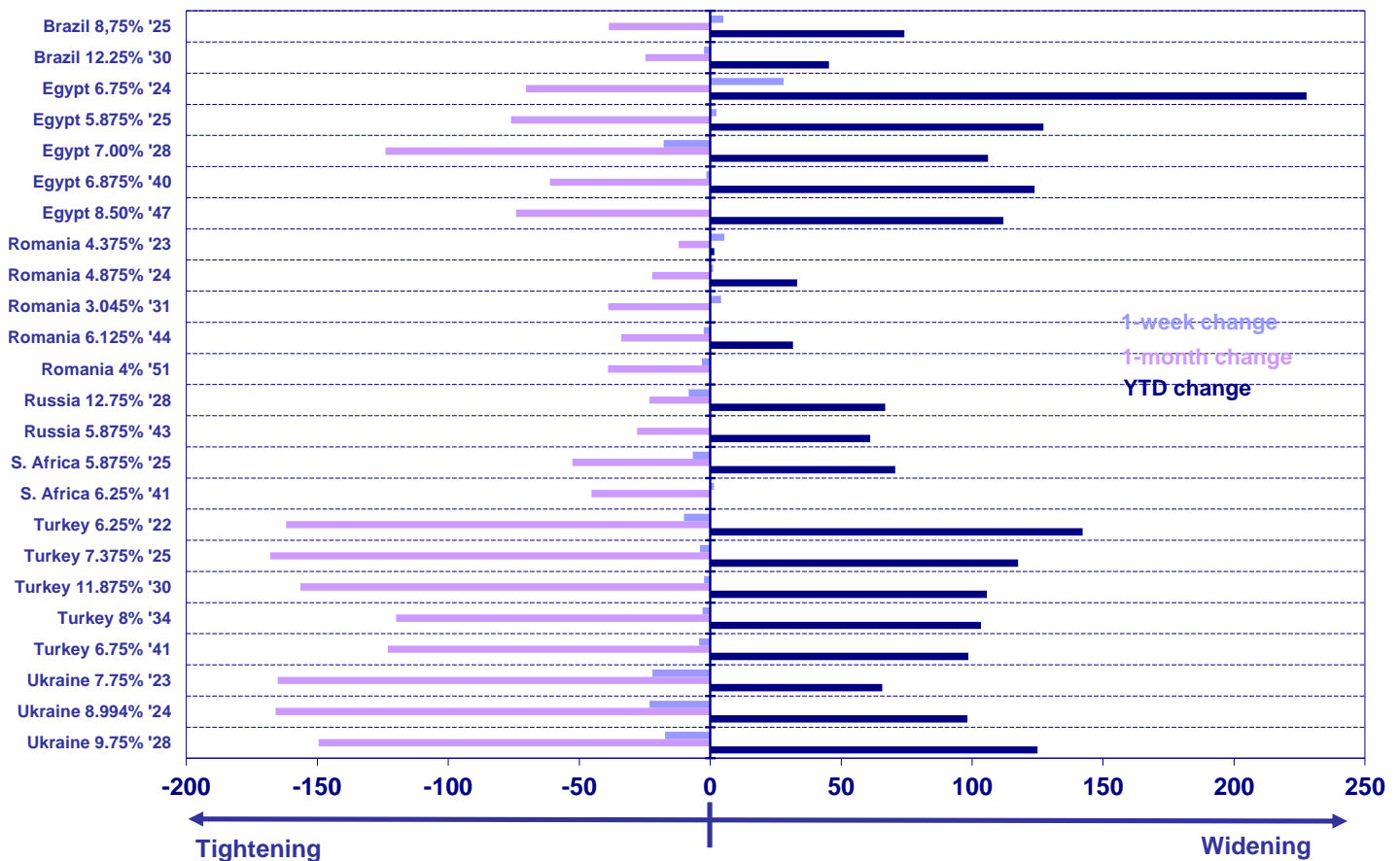
Sources: Reuters & NBG estimates



**USD-DENOMINATED SOVEREIGN EUROBOND SUMMARY. NOVEMBER 30<sup>TH</sup> 2020**

	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	188	215
Brazil 12.25% '30	USD	NA/Ba2	6/3/2030	238	3.6	273	387
Egypt 6.75% '24	USD	NA/B2	10/11/2024	1,320	5.2	500	493
Egypt 5.875% '25	USD	B/B2	11/6/2025	1,500	4.5	413	418
Egypt 7.00% '28	USD	NA/B2	10/11/2028	1,320	5.7	506	515
Egypt 6.875% '40	USD	B/B2	30/4/2040	500	6.9	569	563
Egypt 8.50% '47	USD	NA/B2	31/1/2047	2,500	7.8	628	679
Romania 4.375% '23	USD	BBB-/BBB-	22/8/2023	1,500	1.1	87	84
Romania 4.875% '24	USD	BBB-/BBB-	22/1/2024	1,000	1.2	99	94
Romania 3.045% '31	USD	BBB-/BBB-	14/2/2031	1,300	2.2	140	142
Romania 6.125% '44	USD	BBB-/BBB-	22/1/2044	1,000	3.5	214	284
Romania 4% '51	USD	BBB-/BBB-	14/2/2051	2,000	3.5	191	233
Russia 12.75% '28	USD	BBB-/Baa3	24/6/2028	2,500	2.3	173	239
Russia 5.875% '43	USD	BBB-/Baa3	16/9/2043	1,500	3.3	192	258
S. Africa 5.875% '25	USD	BB/Baa3	16/9/2025	2,000	3.3	292	303
S. Africa 6.25% '41	USD	BB/Baa3	8/3/2041	750	5.9	454	476
Turkey 6.25% '22	USD	NR/Ba3	26/9/2022	2,500	4.6	441	435
Turkey 7.375% '25	USD	NR/Ba3	5/2/2025	3,250	5.2	481	498
Turkey 11.875% '30	USD	NR/Ba3	15/1/2030	1,500	6.1	525	648
Turkey 8% '34	USD	NR/Ba3	14/2/2034	1,500	6.4	557	578
Turkey 6.75% '41	USD	NR/Ba3	14/1/2041	3,000	6.6	522	508
Ukraine 7.75% '23	USD	B-/Caa1	1/9/2023	1,355	4.5	429	437
Ukraine 8.994% '24	USD	B-/Caa1	1/2/2024	750	5.0	482	499
Ukraine 9.75% '28	USD	B-/Caa1	1/11/2028	1,600	6.7	604	653

**USD-Denominated Eurobond Spreads (November 30<sup>th</sup> 2020)**



Sources: Reuters & NBG estimates

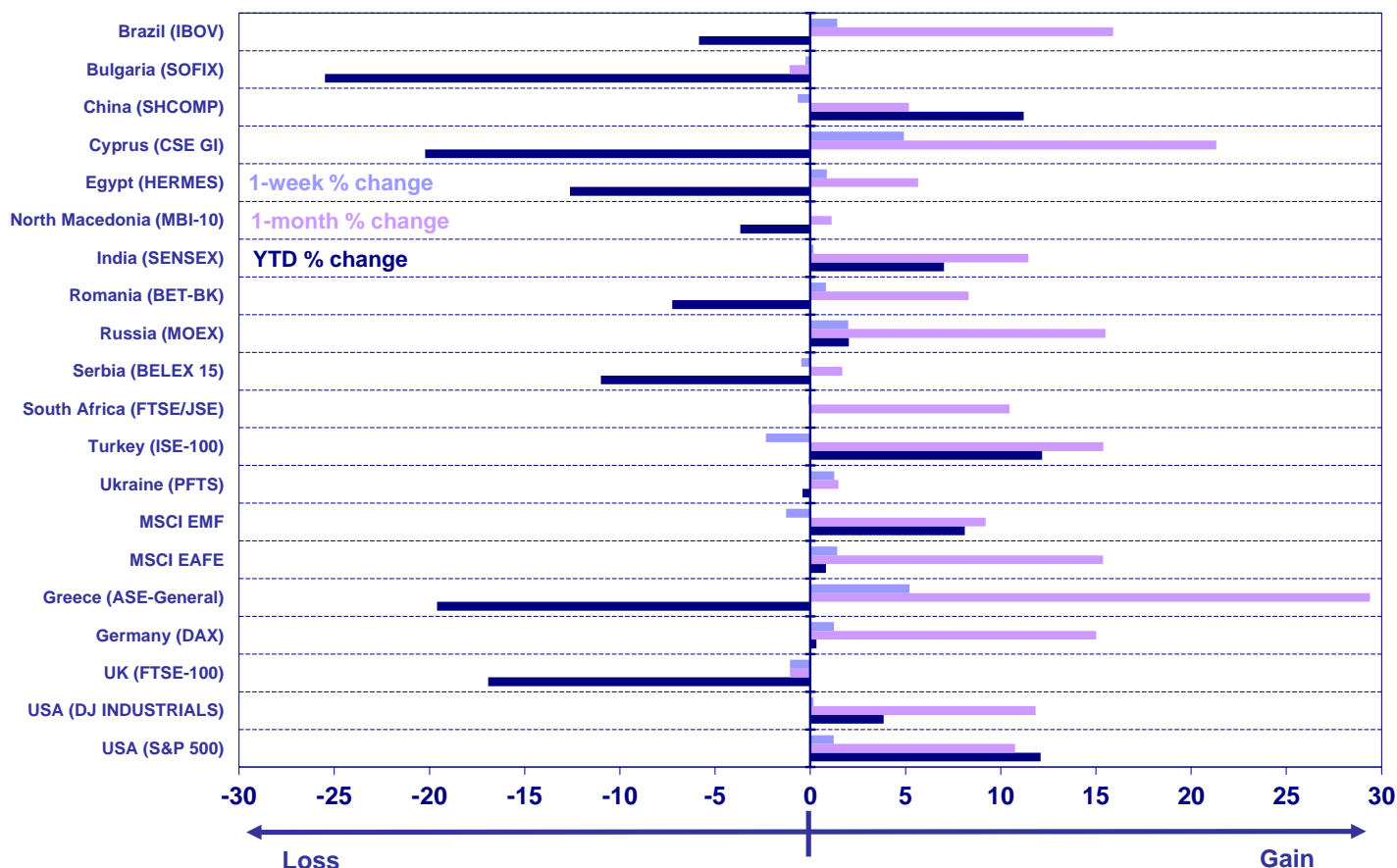




**STOCK MARKETS PERFORMANCE. NOVEMBER 30<sup>TH</sup> 2020**

	2020							2019		2018		
	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)	108,893	1.4	15.9	-5.8	0.0	61,691	119,593	-33.4	31.6	0.8	15.0	2.5
Bulgaria (SOFIX)	423	-0.3	-1.1	-25.5	-22.7	401	587	-25.5	-4.4	-4.4	-12.3	-12.3
China (SHCOMP)	3,392	-0.7	5.2	11.2	17.9	2,647	3,459	10.6	22.3	0.8	-24.6	-25.2
Cyprus (CSE GI)	52	4.9	21.3	-20.2	-21.8	42	68	-20.2	-2.6	-2.6	-3.9	-3.9
Egypt (HERMES)	1,121	0.9	5.7	-12.6	-10.5	756	1,290	-16.1	0.4	0.8	-11.1	-11.1
North Macedonia (MBI)	4,478	0.0	1.1	-3.7	0.4	3,256	5,015	-3.7	34.0	34.0	36.6	36.6
India (SENSEX)	44,150	0.2	11.4	7.0	8.2	25,639	44,825	-3.2	14.4	0.9	5.9	1.6
Romania (BET-BK)	1,755	0.8	8.3	-7.2	-6.1	1,356	1,979	-8.9	29.7	0.9	-11.6	-11.1
Russia (MOEX)	3,108	2.0	15.5	2.0	6.4	2,074	3,227	-22.2	30.8	0.8	10.3	-3.9
Serbia (BELEX-15)	714	-0.5	1.7	-11.0	-7.4	605	819	-11.0	5.3	0.8	0.2	0.5
South Africa (FTSE/JSE)	57,092	-0.1	10.5	0.0	4.2	37,178	59,105	-14.8	8.2	0.9	-11.4	-20.1
Turkey (ISE 100)	1,284	-2.3	15.4	12.2	18.8	819	1,352	-19.9	25.4	0.9	-20.9	-40.5
Ukraine (PFTS)	508	1.3	1.5	-0.4	-0.4	499	537	-22.3	-8.9	0.8	77.5	88.1
MSCI EMF	1,205	-1.3	9.2	8.1	15.8	752	1,233	1.6	15.4	0.9	-16.6	-12.8
MSCI EAFE	2,054	1.4	15.4	0.8	4.4	1,354	2,080	-5.2	18.4	0.9	-16.1	-12.3
Greece (ASE-General)	737	5.2	29.4	-19.6	-17.5	470	949	-19.6	49.5	49.5	-23.6	-23.6
Germany (XETRA DAX)	13,291	1.3	15.0	0.3	2.5	8,256	13,795	0.3	25.5	25.5	-18.3	-18.3
UK (FTSE-100)	6,266	-1.1	12.4	-16.9	-14.0	4,899	7,690	-19.8	12.1	0.9	-12.5	-13.5
USA (DJ INDUSTRIALS)	29,639	0.2	11.8	3.9	6.7	18,214	30,117	-2.4	22.3	0.9	-5.6	-1.3
USA (S&P 500)	3,622	1.2	10.8	12.1	16.3	2,192	3,646	5.4	28.9	0.9	-6.2	-1.9

**Equity Indices (November 30<sup>th</sup> 2020)**



Sources: Reuters & NBG estimates



**DISCLOSURES:** *This report has been produced by the Economic Analysis Division of the National Bank of Greece, which is regulated by the Bank of Greece, and is provided solely for the information of professional investors who are expected to make their own investment decisions without undue reliance on its contents, i.e. only after effecting their own independent enquiry from sources of the investors' sole choice. The information contained in this report does not constitute the provision of investment advice and under no circumstances is it to be used or considered as an offer or an invitation to buy or sell or a solicitation of an offer or invitation to buy or sell or enter into any agreement with respect to any financial asset, service or investment. Any data provided in this report has been obtained from sources believed to be reliable but have to be not been independently verified. Because of the possibility of error on the part of such sources, National Bank of Greece does not guarantee the accuracy, timeliness or usefulness of any information. The National Bank of Greece and its affiliate companies, its representatives, its managers and/or its personnel or other persons related to it, accept no liability for any direct or consequential loss arising from any use of this report. The final investment decision must be made by the investor and the responsibility for the investment must be taken by the investor. This report is not directed to nor intended for distribution to use or used by any person or entity that is a citizen or resident of or located in any locality, state, country or other jurisdiction where such a distribution, publication, availability or use would be contrary to any law, regulation or rule. The report is protected under intellectual property laws and may not be altered, reproduced or redistributed, to any other party, in whole or in part, without the prior written consent of National Bank of Greece.*