



Economic Analysis Division Emerging Markets Analysis

Bi-Weekly Report 3 - 16 November 2020



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

The change in the helm of the CBRT marks a shift towards “more orthodox” policy tightening, easing market concerns and bolstering the TRY exchange rate

Lending activity continued to expand at a fast pace in October

SERBIA 2

A sizeable fiscal impulse in 9M:20 helped cushion the COVID-19 shock

Monetary policy is set to remain accommodative, despite limited room for further rate cuts

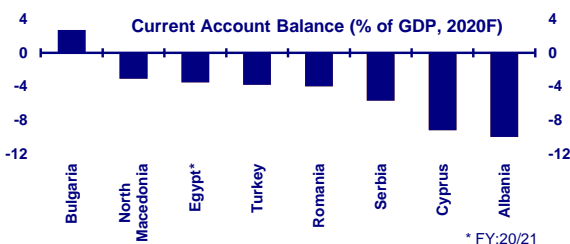
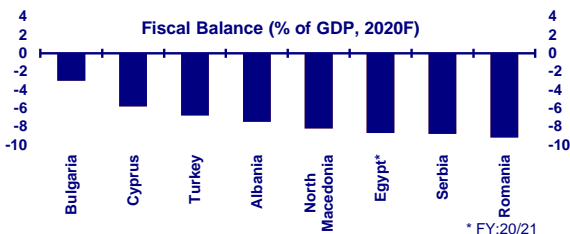
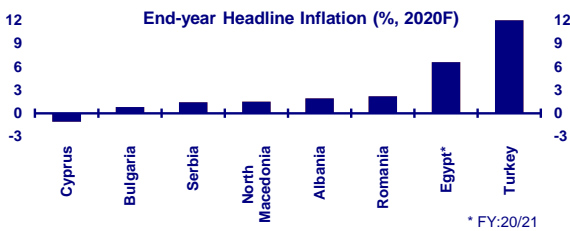
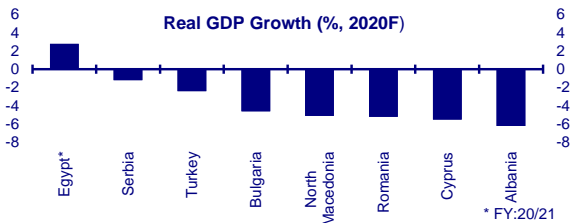
CYPRUS 3

Budget deficit hits record-high (yet still manageable) levels, due to the pandemic

Although it is projected to underperform its target deficit of 0.7% of GDP, the FY:21 budget is set to fall well below the EU threshold of 3.0%

The COVID-19 shock leaves Cyprus with a significant debt legacy

APPENDIX: FINANCIAL MARKETS 4

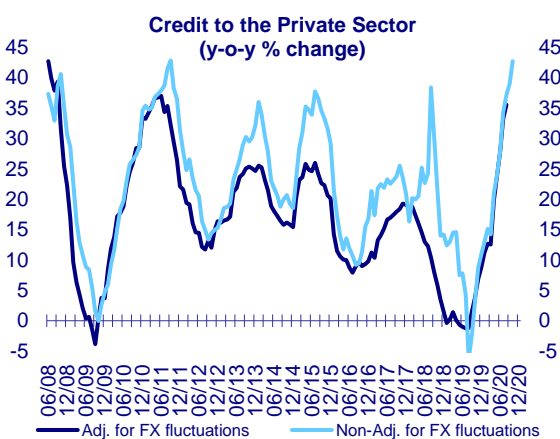
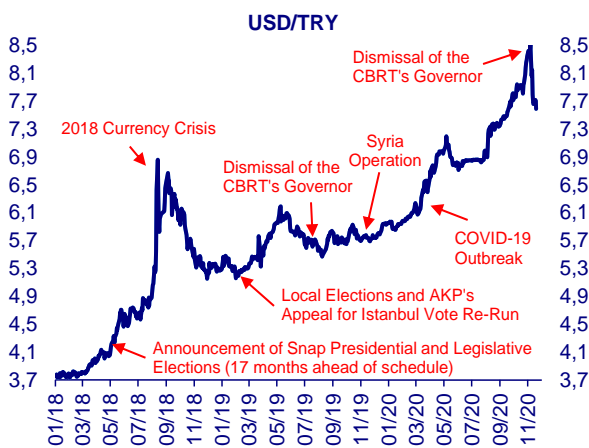
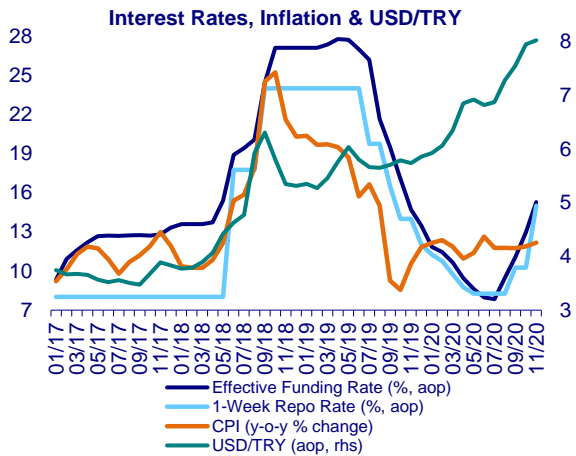


Sources: National authorities, IMF & NBG estimates



Turkey

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



The change in the helm of the CBRT marks a shift towards “more orthodox” policy tightening, easing market concerns. In a surprise move, in early-November, President R. T. Erdogan replaced the Central Bank Governor, M. Uysal, with N. Agbal, an ex-finance ministry. The former was reportedly held responsible for the sharp depreciation of the TRY this year (see below). The reshuffle in the CBRT was accompanied by the stepping-down of the Minister of Finance and President Erdogan’s son-in-law, B. Albayrak, for health reasons.

Although President Erdogan’s intervention raised fresh concerns over the independence of the CBRT (recall that this is the 2nd change in the central bank’s leadership over the past 16 months), markets appear to have calmed down to some extent, following the easing in the President’s rhetoric against high interest rates and, most importantly, the hike in the policy rate delivered by the new authority. Indeed, at its mid-November meeting, the latter raised its 1-week repo rate by a significant 475 bps to 15.0% (c.3.0% in real *ex-post* terms, above that of its peers). At the same time, it said that all funding will be provided through the main policy rate, an important step in making policy more transparent and predictable. Recall that the CBRT had last raised its key rate in September (up 200 bps to 10.25%). Since then, it had been increasingly relying on its more expensive lending facilities to provide liquidity to banks, disappointing markets, which wanted to see a more “conventional” tightening in monetary policy.

Turkey is in a dire need of a tight monetary policy to restore confidence in the TRY. The latter has lost 22% of its value against the USD y-t-d (recording, however, gains of c. 12% since the change in the CBRT’s leadership), following losses of 36% in 2018-19. Indeed, rapidly deteriorating external imbalances (the 12-month rolling current account balance turned into a deficit of 4.0% of GDP in September from a surplus of 1.8% a year ago), on the back, *inter alia*, of a sizeable credit impulse, have drained the CBRT’s FX reserves (adjusted for gold, short-term borrowing from banks and banks’ required reserves, net FX reserves stand at USD -57.0bn), putting significant pressure on the TRY.

All said, a credible (tight) monetary policy stance, together with the implementation of meaningful structural reforms, are a *sine qua non* condition for TRY volatility to subside. In this context, we expect the CBRT to maintain its policy rate at current levels at least until signs of correction in external imbalances emerge and inflation expectations get well anchored.

Lending activity continued to expand at a fast pace in October. Credit to the private sector surged by 42.7% y-o-y in October (up 34.4% in FX-adjusted terms) against a rise of 10.8% (up 8.7% in FX-adjusted terms) at end-2019. The expansion is driven by state-owned banks (their loan portfolio went up 49.8% y-o-y in October), which have been urged by the Government to offer cheap lending (even at below inflation interest rates) in a bid to contain the fallout from COVID-19. Private banks have followed suit (their loan portfolio went up 36.9% y-o-y in October), benefitting from the provision of cheap liquidity by the CBRT, at least until end-July, when the latter began tightening its stance. From a currency perspective, credit growth is driven by TRY lending, as demand for FX loans remained weak, on the back of high FX volatility.

Looking ahead, credit expansion should lose steam gradually, taking a toll on economic growth. The key drivers include: i) a more conventional monetary policy; ii) banks’ tight liquidity position (with a loan-to-deposit ratio of 112%); and ii) a deterioration in asset quality, in view of the impact of COVID-19 and a weak TRY. Note that the NPL ratio remained subdued at 4.1% in September against 5.3% at end-2019, with the improvement attributed to rapid credit expansion and, to a lesser extent, a COVID-19-related regulatory forbearance (effective until end-year).

	16 Nov.	3-M F	6-M F	12-M F
1-m TRIBOR (%)	15.9	16.5	16.0	14.0
TRY/EUR	9.12	9.25	9.48	9.80
Sov. Spread (2025, bps)	401	400	370	320

	16 Nov.	1-W %	YTD %	2-Y %
ISE 100	1293	5.0	13.0	38.1

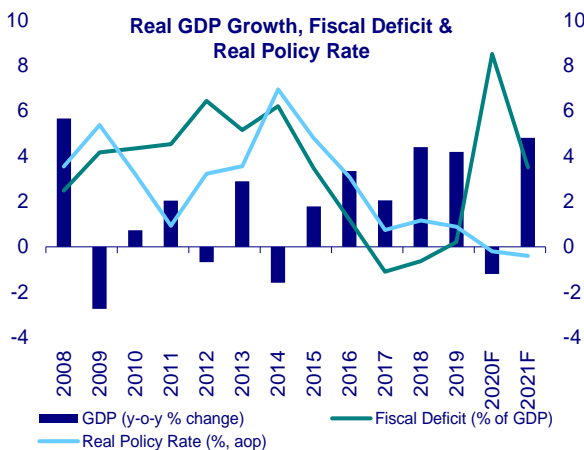
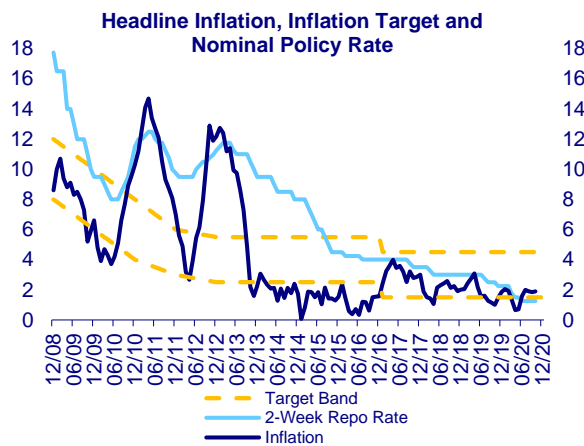
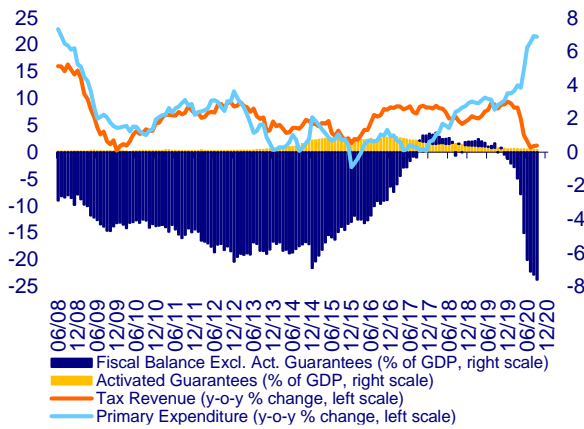
	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	7.5	2.8	0.9	-2.4	4.4
Inflation (eop, %)	11.9	20.3	11.8	12.0	10.8
Cur. Acct. Bal. (% GDP)	4.8	-2.7	1.1	-3.8	-3.0
Fiscal Bal. (% GDP)	-1.5	-1.9	-2.9	-6.8	-4.5

Sources: Reuters, CBRT, BDDK & NBG estimates



Serbia

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



A sizeable fiscal impulse in 9M:20 helped cushion the COVID-19 shock. In 9M:20, the budget deficit widened by 7.3 pps y-o-y to 6.7% of GDP, boosted by the cost of the COVID-10 relief package. The key measures implemented include: i) increased healthcare spending; ii) tax deferrals; iii) wage subsidies; and iv) a universal cash transfer of EUR 100 to adult citizens and an one-off payment to pensioners. The Government's generous incomes policy (including a 9.6% hike in public sector wages and a 5.0% rise in pensions) compounded spending pressures, with overall current spending rising markedly (up 5.8 pps of GDP y-o-y in 9M:20). Public investment (mainly in infrastructure) also increased in 9M:20 (up 0.4 pps of GDP y-o-y). On the other side of the budget, tax revenue was compressed, albeit moderately (down 0.6 pps of GDP y-o-y in 9M:20), driven by lower revenue from social security contributions, due to the tax deferrals granted.

Looking ahead, the budget is set to remain under pressure, reflecting the impact of automatic stabilizers. Overall, we see the fiscal balance moving into a deficit of 8.8% of GDP in FY:20, in line with its revised target, from a broadly balanced position in FY:19.

Importantly, the Serbian authorities' bold fiscal policy response has managed to contain the economic fallout from COVID-19. According to the latest available data, GDP contracted by a "shallow" 1.0% y-o-y in 9M:20, marking one of the best performances in Europe.

Worryingly, the fiscal space available to respond to the second COVID-19 wave with new measures has been limited, in view of the rise in gross public debt. The latter is projected to reach 61.0% of GDP at end-2020, above the authorities' threshold level of 60.0%, against 52.7% at end-2019. Risks to this forecast are tilted to the upside, reflecting, *inter alia*, the increase in contingent liabilities, including state guarantees for bank loans extended this year.

For FY:21, we expect the fiscal stimulus to be unwound, as economic activity recovers. The continuation of a loose income policy should contain slightly the extent of fiscal consolidation. All said, we see the budget deficit narrowing markedly to 3.8% of GDP in FY:21, still above its target of 3.0% (note that the details of the budget have not yet been publicly released).

Monetary policy is set to remain accommodative, 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 3 times since March (with the last cut coming in June) by a total of 100 bps (to 1.25% or -0.5% 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 paper (EUR 0.8bn in 10M:20).

Moreover, in light of tighter external financing conditions, it has been actively engaged in the FX market (selling a net total of c. EUR 1.7bn in 10M:20), with a view to containing the RSD. The latter has remained broadly stable since the beginning of the year. Importantly, the NBS has still enough firepower to defend the currency, with its FX reserves currently standing at EUR 13.0bn (5½ months of GNFS imports).

Considering the stable inflation outlook (headline inflation is expected to stay within the lower half of the target range of at 3±1.5% by end-2021) and the slightly positive real *ex-post* policy rates of Serbia's peers, we believe that the NBS has limited room for further rate cuts. As a result, the NBS's focus has now shifted on stimulating credit activity. In this context, it 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 16.4% y-o-y in September against 8.7% at end-2019).

	16 Nov.	3-M F	6-M F	12-M F
1-m BELIBOR (%)	0.7	0.7	0.7	0.7
RSD/EUR	117.5	117.5	117.5	116.5
Sov. Spread (2029, bps)	179	172	165	145

	16 Nov	1-W %	YTD %	2-Y %
BELEX-15	709	-0.2	-11.5	-4.9

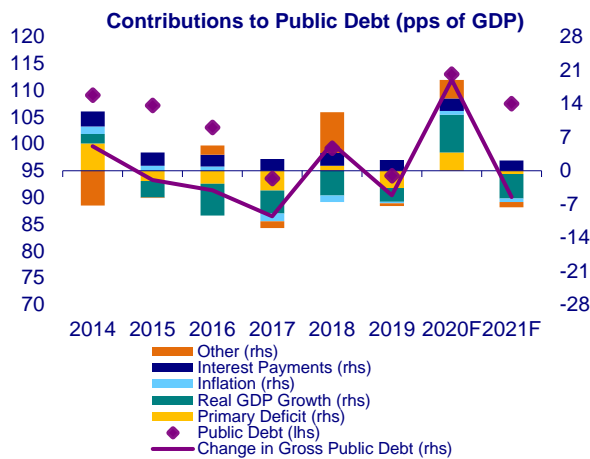
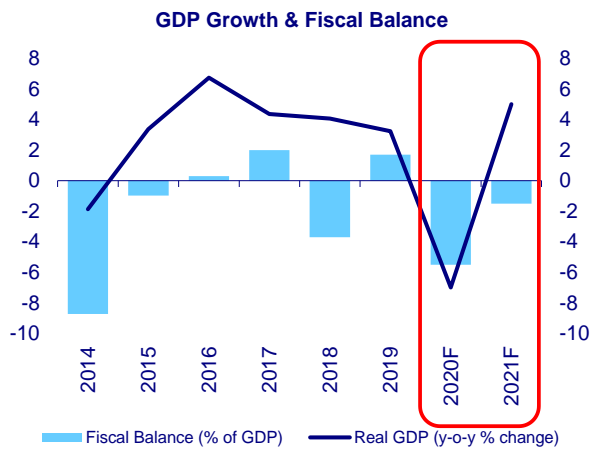
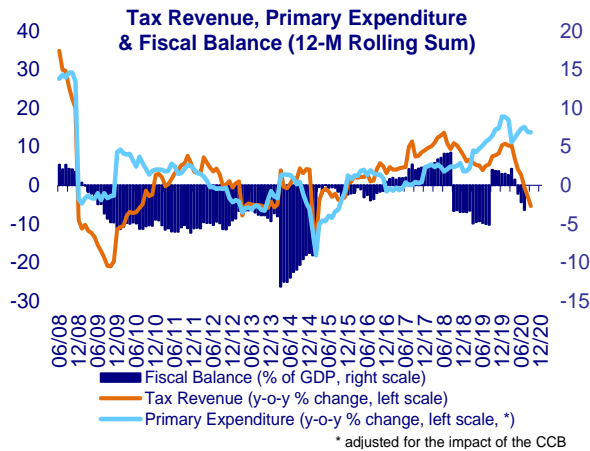
	2017	2018	2019F	2020F	2021F
Real GDP Growth (%)	2.0	4.4	4.2	-1.2	4.8
Inflation (eop, %)	3.0	2.0	1.9	1.4	2.6
Cur. Acct. Bal. (% GDP)	-5.2	-4.8	-6.9	-5.7	-5.8
Fiscal Bal. (% GDP)	1.1	0.6	-0.2	-8.8	-3.8

Sources: Reuters, NBS, OPBC, Ministry of Finance & NBG estimates



Cyprus

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



Budget deficit hits record-high (yet still manageable) levels, due to the pandemic. In 9M:20, the budget widened by 6.0 pps y-o-y to a deficit of 3.4% of GDP, mainly due to increased spending to mitigate the impact of COVID-19. The key measures adopted include: i) higher spending on the healthcare system; ii) wage subsidies; iii) an one-off subsidy to SMEs and self-employed; and iv) targeted support to the tourism sector. The gradual unwinding of the financial crisis-era wage cuts also took a toll. As a result, current spending rose markedly in 9M:20 (up 6.4 pps of GDP y-o-y). This deterioration was partly offset by a cut in public investment (down 1.2 pps of GDP y-o-y), following the reprioritization of spending amid the COVID-19 crisis. On the other side of the budget, tax revenue was also affected, albeit to a lesser extent (down 0.8 pps of GDP y-o-y in 9M:20), mostly reflecting the impact of the tax discounts and deferrals granted. The drop in tax revenue would have been larger had revenue from social security contributions not picked-up (by 0.6 pps of GDP y-o-y), due, *inter alia*, to a positive base effect from the hike in underlying rates in the context of the National Health and Insurance System (NHIS) reform.

In light of a resurgence in COVID-19 infections and the enforcement of containment measures, the authorities were prompted to announce a new set of fiscal relief initiatives in November. The latter include a temporary reinstatement of the wage subsidy scheme and a new one-off subsidy to affected businesses. All said, following 5 years of fiscal surpluses (adjusted for one-offs related to the CCB closure in 2015 and 2018), including a surplus of 1.5% of GDP in FY:19, the budget is set to turn into a large, yet manageable and lower than euro area average, deficit of 5.8%, above its revised target of 4.5%. Importantly, despite the high sovereign gross debt (see below), Cyprus is well placed to weather the COVID-19 shock, as it has taken advantage of favourable macroeconomic conditions in recent years to improve its headline and structural fiscal balance (note that a broadly similar, in terms of size, fiscal impulse is set to push up the budget deficit to c. 9% of GDP on average in euro area this year).

Although it is projected to underperform its target deficit of 0.7% of GDP, the FY:21 budget is set to fall well below the EU threshold of 3.0%. The FY:21 budget has been built on the assumption of a strong rebound in economic activity (GDP, up 4.5%). The latter, together with the reversal of the temporary support measures implemented in FY:20 (with the exception of the interest rate subsidisation scheme for new corporate and mortgage loans, which is projected to add c. 0.3 pps to budget spending), would be the key drivers behind the envisaged fiscal consolidation next year. However, in view of: i) the weaker-than-envisaged starting position (reflecting the slippage against the FY:19 budget target) and, to a lesser extent, ii) the rollout of the 2nd phase of the NHIS reform and the continuing phasing-out of public sector wage cuts, we believe that the budget deficit target of 0.7% is not attainable. As a result, we see the budget deficit narrowing to 1.5% of GDP in FY:21, above its target of 0.7%, but below the EU's threshold of 3.0%.

Risks to our forecast are tilted to the downside, reflecting: i) the potential need to extend further the emergency schemes, in the face of the second COVID-19 wave; and ii) the increase in contingent liabilities (mainly state loan guarantees and the asset protection scheme provided to the Hellenic Bank).

The COVID-19 shock leaves Cyprus with a significant debt legacy. As a result, of the economic contraction ("snowball effect") and, to a lesser extent, the sharp deterioration in the primary balance, gross public debt is set to jump to 113.0% of GDP at end-2020 from 94.0% at end-2019. Fiscal consolidation and the economic recovery should help push down the gross public debt-to-GDP ratio to 107.5% by end-2021.

	16 Nov.	3-M F	6-M F	12-M F
1-m EURIBOR (%)	-0.54	-0.54	-0.52	-0.50
EUR/USD	1.19	1.19	1.20	1.21
Sov. Spread (2025. bps)	97	130	125	120

	16 Nov.	1-W %	YTD %	2-Y %
CSE Index	46	5.0	-29.2	-30.7

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	5.2	5.2	3.1	-5.5	4.2
Inflation (eop. %)	-0.6	1.7	0.7	-1.1	0.9
Cur. Acct. Bal. (% GDP)	-5.3	-3.9	-6.3	-9.2	-7.5
Fiscal Bal. (% GDP)	1.9	-3.5	1.5	-5.8	-1.5

Sources: Reuters, Ministry of Finance & NBG estimates



FOREIGN EXCHANGE MARKETS. NOVEMBER 16TH 2020

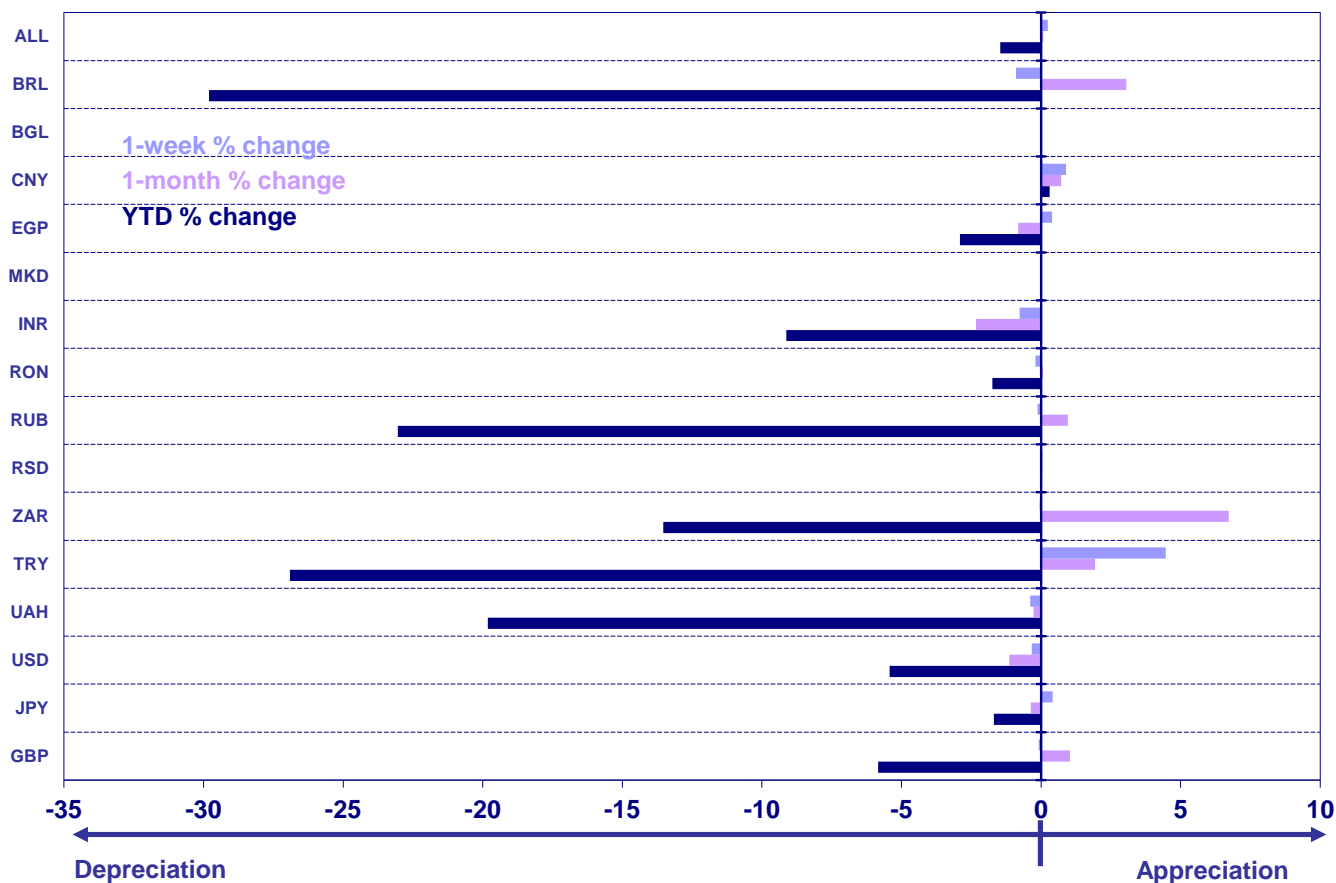
Against the EUR

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	123.4	0.2	0.1	-1.5	-0.8	121.9	129.3	123.3	123.3	123.0	1.4	7.8
Brazil	BRL	6.42	-0.9	3.1	-29.8	-27.3	4.48	6.79	---	---	6.63	-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	7.79	0.9	0.7	0.3	-0.2	7.54	8.32	---	---	8.05	0.6	-0.8
Egypt	EGP	18.45	0.4	-0.8	-2.9	-3.7	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	88.1	-0.8	-2.3	-9.1	-9.5	77.2	89.4	---	---	---	-0.3	-3.9
Romania	RON	4.87	-0.2	0.1	-1.7	-2.0	4.82	4.88	4.90	4.94	5.03	-2.8	0.6
Russia	RUB	90.3	-0.1	1.0	-23.0	-21.7	67.7	94.1	91.2	92.1	94.2	15.1	-13.4
Serbia	RSD	117.5	0.1	0.0	0.0	-0.1	117.5	117.7	117.5	117.4	---	0.6	0.2
S. Africa	ZAR	18.2	-0.1	6.7	-13.5	-9.8	15.61	20.93	18.4	18.6	19.0	4.8	-9.9
Turkey	YTL	9.12	4.5	1.9	-26.9	-30.4	6.51	10.19	9.46	9.81	10.57	-9.2	-24.9
Ukraine	UAH	33.3	-0.4	-0.3	-19.8	-19.9	26.35	33.65	---	---	---	18.6	6.0
US	USD	1.19	-0.3	-1.1	-5.4	-6.6	1.1	1.2	1.19	1.19	1.19	4.6	0.7
JAPAN	JPY	123.9	0.4	-0.4	-1.7	-2.9	114.4	127.1	124.0	124.1	124.3	7.5	0.6
UK	GBP	0.90	-0.1	1.0	-5.8	-4.8	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 16th 2020)



Sources: Reuters & NBG estimates



MONEY MARKETS. NOVEMBER 16TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
O/N	0.6	1.9	0.0	2.3	---	8.6	---	---	1.3	4.6	---	15.3	4.4	6.1	---	0.1
T/N	---	---	---	---	---	---	---	---	1.3	4.1	0.4	---	4.6	---	---	---
S/W	0.7	1.9	---	2.3	-0.5	---	1.1	---	---	4.1	0.4	---	4.8	6.3	-0.5	0.1
1-Month	1.0	1.9	---	2.7	-0.5	---	1.2	---	2.0	4.1	0.7	15.9	5.1	8.5	-0.5	0.1
2-Month	---	1.9	---	---	---	---	---	---	---	4.6	0.8	16.0	5.3	---	---	0.2
3-Month	1.4	2.0	---	3.0	---	---	1.4	3.8	2.0	4.7	1.0	16.3	5.4	10.2	---	0.2
6-Month	1.7	2.3	---	3.1	---	---	1.6	---	2.1	4.7	1.2	16.6	5.4	---	---	0.2
1-Year	2.1	3.1	---	3.2	-0.1	---	1.8	---	2.1	4.3	---	16.9	5.4	---	-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 16TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
3-Month	---	---	---	---	---	13.3	---	3.3	---	4.2	---	13.0	---	7.5	-0.6	0.1
6-Month	1.4	---	---	---	---	13.3	---	3.4	2.3	4.2	3.3	13.5	---	9.0	-0.7	0.1
12-Month	1.8	---	-0.1	3.0	---	13.4	0.6	3.5	2.6	4.1	1.6	13.6	---	10.4	-0.7	0.1
2-Year	2.4	---	---	3.0	---	---	0.9	4.2	2.8	4.5	---	13.7	4.2	---	-0.7	0.2
3-Year	---	---	---	3.1	0.2	---	---	4.7	2.8	4.6	---	13.2	7.1	11.0	-0.8	0.2
5-Year	---	6.5	---	3.1	0.1	14.3	---	5.2	3.0	5.2	2.7	12.4	6.9	---	-0.7	0.4
7-Year	---	---	0.3	---	0.1	14.3	---	5.9	3.0	5.5	---	---	---	---	-0.7	0.7
10-Year	---	7.4	0.4	3.3	---	14.5	---	5.9	3.3	5.8	---	12.1	8.8	---	-0.5	0.9
15-Year	---	---	---	---	---	---	3.0	6.4	---	6.2	---	---	9.9	---	-0.4	---
25-Year	---	---	---	---	---	---	---	---	---	---	---	---	11.2	---	---	---
30-Year	---	---	---	---	---	---	---	6.8	---	---	---	---	11.1	---	-0.1	1.7

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

CORPORATE BONDS SUMMARY. NOVEMBER 16TH 2020

		Currency	Rating S&P / Moody's	Maturity	Amount Outstanding (in million)	Bid Yield	Gov. Spread	Asset Swap Spread
Bulgaria	Bulgaria Energy Hold EAD 4.875% '21	EUR	NA/NA	2/8/2021	550	1.8	245	230
South Africa	Standard Bank Group Ltd 5.95% '29	USD	BB/Baa3	31/5/2029	400	5.1	483	472
	FirstRand Bank Ltd 6.25% '28	USD	NA/NA	23/4/2028	500	5.0	483	474
	Arcelik AS 3.875% '21	EUR	BB+/NA	16/9/2021	350	2.7	332	315
	Garanti Bank 5.25% '22	USD	NA/Ba3	13/9/2022	750	4.7	449	438
	Turkiye Is Bankasi 6% '22	USD	NA/B2	24/10/2022	1,000	7.8	767	733
Turkey	Vakifbank 5.75% '23	USD	NA/B1	30/1/2023	650	6.3	610	589
	TSKB 5.5% '23	USD	NA/B2	16/1/2023	350	7.8	762	720
	Petkim 5.875% '23	USD	NA/B1	26/1/2023	500	5.5	533	519
	Koc Holding 5.25% '23	USD	BBB-/Ba2	15/3/2023	750	4.7	450	438

CREDIT DEFAULT SWAP SPREADS. NOVEMBER 16TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine
5-Year	---	175	45	33	98	379	---	77	109	80	105	393	219	525
10-Year	---	241	95	64	119	457	---	85	141	143	123	416	281	541

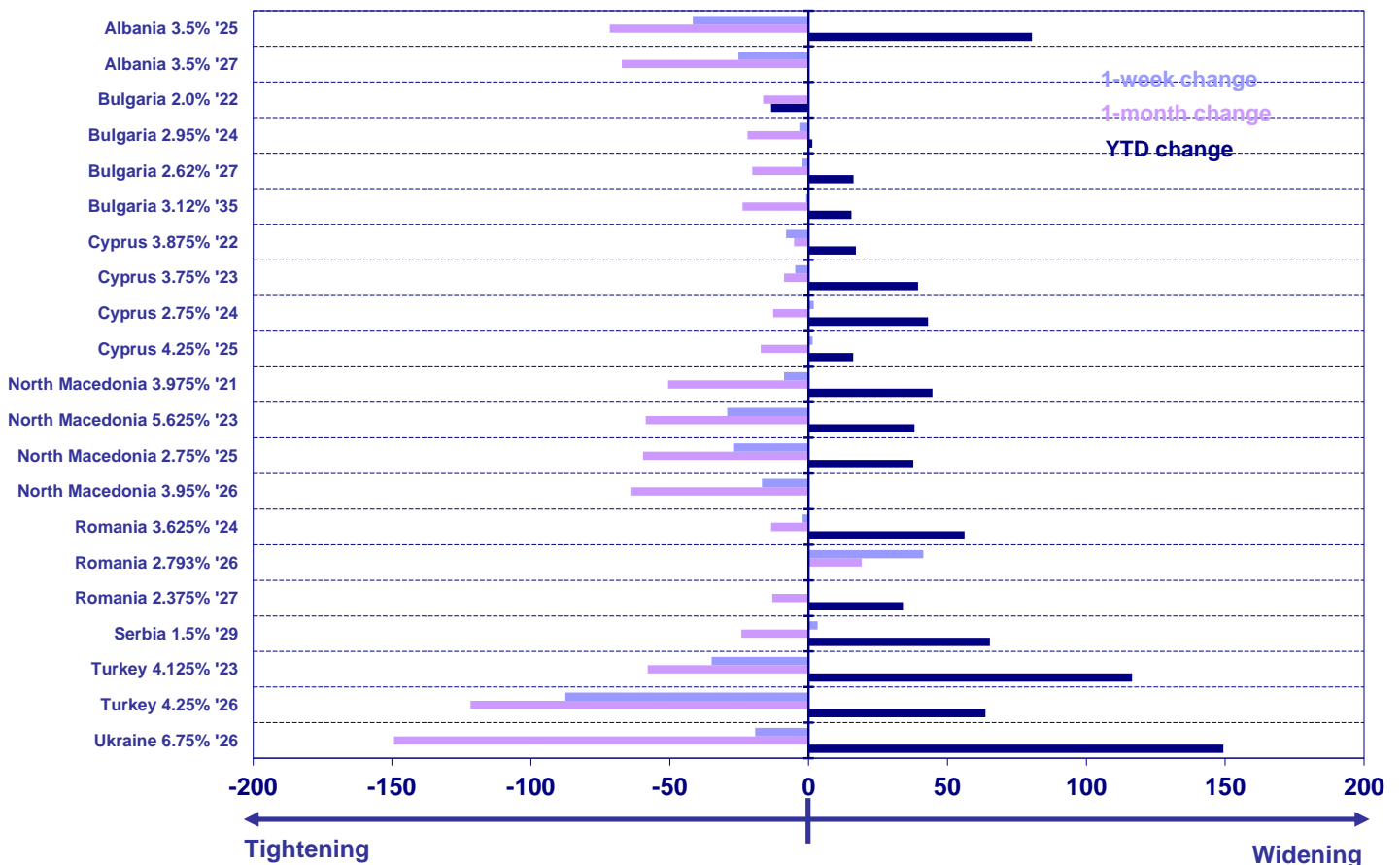
Sources: Reuters & NBG estimates



EUR-DENOMINATED SOVEREIGN EUROBOND SUMMARY. NOVEMBER 16TH 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	2.3	304	281
Albania 3.5% '27	EUR	B+/B1	16/6/2027	650	2.4	312	289
Bulgaria 2.0% '22	EUR	BBB-/Baa2	26/3/2022	1.250	-0.3	35	17
Bulgaria 2.95% '24	EUR	BBB-/Baa2	3/9/2024	1.493	-0.3	48	20
Bulgaria 2.62% '27	EUR	BBB-/Baa2	26/3/2027	1.000	-0.1	66	35
Bulgaria 1.12% '35	EUR	BBB-/Baa2	26/3/2035	900	0.8	115	100
Cyprus 1.875% '22	EUR	NA/Baa2	6/5/2022	1.000	0.0	70	50
Cyprus 1.75% '23	EUR	NA/Baa2	26/7/2023	1.000	0.2	97	77
Cyprus 2.75% '24	EUR	NA/Baa2	27/6/2024	850	0.2	99	74
Cyprus 4.25% '25	EUR	NA/Baa2	4/11/2025	1.000	0.1	84	62
North Macedonia 1.975% '21	EUR	BB-/NA	24/7/2021	500	1.0	162	561
North Macedonia 5.625% '23	EUR	BB-/NA	26/7/2023	450	1.3	209	194
North Macedonia 2.75% '25	EUR	BB-/NA	18/1/2025	500	1.6	232	206
North Macedonia 3.95% '26	EUR	BB-/NA	3/6/2026	700	1.7	239	219
Romania 1.625% '24	EUR	BBB-/BBB-	24/4/2024	1.250	0.5	131	108
Romania 2.793% '26	EUR	BBB-/BBB-	26/2/2026	1.300	3.5	209	278
Romania 2.375% '27	EUR	BBB-/BBB-	19/4/2027	2.000	1.1	174	150
Serbia 1.5% '29	EUR	BB/Baa3	26/6/2029	1.550	1.5	214	179
Turkey 4.125% '23	EUR	NR/Baa3	11/4/2023	1.000	3.2	401	375
Turkey 5.2% '26	EUR	NA/Baa3	16/2/2026	1.500	5.3	470	443
Ukraine 6.75% '26	EUR	B-/Caa2	20/6/2026	1.000	5.7	642	621

EUR-Denominated Eurobond Spreads (November 16th 2020)



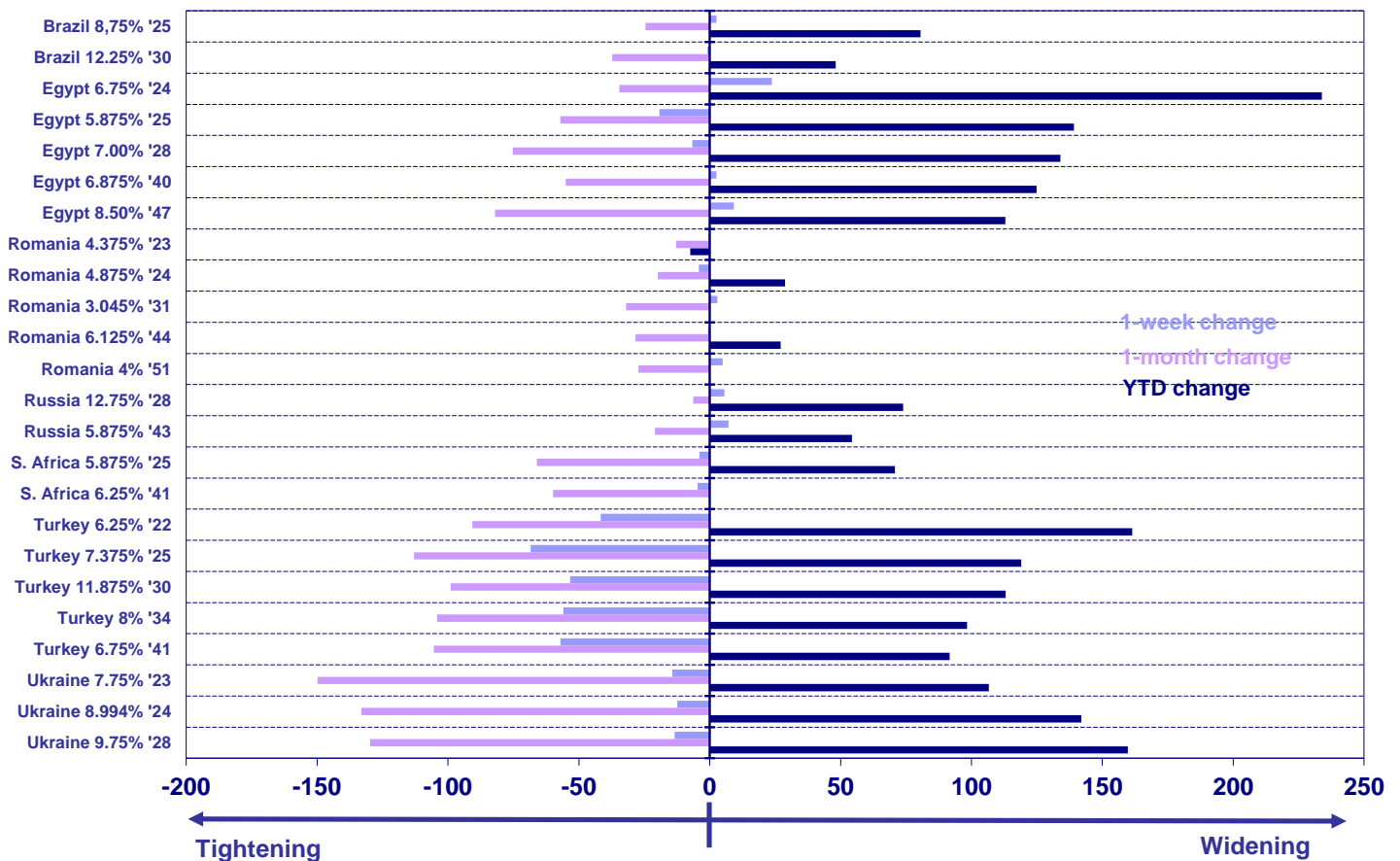
Sources: Reuters & NBG estimates



USD-DENOMINATED SOVEREIGN EUROBOND SUMMARY. NOVEMBER 16TH 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	2.4	194	222
Brazil 12.25% '30	USD	NA/Ba2	6/3/2030	238	3.7	276	390
Egypt 6.75% '24	USD	NA/B2	10/11/2024	1,320	5.5	506	513
Egypt 5.875% '25	USD	B/B2	11/6/2025	1,500	4.7	425	429
Egypt 7.00% '28	USD	NA/B2	10/11/2028	1,320	6.0	534	536
Egypt 6.875% '40	USD	B/B2	30/4/2040	500	7.0	570	561
Egypt 8.50% '47	USD	NA/B2	31/1/2047	2,500	7.8	629	676
Romania 4.375% '23	USD	BBB-/BBB-	22/8/2023	1,500	1.0	78	75
Romania 4.875% '24	USD	BBB-/BBB-	22/1/2024	1,000	1.2	94	90
Romania 3.045% '31	USD	BBB-/BBB-	14/2/2031	1,300	2.2	133	136
Romania 6.125% '44	USD	BBB-/BBB-	22/1/2044	1,000	3.5	209	278
Romania 4% '51	USD	BBB-/BBB-	14/2/2051	2,000	3.5	189	230
Russia 12.75% '28	USD	BBB-/Baa3	24/6/2028	2,500	2.5	180	246
Russia 5.875% '43	USD	BBB-/Baa3	16/9/2043	1,500	3.3	186	249
S. Africa 5.875% '25	USD	BB/Baa3	16/9/2025	2,000	3.3	293	302
S. Africa 6.25% '41	USD	BB/Baa3	8/3/2041	750	5.9	442	466
Turkey 6.25% '22	USD	NR/Ba3	26/9/2022	2,500	4.8	460	453
Turkey 7.375% '25	USD	NR/Ba3	5/2/2025	3,250	5.2	482	499
Turkey 11.875% '30	USD	NR/Ba3	15/1/2030	1,500	6.2	532	655
Turkey 8% '34	USD	NR/Ba3	14/2/2034	1,500	6.4	552	572
Turkey 6.75% '41	USD	NR/Ba3	14/1/2041	3,000	6.6	516	501
Ukraine 7.75% '23	USD	B-/Caa1	1/9/2023	1,355	4.9	470	477
Ukraine 8.994% '24	USD	B-/Caa1	1/2/2024	750	5.5	526	541
Ukraine 9.75% '28	USD	B-/Caa1	1/11/2028	1,600	7.0	638	681

USD-Denominated Eurobond Spreads (November 16th 2020)



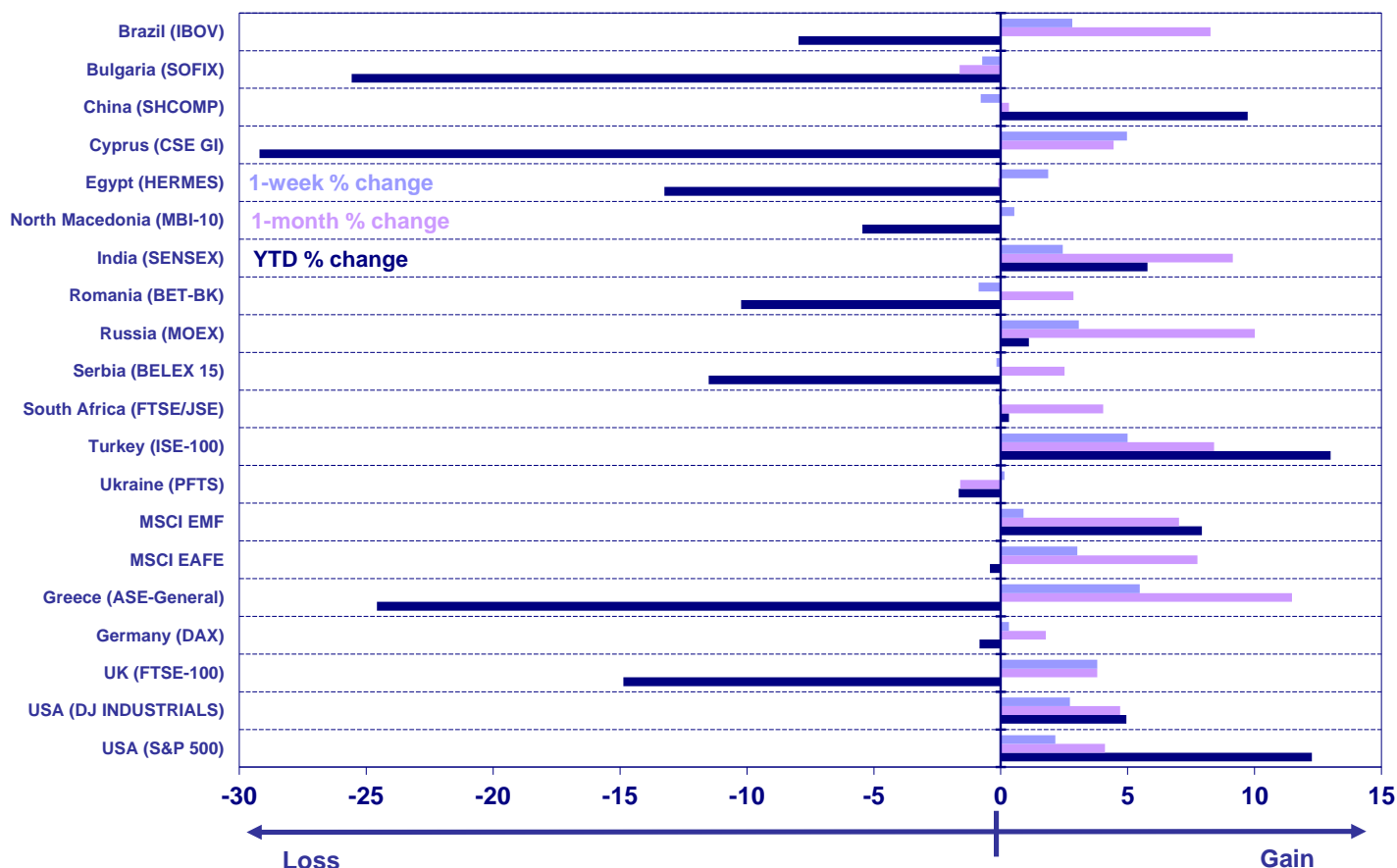
Sources: Reuters & NBG estimates



STOCK MARKETS PERFORMANCE. NOVEMBER 16TH 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)	106,430	2.8	8.3	-8.0	0.2	61,691	119,593	-35.5	31.6	0.8	15.0	2.5
Bulgaria (SOFIX)	423	-0.7	-1.6	-25.6	-23.9	401	587	-25.6	-4.4	-4.4	-12.3	-12.3
China (SHCOMP)	3,347	-0.8	0.3	9.7	15.0	2,647	3,459	9.8	22.3	0.8	-24.6	-25.2
Cyprus (CSE GI)	46	5.0	4.4	-29.2	-31.9	42	68	-29.2	-2.6	-2.6	-3.9	-3.9
Egypt (HERMES)	1,113	1.9	-0.1	-13.3	-16.0	756	1,290	-15.8	0.4	0.8	-11.1	-11.1
North Macedonia (MBI)	4,396	0.5	0.0	-5.4	1.6	3,256	5,015	-5.4	34.0	34.0	36.6	36.6
India (SENSEX)	43,638	2.4	9.1	5.8	8.3	25,639	43,831	-4.1	14.4	0.9	5.9	1.6
Romania (BET-BK)	1,699	-0.9	2.9	-10.2	-6.8	1,356	1,979	-11.8	29.7	0.9	-11.6	-11.1
Russia (MOEX)	3,080	3.1	10.0	1.1	5.3	2,074	3,227	-22.2	30.8	0.8	10.3	-3.9
Serbia (BELEX-15)	709	-0.2	2.5	-11.5	-7.4	605	819	-11.5	5.3	0.8	0.2	0.5
South Africa (FTSE/JSE)	57,267	-0.1	4.0	0.3	1.4	37,178	59,105	-13.3	8.2	0.9	-11.4	-20.1
Turkey (ISE 100)	1,293	5.0	8.4	13.0	21.0	819	1,310	-17.4	25.4	0.9	-20.9	-40.5
Ukraine (PFTS)	501	0.1	-1.6	-1.7	-3.3	499	537	-21.7	-8.9	0.8	77.5	88.1
MSCI EMF	1,203	0.9	7.0	7.9	14.3	752	1,205	2.1	15.4	0.9	-16.6	-12.8
MSCI EAFE	2,028	3.0	7.7	-0.4	2.3	1,354	2,058	-5.8	18.4	0.9	-16.1	-12.3
Greece (ASE-General)	691	5.5	11.5	-24.6	-22.2	470	949	-24.6	49.5	49.5	-23.6	-23.6
Germany (XETRA DAX)	13,139	0.3	1.8	-0.8	-0.5	8,256	13,795	-0.8	25.5	25.5	-18.3	-18.3
UK (FTSE-100)	6,421	3.8	8.5	-14.9	-12.1	4,899	7,690	-19.8	12.1	0.9	-12.5	-13.5
USA (DJ INDUSTRIALS)	29,950	2.7	4.7	4.9	6.8	18,214	29,934	-0.7	22.3	0.9	-5.6	-1.3
USA (S&P 500)	3,627	2.2	4.1	12.3	16.2	2,192	3,646	6.2	28.9	0.9	-6.2	-1.9

Equity Indices (November 16th 2020)



Sources: Reuters & NBG estimates



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