



Economic Analysis Division Emerging Markets Analysis

Bi-Weekly Report 3 -16 March 2020



NBG - Economic Analysis Division

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Emerging Markets Analysis

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ROMANIA 1

GDP growth rebounded in Q4:19 (up 4.3% y-o-y), bolstered by fiscal stimulus

COVID-19 pandemic hits Romania at a time of limited fiscal flexibility

BULGARIA 2

Economy maintains a steady, though modest, growth rate in Q4:19 (up 2.9% y-o-y)

Economic growth is set to moderate sharply in the aftermath of the COVID-19 outbreak, but become more balanced

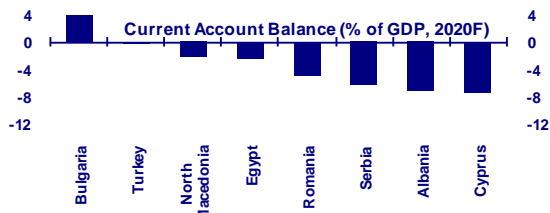
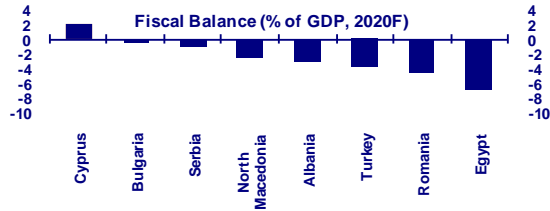
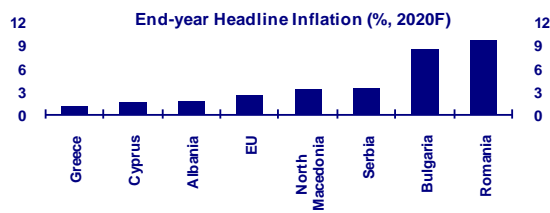
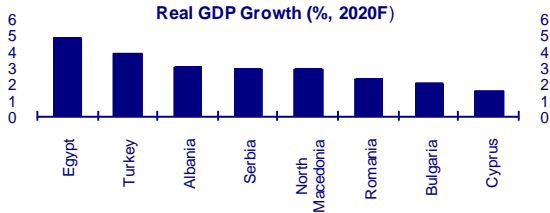
SERBIA 3

The NBS unexpectedly proceeded with a 50 bp cut to its key policy rate, amid COVID-19 concerns

Following significant tightening over the past years, the fiscal stance remained expansionary for a 2nd consecutive year in FY:19

Increased spending to counter the impact of COVID-19 is set to push the FY:20 Budget above its deficit target of 0.5% of GDP

APPENDIX: FINANCIAL MARKETS 4



Sources: National authorities, IMF & NBG estimates



Romania

BBB- / Baa3 / BBB- (S&P / Moody's / Fitch)

GDP growth rebounded in Q4:19 (up 4.3% y-o-y), bolstered by fiscal stimulus. The economy gained momentum in Q4:19, with GDP growing by a sizeable 1.5% q-o-q s.a. against 0.6% in Q3:19. As a result, the annual pace of economic expansion picked up to 4.3% y-o-y from 3.0% in Q3:19, bringing the FY:19 figure to 4.1% against 4.4% in FY:18.

The main factor behind the rebound in economic activity in Q4:19 was the pick-up in public consumption (adding a sizeable 1.9 pps to overall growth against 0.2 pps in Q3:19), on the back of a looser fiscal stance. Private consumption also strengthened in Q4:19 (adding 6.3 pps to overall growth against 4.1 pps in Q3:19), reflecting not only a looser incomes policy and its spillover to the private sector amid tight labour market conditions but also an improvement in consumer confidence.

At the same time, fixed investment (GFCF) continued to expand, but at slower pace (adding 3.7 pps to overall growth against 7.6 pps in Q3:19), driven by the construction sector. The sector's overperformance is mostly attributed to the fiscal changes introduced in early-2019, including tax incentives to move away from the "grey" economy.

Unsurprisingly, net exports continued to weigh on overall growth in Q4:19 (subtracting as much as 4.0 pps), albeit less so than in Q3:19 (7.2 pps), in line with the sharper drawdown in inventories (shaving 3.6 pps off overall growth in Q4:19 against 1.9 pps in Q3:19).

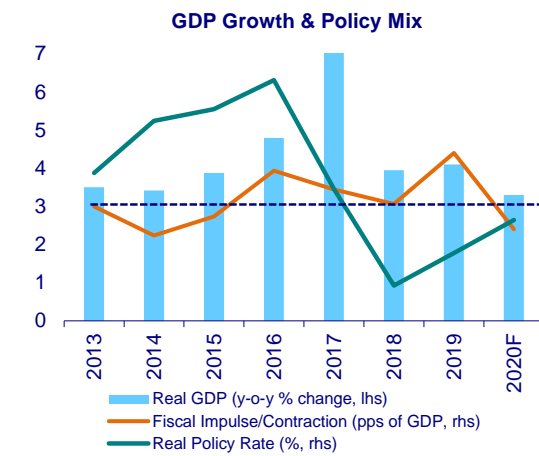
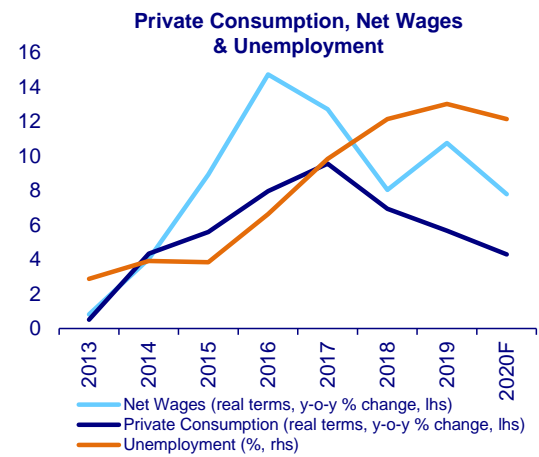
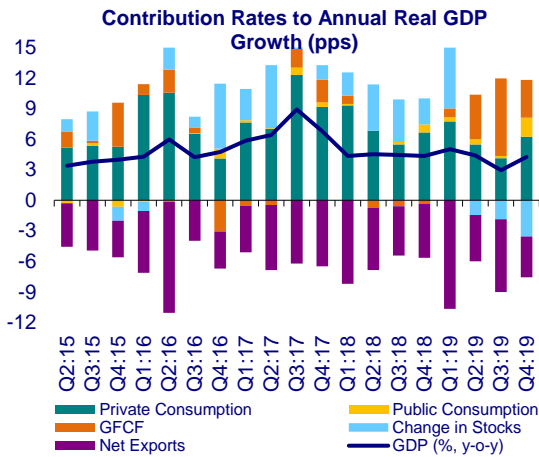
COVID-19 pandemic hits Romania at a time of limited fiscal flexibility. The slowdown in economic growth will be mainly driven by the sharp moderation in private consumption (especially of services, which account for more than 40% of GDP), reflecting weaker consumer confidence in the face of the COVID-19 outbreak. Slower employment growth in a labour market close to full employment, together with the fading impact of the past hikes in public sector wages, should also take a toll on private consumption.

At the same time, in view of the unfavourable base effects from the overperformance of the construction sector in FY:19, private investment is unlikely to maintain momentum, despite accommodative financing conditions. In fact, GFCF will likely be mostly sustained by rising EU fund absorption ahead of the closure of the 2014-20 EU Programming Period. Worryingly, amid weak global trade, reflecting, *inter alia*, the impact of the COVID-19 outbreak on global supply chains and demand, net exports will remain a large drag on overall growth.

Note that the authorities have no room to stimulate economic activity through fiscal policy. Indeed, under no policy change, and in view of lower-than-budgeted economic growth, due to the COVID-19 pandemic, and the impact of the controversial pension law, entailing doubling pensions by 2022, the budget deficit is set to widen to over 5.0% of GDP in FY:20 from 4.6% in FY:19. Although we expect some additional corrective measures to be eventually adopted (note that Romania is due to fall under the EC's Excessive Deficit Procedure), we believe that the FY:20 budget deficit is unlikely to fall below its FY:19 outcome.

All said, despite the strong carry-over from Q4:19 (1.7 pps), and assuming that the COVID-19 dissipates by end Q2:20, we see GDP growth slowing to 2.3% in FY:20 from 4.1% in FY:19.

Risks to our forecast are tilted to the downside. Indeed, the escalation of the COVID-19 pandemic could lead to the imposition of a prolonged lockdown in the country and a deeper-than-expected slowdown in external demand -- especially from the EU -- depressing significantly GDP growth. At the same time, the authorities' failure to contain public finances and/or an escalation in domestic political uncertainty could hurt sentiment further. Note that the minority PNL Government, following its vote of no-confidence in February, was reinstated in the past week with the support of the opposition to tackle the impact of the COVID-19.



	16 Mar.	3-M F	6-M F	12-M F
1-m ROBOR (%)	2.9	3.0	3.0	3.0
RON/EUR	4.84	4.85	4.87	4.90
Sov. Spread (2024, bps)	136	120	110	90

	16 Mar.	1-W %	YTD %	2-Y %
BET-BK	1,356	-16.9	-28.4	-24.4

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	7.1	4.0	4.1	2.3	3.3
Inflation (eop, %)	3.3	3.3	4.0	3.4	3.1
Cur. Acct. Bal. (% GDP)	-2.8	-4.4	-4.7	-5.0	-4.5
Fiscal Bal. (% GDP)	-2.8	-2.9	-4.6	-4.5	-3.5

Sources: Reuters, INSSE, NBR, Ministry of Finance & NBG estimates



Bulgaria

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

Economy maintains a steady, though modest, growth rate in Q4:19 (up 2.9% y-o-y). GDP expanded by a solid 2.9% y-o-y in Q4:19, broadly the same pace as in Q3:19, but below the H1:19 outcome of 4.0% (when a positive base effect from the temporary shutdown in the country's largest oil refinery in 2018 inflated the underlying growth rate). As a result, FY:19 economic growth rebounded to 3.4% from 3.1% in 2018.

Stronger investment and an improvement in net exports compensated for the sharp drop in inventories in Q4:19. Fixed investment (GFCF) gained momentum in Q4:19 (adding 1.1 pp to overall growth against just 0.2 pps in Q3:19), mainly driven by the construction of the Greece-Bulgaria Gas Interconnector and the TurkStream gas pipeline. Adjusted for these projects, however, investment activity is unlikely to have improved markedly. Indeed, corporate deposits grew at a rapid pace in FY:19 (up 1.4 pps y-o-y to 22.1% GDP at end-year against a decline of 0.4 pps y-o-y at end-2018), confirming the private sector's reluctance to invest.

At the same time, private consumption continued to grow at a robust pace (adding 4.1 pps to overall growth in Q4:19 following a similar contribution in Q3:19), underpinned by strong employment growth and economy-wide wage increases (up 2.3% y-o-y and 8.8% y-o-y in real terms, respectively, in Q4:19, broadly the same pace as in Q3:19).

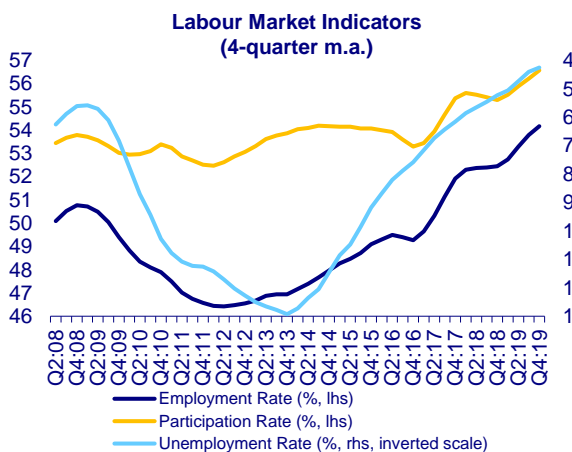
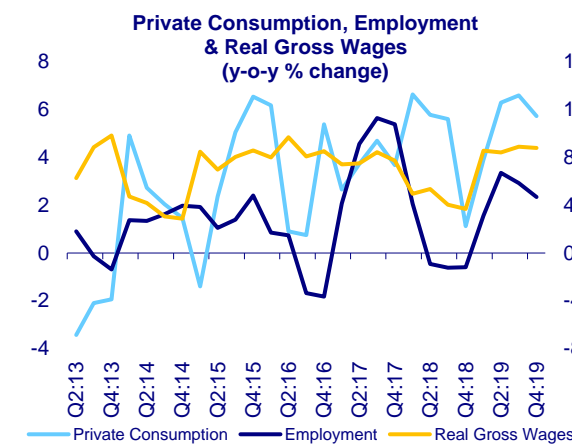
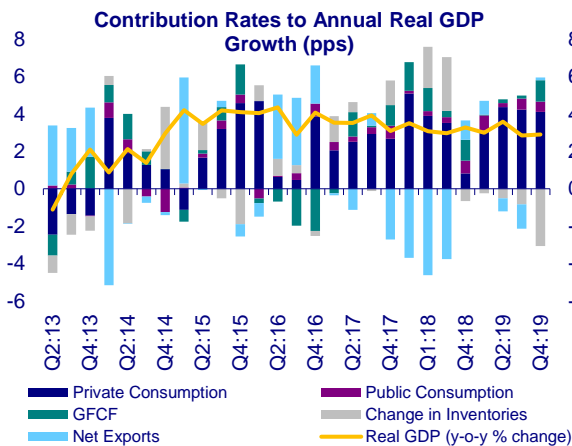
On the other hand, the drawdown in inventories continued at a fast pace in Q4:19 (shaving 3.1 pps off overall growth following 0.8 pps in Q3:19). In view of the large import content of inventories, however, the impact of their decline on overall growth was partly compensated by the concomitant improvement in net exports (adding 0.1 pp of GDP in Q4:19 against a drag of 1.3 pps in Q3:19).

Economic growth is set to moderate sharply in the aftermath of the COVID-19 outbreak, but become more balanced. Private consumption, traditionally Bulgaria's main growth driver, is set to lose steam abruptly over the coming quarters, as consumer confidence weakens in the face of the COVID-19 outbreak. At the same time, with the labour force declining (down 1.0% p.a. over the past 8 years), due to ageing and migration, and in view of persistent rigidities and skills mismatches in the labour market, employment growth could slow in the period ahead, constraining further private consumption growth.

Stronger investment activity should partly compensate for the slowdown in private consumption. Indeed, against the backdrop of the rising capacity utilization rate in the industrial sector (currently at 77% against a historical average of 70%) and the low investment-to-GDP ratio (currently at 20% against a pre-crisis high of 32%), we expect GFCF to gain momentum gradually, supported by: i) favorable domestic liquidity conditions (the loan-to-deposit ratio stands at 73%) and still low interest rates; ii) increasing absorption of EU funds ahead of the closure of the 2014-20 EU Programming Period; and iii) the ongoing investments in the energy sector (see above).

Worryingly, amid COVID-19-related disruptions in global supply chains and subdued external demand (including for tourism services, which account for c. 13% of Bulgaria's GDP), net exports are expected to turn into a drag on growth in FY:20.

All said, assuming that COVID-19 fades by end-Q2:20, we see GDP growth easing to 2.0% in FY:20 from 3.4% in FY:19. A deeper-than- envisaged slowdown in external demand and/or the imposition of a prolonged domestic lockdown, following the escalation of the COVID-19 pandemic, could lead to a further downward revision of our growth forecast.



	16 Mar.	3-M F	6-M F	12-M F
Base Interest Rate (%)	0.0	0.0	0.0	0.1
BGN/EUR	1.96	1.96	1.96	1.96
Sov. Spread (2022, bps)	82	70	60	50

SOFIX	16 Mar.	1-W %	YTD %	2-Y %
	424	-10.9	-25.4	-37.7

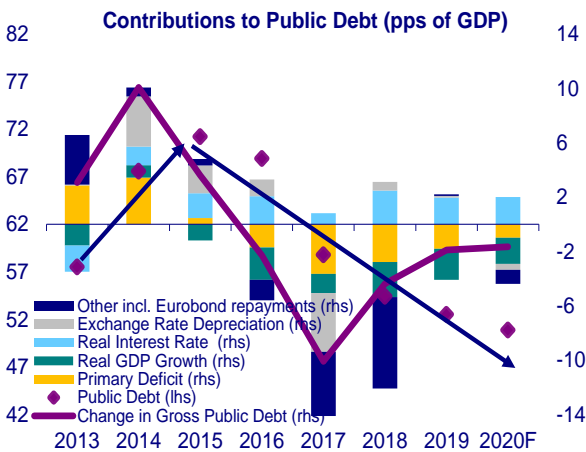
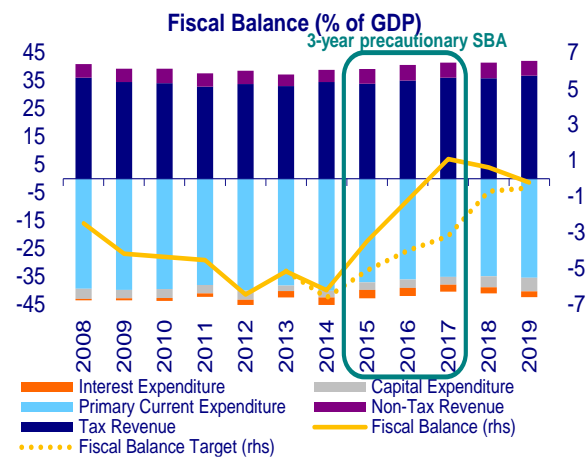
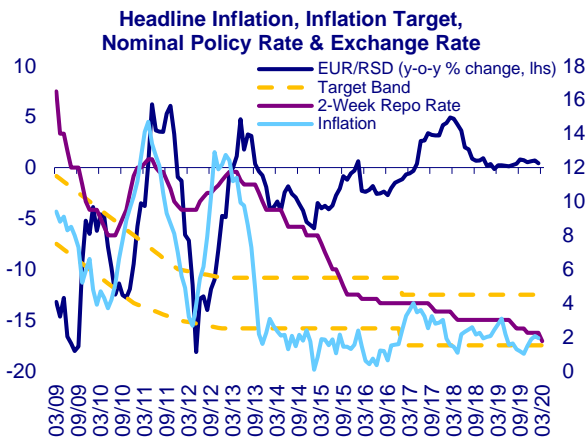
	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	3.5	3.1	3.4	2.0	2.9
Inflation (eop, %)	2.8	2.7	3.8	3.1	2.8
Cur. Acct. Bal. (% GDP)	3.5	5.4	9.7	8.1	7.2
Fiscal Bal. (% GDP)	0.8	0.1	-1.0	-0.5	0.0

Sources: Reuters, NSI & NBG estimates



Serbia

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



The NBS unexpectedly proceeded with a 50 bp cut to its key policy rate, amid COVID-19 concerns. At an extraordinary meeting on March 11th, the NBS lowered its 2-week repo rate by 50 bps to a record low of 1.75%. Note that the NBS had cut its key rate by 75 bps in H2:19 and had remained on hold since then.

According to the NBS, the rate cut, which follows recent actions by some major central banks, is mainly aimed at countering the adverse economic impact of the COVID-19 outbreak. Indeed, besides the negative impact of the disruptions in global supply chains, economic activity could also be affected by the concomitant deterioration in consumer and business confidence.

Importantly, the (further) easing of monetary policy by the NBS is supported by fundamentals. Indeed, headline inflation remains subdued (up 1.9% y-o-y in February, well below the midpoint of the target range of 3±1.5%) and the RSD remains stable. Note, however, that appreciation pressures on the domestic currency, which had led to a sizeable accumulation of FX reserves in FY:19 -- up EUR 2.1bn (4.6% of GDP) to a record high of EUR 13.4bn -- have eased lately.

All said, should the economic impact of the COVID-19 pandemic turn out to be larger than initially expected, prompting further coordinated monetary easing by major central banks, the NBS could find room for further – albeit measured – easing.

Following significant tightening over recent years, the fiscal stance remained expansionary for a 2nd consecutive year in FY:19. The FY:19 budget posted a deficit of 0.2% of GDP against a surplus of 0.6% in FY:18, mainly due to increased spending. Specifically, current spending accelerated in FY:19 (up 0.7 pps of GDP), in line with: i) higher personnel and pension expenses (together up 0.4 pps of GDP), following the abolishment of the temporary pension reductions (introduced in 2014), large hikes in public sector wages (up 7%-12% in January and by an additional 9.5% in December) and the granting of a bonus to pensioners; and ii) the adoption of a CHF-indexed mortgage loan conversion scheme (0.2 pps of GDP). At the same time, public investment increased (up 1.0 pp to a record high of 5.0% of GDP), driven by large infrastructure projects. The rise in budget expenditure was partly offset by stronger revenue (up 0.9 pps of GDP), reflecting a tighter labour market, a strong rise in imports and better tax collection.

Increased spending to counter the impact of COVID-19 is set to push the FY:20 Budget above its deficit target of 0.5% of GDP. Budget spending is unlikely to remain within allocations in FY:20, in view of the recently unveiled set of measures (worth 0.4% of GDP, not included in the budget), aimed at countering the economic impact of the COVID-19 outbreak. These measures include, *inter alia*, increased public investment and a bonus to pensioners. The latter together with a loose incomes policy (pensions rose by 5.4% in January) should boost spending this year.

On the other side of the budget, tax revenue could come under pressure in FY:20 (down 0.2 pps of GDP), reflecting the hike in the non-taxable income threshold and the cut in employers' contribution rate for pension insurance. Non-tax revenue is also set to decline (down 0.3 pps of GDP), due to a negative base effect from the concession of the N. Tesla airport in FY:19. All said, we see the budget deficit widening to 1.0% of GDP in FY:20 from 0.2% in FY:19, underperforming its target of 0.5%. The implied fiscal impulse should help partly offset the impact of the COVID-19 on economic growth (we see GDP growing by a still strong 2.9% in FY:20, with risks, however, tilted to the downside).

Importantly, the public debt-to-GDP ratio is set to ease further, for a 5th successive year, to a 9-year low of 51.8% of GDP in FY:20 from 52.7% in FY:19, reflecting solid GDP growth and a strong "snowball" effect.

	16 Mar.	3-M F	6-M F	12-M F
1-m BELIBOR (%)	1.1	1.1	1.1	1.1
RSD/EUR	117.7	117.4	117.1	116.8
Sov. Spread (2021, bps)	230	210	190	160

	16 Mar.	1-W %	YTD %	2-Y %
BELEX-15	698	-8.8	-13.0	-6.8

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	2.0	4.4	4.2	2.9	3.9
Inflation (eop, %)	3.0	2.0	1.9	2.4	2.6
Cur. Acct. Bal. (% GDP)	-5.2	-4.8	-6.9	-6.5	-6.5
Fiscal Bal. (% GDP)	1.1	0.6	-0.2	-1.0	-0.5

Sources: Reuters, MoF, NBS & NBG estimates



FOREIGN EXCHANGE MARKETS. MARCH 16TH 2020

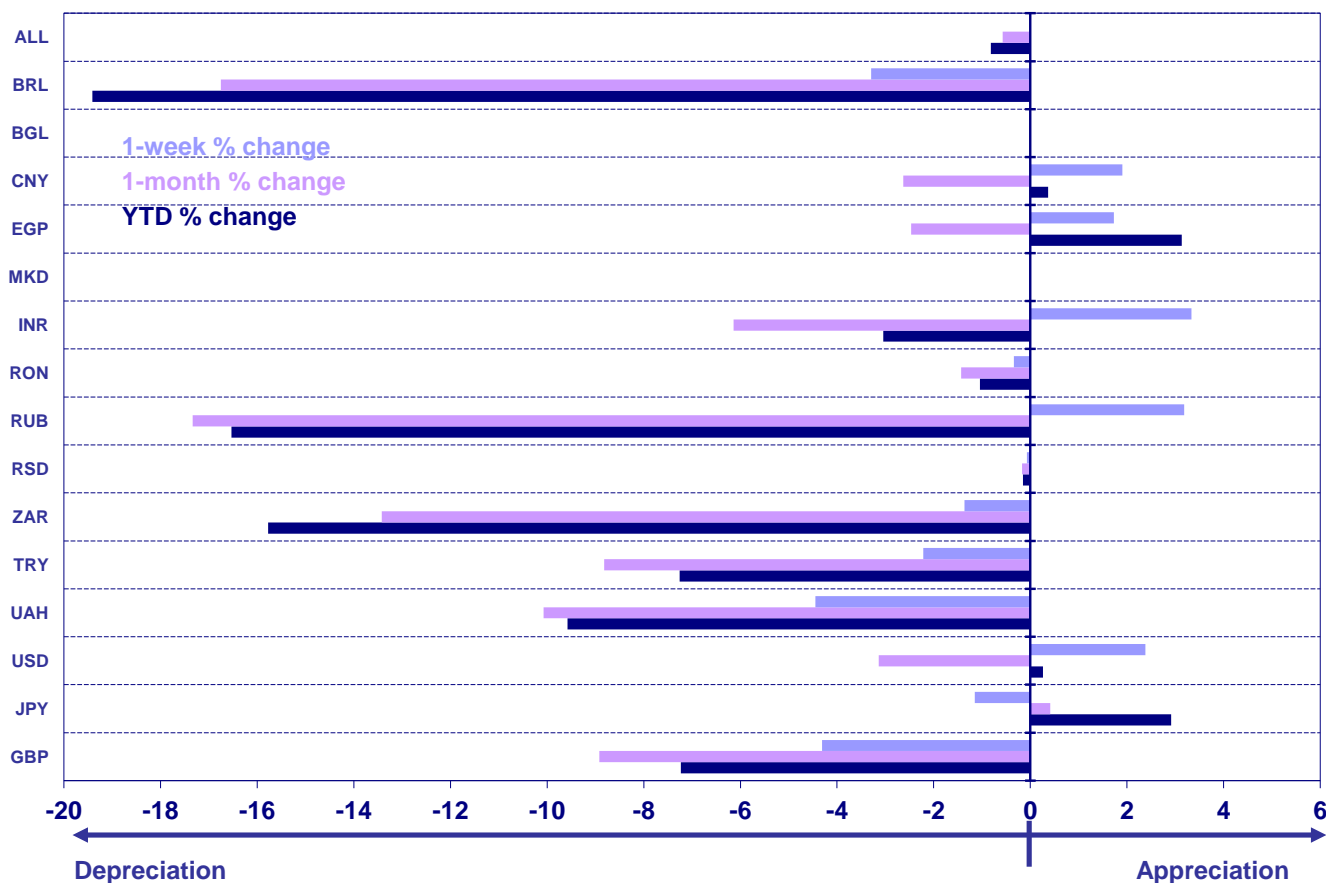
Against the EUR

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	122.6	0.0	-0.6	-0.8	1.7	121.9	122.9	122.7	122.8	122.9	1.4	7.8
Brazil	BRL	5.59	-3.3	-16.8	-19.4	-23.1	4.48	5.66	---	---	5.84	-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	7.78	1.9	-2.6	0.4	-2.2	7.54	7.98	---	---	7.99	0.6	-0.8
Egypt	EGP	17.37	1.7	-2.5	3.1	12.6	16.32	18.14	---	---	---	16.2	0.0
North Macedonia	MKD	61.3	0.0	0.0	0.0	0.0	61.3	61.3	61.3	61.3	61.3	0.0	0.0
India	INR	82.5	3.3	-6.1	-3.0	-5.8	77.2	85.5	---	---	---	-0.3	-3.9
Romania	RON	4.84	-0.3	-1.4	-1.0	-1.7	4.76	4.84	4.90	4.95	5.04	-2.8	0.6
Russia	RUB	83.2	3.2	-17.3	-16.5	-12.3	67.7	86.1	84.7	86.4	89.7	15.1	-13.4
Serbia	RSD	117.7	-0.1	-0.2	-0.2	0.2	117.5	117.7	117.6	118.1	---	0.6	0.2
S. Africa	ZAR	18.7	-1.4	-13.4	-15.8	-12.3	15.61	19.37	19.0	19.3	19.8	4.8	-9.9
Turkey	YTL	7.19	-2.2	-8.8	-7.3	-13.8	6.51	7.20	7.41	7.64	8.10	-9.2	-24.9
Ukraine	UAH	29.5	-4.4	-10.1	-9.6	4.1	26.35	29.83	---	---	---	18.6	6.0
US	USD	122.6	0.0	-0.6	-0.8	1.7	121.9	122.9	122.7	122.8	122.9	4.6	0.7
JAPAN	JPY	1.96	0.0	0.0	0.0	0.0	1.96	1.96	1.96	1.96	1.96	7.5	0.6
UK	GBP	7.78	1.9	-2.6	0.4	-2.2	7.54	7.98	---	---	7.99	-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 (March 16th 2020)



Sources: Reuters & NBS estimates



MONEY MARKETS. MARCH 16TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
O/N	1.1	4.1	0.0	1.2	---	12.6	---	---	2.7	6.4	---	10.8	7.5	11.2	---	0.2
T/N	---	---	---	---	---	---	---	---	2.7	6.5	0.9	---	7.5	---	---	---
S/W	1.1	4.1	---	2.2	-0.5	---	1.0	---	---	7.3	0.9	---	7.5	11.4	-0.5	0.6
1-Month	1.3	4.0	---	2.1	-0.5	---	1.2	5.6	2.9	8.2	1.1	10.3	7.0	13.3	-0.5	0.6
2-Month	---	4.0	---	---	---	---	---	---	---	7.3	1.2	10.3	7.0	---	---	0.7
3-Month	1.5	4.0	---	2.2	---	---	1.3	5.7	3.0	7.4	1.4	10.3	7.0	13.5	---	0.9
6-Month	1.7	4.1	---	2.3	---	---	1.5	---	3.1	7.4	1.5	10.3	7.0	---	---	0.8
1-Year	2.0	4.4	---	2.5	-0.1	---	1.8	---	3.2	7.9	---	10.3	7.1	---	-0.1	0.8

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

LOCAL DEBT MARKETS. MARCH 16TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
3-Month	---	---	---	---	---	13.9	1.6	4.7	---	6.8	---	10.8	---	---	-0.7	0.2
6-Month	---	---	---	---	---	14.9	2.3	4.8	3.3	6.9	3.3	11.0	---	9.9	-0.8	0.3
12-Month	1.9	---	0.0	2.1	---	14.8	2.6	5.0	3.5	7.1	1.7	11.3	---	---	-0.8	0.3
2-Year	---	---	---	2.2	---	---	2.8	5.3	4.0	7.5	---	11.4	6.6	---	-0.9	0.4
3-Year	---	---	0.0	2.3	-0.1	---	2.7	5.7	4.5	7.5	---	11.3	7.1	---	-0.9	0.4
5-Year	---	7.2	---	2.5	0.7	14.4	2.7	5.9	4.4	7.8	2.5	12.3	9.4	---	-0.7	0.5
7-Year	3.9	---	0.1	---	0.3	14.4	---	6.5	3.6	7.8	---	---	---	---	-0.6	0.7
10-Year	---	8.3	0.3	2.7	---	14.3	3.9	6.2	4.7	8.1	---	12.2	10.7	---	-0.5	0.7
15-Year	---	---	---	---	---	---	4.3	6.8	---	8.2	---	---	9.9	---	-0.4	---
25-Year	---	---	---	---	---	---	---	---	---	---	---	---	11.9	---	---	---
30-Year	---	---	---	---	---	---	---	6.7	---	---	---	---	11.9	---	-0.1	1.3

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

CORPORATE BONDS SUMMARY. MARCH 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	1.5	234	202
South Africa	Standard Bank of S. Africa Ltd '23	EUR	BB/Baa3	15/8/2023	7	1.9	166	90
Romania	Banca Transylvania SA 3.419% '28	EUR	NA/NA	28/6/2028	285	N/A	N/A	N/A
	Arcelik AS 3.875% '21	EUR	BB+/NA	16/9/2021	350	4.6	546	494
	Garanti Bank 5.25% '22	USD	NA/Ba3	13/9/2022	750	7.0	665	630
	Turkiye Is Bankasi 6% '22	USD	NA/B2	24/10/2022	1,000	7.6	729	690
Turkey	Vakifbank 5.75% '23	USD	NA/B1	30/1/2023	650	6.3	584	567
	TSKB 5.5% '23	USD	NA/B2	16/1/2023	350	9.6	925	843
	Petkim 5.875% '23	USD	NA/B1	26/1/2023	500	8.0	762	716
	Koc Holding 5.25% '23	USD	BBB-/Ba2	15/3/2023	750	4.4	386	372

CREDIT DEFAULT SWAP SPREADS. MARCH 16TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine
5-Year	---	312	43	81	100	503	---	75	74	231	98	518	344	794
10-Year	---	387	92	121	113	563	---	83	116	288	122	562	409	811

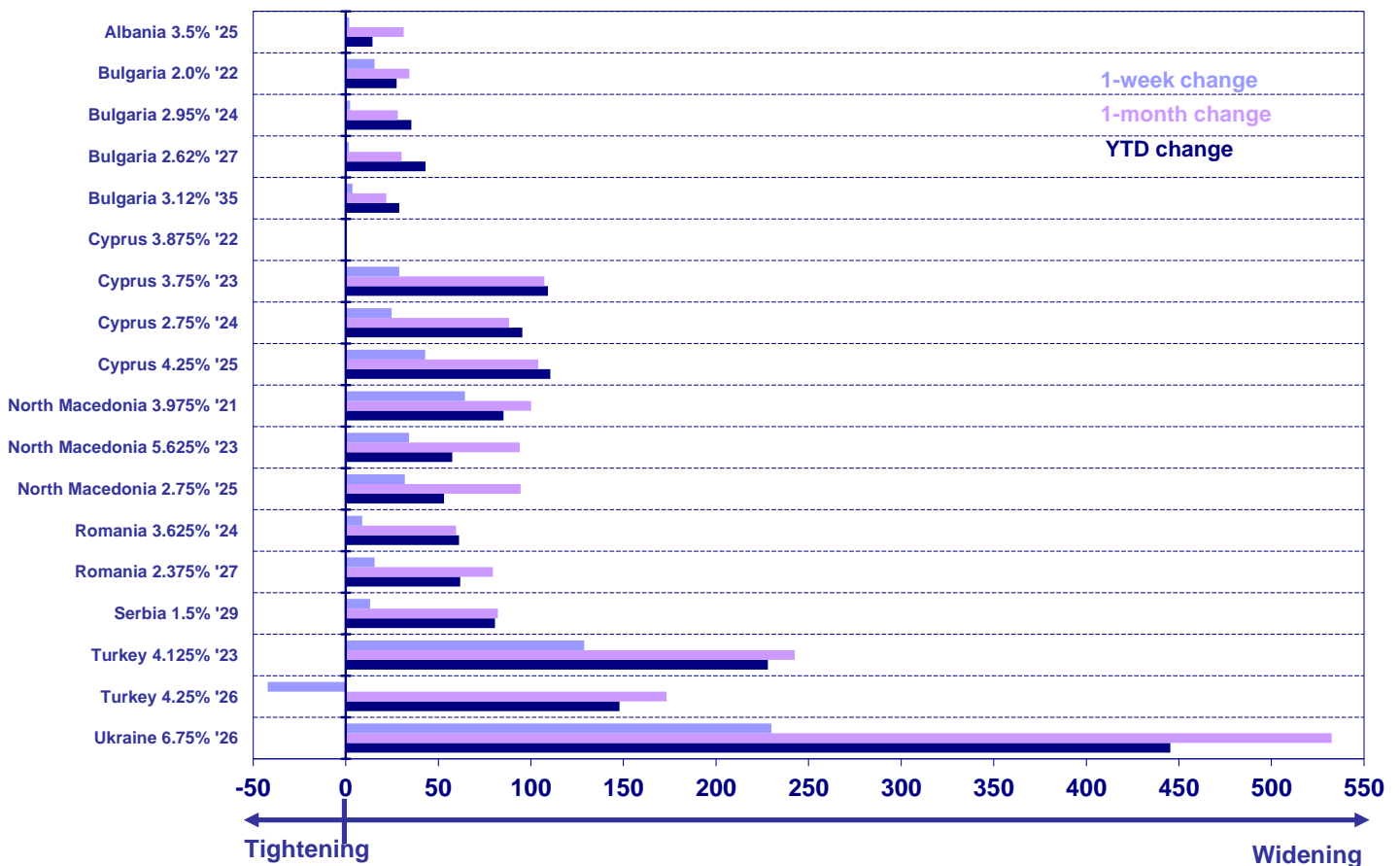
Sources: Reuters & NBG estimates



EUR-DENOMINATED SOVEREIGN EUROBOND SUMMARY. MARCH 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	1.6	238	197
Bulgaria 2.0% '22	EUR	BBB-/Baa2	26/3/2022	1,250	-0.1	76	29
Bulgaria 2.95% '24	EUR	BBB-/Baa2	3/9/2024	1,493	0.0	82	39
Bulgaria 2.62% '27	EUR	BBB-/Baa2	26/3/2027	1,000	0.2	93	45
Bulgaria 1.12% '35	EUR	BBB-/Baa2	26/3/2035	900	0.8	129	92
Cyprus 1.875% '22	EUR	NA/Baa2	6/5/2022	1,000	N/A	N/A	N/A
Cyprus 1.75% '23	EUR	NA/Baa2	26/7/2023	1,000	0.7	167	112
Cyprus 2.75% '24	EUR	NA/Baa2	27/6/2024	850	0.7	151	110
Cyprus 4.25% '25	EUR	NA/Baa2	4/11/2025	1,000	1.0	179	141
FYROM 1.975% '21	EUR	BB-/NA	24/7/2021	500	1.2	203	720
FYROM 5.625% '23	EUR	BB-/NA	26/7/2023	450	1.4	229	190
FYROM 2.75% '25	EUR	BB-/NA	18/1/2025	500	1.8	247	207
Romania 1.625% '24	EUR	BBB-/BBB-	24/4/2024	1,250	0.6	136	97
Romania 2.375% '27	EUR	BBB-/BBB-	19/4/2027	2,000	1.3	202	153
Serbia 1.5% '29	EUR	BB/Baa3	26/6/2029	1,550	1.8	230	181
Turkey 4.125% '23	EUR	NR/Baa3	11/4/2023	1,000	4.2	513	454
Turkey 5.2% '26	EUR	NA/Baa3	16/2/2026	1,500	6.4	554	516
Ukraine 6.75% '26	EUR	B-/Caa2	20/6/2026	1,000	8.6	938	826

EUR-Denominated Eurobond Spreads (March 16th 2020)



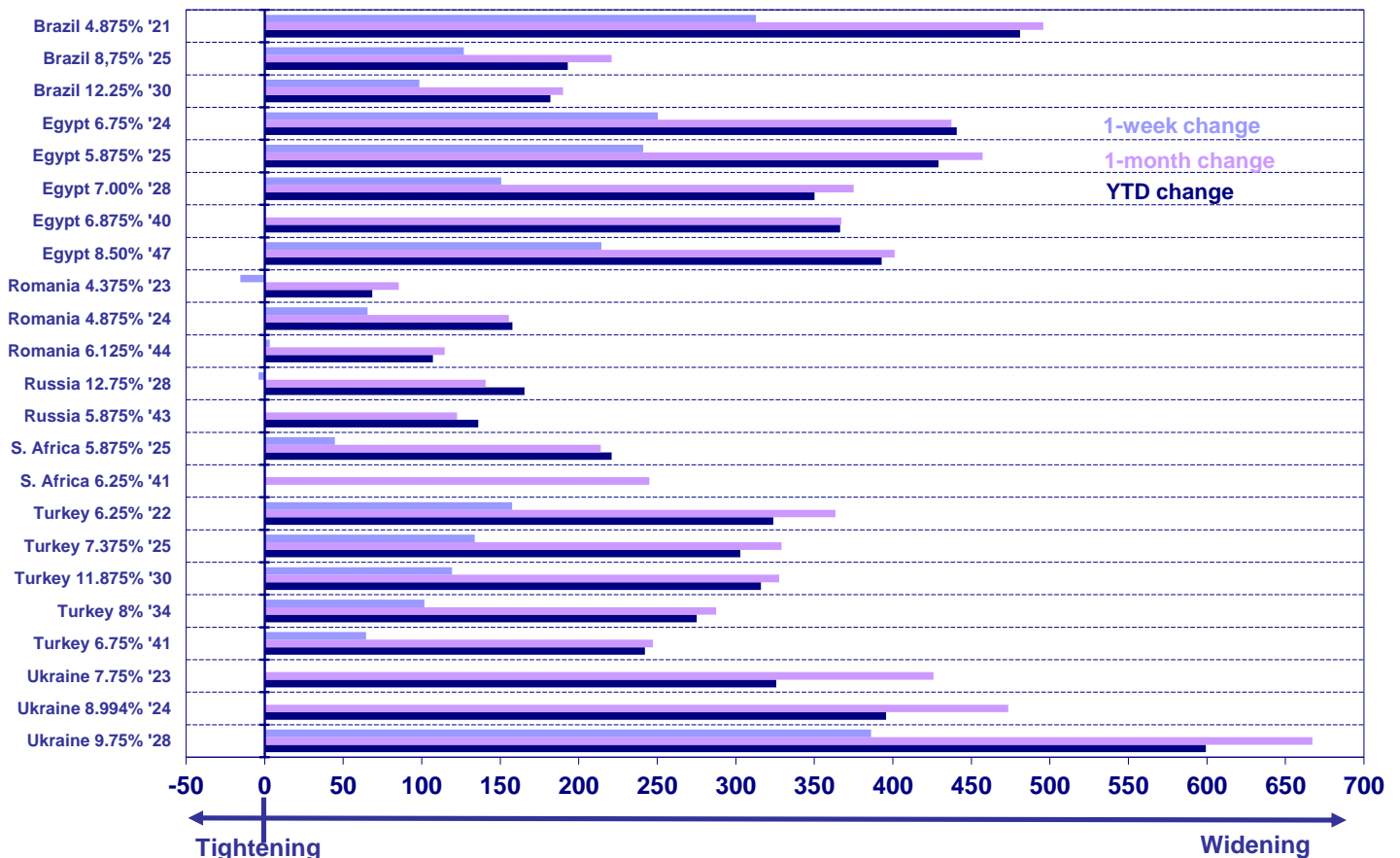
Sources: Reuters & NBG estimates



USD-DENOMINATED SOVEREIGN EUROBOND SUMMARY. MARCH 16TH 2020

	Currency	Rating S&P / Moody's	Maturity	Amount Outstanding (in million)	Bid Yield	Gov. Spread	Asset Swap Spread
Brazil 4.875% '21	USD	NA/Ba2	4/2/2025	2,713	5.6	534	500
Brazil 8.75% '25	USD	NA/Ba2	4/2/2025	688	3.6	307	330
Brazil 12.25% '30	USD	NA/Ba2	6/3/2030	238	#Δ/Y	409	536
Egypt 6.75% '24	USD	NA/B2	10/11/2024	1,320	7.7	712	679
Egypt 5.875% '25	USD	B/B2	11/6/2025	1,500	7.7	715	664
Egypt 7.00% '28	USD	NA/B2	10/11/2028	1,320	8.3	750	704
Egypt 6.875% '40	USD	B/B2	30/4/2040	500	9.5	811	720
Egypt 8.50% '47	USD	NA/B2	31/1/2047	2,500	10.6	909	825
Romania 4.375% '23	USD	BBB-/BBB-	22/8/2023	1,500	2.1	154	163
Romania 4.875% '24	USD	BBB-/BBB-	22/1/2024	1,000	2.7	223	217
Romania 6.125% '44	USD	BBB-/BBB-	22/1/2044	1,000	4.4	289	399
Russia 12.75% '28	USD	BBB-/Baa3	24/6/2028	2,500	3.5	271	363
Russia 5.875% '43	USD	BBB-/Baa3	16/9/2043	1,500	3.9	267	365
S. Africa 5.875% '25	USD	BB/Baa3	16/9/2025	2,000	5.0	443	434
S. Africa 6.25% '41	USD	BB/Baa3	8/3/2041	750	7.3	586	586
Turkey 6.25% '22	USD	NR/Ba3	26/9/2022	2,500	6.7	622	606
Turkey 7.375% '25	USD	NR/Ba3	5/2/2025	3,250	7.2	666	649
Turkey 11.875% '30	USD	NR/Ba3	15/1/2030	1,500	8.1	735	831
Turkey 8% '34	USD	NR/Ba3	14/2/2034	1,500	8.1	729	709
Turkey 6.75% '41	USD	NR/Ba3	14/1/2041	3,000	8.0	666	614
Ukraine 7.75% '23	USD	B-/Caa1	1/9/2023	1,355	7.5	689	684
Ukraine 8.994% '24	USD	B-/Caa1	1/2/2024	750	8.4	780	778
Ukraine 9.75% '28	USD	B-/Caa1	1/11/2028	1,600	11.6	1078	998

USD-Denominated Eurobond Spreads (March 16th 2020)



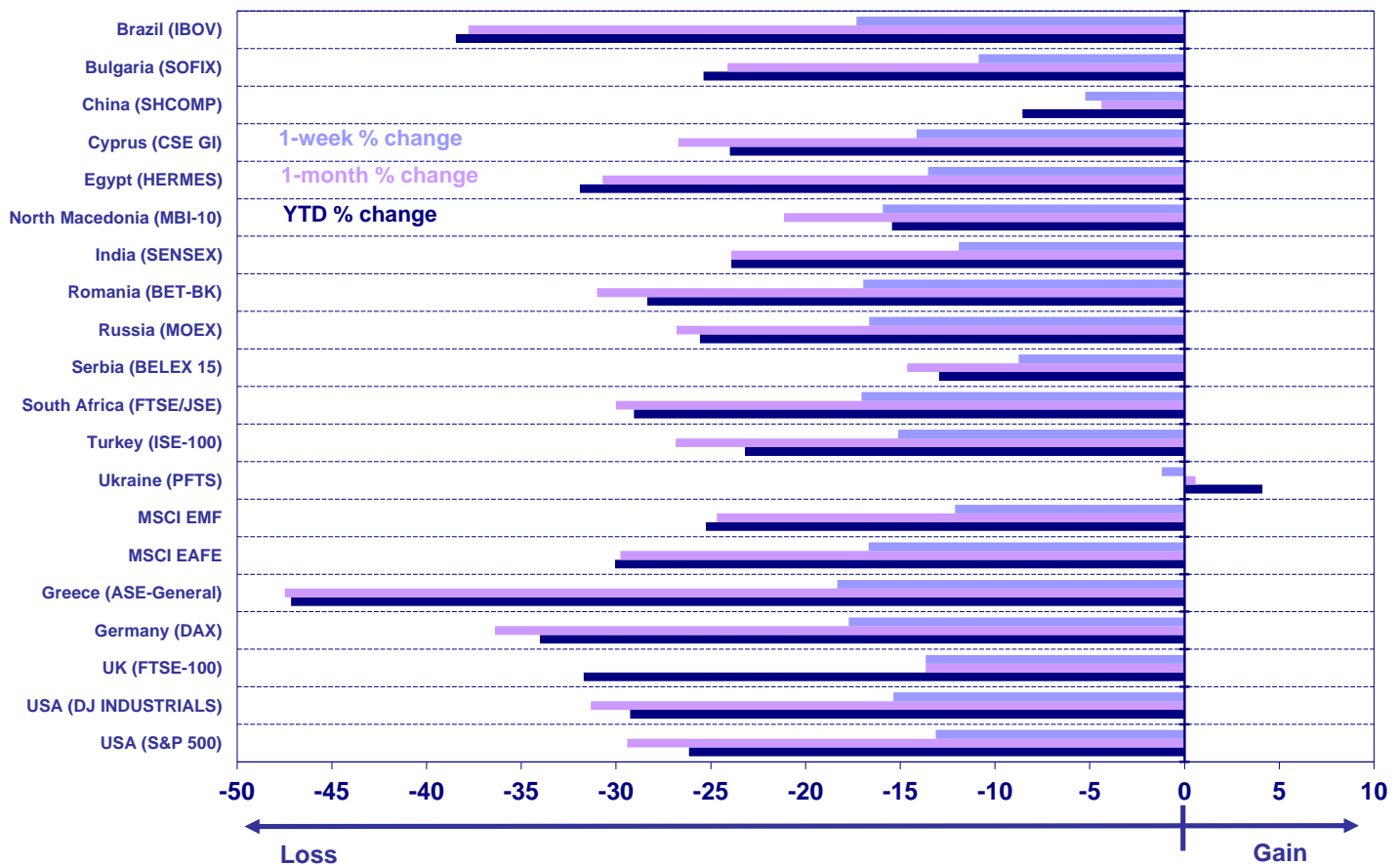
Sources: Reuters & NBG estimates



STOCK MARKETS PERFORMANCE. MARCH 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)	71,168	-17.3	-37.8	-38.5	-28.8	68,488	119,593	-50.5	31.6	0.8	15.0	2.5
Bulgaria (SOFIX)	424	-10.9	-24.1	-25.4	-27.7	418	587	-25.4	-4.4	-4.4	-12.3	-12.3
China (SHCOMP)	2,789	-5.2	-4.4	-8.6	-9.9	2,685	3,127	-8.7	22.3	0.8	-24.6	-25.2
Cyprus (CSE GI)	49	-14.1	-26.7	-24.0	-23.9	49	68	-24.0	-2.6	-2.6	-3.9	-3.9
Egypt (HERMES)	873	-13.5	-30.7	-31.9	-39.7	863	1,290	-29.8	0.4	0.8	-11.1	-11.1
North Macedonia (MBI)	3,931	-15.9	-21.1	-15.4	6.5	3,931	5,015	-15.4	34.0	34.0	36.6	36.6
India (SENSEX)	31,390	-11.9	-23.9	-23.9	-17.6	29,389	42,274	-26.4	14.4	0.9	5.9	1.6
Romania (BET-BK)	1,356	-16.9	-31.0	-28.4	-12.0	1,356	1,979	-29.2	29.7	0.9	-11.6	-11.1
Russia (MOEX)	2,267	-16.6	-26.8	-25.6	-8.7	2,179	3,227	-37.9	30.8	0.8	10.3	-3.9
Serbia (BELEX-15)	698	-8.8	-14.6	-13.0	-2.7	687	819	-13.1	5.3	0.8	0.2	0.5
South Africa (FTSE/JSE)	40,500	-17.0	-30.0	-29.1	-28.7	38,784	59,105	-40.2	8.2	0.9	-11.4	-20.1
Turkey (ISE 100)	87,888	-15.1	-26.9	-23.2	-16.0	86,853	124,537	-28.8	25.4	0.9	-20.9	-40.5
Ukraine (PFTS)	531	-1.2	0.6	4.1	-5.8	504	537	-6.5	-8.9	0.8	77.5	88.1
MSCI EMF	833	-12.1	-24.7	-25.3	-22.1	831	1,151	-25.1	15.4	0.9	-16.6	-12.8
MSCI EAFE	1,425	-16.7	-29.8	-30.0	-25.0	1,480	2,058	-29.9	18.4	0.9	-16.1	-12.3
Greece (ASE-General)	484	-18.3	-47.5	-47.2	-33.2	478	949	-47.2	49.5	49.5	-23.6	-23.6
Germany (XETRA DAX)	8,742	-17.7	-36.4	-34.0	-25.0	8,256	13,795	-34.0	25.5	25.5	-18.3	-18.3
UK (FTSE-100)	5,151	-13.7	-30.5	-31.7	-29.4	5,237	7,690	-36.6	12.1	0.9	-12.5	-13.5
USA (DJ INDUSTRIALS)	20,189	-15.4	-31.3	-29.3	-22.1	21,154	29,569	-29.1	22.3	0.9	-5.6	-1.3
USA (S&P 500)	2,386	-13.1	-29.4	-26.1	-15.8	2,479	3,394	-26.0	28.9	0.9	-6.2	-1.9

Equity Indices (March 16th 2020)



Sources: Reuters & NBG estimates



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