



Economic Analysis Division Emerging Markets Analysis

Bi-Weekly Report 20 October - 2 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 CBRT's opting for "back-door" tightening fails to ease market concerns

Headline inflation remains stubbornly high at 11.9% y-o-y in October, broadly unchanged compared with end-2019, raising pressure on the CBRT to further tighten its stance

Inflation is set to embark on a downward trend only next year, due to positive base effects and a prospective policy tightening

ROMANIA 2

Budget deficit hits record-high levels due to COVID-19-related loosening

Romania is in high need of fiscal consolidation

An elevated risk premium prompts the NBR to "wait-and-see"

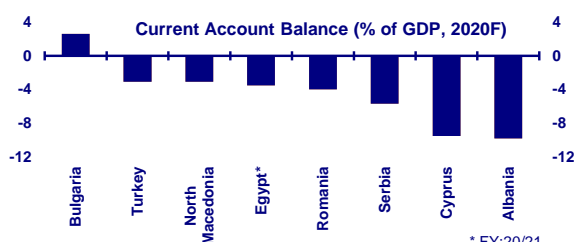
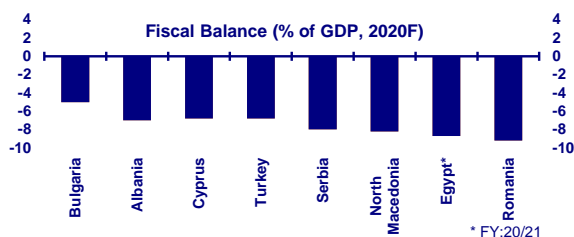
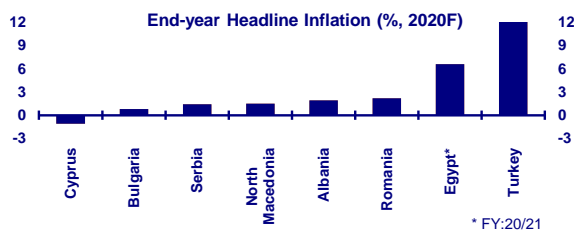
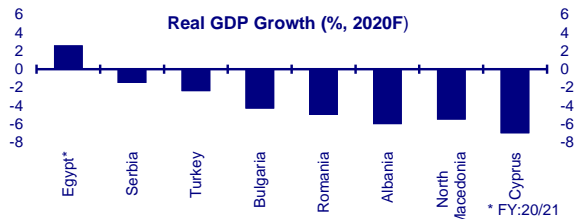
CYPRUS 3

Rising credit risk and heightened uncertainty, due to the pandemic, bring credit expansion to a halt

Customer deposits drop mildly, amid the pandemic, driven by the corporate segment

COVID-19 takes a toll on the residential real estate market

APPENDIX: FINANCIAL MARKETS 4

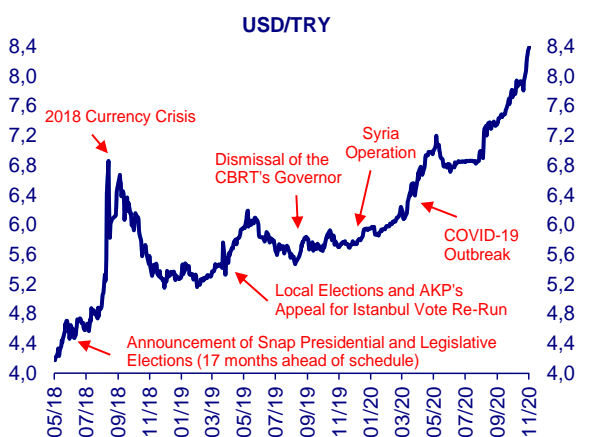
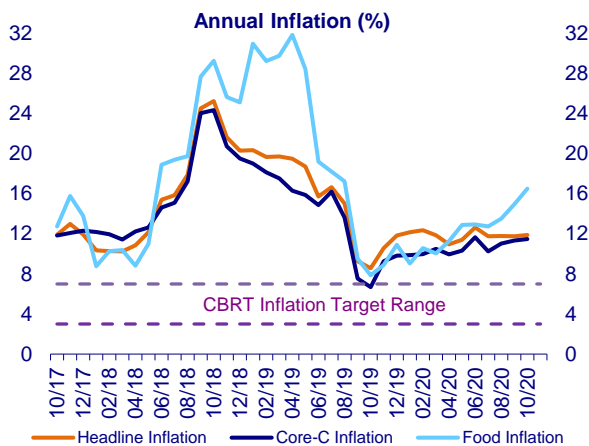
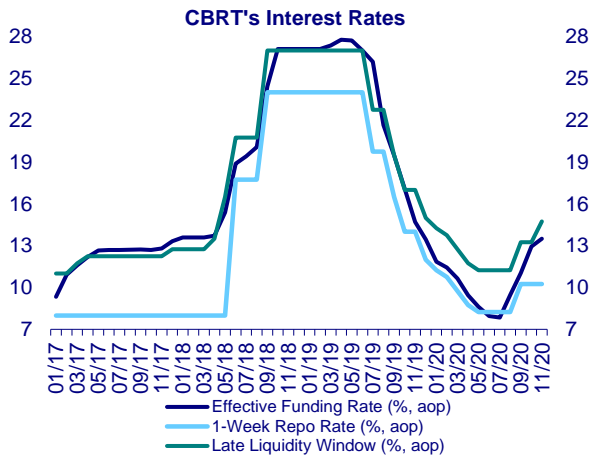


Sources: National authorities, IMF & NBG estimates



Turkey

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



	2 Nov.	3-M F	6-M F	12-M F
1-m TRIBOR (%)	15.7	16.5	15.5	13.0
TRY/EUR	9.80	9.50	9.60	9.80
Sov. Spread (2025, bps)	492	450	420	350

	2 Nov.	1-W %	YTD %	2-Y %
ISE 100	1,132	-1.1	-1.1	20.3

	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	11.6	10.8
Cur. Acct. Bal. (% GDP)	4.8	-2.7	1.1	-3.1	-2.7
Fiscal Bal. (% GDP)	-1.5	-1.9	-2.9	-6.8	-4.5

Sources: Reuters, CBRT & NBG estimates

The CBRT's opting for "back-door" tightening fails to ease market concerns. Contrary to market expectations for a significant rate hike (ranging from 100 to 300 bps), the CBRT maintained its key 1-week repo rate unchanged at 10.25% at its end-October meeting. At the same time, though, it raised the uppermost rate in its interest rate corridor (i.e. the late liquidity window, LLW) by 1.5 pps to 14.75%, suggesting that additional "back-door" tightening is on the cards.

Recall that, in a bid to tighten its stance, the CBRT has been increasingly relying on its more expensive standing lending facilities to provide liquidity to the banking system over the past months. In this context, the effective funding rate (EFR) has risen by more than 550 bps since July (to c. 13.5% currently), implying that the extent of tightening carried out is much larger than that suggested by the 200 bp hike in the key policy rate in September. In fact, the real *ex-post* EFR has moved back to positive territory (c. 1.0% against a low of -4.2% in June) and is now broadly in line with that of Turkey's peers.

The CBRT's decision to continue with liquidity measures was not well received by markets, which want to see a more "conventional" tightening in monetary policy. As a result, depreciation pressures on the TRY increased, with the latter losing another 7.0% of its value against the USD, bringing y-t-d losses to c. 30% (following losses of 36% in 2018-19). More worryingly, the combination of high external financing needs (with debt worth of USD 170bn coming due over the next 12 months) and scarce FX reserves (adjusted for gold, CBRT's short-term borrowing from banks and banks' required reserves, net FX reserves are currently highly negative -- c. -46.0bn) means that pressure on the TRY is unlikely to ease, unless confidence in the authorities' policies is restored. All said, we expect the CBRT to bring its EFR closer to the LLW rate and maintain it at that level for quite some time ahead.

Headline inflation remains stubbornly high at 11.9% y-o-y in October, broadly unchanged compared with end-2019. A look at the breakdown suggests that the pick-up in core inflation was the main factor behind the elevated headline inflation figures. Indeed, the CBRT's preferred measure of core inflation (core-c) has accelerated markedly over the past months (to 11.5% y-o-y in October from 9.8% at end-2019), as the impact of softer demand-side pressures, reflecting the lack of opportunity and/or confidence to spend, amid the pandemic, was more than offset by that of the weaker TRY (see below). Adding to inflationary pressures, food prices have also risen (up 16.5% y-o-y in October against 10.9% at end-2019), reflecting, *inter alia*, supply-side effects from the pandemic (including disruptions in supply chains and export bans from agricultural commodity-exporting countries). These factors were broadly offset, however, by the drop in energy inflation (to 6.0% y-o-y in October from 14.3% at end-2019), in line with developments in global energy markets.

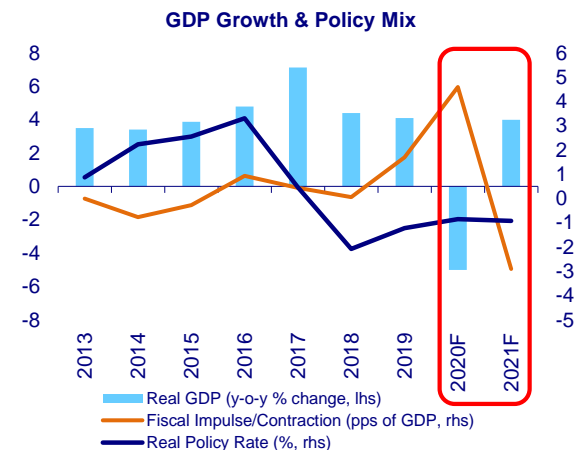
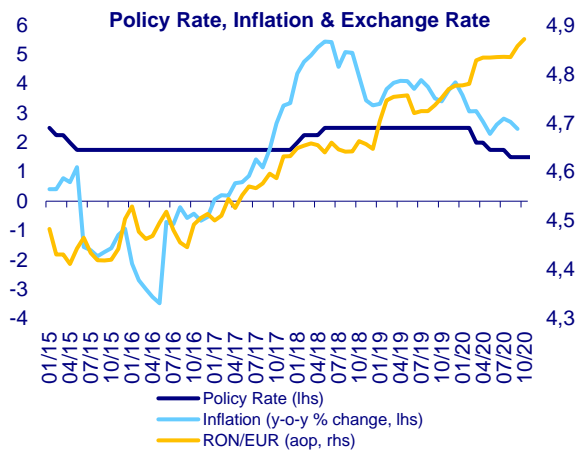
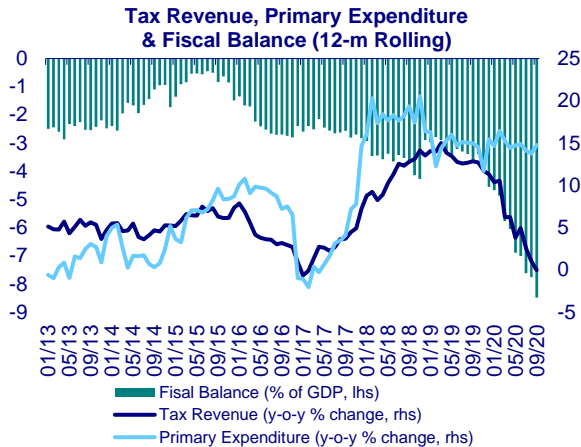
Headline inflation is set to embark on a downward trend only next year. Despite favourable global oil prices (note that Turkey is almost fully dependent on imports to meet its energy needs), we expect inflation to remain elevated by end-year, reflecting the pass-through of the recent depreciation of the TRY, as well as buoyant food inflation and sticky services inflation. Overall, we see headline inflation at 12.0% y-o-y at end-2020, broadly unchanged compared with end-2019.

Looking further ahead and assuming a relative stable exchange rate, we expect headline inflation to embark on a (slow) downward trend, in line with tighter monetary conditions. Note, however, that some COVID-19-related base effects may somewhat distort the picture in H1:21. All said, we see headline inflation at 10.8% y-o-y at end-2021, with average inflation easing to 11.5% in FY:21 from 11.9% in FY:20.



Romania

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



	2 Nov.	3-M F	6-M F	12-M F
1-m ROBOR (%)	2.1	2.1	2.0	1.8
RON/EUR	4.86	4.89	4.91	4.95
Sov. Spread (2024, bps)	95	92	88	80

	2 Nov.	1-W %	YTD %	2-Y %
BET-BK	1,633	-0.9	-13.7	2.1

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	7.1	4.4	4.1	-5.0	4.0
Inflation (eop, %)	3.3	3.3	4.0	2.2	2.8
Cur. Acct. Bal. (% GDP)	-2.8	-4.4	-4.6	-4.0	-3.7
Fiscal Bal. (% GDP)	-2.8	-2.9	-4.6	-9.2	-6.3

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

Budget deficit hits record-high levels, amid the COVID-19 crisis. In 9M:20, the budget deficit widened by 3.9 pps y-o-y to 6.5% of GDP, mainly due to increased spending to mitigate the economic impact of COVID-19. The key measures adopted include: i) additional funding for the healthcare system; and ii) wage subsidies for employees and self-employed. The cost of the latter, together with the impact of automatic stabilisers, pushed up current spending markedly in 9M:20 (up 3.5 pps of GDP y-o-y). Public investment also rose in 9M:20 (by 0.8 pps of GDP y-o-y), despite the reprioritization of spending needs amid the COVID-19 crisis. On the other side of the budget, tax revenue was also affected, albeit to a much lesser extent (down 0.2 pps of GDP y-o-y), reflecting, *inter alia*, the tax discounts and deferrals granted. Part of the fiscal slippage was covered by increased EU grants (up 0.5 pps of GDP y-o-y).

Looking ahead, despite the expiration of the emergency employment schemes and the sluggish economic recovery, the budget should remain under pressure, reflecting the impact of the highly contested pension hike in September. The final size of the hike will be determined by the Constitutional Court, to which the minority PNL-Government appealed to cancel the opposition (PSD)-dominated Parliament's decision to raise pensions by 40%, instead of 14%, as initially planned. All said, under our baseline scenario (which assumes a 14% hike in pensions), we see the budget deficit at 9.2% of GDP in FY:20, highlighting the weak starting point from which Romania entered the crisis (the FY:19 budget deficit stood at 4.6% of GDP). The potential reinstatement of some of the measures implemented earlier in the year, in the face of the second COVID-19 wave, could push the budget deficit even higher.

Romania is in high need of fiscal consolidation. Under a no policy change assumption, and expecting a strong rebound in GDP in FY:21, we see the budget deficit narrowing to a still unsustainable 7.5% of GDP, confirming the need for fiscal consolidation. The latter would need to be more intense in the event of a 40% hike in pensions (implying a c. 4.0 pp of GDP cost to the budget as opposed to 1.2 pps for a 14% rise).

In this context, the outcome of the December 6th general elections will be crucial in determining the future consolidation path. In any case, with the risk of a credit rating downgrade looming (Romania is rated at the lowest investment grade with a negative outlook by all 3 major agencies), we expect the new Government to adopt some tightening measures as of early next year, eventually bringing down the budget deficit to c. 6.0% of GDP. The measures will most likely focus on boosting tax revenue, as flexibility on the current spending side of the budget appears to be limited. Importantly, the relatively low public debt (45.5% of GDP at end-2020 against c. 53.0% for Romania's peers) implies that there is still headroom to absorb the ongoing fiscal stress.

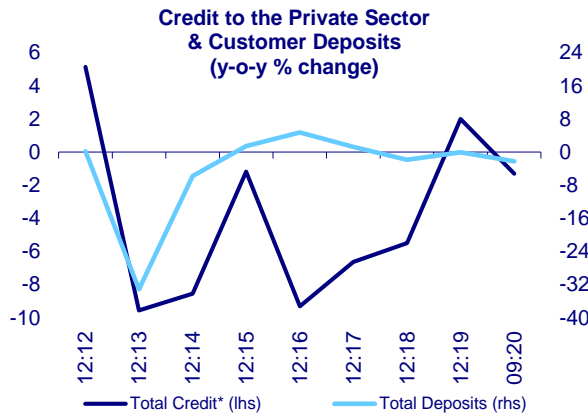
An elevated risk premium prompts the NBR to "wait-and-see". Recall that, in a bid to mitigate the economic impact of COVID-19, the NBR cut its key rate 3 times since March by a total of 100 bps (to 1.5% or -1.0% in *ex-post* real terms). In light of an elevated risk premium, reflecting concerns over the deteriorating fiscal position, the NBR has remained on hold since August, mainly with a view to containing the RON. The latter -- supported by the NBR's interventions -- has lost just c. 2.0% of its value against the EUR y-t-d (following losses of 3.0% in 2019).

All said, the NBR is set to remain on hold at least until credible signs of fiscal consolidation emerge. At the same time, and depending on FX movements, we expect the NBR to maintain its loose liquidity policy. In this context, we do not rule out a cut in the required reserve ratio on RON-denominated liabilities (currently at 8.0%). Importantly, albeit limited compared with the past, the NBR's ability to defend the currency is still adequate, with FX reserves currently standing at EUR 33.8bn (covering more than 4 months of GNFS imports).

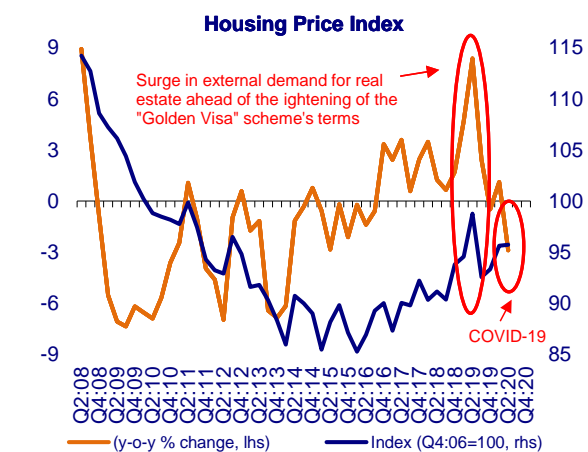
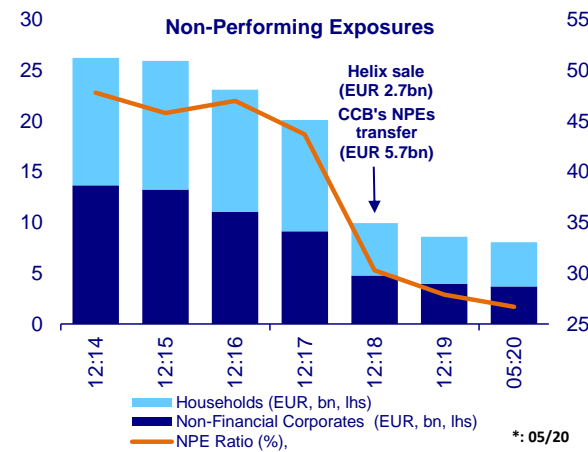


Cyprus

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



* adjusted for the carve-out of the CCB's NPLs (2018) and NPL sales (2019)



Rising credit risk and heightened uncertainty, due to the pandemic, bring credit expansion to a halt. Credit to the private sector contracted in September (by 1.3% y-o-y, with the effective decline being larger when adjusting for the impact of the debt moratorium enacted -- see below) against a sluggish expansion (of c. 2.0%, adjusted for NPE sales) at end-2019, reflecting both lower demand and supply of loans. The former is mainly attributed to higher uncertainty, following the eruption of the pandemic, while the latter is mostly due to tightening lending standards, in the face of rising credit risk. Indeed, with the economy under stress (GDP is projected to recover its FY:20 losses only in mid-2022), household and corporate balance sheets have come under pressure, with negative implications on debt repayment capacity. Banks' significant exposure to sectors that are heavily affected by the pandemic (loans to the wholesale, retail, transport and tourism sectors account for more than 50% of corporate loans) and the high indebtedness of the private sector (135% of GDP) pose additional risks.

In this context, the introduction of a debt payment moratorium for affected entities (effective until end-2020) has temporarily mitigated asset quality deterioration. According to the latest data, the NPE ratio stood at a still high 26.7% in May, a tad lower than at end-2019. Note that the ratio is set to drop by 9.0 pps from current levels, following the pending completion of the "Project Helix-2" NPE sale by the Bank of Cyprus.

Lending activity, especially to corporates, would have been weaker without the Government's emergency schemes. The latter include the granting of loan guarantees worth up to EUR 1.3bn (6.3% of GDP) and the introduction of a 4-year interest rate subsidy scheme for new loans. In this context, corporate lending continued to expand in September (up 3.2% y-o-y), albeit at a slower pace compared with end-2019 (up 7.5%). On the other hand, lending to households declined further in September (down 6.1% y-o-y following a drop of 5.2% at end-2019).

Customer deposits drop mildly, amid the pandemic, driven by the corporate segment. Following 5 years of (weak) growth, residents' deposits (accounting for 84% of total deposits) remained broadly flat in September against a rise of 2.1% at end-2019. The deterioration was driven by corporates, which turned into deposits (down 5.1% y-o-y in September against an increase of 3.6% at end-2019) to cover their liquidity needs, during the time of the crisis. In contrast, household deposits strengthened slightly (up 2.6% y-o-y following a rise of 1.5% at end-2019), mainly reflecting a pick-up in the household savings rate, on the back of the lack of opportunity and/or confidence to spend amid the pandemic. Adding to the decline in resident deposits, non-resident deposits continued to fall steadily in September (down 9.4% y-o-y following a similar drop at end-2019), on the back of strengthened anti-money laundering efforts. Overall, customer deposits fell by 1.6% y-o-y in September against broadly no change at end-2019.

COVID-19 takes a toll on the residential real estate market. Following 3 years of growth, including a rise of 1.1% y-o-y in Q1:20, the Housing Price Index fell by 2.9% y-o-y in Q2:20. Heightened uncertainty, together with the plunge in disposable income, in the aftermath of the COVID-19 shock, were the main drivers behind weaker domestic and external demand for real estate (with the latter accounting for c. 40% of total demand). The steady contraction in mortgage lending (down 2.4% y-o-y in September following a drop of 1.5% at end-2019) also took a toll.

Despite the attractiveness of the sector as an asset class (according to the latest data, rental yields stand at c. 4.0%, well above 10-year bond yields -- currently at 0.4%), the real estate market is unlikely to show any meaningful signs of improvement before the pandemic subsides. The (at least temporary) suspension of the "Golden Visa" scheme following a scandal is also expected to affect the market.

	2 Nov.	3-M F	6-M F	12-M F
1-m EURIBOR (%)	-0.54	-0.54	-0.52	-0.50
EUR/USD	1.16	1.17	1.18	1.19
Sov. Spread (2025. bps)	86	83	80	75

	2 Nov.	1-W %	YTD %	2-Y %
CSE Index	43	0.0	-33.9	-35.5

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	5.2	5.2	3.1	-7.0	5.0
Inflation (eop. %)	-0.6	1.7	0.7	-1.1	0.9
Cur. Acct. Bal. (% GDP)	-5.3	-3.9	-6.3	-9.4	-7.5
Fiscal Bal. (% GDP)	2.0	-3.7	1.7	-6.8	-2.3

Sources: Reuters, CBC, Eurostat & NBG estimates



FOREIGN EXCHANGE MARKETS. NOVEMBER 2ND 2020

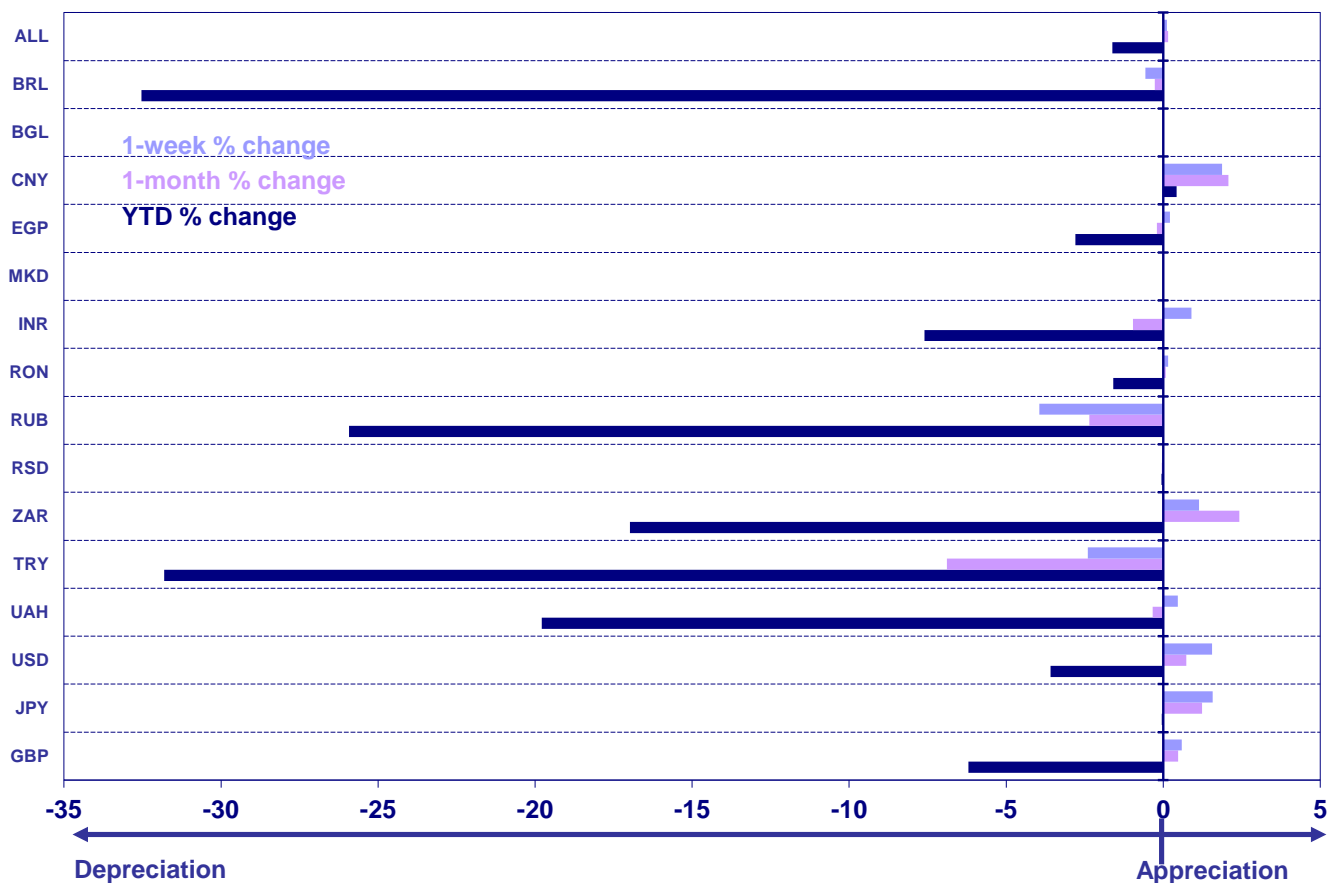
Against the EUR

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	123.6	0.1	0.2	-1.6	-0.5	121.9	129.3	123.5	123.5	123.3	1.4	7.8
Brazil	BRL	6.68	-0.6	-0.3	-32.5	-33.1	4.48	6.79	---	---	6.90	-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	2.1	0.4	0.7	7.54	8.32	---	---	8.04	0.6	-0.8
Egypt	EGP	18.21	1.4	1.0	-1.6	-1.5	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	86.6	0.9	-1.0	-7.6	-8.9	77.2	89.4	---	---	---	-0.3	-3.9
Romania	RON	4.86	0.1	0.1	-1.6	-2.3	4.82	4.88	4.90	4.94	5.02	-2.8	0.6
Russia	RUB	93.9	-4.1	-2.5	-26.0	-24.7	67.7	94.1	94.9	96.0	98.3	15.1	-13.4
Serbia	RSD	117.5	0.0	0.0	-0.1	-0.2	117.5	117.7	117.6	117.5	---	0.6	0.2
S. Africa	ZAR	19.0	1.0	2.3	-17.1	-13.1	15.61	20.93	19.2	19.4	19.8	4.8	-9.9
Turkey	YTL	9.80	-2.6	-7.0	-31.9	-34.9	6.51	9.83	10.24	10.70	11.71	-9.2	-24.9
Ukraine	UAH	33.3	0.5	-0.3	-19.8	-17.2	26.35	33.65	---	---	---	18.6	6.0
US	USD	1.16	1.5	0.7	-3.6	-4.3	1.1	1.2	1.17	1.17	1.17	4.6	0.7
JAPAN	JPY	121.9	1.5	1.2	-0.1	-0.9	114.4	127.1	122.0	122.1	122.3	7.5	0.6
UK	GBP	0.90	0.6	0.5	-6.2	-4.2	0.8	1.0	0.90	0.90	0.91	-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 2nd 2020)



Sources: Reuters & NBG estimates



MONEY MARKETS. NOVEMBER 2ND 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	---	16.9	---	---	2.1	4.7	---	15.1	4.6	6.2	---	0.1
T/N	---	---	---	---	---	---	---	---	2.1	3.8	0.4	---	4.5	---	---	---
S/W	0.7	1.9	---	2.5	-0.5	---	1.1	---	---	3.9	0.4	---	4.7	6.3	-0.5	0.1
1-Month	1.0	1.9	---	2.7	-0.5	---	1.3	3.7	2.1	4.1	0.7	15.7	4.4	8.0	-0.5	0.1
2-Month	---	1.9	---	---	---	---	---	---	---	5.0	0.8	15.9	4.5	---	---	0.2
3-Month	1.4	2.0	---	3.0	---	---	1.4	3.8	2.2	5.1	1.0	16.1	4.5	10.3	---	0.2
6-Month	1.7	2.3	---	3.0	---	---	1.6	---	2.2	5.2	1.2	16.4	4.4	---	---	0.2
1-Year	2.1	3.2	---	3.2	-0.1	---	1.8	---	2.2	4.6	---	16.7	4.2	---	-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 2ND 2020

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

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

CORPORATE BONDS SUMMARY. NOVEMBER 2ND 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	2.5	318	299
South Africa	Standard Bank Group Ltd 5.95% '29	USD	BB/Baa3	31/5/2029	400	5.1	489	478
	FirstRand Bank Ltd 6.25% '28	USD	NA/NA	23/4/2028	500	5.0	489	480
	Arcelik AS 3.875% '21	EUR	BB+/NA	16/9/2021	350	3.9	456	435
	Garanti Bank 5.25% '22	USD	NA/Ba3	13/9/2022	750	5.9	574	555
	Turkiye Is Bankasi 6% '22	USD	NA/B2	24/10/2022	1,000	7.9	780	745
Turkey	Vakifbank 5.75% '23	USD	NA/B1	30/1/2023	650	7.7	751	714
	TSKB 5.5% '23	USD	NA/B2	16/1/2023	350	7.8	761	720
	Petkim 5.875% '23	USD	NA/B1	26/1/2023	500	6.7	658	633
	Koc Holding 5.25% '23	USD	BBB-/Ba2	15/3/2023	750	5.4	527	510

CREDIT DEFAULT SWAP SPREADS. NOVEMBER 2ND 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine
5-Year	---	216	45	40	98	411	---	77	108	105	105	546	275	579
10-Year	---	283	95	73	119	514	---	85	139	168	123	568	337	595

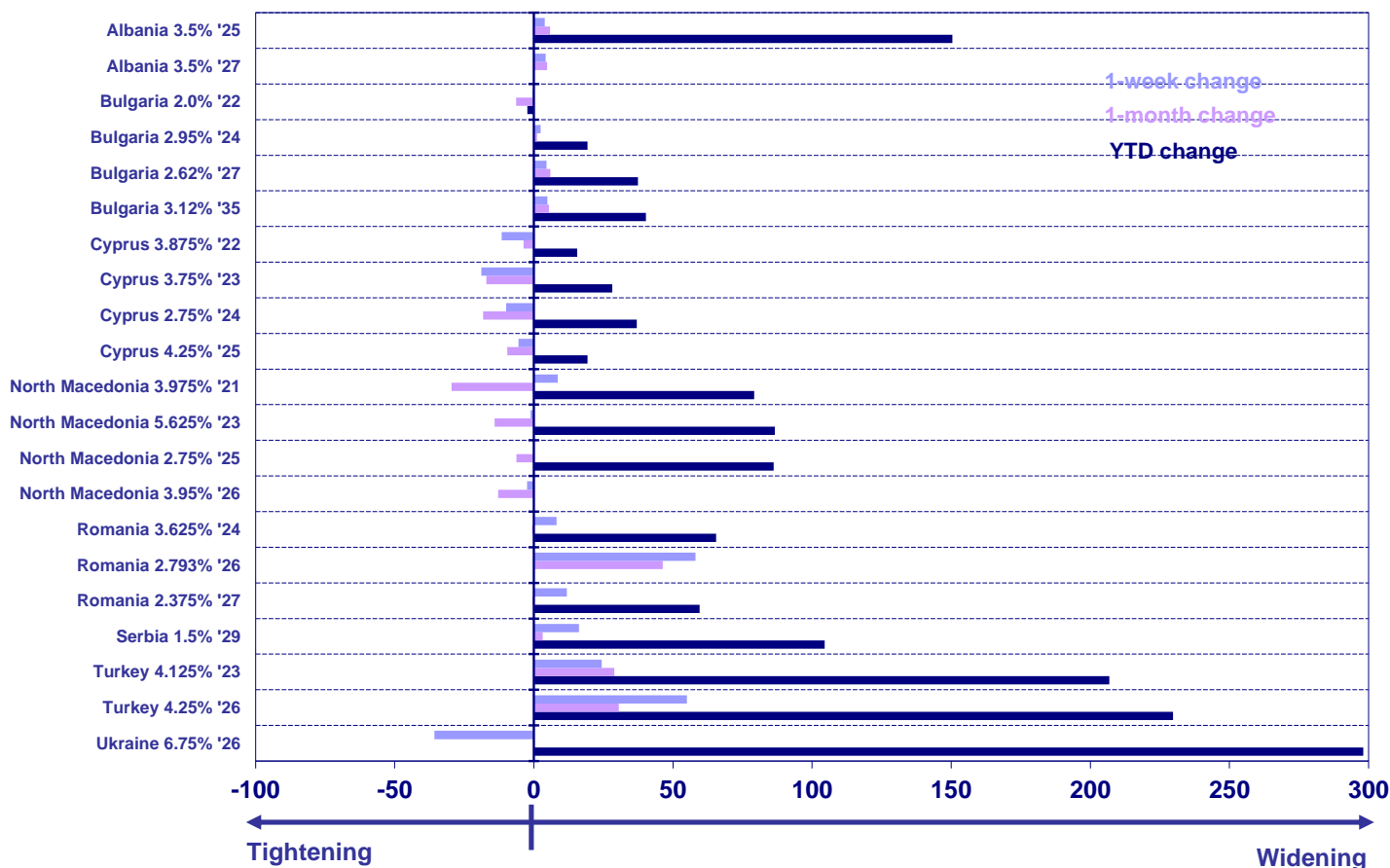
Sources: Reuters & NBG estimates



EUR-DENOMINATED SOVEREIGN EUROBOND SUMMARY. NOVEMBER 2ND 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	2.9	374	341
Albania 3.5% '27	EUR	B+/B1	16/6/2027	650	3.0	378	345
Bulgaria 2.0% '22	EUR	BBB-/Baa2	26/3/2022	1.250	-0.3	46	27
Bulgaria 2.95% '24	EUR	BBB-/Baa2	3/9/2024	1.493	-0.2	66	34
Bulgaria 2.62% '27	EUR	BBB-/Baa2	26/3/2027	1.000	0.1	87	52
Bulgaria 1.12% '35	EUR	BBB-/Baa2	26/3/2035	900	1.0	140	124
Cyprus 1.875% '22	EUR	NA/Baa2	6/5/2022	1.000	-0.1	68	43
Cyprus 1.75% '23	EUR	NA/Baa2	26/7/2023	1.000	0.0	86	51
Cyprus 2.75% '24	EUR	NA/Baa2	27/6/2024	850	0.1	93	64
Cyprus 4.25% '25	EUR	NA/Baa2	4/11/2025	1.000	0.1	88	59
North Macedonia 1.975% '21	EUR	BB-/NA	24/7/2021	500	1.3	197	593
North Macedonia 5.625% '23	EUR	BB-/NA	26/7/2023	450	1.7	258	239
North Macedonia 2.75% '25	EUR	BB-/NA	18/1/2025	500	2.0	281	248
North Macedonia 3.95% '26	EUR	BB-/NA	3/6/2026	700	2.1	290	263
Romania 1.625% '24	EUR	BBB-/BBB-	24/4/2024	1.250	0.6	140	113
Romania 2.793% '26	EUR	BBB-/BBB-	26/2/2026	1.300	3.9	246	314
Romania 2.375% '27	EUR	BBB-/BBB-	19/4/2027	2.000	1.2	200	171
Serbia 1.5% '29	EUR	BB/Baa3	26/6/2029	1.550	1.8	254	211
Turkey 4.125% '23	EUR	NR/Baa3	11/4/2023	1.000	4.1	492	455
Turkey 5.2% '26	EUR	NA/Baa3	16/2/2026	1.500	6.7	636	576
Ukraine 6.75% '26	EUR	B-/Caa2	20/6/2026	1.000	7.1	790	737

EUR-Denominated Eurobond Spreads (November 2nd 2020)



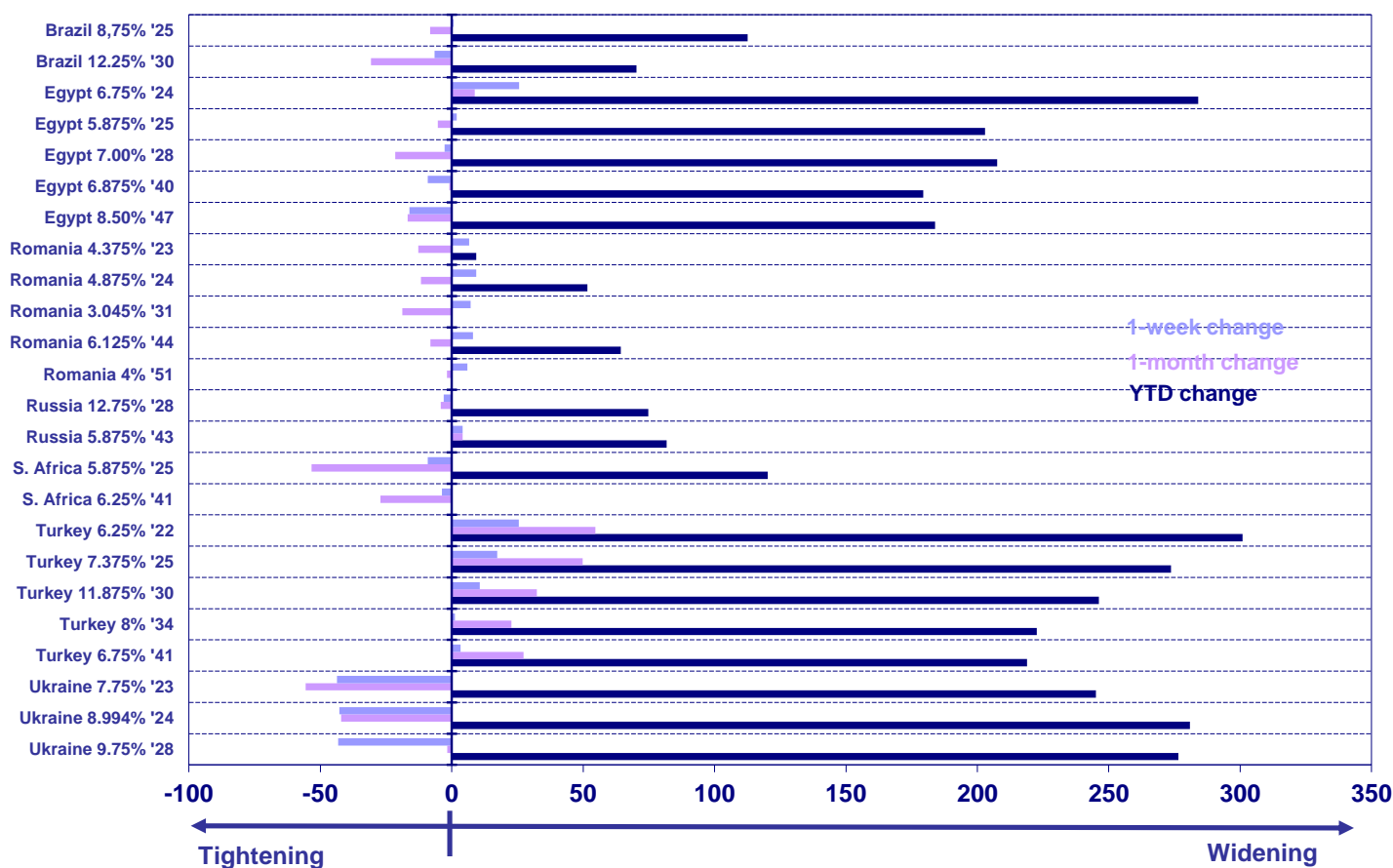
Sources: Reuters & NBG estimates



USD-DENOMINATED SOVEREIGN EUROBOND SUMMARY. NOVEMBER 2ND 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	2.7	227	256
Brazil 12.25% '30	USD	NA/Ba2	6/3/2030	238	3.9	298	414
Egypt 6.75% '24	USD	NA/B2	10/11/2024	1.320	5.9	556	559
Egypt 5.875% '25	USD	B/B2	11/6/2025	1.500	5.3	489	486
Egypt 7.00% '28	USD	NA/B2	10/11/2028	1.320	6.7	607	595
Egypt 6.875% '40	USD	B/B2	30/4/2040	500	7.5	624	593
Egypt 8.50% '47	USD	NA/B2	31/1/2047	2.500	8.6	700	712
Romania 4.375% '23	USD	BBB-/BBB-	22/8/2023	1.500	1.1	95	92
Romania 4.875% '24	USD	BBB-/BBB-	22/1/2024	1.000	1.4	117	113
Romania 3.045% '31	USD	BBB-/BBB-	14/2/2031	1.300	2.6	176	173
Romania 6.125% '44	USD	BBB-/BBB-	22/1/2044	1.000	3.9	246	314
Romania 4% '51	USD	BBB-/BBB-	14/2/2051	2.000	3.9	226	259
Russia 12.75% '28	USD	BBB-/Baa3	24/6/2028	2.500	2.5	181	248
Russia 5.875% '43	USD	BBB-/Baa3	16/9/2043	1.500	3.6	213	277
S. Africa 5.875% '25	USD	BB/Baa3	16/9/2025	2.000	3.8	342	350
S. Africa 6.25% '41	USD	BB/Baa3	8/3/2041	750	6.4	498	502
Turkey 6.25% '22	USD	NR/Ba3	26/9/2022	2.500	6.1	599	584
Turkey 7.375% '25	USD	NR/Ba3	5/2/2025	3.250	6.8	637	637
Turkey 11.875% '30	USD	NR/Ba3	15/1/2030	1.500	7.5	665	774
Turkey 8% '34	USD	NR/Ba3	14/2/2034	1.500	7.6	676	659
Turkey 6.75% '41	USD	NR/Ba3	14/1/2041	3.000	7.8	643	568
Ukraine 7.75% '23	USD	B-/Caa1	1/9/2023	1.355	6.3	608	606
Ukraine 8.994% '24	USD	B-/Caa1	1/2/2024	750	6.9	665	670
Ukraine 9.75% '28	USD	B-/Caa1	1/11/2028	1.600	8.2	755	774

USD-Denominated Eurobond Spreads (November 2ND 2020)



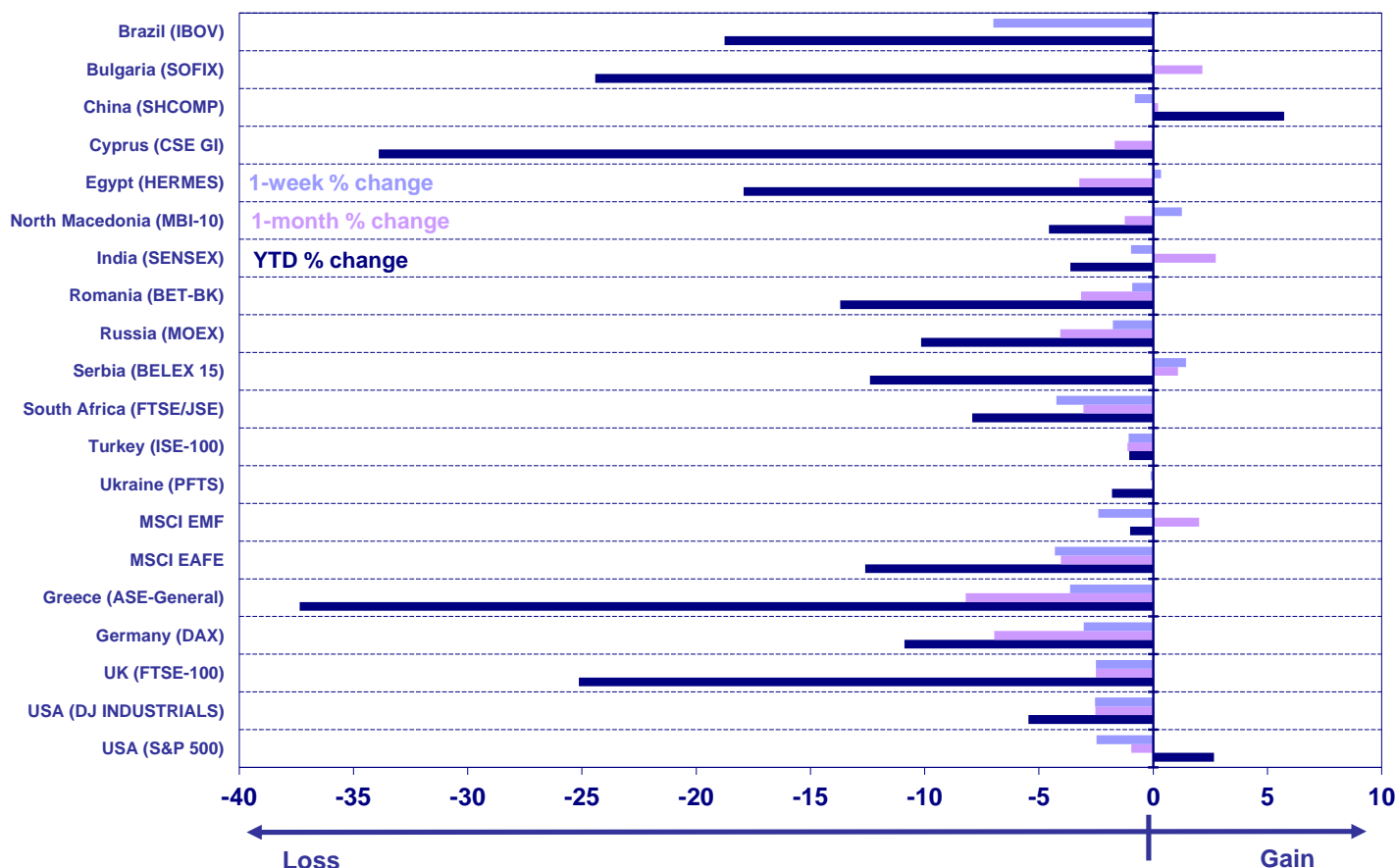
Sources: Reuters & NBG estimates



STOCK MARKETS PERFORMANCE. NOVEMBER 2ND 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)	93,952	-7.0	-0.1	-18.8	-13.6	61,691	119,593	-45.4	31.6	0.8	15.0	2.5
Bulgaria (SOFIX)	429	-0.1	2.2	-24.4	-22.6	401	587	-24.4	-4.4	-4.4	-12.3	-12.3
China (SHCOMP)	3,225	-0.8	0.2	5.7	8.4	2,647	3,459	6.1	22.3	0.8	-24.6	-25.2
Cyprus (CSE GI)	43	0.0	-1.7	-33.9	-34.1	42	68	-33.9	-2.6	-2.6	-3.9	-3.9
Egypt (HERMES)	1,053	0.3	-3.2	-17.9	-21.8	756	1,290	-19.2	0.4	0.8	-11.1	-11.1
North Macedonia (MBI)	4,437	1.3	-1.2	-4.6	3.9	3,256	5,015	-4.6	34.0	34.0	36.6	36.6
India (SENSEX)	39,758	-1.0	2.7	-3.6	-1.4	25,639	42,274	-11.0	14.4	0.9	5.9	1.6
Romania (BET-BK)	1,633	-0.9	-3.2	-13.7	-9.1	1,356	1,979	-15.1	29.7	0.9	-11.6	-11.1
Russia (MOEX)	2,736	-1.8	-4.1	-10.2	-6.6	2,074	3,227	-33.4	30.8	0.8	10.3	-3.9
Serbia (BELEX-15)	702	1.4	1.1	-12.4	-6.8	605	819	-12.4	5.3	0.8	0.2	0.5
South Africa (FTSE/JSE)	52,566	-4.2	-3.0	-7.9	-7.7	37,178	59,105	-23.6	8.2	0.9	-11.4	-20.1
Turkey (ISE 100)	1,132	-1.1	-1.1	-1.1	13.1	819	1,245	-32.7	25.4	0.9	-20.9	-40.5
Ukraine (PFTS)	500	-0.1	0.1	-1.8	-3.9	499	537	-21.8	-8.9	0.8	77.5	88.1
MSCI EMF	1,103	-2.4	2.0	-1.0	3.7	752	1,151	-4.7	15.4	0.9	-16.6	-12.8
MSCI EAFE	1,780	-4.3	-4.0	-12.6	-10.0	1,354	2,058	-15.9	18.4	0.9	-16.1	-12.3
Greece (ASE-General)	574	-3.6	-8.2	-37.3	-34.7	470	949	-37.3	49.5	49.5	-23.6	-23.6
Germany (XETRA DAX)	11,807	-3.0	-7.0	-10.9	-10.1	8,256	13,795	-10.9	25.5	25.5	-18.3	-18.3
UK (FTSE-100)	5,647	-2.5	-4.3	-25.1	-23.4	4,899	7,690	-29.8	12.1	0.9	-12.5	-13.5
USA (DJ INDUSTRIALS)	26,982	-2.5	-2.5	-5.5	-1.7	18,214	29,569	-8.9	22.3	0.9	-5.6	-1.3
USA (S&P 500)	3,317	-2.5	-1.0	2.7	7.7	2,192	3,588	-1.1	28.9	0.9	-6.2	-1.9

Equity Indices (November 2nd 2020)



Sources: Reuters & NBG estimates



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