



Economic Analysis Division Emerging Markets Analysis

Bi-Weekly Report 14 - 27 July 2020



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

Emerging Markets Analysis

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BULGARIA 1

Bulgaria enters the Exchange Rate Mechanism II (ERM-II), a precursor to adopting the euro

Albeit starting from a good position, Bulgaria is set to face challenges in its path towards euro adoption

NORTH MACEDONIA 2

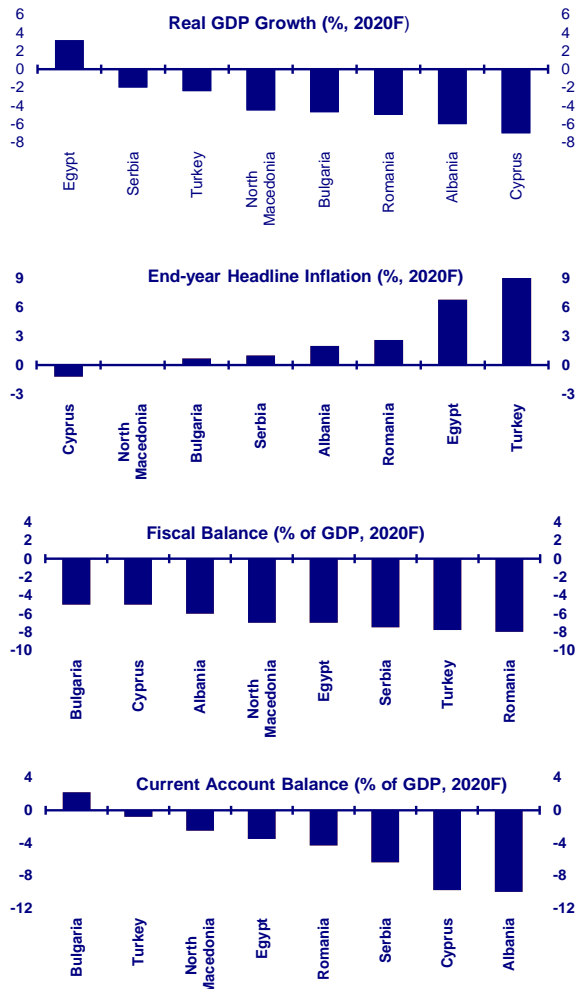
A “razor-thin” result in the Parliamentary elections fails to end political uncertainty

CYPRUS 3

Adjusted for the deterioration in the ship trade balance, the current account deficit remained broadly flat at 5.6% of GDP on a 4-quarter rolling basis in Q1:20

Following an unprecedented drop in H1:20 due to COVID-19, tourist arrivals are set to recover in the period ahead, yet lagging far behind the levels of previous years

APPENDIX: FINANCIAL MARKETS 4



Sources: National authorities, IMF & NBG estimates



Bulgaria

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

Bulgaria enters the Exchange Rate Mechanism II (ERM-II), a precursor to adopting the euro. The long-awaited decision was made by euro area finance ministers and the ECB in early-July.

The ERM-II involves maintaining the domestic currency within a $\pm 15\%$ fluctuation band around the agreed exchange rate of 1.95583 against the euro. Bulgaria must participate for a minimum of 2 years before becoming eligible for the adoption of the euro. This should not be a problem since Bulgaria has been operating successfully under a currency board arrangement (CBA) since 1997. Confirming the credibility of the CBA, FX reserves currently cover c. 150% of the monetary base.

As had been agreed by domestic authorities and euro area members 2 years ago, in tandem with entering the ERM-II, Bulgaria also joined the bloc's Banking Union (BU), a joint supervision and crisis management mechanism of the banking sector. Recall that, as part of its efforts to join the BU, the domestic banking sector was subjected to a health check, involving an AQR and stress tests on the largest lenders. The stress tests found capital shortfalls at First Investment Bank (FIB) and Investbank, which were subsequently covered by private investors and the state (in the case of FIB). Note that, under the BU rules, Bulgaria's systemically important banks will be supervised by the ECB, starting from October 2020.

On a positive note, ERM-II and BU entry should help Bulgaria earn an upgrade to its credit rating, which had been put on hold following the outbreak of the COVID-19 pandemic. Indeed, despite its minimal direct macroeconomic impact, participating in the ERM-II and the BU should enhance investor confidence in Bulgaria's policies and institutions.

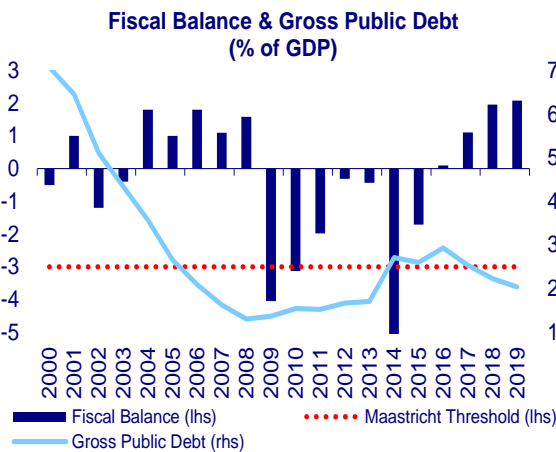
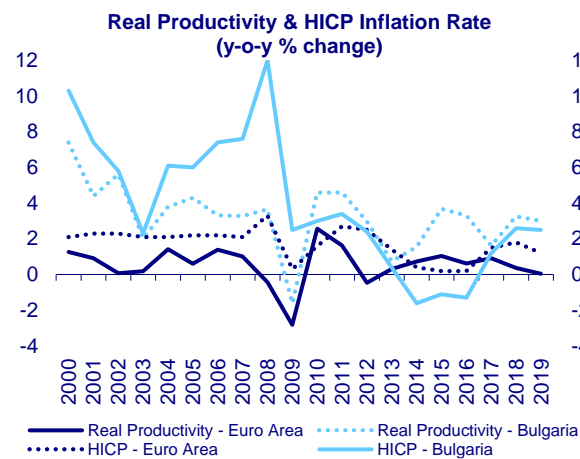
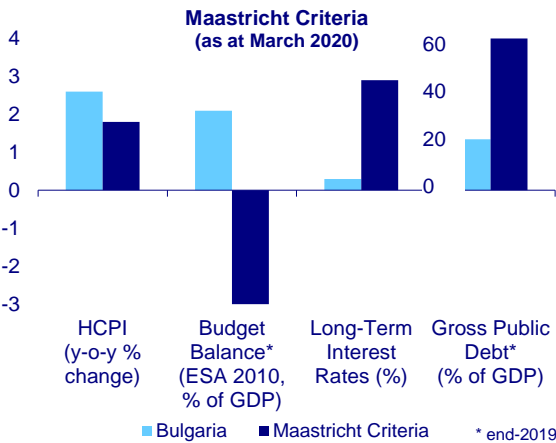
Albeit starting from a good position, Bulgaria is set to face challenges in its path towards euro adoption. Besides exchange rate stability, other convergence ("Maastricht") criteria must be fulfilled to adopt the euro, including:

- i) price stability (the average inflation rate should not exceed by more than 1.5 pps that of the three best performing member states);
- ii) soundness and sustainability of public finances (the budget deficit should remain below 3.0% of GDP, while the debt-to-GDP ratio should remain below 60%), and;
- iii) durability of convergence (long-term interest rates should not exceed by more than 2 pps those of the three best performing member states in terms of price stability)

Equally important, candidate countries must ensure legislative compatibility with the treaties and the statute of the ECB.

In its latest Convergence report (June 2020), the ECB noticed that Bulgaria does not meet the price stability and legislative compatibility criteria. While we expect the latter to be easily met, we believe that the former could prove challenging (according to the latest data, the 12-month average HICP inflation rate in Bulgaria was 2.6%, well above the reference value of 1.8%). Indeed, under a fixed exchange rate regime, Bulgaria's envisaged catch-up in productivity levels with the euro area should be eventually translated into higher inflation (Balassa-Samuelson effect, see chart). Note that the average price level in Bulgaria currently stands at c. 1/2 of the euro area average, confirming the significant upside potential for inflation.

On the other hand, in view of the country's strong track record of fiscal prudence (the budget deficit stood at 0.8% of GDP on average over the past 10 years) and low public debt (20.4% of GDP at end-2019, the 2nd lowest in the EU), Bulgaria is expected to continue to meet the public finances criterion. All said, we see Bulgaria eventually adopting the euro in 2025, i.e. 2 years after the first available window.



	27 July	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 (2024, bps)	72	70	67	60

	27 July	1-W %	YTD %	2-Y %	
SOFIX	440	-0.5	-22.6	-30.4	
	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	3.5	3.1	3.4	-4.7	5.8
Inflation (eop, %)	2.8	2.7	3.8	0.5	2.6
Cur. Acct. Bal. (% GDP)	3.5	1.4	4.0	2.2	3.5
Fiscal Bal. (% GDP)	0.8	0.1	-1.0	-5.0	-1.8

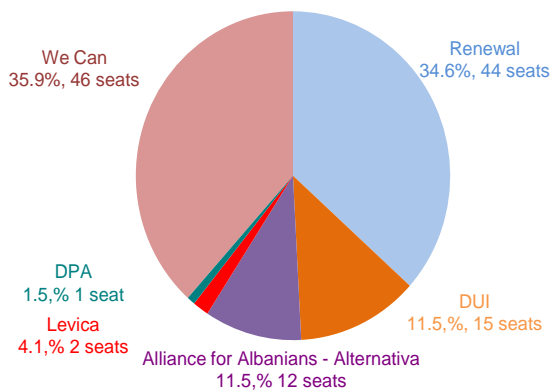
Sources: Reuters, BNB, ECB, Eurostat & NBG estimates



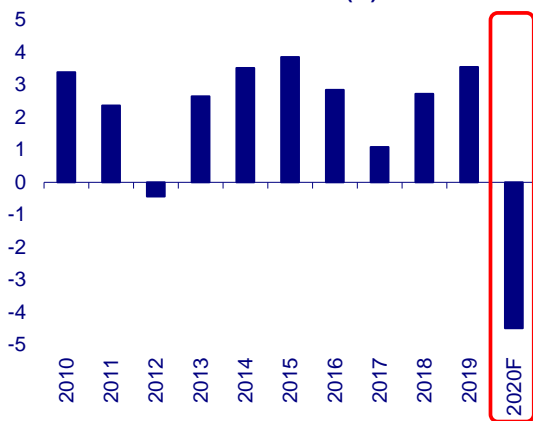
North Macedonia

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

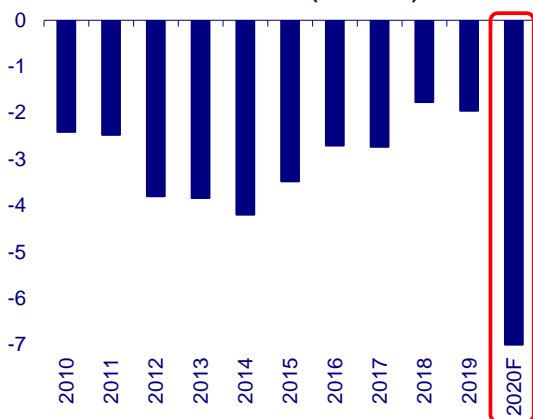
Results of the July Parliamentary Elections
(% of Votes, number of seats)



Real GDP Growth (%)



Fiscal Balance (% of GDP)



	27 July	3-M F	6-M F	12-M F
1-m SKIBOR (%)	1.3	1.3	1.3	1.5
MKD/EUR	61.3	61.3	61.3	61.3
Sov. Spread (2021. bps)	297	285	265	230

	27 July	1-W %	YTD %	2-Y %
MBI 100	4,294	1.9	-7.6	27.1

	2017	2018	2019F	2020F	2021F
Real GDP Growth (%)	1.1	2.7	3.6	-4.5	6.0
Inflation (eop. %)	2.4	0.9	0.5	0.0	1.0
Cur. Acct. Bal. (% GDP)	-1.0	-0.1	-2.8	-2.5	-2.6
Fiscal Bal. (% GDP)	-2.7	-1.8	-2.0	-7.0	-3.5

A “razor-thin” result in the Parliamentary elections fails to end political uncertainty. The elections, which were the first since the country changed its name, ending a long-standing dispute with Greece, were initially scheduled for April, but they were deferred to mid-July, due to COVID-19. According to the final results, the “We Can” coalition, led by the ruling centre-left SDSM and also comprising the Albanian minority BESA party, came first with 35.9% of the vote, but fell short of an overall majority, securing 46 out of 120 Parliamentary seats. The main opposition party, the Renewal coalition, led by the right-wing VMRO-DPNE, followed closely behind, winning 34.6% of the vote and 44 seats, meaning that it could still take office with the support of smaller parties.

Regarding the parties representing the ethnic Albanian minority, which accounts for nearly 25% of the country’s population, the Democratic Union for Integration (DUI), a junior partner in the outgoing Government, secured 11.5% of the vote and 15 seats, followed by the coalition between the Alliance of Albanians and the Alternativa party, with 9.0% of the vote and 12 seats and the Democratic Party of Albanians (DPA) with 1.5% of the vote and 1 seat.

5 The left-wing Levica party also managed to enter Parliament, receiving 4.1% of the vote and 2 seats. Note that the turnout fell markedly to 52.0% from 66.8% in the 2016 elections, partly due to fears over the spread of COVID-19.

1 Looking ahead, the ethnic Albanian parties will play the role of the kingmaker. The largest among them, the DUI, has demanded its candidate be named PM in exchange for any alliance, with both the SDSM and the VMRO-DPMNE rejecting this proposal. In our view, the most likely scenario is that the DUI will backtrack on its demand (perhaps in exchange for some other key posts) and participate in a coalition Government with the “We Can” coalition. Worryingly, coalition talks will not be easy, prolonging uncertainty and affecting policy implementation.

In any case, broader political continuity is expected after the formation of the new Government, as all parties remain committed to the country’s EU path, despite the deep polarization over the name change (“Prespa”) agreement and the “good neighbouring” agreements with Bulgaria. Recall that, after three failed attempts, the last of which, in October, prompted the then PM, Z. Zaev to call for snap elections, the European Council finally provided its consent in March to open accession negotiations with North Macedonia. Importantly, the opening of EU membership talks should provide an important policy anchor and a strong incentive to accelerate reforms. The recent endorsement of the country’s entry into the NATO should also help to this end.

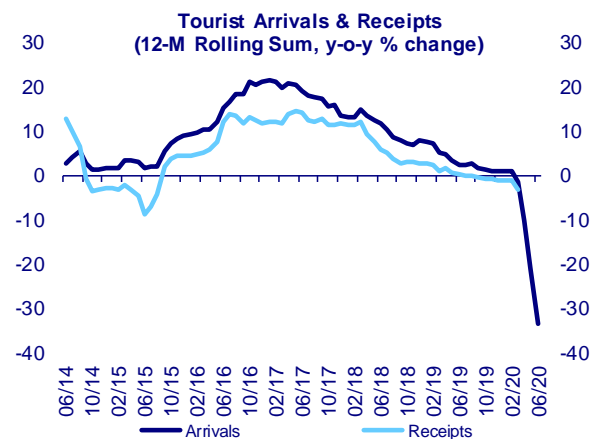
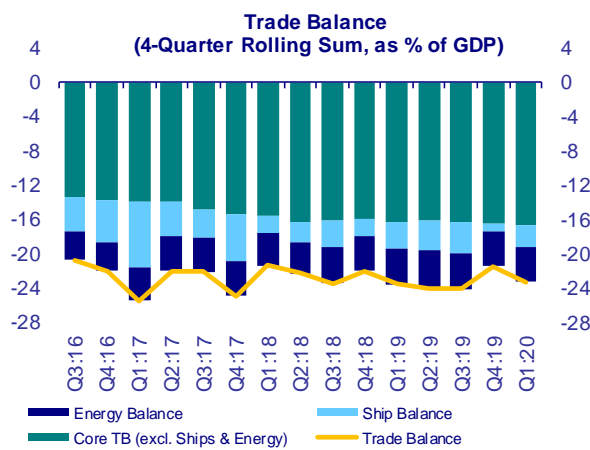
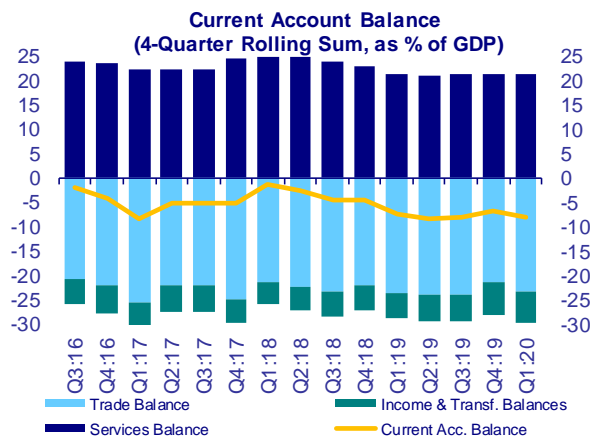
-7 Looking ahead, the main challenge for the new Government would be to mitigate the economic impact of COVID-19 and restart the economy. Note that there has been an alarming increase in COVID-19 infections since May, when the authorities eased the lockdown, with the country currently having one of the highest mortality rates per capita in the region. To this end, the new Government’s efforts should concentrate on enhancing infection prevention and control practices in hospitals, as well as increasing the healthcare system’s capacity. In terms of a fiscal response to the crisis, the outgoing Government has adopted a comprehensive package of measures, varying from wage and social security contribution subsidies and income support for informal workers to the provision of financing at favourable terms to affected businesses by the state-owned Development bank. Nevertheless, a better targeting of these measures, especially towards lower income recipients, could have a greater effect on the economy. All said, under no policy change and assuming no second (extended) lockdown, we see GDP dropping 4.5% in FY:20 against an expansion of 3.6% in FY:19.

Sources: Reuters, Ministry of Finance, State Statistical Office, SEC & NBG estimates



Cyprus

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



	27 July	3-M F	6-M F	12-M F
1-m EURIBOR (%)	-0.52	-0.52	-0.50	-0.48
EUR/USD	1.18	1.16	1.15	1.14
Sov. Spread (2025. bps)	131	135	132	130

	27 July	1-W %	YTD %	2-Y %
CSE Index	46	-1.8	-30.0	-40.1

	2017	2018	2019	2020F	2021F
Real GDP Growth (%)	4.4	4.1	3.2	-7.0	5.5
Inflation (eop. %)	-0.6	1.7	0.7	-1.2	0.6
Cur. Acct. Bal. (% GDP)	-5.1	-4.4	-6.7	-9.8	-7.6
Fiscal Bal. (% GDP)	2.0	-3.7	1.7	-5.0	-1.5

Sources: Reuters, CYSTAT, CBC & NBG estimates

Adjusted for the deterioration in the ship trade balance, the current account deficit (CAD) remained broadly flat at 5.6% of GDP on a 4-quarter rolling basis in Q1:20. In Q1:20, the CAD widened by 1.6 pps y-o-y to 4.6% of GDP, mainly driven by a weaker ship trade balance (down 1.5 pps of GDP y-o-y), on the back of the drop in (volatile) exports of ships (ship de-registration). Adjusted for the latter, the CAD improved marginally to 3.6% of GDP in Q1:20, as the deterioration in: i) the core trade balance (excl. energy and ships, down 0.2 pps of GDP y-o-y), reflecting the combined impact of the expansion (albeit at a slow pace) in domestic demand, on the one hand, and the halt in external demand, on the other, and; ii) the official transfers balance (down 0.2 pps of GDP y-o-y) was slightly more than offset by the improvement in the income balance (up 0.6 pps of GDP y-o-y), due to lower repatriation of profits. The CAD would have been larger had the services balance not remained broadly flat compared with a year ago. Indeed, the drop in tourism receipts (albeit from a seasonally low base, down 0.3 pps of GDP y-o-y in Q1:20) was compensated by higher receipts from financial services.

Looking ahead, we expect the CAD to widen rapidly, driven by a sharp drop in tourism receipts (see below). This deterioration should be moderated, however, by a reversal in the core trade deficit, as the impact of the sharp drop in exports, due to the slowdown in the EU, Cyprus' main trading partner, should be more than offset by that of weaker domestic demand on the large import base. The improvement in the energy balance, reflecting favourable developments in global oil prices, should also help to this end. All said, we see the CAD rising to a multi-year high of 9.8% of GDP in FY:20 from 6.7% in FY:19.

Following an unprecedented drop in H1:20 due to COVID-19, tourist arrivals are set to recover in the period ahead, yet lagging far behind the levels of previous years. Following a relatively strong start to the year, tourist arrivals remained flat in February and eventually took a dive in the March (down 67.4% y-o-y), due to the negative supply-side shocks from the lockdown measures enforced domestically and the travel restrictions imposed internationally. After 2½ months of complete inactivity, Cyprus' air connectivity was partially restored in June (with arrivals still down 98.2% y-o-y in the month).

Airports are currently open to 39 countries. These countries have been classified based on their COVID-19 risk profile, with travelers from "low risk" countries (Group A) allowed to enter Cyprus unconditionally and travelers from "relatively riskier" countries (Group B) required to present a negative COVID-19 test result before entering the country. Note that the largest source countries, i.e. UK, Russia and Israel (accounting for 33.5%, 19.7% and 7.4% of arrivals, respectively, in FY:19), have not yet been included in the list of approved countries. The latter is reviewed on a regular basis, with the UK set to join Group B in August.

Looking ahead, we expect tourist arrivals to recover, yet lagging far behind the levels of previous years, reflecting, *inter alia*, weak demand for tourist services, amid still high uncertainty. Note that, in a bid to revive tourist activity, the authorities have adopted a series of measures, including, *inter alia*: i) covering the holiday costs of the tourists found COVID-19 positive following their arrival in Cyprus; ii) a temporary VAT reduction in tourism-related services (down 4 pps to 5%); and iii) cash incentives to airlines to resume flights to Cyprus, despite limited passenger capacity. The limited spread of COVID-19 in Cyprus (with a transmission rate of below 1 and a very low mortality rate) could also provide the country with a relatively competitive advantage.

All said, we see tourist arrivals dropping by a significant c. 80.0% in FY:20 against a marginal rise of 1.0% in FY:19, dealing a heavy blow to a sector that generates directly c. 7.0% of GDP.



FOREIGN EXCHANGE MARKETS. JULY 27TH 2020

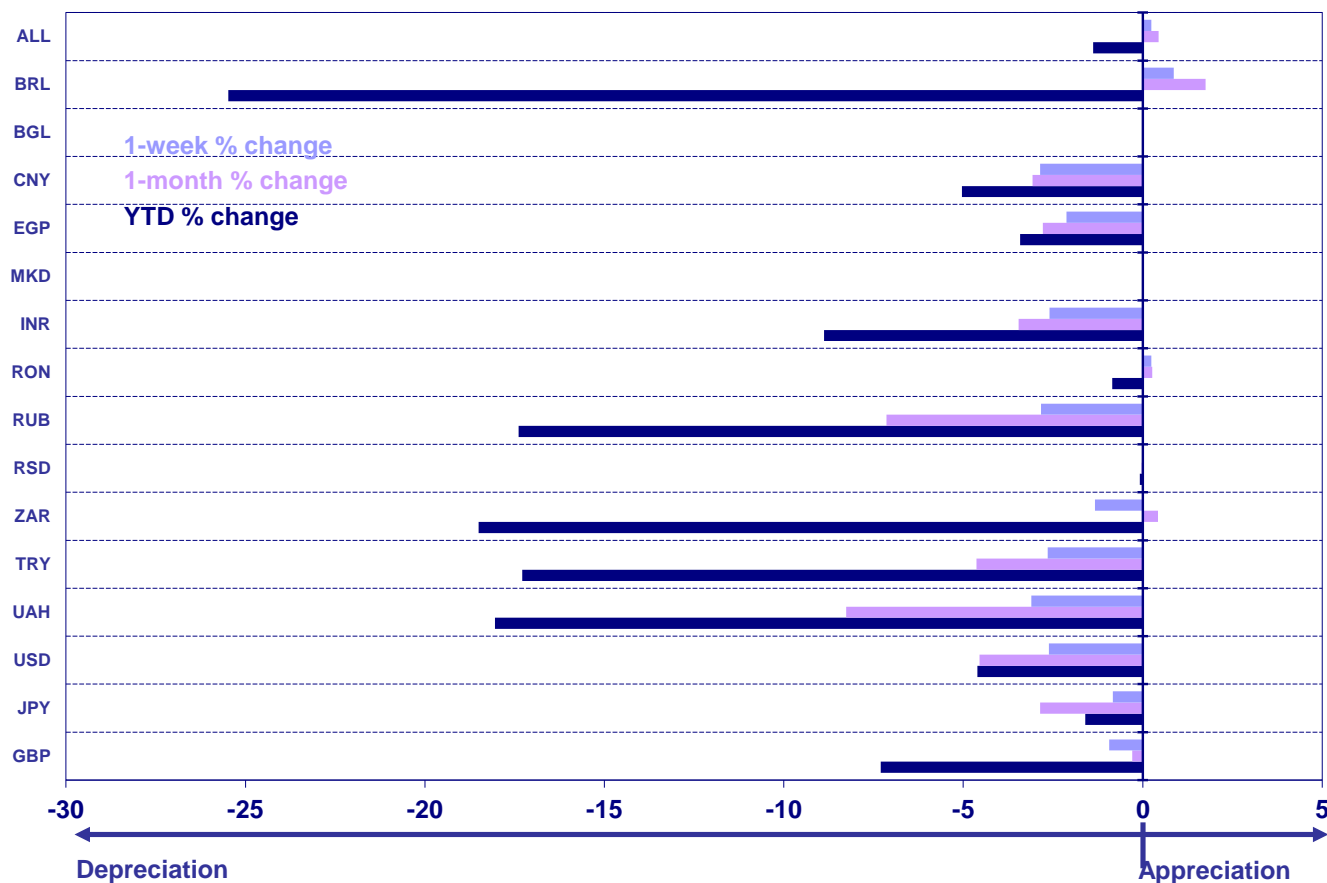
Against the EUR

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	123.3	0.2	0.4	-1.4	-1.5	121.9	129.3	123.2	123.1	122.7	1.4	7.8
Brazil	BRL	6.05	0.9	1.8	-25.5	-30.3	4.48	6.49	---	---	6.20	-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	8.23	-2.9	-3.1	-5.0	-6.8	7.54	8.25	---	---	8.47	0.6	-0.8
Egypt	EGP	18.55	-2.1	-2.8	-3.4	-0.9	16.28	18.73	---	---	---	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	87.8	-2.6	-3.5	-8.9	-12.8	77.2	88.0	---	---	---	-0.3	-3.9
Romania	RON	4.83	0.2	0.3	-0.9	-2.0	4.82	4.87	4.86	4.90	4.98	-2.8	0.6
Russia	RUB	84.1	-2.8	-7.1	-17.4	-16.0	67.7	90.1	85.0	86.0	88.0	15.1	-13.4
Serbia	RSD	117.6	0.0	0.0	-0.1	0.0	117.5	117.7	117.6	118.4	---	0.6	0.2
S. Africa	ZAR	19.3	-1.3	0.4	-18.5	-18.1	15.61	20.91	19.5	19.7	20.1	4.8	-9.9
Turkey	YTL	8.06	-2.6	-4.6	-17.3	-22.4	6.51	8.18	8.36	8.74	9.55	-9.2	-24.9
Ukraine	UAH	32.6	-3.1	-8.3	-18.0	-13.8	26.35	32.66	---	---	---	18.6	6.0
US	USD	1.18	-2.6	-4.5	-4.6	-5.2	1.1	1.2	1.18	1.18	1.18	4.6	0.7
JAPAN	JPY	123.8	-0.8	-2.9	-1.6	-2.1	114.4	124.4	123.9	124.0	124.1	7.5	0.6
UK	GBP	0.91	-0.9	-0.3	-7.3	0.0	0.8	1.0	0.91	0.91	0.92	-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 (July 27th 2020)



Sources: Reuters & NBG estimates



MONEY MARKETS. JULY 27TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine	EU	US
O/N	0.6	2.1	0.0	2.0	---	10.0	---	---	2.3	4.8	---	8.4	5.4	6.0	---	0.1
T/N	---	---	---	---	---	---	---	---	2.3	4.2	0.4	---	5.4	---	---	---
S/W	0.7	2.1	---	2.2	-0.5	---	1.1	---	---	4.3	0.4	---	4.5	6.4	-0.5	0.1
1-Month	1.1	2.0	---	2.3	-0.5	---	1.3	4.2	2.2	4.4	0.7	8.7	5.9	8.9	-0.5	0.2
2-Month	---	2.0	---	---	---	---	---	---	---	5.0	0.8	8.7	5.9	---	---	0.2
3-Month	1.5	2.0	---	2.6	---	---	1.4	4.6	2.2	5.0	1.0	8.8	5.9	10.6	---	0.3
6-Month	1.9	2.0	---	2.7	---	---	1.6	---	2.2	5.0	1.2	8.9	6.3	---	---	0.3
1-Year	2.2	2.4	---	2.8	-0.1	---	1.8	---	2.3	4.7	---	9.5	6.5	---	-0.1	0.5

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

LOCAL DEBT MARKETS. JULY 27TH 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	---	8.4	---	7.0	-0.6	0.1
6-Month	---	---	---	---	---	13.4	---	3.4	3.1	4.1	3.3	8.9	---	7.7	-0.6	0.1
12-Month	1.7	---	-0.1	2.3	---	13.4	0.6	3.6	3.2	4.1	1.9	9.9	---	9.2	-0.6	0.1
2-Year	---	---	---	2.3	---	---	0.9	4.2	3.2	4.4	---	10.4	4.9	10.3	-0.7	0.2
3-Year	---	---	0.0	2.5	0.5	---	---	4.4	3.4	4.5	---	11.2	7.1	10.0	-0.7	0.2
5-Year	3.7	5.3	---	2.6	0.6	14.1	---	5.0	3.6	5.1	2.7	11.5	7.4	---	-0.7	0.3
7-Year	---	---	0.4	---	0.7	14.3	---	5.7	3.7	5.5	---	---	---	---	-0.6	0.5
10-Year	5.2	6.5	0.5	2.9	---	14.4	---	5.9	4.0	5.8	---	11.9	9.2	---	-0.5	0.6
15-Year	---	---	---	---	---	---	3.0	6.3	---	6.1	---	---	9.9	---	-0.3	---
25-Year	---	---	---	---	---	---	---	---	---	---	---	---	11.3	---	---	---
30-Year	---	---	---	---	---	---	---	6.4	---	---	---	---	11.2	---	-0.1	1.3

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

CORPORATE BONDS SUMMARY. JULY 27TH 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	2.9	345	334
South Africa	Standard Bank Group Ltd 5.95% '29	USD	BB/Baa3	31/5/2029	400	5.6	537	526
	FirstRand Bank Ltd 6.25% '28	USD	NA/NA	23/4/2028	500	5.3	512	506
	Arcelik AS 3.875% '21	EUR	BB+/NA	16/9/2021	350	3.0	357	344
	Garanti Bank 5.25% '22	USD	NA/Ba3	13/9/2022	750	5.5	534	520
	Turkiye Is Bankasi 6% '22	USD	NA/B2	24/10/2022	1,000	6.7	658	638
Turkey	Vakifbank 5.75% '23	USD	NA/B1	30/1/2023	650	6.8	669	643
	TSKB 5.5% '23	USD	NA/B2	16/1/2023	350	6.7	652	626
	Petkim 5.875% '23	USD	NA/B1	26/1/2023	500	6.3	617	598
	Koc Holding 5.25% '23	USD	BBB-/Ba2	15/3/2023	750	5.3	515	503

CREDIT DEFAULT SWAP SPREADS. JULY 27TH 2020

	Albania	Brazil	Bulgaria	China	Cyprus	Egypt	North Macedonia	India	Romania	Russia	Serbia	Turkey	S. Africa	Ukraine
5-Year	---	221	44	45	100	427	---	76	145	92	102	489	286	559
10-Year	---	287	93	80	113	589	---	84	185	149	122	513	345	577

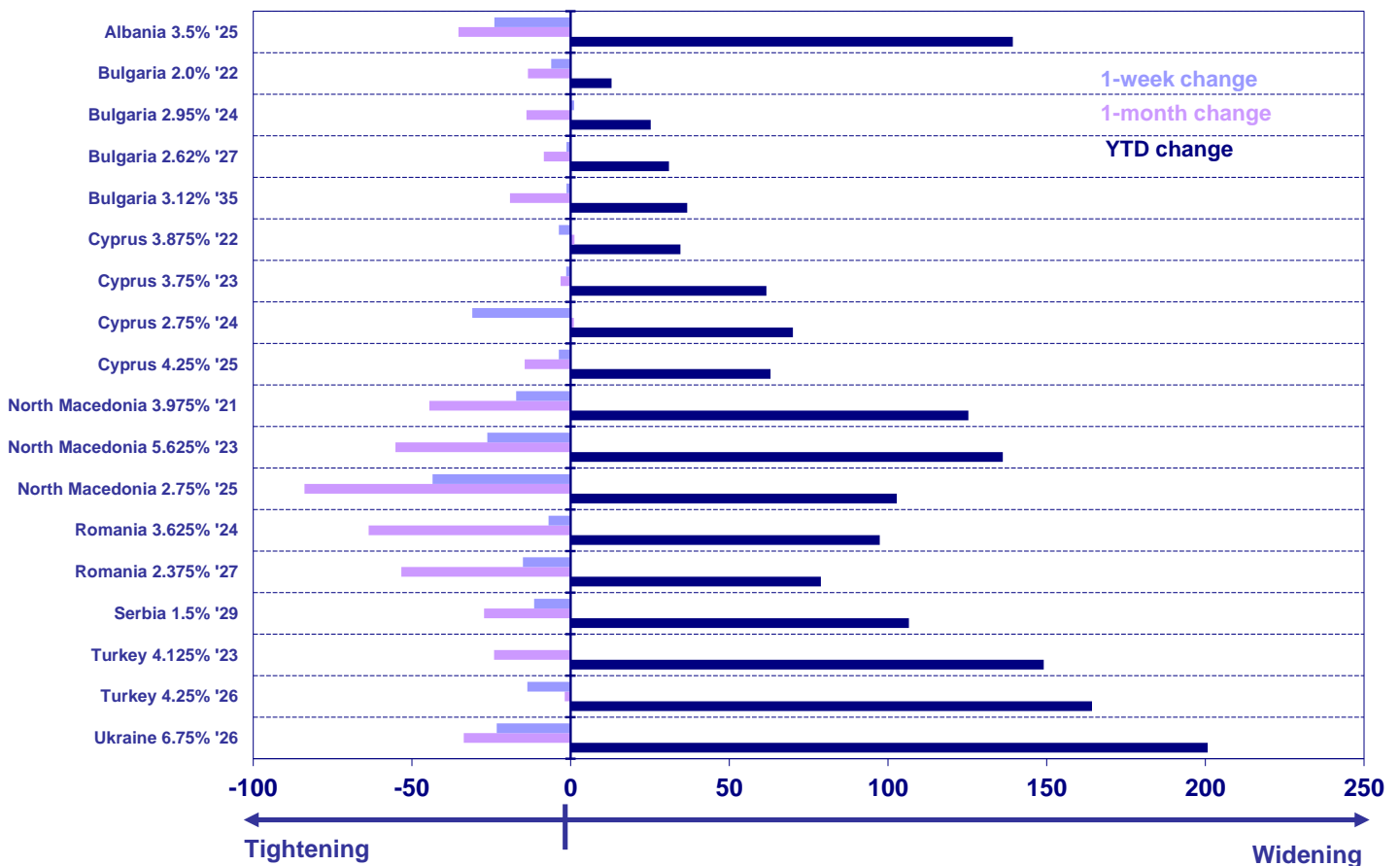
Sources: Reuters & NBG estimates



EUR-DENOMINATED SOVEREIGN EUROBOND SUMMARY. JULY 27TH 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	3.0	363	334
Bulgaria 2.0% '22	EUR	BBB-/Baa2	26/3/2022	1.250	-0.1	61	38
Bulgaria 2.95% '24	EUR	BBB-/Baa2	3/9/2024	1.493	0.0	72	44
Bulgaria 2.62% '27	EUR	BBB-/Baa2	26/3/2027	1.000	0.1	81	51
Bulgaria 1.12% '35	EUR	BBB-/Baa2	26/3/2035	900	1.1	137	130
Cyprus 1.875% '22	EUR	NA/Ba2	6/5/2022	1.000	0.2	88	66
Cyprus 1.75% '23	EUR	NA/Ba2	26/7/2023	1.000	0.5	120	79
Cyprus 2.75% '24	EUR	NA/Ba2	27/6/2024	850	0.6	126	99
Cyprus 4.25% '25	EUR	NA/Ba2	4/11/2025	1.000	0.6	131	111
FYROM 1.975% '21	EUR	BB-/NA	24/7/2021	500	1.9	243	641
FYROM 5.625% '23	EUR	BB-/NA	26/7/2023	450	2.4	307	290
FYROM 2.75% '25	EUR	BB-/NA	18/1/2025	500	2.3	297	266
Romania 1.625% '24	EUR	BBB-/BBB-	24/4/2024	1.250	1.0	172	149
Romania 2.375% '27	EUR	BBB-/BBB-	19/4/2027	2.000	1.6	219	194
Serbia 1.5% '29	EUR	BB-/Ba3	26/6/2029	1.550	2.0	256	219
Turkey 4.125% '23	EUR	NR/Ba3	11/4/2023	1.000	3.6	434	402
Turkey 5.2% '26	EUR	NA/Ba3	16/2/2026	1.500	6.0	570	528
Ukraine 6.75% '26	EUR	B-/Caa2	20/6/2026	1.000	6.3	693	661

EUR-Denominated Eurobond Spreads (July 27th 2020)



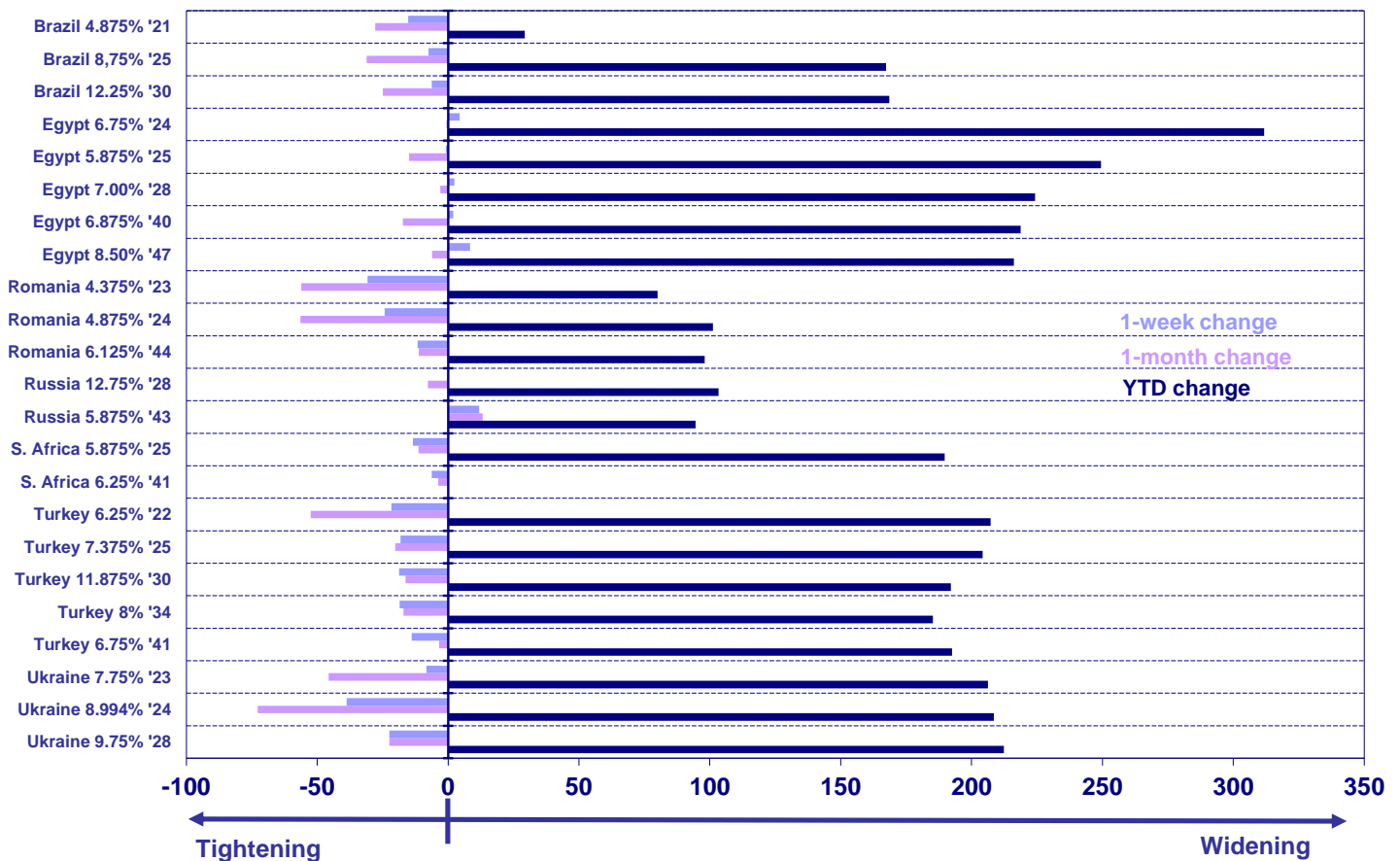
Sources: Reuters & NBG estimates



USD-DENOMINATED SOVEREIGN EUROBOND SUMMARY. JULY 27TH 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	1.0	82	71
Brazil 8.75% '25	USD	NA/Ba2	4/2/2025	688	3.1	281	314
Brazil 12.25% '30	USD	NA/Ba2	6/3/2030	238	- - -	396	530
Egypt 6.75% '24	USD	NA/B2	10/11/2024	1.320	6.1	584	583
Egypt 5.875% '25	USD	B/B2	11/6/2025	1.500	5.6	535	528
Egypt 7.00% '28	USD	NA/B2	10/11/2028	1.320	6.7	624	617
Egypt 6.875% '40	USD	B/B2	30/4/2040	500	7.7	664	641
Egypt 8.50% '47	USD	NA/B2	31/1/2047	2.500	8.5	732	759
Romania 4.375% '23	USD	BBB-/BBB-	22/8/2023	1.500	1.8	166	166
Romania 4.875% '24	USD	BBB-/BBB-	22/1/2024	1.000	1.8	167	168
Romania 6.125% '44	USD	BBB-/BBB-	22/1/2044	1.000	3.8	280	361
Russia 12.75% '28	USD	BBB-/Baa3	24/6/2028	2.500	2.5	209	289
Russia 5.875% '43	USD	BBB-/Baa3	16/9/2043	1.500	3.3	226	305
S. Africa 5.875% '25	USD	BB/Baa3	16/9/2025	2.000	4.4	412	418
S. Africa 6.25% '41	USD	BB/Baa3	8/3/2041	750	6.3	531	542
Turkey 6.25% '22	USD	NR/Ba3	26/9/2022	2.500	5.2	506	500
Turkey 7.375% '25	USD	NR/Ba3	5/2/2025	3.250	5.9	568	577
Turkey 11.875% '30	USD	NR/Ba3	15/1/2030	1.500	6.7	611	734
Turkey 8% '34	USD	NR/Ba3	14/2/2034	1.500	7.0	639	652
Turkey 6.75% '41	USD	NR/Ba3	14/1/2041	3.000	7.2	616	576
Ukraine 7.75% '23	USD	B-/Caa1	1/9/2023	1.355	5.9	569	574
Ukraine 8.994% '24	USD	B-/Caa1	1/2/2024	750	6.1	593	609
Ukraine 9.75% '28	USD	B-/Caa1	1/11/2028	1.600	7.3	691	734

USD-Denominated Eurobond Spreads (July 27th 2020)



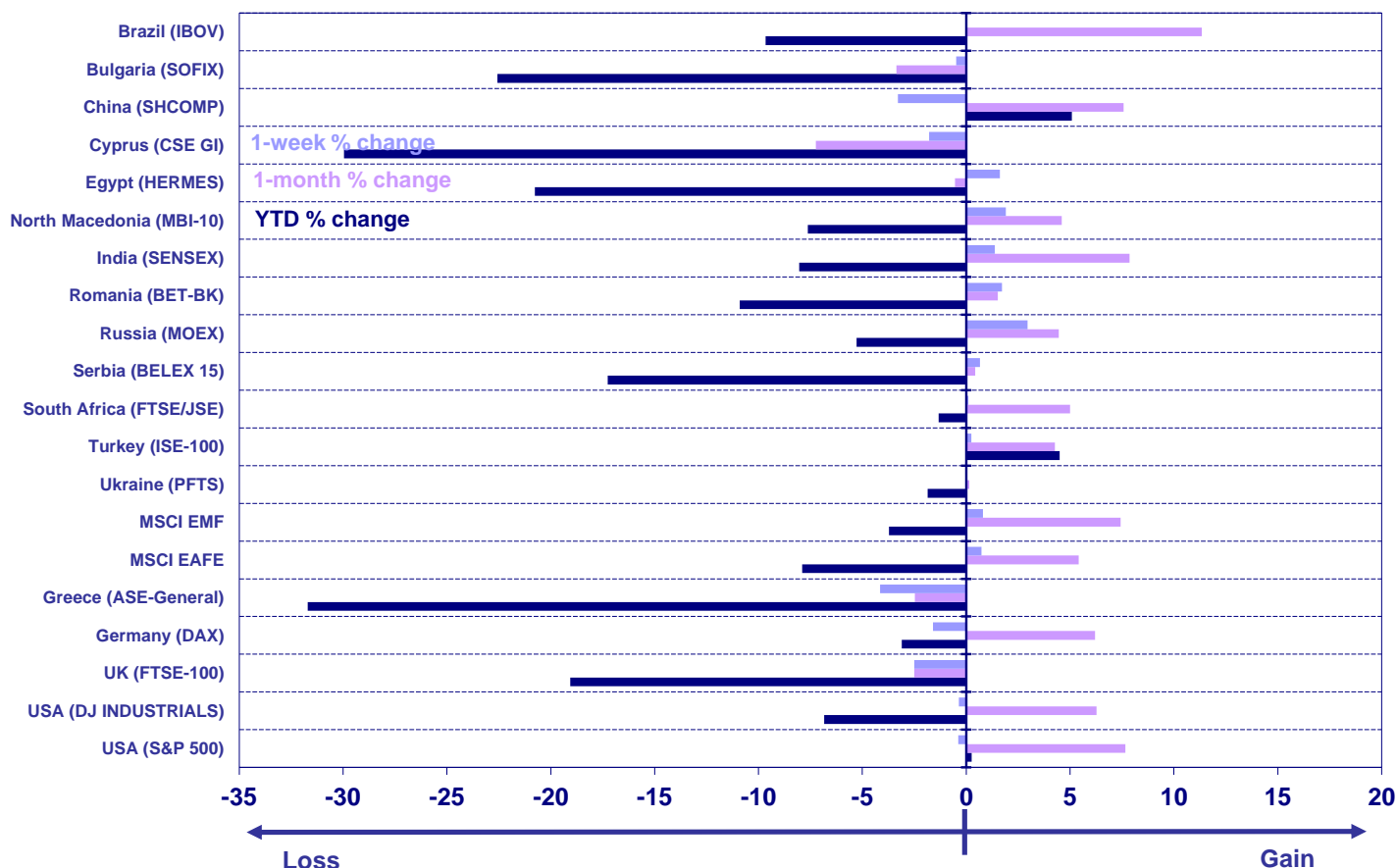
Sources: Reuters & NBG estimates



STOCK MARKETS PERFORMANCE. JULY 27TH 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)	104,477	0.0	11.3	-9.7	1.0	61,691	119,593	104.477	31.6	0.8	15.0	2.5
Bulgaria (SOFIX)	440	-0.5	-3.4	-22.6	-24.6	401	587	440	-4.4	-4.4	-12.3	-12.3
China (SHCOMP)	3,205	-3.3	7.6	5.1	9.0	2,647	3,459	3,205	22.3	0.8	-24.6	-25.2
Cyprus (CSE GI)	46	-1.8	-7.2	-30.0	-35.1	46	68	46	-2.6	-2.6	-3.9	-3.9
Egypt (HERMES)	1,016	1.6	-0.5	-20.8	-20.4	756	1,290	1,016	0.4	0.8	-11.1	-11.1
North Macedonia (MBI)	4,294	1.9	4.6	-7.6	11.4	3,256	5,015	4,294	34.0	34.0	36.6	36.6
India (SENSEX)	37,935	1.4	7.9	-8.0	0.7	25,639	42,274	37,935	14.4	0.9	5.9	1.6
Romania (BET-BK)	1,686	1.7	1.5	-10.9	-1.1	1,356	1,979	1,686	29.7	0.9	-11.6	-11.1
Russia (MOEX)	2,885	2.9	4.5	-5.3	5.7	2,074	3,227	2,885	30.8	0.8	10.3	-3.9
Serbia (BELEX-15)	663	0.7	0.4	-17.3	-10.6	605	819	663	5.3	0.8	0.2	0.5
South Africa (FTSE/JSE)	56,326	0.1	5.0	-1.3	-2.9	37,178	59,105	56,326	8.2	0.9	-11.4	-20.1
Turkey (ISE 100)	1,196	0.2	4.3	4.5	15.7	819	1,245	1,196	25.4	0.9	-20.9	-40.5
Ukraine (PFTS)	500	0.0	0.2	-1.9	-7.5	499	537	500	-8.9	0.8	77.5	88.1
MSCI EMF	1,073	0.8	7.4	-3.7	2.6	752	1,151	1,073	15.4	0.9	-16.6	-12.8
MSCI EAFE	1,876	0.7	5.4	-7.9	-2.0	1,354	2,058	1,876	18.4	0.9	-16.1	-12.3
Greece (ASE-General)	626	-4.1	-2.5	-31.7	-30.1	470	949	-31.7	49.5	49.5	-23.6	-23.6
Germany (XETRA DAX)	12,839	-1.6	6.2	-3.1	3.4	8,256	13,795	-3.1	25.5	25.5	-18.3	-18.3
UK (FTSE-100)	6,105	-2.5	-0.9	-19.1	-20.6	4,899	7,690	-25.0	12.1	0.9	-12.5	-13.5
USA (DJ INDUSTRIALS)	26,585	-0.4	6.3	-6.8	-2.3	18,214	29,569	-11.1	22.3	0.9	-5.6	-1.3
USA (S&P 500)	3,239	-0.4	7.7	0.3	7.2	2,192	3,394	-4.3	28.9	0.9	-6.2	-1.9

Equity Indices (July 27th 2020)



Sources: Reuters & NBG estimates



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