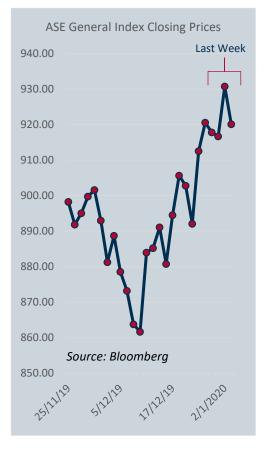


Late Dec-Early Jan: 30.12.2019-03.01.2020





Greek Market

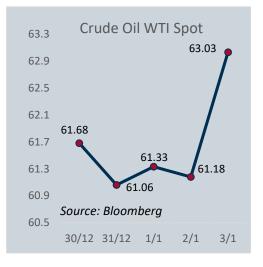
New year's resolutions get postponed amidst risen global tensions

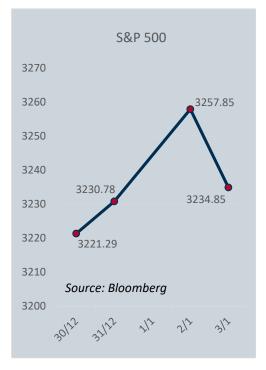
The ATHEX GI closed at 920.09 points, presenting a slight loss of 4.9 bps on a weekly level, while the FTSE 25 yielded -0.32% and the FTSEM -0.03%. On Monday's sessions it seemed that investors were already on a New Year's Eve break as European stock benchmarks, as well as that of Athens, were on a downward trajectory. On the last day of 2019, the majority of the stocks presented a rise while a few blue chips imposed insignificant losses on the main index. The same day, the Greek stock market closed this century's best year as its benchmark posted annual gains of 49.47%, an outstanding performance unregistered since the '99 stock bubble. The ATHEX GI ended at 916.67 points, shedding 0.12% from Monday's 917.79 points. The start of the new year was marked positively with another 58-month high for the Greek Stock market benchmark validating the fact that the uptrend momentum continues steadily despite the lack of assistance by the credit sector stocks. Thus, the ATHEX GI ended at 930.17 points adding 1.53% to Tuesday's 916.67 points. Friday was characterized by the geopolitical situation in Middle East, raising concerns to the global market and the Greek one was no exception, although it managed to remain above 920 points. The ATHEX GI as previously mentioned closed at 920.09 points, yielding a positive 0.37% so far in 2020.

Domestic News

The race for natural gas is heating the economy and the political scene The last day of 2019, Greek debt agency PDMA conducted an auction for € 1 bn 26W T-bills. The offered amount covered 175% of the auctioned one setting the yield at 0%. Including non-competitive bids, the State managed to borrow € 1.3 bn for 6 months without any cost. On Thursday, an agreement of major importance was signed by the Prime Ministers of Greece and Israel and the President of Cyprus. The primary object of this agreement was the construction of the "EastMed" natural gas pipeline, a 1,900 km contemporary "silk road" that will exploit the offshore natural gas reserves of these countries as well as that of others that were welcomed to join the deal. However, regions of SE Mediterranean are also claimed by Libya and Turkey, who did not welcome the deal. Europe, a highly energy-dependent continent seeks to drive down its energy costs as well as its dependence to the East. On a macroeconomic environment, December's PMI figures were encouraging, showing a high amount of orders that leads to an increase of demand for employees to cover them. The harmonized PMI index for December of 2019 closed at 53.9, slight decreased from November of 2019 which was at 54.1. This figure indicates a stable improvement for the Greek economy in this field. Furthermore, the pace of the increased prices of inflows was accelerated in order to passed on the consumers. On Friday, Bank of Greece announced that







the annual rate of change of real economy's funding remains stable for November 2019 at -0.8% and the net monthly flow decreased from \notin 474 ml of October to \notin 78 ml in November. Furthermore, the annual rate of change of the total amount of deposits was boosted from 3.8% of the previous month to 4.4% in November.

Global Markets

Investors seek safe havens as oil prices rise along with ME uncertainty

Wall Street bid farewell to 2019 with significant annual earnings which was marked mainly by the US-China trade war and the reference by US President Donald Trump. S&P 500 finished 2019 with a +28.9% jump to 3.230,18, marking its best annual performance since 2013, while Dow Jones closed the year with profits +22,3%. The best performance for 2019 was recorded by the Nasdaq posting gains of +35.2% that closed at 8.972,60 points as technology giants attracted a wealth of capital throughout the year with Apple (+84,5%) and Microsoft (+55%) to consolidate their capitalization over \$ 1 tn. The pan-European index, Stoxx 600 during 2019 rose more than 23%, DAX +25%, CAC +28% and FTSE 100 +12%. Noting top performance in Europe and around the world Greek ASE Index gained nearly 50%. In the news of the week Wall Street's major indices fell from record highs on Friday after a U.S. air strike in Iraq ratcheted up tensions in the Middle East as there are serious concerns about the dangerous escalation of the situation. US Indices lost their earnings for the week (S&P 500 -0.16% Dow 30 -0.04% and NASDAQ +0.16%). This fact did not leave the European indicators unaffected (DAX 30 -0.88%, CAC 40 0.11% and FTSE 100 -0.29%). Oil and gold rallied on Friday after a US air strike on Baghdad airport in Iraq that killed one of Iran's top military commanders. Crude oil gained 3.02% to \$ 63.03/barrel on Friday with weekly closing of +2.14% while Gold price hit a four-month high rising 3.38% this week at \$ 1,555.26/ounce.

International News

Trade-war headlines are being replaced by only the suffix of the term

US Trade Issues Adviser Peter Navarro told to CNBC that the "Phase-1" of the US-China trade agreement must be taken for granted and that they are just waiting for the Chinese translation of the agreement with US President Donald Trump announcing he will sign "Phase-1" of the trade deal with China on January 15th. Significant developments have occurred on Friday when Iran's most powerful military commander, Gen. Qasem Soleimani has been killed by a US drone air strike in Iraq and igniting tensions in the Middle East as Tehran threatens to take revenge for the death of their general, stressing that Washington made the worst mistake with this choice. US claims that they killed Soleimani to prevent future Iranian attacks and to prevent a war between them, trying to calm the spirits. In the few macroeconomic data of the week, US ISM Manufacturing PMI decreased from 48.1 to 47.2 with the index sliding to its lowest level since summer 2009, further corroborating the most struggling sector of the US economy while in Europe, German Unemployment Rate remained stable at 5%.

JAN 2020	What to look for this week		
MON 6	TUE 7	WED 8	THU 9
China Services PMI UK Services PMI	EU CPI	US Crude Oil Inventories UK House Prices	
FRI 10	SAT 11	SUN 12	
US Unemployment Rate and non-farm payrolls			

What to look for this week

Iran's response will be the main issue for the foreseeable future and a response like that of Saudi Arabia in September is what markets, energy demanders and civilized world hope for. However, if tension is not ameliorated, safe havens like long-term bonds, gold, yen are expected to continue their rally. The first US unemployment rate and non-farm payrolls of this decade will be posted this Friday hoping that the trade deal will address partly the manufacturing issues. UK Services PMI on Monday, lawmakers' reconvention on Tuesday and House prices on Wednesday are expected to shape a less blurry picture over Jan 31st Brexit deadline. China hopes that its Services PMI (Monday) and inflation figures (Thursday) will be in accordance with its promising retail sales figures as well as with the recently announced monetary stimulus.

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