



Morning Regional Update

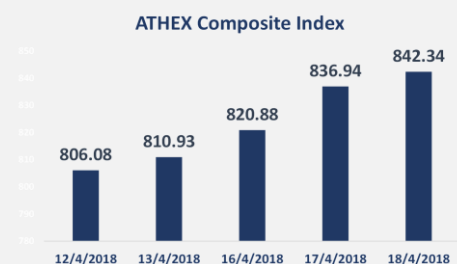
Greece/Portugal/Cyprus

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April 19, 2018

Greece



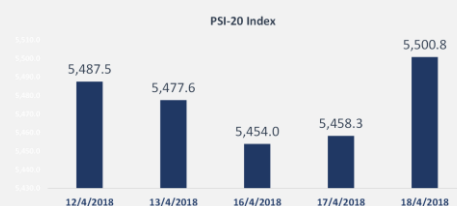
Economy

- According to Sueddeutsche Zeitung, creditors are considering the extension of the Greek bailout program beyond August at the time that Greek government requires more time to implement reform obligations.
- Bank of Greece Governor, Yiannis Stournaras speaking to an alumni event yesterday said that stress test results will be positive for all Greek banks, effectively confirming the press reports over the last days that the stress tests will not result to any capital shortfalls for any of the four Greek systemic banks.
- In the context of its Apr'18 Fiscal Monitor, IMF released its updated fiscal estimates for the Greek economy. IMF foresees a primary surplus of 3.7% for 2017 (vs.1.75% previous estimate and 3.4% currently anticipated by the government), while for 2018 primary surplus is estimated at 2.86%. Also the fund is estimating a 3.5% primary surplus for the 2019-22 period.

Market

- HRADF and Paneuropean Oil, the two controlling shareholders of ELPE, officially launched an international tender for the sale of an at least 50.1% stake in the company. The two stage tender process (expression of interest and binding bids for shortlisted) will be conducted by HRADF with expression on interest deadline set for May 18th.
- According to press, Piraeus Bank is moving ahead with the sale of a 9.88% stake in Attiki Odos (ARR-Athens Ring Road) with binding bids expected to be submitted next week.
- According to press, the Greek energy market regulator (RAE) is going to launch by the end of April the first auction process for the development of new wind and solar parks.
- KRI-KRI released FY2017 results posting net profits of EUR 7.3m (+17.6% y-o-y), on the back of a 19%y-o-y rise in revenues (EUR 79.2m) and a 13.2% y-o-y rise in EBITDA (EUR 12.4m).
- EU Commission approved the financing envelope for the Olympia Odos highway extension projects, paving the way for the signing of the agreements with the contractors. The eight in total sub-projects have been tendered for EUR 240m.

Portugal



Economy

- In the first two months of the year, the combined current and capital account balance stood at -EUR 556m, compared with -EUR 159m in the same period in 2017.
- The Industrial Production Prices Index y-o-y change rate was 0.8% (1.5% in February).

Market

- The PSI-20 index ended yesterday's session with a 0.78% gain, closing at 5,500.80 points.
- According to Jornal de Negócios, Caixa Geral de Depósitos (CGD), the Portuguese state bank, has received seven non-binding bids for its Spanish unit Banco Caixa Geral.
- CTT has informed that a number of resolutions were adopted by the Shareholders at the Annual General Meeting (AGM) held yesterday in Lisbon, including the approval of the Company financial statements relating to the financial year of 2017.
- Pharol has informed it has received from Solus Alternative Asset Management a communication stating that the latter became the holder of 1.8563% stake in Pharol's share capital. Solus Alternative Asset Management previous position was 2.1588%.

Cyprus



Macro

- According to Eurostat, Cyprus registered the lowest annual inflation rate (-0.4%) in the EU in March 2018 (-0.4% in February 2018).
- According to CySTAT, the Price Index of Construction Materials increased in March 2018 by 0.1% m-o-m (+0.8% y-o-y).
- According to Stockwatch, Cyprus Tourism Organization (CTO) Acting Director General, Marinos Menelaou, said that tourist arrivals are expected to reach 3.5mn in 2018 (vs. 3.7mn in 2017).
- The President of the Republic, Nicos Anastasiades, met yesterday with the Secretary General of the International Maritime Organization (IMO), Kitack Lim, in London. Speaking to reporters, Lim said that he looks forward to an even greater cooperation between Cyprus and the Organization and that the President's visit provides a good opportunity to that end.

Market

- According to press, during yesterday's meeting at the parliament, the CEO of Cyprus Cooperative Bank (CCB), Nicolas Hadjiyiannis, said that the bank's deposit outflows reached the amount of EUR 1.9bn in 1Q18, adding that after the government's deposit of EUR 2.5bn to the bank, the outflows were significantly reduced.

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