

## **Tim Ash says Emerging Europe in recovery mode**

### **Bus./Industry**

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**Emerging Europe is also benefitting from recovery in Western Europe, but also there is an extra impulse from broader investment into the region &ndash; Chinese investment in the region is also on the rise.**

LONDON, May 16, 2017 (UBO) &ndash; Reporting from his vantage point in the City of London, Timothy Ash of Bluebay Asset Management provided the following commentary at 11:36 today: Really decent/impressive first quarter growth data coming through across Emerging Europe this morning, which is sending a message of a Europe which is healing, both politically, but also economically: Romania, 5.7% YOY growth, up from 4.8% YOY in the prior quarter, and ahead of 4.5% consensus for forecast according to Bloomberg. Slovakia, 3.1% YOY growth, up from 3% YOY in the prior quarter, and spot on the 3.1% consensus for forecast according to Bloomberg. Czech Republic, 2.9% YOY growth, up from 1.9% YOY in the prior quarter, and ahead of 2.3% consensus for forecast according to Bloomberg. Hungary, 4.1% YOY growth, up from 1.6% YOY in the prior quarter, and ahead of 3.2% consensus for forecast according to Bloomberg. Poland, 4% YOY growth, up from 2.7% YOY in the prior quarter, and ahead of 3.9% consensus for forecast according to Bloomberg. Bulgaria, 3.4% YOY growth, on par with the 3.4% YOY in the prior quarter, and ahead of 3.2% consensus for forecast according to Bloomberg. Ukraine, posted its first quarter number yesterday and while the 2.4% YOY print was down from 4.8% YOY in Q4, and below the 3% consensus, the slowdown was largely the result of the blockade in the East earlier in the year. On the political front I think the threat/risks from the populist impulse seen in the UK with Brexit, and in the US with Trump is forcing European electorates more to the centre and what they know best, as seen in the Dutch and French elections, the recent state elections in Germany, and seemingly as per opinion polls in the UK, and Germany heading into the elections in September. Emerging Europe is also benefitting from recovery in Western Europe, but also there is an extra impulse from broader investment into the region &ndash; Chinese investment in the region is also on the rise. \*\* Please note that any views expressed herein are those of the author as of the date of publication and are subject to change at any time due to market or economic conditions. The views expressed do not reflect the opinions of all portfolio managers at BlueBay, or the views of the firm as a whole. In addition, these conclusions are speculative in nature, may not come to pass and are not intended to predict the future of any specific investment. No representation or warranty can be given with respect to the accuracy or completeness of the information. Charts and graphs provided herein are for illustrative purposes only.&rdquo;