
ATHENS HOPEFUL NEW BOND WILL OPEN ACCESS TO ECB FUNDS

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Greek Prime Minister Alexis Tsipras on Wednesday (26 July) claimed that his countrys first bond sale in three years would help convince the European Central Bank to provide additional liquidity to its struggling economy.

Tsipras argued that the positive sale would persuade the ECB to induct Greece into its bond-buying programme, a Greek goal for months.

This goal still lies ahead and yesterdays (bond sale) brings it closer, Tsipras told Alpha TV.

Now conditions (to request access) are much more favourable, he said.

Greece breaks three-year isolation and returns to debt markets

After three years of exile, Greece will return on Monday (24 July) to the international debt markets, testing the waters to see if it can begin to wean itself off bailout loans after tough reforms.

On Tuesday, the Greek treasury sold €3bn worth of five-year bonds at a rate of 4.625%.

That is below the 4.95% percent in Greeces last auction of bonds in 2014, reportedly the target the Greek government had set in the new offer.

Half the bonds sold were new, and half were issued to be exchanged for five-year bonds sold in 2014.

Tsipras on Wednesday said the new bond had attracted twice the demand required.

He also claimed that the Greek economy had finally turned the corner after seven years of crisis.

Greek minister: With progressive federalism EU will regain citizens trust

In order for Europe to address the current governance issue and convince citizens that it works in their interest it should turn to a left-wing progressive federalism model, Nikos Pappas told EURACTIV.com in an interview.

This is the beginning of the end of the ordeal... we are certain that the worst is behind us, he said.

Greece currently has no real need to draw money from the bond markets as it recently received renewed financial support at lower rates under its international bailout that should see it through until next year.

But its economy, crushed by years of recession, needs access to the ECBs monthly purchases of €60bn of government and corporate bonds which power growth and push up prices.

Already, there is talk that the ECB will be winding down the programme.

Greece prepares for end of bailout era with comeback bond

Greece sold debt to private investors for the first time in three years on Tuesday, a significant step towards gaining financial independence and exiting its third international bailout next year.

The ECB has so far refused to include Greece in its bond-buying owing to the explosive nature of its public debt.

Kaynak/Source: