

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 2, 2020

Global Markets

The US manufacturing ISM surprised positively, rising by a higher-than-expected 1.8pts to 56.0 in August. New orders and production gained sharply coming in at 67.6 and 63.3, respectively, but employment remained into contractionary territory in spite of its improvement at 46.4. Separately, the US manufacturing PMI for August was revised lower by 0.5pts to 53.1, albeit still pointing to the strongest expansion in factory activity since January 2019. In reaction to positive US data releases, global equity markets were firmer in early trade today, while renewed optimism for additional US fiscal stimulus, also favored. In FX markets, the USD firmed across the board, with the EUR/USD retreating below 1.19 earlier today after peaking at levels slightly above 1.20 yesterday for the first time since mid-2018.

Greece

The IHS Markit Greece Manufacturing PMI stood at 49.4 in August 2020, slightly higher than 48.6 in July, while the average PMI of the 3-month period Jun-Aug 2020 was 11.4 units higher compared to the average of the 3-month period Mar-May 2020. The eased rate of contraction in the sector compared to the previous month, is largely attributed to softer reductions in output and new orders while employment grew amid a pick-up in business confidence to a 6-month high. Nevertheless, the difficult tourism season and Covid-19 restrictions continued to weigh on production and new sales. Meanwhile, according to press, the Public Debt Management Agency will likely reopen today the 10-year bond issue with a view to raising c. €1.5bn at a yield close to 1.2%.

CESEE

Serbia: July's industrial production (IP) and retail sales data were released on Monday. IP increased by 0.4% YoY, decelerating from the 2.6% YoY rise in June, while it decreased in the January – July 2020 period by -1.4% YoY. Breaking down each sub-section results in July, the picture is considered rather mixed. The energy section and the section of mining expanded by 6.3% YoY and 1.7% YoY respectively, whereas the significant section of manufacturing fell by 0.8% YoY. Retail sales growth slowed to 4.7% YoY in July from 11.5% YoY in the previous month. On a monthly basis, retail activity decreased by -2.9% on the back of sales of non-food products (-6.9% MoM). Referring to the first seven months of 2020, retail sales increased by 4.6% YoY.

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GLOBAL MARKETS

Stock markets

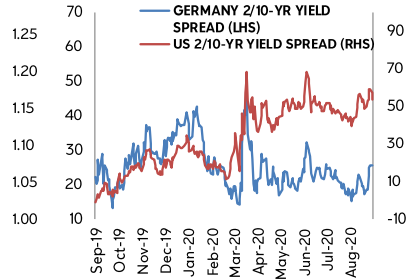
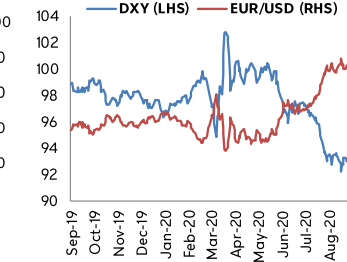
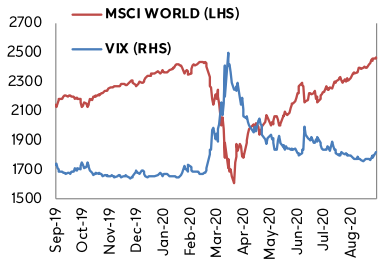
	Last	ΔD	ΔYTD
S&P 500	3526.65	0.75%	9.2%
Nikkei 225	23247.15	0.5%	-1.7%
STOXX 600	365.23	-0.3%	-12.2%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1898	-0.1%	6.1%
GBP/USD	1.3361	-0.2%	0.8%
USD/JPY	106	0.0%	2.5%

Government Bonds

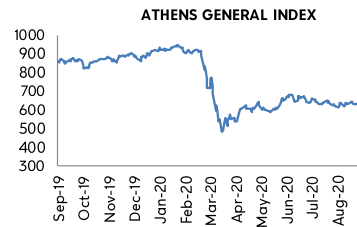
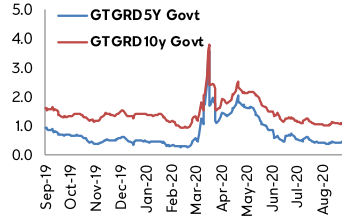
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.68	1	-123
Bund-10yr	-0.43	-1	-25
JGB - 10yr	0.05	0	6



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.47	0	-2
10Y Bond	1.14	0	-29
Δ(10YBund-10YGGB)	1.58	0	-4



EMERGING MARKETS

Stock markets

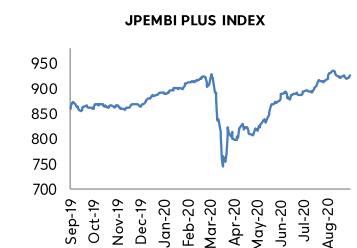
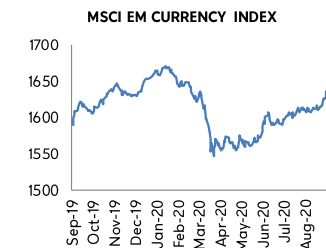
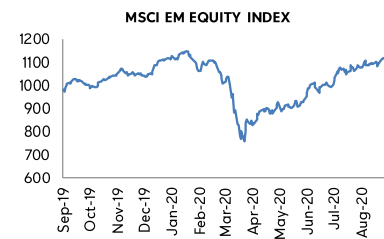
	Last	ΔD	ΔYTD
SOFIX	430.87	-0.8%	-24.2%
BELEX	692.07	-0.2%	-1367.4%
XU100	1085.19	0.6%	-516.1%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.3935	-0.1%	-3.2%
EUR/RSD	117.6	0.1%	0.1%
USD/TRY	7.3737	-0.1%	-19.3%

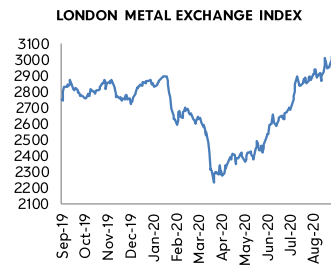
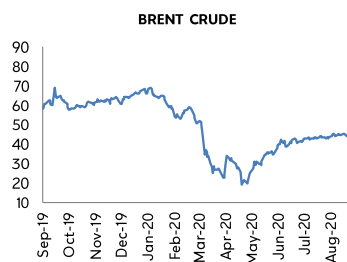
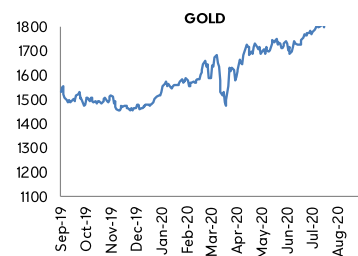
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.51	-10	38
BG 8Y yield	Invalid Security		
PL 10Y yield	1.37		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1966	-0.2%	29.6%
BRENT CRUDE	46	0.9%	-30.3%
LMEX	3037	0.6%	6.8%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:00 EST

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