

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 3, 2020

Global Markets

US data releases yesterday for the month of August were mixed, as ADP private payrolls rose by a lower-than-anticipated 428,000, durable goods orders gained a higher-than-expected 6.4%MoM and auto sales advanced for the third consecutive month at 15.2mn saar. Separately, the Fed's Beige Book struck an overall lackluster tone, noting that economic activity increased at a "modest" pace, with ongoing pandemic-related uncertainty continuing to weigh on consumer and business activity. In FX markets, the EUR/USD corrected further to the downside testing levels slightly below 1.18, following comments by ECB Chief Economist Philip Lane that the EUR's value "does matter" for monetary policy. Focus today is on the US ISM non-manufacturing survey and weekly jobless claims ahead of the non-farm payrolls report tomorrow.

Greece

Yesterday, Greece, rated B1 Moody's/ BB- S&P/ BB Fitch/ BB (low) DBRS (stb/ stb/ stb/ stb) raised €2.5bn by re-opening its outstanding June 2030 GGB at an all-time low yield of 1.187%. Demand was strong with an orderbook in excess of €18bn, implying a 7.6x oversubscription. This transaction is the fourth syndicated transaction of the Hellenic Republic in 2020, following the 15-year issuance in January, 7-year issuance in April and 10-year issuance in June. On the economy front, the Q2-2020 GDP preliminary data is scheduled to be announced today at 11:00 CET. In other news, property auctions resumed yesterday after a 5-month freeze due to Covid-19. Finally, on the pandemic front, 233 new cases were recorded yesterday, bringing the total number to 10,757.

CESEE

Bulgaria: In the tactical Q2 economic review conducted by the Bulgarian National Bank and released on Tuesday, the baseline scenario for the GDP performance in 2020 is a -8.5% decline, driven by a fall in private consumption (-3.4 pp.) and gross fixed capital investment (-3.2 pp.) and to a lesser extent by the negative contribution of net exports (-2.6 pp.). Given the uncertainty about future developments in the epidemic situation, the uncertainty surrounding the GDP dynamics in the second half of the year is significant. Therefore, according to the constructed probability distribution around the central forecast for the change in GDP in 2020 (i.e. -8.5 pp), the estimate as of 17 June shows that there is a 60 per cent probability for the decline in real GDP to be within -4.1 per cent and -13.1 per cent in the current year.

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GLOBAL MARKETS
Stock markets

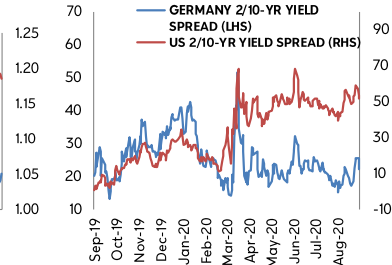
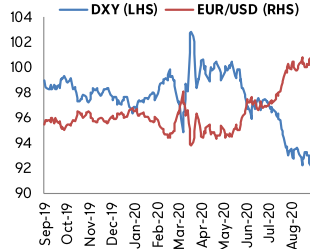
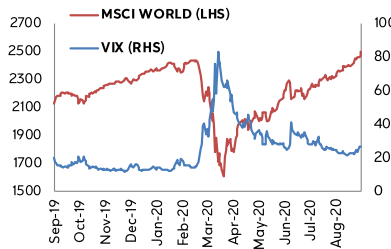
	Last	ΔD	ΔYTD
S&P 500	3580.84	1.54%	10.8%
Nikkei 225	23465.53	0.9%	-0.8%
STOXX 600	371.28	1.7%	-10.7%

FOREX

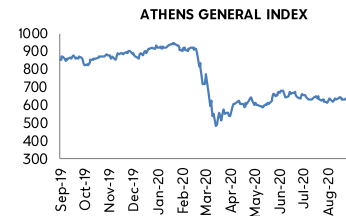
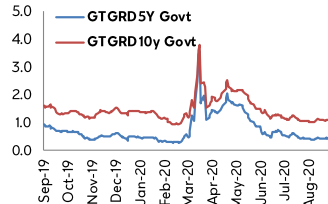
	Last	ΔD	ΔYTD
EUR/USD	1.1791	-0.5%	5.1%
GBP/USD	1.3279	-0.5%	0.2%
USD/JPY	106.27	-0.1%	2.2%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.65	1	-126
Bund-10yr	-0.48	-1	-30
JGB - 10yr	0.04	-1	5


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.44	-1	-5
10Y Bond	1.13	0	-30
Δ(10YBund-10YGGB)	1.61	0	-1


EMERGING MARKETS
Stock markets

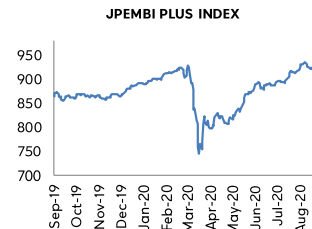
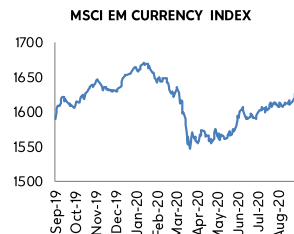
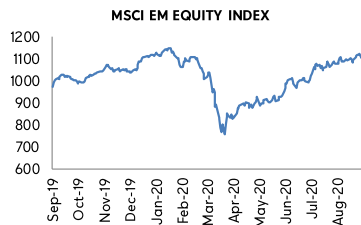
	Last	ΔD	ΔYTD
SOFIX	431.75	0.2%	-24.0%
BELEX	692.54	0.1%	-1361.5%
XU100	1083.91	-0.1%	-527.3%

FOREX

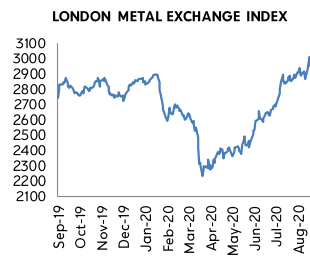
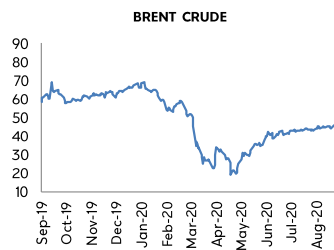
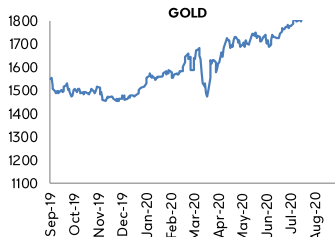
	Last	ΔD	ΔYTD
EUR/PLN	4.4194	-0.1%	-3.7%
EUR/RSD	117.587	0.0%	0.1%
USD/TRY	7.3971	-0.1%	-19.5%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.34	-7	21
BG 8Y yield	Invalid Security		
PL 10Y yield	1.36		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1929	-0.7%	27.1%
BRENT CRUDE	44	-0.5%	-33.0%
LMEX	3027	-0.3%	6.5%



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

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