

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

May 5, 2020

Global Markets

Tracking a late rally in Wall Street overnight, the majority of global bourses were slightly firmer earlier today. Several countries around the globe have started tentatively relaxing lockdown measures, and in the US, New York Governor Andrew Cuomo, announced a phased reopening of business activity. Amid expectations that demand will begin to recover, oil prices extended recent gains, with Brent crude hovering around \$28.60/bbl at the time of writing, c. 80% higher from 20-year lows marked on 22 April. In FX markets, the EUR/USD moved back below 1.09 ahead of today's final ruling by the German Constitutional Court on whether the ECB's PSPP is in violation of the German constitution and, subsequently, whether the Bundesbank is allowed to participate in the program.

Greece

The IHS Markit Manufacturing PMI for April 2020, plunged to 29.5, from 42.5 in March and 56.2 in February, recording the steepest monthly drop in the history of the series, which is attributed to the sharp decrease in foreign and domestic demand caused by the COVID-19 crisis. Subsequently, the pace of jobs depletion was the highest on record while uncertainty regarding the pace of recovery weighed on business confidence, which dropped to the lowest level since July 2015. It is reminded that the lockdown in Greece lasted from mid-March to end-April, while as of May 4th, containment measures are gradually being lifted. As regards the evolution of the COVID-19 pandemic in Greece, the number of new infections remains low, with 6 new cases yesterday, while total confirmed cases are 2,632.

CESEE

Turkey: Headline inflation declined to 10.9% YoY in April – for a second month in a row – compared to 11.9% YoY in March against 12.4% YoY in February coming marginally higher than analysts' consensus expectations (Actual: +0.9% MoM vs +0.6% MoM). Despite lira depreciation pressures, core inflation (which excludes food, alcohol, tobacco, energy and gold prices) eased further to 9.9% YoY in April down from 11.7% YoY in March and 10% YoY in February. The lira came under renewed depreciation pressure driven by concerns that the Central Bank may continue with further rate cuts after revising down its year end inflation forecast to 7.4% from 8.2% previously due to weak domestic demand and lower energy prices. The lira traded at 7.04/\$ yesterday, the lowest level since August 2018, and close to a historical high of 7.2/\$.

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GLOBAL MARKETS
Stock markets

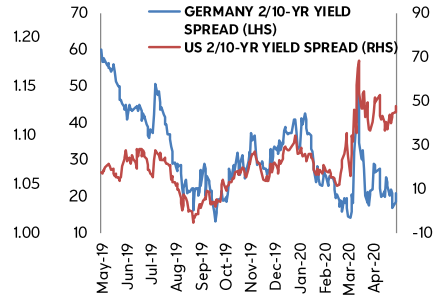
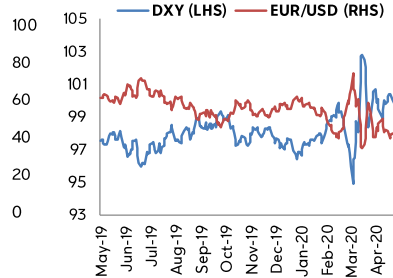
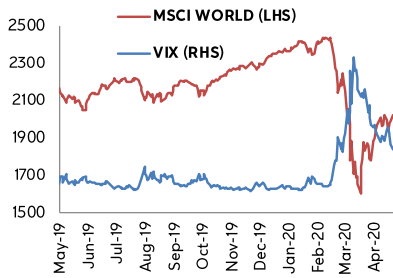
	Last	ΔD	ΔYTD
S&P 500	2842.74	0.42%	-12.0%
Nikkei 225	19619.35	-2.8%	-17.1%
STOXX 600	333.98	1.7%	-19.7%

FOREX

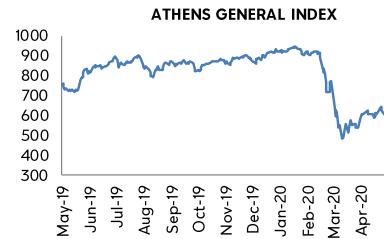
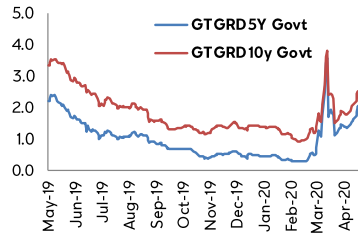
	Last	ΔD	ΔYTD
EUR/USD	1.0888	-0.2%	-2.9%
GBP/USD	1.2457	0.1%	-6.0%
USD/JPY	106.74	0.0%	1.8%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.67	4	-125
Bund-10yr	-0.54	2	-36
JGB - 10yr	-0.02	0	-1


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	1.61	-1	112
10Y Bond	2.14	0	71
Δ(10YBund-10YGGB)	2.69	0	107


EMERGING MARKETS
Stock markets

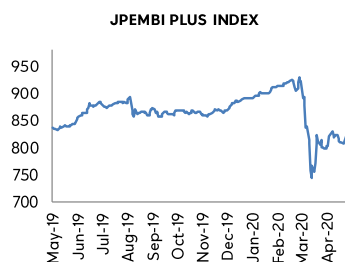
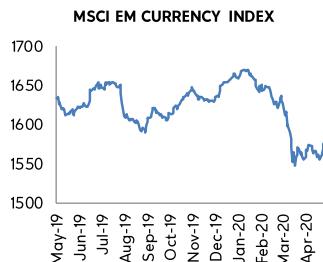
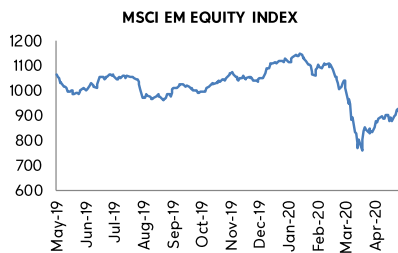
	Last	ΔD	ΔYTD
SOFIX	448.26	0.1%	-21.1%
BELEX	665.81	1.6%	-1694.9%
XU100	99406.45	0.6%	-1312.5%

FOREX

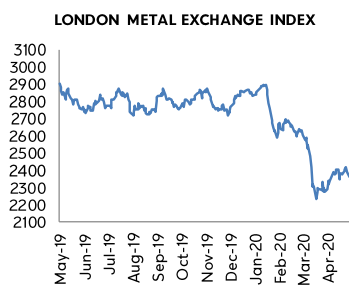
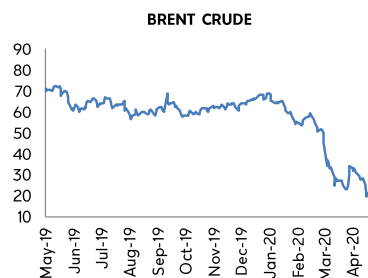
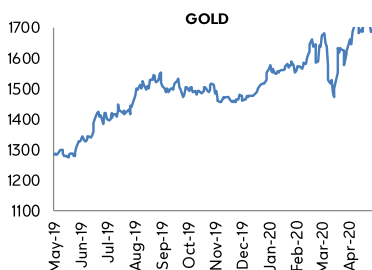
	Last	ΔD	ΔYTD
EUR/PLN	4.5487	0.0%	-6.5%
EUR/RSD	117.584	0.0%	0.1%
USD/TRY	7.0546	-0.1%	-15.6%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	7.86	-20	173
BG 8Y yield	Invalid Security		
PL 10Y yield	1.53		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1696	-0.4%	11.8%
BRENT CRUDE	29	6.9%	-56.0%
LMEX	2359	-0.1%	-17.0%



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