

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

July 6, 2020

### Global Markets

Notwithstanding mounting fears of a second Covid-19 wave, global equity markets kicked off the week in a positive tone amid rising optimism of a strengthening global economic recovery. According to Friday's final estimate, the Eurozone Composite PMI for June was revised higher to 48.5, +1.0pt from the flash estimate, adding to a recent string of positive high frequency indicators suggesting that the post-lockdown recovery that started in May after the April's trough continues into June. Both manufacturing and services PMIs were revised higher at 47.4 (+0.5pt) and 48.3 (+1.0pt), respectively, with periphery economies outperforming. Against this background, the USD lost some ground earlier today, allowing the EUR/USD to test the upper boundary of the 1.12-13 range, ahead of today's US June non-manufacturing ISM.

### Greece

The Ministries of Finance and Labor are taking additional measures to support workers and businesses for the period Jul - Sep 2020. These include: the issuance of the 3<sup>rd</sup> round of reimbursable advance payment, extension of the subsidy of social security contributions of employers for the period Aug-Oct, the extension of the suspension of employment contracts of employees in the tourism, aviation and sea transport sectors and other, interconnected sectors for Aug-Sep and the reduction of the income tax advance. The total cost of the above measures is estimated at €3.5bn, of which €2bn are in addition to those announced so far. In other news, according to press, the pilot trial of the Council of State is expected to rule in favour of the retrospective financial compensation of pensioners for the period Jun-15 to May-16.

### CESEE

Serbia: The EUR/RSD remained bound within its narrow range of 117.50-65. Considering the Central Bank's consistency in intervening on both sides of the said range, as well as the fact that the coronavirus pandemic is not over yet, which causes low trading volumes, the EUR/RSD is very likely to continue hovering around recent levels in the short-term future. Turkey: Headline inflation climbed for a second month in a row to 12.6% YoY in June up from 11.4% YoY in May against 10.9% YoY in April coming in above higher than analysts' consensus expectations (Actual: +1.1% MoM vs +0.55% MoM). Core inflation also jumped to 11.6% YoY in June, up from 10.3% YoY in May and 9.9% YoY in April. The reading suggests that the revised year-end Central Bank inflation projection of 7.4% could be hard to achieve.

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We would like to thank Djordje Lucic from Eurobank Beograd for his valuable contribution in today's issue

**GLOBAL MARKETS**
**Stock markets**

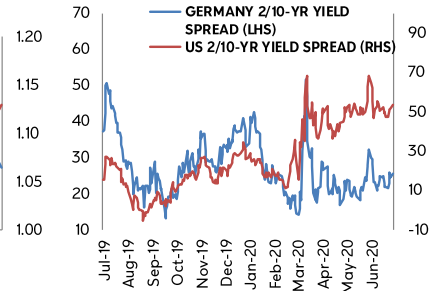
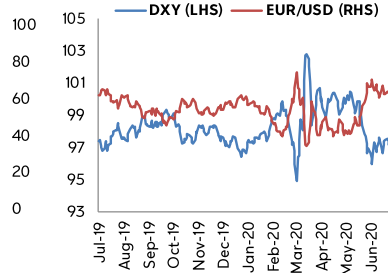
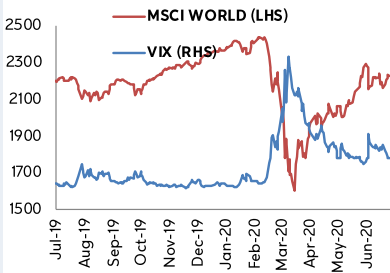
	Last	ΔD	ΔYTD
S&P 500	3150.01	0.45%	-3.1%
Nikkei 225	22714.44	1.8%	-4.0%
STOXX 600	365.43	-0.8%	-12.1%

**FOREX**

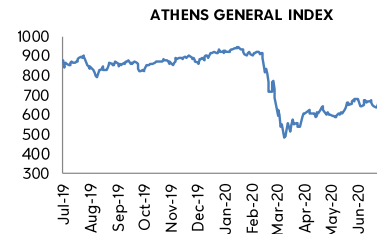
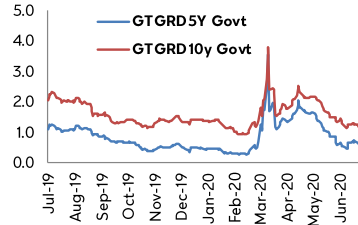
	Last	ΔD	ΔYTD
EUR/USD	1.1292	0.4%	0.7%
GBP/USD	1.2502	0.2%	-5.7%
USD/JPY	107.61	-0.1%	0.9%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.70	3	-122
Bund-10yr	-0.42	1	-24
JGB - 10yr	0.04	1	5


**GREECE**
**Government Bonds**

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.54	0	5
10Y Bond	1.15	0	-28
Δ(10YBund-10YGGB)	1.57	0	-5


**EMERGING MARKETS**
**Stock markets**

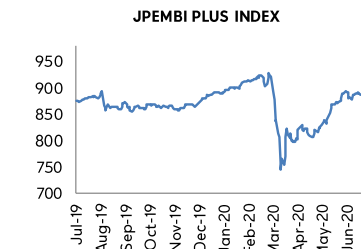
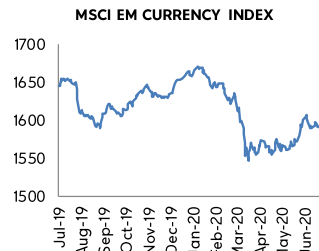
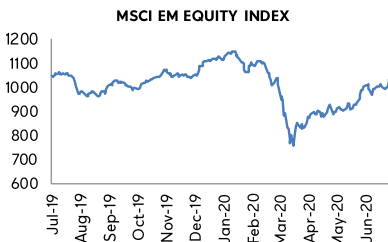
	Last	ΔD	ΔYTD
SOFIX	449.82	-0.6%	-20.8%
BELEX	666.09	-0.4%	-1691.4%
XU100	117384.50	1.4%	258.6%

**FOREX**

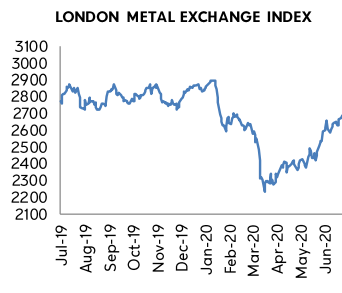
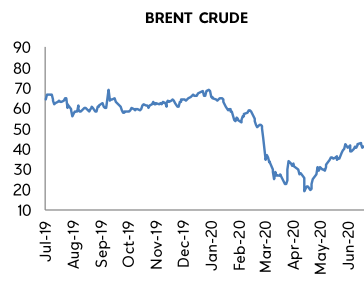
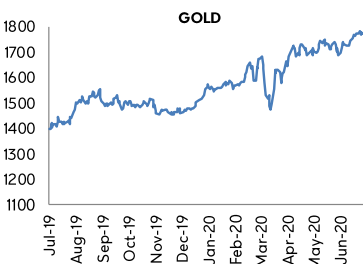
	Last	ΔD	ΔYTD
EUR/PLN	4.4621	0.1%	-4.7%
EUR/RSD	117.585	0.0%	0.1%
USD/TRY	6.8638	0.0%	-13.3%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.44	-9	31
BG 8Y yield	Invalid Security		
PL 10Y yield	1.34		


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1777	0.3%	17.1%
BRENT CRUDE	43	1.3%	-34.3%
LMEX	2683	-0.6%	-5.7%



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