

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

December 7, 2020

Global Markets

The US employment report for November fell short of market expectations, putting pressure on Congress to agree on additional fiscal stimulus. Pointing to slower labor market recovery, nonfarm payrolls rose by 245k, well below consensus for a 460k increase, while the unemployment rate fell to 6.7% from 6.9% in October, driven by a two-tenths drop in the participation rate to 61.5%. Shrugging off poor US employment data, US equity markets hit fresh record highs on Friday, while losses in Asian bourses earlier today were modest, led by Chinese stocks on news that the US administration is preparing sanctions on some Chinese officials. USTs remained under some pressure, while, in FX markets, the USD retained a broadly soft tone, with the EUR/USD hovering around 1.21 in early European trade, ahead of Thursday's ECB policy meeting.

Greece

Real GDP in Greece recorded a weak recovery in Q3 2020. It increased by 2.3% QoQ (-11.7% YoY) from a contraction of -14.1% QoQ (-14.2% YoY) in Q2 2020. From a demand perspective, two factors contributed to this result: 1st exports contracted by -10.4% QoQ (-44.9% YoY) and 2nd the mechanical rebound of domestic demand (private consumption and inventory investment) was partially counterbalanced by an increase in imports. The total contraction of real GDP in Greece relative to Q4 2019 and Q1 2020 stands at -12.1% and -12.2% respectively.

CESEE

SERBIA: The EUR/RSD remained trendless and range-bound within 117.54-117.60 last week. The government bonds curve was little changed last week, generating a turnover of RSD9.8bn on the secondary market. The most traded paper was the 7Y T-bond maturing on July 26 that was traded between 2.33% and 2.66%. On a primary auction, the state agency sold 7.7bn of 12.5Y RSD-denominated government bonds at a yield-to-maturity of 3.85% on December 1st. Real GDP dropped by -1.4% YoY in Q3-2020 compared to -6.4% YoY in Q2-2020 and +5.0% in Q1-2020. During an online meeting with European Commission President Ursula von der Leyen, PM Brnabic emphasized that EU accession is a top foreign policy priority of her cabinet and there have been made important steps towards meeting EU membership criteria.

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GLOBAL MARKETS
Stock markets

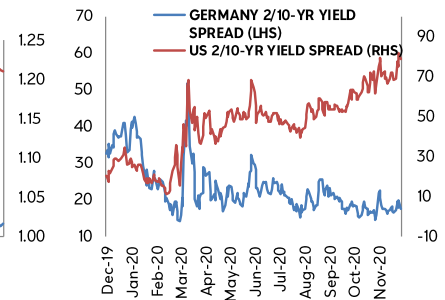
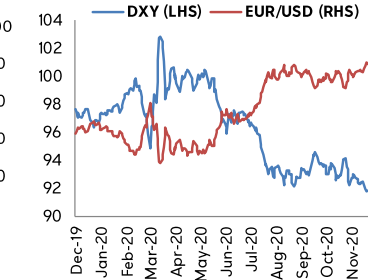
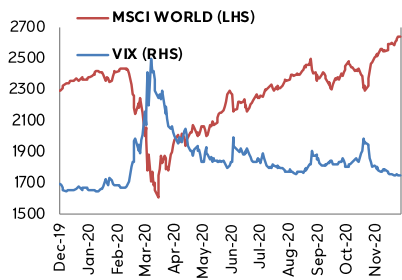
	Last	ΔD	ΔYTD
S&P 500	3699.12	0.88%	14.5%
Nikkei 225	26547.44	-0.8%	12.2%
STOXX 600	393.42	-0.2%	-5.4%

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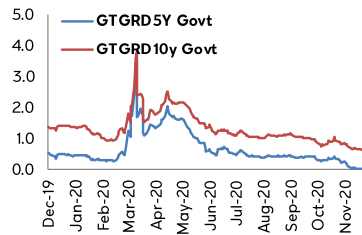
	Last	ΔD	ΔYTD
EUR/USD	1.2103	-0.1%	7.9%
GBP/USD	1.3289	-1.1%	0.3%
USD/JPY	104.22	0.0%	4.2%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.93	-3	-98
Bund-10yr	-0.58	-4	-40
JGB - 10yr	0.02	0	3


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.05	0	-44
10Y Bond	0.62	0	-81
Δ(10YBund-10YGGB)	1.21	0	-41


ATHENS GENERAL INDEX

EMERGING MARKETS
Stock markets

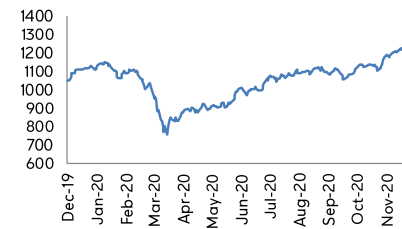
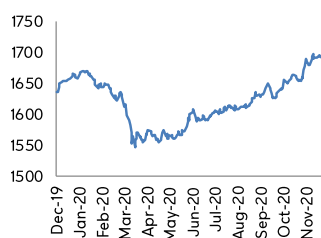
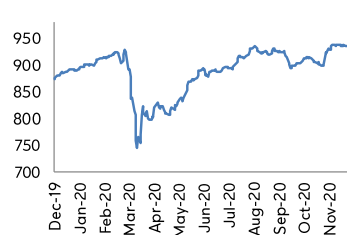
	Last	ΔD	ΔYTD
SOFIX	429.25	0.0%	-24.4%
BELEX	715.40	-0.3%	-1076.4%
XU100	1328.51	-0.2%	1610.3%

FOREX

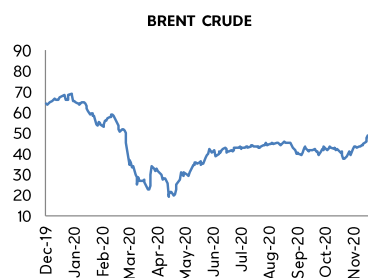
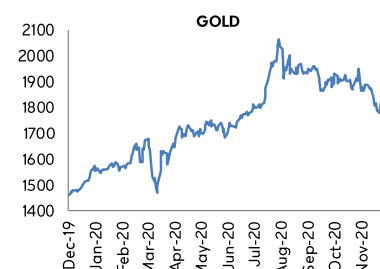
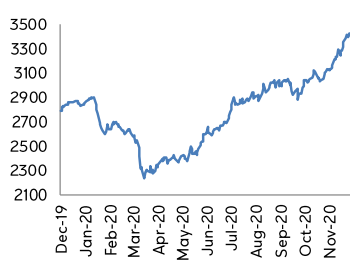
	Last	ΔD	ΔYTD
EUR/PLN	4.4738	-0.1%	-4.9%
EUR/RSD	117.57	0.1%	0.1%
USD/TRY	7.8512	-0.6%	-24.2%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.75	-5	-38
BG 8Y yield	Invalid Security		
PL 10Y yield	1.38		

MSCI EM EQUITY INDEX

MSCI EM CURRENCY INDEX

JPEMBI PLUS INDEX

COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1835	-0.2%	20.9%
BRENT CRUDE	49	-0.8%	-26.0%
LME X	3422	1.0%	20.3%


LONDON METAL EXCHANGE INDEX


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