ISSN: 2241-4851

Eurobank Research

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

April 8, 2020

Global Markets

Global equities were mixed earlier today after a two-day rising streak, pressured by a renewed increase in COVID-19 new cases and higher death tolls globally. Meanwhile, the Eurogroup that convened via teleconference yesterday afternoon has yet to conclude and deliberations will continue tomorrow. The main sticking point appears to be the issuance of common debt instruments to finance the COVID19-related public spending, with Germany, the Netherlands and Austria opposing strongly. Meanwhile, oil prices were lower from yesterday's session highs ahead of tomorrow's OPEC+ meeting, where major oil producers are set to discuss output cuts. In FX markets, the USD was higher today, with the EUR/USD retreating to 1.0850 in early European trade after hitting a session peak of 1.0924 on Tuesday.

Greece

The ECB adopted yesterday the waiver to accept Greek sovereign debt instruments as collateral in Eurosystem credit operations and the PM Kyriakos Mitsotakis welcomed the decision as it will strengthen liquidity in the economy. Meanwhile, the Eurogroup failed to reach an agreement yesterday with Eurogroup President Mario Centeno stating that the body came close to a deal but is not there yet with disagreements reportedly revolving around the potential conditionality of an ESM credit line. Deliberations will continue tomorrow. Finally, according to ELSTAT provisional data, in February 2020 the total value of goods' exports reached €2,635 mn recording a drop of 2.1%YoY, while exports of goods both excluding oil products and excluding oil products and ships, increased by 8.6%YoY.

CESEE

Fitch Ratings has revised the outlook of the banking sector in Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania and Slovenia to negative due to the negative impact from the COVID-19 pandemic. The degree of pressure on banks will depend, inter alia, on the magnitude and duration of economic recessions, the structure of the economies, fluctuations in exchange rates and interest rates, public policy responses, and individual banks' risk exposures before the pandemic. Liquidity is unlikely to come under pressure as buffers are substantial, with funding mostly from customer deposits, and emergency funding support facilities are available from central banks. However, banking sectors in economies more dependent on cash payments (Bulgaria, Romania) could see larger deposit outflows.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Maria Kasola
Economic Analyst
mkasola@eurobank.gr

Eurobank

Eurobank Research

GLOBAL MARKETS

Stock markets

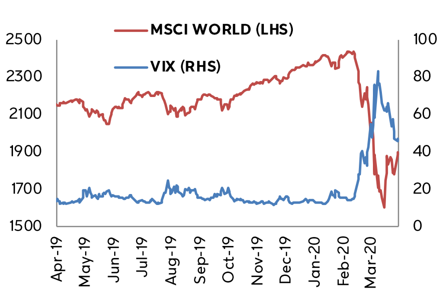
	Last	ΔD	ΔYTD
S&P 500	2659.41	-0.16%	-17.7%
Nikkei 225	19353.24	2.1%	-18.2%
STOXX 600	323.49	-1.0%	-22.2%

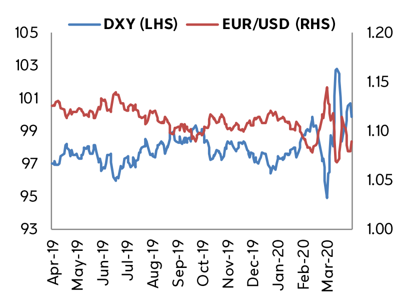
FOREX

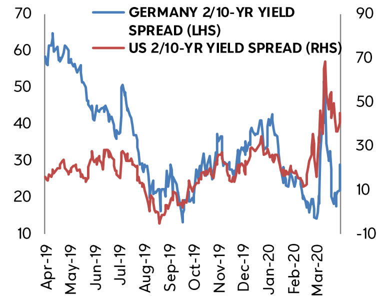
	Last	ΔD	ΔYTD
EUR/USD	1.0848	-0.4%	-3.3%
GBP/USD	1.2296	-0.3%	-7.2%
USD/JPY	108.85	-0.1%	-0.2%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.72	0	-120
Bund-10yr	-0.35	-4	-17
JGB - 10yr	0.03	1	4



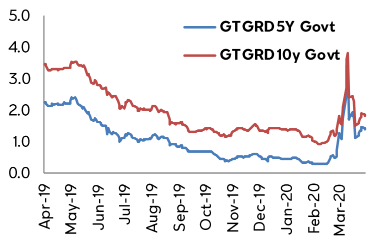


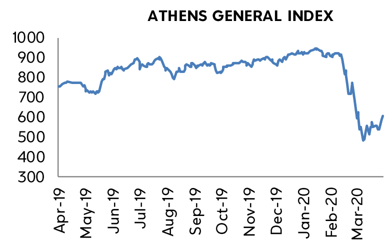


GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	1.44	5	95
10Y Bond	1.86	5	43
Δ(10YBund-10YGGB)	2.22	0	60





EMERGING MARKETS

Stock markets

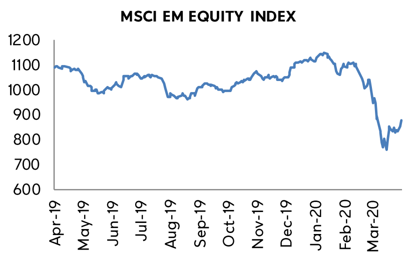
	Last	ΔD	ΔYTD
SOFIX	434.03	0.1%	-23.6%
BELEX	672.38	1.2%	-1613.0%
XU100	92183.35	-0.2%	-1943.8%

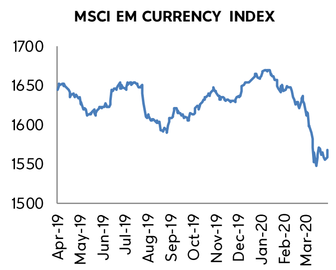
FOREX

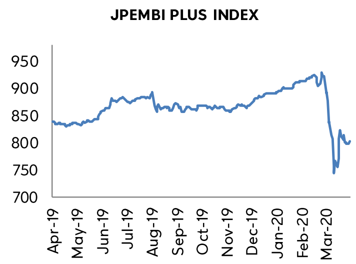
	Last	ΔD	ΔYTD
EUR/PLN	4.5352	-0.1%	-6.2%
EUR/RSD	117.559	0.0%	0.2%
USD/TRY	6.7877	-0.3%	-12.3%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	9.12	-7	299
BG 8Y yield	Invalid Security		
PL 10Y yield	1.60		

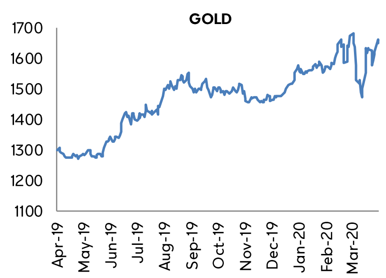


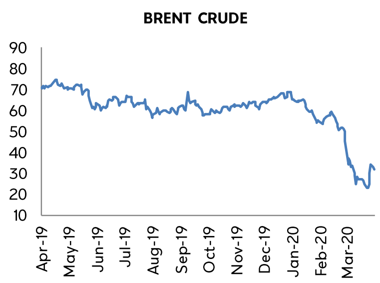


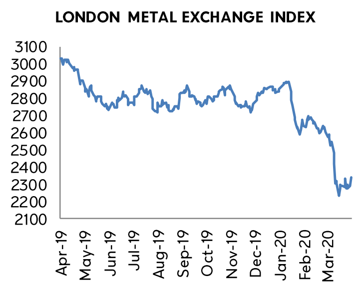


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1654	0.4%	9.0%
BRENT CRUDE	32	1.7%	-50.9%
LMEX	2339	2.2%	-17.8%







Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research

Data updated as of 10:30 EEST

Eurobank

Eurobank Research

Research Team

Dr. Tasos Anastasatos | Group Chief Economist
tanastasatos@eurobank.gr | + 30 214 40 59 706

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr
+ 30 210 37 18 793

Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr
+ 30 214 40 59 707

Dr. Stylianos Gogos
Economic Analyst
sgogos@eurobank.gr
+ 30 210 37 18 733

Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 33 18 708

Olga Kosma
Research Economist
okosma@eurobank.gr
+ 30 210 37 18 728

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991

Dr. Theodoros Stamatiou
Senior Economist
tstamatiou@eurobank.gr
+ 30 214 40 59 708

Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

More research available at: https://www.eurobank.gr/en/group/economic-research
Subscribe electronically at: https://www.eurobank.gr/el/omilos/oikonomikes-analiseis...
Follow us on twitter: https://twitter.com/Eurobank_Group
Follow us on LinkedIn: https://www.linkedin.com/company/eurobank