

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

April 9, 2020

Global Markets

All eyes are on the Eurogroup that will continue deliberations by teleconference today (17:00 CET) aiming to bridge their remaining differences and reach an agreement on the joint political response to the COVID-19 crisis. The main sticking issues appear to be whether to proceed with some kind of joint emergency programs and whether the ESM credit line will be attached to certain conditionality. Also, OPEC+ members will hold a virtual meeting today to discuss output cuts, while negotiations will continue tomorrow at another video conference with some oil producers of the G20 group. Meanwhile, range trading prevails in FX markets as investors await the outcome of today's Eurogroup, while European bourses opened higher, tracking hefty gains in Wall Street overnight, amid hopes that the COVID-19 outbreak is nearing a peak.

Greece

The Eurogroup will re-convene today with the focus remaining on the ESM credit line and the potential accompanying conditionality. Meanwhile, the EC approved a €1.2 billion aid scheme of the Greek government to support SMEs, under the State Aid Temporary Framework adopted by the Commission on 19 Mar-20, as amended on 3 Apr-20. The scheme foresees the provision of grants to solvent SMEs to cover interest on fixed-maturity loans, bonds or bank overdrafts up to €800,000 per company. Finally, according to press, the Ministry of Development is examining the potential discount by 25% of the property tax (ENFIA) paid by property owners whose rent has been reduced by 40%, due to the coronavirus measures, provided that the tax be paid in lump sum.

CESEE

Bulgaria: GDP is expected to shrink by 3.7% YoY in 2020 due to impact of the COVID-19 epidemic, the WB said in its latest spring economic update. The WB revised downwards its projection for Bulgaria's GDP from 3.0% projected in January. Downward risks to the outlook are mostly related to the uncertainties around the length and severity of the epidemic, as well as to the country's strong exposure to the EU's and China's economic downturn. The report highlights as an additional risk that could further depress GDP the crisis toll on tourism as the sector is estimated to account for 12% of GDP. Nevertheless, the WB projected a strong rebound of 3.9% GDP growth in 2021 and 3.2% in 2022, provided that the country's growth outlook will not deviate much from its baseline GDP growth path.

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GLOBAL MARKETS

Stock markets

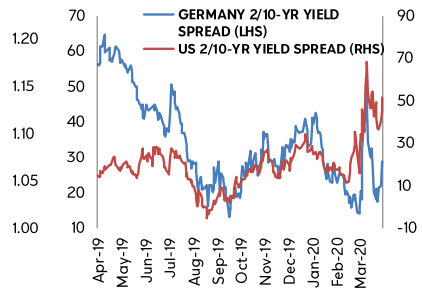
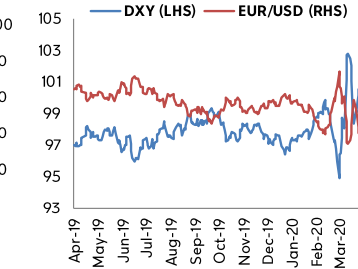
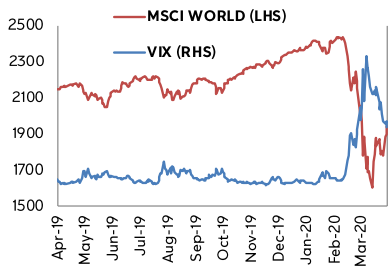
	Last	ΔD	ΔYTD
S&P 500	2749.98	3.41%	-14.9%
Nikkei 225	19345.77	0.0%	-18.2%
STOXX 600	331.98	1.6%	-20.2%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.087	0.1%	-3.1%
GBP/USD	1.2391	0.1%	-6.5%
USD/JPY	108.92	-0.1%	-0.3%

Government Bonds

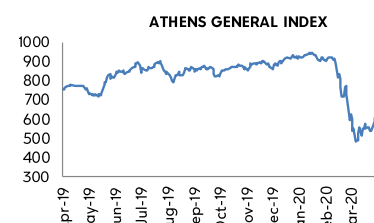
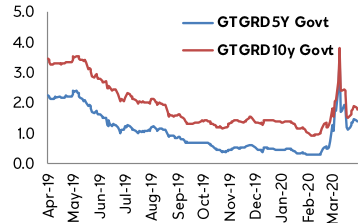
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.75	-2	-117
Bund-10yr	-0.31	0	-12
JGB - 10yr	0.02	-1	3



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	1.40	3	91
10Y Bond	1.80	1	37
Δ10Y(Bund-10YGGGB)	2.11	0	49



EMERGING MARKETS

Stock markets

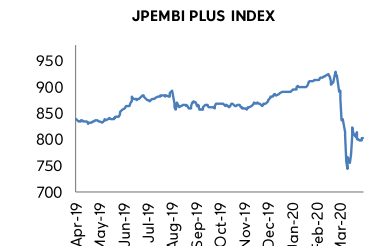
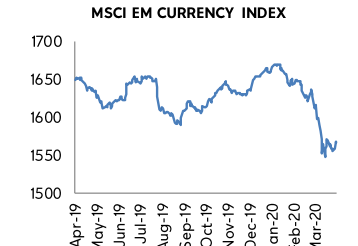
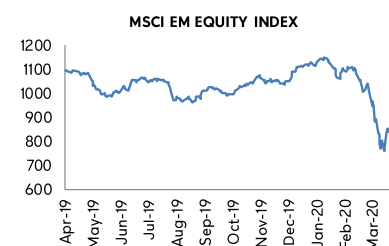
	Last	ΔD	ΔYTD
SOFIX	438.15	0.6%	-22.9%
BELEX	685.18	1.9%	-1453.3%
XU100	94607.31	1.5%	-1731.9%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5328	0.0%	-6.1%
EUR/RSD	117.63	-0.1%	0.1%
USD/TRY	6.7674	0.1%	-12.1%

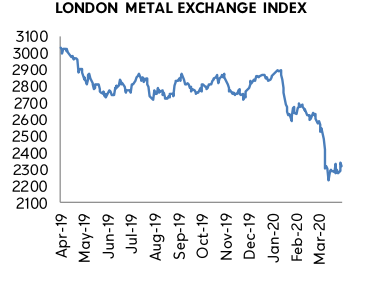
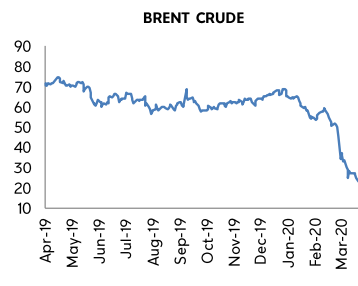
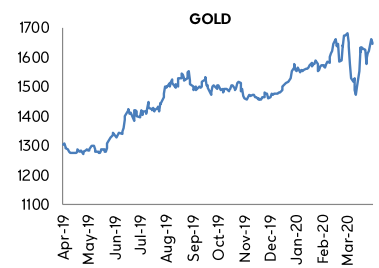
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	8.90	-16	277
BG 8Y yield	Invalid Security		
PL 10Y yield	1.53		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1657	0.6%	9.2%
BRENT CRUDE	34	3.0%	-48.8%
LMEX	2320	-0.8%	-18.4%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:43 EEST

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