

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 9, 2020

Global Markets

Euro area Q2 GDP was revised slightly higher (+0.3ppts), but still recording a 11.8%QoQ contraction, the sharpest decline ever, following a drop of 3.7%QoQ in the prior quarter. Spain was a laggard (-18.5%QoQ), reflecting the impact of one of the most stringent and extensive lockdowns in Europe. Meanwhile, the continued downtrend in US technology shares remains in the driver's seat for the majority of global equities. Risk sentiment also took a hit after major drug maker AstraZeneca Plc announced a pause in late-stage trials of one of the leading Covid-19 vaccine candidates. Against this background, both USTs and German Bunds firmed and the USD regained its safe-haven appeal, pushing the EUR/USD below 1.18. Elsewhere, oil prices extended recent losses, with Brent crude falling below \$40/bbl for the first time since late June.

Greece

According to press, the government is mulling the implementation of a considerable decrease in the solidarity and social security contributions in 2021, to support incomes and jobs. The reductions may become permanent if the pandemic is finally addressed within 2021. On 12 September, in his speech in Thessaloniki, the PM Kyriakos Mitsotakis is expected to make an announcement on the subject. On the pandemic front, as of today, tourists returning to the UK from 7 Greek destinations are required to remain in quarantine for 14 days. The said measure has inflicted another blow to an already challenging tourism season. Meanwhile, confirmed daily Covid-19 cases reached 169 yesterday, while for the past week the average daily figure is 190.

CESEE

Bulgaria: According to the second estimate, GDP growth in Q2 came in at -8.5%YoY and -10.0% QoQ from +2.4% YoY and +0.8% QoQ in Q1, setting the H1 economic growth at -3.1% YoY. The figure stood a bit lower than market expectations which coincided with the flash estimate published earlier in mid-August (-8.2% YoY and -9.8% QoQ). **Serbia:** After two days of talks, Serbia and Kosovo signed a U.S.-orchestrated agreement in Washington on Friday to normalize their in-between economic relations. The agreement includes, inter alia, enhanced co-operation on implementation of infrastructure projects, energy sector and free movement of people, goods, services and capital. The agreement foresees also a freeze on the recognition campaigns on behalf of both countries.

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GLOBAL MARKETS
Stock markets

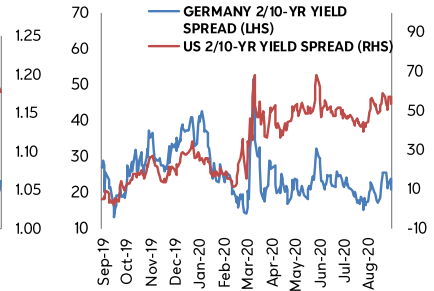
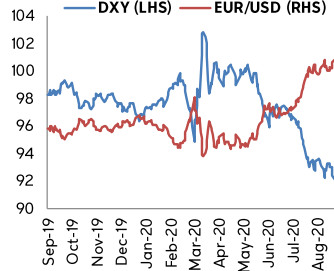
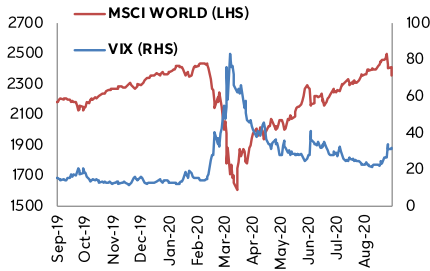
	Last	ΔD	ΔYTD
S&P 500	3331.84	-2.78%	3.1%
Nikkei 225	23032.54	-1.0%	-2.6%
STOXX 600	363.75	-1.1%	-12.5%

FOREX

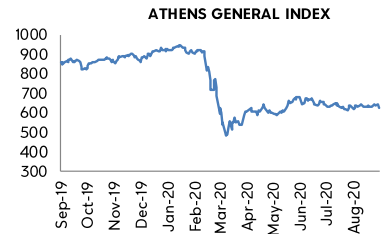
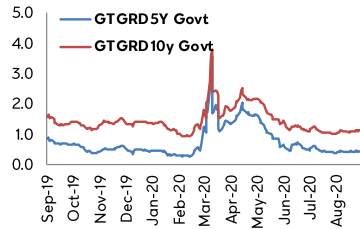
	Last	ΔD	ΔYTD
EUR/USD	1.1767	-0.1%	4.9%
GBP/USD	1.2928	-0.4%	-2.5%
USD/JPY	105.88	0.1%	2.6%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.66	-2	-126
Bund-10yr	-0.50	-1	-32
JGB - 10yr	0.03	-1	4


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.45	-1	-4
10Y Bond	1.16	0	-27
Δ(10YBund-10YGGB)	1.67	0	5


EMERGING MARKETS
Stock markets

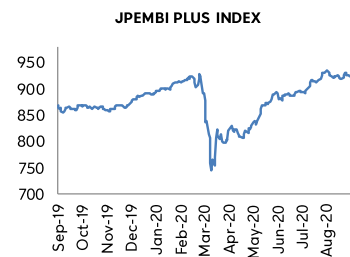
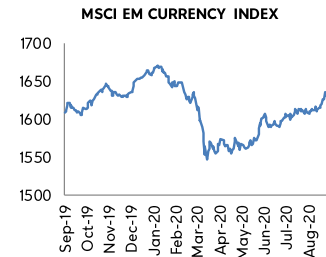
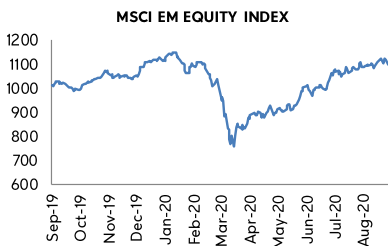
	Last	ΔD	ΔYTD
SOFIX	434.26	-0.2%	-23.6%
BELEX	691.45	-0.1%	-1375.1%
XUI00	1089.39	0.0%	-479.4%

FOREX

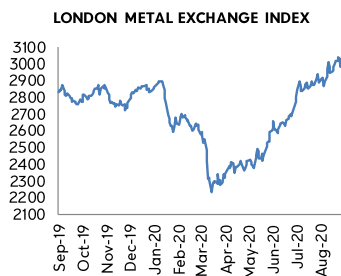
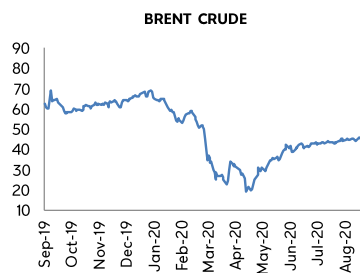
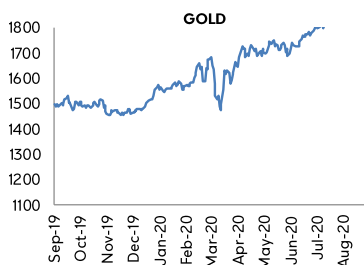
	Last	ΔD	ΔYTD
EUR/PLN	4.4598	-0.2%	-4.6%
EUR/RSD	117.585	0.1%	0.1%
USD/TRY	7.4922	-0.1%	-20.6%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.54	-6	41
BG 8Y yield	Invalid Security		
PL 10Y yield	1.38		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1928	-0.2%	27.1%
BRENT CRUDE	40	-0.5%	-40.0%
LMEX	2990	-1.8%	5.2%



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