

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

April 10, 2020

### Global Markets

The Eurogroup finally reached an agreement late yesterday consisting of three items: (i) €200bn in credit guarantees for SMEs through the EIB; (ii) ESM credit lines, worth €240bn, attached to light conditionality; and (iii) the Commission's €100bn "SURE" mechanism to finance national short-time work programmes and job retention schemes. The positive outcome favored the EUR which hit a one-week high of 1.0950 vs. the USD before retreating modestly to around 1.0930/35 in early European trade today. Separately, OPEC+ agreed to cut oil output by 10mn b/d, noting though that they expect other oil producers to cut another 5mn b/d. In reaction, Brent crude hit a one-month peak of \$36.40 but ended yesterday's session lower at \$31.48 on market uncertainty whether the agreement is enough to offset the sharp drop in global demand.

### Greece

The Eurogroup that convened yesterday proposed, among others, the establishment of a Pandemic Crisis Support based on the existing ECCL credit line, which would be available to all euro area member states with standardised terms to be agreed by the ESM Governing Bodies. The only requirement will be that the credit line will be used to support domestic financing of direct and indirect healthcare costs related to COVID19, while the available amount will be 2% of the respective member's GDP as of 2019. In other news, according to ELSTAT the seasonally adjusted unemployment rate in Jan-20 was 16.4% recording no change from the upward revised Dec-19 reading and lower compared to the 18.5% Jan-19 print. The overall industrial production index in Feb-20 fell by 3.4%YoY.

### CESEE

Serbia: Following a 50bps interest rate cut on March 11, the National Bank of Serbia (NBS) continued yesterday with further easing by reducing further the key policy interest rate by 25bps, setting it at 1.50%. The rationale behind the cut is the mitigation of the Covid-19 negative impact on the economy. In its Europe and Central Asia spring economic update, released yesterday, the World Bank (WB) downgraded its 2020 GDP growth projection for Serbia and expects the economy to contract by 0.5% due to adverse impacts of the COVID-19 pandemic. While the WB previously projected 3.9% GDP growth for this year, it now foresees that the economy will be affected by the pandemic through several channels, including decelerating exports growth and lower FDIs and investment overall.

### Contributing Authors

**Paraskevi Petropoulou**  
Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)

**Anna Dimitriadou**  
Economic Analyst  
[andimitriadou@eurobank.gr](mailto:andimitriadou@eurobank.gr)

**Maria Kasola**  
Economic Analyst  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)

## GLOBAL MARKETS

### Stock markets

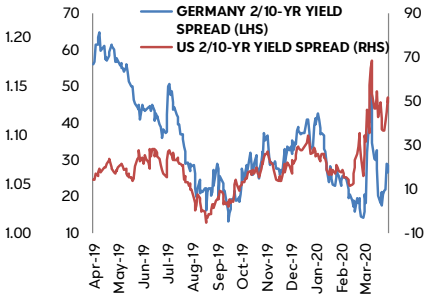
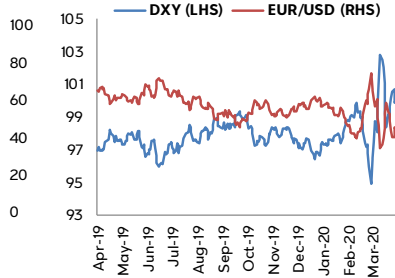
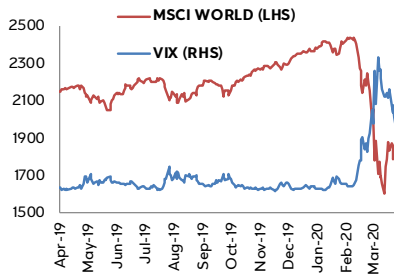
	Last	ΔD	ΔYTD
S&P 500	2789.82	1.45%	-13.6%
Nikkei 225	19498.50	0.8%	-17.6%
STOXX 600	331.80	1.6%	-20.2%

### FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.0951	0.2%	-2.3%
GBP/USD	1.2475	0.1%	-5.9%
USD/JPY	108.36	0.1%	0.2%

### Government Bonds

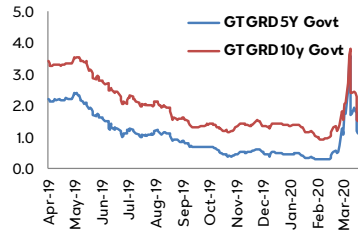
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.72	0	-120
Bund-10yr	-0.35	-4	-16
JGB - 10yr	0.02	0	3



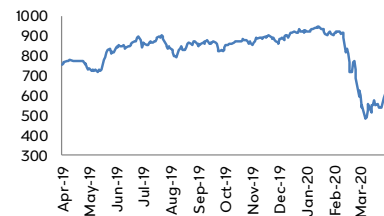
## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	1.36	0	87
10Y Bond	1.77	0	34
Δ(10YBund-10YGGB)	2.12	0	50



### ATHENS GENERAL INDEX



## EMERGING MARKETS

### Stock markets

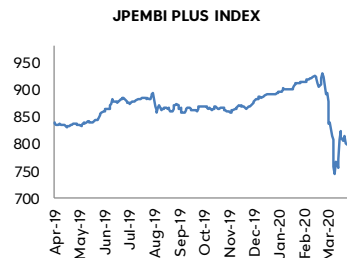
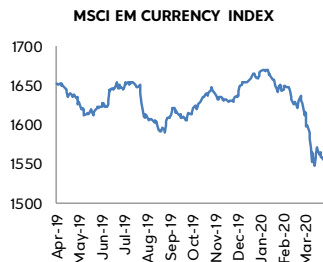
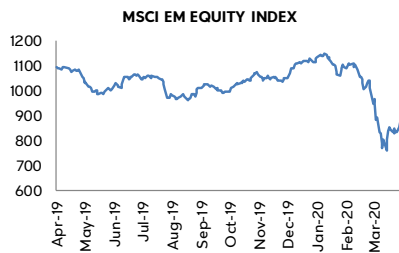
	Last	ΔD	ΔYTD
SOFIX	445.43	2.3%	-21.6%
BELEX	686.22	0.2%	-1440.3%
XU100	95881.71	0.0%	-1620.6%

### FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5441	0.1%	-6.4%
EUR/RSD	117.556	-0.1%	0.2%
USD/TRY	6.6705	0.0%	-10.8%

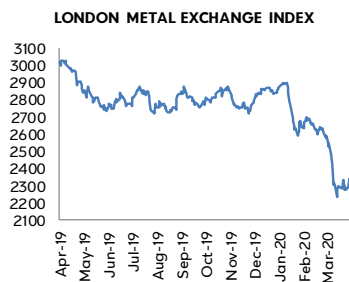
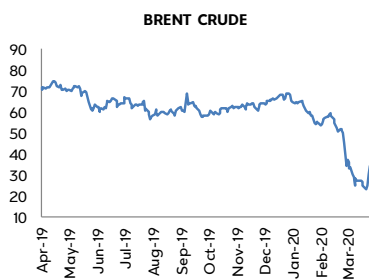
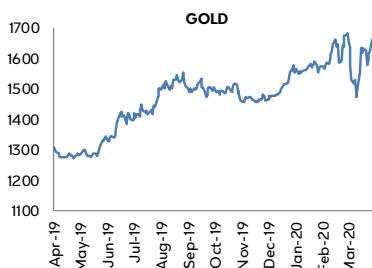
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	8.17	-10	203
BG 8Y yield	Invalid Security		
PL 10Y yield	1.44		



## COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1696	0.7%	11.8%
BRENT CRUDE	31	-4.1%	-52.3%
LMEX	2341	0.9%	-17.7%



## 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](https://twitter.com/Eurobank_Group)  
**Follow us on LinkedIn:** <https://www.linkedin.com/company/eurobank>

### DISCLAIMER

This report has been issued by Eurobank S.A. ("Eurobank") and may not be reproduced in any manner or provided to any other person. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell the securities mentioned herein. Eurobank and others associated with it may have positions in, and may effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for those companies. The investments discussed in this report may be unsuitable for investors, depending on the specific investment objectives and financial position. The information contained herein is for informative purposes only and has been obtained from sources believed to be reliable but it has not been verified by Eurobank. The opinions expressed herein may not necessarily coincide with those of any member of Eurobank. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility or liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank or any of its directors, officers or employees. Any articles, studies, comments etc. reflect solely the views of their author. Any unsigned notes are deemed to have been produced by the editorial team. Any articles, studies, comments etc. that are signed by members of the editorial team express the personal views of their author.

