

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

August 11, 2020

Global Markets

Global equity markets were firmer in early trade today on market relief that rising US/China tensions have not led to the cancellation of the scheduled meeting on August 15 between top US and Chinese officials to review the implementation of the Phase 1 trade deal. In addition, following the failure of congressional negotiators to reach an agreement on additional fiscal stimulus, US President Donald Trump signed over the weekend four executive orders that envision, among others, an extension of the federal pandemic unemployment compensation, albeit at a reduced weekly amount of \$400. Furthermore, for the first time in a month the number of Americans hospitalized with Covid dropped below 50,000. Against this background, UST yields rose and the DXY index moved higher, marking a one-week peak of 93.724 earlier today.

Greece

The EC executive Vice-President Valdis Dombrovskis stated in an interview that EU restrictions on national budgets are unlikely to be reactivated until 2022. Consequently, the obligation for a 3.5% of GDP primary surplus, will not apply for Greece in 2021. In other news, the President of the Greek Tourism Confederation (SETE) Giannis Retsos, estimated that based on the July performance and the evolution of the pandemic, tourism receipts are not expected to exceed €3-3.5bn this year, i.e. less than 20% of last year's receipts. On the pandemic front, the rise of new cases in the past weeks have led the Greek government to impose a number of restrictive measures incl. mandatory test for travelers from specific regions as of August 17; reduced opening hours for bars in certain regions and cancelation of events with standing people.

CESEE

BULGARIA: According to official data released yesterday, retail sales fell by 18.1%YoY in June, easing mildly from the 20.4%YoY drop in May. Following the relaxation of the social distancing measures, Covid-19 has resurged since mid-June, weighing on consumers' spending. The domestic consumption outlook is expected to start improving in H2, but the domestic political instability which sparked off in July, along with the expected economic repercussions of the pandemic are anticipated to delay the return to the pre-Covid-19 levels. **SERBIA:** President Aleksandar Vucic stated in a press conference on Friday that the government's fiscal stimulus package will reach EUR5.8bn or 12% of projected GDP in 2020. The updated figure, up from EUR5.1bn announced in early April, includes additional labor support

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Maria Kasola
Economic Analyst
mkasola@eurobank.gr

GLOBAL MARKETS
Stock markets

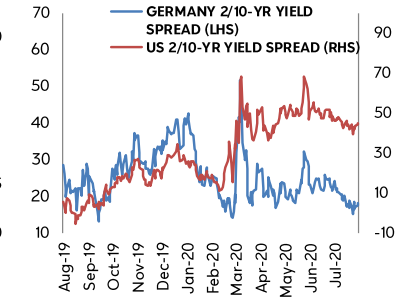
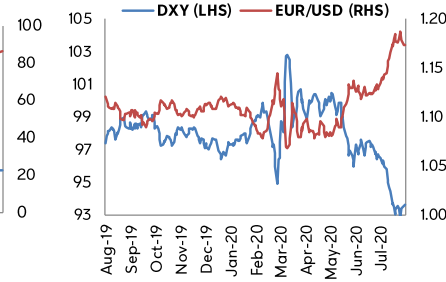
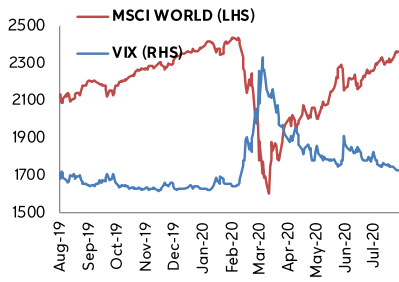
	Last	ΔD	ΔYTD
S&P 500	3360.47	0.27%	4.0%
Nikkei 225	22750.24	1.9%	-3.8%
STOXX 600	364.65	0.3%	-12.3%

FOREX

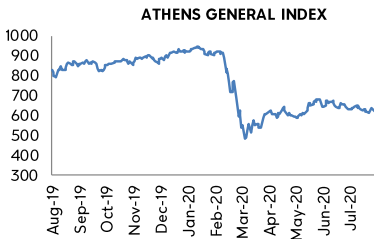
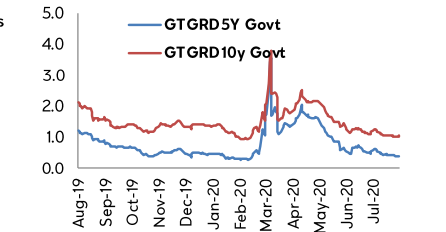
	Last	ΔD	ΔYTD
EUR/USD	1.1734	0.0%	4.6%
GBP/USD	1.3063	-0.1%	-1.4%
USD/JPY	106.21	-0.2%	2.3%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.58	1	-134
Bund-10yr	-0.52	1	-33
JGB - 10yr	0.03	2	4


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.39	0	-10
10Y Bond	1.04	0	-39
Δ(10YBund-10YGGB)	1.56	0	-6


EMERGING MARKETS
Stock markets

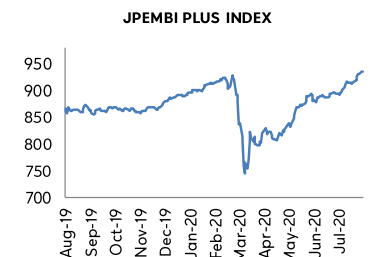
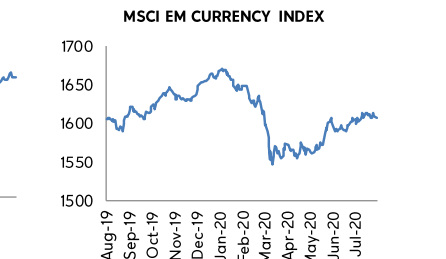
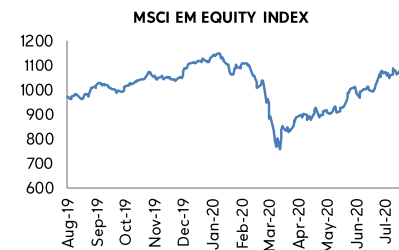
	Last	ΔD	ΔYTD
SOFIX	431.99	0.3%	-24.0%
BELEX	672.64	0.7%	-1609.7%
XU100	1082.24	0.6%	-541.9%

FOREX

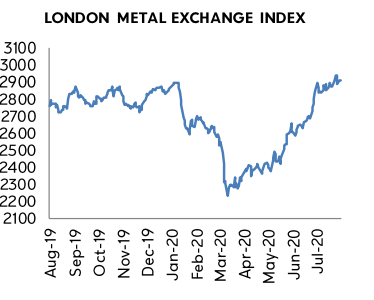
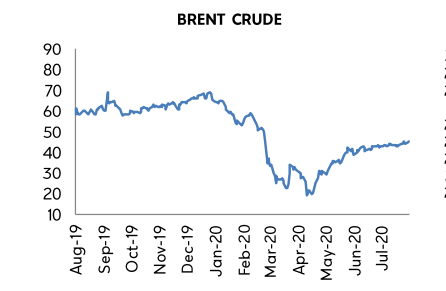
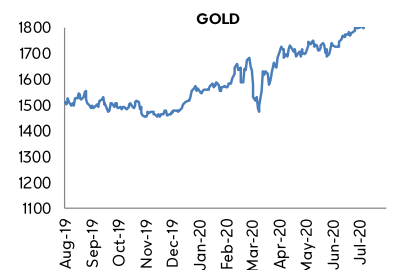
	Last	ΔD	ΔYTD
EUR/PLN	4.4036	-0.1%	-3.4%
EUR/RSD	117.59	-0.1%	0.1%
USD/TRY	7.299	-0.2%	-18.5%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	7.19	-11	106
BG 8Y yield	Invalid Security		
PL 10Y yield	1.27		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	2002	-1.2%	32.0%
BRENT CRUDE	45	0.2%	-31.7%
LME	2907	0.8%	2.2%



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 Stamatou
Senior Economist
tstamatou@eurobank.gr
+ 30 214 40 59 708



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

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