

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

June 12, 2020

Global Markets

Oil prices resumed their downtrend on renewed recovery concerns as new virus cases ticked up globally raising fears about a second wave of COVID-19. In addition, US crude inventories rose unexpectedly last week to new record highs, increasing excess supply worries. Brent crude recorded a near two-week low of \$37.08/bbl in early European trade, following a peak of \$43.40/bbl earlier this week, in the wake of the OPEC+ agreement to extend the May-June record production cut of 9.6mb/d by a further month to July. Meanwhile, UST yields were slightly higher on the day, but still not far from post-FOMC lows, favored by global equity markets' lackluster performance. In FX markets, assisted by recovery concerns, the USD gained some ground, with the DXY index marking a multi-session high of 96.938 earlier today.

Greece

The Eurogroup that convened yesterday took note of the 6th Enhanced Surveillance report and the assessment that, considering the extraordinary circumstances by the coronavirus pandemic, Greece has taken the necessary actions to achieve its specific reform commitments. As a result the Eurogroup consented to the release of the 3rd tranche of the policy-contingent debt measures, namely the transfer of SMP-ANFA income equivalent amounts and the reduction to zero of the step-up interest margin on certain EFSF loans worth EUR 748 million in total. In other news, according to press, banks expressed concerns regarding the new household insolvency framework under preparation by the government, on the grounds that it is too lax in the criteria for a debtholder to be regarded as 'vulnerable'.

CESEE

Bulgaria: The Minister of Economy, Emil Karanikolov, confirmed yesterday that the state purchased the rights for the acquisition of 26.2% of FiBank's share capital at the auction held on June 10. The decision was based on the country's strategy to 'fulfil everything necessary for an entry in the ERM II waiting room'. He attributed the lack of interest on behalf of private investors to the prevailing distressed economic situation, caused by the Covid-19 crisis. *Serbia:* The NBS proceeded yesterday with a 25bps cut, the third since the beginning of the year, setting the key policy interest rate at 1.25%. The rationale of the decision was broadly based on the efforts required to boost economic growth and mitigate the negative economic impact from the Covid-19 pandemic.

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GLOBAL MARKETS
Stock markets

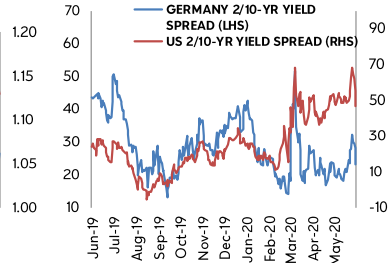
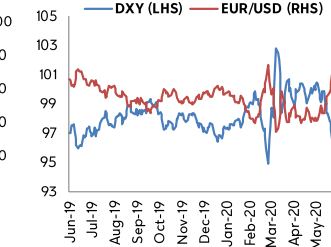
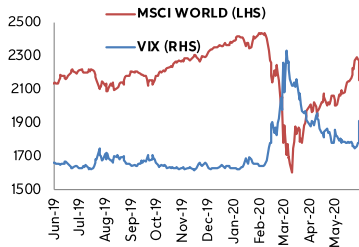
	Last	ΔD	ΔYTD
S&P 500	3002.10	-5.89%	-7.1%
Nikkei 225	22305.48	-0.7%	-5.7%
STOXX 600	353.07	-4.1%	-15.1%

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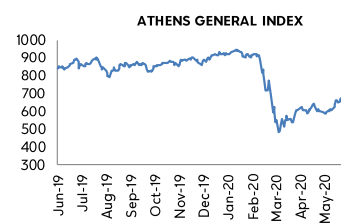
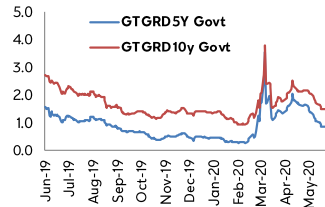
	Last	ΔD	ΔYTD
EUR/USD	1.1304	0.0%	0.8%
GBP/USD	1.2578	-0.2%	-5.1%
USD/JPY	107.1	-0.2%	1.4%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.68	1	-124
Bund-10yr	-0.42	-1	-24
JGB - 10yr	0.01	0	2


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.56	-1	7
10Y Bond	1.31	0	-13
Δ10YBund-10YGGB)	1.73	0	11


EMERGING MARKETS
Stock markets

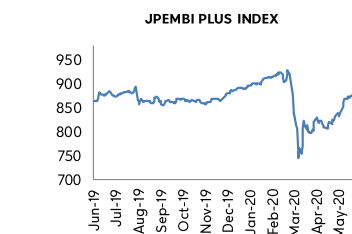
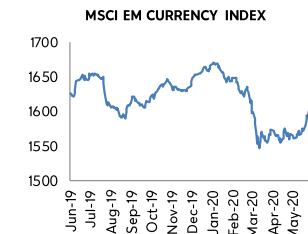
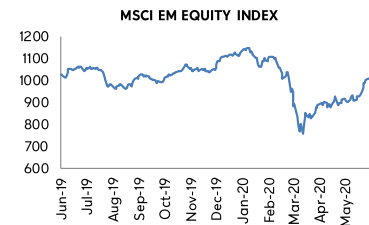
	Last	ΔD	ΔYTD
SOFIX	452.47	-2.1%	-20.4%
BELEX	680.05	-0.3%	-1517.3%
XU100	109155.40	-0.6%	-460.5%

FOREX

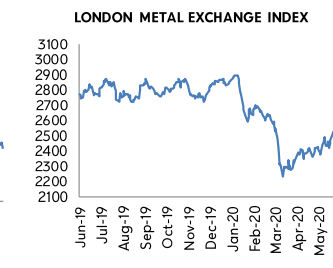
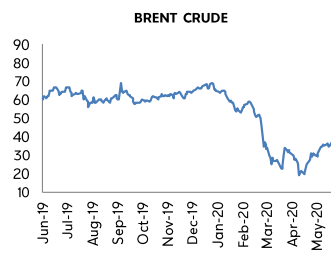
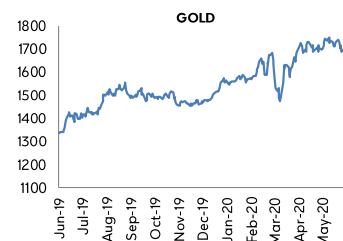
	Last	ΔD	ΔYTD
EUR/PLN	4.469	0.1%	-4.8%
EUR/RSD	117.69	0.0%	0.0%
USD/TRY	6.8369	0.1%	-13.0%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.77	-2	64
BG 8Y yield	Invalid Security		
PL 10Y yield	1.38		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1731	0.2%	14.1%
BRENT CRUDE	37	-3.0%	-43.3%
LME X	2607	-1.9%	-8.3%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 09:45 EEST

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