

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

October 12, 2020

### Global Markets

Risk-on sentiment prevailed earlier today, on market optimism over a steady recovery of the Chinese economy thanks to ebbing Covid-19 new cases and a robust rebound in tourism over the Golden Week holiday. Meanwhile, talks on additional US fiscal stimulus have hit an impasse again, with the US President calling on Congress on Sunday to pass a relief bill using the remaining funds from the Paycheck Protection Program. In FX markets, the EUR/USD retreated close to 1.1800 after hitting a three-week high of 1.1830 on Friday, amid hopes of a US fiscal stimulus deal and continuing talk by ECB officials about the disinflationary impact of a firmer common currency. The EU Council meets on 15-16 October, while major data releases this week come mostly from the US, including CPI (Tuesday) and retail sales (Friday).

### Greece

According to ELSTAT, the overall industrial production index (IPI) in Aug-20 recorded a decrease of 3.8% compared with Aug-19, while the overall IPI in Aug-19 decreased by 0.03% compared with the corresponding index in Aug-18. The 3.8% annual decrease is due to a decrease in the manufacturing index (-0.7%YoY), the electricity supply index (-14.1%YoY) and the water supply index (-1.2%YoY), whereas the mining and quarrying index increased by 10.1%YoY. Jan – Aug 2020, the average overall IPI decreased by 3.9% compared with the average IPI of the period Jan - Aug 2019. Meanwhile, the consumer price index (CPI) in Sep-20 compared with Sep-19 decreased by 2.0%, while the average CPI for the 12 - month period from Oct-19 to Sep-20 decreased by 0.7%YoY.

### CESEE

**SERBIA:** The EUR/RSD remained bound within a tight range of 117.50-117.65 in the past week amid low trading volumes. At its regular MPC meeting, the NBS left the key policy rate unchanged at 1.25% meeting the expectations of the consensus. In its communique, NBS underlined that the performance of most production and service activities had exceeded the expectations for the fourth month in a row. Thus, NBS revised its GDP projection for FY2020 further to -1% up from -1.5% previously. At the end of August, the public debt stood at €26.61bn or 56.7% of GDP down from 56.6% in July vs. 52.0% of GDP in December. In nominal terms, public debt increased by €28.8mn or 0.11% MoM in August. Finally, the budget execution recorded a deficit of RSD344.6bn in the 8M-2020.

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## GLOBAL MARKETS

### Stock markets

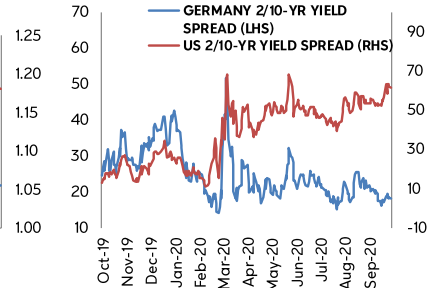
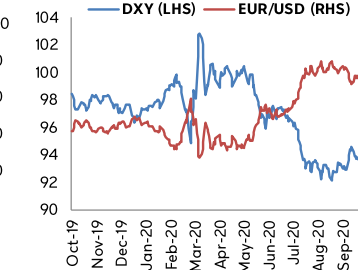
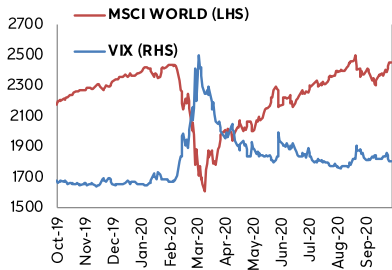
|            | Last     | ΔD    | ΔYTD   |
|------------|----------|-------|--------|
| S&P 500    | 3477.13  | 0.88% | 7.6%   |
| Nikkei 225 | 23558.69 | -0.3% | -0.4%  |
| STOXX 600  | 371.11   | 0.2%  | -10.8% |

### FOREX

|         | Last   | ΔD    | ΔYTD  |
|---------|--------|-------|-------|
| EUR/USD | 1.181  | -0.1% | 5.3%  |
| GBP/USD | 1.3045 | 0.1%  | -1.6% |
| USD/JPY | 105.52 | 0.1%  | 2.9%  |

### Government Bonds

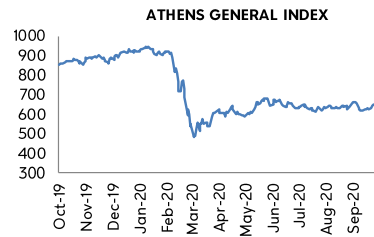
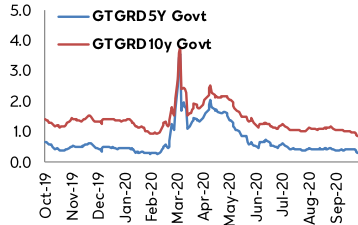
| (yields)   | Last  | ΔDbps | ΔYTD bps |
|------------|-------|-------|----------|
| UST - 10yr | 0.77  | 0     | -114     |
| Bund-10yr  | -0.54 | -1    | -35      |
| JGB - 10yr | 0.03  | -1    | 4        |



## GREECE

### Government Bonds

| (yields)         | Last | ΔDbps | ΔYTDbps |
|------------------|------|-------|---------|
| 5Y Bond          | 0.33 | 0     | -16     |
| 10Y Bond         | 0.86 | 0     | -57     |
| Δ(10YBund-10YGG) | 1.40 | 0     | -22     |



## EMERGING MARKETS

### Stock markets

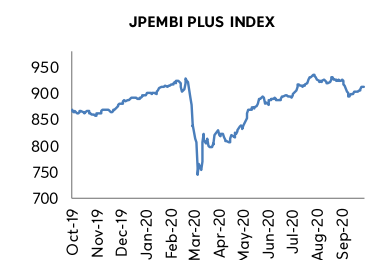
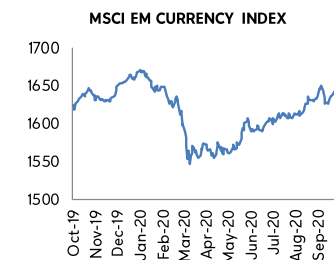
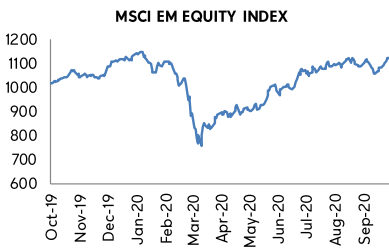
|       | Last    | ΔD    | ΔYTD     |
|-------|---------|-------|----------|
| SOFIX | 423.27  | 0.0%  | -25.5%   |
| BELEX | 689.85  | -0.3% | -1395.1% |
| XUI00 | 1171.57 | 0.5%  | 238.8%   |

### FOREX

|         | Last    | ΔD    | ΔYTD   |
|---------|---------|-------|--------|
| EUR/PLN | 4.4691  | 0.0%  | -4.8%  |
| EUR/RSD | 117.593 | 0.1%  | 0.1%   |
| USD/TRY | 7.9079  | -0.4% | -24.7% |

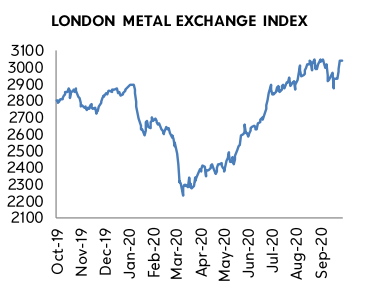
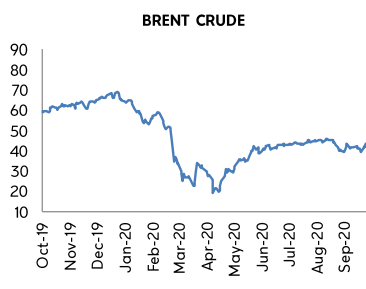
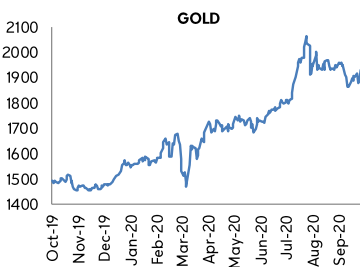
### Government Bonds

|              | Last             | ΔDbps | ΔYTD bps |
|--------------|------------------|-------|----------|
| TR 10Y yield | 6.70             | -6    | 57       |
| BG 8Y yield  | Invalid Security |       |          |
| PL 10Y yield | 1.30             |       |          |



## COMMODITIES

|             | Last | ΔD    | ΔYTD   |
|-------------|------|-------|--------|
| GOLD        | 1925 | -0.3% | 26.9%  |
| BRENT CRUDE | 42   | -1.1% | -35.8% |
| LMEX        | 3038 | 1.8%  | 6.8%   |



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