

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

November 12, 2020

Global Markets

In a speech opening the ECB's forum on Central Banking y-day, the ECB President adopted a dovish tone, reinforcing expectations for further policy stimulus at the December meeting. Christine Lagarde warned that the pandemic phase could last longer than previously expected despite encouraging Covid-19 vaccine news and the economy could face a "bumpy", "stop-and-start" recovery contingent on the pace of the vaccine roll-out, making clear that the PEPP and TLTROs would likely remain the ECB's "main tools" as they have "proven their effectiveness" and could be "dynamically adjusted". Meanwhile, core fixed income markets gained some ground early today after the previous days' sell-off, and the EUR/USD stabilized slightly below 1.18 as market focus has shifted back to the impact of the lockdown measures across Europe.

Greece

According to the Deputy Minister of Finance Theodoros Skylakakis, debt-to-GDP is expected to hike to 204%-206% in 2020 due to the impact of the pandemic on GDP, as well as the recent revision of 2018 and 2019 GDP by the statistical authority. GDP contraction is expected slightly above 10% in 2020 followed by a recovery above 5% in 2021. The primary deficit is projected at 3% in 2021, against 1% previously foreseen in the draft 2021 budget. Tourism revenues in 2021 are expected to reach 60% of 2019 tourism revenues, while the course of tourism in 2021 will be crucial. Finally, Greece is expected to submit its draft proposal for the Recovery and Resilience Fund next week, while the first disbursements are expected to take place in June 2021.

CESEE

CYPRUS: The volume of non-performing exposures (NPEs) decreased significantly by €2.2bn in June, bringing the stock of NPEs at €6.7bn, which translates to a decline of 75.5% over the period from December 2014 to June 2020. The monthly decrease reflects the sales of loan portfolios to credit acquiring companies, the positive migrations of loans, which have been successfully restructured and reclassified as performing at the end of the probation period, as well as loan repayments, including debt-to-asset swaps, and loan write-offs. As a result, the ratio of NPEs (non-performing to total exposures) declined to 22.3% in June compared to 27.7% in March vs. 27.9% in December 2019, down from 30.3% in December 2018 compared to 43.7% in December 2017, 47.2% in December 2016, 45.8% in December 2015 and 47.8% in December 2014.

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GLOBAL MARKETS

Stock markets

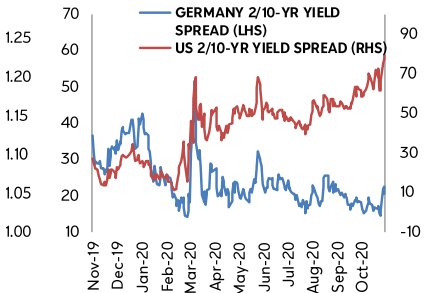
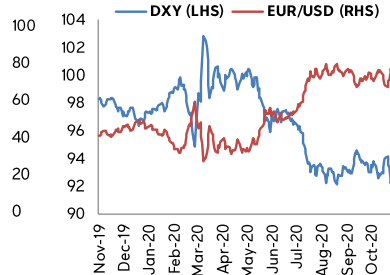
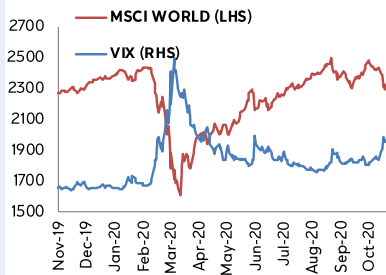
	Last	ΔD	ΔYTD
S&P 500	3572.66	0.77%	10.6%
Nikkei 225	25520.88	0.7%	7.9%
STOXX 600	388.56	1.1%	-6.6%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1773	0.0%	5.0%
GBP/USD	1.3186	-0.3%	-0.5%
USD/JPY	105.24	0.2%	3.2%

Government Bonds

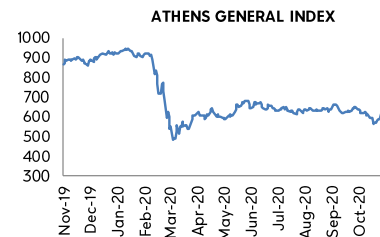
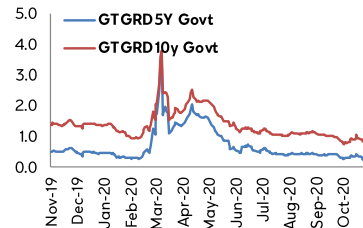
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.93	-4	-99
Bund-10yr	-0.52	-1	-33
JGB - 10yr	0.03	-1	4



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.17	0	-31
10Y Bond	0.81	0	-62
Δ(10YBund-10YGGB)	1.33	0	-28



EMERGING MARKETS

Stock markets

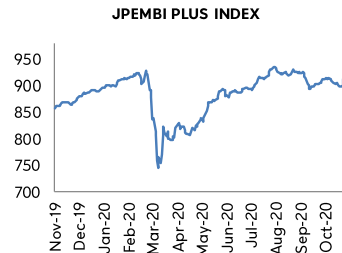
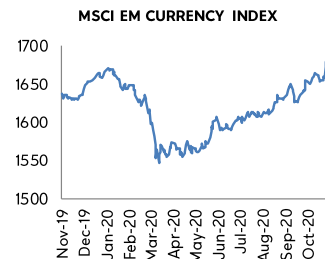
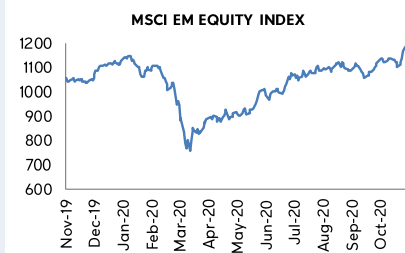
	Last	ΔD	ΔYTD
SOFIX	428.63	0.0%	-24.6%
BELEX	709.92	-0.1%	-114.7%
XU100	1292.74	1.1%	1297.7%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.491	-0.2%	-5.3%
EUR/RSD	117.637	0.0%	0.1%
USD/TRY	7.857	-0.7%	-24.3%

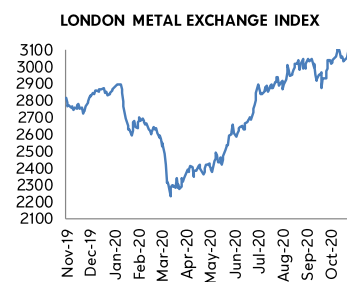
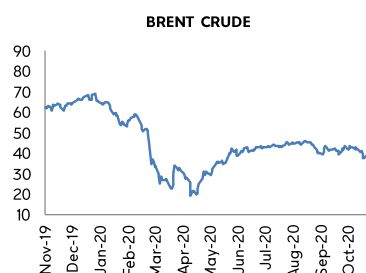
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.31	-7	18
BG 8Y yield	Invalid Security		
PL 10Y yield	1.27		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1871	0.3%	23.3%
BRENT CRUDE	44	0.5%	-33.3%
LMEX	3126	-0.3%	9.9%



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