

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

July 13, 2020

Global Markets

Following the positive momentum in global equity markets last week, partly driven by optimism for a new Covid-19 treatment by Gilead, Asian shares traded higher towards five-month peaks on Monday shrugging off news that coronavirus cases continued to accelerate over the weekend in the US. Focus this week centres on the EU Summit on 17-18 July, when EU leaders will meet in Brussels to potentially strike a deal on the European recovery fund in response to the pandemic and the long-term EU budget, while the ECB's monetary meeting on Thursday is expected to be relatively uneventful, following the €600bn increase in the PEPP program, and the extension of the minimum duration until June 2021, announced on 4 June. Key data releases include China's Q2 GDP release (Thursday) and US June CPI (Tuesday), IP (Wednesday), retail sales (Thursday) and housing starts and building permits (Friday).

Greece

According to ELSTAT, on the basis of provisional and working day adjusted data, the overall industrial production index (IPI) in May-20 recorded a decrease of 7.5%YoY, while in May-19 it had decreased by 0.4%YoY. On an annual basis, the steepest decline in May-20 was recorded in mining of coal and lignite, extraction of crude petroleum and natural gas, mining support service activities. The average overall IPI for the period Jan-May 2020 recorded a decrease of 4.2%, compared with the average IPI of the period Jan-May 2019. On a monthly basis, the s.a. overall IPI in May-20 increased by 0.9%. Meanwhile, the consumer price index (CPI) in Jun-20 decreased by 1.6%YoY, while in Jun-19 it had decreased by 0.3%YoY. The average CPI for the period Jul-19 to Jun-20 decreased by 0.3%YoY.

CESEE

Bulgaria: In an ECB statement released on Friday evening, it was announced that the Bulgarian lev has been included in the Exchange Rate Mechanism (ERM2) by the mutual agreement of the Finance Ministers of the Euro area, the President of the ECB and the Finance Ministers and Central Bank Governors of Denmark and Bulgaria. In the agreement, the central rate of the lev was set at 1 euro = 1.95583 leva. In addition, the standard fluctuation band of plus or minus 15% will be observed around the central rate of the lev. Finally, following a careful assessment of the appropriateness and sustainability of the country's currency board, it was accepted that Bulgaria is joining the ERM2 with its existing currency board arrangement in place, as a unilateral commitment, thus placing no additional obligations on the ECB.

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GLOBAL MARKETS

Stock markets

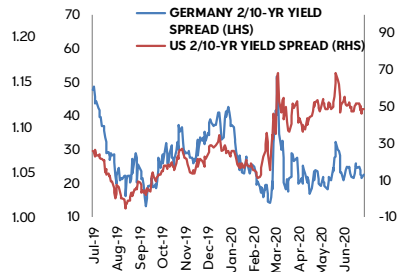
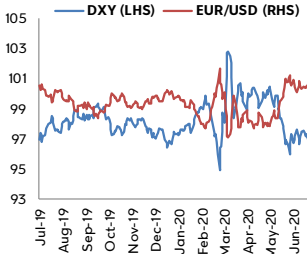
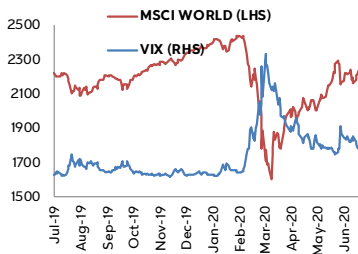
	Last	ΔD	ΔYTD
S&P 500	3185.04	1.05%	-1.4%
Nikkei 225	22784.74	2.2%	-3.7%
STOXX 600	369.82	0.8%	-11.1%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1319	0.2%	0.9%
GBP/USD	1.2631	0.1%	-4.7%
USD/JPY	106.98	0.0%	1.5%

Government Bonds

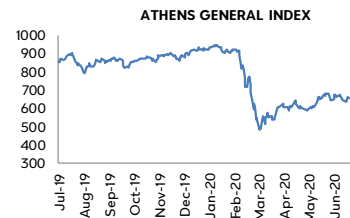
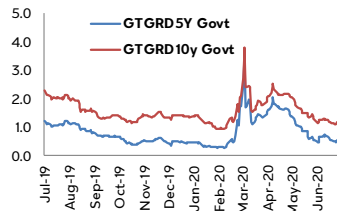
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.63	-1	-128
Bund-10yr	-0.46	1	-28
JGB - 10yr	0.04	1	5



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.56	0	7
10Y Bond	1.20	0	-23
Δ(10YBund-10YGB)	1.66	0	4



EMERGING MARKETS

Stock markets

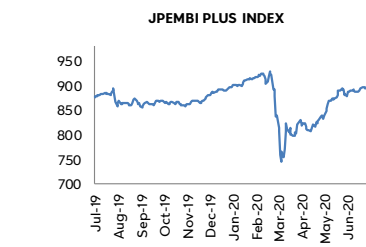
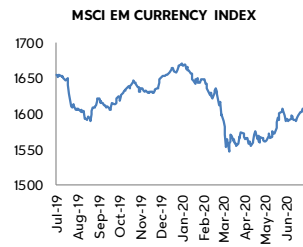
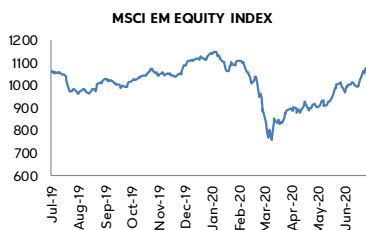
	Last	ΔD	ΔYTD
SOFIX	444.38	0.0%	-21.8%
BELEX	654.19	-0.5%	-1839.9%
XUI00	116537.10	1.5%	184.6%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4619	0.1%	-4.7%
EUR/RSD	117.61	0.2%	0.1%
USD/TRY	6.8653	0.0%	-13.3%

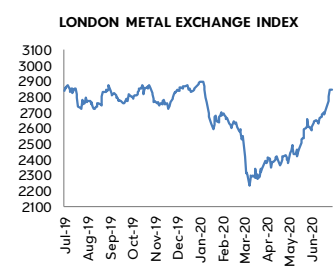
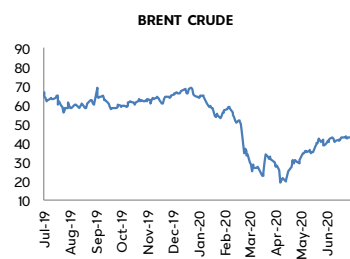
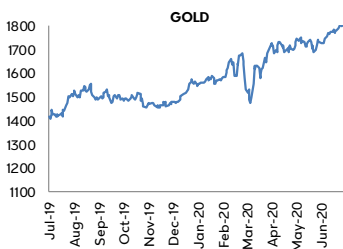
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.81	-11	68
BG BY yield	Invalid Security		
PL 10Y yield	1.33		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1808	0.5%	19.1%
BRENT CRUDE	43	-0.7%	-34.9%
LMEX	2842	1.6%	0.0%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:35 EEST

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