

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

October 14, 2020

Global Markets

According to its latest World Economic Outlook, the IMF projects a 4.4% contraction in 2020 for the world economy, a less severe contraction compared to -4.9% in June, on the back of better-than-expected Q2 GDP outturns, mostly in advanced economies, and indicators pointing to a stronger recovery in Q3. Meanwhile, the USD was firmer in early trade today, with the EUR/USD hovering close to yesterday's 1.1730 multi-session low following a bigger-than-anticipated drop of 18.3pts in Germany's October ZEW Economic Sentiment to 56.1. The Johnson & Johnson's announcement that pauses a Covid-19 vaccine trial, the standstill in US fiscal stimulus negotiations, and the UK PM Boris Johnson's warning that the UK is "ready and willing" to walk away from Brexit talks without an agreement, also favored the USD's safe-haven appeal.

Greece

In its latest World Economic Outlook the IMF revised upwards its GDP growth projection for 2020 to -9.5% (from -10% in April 2020) and downwards its respective projection for 2021 to +4.1% (from +5.1% in April 2020). The unemployment rate is seen to climb to 19.9% of the total labour force in 2020 and then ease to 18.3% in 2021 and 16.6% in 2022. On the privatisations front, the Gaming Commission declared the consortium Mohegan-GEK TERNA preferred bidder for the casino in Hellinikon. The next steps include the final review of the supporting documents, the pre-contractual review by the Court of Audit and the ratification of the contract by the Parliament which will open the way for the financial closing of the Hellinikon concession and the payment of the first tranche of €300mn.

CESEE

Cyprus: Following an extraordinary session yesterday, the government cabinet approved the suspension of the scheme- 'citizenship for investment programme' as of November 1st. According to the statement by the Presidency, the suspension was put forward in response to "weaknesses" in the scheme that could be "exploited". The decision came in the aftermath of an Aljazeera controversial report, which allegedly filmed Cypriot officials making abusive use of the scheme. The volume of non-performing exposures (NPEs) decreased by €521mn in May, bringing the stock of NPEs at €8.5bn. Loan exposures decreased by €677mn in the same month. As a result, the NPEs ratio decreased on a monthly basis at 26.7% vs. 27.9% in December 2019, down from 30.3% in December 2018 compared to 43.7% in December 2017.

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GLOBAL MARKETS

Stock markets

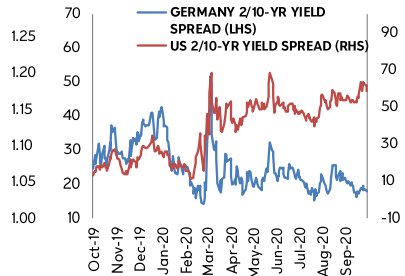
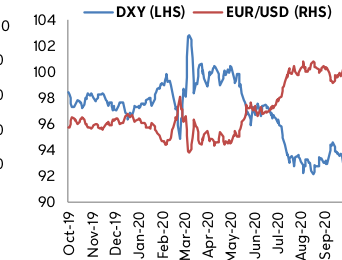
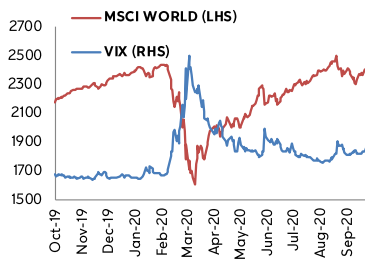
	Last	ΔD	ΔYTD
S&P 500	3511.93	-0.63%	8.7%
Nikkei 225	23626.73	0.1%	-0.1%
STOXX 600	370.96	-0.5%	-10.8%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1745	0.0%	4.7%
GBP/USD	1.2894	-0.3%	-2.7%
USD/JPY	105.51	0.0%	2.9%

Government Bonds

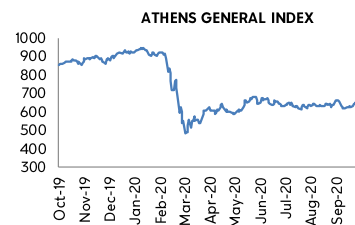
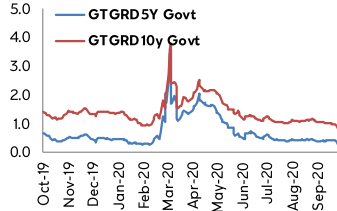
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.73	0	-119
Bund-10yr	-0.56	-1	-38
JGB - 10yr	0.03	0	4



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.28	0	-21
10Y Bond	0.78	0	-65
Δ(10YBund-10YGGB)	1.34	0	-27



EMERGING MARKETS

Stock markets

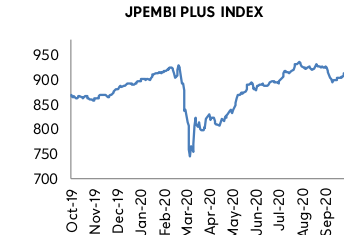
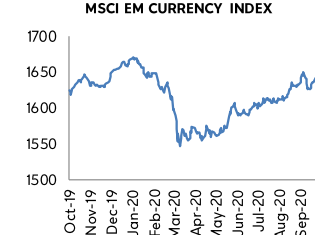
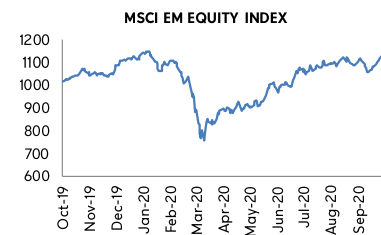
	Last	ΔD	ΔYTD
SOFIX	424.46	-0.3%	-25.3%
BELEX	692.43	0.3%	-1362.9%
XU100	1174.70	-0.3%	266.1%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4985	-0.1%	-5.4%
EUR/RSD	117.579	0.1%	0.1%
USD/TRY	7.9339	-0.2%	-25.0%

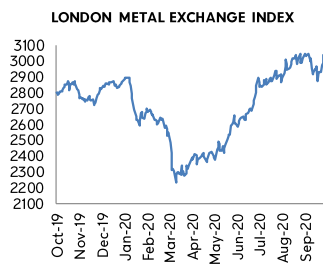
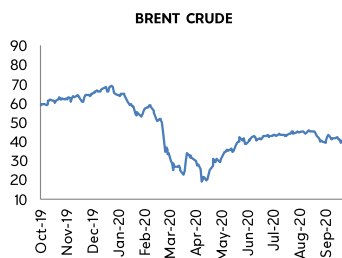
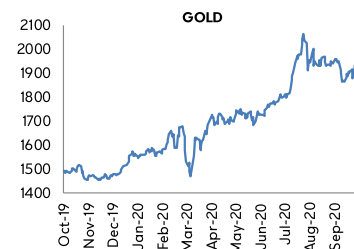
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.68	-7	55
BG 8Y yield	Invalid Security		
PL 10Y yield	1.26		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1897	0.3%	25.1%
BRENT CRUDE	42	-0.4%	-35.9%
LMEX	3019	-0.6%	6.2%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:00 EST

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