

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 15, 2020

Global Markets

Euro area IP rose by 4.1%MoM in July, pointing to continuing post-lockdown recovery, but at a slower pace compared to gains of 9.5%MoM and 12.2%MoM in June and May, respectively. Meanwhile, following gains in Wall Street overnight, most Asian equities ended higher today on positive data from China and encouraging signs of progress in developing a Covid-19 vaccine, but European peers bucked the trend and opened slightly lower. In FX markets, the USD was weaker on the day, but losses were limited on market cautiousness ahead of the FOMC meeting which starts later today. Elsewhere, the UK government's Market Internal Bill, which undermines parts of the Withdrawal Agreement, passed its second reading in the House of Commons y-day by 340 votes to 263. Today, UK MPs will propose and discuss amendments to the Bill.

Greece

According to press, following the Council of State decision of Jul-20, pensioners will receive retroactive payments of €1.4bn in October as compensation for cuts in their main pensions in 2012. On the pandemic front, 180 new cases were recorded yesterday, below 200 for the first time in 6 days. The 7-day average of new cases stood at 252 yesterday, from 196 one week ago. The re-opening of schools yesterday, albeit with strict protective measures, incl. the obligatory use of face masks, may, according to scientists, lead to increased cases in the weeks ahead. Meanwhile, elevated cases in Attica – by far the most populous region in Greece – are likely to bring about further restrictions in this area.

CESEE

Cyprus: The volume of non-performing exposures (NPEs) increased slightly by €23mn in April, bringing the stock of NPEs at €8.9bn. Loan exposures expanded by €86mn in the same month. As a result, the ratio of NPEs (non-performing to total exposures) remained unchanged on a monthly basis at 27.7% 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. Recall that according to the EBA conservative definition, a restructured NPE is still classified as an NPE for a probation period of at least 12 months, even if it is properly serviced without incurring new arrears. As a result, a large fraction of the restructured loans are still classified as NPEs (€3.959mn out of €5.240mn in April 2020).

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GLOBAL MARKETS

Stock markets

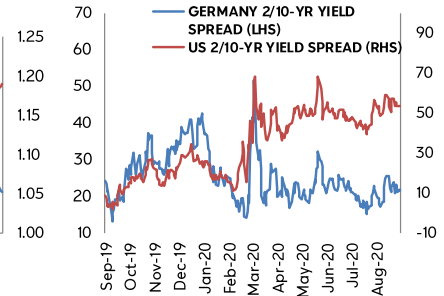
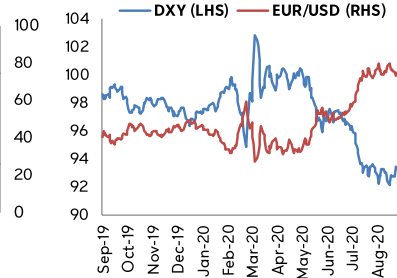
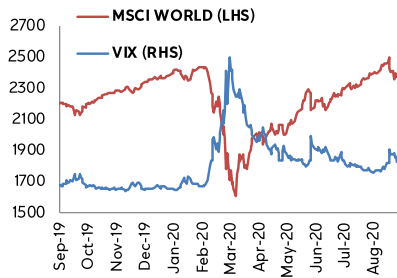
	Last	ΔD	ΔYTD
S&P 500	3383.54	1.27%	4.7%
Nikkei 225	23445.42	-0.5%	-0.9%
STOXX 600	368.51	0.1%	-11.4%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1896	0.3%	6.1%
GBP/USD	1.2869	0.2%	-2.9%
USD/JPY	105.65	0.1%	2.8%

Government Bonds

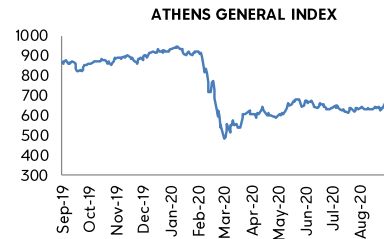
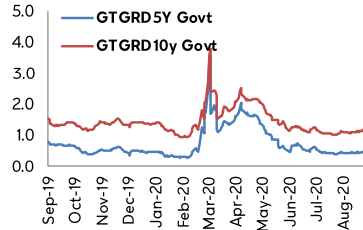
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.67	0	-125
Bund-10yr	-0.48	0	-30
JGB - 10yr	0.02	0	3



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.39	0	-10
10Y Bond	1.08	0	-35
Δ(10YBund-10YGGB)	1.56	0	-6



EMERGING MARKETS

Stock markets

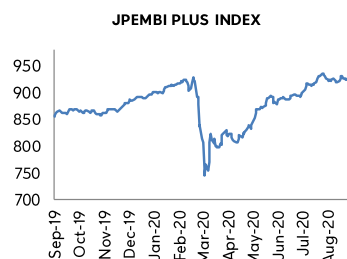
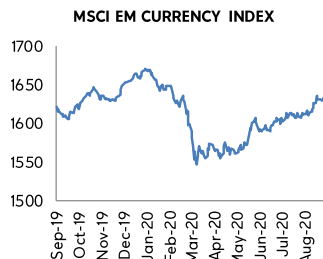
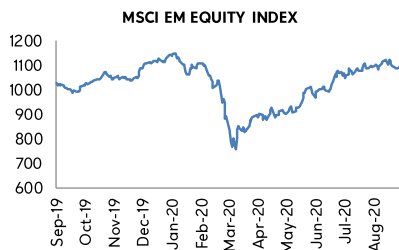
	Last	ΔD	ΔYTD
SOFIX	430.91	-0.2%	-24.2%
BELEX	690.55	0.0%	-1386.3%
XU100	1107.29	0.4%	-323.0%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4397	0.2%	-4.2%
EUR/RSD	117.595	0.0%	0.1%
USD/TRY	7.485	0.0%	-20.5%

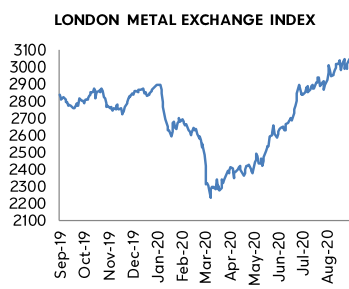
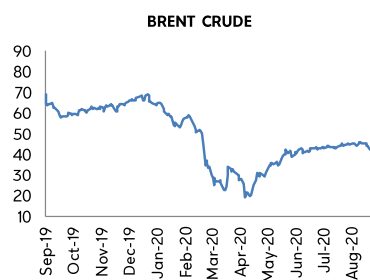
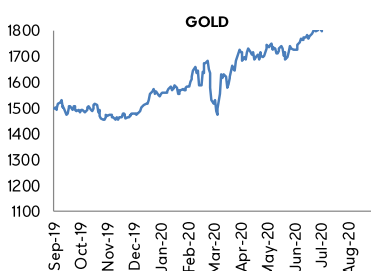
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.54	-7	40
BG 8Y yield	Invalid Security		
PL 10Y yield	1.36		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1966	0.5%	29.6%
BRENT CRUDE	40	-0.2%	-40.1%
LME	3043	0.9%	7.0%



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