

# GLOBAL & REGIONAL DAILY HIGHLIGHTS

June 16, 2020

## Global Markets

Global equity markets reversed course and moved higher earlier today, supported by the Fed's announcement that it would buy corporate bonds through the secondary market corporate credit facility (SMCCF), one of several emergency facilities launched in the wake of the pandemic. Data from China showing that new infections in mainland are under control following an unexpected spike in recent days, also favored. **With the Fed's announcement** dispelling, for the time being, fears about a second wave of COVID-19 infections, long-dated US Treasuries came under pressure, pushing the 2/10-yr yield spread to a multi-session high of c. 56bps earlier today. In FX markets, the USD weakened, with the EUR/USD rising close to 1.1350 ahead of Fed Chair Jerome Powell's testimony before the Senate Banking Committee (14:00 GMT).

## Greece

According to the preliminary data for the State Budget Execution in May 2020, the State Budget balance for the period of Jan - May 2020 recorded a deficit of €7,445mn, against a 2020 Budget target of a deficit of €2,512mn and a deficit of €1,760mn for the same period of 2019. The State Budget Primary Balance recorded a deficit of €4,795mn, against the primary surplus target of €43mn and the primary surplus of €916mn attained in the same period of the previous year. The State Budget net revenues reached €16,078mn, which constitutes an underperformance of €2,663mn or 14.2% against the target, mainly due to the measures against COVID-19, among others, tax relief measures as well as the provision of a 25% discount as an incentive to taxpayers who paid their tax obligations on time.

## CESEE

Serbia: The EUR/RSD remained bound within a tight range of 117.50/60 - 117.55/65 in the past week. The EUR/RSD held steady at 117.55/65 last Friday, despite NBS interventions of selling EUR15mn directly in the FX market, aiming to alleviate persisting upside pressure on the domestic currency. Standard and Poor's affirmed the long-term sovereign rating of the country at BB+ with a stable outlook. Turkey: Driven by a negative services income balance reflecting travel income losses from the Covid19 pandemic, the current account deficit deteriorated further to USD5bn in April compared to USD4.8bn in March, compared to only USD470mn in April 2019. Thus, the current account deficit reached USD12.9bn in Jan-Apr, which translates to -1.9% of projected GDP compared to a USD 885mn deficit in the same period of 2019.

## Contributing Authors

Paraskevi Petropoulou  
Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)

Anna Dimitriadou  
Economic Analyst  
[andimitriadou@eurobank.gr](mailto:andimitriadou@eurobank.gr)

Ioannis Gkionis  
Senior Economist  
[igkions@eurobank.gr](mailto:igkions@eurobank.gr)

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## GLOBAL MARKETS

### Stock markets

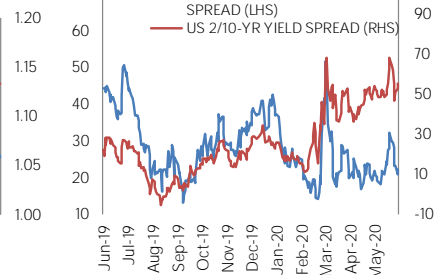
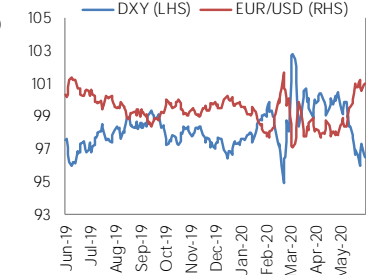
	Last	ΔD	ΔYTD
S&P 500	3066.59	0.83%	-5.1%
Nikkei 225	22582.21	4.9%	-4.5%
STOXX 600	353.09	-0.3%	-15.1%

### FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1339	0.1%	1.1%
GBP/USD	1.2664	0.5%	-4.5%
USD/JPY	107.54	-0.2%	1.0%

### Government Bonds

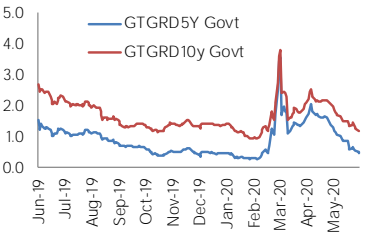
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.74	2	-117
Bund-10yr	-0.42	3	-23
JGB - 10yr	0.02	1	3



## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.48	-1	0
10Y Bond	1.19	0	-24
Δ(10YBund-10YGG)	1.61	0	-1



## EMERGING MARKETS

### Stock markets

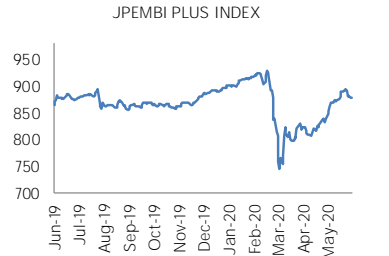
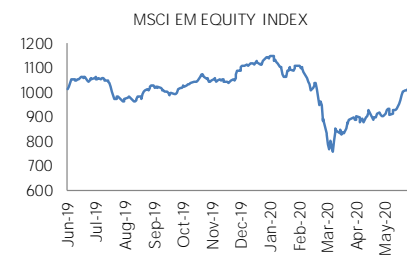
	Last	ΔD	ΔYTD
SOFIX	458.81	0.5%	-19.2%
BELEX	677.39	-0.2%	-1550.5%
XU100	109556.00	-0.3%	-425.5%

### FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4151	0.0%	-3.6%
EUR/RSD	117.7	0.0%	0.0%
USD/TRY	6.8329	-0.3%	-12.9%

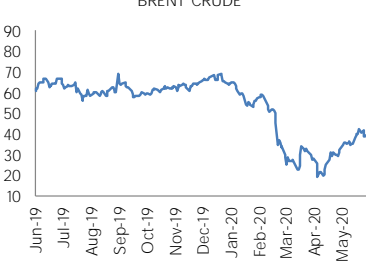
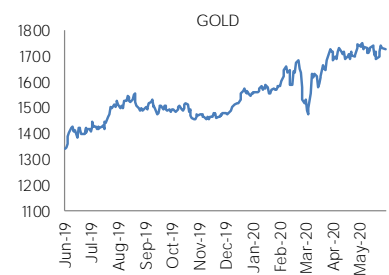
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.76	-7	63
BG 8Y yield	Invalid Security		
PL 10Y yield	1.36		



## COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1723	-0.1%	13.6%
BRENT CRUDE	40	0.2%	-39.7%
LMEX	2583	-0.9%	-9.2%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research  
Data updated as of 09:35 EEST

## Research Team



Dr. Tasos Anastasatos | Group Chief Economist  
tanastasatos@eurobank.gr | + 30 214 40 59 706



Anna Dimitriadou  
Economic Analyst  
andimitriadou@eurobank.gr  
+ 30 210 37 18 793



Ioannis Gkionis  
Senior Economist  
igkionis@eurobank.gr  
+ 30 214 40 59 707



Dr. Stylianos Gogos  
Economic Analyst  
sgogos@eurobank.gr  
+ 30 210 37 18 733



Maria Kasola  
Economic Analyst  
mkasola@eurobank.gr  
+ 30 210 33 18 708



Olga Kosma  
Research Economist  
okosma@eurobank.gr  
+ 30 210 37 18 728



Paraskevi Petropoulou  
Senior Economist  
ppetropoulou@eurobank.gr  
+ 30 210 37 18 991



Dr. Theodoros Stamatou  
Senior Economist  
tstamatou@eurobank.gr  
+ 30 214 40 59 708



Elia Tsiampaou  
Economic Analyst  
etsiampaou@eurobank.gr  
+ 30 214 40 59 712

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