

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

July 16, 2020

### Global Markets

Global equity markets traded in the red on Thursday following four-month highs reached y-day, amid increasing concerns about deteriorating US-China relations and worries that a second wave of Covid-19 infections could trigger a return to containment measures. Meanwhile, weaker-than-expected Chinese retail sales for June (-1.8%YoY) weighed on Chinese bourses shrugging off positive Q2 GDP (+3.2%YoY) and industrial production (+4.8%YoY) growth numbers. Risk-off mood favored the DXY dollar index trading around 96.160 at the time of writing, after dropping to a one-month low of 95.777 y-day, as risk sentiment had revived on hopes for a Covid-19 vaccine by the US company Moderna. Against this backdrop, the EUR/USD pulled back from a four-month high of 1.1451 hit overnight, but remained well-supported around 1.1400 in Asian trade.

### Greece

According to the preliminary State Budget Execution data for January – June 2020, the overall fiscal balance registered a deficit of €9.00 bn, against a targeted deficit of €2.63 bn. The primary fiscal balance registered a deficit of €5.86 bn, against a targeted surplus of €0.31 bn. The deviation of the state budget net revenue and expenditure from their targeted levels was at €3.67 bn (-16.0%) and €2.70 bn (+10.6%) respectively and was mainly due to the COVID-19 pandemic developments.

### CESEE

**Bulgaria:** In an online interview yesterday, Valdis Dombrovskis, Executive VP of the EC, stated, regarding the possible earliest date of adopting the Euro, that Bulgaria and Croatia may be ready in 2023, but “the tradition is that the euro is introduced in January, which leads us to January 1, 2024”. He also added that the EC will be carefully monitoring the government's work in regards to the EC's recommendations on the rule of law and the fight against corruption. On the data front, registered unemployment rate fell by 0.7%MoM to 8.3% in June, but increased by 3.1%YoY. Headline inflation accelerated to 1.6%YoY in June, up from 1.3%YoY in May, on the back of food prices spike and moderation of the fuel prices decline. Given the weak wheat harvest this summer, inflationary pressures may resurface in the short term.

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## GLOBAL MARKETS

### Stock markets

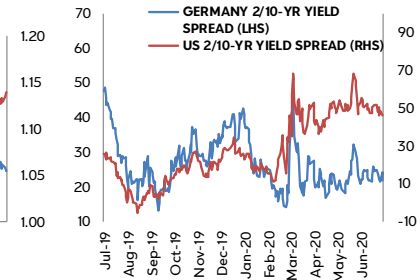
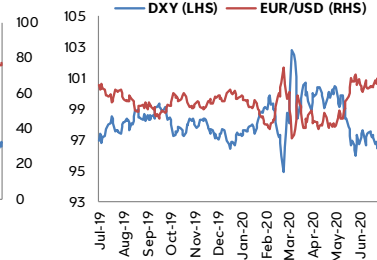
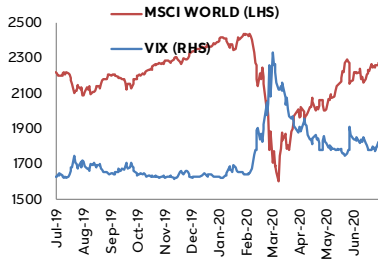
	Last	ΔD	ΔYTD
S&P 500	3226.56	0.91%	-0.1%
Nikkei 225	22770.36	-0.8%	-3.7%
STOXX 600	371.32	-0.7%	-10.7%

### FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1401	-0.1%	1.7%
GBP/USD	1.2549	-0.3%	-5.3%
USD/JPY	107	-0.1%	1.5%

### Government Bonds

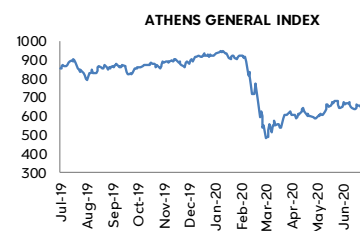
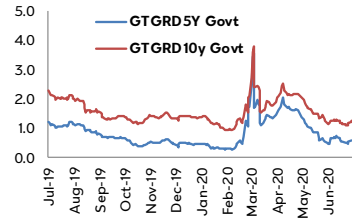
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.62	-1	-130
Bund-10yr	-0.45	-1	-27
JGB - 10yr	0.03	-1	4



## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.61	-1	12
10Y Bond	1.27	0	-16
Δ(10YBund-10YGGB)	1.72	0	10



## EMERGING MARKETS

### Stock markets

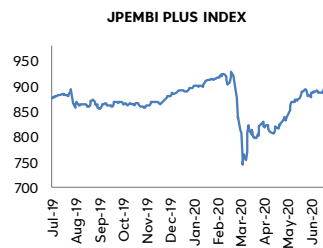
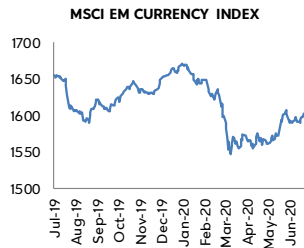
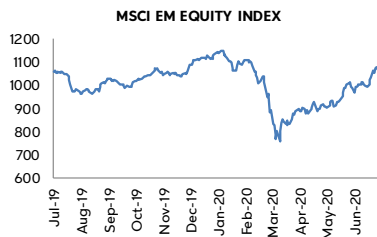
	Last	ΔD	ΔYTD
SOFIX	442.17	0.0%	-22.2%
BELEX	655.53	0.2%	-1823.1%
XU100	118903.80	1.0%	391.4%

### FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4852	-0.2%	-5.2%
EUR/RSD	117.595	0.0%	0.1%
USD/TRY	6.8575	0.0%	-13.2%

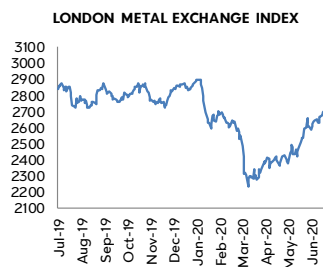
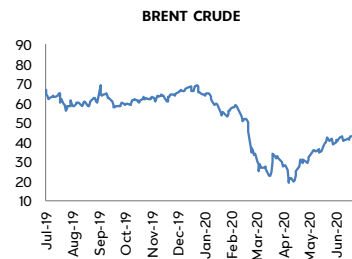
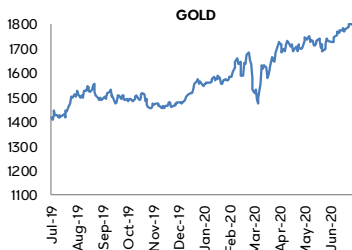
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.79	-6	66
BG 8Y yield	Invalid Security		
PL 10Y yield	1.36		



## COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1807	-0.2%	19.1%
BRENT CRUDE	44	-0.5%	-34.0%
LMEX	2833	-1.0%	-0.4%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research

Data updated as of 10:25 EEST

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