

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

March 19, 2020

### Global Markets

Following another day with heavy losses in global equity markets, the ECB launched overnight a new temporary asset purchase programme of private and public sector securities worth €750bn (Pandemic Emergency Purchase Program) to be conducted until the end of 2020 “to counter the serious risks (...) posed by the outbreak and escalating diffusion of the COVID-19”. The Fed followed suit, announcing that it is launching a Money Market Mutual Fund Liquidity Facility, while the BoJ made two unscheduled bond purchases totaling 1.3 trillion yen. Nevertheless, there is little sign so far that investor sentiment has started to take a turn for the better. Brent Crude oil price fell a further -13.4% y-day to close at its lowest level since September 2003 following a statement from the Saudi Ministry of Energy that it “directed Saudi Aramco to continue to supply crude oil at a level of 12.3 million barrels a day over the coming months”.

### Greece

GGBs of c. €12 bn are eligible for ECB’s emergency €750 bn asset purchases programme (PEPP) in response to the coronavirus threat. Meanwhile, further measures to address the economic impact of COVID-19 include: 1) Suspension of tax payments for businesses horizontally in severely hit sectors, 2) Reduced VAT (from 24% to 6%) for hygiene products, 3) Compensation of €800 to employees whose employment contract has been suspended. This measure concerns 500,000 employees and will cost €400 mn., 4) Suspension of the payment of Mar tax liabilities for self-employed and sole proprietors in sectors hit by COVID-19, 5) Businesses, whose operation has been compulsorily suspended, may pay 60% of the rent for Mar-Apr. The same applies for the 1<sup>st</sup> residence rent of employees whose work contract has been suspended.

### CESEE

As Covid-19 keeps spreading in the region and infected incidents exceed 500 people at the time of writing, all regional assets remain under pressure. Major currencies such as the Hungarian forint, the Polish zloty and the Czech hit fresh lows during yesterday’s session. On the same footing, regional bourses concluded the session in the red with Prague’s PX index taking the lead, followed by Budapest and Bucharest. In Poland, Serbia and Bulgaria daily losses remained below 2%. On the policy front, all governments announce supportive fiscal packages and central banks intend or have already have stepped into easing through interest rate cuts. Namely, the Turkish central bank (CBRT) held its MPC meeting two days earlier than scheduled, on Tuesday, and decided to reduce the policy one-week repo rate by 100bps to 9.75%.

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## GLOBAL MARKETS

### Stock markets

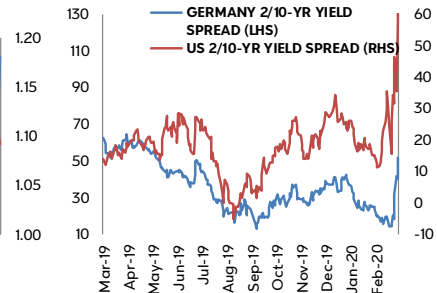
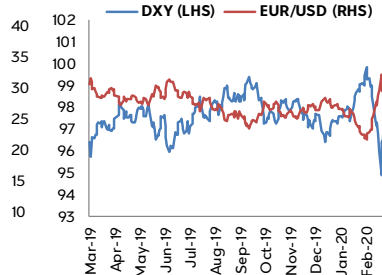
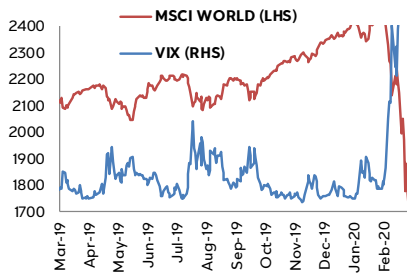
	Last	ΔD	ΔYTD
S&P 500	2398.10	-5.18%	-25.8%
Nikkei 225	16552.83	-1.0%	-30.0%
STOXX 600	282.99	1.2%	-31.9%

### FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.0845	-0.6%	-3.3%
GBP/USD	1.1553	-0.5%	-12.8%
USD/JPY	108.89	-0.8%	-0.3%

### Government Bonds

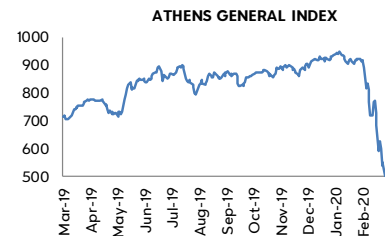
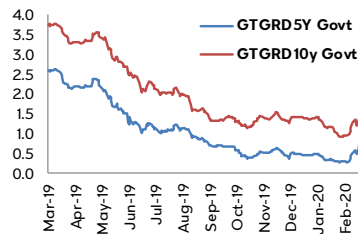
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.17	-2	-74
Bund-10yr	-0.31	-7	-12
JGB - 10yr	0.08	0	9



## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	1.37	-220	89
10Y Bond	2.06	-175	62
Δ(10YBund-10YGG)	2.37	-2	75



## EMERGING MARKETS

### Stock markets

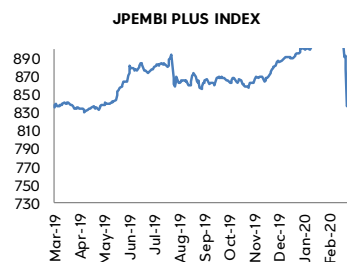
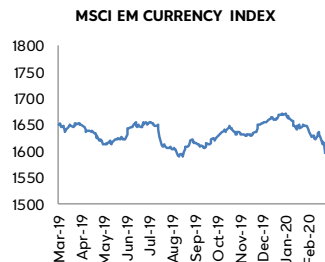
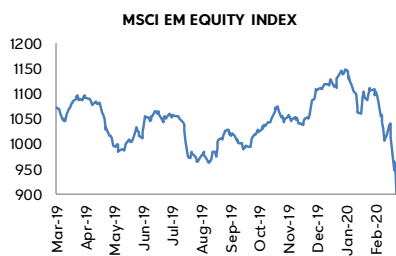
	Last	ΔD	ΔYTD
SOFIX	414.53	-0.4%	-27.0%
BELEX	647.94	-0.7%	-1917.8%
XU100	86776.47	1.4%	-2416.3%

### FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5482	-1.0%	-6.5%
EUR/RSD	117.63	0.0%	0.1%
USD/TRY	6.5094	-0.4%	-8.6%

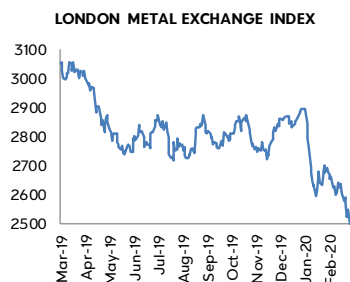
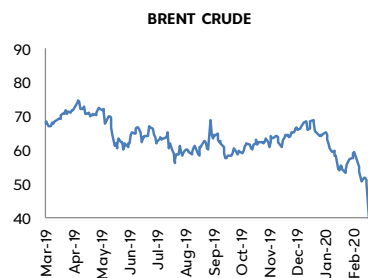
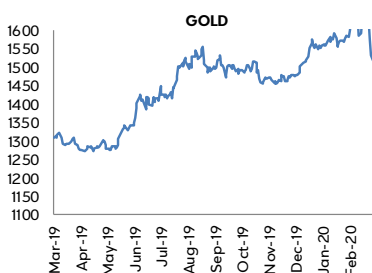
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	8.98	-3	285
BG 8Y yield	Invalid Security		
PL 10Y yield	2.10		



## COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1481	-0.4%	-2.4%
BRENT CRUDE	27	7.6%	-59.4%
LMEX	2308	-4.5%	-18.8%



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

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