

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

October 20, 2020

Global Markets

Risk-off sentiment prevailed earlier today and major G10 currency pairs remained range-bound, on market cautiousness ahead of the final debate on Thursday between US President Donald Trump and Democratic presidential candidate Joe Biden. In addition, investors are concerned about rising Covid-19 cases in both the US and the EU, while uncertainty prevails over a US fiscal deal ahead of the November 3 presidential elections. White House spokeswoman Nancy Pelosi and US Treasury Secretary Steven Mnuchin will reportedly speak again today, after the former imposed on Sunday a 48-hour deadline for a deal. Meanwhile, fears over a no-deal Brexit prevail, with the UK chief negotiator warning that the UK sees no basis to resume trade talks unless there is a fundamental change in the EU's approach.

Greece

Technical work on the 8th Enhanced Surveillance Review – which is linked to the return of SMP/ANFA income – is reportedly completed today and the report is expected to be published in November. Attention focused on the 2021 Budget, state arrears, the new bankruptcy framework and the Bank of Greece's proposal for a bad bank, which is expected to absorb some €40-45bn NPEs and reduce deferred tax credits. Meanwhile, on privatisations, three investment schemes have submitted Expressions of Interest for the concession of the use, development and operation of an underground natural gas storage facility in the natural gas field of "South Kavala". The HRADF's advisors will recommend which of these interested parties qualify to proceed to the binding offers phase.

CESEE

Cyprus: Tourist arrivals declined by 83.4% YoY down to 87,334 in September compared to 524,707 a year ago, bringing the year-to-September decline down to -84.3% YoY. Tourist arrivals from the UK declined by -71.0% YoY, from Greece by -63.2% YoY, from Germany by -35.3% YoY, and from Poland by -77.8% YoY. Following three months of passenger air flight ban, international flights restarted on June 9 from specific countries, based on their epidemiological risk assessment. Yet, they have not fully been restored with all pre-Covid19 crisis destinations. In any case, the pandemic crisis has already pushed the economy to outright recession (-5.5% YoY in 1H), given that it is small, open with tourism & travel having a substantial contribution, namely 13.8% of GDP and 13.2% of total employment according to WTCC.

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GLOBAL MARKETS

Stock markets

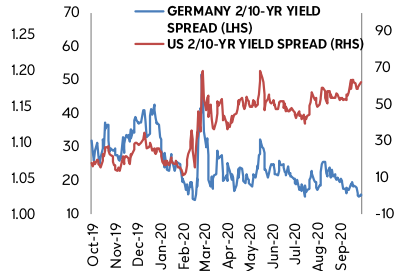
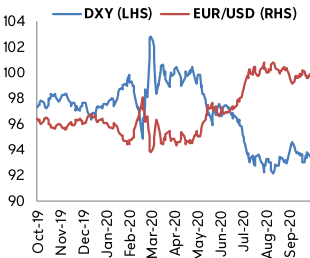
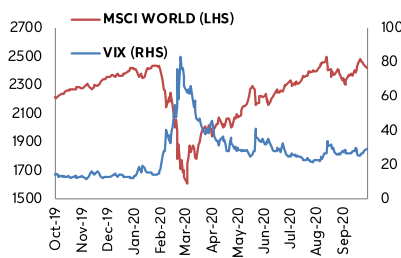
	Last	ΔD	ΔYTD
S&P 500	3426.92	-1.63%	6.1%
Nikkei 225	23567.04	-0.4%	-0.4%
STOXX 600	366.81	-0.2%	-11.8%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1763	-0.1%	4.9%
GBP/USD	1.2923	-0.2%	-2.5%
USD/JPY	105.54	-0.1%	2.9%

Government Bonds

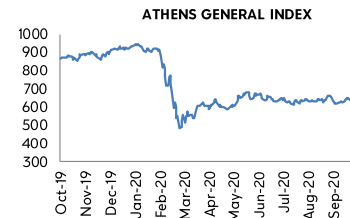
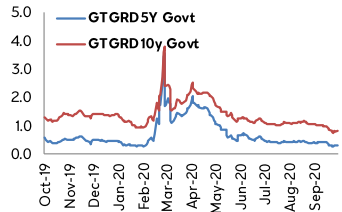
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.77	0	-115
Bund-10yr	-0.63	0	-44
JGB - 10yr	0.02	0	3



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.31	0	-18
10Y Bond	0.81	0	-62
Δ(10YBund-10YGGB)	1.44	0	-18



EMERGING MARKETS

Stock markets

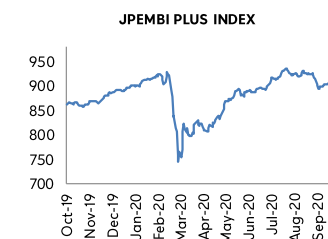
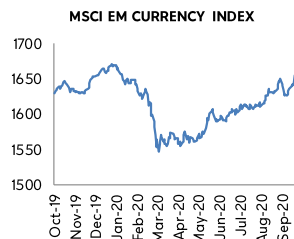
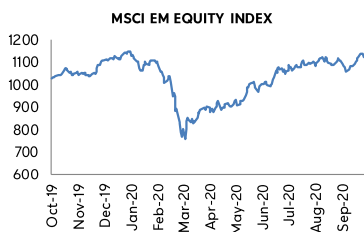
	Last	ΔD	ΔYTD
SOFIX	428.97	0.0%	-24.5%
BELEX	689.80	-0.3%	-1395.7%
XU100	1208.83	0.3%	564.4%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5857	-0.3%	-7.2%
EUR/RSD	117.585	0.1%	0.1%
USD/TRY	7.9016	-0.2%	-24.7%

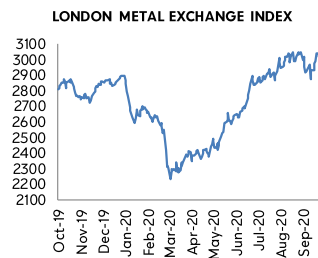
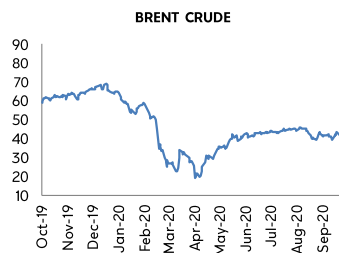
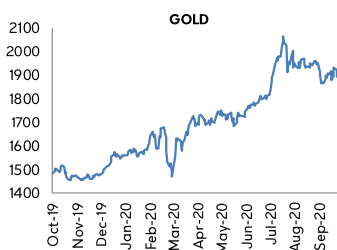
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.70	-5	57
BG 8Y yield	Invalid Security		
PL 10Y yield	1.25		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1900	-0.2%	25.2%
BRENT CRUDE	42	-0.4%	-35.7%
LME X	3058	0.4%	7.6%



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

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