

# GLOBAL & REGIONAL DAILY HIGHLIGHTS

October 21, 2020

## Global Markets

Market sentiment towards risk assets was positive earlier today on renewed hopes for a pre-election US **fiscal stimulus deal**. **White House Speaker Nancy Pelosi extended the stimulus deal “deadline” to the end** of this week talks to continue talks with Treasury Secretary Steven Mnuchin, while, based on some reports, US President Donald Trump is willing to raise the size of the fiscal package to \$2.2trn, above the \$1.9trn earlier proposed, despite opposition from the Republican Party. In reaction to improved risk sentiment, fixed income markets came under pressure, with the 10-yr UST yield hitting a 4-month high of 0.8360% earlier today, while, in FX markets, the USD extended recent losses. The EUR/USD hit a 1-month peak of 1.1863 earlier today, **favored by the EU’s** social bond issuances y-day to finance the SURE program.

## Greece

According to ELSTAT, the overall turnover index in industry (domestic and non-domestic market) in Aug-20 decreased by 15.1%YoY, while in Aug-19 it had decreased by 8.2%YoY. The annual decrease is attributed to a 15.3% decrease in manufacturing, while the turnover index in mining and quarrying increased by 8.9%. On a monthly basis, the overall turnover index in industry in Aug-20, decreased by 21.4%. The average overall turnover index in industry for the 12-month period from Sep-19 to Aug-20 decreased by 10.1%, compared with the corresponding index of the 12-month period from Sep-18 to Aug-19. In other news, the Hellenic Republic is re-opening the existing 1.875% 04 Feb 2035 **GGB aiming to raise €1-2.5bn**. On the pandemic, daily covid-19 cases climbed to a record high of 667 yesterday.

## CESEE

Serbia: Following the completion of the fifth and final review under the Policy Coordination Instrument (PCI), the IMF mission and the Serbian authorities agreed on the key parameters of the 2021 budget. The budget has to strike a balance between sustaining the economic recovery and maintaining the fiscal **discipline**. **In this context and taking into account the Fund’s projections of the fiscal balance and the public debt** at somewhere less than -9.0% and 60.0% of GDP respectively in 2020, a widening of the targeted fiscal deficit to -3.0% of GDP (from -2.0% projected in the previous review in late August) was suggested as appropriate for the 2021 budget that is currently under preparation, in order to ensure that the public debt as a percentage of GDP resumes a clear downward path.

## Contributing Authors

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

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

Maria Kasola  
Economic Analyst  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)

**GLOBAL MARKETS**
**Stock markets**

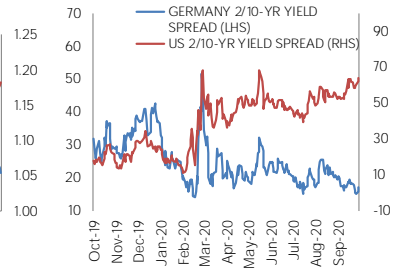
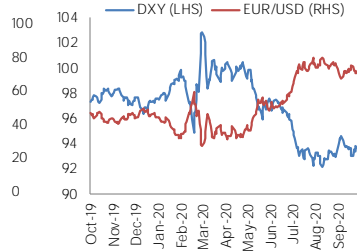
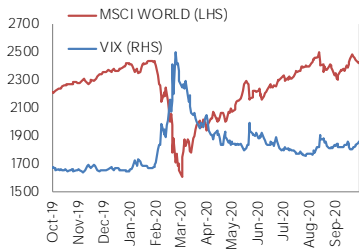
	Last	ΔD	ΔYTD
S&P 500	3443.12	0.47%	6.6%
Nikkei 225	23639.46	0.3%	-0.1%
STOXX 600	365.51	-0.4%	-12.1%

**FOREX**

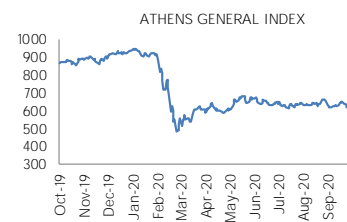
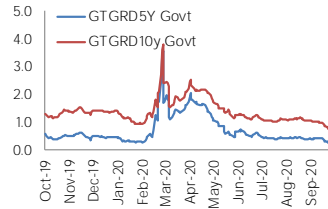
	Last	ΔD	ΔYTD
EUR/USD	1.1855	0.3%	5.7%
GBP/USD	1.2995	0.4%	-2.0%
USD/JPY	105.23	0.3%	3.2%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.82	3	-110
Bund -10yr	-0.59	2	-40
JGB - 10yr	0.03	1	4


**GREECE**
**Government Bonds**

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.32	0	-17
10Y Bond	0.85	1	-58
Δ(10YBund-10YGB)	1.44	0	-18


**EMERGING MARKETS**
**Stock markets**

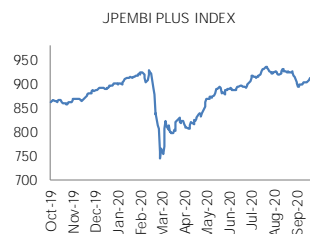
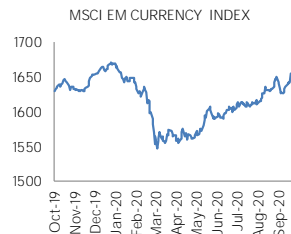
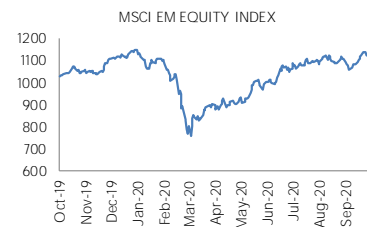
	Last	ΔD	ΔYTD
SOFIX	428.07	-0.2%	-24.7%
BELEX	689.30	-0.1%	-1401.9%
XU100	1210.41	0.4%	578.2%

**FOREX**

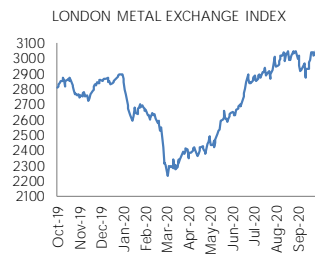
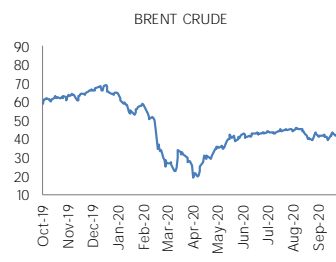
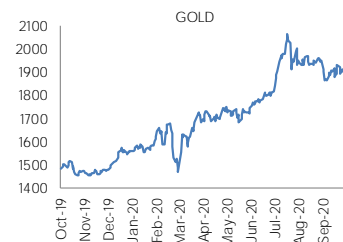
	Last	ΔD	ΔYTD
EUR/PLN	4.5552	0.2%	-6.6%
EUR/RSD	117.615	0.0%	0.1%
USD/TRY	7.8265	0.5%	-24.0%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.68	-7	55
BG BY yield	Invalid Security		
PL 10Y yield	1.26		


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1918	0.6%	26.4%
BRENT CRUDE	43	-0.8%	-35.1%
LMEX	3091	1.1%	8.7%



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

## 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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