

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

October 22, 2020

### Global Markets

Concerns over the lack of a breakthrough in US fiscal stimulus talks and the re-imposition of restrictions in a several EU countries following a resurgence in Covid-19 cases, continued to weigh on risk sentiment earlier today. Meanwhile, investors adopt a cautious stance ahead of today's final televised Presidential debate before the election day between presidential nominees Donald Trump and Joe Biden (3:00 CET), with recent polls pointing to a widening national lead for the Democratic nominee, though he has lost momentum in some of the swing states over the last few weeks. In FX markets, the EUR/USD retained most of its recent gains hovering close to y-day's five-week high of 1.1880 in early European trade, while the GBP strengthened across the board after EU chief negotiator Michel Barnier indicated a Brexit deal was "within reach".

### Greece

According to the BoG, in Aug-20, the current account showed a small surplus of €80mn, against a surplus of €1.8bn in Aug-19, due to a significant deterioration in the services balance, which was only partly offset by improvements in the balance of goods and the primary and secondary income accounts. The €468mn YoY decrease in the goods' deficit is mostly attributable to a decline in the deficit of the oil balance, due to lower international oil prices. In the Jan-Aug 2020 period, the current account showed a deficit of €7.9bn, up by €6.9bn YoY, exclusively due to a decline in the services surplus, which was partly offset by a €3.1 billion drop in the balance of goods deficit as well as the improvement in the primary and secondary income accounts.

### CESEE

**Bulgaria:** In its autumn macroeconomic forecast report for the period 2020-2023, released on Tuesday, the Ministry of Finance maintained its forecast for a -3.0% GDP contraction in 2020. In the same report, GDP is projected to expand by +2.5% in 2021, +3.0% in 2022 and 3.2% in 2023. The Ministry of Finance argued that the negative pandemic effects on the economy were less significant compared to rest EU peers, given that the real GDP decrease of -8.7% YoY in Q2 was relatively lower, compared to the EU average. Nevertheless, the economy is not expected to be able to recover to its pre-crisis level next year. On the monetary front, the average annual inflation for 2020 is expected to ease to 1.4%, and pick up to 2.1% in 2021 with price dynamics remaining dependent on the international prices of oil and commodities.

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## GLOBAL MARKETS

### Stock markets

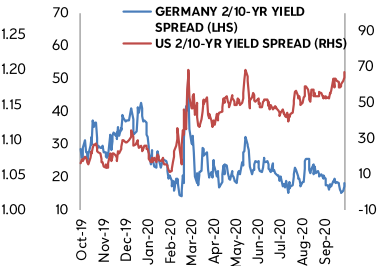
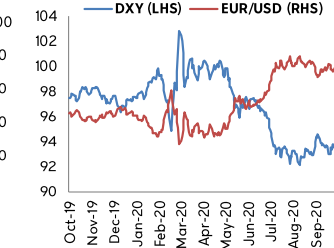
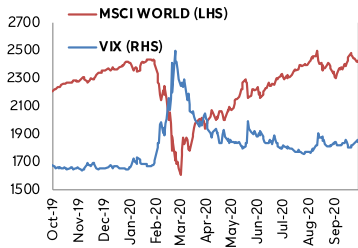
	Last	ΔD	ΔYTD
S&P 500	3435.56	-0.22%	6.3%
Nikkei 225	23474.27	-0.7%	-0.8%
STOXX 600	359.33	-0.4%	-13.6%

### FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1848	-0.1%	5.7%
GBP/USD	1.313	-0.1%	-0.9%
USD/JPY	104.53	0.1%	3.9%

### Government Bonds

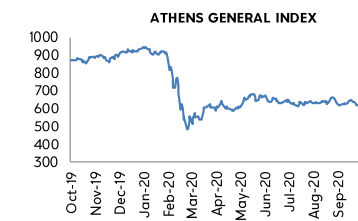
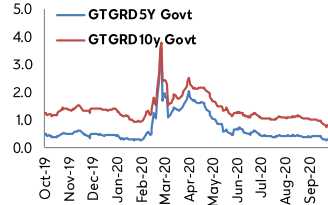
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.81	-1	-111
Bund -10yr	-0.59	0	-40
JGB - 10yr	0.03	0	4



## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.36	0	-13
10Y Bond	0.91	0	-52
Δ(10YBund-10YGGB)	1.50	0	-12



## EMERGING MARKETS

### Stock markets

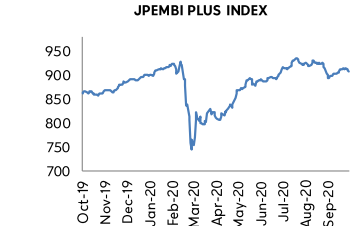
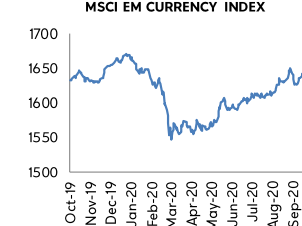
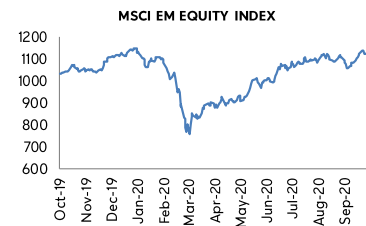
	Last	ΔD	ΔYTD
SOFIX	428.00	0.0%	-24.7%
BELEX	689.13	0.0%	-1404.0%
XU100	1212.97	0.1%	600.6%

### FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5831	-0.3%	-7.2%
EUR/RSD	117.58	0.1%	0.1%
USD/TRY	7.817	-0.1%	-23.9%

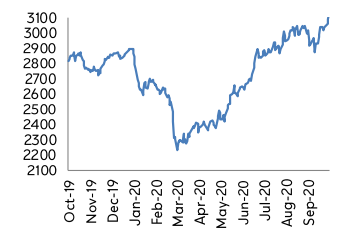
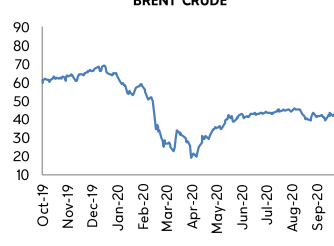
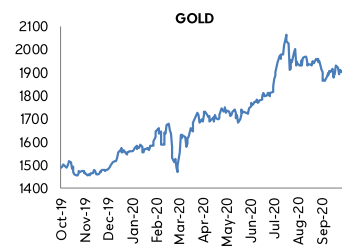
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.59	-6	46
BG 8Y yield	Invalid Security		
PL 10Y yield	1.27		



## COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1917	-0.4%	26.4%
BRENT CRUDE	42	0.1%	-36.7%
LME X	3125	1.1%	9.9%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research  
Data updated as of 10:15 EST

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