

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

May 25, 2020

Global Markets

The four EU countries that oppose the proposal for the Franco-German Recovery Fund financed by European Commission bond issuance (Austria, Sweden, the Netherlands and Denmark), unveiled on Saturday their own counter-proposal. Making clear that they will neither agree to debt mutualization nor an increase in the EU Budget, they proposed a Fund based on the provision of loans, while loan recipients should pledge to carry out structural reforms and use the money to support well-targeted sectors. Focus this week is on the European Commission's draft proposal on the new EU budget and the Recovery Fund, scheduled for Wednesday. Meanwhile, favored by rising US/China tensions, the USD retained a positive tone, with the EUR/USD hitting a multi-session low of 1.0870 earlier today. US markets are closed today for Memorial Day.

Greece

Based on provisional data by the Bank of Greece, the balance of travel services in Mar-20 showed an estimated surplus of €32 mn, against a surplus of €68 mn in Mar-19. More specifically, travel receipts fell by 71% to €92 mn, from €318 mn in Mar-19, while travel payments also decreased by 75.7% (Mar-20: €61 mn, Mar-19: €250 mn). The fall in travel receipts resulted from a 46.8% decline in inbound traveller flows and a 45.7% decrease in average expenditure per trip. On the pandemic front, a further step towards the relaxation of the containment measures takes place today with the reopening of restaurants and cafes. The evolution of the COVID-19 pandemic remains under control in Greece with low daily new cases – only two recorded yesterday – while total cases have reached 2,878.

CESEE

Cyprus: The Minister of Finance, Mr. Petrides, claimed that Cyprus will tap the ESM's Pandemic Crisis Support fund to cover its increased healthcare expenditures due to the Covid19 outbreak. Mr. Petrides added that the Ministry of Finance will evaluate the total healthcare spending, including a new intensive care unit in the Nicosia General Hospital and diagnostic checks for infections, due to the Covid19 pandemic and then apply to the ESM. The residential property price index (RPPI) increased by 0.7% on a quarterly basis in Q3-2019 reflecting the combined effect of a rise in the flat apartments by +1.5% and by +0.3% for house prices. On an annual basis, the RPPI expanded by +2.8% YoY in Q3-2019 unchanged compared to Q2-2019 but up from +2.7% YoY in Q1-2019 and +2.5% YoY in Q4-2018.

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GLOBAL MARKETS
Stock markets

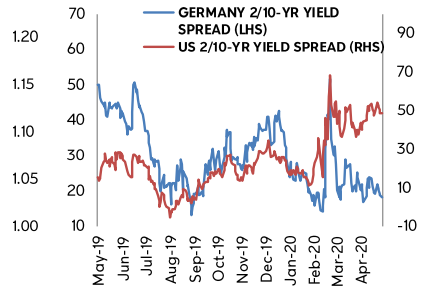
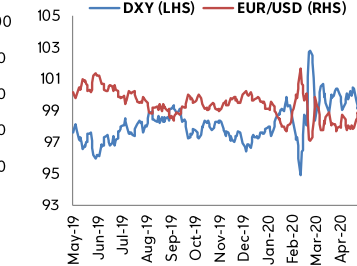
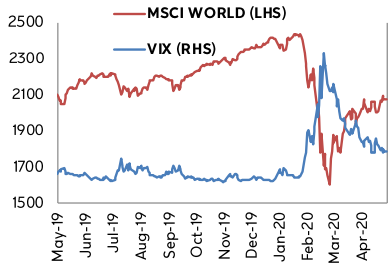
	Last	ΔD	ΔYTD
S&P 500	2955.45	0.24%	-8.5%
Nikkei 225	20741.65	1.7%	-12.3%
STOXX 600	341.87	0.5%	-17.8%

FOREX

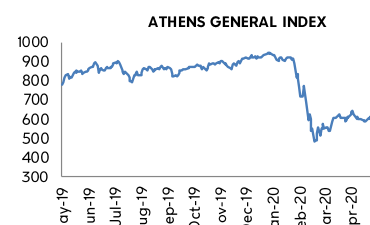
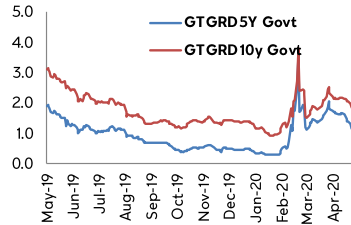
	Last	ΔD	ΔYTD
EUR/USD	1.0876	-0.2%	-3.0%
GBP/USD	1.2165	-0.1%	-8.2%
USD/JPY	107.69	0.0%	0.9%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.66	0	-126
Bund-10yr	-0.50	-1	-32
JGB - 10yr	0.00	0	1


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	1.03	-1	54
10Y Bond	1.68	-1	25
Δ10YBund-10YGGGB)	2.19	0	57


EMERGING MARKETS
Stock markets

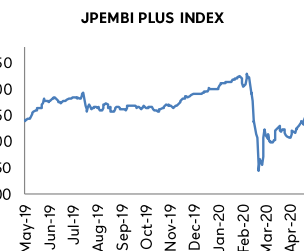
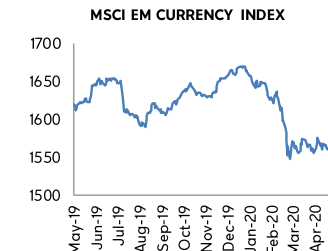
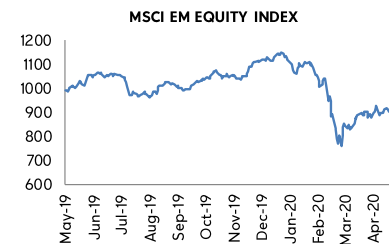
	Last	ΔD	ΔYTD
SOFIX	450.22	0.1%	-20.8%
BELEX	669.94	-0.7%	-1643.4%
XU100	103024.30	0.4%	-996.3%

FOREX

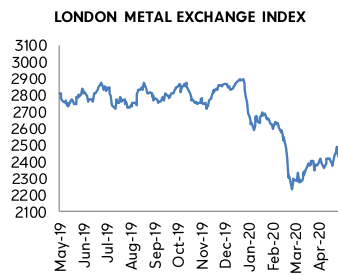
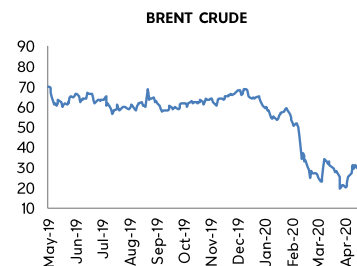
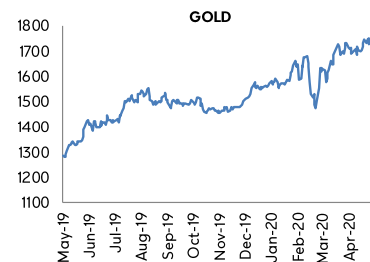
	Last	ΔD	ΔYTD
EUR/PLN	4.5156	0.0%	-5.8%
EUR/RSD	117.641	-0.1%	0.1%
USD/TRY	6.8146	0.0%	-12.7%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	7.10	8	96
BG 8Y yield	Invalid Security		
PL 10Y yield	1.41		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1728	-0.4%	13.9%
BRENT CRUDE	35	0.3%	-46.6%
LMEX	2433	-1.6%	-14.4%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:30 EEST

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