

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

August 27, 2020

Global Markets

US orders for durable goods surprised positively yesterday, rising by a much higher-than-expected 11.2%MoM in July, the third consecutive monthly increase, mainly driven by a 21.9%MoM surge in motor vehicle and parts orders. In spite of encouraging US data and the rising number of new Covid-19 cases in many European countries, the EUR/USD bounced back above 1.1800 following a short-lived drop to 1.1770 yesterday. Today, all eyes are on the Chair Jerome Powell's speech at the Fed's Economic Policy Symposium in Jackson Hole, waiting for hints about the Fed's monetary policy outlook (9:10AM ET). The Chair's address follows the release of the July FOMC minutes last week, which suggested that the Committee is likely to present the key findings of its policy review at the next policy meeting on 15-16 September.

Greece

The Alternate Minister of Finance Theodoros Skylakakis, opined in an interview yesterday that the expected GDP contraction in 2020 will likely be a little below 10%, adding however, that the next couple of months are characterized by high uncertainty and therefore, projections are difficult to make. He also stated that the available data from electronic transactions in August are overall better than those in July but exhibit important inequalities among businesses. Finally, the Alternate FinMin announced the adoption of further support measures for workers, businesses and households, which will be specified in the next weeks. On the Covid-19 front, a daily record was hit yesterday with 293 new confirmed cases, bringing the total number to 9,280.

CESEE

CYPRUS: Having plunged in May, at levels comparable to those seen in 1H-2013, at the peak of the previous banking crisis and bail-in events, the economic sentiment indicator (ESI-CypERC) has been on a recovering trend ever since. The ESI-CypERC improved further by 1.9 points to 81.6 in August up from 79.7 in July, 75.2 in June and 72.9 in May. The rise in the ESI-CypERC index was driven by confidence improvements among firms' assessments in all sectors surveyed, while consumer confidence weakened substantially. Unless there is a second wave of the pandemic, sentiment improvement is expected to accelerate further in the coming months. But even then, the economy is poised to undergo a painful recession in FY2020 given that it is small, open and services-oriented, with tourism having an important direct and indirect contribution.

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GLOBAL MARKETS

Stock markets

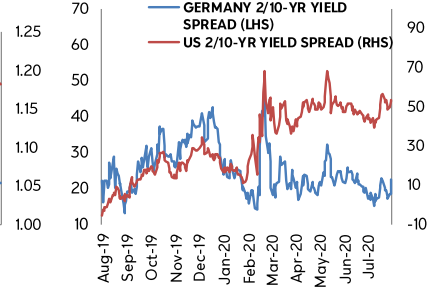
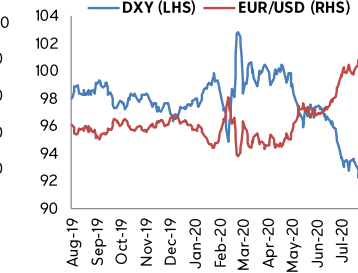
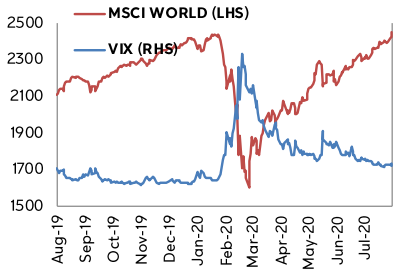
	Last	ΔD	ΔYTD
S&P 500	3478.73	1.02%	7.7%
Nikkei 225	23208.86	-0.4%	-1.9%
STOXX 600	373.12	0.9%	-10.3%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1836	0.1%	5.5%
GBP/USD	1.3211	0.0%	-0.3%
USD/JPY	106	0.0%	2.5%

Government Bonds

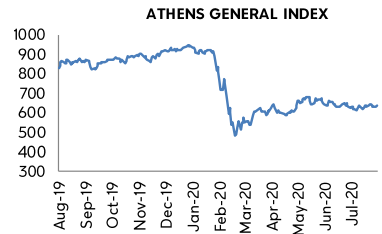
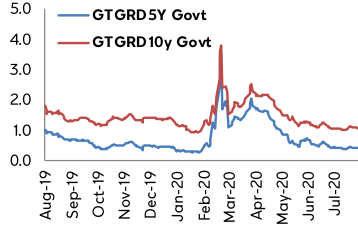
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.69	0	-123
Bund-10yr	-0.43	-2	-25
JGB - 10yr	0.04	0	6



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.44	-1	-5
10Y Bond	1.10	0	-33
Δ(10YBund-10YGG)	1.53	0	-9



EMERGING MARKETS

Stock markets

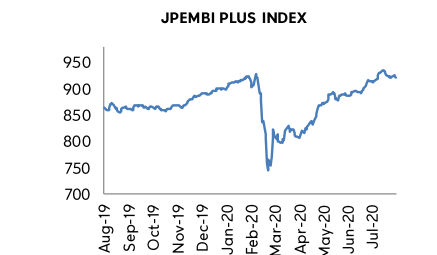
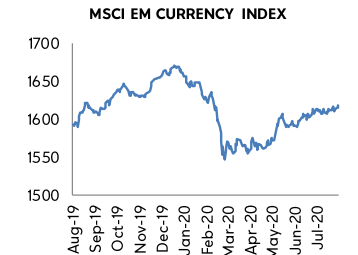
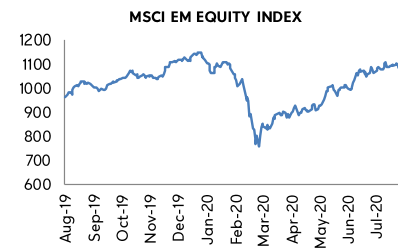
	Last	ΔD	ΔYTD
SOFIX	437.61	0.9%	-23.0%
BELEX	691.97	0.1%	-1368.6%
XUI00	1099.02	0.6%	-395.3%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4138	0.0%	-3.6%
EUR/RSD	117.616	0.1%	0.1%
USD/TRY	7.3654	0.0%	-19.2%

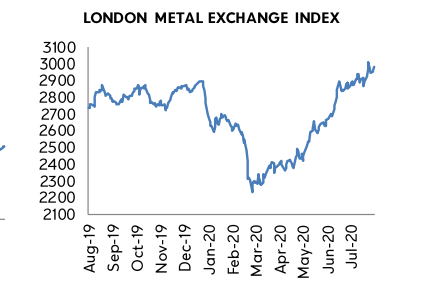
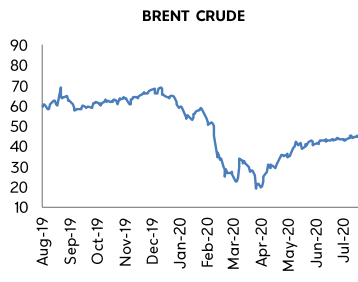
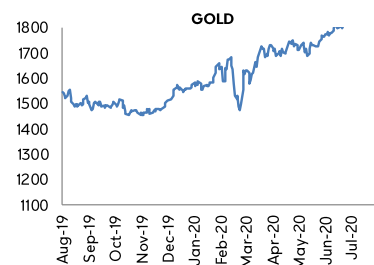
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.70	-7	57
BG 8Y yield	Invalid Security		
PL 10Y yield	1.34		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1943	-0.6%	28.0%
BRENT CRUDE	46	0.0%	-30.8%
LMEX	2981	0.6%	4.8%



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

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