

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 28, 2020

Global Markets

US durable goods rose by a weaker-than-expected 0.4%MoM in August, weighed down by aircraft orders. However, orders for non-defense capital goods excl. aircraft, a closely watched proxy for business spending plans, rose by a higher-than-anticipated 1.8%MoM following July's gain of 2.5%MoM. Meanwhile, the USD retained a firm tone across the board favored by its safe-haven appeal, with the EUR/USD hovering not far from Friday's two-month low of 1.1611 in early European trade today following a resurgence in Covid-19 cases across Europe, especially in France and Spain. This week, politics will be in the spotlight, with the resumption of Brexit talks and the first TV debate between Donald Trump and Joe Biden on Tuesday. On the data front, focus is on Friday's US non-farm payrolls and Eurozone HICP figures for September.

Greece

According to the BoG, in Aug, credit to the private sector increased to 1.9%YoY from 1.5%YoY in Jul while the monthly net flow of credit was positive by €231mn, compared with a positive net flow of €1,114mn in the previous month. Deposits placed by the private sector increased in Aug by €420mn, compared with an increase of €3,318mn in Jul, while the annual growth rate decreased to 9.0% from 9.5% in Jul. On reforms, the nationwide reassessment of property values for existing value zones is reportedly already 90% complete and the deadline for the remaining valuations is 5 Oct. On privatisations, the deadline for the expressions of interest for the concession of the South Kavala underground natural gas storage facility has been moved to 19 Oct.

CESEE

TURKEY: Having strengthened temporarily on Thursday as much as 7.55/\$, the lira ended the week at 7.66/\$ losing 1.3% on a weekly basis. Recall that the CBRT has hiked unexpectedly the Key Policy Rate by 200bps to 10.25% citing higher than expected inflationary pressures resulting from a fast recovery from the initial Covid19 pandemic shock. CBRT had already taken measures to increase the effective funding rate since August, thus reducing the need to use the formal rate. Thus, in the CBRT view, the taken tightening steps should be reinforced in order to contain inflation expectations and to restore the disinflation process. The aggressive monetary easing of the previous cycle had pushed real interest rates into negative territory, which is still the case, necessitating further hikes to restore credibility and address financial stability risks.

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GLOBAL MARKETS
Stock markets

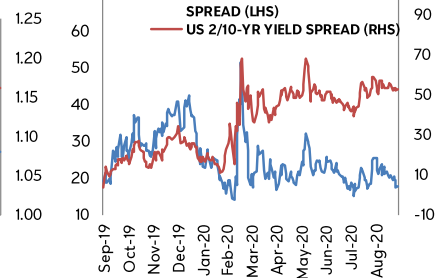
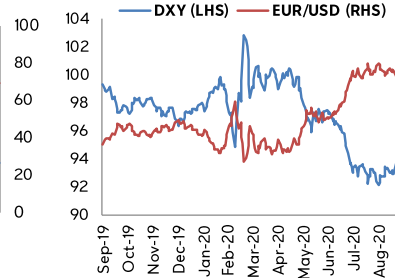
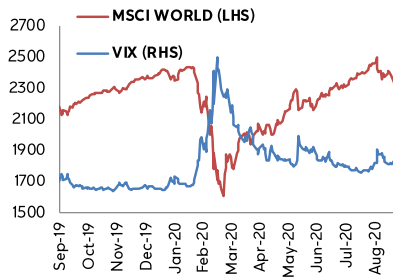
	Last	ΔD	ΔYTD
S&P 500	3298.46	1.60%	2.1%
Nikkei 225	23511.62	1.3%	-0.6%
STOXX 600	355.51	-0.1%	-14.5%

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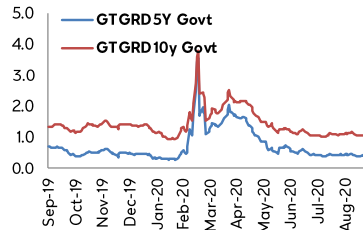
	Last	ΔD	ΔYTD
EUR/USD	1.1625	-0.1%	3.7%
GBP/USD	1.2776	0.2%	-3.6%
USD/JPY	105.41	0.2%	3.0%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	0.66	1	-126
Bund-10yr	-0.52	1	-34
JGB - 10yr	0.02	1	3


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.42	0	-7
10Y Bond	1.02	0	-41
Δ(10YBund-10YGGB)	1.55	0	-7


ATHENS GENERAL INDEX

EMERGING MARKETS
Stock markets

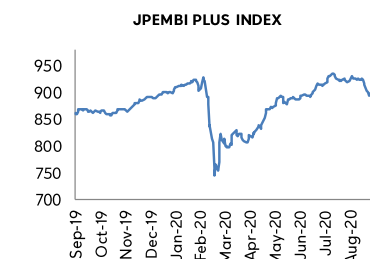
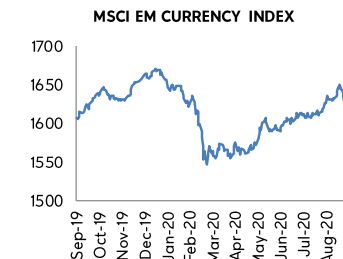
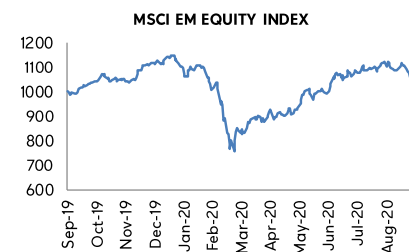
	Last	ΔD	ΔYTD
SOFIX	422.58	-0.6%	-25.6%
BELEX	693.46	0.2%	-1350.0%
XU100	1124.17	0.4%	-175.5%

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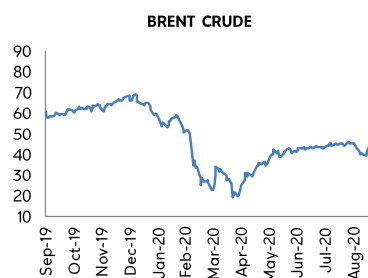
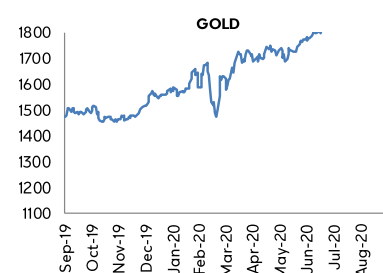
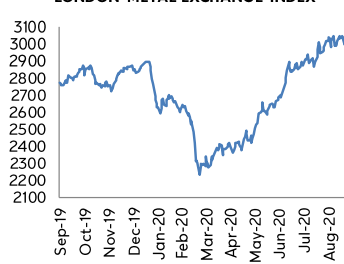
	Last	ΔD	ΔYTD
EUR/PLN	4.5464	0.0%	-6.4%
EUR/RSD	117.575	0.1%	0.1%
USD/TRY	7.7312	-0.9%	-23.0%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.78	-7	65
BG 8Y yield	Invalid Security		
PL 10Y yield	1.30		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1859	-0.1%	22.5%
BRENT CRUDE	42	-0.8%	-37.0%
LME	2922	0.2%	2.8%


LONDON METAL EXCHANGE INDEX


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