

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

July 2, 2021

Global Markets

According to EA data released y-day, the manufacturing PMI was revised up by 0.3pts to a new record high of 63.4 in June, while the unemployment rate dropped to 7.9% in June, the lowest level since May 2020, from 8.1% in the prior month. Adding to the view of a strong rebound in the EA in Q2, German retail sales rose by 4.2%MoM in May, following a 6.8%MoM decline in April. Turning to the US, initial jobless claims fell by 51k in the week ending June 26 to a new post-pandemic low of 364k, while the ISM manufacturing PMI dropped by 0.6pts in June to 60.6. Meanwhile, the USD extended gains against all other major G10 currencies ahead of today's US June non-farm payrolls report which is likely to shed some light on the Fed's monetary policy deliberations, with the DXY index moving above 92.60 for the first time since early April.

Greece

According to IHS Markit, the headline manufacturing PMI recorded the 4th consecutive monthly expansion in June, coming in at a record high of 58.6, up from 58.0 in May. The marked upturn in the Greek manufacturing sector was supported by new orders growth, due to stronger client demand from both domestic and foreign markets. However, capacity pressures following severe raw material shortages, hampered output growth, which slowed from that seen in May. Finally, business sentiment moderated slightly amid supply chain uncertainty, remaining though above the long-run series average. On Covid-19, new cases reached 761 yesterday against a 7-day average of 481 and the positivity rate stood at 1.8% against a 7-day average of 1.4%. Patients in ICUs continue to decline, standing at 189 yesterday.

CESEE

On the same footing with the IMF, the EBRD, in its Regional Economic Prospects report released earlier in the week, revised its 2021 GDP growth forecast for Serbia to 6.0% from 3.0% in September 2020 on the back of recovering private consumption and increased public investments. The EBRD noted that the 1.0% GDP contraction in 2020 came as a result of a more diversified economic structure combined with large government aid packages and less restrictive lockdown measures for most of the year. Its GDP forecast for 2022 stands at 3.5%, as the economy is expected to return to the pre-pandemic speed of expansion, paving the way for fiscal consolidation. In general terms, overall risks appear broadly balanced, mainly related to the pace of recovery of external demand and the speed of implementation of structural reforms.

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GLOBAL MARKETS
Stock markets

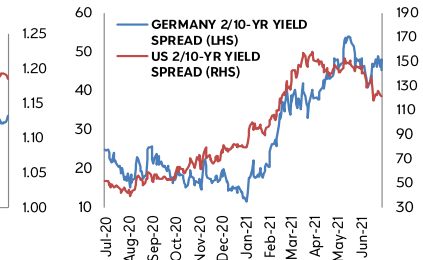
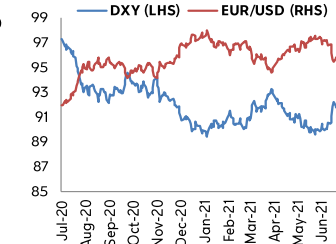
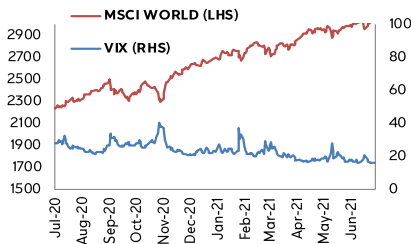
	Last	ΔD	ΔYTD
S&P 500	4319.94	0.52%	15.0%
Nikkei 225	28783.28	0.3%	4.9%
STOXX 600	455.63	0.6%	14.2%

FOREX

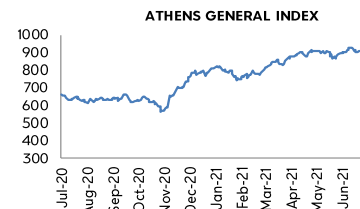
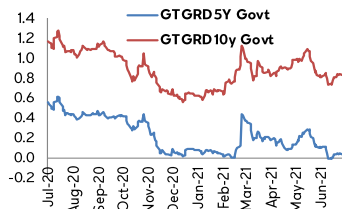
	Last	ΔD	ΔYTD
EUR/USD	1.1842	-0.1%	-3.1%
GBP/USD	1.3759	-0.1%	0.7%
USD/JPY	111.6	-0.1%	-7.5%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.46	1	55
Bund-10yr	-0.20	0	37
JGB - 10yr	0.05	1	3


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.04	0	-3
10Y Bond	0.83	0	21
Δ(10YBund-10YGG)	1.03	0	-16


EMERGING MARKETS
Stock markets

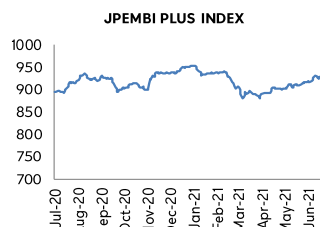
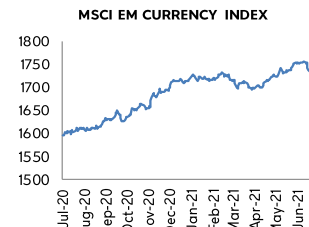
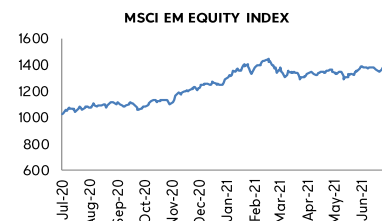
	Last	ΔD	ΔYTD
SOFIX	555.62	-0.4%	24.2%
BELEX	771.88	-1.0%	310.8%
XUI100	1372.78	1.2%	-703.9%

FOREX

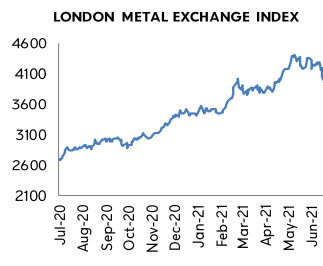
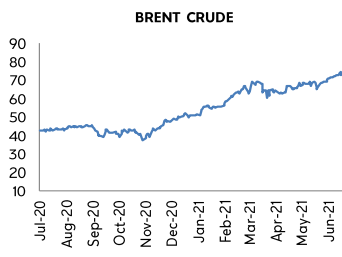
	Last	ΔD	ΔYTD
EUR/PLN	4.5189	0.0%	0.9%
EUR/RSD	117.571	0.0%	0.0%
USD/TRY	8.6868	-0.3%	-14.3%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.22	-6	82
BG BY yield	Invalid Security		
PL 10Y yield	1.63		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1778	0.1%	-6.4%
BRENT CRUDE	76	-0.3%	46.0%
LMEX	4125	-0.6%	20.8%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 09:37 EST

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