

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 2, 2021

Global Markets

The US ISM manufacturing index surprised positively in August, rising unexpectedly to 59.9 from 59.5 in July. New orders, production and inventories rose, price pressures eased and employment fell to the lowest level since November 2020. Adding to y-day's US releases, the August ADP report of private payrolls came in much weaker than expected, showing an increase of 374,000 compared to market consensus for a rise over 600,000. Turning to markets, investors adopted a cautious stance towards risk assets earlier today ahead of Friday's US non-farm payrolls report, UST yields were little changed on the day, European sovereign bonds remained under pressure following recent hawkish comments from some ECB officials calling for a reduced pace of PEPP purchases and the USD remained broadly soft.

Greece

According to IHS Markit, in Aug-21 the PMI manufacturing reached 59.3pts from 57.4pts in July, indicating the strongest improvement in operating conditions since Apr-00, due to a fast rise in output and new orders, while business confidence rose amid hopes for further increases in new orders. Inflationary pressures remained elevated amid supplier delays, while the pace of job creation accelerated. Meanwhile, the Hellenic Republic, tapped the markets anew yesterday with a €2.5bn dual tranche transaction consisting of the re-opening of the existing 5-year GGB, due Feb 12 2026 and the existing 30-year GGB, due Jan 24 2052. The final orderbook stood in excess of €18.9bn, (€9.3bn on the 5-year tranche and €9.6bn on the 30-year tranche). Greece's YTD international capital markets borrowing stands at €14.0bn.

CESEE

In Serbia, real GDP rose by 13.7% YoY in Q2 vs 1.8% YoY in Q1, surpassing the flash estimate of 13.4% YoY, released in mid-August. From the expenditure side, the key growth drivers were private consumption and fixed investment while public spending and net exports contributed negatively. Looking at additional hard data released on Tuesday, industrial production growth cooled down in July when at the same month retail sales picked up further and unemployment eased from 12.8% in Q1 to a two-year low of 11.1% in Q2. Elsewhere in the region, the annual 16th Bled Strategic Forum, an international conference of leaders of the CESEE countries, began y-day in Slovenia and resumes today. This year's broad topic is the future of Europe and today's discussion will focus, inter alia, on the post-pandemic economic and tourism recovery.

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GLOBAL MARKETS

Stock markets

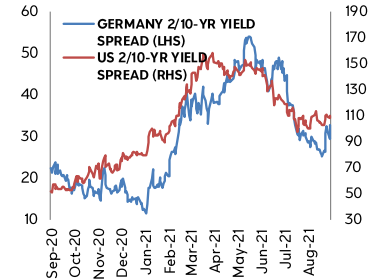
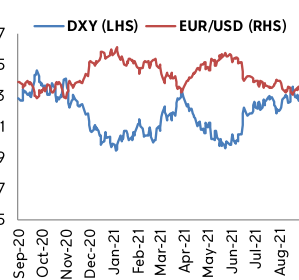
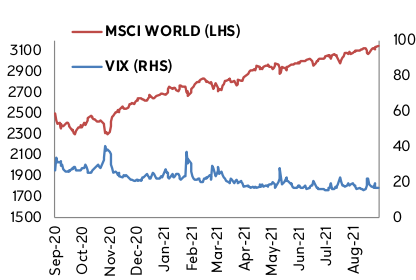
	Last	ΔD	ΔYTD
S&P 500	4524.09	0.03%	20.4%
Nikkei 225	28543.51	0.3%	4.0%
STOXX 600	473.12	0.5%	18.6%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1842	0.0%	-3.1%
GBP/USD	1.378	0.1%	0.8%
USD/JPY	110.03	0.0%	-6.2%

Government Bonds

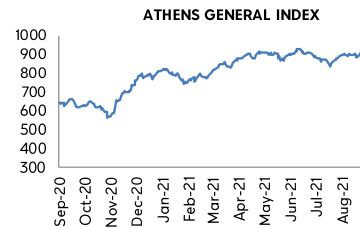
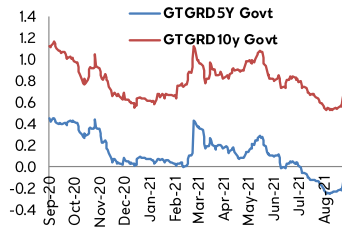
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.30	0	38
Bund-10yr	-0.38	0	19
JGB - 10yr	0.03	0	1



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.01	0	-9
10Y Bond	0.76	0	14
Δ(10YBund-10YGG)	1.13	0	-6



EMERGING MARKETS

Stock markets

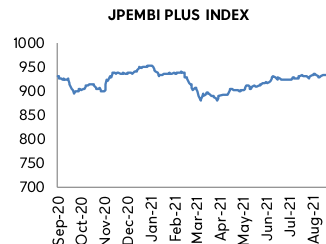
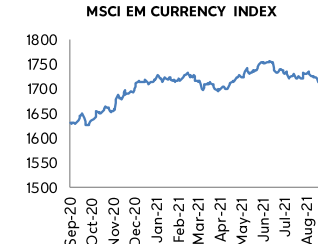
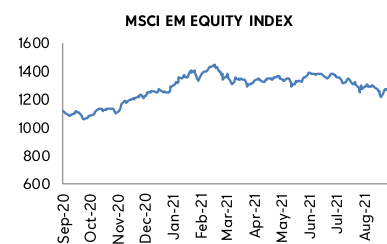
	Last	ΔD	ΔYTD
SOFIX	565.11	-0.2%	26.3%
BELEX	804.83	0.0%	751.0%
XU100	1474.13	0.1%	-17.5%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5103	0.0%	1.1%
EUR/RSD	117.552	0.0%	0.1%
USD/TRY	8.2888	0.1%	-10.2%

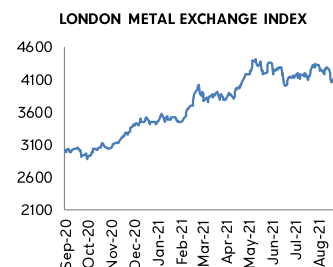
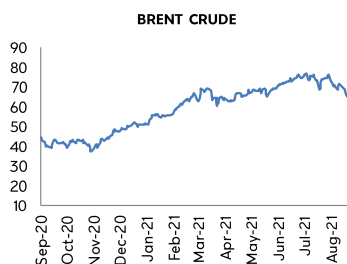
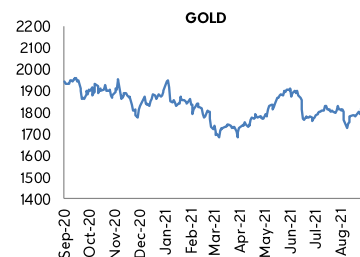
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.95	-4	55
BG 8Y yield	Invalid Security		
PL 10Y yield	1.87		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1814	0.0%	-4.4%
BRENT CRUDE	72	-0.1%	38.1%
LMEX	4229	-1.5%	23.9%



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