

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

February 3, 2021

### Global Markets

Risk-on sentiment prevailed in global equity markets earlier today, supported by rising optimism for additional US fiscal stimulus. The Senate voted y-day 50-49 to open a debate on a budget resolution for FY2021, which is the first step in the reconciliation process that could allow the passage of the Biden Administration's stimulus plan with a simple majority. Amid increased risk appetite, sovereign bond markets in both sides of the Atlantic lost some ground, while in Europe, BTPs outperformed, on reports suggesting that Italy's President Sergio Mattarella will mandate former ECB President Mario Draghi to form an institutional government. Meanwhile, in spite of y-day's better than expected Q4 2020 GDP data for the EA, the EUR remained under some pressure against the USD, hovering close to the technically important level of 1.20.

### Greece

According to press, the PDMA expects in February or March the approval by the ESM of the early repayment of IMF loans of c. €3.1bn. The remaining €1.7bn is to be repaid in 2023 and 2024, marking the expiration of the IMF loan agreement. The early repayment will reduce debt servicing costs for 2021 and 2022, by replacing high interest loans with lower interest ones. Meanwhile, daily Covid-19 cases spiked to 1,261 yesterday, significantly higher than the 741 average of the previous 7 days, while the positivity rate remained elevated at 3.35% albeit lower than the 4.78% the day before. The epidemic picture remains heavy in Attica, which may lead to the imposition of stricter measures, such as changes in the opening hours of stores and a curfew starting at 6pm, from 9pm currently.

### CESEE

In the latest tender, the Public Debt Management Office sold a combined amount of €1.0bn in 5-year government bonds. Barclays, BNP Paribas, J.P. Morgan, Morgan Stanley and Societe Generale were appointed by the government as joint lead managers. The issue was heavily over-subscribed with total bids amounting to €8.0bn. The corresponding yield is expected to range between 0.05-0.06%, which is the lowest ever achieved by the Republic for a 5-year benchmark. In a written statement, the Ministry of Finance commented that capital markets continue to show confidence in the Cypriot economy despite the challenging international economic situation. Finally, the European Commission disbursed €229mn to the country under the SURE scheme to help address sudden increases in public expenditure to preserve employment.

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**GLOBAL MARKETS**
**Stock markets**

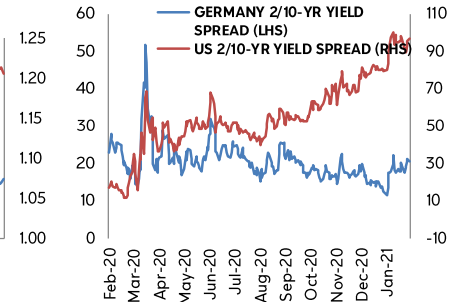
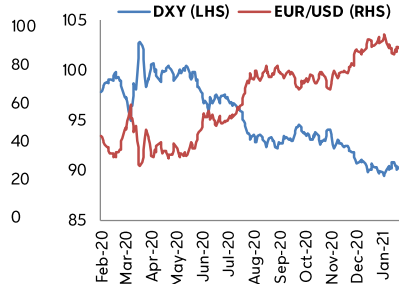
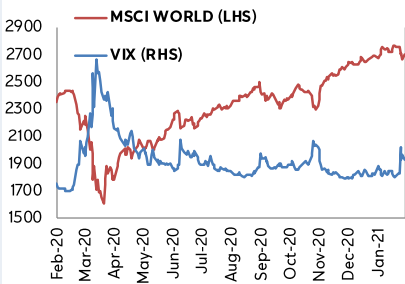
	Last	ΔD	ΔYTD
S&P 500	3826.31	1.39%	1.9%
Nikkei 225	28646.50	1.0%	4.4%
STOXX 600	405.92	1.3%	1.7%

**FOREX**

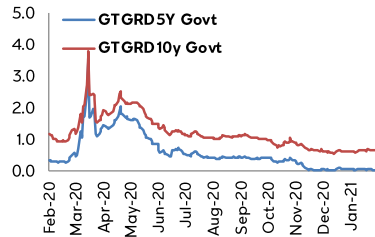
	Last	ΔD	ΔYTD
EUR/USD	1.2031	-0.1%	-1.5%
GBP/USD	1.3651	-0.1%	-0.1%
USD/JPY	105.09	-0.1%	-1.8%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.11	1	20
Bund-10yr	-0.47	2	10
JGB - 10yr	0.06	0	4


**GREECE**
**Government Bonds**

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.03	0	-4
10Y Bond	0.66	0	4
Δ(10YBund-10YGGB)	1.14	0	-6


**EMERGING MARKETS**
**Stock markets**

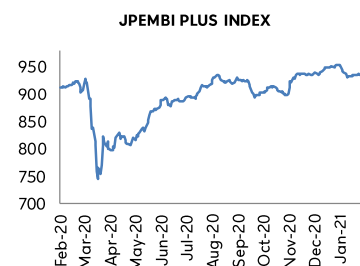
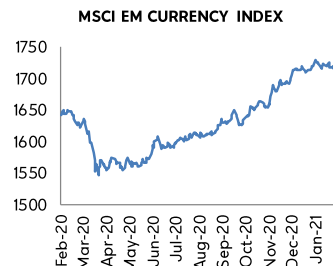
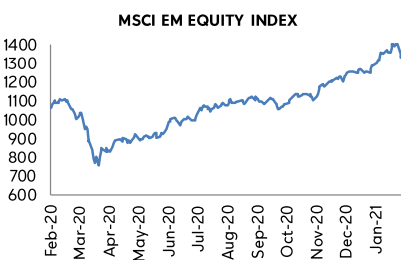
	Last	ΔD	ΔYTD
SOFIX	500.30	0.6%	11.8%
BELEX	729.82	-0.4%	-251.0%
XU100	1520.13	0.6%	294.0%

**FOREX**

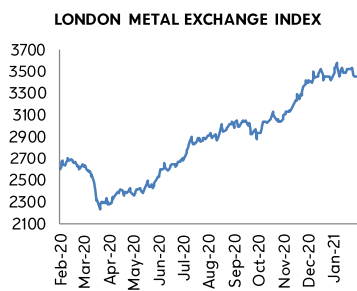
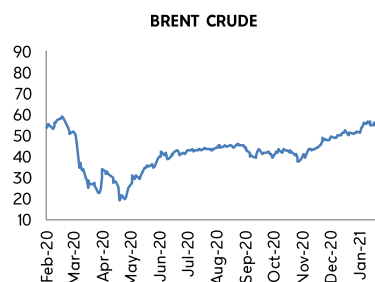
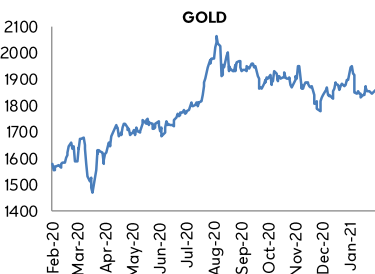
	Last	ΔD	ΔYTD
EUR/PLN	4.4757	0.1%	1.9%
EUR/RSD	117.598	0.0%	0.0%
USD/TRY	7.1629	0.3%	3.9%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.48	-4	7
BG 8Y yield	Invalid Security		
PL 10Y yield	1.19		


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1838	0.0%	-3.2%
BRENT CRUDE	58	0.8%	11.8%
LMEX	3438	-0.2%	0.7%



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