

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

June 4, 2021

Global Markets

Global equity markets traded mixed earlier today ahead of the widely observed May nonfarm payrolls report due to be released later in the day, as the prospect of a stronger US recovery sparked concerns of higher inflation and an earlier Fed tapering. The 10-yr UST yield rose to a multi-session high of 1.6320% and the DXY dollar index firmed to a three-week high of 90.627 in Asian trade, following positive US data releases that provided further evidence of a strengthening US labor market. The ADP National Employment Report showed a private sector employment increase of 978k in May, the biggest rise since mid-2020, while US initial jobless claims fell by 20k to a fresh post Covid 19-crisis low of 385k in the week ending on May 29. In a similar tone, the ISM services index surged to a record high of 64.0 in May from 62.7 in April.

Greece

The new labour law is expected to be submitted to Parliament today and it includes, among others, provisions regarding the introduction of the digital work card, teleworking, paternity leave and flexibility in the work hours, as well as changes regarding the declaration of strikes. On economic data, Q1-2021 GDP data is due to be released by ELSTAT later today. Meanwhile, according to press, the property tax (ENFIA) may be further reduced in 2022 with the relevant decisions to be taken ahead of the 2022 Budget in autumn, in agreement with the institutions. On Covid-19, new cases reached 1,239 yesterday against a 7-day average of 1,357 and the positivity rate stood at 2.7% against a 7-day average of 3.4%. Patients in ICUs continue to decline, standing at 476 yesterday. Total vaccines administered have reached 5.9mn with 2.2mn having completed their vaccination.

CESEE

TURKEY: Inflation decelerated sharply to 16.6% YoY in May down from 17.1% YoY in April, well above the revised year-end target of 12.4% in 2021 and the mid-term target of 5%. The print, that surprised analysts' consensus expectations to the downside (Actual: +0.9% MoM vs +1.35% MoM), suggests that there is no room for complacency. In an illustration of the increasing cost-led price pressures, PPI increased further to 38.3% YoY in May up from 35.2% YoY in April. On top, upside inflation risks exist from the food and energy inflation and the continued pass-through from earlier FX depreciation. Recall that the CBRT left its key policy rate (KPR) at 19.0% in early May meeting markets' expectations in the second MPC under the leadership of the Governor Sahap Kavcioglu.

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GLOBAL MARKETS

Stock markets

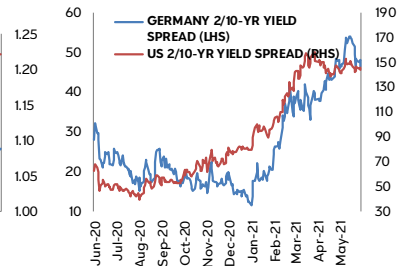
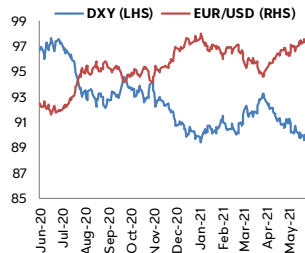
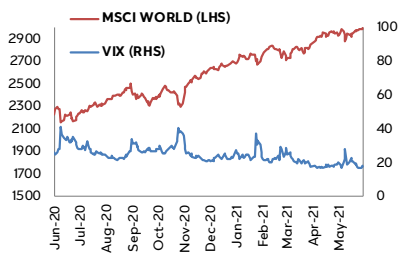
	Last	ΔD	ΔYTD
S&P 500	4192.85	-0.36%	11.6%
Nikkei 225	28941.52	-0.4%	5.5%
STOXX 600	450.79	-0.1%	13.0%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.2116	-0.1%	-0.8%
GBP/USD	1.4101	0.0%	3.2%
USD/JPY	110.19	0.1%	-6.3%

Government Bonds

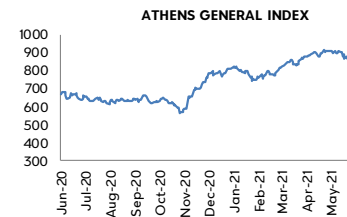
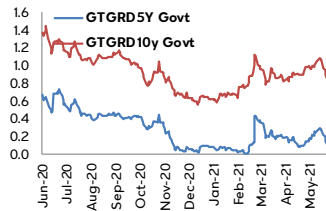
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.62	-1	71
Bund-10yr	-0.19	0	38
JGB - 10yr	0.09	0	7



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.10	0	3
10Y Bond	0.80	0	18
Δ(10YBund-10YGGB)	0.99	0	-20



EMERGING MARKETS

Stock markets

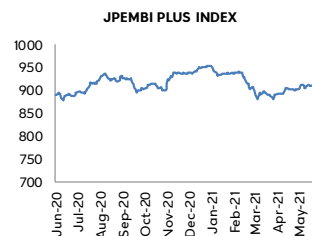
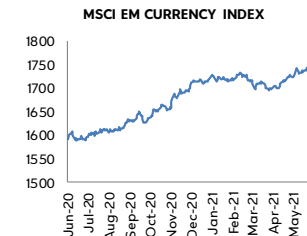
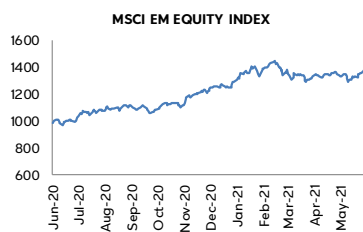
	Last	ΔD	ΔYTD
SOFIX	541.27	1.2%	20.9%
BELEX	779.94	0.1%	418.5%
XUI00	1428.13	-0.2%	-329.0%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4634	-0.1%	2.2%
EUR/RSD	117.556	0.0%	0.1%
USD/TRY	8.7295	-0.3%	-14.8%

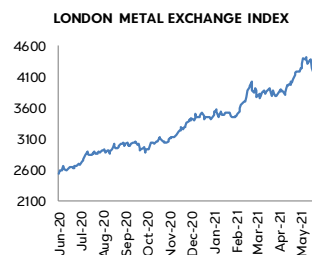
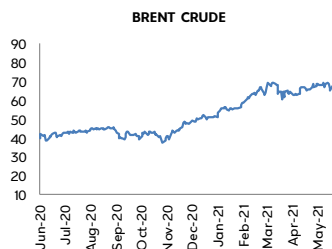
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.46	-5	105
BG 8Y yield	Invalid Security		
PL 10Y yield	1.84		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1873	0.1%	-1.3%
BRENT CRUDE	71	0.2%	38.0%
LMEX	4187	-3.0%	22.6%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:05 EST

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