

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

February 8, 2021

Global Markets

Risk-on sentiment remained intact earlier today, amid increased optimism for additional US fiscal stimulus, after Treasury Secretary Janet Yellen was quoted saying in a TV interview y-day that the US can return to full employment in 2022 if it enacts a robust enough relief package. Against this background, oil prices remained in an upward trend, with Brent crude moving above \$60/bbl for the first time in a year, while core fixed income markets remained under pressure. In FX markets, thanks to a lower than expected increase of 49k in US January non-farm payrolls, the EUR/USD gained, moving back close to 1.2050. Focus remains on Italy's political developments, as the second round of consultations for Mario Draghi starts later today, with press reports suggesting that he is likely to secure support from parties across the political spectrum.

Greece

The Minister of Finance Christos Staikouras, announced earlier today a series of measures aiming to address the economic effect of the COVID-19 pandemic, including the extension of the rent subsidy for various categories of firms, lower VAT rates for certain products and services until the end of September 2021 and the reshuffling of the timing of the Advance Payment scheme. The additional cost of the aforementioned measures is estimated at ca €200 mn for the 2021 Budget. The total cost of the measures for the first quarter of 2021 is estimated at €5.9 bn, still below the respective annual 2021 Budget figure of €7.5 bn. In other news, according to the General Government data, the total GG arrears to the private sector at the end of 2020 were at €1.63 bn registering an annual decrease of -3.9%.

CESEE

SERBIA: The EUR/RSD remained anchored to the 117.57 level in the past week. The trading in government bonds generated a turnover of €45.3mn on the secondary market, which is mostly owed to 3Y and 12Y RSD-denominated securities. These bonds were traded at 1.83% and 3.44%, respectively. The National Bank of Serbia (NBS) is expected to keep the key policy rate unchanged at 1% next Thursday. The majority of analysts in the Reuters poll also don't see any major changes as almost all of them predict the FX rate to trade between 117.55 and 117.65. Finally, the ECB and the NBS have agreed to extend the €1bn precautionary repo line arrangement for nine months until March 2022, to provide euro liquidity to domestic financial institutions.

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GLOBAL MARKETS

Stock markets

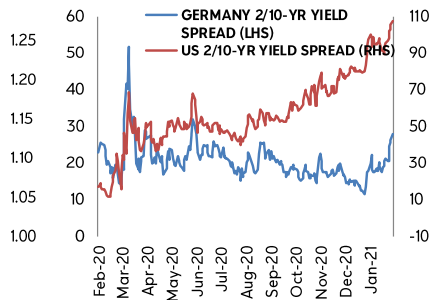
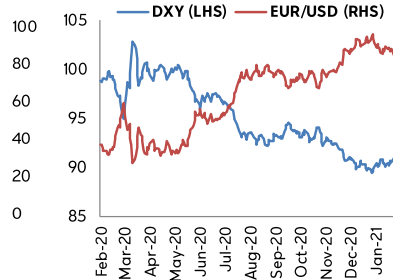
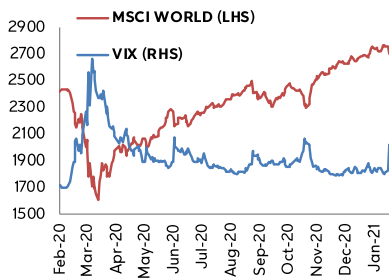
	Last	ΔD	ΔYTD
S&P 500	3886.83	0.39%	3.5%
Nikkei 225	29388.50	2.1%	7.1%
STOXX 600	409.54	0.0%	2.6%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.2036	-0.1%	-1.5%
GBP/USD	1.373	0.0%	0.4%
USD/JPY	105.51	-0.1%	-2.1%

Government Bonds

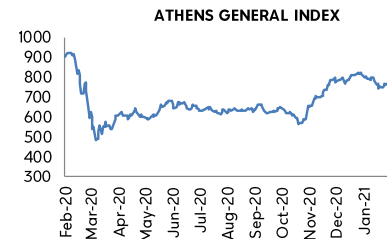
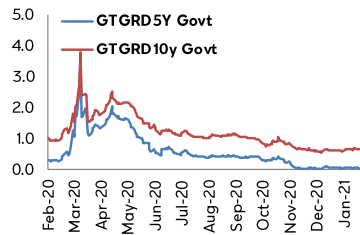
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.18	2	27
Bund-10yr	-0.43	2	14
JGB - 10yr	0.07	1	5



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.02	0	-5
10Y Bond	0.75	0	13
Δ(10YBund-10YGG)	1.18	0	-1



EMERGING MARKETS

Stock markets

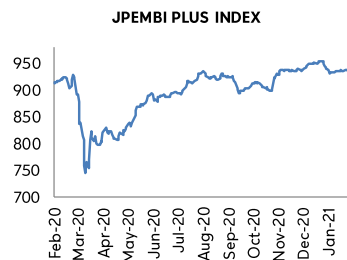
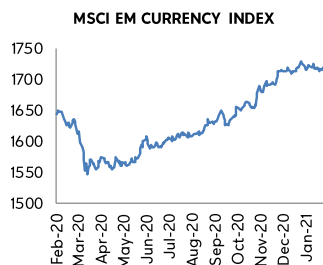
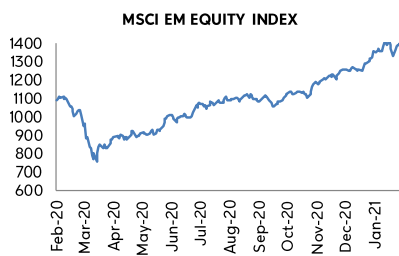
	Last	ΔD	ΔYTD
SOFIX	494.51	-0.8%	10.5%
BELEX	731.44	0.3%	-229.4%
XU100	1538.49	0.7%	418.3%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.4856	0.0%	1.7%
EUR/RSD	117.587	0.0%	0.0%
USD/TRY	7.045	0.2%	5.6%

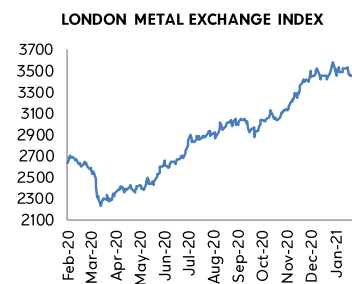
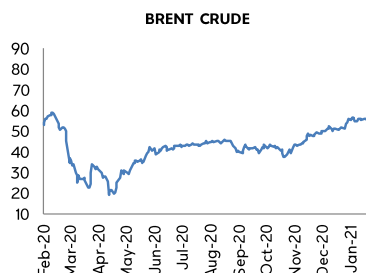
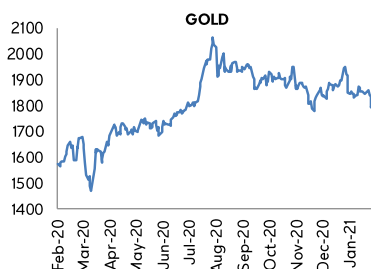
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.39	-4	-2
BG 8Y yield	Invalid Security		
PL 10Y yield	1.25		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1817	0.1%	-4.3%
BRENT CRUDE	60	0.9%	15.6%
LMEX	3504	1.2%	2.6%



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