

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

March 8, 2021

Global Markets

US non-farm payrolls for February rose by a higher-than-expected 379k, with businesses in the leisure and hospitality sector generating most of the new jobs, while the unemployment rate dropped from January's 6.3% to a new post-pandemic low of 6.2%. Adding to recent positive news from the US, the Senate approved the Biden Administration's \$1.9trn stimulus package. Meanwhile, Brent crude rose above \$70/bbl for the first time since January 2020, after Saudi Arabia reported an attack on the world's largest crude terminal. Against this background, USTs remained under pressure, with the 10-yr yield hovering around 1.60% at the time of writing in European trade, not far from Friday's fresh one-year peak above 1.62%. In FX markets, the EUR/USD extended recent losses moving below 1.1900 for the first time since November 2020.

Greece

According to the 1st estimate of Greece's annual national accounts, real GDP decreased by -8.2% YoY in 2020 from 1.9% YoY in 2019. This performance was better relative to EC's winter forecasts (-10.0%). From a demand perspective, exports of services and private consumption had the highest negative contribution on growth (-43.0% YoY and -5.2% YoY respectively), while exports of goods and government consumption counterbalanced the recessionary effect with positive growth rates of 4.3% YoY and 2.7% YoY respectively. Finally, fixed investment dropped marginally by -0.6% YoY.

CESEE

SERBIA: The EUR/RSD pair continued to move sideways, remaining bound within its narrow range of 117.50-65 in the past week. The pair closed almost unchanged on a daily basis at 117.55/58 on Friday. The trading in government bonds generated a turnover of €33.6mn on the secondary market, which is mostly owed to the 5Y and 12Y RSD-denominated tenors. These bond yields were traded at 2.20% and 3.35%, respectively.

CYPRUS: Standard & Poor's affirmed the long-term sovereign rating of Cyprus at BBB- with a stable outlook. The stable outlook balances risks from the pandemic's protracted adverse economic impact against benefits of the EU's transfers, as well as further improvement in the public debt profile. S&P's baseline projection suggests a relatively strong recovery in H2-2021, with full-year GDP expanding by 3.8%.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Stylianos Gogos
Economic Analyst, PhD
sgogos@eurobank.gr

Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr

We would like to thank Djordje Lucic from Eurobank Beograd for his valuable contribution in today's issue

Research Team



Dr. Tasos Anastasatos | Group Chief Economist
tanastasatos@eurobank.gr | + 30 214 40 59 706



Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr
+ 30 210 37 18 793



Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr
+ 30 214 40 59 707



Dr. Stylianos Gogos
Economic Analyst
sgogos@eurobank.gr
+ 30 210 37 18 733



Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 33 18 708



Olga Kosma
Research Economist
okosma@eurobank.gr
+ 30 210 37 18 728



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991



Dr. Theodoros Rapanos
Economic Analyst
v-trapanos@eurobank.gr
+ 30 214 40 59 711



Dr. Theodoros Stamatou
Senior Economist
tstamatou@eurobank.gr
+ 30 214 40 59 708



Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

Περισσότερες εκδόσεις μας διαθέσιμες στην ηλεκτρονική διεύθυνση που ακολουθεί: <https://www.eurobank.gr/en/group/economic-research>
Εγγραφείτε ηλεκτρονικά, σε: <https://www.eurobank.gr/el/omilos/oikonomikes-analuseis/forma-ekdilosis-endiaterontos>
Ακολουθήστε μας στο **twitter**: https://twitter.com/Eurobank_Group
Ακολουθήστε μας στο **LinkedIn**: <https://www.linkedin.com/company/eurobank>

DISCLAIMER

This report has been issued by Eurobank S.A. ("Eurobank") and may not be reproduced in any manner or provided to any other person. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell the securities mentioned herein. Eurobank and others associated with it may have positions in, and may effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for those companies. The investments discussed in this report may be unsuitable for investors, depending on the specific investment objectives and financial position. The information contained herein is for informative purposes only and has been obtained from sources believed to be reliable but it has not been verified by Eurobank. The opinions expressed herein may not necessarily coincide with those of any member of Eurobank. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility or liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank or any of its directors, officers or employees. Any articles, studies, comments etc. reflect solely the views of their author. Any unsigned notes are deemed to have been produced by the editorial team. Any articles, studies, comments etc. that are signed by members of the editorial team express the personal views of their author.

