

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

June 14, 2021

Global Markets

Global equities hovered around record highs, while 10-yr UST yields traded near three month lows on Monday morning ahead of the all-important two-day FOMC meeting that concludes on Wednesday. In FX markets, the US dollar held firm following its biggest weekly increase in more than a month, with the EUR/USD hovering around a one-month low of 1.2093 hit on Friday after the ECB's decision to continue PEPP purchases in Q3 at a "significantly higher pace" than in Q1. Turning to Friday's data, 1yr inflation expectations from the University of Michigan pulled back to 4.0% in June from a 10-year high of 4.6% in May, while the 5-10yr index fell modestly by 0.2pts to 2.8%. Looking ahead, all eyes are on US PPI and retail sales on Tuesday and the Chinese retail sales and industrial production on Wednesday, all for May.

Greece

According to the ELSTAT labour force survey, the seasonally adjusted unemployment rate in March 2021 stood at 16.3% compared to the upwards revised 16.1% in March 2020 and the upwards adjusted rate of 16.6% in February 2021. The number of employed persons amounted to 3,679,530 persons, decreasing by 5.6%YoY and by 0.4%MoM, while the number of unemployed persons amounted to 714,779 decreasing by 4.3%YoY and 2.5%MoM. Meanwhile, total building activity in Greece, in March 2021 (calculated by the number of issued building permits) amounted to 1,913, of which 1,893 are permits for private building activity that increased by 42.4%YoY. Year-to-Mar-21, total building activity and private building activity increased on an annual basis by 14.7% and 14.3%, respectively.

CESEE

TURKEY: According to the latest IMF article IV consultation report, GDP is forecasted to rebound by 5.8% in 2021 and settle back to trend growth of 3.3% in 2022. The rebound reflects a large positive carryover from the sharp activity rebound in H2-2020. Turkey avoided a deep recession in 2020 expanding by 1.9%. The expansion was driven by large credit provision by state-owned banks and extensive liquidity support at the expense of exacerbating pre-pandemic vulnerabilities such as low FX reserves, large external financing needs, and dollarization. Moreover, inflation is forecasted to remain high by year-end at 16.5%, well above target. Finally, IMF called for CBRT to maintain a firm monetary policy stance and encouraged further tightening if inflation expectations increase further.

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GLOBAL MARKETS
Stock markets

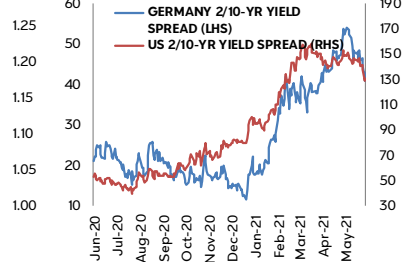
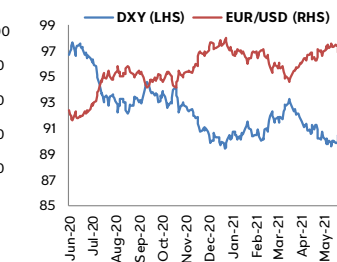
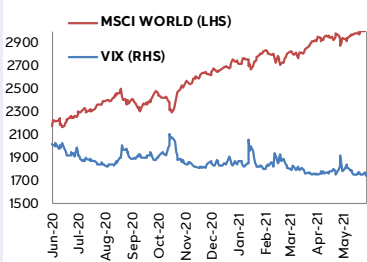
	Last	ΔD	ΔYTD
S&P 500	4247.44	0.19%	13.1%
Nikkei 225	29161.80	0.7%	6.3%
STOXX 600	457.51	0.6%	14.7%

FOREX

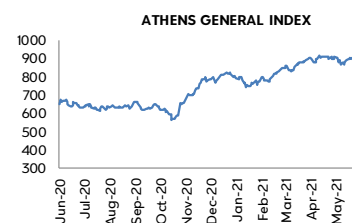
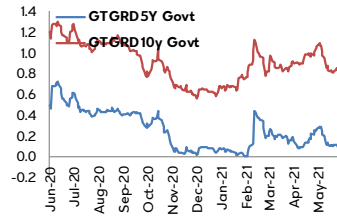
	Last	ΔD	ΔYTD
EUR/USD	1.2103	0.0%	-0.9%
GBP/USD	1.4112	0.0%	3.2%
USD/JPY	109.68	0.0%	-5.9%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.46	1	54
Bund-10yr	-0.27	0	30
JGB - 10yr	0.04	0	2


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.01	0	-9
10Y Bond	0.73	0	11
Δ(10YBund-10YGB)	1.01	0	-19


EMERGING MARKETS
Stock markets

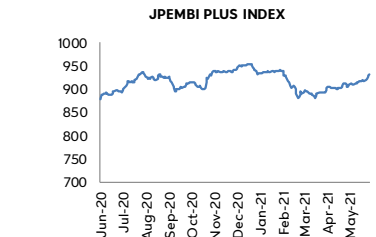
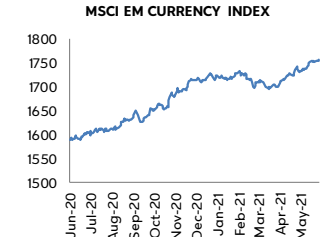
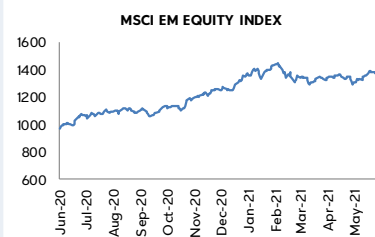
	Last	ΔD	ΔYTD
SOFIX	542.48	0.2%	21.2%
BELEX	782.16	0.0%	448.2%
XUI00	1460.86	0.3%	-107.4%

FOREX

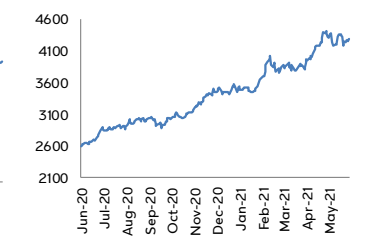
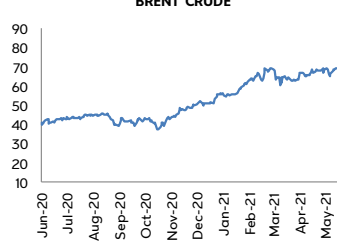
	Last	ΔD	ΔYTD
EUR/PLN	4.4902	0.2%	1.6%
EUR/RSD	117.555	0.0%	0.1%
USD/TRY	8.3047	1.1%	-10.4%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.98	-6	57
BG 8Y yield	Invalid Security		
PL 10Y yield	1.72		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1860	-0.9%	-2.0%
BRENT CRUDE	73	0.5%	41.0%
LMEX	4284	0.8%	25.5%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 09:45 EST

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