

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

July 14, 2021

Global Markets

US June inflation data surprised to the upside, with the headline rising by 0.9%MoM, the largest monthly increase since June 2008, taking the annual rate to 5.4%, the highest since August 2008. Core CPI also surprised to the upside, rising to 4.5%, the highest since November 1991. In reaction to US inflation data and y-day's weak Treasury auction of 30-yr bonds, 10-yr UST yields rose, ending at a multi-session high of 1.42% y-day before falling slightly below 1.40% in early European trade today. In FX markets, the EUR/USD slipped below 1.18, while the NZD strengthened, rising above 0.70 vs. the USD, after the RBNZ announced its decision to end QE this month. With US inflation data out of the way, focus today turns to the first leg of Fed Chair Jerome Powell's semi-annual testimony before the House Committee on Financial Services.

Greece

The Economic and Financial Affairs Council (Ecofin) approved yesterday Greece's Recovery and Resilience plan, "Greece 2.0" along with another 11 national plans. The funds to be allocated to Greece amount to €30.5bn (€17.8bn in grants and €12.7bn in loans), of which the first €4bn are expected to be disbursed by the end of July, while the total amount of available resources by the end of the year is projected to reach €7.5bn. "Greece 2.0" includes 106 investments and 68 reforms and is expected to mobilize €60bn of total investments in the next five years, increase real GDP by 7% by 2026 and create 180-200K permanent new jobs. On Covid-19, new cases rose above 3.1K, with the positivity rate standing at 3.6% from 5.6% the day before, while the number of patients in ICUs continued declining, standing at 133 yesterday.

CESEE

SERBIA: Inflation slipped to 3.3% YoY in June down from 3.6% YoY in May, which was the highest level so far this year, coming an inch above the consensus expectations of 3.2% YoY. Energy was the CPI component with the largest increase on an annual basis (10.7% YoY in June vs. 10.1% YoY in May). On a monthly basis, inflation expanded by +0.3% MoM in June down from +0.5% MoM in May. Core inflation remained flat at 2.0% YoY for a second month in a row. The NBS anticipates inflation to move around the midpoint of the target tolerance band of 3%±1.5pps. in the coming months and to decelerate from Q2 2022 as the temporary impact from the energy and food prices spike dissipates.

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GLOBAL MARKETS

Stock markets

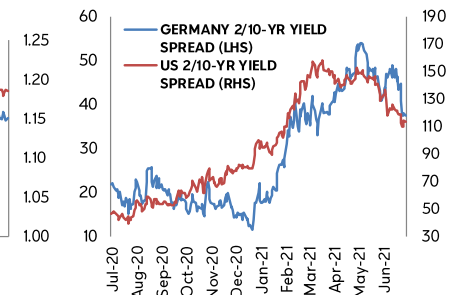
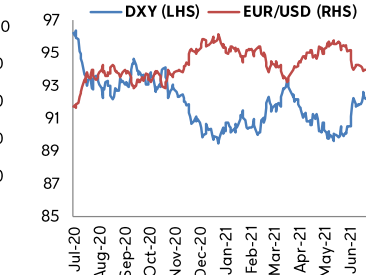
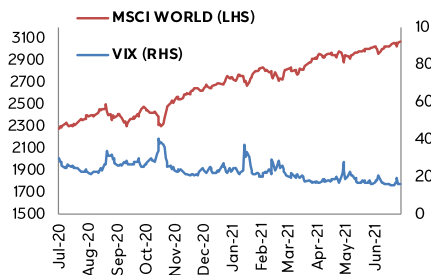
	Last	ΔD	ΔYTD
S&P 500	4369.21	-0.35%	16.3%
Nikkei 225	28608.49	-0.4%	4.2%
STOXX 600	460.08	-0.2%	15.3%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1793	0.1%	-3.5%
GBP/USD	1.3843	0.2%	1.3%
USD/JPY	110.48	0.1%	-6.5%

Government Bonds

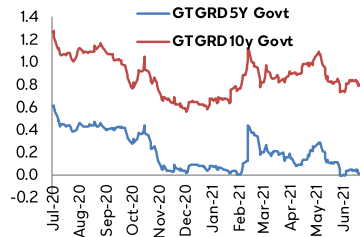
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.40	-2	49
Bund-10yr	-0.28	2	29
JGB - 10yr	0.02	-1	0



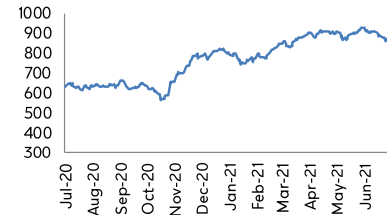
GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.08	0	-16
10Y Bond	0.71	0	9
Δ(10YBund-10YGGB)	0.99	0	-20



ATHENS GENERAL INDEX



EMERGING MARKETS

Stock markets

	Last	ΔD	ΔYTD
SOFIX	565.86	0.0%	26.4%
BELEX	771.41	-0.3%	304.6%
XU100	1356.65	0.7%	-813.1%

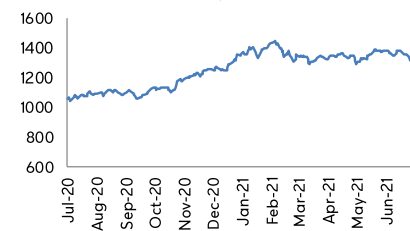
FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5792	0.0%	-0.4%
EUR/RSD	117.576	-0.1%	0.0%
USD/TRY	8.6242	0.0%	-13.7%

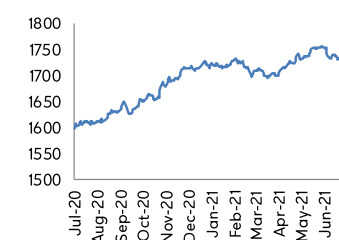
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.21	-5	80
BG 8Y yield	Invalid Security		
PL 10Y yield	1.70		

MSCI EM EQUITY INDEX



MSCI EM CURRENCY INDEX

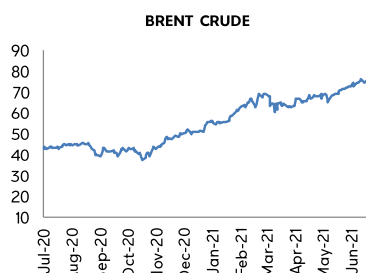
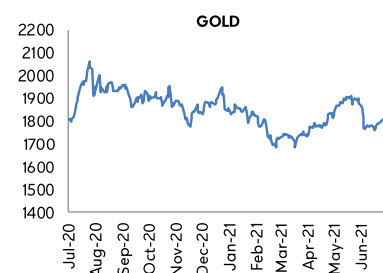


JPEMBI PLUS INDEX

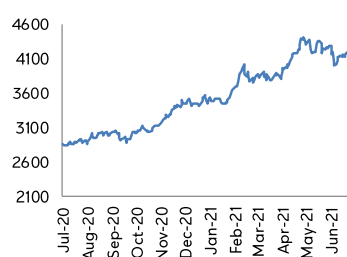


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1812	0.2%	-4.6%
BRENT CRUDE	76	-0.1%	47.6%
LME X	4172	0.4%	22.2%



LONDON METAL EXCHANGE INDEX



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