

GLOBAL & REGIONAL DAILY HIGHLIGHTS

July 19, 2021

Global Markets

US equity markets ended in the red on **Friday on investors' concerns for spiking inflation and growing fears** that the economy may not expand as quickly as envisaged before. Against this background, the Dow Jones Index traded lower by -0.86%, at 34,687 points, the S&P 500 down by -0.75% and the NASDAQ down by -0.80%. **The University of Michigan's** consumer sentiment index plunged to 80.8 from 85.5 a month earlier, disappointing consensus expectations. In contrast, retail sales expanded by 0.6% MoM in June beating expectations for -0.4%. On Sunday, the members of OPEC+ reached an agreement on raising supply. The agreement calls for a raise in production by 400,000 barrels a day each month until the end of 2022, seeking to unwind by September 2022 all cuts agreed since the pandemic started.

Greece

Fitch kept Greece's sovereign rating unchanged at 'BB' and the outlook 'stable', revising upwards the GDP growth outlook for 2021 to 4.3% (from 3%) and pinning it at 5.3% for 2022 and 3.5% for 2023. Fitch and S&P ratings for Greece stand 2 notches below investment grade. According to ELSTAT, for the enterprises of the economy as a whole obliged to double-entry accounting bookkeeping, for which data are available on a monthly basis, the turnover in May-21 increased by 24.0%YoY. The biggest annual increase in turnover was recorded in the section Accommodation and Food Service Activities (+163.7%), while the smallest increase was recorded in the section Public Administration and Defense; Compulsory Social Security (+0.7%). A decrease in turnover was recorded in the section Other Service Activities (-1.0%).

CESEE

SERBIA: The EUR/RSD market was overweighed on the Euros supply side this week forcing NBS to intervene again. The NBS absorbed all hard currency surpluses from local banks but without causing any movement in the pair – **it's still heavily anchored to the 117.55 trading zone.** President Vucic announced that GDP expanded by 8% in H1-2021, **citing a preliminary estimate, FDIs have reached €1.72bn and the budget deficit is lower by €1bn than planned in the same period.** In addition, he said that the government will increase the non-taxable part of the salary, possibly to RSD19,300 and reduce employers' payroll taxes and contributions by 0.5-1.5% so that they can afford higher minimum wages. Finally, short-term inflation expectations of the financial sector climbed to 3% in June up from 2.5% in May.

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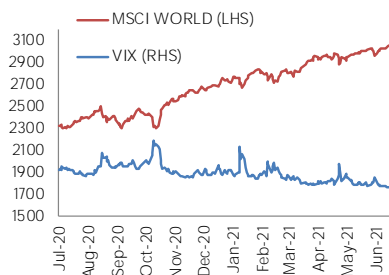
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We would like to thank Zoran Korac from Eurobank Beograd for his valuable contribution in today's issue

GLOBAL MARKETS

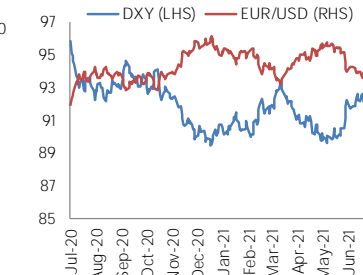
Stock markets

	Last	ΔD	ΔYTD
S&P 500	4327.16	-0.75%	15.2%
Nikkei 225	27652.74	-1.3%	0.8%
STOXX 600	447.97	-1.5%	12.3%



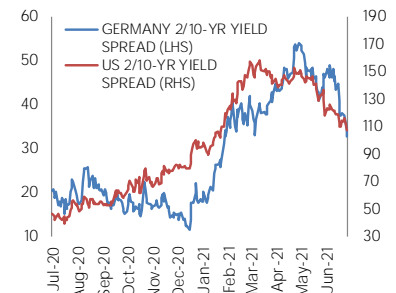
FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.178	-0.2%	-3.6%
GBP/USD	1.3722	-0.3%	0.4%
USD/JPY	109.84	0.2%	-6.0%



Government Bonds

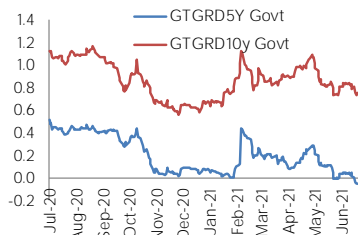
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.26	-3	35
Bund-10yr	-0.37	-2	20
JGB - 10yr	0.02	-1	-1



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.13	-1	-20
10Y Bond	0.67	0	5
Δ(10YBund-10YGGB)	1.04	0	-15



ATHENS GENERAL INDEX



EMERGING MARKETS

Stock markets

	Last	ΔD	ΔYTD
SOFIX	567.89	0.3%	26.9%
BELEX	769.71	0.2%	281.9%
XU100	1353.43	-0.7%	-834.9%

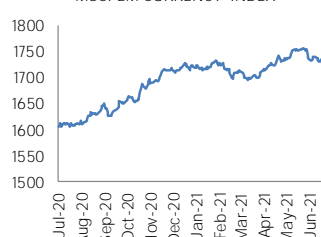
MSCI EM EQUITY INDEX



FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5835	0.0%	-0.5%
EUR/RSD	117.595	0.0%	0.0%
USD/TRY	8.5853	-0.7%	-13.3%

MSCI EM CURRENCY INDEX



Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.04	-6	64
BG 8Y yield	Invalid Security		
PL 10Y yield	1.61		

JPEMBI PLUS INDEX

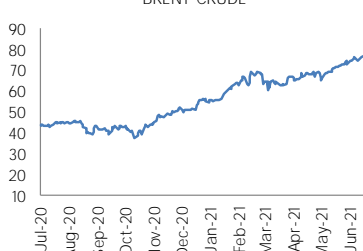


COMMODITIES

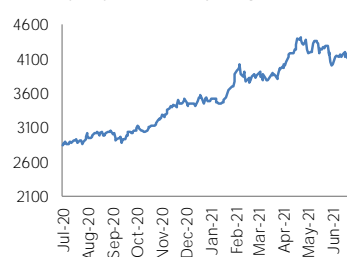
	Last	ΔD	ΔYTD
GOLD	1805	-0.4%	-4.9%
BRENT CRUDE	73	-1.5%	40.0%
LMEX	4184	-0.3%	22.5%



BRENT CRUDE



LONDON METAL EXCHANGE INDEX



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