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Eurobank Research

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

April 23, 2021

Global Markets

The majority of Asian bourses ended slightly higher earlier today, in the wake of the ECB's decision y-day to continue conducting PEPP purchases in Q2 at a "significantly higher pace" than during the first months of the year, despite its expectations for a strong rebound in the euro area from mid-year as the pace of vaccinations accelerates and activity restrictions are gradually lifted. Meanwhile, European bourses opened slightly lower, taking their cue from Wall Street's losses overnight, following y-day's reports suggesting that the Biden administration is proposing to almost double the capital gains tax on the wealthiest individuals to 39.6% from the current rate of 20%. In FX markets, the EUR/USD retained a positive tone, hovering not too far from the recent 1.2079 multi-week high ahead of today's flash April PMIs from the EA.

Greece

According to ELSTAT, the deficit of the General Government for 2020, in accordance with ESA 2010, is estimated at -€16.1bn, which corresponds to -9.7% of GDP, when in 2018 and 2019 the General Government surplus was €1.7bn (0.9% of GDP) and €2.1bn (1.1%of GDP) respectively. The gross consolidated General Government debt at year-end 2020 is estimated at a nominal value of €341bn, corresponding to 205.6% of GDP, from €335 (186.2% of GDP) and €331 (180.5% of GDP) in 2018 and 2019 respectively. On the pandemic front, new Covid19 cases fell to 2,759 yesterday (from 3,015 the day before) with both the positivity rate and the number of patients in ICUs declining to 4.4% (from 4.9% the previous day) and 822 (from 831 the previous day) respectively.

CESEE

According to a Moody's report published earlier this week, an increase in EU funding available to CEE economies through the 2021-2027 budget, the NGEU fund and the SURE programme will boost GDP growth, suppress debt burdens and improve debt affordability, although implementation challenges will hinder gains in some countries. Specifically, Croatia, Bulgaria and Romania could achieve the most sizable gains, calculated at c. 1.0, 1.0 and 0.8pps per year respectively in terms of GDP growth, assuming, however, full absorption of the funds throughout the current programming period. On the other hand, Slovenia, the Czech Republic and Poland will most probably register milder increases at the range of 0.2pps of GDP growth per year.

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GLOBAL MARKETS

Stock markets

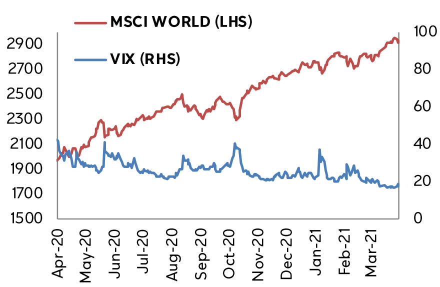
	Last	ΔD	ΔYTD
S&P 500	4173.42	0.93%	11.1%
Nikkei 225	29188.17	2.4%	6.4%
STOXX 600	438.77	0.5%	10.0%

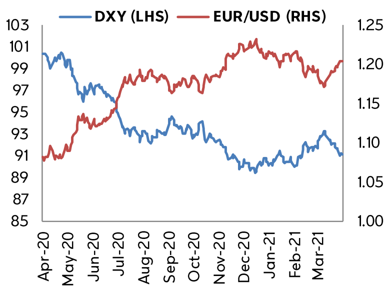
FOREX

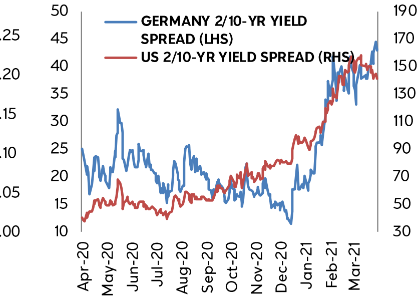
	Last	ΔD	ΔYTD
EUR/USD	1.2044	0.1%	-1.4%
GBP/USD	1.3936	0.0%	1.9%
USD/JPY	107.87	0.2%	-4.3%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.55	-1	63
Bund-10yr	-0.28	-2	29
JGB - 10yr	0.07	-1	5



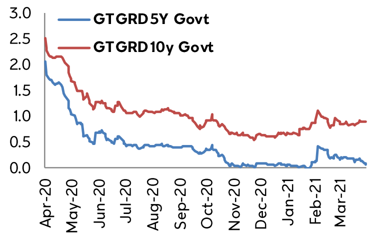


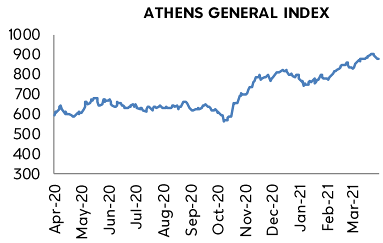


GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.07	-1	-1
10Y Bond	0.88	-1	26
Δ(10YBund-10YGGB)	1.16	0	-3





EMERGING MARKETS

Stock markets

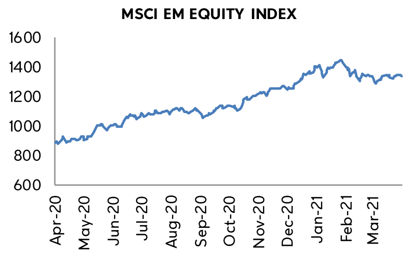
	Last	ΔD	ΔYTD
SOFIX	521.35	-0.1%	16.5%
BELEX	776.87	1.1%	377.5%
XU100	1319.27	-0.8%	-1066.2%

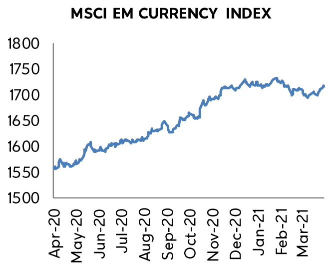
FOREX

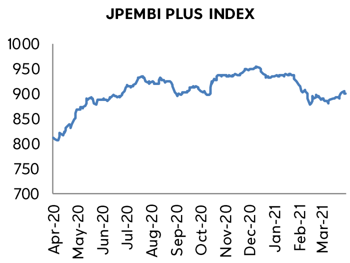
	Last	ΔD	ΔYTD
EUR/PLN	4.5536	0.0%	0.2%
EUR/RSD	117.569	0.0%	0.0%
USD/TRY	8.3355	-1.8%	-10.7%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.63	2	123
BG 8Y yield	Invalid Security		
PL 10Y yield	1.57		

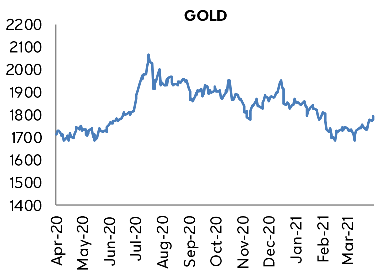


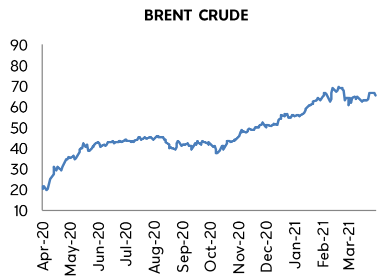


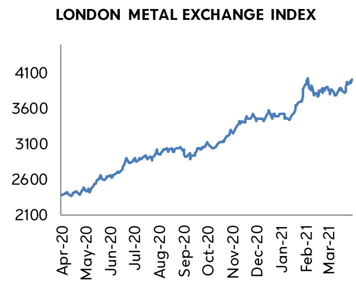


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1793	-0.1%	-5.6%
BRENT CRUDE	65	-0.4%	25.7%
LMEX	4012	1.3%	17.5%







Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 09:54 EST

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