

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

July 23, 2021

### Global Markets

Following the Strategy Review release in early July, the ECB updated its forward guidance on interest rates at its 22 July meeting. Committing to persistently accommodative monetary policy, the CB noted that it expects interest rates to remain “at their present or lower levels until it sees inflation reaching 2% well ahead of the end of its projection horizon and durably for the rest of the projection horizon”. Given the ECB’s June inflation forecasts, no rate hike is expected in the foreseeable future. In response to the ECB’s dovish tilt, European government bond yields moved lower with 10-yr Bunds hovering around 5-month lows near -0.43%, while, in FX markets, the EUR/USD traded around 3-month lows of 1.176 in Asian trade. Today’s data highlights include the flash July PMIs for the US and Europe, an earlier sign for Q3 economic activity.

### Greece

According to ELSTAT, for the retail trade enterprises obliged to double-entry accounting bookkeeping, the turnover in May-21 reached €2.65bn, higher by 18% and by 1% compared to May-20 and May-19 respectively. The biggest increase in turnover in May-21 was recorded in the retail sale of watches and jewelry in specialised stores (+124%YoY) and the steepest decline in the retail sale of books in specialised stores (-14%YoY). According to the BoG, travel receipts in May-21 stood at €168mn, higher by 286%YoY, but standing only at 11% of the May-19 figure. For Jan–May 2021, travel receipts were €317mn, lower by 51% and 89% compared to the corresponding periods of 2020 and 2019 respectively. These readings are not surprising, as international tourism in Greece resumed in mid-May, with several markets remaining closed even then.

### CESEE

According to data released yesterday by the National Bank of Serbia, bank lending growth decelerated to 7.3% YoY in June from 8.0% YoY in the previous month. The Central Bank attributed the slowdown in lending activity observed since May to high base effects from the previous year. Household lending growth eased to 10.6% YoY in June amid slower growth in cash and consumer loans. On the flipside, mortgage loans maintained a double-digit growth. Corporate lending growth inched down to 4.4% YoY in June, reflecting lower growth in liquidity and working capital loans, as well as a steeper fall in investment loans. Broad money supply (M3) rose by 8.8% YoY in real terms in June, down from 9.7% YoY in the previous month. M1 growth eased to 8.8% YoY from 12.5% YoY in May.

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**GLOBAL MARKETS**
**Stock markets**

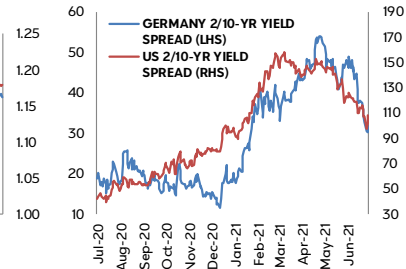
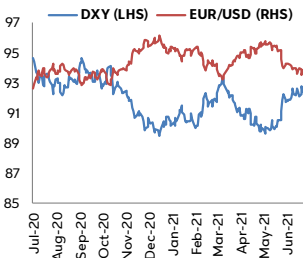
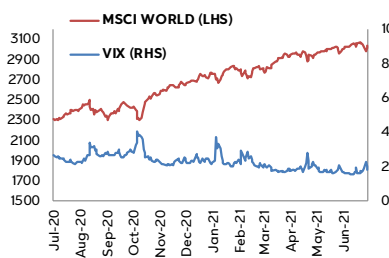
	Last	ΔD	ΔYTD
S&P 500	4367.48	0.20%	16.3%
Nikkei 225	27548.00	0.6%	0.4%
STOXX 600	456.53	0.6%	14.4%

**FOREX**

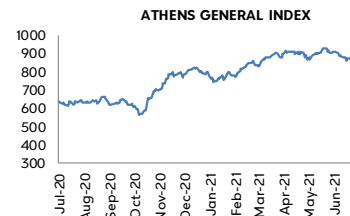
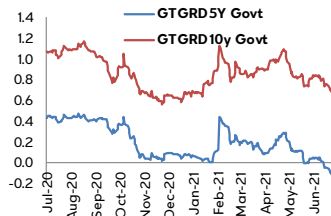
	Last	ΔD	ΔYTD
EUR/USD	1.177	0.0%	-3.7%
GBP/USD	1.3752	-0.1%	0.6%
USD/JPY	110.28	-0.1%	-6.4%

**Government Bonds**

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.28	0	37
Bund-10yr	-0.41	1	16
JGB - 10yr	0.02	0	0


**GREECE**
**Government Bonds**

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.12	0	-20
10Y Bond	0.66	0	4
Δ(10YBund-10YGGB)	1.07	0	-12


**EMERGING MARKETS**
**Stock markets**

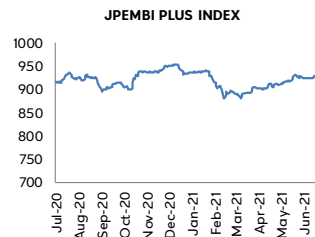
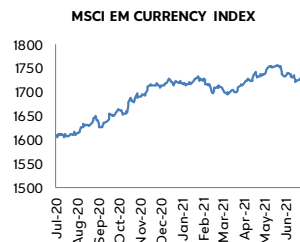
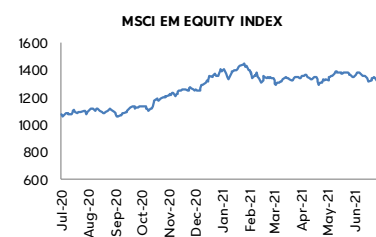
	Last	ΔD	ΔYTD
SOFIX	559.95	-0.6%	25.1%
BELEX	771.16	0.1%	301.2%
XU100	1351.59	-0.9%	-847.4%

**FOREX**

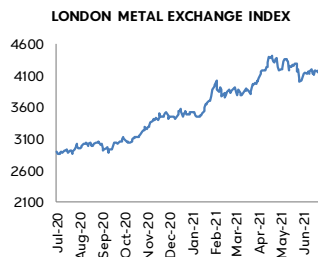
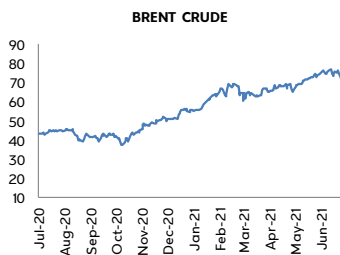
	Last	ΔD	ΔYTD
EUR/PLN	4.5644	0.0%	-0.1%
EUR/RSD	117.567	0.0%	0.1%
USD/TRY	8.5642	0.0%	-13.1%

**Government Bonds**

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.12	2	72
BG 8Y yield	Invalid Security		
PL 10Y yield	1.56		


**COMMODITIES**

	Last	ΔD	ΔYTD
GOLD	1807	0.0%	-4.8%
BRENT CRUDE	74	-0.3%	42.0%
LMEX	4188	1.2%	22.6%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research  
Data updated as of 23.07.2021 09:38 EST

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