

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

June 24, 2021

Global Markets

Flash June PMIs revealed that the US manufacturing surged to a record high of 62.6, and business activity in the Eurozone rose at its fastest rate in 15 years (+2.1pt to 59.2), with services being the key driver of the strong rebound, while focus centred on rising price pressures. Government bond yields in the euro area edged higher on Thursday amid brighter economic prospects, ahead of the German June Ifo business survey. In FX markets, the DXY index rose modestly overnight from y-day's one-week low of 91.500 helped by Fed officials' comments that high US inflation prints could last longer than expected. In commodities, Brent crude traded near 2-year highs around \$75/bbl with the US EIA providing further evidence of a tightening market. Looking ahead, BoE's policy decision and Fed officials' remarks later today will be closely watched.

Greece

In the MTFF 2022-2025, the Greek government foresees real GDP growth of 3.6% in 2021, 6.2% in 2022, 4.1% in 2023, 4.4% in 2024 and 3.3% in 2025. Growth is expected to be driven primarily by investments, which are projected to increase by 7% in 2021, 30.3% in 2022, 12.3% in 2023, 10.8% in 2024 and 7.4% in 2025, as well as exports, which are projected to increase by 10.4% in 2021, 13.8% in 2022, 7.5% in 2023, 6.2% in 2024 and 5.2% in 2025. In the same period, the unemployment rate is expected to decrease gradually from 16.3% in 2021 to 11.1% in 2025. The primary balance is expected to stand at -3.6% of GDP in 2021 and return to a surplus of 0.5% in 2022. Among the government's medium-term economic policy goals is a single-digit percentage of NPLs in 2022 and the attainment of investment grade by H1-2023.

CESEE

According to the IMF Article IV Consultation with Serbia (June 2021), the Fund anticipates the economic recovery to continue in 2021 and has upgraded its GDP growth forecast from 5% to 6%. Along with the conclusion of consultations, the IMF Executive Board approved a new 30-month Policy Coordination Instrument (PCI). While the overall assessment is positive, the IMF underlined the pandemic-related uncertainty and in that sense, it appears in favor of the 2021 budget revision, which provided additional fiscal support in order to mitigate the adverse impact from the pandemic. Concluding, further efforts towards structural reforms were recommended by the Fund so as to improve institutional quality and secure sustainable public finances.

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GLOBAL MARKETS
Stock markets

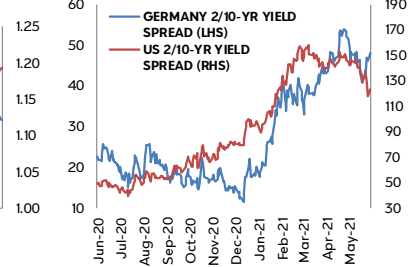
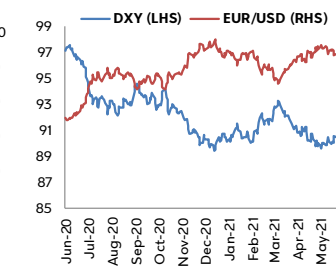
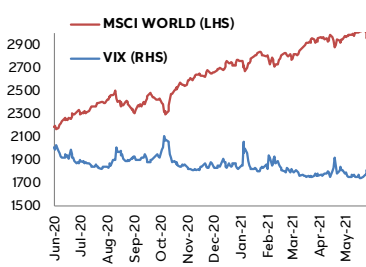
	Last	ΔD	ΔYTD
S&P 500	4241.84	-0.11%	12.9%
Nikkei 225	28875.23	0.0%	5.2%
STOXX 600	454.53	0.3%	13.9%

FOREX

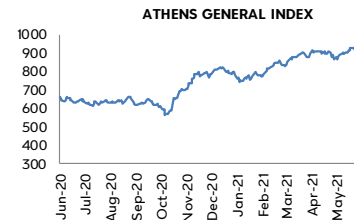
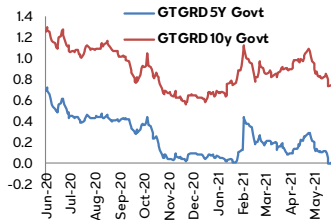
	Last	ΔD	ΔYTD
EUR/USD	1.1937	0.1%	-2.3%
GBP/USD	1.3958	0.0%	2.1%
USD/JPY	110.88	0.1%	-6.9%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.50	1	59
Bund-10yr	-0.17	1	40
JGB - 10yr	0.06	0	4


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.05	1	-2
10Y Bond	0.84	1	22
Δ(10YBund-10YGG)	1.00	0	-19


EMERGING MARKETS
Stock markets

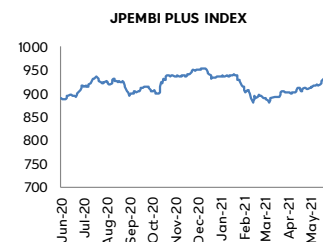
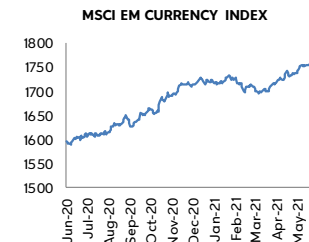
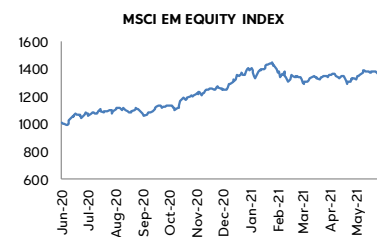
	Last	ΔD	ΔYTD
SOFIX	550.18	0.0%	22.9%
BELEX	774.21	-0.3%	342.0%
XUI00	1406.76	0.3%	-473.8%

FOREX

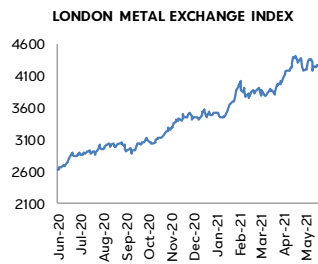
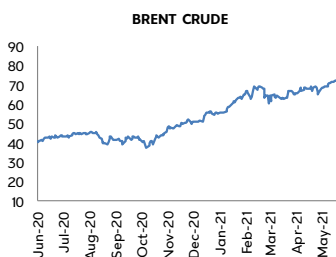
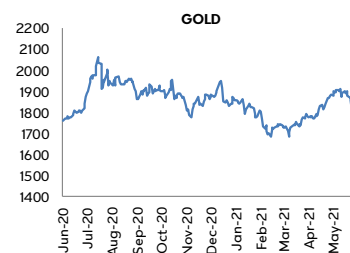
	Last	ΔD	ΔYTD
EUR/PLN	4.5294	0.1%	0.7%
EUR/RSD	117.559	0.0%	0.1%
USD/TRY	8.6543	-0.1%	-14.0%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.16	-6	76
BG 8Y yield	Invalid Security		
PL 10Y yield	1.79		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1776	-0.1%	-6.4%
BRENT CRUDE	76	0.4%	45.8%
LME X	4121	1.4%	20.7%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 10:18 EST

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