

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

August 25, 2021

Global Markets

According to the final estimate, German GDP grew by 1.6%QoQ in Q2, up from the flash estimate of 1.5%QoQ, following an upwards revised contraction of 2.0%QoQ in Q1. Private consumption was the main growth driver, increasing by 3.2%QoQ and contributing 1.6ppts. Turning to the US, new home sales rose by 1.0%MoM in July to a slightly higher than expected 708k saar, while the respective figures for the previous three months were revised higher by 32k cumulatively, adding to the view that underlying demand remains firm. Meanwhile, risk appetite weakened earlier today as investors adopted a cautious stance ahead of the Fed Jackson Hole conference on Friday, while the EUR/USD remained in the 1.17 area ahead of today's German Ifo business survey for August and US durable goods orders for July.

Greece

The government announced a number of measures in effect as of 13 Sep to boost Covid-19 vaccinations. These include frequent laboratory rapid tests for unvaccinated employees and students at their own expense and self-tests for unvaccinated pupils. Indoor dining areas and stadiums will only be open to the vaccinated and those who have had the disease within the past six months. Unvaccinated people may enter indoor theaters, cinemas, museums and gyms with a laboratory rapid test taken within 48 hrs. The use of face masks is mandatory for everyone in all indoor spaces and in congested open spaces. So far, 55% of the population has received at least one shot and 52% has completed its vaccination. The positivity rate stands at 3.8%, while patients in ICUs reached 326 y-day against 319 a week ago.

CESEE

Broadly in line with market expectations, the National Bank of Hungary (MNB) proceeded with an additional hike of 30bps – the third in a row since June – setting the key policy rate (KPR) at 1.50%, currently the highest within the EU. The decision moved government bond yields higher and favored the forint, which firmed intraday by ca. 0.50% against the euro. The EURHUF resumed y-day's session at 348, 25 and continues to strengthen at the time of writing, standing at 347.51. Local fixed income and FX space was also affected by the MNB's announcement that it will gradually wind down its quantitative easing programme. Elsewhere in the region, lending growth in Bulgaria accelerated by 7.2% YoY in July, picking up from 6.2% YoY in the previous month, with the acceleration being driven by both corporate and retail segments.

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GLOBAL MARKETS
Stock markets

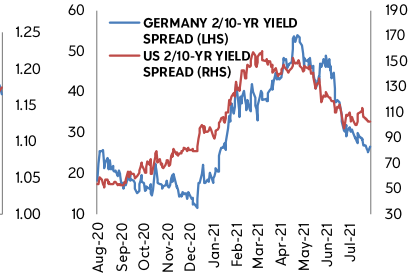
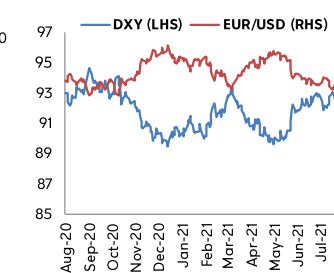
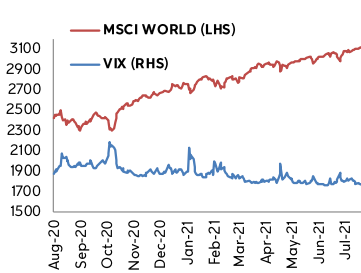
	Last	ΔD	ΔYTD
S&P 500	4486.23	0.15%	19.4%
Nikkei 225	27724.80	0.0%	1.0%
STOXX 600	471.79	0.0%	18.2%

FOREX

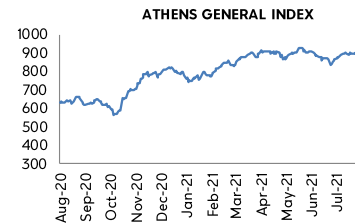
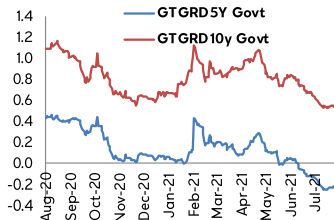
	Last	ΔD	ΔYTD
EUR/USD	1.1736	-0.2%	-3.9%
GBP/USD	1.3713	-0.1%	0.3%
USD/JPY	109.77	-0.1%	-5.9%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.29	-1	38
Bund-10yr	-0.47	1	10
JGB - 10yr	0.03	1	0


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.21	0	-29
10Y Bond	0.57	0	-5
Δ(10YBund-10YGGB)	1.04	0	-15


EMERGING MARKETS
Stock markets

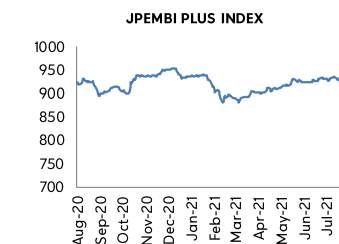
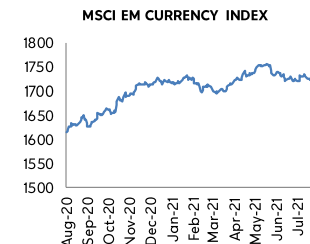
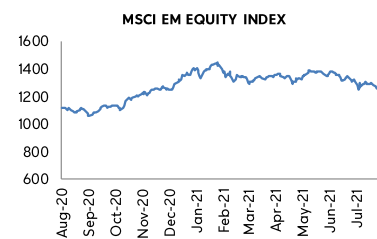
	Last	ΔD	ΔYTD
SOFIX	573.39	1.3%	28.1%
BELEX	796.46	-0.5%	639.2%
XU100	1465.89	0.4%	-73.3%

FOREX

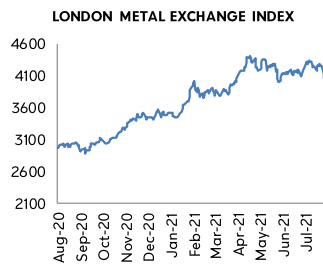
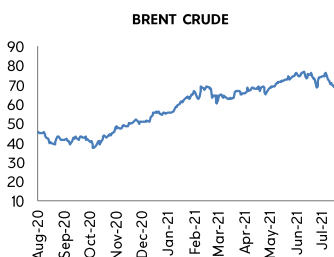
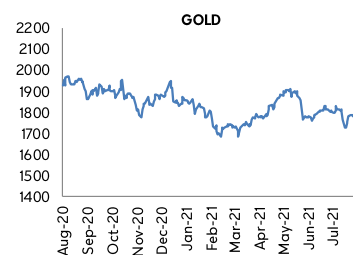
	Last	ΔD	ΔYTD
EUR/PLN	4.5723	0.0%	-0.3%
EUR/RSD	117.565	0.0%	0.1%
USD/TRY	8.377	0.4%	-11.2%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.01	-7	60
BG 8Y yield	Invalid Security		
PL 10Y yield	1.73		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1795	-0.5%	-5.5%
BRENT CRUDE	71	-0.1%	37.0%
LME X	4209	1.1%	23.3%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 25.08.2021 10:00 EST

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