

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

July 26, 2021

Global Markets

According to Friday's EA data, the composite PMI increased by a higher than expected 1.1pt to 60.6 in July, the fastest pace of expansion in 21 years, pointing to a broadening economic recovery. The increase was driven by the services sector where business activity rose from 58.3 to 60.4, supported by a further lifting of restrictions in several EA economies, while the manufacturing PMI fell to 62.6 from June's record high of 63.4, reflecting input shortages and value chains disruptions. Meanwhile, failing to capitalize on positive EA data, the EUR/USD was standing below 1.1800 and not too far from last week's four-month low of 1.1750 in early European trade, ahead of the conclusion of this week's two-day FOMC meeting (Wednesday) and a number of key data releases, including the Q2 GDP figures for the US (Thursday) and the EA (Friday).

Greece

According to press, in today's cabinet meeting the Greek government, at the suggestion of the ministry of labour, will take a decision for a rise of the minimum wage by 2%, i.e. from €650 to €663. During the consultation phase, most of the social partners, with the exception of the GSEE (General Confederation of Workers), stood in favour for a minimum wage freeze in 2021 due to the negative economic circumstances created by the COVID-19 pandemic. Based on the same press reports, the Greek government has chosen this symbolic minimum wage increase by taking into account the current critical conditions in the labour market. Tomorrow ELSTAT will announce the unemployment rate of May 2021 (17.0% in April 2021 from 15.9% in April 2020).

CESEE

The EUR/RSD closed almost unchanged at 117.56 on Friday, continuing to trade in a quite limited range of 117.54-58. The trading in government bonds generated a turnover of EUR91.5mn on the secondary market, which is mostly attributed to the 4.5-year, 6.5-year and 11-year RSD denominated securities. The yields of the aforementioned bonds were traded on Friday at 2.25%, 2.40% and 3.35%, respectively, recording drops from 5 to 10 bps on a weekly basis. On the economic data front, this week's calendar is rather hefty with our focus paid on the 2Q21 GDP print in the Czech Republic and the Retail trade and the Industrial Production in June for Serbia, all due for release on Friday.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Dr. Stylianos Gogos
Economic Analyst
sgogos@eurobank.gr

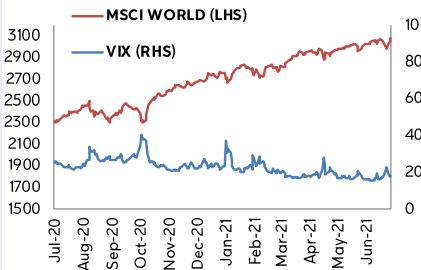
Maria Kasola
Economic Analyst
mkasola@eurobank.gr

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

GLOBAL MARKETS

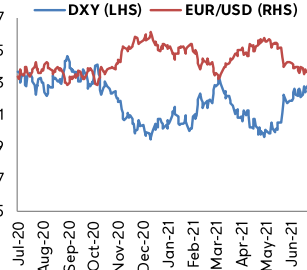
Stock markets

	Last	ΔD	ΔYTD
S&P 500	4411.79	1.01%	17.5%
Nikkei 225	27833.29	1.0%	1.4%
STOXX 600	459.90	-0.3%	15.3%



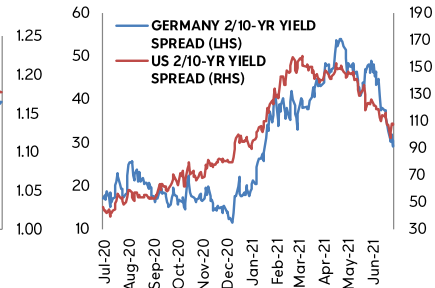
FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1798	0.2%	-3.4%
GBP/USD	1.3769	0.2%	0.7%
USD/JPY	110.15	0.4%	-6.3%



Government Bonds

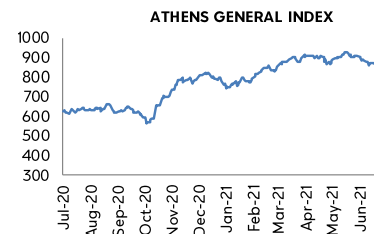
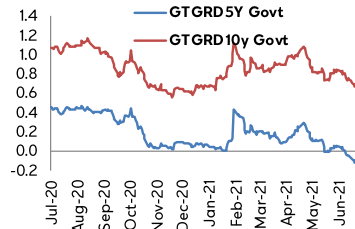
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.23	-5	32
Bund-10yr	-0.44	-2	13
JGB - 10yr	0.01	-1	-1



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.13	0	-21
10Y Bond	0.64	-1	2
Δ(10YBund-10YGGB)	1.08	0	-11



EMERGING MARKETS

Stock markets

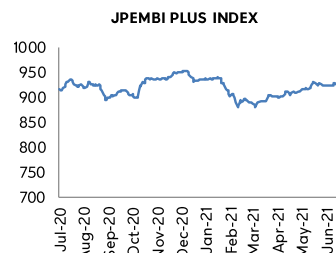
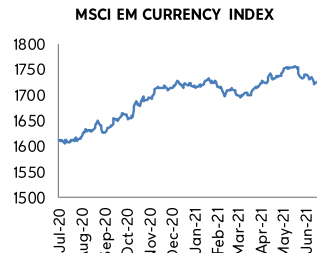
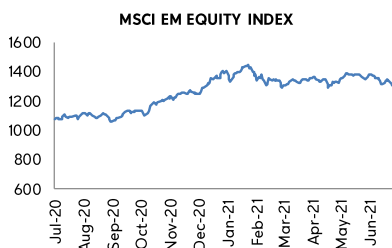
	Last	ΔD	ΔYTD
SOFIX	564.86	0.0%	26.2%
BELEX	772.93	0.2%	324.9%
XU100	1358.50	0.5%	-800.6%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5832	-0.2%	-0.5%
EUR/RSD	117.566	0.0%	0.1%
USD/TRY	8.582	-0.3%	-13.3%

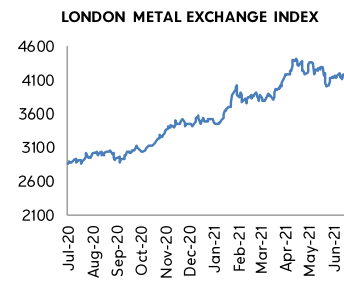
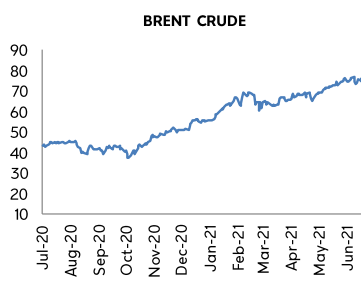
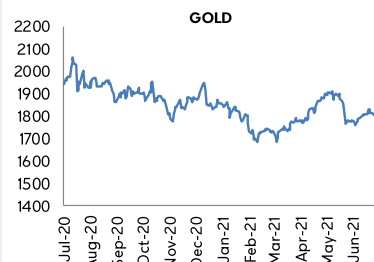
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.12	-6	71
BG 8Y yield	Invalid Security		
PL 10Y yield	1.51		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1811	0.5%	-4.6%
BRENT CRUDE	73	-1.1%	41.4%
LMEX	4225	0.9%	23.7%



Research Team



Dr. Tasos Anastasatos | Group Chief Economist
tanastasatos@eurobank.gr | + 30 214 40 59 706



Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr
+ 30 210 37 18 793



Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr
+ 30 214 40 59 707



Dr. Stylianos Gogos
Economic Analyst
sgogos@eurobank.gr
+ 30 210 37 18 733



Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 33 18 708



Olga Kosma
Research Economist
okosma@eurobank.gr
+ 30 210 37 18 728



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991



Dr. Theodoros Rapanos
Economic Analyst
v-trapanos@eurobank.gr
+ 30 214 40 59 711



Dr. Theodoros Stamatou
Senior Economist
tstamatou@eurobank.gr
+ 30 214 40 59 708



Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

Περισσότερες εκδόσεις μας διαθέσιμες στην ηλεκτρονική διεύθυνση που ακολουθεί: <https://www.eurobank.gr/en/group/economic-research>
Εγγραφείτε ηλεκτρονικά, σε: <https://www.eurobank.gr/el/omilos/oikonomikes-analuseis/forma-ekdilosis-endiaferontos>
Ακολουθήστε μας στο twitter: https://twitter.com/Eurobank_Group
Ακολουθήστε μας στο LinkedIn: <https://www.linkedin.com/company/eurobank>

DISCLAIMER

This report has been issued by Eurobank S.A. ("Eurobank") and may not be reproduced in any manner or provided to any other person. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell the securities mentioned herein. Eurobank and others associated with it may have positions in, and may effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for those companies. The investments discussed in this report may be unsuitable for investors, depending on the specific investment objectives and financial position. The information contained herein is for informative purposes only and has been obtained from sources believed to be reliable but it has not been verified by Eurobank. The opinions expressed herein may not necessarily coincide with those of any member of Eurobank. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility or liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank or any of its directors, officers or employees. Any articles, studies, comments etc. reflect solely the views of their author. Any unsigned notes are deemed to have been produced by the editorial team. Any articles, studies, comments etc. that are signed by members of the editorial team express the personal views of their author.

