

# GLOBAL & REGIONAL DAILY

## HIGHLIGHTS

August 26, 2021

### Global Markets

According to y-day's releases, the German IFO business climate index fell in August by a higher-than-expected 1.3pts to 99.4, amid lingering concerns about the Delta strain and supply constraints. In the US, new orders for capital goods dropped by 0.1%MoM in July following two consecutive monthly increases, while ex. transportation new orders rose by 0.7%MoM. Turning to markets, the EUR-USD continued to consolidate at around 1.1750 earlier today ahead of the Fed Jackson Hole conference on Friday and sovereign bond yields remained close to y-day's fresh highs, with the 10-yr Bund yield continuing to underperform its US counterpart, after ECB Chief Economist Philip Lane's comments in a Reuters interview raised talk that the ECB could decide to reduce the pace of PEPP purchases in September.

### Greece

According to the State Budget execution data on a modified cash basis, the State Budget balance for the period of Jan-Jul 2021 recorded a deficit of €12,515mn, against a target of a deficit of €12,946mn incorporated in the MTF5 2022-2025 and a deficit of €10,915mn for the same period of 2020. The State Budget Primary Balance registered a deficit of €9,063mn, against a primary deficit target of €9,602mn and a primary deficit of €7,463mn in the same period of the previous year. Tax revenues in particular, reached €24,375mn, 0.4% lower against the target in the MTF5 2022-2025. In an interview, the FinMin Christos Staikouras did not rule out the possibility of further reducing the property tax (ENFIA) in 2022, which will be determined in Nov, when the new property values are incorporated in the system.

### CESEE

Bank credit growth picked up to 8.5% YoY in July from 7.3% YoY in June, according to data released by the National Bank of Serbia on Tuesday. The acceleration was primarily driven by lending to enterprises with industry, energy, transport, hospitality and retail trade sectors absorbing the majority of lending funds. On the fixed income space, the Ministry of Finance borrowed RSD 4.99bn through a 5-year RSD-denominated government bond on Tuesday, with the raised amount being in line with the borrowing target, according to the Q32021 issuance calendar. The bid-to-cover ratio reached 1.28, slightly higher than the 1.22 achieved the latest time this bond was reopened, back in June, suggesting that investors' appetite over the respective asset remains firm.

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## GLOBAL MARKETS

### Stock markets

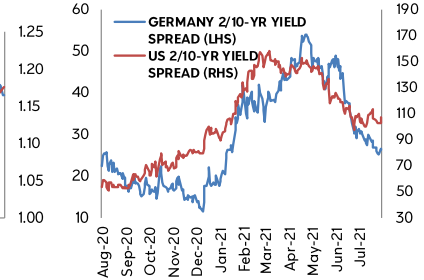
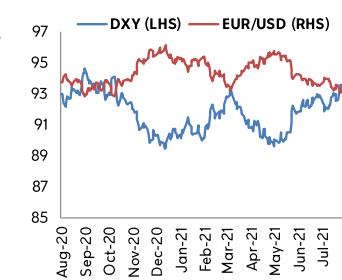
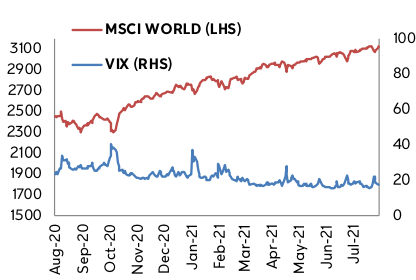
	Last	ΔD	ΔYTD
S&P 500	4496.19	0.22%	19.7%
Nikkei 225	27742.29	0.1%	1.1%
STOXX 600	471.84	0.0%	18.2%

### FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1763	-0.1%	-3.7%
GBP/USD	1.3747	-0.1%	0.6%
USD/JPY	110.13	-0.1%	-6.2%

### Government Bonds

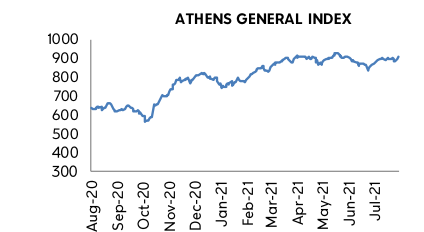
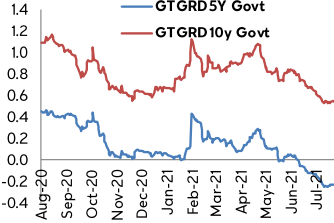
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.34	0	43
Bund-10yr	-0.42	0	15
JGB - 10yr	0.02	0	0



## GREECE

### Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.17	0	-25
10Y Bond	0.63	0	1
Δ(10YBund-10YGGB)	1.06	0	-14



## EMERGING MARKETS

### Stock markets

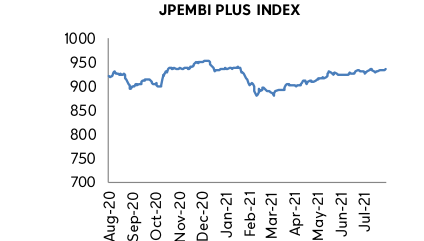
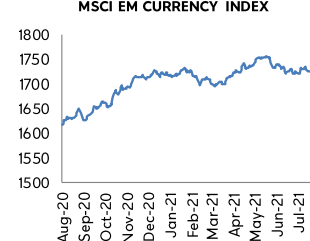
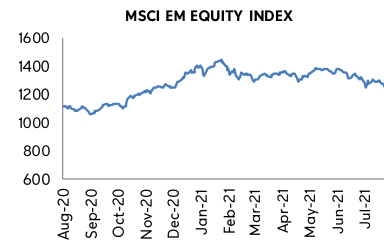
	Last	ΔD	ΔYTD
SOFIX	570.68	-0.5%	27.5%
BELEX	800.95	0.6%	699.2%
XU100	1453.30	-0.9%	-158.6%

### FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5755	0.0%	-0.3%
EUR/RSD	117.555	0.0%	0.1%
USD/TRY	8.3889	-0.1%	-11.3%

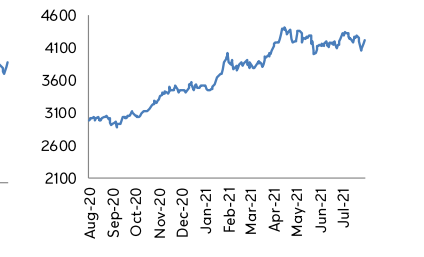
### Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.98	-5	57
BG 8Y yield	Invalid Security		
PL 10Y yield	1.78		



## COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1786	-0.3%	-5.9%
BRENT CRUDE	72	-0.5%	38.8%
LMEX	4211	0.0%	23.3%



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research  
Data updated as of 26.08.2021 10:03 EST

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