

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

July 27, 2021

Global Markets

According to data released y-day, US new home sales fell unexpectedly by 6.6% to an annualized rate of 676k in June, pressured by the recent surge in house prices and the limited supply of housing inventory. Data from Germany also disappointed, as the IFO Business Climate Index dropped in July for the first time in the last six months, coming in at 100.8 from June's downwardly revised 101.7 amid concerns that the spread of the Delta strain may lead to renewed restrictions. Meanwhile, the dollar index (DXY) lost some ground and global bourses were mostly firmer earlier today, tracking fresh gains in Wall Street overnight. In terms of data releases, today we expect the CB's consumer confidence indicator for July and US durable goods orders for June, while the IMF will release the World Economic Outlook Update.

Greece

According to ELSTAT's quarterly non-financial sector accounts, the household gross saving rate stood at 9.8% in 2021Q1 (€2,945.4 mn) from -2.4% in 2020Q1 (-€695.4 mn). Net lending (+) / Net borrowing (-), i.e. the amount available for accumulation of financial assets and debt repayments increased to €2,174.4 mn in 2021Q1 from -€1,752.2 mn in 2020Q1. After a long period of dissaving (-€39.8 bn in 2012-2019), the household saving rate turned positive due to the special characteristics of the COVID-19 pandemic and the government's support measures. The increase of savings could support consumption in the short-run, nevertheless in order for the saving rate to remain on a positive territory in the medium to long term, the creation of wealth is a necessary condition.

CESEE

The Fitch Ratings affirmed Bulgaria's sovereign credit rating at BBB and maintained the outlook to positive. The Agency assessed that the short-term downside risks stemming from the pandemic and the domestic political uncertainty are offset by the prospects of significant EU funds inflows that will be used for investments and the broad commitment to macro and fiscal stability. Its GDP projection for 2021 was revised upwards to 4.7% YoY from 3.0% previously. The upward revision took into account the stronger than expected GDP in Q1, on the back of the resilient private consumption. On the data front, according to y-day's release, the Serbian real net wage growth decelerated to 6.6%YoY in May from 7.2%YoY in April. The slowdown came on the back of higher CPI inflation that hit 3.6%YoY from 2.8%YoY in the respective months.

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GLOBAL MARKETS
Stock markets

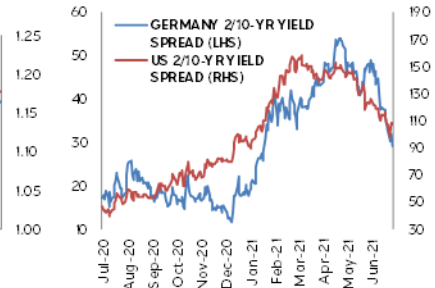
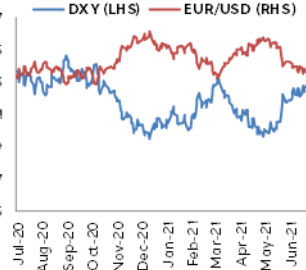
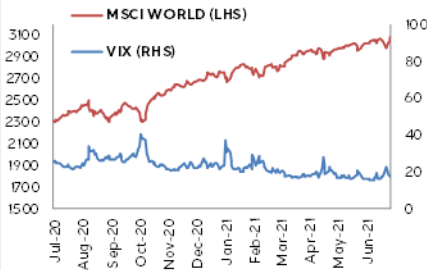
	Lost	ΔD	ΔYTD
S&P 500	4422.30	0.24%	17.7%
Nikkei 225	27970.22	0.5%	1.9%
STOXX 600	458.79	-0.5%	15.0%

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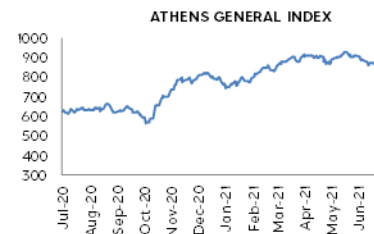
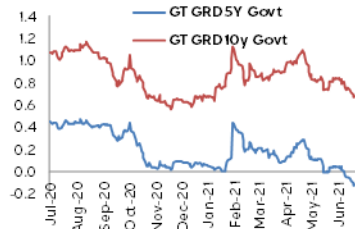
	Lost	ΔD	ΔYTD
EUR/USD	1.1779	-0.2%	-3.6%
GBP/USD	1.3793	-0.2%	0.9%
USD/JPY	110.11	0.3%	-6.2%

Government Bonds

(yields)	Lost	ΔDbps	ΔYTD bps
UST - 10yr	1.25	-4	34
Bund-10yr	-0.43	-2	14
JGB - 10yr	0.02	1	0


GREECE
Government Bonds

(yields)	Lost	ΔDbps	ΔYTDbps
5Y Bond	-0.13	0	-21
10Y Bond	0.63	-1	1
Δ(10YBund-10YGGB)	1.07	0	-12


EMERGING MARKETS
Stock markets

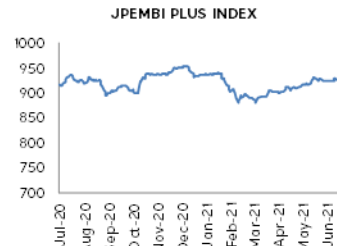
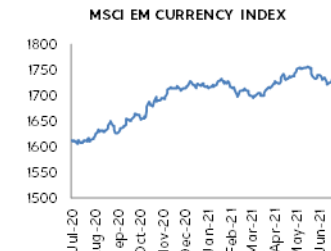
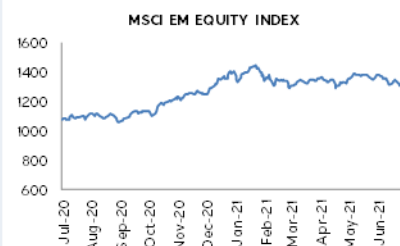
	Lost	ΔD	ΔYTD
SOFIX	568.39	0.0%	27.0%
BELEX	775.00	0.3%	352.5%
XU100	1347.60	-0.1%	-874.4%

FOREX

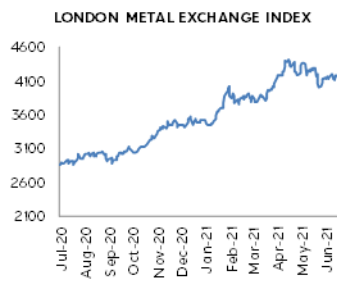
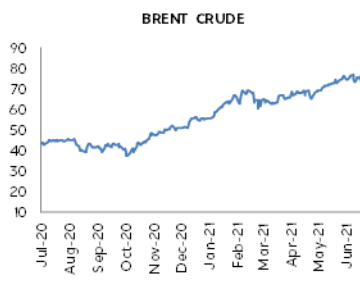
	Lost	ΔD	ΔYTD
EUR/PLN	4.5969	-0.1%	-0.8%
EUR/RSD	117.566	0.0%	0.1%
USD/TRY	8.5677	-0.1%	-13.2%

Government Bonds

	Lost	ΔDbps	ΔYTD bps
TR 10Y yield	6.12	-6	71
BG 5Y yield	Invalid Security		
PL 10Y yield	1.50		


COMMODITIES

	Lost	ΔD	ΔYTD
GOLD	1796	-0.1%	-5.4%
BRENT CRUDE	74	0.0%	43.8%
LMEX	4315	2.1%	26.4%



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