

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

September 28, 2021

Global Markets

Sovereign bond yields remained on an upward trend amid rising inflation expectations, with Brent crude exceeding \$80/bbl for the first time since October 2018 on the back of market concerns over energy shortages. The 10-yr UST yield rose to a three-month high above 1.54%, while the 2-yr yield hit a fresh post-pandemic peak above 0.32%, although a number of Fed speakers y-day disengaged the link between bond tapering later this year and the timing of rate hikes. German Bund yields rose, albeit by a lesser extent, on the view that the ECB will maintain prolonged policy accommodation. Pressured by the widening US-Bund yield spread, the EUR/USD moved below 1.1700, approaching YTD lows of 1.1662. Focus today is on Fed Chair Jerome Powell and US Treasury Secretary Janet Yellen who appear before the Senate Banking Panel.

Greece

According to BoG data, in Aug-21 the monthly net flow of total deposits was positive by €1,622mn, against a positive net flow of €1,110mn in the previous month. Deposits placed by the general government increased by €142mn, vs a decrease of €730mn in Jul-21, while deposits placed by the private sector increased by €1,480mn, from an increase of €1,840mn in the previous month. The outstanding amount of deposits placed by the private sector reached €173.2bn, which constitutes a decade-high. Meanwhile, in Aug-21 the monthly net flow of credit to the private sector was negative by €337mn, compared with a negative net flow of €532mn in the previous month, with the monthly net flow of credit to corporations in particular being negative by €190mn, vs a negative net flow of €313mn in the previous month.

CESEE

This week's economic calendar is rather light-weighted, broadly filled with August retail sales and industrial production data due on Thursday for both Serbia and Hungary. Attention on Thursday will also turn to the meeting of the Czech National Bank. The Bank is anticipated to tighten its stance further with a broadly expected interest rate hike, the third in a row since July, following the Hungarian Central bank that proceeded similarly, albeit at a looser than expected pace, in the previous week. On the wider EM sphere, the fifth China and Central and Eastern European Countries (CEECs) Conference on Innovation Cooperation concluded, having marked that, among others, fruitful cooperation in the vaccine R&D and epidemic prevention has taken place in the past 12 months.

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GLOBAL MARKETS

Stock markets

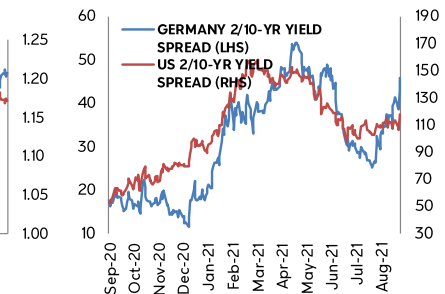
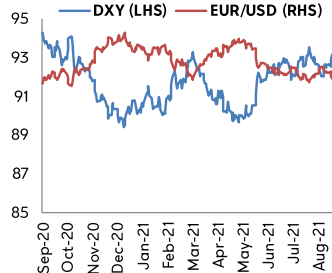
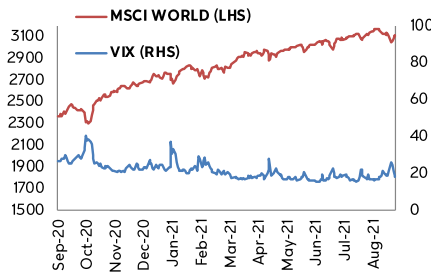
	Last	ΔD	ΔYTD
S&P 500	4443.11	-0.28%	18.3%
Nikkei 225	30183.96	-0.2%	10.0%
STOXX 600	459.35	-0.7%	15.1%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1674	-0.2%	-4.4%
GBP/USD	1.3667	-0.2%	0.0%
USD/JPY	111.3	-0.3%	-7.2%

Government Bonds

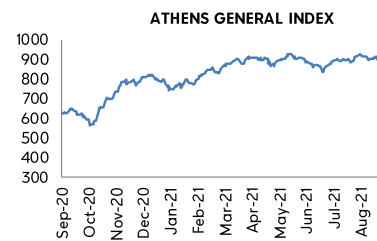
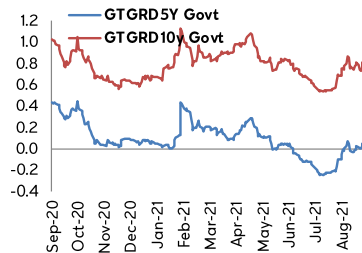
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.54	5	62
Bund-10yr	-0.19	3	38
JGB - 10yr	0.09	2	6



GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.06	2	-1
10Y Bond	0.82	1	20
Δ(10YBund-10YGGB)	1.01	0	-18



EMERGING MARKETS

Stock markets

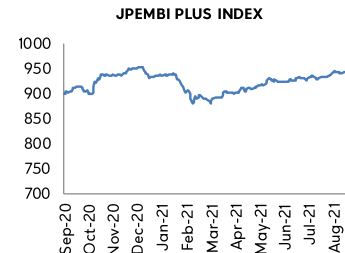
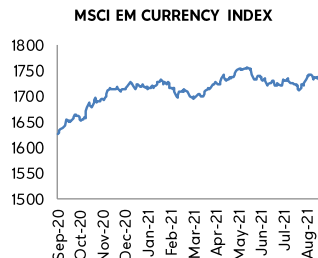
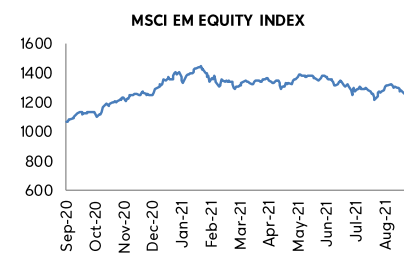
	Last	ΔD	ΔYTD
SOFIX	572.75	0.2%	28.0%
BELEX	800.86	0.0%	698.0%
XU100	1387.93	-0.3%	-601.3%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.6069	-0.2%	-1.0%
EUR/RSD	117.565	0.0%	0.1%
USD/TRY	8.8673	-0.5%	-16.1%

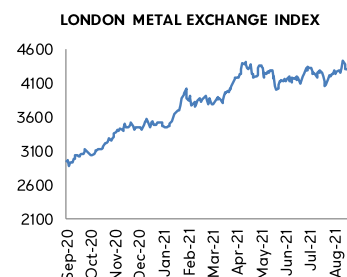
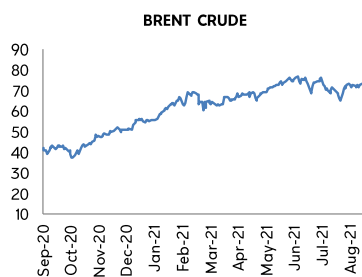
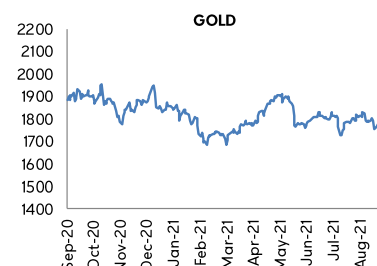
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.86	1	146
BG 8Y yield	#N/A	N/A	N/A
PL 10Y yield	2.10		



COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1742	-0.4%	-8.2%
BRENT CRUDE	80	0.9%	54.9%
LME X	4312	-0.7%	26.3%



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