

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

July 29, 2021

Global Markets

As expected, the Fed decided to keep interest rates and the pace of asset purchases unchanged. However, the Committee acknowledged for the first time that the economy has made progress towards the goals it has set as prerequisites for tapering, with Chair Jerome Powell noting, though, at the subsequent press-conference that this progress is not yet “substantial” enough to warrant a policy change. In reaction to the Fed’s signal that it is in no rush to start tapering, global equity markets were firmer earlier today, while promising news on the long-awaited US infrastructure bill and easing fears about China’s recent regulatory crackdowns, also favored. In FX markets, the dollar index (DXY) weakened, allowing the EUR/USD to move above the important resistance level of 1.1850 ahead of today’s US Q2 GDP advance estimate.

Greece

According to the state budget execution data on a modified cash basis, in the period January-June 2021 the state budget net revenue slightly outperformed the target set in the MTF5 2022-2025 by €88 mn (€21,971 mn vs €21,884 mn). The main contributor to this result was taxes, beating the target by €81 mn. On the other side of the ledger, the state budget expenditure, due to the performance of transfers, purchases of goods and services, non allocated expenditure and RRF expenditure, undershoot the target by €641 mn (€34,192 mn vs €34,834 mn). As a result, the state budget balance stood at -€12,221 mn (-€9,093 mn on a primary basis), higher relative/compared to the target by €729 mn (€825 mn on a primary basis).

CESEE

According to official data released on Tuesday, the number of foreign visitor arrivals in Bulgaria rose by 95.1% YoY to 742,767 in June. However, compared to June 2019, the arrivals were down by 51.7% YoY suggesting that the return of the tourist inflows in the country to the pre-crisis levels will happen gradually and will need more time than initially anticipated. The biggest risk in the tourism sector performance in the short run stems from the renewed increase in the positive Covid-19 cases after the tracking of the delta strain in the country. On the political front, a government backed by the three political newcomers in the parliament along with the Socialist Party (BSP) is appearing likely after several days of coalition talks between the aforementioned parties and other minor parties that took seats in the July 11 general election.

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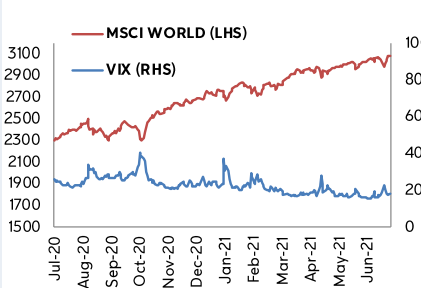
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GLOBAL MARKETS

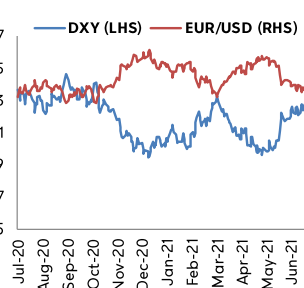
Stock markets

	Last	ΔD	ΔYTD
S&P 500	4400.64	-0.02%	17.2%
Nikkei 225	27782.42	0.7%	1.2%
STOXX 600	462.85	0.2%	16.0%



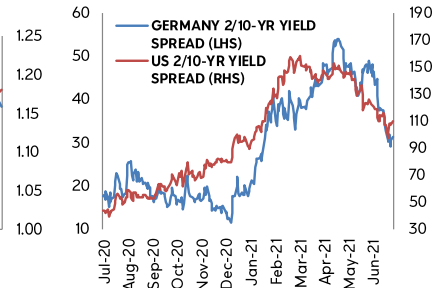
FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1868	0.2%	-2.9%
GBP/USD	1.3944	0.3%	2.0%
USD/JPY	109.82	0.1%	-6.0%



Government Bonds

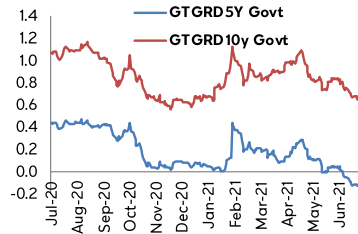
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.24	1	33
Bund-10yr	-0.46	-1	11
JGB - 10yr	0.02	0	0



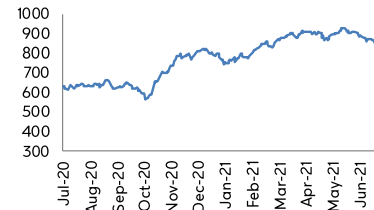
GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.16	0	-24
10Y Bond	0.61	-1	-2
Δ(10YBund-10YGGB)	1.06	0	-13



ATHENS GENERAL INDEX



EMERGING MARKETS

Stock markets

	Last	ΔD	ΔYTD
SOFIX	572.34	0.0%	27.9%
BELEX	775.66	-0.1%	361.3%
XU100	1375.37	1.1%	-686.3%

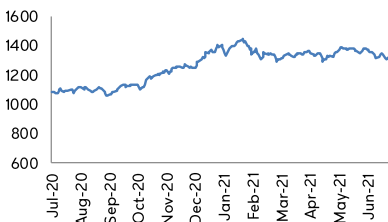
FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5851	0.3%	-0.5%
EUR/RSD	117.567	0.1%	0.1%
USD/TRY	8.5115	0.5%	-12.6%

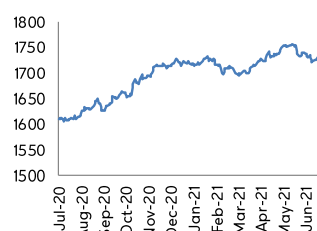
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.12	-7	71
BG BY yield	Invalid Security		
PL 10Y yield	1.67		

MSCI EM EQUITY INDEX



MSCI EM CURRENCY INDEX



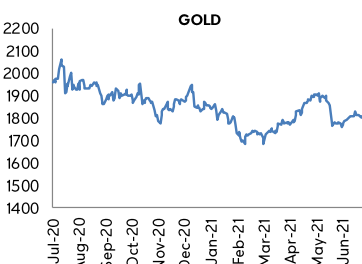
JPEMBI PLUS INDEX



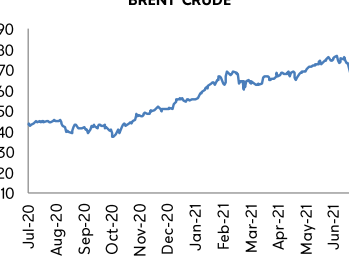
COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1819	0.7%	-4.2%
BRENT CRUDE	75	0.8%	45.5%
LMEX	4281	0.1%	25.4%

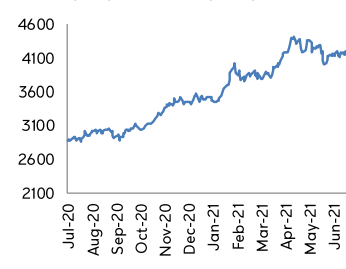
GOLD



BRENT CRUDE



LONDON METAL EXCHANGE INDEX



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