

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

August 30, 2021

Global Markets

In his long-awaited speech at the annual Jackson Hole Symposium on Friday, Fed Chair Jerome Powell repeated the message from the minutes of the July FOMC meeting that “if the economy evolved broadly as anticipated, it would be appropriate to start reducing the pace of asset purchases this year”, dismissing recent calls from a number of Fed officials for an imminent start of tapering. Besides the issue of tapering, the Fed Chair spent most of his speech highlighting the reasons why the recent increase in inflation is likely to prove “transitory”, with his overall tone being perceived by market participants as more dovish than expected. In reaction, global equity markets and 10-yr USTs firmed, while the USD lost some ground, with the EUR/USD approaching the 1.1800 area ahead of Friday’s US non-farm payrolls report for August.

Greece

A new bill to facilitate private and strategic investments was submitted for public consultation last week. The draft law provides for the consolidation of the existing provisions for strategic investments namely Laws 4608/2019 (A’ 66) and 3894/2010 (A’ 204) and includes improvement interventions aimed at the further attractiveness of the support schemes of Law 4399/2016 (A’ 117). The public consultation period expires on 9 September 2021. On the pandemic front, new cases amounted to 1,582 yesterday amid lower testing, with the positivity rate dropping to 2.8% against a 7-day average of 3.6%. Patients in ICU continue to rise standing at 334 yesterday against 318 one week earlier. Meanwhile, in order to boost vaccinations, unvaccinated workers in health facilities will be suspended as of 1 Sep.

CESEE

SERBIA: The dinar traded flat, hovering around 117.56/€ during the past week. The NBS had a passive stance overall. In the fixed income market, the sovereign yield curve was little changed in comparison to the previous week, with 4.5-year, 6.5-year and 11-year bond yields trading at 2.18%, 2.38% and 3.23%, respectively. In January-June 2021, gross salaries grew by 8.4% YoY in nominal and 6.0% YoY in real terms. In the same period, net salaries increased by 8.6% YoY in nominal and 6.2% YoY in real terms. At the meeting with social partners on Friday, the government maintained its proposal to increase the minimum wage by 9.4% in 2022, up to RSD 35,012, but also proposed a 0.5pp cut in social and health insurance contributions and a higher non-taxable income.

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GLOBAL MARKETS
Stock markets

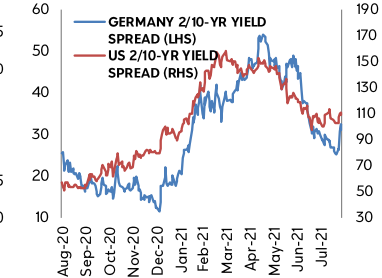
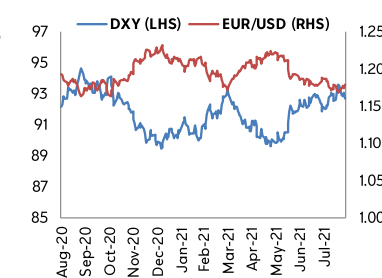
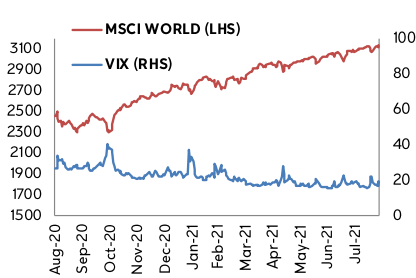
	Last	ΔD	ΔYTD
S&P 500	4509.37	0.88%	20.1%
Nikkei 225	27789.29	0.5%	1.3%
STOXX 600	472.34	0.4%	18.4%

FOREX

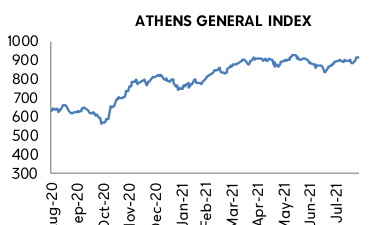
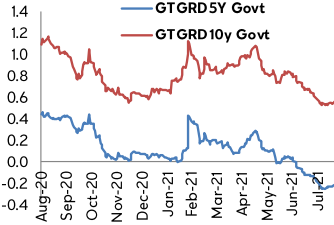
	Last	ΔD	ΔYTD
EUR/USD	1.1798	0.0%	-3.4%
GBP/USD	1.376	0.0%	0.7%
USD/JPY	109.79	0.0%	-6.0%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.30	-1	38
Bund-10yr	-0.42	0	15
JGB - 10yr	0.02	-1	0


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.10	0	-18
10Y Bond	0.69	0	7
Δ(10YBund-10YGGB)	1.11	0	-8


EMERGING MARKETS
Stock markets

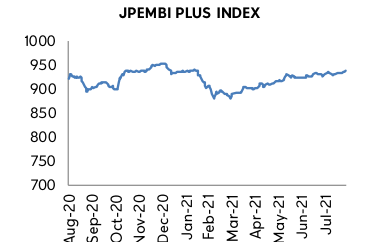
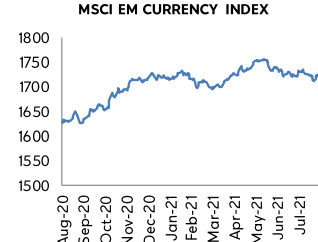
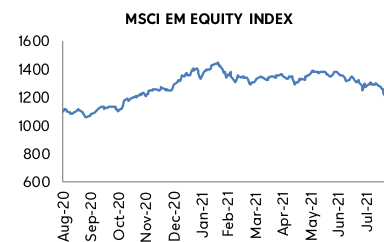
	Last	ΔD	ΔYTD
SOFIX	569.80	-0.3%	27.3%
BELEX	796.15	-0.5%	635.0%
XU100	1458.23	0.7%	-125.2%

FOREX

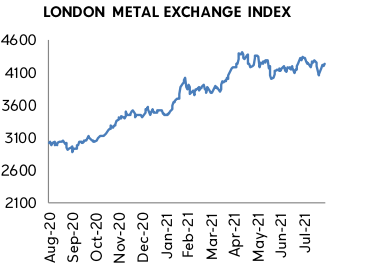
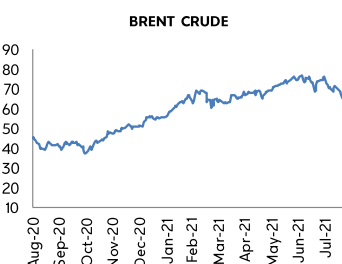
	Last	ΔD	ΔYTD
EUR/PLN	4.5759	0.0%	-0.3%
EUR/RSD	117.588	0.0%	0.0%
USD/TRY	8.3506	0.0%	-10.9%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.94	-10	53
BG 8Y yield	Invalid Security		
PL 10Y yield	1.78		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1814	-0.2%	-4.4%
BRENT CRUDE	73	-0.1%	40.2%
LMEX	4233	1.0%	24.0%



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