

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

January 19, 2021

Global Markets

Following the exit of Matteo Renzi's Italia Viva from Italy's coalition government last week, PM Giuseppe Conte won y-day a crucial vote of confidence in the 630-seat Chamber of Deputies. A more critical confidence vote will take place today in the Senate, as the outcome is more uncertain given that the government is short of a majority. Following Giuseppe Conte's victory, BTPs were firmer earlier today, with the 10-yr yield standing c. 2bps lower compared to Monday's close at around 0.59%, but still above the 0.47% multi-year low marked earlier this month as political uncertainty remains elevated. Elsewhere, risk-on sentiment prevailed earlier today following y-day's positive data from China, while the DXY index retreated from Monday's 90.951 one-month high ahead of today's Janet Yellen's confirmation as US Treasury Secretary.

Greece

According to the preliminary State Budget Execution data for January – December 2020, published y-day, the overall fiscal balance registered a deficit of €-22.81 bn, compared to a targeted deficit of €-24.32 bn as a result of the measures against the COVID-19 pandemic. The primary fiscal balance registered a deficit of €-18.20 bn, against a targeted deficit of €-19.62 bn. The deviation of the state budget net revenue was €0.91 bn (+2.0%) and was mainly due to the SMP & ANFA revenues received in early December in the context of the Enhanced Surveillance framework. The deviation of the budget expenditure from its targeted level was €-0.61 bn (-0.9%).

CESEE

CYPRUS: The volume of non-performing exposures (NPEs) decreased by €195mn in September, bringing the stock of NPEs at €6.3bn, which translates into a decline of 76.9% over the period from December 2014 to September 2020. The monthly decrease reflects loan repayments, including debt-to-asset swaps and loan write-offs as well as the positive migrations of loans, which have been successfully restructured and reclassified as performing at the end of the probation period. As a result, the NPEs ratio declined to 21.1%, in September down from 22.3% in June, 27.7% in March and 27.9% in December 2019. Factoring in December, tourist arrivals declined by 84.1% in FY2020 reaching 631,609 compared to 3,976,777 in FY2019. Similarly, tourism revenues collapsed by -85.1% YoY down to €376.3mn in Jan-Oct 2020.

Contributing Authors

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Theodoros Stamatiou
Senior Economist
tstamatiou@eurobank.gr

Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr

GLOBAL MARKETS
Stock markets

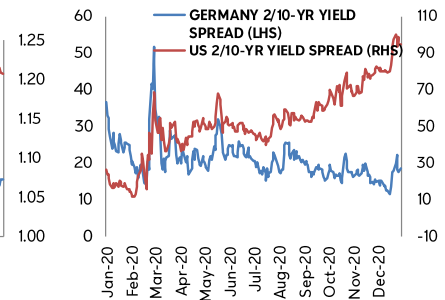
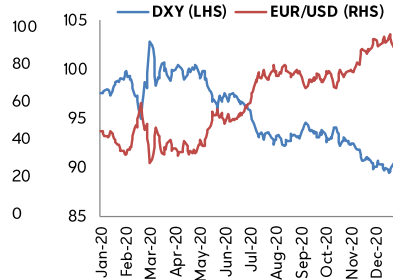
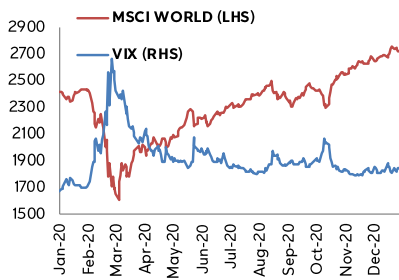
	Last	ΔD	ΔYTD
S&P 500	3768.25	-0.72%	0.3%
Nikkei 225	28633.46	1.4%	4.3%
STOXX 600	408.68	0.2%	2.4%

FOREX

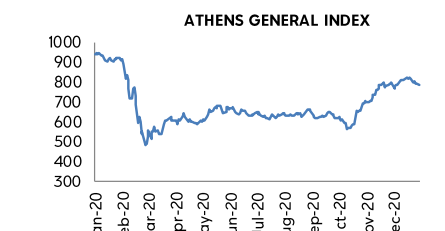
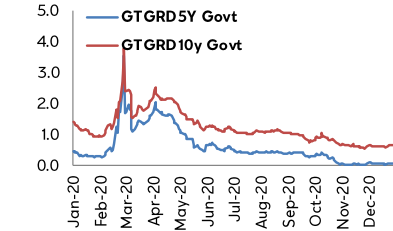
	Last	ΔD	ΔYTD
EUR/USD	1.2103	0.2%	-0.9%
GBP/USD	1.3603	0.1%	-0.5%
USD/JPY	104	-0.3%	-0.7%

Government Bonds

(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.11	3	20
Bund-10yr	-0.52	1	5
JGB - 10yr	0.06	0	4


GREECE
Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	0.07	0	0
10Y Bond	0.68	0	6
Δ(10YBund-10YGG)	1.19	0	0


EMERGING MARKETS
Stock markets

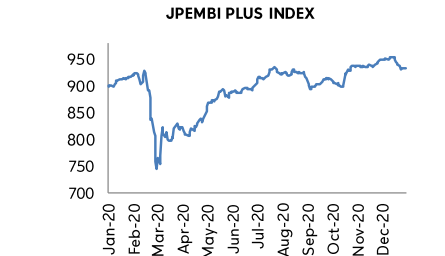
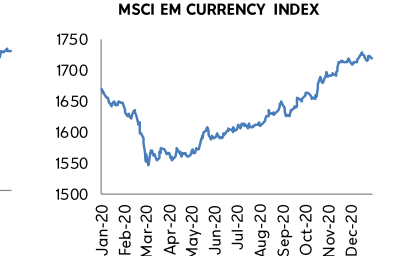
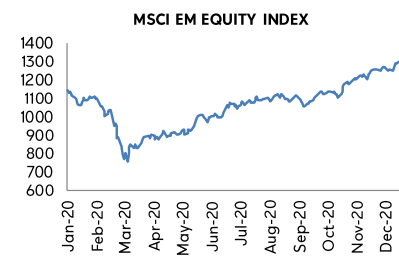
	Last	ΔD	ΔYTD
SOFIX	470.35	1.0%	5.1%
BELEX	732.33	-0.5%	-217.5%
XU100	1572.38	1.0%	647.8%

FOREX

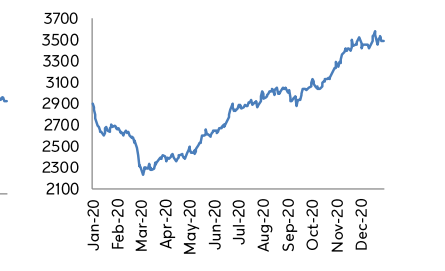
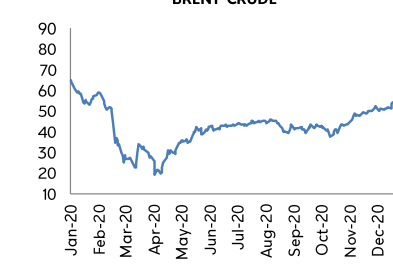
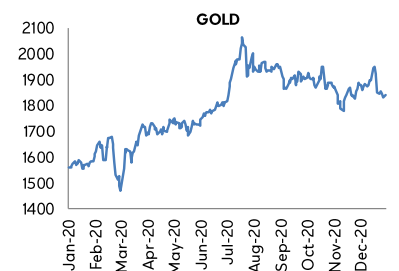
	Last	ΔD	ΔYTD
EUR/PLN	4.5306	0.2%	0.7%
EUR/RSD	117.595	0.0%	0.0%
USD/TRY	7.4574	0.3%	-0.2%

Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	5.74	-4	33
BG 8Y yield	Invalid Security		
PL 10Y yield	1.18		


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1838	-0.2%	-3.2%
BRENT CRUDE	55	0.9%	6.7%
LMEX	3484	-0.1%	2.0%



Research Team



Dr. Tasos Anastasatos | Group Chief Economist
tanastasatos@eurobank.gr | + 30 214 40 59 706



Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr
+ 30 210 37 18 793



Ioannis Gkionis
Senior Economist
igkionis@eurobank.gr
+ 30 214 40 59 707



Dr. Stylianos Gogos
Economic Analyst
sgogos@eurobank.gr
+ 30 210 37 18 733



Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 33 18 708



Olga Kosma
Research Economist
okosma@eurobank.gr
+ 30 210 37 18 728



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991



Dr. Theodoros Rapanos
Economic Analyst
v-trapanos@eurobank.gr
+ 30 214 40 59 711



Dr. Theodoros Stamatou
Senior Economist
tstamatou@eurobank.gr
+ 30 214 40 59 708



Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

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