ISSN: 2241-4851

Eurobank Research

EUROBANK

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

March 1, 2022

Global markets

As the Russian-Ukrainian conflict continues to drive the markets, the 10yr UST yield sank y-day closing at 1.8216% and moderately recovering to 1.8560% at the time of writing, while the 10yr Bund yield is losing ground today at 0.128% from 0.159% at y-day's close. Energy markets are still heavily impacted by the turmoil with Brent crude closing above USD100/bbl y-day for the first time since 2014 but pulling back today at USD99.60/bbl currently. On FX, EUR/USD was kept close to 1.1200 and GBP/USD remains almost unchanged at 1.3419, while USD/JPY is somewhat receding at 114.87 after rising near 115.80 at some point y-day. On monetary policy, Fed's Bostic says he favours a 25bps hike in March, dependent however on incoming data, while ECB's Panetta says ECB should take moderate and careful steps in adjusting policy.

Greece

The European Commission deems Greece ready to receive its first payment from NextGenerationEU, said yesterday European Commission President Ursula von der Leyen. Amounting to ca €3.6bn, the payment comprises grants of €1.72bn and low-interest loans of €1.85bn. According to ELSTAT, the overall industrial producer price index (PPI) increased by 4.0%MoM/31.6%YoY in Jan-22, climbing to its highest level in record. This hike was driven by PPI's two largest components: energy (+4.6%MoM/+61.5%YoY) and intermediate goods (+0.7%MoM/+10.1%YoY). Moreover, the Overall Volume Index in Retail Trade in Dec-21 increased by 19.4%YoY or by 0.8%MoM in seasonally adjusted terms; Clothing and footwear, Books, stationary, and other goods, and Pharmaceuticals and cosmetics categories led this increase.

CESEE

The final Q4-2021 GDP print for the Serbian economy came in at 7.0%YoY, slowing down from 7.6% YoY in Q3 and 13.6% YoY in Q2 and picking up from 1.5% YoY in Q1. The figure released yesterday, surpassed the recent flash estimate of 6.9%YoY, bringing the FY 2021 GDP growth print at 7.4%. In other news, Fitch Ratings affirmed Serbia's sovereign rating at BB+, which is a level below investment grade, and maintained the outlook stable. According to the agency, the rating is supported by a credible macroeconomic policy framework and prudent fiscal policy, as well as stronger governance and higher level of economic development compared with 'BB' medians. In Turkey, GDP rose by 9.1%YoY in Q4-2021, vs 7.5%YoY in Q3, 21.9%YoY in Q2 and 7.3%YoY in Q1, bringing the FY 2021 growth rate at 11%.

Contributing Authors:

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Dr. Theodoros Rapanos
Economic Analyst
trapanos@eurobank.gr

Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr

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

Dr. Stylianos Gogos
Research Economist
sgogos@eurobank.gr
+ 30 210 37 18 733

Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 40 63 453

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

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

Dr. Theodoros Stamatiou
Senior Economist
tstamatiou@eurobank.gr
+ 30 214 40 59 708

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

Περισσότερες εκδόσεις μας διαθέσιμες στην ηλεκτρονική διεύθυνση που ακολουθεί: https://www.eurobank.gr/en/group/economic-research
Εγγραφείτε ηλεκτρονικά, σε: https://www.eurobank.gr/el/omilos/oikonomikes-analuseis/forma-ekdilosis-endiaferontos
Ακολουθήστε μας στο twitter: https://twitter.com/Eurobank_Group
Ακολουθήστε μας στο LinkedIn: https://www.linkedin.com/company/eurobank