

GLOBAL & REGIONAL DAILY

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Global markets

Energy supply disruptions are at the forefront again as European buyers of Russian gas are faced with a deadline to start paying in roubles as of today. Meanwhile the International Energy Agency is expected to discuss today the release of strategic oil reserves, while the US is considering increasing oil supplies as of May. Against this background, oil prices are sliding further today with Brent futures currently c. 4% below **yesterday's close, at USD103.50/bbl**. Separately, the 2yr10yr UST yield spread stands at around 1.2bps at the time of writing, with several analysts however suggesting that the signal for a recession from a flattened yield curve is distorted by the massive bond purchases by the Fed. On economic data, focus today turns to US March unemployment rate and nonfarm payrolls and Euro area March flash HICP.

Greece

According to ELSTAT, the overall industrial producer price index (PPI) increased by 4.9%MoM/33.6%YoY in February, climbing to a new record high. **This hike was driven by PPI's two largest components: energy (+7.6%MoM/+60.3%YoY) and intermediate goods (+2.0%MoM/+10.7%YoY)**. On the debt front, the **Public Debt Management Agency (PDMA) raised €812.5mn** from 26-week T-bills, through a competitive auction on Wednesday. The amount raised included **non-competitive bids of €187.5mn and the yield was -0.20%**, increased from -0.40% in the corresponding previous sale in late February. **Wednesday's bids amounted to €1,056mn**, oversubscribing the initial offering 1.69 times.

CESEE

In the latest Regional Economic Update report released yesterday, the EBRD revised downwards its GDP growth forecast for the CESEE region in 2022 to 1.7% from 4.2% in November 2021, **as Russia's invasion to Ukraine is expected to have a profound impact on the regional economies as well as globally**. According to the Bank, inflationary pressures were already high before the war and will certainly keep intensifying, having a disproportionate effect on many lower-income countries. By breaking down the region into sub-groups, GDP in Central Europe and the Baltic states is expected to increase by 3.4% in 2022 and 4.2% in 2023. In the South-Eastern Europe GDP is expected to expand by 2.8% in 2022 and 3.9% in 2023, while the economic output in the Western Balkans is expected to grow by 3.2% in 2022 and 3.6% in 2023.

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