

GLOBAL & REGIONAL DAILY

April 5, 2022

Global markets

Amid the US and Europe considering more sanctions against Russia, the EUR slips against the USD hovering around 1.0970 at the time of writing, not far from y-day's 1.0959 one-week low. Oil prices inch up with Brent crude futures at USD109.38/bbl currently, up by 1.7% from y-day's close. Separately, as inflation rises and unemployment falls, the central bank of Australia opens the door to the first interest rate hike in more than a decade at its Board meeting earlier today, by abandoning a previous **commitment to remain 'patient'** on policy. Attention now turns to the release of the FOMC latest meeting minutes tomorrow, for signals for a 50bps hike in the coming months. The 2yr10yr UST yield curve remains inverted today at -2.5bps at the time of writing. On **economic data, several EU countries'** March services PMIs are due today.

Greece

According to ELSTAT, the seasonally adjusted (s.a.) overall volume index in retail trade in Feb-22 increased by 8.9%YoY against an increase of 19.6%YoY in Jan-22. Pharmaceuticals and cosmetics (+27.6%YoY), automotive fuel (+17.4%YoY) and books, stationary and other goods (+17.1%YoY) were the main store categories driving this increase. On a monthly basis, the s.a. overall volume index in retail trade in February decreased by 0.9% (+0.8% in January). On Greece 2.0, the Hellenic Development Bank of Investments (HDBI) will **manage €500mn of RRF funds**, which are expected to leverage total funds of over €2bn. The aforementioned resources will be channeled into projects that will increase the extroversion and competitiveness of the Greek economy.

CESEE

As March's **CPI prints keep** being released throughout the week, the pressure the region is under in terms of price increases remains unabated. In Turkey, headline inflation accelerated to a 20-year high of 61.1%YoY up from 54.4%YoY in February, while in Poland inflation rose to 10.9%YoY up from 8.5%YoY in February, reaching double-digit levels for the first time since the late 2000s. In other news, according to preliminary results, the senior ruling party SNS won the parliamentary elections held on April 3 in Serbia, while President Aleksandar Vucic won the presidential elections, being re-elected for a second five-year term in office. The re-election of incumbents suggests policy continuity in most areas, including the focus on large infrastructure projects and the reluctance to impose sanctions on Russia.

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