

GLOBAL & REGIONAL DAILY

December 5, 2022

Global markets

According to the non-farm payrolls report released on Friday, the US economy generated a higher-than-expected 263k new jobs in November, the unemployment rate remained unchanged at 3.7%, close to July's 50-year low of 3.5%, and average hourly earnings rose to 5.1%YoY from October's 4.9%YoY, supporting the view of a likely higher fed funds terminal rate than currently expected. In reaction, the DXY USD index gained ground, rising slightly above 105.50, before resuming its downtrend standing close to 104.50 in early European trade today, pressured by improved risk sentiment following news that China eased some COVID-19 restrictions across several cities. Amid hopes over increased demand from China, oil prices firmed, with Brent crude rising to \$87.60/bbl earlier today before moving close to \$86.50/bbl at the time of writing. OPEC+ nations decided over the weekend to keep production at current levels, as expected, while the EU agreed on Friday to cap the price of Russian crude at \$60/bbl, starting today.

Greece

According to the monthly labour force survey published by ELSTAT, the seasonally adjusted unemployment rate dropped to a 12.8-year low of 11.6% in October 2022 (12.0% in September 2022), from 13.3% in October 2021. For the 10-month period of January-October 2022, it stood at 12.6%, from 15.2% in January-October 2021. Employment retained its rising momentum, growing with an annual rate of 2.5% (99.9 k persons), while for the 10-month period of January-October 2022 it grew by 6.3%. From a growth accounting perspective, employment, as a factor of production, is expected to have a strong contribution to the FY-2022 real GDP growth rate (6.0% according to the EC's autumn economic forecast). Finally, on Wednesday, ELSTAT is scheduled to publish the national accounts for Q3 2022. Soft data as the ESI and the PMI manufacturing, have deteriorated in Q3 2022, while hard data as the industrial production index and the retail volume index have improved. In Q2 2022 real GDP growth was solid at 1.2% QoQ / 7.7% YoY.

CESEE

Reportedly, Bulgarian President Rumen Radev will officially hand the government mandate to GERB today. The President gave two months' time for internal stirring among the winning political parties to agree over a coalition government. As negotiations have not borne fruits yet, the first mandate will be handed to GERB - the party that came first in the October 2 elections - but chances for the political deadlock to end are rendered slim and most probably a second mandate to WCC, the second winning party will likely follow. Taking a glance at the whole region, this week's calendar is rather hefty with hard data releases, while market attention will focus on the Polish and the Serbian CB's meetings on Wednesday and Thursday respectively. Finally, tomorrow, the Serbian government will reopen a Feb 6 2018 series offering RSD3,17bn in 10 year sovereign bonds that carry a 5.875% annual coupon and mature on Feb 8 2028.

Contributing Authors:

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Dr.Stylios Gogos
Research Economist
sgogos@eurobank.gr

Maria Kasola
Research Economist
mkasola@eurobank.gr

Research Team



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



Dr. Stylianos Gogos
Research Economist
sgogos@eurobank.gr
+ 30 214 40 63 456



Maria Kasola
Research Economist
mkasola@eurobank.gr
+ 30 214 40 63 453



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 214 40 63 455



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



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



Michail Vassileiadis
Research Economist
mvassileiadis@eurobank.gr
+ 30 214 40 59 709

More available research at: <https://www.eurobank.gr/en/group/economic-research>
Subscribe electronically at: <https://www.eurobank.gr/el/omilos/oikonomikes-analuseis/forma-ekdilosis-endaferontos>
Follow us on twitter: https://twitter.com/Eurobank_Group
Follow us on LinkedIn: <https://www.linkedin.com/company/eurobank>

DISCLAIMER

This report has been issued by Eurobank S.A. ("Eurobank") and may not be reproduced in any manner or provided to any other person. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell the securities mentioned herein. Eurobank and others associated with it may have positions in, and may effect transactions in securities of companies mentioned herein and may also perform or seek to perform investment banking services for those companies. The investments discussed in this report may be unsuitable for investors, depending on the specific investment objectives and financial position. The information contained herein is for informative purposes only and has been obtained from sources believed to be reliable but it has not been verified by Eurobank. The opinions expressed herein may not necessarily coincide with those of any member of Eurobank. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility or liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank or any of its directors, officers or employees. Any articles, studies, comments etc. reflect solely the views of their author. Any unsigned notes are deemed to have been produced by the editorial team. Any articles, studies, comments etc. that are signed by members of the editorial team express the personal views of their author.

