

GLOBAL & REGIONAL DAILY

September 6, 2022

Global markets

European benchmark gas prices were lower today, with the Dutch TTF one-month forward standing at €230 per megawatt-hour at the time of writing following a one-week peak at €284 on Monday after a Russian spokesperson indicated that gas supplies via the Nord Stream 1 pipeline would not resume until the "collective West" lifts sanctions. Oil prices also gave back some of Monday's gains, with Brent crude hovering around \$95/bbl in early European trade, down from a session peak close to \$97/bbl yesterday, on news that the OPEC+ group decided to reverse the September output increase and cut production by 100k barrels per day in October. Turning to markets, Asian bourses were firmer today following Chinese officials' pledge to speed up stimulus efforts to support the economy, European government bonds remained under pressure as the recent intensification of the energy crisis prompted a hawkish shift in ECB rate tightening expectations and the EUR/USD climbed back above 0.9950 ahead of Thursday's ECB policy meeting.

Greece

Tomorrow 7/9/2022 ELSTAT is scheduled to announce the national accounts for Q2 2022. Greece's economy proved to be resilient during the first inflationary wave in Q1 2022 (HICP at 6.6% YoY) registering a strong growth rate of 2.3% QoQ / 7.0% YoY versus 0.5% QoQ / 5.4% YoY in the Euro Area. The steep acceleration of the inflation rate (HICP at 10.4% YoY) and the fade out of the base effects of the 2nd lockdown, constitute downside risks for the Q2 2022 results. A number of high frequency indicators including the economic sentiment index, the PMI manufacturing index, the volume of sales in trade and the industrial production index, point towards a deceleration of the economy in Q2 2022. On the other hand, the government's measures against the energy crisis, the strong tourism season and the credit expansion from domestic MFIs supported the economy in Q2 2022.

CESEE

The CPI inflation in Turkey accelerated to 80.2%YoY in August from 79.6%YoY in July. However, the print undershot market forecasts for above 81%YoY and the 1.5% MoM increase was the smallest since the currency crisis of late 2021. Price developments in transportation, led by hikes in energy prices, household equipment, as well as food and non-alcoholic beverages, pushed the price index up on an annual basis. Looking forward, high inflation is expected to be sustained by the new increases in electricity and gas prices announced last week (20% and 20.4% respectively for households). In other news from the region, retail sales growth was published yesterday in Hungary (4.3%YoY), Romania (3.4%YoY) and Slovakia (1.2%YoY), and the growth dynamics moderated compared to June's numbers (4.5%, 4.3% and 1.5% on annual terms respectively).

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