

# GLOBAL & REGIONAL DAILY

December 7, 2022

## Global markets

Asian bourses ended mostly lower today, tracking Wall Street's lackluster performance overnight, as China's announcement over a significant loosening of Covid restrictions was more than offset by rising global growth concerns after solid US services ISM data earlier this week reinforced expectations of higher Fed rates for longer. China's poor trade data earlier today showing that both imports and exports recorded in November the biggest monthly drop in near two years, might also weighed on risk sentiment. The prospect of weakening global demand led to a further drop in oil prices, with Brent crude falling close to \$79/bbl for the first time since early January, standing just 2.1% higher on a YTD basis. Against this backdrop, sovereign bond markets advanced on both sides of the Atlantic, and the USD was broadly firmer, with the DXY index rising back above 105.50. In other news, the Democrats won Georgia's runoff election yesterday, which means that they now have a narrow 51-49 majority in the Senate.

## Greece

The Eurogroup meeting on December 5th, 2022, marked the end of an era for the Greek economy. Based on the progress made from May 2022 onwards with respect to the implementation of reforms, the Eurogroup approved the last transfer of SMP-ANFA income equivalent amounts, the reduction to zero of the step-up interest margin on certain EFSF loans H2:2022, and the reduction to zero of the step-up margin from 2023 onward. The approval of the Eurogroup was the last remaining item in the context of the Enhanced Surveillance that officially terminated in August 2022. In other news, according to the General Government data for October 2022, the total arrears to the private sector stood at €2.49 bn registering a monthly increase of 5.7%, including the liabilities of the health sector suppliers (rebate and clawback) that have not been settled yet; the settlement of this amount is expected to reduce the total arrears.

## CESEE

As scheduled, Serbia's Ministry of Finance raised yesterday the targeted amount of RSD3.2bn in 10-year bonds maturing on Feb 8 2028, by reopening a February 2018 bond series. Investors placed bids reaching RSD7.8bn, overcovering the auctioned amount with the issued notes bearing an annual 5.875% coupon and being sold at an average yield of 6.75%, which is somewhat lower compared to the 6.80% yield achieved at the identical Oct 4 auction. With the said auction being the last of 2022, the annual borrowings stand substantially below the RSD300bn target and this is broadly explained by the high borrowing costs that have impelled the Serbian government to explore alternative financing options such as the Standby Facility of RSD2.4bn by the IMF and the smaller scale loan of RSD1bn by the UAE.

## Contributing Authors:

**Paraskevi Petropoulou**  
Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)

**Dr.Theodoros Stamatiou**  
Senior Economist  
[tstamatiou@eurobank.gr](mailto:tstamatiou@eurobank.gr)

**Maria Kasola**  
Research Economist  
[mkasola@eurobank.gr](mailto: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-entiaferontos>  
**Follow us on twitter:** [https://twitter.com/Eurobank\\_Group](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.

