

GLOBAL & REGIONAL DAILY

December 14, 2022

Global markets

According to yesterday's US data, both core and headline CPI surprised to the downside in November for the second consecutive month. In detail, headline CPI rose by 0.1%MoM, the smallest monthly gain in 15 months, with the annual rate decelerating for a fifth consecutive month to 7.1% from 7.7% in October. Core CPI rose by 0.2%MoM from 0.3%MoM in the prior month, taking the annual rate down to 6.0% from 6.3%. Core goods prices continued to decelerate, falling by 0.5%MoM following October's 0.4%MoM decline, and core services inflation, instead, continued to rise steadily, mainly on the back of shelter inflation, though by a slower pace of 0.4%MoM compared to 0.5%MoM in the prior month. In reaction to the weaker than expected US CPI data ahead of today's Fed monetary policy decision, US Treasuries rallied amid reduced Fed rate tightening expectations (the terminal fed funds rate pricing fell to 4.85%). Risk sentiment improved and the DXY USD index fell sharply, briefly marking a five-month low below 103.60.

Greece

According to press reports, the share of Russian gas to domestic consumption was almost zero in November 2022, while in the 11-month period of January-November 2022 fell to 14.4% from 40.4% in January-November 2021. The imports of Russian gas for domestic consumption decreased by 68.4% YoY to 8.12TWh and the imports of LNG from the Revithoussa LNG terminal increased by 56.5% YoY to 34.14 TWh in January-November 2022. In other news, passenger traffic in the 14 regional airports managed by Fraport, Greece hit a record high in January-November 2022 with approximately 30.5 passengers, posting an increase of 3.6% compared to the respective period of the pre-pandemic year of 2019. The strongest rebounds relative to 2019 were recorded in the airports of Aktion (23.6%), Santorini (19.7%), Skiathos (14.6%), Corfu (14.5%), Mykonos (11.0%), Kefalonia (5.6%), Zakynthos (5.1%) and Kos (4.3%).

CESEE

In Serbia, inflation increased by a tad to 15.1%YoY in November compared to 15.0%YoY in October while on a monthly basis the prices increase decelerated to 1.0% from 1.9% in the previous month. The main upward pressure on the annual headline index came from utility-related prices, as they increased by 18.4%YoY in November vs 17.9%YoY a month ago. The rattling trajectory of inflation did not stop the S&P ratings agency from affirming Serbia's BB+ sovereign credit rating and keeping the country's outlook stable. The agency forecast GDP growth to slow down to 2.1% in 2023 from 2.5% in 2022 with fiscal and current account deficits remaining elevated. Towards that end, the €2.4bn IMF agreed facility was cited, in the rating release, as supportive to fiscal and external financing needs while providing an anchor for policy prudence and reforms.

Contributing Authors:

Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr

Dr. Stylianos 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-endiaferontos>
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.

