

GLOBAL & REGIONAL DAILY

February 15, 2022

Global Markets

St. Louis Fed President James Bullard, stated in an interview y-day that the planned tightening needs to be front-loaded with 100bps of rate increases until July 1st, as inflation has repeatedly surprised to the upside, adding that this can be done in an organised way that is not disruptive to markets. The hawkish tone from the Fed official drove the 2s10s yield spread to 41bps, the flattest since Aug-20. Separately, oil prices hit 7-year highs y-day, fueled by Russia's troop buildup near Ukraine, with Brent crude surpassing USD96/bbl, while today prices have slightly eased trading at USD95.59/bbl at the time of writing. On economic data, the UK unemployment rate stood at 4.1% in the three months to Dec-21, unchanged from the previous three-month period, while HICP in Spain rose slightly to 6.2%YoY in Jan-22, from 6.1% in Dec-22.

Greece

Greece's **ranking in the digital maturity index** improved by two places last year, according to the relevant index compiled by SEV (SEV Digital Maturity Index), with Greece ranking 25th among the EU countries. In other news, Finance Minister Christos Staikouras stated in an interview that Greece will repay the final tranches of bailout loans owed to the IMF by the end of March, two years ahead of schedule. Finally, Fitch Ratings revised gross financing needs (GFNs) for the Greek sovereign, pointing to lower GFNs in the next four years (cumulatively 4.5% of GDP). This revision also reflects repayments of outstanding IMF loans and prepayments of 2022 and 2023 installments of the Greek Loan Facility, amounting to 3.8% of forecast GDP.

CESEE

Regional markets **resumed yesterday's session with losses** amid mounting concerns over an escalation in the Russia – Ukraine jitters. Local currencies such as the Polish zloty, the Czech crown and the Hungarian forint, retreated against the Euro close to 1% with the Romanian leu and the Serbian dinar remaining less affected. On local equity markets, all major bourses concluded the day in the red with the Polish WIG sliding the most (-3.24%), also affected by current account data released on the day pointing to the biggest deficit in record. Sovereign bonds came under pressure as well with yields in the 2-, 5- and 10-year papers of Poland and the Czech Republic spiking notably. **So far on today's** trade, local markets are moving adrift looking for direction, waiting, most probably, news on the Russian – Ukrainian front.

Contributing Authors:

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr

Maria Kasola
Economic Analyst
mkasola@eurobank.gr

Research Team



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



Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr
+ 30 210 37 18 793



Dr. Stylianos Gogos
Research Economist
sgogos@eurobank.gr
+ 30 210 37 18 733



Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 210 33 18 708



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991



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



Elia Tsiampaou
Economic Analyst
etsiampaou@eurobank.gr
+ 30 214 40 59 712

Περισσότερες εκδόσεις μας διαθέσιμες στην ηλεκτρονική διεύθυνση που ακολουθεί: <https://www.eurobank.gr/en/group/economic-research>
Εγγραφείτε ηλεκτρονικά, σε: <https://www.eurobank.gr/el/omilos/oikonomikes-analuseis/forma-ekdilosis-endiaferontos>
Ακολουθήστε μας στο twitter: https://twitter.com/Eurobank_Group
Ακολουθήστε μας στο 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.

