

GLOBAL & REGIONAL DAILY

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Global Markets

Taking into consideration that the last FOMC meeting took place before the latest inflation figures, the minutes from the meeting that were released y-day did not provide new information about the pace and size of future rate hikes. 10yr UST yields hit a session peak of 2.0650% y-day and the 2yr10yr steepened to 51bps, marking the second time since the beginning of the year that the curve steepens for two sessions in a row. At the time of writing, UST 10yr yields trade lower recording a session low of 1.9620% earlier today, while 10yr Bund yields are also lower today, trading currently close to 0.260%. Separately, latest releases for Jan-22 paint a solid picture for the US economy as retail sales increased by 3.8%MoM / 13%YoY climbing to record-high levels of USD649.8bn, while industrial production rose by 1.4%MoM / 4.1%YoY.

Greece

According to the ELSTAT Labour Force Survey, the seasonally adjusted unemployment rate in Dec-21 retreated to 12.8% compared to the downwards revised 15.5% in Dec-20 and to the upwards revised 13.4% in Nov-21, bringing the year-to-Dec 2021 average unemployment rate to 14.8%. Separately, according to the preliminary data of the State Budget execution on a modified cash basis, the state budget balance in Jan-22 recorded a deficit of €1,196mn, against a target of a deficit of €2,243mn incorporated in the 2022 Budget introductory report and a deficit of €1,561mn for the same month of 2021. The State Budget Primary Balance registered a surplus of €17mn, against a primary deficit target of €1,145mn and a primary deficit of €1,473mn in the same month of the previous year.

CESEE

According to the official flash estimate released yesterday, Bulgaria's GDP growth rate came in at +4.5% YoY in Q4 compared to +5.0% YoY in Q3 and +7.30% YoY and -1.40% YoY in Q2 and Q1 respectively. Assuming that the preliminary figure due on March 9 verifies the flash estimate, GDP in 2021 expanded by +3.9% after contracting by -4.4% in 2020. In other news, the Monetary Policy Committee of the Central Bank of Turkey convenes later in the day and markets broadly expect the one week repo rate to remain unchanged at 14% for a second month in a row, following the persistent pressure on the local currency caused by the spiraling inflation, which reached at 48.7% YoY in January from 36.1% YoY in December.

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