

# GLOBAL & REGIONAL DAILY

July 18, 2022

## Global markets

US nominal retail sales increased by a higher than expected 1.0%MoM in June, followed by May's 0.2ppts upwards revised figure to -0.1%MoM. But this positive surprise was partially offset by real retail sales which dropped in June for the second consecutive month (-0.3%MoM). Separately, IP fell by a slightly higher than anticipated -0.2%MoM in June driven by a -0.5%MoM decline in manufacturing production, while the July headline of the Empire State regional manufacturing survey surprised positively, rising from -1.2 in June to +11.1. Turning to the preliminary University of Michigan survey for July, the headline consumer sentiment index increased to 51.1 from June's 50.0 record low, and long-term inflation expectations fell from 3.1% to a one-year low of 2.8%, suggesting that inflation expectations remain well anchored. Turning to markets, yields of USTs and Bunds were below recent highs amid concerns over the global growth outlook, while the EUR gained some ground ahead of Thursday's ECB policy meeting where the Central Bank is expected to deliver the first-rate hike in more than a decade and announce a new anti-fragmentation tool.

## Greece

According to ELSTAT, the turnover for the enterprises of the economy as a whole, obliged to double-entry accounting bookkeeping, for which data are available on a monthly basis, amounted to €30.6bn in May, recording an increase of 51.8% YoY. The biggest annual increase in turnover was recorded by the enterprises of the section Accommodation and Food Service Activities (+242%). On privatisations, the HRADF announced on Friday the launch of an international tender for the exploitation of the former Markopoulo Olympic Equestrian Center, Attica, where the equestrian events were held during the 2004 Olympic Games. Finally, according to the Alternate Minister of Finance Theodoros Skylakakis, the absorption of "Greece 2.0" resources already exceeds €1.2bn, of which €306mn in 2021 and €900mn by the end of June.

## CESEE

The Serbian dinar continued to fluctuate, reaching temporarily an eight-year high against the Euro during the previous week, before returning within the range of 117.33 – 117.38. In the fixed income market, the sovereign yield curve remained almost unchanged in comparison to the previous week, with the 4-year, 6-year and 11-year bonds' yields traded at 6.20%, 6.60% and 7.00%, respectively. In other news, the region continues to face persistently high inflationary pressure, as June's CPI prints keep being released. More specifically, the headline inflation in Bulgaria accelerated to 16.9% YoY, up from 15.6% YoY in May, on the back of speeding increase in food and fuel prices. In Poland, the final inflation print came in at 15.5% YoY, slightly lower than the recent flash estimate of 15.6%, but still hitting its highest level since March-97.

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