

GLOBAL & REGIONAL DAILY

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Global markets

On economic activity data, the US housing market shows signs of cooling with housing starts in April falling by -0.2%MM (+14.6%YY) from +0.3%MM in March and building permits by -3.2%MM (+3.1%YY) from +0.3%MM in March. Meanwhile, according to the Global Supply Chain Pressure Index (GSCPI) released yesterday by the NY Fed, between Dec-21 and Mar-22, global supply chain pressures eased, though they remained at very high levels historically. However, the Apr-22 reading suggests a worsening of conditions as renewed strains emerge in global supply chains. On FX, the dollar keeps yesterday's gains against the euro and the sterling, with the EUR/USD at 1.0471 at the time of writing, not far from yesterday's close of 1.0466 and the GBP/USD at 1.2347 from 1.2338 yesterday. On latest FedSpeak, statements by Fed officials (Evans and Harker) in the past two days suggest that there may be an inclination for more "measured" tightening after the expected July hike.

Greece

According to the ELSTAT labour force survey, the seasonally adjusted unemployment rate in Mar-22 retreated to 12.2% compared to 16.8% in Mar-21 and to the downwards revised 12.7% in Feb-22. On reforms, two draft laws have been tabled to Parliament, namely the first Climate Law, which sets the framework for gradually reducing greenhouse gases and achieving carbon neutrality by 2050 and the "Incentives for Business Development, Through Partnerships and Corporate Transformations" draft law, which foresees various tax incentives for the mergers and collaborations of small and medium enterprises, including 30% income tax exemption for up to 9 years and tax exemption on income from goodwill on the transfer of fixed assets.

CESEE

CYPRUS: Real GDP on a seasonally adjusted basis expanded by 0.7%QoQ in Q1-2022, growing by the same rate as in Q4-2021. The quarterly growth translates into annual growth rates of +5.6% in Q1-2022, down from +5.9% in Q4-2020, +5.7% in Q3 and +13.3% in Q2. It is noted that according to the Ministry of Finance, GDP growth is expected at 2.7% in 2022, slightly higher than the latest EC Spring economic forecast (2.3%). Meanwhile, the annual inflation rate measured by the HICP accelerated to +3.1%MoM/+8.6%YoY in April, compared to +1.8%MoM/+6.2%YoY in March, bringing the year-to-April performance at 6.4%YoY. The biggest increases on an annual basis were observed in the categories of Housing, Water, Electricity, Gas and Other Fuels (20.9%YoY), Transport (17.5%YoY) and Food and Non-Alcoholic Beverages (12.0%YoY).

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