

# GLOBAL & REGIONAL DAILY

September 22, 2022

## Global markets

The Fed unanimously decided to deliver its third straight 75bps rate hike, as was expected, taking the target range for the federal funds rate to 3.00-3.25%. The policy statement was little changed compared to that in July, while Chair Jerome Powell retained a hawkish tone at the subsequent press conference, reiterating that the Fed remains strongly committed to bringing inflation back to target. Reflecting the Fed's resolve to restore price stability, the updated dot plot was revised up significantly, pointing to a more aggressive rate path. The median fed funds projection for 2022 was taken to 4.4% (from 3.4%) and for 2023 to 4.6% (from 3.8%), while for 2024 and 2025, median dots signaled modest rate easing, with the fed funds rate, though, remaining firmly in restrictive territory. In reaction, the 2-yr UST yield rose above 4.0% for the first time since 2007, risky assets came under pressure and the USD rallied, also favored by fears over a further escalation of the Ukraine war, pushing the EUR/USD below 0.99 for the first time since 2002.

## Greece

The tourism sector in Greece proves to be a key pillar for the FY-2022 real GDP growth rate. According to the national accounts (source: ELSTAT), real exports of services increased by 22.8% YoY and 47.4% YoY in Q1 2022 and Q2 2022 respectively. Based on turnover data, the strong recovery of the Greek tourism sector continued in Jul-22. More specifically, the turnover for the enterprises in accommodation and food and beverage service activities increased by 55.1% YoY in Jul-22 (source: ELSTAT). During the same month, travel receipts and traveller flows surged by 62.7% YoY and 87.3% YoY respectively (source: BoG). In other news, the Greek Minister of Finance Mr. Christos Staikouras stated in the parliament that the government's total measures against the energy crisis stand at €12.4 bn (€9.8 bn for subsidizing the electricity and natural gas bills of households and firms).

## CESEE

According to data released early this week, tourist arrivals in Cyprus were 40.2% higher YoY in August, with the increase easing from 52.9%YoY in July, whereas the hysteresis compared to 2019 stood at 18.5%. During the January-August period, the average increase in tourist arrivals on an annual basis reached 121.5%, with the average lag compared to 2019 at 22.2%. The lack of tourists from Russia, who held the second highest share in tourist arrivals to Cyprus in the previous years, was partially offset by tourists from Poland (121.9 thousand in January-August, 151.9% of the FY2019 level) Germany (118.6 thousand and 78.3% respectively), Denmark (41.0 thousand, 101.1%), France (34.1 thousand, 109.6%), Slovakia (31.6 thousand, 96.1%) and the United Kingdom (827.1 thousand, 62.2%). Arrivals from Russia in January-August 2022 were just at 3.4% of their 2019 level.

## Contributing Authors:

**Paraskevi Petropoulou**  
Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)

**Dr.Stylianios Gogos**  
Research Economist  
[sgogos@eurobank.gr](mailto:sgogos@eurobank.gr)

**Michail Vassileiadis**  
Research Economist  
[mvasileiadis@eurobank.gr](mailto:mvasileiadis@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-endarferontos>  
**Follow us on twitter:** [https://twitter.com/Eurobank\\_Group](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.

