

GLOBAL & REGIONAL DAILY

April 26, 2022

Global markets

The dollar maintains its safe-haven appeal on concerns about the economic impact of China's Covid-19 lockdowns and ongoing Ukraine war, and after hitting a two-year high of 101.9 earlier today, the USD index hovers around 101.7 at the time of writing. The sterling dropped to 1.2694 against the dollar yesterday – a low since September 2020 – recovering some ground today at 1.2723 at the time of writing. Meanwhile, oil steadies today, recovering some of yesterday's losses with Brent crude futures currently at USD103.05/bbl after a drop to USD99.48/bbl in yesterday's session, the first time it fell below USD100/bbl in more than two weeks. On economic data, focus today turns to US March building permits, new home sales and April CB's consumer confidence.

Greece

According to ELSTAT, the General Government (GG) budget deficit in ESA 2010 terms, decreased to 7.4% of GDP in 2021 from 10.2% in 2020 (5.0% of GDP from 7.2% excluding interest). This better-than-expected improvement on the fiscal front came from the expenditure side, with GG expenditure dropping to 56.9% of GDP in 2021 from 59.9% in 2020, while GG revenue decreased marginally to 49.4% of GDP in 2021. Despite the relatively high GG primary deficit, the steep widening of the interest rate – growth differential (nominal GDP growth at 10.6%) led to a reduction of the debt-to-GDP ratio to 193.3% from a record high of 206.3% in 2020. In other news, last Friday, S&P upgraded Greece's credit rating to BB+ from BB, i.e. one notch below investment grade, with a positive outlook.

CESEE

No major developments in the region have been taking place nor have key economic data been released in the last few days amid the break for the Orthodox Easter with many regional markets under our microscope reopening today after Thursday's close. This week's calendar is filled with unemployment data in Poland and Hungary while, later in the day, the Central Bank of Hungary convenes for a monetary policy meeting. Market consensus is for an additional hike which will bring the Key Policy Rate (KPR) at 5.40% as inflation kept increasing to 8.5%YoY in March from February's 8.3%YoY, marking the highest rate since June 2007. The week will conclude with the Czech Republic being the first to publish the Q12022 GDP growth flash estimate.

Contributing Authors:

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Dr. Stylianos Gogos
Research Economist
sgogos@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
+ 30 214 40 63 438



Dr. Stylianos Gogos
Research Economist
sgogos@eurobank.gr
+ 30 214 40 63 456



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



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.

