

GLOBAL & REGIONAL DAILY

January 31, 2022

Global Markets

On economic data, the Economic Sentiment Indicator (ESI) for the EU and the EA eased further in Jan-22, standing at 111.6 and 112.7 respectively, remaining however, in both regions above the 12-month MA. The Employment Expectations Indicator (EEI) also decreased slightly in the EU (-0.5pts to 113.1) and the EA (-0.2pts to 113.3). In the major EA economies, the ESI came in as follows: Germany 112.3 (+0.8pts), France 110.9 (-2.8pts), Italy 110.6 (-6.1pts) and Spain 108.9 (+0.6pts). Meanwhile, Spanish Q42021 real GDP increased by 2%QoQ / 5.2%YoY, from 2.6%QoQ / 3.4%YoY in the previous quarter. The annual increase came primarily from services that contributed 7.5pps and less so by industry that contributed 1.2pps, while the primary sector and construction had a negative contribution, albeit a milder one compared to the previous quarter.

Greece

The Economic Sentiment Indicator (ESI) increased in Jan-22 to a more than a 21-year high of 114.2 from 110 in Dec-20, contrary to the decreases of the ESI in the EU-27 (-1.4pts) and the EA (-1.1pt). The increase was driven by an amelioration of expectations in industry (+5.7pts), services (+1.9pts) and among consumers (+1pts), while confidence fell in retail (-7.9pts) and building activity (-7.8pts). Meanwhile, according to the **BoG, the stock of private sector deposits maintained its upward trend, reaching €180bn in Dec-21 - the highest level since Sep-11 - up from €175.7bn in Nov-21 and €163.2bn in Dec-20.** The monthly net flow of credit to the private sector was positive by €1.8bn, compared to a positive net flow of €470mn in Nov-21, with the monthly net flow of credit to corporations at +€1.8bn compared to +€538mn in Nov-21.

CESEE

Based on official statistical data released on Friday, Bulgaria's business climate indicator improved in January on a monthly basis due to increases in the industry, construction and retail trade indicators. On a more forward looking note, the Vienna Institute for International Economic Studies (wiiw) increased its 2021 CESEE growth forecast but lowered its predictions for 2022 and **2023 as the region's economic growth is expected to slow down amid, inter alia, the withdrawal of the economic support against the pandemic at play in the past two years.** Wiiw raised its 2021 forecast of average growth in the region from 5.4% in October to 5.7% but has lowered the 2022 forecast from 3.7% to 3.2%. The 2023 forecast has been cut to 3.0% from 3.5%.

Contributing Authors:

Anna Dimitriadou
Economic Analyst
andimitriadou@eurobank.gr

Elia Tsiampaou
Economic Analyst
etsiampaou@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
+ 30 210 37 18 793



Dr. Stylianos Gogos
Research Economist
sgogos@eurobank.gr
+ 30 210 37 18 733



Maria Kasola
Economic Analyst
mkasola@eurobank.gr
+ 30 214 40 63 453



Paraskevi Petropoulou
Senior Economist
ppetropoulou@eurobank.gr
+ 30 210 37 18 991



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.

