

GLOBAL & REGIONAL DAILY

December 1, 2023

Global markets

Bonds fell on Thursday, giving back a small part of their gains on the last day of a month that overall has seen them rise the most since 2008. The yield on 10yr USTs rose 7bps to close at 4.33% after comments by New York Fed President John Williams that he expects monetary policy to remain restrictive for some time. Treasuries stayed down despite October PCE deflator data coming in lower than expected and continuing jobless claims coming in higher. The 10yr yield rose another 1bps in early trading this morning ahead of comments by Fed Chair Jerome Powell, which will cap a heavy week of Fed speak, that drove the last leg of November's rally, before the central bank goes into its quiet period. Despite Thursday's losses, the yield on 10yr USTs fell 60bps overall last month. Meanwhile, Brent crude dropped 0.7% today after the OPEC+ meeting decided on 900kbl/d of "voluntary" production cuts for Q1 2024, on top of an existing reduction of 1,300kbl/d by Saudi Arabia and Russia, reflecting market scepticism that members will stick to their quotas.

Greece

According to ELSTAT's monthly Labour Force Survey (LFS), Greece's seasonally adjusted unemployment rate fell to 9.6% in Oct-23, down from 10.3% in Sept-23, marking the first time it dipped below 10% since August 2009 at the onset of the Greek sovereign crisis. On a monthly basis employment decreased by 1.3% (55.4k persons), while unemployment decreased by 5.9% (28.4k persons). On an annual basis, the unemployment rate was down by 2.2 percentage points (a 17.9% decrease or 98.6k persons), with employment increasing by 3.5% (145.4k persons). The participation rate saw a slight uptick to 60.5% in Oct-23, from 60.2% in Sept-23, it was up by 0.8 percentage points compared to Oct-22. According to the European Commission's Autumn forecast the unemployment for 2023 is expected at 11.4% (the 10-month average is at 11.0%). Fitch is expected to announce its credit rating for Greece today. An upgrade to investment grade, such as that of received by S&P in October 2020, is expected to expand Greece's bond investor base.

CESEE

Preliminary Q3 GDP data in the CEE3 out in the week that resumes today yielded no major surprises compared to the flash readings released earlier in November. Polish real GDP was revised by a small amount to 0.5%YoY in Q3 2023 from the 0.4% flash estimate released in mid-November. In seasonally adjusted terms, GDP growth was revised slightly lower to 1.5%QoQ for Q3 from the 1.4%QoQ flash reading. In Hungary, GDP contracted by 0.4%YoY in Q3, though in sequential terms, the economy expanded by 0.9%QoQ while in Czechia detailed Q3 2023 GDP data was revised slightly downwards compared to the flash. The GDP contraction is now estimated at 0.7%YoY in Q3 compared to 0.6%YoY in the flash estimate whereas in quarterly terms, GDP contracted by 0.5%QoQ from the 0.4%QoQ flash print.

Contributing Authors:

Marcus Bensasson
Research Economist
mbensasson@eurobank.gr

Dr. Theodoros Stamatiou
Senior Economist
tstamatiou@eurobank.gr

Maria Kasola
Research Economist
mkasola@eurobank.gr

Research Team



Dr. Tasos Anastasatos | Group Chief Economist
tanastasatos@eurobank.gr | + 30 214 40 59 706



Marcus Bensasson
 Research Economist
mbensasson@eurobank.gr
 + 30 214 40 65 113



Dr. Dimitrios Exadaktylos
 Economic Analyst
y-dexadaktylos@eurobank.gr
 + 30 214 40 63 449



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
 Research Economist
trapanos@eurobank.gr
 + 30 214 40 59 711



Symeoni – Eleni Soursou
 Junior Economic Analyst
ssoursou@eurobank.gr
 + 30 214 40 65 120



Dr. Theodoros Stamatiou
 Senior Economist
tstamatiou@eurobank.gr
 + 30 214 40 59 708



Michail Vassileiadis
 Research Economist
mvasileiadis@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
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.

