

# GLOBAL & REGIONAL DAILY

January 3, 2023

## Global markets

Asian bourses recovered earlier losses ending mostly in positive territory today and US equity market futures were slightly higher, on the view that the longer-term benefits of a gradual full reopening of China, will likely more than offset the near-term economic costs of the latest Covid-19 outbreak. Meanwhile, USTs were little changed ahead of the December non-farm payrolls report on Friday and the minutes from the December FOMC meeting on Wednesday, while German government bond yields retreated from yesterday's fresh multi-year highs on market expectations that Friday's Eurozone flash December inflation data will likely surprise to the downside, after Spain's HICP inflation dropped to a lower than expected 5.8%YoY from 6.7%YoY in November. In FX markets, the JPY retained a positive tone as the BoJ's unexpected decision in late December to widen the yield curve control continues to have an impact, with the USD/JPY briefly marking a six-month low at 129.50 earlier today following a clear move below 130.40 strong support.

## Greece

The PMI manufacturing index fell to 47.2 in December 2022 (47.8 in the Euro Area), from 48.4 in November 2022 (47.1 in the Euro Area), marking a value below the contractionary threshold for the sixth month in a row. The decline in the operating conditions of the Greek manufacturing sector was the sharpest in two years, reflecting a major decrease in clients' demand. Nevertheless, employment growth turned positive, inflationary pressures eased and output expectations improved. For the period October-December 2022 (Q4 2022), the average PMI manufacturing index decreased to 47.9, from 49.2 in July-September 2022 (Q3 2022) and 53.2 in April-June 2022 (Q2 2022). These results are consistent with a decelerating rate of real GDP growth, already printed in Q3 2022 national accounts data.

## CESEE

The year kicked off on a positive development for Croatia as on January 1, the country became the 20th member of the Euro area. With the official exchange rate of the EUR/HRK at 7.53450, the dual circulation of the kuna and the euro will last up to January 15 and from that point onwards the single currency of the country will be the euro. Croatia had fulfilled all five Maastricht criteria since June 1, having, previously, spent almost 2.5 years on the preparatory corridor of the ERM II. In other news, Serbia's real GDP growth slowed to 2.3% in 2022 from 7.5% in 2021, according to preliminary estimates of the Serbian statistics office, released on December 29. Finally, based on the auction calendar of the Public Debt Directorate, the Serbian Republic will offer dinar bonds for RSD115bn and EUR-denominated securities for EUR 50mn in the first quarter of the year, while it also intends to draw in 2023 the first three tranches amounting to EUR1.6bn from the total EUR2.4bn of the Standby Facility approved recently by the IMF.

## Contributing Authors:

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

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

**Maria Kasola**  
Research Economist  
[mkasola@eurobank.gr](mailto:mkasola@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-endiaferontos>  
**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.

