

# GLOBAL & REGIONAL DAILY

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## Global markets

Long-term USTs remained under pressure following Fitch's downgrade of the US' sovereign credit rating earlier this week, while supply jitters also continued to weigh. With the front end of the UST yield curve remaining anchored ahead of today's July US non-farm payrolls report, the 10-yr yield was hovering around 4.18% earlier today, close to yesterday's fresh year-to-date peak near 4.20%, while yesterday's US data showing that the prices paid component of the services ISM index reversed course in July after trending lower since early 2022, may also had an impact. EGBs followed suit and JGBs sold off further, while the global bond market bearishness was also reflected in UK gilts, although the BoE hiked rates by 25bps yesterday while markets had priced-in around 35bps ahead of the meeting. Meanwhile, risk sentiment improved with Asian equity markets ending mostly in positive territory today, and the USD weakened, with the GBP/USD hovering around 1.27 at the time of writing, reversing yesterday's post-BoE losses.

## Greece

According to ELSTAT's monthly labour force survey, the number of persons employed in Q2 2023 stood at 4,171.8k (3-month average at seasonally adjusted terms), printing an annual increase of 0.9% (38.8k persons), from 1.4% (56.7k persons) in Q1 2023. The average unemployment rate marginally shrunk to 11.2% in Q2 2023, from 11.3% in Q1 2023, whereas compared to Q2 2022 it dropped by 1.4 ppts. In H1 2023 the average employment rose on an annual basis by 1.2% (47.8k persons), from 2.3% (93.4k persons) in H2 2022. This deceleration is another sign of the economy's return to normal growth rates after passing the stage of post-pandemic recovery, which proved to be dynamic. In order to achieve solid real GDP growth rates in the medium-term, Greece needs to implement policies to boost labour productivity.

## CESEE

Mixed growth dynamics in tourism in June in regional economies. In Hungary, foreign tourist arrivals rose by 25%YoY and foreign tourist overnight stays by 14%YoY, up from +7.3%YoY and +13.2%YoY respectively in May. Overall, in Q2-2023, foreign tourist arrivals spiked by 22.8%YoY and respective overnight stays by 12.1%YoY. In Romania, foreign tourist arrivals also rose by 25%YoY and foreign tourist overnight stays by 23.1%YoY, however both these rates fell short of those in May (+32.6%YoY and +27.7%YoY respectively) and April (+41.6%YoY and +36.7%YoY). Average expansion of tourist arrivals in Q2-2023 reached 32.0%YoY and of overnight stays 28.4%YoY. In other news from the region, the Czech National Bank (CNB) left yesterday its key policy rate unchanged for the thirteenth consecutive month, at 7%, as widely expected by market participants. More importantly, the CNB announced the ending of its interventions in the FX market to support the koruna, which started in May 2022 and amounted to a total of €26.1bn.

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