

GLOBAL & REGIONAL DAILY

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Global markets

The US March non-farm payrolls survey came in close to market expectations, adding to the view that labor market conditions are easing, though very gradually. Non-farm employment rose by 236k, almost in line with the consensus forecast of 239k, though below February's upward revised 326k gain. Hours worked fell back to 34.4, and the annual average hourly earnings growth continued to decelerate, dropping to 4.2% from 4.6%, although still above levels historically consistent with the Fed's inflation target. The unemployment rate fell by 0.1ppts to 3.5%, as employment rose by 577k, offsetting fully a 480k increase in the labor force. Meanwhile, with a number of global markets still closed on the Easter Monday, Asian bourses mostly ended sideways today, and the USD retained post-payrolls modest gains ahead of Wednesday's US CPI inflation data, as fed funds futures are now pricing a 68% chance that the Fed will raise rates by 25bps in May before taking a pause, up from 49% on Thursday, ahead of the release of the US jobs report on Friday.

Greece

According to ELSTAT's commercial transactions data, exports of goods registered a value of €8,875.5mn (current prices, non-seasonally adjusted) in Jan-23 to Feb-23, higher by 25.0% (€1,775.8mn) compared to Jan-22 to Feb-22. Oil products had the highest contribution (60.5% YoY, €1,161.7mn YoY), followed by the category of non-oil products and ships (11.0% YoY, €566.6mn YoY). On the other side of the ledger, imports of goods posted a value of €13,509.8mn in Jan-23 to Feb-23 (current prices, non-seasonally adjusted), registering a marginal increase of 0.4% YoY (€46.0mn YoY). Imports of oil products decreased by 1.3% YoY (€53.0mn YoY), whereas imports of non-oil products and ships increased marginally by 0.9% YoY (€86.4mn YoY). Given these results, the trade deficit shrunk to €4,634.3mn in Jan-23 to Feb-23, from €6,364.1mn in Jan-22 to Feb-22 (27.2% YoY).

CESEE

Further signs of weakening economic activity in Q1 2023 relative to Q4 2022 in CEE3. In Czechia, construction output fell by 5.4%YoY in February, the strongest decline since Mar-21, driven by a downsizing in civil engineering works (-14.2%YoY). Furthermore, industrial production volume rose moderately, by 2.2%YoY, after a 3.5%YoY decline in January, in distance from the 5.4%YoY average increase in Q4 2022. In Hungary, retail sales volume fell in February for the third consecutive month, by 11.5%YoY, the biggest drop since May 2020, in the aftermath of the pandemic outbreak. The annual decline in industrial production volume was of a similar magnitude (-10.3%), the strongest since at least 2019. Last, in Poland, retail trade volume widening eased in February to 3.2%YoY from 4.4%YoY in January, the slowest pace in at least the last 14 months.

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