

GLOBAL & REGIONAL DAILY

December 13, 2023

Global markets

US inflation picked up slightly in November on the back of rising shelter costs as yesterday's print showed headline CPI rising 0.1%MoM, compared with the consensus estimate that it would stay flat for a second month. The 3.1%YoY increase was in line with expectations, as were the core CPI increases of 0.3%MoM and 4%YoY. The surprise was not enough to unsettle bond markets ahead of today's FOMC interest rate decision – the yield on 10yr USTs briefly spiked after the release, but quickly settled after a solid auction of 30yr securities, and currently stands at 4.19%, 4bps lower than Monday's close. The Fed will almost certainly keep rates on hold, but investors seeking guidance on the path of monetary policy in 2024 could look to the updated dot plot. Markets have fully priced in a first cut in May and 110bps of total cuts next year. Elsewhere, Brent crude has dropped 4.5% since Monday to \$72.5/bbl on rising Russian flows, while GBP/USD fell 0.2% early today after October GDP data for the UK showed a deeper-than-expected 0.3%MoM contraction.

Greece

According to the preliminary Structural Business Statistics data published by Eurostat, small enterprises (0 to 49 persons employed) comprised 99.4% (EU27: 99.1%), medium enterprises (50–249 persons) 0.5% (EU27: 0.8%), and large enterprises (250 persons or over) 0.1% (EU: 0.2%) of the total in 2022. The employment shares in the three classes were 71.9%, 12.7% and 15.4% (EU27: 49.3%, 15.4%, and 35.3%), and the net turnover shares were 44.0%, 19.6% and 36.4% respectively (EU27: 32.0%, 17.8%, and 50.2%). In terms of productivity measured as turnover per person employed, the average for Greek enterprises stood at €111.7K (small: €68.4K – the lowest in EU27, medium: €172.6K, large: €263.9K), less than half of the respective EU27 average (€239.1K; small: €155.4K, medium: €276.6K, large: €339.3K). In other statistics, registrations of new passenger cars maintained their post-pandemic upward trend, increasing by 31.6%YoY in the period from Jan-23 to Nov-23, according to the Hellenic Statistical Authority (ELSTAT).

CESEE

This week is filled with November CPI prints for countries in the region. In Czechia, Monday's data showed inflation easing to 7.3%YoY in November compared with 8.5%YoY in October, with markets expecting a slightly lower reading of 7.2%YoY. The monthly print came in at 0.1%, a tad higher than market expectations for a 0.1% deceleration. Similarly, in Serbia, inflation decelerated to 8.0%YoY in November from 8.5%YoY in the previous month, in line with market expectations. Later today the Romanian reading is due, while tomorrow we will get prints for Slovakia with Poland, Croatia and Bulgaria taking the torch on Friday. On the political front, the new Polish government, with Donald Tusk at helm as prime minister, finally won a confidence vote yesterday. The Tusk-led coalition garnered 248 votes, when 225 was the number required to achieve an absolute majority.

Contributing Authors:

Marcus Bensasson
Research Economist
mbensasson@eurobank.gr

Dr. Theodoros Rapanos
Research Economist
trapanos@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. 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 Stamatou
 Senior Economist
tstamatou@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-endiaferontos>
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.

