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Global markets

US retail sales fell by a higher than expected 1.1%MoM in December following a downward revised drop of 1.0%MoM in November on broad-based declines across several main categories. Adding to yesterday's negative US news flow, IP fell by 0.7%MoM in December, the third consecutive monthly decline, mainly driven by a 1.3%MoM drop in manufacturing output, reinforcing concerns over a US slide into recession in the not-too-distant future. Disappointing US data releases that came on the heels of this week's dovish BoJ policy outcome, more than offset fresh hawkish comments by a few ECB and Fed officials, fueling another impressive fixed income markets rally globally. US PPI data for December which showed a fall in the core index from 6.2%YoY to 5.5%YoY and a drop in the headline from 7.3%YoY to 6.2%YoY, also had an impact. In FX markets, the DXY USD index remained under pressure, though still holding above 102, ahead of today's January Philly Fed survey and December's housing starts and building permits.

Greece

According to press, Greece's National Energy and Climate Plan (NECP) is expected to contribute close to €200bn in investments until 2030, creating 38.0k jobs in the sectors of electricity, transportation and buildings. The photovoltaic systems and storage are expected to be the workhorse in the green transition of the sector of electricity and from 2030 onwards new technologies as these of hydrogen and renewable fuels are expected to take the lead. The power from renewable sources of energy -excluding hydroelectrical power- is expected to rise to 16.7GW in 2025 and to 24.1GW in 2030 (estimate for 9.1GW in 2021), the power in storage of electrical power is expected to increase to 3.8GW in 2025 and to 8.1GW in 2030 (estimate for 0.7GW in 2021), while the total consumption of natural gas is expected to drop to 41.8TWh in 2025 and to 36.0TWh in 2030 (estimate for 69.9G TWh in 2021).

CESEE

The Central Bank of Turkey (TCMB), in the context of its monetary policy and liraization strategy for 2023, decided to set the reserve requirement ratios (RRR) for deposits in Turkish lira (TRY) with maturities longer than 3 months, as well as for increases in FX liabilities with maturities longer than 6 months to 0%. The previous RRR on TRY deposits was 6% for maturities between 3 and 6 months, 4% for maturities between 6 months and 1 year, and 3% for longer maturities. The new RRR norm regarding FX liabilities was set temporarily, up until the end of 2023. The TCMB stated in its relevant press release that the new norms aim to improve the attractiveness of TRY deposits not included in the FX-protected deposit schemes (KKM), encouraging at the same time maturity extension of such deposits. As of January 5, the ratio of TRY deposits to total deposits stood at 53.2%, above the 50% target for end 2022, but below the 60% target for H1 2023.

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