

# GLOBAL & REGIONAL DAILY

December 19, 2023

## Global markets

The BoJ decided unanimously earlier today to keep the short-term rate at -0.1% and maintain its yield curve control policy, while the forward guidance was also left unchanged, providing no signals of when they may abandon their negative interest rate policy. In reaction to the BoJ policy outcome which was perceived by market participants as moderately dovish, equity markets in Asia rallied earlier today with the Nikkei 225 outperforming, Japanese government bonds firmed, while the JPY weakened, allowing the USD/JPY to rise 1% and move above 144. Elsewhere, USTs and Bunds opened slightly firmer earlier today, though still remained below recent highs following more hawkish comments by various Fed and ECB officials over the last few sessions which prompted investors to price in fewer rate cuts in 2024. In terms of yesterday's data releases, Germany's IFO business climate indicator unexpectedly dropped in December amid fiscal woes, coming in at 86.4 from November's 87.2, the first decline since August.

## Greece

Total business turnover amounted to €120.1bn in Q3 2023 from €131.5bn in Q3 2022 (-8.7%YoY), recording its largest annual decrease in three years, according to the Hellenic Statistical Authority (ELSTAT). The NACE Rev.2 sectors driving this annual drop were Electricity, Gas, Steam and Air Conditioning Supply (-61.0%YoY, contributing -9.2ppts to the overall index change) and Manufacturing (-14.5%YoY, -3.0ppts); Financial and Insurance Activities (+79.0%YoY, +2.2ppts) and Accommodation and Food Service Activities (+5.5%YoY, +0.4ppt) had the largest positive contributions. Wholesale and Retail Trade incl. Repair of Motor Vehicles and Motorcycles, which is the largest sector –comprising 37% of total turnover– retreated marginally (-0.3%, -0.1ppt). Data from firms obliged to double-entry bookkeeping (which in general excludes smaller businesses) shows that this downward trend continued in Oct-23, albeit at an easing pace, with turnover declining by 4.2%YoY (Sep-23: -13.2%YoY).

## CESEE

Based on 98.0% of counted ballots, the SNS party of the incumbent Serbia's President Aleksandar Vucic, won 47.95% of votes in the early parliamentary elections held on December 17, corresponding to 128 seats in the 250-seat National Assembly, thereby giving the SNS absolute majority in the parliament. The main opposition party, Serbia Against Violence, won 24.37% of the vote and 65 seats, followed by the SPS-JS-ZS coalition and NADA which gained much smaller percentages and parliamentary seats (6.75%-18 and 5.18%-13, respectively). In Cyprus, the slowdown in annual growth of tourist arrivals relative to Q3 continued in November for a second consecutive month, to 6.5%, a pace almost same unchanged compared to that in October (6.4%), against an average increase of 15.4% in June-September. The observed weakening is mainly due to the change of trend in arrivals from Israel, an implication of the war in Gaza, from +69.7%YoY in Q3 to -27.3%YoY in October and -64.2% in November.

## Contributing Authors:

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

**Dr. Theodoros Rapanos**  
Research Economist  
[trapanos@eurobank.gr](mailto:trapanos@eurobank.gr)

**Michail Vassileiadis**  
Research Economist  
[mvasileiadis@eurobank.gr](mailto:mvasileiadis@eurobank.gr)

## Research Team



**Dr. Tasos Anastasatos** | Group Chief Economist  
[tanastasatos@eurobank.gr](mailto:tanastasatos@eurobank.gr) | + 30 214 40 59 706



**Marcus Bensasson**  
 Research Economist  
[mbensasson@eurobank.gr](mailto:mbensasson@eurobank.gr)  
 + 30 214 40 65 113



**Dr. Stylianos Gogos**  
 Research Economist  
[sgogos@eurobank.gr](mailto:sgogos@eurobank.gr)  
 + 30 214 40 63 456



**Maria Kasola**  
 Research Economist  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)  
 + 30 214 40 63 453



**Paraskevi Petropoulou**  
 Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)  
 + 30 214 40 63 455



**Dr. Theodoros Rapanos**  
 Research Economist  
[trapanos@eurobank.gr](mailto:trapanos@eurobank.gr)  
 + 30 214 40 59 711



**Symeoni – Eleni Soursou**  
 Junior Economic Analyst  
[ssoursou@eurobank.gr](mailto:ssoursou@eurobank.gr)  
 + 30 214 40 65 120



**Dr. Theodoros Stamatou**  
 Senior Economist  
[tstamatou@eurobank.gr](mailto:tstamatou@eurobank.gr)  
 + 30 214 40 59 708



**Michail Vassileiadis**  
 Research Economist  
[mvasileiadis@eurobank.gr](mailto: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-entiaferontos>  
**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.

