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Global markets

US Treasuries gained on risk-off sentiment on Thursday, partly on developments in the Middle East. Those drove the price of Brent crude to $90.8/bbl – an increase of 1.5% from Wednesday and the first time since October that it crossed the $90/bbl level. Despite the inflationary implications of that shift, as well as hawkish comments from Minneapolis Fed President Kashkari, the USTs' status as a risk haven asset had the greater pull for markets, with the yield on the 10yr benchmark closing 4bps lower at 4.31% yesterday. Also helping USTs were data showing that there were 221k initial jobless claims in the US last week, 7k more than expected. In Europe, peripheral spreads reversed some of their recent widening, as the yield on 10yr Italian BTPs fell 11bps to 3.72% yesterday. The spread over 10yr German Bunds currently stands at 138bps. On today's agenda, markets are waiting for the March US jobs report, with the consensus forecast being that the economy added 200k non-farm payrolls, down from 275k in February.

Greece

According to a press release based on Bank of Greece data, Greece recorded in 2023 the highest ever net foreign direct investment (FDI) in real estate. In detail, in 2023 the net FDI regarding real estate stood at €2.133bn up from €1.975bn in 2022 (+€157.8mn or +8.0%) and €1.176bn in 2021. Since 2015 (€153.1mn) FDI in real estate have been continuously increasing, with an average annual rate of change of 39.0%. The contribution of real estate in total FDI in 2023 was significant as it is amounted to 47% of total FDI in Greece in 2023 which stood at €4.48bn. This significant increase in real estate FDI is at-tributed to the "Golden Visa" program. The Government announcement of an increase in the threshold for getting a "Golden Visa" from €250K to €500K in the centre of Athens as well as in northern and southern suburbs caused a strong demand for real estate as byers wanted to acquire properties with the lower threshold of €250K.

CESEE

In line with market expectations, the central banks of both Poland and Romania, whose monetary policy committees convened yesterday, decided to leave their key policy rates unchanged at 5.75% and 7% respectively. Poland's has already delivered cumulatively 100bps of easing since September 2023. The March flash CPI print for that country came in at 1.9%YoY, which was lower than both the 2.3%YoY consensus and the previous month's reading of 2.8%YoY. The central bank of Romania faces a more stubborn inflationary landscape, pushing back the window of opportunity for some monetary easing until later in 2024, when signs of entrenched disinflation could become clearer. Today, the week concludes with retail sales data from Romania, Hungary and Slovakia.

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