

GLOBAL & REGIONAL DAILY

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Global markets

The US composite PMI dropped to 52.2 in March from February's 52.5, but still remained in expansionary territory. In the Eurozone, the respective index edged up for the fifth consecutive month to 49.9 from 49.2, still just below the threshold of 50, suggesting that although recession risks are fading there is little hope for a sustained recovery soon. Supported by divergent growth expectations, the USD gained with the DXY index returning above 104 earlier today, recovering the losses recorded after Wednesday's dovish FOMC outcome. The EUR/USD moved below 1.0850 and the GBP/USD retreated from Thursday's 1.2800 high after the vote split at yesterday's BoE policy meeting shifted the balance in a more dovish direction. The BoE left rates unchanged but for the first time since September 2021 there were no votes in favour of a rate hike. Meanwhile, the USD/CHF hit a fresh year-to-date high slightly above 0.90 after the unexpected SNB rate cut and the surprisingly relatively low inflation forecasts which suggest that more easing will likely follow.

Greece

ELSTAT released provisional data on arrivals and nights spent in hotels, similar establishments, tourist campsites and short-stay accommodation establishments. In Jan-24 arrivals stood at 716.8K and nights spent at 1.61mn, both recording a drop of 1.3%, compared with the Jan-23 figures (726.4K and 1.64mn, respectively). In more detail, the arrivals and the nights spent by residents decreased by 1.9% (to 486.5K) and 2.1% (to 1.04mn), respectively, whereas in the case of non-residents, arrivals reported a marginal drop of 0.01% (to 230.4K) and nights spent rose by only 0.2% (to 578.3K). Finally, about 91% of total arrivals and 86% of total nights spent concern hotels, similar establishments and tourist campsites. In other news, according to ELSTAT's provisional data, the Greek merchant fleet dropped by 0.2% in Jan-24 YoY (to 1,819 vessels from 1,823 in Jan-23) following a decrease of 0.5% in Jan-23 (1,833 vessels in Jan-2022). The decrease was stronger in tonnage, at 4.1% (to 36.45mn gross tonnage in Jan-24 from 38.0mn in Jan-23).

CESEE

In contrast to market expectations for a hold decision, the Monetary Policy Committee (MPC) in Turkey proceeded yesterday with another base rate hike, by 500bps, bringing it to 50%. The MPC also decided to expand the overnight interest rate corridor, setting the borrowing and lending rates at 300bps below and above the policy rate respectively, compared to -/+150bps previously. The MPC reasoned its decision in the post-meeting statement on a stronger increasing trend in the monthly inflation than expected, due to stickiness in food and services inflation, geopolitical risks and persisting inflation expectations. The message of the Turkey's central bank was hawkish, stating that the monetary policy stance will be further tightened in case a significant and persistent deterioration in inflation is foreseen. In other regional news, retail sales volume in Poland rose 6.1%YoY in February -a 21-month high pace- from 3.0%YoY in January. However, calendar effects were also at play, due to one more working day compared to a year ago.

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