

GLOBAL & REGIONAL DAILY

January 24, 2024

Global markets

European survey data showed the region remains mired in a slowdown, with the flash eurozone aggregate manufacturing PMI reading coming in at 46.6 for January just before this report went to press. That was well below the 50 threshold separating expansion from contraction in PMI readings, but an increase from 44.4 in December and higher than the consensus estimate. Meanwhile, the EC's January flash consumer confidence indicator for the eurozone unexpectedly deteriorated in January to -16.1. The yield on German 10yr bonds was down 4.1bps at 2.31% at the time of writing, though it actually rose c. 2bps following the release, having previously moved on Germany's own earlier flash PMI readings showing manufacturing and services both deeply in contractionary territory. Elsewhere, Asian news flow continued to have a strong grip on the markets, with equities gaining on the latest Chinese efforts to stimulate its economy and Japanese bonds continuing to fall, while the yield on 10yr USTs fell 2.9bps in early trading to 4.1%.

Greece

ELSTAT released yesterday provisional data for arrivals and nights spent in hotels, similar establishments, tourist campsites and short-stay accommodation establishments as well as provisional data for the bilateral trade between Greece-Russia and Greece-Ukraine. On the tourism front, in Oct-23 arrivals stood at 2.68mn and nights spent at 10.68mn, recording an increase of 11.3% and 8.3%, respectively, compared with Oct-22 figures (2.41mn and 9.86mn). In more detail, the arrivals and the nights spent of residents increased by 6.9% (to 645.9K) and 6.4% (to 1.46mn), respectively, and those of non-residents by 12.8% (to 2.04mn) and 8.6% (to 9.21mn). On the trade front, the deficit in trade balance between Greece and Russia for Jan-Nov 2023 period dropped by 72.8% on an annual basis, to -€2.26bn (€89.7mn exports and €2,35bn imports), and the surplus in trade balance between Greece and Ukraine increased to €470,3mn (€741,1mn exports and €270.8mn imports).

CESEE

In a quiet week in the region for economic releases, where the key data come from the labor markets, the Romanian Treasury appears set to continue its bond auction spree. After the successful offers of short-term papers since the start of the year, the Ministry of Finance is preparing to tap international markets with two USD-denominated issues, according to press reports. One bond will mature in 2029 and the other in 2034, both priced at the indicative rates of 225bps and 265bps above the equivalent US T-bills respectively. The previous USD-denominated offers in foreign markets go back to January 2023, when USD3.75bn were raised at maturities of five, 10 and 30-years. Apparently, there is a favorable momentum in the local financial market, also reflected in the credit sector. The nominal growth of domestic credit picked up to 9.0%YoY in December from 8.6%YoY in November, marking the fourth month of acceleration, driven primarily by private sector lending.

Contributing Authors:

Marcus Bensasson
Research Economist
mbensasson@eurobank.gr

Dr. Konstantinos Peppas
Research Economist
kpeppas@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.

