

GLOBAL & REGIONAL DAILY

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Global markets

According to the second estimate, US real GDP grew by a robust 3.2% annualised rate in Q4 2023, just 0.1ppts lower than the advance estimate, suggesting that economic activity retains strong momentum following a rise of 4.9% in the prior quarter. As before, growth was led by private domestic final purchases, which are now estimated to have risen 2.9%, 0.3ppts faster than the advance estimate. Strong consumer spending provided the bulk of that, growing at a rapid annualized rate of 3.0%, revised up by 0.2ppts and marginally decreased from 3.1% in Q3. The Atlanta Fed's GDPNow model earlier this week slightly upgraded its estimate for Q1 2024 GDP growth to an annualised rate of 3.2%, up from 2.9% previously, suggesting a third consecutive quarter with growth above 3.0%. Meanwhile, waiting for today's US PCE inflation data, FX price action was relatively muted, while USTs were little changed on the day, retaining yesterday's modest gains, despite a fresh string of Fed comments suggesting that the central bank will not rush to cut rates.

Greece

According to ELSTAT's relevant data released on Tuesday, the Turnover index in Wholesale, retail trade, repair of motor vehicles and motorcycles (sector 45) posted an increase of 16.1% YoY in Q4 2023 compared with its stronger annual rise by 23.0% in Q4 2022, whereas the volume index reported an increase of 12.7% during the same period (+11.3% in Q4 2022). In the whole year 2023, the turnover index rose by 21.2% compared with its milder increase by 15.8% in 2022 and the volume index increased by 14.6% (+5.7% in 2022). The picture was similar for the Sale of motor vehicles (sector 451). The turnover index recorded an increase of 19.3% YoY in Q4 2023 following a stronger increase of 29.6% in 4Q/2022 while the volume index reported an increase of 16.3% (+15.3% in 4Q/2022). Moreover, the former index rose by 26.5% in 2023 following a lower increase of 20.0% in 2022 and the latter index recorded a much stronger increase of 19.3% in 2023 compared with its rise of 7.1% in the previous year.

CESEE

In Turkey, seasonally adjusted GDP growth decelerated slightly in Q4, to 4.8%YoY against 5.0%YoY a quarter earlier. The Q4 print brought FY2023 growth to 4.5% from 5.4% in 2022. Annual growth eased in all GDP components in Q4 but exports, mainly in gross fixed capital formation (+10.6%YoY from +13.6%YoY) and government consumption spending (+1.6%YoY after +4.2%YoY). But these GDP weakening effects were almost fully offset by a deceleration in the expansion of imports to 3.3%YoY from 12.3%YoY in Q3, which, combined with the marginally stronger rise in exports (+0.5%YoY after 0.3%YoY) led to a significant improvement in the external balance. In other news from the region, the EC economic sentiment index deteriorated in February in all CEE3 countries, broadly in line with the average EU print (-0.4pts). Only in Hungary the decline was more pronounced (-3.1pts), with the index falling to a 4-month low, whereas Poland (-0.5pts) and Czechia (-0.4pts) were aligned with the EU trend.

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