

GLOBAL & REGIONAL DAILY

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Global markets

Awaiting today's US November CPI data that coincide with the first day of this week's FOMC monetary policy meeting, USTs remained under some pressure, with yields trading close to yesterday's session highs, following lackluster demand for Monday's 10-year note reopening. In the meantime, the DXY USD index was slightly weaker on the day and Asian equity markets ended mixed after opening in positive territory, following Wall Street's gains overnight, mainly on the back of higher oil prices. Favored by optimism about higher demand as China relaxes some of its stringent Covid restrictions, Brent crude rose above \$79/bbl earlier today and moved back into positive territory on a year-to-date basis following cumulative gains near 6% from last week's year-to-date lows. Turning to data releases, the New York Fed's November survey showed consumer expectations decelerating over all time horizons, with the one-year measure falling by 0.7ppt to +5.2%, the lowest since August 2021, and the three-year measure dropping by 0.1ppt to +3.0%.

Greece

The manufacturing production index increased for a second month in a row in October 2022, registering a growth rate of 1.6%MoM / 2.3%YoY, from 1.0%MoM / 1.7%YoY in September 2022. This result comes as a positive surprise, since the PMI manufacturing index for the same month printed a value of 48.1 points (i.e. 1.9 points below the 50 unit boom-bust threshold). In the 10-month period of January-October 2022, the average manufacturing production index rose by 4.6%YoY, from 9.2%YoY in January-October 2021. It is worth noting that the Greek manufacturing sector, an extrovert sector with dynamic firms, proved to be resilient during the pandemic, with the relevant production index printing a relatively mild drop of 1.4%YoY in January-December 2020. Then rebounded strongly in 2021 (8.9%YoY) and in 2022, despite the energy crisis, continues to register solid growth rates.

CESEE

Further signs of weakening economic activity in Cyprus in Q4 2022. In October, exports of goods declined by 13.5%YoY, in contrast to their increase by 39.5%YoY in Sep-22 and by 14.9%YoY in Q3 2022. October's fall was the strongest since Jun-21, however it is mainly owed to base effects, from the high level of exports a year ago. In combination with the widening of imports in October by 24.6%YoY, albeit at a slower pace than in Sep-22 (+33.8%YoY), the trade balance deteriorated on an annual basis by 92.2%. The negative October print in the external trade of goods comes after the significant deceleration in tourist arrivals recorded in October, to 2.3%YoY, against a 21.9%YoY rise in Sep-22 and a 37.6%YoY increase in Q3 2022.

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