

GLOBAL & REGIONAL DAILY

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Global Markets

10yr UST yields are currently consolidating at a narrower range compared to the end of last week, below 2%, while the 10yr Bund yield trades **below last week's** 3-year high of 0.3% in a range between 0.228%-0.245% and the 10yr OAT trades also in a tighter range of 0.707%-0.727%. Oil prices soar on Ukraine jitters, with Brent crude climbing at multi-year highs above USD96/bbl at some point earlier today. On economic news, in the US, the Michigan consumer sentiment registered a 10-year low of 61.7 in February from 67.2 in the previous month, on the back of weakening personal financial prospects largely due to rising inflation. Focus this week **turns to Wednesday's US retail sales report for January, after December's sharp retreat**, European Commission consumer confidence for February (Friday) and **January's CPI in the UK (Tuesday)**.

Greece

The Governor of the BoG Yiannis Stournaras, stated in an interview that Greece should take advantage of the emerging favorable macroeconomic environment, which facilitates a fiscal consolidation and stressed the need for the country to gradually return to its pre-pandemic sound fiscal position in order to avoid wasting the sacrifices made in the context of the fiscal consolidation that was achieved in the past decade. In other news, according to a survey conducted by the Federation of Industries of Greece (SBE), energy rate hikes have increased production and shipping costs by between 20% and 40% for one in every five manufacturing enterprises. Moreover, the majority of manufacturers (57%) have passed on the increases to their clients, as they have suffered an energy rate increase of more than 40%.

CESEE

Bulgarian Eurobond yields continued their upward path during the past week, broadly affected by the yield in the recent 10 year Bund action. The most active tenors stood between the mid and the long end of the curve, with the 2030 and 2035 papers posting 25 bps increases each over the week, followed by the 2027 and 2050 titles with 16 bps each. Local bonds also followed suit, with the 4- and 10-year tenor yields rising by 17 and 20 bps respectively. Turning to Serbia, the EUR/RSD changed little during the previous week, continuing to float within a narrow range of 117.56-117.60. On the fixed income market, government bond yields extended their recent decline, dropping by 10-15 bps on a weekly basis with the 4-year, 6-year and 11-year bond bonds concluding their trading on Friday at 3.05%, 3.35% and 3.85% respectively.

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