

# GLOBAL & REGIONAL DAILY

June 19, 2024

## Global markets

US retail sales increased by a lower than expected 0.1%MoM in May following a downward revised drop of 0.2%MoM in April. However, the breakdown of the report was less gloomy than the headline, as the retail sales control group rebounded by 0.4%MoM. Separately, US industrial production jumped by 0.9%MoM following April's flat reading. Turning to markets, USTs retained a firm tone yesterday mainly thanks to a well received 20-yr bond auction (US markets are closed today due to the Juneteenth holiday), while Asian bourses ended mostly in positive territory following Wall Street's fresh gains overnight on optimism that the US economy retains momentum in spite of the meagre increase in the headline retail sales. European assets continued to build on recent gains after comments by the French far-right leader earlier this week that a NR government would try to work constructively with President Macron. The 10-yr OAT-Bund yield spread came down a further 2bps earlier today, while the EUR/USD continued to consolidate above 1.07.

## Greece

According to the International Institute for Management Development (IMD) Greece's competitiveness improved in 2024 compared to 2023 and gained two spots on the corresponding list. In detail, Greece was ranked 47<sup>th</sup> among 67 listed countries in 2024 up from 49<sup>th</sup> in 2023. This improvement is attributed to better performance in three out of the four key indicators, namely, "Economic performance" (Greece moved from 58<sup>th</sup> place in 2023 to 52<sup>nd</sup> in 2024), "Business efficiency" (from 48<sup>th</sup> to 44<sup>th</sup> place) and "Government efficiency" (from 53<sup>rd</sup> to 52<sup>nd</sup> place). In the "Infrastructure" category, Greece's rank remained stable at the 40<sup>th</sup> position. With respect to sub-indices, Greece was ranked 60<sup>th</sup> and 63<sup>rd</sup> in total unemployment and youth unemployment rate, respectively, and 63<sup>rd</sup> and 57<sup>th</sup> in the use of digital tools-technologies and internet speed, respectively. On the other hand, Greece was ranked 17<sup>th</sup> and 18<sup>th</sup> in the risk of political instability and in democracy indices, respectively. Singapore and Switzerland were the two most competitive economies.

## CESEE

In Hungary, the Monetary Policy Committee (MPC) of the central bank decided yesterday to cut the Key Policy Rate (KPR) by 25bps, bringing it to 7.0% and confirming market expectations. From 13% where the KPR had been standing from September 2022 to September 2023, the MPC has eased sizably ever since, almost halving the KPR as the course of inflation has been accommodative. In this month's MPC, the pace of monetary easing decelerated after the 75bps and 50bps cuts decided in the previous months on the back of the recent forint weakness and the still elevated services inflation. The bank revised its inflation forecasts down for 2024 expecting average headline inflation to be in the 3.0-4.5% range down by 0.5pps compared to the previous inflation report in March. The downward revision of the inflation forecast was mostly on account of food and fuel prices, NBH deputy governor Barnabas Virag outlined in the press conference that followed the MPC rate-setting meeting.

## Contributing Authors:

**Paraskevi Petropoulou**  
Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)

**Dr. Konstantinos Peppas**  
Research Economist  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)

**Maria Kasola**  
Research Economist  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)

## Research Team



**Dr. Tasos Anastasatos** | Group Chief Economist  
[tanastasatos@eurobank.gr](mailto:tanastasatos@eurobank.gr) | + 30 214 40 59 706



**Marcus Bensasson**  
 Research Economist  
[mbensasson@eurobank.gr](mailto:mbensasson@eurobank.gr)  
 + 30 214 40 65 113



**Dr. Stylianos Gogos**  
 Research Economist  
[sgogos@eurobank.gr](mailto:sgogos@eurobank.gr)  
 + 30 214 40 63 456



**Maria Kasola**  
 Research Economist  
[mkasola@eurobank.gr](mailto:mkasola@eurobank.gr)  
 + 30 214 40 63 453



**Dr. Konstantinos Peppas**  
 Research Economist  
[kpeppas@eurobank.gr](mailto:kpeppas@eurobank.gr)  
 + 30 214 40 63 520



**Paraskevi Petropoulou**  
 Senior Economist  
[ppetropoulou@eurobank.gr](mailto:ppetropoulou@eurobank.gr)  
 + 30 214 40 63 455



**Dr. Theodoros Rapanos**  
 Research Economist  
[trapanos@eurobank.gr](mailto:trapanos@eurobank.gr)  
 + 30 214 40 59 711



**Dr. Theodoros Stamatou**  
 Senior Economist  
[tstamatou@eurobank.gr](mailto:tstamatou@eurobank.gr)  
 + 30 214 40 59 708



**Michail Vassiliadis**  
 Research Economist  
[mvasileiadis@eurobank.gr](mailto: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-endaferontos>  
**Follow us on twitter:** [https://twitter.com/Eurobank\\_Group](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.

