

GLOBAL & REGIONAL DAILY

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Global markets

According to Friday's Eurozone data, the flash composite PMI for December increased by a higher than expected 1.0ppt to 48.8, pointing to continued contraction in private sector activity for the sixth straight month, although at a more moderate pace, amid easing supply chain pressures and reduced concerns over winter gas shortages. Separately, according to the final estimate, the headline CPI dropped from October's 10.6%YoY all-time high to 10.1%YoY in November, a tad higher from 10.0%YoY initially reported, driven by lower energy inflation (34.9%YoY from 41.5%YoY), as food prices inflation rose by 0.5ppt to 13.6%YoY and core inflation was unchanged at 5.0%YoY. Meanwhile, Asian bourses ended mostly lower as investors continued to digest last week's hawkish tone from both the Fed and the ECB, EGBs remained under pressure amid expectations of a higher ECB terminal rate, while the JPY was among the main outperformers in FX markets on reports suggesting that Japan may consider revising the 2% inflation target next year.

Greece

According to the ELSTAT quarterly labour force survey (non-seasonally adjusted data), the unemployment rate decreased to 11.6% of the labour force in Q3 2022, from 13.0% in Q3 2021. Moreover, long term unemployment declined to 62.9% of total unemployment in Q3 2022, from 66.4% in Q3 2021. The number of persons employed stood at 4,216.0k in Q3 2022, posting an annual increase of 2.4%, from 6.4% in Q2 2022. The number of unemployed persons stood at 555.6k in Q3 2022, printing an annual decrease of 9.7%, from 19.2% in Q2 2022. The participation rate, i.e., the ratio of the labour force over population, remained flat at 52.6%. An increase in the participation rate could counterbalance, at least partially in the medium term, the negative effects of the demographic conditions.

CESEE

On Friday, the EC proceeded with the disbursement of EUR.37bn of grants, excluding any prefinancing, to Bulgaria as the latter accomplished the 22 milestones and targets linked to the first instalment of the RRF. While the Deputy PM of the country, Atanas Pekanov, highlighted the progress marked so far, he also underlined the risks of delay regarding the second tranche, as this is tied with 66 key measures and stages, out of which 22 have to be approved by the parliament. Turning to Serbia, according to the press, the EU has approved EUR263mn in grants for 7 projects related to the green economy within the Western Balkans Investment Framework, which will be co-financed by the EIB, EBRD, the German bank KfW and national funds. The EUR/RSD remained stable, closing at 117.30/35 on Friday, despite the increased demand for EUR intraweek, which was absorbed by the National Bank of Serbia.

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