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# GLOBAL & REGIONAL DAILY

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**Global markets**

Asian equity markets recorded moderate losses today and futures for the US and Europe indicate a negative start, as the prospect of several major central banks staying hawkish on rate tightening for longer than earlier expected continues to weigh on risk sentiment. Meanwhile, fixed income markets were under some pressure earlier today, with the 10-yr Bund yield standing around 4.5bps higher on the day, close to 2.51%, not too far from last week's year-to-date highs, on fresh ECB hawkish comments suggesting that rates should rise further in Q2 and they should stay restrictive as long as core CPI is still rising. In FX markets, the USD retained a broadly positive tone, with the EUR/USD moving modestly lower to levels just below 1.0680 ahead of today's preliminary February PMIs, failing to capitalize on yesterday's data showing that Euro area consumer confidence rose in February by a higher than expected 1.9 to -19.0, the fifth consecutive monthly improvement, taking cumulative gains since September's record lows to 9.7.

**Greece**

According to the balance of payments data published yesterday by the Bank of Greece (BoG), the deficit in the current account balance widened to €20.1bn in 2022 from €12.3bn in 2021 (+€7.9bn and +65.1%). Given a nominal GDP growth rate of 15.7% (2023 Budget), the deficit in the current account balance stood at 9.6% of GDP, the highest deficit since 2010, from 6.8% in 2021 and 6.6% in 2020. In what concerns the annual changes in the sub-balances of goods and services, the results were as follows: 1st due to the recovery of domestic demand and the elevated import prices, the deficit in the balance of goods (€39.0bn) increased by €12.3bn (46.0%) and 2nd due to the rebound in tourist revenues, the surplus in the balance of services (€19.4bn) increased by €6.6bn (51.1%). Finally, the primary and the secondary balances decreased by €0.6bn and €1.5bn respectively.

**CESEE**

In Turkey, the central government debt rose by 3.6% MoM in Jan-23, reaching TRY4,178.3bn, with the increase on an annual basis standing at 46.9%. Ahead of the devastating February 6 earthquakes, which are expected to significantly widen primary public spending in 2023, the annual increase in absolute terms in January was slightly stronger in the external debt stock, by TRY709.2bn (+47.6%) relative to domestic debt stock (+TRY624.2bn or +46.1%). In the latest news about financial support to the regions hit by the earthquakes, President Recep Tayyip Erdogan announced the extension of the TRY250bn corporate loan package backed by the public-private partnership Credit Guarantee Fund (KGF), designed prior to the earthquakes, to TRY350bn (approx. $18.55bn). Furthermore, Erdogan stated that the government prepared a business and investment support package for the earthquake zone totaling TRY20bn (approx. $1.06bn).


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