Νοέμβριος 25

Global Macro Trends

Η μερική αναστολή λειτουργίας της κυβέρνησης των ΗΠΑ τερματίστηκε στις 12 Νοεμβρίου, ωστόσο η πλήρης αποκατάσταση της κανονικότητας στη δημοσίευση των οικονομικών δεικτών αναμένεται να καθυστερήσει

Piraeus

Economic Research & Investment Strategy
Global Economics & ESG Research

Διεθνείς Μακροοικονομικές Τάσεις

▶ Ιδιαίτερα θετική εξέλιξη στον τομέα του διεθνούς εμπορίου αποτελεί η συμφωνία ΗΠΑ-Κίνας που συνομολογήθηκε από τους προέδρους τους κατά τη συνάντηση που είχαν στη Νότια Κορέα (στις 30/10). Βάσει αυτής, η εκεχειρία παρατείνεται για έναν χρόνο και μειώνονται σημαντικά οι επιπρόσθετοι δασμοί και διοικητικοί περιορισμοί που είχαν εκατέρωθεν επιβληθεί. Ως αποτέλεσμα, η αβεβαιότητα στον χώρο του εμπορίου περιορίστηκε σημαντικά, αλλά και γενικότερα, καθώς εύλογα θεωρείται ότι υπάρχει διάθεση συνεννόησης παρά έντασης μεταξύ των δύο μεγαλύτερων οικονομιών. Παράλληλα, με την άμεση εμπλοκή των ΗΠΑ και χωρών της ευρύτερης περιοχής της Μέσης Ανατολής διατηρείται η εύθραυστη ανακωχή μεταξύ Ισραήλ –Χαμάς. Αντίθετα, δεν διαφαίνεται πρόοδος στο ουκρανικό ζήτημα.

▶ Στις ΗΠΑ, η έλλειψη συμφωνίας μεταξύ των δύο πολιτικών παρατάξεων για τη διάρθρωση των δαπανών και γενικότερα του κρατικού προϋπολογισμού οδήγησε σε αναστολή λειτουργίας (shutdown) των μη κρίσιμων ομοσπονδιακών υπηρεσιών από την 1η Οκτωβρίου έως και την 12η Νοεμβρίου, τη μακροβιότερη ιστορικά. Ωστόσο, δεδομένου ότι η διακομματική συμφωνία εξασφαλίζει χρηματοδότηση του ομοσπονδιακού κράτους έως τις 30/1/2026, το ενδεχόμενο νέας κρίσης σύντομα δεν μπορεί να αποκλειστεί. Από τα λίγα οικονομικά στοιχεία και τους πρόδρομους δείκτες που δημοσιεύθηκαν από την 1η Οκτωβρίου και μετά, πέραν μιας επιβράδυνσης σε αυτό το διάστημα που εκτιμάται ότι θα είναι προσωρινή, ο ρυθμός ανάπτυξης δεν φαίνεται να έχει επηρεαστεί σημαντικά. Επιπρόσθετα, οι πληθωριστικές πιέσεις λόγω των δασμών παραμένουν απρόσμενα ήπιες. Ωστόσο, οι συνθήκες στην αγορά εργασίας φαίνεται να έχουν χειροτερεύσει κατά το τελευταίο διάστημα, ανησυχία που οδήγησε τη Fed στη μείωση του παρεμβατικού επιτοκίου της κατά 25 μ.β. στην τελευταία συνεδρίασή της (στις 30/10).

▶ Στην Ευρωζώνη, ο ρυθμός ανάπτυξης κατά το Γ΄ Τρίμηνο διαμορφώθηκε στο 0,2% σε τριμηνιαία βάση και στο 1,4% σε ετήσια (Β΄ Τρίμ. 25: 0,1% και 1,5% αντίστοιχα). Οι ιδιαίτερα καλές συνθήκες στην αγορά εργασίας διατηρούνται επηρεάζοντας θετικά την ιδιωτική κατανάλωση, ενώ και ο πληθωρισμός συνεχίζει να κινείται γύρω στο 2%, όσο και ο στόχος της ΕΚΤ. Ως αποτέλεσμα, η ΕΚΤ διατήρησε αμετάβλητα τα βασικά επιτόκιά της στην τελευταία συνεδρίασή της. Παρόλα αυτά, η ευρωπαϊκή οικονομία βρίσκεται αντιμέτωπη με ισχυρές προκλήσεις. Μεταξύ των άλλων, απαιτούνται μεγάλου ύψους επενδύσεις για να μπορέσει να ακολουθήσει τις τεχνολογικές εξελίξεις, να αυξήσει την παραγωγικότητα και να μειώσει σημαντικά το ενεργειακό κόστος ώστε οι επιχειρήσεις της να παραμείνουν διεθνώς ανταγωνιστικές. Ταυτόχρονα, οι αυξημένες αμυντικές δαπάνες και η γήρανση του πληθυσμού επιτείνουν την πίεση στους κρατικούς προϋπολογισμούς για περικοπές δαπανών, συχνά μη δημοφιλών, ενισχύοντας την πολιτική αστάθεια.

▶ Στην Κίνα, τα τελευταία οικονομικά στοιχεία καταδεικνύουν αξιοσημείωτη επιβράδυνση του ρυθμού ανάπτυξης, αν και για συνολικά για το 2025 φαίνεται πως θα επιτευχθεί ο στόχος του «περίπου 5%». Με τα μέχρι στιγμής στοιχεία δεν μπορεί να εκτιμηθεί εάν η εν λόγω επιβράδυνση είναι προσωρινή ή όχι. Αναμφίβολα, κρίσιμος παράγοντας στη διατήρηση μιας ισχυρής αναπτυξιακής δυναμικής αποτελεί η σημαντική ενίσχυση της εσωτερικής ζήτησης που, τουλάχιστον μέχρι σήμερα, δεν είναι ακόμη ορατή.

Global macro trends

- A notably positive development in international trade is the agreement reached between the presidents of the United States and China during their meeting in South Korea on 30 October. This accord extends the existing truce for one year and significantly reduces the additional tariffs and administrative restrictions previously imposed by both nations. As a result, trade-related uncertainty has been greatly diminished, and there is now a well-founded perception of a willingness for dialogue rather than escalation between the world's two largest economies. Meanwhile, the active involvement of the United States and countries from the broader Middle East is helping to preserve the fragile ceasefire between Israel and Hamas. In contrast, there has been no visible progress regarding the situation in Ukraine.

- In the US, a lack of consensus between the two major political parties over expenditure structures and, more broadly, the federal budget, resulted in a suspension of operations for non-essential federal services from 1 October to 12 November—the longest shutdown in history. However, the subsequent bipartisan agreement has secured federal government funding until 30 January 2026, though the risk of another crisis in the near term cannot be entirely dismissed. Based on the limited economic data and leading indicators released since 1 October, aside from a temporary slowdown during this period, overall economic growth does not appear to have been materially impacted. Furthermore, inflationary pressures stemming from tariffs have remained unexpectedly subdued. Nevertheless, labour market conditions have shown signs of deterioration in recent months, prompting the Federal Reserve to reduce its policy rate by 25 basis points at its most recent meeting on 30 October.

- Within the Eurozone, economic growth in the third quarter registered at 0.2% quarter-on-quarter and 1.4% year-on-year (compared to 0.1% and 1.5% in Q2 2025, respectively). The notably robust conditions in the labour market continue to support private consumption, whilst inflation remains close to 2%, aligning with the EBC's target. Consequently, the ECB opted to keep its key interest rates unchanged at its most recent meeting. Nonetheless, the euro-area economy is confronted by considerable challenges. Notably, substantial investment is essential to keep pace with technological developments, enhance productivity, and significantly reduce energy costs to ensure businesses remain globally competitive. Simultaneously, increased defence expenditure and a rapidly ageing population are placing greater strain on public finances, necessitating spending cuts—often unpopular—thus exacerbating political instability.

- Recent economic data from China reveals a marked deceleration in the pace of growth; however, it remains likely that the overall target of "around 5%" for 2025 will still be met. Based on the information currently available, it is not yet possible to ascertain whether this slowdown is of a temporary nature. A pivotal element for sustaining strong growth momentum will be a substantial increase in domestic demand, which, thus far, has yet to emerge.

Main Macroeconomic Indicators – Market Consensus

US											
	Actual				Estimates				% Y/Y avg		
	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2024	2025	2026
Real GDP Q/Q % SAAR	3,3	1,9	-0,6	3,8	2,8	1,1	1,5	1,9	2,8	1,9	1,8
Headline PCE PI % Y/Y	2,4	2,6	2,6	2,4	2,7	2,9	2,9	2,9	2,6	2,7	2,7
Core PCE % Y/Y	2,8	3,0	2,8	2,7	2,9	3,1	3,0	3,0	2,9	2,9	2,8
Unemployment Rate	4,2	4,1	4,1	4,2	4,3	4,4	4,5	4,5	4,0	4,2	4,4
Fed Policy Rate (Upper Bound)	5,00	4,50	4,50	4,50	4,25	3,83	3,61	3,42	4,50	3,83	3,26

EA											
	Actual				Estimates				% Y/Y avg		
	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2024	2025	2026
Real GDP Q/Q %	0,4	0,6	0,1	0,2	0,2	0,3	0,4	0,4	0,9	1,3	1,1
CPI % Y/Y	2,2	2,3	2,0	2,1	2,0	1,7	1,9	1,8	2,4	2,1	1,8
Unemployment Rate	6,2	6,3	6,4	6,3	6,3	6,3	6,3	6,3	6,4	6,3	6,3
ECB Policy Rate (Main Refin Rate)	3,15	2,65	2,15	2,15	2,15	2,15	2,15	2,15	3,15	2,15	2,15

	Emerging Markets		**Brazil**			**China**		**India**		
	Real GDP	Inflation	Real GDP	Inflation	Key Rate	Real GDP	Inflation	Real GDP	Inflation	Key Rate
2022	3.9	6.4	3.0	9.3	13.75	3.1	2.0	9.7	6.7	6.25
2023	4.2	5.8	3.3	4.6	11.75	5.4	0.2	7.6	5.7	6.50
2024e	4.8	6.8	3.4	4.4	12.25	5.0	0.2	9.2	5.0	6.50
2025f	4.1	3.1	2.2	5.1	15.00	4.85	0	6.4	4.6	5.24
2026f	4.0	2.7	1.68	4.2	12.25	4.3	0.8	6.7	2.4	5.23

Market Consensus 06.11.2025

Bird's Eye View

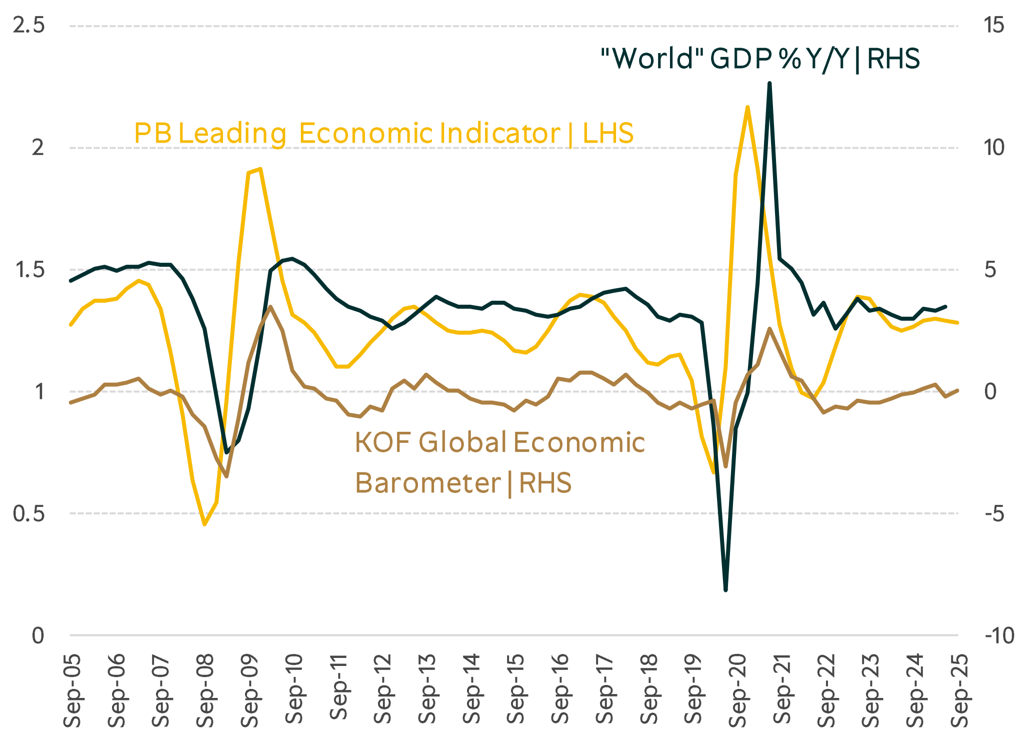
US Economy

EA Economy

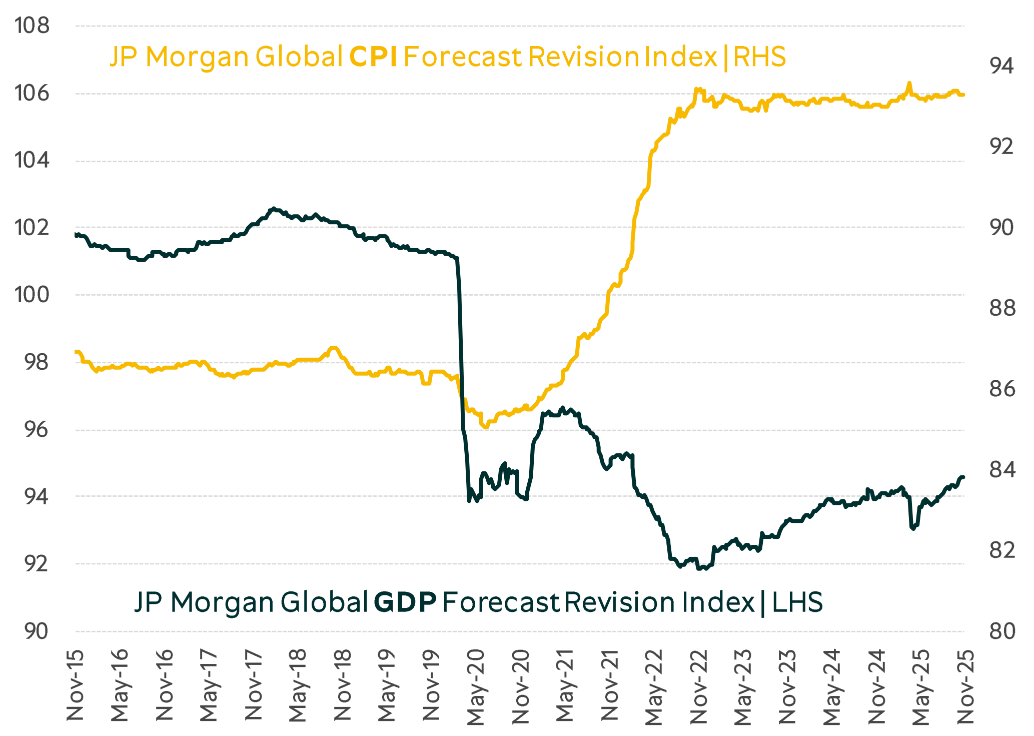
China Economy

The Global Bird's-Eye View | The de-escalation of the trade war has halted the rise in inflation forecasts and at the same time global GDP growth has remained resilient.

Piraeus Bank "World" Leading Economic Indicator & Economic Growth

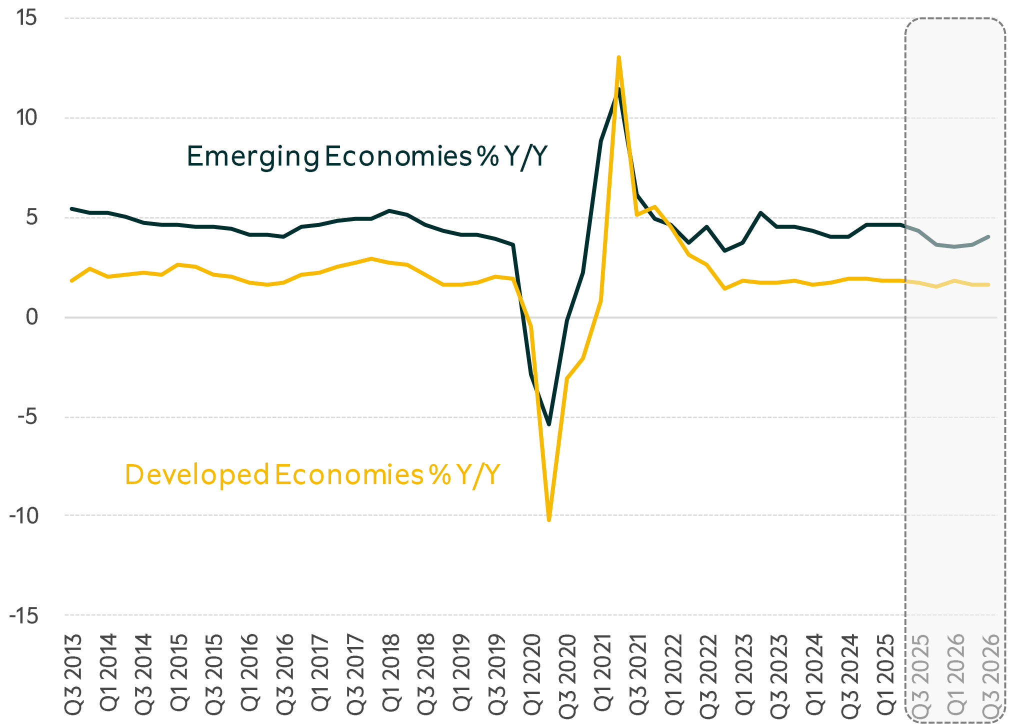


JP Morgan Global Forecast Revision Indices

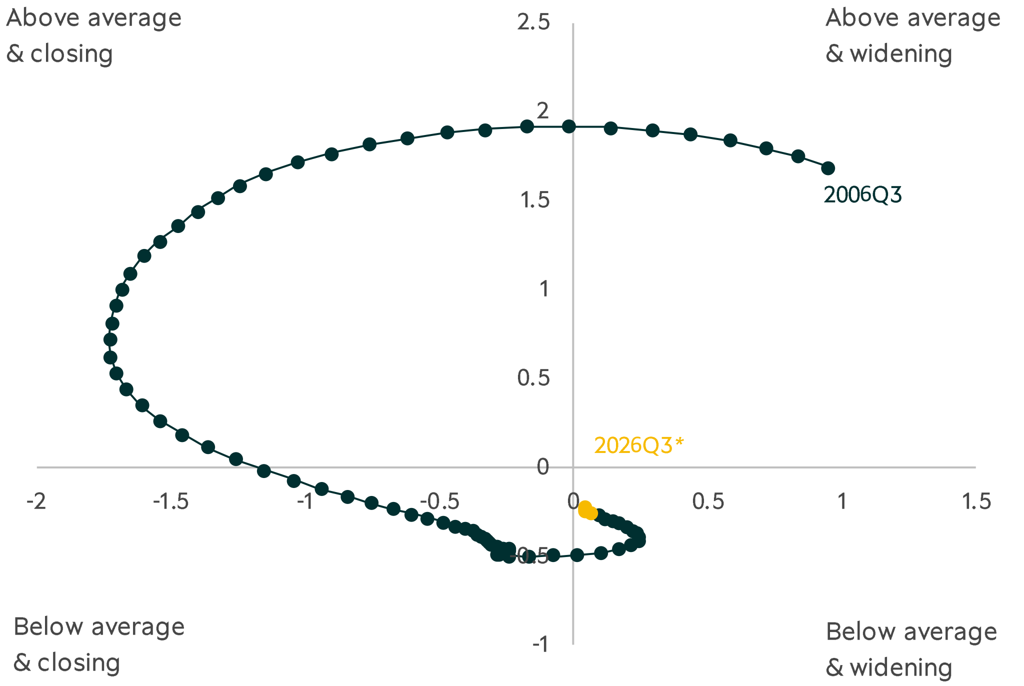


The Global Bird's-Eye View | The growth differential between emerging markets and developed markets is expected to remain at below average levels for 2025/26, but improvement in economic activity is expected.

Real GDP Growth



EM – DM Growth Differential

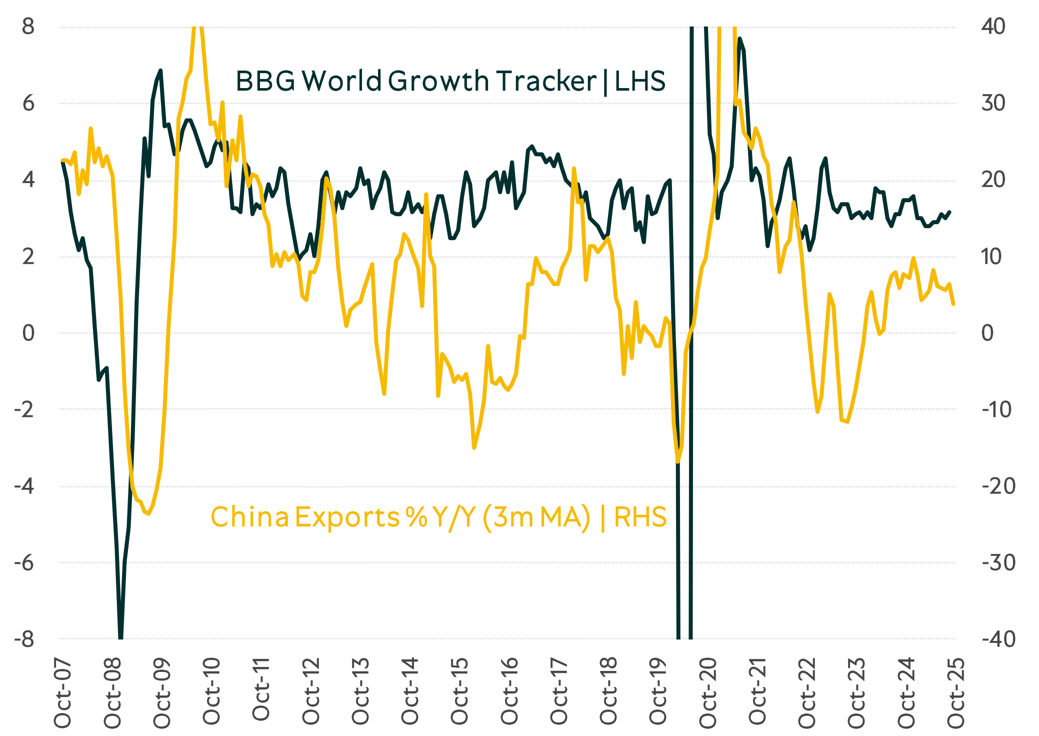


* Denotes forecasted figures from 2025Q3 up to 2026Q3

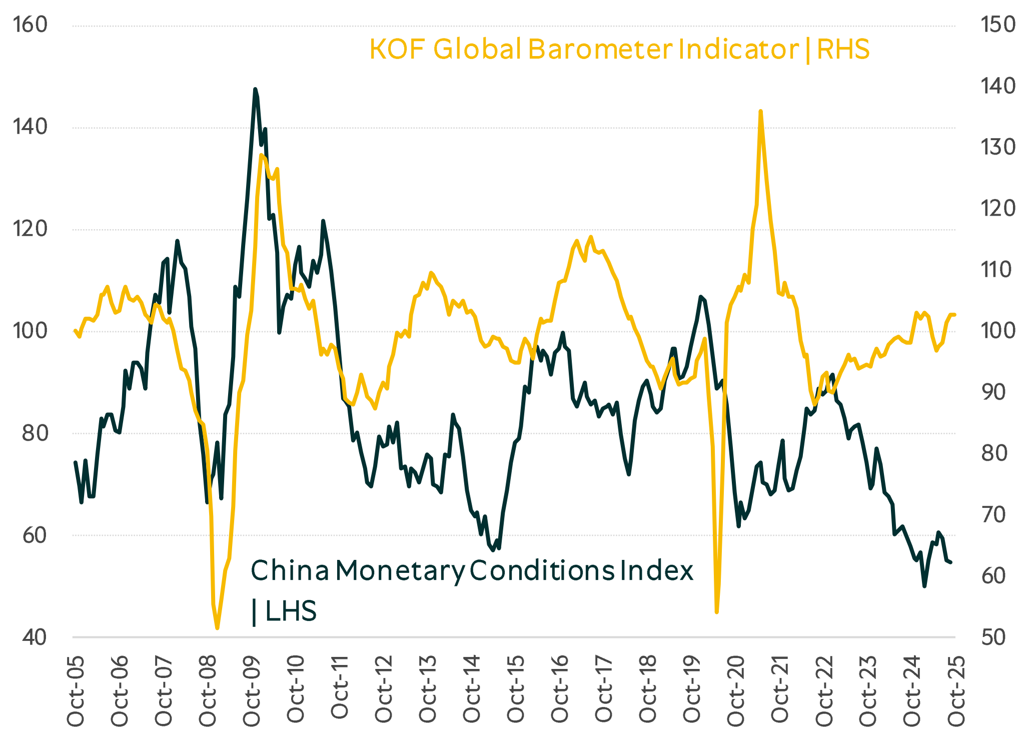
Source: Economic Research & Investment Strategy

Global Economic Activity | China's exports recorded their first negative growth rate since February 2025 in October, as the implementation of tariffs are having an impact.

BBG World Growth Tracker & China Exports



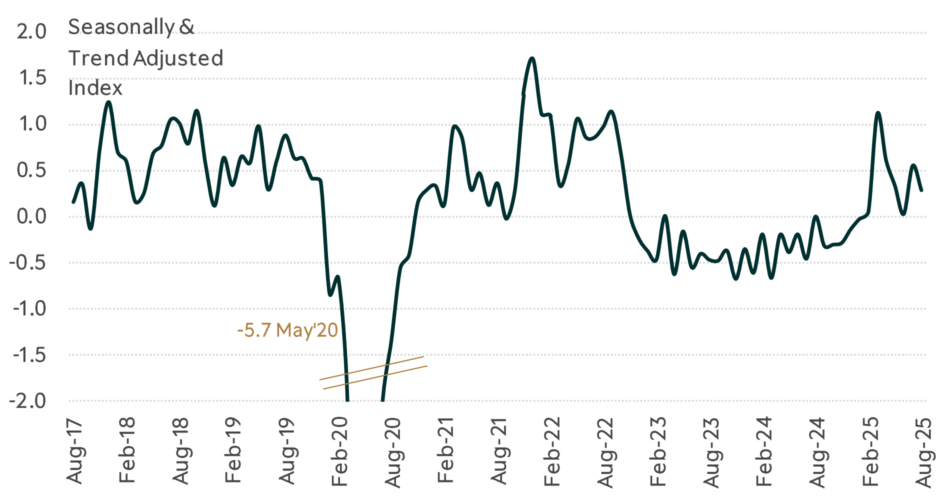
KOF Global Barometer Indicator & China Monetary Conditions



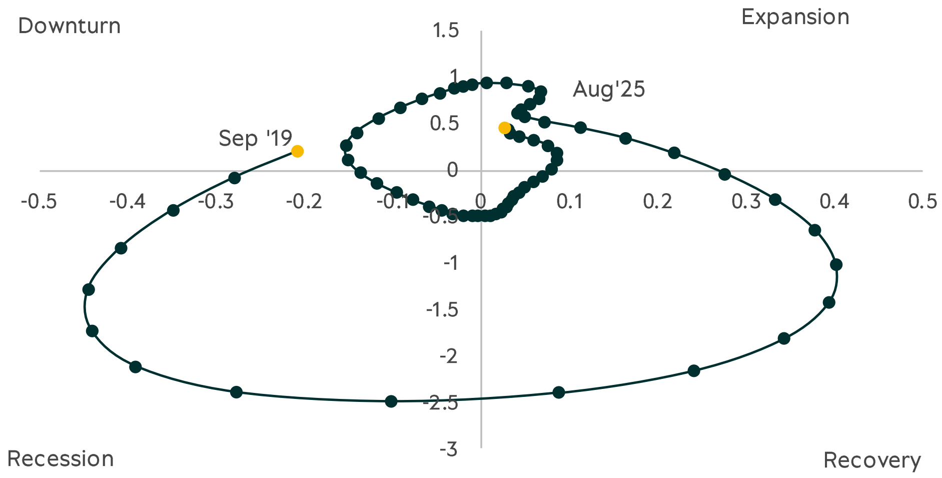
Source: Economic Research & Investment Strategy

Global Trade | EM Exports continued to accelerate in August following the decline of the past months, as trade deals continue to take shape. However, world trade slowed down in August.

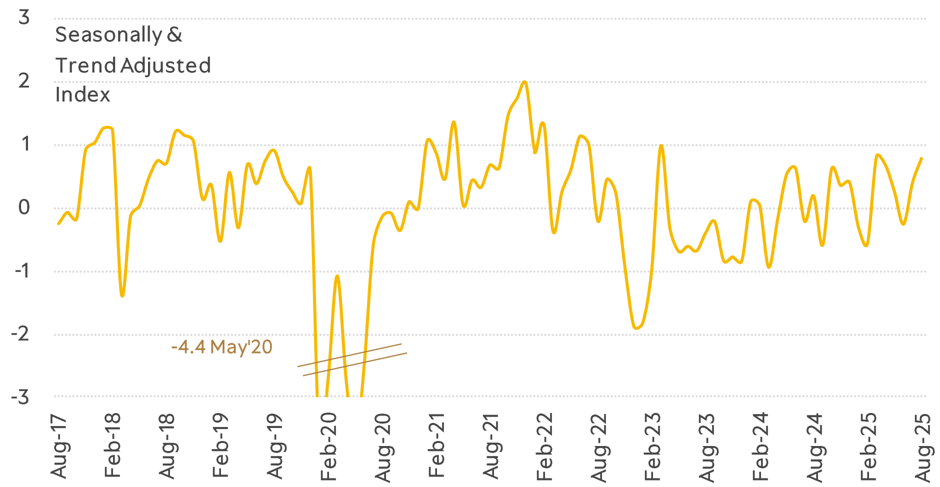
World Trade



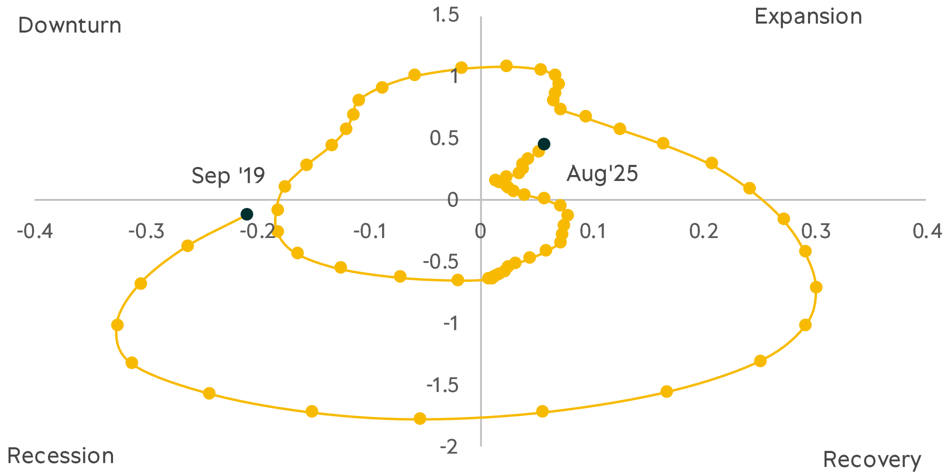
World Trade Tracer



World Exports | EM

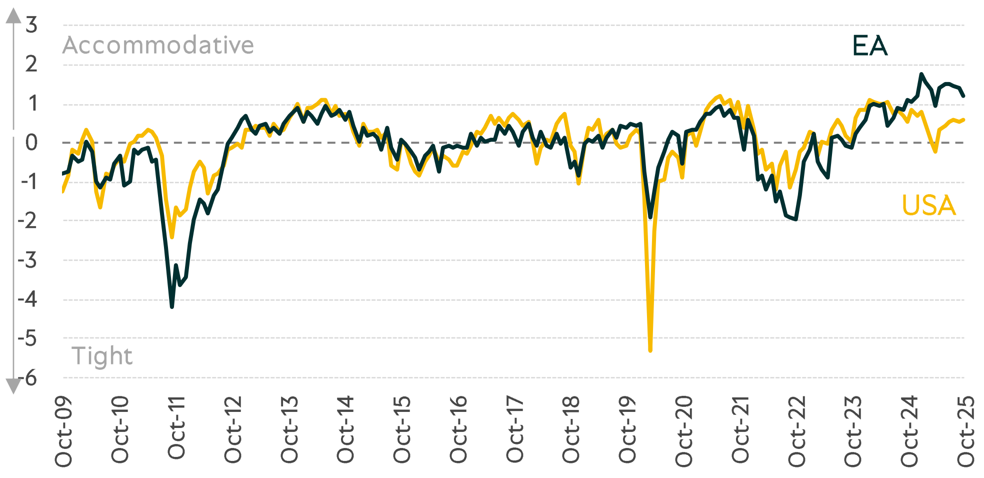


World Exports Tracer | EM

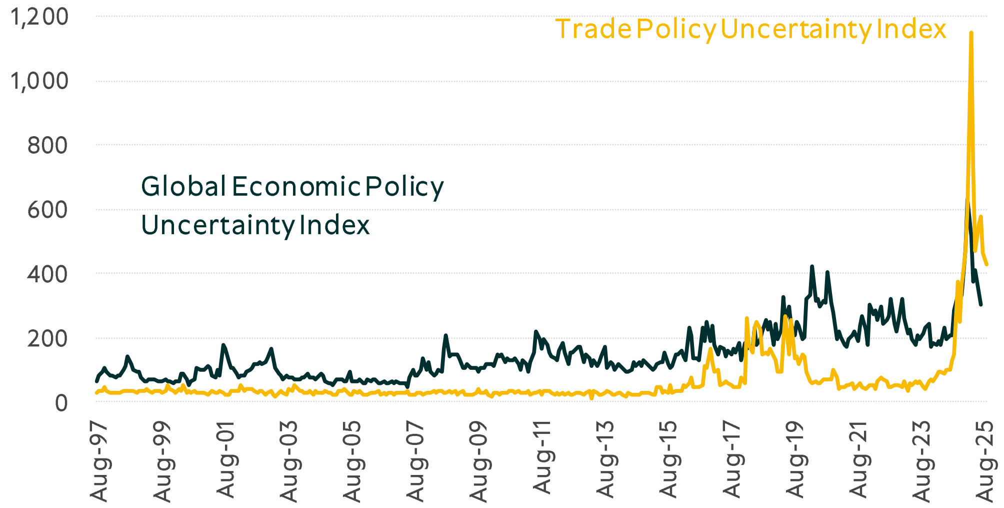


Global Trends | Trade and Economic Policy Uncertainty continue to decline from their peak but remain elevated compared to historical levels. US Financial Conditions remained accommodative in October.

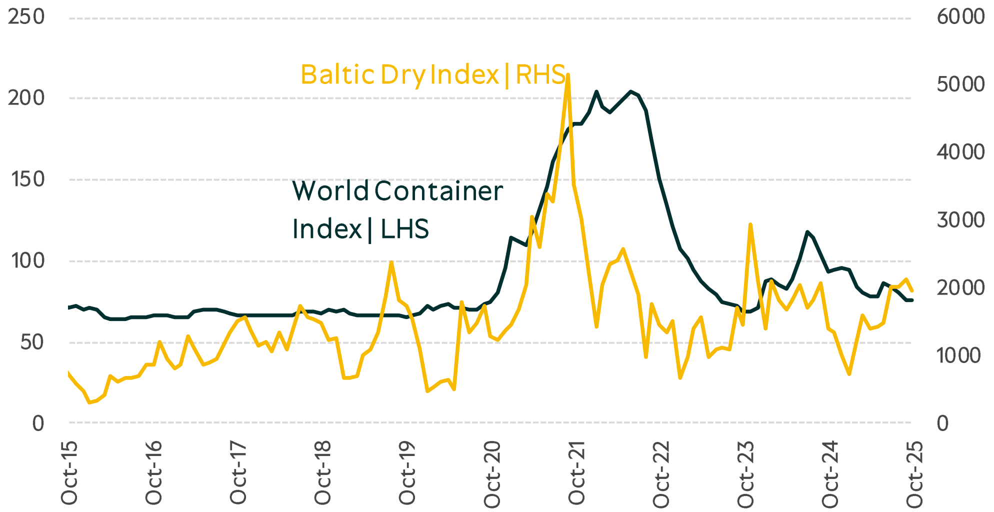
Bloomberg Financial Conditions Indices



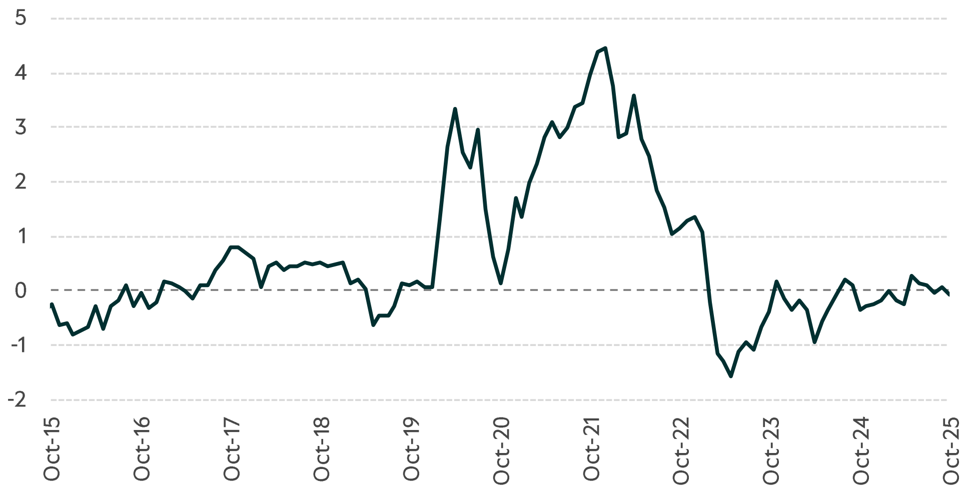
Global Economic & Trade Policy Uncertainty (Caldara & Iacoviello)



World Container and Baltic Dry Indices

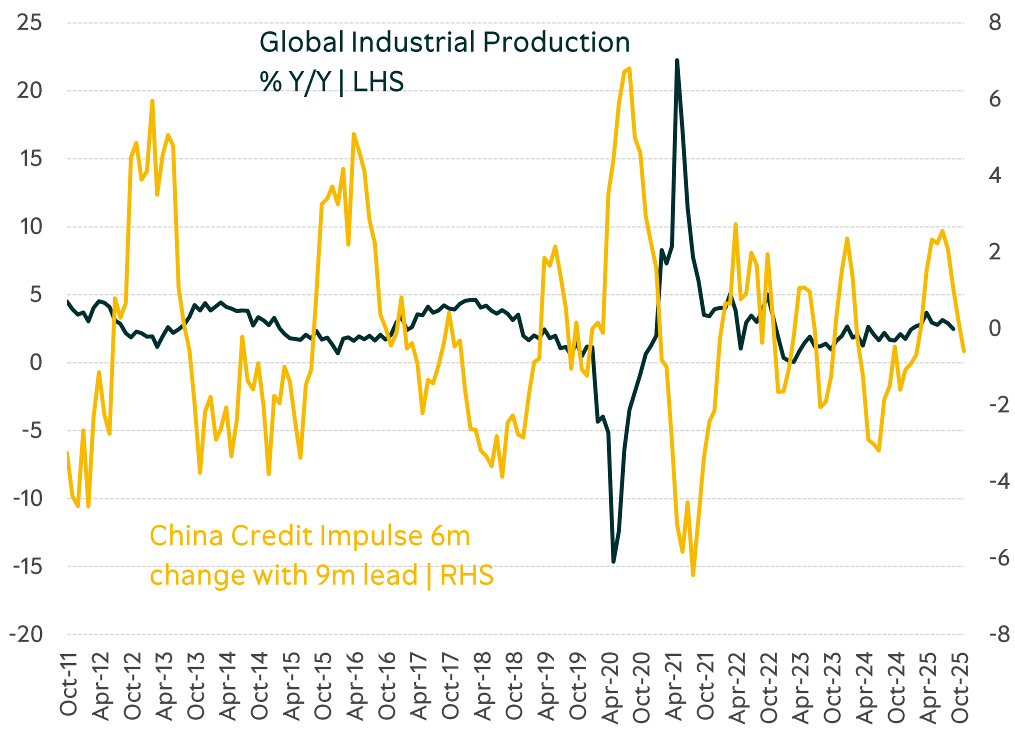


Global Supply Chain Pressure (NY Fed)

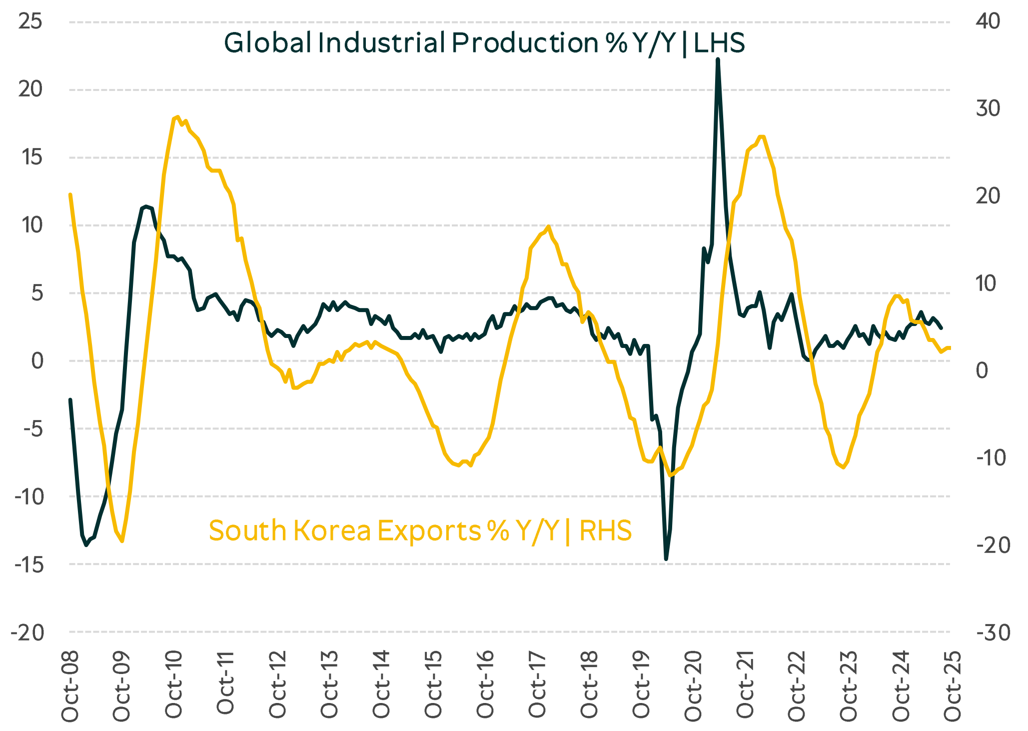


Global Trends | Momentum in China's credit impulse moderates further in October after steady gains. South Korea's export uptick is consistent with global industrial production stabilisation.

China Credit Impulse (9m lead) & Global industrial production



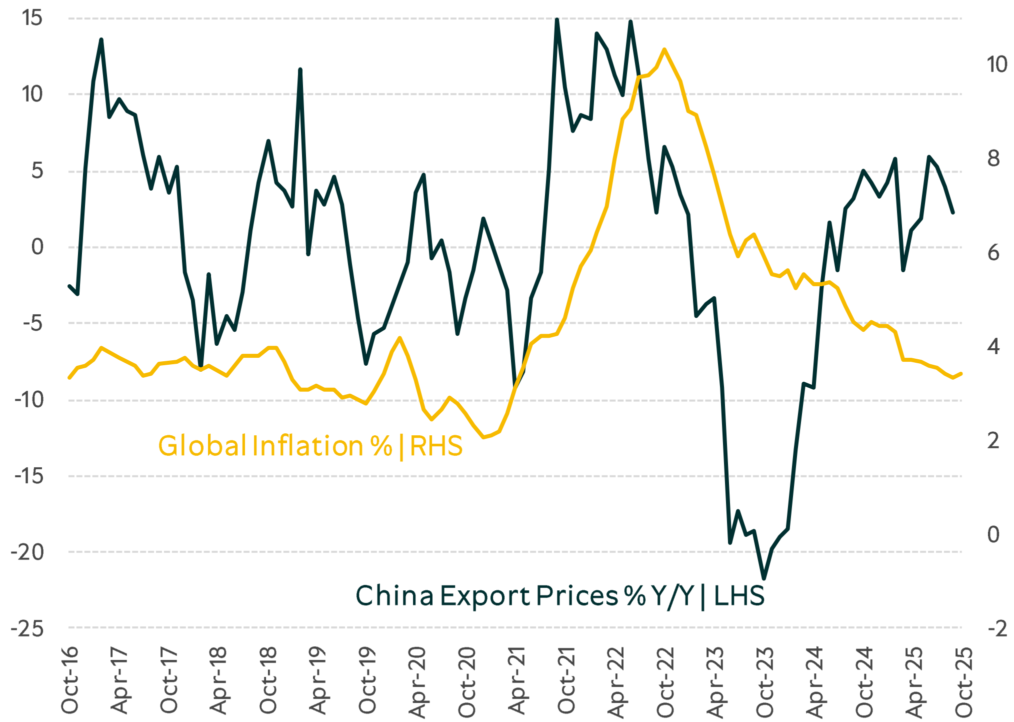
South Korean Exports & Global Industrial Production



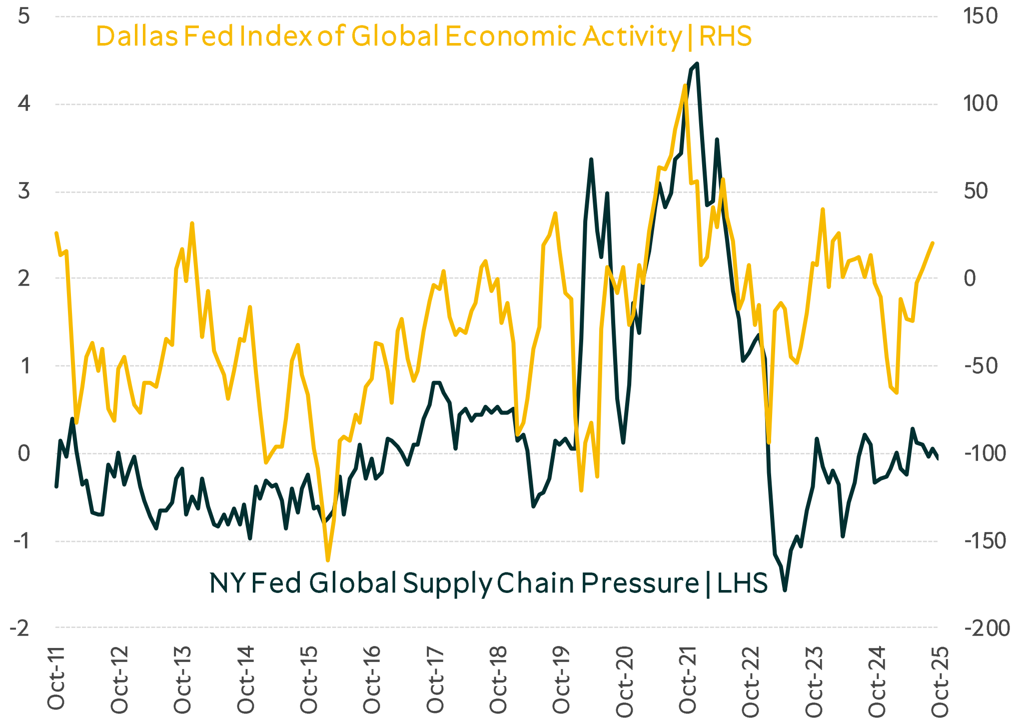
Source: Economic Research & Investment Strategy

Global Trends | Global inflation rose slightly in October. Supply chain pressures have eased and are now close to their historical average and Economic activity is improving.

China Export Prices & Global Inflation



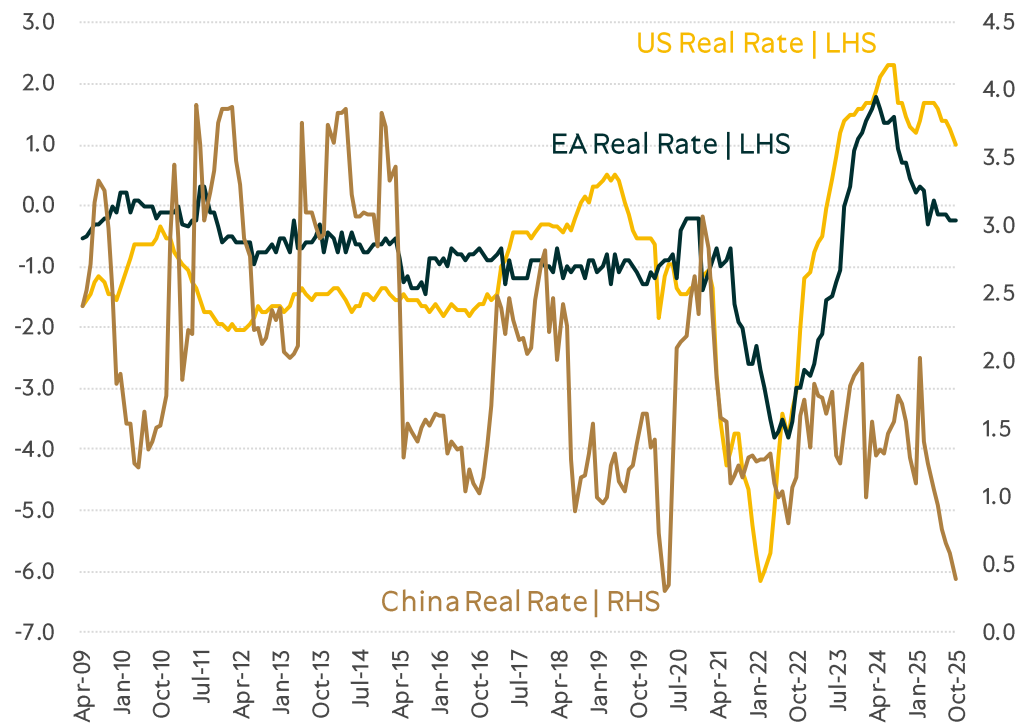
Global Economic Activity vs Global Supply Pressure



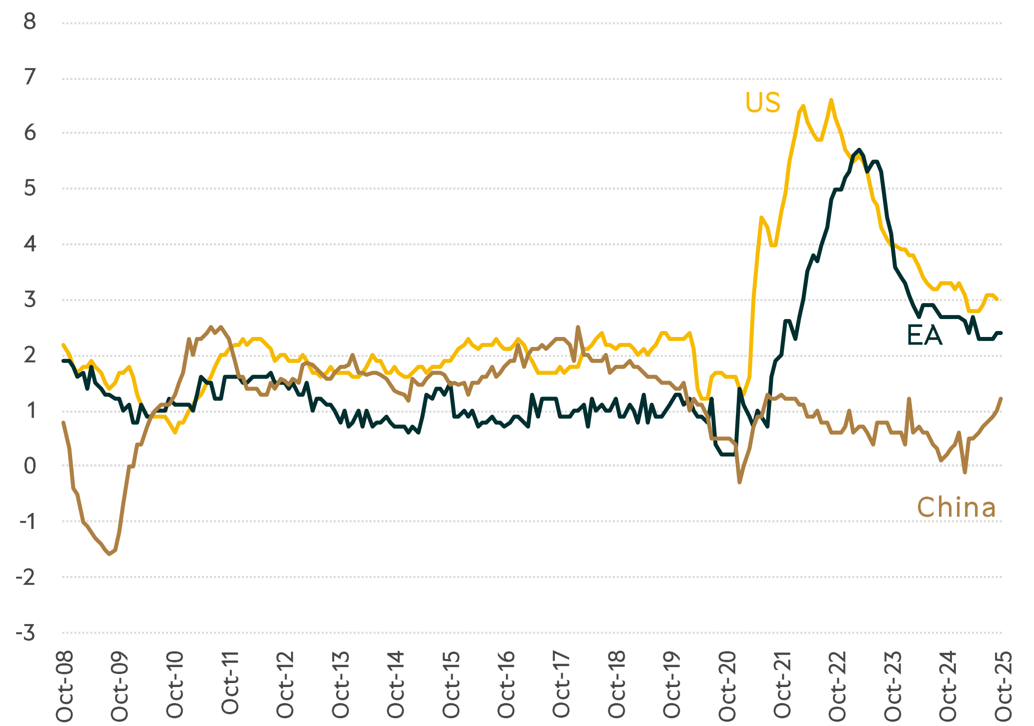
Source: Economic Research & Investment Strategy

Global Trends | Real policy rates in the US and China continued to decline in October. China's core CPI increased for the sixth consecutive month to 1.2% from 1.0% in September.

Global Real Policy Rates US, EA, CN



US, EA, CN Core Inflation



Bird's Eye View

US Economy

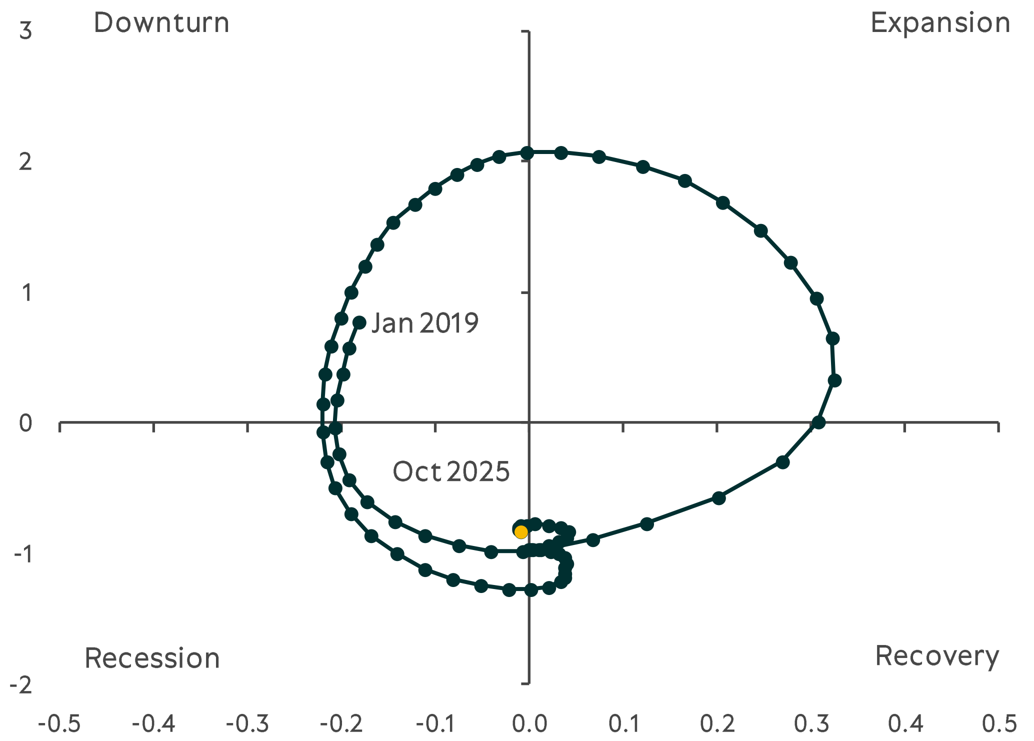
EA Economy

China Economy

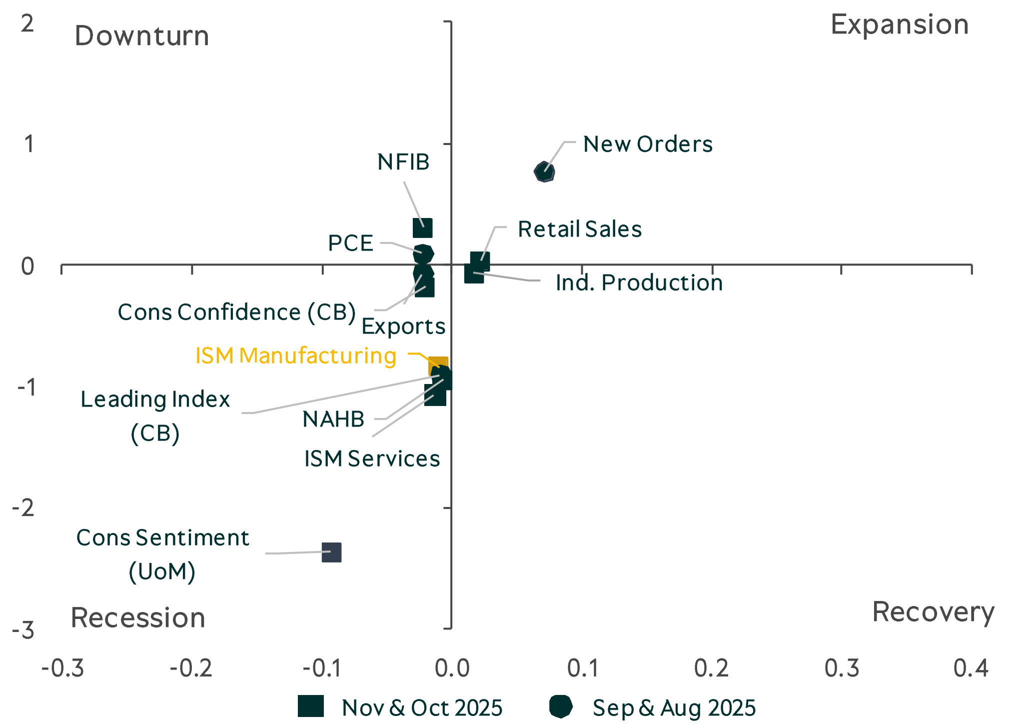
Source: Economic Research & Investment Strategy

US Business Cycle | Most leading economic indicators remain in the Recession phase

US Business Cycle | Based on ISM Manufacturing Indicator



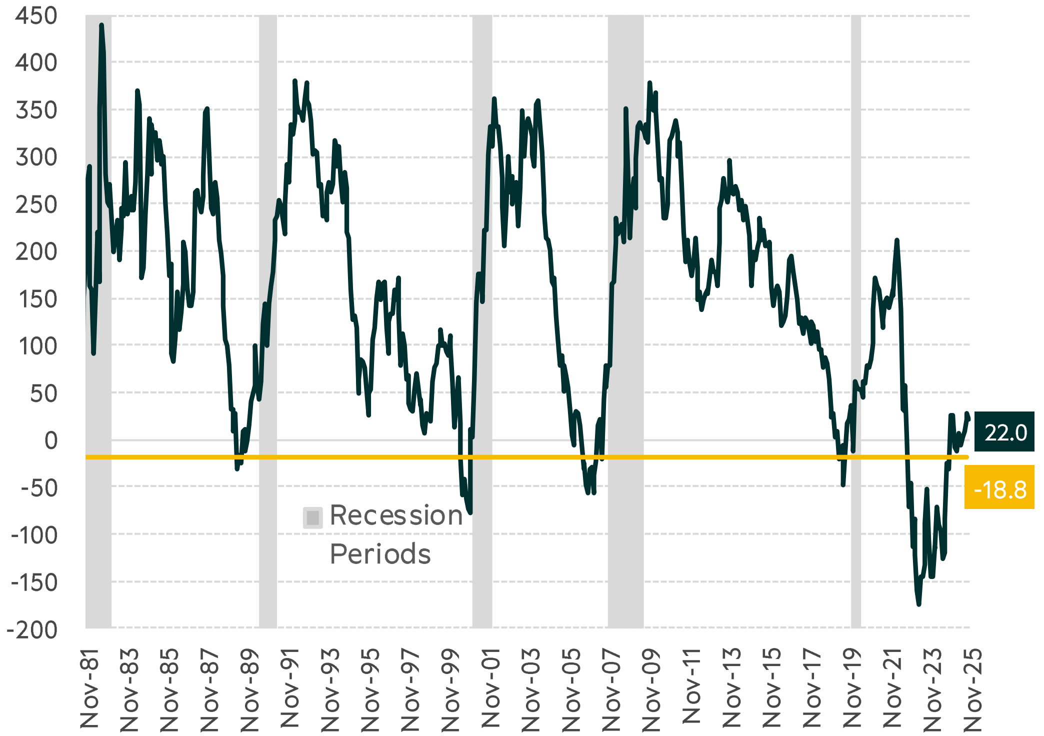
US Business Cycle | Based on Major US Economic Variables



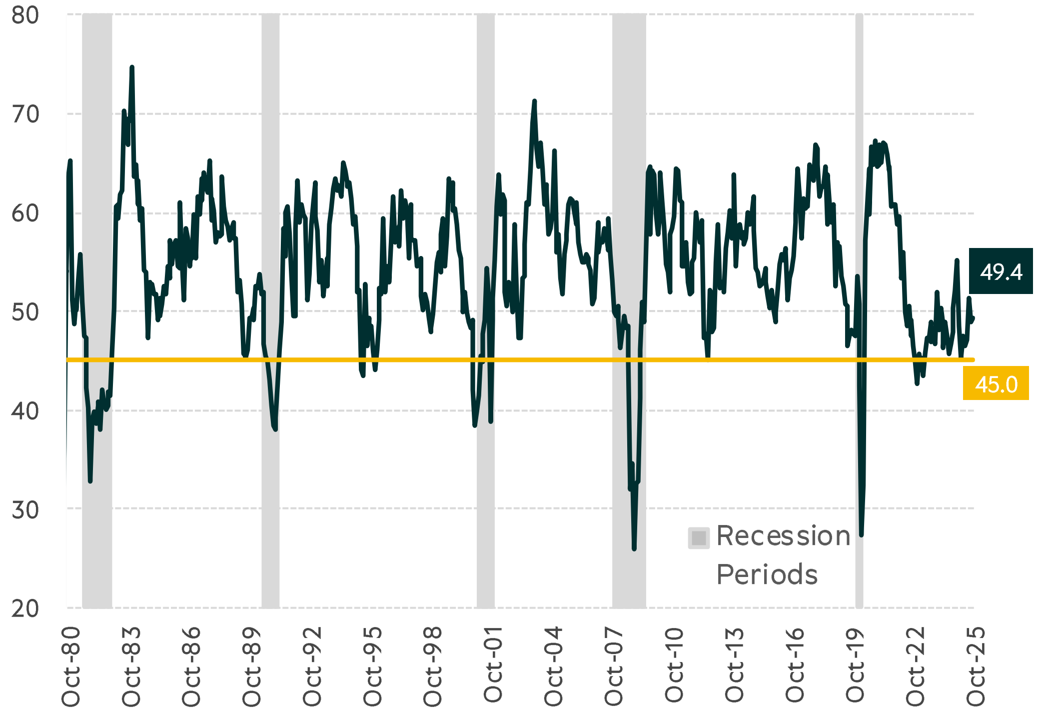
Source: Economic Research & Investment Strategy

US Recession Indicators | The 10YR3M spread and the ISM New Order Index remain above the threshold levels consistent with recession periods.

10 Year and 3M US Treasury Yields Spread

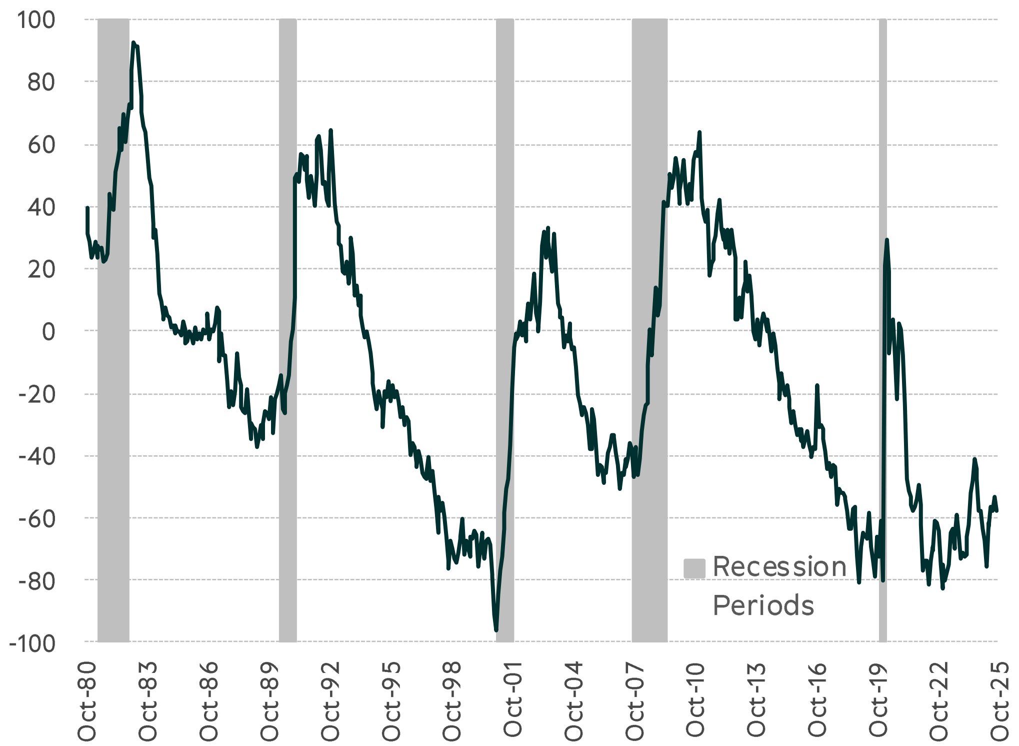


ISM Manufacturing New Order Index

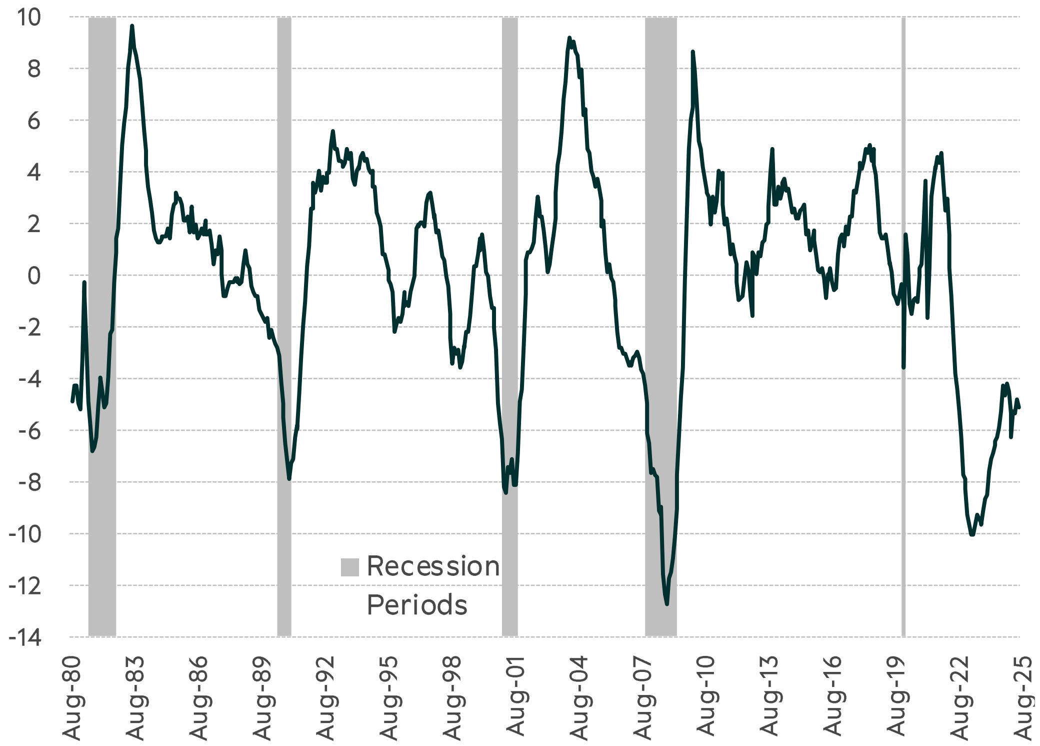


Conference Board Survey | The difference between Consumer Expectations and Current Situation indicators widened in October. Leading and Coincident indicators have not been published since August.

Difference between Consumer Expectations and Current Situation Indicators (Conference Board)



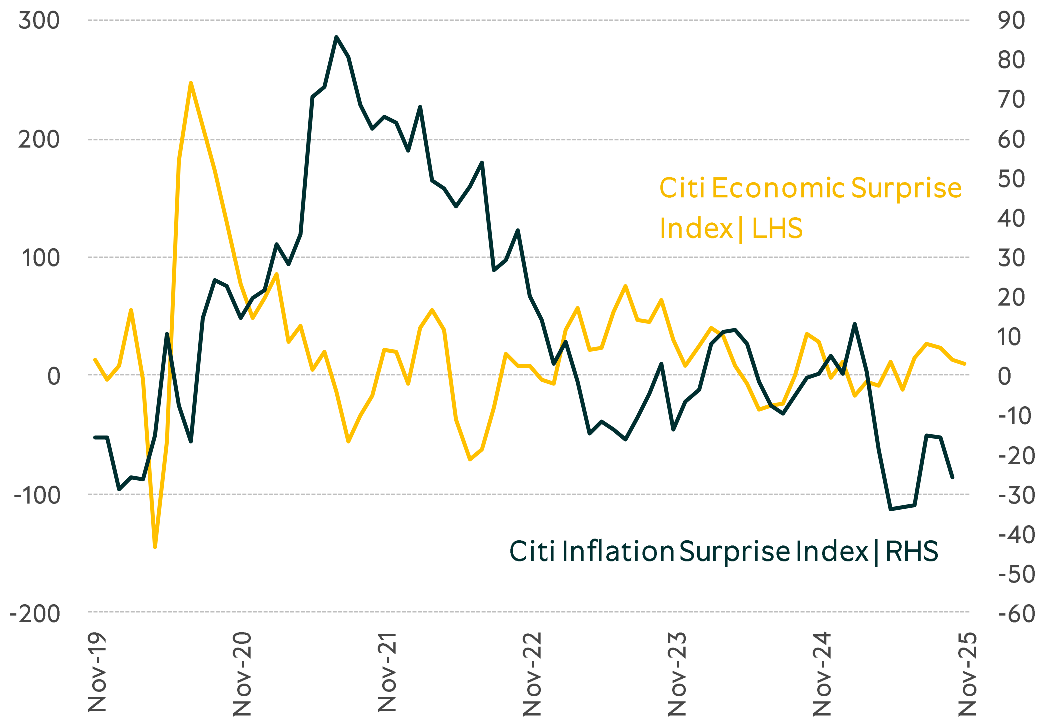
Difference between Leading & Coincident Indicators (Conference Board)



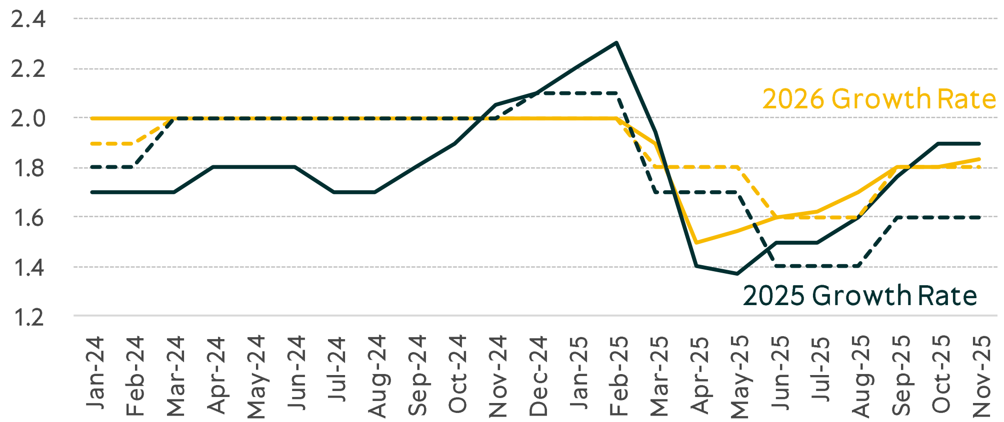
Source: Economic Research & Investment Strategy

US Macro Expectations | Economic surprises remain favourable and negative inflation surprises have intensified (Sept CPI), although due to the shutdown, data collection and reporting delays may be distorting underlying trends

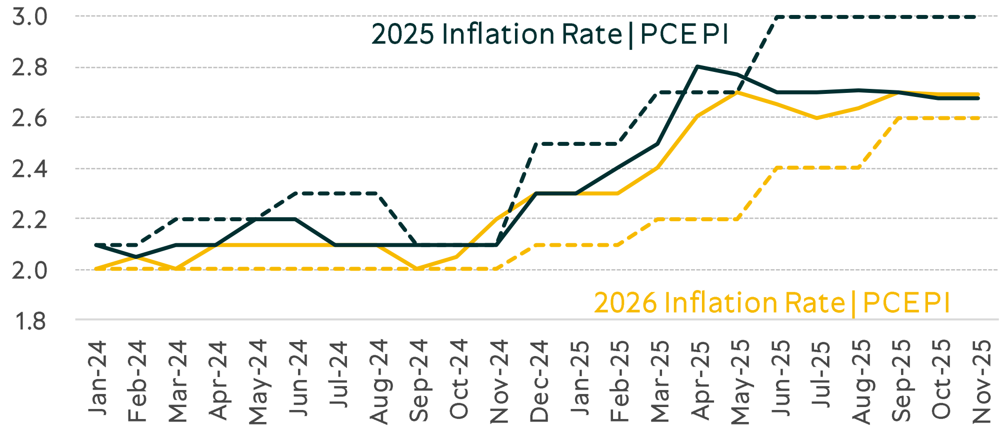
Economic & Inflation Surprises



Growth Rate Expectations*



Inflation Rate Expectations*



*Solid line: Consensus; Dotted line: Fed projections

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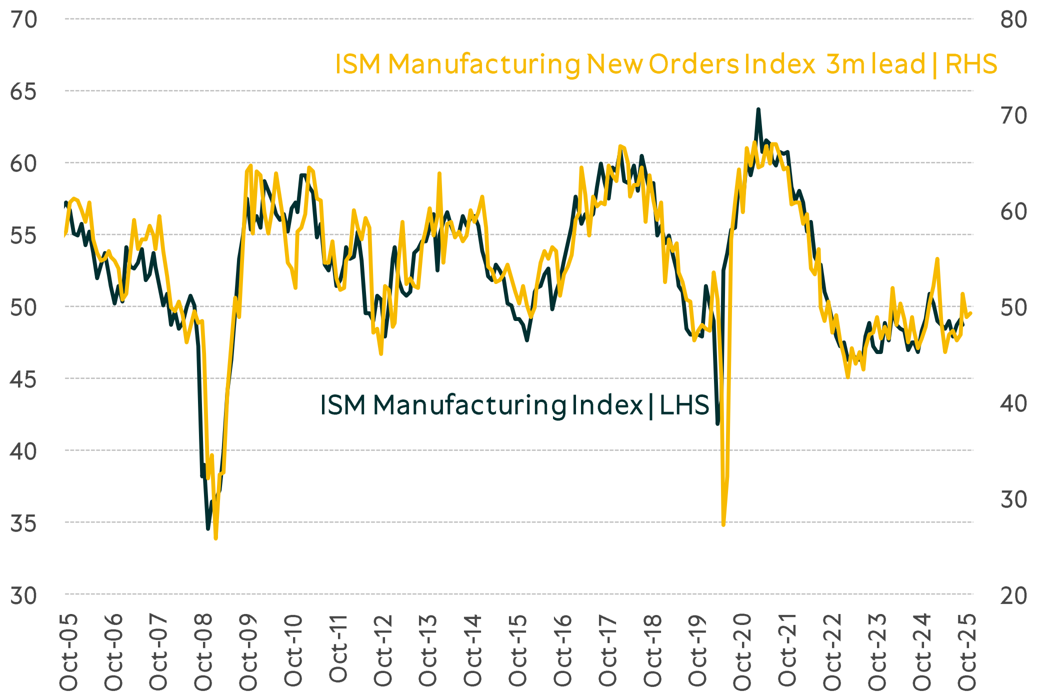
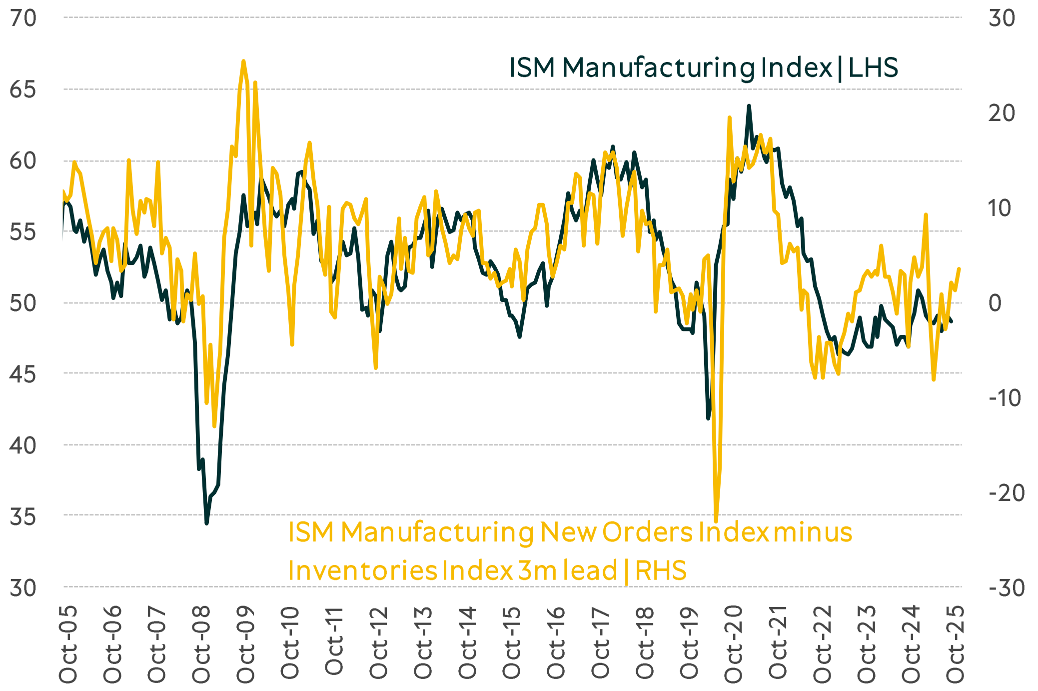
Source: Economic Research & Investment Strategy

US Leading Indicators | The ISM Manufacturing Index stayed below 50 in October for the eighth consecutive month. New Orders increased to 49.4 but remain below the threshold of 50.

ISM Manufacturing & New Orders Indices

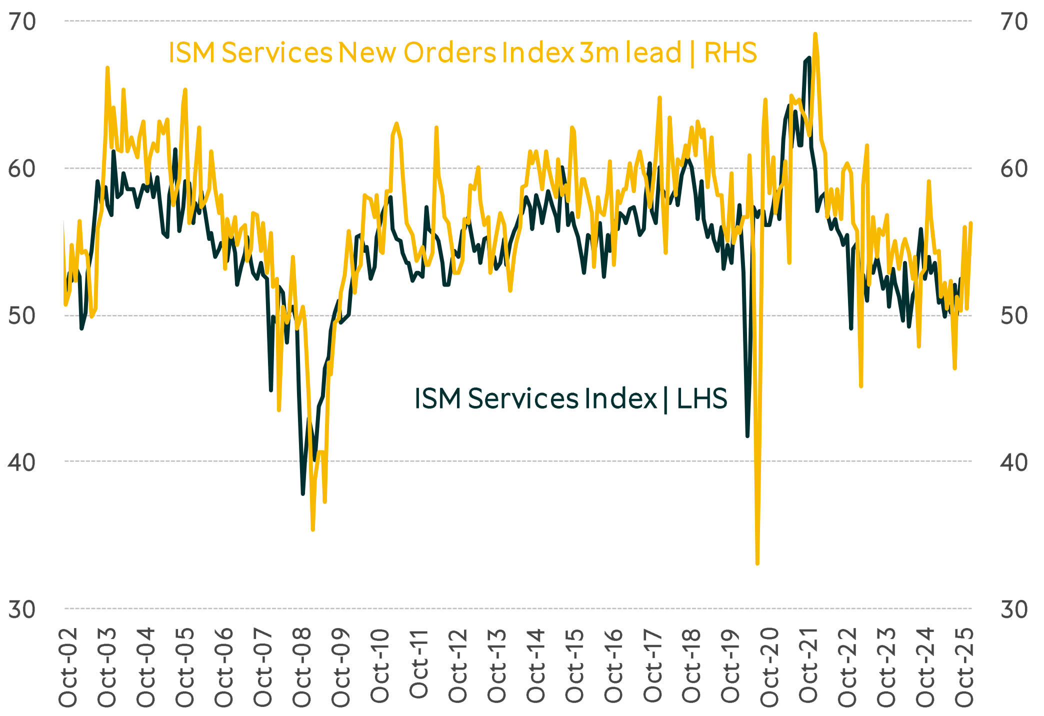


ISM Manufacturing & New Orders Index Minus Inventories Index

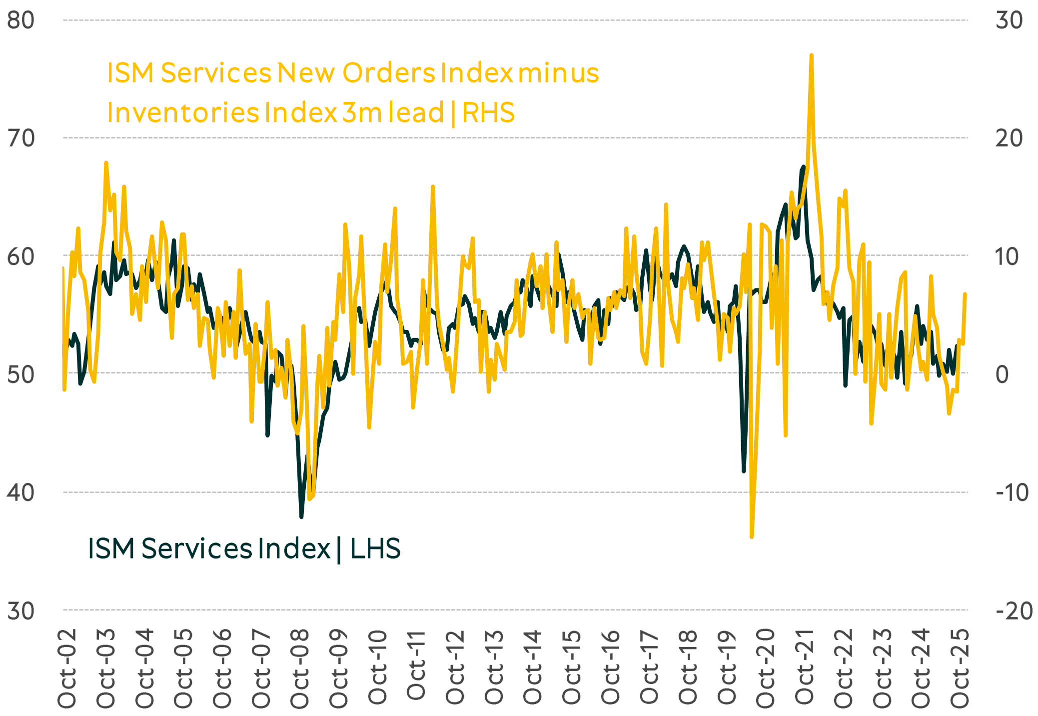


US Leading Indicators | ISM Services index rose to 52.4 in October mainly led by a large increase in the New Orders component. The ISM Services Prices Paid increased to 70 marking its highest level since October 2022.

ISM Services & New Orders Indices



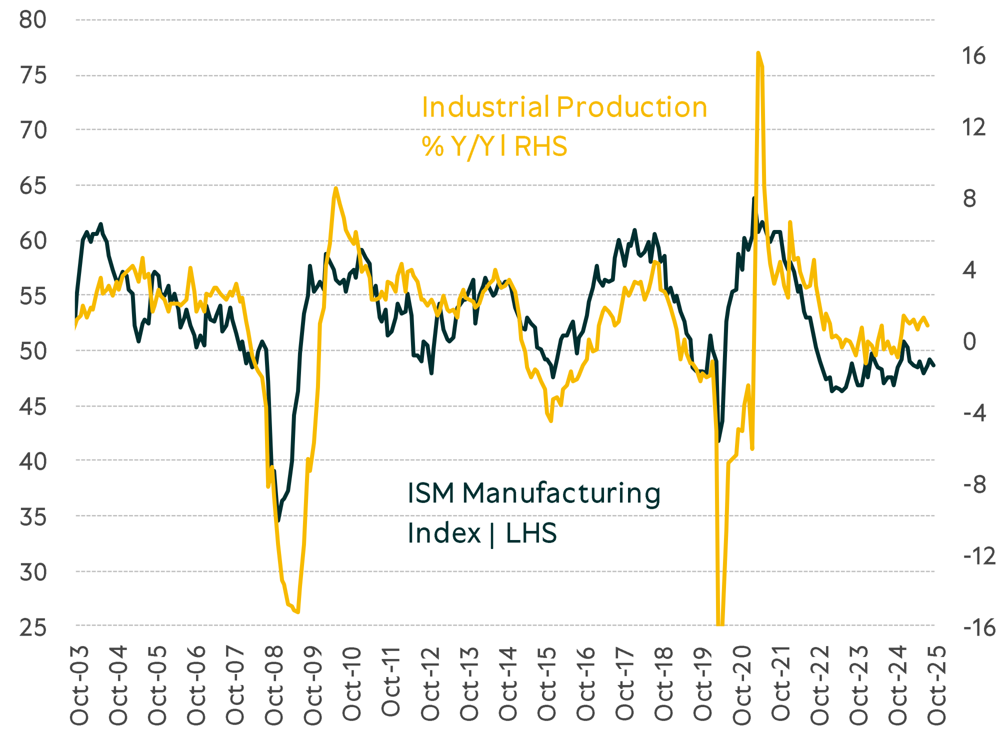
ISM Services & New Orders Index Minus Inventories Index



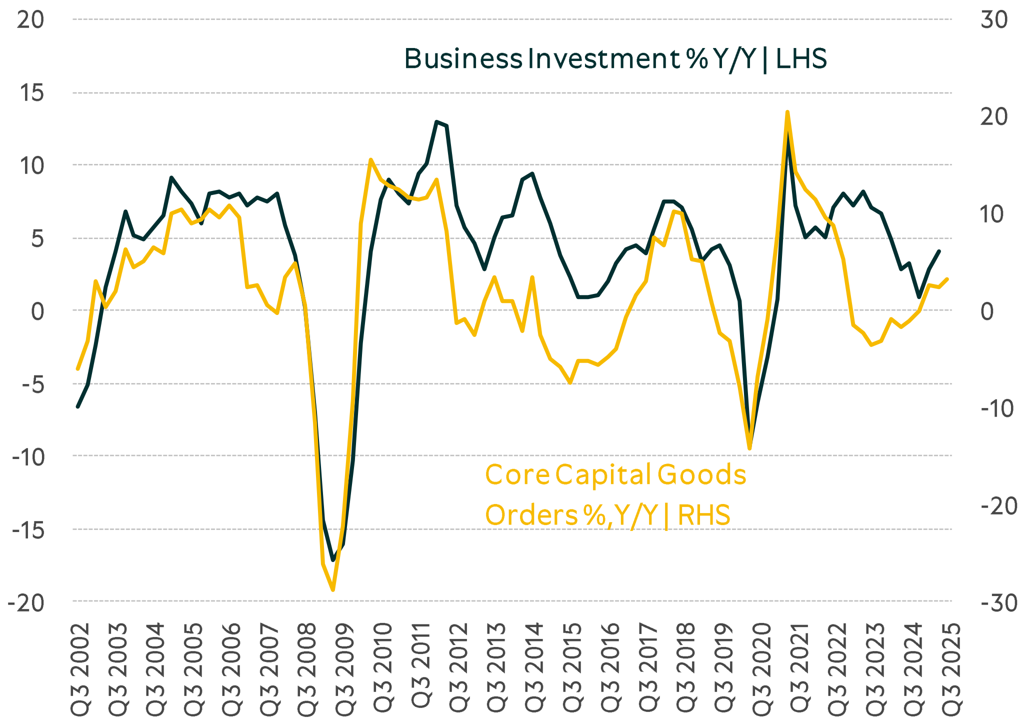
Source: Economic Research & Investment Strategy

US | Industrial Production edged up in August on a monthly basis (September data has not been published). Business investments and Core Capital Goods extended gains supporting growth momentum into Q3.

Industrial Production & ISM Manufacturing

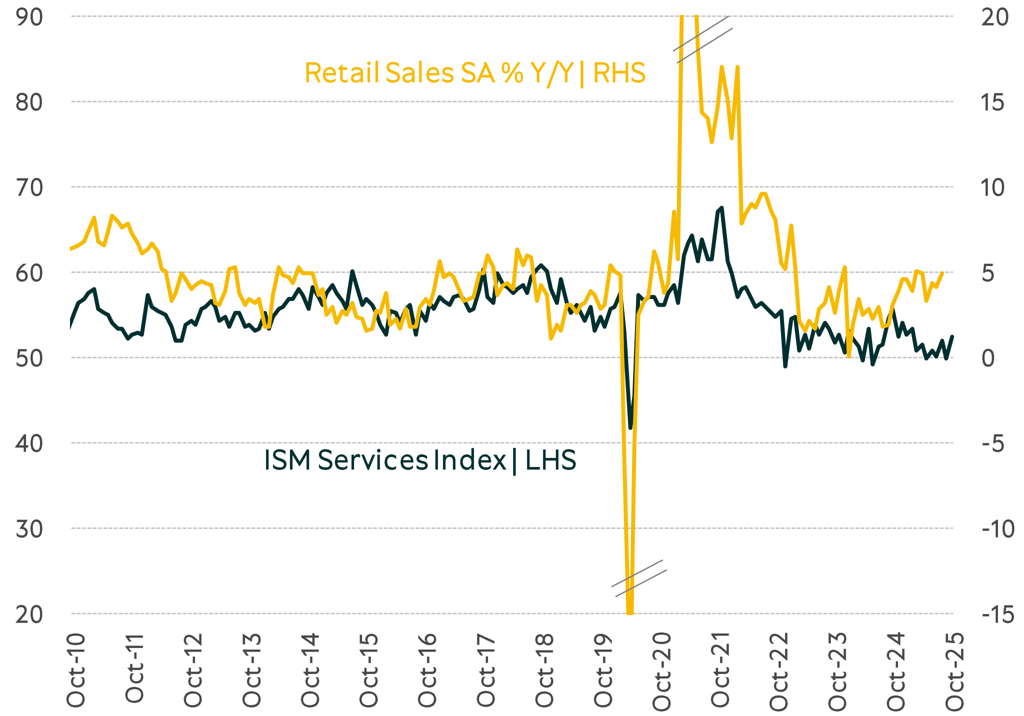


Core Capital Goods Orders & Business Investment

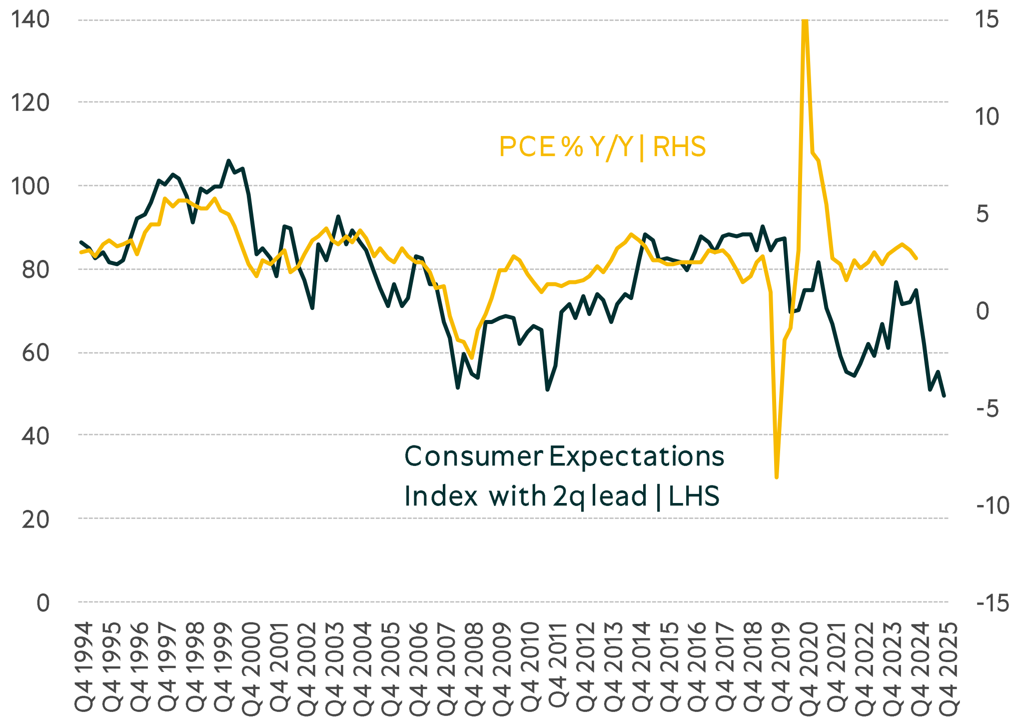


US | The US consumer has been the main "growth driver" so far. Retail sales rose faster than expected in August. October ISM Services rose but Consumer expectations point to lower consumption ahead.

Retail Sales & ISM Services



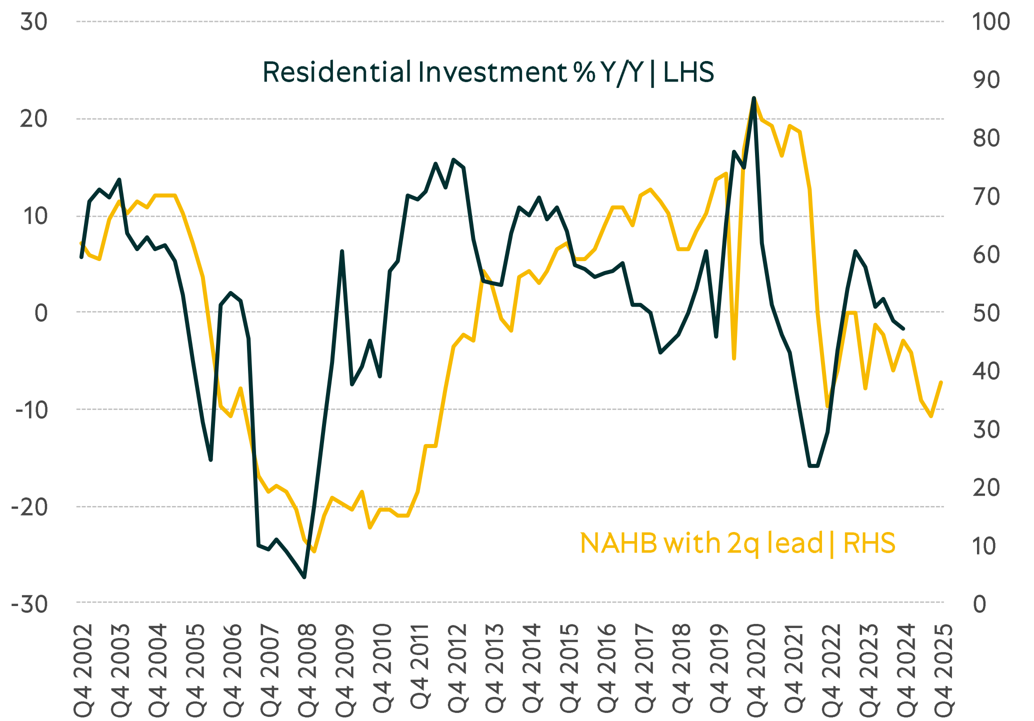
Personal Consumer Expenditure & University of Michigan Consumer Expectations Index



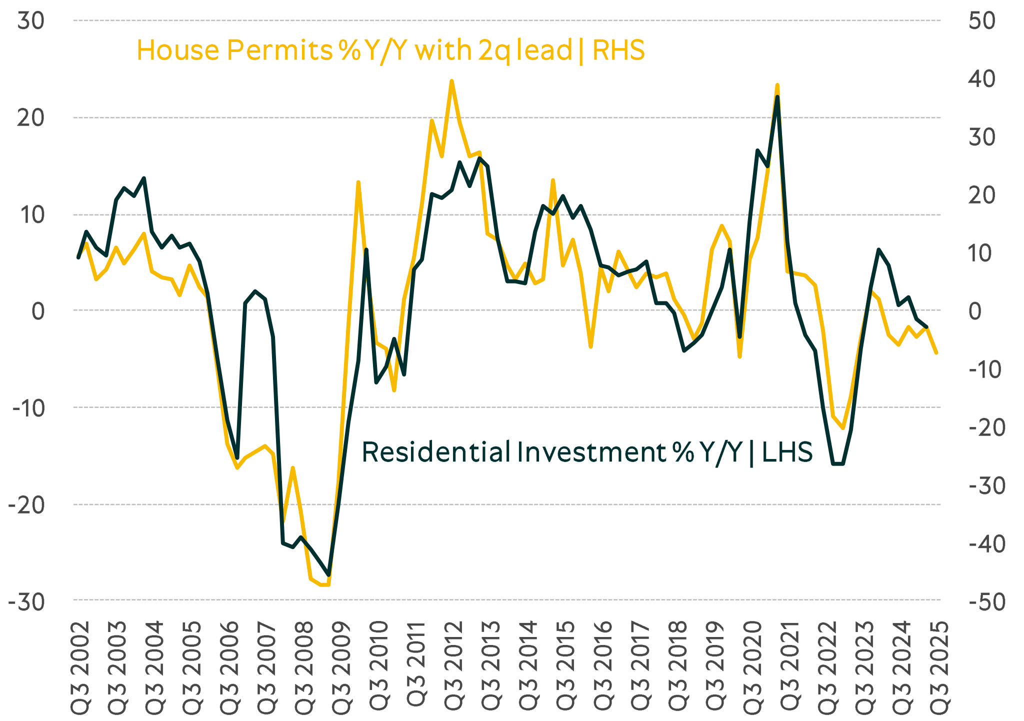
Source: Economic Research & Investment Strategy

Housing Market | Residential investment declined further in Q2 and House Permits in Q3. Home builders' expectations rose to 38 in November.

Residential Investment & NAHB Index

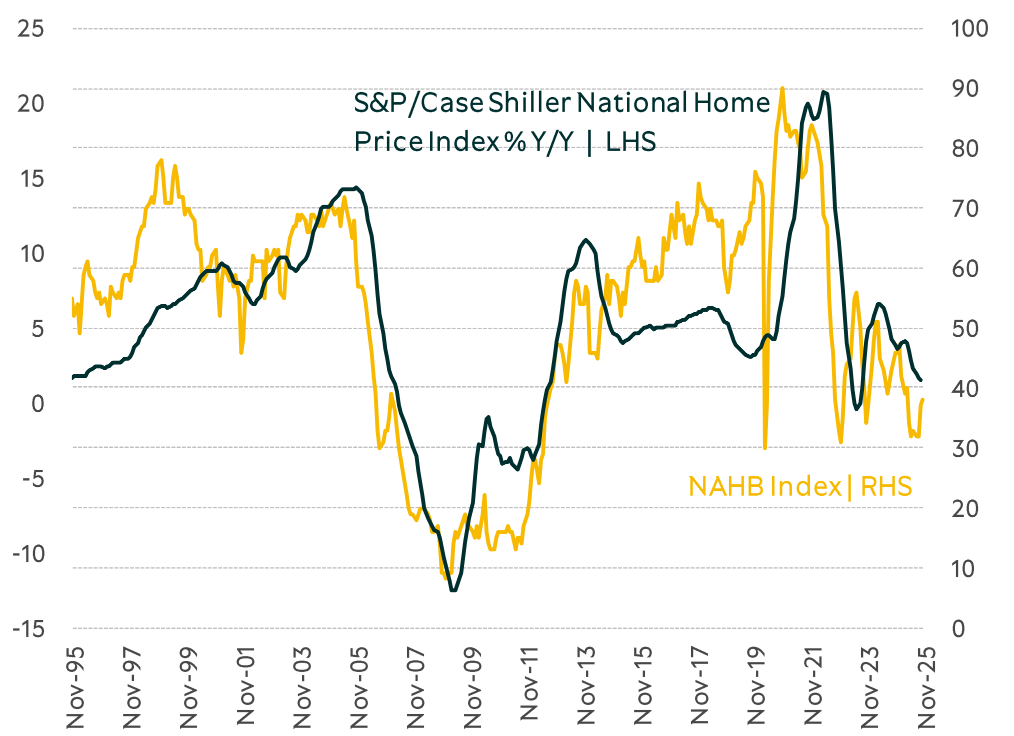


Residential Investment & House Permits

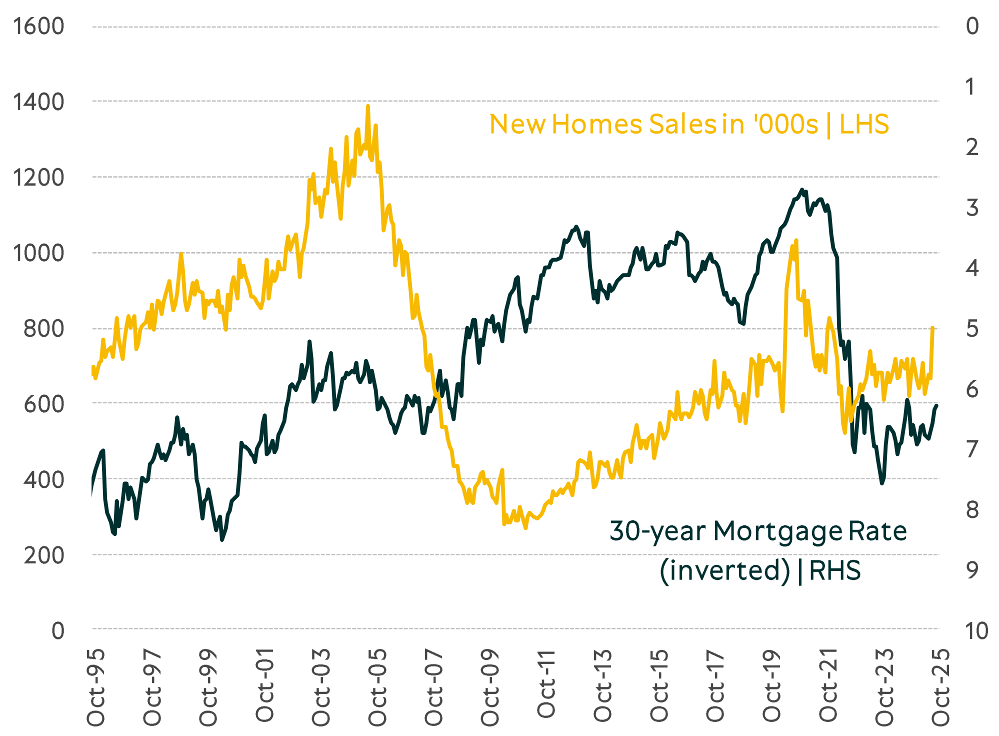


Housing Market | Sharp increase in New Home Sales in August following a decrease in 30-year mortgage rates. Homebuilder confidence picked up further in November.

NAHB Index & S&P/Case Shiller Home Price Index

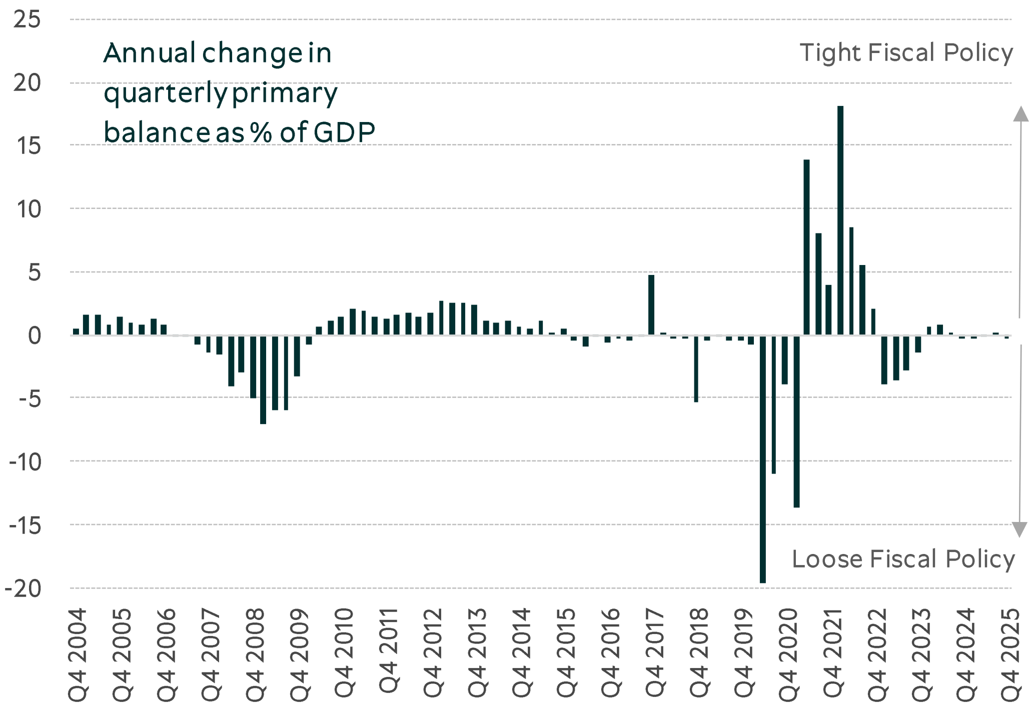


US new home sales and 30-year mortgage rates

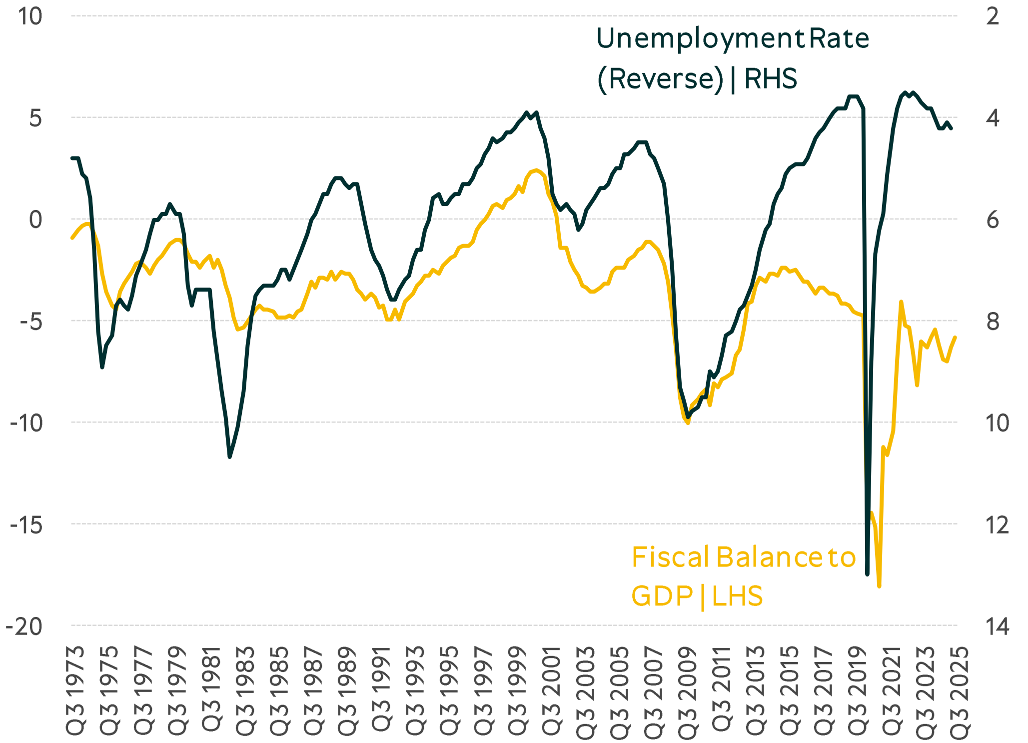


Fiscal Policy | Still too loose vs unemployment. The slight improvement in the Fiscal Balance to GDP ratio is attributed to higher revenues (which incl. tariffs) and moderated spending growth. Fiscal challenges ahead.

Fiscal Thrust



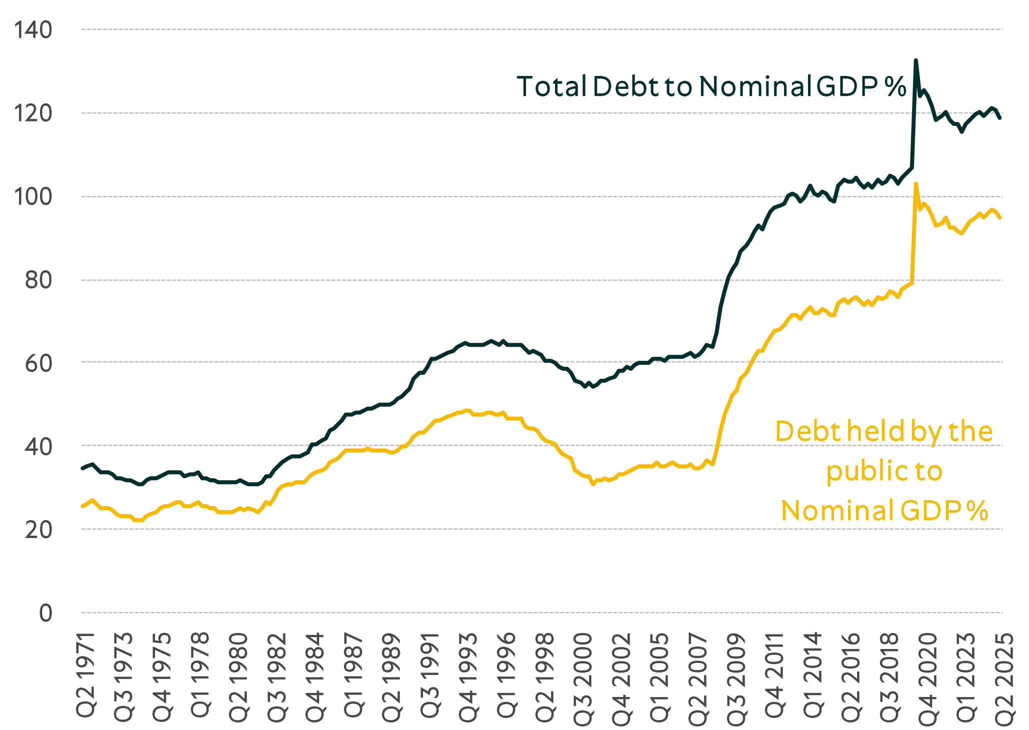
Fiscal Policy vs Unemployment



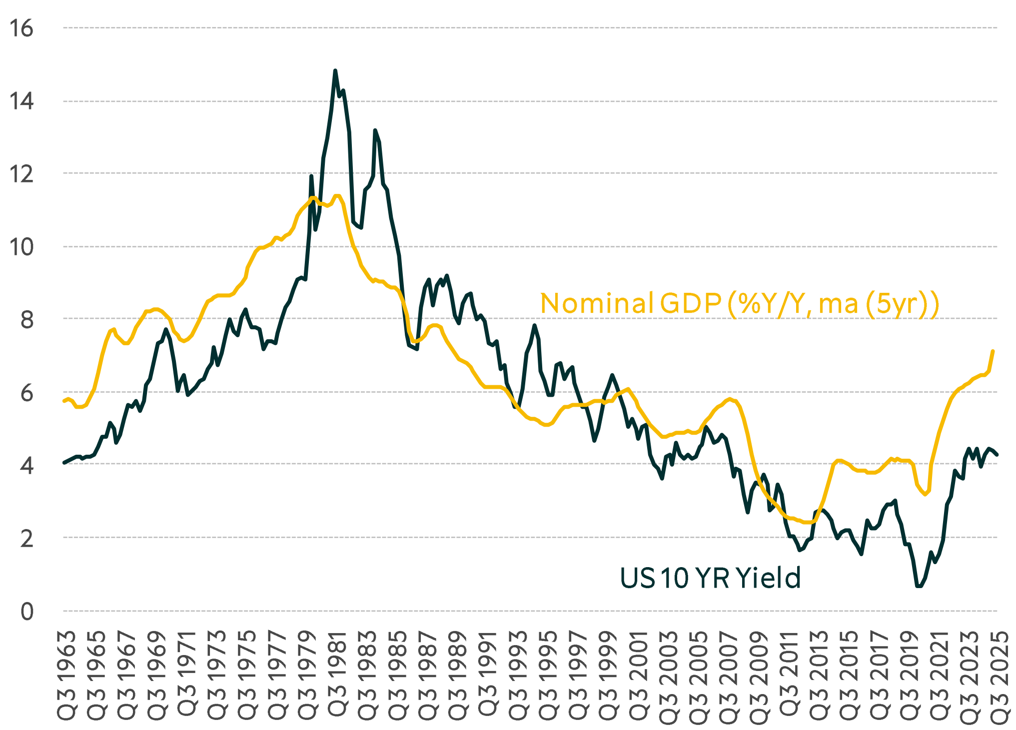
Source: Economic Research & Investment Strategy

Fiscal Policy | Slight improvement in the Debt/Nominal GDP ratio largely due to nominal GDP growth outpacing the rate of debt accumulation in recent quarters. The long-term trajectory remains concerning.

Debt / Nominal GDP

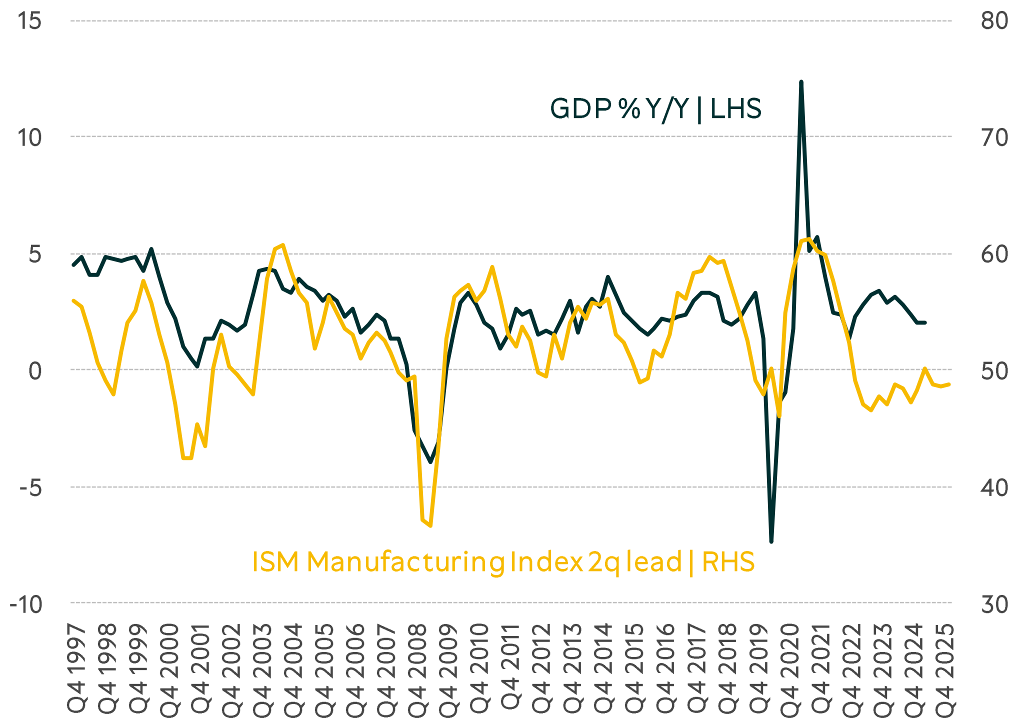


Fiscal Policy Sustainability

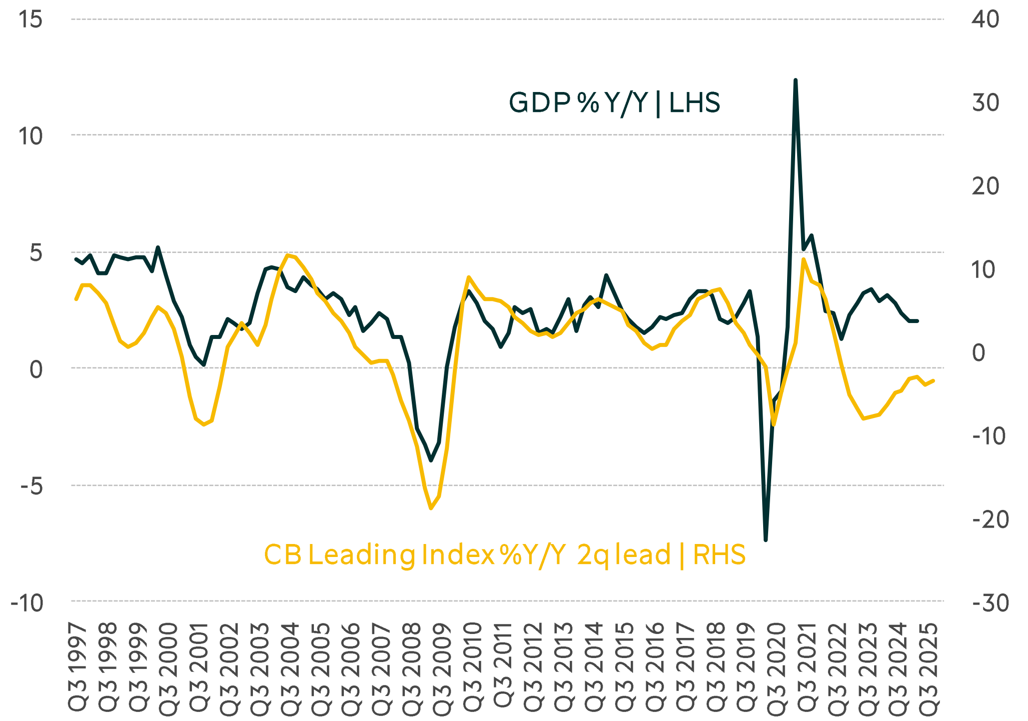


US GDP Outlook | Leading indicators point to deceleration in real GDP

GDP & ISM Manufacturing Indicator

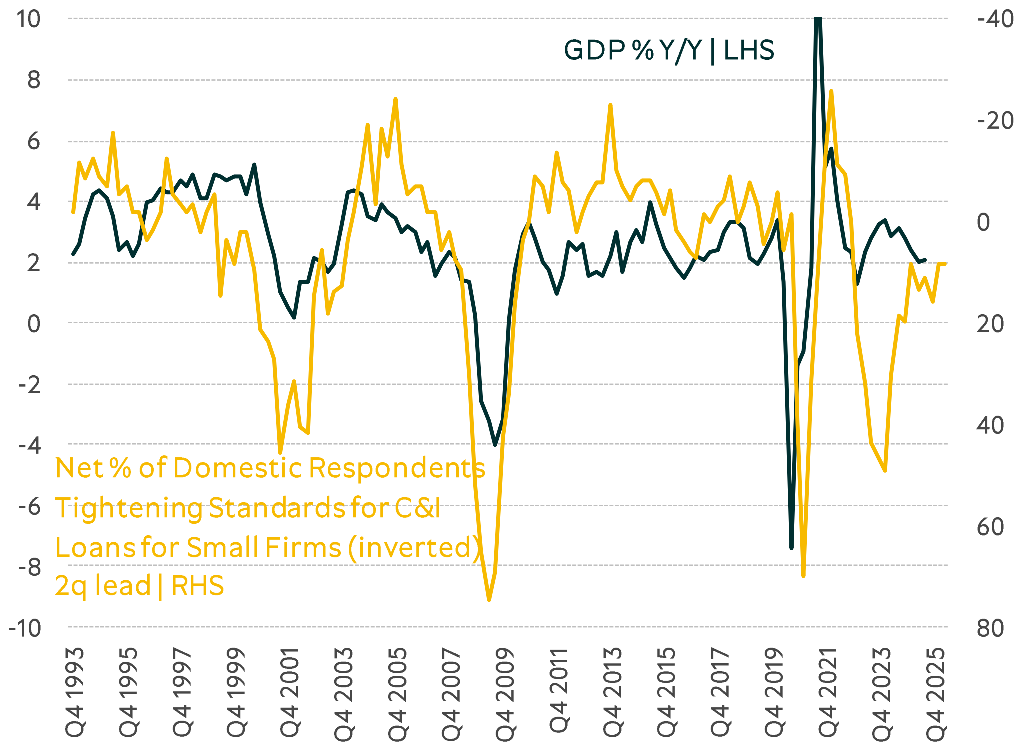


GDP & CB Leading Indicator

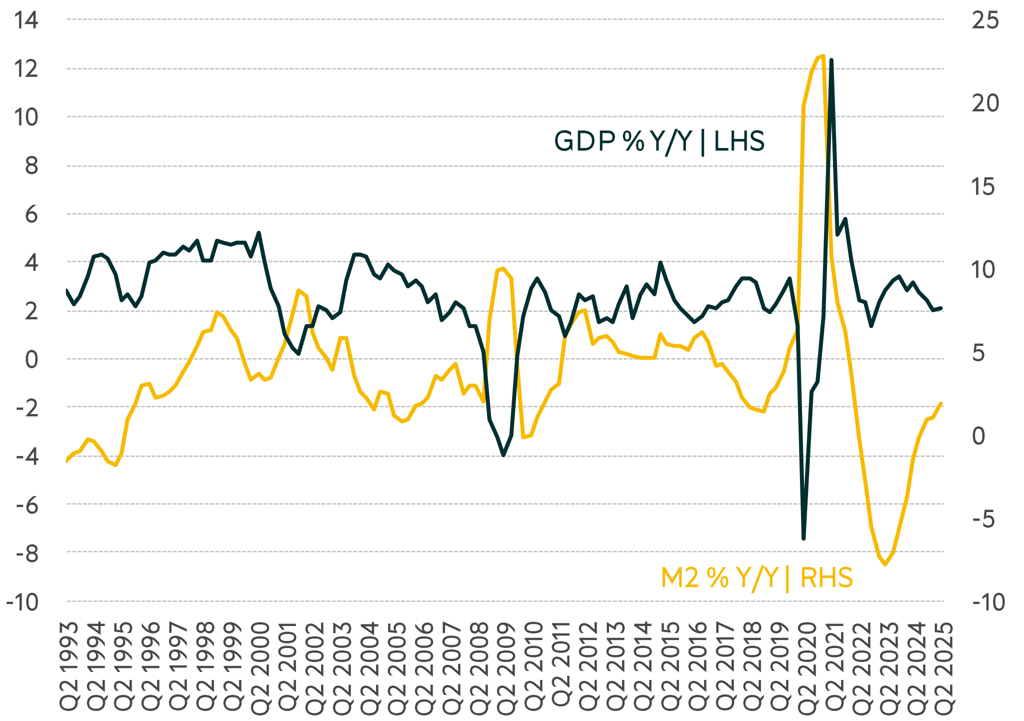


US GDP Outlook | About 8% of banks tightened lending to small businesses unchanged from previous quarter. Real M2 growth is mildly expansionary.

Senior Loan Officer Opinion Survey on Bank Lending Practices

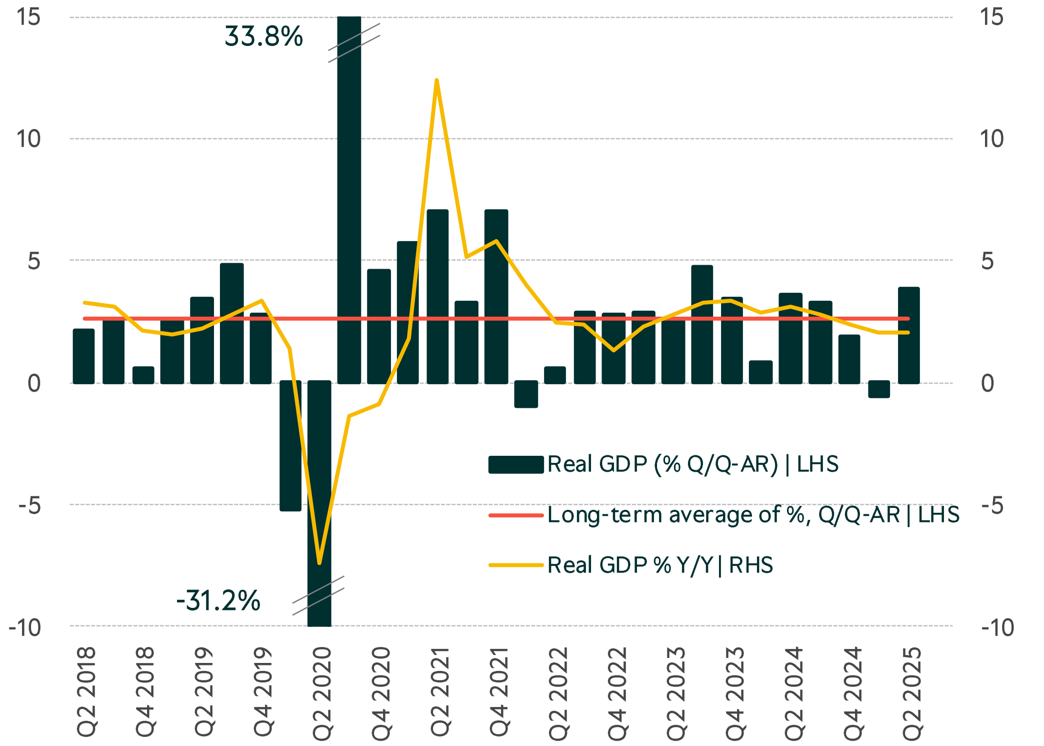


M2 growth vs GDP

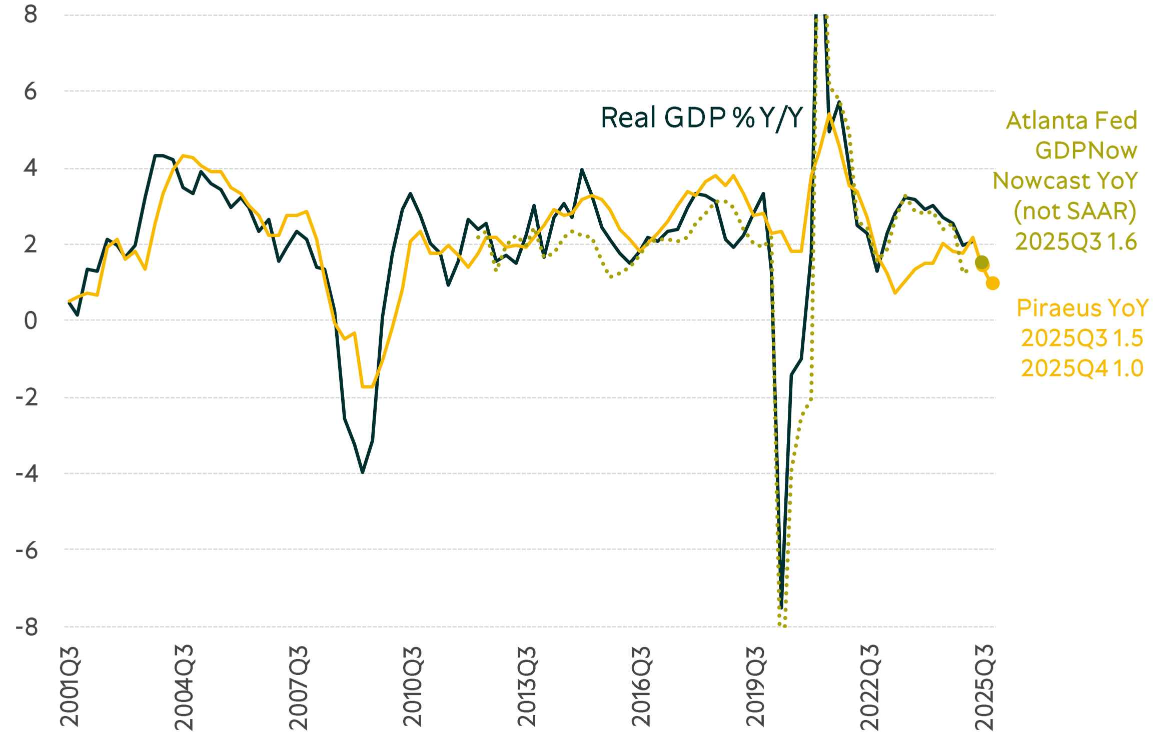


US GDP Outlook | GDP growth is projected to slow down as elevated uncertainty is likely to weigh on growth (Q3 advanced reading was originally scheduled for late October but has been delayed to the government shutdown).

Growth Rate Outlook



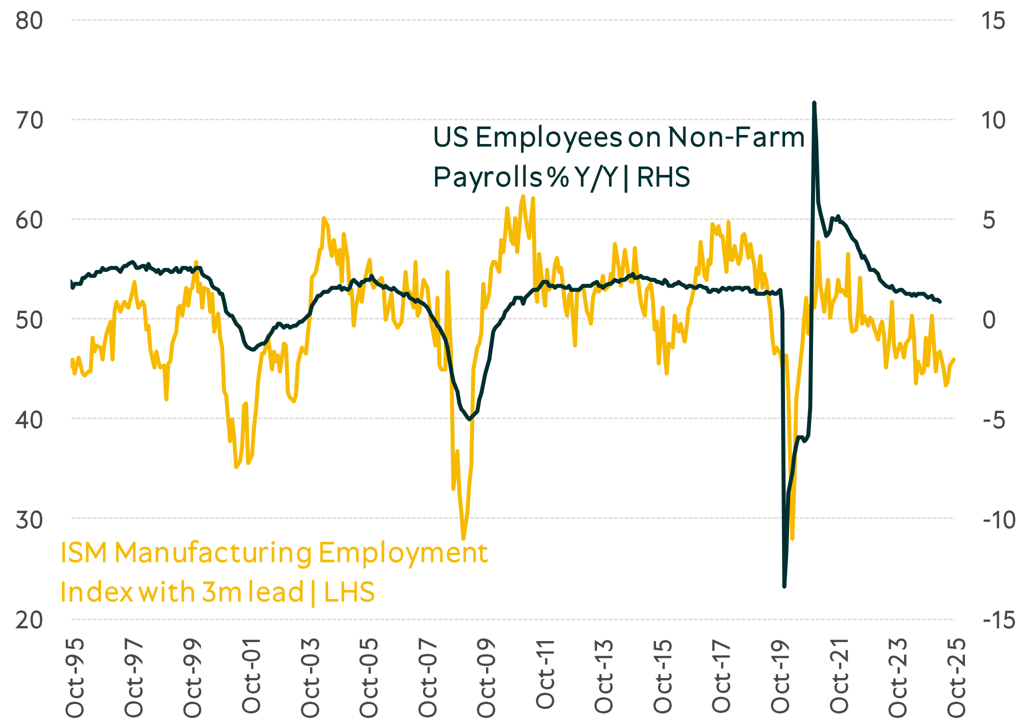
Growth Rate Estimate



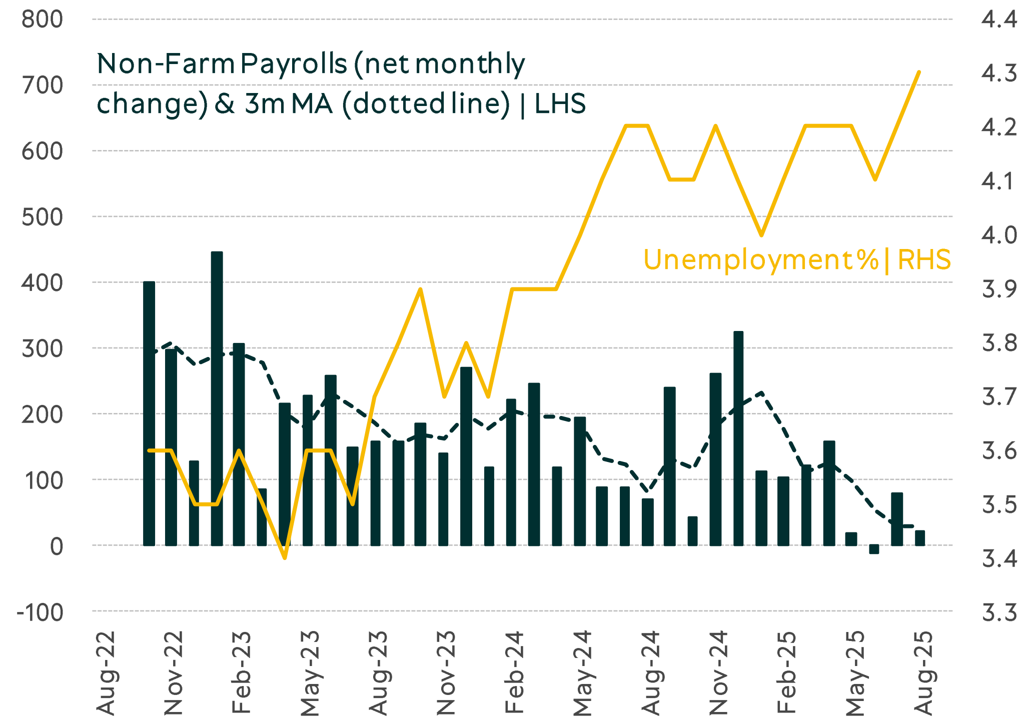
Source: Economic Research & Investment Strategy

US Labour Market | The September Jobs report has not been released (Non-farm payrolls and employment rate). Recent trends point to labour market softening.

Employment & Leading Manufacturing Indicator



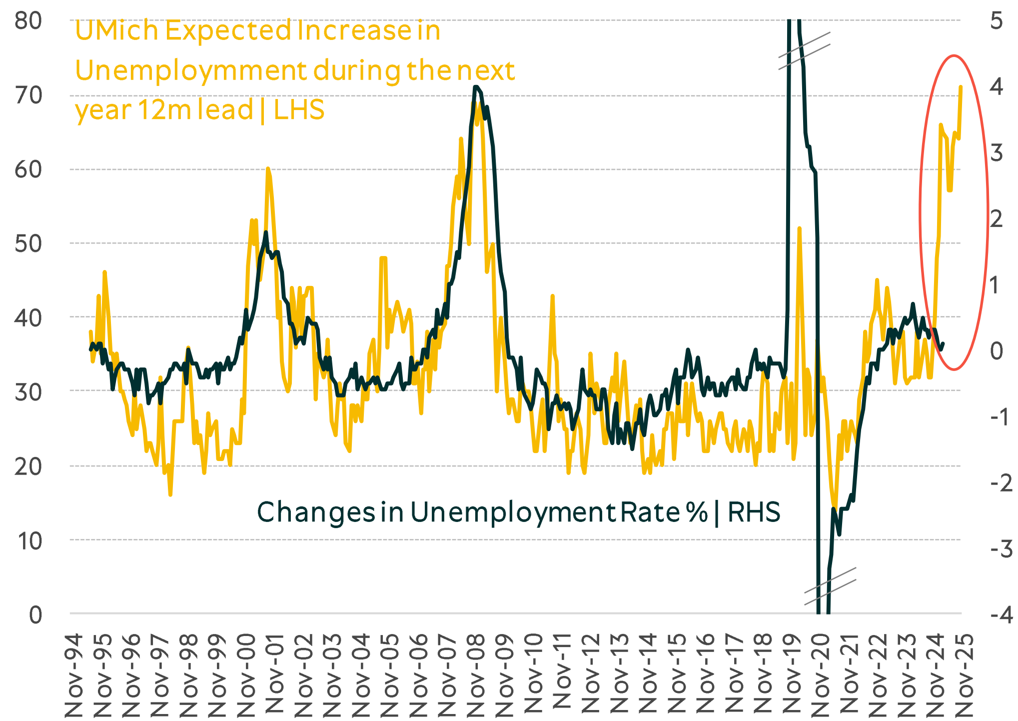
Nonfarm payrolls & Unemployment



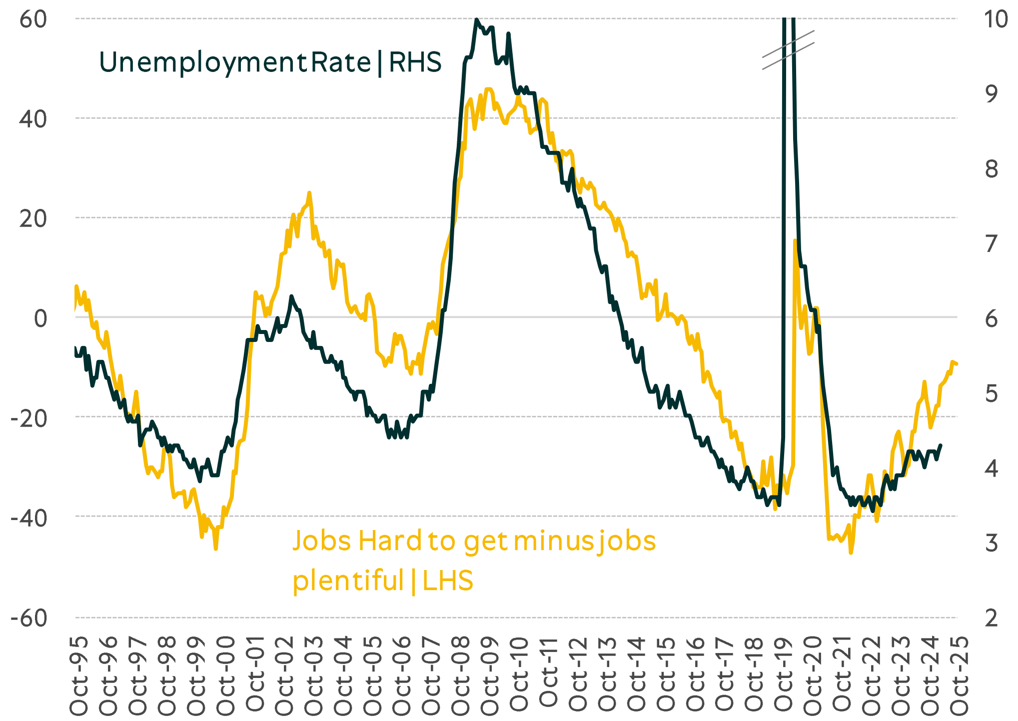
Source: Economic Research & Investment Strategy

US Labour Market | Unemployment expectations rose further in November. The gap between those saying jobs were hard to get and jobs are plentiful is narrowing (marginal pullback in October).

Unemployment Rate & expected increase in unemployment 1yr ahead (UMich)



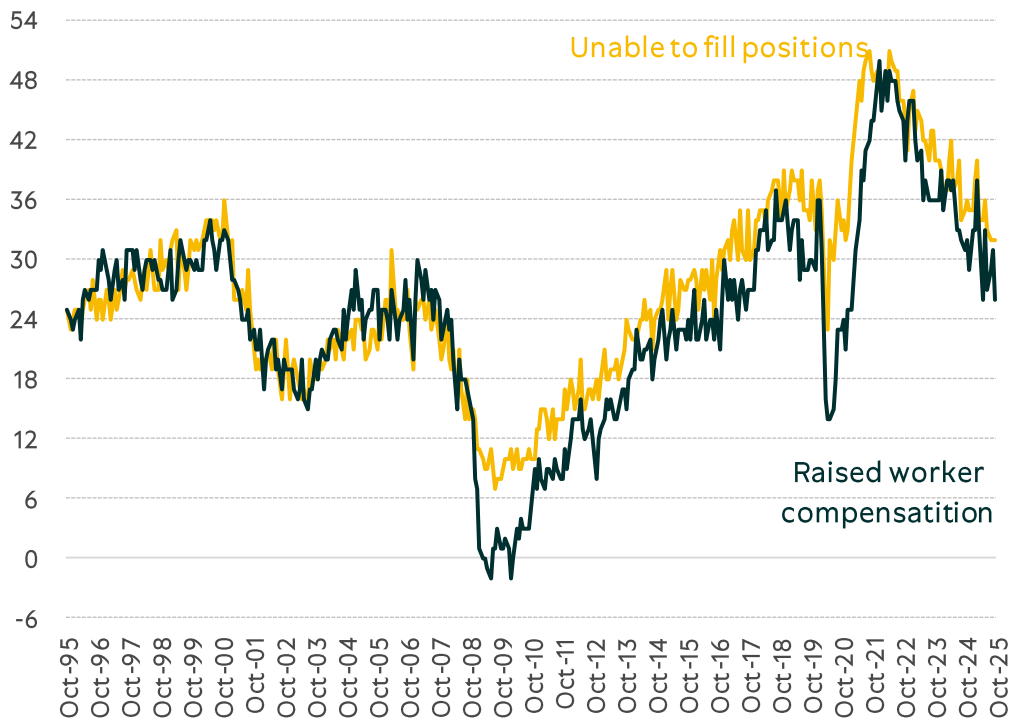
Conference Board Labor market differential & Unemployment rate



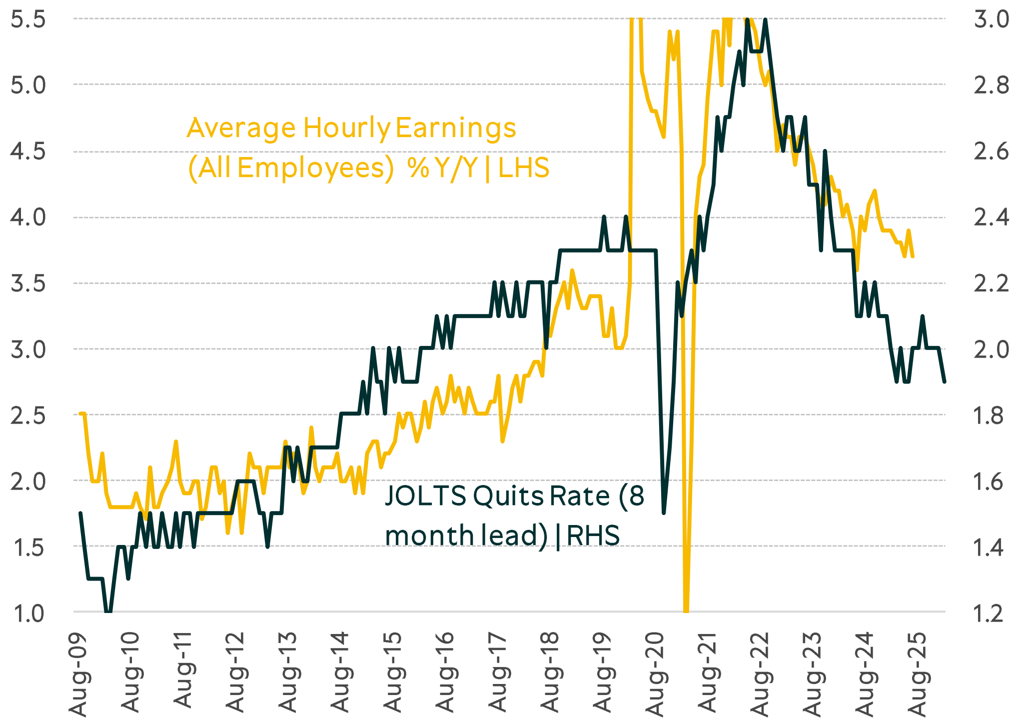
Source: Economic Research & Investment Strategy

US Labour Market | According to October's NFIB survey a net 26% reported raising compensation, down 5 points from September. The JOLTS Quits Rate back to December 2024 levels.

US NFIB small business survey



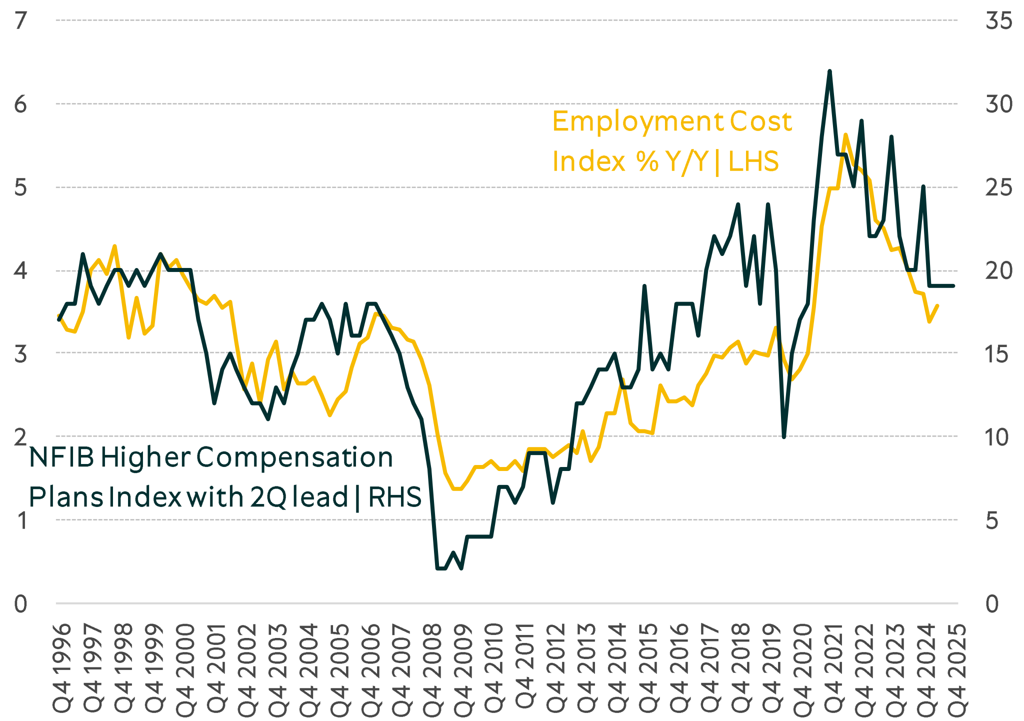
Wages & Quits Rate



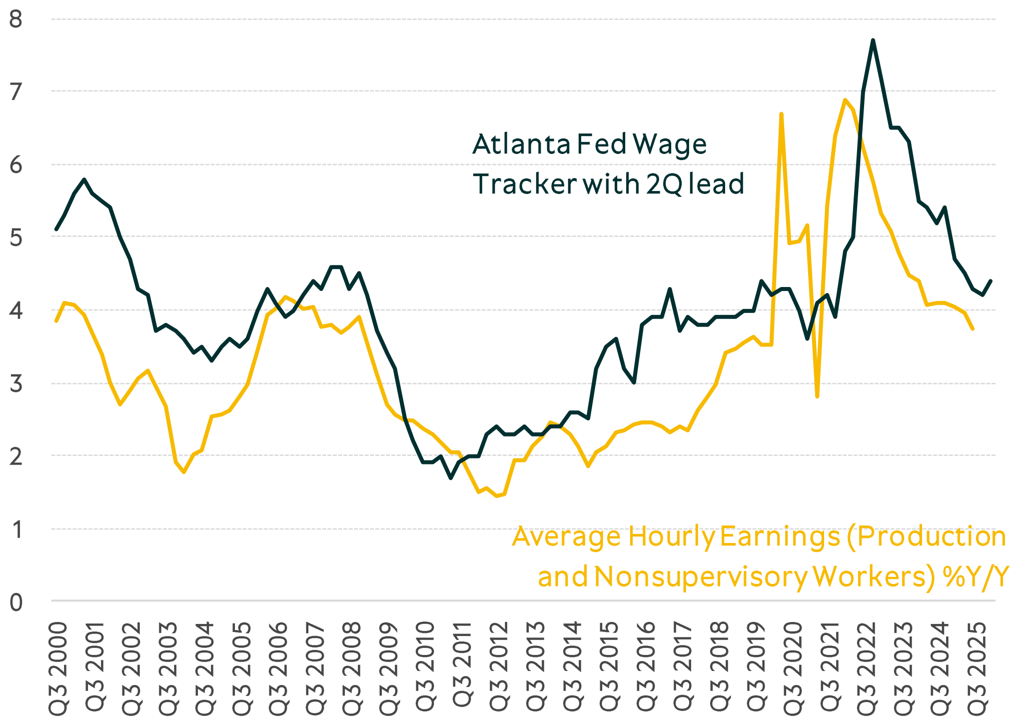
Source: Economic Research & Investment Strategy

US Wage Tracker | Worsening labour conditions lead to lower wage pressures

Employment Cost & Leading Indicator

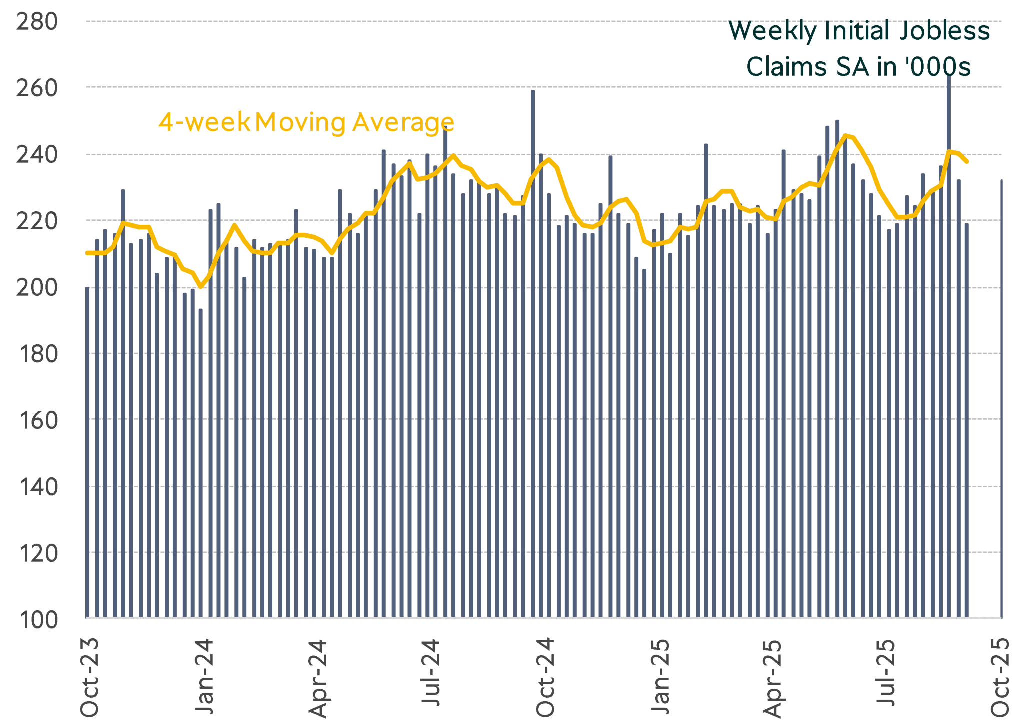


Wages & Leading Indicator

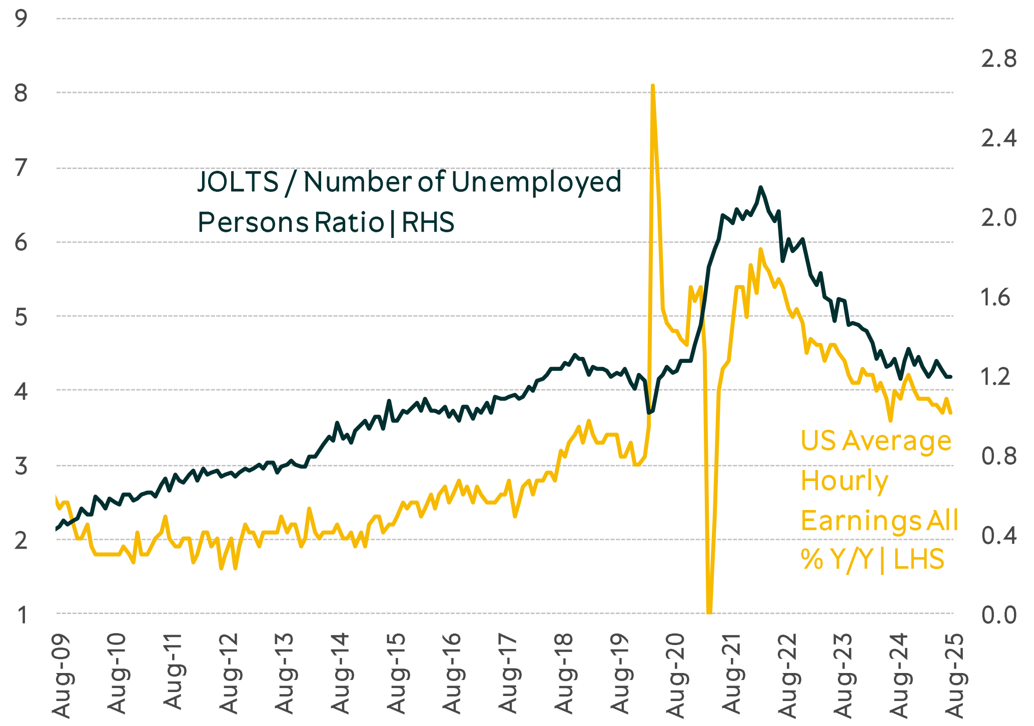


US Labour Market | Weekly Initial Jobless Claims totaled 232k in week ending October 18 (data has not been published during the 43-day government shutdown).

Weekly Initial Jobless Claims

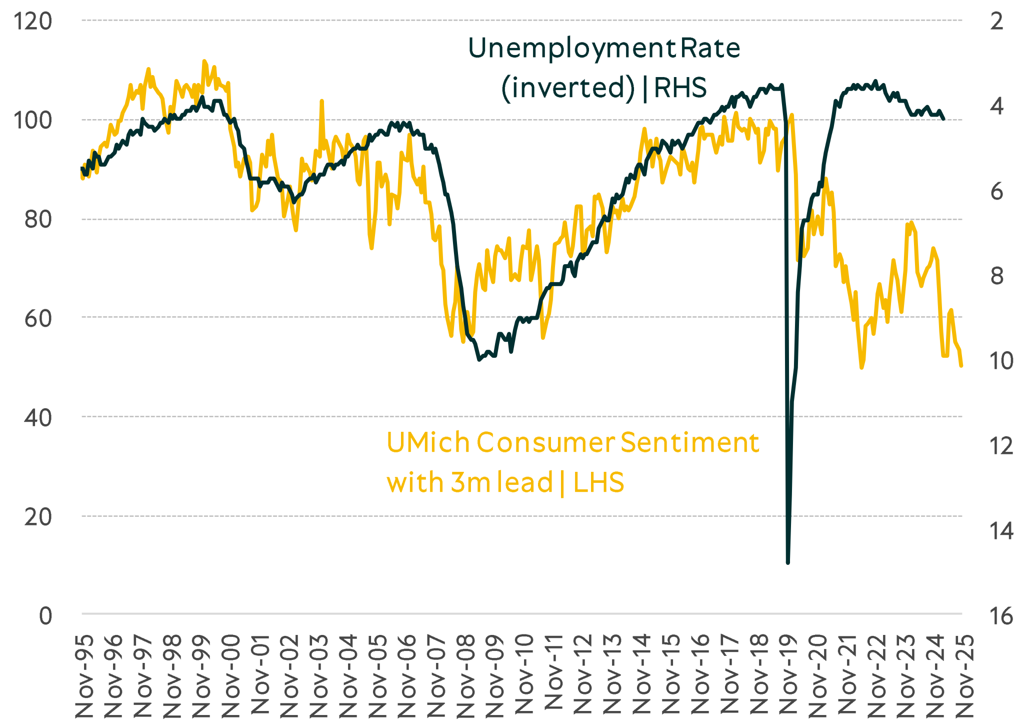


Demand & Supply in Labour Market

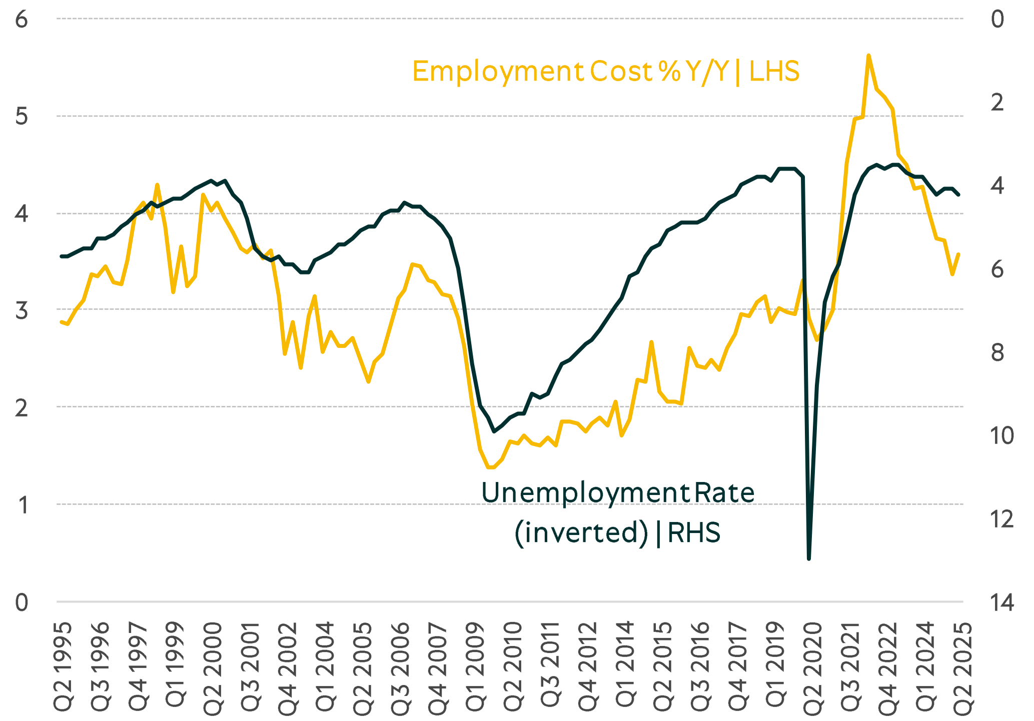


US Labour Market | Consumer sentiment declined in November for a fourth month in a row. Employment costs moved up in Q2 2025.

Consumer Sentiment & Unemployment Rate

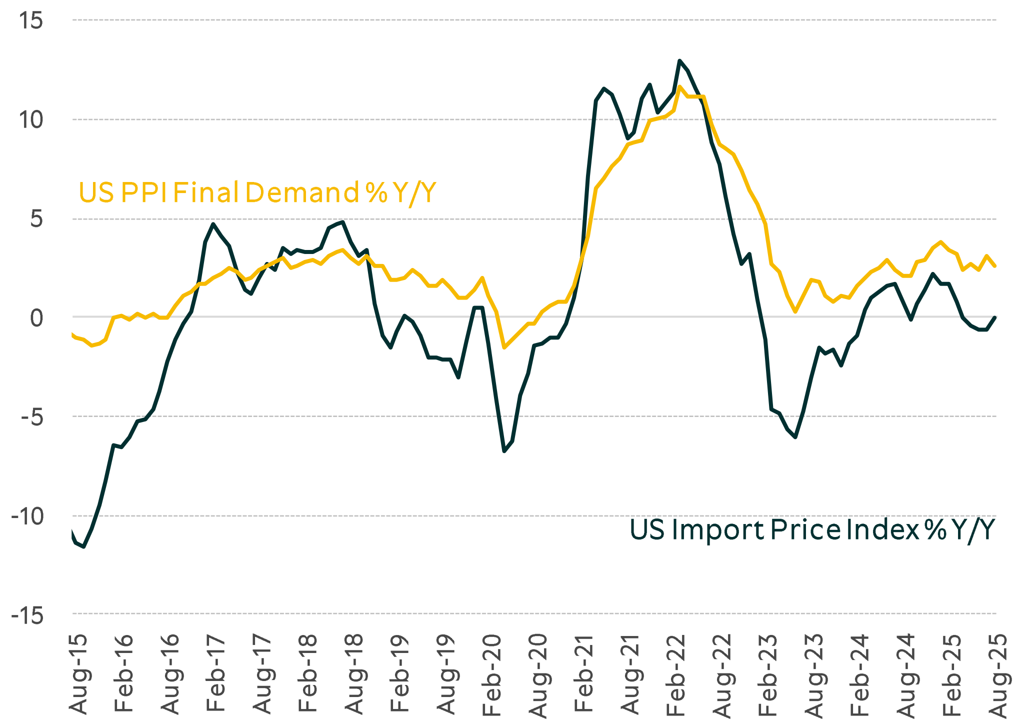


Compensation per Employee & Unemployment Rate

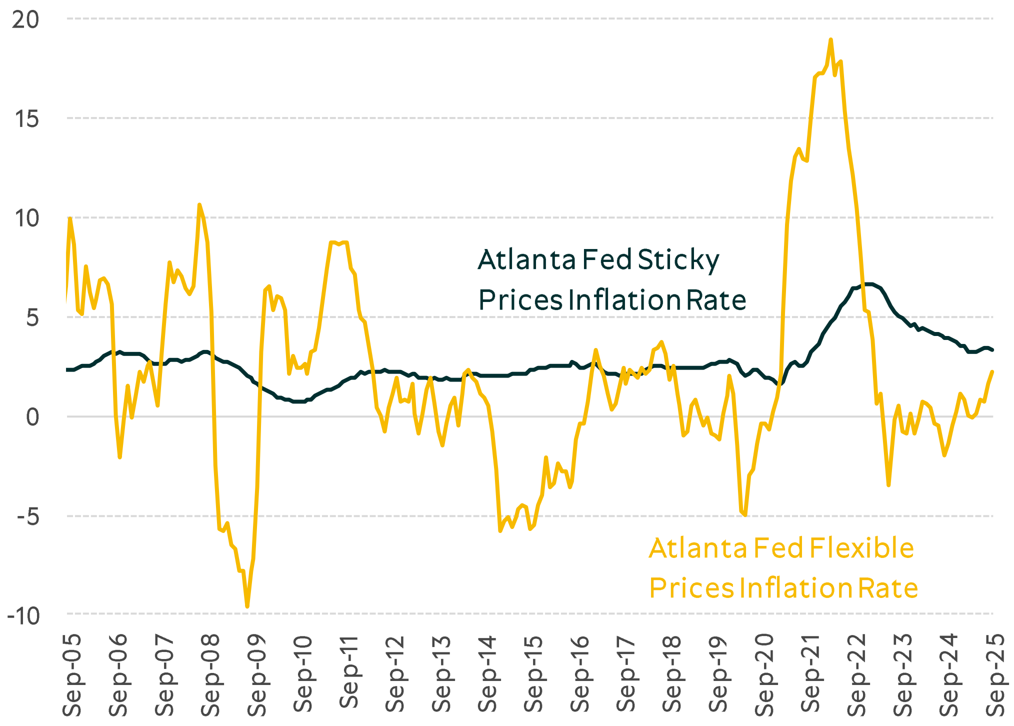


US Alternative Inflation Metrics | Sticky prices continue to be elevated while rising flexible prices suggest upward pressure on headline inflation. (Significant slowdown at the producer level in August).

Producers Price Index and Import prices

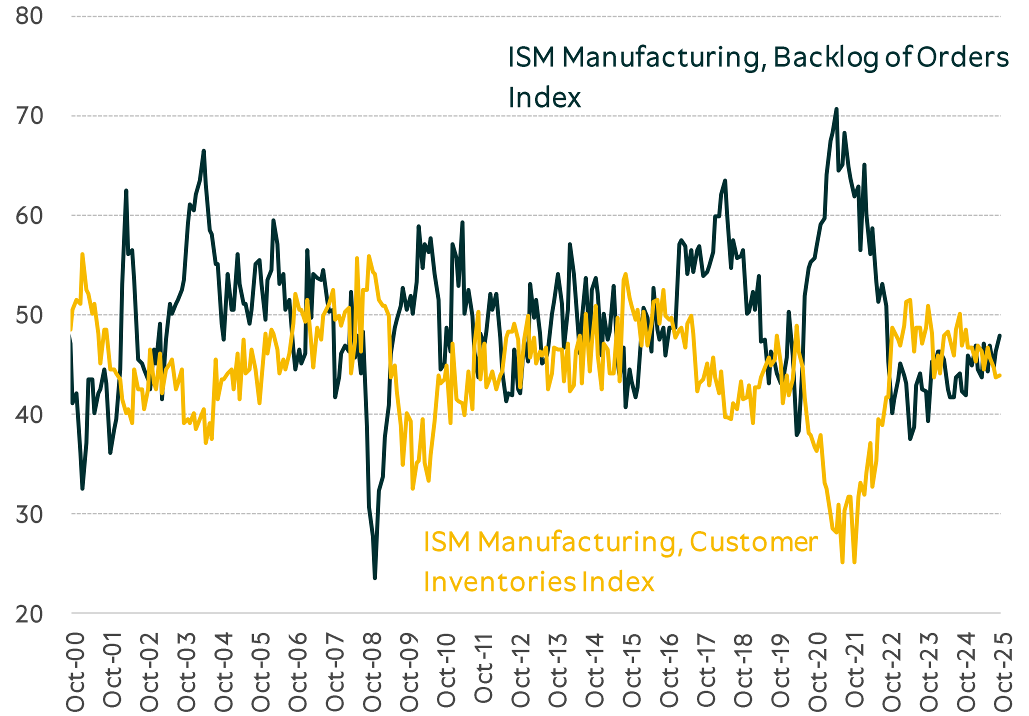


Sticky & Flexible Prices

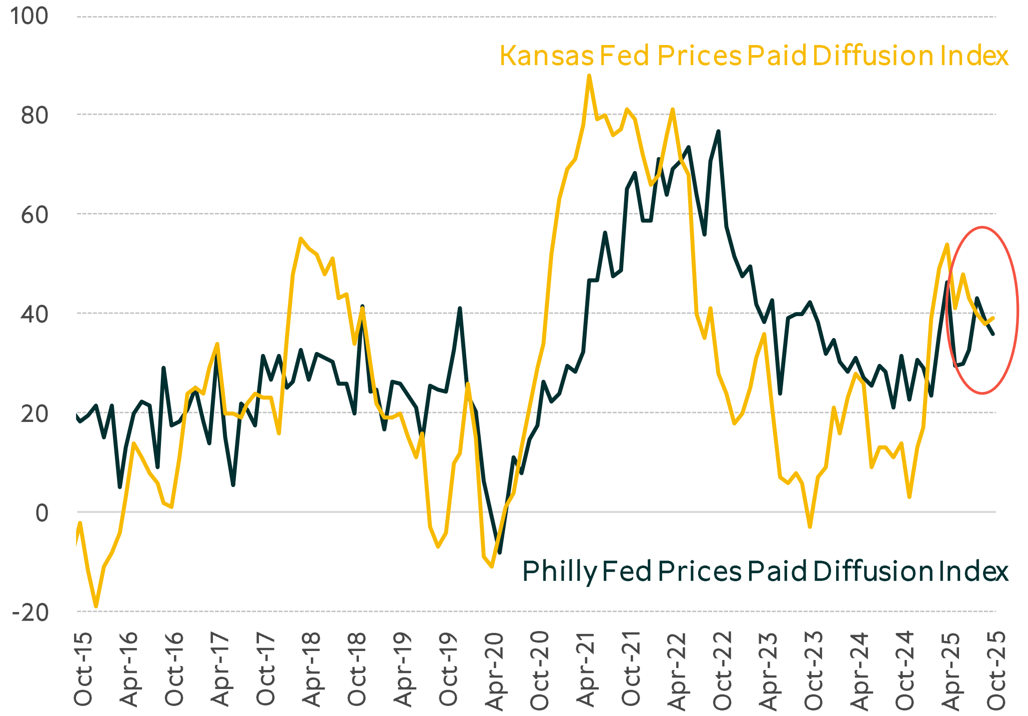


US Supply & Demand Gap | Backlog of Orders rose faster than Customer inventories in October; price pressures from both regional Feds' surveys were mixed.

Backlog of Orders & Customer Inventories Relation

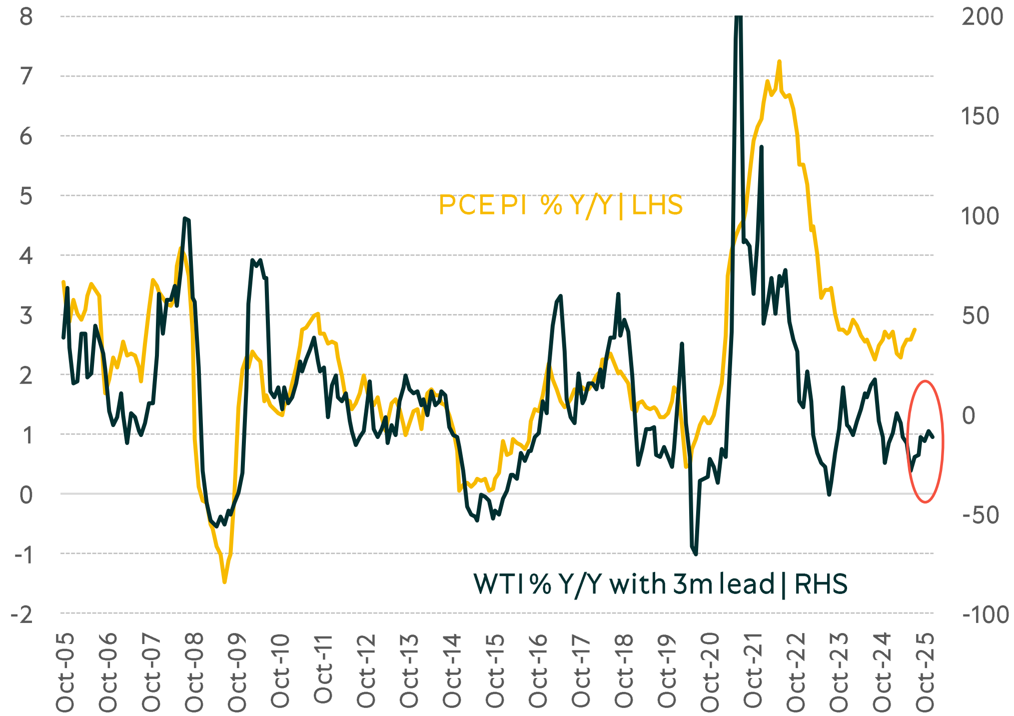


Leading Prices Indicators

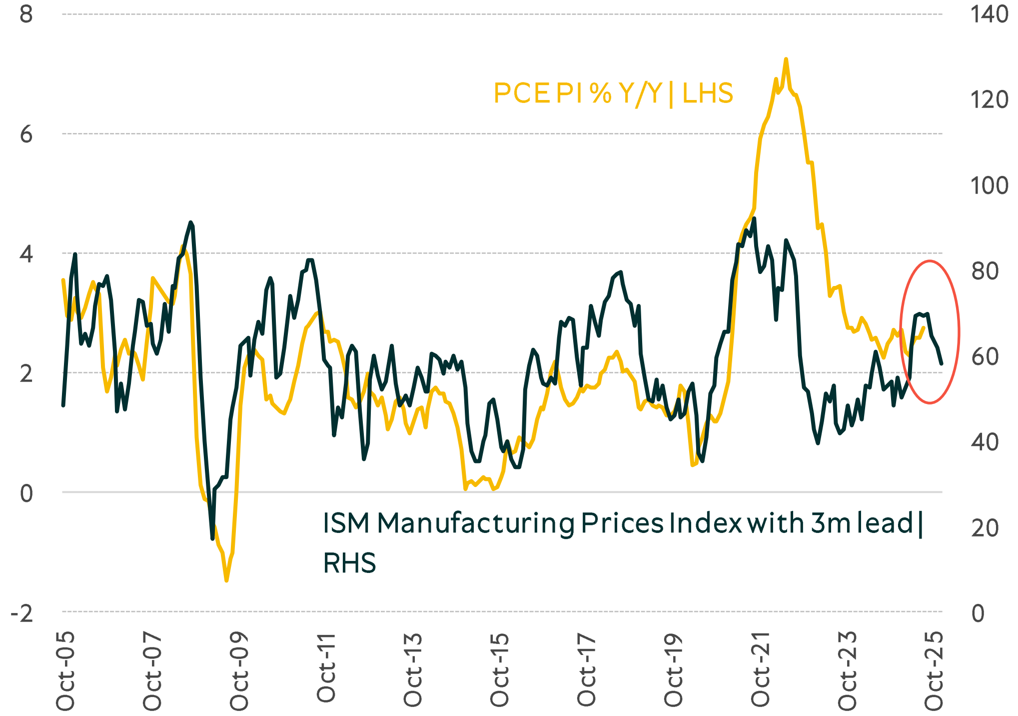


US Inflation & Energy Prices | Energy and ISM Manufacturing Prices Paid index are both supportive. The Manufacturing Price Paid component dropped sharply in October (but rose to 70 for the Services sector).

Inflation Rates & Energy Prices

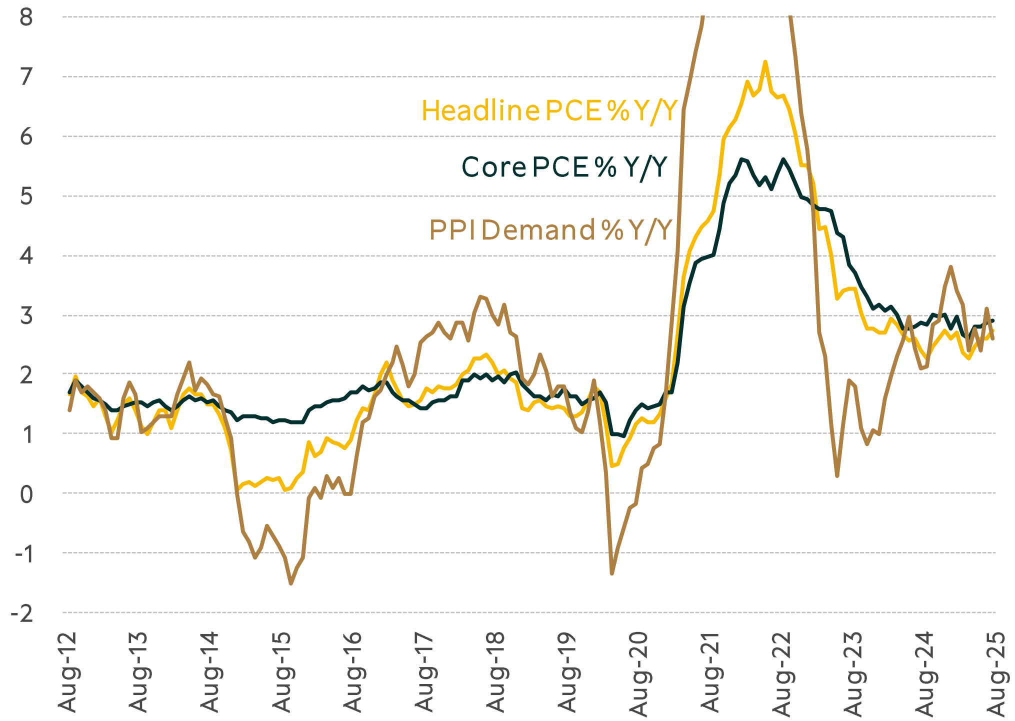


Inflation Rate & Leading Prices Indicator

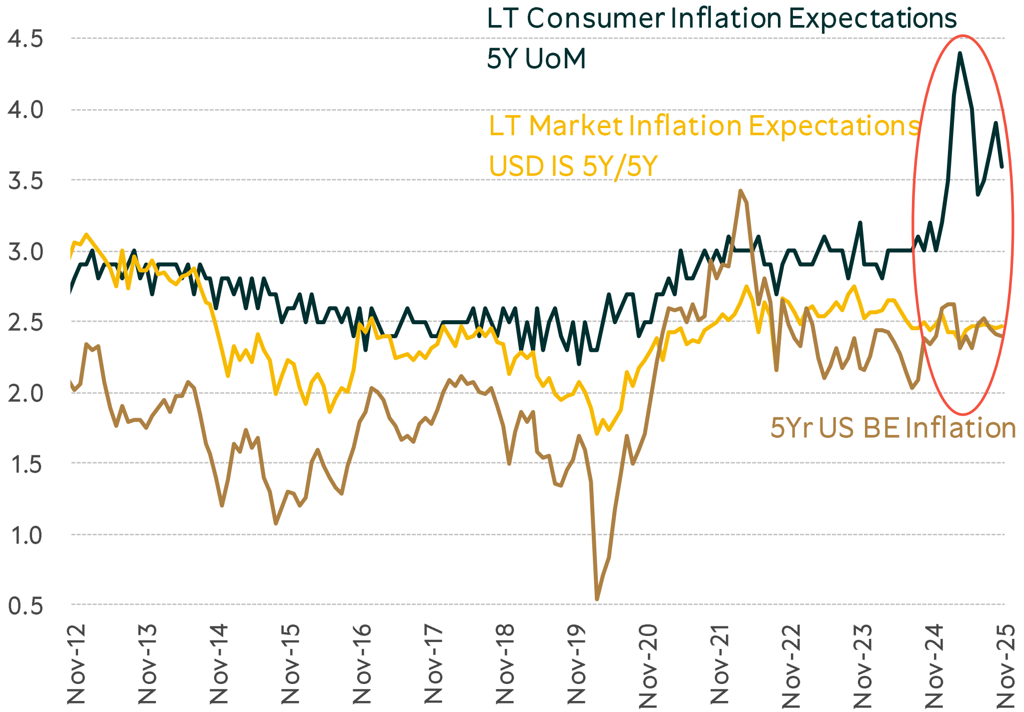


US Headline & Core Inflation | Headline PCE inflation modestly accelerated in August. Consumers' long-term view on inflation remains higher than market's (3.6% vs 2.5%)

Inflation Rates

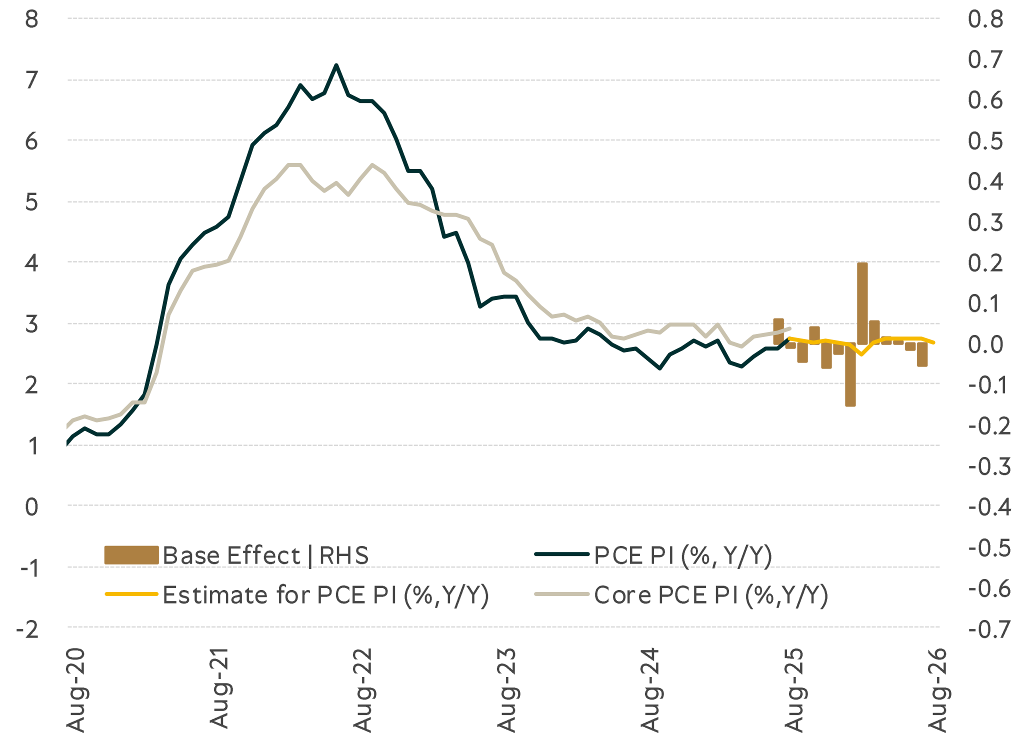


Long-Term Inflation Expectations

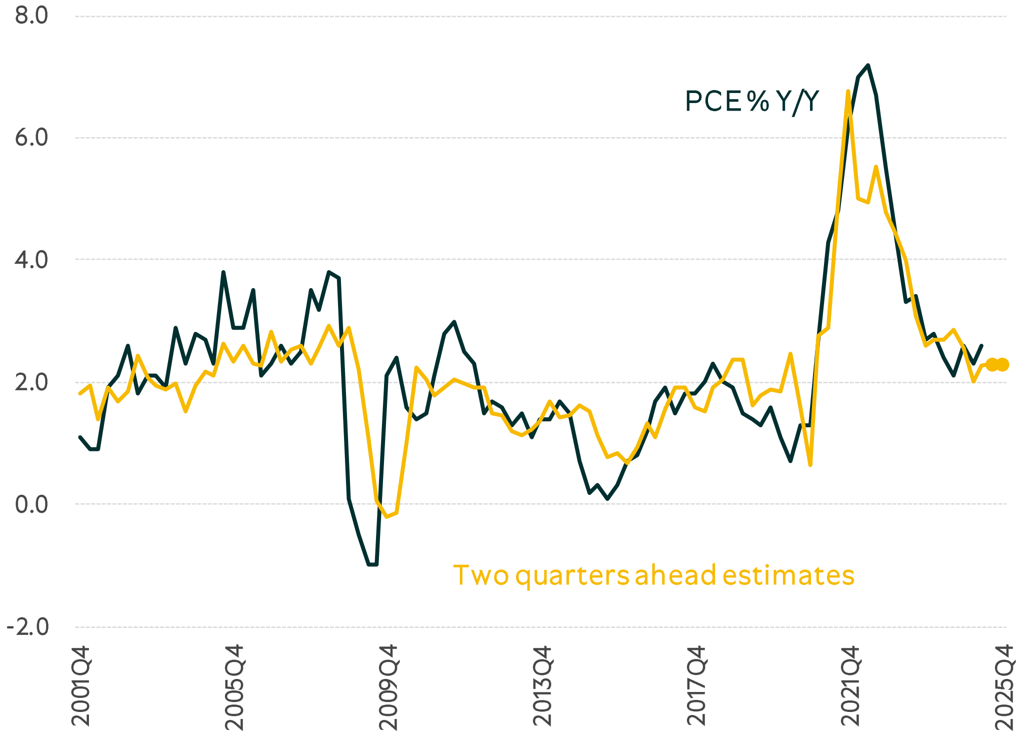


US Inflation Outlook | Both our models still point to inflation above 2.5% for 2025

Inflation Rate Forecast | Statistical Model

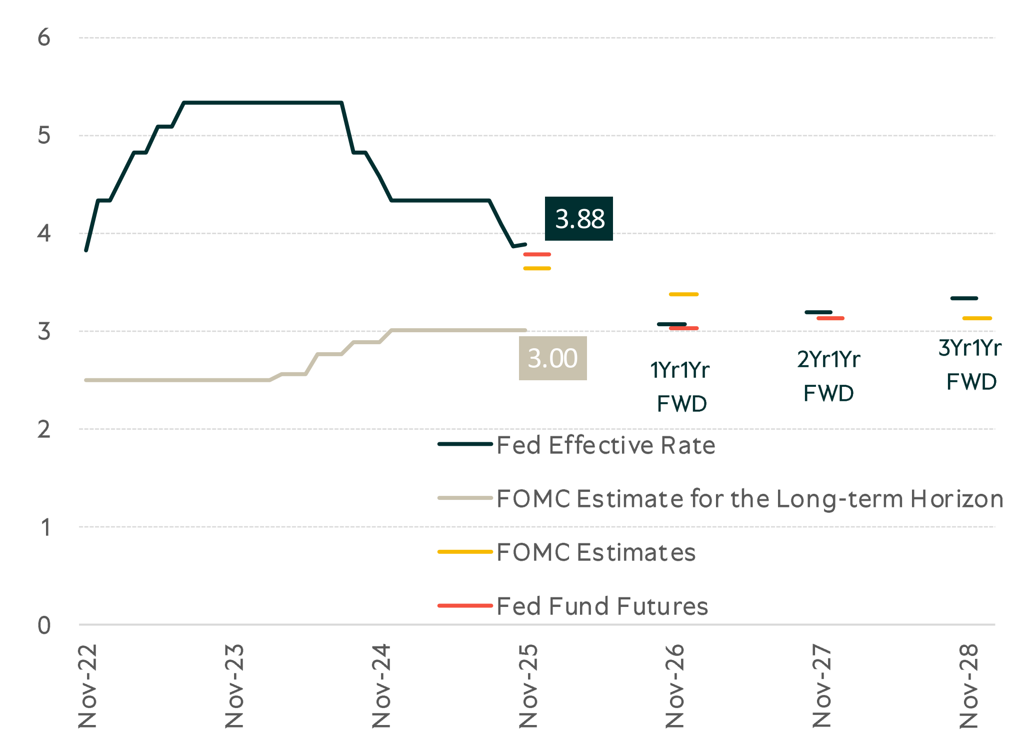


Inflation Rate Forecast | Macro Model

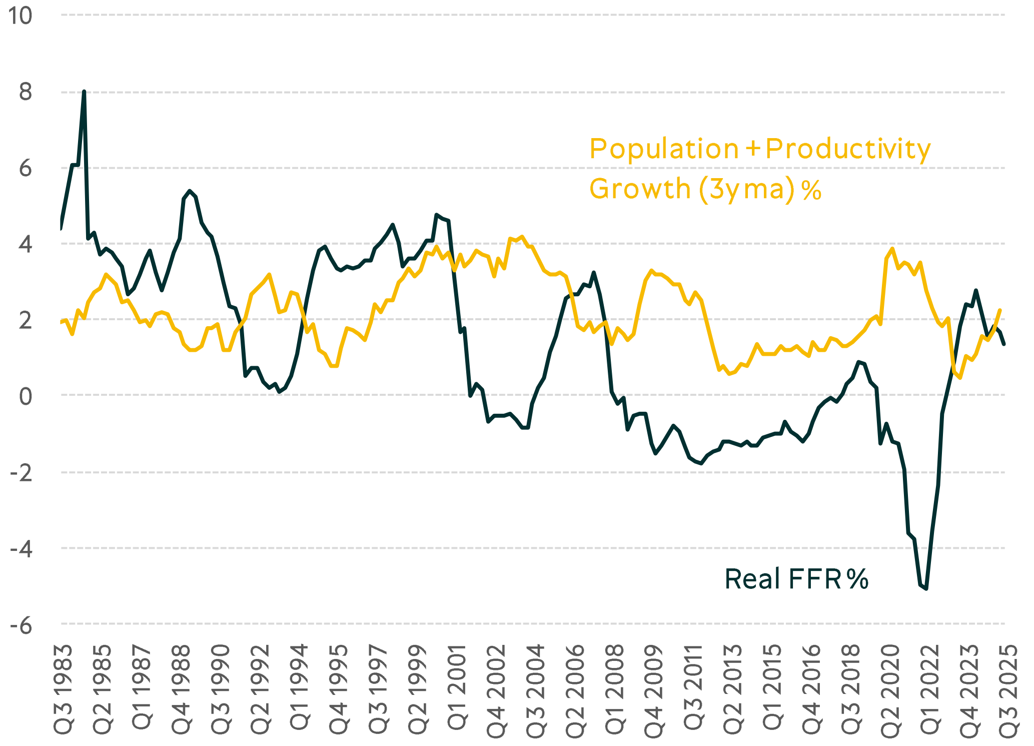


US Interest Rates | 1Y1Y Forward rates close to FOMC's long-term target, productivity growth increased significantly in Q2

Interest Rates | Fed Effective Rate



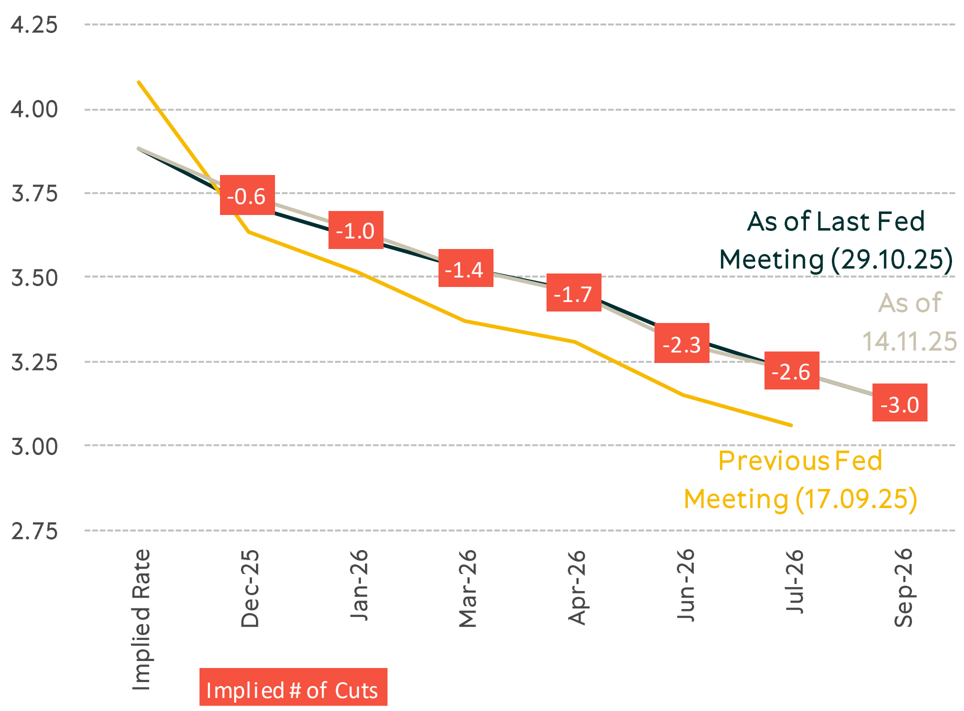
Real FFR (FFR – Core PCE) & Population + Productivity growth



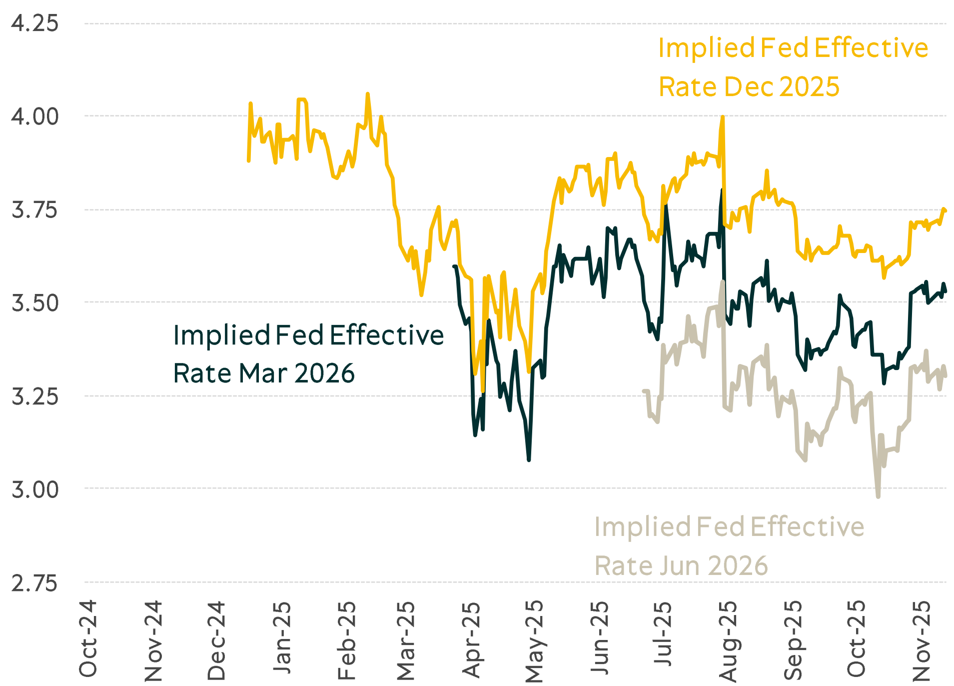
Source: Economic Research & Investment Strategy

US Interest Rates | A less aggressive rate cut trajectory is anticipated by the markets compared to last month

Implied Overnight Rate based on Overnight Index Swaps



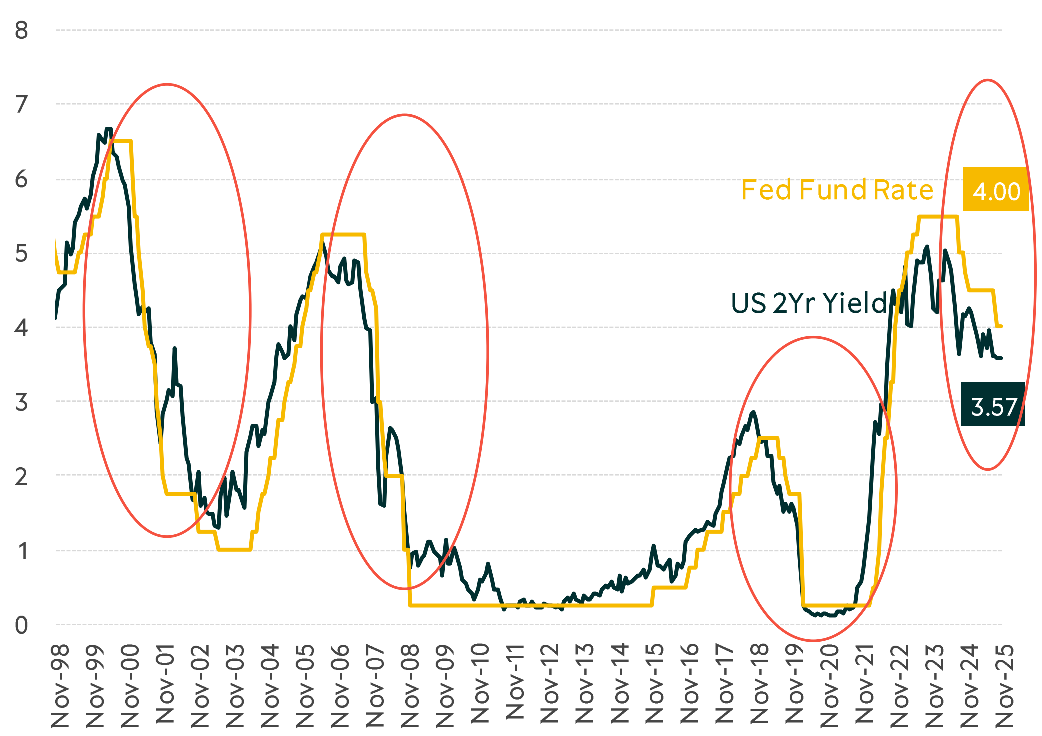
Interest Rates | Implied Fed Effective Rate



Source: Economic Research & Investment Strategy

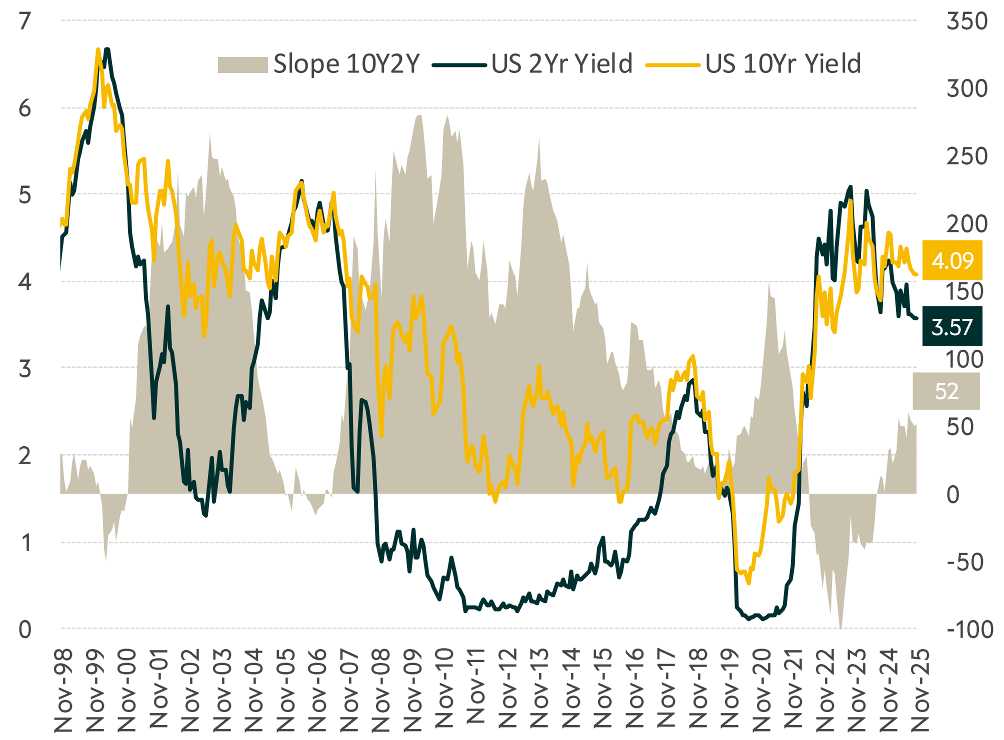
US | The Fed resumed cutting rates in 2025 by reducing its benchmark rates by 25 bps in September and in October, amid downside risks to employment

Fed Fund Rate & US Treasury Yield



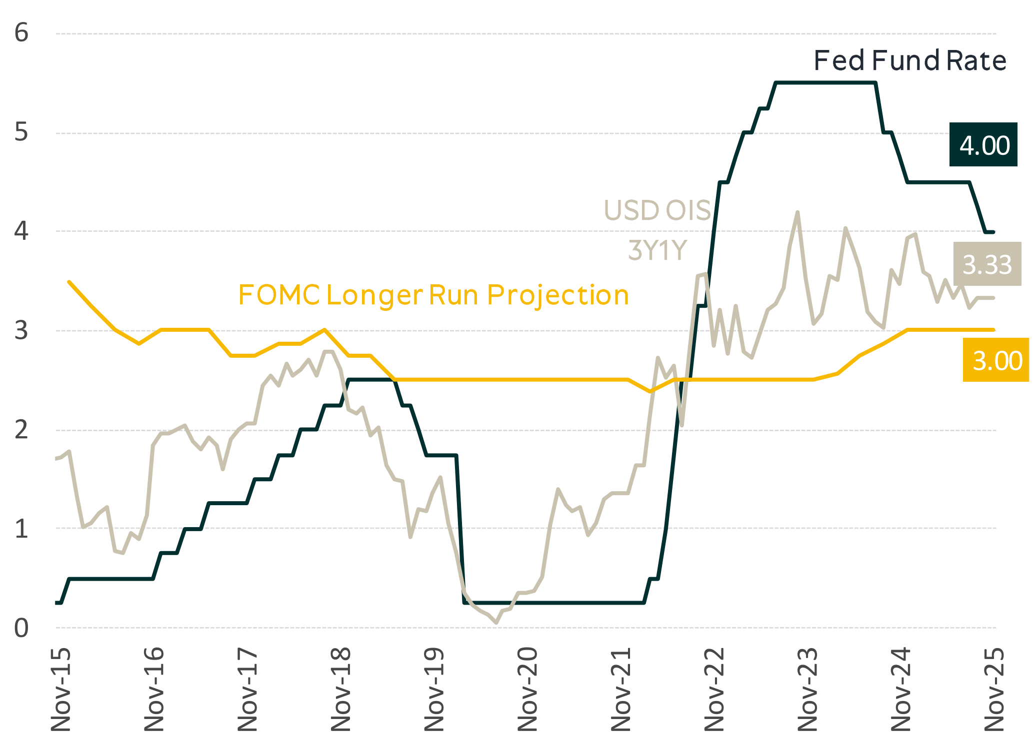
Note: Monthly data apart from the last observation which shows the latest available daily value

US Yield Curve



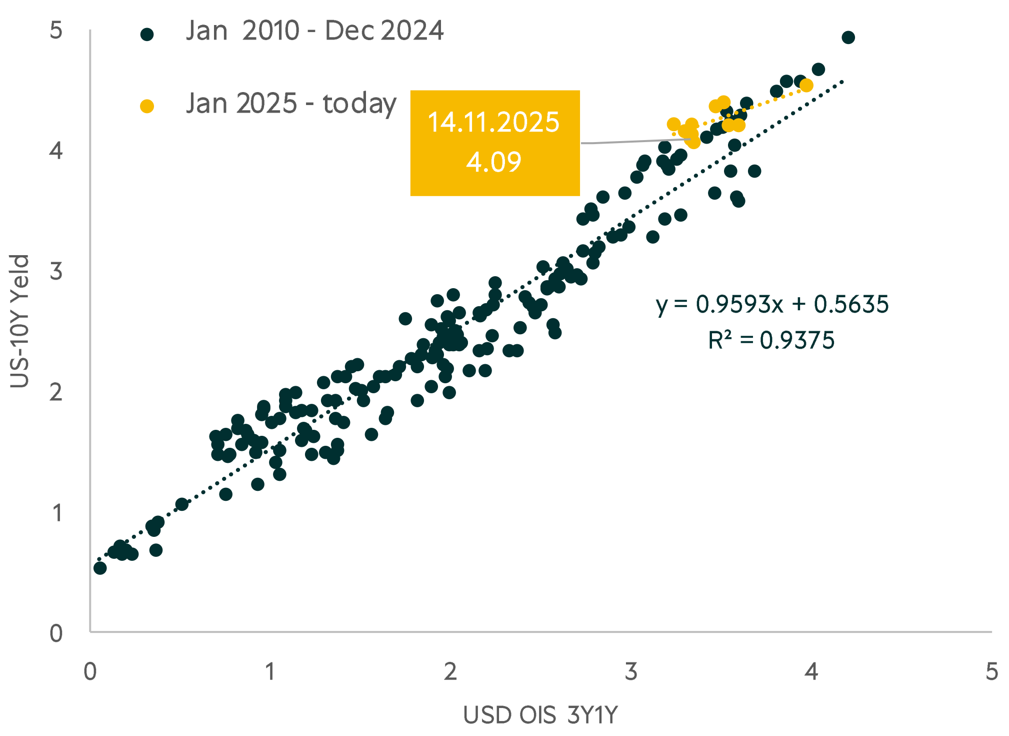
US Long-Term Rates | Short-term rates 4 years in the future above target (3%). 10- year rates above “fair” value given the current level of short-term rates.

LT Interest Rate Expectations



Note: Monthly data apart from the last observation which shows the latest available daily value

US Yield vs Medium-Term Interest Rate Expectations



Bird's Eye View

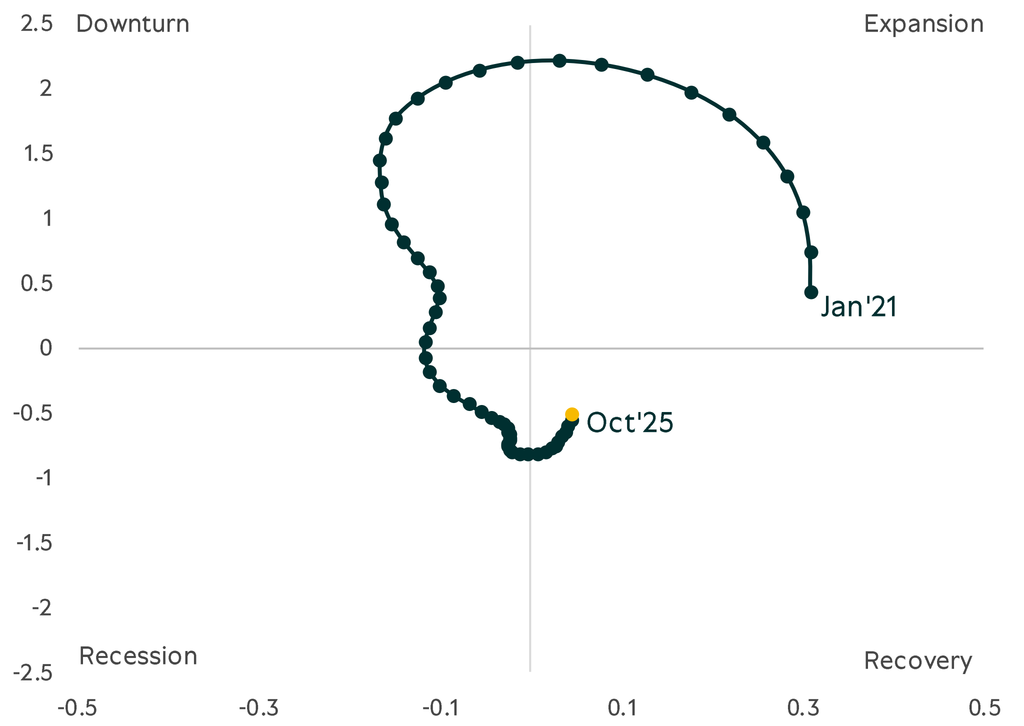
US Economy

EA Economy

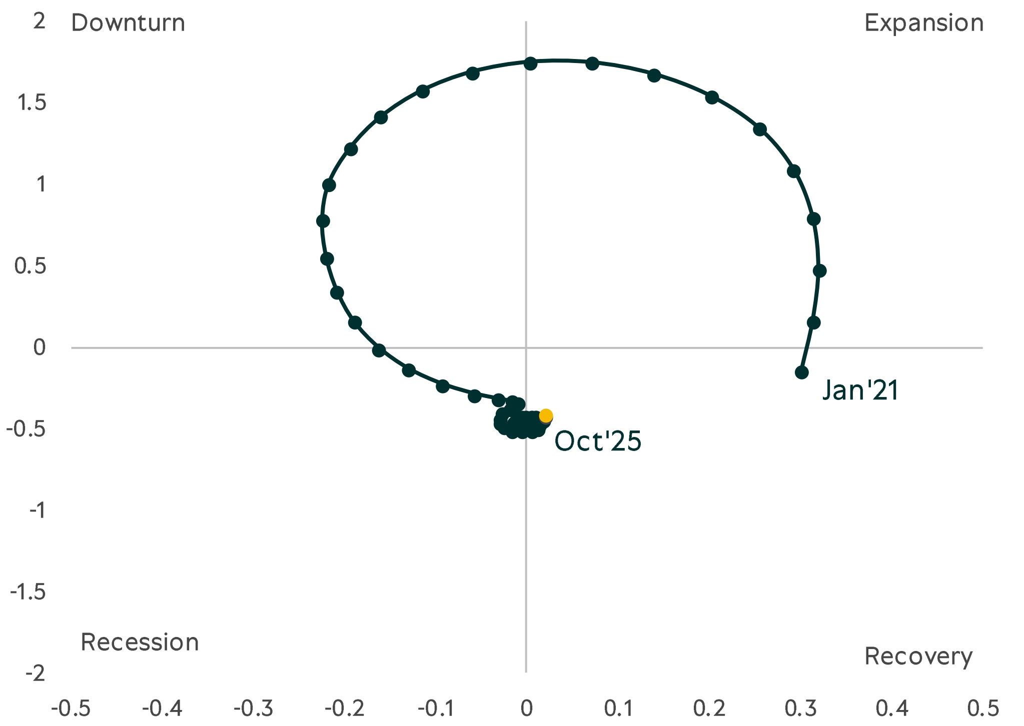
China Economy

EA Business Cycle Watch | In October, economic sentiment remained near the threshold between recovery and recession, whereas manufacturing confidence remains in the recovery phase.

EA Business Cycle | Based on Manufacturing Confidence Indicator

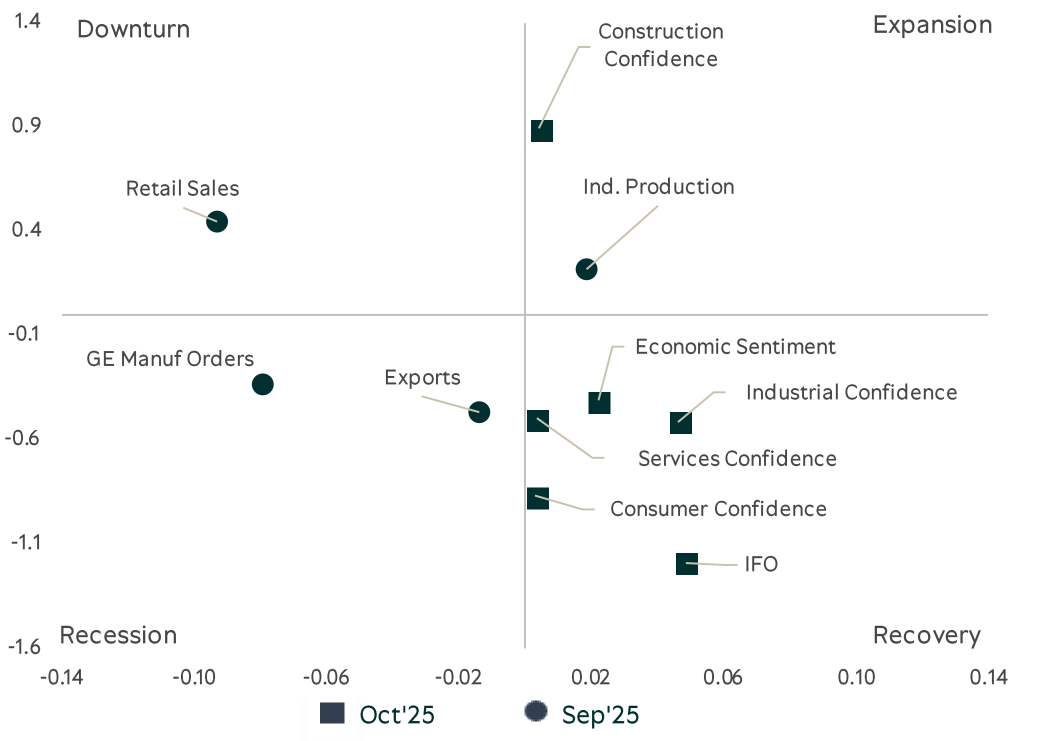


EA Business Cycle | Based on Economic Sentiment Indicator

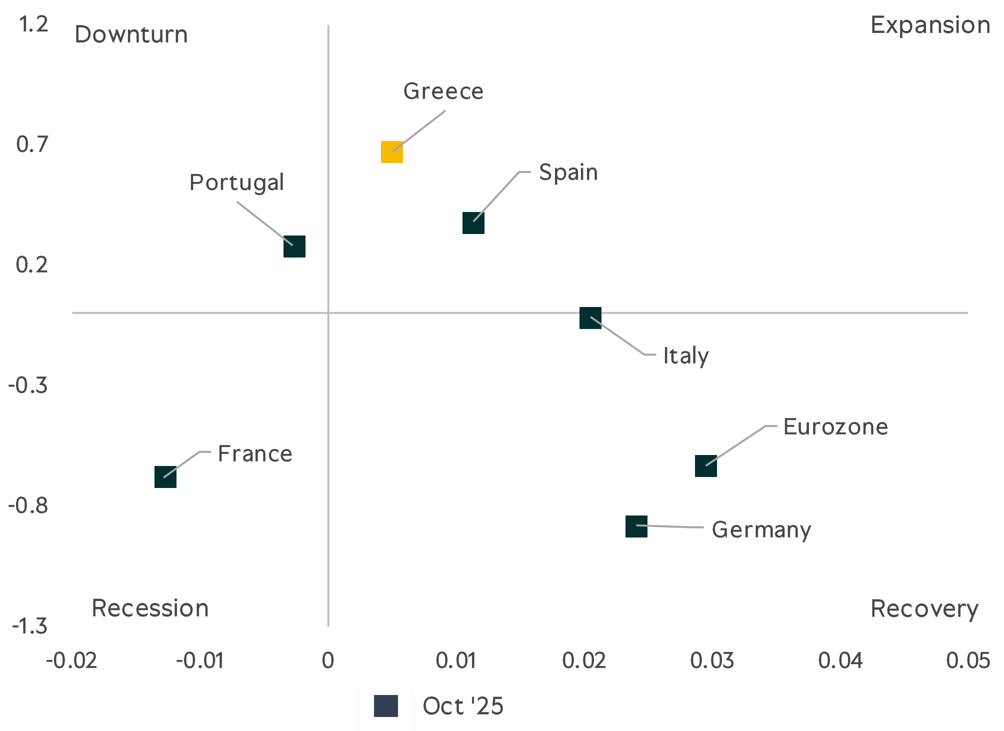


EA Business Cycle | Mixed signals are observed across major economic variables and at a country level, with ESI rising in Germany, France, Italy, Greece and EA in October.

EA Business Cycle | Based on Major EA Economic Variables

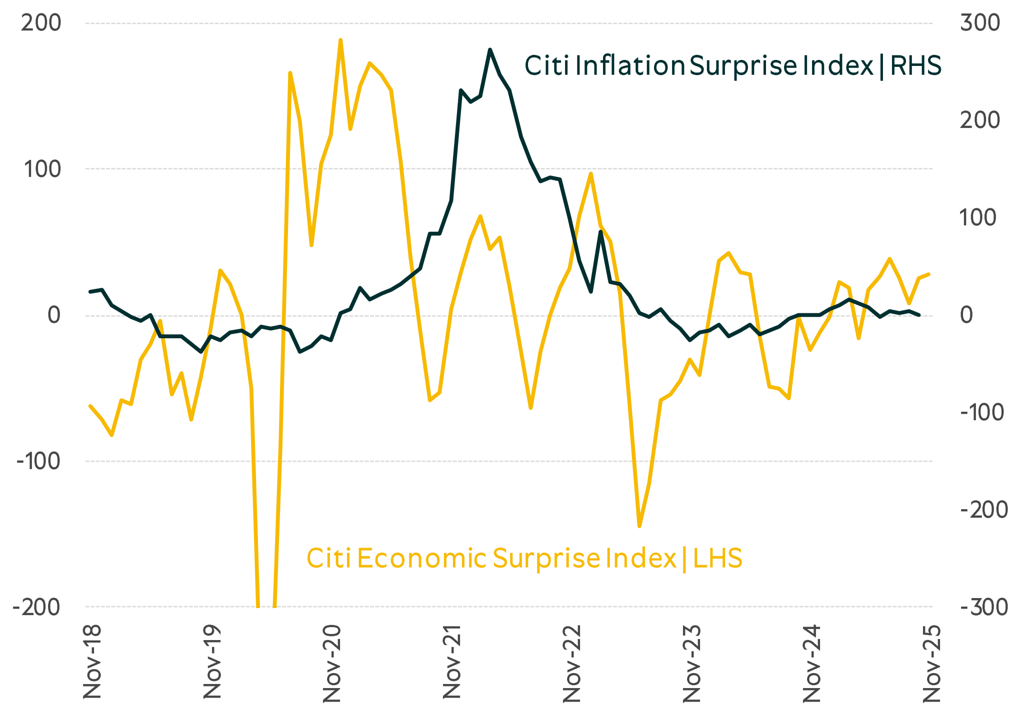


Business Cycle of EA Members | Based on Economic Sentiment Indicator

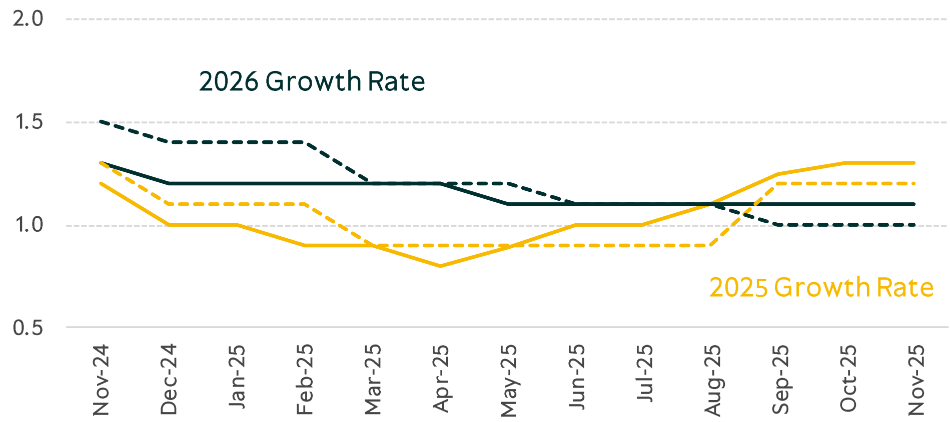


EA Macro Expectations | November saw more positive economic surprises, and current consensus expectations anticipate modestly higher growth in 2025.

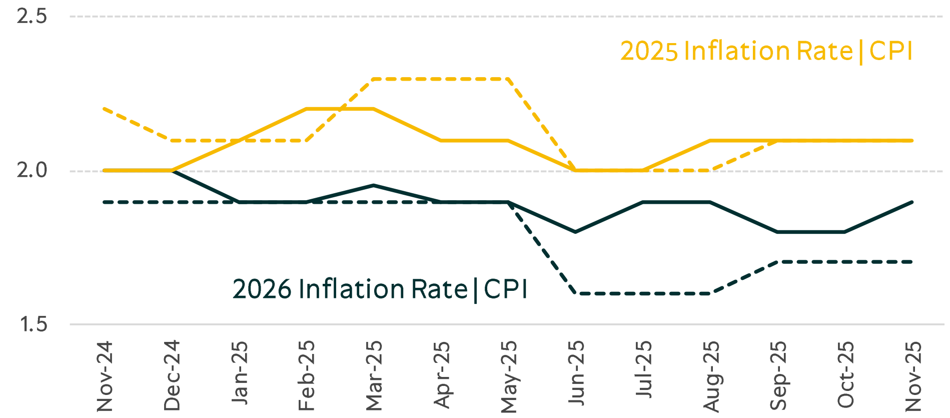
Economic & Inflation Surprises



Growth Rate Expectations*



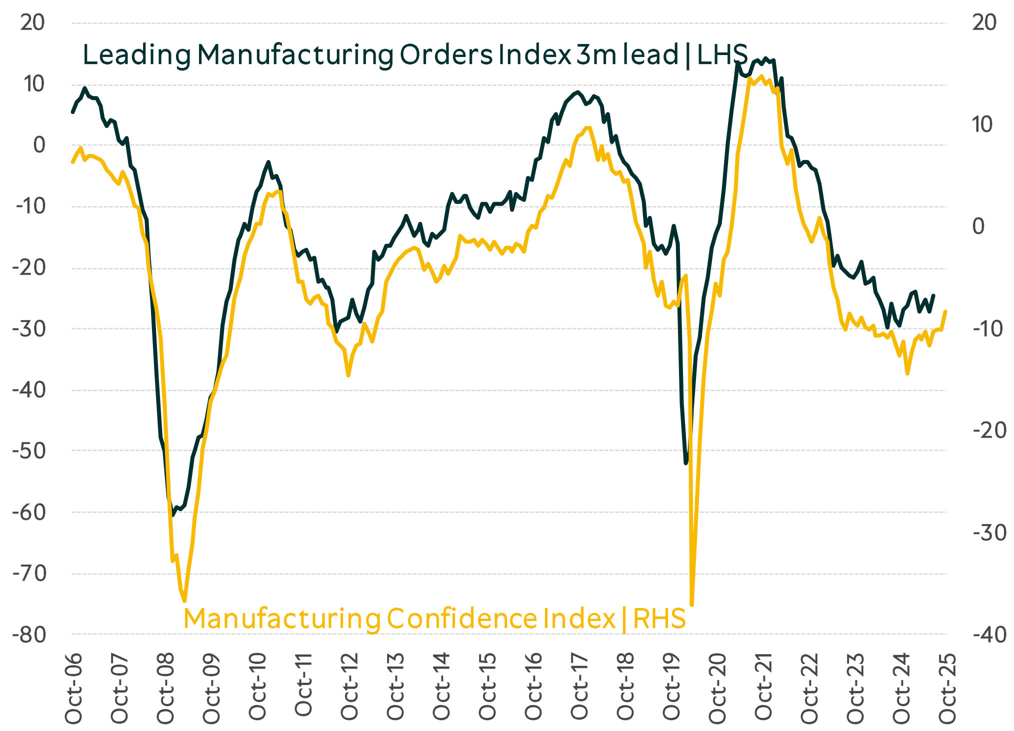
Inflation Rate Expectations*



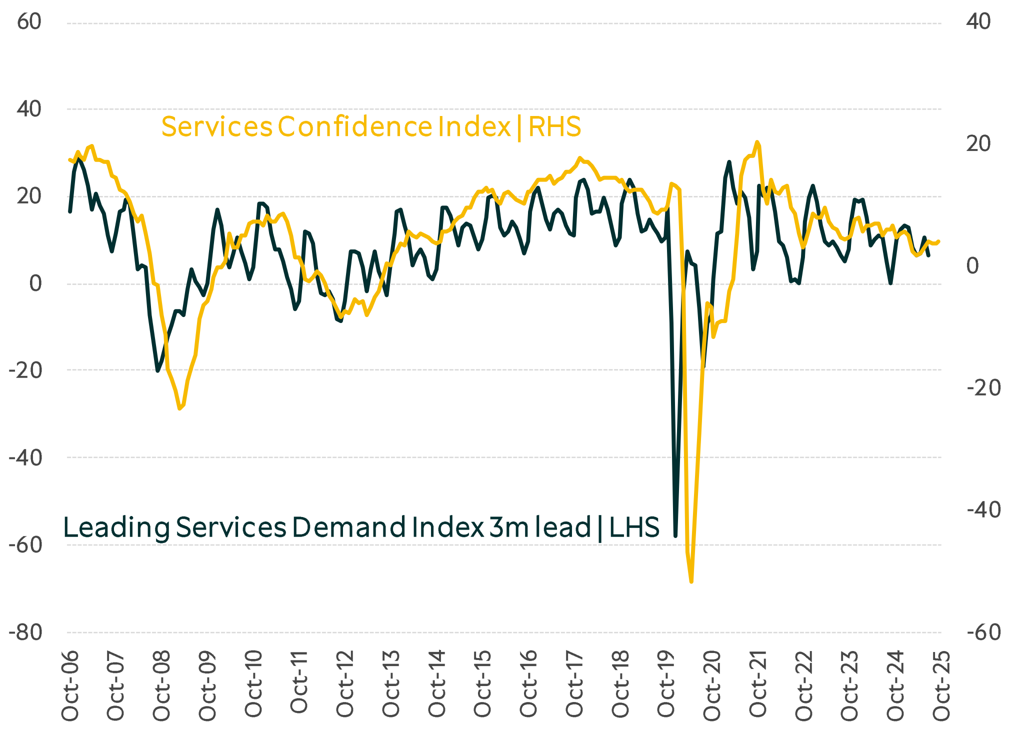
*Solid line: Consensus; Dotted line: ECB projections

EA Leading Indicators | Manufacturing and Services confidence indicators improved in October.

Manufacturing Confidence Index & Leading Manufacturing Orders

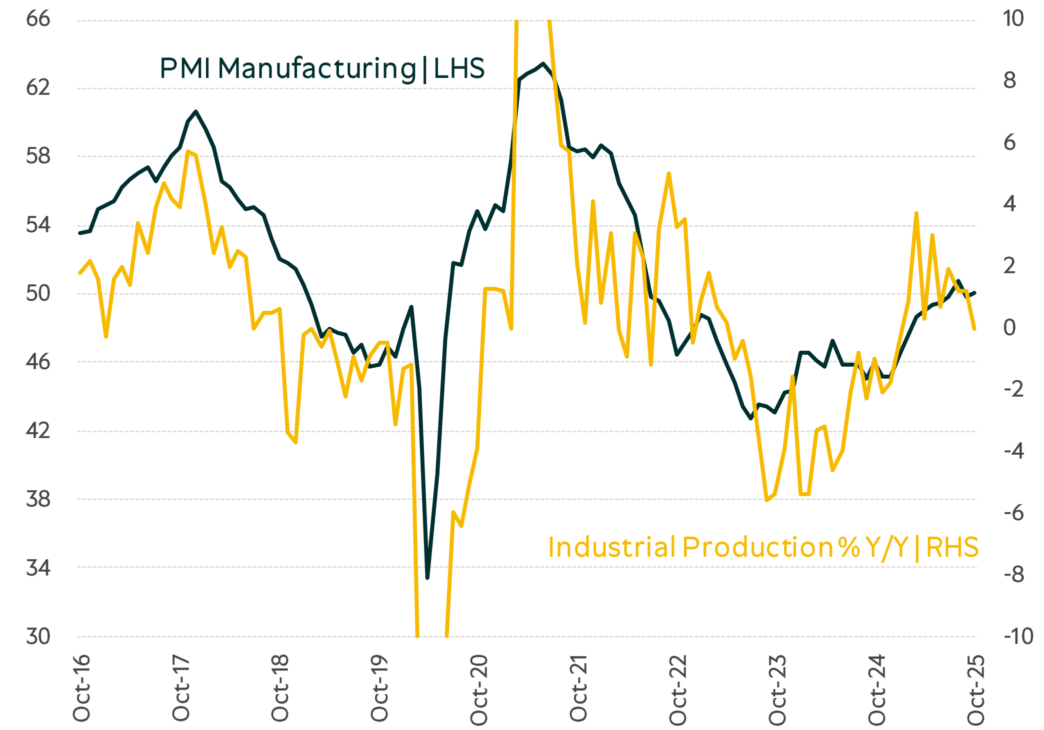


Services Confidence Index & Leading Services Demand Index

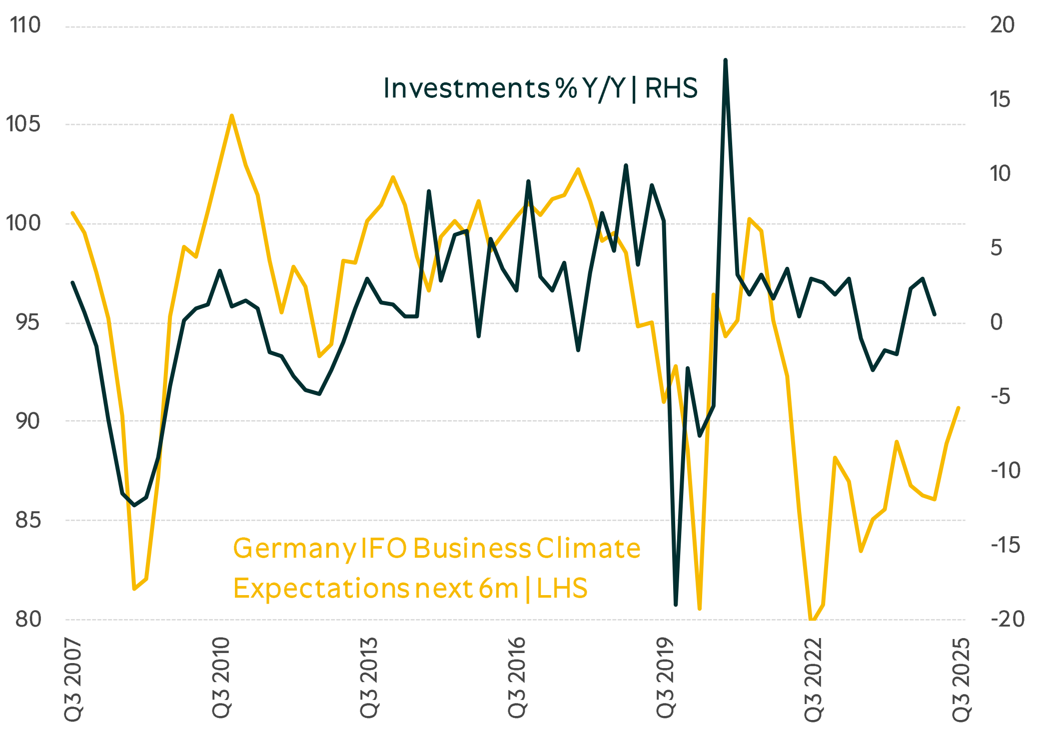


EA Business Conditions | The Manufacturing Leading Indicator recovered in October after experiencing a brief decline in September. Industrial production growth in September stayed at 1.2% (same as in August).

Industrial Production & PMI Manufacturing

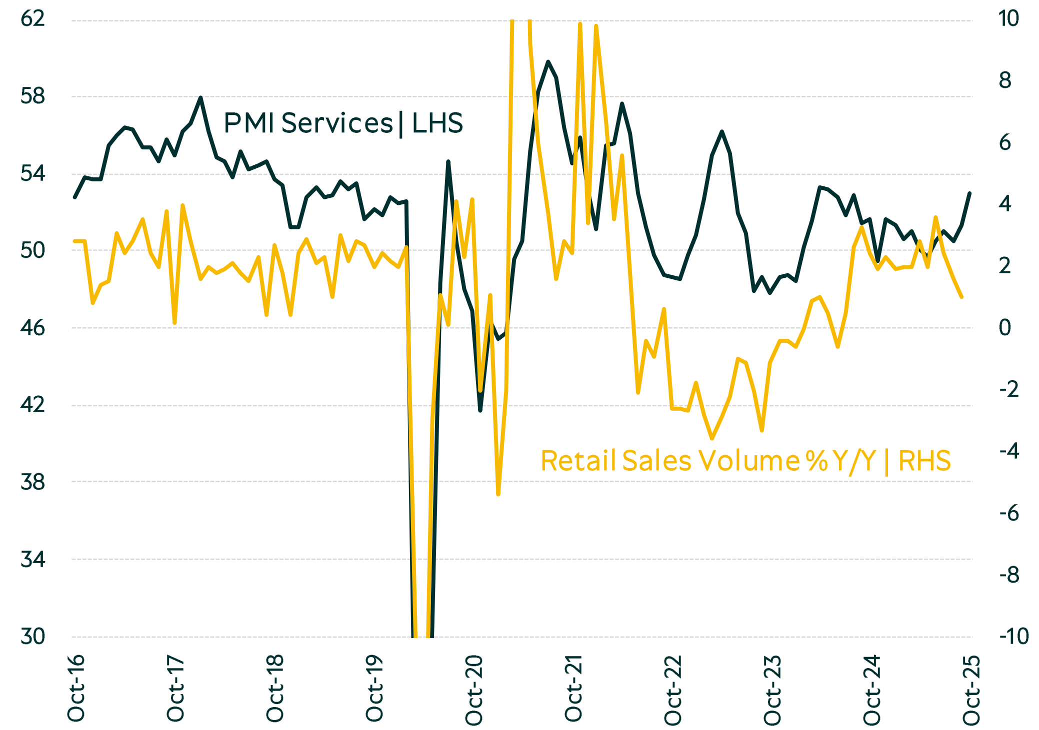


IFO Expectations & Business Investment

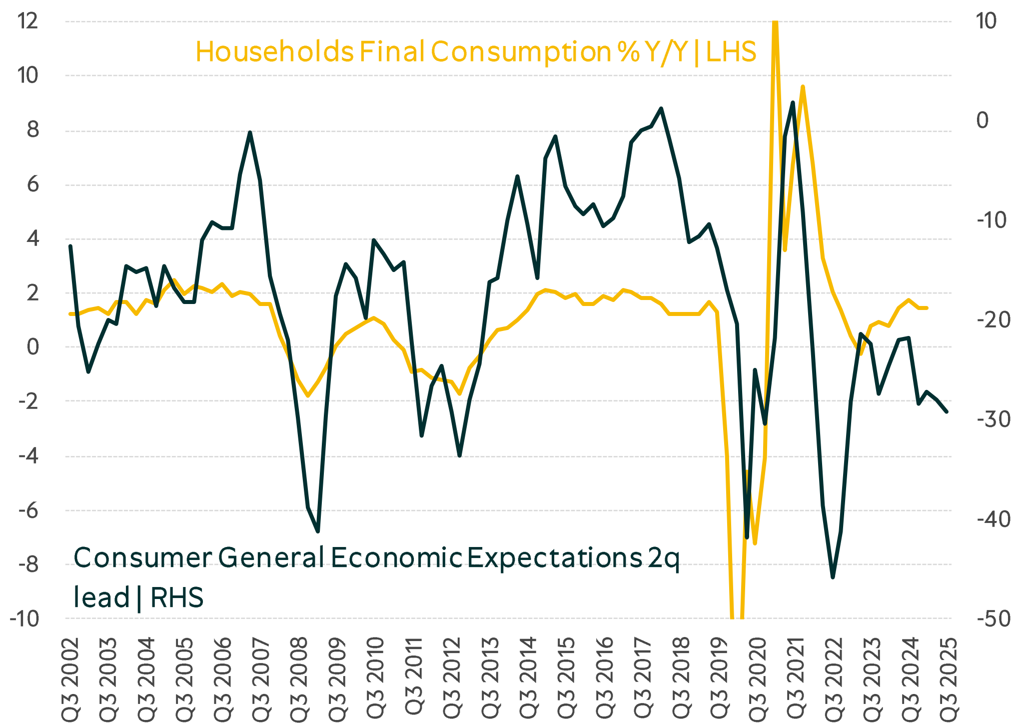


EA Business Conditions | Retail sales growth decelerated further in September to 1% but the increase in PMI Services to 53 in October provides a possible tailwind for EA growth. Consumers remain pessimistic.

Retail Sales Volume & PMI Services



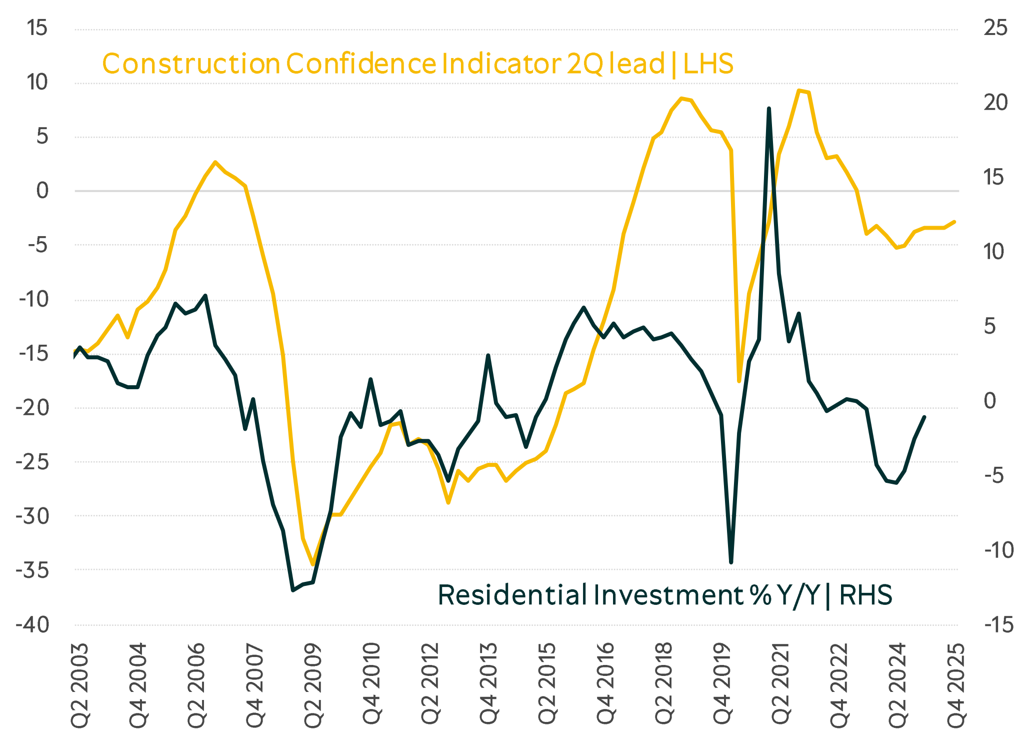
Final Consumption & Consumer Expectations Index



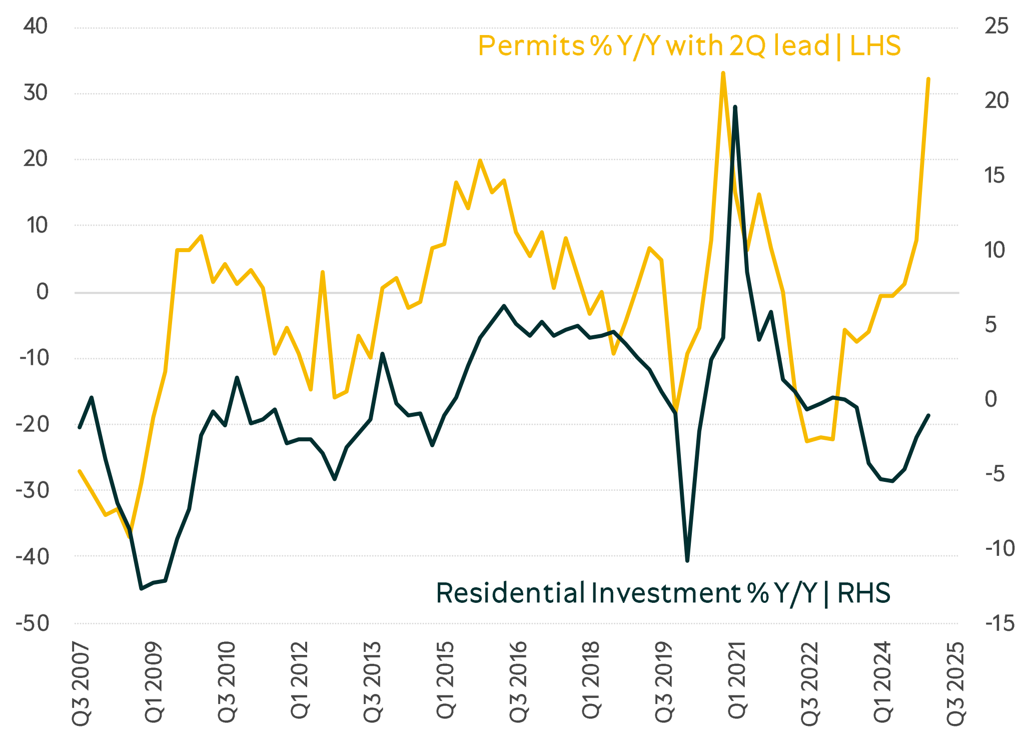
Source: Economic Research & Investment Strategy

EA Construction | Residential activity is sending positive signals as Construction Confidence is on an upward trend. House Permits increased significantly in Q3.

Residential Investment & Construction Confidence



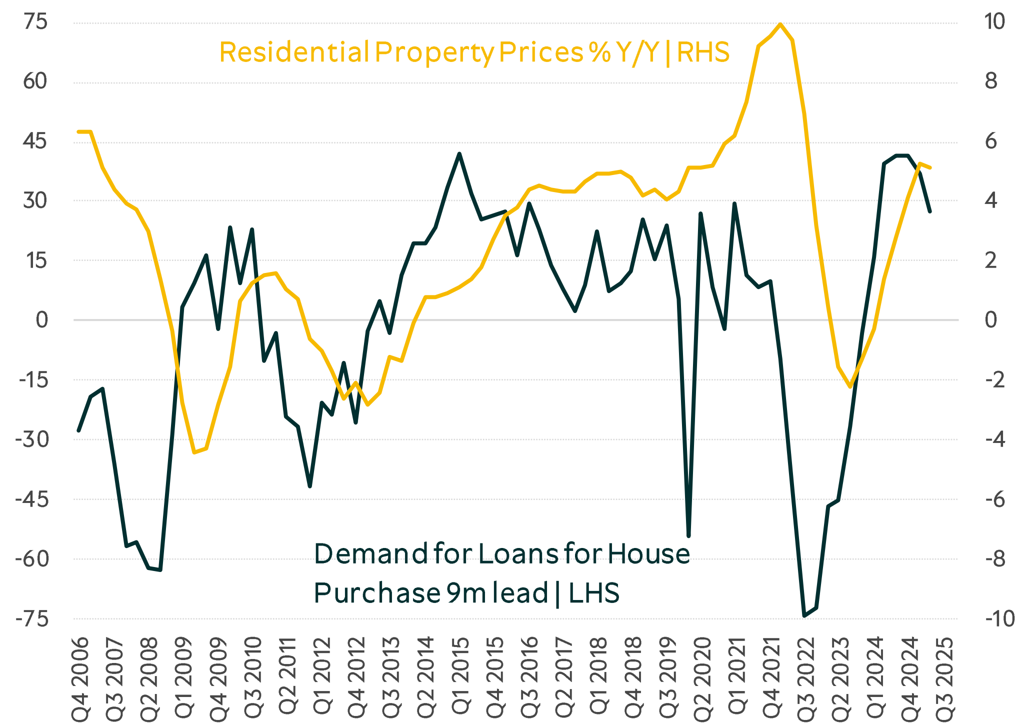
Residential Investment & House Permits



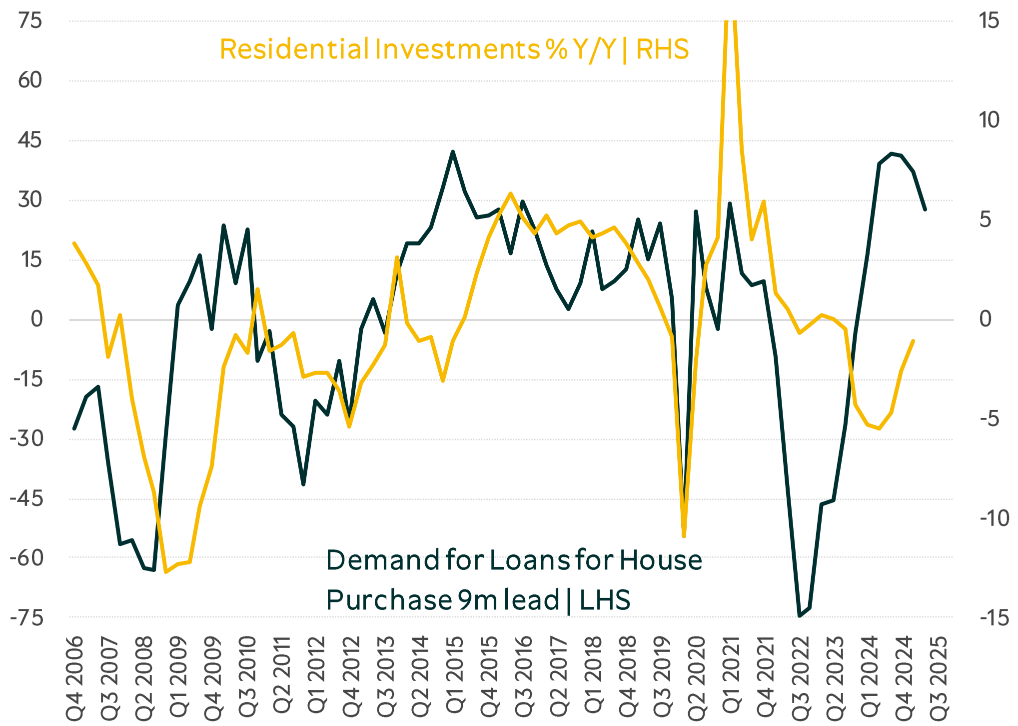
Source: Economic Research & Investment Strategy

EA Construction | A pick up in residential investments is expected in the coming months, although demand for mortgages has moderated.

Residential Property Prices & Demand for loans (9m lead)



Residential Investments & Demand for loans (9m lead)



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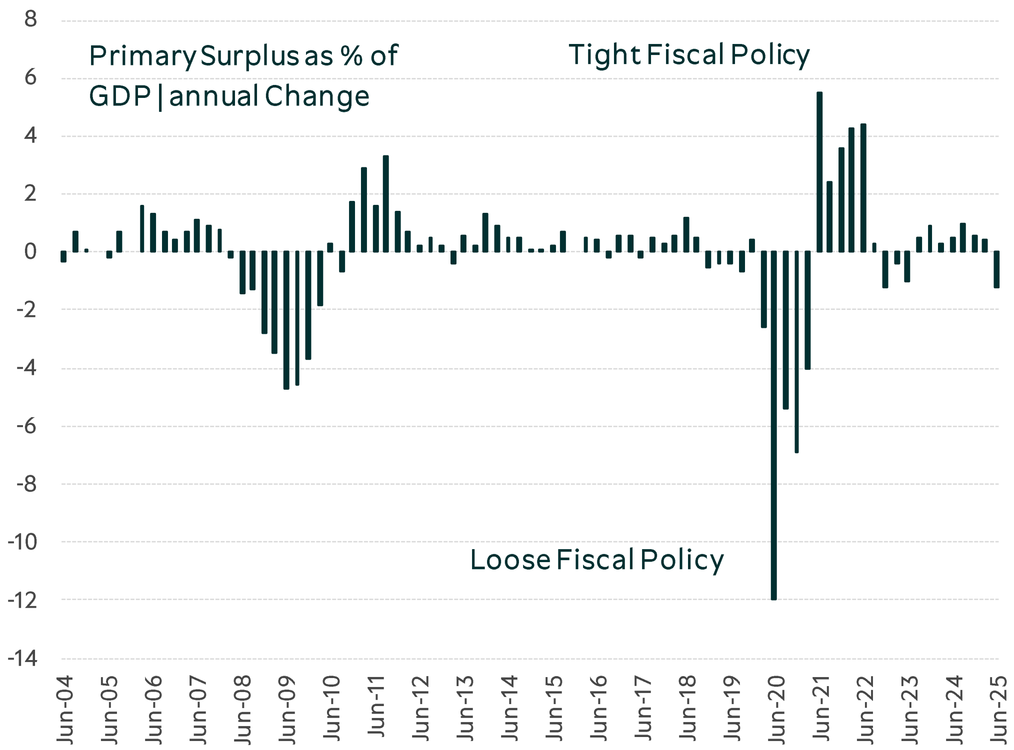
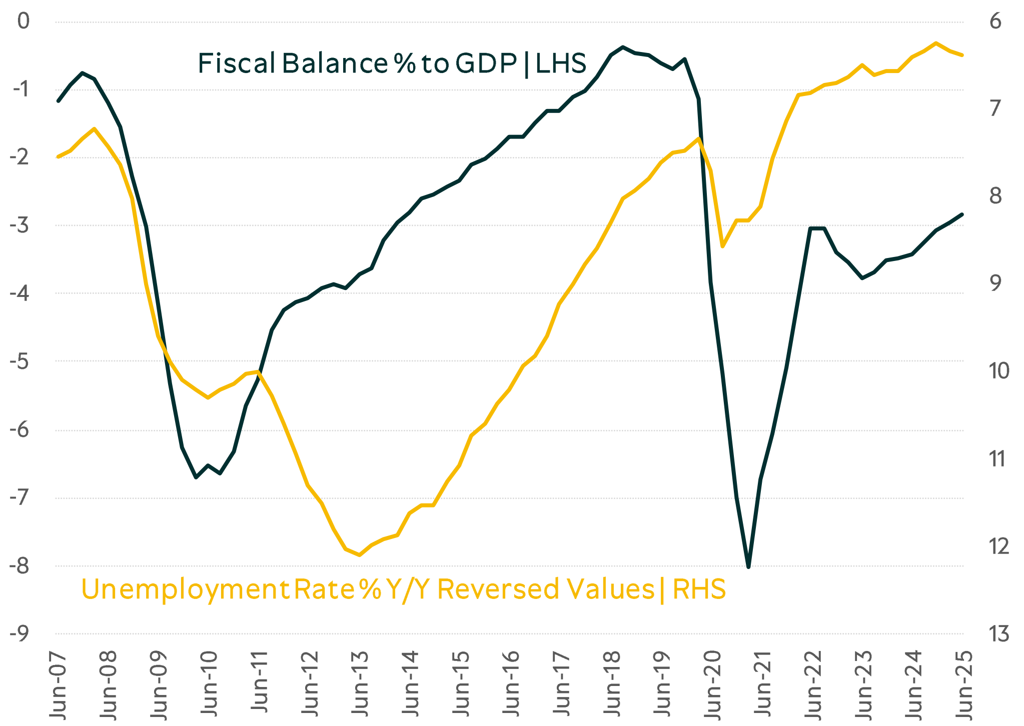
Source: Economic Research & Investment Strategy

EA Fiscal Policy | Fiscal Deficit remains at low levels while the Unemployment Rate remains at a historic low

Fiscal Thrust

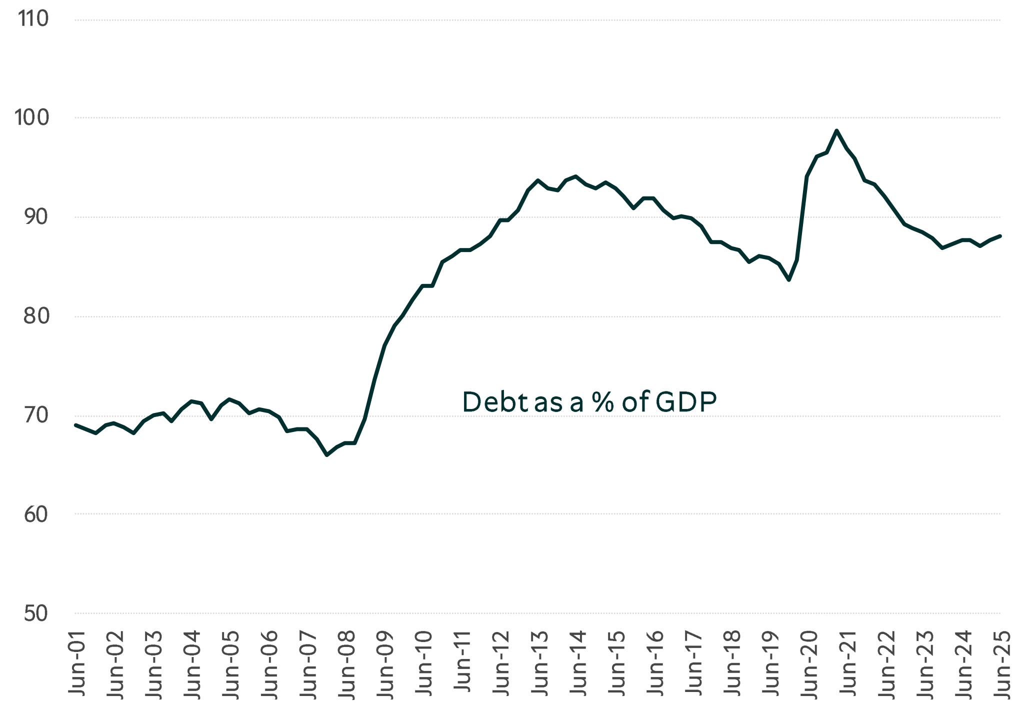


Fiscal Policy & Unemployment Rate

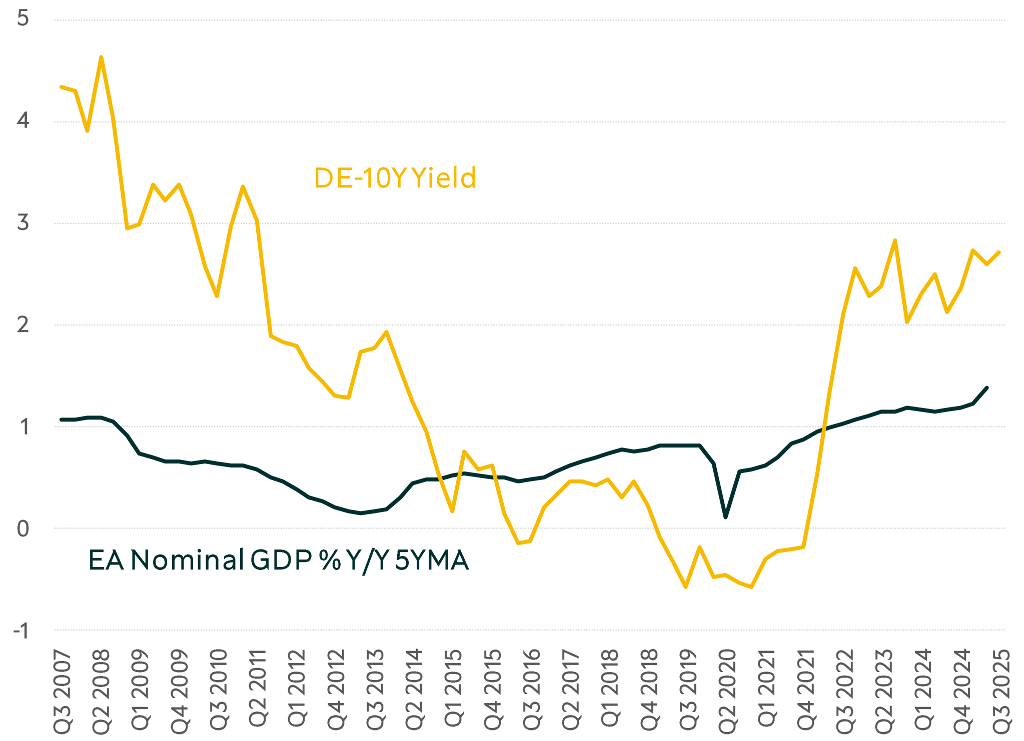


EA Fiscal Policy | Debt levels have moderated after the pandemic

Debt / GDP

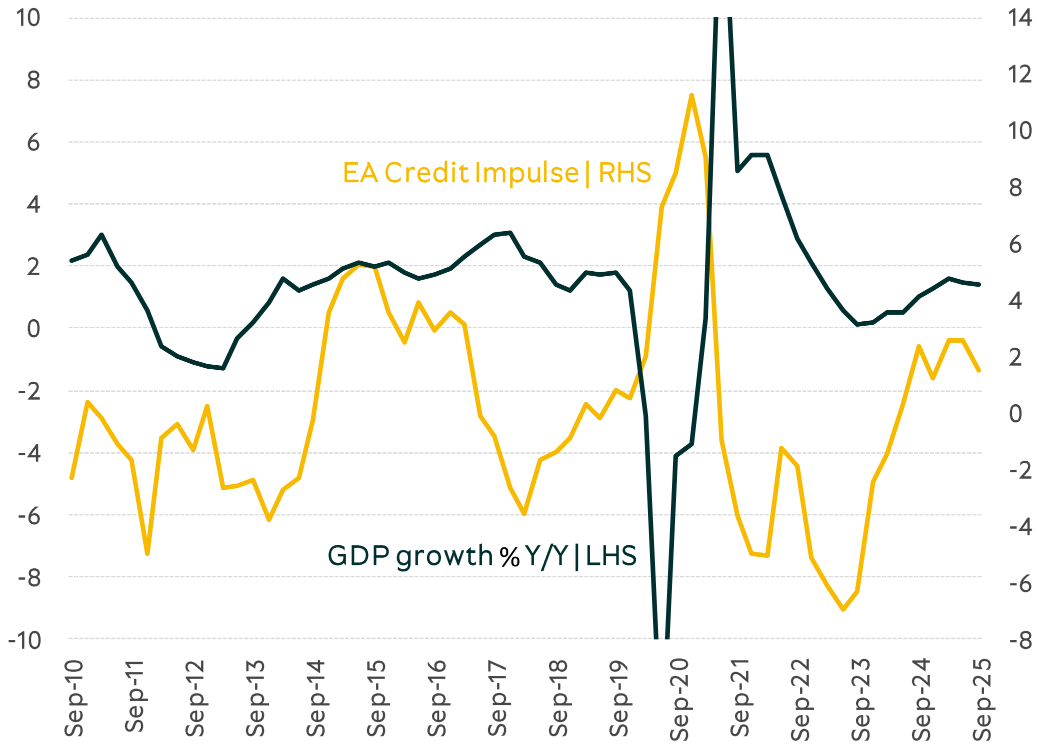


Fiscal Policy Sustainability

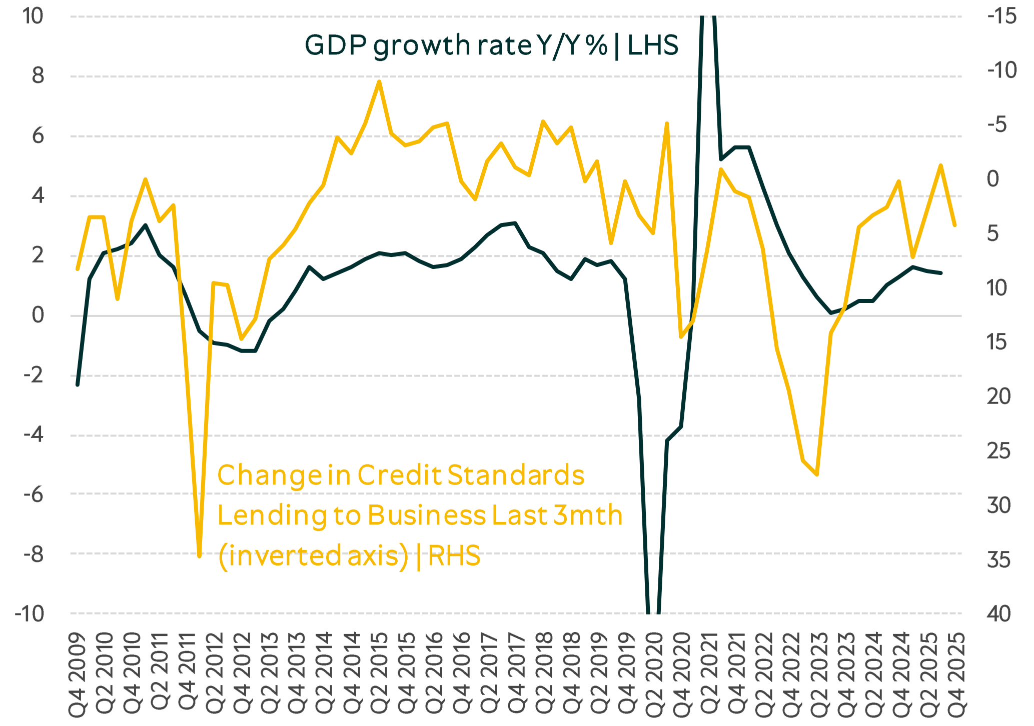


EA GDP Outlook | Credit impulse decelerated in Q3, while credit standards for loans or credit lines to enterprises tightened in the fourth quarter of 2025.

EA Credit Impulse & GDP growth rate

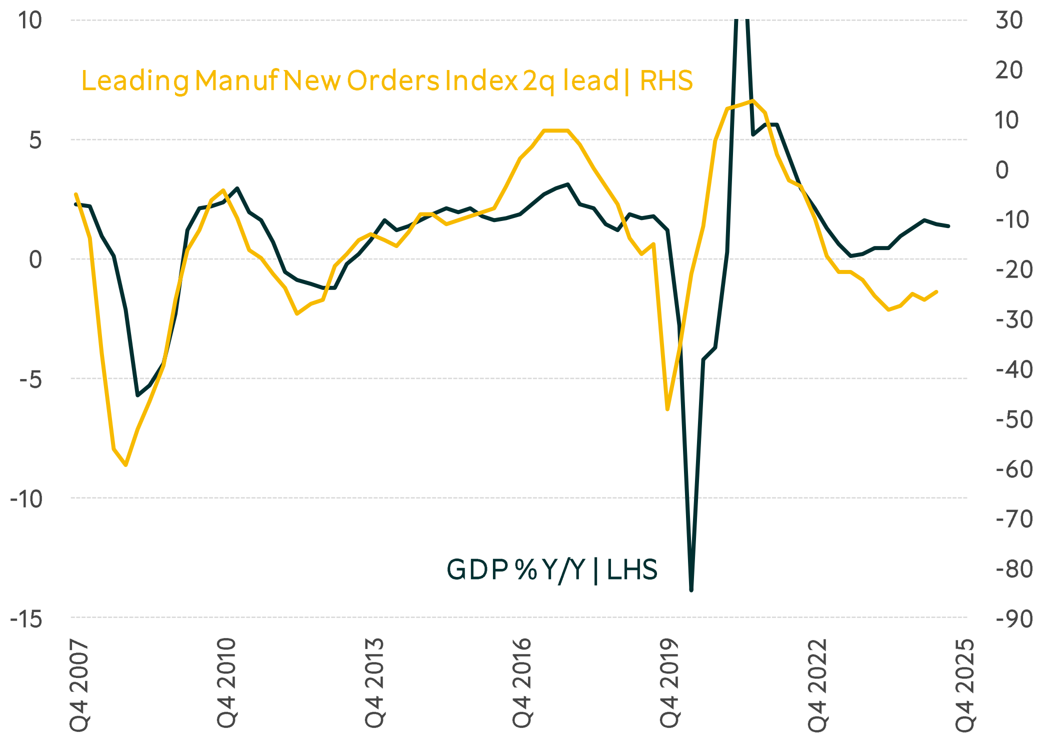


GDP & Bank Lending Standards

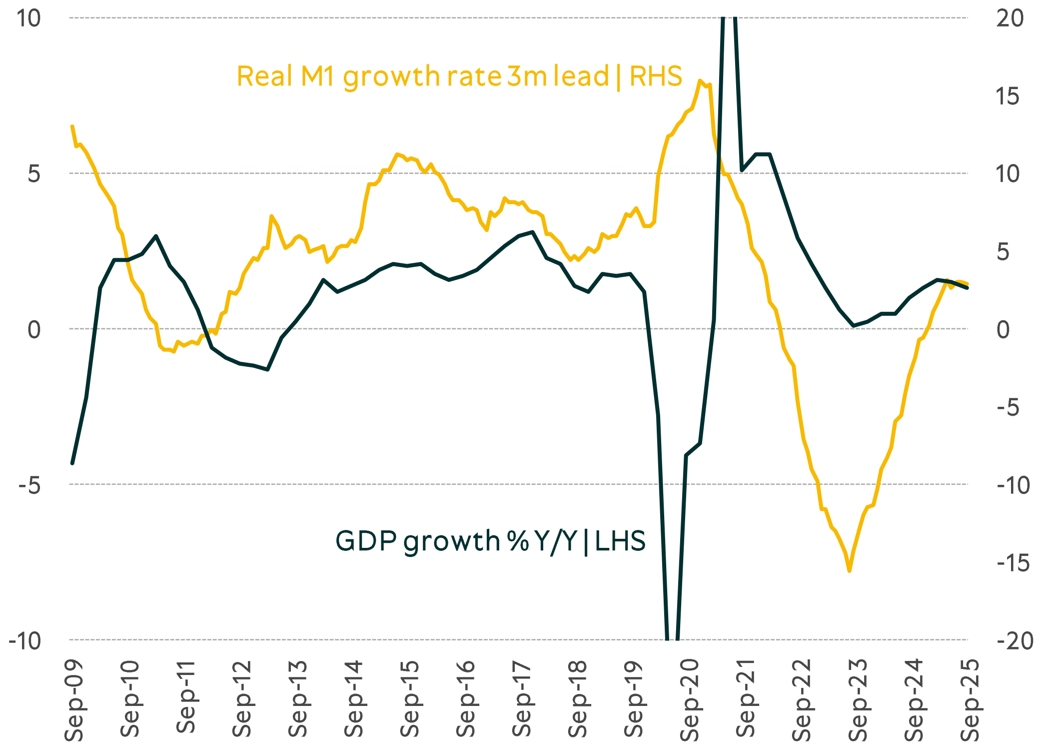


EA | Manufacturing New Orders halted the downturn trend in Q4 2025; Real M1 improvement somewhat reduces concerns about the economic outlook.

GDP & New Orders Indices



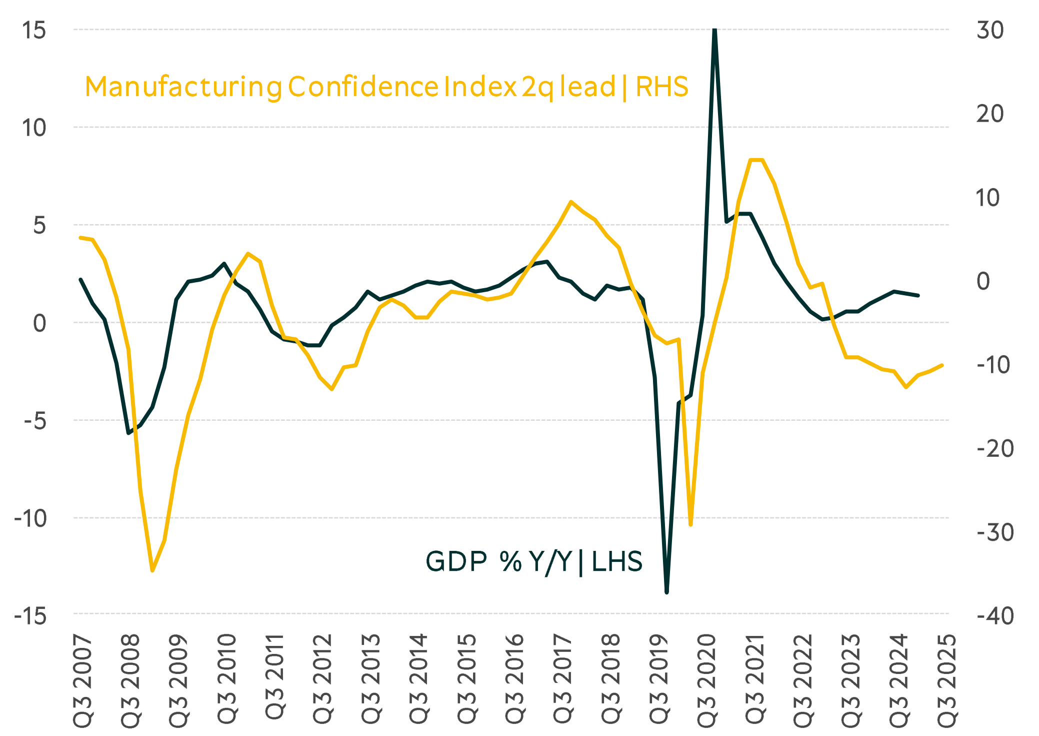
GDP & Real M1 growth rate



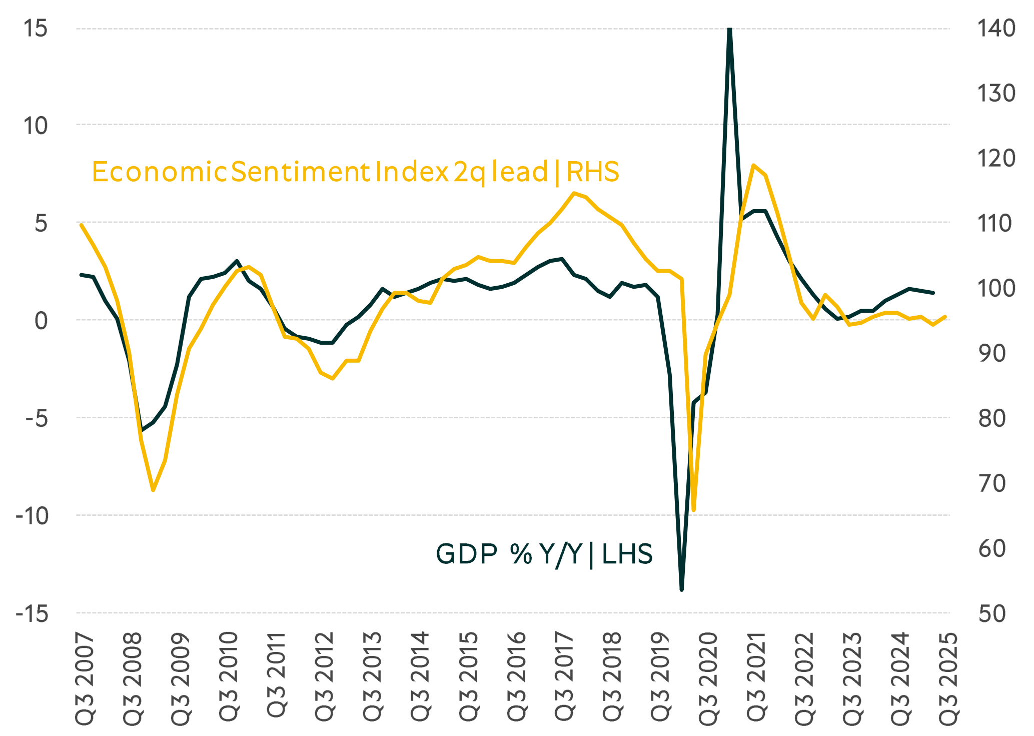
Source: Economic Research & Investment Strategy

EA GDP Outlook | Economic sentiment still points to a marginal slowdown, while manufacturing picked up providing some green shoots.

GDP & Manufacturing Confidence Index



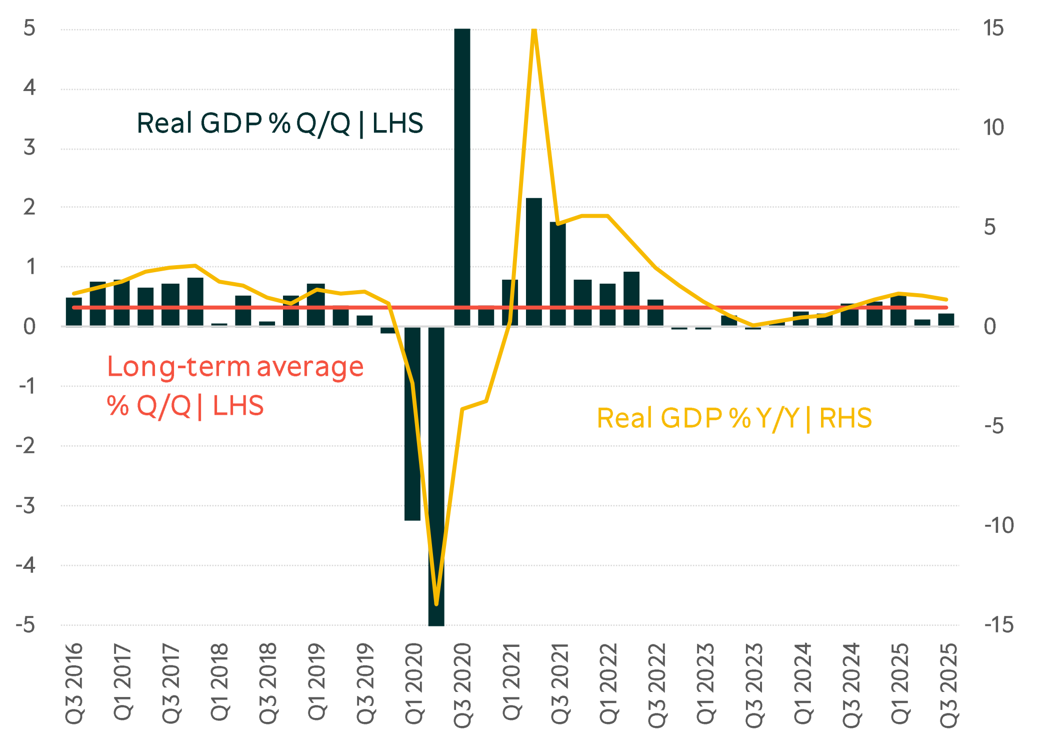
GDP & Economic Sentiment Index



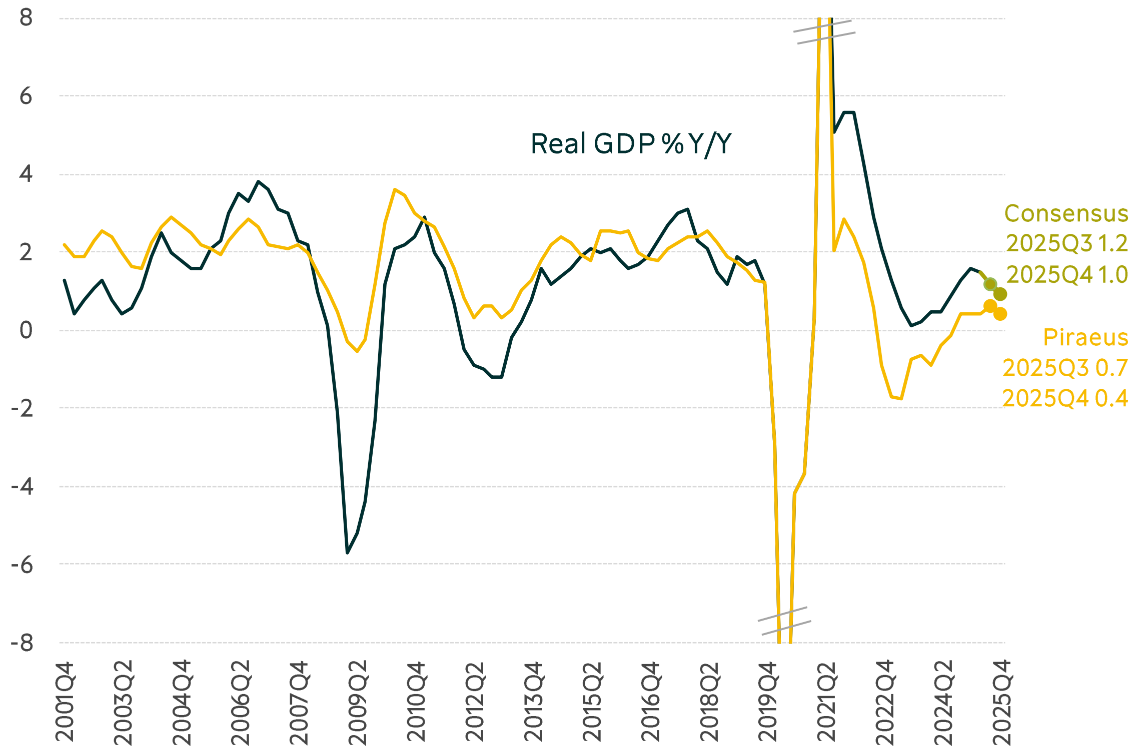
Source: Economic Research & Investment Strategy

EA GDP Outlook | Real GDP grew by 1.4% year-on-year in Q3 2025 (0.2% quarter-on-quarter) but is projected to grow at a slower rate

Growth Rate Outlook



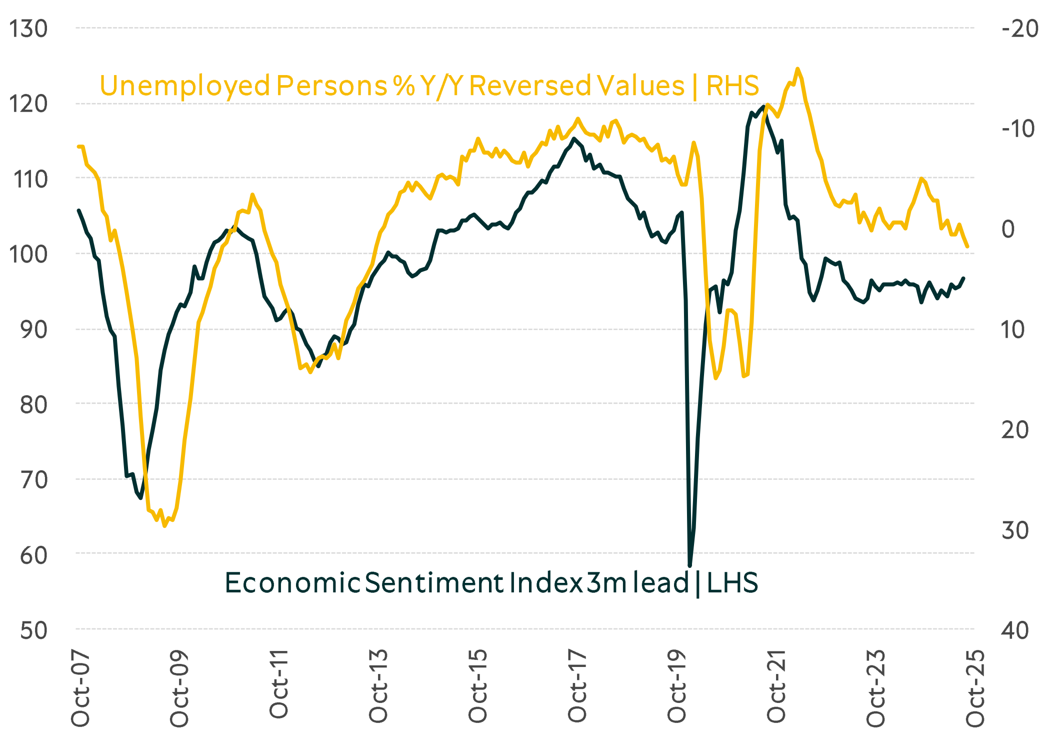
Growth Rate Estimate



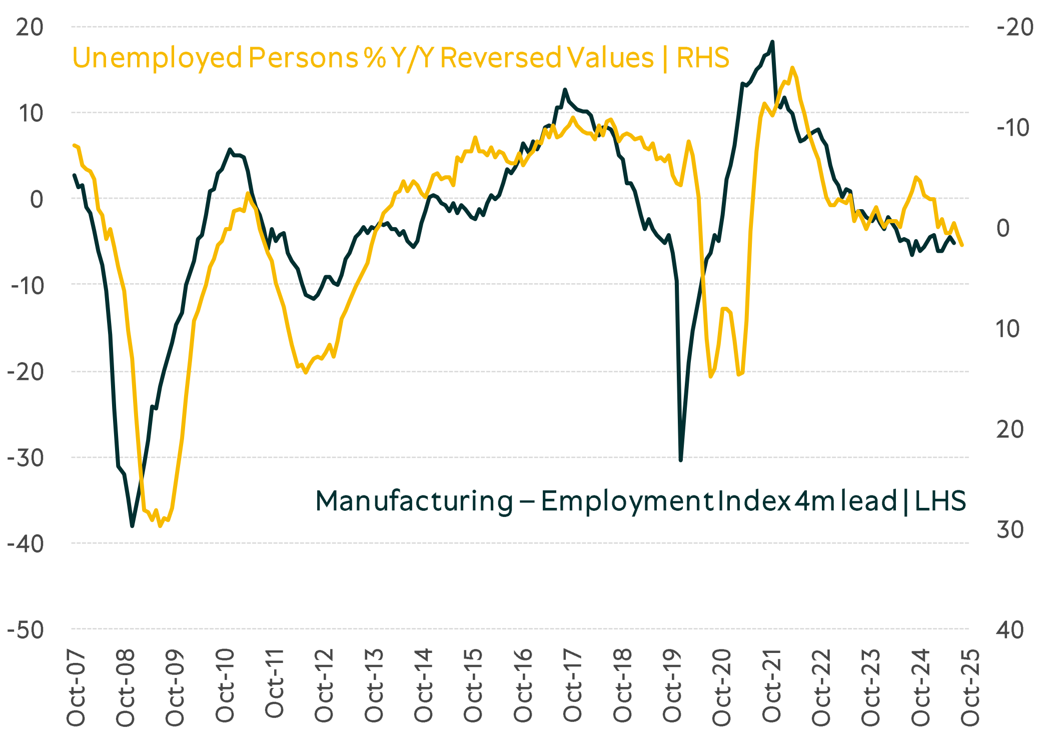
Note: Covid-19 period (Q4 2019 - Q2 2021) is excluded from the estimation

EA Labour Market | Labour market is still in good shape with some deterioration in the Manufacturing sector. The Manufacturing employment index has stabilised.

Unemployment & Leading Sentiment Index



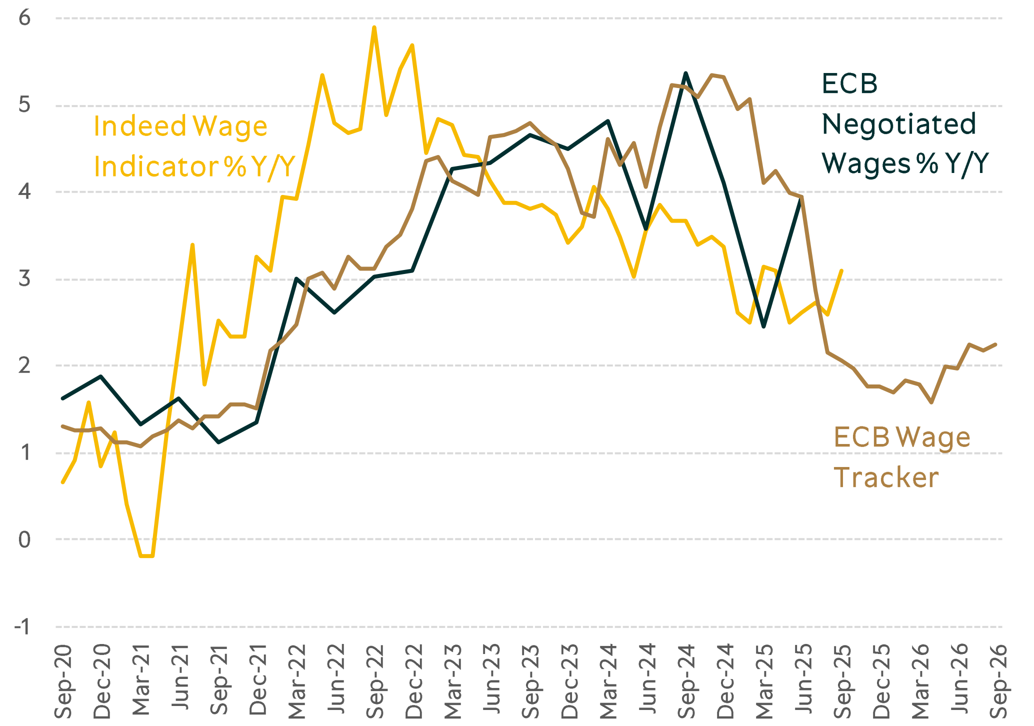
Unemployment & Leading Manufacturing Index



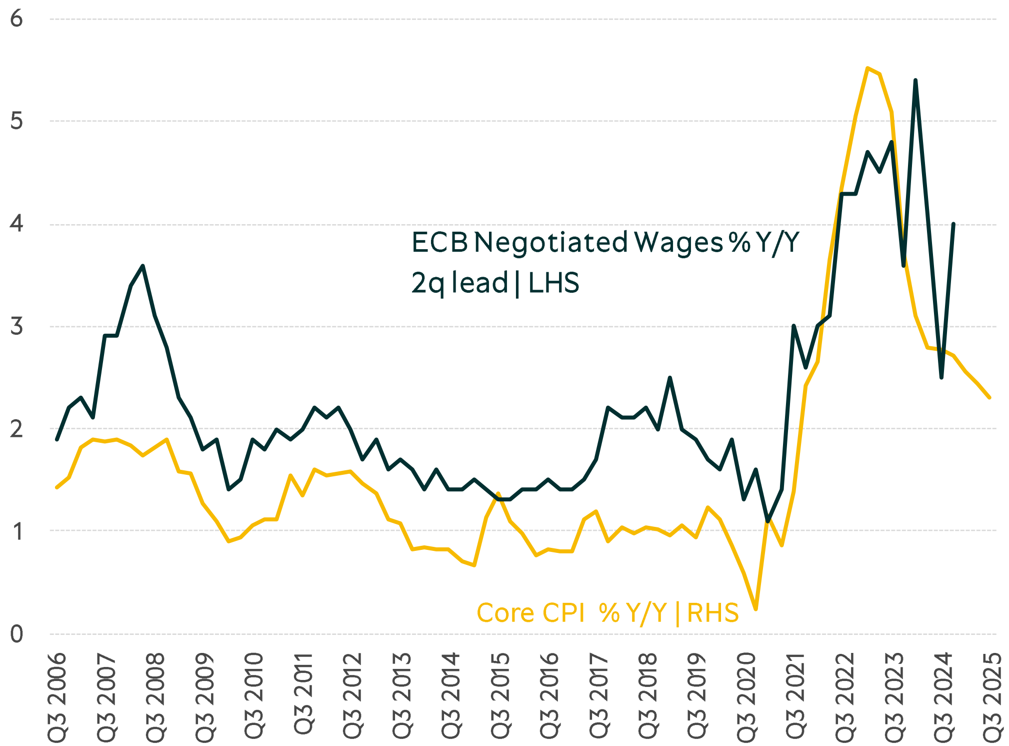
Source: Economic Research & Investment Strategy

EA Wage Tracker | The Indeed wage indicator rose to above 3% in September. The ECB's Wage Tracker indicates slower wage growth in 2025 and a modest increase in 2026.

EA Wage Indicators

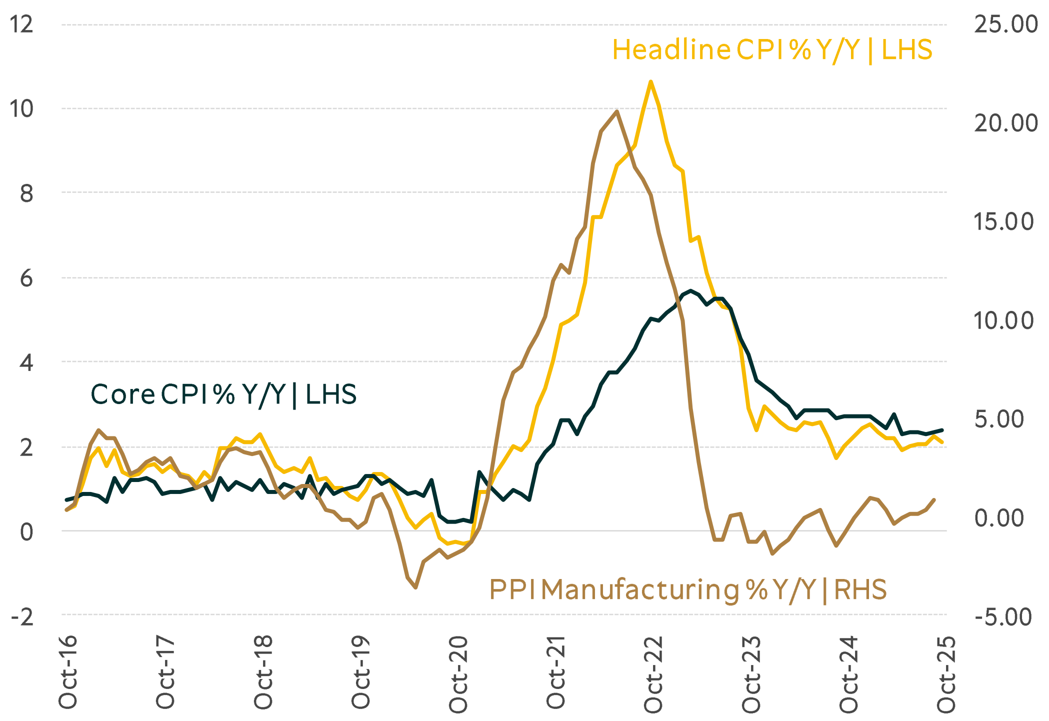


Core Inflation & Wages

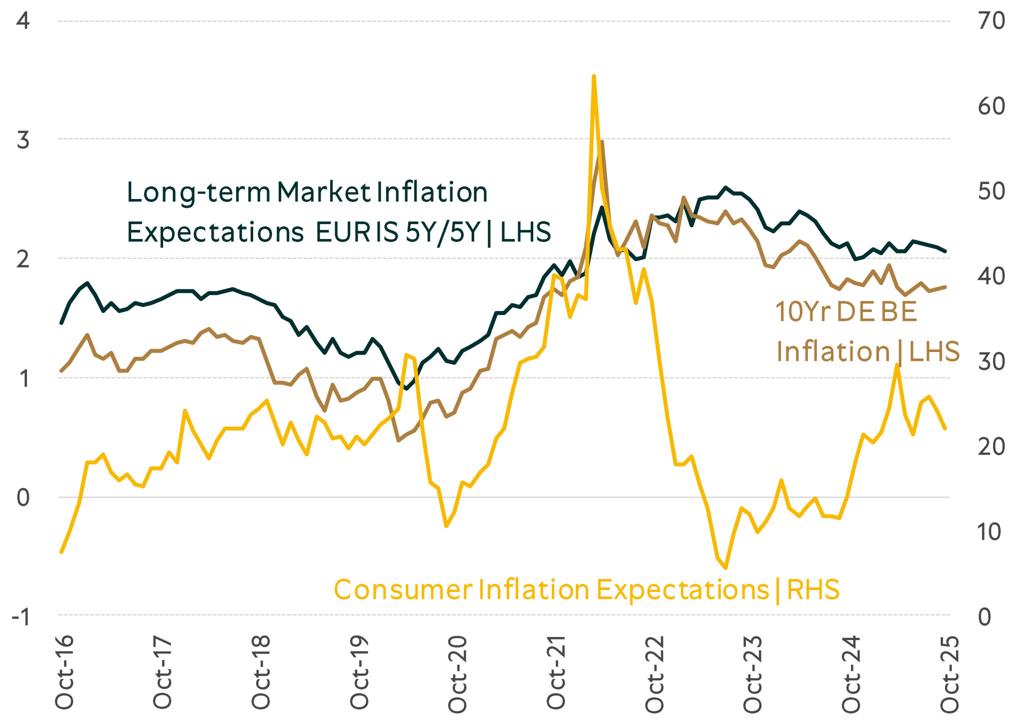


EA Inflation Pressures | Headline CPI decelerated to 2.1% in October, while Core CPI remained at 2.4%. Consumer inflation expectations declined further in September & October.

Inflation Rate



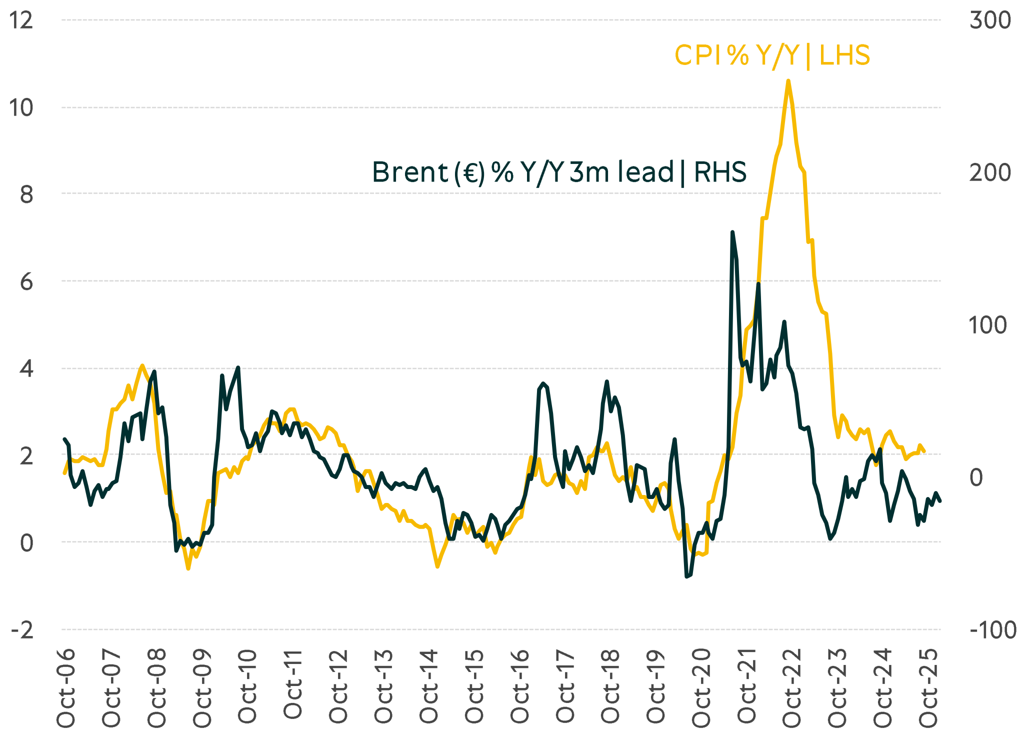
Long-term Inflation Expectations



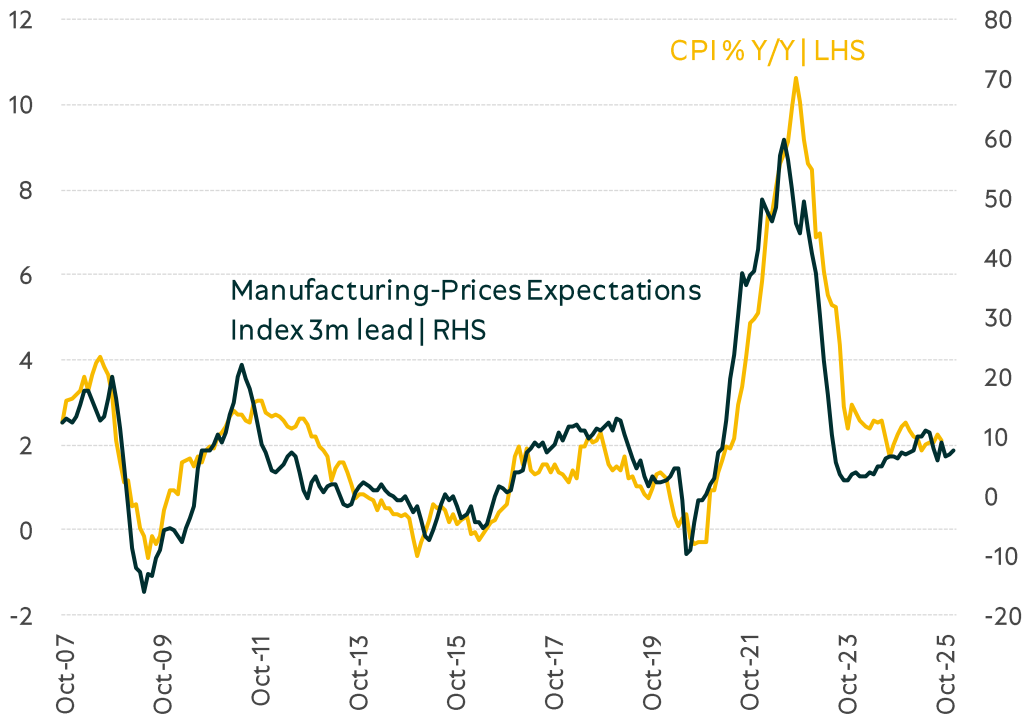
Source: Economic Research & Investment Strategy

EA Inflation & Energy Prices | Manufacturing Prices Expectations are not exerting upward pressure, while the likelihood of higher Brent prices following the Middle East peace deal is diminishing.

Inflation Rate & Oil Prices

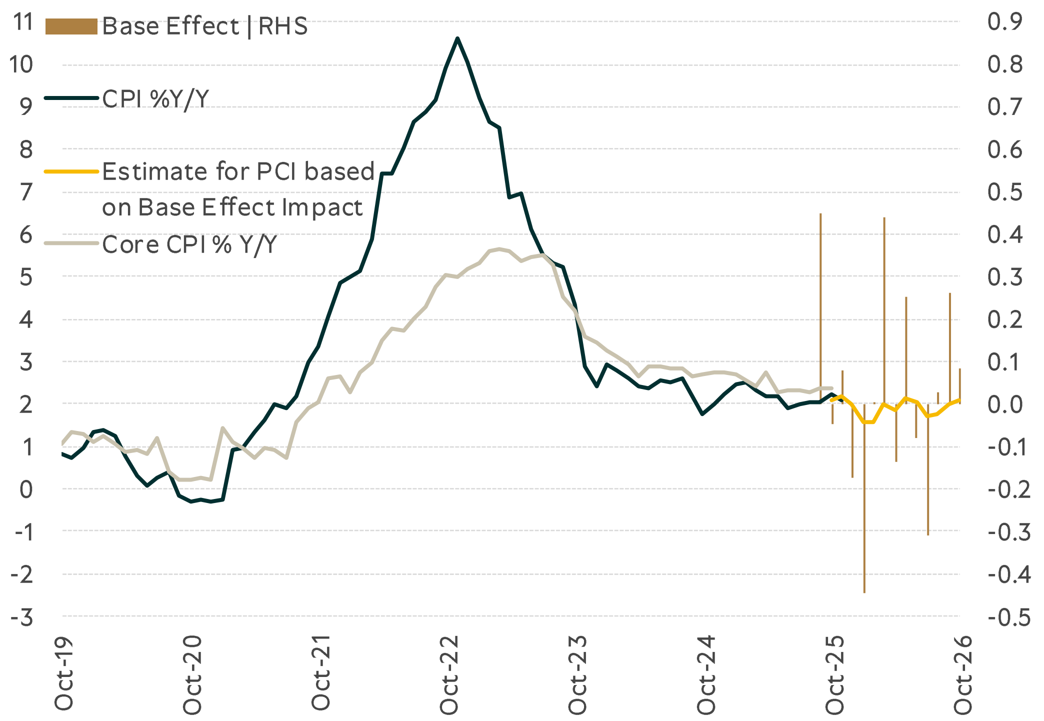


Inflation Rate & Leading Manufacturing Prices Index

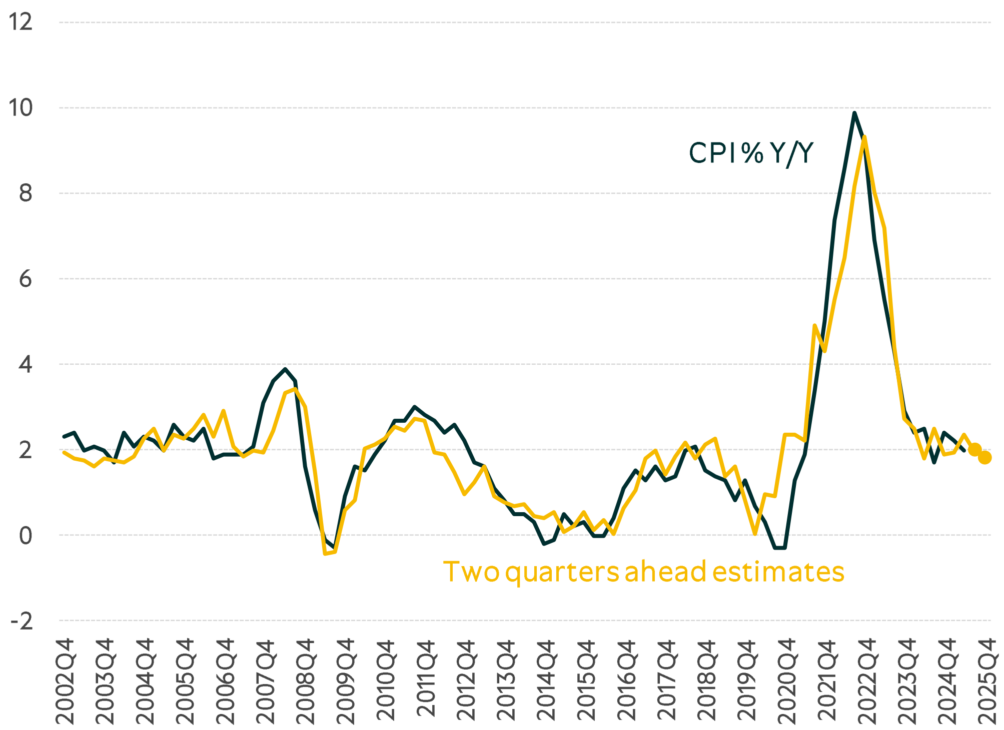


EA Inflation Outlook | The 2% target is expected to be achieved for the year

Inflation Rate Forecast | Statistical Model

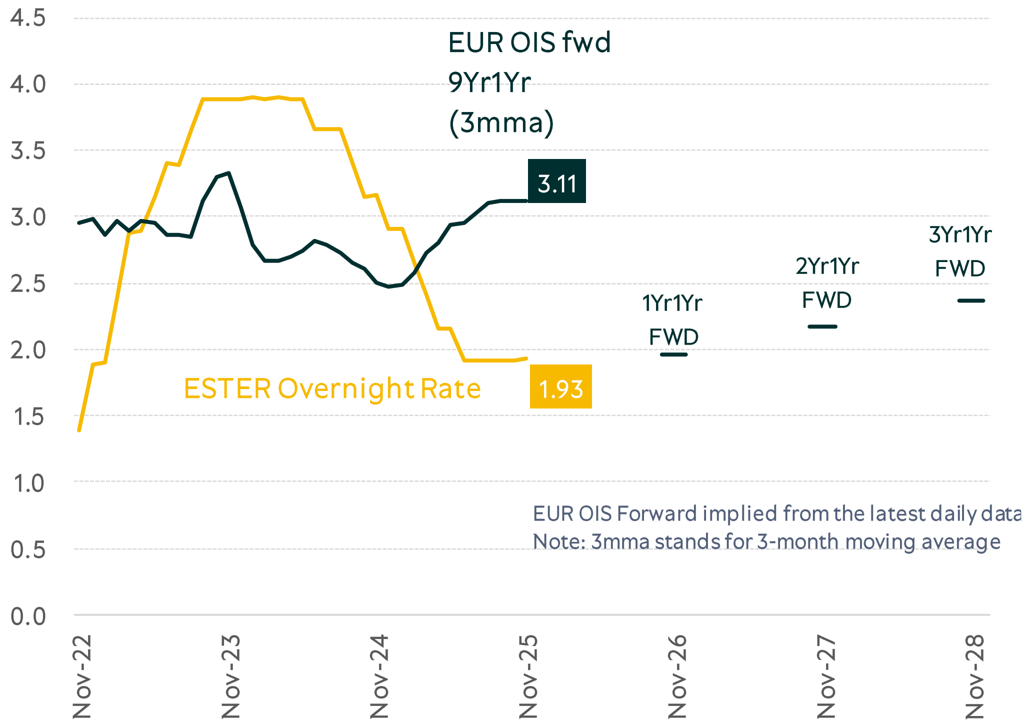


Inflation Rate Forecast | Macro Model

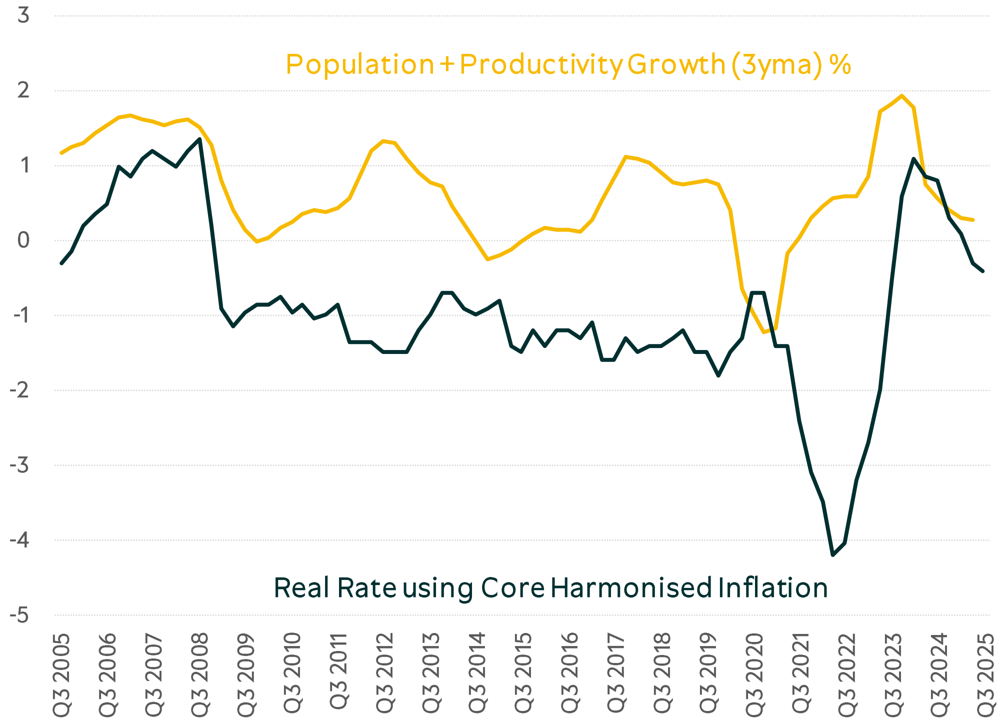


EA Short-Term Rates | 3Yr1Yr forward rates suggest higher levels of interest rates

Interest rates | Market Expectations

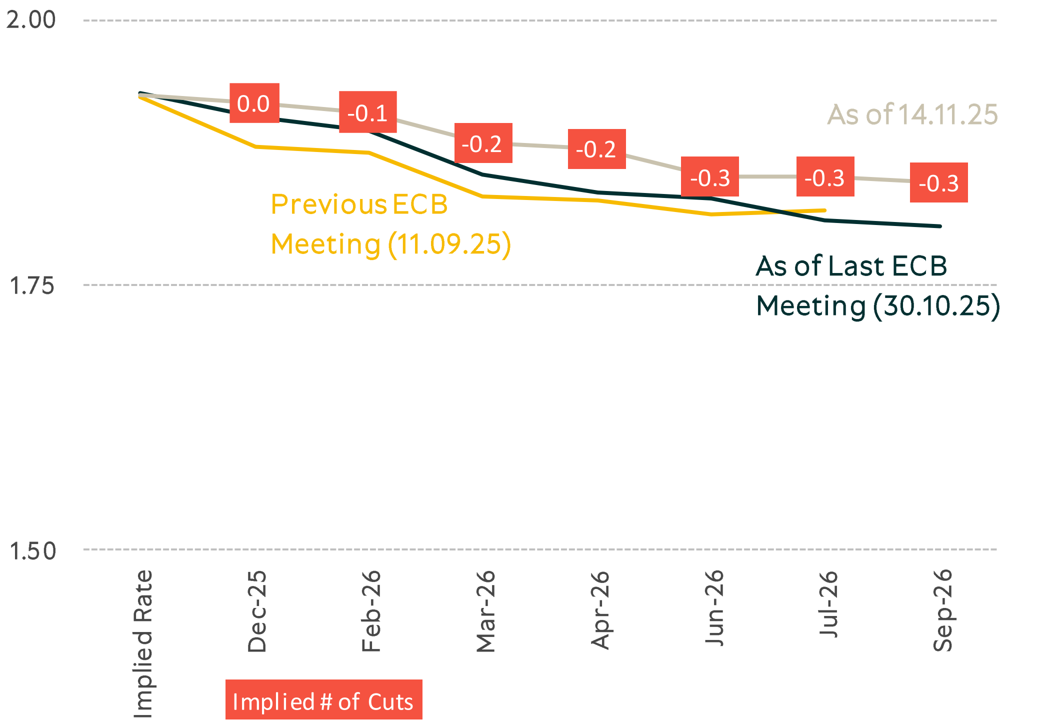


Real Depo Rate (Depo - Core CPI) & Population + Productivity growth

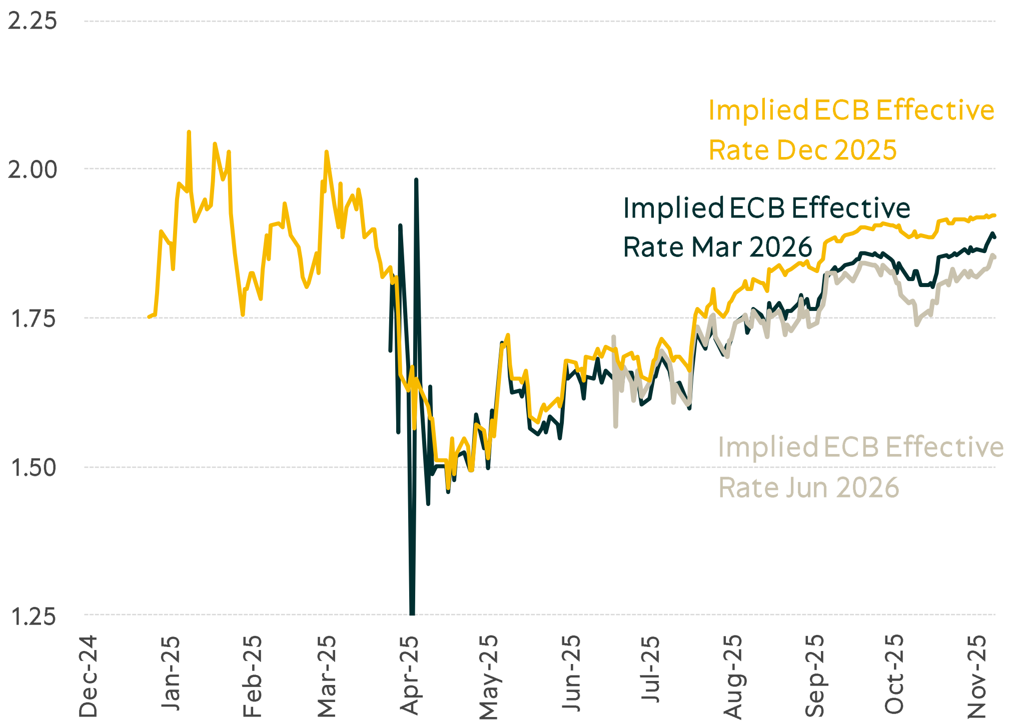


EA Short-Term Rates | Less than one cut is anticipated by the markets by September 2026

Implied Overnight Rate based on Overnight Index Swaps



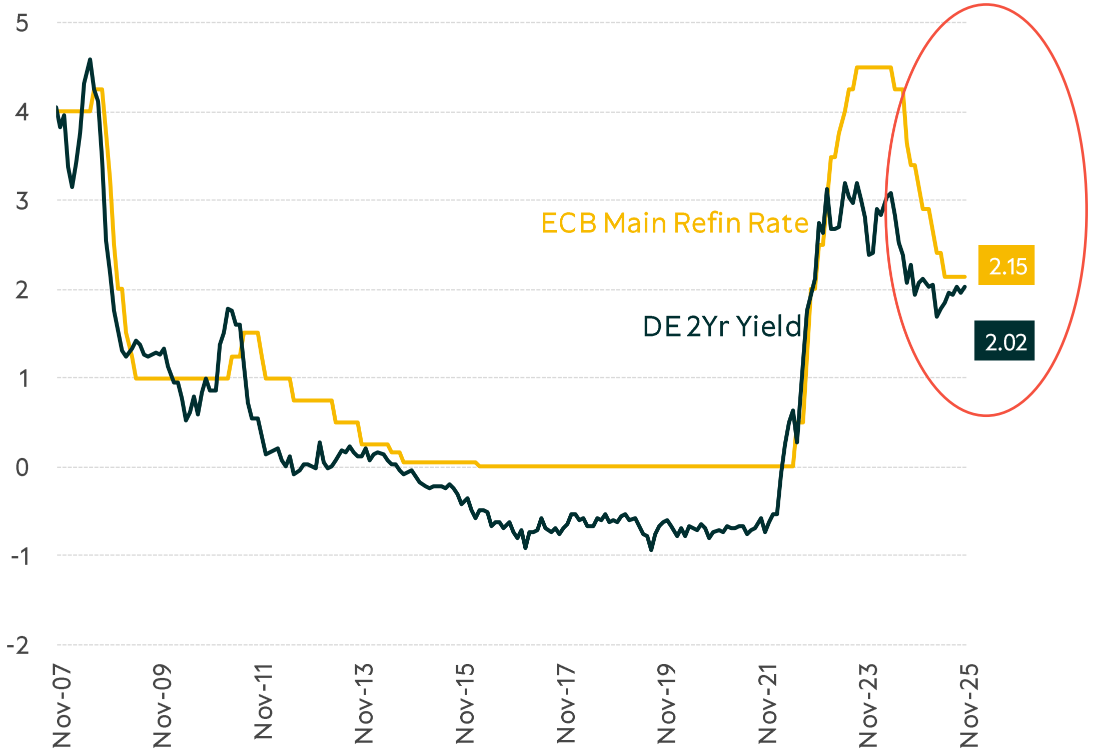
Interest Rates | Implied ECB Effective Rate



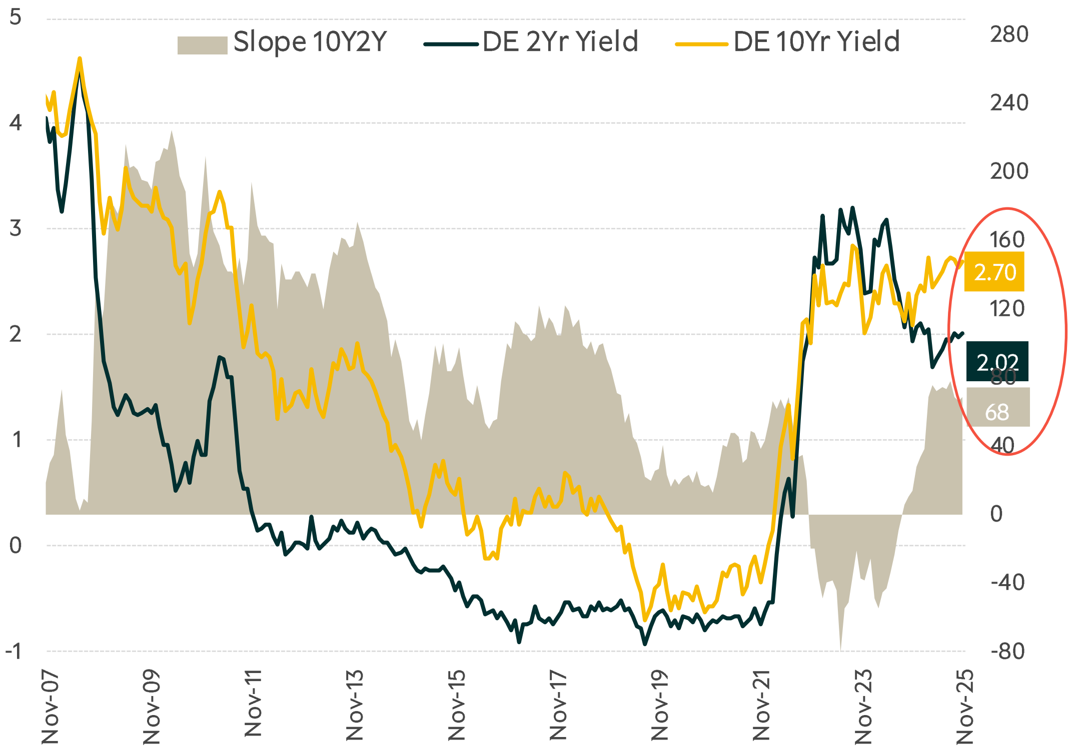
Source: Economic Research & Investment Strategy

EA Rates | After four straight cuts earlier in the year, the ECB kept its key interest rates unchanged in July, September & October. German 10Y2Y spread turned positive at the end of Q3 2024 and has steepened since.

ECB Policy Rate vs German 2Yr Yield



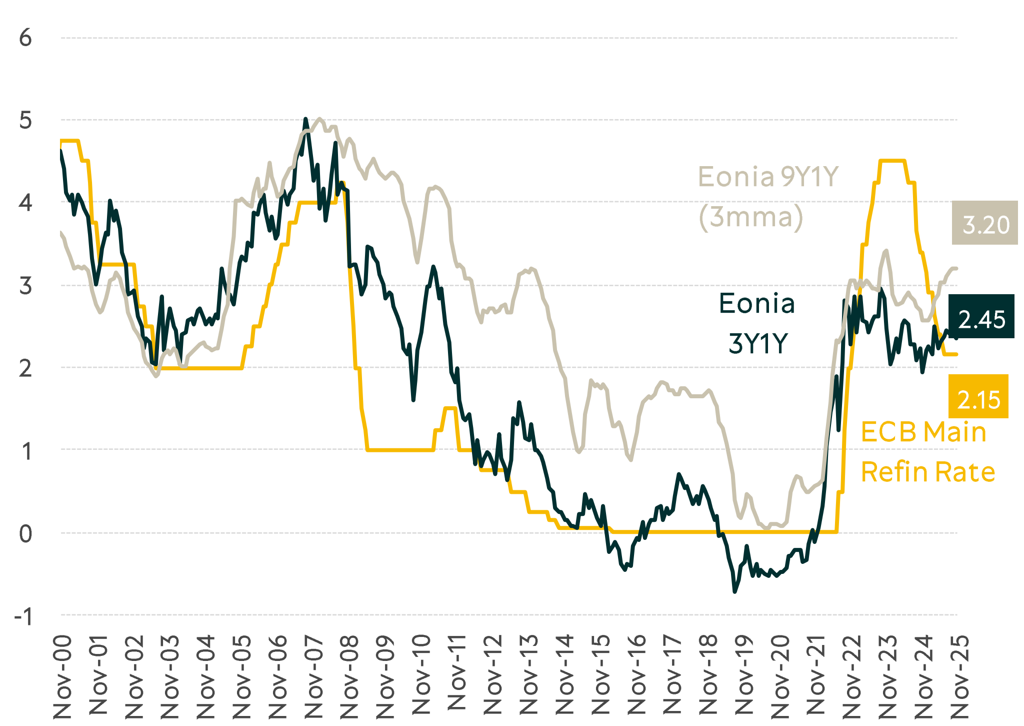
German Yield Curve



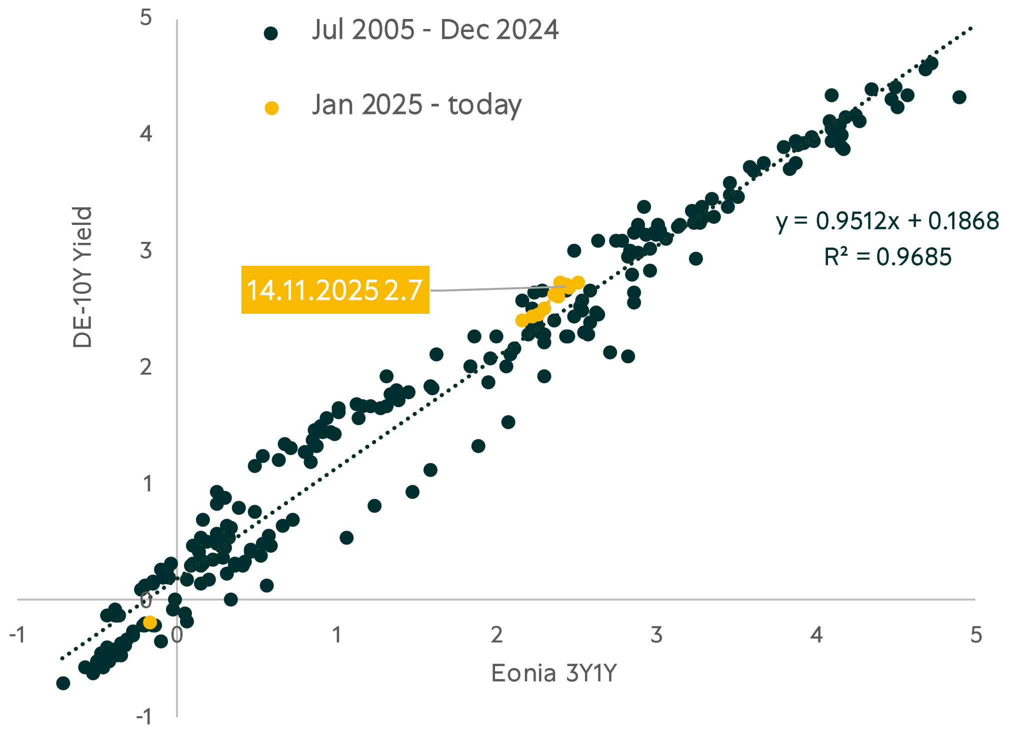
Source: Economic Research & Investment Strategy

EA Long-Term Rates | Given the current level of short-term rates, long-term bonds are close to “fair value”

Long-term Interest Rate Expectations



DE Yield vs Medium-term Interest Rate Expectations



Bird’s Eye View

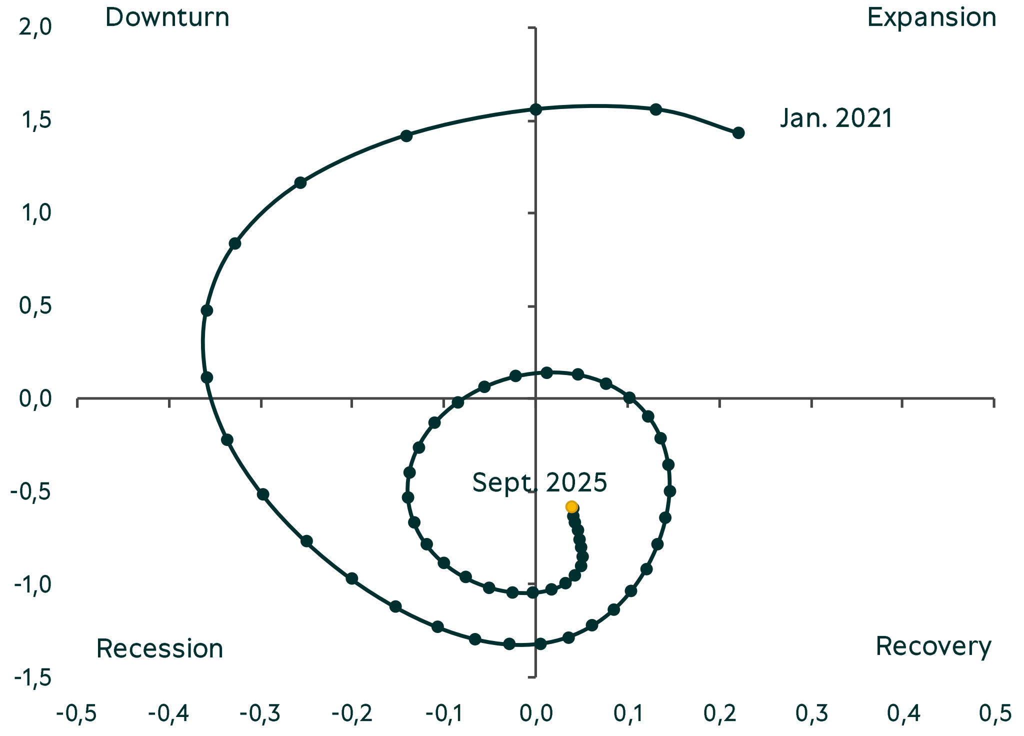
US Economy

EA Economy

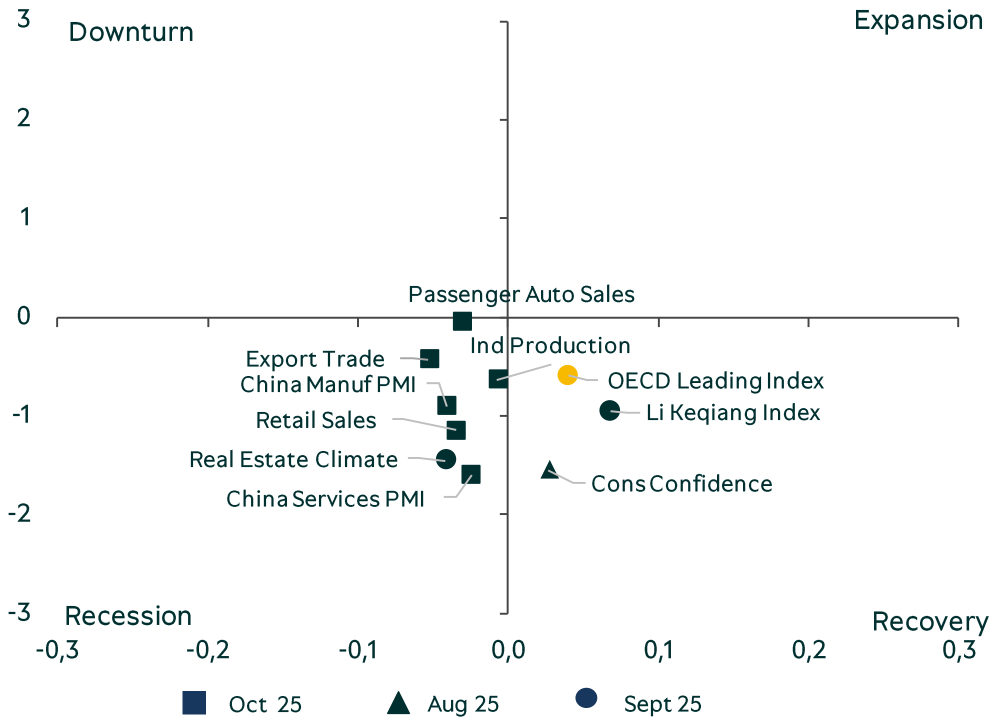
China Economy

Chinese Business Cycle | Most economic variables are positioned between the recession and the recovery phases

CN Business Cycle | Based on China OECD Leading Indicator

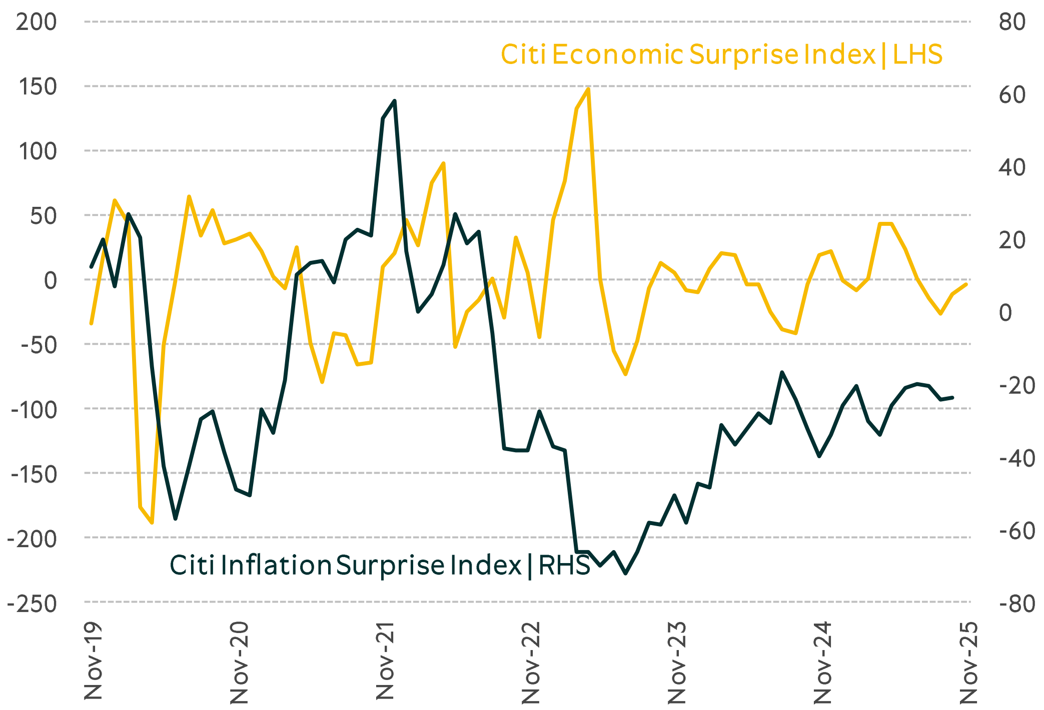


CN Business Cycle | Based on Major CN Economic Variables

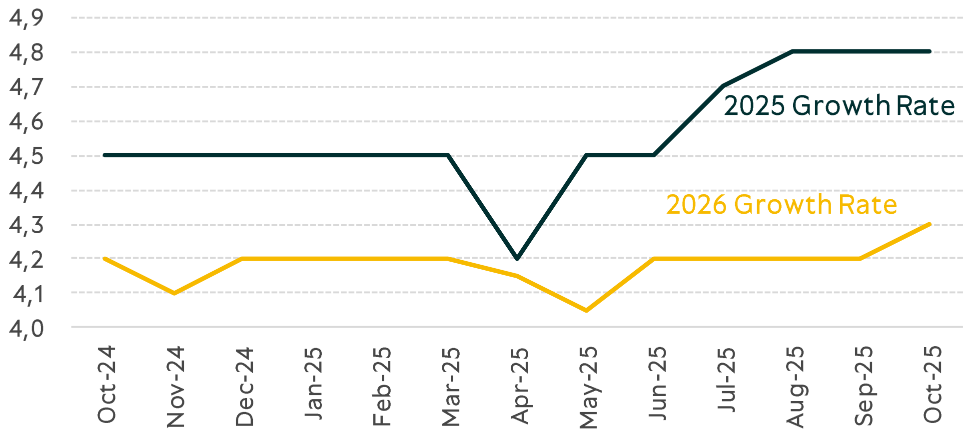


Chinese Macro Expectations | Sub 5% growth expectations for 2025

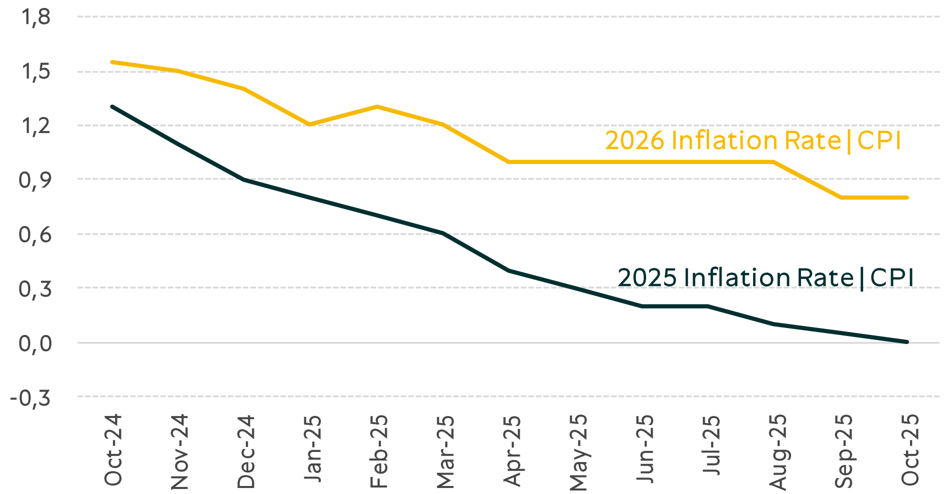
Economic & Inflation Surprises



Growth Rate Expectations (Consensus)



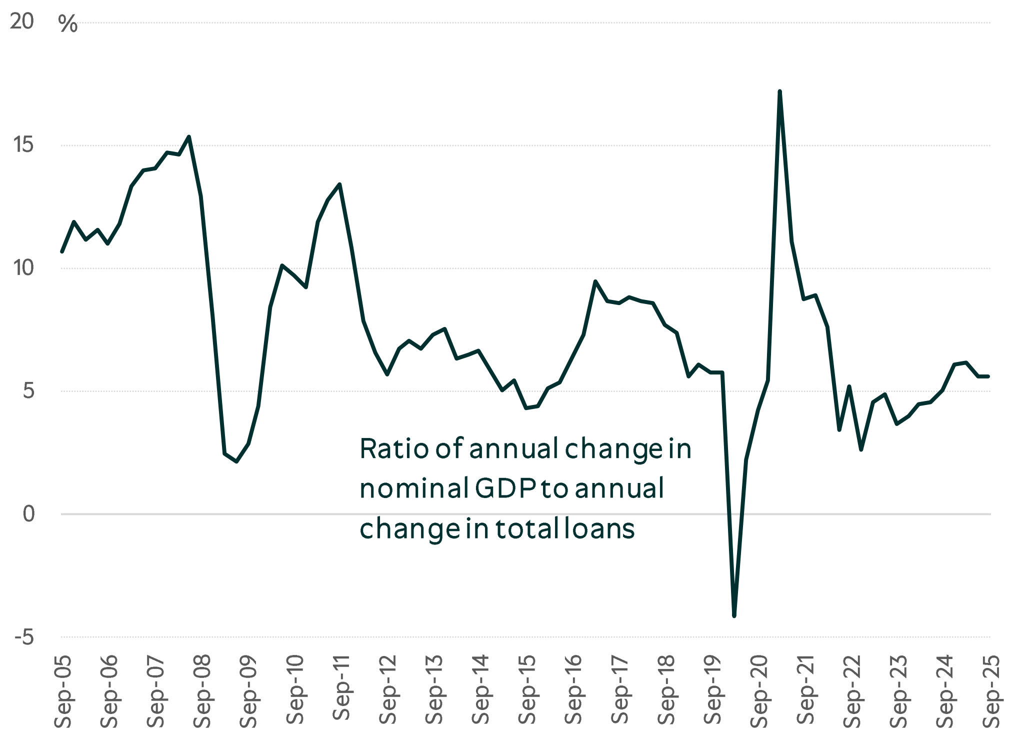
Inflation Rate Expectations (Consensus)



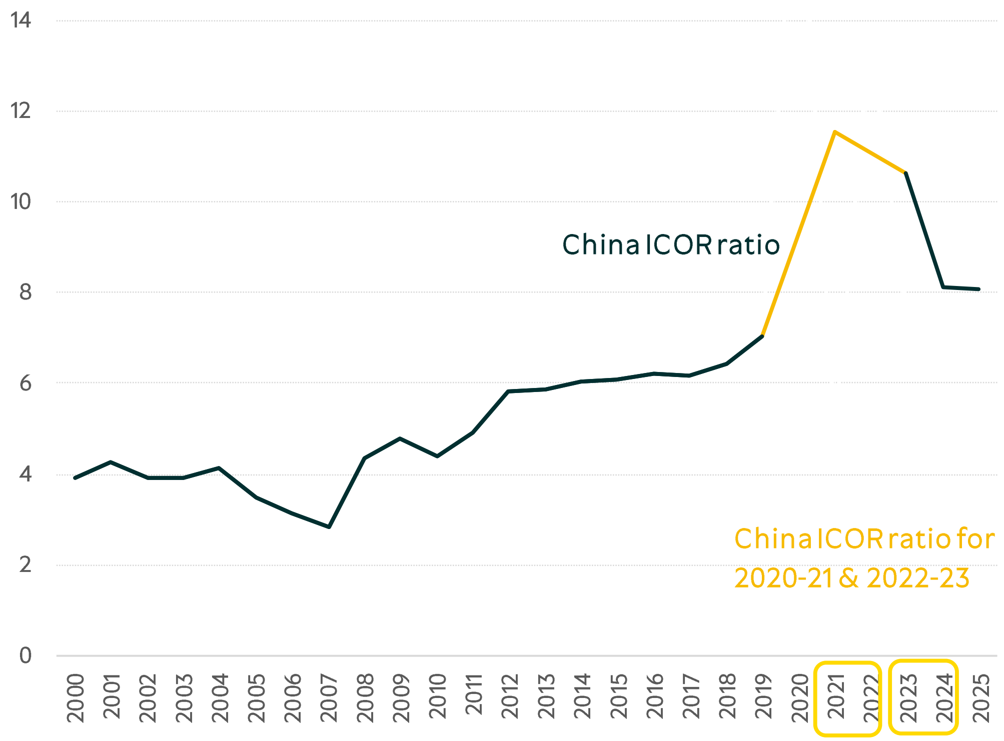
Source: Economic Research & Investment Strategy

Chinese Investment Capacity | There is significant potential for more efficient capital allocation

China credit-efficiency ratio

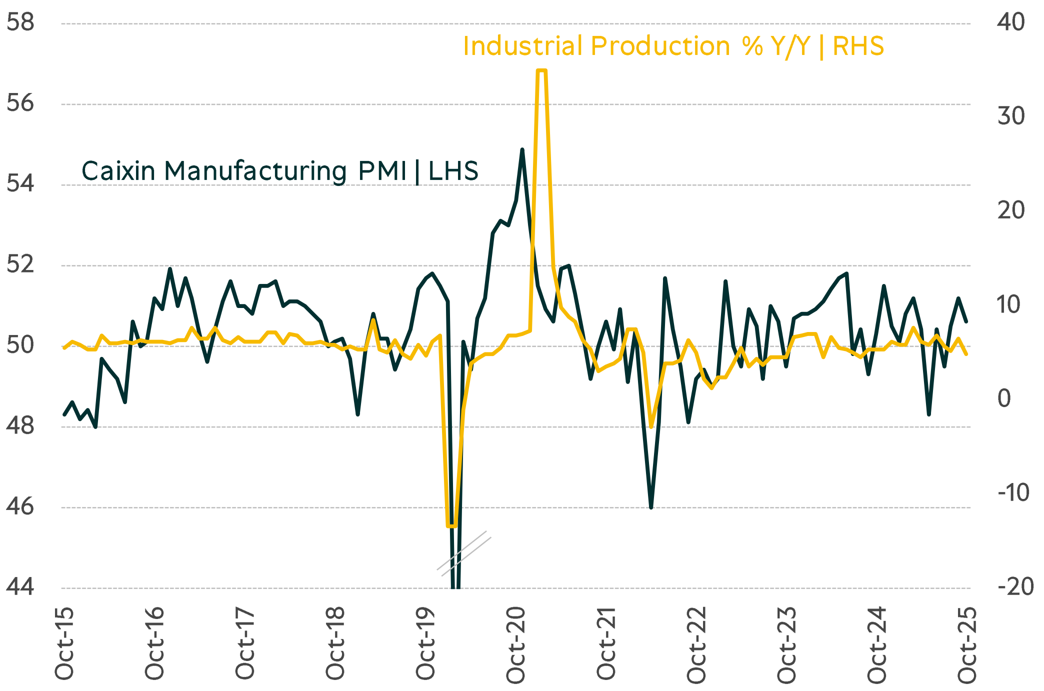


China Incremental Capital Output Ratio

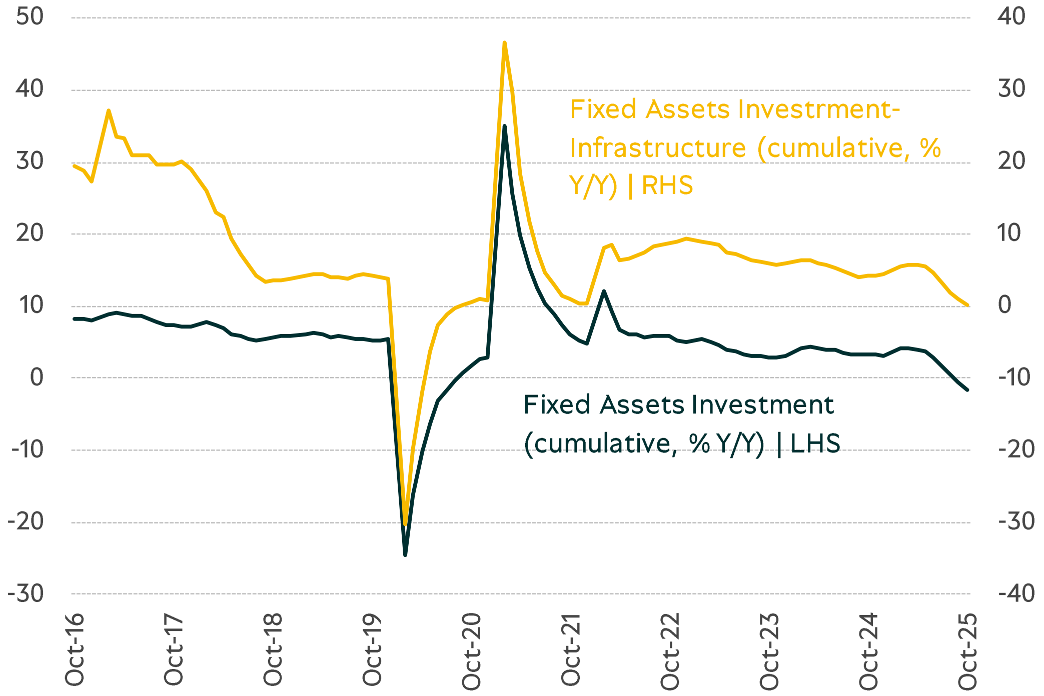


CN | The Caixin Manufacturing PMI decreased to 50.6 in October, partly due to escalation US-China trade dispute.

Industrial Production & Caixin Manufacturing

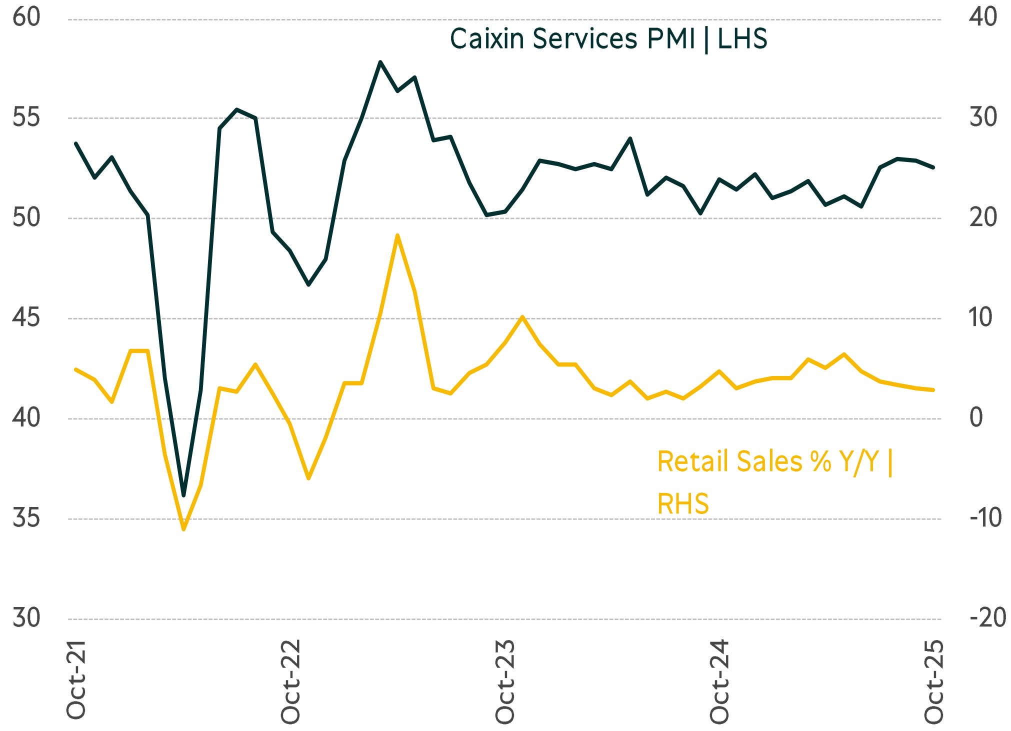


Fixed Assets Investment

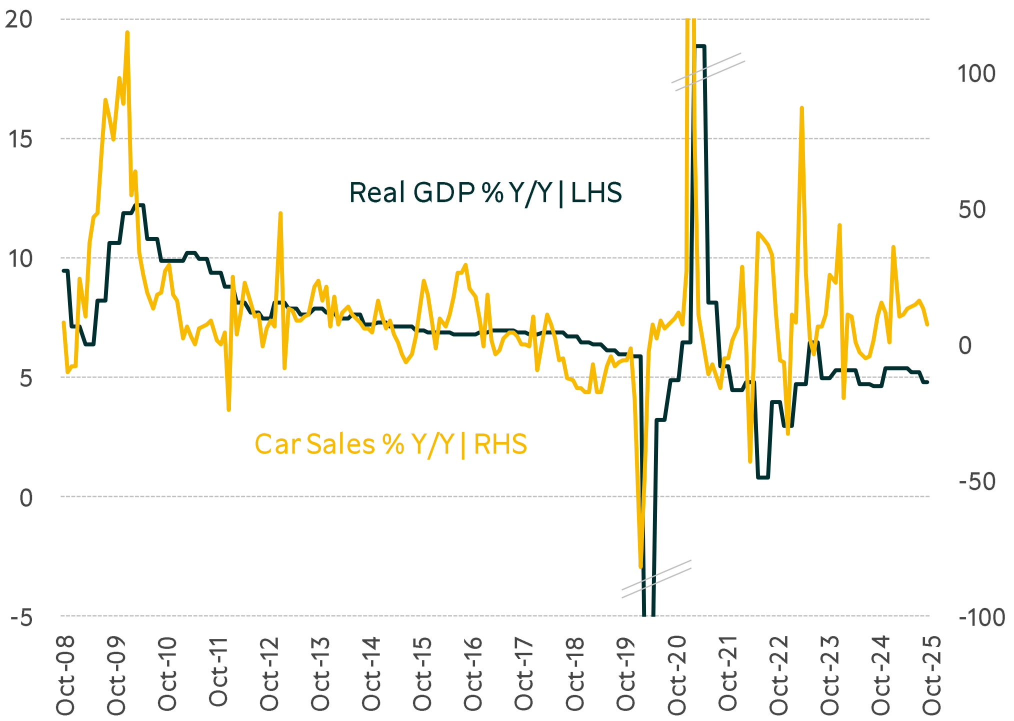


CN | Retail Sales growth rate eases further, while the elevated level of the Services PMI remains a positive signal.

Retail Sales & Caixin Services PMI

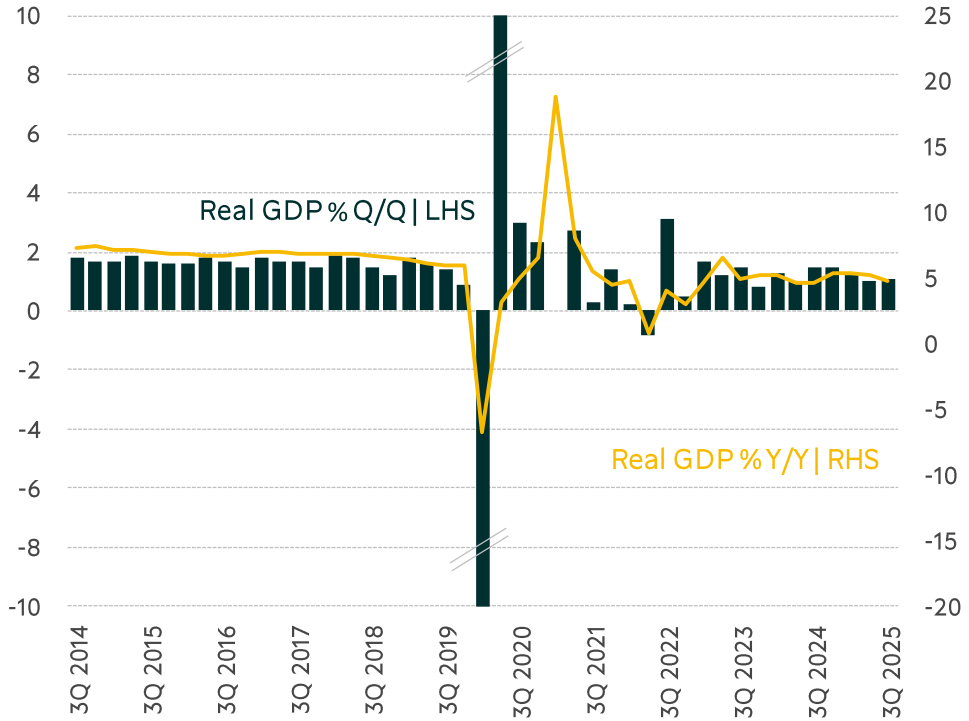


Real GDP & Car Sales

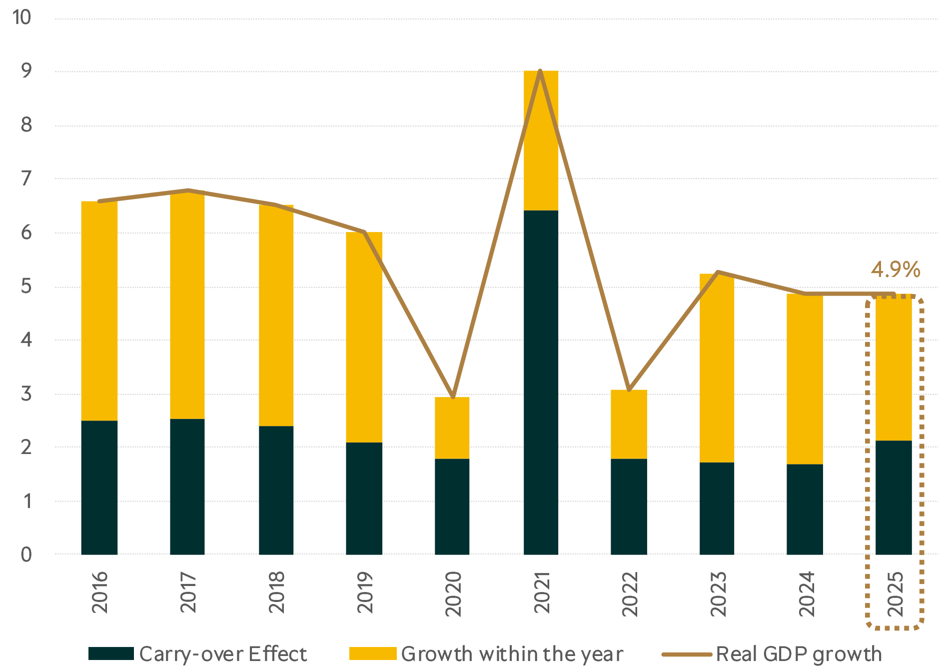


CN GDP Outlook | Achieving the government's target of approximately 5% growth rate in 2025 appears quite likely.

GDP Growth Rate



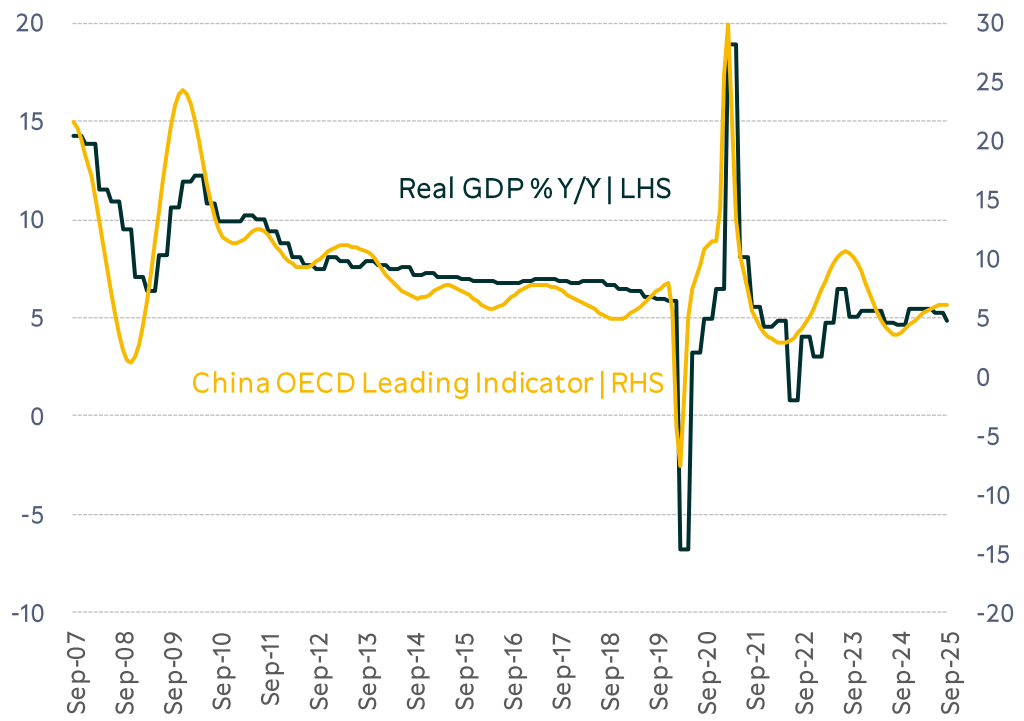
Carry Over Effect



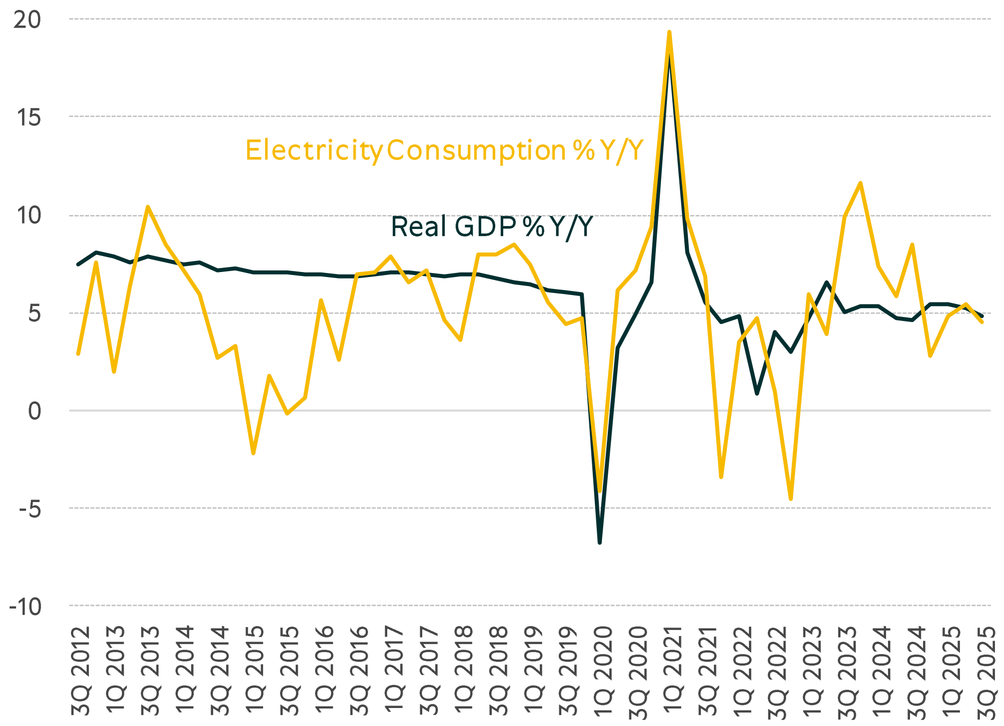
Source: Economic Research & Investment Strategy

CN GDP | Trends in electricity consumption and the OECD Leading Indicator point to a continuation of current real GDP levels.

Real GDP & China OECD Leading Indicator

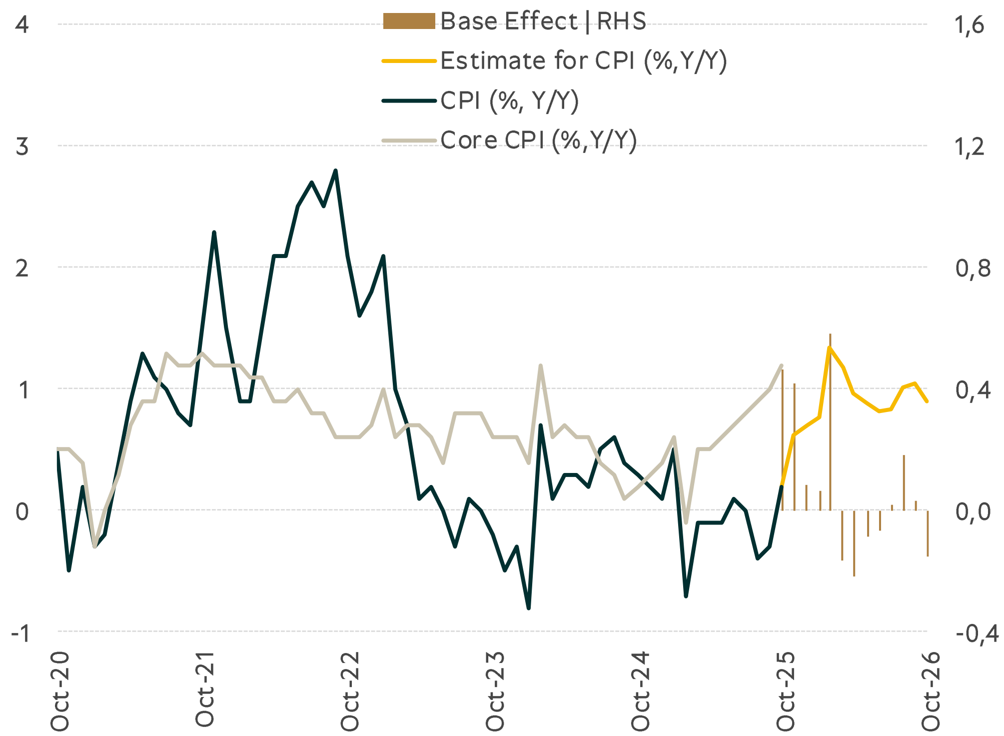


Real GDP & Electricity Consumption

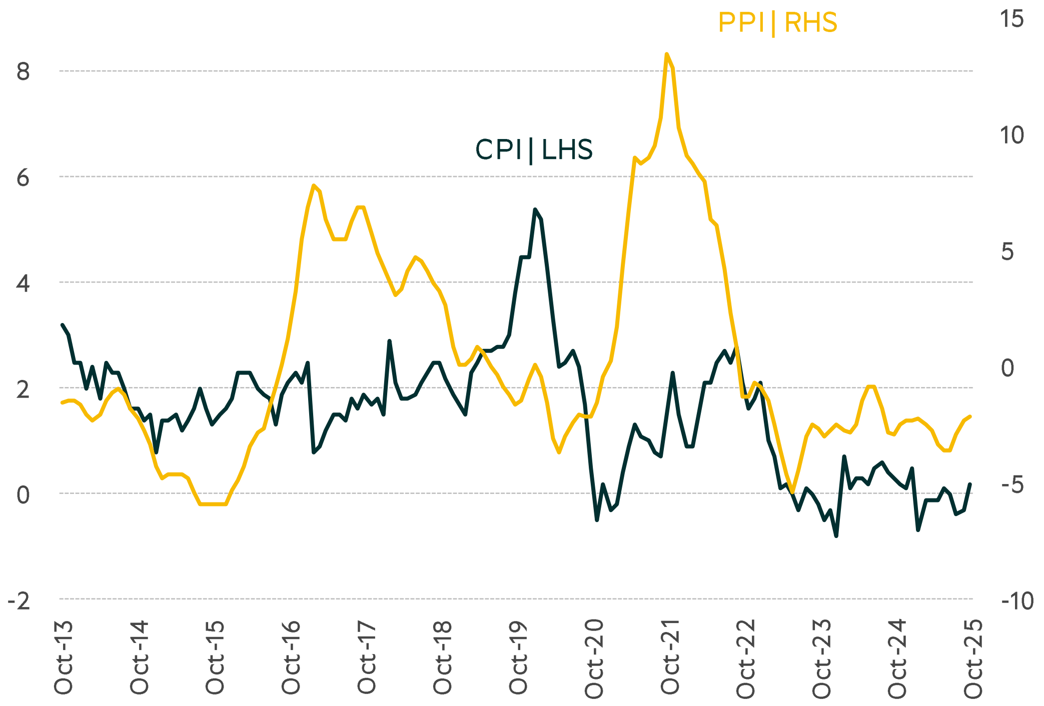


CN Inflation Outlook | Base effects are pointing to higher inflation in the next 12 months

Inflation Rate Forecast | Statistical Model



CPI & PPI



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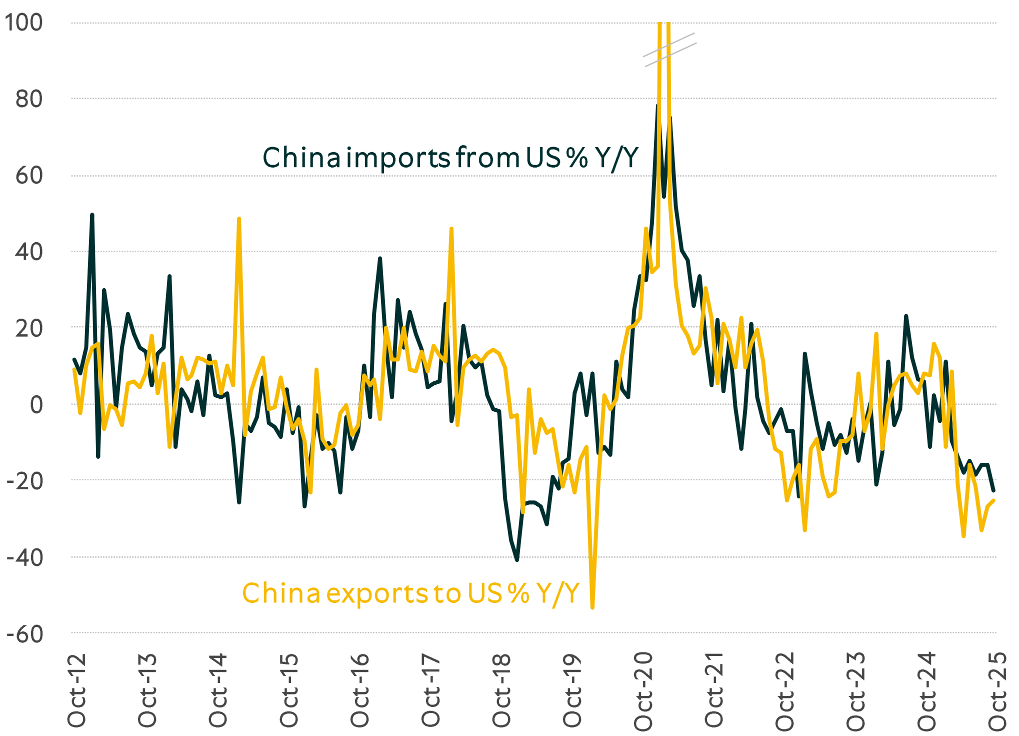
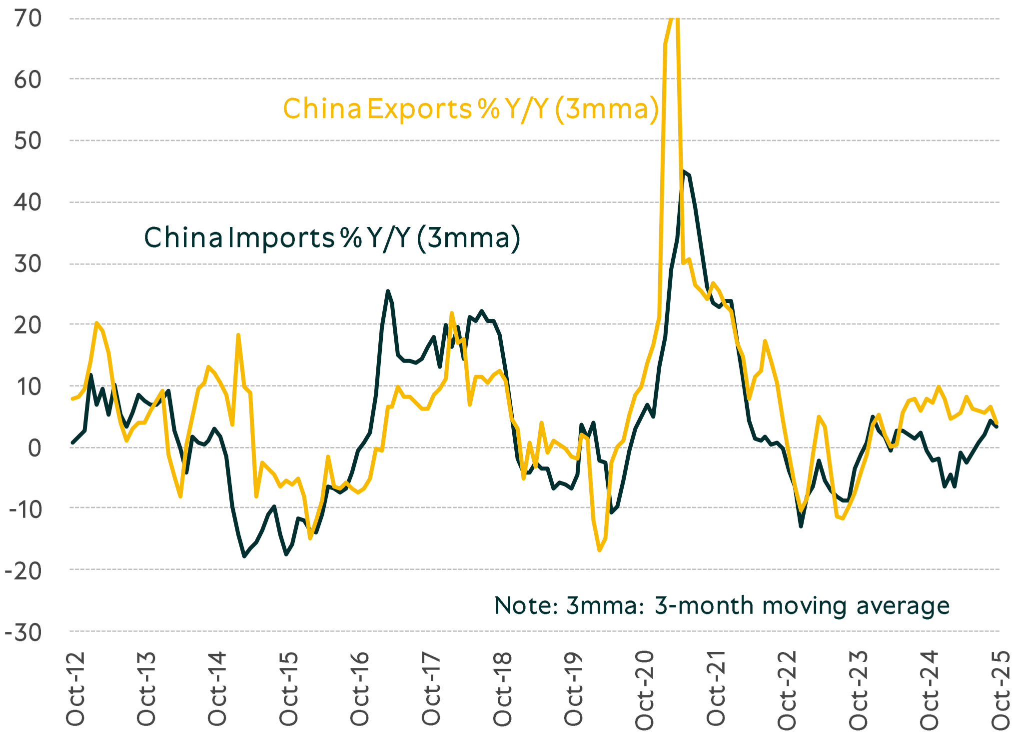
Source: Economic Research & Investment Strategy

CN Trade | The trade truce with USA limited trade losses

Trade US – China

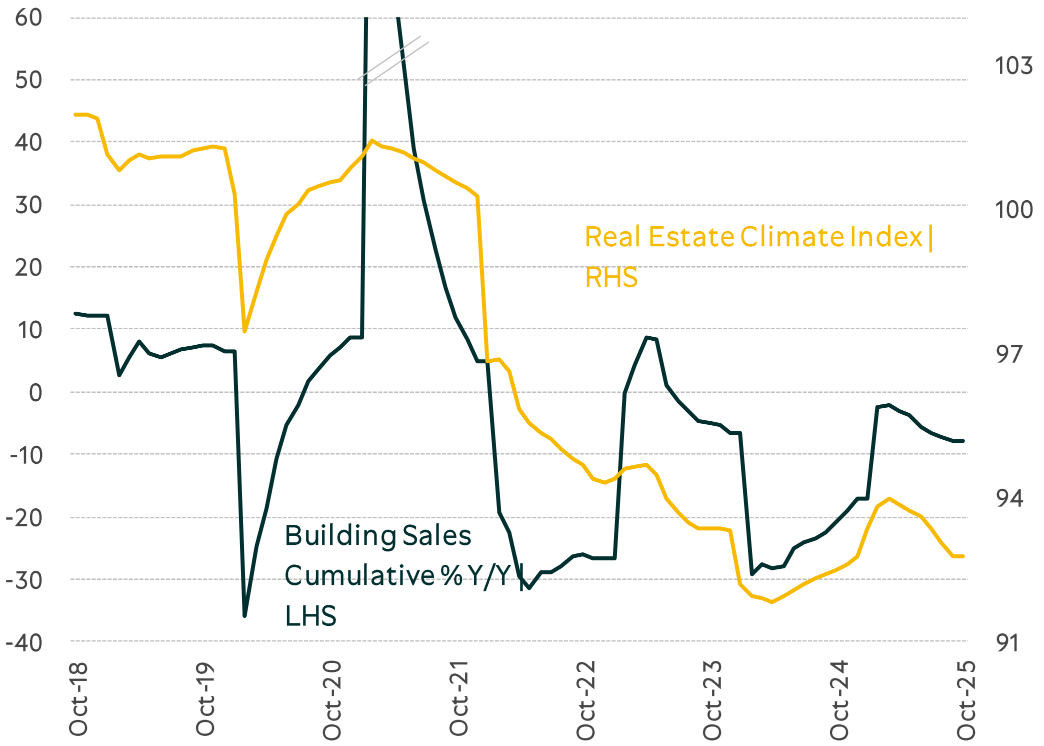


Imports & Exports

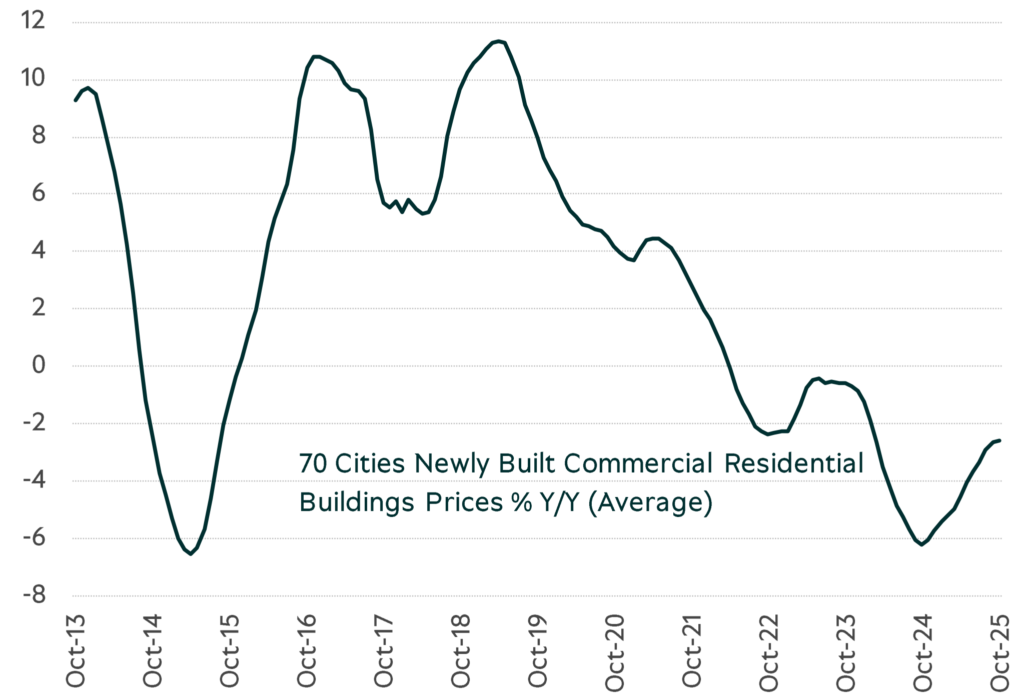


CN Real Estate | Building sales continue to deteriorate, although the Real Estate climate shows signs of stabilisation. Prices still very subdued.

Real Estate Climate & Building Sales

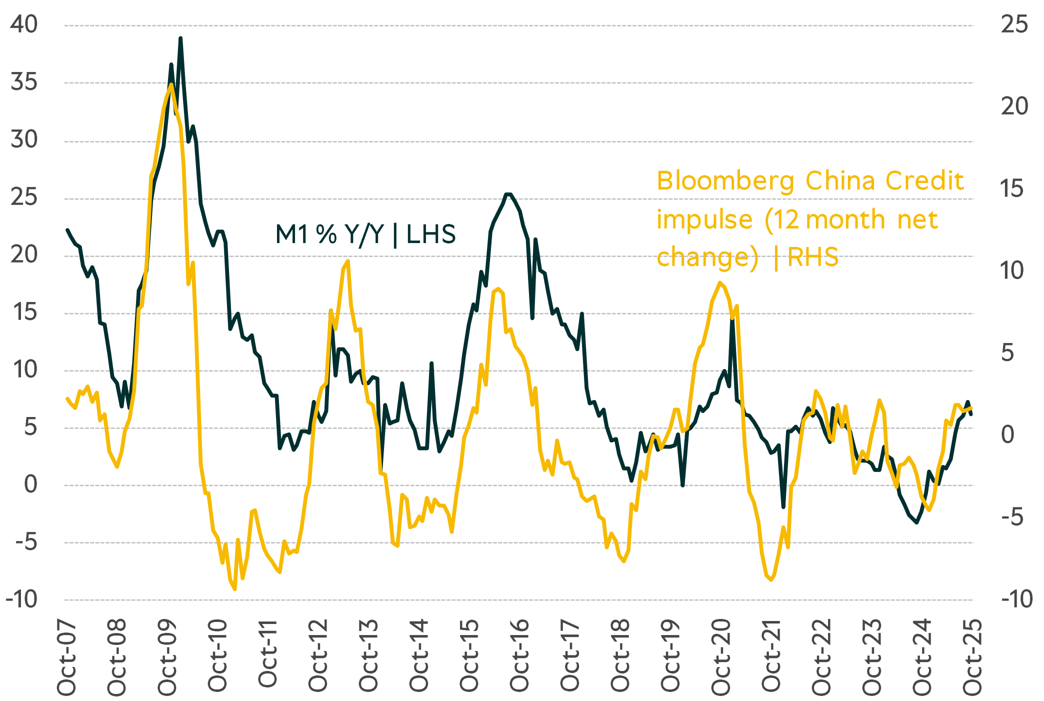


Newly Residential Buildings Prices

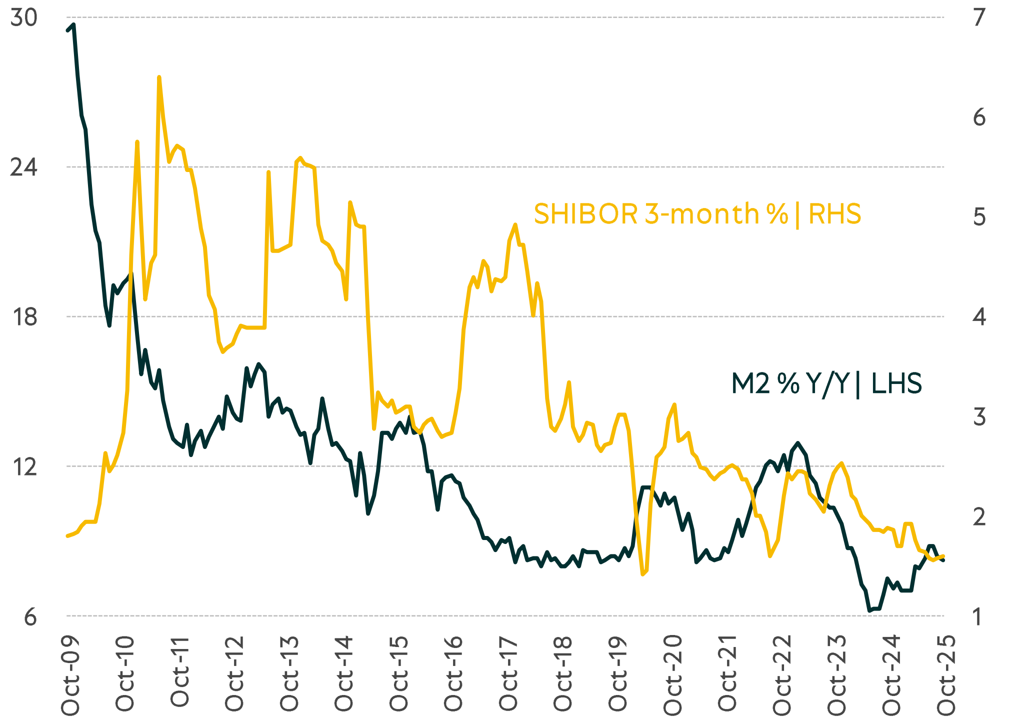


CN Money Supply | M1 and M2 are offering more growth support than before

Money Supply

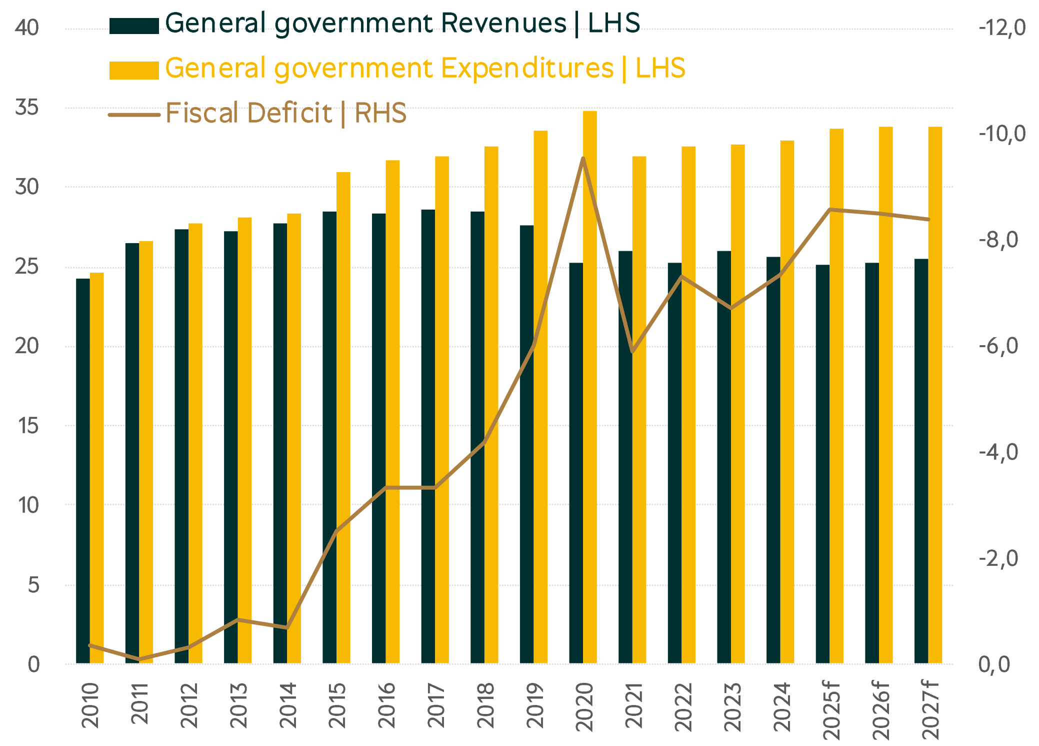


Money Supply & Interbank Rate

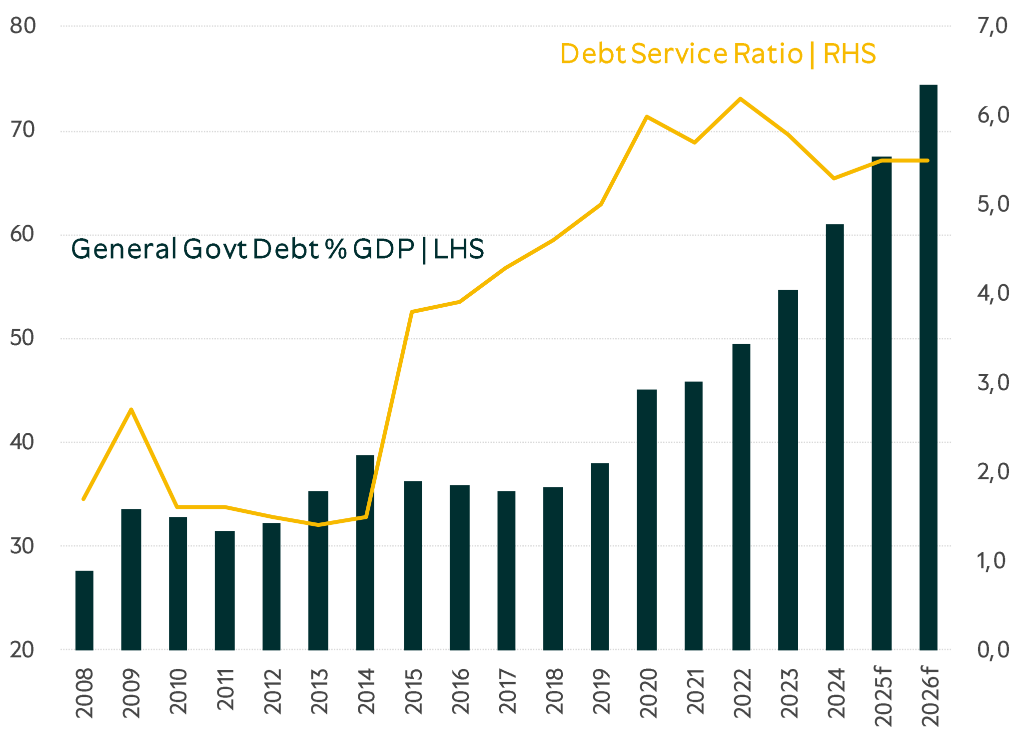


CN Fiscal | Expansionary Fiscal policy is expected to continue

Government Balance



General Government Debt & Debt Service Ratio



Debt Service Ratio = (Interest + Current-year repayment of principal) / Current-account receipts

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Bloomberg Ticker: {PBGR<GO>}

LinkedIn: https://www.linkedin.com/company/piraeus-bank

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