Ιανουάριος 2026

Global Macro Trends

Η οικονομία στη δίνη των γεωπολιτικών εξελίξεων εν μέσω εντεινόμενων πιέσεων σχετικά με την ανεξαρτησία της Fed

Piraeus

Economic Research & Investment Strategy
Global Economics & ESG Research

Διεθνείς Μακροοικονομικές Τάσεις

- Ο ασυνήθιστα ταχύς ρυθμός των γεωπολιτικών εξελίξεων, με βασικό κινητήριο μοχλό τον Πρόεδρο των ΗΠΑ Ντ. Τραμπ, έχει αναπόφευκτα μετατοπίσει το ενδιαφέρον από την οικονομία στις κινήσεις επανακαθορισμού των σφαιρών επιρροής από την πλευρά των μεγάλων δυνάμεων. Οι κανόνες του διεθνούς δικαίου αμφισβητούνται πλέον ανοικτά, όπως και οι παραδοσιακές συμμαχίες, σε ένα περιβάλλον αδιαμφισβήτητα ρευστό όπου η ισχύς και μόνο τείνει να διαμορφώσει τις νέες ισορροπίες σε παγκόσμιο επίπεδο. Η προσπάθεια προσάρτησης της Γροιλανδίας από τις ΗΠΑ και η πρόθεση επιβολής επιπρόσθετων δασμών σε όσες χώρες επιχειρήσουν να σταθούν ενάντιες, ακόμη κι αν αυτό θέτει σε υπαρξιακή δοκιμασία το ίδιο το ΝΑΤΟ, όπως και η στρατιωτική επιχείρηση σύλληψης και μεταφοράς για δίκη στις ΗΠΑ του Προέδρου της Βενεζουέλας Ν. Μαδούρο είναι ενδεικτικές της νέας αντίληψης των ΗΠΑ. Ταυτόχρονα, συνεχίζονται οι προσπάθειες αναζήτησης βιώσιμων λύσεων στα ζητήματα του Ρωσο-Ουκρανικού πολέμου, των ένοπλων συρράξεων στη Μέση Ανατολή (Γάζα, Λίβανος, Συρία, αλλά και Ιράν), τη διάδοχη πολιτική κατάσταση στη Βενεζουέλα, καθώς και οι τεράστιες επενδύσεις στον χώρο των νέων τεχνολογιών με έμφαση στην τεχνητή νοημοσύνη (AI) για τη διασφάλιση ηγετικής θέσης στον νέο κόσμο που διαμορφώνεται. Είναι σαφές, πλέον, ότι και η οικονομία έχει τεθεί υπό τη σκέπη των γεωπολιτικών ανταγωνισμών και εργαλειοποιείται ανάλογα (π.χ. μέσω του ύψους των δασμών).

- Στο ρευστό αυτό περιβάλλον, η οικονομία και οι αγορές συνεχίζουν να αναπτύσσονται με γενικά ικανοποιητικό ρυθμό. Στις ΗΠΑ, ο ρυθμός ανάπτυξης κατά το Γ΄ Τρίμηνο του 2025 διαμορφώθηκε στο 4,3% σε τριμηνιαία-ετησιοποιημένη βάση, ενώ για το σύνολο του έτους προβλέπεται να ξεπεράσει ελαφρά το 2%. Η ανθεκτικότητα της οικονομίας απέναντι στη δυσμενή επίδραση των δασμών και των πληθωριστικών προσδοκιών εκπλήσσει θετικά, με τις ανησυχίες για πιθανή ύφεση, αλλά και για μεγάλη χειροτέρευση των συνθηκών στην αγορά εργασίας να έχουν πλέον υποχωρήσει αισθητά. Σημαντικός, ωστόσο, παράγοντας αβεβαιότητας παραμένει η προσπάθεια του Προέδρου Τραμπ να ελέγξει πολιτικά τη Fed, ενώ επίκειται και η απόφαση για τη συνταγματικότητα των «ανταποδοτικών» δασμών από το Ανώτατο Δικαστήριο των ΗΠΑ.

- Στην Ευρωζώνη, η κατάσταση εμφανίζεται σαφώς πιο πολύπλοκη με την οικονομική ανάπτυξη να παραμένει υποτονική (Γ΄ τρίμ. 25: 1,4% σε ετήσια βάση) εν μέσω χαμηλού πληθωρισμού, ισχυρής αγοράς εργασίας, εξαγωγικών προκλήσεων, αλλά και με ενισχυμένο τον κίνδυνο αποβιομηχάνισης (ιδίως στην αυτοκινητοβιομηχανία). Η επιτυχής κατάληξη των πολυετών διαπραγματεύσεων με τις χώρες της Mercosur για εκατέρωθεν μείωση των δασμών/περιορισμών αποσκοπεί ακριβώς στην ανεύρεση νέων αγορών, κυρίως για την ευρωπαϊκή βιομηχανία.

- Στην Κίνα, το 2025 έκλεισε με ρυθμό ανάπτυξης 5%, όσο και ο κυβερνητικός στόχος, κυρίως ως αποτέλεσμα της επιτυχημένης ανακατεύθυνσης των εξαγωγών από τις ΗΠΑ σε άλλες αγορές. Ωστόσο, η συγκρατημένη ανάπτυξη της εσωτερικής αγοράς που αποτυπώνεται στον χαμηλό ρυθμό αύξησης των λιανικών πωλήσεων και στον πολύ ήπιο πληθωρισμό σε συνδυασμό με τα χρόνια προβλήματα στην αγορά ακινήτων συνεχίζουν να καθιστούν τις εξαγωγές βασικό πυλώνα ανάπτυξης.

Global macro trends

- The unusually rapid pace of geopolitical developments, driven primarily by US President Donald Trump, has inevitably shifted attention away from the economy and towards the efforts of major powers to redefine their spheres of influence. The rules of international law are now being openly challenged, as are traditional alliances, in an undeniably fluid environment where power alone increasingly shapes the new global equilibrium. The United States' attempt to annex Greenland and its intention to impose additional tariffs on countries that choose to oppose it - even at the risk of placing NATO itself under existential strain - as well as the military operation to apprehend and transfer Venezuelan President Nicolás Maduro to the US for trial, are indicative of the new US approach. At the same time, efforts continue to seek sustainable solutions to the Russian–Ukrainian war, the armed conflicts in the Middle East (Gaza, Lebanon, Syria, and Iran), the political transition in Venezuela, and the substantial investments in new technologies, particularly artificial intelligence (AI), aimed at securing a leading position in the emerging global order. It is now clear that the economy has come under the umbrella of geopolitical competition and is being instrumentalised accordingly (e.g., through tariff policy).

- In this fluid environment, the economy and markets continue to grow at a generally satisfactory pace. In the United States, GDP growth in the third quarter of 2025 stood at 4.3% on a quarterly annualised basis, while full year growth is expected to slightly exceed 2%. The economy's resilience to the adverse effects of tariffs and inflationary expectations is surprisingly strong, with concerns about a potential recession or a sharp deterioration in labour market conditions having eased considerably. A significant source of uncertainty, however, remains President Trump's attempt to exert political influence over the Federal Reserve, alongside the forthcoming Supreme Court ruling on the constitutionality of "reciprocal" tariffs.

- In the Eurozone, the situation appears considerably more complex, with economic growth remaining subdued (Q3 2025: 1.4% year on year) amid low inflation, a robust labour market, export related challenges, and a heightened risk of deindustrialisation (particularly in the automotive sector). The successful conclusion of the long-standing negotiations with Mercosur countries on mutual tariff and trade restriction reductions aims precisely at opening new markets, primarily for European industry.

- In China, 2025 closed with a growth rate of 5%, in line with the government's target, largely due to the successful reorientation of exports from the US to other markets. However, the restrained expansion of domestic demand - reflected in the weak growth of retail sales and very mild inflation - combined with chronic problems in the property market, continues to make exports the main driver of economic growth.

Main Macroeconomic Indicators – Market Consensus

US											
	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 % SAAR	1.9	-0.6	3.8	4.3	1.1	2.1	2.0	2.0	2.8	2.0	2.1
Headline PCE PI % Y/Y	2.6	2.6	2.4	2.7	2.8	2.7	2.8	2.6	2.6	2.6	2.6
Core PCE % Y/Y	3.0	2.8	2.7	2.9	2.9	2.9	2.9	2.7	2.9	2.8	2.7
Unemployment Rate	4.1	4.1	4.2	4.3	4.5	4.5	4.5	4.5	4.0	4.3	4.5
Fed Policy Rate (Upper Bound)	4.50	4.50	4.50	4.25	3.75	3.65	3.44	3.29	4.50	3.75	3.24

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	0.3	0.2	0.3	0.3	0.4	0.9	1.4	1.2
CPI % Y/Y	2.2	2.3	2.0	2.1	2.1	1.7	1.9	1.8	2.4	2.1	1.8
Unemployment Rate	6.2	6.3	6.4	6.4	6.4	6.4	6.4	6.3	6.4	6.4	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	4.5	5.8	3.3	4.6	11.75	5.4	0.2	7.6	5.7	6.50
2024	4.7	6.7	3.4	4.4	12.25	5.0	0.2	9.2	4.9	6.50
2025e	4.2	3.2	2.3	5.0	15.00	5.0	0.1	6.5	2.2	5.25
2026f	4.3	2.7	1.7	4.0	12.00	4.5	0.7	7.5	2.1	5.16

Market Consensus 14.01.2026

Bird's Eye View

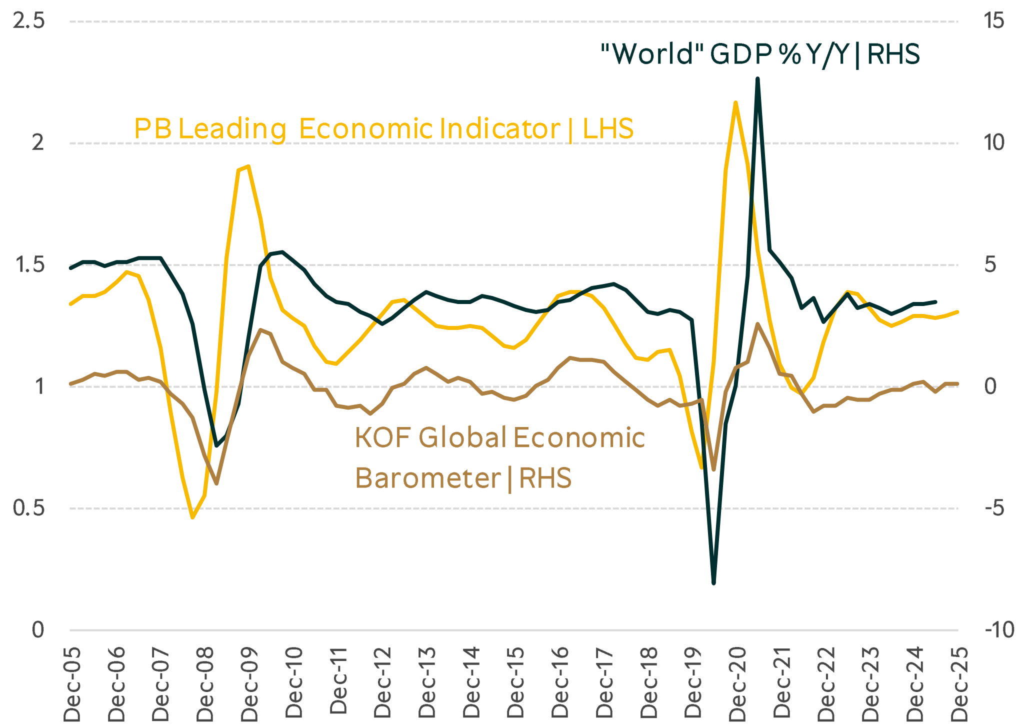
US Economy

EA Economy

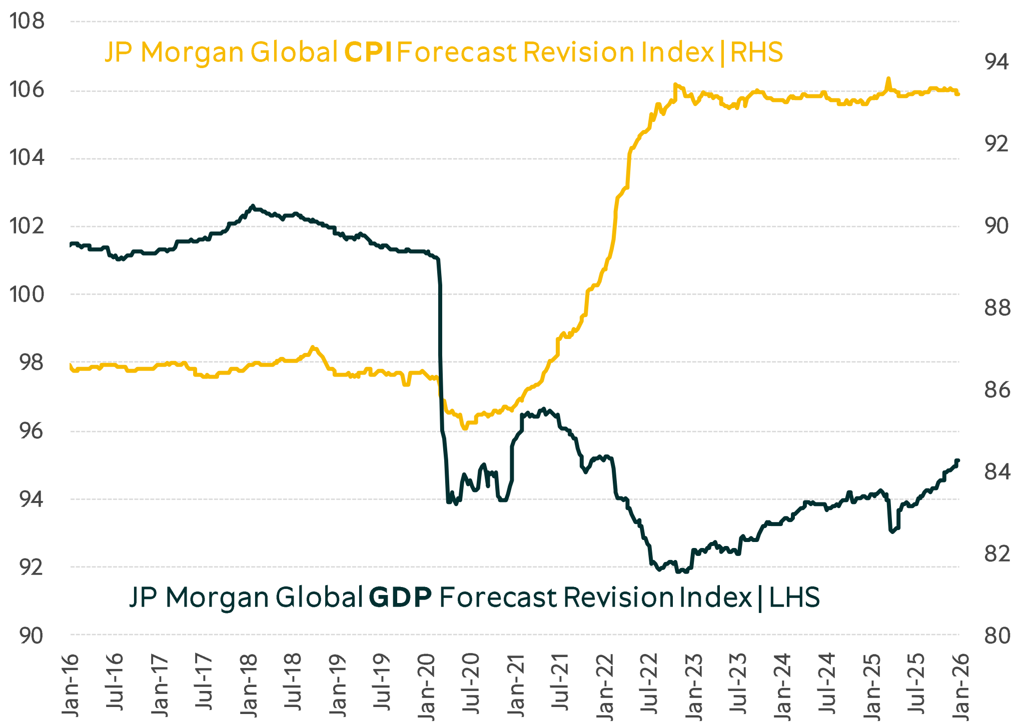
China Economy

The Global Bird's-Eye View | The easing of trade tensions has curbed upward pressure on inflation expectations, while global GDP growth has continued to hold firm and our leading indicator points to a marginal acceleration.

Piraeus Bank "World" Leading Economic Indicator & Economic Growth

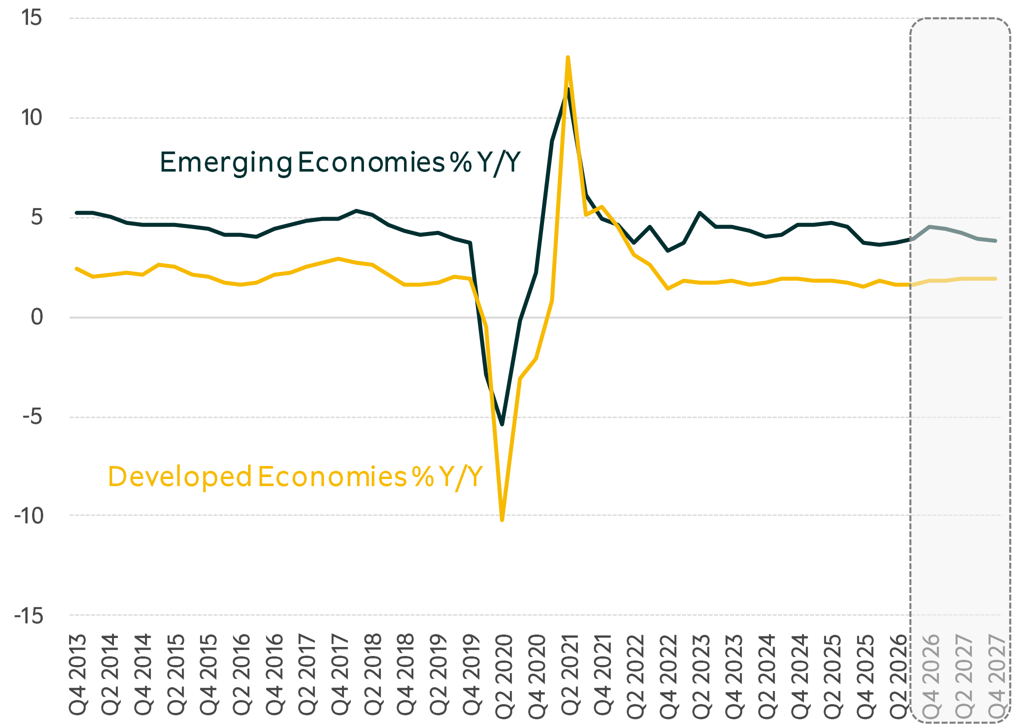


JP Morgan Global Forecast Revision Indices

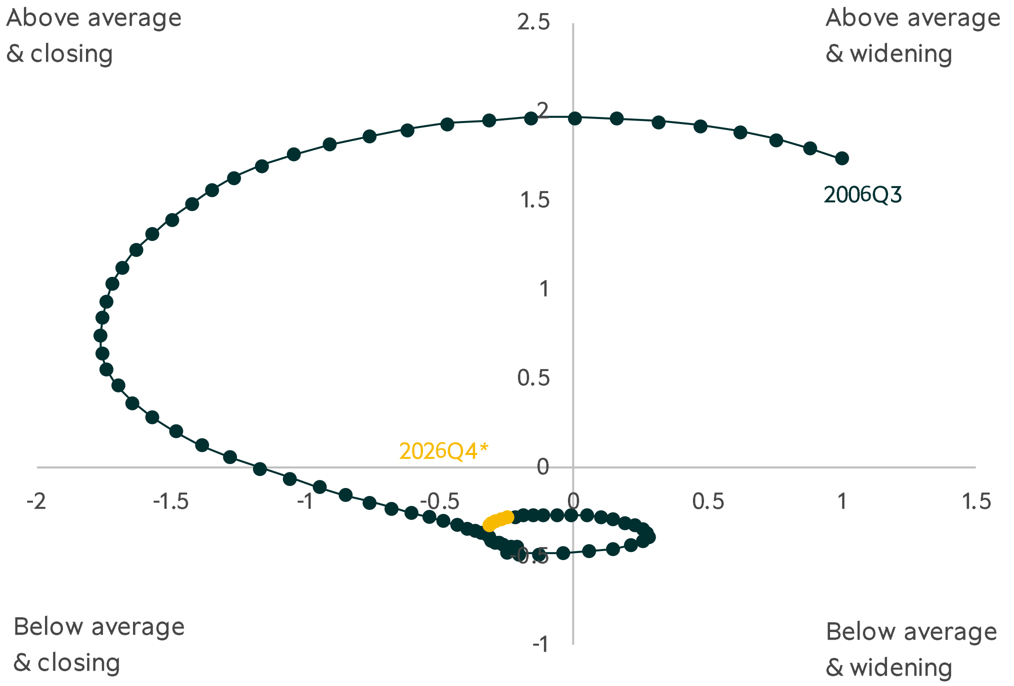


The Global Bird's-Eye View | The growth differential between emerging markets and developed markets is expected to remain at below average levels for 2025/26, with a slowdown in EM economic activity.

Real GDP Growth



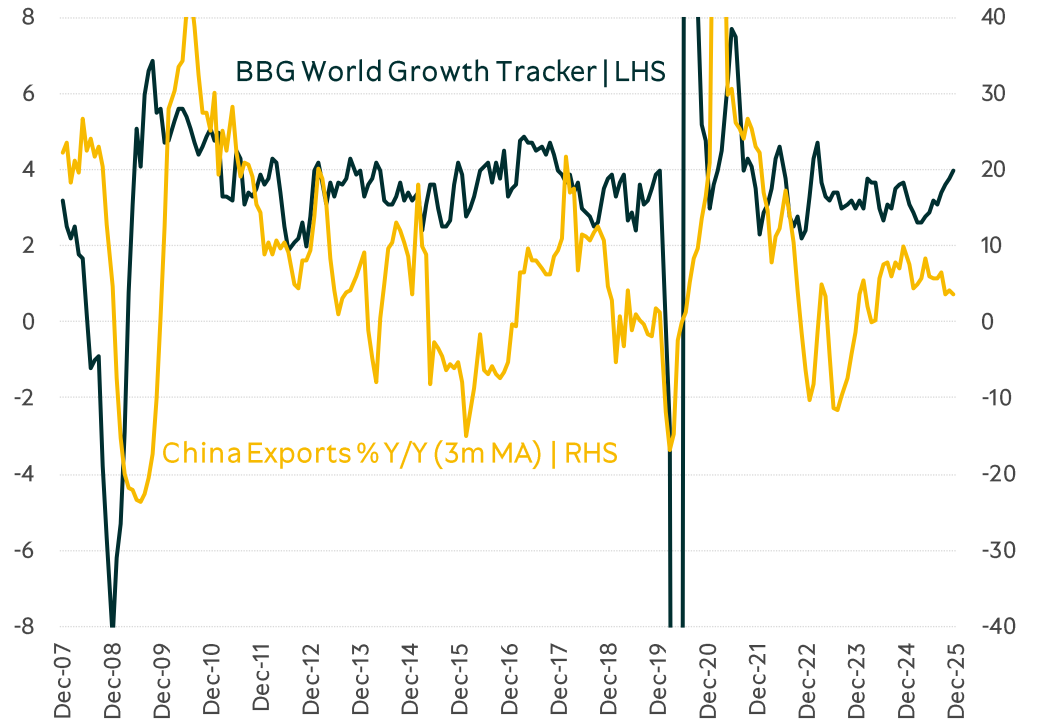
EM – DM Growth Differential



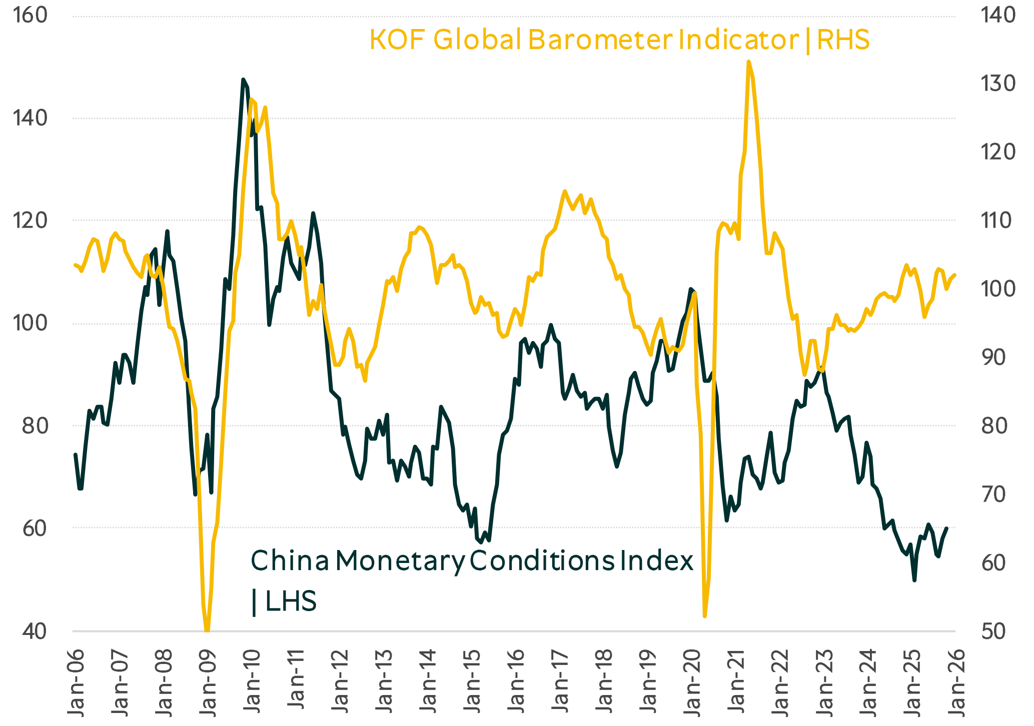
* Denotes forecasted figures from 2025Q4 up to 2026Q4

Global Economic Activity | China's exports rebounded further in December (+6.6% Y/Y), reversing October's decline (-1.2% Y/Y), while the global growth tracker shows signs of pick-up.

BBG World Growth Tracker & China Exports



KOF Global Barometer Indicator & China Monetary Conditions



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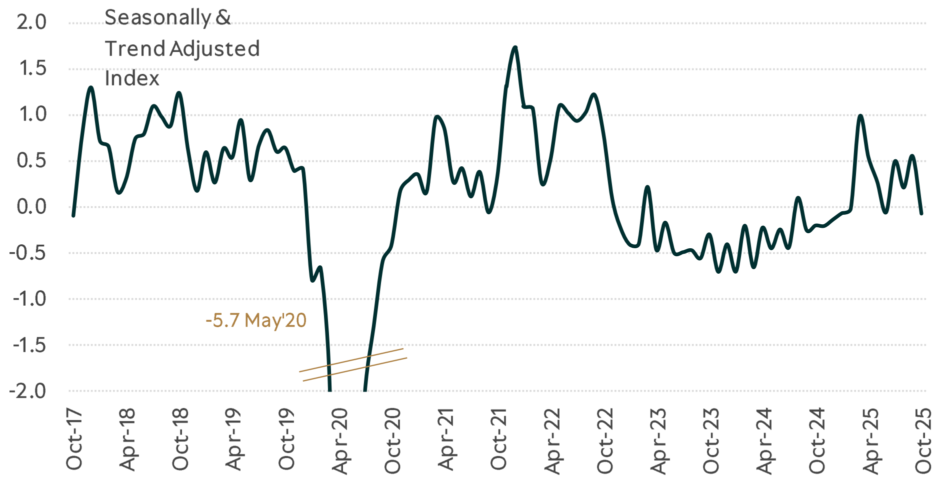
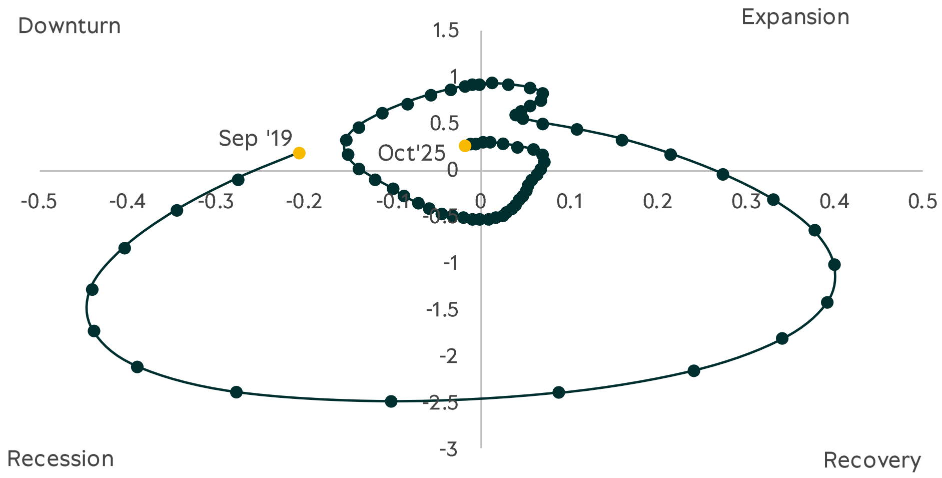
Source: Economic Research & Investment Strategy

Global Trade | October saw a deceleration in global trade, mirrored by a similar slowdown in EM export activity after earlier gains.

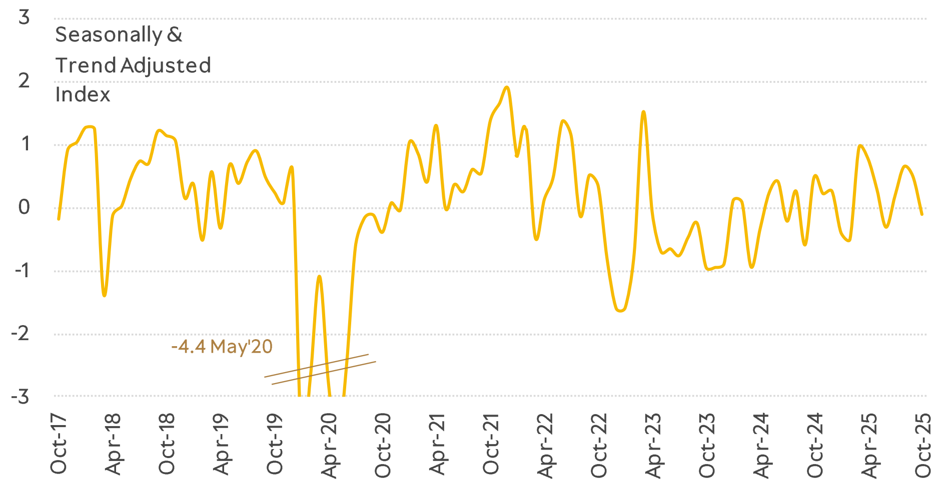
World Trade



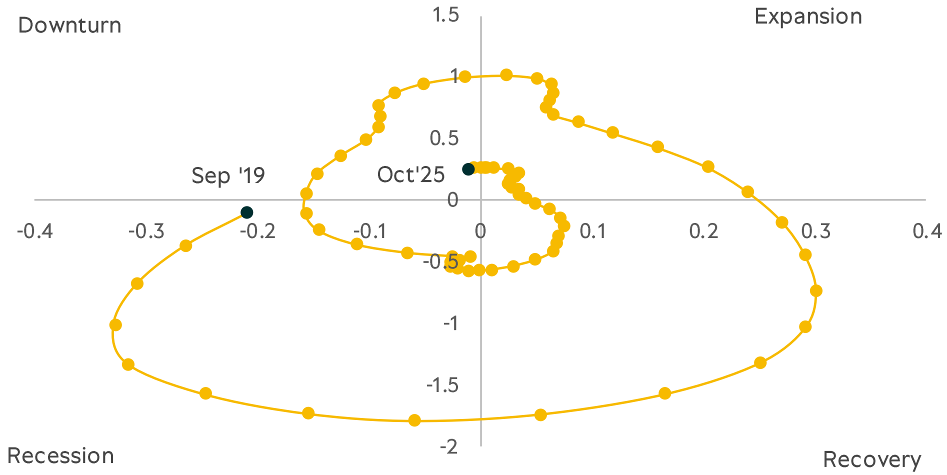
World Trade Tracer



World Exports | EM



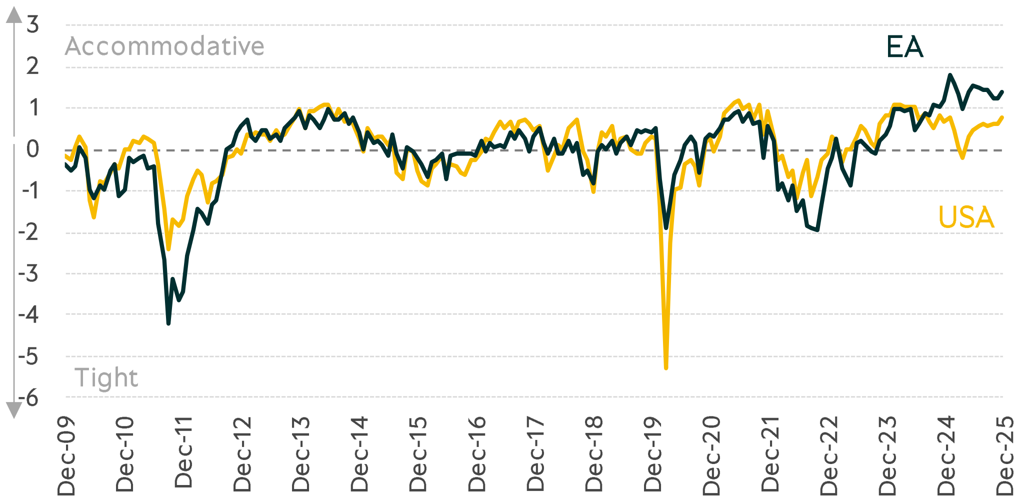
World Exports Tracer | EM



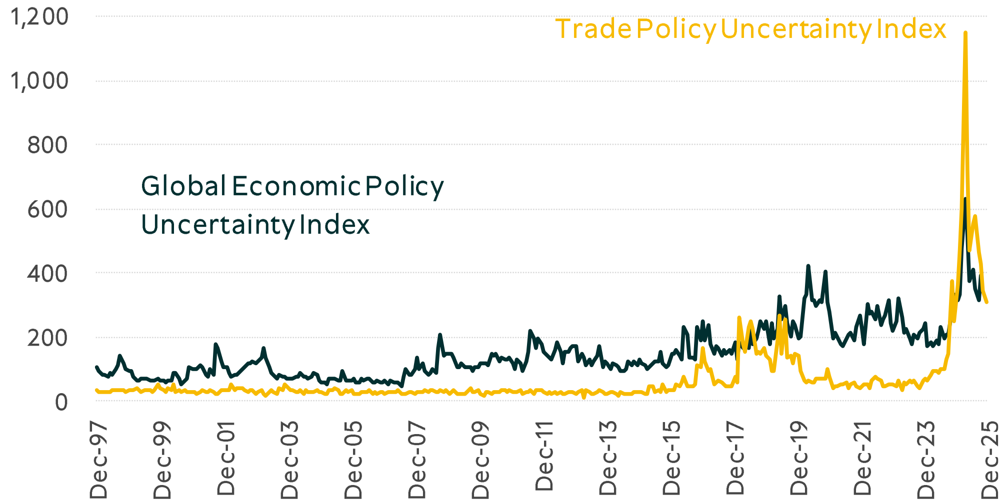
Source: Economic Research & Investment Strategy

Global Trends | Trade Policy Uncertainty continued its decline but remains elevated. US and EA Financial Conditions remained accommodative in December.

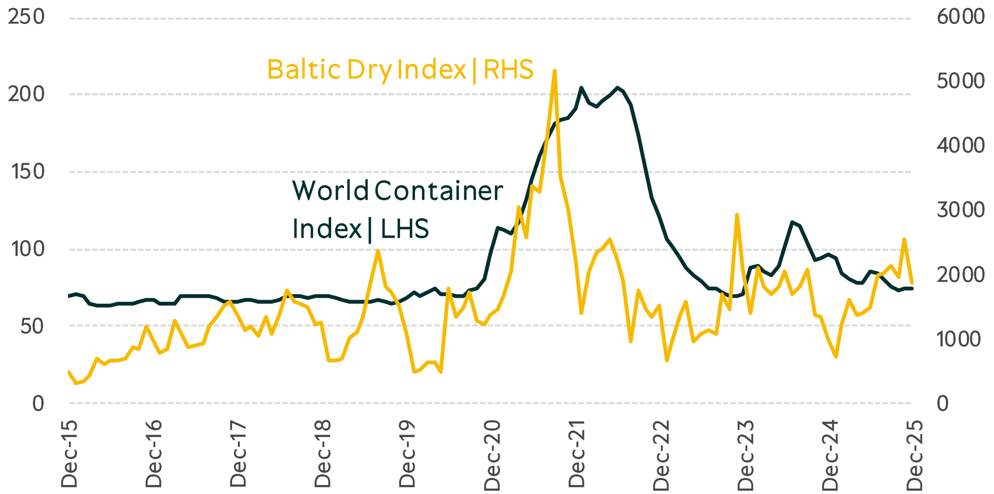
Bloomberg Financial Conditions Indices



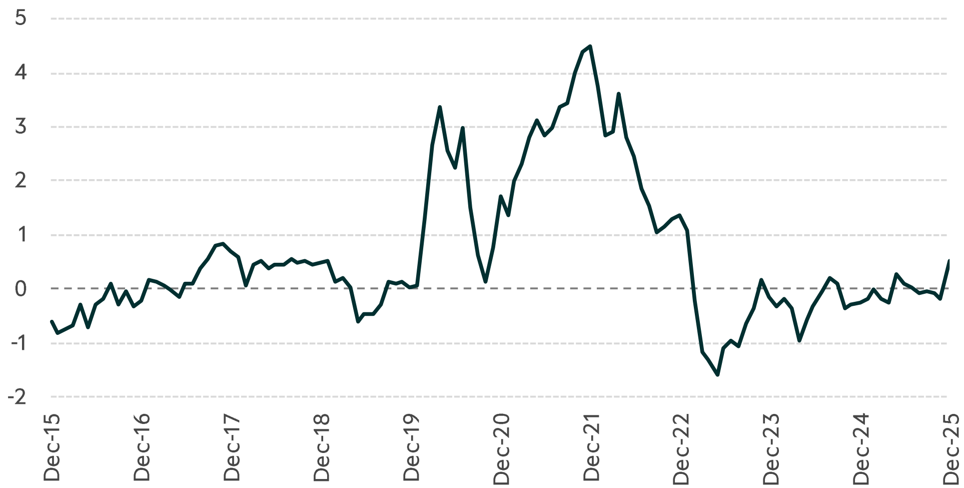
Global Economic & Trade Policy Uncertainty (Caldara & Iacoviello)



World Container and Baltic Dry Indices



Global Supply Chain Pressure (NY Fed)

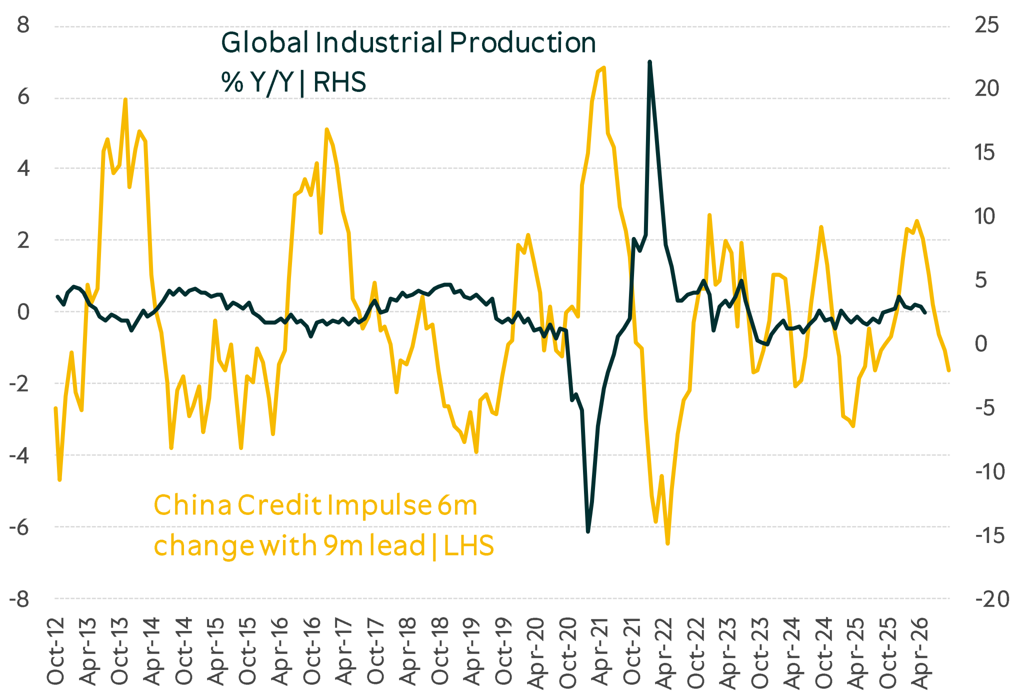


/// Piraeus

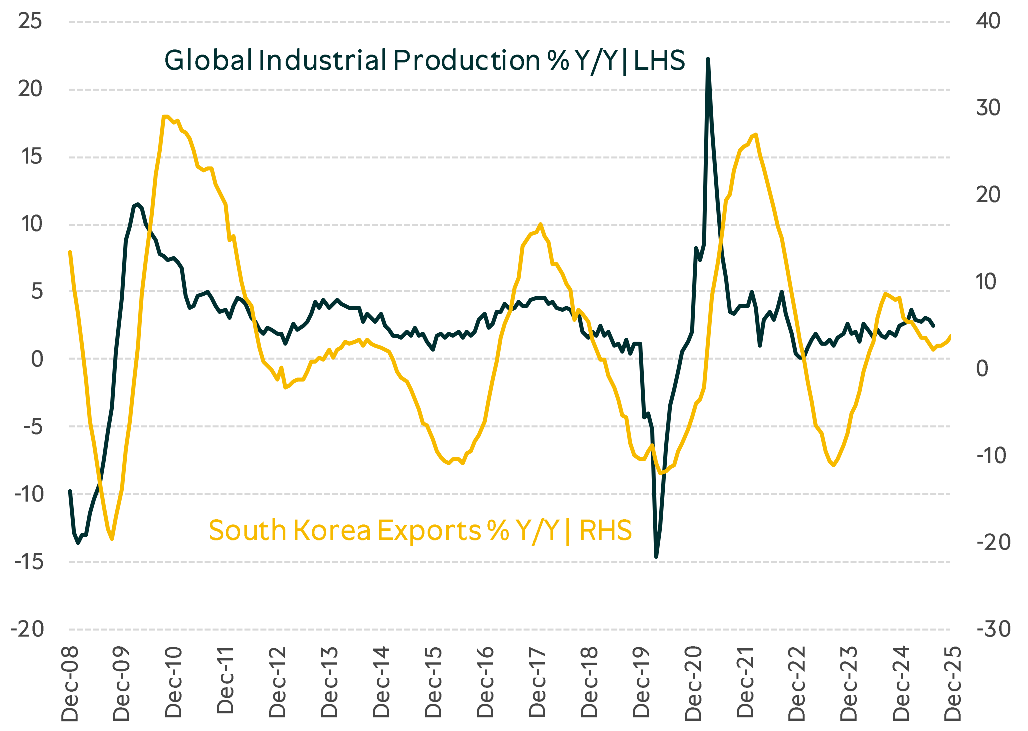
Source: Economic Research & Investment Strategy

Global Trends | China's credit impulse lost further momentum in December after steady gains through Mar–Sep '25. South Korea's export improvement aligns with signs of stabilizing global industrial production.

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

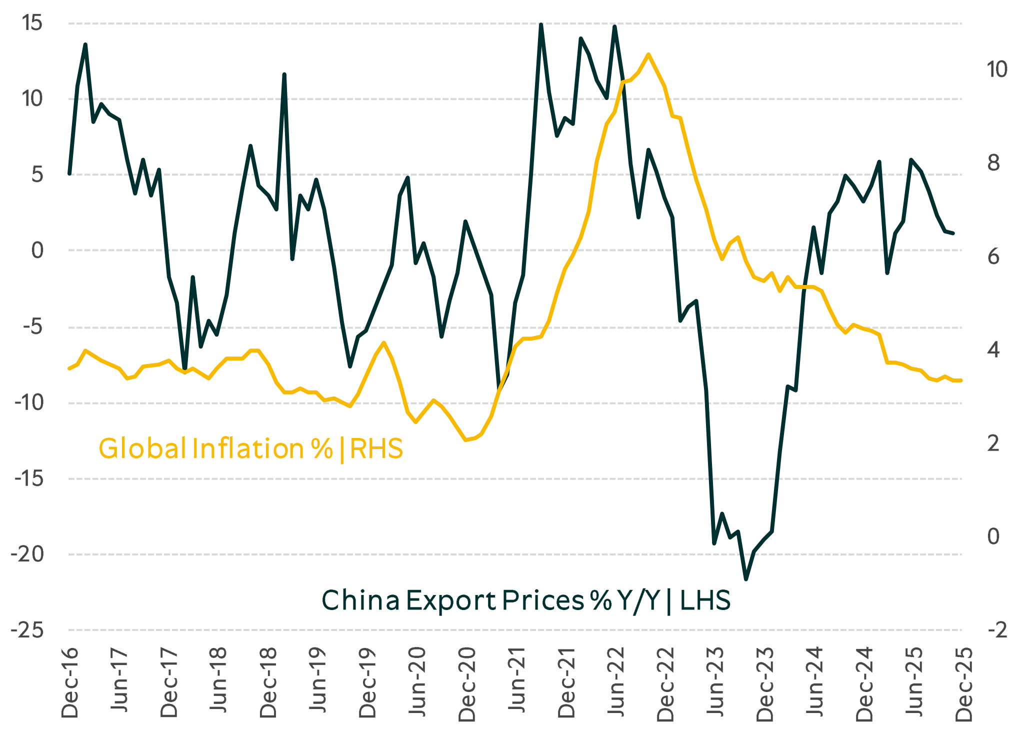


South Korean Exports & Global Industrial Production

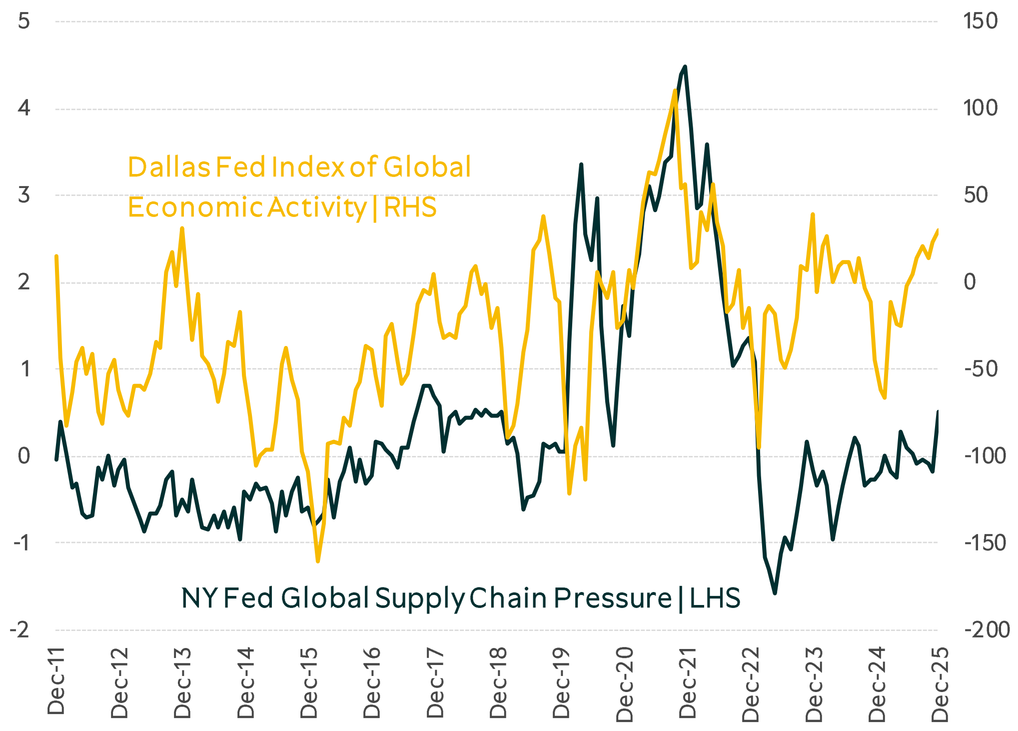


Global Trends | Global inflation eased slightly in December, while supply chain pressures increased in December following four months of contraction.

China Export Prices & Global Inflation

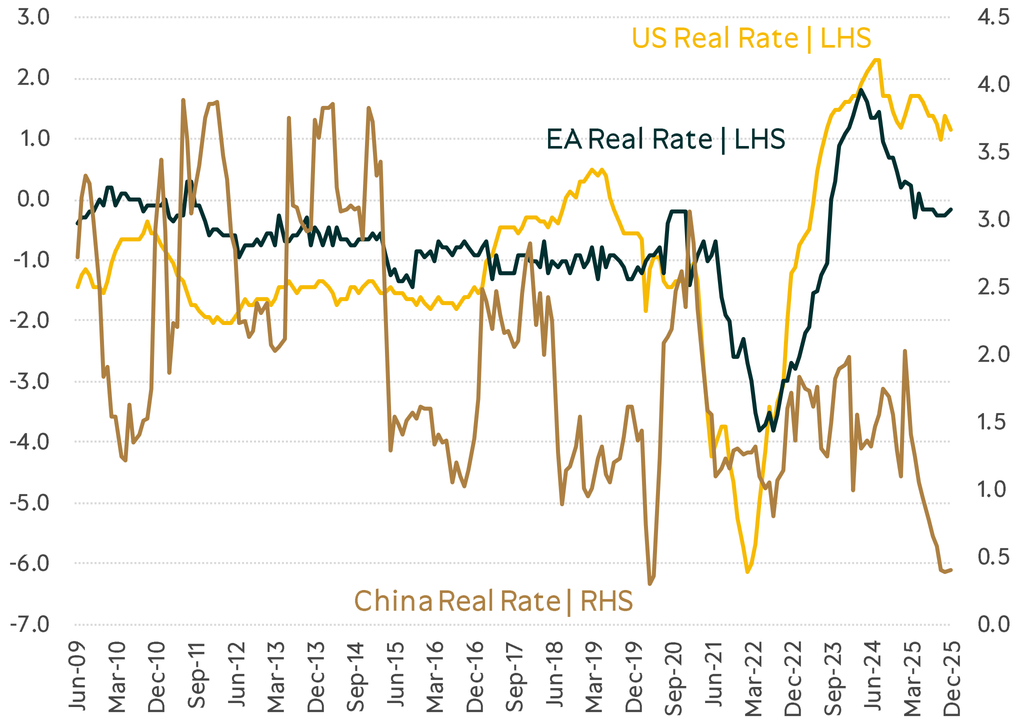


Global Economic Activity vs Global Supply Pressure

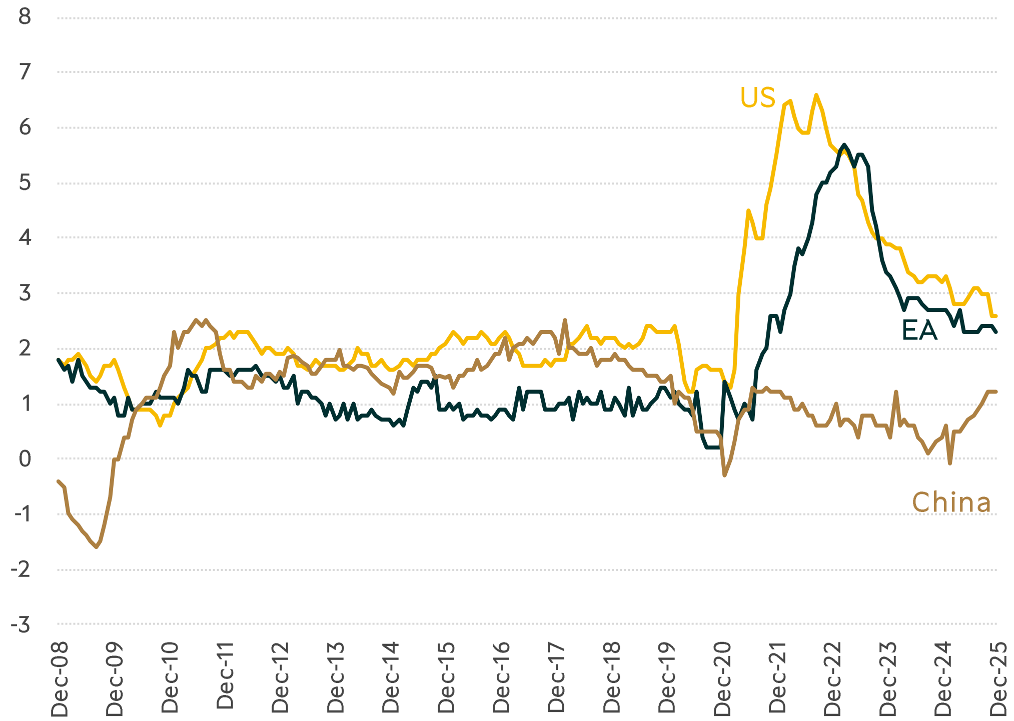


Global Trends | Real policy rates in the US, EA and China stabilized in December. China's core CPI in December remained unchanged for the third consecutive month.

Global Real Policy Rates US, EA, CN



US, EA, CN Core Inflation



Source: Economic Research & Investment Strategy

Bird's Eye View

US Economy

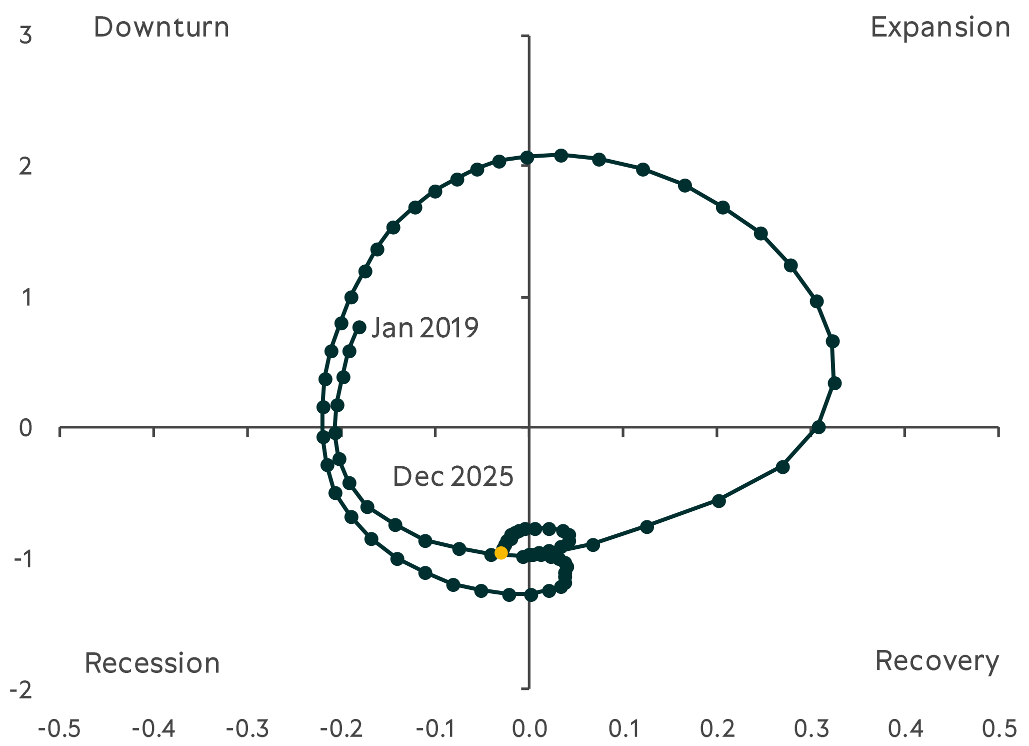
EA Economy

China Economy

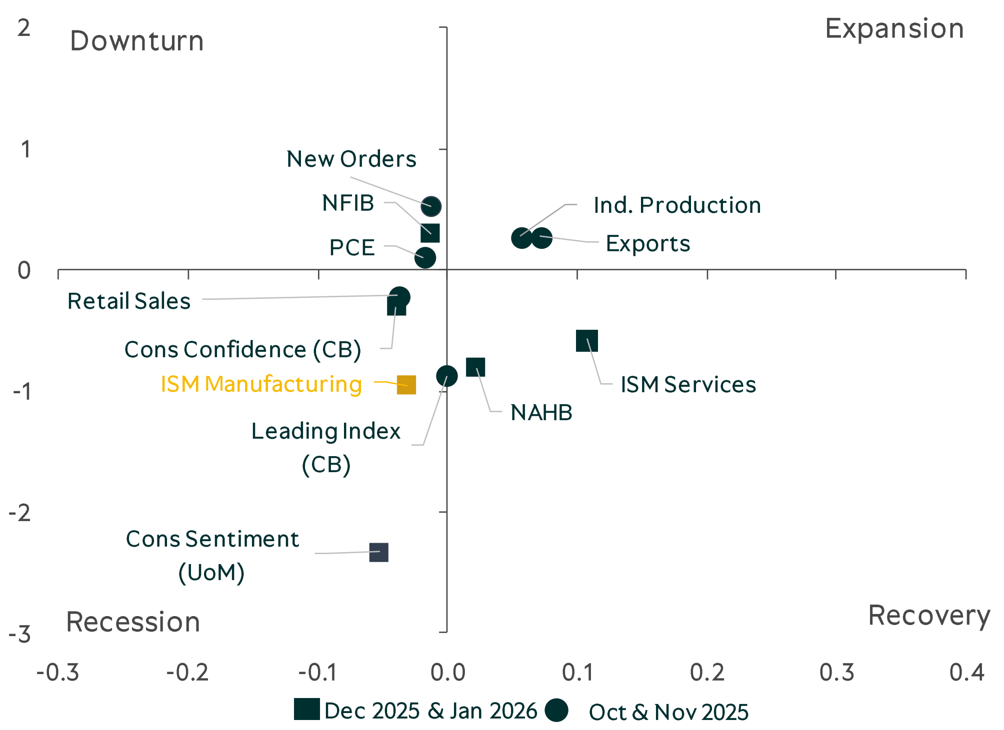
Source: Economic Research & Investment Strategy

US Business Cycle | Most leading economic indicators are moving closer to the axes

US Business Cycle | Based on ISM Manufacturing Indicator

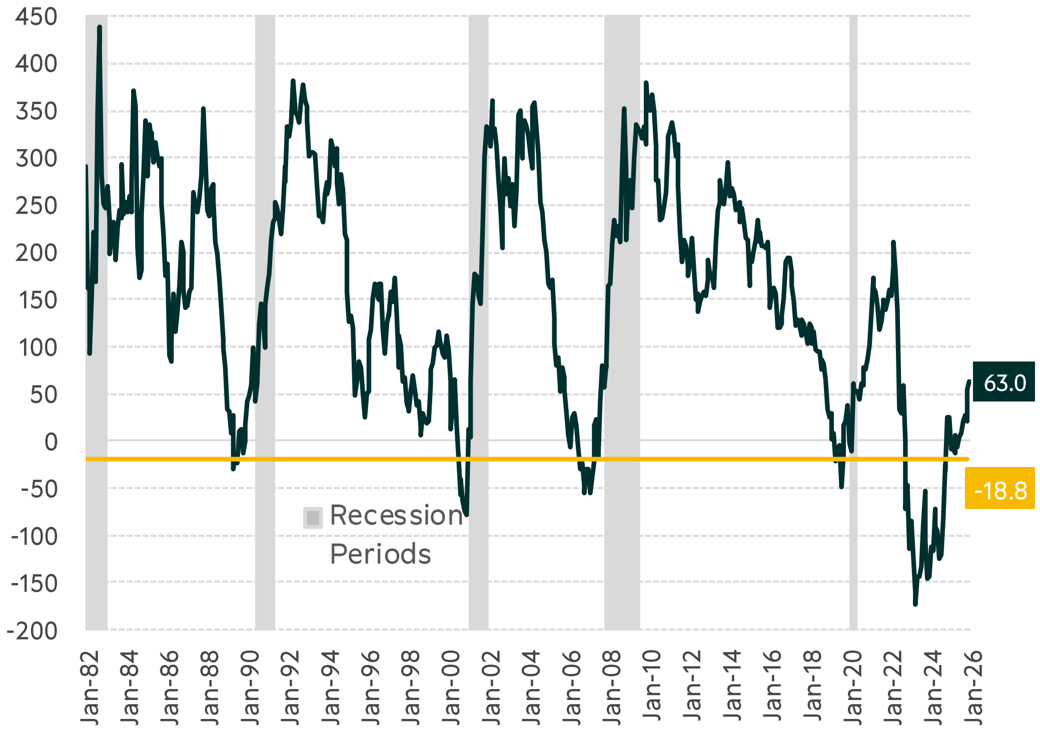


US Business Cycle | Based on Major US Economic Variables

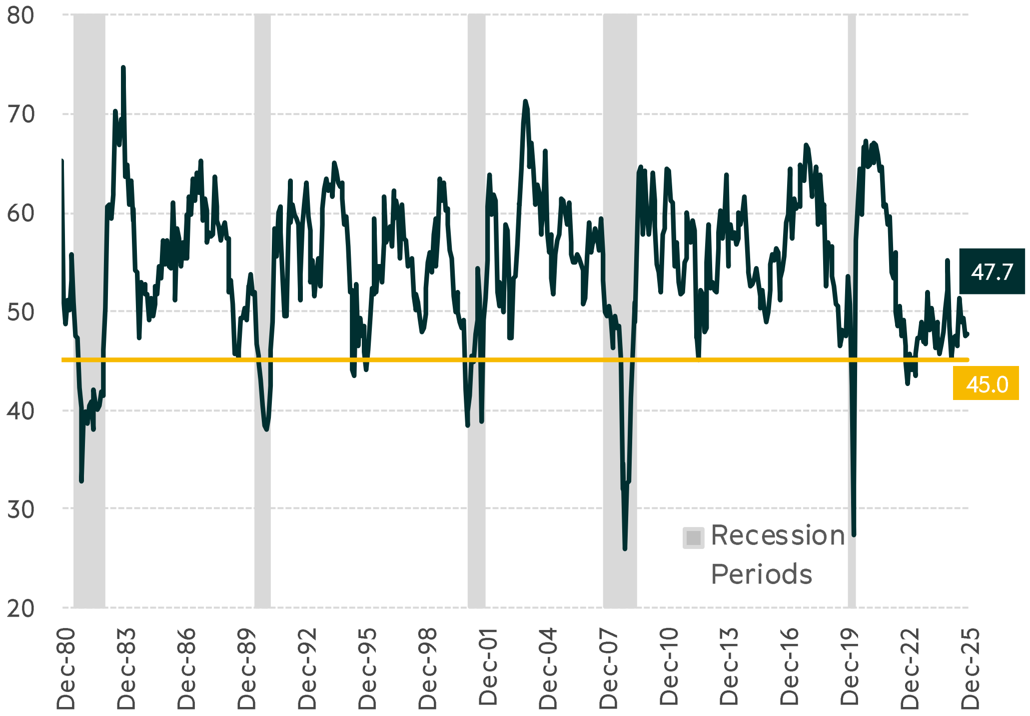


US Recession Indicators | The 10YR3M spread and the ISM New Order Index remain above the threshold levels consistent with recession periods.

10 Year and 3M US Treasury Yields Spread



ISM Manufacturing New Order Index



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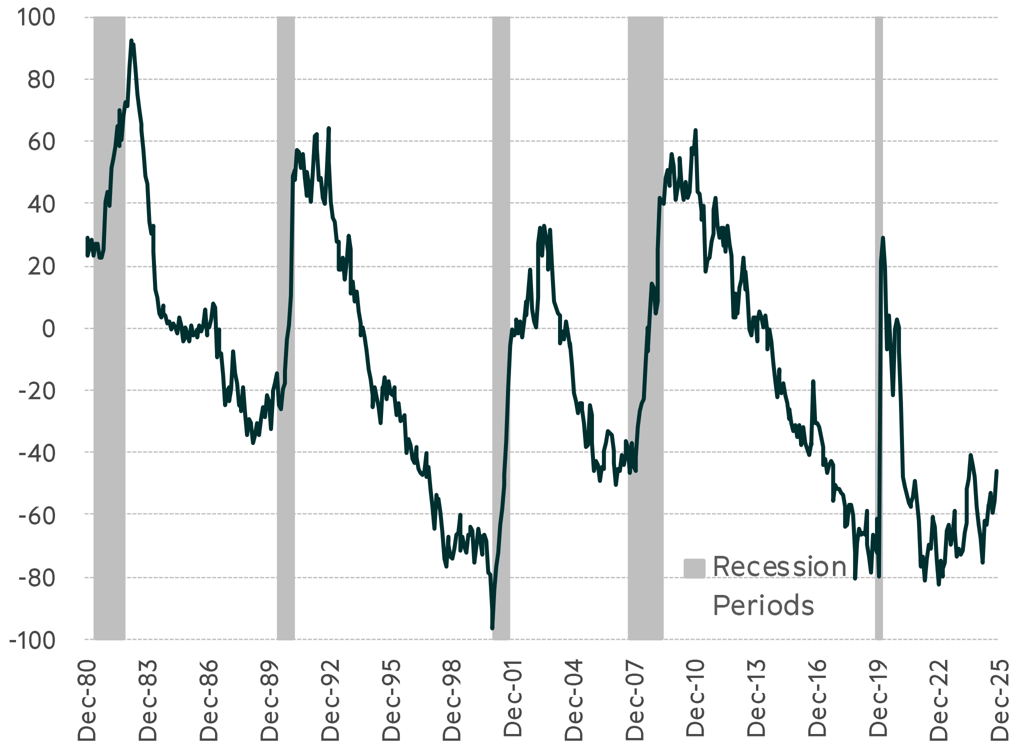
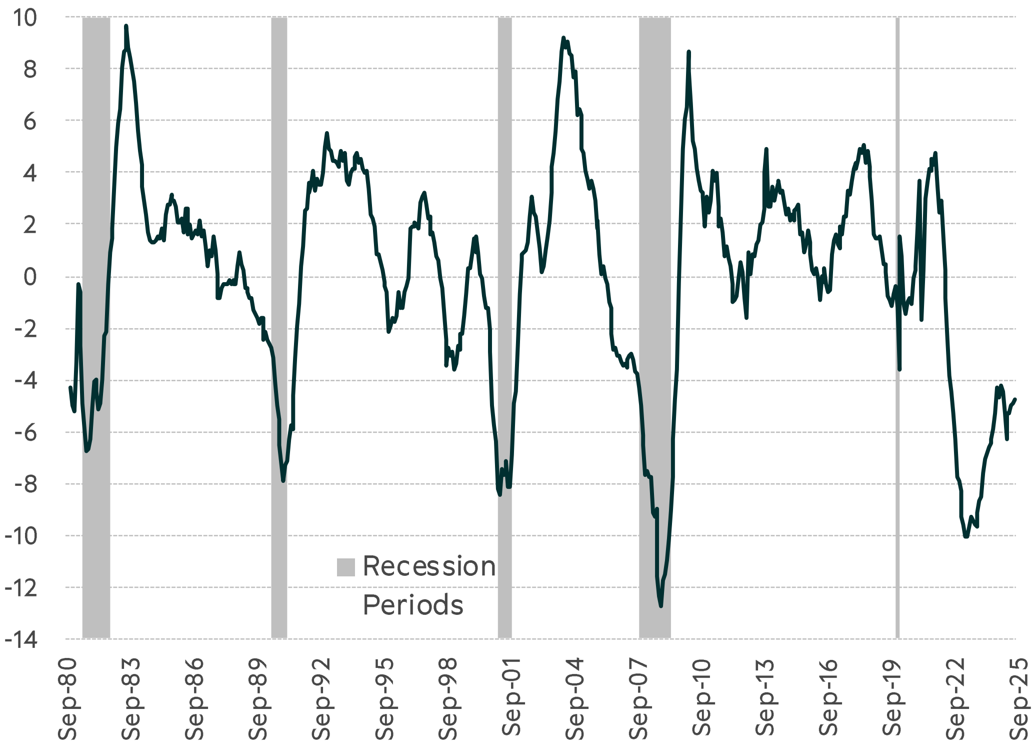
Source: Economic Research & Investment Strategy

Conference Board Survey | The difference between Consumer Expectations and Current Situation indicators narrowed in December. A similar shift occurred between the Leading and Coincident indicators in Sept.

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

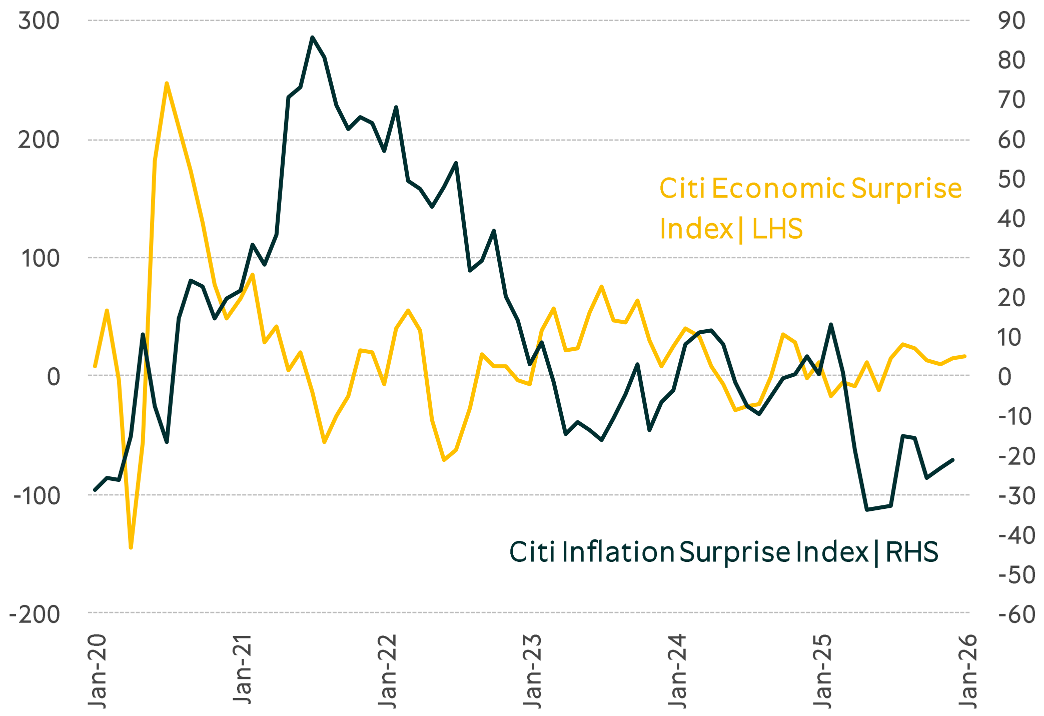


Difference between Leading & Coincident Indicators (Conference Board)

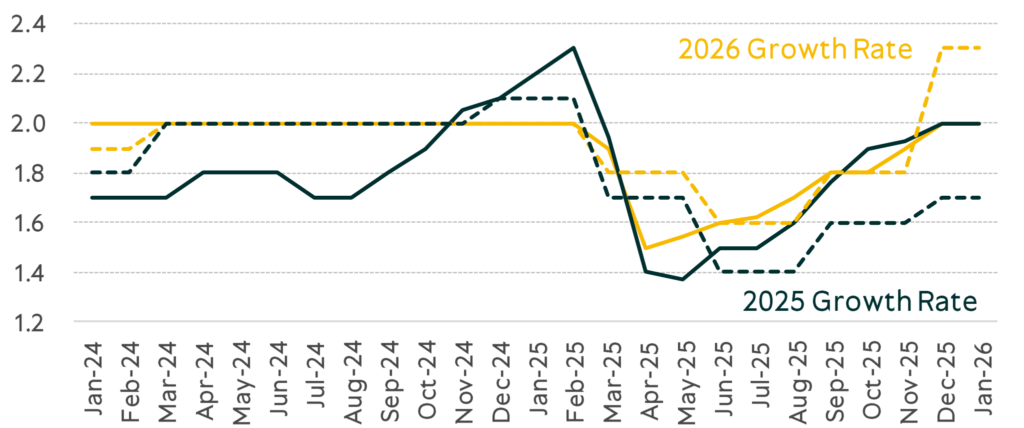


US Macro Expectations | Economic surprises slightly positive in January. Negative inflation surprises weakened in December

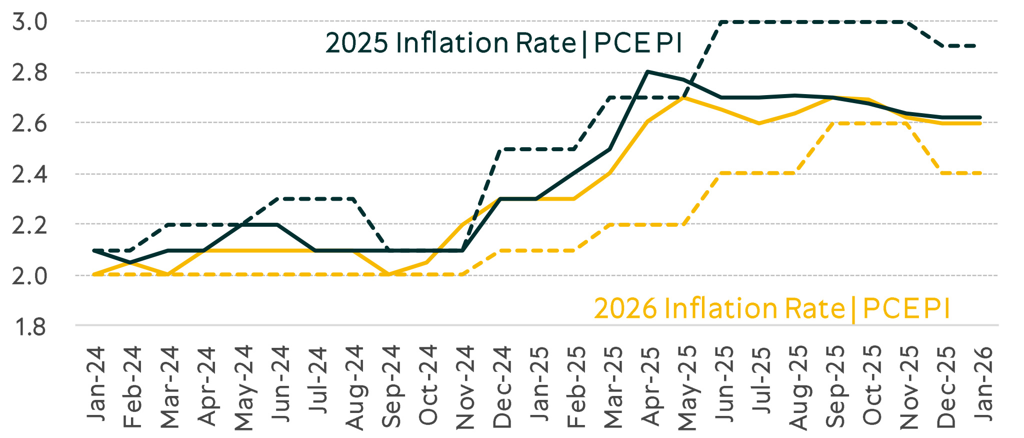
Economic & Inflation Surprises



Growth Rate Expectations*



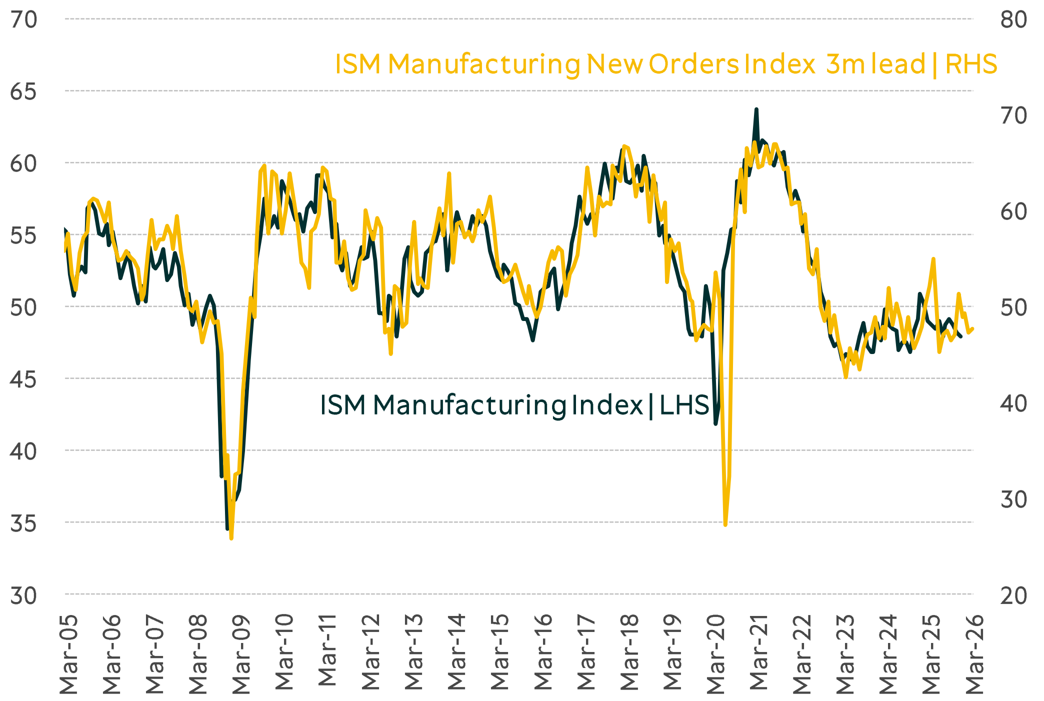
Inflation Rate Expectations*



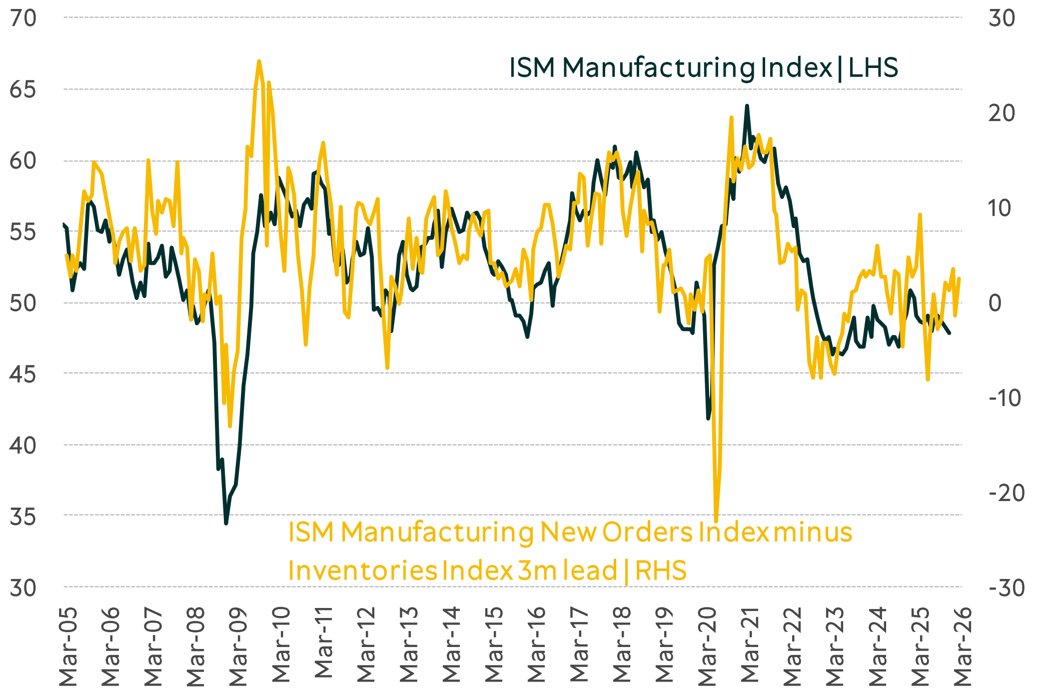
*Solid line: Consensus; Dotted line: Fed projections

US Leading Indicators | The ISM Manufacturing Index stayed below 50 in December for the 10th consecutive month. New Orders rose marginally to 47.7 and Inventories fell to 45.2 from 48.9.

ISM Manufacturing & New Orders Indices

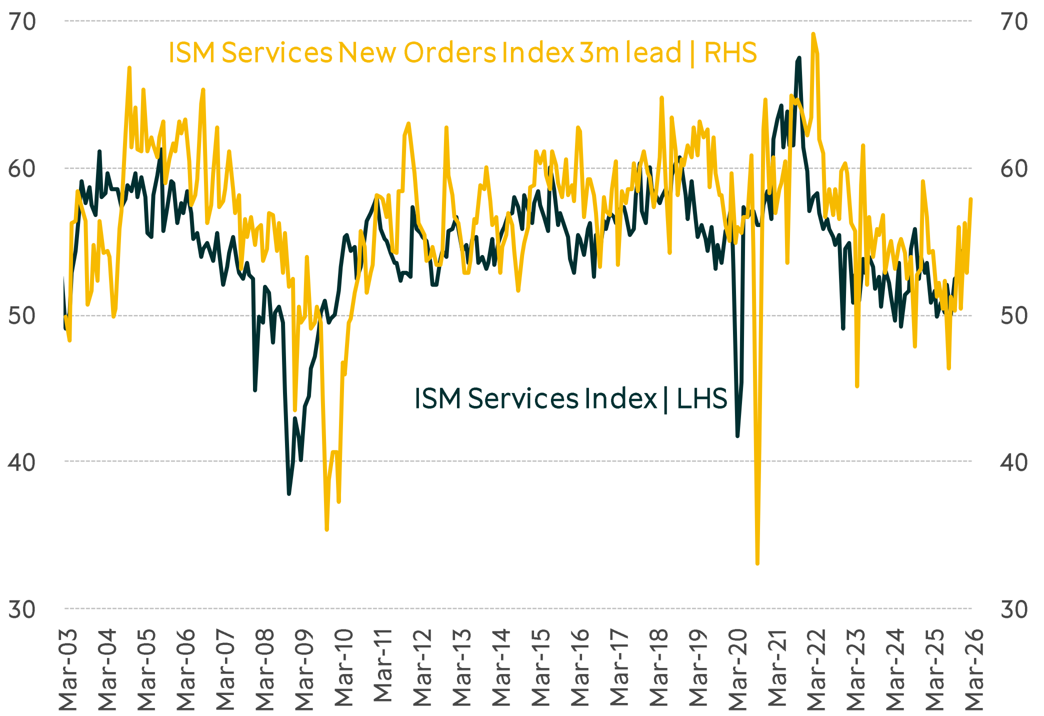


ISM Manufacturing & New Orders Index Minus Inventories Index

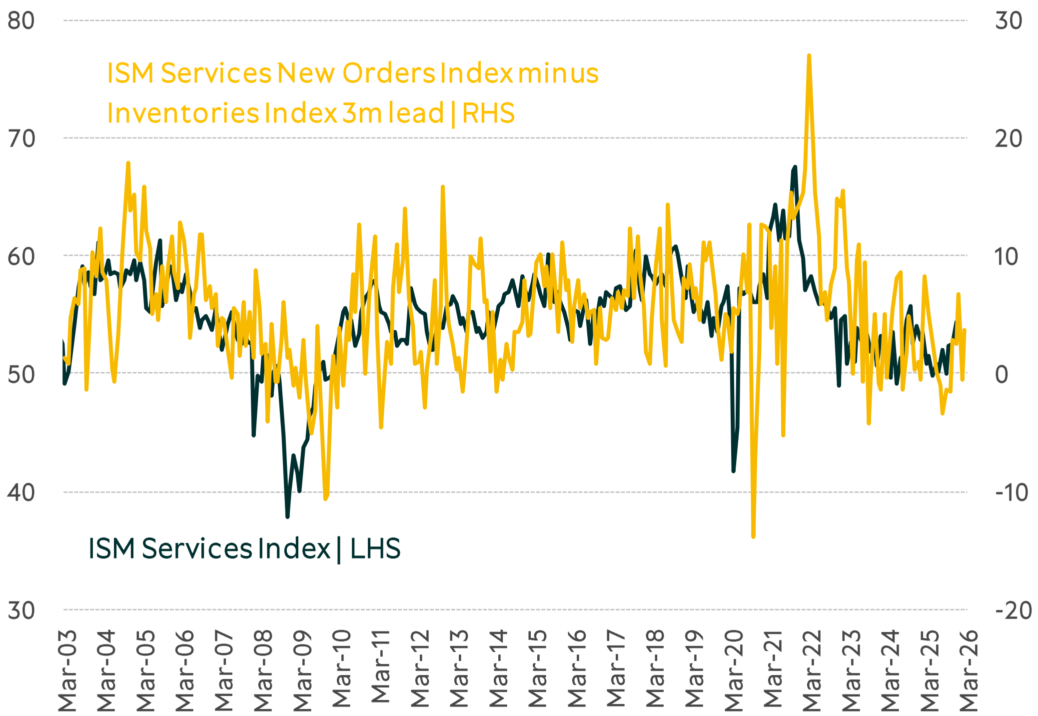


US Leading Indicators | ISM Services index rose to 54.4 in December partly due to the big rise in the new orders index

ISM Services & New Orders Indices



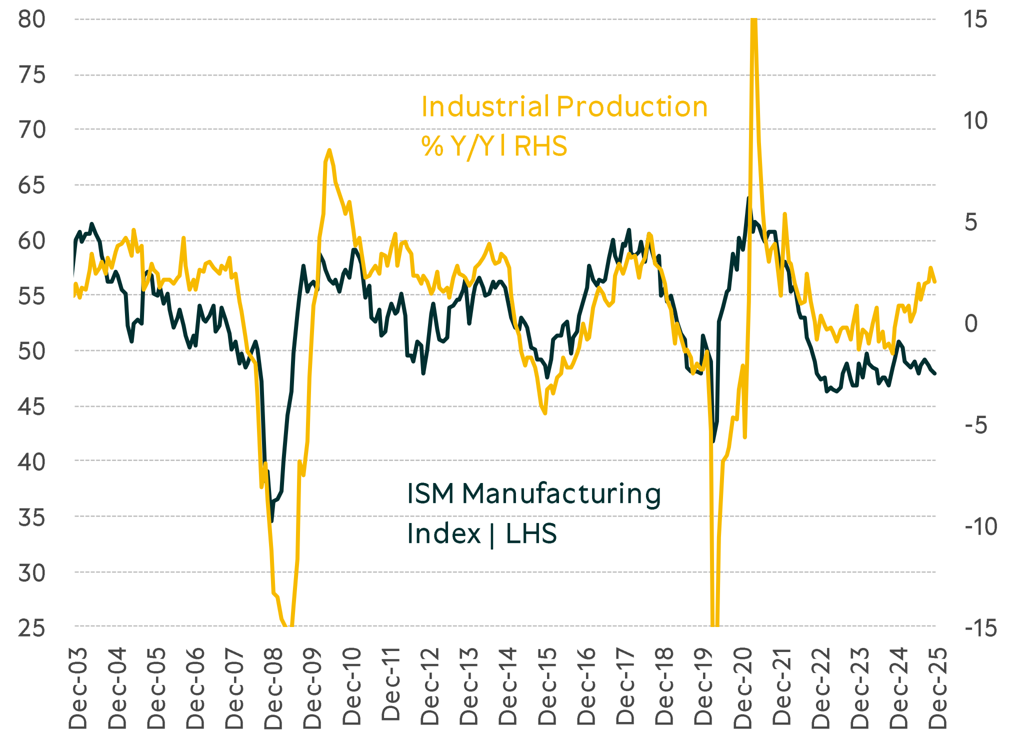
ISM Services & New Orders Index Minus Inventories Index



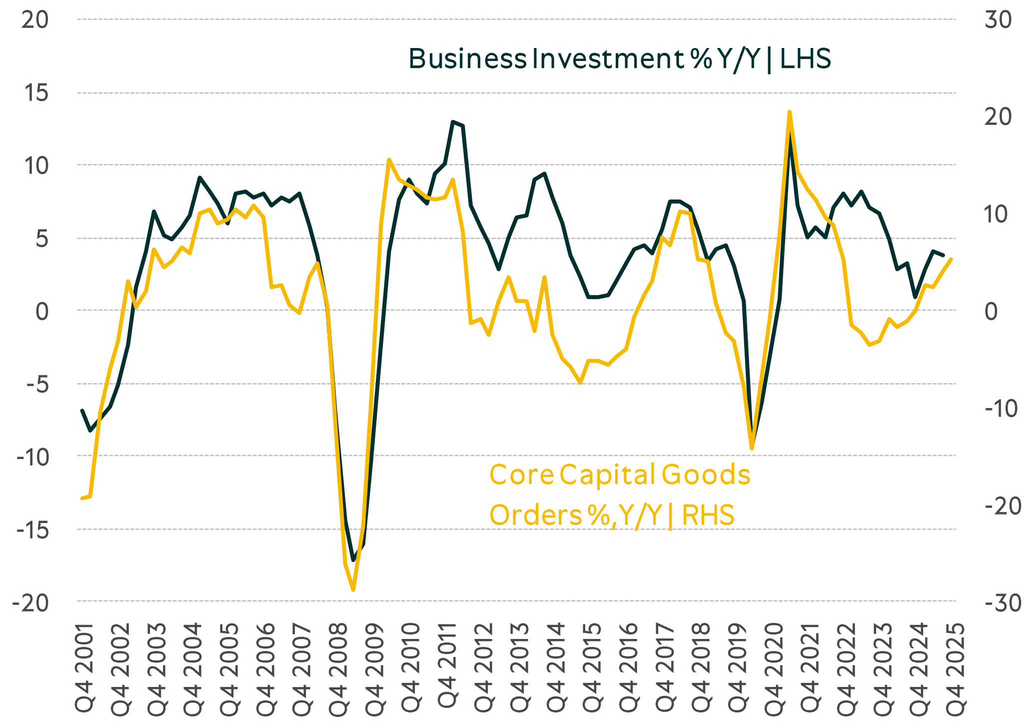
Source: Economic Research & Investment Strategy

US | Industrial Production increased 0.4% in December (+2.0% yoy). Core Capital Goods extended gains in Q4.

Industrial Production & ISM Manufacturing



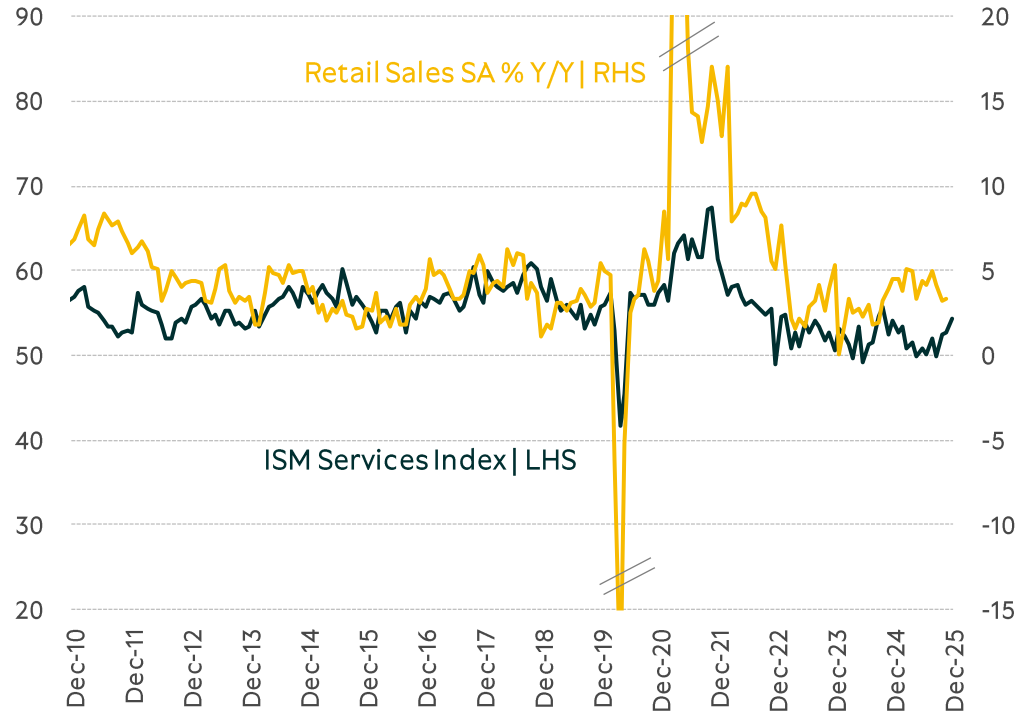
Core Capital Goods Orders & Business Investment



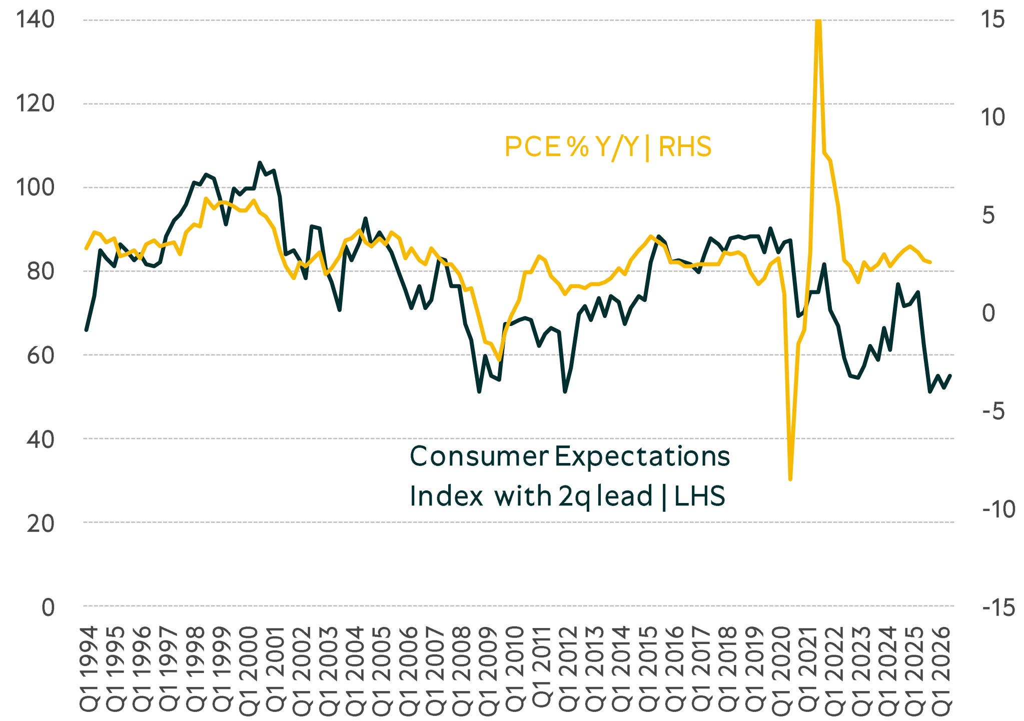
Source: Economic Research & Investment Strategy

US | The US consumer has been the main "growth driver" so far. Retail sales stabilised in November and ISM Services rose in December, but Consumer expectations still point to lower consumption ahead.

Retail Sales & ISM Services

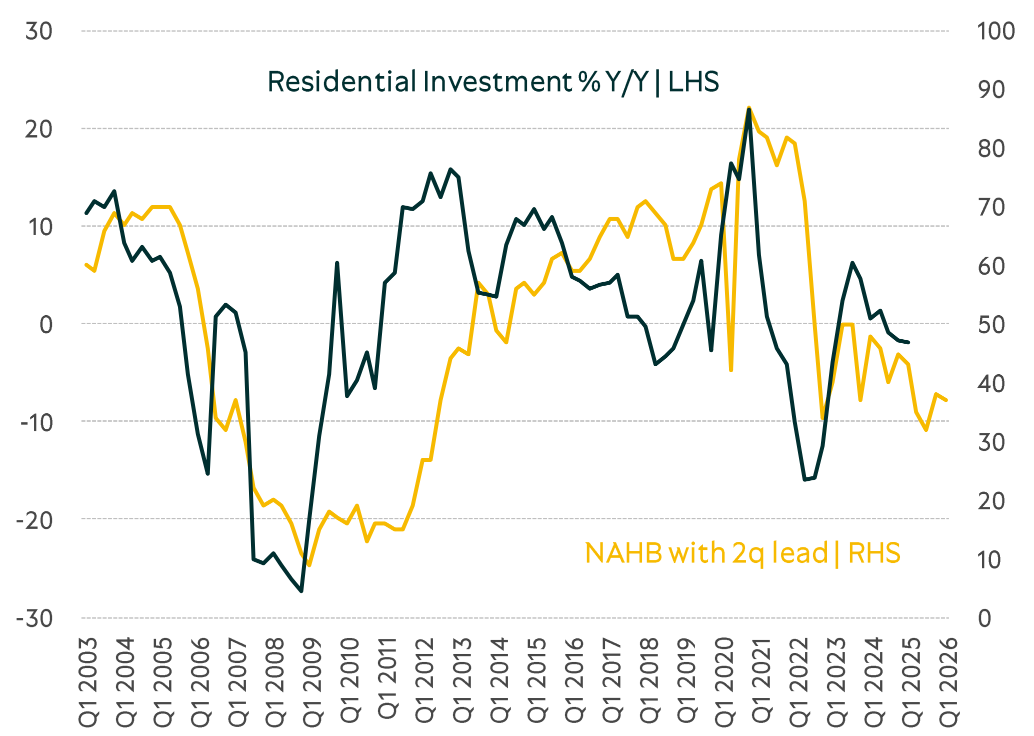


Personal Consumer Expenditure & University of Michigan Consumer Expectations Index

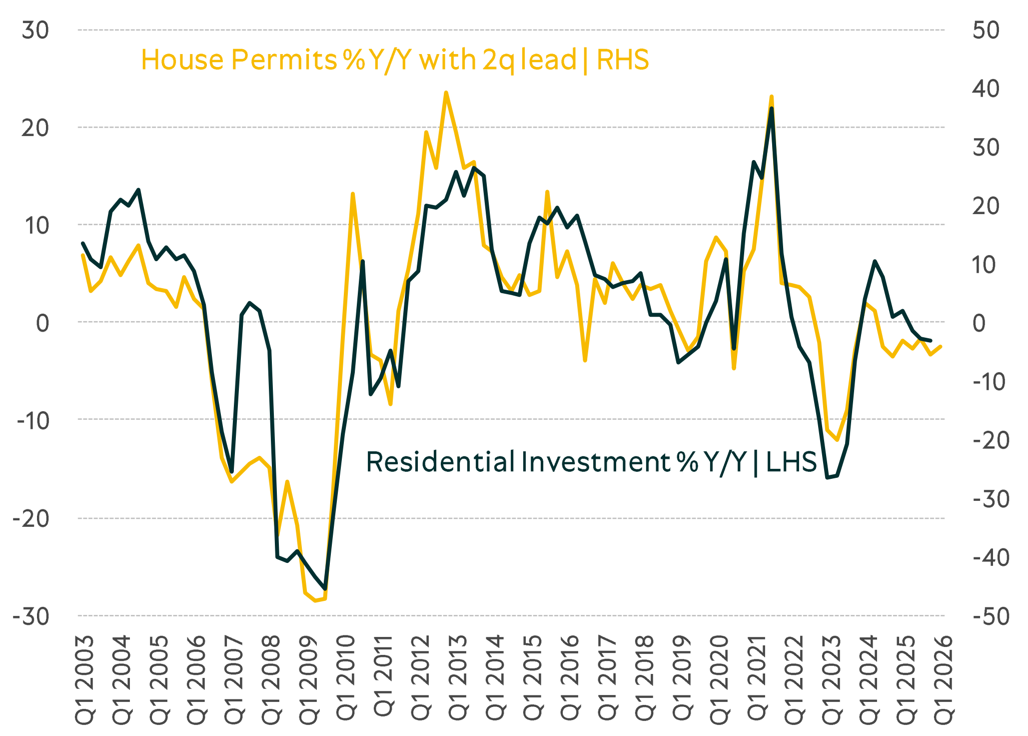


Housing Market | Residential investment declined further in Q3. Smaller decline for House Permits in Q4. Home builders' expectations fell back to 37 in January as affordability concerns continue to weigh heavily with buyers.

Residential Investment & NAHB Index

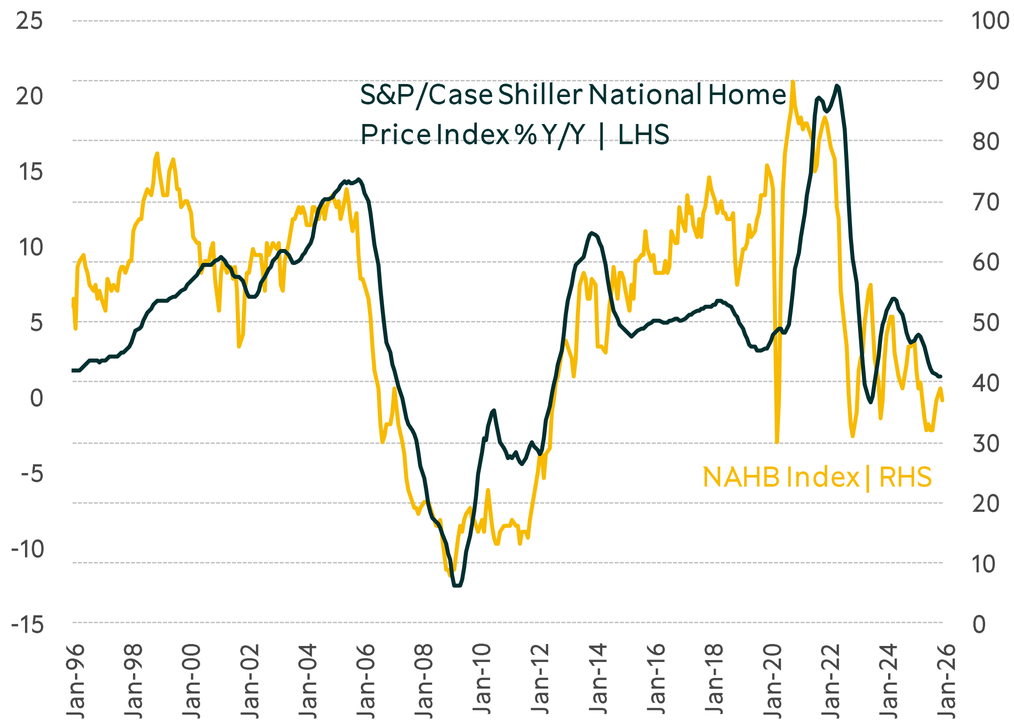


Residential Investment & House Permits

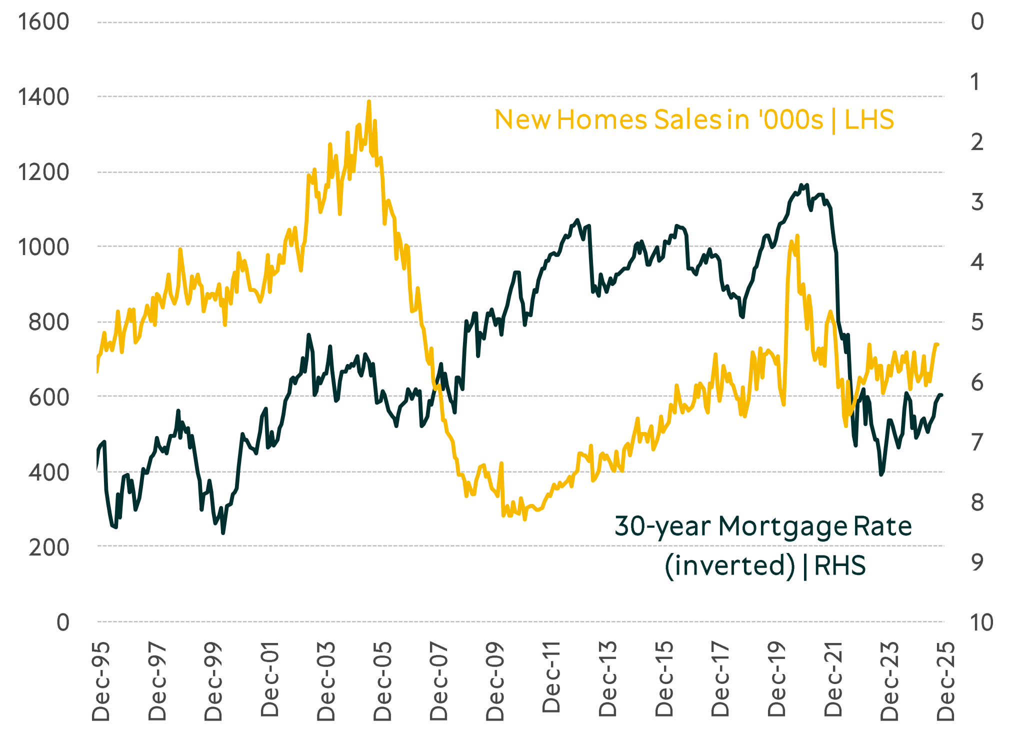


Housing Market | The S&P/Case Shiller National Home Price Index posted a 1.4% annual gain in October

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

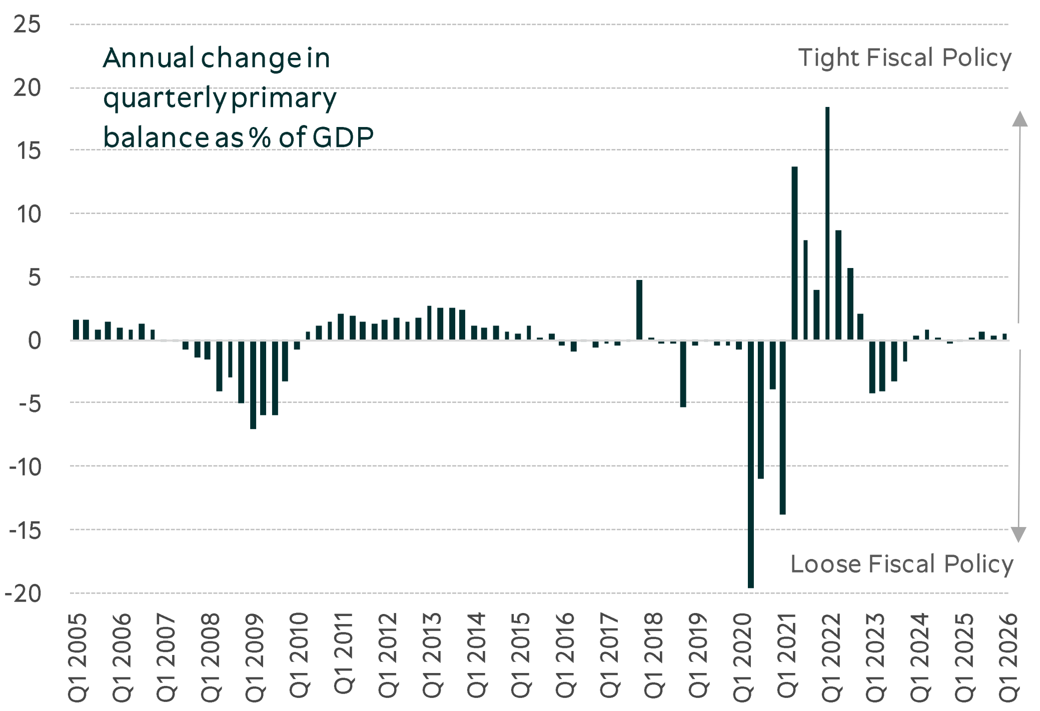


US new home sales and 30-year mortgage rates

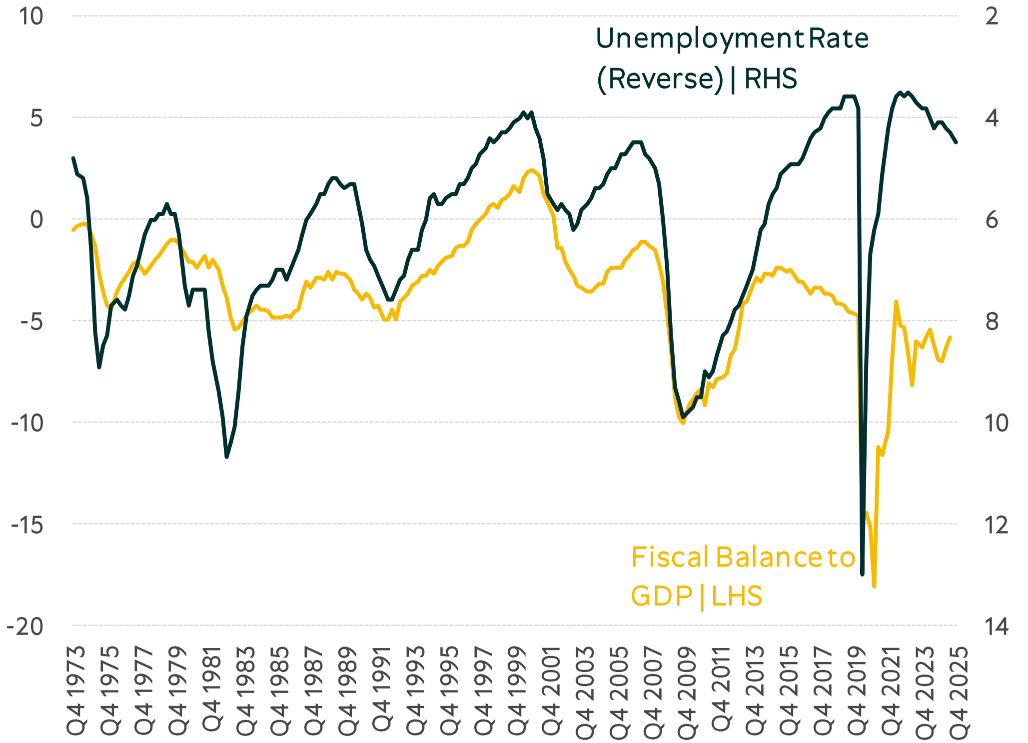


Fiscal Policy | Still too loose vs unemployment. The slight improvement in the Fiscal Balance to GDP ratio is attributed to higher revenues (which incl. tariffs) and moderated spending growth. Fiscal challenges ahead.

Fiscal Thrust



Fiscal Policy vs Unemployment

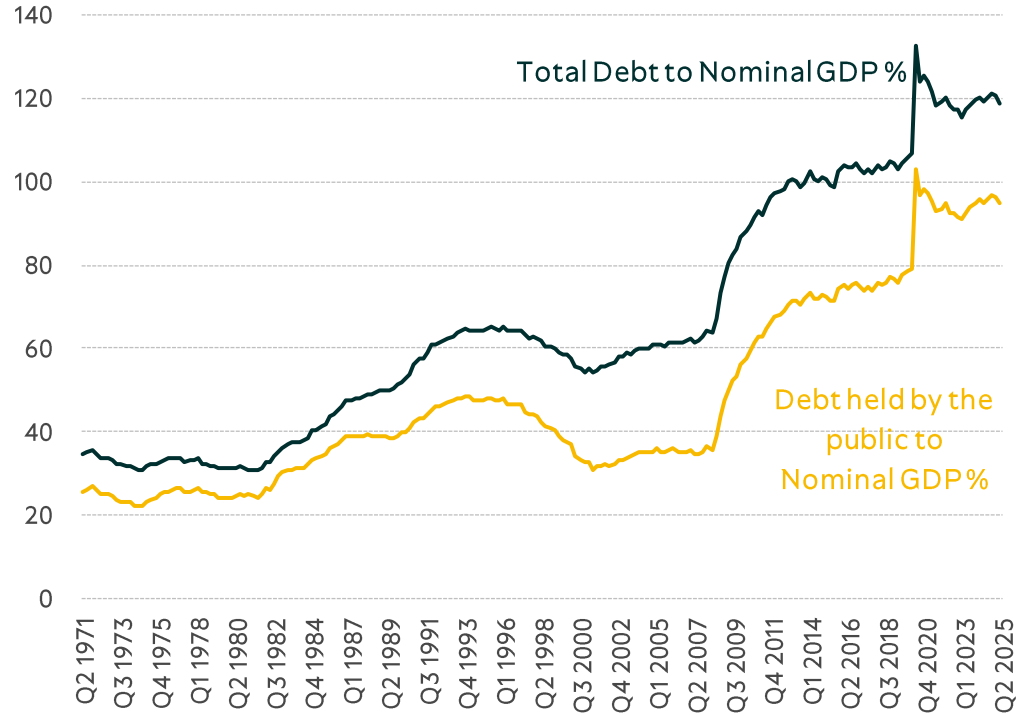


Piraeus

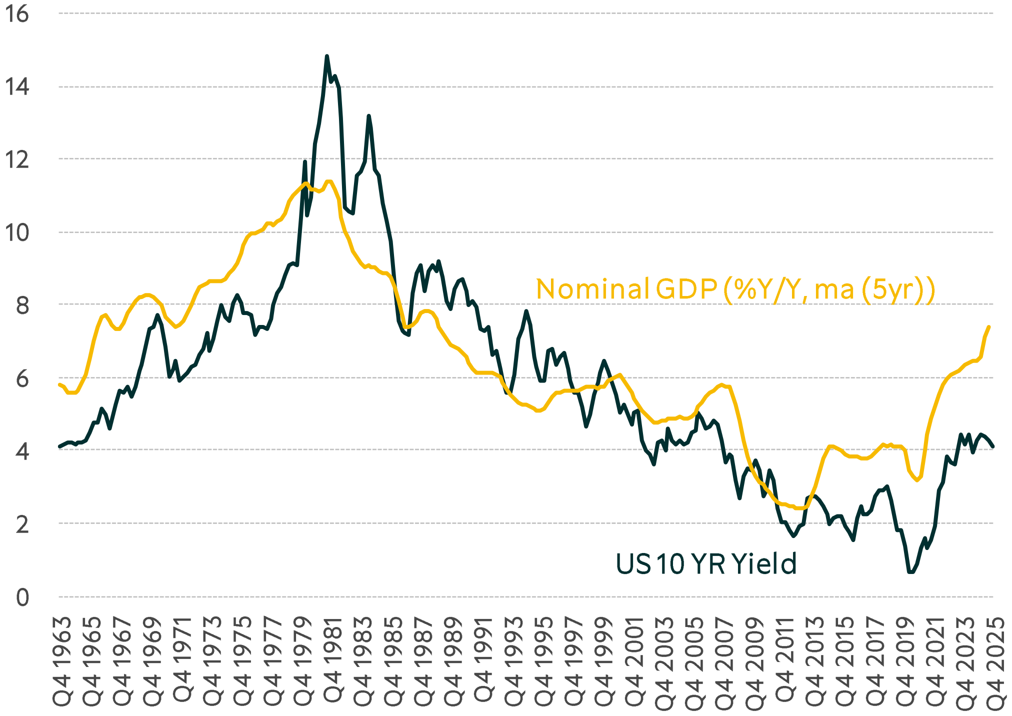
Source: Economic Research & Investment Strategy

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



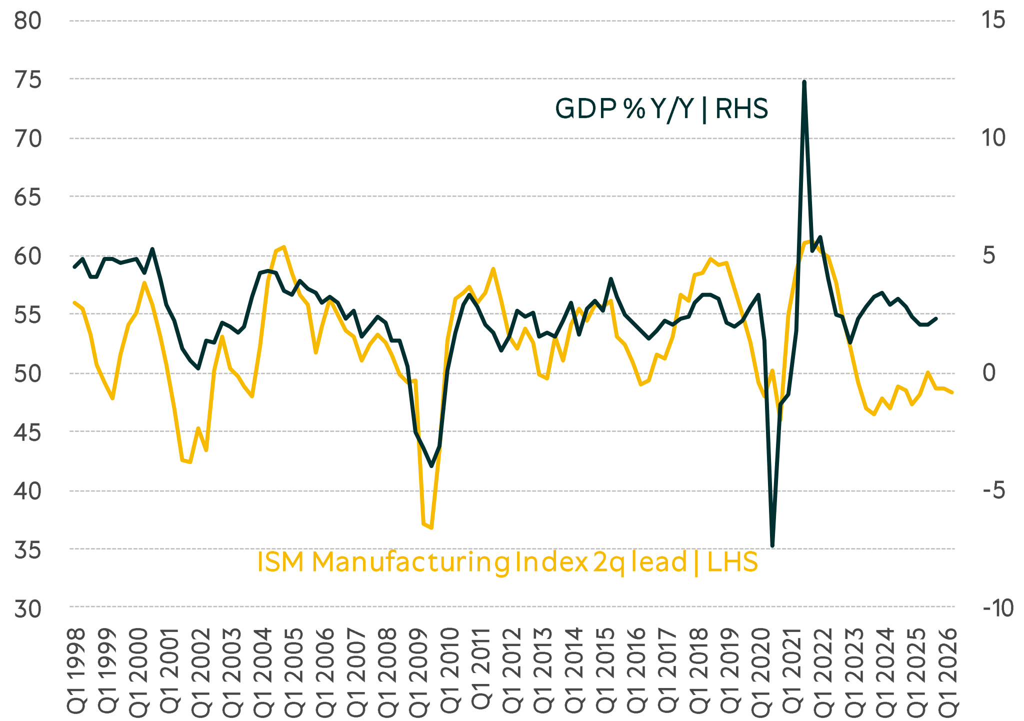
Fiscal Policy Sustainability



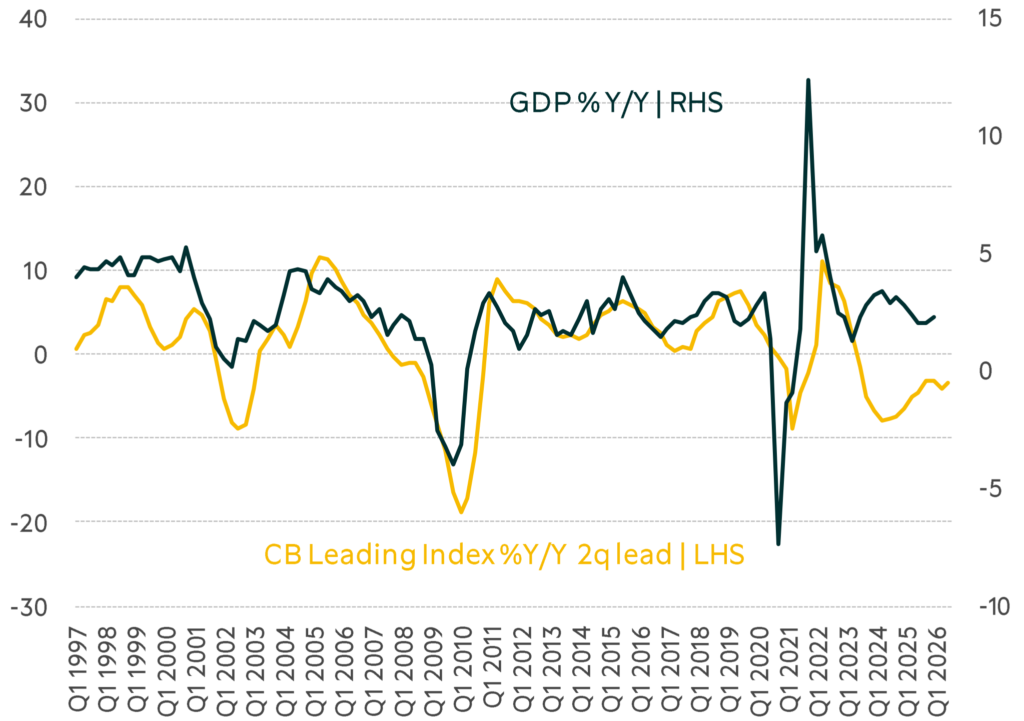
Source: Economic Research & Investment Strategy

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

GDP & ISM Manufacturing Indicator

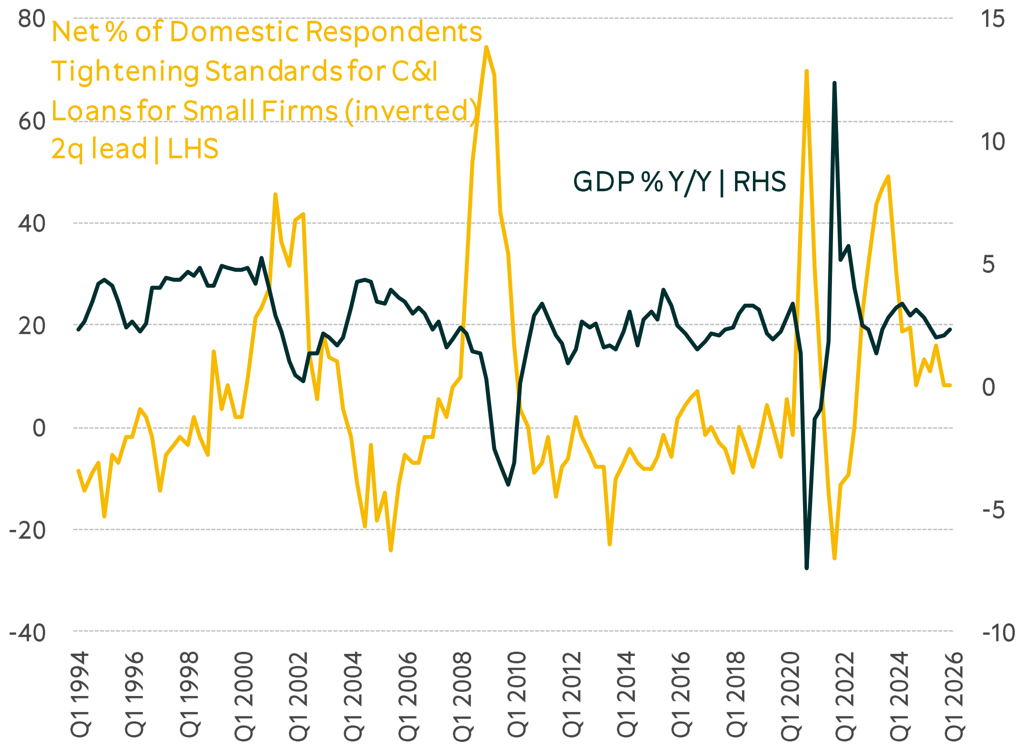


GDP & CB Leading Indicator

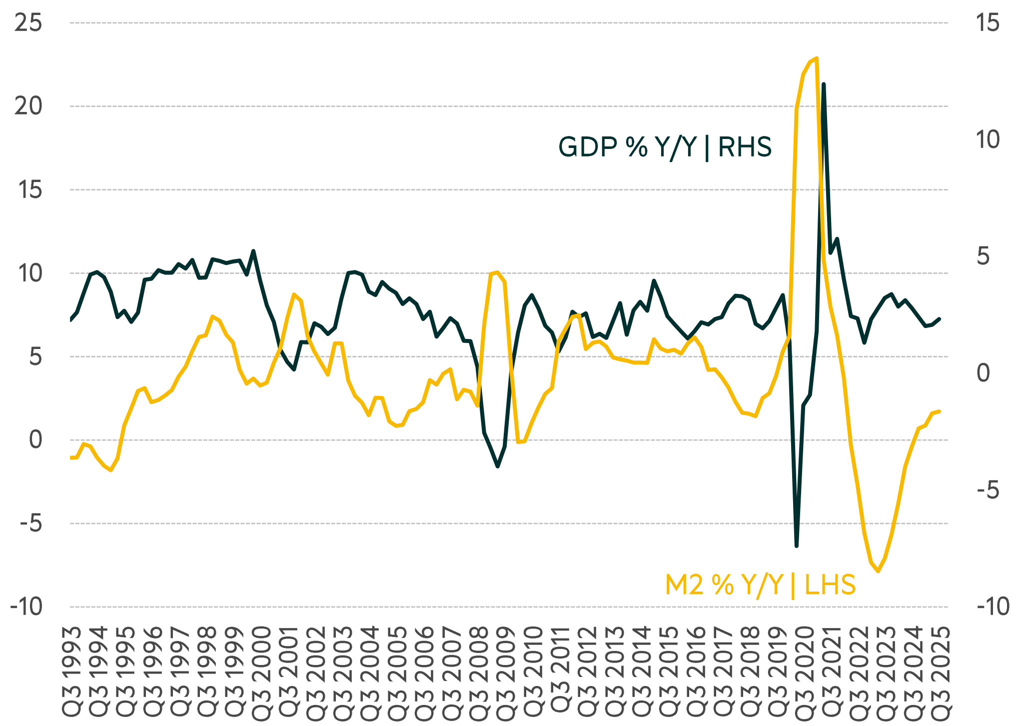


US GDP Outlook | About 8% of banks tightened lending to small businesses unchanged from previous quarter. Real M2 growth is mildly expansionary.

Senior Loan Officer Opinion Survey on Bank Lending Practices



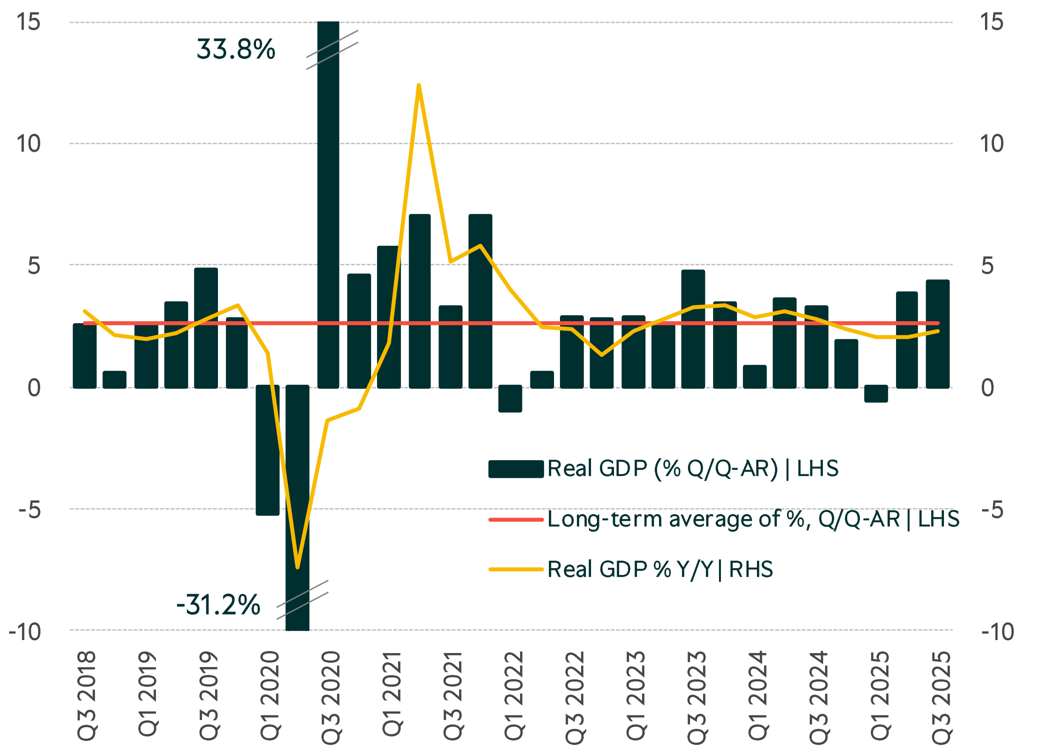
M2 growth vs GDP



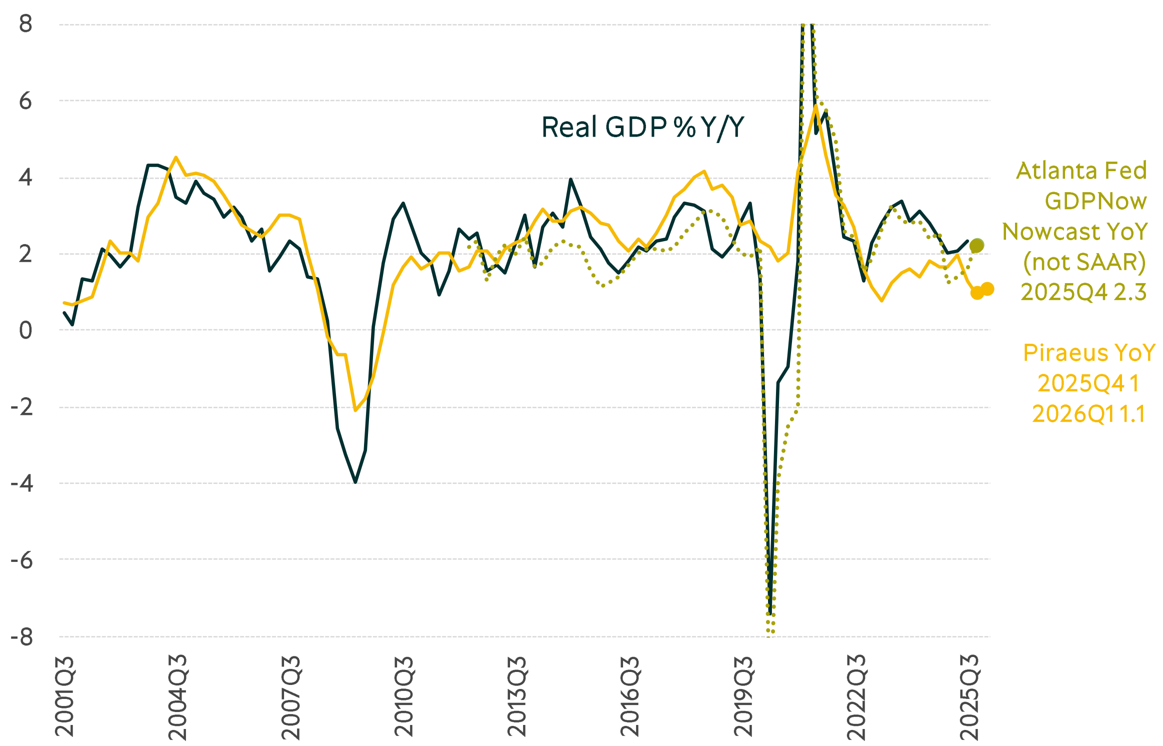
Source: Economic Research & Investment Strategy

US GDP Outlook | GDP growth is projected to slow down in Q4 due to the government shutdown

Growth Rate Outlook



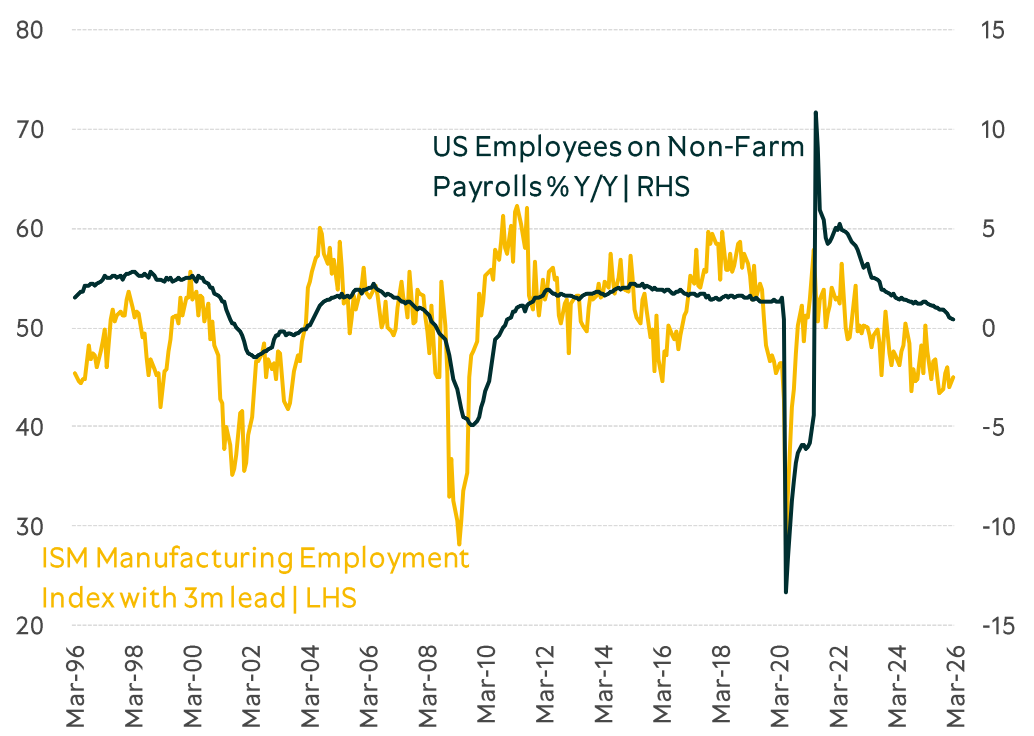
Growth Rate Estimate



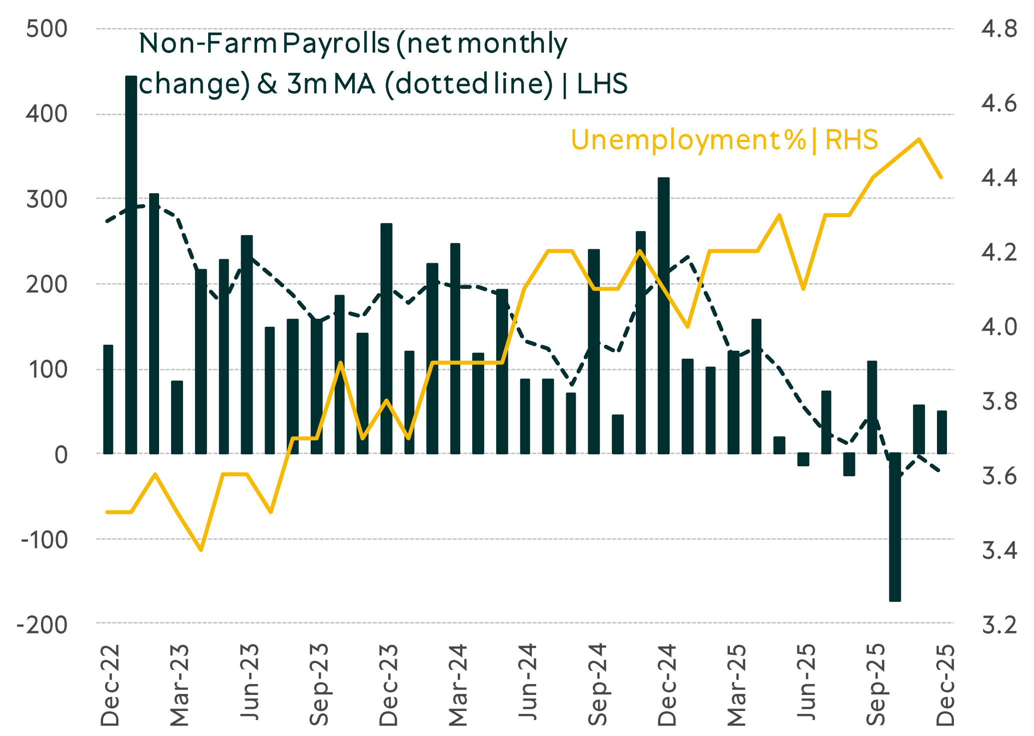
Source: Economic Research & Investment Strategy

US Labour Market | The December Jobs report was mixed (Non-farm payrolls were lower than expected but there was a decrease in the unemployment rate). Recent trends point to labour market stabilising.

Employment & Leading Manufacturing Indicator

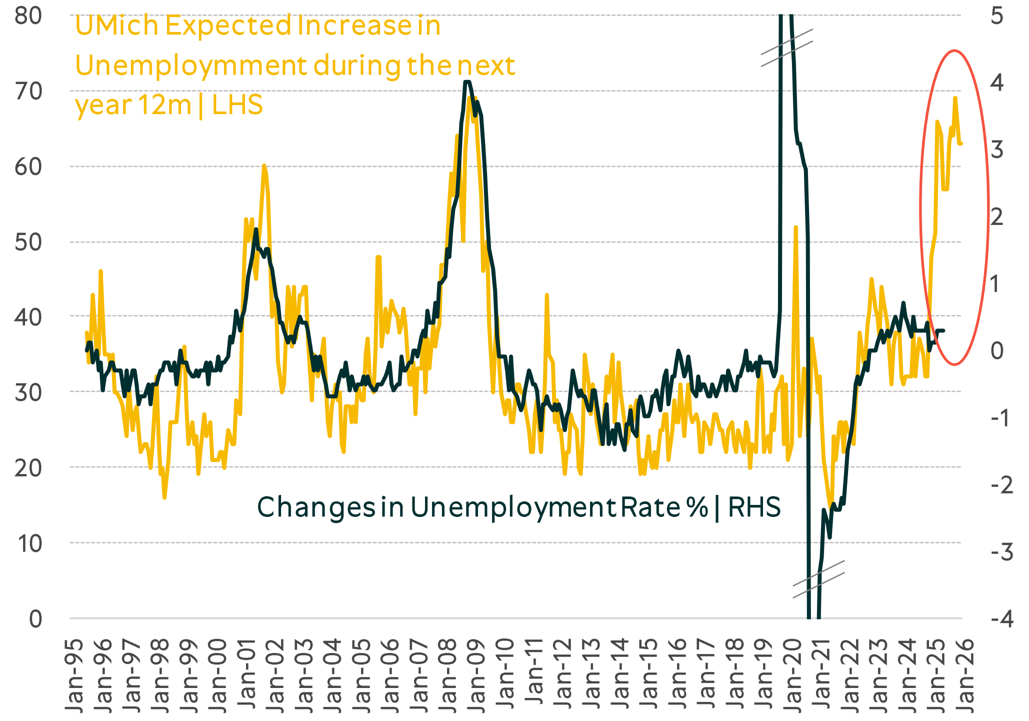


Nonfarm payrolls & Unemployment

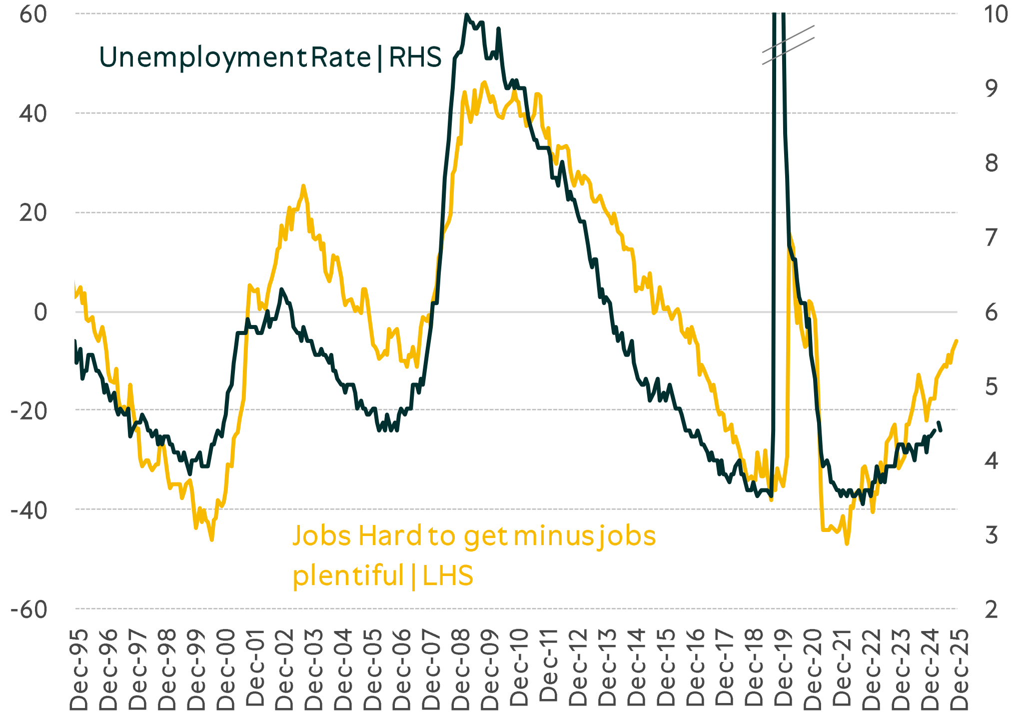


US Labour Market | Unemployment expectations remained at December's levels. The gap between those saying jobs were hard to get and jobs are plentiful is narrowing.

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

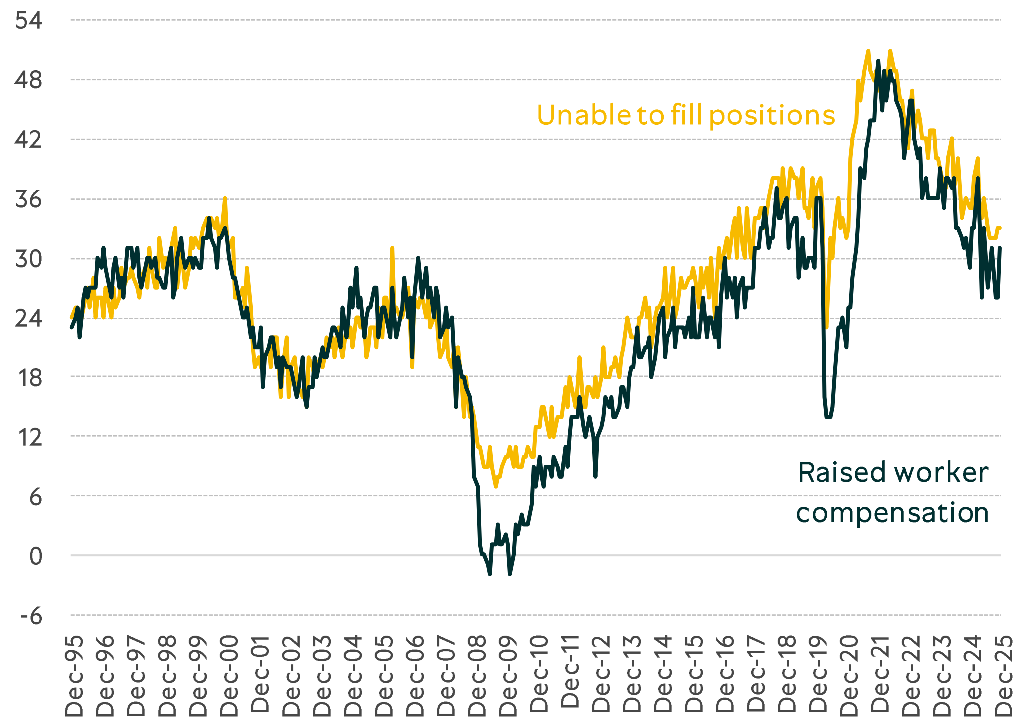


Conference Board Labor market differential & Unemployment rate

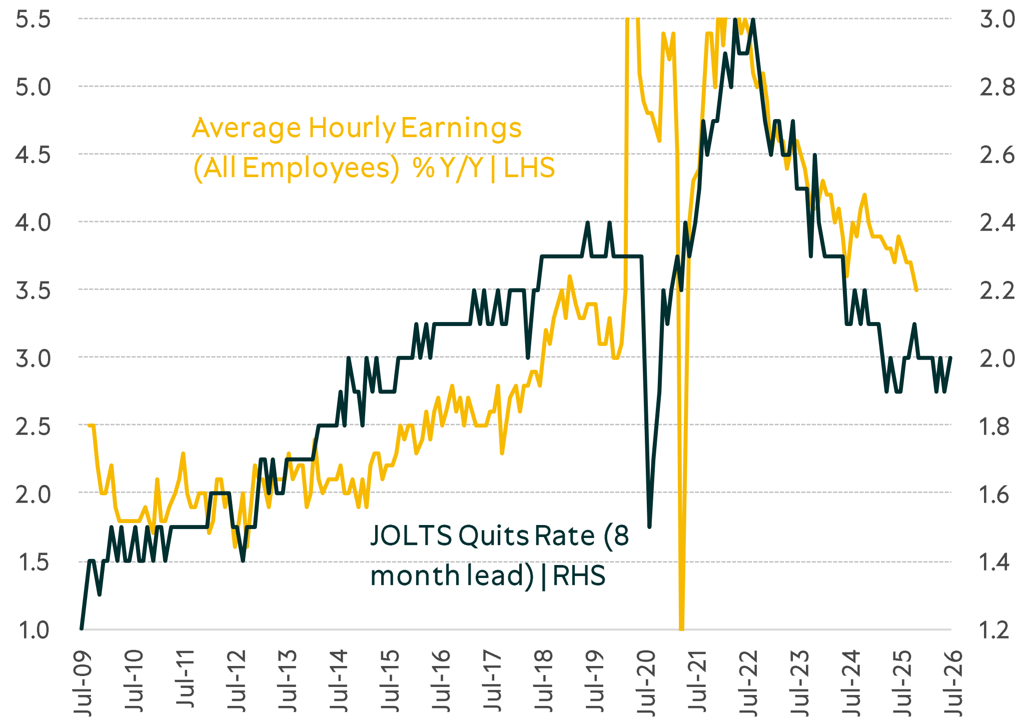


US Labour Market | According to December's NFIB survey a net 31% reported raising compensation (from 26%). The JOLTS Quits Rate back to 2%.

US NFIB small business survey

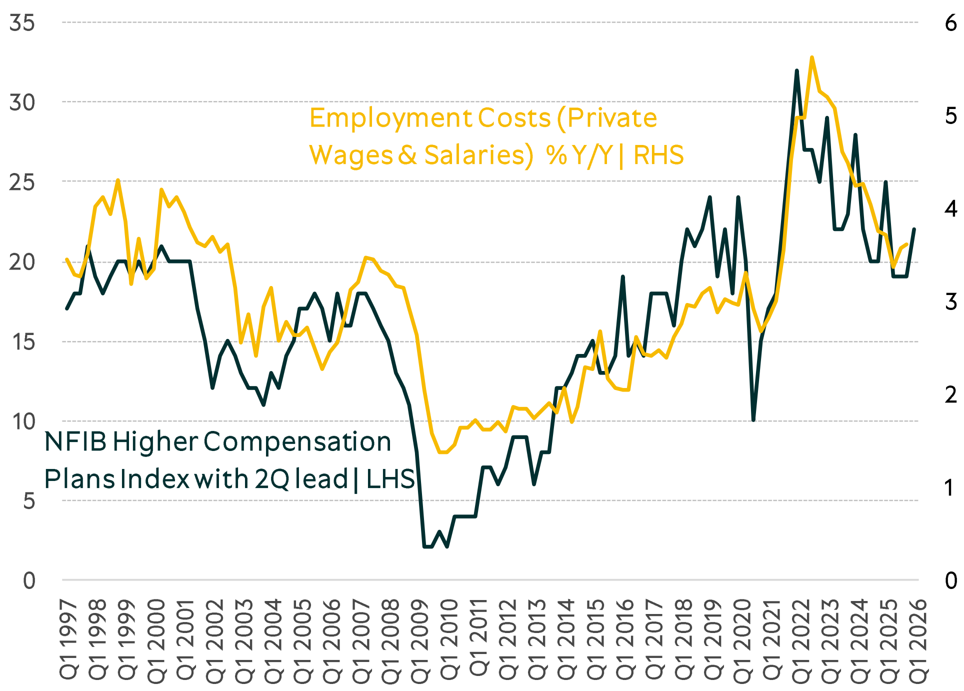


Wages & Quits Rate

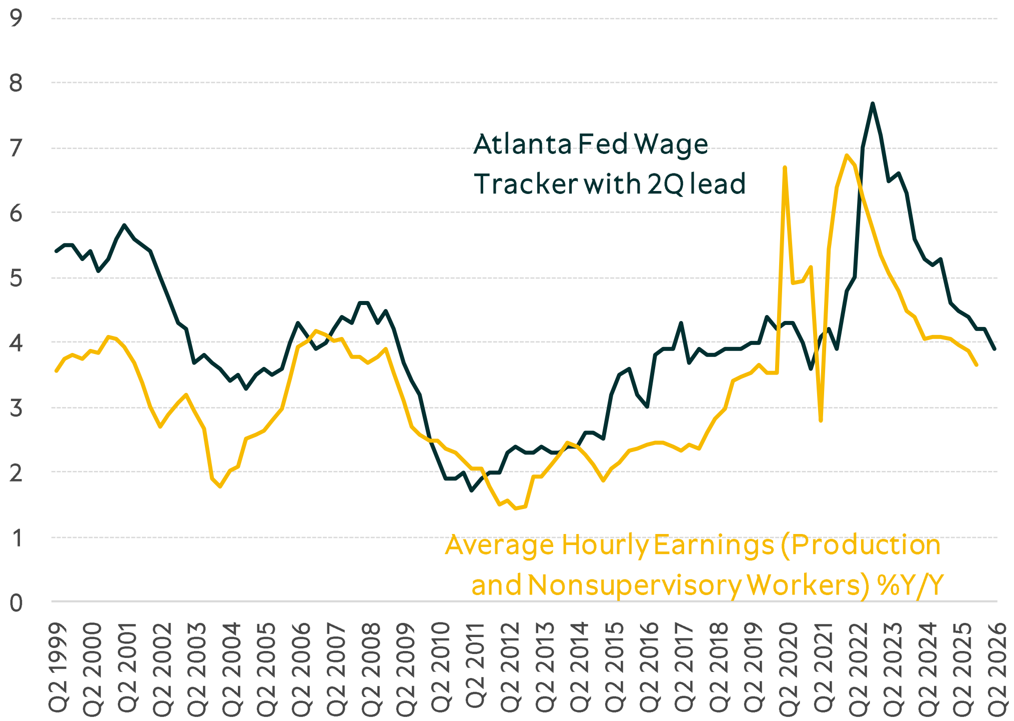


US Wage Tracker | Private employment costs ticked up in Q3 on a yoy basis to 3.6% but there was also a slight decrease in Atlanta's Fed Wage Tracker in Q4.

Employment Cost & Leading Indicator

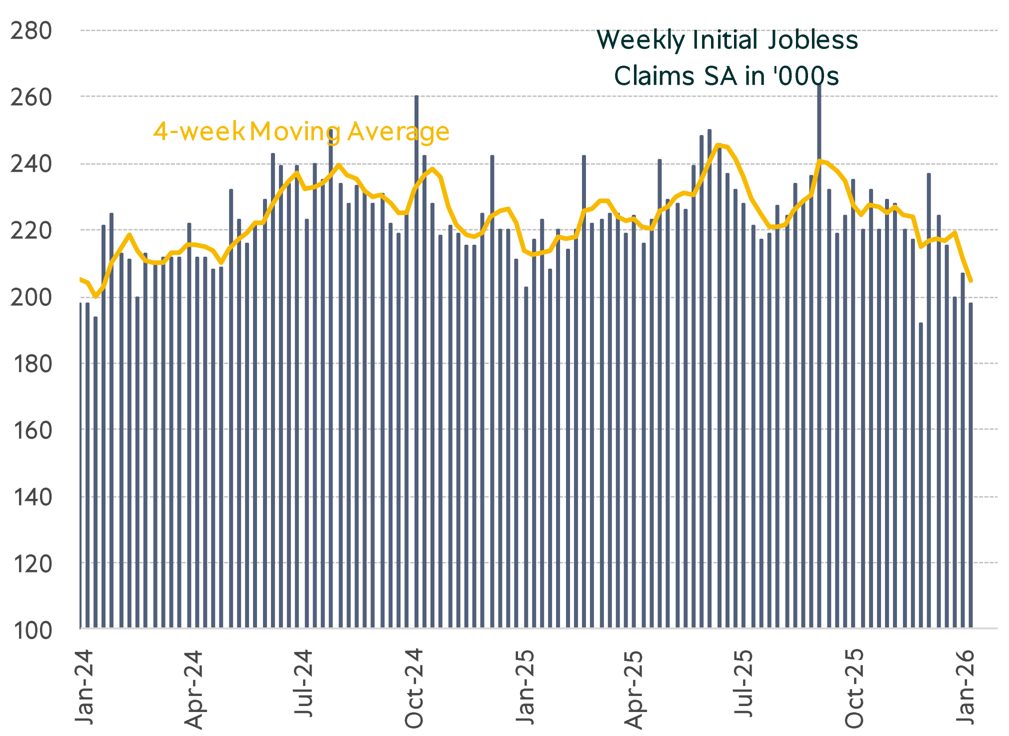


Wages & Leading Indicator

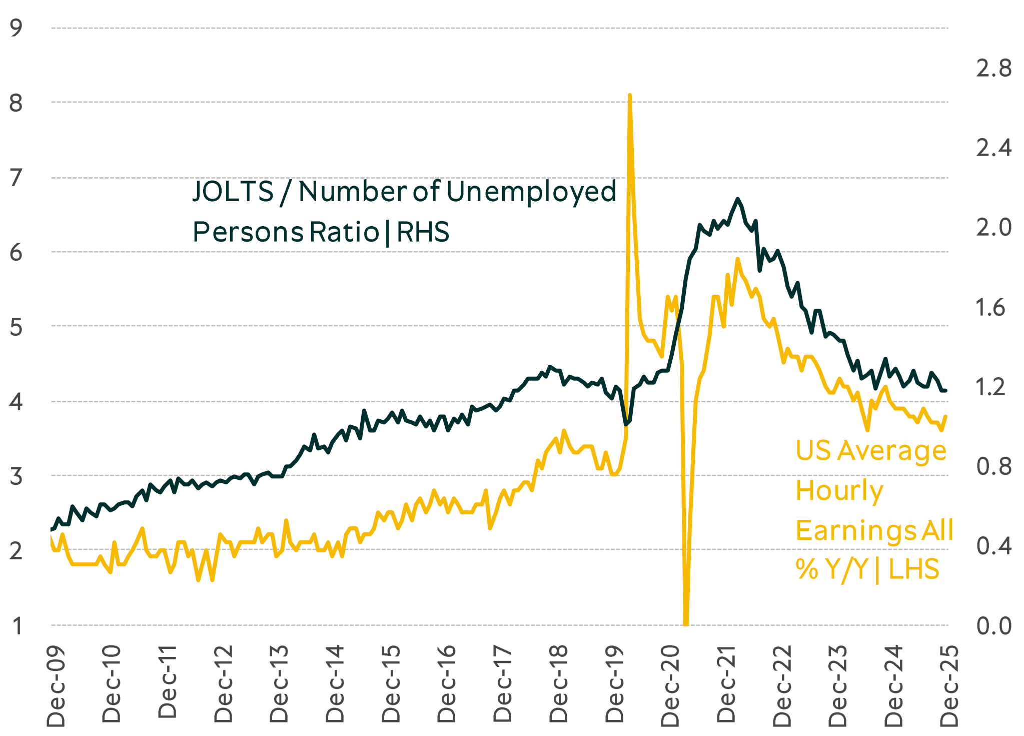


US Labour Market | Weekly Initial Jobless Claims close to 200k in January and JOLTS per unemployed remained at 1.18 in December

Weekly Initial Jobless Claims

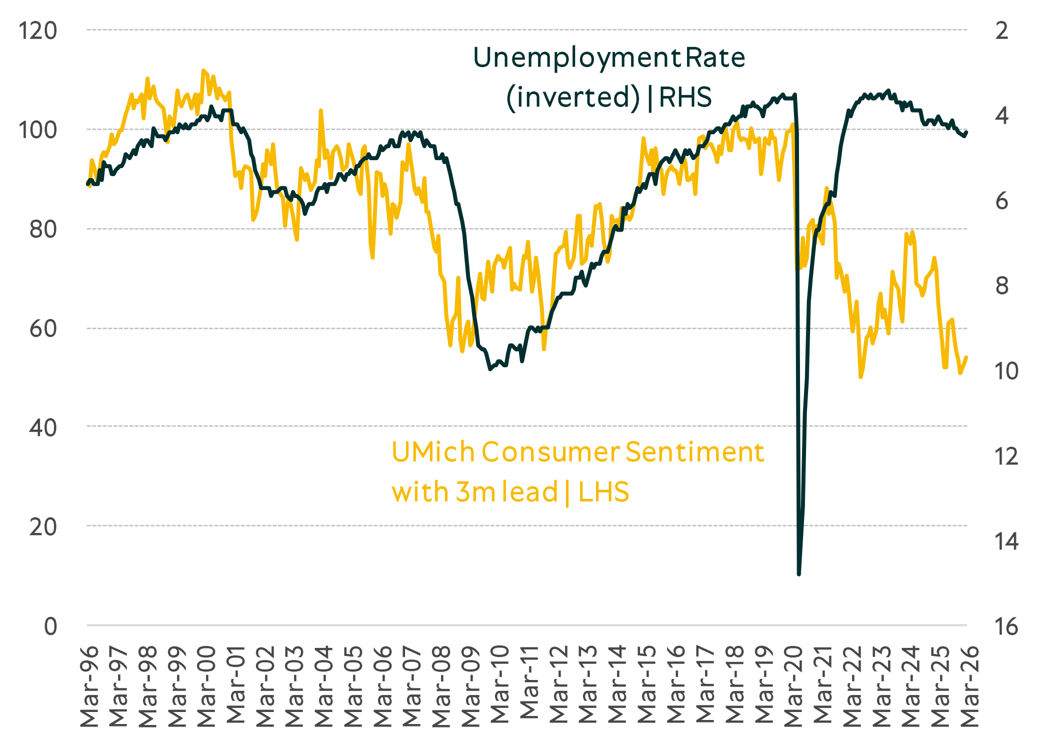


Demand & Supply in Labour Market

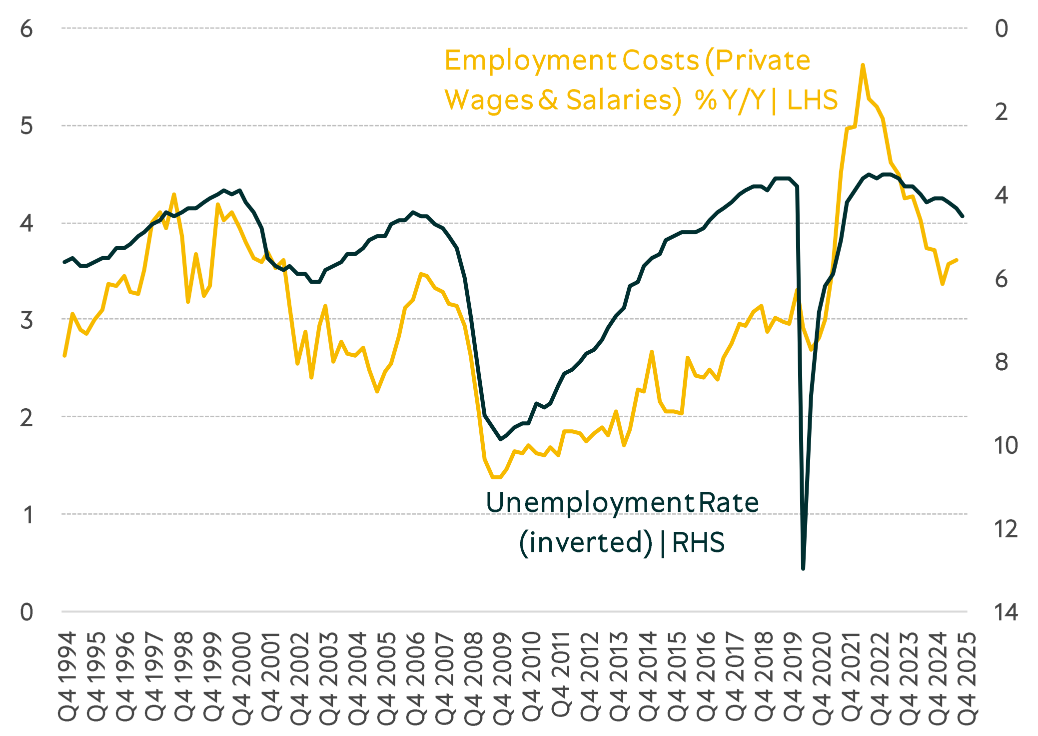


US Labour Market | Consumer sentiment increased further in January. Private wages & salaries rose marginally.

Consumer Sentiment & Unemployment Rate

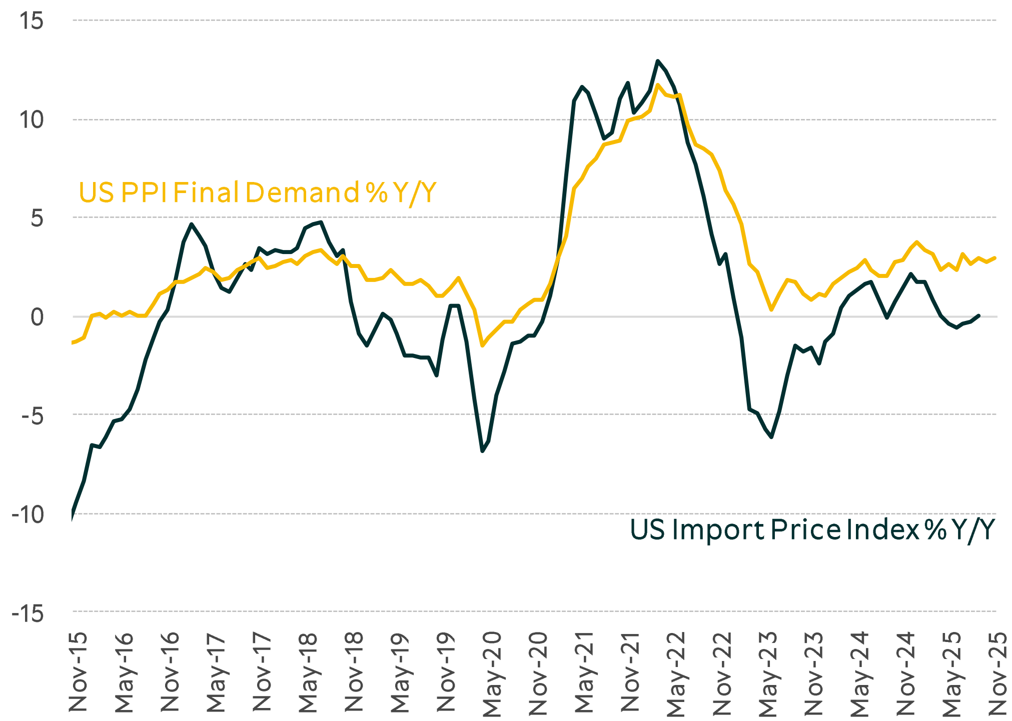


Compensation per Employee & Unemployment Rate

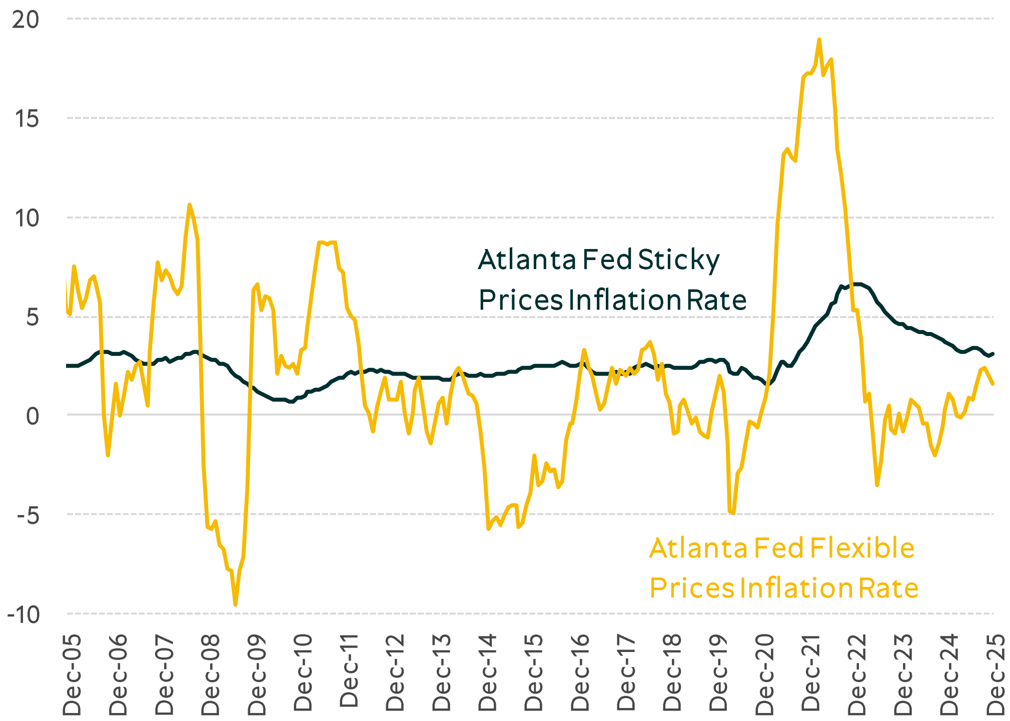


US Alternative Inflation Metrics | Sticky prices continue to be elevated but flexible prices have stopped accelerating higher. Producer prices rose 0.2% month-on-month and 3% year-over-year in November.

Producers Price Index and Import prices

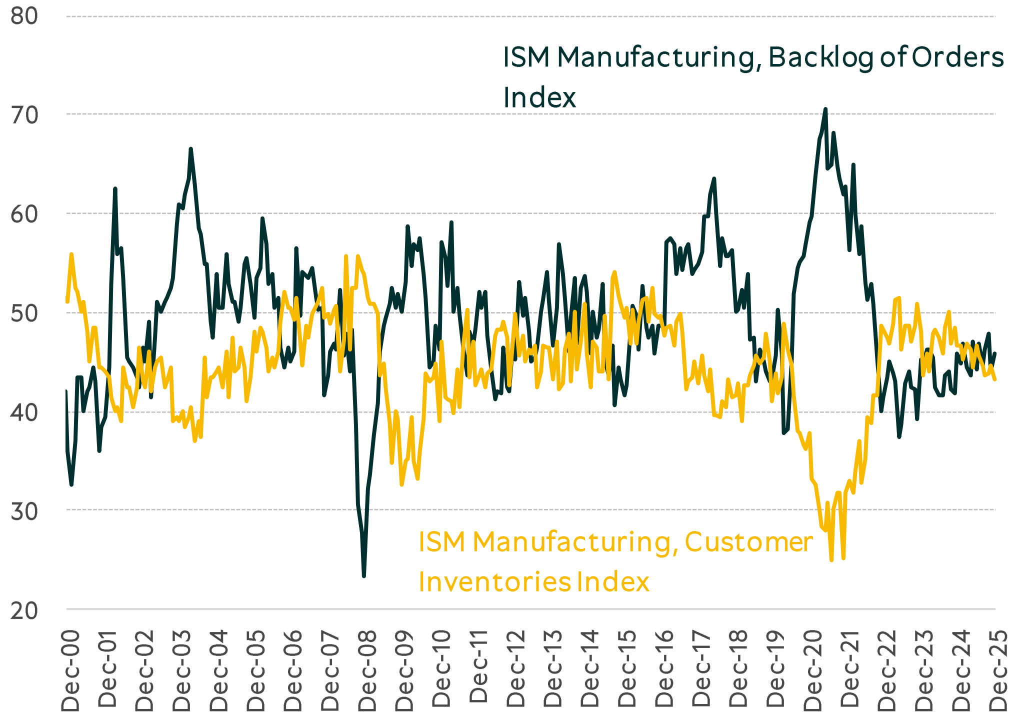


Sticky & Flexible Prices

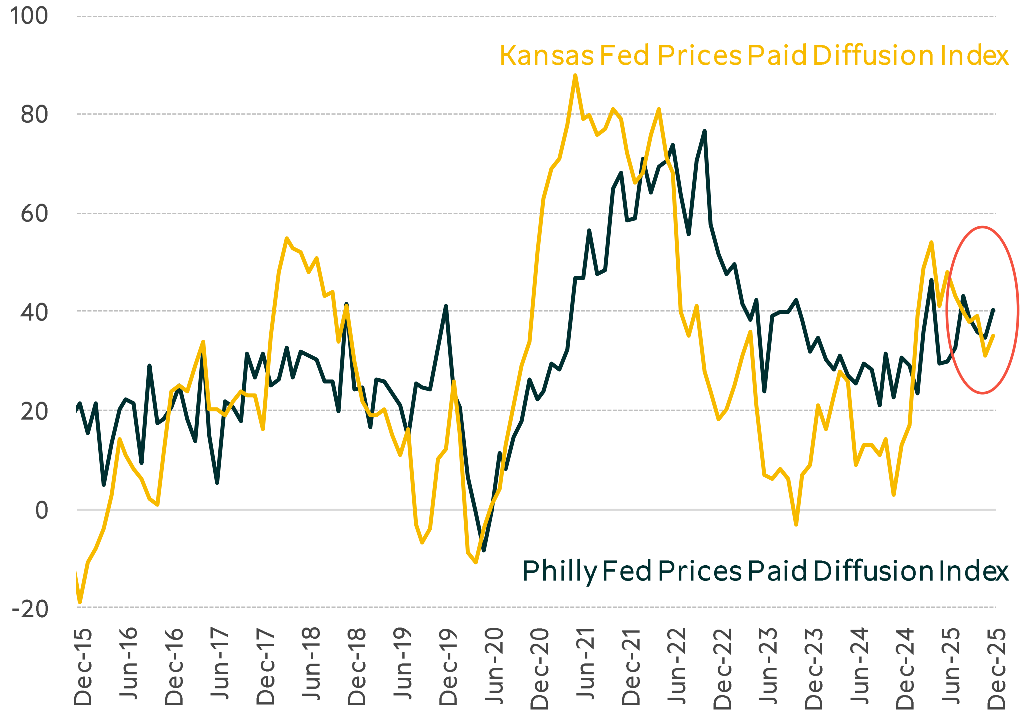


US Supply & Demand Gap | Backlog of Orders rose in December and inventories fell slightly. Price pressures from both regional Feds' surveys were higher in December.

Backlog of Orders & Customer Inventories Relation

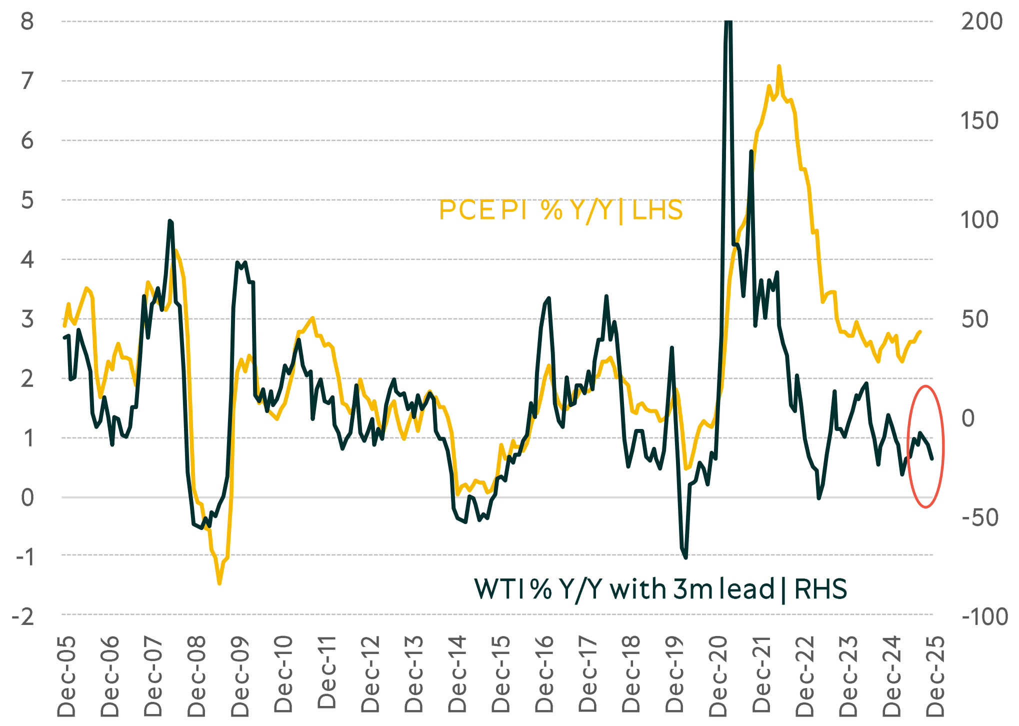


Leading Prices Indicators

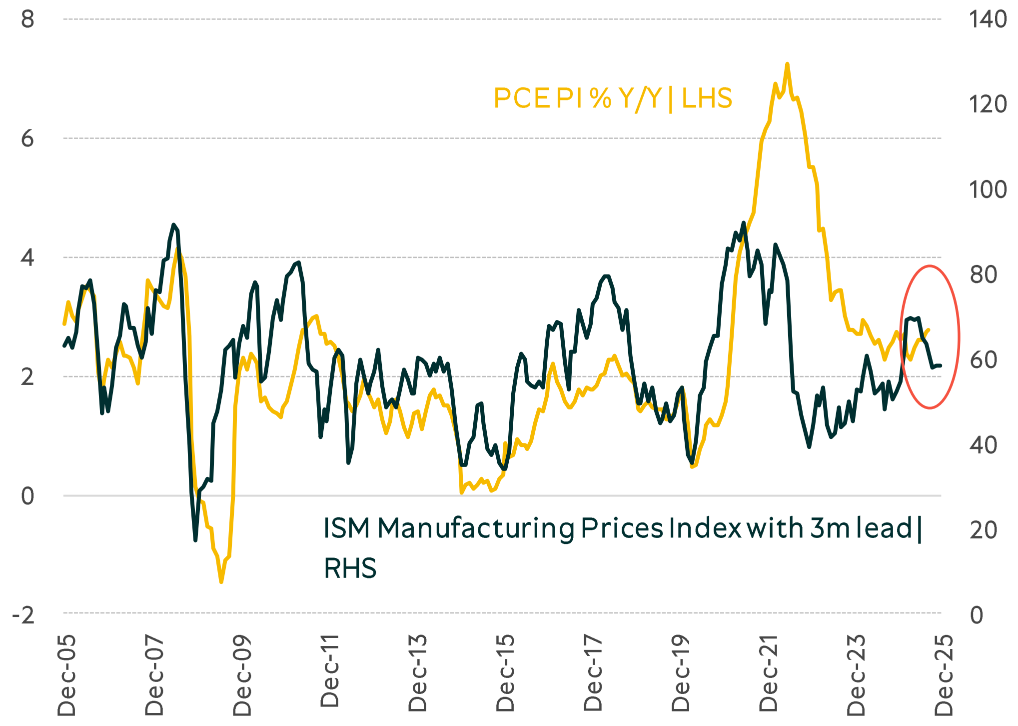


US Inflation & Energy Prices | Energy and ISM Manufacturing Prices Paid index are both supportive. The Manufacturing Price Paid component was unchanged in December but fell for services (-1.1 pts to 64.3).

Inflation Rates & Energy Prices

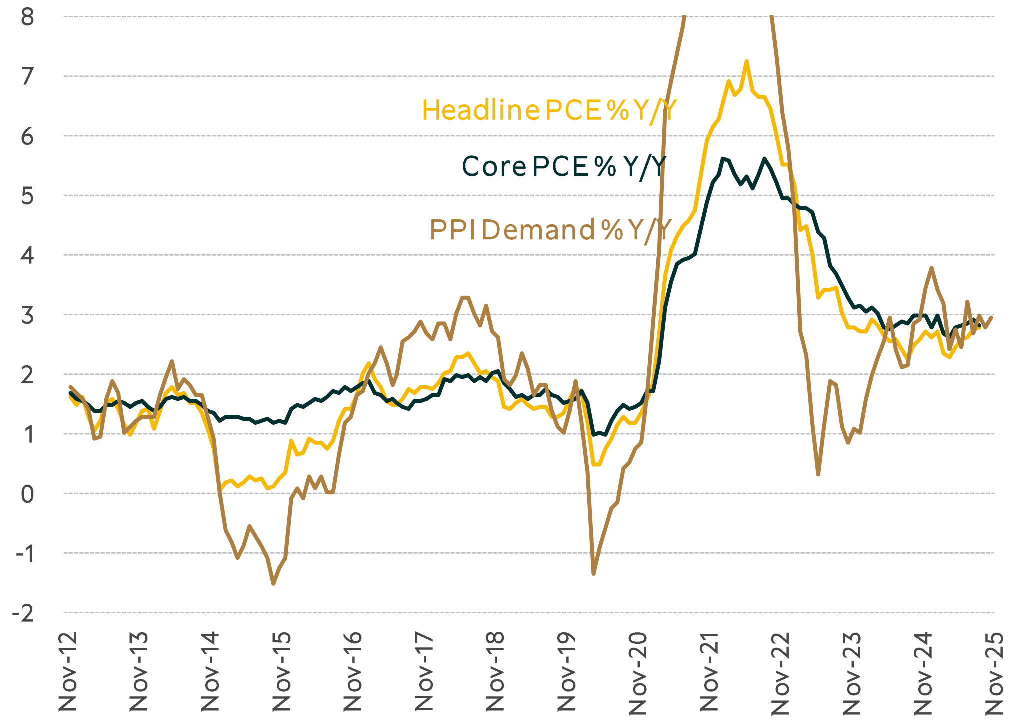


Inflation Rate & Leading Prices Indicator

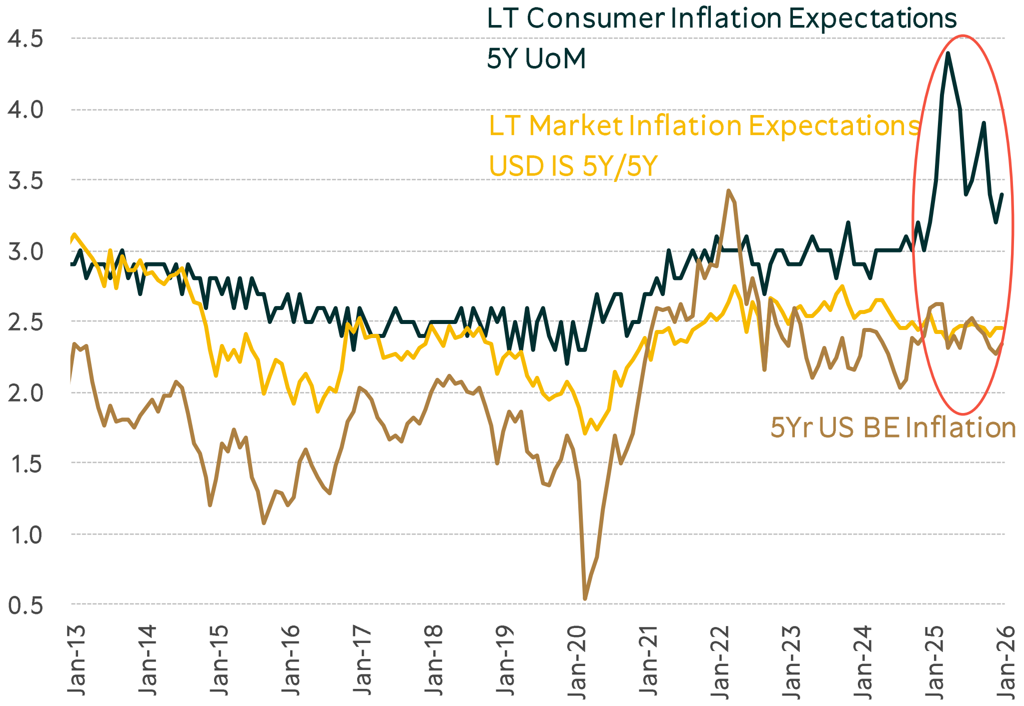


US Headline & Core Inflation | Headline PCE inflation modestly accelerated in September. Consumers' long-term view on inflation remains higher than market's (3.4% vs 2.5%)

Inflation Rates



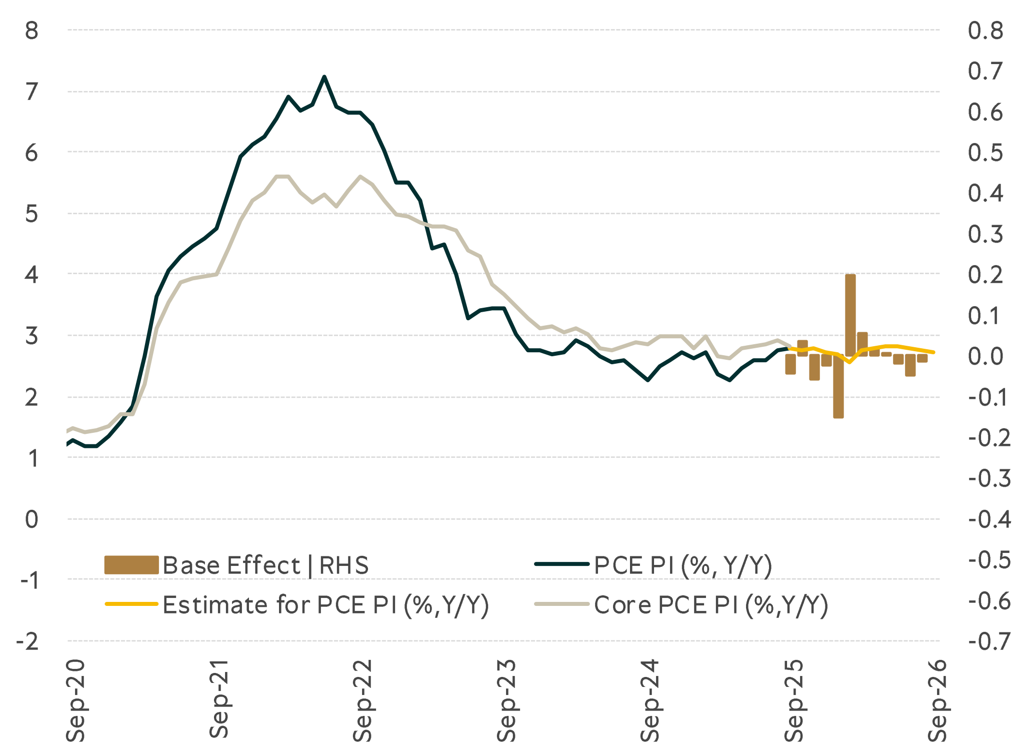
Long-Term Inflation Expectations



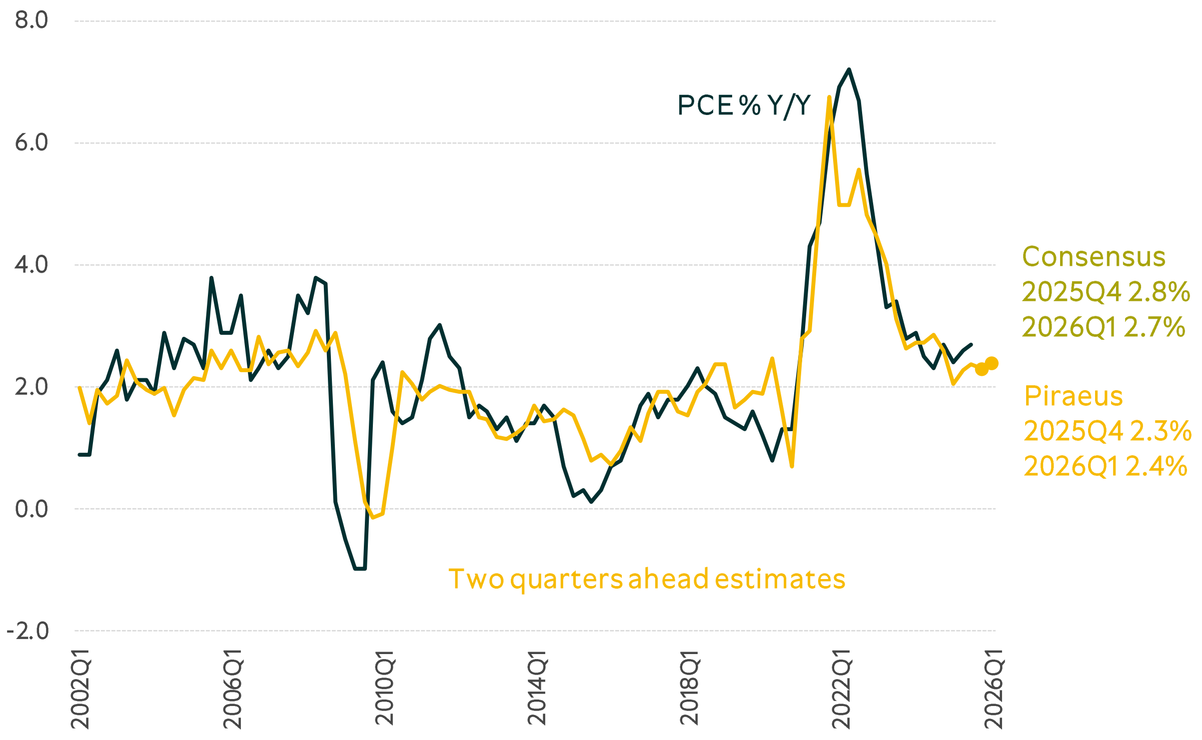
Source: Economic Research & Investment Strategy

US Inflation Outlook | Both our models still point to inflation above 2.5% for 2025 & 2026

Inflation Rate Forecast | Statistical Model

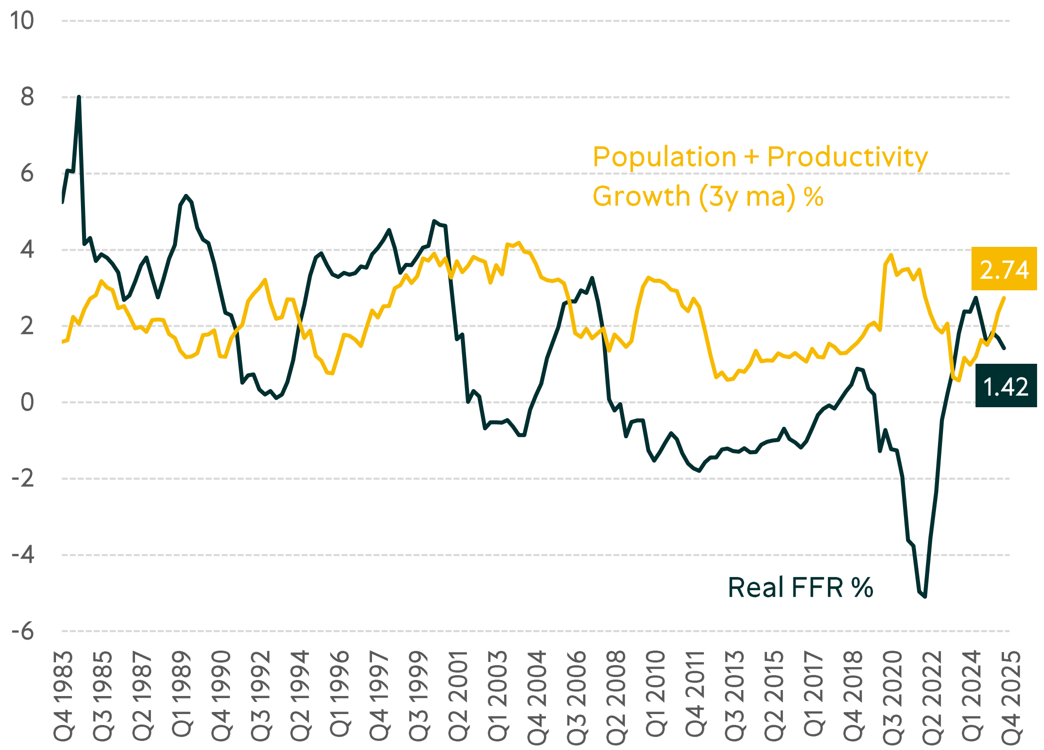


Inflation Rate Forecast | Macro Model

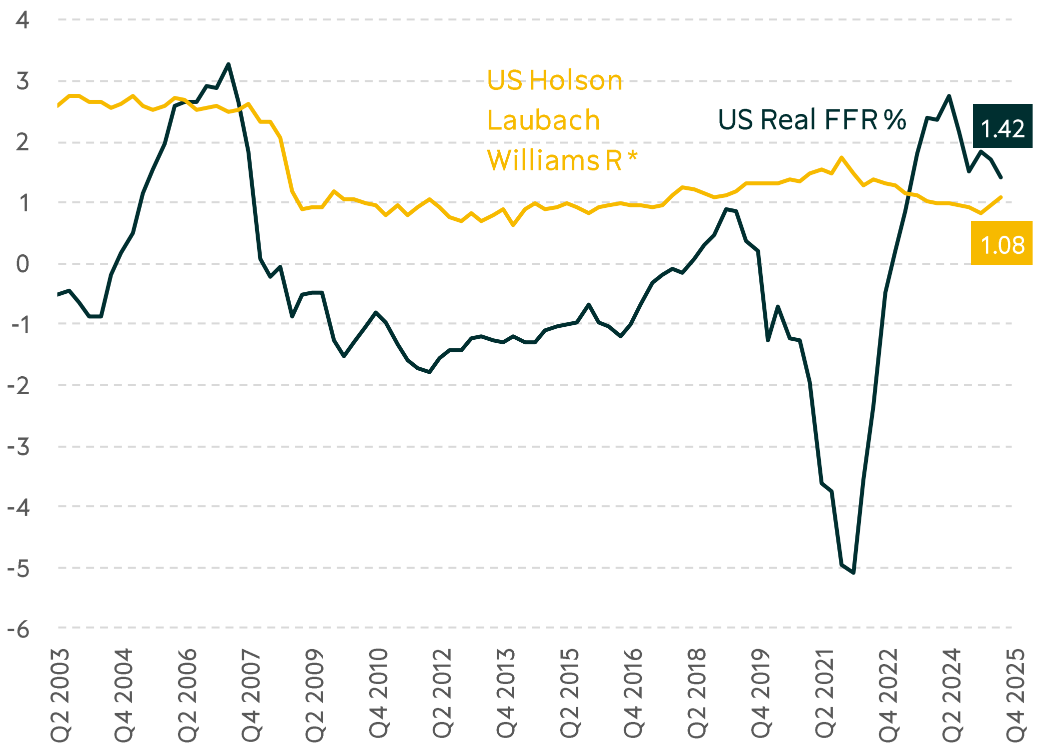


US Interest Rates | US productivity growth increased significantly in Q2 & Q3; real policy rate only slightly above neutral rate HLW R*

Population + Productivity growth (3y ma) &
US Real Fed Fund Rate



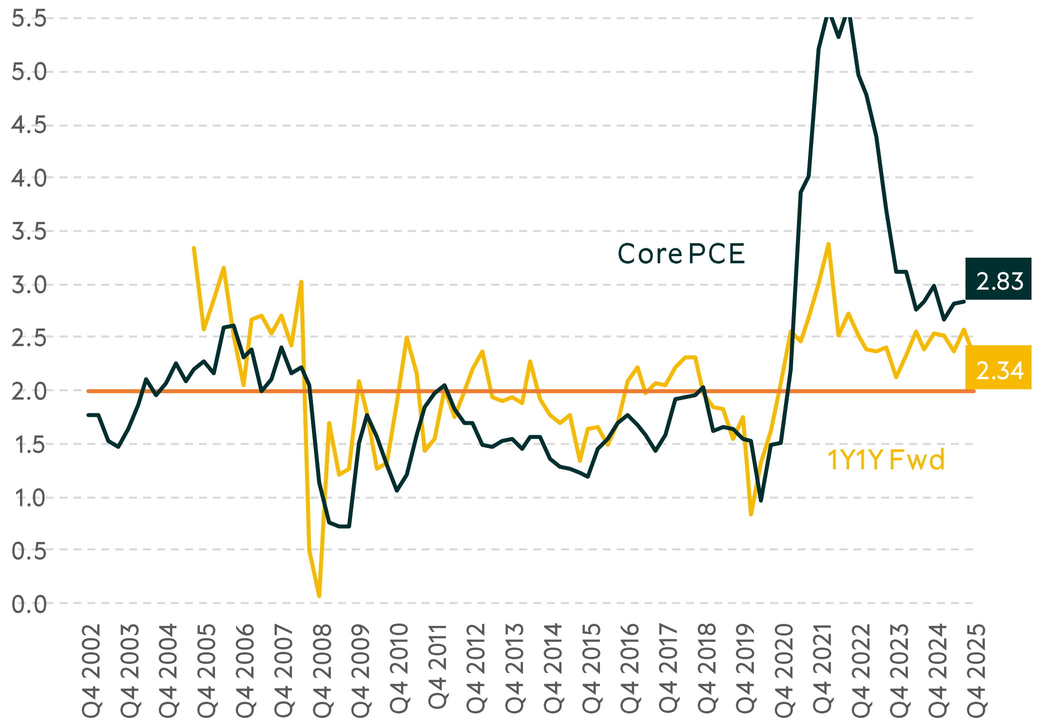
US Holson Laubach Williams R* &
US Real Policy Rate (Fed Fund Rate - Core PCE)



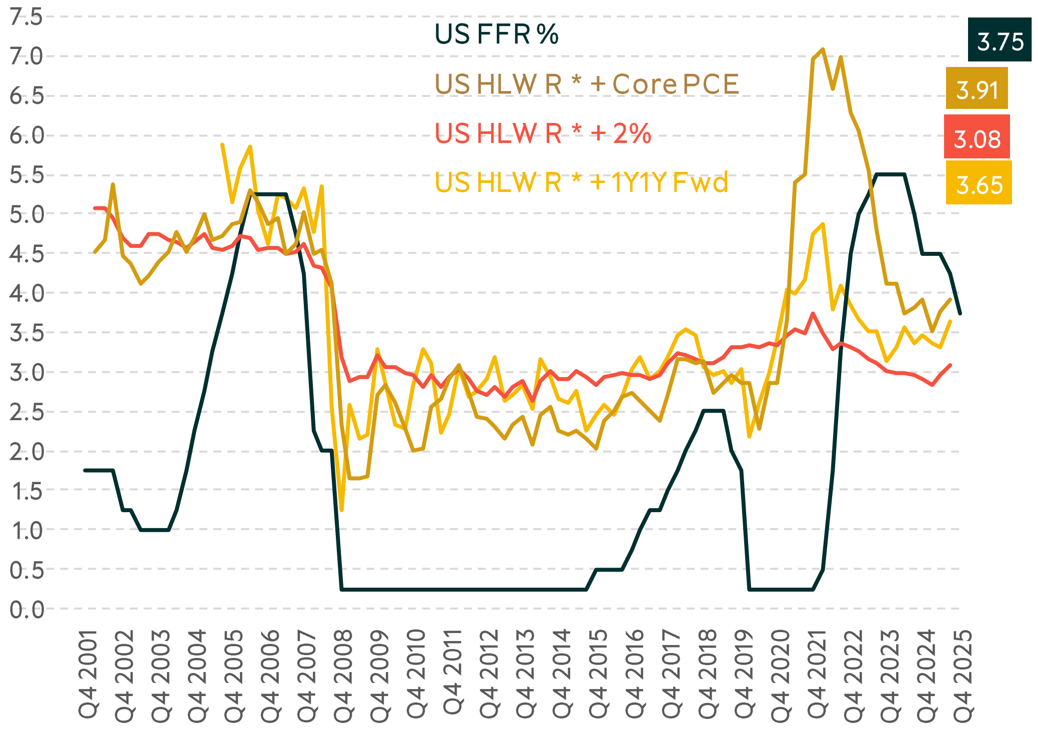
Source: Economic Research & Investment Strategy

US Interest Rates | US Inflation expectation one year ahead on a downward trend; Fed Fund Rate & Adjusted HLW R*

US Inflation & Inflation Expectations one year ahead



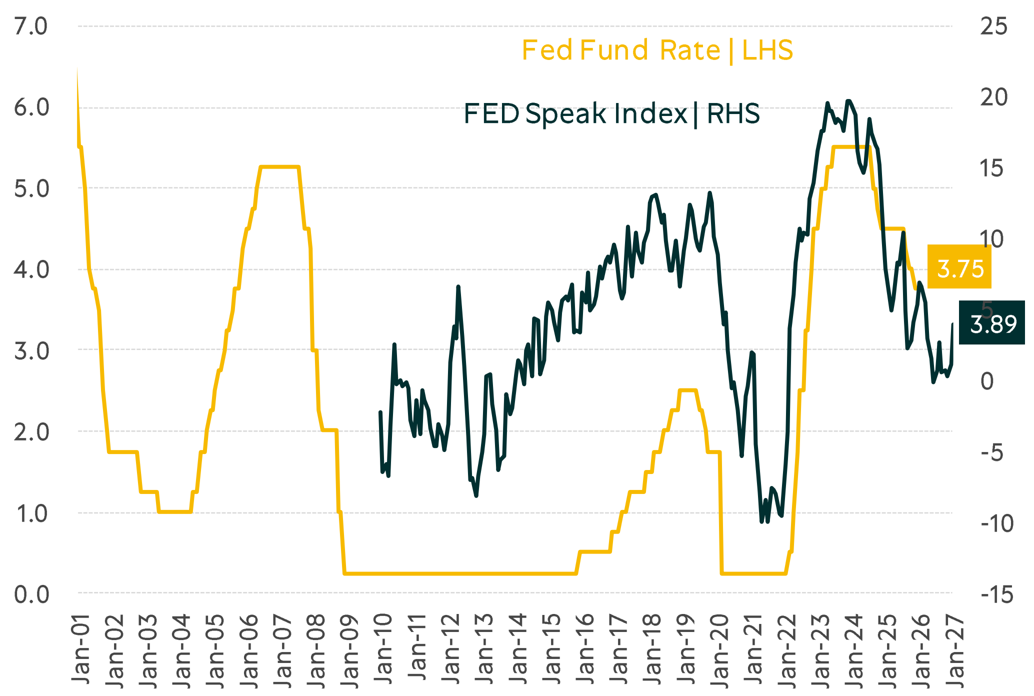
US FFR Rate & Nominal HLW R*



Source: Economic Research & Investment Strategy

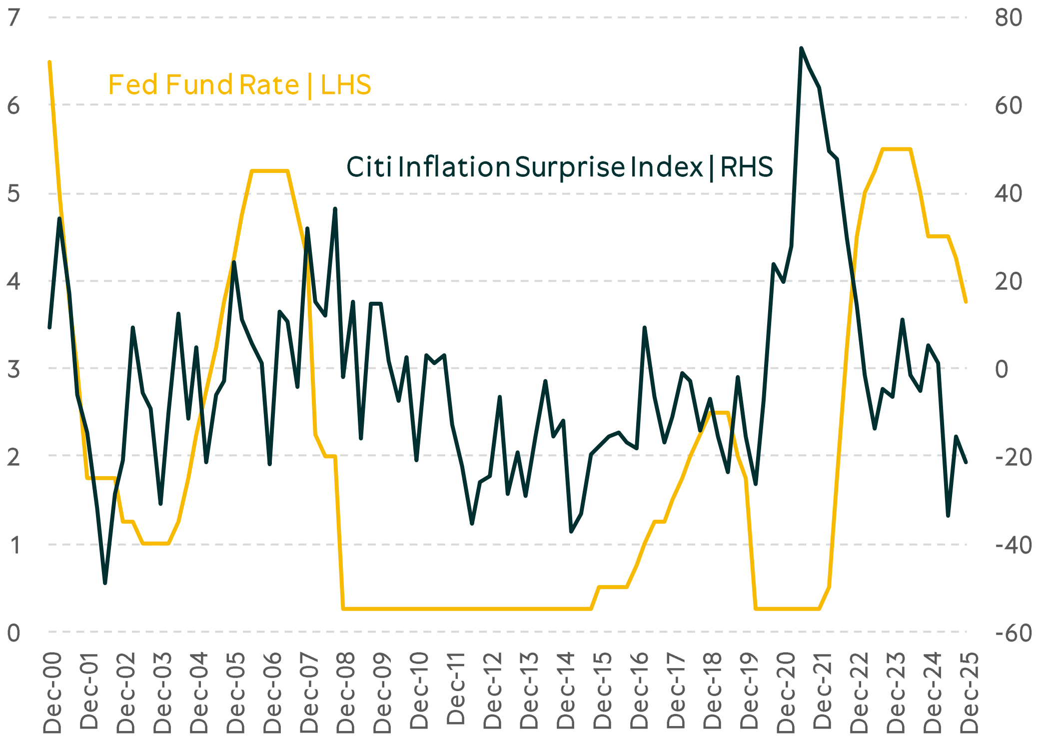
US Interest Rates | Fed Speak Index slightly above zero; Negative price surprises relative to market expectations

Fed Speak Index & Fed Fund Rate



Positive index → Indicates a hawkish tone, meaning the central bank is leaning toward tightening monetary policy (raising interest rates, reducing liquidity).
Negative index → Indicates a dovish tone, meaning the central bank is inclined toward easing monetary policy (lowering rates, adding liquidity).

Inflation Surprises & Fed Fund Rate

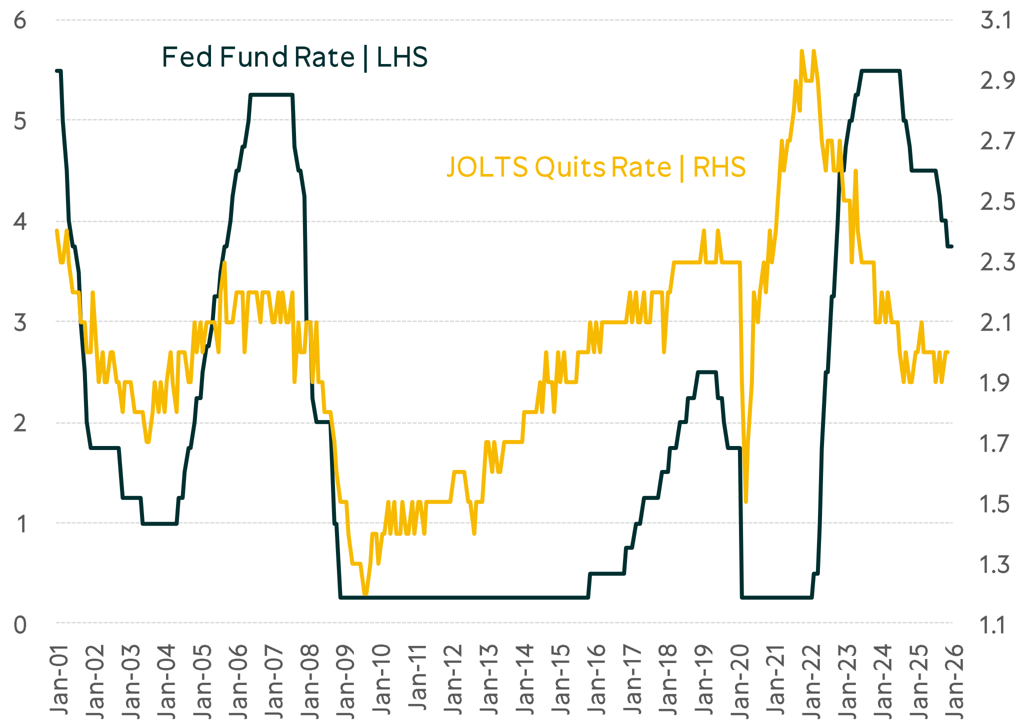


Positive index → Indicates that inflation has been higher than expected

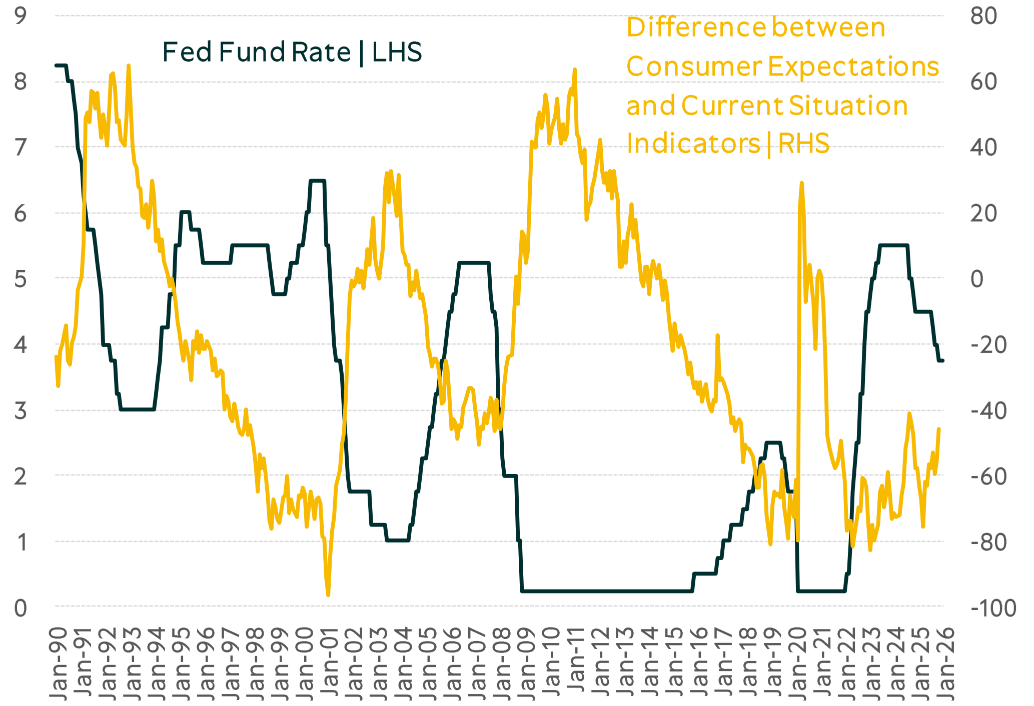
Negative index → Indicates that inflation has been lower than expected

US Interest Rates | JOLTS Quits Rate & Consumer Expectations point to lower Fed Fund Rate

Fed Fund Rate & Quits Rate

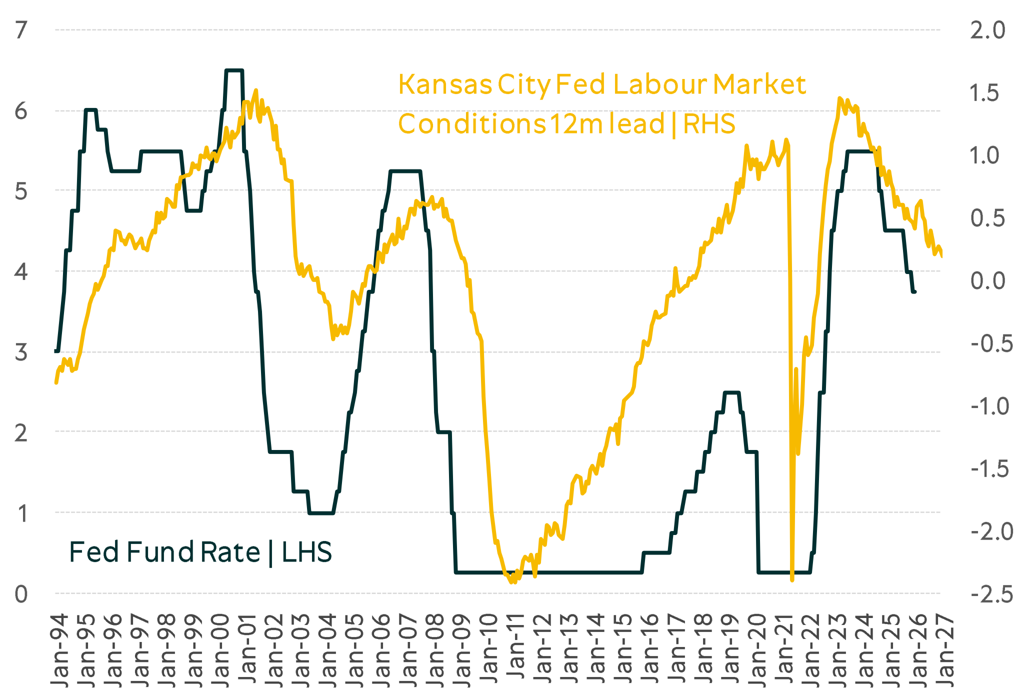


Fed Fund Rate & Difference between Consumer Expectations and Current Situation Indicators (Conference Board)

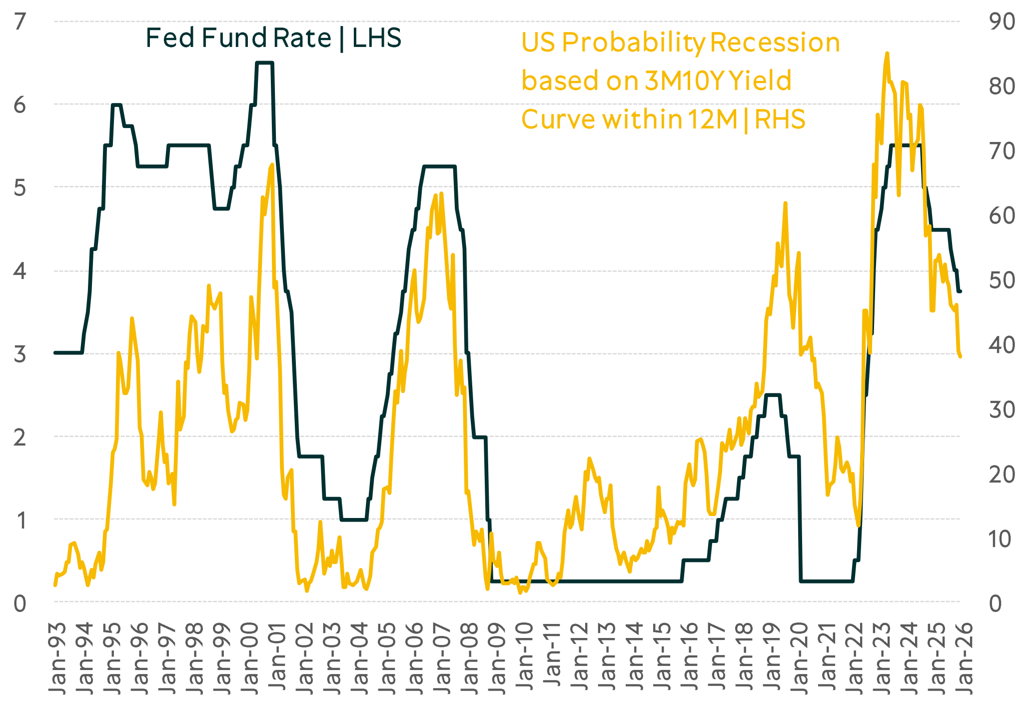


US Interest Rates | Kansas Fed Labour Market Conditions (12m lead) & Recession probability vs policy rate

Fed Fund Rate & Kansas City Fed Labour Market Conditions

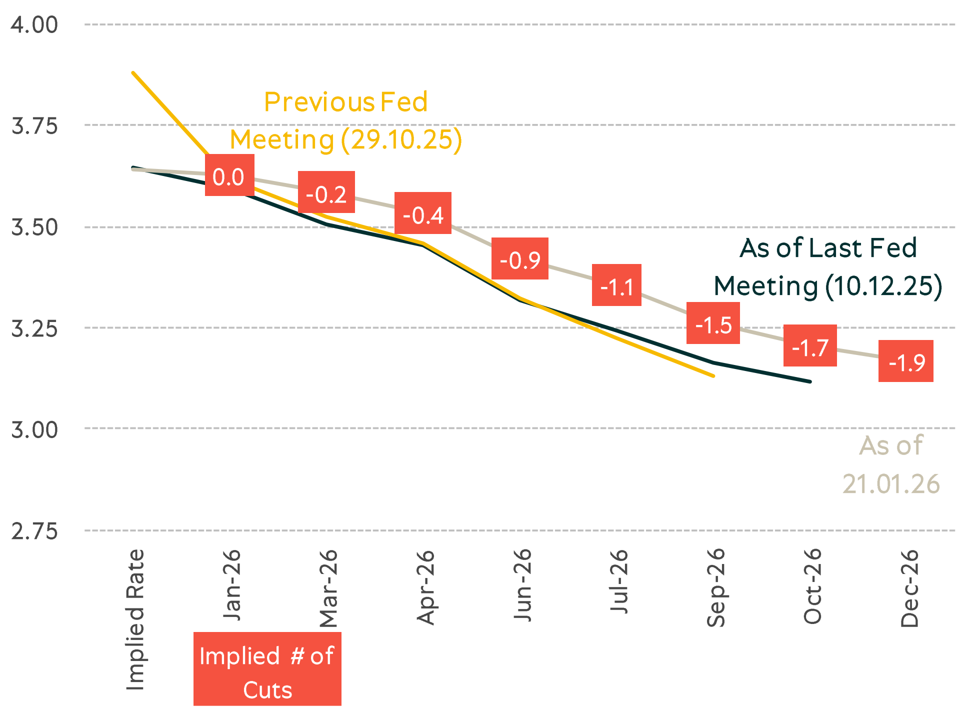


Fed Fund Rate & Probability Recession based on Yield Curve 3M10Y within 12M

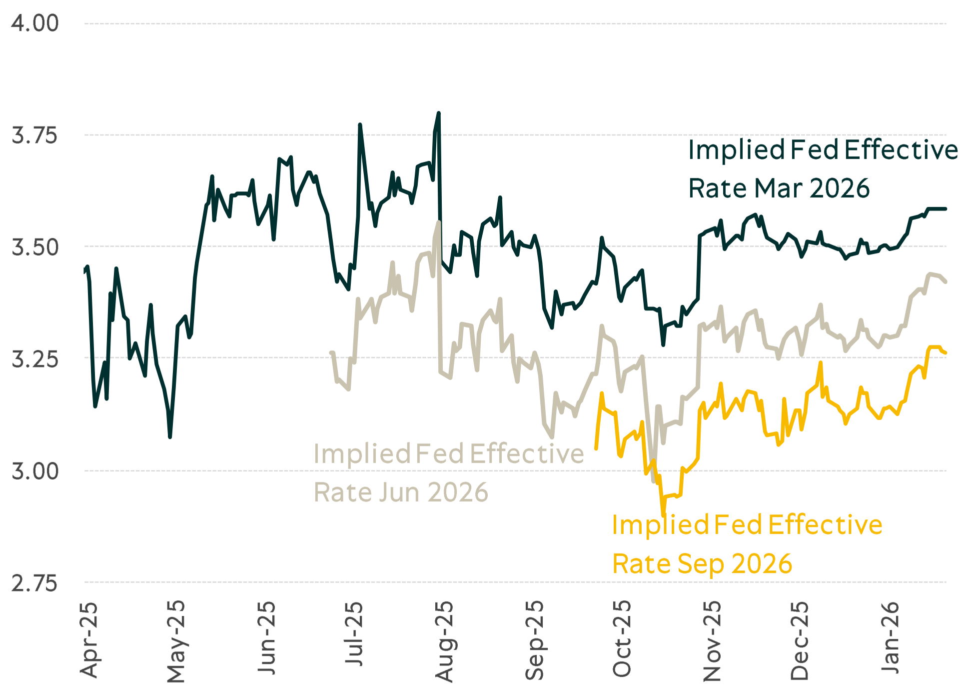


US Interest Rates | Two cuts are anticipated by the markets for 2026

Implied Overnight Rate based on Overnight Index Swaps

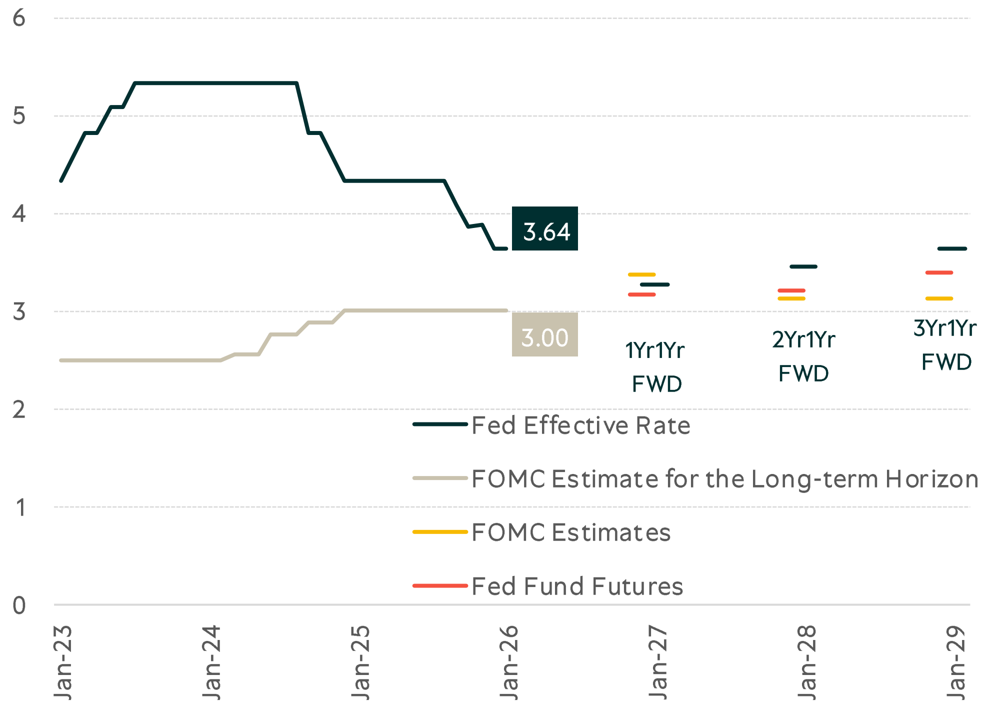


Interest Rates | Implied Fed Effective Rate

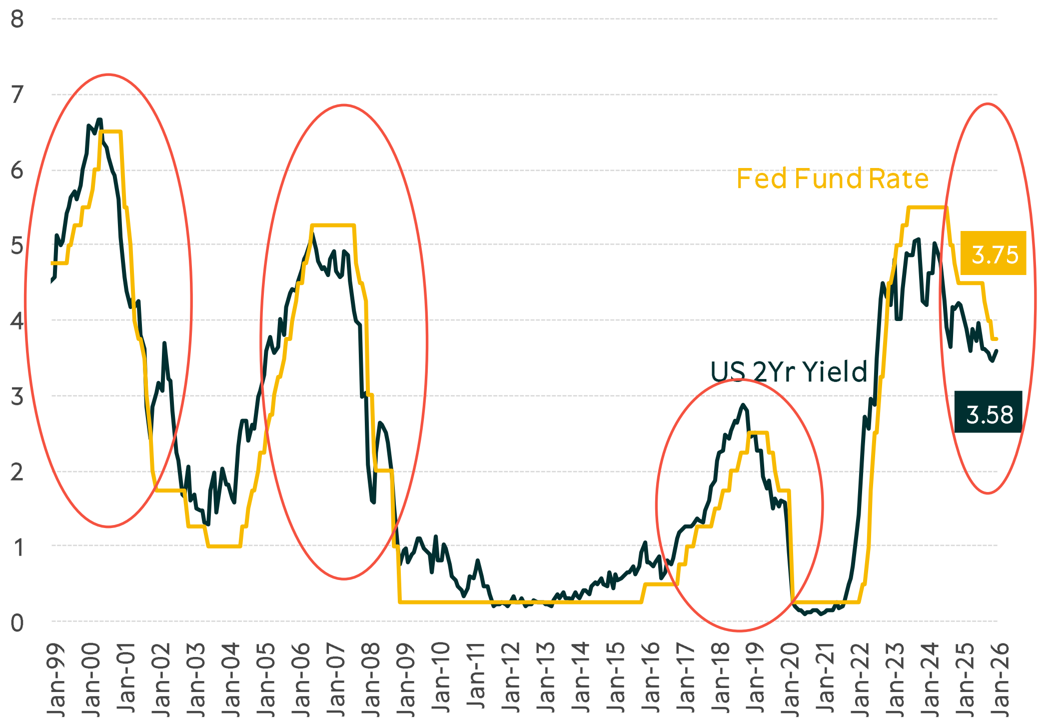


US Interest Rates | Forward rates are above FOMC's long-term target

Interest Rates | Fed Effective Rate



Fed Fund Rate & US Treasury Yield



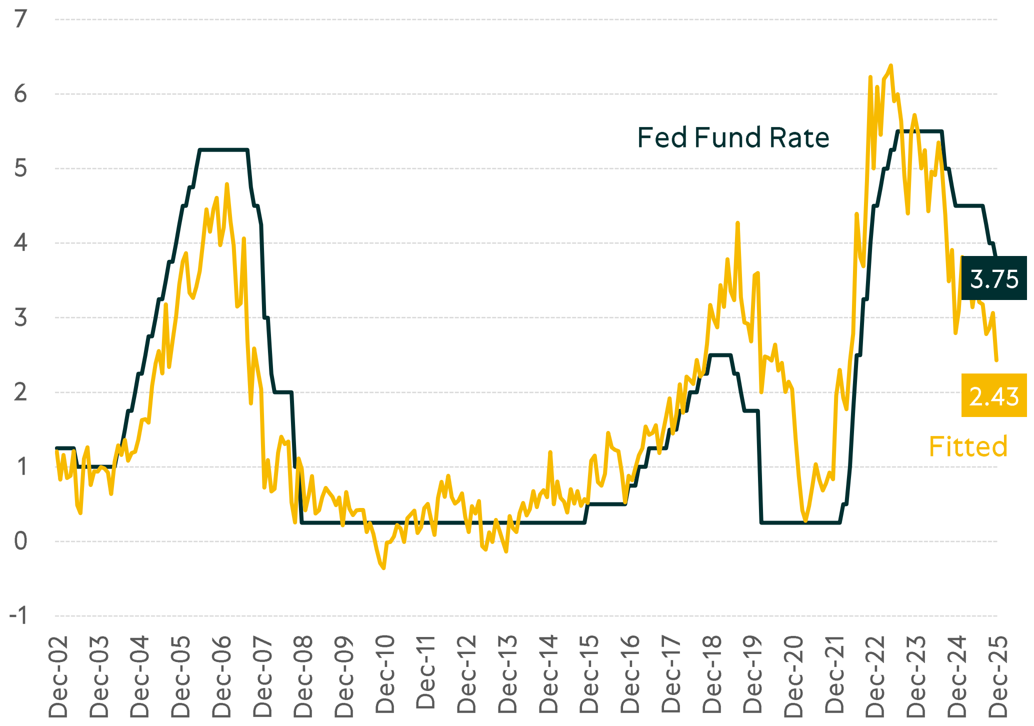
Note: Monthly data apart from the last observation which shows the latest available daily value

Piraeus

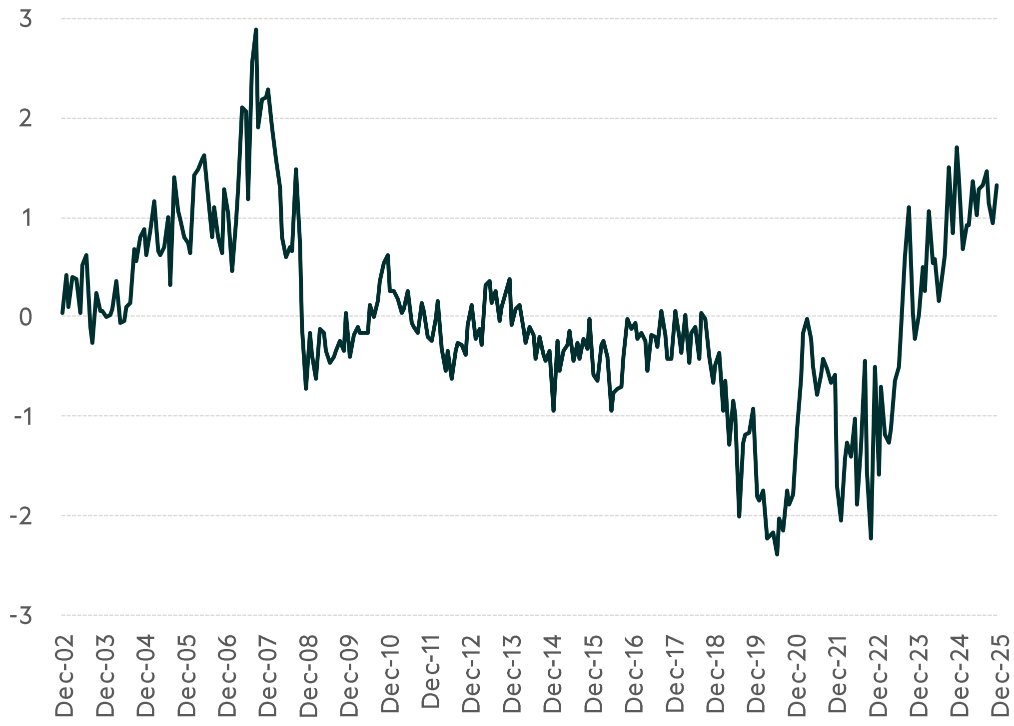
Source: Economic Research & Investment Strategy

US Interest Rates | Taylor Rule Proxy Model & Fed Funds Rate

Fitted vs Actual

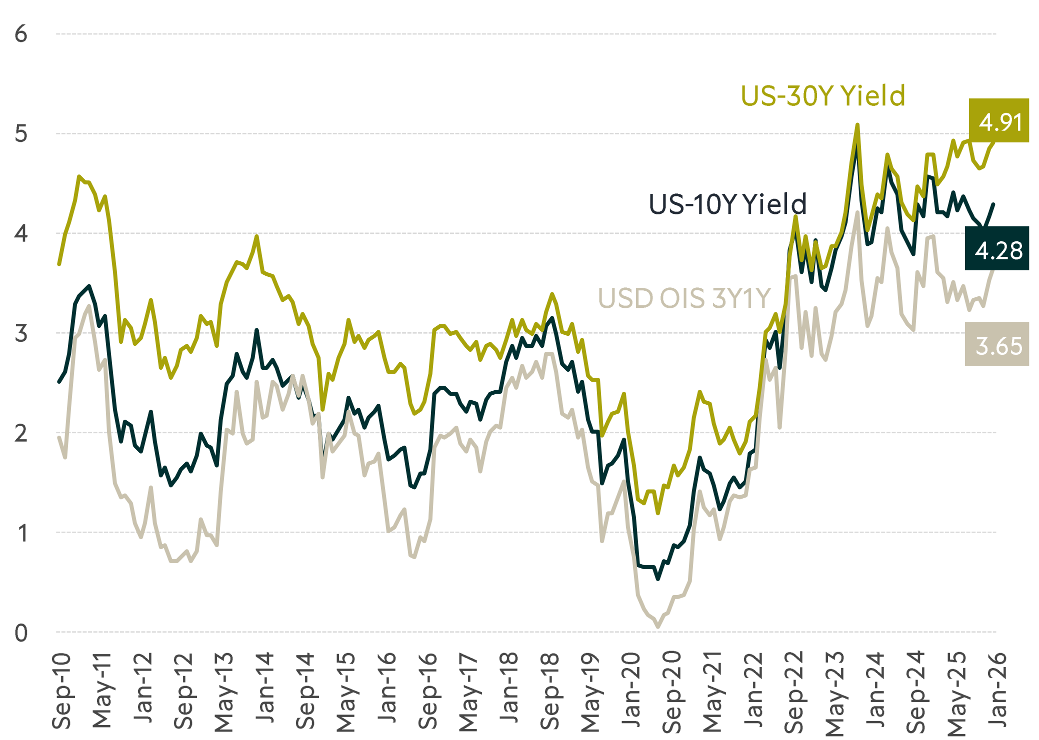


Residuals



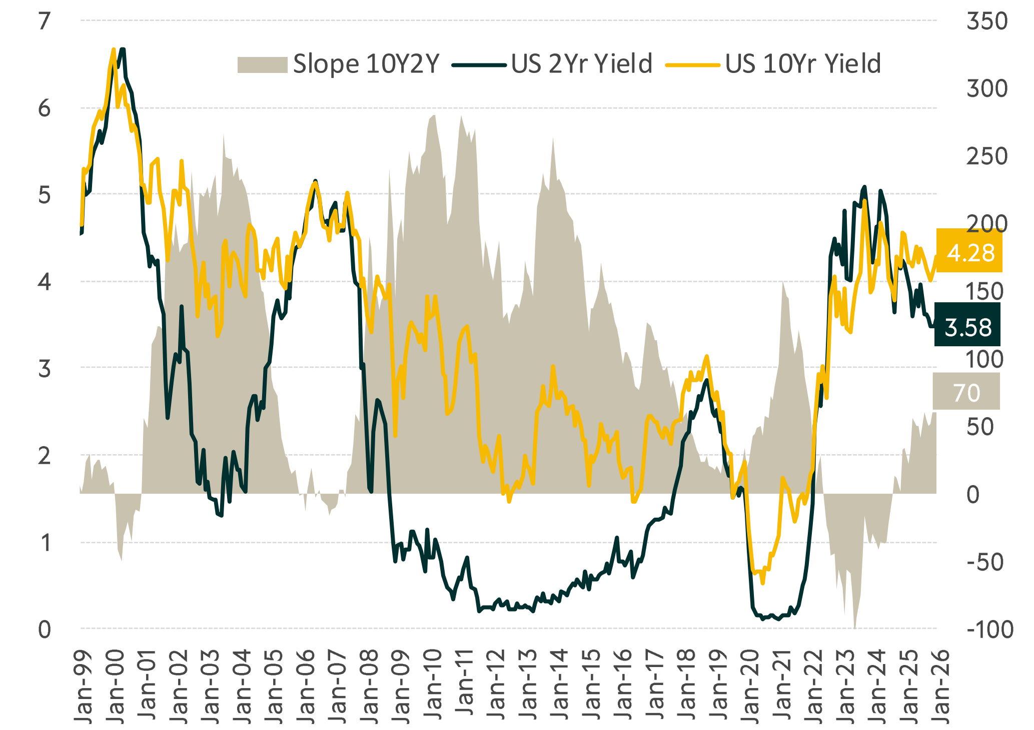
US | The Fed resumed cutting rates in 2025 by reducing its benchmark rates by 25 bps in September, October and December amid downside risks to employment

US 10-Year, US 30-Year Yield & USD OIS 3Y1Y



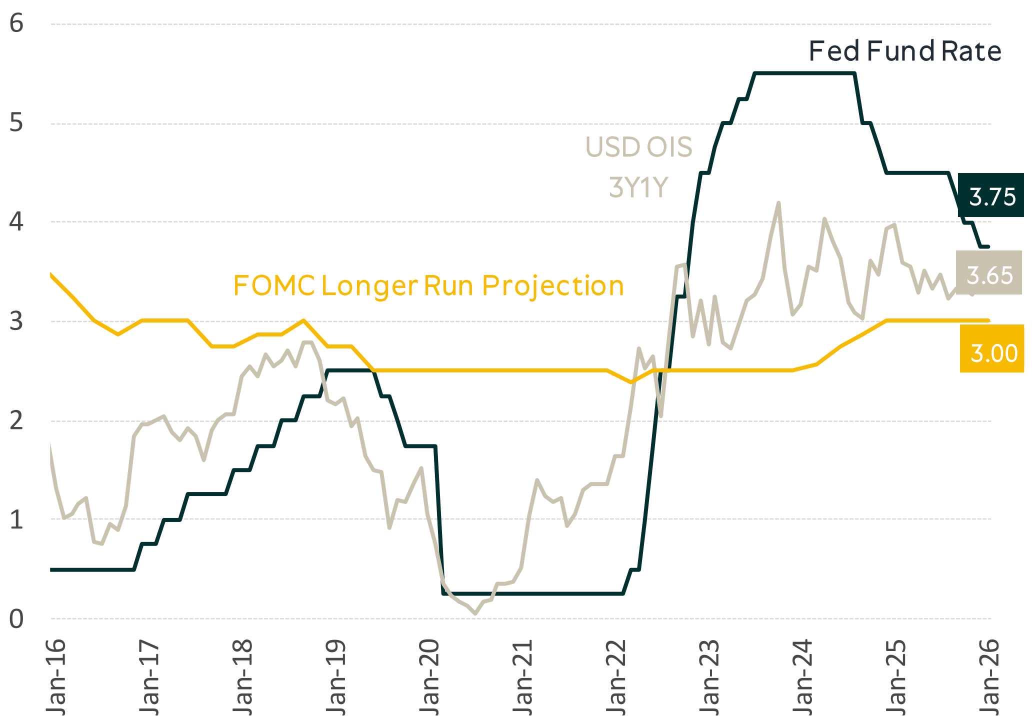
Note: Monthly data apart from the last observation which shows the latest available daily value

US Yield Curve



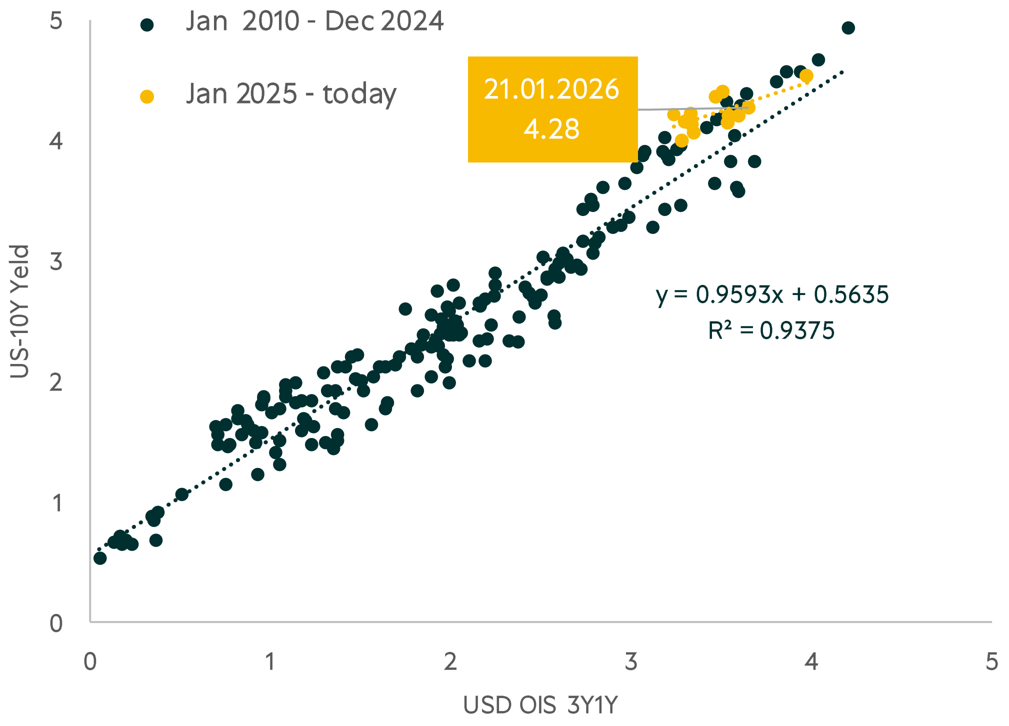
US Long-Term Rates | Short-term rates 4 years in the future above target (3%). 10- year rates above "fair" value given the current level of short-term rates.

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

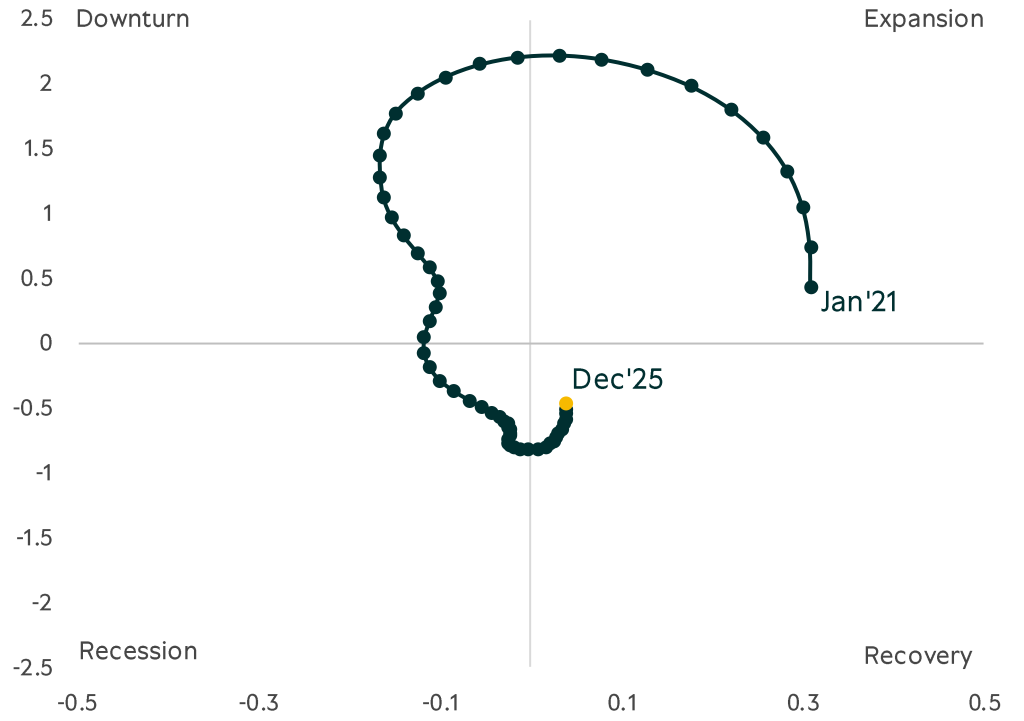
US Economy

EA Economy

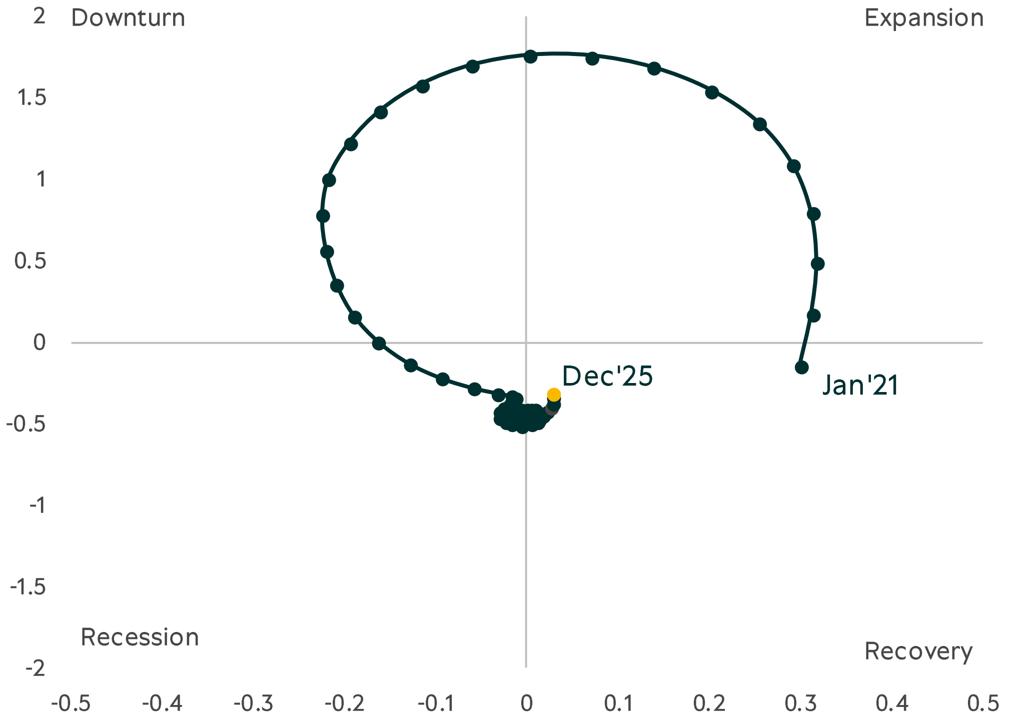
China Economy

EA Business Cycle Watch | In December, 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



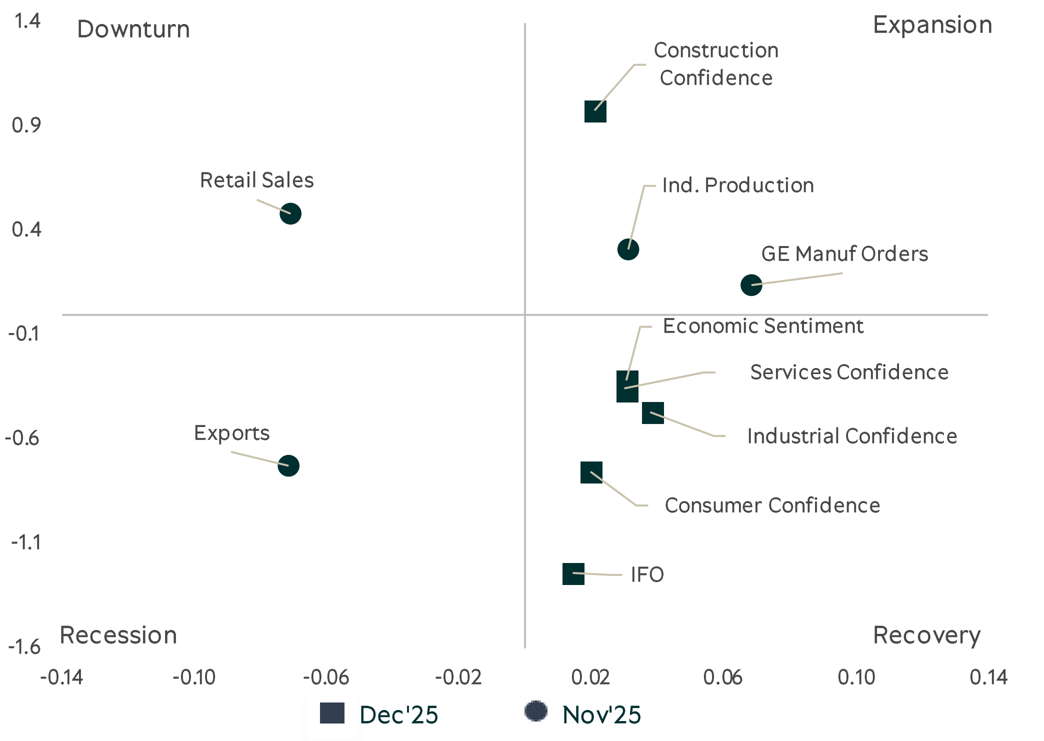
EA Business Cycle | Based on Economic Sentiment Indicator



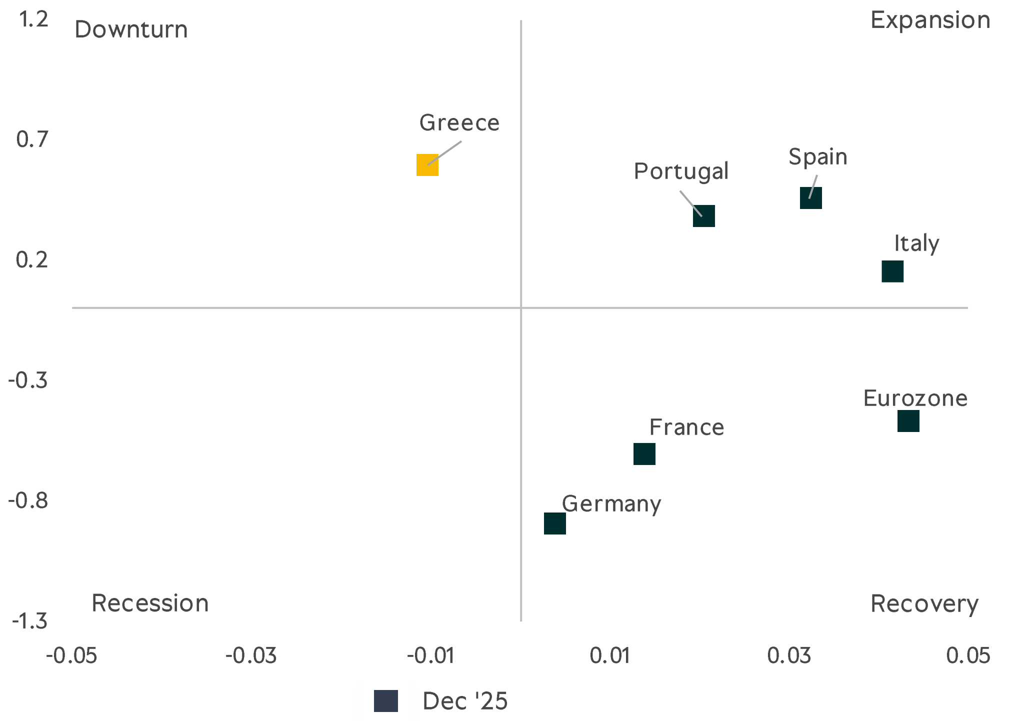
Source: Economic Research & Investment Strategy

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

EA Business Cycle | Based on Major EA Economic Variables

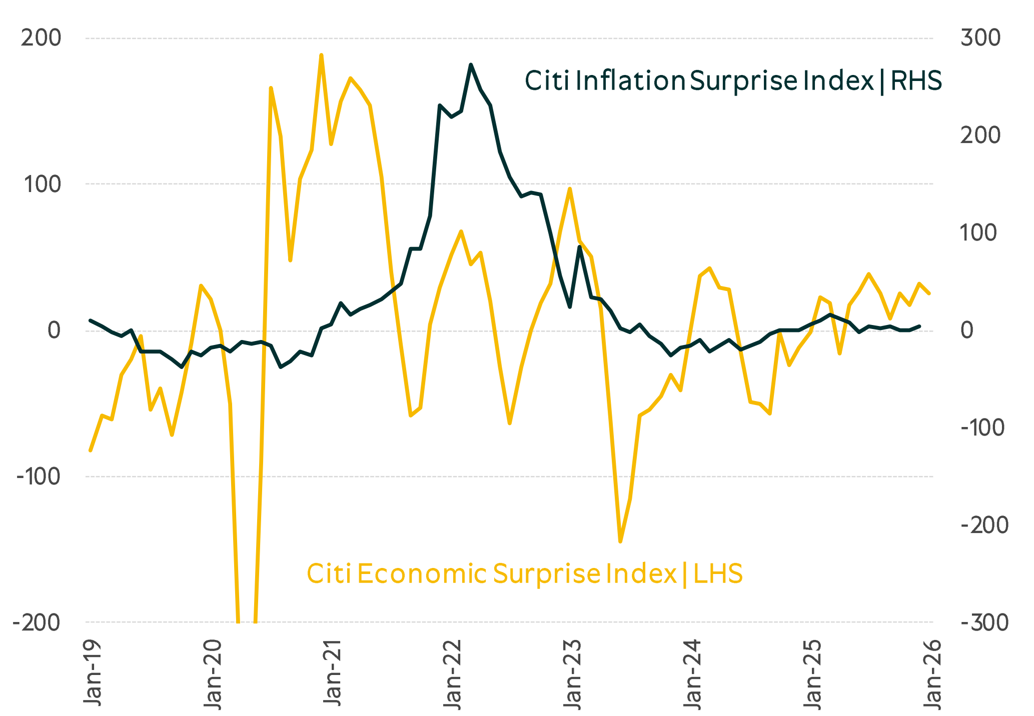


Business Cycle of EA Members | Based on Economic Sentiment Indicator

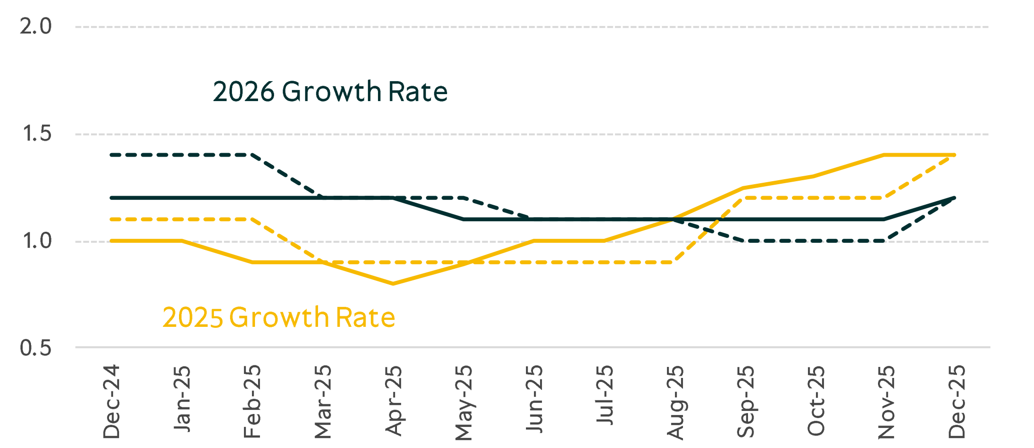


EA Macro Expectations | In January, economic surprises softened as consensus forecasts point to slightly stronger growth in 2025 and 2026.

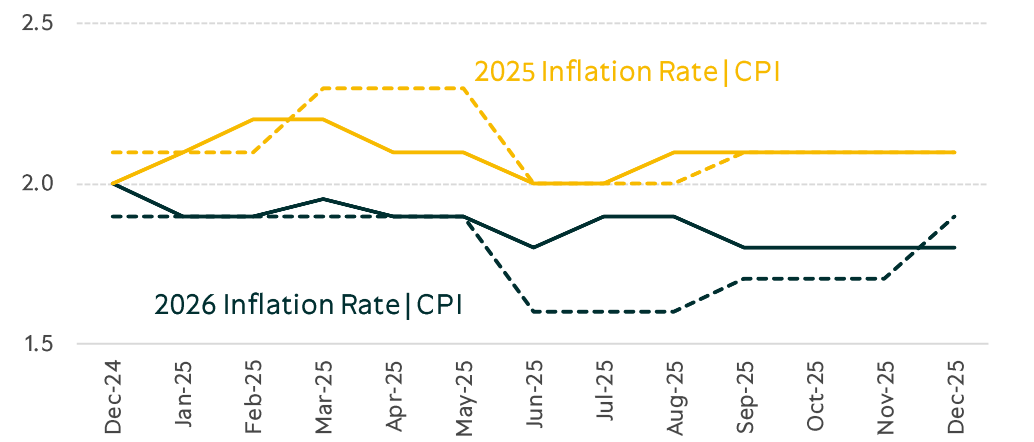
Economic & Inflation Surprises



Growth Rate Expectations*



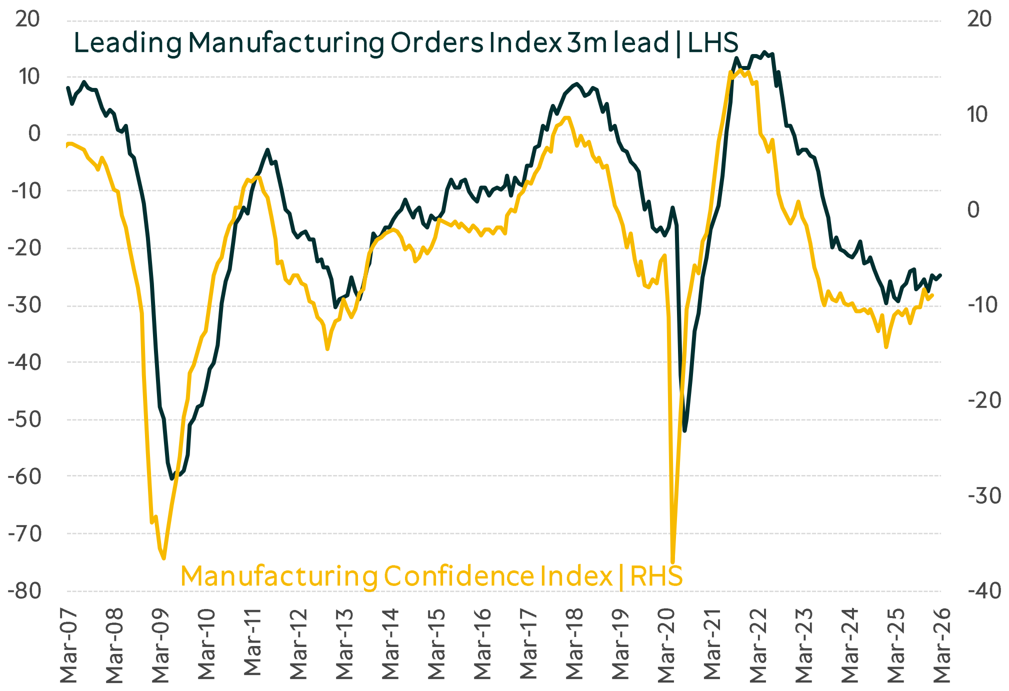
Inflation Rate Expectations*



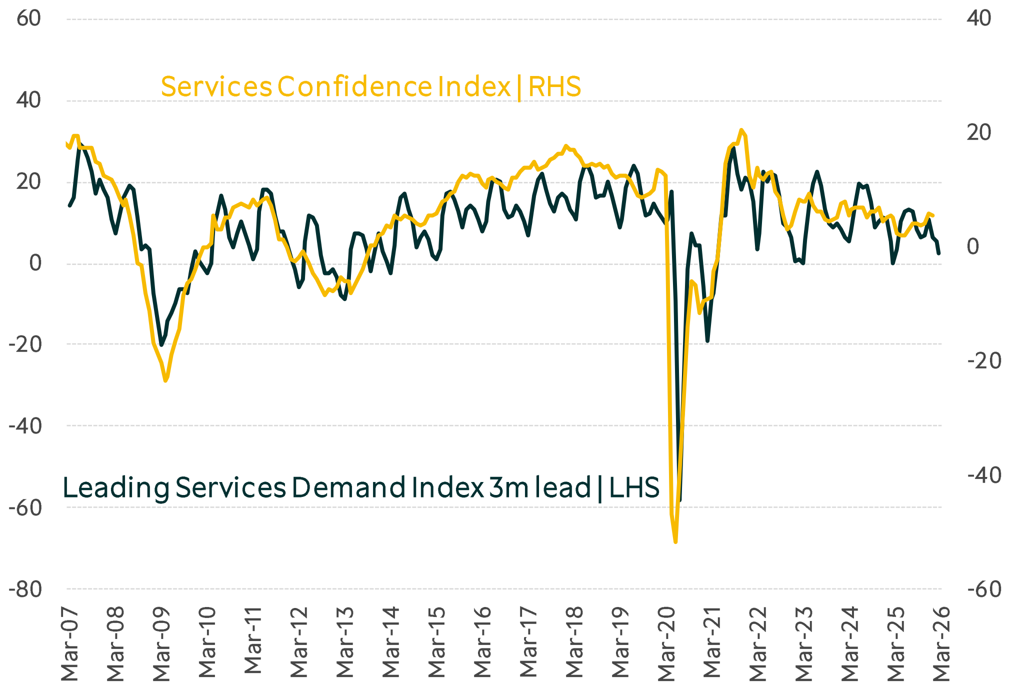
*Solid line: Consensus; Dotted line: ECB projections

EA Leading Indicators | In December, manufacturing confidence continued to weaken, though the pace of decline slowed, while the Leading Services demand index fell for the third consecutive month.

Manufacturing Confidence Index & Leading Manufacturing Orders



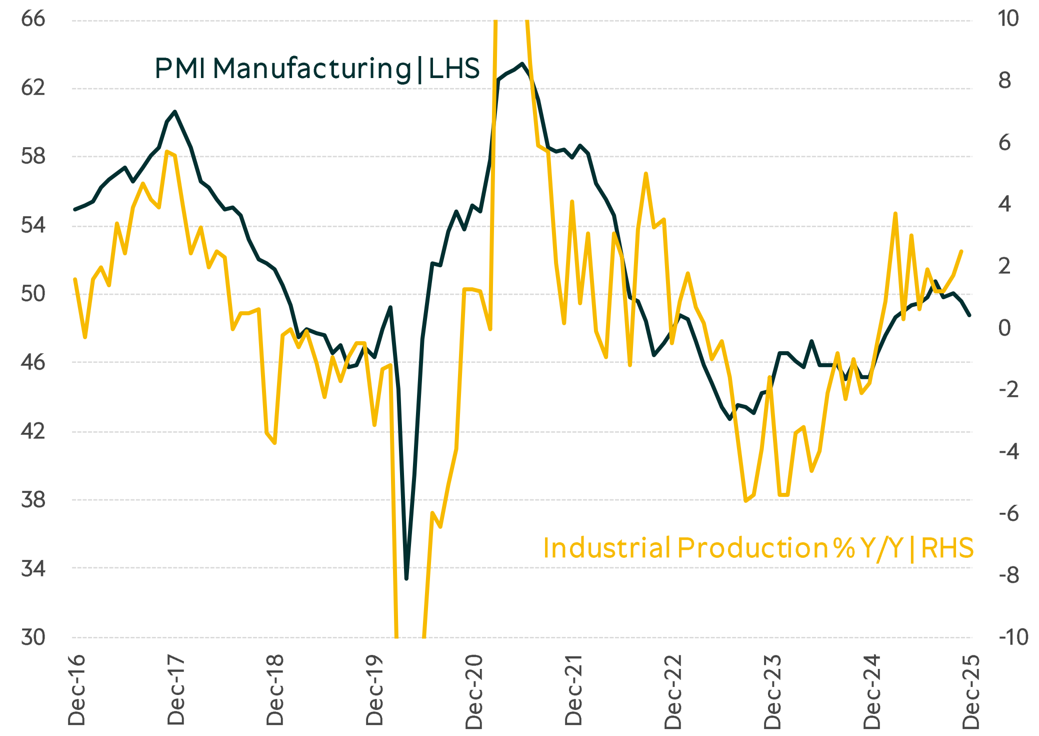
Services Confidence Index & Leading Services Demand Index



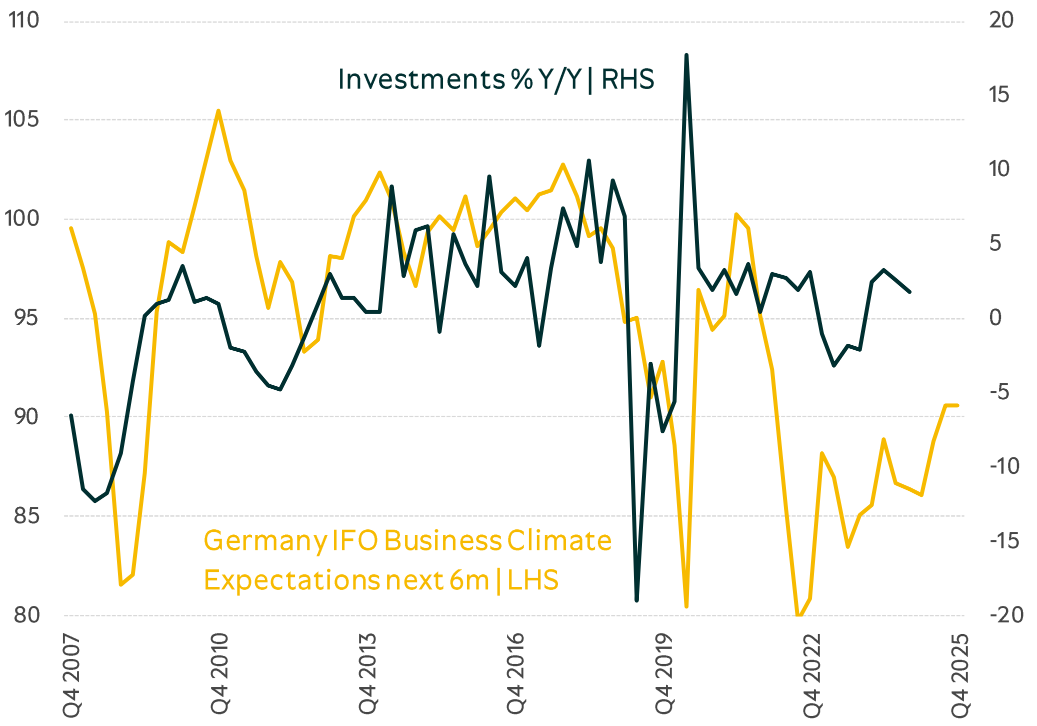
Source: Economic Research & Investment Strategy

EA Business Conditions | November's industrial output increased 2.5% annually, supported by robust growth in capital and non-durable goods. In contrast, the Manufacturing Leading Indicator softened in December.

Industrial Production & PMI Manufacturing



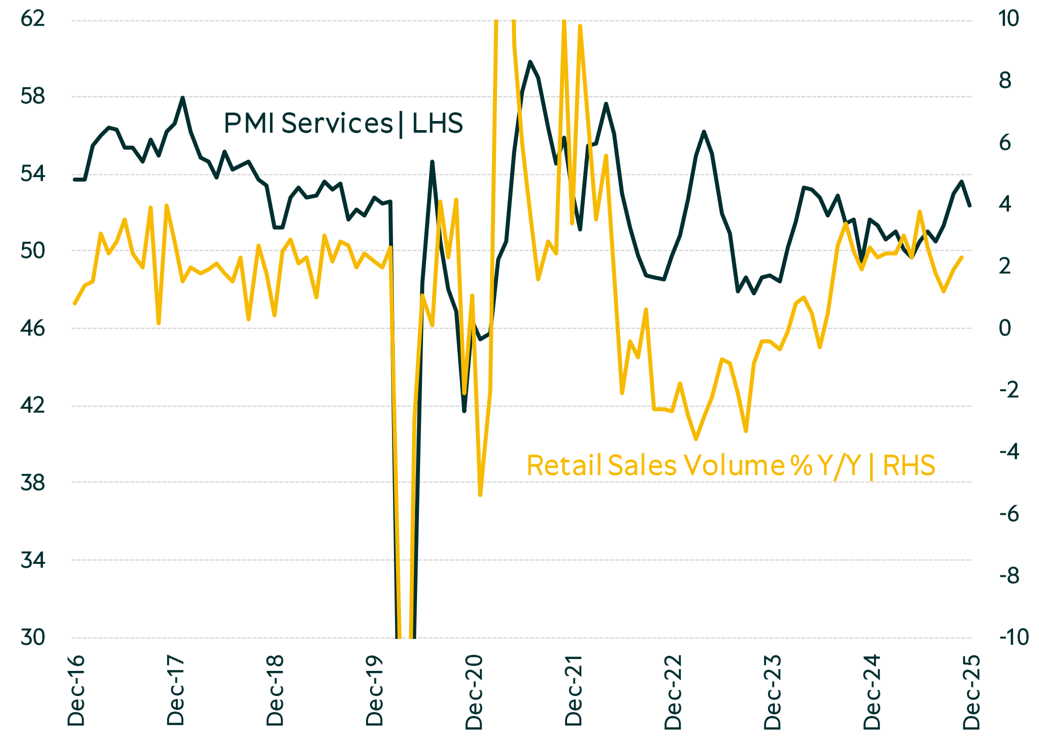
IFO Expectations & Business Investment



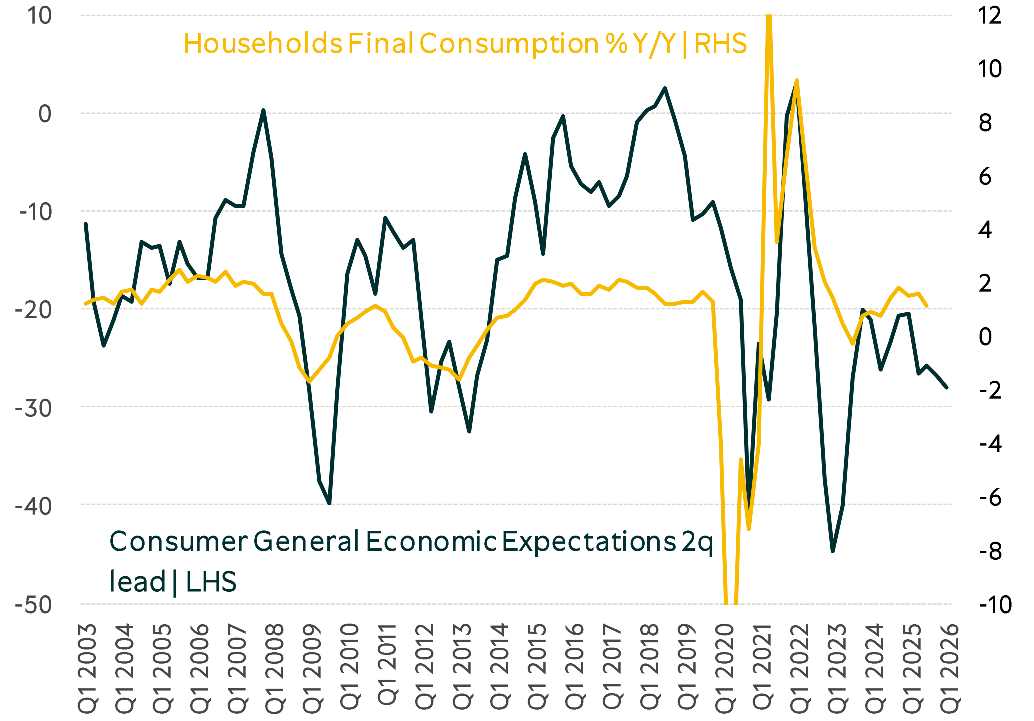
Source: Economic Research & Investment Strategy

EA Business Conditions | The Services PMI eased to a revised 52.4 in December from 53.6 in November, indicating softer GDP momentum. Retail sales rose 2.3% Y/Y in November, up from 1.9% in October.

Retail Sales Volume & PMI Services



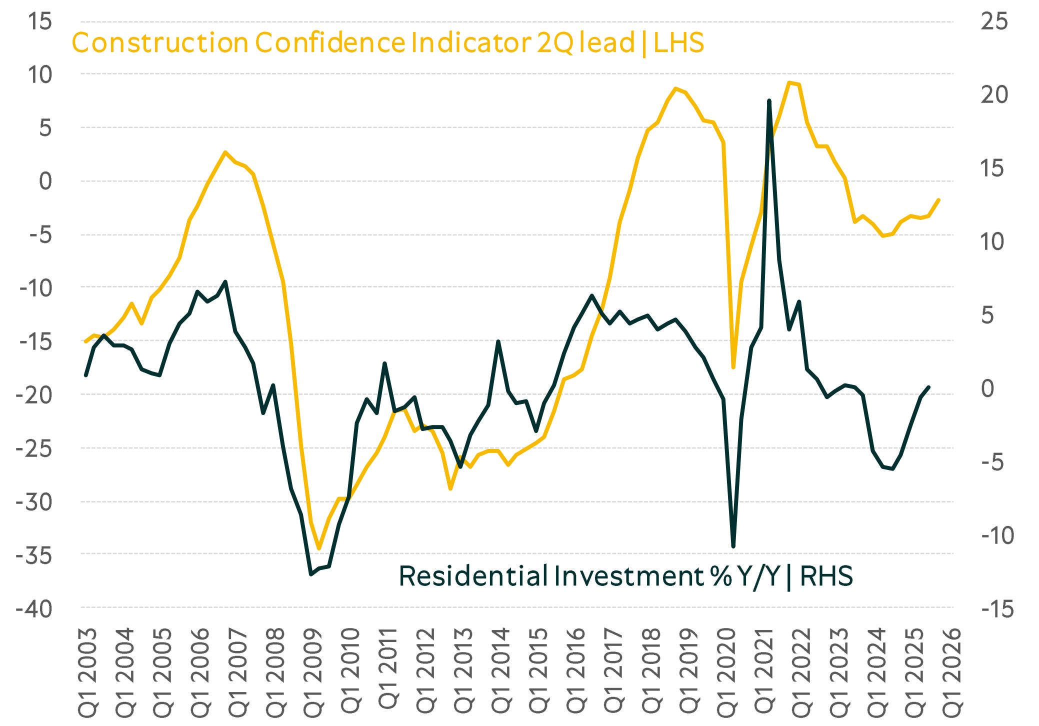
Final Consumption & Consumer Expectations Index



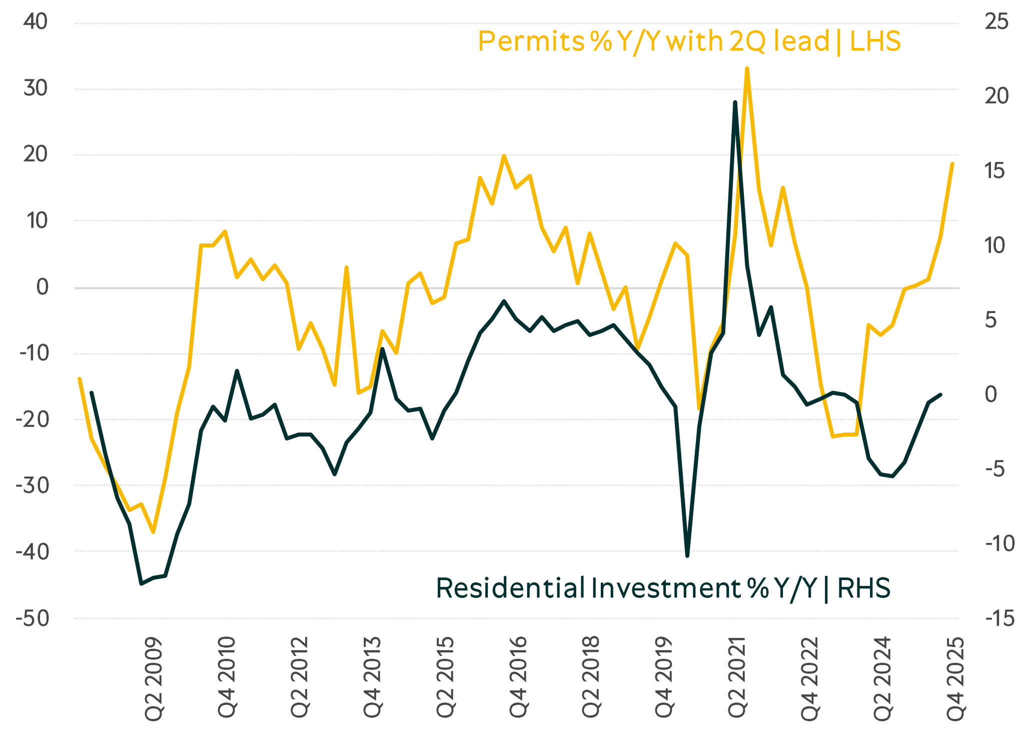
Source: Economic Research & Investment Strategy

EA Construction | The residential sector is displaying positive momentum as Construction Confidence continues to rise. House permits also rose markedly in Q3.

Residential Investment & Construction Confidence

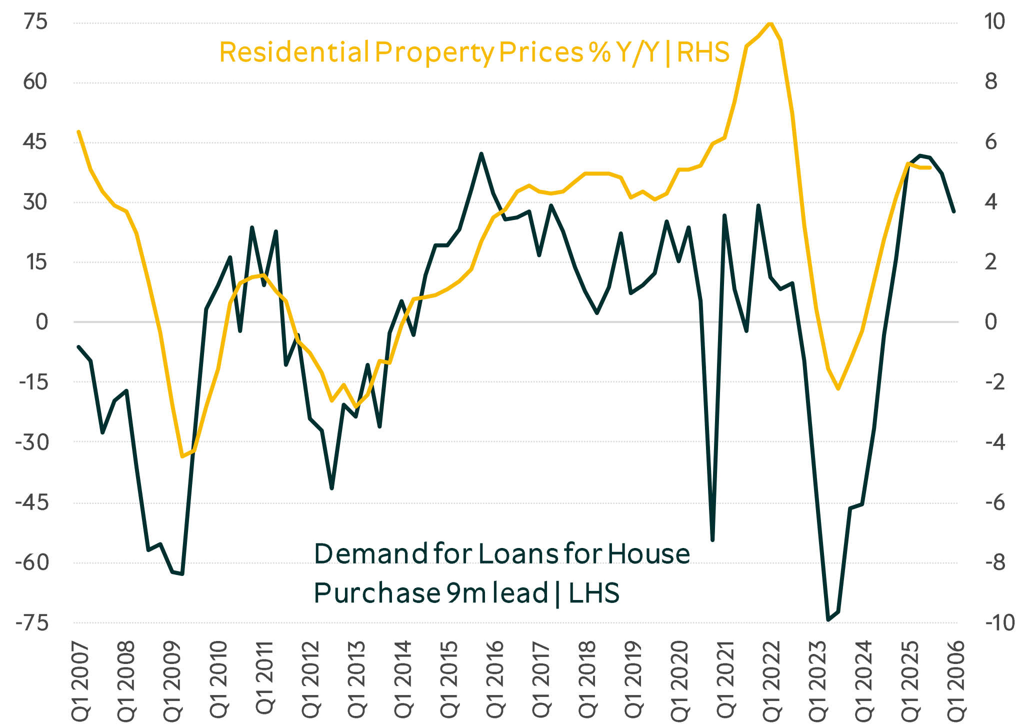


Residential Investment & House Permits

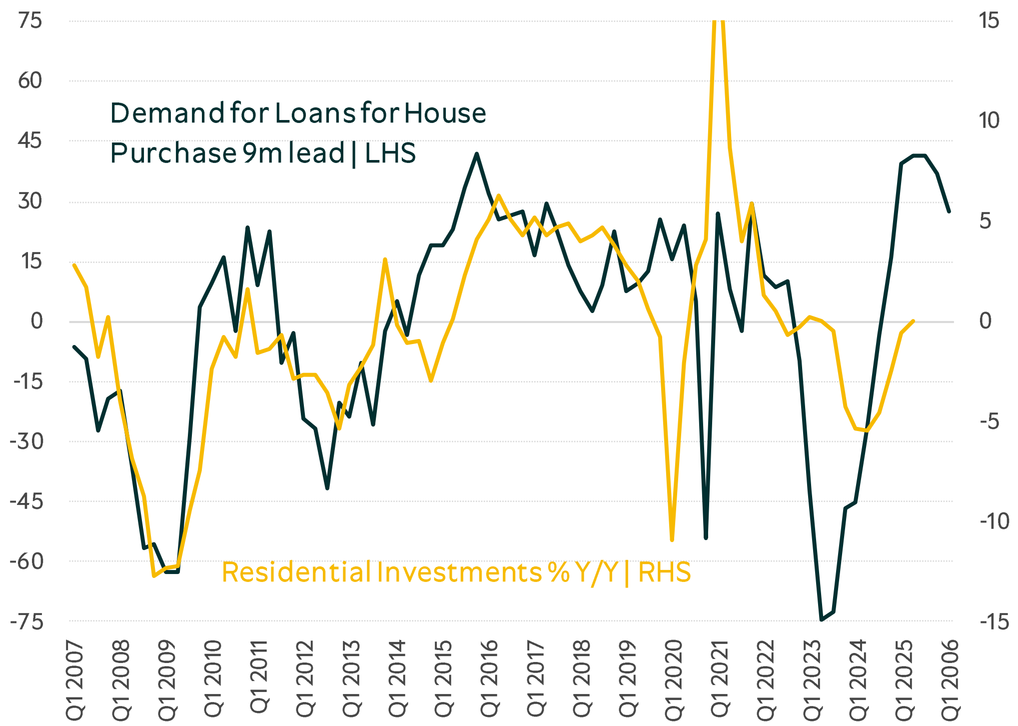


EA Construction | An improvement in residential investments is projected over the next few months, although demand for mortgages has eased.

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

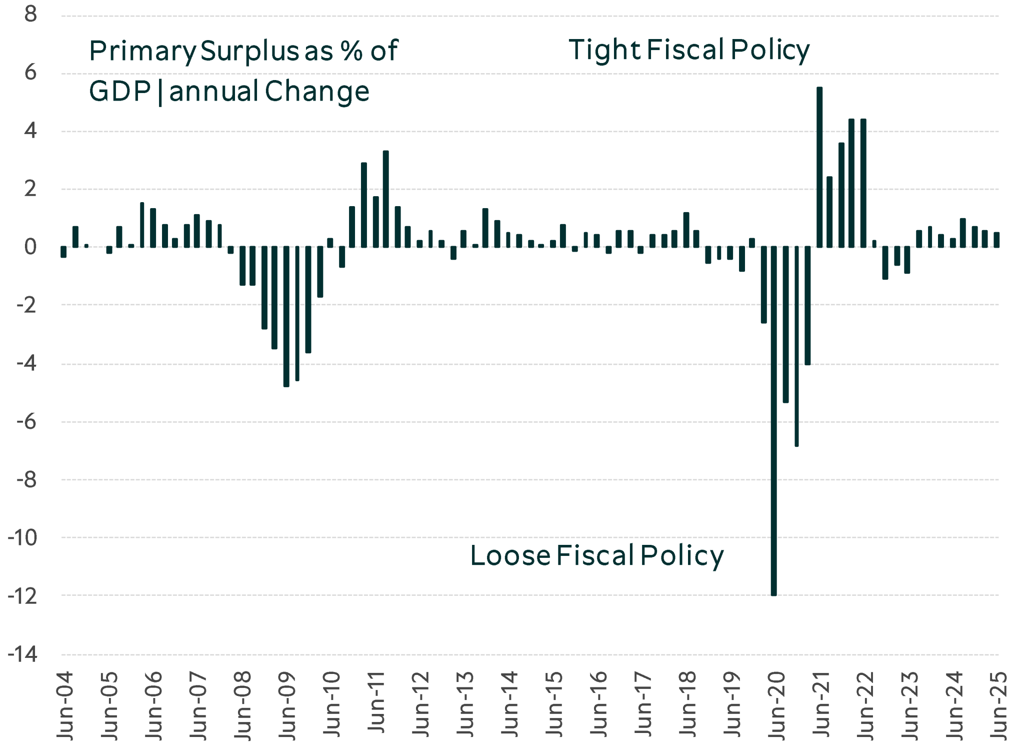


Residential Investments & Demand for loans (9m lead)

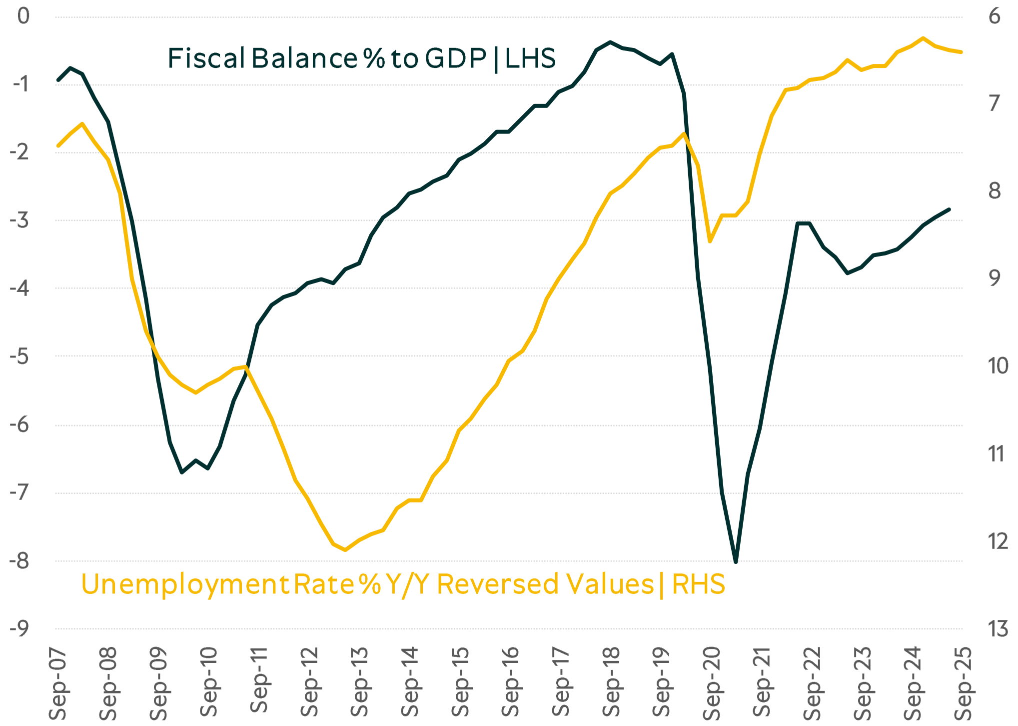


EA Fiscal Policy | The fiscal deficit is still at subdued levels, with the unemployment rate also remaining at a historic low.

Fiscal Thrust



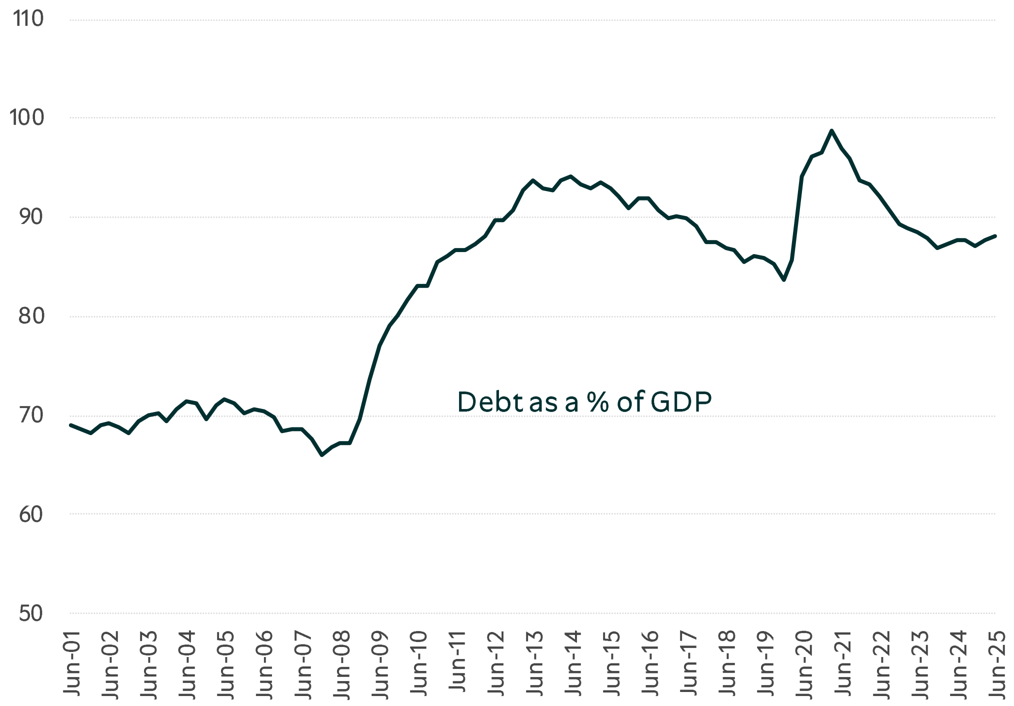
Fiscal Policy & Unemployment Rate



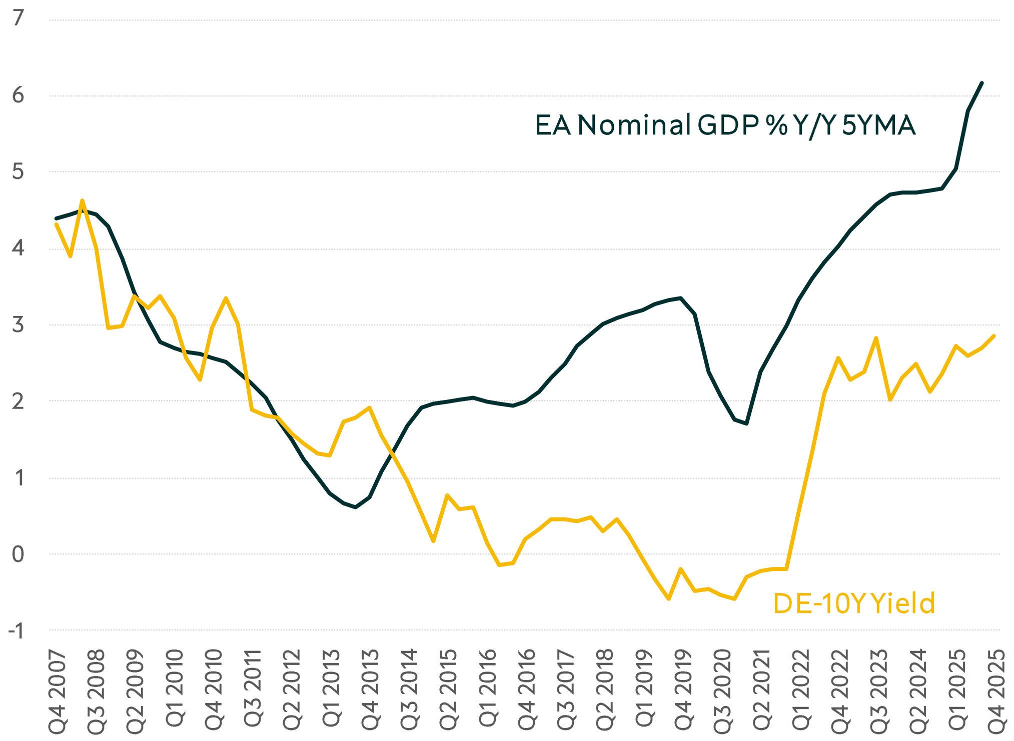
Source: Economic Research & Investment Strategy

EA Fiscal Policy | Debt levels have moderated after the pandemic

Debt / GDP

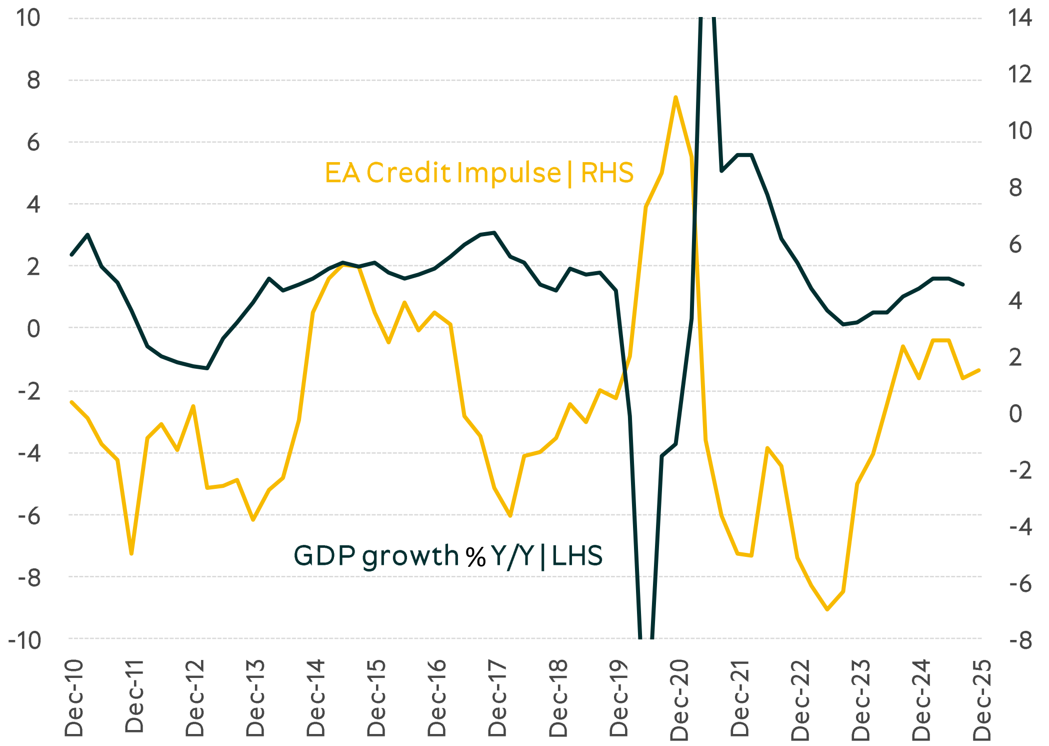


Fiscal Policy Sustainability

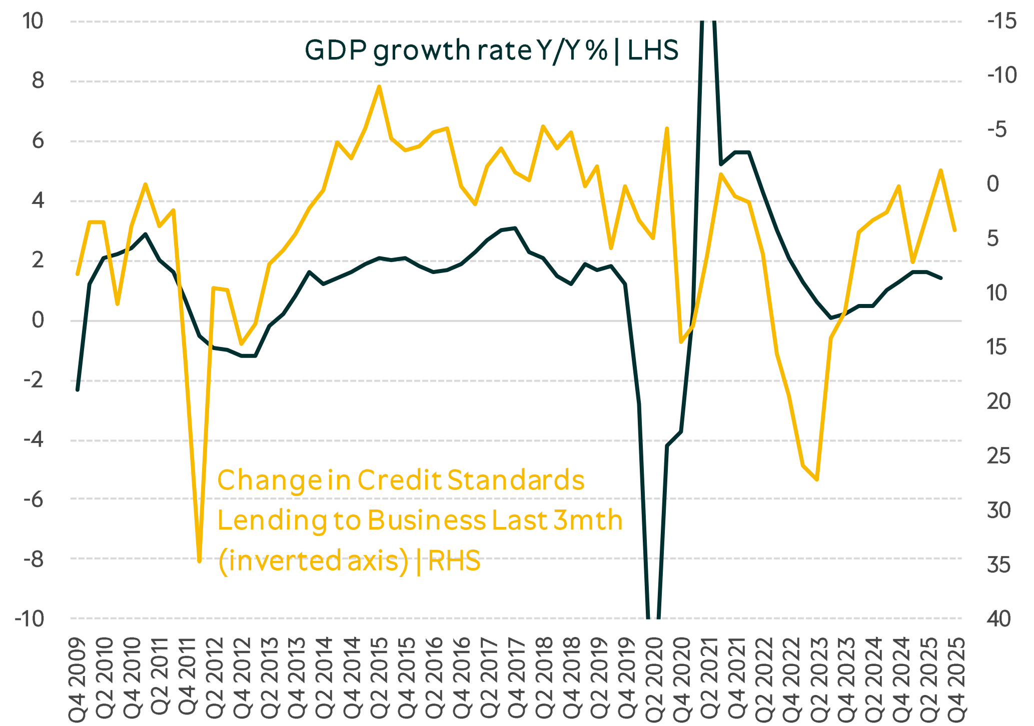


EA GDP Outlook | Credit impulse picked up slightly in Q4, while credit standards for lending to businesses tightened during the same period.

EA Credit Impulse & GDP growth rate

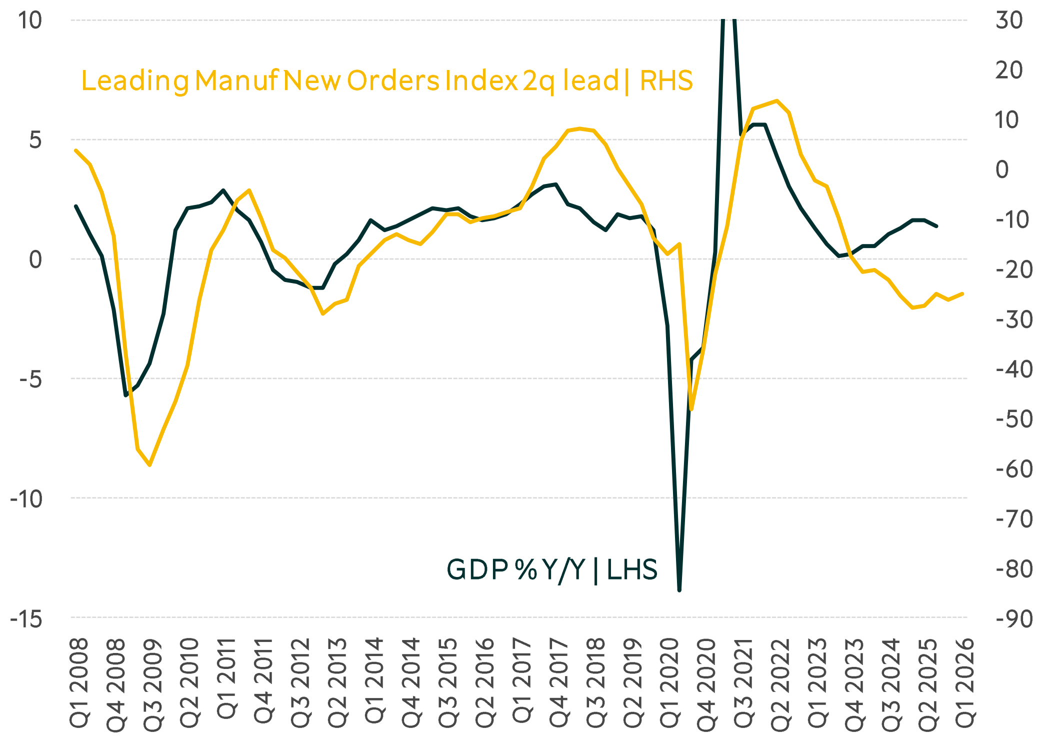


GDP & Bank Lending Standards

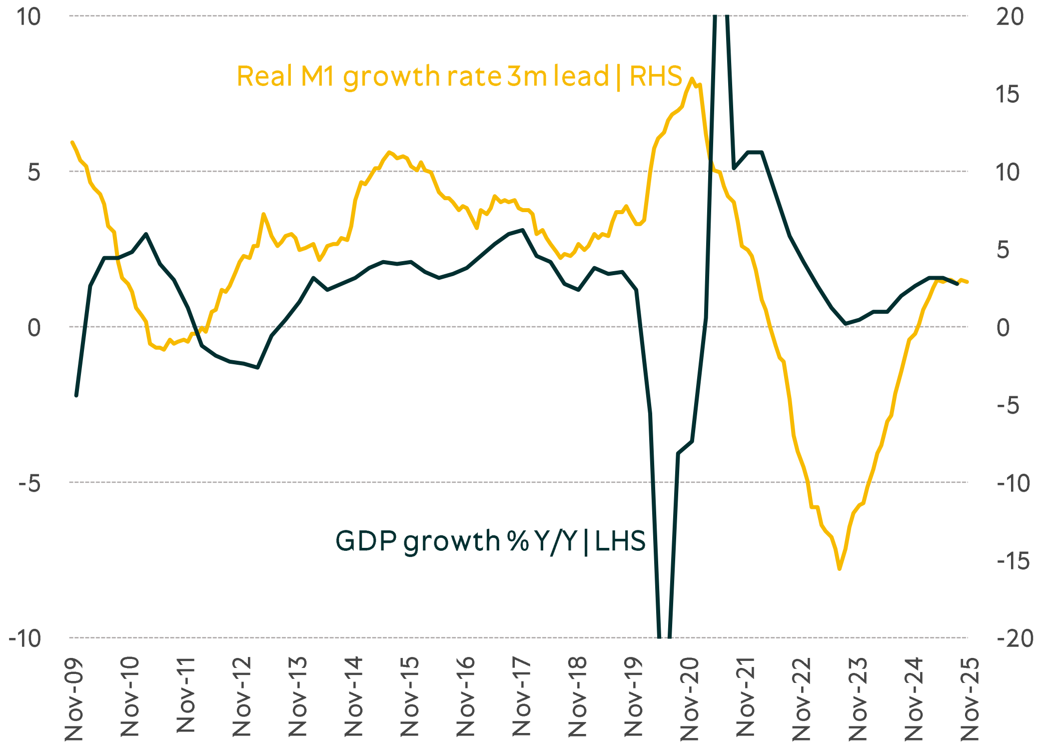


EA | Manufacturing New Orders halted the downturn trend in Q4 2025; Real M1 improvement stabilizes however continues to provide optimism about the economic outlook.

GDP & New Orders Indices

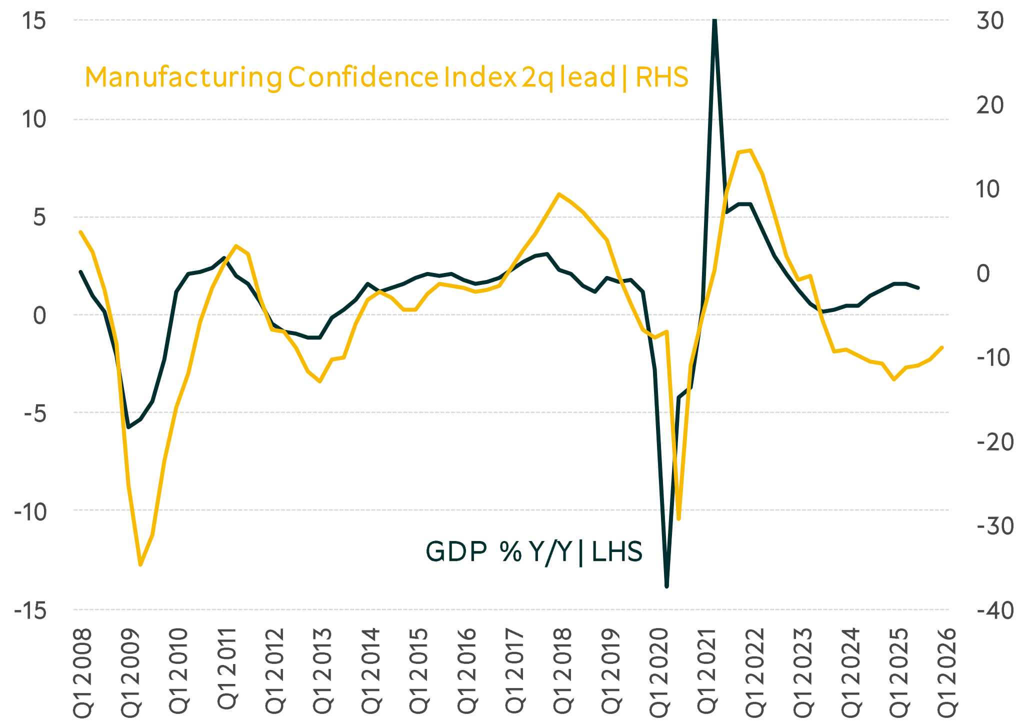


GDP & Real M1 growth rate

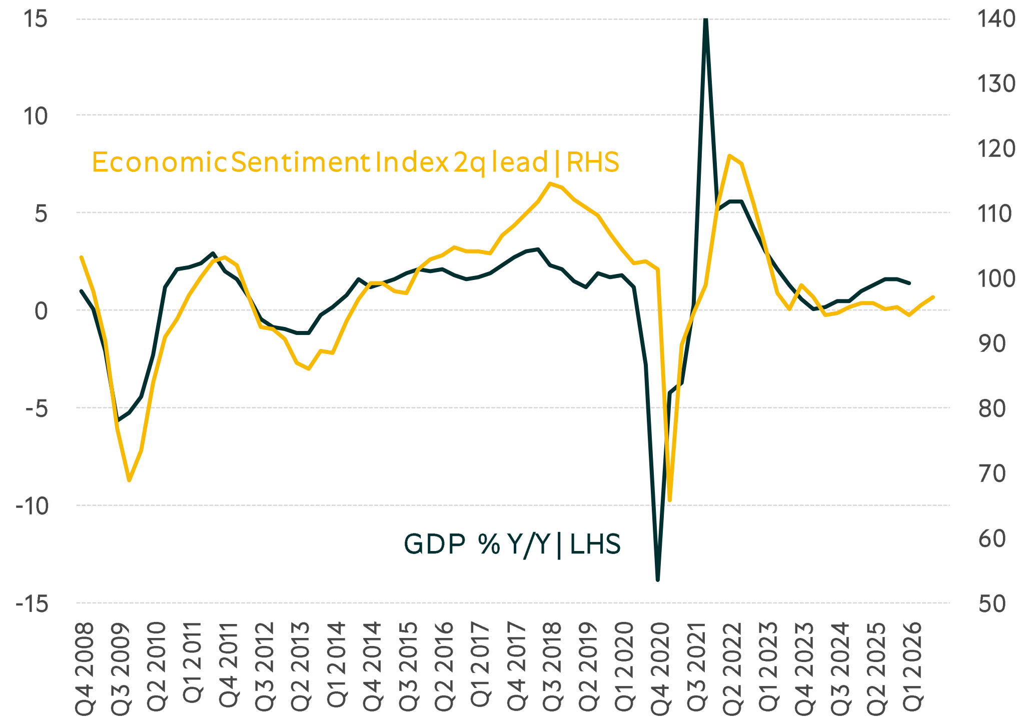


EA GDP Outlook | Economic and manufacturing sentiment picked up providing some green shoots.

GDP & Manufacturing Confidence Index

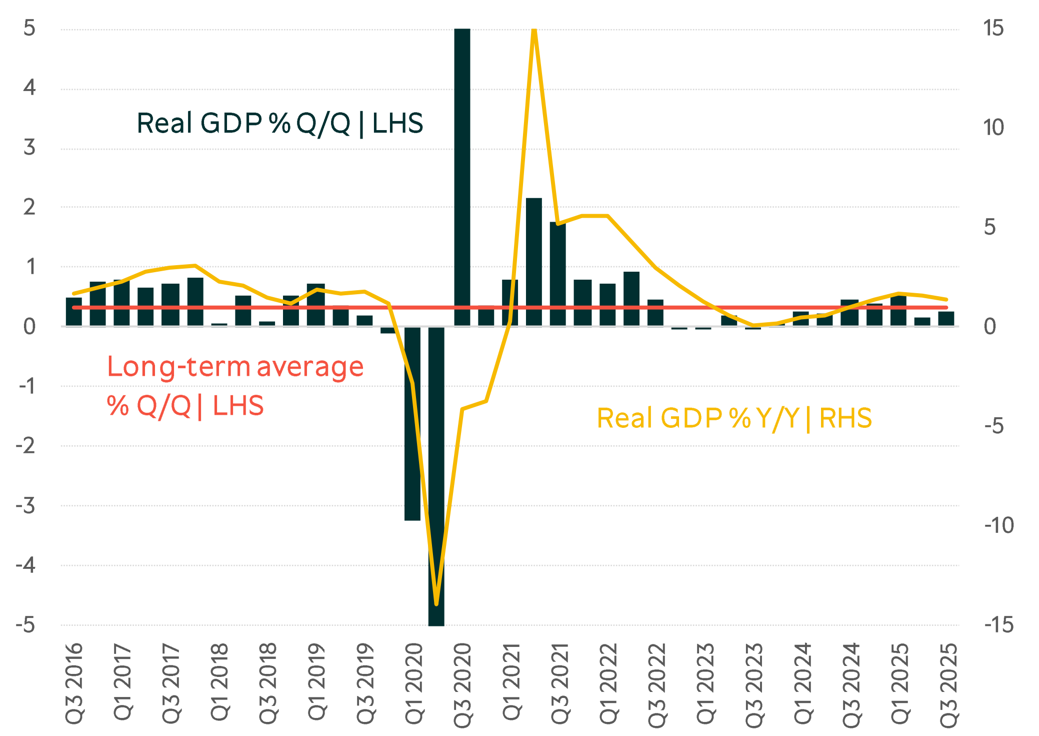


GDP & Economic Sentiment Index

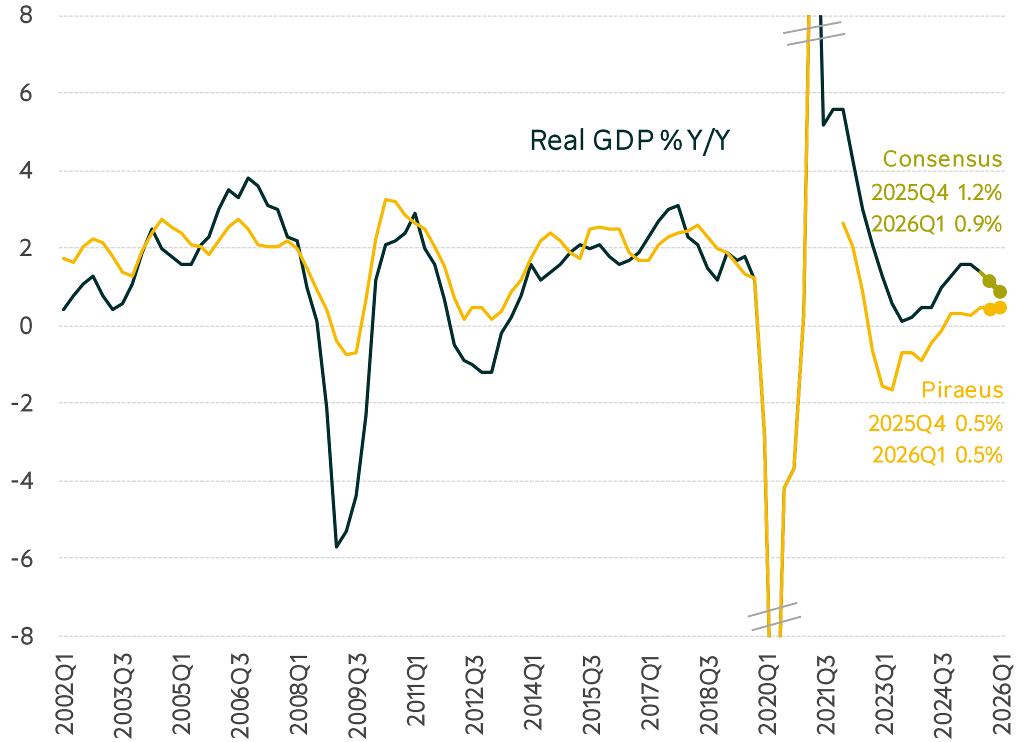


EA GDP Outlook | Real GDP grew by 1.4% year-on-year in Q3 2025 (0.3% quarter-on-quarter) but is projected to grow at a slower rate

Growth Rate Outlook



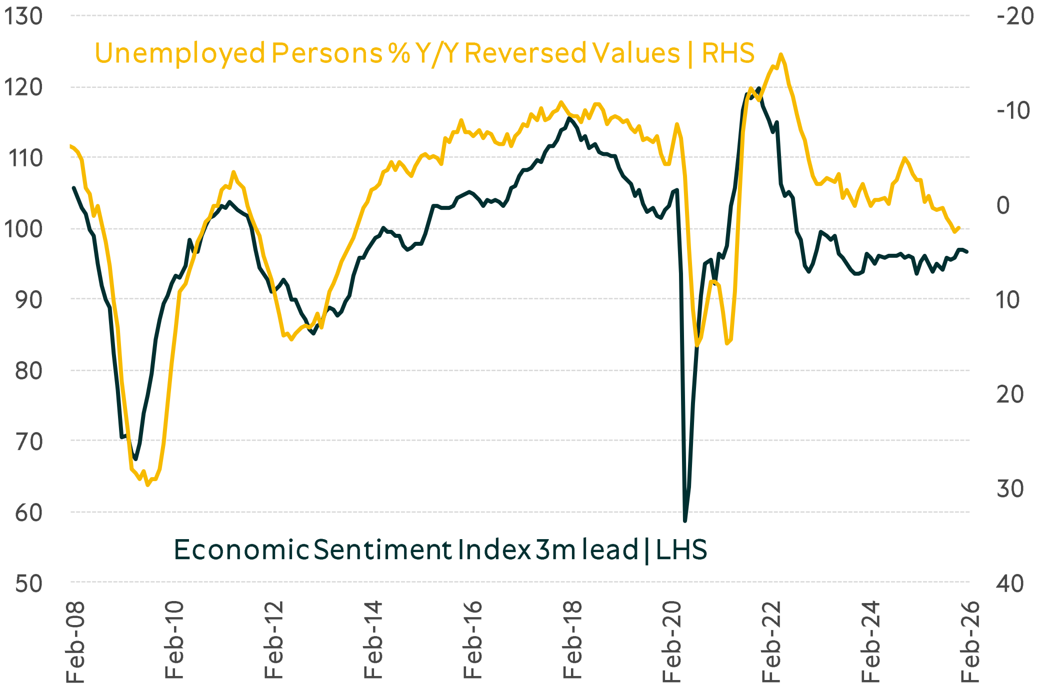
Growth Rate Estimate



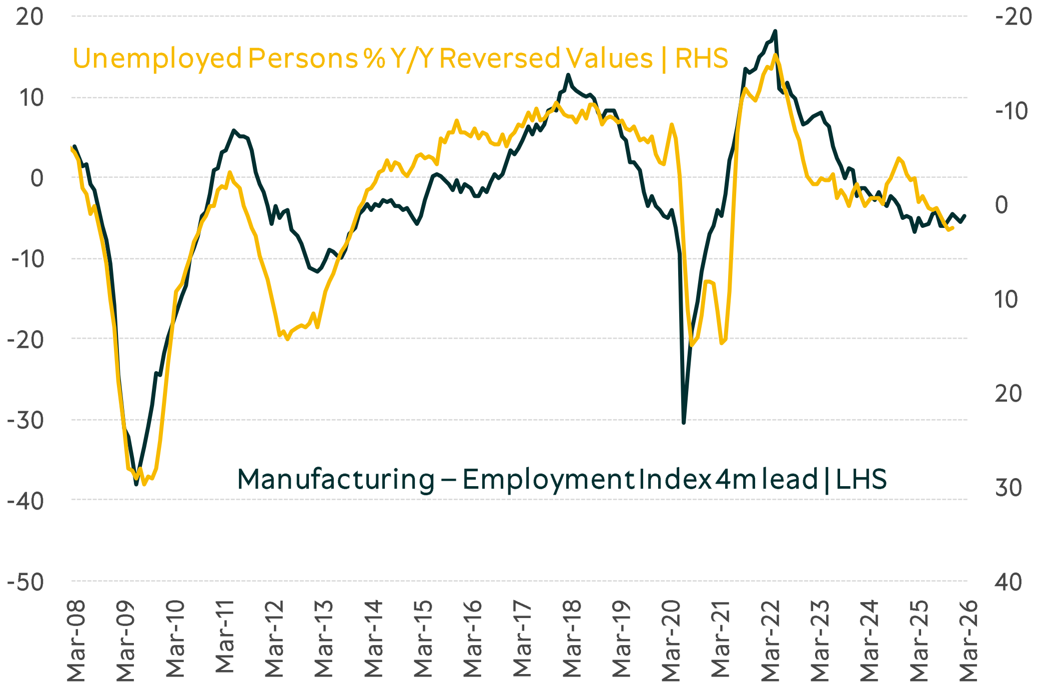
Note: Covid-19 period (Q4 2019 - Q2 2021) is excluded from the estimation

EA Labour Market | Overall labour-market conditions remain solid, but the manufacturing sector shows signs of weakening, reflected in a drop in the manufacturing employment index.

Unemployment & Leading Sentiment Index



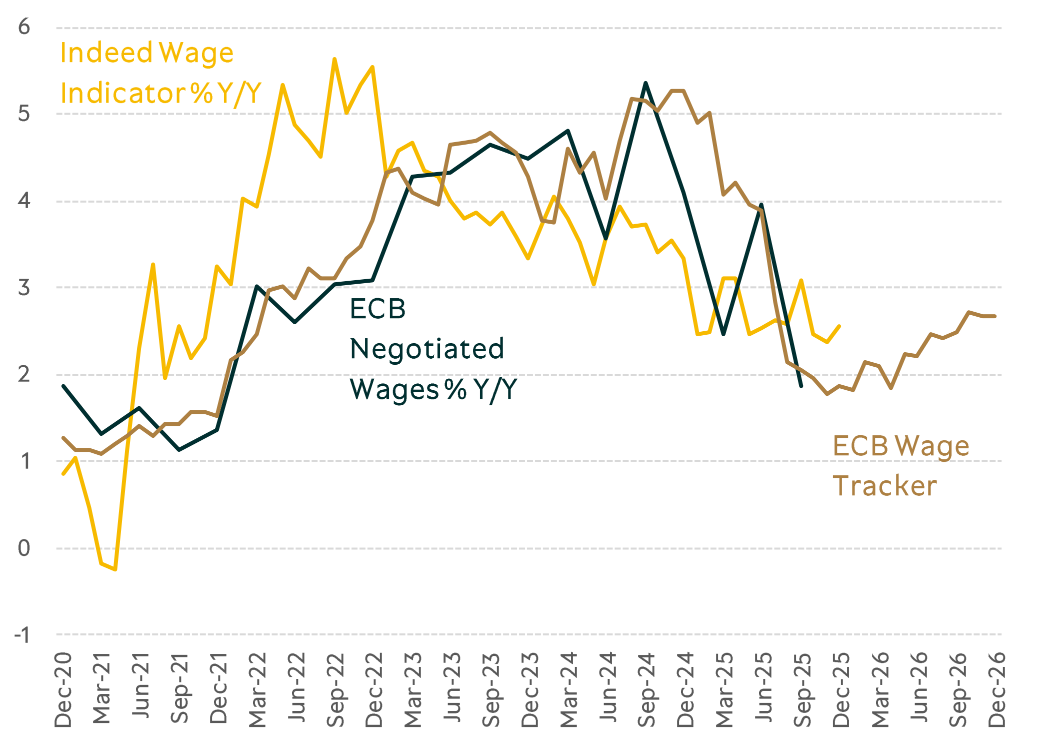
Unemployment & Leading Manufacturing Index



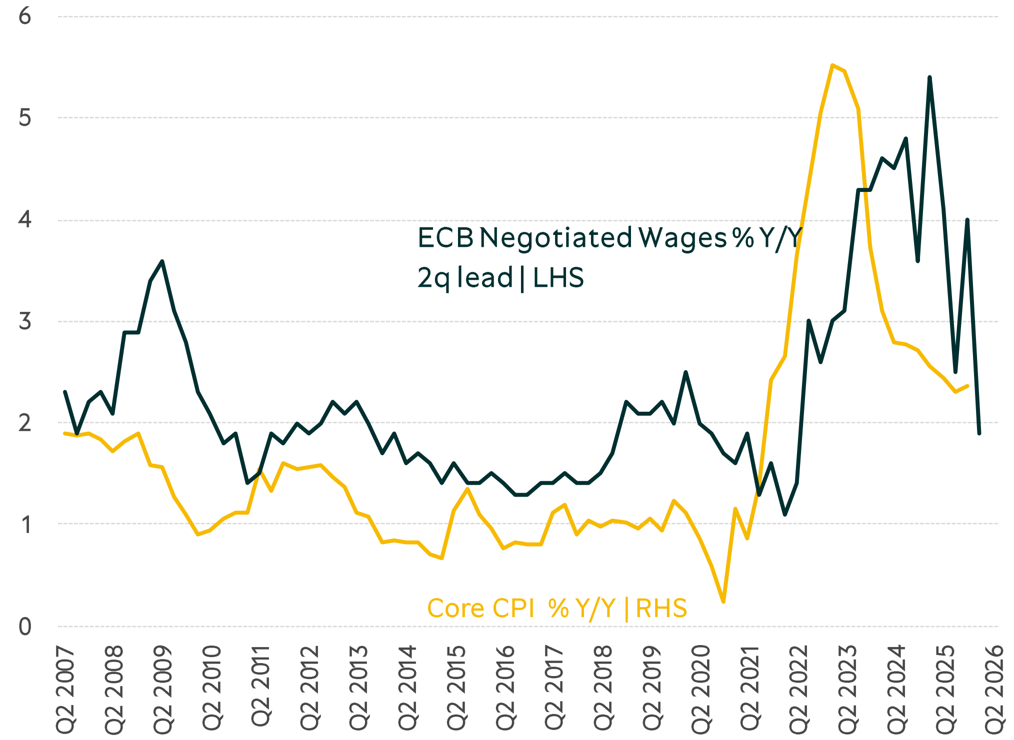
Source: Economic Research & Investment Strategy

EA Wage Tracker | The Indeed wage indicator increased marginally at 2.6% in December from 2.4% in November. The ECB's Wage Tracker indicates slower wage growth in 2025 but a modest increase in 2026.

EA Wage Indicators

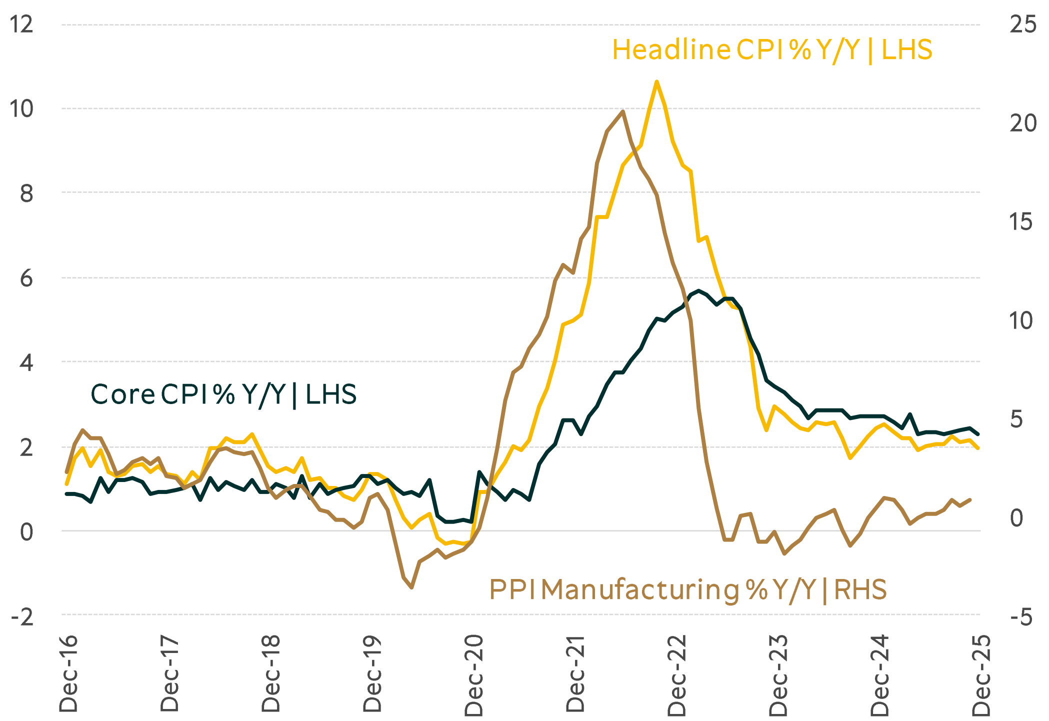


Core Inflation & Wages

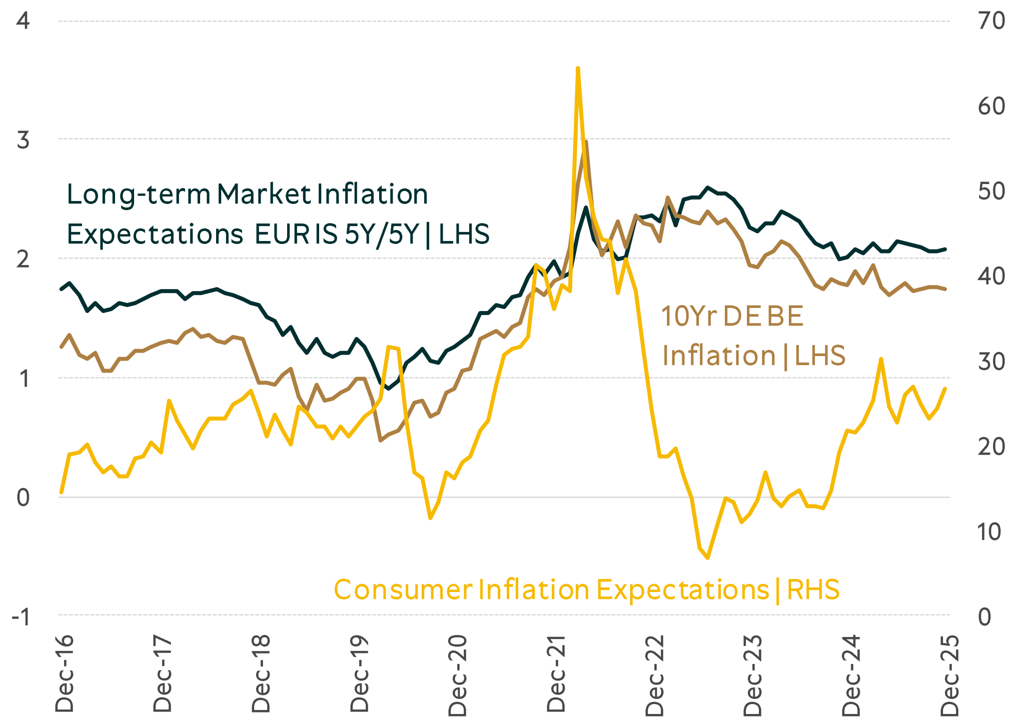


EA Inflation Pressures | Headline CPI decelerated to 1.9% in December, while Core CPI marginally decelerated at 2.3% from 2.4% in November. Consumer inflation expectations ticked upwards in December.

Inflation Rate

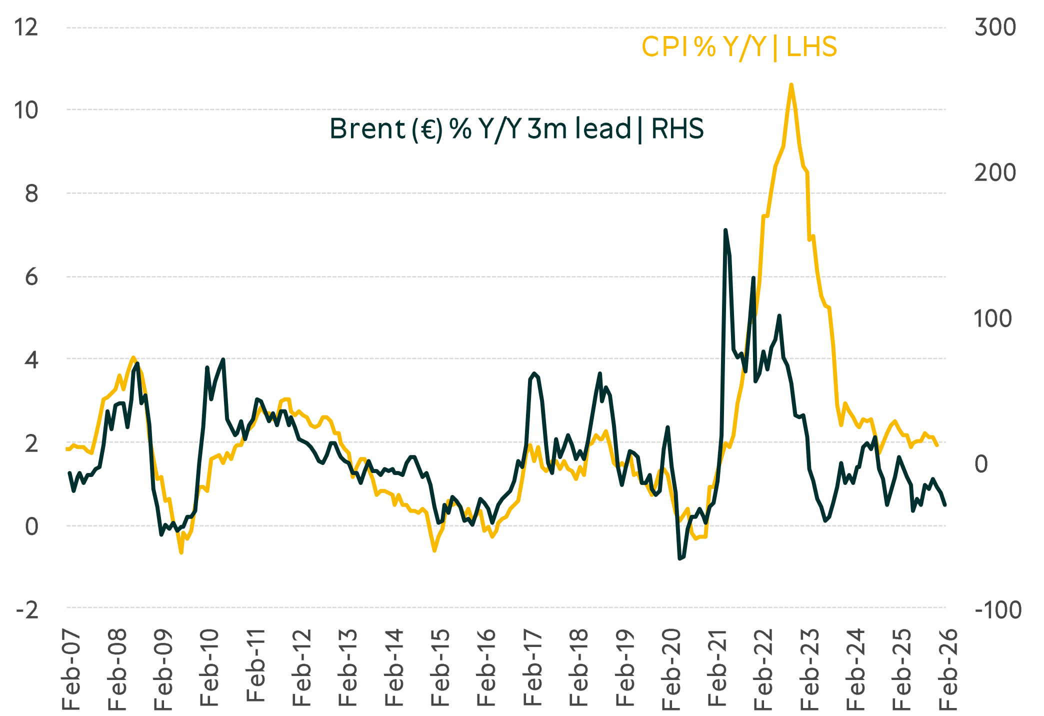


Long-term Inflation Expectations

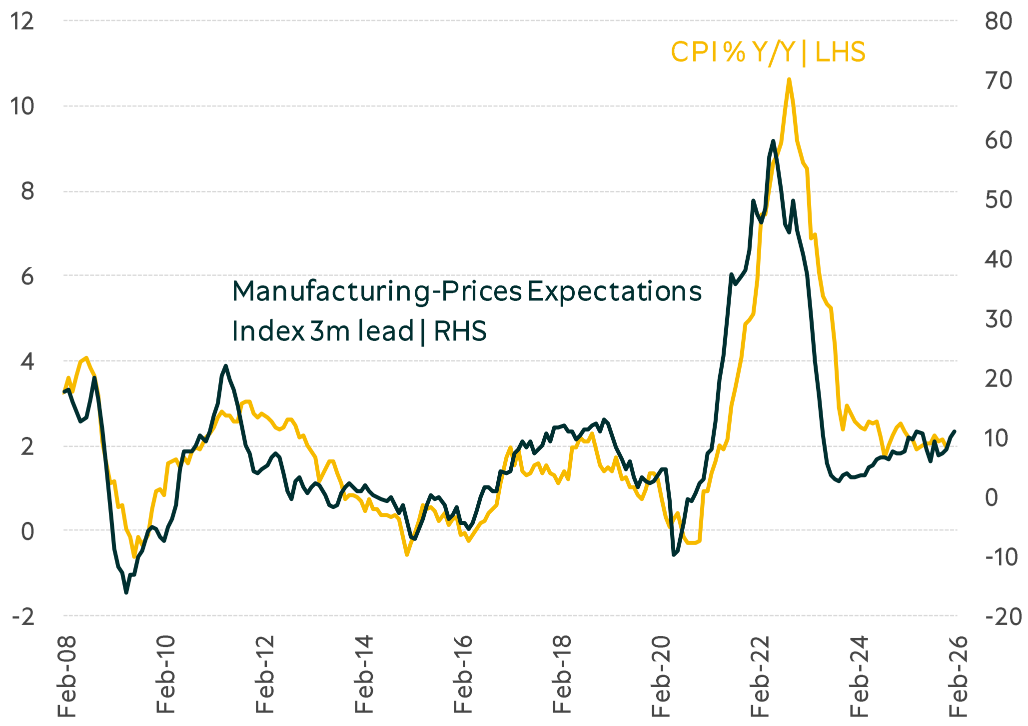


EA Inflation & Energy Prices | Manufacturing Prices Expectations may exert some upward pressure, while the likelihood of higher Brent prices following current geopolitical tensions does not prevail.

Inflation Rate & Oil Prices



Inflation Rate & Leading Manufacturing Prices Index

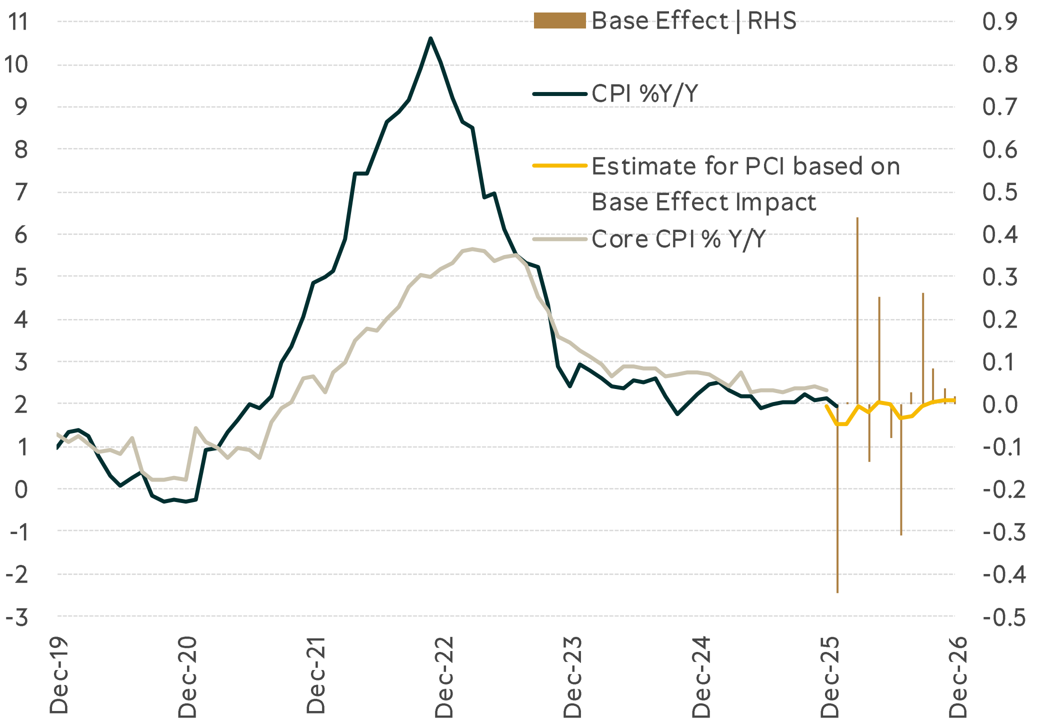


/// Piraeus

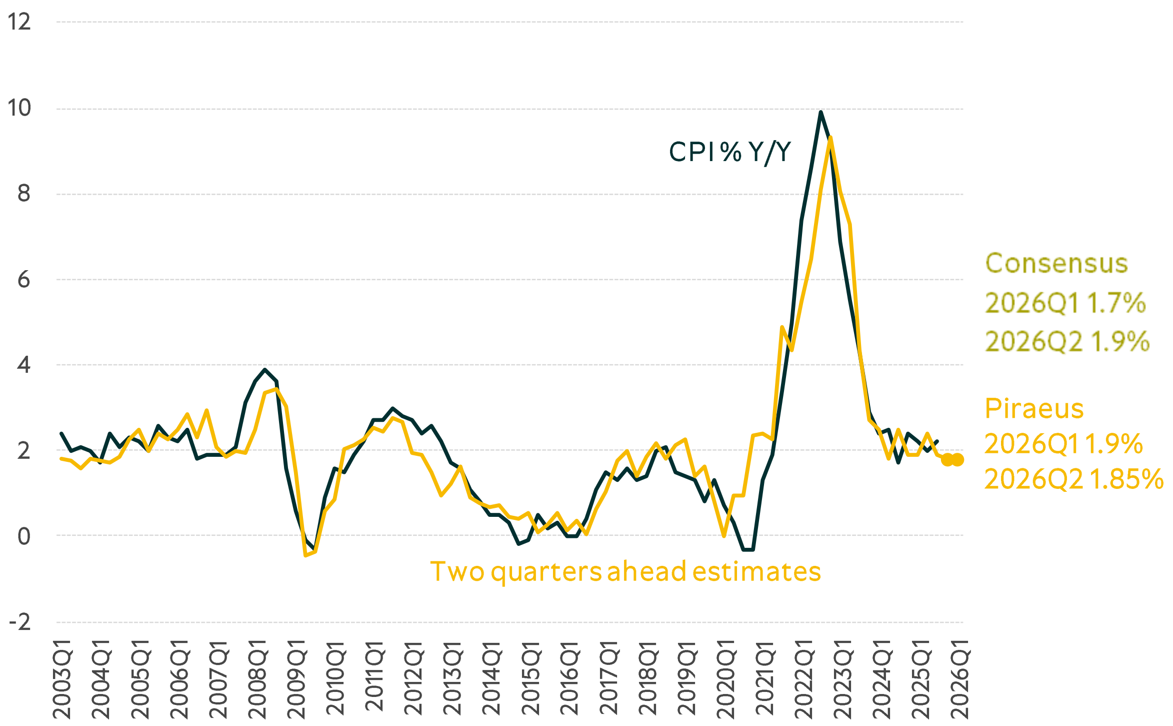
Source: Economic Research & Investment Strategy

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

Inflation Rate Forecast | Statistical Model

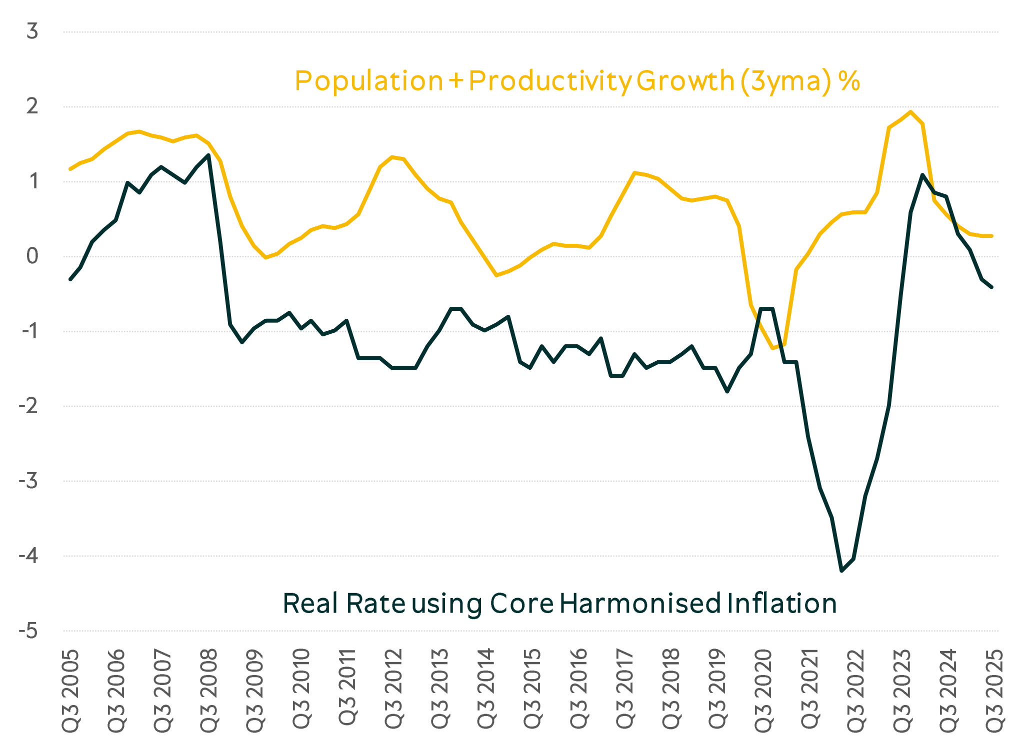


Inflation Rate Forecast | Macro Model

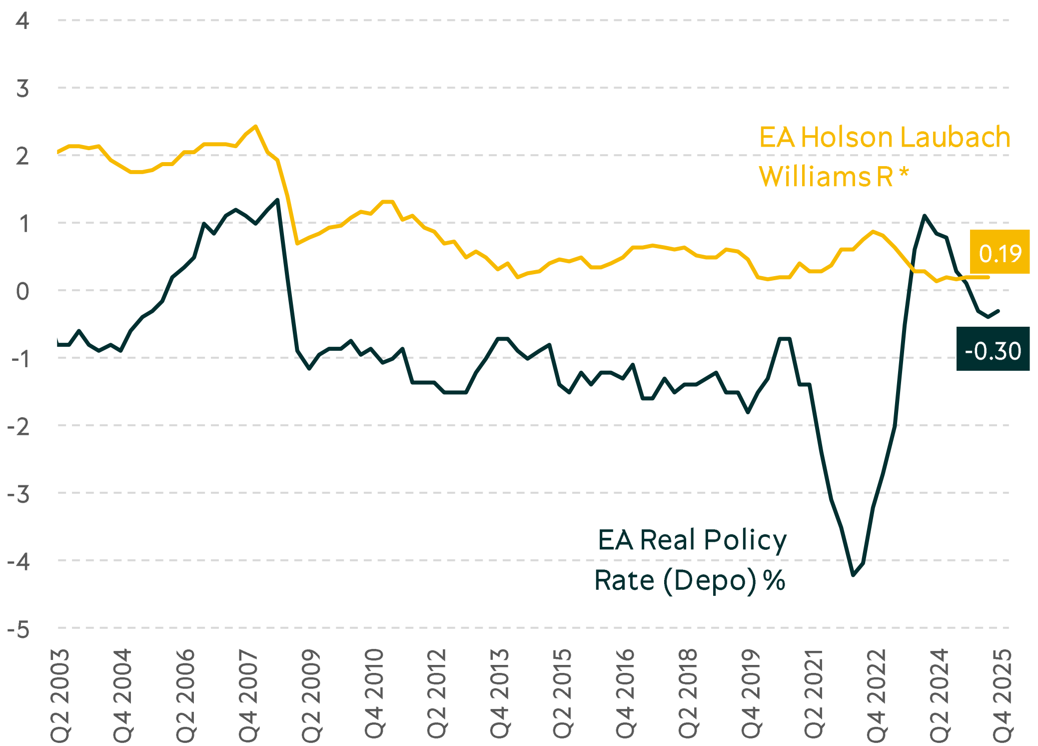


EA Interest Rates | EA population and productivity growth has stopped falling; real policy rate below HLW neutral rate (R*)

Population + Productivity growth (3y ma) &
EA Real Policy Rate (Depo - Core HICP)



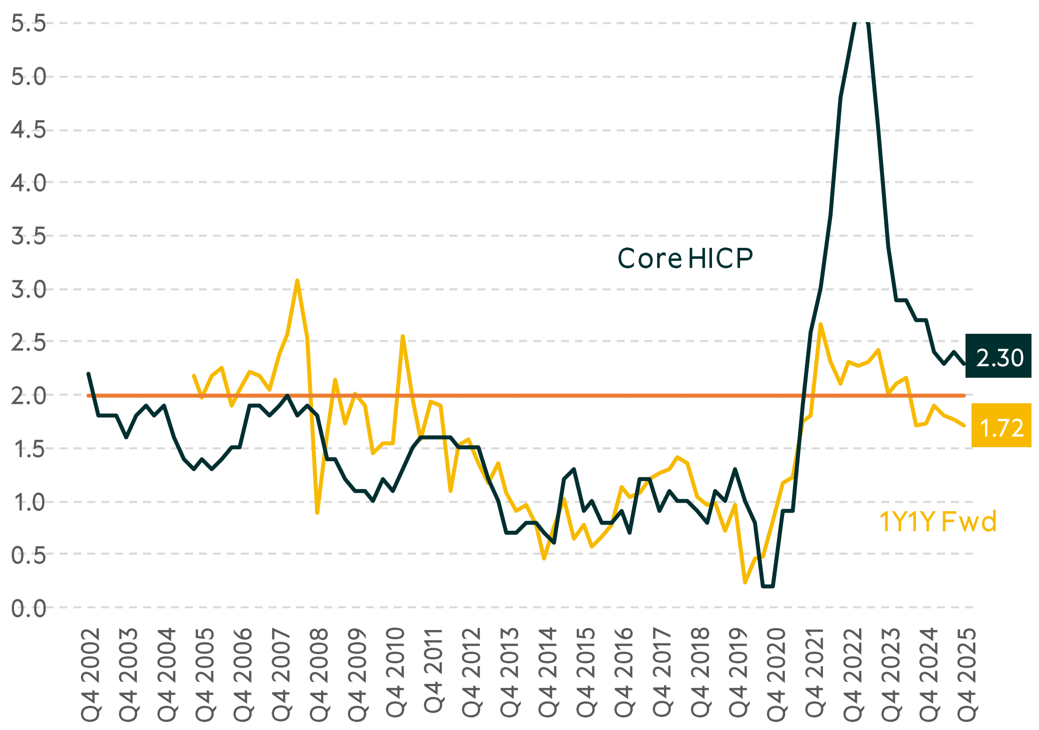
EA Holson Laubach Williams R* &
EA Real Policy Rate (Depo - Core HICP)



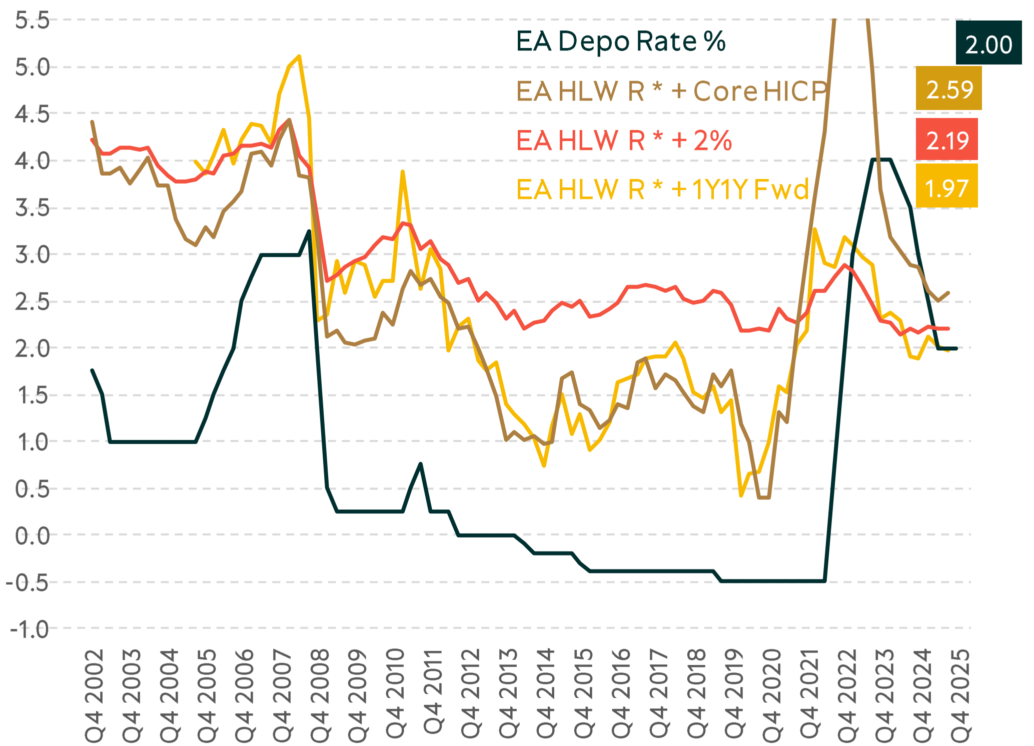
Source: Economic Research & Investment Strategy

EA Interest Rates | EA Inflation expectation one year ahead on a downward trend; Depo Rate & Adjusted HLW R*

EA Inflation & Inflation Expectations one year ahead



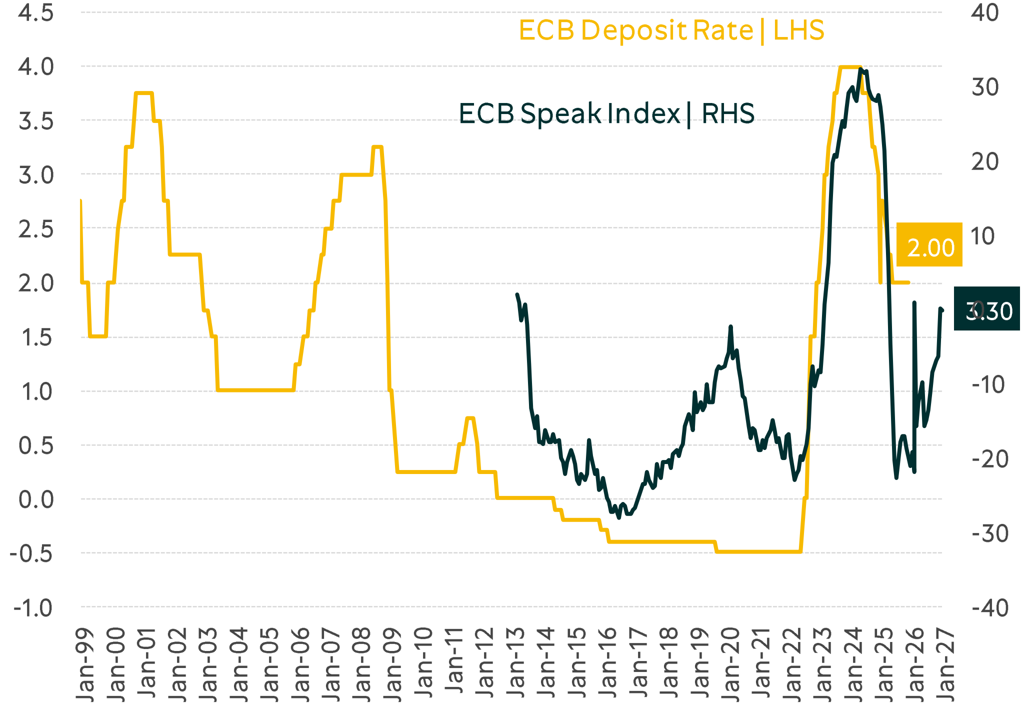
EA Depo & Nominal HLW R*



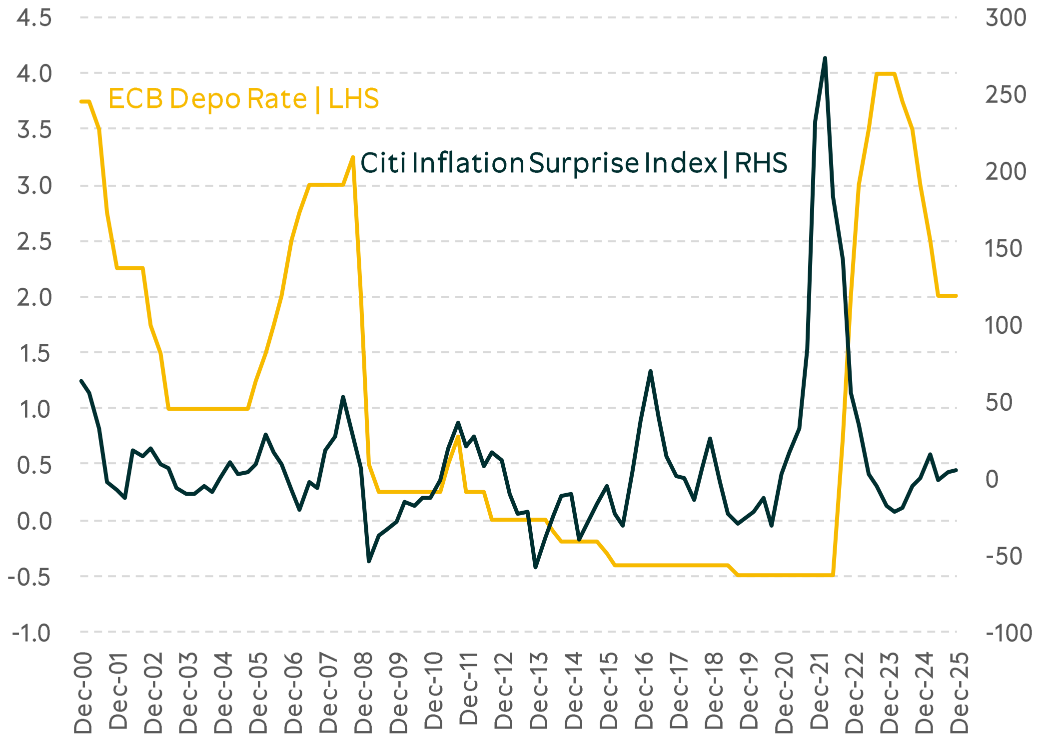
Source: Economic Research & Investment Strategy

EA Interest Rates | ECB Speak Index is trending up; Inflation surprises are close to zero

ECB Speak Index & ECB Deposit Rate



Inflation Surprises & ECB Deposit Rate



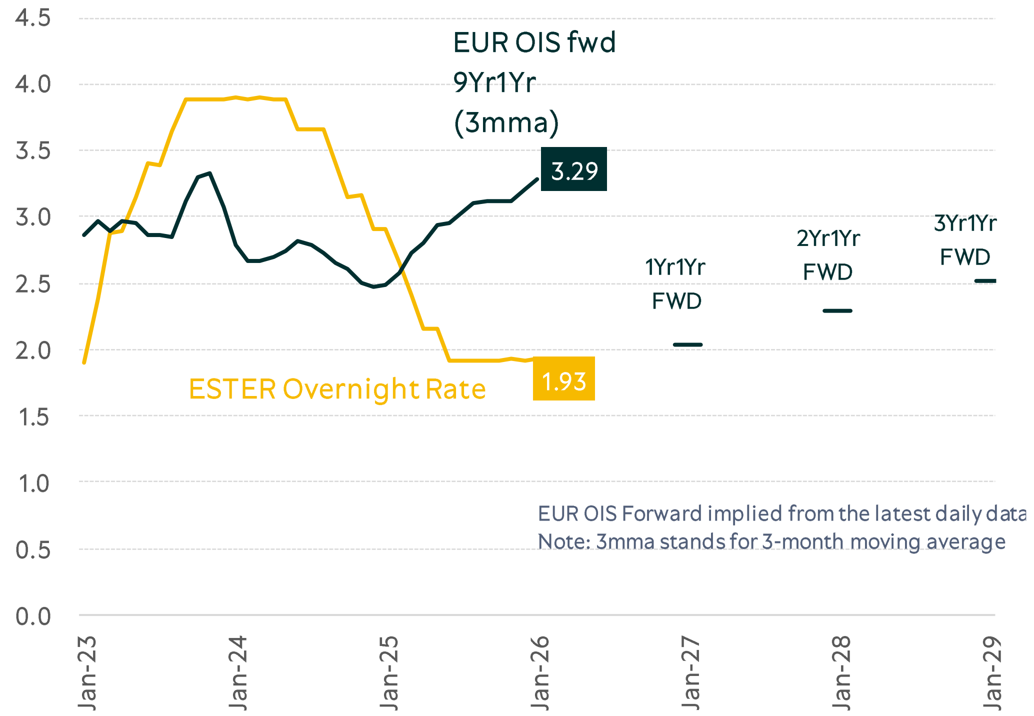
Positive index → Indicates a hawkish tone, meaning the central bank is leaning toward tightening monetary policy (raising interest rates, reducing liquidity).
Negative index → Indicates a dovish tone, meaning the central bank is inclined toward easing monetary policy (lowering rates, adding liquidity).

Positive index → Indicates that inflation has been higher than expected

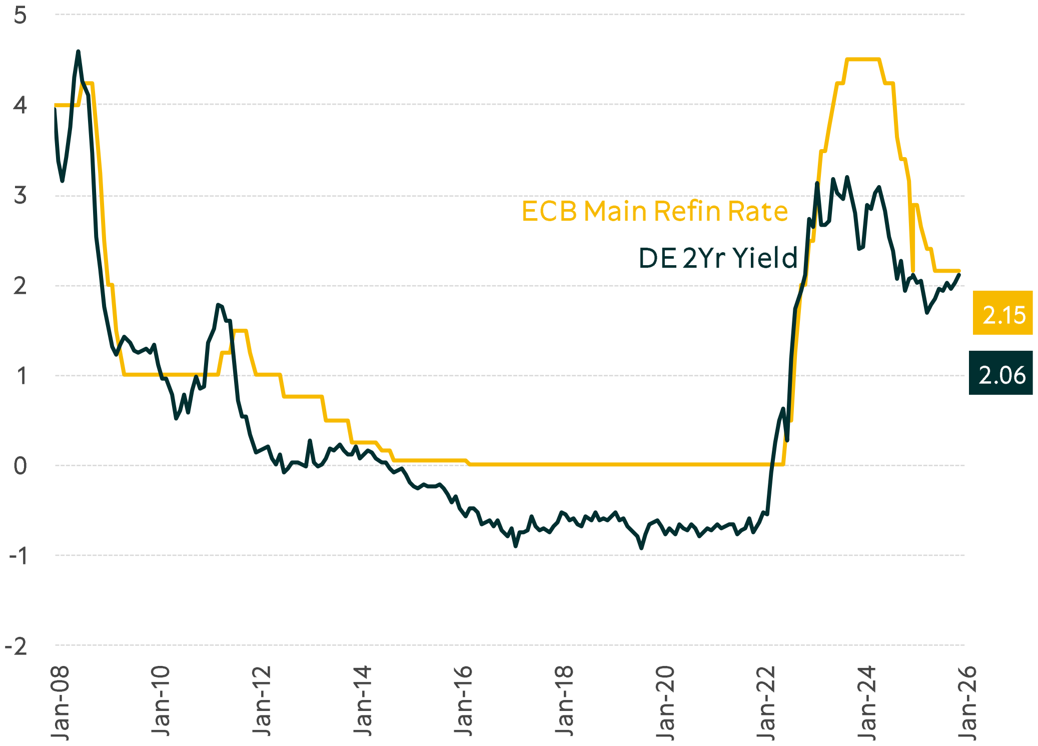
Negative index → Indicates that inflation has been lower than expected

EA Short-Term Rates | Forward rates suggest higher levels of interest rates

Interest rates | Market Expectations

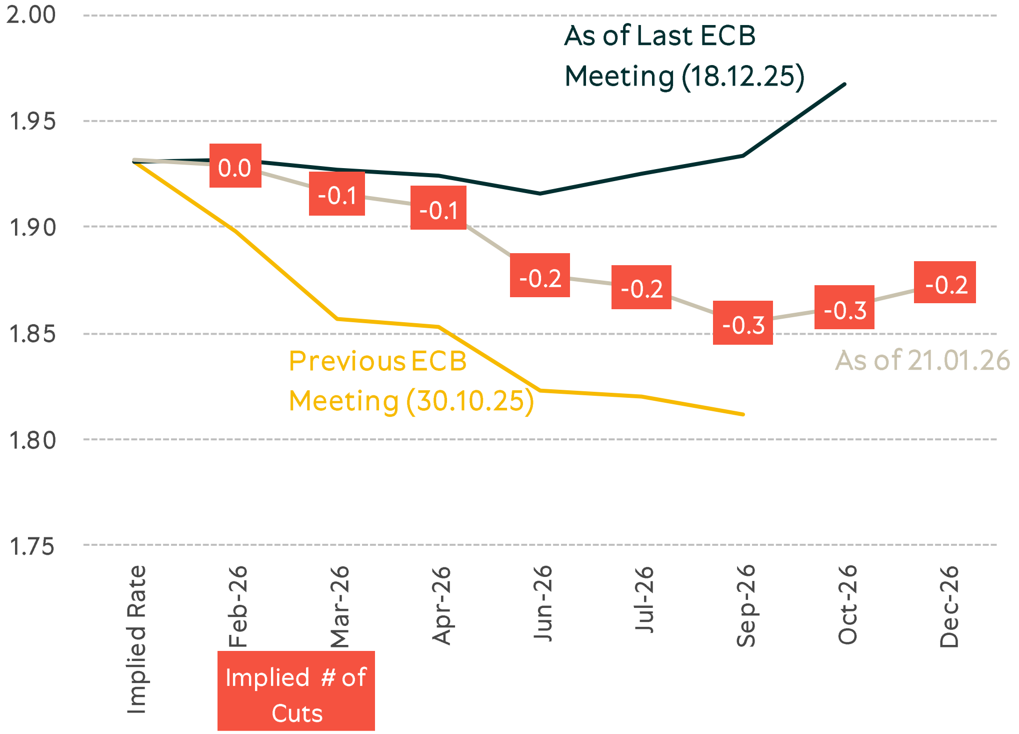


ECB Policy Rate vs German 2Yr Yield

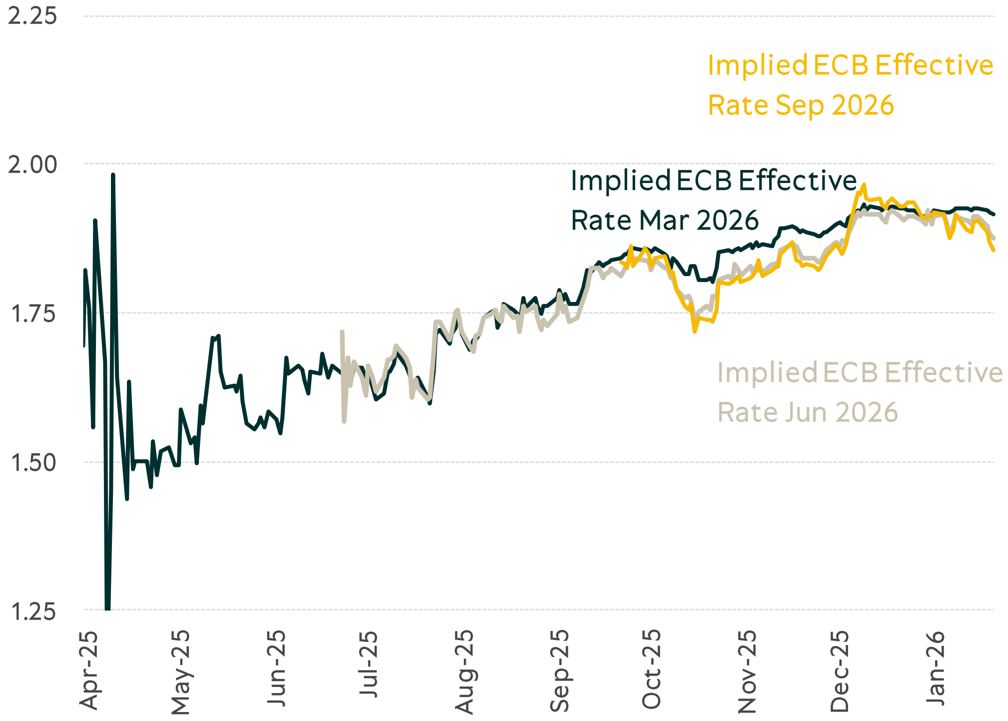


EA Short-Term Rates | No cuts are anticipated by the markets by the end of 2026

Implied Overnight Rate based on Overnight Index Swaps



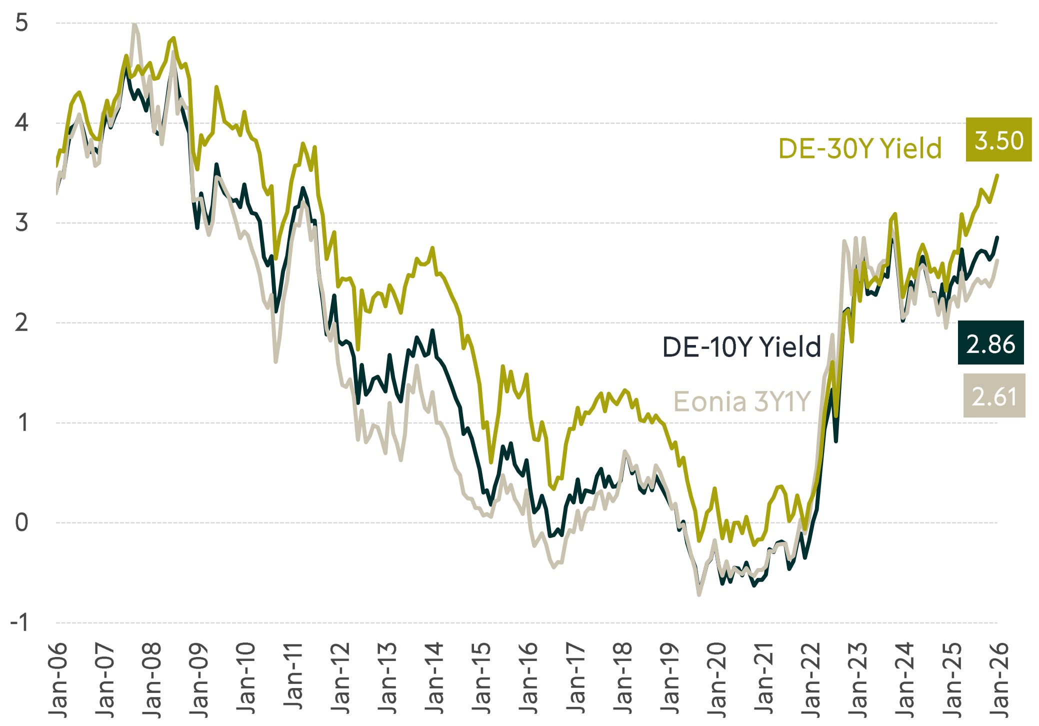
Interest Rates | Implied ECB Effective Rate



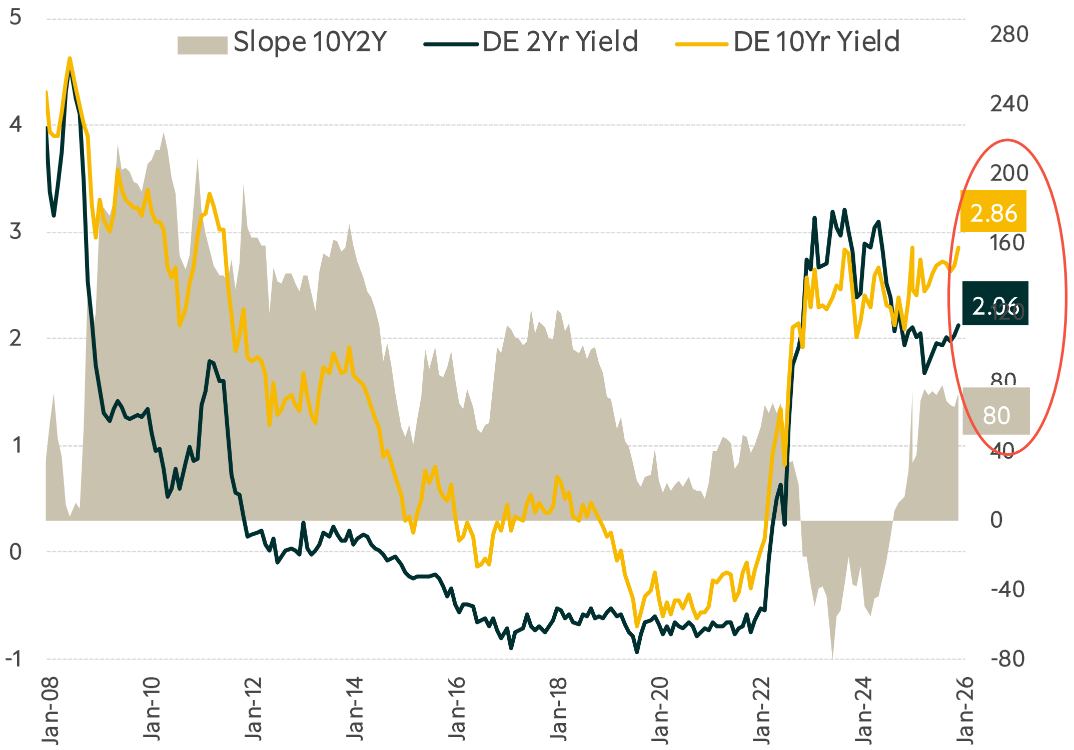
Source: Economic Research & Investment Strategy

EA Rates | After four straight cuts earlier in the year, the ECB kept its key interest rates unchanged from July to December 2025. German 10Y2Y spread turned positive at the end of Q3 2024 and has steepened since.

DE 10-Year, DE 30-Year Yield & Eonia 3Y1Y

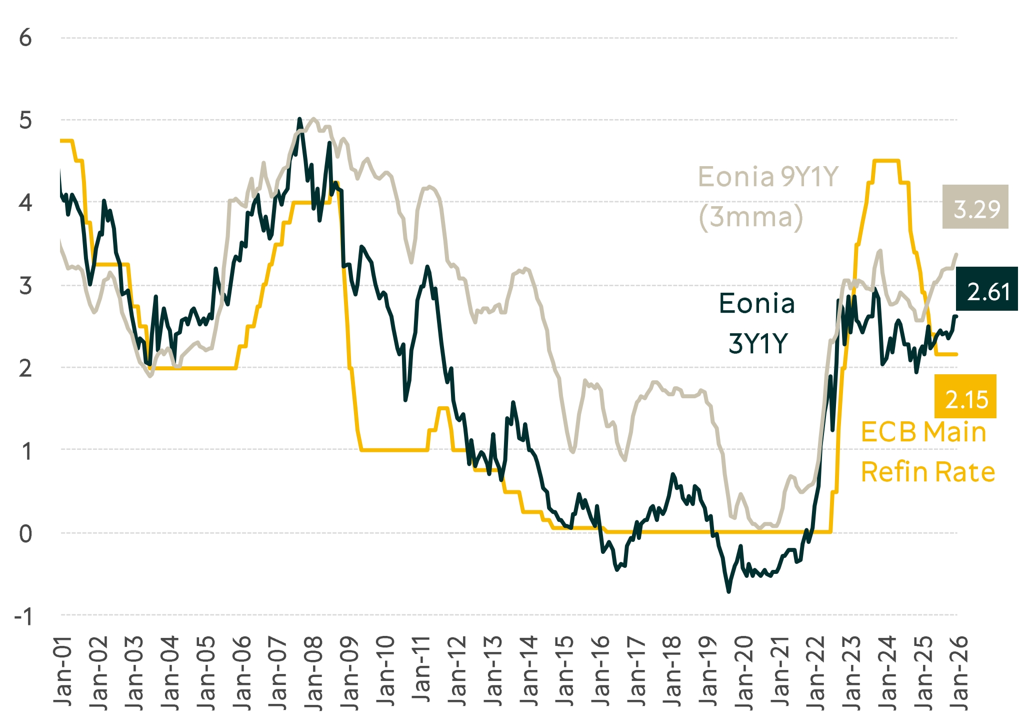


German Yield Curve

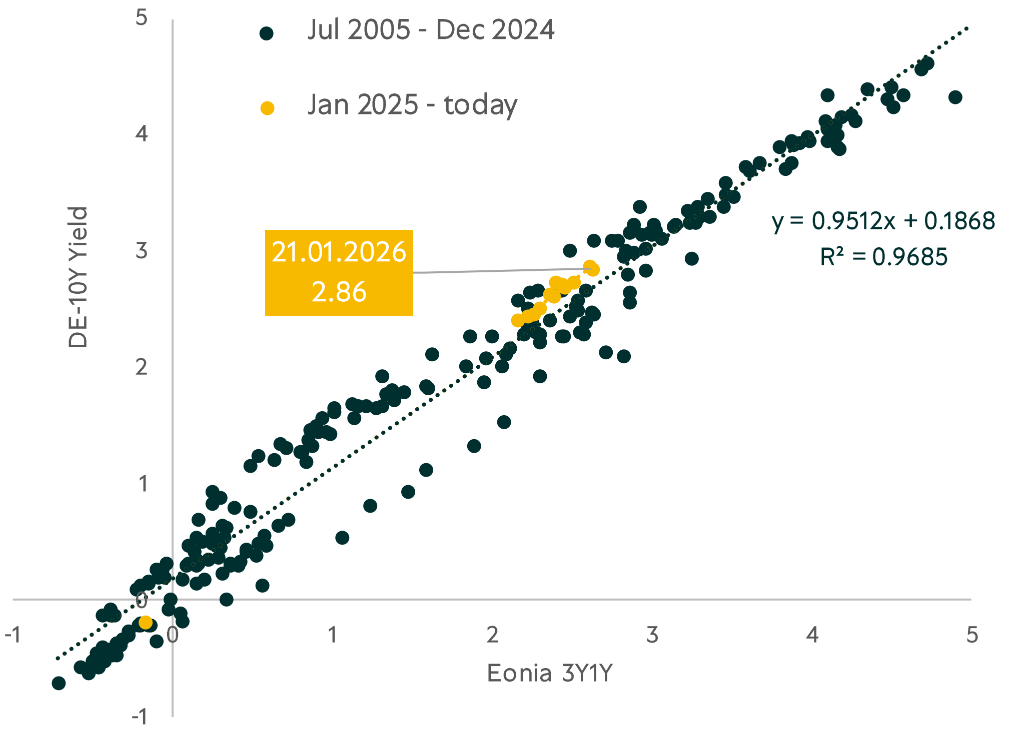


EA Long-Term Rates | Given the current level of short-term rates, long-term bonds are close to “fair value”

Long-term Interest Rate Expectations



DE Yield vs Medium-term Interest Rate Expectations



Source: Economic Research & Investment Strategy

Bird's Eye View

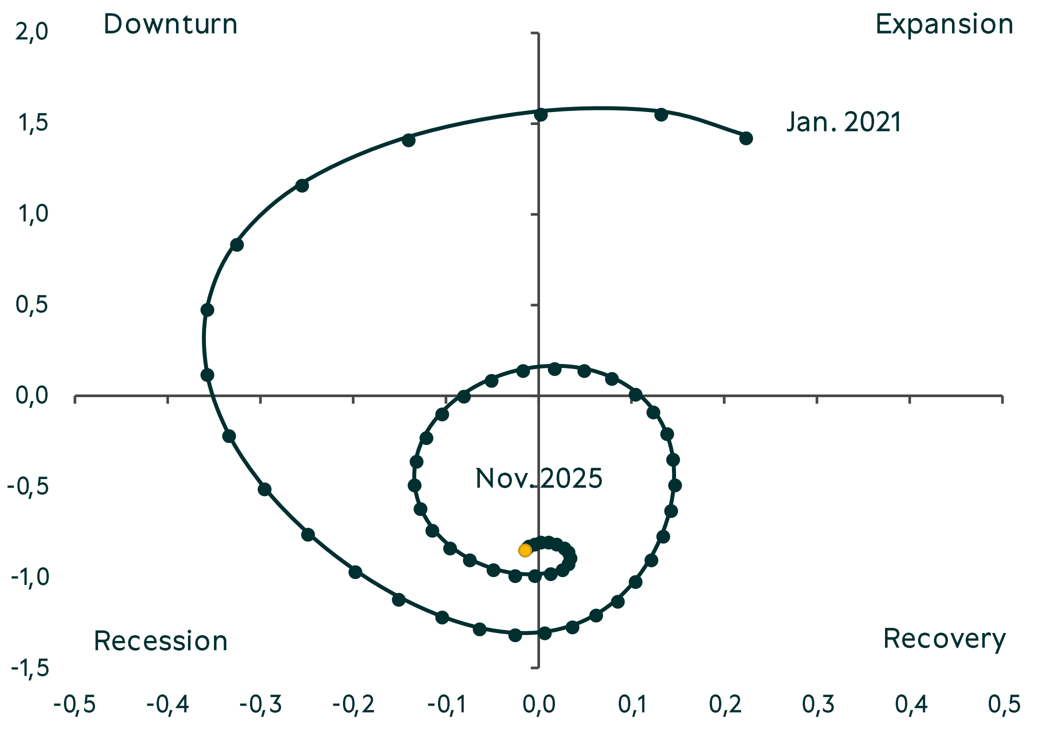
US Economy

EA Economy

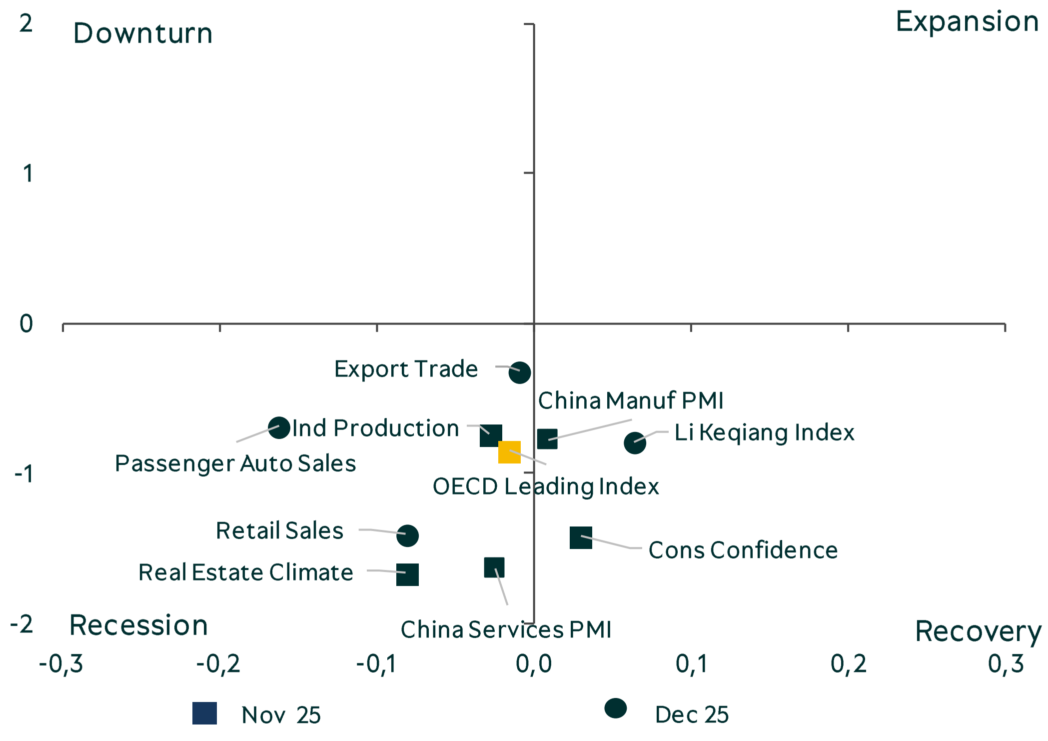
China Economy

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

CN Business Cycle | Based on China OECD Leading Indicator



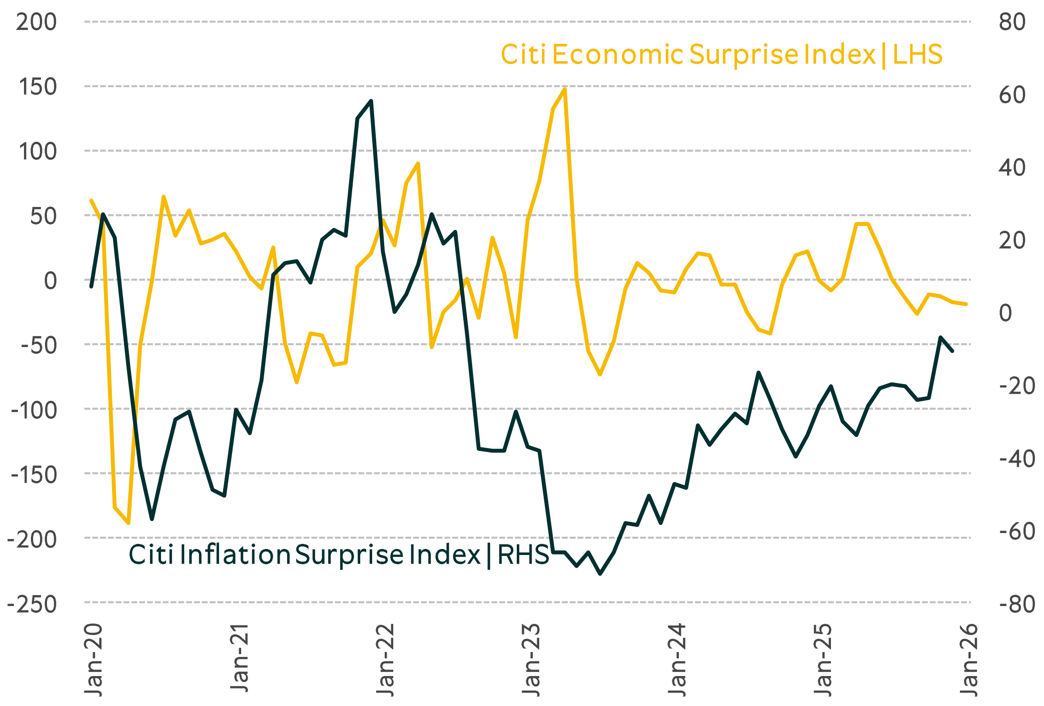
CN Business Cycle | Based on Major CN Economic Variables



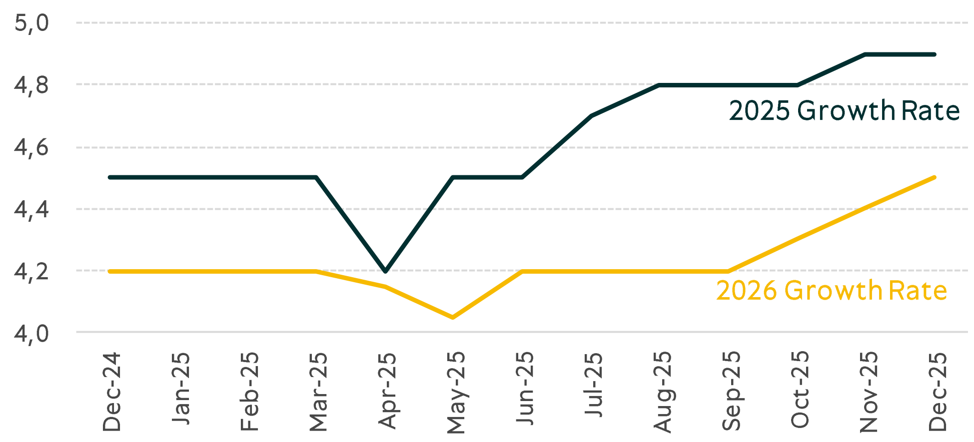
Source: Economic Research & Investment Strategy

Chinese Macro Expectations | Sub 5% growth expectations for 2026

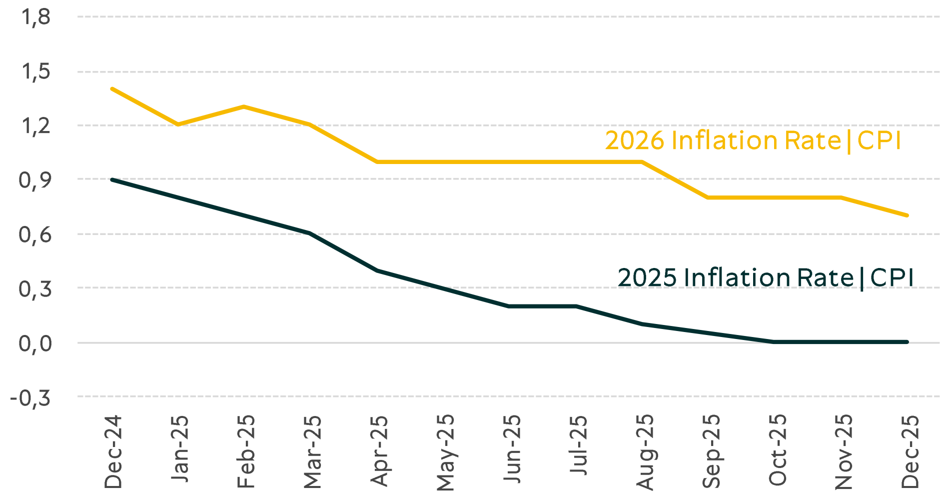
Economic & Inflation Surprises



Growth Rate Expectations (Consensus)



Inflation Rate Expectations (Consensus)



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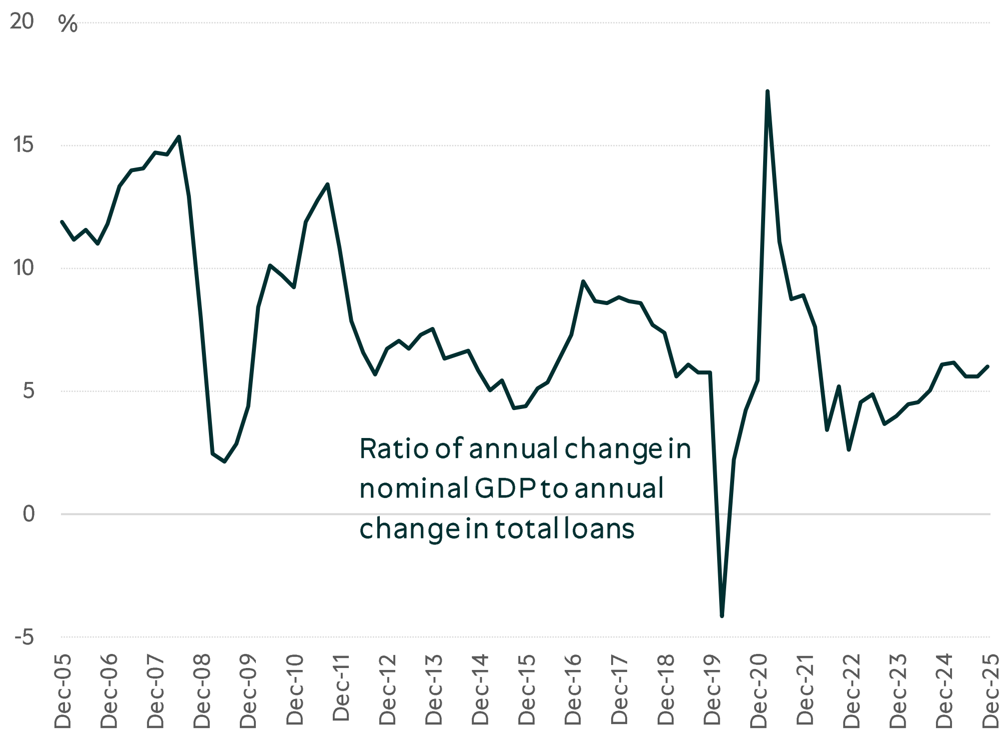
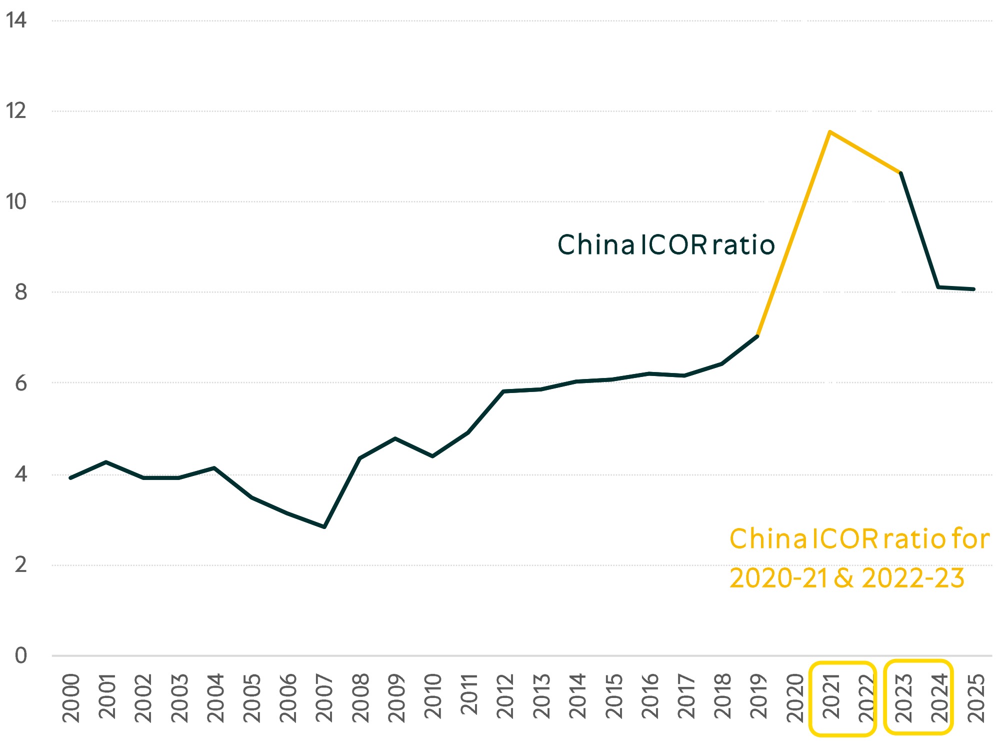
Source: Economic Research & Investment Strategy

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

China credit-efficiency ratio

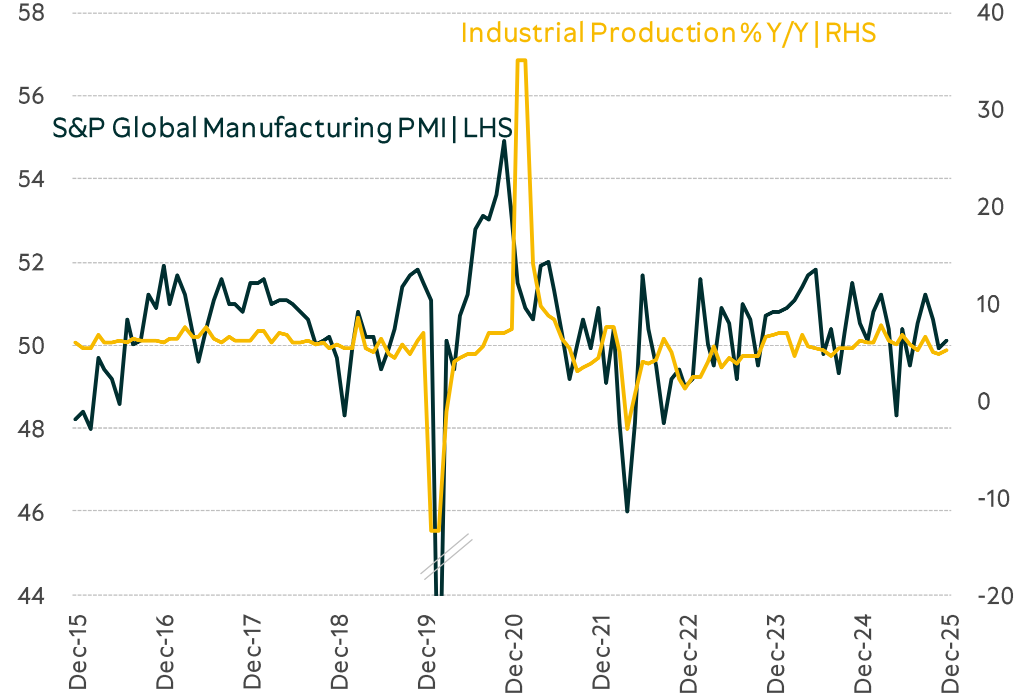


China Incremental Capital Output Ratio

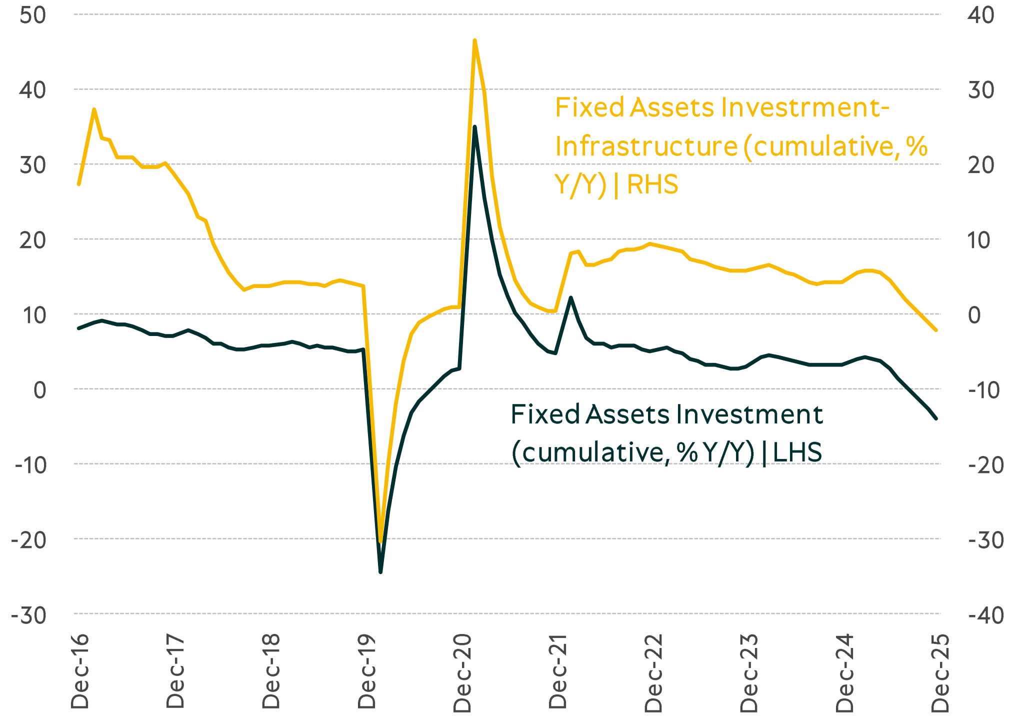


CN | The Caixin Manufacturing PMI increased to 50.1 in November; however, domestic demand continues to be weak.

Industrial Production & Caixin Manufacturing

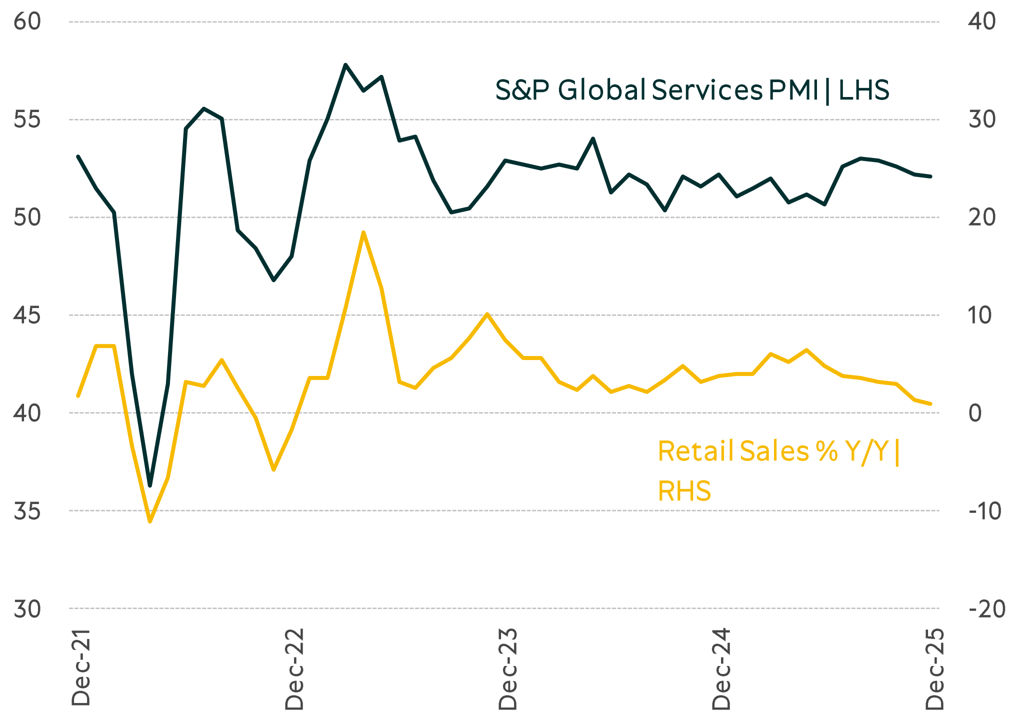


Fixed Assets Investment

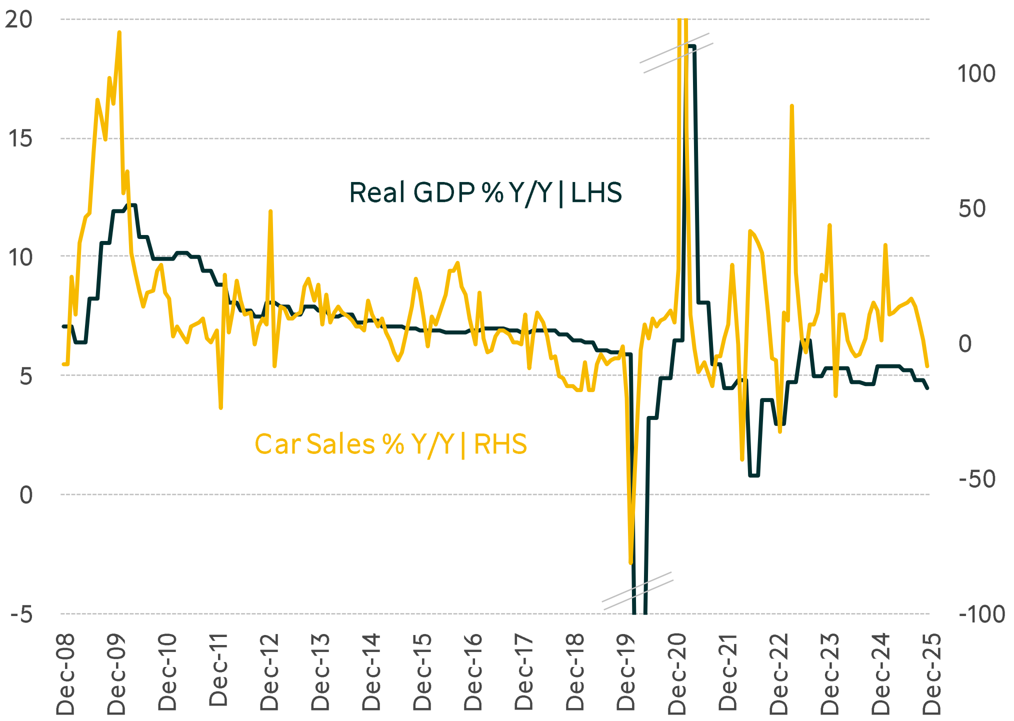


CN | Retail sales growth has slowed further, providing another indication that domestic demand remains subdued.

Retail Sales & Caixin Services PMI

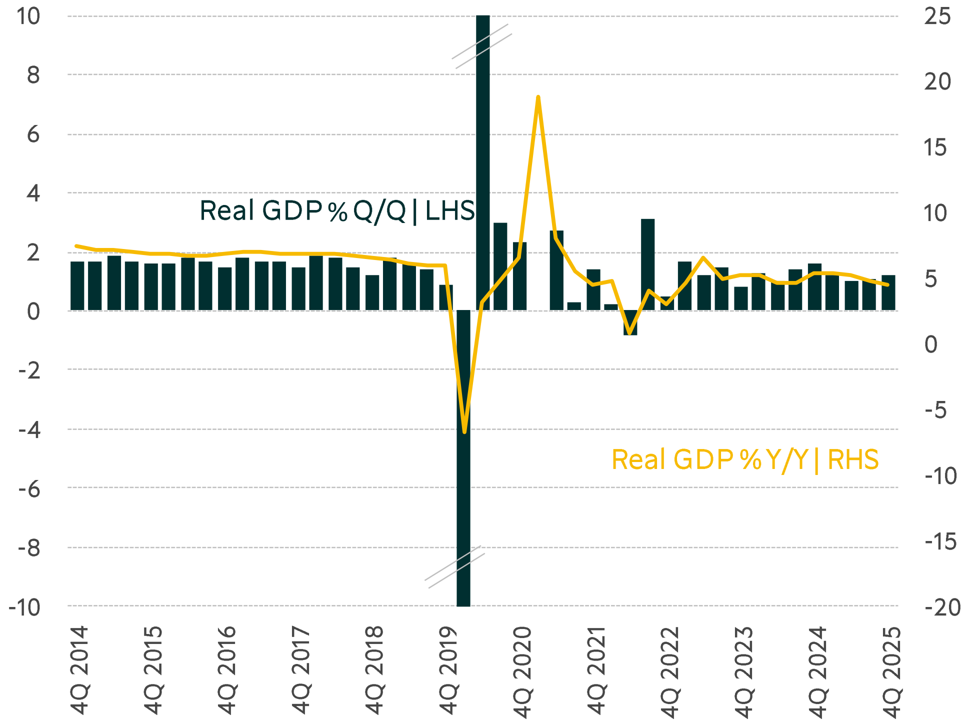


Real GDP & Car Sales

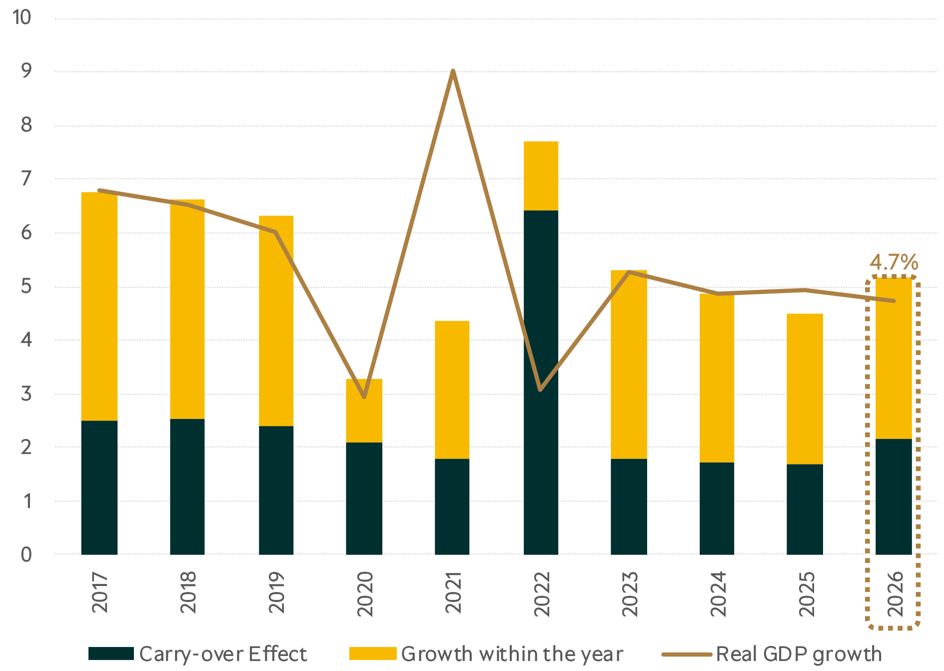


CN GDP Outlook | The government's target of approximately 5% growth rate in 2025 has been achieved.

GDP Growth Rate



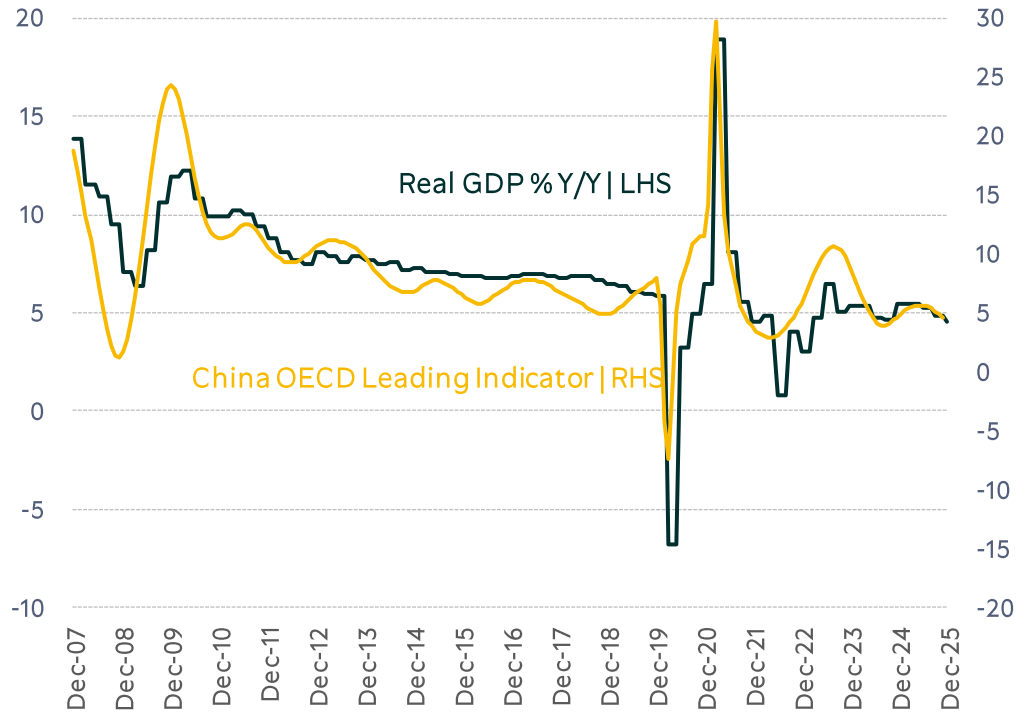
Carry Over Effect



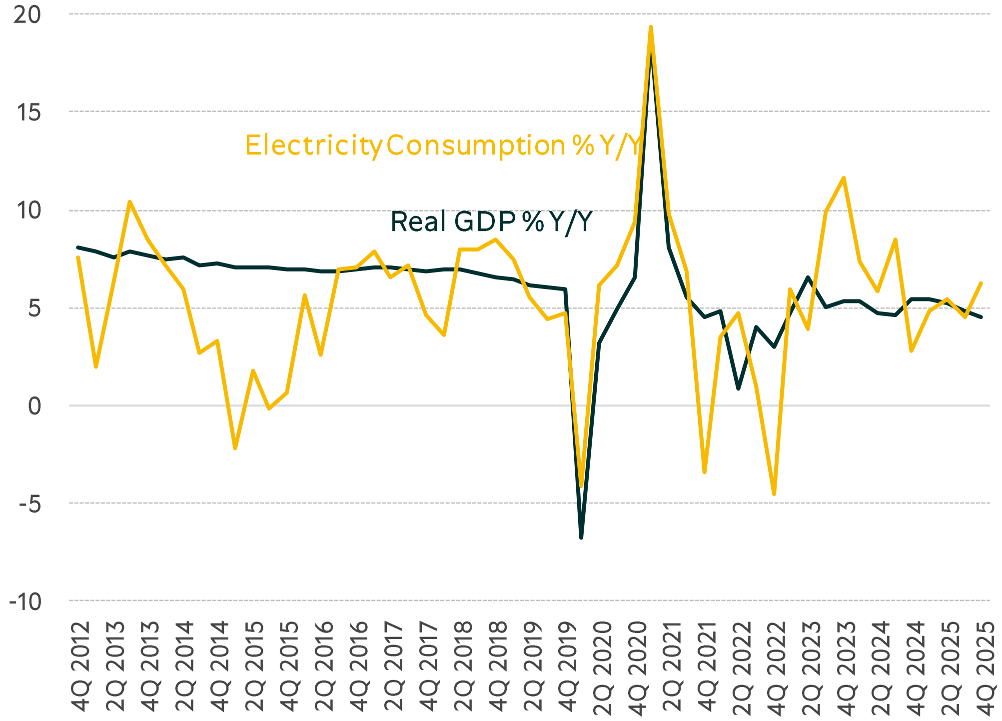
Source: Economic Research & Investment Strategy

CN GDP | Trends in electricity consumption and the OECD Leading Indicator suggest that growth is likely to remain around its current level.

Real GDP & China OECD Leading Indicator



Real GDP & Electricity Consumption



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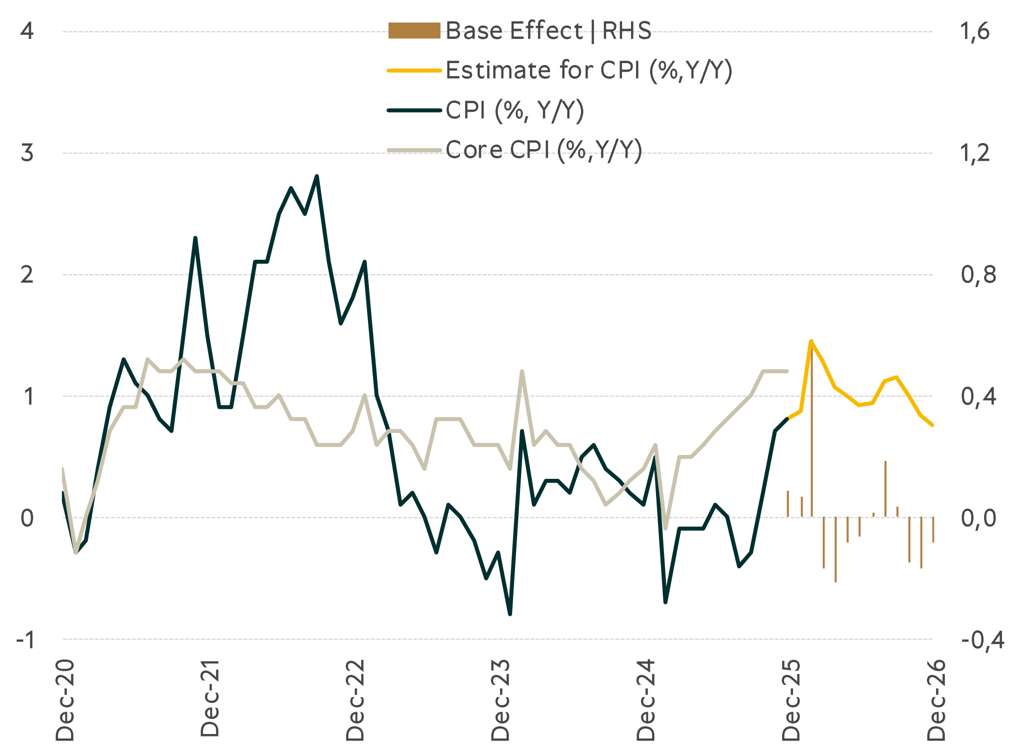
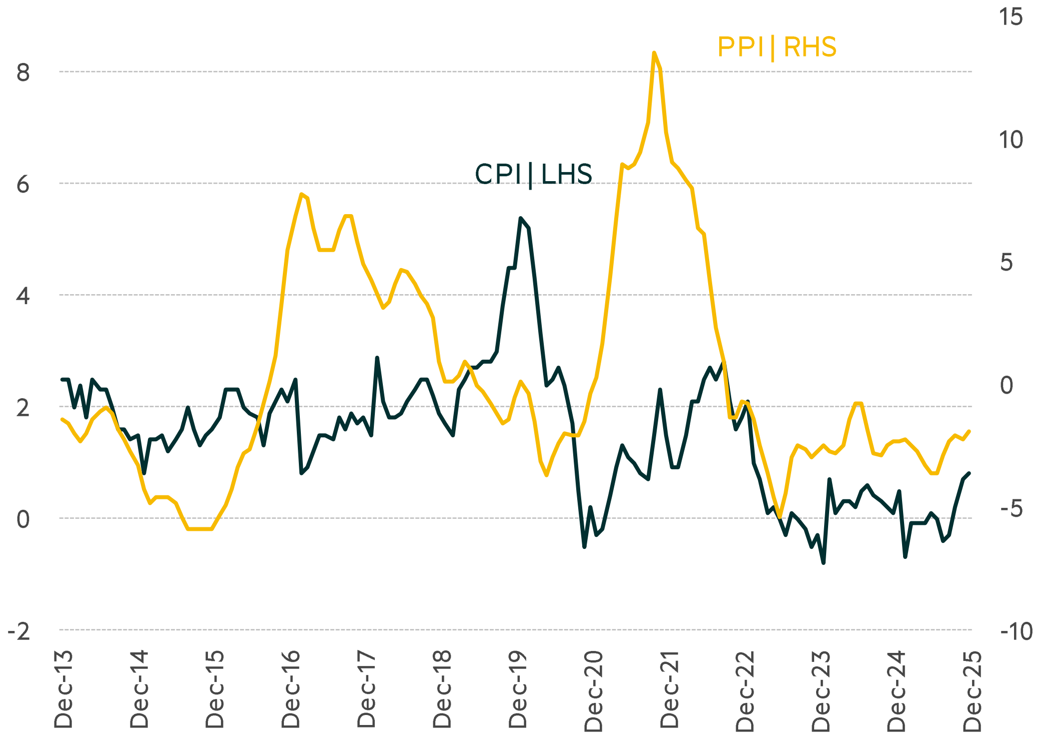
Source: Economic Research & Investment Strategy

CN Inflation Outlook | Base effects are expected to keep inflation at about its current level over the next 12 months.

Inflation Rate Forecast | Statistical Model

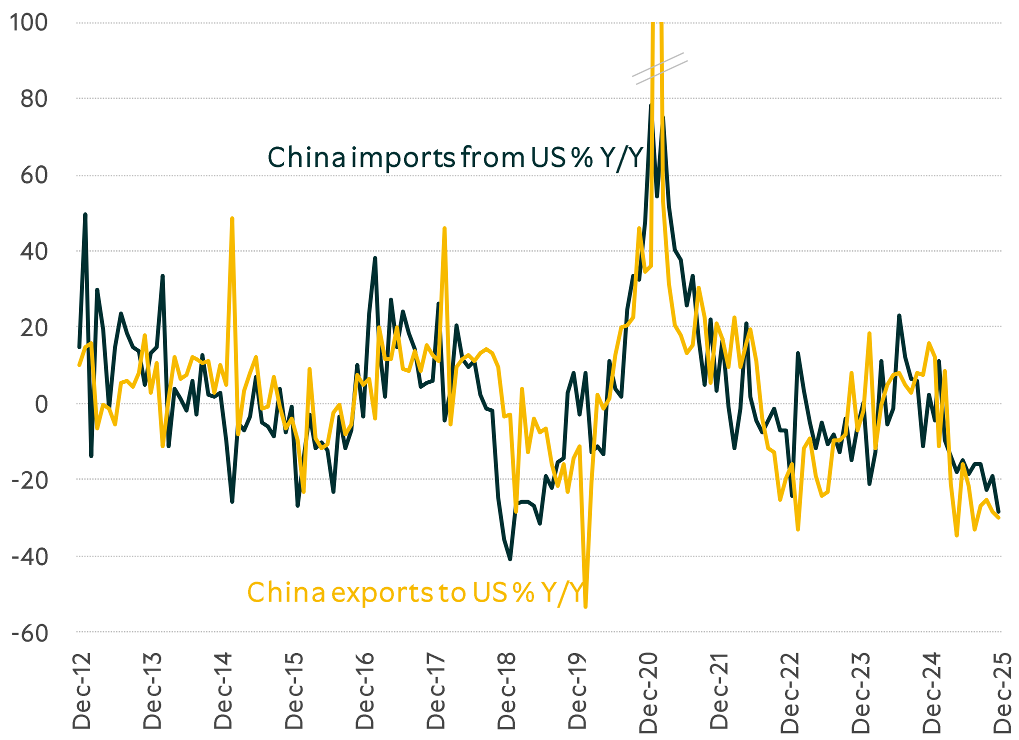


CPI & PPI

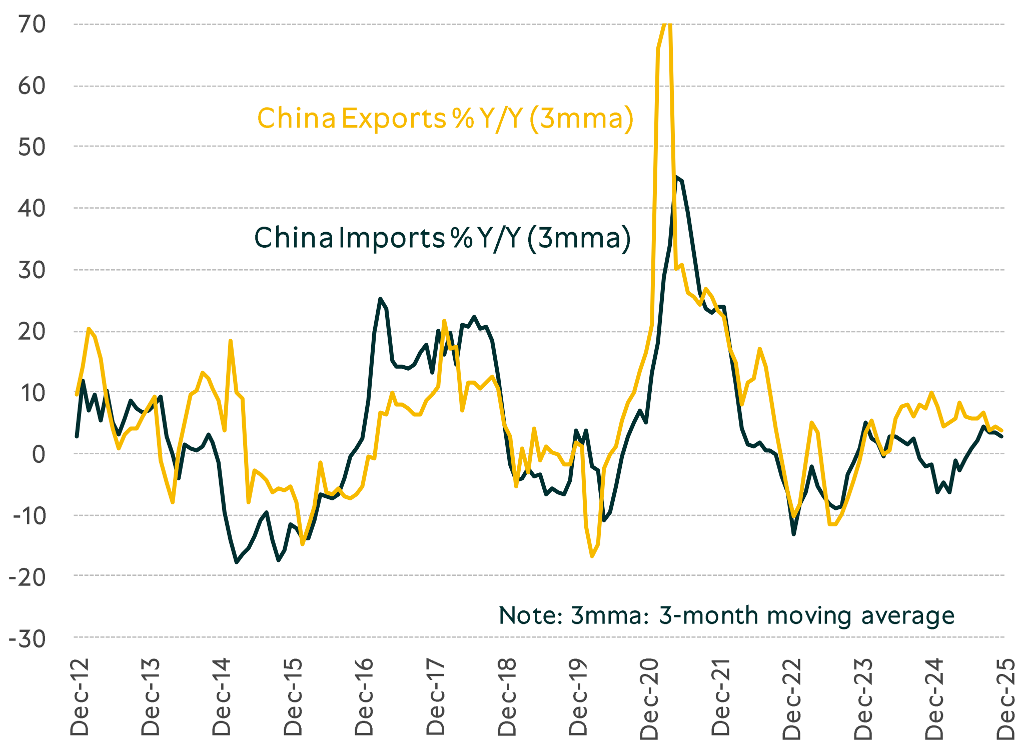


CN Trade | The trade truce with the USA and the successful redirection of exports helped minimize trade losses

Trade US – China



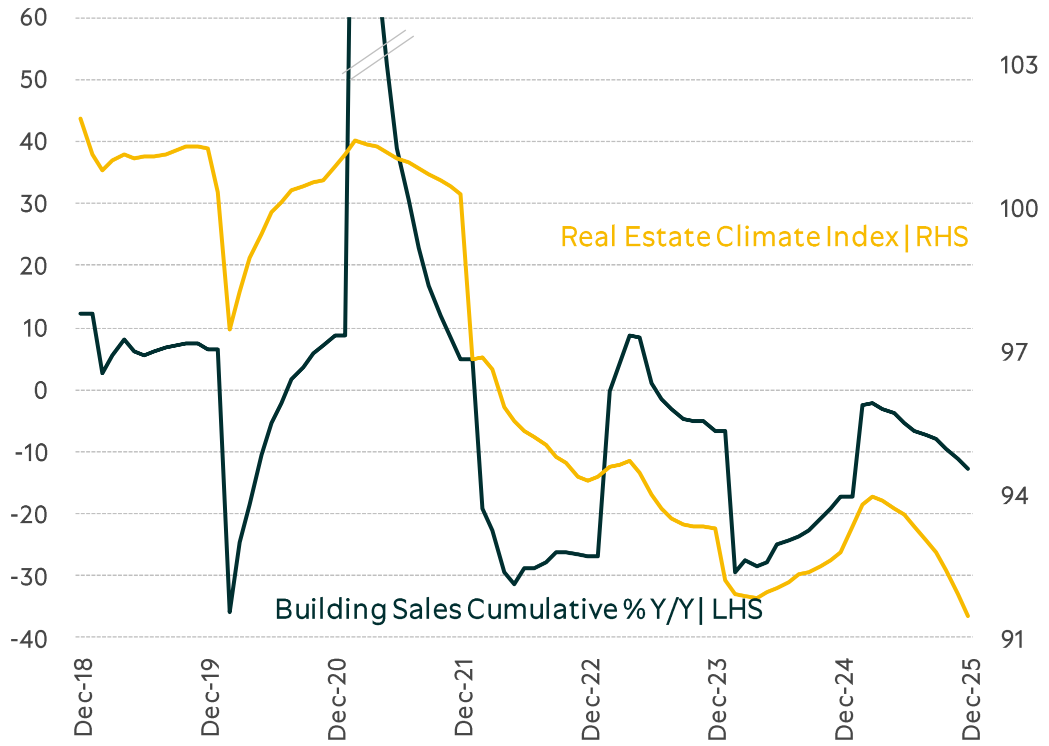
Imports & Exports



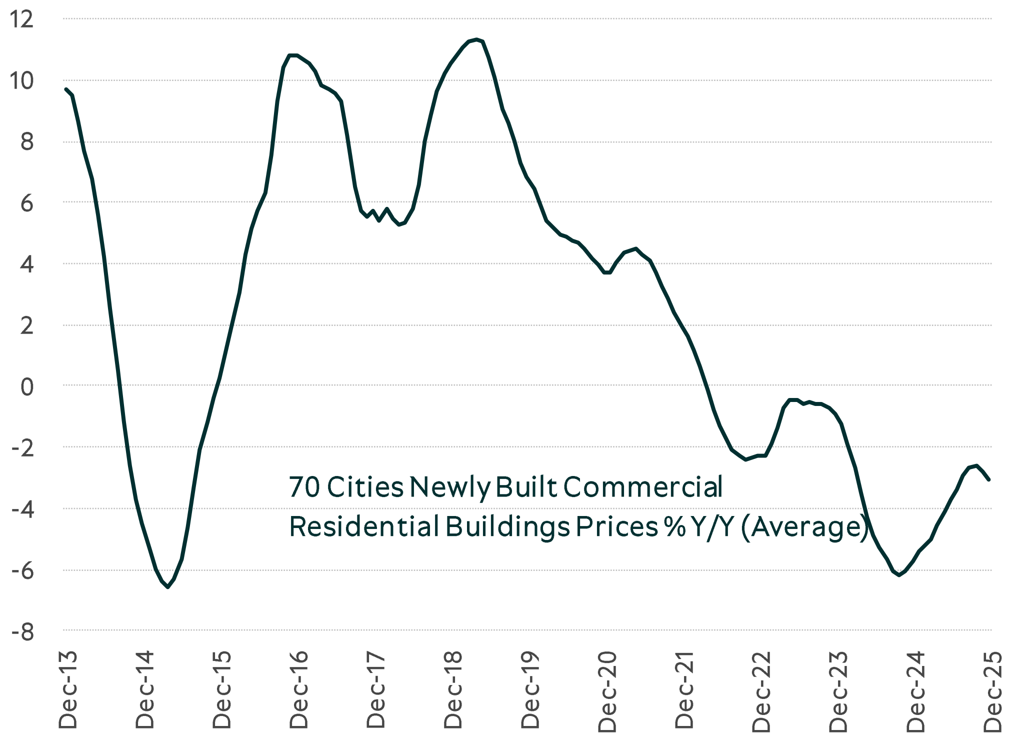
Source: Economic Research & Investment Strategy

CN Real Estate | The ongoing decline in building sales and the real estate climate shows no signs of stabilisation. Prices begin to decline again.

Real Estate Climate & Building Sales

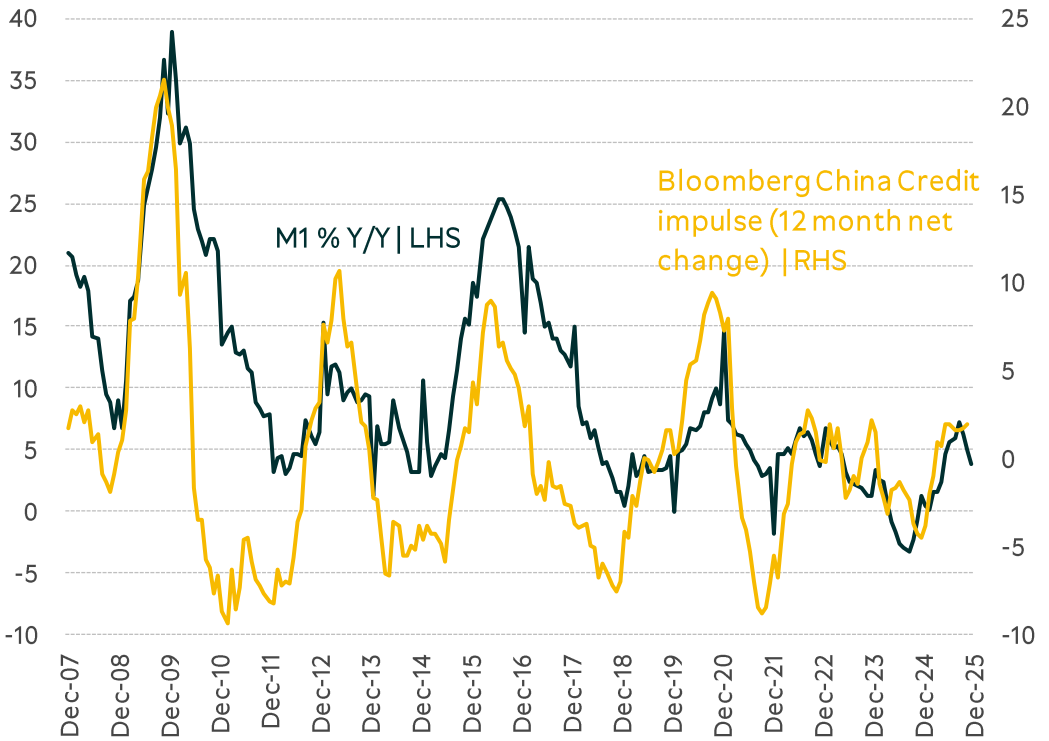


Newly Residential Buildings Prices

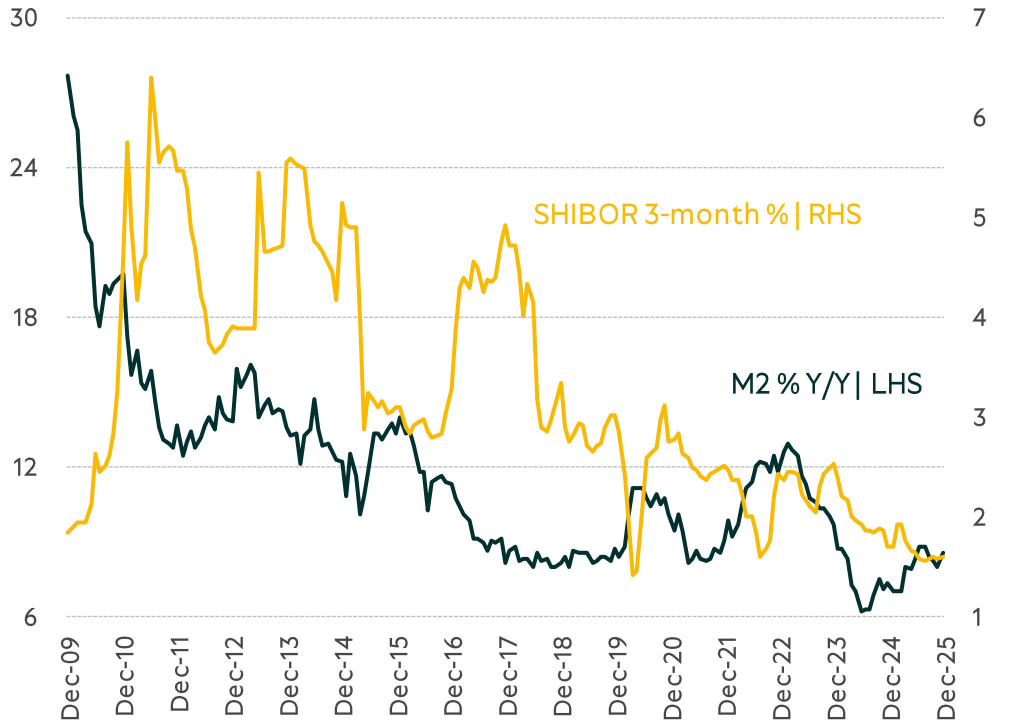


CN Money Supply | Although their growth has moderated, M1 and M2 continue to provide substantial support to economic expansion

Money Supply



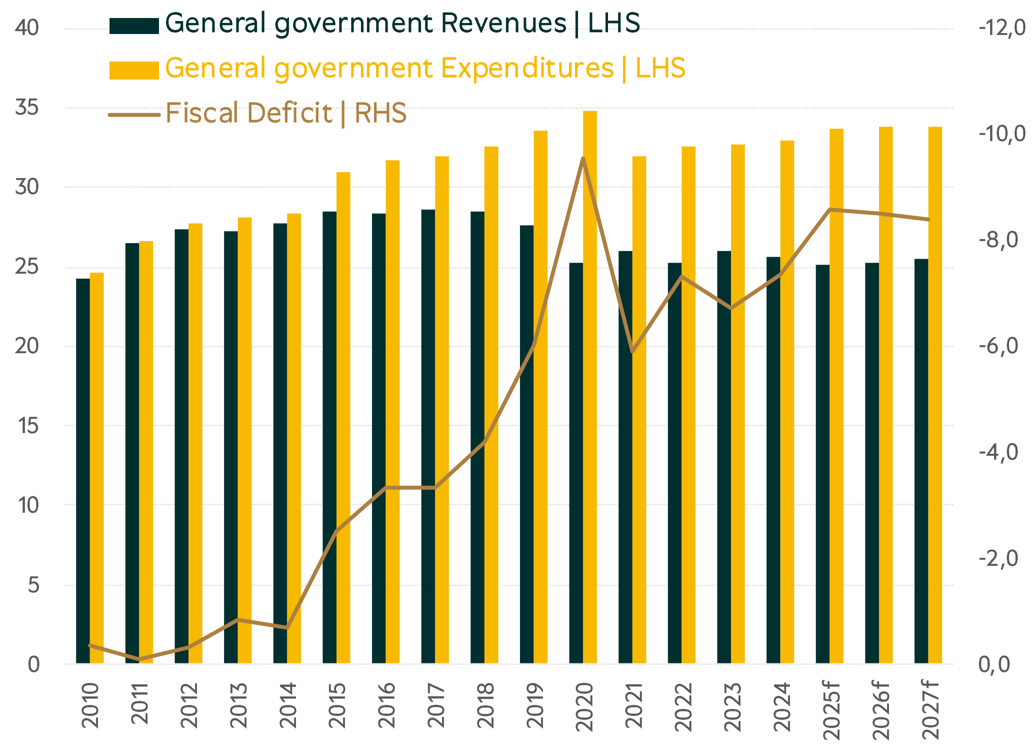
Money Supply & Interbank Rate



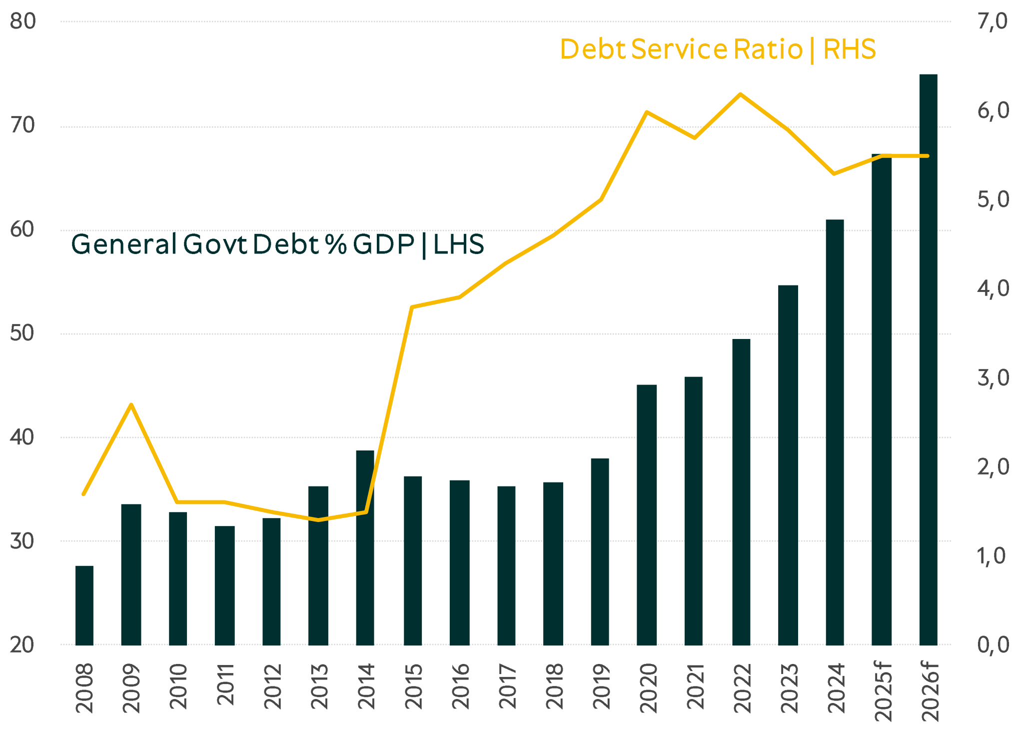
Source: Economic Research & Investment Strategy

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

Source: Economic Research & Investment Strategy

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