



COMMERZBANK

Economy hassled by the Pandemic, the War and Rate Hikes



IACPM, Frankfurt am Main

In a nutshell



- I. Global economic slowdown in H1 2023 & no typical recovery boom
- II. Supply shortages easing
- III. Energy war: no gas rationing expected
- IV. Inflation easing in 2023, but yet to remain elevated
- V. ECB & Fed hike rates further, but the peak is near
- VI. Regionalisation of global trade & East-West divide
- VII. EUR to remain weak

Global economic slowdown



Global purchasing managers' index, diffusion index

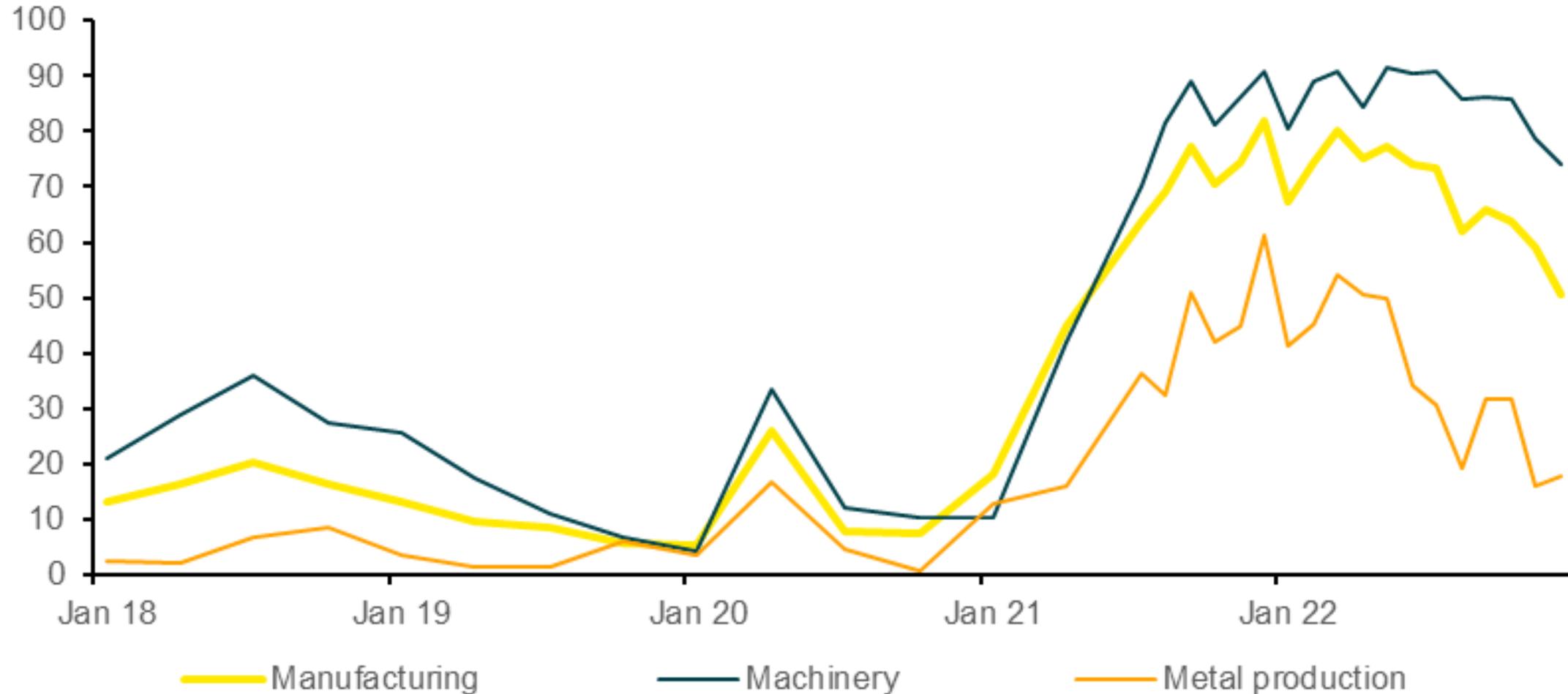


Quelle: IHS, Commerzbank Research

Supply shortages easing slowly



Share of German companies that feel hindered in their production by material and supply bottlenecks, in percent



Quelle: Ifo, Commerzbank Research

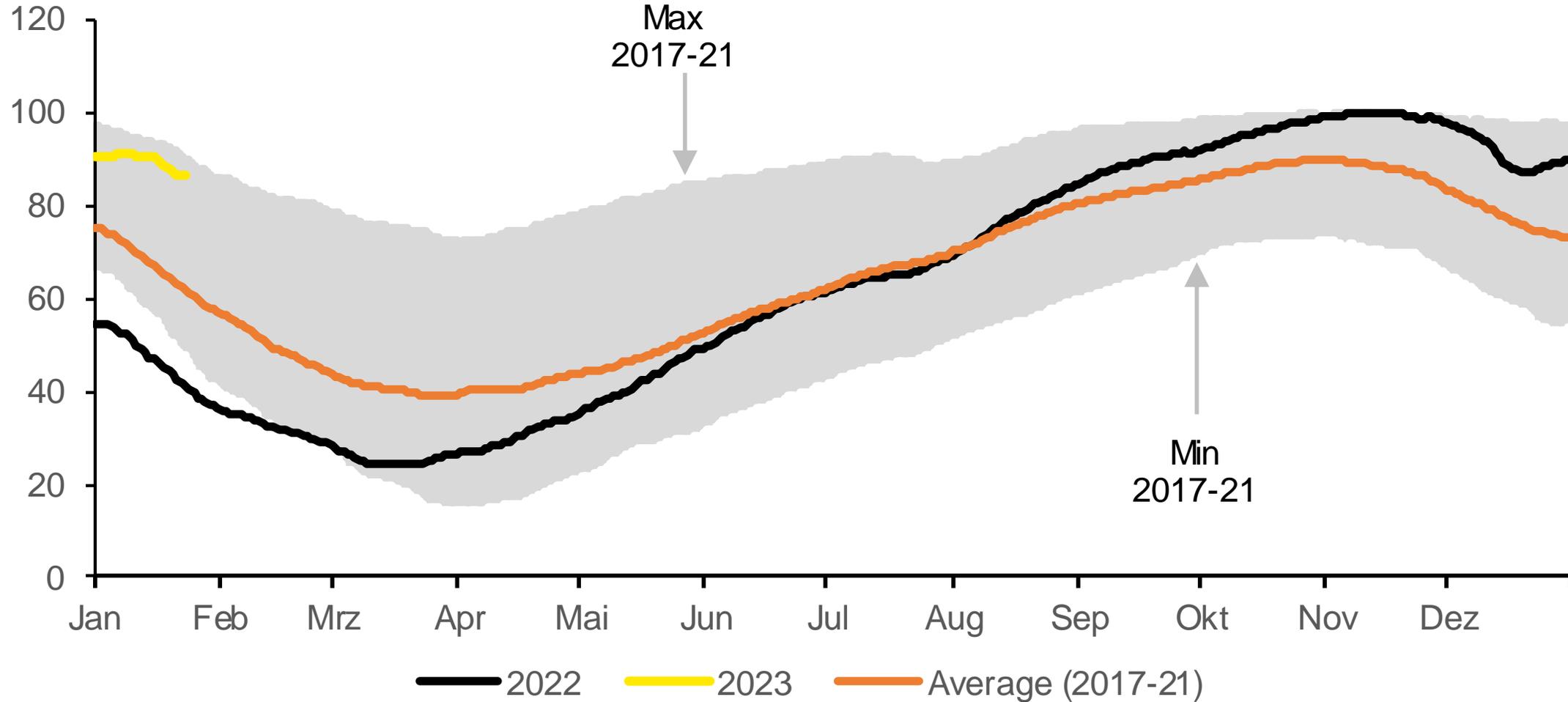
09.11.2022

Commerzbank AG, Dr. Marco Wagner, Commerzbank Research

Energy war: At least well-filled gas stocks



Aggregate gas storage inventory in Germany, in percent of total capacities



Quelle: AGSI, Commerzbank Research

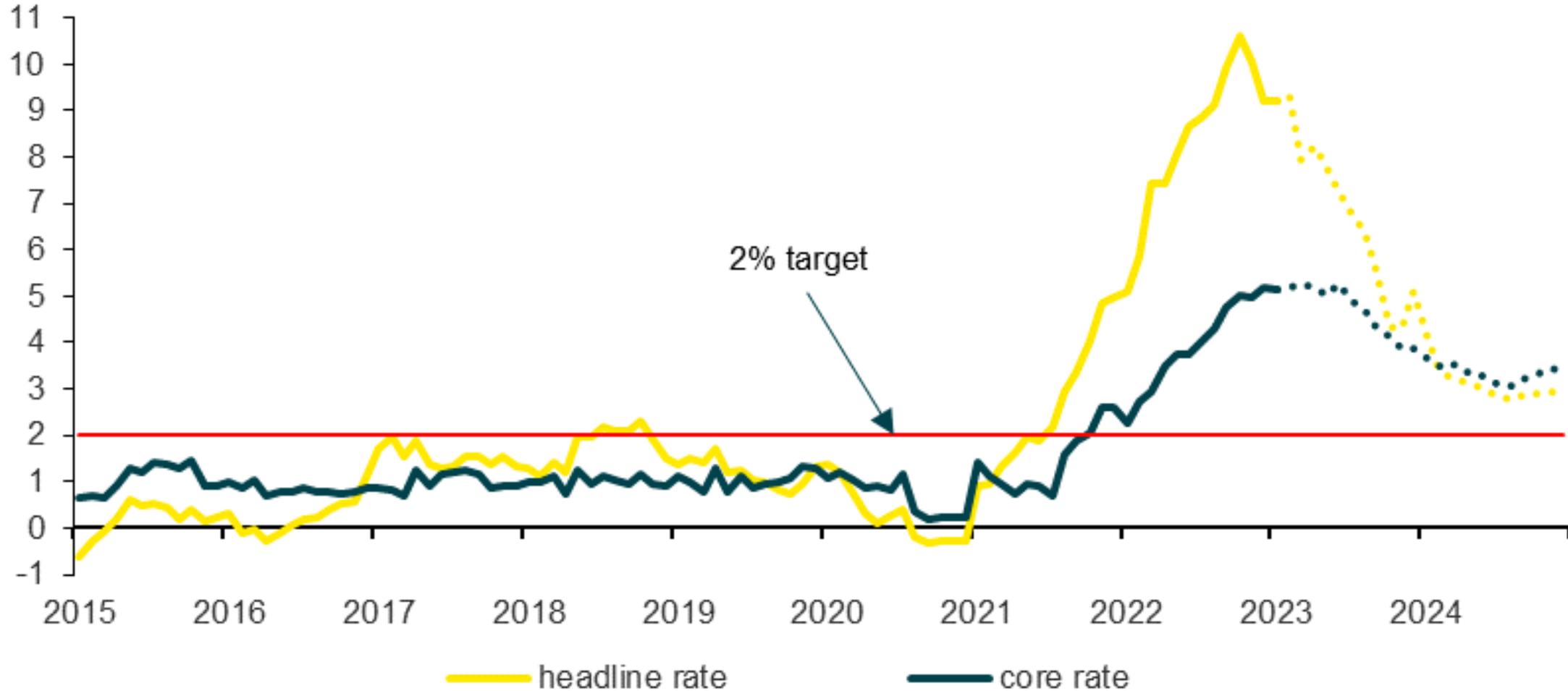
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Inflation: down, and yet to stay elevated



Headline and core inflation (excl. energy, food and tobacco) in the Euro zone, in percent; from November 2022 Commerzbank forecast



Quelle: IHS, Commerzbank Research

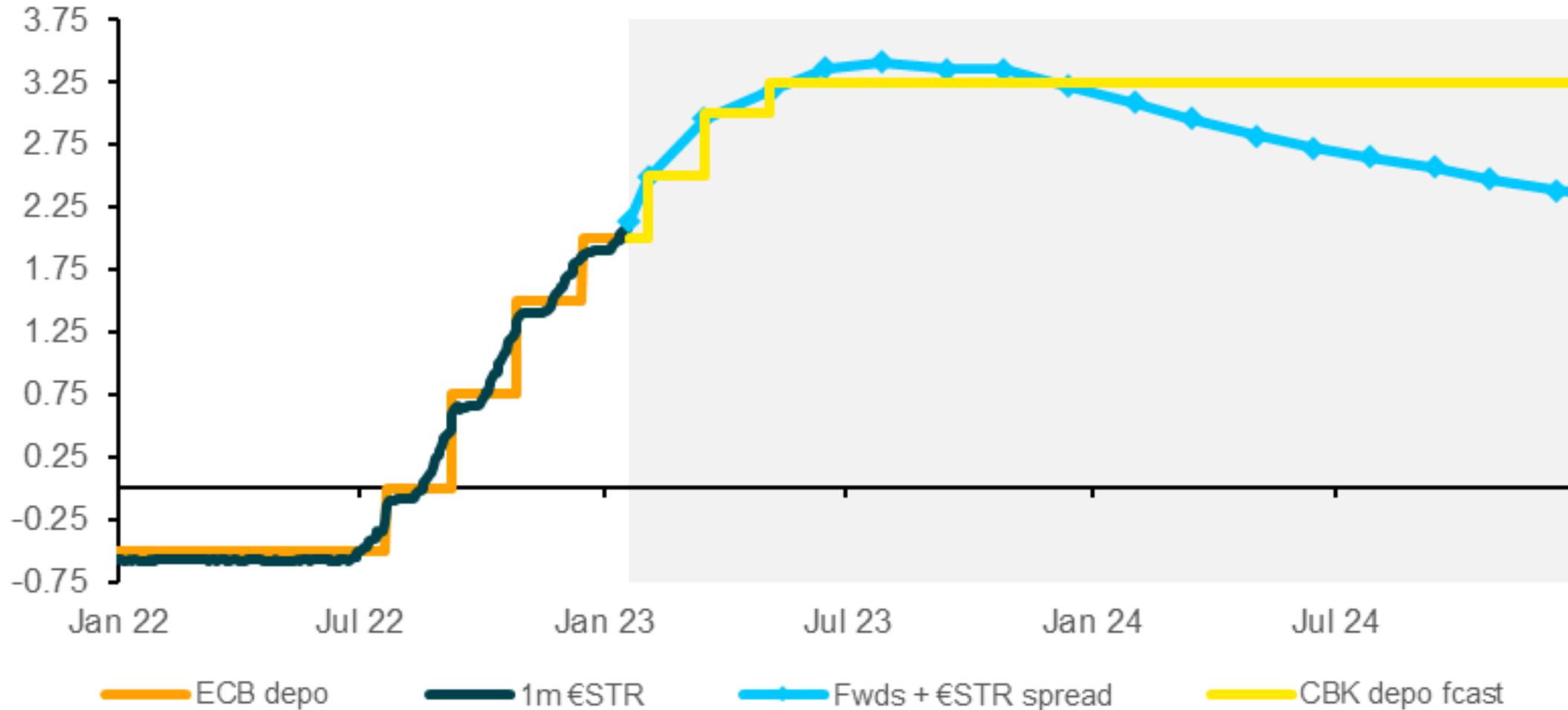
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ECB: not yet done



ECB deposit rate, 1-month €STR and forwards, Commerzbank forecast for key interest rate (CBK depo fcast), in percent

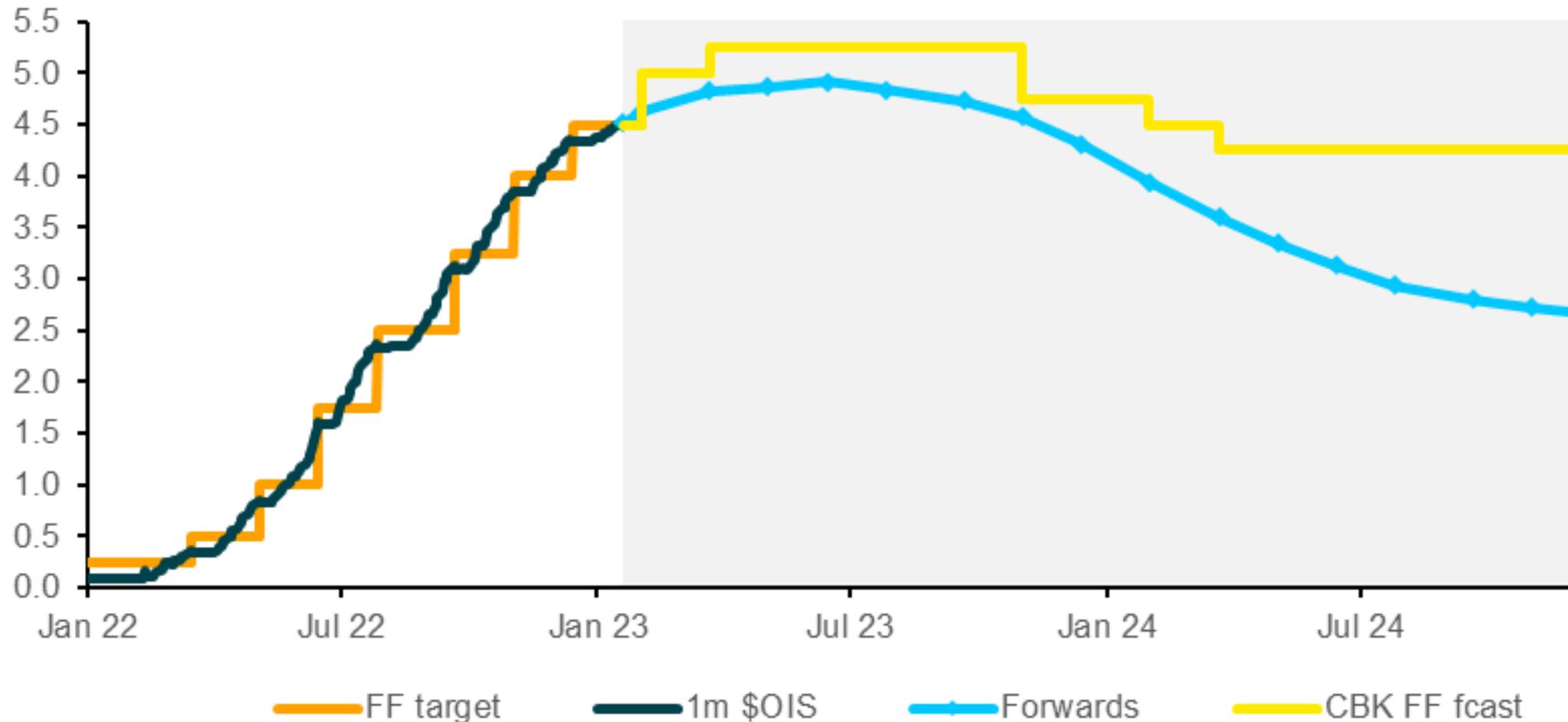


Quelle: Bloomberg, Commerzbank Research

Fed: not yet done, either, but rate cuts on the horizon



Federal Funds Rate, upper limit of the target corridor (FF target), 1-month swap rate and forwards, Commerzbank forecast for key interest rate (CBK FF fcast), in percent

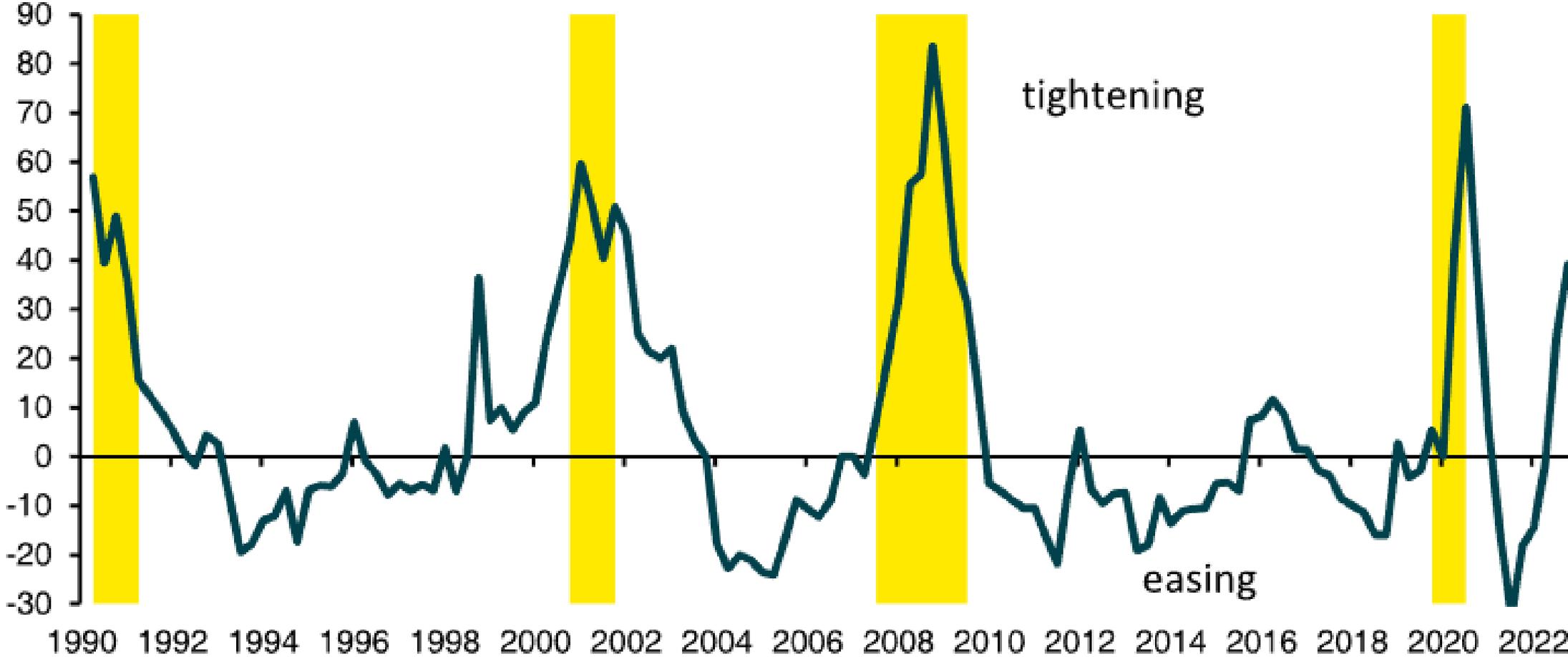


Quelle: Bloomberg, Commerzbank Research

USA: Deteriorated credit conditions point to recession



Net percentage of banks which tightened credit conditions for commercial and industrial loans, quarterly data

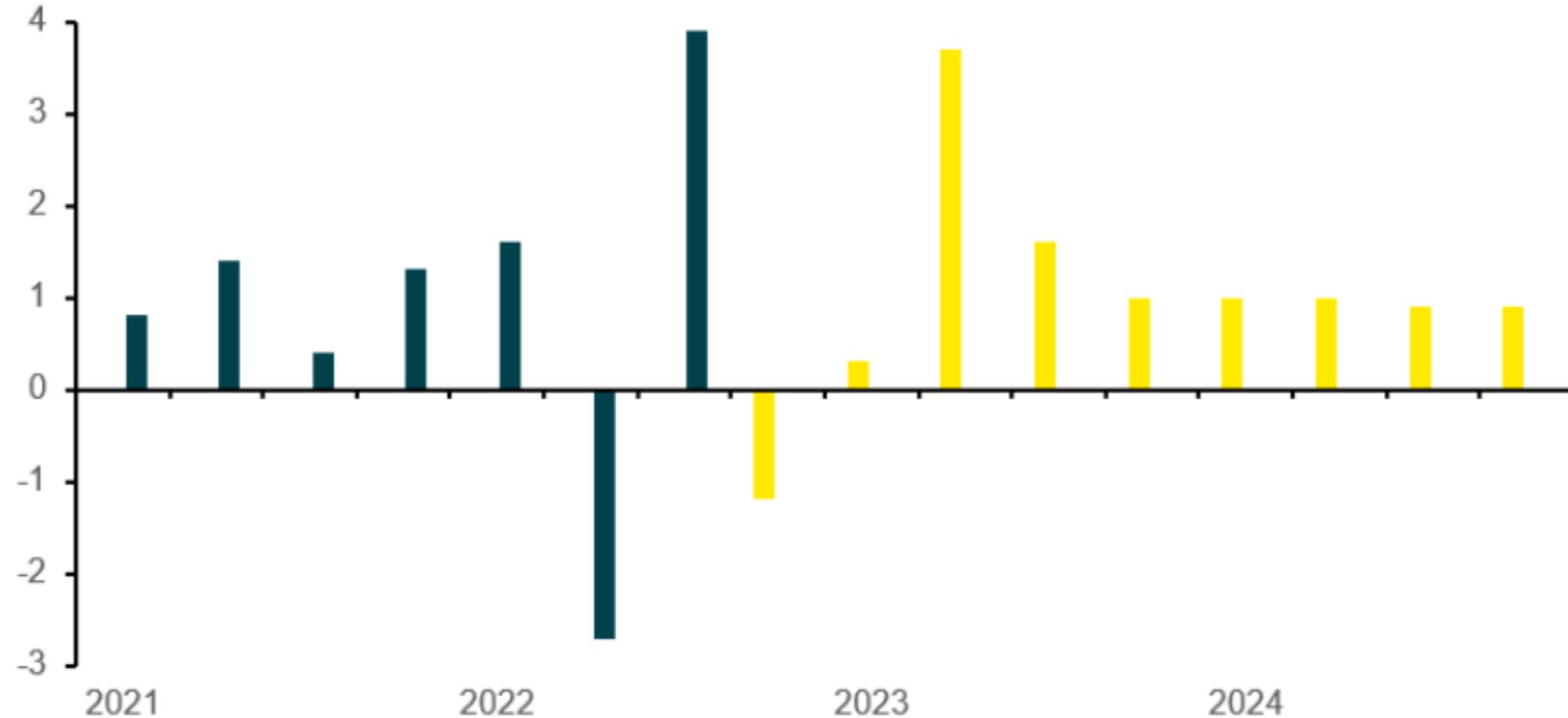


Quelle: AM&M Supply Chain Survey 2022, Commerzbank Research

China: long-term subdued growth



Real GDP, quarterly rate of change in %. Commerzbank forecasts as of Q4.2022



Quelle: AM&M Supply Chain Survey 2022, Commerzbank Research

US-China decoupling

Friend-Shoring: „Favoring the 'friend-shoring' of supply chains to a large number of trusted countries – so we can continue to securely extend market access – will lower the risks to our economy, as well as to our trusted trade partners.“

Janet Yellen, US-Finanzministerin, Rede vor dem Atlantic Council Anfang April 2022

National Security Strategy 2022

Part III: Our Global Priorities

Out-Competing China and Constraining Russia

Auszug aus dem Inhaltsverzeichnis

Dual Circulation Strategy

Internal circulation

- Focus on domestic consumption
- Supporting high-tech sectors

External circulation

- Openness for international trade and investment

Politburo Standing Committee of the CCP, Mai 2020

EUR-USD to go sideways



EUR-USD, from January 2023 Commerzbank forecast



Quelle: Bloomberg, Commerzbank Research



Link: Research - Commerzbank





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