



Our Economy and The World

The Weekly Report

Issue: 302 Date: 25th December 2022

This week's issue of "Our Economy and the World" includes:

- **Key Global and Regional Developments over the Past Week**
 - Bloomberg: German finance chief wants 'friendshoring' to avert US trade war
 - BBC: EU nations agree gas price cap to shield consumers
 - Reuters: U.S. current account deficit shrinks in third quarter
 - Bloomberg: European gas prices drop to lowest since June amid LNG influx
- **Special Analysis**
 - World Bank: 2022 The Year in Review
- **Developments in Financial and Commodity Markets in the past week**
 - CNBC: Dow closes up 500 points, lifted by upbeat earnings, strong consumer confidence data
 - Bloomberg: Asian stocks follow US gains on earnings boost
 - Reuters: U.S. consumer confidence rebounds; existing home sales sink

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



Our Economy and The World

The Weekly Report

Key Global and Regional Developments over the Past Week

[Bloomberg: German finance chief wants 'friendshoring' to avert US trade war](#)

German Finance Minister Christian Lindner urged Joe Biden's administration to apply the principles of "friendshoring" to a recent package of green subsidies that has threatened to trigger a trade war between the US and the European Union. Lindner said he's concerned that the US climate package known as the Inflation Reduction Act puts European companies at a disadvantage and called for "trade diplomacy" to find a solution. Friendshoring, under which nations with shared values cooperate in manufacturing and sourcing raw materials, is the right way forward, he added.

[\(Read Full Article\)](#)

[BBC: EU nations agree gas price cap to shield consumers](#)

European Union nations have agreed to cap soaring wholesale gas prices to protect consumers across the bloc. From 15 February, prices will be limited if they breach 180 euros per megawatt hour for three days running. It follows weeks of wrangling in which Germany and others sought safeguards to ensure the cap would be suspended if it had negative consequences.

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.

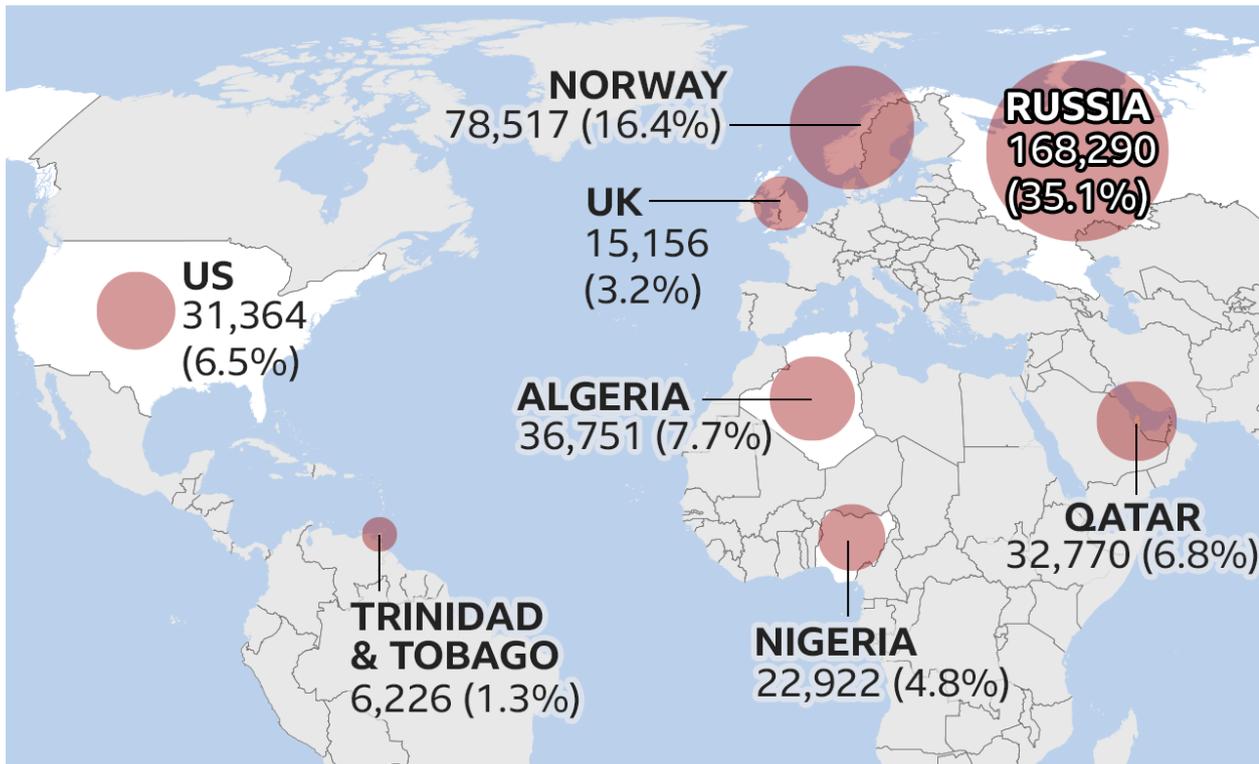


Our Economy and The World

The Weekly Report

Where does the EU get its natural gas imports?

Imports from non-EU countries in 2020 (million cubic metres)



Note: Imports include pipeline gas and liquid natural gas (LNG)
Other imports: 18.3%

Source: Eurostat



[\(Read Full Article\)](#)

[Reuters: U.S. current account deficit shrinks in third quarter](#)

The U.S. current account deficit narrowed sharply in the third quarter as exports jumped to a record high, data showed on Wednesday. The Commerce Department said that the current account deficit, which measures the flow of goods, services and investments into and out of the country, contracted 9.1% to \$217.1 billion last quarter. That was the smallest gap since the second quarter of 2021.

[\(Read Full Article\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



المركز المصري للدراسات الاقتصادية

The Egyptian Center for Economic Studies



Our Economy and The World

The Weekly Report

[Bloomberg: European gas prices drop to lowest since June amid LNG influx](#)

European natural gas fell to the lowest level since June 14 as near-record LNG imports and fuller-than-normal inventories further ease supply concerns. Benchmark futures settled 7.5% lower, falling below €100 for the first time in more than a month. Temperatures in much of the continent remain mild amid an influx of liquefied natural gas, which is helping to push prices lower. Increased wind generation is also keeping a lid on gas use.

[\(Read Full Article\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



Our Economy and The World

The Weekly Report

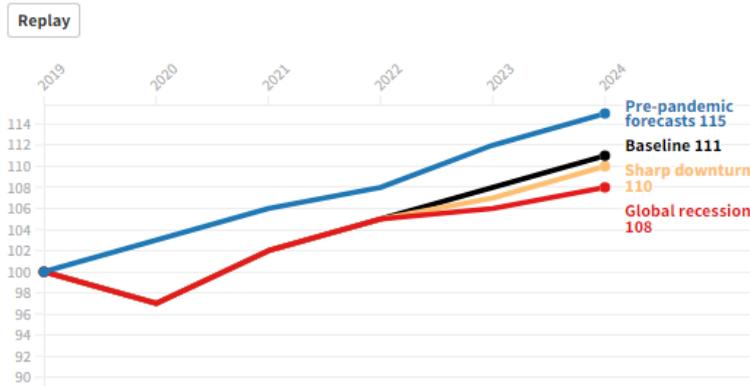
Special Analysis

World Bank: 2022 The Year in Review

The confluence of crises that defined 2022 continue to hamper global growth. The global economy is now in its steepest slowdown following a post-recession recovery since 1970 - with global consumer confidence already suffering a much sharper decline than during the run-up to previous global recessions. The world's three largest economies—the United States, China, and the euro area—have been sharply slowing. Under the circumstances, even a moderate hit to the global economy over the next year could tip it into recession.

The Global economy is in a steep slowdown

Global GDP (Index, 2019 = 100)



Source: [World Bank EFI Policy Note, September 2022](#)



[\(Read Full Report\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



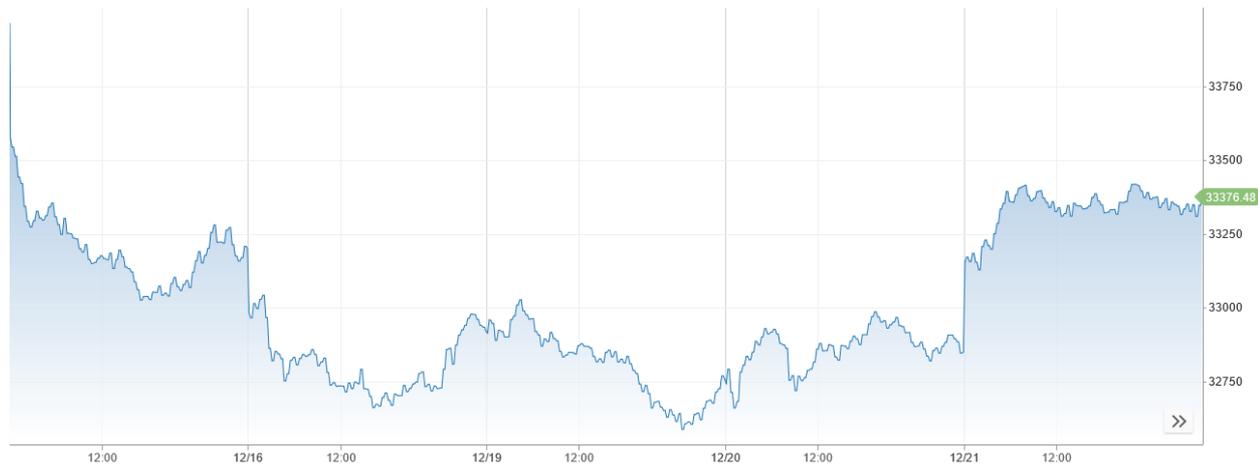
Our Economy and The World

The Weekly Report

Developments in Financial and Commodity Markets in the Past Week

CNBC: Dow closes up 500 points, lifted by upbeat earnings, strong consumer confidence data

Stocks jumped Wednesday, rising for a second day, after upbeat earnings reports from two bellwethers raised hopes that corporate earnings may be better than feared even with a potential recession. The Dow Jones Industrial Average gained 526.74 points, or 1.6%, to finish at 33,376.48. The S&P 500 surged 1.49% to settle at 3,878.44, while the Nasdaq Composite jumped 1.54% to end at 10,709.37.



[\(Read Full Article\)](#)

Bloomberg: Asian stocks follow US gains on earnings boost

A gauge of Asian equities looked poised to snap five days of declines on Thursday after US shares rallied on improved consumer confidence and better-than-expected earnings. Stocks opened higher in Japan, South Korea and Australia, buoyed by gains of 1.5% in both the S&P 500 and the Nasdaq 100. Futures for Hong Kong climbed, as did an index of US-listed Chinese shares. Treasuries were little changed in Asia after a mixed US session as the immediate fallout from the Bank of Japan's surprise policy shift began to ebb.

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.



Our Economy and The World

The Weekly Report

USD/JPY Breaks Below 200-DMA As BOJ widens yield-curve control



Source: Bloomberg

Bloomberg 

[\(Read Full Article\)](#)

[Reuters: U.S. consumer confidence rebounds; existing home sales sink](#)

U.S. consumer confidence rose to an eight-month high in December as inflation retreated and the labor market remained strong, but fears of a recession persisted, resulting in fewer households planning to make big-ticket purchases over the next six months.

[\(Read Full Article\)](#)

Disclaimer

The content of this report is directly obtained from the sources indicated without an addition from the Egyptian Center for Economic Studies (ECES). ECES is not responsible for any legal or investment consequences as a result of using the information contained in this report. Any errors that may have occurred are accidental and unintentional.