Global Markets Roundup

National Bank of Greece | Economic Research Division | March 15, 2022

NATIONAL BANK OF GREECE

The Fed is set to raise its policy rate by 25 basis points to 0.50%, as US inflation hit a 40-year high of 7.9% year-over-year

- The European Central Bank (ECB) revised its economic outlook, incorporating strong upside effects on 2022 inflation from higher energy prices, alongside more measured negative impacts on GDP growth (-0.5 pps to +3.7%), due to Russia's invasion of Ukraine.
- Although Russia represents a limited fraction of global GDP (1.7%), it is a major producer of many commodities and thus, the respective supply-at-risk is substantial. In addition, the situation poses a risk for major disruptions also in the supply of commodities coming from Ukraine.
- The revised estimates for euro area average CPI inflation in 2022 range widely, from +5.1% in the baseline scenario, which incorporates a technical assumption for an average oil price of $93/barrel during the year, to +7.1%, depending on how the war and the sanctions against Russia evolve and on the respective repercussions for global trade.
- The ECB also judged that longer-term inflation expectations have anchored at its 2% target and that a stabilization at these levels over the medium term is increasingly likely.
- Net asset purchases under the Pandemic Emergency Purchase Programme (PEPP) will cease at end-March, as planned, with a total stock of €1.7 trillion, with reinvestments continuing in full until at least the end of 2024. The ECB also revised its Asset Purchase Programme (APP). Net APP purchases will average circa €30 billion per month in Q2:2022, instead of a monthly average of €40 billion, according to the previous guidance.
- The calibration of net APP asset purchases in Q3:2022 will be data-dependent, suggesting that QE could end during that quarter. Such a development would open the door to interest rate hikes "some time after". On the other hand, as the outlook has become very uncertain, the ECB retained the option to revise its schedule for net APP purchases. According to financial markets expectations, a cumulative increase of 30-basis points by end-2022 is currently being priced in.
- In a wide array of commodities (industrial metals, energy, agricultural), volatility has increased significantly, with their international prices reaching record highs (e.g. aluminum, nickel, wheat) or approaching them, before easing in recent days. Oil prices briefly appeared (Brent: $139/barrel) in course to challenge their record nominal highs of 2008 (Brent: $146/barrel), having fallen later on, hovering close to the $100/barrel mark in Tuesday morning's trading.
- A new round of Covid-related lockdowns in China and respective demand concerns, contributed to the easing of international prices of commodities. At the same time, Chinese bourses have entered the current week with sharp losses (MSCI China: -7.5% on Monday I -25% YtD).
- Option-implied volatility for US Treasury bond yields (ICE MOVE Index) hit the 140s, its highest since the onset of the pandemic. The 10-year US Treasury yield reached +2.14% on Monday 14th and its Bund peer +0.35%, the highest since May 2019 & November 2018, respectively, due to, *inter alia*, solid inflation data (US CPI: +7.9% yoy – see Economics).
- Attention is now turning to the meeting of the Federal Reserve. An increase in the federal funds rate by 25 bps to 0.50% for the first time since December 2018 is expected on March 16th.

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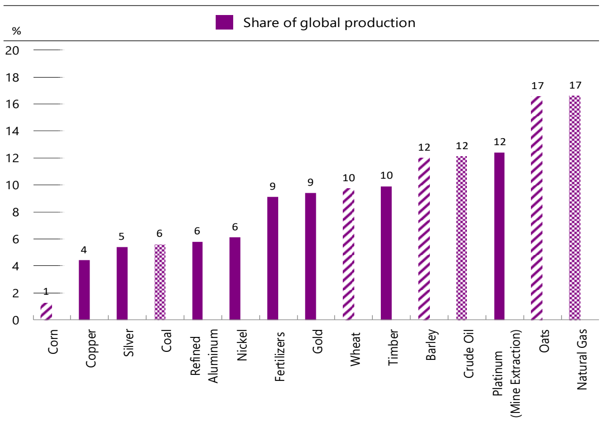
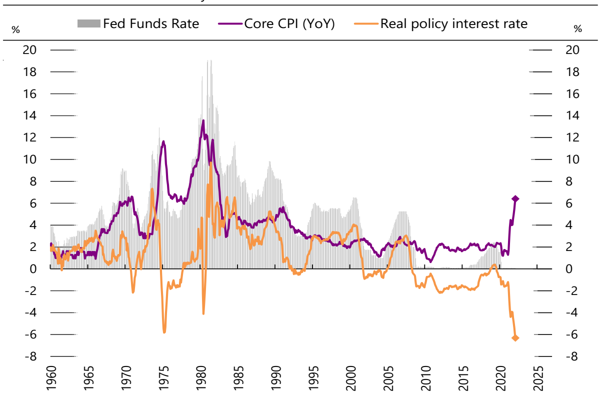
Charts of the week

Russia: Supply of Selected Commodities



Source: NBG Research, World Bank Commodity Markets Outlook, October 2021, US Department of Agriculture, **Fertilizers**: Nitrogen, Phosphate, Potash, **Timber**: Industrial Roundwood & Sawnwood

US Core CPI and US Real Policy Interest Rate



Source: NBG Research, Real Policy Interest Rate: The Federal Funds Interest Rate minus core CPI over the previous 12 months

See page 11 for disclosures and analyst certification

US job creation remained solid in February, well above expectations

- **Non-farm payrolls increased by 678k (in seasonally adjusted terms | "sa") in February, versus consensus estimates for +400k.** The latest reading followed an also robust +481k in January. Furthermore, meaningful positive net revisions for the previous two months took place (+92k, cumulatively). Compared with April 2020, non-farm payrolls are up by 19.9 million, albeit still down by 2.1 million from its pre-pandemic level in February 2020.
- At the same time, total household employment (including the self-employed and agricultural workers | sa) posted an also solid +548k in February (+1199k in January). As a result, the unemployment rate declined by 0.2 pps to 3.8% (consensus: 3.9% | pre-pandemic levels of 3.5% in February 2020, a 50-year low). Moreover, that outcome was reached despite the labor force participation rate increasing by 0.1 pp to 62.3%.
- **Regarding wages, average hourly earnings were surprisingly flat on a monthly basis** (consensus for +0.5% mom) in February, albeit caution is warranted in assigning too much weight on a single month's reading as a reliable indicator of the underlying momentum. The annual pace of growth decelerated by 0.4 pps to a still robust +5.1% (average of +2.8% yoy since 2007), well below consensus estimates for +5.8% yoy. Notably, the growth of wages of production and nonsupervisory employees (81% of total -- that also exhibit a higher propensity to consume) continues to over-perform, largely stable at +6.9% yoy, a record (since 2007) high (excluding the pandemic-distorted +7.7% yoy in April 2020 and +6.8% yoy in May 2020 | +3.0% yoy on average since 2007).

US inflation accelerated substantially anew in February, as expected

- **Inflation reached fresh multi-year highs in February, with the underlying momentum remaining solid.** In the event, the CPI rose by +0.8% mom (seasonally adjusted | "sa"), from +0.6% mom in January. Recall that the monthly growth of CPI averaged +0.7% in the past year (i.e. from March 2021 to February 2022), consistently exceeding by a wide margin a 20-year average of +0.2% mom. As a result, the annual pace of growth increased by 0.4 pps to +7.9%, the highest since January 1982 (trough of +1.2% yoy in November 2020), broadly in line with consensus estimates.
- Price pressures were broad based. In the event, the energy index rose by 3.5% mom (sa), due to a +6.6% mom for gasoline prices. The annual growth of the energy index somewhat eased to 25.6% from +27.0% previously, albeit solely due to less favorable base effects. At the same time, indirect upward effects from the sharply higher energy prices to the rest of the CPI components (food and core items) are likely significant. In the event, the annual growth of food prices accelerated sharply in February, by 0.9 pps to +7.9% yoy, the highest since July 1981, in view of a solid sequential momentum. Indeed the monthly growth came out at +1.0% sa in in February (20-year average of +0.2% mom), also boosted by a sharp impetus for international prices of food commodities (+3.9% mom | +20.7% yoy in February, according to the Food Price Index from the Food & Agriculture Organization of the United Nations).
- **Furthermore, the momentum for core CPI (i.e. CPI excluding food & energy), remained strong**. In the event, the core CPI increased by 0.5% mom (sa) in February, from +0.6% mom in January (at or above +0.5% mom for a 5th consecutive month, well above a 20-year average of +0.2% mom). Notably, the momentum for prices of both new vehicles (+0.3% mom | +12.4% yoy) as well as of used cars and trucks (-0.2% mom | +41.2% yoy), posts signs of plateauing. Recall that among industries, the production of vehicles is one of the most heavily impacted from the international supply chain jitters, particularly due to a global shortage of semiconductors.

  On the other hand, the impetus remains strong for the relatively less volatile and more determined by domestic economic developments, shelter prices (which constitute c. ⅓ of the headline CPI and c. 40% of the core index), evident in both their major components. In the event, the index for the rent of primary residence was up by a solid +0.6% mom (+4.2% yoy) in February and the owners' equivalent rent of residences (i.e. the implicit rent that owner occupants would have to pay if they were renting their homes), by 0.4% mom (+4.3% yoy). Recall that the monthly growth of these items has averaged +0.5% & +0.4%, respectively, in the past 6 months, versus a 20-year average of +0.2% mom for both. That development suggests, inter alia, a pass through to renting costs from higher house prices (+19% yoy in December). In all, the core CPI's annual pace of growth accelerated sharply, by 0.4 pps to +6.4% in February, the highest since August 1982 (in line with consensus estimates). Looking forward, a further substantial acceleration is expected in March, to +8.3% yoy for the headline CPI and to +6.7% yoy for the core index, according to the Federal Reserve Bank of Cleveland Inflation Nowcasting model.

The ECB revised substantially its short-term projections for GDP (to the downside) and inflation (to the upside), due to the war in Ukraine

- **The quarterly ECB staff's estimates for GDP were revised down in the short term, as a result of the war in Ukraine leading to soaring energy prices and weaker confidence, consequently causing headwinds for domestic demand, while the belligerent situation as well as the sanctions and possible further measures against Russia, weigh on trade.** In all, the estimate for real GDP growth in 2022 was revised down by 0.5 pps to +3.7% yoy. Further ahead, under the assumption (in the baseline scenario) that the aforementioned headwinds are temporary, the projections were little changed. Indeed, the GDP growth estimate for 2023 was revised down by 0.1 pp to 2.8% yoy (under less benign assumptions from the ECB staff regarding the severity and the duration of the headwinds stemming from the war in Ukraine, GDP growth in 2023 turns out as low as +2.3% yoy) and was stable for 2024, at +1.6% yoy. **Sharp upward revisions for the short-term inflation projections took place, with the effects from actual outcomes in recent months being substantially stronger than expected, higher energy commodity prices, longer endurance of upward pressures from supply disruptions and stronger wage growth, more than offsetting the negative impact from demand-related effects of the war in Ukraine.** Specifically, the (baseline) projection for inflation in 2022 was revised up by 1.9 pps to +5.1% yoy (on average). Thereafter, inflation is expected to decelerate, albeit modest upward revisions compared with the previous forecasts took place also in the medium-term, on the back of stronger wage growth alongside higher inflation expectations. In all, inflation is expected to ease to 2.1% yoy in 2023 (versus 1.8% yoy in December's projections) and 1.9% yoy in 2024 (1.8% in the previous estimates). Core CPI inflation estimates were also revised up, by 0.7 pps in 2022 to +2.6% yoy, by 0.1 pp in 2023 to +1.8% yoy and by 0.1 pp in 2024 to +1.9% yoy.

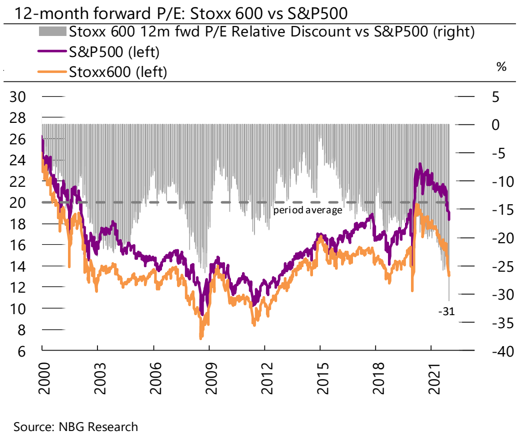
Equities

- **Global equity markets were mixed in the past week, with the latest developments of the Ukraine crisis keeping uncertainty elevated, while concerns regarding inflation increased further.** The MSCI ACWI ended the past week down by 2.3% wow (-12% ytd), with Emerging Markets significantly underperforming (-5.2% wow | -12% ytd) their Developed Markets peers (-1.9% wow | -12% ytd) and eliminating their overperformance in 2022 up until February 23rd (+8%). In the US, the S&P500 fell by 2.9% wow, with the index recording its 4th week with losses out of the past five. The index exhibited increased volatility during the week, posting its largest daily decline (-3%) since October 2020 on Monday and its largest daily increase (+2.6%) since June 2020 on Wednesday. As the Q4:2021 earnings season is closing to an end, out of the 503 companies that have reported results, circa 76% have exceeded analysts' estimates, with the EPS growth at +31% yoy. Notably, based on earnings calls transcripts, 356 companies have cited the term "inflation" and 45 the term "Ukraine", the highest number in both occasions since at least 2010. Meanwhile, the technology-oriented Nasdaq index declined 3.5% wow, entering into bear-market territory (-20% from the record high of 16057 it reached in November 2021). On the other side of the Atlantic, the EuroStoxx increased by 3.5% in the past week and by further +1.7% on Monday, with the index recording its largest daily increase (+7%) since March 2020 on Wednesday, reflecting hopes that the Ukraine conflict could be resolved diplomatically.

Graph 1.

Fixed Income

- **Government bond nominal yields increased significantly in the past week, due to, *inter alia*, solid inflation outcomes and expectations of interest rate hikes by the Federal Reserve and the Bank of England in their upcoming meetings.** Specifically, in the US, the 10-year yield rose by 28 bps wow to 2.00%, its largest weekly increase since September 2019, as inflation accelerated further in February (+7.9% yoy | 40-years high). Moreover, the US 10-Year breakeven inflation rate, i.e. the rate of inflation at which Treasury inflation-protected securities and nominal Treasury securities with equal maturities will yield the same return, has increased to an all-time high of 2.94%. Meanwhile, the 2-year yield rose by 25 bps wow to 1.72%, its highest level since September 2019, with the 2-year/10-year spread reaching 22 bps intra-week, its lowest level since March 2020. In the UK, the 10-year Gilt yield was up by 31 bps to 1.51%, with investors expecting that the Bank of England will raise its Bank Rate for a 3rd consecutive meeting, to 0.75% on Thursday. In Germany, the 10-year Bund yield rose by 37 bps wow to +0.27%, returning to positive territory, following the ECB announcement that it could conclude net purchases under its APP program sooner than expected (Q3:22). **Corporate bond spreads were mixed in the past week**. Specifically, EUR high yield spreads declined by 13 bps wow to 463 bps, while their USD counterparts increased by 15 bps to 405 bps. In the Investment Grade spectrum, the EUR spreads were broadly stable at 154 bps, while their USD counterparts rose by 12 bps to 150 bps.



Graph 2.

FX and Commodities

- **In foreign exchange markets, the Japanese Yen depreciated in the past week, as interest rate differentials widened,** following Bank of Japan Governor Kuroda's comments that it is inappropriate to tighten monetary policy or scale back stimulus. Overall, the Yen ended the week down by 1.9% against the US dollar to ¥117.00, its lowest level since January 2017. **Finally, in commodities, oil prices declined in the past week**, although having reached on Tuesday their highest levels, in nominal terms, since 2008, after US introduced an import ban of Russian oil and UK announced that it will phase out oil imports by Russia by the end of the year. The trend reversed due to increased covid-related demand concerns (lockdowns in China, record new cases in Germany). Overall, the Brent ended the week down by 4.6% to $112.7/barrel and the WTI by 5.5% to $109.3/barrel, with the downward trend continuing on Monday (-5%).

Quote of the week: "Clearly, 'some time after' is all-encompassing. It can be the week after, but it can be months later, and by that I think we want to indicate that the time horizon is not what is going to matter most. It's the data that will support the decision.", **President of the ECB, Christine Lagarde, March 10th 2022.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	March 11th	3-month	6-month	12-month	Official Rate (%)	March 11th	3-month	6-month	12-month
Germany	0,27	0,30	0,40	0,50	**Euro area**	-0,50	-0,50	-0,50	-0,25
US	2,00	2,05	2,15	2,35	**US**	0,25	0,50	1,00	2,00
UK	1,51	1,49	1,64	1,78	**UK**	0,50	0,70	1,00	1,25
Japan	0,18	0,16	0,20	0,20	**Japan**	-0,10	-0,10	-0,10	-0,10

Currency	March 11th	3-month	6-month	12-month		March 11th	3-month	6-month	12-month
EUR/USD	1,10	1,13	1,13	1,14	**USD/JPY**	117	116	116	117
EUR/GBP	0,84	0,84	0,85	0,86	**GBP/USD**	1,30	1,34	1,32	1,32
EUR/JPY	129	131	132	133					

Forecasts at end of period

Economic Forecasts

United States	2020a	Q1:21a	Q2:21a	Q3:21a	Q4:21a	2021a	Q1:22f	Q2:22f	Q3:22f	Q4:22f	2022f
Real GDP Growth (YoY) (1)	-3,4	0,5	12,2	4,9	5,6	5,7	4,1	2,9	3,2	2,2	3,1
Real GDP Growth (QoQ saar) (2)	-	6,3	6,7	2,3	7,0	-	0,4	2,0	3,5	2,8	-
Private Consumption	-3,8	11,4	12,0	2,0	3,1	7,9	2,6	2,7	3,5	2,7	3,3
Government Consumption	2,5	4,2	-2,0	0,9	-2,6	0,5	1,3	1,6	1,7	1,8	0,4
Investment	-2,7	13,0	3,3	-0,9	2,6	7,8	7,8	5,8	4,5	3,4	4,4
Residential	6,8	13,3	-11,7	-7,7	1,0	9,1	7,5	1,7	1,1	0,3	0,7
Non-residential	-5,3	12,9	9,2	1,6	3,1	7,4	8,6	6,7	5,4	4,1	5,7
Inventories Contribution	-0,6	-3,7	-1,7	2,1	5,0	0,0	-2,1	-0,9	-0,1	0,0	0,3
Net Exports Contribution	-0,2	-2,0	-0,4	-1,5	-0,5	-1,8	-1,0	-0,3	0,0	0,1	-0,6
Exports	-13,6	-2,9	7,6	-5,3	23,6	4,6	0,5	2,2	4,5	4,5	5,2
Imports	-8,9	9,3	7,1	4,7	17,6	14,0	5,5	2,8	2,8	2,6	6,6
Inflation (3)	1,2	1,9	4,9	5,4	6,7	4,7	7,8	7,6	7,2	6,7	7,3

Euro Area	2020a	Q1:21a	Q2:21a	Q3:21a	Q4:21a	2021a	Q1:22f	Q2:22f	Q3:22f	Q4:22f	2022f
Real GDP Growth (YoY)	-6,5	-0,9	14,6	4,0	4,6	5,3	4,8	3,0	1,8	2,1	2,9
Real GDP Growth (QoQ saar)	-	-0,5	9,1	9,3	1,0	-	0,1	2,0	4,2	2,0	-
Private Consumption	-8,0	-8,9	16,5	19,1	-2,3	3,5	0,4	2,1	3,9	2,8	3,9
Government Consumption	1,1	-2,1	9,4	1,1	1,9	3,8	-0,1	0,7	0,9	0,9	1,3
Investment	-7,3	0,6	5,2	-3,7	14,9	4,3	3,7	-6,7	6,5	5,7	3,2
Inventories Contribution	-0,5	4,3	-2,2	-0,5	1,5	0,4	-0,3	-0,5	-0,5	0,2	-0,1
Net Exports Contribution	-0,4	0,4	0,0	0,9	-2,6	1,4	-0,7	2,7	1,1	-1,0	0,0
Exports	-9,4	5,1	11,8	7,0	12,1	10,9	2,1	2,2	6,0	1,6	5,6
Imports	-9,2	4,8	13,0	5,8	19,8	8,6	3,8	-3,2	4,2	4,1	6,0
Inflation	0,3	1,0	1,8	2,9	4,7	2,6	5,7	6,8	6,1	5,1	5,9

a: Actual, f: Forecasts, 1. Seasonally adjusted YoY growth rate, 2. Seasonally adjusted annualized QoQ growth rate, 3. Year-to-year average % change

12-Month View & Key Factors for Global Markets

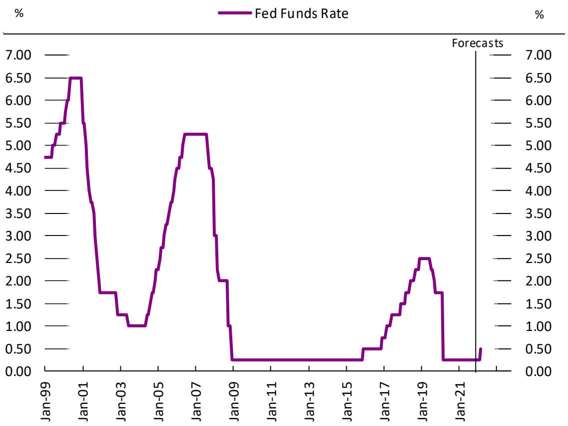
	US	Euro Area	Japan	UK
Equity Markets	+ Massive Fiscal loosening will support the economy + 2022 EPS growth expectations have further room to increase + Share buybacks could resume - Peaking profit margins - High market cap concentration - P/Es (Valuations) approaching dot-com levels **Neutral/Positive**	+Still high equity risk premium relative to other regions + Modest fiscal loosening in 2022 + 2022 EPS estimates remain strong - Political uncertainty (Italy, German Elections) could intensify - Logistic disruptions (vaccine) and renewed lockdowns delay the recovery **Neutral**	+Still aggressive QE and "yield-curve" targeting by the BoJ - Signs of policy fatigue regarding structural reforms and fiscal discipline - Strong appetite for foreign assets - JPY appreciation in a risk-off scenario could hurt exporters **Neutral**	+65% of FTSE100 revenues from abroad +Undemanding valuations in relative terms - Elevated Policy uncertainty to remain **Neutral/Negative**
Government Bonds	+Valuations appear rich with term-premium below 0% +Sizeable fiscal deficit +Underlying inflation pressures under Average Inflation Targeting - Global search for yield by non-US investors continues - Safe haven demand - Fed: End of asset purchases by mid-March 2022 **Slightly higher yields expected**	+Valuations appear excessive compared with long-term fundamentals - Political Risks - Fragile growth outlook - Medium-term inflation expectations remain low - ECB: End of PEPP purchases in March 2022 - ECB QE "stock" effect **Slightly higher yields expected**	+Sizeable fiscal deficits +Restructuring efforts to be financed by fiscal policy measures - Safe haven demand - Extremely dovish central bank - Yield-targeting of 10-Year JGB at around 0% **Stable yields expected**	+Elevated Policy uncertainty to remain +Inflation expectations could drift higher due to supply disruptions post Brexit -The BoE is expected to raise rates 4 times in 2022 - Slowing economic growth post-Brexit **Slightly higher yields expected**
Foreign Exchange	+Safe-haven demand - Fed's interest rate differential disappeared following cuts to 0%-0.25% - Global political uncertainty to decline **Broadly Flat EUR against the USD**	+Reduced short-term tail risks +Current account surplus - Sluggish growth - Deflation concerns - The ECB's monetary policy to remain loose (APP) **Broadly Flat EUR against the USD**	+Safe haven demand +More balanced economic growth recovery (long-term) +Inflation is bottoming out - Additional Quantitative Easing by the Bank of Japan if inflation does not approach 2% **Slightly higher JPY**	+Valuations appear undemanding with REER below its 15-year average - Sizeable Current account deficit **Higher GBP expected**

Economic Calendar

In the US, the Federal Reserve meets on March 16th and is expected to increase its Federal Funds Rate (FFR) for the first time since 2018. In addition, the Federal Reserve's new quarterly economic projections, will provide the forecasts for the economy and future rate hikes. Meanwhile, economic activity indicators for February will gather investors' attention. Specifically, retail sales (16/3) will offer insight regarding private consumption, industrial production (17/3) regarding business spending, whereas housing starts & building permits (17/3) regarding residential investment.

In the UK, the BoE meets on March 17th and is expected to increase its Bank Rate for a 3rd consecutive meeting, to 0.75%.

US Federal Funds Rate



Source: NBG Research

Economic News Calendar for the period: March 8 - March 21, 2022

Tuesday 8

		S		A	P
US					
Trade balance ($bn)	January	-86.0	-	-89.7	-82.0
Wholesale trade (MoM)	January	..		4.0%	0.8%
EURO AREA					
GDP (QoQ)	Q4:21	0.3%		0.3%	0.3%
GDP (YoY)	Q4:21	4.6%		4.6%	4.6%
Gross Fixed Capital Formation (QoQ)	Q4:21	2.5%	+	3.5%	-0.9%
Household Consumption (QoQ)	Q4:21	0.6%	-	-0.6%	4.5%
Government expenditure (QoQ)	Q4:21	0.4%	+	0.5%	0.3%
JAPAN					
Eco Watchers Current Survey	February	..		37.7	37.9
Eco Watchers Outlook Survey	February	..		44.4	42.5
Leading Index	January	104.2	-	103.7	104.7
Coincident Index	January	..		94.3	94.8
GERMANY					
Industrial Production (sa, MoM)	January	0.5%	+	2.7%	1.1%
Industrial Production (wda, YoY)	January	-0.3%	+	1.8%	-2.7%

Wednesday 9

		S		A	P
JAPAN					
GDP (QoQ)	Q4:21	1.3%	-	1.1%	1.3%
CHINA					
CPI (YoY)	February	0.9%		0.9%	0.9%

Thursday 10

		S		A	P
US					
Initial Jobless Claims (k)	March 5	216	-	227	216
Continuing Claims (k)	February 26	1470	-	1494	1469
CPI (YoY)	February	7.9%		7.9%	7.5%
Core CPI (YoY)	February	6.4%		6.4%	6.0%
EURO AREA					
ECB announces its intervention rate	March 10	0.00%		0.00%	0.00%
ECB announces its deposit facility rate	March 10	-0.50%		-0.50%	-0.50%

Friday 11

		S		A	P
US					
University of Michigan consumer confidence	March	62.0	-	59.7	62.8
UK					
GDP (MoM)	January	0.2%	+	0.8%	-0.2%
Industrial Production (MoM)	January	0.3%	+	0.7%	0.3%
Industrial Production (YoY)	January	2.0%	+	2.3%	0.4%
CHINA					
Money Supply M0 (YoY)	February	..		5.8%	18.5%
Money Supply M1 (YoY)	February	3.3%		4.7%	-1.9%
Money Supply M2 (YoY)	February	9.8%		9.2%	9.8%
New Yuan Loans (RMB bn)	February	..		1230	3980
Aggregate Financing (RMB bn)	February	..		1190	6170

Monday 14

		S		A	P

Tuesday 15

		S		A	P
US					
Empire Manufacturing	March	8.0		..	3.1
Net Long-term TIC Flows ($ bn)	January	..		..	114.5
UK					
ILO Unemployment Rate	January	4.0%		..	4.1%
EURO AREA					
Industrial Production (sa, MoM)	January	0.1%		..	1.2%
Industrial Production (wda, YoY)	January	-0.2%		..	1.6%
GERMANY					
ZEW survey current situation	March	-25.0		..	-8.1
ZEW survey expectations	March	10.0		..	54.3
CHINA					
Retail sales (YoY)	February	..		..	1.7%
Industrial production (YoY)	February	..		..	4.3%

Wednesday 16

		S		A	P
US					
Fed announces its intervention rate	March 16	0.50%		..	0.25%
Retail Sales Advance MoM	February	0.4%		..	3.8%
Retail sales ex-autos (MoM)	February	1.0%		..	3.3%
NAHB housing market confidence index	March	81		..	82
JAPAN					
Exports YoY	February	21.0%		..	9.6%
Imports YoY	February	25.0%		..	38.7%

Thursday 17

		S		A	P
US					
Initial Jobless Claims (k)	March 12	220		..	227
Continuing Claims (k)	March 5	..		..	1494
Building permits (k)	February	1845		..	1895
Housing starts (k)	February	1675		..	1638
Philadelphia Fed Business Outlook	March	15.0		..	16.0
Industrial Production (MoM)	February	0.5%		..	1.4%
UK					
BoE announces its intervention rate	March 17	0.75%		..	0.50%

Friday 18

		S		A	P
US					
Existing home sales (mn)	February	6.10		..	6.50
EURO AREA					
Trade Balance SA (€ bn)	January	..		..	-9.7
JAPAN					
Bank of Japan announces its intervention rate	March 18	-0.10%		..	-0.10%
CPI (YoY)	February	0.7%		..	0.5%
Core CPI (YoY) - ex. Fresh Food	February	0.5%		..	0.2%
Core CPI (YoY) - ex. Fresh Food and Energy	February	..		..	-1.1%

Monday 21

		S		A	P

Source: NBG Research
S: Consensus Analysts Survey, A: Actual Outcome, P: Previous Outcome

Equity Markets (in local currency)

Developed Markets		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
US	S&P 500	4204	-2.9	-11.8	6.7	53.4
Japan	NIKKEI 225	25163	-3.2	-12.6	-13.9	29.6
UK	FTSE 100	7156	2.4	-3.1	6.2	21.8
Canada	S&P/TSX	21462	0.3	1.1	13.9	50.4
Hong Kong	Hang Seng	20554	-6.2	-12.2	-30.1	-18.5
Euro area	EuroStoxx	409	3.5	-14.5	-3.8	28.4
Germany	DAX 40	13628	4.1	-14.2	-6.5	30.6
France	CAC 40	6260	3.3	-12.5	3.8	35.8
Italy	FTSE/MIB	23041	2.6	-15.7	-4.5	28.5
Spain	IBEX-35	8142	5.5	-6.6	-5.2	9.5

Emerging Markets	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
MSCI Emerging Markets	62798	-4.8	-10.4	-17.7
MSCI Asia	948	-4.2	-11.4	-21.0
China	67	-9.0	-19.0	-40.9
Korea	813	-2.1	-10.8	-16.1
MSCI Latin America	97902	-1.9	6.1	-2.0
Brazil	329744	-3.0	7.6	-7.9
Mexico	49597	0.1	-0.6	13.2
MSCI Europe	2484	-46.6	-64.2	-60.5
Russia*	2470	N/A	-34.8	-29.6
Turkey	2358336	2.0	13.5	41.3

World Market Sectors (MSCI Indices)

in US Dollar terms	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
Energy	221.0	2.0	26.7	32.3	90.9
Materials	342.9	-1.2	-4.8	1.6	63.2
Industrials	311.6	-0.6	-11.1	-3.3	40.5
Consumer Discretionary	356.4	-2.1	-19.3	-8.1	52.7
Consumer Staples	265.2	-4.2	-9.6	4.0	17.8
Healthcare	333.4	-1.9	-9.8	7.8	32.8
Financials	138.0	-0.4	-7.6	1.7	45.8
IT	462.2	-3.7	-19.3	3.1	65.8
Telecoms	89.1	-2.7	-16.6	-12.5	32.8
Utilities	156.8	0.5	-4.5	5.5	12.2

in local currency	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
Energy	226.4	2.0	27.8	35.4
Materials	328.3	-0.9	-3.8	5.2
Industrials	312.4	-0.4	-10.0	0.0
Consumer Discretionary	347.6	-2.0	-18.7	-5.9
Consumer Staples	266.4	-3.9	-8.5	6.7
Healthcare	330.0	-1.7	-9.1	9.6
Financials	138.6	-0.4	-6.8	4.2
IT	449.4	-3.7	-19.0	4.1
Telecoms	93.5	-2.6	-16.2	-11.5
Utilities	161.5	0.5	-3.6	8.3

Bond Markets (%)

10-Year Government Bond Yields	Current	Last week	Year Start	One Year Back	10-year average
US	2.00	1.73	1.51	1.53	2.03
Germany	0.27	-0.10	-0.16	-0.33	0.46
Japan	0.18	0.15	0.07	0.11	0.24
UK	1.51	1.21	0.97	0.73	1.42
Greece	2.57	2.36	1.32	0.78	6.82
Ireland	0.94	0.60	0.25	0.00	1.78
Italy	1.88	1.56	1.17	0.59	2.35
Spain	1.26	0.96	0.57	0.29	1.99
Portugal	1.14	0.82	0.46	0.18	3.02

US Mortgage Market (1. Fixed-rate Mortgage)	Current	Last week	Year Start	One Year Back	10-year average
30-Year FRM[1] (%)	4.09	4.15	3.31	3.26	3.99
vs 30Yr Treasury (bps)	172.4	199.4	138.9	98.8	127.0

Government Bond Yield Spreads (in bps)	Current	Last week	Year Start	One Year Back
US Treasuries 10Y/2Y	28	26	78	136
US Treasuries 10Y/5Y	5	10	25	75
Bunds 10Y/2Y	68	70	48	37
Bunds 10Y/5Y	27	33	29	31

Corporate Bond Spreads (in bps)	Current	Last week	Year Start	One Year Back
EM Inv. Grade (IG)	224	223	139	150
EM High yield	812	805	618	530
US IG	150	138	98	102
US High yield	405	390	310	352
Euro area IG	154	154	98	89
Euro area High Yield	463	476	331	314

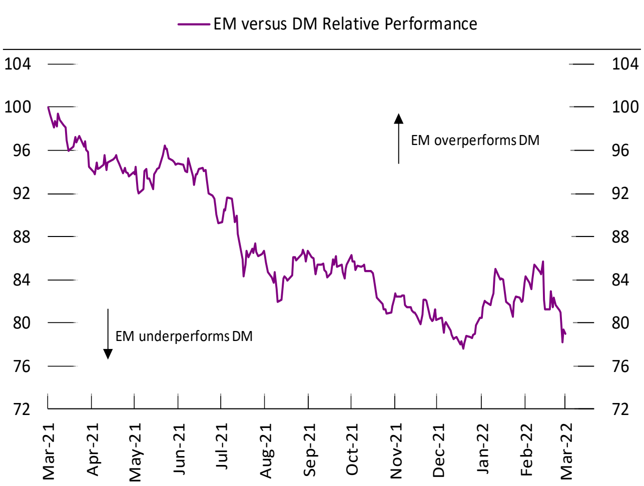
Foreign Exchange & Commodities

Foreign Exchange	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates					
EUR/USD	1.10	0.4	-4.0	-8.3	-3.6
EUR/CHF	1.02	2.0	-3.1	-7.6	-1.3
EUR/GBP	0.84	1.4	-0.7	-2.1	-0.2
EUR/JPY	128.30	2.3	-2.8	-1.1	-2.0
EUR/NOK	9.80	0.0	-2.5	-2.8	-2.2
EUR/SEK	10.63	-1.3	2.4	4.9	3.3
EUR/AUD	1.50	0.8	-5.9	-2.7	-4.2
EUR/CAD	1.39	-0.1	-3.9	-7.3	-3.0
USD-based cross rates					
USD/CAD	1.27	-0.5	0.2	1.1	0.5
USD/AUD	1.37	0.4	-1.9	6.1	-0.7
USD/JPY	117.00	1.9	1.3	7.8	1.6

Commodities	Current	1-week change (%)	1-month change (%)	1-Year change (%)
Agricultural	557	-2.2	15.3	42.0
Energy	356	-8.4	20.0	62.4
West Texas Oil ($/bbl)	109	-5.5	21.9	65.6
Crude brent Oil ($/bbl)	113	-4.6	23.1	61.8
HH Natural Gas ($/mmbtu)	4.7	-0.3	14.4	75.0
TTF Natural Gas (EUR/mwh)	131	-31.8	76.3	623.9
Industrial Metals	606	-0.7	12.1	43.5
Precious Metals	2610	1.2	8.7	13.5
Gold ($)	1988	0.7	8.5	15.4
Silver ($)	26	1.3	11.8	-0.5
Baltic Dry Index	2718	26.5	58.9	38.0
Baltic Dirty Tanker Index	1312	-11.0	92.4	82.2

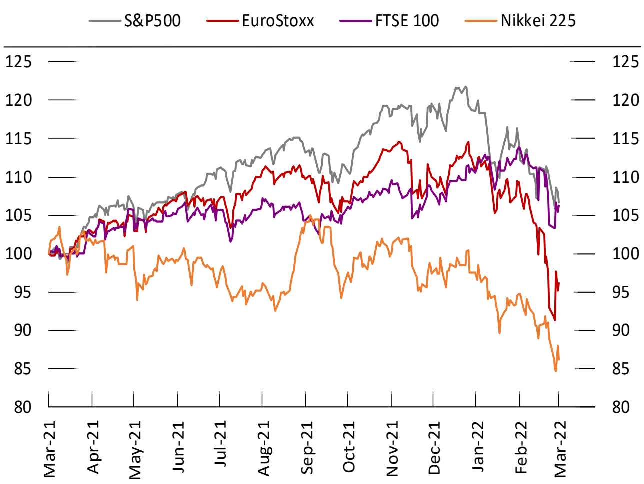
Source: NBG Research, Data as of March 11th, S&P/Goldman Sachs Indices for Agricultural, Energy, Industrial & Precious Metals, BofA/ML Indices for Corporate Bond Spreads, *Stock trading on MOEX Index has been halted since February 25th

EM vs DM Performance in $



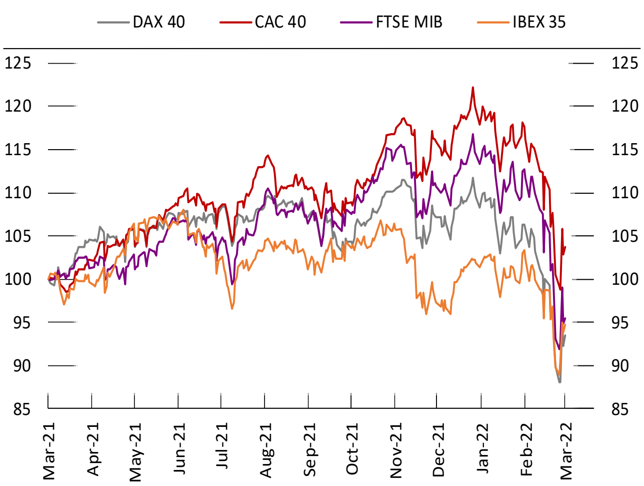
Data as of March 11th – Rebased @ 100

Equity Market Performance - G4



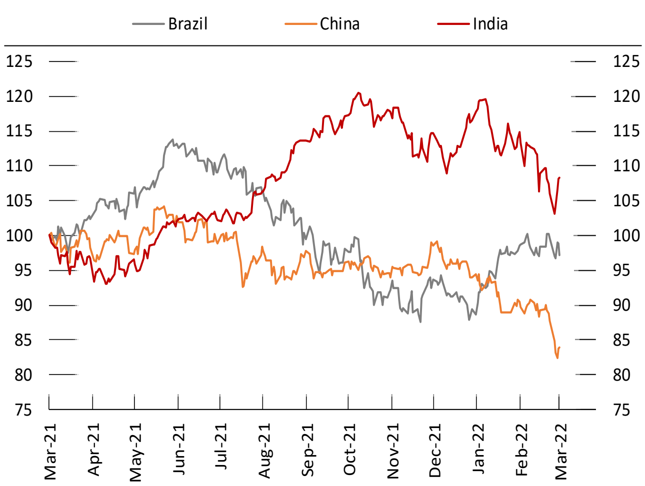
Data as of March 11th – Rebased @ 100

Equity Market Performance – Euro Area G4



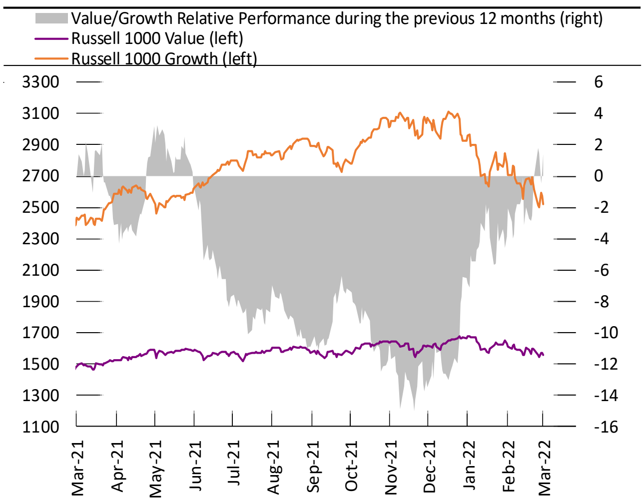
Data as of March 11th – Rebased @ 100

Equity Market Performance – Emerging Markets



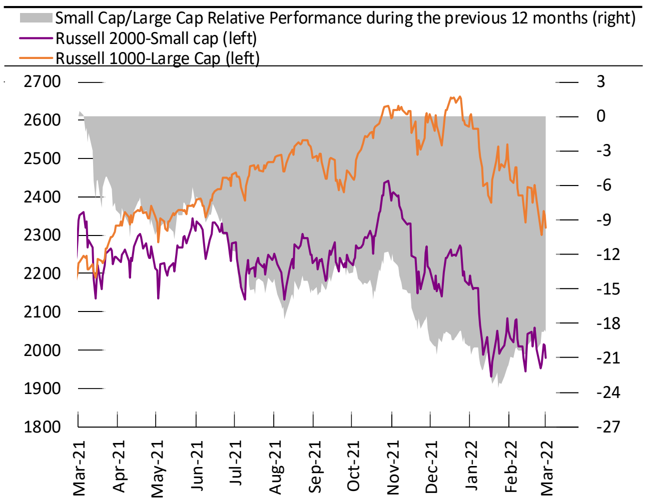
Data as of March 11th – Rebased @ 100

Russell 1000 Value & Growth Index



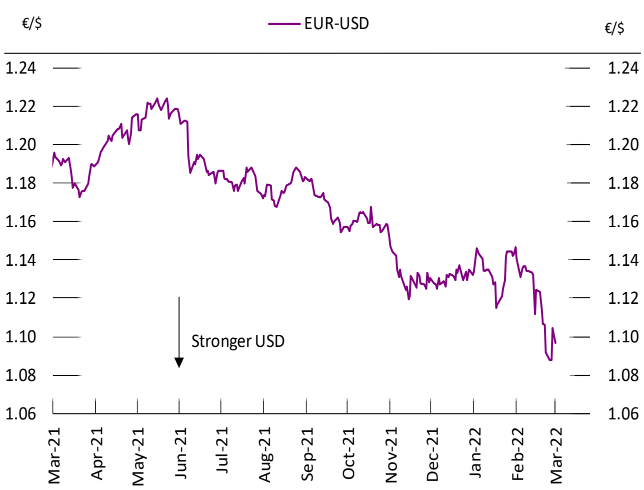
Data as of March 11th

Russell 2000 & Russell 1000 Index



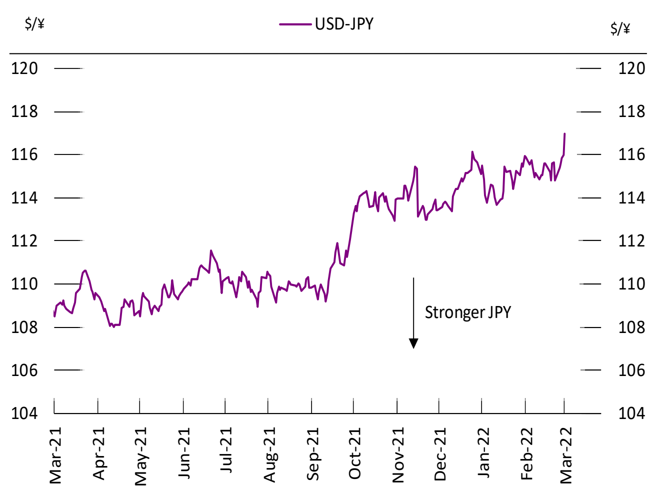
Data as of March 11th

EUR/USD



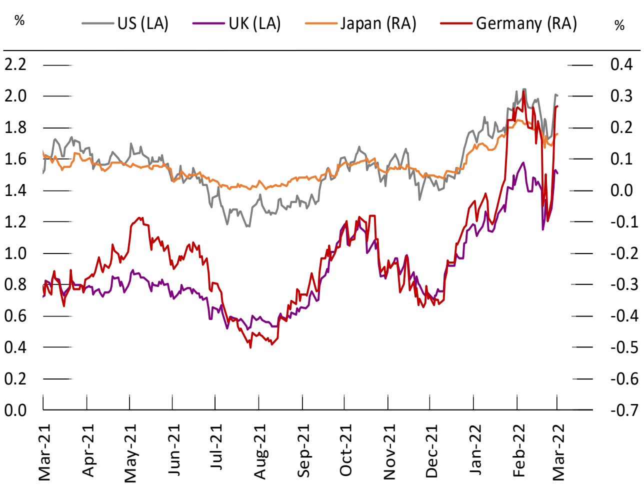
Data as of March 11th

JPY/USD



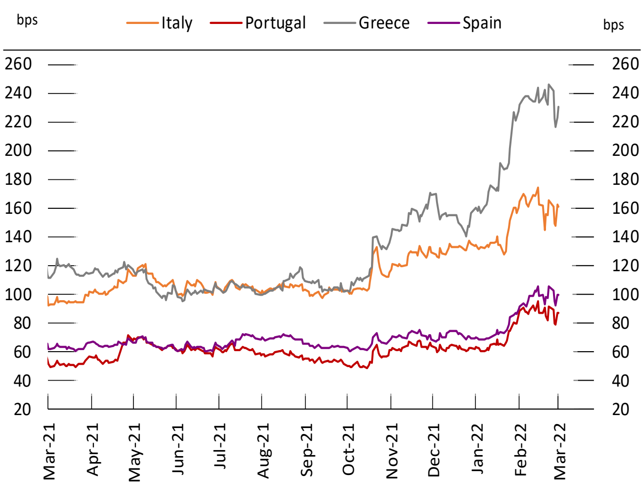
Data as of March 11th

10- Year Government Bond Yields



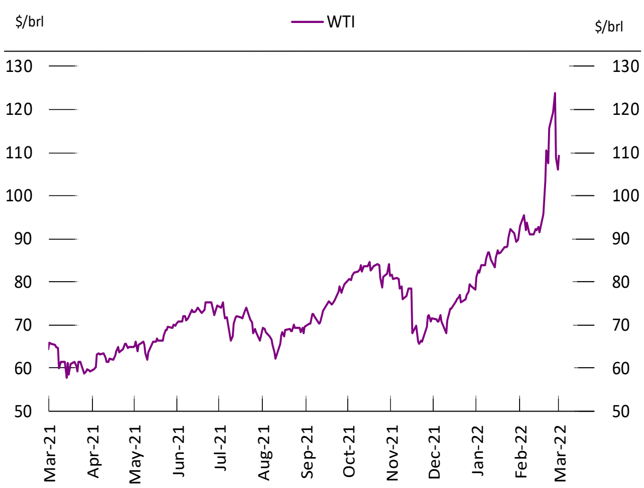
Data as of March 11th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



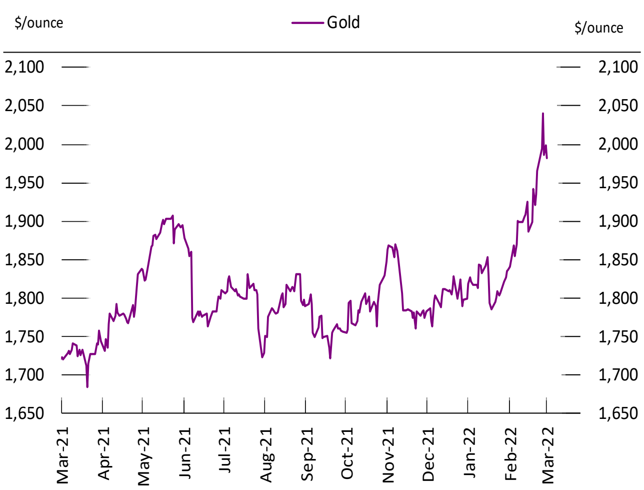
Data as of March 11th

West Texas Intermediate ($/brl)



Data as of March 11th

Gold ($/ounce)



Data as of March 11th

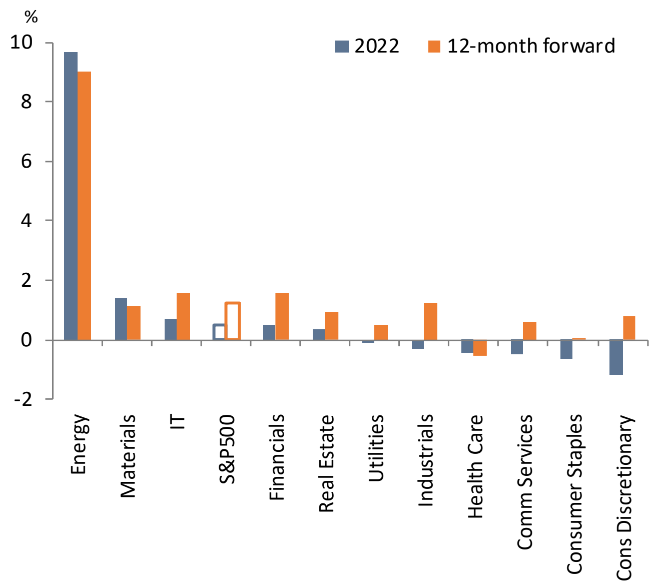
US Sectors Valuation

	Price ($)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	11/3/22	% Weekly Change	%YTD	2022	2023	2022	2023	2022	2023	12m fwd	10Yr Avg	2022	2023	Current	10Yr Avg
S&P500	4204	-2.9	-11.8	8.8	10.2	1.5	1.6	18.7	17.0	18.4	17.0	3.9	3.6	3.9	2.9
Energy	581	1.9	37.3	45.7	-5.3	3.2	3.2	12.7	13.4	12.8	15.5	2.3	2.2	2.3	1.7
Materials	513	-1.6	-10.0	6.7	-3.3	2.0	2.1	14.9	15.4	15.0	16.0	2.8	2.6	2.8	2.6
Financials															
Diversified Financials	1016	-2.2	-7.1	-6.4	11.5	1.6	1.7	15.6	14.0	15.3	14.8	1.9	1.8	1.9	1.6
Banks	377	-2.7	-9.9	-17.4	15.4	2.8	3.1	11.7	10.2	11.4	11.5	1.2	1.1	1.2	1.1
Insurance	545	-1.5	-1.0	-1.1	14.5	2.2	2.3	13.8	12.1	13.5	11.6	1.6	1.5	1.6	1.2
Real Estate	287	-1.8	-11.7	9.0	7.4	2.9	3.0	21.2	19.7	20.9	18.8	3.8	3.9	3.8	3.3
Industrials															
Capital Goods	830	-2.1	-6.8	24.1	15.8	1.7	1.9	19.2	16.5	18.7	17.1	4.3	3.9	4.3	3.9
Transportation	1048	-3.3	-7.1	104.0	35.5	1.7	1.8	19.4	14.4	N/A	13.8	5.8	4.8	5.6	4.0
Commercial Services	467	-3.2	-14.1	10.1	11.2	1.3	1.4	25.1	22.6	24.6	21.3	5.5	5.0	5.4	3.9
Consumer Discretionary															
Retailing	3584	-1.4	-15.2	-2.9	21.9	0.7	0.7	29.6	24.3	28.6	26.8	10.7	8.6	10.3	8.9
Consumer Services	1262	-2.6	-16.5	3987.7	64.8	1.2	1.4	32.1	19.5	N/A	28.5	22.3	15.8	21.1	10.0
Consumer Durables	405	-5.5	-24.0	18.4	11.8	1.5	1.6	12.1	10.8	11.8	17.6	3.1	3.1	3.1	3.4
Automobiles and parts	149	-4.7	-25.3	22.8	19.6	0.2	0.2	31.7	26.5	N/A	14.7	5.4	4.6	5.3	2.6
IT															
Technology	2951	-4.7	-13.5	9.8	6.7	0.9	0.9	21.9	20.5	21.6	15.1	14.4	12.4	14.0	6.2
Software & Services	3166	-3.2	-18.7	14.6	15.6	0.9	1.0	26.1	22.6	25.4	21.0	8.0	6.8	7.8	6.2
Semiconductors	2107	-3.7	-19.9	12.0	11.3	1.3	1.4	18.0	16.2	17.6	15.4	5.7	4.8	5.5	3.8
Communication Services	220	-3.1	-17.9	2.6	14.7	1.0	1.0	17.8	15.5	17.3	19.0	3.3	3.0	3.3	3.2
Media	865	-3.2	-20.2	5.1	16.4	0.3	0.3	19.9	17.1	19.4	22.3	4.2	3.7	4.1	3.6
Consumer Staples															
Food & Staples Retailing	679	-1.1	-3.2	8.3	8.0	1.5	1.5	22.3	20.7	22.0	18.1	4.7	4.3	4.7	3.6
Food Beverage & Tobacco	775	-7.2	-5.1	3.9	7.9	3.4	3.6	18.0	16.7	17.7	18.3	5.1	5.2	5.1	5.1
Household Goods	827	-7.4	-15.3	5.2	10.1	2.4	2.5	23.9	21.7	23.4	21.1	9.9	9.4	9.8	6.6
Health Care															
Pharmaceuticals	1178	-1.2	-9.4	9.1	-6.4	2.0	2.1	13.4	14.3	13.6	15.3	4.9	4.3	4.8	4.2
Healthcare Equipment	1843	-4.7	-8.0	4.1	10.7	1.1	1.2	19.6	17.7	19.3	16.7	3.8	3.4	3.7	3.0
Utilities	356	-0.7	-2.2	1.6	7.7	3.1	3.2	20.4	18.9	20.1	17.0	2.2	2.1	2.1	1.8

Blue box indicates a value more than +2standard devation from average, light blue a value more than +1standard devation from average. Orange box indicates a value less than -2standard devation from average, light orange a value less than -1standard devation from average

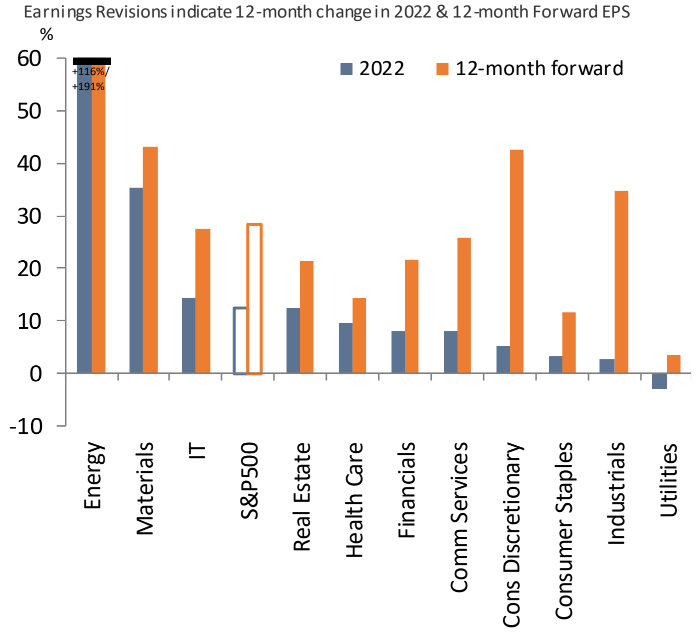
1-month revisions to 2022 & 12-month Forward EPS

Earnings Revisions indicate 1-month change in 2022 & 12-month Forward EPS



12-month revisions to 2022 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2022 & 12-month Forward EPS



Data as of March 11th
12-month forward EPS are 81% of 2022 EPS and 19% of 2023 EPS

Data as of March 11th
12-month forward EPS are 81% of 2022 EPS and 19% of 2023 EPS

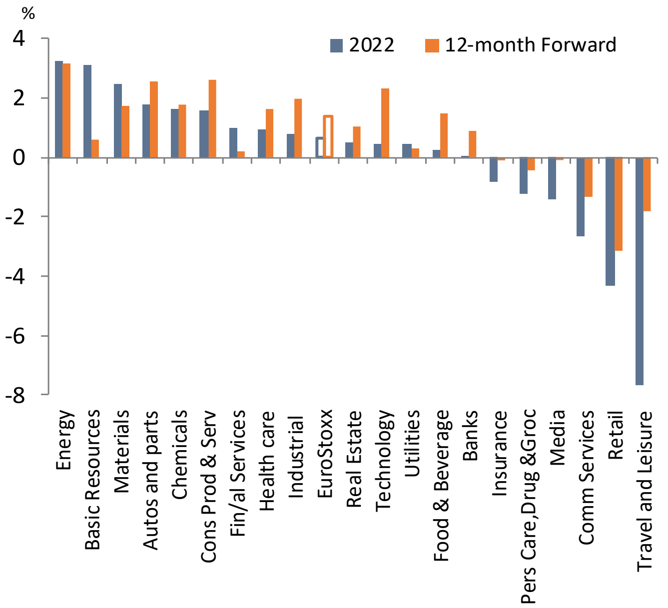
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	11/3/22	% Weekly Change	%YTD	2022	2023	2022	2023	2022	2023	12m fwd	10Yr Avg	2022	2023	Current	10Yr Avg
EuroStoxx	409	3.5	-14.5	9.3	8.9	3.2	3.6	13.3	12.2	13.1	14.4	1.6	1.5	1.5	1.5
Energy	293	3.3	1.5	21.2	-4.1	5.1	5.4	8.4	8.7	8.4	13.1	1.2	1.1	1.2	1.2
Materials	908	2.2	-13.0	-5.3	-8.1	2.9	3.0	12.2	13.2	12.4	15.7	1.7	1.6	1.6	1.7
Basic Resources	232	6.1	-6.5	-19.0	-31.7	2.9	3.1	5.0	7.3	5.4	11.9	0.7	0.6	0.7	0.7
Chemicals	1310	1.7	-13.8	3.3	3.9	2.8	2.9	15.9	15.3	15.7	16.6	2.1	2.0	2.1	2.3
Financials															
Fin/al Services	509	5.1	-12.0	23.2	-9.3	2.9	3.4	11.3	12.5	11.6	14.5	1.4	1.3	1.4	1.2
Banks	85	4.5	-15.7	0.5	9.4	7.0	7.6	7.1	6.5	7.0	9.9	0.5	0.5	0.5	0.7
Insurance	286	7.2	-6.4	4.6	7.5	5.8	6.1	9.1	8.5	9.0	9.6	0.9	0.8	0.8	0.9
Real Estate	209	3.6	-6.3	10.5	6.8	4.1	5.1	15.6	14.6	15.4	17.0	0.8	0.8	0.8	1.0
Industrial	984	5.9	-16.0	22.0	15.9	2.4	2.7	17.4	15.0	16.9	17.1	2.8	2.5	2.7	2.6
Consumer Discretionary															
Media	249	2.6	-12.7	14.2	12.3	2.5	2.8	19.4	17.3	19.0	17.1	2.7	2.6	2.7	2.2
Retail	512	6.3	-26.1	10.9	14.3	4.3	4.7	19.8	17.3	19.3	26.5	3.8	3.6	3.7	5.7
Automobiles and parts	502	-0.4	-20.4	0.3	10.8	5.9	6.5	5.3	4.8	5.2	8.8	0.7	0.7	0.7	1.0
Travel and Leisure	166	7.0	-14.4	N/A	82.0	1.4	1.9	25.2	13.8	N/A	N/A	2.2	2.0	2.2	2.2
Technology	754	2.2	-23.3	11.2	22.0	1.0	1.1	22.4	18.4	21.6	21.1	3.3	3.0	3.3	3.6
Communication Services	273	2.7	-5.4	15.1	12.5	4.3	4.6	14.7	13.1	14.4	14.3	1.4	1.4	1.4	1.7
Consumer Staples															
Food, Beverage & Tobacco	167	-0.6	-13.2	12.9	12.8	2.0	2.3	19.0	16.9	18.6	19.9	2.1	1.9	2.0	2.6
Personal Care, Drug & Grocery St	177	0.9	-12.1	2.9	9.6	2.6	2.7	16.0	14.6	15.7	17.5	2.2	2.0	2.2	2.4
Consumer Products & Services	415	1.9	-21.3	9.3	13.9	1.7	1.9	26.6	23.3	25.9	24.3	5.7	5.0	5.5	4.0
Health care	841	4.0	-9.9	6.7	9.6	2.3	2.5	16.8	15.3	16.5	16.5	2.1	2.0	2.1	2.3
Utilities	349	4.7	-11.5	1.0	2.5	4.6	5.4	12.7	12.4	12.7	13.6	1.5	1.4	1.5	1.2

Blue box indicates a value more than +2standard devation from average, light blue a value more than +1standard devation from average. Orange box indicates a value less than -2standard devation from average, light orange a value less than -1standard devation from average

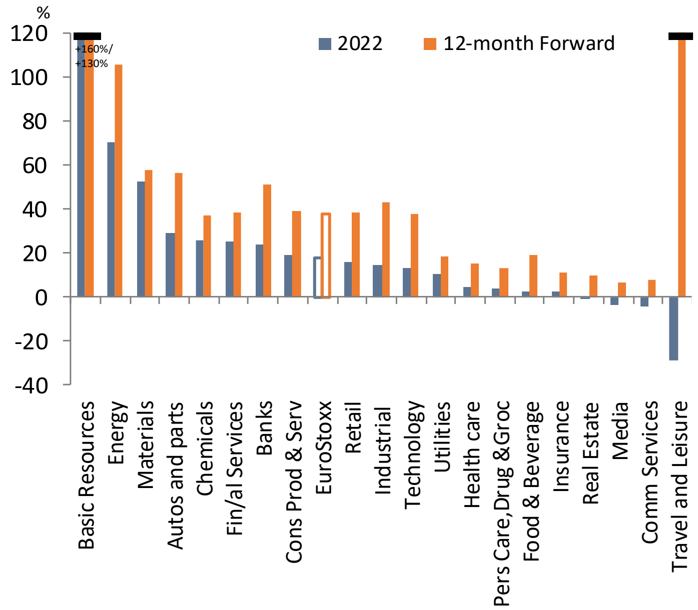
1-month revisions to 2022 & 12-month Forward EPS

Earnings Revisions indicate 1-month change in 2022 & 12-month Forward EPS



12-month revisions to 2022 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2022 & 12-month Forward EPS



Data as of March 11th

12-month forward EPS are 81% of 2022 EPS and 19% of 2023 EPS

Data as of March 11th

12-month forward EPS are 81% of 2022 EPS and 19% of 2023 EPS

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