

Global equity markets have remained, so far, broadly unperturbed by the US debt ceiling impasse

- Equity indices rose further in the past week, with the S&P500 up by +1.6%. Equity multiples are pricing-in a high probability of soft landing for the US economy, with the 12-month forward Price-to-Earnings ratio at 18.3x (+0.5% QtD) versus a 15-year average of 15.8x. Moreover, 12-month forward EPS expectations have risen by +1.5% QtD to \$229 following better-than-expected results in Q1 earnings season, leading the S&P500 higher by +2%, so far, in Q2 (+9% year-to-date).
- Despite the standoff over the US debt ceiling, option-implied volatility has subsided further. The VIX equity market volatility Index is trading at 17% versus a 1-year average of 23% (long-term average of 18%). Equally importantly, the MOVE bond market volatility index has also declined, albeit remains elevated (see graph page 3).
- Mega-cap technology companies (AAPL, MSFT, GOOGL, AMZN, META), which have collectively risen by +10% in Q2, have led the S&P500 higher, and their weight in the index has increased to 23% (peak of 25% in August 2020). Reflecting higher concentration and narrowing market breadth, the equal-weight S&P500 index has lagged its market-cap weight counterpart by -700 basis points since the collapse of Silicon Valley Bank (see graph page 3).
- Regarding the US debt ceiling, President Biden and Republican House Speaker McCarthy will continue their negotiations, following Monday's inconclusive talks on how to raise the debt limit. Investors expect a last-minute deal, albeit with the X-date -- the date on which the US government will be unable to meet all its obligations -- approaching (June 1st), the risk of policy error and financial market disruption remains.
- The US dollar has strengthened lately, as expectations that USD interest rates will remain higher for longer have increased due to resilient economic data and more hawkish rhetoric from top FOMC officials (see graph below). Specifically, the US dollar hit a six-month high against the Japanese yen, increasing by +2.4% to 138.5 in the past week. In a similar vein, the US dollar appreciated against the EUR to 1.077 -- a two month high -- as of May 23rd.
- On the other hand, market-implied expectations for euro policy interest rates have remained broadly unchanged, pointing to roughly additional hikes of +50 bps as economic activity has held up better than expected and euro area inflation continues to be too high (CPI: +7.0% year-over-year, Core CPI: +5.6% year-over-year).
- The euro area composite PMI, released today, suggests that business output grew for the fifth consecutive month, pointing to positive real GDP growth rate in Q2.2023 from +0.1% quarter-over-quarter in Q1.2023 (see graph below). The rate of expansion moderated in May to 53.3 from 54.4 in April.
- However, PMIs diverged further sector-wise in May, with the difference between the output index in the manufacturing sector (-2.3 pts to 46.3) and its services counterpart (-0.3 pts to 55.9) hitting its widest since January 2009, as new orders (demand) for goods have fallen significantly. Finally, selling prices in the services sector further increased in May, while prices charged for factory goods declined for the first time since September 2020, according to HCOB.

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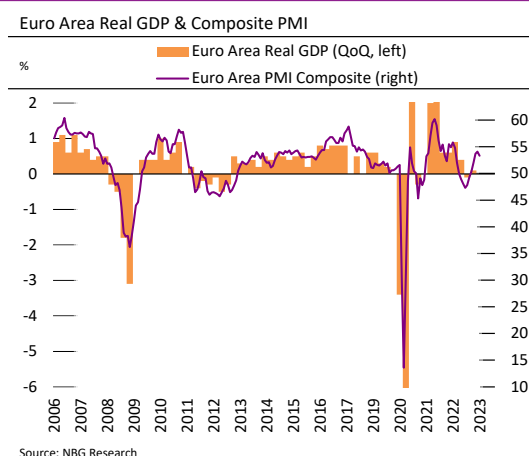
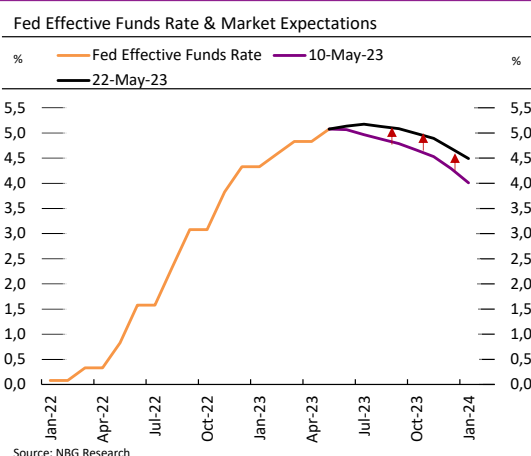
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Charts of the week



US housing market indicators have bottomed out, albeit remain significantly lower compared with 2022 levels

- **April's data on new residential construction were a mixed bag.** In the event, housing starts rose by +2.2% mom (-22.3% yoy) to 1401k (annualized rate), in line with consensus estimates and above a long-term (since 1990) average of 1321k. On the other hand, building permits decreased by -1.5% on a monthly basis (-21.1% yoy) to 1416k (annualized rate), versus expectations for 1437k, albeit still above a long-term (since 1990) average of 1346k.
- **Regarding demand, existing home sales remained subdued in April.** In the event, existing home sales fell by -3.4% mom (-23.2% yoy), to 4.28mn (annualized), slightly undershooting consensus estimates for 4.30mn and well below a long term (since 1990) average of 4.94mn (and -32.7% compared with a peak of 6.36mn in November 2021). On a brighter note, the National Association of Home Builders (NAHB) survey index – that captures homebuilders' confidence for new home sales – improved for a 5th consecutive month in May 2023, by +5 pts to 50 (50 is the threshold above/below which a positive/negative stance is indicated). It should also be noted though, that the aforementioned improvement in the stance does not reflect benign conditions for the broader housing sector. Indeed, homebuilders cited as a main supporting factor for the demand of new homes, the low availability of existing homes for sale. In the event, the respective inventory stood at 1.04mn in April, versus an average of 2.25mn since 1990 (currently, 31% of total houses for sale are newly constructed homes, compared to an average of 13% since 1990), *inter alia* as many home owners with mortgage loans undertaken in previous years, thus bearing interest rates well below current ones (for new loans), are reluctant to re-enter the market. The low supply of existing homes also supports the bargaining power of sellers.
- **As a result, home prices remain particularly stretched (to the upside).** Notably, the partial easing of the median existing home sales price, which had been evident from a peak in June 2022 to a trough in January 2023 (-12.7% in that period), posts signs of having run its course. Indeed, an increase of +3.6% mom took place in April (-1.7% yoy), following a +3.2% mom in March and a +0.7% mom in February. As a result, valuations appear particularly stretched, with the nominal price levels for existing homes standing in March at +46% compared with January 2020, while nominal personal incomes have risen by +19% from January 2020 to March 2023.
- Notably, a large number of new houses remains in the pipeline (1.68mn in the phase of construction, versus an average of 0.95mn since 1990), arguing in favor of the prospects for new home supply. However, still high construction costs limit the downside as to the respective pricing in which they will enter the market. In the event, note that prices paid for goods used in residential construction were roughly stable in monthly terms in April, still at +37% versus January 2020.
- **Finally, higher mortgage interest rates due to monetary policy tightening have limited the capacity of households to finance home purchases.** Indeed, according to data from Freddie Mac, the 30-year fixed mortgage rate stood at 6.39% for the week ending on May 18th. Although a stabilization has taken place from a peak of 7.08% in past November 2022, the latest outcome remains far above an average of 4.1% since 2010. In that context, mortgage applications remain depressed according to the Mortgage Bankers Association, at -65% compared with late-January 2022 for the week ending May 12th.

Japanese real GDP exceeded expectations in Q1:2023

- **Japanese real GDP increased by +1.6% qoq saar in Q4:22 (+1.3% yoy) according to the preliminary estimate, following a -0.1% qoq saar (+0.4% yoy) decline in Q4:22 and versus consensus estimates for +0.7% qoq saar.** Regarding the expenditure components, **private consumption** posted strong growth, up by +2.4% qoq saar (+1.3 pps contribution to the headline figure), after a +0.8% qoq saar in Q4:22. Private consumption likely benefitted from the fact that Q1:23 was the first full quarter with open borders to foreign tourists (the full reopening following pandemic related restrictions, took place in October 2022), which supported spending in tourism-sensitive services. **Business investment** increased by +3.8% qoq saar (+0.6 pps to the headline outcome | -2.6% qoq saar in Q4:22), while **residential investment** rose by +0.7% qoq saar in Q1:23 (+0.6% in the previous quarter), being largely neutral to the headline GDP growth. **Public investment** increased strongly, up by +10.1% qoq saar (+0.5 pps | +0.9% qoq saar in Q4:22), while **government consumption** was roughly unchanged on a quarterly basis (neutral | +0.8% qoq saar in Q4:22). **Inventories** added a further +0.3 pps to the headline GDP growth. On the other hand, **net exports** posed a meaningful drag, -1.5 pps, as imports (of both goods & services) decreased by -9.0% qoq saar and exports fell by -15.6% qoq saar. **Looking forward, business confidence among small businesses, according to the Cabinet Office's Economy Watchers survey, improved further entering Q2:23.** Specifically, the current conditions index was up by 1.3 pts to 54.6 (average of 44.7 since 2001), while the forward-looking indicator (outlook for 2-3 months ahead) rose by 1.6 pts to 55.7 (average of 46.3 since 2001).

China: Economic activity data for April came out below expectations

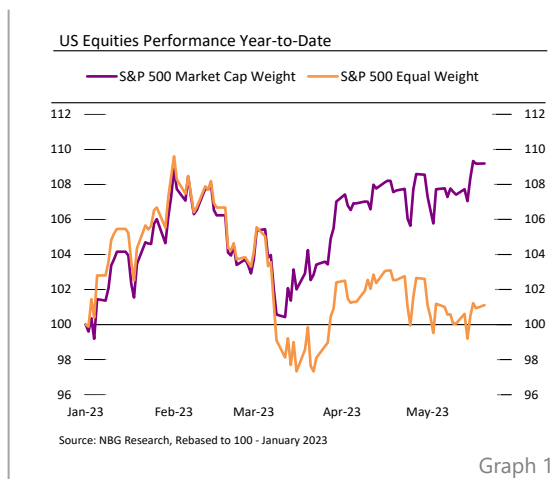
- **The impetus for economic activity in April somewhat disappointed.** Specifically, the annual growth of industrial production was +5.6% yoy in April, from +3.9% yoy in March, of retail sales (in value terms) came out at +18.4% yoy from +10.6% yoy and the respective pace for fixed asset investment was +4.7% yoy from +5.1% yoy. Notably, the aforementioned acceleration for the annual pace of growth of retail sales and industrial production, was heavily distorted to the upside by strong base effects, as activity in April 2022 was severely depressed by stringent pandemic-related local lockdowns. Indicatively, catering sales which are highly sensitive to restrictive measures, leaped by +43.8% yoy in April 2023. Furthermore, the latest readings meaningfully lagged consensus estimates (of +10.9% yoy for industrial production, +21.0% yoy for retail sales and +5.5% yoy for fixed asset investment). The latest readings came alongside roughly stable overall credit annual growth, as measured by Total Social Financing, at +10.0% in April.

Chinese house prices are posting signs of recovery

- **Prices of newly constructed houses in 89% of the 70 medium and large-sized cities monitored by China's National Bureau of Statistics (NBS) posted a monthly increase in April.** Overall, the monthly growth remained in positive territory for a 4th consecutive month, at +0.4% in April, following a +0.5% mom in March. As a result, the annual growth came out at +0.2% versus -0.8% in March and a trough of -1.6% in November 2022. The respective figures for 2nd hand homes stood at +0.1% mom (+0.3% mom in March).

Equities

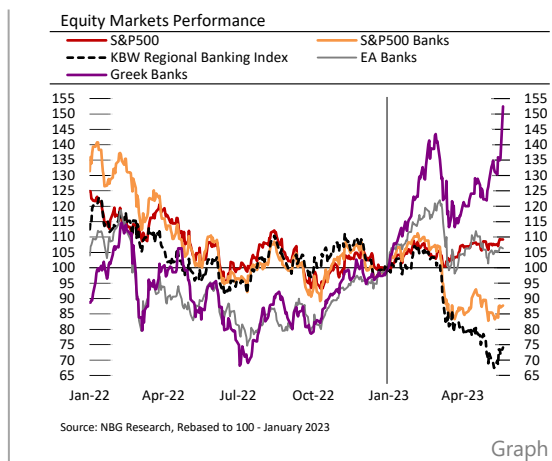
- Global equity markets increased (MSCI ACWI: +1.1%) in the past week**, with Developed markets (+1.2% w/w) overperforming their Emerging markets peers (+0.4% w/w). In the US, the S&P500 ended the week up by +1.6%, posting intra-week its highest level since August 2022 (4198), as investors monitor the ongoing negotiations regarding the federal debt ceiling with market sentiment remaining cautious, yet optimistic, that a deal can be reached. In the previous 6 weeks, the S&P500 had recorded weekly changes in the range of -1% to +1%, its longest sideways stretch since 2019. In Japan, the Nikkei225 rose by 4.8% w/w and by a further +0.9% on Monday, surpassing the milestone of 31,000 points, posting a 33-year high. On the other side of the Atlantic, the EuroStoxx increased by +1.3% w/w. In Germany, the DAX40 rose by 2.3% w/w, posting a new all-time high (16275). The ASE Index, ahead of the General Elections, increased by 0.9% w/w. The index has outperformed its European counterparties by a wide margin year-to-date (+22% vs +13%), albeit from low levels. The index increased by a further +6.1% on Monday 22nd (post-Elections) with a trading volume of circa €360 mn, surpassing 1,200 points for the first time since 2014. Banks increased by +3.3% w/w and by a further +12.5% on Monday, reaching a 5-year high (+55% year-to-date, as of May 22nd, see graph).



Graph 1.

Fixed Income

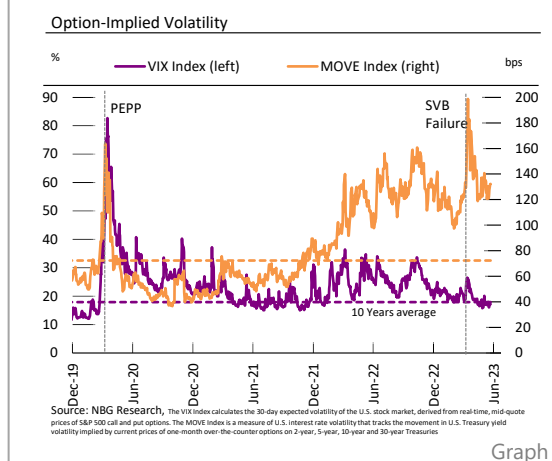
- Government bond yields increased in the past week, in view of stronger monetary policy tightening expectations.** Specifically, the 10-year US Treasury yield ended the week up by 23 bps to 3.69% and its 2-year peer by 29 bps to 4.27%. Recall also that the yield on the US Treasury 3-month note increased by +6 bps w/w to 5.24%, the highest since 2001, with high volatility intra-week (reached up to 5.43%) in view of continued nervousness regarding the timely resolution of the US Federal debt ceiling issue. Yields in major advanced economies followed suit, with the UK 10-year gilt up by +27 bps to 4.04% and its German Bund counterpart by +21 bps to 2.47%. Bond yield spreads over the 10-year Bund narrowed modestly in the past week in Italy (-6 bps to 184 bps), and Spain (-1 bp to 106 bps). The narrowing was relatively more meaningful for GGBs, (-16 bps w/w to 156 bps), following, *inter alia*, a successful reopening of two bonds (maturing in June 2033 and January 2037), for which offers collectively amounted to €2.2 bn versus a total auctioned amount of €0.4 bn. 10-Year GGB/Bund spreads narrowed further on Monday, following the Greek general election results, by -13 bps to 143 bps, the lowest since November 2021.



Graph 2.

FX and Commodities

- In foreign exchange markets, the US dollar appreciated across the board (+0.7% against the euro to \$1.079) as investors adjusted somewhat higher their expectations for the path of the Federal Funds Rate (FFR), *inter alia*, on the back of hawkish comments from several Fed officials.** In the event, the possibility of one more +25 bps hike to a range of 5.25% - 5.5% at the June 14th meeting has started again to be priced-in with a c. 1/4 chance. Meanwhile, a widening of nominal interest rate differentials (US-Japan: +30 bps to 434 bps and Germany-Japan: +23 bps to 286 bps, in the 2-year tenor), led the Japanese yen lower by -2.4% w/w against the US dollar in the past week to ¥138.5 (a 5 1/2-month low) and by -1.7% against the euro to ¥149.4. **In commodities, oil prices rose in the past week.** Strong economic data in the US (20% of global oil consumption), the announcement from the US Department of Energy for an intended purchase of 3 million barrels for the Strategic Petroleum Reserve (down to 360 million barrels from 582 barrels before the war in Ukraine) and supply concerns related to the wildfires in Canada, more than offset the weaker than expected economic data in China (15% of global oil consumption). Overall, Brent prices increased by +1.9% to \$75.6/barrel (-12% ytd) and WTI by +2.2% to \$71.6/barrel (-11% ytd). Notably, the International Energy Agency (IEA), revised up (compared with one month ago), by +0.2 million barrels per day, its estimates for global oil demand in 2023, to 102 million barrels per day. More importantly, the IEA expects global oil demand to exceed supply by 2 million barrels per day in H2:2023.



Graph 3.

Quote of the week: "The risks of doing too much or doing too little are becoming more balanced and our policy adjusted to reflect that", **Chair of the Federal Reserve, J. Powell, May 19th 2023.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	May 19th	3-month	6-month	12-month	Official Rate (%)	May 19th	3-month	6-month	12-month
Germany	2,47	2,60	2,70	2,80	Euro area	3,25	3,50	3,50	3,50
US	3,69	4,00	4,10	4,10	US	5,25	5,25	5,25	5,25
UK	4,04	3,74	3,64	3,40	UK	4,50	4,75	4,80	4,60
Japan	0,39	0,60	0,68	0,74	Japan	-0,10	-0,10	-0,10	-0,10

Currency	May 19th	3-month	6-month	12-month	May 19th	3-month	6-month	12-month	
EUR/USD	1,08	1,08	1,09	1,10	USD/JPY	139	134	131	127
EUR/GBP	0,87	0,89	0,89	0,91	GBP/USD	1,24	1,22	1,22	1,21
EUR/JPY	150	145	142	139					

Forecasts at end of period

Economic Forecasts

United States	2021a	Q1:22a	Q2:22a	Q3:22a	Q4:22a	2022a	Q1:23a	Q2:23f	Q3:23f	Q4:23f	2023f
Real GDP Growth (YoY) (1)	5,9	3,7	1,8	1,9	0,9	2,1	1,6	2,2	1,5	0,9	1,6
Real GDP Growth (QoQ saar) (2)	-	-1,6	-0,6	3,2	2,6	-	1,1	0,8	0,7	0,0	-
Private Consumption	8,3	1,3	2,0	2,3	1,0	2,7	3,7	1,2	1,1	0,6	2,0
Government Consumption	0,6	-2,3	-1,6	3,7	3,8	-0,6	4,7	0,5	0,1	0,6	1,8
Investment	7,4	4,8	-5,0	-3,5	-3,8	-0,2	-0,4	1,6	1,9	1,3	0,7
Residential	10,7	-3,1	-17,8	-27,1	-25,1	-10,6	-4,2	-3,6	-3,1	-3,1	-12,7
Non-residential	6,4	7,9	0,1	6,2	4,0	3,9	0,7	2,6	2,8	2,1	2,9
Inventories Contribution	0,2	0,3	-2,1	-1,4	2,0	0,7	-2,7	-0,3	-0,5	-0,8	-0,5
Net Exports Contribution	-1,7	-3,8	1,2	3,3	0,6	-0,6	0,1	-0,1	0,1	0,1	0,6
Exports	6,1	-4,6	13,8	14,6	-3,7	7,1	4,8	2,8	2,0	0,1	4,0
Imports	14,1	18,4	2,2	-7,3	-5,5	8,1	2,9	2,2	0,9	-0,5	-0,7
Inflation (3)	4,7	8,0	8,7	8,3	7,1	8,0	5,8	4,2	3,8	4,0	4,5

Euro Area	2021a	Q1:22a	Q2:22a	Q3:22a	Q4:22a	2022a	Q1:23a	Q2:23f	Q3:23f	Q4:23f	2023f
Real GDP Growth (YoY)	5,3	5,5	4,4	2,5	1,8	3,5	1,3	0,6	0,6	0,9	0,9
Real GDP Growth (QoQ saar)	-	2,4	3,7	1,5	-0,2	-	0,3	0,9	1,3	1,3	-
Private Consumption	3,7	0,4	4,3	3,7	-3,4	4,3	0,3	1,5	1,3	1,4	0,6
Government Consumption	4,3	0,6	0,2	-0,3	3,3	1,4	-0,6	-1,9	0,8	1,8	0,1
Investment	3,9	-2,8	3,7	16,9	-13,5	3,8	0,9	1,8	1,9	1,9	0,3
Inventories Contribution	0,2	-1,3	0,6	0,8	0,4	0,3	0,0	-0,3	-0,4	-0,1	0,1
Net Exports Contribution	1,3	4,0	-0,1	-4,4	3,8	-0,1	0,1	0,4	0,5	-0,1	0,3
Exports	10,5	5,5	7,2	6,9	-0,1	7,1	2,2	3,9	4,1	2,5	3,3
Imports	8,3	-2,5	8,0	17,9	-7,4	8,0	2,1	3,5	3,5	3,0	2,9
Inflation	2,6	6,1	8,0	9,3	10,0	8,4	8,0	6,4	4,9	3,6	5,7

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

6-12-Month View & Key Factors for Global Markets

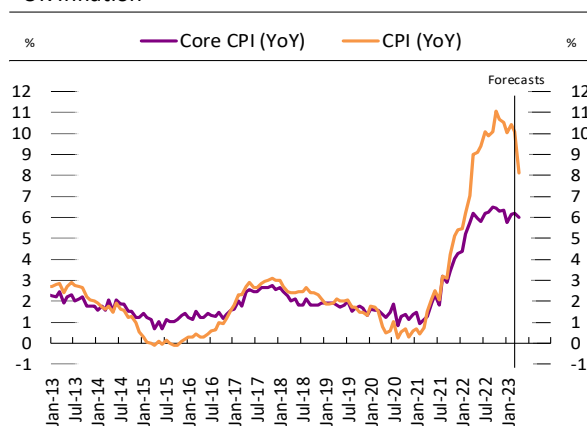
	US	Euro Area	Japan	UK
Equity Markets	<ul style="list-style-type: none"> + Households' balance sheets are healthy (low debt, still elevated excess savings) + Sentiment (e.g. AAI) and positioning indicators are low, despite the recent rally - Peaking profit margins - Recession risks remain considerable - P/E's (Valuations) above long-term means <p>● Neutral/Negative</p>	<ul style="list-style-type: none"> + Higher equity risk premium (lower P/E ratio) relative to benchmark market (US) despite the recent rally of +27% since October 2022 lows + Fiscal policy will remain supportive in 2023 (plus RRF) + China's covid policy pivot could accelerate an export-led recovery - Geopolitical uncertainty (Ukraine-Russia, natural gas) could re-intensify <p>● Neutral/Positive</p>	<ul style="list-style-type: none"> + Higher equity risk premium (lower P/E ratio) relative to benchmark market (US) + China's covid policy pivot could accelerate an export-led recovery + JPY appreciation from ¥150 to ¥135, if continues, could hurt exporters - Signs of policy fatigue regarding structural reforms and fiscal discipline - Yield-Curve Control twists, let alone a sustained shift in ultra-loose monetary policy, could hurt market benchmarks (but support Banks) <p>● Neutral</p>	<ul style="list-style-type: none"> + Significant exposure to commodities + Undemanding valuations in relative terms relative to other regions - Elevated domestic policy uncertainty - The BOE is expected to continue increasing interest rates aggressively as inflation remains very high and labor market extremely tight <p>● Neutral</p>
Government Bonds	<ul style="list-style-type: none"> + Valuations appear somewhat rich (18.2x), with term-premium @ -0.5% (1% for 2000-2015) + Fiscal deficits to remain sizeable in following years + Underlying inflation pressures remain acute + FED: passive (lower rollover) Quantitative Tightening + Global search for yield by non-US investors (e.g. Japan, repatriation from EM Economies) could reverse - Safe-haven demand bid to support prices assuming geopolitical risks re-intensify - The FED is likely close to be done with rates <p>▲ Slightly higher yields</p>	<ul style="list-style-type: none"> + Valuations (13.1x) are close to historical averages + ECB to halt the reinvestments under the APP as of July 2023 + ECB to continue with interest rate hikes in 2023 as core inflation pressures remain strong - Fragile economic growth outlook due to the war in Ukraine - ECB QE "stock" effect, with government bond holdings of €4.2 trillion (32% of GDP) <p>▲ Slightly higher yields</p>	<ul style="list-style-type: none"> + Sizeable fiscal deficits + The range of Yield-Targeting of 10-Year JGB at around 0% could widen further (current: +/- 50 bps) - Safe-haven demand - Monetary stance remains extremely dovish, despite the unexpected shift in YCC range in December 2022 - QE "stock" effect, with government bond holdings of ¥581 trillion (104% of GDP) <p>▲ Slightly Higher yields</p>	<ul style="list-style-type: none"> + Inflation expectations could drift higher due to supply disruptions (persistent post Brexit, temporary due to China) + The BOE is expected to continue increasing interest rates aggressively as inflation remains very high and labor market extremely tight + BOE: active (sales) Quantitative Tightening - Slowing economic growth post-Brexit <p>▲ Slightly Higher yields</p>
Foreign Exchange	<ul style="list-style-type: none"> + USD interest rate differential vs peers remain significant + Weak global economic growth + Safe-haven demand status - Global political uncertainty to decline - The FED is close to be done, which reduces potential USD upside <p>● Broadly Flat USD against G10 FX</p>	<ul style="list-style-type: none"> + ECB to continue with interest rate hikes in 2023 as core inflation pressures remain strong + Lower geopolitical uncertainty (Ukraine-Russia, natural gas) is positive for EUR - Global growth risks remain to the downside <p>● Range-bound with upside risks against the USD</p>	<ul style="list-style-type: none"> + Safe haven demand + More balanced economic growth recovery (long-term) + Higher core Inflation rates could accelerate the shift of monetary policy (less accommodative) <p>▲ Stronger JPY</p>	<ul style="list-style-type: none"> + Valuations appear undemanding with REER below its 15-year average - Sizeable Current account deficit <p>● Broadly stable GBP</p>

Economic Calendar

In the US, the minutes of the latest Fed meeting are released on Wednesday. On Thursday, the second estimate of GDP for Q1:23, will be closely monitored. GDP growth is expected to be unchanged compared with the previous estimate at +1.1% qoq saar. On Friday, April's personal income and consumption and PCE data (the Fed's preferred measure for gauging inflation developments) for April will gather investors' attention.

In the UK, attention turns to inflation data for April. CPI is expected at 8.1% yoy from 10.1% yoy in March, while the core figure is expected at 6.0% yoy from 6.2% yoy.

UK Inflation



Source: NBG Research

Economic News Calendar for the period: May 16 - May 29, 2023

Tuesday 16					Wednesday 17									
		S	A	P		S	A	P		S	A	P		
US					CHINA					US				
Retail sales (MoM)	April	0.8%	-0.4%	-0.7%	Industrial Production (wda, YoY)	April	10.9%	-5.6%	3.9%	Building permits (k)	April	1437	-1416	1437
Retail sales ex-autos (MoM)	April	0.4%	0.4%	-0.5%	Retail sales (YoY)	April	21.0%	-18.4%	10.6%	Housing starts (k)	April	1400	+1401	1371
Industrial Production (MoM)	April	0.0%	+0.5%	0.0%					JAPAN					
NAHB housing market confidence index	May	45	+50	45					GDP (QoQ)	Q1:23	0.1%	+0.4%	0.0%	
EURO AREA									GDP (YoY)	Q1:23	1.3%	1.3%	0.4%	
GDP (QoQ)	Q1:23	0.1%	0.1%	0.1%										
GDP (YoY)	Q1:23	1.3%	1.3%	1.3%										
Employment (QoQ)	Q1:23	0.3%	+0.6%	0.3%										
Employment (YoY)	Q1:23	..	1.7%	1.5%										
Trade Balance SA (€ bn)	March	..	17.0	-0.2										
UK														
ILO Unemployment Rate	March	3.8%	-3.9%	3.8%										
GERMANY														
ZEW survey current situation	May	-37.5	+34.8	-32.5										
ZEW survey expectations	May	-5.3	-10.7	4.1										
Thursday 18					Friday 19					Monday 22				
US					JAPAN					EURO AREA				
Philadelphia Fed Business Outlook	May	-19.8	+10.4	-31.3	CPI (YoY)	April	3.5%	3.5%	3.2%	Consumer Confidence Indicator	May	-16.8	-17.4	-17.5
Existing home sales (mn)	April	4.30	-4.28	4.43	Core CPI (YoY) - ex. Fresh Food	April	3.4%	3.4%	3.1%					
Continuing Claims (k)	May 6	1818	+1799	1807	Core CPI (YoY) - ex. Fresh Food and Energy	April	..	4.1%	3.8%					
Initial Jobless Claims (k)	May 13	254	+242	264										
JAPAN														
Imports YoY	April	-0.3%	-2.3%	7.3%										
Exports YoY	April	3.0%	-2.6%	4.3%										
Tuesday 23					Wednesday 24					Thursday 25				
US					US					US				
S&P Global US Manufacturing PMI	May	50.0	..	50.2	FOMC Minutes	May 3				GDP (QoQ, annualized)	Q1:23	1.1%	..	1.1%
New home sales (mn)	April	0.66	..	0.68						Initial Jobless Claims (k)	May 19	253	..	242
EURO AREA					UK					GERMANY				
S&P Global Eurozone Manufacturing PMI	May	46.1	..	45.8	CPI (YoY)	April	8.1%	..	10.1%	Continuing Claims (k)	May 12	1806	..	1799
S&P Global Eurozone Services PMI	May	55.6	..	56.2	CPI Core (YoY)	April	6.0%	..	6.2%	Pending home sales (MoM)	April	0.8%	..	-5.2%
S&P Global Eurozone Composite PMI	May	53.5	..	54.1	GERMANY					GDP (QoQ)				
UK					IFO- Business Climate Indicator					Q1:23				
S&P Global /CIPS UK PMI	May	48.0	..	47.8	IFO- Current Assessment	May	93.4	..	93.6	Q1:23				
S&P Global /CIPS UK Services PMI	May	55.5	..	55.9	IFO- Expectations	May	95.2	..	95.0	0.0%				
JAPAN					GDP (wda, YoY)					Q1:23				
PMI manufacturing	May	49.5	..	49.5	91.7					..				
Friday 26					Monday 29									
US					US									
Personal income (MoM)	April	0.4%	..	0.3%	Personal income (MoM)	April	0.4%	..	0.3%					
Personal spending (MoM)	April	..	..	0.0%	Personal spending (MoM)	April	..	..	0.0%					
PCE (YoY)	April	..	..	4.2%	PCE (YoY)	April	..	..	4.2%					
PCE Core (YoY)	April	..	..	4.6%	PCE Core (YoY)	April	..	..	4.6%					
Durable goods orders (MoM)	April	-0.9%	..	2.8%	Durable goods orders (MoM)	April	-0.9%	..	2.8%					
Durable goods orders ex transportation (MoM)	April	..	..	0.2%	Durable goods orders ex transportation (MoM)	April	..	..	0.2%					
UK					UK									
Retail sales Ex Auto MoM	April	0.3%	..	-1.0%	Retail sales Ex Auto MoM	April	0.3%	..	-1.0%					

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

Equity Markets (in local currency)

Developed Markets						Emerging Markets						
		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
US	S&P 500	4192	1.6	9.2	7.5	1.9	MSCI Emerging Markets	59038	0.6	2.7	-1.4	-20.3
Japan	NIKKEI 225	30808	4.8	18.1	16.7	9.9	MSCI Asia	902	0.9	3.1	-0.6	-21.7
UK	MSCI UK	2222	-0.1	3.7	5.6	13.5	China	63	-1.0	-2.9	-4.2	-40.6
Euro area	EuroStoxx	463	1.3	13.0	13.4	5.8	Korea	785	3.6	17.1	-0.7	-20.1
Germany	DAX 40	16275	2.3	16.9	17.2	7.7	MSCI Latin America	89220	0.5	1.1	-3.8	-12.7
France	CAC 40	7492	1.0	15.7	19.4	19.6	Brazil	287472	1.9	-2.7	-7.0	-24.1
Italy	MSCI Italy	869	0.2	15.0	15.0	11.2	Mexico	50169	-1.5	11.4	4.4	11.2
Spain	IBEX-35	9252	0.2	12.4	10.1	2.0	MSCI Europe	2938	-2.2	4.4	22.3	-54.5
Hong Kong	Hang Seng	19451	-0.9	-1.7	-3.3	-32.0	Russia	2626	2.4	21.9	7.8	-27.7
Greece	ASE	1132	0.9	21.8	33.0	28.5	Turkey	4580901	-9.6	-14.9	73.3	194.0

World Market Sectors and Styles (MSCI Indices*)

in US Dollar terms						Investment Styles						
		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
Energy		229.3	0.4	-6.8	-2.9	40.5	Growth	4050.6	2.0	19.4	14.5	-1.5
Materials		318.1	0.2	2.3	-3.8	-12.2	Value	3096.4	0.3	-0.2	0.2	-4.5
Industrials		322.1	1.2	7.7	12.8	-4.0	Large Cap	1788.9	1.3	10.2	8.4	-0.5
Consumer Discretionary		344.2	1.6	18.2	11.1	-12.2	Small Cap	479.1	0.8	3.1	0.7	-15.2
Consumer Staples		281.5	-1.5	4.3	8.8	2.3	US Growth	2662.4	1.8	12.8	7.0	-1.5
Healthcare		345.6	-0.7	0.1	4.8	5.3	US Value	1510.4	1.4	5.3	7.2	3.8
Financials		128.9	1.5	-1.5	1.0	-11.0	US Large Cap	4192.0	1.6	9.2	7.5	1.9
IT		495.6	3.9	26.0	18.9	9.5	US Small Cap	1144.8	2.2	-1.1	-2.7	-14.2
Telecoms		83.5	2.2	25.3	3.9	-19.0	US Banks	285.7	4.6	-12.9	-13.6	-32.0
Utilities		150.6	-3.7	-1.4	-5.7	-3.7	EA Banks	104.4	1.1	8.9	19.6	8.8
Real Estate		191.5	-2.2	-2.5	-13.7	-19.0	Greek Banks	881.5	3.3	37.6	63.0	55.7

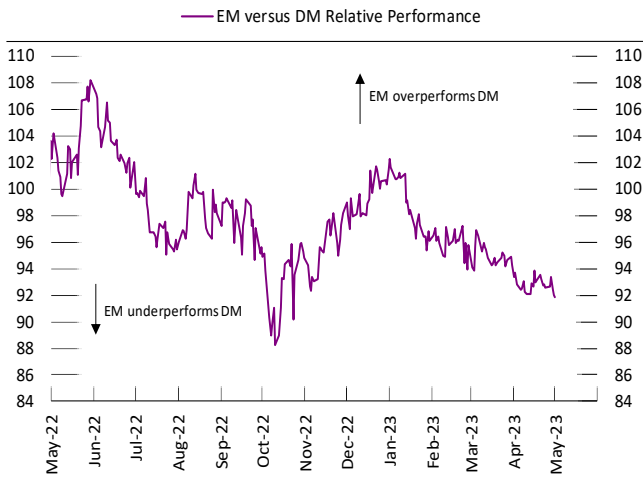
Bond Markets (%)

10-Year Government Bond Yields						Government Bond Yield Spreads (in bps)					
	Current	Last week	Year Start	One Year Back	10-year average		Current	Last week	Year Start	One Year Back	10-year average
US	3.69	3.46	3.88	2.85	2.21	US Treasuries 10Y/2Y	-58	-52	-54	25	88
Germany	2.47	2.26	2.53	0.95	0.49	US Treasuries 10Y/5Y	-6	1	-13	0	44
Japan	0.39	0.37	0.42	0.24	0.18	Bunds 10Y/2Y	-32	-31	-16	60	72
UK	4.04	3.77	3.66	1.84	1.55	Bunds 10Y/5Y	1	6	0	27	49
Greece	4.03	3.99	4.59	3.53	5.12	Corporate Bond Spreads (in bps)					
Ireland	2.86	2.72	3.06	1.56	1.15	US IG	145	148	138	154	132
Italy	4.31	4.16	4.64	2.91	2.19	US High yield	462	476	481	492	447
Spain	3.53	3.33	3.61	2.05	1.65	Euro area IG	167	167	167	166	121
Portugal	3.22	3.08	3.57	2.09	2.31	Euro area High Yield	462	484	498	501	404
EM	4.84	4.83	5.04	4.90	4.67	EM	300	306	295	335	321
US Mortgage Market						EUR Senior Financial	211	213	204	194	N/A
30-Year FRM¹ (%)	6.57	6.48	6.42	5.49	4.27	EUR Subordinated Financial	328	338	311	301	N/A
vs 30Yr Treasury (bps)	258.6	267.8	240.1	238.7	147.6	EUR AT1	814	937	718	705	N/A

Foreign Exchange & Commodities

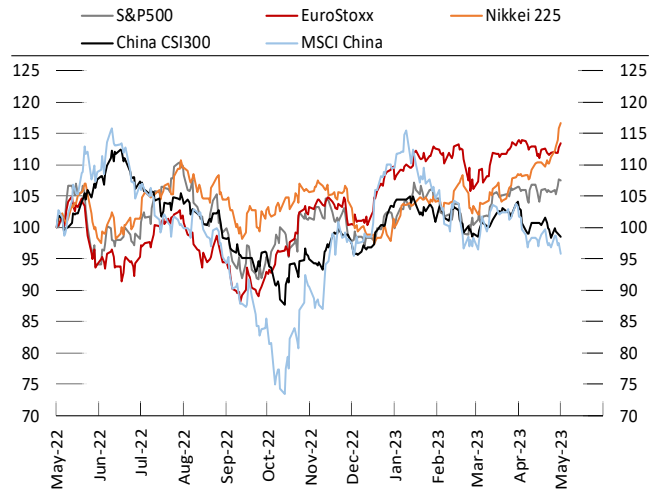
Foreign Exchange						Commodities					
	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates						Agricultural	422	-3.7	-7.9	-28.3	-10.2
EUR/USD	1.08	-0.7	-1.6	1.9	1.1	Energy	245	2.9	-7.7	-36.3	-15.1
EUR/CHF	0.97	-0.1	-1.2	-5.5	-1.4	West Texas Oil (\$/bbl)	72	2.2	-9.6	-36.2	-10.9
EUR/GBP	0.87	-0.4	-1.5	2.3	-2.2	Crude Brent Oil (\$/bbl)	76	1.9	-9.1	-32.5	-12.0
EUR/JPY	149.41	1.7	1.3	10.7	6.1	HH Natural Gas (\$/mmbtu)	2.6	30.6	17.5	-68.5	-26.6
EUR/NOK	11.73	0.9	1.4	14.1	11.6	TTF Natural Gas (EUR/mwh)	30	-7.9	-25.1	-66.8	-60.5
EUR/SEK	11.38	1.0	0.5	8.3	2.3	Industrial Metals	418	0.2	-8.4	-18.4	-7.4
EUR/AUD	1.62	-0.8	-0.6	7.9	3.0	Precious Metals	2602	-1.8	-0.9	8.4	8.6
EUR/CAD	1.46	-0.9	-1.0	7.4	0.8	Gold (\$)	1978	-1.7	-0.8	7.4	8.4
USD-based cross rates						Silver (\$)	24	-0.3	-5.6	8.8	-0.5
USD/CAD	1.35	-0.2	0.5	5.4	-0.3	Baltic Dry Index	1384	-11.2	0.9	-57.9	-8.6
USD/AUD	1.50	-0.1	1.0	5.9	1.9	Baltic Dirty Tanker Index	1306	4.3	11.2	18.6	-30.3
USD/JPY	138.51	2.4	2.9	8.7	5.0						

EM vs DM Performance in \$



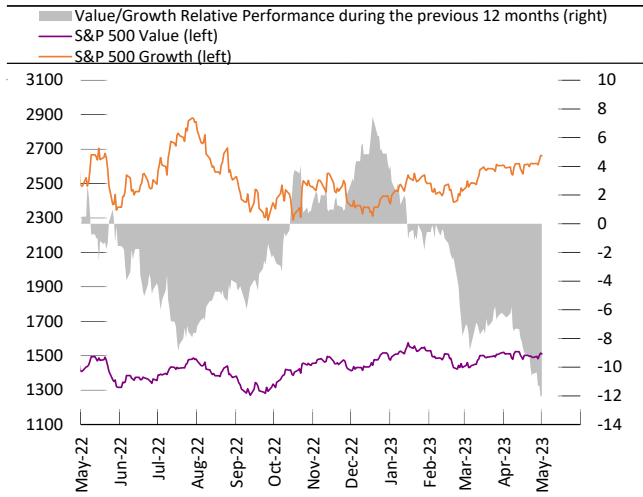
Data as of May 19th – Rebased @ 100

Equity Market Performance



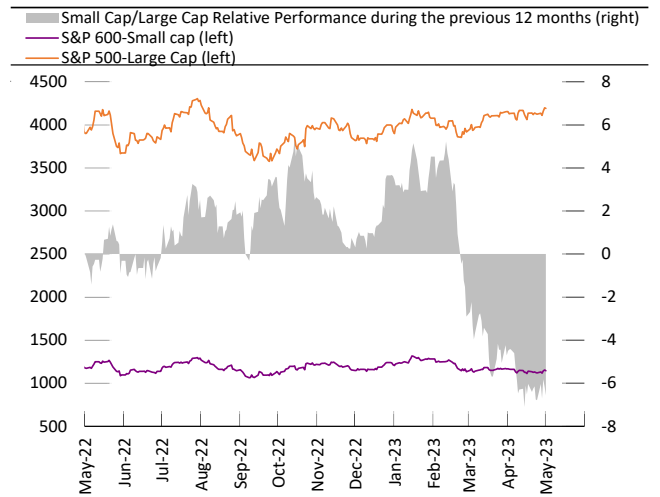
Data as of May 19th – Rebased @ 100

S&P 500 Value & Growth Index



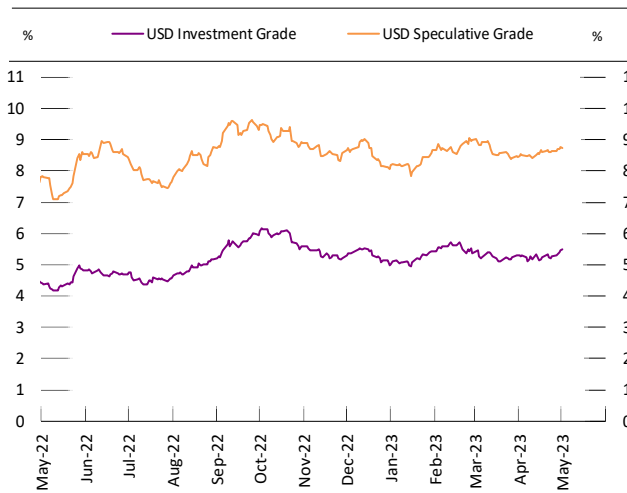
Data as of May 19th

S&P 500 & S&P 600 Index



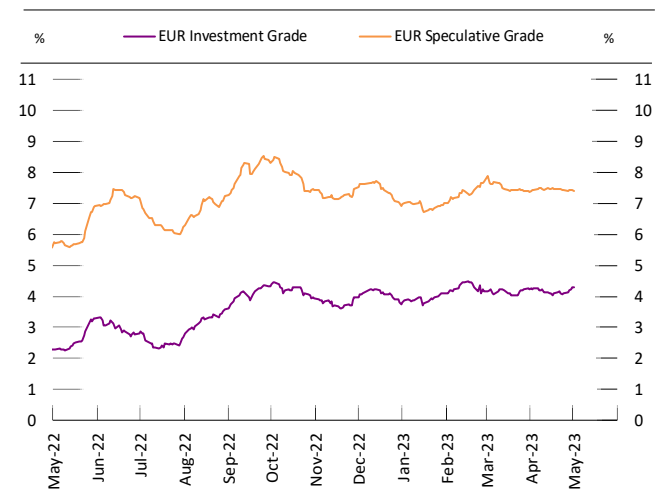
Data as of May 19th

USD Corporate Bond Yields



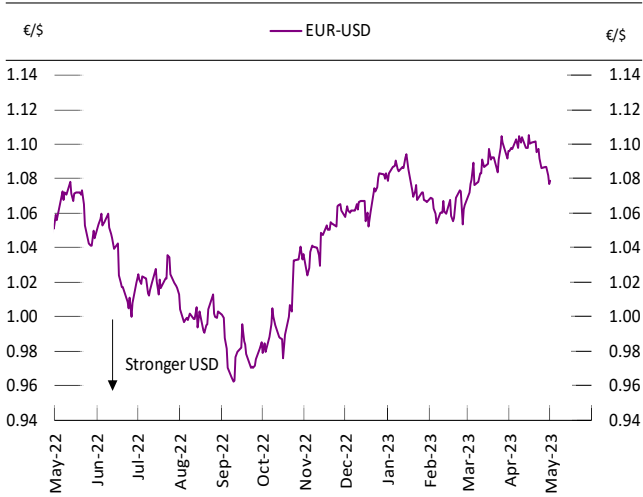
Data as of May 19th

EUR Corporate Bond Yields



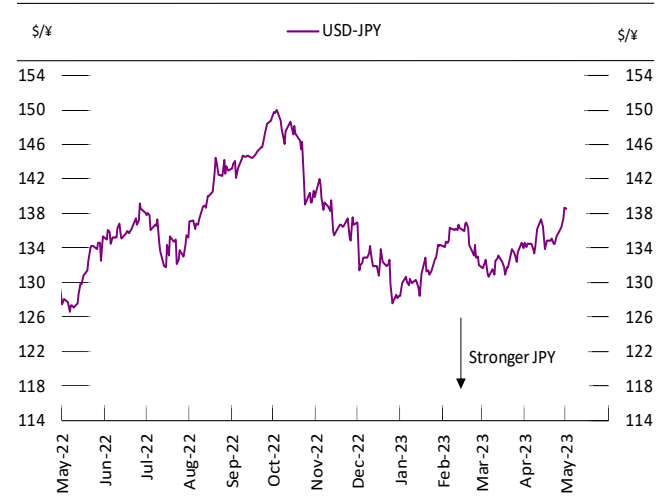
Data as of May 19th

EUR/USD



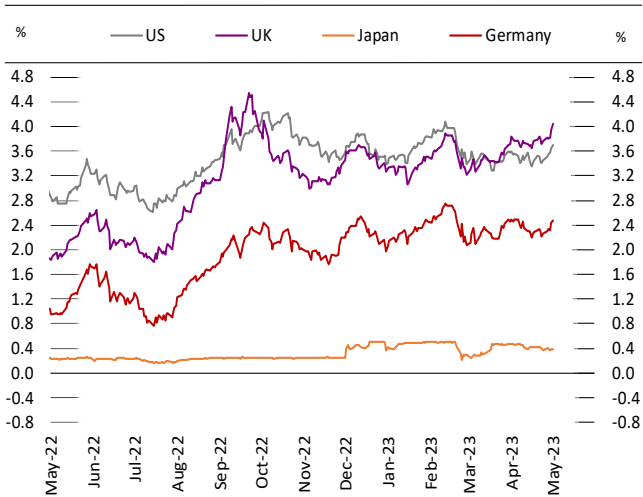
Data as of May 19th

JPY/USD



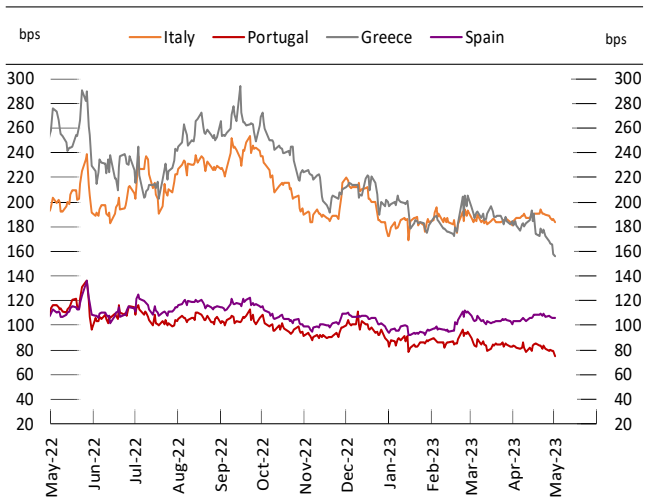
Data as of May 19th

10- Year Government Bond Yields



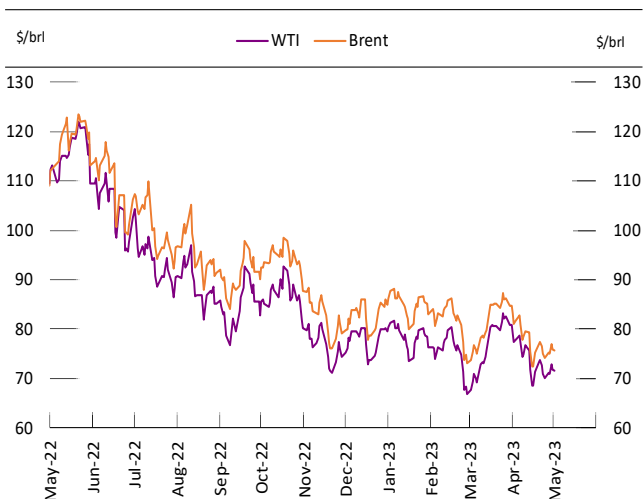
Data as of May 19th

10- Year Government Bond Spreads



Data as of May 19th

West Texas Intermediate and Brent (\$/bbl)



Data as of May 19th

Gold (\$/ounce)



Data as of May 19th

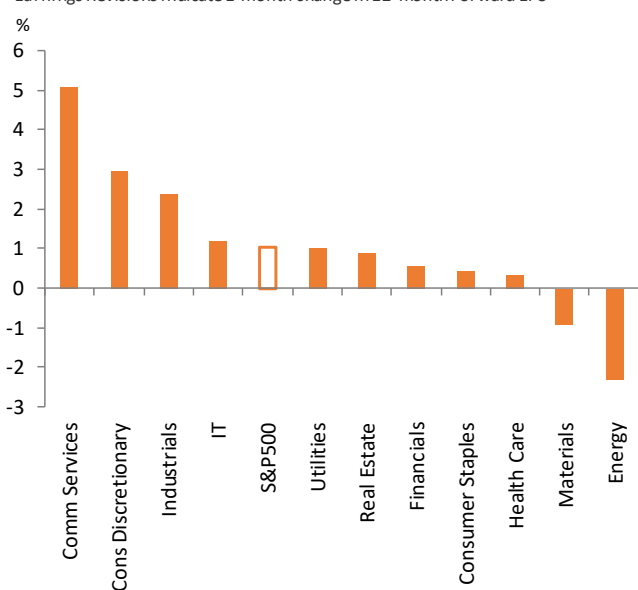
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	19/5/23	% Weekly Change	%YTD	2022	2023	2022	2023	2022	2023	12m fwd	20Yr Avg	2022	2023	Current	20Yr Avg
S&P500	4192	1.6	9.2	4.8	1.5	1.7	1.6	18.4	19.1	18.3	15.7	3.9	3.8	3.8	2.9
Energy	609	0.9	-9.4	154.4	-24.8	3.4	3.5	8.1	10.3	10.3	15.2	2.3	2.0	2.0	2.0
Materials	495	0.7	1.1	5.4	-17.0	2.2	2.1	14.6	16.9	16.6	15.2	2.9	2.6	2.6	2.8
Financials															
Diversified Financials	954	1.7	-0.3	-9.4	4.1	1.3	1.4	19.0	17.6	16.8	16.0	2.7	2.4	2.4	2.3
Banks	286	4.6	-12.9	-21.3	9.5	3.0	3.8	11.2	8.3	8.3	11.8	1.2	0.9	0.9	1.3
Insurance	577	0.4	-3.1	-13.1	24.4	1.7	2.0	17.2	13.3	12.5	11.1	2.2	1.9	1.9	1.4
Real Estate	227	-2.6	-2.5	11.8	0.1	3.8	4.0	17.4	16.4	16.1	18.6	2.6	2.8	2.8	2.7
Industrials															
Capital Goods	874	1.1	0.1	12.8	16.4	1.6	1.8	22.8	19.1	18.2	16.1	5.0	4.4	4.4	3.6
Transportation	923	1.5	1.9	123.7	9.9	1.9	2.2	16.0	14.2	N/A	15.1	5.5	4.4	4.4	3.7
Commercial Services	516	1.4	6.2	15.5	8.7	1.4	1.5	28.6	28.3	27.0	22.0	7.7	7.4	7.4	4.7
Consumer Discretionary															
Retailing	3192	2.7	15.9	-43.4	43.8	0.8	0.8	43.0	33.1	30.6	22.7	10.7	9.9	9.9	7.8
Consumer Services	1505	1.9	18.5	N/A	193.2	1.1	1.2	69.6	25.8	N/A	27.1	456.7	180.1	N/A	16.1
Consumer Durables	392	-2.1	5.8	3.7	-13.9	1.7	1.6	13.0	15.5	14.9	16.1	3.2	3.0	3.0	3.2
Automobiles and parts	104	5.9	33.4	28.6	-9.9	0.3	0.4	24.2	23.6	N/A	11.1	4.7	3.6	3.6	2.3
IT															
Technology	3217	2.0	27.9	5.0	0.0	0.9	0.8	21.8	24.9	24.0	16.0	15.8	16.1	16.1	5.5
Software & Services	3490	4.0	22.7	10.9	9.0	1.0	0.9	25.8	27.9	26.5	18.3	8.7	8.6	8.6	6.1
Semiconductors	2319	7.8	39.7	-5.7	-17.4	1.4	1.2	20.2	28.4	26.1	18.3	5.1	5.8	5.8	3.8
Communication Services	208	3.1	30.8	-20.4	20.2	1.0	0.8	18.1	18.1	17.0	17.6	2.9	3.1	3.1	2.8
Media	839	4.1	38.5	-22.8	24.6	0.3	0.3	20.9	21.0	19.6	21.5	3.3	3.7	3.7	3.2
Consumer Staples															
Food & Staples Retailing	650	-1.6	4.9	-3.5	3.7	1.5	1.6	21.9	21.8	21.0	17.3	5.3	4.9	4.9	3.7
Food Beverage & Tobacco	868	-1.8	0.6	5.9	2.4	3.1	3.1	18.7	19.1	18.6	16.9	5.2	5.1	5.1	4.7
Household Goods	869	-1.5	0.6	-3.4	3.4	2.5	2.4	25.2	26.4	25.4	19.6	9.6	9.9	9.9	6.1
Health Care															
Pharmaceuticals	1227	-0.6	-5.3	5.5	-16.8	2.0	2.1	14.1	17.3	16.8	14.6	5.3	4.9	4.9	4.1
Healthcare Equipment	1825	-0.8	-1.2	4.3	3.4	1.2	1.2	18.7	18.8	18.1	15.8	3.8	3.7	3.7	3.1
Utilities	334	-4.4	-6.8	1.2	6.8	3.2	3.3	18.5	17.6	17.2	15.4	1.9	1.9	1.9	1.7

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

1-month revisions to 12-month Forward EPS

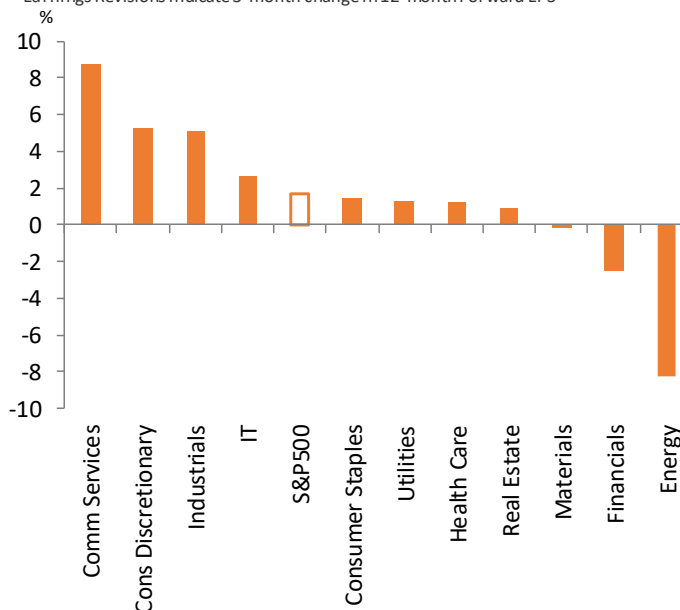
Earnings Revisions indicate 1-month change in 12-month Forward EPS



Data as of May 19th
12-month forward EPS are 61% of 2023 EPS and 39% of 2024 EPS

3-month revisions to 12-month Forward EPS

Earnings Revisions indicate 3-month change in 12-month Forward EPS



Data as of May 19th
12-month forward EPS are 61% of 2023 EPS and 39% of 2024 EPS

National Bank of Greece | Economic Research Division | Global Markets Analysis

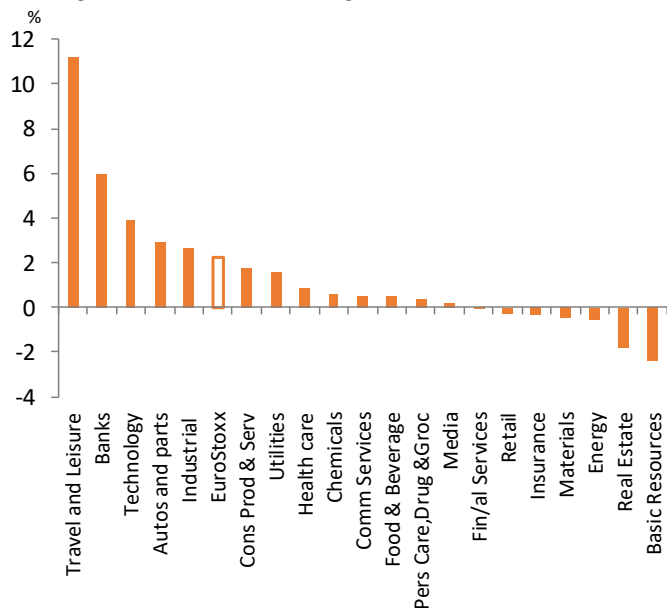
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	19/5/23	% Weekly Change	%YTD	2022	2023	2022	2023	2022	2023	12m fwd	20Yr Avg	2022	2023	Current	20Yr Avg
EuroStoxx	463	1.3	13.0	21.7	0.9	3.1	3.2	13.3	13.4	13.0	13.2	1.8	1.7	1.7	1.6
Energy	335	0.7	-3.5	121.8	-24.1	5.6	5.4	5.2	6.6	6.7	11.2	1.3	1.1	1.1	1.5
Materials	985	0.0	6.8	13.5	-34.4	3.8	3.5	8.9	13.3	12.9	13.4	1.4	1.3	1.3	1.6
Basic Resources	208	0.4	-7.0	-11.2	-47.0	2.9	3.3	5.0	8.1	8.0	10.6	0.8	0.6	0.6	0.9
Chemicals	1468	-0.1	9.6	28.7	-27.6	4.0	3.5	11.1	15.6	14.9	14.2	1.7	1.7	1.7	2.1
Financials															
Banks	104	1.1	8.9	18.4	17.5	5.3	7.4	8.6	6.4	6.3	9.9	0.8	0.6	0.6	1.0
Insurance	322	1.7	4.8	-17.3	39.1	5.2	5.6	13.3	9.3	9.0	9.5	1.5	1.4	1.4	1.0
Financial Services	515	-0.7	5.9	31.5	-1.4	3.1	3.3	11.3	11.3	11.2	15.6	1.3	1.3	1.3	1.3
Real Estate	113	-1.7	-13.7	4.8	-4.5	5.7	7.1	11.3	9.3	9.3	16.2	0.6	0.5	0.5	1.0
Industrials															
Industrial Goods & Services	1116	2.9	16.0	18.8	15.0	2.2	2.4	19.4	17.5	16.8	15.3	2.8	2.6	2.6	2.3
Construction & Materials	550	1.4	19.1	3.1	-1.5	3.4	3.5	12.6	13.1	12.6	13.5	1.7	1.6	1.6	1.6
Consumer Discretionary															
Retail	605	-0.9	18.2	2.5	9.3	3.7	4.0	23.1	21.6	21.0	22.5	4.7	4.7	4.7	5.5
Automobiles and parts	593	2.6	17.2	9.3	-10.4	4.9	4.8	5.9	6.5	6.4	8.5	0.9	0.9	0.9	1.1
Travel and Leisure	243	3.2	32.8	N/A	41.6	1.0	1.3	19.1	15.4	N/A	N/A	2.7	2.5	2.5	2.0
Consumer Products & Services	537	-0.8	25.9	1.8	14.8	1.4	1.4	33.6	32.2	30.4	21.1	6.8	6.7	6.7	3.6
Media	275	0.8	5.7	21.4	15.6	2.2	2.7	22.5	18.5	17.8	15.5	3.0	2.8	2.8	2.0
Technology	886	5.3	24.1	-3.5	28.8	1.0	1.0	28.1	23.5	22.0	21.3	3.9	3.9	3.9	3.5
Consumer Staples															
Food, Beverage & Tobacco	180	-1.4	9.5	11.7	1.5	1.8	2.1	19.6	20.0	19.1	17.7	2.2	2.0	2.0	2.6
Personal Care, Drug & Grocery	187	-1.6	12.1	6.6	0.9	2.4	2.4	16.1	16.4	15.7	16.2	2.3	2.3	2.3	2.6
Health care	847	1.1	9.0	7.2	-1.4	2.4	2.3	15.9	17.1	16.3	15.0	2.0	2.0	2.0	2.1
Communication Services	298	0.1	13.8	28.0	-1.2	3.9	4.1	14.7	15.1	14.5	13.7	1.5	1.5	1.5	1.9
Utilities	378	-2.3	8.2	23.0	-3.0	5.2	4.9	12.0	13.1	13.0	13.2	1.8	1.7	1.7	1.5

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

1-month revisions to 12-month Forward EPS

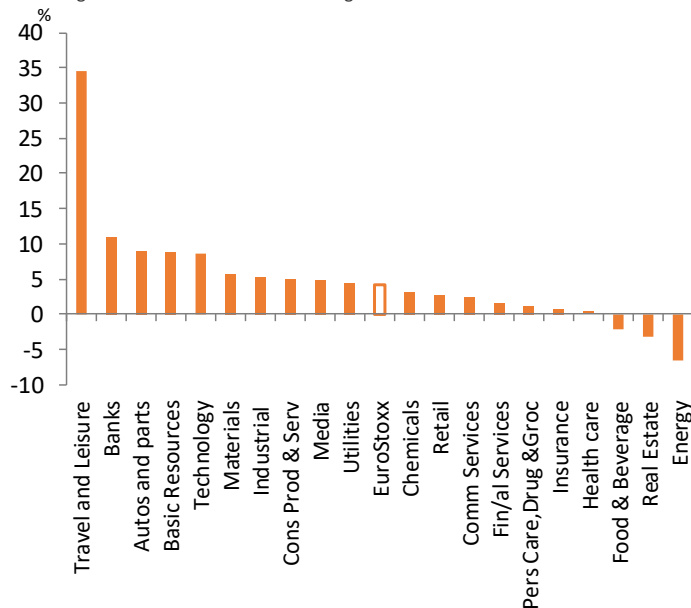
Earnings Revisions indicate 1-month change in 12-month Forward EPS



Data as of May 19th
12-month forward EPS are 61% of 2023 EPS and 39% of 2024 EPS

3-month revisions to 12-month Forward EPS

Earnings Revisions indicate 3-month change in 12-month Forward EPS



Data as of May 19th
12-month forward EPS are 61% of 2023 EPS and 39% of 2024 EPS

National Bank of Greece | Economic Research Division | Global Markets Analysis

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