

## Metals, energy and agricultural commodity prices are increasing, leading inflation expectations higher

- Commodities have increased significantly, recording all time or multi-year highs. Supply bottlenecks and strong demand, as more economies and sectors move toward reopening, have lifted prices across the board (see graph below).
- Copper prices have surpassed \$10k per tonne for the first time in ten years. Being a key element for building electric vehicle batteries and for electrical wiring in microprocessors, copper has found support, *inter alia*, by political aims to bolster the green economy.
- President Biden’s “American Jobs Plan” of \$2.25 trillion, includes an \$174 billion investment to enhance the domestic Electric Vehicle (EV) market. Main goals are: (i) to hasten domestic supply chains; (ii) retool factories to compete globally and; (iii) support domestic workers to make batteries and EVs. Moreover, it will provide consumers with tax incentives to buy US-made EVs.
- Prices in other industrial metals markets like those of Aluminum and Zinc have followed suit, whereas Agricultural prices, mainly Corn and soybeans, have jumped due to unfavorable weather conditions in South America. Finally, oil prices have increased by circa 30% year-to-date amid conservative supply (OPEC) and increasing demand.
- Commodity prices have driven market-based inflation expectations significantly higher. Specifically, 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 eight year high of 2.5% (see graph page 3).
- On the other hand, nominal US 10-Year interest rates have oscillated in a tight 1.50%-1.60% interval, as the Federal Reserve remains the dominant buyer via purchases of \$80 billion per month, keeping a lid on nominal rates.
- In the short-term, conflicting signals from the US labor market (see Economics for the weaker-than-expected BLS jobs report) suggest a lower likelihood that the tapering conversation of large-scale asset purchases will begin in the June 16<sup>th</sup> FOMC meeting.
- However, as domestic demand exceeds its pre Covid-19 trend in H2:2021 and the labor market continues to recover, the Federal Reserve is expected to slow down its bond purchases as a first line of defense against: (i) rising vulnerabilities associated with elevated risk appetite and; (ii) inflationary pressures. Thus, US Treasury nominal bond yields could edge higher.
- As the global economic outlook improves, the amount of incremental monetary stimulus will be adjusted too. The Bank of Canada, decided in April to lower its QE program to a target of \$3 billion net purchases of Government bonds per week, from a minimum of \$4 billion.
- Headline equity indices have remained broadly unchanged in the fortnight, albeit with Energy (+13%), Banks (+7%) and Industrials (+5%) over-performing by a wide margin since our last Roundup two weeks ago. The Technology sold off (-5%), as negative-correlated returns to inflation expectations, weigh significantly. Note that US CPI is due on May 12<sup>th</sup> (+3.6% yoy from +2.6% yoy).

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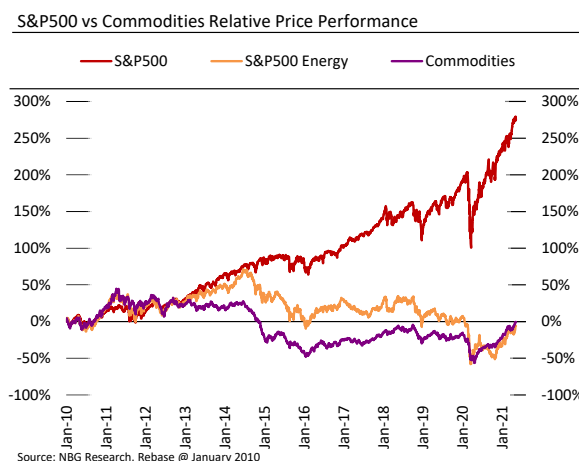
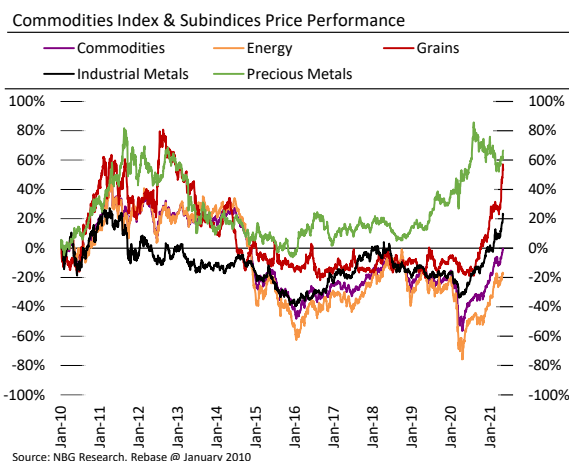
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Charts of the week



## US job creation undershot expectations by a wide margin in April

- **US non-farm payrolls increased by 266k (on a seasonally adjusted basis), compared with +770k in March.** Note that negative net revisions for the previous two months took place (-78k). Job creation in April benefitted from easing pandemic-related restrictions. Indeed, sector-wise, leisure and hospitality led the rise, with payrolls up by 331k (+187k in food services and drinking places, +73k in amusements, gambling & recreation and +54k in accommodation).
- **The latest outcome was well below consensus estimates for 975k.** Nevertheless, caution is warranted in putting too much weight on the latest headline outcome as a reliable indication of the momentum for job creation, as technical factors related to the seasonal adjustment methodology, could be at play. Indeed, note that in not-seasonally adjusted terms, non-farm payrolls increased by 1089k in April (+1176k in March).
- **In addition, temporary labor supply issues may have partly contributed to the disappointing (headline) reading in April.** In the event, the currently increased unemployment insurance benefits (aiming at mitigating the negative economic impact from the pandemic), may pose a disincentive to return to work, particularly for low paid job positions. Nevertheless, the aforementioned additional benefits, are set to expire by September. Recall that the strong labor demand combined with the aforementioned labor supply issues, probably contributed in the average hourly earnings of the (relatively lower paid) production and nonsupervisory employees, increasing by a solid +0.8% mom in April.
- **Overall, total household employment (including the self-employed and agricultural workers | on a seasonally adjusted basis) was up by 328k in April,** versus 609k in March (667k versus 971k, respectively, in not-seasonally adjusted terms). At the same time, the unemployment rate rose by 0.1 pp to 6.1%, compared with consensus estimates for 5.8%, albeit that development was solely due to the labor force participation rate increasing by 0.2 pps to 61.7%.
- Recall that both the jump in the official unemployment rate during the initial lockdowns period in 2020 (at 14.8% in April from 3.5% in February, which was the lowest since December 1969) and the sharp fall in subsequent months, was mostly due to people entering a state of temporary layoff (i.e persons that have been given a date to return to work by their employer or expect to be recalled to their job within 6 months) and subsequently (gradually) returning to work, respectively. Note that in the US, workers on temporary furlough are counted as unemployed, a different norm compared with Europe. As a result, in the current exceptional circumstances, caution is warranted in making direct comparisons between official unemployment rate figures in the US and in European countries (in the US, the number of unemployed persons excluding those on temporary layoff, as % of the labor force, was 4.7% in April).
- Finally, a broader measure of labor market slack, the U-6 unemployment rate (which includes the unemployed, part-time workers for economic reasons, and those workers marginally attached to the labor force), decreased by 0.3 pps to 10.4% in April.

## US business confidence remained strong in April

- **PMIs partly eased in April, undershooting expectations, albeit remaining elevated and well above the expansion/contraction threshold of 50 (for an 11<sup>th</sup> consecutive month and across sectors).** Specifically, the ISM manufacturing PMI came out at 60.7, from 64.7 in March (the highest since December 1983), versus consensus estimates for 65.0. Recall that the more forward looking component of new orders, continued to overperform (64.3). At the same time, the ISM services (formerly known as nonmanufacturing) PMI came out at 62.7 in April, compared with a record (since 1997) high of 63.7 in March (consensus: 64.3).
- **In all, as also indicated by respondents' comments in both surveys, demand is surging** (boosted also by pent-up demand as the economy moves towards a full re-opening). Nevertheless, supply is increasingly struggling to catch up with the rising demand, with respondents in both surveys continuing to highlight disruptions linked to the supply chain (mainly shortages of critical parts and basic materials) and distribution (including transport-related logistics challenges). Stronger suppliers' pricing power, combined with higher international prices of commodities, result in rising input costs, a major source of concern for respondents.

## US bank lending standards largely eased across the board in Q1:2021

- **The Fed's Senior Loan Officer Opinion Survey (SLOOS) for Q1:21, suggests increased appetite from banks to extend new credit to corporations.** Indeed, a positive net percentage of respondents reported an easing of lending standards for commercial and industrial (C&I) loans (15% of banks for large and middle corporations and 13% for small firms), following a tightening in the previous four quarters (on average, net percentages of 39% & 38%, respectively, of panelists had reported a tightening). According to the respondents, the most important reasons were a more favorable or less uncertain economic outlook, more-aggressive competition from other banks and an improvement of industry-specific problems.
- Meanwhile, mixed changes were reported across the categories of commercial real estate (CRE) loans, i.e.: i) non-farm non-residential (unchanged); ii) multifamily loans (a modest net percentage of 7% eased standards) and; iii) construction and land development lending (a net percentage of 14% tightened standards).
- Regarding households, credit standards were eased across most of the categories of residential real estate loans and across all types of consumer loans (credit cards, auto loans and other consumer loans).

## Equities

- Global equity markets rose in the past week.** Overall, the MSCI ACWI ended the week up by 1.2% (+10% ytd), with developed markets (+1.4% wow | +11% ytd) overperforming their emerging markets peers (+0.1% wow | +4% ytd). In the US, the S&P500 rose by 1.2% wow, recording on Friday its 26<sup>th</sup> all-time high in 2021 (4233) and its 6<sup>th</sup> positive week out of the past 7. The increase expanded the April's strong performance, during which the index posted its largest monthly return (+5.2%) since November 2020. Sector-wise, Energy led the increase (+8.9% wow) with Exxon Mobil overperforming (+9.1% wow), following the return of the company to profitability in Q1 (+\$2.7 bn), after reporting losses in all four quarters in 2020. On the contrary, the Automobiles sector declined (-3.2% wow) with Tesla underperforming (-6.5% wow) and entering into negative YtD territory (-5%), following Stellantis group's announcement that it will stop buying environmental credits from Tesla to achieve its European emissions targets. Note that excluding revenues from total regulatory credits sales, Tesla would not have been profitable in the past six quarters. At the same time, positive corporate earnings surprises continue. Specifically, out of the 452 S&P 500 companies that have reported Q1:2021 results so far, 87% of them have exceeded consensus EPS estimates (the highest since FactSet began tracking this metric in 2008), with consensus analyst expectations for EPS growth, standing at +49% yoy (the highest since Q1:2010) versus +24% yoy on March 31<sup>st</sup> and +4% yoy in Q4:2020. On the other side of the Atlantic, the Eurostoxx rose by 1% wow, with the Basic Resources sector overperforming (+2.5% wow), due to higher commodity prices. **On Monday (10/5), the S&P500 declined by -1% amid a sell-off in tech stocks, with IT underperforming (-2.5%) and Communication Services decreasing by 1.9%**, following the downgrade by Citi of FB (-4.1%) and GOOGL (-2.6%) from "Buy" to "Neutral" and the significant downward revision of the target price of TWTR (-3.7%) from \$80 to \$58.

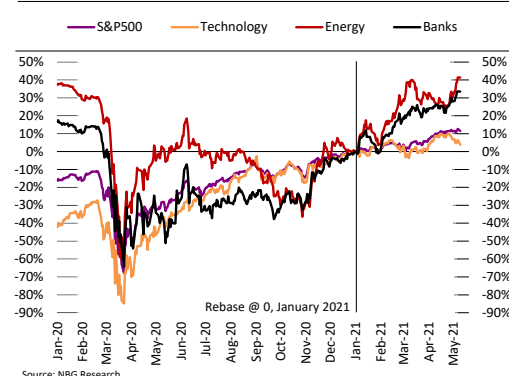
## Fixed Income

- Government bond yields declined in major advanced economies in the past week.** Specifically, the US Treasury 10-year yield, ended the week down by 7 bps wow to 1.56%, recording its 4<sup>th</sup> weekly decline out of the past 5. On Friday, the yield decreased below 1.50% for the first time since March 3<sup>rd</sup> after the weaker-than-expected labor market report was released, however it fully recovered later in the session. The US 10-year breakeven rate rose by 8 bps, reaching 2.5% for the first time since April 2013, but the move was more than offset by the larger decline in real rates (-15 bps). In Q2:21, the yield has been trading in a narrow range around 1.6% (1.54%-1.64%), following the significant increase by 82 bps to 1.74% in Q1:21. In the UK, the 10-year yield declined by 9 bps wow to 0.75%. In Germany, the 10-year yield decreased by 3 bps to -0.22%. The downward trend of periphery bond yields in the 10-year tenor reversed on Friday, following comments from the Governing Council member M. Kazaks, that the ECB could decide to reduce the pace of purchases through its emergency bond-buying programme (PEPP) as early as in June (Italy: +5 bps to 0.94%, its highest level since September 2020, Spain: stable at 0.47%, Portugal: +1 bp to 0.44%, Greece: +1 bp to 0.99%, with the Republic issuing a €3bn 5-year bond and with the offers surpassing €20bn and achieving a record low yield of 0.2%).

## FX and Commodities

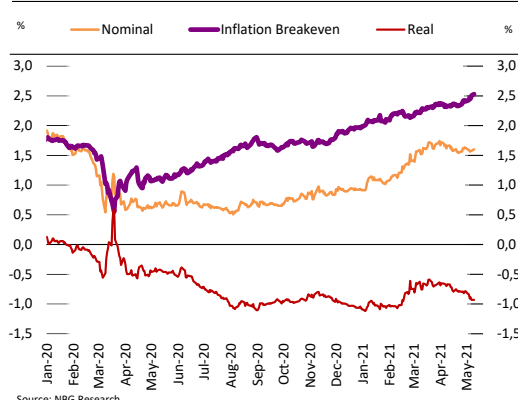
- The US dollar depreciated in the past week due to the lower US real yields and the weaker-than-expected labor market report.** Specifically, the USD ended the week down by 1.1% against a basket of trade-weighted currencies (DXY) and by 0.9% against the euro to \$1.214, its lowest level since end-February. Finally, in commodities, oil prices ended the week higher, due *inter alia* to the larger-than-expected decline in US crude oil inventories, by 8 million barrels to 485 million barrels for the week ending April 30<sup>th</sup>. Overall, Brent ended the week up by 1.5% to \$68.3/barrel (+32% ytd), and the WTI by 2.1% to \$64.9/barrel (+34% ytd). Copper rose by 2.7% wow to \$10420/MT, recording an all-time high, due to increased demand and the level of inventories standing at a 15-year low. The metal has increased by 125% since its March 2020 low.

Equities Performance 2020-2021



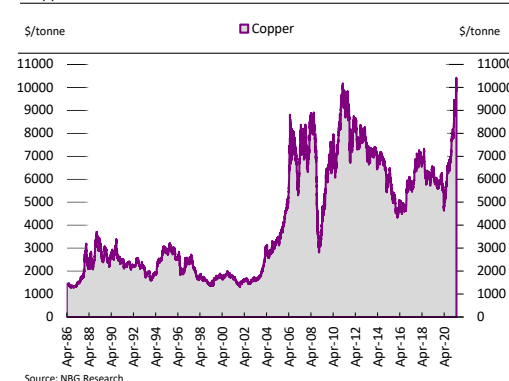
Graph 1.

US Treasury 10-Year Yield Decomposition



Graph 2.

Copper Price



Graph 3.

**Quote of the week:** "The economy is reopening, bringing stronger economic activity and job creation. That is the high-level perspective -- let's call it the 30,000-foot view -- and from that vantage point, we see improvement. But we should also take a look at what is happening at street level.", **Fed Chair, Jerome Powell, May 3<sup>rd</sup> 2021.**

### Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	May 7th	3-month	6-month	12-month	Official Rate (%)	May 7th	3-month	6-month	12-month
<b>Germany</b>	-0.22	-0.30	-0.20	-0.10	<b>Euro area</b>	0.00	0.00	0.00	0.00
<b>US</b>	1.56	1.40	1.50	1.60	<b>US</b>	0.25	0.25	0.25	0.25
<b>UK</b>	0.75	0.78	0.81	0.84	<b>UK</b>	0.10	0.10	0.08	0.06
<b>Japan</b>	0.08	0.08	0.14	0.14	<b>Japan</b>	-0.10	-0.10	-0.10	-0.10

Currency	May 7th	3-month	6-month	12-month	May 7th	3-month	6-month	12-month	
<b>EUR/USD</b>	1.21	1.17	1.18	1.20	<b>USD/JPY</b>	109	107	106	105
<b>EUR/GBP</b>	0.87	0.87	0.87	0.87	<b>GBP/USD</b>	1.40	1.35	1.36	1.38
<b>EUR/JPY</b>	131	125	125	126					

Forecasts at end of period

### Economic Forecasts

United States	2019a	Q1:20a	Q2:20a	Q3:20a	Q4:20a	2020a	Q1:21a	Q2:21f	Q3:21f	Q4:21f	2021f
<b>Real GDP Growth (YoY) (1)</b>	2,2	0,3	-9,0	-2,8	-2,4	-3,5	0,4	12,8	6,9	7,0	6,4
<b>Real GDP Growth (QoQ saar) (2)</b>	-	-5,0	-31,4	33,4	4,3	-	6,4	9,5	7,6	4,8	-
<b>Private Consumption</b>	2,4	-6,9	-33,2	41,0	2,3	-3,9	10,7	13,0	7,4	5,1	8,5
<b>Government Consumption</b>	2,3	1,3	2,5	-4,8	-0,8	1,1	6,3	0,9	0,2	2,3	1,2
<b>Investment</b>	1,9	-1,4	-29,2	31,3	18,6	-1,8	10,1	5,2	4,6	3,2	8,9
<b>Residential</b>	-1,7	19,0	-35,6	63,0	36,6	6,1	10,8	8,1	5,0	1,1	14,7
<b>Non-residential</b>	2,9	-6,7	-27,2	22,9	13,1	-4,0	9,9	7,5	4,5	3,8	7,6
<b>Inventories Contribution</b>	0,0	-1,6	-4,3	6,7	1,4	-0,7	-3,1	0,6	1,5	0,2	0,3
<b>Net Exports Contribution</b>	-0,2	1,5	0,3	-5,5	-2,2	0,0	-1,1	-1,7	0,0	0,0	-1,7
<b>Exports</b>	-0,1	-9,5	-64,4	59,6	22,3	-12,9	-1,1	11,7	9,5	7,9	6,4
<b>Imports</b>	1,1	-15,0	-54,1	93,1	29,8	-9,3	5,7	17,8	6,4	5,1	14,4
<b>Inflation (3)</b>	1,8	2,1	0,3	1,2	1,3	1,2	1,9	3,6	3,0	2,8	2,8

Euro Area	2019a	Q1:20a	Q2:20a	Q3:20a	Q4:20a	2020a	Q1:21a	Q2:21f	Q3:21f	Q4:21f	2021f
<b>Real GDP Growth (YoY)</b>	1,3	-3,3	-14,6	-4,2	-4,9	-6,8	-1,8	12,3	2,7	4,8	4,3
<b>Real GDP Growth (QoQ saar)</b>	-	-14,2	-38,8	59,9	-2,6	-	-2,5	4,5	12,0	5,7	-
<b>Private Consumption</b>	1,3	-16,8	-41,6	69,5	-11,5	-8,1	-3,3	6,0	17,7	7,2	3,5
<b>Government Consumption</b>	1,8	-1,1	-8,4	19,9	1,7	1,1	1,5	1,5	1,5	1,8	2,9
<b>Investment</b>	5,0	-21,7	-50,5	68,3	6,4	-8,5	0,5	7,9	12,1	6,4	6,9
<b>Inventories Contribution</b>	-0,3	2,1	0,0	-5,8	2,5	-0,2	0,1	0,0	0,0	0,1	-0,1
<b>Net Exports Contribution</b>	-0,5	-1,9	-3,4	10,4	-0,3	-0,6	-1,0	-0,9	-0,1	0,0	0,4
<b>Exports</b>	2,5	-14,1	-56,6	85,4	14,9	-9,8	1,9	3,7	10,7	7,7	8,4
<b>Imports</b>	4,0	-11,3	-55,1	56,1	17,4	-9,3	4,4	6,0	11,9	8,3	8,0
<b>Inflation</b>	1,2	1,1	0,2	0,0	-0,3	0,3	1,0	1,6	2,0	2,1	1,7

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
<b>Equity Markets</b>	<ul style="list-style-type: none"> <li>+ Massive Fiscal loosening will support the economy</li> <li>+ 2021 EPS growth expectations have further room to increase</li> <li>+ Share buybacks could resume</li> <li>- Peaking profit margins</li> <li>- High market cap concentration</li> <li>- P/Es (Valuations) approaching dot-com levels</li> </ul> <p>● Neutral/Positive</p>	<ul style="list-style-type: none"> <li>+ Still high equity risk premium relative to other regions</li> <li>+ Modest fiscal loosening in 2021</li> <li>+ 2021 EPS estimates remain pessimistic</li> <li>- Political uncertainty (Italy, German Elections) could intensify</li> <li>- Logistic disruptions (vaccine) and renewed lockdowns delay the recovery</li> </ul> <p>● Neutral</p>	<ul style="list-style-type: none"> <li>+ Still aggressive QE and "yield-curve" targeting by the BoJ</li> <li>- Signs of policy fatigue regarding structural reforms and fiscal discipline</li> <li>- Strong appetite for foreign assets</li> <li>- JPY appreciation in a risk-off scenario could hurt exporters</li> </ul> <p>● Neutral</p>	<ul style="list-style-type: none"> <li>+ 65% of FTSE100 revenues from abroad</li> <li>+ Undemanding valuations in relative terms</li> <li>- Elevated Policy uncertainty to remain</li> </ul> <p>● Neutral/Negative</p>
<b>Government Bonds</b>	<ul style="list-style-type: none"> <li>+ Valuations appear rich with term-premium below 0%</li> <li>+ Sizeable fiscal deficit</li> <li>+ Underlying inflation pressures under Average Inflation Targeting</li> <li>- Global search for yield by non-US investors continues</li> <li>- Safe haven demand</li> <li>- Fed to remain at ZLB in 2021</li> <li>- Fed: Unlimited QE purchases</li> </ul> <p>▲ Slightly higher yields expected</p>	<ul style="list-style-type: none"> <li>+ Valuations appear excessive compared with long-term fundamentals</li> <li>- Political Risks</li> <li>- Fragile growth outlook</li> <li>- Medium-term inflation expectations remain low</li> <li>- ECB QE net purchases</li> <li>- ECB QE "stock" effect</li> </ul> <p>▲ Slightly higher yields expected</p>	<ul style="list-style-type: none"> <li>+ Sizeable fiscal deficits</li> <li>+ Restructuring efforts to be financed by fiscal policy measures</li> <li>- Safe haven demand</li> <li>- Extremely dovish central bank</li> <li>- Yield-targeting of 10-Year JGB at around 0%</li> </ul> <p>● Stable yields expected</p>	<ul style="list-style-type: none"> <li>+ Elevated Policy uncertainty to remain</li> <li>+ Inflation expectations could drift higher due to supply disruptions post Brexit</li> <li>- The BoE is expected to remain on hold with risks towards rate cuts</li> <li>- Slowing economic growth post-Brexit</li> </ul> <p>▲ Slightly higher yields expected</p>
<b>Foreign Exchange</b>	<ul style="list-style-type: none"> <li>+ Safe-haven demand</li> <li>- Fed's interest rate differential disappeared following cuts to 0%-0.25%</li> <li>- Global political uncertainty to decline</li> </ul> <p>● Broadly Flat EUR against the USD with high volatility around \$1.20</p>	<ul style="list-style-type: none"> <li>+ Reduced short-term tail risks</li> <li>+ Current account surplus</li> <li>- Sluggish growth</li> <li>- Deflation concerns</li> <li>- The ECB's monetary policy to remain extra loose (Targeted-LTROs, Quantitative Easing)</li> </ul> <p>● Broadly Flat EUR against the USD with high volatility around \$1.20</p>	<ul style="list-style-type: none"> <li>+ Safe haven demand</li> <li>+ More balanced economic growth recovery (long-term)</li> <li>+ Inflation is bottoming out</li> <li>- Additional Quantitative Easing by the Bank of Japan if inflation does not approach 2%</li> </ul> <p>▲ Slightly higher JPY</p>	<ul style="list-style-type: none"> <li>+ Valuations appear undemanding with REER below its 15-year average</li> <li>- Sizeable Current account deficit</li> </ul> <p>▲ Higher GBP expected</p>

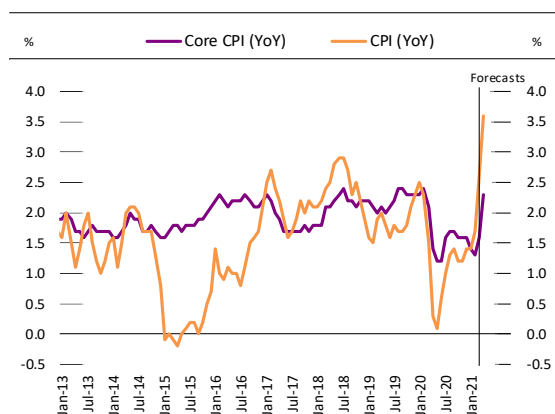
## Economic Calendar

In the US, attention turns to inflation data for April, due to be released on Wednesday. CPI is expected at 3.6% yoy from 2.6% yoy in March, while the core figure is expected at 2.3% yoy from 1.6% yoy. On Friday, economic activity indicators for April will gather investors' attention. Specifically, retail sales will offer insight regarding private consumption, whereas industrial production regarding business spending.

In the Euro Area, industrial production for March is released on Wednesday (consensus for +0.6% mom vs -1% mom in the previous month).

In the UK, Q1:21 GDP is due on April 12<sup>th</sup>. Consensus expect GDP growth of -1.8% qoq (-6.3% yoy), compared with +1.3% qoq in Q4:20 (-7.3% yoy).

US Inflation



Source: NBG Research

**Economic News Calendar for the period: May 4 - May 17, 2021**

Tuesday 4				Wednesday 5				Thursday 6						
US	S	A	P	US	S	A	P	US	S	A	P			
Trade balance (\$bn)	March	-74.4	-74.4	-70.5	ADP Employment Change (k)	April	896	-742	565	Initial Jobless Claims (k)	May 1	540	+498	590
Factory Goods Orders (MoM)	March	1.1%	1.1%	-0.5%	ISM Services Index	April	64.3	-62.7	63.7	Continuing Claims (k)	April 24	3630	-3690	3653
										Unit labor costs (QoQ, annualized)	Q1:21	-0.9%	+0.3%	5.6%
										<b>UK</b>				
										BoE announces its intervention rate	May 6	0.10%	0.10%	0.10%
										BoE Asset Purchase Target (£bn)	May 6	895	895	895
										<b>EURO AREA</b>				
										Retail sales (MoM)	March	1.7%	+2.7%	4.2%
										Retail sales (YoY)	March	9.5%	+12.0%	-1.5%
Friday 7				Monday 10										
US	S	A	P	GERMANY	S	A	P	US	S	A	P			
Change in Nonfarm Payrolls (k)	April	975	-266	770	Industrial Production (sa, MoM)	March	2.0%	+2.5%	-1.9%					
Change in Private Payrolls (k)	April	893	-218	708	Industrial Production (wda, YoY)	March	5.0%	+5.1%	-6.8%					
Unemployment rate	April	5.8%	-6.1%	6.0%	<b>CHINA</b>									
Average weekly hours (hrs)	April	34.9	+35.0	34.9	Exports YoY	April	25.0%	+32.3%	30.6%					
Average Hourly Earnings MoM	April	0.0%	+0.7%	-0.1%	Imports YoY	April	43.9%	-43.1%	38.1%					
Average Hourly Earnings YoY	April	-0.3%	+0.3%	4.2%										
Labor Force Participation Rate	April	..	61.7%	61.5%										
Underemployment Rate	April	..	10.4%	10.7%										
Wholesale trade (MoM)	March	1.0%	+4.6%	0.0%										
<b>UK</b>														
Markit/CIPS UK Construction	April	63.0	-61.6	61.7										
Tuesday 11				Wednesday 12				Monday 17						
GERMANY	S	A	P	US	S	A	P	JAPAN	S	A	P			
ZEW survey current situation	May	-41.0	..	-48.8	CPI (YoY)	April	3.6%	..	2.6%	Leading Index	March	98.2	..	98.7
ZEW survey expectations	May	73.5	..	70.7	Core CPI (YoY)	April	2.3%	..	1.6%	Coincident Index	March	..	..	89.9
<b>CHINA</b>					<b>UK</b>					<b>EURO AREA</b>				
CPI (YoY)	April	1.0%	..	0.4%	GDP (QoQ)	Q1:21	-1.8%	..	1.3%	Industrial Production (sa, MoM)	March	0.6%	..	-1.0%
Money Supply M0 (YoY)	April	..	..	4.2%	GDP (YoY)	Q1:21	-6.3%	..	-7.3%	Industrial Production (wda, YoY)	March	12.1%	..	-1.6%
Money Supply M1 (YoY)	April	7.1%	..	7.1%	GDP (MoM)	March	1.5%	..	0.4%					
Money Supply M2 (YoY)	April	9.2%	..	9.4%	Government Spending QoQ	Q1:21	0.3%	..	6.7%					
New Yuan Loans (RMB bn)	April	..	..	2730	Private Consumption (QoQ)	Q1:21	-3.3%	..	-1.7%					
Aggregate Financing (RMB bn)	April	..	..	3340	Gross Fixed Capital Formation (QoQ)	Q1:21	-0.2%	..	4.4%					
					Industrial Production (MoM)	March	1.1%	..	1.0%					
					Industrial Production (YoY)	March	2.9%	..	-3.5%					
Thursday 13				Friday 14				Monday 17						
US	S	A	P	US	S	A	P	US	S	A	P			
Initial Jobless Claims (k)	May 8	..	..	498	Retail Sales Advance MoM	April	0.8%	..	9.7%	Empire Manufacturing	May	25.0	..	26.3
Continuing Claims (k)	May 1	..	..	3690	Retail sales ex-autos (MoM)	April	0.4%	..	8.4%	Net Long-term TIC Flows (\$ bn)	March	..	..	4.2
<b>JAPAN</b>					Industrial Production (MoM)	April	1.3%	..	1.4%	NAHB housing market confidence index	May	84	..	83
Eco Watchers Current Survey	April	..	..	49.0	University of Michigan consumer confidence	May	90.0	..	88.3	<b>CHINA</b>				
Eco Watchers Outlook Survey	April	..	..	49.8						Retail sales (YoY)	April	24.0%	..	34.2%
										Industrial production (YoY)	April	8.6%	..	14.1%

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 (%)	Emerging Markets		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
US	<b>S&amp;P 500</b>	4233	1.2	12.7	46.9	47.0	MSCI Emerging Markets	75114	-0.4	4.8	42.7	
Japan	<b>NIKKEI 225</b>	29358	1.9	7.0	49.2	35.9	MSCI Asia	1170	-0.9	4.0	44.6	
UK	<b>FTSE 100</b>	7130	2.3	10.4	20.1	-1.9	China	106	-2.3	-1.4	32.8	
Canada	<b>S&amp;P/TSX</b>	19473	1.9	11.7	31.3	18.8	Korea	998	1.4	7.8	66.1	
Hong Kong	<b>Hang Seng</b>	28611	-0.4	5.1	19.3	-1.4	MSCI Latin America	102686	2.8	2.8	41.1	
Euro area	<b>EuroStoxx</b>	447	1.5	12.4	40.2	19.7	Brazil	377624	2.8	1.0	51.5	
Germany	<b>DAX 30</b>	15400	1.7	12.3	43.1	26.4	Mexico	45079	2.8	10.9	32.0	
France	<b>CAC 40</b>	6386	1.9	15.0	41.9	17.9	MSCI Europe	6486	3.8	8.0	29.4	
Italy	<b>FTSE/MIB</b>	24612	2.0	10.7	42.7	16.1	Russia	1464	4.4	10.8	30.8	
Spain	<b>IBEX-35</b>	9059	2.8	12.2	34.6	-1.8	Turkey	1534667	3.5	-9.3	25.4	

**World Market Sectors** (MSCI Indices)

in US Dollar terms		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)	in local currency		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
Energy		167.8	7.4	30.0	38.0	-16.5	Energy	166.7	6.9	28.9	29.7	
Materials		371.8	6.0	16.6	66.6	50.5	Materials	341.5	5.3	16.4	55.2	
Industrials		346.0	3.2	13.7	63.2	36.1	Industrials	333.8	2.7	14.5	57.4	
Consumer Discretionary		408.0	-0.4	8.3	64.4	58.1	Consumer Discretionary	387.7	-0.7	8.9	60.8	
Consumer Staples		274.7	2.1	3.8	23.0	18.2	Consumer Staples	267.7	1.6	4.1	17.8	
Healthcare		329.8	1.5	5.5	21.0	37.5	Healthcare	319.9	1.2	6.0	17.8	
Financials		145.9	3.3	22.2	67.0	26.1	Financials	142.1	2.9	22.0	58.7	
IT		468.9	-0.9	5.7	50.2	79.0	IT	450.9	-1.1	5.9	48.6	
Telecoms		107.1	0.0	13.8	50.0	50.6	Telecoms	110.9	-0.1	14.2	48.1	
Utilities		158.2	0.3	3.1	23.4	17.8	Utilities	157.9	0.0	3.2	18.3	

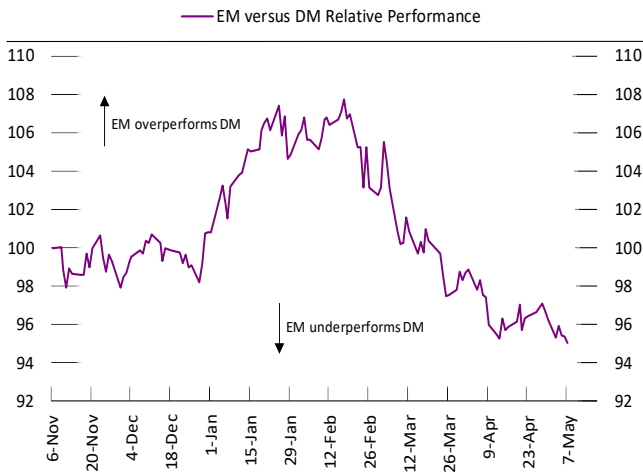
**Bond Markets (%)**

10-Year Government Bond Yields		Current	Last week	Year Start	One Year Back	10-year average	Government Bond Yield Spreads (in bps)		Current	Last week	Year Start	One Year Back
US		1.56	1.63	0.92	0.63	2.09	US Treasuries 10Y/2Y	142	147	80	48	
Germany		-0.22	-0.19	-0.56	-0.52	0.67	US Treasuries 10Y/5Y	77	77	53	26	
Japan		0.08	0.09	0.02	0.00	0.32	Bunds 10Y/2Y	48	50	16	25	
UK		0.75	0.84	0.20	0.24	1.56	Bunds 10Y/5Y	38	38	18	22	
Greece		0.99	0.98	0.62	2.18	8.80	Corporate Bond Spreads (in bps)		Current	Last week	Year Start	One Year Back
Ireland		0.14	0.14	-0.29	0.20	2.55	EM Inv. Grade (IG)	154	154	163	299	
Italy		0.94	0.89	0.45	1.92	2.74	EM High yield	505	509	524	959	
Spain		0.47	0.48	0.04	0.82	2.40	US IG	93	94	103	221	
Portugal		0.44	0.43	0.05	0.88	3.98	US High yield	327	328	386	760	
US Mortgage Market (1. Fixed-rate Mortgage)		Current	Last week	Year Start	One Year Back	10-year average	Euro area IG	85	85	93	189	
30-Year FRM <sup>1</sup> (%)		3.18	3.17	2.90	3.40	4.08	Euro area High Yield	304	304	355	647	
vs 30Yr Treasury (bps)		90.0	87.0	125.4	206.9	124.0						

**Foreign Exchange & Commodities**

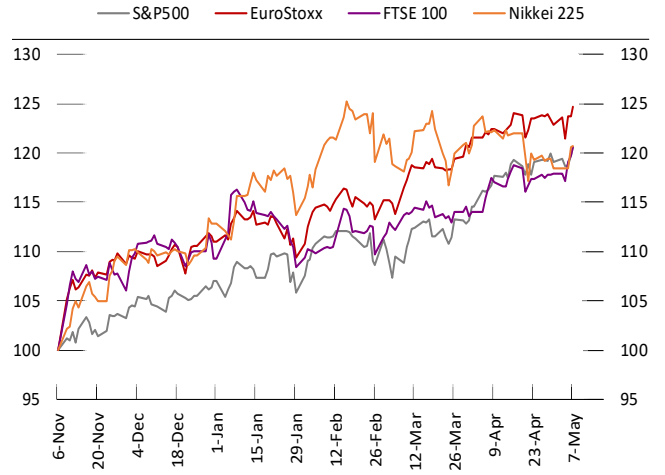
Foreign Exchange		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	Commodities		Current	1-week change (%)	1-month change (%)	1-Year change (%)
Euro-based cross rates							Agricultural	472	5.5	22.2	80.7	
EUR/USD		1.21	0.9	2.0	12.7	-0.8	Energy	219	2.4	9.3	133.5	
EUR/CHF		1.10	-0.2	-0.7	4.0	1.3	West Texas Oil (\$)	65	2.1	8.6	175.6	
EUR/GBP		0.87	-0.1	0.6	-1.0	-3.0	Crude Brent Oil (\$)	68	1.5	8.1	131.8	
EUR/JPY		131.82	0.2	1.0	14.8	4.3	Industrial Metals	484	5.4	13.7	76.7	
EUR/NOK		9.99	-0.1	-0.6	-9.8	-4.6	Precious Metals	2437	3.9	5.6	11.2	
EUR/SEK		10.11	-0.7	-1.2	-4.8	0.6	Gold (\$)	1831	3.5	5.4	6.6	
EUR/AUD		1.55	-0.6	-0.5	-7.3	-2.3	Silver (\$)	28	6.0	9.2	79.3	
EUR/CAD		1.48	-0.4	-1.6	-2.4	-5.3	Baltic Dry Index	3183	4.3	49.6	519.3	
USD-based cross rates							Baltic Dirty Tanker Index	607	0.2	-10.1	-29.7	
USD/CAD		1.22	-1.2	-3.6	-13.3	-4.6						
USD/AUD		1.28	-1.5	-2.5	-17.7	-1.6						
USD/JPY		108.57	-0.7	-1.0	1.9	5.2						

EM vs DM Performance in \$



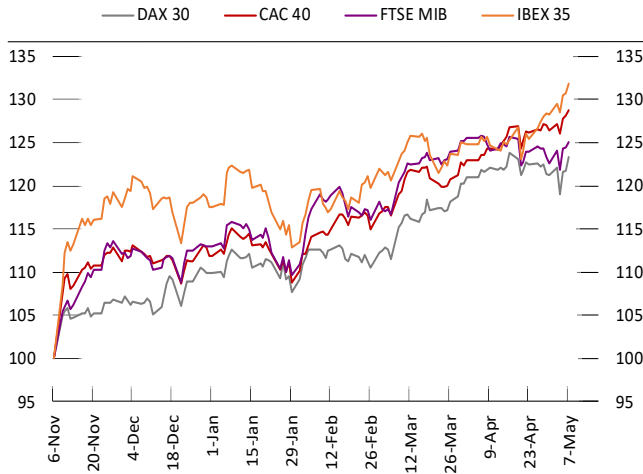
Data as of May 7<sup>th</sup> – Rebased @ 100

Equity Market Performance - G4



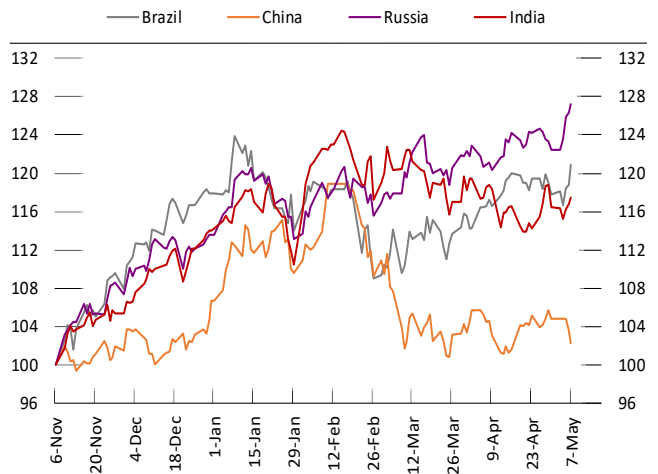
Data as of May 7<sup>th</sup> – Rebased @ 100

Equity Market Performance – Euro Area G4



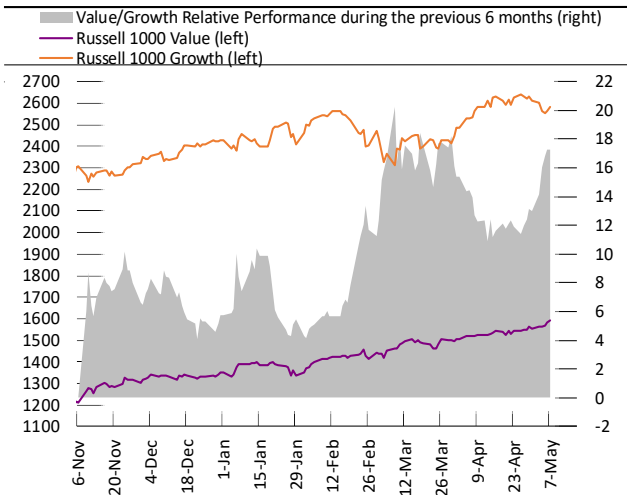
Data as of May 7<sup>th</sup> – Rebased @ 100

Equity Market Performance - BRICs



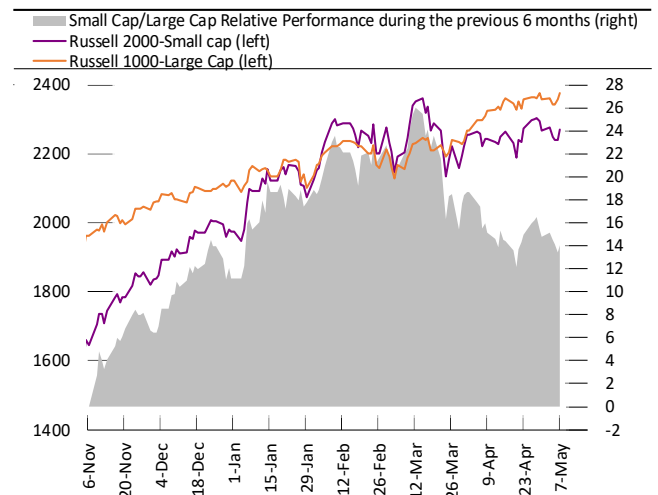
Data as of May 7<sup>th</sup> – Rebased @ 100

Russell 1000 Value & Growth Index



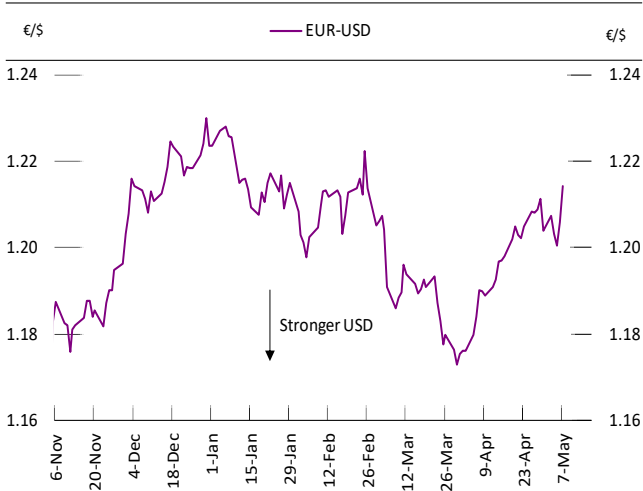
Data as of May 7<sup>th</sup>

Russell 2000 & Russell 1000 Index



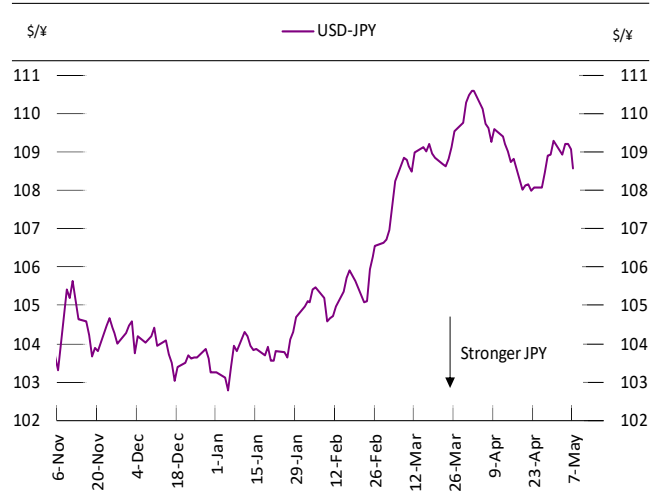
Data as of May 7<sup>th</sup>

EUR/USD



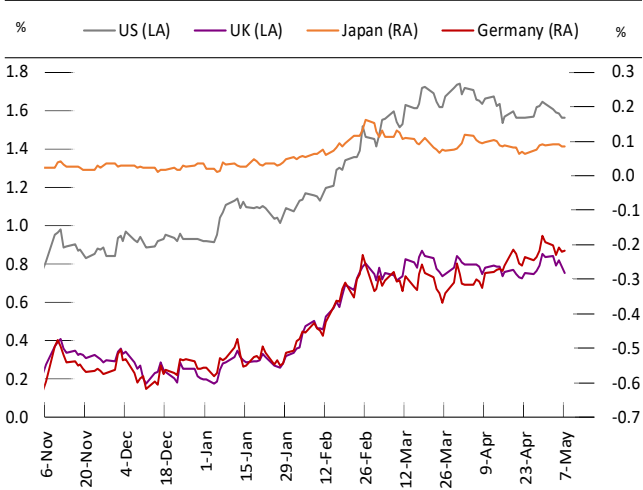
Data as of May 7<sup>th</sup>

JPY/USD



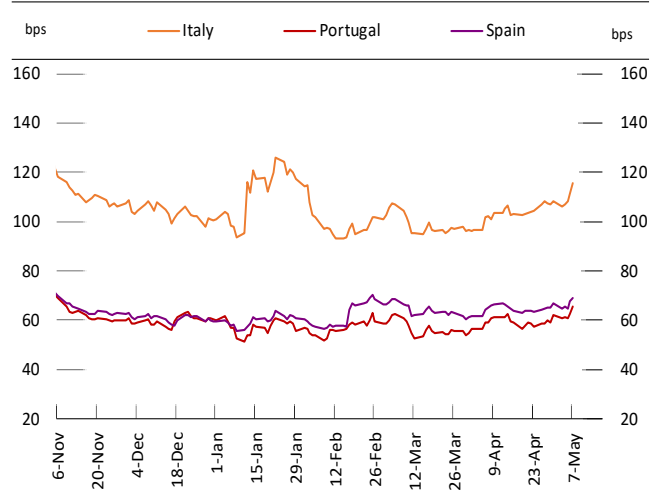
Data as of May 7<sup>th</sup>

10- Year Government Bond Yields



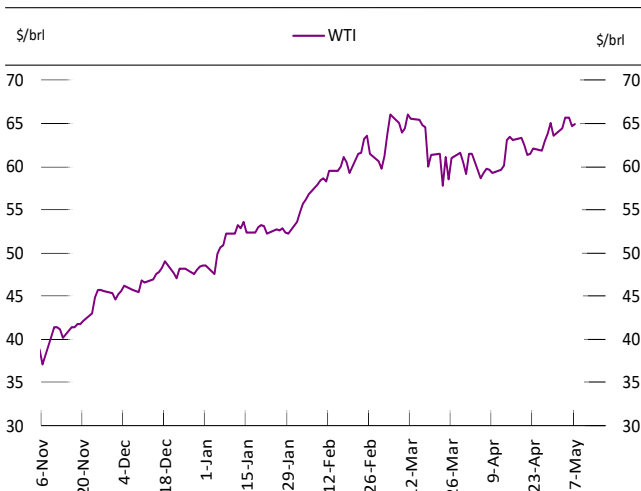
Data as of May 7<sup>th</sup>  
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



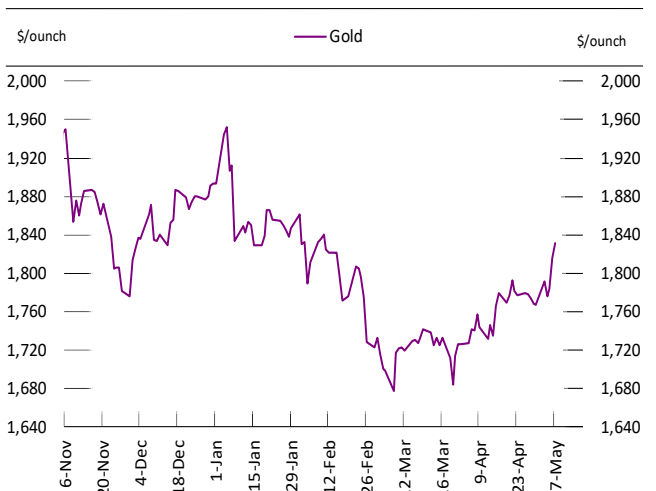
Data as of May 7<sup>th</sup>

West Texas Intermediate (\$/bbl)



Data as of May 7<sup>th</sup>

Gold (\$/ounce)



Data as of May 7<sup>th</sup>



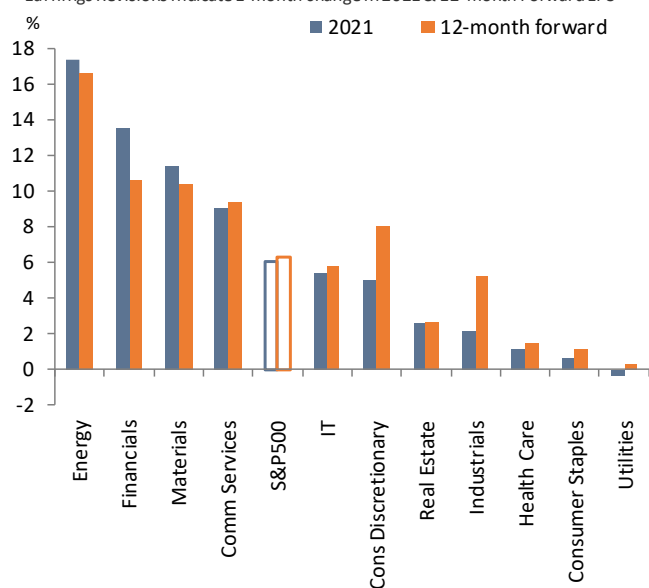
### US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	7/5/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	Current	10Yr Avg
<b>S&amp;P500</b>	4233	1.2	12.7	-14.0	34.4	1.5	1.4	27.6	22.8	22.0	16.2	4.2	4.4	4.3	2.7
<b>Energy</b>	405	8.9	41.4	N/A	N/A	4.8	4.0	N/A	21.6	19.9	18.2	1.7	1.8	1.8	1.7
<b>Materials</b>	552	5.9	21.0	-6.4	56.7	1.8	1.7	26.5	20.2	20.1	15.5	3.1	3.3	3.2	2.6
<b>Financials</b>															
Diversified Financials	1019	4.1	25.0	-6.4	38.4	1.3	1.2	20.1	17.1	17.1	14.3	2.0	2.1	2.1	1.5
Banks	423	4.4	33.7	-32.6	65.7	2.6	2.1	17.9	12.5	12.7	11.1	1.3	1.4	1.4	1.0
Insurance	526	3.9	23.1	-9.5	22.6	2.3	2.3	14.7	14.2	13.8	11.0	1.4	1.6	1.5	1.1
Real Estate	265	-0.9	16.1	-5.0	6.6	3.0	2.6	21.5	23.0	22.6	18.4	3.3	4.0	4.0	3.2
<b>Industrials</b>															
Capital Goods	904	3.3	18.9	-30.9	52.7	1.6	1.4	33.3	25.1	23.7	16.4	5.1	5.5	5.4	3.7
Transportation	1130	4.0	21.5	N/A	N/A	1.4	1.2	N/A	49.1	N/A	10.6	7.1	7.8	7.5	3.7
Commercial Services	465	2.0	10.5	5.5	12.1	1.2	1.1	27.9	30.1	28.9	20.2	5.3	5.7	5.5	3.4
<b>Consumer Discretionary</b>															
Retailing	3924	-1.3	10.1	20.5	23.1	0.5	0.5	40.6	37.2	35.1	25.0	15.2	13.7	12.6	8.0
Consumer Services	1435	-1.8	8.8	N/A	N/A	1.1	0.9	N/A	211.0	N/A	23.0	17.2	23.4	22.4	8.5
Consumer Durables	510	4.5	15.8	-4.0	45.0	1.2	1.2	24.8	19.5	18.7	17.3	4.7	4.7	4.5	3.3
Automobiles and parts	135	-3.2	2.6	-66.9	49.3	0.2	0.0	68.3	46.4	N/A	12.0	7.2	6.6	6.3	2.2
<b>IT</b>															
Technology	2589	-0.1	2.7	8.3	36.1	1.0	0.9	28.6	22.9	22.5	14.0	15.0	15.1	14.5	5.2
Software & Services	3319	-0.9	7.8	8.3	16.9	0.8	0.8	35.1	32.2	30.8	19.3	10.0	9.7	9.2	5.7
Semiconductors	1935	-0.1	9.4	10.5	24.0	1.2	1.3	25.6	20.9	20.2	14.8	7.6	6.7	6.3	3.5
Communication Services	258	0.1	16.2	0.1	23.8	0.9	0.8	26.7	24.0	23.0	18.3	4.1	4.1	4.0	3.0
Media	1010	-0.3	18.1	5.0	36.1	0.2	0.2	34.2	27.9	26.4	21.4	5.2	5.2	5.0	3.4
<b>Consumer Staples</b>															
Food & Staples Retailing	593	1.8	4.2	2.9	2.2	1.7	1.6	22.9	25.1	24.3	17.2	4.7	5.0	4.8	3.4
Food Beverage & Tobacco	777	1.9	7.0	1.4	8.2	3.5	3.2	18.6	19.5	19.0	18.0	5.1	5.4	5.4	5.0
Household Goods	838	0.8	-1.1	11.2	6.8	2.3	2.3	24.3	24.7	24.1	20.3	9.5	10.6	10.5	6.0
<b>Health Care</b>															
Pharmaceuticals	1133	2.9	5.9	10.1	13.2	2.2	2.2	15.6	14.7	14.4	14.8	5.2	5.5	5.3	4.1
Healthcare Equipment	1775	1.6	12.6	5.3	16.2	0.9	1.0	21.8	21.4	20.8	16.1	3.8	4.0	3.9	2.8
<b>Utilities</b>	335	-1.1	5.1	1.5	2.7	3.5	3.1	18.1	20.0	19.5	16.5	1.9	2.1	2.1	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 2021 & 12-month Forward EPS

Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS

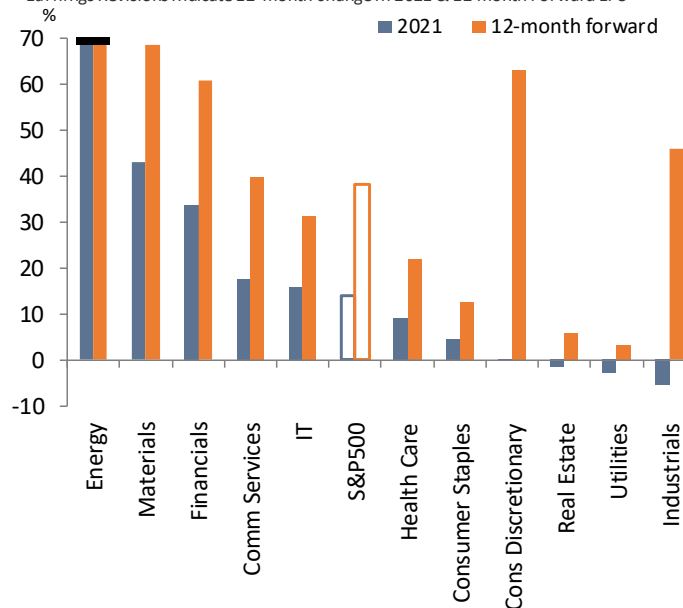


Data as of May 7<sup>th</sup>

12-month forward EPS are 65% of 2021 EPS and 35% of 2022 EPS

### 12-month revisions to 2021 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2021 & 12-month Forward EPS



Data as of May 7<sup>th</sup>

12-month forward EPS are 65% of 2021 EPS and 35% of 2022 EPS

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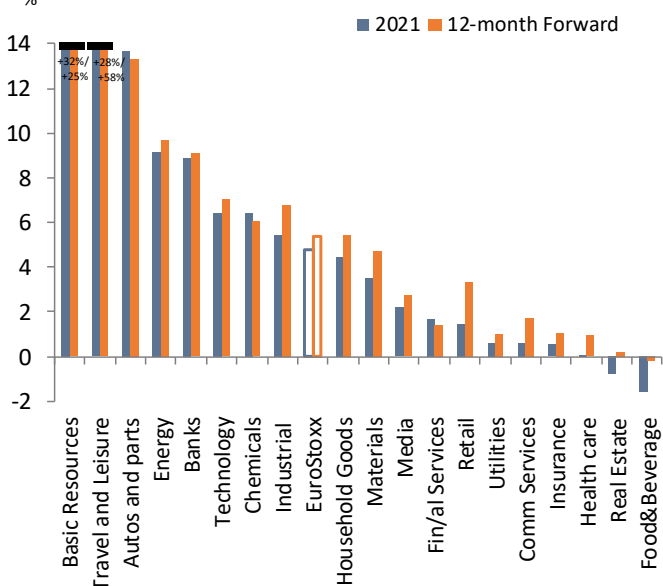
### Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	7/5/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	Current	10Yr Avg
<b>EuroStoxx</b>	447	1.5	12.4	-35.3	47.1	2.2	2.5	25.8	19.3	18.4	13.9	1.8	1.9	1.9	1.4
<b>Energy</b>	273	4.2	8.1	-79.4	277.3	4.1	4.7	55.5	14.9	14.1	12.8	1.4	1.4	1.3	1.1
<b>Materials</b>	529	4.4	22.9	-34.3	44.3	2.9	2.7	22.5	18.1	17.1	14.4	1.8	2.0	2.0	1.4
<b>Basic Resources</b>	246	5.2	18.5	N/A	N/A	2.2	2.2	N/A	8.7	9.8	12.0	1.1	1.1	1.0	0.7
<b>Chemicals</b>	1408	3.4	11.8	-7.7	30.1	2.5	2.4	24.8	21.8	21.4	16.0	2.4	2.7	2.7	2.3
<b>Financials</b>															
<b>Fin/Al Services</b>	532	0.3	8.4	-27.2	23.1	2.4	2.6	18.8	16.6	16.7	13.9	1.3	1.4	1.4	1.2
<b>Banks</b>	94	2.2	27.3	-47.6	45.5	2.1	4.4	14.8	11.4	10.7	9.6	0.6	0.6	0.6	0.7
<b>Insurance</b>	293	0.4	12.0	-24.1	35.6	5.5	5.2	12.9	10.2	10.0	9.4	0.8	0.9	0.9	0.9
<b>Real Estate</b>	216	-1.0	-1.7	-14.5	2.2	3.2	3.4	18.4	19.1	18.4	17.1	0.9	0.9	0.9	1.0
<b>Industrial</b>	1097	1.4	12.1	-24.6	14.7	1.5	1.7	28.1	26.8	24.9	16.3	3.4	3.6	3.5	2.5
<b>Consumer Discretionary</b>															
<b>Media</b>	257	2.9	17.3	-23.2	14.5	2.3	2.3	21.7	20.9	20.2	16.0	2.7	2.7	2.6	1.9
<b>Retail</b>	749	3.2	12.9	-41.7	61.2	1.8	2.1	43.8	32.4	30.5	22.4	5.6	6.1	5.9	4.2
<b>Automobiles and parts</b>	595	0.2	18.1	-77.8	575.5	1.7	3.5	52.5	8.7	8.2	8.8	1.0	1.0	1.0	1.0
<b>Travel and Leisure</b>	228	1.0	6.8	N/A	N/A	0.3	0.5	N/A	N/A	N/A	N/A	2.7	3.4	3.3	2.0
<b>Technology</b>	833	-0.1	16.2	-5.3	26.6	0.6	0.7	36.2	31.1	29.5	19.8	5.4	5.2	5.0	3.4
<b>Communication Services</b>	278	2.3	12.2	6.7	-19.5	4.6	3.6	12.1	16.7	16.0	14.1	1.4	1.5	1.4	1.7
<b>Consumer Staples</b>															
<b>Food&amp;Beverage</b>	557	2.5	7.1	-39.9	26.6	1.5	1.6	28.6	25.9	24.6	19.2	2.4	2.7	2.6	2.6
<b>Household Goods</b>	1372	2.4	12.7	-31.4	50.1	1.0	1.1	51.6	39.1	37.4	23.6	6.5	6.7	6.5	3.7
<b>Health care</b>	869	-0.6	6.9	-8.9	6.3	1.9	2.0	20.4	20.5	19.8	16.1	2.4	2.4	2.4	2.2
<b>Utilities</b>	388	1.6	1.9	-21.6	19.3	4.4	4.2	18.7	17.0	16.6	13.2	1.6	1.8	1.7	1.1

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 2021 & 12-month Forward EPS

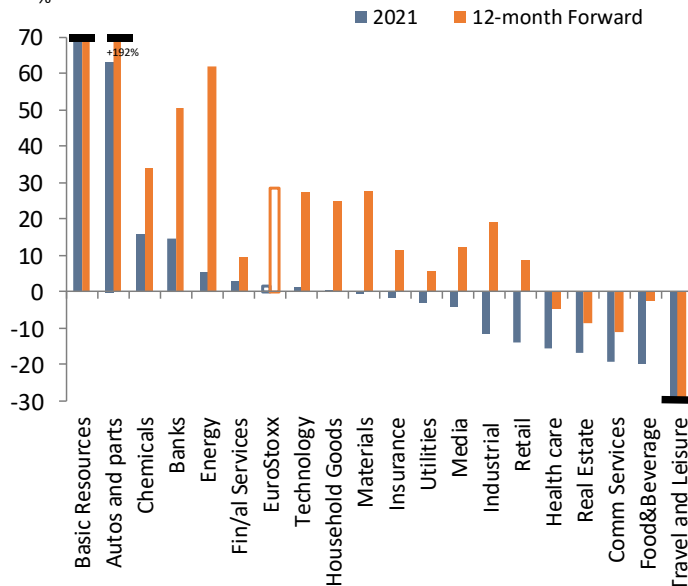
Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS %



Data as of May 7<sup>th</sup>  
12-month forward EPS are 65% of 2021 EPS and 35% of 2022 EPS

### 12-month revisions to 2021 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2021 & 12-month Forward EPS %



Data as of May 7<sup>th</sup>  
12-month forward EPS are 65% of 2021 EPS and 35% of 2022 EPS

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