



Expectations for GDP growth recovery in European economies are deferred, in view of a prolongation of lockdown measures to contain Covid-19

- The strong upward momentum continued in the past week as US equity markets factor in the prospect of additional fiscal stimulus. The S&P500 increased by 1.2% on a weekly basis, while equity implied volatility subsided further with the Vix index declining to 20% -- a one-year low.
- Euro area equities increased by 0.8% on a weekly basis (+0.9% on Monday) with Italian assets overperforming as M. Draghi was sworn in as Italy's Prime Minister (see graph page 3). Commodities have benefitted the most during this reflationary shift, with Brent crude oil prices up by 22% year-to-date to \$63/brl (see graph below).
- The political debate in the US for a new massive fiscal stimulus package continues regarding (i) the size (\$1.9 tn or 9% of 2019 GDP); (ii) the breakdown of measures (extended unemployment insurance, direct aid to households via \$1400 checks, support to States and health care spending); and (iii) how to spread the relief out more over time to mitigate potential fiscal cliffs down the road.
- Without doubt, the proposed measures will burden further the stock of US debt. According to the US Congressional Budget Office, the federal budget deficit, under current law, is already set to reach 10.3% of GDP in fiscal year 2021 (i.e. from October 2020 to September 2021), following a deficit of 14.9% of GDP in fiscal year 2020. As a result, the ratio of public debt to GDP at the federal government level, is currently projected to hover at c. 100%. However, interest payments as percent of GDP are exceptionally low (1.6% in 2020) mitigating, *inter alia*, these concerns.
- Another concern is whether the new stimulus could spark inflationary pressures. Recall that a vast amount of accumulated personal savings is expected to feed consumer demand after the economy fully reopens. In the event, taking the difference from March 2020 to December 2020, between personal savings and the respective average monthly figure during 2019, we estimate the accumulated extra savings due to the pandemic at circa \$1.6 tn or 7% of 2019 GDP. On the other hand, looking forward, households could engage in more precautionary behaviour and save more compared with past norms, due to the Covid-19 shock.
- On the other side of the Atlantic, the European Commission revised down, compared with three months ago, its estimate for euro area real GDP growth in 2021, by 0.4 pps to 3.8% (see graph below). That development is due to the resurgence of Covid-19 and new, more contagious, variants of the coronavirus, aggravating the epidemiological data and leading to tighter and more prolonged restrictions. On the other hand, the respective estimate for 2022 was revised up by 0.8 pps, also to 3.8%, with the commencement of vaccination rollouts, brightening the prospects.
- The main assumption in the aforementioned scenario is that containment measures retain largely their current strictness throughout Q1:2021 (when real GDP is projected by the EC to contract by 0.9% qoq), ease only marginally towards the end of Q2:2021 and more markedly in H2:2021, in tandem with the progress in vaccination programs. In all, European Commission's baseline scenario suggests that euro area GDP will return to pre-pandemic levels in mid-2022.

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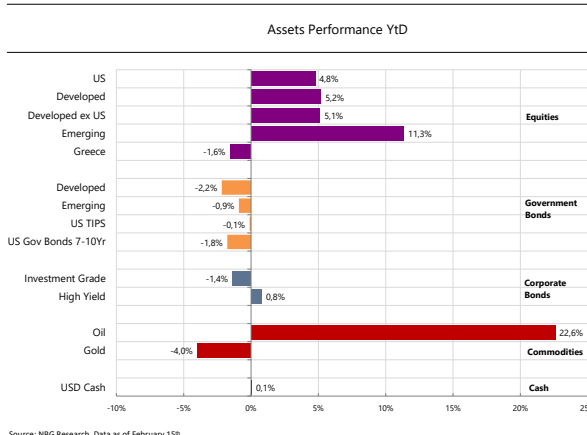
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Charts of the week

European Commission Real GDP Growth Forecasts



Assets Performance Year-to-Date



US inflation entered 2021 on a weak footing

- **The annual pace of growth of the headline CPI was largely unchanged in January, while the respective trend for the core index, decelerated.** Specifically, the headline inflation was +1.4% yoy, versus consensus estimates for +1.5% yoy. The annual growth of the energy index came out at -3.6% yoy, compared with -7% yoy in the previous month, in view of recovering oil prices. At the same time, the respective trend for the food index decelerated slightly, by 0.1 pp to +3.8% yoy. More importantly, core CPI (i.e. CPI excluding food & energy) was broadly unchanged on a monthly basis, mostly due to weakness in the components of recreation services (-1.0% mom), lodging away from home (-1.9% mom) and airline fares (-3.2% mom). The components of used cars and trucks (-0.9% mom) and car & truck rental (-1.1% mom) also recorded subdued readings on a monthly basis, albeit the latest weakness should be viewed as a partial reversal of particularly strong readings in previous months (still at +10% yoy & +3% yoy, respectively, in January). Overall, core CPI's annual pace of growth decelerated by 0.2 pps to +1.4% yoy in January, moderately below consensus estimates for +1.5% yoy. Finally, note that the PCE deflator (the Fed's preferred measure for gauging inflationary pressures) was +1.3% yoy in December 2020 (from +1.1% yoy in the previous month), while the core figure stood at +1.5% yoy (from +1.4% yoy in November). According to the Federal Reserve Bank of Cleveland Inflation Nowcasting model, both figures are expected at +1.3% yoy in January.

The US goods trade deficit remains elevated, at -4.4% of GDP

- **Goods exports, in constant price terms, remain below pre-pandemic levels (-2.1% since February 2020), as the global economic activity ex China remains subdued. On the other hand, imports have more than fully recovered (+10.3% since February 2020), in view of relatively stronger domestic demand (consumption) on the back, *inter alia*, of massive US fiscal stimulus.** Overall, the (goods) trade deficit in constant price terms stood at \$94.8bn in December, narrowing only modestly from a record (since 1992) high of \$97.2bn in the previous month. In nominal terms, the goods trade deficit was \$84.2bn, also narrowing only moderately from a record high of \$87bn in November.
- As percent of GDP, on a 12-month rolling basis, (i.e. the 12-month sum of the goods trade deficit divided by the average of the last four quarterly GDP readings), the trade deficit stood at -4.4% of GDP. Note that the aforementioned ratio, has hovered in a range of -3.9% to -4.4% since 2013 (-4% in 2017, just prior to the commencement of international trade wars). By country, the bilateral (goods) trade deficit in nominal terms with China is by far the largest (\$27.2bn in December | \$31.3bn, on average per month in 2017, before the imposition of bilateral tariffs), followed by Mexico (\$10bn in December).

Euro area real GDP declined in Q4:2020 by 0.7% qoq

- **The 1st preliminary estimate for euro area GDP growth in Q4:2020 (analytical breakdown per expenditure component is due in early-March) came out at -0.7% qoq (-5.1% yoy), from +12.4% qoq (-4.3% yoy) in the previous quarter.** Overall in 2020, real GDP contracted by 6.8% due to the pandemic (+1.3% yoy in 2019). The Q4:2020 outcome exceeded expectations. In the event, consensus estimates stood at -0.9% qoq, while hovering at c. -2.5% qoq prior to the release of Q4:20 GDP data in major euro area economies in late-January (Germany and France on January 29th), which surprised positively.
- In the event, Germany's real GDP growth was +0.1% qoq (-3.9% yoy) from +8.5% qoq (-4.0% yoy) in Q3:20, while in FY:2020, it came out at -5.0%. In France, real GDP growth was -1.3% qoq (-5% yoy) from +18.5% qoq (-3.9% yoy) in the previous quarter and in FY:2020, it came out at -8.3%. In Italy, GDP growth was -2% qoq (-6.6% yoy) from +16.0% qoq (-5.1% yoy) in Q3:20 and in FY:2020, it came out at -8.8% yoy. Finally, in Spain, GDP growth was +0.4% qoq (-9.1% yoy) from +16.4% qoq (-9.0% yoy) in the previous quarter and in FY:2020, it came out at -11% yoy, underperforming significantly. Notably, the deviation at the country level in the FY:2020 performance, confirm the disproportionality of the pandemic-induced hit on GDP, depending on the exposure of economic activity in each country, to international travel and contact-intensive sectors.
- Having said that, we calculate the weight, in gross value added terms, of the sectors most directly and heavily impacted by pandemic-related restrictions, i.e.: i) accommodation & food services; ii) air transport; iii) travel agency, tour operator and other reservation service and related activities and; iv) arts, entertainment and recreation. According to our estimates, these sectors account for 3.5% in Germany, 4.8% in France, 5.4% in Italy and 8.9% in Spain (as percent of GDP).

UK real GDP increased in Q4:2020 by 1% qoq

- **Real GDP rose by 1% qoq in Q4:2020, from +16.1% qoq in Q3, versus consensus estimates for +0.4%.** The aforementioned increase was basically driven by general government consumption (+6.4% qoq | +1.3 pps contribution). Nevertheless, the annual growth remained deep in negative territory (-7.8%) in Q4. Overall in 2020, the contraction (-9.9% yoy) due to the pandemic was one of the sharpest among advanced economies. Sequentially, according to the monthly estimate from the UK Office for National Statistics (ONS), GDP increased by 1.2% mom in December (consensus for +1%), from -2.3% mom in November and +0.6% mom in October. Looking forward, according to the recent estimates from the Bank of England (February Monetary Policy Report), GDP will contract by 4.2% Q1:21, due to stricter (and longer in duration) lockdown measures compared with Q4:20. However, in view of an anticipated gradual easing of restrictions later on, GDP is projected to post an increase of 5.0% yoy in FY:2020 followed by +7.25% yoy in 2022. That path, points to GDP returning to pre-pandemic levels by Q1:22.

Equities

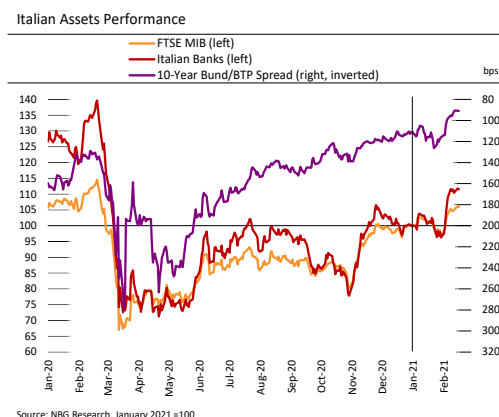
- Global equity markets rose in the past week due to i) better-than-expected corporate earnings and ii) new virus cases declining (US, Europe).** Overall, the MSCI ACWI ended the week up by 1.7% (+5.6% ytd), with Emerging Markets (+2.4% wow | +10.7% ytd) overperforming their Developed Markets peers (+1.6% wow | +4.8% ytd). In the US, the S&P500 rose by 1.2% wow, recording a new all-time high of 3935. Note that the index has increased by 76% from its March 2020 trough and currently trades +16% above its February 2020 high. Record-low real interest rates have boosted equity valuations (12-month forward PE: 22.5x vs 15Y average of 15.1x), while according to consensus expectations, S&P500 EPS will grow to \$172 in 2021, +7% above the 2019 level. Those estimates have been revised higher by \$6 in the last weeks, as strong Q4 results have led to positive earnings revisions in 10/11 sectors (ex. Industrials). Indeed, out of the 377 companies that have reported results so far, c. 80% have exceeded analyst estimates. Note that analysts' expectations for EPS growth in Q4:2020 stand at +2.7% yoy, from +1.7% yoy in the past week and -8.8% at the beginning of the earnings season. On the other side of the Atlantic, the EuroStoxx index rose by 0.8% wow (+4% ytd), with the Technology sector (+4.3% wow) leading the increase. Italian equities overperformed (+1.4% wow), due to optimism over the prospect of a Draghi-led government. In Japan, the Nikkei225 rose by 2.6% wow and by a further 1.9% on Monday, at the highest level since 1990, due to better-than-expected economic data (GDP).

Fixed Income

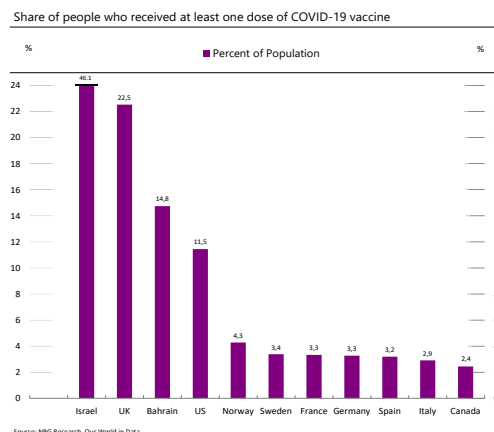
- Government bond yields increased in major advanced economies in the past week.** In the UK, the 10-year yield rose by 6 bps wow to 0.59%, reaching its highest level since March 2020, due to better-than-expected data for Q4:2020 GDP. In Germany, the 10-year yield increased by 3 bps to -0.45%, its highest level since September 2020. Periphery bond yield spreads over the Bund in the 10-year tenor, were mixed in the past week, with the Italian spread declining 8 bps to 93 bps, its lowest level since December 2015 as Mario Draghi has been sworn in as the country's new PM, forming a unity government. On the contrary, the Greek spread rose by 6 bps to 117 bps, with the 10-year bond yield reaching a 3-month high intra-week. Finally, the US Treasury 10-year yield ended the week up by 1 bp wow to 1.19%, although exhibiting high volatility as the yield declined to 1.14% earlier in the week, following the weaker-than-expected data (CPI) and the slightly dovish stance from the Fed Chair. J. Powell, regarding the US labor market. **Corporate bond spreads narrowed further in the HY spectrum.** Indeed, USD HY bond spreads decreased by 10 bps to 348 bps and their EUR counterparts narrowed by 2 bps to 320 bps. In the investment grade spectrum, USD spreads fell by 2 bps to 97 bps, while EUR spreads remained broadly flat at 88 bps.

FX and Commodities

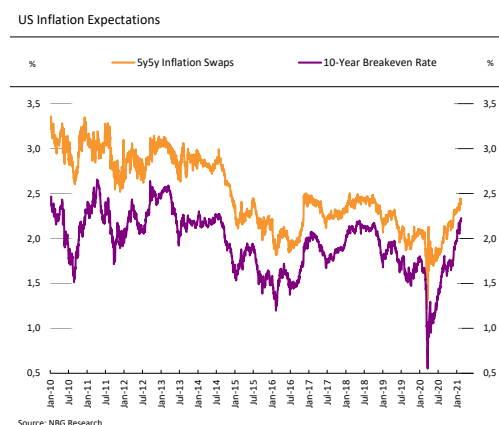
- The US dollar depreciated in the past week, weighed down by the weaker-than-expected data for inflation, as well as dovish Fed jawboning.** Specifically, the USD ended the week down by 0.6% against a basket of trade-weighted currencies (DXY) and by 0.8% against the euro to \$1.212. The British pound rose in the past week, due to the better-than-expected economic data (GDP, Trade Balance) and the strong inoculation pace that have resulted in over 22% of the country's population having received at least one dose of a vaccine (see Graph 2). Overall, the British Pound rose by 0.9% wow against the US dollar to \$1.385, its highest level since April 2018 and by 0.1% against the euro to €0.875, posting a 9-month high. **In commodities, oil prices ended the week significantly higher due to the escalated tensions in the Middle East, with the Yemen's Houthis targeting an airport in Saudi Arabia.** Prices were supported also by the larger-than-expected decline in US crude oil inventories (-6.6 million barrels to 469 million barrels for the week ending February 5th). Overall, Brent prices ended the week up by 5.2% at \$62.4/barrel and the WTI rose by 4.6% to \$59.5/barrel, recording their highest levels since January 2020.



Graph 1.



Graph 2.



Graph 3.

Quote of the week: "We are still very far from a strong labor market... Given the number of people who have lost their jobs and the likelihood that some will struggle to find work in the post-pandemic economy, achieving and sustaining maximum employment will require more than supportive monetary policy", **Fed Chair, Jerome Powell, February 10th 2021.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	February 12th	3-month	6-month	12-month	Official Rate (%)	February 12th	3-month	6-month	12-month
Germany	-0,42	-0,50	-0,40	-0,30	Euro area	0,00	0,00	0,00	0,00
US	1,19	1,20	1,30	1,40	US	0,25	0,25	0,25	0,25
UK	0,59	0,33	0,36	0,46	UK	0,10	0,10	0,08	0,06
Japan	0,06	0,01	0,05	0,09	Japan	-0,10	-0,10	-0,10	-0,10

Currency	February 12th	3-month	6-month	12-month	February 12th	3-month	6-month	12-month	
EUR/USD	1,21	1,17	1,18	1,20	USD/JPY	105	105	104	101
EUR/GBP	0,88	0,89	0,90	0,90	GBP/USD	1,38	1,31	1,32	1,34
EUR/JPY	127	123	122	121					

Forecasts at end of period

Economic Forecasts

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

Euro Area	2019a	Q1:20a	Q2:20a	Q3:20a	Q4:20f	2020f	Q1:21f	Q2:21f	Q3:21f	Q4:21f	2021f
Real GDP Growth (YoY)	1,3	-3,2	-14,7	-4,3	-5,1	-6,8	-1,9	12,8	3,0	5,2	4,5
Real GDP Growth (QoQ saar)	-	-14,1	-39,2	59,9	-2,8	-	-2,0	6,2	10,9	6,0	-
Private Consumption	1,3	-16,7	-41,2	68,5	-4,6	-7,6	-2,4	7,3	12,3	6,2	4,8
Government Consumption	1,8	-2,4	-8,6	20,8	-1,1	0,7	0,3	1,8	1,8	1,8	2,4
Investment	5,0	-21,1	-50,0	66,8	-4,2	-8,9	0,2	11,2	13,5	8,0	5,3
Inventories Contribution	-0,3	2,4	-0,9	-5,0	0,1	-0,4	0,0	0,9	1,3	0,6	-0,3
Net Exports Contribution	-0,5	-2,0	-3,6	9,7	0,9	-0,5	-0,9	-1,3	-0,2	0,0	0,5
Exports	2,5	-14,3	-56,8	85,9	3,6	-10,4	0,4	5,8	11,3	8,0	6,0
Imports	4,0	-11,3	-55,2	58,6	1,7	-10,0	2,6	9,4	12,7	8,8	5,3
Inflation	1,2	1,1	0,2	0,0	-0,3	0,3	1,2	1,9	2,2	2,2	1,9

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	<ul style="list-style-type: none"> + Massive Fiscal loosening will support the economy + 2021 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 <p>● Neutral/Positive</p>	<ul style="list-style-type: none"> + Still high equity risk premium relative to other regions + Modest fiscal loosening in 2021 + 2021 EPS estimates remain pessimistic - Political uncertainty (Italy, German Elections) could intensify - Logistic disruptions (vaccine) and renewed lockdowns delay the recovery <p>● Neutral</p>	<ul style="list-style-type: none"> + 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 <p>● Neutral</p>	<ul style="list-style-type: none"> + 65% of FTSE100 revenues from abroad + Undemanding valuations in relative terms - Elevated Policy uncertainty to remain <p>● Neutral/Negative</p>
Government Bonds	<ul style="list-style-type: none"> + 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 to remain at ZLB in 2021 - Fed: Unlimited QE purchases <p>▲ Slightly higher yields expected</p>	<ul style="list-style-type: none"> + Valuations appear excessive compared with long-term fundamentals - Political Risks - Fragile growth outlook - Medium-term inflation expectations remain low - ECB QE net purchases - ECB QE "stock" effect <p>▲ Slightly higher yields expected</p>	<ul style="list-style-type: none"> + 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% <p>● Stable yields expected</p>	<ul style="list-style-type: none"> + Elevated Policy uncertainty to remain + Inflation expectations could drift higher due to supply disruptions post Brexit - The BoE is expected to remain on hold with risks towards rate cuts - Slowing economic growth post-Brexit <p>▲ Slightly higher yields expected</p>
Foreign Exchange	<ul style="list-style-type: none"> + Safe-haven demand - Fed's interest rate differential disappeared following cuts to 0%-0.25% - Global political uncertainty to decline <p>● Broadly Flat EUR against the USD with high volatility around \$1.20</p>	<ul style="list-style-type: none"> + Reduced short-term tail risks + Current account surplus - Sluggish growth - Deflation concerns - The ECB's monetary policy to remain extra loose (Targeted-LTROs, Quantitative Easing) <p>● Broadly Flat EUR against the USD with high volatility around \$1.20</p>	<ul style="list-style-type: none"> + 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% <p>▲ Slightly higher JPY</p>	<ul style="list-style-type: none"> + Valuations appear undemanding with REER below its 15-year average - Sizeable Current account deficit <p>▲ Higher GBP expected</p>

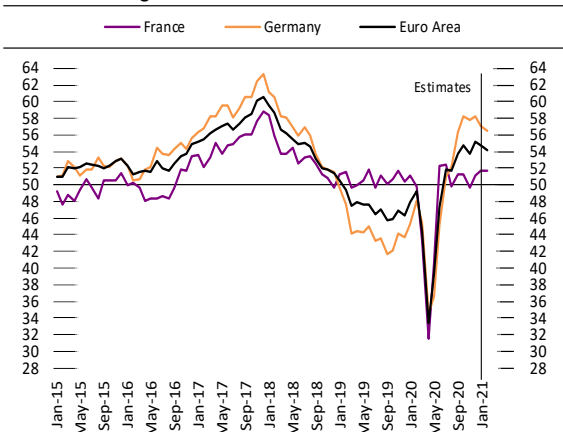
Economic Calendar

In the US, the minutes of the latest Fed meeting are released on Wednesday. Meanwhile, economic activity indicators for January will gather investors' attention. Specifically, retail sales (17/2) will offer insight regarding private consumption, industrial production (17/2) regarding business spending, whereas housing starts & building permits (18/2) regarding residential investment.

In the Euro area, the second estimate of Q4:20 GDP on Tuesday will be closely watched. GDP is expected to remain unchanged compared with the previous estimate (-0.7% qoq | -5.1% yoy). Meanwhile, PMIs (19/2) and consumer confidence (18/2) surveys for February will provide valuable insight regarding the current economic momentum.

In Japan, attention turns to February PMI manufacturing survey and inflation data for January, due to release on Friday.

Manufacturing PMIs



Source: NBG Research

Economic News Calendar for the period: February 9 - February 22, 2021

Tuesday 9				Wednesday 10				Thursday 11									
	S	A	P		S	A	P		S	A	P						
US				US				US									
CPI (YoY)	January	1.5%	-1.4%	1.4%	Initial Jobless Claims (k)	February 6	757	-793	812								
Core CPI (YoY)	January	1.5%	-1.4%	1.6%	Continuing Claims (k)	January 30	4395	-4545	4690								
Wholesale trade (MoM)	December	0.5%	+1.2%	0.3%													
CHINA				CHINA													
CPI (YoY)	January	0.0%	-0.3%	0.2%													
Money Supply M0 (YoY)	January	-	-3.9%	9.2%													
Money Supply M1 (YoY)	January	7.9%	14.7%	8.6%													
Money Supply M2 (YoY)	January	10.5%	9.4%	10.1%													
New Yuan Loans (RMB bn)	January	..	3580.0	1260.0													
Aggregate Financing (RMB bn)	January	..	5170.0	1720.0													
Friday 12				Monday 15				Thursday 18									
US				JAPAN				US									
University of Michigan consumer confidence	February	80.5	-76.2	79.0	GDP (QoQ)	Q4:20	2.3%	+3.0%	5.3%	Initial Jobless Claims (k)	February 13	770	..	793			
UK				EURO AREA				Continuing Claims (k)	February 6	4500	..	4545					
GDP (QoQ)	Q4:20	0.4%	+1.0%	16.1%	Industrial Production (sa, MoM)	December	-1.4%	-1.6%	2.6%	Building permits (k)	January	1669	..	1704			
GDP (YoY)	Q4:20	-9.6%	+7.8%	-8.7%	Industrial Production (wda, YoY)	December	0.1%	-0.8%	-0.6%	Housing starts (k)	January	1658	..	1669			
GDP (MoM)	December	1.0%	+1.2%	-2.3%	Trade Balance SA (€ bn)	December	22.5	+27.5	24.9	Philadelphia Fed Business Outlook	February	20.5	..	26.5			
Government Spending QoQ	Q4:20	6.0%	+6.4%	12.9%				EURO AREA									
Private Consumption (QoQ)	Q4:20	-3.5%	+0.2%	19.3%				Consumer Confidence Indicator	February	-14.5	..	-15.5					
Gross Fixed Capital Formation (QoQ)	Q4:20	-4.0%	+2.1%	20.3%													
Industrial Production (MoM)	December	0.5%	-0.2%	0.3%	Tuesday 16			Wednesday 17									
Industrial Production (YoY)	December	-3.8%	+3.3%	-3.9%	US			US									
Tuesday 16				US				FOMC Minutes	January 27								
Empire Manufacturing	February	8.0	..	3.5	Retail Sales Advance MoM	January	1.1%	..	-0.7%	Initial Jobless Claims (k)	February 13	770	..	793			
Net Long-term TIC Flows (\$ bn)	December	..	..	149.2	Retail sales ex-autos (MoM)	January	1.3%	..	-1.4%	Continuing Claims (k)	February 6	4500	..	4545	
EURO AREA				EURO AREA				Industrial Production (MoM)	January	0.5%	..	1.6%	Building permits (k)	January	1669	..	1704
GDP (QoQ)	Q4:20	-0.7%	..	-0.7%	NAHB housing market confidence index	February	82.5	..	83.0	Housing starts (k)	January	1658	..	1669			
GDP (YoY)	Q4:20	-5.1%	..	-5.1%	UK			UK									
GERMANY				UK				CPI (YoY)	January	0.5%	..	0.6%	Philadelphia Fed Business Outlook	February	20.5	..	26.5
ZEW survey current situation	February	-66.8	..	-66.4	Core CPI (YoY)	January	1.3%	..	1.4%	Consumer Confidence Indicator	February	-14.5	..	-15.5			
ZEW survey expectations	February	60.0	..	61.8	JAPAN			JAPAN									
Friday 19				JAPAN				Exports YoY	January	6.6%	..	2.0%					
US				JAPAN				Imports YoY	January	-8.4%	..	-11.6%					
Existing home sales (mn)	January	6.62	..	6.76	Monday 22			GERMANY									
UK				GERMANY				Ifo- Business Climate Indicator	February	90.1					
Markit UK PMI Manufacturing	February	53.1	..	54.1	Ifo-Expectations	February	..	..	91.1						
Markit/CIPS UK Services PMI	February	41.0	..	39.5	Ifo- Current Assesment	February	..	..	89.2						
Retail sales Ex Auto MoM	January	-3.0%	..	0.4%													
JAPAN																	
PMI manufacturing	February	..	..	49.8											
CPI (YoY)	January	-0.6%	..	-1.2%													
Core CPI (YoY) - ex. Fresh Food and Energy	January	-0.6%	..	-1.0%													
Core CPI (YoY) - ex. Fresh Food	January	..	..	-0.4%											
EURO AREA																	
Markit Eurozone Manufacturing PMI	February	54.2	..	54.8													
Markit Eurozone Services PMI	February	45.8	..	45.4													
Markit Eurozone Composite PMI	February	47.7	..	47.8													

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	S&P 500	3935	1.2	4.8	16.6	42.9	MSCI Emerging Markets	79516	2.0	10.9	28.7	
Japan	NIKKEI 225	29520	2.6	7.6	23.9	39.6	MSCI Asia	1268	2.2	12.7	37.6	
UK	FTSE 100	6590	1.5	2.0	-11.6	-8.4	China	127	4.2	17.9	46.4	
Canada	S&P/TSX	18460	1.8	5.9	3.6	18.1	Korea	991	-1.0	7.1	38.4	
Hong Kong	Hang Seng	30174	3.0	10.8	8.8	5.9	MSCI Latin America	100783	0.1	0.9	0.0	
Euro area	EuroStoxx	413	0.8	4.0	-1.3	17.2	Brazil	375200	-0.6	0.4	2.5	
Germany	DAX 30	14050	0.0	2.4	2.2	25.8	Mexico	40706	0.2	0.1	-2.3	
France	CAC 40	5704	0.8	2.7	-6.4	12.4	MSCI Europe	6122	0.3	2.0	-3.4	
Italy	FTSE/MIB	23411	1.4	5.3	-6.0	17.1	Russia	1369	0.8	3.6	1.0	
Spain	IBEX-35	8055	-1.9	-0.2	-18.7	-10.3	Turkey	1669446	1.0	-1.3	7.9	

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		143.5	3.4	11.1	-20.3	-29.6	Energy		143.6	3.0	11.1	-23.0
Materials		329.4	2.2	3.3	24.3	34.0	Materials		303.4	1.7	3.5	17.8
Industrials		313.7	1.9	3.1	11.3	27.3	Industrials		301.7	1.6	3.5	7.2
Consumer Discretionary		396.5	-0.2	5.2	37.5	63.3	Consumer Discretionary		375.6	-0.4	5.5	33.9
Consumer Staples		258.1	0.5	-2.5	1.7	15.8	Consumer Staples		251.2	0.1	-2.3	-2.2
Healthcare		323.1	1.5	3.4	13.0	32.8	Healthcare		312.7	1.3	3.6	10.0
Financials		126.8	2.1	6.2	-0.2	13.4	Financials		123.8	1.7	6.3	-3.8
IT		476.0	2.8	7.3	39.7	100.1	IT		457.4	2.7	7.5	38.1
Telecoms		101.3	1.8	7.6	25.6	51.9	Telecoms		104.7	1.6	7.8	23.8
Utilities		151.6	-1.5	-1.1	-5.5	14.3	Utilities		151.6	-1.8	-0.9	-8.8

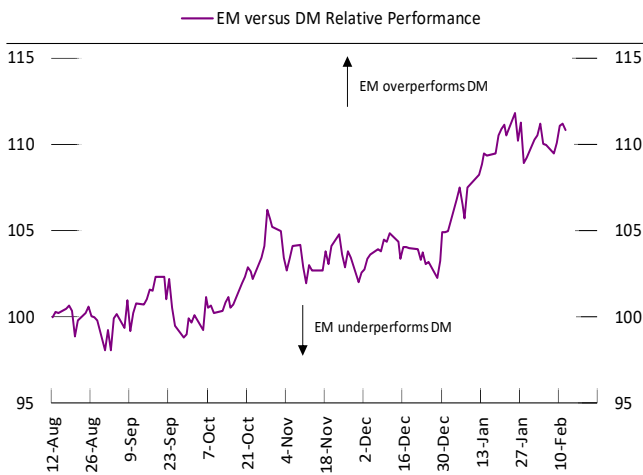
Bond Markets (%)

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		1.19	1.18	0.91	1.64	2.14	US Treasuries 10Y/2Y		106	106	77	17
Germany		-0.42	-0.45	-0.56	-0.39	0.75	US Treasuries 10Y/5Y		55	55	41	15
Japan		0.06	0.05	0.02	-0.03	0.35	Bunds 10Y/2Y		29	26	16	26
UK		0.59	0.53	0.23	0.64	1.62	Bunds 10Y/5Y		27	24	18	23
Greece		0.75	0.66	0.62	0.93	9.08	Corporate Bond Spreads (in bps)		Current	Last week	Year Start	One Year Back
Ireland		-0.15	-0.18	-0.29	-0.03	2.77	EM Inv. Grade (IG)		148	150	163	149
Italy		0.51	0.56	0.45	0.93	2.84	EM High yield		518	517	524	468
Spain		0.16	0.12	0.04	0.24	2.52	US IG		97	99	103	102
Portugal		0.13	0.08	0.05	0.24	4.17	US High yield		348	358	386	357
US Mortgage Market (1. Fixed-rate Mortgage)		Current	Last week	Year Start	One Year Back	10-year average	Euro area IG		88	88	93	91
30-Year FRM ¹ (%)		2.7	2.7	2.8	3.5	4.0	Euro area High Yield		320	322	355	308
vs 30Yr Treasury (bps)		67	71	112	142	122						

Foreign Exchange & Commodities

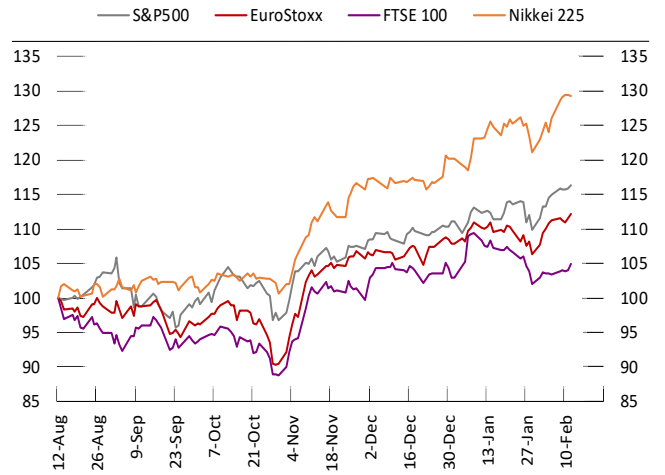
Foreign Exchange		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	Commodities		Current	1-week change (%)	1-month change (%)	1-Year change (%)
Euro-based cross rates							Agricultural		387	-0.7	0.0	30.2
EUR/USD		1.21	0.8	-0.3	11.7	-1.0	Energy		199	4.3	11.3	11.9
EUR/CHF		1.08	-0.2	0.1	1.8	-0.1	West Texas Oil (\$)		59	4.6	12.4	15.7
EUR/GBP		0.88	-0.1	-1.9	5.3	-2.2	Crude Brent Oil (\$)		62	5.2	11.4	10.8
EUR/JPY		127.21	0.3	0.7	6.8	0.7	Industrial Metals		408	4.6	3.9	32.0
EUR/NOK		10.26	-0.1	-0.5	2.2	-2.0	Precious Metals		2426	0.6	-0.9	19.0
EUR/SEK		10.08	-0.1	-0.6	-4.0	0.3	Gold (\$)		1824	0.7	-1.1	15.7
EUR/AUD		1.56	-0.4	-0.5	-3.0	-1.4	Silver (\$)		27	1.7	8.5	55.0
EUR/CAD		1.54	0.2	-0.5	7.1	-1.2	Baltic Dry Index		1339	0.5	-27.9	218.1
USD-based cross rates							Baltic Dirty Tanker Index		539	8.7	7.8	-37.0
USD/CAD		1.27	-0.5	-0.1	-4.1	-0.3						
USD/AUD		1.29	-1.2	-0.2	-13.1	-0.4						
USD/JPY		104.98	-0.5	1.0	-4.4	1.7						

EM vs DM Performance in \$



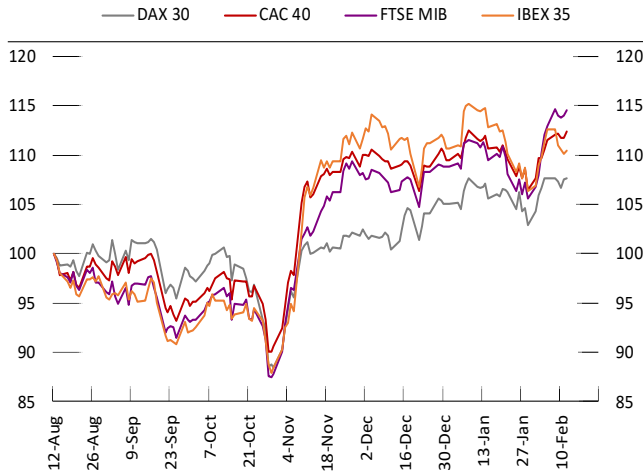
Data as of February 12th – Rebased @ 100

Equity Market Performance - G4



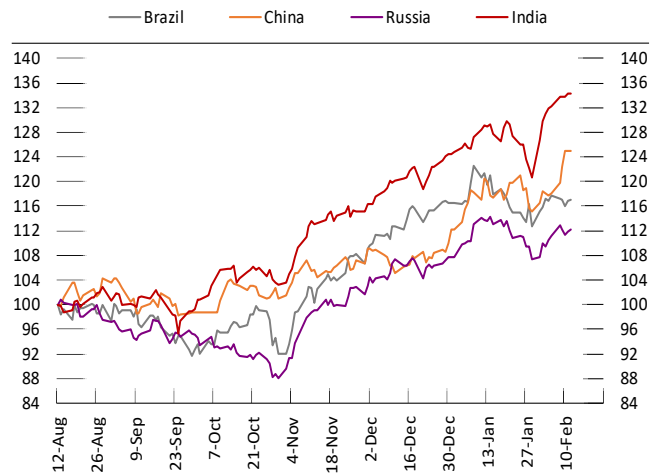
Data as of February 12th – Rebased @ 100

Equity Market Performance – Euro Area G4



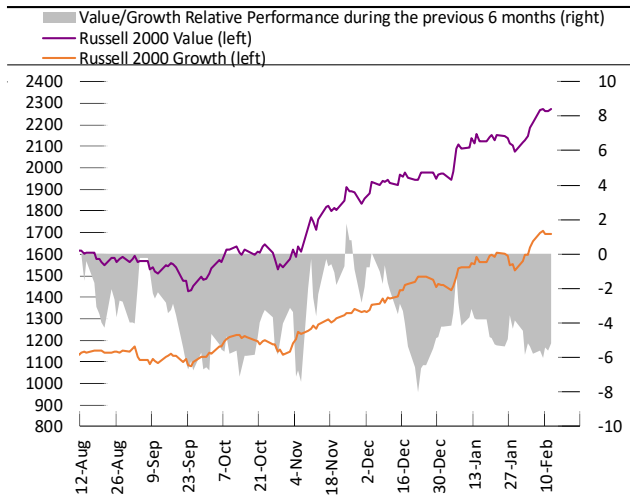
Data as of February 12th – Rebased @ 100

Equity Market Performance - BRICs



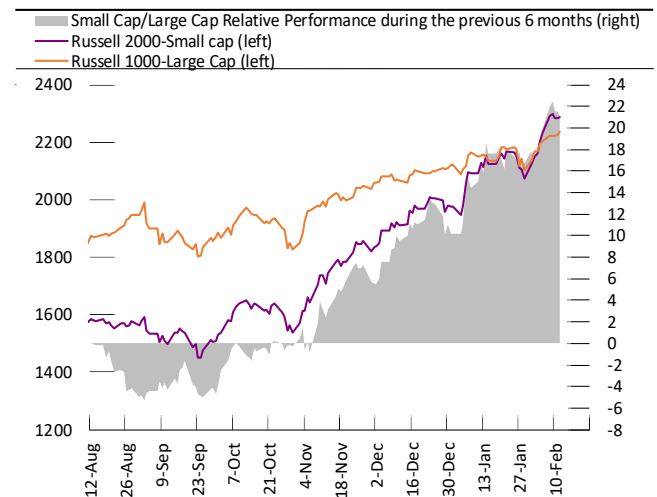
Data as of February 12th – Rebased @ 100

Russell 2000 Value & Growth Index



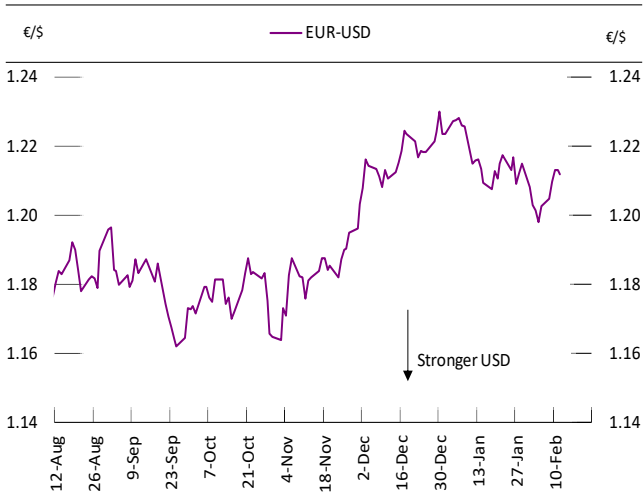
Data as of February 12th

Russell 2000 & Russell 1000 Index



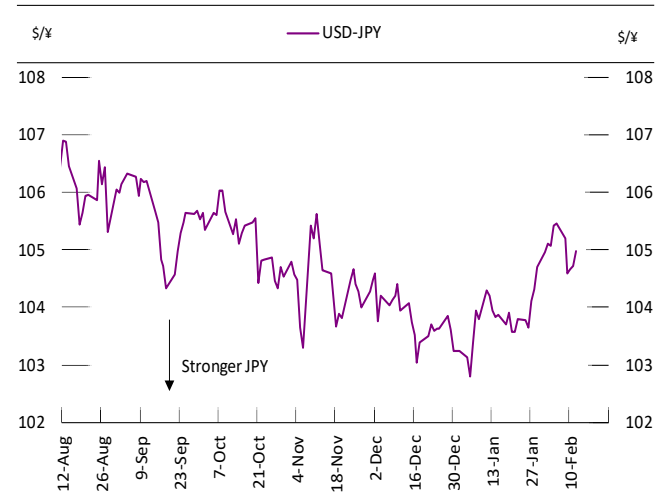
Data as of February 12th

EUR/USD



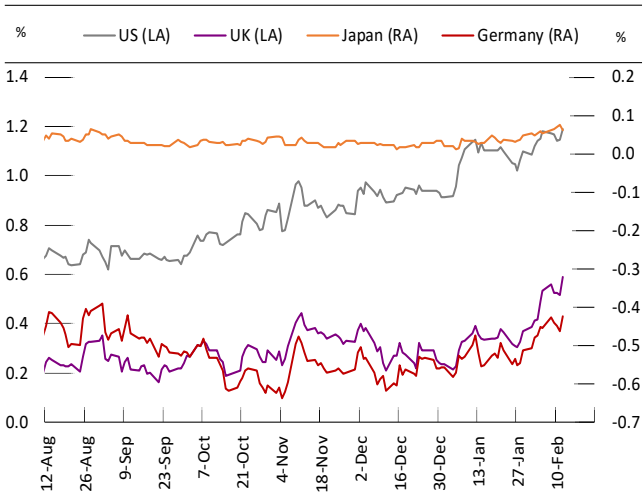
Data as of February 12th

JPY/USD



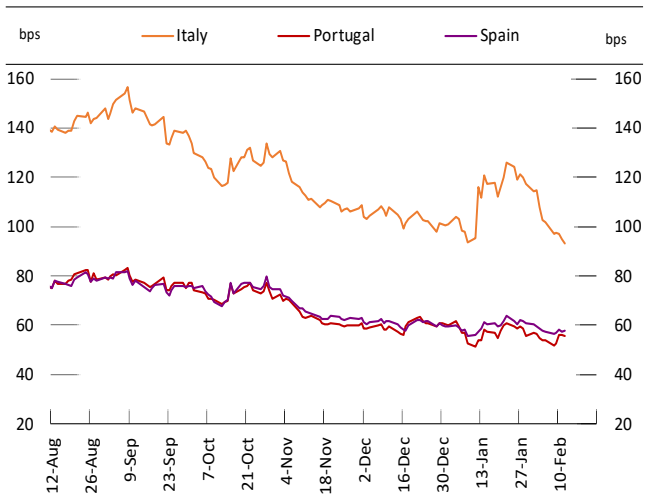
Data as of February 12th

10- Year Government Bond Yields



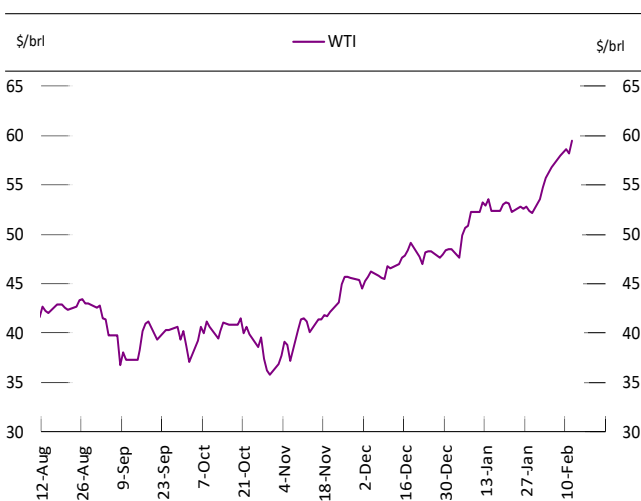
Data as of February 12th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



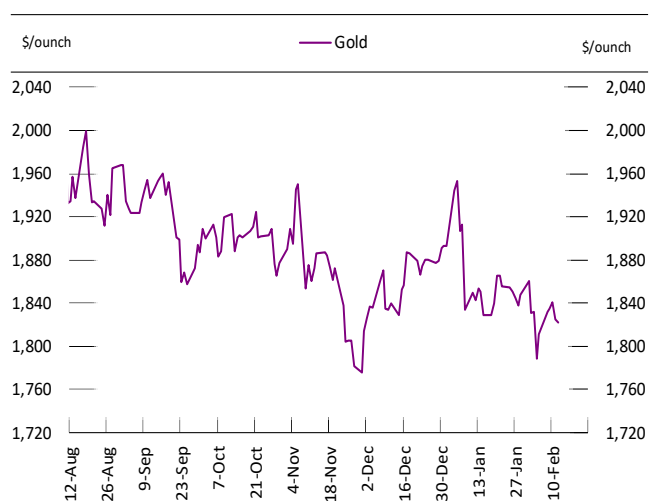
Data as of February 12th

West Texas Intermediate (\$/bbl)



Data as of February 12th

Gold (\$/ounce)



Data as of February 12th

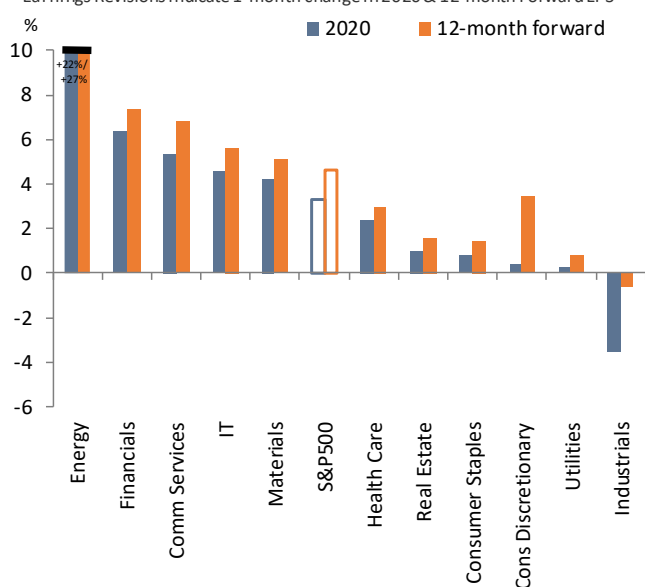
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	12/2/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	12m fwd	10Yr Avg
S&P500	3935	1.2	4.8	-13.7	24.2	1.4	1.5	28.4	22.9	22.5	16.0	4.4	4.1	4.1	2.7
Energy	335	4.3	17.1	N/A	N/A	5.1	4.9	N/A	28.8	27.5	20.2	1.5	1.5	1.5	1.7
Materials	467	1.1	2.5	-7.3	32.4	1.8	1.9	27.1	20.5	20.2	15.4	3.2	2.9	2.8	2.5
Financials															
Diversified Financials	858	1.9	5.2	-6.3	17.9	1.3	1.4	19.9	16.9	16.7	14.2	1.9	1.8	1.8	1.5
Banks	349	2.5	10.2	-32.6	29.9	2.8	2.6	17.1	13.2	13.0	11.0	1.2	1.2	1.1	1.0
Insurance	439	1.1	2.7	-9.4	19.8	2.4	2.7	14.5	12.1	12.0	11.0	1.4	1.3	1.3	1.1
Real Estate	239	1.1	4.8	-5.8	4.3	2.9	2.9	22.2	21.3	21.1	18.3	3.5	3.6	3.6	3.1
Industrials															
Capital Goods	777	1.1	2.2	-30.6	45.9	1.6	1.7	32.7	22.5	22.0	16.2	5.0	4.8	4.8	3.6
Transportation	952	2.5	2.3	N/A	N/A	1.4	1.4	N/A	36.9	N/A	10.1	7.0	7.1	7.0	3.6
Commercial Services	409	0.9	-2.9	2.3	9.6	1.2	1.3	32.0	29.2	28.8	21.0	6.3	5.6	5.6	3.7
Consumer Discretionary															
Retailing	3657	-1.1	2.6	7.7	22.0	0.4	0.5	45.6	37.3	36.5	24.2	16.0	13.0	12.7	7.6
Consumer Services	1319	-0.1	0.0	N/A	N/A	1.4	1.2	N/A	122.1	N/A	24.1	22.9	37.9	37.7	9.7
Consumer Durables	467	0.0	6.0	-4.5	31.5	1.1	1.3	26.0	19.7	19.5	17.3	4.9	4.3	4.3	3.3
Automobiles and parts	154	-3.3	17.6	-67.0	49.7	0.1	0.1	79.7	53.3	N/A	11.2	8.4	7.4	7.3	2.1
IT															
Technology	2609	-0.3	3.5	8.1	20.3	0.9	0.9	31.3	26.0	25.8	13.6	16.1	16.7	16.6	4.7
Software & Services	3241	1.8	5.2	8.5	14.8	0.8	0.8	36.6	31.9	31.4	18.9	10.6	9.4	9.2	5.6
Semiconductors	2007	7.8	13.5	10.8	15.5	1.2	1.2	27.0	23.4	23.1	14.6	8.1	7.1	7.0	3.4
Communication Services	238	1.3	7.0	0.0	13.4	0.9	0.9	27.4	24.1	23.7	18.1	4.2	3.8	3.8	3.0
Media	934	1.8	9.2	4.9	20.1	0.2	0.2	35.1	29.2	28.6	21.1	5.4	4.8	4.7	3.3
Consumer Staples															
Food & Staples Retailing	569	-0.1	0.0	2.8	3.9	1.5	1.6	24.6	23.7	23.5	17.0	5.1	4.8	4.8	3.3
Food Beverage & Tobacco	706	0.1	-2.8	1.1	7.0	3.4	3.5	19.2	17.9	17.8	17.9	5.2	5.0	5.0	5.0
Household Goods	798	-0.5	-5.8	11.2	8.2	2.2	2.3	25.1	23.2	23.0	20.1	9.8	9.4	9.4	5.8
Health Care															
Pharmaceuticals	1111	1.1	3.8	10.1	12.9	2.1	2.3	16.3	14.4	14.3	14.8	5.6	5.2	5.1	4.0
Healthcare Equipment	1616	1.7	2.5	4.9	14.0	0.9	1.0	22.8	20.0	19.7	16.0	3.9	3.6	3.5	2.7
Utilities	317	-1.8	-0.5	0.9	5.1	3.3	3.3	19.6	18.6	18.5	16.3	2.1	2.0	2.0	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 2020 & 12-month Forward EPS

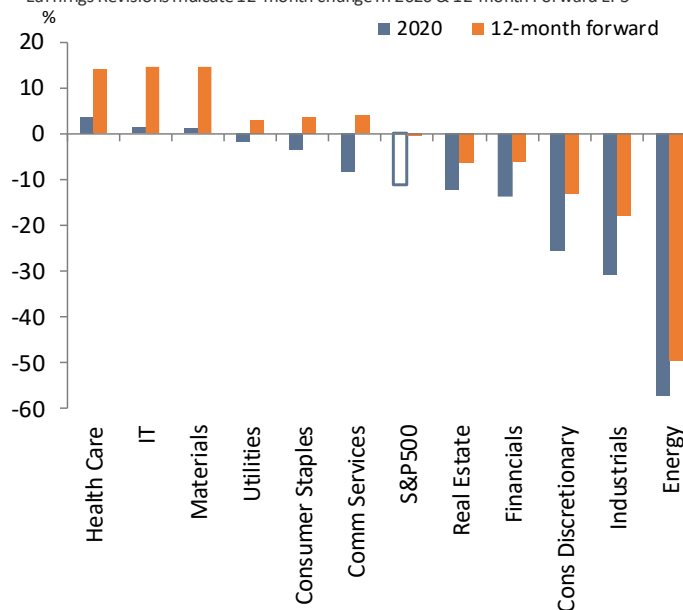
Earnings Revisions indicate 1-month change in 2020 & 12-month Forward EPS



Data as of February 12th
12-month forward EPS are 88% of 2021 EPS and 12% of 2022 EPS

12-month revisions to 2020 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2020 & 12-month Forward EPS



Data as of February 12th
12-month forward EPS are 88% of 2021 EPS and 12% of 2022 EPS

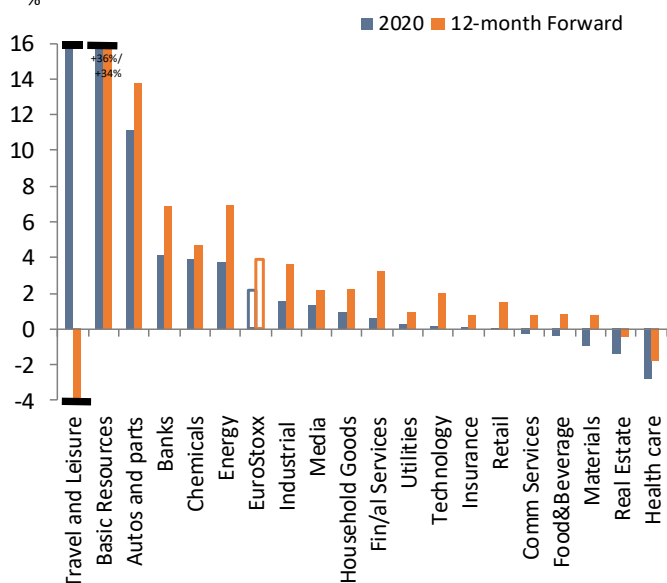
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	12/2/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	12m fwd	10Yr Avg
EuroStoxx	413	0.8	4.0	-35.1	37.3	2.1	2.6	26.3	19.1	18.8	13.8	1.8	1.7	1.7	1.4
Energy	254	0.8	0.7	-78.7	178.7	4.4	4.6	50.7	18.2	17.6	12.6	1.3	1.3	1.3	1.1
Materials	449	-0.6	4.3	-36.6	41.9	2.8	3.1	23.0	16.2	15.9	14.4	1.7	1.7	1.6	1.4
Basic Resources	221	3.1	6.3	N/A	N/A	2.1	2.5	N/A	12.7	12.8	7.6	1.2	1.1	1.1	0.8
Chemicals	1265	-0.7	0.5	-10.1	19.8	2.4	2.5	26.1	21.8	21.6	15.8	2.4	2.3	2.3	2.2
Financials															
Fin/al Services	502	0.6	2.4	-28.0	7.3	2.3	2.7	19.5	18.2	17.7	13.8	1.3	1.3	1.2	1.2
Banks	80	2.7	8.0	-46.4	24.5	2.1	4.5	13.8	11.0	10.7	9.6	0.5	0.5	0.5	0.7
Insurance	263	0.4	0.7	-21.6	30.1	5.5	5.8	12.1	9.3	9.2	9.3	0.8	0.8	0.8	0.9
Real Estate	208	-1.3	-5.5	-12.2	5.5	3.4	4.0	18.2	17.3	17.1	17.1	0.9	0.9	0.9	1.0
Industrial	1036	2.1	5.8	-22.3	10.2	1.5	1.8	28.2	25.6	25.0	16.0	3.6	3.4	3.4	2.4
Consumer Discretionary															
Media	228	2.2	4.1	-23.8	15.1	2.3	2.5	21.4	18.6	18.4	15.8	2.6	2.5	2.4	1.9
Retail	648	-0.4	-2.4	-40.4	56.8	1.7	2.5	44.0	28.1	27.6	22.1	5.8	5.3	5.3	4.1
Automobiles and parts	526	-1.5	4.3	-76.4	424.6	1.4	3.1	48.7	9.3	9.1	8.9	1.0	0.9	0.9	1.0
Travel and Leisure	209	-1.3	-1.8	N/A	N/A	0.2	0.5	N/A	N/A	N/A	N/A	2.5	2.7	2.7	2.0
Technology	808	4.3	12.7	-7.1	18.0	0.6	0.7	38.6	32.7	32.0	19.4	5.7	5.3	5.2	3.4
Communication Services	255	-0.9	3.0	-10.3	0.2	4.4	4.1	15.4	15.3	15.1	14.6	1.4	1.4	1.4	1.7
Consumer Staples															
Food&Beverage	503	-2.6	-3.4	-39.1	31.3	1.5	2.0	28.9	22.0	21.7	19.1	2.3	2.2	2.2	2.6
Household Goods	1238	1.6	1.7	-33.0	46.3	1.0	1.2	54.2	37.0	36.5	23.2	6.5	5.8	5.8	3.7
Health care	869	0.3	6.9	-10.0	9.2	1.8	2.0	22.1	20.2	20.0	15.9	2.5	2.4	2.4	2.2
Utilities	376	-2.3	-1.1	-16.6	11.9	4.1	4.3	18.5	16.5	16.4	13.1	1.6	1.6	1.6	1.1

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1-month revisions to 2020 & 12-month Forward EPS

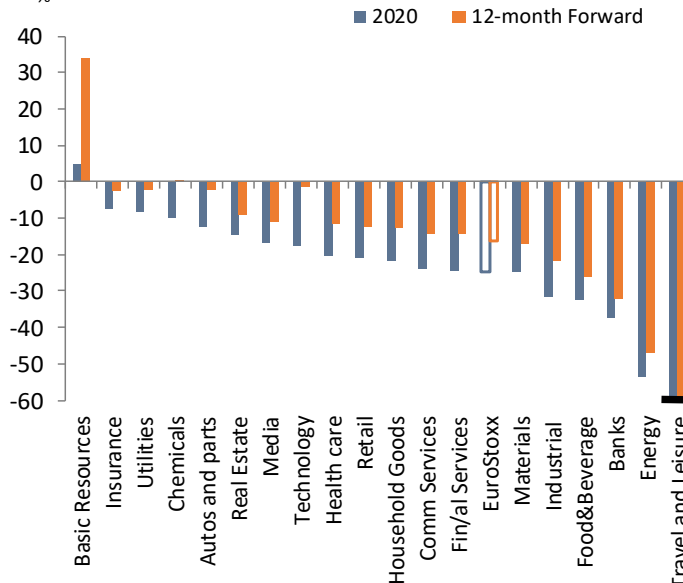
Earnings Revisions indicate 1-month change in 2020 & 12-month Forward EPS %



Data as of February 12th
12-month forward EPS are 88% of 2021 EPS and 12% of 2022 EPS

12-month revisions to 2020 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2020 & 12-month Forward EPS %



Data as of February 12th
12-month forward EPS are 88% of 2021 EPS and 12% of 2022 EPS

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