

The Federal Reserve tilts modestly hawkish, pushing front-end interest rates and the USD up

- The Federal Reserve meeting delivered a modest hawkish surprise indicating that low-for-long is not low forever. The median FOMC member rate forecast ("dot") for 2023 showed two hikes, up from zero in the last projection in March (see graph below).
- 13 FOMC members out of 18 now expect an interest rate hike in 2023, up from 7 in March. 7 FOMC members now project interest rate increases in 2022, up from 4 in March, albeit the median estimate is still for near zero interest rates in 2022.
- The reduction in pandemic-related growth risks due to significant progress on vaccinations, as well as changing risk assessments regarding inflation explain, in our view, the upward shift on the trajectory of optimal monetary policy. In the United States, circa 53% of the population has received at least one dose of (45% fully vaccinated) suggesting a diminishing effect of the public health crisis on the economy.
- Equally importantly, following significant higher-than-expected inflation outcomes in the past two months, the number of FOMC participants seeing risks to inflation weighted to the upside, increased to 13 from 5 in March (see graph below).
- All told, the economic forecasts for 2022 and 2023 were little changed relative to March, indicating solid real GDP growth above trend (1.8%) throughout the forecasting horizon. The unemployment rate is expected to revert to pre-pandemic levels (3.5%) by the end of 2023.
- At the same time, inflation is expected to decelerate slightly above 2%, following a significant spike in 2021 (3.4%). FOMC officials continue to stick by the transitory nature of the shock, albeit are less confident (see Economics).
- The "talking" about tapering its large-scale asset purchases has begun. Chair Powell noted that the conditions for tapering were still a ways off. The ongoing jobs shortfall of circa 7 million relative to pre-Covid levels suggests that the labor market still has a substantial amount of slack. Chair Powell also reiterated its commitment to signal tapering plans well in advance of the actual announcement. The Fed will try hard to avoid a repeat of 2013's "taper-tantrum".
- Global assets demonstrated elevated volatility post the Fed meeting. Equities consolidated near all-time highs, with Cyclical equity sectors underperforming on the back of declining nominal long-term interest rates. Emerging market equities lost ground, as the US Dollar index (DXY) rallied to a 2-month high. Oil prices remained well bid (\$75/barrel) due to strong demand as economies reopen.
- US front-end interest rates sold-off and the yield curve flattened significantly as markets repriced Fed policy interest rate expectations in a hawkish direction. 2s and 5s US Treasury yields increased by circa 10 basis points (bps) to 0.3% and 0.9%.
- The 10/2s term spread and the 30/5s term spread (a 9-month low) declined significantly, as the Fed appeared vigilant regarding inflation risks (see graph page 3). Gold sold-off (\$1783), due to rising real USD interest rates.

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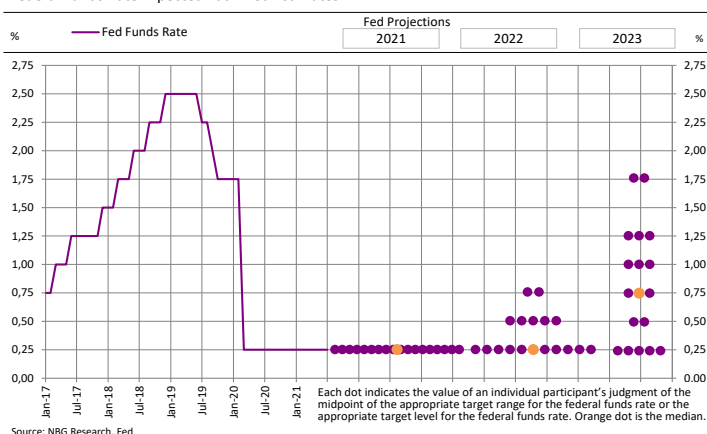
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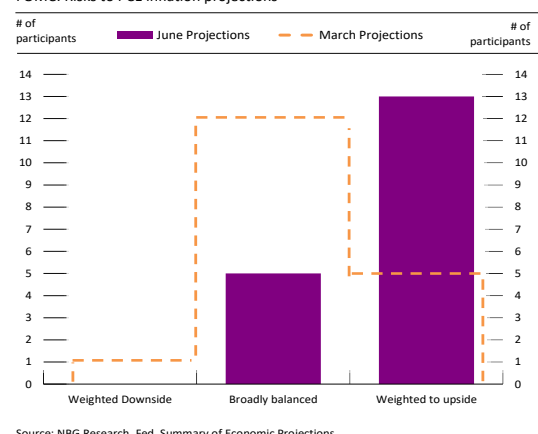
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Charts of the week

Federal Funds Rate Expected Path: Fed Estimates



FOMC: Risks to PCE inflation projections



The Fed revised up its short-term projections for GDP and inflation, with the medium-term macroeconomic outlook though, being little altered

- **The 18 participants in the Federal Open Market Committee (FOMC) upgraded their outlook for economic activity in 2021 compared with March, in view of stronger than previously expected economic data in recent months and the progress in the vaccinations program against Covid-19.** Specifically, the median estimate for 2021 GDP growth (Q4) was revised up by 0.5 pps to +7.0% yoy. Thereafter, the projections for growth were little changed, at +3.3% yoy in Q4:22 (unchanged compared with March), while the respective estimate for 2023 was modestly revised up by 0.2 pps to +2.4% yoy (longer-run projection: stable at +1.8% yoy). The estimates for the unemployment rate were insignificantly revised, as the outcomes in recent months (at 5.8% in May) have been largely in line with the path which was projected in March. Specifically, the estimates stood at 4.5% for 2021 (Q4 average), while the figures for 2022 & 2023 were 3.8% & 3.5%, respectively (longer-run: 4.0%).
- **At the same time, the recent upside surprises in inflation outcomes, alongside the higher expectations for economic activity and a re-evaluation of the estimates regarding the potential duration of the current supply chain bottlenecks, prompted the FOMC to revise up its respective projections for 2021.** The view for the temporary nature of the ongoing inflation spike was maintained, as suggested by the median of projections in subsequent years, although more members now see risks as skewed to the upside. Indeed, headline PCE is now anticipated at +3.4% yoy in 2021 (Q4 average | +1.0 pp compared with the March projections). The estimates for 2022 (+2.1% yoy) & 2023 (+2.2% yoy) though, were both only slightly revised up (at the median level), by 0.1 pp (longer-run: +2.0% yoy). At the same time, core PCE growth is anticipated at +3.0% yoy in 2021 (Q4 average) versus +2.2% yoy previously, while the respective estimates for 2022 & 2023, were insignificantly altered, at +2.1% yoy in both years.
- **The aforementioned macroeconomic outlook is conditioned on the Fed maintaining the target range of 0.00% - 0.25% for the Federal Funds Rate (FFR) in this year and the next, albeit the easing of pandemic-related economic risks, brought forward the timing for the first hikes, in 2023.** In the event, as was also the case in March, none of the FOMC participants expect any increase in the FFR up to end-2021. At the same time, the median FOMC projection also points to the current target range for end-2022. For end-2023, the median projection now points to an increase of 50 bps, whereas in March the median suggested no increases. Finally, the longer-term FFR estimate from FOMC participants, was maintained at 2.50%.

US retail sales lost pace in May

- **Nominal retail sales fell by 1.3% mom in May.** Although the monthly growth undershot consensus estimates for -0.6% mom, the level of retail sales was close to expectations, given a significant upward revision for the outcome in April (+0.9 pps to +0.9% mom). As far as the annual pace of growth for retail sales is concerned, it came out at +28.1% yoy, with the figure being boosted by large (favorable) base effects (even though less so compared with April, when the respective pace stood at 53.4% yoy).

Note that the rate of growth of retail sales compared with the same month two years ago (with a conversion to an annualized rate), stood at a still particularly robust +9.9% in May, from +10.8% in April.

- Note that retail sales mainly include sales of goods (with a total weight of c. 90%), whereas spending on services consists c. 2/3 of overall private consumption. As a result, attention now turns to the personal spending data for May (+0.5% mom | +28.5% yoy in April, in nominal terms), due on June 25th, for a comprehensive measure of overall personal consumption and especially regarding pandemic-hit items such as transportation, recreation, accommodation, education and personal care.
- In all, the Atlanta Fed's GDPNowcast model points to growth of +11% qoq saar for private consumption in Q2:21 (+15.6% yoy), from +11.3% qoq saar in Q1:21 (+1.8% yoy) and +10.3% qoq saar (+13.0% yoy) for overall real GDP (+6.4% qoq saar | +0.4% yoy in Q1:21).

China's economic activity undershot consensus estimates in May

- **Economic activity in China was moderately below expectations in May, albeit remaining resilient.** Specifically, the annual growth of retail sales (in value terms) came out at +12.4% yoy, from +17.7% yoy in April and versus expectations for +14.0% yoy. The respective pace for industrial production was +8.8% yoy, compared with +9.8% in April, slightly below consensus estimates for +9.0% yoy. Recall that the manufacturing of automobiles (+0.5% yoy) lags, unsurprisingly given supply chain issues related to a (global) shortage of semiconductors. Finally, fixed asset investment growth stood at +15.4% yoy in May, from +19.9% yoy in the previous month, also below expectations for +16.9% yoy. In all, the aforementioned decelerations were mostly due to less favorable base effects, albeit also suggesting a somewhat weaker momentum compared with previous months.
- The aforementioned weakening of impetus is likely related to a gradual (and partial) withdrawal of supportive policies by Chinese authorities (fiscal, monetary & regulatory), given the satisfactory recovery of economic activity after the pandemic-related contraction in early-2020 and the (long-standing) structural goal of stemming excessive leverage. Recall that according to the Bank for International Settlements, private debt (to the non-financial sector) stood at 222% of GDP in Q4:20 (from 144% in 2011 and versus 164% in the US and 178% in the euro area in the same period). In the event, overall credit growth, as measured by Total Social Financing (TSF), stood at +11.0% yoy in May, from +11.7% yoy in April (average of +12.7% yoy since the start of the pandemic | +10.8% yoy in 2019).

Equities

- Global equity markets declined in the past week.** Overall, the MSCI ACWI fell by 0.4% (June 11th to June 21st | +11% ytd), with emerging markets (-2.3% wow | +5% ytd) underperforming their developed market peers (-1% wow | +11% ytd). In the US, the S&P500 decreased by 0.5% wow, with the index recording its first week with losses after three consecutive positive weeks, following the latest Federal Reserve meeting on Wednesday. The equity implied volatility significantly increased, with the VIX index rising to 21% on Friday, recording its highest level since May 19th, from 16% in the end of the previous week. On Friday, the S&P500 declined by 1.3%, posting a daily return of above 1% in either direction for the first time since May 20th. However, the trend reversed on Monday with the index rising by 1.4%. Regarding sectors, Banks underperformed (-5.9% wow), with Citibank decreasing by 11% wow and JPMorgan by 6% wow, following the banks' guidance for a 30% yoy and a 38% yoy decline in trading revenues in Q2:21, respectively. Moreover, the flattening of the yield curve contributed also to the downside. On the other side of the Atlantic, the EuroStoxx fell by 0.6% wow (+15% ytd) with Basic Resources underperforming (-5.2% wow) following China's announcement that will release metals from its state reserves, instead of relying on global suppliers.

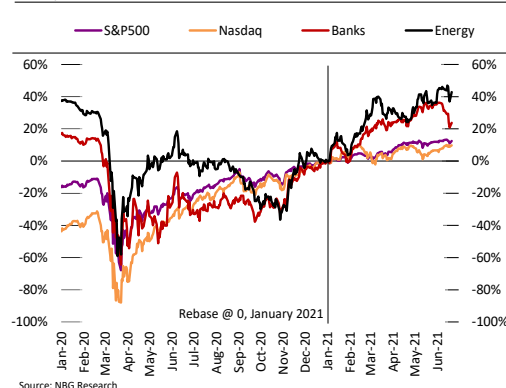
Fixed Income

- Government bond yields increased in major advanced economies in the past week.** Specifically, the US 10-year yield rose by 2 bps to 1.48%, in a volatile week, as the yield's initial upward movement to 1.56%, following the Federal Reserve meeting, was short-lived as investors seem to adopt the view that the Fed will manage to set inflation under control if it is needed. On Friday, the yield declined to 1.45%, recording its lowest level since early-March. Moreover, the 10-year breakeven rates that reflect markets' inflation expectations over the next 10 years fell by 8 bps wow to 2.25%, posting their lowest level since March 9th. Real interest rates (TIPS) increased by +10 bps to -0.79%. On the contrary, the 2-year yield increased by 12 bps to 0.28%, posting its highest level since April 2020, which led to the flattening of the yield curve, with the spread between US Treasury 10-year and 2-year yield, narrowing to 117 bps on Friday, its lowest level since February 18th. In Germany, the 10-year yield increased by 7 bps wow to -0.18%. Periphery government bond yields broadly tracked core markets. Specifically, in Italy the 10-year yield rose by 13 bps to 0.88% and in Spain by 10 bps to 0.46. In Greece, the 10-year yield increased by 8 bps to 0.81% with the GGB/ Bund spread declining to 95 bps intra-week, posting its lowest level since 2008, while the 5-year yield fell into negative territory for the first time (-0.01%).
- Corporate bond spreads narrowed in the US in the past week.** Specifically, US HY spreads were down by 7 bps to 314 bps, while their EUR peers increased by 5 bps to 292 bps. In the investment grade spectrum, US HY spreads were down by 3 bps to 87 bps, while their EUR peers were broadly unchanged at 84 bps.

FX and Commodities

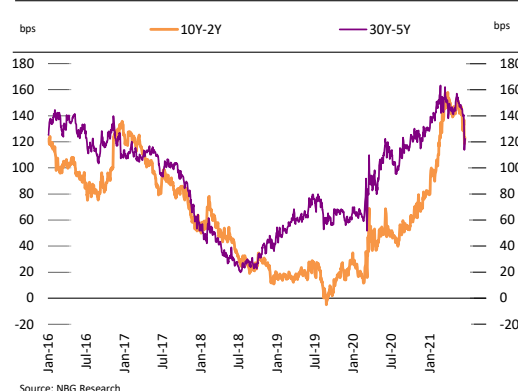
- The US Dollar appreciated in the past week,** following the Fed's unexpected hawkish pivot. Specifically, the USD rose by 1.5% against a basket of trade-weighted currencies (DXY index) and by 1.6% wow against the Euro to \$1.192.
- Finally, in commodities, oil prices rose in the past week,** due to the improved outlook for global demand and the continued uncertainty of a nuclear deal between US and Iran. So far, nuclear talks have been inconclusive - Iran has elected a new hardline president - allaying prospects for a swift revival of their crude exports. The decline in US oil inventories (-7.4 million barrels to 467 million barrels for the week ending June 11th) supported prices further. Overall, Brent ended the week up by 2.9% to \$74.5/barrel (+46% ytd), its highest level since November 2018 and the WTI by 3.9% to \$73.6/barrel (+52% ytd), its highest level since October 2018. Note that the spread on WTI future contracts for September delivery over October (the third- and fourth-closest contracts) rose at \$1.06/barrel on Monday, the highest since mid-2014, signaling a possible tightening in supplies as the outlook of the economy is improving.

US Equities Performance 2020-2021



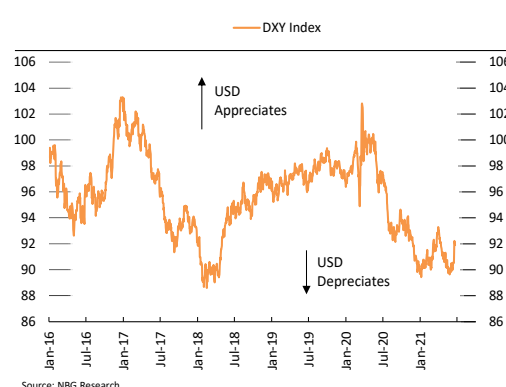
Graph 1.

US Government Bond Yields



Graph 2.

US Dollar Index



Graph 3.

Quote of the week: "It's not a time to try to reach hard conclusions about the labor market, about inflation, about the path of policy. We need to see more data. We need to be a little bit patient... We at the Fed will do everything we can to support the economy for as long as it takes to complete the recovery.", **Fed Chair, Jerome Powell, June 16th 2021.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	June 21st	3-month	6-month	12-month	Official Rate (%)	June 21st	3-month	6-month	12-month
Germany	-0,18	-0,30	-0,20	-0,10	Euro area	0,00	0,00	0,00	0,00
US	1,48	1,40	1,50	1,60	US	0,25	0,25	0,25	0,25
UK	0,78	0,80	0,84	0,88	UK	0,10	0,10	0,08	0,06
Japan	0,04	0,09	0,14	0,14	Japan	-0,10	-0,10	-0,10	-0,10

Currency	June 21st	3-month	6-month	12-month	June 21st	3-month	6-month	12-month	
EUR/USD	1,19	1,17	1,18	1,20	USD/JPY	110	107	107	106
EUR/GBP	0,86	0,87	0,87	0,87	GBP/USD	1,39	1,35	1,36	1,39
EUR/JPY	131	125	126	127					

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
Real GDP Growth (YoY) (1)	2.2	0.3	-9.0	-2.8	-2.4	-3.5	0.4	13.0	7.4	7.9	6.7
Real GDP Growth (QoQ saar) (2)	-	-5.0	-31.4	33.4	4.3	-	6.4	10.2	8.8	6.3	-
Private Consumption	2.4	-6.9	-33.2	41.0	2.3	-3.9	11.3	9.3	7.3	6.7	8.1
Government Consumption	2.3	1.3	2.5	-4.8	-0.8	1.1	5.8	5.9	1.7	2.7	2.3
Investment	1.9	-1.4	-29.2	31.3	18.6	-1.8	11.3	6.8	4.3	3.2	9.4
Residential	-1.7	19.0	-35.6	63.0	36.6	6.1	12.7	3.9	1.8	1.5	13.9
Non-residential	2.9	-6.7	-27.2	22.9	13.1	-4.0	10.8	10.7	4.9	3.6	8.5
Inventories Contribution	0.0	-1.6	-4.3	6.7	1.4	-0.7	-3.3	1.7	1.7	0.0	0.4
Net Exports Contribution	-0.2	1.5	0.3	-5.5	-2.2	0.0	-1.5	-0.7	0.8	0.6	-1.4
Exports	-0.1	-9.5	-64.4	59.6	22.3	-12.9	-2.9	14.1	13.6	9.7	6.9
Imports	1.1	-15.0	-54.1	93.1	29.8	-9.3	6.7	13.5	4.1	2.9	13.4
Inflation (3)	1.8	2.1	0.3	1.2	1.3	1.2	1.9	4.9	4.6	4.1	3.9

Euro Area	2019a	Q1:20a	Q2:20a	Q3:20a	Q4:20a	2020a	Q1:21a	Q2:21f	Q3:21f	Q4:21f	2021f
Real GDP Growth (YoY)	1.3	-3.3	-14.6	-4.1	-4.7	-6.7	-1.3	12.9	3.1	5.4	4.8
Real GDP Growth (QoQ saar)	-	-14.5	-38.6	60.6	-2.4	-	-1.3	5.1	11.4	7.0	-
Private Consumption	1.3	-16.4	-41.8	70.0	-11.2	-8.0	-8.8	6.3	19.4	7.8	2.5
Government Consumption	1.8	-0.1	-9.9	23.0	1.5	1.4	-0.1	0.5	5.4	4.0	3.2
Investment	5.0	-21.4	-50.4	67.0	10.4	-8.4	1.0	7.4	13.7	5.9	7.5
Inventories Contribution	-0.3	2.2	-0.3	-5.7	1.8	-0.3	2.8	-0.4	-0.2	-0.1	0.2
Net Exports Contribution	-0.5	-2.8	-2.2	10.3	-0.4	-0.6	0.5	0.6	-2.1	0.7	0.9
Exports	2.5	-14.6	-56.1	85.8	16.3	-9.6	4.1	7.4	6.5	5.2	9.0
Imports	4.0	-10.0	-55.8	57.0	19.1	-9.1	3.5	6.7	12.1	3.9	7.6
Inflation	1.2	1.1	0.2	0.0	-0.3	0.3	1.0	1.9	2.4	2.5	2.0

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>

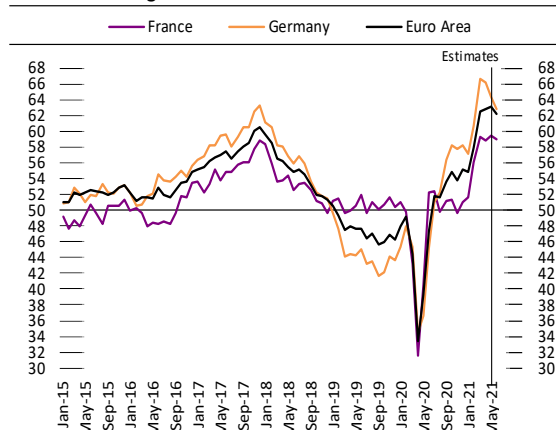
Economic Calendar

In the US, the main macro event next week is the final estimate of GDP for Q1:21, which is released on Thursday. GDP growth is expected to be unchanged compared with the previous estimate at 6.4% qoq saar. On Friday, May's personal income and consumption and PCE data (the Fed's preferred measure for gauging inflation developments) for May will gather investors' attention.

In the Euro area, attention turns to PMI (23/6) and consumer confidence (22/6) surveys for June, as they will provide valuable insight regarding the current economic momentum.

In the UK, the BoE meets on June 24th and is expected to maintain its Bank rate at 0.10% On Wednesday, the PMI manufacturing survey for June is released.

Manufacturing PMIs



Source: NBG Research

Economic News Calendar for the period: June 15 - June 28, 2021

Tuesday 15				Wednesday 16				Thursday 17											
		S	A	P		S	A	P		S	A	P							
US	Retail Sales Advance MoM	May	-0.6%	-1.3%	0.9%	US	Fed announces its intervention rate	June 16	0.25%	0.25%	0.25%	US	Initial Jobless Claims (k)	June 12	360	-	412	375	
	Retail sales ex-autos (MoM)	May	0.3%	-0.7%	0.0%		Building permits (k)	May	1730	-	1681	1733		Continuing Claims (k)	June 5	3400	-	3518	3517
	Industrial Production (MoM)	May	0.6%	0.8%	0.1%		Housing starts (k)	May	1640	-	1572	1517		Philadelphia Fed Business Outlook	June	30.4	+	30.7	31.5
	Empire Manufacturing	June	22.0	-	17.4	24.3	UK	CPI (YoY)	May	1.8%	+	2.1%	1.5%						
	Net Long-term TIC Flows (\$ bn)	April	..	100.7	262.4		Core CPI (YoY)	May	1.5%	+	2.0%	1.3%							
	NAHB housing market confidence index	June	83	-	81	83	JAPAN	Exports YoY	May	51.1%	-	49.6%	38.0%						
UK	ILO Unemployment Rate	April	4.7%	4.7%	4.8%		Imports YoY	May	26.5%	+	27.9%	12.8%							
EURO AREA	Trade Balance SA (€ bn)	April	..	9.4	18.3		CHINA	Retail sales (YoY)	May	14.0%	-	12.4%	17.7%						
								Industrial production (YoY)	May	9.0%	-	8.8%	9.8%						
Friday 18				Monday 21															
		S	A	P		S	A	P		S	A	P							
UK	Retail sales Ex Auto MoM	May	1.1%	-	-2.1%	9.1%													
JAPAN	Bank of Japan announces its intervention rate	June 18	-0.10%	-0.10%	-0.10%														
	CPI (YoY)	May	-0.1%	-0.1%	-0.4%														
	Core CPI (YoY) - ex. Fresh Food	May	0.1%	0.1%	-0.1%														
	Core CPI (YoY) - ex. Fresh Food and Energy	May	..	-0.2%	-0.2%														
Tuesday 22				Wednesday 23				Thursday 24											
		S	A	P		S	A	P		S	A	P							
US	Existing home sales (mn)	May	5.70	..	5.85	US	Markit US Manufacturing PMI	June	61.5	..	62.1	US	GDP (QoQ, annualized)	Q1:21	6.4%	..	6.4%		
EURO AREA	Consumer Confidence Indicator	June	-4.1	..	-5.1		New home sales (k)	May	875	..	863		Durable goods orders (MoM)	May	3.0%	..	-1.3%		
						UK	Markit UK PMI Manufacturing SA	June	64.3	..	65.6		Durable goods orders ex transportation (MoM)	May	0.8%	..	1.0%		
							Markit/CIPS UK Services PMI	June	63.5	..	62.9		Initial Jobless Claims (k)	June 19	380	..	412		
						JAPAN	PMI manufacturing	June	53.1	..	53.0		Continuing Claims (k)	June 12	3510	..	3518		
						EURO AREA	Markit Eurozone Manufacturing PMI	June	62.2	..	63.1	UK	BoE announces its intervention rate	June 24	0.10%	..	0.10%		
							Markit Eurozone Services PMI	June	57.5	..	55.2		BoE Asset Purchase Target (£bn)	June 24	895	..	895		
							Markit Eurozone Composite PMI	June	58.8	..	57.1	GERMANY	IFO- Business Climate Indicator	June	100.2	..	99.2		
													IFO-Expectations	June	104.0	..	102.9		
													IFO- Current Assessment	June	97.3	..	95.7		
Friday 25				Monday 28															
		S	A	P		S	A	P		S	A	P							
US	PCE Deflator (YoY)	May	3.9%	..	3.6%														
	PCE Core Deflator (YoY)	May	3.5%	..	3.1%														
	Personal income (MoM)	May	-2.8%	..	-13.1%														
	Personal spending (MoM)	May	0.4%	..	0.5%														
EURO AREA	M3 money supply (YoY)	May	8.5%	..	9.2%														

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	4225	-0.5	12.5	36.4	43.2	MSCI Emerging Markets	75461	-1.3	5.3	30.6	
Japan	NIKKEI 225	28011	-3.2	2.1	24.6	31.8	MSCI Asia	1171	-1.4	4.1	32.1	
UK	FTSE 100	7062	-1.0	9.3	12.2	-4.7	China	106	-1.7	-1.8	20.6	
Canada	S&P/TSX	20156	0.1	15.6	30.3	22.0	Korea	998	-0.1	7.8	48.5	
Hong Kong	Hang Seng	28489	-1.2	4.6	15.6	0.1	MSCI Latin America	105752	-1.1	5.9	26.1	
Euro area	EuroStoxx	455	-0.6	14.5	27.9	21.3	Brazil	396104	-0.6	6.0	29.1	
Germany	DAX 30	15603	-0.6	13.7	26.5	26.4	Mexico	46029	-2.0	13.2	29.0	
France	CAC 40	6603	0.0	18.9	32.6	19.4	MSCI Europe	6781	-1.0	12.9	26.2	
Italy	FTSE/MIB	25398	-1.2	14.2	29.5	18.7	Russia	1521	-0.9	15.1	29.7	
Spain	IBEX-35	9052	-1.7	12.1	22.1	-1.9	Turkey	1548334	-2.5	-8.5	9.7	

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		169.1	-2.0	31.0	32.0	-16.4	Energy	169.3	-1.2	30.9	26.5	
Materials		346.3	-5.0	8.6	40.5	34.2	Materials	321.9	-4.1	9.8	34.9	
Industrials		336.9	-1.8	10.7	41.0	29.7	Industrials	327.7	-1.2	12.5	38.2	
Consumer Discretionary		407.1	-0.5	8.0	45.9	56.2	Consumer Discretionary	389.1	0.0	9.3	44.4	
Consumer Staples		274.5	-1.6	3.7	15.6	14.7	Consumer Staples	269.4	-0.9	4.8	12.6	
Healthcare		338.2	0.0	8.3	19.5	34.6	Healthcare	329.8	0.4	9.3	17.8	
Financials		141.2	-3.4	18.2	45.1	22.6	Financials	138.6	-2.7	19.0	40.7	
IT		486.1	1.2	9.6	41.0	81.2	IT	468.6	1.4	10.1	40.3	
Telecoms		107.5	-0.5	14.2	39.7	49.9	Telecoms	111.7	-0.3	15.0	38.8	
Utilities		153.9	-1.9	0.4	12.6	8.1	Utilities	154.7	-1.3	1.1	9.8	

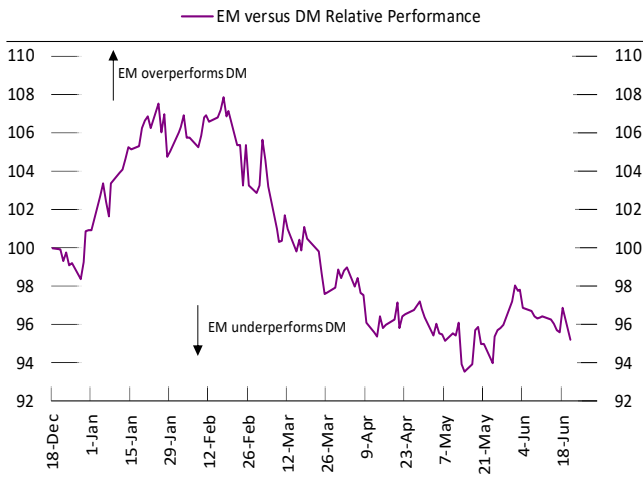
Bond Markets (%)

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		1.48	1.46	0.92	0.68	2.08	US Treasuries 10Y/2Y	121	131	80	48	
Germany		-0.18	-0.25	-0.56	-0.43	0.63	US Treasuries 10Y/5Y	59	71	53	27	
Japan		0.04	0.03	0.02	0.02	0.31	Bunds 10Y/2Y	48	44	16	26	
UK		0.78	0.71	0.20	0.24	1.53	Bunds 10Y/5Y	37	37	18	23	
Greece		0.81	0.73	0.62	1.21	8.62	Corporate Bond Spreads (in bps)		Current	Last week	Year Start	One Year Back
Ireland		0.17	0.10	-0.30	0.00	2.42	EM Inv. Grade (IG)	142	148	163	233	
Italy		0.88	0.75	0.45	1.39	2.70	EM High yield	505	512	524	750	
Spain		0.46	0.36	0.04	0.48	2.34	US IG	87	90	103	157	
Portugal		0.39	0.31	0.05	0.47	3.87	US High yield	314	321	386	602	
US Mortgage Market (1. Fixed-rate Mortgage)		Current	Last week	Year Start	One Year Back	10-year average	Euro area IG	84	84	93	142	
30-Year FRM ¹ (%)		3.11	3.15	2.90	3.30	4.06	Euro area High Yield	292	287	355	506	
vs 30Yr Treasury (bps)		99.9	101.0	125.4	184.0	124.7						

Foreign Exchange & Commodities

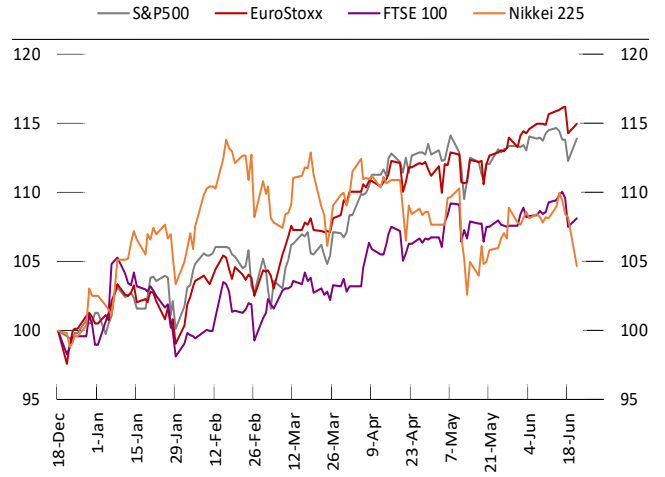
Foreign Exchange		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	Commodities		Current	1-week change (%)	1-month change (%)	1-Year change (%)
Euro-based cross rates							Agricultural	399	-6.5	-7.8	50.2	
EUR/USD		1.19	-1.6	-2.3	6.5	-2.7	Energy	240	2.3	11.9	77.8	
EUR/CHF		1.09	0.5	-0.1	2.8	1.1	West Texas Oil (\$)	74	3.9	15.9	85.3	
EUR/GBP		0.86	-0.1	-0.5	-5.3	-4.3	Crude Brent Oil (\$)	75	3.0	12.7	77.5	
EUR/JPY		131.25	-1.3	-1.2	9.7	3.9	Industrial Metals	444	-5.7	-3.1	49.3	
EUR/NOK		10.23	1.3	0.1	-4.7	-2.3	Precious Metals	2365	-5.4	-5.1	5.3	
EUR/SEK		10.18	1.1	0.5	-3.7	1.3	Gold (\$)	1783	-5.0	-5.2	2.3	
EUR/AUD		1.58	0.7	0.5	-2.9	-0.2	Silver (\$)	26	-7.3	-6.0	47.5	
EUR/CAD		1.47	0.3	0.4	-2.8	-5.4	Baltic Dry Index	3190	11.7	11.2	105.1	
USD-based cross rates							Baltic Dirty Tanker Index	604	4.0	-1.8	18.7	
USD/CAD		1.24	1.9	2.7	-8.7	-2.8						
USD/AUD		1.33	2.3	2.8	-8.8	2.5						
USD/JPY		110.20	0.4	1.1	3.0	6.7						

EM vs DM Performance in \$



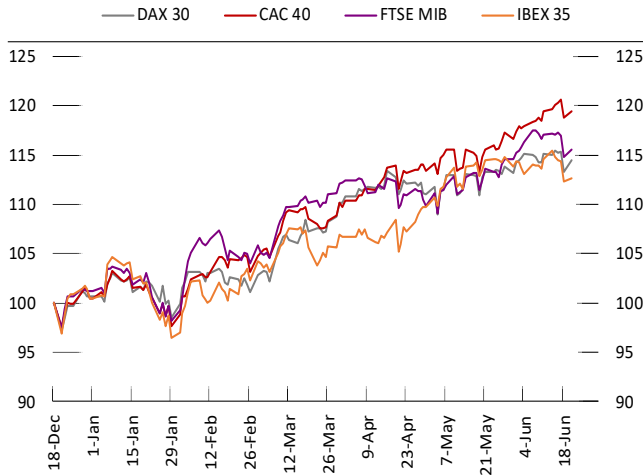
Data as of June 21st – Rebased @ 100

Equity Market Performance - G4



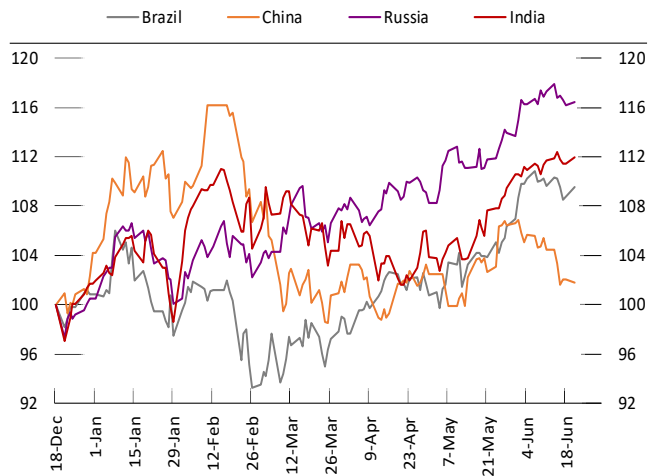
Data as of June 21st – Rebased @ 100

Equity Market Performance – Euro Area G4



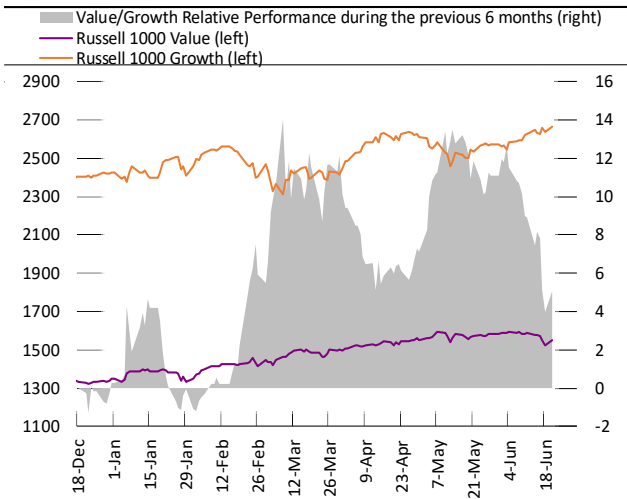
Data as of June 21st – Rebased @ 100

Equity Market Performance - BRICs



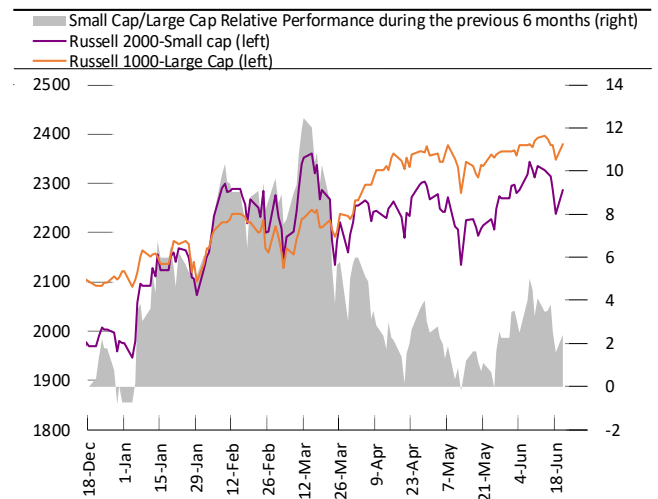
Data as of June 21st – Rebased @ 100

Russell 1000 Value & Growth Index



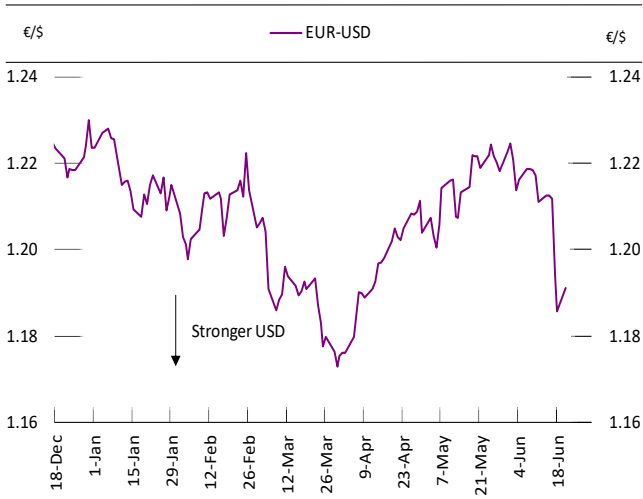
Data as of June 21st

Russell 2000 & Russell 1000 Index



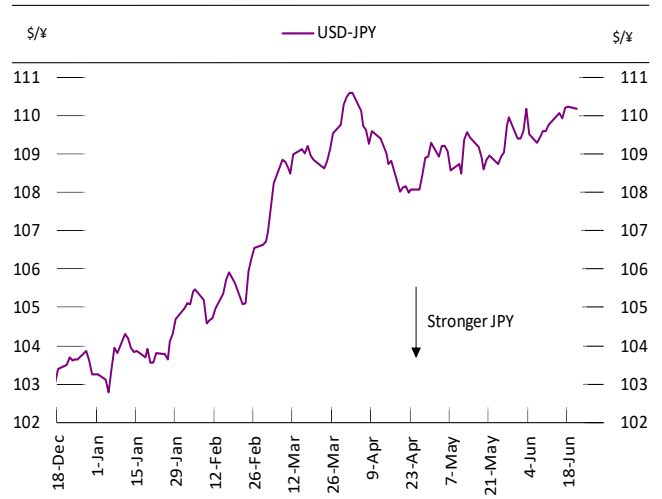
Data as of June 21st

EUR/USD



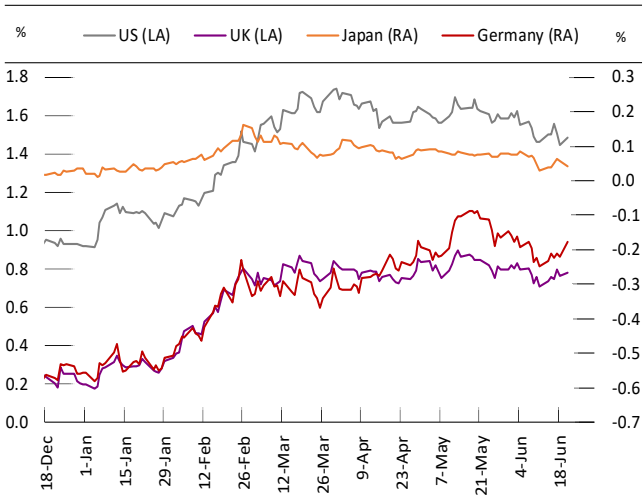
Data as of June 21st

JPY/USD



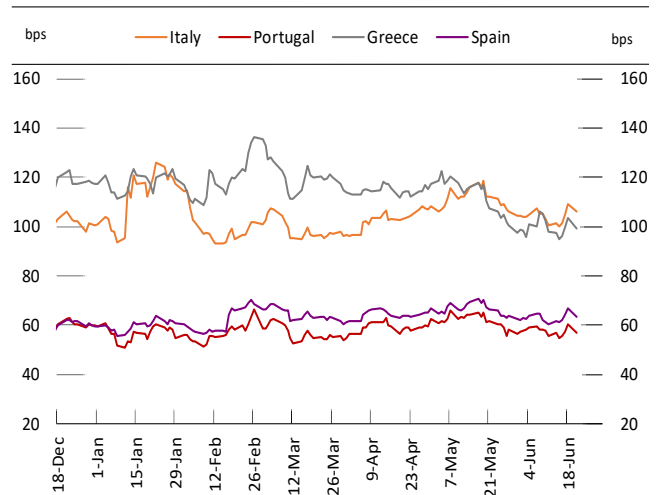
Data as of June 21st

10- Year Government Bond Yields



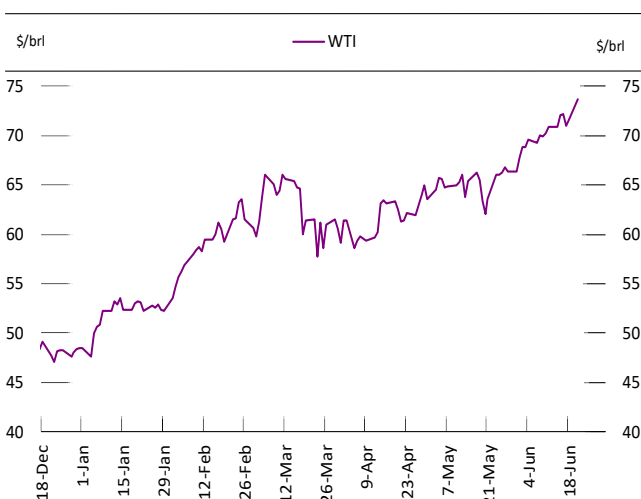
Data as of June 21st
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



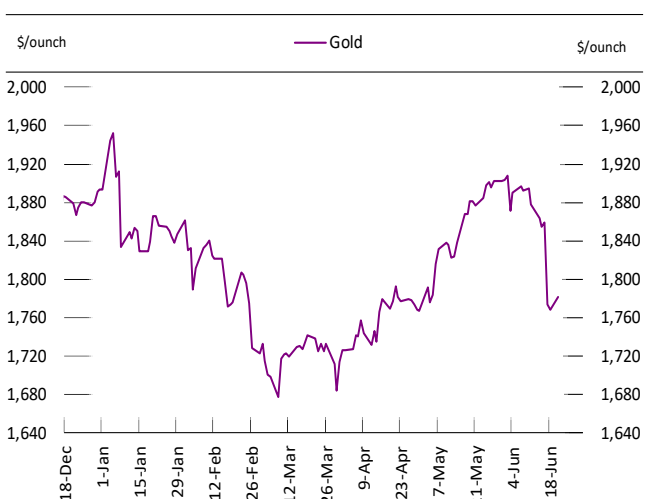
Data as of June 21st

West Texas Intermediate (\$/bbl)



Data as of June 21st

Gold (\$/ounce)



Data as of June 21st

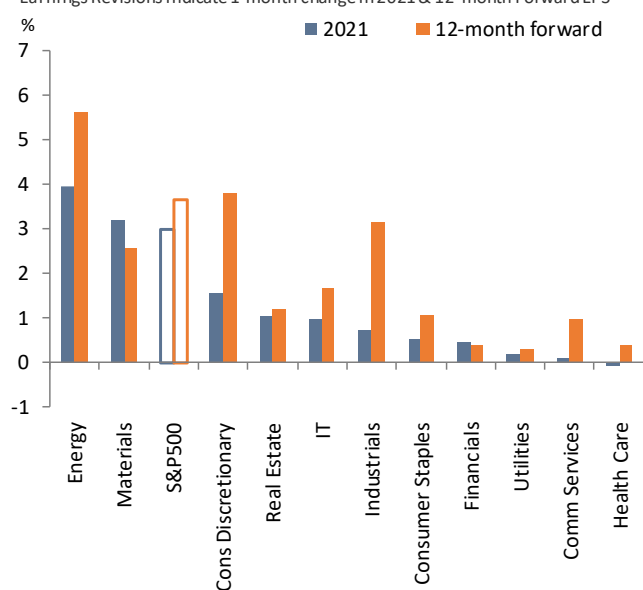
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	21/6/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	Current	10Yr Avg
S&P500	4225	-0.5	12.5	-13.9	39.5	1.5	1.4	27.6	21.6	20.6	16.3	4.2	4.3	4.1	2.8
Energy	409	-1.1	42.8	N/A	N/A	4.8	4.2	N/A	19.4	17.6	16.0	1.7	1.7	1.7	1.7
Materials	516	-4.4	13.2	-6.4	64.3	1.8	1.9	26.5	17.7	17.7	15.6	3.1	3.0	2.9	2.6
Financials															
Diversified Financials	1006	-2.2	23.5	-6.4	38.7	1.3	1.2	20.1	16.5	16.4	14.4	2.0	2.1	2.0	1.5
Banks	391	-5.9	23.8	-32.6	66.2	2.6	2.4	17.9	11.3	11.5	11.1	1.3	1.3	1.2	1.0
Insurance	487	-4.6	13.8	-9.5	25.2	2.3	2.5	14.7	12.5	12.2	11.1	1.4	1.4	1.4	1.1
Real Estate	281	-0.8	23.5	-5.0	8.6	3.0	2.5	21.5	23.6	23.1	18.4	3.3	4.0	4.1	3.2
Industrials															
Capital Goods	875	-2.0	15.1	-30.9	54.1	1.6	1.5	33.3	23.5	21.7	16.5	5.1	5.2	5.0	3.7
Transportation	1064	-1.5	14.4	N/A	N/A	1.4	1.3	N/A	42.7	N/A	10.9	7.1	7.1	6.6	3.7
Commercial Services	462	0.7	9.7	5.5	13.7	1.2	1.1	27.9	28.8	27.4	20.4	5.3	5.6	5.3	3.5
Consumer Discretionary															
Retailing	3925	1.5	10.2	20.5	31.1	0.5	0.5	40.6	34.9	32.6	25.3	15.2	13.5	11.9	8.1
Consumer Services	1417	-1.7	7.4	N/A	N/A	1.1	0.9	N/A	212.8	N/A	24.3	17.2	22.2	20.4	8.7
Consumer Durables	465	-1.5	5.5	-4.0	48.7	1.2	1.3	24.8	17.1	16.2	17.4	4.7	4.2	3.9	3.3
Automobiles and parts	129	0.1	-1.6	-66.9	55.1	0.2	0.0	68.3	42.8	N/A	12.4	7.2	6.3	5.9	2.3
IT															
Technology	2606	2.2	3.4	8.2	36.7	1.0	0.9	28.7	22.6	22.2	14.2	15.2	15.2	14.5	5.3
Software & Services	3459	1.3	12.3	8.3	17.8	0.8	0.8	35.1	32.9	31.0	19.5	10.0	10.1	9.4	5.8
Semiconductors	2018	-0.6	14.1	10.5	27.4	1.2	1.2	25.6	21.2	20.2	14.9	7.6	6.9	6.4	3.5
Communication Services	260	-0.2	17.3	0.1	24.2	0.9	0.8	26.7	23.9	22.6	18.4	4.1	4.2	4.0	3.0
Media	1031	0.0	20.5	5.0	37.0	0.2	0.2	34.2	28.0	26.1	21.5	5.2	5.3	5.0	3.4
Consumer Staples															
Food & Staples Retailing	582	-1.4	2.2	2.9	9.1	1.7	1.6	22.9	22.7	21.9	17.4	4.7	4.9	4.7	3.4
Food Beverage & Tobacco	768	-2.3	5.7	1.4	8.5	3.5	3.3	18.6	19.0	18.4	18.0	5.1	5.3	5.3	5.0
Household Goods	822	-1.2	-2.9	11.2	6.6	2.3	2.3	24.3	24.1	23.3	20.4	9.5	10.4	10.3	6.1
Health Care															
Pharmaceuticals	1163	-0.1	8.7	9.9	15.4	2.2	2.2	15.6	14.7	14.4	14.9	5.2	5.6	5.3	4.1
Healthcare Equipment	1755	1.2	11.3	5.3	15.0	0.9	1.0	21.8	21.0	20.2	16.2	3.8	3.9	3.8	2.8
Utilities	328	-1.8	2.8	1.5	85.3	3.5	3.3	18.1	20.0	19.4	16.5	1.9	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 2021 & 12-month Forward EPS

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

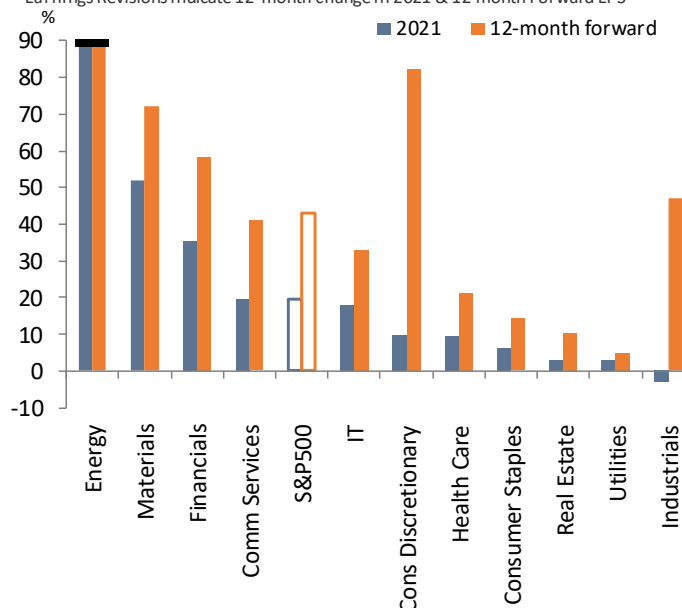


Data as of June 21st

12-month forward EPS are 53% of 2021 EPS and 47% 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 June 21st

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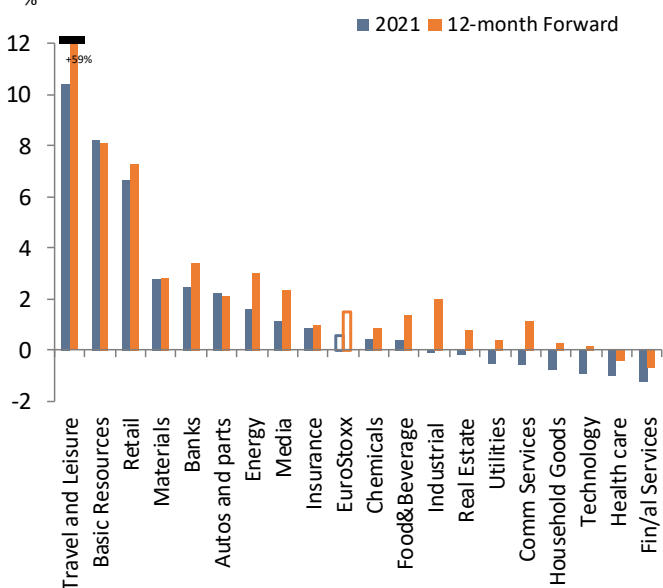
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	21/6/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	Current	10Yr Avg
EuroStoxx	455	-0.6	14.5	-35.3	50.1	2.2	2.5	25.8	19.2	18.1	14.0	1.8	1.9	1.9	1.4
Energy	277	-1.4	9.6	-79.4	293.5	4.1	4.8	55.5	14.4	13.5	12.9	1.4	1.3	1.3	1.1
Materials	956	0.1	10.5	-17.9	87.8	2.5	2.5	28.0	16.3	16.6	15.4	2.1	2.1	2.1	1.7
Basic Resources	228	-5.2	9.7	N/A	N/A	2.2	2.5	N/A	7.1	8.1	12.0	1.1	1.0	0.9	0.7
Chemicals	1391	0.9	10.5	-7.7	34.0	2.5	2.5	24.8	20.6	20.1	16.1	2.4	2.6	2.6	2.3
Financials															
Fin/Al Services	552	3.2	12.6	-27.2	23.6	2.4	2.6	18.8	17.0	17.1	14.0	1.3	1.4	1.3	1.2
Banks	95	-3.6	28.3	-47.6	58.6	2.1	4.7	14.8	10.5	9.8	9.7	0.6	0.6	0.6	0.6
Insurance	286	-0.5	9.3	-24.1	38.6	5.5	5.4	12.9	9.8	9.5	9.4	0.8	0.9	0.8	0.9
Real Estate	232	-0.6	5.3	-14.5	0.3	3.2	3.1	18.4	20.8	19.7	17.2	0.9	1.0	1.0	1.0
Industrial	1118	0.5	14.3	-24.6	16.3	1.5	1.6	28.1	26.7	24.2	16.4	3.4	3.6	3.5	2.5
Consumer Discretionary															
Media	258	0.1	17.5	-23.2	15.0	2.3	2.3	21.7	20.8	19.7	16.2	2.7	2.6	2.6	1.9
Retail	799	1.0	20.4	-41.7	72.7	1.8	2.0	43.8	32.0	29.8	22.6	5.6	6.4	6.1	4.2
Automobiles and parts	646	-1.1	28.3	-77.8	593.1	1.7	3.5	52.5	8.9	8.4	8.8	1.0	1.1	1.1	1.0
Travel and Leisure	219	-1.7	2.7	N/A	N/A	0.3	0.5	N/A	N/A	N/A	N/A	2.7	3.3	3.2	2.1
Technology	849	-1.0	18.4	-5.3	24.9	0.6	0.7	36.2	32.0	29.7	20.0	5.4	5.1	4.8	3.4
Communication Services	287	-1.2	16.1	6.7	-18.4	4.6	3.5	12.1	17.0	16.1	14.2	1.4	1.5	1.5	1.7
Consumer Staples															
Food&Beverage	563	-0.5	8.2	-39.9	26.9	1.5	1.6	28.6	26.1	24.4	19.3	2.4	2.7	2.6	2.6
Household Goods	1477	1.1	21.3	-31.4	49.3	1.0	1.0	51.6	42.2	39.8	23.8	6.5	7.3	6.9	3.8
Health care	887	-0.8	9.1	-8.9	7.2	1.9	1.9	20.4	20.8	19.9	16.2	2.4	2.5	2.5	2.2
Utilities	378	-0.1	-0.8	-21.6	19.1	4.4	4.3	18.7	16.6	15.9	13.3	1.6	1.7	1.7	1.1

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

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

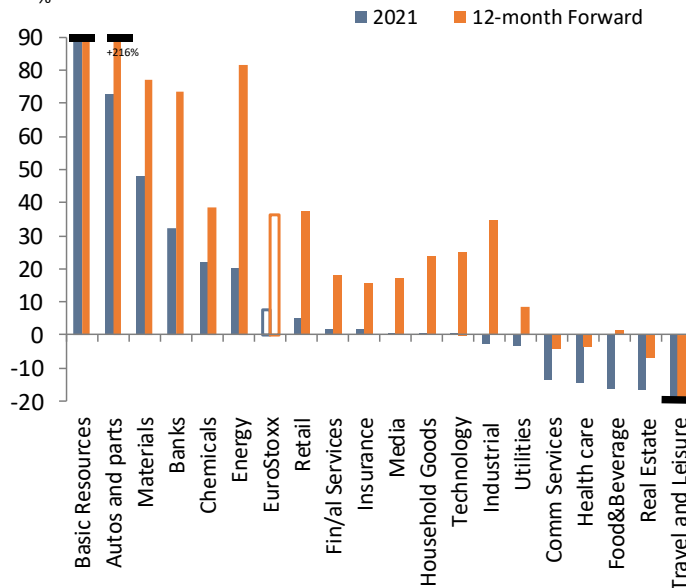


Data as of June 21st

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Data as of June 21st

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