

Strong PMIs and the acceleration in the pace of vaccinations, point to a more favorable path for the euro area economy

- The composite euro area PMI index rose by 3.1 pts to 56.9 in May, the highest since February 2018, well above the expansion/contraction threshold of 50, overshooting consensus estimates for 54.8 and suggesting that euro area economic growth is set to accelerate in H2:2021.
- Reflecting an improved outlook, euro area core Government bond yields have increased by circa 50 basis points year-to-date, albeit from ultra low levels. President Lagarde's dovish comments that it is too early to discuss winding down the pandemic emergency purchase programme, suggest that the ECB will be vigilant against a premature tightening of financing conditions.
- The latest ECB's Financial Stability Review (FSR, May 2021) commented about "remarkable exuberance" in equity markets, an expression reminiscent of the former Fed Chair Alan Greenspan's "irrational exuberance" speech (1996).
- Current conditions in global financial markets, have also led some investors to draw comparisons with past periods of excessive enthusiasm, albeit real interest rates are now significantly lower than 1996, justifying the shift of portfolio allocations to more risky assets.
- Elevated valuations though, make equities vulnerable to "unexpected and prolonged contractions". The S&P500 has surged by 86% since its March 2020 lows, while the 12-month forward Price/Earnings (P/E) ratio stands at 21.3x (94th percentile), compared with pre-pandemic level of 19.3x. The EuroStoxx index has increased by 64% during the same period. The P/E of 18.1x ranks at the 94th percentile, compared with 16x pre-pandemic.
- A sharp hike in interest rates "could prompt an adjustment in risk asset valuations, with possible adverse implications for financial stability" (FSR, May 2021). A 10% correction in the US equity market due to a US monetary policy tightening shock, could possibly lead to an immediate decline of 9% in its euro area peers. Speculative-Grade corporate bond spreads could widen by 245 bps in an eight-week period (Investment-Grade: +39 bps).
- According to the minutes of the April 28th FOMC meeting, a number of participants (albeit not the Fed's leadership) suggested that if the economy continued to make rapid progress toward the Committee's goals, it might be appropriate at some point in upcoming meetings to begin discussing a plan for adjusting the pace of asset purchases. Chair Powell though, reiterated that the economy is still long away from Fed's goals.
- "Signs of exuberance" have also been present in the crypto-asset market, with Bitcoin price surpassing the \$60,000 milestone in April, overshadowing by a wide margin previous episodes of extreme price appreciation such as the "Tulip mania" in 1637 and the South Sea Bubble in 1720.
- Bitcoin price has declined by 44% since its April high to \$36,000, *inter alia*, due to (i) China's decision to ban financial institutions and payment companies from providing services related to cryptocurrency transactions; (ii) increased scrutiny by regulators (US Treasury proposed that the cryptocurrency transfers of at least \$10,000 should be reported to the IRS) and E. Musk's statement about Tesla no longer accepting Bitcoin as a means of payment.

Ilias Tsirigotakis^{AC}
Head of Global
Markets Research
210-3341517
tsirigotakis.ilias@nbg.gr

Panagiotis Bakalis
210-3341545
mpakalis.pan@nbg.gr

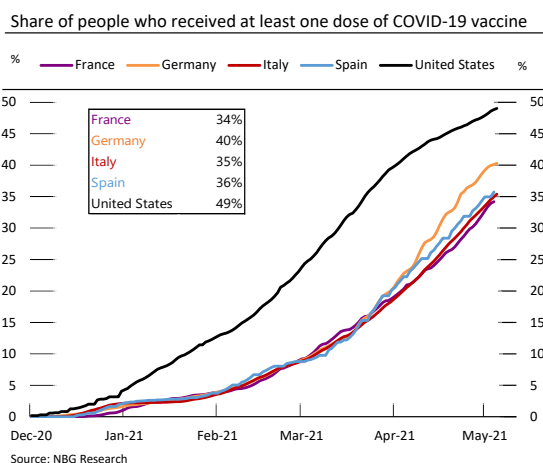
Vasiliki Karagianni
210-3341548
karagianni.vasiliki@nbg.gr

Leonidas Patsios
210-3341553
Patsios.Leonidas@nbg.gr

Table of Contents

Overview_p1
Economics & Markets_p2,3
Forecasts & Outlook_p4
Event Calendar_p5
Markets Monitor_p6
ChartRoom_p7,8
Market Valuation_p9,10

Charts of the week



Manufacturing & Services PMIs

	2020							2021				
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Manufacturing PMIs												
US	49,8	50,9	53,1	53,2	53,4	56,7	57,1	59,2	58,6	59,1	60,5	61,5
Euro Area	47,4	51,8	51,7	53,7	54,8	53,8	55,2	54,8	57,9	62,5	62,9	62,8
UK	50,1	53,3	55,2	54,1	53,7	55,6	57,5	54,1	55,1	58,9	60,9	66,1
Services PMIs												
US	47,9	50,0	55,0	54,6	56,9	58,4	54,8	58,3	59,8	60,4	64,7	70,1
Euro Area	48,3	54,7	50,5	48,0	46,9	41,7	46,4	45,4	45,7	49,6	50,5	55,1
UK	47,1	56,5	58,8	56,1	51,4	47,6	49,4	39,5	49,5	56,3	61,0	61,8

Source: NBG Research

Euro area PMIs pointed to a substantial expansion of activities across sectors in May

- **PMIs exceeded expectations in May.** Specifically, the composite index rose by 3.1 pts to 56.9 (the highest since February 2018), well above the expansion/contraction threshold of 50 and overshooting consensus estimates for 54.8. Notably, the relatively more forward looking indicator of new orders, reached a 15-year high at the composite level. Note that output is failing, so far, to catch up with demand. That imbalance has resulted in the index of average prices charged for goods, registering a record (since 2002) high, with prices charged for services, also on the rise.
- The aforementioned improvement in the headline composite index, was due to the services PMI rising significantly, on the back of a partial easing of pandemic-related restrictions, at 55.1 in May, compared with 50.5 in the previous month (consensus: 52.3). Recall that social distancing measures weigh sharply (and disproportionately) on the sector, in which a big part of activities (e.g. food services, leisure & hospitality) involve face-to-face interaction of people, while travel (tourism, business conferences), has also been restricted due to Covid-19. At the same time, the manufacturing PMI was largely stable at record (since June 1997) highs (-0.1 pt to 62.8 | broadly in line with consensus estimates).
- Meanwhile, consumer confidence was also up in May, to -5.1 (consensus for -6.5), compared with -8.1 in April and an average of -11.5 since 2001.
- **Regarding PMI performance by country, the solid readings were broad based, with Germany slightly underperforming France, while the rest of the euro area (on a country weighted basis), modestly overperformed both, according to Markit.** Specifically, in France the composite PMI was 57.0 in May, from 51.6 in the previous month, above expectations for 53.7. The increase was mainly due to the services PMI (+6.3 pts to a 10-month high of 56.6), while its manufacturing counterpart was little changed, at robust levels (+0.3 pts to 59.2).
- **German PMIs recorded mixed changes, albeit overall posting satisfactory readings across sectors.** Specifically, the services PMI rose by 2.9 pts to 52.8, a 10-month high. At the same time, its manufacturing counterpart fell by 2.2 pts, albeit remaining elevated at 64.0. Notably, manufacturers reported severe supply chain bottlenecks, curbing output and weighing on new orders, as customers are due to face extended delays in the delivery of products. In all, the composite index stood at 56.2, from 55.8 in April (consensus: 57.1).

UK PMIs reached record high levels in May, due to the broad easing of pandemic-related restrictions

- **PMIs in May pointed to a sharp increase of business activity for a 3rd consecutive month, across sectors.** Specifically, the PMI in the dominant services sector (80% of UK GDP) came out at 61.8 (the highest since October 2013), versus 61.0 in April and largely in line with consensus estimates. At the same time, the manufacturing PMI rose to a record (since January 1992) high of 66.1, from 60.9 in the previous month and overshooting by a wide margin expectations for 60.0. Notably, the relatively more forward looking indicator of new orders overperformed (69.1). Overall, the composite PMI came out at 62.0 in May, from 60.7 in April, a record (since January 1998) high and well above the expansion/contraction threshold of 50.

- According to the respondents, the increase in activity was due to significantly looser pandemic-related restrictions, alongside elevated pent-up demand. Recall that the easing of these restrictions has already proceeded substantially and according to the respective government's roadmap, is set to be completed by June 21st.

Japanese GDP declined considerably in Q1:2021

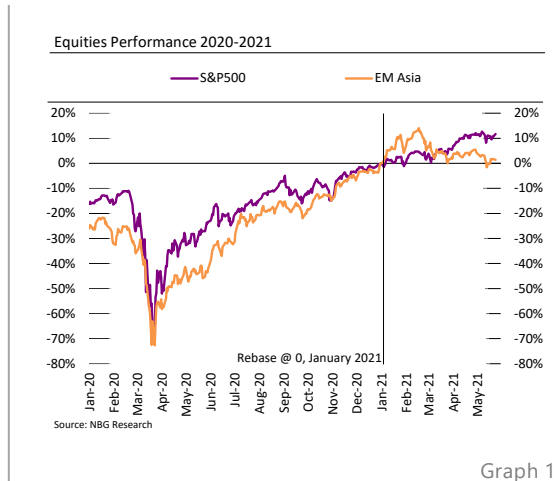
- **Japanese GDP contracted by 5.1% qoq saar in Q1:21 (-1.9% yoy) according to the preliminary estimate, in view of the re-implosion of a state of emergency due to the pandemic, following a rise by +11.6% qoq saar (-1.1% yoy) in Q4:20.** The outcome in Q1 was below consensus estimates for -3.9% qoq saar. The weakness was broad based across GDP expenditure components. Specifically, **private consumption** fell by 5.4% qoq saar (-3.0 pps contribution to the headline figure), following a +9.0% qoq saar in Q4:20. **Business investment** decreased by 5.5% qoq saar (+18.3% in the previous quarter), subtracting 0.9 pps from overall GDP growth. **Public investment** was down by 4.2% qoq saar (-0.2 pps | +4.7% qoq saar in Q4:20), while **government consumption** fell by 6.9% qoq saar (-1.5 pps | +7.3% qoq saar in Q4:20). **Net exports** subtracted further 1.1 pp, as imports (+16.8% qoq saar) outpaced exports (+9.7% qoq saar). On the other hand, **residential investment** rose by 4.5% qoq saar (+0.3% in Q4:20), with a positive contribution of 0.2 pps to the headline outcome. Finally, **inventories** contributed 1.2 pps to the headline figure. It should be noted that, historically, the GDP components of business investment and inventories are revised meaningfully in the 2nd GDP estimate (due on June 8th), which incorporates more inclusive data for the corporate sector and, thus, the respective figures in the preliminary estimate should be noted with caution.
- **Looking forward, the outcome for Q2:21 is highly uncertain,** due to the prolongation of states of emergency in many areas, as the path of the pandemic remains disconcerting and the vaccinations program is still at very early stages. Note that as of May 23rd, 4.8% of the population had received at least one dose of a vaccine against Covid-19, while just 2.1% had been fully inoculated.

China's economic activity modestly undershot expectations in April

- **Economic activity in China entered Q2:21 moderately below consensus estimates, albeit remaining resilient.** Specifically, the annual growth of retail sales (in value terms) came out at +17.7% yoy in April, from +34.2% yoy in March and versus expectations for +25.0% yoy. The respective pace for industrial production was +9.8%, compared with +14.1% yoy in the previous month, largely in line with consensus estimates. Recall that the manufacturing of automobiles (+7.7% yoy) lags, unsurprisingly given supply chain issues related to a (global) shortage of semiconductors. Finally, fixed asset investment growth stood at +19.9% yoy, compared with +25.6% yoy in March and broadly in line with consensus. In all, the aforementioned decelerations were due to less favorable base effects and do not alter materially the economic outlook. Notably, the latest readings came in conjunction with slower credit growth. In the event, overall credit growth, as measured by Total Social Financing (TSF), stood at +11.7% yoy in April, from +12.3% yoy in March (average of +12.7% yoy since the start of the pandemic | +10.8% yoy in 2019).

Equities

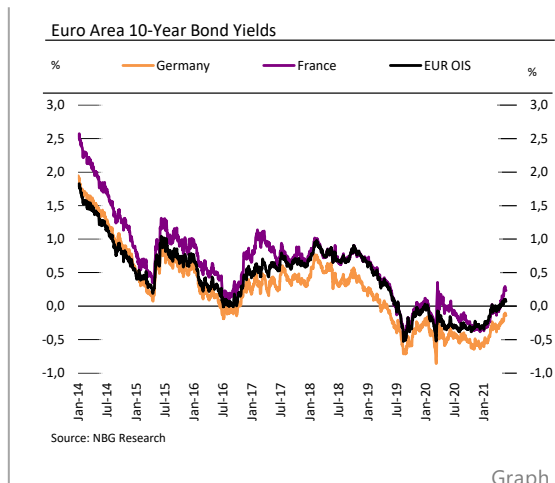
- Global equity markets were broadly flat in the past week, with risk appetite increasing in the start of the current week.** Overall, the MSCI ACWI ended the week up by 0.3% (+9% ytd), with emerging markets (+1.7% wow | +3% ytd) overperforming their developed peers (+0.2% wow | +9% ytd). The overperformance was due to EM Asia (the respective MSCI index rose by 2.0% wow | +2% ytd), which in turn benefited, *inter alia*, from a considerable increase for bourses in India (the Sensex 30 Index was up by 3.7% wow). Note that the pandemic situation (despite remaining severe), posted signs of improvement in India. Regarding developed markets, the S&P500 was modestly down by 0.4% in the past week, rising though by 1.0% on Monday (May 24th | +12% ytd), on the back, *inter alia*, of recent Fed officials' commentary, allaying the concerns for a material alteration of the US monetary policy in the near future. Option-implied volatility eased, with the Chicago Board Options Exchange Volatility Index ("VIX") at a 2-week low of 18% on Monday. At the same time, positive corporate earnings surprises continue. Specifically, out of the 482 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 +52% yoy (the highest since Q1:2010) versus +24% yoy on March 31st and +4% yoy in Q4:2020. On the other side of the Atlantic, the EuroStoxx rose slightly, by 0.3% in the past week, followed by +0.2% on Monday (May 24th | +12% ytd).



Graph 1.

Fixed Income

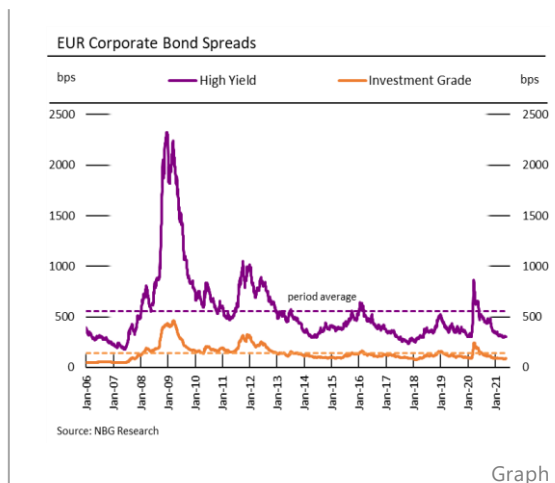
- The US Treasury 10-year yield, ended the week broadly stable at 1.62%.** Nevertheless, the yield rose significantly on Wednesday (+4 bps to 1.68%), following the release of the minutes from the latest Fed's meeting (which raised concerns about the timing for the start of the "tapering" discussion). However, on Thursday the trend reversed with the yield declining 5 bps, following the dovish comments from Fed officials (Bostic, Barkin). In the UK, the 10-year yield declined by 2 bps wow to 0.84%, while in Germany, the 10-year yield was broadly stable at -0.11%, although it reached a 2-year high on Wednesday (-0.09%). Similarly, periphery bond yields, in the 10-year tenor, exhibited high volatility, as they recorded multi-month highs intra-week, before ending the week down due to dovish comments from President Lagarde (Italy: -4 bps to 1.01%, reaching 1.09% intra-week which is its highest level since July 2020, Spain: -3 bps to 0.56%, reaching 0.62% intra-week which is its highest level since June 2020 and Greece: -9 bps to 0.97%, reaching 1.09% intra-week, its highest since February 2021). **Corporate bond spreads were mixed in the past week.** Specifically, US high yield spreads rose by 2 bps to 337 bps, while their euro area counterparts were down by 1 bp to 305 bps. In the Investment Grade spectrum, US and EUR spreads were broadly stable at 91 bps and 86 bps respectively.



Graph 2.

FX and Commodities

- The US dollar posted mixed changes against its peers in the past week.** Specifically, the USD was largely unchanged on a weekly basis in nominal effective exchange rate terms (stable also in ytd terms), even with a -0.5% wow against the euro (+0.4% ytd), to \$1.22, its lowest level since end-February. **Finally, in commodities, oil prices ended the week down,** due to investors' expectations that the progress in the US-Iran talks, could lead to a partial removal of the sanctions that have been imposed to Iran's oil sector. Overall, Brent declined by 3.3% to \$66.4/barrel (+28% ytd) and the WTI by 2.7% to \$63.6/barrel (+31% ytd). However, the downward trend reversed on Friday with prices recording significant gains on Monday (Brent: +3%, WTI: +4%), due to expectations for vaccine-driven rising demand.



Graph 3.

Quote of the week: "We should see through a higher period of inflation because the underlying factors and fundamentals are certainly not there to let us...forecast that inflation will stay at these levels.", **ECB President, Christine Lagarde, May 21st 2021.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	May 21st	3-month	6-month	12-month	Official Rate (%)	May 21st	3-month	6-month	12-month
Germany	-0.11	-0.30	-0.20	-0.10	Euro area	0.00	0.00	0.00	0.00
US	1.62	1.40	1.50	1.60	US	0.25	0.25	0.25	0.25
UK	0.84	0.78	0.81	0.84	UK	0.10	0.10	0.08	0.06
Japan	0.08	0.08	0.14	0.14	Japan	-0.10	-0.10	-0.10	-0.10

Currency	May 21st	3-month	6-month	12-month	May 21st	3-month	6-month	12-month	
EUR/USD	1.22	1.17	1.18	1.20	USD/JPY	109	107	106	105
EUR/GBP	0.86	0.87	0.87	0.87	GBP/USD	1.42	1.35	1.36	1.38
EUR/JPY	133	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
Real GDP Growth (YoY) (1)	2.2	0.3	-9.0	-2.8	-2.4	-3.5	0.4	12.6	6.8	7.0	6.3
Real GDP Growth (QoQ saar) (2)	-	-5.0	-31.4	33.4	4.3	-	6.4	8.4	8.2	5.1	-
Private Consumption	2.4	-6.9	-33.2	41.0	2.3	-3.9	10.7	10.5	9.8	5.6	8.4
Government Consumption	2.3	1.3	2.5	-4.8	-0.8	1.1	6.3	0.9	0.2	2.3	1.2
Investment	1.9	-1.4	-29.2	31.3	18.6	-1.8	10.1	5.2	4.6	3.2	8.9
Residential	-1.7	19.0	-35.6	63.0	36.6	6.1	10.8	8.1	5.0	1.1	14.7
Non-residential	2.9	-6.7	-27.2	22.9	13.1	-4.0	9.9	7.5	4.5	3.8	7.6
Inventories Contribution	0.0	-1.6	-4.3	6.7	1.4	-0.7	-3.1	1.2	0.5	0.2	0.3
Net Exports Contribution	-0.2	1.5	0.3	-5.5	-2.2	0.0	-1.1	-1.7	0.0	0.0	-1.7
Exports	-0.1	-9.5	-64.4	59.6	22.3	-12.9	-1.1	11.7	9.5	7.9	6.4
Imports	1.1	-15.0	-54.1	93.1	29.8	-9.3	5.7	17.8	6.4	5.1	14.4
Inflation (3)	1.8	2.1	0.3	1.2	1.3	1.2	1.9	4.2	3.5	3.2	3.2

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	-4.2	-4.9	-6.8	-1.8	12.3	2.7	4.8	4.3
Real GDP Growth (QoQ saar)	-	-14.2	-38.8	59.9	-2.6	-	-2.5	4.5	12.0	5.7	-
Private Consumption	1.3	-16.8	-41.6	69.5	-11.5	-8.1	-3.3	6.0	17.7	7.2	3.5
Government Consumption	1.8	-1.1	-8.4	19.9	1.7	1.1	1.5	1.5	1.5	1.8	2.9
Investment	5.0	-21.7	-50.5	68.3	6.4	-8.5	0.5	7.9	12.1	6.4	6.9
Inventories Contribution	-0.3	2.1	0.0	-5.8	2.5	-0.2	0.1	0.0	0.0	0.1	-0.1
Net Exports Contribution	-0.5	-1.9	-3.4	10.4	-0.3	-0.6	-1.0	-0.9	-0.1	0.0	0.4
Exports	2.5	-14.1	-56.6	85.4	14.9	-9.8	1.9	3.7	10.7	7.7	8.4
Imports	4.0	-11.3	-55.1	56.1	17.4	-9.3	4.4	6.0	11.9	8.3	8.0
Inflation	1.2	1.1	0.2	0.0	-0.3	0.3	1.0	1.6	2.1	2.3	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
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>

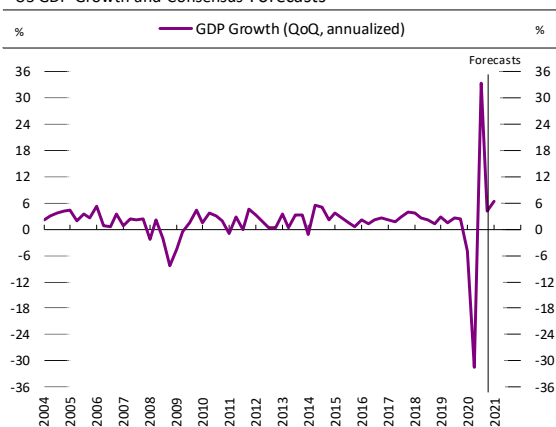
Economic Calendar

In the US, the main macro event next week is the second 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, April's personal income and consumption and PCE data (the Fed's preferred measure for gauging inflation developments) for April will gather investors' attention.

In Japan, high frequency activity indicators for April (industrial production, retail sales) will be closely monitored to assess the economic momentum.

Finally, on Monday investor attention turns to the OECD Economic Outlook that will provide valuable insight regarding global economic trends and prospects.

US GDP Growth and Consensus Forecasts



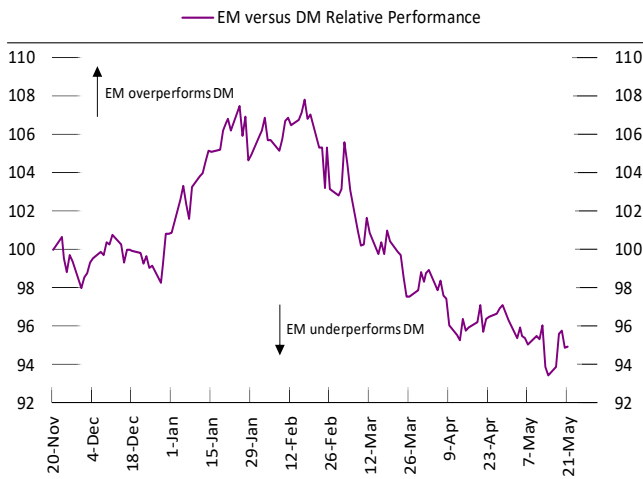
Source: NBG Research

Economic News Calendar for the period: May 18 - May 31, 2021

Tuesday 18				Wednesday 19				Thursday 20												
Country	Indicator	S	A	P	Country	Indicator	S	A	P	Country	Indicator	S	A	P						
US	Building permits (k)	April	1770	-	1760	1755	US	FOMC Minutes	April 28			US	Initial Jobless Claims (k)	May 15	451	+	444	478		
	Housing starts (k)	April	1700	-	1569	1733		UK	Continuing Claims (k)	May 8	3640		-	3751	3640					
UK	ILO Unemployment Rate	March	4.9%	+	4.8%	4.9%	UK	CPI (YoY)	April	1.4%	+	1.5%	0.7%	Philadelphia Fed Business Outlook	May	42.3	-	31.5	50.2	
JAPAN	GDP (QoQ)	Q1:21	-1.0%	-	-1.3%	2.8%		Core CPI (YoY)	April	1.3%		1.3%	1.1%	JAPAN	Exports YoY	April	30.9%	+	38.0%	16.1%
EURO AREA	GDP (QoQ)	Q1:21	-0.6%	-	-0.6%	-0.6%							JAPAN	Imports YoY	April	6.4%	+	12.8%	5.8%	
	GDP (YoY)	Q1:21	-1.8%	-	-1.8%	-1.8%														
	Trade Balance SA (€ bn)	March	..		13.0	23.1														
Friday 21				EURO AREA				Monday 24												
US	Markit US Manufacturing PMI	May	60.2	+	61.5	60.5	Markit Eurozone Manufacturing PMI	May	62.5	+	62.8	62.9								
	Existing home sales (mn)	April	6.08	-	5.85	6.01														
UK	Markit UK PMI Manufacturing	May	60.0	+	66.1	60.9	Markit Eurozone Services PMI	May	52.3	+	55.1	50.5								
	Markit/CIPS UK Services PMI	May	61.8		61.8	61.0	Markit Eurozone Composite PMI	May	54.8	+	56.9	53.8								
	Retail sales Ex Auto MoM	April	4.2%	+	9.0%	4.6%	Consumer Confidence Indicator	May	-6.5	+	-5.1	-8.1								
JAPAN	PMI manufacturing	May	53.3	-	52.5	53.6														
	CPI (YoY)	April	-0.4%	-	-0.4%	-0.2%														
	Core CPI (YoY) - ex. Fresh Food	April	-0.1%	-	-0.1%	-0.1%														
	Core CPI (YoY) - ex. Fresh Food and Energy	April	..		-0.2%	0.3%														
Tuesday 25				Wednesday 26				Thursday 27												
US	S&P Case/Shiller house price index 20 (YoY)	March	12.4%	..	11.9%					US	GDP (QoQ, annualized)	Q1:21	6.4%	..	6.4%					
	Conference board consumer confidence	May	119.4	..	121.7						Personal consumption (QoQ, annualized)	Q1:21	..	..	10.7%			
	New home sales (k)	April	970	..	1021						Pending home sales (MoM)	April	1.1%	..	1.9%					
GERMANY	GDP (QoQ)	Q1:21	-1.7%	..	-1.7%						Durable goods orders (MoM)	April	0.7%	..	1.0%					
	GDP (wda, YoY)	Q1:21	-3.0%	..	-3.0%						Durable goods orders ex transportation (MoM)	April	0.7%	..	2.3%					
	Private Consumption (QoQ)	Q1:21	-5.2%	..	-3.3%						Initial Jobless Claims (k)	May 22	430	..	444					
	Government Spending QoQ	Q1:21	0.8%	..	-0.5%						Continuing Claims (k)	May 15	3700	..	3751					
	IFO- Business Climate Indicator	May	98.1	..	96.8															
	IFO- Expectations	May	100.9	..	99.5															
	IFO- Current Assessment	May	95.3	..	94.1															
Friday 28				Monday 31																
US	PCE Deflator (YoY)	April	3.5%	..	2.3%	OECD Economic Outlook														
	PCE Core Deflator (YoY)	April	3.0%	..	1.8%	UK	Nationwide House Px NSA YoY	May	..	..	7.1%							
	Personal income (MoM)	April	-15.4%	..	21.1%	JAPAN	Industrial Production (MoM)	April	..	..	1.7%							
	Personal spending (MoM)	April	0.5%	..	4.2%		Industrial Production (YoY)	April	..	..	3.4%							
JAPAN	Unemployment rate	April	2.6%	..	2.6%		Retail sales (MoM)	April	..	..	1.2%							
EURO AREA	Business Climate Indicator	May	..	..	1.1		Retail sales (YoY)	April	12.3%	..	5.2%							
	Economic confidence indicator	May	113.4	..	110.3		Construction Orders YoY	April	..	..	12.5%							
						EURO AREA	M3 money supply (YoY)	April	..	..	10.1%							
						CHINA	Manufacturing PMI	May	51.2	..	51.1									

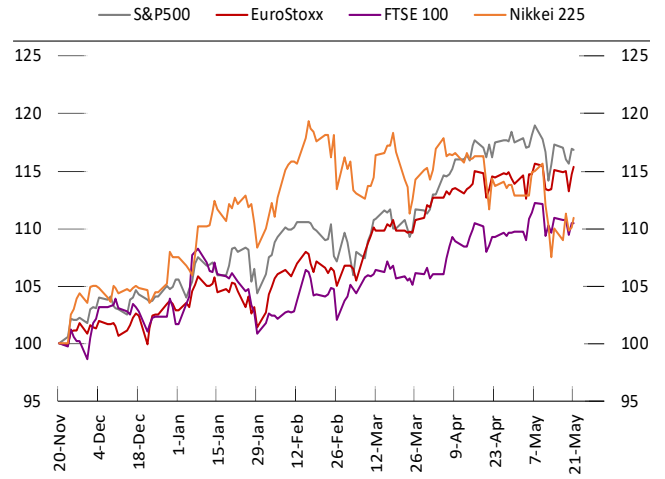
Source: NBG Research
S: Consensus Analysts Survey, A: Actual Outcome, P: Previous Outcome

EM vs DM Performance in \$



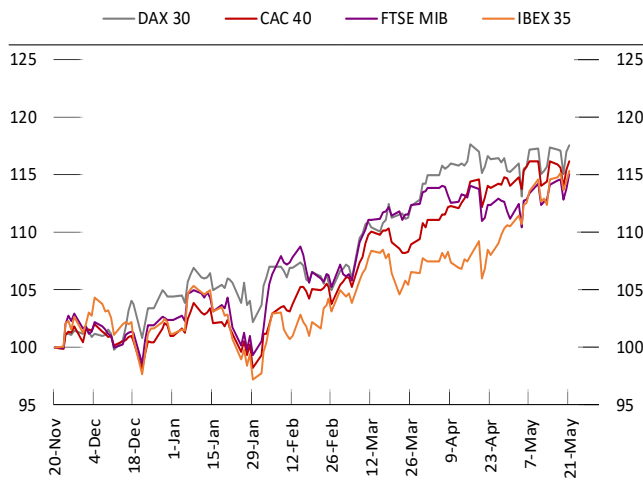
Data as of May 21st – Rebased @ 100

Equity Market Performance - G4



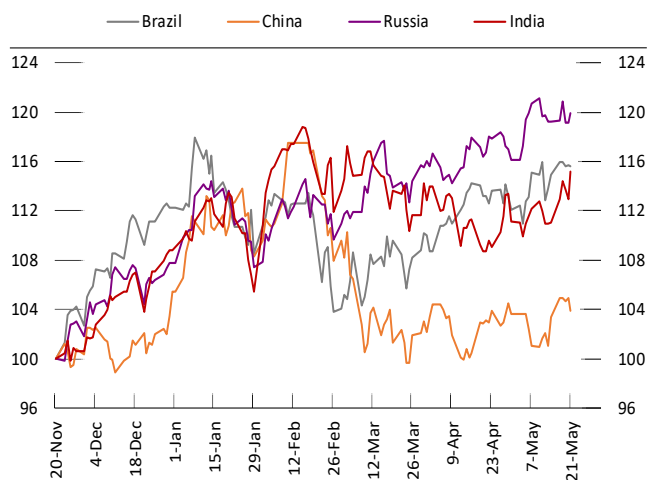
Data as of May 21st – Rebased @ 100

Equity Market Performance – Euro Area G4



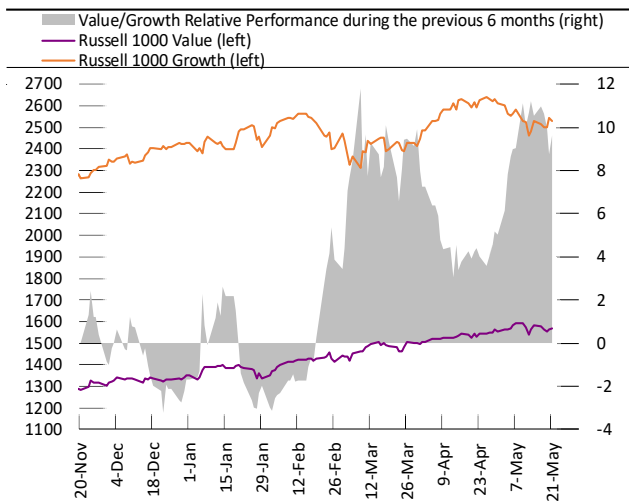
Data as of May 21st – Rebased @ 100

Equity Market Performance - BRICs



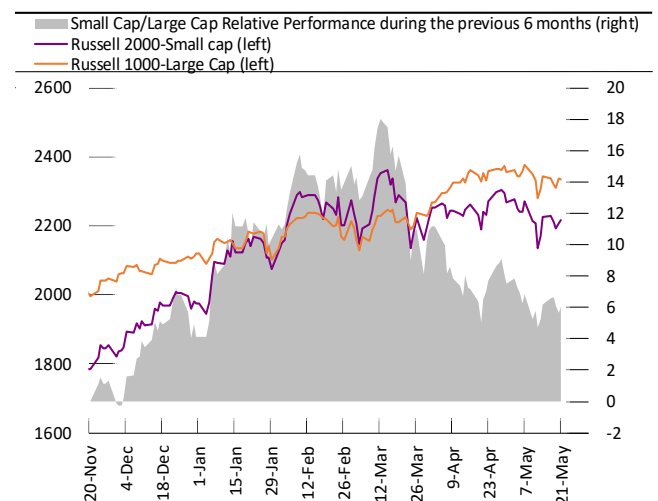
Data as of May 21st – Rebased @ 100

Russell 1000 Value & Growth Index



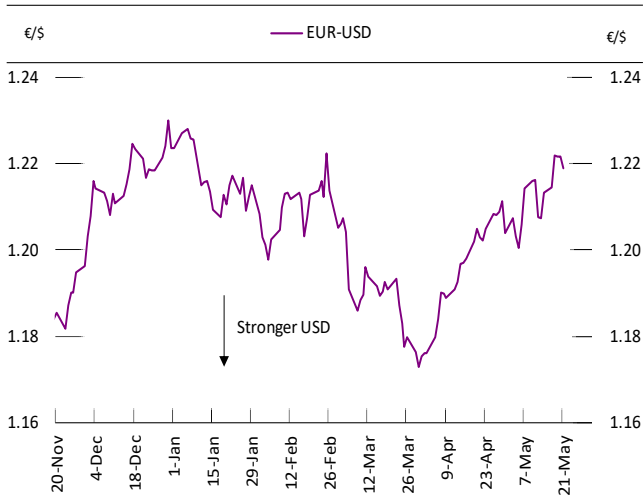
Data as of May 21st

Russell 2000 & Russell 1000 Index



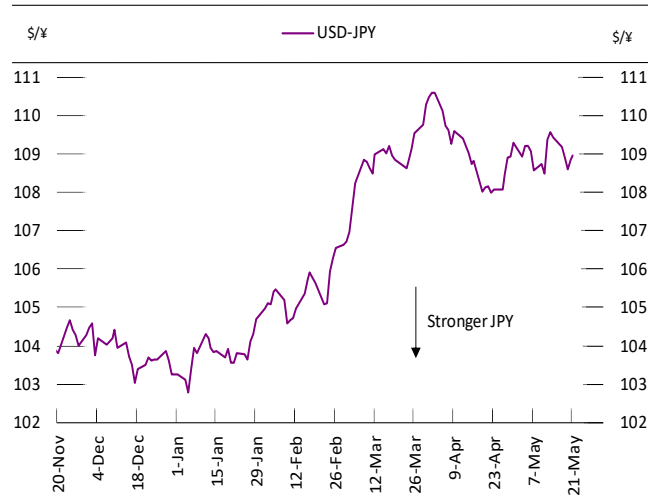
Data as of May 21st

EUR/USD



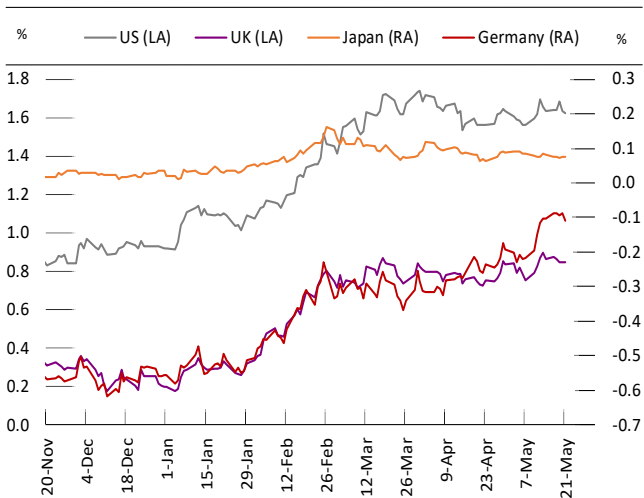
Data as of May 21st

JPY/USD



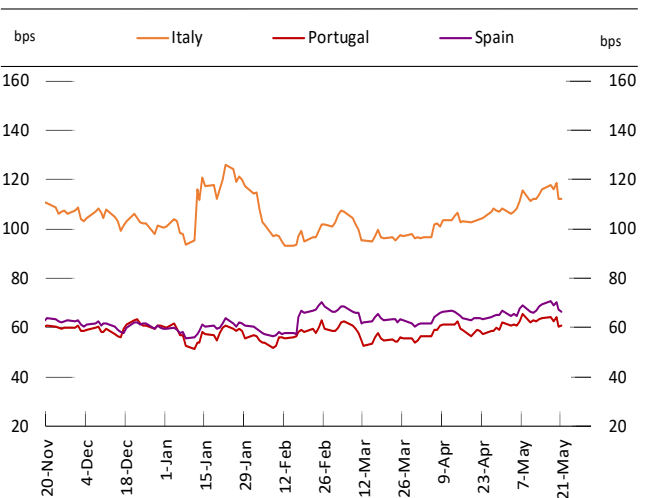
Data as of May 21st

10- Year Government Bond Yields



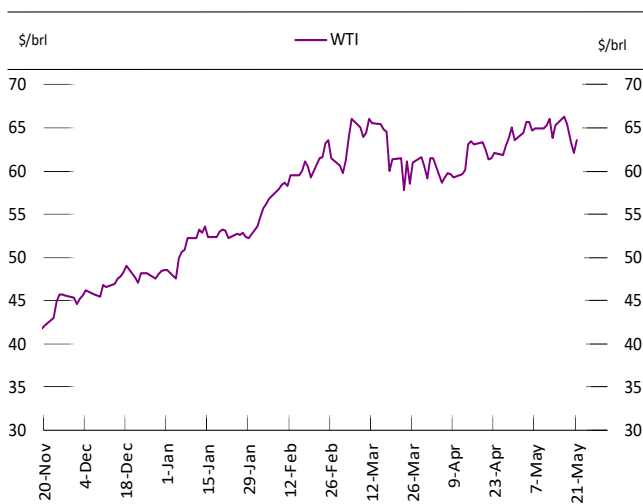
Data as of May 21st
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



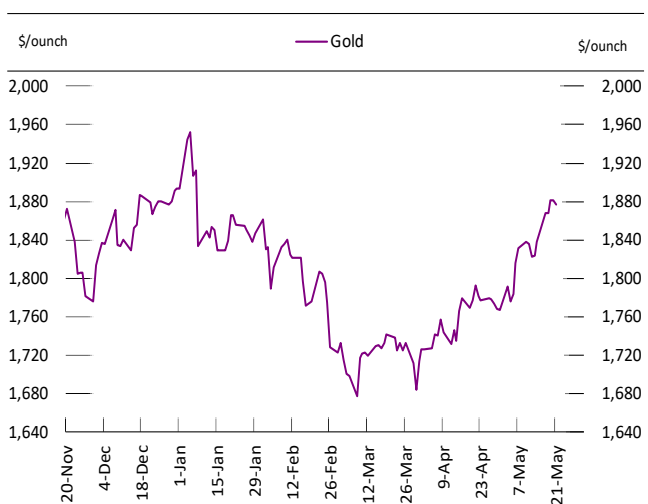
Data as of May 21st

West Texas Intermediate (\$/bbl)



Data as of May 21st

Gold (\$/ounce)



Data as of May 21st

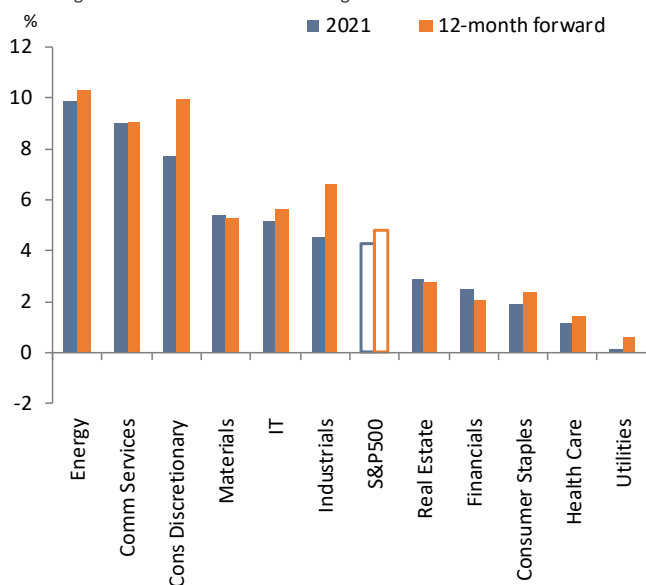
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	21/5/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	Current	10Yr Avg
S&P500	4156	-0.4	10.6	-14.0	35.5	1.5	1.4	27.6	22.2	21.3	16.2	4.2	4.3	4.2	2.7
Energy	390	-2.8	36.3	N/A	N/A	4.8	4.2	N/A	20.2	18.6	17.5	1.7	1.7	1.7	1.7
Materials	544	-1.4	19.4	-6.4	59.0	1.8	1.7	26.5	19.7	19.5	15.6	3.1	3.3	3.2	2.6
Financials															
Diversified Financials	1012	-0.6	24.2	-6.4	38.1	1.3	1.2	20.1	17.1	16.9	14.3	2.0	2.1	2.1	1.5
Banks	423	-0.9	33.9	-32.6	65.3	2.6	2.1	17.9	12.6	12.8	11.1	1.3	1.4	1.4	1.0
Insurance	516	-1.6	20.7	-9.5	25.5	2.3	2.3	14.7	13.6	13.2	11.1	1.4	1.6	1.5	1.1
Real Estate	264	0.9	16.0	-5.0	7.5	3.0	2.6	21.5	22.8	22.4	18.4	3.3	3.9	4.0	3.2
Industrials															
Capital Goods	884	-1.6	16.2	-30.9	53.6	1.6	1.5	33.3	24.4	22.8	16.4	5.1	5.4	5.2	3.7
Transportation	1099	-2.4	18.1	N/A	N/A	1.4	1.2	N/A	47.6	N/A	10.7	7.1	7.6	7.2	3.7
Commercial Services	458	-0.9	8.7	5.5	13.5	1.2	1.1	27.9	29.2	28.0	20.3	5.3	5.6	5.4	3.4
Consumer Discretionary															
Retailing	3777	-1.3	6.0	20.5	29.7	0.5	0.5	40.6	34.0	32.0	25.1	15.2	13.1	11.8	8.0
Consumer Services	1401	-0.4	6.2	N/A	N/A	1.1	0.9	N/A	203.4	N/A	23.5	17.2	22.4	21.3	8.6
Consumer Durables	472	-4.0	7.2	-4.0	44.9	1.2	1.2	24.8	18.0	17.2	17.3	4.7	4.4	4.1	3.3
Automobiles and parts	121	0.0	-7.9	-66.9	49.5	0.2	0.0	68.3	41.6	N/A	12.1	7.2	5.9	5.6	2.2
IT															
Technology	2503	-1.4	-0.7	8.2	36.3	1.0	1.0	28.7	22.1	21.7	14.1	15.2	14.8	14.3	5.2
Software & Services	3265	-0.1	6.0	8.3	17.0	0.8	0.8	35.1	31.7	30.1	19.4	10.0	9.5	9.1	5.7
Semiconductors	1907	2.9	7.8	10.5	24.9	1.2	1.3	25.6	20.5	19.6	14.8	7.6	6.6	6.2	3.5
Communication Services	251	-0.6	13.2	0.1	24.2	0.9	0.8	26.7	23.3	22.2	18.3	4.1	4.1	3.9	3.0
Media	987	0.0	15.4	5.0	36.7	0.2	0.2	34.2	27.1	25.6	21.4	5.2	5.1	4.9	3.4
Consumer Staples															
Food & Staples Retailing	589	-0.1	3.5	2.9	7.0	1.7	1.6	22.9	23.8	23.0	17.3	4.7	5.0	4.9	3.4
Food Beverage & Tobacco	782	0.3	7.7	1.4	8.3	3.5	3.2	18.6	19.6	19.1	18.0	5.1	5.5	5.4	5.0
Household Goods	846	-0.1	-0.2	11.2	6.7	2.3	2.2	24.3	24.9	24.3	20.4	9.5	10.7	10.6	6.0
Health Care															
Pharmaceuticals	1147	0.7	7.1	9.9	14.4	2.2	2.2	15.6	14.7	14.5	14.8	5.2	5.6	5.3	4.1
Healthcare Equipment	1760	0.8	11.6	5.3	16.3	0.9	1.0	21.8	21.2	20.5	16.1	3.8	4.0	3.8	2.8
Utilities	335	0.3	4.9	1.5	2.6	3.5	3.2	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

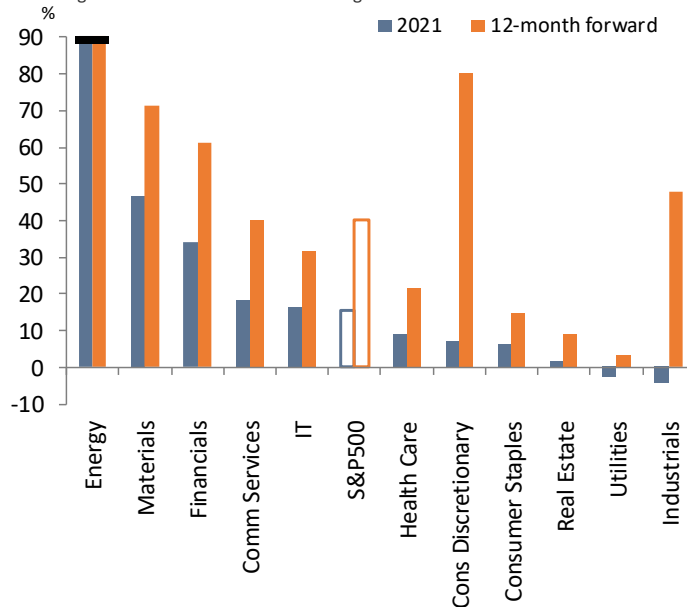
Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS



Data as of May 21st
12-month forward EPS are 61% of 2021 EPS and 39% 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 21st
12-month forward EPS are 61% of 2021 EPS and 39% of 2022 EPS

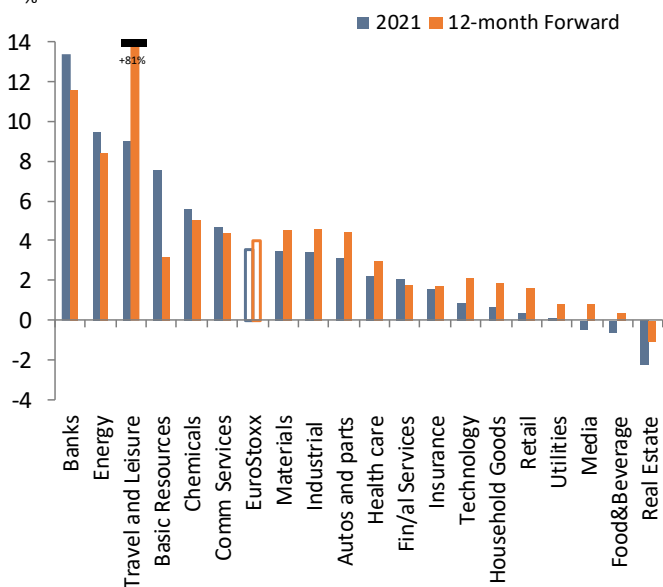
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	21/5/21	% Weekly Change	%YTD	2020	2021	2020	2021	2020	2021	12m fwd	10Yr Avg	2020	2021	Current	10Yr Avg
EuroStoxx	446	0.3	12.2	-35.3	49.2	2.2	2.5	25.8	19.0	18.1	13.9	1.8	1.9	1.8	1.4
Energy	273	-0.8	8.1	-79.4	287.3	4.1	4.7	55.5	14.5	13.8	12.8	1.4	1.3	1.3	1.1
Materials	517	-1.4	20.1	-34.3	44.6	2.9	2.8	22.5	17.7	16.6	14.4	1.8	2.0	1.9	1.4
Basic Resources	234	-3.2	12.7	N/A	N/A	2.2	2.3	N/A	8.0	9.2	12.0	1.1	1.0	1.0	0.7
Chemicals	1391	-0.6	10.5	-7.7	33.4	2.5	2.4	24.8	21.0	20.6	16.1	2.4	2.7	2.6	2.3
Financials															
Fin/Al Services	527	-0.4	7.3	-27.2	25.2	2.4	2.6	18.8	16.1	16.4	14.0	1.3	1.4	1.3	1.2
Banks	97	-0.1	31.9	-47.6	54.7	2.1	4.4	14.8	11.1	10.5	9.6	0.6	0.6	0.6	0.6
Insurance	291	-1.0	11.5	-24.1	37.3	5.5	5.3	12.9	10.1	9.8	9.4	0.8	0.9	0.9	0.9
Real Estate	217	0.8	-1.3	-14.5	0.6	3.2	3.3	18.4	19.5	18.7	17.1	0.9	0.9	0.9	1.0
Industrial	1071	-0.9	9.4	-24.6	16.4	1.5	1.7	28.1	25.8	23.8	16.4	3.4	3.5	3.4	2.5
Consumer Discretionary															
Media	256	1.1	16.9	-23.2	13.7	2.3	2.3	21.7	21.0	20.1	16.1	2.7	2.6	2.6	1.9
Retail	776	2.1	17.0	-41.7	61.9	1.8	2.0	43.8	33.4	31.4	22.5	5.6	6.3	6.1	4.2
Automobiles and parts	605	2.0	20.1	-77.8	576.6	1.7	3.6	52.5	8.8	8.3	8.8	1.0	1.1	1.0	1.0
Travel and Leisure	210	-0.9	-1.7	N/A	N/A	0.3	0.5	N/A	N/A	N/A	N/A	2.7	3.2	3.1	2.0
Technology	807	0.0	12.5	-5.3	26.0	0.6	0.8	36.2	30.2	28.4	19.9	5.4	5.0	4.7	3.4
Communication Services	283	2.3	14.4	6.7	-17.6	4.6	3.6	12.1	16.6	16.0	14.1	1.4	1.5	1.5	1.7
Consumer Staples															
Food&Beverage	564	1.6	8.3	-39.9	26.4	1.5	1.6	28.6	26.3	24.8	19.2	2.4	2.7	2.7	2.6
Household Goods	1397	1.7	14.7	-31.4	50.5	1.0	1.1	51.6	39.7	37.7	23.7	6.5	6.8	6.5	3.8
Health care	882	1.1	8.5	-8.9	8.2	1.9	2.0	20.4	20.4	19.6	16.1	2.4	2.5	2.4	2.2
Utilities	390	1.0	2.5	-21.6	19.7	4.4	4.2	18.7	17.1	16.5	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

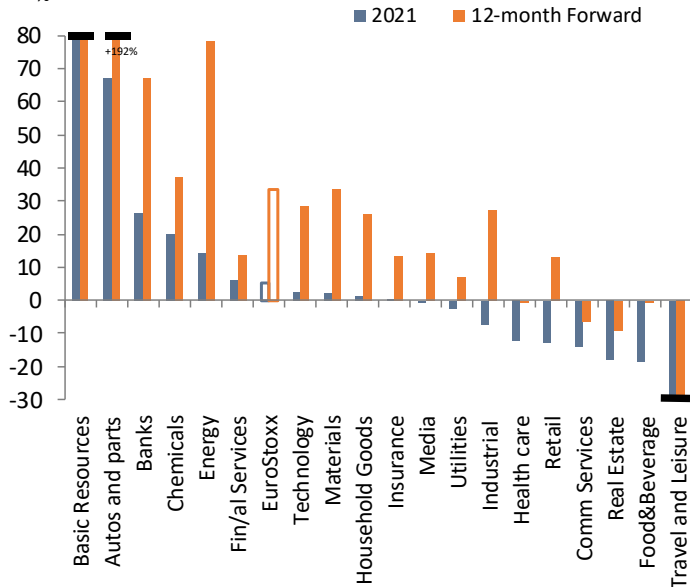
Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS %



Data as of May 21st
12-month forward EPS are 61% of 2021 EPS and 39% 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 21st
12-month forward EPS are 61% of 2021 EPS and 39% of 2022 EPS

DISCLOSURES:

This report has been produced by the Economic Research Division of the National Bank of Greece, which is regulated by the Bank of Greece, and is provided solely as a sheer reference for the information of experienced and sophisticated investors who are expected and considered to be fully able to make their own investment decisions without reliance on its contents, i.e. only after effecting their own independent enquiry from sources of the investors' sole choice. The information contained in this report does not constitute the provision of investment advice and under no circumstances is it to be used or considered as an offer or an invitation to buy or sell or a solicitation of an offer or invitation to buy or sell or enter into any agreement with respect to any security, product, service or investment. No information or opinion contained in this report shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency rate or other market or economic measure. Past performance is not necessarily a reliable guide to future performance. National Bank of Greece and/or its affiliates shall not be liable in any matter whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance on or usage of this report and accepts no legal responsibility to any investor who directly or indirectly receives this report. The final investment decision must be made by the investor and the responsibility for the investment must be taken by the investor.

Any data provided in this report has been obtained from sources believed to be reliable but has not been independently verified. Because of the possibility of error on the part of such sources, National Bank of Greece does not guarantee the accuracy, timeliness or usefulness of any information. Information and opinions contained in this report are subject to change without notice and there is no obligation to update the information and opinions contained in this report. The National Bank of Greece and its affiliate companies, its representatives, its managers and/or its personnel or other persons related to it, accept no responsibility, or liability as to the accuracy, or completeness of the information contained in this report, or for any loss in general arising from any use of this report including investment decisions based on this report. This report does not constitute investment research or a research recommendation and as such it has not been prepared in accordance with legal requirements designed to promote investment research independence. This report does not purport to contain all the information that a prospective investor may require. Recipients of this report should independently evaluate particular information and opinions and seek the advice of their own professional and financial advisers in relation to any investment, financial, legal, business, tax, accounting or regulatory issues before making any investment or entering into any transaction in relation to information and opinions discussed herein.

National Bank of Greece has prepared and published this report wholly independently of any of its affiliates and thus any commitments, views, outlook, ratings or target prices expressed in these reports may differ substantially from any similar reports issued by affiliates which may be based upon different sources and methodologies.

This report is not directed to, or intended for distribution to use or use by, any person or entity that is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to any law, regulation or rule.

This report is protected under intellectual property laws and may not be altered, reproduced or redistributed, or passed on directly or indirectly, to any other party, in whole or in part, without the prior written consent of National Bank of Greece.

ANALYST CERTIFICATION:

The research analyst denoted by an "AC" on page 1 holds the certificate (type Δ) of the Hellenic Capital Market Commission/Bank of Greece which allows her/him to conduct market analysis and reporting and hereby certifies that all of the views expressed in this report accurately reflect his or her personal views solely, about any and all of the subject issues. Further, each of these individuals also certifies that no part of any of the report analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report. Also, all opinions and estimates are subject to change without notice and there is no obligation for update.