

Investors' focus shifts to third quarter earnings season and US inflation

- Investors will closely monitor the Q3 earnings season which kicks off on October 12th. Consensus anticipates positive EPS annual growth of +27% in Q3, with 2021 S&P500 expected EPS at \$199. Apart from the Q3 results, attention will also focus on companies' guidance. Inflation and unit costs, as well as supply chain bottlenecks are factors that expected to dominate earnings' calls.
- According to NKE (-6% since Delta wave in July vs -1% for Cons. Discretionary Sector and -8% for Consumer Durables & Apparel Industry), moving products from Asia to North America now takes about 80 days, from 40 days prior to the pandemic. In addition, 10 weeks of production have been lost in Vietnam since mid-July due to Government's zero tolerance against Covid-19 outbreaks.
- Analysts remain optimistic in aggregate for Q3 EPS, albeit to a lesser extent than in Q1 and Q2. Base effects have become more challenging and Q3 US real GDP growth estimates have been revised downwards, to 1.3% qoq saar from 6.1% in July, according to the Atlanta's Fed model.
- Having said that, the 12-month forward Earnings Revision Ratio (ERR), which we calculate as # of EPS upgrades minus # of EPS downgrades over the total # of EPS revisions, has decelerated to near zero suggesting high sensitivity to recent (negative) growth and (positive) inflation developments (see graph 2 page 3).
- Moreover, consensus has increased earnings estimates in Q3 by +2.7% to \$48.4 (July 1st to October 12th), although less so compared with Q1 (+7%) and Q2 (+7%). Over the past 40 quarters, earnings estimates have fallen by -3.7% on average during a quarter (see graph 3 page 3).
- While earnings downgrades are not devastating for equity markets, disappointing earnings could trigger further volatility given (i) elevated S&P500 valuations with the 12-month forward P/E ratio at 21x (84% percentile since 1990) and (ii) the recent increase in 10-year real interest rates by 30 bps to -0.92% since June, albeit still in negative territory. The S&P500 has sliced through its short-term moving average (ma), testing its 100-day ma, currently 4366 (see graph 1 page 3).
- On the US economy, total nonfarm payrolls rose by 194k, below consensus for +479k, albeit significant positive net revisions for the previous two months took place (+169k). The unemployment rate declined significantly by 0.4 pps to 4.8%. All in all, the US labor market is healing gradually (see graph below), while the latest data would likely not prevent the Fed's tapering announcement (November 3rd). Note that 10-Year US Treasury yields increased by 14 bps to 1.61% wov and financial markets price-in the first FFR interest rate increase in Q3:2022, with household balance sheets in very good shape (see graph below).
- Attention now turns to the US inflation data for September. CPI is expected stable at 5.3% yoy (0.3% mom vs. 0.5% mom on average in 2021), while the core figure is expected at 4.1% yoy from 4% yoy. On a positive note, concerns regarding the debt ceiling have temporarily subsided as the Senate voted in favor of legislation that would increase the federal debt limit (\$28.4 trillion currently) by \$480 billion. The Treasury Department estimates the above amount would allow the government to continue borrowing through at least December 3rd.

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

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

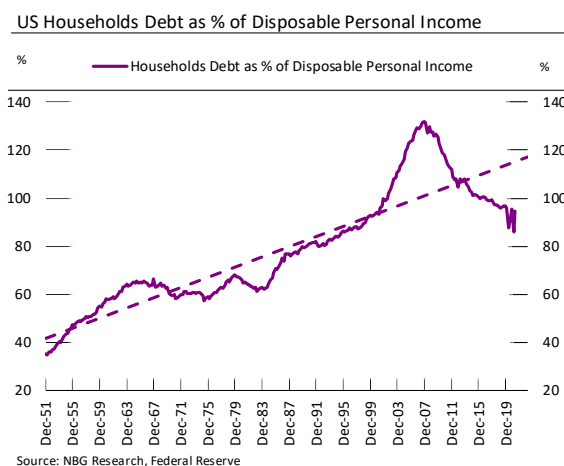
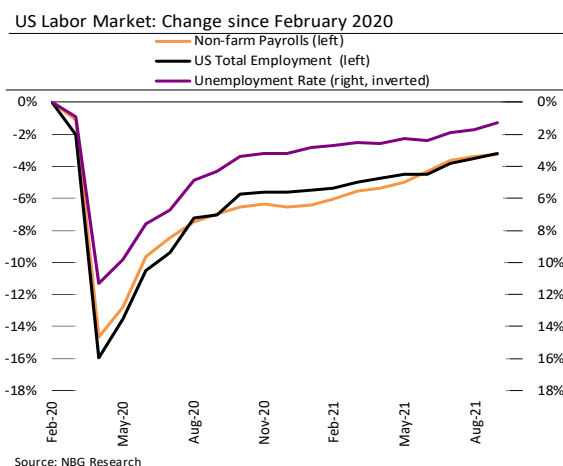
Vasiliki Karagianni
210-3341548
karagianni.vasiliki@nbg.gr

Leonidas Patsios
210-3341533
Patsios.Leonidas@nbg.gr

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Charts of the week



Headline job creation in the US undershot expectations in September

- **The US unemployment rate fell substantially further in September, albeit (headline) job creation was below expectations.** In the event, non-farm payrolls increased by 194k (in seasonally adjusted terms) in September, compared with +366k in August and well below consensus estimates for 479k. Compared with April 2020, non-farm payrolls are up by 17.4 million, albeit still down by 5.0 million from its pre-pandemic level in February 2020. It should also be noted though, that significant positive net revisions for the previous two months took place (+169k, cumulatively).
- Furthermore, caution is warranted in putting too much weight on the latest headline outcomes as a reliable indicator of the momentum for job creation, due to technical factors related to the seasonal adjustment methodology, which could lead to substantial distortions in the exceptional circumstances of the pandemic era. For example, in not-seasonally adjusted terms, payrolls in the education sector increased by 1282k in September. Nevertheless, that outcome was lower than usual (each September, massive hiring occurs in education, due to school reopenings | +1454k on average in the past 30 years) as it was distorted to the downside due to pandemic-related setbacks such as temporary school closures and staffing difficulties due to vaccination requirements. Consequently, after seasonal adjustment, the monthly change for payrolls in the education sector, was negative (-180k).
- Meanwhile, total household employment (including the self-employed and agricultural workers | on a seasonally adjusted basis) posted a strong +526k in September, from +509k in August. As a result, the unemployment rate decreased by 0.4 pps to 4.8%, versus consensus estimates for 5.1% (pre-pandemic levels of 3.5% in February 2020, a 50-year low). Finally, the U-6 unemployment rate (which includes the unemployed, part-time workers for economic reasons, and those workers marginally attached to the labor force), which is considered a broader measure of slack, also decreased significantly, by 0.3 pps to 8.5% in September.
- **Regarding wages, the strong momentum was maintained,** with the monthly pace of increase for average hourly earnings at +0.6% mom, from +0.4% mom in August, well above consensus estimates for +0.4% mom. It should also be noted though, that the overshooting of expectations was much less profound for the level of earnings, given that the previous month's outcome was revised down by 0.2 pps. In all, the annual pace accelerated by 0.6 pps to +4.6% yoy, in line with consensus estimates. Notably, the annual change in the wages of production and nonsupervisory employees (81% of total -- that also exhibit a higher propensity to consume) accelerated by 0.7 pps to +5.5% yoy.

The US goods trade deficit remained elevated in August

- **Goods exports, in constant price terms, remained below pre-pandemic levels in August (-1.7% since February 2020), whereas imports of goods have more than fully recovered (+12.1% since February 2020),** in view of relatively stronger domestic demand (consumption) compared with major trading partners. Overall, the (goods) trade deficit in constant

price terms stood at \$101.8 bn in August, remaining close to the record (since 1992) high of \$105.7 bn which was recorded in March 2021. In nominal terms, the goods trade deficit was \$89.4 bn (record high of \$93.3 bn in June 2021).

- **Importantly, 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 -4.8% of GDP, the widest since 2012.** Note that the aforementioned ratio, had hovered in a tight range of -3.9% to -4.3% since 2013 (and up to the pandemic). By country, the bilateral (goods) trade deficit in nominal terms with China is by far the largest (\$31.7 bn in August | \$31.3 bn, on average per month in 2017, before the imposition of bilateral tariffs), followed by Mexico (\$7.9 bn in August).

US households' wealth at record levels

- **According to the Federal Reserve's Financial Accounts of the United States, households' net worth rose by 18.4% qoq saar in Q2:21 (+19.6% yoy).** The increase was due to a higher value for the holdings of both the major components of households' net worth, i.e. of real estate assets (+17.3% qoq saar | +13.3% yoy), as well as of financial assets (+17.8% qoq saar | +20.7% yoy). As a result, the ratio of net worth to disposable income reached 786%, exceeding by a wide margin any precedent (previous all-time high: 756% in Q4:20), its pre-pandemic (Q4:19) level of 711% and a record (since 1946) average of 549%.
- At the same time, household debt rose by 8.6% qoq saar in Q2:21 (+6.8% yoy), from +6.8% qoq saar (+5.3% yoy) in Q1:21. However, as a percentage of GDP, it fell by 0.8 pps to 75.0% (peak of 95.9% in Q1:08) as nominal GDP rose sharply, by 13.4% qoq saar in Q2:21. Regarding the two major loan categories, mortgage loans (66% of total) rose by 8.3% qoq saar (+6.1% yoy), from +4.5% qoq saar (+4.8% yoy) in Q1:21, while consumer credit growth (25% of total) increased by +9.9% qoq saar (+4.1% yoy) in Q2:21, compared with -1.7% qoq saar (+0.5% yoy) in the previous quarter.

Japan: Business sentiment improved, particularly for manufacturers

- **The Bank of Japan's quarterly Tankan survey that assesses business conditions, pointed to an improvement of confidence compared with three months ago.** Specifically, the headline business conditions index for large manufacturers was up by 4 pts to +18 in September (the highest since Q4:18), overshooting consensus estimates for a slight deterioration to +13. At the same time, the index for large non-manufacturers was little changed, up by +1 pt to +2 (consensus for 0). Regarding respondents' outlook for activity for three months ahead, the respective index for manufacturers was slightly up, by 1 pt to +14 (broadly in line with consensus estimates) and was stable at +3 among non-manufacturers (consensus: +5).
- Note also that companies' fixed investment plans (including all surveyed large enterprises | excluding software and R&D investment) for the fiscal year 2021 (i.e. April 2021-March 2022) were modestly revised up compared with the previous survey, by 0.5 pps to +10.1% yoy (software: +12.9% yoy | R&D: +5.5% yoy). In all, business (and broader economic) confidence, continues to find support from the vaccinations against Covid-19, which sharply picked up pace since past May, resulting in Japan broadly catching up with most advanced economies (63% of the population was fully vaccinated as of October 6th, versus just 1% in mid-May 2021).

Equities

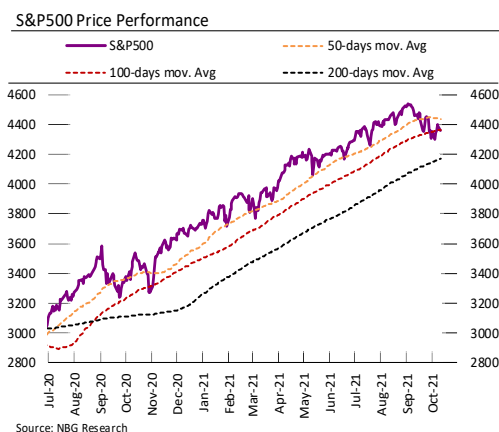
- Global equity markets gained some ground in the past week, with signs of stabilization for international prices of major energy sources and the latest developments regarding the federal debt ceiling in the US, offering support.** Overall, the MSCI ACWI ended the week up by 0.7% wow, following a fall by 4.3% in September, the largest monthly decline since March 2020. Both Developed Markets (+0.7% wow | +13% ytd) and their Emerging Markets peers (+0.8% wow | -3% ytd), posted similar performances in the past week. In the US, the S&P500 increased by 0.8% wow (+17% ytd), even with nervousness remaining, in view, *inter alia*, of inflation concerns. In the event, option-implied volatility (CBOE VIX Index) averaged 21% in the past week versus a 6-month average of 18%. Regarding sectors, Energy (+5.0% wow | +50% ytd) and Banks (+2.0% wow | +38% ytd) overperformed, the latter benefitting from higher bond yields. Similarly, on the other side of the Atlantic, the Eurostoxx rose by 0.7% wow (+14% ytd), with Energy gaining 2.6% wow (+14% ytd) and Banks at +3.3% wow (+39% ytd). In Japan, the Nikkei225 underperformed (-2.5% wow | +2.2% ytd), with investors being unimpressed by the initial announcements from the new Prime Minister Kishida. Recall that general elections are due to take place on October 31st in Japan.

Fixed Income

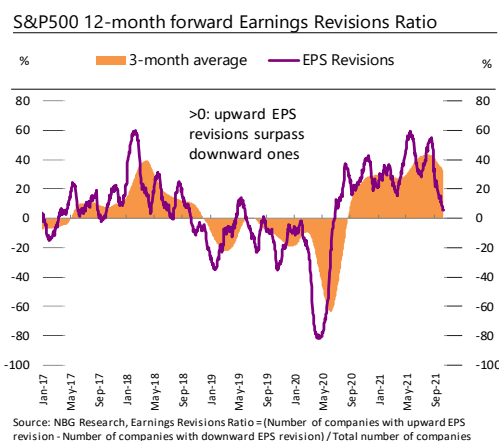
- Government bond yields rose in the past week due to increased inflation concerns and expectations for a tightening in monetary policy from the Bank of England.** In the UK, the 10-year yield rose by 14 bps wow to 1.14%, its highest level since May 2019, due to, *inter alia*, BoE officials' slightly hawkish comments. Specifically, Governor A. Bailey commented that they have to prevent inflation from becoming permanently embedded, as this would be very damaging, while the Bank's new chief economist, H. Pill pointed out that inflation could prove more long-lasting than anticipated. In addition, MPC member, M. Saunders, the one of the two who voted for an earlier end of the Bank's QE program, commented that he finds appropriate the markets' pricing that brings forward the first hike of the Bank's official rate to December 2021. In the US, the 10-year yield rose by 14 bps wow to 1.61%, a 4-month high. On Friday, the weaker-than-expected figure for non-farm payrolls had only limited and short-lived impact with the 10-year yield ending the day 4 bps higher. Meanwhile, the 10-year breakeven rates that reflect markets' inflation expectations over the next 10 years, rose by 12 bps wow to 2.5% (a 5-month high). In Germany, the 10-year yield rose by 8 bps wow to -0.15%, posting its highest level since end-May. **Corporate bond spreads widened in the EUR HY spectrum.** Specifically, EUR high yield spreads were up by 12 bps to 322 bps, while their US counterparts were stable at 320 bps. In the investment grade spectrum, both US and EUR corporate bond spreads were broadly unchanged, at 90 bps and 86 bps, respectively.

FX and Commodities

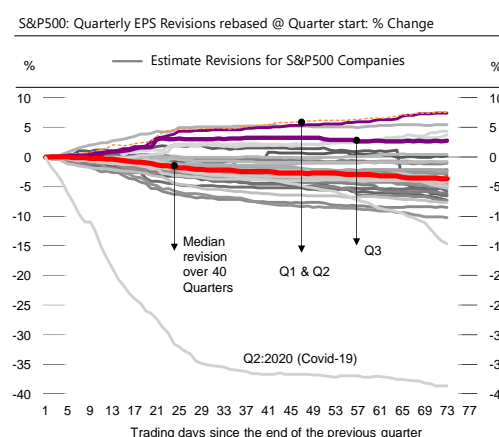
- In foreign exchange markets, the British Pound gained ground in the past week, due to, inter alia, investors' expectations for an earlier hike of BoE's official rate that led to a significant higher increase in short-term bond yields than peers.** Specifically, the Sterling increased by 0.9% wow against the euro, to €/0.849 and by 0.7% wow against the US Dollar to \$1.364. **Finally, in commodities, oil prices rose in the past week,** supported by the OPEC+ decision not to further raise its oil supply on top of the already planned increase of 400k barrels per day, each month. Moreover, news that the US Energy Department is not considering tapping into its strategic petroleum reserves "at this time", contributed to the upside. Overall, Brent ended the week up by 3.9% to \$82.4/barrel (+59% ytd), posting a 3-year high and the WTI by 4.6% to \$79.4/barrel (+64% ytd), recording a 7-year high. Meanwhile, the European natural gas prices ended the week down, following Russian President V. Putin's comments on Wednesday that Gazprom could increase supplies to Europe, with the Dutch contract TTF declining 6.4% wow to €87,6/mwh, from an intraday high of €160/mwh on October 6th.



Graph 1.



Graph 2.



Graph 3.

Quote of the week: "It is hard to predict exactly how long disruptions will last. We should not overreact to supply shortages or rising energy prices, as our monetary policy cannot directly affect those phenomena.", **President of the ECB, Christine Lagarde, October 5th 2021.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	October 8th	3-month	6-month	12-month	Official Rate (%)	October 8th	3-month	6-month	12-month
Germany	-0.15	-0.30	-0.20	-0.10	Euro area	0.00	0.00	0.00	0.00
US	1.61	1.40	1.50	1.60	US	0.25	0.25	0.25	0.25
UK	1.14	0.94	1.00	1.13	UK	0.10	0.10	0.10	0.19
Japan	0.08	0.07	0.11	0.15	Japan	-0.10	-0.10	-0.10	-0.10

Currency	October 8th	3-month	6-month	12-month	October 8th	3-month	6-month	12-month	
EUR/USD	1.16	1.17	1.18	1.20	USD/JPY	111	108	108	107
EUR/GBP	0.86	0.86	0.85	0.85	GBP/USD	1.36	1.36	1.38	1.41
EUR/JPY	129	127	128	129					

Forecasts at end of period

Economic Forecasts

United States	2019a	Q1:20a	Q2:20a	Q3:20a	Q4:20a	2020a	Q1:21a	Q2:21a	Q3:21f	Q4:21f	2021f
Real GDP Growth (YoY) (1)	2.3	0.6	-9.1	-2.9	-2.3	-3.4	0.5	12.2	6.0	6.3	6.2
Real GDP Growth (QoQ saar) (2)	-	-5.1	-31.2	33.8	4.5	-	6.3	6.6	6.5	6.0	-
Private Consumption	2.2	-6.9	-33.4	41.4	3.4	-3.8	11.4	11.9	3.7	3.4	8.1
Government Consumption	2.2	3.7	3.9	-2.1	-0.5	2.5	4.2	-1.9	1.9	1.9	1.0
Investment	3.2	-2.3	-30.4	27.5	17.7	-2.7	13.0	3.4	1.2	4.0	8.1
Residential	-0.9	20.4	-30.7	59.9	34.4	6.8	13.3	-11.5	-0.9	1.2	10.5
Non-residential	4.3	-8.1	-30.3	18.7	12.5	-5.3	12.9	9.3	3.7	4.8	7.6
Inventories Contribution	0.1	-1.0	-4.6	6.6	1.4	-0.6	-3.7	-1.7	2.4	2.8	-0.1
Net Exports Contribution	-0.2	0.1	1.4	-5.6	-2.4	-0.2	-2.0	-0.4	0.6	-0.3	-1.6
Exports	-0.1	-16.3	-59.9	54.5	22.5	-13.6	-2.9	6.6	16.1	9.7	6.2
Imports	1.2	-13.1	-53.1	89.2	31.3	-8.9	9.3	6.7	6.9	8.0	13.8
Inflation (3)	1.8	2.1	0.3	1.2	1.3	1.2	1.9	4.9	5.5	5.4	4.4

Euro Area	2019a	Q1:20a	Q2:20a	Q3:20a	Q4:20a	2020a	Q1:21a	Q2:21a	Q3:21f	Q4:21f	2021f
Real GDP Growth (YoY)	1.4	-3.2	-14.4	-4.0	-4.6	-6.5	-1.2	14.3	3.6	5.3	5.2
Real GDP Growth (QoQ saar)	-	-13.6	-38.5	59.9	-2.5	-	-1.1	9.2	8.5	5.1	-
Private Consumption	1.4	-16.5	-41.6	69.5	-11.1	-8.0	-8.2	15.8	11.0	9.4	3.4
Government Consumption	1.7	0.0	-10.0	23.2	1.8	1.4	-1.9	5.0	-0.1	-2.4	2.8
Investment	6.6	-17.3	-57.5	63.1	10.9	-7.6	-0.8	4.6	19.7	13.4	6.7
Inventories Contribution	-0.3	1.1	-0.4	-5.9	2.1	-0.4	3.4	-1.0	-0.7	-0.5	0.2
Net Exports Contribution	-0.8	-1.6	1.4	10.6	-0.9	-0.4	0.5	0.2	-0.5	-1.5	1.2
Exports	2.4	-13.5	-56.0	85.1	16.6	-9.4	2.7	9.0	9.2	5.9	9.4
Imports	4.5	-11.0	-59.0	55.3	20.9	-9.2	1.8	9.4	11.4	10.1	7.5
Inflation	1.2	1.1	0.2	0.0	-0.3	0.3	1.0	1.8	2.9	3.7	2.2

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

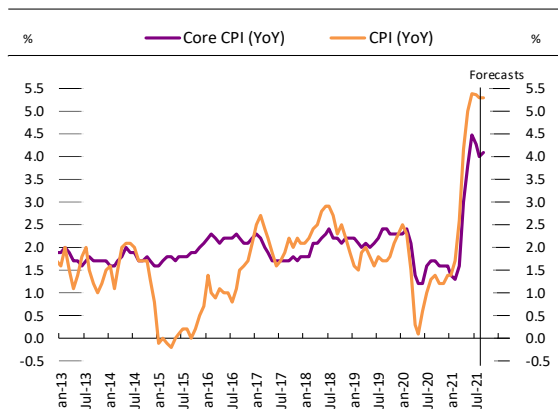
	US	Euro Area	Japan	UK
Equity Markets	<ul style="list-style-type: none"> + Massive Fiscal loosening will support the economy + 2021 EPS growth expectations have further room to increase + Share buybacks could resume - Peaking profit margins - High market cap concentration - P/Es (Valuations) approaching 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. On the same day, attention turns also to the inflation data for September. CPI is expected stable at 5.3% yoy, while the core figure is expected at 4.1% yoy from 4% yoy in the previous month. Meanwhile, economic activity indicators for September will be closely monitored. Specifically, retail sales (15/10) will offer insight regarding private consumption, whereas industrial production (18/10) regarding business spending. On Thursday, the weekly initial and continuing jobless claims will provide a more updated view of labor market conditions.

In the Euro Area, industrial production for August is released on Wednesday (consensus for -1.6% mom vs +1.5% mom in the previous month).

US Inflation



Source: NBG Research

Economic News Calendar for the period: October 5 - October 18, 2021

Tuesday 5				Wednesday 6				Thursday 7									
US		S	A	P	US		S	A	P	US		S	A	P			
ISM Services Index	September	60.0	+	61.9	61.7	ADP Employment Change (k)	September	450	+	568	340	Initial Jobless Claims (k)	October 2	348	+	326	364
Trade balance (\$bn)	August	-70.5	-	-73.3	-70.3	UK						Continuing Claims (k)	September 25	2790	+	2714	2811
						Markit/CIPS UK Construction PMI	September	54.0	-	52.6	55.2	JAPAN					
						EURO AREA						Leading Index	August	..	101.8	104.1	
						Retail sales (MoM)	August	1.0%	-	0.3%	-2.6%	Coincident Index	August	..	91.5	94.4	
						Retail sales (YoY)	August	0.7%	-	0.0%	3.1%	GERMANY					
												Industrial Production (sa, MoM)	August	-0.1%	-	-4.0%	1.3%
												Industrial Production (wda, YoY)	August	6.0%	-	1.7%	6.0%
Friday 8				Monday 11													
US		S	A	P			S	A	P								
Change in Nonfarm Payrolls (k)	September	479	-	194	366												
Change in Private Payrolls (k)	September	470	-	317	332												
Unemployment rate	September	5.1%	+	4.8%	5.2%												
Average weekly hours (hrs)	September	34.7	+	34.8	34.6												
Average Hourly Earnings MoM	September	0.4%	+	0.6%	0.4%												
Average Hourly Earnings YoY	September	4.6%		4.6%	4.0%												
Labor Force Participation Rate	September	..		61.6%	61.7%												
Underemployment Rate	September	..		8.5%	8.8%												
Wholesale trade (MoM)	August	..		-1.1%	2.1%												
JAPAN																	
Eco Watchers Current Survey	September	..		42.1	34.7												
Eco Watchers Outlook Survey	September	..		56.6	43.7												
Tuesday 12				Wednesday 13				Thursday 14									
UK		S	A	P	US		S	A	P	US		S	A	P			
ILO Unemployment Rate	August	4.5%	..	4.6%	CPI (YoY)	September	5.3%	..	5.3%	Initial Jobless Claims (k)	October 9	331	..	326			
GERMANY					Core CPI (YoY)	September	4.1%	..	4.0%	Continuing Claims (k)	October 2	2700	..	2714			
ZEW survey current situation	October	29.0	..	31.9	FOMC Minutes	September 22				CHINA							
ZEW survey expectations	October	22.0	..	26.5	UK					CPI (YoY)	September	1.0%	..	0.8%			
CHINA					GDP (MoM)	August	0.5%	..	0.1%								
Money Supply M0 (YoY)	September	..	..	6.3%	Industrial Production (MoM)	August	0.2%	..	1.2%						
Money Supply M1 (YoY)	September	4.1%	..	4.2%	Industrial Production (YoY)	August	..	..	3.8%						
Money Supply M2 (YoY)	September	8.2%	..	8.2%	EURO AREA												
New Yuan Loans (RMB bn)	September	..	..	1220	Industrial Production (sa, MoM)	August	-1.6%	..	1.5%						
Aggregate Financing (RMB bn)	September	..	..	2960	Industrial Production (wda, YoY)	August	4.7%	..	7.7%						
					CHINA												
					Exports YoY	September	22.0%	..	25.6%								
					Imports YoY	September	16.9%	..	33.1%								
Friday 15				Monday 18													
US		S	A	P	US		S	A	P								
Empire Manufacturing	October	27.0	..	34.3	Industrial Production (MoM)	September	0.3%	..	0.4%								
University of Michigan consumer confidence	October	74.0	..	72.8	Net Long-term TIC Flows (\$ bn)	August	..	..	2.0						
Retail Sales Advance MoM	September	0.0%	..	0.7%	NAHB housing market confidence index	October	..	..	76						
Retail sales ex-autos (MoM)	September	0.6%	..	1.8%	CHINA												
EURO AREA					GDP (sa, QoQ)	Q3:21	..	..	1.3%						
Trade Balance SA (€ bn)	August	14.2	..	13.4	GDP (YoY)	Q3:21	5.2%	..	7.9%								
					Retail sales (YoY)	September	2.7%	..	2.5%								
					Industrial production (YoY)	September	3.3%	..	5.3%								

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	4391	0.8	16.9	27.4	50.4	MSCI Emerging Markets	71402	1.2	-0.4	12.1	
Japan	NIKKEI 225	28049	-2.5	2.2	18.6	30.7	MSCI Asia	1089	1.2	-3.2	8.8	
UK	FTSE 100	7096	1.0	9.8	18.7	-1.0	China	90	2.0	-16.1	-9.8	
Canada	S&P/TSX	20416	1.3	17.1	23.5	24.6	Korea	890	-1.9	-3.9	19.2	
Hong Kong	Hang Seng	24838	1.1	-8.8	2.7	-3.3	MSCI Latin America	95786	0.1	-4.1	14.6	
Euro area	EuroStoxx	455	0.7	14.4	25.4	21.7	Brazil	333962	0.3	-10.6	8.4	
Germany	DAX 40	15206	0.3	10.8	16.6	25.7	Mexico	47288	0.0	16.3	33.2	
France	CAC 40	6560	0.6	18.2	33.6	19.3	MSCI Europe	7510	3.4	25.1	46.6	
Italy	FTSE/MIB	26051	1.7	17.2	33.0	21.0	Russia	1706	3.9	29.1	50.7	
Spain	IBEX-35	8955	1.8	10.9	28.1	-0.4	Turkey	1570545	0.2	-7.2	17.4	

World Market Sectors (MSCI Indices)

in US Dollar terms		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)	in local currency		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
Energy		179.2	4.6	38.8	68.0	-0.9	Energy		180.8	4.2	39.8	65.3
Materials		332.2	1.3	4.2	17.0	36.6	Materials		312.6	1.0	6.6	16.3
Industrials		334.6	0.6	9.9	22.5	33.4	Industrials		328.5	0.7	12.7	23.2
Consumer Discretionary		409.5	0.2	8.7	23.0	59.8	Consumer Discretionary		394.2	0.3	10.8	23.8
Consumer Staples		270.9	0.9	2.4	6.9	11.3	Consumer Staples		268.1	0.8	4.2	6.8
Healthcare		342.1	-0.1	9.5	15.2	41.2	Healthcare		335.4	-0.1	11.2	15.5
Financials		149.1	2.5	24.9	47.3	33.3	Financials		147.6	2.3	26.8	46.5
IT		511.6	0.1	15.3	27.7	88.4	IT		494.6	0.1	16.2	28.0
Telecoms		110.0	-0.3	16.9	32.8	53.9	Telecoms		114.7	-0.3	18.0	33.1
Utilities		150.9	1.4	-1.6	1.3	3.0	Utilities		153.0	1.4	0.0	1.3

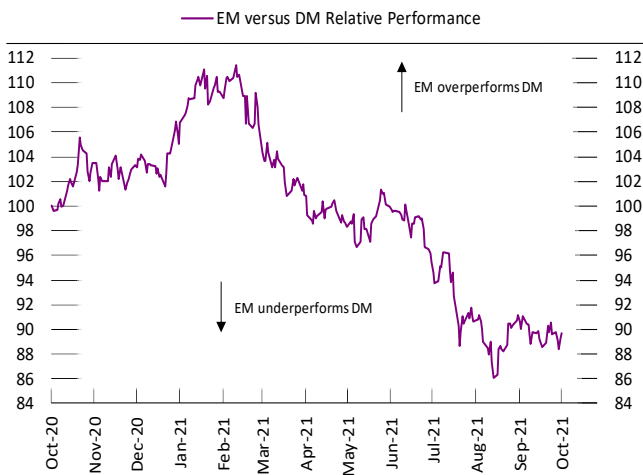
Bond Markets (%)

10-Year Government Bond Yields		Current	Last week	Year Start	One Year Back	10-year average	Government Bond Yield Spreads (in bps)		Current	Last week	Year Start	One Year Back
US		1.61	1.47	0.92	0.77	2.04	US Treasuries 10Y/2Y		127	119	80	61
Germany		-0.15	-0.22	-0.56	-0.51	0.55	US Treasuries 10Y/5Y		56	55	53	34
Japan		0.08	0.05	0.02	0.04	0.28	Bunds 10Y/2Y		56	49	16	20
UK		1.14	1.01	0.20	0.29	1.46	Bunds 10Y/5Y		39	37	18	21
Greece		0.87	0.83	0.62	0.88	8.08	Corporate Bond Spreads (in bps)		Current	Last week	Year Start	One Year Back
Ireland		0.21	0.14	-0.31	-0.19	2.11	EM Inv. Grade (IG)		140	140	163	188
Italy		0.90	0.85	0.45	0.73	2.56	EM High yield		670	618	524	659
Spain		0.48	0.41	0.04	0.21	2.19	US IG		90	89	103	136
Portugal		0.37	0.32	0.03	0.20	3.54	US High yield		320	320	386	497
US Mortgage Market (1. Fixed-rate Mortgage)		Current	Last week	Year Start	One Year Back	10-year average	Euro area IG		86	85	93	111
30-Year FRM¹ (%)		3.14	3.10	2.90	3.01	4.02	Euro area High Yield		322	310	355	448
vs 30Yr Treasury (bps)		97.0	104.8	126.2	143.6	125.5						

Foreign Exchange & Commodities

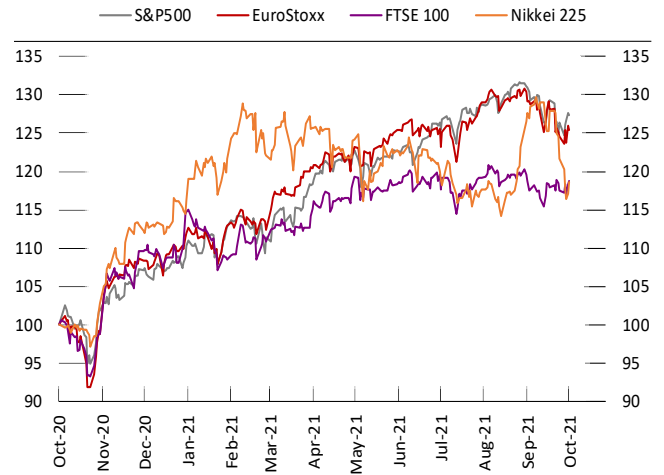
Foreign Exchange		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	Commodities		Current	1-week change (%)	1-month change (%)	1-Year change (%)
Euro-based cross rates							Agricultural		418	-0.9	3.6	33.9
EUR/USD		1.16	-0.2	-2.0	-1.5	-5.4	Energy		273	3.9	14.2	93.4
EUR/CHF		1.07	-0.5	-1.6	-0.5	-0.8	West Texas Oil (\$/bbl)		79	4.6	14.5	92.6
EUR/GBP		0.85	-0.9	-1.3	-6.6	-5.2	Crude Brent Oil (\$/bbl)		82	3.9	13.5	90.1
EUR/JPY		129.68	0.8	-0.5	4.1	2.7	HH Natural Gas (\$/mmbtu)		5.6	-0.8	19.4	273.5
EUR/NOK		9.88	-1.3	-4.2	-9.5	-5.7	TTF Natural Gas (EUR/mwh)		88	-6.4	58.5	530.3
EUR/SEK		10.11	-0.6	-0.8	-3.1	0.6	Industrial Metals		491	3.7	2.8	46.0
EUR/AUD		1.58	-1.0	-1.4	-3.6	-0.2	Precious Metals		2301	0.0	-2.4	-7.0
EUR/CAD		1.44	-1.9	-4.1	-7.2	-7.5	Gold (\$)		1757	-0.2	-1.8	-7.2
USD-based cross rates							Silver (\$)		23	0.6	-5.4	-5.0
USD/CAD		1.25	-1.7	-2.1	-5.8	-2.2	Baltic Dry Index		5526	6.2	52.7	180.5
USD/AUD		1.37	-0.8	0.6	-2.2	5.5	Baltic Dirty Tanker Index		680	7.9	12.6	63.1
USD/JPY		112.04	1.0	1.5	5.7	8.5						

EM vs DM Performance in \$



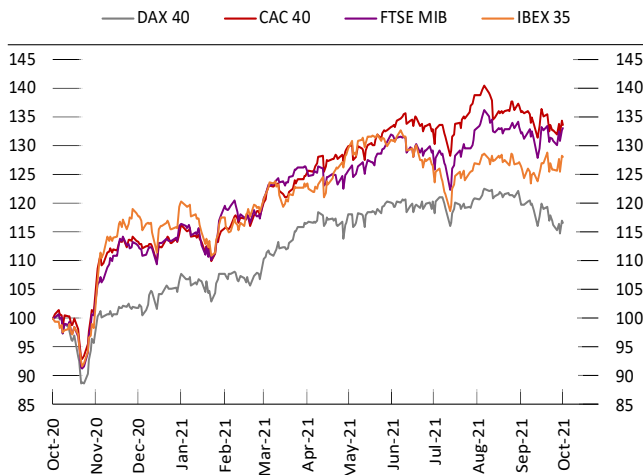
Data as of October 8th – Rebased @ 100

Equity Market Performance - G4



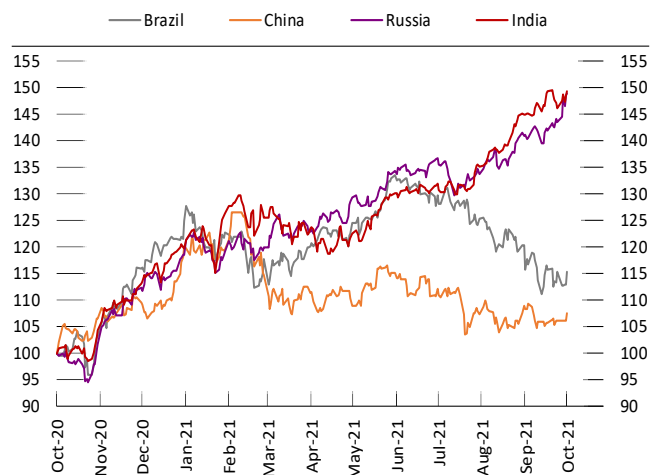
Data as of October 8th – Rebased @ 100

Equity Market Performance – Euro Area G4



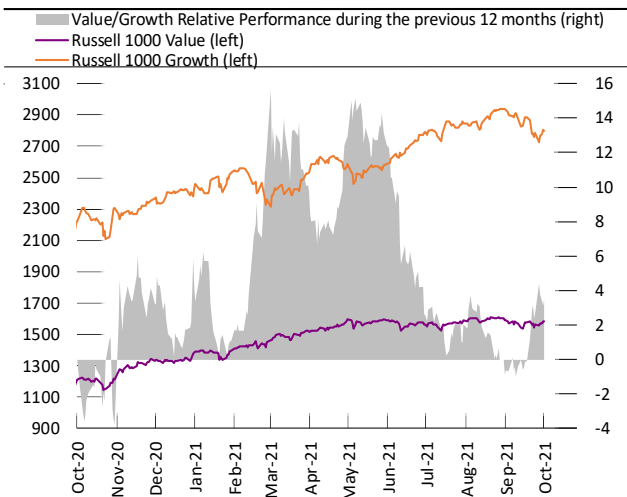
Data as of October 8th – Rebased @ 100

Equity Market Performance - BRICs



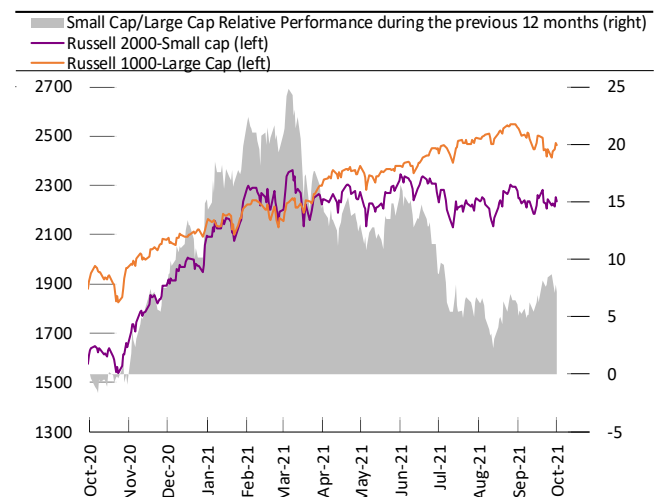
Data as of October 8th – Rebased @ 100

Russell 1000 Value & Growth Index



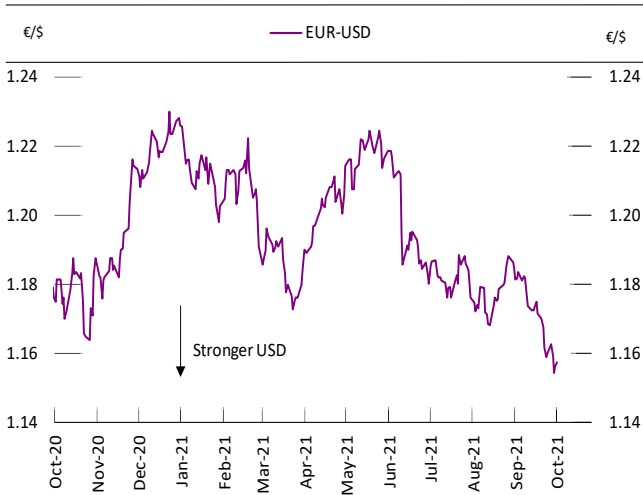
Data as of October 8th

Russell 2000 & Russell 1000 Index



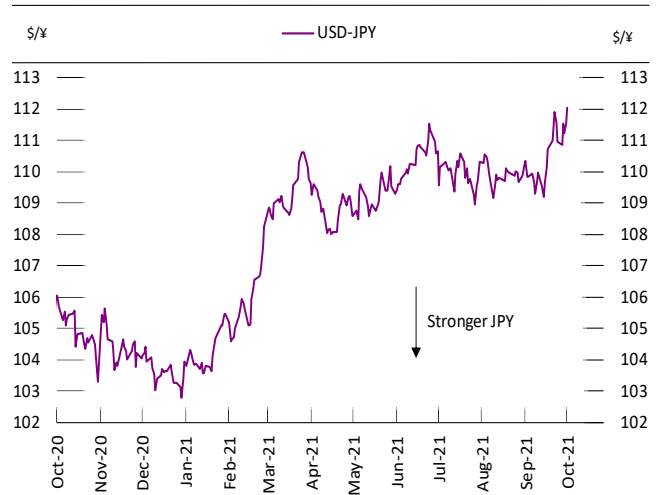
Data as of October 8th

EUR/USD



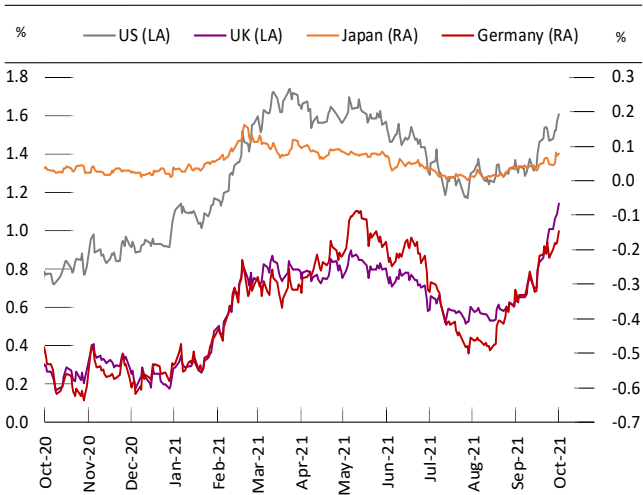
Data as of October 8th

JPY/USD



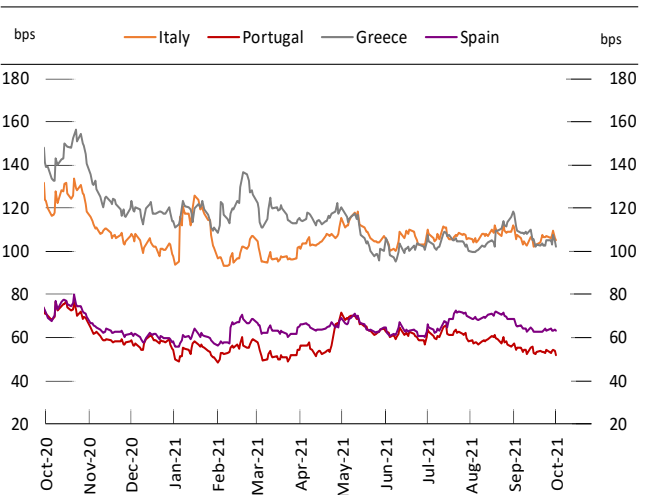
Data as of October 8th

10- Year Government Bond Yields



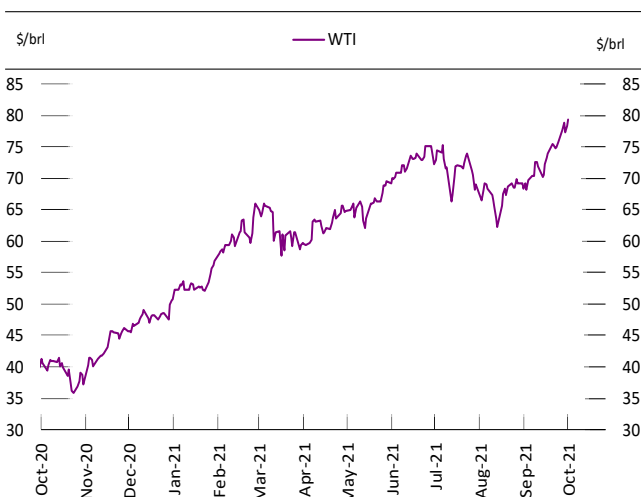
Data as of October 8th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



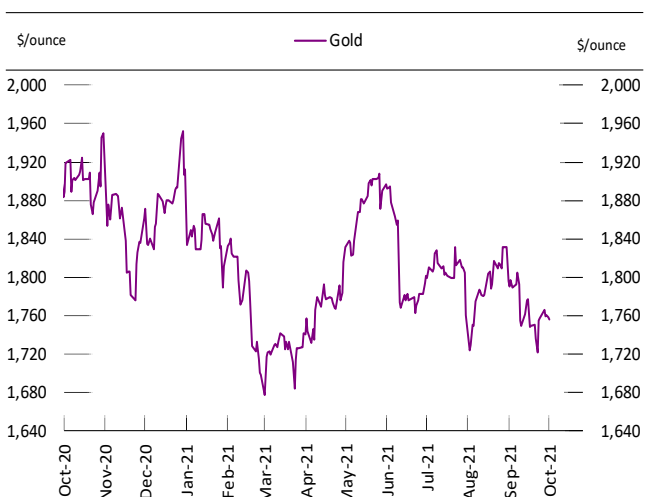
Data as of October 8th

West Texas Intermediate (\$/bbl)



Data as of October 8th

Gold (\$/ounce)



Data as of October 8th

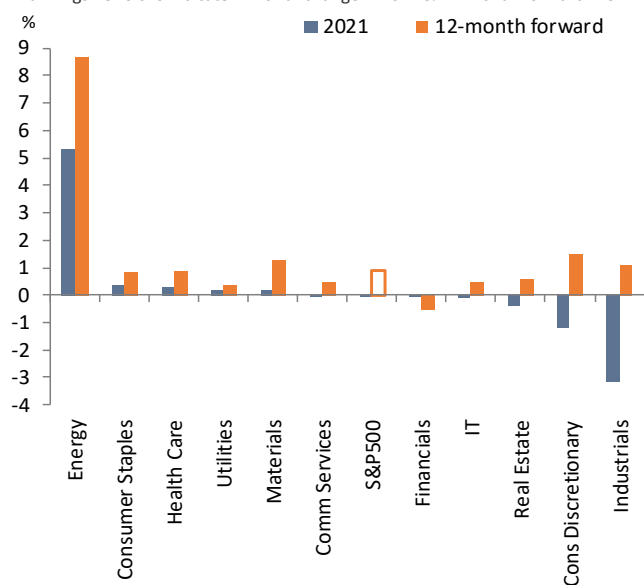
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	8/10/21	% Weekly Change	%YTD	2021	2022	2021	2022	2021	2022	12m fwd	10Yr Avg	2021	2022	Current	10Yr Avg
S&P500	4391	0.8	16.9	45.0	9.6	1.4	1.5	22.1	20.1	20.6	16.6	4.5	4.1	4.2	2.8
Energy	429	5.0	50.1	N/A	25.3	4.0	4.1	N/A	13.1	13.8	14.3	1.9	1.8	1.8	1.7
Materials	510	1.0	11.8	84.1	-0.6	1.9	2.0	15.9	16.0	16.0	15.8	3.0	2.8	2.8	2.6
Financials															
Diversified Financials	1063	2.3	30.4	52.5	-4.6	1.3	1.4	16.2	17.0	16.8	14.5	2.2	2.0	2.1	1.6
Banks	437	2.0	38.1	80.8	-12.1	2.1	2.4	11.9	13.5	13.1	11.3	1.4	1.4	1.4	1.0
Insurance	535	2.6	25.2	30.9	4.5	2.1	2.2	13.8	13.2	13.4	11.4	1.6	1.5	1.6	1.2
Real Estate	279	-0.8	22.4	12.2	5.9	2.5	2.8	23.0	21.8	22.1	18.6	3.9	4.0	4.0	3.3
Industrials															
Capital Goods	871	1.3	14.6	56.6	21.1	1.5	1.6	23.6	19.5	20.4	16.8	5.3	4.8	4.9	3.8
Transportation	1011	3.1	8.6	N/A	139.0	1.4	1.5	N/A	17.0	N/A	11.3	6.6	5.7	5.9	3.8
Commercial Services	503	2.4	19.6	17.6	11.8	1.0	1.1	31.0	27.7	28.5	20.8	6.3	5.8	5.9	3.6
Consumer Discretionary															
Retailing	3918	0.5	9.9	32.5	15.2	0.5	0.6	34.5	30.0	31.0	25.8	13.5	10.8	11.4	8.4
Consumer Services	1479	-0.3	12.1	N/A	848.5	0.9	1.2	N/A	30.9	N/A	27.0	28.8	21.1	22.9	9.2
Consumer Durables	483	1.5	9.6	56.6	13.2	1.2	1.3	17.1	15.1	15.5	17.4	4.2	3.6	3.7	3.4
Automobiles and parts	154	3.0	17.7	78.8	24.5	0.0	0.1	44.5	35.7	N/A	13.3	7.4	6.3	6.5	2.4
IT															
Technology	2786	0.1	10.5	45.6	4.5	0.9	0.9	23.1	22.1	22.3	14.6	15.6	14.0	14.4	5.7
Software & Services	3677	0.5	19.4	20.6	14.3	0.7	0.8	34.7	30.3	31.3	20.1	10.6	9.3	9.6	5.9
Semiconductors	2095	-0.2	18.5	32.2	10.1	1.2	1.3	21.2	19.2	19.7	15.1	7.1	6.1	6.3	3.6
Communication Services	272	-0.1	22.8	35.7	10.4	0.8	0.8	23.3	21.1	21.6	18.7	4.4	3.9	4.0	3.1
Media	1099	0.1	28.5	51.3	13.5	0.2	0.3	27.5	24.2	25.0	21.9	5.7	4.9	5.1	3.5
Consumer Staples															
Food & Staples Retailing	623	1.5	9.4	16.5	7.8	1.5	1.6	23.1	21.4	21.8	17.7	5.1	4.7	4.8	3.5
Food Beverage & Tobacco	758	1.6	4.3	10.8	6.2	3.3	3.5	18.6	17.5	17.7	18.2	5.2	5.0	5.0	5.1
Household Goods	850	1.0	0.3	4.9	7.0	2.2	2.4	25.5	23.8	24.2	20.7	10.5	10.2	10.3	6.3
Health Care															
Pharmaceuticals	1168	-0.7	9.2	24.0	3.1	2.1	2.2	14.5	14.1	14.2	14.9	6.2	5.1	5.4	4.2
Healthcare Equipment	1808	0.0	14.7	17.5	7.9	1.0	1.0	21.5	19.9	20.3	16.5	4.1	3.7	3.8	2.8
Utilities	329	1.4	3.2	2.5	5.4	3.2	3.3	19.7	18.7	18.9	16.8	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 2021 & 12-month Forward EPS

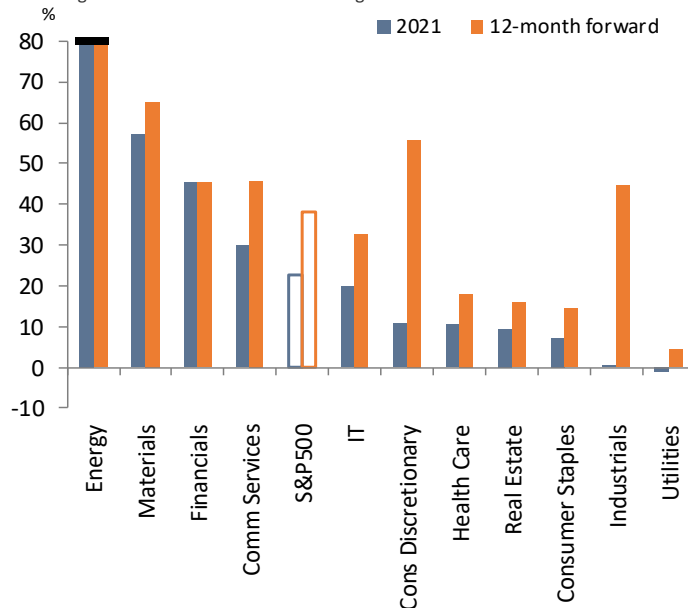
Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS



Data as of October 8th
12-month forward EPS are 23% of 2021 EPS and 77% 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 October 8th
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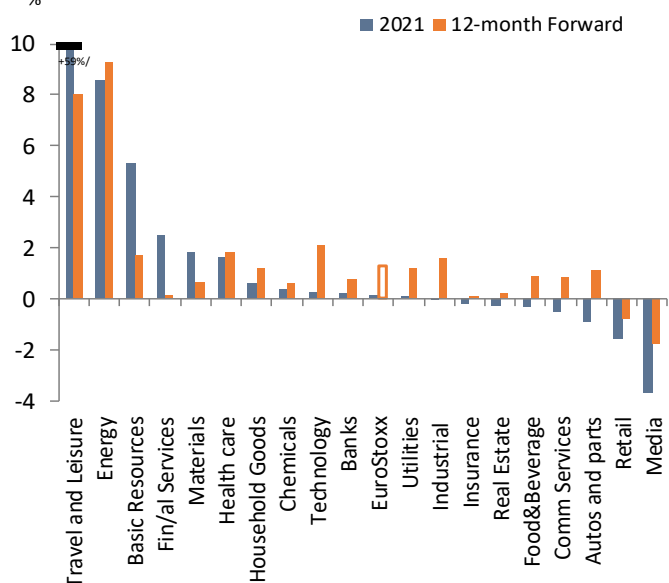
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	8/10/21	% Weekly Change	%YTD	2021	2022	2021	2022	2021	2022	12m fwd	10Yr Avg	2021	2022	Current	10Yr Avg
EuroStoxx	455	0.7	14.4	66.7	9.8	2.6	2.8	17.2	15.7	16.0	14.0	1.9	1.8	1.8	1.4
Energy	288	2.6	14.0	386.1	12.0	4.9	5.0	12.6	11.3	11.6	13.0	1.3	1.3	1.3	1.1
Materials	959	0.3	10.9	143.6	-12.6	2.5	2.6	12.8	14.7	14.3	15.6	2.1	2.0	2.0	1.7
Basic Resources	227	1.1	9.1	N/A	N/A	2.6	2.9	N/A	6.3	5.8	12.0	0.9	0.8	0.8	0.7
Chemicals	1397	0.2	11.0	53.0	0.7	2.5	2.6	18.4	18.3	18.3	16.4	2.6	2.5	2.5	2.3
Financials															
Fin/Al Services	574	1.8	17.0	33.8	5.8	2.4	2.5	16.4	15.5	15.8	14.2	1.5	1.6	1.6	1.2
Banks	103	3.3	39.2	78.0	4.3	5.3	5.3	9.8	9.4	9.5	9.8	0.7	0.7	0.7	0.7
Insurance	293	1.7	12.1	42.9	4.3	5.2	5.6	10.0	9.6	9.7	9.5	0.9	0.9	0.9	0.9
Real Estate	220	-1.3	-0.3	0.8	11.2	3.3	3.6	19.7	17.7	18.1	17.3	0.9	0.9	0.9	1.0
Industrial	1110	-0.5	13.5	30.8	20.4	1.8	2.2	21.6	17.9	18.8	14.5	3.0	2.7	2.8	2.1
Consumer Discretionary															
Media	270	0.0	23.2	-7.9	16.5	1.8	2.0	27.3	23.4	24.3	16.5	6.0	5.4	5.5	2.0
Retail	692	-0.9	4.3	64.3	17.6	2.2	2.5	29.3	24.9	25.9	23.0	5.8	5.3	5.4	4.3
Automobiles and parts	614	2.0	21.9	700.0	8.4	4.0	4.4	7.6	7.0	7.1	8.8	1.1	1.0	1.0	1.0
Travel and Leisure	219	-2.1	2.8	N/A	N/A	0.5	1.3	N/A	N/A	N/A	N/A	3.0	2.9	3.0	2.1
Technology	893	0.3	24.5	35.9	16.7	0.7	0.8	31.2	26.7	27.8	20.6	4.8	4.3	4.4	3.5
Communication Services	287	-0.2	16.1	-16.2	8.4	3.6	4.0	16.2	14.9	15.2	14.1	1.5	1.4	1.5	1.7
Consumer Staples															
Food&Beverage	541	0.0	3.9	35.3	14.9	1.7	2.0	23.6	20.5	21.2	19.6	2.5	2.3	2.4	2.6
Household Goods	1367	-0.6	12.2	63.6	11.6	1.1	1.3	34.9	31.3	32.1	24.2	6.7	5.9	6.1	3.9
Health care	882	0.1	8.6	10.9	6.8	2.0	2.1	19.9	18.6	18.9	16.4	2.6	2.4	2.4	2.2
Utilities	361	2.0	-5.1	28.7	4.8	4.4	4.7	14.7	14.0	14.2	13.4	1.7	1.6	1.6	1.2

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

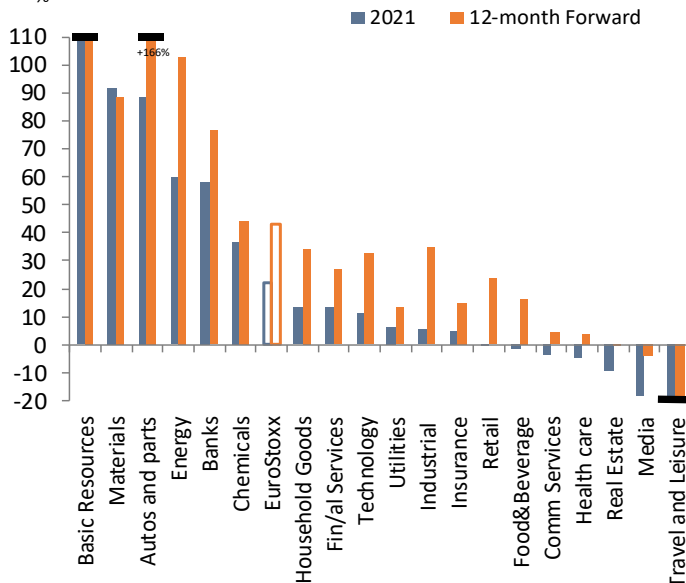
Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS %



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

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12-month forward EPS are 23% of 2021 EPS and 77% of 2022 EPS

DISCLOSURES:

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