

The European Central Bank confirmed the dovish bias of its new strategy, shifting towards a “quasi” outcome-based approach

- The ECB modified its forward guidance regarding interest rates, alleviating, *inter alia*, concerns that could tighten policy prematurely and aligned it with the new Monetary Policy Strategy, where the Governing Council agreed a symmetric inflation target of 2%.
- The ECB expects the key interest rates to remain at their present (DFR: -0.5%) or lower levels until i) it sees headline inflation reaching 2% well ahead of the end of its projection horizon; ii) headline inflation projection is “durable” for the rest of the projection period, thus it cannot go significantly below 2%; and iii) progress in underlying (core), inflation is sufficiently advanced to be consistent with inflation stabilizing at 2%, perhaps running close to 1.5%-1.75%.
- President Lagarde noted that “well ahead” is essentially the midpoint in overall projection horizon, currently until the end of 2023, meaning in practice 12-18 months. In all, the new guidance signals accommodation for longer than in the old framework. Euro area periphery sovereign [bond spreads](#) narrowed modestly post ECB, with GGBs and BTPs trading in a tight range of 100 basis points over Bunds since May 2021.
- The broader inflation outlook remains subdued despite the underway, mostly transitory, increase (see graph below). Given current ECB forecasts, with headline and core HICP inflation at 1.4% in 2023, the above conditions for liftoff are very challenging to be met.
- Regarding Quantitative Easing, President Lagarde dismissed any discussion regarding the end (or modification) of its pandemic emergency programme (PEPP) as premature. Recall that net purchases under the PEPP with a total envelope of €1.8 trillion (current holdings of €1.25 trillion) is expected to last, at least, until March 2022.
- The ECB reiterated its expectation for maintaining a “significantly higher” pace of PEPP purchases over Q3:2021 compared with the first months of 2021 (average €14 bn per week). Net purchases under the APP will continue at a monthly pace of €20 billion (current holdings: €3.02 trillion).
- Attention now turns to the Fed meeting on July 28th and on how the “talking” about QE tapering (US Treasuries and agency MBSs), evolves. The Fed is expected to strike a balanced tone, acknowledging concerns regarding the rapid spread of the COVID-19 delta variant, while noting the risks of high inflation being more persistent than expected.
- At the same time, the advance estimate for real GDP in Q2:2021 is due on July 29th, with consensus expecting growth of 8.7% qoq saar (12.7% yoy) from 6.4% qoq saar in Q1. US growth is expected to slowdown in H2:2021, albeit remaining above trend.
- Developed equity markets (S&P500, Nasdaq, Stoxx600) ended the week at new all-time highs as risk sentiment was supported by the ample central bank stimulus and stronger-than-expected earnings results. So far, roughly 28% of the S&P500 has reported, and 85% have beaten earnings estimates versus a 5-year average of 75%. Investors will get further insight into earnings and spending plans as more results arrive, including reports from Apple, Amazon, and Microsoft due this week. Recall that consensus analyst expectations for S&P500 EPS growth in Q2:2021, stand at +76% yoy.

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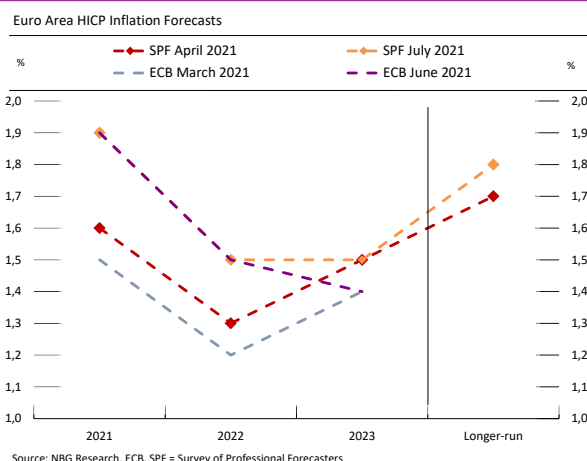
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Charts of the week



S&P500: EPS Scoreboard

	Q1:21 YoY EPS (%)	Q2:21			Q3:21 YoY EPS (%)	Q4:21 YoY EPS (%)	2021 EPS (%)
		% Companies Reported	EPS Growth	% Positive Surprise			
Energy	25%	18%	N/M	75%	N/M	N/M	N/M
Materials	64%	29%	127%	63%	87%	44%	77%
Financials	140%	58%	167%	89%	17%	-2%	54%
Real Estate	8%	10%	23%	100%	11%	5%	10%
Industrials	-1%	38%	381%	75%	76%	134%	101%
Consumer Discret.	238%	29%	232%	89%	11%	29%	73%
IT	42%	16%	33%	92%	23%	11%	23%
Consumer Staples	12%	31%	11%	80%	1%	3%	8%
Healthcare	29%	20%	20%	100%	15%	19%	21%
Communication Serv.	54%	23%	46%	83%	16%	6%	25%
Utilities	0%	11%	1%	-	1%	-1%	2%
S&P500	52%	28%	76%	85%	26%	20%	39%

Source: NBG Research, N/M due to 2020 losses

Euro area PMIs increased further in July, to new multi-year highs, albeit with concerns emerging regarding the path of the pandemic

- **PMIs remained particularly elevated in July, slightly exceeding expectations.** At the same time, the confidence remains strong that the re-openings will be sustained, in turn fueling higher spending and hiring, due to the progress in the vaccinations program against Covid-19, albeit some respective concerns emerged, related to the ongoing acceleration of infections. In all, the composite index rose by 1.1 pt to 60.6, a 21-year high and moderately above consensus estimates for 60.0. The aforementioned improvement, was again due to the services PMI rising significantly, on the back of the further easing of pandemic-related restrictions, at 60.4 in July (the highest since June 2006), from 58.3 in the previous month (consensus: 59.5).
- Recall that social distancing measures weighed 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. In the event, the further removal of travel restrictions, resulted in an additional rise in services exports, to a new record (since September 2014) high. At the same time, the manufacturing PMI modestly declined, by 0.8 pts, albeit remaining particularly elevated at 62.6 and broadly matching consensus estimates.
- It should also be noted though, that growing worries about the recent increase in Covid-19 infections, partly tempered respondents' optimism for their output one year ahead (especially in the services sector), after having reached record high levels in the previous month. In addition, output continues to struggle to catch up with demand in both sectors (backlogs of uncompleted work were largely stable, at record high levels at the composite level). In that context, respondents' expect sharp increases to remain in place for both input costs (in view of higher supplier prices, fuel and transport costs and wage pressures | another major source of concern, especially for manufacturers) and prices charged for goods and services.
- **Regarding PMI performance by country, the solid readings were broad based, albeit France underperformed both Germany and the rest of the euro area.** Specifically, in France the composite PMI came out at 56.8 in July, from 57.4 in June, below consensus estimates for 58.4. The decrease was due to both the services (-0.8 pts to 57.0) and the manufacturing PMI (-0.9 pts to 58.1). In a similar note, INSEE's (France's official statistics office) composite business climate indicator declined by 1.2 pts to 113.2 in July, albeit remaining particularly elevated (average of 100 since 1990).
- **German PMIs increased across both sectors.** Specifically, the services PMI rose sharply in July, by 4.7 pts to 62.2, a record (since June 1997) high. At the same time, its manufacturing counterpart posted a relatively less profound increase, by 0.5 pts to 65.6, even with output (-2.2 pts to 63.0) being constrained by shortages of materials. In all, the composite index stood at 62.5 in July, a record (since January 1998) high, compared with 60.1 in June, above expectations for 60.7. It should also be noted though, that the IFO business survey painted a relatively gloomier picture, with supply

bottlenecks, rising Covid-19 infections and a lack of skilled workers, weighing on business optimism. In the event, the business climate index fell by 0.9 pts in July, to (a still strong) 100.8 (average of 97.0 since 2005), below consensus estimates for 102. The fall in the headline index was solely due to the expectations component (expectations for business conditions in the next six months), which declined by 2.5 pts to 101.2, whereas the component regarding the assessment of current conditions, modestly rose, by 0.7 pts to 100.4. Sector-wise, business confidence fell in manufacturing, services and trade, while rising in construction.

Euro area banks slightly eased credit standards on loans to corporations, with loan demand increasing across the board

- **According to the ECB's Bank Lending Survey for Q2:2021, euro area banks slightly eased credit standards (i.e. banks' internal guidelines or loan approval criteria) on loans to corporations (-1%), following three consecutive quarters of considerable tightening (+14% from Q3:20 to Q1:21, on average).** The latest outcome was somewhat more benign than expected by banks in the previous survey round three months ago (+5%). Recall that a positive reading indicates that the fraction of banks tightening standards, is greater than those easing. Meanwhile, a slight net percentage of respondents (+2%), anticipate a tightening to take place in the current quarter. Regarding households, euro area banks' standards were also insignificantly changed for both mortgage loans and consumer credit in Q2:21, while a similar development is also expected for Q3:21.
- **Loan demand increased across the board, according to respondents.** Specifically, the share of banks reporting an increase in loan demand by corporations, minus the share of banks reporting a decline, was +8% in Q2:21, following a reading of -15% in Q1:21. Importantly, the rise in the demand, was driven by higher appetite for capital expenditure, which strengthened for the first time since Q3:19, on the back of the improved economic outlook. Banks anticipate firms' demand to increase by much more in Q3:21 (a net percentage of +31%). Regarding households, respondents reported substantially stronger demand for housing loans (+35% in Q2:21, from -7% in Q1:21 | a net percentage of +12% expects a further increase in Q3:21). Regarding consumer credit (credit cards, overdrafts, auto loans, student loans, etc.), a similar development took place (+11% in Q2:21, from -19% in Q1:21 and a net percentage of +31% expects a further increase in Q3:21). Higher consumer confidence, improved housing market prospects and increased spending on durable goods, were the main supporting factors for households' loan demand.

UK PMIs eased in July, below expectations

- **PMIs decreased in June, albeit remaining far above the expansion/contraction threshold of 50.0 across sectors for a 5th consecutive month.** Specifically, the PMI in the dominant services sector (80% of UK GDP) fell by 4.6 pts to 57.8 (consensus: 62.0). At the same time, the manufacturing PMI declined by 3.5 pts to 60.4 (consensus: 62.6). As a result of the above, the composite PMI came out at 57.7 in July, from 62.2 in June. In all, PMIs suggest that activity continues to expand robustly, albeit the speed of the recovery was tempered in July, mainly by shortages of staff and materials, according to the survey respondents. These supply side constraints, combined with the strong demand, continue to feed through to rising inflationary pressures.

Equities

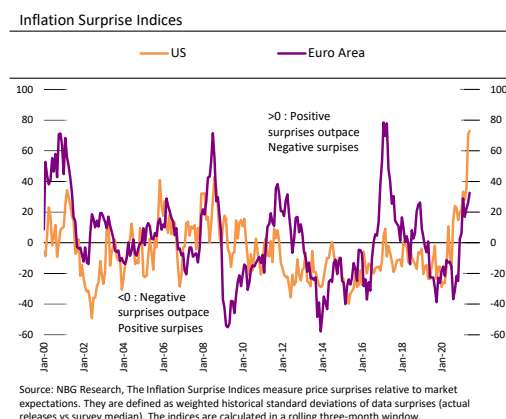
- Global equity markets were mixed in the past week. Overall, the MSCI ACWI ended the week up by 1.1% (+13% ytd), with Developed Markets (+1.6% wow | +14% ytd) significantly overperforming their Emerging Markets peers (-2.1% wow | +2% ytd).** The S&P500 rose by 2% wow in a volatile week, posting a new all-time high (4412), with strong corporate earnings more-than-offsetting concerns regarding the rapid spread of the COVID-19 delta variant, which had led the index 1.6% lower on Monday (its 5th largest daily decline in 2021), with the VIX index rising to 23% (2-month high). However, the VIX index decelerated to 17%, later in the week. Regarding sectors, Communication Services rose by 3.2% wow, with Facebook (+8.4% wow) and Google (+4.8%) overperforming and reaching new all-time highs, ahead of their earnings announcements this week. Moreover, Twitter rose by 8% wow, after reporting better-than-expected financial results for Q2, while also increasing its sales guidance for the current quarter. At the same time, positive corporate earnings surprises continue. Specifically, out of the 143 S&P 500 companies that have reported Q2:2021 results, the 85% of them have exceeded consensus EPS estimates, with consensus analyst expectations for EPS growth standing at +76% yoy (the highest growth rate since Q4:09) versus +52% yoy in the previous quarter. Furthermore, analyst expectations for net profit margin stand at 12.4%, which is above the 5-year average of 10.8%, trailing only the record-high of 12.8% in the previous quarter. Meanwhile, the Russell 1000 Growth rose by 3.3%, posting its highest weekly increase since April and overperforming the Russell 1000 Value (+1.1%) for the 4th consecutive week and extending its gains since May 12th to 16% (Value: +2% in the same period). On the other side of the Atlantic, the Eurostoxx rose by 1.9% wow (+15% ytd), recording its largest weekly increase since March, following 3 consecutive weeks with losses.

Fixed Income

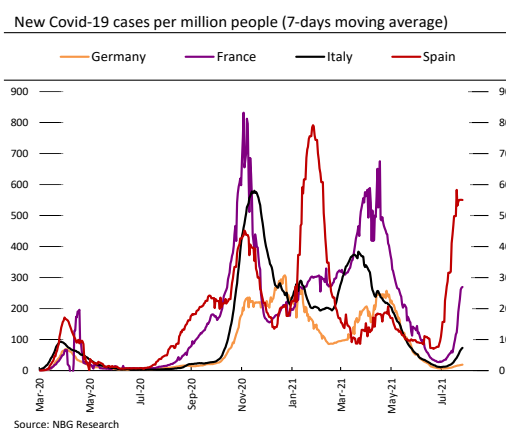
- Government bond yields declined in major advanced economies in the past week.** Specifically, the US 10-year yield fell by 2 bps wow to 1.28%, recording its 4th consecutive weekly decline and 9th out of the past 10 weeks. The yield declined by 11bps to 1.19% early in the week, recording its largest daily decline since March 2020 and its lowest level in 5 months. However, yields rebounded in the following days ending the week only slightly lower. Investors' attention now turns to the upcoming Fed meeting (July 28th) in order to assess how the QE tapering discussion evolves (current pace: \$120 bn per month). In Germany, the 10-year yield fell by 6 bps wow to -0.42%, its lowest level since February 12th. Periphery government bond yields broadly tracked core markets due to the dovish ECB. Specifically, in Italy the 10-year yield fell by 7 bps to 0.64% (4-month low), in Portugal by 5 bps to 0.17% (5-month low), while in Spain and in Greece it declined by 1 bp to 0.27% (4-month low) and 0.66% (5-month low), respectively. **Corporate bond spreads widened slightly in the HY spectrum.** Specifically, US HY spreads were up by 4 bps to 322 bps, while their EUR increased by 6 bps to 308 bps. In the investment grade spectrum, both US and EUR corporate bond spreads were broadly unchanged, at 92 bps and 85 bps, respectively.

FX and Commodities

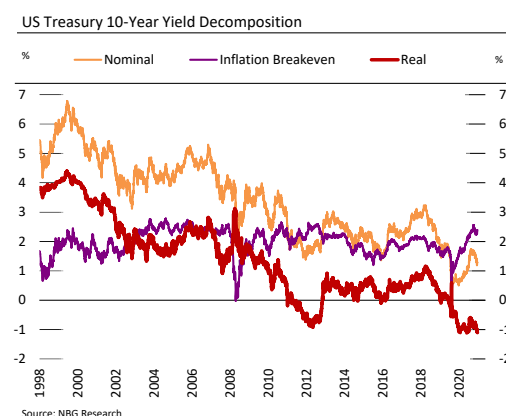
- The British pound depreciated slightly in the past week,** following comments from the Bank of England's Deputy Governor, B. Broadbent, that the current surge in prices is unlikely to create long-term inflation pressures and by the MPC member, J. Haskel, that reducing support is not the right option for the foreseeable future. Meanwhile, the European Commission rejected the UK demand for re-negotiation of the Northern Ireland Protocol. Overall, the Sterling fell by 0.3% wow against the US dollar to \$1.375, while it remained broadly stable against the euro at €/0.855. **Oil prices remained broadly stable in the past week. The week started on a negative note following the agreement among OPEC+ countries to increase supply and Covid-19 concerns.** However, prices retraced back losses later in the week. Overall, the Brent and the WTI ended the week flat at \$74.1/barrel and at \$72.1/barrel, respectively.



Graph 1.



Graph 2.



Graph 3.

Quote of the week: "Under the condition that we currently face, forward guidance can reinforce our commitment to attaining the inflation target that our policy rate will be lifted only if the evidence is sufficiently clear, sufficiently persistent, sufficiently lasting and we have the degree of confidence that our inflation rate will reach 2% on a durable basis.", **ECB President, Christine Lagarde, July 22nd 2021.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	July 23rd	3-month	6-month	12-month	Official Rate (%)	July 23rd	3-month	6-month	12-month
Germany	-0,42	-0,30	-0,20	-0,10	Euro area	0,00	0,00	0,00	0,00
US	1,28	1,40	1,50	1,60	US	0,25	0,25	0,25	0,25
UK	0,59	0,95	1,00	1,09	UK	0,10	0,10	0,08	0,06
Japan	0,01	0,13	0,16	0,18	Japan	-0,10	-0,10	-0,10	-0,10

Currency	July 23rd	3-month	6-month	12-month	July 23rd	3-month	6-month	12-month	
EUR/USD	1,18	1,17	1,18	1,20	USD/JPY	111	108	108	107
EUR/GBP	0,86	0,87	0,86	0,86	GBP/USD	1,37	1,35	1,37	1,40
EUR/JPY	130	127	128	129					

Forecasts at end of period

Economic Forecasts

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

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	13,0	3,0	5,3	4,8
Real GDP Growth (QoQ saar)	-	-14,5	-38,6	60,6	-2,4	-	-1,3	5,3	10,8	6,7	-
Private Consumption	1,3	-16,4	-41,8	70,0	-11,2	-8,0	-8,8	6,7	18,4	8,1	2,5
Government Consumption	1,8	-0,1	-9,9	23,0	1,5	1,4	-0,1	0,5	4,6	1,9	3,0
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	0,0	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	1,8	2,5	2,6	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

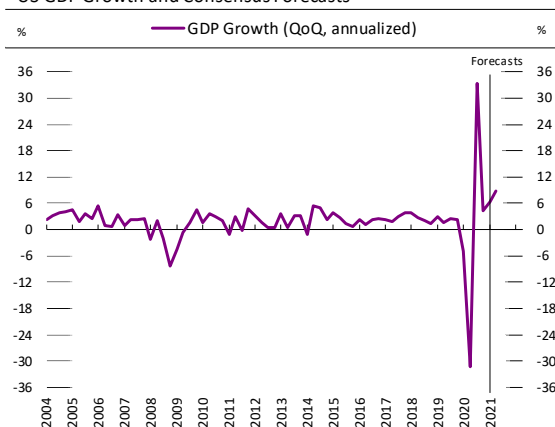
	US	Euro Area	Japan	UK
Equity Markets	<ul style="list-style-type: none"> + Massive Fiscal loosening will support the economy + 2021 EPS growth expectations have further room to increase + Share buybacks could resume - Peaking profit margins - High market cap concentration - P/Es (Valuations) approaching 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 advance estimate for GDP in Q2:21, which is released on Thursday. Consensus expects growth at +8.7% qoq saar versus +6.4% qoq saar in Q1:21. On Wednesday, attention turns to the Fed meeting. The Fed is expected to keep rates unchanged at 0.00%-0.25%. On Monday, ISM Manufacturing survey (latest: 60.6 | consensus of 61.0) will provide an update on business confidence.

In the Euro area, Q2:21 GDP is due on July 30th. Consensus expect GDP growth of +1.5% qoq saar (+13.2% yoy), compared with -0.3% qoq saar in Q1:21 (-1.3% yoy). On the same day, attention turns also to inflation data for July. CPI is expected at 2% yoy from 1.9% yoy in the previous month. Meanwhile, the unemployment rate for June is released and is expected stable at 7.9%.

US GDP Growth and Consensus Forecasts



Source: NBG Research

Economic News Calendar for the period: July 20 - August 2, 2021

Tuesday 20					Wednesday 21					Thursday 22						
US		S	A	P	JAPAN		S	A	P	US		S	A	P		
Building permits (k)	June	1700	-	1598	1683	Exports YoY	June	46.2%	+ 48.6%	49.6%	Initial Jobless Claims (k)	July 17	350	-	419	368
Housing starts (k)	June	1590	+	1643	1546	Imports YoY	June	27.1%	+ 32.7%	27.9%	Continuing Claims (k)	July 10	3060	-	3236	3265
JAPAN										EURO AREA						
CPI (YoY)	June	0.1%	+	0.2%	-0.1%					Existing home sales (mn)	June	5.90	-	5.86	5.78	
Core CPI (YoY) - ex. Fresh Food	June	0.2%		0.2%	0.1%					EURO AREA						
Core CPI (YoY) - ex. Fresh Food and Energy	June	..		-0.2%	-0.2%					ECB announces its intervention rate	July 22	0.00%	0.00%	0.00%		
										ECB announces its deposit facility rate	July 22	-0.50%	-0.50%	-0.50%		
										Consumer Confidence Indicator	July	-2.5	-	-4.4	-3.3	
Friday 23					Monday 26											
US		S	A	P	US		S	A	P							
Markit US Manufacturing PMI	July	62.0	+	63.1	62.1	New home sales (k)	June	800	-	676	724					
UK					JAPAN											
Markit UK PMI Manufacturing	July	62.6	-	60.4	63.9	PMI manufacturing	July	51.9	+	52.2	52.4					
Markit/CIPS UK Services PMI	July	62.0	-	57.8	62.4	GERMANY										
Retail sales Ex Auto MoM	June	0.7%	-	0.3%	-2.0%	IFO- Business Climate Indicator	July	102.0	-	100.8	101.7					
EURO AREA						IFO- Expectations	July	103.2	-	101.2	103.7					
Markit Eurozone Manufacturing PMI	July	62.5	+	62.6	63.4	IFO- Current Assessment	July	101.5	-	100.4	99.7					
Markit Eurozone Services PMI	July	59.5	+	60.4	58.3											
Markit Eurozone Composite PMI	July	60.0	+	60.6	59.5											
Tuesday 27					Wednesday 28					Thursday 29						
US		S	A	P	US		S	A	P	US		S	A	P		
S&P Case/Shiller house price index 20 (YoY)	May	15.9%	..	14.9%	Fed announces its intervention rate	July 28	0.25%	..	0.25%	GDP (QoQ, annualized)	Q2:21	8.7%	..	6.4%		
Conference board consumer confidence	July	124.0	..	127.3						Personal consumption (QoQ, annualized)	Q2:21	..	..	11.4%
Durable goods orders (MoM)	June	2.1%	..	2.3%						Pending home sales (MoM)	June	-0.8%	..	8.0%		
Durable goods orders ex transportation (MoM)	June	0.8%	..	0.3%						Initial Jobless Claims (k)	July 24	380	..	419		
EURO AREA										Continuing Claims (k)	July 17	3230	..	3236		
M3 money supply (YoY)	June	8.2%	..	8.4%						EURO AREA						
										Business Climate Indicator	July	..	..	1.7
										Economic confidence indicator	July	118.5	..	117.9		
Friday 30					Monday 2											
US		S	A	P	EURO AREA		S	A	P	US		S	A	P		
PCE Deflator (YoY)	June	4.1%	..	3.9%	GDP (QoQ)	Q2:21	1.5%	..	-0.3%	ISM Manufacturing	July	61.0	..	60.6		
PCE Core Deflator (YoY)	June	3.7%	..	3.4%	GDP (YoY)	Q2:21	13.2%	..	-1.3%	Construction spending (MoM)	June	0.3%	..	-0.3%		
Personal income (MoM)	June	-0.6%	..	-2.0%	CPI estimate (YoY)	July	2.0%	..	1.9%	GERMANY						
Personal spending (MoM)	June	0.6%	..	0.0%	Core CPI (YoY)	July	0.7%	..	0.9%	Retail sales (MoM)	June	0.8%	..	4.6%		
UK					Unemployment Rate	June	7.9%	..	7.9%	Retail sales (YoY)	June	..	..	-1.8%
Nationwide House Px NSA YoY	July	..	..	13.4%	GERMANY					CHINA				
JAPAN					GDP (QoQ)	Q2:21	2.1%	..	-1.8%	Manufacturing PMI	July	50.8	..	50.9		
Unemployment rate	June	3.0%	..	3.0%	GDP (wda, YoY)	Q2:21	9.6%	..	-3.1%	Caixin PMI Manufacturing	July	50.8	..	51.3		
Retail sales (MoM)	June	..	..	-0.3%										
Retail sales (YoY)	June	0.3%	..	8.3%												
Industrial Production (MoM)	June	5.0%	..	-6.5%												
Industrial Production (YoY)	June	19.2%	..	21.1%												
Construction Orders YoY	June	..	..	7.4%										

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	4412	2.0	17.5	36.3	46.1	MSCI Emerging Markets	73767	-1.8	2.9	19.5	
Japan	NIKKEI 225	27548	-1.6	0.4	21.1	26.9	MSCI Asia	1142	-2.2	1.5	19.1	
UK	FTSE 100	7028	0.3	8.8	13.1	-6.3	China	100	-3.7	-7.5	3.4	
Canada	S&P/TSX	20188	1.0	15.8	26.0	21.5	Korea	995	-0.9	7.4	44.6	
Hong Kong	Hang Seng	27322	-2.4	0.3	8.2	-4.2	MSCI Latin America	103584	-0.3	3.7	19.6	
Euro area	EuroStoxx	459	1.9	15.4	24.5	19.6	Brazil	384674	-0.6	2.9	18.4	
Germany	DAX 30	15669	0.8	14.2	19.6	25.1	Mexico	45943	0.0	13.0	31.8	
France	CAC 40	6569	1.7	18.3	30.5	17.2	MSCI Europe	6650	-0.9	10.8	23.3	
Italy	FTSE/MIB	25125	1.3	13.0	22.8	13.8	Russia	1489	-1.0	12.7	25.9	
Spain	IBEX-35	8717	2.5	8.0	18.0	-6.6	Turkey	1502705	-1.2	-11.2	5.8	

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		154.2	-0.9	19.4	23.6	-22.7	Energy		155.3	-0.8	20.1	20.7
Materials		350.1	0.1	9.8	29.1	33.7	Materials		328.0	0.3	11.8	27.0
Industrials		342.9	1.2	12.7	36.7	30.4	Industrials		335.0	1.3	15.0	36.2
Consumer Discretionary		421.6	2.3	11.9	40.3	56.0	Consumer Discretionary		404.3	2.4	13.6	40.2
Consumer Staples		278.2	-0.1	5.1	12.7	14.9	Consumer Staples		274.2	0.0	6.6	11.5
Healthcare		352.0	1.9	12.7	19.3	41.5	Healthcare		344.0	2.0	14.0	18.8
Financials		140.8	0.4	17.9	40.4	18.5	Financials		139.0	0.5	19.4	38.6
IT		520.9	3.0	17.4	43.8	84.5	IT		502.8	3.0	18.2	43.7
Telecoms		112.8	3.0	19.8	42.3	55.3	Telecoms		117.4	3.1	20.8	42.1
Utilities		155.2	-0.4	1.2	7.2	10.7	Utilities		156.7	-0.3	2.4	6.2

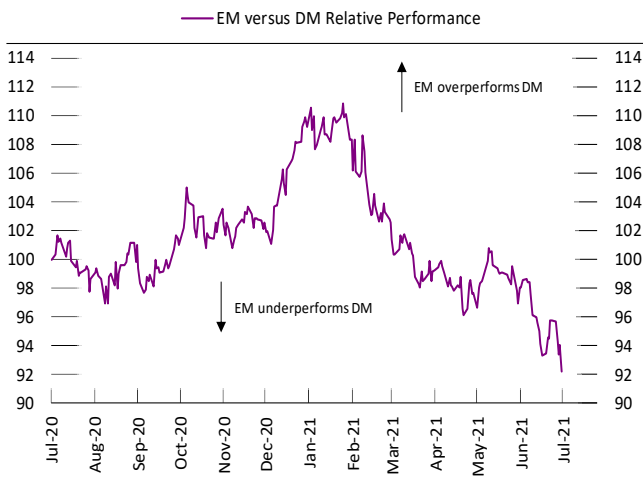
Bond Markets (%)

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		1.28	1.30	0.92	0.58	2.06	US Treasuries 10Y/2Y		107	106	80	40
Germany		-0.42	-0.35	-0.56	-0.48	0.60	US Treasuries 10Y/5Y		55	52	53	23
Japan		0.01	0.02	0.02	0.02	0.30	Bunds 10Y/2Y		32	34	16	20
UK		0.59	0.62	0.20	0.12	1.50	Bunds 10Y/5Y		30	30	18	20
Greece		0.66	0.67	0.62	1.05	8.47	Corporate Bond Spreads (in bps)		Current	Last week	Year Start	One Year Back
Ireland		-0.06	-0.01	-0.30	-0.12	2.31	EM Inv. Grade (IG)		147	146	163	213
Italy		0.64	0.70	0.45	0.98	2.66	EM High yield		556	530	524	686
Spain		0.27	0.28	0.04	0.32	2.29	US IG		92	91	103	139
Portugal		0.17	0.22	0.04	0.30	3.77	US High yield		322	318	386	526
US Mortgage Market (1. Fixed-rate Mortgage)		Current	Last week	Year Start	One Year Back	10-year average	Euro area IG		85	83	93	125
30-Year FRM ¹ (%)		3.11	3.09	2.90	3.20	4.05	Euro area High Yield		308	302	355	475
vs 30Yr Treasury (bps)		119.3	117.0	125.4	196.8	125.4						

Foreign Exchange & Commodities

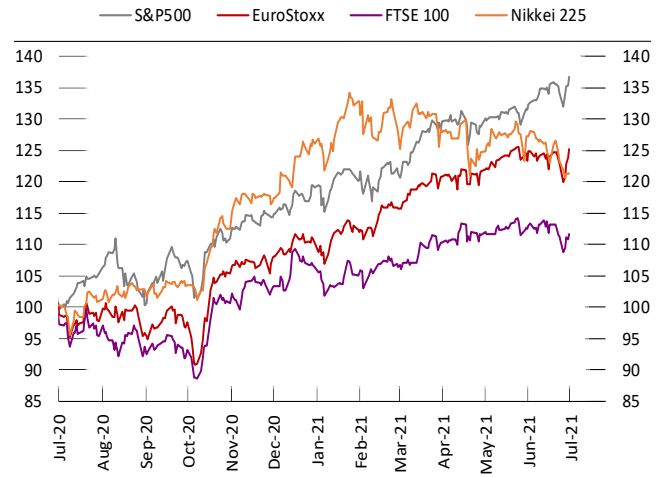
Foreign Exchange		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	Commodities		Current	1-week change (%)	1-month change (%)	1-Year change (%)
Euro-based cross rates							Agricultural		406	-0.5	3.2	50.3
EUR/USD		1.18	-0.4	-1.6	1.4	-3.9	Energy		241	1.3	-0.2	74.0
EUR/CHF		1.08	-0.2	-1.1	0.9	0.1	West Texas Oil (\$)		72	0.4	-1.4	75.5
EUR/GBP		0.86	-0.1	0.0	-6.0	-4.4	Crude Brent Oil (\$)		74	0.7	-1.4	71.1
EUR/JPY		130.05	0.0	-1.8	4.8	2.9	Industrial Metals		465	0.8	2.3	43.8
EUR/NOK		10.45	0.2	2.9	-1.7	-0.2	Precious Metals		2384	-0.9	0.7	-4.3
EUR/SEK		10.23	-0.2	0.9	-0.4	1.8	Gold (\$)		1802	-0.5	1.3	-4.5
EUR/AUD		1.60	0.2	1.5	-1.8	0.8	Silver (\$)		25	-3.5	-2.7	11.4
EUR/CAD		1.48	-0.5	0.9	-4.7	-5.0	Baltic Dry Index		3199	5.3	1.7	130.5
USD-based cross rates							Baltic Dirty Tanker Index		593	0.7	-4.5	11.9
USD/CAD		1.26	-0.1	2.5	-6.0	-1.2						
USD/AUD		1.36	0.7	3.1	-3.2	4.9						
USD/JPY		110.57	0.4	-0.2	3.3	7.1						

EM vs DM Performance in \$



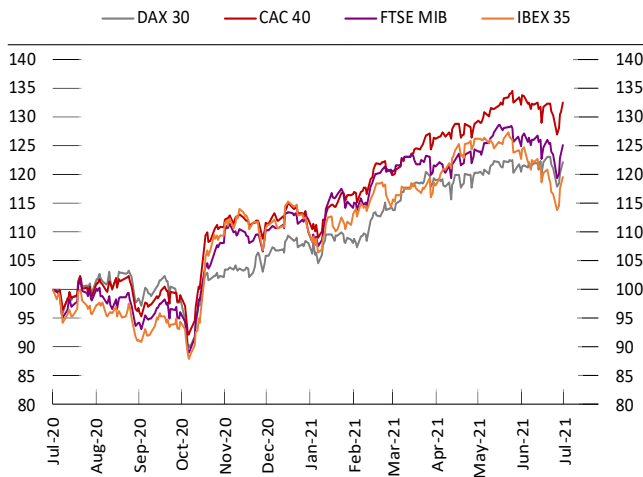
Data as of July 23rd – Rebased @ 100

Equity Market Performance - G4



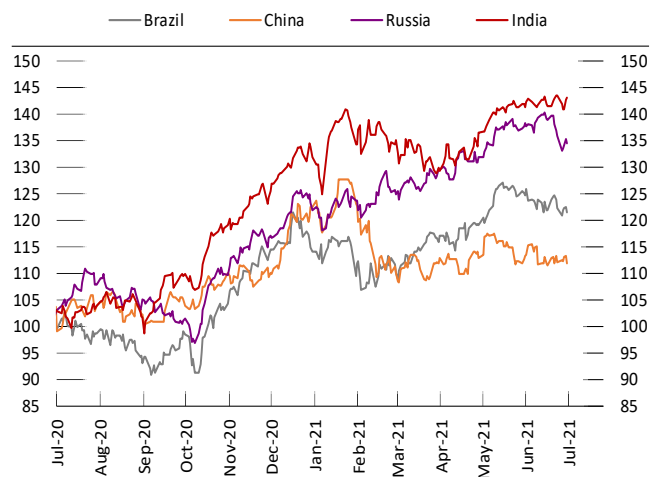
Data as of July 23rd – Rebased @ 100

Equity Market Performance – Euro Area G4



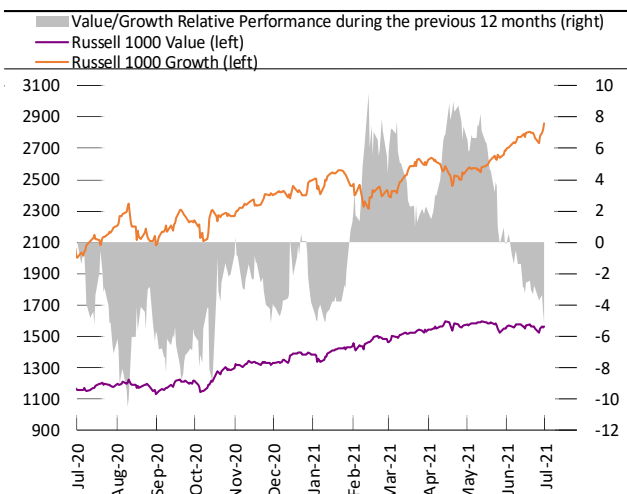
Data as of July 23rd – Rebased @ 100

Equity Market Performance - BRICs



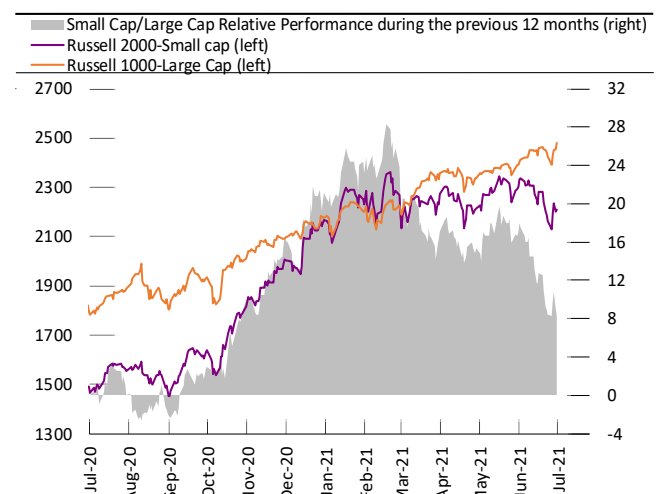
Data as of July 23rd – Rebased @ 100

Russell 1000 Value & Growth Index



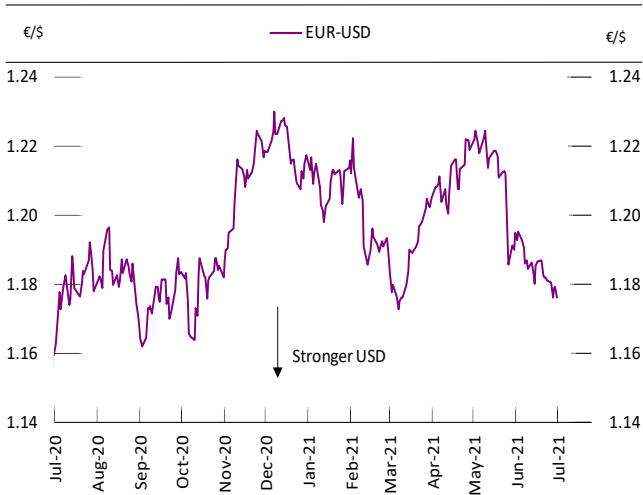
Data as of July 23rd

Russell 2000 & Russell 1000 Index



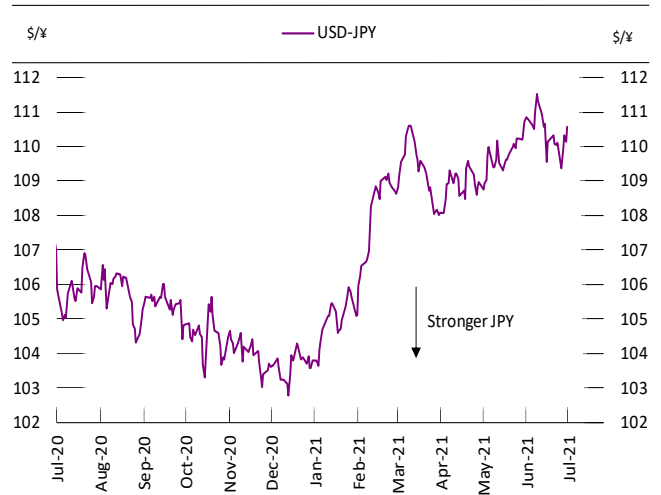
Data as of July 23rd

EUR/USD



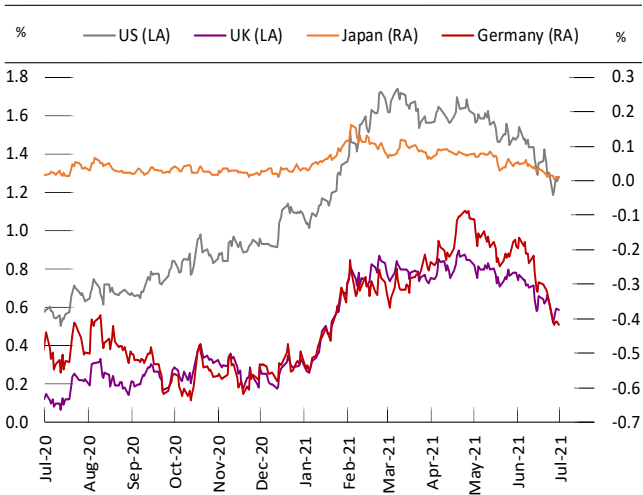
Data as of July 23rd

JPY/USD



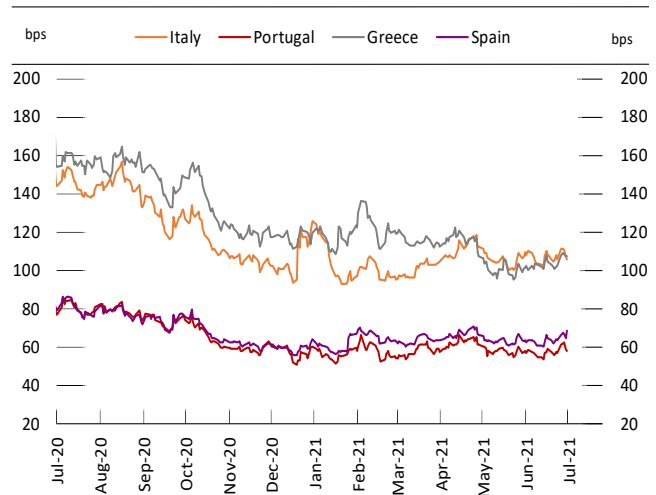
Data as of July 23rd

10- Year Government Bond Yields



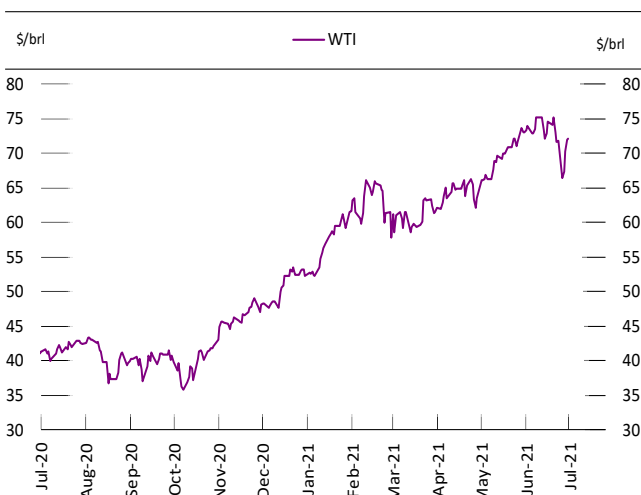
Data as of July 23rd
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



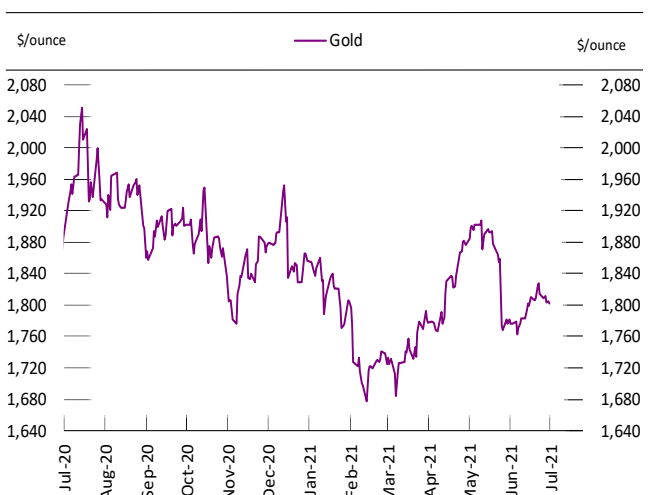
Data as of July 23rd

West Texas Intermediate (\$/bbl)



Data as of July 23rd

Gold (\$/ounce)



Data as of July 23rd

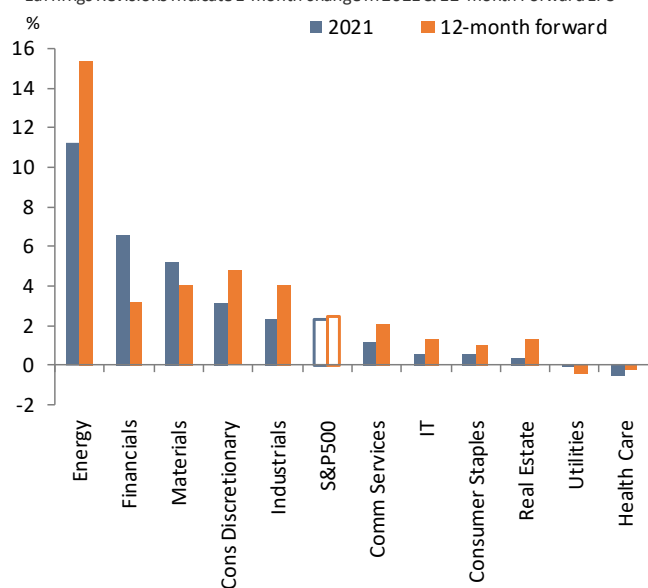
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	23/7/21	% Weekly Change	%YTD	2021	2022	2021	2022	2021	2022	12m fwd	10Yr Avg	2021	2022	Current	10Yr Avg
S&P500	4412	2.0	17.5	40.9	9.9	1.3	1.4	22.8	20.7	21.6	16.4	4.6	4.2	4.3	2.8
Energy	367	-0.4	28.3	N/A	28.3	4.6	4.7	N/A	12.5	14.0	15.2	1.6	1.6	1.6	1.7
Materials	513	0.8	12.6	75.2	-2.8	1.8	1.9	16.8	17.3	17.1	15.7	3.1	2.8	2.9	2.6
Financials															
Diversified Financials	1032	1.1	26.6	48.9	-4.0	1.3	1.5	16.1	16.8	16.5	14.4	2.1	2.0	2.1	1.5
Banks	386	-0.5	22.2	80.0	-11.5	2.4	2.7	10.5	11.9	11.3	11.2	1.3	1.2	1.2	1.0
Insurance	491	0.1	14.9	26.9	6.2	2.4	2.4	12.8	12.0	12.4	11.1	1.5	1.4	1.4	1.1
Real Estate	289	0.1	26.9	9.2	5.9	2.4	2.7	24.6	23.2	23.8	18.5	4.2	4.4	4.3	3.2
Industrials															
Capital Goods	894	1.6	17.5	54.3	20.2	1.5	1.5	24.5	20.4	22.2	16.6	5.4	4.9	5.1	3.7
Transportation	1066	1.7	14.6	N/A	115.1	1.3	1.4	N/A	17.6	N/A	11.0	6.8	5.8	6.2	3.8
Commercial Services	490	1.6	16.3	15.5	11.2	1.1	1.1	30.7	27.6	29.0	20.5	6.0	5.5	5.7	3.5
Consumer Discretionary															
Retailing	4195	2.7	17.7	32.2	16.8	0.5	0.5	37.0	31.7	34.1	25.4	14.4	10.9	12.4	8.2
Consumer Services	1451	4.8	10.0	N/A	782.8	0.9	1.3	N/A	29.7	N/A	25.3	24.1	19.9	21.8	8.8
Consumer Durables	526	4.3	19.5	55.1	12.6	1.1	1.3	18.8	16.7	17.6	17.4	4.5	3.9	4.2	3.3
Automobiles and parts	131	0.3	-0.2	81.7	20.2	0.0	0.1	37.1	30.9	N/A	12.6	6.2	5.3	5.7	2.3
IT															
Technology	2872	1.8	14.0	37.3	4.8	0.8	0.9	25.2	24.0	24.5	14.3	16.9	15.3	16.0	5.4
Software & Services	3740	2.8	21.4	17.7	14.6	0.7	0.8	36.1	31.4	33.5	19.7	11.0	9.5	10.2	5.8
Semiconductors	2087	4.3	18.0	29.8	10.4	1.2	1.2	21.6	19.5	20.4	15.0	7.1	5.9	6.4	3.6
Communication Services	276	3.2	24.3	25.8	12.8	0.8	0.8	25.2	22.4	23.6	18.5	4.4	3.9	4.2	3.1
Media	1105	3.9	29.2	37.5	17.3	0.2	0.3	30.2	25.7	27.7	21.6	5.7	4.9	5.3	3.5
Consumer Staples															
Food & Staples Retailing	605	1.8	6.3	9.6	8.2	1.5	1.6	23.8	22.0	22.8	17.5	5.1	4.7	4.9	3.4
Food Beverage & Tobacco	782	0.3	7.7	9.8	6.9	3.2	3.3	19.3	18.1	18.6	18.1	5.4	5.4	5.4	5.0
Household Goods	867	-0.3	2.3	6.4	6.7	2.2	2.3	25.6	24.0	24.7	20.5	11.0	10.5	10.8	6.1
Health Care															
Pharmaceuticals	1224	2.4	14.3	20.7	1.9	2.0	2.1	15.5	15.2	15.3	14.8	6.2	5.4	5.8	4.1
Healthcare Equipment	1846	2.0	17.1	16.9	8.6	0.9	1.0	22.1	20.3	21.1	16.3	4.2	3.8	4.0	2.8
Utilities	334	-0.9	4.7	2.3	5.6	3.2	3.3	20.0	19.0	19.4	16.6	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

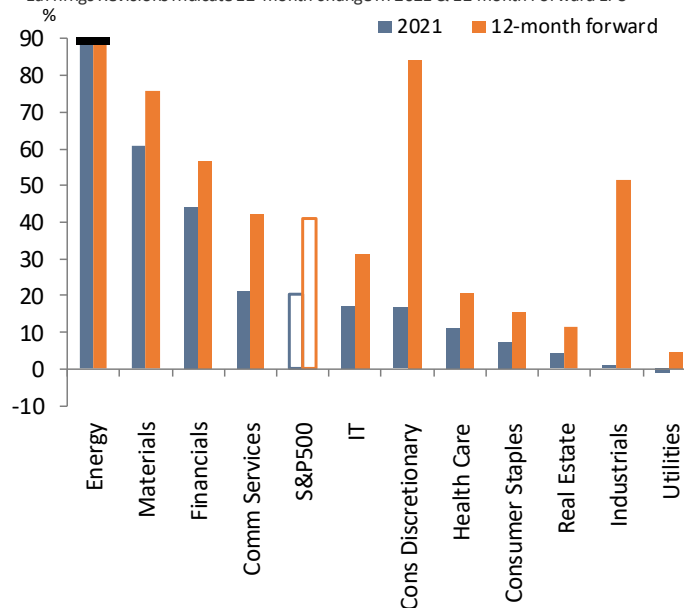


Data as of July 23rd

12-month forward EPS are 44% of 2021 EPS and 56% 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 July 23rd

12-month forward EPS are 44% of 2021 EPS and 56% of 2022 EPS

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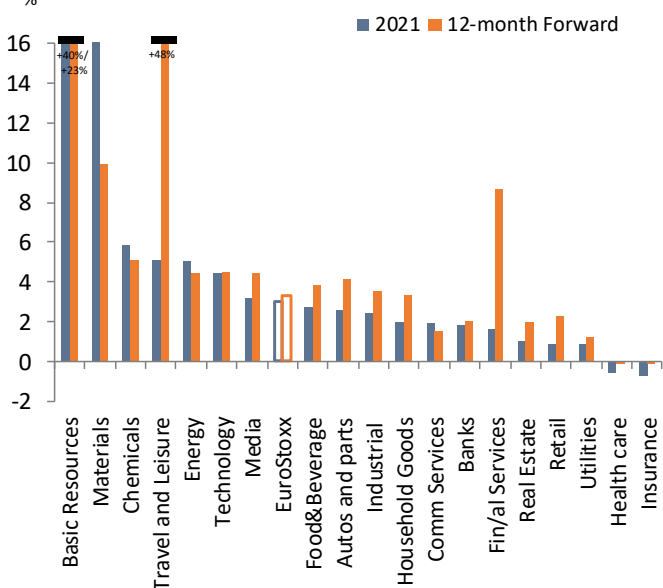
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	23/7/21	% Weekly Change	%YTD	2021	2022	2021	2022	2021	2022	12m fwd	10Yr Avg	2021	2022	Current	10Yr Avg
EuroStoxx	459	1.9	15.4	55.5	12.8	2.4	2.7	18.9	16.8	17.7	14.1	1.9	1.8	1.9	1.5
Energy	254	-0.5	0.6	327.0	13.4	5.1	5.5	12.7	11.2	11.9	12.9	1.2	1.2	1.2	1.1
Materials	994	1.8	15.0	118.4	-13.5	2.3	2.5	14.9	17.2	16.2	15.5	2.2	2.1	2.1	1.7
Basic Resources	251	5.6	20.6	N/A	N/A	2.2	2.4	N/A	9.7	7.9	12.0	1.0	1.0	1.0	0.7
Chemicals	1436	1.3	14.1	41.9	3.5	2.4	2.5	20.4	19.7	20.0	16.2	2.7	2.6	2.7	2.3
Financials															
Fin/Al Services	559	2.4	14.0	20.7	11.3	2.4	2.5	17.8	16.0	16.8	14.1	1.4	1.3	1.4	1.2
Banks	91	2.4	23.9	58.3	13.6	5.0	5.6	9.9	8.7	9.2	9.7	0.6	0.6	0.6	0.6
Insurance	281	0.7	7.5	39.8	5.9	5.5	5.8	9.8	9.2	9.5	9.4	0.9	0.8	0.8	0.9
Real Estate	238	0.0	7.9	1.6	12.4	3.0	3.3	21.1	18.8	19.8	17.2	1.0	1.0	1.0	1.0
Industrial	1144	2.9	16.9	19.6	23.7	1.6	1.9	26.8	21.6	23.9	16.5	3.7	3.4	3.5	2.5
Consumer Discretionary															
Media	269	3.2	22.6	19.1	13.1	2.3	2.5	21.0	18.6	19.7	16.3	2.7	2.6	2.7	1.9
Retail	780	2.4	17.6	65.0	18.3	2.0	2.3	32.9	27.8	30.1	22.8	6.3	5.8	6.0	4.3
Automobiles and parts	612	2.0	21.5	608.6	15.4	3.7	4.2	8.5	7.4	7.9	8.8	1.1	1.0	1.0	1.0
Travel and Leisure	208	3.8	-2.6	N/A	N/A	0.5	1.4	N/A	N/A	N/A	N/A	3.1	2.8	3.0	2.1
Technology	894	2.8	24.7	32.8	14.3	0.7	0.8	31.8	27.8	29.6	20.1	5.1	4.5	4.8	3.5
Communication Services	292	-0.2	18.2	-18.8	10.2	3.5	3.9	17.0	15.4	16.1	14.0	1.6	1.5	1.5	1.7
Consumer Staples															
Food&Beverage	571	0.2	9.7	30.7	16.1	1.6	1.8	25.8	22.2	23.8	19.4	2.7	2.5	2.6	2.6
Household Goods	1495	2.7	22.7	51.3	14.3	1.0	1.1	41.3	36.1	38.4	23.8	7.3	6.5	6.9	3.8
Health care	909	1.7	11.9	6.3	10.0	1.9	2.0	21.4	19.5	20.4	16.3	2.6	2.5	2.5	2.2
Utilities	375	0.8	-1.3	20.1	8.5	4.3	4.5	16.4	15.1	15.7	13.3	1.7	1.7	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

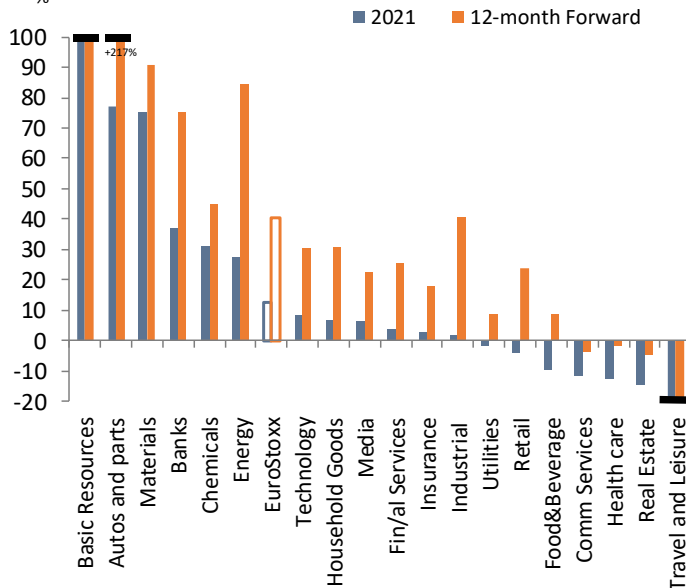
Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS %



Data as of July 23rd
12-month forward EPS are 44% of 2021 EPS and 56% 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 July 23rd
12-month forward EPS are 44% of 2021 EPS and 56% of 2022 EPS

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