Global Markets Roundup

National Bank of Greece | Economic Research Division | September 28, 2021

NATIONAL BANK OF GREECE

German Elections 2021: Traffic Lights

- Euro area politics took a slight turn for the better during the past week, following the outcome of the German elections. Voters ordered the continuation of centrist policies, listing climate change as a top priority. A (small) leap towards further European integration is likely.
- The Social Democratic Party (SPD) won the popular vote (25.7%), the first time since 2002, with the CDU/CSU block second with 24.1%. The SPD validated its improvement in the past two months, while the CDU/CSU block suffered considerable losses compared with the 2017 elections (-9 pps).
- The Greens received a record 14.8% of the votes (from 8.9% in 2017) and the liberal FDP 11.5% (from 10.7% in 2017). The far-right AfD fell to 10.3%. Note that the far-right AfD was third in 2017 (12.6%), entering the Bundestag for the first time in 60 years, as the migration crisis has taken its toll on mainstream parties. Finally, the Left Party received 4.9%.
- Both the SPD and the CDU/CSU block fell short of an overall Parliamentary majority (see graph below). A "Traffic Light" coalition between the SPD, the liberal FDP and the Green Party appears the most likely scenario, under Olaf Scholz. The other option is a "Jamaica" coalition between the CDU/CSU, Greens and FDP under Armin Laschet (Merkel's successor).
- Negotiations will be difficult and will likely run to end year. On Monday, euro and Bund yields were broadly flat. Specifically, the euro declined by -0.1% against the USD, to $/1.17 and the 10Yr Bund yield ended the session at -0.22% (up by 18 basis points Month-to-Date). The DAX40 increased by +0.3%, in tandem with European markets. The avoidance of a more left-leaning Government (R^2G, see graph below) and the likely inclusion of pro-business FDP could be equity market supportive.
- Global bond markets came under selling pressure due to the modest hawkish shift among central bankers (Fed, Bank of England, see page 3), with high equity duration sectors (e.g. Technology) ending in the red. Concerns driven by developments in the property sector (China) receded, albeit risks did not disappear. A sharp housing market correction or continuous funding pressure in the highly leveraged property sector could pose financial stability risks.
- The Fed maintained the Federal funds rate (FFR) at 0.25%, as expected, but the split vote in 2022 (9 out of 18 participants forecasted at least one hike vs 7 three months ago) was more hawkish than expected. The interest-rate outlook for the medium term reveals a FFR of 1.8% (2024) versus a long-term (or natural) rate of 2.5% suggesting that policy is expected to remain accommodative.
- Having said that, inflation is likely to be the determining factor for the pace of interest rate hikes, with risks skewed to the upside amid skyrocketing commodity prices (see graphs page 3).
- The Fed also sent a strong hint that will begin its portfolio normalization (current pace of purchases: $120 bn per month) in November/December, ending large-scale net asset purchases by mid-2022. The Fed decision pushed the 10Yr UST yield up by 11 bps to 1.48% (three-month high), while the 10/2 curve steepened (118 bps). Rates' volatility could increase ahead of the US legislative "perfect storm" (funding bill to avoid a Government shutdown that would kick in Friday morning, infrastructure and social security bills and lifting the debt ceiling).

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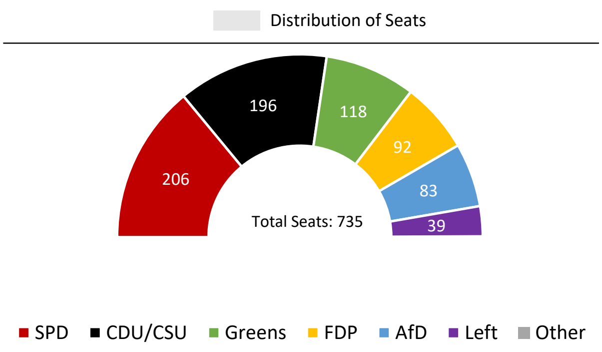
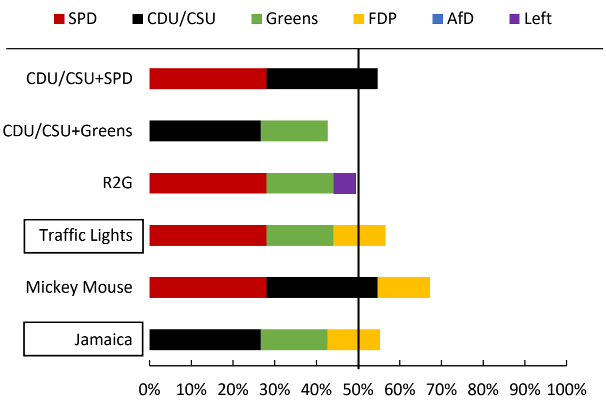
German Elections



Source: NBG Research

German Elections: Coalition Options



Source: NBG Research

See page 11 for disclosures and analyst certification

The Fed revised its short-term projections for real GDP (down) and inflation (up), with the medium-term macroeconomic outlook though, broadly unchanged

- **The 18 participants in the Federal Open Market Committee (FOMC) downgraded their outlook for GDP growth in 2021 compared with June, as consumer spending has posted signs of flattening recently, especially in Covid-sensitive sectors such as travel and restaurants.** Specifically, the median estimate for 2021 GDP growth (Q4/Q4) was revised down by 1.1 pp to (a still particularly robust) +5.9% yoy. However, the projection for Q4:22 was raised by 0.4 pps to +3.8% yoy. Thereafter, the projection for growth was little changed for Q4:23, +0.1 pp to +2.5%, while the newly introduced estimate for 2024 stood at +2.0% yoy (longer-run projection: stable at +1.8% yoy). The estimates for the unemployment rate were somewhat revised up in the short-term (+0.3 pps to 4.8%, on average in Q4:21), in tandem with the expectations for a relatively weaker activity in the same period (latest: 5.2% in August), albeit they were unchanged for the following years, at 3.8% in 2022, 3.5% in 2023 and also 3.5% in 2024 (longer-run: stable at 4.0%).

- **At the same time, the recent elevated inflation outcomes and a re-evaluation of the estimates regarding the potential duration of the current supply chain bottlenecks prompted the FOMC to revise up its respective projections for 2021.** However, the view for the temporary nature of the ongoing inflation spike was maintained, as suggested by the projections in subsequent years, as well as by Chair Powell's commentary. (these issues are seen persisting through 2021 and probably also in early-2022). The fact that indicators of longer-term inflation expectations (both market and survey based) still remain anchored at levels broadly consistent with the Fed's 2% longer-run inflation goal, was cited as an important supporting factor for that outlook.

- Headline PCE inflation is now anticipated at +4.2% yoy in 2021 (Q4 average, up by +0.8 pps compared with June's projections). Nevertheless, the estimates for 2022 & 2023 (both at +2.2% yoy), were largely unchanged. The newly introduced estimate for 2024 came out at +2.1% yoy and the longer-run projection at +2.0% yoy. At the same time, core PCE growth is anticipated at +3.7% yoy in 2021 (Q4 average) versus +3.0% yoy previously, while the respective estimate for 2022 was revised up by 0.2 pps to +2.3% yoy and by 0.1 pp to +2.2% yoy for 2023 (2024: +2.1% yoy).

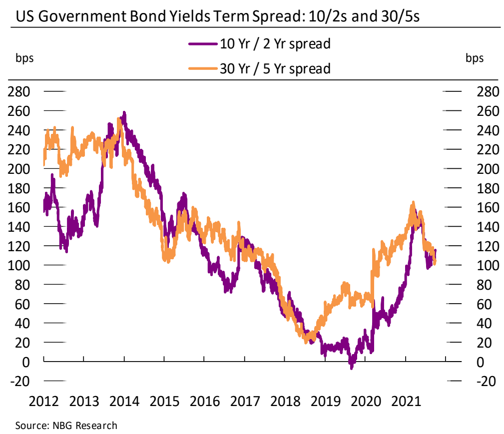
- **The aforementioned macroeconomic outlook is conditioned on the Fed bringing forward compared with June, the timing of hikes for the Federal Funds Rate (FFR), versus a current target range of 0% - 0.25%.** In the event, expectedly and as was also the case in June, none of the FOMC participants expect any increase in the FFR up to end-2021. The median FOMC projection for 2023 interest rates now points at 1.0% versus 0.6% in June. Furthermore, the newly introduced estimate for end-2024 stands at 1.8%, still below the longer-term FFR estimate from FOMC participants (unchanged at 2.50%), suggesting an accommodative monetary policy throughout the forecasting horizon.

Euro area PMIs for September indicated an easing of impetus for economic activity

- **PMIs remained well in expansionary territory in September, albeit easing considerably, below expectations.** Specifically, the composite index came out at 56.1, compared with 59.0 in August and versus consensus estimates for 58.5. The deterioration was broad based, with both the services PMI and its manufacturing peer, shedding 2.7 pts, to 56.3 & 58.7, respectively (consensus for 58.5 & 60.3, respectively). In all, supply chain bottlenecks continued to be cited as a major restraining factor for output, extending the mismatch between the sharp demand following the re-opening of economies and production.
- Notably, according to Markit, suppliers' delivery times (a key gauge of supply chain delays) lengthened at an increased rate in September, far above any pre-pandemic precedent in the manufacturing sector, with these constraints increasingly affecting services providers as well. The consequent higher supplier prices, alongside elevated fuel and transport costs, resulted in input costs continuing to rise strongly, with the respective indicator at a 21-year high at the composite level. The concerns about the path of the pandemic were also a dampening factor for business confidence. It should also be noted though, that PMIs remained well above the expansion/contraction threshold of 50. Moreover, an easing of the pace of expansion of activity is realistic, following a sharp recovery in previous months (the composite PMI had reached a 21-year high of 60.2 in July).
- **Regarding PMI performance by country, the easing was broad based, albeit led by Germany, while both Germany and France underperformed the rest of the euro area.** Specifically, in France the composite PMI declined by 0.8 pts to 55.1 in September. The decrease was mostly due to the manufacturing PMI (-2.3 pts to 55.2), while its services counterpart was little changed (-0.3 pts to 56.0). On a more positive note, INSEE's (France's official statistics office) composite business climate indicator rose by 1.2 pts to 111.5 in September, remaining elevated (average of 100 since 1990).
- **German PMIs fell considerably across sectors.** Specifically, the services PMI declined by 4.8 pts to 56.0 in September. At the same time, its manufacturing counterpart decreased by 4.1 pts to 58.5, with the output component under-performing (53.8, a 15-month low), restrained by supply chain hindrances. In all, the composite index fell by 4.7 pts to 55.3 in September. In a similar note, the IFO business survey deteriorated, with the aforementioned supply chain issues and rising input costs, being cited as the main weighing factors. In the event, the business climate index fell by 0.8 pts in September, to 98.8 (in line with consensus estimates), albeit remaining above an average of 97.1 since 2005. Declines were recorded for both the expectations component (expectations for business conditions in the next six months), -0.5 pts to 97.3 and the component regarding the assessment of current conditions, -1.0 pt to 100.4. Sector-wise, the deterioration in the headline business confidence, was due to the manufacturing sector, while improvements were recorded in services and construction (no change in the trade sector).

Equities

- **Global equity markets were mixed in the past week, while exhibiting increased volatility early in the week, due to concerns regarding contagion effects from the China Evergrande Group's debt crisis.** Overall, the MSCI ACWI ended the week broadly stable (+13% ytd), with Emerging Markets (-1.1% wow | -2% ytd) underperforming their Developed Markets peers (+0.2% wow | +15% ytd), mainly due to the losses of MSCI China (-2.8% wow) and MSCI Turkey (-4.1% wow). Notably, the Turkey's Central Bank unexpectedly cut its policy rate by 100 bps to 18%, its first monetary easing since May 2020, with the Turkish lira declining by 2.3% wow against the USD and posting a new record low (USD/TRY: 8.86). In the US, the S&P500 rose by 0.5% wow (+19% ytd), despite recording on September 20^{th} its largest daily decline since May 12^{th} (-1.7%). Nevertheless, the volatility increase was short-lived, as the VIX declined in each of the next four days ended the week significantly lower (18%), with the S&P500 posting a 3-day rebound ending a 4-session streak with losses, entering in positive wow territory, as worries about Evergrande eased. Moreover, the announcement that quarterly buybacks of the S&P500 companies approached $200 bn in Q2:21, increasing by 12% from Q1:21 and by 124% from Q2:20, supported sentiment (quarterly all-time high of $223 bn set in Q4:18). Investors' attention turns to the upcoming political negotiations regarding the debt ceiling as we approach the September 30^{th} spending deadline. Regarding sectors, Energy led the increase, ending the week up by 4.7%, on the back of rising oil prices, while Banks rose by 3.4% due to, *inter alia*, the increase in long-term nominal yields. On the other side of the Atlantic, the Eurostoxx increased by 0.4% wow (+17% ytd), with Energy (+2.8% wow) overperforming. In Japan, the Nikkei225 declined by 0.8% wow, ahead of the governing party's presidential election on September 29^{th} for the replacement of the outgoing Prime Minister Suga.

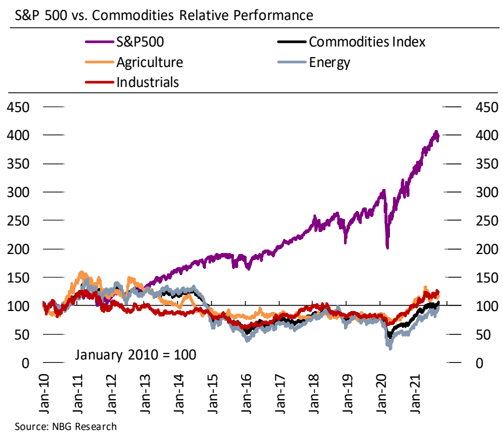


Graph 1.

Fixed Income

- **Government bond yields rose in the past week as central banks (US, UK, Norway) signaled a hawkish shift in their monetary policy.** Specifically, US 10-year yields rose by 9 bps wow to 1.46% (a 2½ months high), while 2-year yields increased by 5 bps to 0.30%, with the yield curve (10-2 year spread), at the highest level since July 2021 (116 bps). On the other side of the Atlantic, in the UK, the 10-year yield rose by 8 bps wow to 0.84%, with the bulk of the increase occurring on Thursday, following the Bank of England meeting.

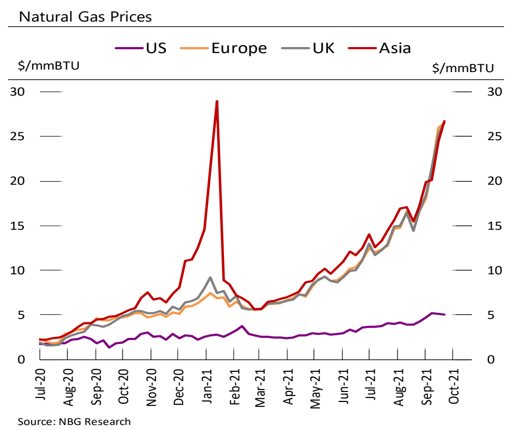
Corporate bond spreads recorded modest changes in the past week (ex EUR HY). Specifically, US high yield spreads rose by 1 bp to 305 bps, while their euro area counterparts were up by 8 bps to 293 bps. **Note that China's spillover risk to the USD HY markets is estimated to be low, as out of the $1.6 trillion of bonds outstanding in the USD HY universe, only $19 billion (1.2%) have been issued by Asian Companies**. In the Investment Grade spectrum, US spreads were down by 3 bps wow to 87 bps and Euro area spreads were stable at 83 bps.



Graph 2.

FX and Commodities

- **The euro was broadly stable wow against the US dollar to $1.172, albeit it slipped below 1.17 on Monday** as market pricing regarding the first interest rate hike by the Fed has been brought forward. Meanwhile, the Norwegian Krone increased in the past week (+1.2% against the euro to EUR/NOK 10.08) as the Norges Bank raised its policy rate to 0.25% from 0%. Meanwhile it provided strong guidance on the near-term policy rate outlook, as the Governor Olsen stated that "the policy rate will most likely be raised further in December". **Finally, oil prices rose in the past week, recording their 5^{th} consecutive weekly gains, due to, *inter alia*, the further decline in US oil inventories (-3.5 million barrels to 414 million barrels for the week ending September 17^{th} | their lowest level since October 2018).** Overall, the Brent ended the week up by 3.7% to $78.1/barrel (+51% ytd) and the WTI by 2.8% to $74/barrel (+53% ytd), respectively.



Graph 3.

Quote of the week: "I have very vivid memories of (the) latest stock market developments in China that had a bearing across the world. But in Europe and in the euro area, in particular, direct exposure would be limited.", **President of the ECB, Christine Lagarde, September 24^{th} 2021.**

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Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	September 24th	3-month	6-month	12-month	Official Rate (%)	September 24th	3-month	6-month	12-month
Germany	-0,22	-0,30	-0,20	-0,10	Euro area	0,00	0,00	0,00	0,00
US	1,46	1,40	1,50	1,60	US	0,25	0,25	0,25	0,25
UK	0,84	0,94	1,00	1,13	UK	0,10	0,10	0,10	0,19
Japan	0,05	0,07	0,11	0,15	Japan	-0,10	-0,10	-0,10	-0,10

Currency	September 24th	3-month	6-month	12-month		September 24th	3-month	6-month	12-month
EUR/USD	1,17	1,17	1,18	1,20	USD/JPY	111	108	108	107
EUR/GBP	0,86	0,86	0,85	0,85	GBP/USD	1,37	1,36	1,38	1,41
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	Q2:21a	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	5,2	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	3,3	2,3

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

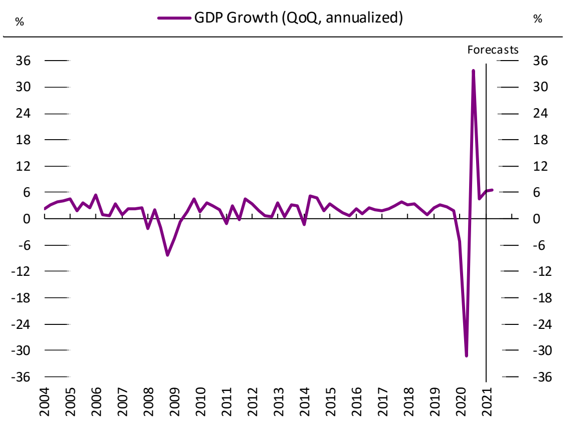
	US	Euro Area	Japan	UK
Equity Markets	+ Massive Fiscal loosening will support the economy + 2021 EPS growth expectations have further room to increase + Share buybacks could resume - Peaking profit margins - High market cap concentration - P/Es (Valuations) approaching dot-com levels ● **Neutral/Positive**	+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 ● **Neutral**	+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 ● **Neutral**	+65% of FTSE100 revenues from abroad +Undemanding valuations in relative terms - Elevated Policy uncertainty to remain ● **Neutral/Negative**
Government Bonds	+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 ▲ **Slightly higher yields expected**	+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 ▲ **Slightly higher yields expected**	+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% ● **Stable yields expected**	+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 ▲ **Slightly higher yields expected**
Foreign Exchange	+Safe-haven demand - Fed's interest rate differential disappeared following cuts to 0%-0.25% - Global political uncertainty to decline ● **Broadly Flat EUR against the USD with high volatility around $1.20**	+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) ● **Broadly Flat EUR against the USD with high volatility around $1.20**	+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% ▲**Slightly higher JPY**	+Valuations appear undemanding with REER below its 15-year average - Sizeable Current account deficit ▲ **Higher GBP expected**

Economic Calendar

In the US, the main macro event next week is the final estimate of GDP for Q2:21, which is released on Thursday. GDP growth is expected to be unchanged compared with the previous estimate at 6.6% qoq saar. On Friday, August's personal income and consumption and PCE data (the Fed's preferred measure for gauging inflation developments) for August will gather investors' attention. Meanwhile, ISM Manufacturing survey (latest: 59.9 | consensus of 59.5) will provide an update on business confidence.

In the Euro area, attention turns to inflation data for September. CPI is expected at 3.3% yoy from 3% in the previous month, while the core figure is expected at 1.9% yoy from 1.6%. On Thursday, the unemployment rate for August is released and is expected stable at 7.5% from 7.6% in the previous month.

US GDP Growth and Consensus Forecasts



Source: NBG Research

Economic News Calendar for the period: September 21 - October 4, 2021

Tuesday 21

US		S		A	P
Building permits (k)	August	1600	+	1728	1630
Housing starts (k)	August	1555	+	1615	1554

Wednesday 22

US		S		A	P
Fed announces its intervention rate	September 22	0.25%		0.25%	0.25%
Existing home sales (mn)	August	5.87	+	5.88	6.00
JAPAN					
Bank of Japan announces its intervention rate	September 22	-0.10%		-0.10%	-0.10%
EURO AREA					
Consumer Confidence Indicator	September	-5.7	+	-4.0	-5.3

Thursday 23

US		S		A	P
Initial Jobless Claims (k)	September 18	322	-	351	335
Continuing Claims (k)	September 11	2625	-	2845	2714
Markit US Manufacturing PMI	September	60.5		60.5	61.1
UK					
BoE announces its intervention rate	September 23	0.10%		0.10%	0.10%
BoE Asset Purchase Target (£bn)	September 23	895		895	895
Markit UK PMI Manufacturing SA	September	59.0	-	56.3	60.3
Markit/CIPS UK Services PMI	September	55.0	-	54.6	55.0
EURO AREA					
Markit Eurozone Manufacturing PMI	September	60.3	-	58.7	61.4
Markit Eurozone Services PMI	September	58.5	-	56.3	59.0
Markit Eurozone Composite PMI	September	58.5	-	56.1	59.0

Friday 24

US		S		A	P
New home sales (k)	August	710	+	740	729
JAPAN					
CPI (YoY)	August	-0.1%	-	-0.4%	-0.3%
Core CPI (YoY) - ex. Fresh Food	August	-0.1%	+	0.0%	-0.2%
Core CPI (YoY) - ex. Fresh Food and Energy	August	..		-0.5%	-0.6%
PMI manufacturing	September	52.4	-	51.2	52.7
GERMANY					
IFO- Business Climate Indicator	September	98.7	+	98.8	99.6
IFO-Expectations	September	96.5	+	97.3	97.8
IFO- Current Assesment	September	101.9	-	100.4	101.4

Monday 27

US		S		A	P
Durable goods orders (MoM)	August	0.7%	+	1.8%	0.5%
Durable goods orders ex transportation (MoM)	August	0.5%	-	0.2%	0.8%
EURO AREA					
M3 money supply (YoY)	August	7.8%		7.9%	7.6%

Tuesday 28

US		S	A	P
S&P Case/Shiller house price index 20 (YoY)	July	20.0%	..	19.1%
Conference board consumer confidence	September	114.0	..	113.8

Wednesday 29

US		S	A	P
Pending home sales (MoM)	August	0.7%	..	-1.8%
EURO AREA				
Business Climate Indicator	September	..	..	1.8
Economic confidence indicator	September	116.4	..	117.5

Thursday 30

US		S	A	P
GDP (QoQ, annualized)	Q2:21	6.6%	..	6.6%
Initial Jobless Claims (k)	September 25	335	..	351
Continuing Claims (k)	September 18	2800	..	2845
UK				
GDP (QoQ)	Q2:21	4.8%	..	4.8%
GDP (YoY)	Q2:21	22.2%	..	22.2%
Nationwide House Px NSA YoY	September	..	..	11.0%
JAPAN				
Retail sales (MoM)	August	..	..	1.0%
Retail sales (YoY)	August	-0.6%	..	2.4%
Industrial Production (MoM)	August	-0.8%	..	-1.5%
Industrial Production (YoY)	August	..	..	11.6%
Construction Orders YoY	August	..	..	-3.4%
EURO AREA				
Unemployment Rate	August	7.5%	..	7.6%
CHINA				
Manufacturing PMI	September	50.1	..	50.1
Caixin PMI Manufacturing	September	49.5	..	49.2

Friday 1

US		S	A	P
PCE Deflator (YoY)	August	4.2%	..	4.2%
PCE Core Deflator (YoY)	August	3.4%	..	3.6%
Personal income (MoM)	August	0.2%	..	1.1%
Personal spending (MoM)	August	0.8%	..	0.3%
ISM Manufacturing	September	59.5	..	59.9
Construction spending (MoM)	August	0.4%	..	0.3%
JAPAN				
Tankan - large manufacturers current index	Q3:21	..	..	14
Tankan - large manufacturers outlook index	Q3:21	..	..	13
Unemployment rate	August	2.9%	..	2.8%

EURO AREA		S	A	P
CPI estimate (YoY)	September	3.3%	..	3.0%
Core CPI (YoY)	September	1.9%	..	1.6%
GERMANY				
Retail sales (MoM)	August	1.0%	..	-5.1%
Retail sales (YoY)	August	2.3%	..	-0.3%

Monday 4

US		S	A	P
Factory Goods Orders (MoM)	August	..	..	0.4%

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 (%)
US	S&P 500	4455	0.5	18.6	37.2	49.3
Japan	NIKKEI 225	30249	-0.8	10.2	31.0	37.4
UK	FTSE 100	7051	1.3	9.1	21.1	-3.3
Canada	S&P/TSX	20403	-0.4	17.0	28.2	21.6
Hong Kong	Hang Seng	24192	-2.9	-11.2	3.8	-6.8
Euro area	EuroStoxx	465	0.4	16.9	33.0	22.8
Germany	DAX 40	15532	0.3	13.2	23.2	27.0
France	CAC 40	6638	1.0	19.6	39.4	18.9
Italy	FTSE/MIB	25969	1.0	16.8	37.4	19.2
Spain	IBEX-35	8873	1.3	9.9	33.6	-2.3

Emerging Markets	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
MSCI Emerging Markets	71337	-0.9	-0.5	17.4
MSCI Asia	1094	-1.1	-2.8	15.4
China	88	-2.8	-18.0	-7.0
Korea	945	-0.3	2.1	32.8
MSCI Latin America	96221	-0.4	-3.7	18.0
Brazil	334777	-0.3	-10.4	9.9
Mexico	47319	-0.5	16.4	41.2
MSCI Europe	7135	-0.4	18.8	38.3
Russia	1614	0.3	22.2	39.3
Turkey	1551089	-4.1	-8.3	17.2

World Market Sectors (MSCI Indices)

in US Dollar terms	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
Energy	163.9	4.0	26.9	57.3	-14.1
Materials	335.7	-0.8	5.3	23.6	33.7
Industrials	342.8	-0.1	12.7	32.2	32.7
Consumer Discretionary	420.7	0.3	11.6	33.9	61.0
Consumer Staples	275.5	-0.3	4.1	12.1	12.7
Healthcare	355.2	-0.1	13.7	24.7	43.8
Financials	146.3	0.9	22.5	55.1	25.9
IT	533.8	0.6	20.4	41.9	94.9
Telecoms	112.8	-0.5	19.8	42.3	54.4
Utilities	152.5	-1.0	-0.5	10.8	3.3

in local currency	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
Energy	165.5	4.0	28.0	53.9
Materials	315.5	-0.7	7.6	21.9
Industrials	335.5	0.0	15.1	32.1
Consumer Discretionary	403.9	0.4	13.5	34.2
Consumer Staples	272.1	-0.2	5.8	11.2
Healthcare	347.6	-0.1	15.2	24.5
Financials	144.8	0.9	24.3	53.4
IT	515.6	0.7	21.2	42.0
Telecoms	117.4	-0.5	20.8	42.3
Utilities	154.3	-0.9	0.9	10.1

Bond Markets (%)

10-Year Government Bond Yields	Current	Last week	Year Start	One Year Back	10-year average
US	1.46	1.37	0.92	0.66	2.04
Germany	-0.22	-0.26	-0.56	-0.50	0.56
Japan	0.05	0.04	0.02	0.02	0.28
UK	0.84	0.76	0.20	0.21	1.47
Greece	0.81	0.82	0.62	1.02	8.17
Ireland	0.14	0.09	-0.31	-0.16	2.14
Italy	0.81	0.76	0.45	0.86	2.58
Spain	0.41	0.37	0.04	0.24	2.21
Portugal	0.32	0.26	0.03	0.26	3.58

US Mortgage Market (1. Fixed-rate Mortgage)	Current	Last week	Year Start	One Year Back	10-year average
30-Year FRM[1] (%)	3.03	3.03	2.90	3.10	4.02
vs 30Yr Treasury (bps)	102.5	110.1	126.2	168.3	125.6

Government Bond Yield Spreads (in bps)	Current	Last week	Year Start	One Year Back
US Treasuries 10Y/2Y	116	112	80	51
US Treasuries 10Y/5Y	50	51	53	29
Bunds 10Y/2Y	48	44	16	22
Bunds 10Y/5Y	35	35	18	21

Corporate Bond Spreads (in bps)	Current	Last week	Year Start	One Year Back
EM Inv. Grade (IG)	133	134	163	197
EM High yield	596	579	524	682
US IG	87	90	103	143
US High yield	305	304	386	564
Euro area IG	83	83	93	117
Euro area High Yield	293	285	355	474

Foreign Exchange & Commodities

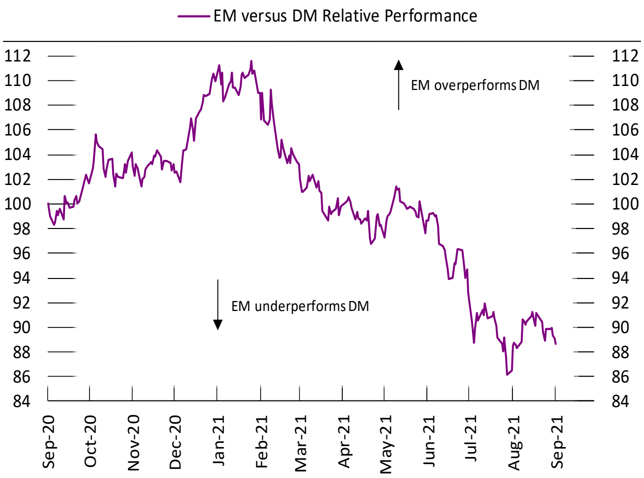
Foreign Exchange	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates					
EUR/USD	1.17	-0.2	-0.3	0.6	-4.3
EUR/CHF	1.08	-0.9	0.8	0.3	0.2
EUR/GBP	0.86	0.3	0.1	-6.4	-4.3
EUR/JPY	129.67	0.5	0.2	5.6	2.7
EUR/NOK	10.08	-1.2	-3.0	-9.7	-3.8
EUR/SEK	10.14	-0.5	-0.8	-4.7	1.0
EUR/AUD	1.62	0.2	-0.1	-2.5	1.9
EUR/CAD	1.49	-0.7	0.2	-4.7	-4.6
USD-based cross rates					
USD/CAD	1.27	-0.5	0.5	-5.3	-0.3
USD/AUD	1.38	0.4	0.2	-3.1	6.5
USD/JPY	110.71	0.7	0.5	5.0	7.2

Commodities	Current	1-week change (%)	1-month change (%)	1-Year change (%)
Agricultural	412	0.9	-1.7	39.6
Energy	254	2.9	9.3	85.0
West Texas Oil ($)	74	2.8	8.2	83.5
Crude brent Oil ($)	78	3.7	8.1	86.2
Industrial Metals	487	0.5	3.9	48.2
Precious Metals	2292	0.1	-2.6	-6.3
Gold ($)	1751	-0.2	-2.2	-6.3
Silver ($)	22	0.1	-6.0	-3.2
Baltic Dry Index	4644	8.6	10.8	189.3
Baltic Dirty Tanker Index	614	1.0	1.8	41.5

Source: NBG Research, Data as of September 24th, S&P/Goldman Sachs Indices for Agricultural, Energy, Industrial & Precious Metals, BofA/ML Indices for Corporate Bond Spreads

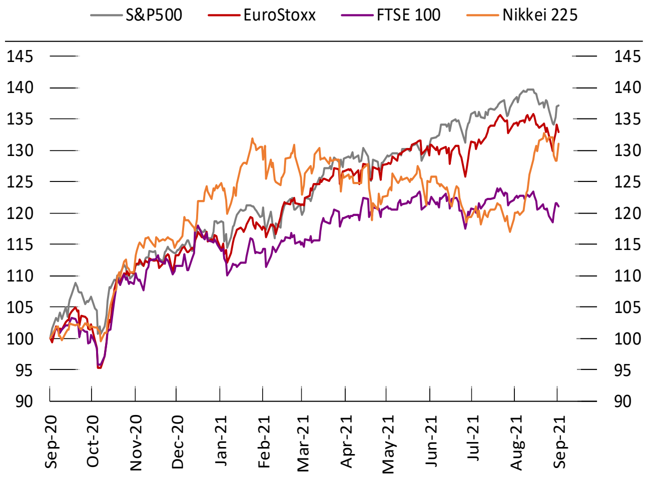
NATIONAL BANK OF GREECE

EM vs DM Performance in $



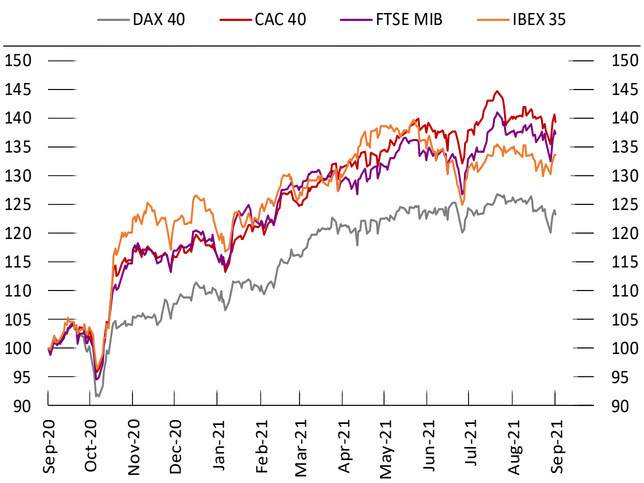
Data as of September 24th – Rebased @ 100

Equity Market Performance - G4



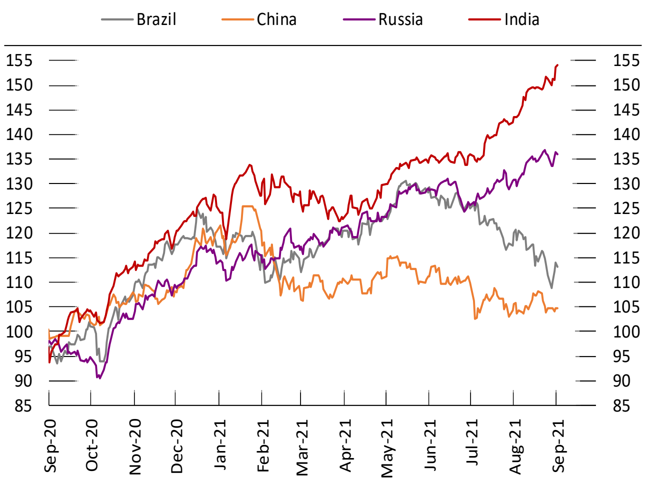
Data as of September 24th – Rebased @ 100

Equity Market Performance – Euro Area G4



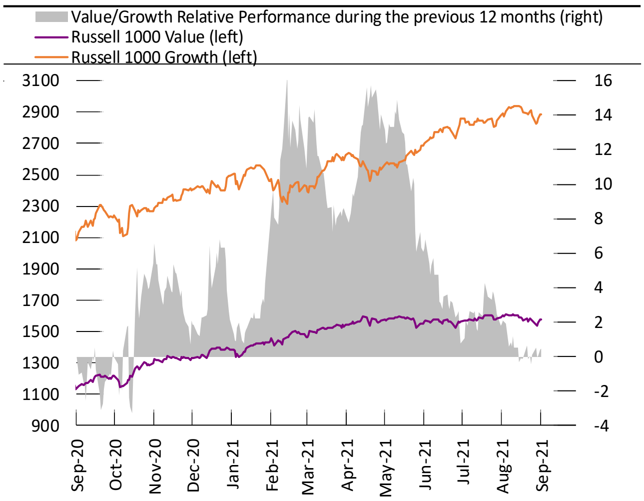
Data as of September 24th – Rebased @ 100

Equity Market Performance - BRICs



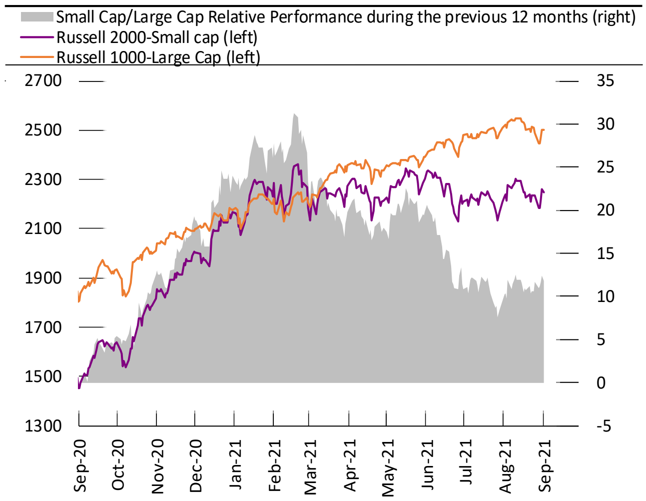
Data as of September 24th – Rebased @ 100

Russell 1000 Value & Growth Index



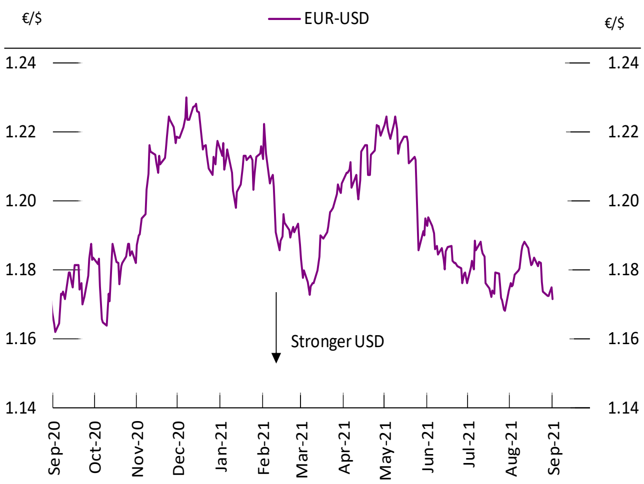
Data as of September 24th

Russell 2000 & Russell 1000 Index



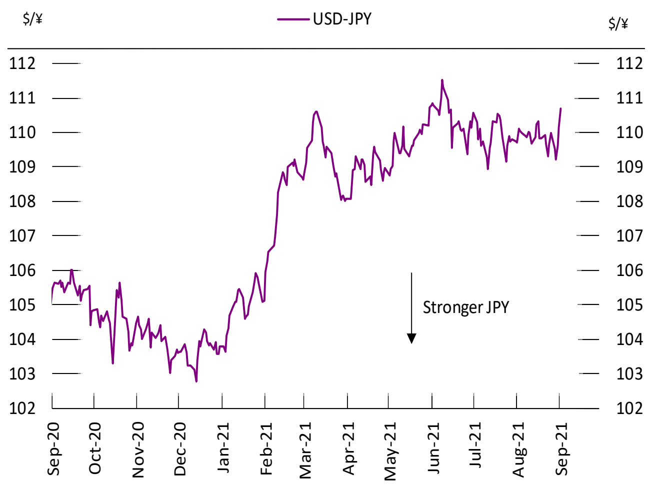
Data as of September 24th

EUR/USD



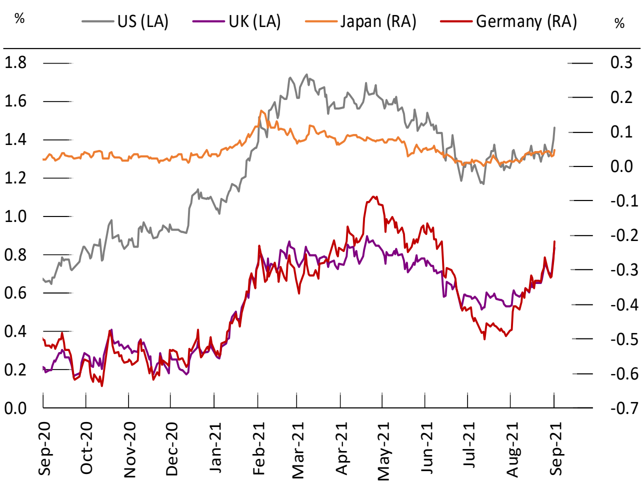
Data as of September 24th

JPY/USD



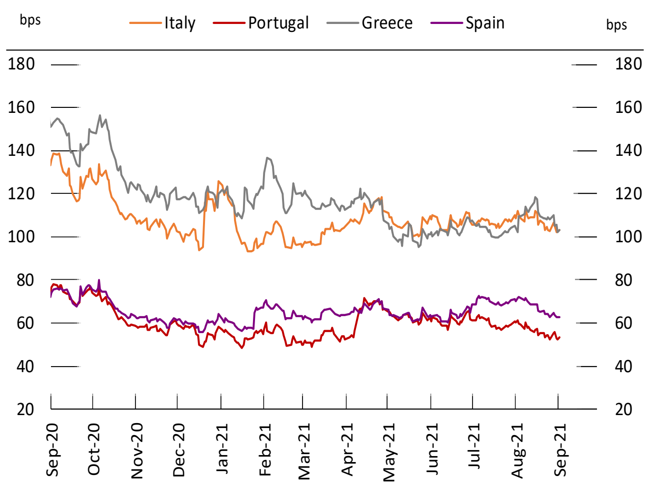
Data as of September 24th

10- Year Government Bond Yields



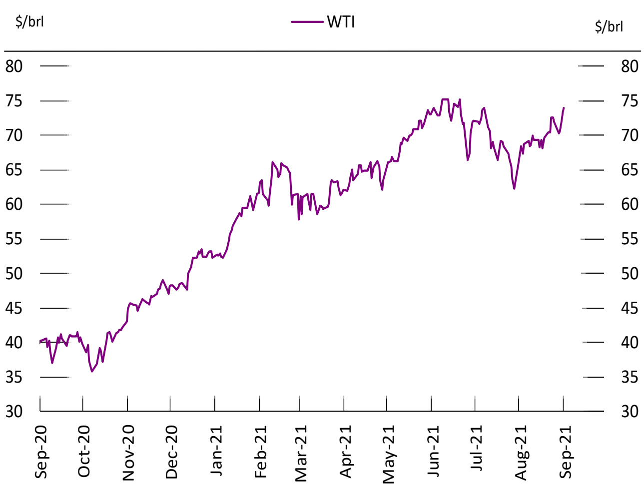
Data as of September 24th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



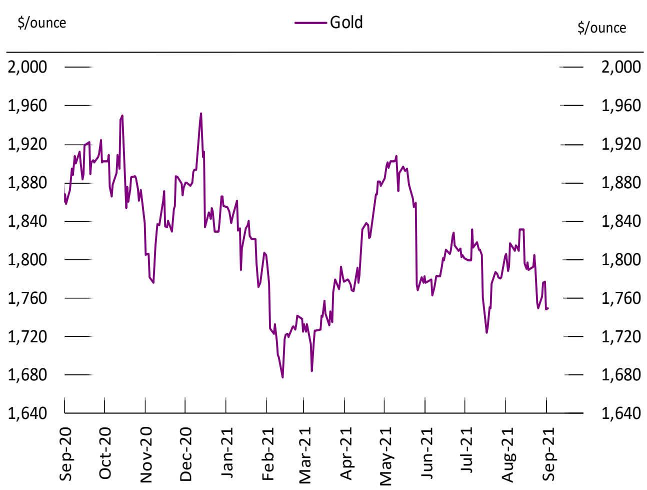
Data as of September 24th

West Texas Intermediate ($/brl)



Data as of September 24th

Gold ($/ounce)



Data as of September 24th

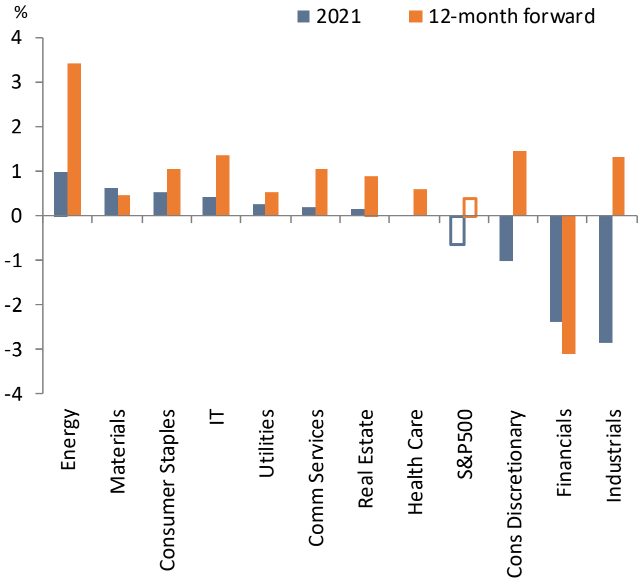
US Sectors Valuation

	Price ($)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	24/9/21	% Weekly Change	%YTD	2021	2022	2021	2022	2021	2022	12m fwd	10Yr Avg	2021	2022	Current	10Yr Avg
S&P500	4455	0.5	18.6	44.2	9.5	1.3	1.4	22.5	20.6	21.1	16.6	4.7	4.2	4.4	2.8
Energy	387	4.7	35.1	N/A	23.7	4.4	4.5	N/A	12.5	13.3	14.3	1.7	1.6	1.7	1.7
Materials	509	0.1	11.7	84.5	-2.6	1.9	2.0	15.9	16.3	16.2	15.8	3.0	2.8	2.9	2.6
Financials															
Diversified Financials	1061	1.9	30.1	44.5	-5.1	1.1	1.3	16.8	17.7	17.5	14.3	2.3	2.2	2.2	1.5
Banks	420	3.4	32.8	81.0	-12.5	2.2	2.4	11.4	13.0	12.6	11.2	1.4	1.3	1.3	1.0
Insurance	524	0.5	22.5	32.6	3.2	2.2	2.3	13.4	12.9	13.1	11.3	1.6	1.5	1.5	1.2
Real Estate	287	-1.5	26.1	12.6	5.8	2.4	2.6	23.7	22.4	22.7	18.6	4.0	4.1	4.1	3.2
Industrials															
Capital Goods	874	0.8	15.0	57.7	20.8	1.5	1.6	23.5	19.5	20.5	16.7	5.3	4.8	4.9	3.8
Transportation	993	0.3	6.7	N/A	134.5	1.4	1.6	N/A	16.7	N/A	11.2	6.4	5.5	5.7	3.8
Commercial Services	508	1.8	20.8	17.4	11.8	1.0	1.1	31.4	28.1	29.0	20.7	6.4	5.8	6.0	3.6
Consumer Discretionary															
Retailing	4049	-0.5	13.6	32.6	15.0	0.5	0.6	35.6	31.0	32.2	25.7	13.7	10.7	11.5	8.4
Consumer Services	1493	3.2	13.2	N/A	775.2	0.9	1.2	N/A	30.7	N/A	26.7	27.8	20.8	22.7	9.1
Consumer Durables	491	-2.7	11.5	57.0	12.9	1.1	1.3	17.3	15.3	15.9	17.4	4.2	3.7	3.8	3.4
Automobiles and parts	149	2.0	13.8	84.5	21.1	0.0	0.1	41.7	34.4	N/A	13.1	7.1	6.1	6.3	2.4
IT															
Technology	2865	0.6	13.7	45.4	4.5	0.8	0.9	23.8	22.7	23.0	14.5	16.0	14.4	14.9	5.7
Software & Services	3770	1.2	22.4	20.7	14.3	0.7	0.8	35.5	31.1	32.3	20.1	10.9	9.6	9.9	5.9
Semiconductors	2209	0.9	24.9	33.1	11.3	1.1	1.2	22.2	19.9	20.5	15.1	7.4	6.3	6.6	3.6
Communication Services	278	-0.7	25.2	35.6	10.6	0.8	0.8	23.7	21.5	22.1	18.6	4.5	3.9	4.1	3.1
Media	1120	-0.8	30.9	51.3	13.6	0.2	0.3	28.0	24.6	25.5	21.8	5.8	4.9	5.2	3.5
Consumer Staples															
Food & Staples Retailing	637	0.4	11.9	16.4	7.8	1.5	1.5	23.7	21.9	22.4	17.6	5.2	4.8	4.9	3.5
Food Beverage & Tobacco	764	-0.6	5.2	10.9	6.2	3.3	3.4	18.7	17.6	17.9	18.1	5.2	5.2	5.2	5.1
Household Goods	861	-0.4	1.6	4.9	7.1	2.2	2.3	25.8	24.1	24.6	20.7	10.6	10.3	10.4	6.2
Health Care															
Pharmaceuticals	1217	0.0	13.7	23.7	2.9	2.0	2.1	15.1	14.7	14.8	14.9	6.5	5.4	5.7	4.2
Healthcare Equipment	1878	-0.9	19.1	17.4	7.9	0.9	1.0	22.4	20.7	21.2	16.5	4.3	3.9	4.0	2.8
Utilities	331	-1.2	3.8	2.4	5.6	3.2	3.3	19.8	18.8	19.1	16.7	2.1	2.0	2.0	1.7

Blue box indicates a value more than +2standard devation from average, light blue a value more than +1standard devation from average. Orange box indicates a value less than -2standard devation from average, light orange a value less than -1standard devation from average

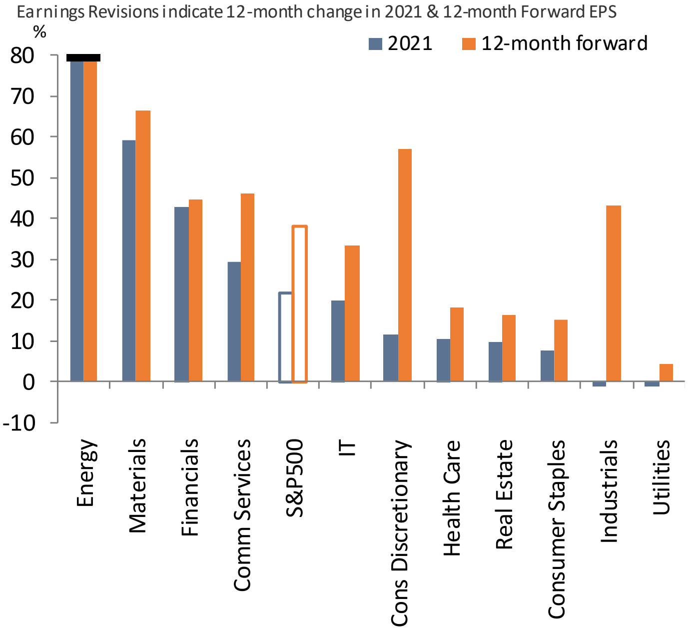
1-month revisions to 2021 & 12-month Forward EPS

Earnings Revisions indicate 1-month change in 2021 & 12-month Forward 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 September 24th
12-month forward EPS are 26% of 2021 EPS and 74% of 2022 EPS

Data as of September 24th
12-month forward EPS are 26% of 2021 EPS and 74% of 2022 EPS

Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	24/9/21	% Weekly Change	%YTD	2021	2022	2021	2022	2021	2022	12m fwd	10Yr Avg	2021	2022	Current	10Yr Avg
EuroStoxx	465	0.4	16.9	65.7	9.7	2.5	2.7	17.9	16.3	16.7	14.2	2.0	1.8	1.9	1.5
Energy	273	2.8	8.4	357.0	12.2	5.0	5.2	12.8	11.4	11.8	13.0	1.3	1.2	1.3	1.1
Materials	982	0.2	13.6	137.8	-10.8	2.4	2.5	13.5	15.1	14.7	15.6	2.2	2.0	2.1	1.7
Basic Resources	233	-3.1	11.9	N/A	N/A	2.5	2.7	N/A	6.6	6.0	12.0	1.0	0.8	0.9	0.7
Chemicals	1431	0.6	13.7	52.7	0.7	2.4	2.5	18.9	18.8	18.8	16.4	2.7	2.6	2.6	2.3
Financials															
Fin/al Services	566	1.0	15.4	31.1	9.9	2.4	2.5	16.6	15.1	15.5	14.2	1.5	1.4	1.4	1.2
Banks	98	1.3	32.6	77.6	3.6	5.5	5.6	9.4	9.1	9.2	9.8	0.7	0.6	0.6	0.7
Insurance	284	0.5	8.9	42.2	4.6	5.4	5.7	9.7	9.3	9.4	9.5	0.9	0.9	0.9	0.9
Real Estate	227	0.5	3.2	1.0	11.9	3.1	3.5	20.3	18.1	18.7	17.3	1.0	0.9	0.9	1.0
Industrial	1164	-0.4	18.9	26.4	21.6	1.6	1.9	25.8	21.2	22.4	16.8	3.7	3.4	3.5	2.5
Consumer Discretionary															
Media	271	-3.7	23.5	-6.7	15.0	1.7	2.0	27.0	23.5	24.5	16.5	5.9	5.3	5.4	2.0
Retail	712	-2.4	7.4	66.5	17.0	2.2	2.5	29.8	25.5	26.6	23.0	5.9	5.4	5.5	4.3
Automobiles and parts	596	1.7	18.4	709.1	6.7	4.2	4.6	7.3	6.8	6.9	8.8	1.0	0.9	1.0	1.0
Travel and Leisure	227	2.0	6.4	N/A	N/A	0.5	1.3	N/A	N/A	N/A	N/A	3.2	3.1	3.1	2.1
Technology	978	0.5	36.4	37.3	16.2	0.6	0.7	33.8	29.1	30.4	20.5	5.2	4.6	4.8	3.5
Communication Services	292	-0.3	18.2	-16.1	7.8	3.5	3.9	16.4	15.3	15.6	14.1	1.5	1.5	1.5	1.7
Consumer Staples															
Food&Beverage	551	0.5	5.9	36.6	14.7	1.7	1.9	23.8	20.8	21.6	19.6	2.5	2.4	2.4	2.6
Household Goods	1424	0.6	16.9	62.9	11.6	1.1	1.2	36.5	32.7	33.8	24.1	7.0	6.2	6.4	3.9
Health care	908	-0.2	11.8	8.9	7.0	1.9	2.0	20.8	19.5	19.8	16.3	2.7	2.5	2.6	2.2
Utilities	363	-0.2	-4.7	28.7	3.3	4.4	4.7	14.8	14.3	14.4	13.4	1.7	1.6	1.6	1.2

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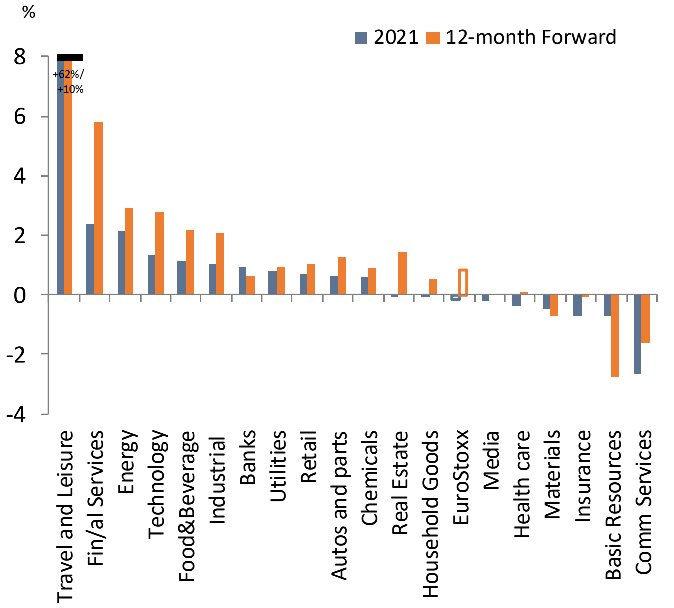
1-month revisions to 2021 & 12-month Forward EPS

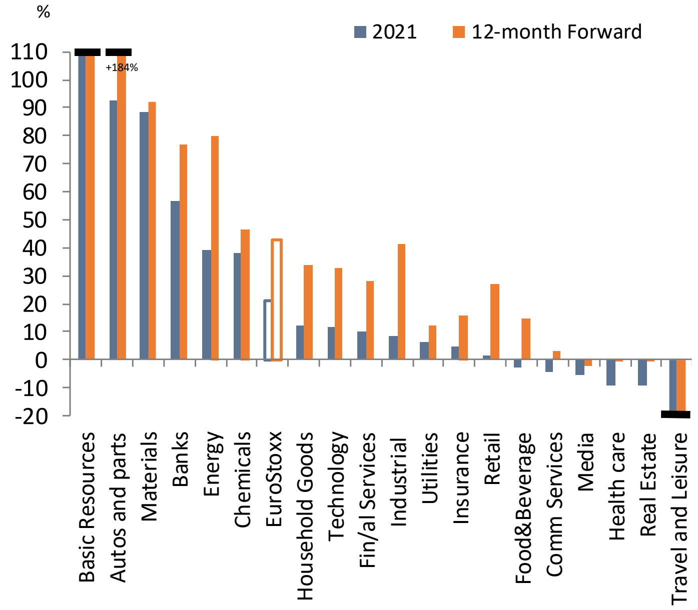
Earnings Revisions indicate 1-month change in 2021 & 12-month Forward EPS



Data as of September 24th
12-month forward EPS are 26% of 2021 EPS and 74% 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 September 24th
12-month forward EPS are 26% of 2021 EPS and 74% of 2022 EPS

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