Global Markets Roundup

National Bank of Greece | Economic Research Division | October 24, 2017

NATIONAL BANK OF GREECE

Global equities remain buoyant, with attention focusing on the ECB meeting

- Global equity markets rose further in the past week (MSCI World: 0.3% wow | 18% ytd) due to strong economic data, US tax-reform optimism and a positive start to the earnings season. Japanese equities led the indices higher on Monday, following PM Abe's landslide election victory, retaining over two-thirds of the seats in the Lower House (313 out of 465 seats).
- The Nikkei225 (12% ytd) rose by 1.4% wow and by +1.1% on Monday, surpassing its 1996 level, due to strong GDP growth (H1:2017 GDP of 1.9% annualized rate) and renewed expectations that loose monetary and fiscal policies will continue (see graph page 10). The S&P500 increased by 0.9% wow (15% ytd), with Financials the best performing sector on the back of higher interest rates.
- The IBEX35 was down slightly (-0.3% wow), extending its underperformance relative to its European peers (see graph page 3). The Central Government will likely activate article 155 of the Spanish Constitution on October 27th, in order to suspend the autonomy of Catalonia, taking control of regional institutions, with the aim of calling snap elections in Catalonia during the next six months.
- Chinese GDP increased by 6.8% yoy in Q3:2017 from 6.9% yoy, on average, in H1:2017, broadly in line with consensus estimates and significantly above the current official target of "around 6.5%". President Xi gave no indication of quantitative GDP growth targets for the medium term at the 19th National Congress of the Communist Party, instead emphasizing the need for supply side structural reforms in order to create a "moderately prosperous" society by 2021.
- US GDP for Q3:2017, due on Friday, is expected at a solid 2.5%-3.0% qoq saar from 2.1% qoq saar, on average, in H1:2017, albeit with strong inventory build-up boosting the headline outcome. In contrast, hurricane-related disruptions may have depressed non-residential investment (3% of GDP and 21% of total business investment) and residential investment (4% of GDP), which are expected at -5% and -4% qoq saar, respectively.
- The US Senate approved the FY:2018 Budget and set out the budget levels for 2019-2027. Republicans can now pass a tax-reform bill under the reconciliation process, with only 51 votes (current Senate seats: 52-R vs 48-D) instead of 60 votes. This development paves the way for legislation (tax-cuts) that will reduce revenues in order to increase the deficit by no more than $1.5 tn over the next ten years.
- The US earnings season for Q3:2017 continues on a positive note. Of the 87 S&P500 companies that have reported so far, 65% have exceeded analyst EPS estimates, with reported growth of 8% yoy (consensus expectations at the start of the earnings season: +2%) from +12.1% yoy, on average, in H1:2017. The Financials sector EPS for Q3:2017 hovers at -9.8% yoy, albeit with a sharp decline from the Insurance subsector EPS (-66% yoy) due to hurricane-related losses. Financials ex-Insurance EPS stands at +4.7% yoy in Q3:2017 from +13% yoy, on average, in H1:2017.
- On October 26th, the ECB, will likely announce details regarding its 2018 purchase programme. Monetary policy should remain highly accommodative (less purchases but for longer – see graph). More importantly, the ECB is expected to adhere to its current forward guidance and not to increase interest rates in the near term.

Ilias Tsirigotakis[AC]
Head of Global Markets Research
210-3341517
tsirigotakis.hlias@nbg.gr

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

Lazaros Ioannidis
210-3341553
ioannidis.lazaros@nbg.gr

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

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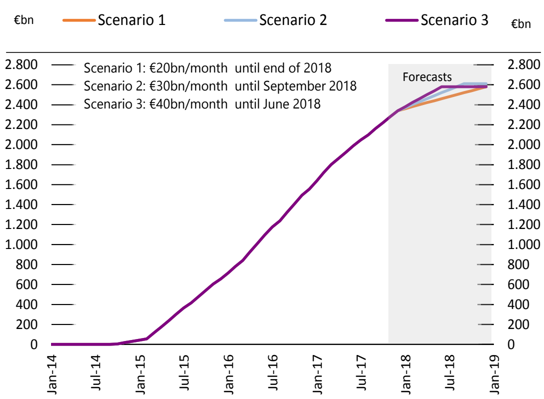
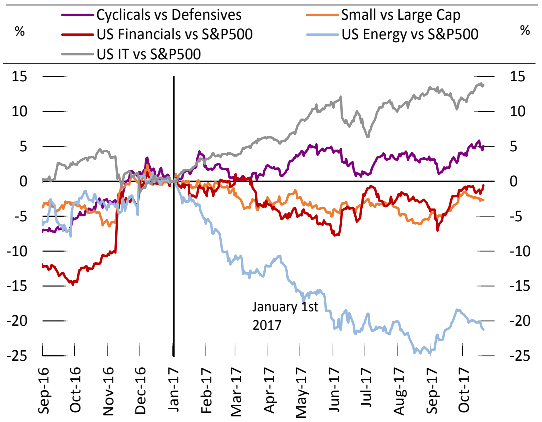
Charts of the week

ECB APP Cumulative Purchases 2014-2018 under different Scenarios



Source: NBG Research, ECB

US Market Investing Styles



Source: NBG Research, Bloomberg

See page 14 for disclosures and analyst certification

US housing market continues to be weak in Q3:17

- **The latest housing data in the US were mixed, overall remaining consistent with the view that residential investment likely declined for a 2nd consecutive quarter in Q3:17, following a 7.3% qoq saar decline in Q2:17.** Specifically, housing starts declined by -4.7% mom (+6.1% yoy) to 1127k in September, albeit a weather-related negative distortion is likely, at least in part. Moreover, building permits declined by -4.5% mom (-4.3% yoy) in September to 1215k. On the other hand, existing home sales rose by 0.7% mom (-1.5% yoy), marking the first increase in 4 months, to 5.39 mn in September, above consensus expectations (-0.9% mom), following a decline of -1.7% mom in August (+0.2% yoy). The NAHB survey index – that captures homebuilders' confidence for new home sales - rose by 4 pts to 68 in October following a hurricane related decline of -3 in September. Overall, according to the Atlanta Fed's GDPNowcast model, GDP growth for Q3:17 is currently expected at 2.7% qoq saar (unchanged compared with a week ago), from 3.1% qoq saar in Q2:17, with residential investment expected to decline by 4.3% qoq saar and pose a modest drag on overall growth (-0.2 pps).

Optimistic surveys offset a negative quarter for industrial production

- **Industrial production rose broadly in line with expectations in September.** Industrial production increased by 0.3% mom (+1.6% yoy), while figures for both August and July were revised up. Manufacturing production (76% of total production) rose by 0.1% mom (+1.0% yoy), from -0.2% mom (+1.1% yoy) in August. Note that, according to the Census Bureau, continued effects from hurricanes Harvey and Irma subtracted 0.25 pps from the monthly change of total industrial production in September. Overall in Q3:17, industrial production fell by 1.5% qoq saar. Excluding the effects from the hurricanes, the Census Bureau estimates that it would have risen by at least 0.5% qoq saar, from 5.4% qoq saar in Q2:17 and 1.5% qoq saar in Q1:17. A positive payback should also be expected due to reconstruction efforts. Strong business surveys so far in October support that view, with the Empire manufacturing index at a 3-year high of 30.2, from 24.4 in September and the Philadelphia Fed Business Index up by 4.1 pts to 27.9 in September.

UK inflation rises to a 65 month high

- **CPI inflation accelerated further in September, by 0.1 pp to 3.0% yoy, as expected.** Core CPI (excluding food and energy) was stable at 2.7% yoy. The latest readings are consistent with the Bank of England's (BoE) view that inflation will "rise to above 3% in October" and support the case for a rate hike to 0.50% from 0.25% in the coming months (markets assign an 82% probability for the November 2nd meeting). The BoE expects inflation to slow thereafter and gradually revert to its target (2.0% yoy), as the positive effects (due to higher import prices) from the weaker Sterling as well as from higher commodity prices, dissipate. The recent stabilization in growth of the Producers Prices Index (PPI) indicates a possible unwinding of these factors (FX and commodities). Note that core PPI (excluding food and petroleum components) was flat on a monthly basis in September (+0.2% mom in August), while annual growth has remained stable at 2.5% since July 2017, compared with +2.7% yoy on average in H1:17. Wage growth was 2.2% yoy in August, unchanged from July, and remains subdued despite the fact that the unemployment rate is at a 42-year low of 4.3% in August. More importantly, wage growth continues to lag the respective trend in CPI, thus maintaining a weak outlook for consumption due to squeezed real incomes.

Chinese GDP growth remains strong

- **Economic activity was broadly in line with expectations in Q3:17, marking three quarters in a row of solid growth.** GDP growth rose to 6.8% yoy from 6.9% yoy in Q2:17. However, a moderate slowdown in economic activity is expected going forward, largely reflecting structural adjustments, policy efforts to reduce overcapacity and housing inventory, as well as stricter implementation of environment protection standards. President Xi's speech at the Party Congress in the past week outlined a plan for China over the long term, without mentioning the 2020 growth target, while his long-term view on China focuses more on the quality rather than the speed of growth.

- At the same time, high frequency activity indicators surprised on the upside in September (excluding fixed asset investment). Specifically, industrial production rose by 6.6% yoy in September, compared with 6.0% yoy in August (6.3% yoy on average in Q3:17 and 6.7% yoy in H1:17). Moreover, retail sales (in value terms) in September rose by 10.3% yoy from 10.1% yoy previously (10.3% yoy on average in Q3:17 and 10.9% yoy in H1:17). On the other hand, fixed asset investment slowed to 7.5% yoy from 7.8% yoy previously (7.9% yoy on average in Q3:17 and 8.7% yoy in H1:17), mainly due to manufacturing investment growth that eased to 4.2% yoy in September from 4.5% yoy in the previous month, likely reflecting ongoing capacity reduction efforts.

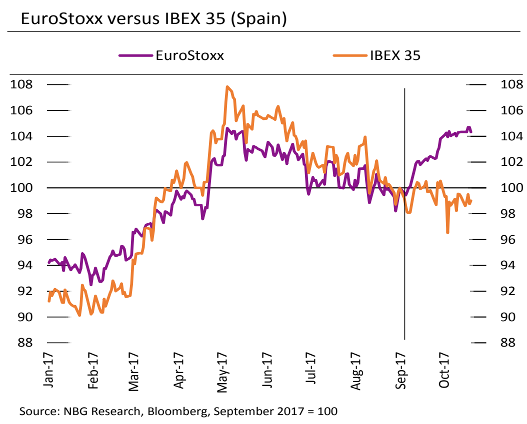
- Inflation slowed in September, in line with expectations. CPI inflation rose by 1.6% yoy, from 1.8% yoy in August, with food price momentum remaining very weak (-1.4% yoy from -0.2% yoy in August). Overall, following an average of 2% yoy in 2016 and 1.5% yoy so far in 2017, mainly due to lower food prices, CPI is expected to be close to 2% in FY:2017 (average), comfortably below the official target of 3.0%.

The Chinese housing market continues to cool

- **House price growth demonstrated a broad-based deceleration in September.** Specifically, 63% of cities monitored by China's National Bureau of Statistics (NBS) reported a monthly increase in prices of new residential buildings, down from 66% of cities in August. House price growth for new residential buildings stood at 6.4% yoy, on average, from 8.1% yoy in August. Large cities accounted for the bulk of the deceleration, with price growth (on average, weighted by city population) in the 15 (large) cities that the NBS has marked since September 2016 as of special attention to track the impact of the tightening measures, easing to 1.8% yoy (a 2-year low), from 5.7% yoy in August. Recall that the authorities' policy approach for the sector is two-pronged and region-specific, so as to address potential asset bubbles in the cities that have witnessed the most profound overheating (mostly large cities), while continuing to encourage sales in those (mostly smaller) cities facing a high stock of unsold properties (e.g. cities should reduce land supply if housing inventory is high and vice versa). Regarding the latter, the annual pace of growth in the remaining 55 cities decelerated to 8.1% yoy in September, from 8.7% yoy in August.

Equities

- **Global equity markets recorded strong gains during the past week, with the MSCI World up by 0.3%, while developed markets overperformed their emerging markets peers (0.4% vs -0.6% wow respectively in dollar terms)**. S&P500 rose by 0.9% wow, after Senate approved a budget blueprint that paves the way for Trump's tax plan. Healthcare (+1.8% wow) and Banks (+3.0% wow) over-performed, with the latter benefitting from higher government bond yields. Euro area equities were broadly stable, as positive corporate earnings reports were offset by political developments in Spain. Regarding the Q3:17 earnings season in the euro area, out of the 30 companies that have reported results, so far, circa 46% have exceeded analyst estimates (38% below analyst estimates). Specifically, analysts expect 4.5% EPS growth in Q3:17 from 14.9% yoy in Q2:17. In Spain, the IBEX 35 declined by 0.3% wow as the Spanish Government announced that it would begin the process to take direct control over Catalonia. In Japan, the Nikkei225 index continued its upward trend for a 6th consecutive week, rising by 1.4% wow. On Monday, the Nikkei 225 rose by a further 1.1%, at the highest level since July 1996 after PM Abe's election victory.

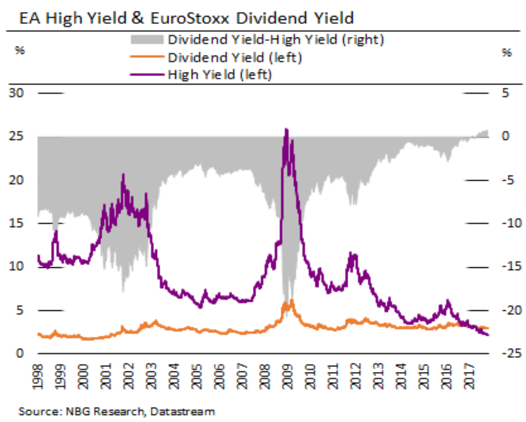


Graph 1.

Fixed Income

- **Government bond yields in major advanced economies rose during the past week.** The UST 10-year yield rose by 11 bps to 2.39%, (the highest since July), and 2-year yield by 8 bps wow to 1.58%, the highest level since October 2008, due to better-than-expected economic data and the passing of a budget resolution in the Senate. In Germany, the 10-year Bund yield rose by 5 bps on a weekly basis to 0.45%, while periphery bond spreads over the Bund narrowed (ex-Spain). Indeed, Italy's 10-year yield spread declined by 9 bps to 159 bps while Spain's 10-year yield spread was unchanged at 121 bps. Portugal's spread fell by 7 bps to 186 bps, and Greek spread by 4 bps wow to 510 bps.

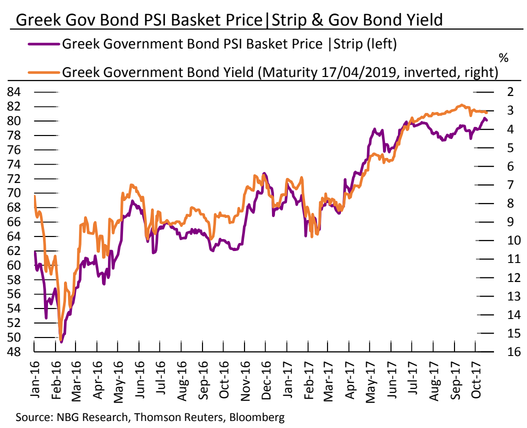
- **Corporate bonds rallied in the past week**, on the back of an improving global economic outlook and the increase in government bond yields. Specifically, US high yield spreads were down by 18 bps to 342 bps, the lowest since June 2014, and euro area high yield spreads narrowed by 4 bps to 244 bps (see graph with a direct comparison with equity dividend yields). In the investment grade (IG) spectrum, US IG bond spreads fell by 3 bps to 101 bps, while their euro area counterparts declined by 3 bps to 93 bps.



Graph 2.

FX and Commodities

- **In foreign exchange markets, the US dollar strengthened during the past week,** after the Senate approved a FY:2018 budget resolution, paving the way for tax reforms. Overall, the USD rose by 0.3% wow against the euro to $1.179, and by 1.5% against the Japanese yen to ¥113.52. The British pound lost ground in the past week (-0.4% against the euro to €/0.894 / -0.7% against the USD to $/1.319), albeit it recovered some of its losses on Friday (+0.8% against the euro / +0.2% against the USD), after EU leaders stated that they would begin preparations to begin the second phase of Brexit talks in December.
- **In commodities, oil prices oil prices continued their positive momentum over the week,** following comments from OPEC and non-OPEC members about a second extension to the production cut agreement, geopolitical tensions between Iraq and Kurdistan and declining inventories. Specifically, US oil inventories fell by 5.7 million barrels to 456 million barrels (the lowest since January 2016) for the week ending October 13th. Overall, Brent rose by 2.0% wow to $58.2/barrel and WTI remained stable at $51.5/barrel. Industrial metals were buoyant, with copper up by 0.7% wow, supported, *inter alia*, by robust Chinese economic activity, while precious metals paused for breath (Gold: -1.8% wow, +11.1% YtD, to $1.281/ounce).



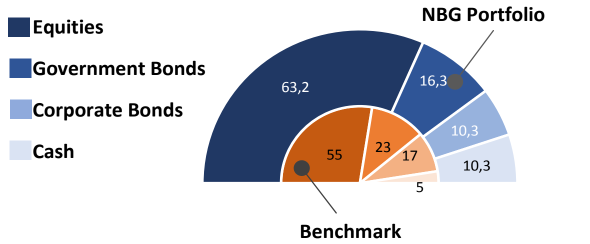
Graph 3.

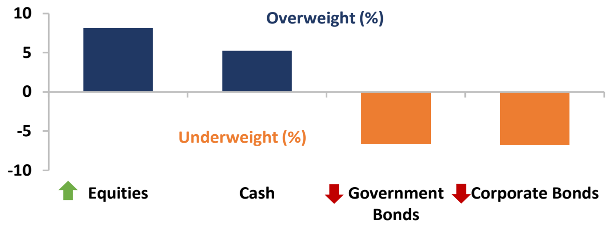
Quote of the week: "The US economy is much stronger today than it would have been without the unconventional monetary policy tools deployed by the Federal Reserve in response to the Great Recession... we must recognize that our unconventional tools might have to be used again", **Fed Chair, J. Yellen,** October 21st 2017.

Tactical Asset Allocation (3-month)

- **Equities**: We remain **Overweight**, upgrading the asset class vs GBs & credit. Synchronized strong global GDP growth, renewed US tax-reform optimism and double-digit corporate earnings offset, for now, the anticipating peak of central bank (C/B) liquidity. O/W Euro area amid strong growth momentum, albeit FX strength and higher rates start to weigh. O/W Euro area banks due to higher yields, steeper curves and positive earnings' revisions.
- **Government Bonds:** The trend of higher yields will continue reflecting less aggressive C/Bs, reduced liquidity and stronger inflation data. **Underweight Govies**. Steeper curves, particularly in Bunds. Geopolitical risks (N. Korea), if escalated further, may boost prices (lower yields) due to safe haven demand.
- **Credit**: Credit spreads have less fuel to run. **Underweight position in credit** with a preference for banks.
- **Cash: OW position**, as a hedge, as well as a way of being tactical.

Total Portfolio Allocation





NBG Global Markets - Main Equity Sector Calls

US Sector	Position	View/Comment
Banks	**Neutral**	Rising rates will support interest margins, less regulation also positive. (see US Treasury report) Neg: Loan volumes are declining and curves are now flattening
Energy	**Neutral**	OPEC's deal implementation (assuming a 9-month extension) remains a risk and oil price weakness has aggravated recently. US oil production is increasing (at 2015 high levels). Light positioning and sizeable underperformance may present a buying opportunity
Cyclical / Defensives	**Neutral**	We remain neutral US stocks this month, with no bias within the sectors

EA Sector	Position	View/Comment
Banks	**OW**	Steeper curves and attractive valuations on P/B terms should offset bouts of volatility. Private sector loan growth is increasing and EPS Revisions remain strong
Energy	**UW**	OPEC's deal implementation (assuming a 9-month extension) remains a risk and oil price weakness has aggravated recently. US oil production is increasing (at 2015 high levels)
Cyclical / Defensives	**Neutral**	We choose neutral positions across other sectors, for now

*Including Technology and Industrials
**Including Healthcare, Utilities, Telecoms

Detailed Portfolio Breakdown

Equities	Portfolio	Benchmark	OW/UW
US	52	52	0,0
Euro area	12	10	2,0
UK	7	7	-
Rest of Dev. Europe	5	5	-
Japan	7	7	-
Rest of Dev. World	8	8	-
EM Asia	7	7	0,0
EM Latin America	0,5	2	-1,5
EMEA	1,5	2	-0,5

Government Bonds	Portfolio	Benchmark	OW/UW
US	49	46	3,0
US TIPS	6	6	-
Germany	12	15	-3,0
UK	7	7	-
Japan	26	26	-

Corporate Bonds	Portfolio	Benchmark	OW/UW
US Industrials	22	32	-10,0
US Banks	22	12	10,0
US High Yield	12	12	-
EUR Industrials	5	9	-4,5
EUR Banks	14	9	4,5
EUR High Yield	4	4	-
UK Industrials	2	3	-1,5
UK Banks	5	3	1,5
Emerging Markets	16	16	-

Notes:

(1) The orange inner half-circle of the chart displays asset class weights for the benchmark portfolio. The blue-color representation (outside half-circle) shows asset class weights for the model portfolio.
(2) All figures shown are in percentage points.
(3) OW/UW: Overweight/Underweight relative to Benchmark.
(4) Green (red) color arrows suggest an increase (decrease) in relative asset class weights (portfolio vs benchmark) over the last week.

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Equity Markets

US

- + Likely fiscal loosening will support the economy & companies' earnings
- + Solid EPS growth in H2:2017 & 2018
- + Cash-rich corporates lead to share buybacks and higher dividends (de-equitization)
- – Demanding valuations
- – Peaking profit margins
- – Protectionism and trade wars
- – Aggressive Fed in 2018

● **Neutral/Positive**

Euro Area

- + Still high equity risk premium, albeit declining
- + Credit conditions gradual turn more favorable
- + Small fiscal loosening
- – EPS estimates may turn pessimistic due to higher EUR and plateuning economic growth
- – Strong Euro in NEER terms (2017 vs 2016)
- – Political uncertainty (Spain, Italy) could re-emerge

● **Neutral**

Japan

- + Still aggressive QE and "yield-curve" targeting by the BoJ
- + Upward revisions in corporate earnings
- – Strong domestic recovery in H1:2017 will continue
- – Signs of policy fatigue regarding structural reforms and fiscal discipline
- – Strong appetite for foreign assets
- – If sustained, JPY appreciation hurts exporters companies

● **Neutral**

UK

- + 65% of FTSE100 revenues from abroad
- + Undemanding valuations in relative terms
- + High UK exposure to the commodities sector assuming the oil rally continues
- – Elevated Policy uncertainty to remain due to the outcome of the Brexit negotiating process

● **Neutral/Negative**

Government Bonds

US

- + Valuations appear rich with term-premium close to 0%
- + Underlying inflation pressures
- + Underlying inflation pressures
- + The Fed is expected to increase its policy rate towards 1.5% by end-2017 and 2%-2.25% by end-2018
- – Global search for yield by non-US investors continues
- – Fed's commitment on gradual tightening policy
- – Safe haven demand

▲ **Higher yields expected**

Euro Area

- + Upside risk in US benchmark yields
- + Valuations appear excessive compared with long-term fundamentals
- – Political Risk
- – Fragile growth outlook
- – Medium-term inflation expectations remain low
- – Gradually less accommodative monetary policy by the ECB

▲ **Higher yields expected**

Japan

- + 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**

UK

- + Elevated Policy uncertainty to remain due to the outcome of the Referendum and the negotiating process
- + Rich valuations
- + Inflation overshooting due to GBP weakness feeds through inflation expectations
- – The BoE is expected to cut rates or/and re-activate asset purchases
- – Slowing economic growth post-Brexit

▲ **Higher yields expected**

Foreign Exchange

US

- + The Fed is expected to increase its policy rate towards 1.5% in 2017 and 2%-2.25% by end-2018
- + Growth to remain slightly above-trend in 2017
- + Destination-based taxation with border adjustment
- – Mid-2014 rally probably out of steam
- – Protectionism and trade Wars

▲ **Long USD against its major counterparts ex-EUR**

Euro Area

- + Reduced short-term tail risks
- + Higher core bond yields
- + Current account surplus
- – Sluggish growth
- – Deflation concerns
- – The ECB's monetary policy to remain extra loose (Targeted-LTROs, ABSs, covered bank bond purchases, Quantitative Easing)

● **Flat EUR against the USD with upside risks short term**

Japan

- + 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%

▼ **Lower JPY against the USD**

UK

- + Transitions phase negotiations
- – The BoE to retain rates at current levels
- – Slowing economic growth post-Brexit
- – Sizeable Current account deficit (-5.5% of GDP)
- – Elevated Policy uncertainty to remain due to the outcome of the Referendum and the negotiating process

▼ **Weaker GBP against the EUR and the USD**

	Turkey	Romania	Bulgaria	Serbia
Equity Markets	+ Attractive valuations − Weak foreign investor appetite for emerging market assets ▲ **Neutral/Positive stance on equities**	+ Attractive valuations − Weak foreign investor appetite for emerging market assets ▲ **Neutral/Positive Stance on equities**	+ Attractive valuations + Low-yielding domestic debt and deposits − Weak foreign investor appetite for emerging market assets ▲ **Neutral/Positive Stance on equities**	+ Attractive valuations − Weak foreign investor appetite for emerging market assets ▲ **Neutral/Positive Stance on equities**
Domestic Debt	+ Low public debt-to-GDP ratio − Loosening fiscal stance − Stubbornly high inflation ▲ **Stable to lower yields**	+ Low public debt-to-GDP ratio − Easing fiscal stance − Envisaged tightening in monetary policy ▼ **Stable to higher yields**	+ Very low public debt-to-GDP ratio and large fiscal reserves + Low inflation ▲ **Stable to lower yields**	+ Positive inflation outlook + Precautionary Stand-By Agreement with the IMF − Large public sector borrowing requirements ▲ **Stable to lower yields**
Foreign Debt	+ High foreign debt yields − Sizeable external financing requirements − Weak foreign investor appetite for emerging market assets ▲ **Stable to narrowing spreads**	+ Strong external position − Large external financing requirements ▲ **Stable to narrowing spreads**	+ Solidly-based currency board arrangement, with substantial buffers + Current account surplus − Large external financing requirements − Heightened domestic political uncertainty ▲ **Stable to narrowing spreads**	+ Ongoing EU membership negotiations + Precautionary Stand-By Agreement with the IMF − Sizable external financing requirements − Slow progress in structural reforms ▲ **Stable to narrowing spreads**
Foreign Exchange	+ High domestic debt yields − Sizable external financing requirements − Weak foreign investor appetite for emerging market assets − Increasing geopolitical risks and domestic political uncertainty ▼ **Weaker to stable TRY against the EUR**	+ Strong external position − Large external financing requirements ▲ **Stable to stronger RON against the EUR**	+ Currency board arrangement + Large foreign currency reserves and fiscal reserves + Current account surplus − Sizable external financing requirements − Heightened domestic political uncertainty ● **Stable BGN against the EUR**	+ Ongoing EU membership negotiations + Precautionary Stand-By Agreement with the IMF − Sizable external financing requirements ▼ **Weaker to stable RSD against EUR**

Emerging Markets Research, Head: Dr. Michael Loufir, tel:210-3341211, email: mloufir@nbg.gr

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	Oct 20th	3-month	6-month	12-month	Official Rate (%)	Oct 20th	3-month	6-month	12-month
Germany	0,45	0,55	0,75	0,95	Euro area	0,00	0,00	0,00	0,00
US	2,39	2,65	2,75	2,90	US	1,25	1,50	1,75	2,00
UK	1,33	1,44	1,56	1,82	UK	0,25	0,50	0,50	0,60
Japan	0,08	0,04	0,07	0,14	Japan	-0,10	-0,10	-0,10	-0,10
Currency	Oct 20th	3-month	6-month	12-month		Oct 20th	3-month	6-month	12-month
EUR/USD	1,18	1,17	1,17	1,18	USD/JPY	114	113	113	112
EUR/GBP	0,89	0,89	0,90	0,91	GBP/USD	1,32	1,31	1,30	1,29
EUR/JPY	134	132	133	132					

Forecasts at end of period

Economic Forecasts

United States	2015a	Q1:16a	Q2:16a	Q3:16a	Q4:16a	2016a	Q1:17a	Q2:17a	Q3:17f	Q4:17f	2017f
Real GDP Growth (YoY) (1)	2,9	1,4	1,2	1,5	1,8	1,5	2,0	2,2	2,0	1,9	2,1
Real GDP Growth (QoQ saar) (2)	-	0,6	2,2	2,8	1,9	-	1,2	3,1	2,0	2,0	-
Private Consumption	3,6	1,8	3,8	2,8	2,9	2,7	1,9	3,3	2,0	2,0	2,4
Government Consumption	1,4	1,8	-0,9	0,5	0,2	0,8	-0,6	-0,2	0,7	0,7	0,1
Investment	3,9	-0,2	1,4	1,5	1,7	0,7	8,1	3,2	3,8	3,6	4,7
Residential	10,2	13,4	-4,8	-4,5	7,1	5,5	11,1	-7,3	5,0	4,5	5,7
Non-residential	2,3	-4,0	3,3	3,4	0,2	-0,6	7,1	6,7	3,4	3,4	4,6
Inventories Contribution	0,2	-0,7	-0,7	0,1	1,1	-0,4	-1,5	0,1	0,2	0,2	-0,1
Net Exports Contribution	-0,7	-0,3	0,3	0,4	-1,7	-0,2	0,2	0,2	-0,3	-0,4	-0,3
Exports	0,4	-2,6	2,8	6,4	-3,8	-0,3	7,3	3,5	2,3	2,3	3,0
Imports	5,0	-0,2	0,4	2,7	8,1	1,3	4,3	1,5	3,8	4,0	4,4
Inflation (3)	0,1	1,1	1,0	1,1	1,8	1,3	2,5	1,9	1,9	2,1	2,1
Euro Area	**2015a**	**Q1:16a**	**Q2:16a**	**Q3:16a**	**Q4:16a**	**2016a**	**Q1:17a**	**Q2:17a**	**Q3:17f**	**Q4:17f**	**2017f**
Real GDP Growth (YoY)	1,9	1,7	1,7	1,7	1,9	1,8	2,0	2,3	2,4	2,3	2,2
Real GDP Growth (QoQ saar)	-	2,1	1,2	1,9	2,5	-	2,2	2,6	2,3	2,2	-
Private Consumption	1,7	2,8	1,4	1,4	2,3	2,0	1,4	2,1	2,1	2,3	1,9
Government Consumption	1,3	3,3	0,8	0,7	1,6	1,7	0,7	1,9	1,5	1,5	1,3
Investment	2,9	1,1	11,1	0,4	5,2	4,3	-1,0	3,6	4,3	5,2	3,0
Inventories Contribution	0,0	-0,3	-1,1	0,9	0,6	-0,1	-0,3	-0,2	0,1	0,0	0,0
Net Exports Contribution	0,1	-0,1	-0,7	0,0	-0,7	-0,5	1,8	0,5	-0,2	-0,5	0,3
Exports	6,4	1,5	5,1	1,6	6,1	3,2	5,5	4,4	3,3	3,3	4,5
Imports	6,7	1,8	7,2	1,8	8,3	4,6	1,8	3,7	3,9	4,6	4,1
Inflation	0,0	0,0	-0,1	0,3	0,7	0,2	1,8	1,5	1,4	1,3	1,5

a: Actual, f: Forecasts, 1. Seasonally adjusted YoY growth rate, 2. Seasonally adjusted annualized QoQ growth rate, 3. Year-to-year average % change

South Eastern Europe Economic Forecasts

Economic Indicators

	2013	2014	2015	2016	2017f	2018f
Real GDP Growth (%)						
Turkey	8,5	5,2	6,1	3,2	5,5	4,0
Romania	3,5	3,1	3,9	4,8	5,8	4,2
Bulgaria	0,9	1,3	3,6	3,9	3,8	3,6
Serbia	2,6	-1,8	0,8	2,8	2,6	3,6
Headline Inflation (eop,%)						
Turkey	7,4	8,2	8,8	8,5	9,8	8,0
Romania	1,6	0,8	-0,9	-0,5	2,6	3,2
Bulgaria	-1,6	-0,9	-0,4	0,1	1,4	1,8
Serbia	2,2	1,7	1,5	1,6	2,8	3,0
Current Account Balance (% of GDP)						
Turkey	-6,7	-4,7	-3,7	-3,8	-4,6	-4,4
Romania	-1,1	-0,7	-1,2	-2,3	-3,2	-3,6
Bulgaria	1,3	0,1	-0,1	4,1	3,2	2,4
Serbia	-6,1	-6,0	-4,7	-4,0	-4,4	-4,4
Fiscal Balance (% of GDP)						
Turkey	-1,0	-1,1	-1,0	-1,1	-2,0	-2,3
Romania	-2,5	-1,7	-1,5	-2,4	-3,3	-4,0
Bulgaria	-1,8	-3,7	-2,8	1,6	0,0	-1,0
Serbia	-5,5	-6,6	-3,7	-1,3	0,0	0,0

f: NBG forecasts

Stock Markets (in local currency)

Country - Index	23/10/2017	Last week return (%)	Year-to-Date change (%)	2-year change (%)
Turkey - ISE100	107.303	0,8	37,3	33,9
Romania - BET-BK	1.640	-0,8	22,0	21,4
Bulgaria - SOFIX	667	-0,4	13,8	49,4
Serbia - BELEX15	728	-0,4	1,5	16,7

Financial Markets

	23/10/2017	3-month forecast	6-month forecast	12-month forecast
1-m Money Market Rate (%)				
Turkey	13,1	12,5	12,0	11,0
Romania	1,8	2,0	2,2	2,5
Bulgaria	0,0	0,1	0,1	0,2
Serbia	2,8	3,2	3,4	3,8
Currency				
TRY/EUR	4,37	4,36	4,36	4,36
RON/EUR	4,59	4,57	4,55	4,55
BGN/EUR	1,96	1,96	1,96	1,96
RSD/EUR	119,1	119,8	120,0	120,3
Sovereign Eurobond Spread (in bps)				
Turkey (USD 2020)(*)	179	172	165	150
Romania (EUR 2024)	123	120	116	110
Bulgaria (EUR 2022)	44	47	49	50
Serbia (USD 2021)(*)	140	135	125	120

(*) Spread over US Treasuries

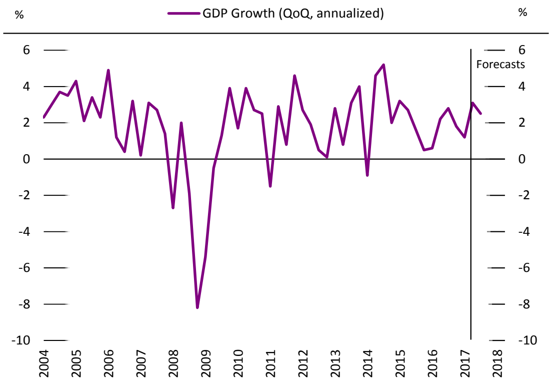
Economic Calendar

The main macro event next week in the US is the first estimate for GDP in Q3:17, due to release on Friday. Real GDP growth is expected at 2.5% qoq saar, from 3.1% qoq saar in Q2:17 and 1.2% qoq saar in Q1:17.

Markets will also focus on the ECB meeting on Thursday, where it will likely announce details regarding its 2018 purchase programme. Meanwhile, on Tuesday PMI data are released. Manufacturing PMI is expected at 57.7 in October from 58.1 in the previous month.

In the UK, the first estimate for Q3:17 GDP is released on Wednesday, and is expected unchanged from the previous quarter at 0.3 % qoq.

US GDP Growth and Consensus Forecasts



Source: NBG Research, Bloomberg

Economic News Calendar for the period: October 17 - October 30, 2017

Tuesday 17

		S		A	P
US					
Industrial Production (MoM)	September	0.3%		0.3%	-0.7%
NAHB housing market confidence index	October	64	+	68	64
Net Long-term TIC Flows ($ bn)	August	..		67.2	1.2
UK					
CPI (YoY)	September	3.0%		3.0%	2.9%
CPI Core (YoY)	September	2.7%		2.7%	2.7%
GERMANY					
ZEW survey current situation	October	88.5	-	87.0	87.9
ZEW survey expectations	October	20.0	-	17.6	17.0

Wednesday 18

		S		A	P
US					
Housing starts (k)	September	1175	-	1127	1183
Building permits (k)	September	1245	-	1215	1272
UK					
ILO Unemployment Rate	August	4.3%		4.3%	4.3%

Thursday 19

		S		A	P
US					
Initial Jobless Claims (k)	October 14	240	+	222	244
Philadelphia Fed Business Outlook	October	22.0	+	27.9	23.8
Continuing Claims (k)	October 7	1890	+	1888	1904
UK					
Retail sales Ex Auto MoM	September	-0.2%	-	-0.7%	0.9%
JAPAN					
Imports (YoY)	September	14.7%	-	12.0%	15.2%
Exports (YoY)	September	15.0%	-	14.1%	18.1%
CHINA					
GDP (YoY)	Q3:17	6.8%		6.8%	6.9%
GDP (sa, QoQ)	Q3:17	1.7%		1.7%	1.8%
Retail sales (YoY)	September	10.2%	+	10.3%	10.1%
Industrial production (YoY)	September	6.5%	+	6.6%	6.0%

Friday 20

		S		A	P
US					
Existing home sales (mn)	September	5.30	+	5.39	5.35

Monday 23

		S		A	P
EURO AREA					
Consumer Confidence Indicator	October	-1.1	+	-1.0	-1.2

Tuesday 24

		S	A	P
US				
Markit US Manufacturing PMI	October	53.0	..	53.1
JAPAN				
Nikkei PMI Manufacturing	October	..	..	52.9
EURO AREA				
Markit Eurozone Manufacturing PMI	October	57.7	..	58.1
Markit Eurozone Services PMI	October	55.8	..	55.8
Markit Eurozone Composite PMI	October	56.5	..	56.7

Wednesday 25

		S	A	P
US				
Durable goods orders (MoM)	September	1.3%	..	2.0%
Durable goods orders ex transportation (MoM)	September	0.4%	..	0.5%
New home sales (k)	September	550	..	560
UK				
GDP (QoQ)	Q3:17	0.3%	..	0.3%
GDP (YoY)	Q3:17	1.5%	..	1.5%
GERMANY				
IFO- Business Climate Indicator	October	115.0	..	115.2
IFO-Expectations	October	107.3	..	107.4
IFO- Current Assesment	October	123.5	..	123.6

Thursday 26

		S	A	P
US				
Initial Jobless Claims (k)	October 21	..	..	222
Continuing Claims (k)	October 14	..	..	1888
Pending home sales (MoM)	September	0.3%	..	-2.6%
EURO AREA				
M3 money supply (YoY)	September	5.0%	..	5.0%
ECB announces its intervention rate	October 26	0.00%	..	0.00%
ECB announces its deposit facility rate	October 26	-0.40%	..	-0.40%

Friday 27

		S	A	P
US				
GDP (QoQ, annualized)	Q3:17	2.5%	..	3.1%
Personal Consumption	Q3:17	2.2%	..	3.3%
JAPAN				
CPI (YoY)	September	0.7%	..	0.7%
Core CPI (YoY) - ex. Fresh Food	September	0.7%	..	0.7%
Core CPI (YoY) - ex. Fresh Food and Energy	September	0.2%	..	0.2%

Monday 30

		S	A	P
US				
Personal income (MoM)	September	0.4%	..	0.2%
Personal spending (MoM)	September	0.9%	..	0.1%
JAPAN				
Retail sales (MoM)	September	..	..	-1.6%
Retail sales (YoY)	September	..	..	1.8%
EURO AREA				
Economic Confidence	October	..	..	113.0
Business Climate Indicator	October	..	..	1.34

Source: NBG Research, Bloomberg
S: Bloomberg 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	2575	0,9	15,0	20,3	27,6
Japan	NIKKEI 225	21458	1,4	12,3	24,5	15,6
UK	FTSE 100	7523	-0,2	5,3	7,1	18,5
Canada	S&P/TSX	15857	0,3	3,7	6,8	15,7
Hong Kong	Hang Seng	28487	0,0	29,5	21,9	23,9
Euro area	EuroStoxx	391	0,0	11,6	18,1	14,3
Germany	DAX 30	12991	0,0	13,2	21,4	26,9
France	CAC 40	5372	0,4	10,5	18,3	14,4
Italy	FTSE/MIB	22347	-0,3	16,2	30,4	0,8
Spain	IBEX-35	10223	-0,3	9,3	12,8	0,6

Emerging Markets	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
MSCI Emerging Markets	59845	-0,1	25,6	21,6	27,7
MSCI Asia	907	0,0	30,9	25,4	30,8
China	86	-0,1	47,3	36,3	35,8
Korea	755	0,3	30,1	32,0	39,8
MSCI Latin America	86380	-0,3	20,1	13,5	35,9
Brazil	259168	-0,8	24,2	15,4	50,2
Mexico	47424	0,3	9,8	4,8	12,8
MSCI Europe	5206	-1,1	4,8	15,6	15,4
Russia	921	-1,7	-7,8	5,6	17,2
Turkey	1499477	2,0	37,3	34,3	32,0

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	209,4	-0,6	-4,4	1,0	3,8
Materials	267,1	0,1	20,4	25,1	37,2
Industrials	254,2	0,7	19,6	24,2	31,9
Consumer Discretionary	225,5	-0,2	14,8	17,6	15,5
Consumer Staples	227,9	-1,4	9,8	6,8	9,4
Healthcare	230,2	1,0	19,4	16,2	14,7
Financials	123,2	1,2	16,0	30,3	25,3
IT	211,7	0,8	31,3	32,5	48,5
Telecoms	69,3	-0,1	-0,3	1,5	3,0
Utilities	131,8	0,6	14,6	13,0	12,8

in local currency	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
Energy	211,8	-0,3	-7,3	-1,5	5,0
Materials	250,9	0,6	14,8	22,3	36,0
Industrials	249,9	1,1	15,6	23,2	30,5
Consumer Discretionary	217,3	0,1	11,9	17,3	15,0
Consumer Staples	226,5	-1,0	6,5	5,2	10,8
Healthcare	226,7	1,3	17,0	15,2	15,2
Financials	121,7	1,6	11,8	27,8	24,2
IT	205,0	1,0	30,1	32,5	47,8
Telecoms	71,6	0,4	-4,0	0,3	3,3
Utilities	133,6	0,9	11,2	11,1	13,2

Bond Markets (%)

10-Year Government Bond Yields	Current	Last week	Year Start	One Year Back	10-year average
US	2,39	2,27	2,45	1,76	2,61
Germany	0,45	0,40	0,21	0,00	1,89
Japan	0,08	0,06	0,05	-0,07	0,79
UK	1,33	1,37	1,24	1,08	2,63
Greece	5,55	5,54	7,11	8,44	10,30
Ireland	0,67	0,64	0,75	0,45	4,36
Italy	2,04	2,08	1,81	1,37	3,67
Spain	1,66	1,61	1,38	1,10	3,65
Portugal	2,31	2,33	3,76	3,21	5,40

US Mortgage Market (1. Fixed-rate Mortgage)	Current	Last week	Year Start	One Year Back	10-year average
30-Year FRM[1] (%)	4,1	4,1	4,4	3,7	4,3
vs 30Yr Treasury (bps)	124	133	132	123	97

Government Bond Yield Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
US Treasuries 10Y/2Y	81	78	126	94	179
US Treasuries 10Y/5Y	36	37	52	50	91
Bunds 10Y/2Y	117	113	97	67	124
Bunds 10Y/5Y	72	72	74	51	75

Corporate Bond Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
EM Inv. Grade (IG)	139	145	181	173	271
EM High yield	383	395	510	573	819
US IG	101	104	129	135	201
US High yield	342	360	421	462	644
Euro area IG	93	96	124	111	170
Euro area High Yield	244	248	376	377	665

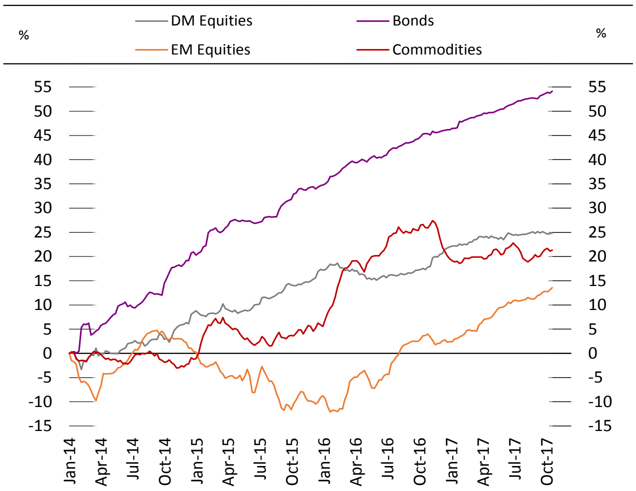
Foreign Exchange & Commodities

Foreign Exchange	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates					
EUR/USD	1,18	-0,3	-0,9	7,8	12,0
EUR/CHF	1,16	0,7	0,5	6,9	8,2
EUR/GBP	0,89	0,4	1,4	0,2	4,7
EUR/JPY	133,77	1,1	0,2	17,7	8,8
EUR/NOK	9,41	0,9	0,6	5,2	3,5
EUR/SEK	9,62	0,3	0,9	-0,8	0,5
EUR/AUD	1,51	0,6	1,8	5,2	3,3
EUR/CAD	1,49	0,9	1,5	2,9	5,2
USD-based cross rates					
USD/CAD	1,26	1,3	2,5	-4,6	-6,1
USD/AUD	1,28	0,9	2,7	-2,4	-7,8
USD/JPY	113,52	1,5	1,2	9,2	-3,0

Commodities	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Agricultural	379	-2,3	-2,7	-16,7	-12,0
Energy	405	0,6	1,6	-2,4	-6,9
West Texas Oil ($)	51	0,0	2,1	2,1	-4,2
Crude brent Oil ($)	58	2,0	4,5	17,4	5,0
Industrial Metals	1378	-0,2	2,1	35,5	22,8
Precious Metals	1547	-1,8	-2,5	-0,4	9,9
Gold ($)	1281	-1,8	-1,6	1,2	11,1
Silver ($)	17	-2,2	-1,8	-2,8	7,0
Baltic Dry Index	1578	6,3	8,9	85,9	64,2
Baltic Dirty Tanker Index	896	-0,8	19,3	29,5	-2,5

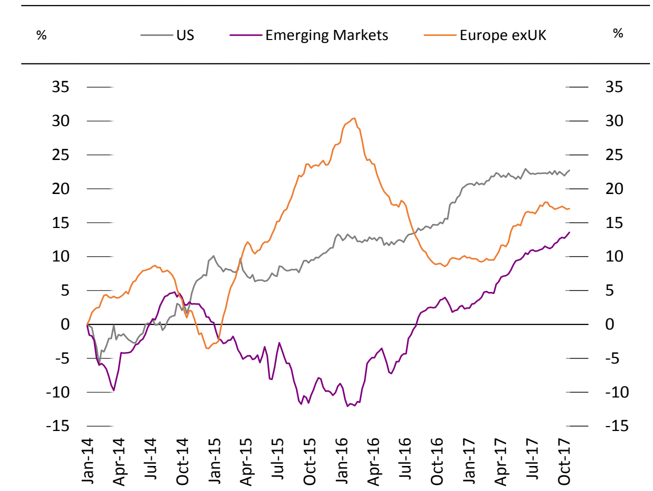
Source: Bloomberg, as of October 20th, S&P/Goldman Sachs Indices for Agricultural, Energy, Industrial & Precious Metals, BofA/ML Indices for Corporate Bond Spreads

Global Cross Asset ETFs: Flows as % of AUM



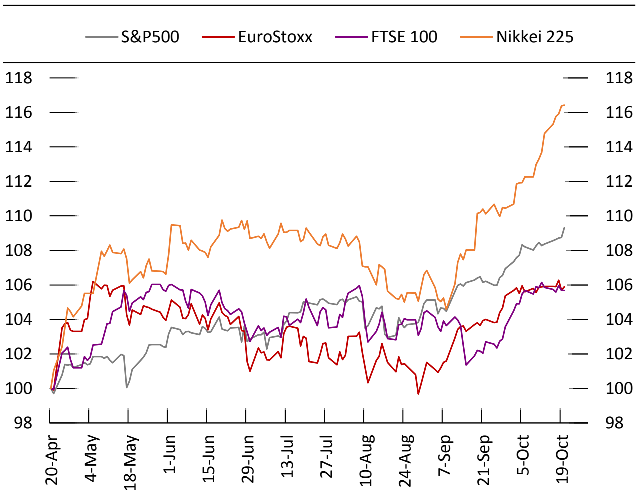
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of October 20th

Equity ETFs: Flows as % of AUM



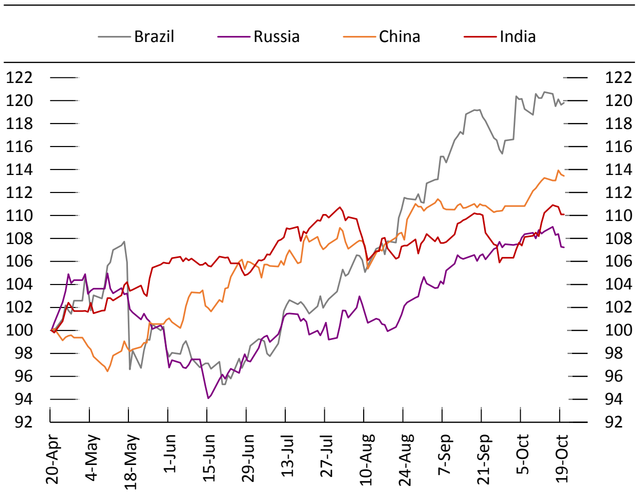
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of October 20th

Equity Market Performance - G4



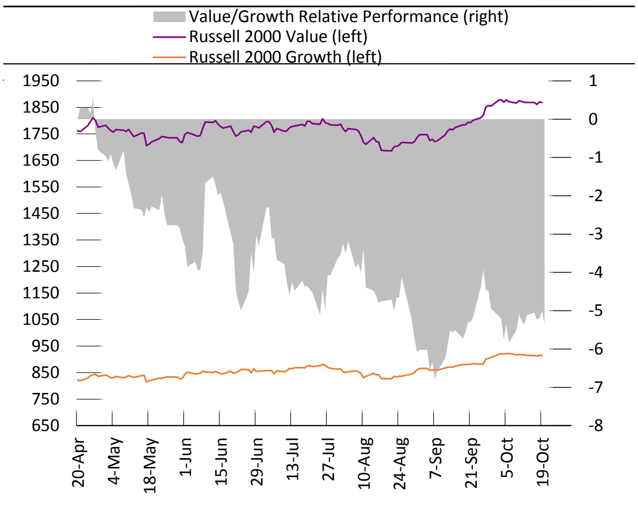
Source: Bloomberg - Data as of October 20th – Rebased @ 100

Equity Market Performance - BRICs



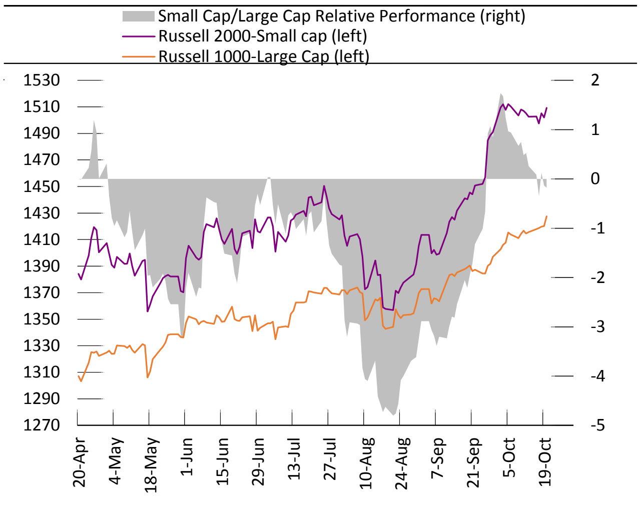
Source: Bloomberg - Data as of October 20th – Rebased @ 100

Russell 2000 Value & Growth Index



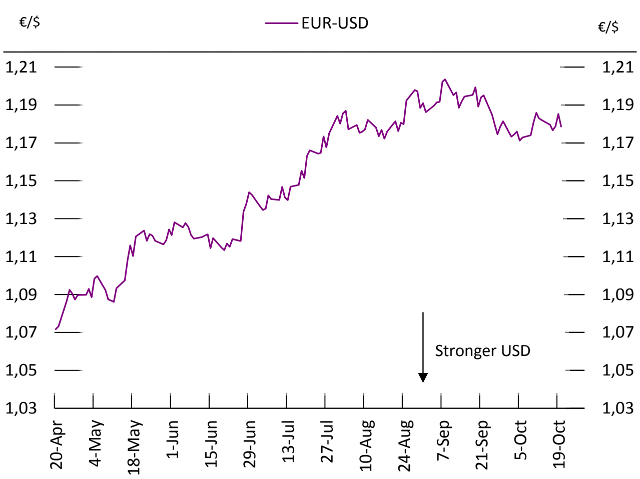
Source: Bloomberg, Data as of October 20th

Russell 2000 & Russell 1000 Index



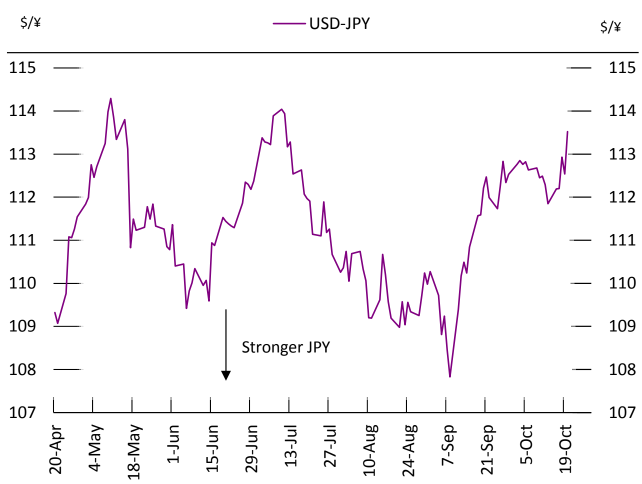
Source: Bloomberg, Data as of October 20th

EUR/USD



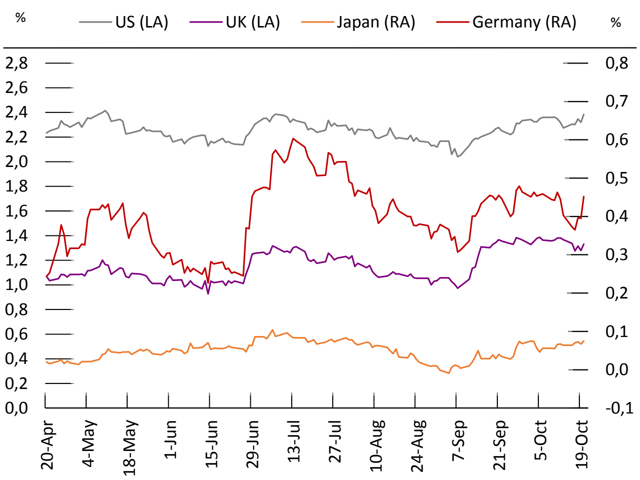
Source: Bloomberg, Data as of October 20th

JPY/USD



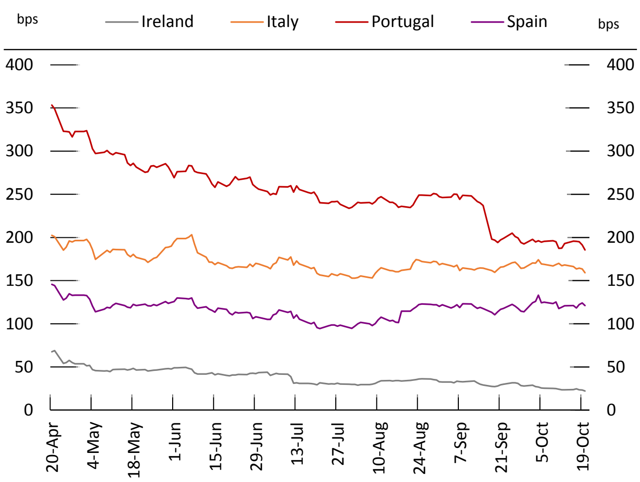
Source: Bloomberg, Data as of October 20th

10- Year Government Bond Yields



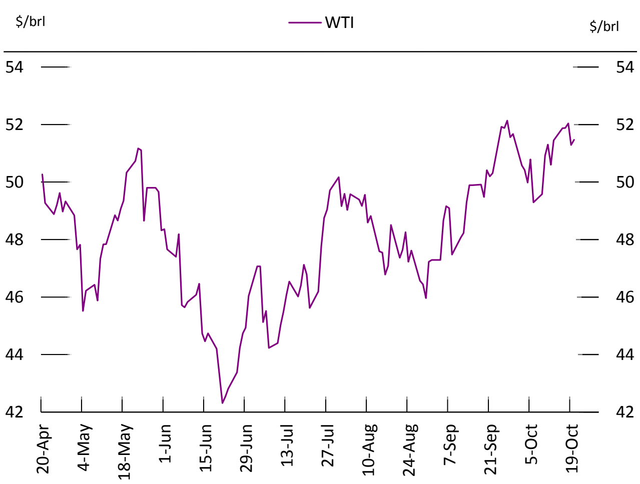
Source: Bloomberg - Data as of October 20th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



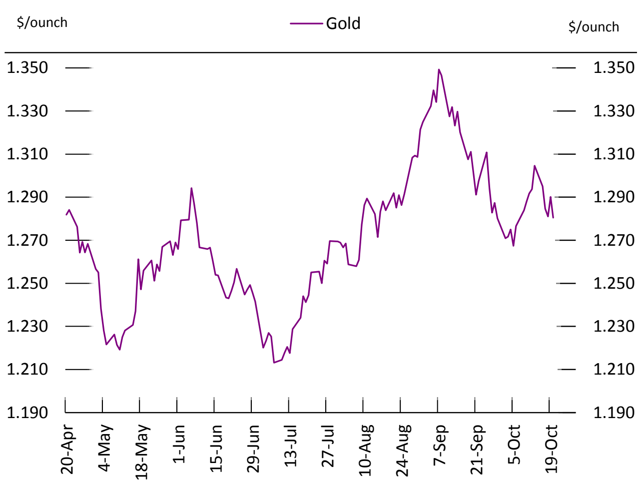
Source: Bloomberg - Data as of October 20th

West Texas Intermediate ($/brl)



Source: Bloomberg, Data as of October20th

Gold ($/ounch)



Source: Bloomberg, Data as of October 20th

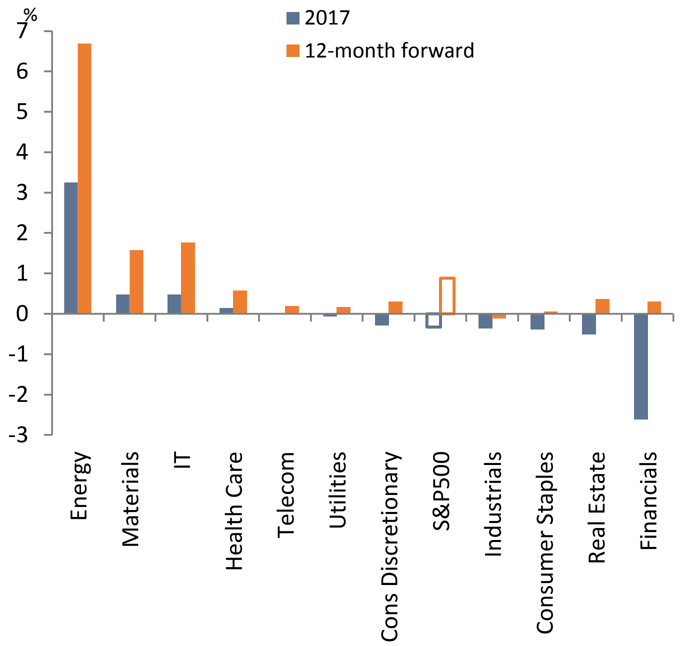
US Sectors Valuation

	Price ($)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	20/10/2017	% Weekly Change	2016	2017	2016	2017	2016	2017	12m fwd	10Yr Avg	2016	2017	12m fwd	10Yr Avg
S&P500	2575	0,9	1,4	9,7	2,0	1,9	19,8	19,7	18,1	14,2	3,1	3,2	3,0	2,2
Energy	502	-0,4	-74,4	246,7	2,7	2,9	127,3	35,5	28,1	19,1	2,0	1,9	1,9	1,8
Materials	368	0,6	-5,7	7,8	2,1	1,9	20,2	21,0	18,6	14,8	3,8	4,1	3,8	2,7
Financials														
Diversified Financials	640	0,9	5,7	9,9	1,3	1,3	18,1	18,2	16,6	13,6	1,8	1,9	1,8	1,4
Banks	320	3,0	1,1	11,1	1,8	2,0	15,3	14,7	13,4	12,4	1,3	1,3	1,2	0,9
Insurance	406	1,7	-4,2	4,3	2,0	1,9	15,6	16,6	14,0	9,8	1,4	1,5	1,4	1,0
Real Estate	202	-0,8	8,0	1,0	3,9	3,3	18,8	18,9	17,9	17,1	3,0	3,2	3,3	2,5
Industrials														
Capital Goods	677	1,6	4,7	8,9	2,2	2,2	20,6	21,1	19,6	14,7	4,7	4,9	4,7	2,9
Transportation	680	0,3	-7,8	-0,7	1,6	1,7	16,0	17,3	15,8	14,2	4,5	4,4	4,0	3,0
Commercial Services	248	1,5	8,5	3,1	1,4	1,5	22,9	22,3	20,9	18,0	3,9	4,0	3,8	2,9
Consumer Discretionary														
Retailing	1546	-0,9	11,6	4,8	1,0	0,9	30,9	32,0	28,5	20,0	10,1	10,0	8,9	5,1
Media	523	1,8	2,6	8,2	1,2	1,4	20,8	18,3	16,9	15,0	3,2	3,0	2,9	2,2
Consumer Services	1009	-0,7	9,8	11,2	2,0	1,8	22,5	23,6	21,4	17,7	7,8	9,2	9,1	4,4
Consumer Durables	304	2,4	11,7	2,0	1,7	1,7	17,6	17,9	16,4	16,7	3,4	3,3	3,1	2,9
Automobiles and parts	143	0,4	10,6	-1,0	4,2	3,3	7,6	8,5	8,7	8,9	1,8	1,8	1,7	1,9
IT														
Technology	970	0,0	-2,8	7,6	1,9	1,9	15,0	15,5	14,2	12,4	3,8	4,2	3,8	2,7
Software & Services	1509	1,3	11,5	8,7	1,0	0,9	23,2	26,0	23,3	15,4	5,8	6,0	5,3	3,8
Semiconductors	896	1,1	12,9	32,9	2,0	1,8	17,5	16,5	15,5	16,6	3,7	4,1	3,7	2,7
Consumer Staples														
Food & Staples Retailing	367	1,6	1,2	-0,5	2,1	2,6	17,6	17,5	16,6	14,9	3,2	3,3	3,2	2,6
Food Beverage & Tobacco	691	-0,9	8,3	7,5	2,7	3,0	23,2	21,2	19,9	16,7	6,4	5,4	5,4	4,7
Household Goods	559	-4,7	1,6	4,4	2,6	2,8	24,1	22,4	21,1	17,8	6,4	5,6	5,5	4,3
Health Care														
Pharmaceuticals	879	0,5	6,2	4,5	2,0	1,9	16,3	17,4	16,4	13,8	4,2	4,5	4,2	3,1
Healthcare Equipment	994	3,9	9,5	10,0	1,0	1,0	18,8	19,4	18,1	13,8	3,3	3,4	3,2	2,4
Telecom	155	1,1	0,3	-0,4	4,7	5,3	13,6	12,5	12,3	12,8	3,0	2,6	2,5	2,2
Utilities	278	1,4	6,6	0,8	3,4	3,3	18,0	19,0	18,3	14,4	2,0	2,0	1,9	1,5

Source Factset, 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 2017 & 12-month Forward EPS

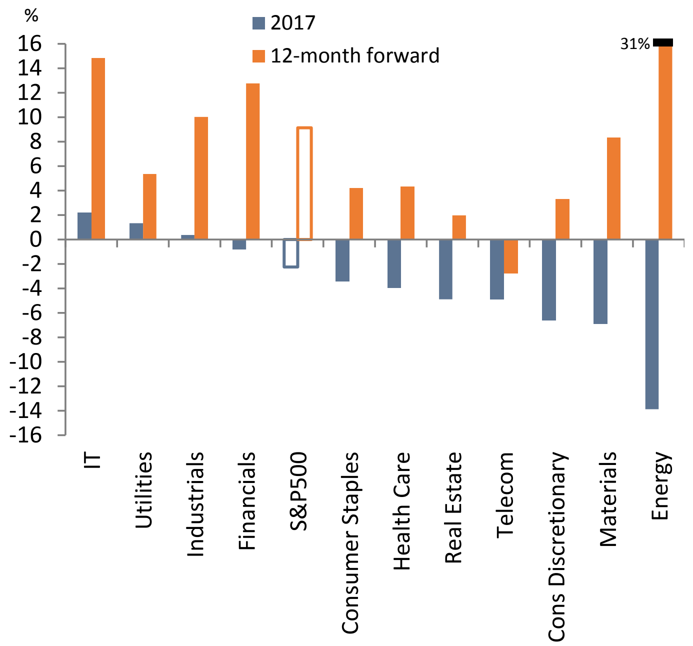
Earnings Revisions indicate 1-month change in 2017 & 12-month Forward EPS



Source: Factset, Data as of October 20th
12-month forward EPS are 20% of 2017 EPS and 80% of 2018 EPS

12-month revisions to 2017 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2017 & 12-month Forward EPS



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Europe Sectors Valuation

	Price (€)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	20/10/2017	% Weekly Change	2016	2017	2016	2017	2016	2017	12m fwd	10Yr Avg	2016	2017	12m fwd	10Yr Avg
STOXX Europe 600	390	-0,3	-3,6	14,6	3,4	3,2	17,9	16,5	15,5	12,6	1,8	1,9	1,8	1,6
Energy	317	-0,4	-31,5	66,3	5,4	5,0	27,4	16,6	16,0	11,0	1,2	1,3	1,3	1,3
Materials	466	0,2	17,2	11,5	2,7	2,7	20,0	18,9	17,3	13,9	1,9	2,0	1,9	1,5
Basic Resources	441	-1,0	255,5	77,4	2,2	3,3	21,6	12,7	13,1	12,5	1,5	1,6	1,5	1,3
Chemicals	970	0,2	-2,0	10,8	2,7	2,6	18,0	17,9	17,1	13,8	2,4	2,6	2,4	2,1
Financials														
Fin/al Services	486	-1,1	12,8	5,2	3,2	2,9	15,5	16,5	16,5	12,8	1,6	1,9	2,0	1,3
Banks	187	1,1	-34,2	46,1	4,2	3,9	16,8	12,7	11,8	10,7	0,9	1,0	1,0	0,9
Insurance	290	0,8	3,1	-5,0	4,8	4,6	11,1	12,6	11,6	9,2	1,1	1,2	1,1	1,0
Real Estate	170	-0,6	7,1	3,3	3,7	3,9	20,7	20,0	20,4	18,1	1,0	1,0	1,0	1,0
Industrial	532	-0,1	0,7	10,3	2,6	2,4	19,9	19,8	18,1	14,1	3,3	3,4	3,2	2,3
Consumer Discretionary														
Media	270	0,0	-0,1	3,8	3,2	3,1	18,3	16,9	15,8	14,0	3,1	2,9	2,8	2,4
Retail	304	-0,2	1,4	2,3	2,6	2,8	20,6	20,1	18,5	15,8	2,9	2,7	2,6	2,4
Automobiles and parts	584	-1,1	17,1	15,9	3,0	3,1	9,3	8,6	8,2	9,3	1,3	1,2	1,1	1,0
Travel and Leisure	252	-1,7	5,5	10,1	2,4	2,3	14,6	13,9	12,9	15,2	2,8	2,8	2,5	2,0
Technology	439	0,5	-1,9	11,5	1,5	1,5	23,3	23,6	21,6	16,6	3,1	3,2	3,1	2,6
Consumer Staples														
Food&Beverage	667	-0,4	-4,4	4,1	2,8	2,6	23,5	24,1	22,2	17,0	3,2	3,6	3,4	2,7
Household Goods	844	-3,0	5,3	10,4	2,5	2,6	22,2	20,5	19,1	16,5	4,6	3,5	4,0	3,3
Health care	747	-0,5	6,7	-1,3	2,8	2,8	17,9	18,1	17,1	14,1	3,5	3,6	3,4	3,0
Telecom	282	-0,9	1,7	9,8	4,9	4,5	19,8	17,6	16,1	13,3	1,8	1,9	1,9	1,6
Utilities	304	-0,3	-8,6	-4,6	5,4	4,7	13,2	15,1	14,6	12,2	1,4	1,5	1,4	1,4

Source Factset, 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

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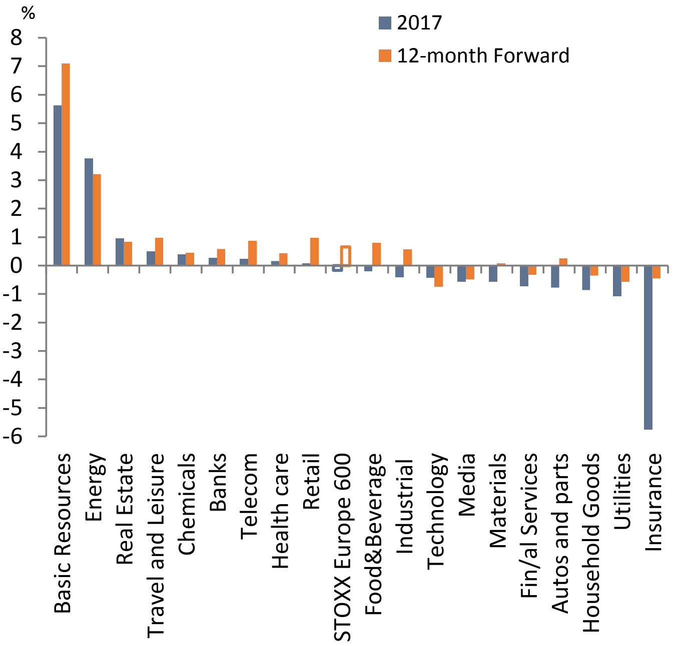
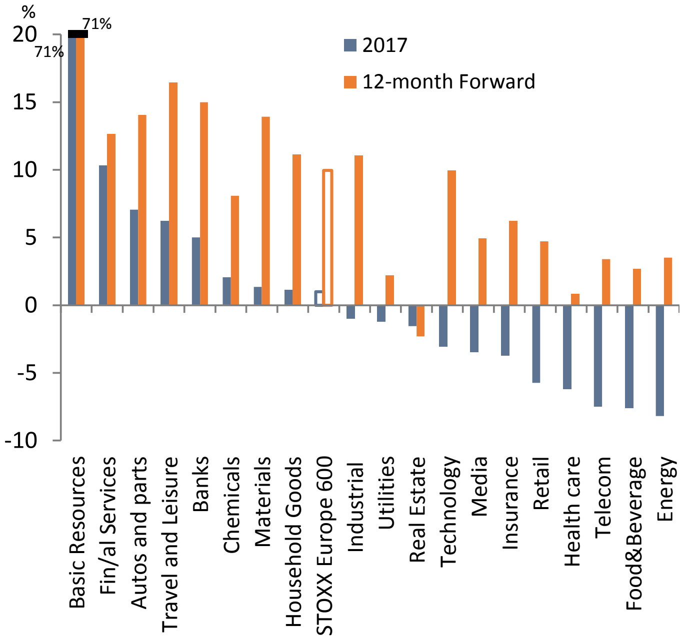


Source: Factset, Data as of October 20th
12-month forward EPS are 20% of 2017 EPS and 80% of 2018 EPS

12-month revisions to 2017 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2017 & 12-month Forward EPS



Source: Factset, Data as of October 20th
12-month forward EPS are 20% of 2017 EPS and 80% of 2018 EPS

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