Global Markets Roundup

National Bank of Greece | Economic Research Division | September 17, 2019

NATIONAL BANK OF GREECE

The ECB delivered a comprehensive policy package, with attention now turning to the Fed meeting

- At its meeting on September 12th, the ECB: i) lowered its policy rate, introducing a two-tier system for remunerating excess liquidity holdings; ii) modified favourably the terms of TLTRO3; iii) reinstated net asset purchases; and iv) amplified its forward guidance vis-à-vis rates and QE. At the same time, the ECB acknowledged the limits of (its) monetary policy to revamp growth and inflation, urging European policymakers to step up fiscal policy (see Quotes of the week on page 3). Bund yields rose significantly during the course of the meeting (by c. 10 bps), while the EUR ended the session higher (see graphs and commentary on page 3).
- Specifically, the ECB lowered the Deposit Facility Rate (DFR) by 10 bps to -0.50%, while the rate for Main Refinancing Operations (MRO) was unchanged at 0.0%. The decrease in the DFR was accompanied by measures to mitigate the negative effects on financial institutions' balance sheets by the sub-zero interest rates and to avoid unwarranted repercussions for bank lending growth. The healthy pace of lending, currently at a 10-year high of 3.6% yoy, remains a crucial supporting factor for the bank-based euro area economy. A two-tier system was introduced for euro area banks' excess reserves held in the ECB. Circa €0.8trillion out of €1.8trillion will be remunerated at 0.0% instead of -0.5%, providing net income relief of circa €2-3bn per annum or 2.5% of euro area banks net income as of end-2018.
- At the same time, the ECB improved the conditions of the Targeted Longer-Term Refinancing Operations (TLTRO3) extending the maturity of TLTRO3s by one year to three years (TLTRO2s are circa €690bn or 3% of euro area banks' liabilities as of early September), introducing a repayment option after two years. In addition, the ECB reduced the interest rate on TLTRO3 by 10bps.
- Furthermore, the ECB will restart as of November the net asset purchases under its Asset Purchase Programme (€2.65 trillion have been accumulated so far under APP) at a monthly pace of €20bn. To extend the pool of eligible assets, both public and private sector assets (the latter contrary to the previous APP terms) with yield-to-maturity below the DFR will be eligible to participate. Importantly, the new APP will run until the ECB starts raising its key interest rates; a quasi-open-ended QE, as scarcity constraints of the available pool of assets (e.g. German Bunds or Netherlands Bonds) could resurface in the distant future (> 2 years) as the issuer/issue limit of 33% remains.
- The ECB also switched from time-dependent to state-dependent forward guidance. It now expects to keep interest rates at their present or lower levels until its inflation outlook converges "robustly" to its symmetric target of close to, but below, 2% within its projection horizon, "and such convergence is consistently reflected in underlying inflation dynamics". The specific calendar reference "at least through the first half of 2020" was removed. Essentially, that wording should precondition a close to 3-year ahead projection of 1.9% for both CPI and core CPI inflation.
- Recall that the latest ECB staff projections, remain well below these levels, with the estimate for both measures at 1.5% yoy in 2021, down 0.1 pp compared with the June projections. Apart from inflation, GDP growth projections were also revised down, by 0.1 pp to 1.1% yoy for 2019 and by 0.2 pps to 1.2% in 2020 (steady at 1.4% for 2021).

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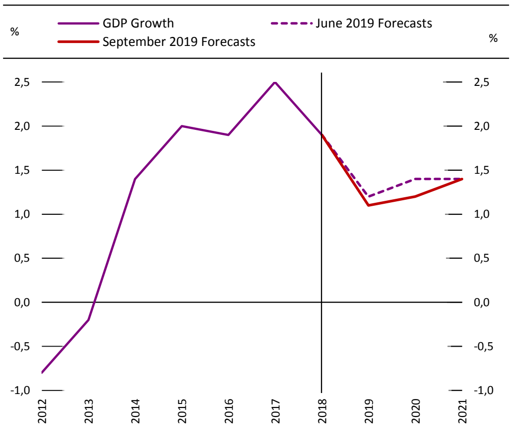
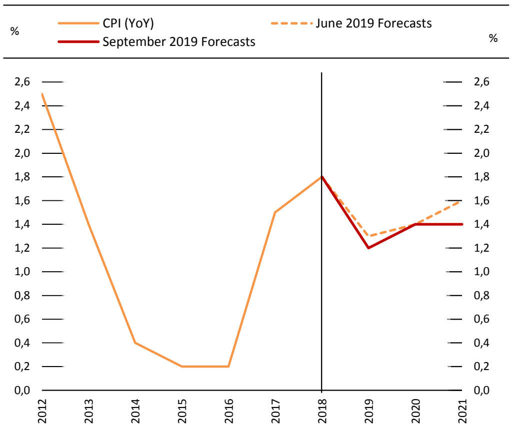
Euro area Real GDP & ECB Forecasts



Source: NBG Research, ECB Macro Projections, Bloomberg

Euro area Inflation & ECB Forecasts



Source: NBG Research, ECB Macro Projections, Bloomberg

See page 14 for disclosures and analyst certification

UK labor market conditions remain strong, leading to robust wage growth

- **The unemployment rate in the UK stands at its lowest since 1975, although signs of decelerating employment growth in recent months, warrant caution.** Specifically, the unemployment rate was down by 0.1 pp in July, to 3.8%, matching the multi-year low also recorded in most months during 2019 and remaining well below the Bank of England's estimate (August Inflation Report) for the equilibrium rate (4.25%). Nevertheless, the fall was mostly due to decreased labor supply, with the labor force participation rate declining by 0.2 pps to a still satisfactory 63.9% (15-year average of 63.4%). Indeed, employment growth has recently posted signs of slowing, to +31k in July versus an average monthly pace of +101k in 2019. Although a deceleration in employment growth is not surprising in view of labor supply shortages, which are common in tight labor markets (as is the case in the UK), the latest slowdown appears related to the persistence of uncertainty surrounding the economic environment. Meanwhile, tight labor market conditions continue to feed through to strong wage growth. Indeed, the annual growth of wages stood at +4.0% in July, the highest since June 2008. Excluding bonus payments, it decelerated slightly by 0.1 pp to a still robust +3.8% yoy. Recall that the respective pace for CPI growth was 2.0% yoy in July, suggesting continuing support for private consumption from increased households' purchasing power.

The Bank of England (BoE) is expected to maintain policy unchanged in view of lack of clarity regarding Brexit

- **The BoE is expected to keep its policy rate at 0.75% and the QE target at £435bn, at its meeting on September 19th, in anticipation of more clarity regarding Brexit.** The BoE will likely maintain its modest tightening bias (increases in interest rates "at a gradual pace and to a limited extent"), under the assumption of a smooth transition to the post-Brexit era. In the event, recall that under a recently ratified law, PM Johnson is to request from the EU an extension to the Brexit date, from October 31st to January 31st 2020, if a deal is not reached by October 19th. Nevertheless, PM Johnson has cited that Brexit will take place in the end of October with or without a deal.

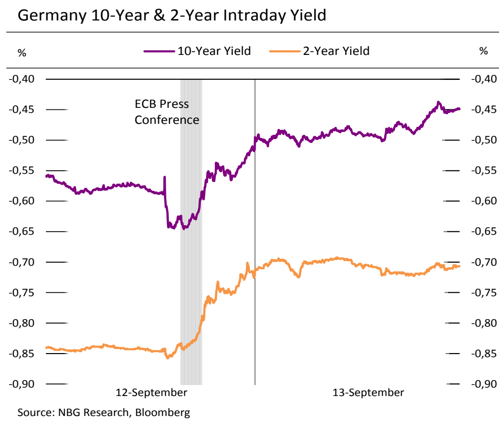
Japanese GDP in the first half of 2019 was revised down

- **Japanese GDP increased by 1.3% qoq saar in Q2:19 according to the 2nd estimate, in line with consensus estimates.** The latest reading compares with 1.8% qoq saar in the previous estimate and a downwardly revised (by 0.6 pps) +2.2% qoq saar in Q1:19. The annual growth was stable at +1% yoy in Q2:19, remaining moderately above its potential rate (+0.75% yoy according to the Bank of Japan). In Q2:19, the most significant revision regarded **business investment**, which came out at +0.8% qoq saar versus +6.1% qoq saar in the previous estimate (+0.1 pp contribution in the headline figure versus +1.0 pp previously). Recall that such a large revision is not surprising in Japan as the 2nd GDP estimate incorporates far more comprehensive data for the business sector compared with the preliminary one. Looking forward, the outlook for business investment remains clouded, especially in the export intensive manufacturing sector (c. 20% of total economic output), due to international trade tensions, the weaker global economic momentum and the slowdown in China (China accounts for c. 20% of Japanese exports). Recall that the PMI in the manufacturing sector stood at 49.3 in August, below the expansion/contraction threshold of 50.0 for a 4th consecutive month. Private consumption was unrevised at a strong 2.5% qoq saar (adding 1.4 pps to overall GDP growth), compared with a flat outcome in Q1:19. Note, however, that the latest reading was likely positively distorted by some frontloading of purchases ahead of the planned consumption tax hike from 8% to 10% in October 2019. In the event, volatility for private consumption during the rest of the year is likely. Overall, the outlook for **private consumption** remains positive. Supporting that view, annual growth for the compensation of employees, in nominal terms, stood at +1.9% yoy in Q2:19, above the respective trend for CPI inflation (+1.2% yoy, on average in the same period), suggesting a modest increase in households' purchasing power. Both **public consumption and investment** rose strongly in Q2:19, by 4.9% qoq saar (upwardly revised by 1.1 pp) and 7.2% (upwardly revised by 3.2 pps), contributing 1.3 pps to the headline GDP figure (versus 1.0 pp in the previous estimate). **Residential investment** growth was up slightly, by 0.3% qoq saar. **Inventories** subtracted 0.2 pps from overall GDP growth (+0.3 pps in Q1:19), while the most significant negative contribution came from the (highly volatile) **net exports** component, -1.2 pps (+1.7 pps in Q1:19), as exports were broadly flat on a quarterly basis (-7.6% qoq saar in Q1:19) and imports rose by 6.9% qoq saar (-16.0% qoq saar in Q1:19). Overall, consensus expects GDP growth of +0.5% qoq saar in Q3:19 (+1.6% yoy).

- **The Bank of Japan (BoJ) has signaled its readiness to ease monetary policy further (currently: short-term policy rate of -0.1% and yield target of "around zero per cent" for the 10-year Japanese Government Bond)**, if it deems that the downside risks to economic activity and prices (mainly those stemming from overseas economies) threaten the momentum regarding achieving the price stability target (inflation of 2.0%). Recent commentary by BoJ Governor Kuroda suggests that, if action is to be taken, there a higher chance for a reduction in the short-term policy rate, rather than in the 10-year Japanese Government Bond yield target. Whether a potential move will come as soon as the September 18th meeting is uncertain, with markets assigning a c. 25% probability for a 10 bp reduction in the short-term policy rate. A higher probability is assigned to the October 31st meeting (c. 60%), which will also be accompanied by the quarterly BoJ's Outlook for Economic Activity and Prices, while more economic intelligence will have become available.

Equities

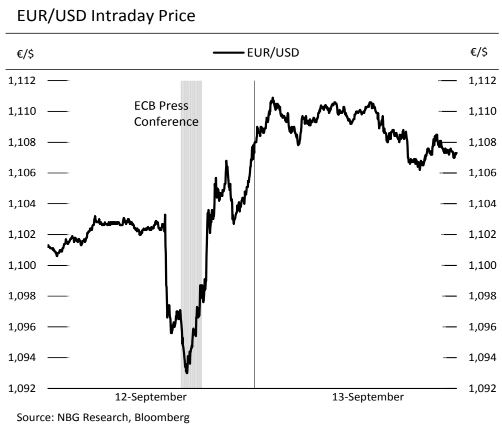
- **Global equity markets rose in the past week, due to easing measures introduced by the ECB and signs of de-escalation ahead of US-China trade negotiations in October.** Note that President Trump announced that he will postpone the scheduled increase in tariffs from 25% to 30% on $250 bn of goods to October 15th (originally for October 1st). Moreover, China announced that it will make exemptions for some agricultural products from additional tariffs on US goods. Overall, the MSCI ACWI ended the week up by 1.3% wow (+16% ytd), with both developed (+1.2% wow) and emerging markets (+1.9% wow) recording strong gains. In the US, the S&P500 rose by 1.0% wow, remaining only -0.5% below its all-time high in late July. On the other side of the Atlantic, EuroStoxx rose by 1.5% wow, with Banks overperforming (+7.8% wow) following ECB announcements and returned to positive territory ytd for the first time since July. In Japan, the Nikkei 225 rose by 3.7% wow, a 4-month high, supported, *inter alia,* by the weaker Yen. However, global equities fell on Monday (MSCI ACWI: -0.4%), due to rising geopolitical concerns following Middle East developments (see Commodities).



Graph 1.

Fixed Income

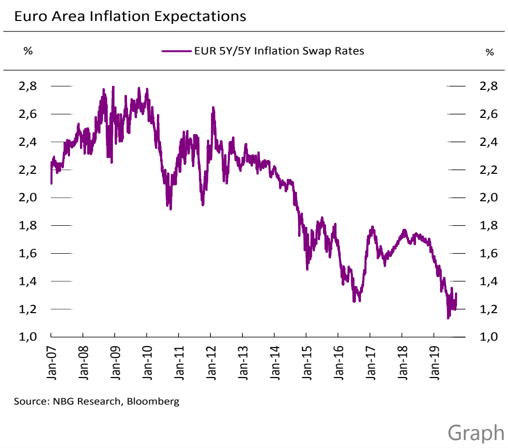
- **Government bond yields increased sharply for a second consecutive week, on the back of investors' increased risk appetite. Yields were boosted on the back of firm inflation and economic data in the US, as well as investor expectations that easing measures by the ECB are reaching a plateau.** Specifically, the US Treasury 10-year yield rose by 34 bps wow to 1.90% -- the highest level since end-July -- and its 2-year equivalent was up by 26 bps to 1.80%. Strong inflation data for August fuelled the rally on Friday, with US core CPI increasing by 0.3% mom and 2.4% yoy – the highest since July 2018. Similarly, in Germany, 10-year yields rose by 19 bps wow to -0.45%, demonstrating high volatility during the ECB meeting (up by 5 bps on Thursday, +13 bps since intra-day lows – see Graph 1). 2-year yields rose by 16 bps wow to -0.71%. Furthermore, ECB policy moves affected market inflation expectations, with 5Y/5Y inflation swaps up by 7 bps wow to 1.314%, their highest level in over a month, albeit remaining at depressed levels (see Graph 3).



Graph 2.

FX and Commodities

- **In foreign exchange markets the Japanese Yen was down in the past week, due to reduced safe haven demand.** Indeed, the Japanese Yen decreased by 1.1% wow against the US Dollar to ¥108.07 and by 1.5% wow against the euro to ¥119.70. The British pound rose following a media report that Northern Ireland's largest political party had agreed to accept some European Union rules after Brexit, encouraging the view that the UK and the EU can agree a deal to replace the Irish backstop, the main sticking point in negotiations between London and Brussels. Overall, the British Pound was up by 1.8% wow against the US dollar to $1.250 and by 1.3% wow against the euro to €/0.886. The EUR ended the week broadly flat against the USD (+0.4% to $1.107), albeit up by 0.5% against the USD on Thursday.
- **In commodities, oil prices declined in the past week, after a report that US President Trump considered easing sanctions on Iran, which could boost global crude supply**. Moreover, OPEC+ met in the past week ruled out any additional or deeper cuts. Recall that OPEC+ countries have agreed to decrease production by 1.2 million barrels per day. US oil inventories declined for a 4th consecutive week (-6.9 million barrels to 416 million barrels for the week ending September 6th) and hints of progress in the US-China trade dispute failed to provide support. Overall, the WTI declined by -3.0% wow to $54.9/bbl and Brent by -2.4% wow to $60.6/bbl. **However, on Monday oil prices rose sharply** after an attack during the weekend on two major oil facilities that produce more than half of Saudi Arabia's oil exports (Brent: +12.8% to $68.4/bbl, the biggest daily increase since 1991). Saudi Officials stated that more than half of current production (5.7 mb/d) had been halted, while news reports indicate that the recommencing of most oil output could occur in the coming weeks.



Graph 3.

Quotes of the week: (1) "There was unanimity that fiscal policy should become the main instrument to support growth", (2) "It's high time for fiscal policy to take charge", (3) "If fiscal policy is appropriate the monetary package will be effective more quickly", (4) "…if I may repeat myself, if fiscal policy had been in place, or would be put in place, the side effects of our monetary policy would be much less, the action of our decisions today would be much faster and therefore the need to keep in place some of these measures would be less", **ECB President, Mario Draghi September 12th 2019.**

NBG Global Portfolio Tactical Asset Allocation (TAA)

- **Equities**: With global growth risks rising amid an escalation of trade war, we return market-weight **to a Strategic Asset Allocation (SAA) benchmark of 60-30-10,** which is categorized as a moderate to moderate aggressive portfolio with AR of 7% and STDEV of 10% based on 15-year history, until we have a more clear view on trade developments in the following month (US/Mexico @ June 10, US/China next tranche of tariffs @ end June/early July). Equity valuations have declined since end-July highs by 0.6x, with the MSCI DM P/E ratio at 15.5x vs a 15-y average of 14.1x. Forward EPS estimates, so far, appear immune, albeit we expect them to head south in the following weeks as growth slow-downs. Intra-class, we closed our EM trade as US-China trade war tail risks has re-emerged recently (May 5th) creating uncertainty and hurting the relative trade.

- **Government Bonds:** For the first time in many years, higher yields (lower prices) do not form our baseline scenario. There is an increasing probability that the Fed will proceed with interest rate cuts in order to combat recession risks. UST yields may have peaked for this cycle at 3.25% as long as inflation pressures are modest. German Bunds (at historic lows) and UK Gilts yields, however, have upside assuming euro area growth stabilizes and Brexit negotiations conclude with some form of deal. Overall, **market-weight in Govies.**

- **Credit**: We turned broadly neutral **in Corporate Bonds**. The Fed has adopted a more dovish stance implying interest rate cuts in 2019-2020, a supportive factor for corporate fundamentals. We retain a neutral view intra-class and cross-currency, albeit trade risks are increasing and recessions risks are re-emerges. Moreover, medium-term, deteriorating Debt-Service-Ratios and Quality (BBB issues are 50% of IG indices vs 20% pre-QE) and the eventual turn of economic cycle will weigh on spreads and returns.

Figure2. **NBG Global Portfolio TAA Tilts: LEVEL 2**

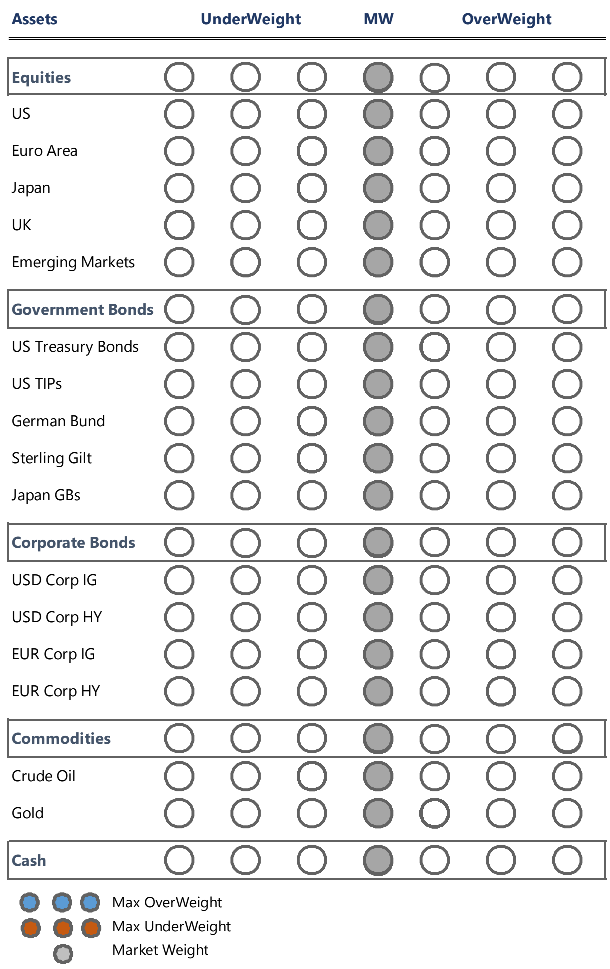


Figure1. **NBG Global Portfolio TAA Tilts: LEVEL 1**

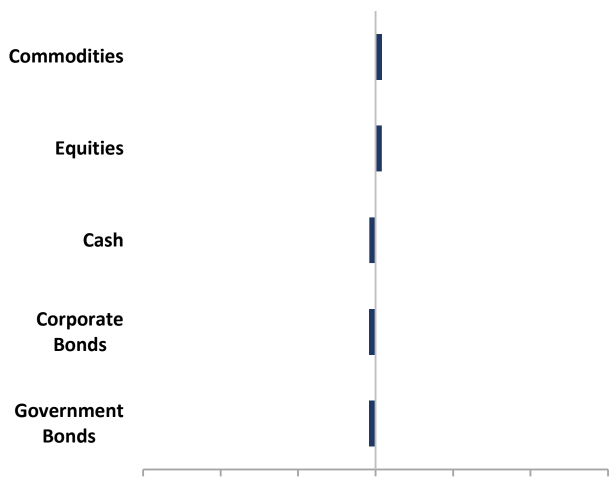
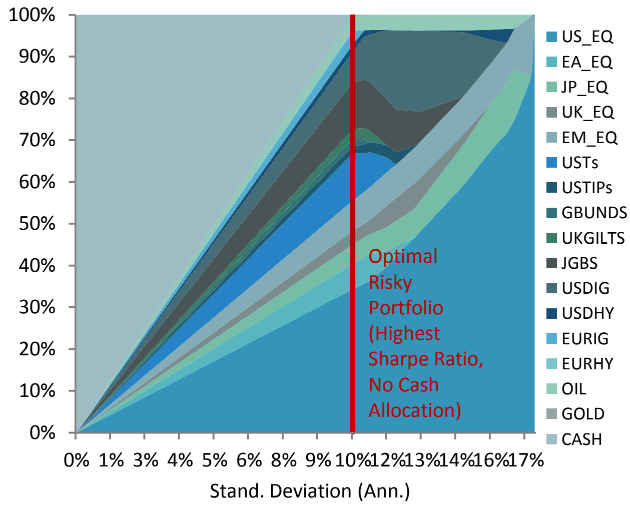


Figure3. **Efficient Portfolio Allocation for Various Volatility Levels**



(1) Figure1: Green (red) color arrows suggest an increase (decrease) in relative asset class weights over the last week (Tactical Asset Allocation tilits vs our Strategic Asset Allocation portfolio).
(2) Figure2: The orange/light blue circles of the chart displays current asset class and intra-asset class tilts relative to the Strategic Asset Allocation portfolio. Black arrows point to an increase/decrease, if any, relative to previous allocations.
(3) UW|MW|OW: Underweight | Marketweight | Overweight Tactical Asset Allocation (TAA) relative to our Strategic Asset Allocation portfolio.

	US	Euro Area	Japan	UK
Equity Markets	+ Fiscal loosening will support the economy & companies' earnings + 2019 EPS growth expectations have stabilized + Cash-rich corporates will lead to share buybacks and higher dividends (de-equitization) – Peaking profit margins – Protectionism and trade wars	+ Still high equity risk premium relative to other regions + Credit conditions gradual turn more favorable + Small fiscal loosening in 2019 – 2019 EPS estimates may turn pessimistic due to plateuning economic growth – Political uncertainty (Italy, Brexit) could intensify	+ Still aggressive QE and "yield-curve" targeting by the BoJ + Upward revisions in corporate earnings – 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	+ 65% of FTSE100 revenues from abroad + Undemanding valuations in relative terms + High UK exposure to the commodities sector assuming the oil rally re-emerges – Elevated Policy uncertainty to remain due to the outcome of the Brexit negotiating process
	● **Neutral/Positive**	● **Neutral**	● **Neutral**	● **Neutral/Negative**
Government Bonds	+ Valuations appear rich with term-premium close to 0% + Underlying inflation pressures if Fed seek makeup strategies – Global search for yield by non-US investors continues – Safe haven demand – Fed is expected to cut rates in H2:2019	+ Valuations appear excessive compared with long-term fundamentals – Political Risks – Fragile growth outlook – Medium-term inflation expectations remain low – ECB could restart QE – ECB QE "stock" effect	+ 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%	+ Elevated Policy uncertainty to remain due to the outcome of the Brexit negotiating process + Inflation overshooting due to GBP weakness feeds through inflation expectations + The BoE is expected to increase short-term policy rates assuming WA deal – Slowing economic growth post-Brexit
	▲ **Slightly higher yields expected**	▲ **Higher yields expected**	● **Stable yields expected**	▲ **Higher yields expected but with Brexit risk premia working on both directions**
Foreign Exchange	+ Safe-haven demand – Fed is expected to cut rates in H2:2019 – Mid-2018 rally probably out of steam	+ 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, Quantitative Easing)	+ 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%	+ Transitions phase negotiations + The BoE is expected to increase short-term policy rates assuming WA deal – Sizeable Current account deficit – Elevated Policy uncertainty to remain due to the outcome of the Referendum and the negotiating process
	● **Broadly Flat USD against the EUR with upside risks towards $1.17**	● **Broadly Flat EUR against the USD with upside risks towards $1.17**	▲ **Slightly higher JPY**	▲ **Higher GBP expected but with Brexit risk premia working on both directions**

	Turkey	**Romania**	**Bulgaria**	**Serbia**
Equity Markets	+ Attractive valuations – Weak foreign investor appetite for emerging market assets – Persisting domestic financial crisis ▲ **Neutral/Positive**	+ Strong economic activity + Attractive valuations – Weak foreign investor appetite for emerging market assets ▲ **Neutral/Positive**	+ Attractive valuations + Low-yielding domestic debt and deposits – Weak foreign investor appetite for emerging market assets ▲ **Neutral/Positive**	+ Attractive valuations – Weak foreign investor appetite for emerging market assets ▲ **Neutral/Positive**
Domestic Debt	+ Low public debt-to-GDP ratio – Loosening fiscal stance – Stubbornly high inflation – Persisting domestic financial crisis ▼ **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 ▼ **Stable to lower yields**	+ Positive inflation outlook + Policy Coordination Instrument with the IMF + Restored fiscal and public debt sustainability + Acceleration in economic activity – 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 – Persisting domestic financial crisis ▼ **Stable to narrowing spreads**	– Large external financing requirements – Heightened domestic political uncertainty ▲ **Stable to widening spreads**	+ Solidly-based currency board arrangement, with substantial buffers + Current account surplus – Large external financing requirements ▼ **Stable to narrowing spreads**	+ Ongoing EU membership negotiations + Policy Coordination Instrument with the IMF – Sizable external financing requirements – Reinvigorated 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 – Persisting geopolitical risks and domestic financial crisis – Escalating global trade war ▼ **Weaker to stable TRY against the EUR**	– Large external financing requirements – Heightened domestic political uncertainty ▼ **Weaker to stable 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 + Policy Coordination Instrument with the IMF + Large FDIs – Sizable external financing requirements ▲ **Stable to stronger RSD against the EUR**

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NATIONAL BANK OF GREECE

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	September 13th	3-month	6-month	12-month
Germany	-0,45	-0,50	-0,40	-0,30
US	1,90	1,80	1,90	2,00
UK	0,76	0,65	0,70	0,79
Japan	-0,15	-0,23	-0,20	-0,17

Official Rate (%)	September 13th	3-month	6-month	12-month
Euro area	0,00	0,00	0,00	0,00
US	2,25	2,00	1,75	1,50
UK	0,75	0,70	0,70	0,70
Japan	-0,10	-0,14	-0,14	-0,14

Currency	September 13th	3-month	6-month	12-month
EUR/USD	1,11	1,13	1,15	1,15
EUR/GBP	0,89	0,91	0,90	0,89
EUR/JPY	120	119	119	118

	September 13th	3-month	6-month	12-month
USD/JPY	108	106	104	103
GBP/USD	1,25	1,24	1,27	1,29

Forecasts at end of period

Economic Forecasts

United States	2017a	Q1:18a	Q2:18a	Q3:18a	Q4:18a	2018a	Q1:19a	Q2:19a	Q3:19f	Q4:19f	2019f
Real GDP Growth (YoY) (1)	2,3	2,9	3,2	3,1	2,5	2,9	2,7	2,3	2,0	2,1	2,3
Real GDP Growth (QoQ saar) (2)	-	2,6	3,5	2,9	1,1	-	3,1	2,0	1,7	1,6	-
Private Consumption	2,6	1,7	4,0	3,5	1,4	3,0	1,1	4,7	3,2	2,1	2,6
Government Consumption	0,7	1,9	2,6	2,1	-0,4	1,7	2,9	4,5	1,4	1,7	2,2
Investment	4,2	5,5	5,2	0,7	2,7	4,6	3,2	-1,1	1,8	1,2	1,8
Residential	3,5	-5,2	-3,7	-4,0	-4,6	-1,5	-1,1	-2,9	0,4	0,4	-2,4
Non-residential	4,4	8,8	7,9	2,1	4,8	6,4	4,4	-0,6	0,8	1,3	2,8
Inventories Contribution	0,0	0,2	-1,5	2,5	0,1	0,1	0,5	-1,0	-0,3	-0,1	0,1
Net Exports Contribution	-0,4	0,0	0,7	-2,4	-0,4	-0,4	0,8	-0,8	-0,4	-0,3	-0,3
Exports	3,5	0,8	5,8	-6,2	1,5	3,0	4,2	-5,8	2,8	2,0	0,2
Imports	4,7	0,6	0,3	8,6	3,5	4,4	-1,5	0,1	4,3	3,2	2,1
Inflation (3)	2,1	2,2	2,7	2,6	2,2	2,4	1,6	1,8	1,7	1,9	1,8
Euro Area	**2017a**	**Q1:18a**	**Q2:18a**	**Q3:18a**	**Q4:18a**	**2018a**	**Q1:19a**	**Q2:19a**	**Q3:19f**	**Q4:19f**	**2019f**
Real GDP Growth (YoY)	2,5	2,6	2,3	1,7	1,2	1,9	1,3	1,2	1,2	1,1	1,2
Real GDP Growth (QoQ saar)	-	1,3	1,5	0,8	1,2	-	1,7	0,8	1,0	1,1	-
Private Consumption	1,8	1,9	0,5	0,7	1,6	1,4	1,6	0,8	1,4	1,3	1,2
Government Consumption	1,5	0,5	1,4	0,7	1,5	1,1	1,6	1,3	1,3	1,3	1,3
Investment	3,8	0,9	7,0	2,1	6,2	2,3	0,8	2,2	1,5	1,5	2,7
Inventories Contribution	0,1	0,8	-0,1	0,8	-1,3	0,0	-0,8	0,0	-0,3	-0,2	-0,4
Net Exports Contribution	0,5	-0,8	-0,4	-0,9	0,1	0,4	1,2	-0,4	-0,1	0,0	0,1
Exports	5,7	-2,0	4,4	1,6	4,0	3,5	3,8	0,1	1,6	1,9	2,5
Imports	5,0	-0,4	5,7	3,7	4,0	2,7	1,5	0,9	1,9	2,1	2,5
Inflation	1,5	1,3	1,7	2,1	1,9	1,8	1,4	1,4	1,0	1,1	1,2

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

	2015	2016	2017	2018	2019f	2020f
Real GDP Growth (%)						
Turkey	6,1	3,2	7,5	2,8	0,4	3,5
Romania	3,9	4,8	7,0	4,1	4,2	3,6
Bulgaria	3,5	3,9	3,8	3,1	3,8	3,3
Serbia	1,8	3,3	2,0	4,3	3,6	3,8
Headline Inflation (eop,%)						
Turkey	8,8	8,5	11,9	20,3	14,2	11,0
Romania	-0,9	-0,5	3,3	3,3	4,0	3,5
Bulgaria	-0,4	0,1	2,8	2,7	2,9	2,7
Serbia	1,5	1,6	3,0	2,0	1,8	2,0
Current Account Balance (% of GDP)						
Turkey	-3,7	-3,8	-5,5	-3,5	-0,5	-2,0
Romania	-1,2	-2,1	-3,2	-4,5	-5,5	-5,7
Bulgaria	0,0	2,6	3,1	4,6	4,0	3,0
Serbia	-3,5	-2,9	-5,3	-5,2	-5,0	-4,5
Fiscal Balance (% of GDP)						
Turkey	-1,0	-1,1	-1,5	-1,9	-2,6	-2,4
Romania	-1,5	-2,4	-2,8	-2,9	-3,6	-3,8
Bulgaria	-2,8	1,6	0,8	0,1	-2,1	-0,5
Serbia	-3,5	-1,2	1,1	0,6	-0,5	-0,4

f: NBG forecasts

Stock Markets (in local currency)

Country - Index	16/9/2019	Last week return (%)	Year-to-Date change (%)	2-year change (%)
Turkey - ISE100	102.590	2,0	13,4	-4,8
Romania - BET-BK	1.733	1,4	19,0	4,5
Bulgaria - SOFIX	580	1,1	-2,4	-14,8
Serbia - BELEX15	757	0,6	-0,6	3,8

Financial Markets

	16/9/2019	3-month forecast	6-month forecast	12-month forecast
1-m Money Market Rate (%)				
Turkey	16,5	16,0	15,0	12,5
Romania	2,8	3,0	3,0	3,0
Bulgaria(*)	0,0	0,0	0,0	0,1
Serbia	1,7	2,0	2,2	2,3
Currency				
TRY/EUR	6,30	6,72	6,90	7,35
RON/EUR	4,73	4,80	4,82	4,85
BGN/EUR	1,96	1,96	1,96	1,96
RSD/EUR	117,5	116,5	116,0	115,0
Sovereign Eurobond Spread (bps)				
Turkey (USD 2025)(**)	479	510	460	400
Romania (EUR 2024)	97	110	105	100
Bulgaria (EUR 2022)	52	55	50	40
Serbia (EUR 2029)	156	165	160	155

(*) Base interest rate (**) Spread over US Treasuries

Economic Calendar

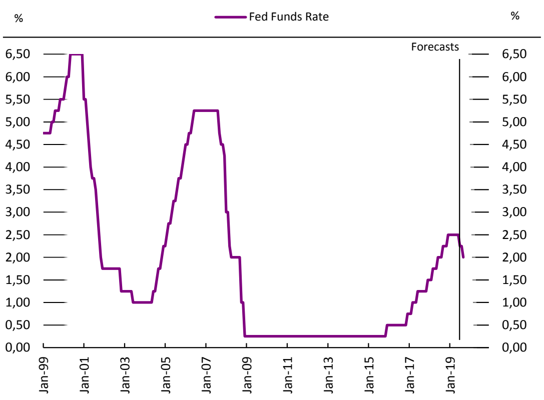
In US, the Fed is expected to lower interest rates for the second time in a year at its meeting on September 18th. Looking forward, consensus calls for two additional rate cuts, cumulatively, in the next 15 months.

In the Euro area, attention turns to PMIs for September, as they will provide valuable insight regarding the current economic momentum. Recall that PMI Manufacturing remains below the expansion/contraction threshold of 50 for 7 consecutive months.

In the UK, the BoE meets on 19 September and is expected to remain on hold (at 0.75%) amid Brexit uncertainty.

In Japan, the BoJ (September 19) is expected to keep rates unchanged at -0.10%.

Fed Funds Rate



Source: NBG Research, Bloomberg

Economic News Calendar for the period: September 10 - September 23, 2019

Tuesday 10

		S		A	P
UK					
ILO Unemployment Rate	July	3.9%	+	3.8%	3.9%
CHINA					
CPI (YoY)	August	2.7%	+	2.8%	2.8%

Wednesday 11

		S		A	P
CHINA					
Aggregate Financing (RMB bn)	August	1604.5	+	1980.0	1011.2
New Yuan Loans (RMB bn)	August	1200.0	+	1210.0	1060.0
Money Supply M0 (YoY)	August	4.5%		4.8%	4.5%
Money Supply M1 (YoY)	August	3.7%		3.4%	3.1%
Money Supply M2 (YoY)	August	8.2%		8.2%	8.1%

Thursday 12

		S		A	P
US					
CPI (YoY)	August	1.8%	-	1.7%	1.8%
Core CPI (YoY)	August	2.3%	+	2.4%	2.2%
Initial Jobless Claims (k)	September 7	215	+	204	219
Continuing Claims (k)	August 31	1675	+	1670	1674
EURO AREA					
Industrial Production (MoM)	July	-0.1%	-	-0.4%	-1.4%
Industrial Production (YoY)	July	-1.4%	-	-2.0%	-2.4%
ECB announces its intervention rate	September 12	0.00%		0.00%	0.00%
ECB announces its deposit facility rate	September 12	-0.50%		-0.50%	-0.40%
Trade Balance SA (€ bn)	July	17.5	+	19.0	17.7

Friday 13

		S		A	P
US					
Retail Sales Advance MoM	August	0.2%	+	0.4%	0.8%
Retail sales ex-autos (MoM)	August	0.1%	-	0.0%	1.0%
University of Michigan consumer confidence	September	90.8	+	92.0	89.8

Monday 16

		S		A	P
US					
Empire Manufacturing	September	4.0	-	2.0	4.8
CHINA					
Industrial production (YoY)	August	5.2%	-	4.4%	4.8%
Retail sales (YoY)	August	7.9%	-	7.5%	7.6%

Tuesday 17

		S	A	P
US				
Industrial Production (MoM)	August	0.2%	..	-0.2%
NAHB housing market confidence index	September	66	..	66
Net Long-term TIC Flows ($ bn)	July	..	..	99.1
GERMANY				
ZEW survey current situation	September	-15.0	..	-13.5
ZEW survey expectations	September	-38.0	..	-44.1

Wednesday 18

		S	A	P
US				
Building permits (k)	August	1310	..	1317
Housing starts (k)	August	1250	..	1191
Fed announces its intervention rate	September 18	2.00%	..	2.25%
UK				
CPI (YoY)	August	1.9%	..	2.1%
CPI Core (YoY)	August	1.8%	..	1.9%
JAPAN				
Exports YoY	August	-10.0%	..	-1.5%
Imports YoY	August	-10.7%	..	-1.2%

Thursday 19

		S	A	P
US				
Philadelphia Fed Business Outlook	September	10.5	..	16.8
Initial Jobless Claims (k)	September 14	214	..	204
Continuing Claims (k)	September 7	1672	..	1670
Existing home sales (mn)	August	5.38	..	5.42
UK				
Retail sales Ex Auto MoM	August	-0.3%	..	0.2%
BoE announces its intervention rate	September 19	0.75%	..	0.75%
JAPAN				
Bank of Japan announces its intervention rate	August	-0.3%	..	0.2%
	September 19	-0.10%	..	-0.10%

Friday 20

		S	A	P
JAPAN				
CPI (YoY)	August	0.3%	..	0.5%
Core CPI (YoY) - ex. Fresh Food	August	0.5%	..	0.6%
Core CPI (YoY) - ex. Fresh Food and Energy	August	0.5%	..	0.6%
EURO AREA				
Consumer Confidence Indicator	September	-7.0	..	-7.1

Monday 23

		S	A	P
US				
Markit US Manufacturing PMI	September	50.2	..	50.3
JAPAN				
PMI manufacturing	September	..	..	49.3
EURO AREA				
Markit Eurozone Manufacturing PMI	September	..	..	47.0
Markit Eurozone Services PMI	September	..	..	53.5
Markit Eurozone Composite PMI	September	..	..	51.9

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 (%)	Emerging Markets	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
US	S&P 500	3007	1,0	20,0	3,6	20,4	MSCI Emerging Markets	57358	1,3	7,4	0,8	-1,4
Japan	NIKKEI 225	21988	3,7	9,9	-3,7	10,7	MSCI Asia	845	1,5	7,7	-1,2	-3,7
UK	FTSE 100	7367	1,2	9,5	1,2	-0,2	China	79	2,1	11,8	2,6	-5,1
Canada	S&P/TSX	16682	0,9	16,5	4,3	10,3	Korea	632	2,0	4,6	-6,7	-10,7
Hong Kong	Hang Seng	27353	2,5	5,8	1,3	-1,9	MSCI Latin America	93697	0,7	8,4	11,7	10,5
Euro area	EuroStoxx	384	1,5	16,9	2,9	0,4	Brazil	332636	0,5	15,1	32,9	30,8
Germany	DAX 30	12469	2,3	18,1	3,4	-0,7	Mexico	39529	0,4	2,1	-14,1	-16,3
France	CAC 40	5655	0,9	19,5	6,1	8,4	MSCI Europe	5936	0,8	11,8	12,0	14,0
Italy	FTSE/MIB	22181	1,1	21,1	6,4	-0,2	Russia	1247	-0,3	17,4	18,1	37,1
Spain	IBEX-35	9138	1,6	7,0	-2,1	-11,9	Turkey	1406365	4,6	12,3	11,1	-6,1

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 (%)	2-year change (%)
Energy	190,2	2,8	4,0	-16,1	-6,2	Energy	197,7	2,7	4,6	-14,6	-3,0
Materials	258,1	3,6	13,3	-0,3	-1,0	Materials	250,3	3,5	14,2	1,8	3,4
Industrials	263,2	2,5	19,7	0,9	7,7	Industrials	261,9	2,6	20,3	1,7	9,9
Consumer Discretionary	267,9	1,1	20,1	3,6	20,4	Consumer Discretionary	259,6	1,2	20,4	4,0	21,8
Consumer Staples	245,0	-1,2	17,3	8,4	6,1	Consumer Staples	248,1	-1,3	18,1	9,9	8,9
Healthcare	247,6	-0,4	7,7	-1,1	8,5	Healthcare	246,0	-0,4	8,1	-0,3	10,1
Financials	118,1	4,4	14,6	-1,2	0,4	Financials	119,6	4,4	15,2	0,2	3,7
IT	275,2	-0,3	29,2	7,4	35,3	IT	267,0	-0,2	29,4	7,5	35,9
Telecoms	74,2	1,5	20,2	10,8	7,6	Telecoms	77,7	1,5	20,4	11,9	10,1
Utilities	144,1	0,2	14,4	12,4	9,5	Utilities	148,9	0,2	15,2	13,9	12,1

Bond Markets (%)

10-Year Government Bond Yields	Current	Last week	Year Start	One Year Back	10-year average
US	1,90	1,56	2,69	2,97	2,45
Germany	-0,45	-0,64	0,24	0,42	1,22
Japan	-0,15	-0,24	0,00	0,11	0,52
UK	0,76	0,51	1,28	1,50	2,07
Greece	1,59	1,59	4,40	4,03	10,09
Ireland	0,07	-0,06	0,90	0,90	3,60
Italy	0,88	0,87	2,74	2,95	3,26
Spain	0,30	0,17	1,42	1,47	3,07
Portugal	0,32	0,19	1,72	1,86	4,84

US Mortgage Market (1. Fixed-rate Mortgage)	Current	Last week	Year Start	One Year Back	10-year average
30-Year FRM[1] (%)	3,8	3,8	4,8	4,8	4,2
vs 30Yr Treasury (bps)	145	179	183	173	111

Government Bond Yield Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
US Treasuries 10Y/2Y	10	2	20	21	151
US Treasuries 10Y/5Y	15	13	17	10	78
Bunds 10Y/2Y	26	23	85	97	124
Bunds 10Y/5Y	25	24	55	57	76

Corporate Bond Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
EM Inv. Grade (IG)	153	171	213	171	216
EM High yield	556	598	586	520	656
US IG	121	126	159	117	153
US High yield	383	405	533	335	511
Euro area IG	108	112	154	118	142
Euro area High Yield	336	356	506	358	502

Foreign Exchange & Commodities

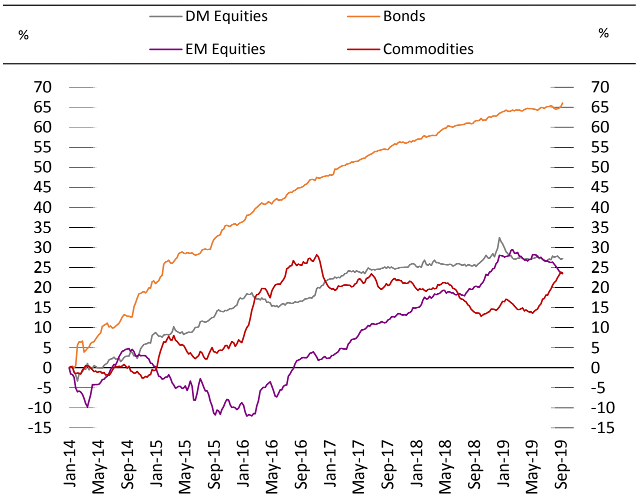
Foreign Exchange	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates					
EUR/USD	1,11	0,4	-0,6	-5,3	-3,4
EUR/CHF	1,10	0,7	1,1	-2,9	-2,8
EUR/GBP	0,89	-1,3	-4,1	-0,7	-1,5
EUR/JPY	119,70	1,5	1,5	-8,5	-4,8
EUR/NOK	9,95	0,5	-0,6	3,6	0,4
EUR/SEK	10,65	0,1	-0,8	1,8	4,9
EUR/AUD	1,61	-0,1	-2,5	-0,9	-1,0
EUR/CAD	1,47	1,3	-0,8	-3,2	-5,9
USD-based cross rates					
USD/CAD	1,33	0,9	-0,2	2,2	-2,6
USD/AUD	1,45	-0,5	-1,9	4,5	2,5
USD/JPY	108,07	1,1	2,0	-3,4	-1,5

Commodities	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Agricultural	319	3,7	0,8	-8,5	-8,6
Energy	449	-1,8	1,7	-17,1	17,1
West Texas Oil ($)	55	-3,0	-0,7	-20,0	20,8
Crude brent Oil ($)	61	-2,4	3,1	-22,7	14,0
Industrial Metals	1238	1,6	4,0	-0,2	4,2
Precious Metals	1760	-1,2	-1,4	23,3	15,8
Gold ($)	1489	-1,2	-1,8	23,9	16,1
Silver ($)	17	-4,0	1,3	23,1	12,6
Baltic Dry Index	2312	-6,1	18,6	67,3	81,9
Baltic Dirty Tanker Index	708	3,7	12,9	-8,1	-43,5

Source: Bloomberg, as of September 13th, S&P/Goldman Sachs Indices for Agricultural, Energy, Industrial & Precious Metals, BofA/ML Indices for Corporate Bond Spreads

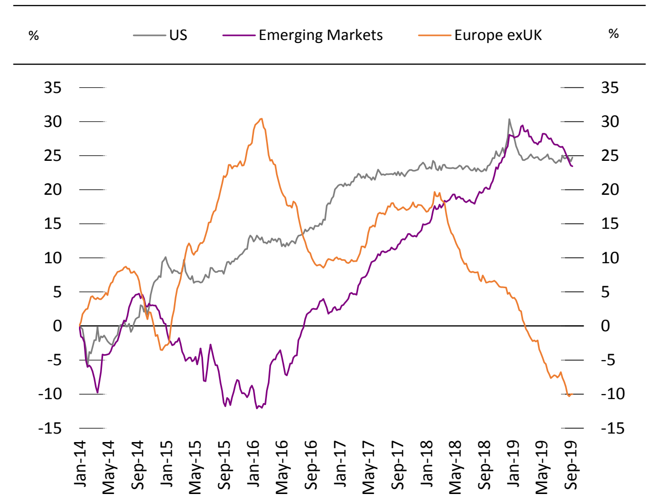
NATIONAL BANK OF GREECE

Global Cross Asset ETFs: Flows as % of AUM



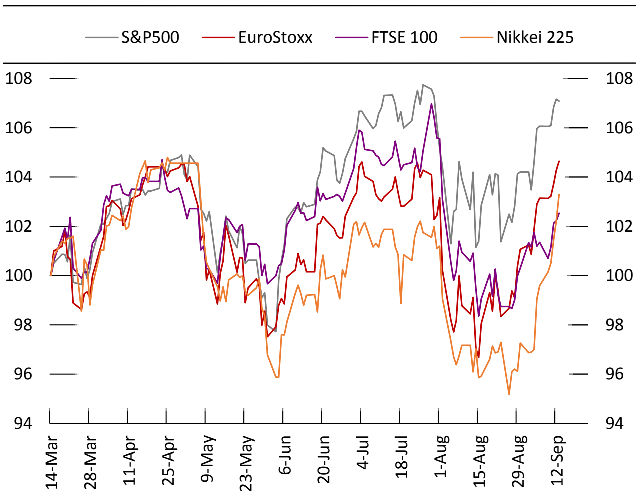
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of September 13th

Equity ETFs: Flows as % of AUM



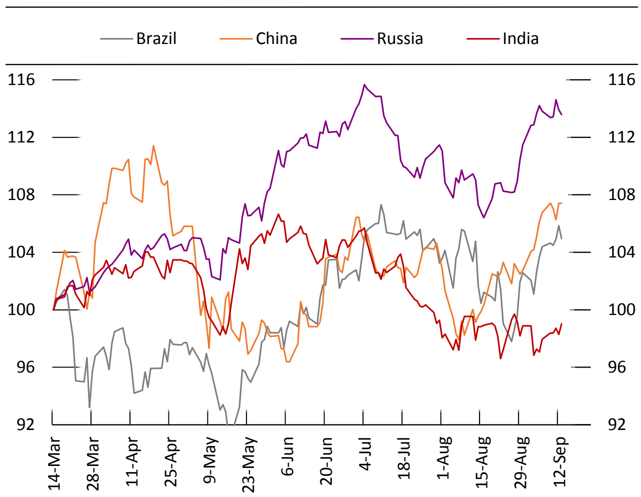
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of September 13th

Equity Market Performance - G4



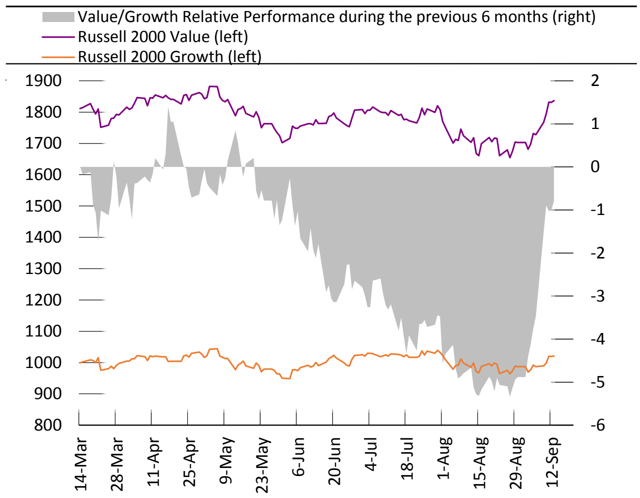
Source: Bloomberg - Data as of September 13th – Rebased @ 100

Equity Market Performance - BRICs



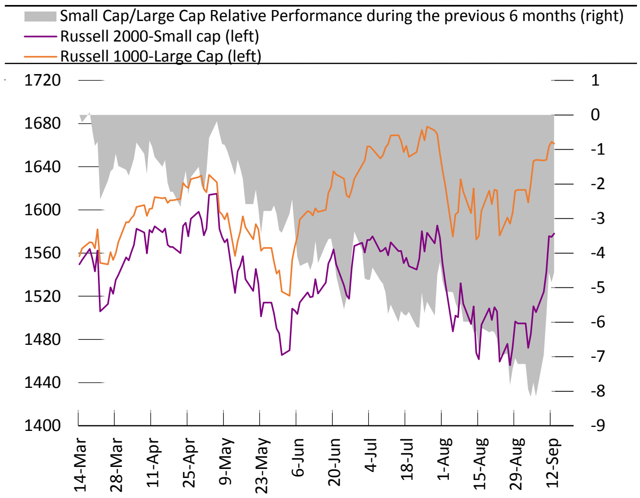
Source: Bloomberg - Data as of September 13th – Rebased @ 100

Russell 2000 Value & Growth Index



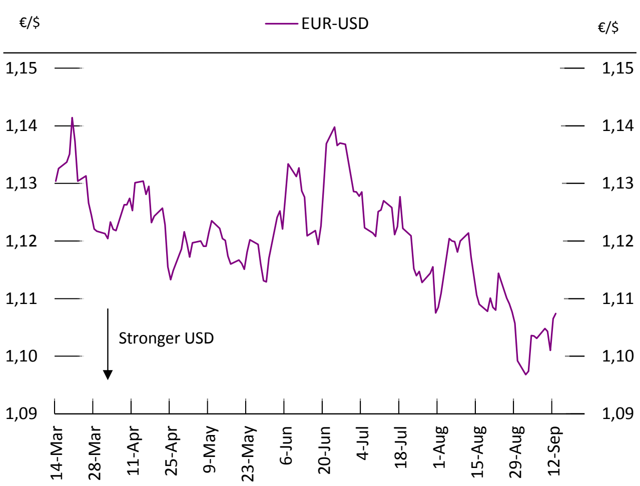
Source: Bloomberg, Data as of September 13th

Russell 2000 & Russell 1000 Index



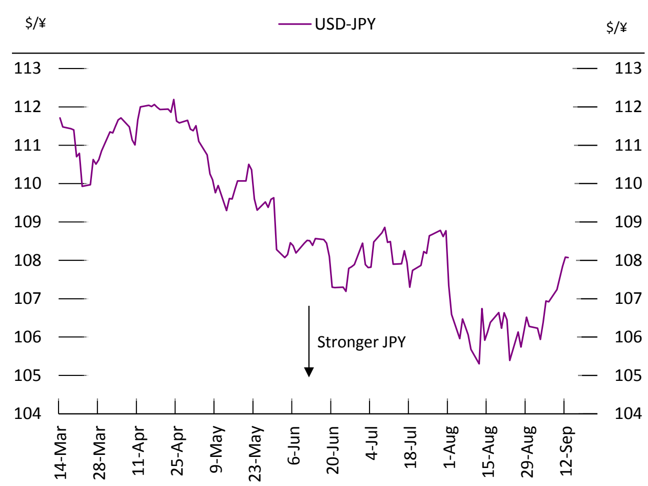
Source: Bloomberg, Data as of September 13th

EUR/USD



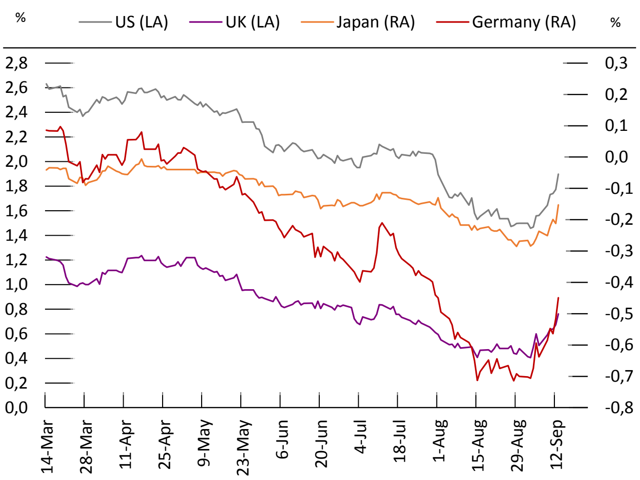
Source: Bloomberg, Data as of September 13th

JPY/USD



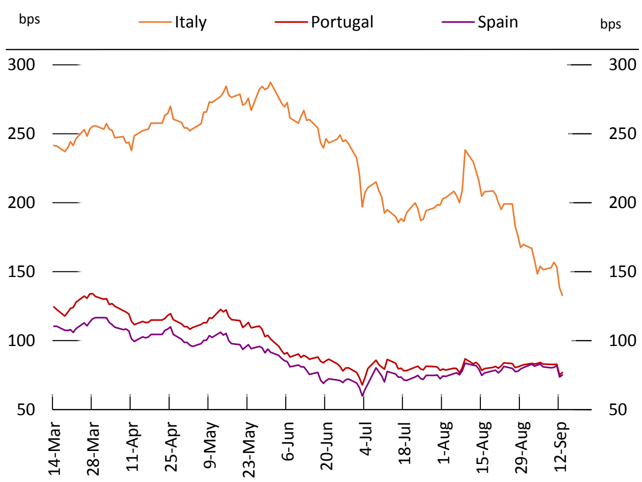
Source: Bloomberg, Data as of September 13th

10- Year Government Bond Yields



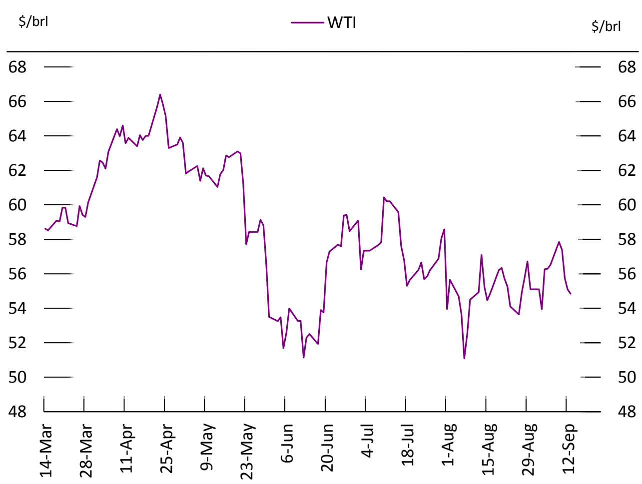
Source: Bloomberg - Data as of September 13th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



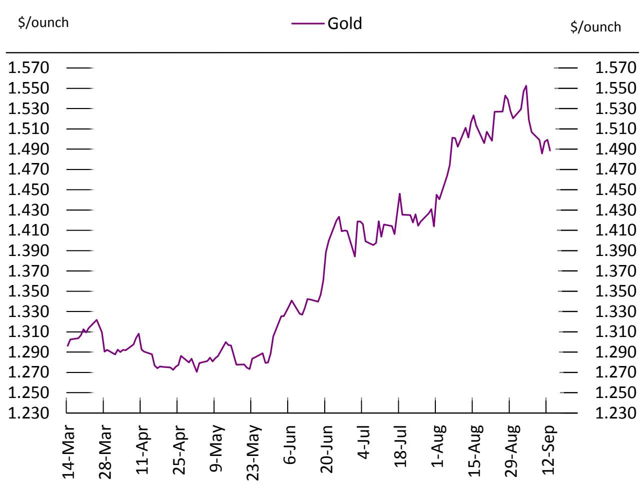
Source: Bloomberg - Data as of September 13th

West Texas Intermediate ($/brl)



Source: Bloomberg, Data as of September 13th

Gold ($/ounch)



Source: Bloomberg, Data as of September 13th

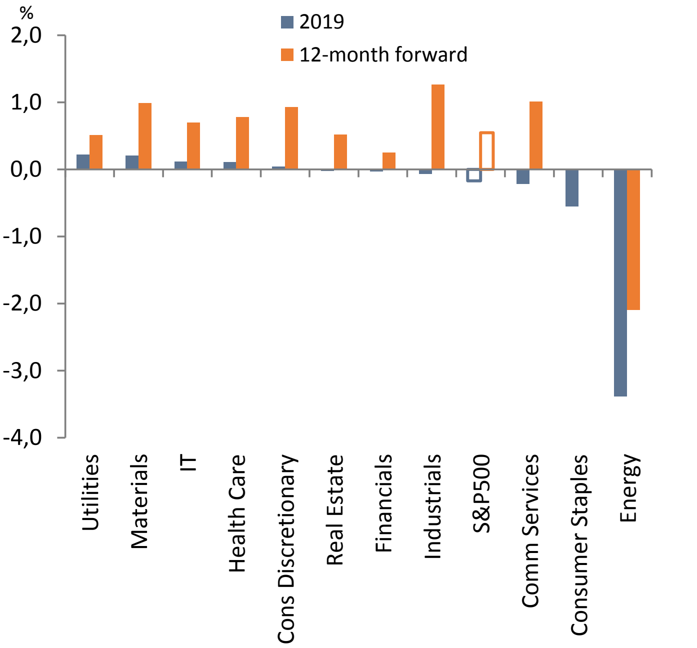
US Sectors Valuation

	Price ($)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	13/9/2019	% Weekly Change	2018	2019	2018	2019	2018	2019	12m fwd	10Yr Avg	2018	2019	12m fwd	10Yr Avg
S&P500	3007	1,0	18,0	5,4	2,0	1,9	17,4	18,3	17,1	14,9	3,2	3,4	3,2	2,5
Energy	448	3,4	64,4	-4,8	3,2	3,9	19,9	19,0	16,4	19,5	1,8	1,5	1,5	1,8
Materials	369	3,3	23,5	-14,6	1,9	2,1	16,7	19,3	17,5	14,7	2,6	2,4	2,3	2,5
Financials														
Diversified Financials	696	2,4	27,8	6,0	1,3	1,5	16,0	14,9	14,2	13,8	1,9	1,7	1,6	1,5
Banks	336	6,8	24,6	11,2	2,2	2,9	13,0	11,0	10,7	11,6	1,4	1,2	1,2	1,0
Insurance	434	0,5	33,6	7,3	2,2	2,1	12,2	12,6	12,0	10,6	1,4	1,5	1,4	1,1
Real Estate	238	-3,2	5,8	3,4	3,8	3,1	16,7	20,6	19,8	18,2	3,1	3,8	3,9	2,9
Industrials														
Capital Goods	697	3,1	15,3	-1,5	2,0	2,0	19,1	19,3	16,8	15,4	4,7	4,9	4,6	3,3
Transportation	786	4,7	25,0	11,1	1,8	1,9	14,0	14,2	13,2	13,8	3,6	4,3	3,9	3,3
Commercial Services	333	-3,3	16,7	8,7	1,5	1,4	22,8	26,7	25,1	19,5	4,1	5,4	5,2	3,3
Consumer Discretionary														
Retailing	2428	0,8	22,4	22,1	0,8	0,8	31,1	31,2	28,1	20,6	10,2	12,1	10,6	5,8
Media	614	1,0	18,7	12,1	0,4	0,4	23,6	24,3	21,7	19,4	4,1	3,7	3,4	3,1
Consumer Services	1292	-2,2	17,2	9,9	1,9	1,9	20,6	23,1	21,4	18,9	8,9	16,0	15,0	6,1
Consumer Durables	338	2,0	14,3	-1,9	1,6	1,6	16,8	17,9	16,8	16,9	3,2	3,5	3,3	3,1
Automobiles and parts	121	2,0	-5,4	-3,4	3,7	4,0	7,8	7,4	7,2	8,6	1,6	1,4	1,3	1,7
IT														
Technology	1304	2,6	16,9	1,7	1,8	1,7	15,1	17,2	16,1	12,5	5,2	7,6	7,6	3,4
Software & Services	2109	-2,4	14,0	10,6	1,3	1,1	22,5	25,7	23,7	16,7	6,8	8,5	7,6	5,0
Semiconductors	1088	1,8	16,1	-4,7	1,9	2,0	14,8	16,7	16,0	14,0	4,3	4,9	4,5	3,0
Communication Services	172	1,5	17,7	8,6	1,4	1,3	19,1	19,8	18,2	16,9	3,4	3,2	2,9	2,8
Consumer Staples														
Food & Staples Retailing	484	0,9	12,1	2,3	2,1	1,7	17,4	21,5	20,9	15,8	3,6	4,6	4,4	3,0
Food Beverage & Tobacco	677	-1,0	12,5	-2,7	3,3	3,4	18,3	18,8	17,8	17,3	5,1	4,9	4,7	4,9
Household Goods	731	-2,2	9,9	4,2	3,1	2,4	19,3	25,4	24,2	18,8	5,4	8,9	8,8	4,8
Health Care														
Pharmaceuticals	869	0,3	8,3	11,4	2,2	2,3	15,2	14,1	13,5	14,3	4,2	4,8	4,5	3,4
Healthcare Equipment	1235	0,0	13,1	15,5	1,1	1,1	18,0	18,1	16,9	14,9	3,3	3,2	3,0	2,5
Utilities	317	0,0	5,2	3,7	3,9	3,2	16,4	20,2	19,5	15,3	1,7	2,2	2,1	1,6

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 2019 & 12-month Forward EPS

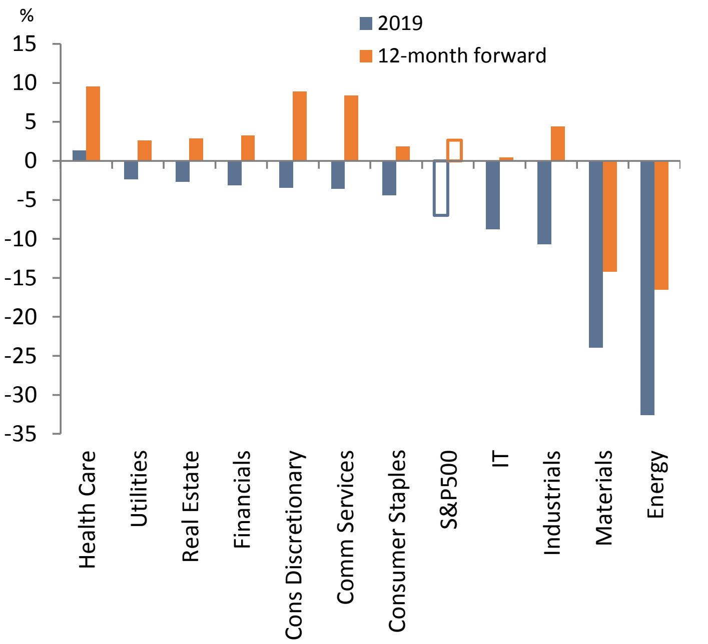
Earnings Revisions indicate 1-month change in 2019 & 12-month Forward EPS



Source: Factset, Data as of September 13th
12-month forward EPS are 30% of 2019 EPS and 70% of 2020 EPS

12-month revisions to 2019 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2019 & 12-month Forward EPS



Source: Factset, Data as of September 13th
12-month forward EPS are 30% of 2019 EPS and 70% of 2020 EPS

Euro Area Sectors Valuation

	Price (€)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	13/9/2019	% Weekly Change	2018	2019	2018	2019	2018	2019	12m fwd	10Yr Avg	2018	2019	12m fwd	10Yr Avg
EuroStoxx	384	1,5	7,2	-3,7	3,2	3,3	14,8	15,4	14,4	13,1	1,6	1,6	1,6	1,4
Energy	317	1,4	7,3	15,6	4,8	5,1	13,6	12,0	10,8	11,4	1,2	1,2	1,1	1,2
Materials	468	2,4	9,7	8,3	3,1	3,3	15,3	15,0	14,0	14,1	1,7	1,8	1,7	1,4
Basic Resources	189	8,0	-4,3	-32,6	2,2	3,5	12,7	13,3	10,8	13,7	1,2	0,7	0,7	0,9
Chemicals	1100	3,0	5,1	-21,8	2,8	2,8	16,0	20,5	19,0	14,9	2,4	2,0	1,9	2,2
Financials														
Fin/al Services	480	0,7	15,4	-2,2	2,5	2,5	15,9	17,0	16,2	14,0	1,7	1,6	1,8	1,3
Banks	90	7,8	12,4	-8,2	4,1	6,1	11,5	8,4	8,2	10,2	0,9	0,6	0,6	0,7
Insurance	285	3,8	14,2	10,1	5,0	5,3	10,8	10,1	9,9	9,2	1,0	1,0	1,0	0,9
Real Estate	222	0,4	8,5	5,4	4,2	4,8	18,6	16,9	16,3	16,9	1,0	0,9	0,9	1,0
Industrial	890	1,0	12,3	5,5	2,6	2,6	18,1	18,5	16,9	15,0	2,8	3,0	2,8	2,3
Consumer Discretionary														
Media	229	0,9	0,5	10,1	3,8	3,8	17,7	16,3	15,5	15,4	2,3	2,3	2,2	2,0
Retail	538	0,4	10,8	7,0	2,7	2,9	20,3	21,3	19,8	18,2	2,7	3,3	3,2	2,7
Automobiles and parts	477	4,4	4,6	-20,7	3,3	4,1	8,2	8,2	7,5	9,1	1,2	0,9	0,8	1,0
Travel and Leisure	184	2,4	2,1	-28,2	1,7	2,3	12,0	13,2	11,5	16,3	2,0	1,7	1,6	1,8
Technology	551	0,4	2,7	2,7	1,6	1,4	21,5	23,3	20,8	18,1	3,5	3,7	3,5	2,9
Communication Services	294	1,0	-3,1	-8,5	4,9	4,9	13,7	14,9	14,0	13,4	1,7	1,8	1,7	1,7
Consumer Staples														
Food&Beverage	651	-1,1	15,4	8,4	2,9	2,0	20,6	21,2	20,5	18,2	2,9	3,0	2,8	2,6
Household Goods	1039	-1,7	7,5	12,1	1,9	1,7	23,1	27,4	25,7	20,3	4,3	5,6	5,2	3,6
Health care	800	-1,1	5,0	-1,8	2,5	2,4	17,0	17,6	16,5	14,8	2,1	2,1	2,0	2,1
Utilities	333	-1,0	-4,4	9,6	5,2	4,6	14,1	16,2	15,1	12,5	1,2	1,6	1,5	1,1

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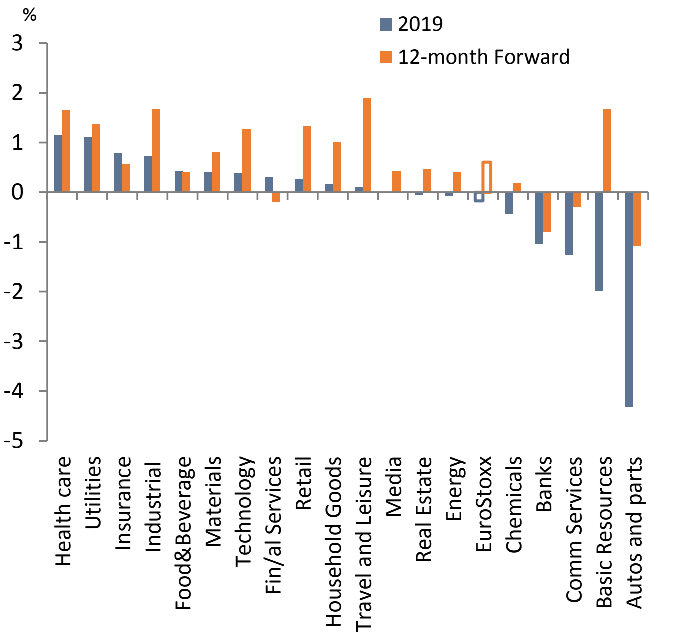

Source: Factset, Data as of September 13th
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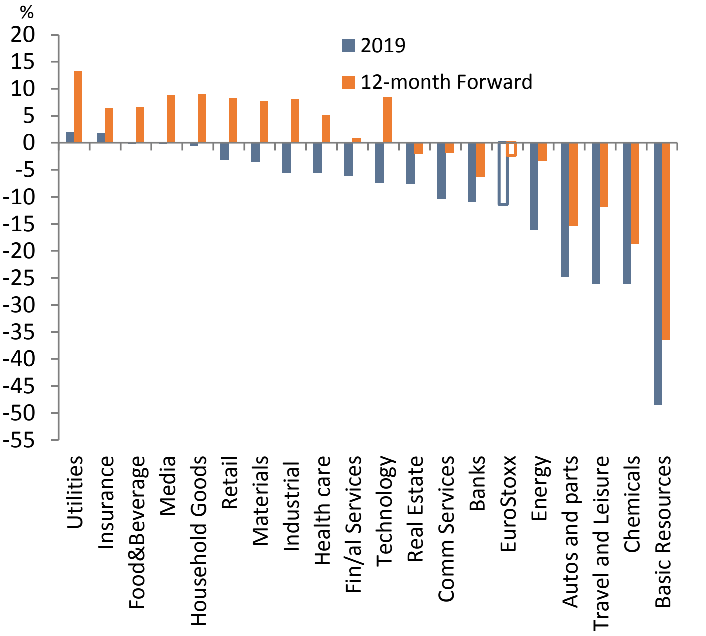

Source: Factset, Data as of September 13th
12-month forward EPS are 30% of 2019 EPS and 70% of 2020 EPS

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