



Equity markets remain calm following the imposition of tariffs, as investors do not expect an escalation in trade tensions

- Global equities entered Q3:18 on a positive note (MSCI World: +0.9% wow | -0.6% ytd), despite continuing trade tensions. Note that, as of July 6th, the US placed tariffs of 25% on Chinese imports worth \$34 bn.
- Corporate earnings announcements for Q2:18 and earnings guidance for future quarters will be key for equity performance going forward. The S&P 500 Q2:18 earnings season commences this week, with analyst expectations for EPS growth of 20.0% yoy in Q2:18 and of 22.3% yoy for FY:2018. Strong company results are expected worldwide for FY:2018 (MSCI World EPS growth: 15.6% yoy), albeit large gaps remain between the US and other regions (e.g. euro area 2018 EPS: +7.3% yoy | UK: +10.9% yoy).
- US equities may also continue to find support in Q3:18 from elevated buybacks, with the latter likely gaining impetus following the large repatriation of profits held abroad by US companies during Q1:18 (\$633 bn according to the Financial Accounts of the US). Recall that S&P 500 equity buybacks amounted to \$181 bn in Q1:18, compared with a quarterly average of \$131 bn in 2017.
- Overall, the combination of weak returns in H1:18 and robust corporate profitability has brought down equity valuations compared with early 2018. Indeed, the US equities 12-month forward P/E ratio of 16.4x ranks in the 75th percentile since 2003 versus 18.6x and 100th percentile at the start of 2018. Japanese equities appear attractive, with the respective ratio of 15.0x ranking in the 16th percentile since 2003 versus 18.0x and 58th percentile at the start of 2018.
- The euro area 12-month forward P/E ratio of 14.2x ranks in the 77th percentile since 2003, compared with 15.4x and 96th percentile at the start of 2018. The exporter-heavy DAX30 in Germany (Domestic Earnings: 22% - Other European: 30% - Rest of the World: 48%) has led the aforementioned correction, with a 12-month forward P/E ratio of 12.3x ranking in the 54th percentile since 2003 versus 13.8x and 95th percentile at the start of 2018.
- Regarding sectors, Semiconductors and Telecommunications in the US, as well as the Autos sector in Europe, appear attractive (in valuation terms), following a significant price correction in H1:18, as they were at the center of international trade (and direct investment) disputes.
- Regarding developments in government bonds, the flattening of yield curves is notable, with the 10/2 spread for US Treasuries narrowing by 19 bps in H1:18 and by a further 5 bps in the past week, to an 11-year low of 28 bps. However, in the minutes of the June Fed meeting, FOMC members downplayed the significance of such narrowing as a signal of heightened recession risks.
- Indeed, "some" members noted that the slope of the yield curve in the current economic and financial juncture, could also be affected by: i) reduced estimates for the longer-run neutral real interest rate; ii) lower longer-term inflation expectations; and iii) relatively low term premiums. In the event, the reliability of the recent narrowing as a precursor of an ultimately inverted yield curve (which is historically linked to higher recession risk) could be reduced.

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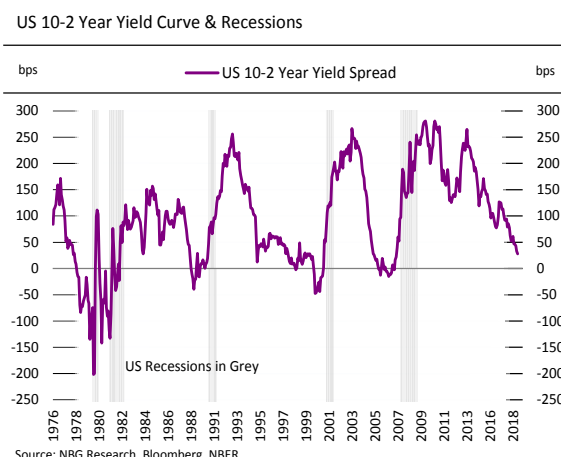
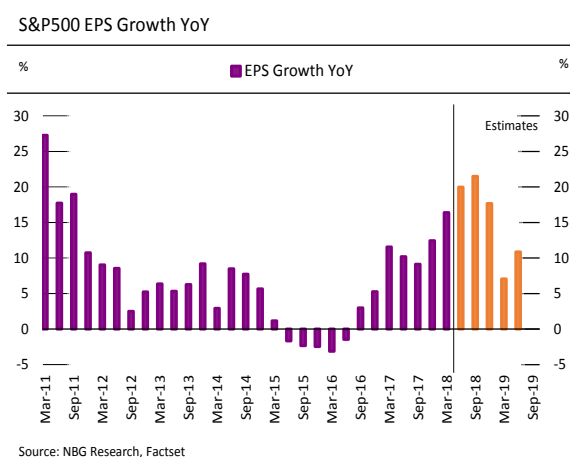
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Charts of the week



Mixed US labor market report for June, with the overall strong outlook remaining intact

- **The pace of job creation in the US remains solid.** Specifically, nonfarm payrolls increased by 213k in June, compared with +244k in May. The outcome overshoot consensus estimates for 195k, while net revisions for the previous two months were a positive 37k. So far in 2018, nonfarm payrolls stand, on average, at 212k, versus average job gains of 182k per month in 2017. The unemployment rate (U-3) rose to 4.0%, compared with 3.8% previously (the lowest since December 1969), albeit solely due to an increase in the labor force participation rate by 0.2 pps to 62.9%, as previously discouraged persons re-entered the labor force to seek employment. Similarly, a broader measure of labor market slack, the U-6 unemployment rate (which includes the unemployed, part-time workers for economic reasons, and those workers marginally attached to the labor force) rose to 7.8%, compared with a 17-year low of 7.6% in May. Still, it is down by 0.7 pps yoy.
- **Wage growth slightly undershot expectations in June, revealing a broadly stable trend in recent months.** Average hourly earnings rose by 0.2% mom (consensus: +0.3% mom), compared with +0.3% mom in May, in line with the average monthly pace of increase so far in 2018 (as well as in 2017). As a result, the annual change in wages was stable at +2.7% yoy (consensus: 2.8% yoy), also in line with the average annual pace of growth so far in 2018 (+2.6% yoy, on average in 2017). Furthermore, the less volatile wages of production and non-supervisory employees (84% of total | that also have a higher propensity to consume) were also stable at 2.7% yoy in June.

US business sentiment remains strong, albeit with challenges ahead

- **US business surveys overshoot expectations in June.** The ISM manufacturing index rose by 1.5 pts to 60.2 (consensus: 58.5), close to the 14-year high recorded in February 2018 (60.8). At the same time, the ISM non-manufacturing index was up by 0.5 pts to 59.1 (consensus: 58.3). It should also be noted that, in the manufacturing survey, the increase was mostly due to a sharp rise in the supplier deliveries sub-index. The longer delivery times (which are associated with the aforementioned sharp rise) usually reflect supply shortages resulting from increased demand in view of strong economic activity. In recent months, however, it appears that the longer delivery times also reflect, in part, supply chain disruptions due to rising trade tensions, a development which alleviates the overall positive outlook. In the event, concerns about trade tariffs continue to rise, with some respondents citing that these concerns start to represent a drag to investment decisions and strategic planning. Nevertheless, the outlook for the current economic momentum remains robust, with consensus estimates for GDP growth for Q2:18 standing at +3.4% qoq saar, while GDPNowcast models (Atlanta Fed, New York Fed) point to growth of 2.8% - 3.8% qoq saar (+2.0% qoq saar in Q1:18).

Euro area retail sales remain weak

- **Retail sales in April-May have been broadly stagnant.** Indeed, retail sales (in seasonally adjusted volume terms) were stable on a monthly basis (+1.2% yoy) in May (consensus: +0.1% mom), compared with -0.1% mom (+1.7% yoy) in April. So far in Q2:18, retail sales stand at +1.5% qoq saar (April-May average versus Q1:2018 average), thus improved compared with flat quarterly growth in Q1:2018. Still, that performance appears unimpressive, in view also of the continued improvement in the labor market. Recall that the unemployment rate in the euro area stood at 8.4% in May, the lowest since December 2008, having declined by 0.8 pps compared with a year ago (and by 3.7 pps compared with its peak of 12.1% in mid-2013).

Euro area corporate indebtedness remains high

- **Euro area households and non-financial corporations continued to accumulate debt in Q1:18.** Household debt rose by 2.5% yoy (+0.3% qoq) in Q1:18, compared with +3.0% yoy (+0.7% qoq) in Q4:17. Household debt as % of GDP was broadly stable at 57.9% (average of 56.8% since 1999). Meanwhile, non-financial corporations debt increased by 0.8% yoy (+1.2% qoq), compared with +1.0% yoy (+0.2% qoq) in Q4:17. The quarterly pace of increase, exceeded the respective trend for nominal GDP growth and, as a result, non-financial corporations debt as % of GDP rose slightly to 103.1%, compared with 102.9% in Q4:17. The latest reading, despite being far below its peak of 108.1% in Q1:2015, remains well above its average since 1999 (92.4%). Note that, in the US, debt as % of GDP stands at 74.9% for households and at 72.3% for non-financial corporations.

UK business confidence exceeded expectations in June

- **PMIs in the UK ended Q2:18 on a positive note.** Specifically, the composite index rose by 0.7 pts to 55.2, an 8-month high, overshooting consensus estimates for 54.5. The improvement was due to the services PMI which increased by 1.1 pt to 55.1, while manufacturing PMI was broadly stable at 54.4. It should also be noted, however, that hesitancy regarding longer-term investments was reported by several respondents in the latest PMI surveys, linked mainly to Brexit-related uncertainties (and, to a lesser extent, the possibility of increased trade tariffs and barriers). Having said that, overall in Q2:18, the composite PMI averaged 54.3 (Q1:18 average: 53.4) and is consistent with GDP growth of +0.4% qoq (+0.2% qoq in Q1:2018), in line with the Bank of England's (BoE) projection (May Inflation Report). In that context, markets remain inclined towards a policy interest rate hike of 25 bps to 0.75% by the BoE at its meeting on August 2nd (they apply an 80% probability from 68% a week ago).

Japan: Signs of improvement for business sentiment

- **The Cabinet Office's Economy Watchers survey improved slightly in June.** Specifically, the current conditions index was 48.1, in line with consensus estimates and compared with the 21-month low of 47.1, registered in May. At the same time, the forward-looking indicator (outlook for 2-3 months ahead) was up by 0.8 pts, to 50.0 (consensus: 50.1).

Equities

- Global equity markets started Q3:18 on a solid note, with some positive economic surprises (e.g. German industrial production, US business surveys) largely offsetting ongoing trade concerns, as the MSCI World Index (in \$ terms) was up by 0.9% on a weekly basis.** Emerging markets (-0.9% wov) underperformed their developed market peers (+1.2% wov), while Chinese equities declined by 4.2% wov. However, investors do not appear to anticipate a rapidly escalating trade clash, as China's equity market recovered on Monday (+2.8%). In the US, the S&P500 ended the week up by 1.5%, with broad-based gains across sectors (Technology: +2.3% wov, Healthcare: +3.1% wov). US corporates will start to release Q2:18 earnings results later this week. Euro area equities recouped some of their year-to-date losses, increasing by 1.3% wov (-1.0% ytd), with auto manufacturers rebounding strongly intra-week (+3.4% on Thursday | +2.8% wov), as German news reports suggested that President Trump would not impose increased tariffs (currently: 2.5%) on imported automobiles from the EU, if the EU agreed to cancel its duties on cars imported from the US (currently: 10%). Recall that President Trump had recently threatened a 20% tariff on EU auto imports. In Japan, the Nikkei 225 fell by 2.3% on a weekly basis, but rebounded on Monday (up 1.2%).

Fixed Income

- Government bond yields declined slightly in the past week, against the backdrop of trade uncertainty and mixed US labor market data.** FOMC minutes from the June 12-13 Fed meeting, released on Thursday July 5th, were broadly neutral, with policymakers remaining optimistic regarding the economy, while labor market data (released July 6th), indicated a weaker-than-expected increase for wages. Overall, the US Treasury 10-Year yield declined by 4 bps wov (+42 bps ytd), to 2.82%. In Europe, 10-Year government bond yields decreased slightly on a weekly basis in both Germany (-1 bp wov, to 0.29%) and the UK (-1 bp wov, to 1.27%). Periphery bond spreads over the German 10-Year Bund rose in Italy (+5 bps wov to 242 bps) and were unchanged in Spain (at 101 bps).

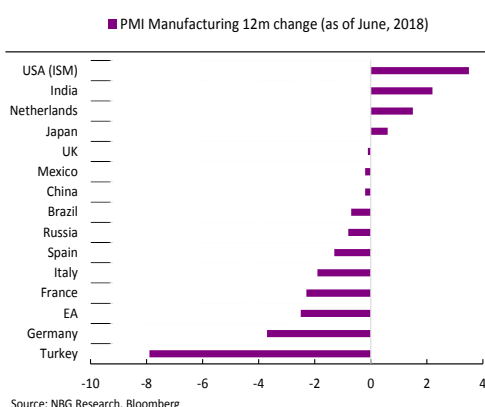
Corporate bond spreads were mixed, with lower oil prices leading to higher credit spreads in the US high yield (HY) spectrum. Specifically, US HY spreads rose by 13 bps wov (+16 bps ytd), to 374 bps. Euro HY spreads narrowed by 9 bps wov, to 372 bps. Meanwhile, investment grade corporate bonds spreads were down slightly in both the US (-1 bp wov, to 128 bps) and the euro area (-1 bp wov, to 120 bps). On a total return basis, US credit is either flat year-to-date (HY: +0.1%) or has recorded losses (IG: -2.7%). Euro area credit has also performed poorly year-to-date (IG: -0.4%, HY: -1.0%), as the ECB is set to terminate its corporate bond purchases in 2018.

FX and Commodities

- In foreign exchange markets, the euro rose by 0.5% wov against the US Dollar, to \$1.175, on the back, *inter alia*, of easing tensions among coalition government partners in Germany.** Considerably improved industrial production data in Germany (+2.6% mom in May) also provided support to the euro. The British pound was flat wov against the euro and rose by 0.5% wov against the USD. On Monday, following the resignation of two prominent cabinet members (Brexit Secretary David Davis and Foreign Secretary Boris Johnson) over disagreement with PM May's plans for a "softer" EU exit, the GBP fell modestly by 0.2% against the euro, to €/0.886 and also by 0.2% against the USD, to \$1.326.

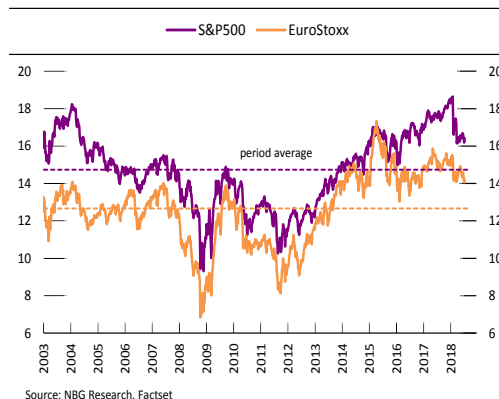
- In commodities, oil prices weakened, with the US putting political pressure on OPEC (and mainly on Saudi Arabia) to increase production in order for oil prices to come down.** Moreover, US oil inventories increased for the first time in 4 weeks (+1.2 million barrels to 418 million barrels for the week ending June 29). Overall, Brent fell by 2.6% wov to \$76.5/barrel and the WTI by 0.5% to \$73.8/barrel, remaining close to its 3½-year high in the previous week (\$74.2/barrel).

PMI Manufacturing 12m change



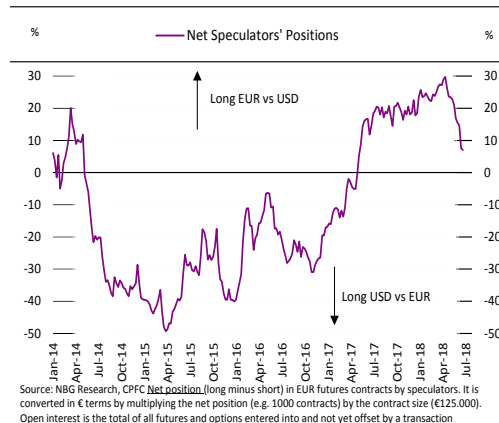
Graph 1.

S&P500 & EuroStoxx 12-month forward Price/Earnings Ratio



Graph 2.

Euro Net Speculators' Positions as % of Open Interest



Graph 3.

Quote of the week: "Increase in tariffs of 10% between the US and all of its trading partners could take 2½% off US output and 1% off global output through trade channels alone...adding on a fall in business confidence and tightening financial conditions and the possibility that the tariffs could be viewed as permanent, could plausibly double the losses", **Governor of the Bank of England, Mark Carney, July 5th 2018.**

Tactical Asset Allocation (3-month)

- Equities:** We remain Neutral/Overweight relative to a 55-40-5 portfolio. GDP growth and corporate earnings are strong (particularly in the US), albeit “trade concerns” and the peak of central bank (C/B) liquidity weighs. Volatility in returns will prevail in the rest of 2018 resulting in lower risk-adjusted returns. US tax-reform may continue to support equities albeit we closed our O/W locking in gains. We also closed our O/W position in euro area banks recording losses as Italian concerns and low-for-longer interest rates by the ECB reduce our confidence in this trade.
- Government Bonds:** Higher yields due to less aggressive C/Bs, reduced liquidity and stronger inflation data, albeit safe haven demand could support prices near-term. **Underweight Govies.** Steeper curves, particularly in Bunds.
- 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. 2018 is less likely to be as “risk on” as 2017.

NBG Global Markets - Main Equity Sector Calls

US Sector	Position	View/Comment
Banks	OW	Rising rates from low levels and low deposit betas will support interest margins. Less regulation also positive. Valuations (relative to the market) still attractive.
Energy	Neutral	OPEC's deal extension until end of 2018 has supported oil prices. However, US oil production is increasing (at 2015 high levels) and expected RoE for Energy firms remains low. Light positioning and sizeable underperformance (2017) may present a buying opportunity. Oil backwardation a positive for the sector.
Defensives/ Cyclical	Neutral	We turn Neutral Defensives amid elevated volatility and favorable relative valuations. Underweight Consumer Discretionary (Cyclicals) as the sector is a major underperformer during Fed hiking cycles and has high wage expenses.

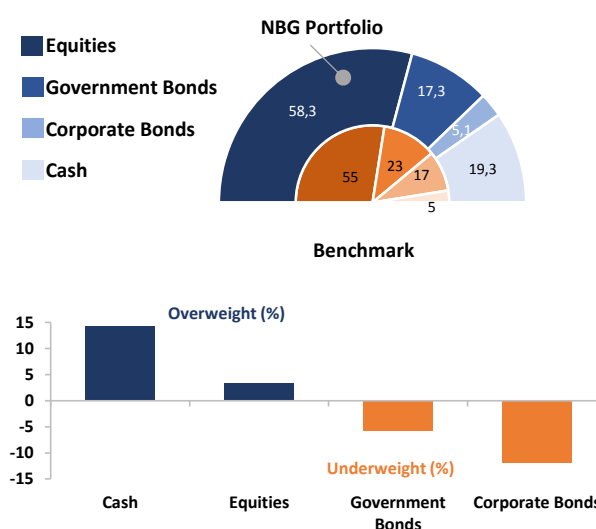
EA Sector	Position	View/Comment
Energy	Neutral	OPEC's deal extension until end of 2018 has supported oil prices. However, US oil production is increasing (at 2015 high levels) and expected RoE for Energy firms remains low. Light positioning and sizeable underperformance (2017) may present a buying opportunity, thus we upgrade to neutral our position.
Defensives/ Cyclical	Neutral	We turn Neutral Defensives amid elevated volatility and favorable relative valuations. Underweight Consumer Discretionary (Cyclicals) as the sector is a major underperformer during Fed hiking cycles and has high wage expenses.

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

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.

Total Portfolio Allocation



Detailed Portfolio Breakdown

Equities	Portfolio	Benchmark	OW/UW
US	52	52	-
Euro area	12	10	2,0
UK	7	7	-
Rest of Dev. Europe	5	5	-
Japan	9	7	2,0
Rest of Dev. World	8	8	-
Emerging Markets	7	11	-4,0
EM Asia	64	64	-
EM Latin America	18	18	-
EMEA	18	18	-

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	-

	US	Euro Area	Japan	UK
Equity Markets	<ul style="list-style-type: none"> + Likely fiscal loosening will support the economy & companies' earnings + Solid EPS growth in H2:2017 & 2018 + Cash-rich corporates will lead to share buybacks and higher dividends (de-equitization) - Demanding valuations - Peaking profit margins - Protectionism and trade wars - Aggressive Fed in 2018 <p>● Neutral/Positive</p>	<ul style="list-style-type: none"> + 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 plateauing economic growth - Strong Euro in NEER terms (2017 vs 2016) - Political uncertainty (Spain, Italy) could re-emerge <p>● Neutral</p>	<ul style="list-style-type: none"> + 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 <p>● Neutral</p>	<ul style="list-style-type: none"> + 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 <p>● Neutral/Negative</p>
Government Bonds	<ul style="list-style-type: none"> + Valuations appear rich with term-premium close to 0% + 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 + Balance sheet reduction, albeit well telegraphed may push term premia higher - Global search for yield by non-US investors continues - Safe haven demand <p>▲ Higher yields expected</p>	<ul style="list-style-type: none"> + 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 - Only slow ECB exit from accommodative monetary policy <p>▲ Higher yields expected</p>	<ul style="list-style-type: none"> + Sizeable fiscal deficits + Restructuring efforts to be financed by fiscal policy measures - Safe haven demand - Extremely dovish central bank - Yield-targeting of 10-Year JGB at around 0% <p>● Stable yields expected</p>	<ul style="list-style-type: none"> + Elevated Policy uncertainty to remain 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 increase policy rates to 0.50% - Slowing economic growth post-Brexit <p>▲ Higher yields expected</p>
Foreign Exchange	<ul style="list-style-type: none"> + The Fed is expected to increase its policy rate towards 1.5% in 2017 and 2%-2.25% by end-2018 + Tax cuts may boost growth, and interest rates through a more aggressive Fed - Mid-2014 rally probably out of steam - Protectionism and trade Wars <p>▲ Long USD against its major counterparts ex-EUR</p>	<ul style="list-style-type: none"> + 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) <p>● Broadly Flat EUR against the USD with upside risks towards \$1.20</p>	<ul style="list-style-type: none"> + Safe haven demand + More balanced economic growth recovery (long-term) + Inflation is bottoming out - Additional Quantitative Easing by the Bank of Japan if inflation does not approach 2% <p>▼ Lower JPY against the USD</p>	<ul style="list-style-type: none"> + 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 <p>● Flat GBP against the USD with upside risks short term</p>

	Turkey	Romania	Bulgaria	Serbia
Equity Markets	<ul style="list-style-type: none"> + Attractive valuations - Weak foreign investor appetite for emerging market assets 	<ul style="list-style-type: none"> + Attractive valuations - Weak foreign investor appetite for emerging market assets 	<ul style="list-style-type: none"> + Attractive valuations + Low-yielding domestic debt and deposits - Weak foreign investor appetite for emerging market assets 	<ul style="list-style-type: none"> + Attractive valuations - Weak foreign investor appetite for emerging market assets
	<ul style="list-style-type: none"> ▲ Neutral/Positive stance on equities 	<ul style="list-style-type: none"> ▲ Neutral/Positive Stance on equities 	<ul style="list-style-type: none"> ▲ Neutral/Positive Stance on equities 	<ul style="list-style-type: none"> ▲ Neutral/Positive Stance on equities
Domestic Debt	<ul style="list-style-type: none"> + Low public debt-to-GDP ratio - Loosening fiscal stance - Stubbornly high inflation 	<ul style="list-style-type: none"> + Low public debt-to-GDP ratio - Easing fiscal stance - Envisaged tightening in monetary policy 	<ul style="list-style-type: none"> + Very low public debt-to-GDP ratio and large fiscal reserves + Low inflation 	<ul style="list-style-type: none"> + Positive inflation outlook + Precautionary Stand-By Agreement with the IMF - Large public sector borrowing requirements
	<ul style="list-style-type: none"> ▲ Stable to lower yields 	<ul style="list-style-type: none"> ▼ Stable to higher yields 	<ul style="list-style-type: none"> ▲ Stable to lower yields 	<ul style="list-style-type: none"> ▲ Stable to lower yields
Foreign Debt	<ul style="list-style-type: none"> + High foreign debt yields - Sizeable external financing requirements - Weak foreign investor appetite for emerging market assets 	<ul style="list-style-type: none"> + Strong external position - Large external financing requirements 	<ul style="list-style-type: none"> + Solidly-based currency board arrangement, with substantial buffers + Current account surplus - Large external financing requirements - Heightened domestic political uncertainty 	<ul style="list-style-type: none"> + Ongoing EU membership negotiations + Precautionary Stand-By Agreement with the IMF - Sizeable external financing requirements - Slow progress in structural reforms
	<ul style="list-style-type: none"> ▲ Stable to narrowing spreads 	<ul style="list-style-type: none"> ▲ Stable to narrowing spreads 	<ul style="list-style-type: none"> ▲ Stable to narrowing spreads 	<ul style="list-style-type: none"> ▲ Stable to narrowing spreads
Foreign Exchange	<ul style="list-style-type: none"> + High domestic debt yields - Sizeable external financing requirements - Weak foreign investor appetite for emerging market assets - Increasing geopolitical risks and domestic political uncertainty 	<ul style="list-style-type: none"> + Strong external position - Large external financing requirements 	<ul style="list-style-type: none"> + Currency board arrangement + Large foreign currency reserves and fiscal reserves + Current account surplus - Sizeable external financing requirements - Heightened domestic political uncertainty 	<ul style="list-style-type: none"> + Ongoing EU membership negotiations + Precautionary Stand-By Agreement with the IMF - Sizeable external financing requirements
	<ul style="list-style-type: none"> ▼ Weaker to stable TRY against the EUR 	<ul style="list-style-type: none"> ▲ Stable to stronger RON against the EUR 	<ul style="list-style-type: none"> ● Stable BGN against the EUR 	<ul style="list-style-type: none"> ▼ Weaker to stable RSD against EUR

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	July 6th	3-month	6-month	12-month	Official Rate (%)	July 6th	3-month	6-month	12-month
Germany	0,29	0,70	0,90	1,10	Euro area	0,00	0,00	0,00	0,00
US	2,82	3,10	3,20	3,40	US	2,00	2,25	2,50	3,00
UK	1,27	1,58	1,73	1,89	UK	0,50	0,70	0,80	0,90
Japan	0,03	0,05	0,05	0,08	Japan	-0,10	-0,10	-0,10	-0,10

Currency	July 6th	3-month	6-month	12-month	July 6th	3-month	6-month	12-month	
EUR/USD	1,17	1,18	1,20	1,22	USD/JPY	110	110	108	107
EUR/GBP	0,88	0,87	0,87	0,88	GBP/USD	1,33	1,35	1,37	1,38
EUR/JPY	130	129	130	130					

Forecasts at end of period

Economic Forecasts

United States	2016a	Q1:17a	Q2:17a	Q3:17a	Q4:17a	2017a	Q1:18a	Q2:18f	Q3:18f	Q4:18f	2018f
Real GDP Growth (YoY) (1)	1,5	2,0	2,2	2,3	2,6	2,3	2,8	2,8	2,7	2,5	2,7
Real GDP Growth (QoQ saar) (2)	-	1,2	3,1	3,2	2,9	-	2,0	3,0	2,6	2,0	-
Private Consumption	2,7	1,9	3,3	2,2	4,0	2,8	0,9	2,6	2,6	2,4	2,4
Government Consumption	0,8	-0,6	-0,2	0,7	3,0	0,1	1,3	1,6	3,1	3,0	1,8
Investment	0,7	8,1	3,2	2,4	8,2	4,0	7,6	4,5	4,2	1,7	4,6
Residential	5,5	11,1	-7,3	-4,7	12,8	1,8	-1,1	2,6	2,6	2,7	2,2
Non-residential	-0,6	7,1	6,7	4,7	6,8	4,7	10,4	5,3	4,6	1,5	5,4
Inventories Contribution	-0,4	-1,5	0,1	0,8	-0,5	-0,1	0,0	0,1	0,0	0,0	0,1
Net Exports Contribution	-0,2	0,2	0,2	0,4	-1,3	-0,2	-0,1	-0,1	-0,4	-0,5	-0,2
Exports	-0,3	7,3	3,5	2,1	7,0	3,4	3,6	6,1	1,3	1,8	4,4
Imports	1,3	4,3	1,5	-0,7	14,1	4,0	3,2	5,3	3,5	4,6	4,9
Inflation (3)	1,3	2,5	1,9	1,9	2,1	2,1	2,2	2,6	2,7	2,4	2,5

Euro Area	2016a	Q1:17a	Q2:17a	Q3:17a	Q4:17a	2017a	Q1:18a	Q2:18f	Q3:18f	Q4:18f	2018f
Real GDP Growth (YoY)	1,8	2,1	2,5	2,8	2,8	2,6	2,5	2,4	2,2	2,0	2,3
Real GDP Growth (QoQ saar)	-	2,7	3,0	2,9	2,8	-	1,5	2,4	2,0	2,1	-
Private Consumption	1,9	1,5	1,9	1,5	0,7	1,7	1,9	3,3	1,9	1,7	1,7
Government Consumption	1,8	0,5	1,9	1,8	1,1	1,2	0,1	1,2	1,8	1,3	1,3
Investment	4,5	0,5	8,3	-1,2	5,5	3,5	2,0	4,2	3,4	3,1	3,7
Inventories Contribution	-0,1	-0,3	0,5	-0,2	-0,6	0,0	0,6	0,0	0,1	0,1	0,0
Net Exports Contribution	-0,4	1,9	-0,7	2,1	1,6	0,6	-0,6	-0,6	-0,3	0,2	0,3
Exports	3,3	6,6	4,6	6,3	9,1	5,5	-1,6	4,3	4,4	4,8	5,3
Imports	4,6	2,6	6,6	2,0	6,2	4,5	-0,5	6,1	5,4	4,8	5,0
Inflation	0,2	1,8	1,5	1,4	1,4	1,5	1,2	1,7	1,6	1,6	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

	2014	2015	2016	2017f	2018f	2019f
Real GDP Growth (%)						
Turkey	5,2	6,1	3,2	7,4	4,2	4,4
Romania	3,1	4,0	4,8	7,0	4,4	3,8
Bulgaria	1,3	3,6	3,9	3,6	3,8	3,5
Serbia	-1,8	0,8	2,8	1,9	3,6	3,6
Headline Inflation (eop,%)						
Turkey	8,2	8,8	8,5	11,9	14,8	12,0
Romania	0,8	-0,9	-0,5	3,3	4,2	3,7
Bulgaria	-0,9	-0,4	0,1	2,8	2,4	2,6
Serbia	1,7	1,5	1,6	3,0	2,5	2,8
Current Account Balance (% of GDP)						
Turkey	-4,7	-3,7	-3,8	-5,6	-6,0	-5,4
Romania	-0,7	-1,2	-2,1	-3,3	-4,1	-4,5
Bulgaria	0,1	0,0	2,3	4,5	3,1	1,7
Serbia	-6,0	-3,7	-3,1	-5,7	-4,9	-4,8
Fiscal Balance (% of GDP)						
Turkey	-1,1	-1,0	-1,1	-1,5	-1,9	-1,5
Romania	-1,7	-1,5	-2,4	-2,8	-4,0	-4,3
Bulgaria	-3,7	-2,8	1,6	0,9	-0,5	-0,3
Serbia	-6,6	-3,7	-1,3	1,2	0,3	0,1

f: NBG forecasts

Stock Markets (in local currency)

Country - Index	9/7/2018	Last week return (%)	Year-to-Date change (%)	2-year change (%)
Turkey - ISE100	99.253	2,6	-13,9	27,2
Romania - BET-BK	1.584	-1,7	-4,1	32,0
Bulgaria - SOFIX	628	0,2	-7,2	39,3
Serbia - BELEX15	732	-0,9	-3,6	21,5

Financial Markets	9/7/2018	3-month forecast	6-month forecast	12-month forecast
1-m Money Market Rate (%)				
Turkey	19,3	17,8	17,5	16,5
Romania	3,4	2,9	2,9	3,0
Bulgaria	-0,1	0,1	0,1	0,2
Serbia	2,6	2,9	3,1	3,5
Currency				
TRY/EUR	5,57	5,30	5,20	5,30
RON/EUR	4,66	4,64	4,65	4,68
BGN/EUR	1,96	1,96	1,96	1,96
RSD/EUR	118,0	117,9	117,6	117,4
Sovereign Eurobond Spread (in bps)				
Turkey (USD 2020)(*)	293	280	250	180
Romania (EUR 2024)	137	130	120	110
Bulgaria (EUR 2022)	54	52	48	40
Serbia (USD 2021)(*)	144	140	130	120

(*) Spread over US Treasuries

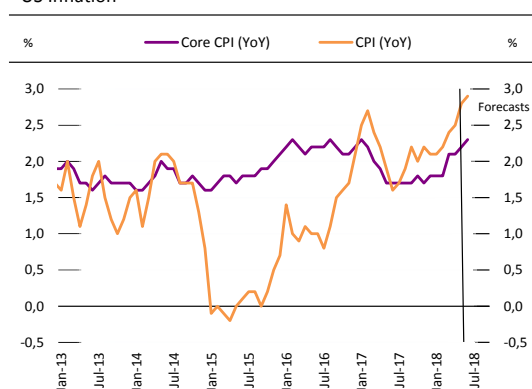
Economic Calendar

The main macro events next week in the US are retail sales (private consumption represents 70% of US GDP) and inflation data for June. Core CPI is expected at 2.3% yoy in June, compared with 2.2% yoy in May.

In the euro area, markets will focus on industrial production data for May. Industrial production is estimated to have increased on a monthly basis (+1.2% mom, compared with -0.9% mom in April).

In China, real GDP for Q2:18 GDP is released, on Monday. Real GDP growth is expected to remain strong at 6.7% yoy in Q2:18, compared with 6.8% yoy in the previous quarter.

US Inflation



Source: NBG Research, Bloomberg

Economic News Calendar for the period: July 3 - July 16, 2018

Tuesday 3					Wednesday 4					Thursday 5				
US		S	A	P	UK		S	A	P	US		S	A	P
Factory Goods Orders (MoM)	May	0.0%	+ 0.4%	-0.4%	Markit/CIPS UK Services PMI	June	54.0	+ 55.1	54.0	ADP Employment Change (k)	June	190	- 177	189
UK										Initial Jobless Claims (k)	June 30	225	- 231	228
Markit/CIPS UK Construction PMI	June	52.5	+ 53.1	52.5						Continuing Claims (k)	June 23	1718	- 1739	1707
EURO AREA										FOMC Minutes	June 13			
Retail sales (MoM)	May	0.1%	- 0.0%	-0.1%						ISM non-manufacturing	June	58.3	+ 59.1	58.6
Retail sales (YoY)	May	1.6%	- 1.4%	1.6%										
Friday 6					Monday 9									
US		S	A	P	GERMANY		S	A	P	JAPAN		S	A	P
Trade balance (\$bn)	May	-43.6	+ -43.1	-46.1	Industrial Production (sa, MoM)	May	0.3%	+ 2.6%	-1.3%	Eco Watchers Current Survey	June	48.1	- 48.1	47.1
Change in Nonfarm Payrolls (k)	June	195	+ 213	244	Industrial Production (wda, YoY)	May	1.5%	+ 3.1%	1.4%	Eco Watchers Outlook Survey	June	50.1	- 50.0	49.2
Change in Private Payrolls (k)	June	190	+ 202	239										
Unemployment rate	June	3.8%	- 4.0%	3.8%										
Underemployment Rate	June	..	7.8%	7.6%										
Average Hourly Earnings (MoM)	June	0.3%	- 0.2%	0.3%										
Average Hourly Earnings (YoY)	June	2.8%	- 2.7%	2.7%										
Average weekly hours (hrs)	June	34.5	34.5	34.5										
Labor Force Participation Rate	June	62.7%	+ 62.9%	62.7%										
JAPAN														
Coincident Index	May	116.1	116.1	117.5										
Leading Index	May	106.6	+ 106.9	106.2										
Tuesday 10					Wednesday 11					Thursday 12				
UK		S	A	P	US		S	A	P	US		S	A	P
Industrial Production (MoM)	May	0.5%	..	-0.8%	Wholesale trade (MoM)	May	..	..	0.8%	Initial Jobless Claims (k)	July 7	225	..	231
Industrial Production (YoY)	May	1.9%	..	1.8%						Continuing Claims (k)	June 30	..	..	1739
CHINA										CPI (YoY)	June	2.9%	..	2.8%
CPI (YoY)	June	1.9%	..	1.8%						Core CPI (YoY)	June	2.3%	..	2.2%
GERMANY										EURO AREA				
ZEW survey current situation	July	78.2	..	80.6						Industrial Production (sa, MoM)	May	1.2%	..	-0.9%
ZEW survey expectations	July	-18.5	..	-16.1						Industrial Production (wda, YoY)	May	2.3%	..	1.7%
Friday 13					Monday 16									
US		S	A	P	US		S	A	P					
University of Michigan consumer confidence	July	98.0	..	98.2	Retail Sales Advance (MoM)	June	0.5%	..	0.8%					
CHINA					Retail sales ex-autos (MoM)	June	0.4%	..	0.9%					
Exports (YoY)	June	9.6%	..	12.6%	Empire Manufacturing	July	..	..	25.0					
Imports (YoY)	June	21.5%	..	26.0%	EURO AREA					Trade Balance SA (€ bn)	May	..	..	18.1
					CHINA					Aggregate Financing (RMB bn)	June	1400.0	..	760.8
					New Yuan Loans (RMB bn)	June	1520.0	..	1150.0	Money Supply M0 (YoY)	June	3.5%	..	3.6%
					Money Supply M1 (YoY)	June	5.9%	..	6.0%	Money Supply M2 (YoY)	June	8.4%	..	8.3%
					GDP (YoY)	Q2:18	6.7%	..	6.8%	GDP (sa, QoQ)	Q2:18	1.6%	..	1.4%
					GDP (YoY)	Q2:18	1.6%	..	1.4%	Retail sales (YoY)	June	8.9%	..	8.5%
					Retail sales (YoY)	June	8.9%	..	8.5%	Industrial production (YoY)	June	6.5%	..	6.8%

Source: NBG Research, Bloomberg

S: Bloomberg Consensus Analysts Survey, A: Actual Outcome, P: Previous Outcome

Equity Markets (in local currency)

Developed Markets						Emerging Markets						
	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)		
US	S&P 500	2760	1,5	3,2	14,5	31,4	MSCI Emerging Markets	57993	-0,9	-4,7	7,0	29,0
Japan	NIKKEI 225	21788	-2,3	-4,3	9,0	41,7	MSCI Asia	874	-1,7	-5,3	6,3	33,2
UK	FTSE 100	7618	-0,3	-0,9	3,8	17,9	China	85	-2,1	-4,4	17,6	56,0
Canada	S&P/TSX	16372	0,6	1,0	8,6	15,0	Korea	683	-2,3	-8,7	-3,3	28,9
Hong Kong	Hang Seng	28316	-2,2	-5,4	11,2	38,2	MSCI Latin America	84104	2,1	-1,9	10,7	25,8
Euro area	EuroStoxx	382	1,3	-1,0	1,7	29,0	Brazil	249906	2,8	-2,9	16,7	35,0
Germany	DAX 30	12496	1,5	-3,3	0,9	33,3	Mexico	46139	2,4	-1,0	-1,2	7,8
France	CAC 40	5376	1,0	1,2	4,3	31,6	MSCI Europe	5367	1,5	-0,4	10,0	25,1
Italy	FTSE/MIB	21926	1,4	0,3	4,0	42,2	Russia	1064	2,2	11,4	26,7	28,9
Spain	IBEX-35	9905	2,9	-1,4	-5,7	25,0	Turkey	1327633	2,0	-16,1	-6,0	19,1

World Market Sectors (MSCI Indices)

in US Dollar terms						in local currency					
	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)	
Energy	235,6	0,3	5,4	21,9	16,9	Energy	239,7	0,0	6,7	21,3	15,8
Materials	268,6	0,1	-4,3	10,9	36,7	Materials	253,7	-0,3	-2,9	10,1	35,9
Industrials	249,4	0,1	-4,7	5,3	27,6	Industrials	245,1	-0,2	-4,2	4,4	28,1
Consumer Discretionary	252,3	0,3	5,4	17,7	38,4	Consumer Discretionary	242,7	0,1	5,6	16,8	38,9
Consumer Staples	223,4	1,2	-6,0	-1,1	0,3	Consumer Staples	222,3	1,0	-5,2	-1,6	0,1
Healthcare	234,9	2,6	3,2	7,0	13,7	Healthcare	231,3	2,4	3,7	6,7	13,5
Financials	118,4	0,6	-7,0	1,4	39,0	Financials	117,6	0,3	-5,9	0,9	38,4
IT	245,1	2,0	11,1	30,8	72,0	IT	237,1	1,9	11,1	30,4	72,4
Telecoms	65,7	3,1	-7,6	-2,9	-9,7	Telecoms	67,8	2,8	-7,0	-3,9	-9,6
Utilities	129,8	3,1	2,0	4,5	4,3	Utilities	131,8	2,9	2,8	3,8	3,6

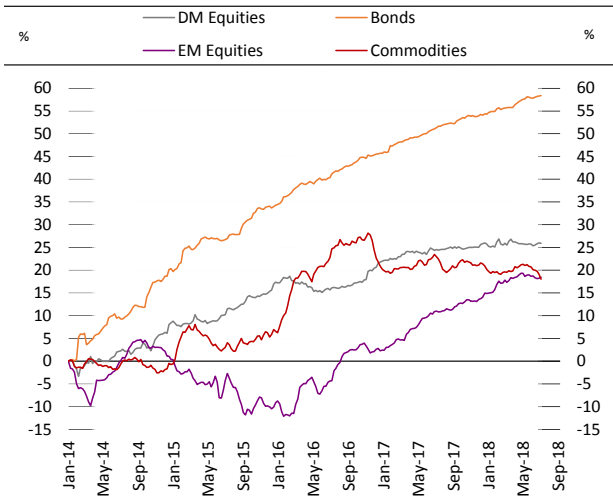
Bond Markets (%)

10-Year Government Bond Yields						Government Bond Yield Spreads (in bps)					
	Current	Last week	Year Start	One Year Back	10-year average	Current	Last week	Year Start	One Year Back	10-year average	
US	2,82	2,86	2,41	2,37	2,53	US Treasuries 10Y/2Y	28	33	52	97	173
Germany	0,29	0,30	0,43	0,56	1,63	US Treasuries 10Y/5Y	10	12	20	43	87
Japan	0,03	0,04	0,05	0,10	0,69	Bunds 10Y/2Y	95	97	105	114	129
UK	1,27	1,28	1,19	1,32	2,39	Bunds 10Y/5Y	59	60	63	63	77
Greece	3,97	3,96	4,12	5,37	10,29	Corporate Bond Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
Ireland	0,79	0,81	0,67	0,99	4,11						
Italy	2,71	2,67	2,01	2,26	3,49						
Spain	1,31	1,32	1,57	1,68	3,44						
Portugal	1,80	1,79	1,94	3,06	5,21						
US Mortgage Market (1. Fixed-rate Mortgage)	Current	Last week	Year Start	One Year Back	10-year average	EM Inv. Grade (IG)	177	176	138	156	264
30-Year FRM¹ (%)	4,8	4,8	4,2	4,2	4,3	EM High yield	494	483	371	461	800
vs 30Yr Treasury (bps)	186	180	148	130	97	US IG	128	129	98	113	192
						US High yield	374	361	358	378	622
						Euro area IG	120	121	87	98	166
						Euro area High Yield	372	381	272	291	643

Foreign Exchange & Commodities

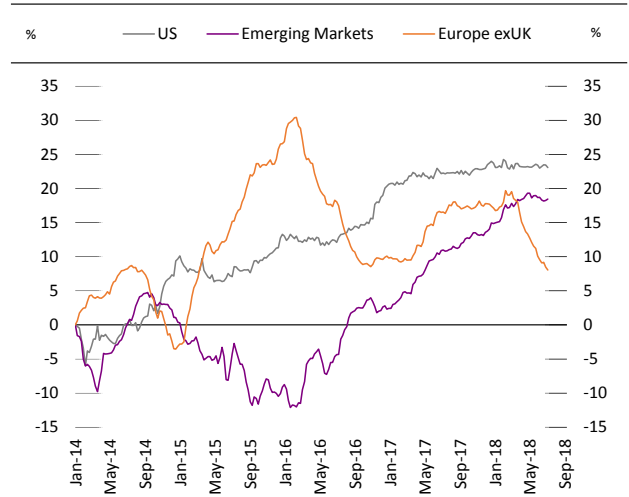
Foreign Exchange						Commodities					
	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	
Euro-based cross rates						Agricultural	370	0,7	-6,8	-14,4	-2,6
EUR/USD	1,17	0,5	-0,2	2,8	-2,2	Energy	545	-1,5	7,3	55,8	17,9
EUR/CHF	1,16	0,5	0,1	6,0	-0,6	West Texas Oil (\$)	74	-0,5	14,0	62,1	22,1
EUR/GBP	0,88	0,0	0,7	0,4	-0,4	Crude brent Oil (\$)	77	-2,6	2,0	60,9	14,5
EUR/JPY	129,78	0,3	0,0	0,3	-4,0	Industrial Metals	1307	-4,3	-12,1	8,1	-9,8
EUR/NOK	9,43	-0,9	-0,8	-1,1	-4,2	Precious Metals	1503	0,0	-3,4	1,6	-4,7
EUR/SEK	10,25	-2,0	-0,3	6,3	4,5	Gold (\$)	1255	0,2	-3,2	2,4	-3,7
EUR/AUD	1,58	0,2	3,0	5,0	3,0	Silver (\$)	16	-0,5	-3,9	0,0	-5,3
EUR/CAD	1,54	0,2	0,9	3,7	1,9	Baltic Dry Index	1622	17,1	21,0	95,7	18,7
USD-based cross rates						Baltic Dirty Tanker Index	721	1,3	-1,9	11,4	-12,8
USD/CAD	1,31	-0,5	1,0	0,7	4,0						
USD/AUD	1,35	-0,4	3,2	2,1	5,1						
USD/JPY	110,43	-0,3	0,2	-2,5	-2,0						

Global Cross Asset ETFs: Flows as % of AUM



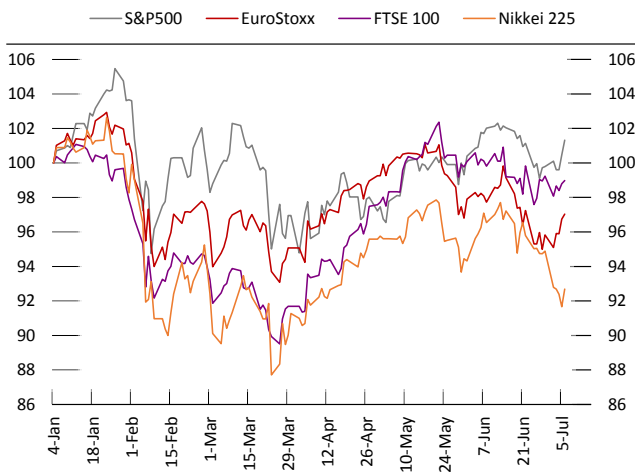
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of July 6th

Equity ETFs: Flows as % of AUM



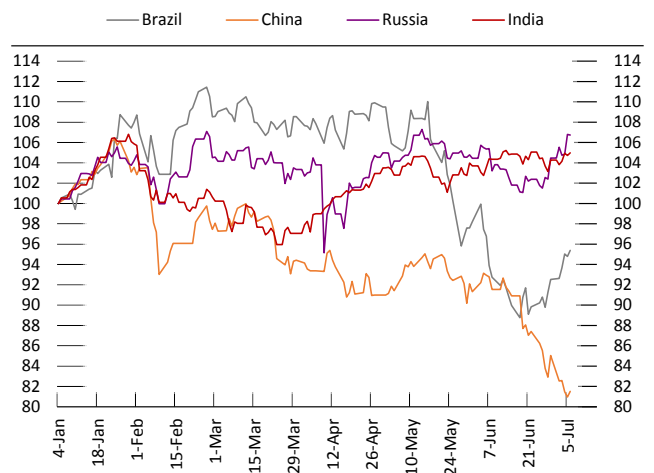
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of July 6th

Equity Market Performance - G4



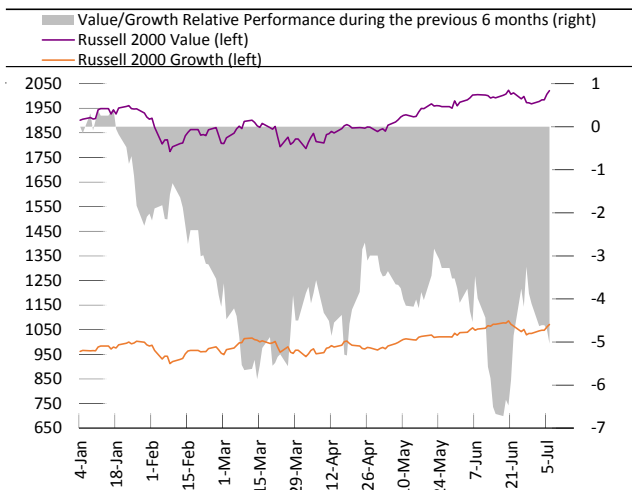
Source: Bloomberg - Data as of July 6th - Rebased @ 100

Equity Market Performance - BRICs



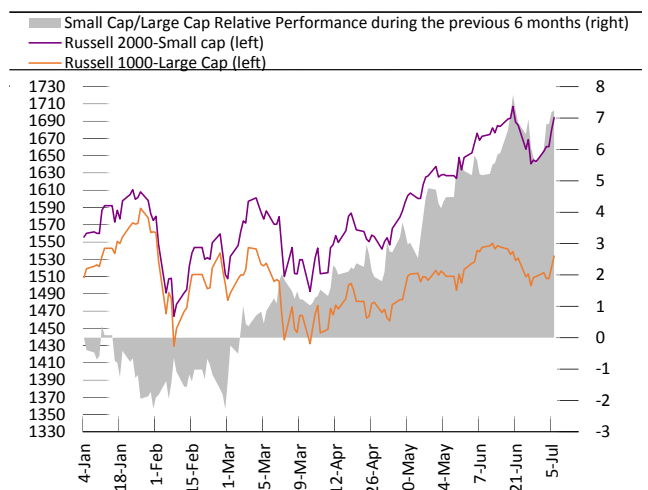
Source: Bloomberg - Data as of July 6th - Rebased @ 100

Russell 2000 Value & Growth Index



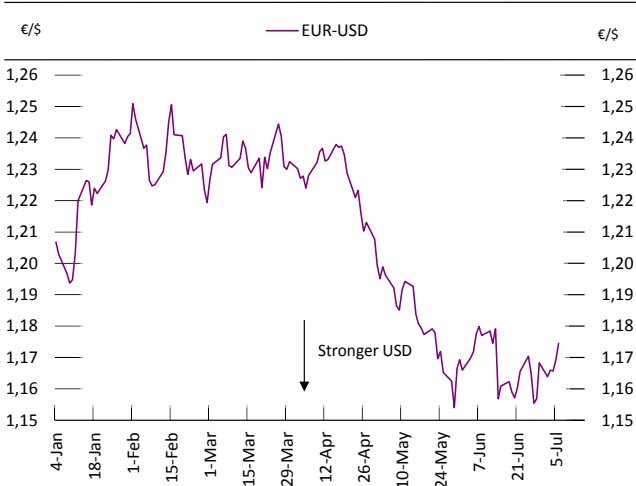
Source: Bloomberg, Data as of July 6th

Russell 2000 & Russell 1000 Index



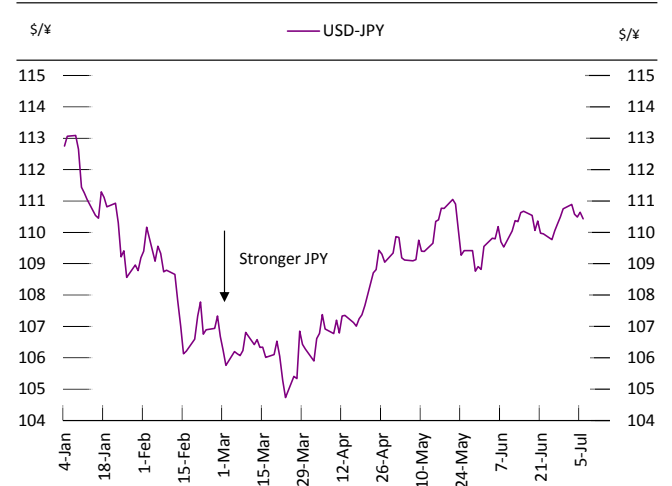
Source: Bloomberg, Data as of July 6th

EUR/USD



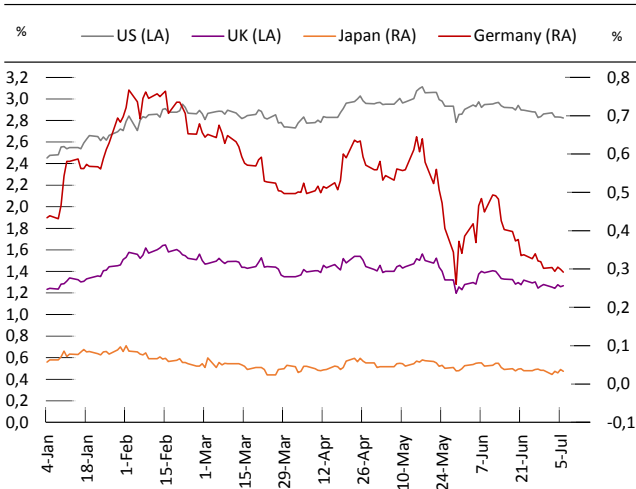
Source: Bloomberg, Data as of July 6th

JPY/USD



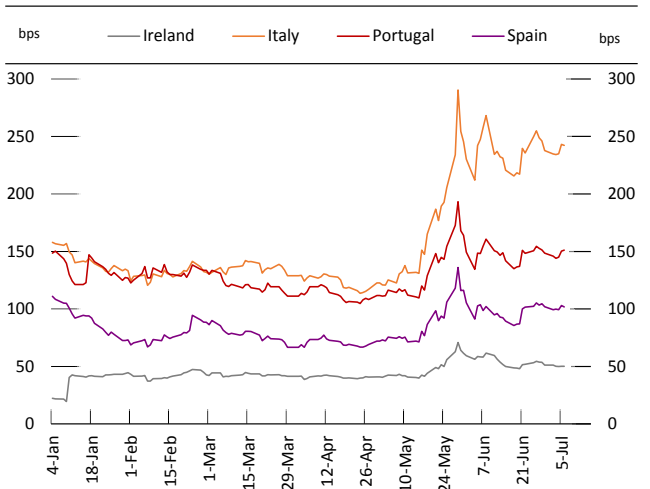
Source: Bloomberg, Data as of July 6th

10- Year Government Bond Yields



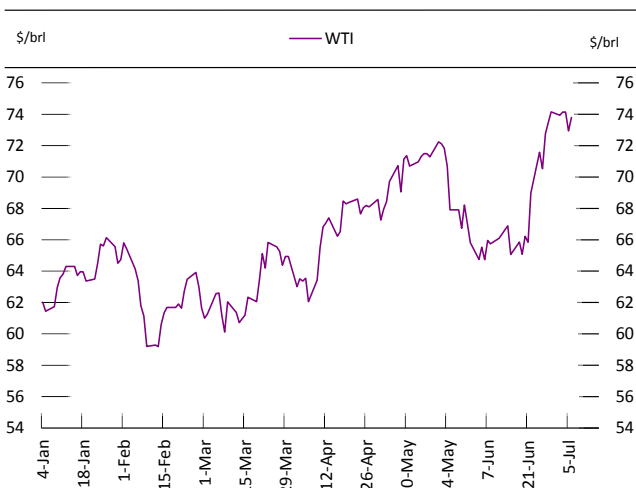
Source: Bloomberg - Data as of July 6th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



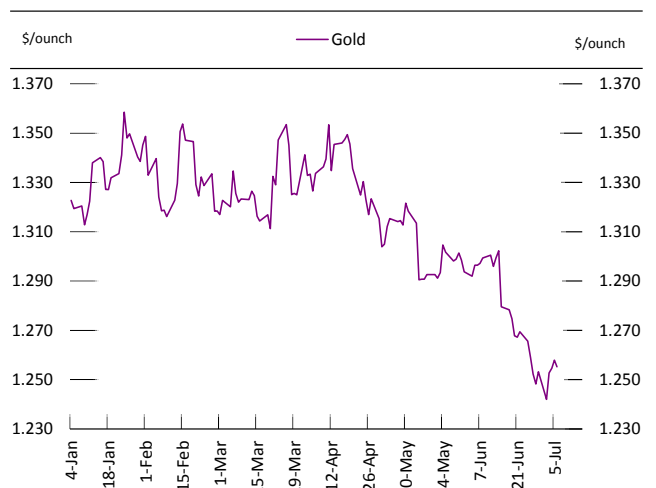
Source: Bloomberg - Data as of July 6th

West Texas Intermediate (\$/bbl)



Source: Bloomberg, Data as of July 6th

Gold (\$/ounce)



Source: Bloomberg, Data as of July 6th

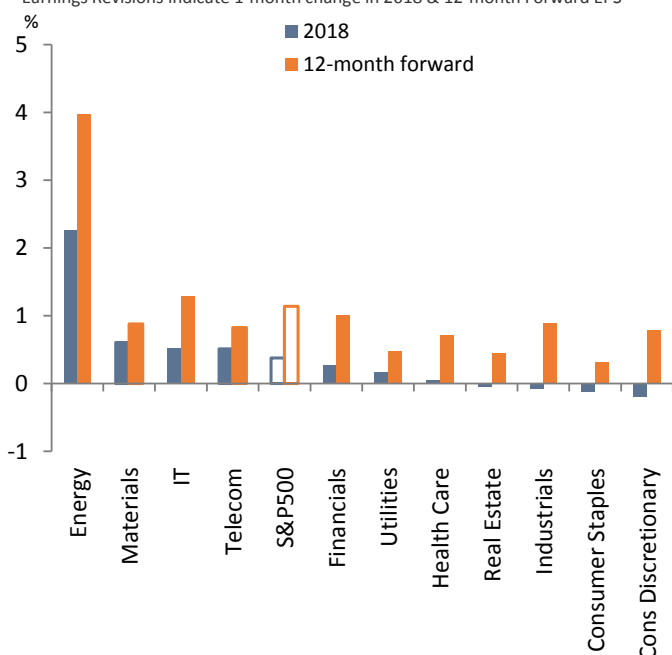
US Sectors Valuation

	Price (\$)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	6/7/2018	% Weekly Change	2017	2018	2017	2018	2017	2018	12m fwd	10Yr Avg	2017	2018	12m fwd	10Yr Avg
S&P500	2760	1,5	11,5	21,3	1,8	1,9	20,5	17,2	16,4	14,4	3,3	3,2	3,1	2,3
Energy	560	-0,3	247,5	102,5	2,9	2,8	34,0	19,1	17,8	19,6	1,8	2,0	1,9	1,8
Materials	366	0,6	8,0	28,3	1,9	2,0	20,8	15,9	15,4	14,5	2,8	2,5	2,4	2,5
Financials														
Diversified Financials	656	0,0	8,7	30,3	1,2	1,6	20,4	14,6	14,0	13,8	2,0	1,8	1,7	1,4
Banks	325	0,2	13,2	25,5	1,8	2,4	16,2	11,7	11,1	12,6	1,5	1,3	1,3	0,9
Insurance	374	1,4	2,5	37,4	2,0	2,3	16,6	11,5	11,1	10,1	1,4	1,3	1,2	1,0
Real Estate	205	1,8	1,8	5,7	3,6	3,4	17,4	18,2	17,7	17,4	3,1	3,2	3,3	2,6
Industrials														
Capital Goods	642	0,5	7,1	17,3	2,1	2,2	22,1	17,2	16,3	14,9	5,0	4,5	4,3	3,0
Transportation	715	1,0	0,8	23,6	1,6	1,8	17,5	14,5	13,5	14,0	4,1	3,9	3,7	3,1
Commercial Services	274	1,8	-2,6	15,5	1,4	1,4	25,0	22,7	21,6	18,4	4,2	3,9	3,7	3,0
Consumer Discretionary														
Retailing	2220	1,1	5,3	29,2	0,7	0,7	41,2	35,7	33,1	21,3	13,0	12,3	11,2	5,7
Media	539	1,0	8,4	19,4	1,3	1,5	19,2	16,3	15,4	15,4	2,9	2,6	2,5	2,4
Consumer Services	989	0,9	13,9	18,3	1,7	2,2	24,2	19,3	18,2	18,2	8,8	9,0	9,4	4,9
Consumer Durables	343	-0,5	-3,6	16,0	1,5	1,5	20,0	18,4	17,0	16,7	3,5	3,4	3,2	2,9
Automobiles and parts	130	0,6	2,9	-2,7	3,7	4,0	7,5	7,7	7,6	8,9	1,8	1,6	1,5	1,9
IT														
Technology	1153	1,2	14,6	17,9	1,7	1,9	17,5	15,2	14,4	12,3	5,3	6,3	6,4	2,9
Software & Services	1793	2,6	15,8	18,6	0,8	0,8	27,1	24,5	23,2	16,0	6,9	6,4	5,9	3,9
Semiconductors	1013	2,8	45,2	26,4	1,6	1,9	17,1	13,5	13,3	16,4	4,8	4,2	4,0	2,8
Consumer Staples														
Food & Staples Retailing	387	0,8	-2,1	14,3	2,5	2,1	19,5	17,3	16,7	15,2	3,8	3,6	3,5	2,9
Food Beverage & Tobacco	649	1,7	8,8	11,1	3,1	3,5	20,6	17,7	17,1	16,8	5,1	4,6	4,6	4,8
Household Goods	529	1,4	4,8	9,1	3,0	3,1	21,2	19,3	18,7	17,9	5,3	5,5	5,5	4,4
Health Care														
Pharmaceuticals	840	3,8	5,6	9,9	2,0	2,2	16,5	15,0	14,4	13,9	4,6	4,4	4,2	3,2
Healthcare Equipment	1130	2,2	12,2	16,1	1,0	1,0	19,9	18,2	17,3	14,0	3,5	3,3	3,1	2,4
Telecom	151	2,2	0,8	14,5	5,5	5,7	12,2	10,5	10,4	12,7	2,1	1,8	1,8	2,3
Utilities	270	2,4	0,1	7,7	3,7	3,5	17,0	17,2	16,7	14,5	1,8	1,8	1,8	1,5

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

1-month revisions to 2018 & 12-month Forward EPS

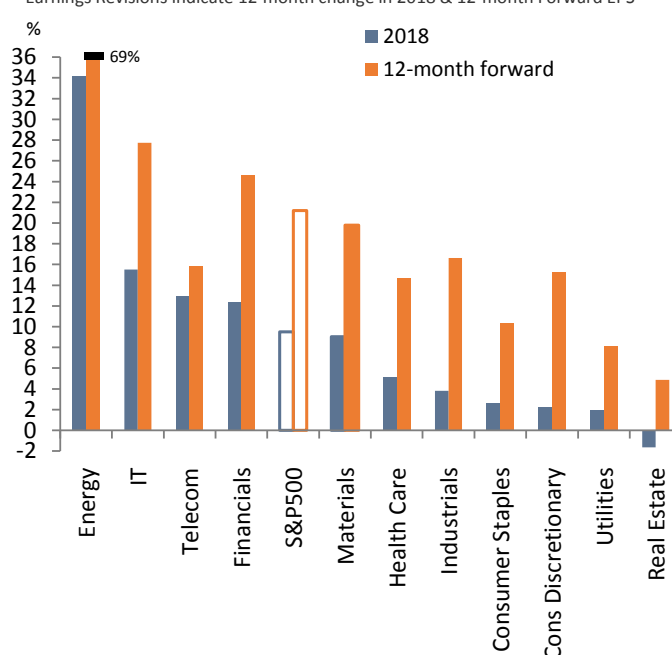
Earnings Revisions indicate 1-month change in 2018 & 12-month Forward EPS



Source: Factset, Data as of July 6th
12-month forward EPS are 49% of 2018 EPS and 51% of 2019 EPS

12-month revisions to 2018 & 12-month Forward EPS

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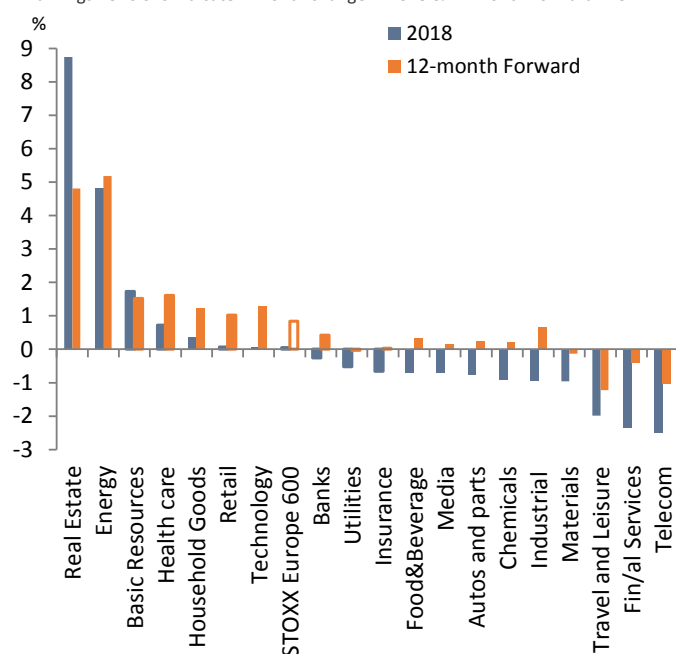
Europe Sectors Valuation

	Price (€)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	6/7/2018	% Weekly Change	2017	2018	2017	2018	2017	2018	12m fwd	10Yr Avg	2017	2018	12m fwd	10Yr Avg
STOXX Europe 600	382	0,6	13,9	9,5	3,3	3,5	16,2	14,9	14,3	12,9	1,9	1,8	1,8	1,5
Energy	366	0,3	68,4	44,7	4,8	4,5	16,6	13,2	12,8	11,3	1,4	1,5	1,4	1,2
Materials	440	-0,3	11,7	7,3	2,8	3,0	18,2	16,6	15,6	14,4	1,9	1,9	1,8	1,5
Basic Resources	461	-3,0	90,1	19,0	3,5	4,2	12,6	10,4	10,6	12,5	1,7	1,5	1,4	1,3
Chemicals	953	0,9	17,6	5,6	2,6	2,8	17,7	16,8	16,3	14,2	2,5	2,4	2,3	2,0
Financials														
Fin/al Services	488	0,5	14,5	-10,3	2,9	3,1	15,5	17,0	16,3	13,3	1,7	1,6	1,6	1,3
Banks	162	0,8	34,7	15,3	3,9	4,9	13,8	10,5	10,0	10,9	1,0	0,9	0,8	0,8
Insurance	275	0,5	-9,8	18,5	4,7	5,3	13,5	10,6	10,2	9,4	1,2	1,1	1,1	1,0
Real Estate	179	0,9	2,1	14,9	3,7	4,0	20,2	18,8	19,1	18,9	1,0	1,0	1,0	1,0
Industrial	531	-0,8	10,0	8,6	2,5	2,6	19,9	18,4	17,2	14,6	3,2	3,0	2,9	2,3
Consumer Discretionary														
Media	284	0,5	4,8	1,2	3,0	3,2	16,9	17,3	16,5	14,2	3,1	3,0	3,0	2,4
Retail	329	1,0	1,9	7,1	2,9	2,8	19,7	20,4	19,3	16,0	2,5	2,8	2,7	2,4
Automobiles and parts	553	2,8	20,9	4,2	3,0	3,8	8,7	7,5	7,2	9,2	1,3	1,1	1,0	1,0
Travel and Leisure	253	-0,8	15,5	2,3	2,4	2,6	13,7	13,0	12,5	15,6	2,9	2,5	2,3	2,1
Technology	458	-0,7	8,0	13,1	1,5	1,5	24,4	22,5	20,9	17,0	3,5	3,5	3,3	2,6
Consumer Staples														
Food&Beverage	643	2,3	3,6	10,9	2,9	2,9	22,4	21,2	20,1	17,4	3,4	3,4	3,3	2,8
Household Goods	818	-0,3	7,0	2,7	2,7	2,8	19,7	20,1	19,2	16,9	3,4	3,6	3,5	3,5
Health care	725	1,1	-3,6	2,5	2,9	2,8	16,8	17,3	16,6	14,2	3,3	3,3	3,2	3,0
Telecom	257	4,2	18,4	-1,3	4,9	5,3	15,2	15,2	14,5	13,4	1,8	1,7	1,7	1,6
Utilities	303	4,2	-1,8	-2,2	5,3	4,9	13,1	15,0	14,7	12,1	1,3	1,5	1,5	1,3

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

1-month revisions to 2018 & 12-month Forward EPS

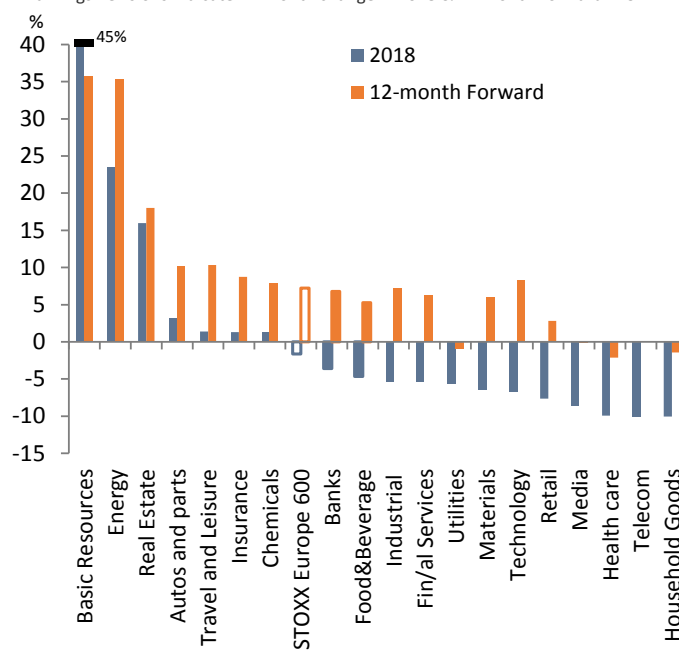
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