



Equity markets, mainly in the US, are discounting solid EPS expansion in 2021 despite the unknown path of the pandemic and elevated macro volatility

- US equity markets have traded sideways since early September, with the S&P500 in a wide range of 3100-3600. Year-to-date gains amount to circa 6% despite the fact that the 2020 recession is expected at -4% (see below), covid-19 infection rates are on the rise and political-induced volatility is ample. On the other hand, euro area equities have been stuck since early June with year-to-date losses of -10% (-5% in USD terms) as, *inter alia*, European bank equities remain under selling pressures due to increasing uncertainty vis-à-vis underlying asset quality trends (Covid-19 impact). The recent decline of EUR interest rates has contributed to the dual overperformance (SX7E vs SXXE and SXXE vs SPX). A renewed wave in Covid-19 cases and local lockdowns sent German Government bond yields significantly lower.
- Having said that, global economic prospects remain conditional on pandemic developments. Indeed, the International Monetary Fund (IMF) revised up (as expected) its forecasts for global GDP compared with its respective projections in June, in view of better than previously expected economic outturns in Q2 and in recent months, mainly in the US. Specifically, the IMF now estimates global real GDP growth of -4.4% yoy in 2020 (still an unprecedented contraction), versus -5.2% yoy in June. The projection for the US was upward revised by +3.7% to -4.3% yoy, by 1.9% to -8.3% yoy in the euro area and by 0.9% to +1.9% yoy in China. For 2021, the IMF projects global real GDP growth of +5.2% yoy (US: +3.1% | euro area: +5.2% | China: +8.2%), little changed compared with June. Following the contraction in 2020 and recovery in 2021, the level of global real GDP in 2021 is projected at levels 0.6% above that of 2019 (c. -2% for Advanced Economies).
- The baseline scenario incorporates the assumption that social distancing will continue largely unabated into 2021 and subsequently fade gradually, in conjunction with favorable medical developments against Covid-19 (e.g. a vaccine alongside expanding population coverage, improving therapies). Low levels of transmission are presumed to be achieved everywhere by the end of 2022. Furthermore, major central banks are assumed to maintain their current (ultra-accommodative) policy settings throughout the forecast horizon (up to the end of 2025).
- On the negative side of the ledger, a rapid acceleration of infection rates, a slower than anticipated progress on treatments and vaccines alongside countries' access to them being insufficient or/and unequal, could lead to sizably worse economic outcomes, in view of renewed, stricter, social distancing or even more generalized lockdowns. On the other hand, a more rapid progress with vaccines and treatments, as well as adjustments in workplaces and by consumers that could achieve a more benign trade-off between reducing coronavirus transmission and safeguarding activity, would result in a more rapid recovery.
- Another major upside risk (especially for 2021), is additional fiscal policy support, given that IMF's baseline scenario, factors in measures already implemented and announced. In the event, the IMF estimates that insofar discretionary revenue and spending measures in advanced economies, amount to more than 9% of GDP, with another 11% in various forms of liquidity support mainly via "forgivable" loans and state loan guarantees. On the flipside, the ratio of public debt to GDP in advanced economies is projected to rise by 20 pps (versus 2019) to 125.6% by the end of 2021.

Ilias Tsirigotakis^{AC}
Head of Global Markets Research
210-3341517
tsirigotakis.ilias@nbg.gr

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

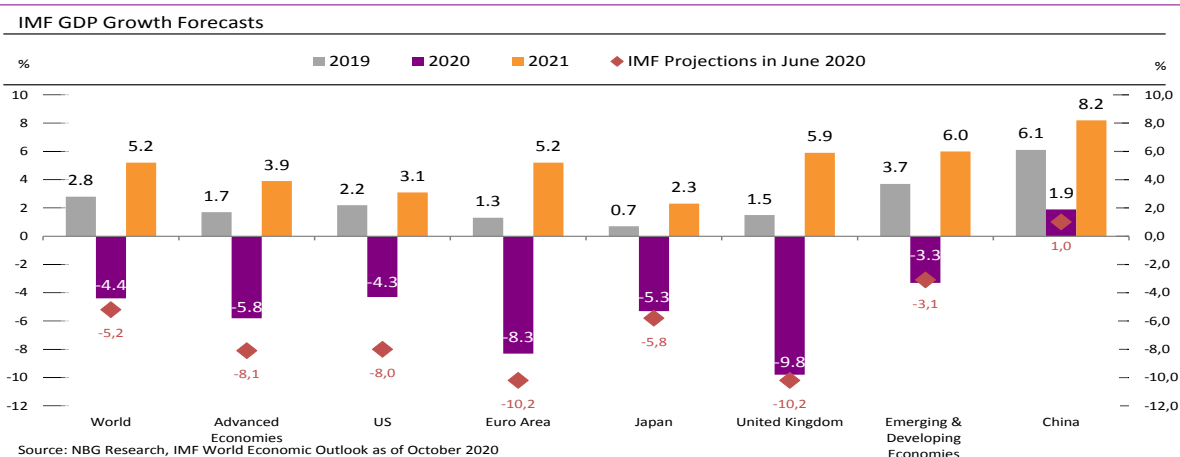
Vasiliki Karagianni
210-3341548
karagianni.vasiliki@nbg.gr

Leonidas Patsios
210-3341553
Patsios.Leonidas@nbg.gr

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Charts of the week



US retail sales surprised positively in September

- **Nominal retail sales suggest that the strong momentum for US private consumption remained in place in September, overshooting expectations by a wide margin.** Specifically, in value terms, the so-called “control group”, as it feeds into the calculation for GDP (i.e., excluding autos, gas, food services and building materials) was sharply up, by 1.4% mom from a downward revised (by 0.5 pps) -0.3% mom in August, well above consensus estimates for +0.3% mom. As a result, the annual pace of growth was +9.1% yoy in September, versus +7.3% yoy in the previous month and a trough of -7.5% yoy in April 2020 (in the midst of the pandemic-related lockdown). Meanwhile, the University of Michigan’s index of consumer sentiment increased by 0.8 pts to 81.2 in October, modestly overshooting consensus estimates for 80.5. Nevertheless, it remains below a long-term average of 84.7. The component of consumer expectations (78.8) continues to substantially lag its current economic conditions counterpart (84.9). Respondents cited the slowing employment growth, the rise in Covid-19 infections and the absence of additional federal relief payments, as main sources of concern. Overall, private consumption is set to have posted a sharp rebound in Q3:20 (+37.3% qoq saar | -3.5% yoy according to the Federal Reserve Bank of Atlanta’s GDPNowcast model), following the pandemic-related plunge in Q2:20 (-33.2% qoq saar | -10.2% yoy). Recall that, contrary to the respective trend for retail sales (which mainly include sales of goods), the annual growth of overall private consumption is estimated to remain in negative territory, as it also includes expenditures for services which were relatively more heavily weighed down by the pandemic. In the event, services consumption contracted by 40.8% qoq saar in Q2:20, while the respective trend for goods stood at -10.8% qoq saar.

US manufacturing output undershot expectations in September

- **US industrial production declined by 0.6% mom in September, from +0.4% mom in August, versus consensus estimates for +0.5% mom.** As a result, the annual pace of growth deteriorated by 0.3 pps to -7.3% yoy. More importantly, the less volatile manufacturing production (78% of total) fell by 0.3% mom (-6.0% yoy) following a gain of +1.2% mom in August (-6.3% yoy), undershooting expectations for +0.6% mom. Meanwhile, regional business surveys, so far in October, have posted mixed changes. Specifically, the Empire manufacturing index was down by 6.5 pts to +10.5, versus consensus estimates for +14.0, whereas the Philadelphia Fed Manufacturing Business Outlook headline index rose by 17.3 pts to 32.3, well above expectations for +14.8. Overall, according to the Atlanta Fed’s GDPNowcast model, US GDP growth for Q3:20 is currently expected at +35.2% qoq saar (-2.5% yoy), compared with -31.4% qoq saar in Q2:20 (-9.0% yoy).

US inflation was little changed in September, largely in line with expectations

- **Headline CPI accelerated by 0.1 pp to 1.4% yoy in September, matching consensus estimates.** The slight acceleration was due to the annual growth of the energy index improving to -7.7% from -9.0% in the previous month. In a contrarian note, the annual growth of the food index was modestly down, by 0.2 pps to +3.9%. More importantly, core CPI (i.e. CPI excluding food & energy) was up by 0.2% on a monthly basis (+0.4% mom in August). As a result, the annual pace of growth was largely stable at 1.7% in September

slightly below consensus estimates for +1.8%. It should also be noted that the resilience of core CPI inflation was almost solely due to prices of used cars & trucks, which continued to surge (+6.7% mom in September following an also sharp increase of +5.4% mom in August | +10.3% yoy in September), with the rest of expenditure components recording subdued readings. Recall that personal consumption expenditures on used cars & trucks have surged in recent months (as a result, the respective annual pace of growth reached c. +21% in August, in nominal terms | September data are due on October 30th), a development that could be, to some extent, due to shifting away from public transportation (in view of pandemic-related health concerns). Finally, note that the PCE deflator (the Fed’s preferred measure for gauging inflationary pressures) was 1.4% yoy in August, while the core figure stood at 1.6% yoy. According to the Federal Reserve Bank of Cleveland Inflation Nowcasting model, PCE growth is expected at 1.5% yoy in September and its core counterpart at 1.7% yoy.

Euro area: The latest data for the industrial sector were mixed

- **The pace of growth for industrial output in the euro area continued to decelerate in August, whereas insofar available data at the country level for industrial orders during August, are robust.** Specifically, industrial production rose by 0.7% mom in August, with growth continuing to lose steam compared with the first months post-lockdowns (+5.0% mom in July | +9.5% mom in June | +12.5% mom in May), an unsurprising development given the gradually higher base of comparison. The annual pace of growth came out at -6.5% in August versus -7.0% in July and a trough of -28.6 in April 2020. Country-wise, the annual growth was -11.6% in Germany, -6.4% in France and -0.2% in Italy. Notably, in an encouraging development for industrial output’s short term prospects, insofar available August’s data at the country level for orders (a precursor for production in the next 2-3 months) surprised positively. In the event, industrial orders rose by 4.5% mom in Germany (-2.0% yoy) versus consensus estimates for +2.6% mom, while surging in Italy (+15.1% mom | +6.4% yoy).

Robust economic recovery in China is sustained

- **GDP growth in Q3:20 came out at +4.9% yoy, accelerating substantially from +3.2% yoy in the previous quarter.** Although the latest outcome undershot consensus expectations for +5.5% yoy, it remains consistent with a robust impetus for the economic recovery. Moreover, as far as the sequential path is concerned, high frequency data suggest that economic activity ended Q3 on a strong note. In the event, retail sales in September rose by 3.3% yoy from +0.5% yoy in August (consensus for +1.6% yoy). In addition, the annual growth of industrial production accelerated by 1.3 pps to +6.9% (consensus: 5.8%). Finally, fixed assets investment growth came out at +0.8% yoy compared with -0.3% yoy in August. Notably, the latest readings came in conjunction with higher credit growth. In the event, overall credit growth, as measured by Total Social Financing (TSF), stood at +13.5% yoy in September, compared with +13.3% yoy in August (and +10.7% yoy, on average, in the months prior to the pandemic | +10.8% yoy, on average, in 2019). Overall in 2020, the People’s Bank of China anticipates real GDP growth of “around +2.0% yoy” according to recent comments from its Governor Yi Gang (+6.1% yoy in 2019).

Equities

• **Global equities were mixed in the past week, with slight gains in the US, while European markets underperformed.** Overall, the MSCI ACWI ended the week down by 0.3% (+3.2% ytd), with Emerging Markets (+0.1% wow | +0.8% ytd), over-performing their Developed Markets peers (-0.3% wow | +3.5% ytd). The S&P500 ended the week up by 0.2% (+7.8% ytd), despite the fact that it recorded losses in 3 out of 5 sessions during the week. The latest pandemic developments (the new daily cases surpassed 60k for the first time since mid-August and the trials of Eli Lilly's antibody treatment and Johnson & Johnson's vaccine candidate were paused), as well as the fading hopes for a pre-election fiscal stimulus package, offset the IMF's stronger projections for US GDP growth for 2020 (-4.3% yoy | 3.7 pps above its June forecast). The Q3:20 earnings season started in the past week, with Banks recording positive results. Specifically, Goldman Sachs (\$9.68 vs. \$5.54) and Morgan Stanley (\$1.59 vs. \$1.28) reported better-than-expected EPS. Citigroup (\$1.40 vs. \$0.91), JPMorgan Chase (\$2.92 vs. \$2.23) and Bank of America (\$0.51 vs. \$0.49) also beat EPS estimates. However, investors appeared concerned by lower-than-expected provisions. On the contrary, Wells Fargo (-9.6% wow) reported weaker-than-expected EPS (\$0.42 vs \$0.45). Overall, with 10% of S&P500 companies having reported, 84% have exceeded estimates, while consensus analyst expectations for EPS growth in Q3:20 stand at -18.3% yoy from -31.6% yoy in the previous quarter. On the other side of the Atlantic, the Eurostoxx fell by 0.7% wow (-10.4% ytd) as the number of coronavirus weekly new cases in the continent reached 640k, with Germany, France and Italy posting new records and imposing tighter restriction measures.

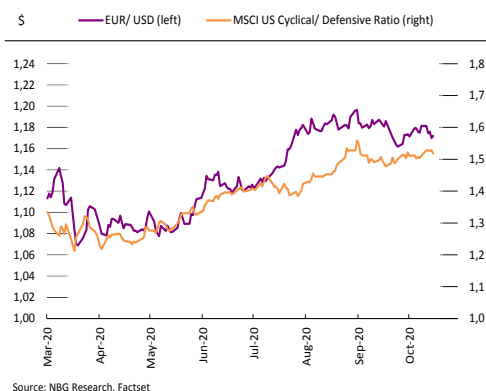
Fixed Income

• **Government bond yields declined in major advanced economies due to investors' increased risk aversion.** Overall, the US Treasury 10-year yield ended the week down by 3 bps at 0.74%. In the UK, the 10-year yield fell by 10 bps wow to 0.19%. The publication of the letter sent by the Bank of England to the commercial banks asking about their operational readiness for a zero or negative Bank rate, contributed to the downside, while the country's credit rating downgrade by Moody's had limited effect on the yield. In Germany, the 10-year Bund yield declined by 9 bps wow to -0.62%, its lowest level since March. Periphery bond yields in the 10-year tenor decreased too, albeit by less. Indeed, in Italy, the 10-year yield fell by 6 bps to 0.61%, recording a record low, after successfully raising €7.5 bn from the markets, with half of the amount from a three-year, 0% coupon bond. Similarly, in Spain the 10-year yield declined by 5 bps to 0.12% and in Greece by 8 bps to 0.78%, the lowest levels for both countries historically. **Corporate bond spreads were mixed in the past week.** Specifically, US high yield spreads rose by 2 bps to 494 bps, while their euro area counterparts were up by 10 bps at 457 bps. In the Investment Grade spectrum, US spreads declined by 2 bps to 133 bps and Euro area spreads were broadly stable at 112 bps.

FX and Commodities

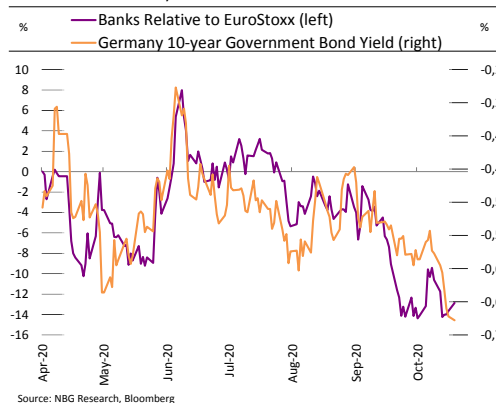
• **In foreign exchange markets, the US Dollar rose in the past week, due to increased "safe haven" demand.** Specifically, the US Dollar ended the week up by 0.8% against the euro to \$1.172 and by 0.5% against the British Pound to \$1.293, following the statement by Prime Minister Boris Johnson that the country should prepare for a no-deal Brexit. The Japanese Yen increased in the past week by 1% wow against the euro to ¥123.55 and by 0.2% against the US Dollar to ¥105.42. Furthermore, the announcement that China purchased about ¥2.2 tn in face value of Japanese Government Bonds from June to August, contributed to the upside. Finally, **in commodities, oil prices increased slightly in the past week.** The upward effect from the larger-than-expected fall in US oil inventories, offset the downward effect from the increase of oil supply after the recovery of output in the Gulf of Mexico (post Hurricane "Delta"). Specifically, US oil inventories declined by 3.8 million barrels to 489 million barrels for the week ending October 9th. Overall, Brent ended the week up by 0.2% to \$42.9/barrel (-35% ytd), and WTI by 0.7% to \$40.9/barrel (-33% ytd).

EUR/USD Currency vs. Cyclical/Defensive Ratio



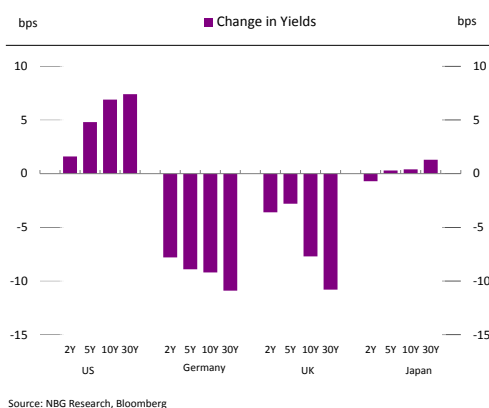
Graph 1.

EA Banks & Germany 10-Year Yield



Graph 2.

Changes in Yields since 2 October by Region



Graph 3.

Quote of the week: "It is clear that both fiscal support and monetary policy support have to remain in place for as long as necessary and "cliff effects" must be avoided. Otherwise, we risk hysteresis in the labour market, an unnecessary loss of viable businesses and greater inequality.", **ECB President, Christine Lagarde, October 18th 2020.**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	October 16th	3-month	6-month	12-month	Official Rate (%)	October 16th	3-month	6-month	12-month
Germany	-0,62	-0,50	-0,40	-0,30	Euro area	0,00	0,00	0,00	0,00
US	0,75	0,90	1,00	1,20	US	0,25	0,25	0,25	0,25
UK	0,18	0,30	0,35	0,43	UK	0,10	0,08	0,06	0,04
Japan	0,02	0,01	0,04	0,06	Japan	-0,10	-0,10	-0,10	-0,10

Currency	October 16th	3-month	6-month	12-month	October 16th	3-month	6-month	12-month	
EUR/USD	1,17	1,17	1,18	1,20	USD/JPY	105	106	105	103
EUR/GBP	0,91	0,90	0,90	0,90	GBP/USD	1,29	1,30	1,31	1,34
EUR/JPY	123	124	124	124					

Forecasts at end of period

Economic Forecasts

United States	2018a	Q1:19a	Q2:19a	Q3:19a	Q4:19a	2019a	Q1:20a	Q2:20a	Q3:20f	Q4:20f	2020f	Q1:21f	Q2:21f	2021f
Real GDP Growth (YoY) (1)	3,0	2,3	2,0	2,1	2,3	2,2	0,3	-9,0	-2,6	-3,1	-3,6	-1,3	9,2	3,1
Real GDP Growth (QoQ saar) (2)	-	2,9	1,5	2,6	2,4	-	-5,0	-31,4	34,8	0,2	-	0,6	0,7	-
Private Consumption	2,7	1,8	3,7	2,7	1,6	2,4	-6,9	-33,2	37,2	2,6	-4,2	1,9	1,9	3,1
Government Consumption	1,8	2,5	5,0	2,1	2,4	2,3	1,3	2,5	17,0	-10,5	3,1	5,7	5,7	3,2
Investment	5,2	2,9	-0,4	2,4	1,0	1,9	-1,4	-29,2	19,0	2,3	-3,9	3,1	4,5	2,6
Residential	-0,6	-1,7	-2,1	4,6	5,8	-1,7	19,0	-35,5	46,4	1,8	2,6	1,6	1,4	3,2
Non-residential	6,9	4,2	0,0	1,9	-0,3	2,9	-6,7	-27,2	13,3	2,4	-5,6	3,1	4,5	2,5
Inventories Contribution	0,2	0,2	-1,1	-0,1	-0,9	0,0	-1,7	-4,7	3,3	0,8	-1,1	0,2	0,2	0,4
Net Exports Contribution	-0,3	0,6	-0,9	0,0	1,9	-0,2	1,6	0,3	-1,2	-0,7	0,6	-0,5	-0,4	-0,5
Exports	3,0	1,8	-4,5	0,8	3,4	-0,1	-9,5	-64,4	22,9	20,4	-15,8	14,9	10,3	6,0
Imports	4,1	-2,1	1,7	0,5	-7,5	1,1	-15,0	-54,1	25,3	19,4	-14,6	14,2	9,7	7,7
Inflation (3)	2,5	1,7	1,8	1,7	2,1	1,8	2,1	0,3	1,2	1,2	1,2	1,5	2,7	2,0

Euro Area	2018a	Q1:19a	Q2:19a	Q3:19a	Q4:19a	2019a	Q1:20a	Q2:20a	Q3:20f	Q4:20f	2020f	Q1:21f	Q2:21f	2021f
Real GDP Growth (YoY)	1,9	1,4	1,3	1,4	1,0	1,3	-3,2	-14,7	-7,2	-6,3	-7,9	-1,5	12,9	4,9
Real GDP Growth (QoQ saar)	-	2,0	0,8	1,1	0,1	-	-14,1	-39,4	42,0	4,2	-	5,1	4,5	-
Private Consumption	1,4	2,2	0,8	1,7	0,5	1,3	-16,8	-41,0	47,9	6,0	-8,4	4,3	4,0	5,2
Government Consumption	1,2	2,2	2,0	2,5	1,0	1,8	-2,8	-10,0	10,4	4,9	-0,5	3,3	3,2	3,5
Investment	3,5	1,7	2,9	-1,1	14,0	5,0	-19,2	-52,6	59,1	12,6	-9,1	6,9	6,1	7,2
Inventories Contribution	0,1	-3,4	5,6	-5,5	1,0	-0,3	2,0	0,2	0,0	-0,1	0,2	0,0	0,0	0,0
Net Exports Contribution	0,2	3,5	-6,0	5,6	-4,1	-0,5	-1,9	-3,8	2,0	-2,6	-1,6	0,6	0,3	-0,2
Exports	3,6	4,2	0,0	2,9	0,5	2,5	-14,7	-56,5	50,8	11,1	-12,3	7,6	6,1	5,7
Imports	3,6	-3,0	14,1	-8,4	10,0	4,0	-12,1	-54,7	46,7	18,2	-10,1	6,5	5,7	6,4
Inflation	1,8	1,4	1,4	1,0	1,0	1,2	1,1	0,2	0,0	-0,2	0,3	0,3	1,4	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

12-Month View & Key Factors for Global Markets

	US	Euro Area	Japan	UK
Equity Markets	<ul style="list-style-type: none"> + Massive Fiscal loosening will support the economy but wont avoid a recession - 2020 EPS growth expectations have further room to fall from +2%. Earnings will contract in 2020 - Forget aggressive share buybacks for now due to political pressures - Peaking profit margins - Protectionism and trade wars - P/Es (Valuations) are in line with long-term averages despite P/E contraction of more than 20% since February highs (19x) 	<ul style="list-style-type: none"> + Still high equity risk premium relative to other regions + Modest fiscal loosening in 2020 excluding Germany (5% of GDP) - 2020-2021 EPS estimates may turn pessimistic as economic growth fails to pick up - Political uncertainty (Italy, Brexit) could intensify 	<ul style="list-style-type: none"> + Still aggressive QE and "yield-curve" targeting by the BoJ - Signs of policy fatigue regarding structural reforms and fiscal discipline - Strong appetite for foreign assets - JPY appreciation in a risk-off scenario could hurt exporters 	<ul style="list-style-type: none"> + 65% of FTSE100 revenues from abroad + Undemanding valuations in relative terms - Elevated Policy uncertainty to remain due to the outcome of the Brexit negotiating process
Government Bonds	<ul style="list-style-type: none"> ● Neutral/Positive + Valuations appear rich with term-premium below 0% + Sizeable fiscal deficit + Underlying inflation pressures if Fed seek makeup strategies - Global search for yield by non-US investors continues - Safe haven demand - Fed to remain at ZLB in the course of 2020-2021 - Fed: Unlimited QE purchases 	<ul style="list-style-type: none"> ● Neutral + Valuations appear excessive compared with long-term fundamentals - Political Risks - Fragile growth outlook - Medium-term inflation expectations remain low - ECB QE net purchases - ECB QE "stock" effect 	<ul style="list-style-type: none"> ● Neutral + 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% 	<ul style="list-style-type: none"> ● Neutral/Negative + Elevated Policy uncertainty to remain due to the outcome of the Brexit negotiating process + Inflation expectations could drift higher ahead of EU/UK negotiations - The BoE is expected to remain on hold with risks towards rate cuts - Slowing economic growth post-Brexit
Foreign Exchange	<ul style="list-style-type: none"> ▲ Slightly higher yields expected + Safe-haven demand - Fed's interest rate differential disappeared following cuts to 0%-0.25% 	<ul style="list-style-type: none"> ▲ Higher yields expected + 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) 	<ul style="list-style-type: none"> ● Stable yields expected + 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% 	<ul style="list-style-type: none"> ▲ Higher yields expected but with Brexit risk premia working on both directions + Transitions phase negotiations + Valuations appear undemanding with REER 6% below its 15-year average - Sizeable Current account deficit - Elevated Policy uncertainty to remain due to the outcome of the Referendum and the negotiating process
	<ul style="list-style-type: none"> ● Broadly Flat EUR against the USD with high volatility around \$1.20 	<ul style="list-style-type: none"> ● Broadly Flat EUR against the USD with high volatility around \$1.20 	<ul style="list-style-type: none"> ▲ Slightly higher JPY 	<ul style="list-style-type: none"> ▲ Higher GBP expected but with Brexit risk premia working on both directions

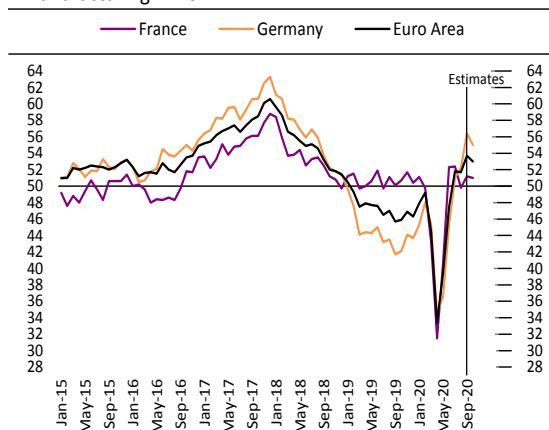
Economic Calendar

In the US, new and existing home sales (September) announcements, will gather investors' attention. In addition, housing starts & building permits data for September are released on October 20th. On Thursday, attention turns to the weekly initial and continuing jobless claims for a more updated view of labor market conditions.

In the Euro area, attention turns to PMI (23/10) and consumer confidence (22/10) surveys for September, as they will provide valuable insight regarding the current economic momentum.

In the UK, PMI manufacturing for October is released on Friday. On Wednesday, attention turns to inflation data for September. CPI is expected at 0.6% yoy from 0.2% yoy in August, while the core figure is expected at 1.3% yoy from 0.9% yoy.

Manufacturing PMIs



Source: NBG Research, Bloomberg

Economic News Calendar for the period: October 13 - October 26, 2020

Tuesday 13				Wednesday 14				Thursday 15									
US		S	A	P	EURO AREA		S	A	P	US		S	A	P			
CPI (YoY)	September	1.4%	1.4%	1.3%	Industrial Production (sa, MoM)	August	0.8%	-0.7%	5.0%	Initial Jobless Claims (k)	October 10	825	-	898	845		
Core CPI (YoY)	September	1.8%	-	1.7%	1.7%	Industrial Production (wda, YoY)	August	-7.0%	-	-7.2%	-7.1%	Continuing Claims (k)	October 3	10550	+	10018	11183
UK					CHINA					Empire Manufacturing	October	14.0	-	10.5	17.0		
ILO Unemployment Rate	August	4.3%	-	4.5%	4.1%	Money Supply M0 (YoY)	September	9.3%	11.1%	9.4%	Philadelphia Fed Business	October	14.8	+	32.3	15.0	
GERMANY					Money Supply M1 (YoY)	September	8.5%	8.1%	8.0%	Outlook							
ZEW survey current situation	October	-60.0	+	-59.5	-66.2	Money Supply M2 (YoY)	September	10.4%	10.9%	10.4%	CHINA						
ZEW survey expectations	October	72.0	-	56.1	77.4	New Yuan Loans (RMB bn)	September	1700.0	1900.0	1278.3	CPI (YoY)	September	1.9%	-	1.7%	2.4%	
CHINA					Aggregate Financing (RMB bn)	September	3000.0	3480.0	3587.3								
Exports YoY	September	10.0%	-	9.9%	9.5%												
Imports YoY	September	0.4%	+	13.2%	-2.1%												
Friday 16				Monday 19													
US		S	A	P	US		S	A	P								
Retail Sales Advance MoM	September	0.8%	+	1.9%	0.6%	NAHB housing market	October	83	+	85	83						
Retail sales ex-autos (MoM)	September	0.4%	+	1.5%	0.5%	confidence index											
Industrial Production (MoM)	September	0.5%	-	-0.6%	0.4%	JAPAN											
Net Long-term TIC Flows (\$ bn)	August	..		27.8	11.3	Exports YoY	September	-2.4%	-	-4.9%	-14.8%						
University of Michigan consumer confidence	October	80.5	+	81.2	80.4	Imports YoY	September	-21.4%	+	-17.2%	-20.8%						
EURO AREA					CHINA												
Trade Balance SA (€ bn)	August	18.0	+	21.9	19.3	GDP (sa, QoQ)	Q3:20	3.3%	-	2.7%	11.7%						
						GDP (YoY)	Q3:20	5.5%	-	4.9%	3.2%						
						Retail sales (YoY)	September	1.6%	+	3.3%	0.5%						
						Industrial production (YoY)	September	5.8%	+	6.9%	5.6%						
Tuesday 20				Wednesday 21				Thursday 22									
US		S	A	P	UK		S	A	P	US		S	A	P			
Building permits (k)	September	1506	..	1476	CPI (YoY)	September	0.6	..	0.2%	Initial Jobless Claims (k)	October 17	865	..	898			
Housing starts (k)	September	1455	..	1416	Core CPI (YoY)	September	1.3%	..	0.9%	Continuing Claims (k)	October 10	9850	..	10018			
										Existing home sales (mn)	September	6.3	..	6.0			
										EURO AREA							
										Consumer Confidence Indicator	October	-15.0	..	-13.9			
Friday 23				Monday 26													
US		S	A	P	EURO AREA		S	A	P	US		S	A	P			
Markit US Manufacturing PMI	October	53.5	..	53.2	Markit Eurozone Manufacturing PMI	October	53.0	..	53.7	New home sales (k)	September	1028	..	1011			
UK					Markit Eurozone Services PMI	October	47.0	..	48.0	GERMANY							
Markit UK PMI Manufacturing	October	53.0	..	54.1	Markit Eurozone Composite PMI	October	49.2	..	50.4	IFO- Business Climate Indicator	October	..	..	93.4	
SA	October	53.4	..	56.1						IFO-Expectations	October	..	..	97.7	
Markit/CIPS UK Services PMI	September	0.5%	..	0.6%						IFO- Current Assessment	October	..	..	89.2	
JAPAN																	
CPI (YoY)	September	0.0%	..	0.2%													
Core CPI (YoY) - ex. Fresh Food	September	-0.4%	..	-0.4%													
Core CPI (YoY) - ex. Fresh Food and Energy	September	-0.1%	..	-0.1%													
PMI manufacturing	October	..	..	47.7											

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 (%)
US	S&P 500	3484	0,2	7,8	16,2	24,0	MSCI Emerging Markets	64026	0,3	4,2	11,2	
Japan	NIKKEI 225	23411	-0,9	-1,0	4,3	2,5	MSCI Asia	1007	0,5	10,3	18,5	
UK	FTSE 100	5920	-1,6	-21,5	-17,6	-16,1	China	103	2,1	20,1	31,6	
Canada	S&P/TSX	16439	-0,7	-3,7	0,1	5,9	Korea	735	-1,6	6,3	13,8	
Hong Kong	Hang Seng	24387	1,1	-13,5	-9,2	-4,2	MSCI Latin America	83384	-0,1	-16,7	-12,4	
Euro area	EuroStoxx	362	-0,7	-10,4	-6,4	0,8	Brazil	309063	0,7	-15,6	-8,2	
Germany	DAX 30	12909	-1,1	-2,6	2,0	10,2	Mexico	34945	-1,7	-12,9	-13,4	
France	CAC 40	4936	-0,2	-17,4	-13,0	-4,1	MSCI Europe	5020	-1,8	-21,2	-14,9	
Italy	FTSE/MIB	19390	-1,0	-17,5	-13,3	-0,3	Russia	1111	-1,6	-18,4	-11,0	
Spain	IBEX-35	6850	-1,5	-28,3	-26,7	-23,9	Turkey	1372774	1,2	-8,7	6,6	

World Market Sectors (MSCI Indices)

in US Dollar terms		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)	in local currency		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)
Energy		103,4	-2,8	-47,5	-44,0	-54,0	Energy		106,0	-2,5	-47,4	-44,4
Materials		283,7	-1,1	4,2	12,7	13,8	Materials		268,6	-0,7	3,1	10,3
Industrials		274,3	0,0	-0,8	5,5	10,2	Industrials		267,6	0,2	-2,1	3,6
Consumer Discretionary		336,9	-0,2	21,1	26,1	36,5	Consumer Discretionary		322,0	0,0	20,0	24,5
Consumer Staples		255,1	-0,2	1,6	4,6	16,8	Consumer Staples		252,7	0,1	0,5	2,6
Healthcare		297,0	-1,0	6,4	18,5	19,7	Healthcare		290,4	-0,8	5,3	16,8
Financials		99,9	-1,4	-20,6	-14,7	-13,4	Financials		99,5	-1,1	-21,1	-15,9
IT		409,4	0,6	31,7	47,3	66,6	IT		394,7	0,7	31,0	46,4
Telecoms		83,9	0,5	8,2	13,4	28,5	Telecoms		87,2	0,6	7,8	12,6
Utilities		149,6	0,4	-0,4	2,0	18,8	Utilities		151,8	0,7	-1,5	0,4

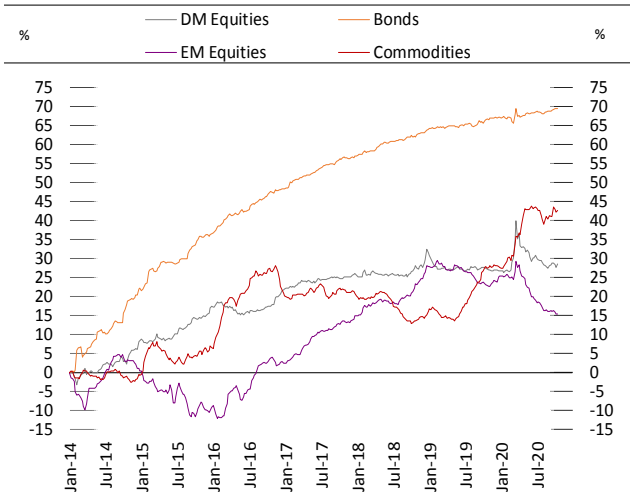
Bond Markets (%)

10-Year Government Bond Yields		Current	Last week	Year Start	One Year Back	10-year average	Government Bond Yield Spreads (in bps)		Current	Last week	Year Start	One Year Back
US		0,75	0,78	1,92	1,75	2,21	US Treasuries 10Y/2Y		60	62	35	15
Germany		-0,62	-0,53	-0,19	-0,41	0,86	US Treasuries 10Y/5Y		42	44	23	18
Japan		0,02	0,04	-0,01	-0,15	0,38	Bunds 10Y/2Y		15	19	42	26
UK		0,18	0,28	0,82	0,68	1,72	Bunds 10Y/5Y		18	20	29	23
Greece		0,79	0,87	1,47	1,39	9,43	Corporate Bond Spreads (in bps)		Current	Last week	Year Start	One Year Back
Ireland		-0,27	-0,20	0,12	0,03	3,05	EM Inv. Grade (IG)		185	186	150	163
Italy		0,65	0,72	1,41	0,89	2,96	EM High yield		671	654	494	549
Spain		0,12	0,18	0,47	0,23	2,68	US IG		133	135	101	119
Portugal		0,11	0,18	0,44	0,18	4,38	US High yield		494	492	360	400
US Mortgage Market (1. Fixed-rate Mortgage)		Current	Last week	Year Start	One Year Back	10-year average	Euro area IG		112	111	94	106
30-Year FRM¹ (%)		3,0	3,0	4,0	3,9	4,1	Euro area High Yield		457	447	308	360
vs 30Yr Treasury (bps)		147	143	156	169	128						

Foreign Exchange & Commodities

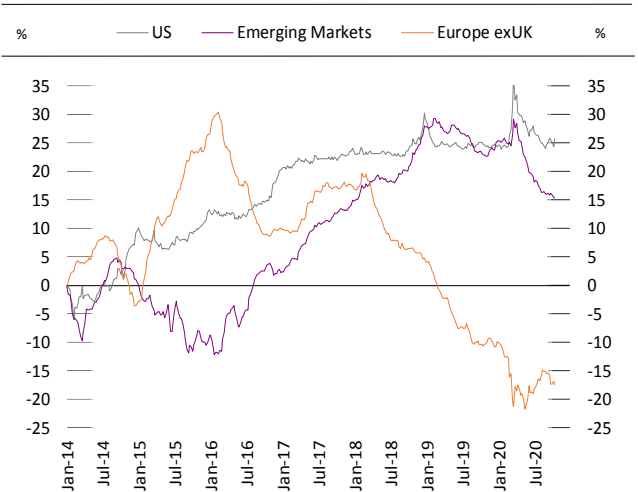
Foreign Exchange		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)	Commodities		Current	1-week change (%)	1-month change (%)	1-Year change (%)
Euro-based cross rates							Agricultural		354	1,7	8,2	5,0
EUR/USD		1,17	-0,9	-0,8	5,3	4,5	Energy		233	0,1	1,4	-48,1
EUR/CHF		1,07	-0,4	-0,2	-2,5	-1,2	West Texas Oil (\$)		41	0,7	1,8	-24,2
EUR/GBP		0,91	0,1	-0,4	5,2	7,3	Crude Brent Oil (\$)		42	0,3	0,2	-30,0
EUR/JPY		123,48	-1,2	-0,4	2,1	1,5	Industrial Metals		1265	0,3	0,5	5,3
EUR/NOK		10,99	1,7	3,1	7,6	11,7	Precious Metals		2200	-1,2	-4,1	24,9
EUR/SEK		10,37	-0,2	-0,4	-4,0	-1,3	Gold (\$)		1899	-1,6	-3,1	27,3
EUR/AUD		1,65	1,3	2,3	1,5	3,6	Silver (\$)		24	-4,0	-11,1	37,7
EUR/CAD		1,55	-0,4	-0,8	5,7	6,1	Baltic Dry Index		1477	-21,9	15,3	-20,6
USD-based cross rates							Baltic Dirty Tanker Index		417	1,2	-6,9	-72,8
USD/CAD		1,32	0,5	0,1	0,4	1,5						
USD/AUD		1,41	2,3	3,2	-3,6	-0,9						
USD/JPY		105,40	-0,2	0,4	-3,0	-3,0						

Global Cross Asset ETFs: Flows as % of AUM



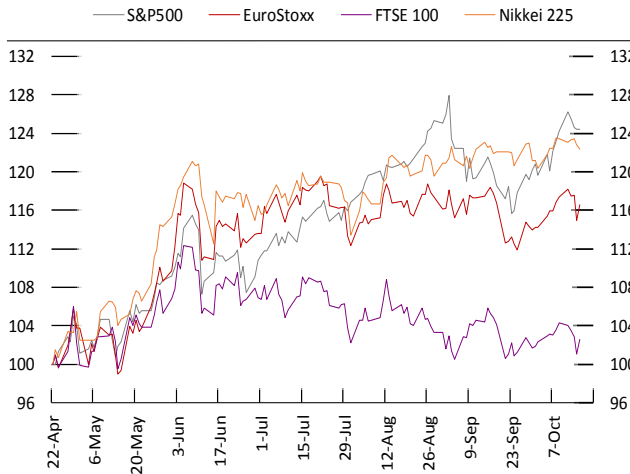
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of October 16th

Equity ETFs: Flows as % of AUM



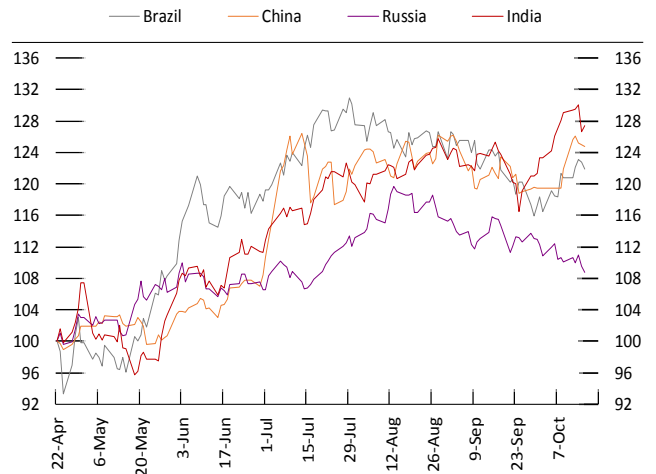
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of October 16th

Equity Market Performance - G4



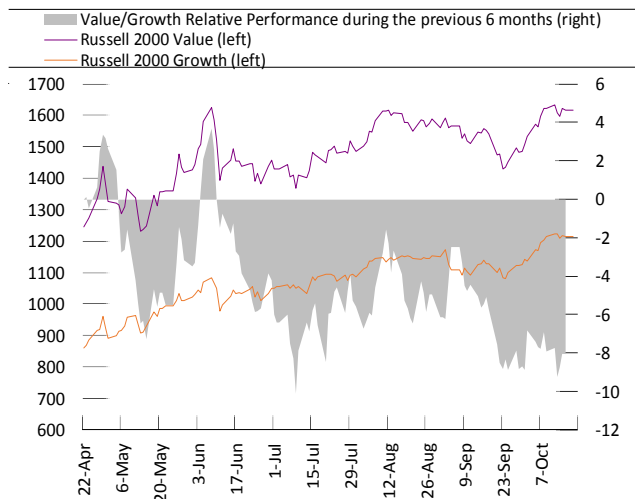
Source: Bloomberg - Data as of October 16th - Rebased @ 100

Equity Market Performance - BRICs



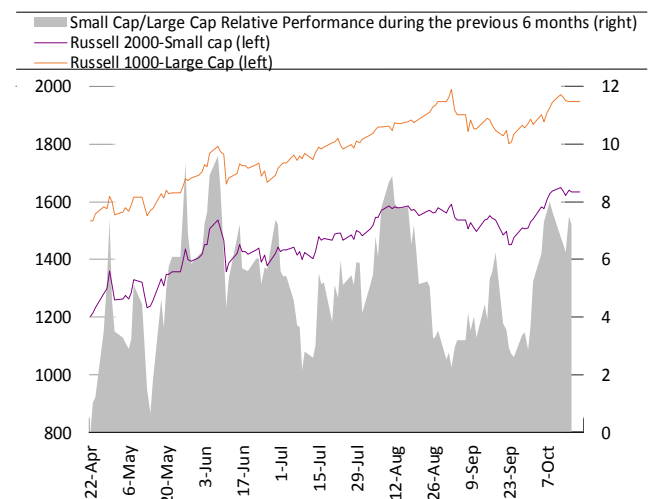
Source: Bloomberg - Data as of October 16th - Rebased @ 100

Russell 2000 Value & Growth Index



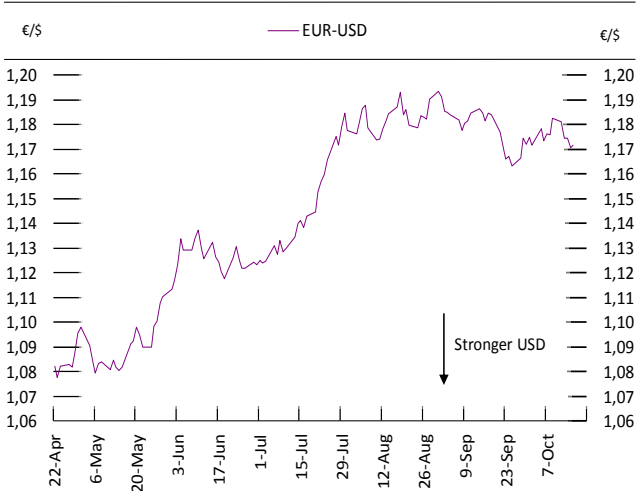
Source: Bloomberg, Data as of October 16th

Russell 2000 & Russell 1000 Index



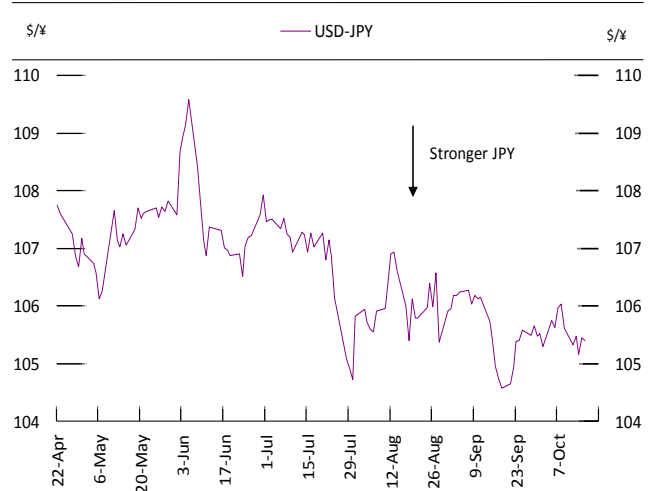
Source: Bloomberg, Data as of October 16th

EUR/USD



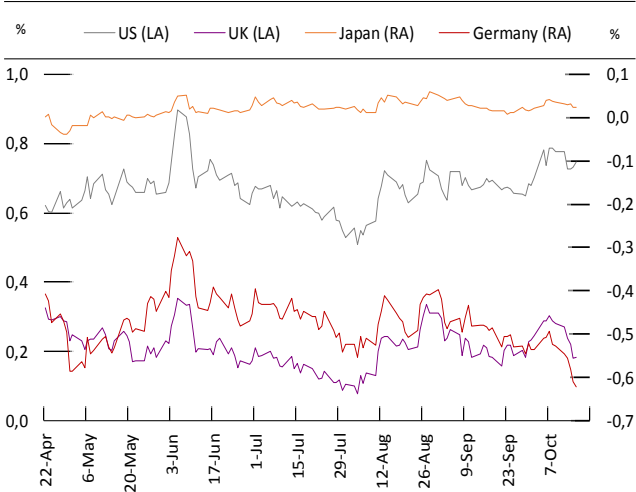
Source: Bloomberg, Data as of October 16th

JPY/USD



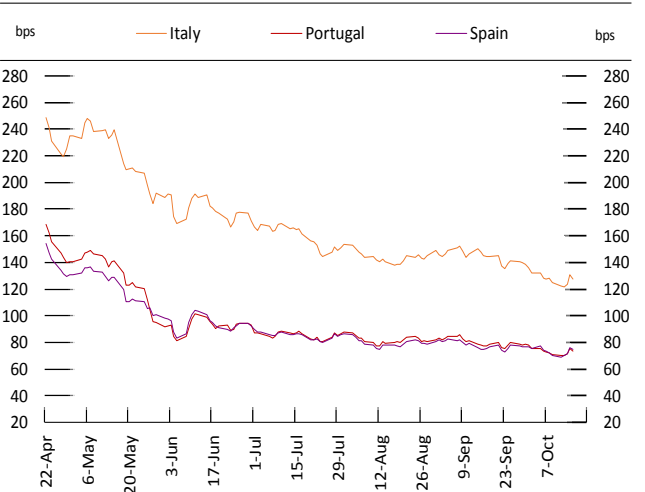
Source: Bloomberg, Data as of October 16th

10- Year Government Bond Yields



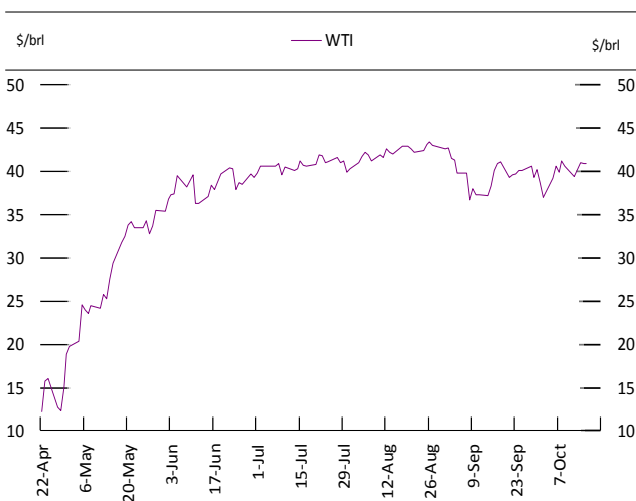
Source: Bloomberg - Data as of October 16th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



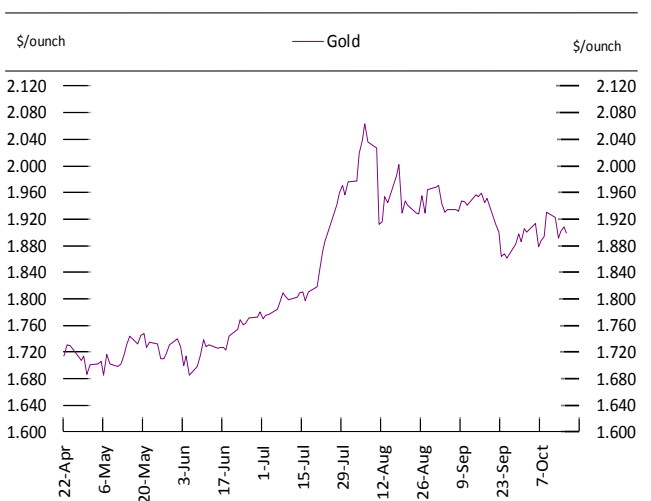
Source: Bloomberg - Data as of October 16th

West Texas Intermediate (\$/bbl)



Source: Bloomberg, Data as of October 16th

Gold (\$/ounce)



Source: Bloomberg, Data as of October 16th

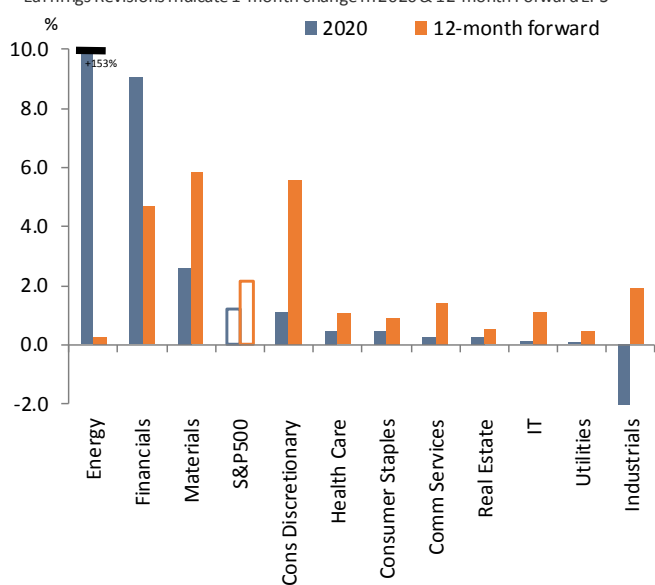
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	16/10/20	% Weekly Change	%YTD	2019	2020	2019	2020	2019	2020	12m fwd	10Yr Avg	2019	2020	12m fwd	10Yr Avg
S&P500	3484	0.2	7.8	1.2	-17.5	1.8	1.7	20.3	26.3	22.2	15.6	3.7	3.8	3.7	2.6
Energy	229	-2.1	-49.9	-28.3	N/A	3.9	7.4	21.5	N/A	N/A	-1.4	1.6	1.0	1.0	1.7
Materials	416	-0.4	7.9	-15.6	-14.9	2.1	2.0	20.2	26.4	21.5	15.1	2.4	2.8	2.7	2.5
Financials															
Diversified Financials	720	0.4	-3.0	1.4	-17.4	1.4	1.6	16.3	18.9	16.4	14.1	1.9	1.7	1.6	1.5
Banks	248	-2.7	-34.6	9.0	-41.2	2.6	3.9	12.3	13.9	11.7	11.0	1.4	0.9	0.8	1.0
Insurance	376	-0.9	-14.8	15.8	-7.3	2.2	2.8	13.4	12.3	10.9	10.9	1.5	1.2	1.1	1.1
Real Estate	224	-2.3	-6.9	1.9	-8.0	3.1	3.1	21.0	21.2	20.2	18.3	3.7	3.3	3.4	3.1
Industrials															
Capital Goods	686	1.2	-5.6	-7.2	-28.2	1.8	1.8	21.2	27.4	21.6	15.9	5.5	4.4	4.2	3.5
Transportation	901	0.5	15.0	6.5	N/A	1.9	1.5	14.7	N/A	N/A	9.9	4.3	6.2	6.0	3.5
Commercial Services	392	1.6	13.7	12.8	-3.6	1.3	1.2	28.5	32.6	30.0	20.6	6.0	5.8	5.6	3.6
Consumer Discretionary															
Retailing	3543	-0.1	44.7	4.4	-2.9	0.7	0.5	33.9	50.0	40.7	23.4	13.9	15.5	13.4	7.1
Consumer Services	1183	-0.2	-9.1	5.0	N/A	2.1	1.6	24.2	N/A	N/A	22.3	16.5	27.0	46.9	8.4
Consumer Durables	410	-1.4	10.1	-0.4	-16.2	1.5	1.3	19.7	26.2	21.3	17.1	4.1	4.3	4.0	3.2
Automobiles and parts	108	2.9	-9.6	-16.8	N/A	4.2	1.2	8.5	N/A	N/A	7.7	1.3	1.3	1.3	1.6
IT															
Technology	2246	1.6	40.9	2.6	4.1	1.3	1.0	21.6	28.2	25.4	13.2	9.7	14.6	15.8	4.3
Software & Services	2951	0.3	28.5	11.4	7.9	0.9	0.8	29.5	34.0	30.8	18.3	7.9	9.6	8.8	5.4
Semiconductors	1618	1.0	30.3	-12.3	7.1	1.8	1.5	18.9	22.9	20.8	14.3	5.6	6.4	5.9	3.3
Communication Services	200	0.9	10.3	3.0	-11.7	1.2	1.0	21.8	26.5	23.0	17.8	3.5	3.5	3.3	2.9
Media	764	1.6	17.2	3.8	-10.9	0.4	0.3	27.4	34.7	28.2	20.7	4.2	4.5	4.1	3.3
Consumer Staples															
Food & Staples Retailing	562	1.6	13.1	2.9	-1.5	1.7	1.5	21.5	25.1	24.4	16.7	4.6	5.1	4.8	3.2
Food Beverage & Tobacco	693	0.3	-3.0	-1.7	-1.4	3.3	3.4	19.7	19.4	18.3	17.8	5.3	5.2	4.9	5.0
Household Goods	860	0.8	15.6	6.4	8.3	2.3	2.0	26.0	27.8	26.4	19.8	9.5	10.6	10.3	5.6
Health Care															
Pharmaceuticals	1021	-1.6	3.6	10.8	8.0	2.1	2.3	16.2	15.4	14.3	14.8	6.3	5.3	4.9	3.9
Healthcare Equipment	1491	0.9	8.2	9.9	-0.6	1.0	1.0	20.7	22.2	19.7	15.7	3.8	3.6	3.3	2.7
Utilities	325	0.8	-0.9	4.9	1.6	3.1	3.2	20.7	20.3	19.5	16.1	2.2	2.1	2.0	1.7

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 2020 & 12-month Forward EPS

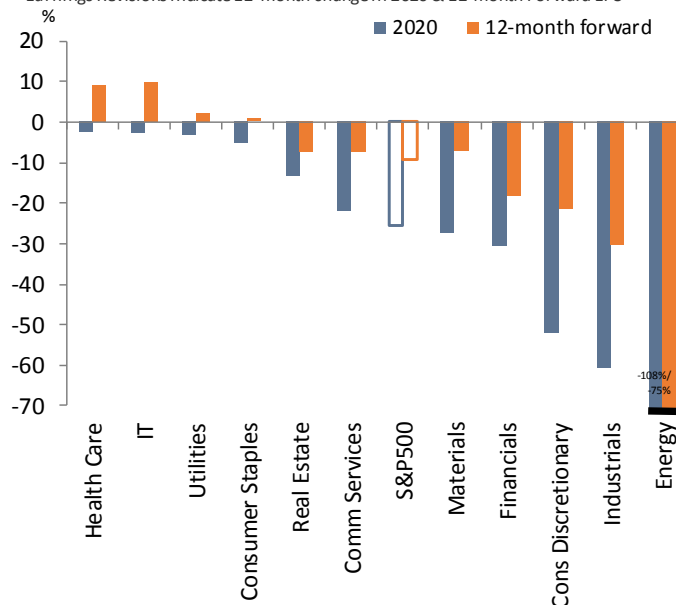
Earnings Revisions indicate 1-month change in 2020 & 12-month Forward EPS



Source: Factset, Data as of October 16th
12-month forward EPS are 21% of 2020 EPS and 79% of 2021 EPS

12-month revisions to 2020 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2020 & 12-month Forward EPS



Source: Factset, Data as of October 16th
12-month forward EPS are 21% of 2020 EPS and 79% of 2021 EPS

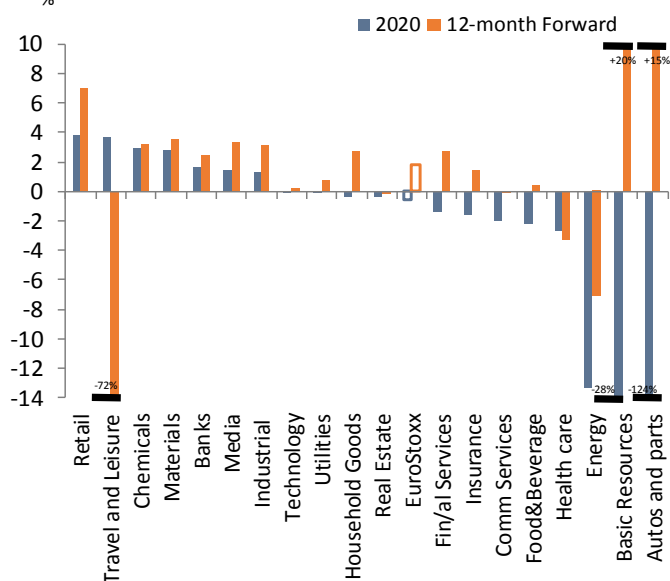
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	16/10/20	% Weekly Change	%YTD	2019	2020	2019	2020	2019	2020	12m fwd	10Yr Avg	2019	2020	12m fwd	10Yr Avg
EuroStoxx	362	-0.7	-10.4	2.2	-42.1	3.0	2.5	16.8	25.7	18.8	13.5	1.7	1.6	1.5	1.4
Energy	203	-2.7	-38.1	-10.1	-75.5	5.0	5.9	13.7	34.1	18.4	12.0	1.3	1.0	1.0	1.1
Materials	407	-1.8	-16.5	12.5	-40.8	3.1	2.8	15.4	21.9	15.9	14.3	1.8	1.6	1.5	1.4
Basic Resources	169	0.1	-17.1	-60.5	N/A	3.1	2.0	20.8	N/A	N/A	9.2	0.9	0.9	0.8	0.9
Chemicals	1186	-0.7	0.9	-13.5	-16.7	2.7	2.6	21.6	26.5	22.7	15.5	2.1	2.2	2.2	2.2
Financials															
Fin/Al Services	464	-1.6	-8.0	23.4	-38.5	2.6	2.7	14.7	21.6	16.4	13.7	1.5	1.2	1.1	1.2
Banks	56	-4.1	-42.6	-1.1	-58.3	5.7	3.8	9.2	12.6	9.3	9.5	0.6	0.4	0.4	0.7
Insurance	221	-3.3	-26.7	12.3	-22.5	4.8	6.5	11.0	10.3	8.3	9.3	1.0	0.7	0.7	0.9
Real Estate	198	-1.5	-19.7	0.2	-7.1	4.2	4.3	19.1	16.5	16.0	17.0	1.0	0.8	0.8	1.0
Industrial	875	-0.4	-6.9	12.0	-47.3	2.4	1.7	20.2	35.2	24.2	15.7	3.2	2.9	2.8	2.4
Consumer Discretionary															
Media	205	0.1	-8.5	4.1	-19.6	2.6	2.4	17.9	20.1	17.6	15.6	2.5	2.3	2.2	1.8
Retail	632	-0.5	5.1	4.9	-38.4	2.6	1.7	26.0	44.2	30.9	22.0	6.7	6.0	5.6	4.2
Automobiles and parts	426	1.5	-12.3	-12.2	N/A	3.7	1.5	8.7	N/A	N/A	13.0	0.9	0.8	0.8	1.0
Travel and Leisure	178	-1.4	-17.1	-10.1	N/A	2.2	0.4	16.8	N/A	N/A	13.7	2.0	1.9	1.8	2.0
Technology	691	0.3	14.0	2.1	-11.2	1.1	0.7	27.9	34.6	28.6	18.9	4.8	4.7	4.4	3.3
Communication Services	241	-1.4	-16.4	-9.6	-4.2	4.0	4.4	18.0	15.5	14.1	14.7	1.8	1.4	1.4	1.8
Consumer Staples															
Food&Beverage	471	-2.5	-21.3	16.8	-38.5	2.1	2.0	20.6	26.1	21.0	18.8	2.7	2.1	2.0	2.6
Household Goods	1122	2.4	4.8	6.4	-29.4	1.6	1.2	29.9	43.5	33.8	21.8	6.1	5.9	5.5	3.9
Health care	821	-1.7	-5.7	7.0	-10.0	2.1	2.1	20.2	20.5	18.6	15.6	2.4	2.3	2.2	2.2
Utilities	357	0.3	3.0	57.7	-4.1	4.5	4.4	16.2	17.1	15.7	12.8	1.6	1.5	1.5	1.1

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 2020 & 12-month Forward EPS

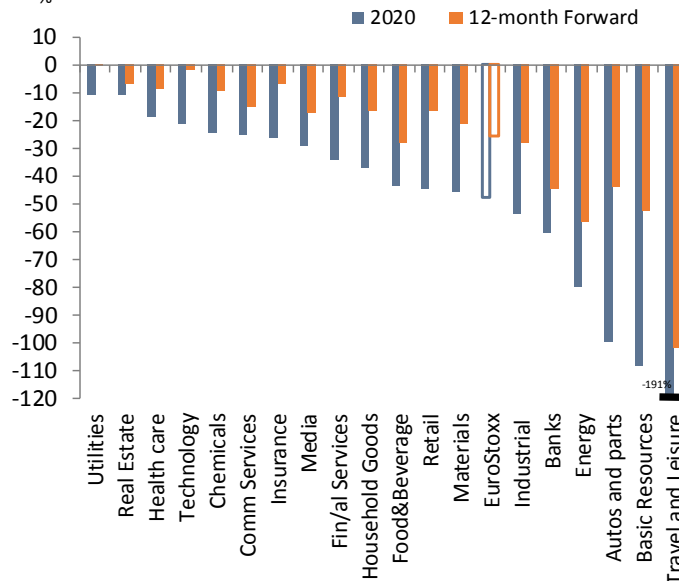
Earnings Revisions indicate 1-month change in 2020 & 12-month Forward EPS %



Source: Factset, Data as of October 16th
12-month forward EPS are 21% of 2020 EPS and 79% of 2021 EPS

12-month revisions to 2020 & 12-month Forward EPS

Earnings Revisions indicate 12-month change in 2020 & 12-month Forward EPS %



Source: Factset, Data as of October 16th
12-month forward EPS are 21% of 2020 EPS and 79% of 2021 EPS

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