Global Markets Roundup

National Bank of Greece | Economic Research Division | May 30, 2017

NATIONAL BANK OF GREECE

Equity markets broadly unaffected following Moody's downgrade to China

- Moody's downgraded China's long-term credit rating to A1 from Aa3, with a stable outlook (S&P: AA-, Fitch: A+), citing rising debt and leverage concerns. Indeed, private non-financial sector debt appears to have reached an excessively high level (209% of GDP, compared with 127% in 2009, see graph).
- Growth remains heavily reliant on policy stimulus, challenging the sustainability of the pace of economic expansion over the long term. China's GDP growth rose by 6.9% yoy in Q1:17, but consensus expects it to slow in the coming quarters. Similarly, the IMF expects growth to decelerate, albeit slightly, from a 5-year average (2012-2016) of 7.3% to 6.6% in 2017 (2018: 6.2%).
- Chinese markets had a muted reaction to the downgrade, with bond yields up slightly (10Yr government bond yield: c. +3 bps wow to 3.66%) and equities remaining broadly unaffected (MSCI China (offshore): +2.3% wow / 23% YtD, CSI 300 A-shares (onshore): +2.2% / +5.1% YtD).
- In the US, FOMC minutes from the May 2-3 meeting continue to indicate a rate hike in June (an event which has been largely priced-in by investors). The positive revision to Q1:17 GDP growth also supports this view (by 0.5 pps to 1.2% qoq saar, see Economics Section).
- Regarding the process of normalizing monetary policy, policymakers stated it would be appropriate to begin reducing the Fed's asset holdings by end-year. Note that there was broad support for a proposal for "a schedule of gradually increasing caps" in order to limit the amount of securities allowed to mature each month (UST and MBS maturities exceeding the caps would be reinvested).
- The US administration published the President's Budget for FY:2018. It contains significant spending cuts, but the lack of explicit tax cut proposals and optimistic growth assumptions (3.0% from 2021 to 2026) will make it difficult to be passed by Congress.
- In the euro area, business surveys continue to perform strongly (composite PMI at a 6-year high) and credit expansion remains solid (+2.6% yoy in April). Nevertheless, financial stability risks advise caution, according to the ECB (Financial Stability Review, May '17). Specifically, downside risks include a rapid repricing in fixed-income markets, sovereign debt sustainability concerns and bank vulnerabilities.
- Global equity markets increased on a weekly basis, as economic data over-performed and volatility moderated following the past week's spike. Nevertheless, the "so-called" Trump trades have reversed course, except for Cyclicals vs Defensives, as the new US administration has made little progress on its agenda (see graph).
- The British pound came under renewed pressure during the past week, on the back of downwardly revised UK GDP growth for Q1:17 (-0.1 pp to 0.2%). Furthermore, the Manchester attack early in the week, as well as the narrowing in the Conservatives' lead in recent polls ahead of the June 8 elections (+7% vs 14% a week ago), took their toll on the pound, which weakened by 1.8% wow in NEER terms as well as against the USD to $/£1.279.

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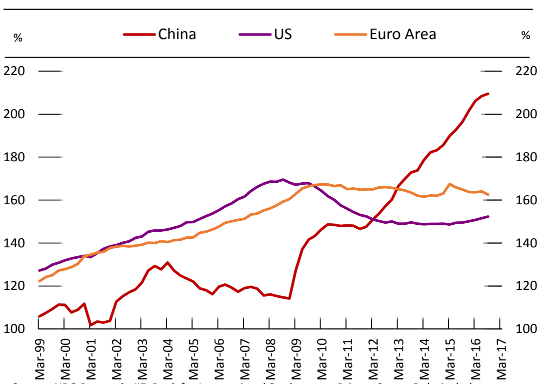
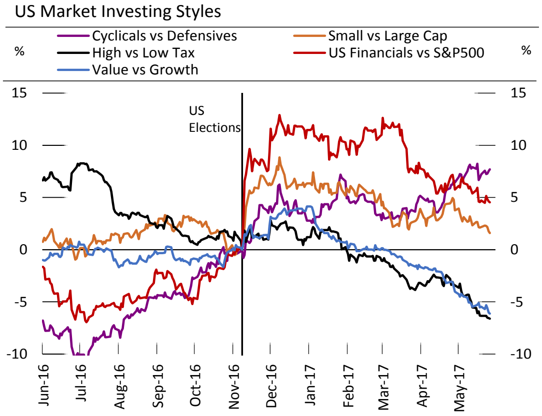
Charts of the week

Private Sector Debt as % of GDP



Source: NBG Research, IIF, Bank for International Settlements, Private Sector Debt includes Household & Non-financial Corporate debt

US Market Investing Styles



Source: NBG Research, Bloomberg, High & Low Tax Indices are Goldman Sachs Baskets

See page 14 for disclosures and analyst certification

US GDP growth was revised up, mainly due to business investment

- **The 2nd estimate of US GDP growth for Q1:17 was revised up by 0.5 pps to 1.2% qoq saar, (2.1% qoq saar in Q4:16). In contrast, corporate profitability demonstrated signs of deceleration, albeit mainly due to legal settlement payments involving two financial and one non-financial-sector companies.** The upward revision to growth was mainly due to business fixed investment, adding 1.9 pps to overall growth compared with 1.6 pps in the previous estimate, and personal consumption (+0.4 pps contribution vs +0.2 pps). Corporate profits (NIPA accounts) for Q1:17 decreased by -1.9% qoq (3.7% yoy), following a soft +0.5% qoq (+9.3% yoy) in Q4:16. The slowdown was mainly due to domestic financial activities that declined by -5.5% qoq (+12.3 yoy), following a federal government penalty on a unit of Deutsche Bank and Credit Suisse. Domestic non-financial sector profits declined by -1.6% qoq (-5.6% yoy), following a fine on a subsidiary of Volkswagen related to violations of environmental regulations. Overall, the latest readings were depressed by the legal settlement payments and are expected to recover in the following quarters.

US housing market activity data were downbeat

- **Housing market data surprised on the downside, with home sales weakening by more than expected in April.** New home sales declined by 11.4% mom to 569k, undershooting estimates for a limited fall (-1.8%), with broad-based declines across all four Census regions. The slowdown could reflect a lagged response to higher mortgage rates over the previous months (30yr fixed mortgage rate is up 41 bps yoy to 4.2% in May, after reaching a c. 3-year high of 4.5% in late-March). Similarly, existing home sales fell by 2.3% mom to 5.57 mn in April, below consensus expectations (-1.1%). In a separate report, the FHFA house price index was rose by 0.6% in March (up by 6.2% on annual basis) from +0.8% mom in February (+6.4% yoy).

The trade deficit widened in April

- **The US trade balance (advance estimate) widened in April, as exports declined for a 2nd consecutive month, while imports increased.** Goods exports declined by 0.9% mom (+5.4% yoy), mainly driven by autos (-7.5% mom), while goods imports rose by 0.7% mom (+9.3% yoy). As a result, the trade deficit (12-month rolling sum) widened by $2.5bn to $67.6bn and stood at 4.3% of GDP. It should be noted that, according to the Atlanta Fed's GDPNowcast model, GDP growth for Q2:2017 is currently expected at 3.7% qoq saar, from 4.1% qoq saar in the previous week.

Euro area PMIs continue to signal strong growth

- **Euro area business surveys point to a positive path for the economy, with the composite PMI stable at 56.8 in May, a 6-year high, indicating strong growth.** At these levels, the composite PMI is consistent with GDP growth of c. 0.6%-0.7% qoq in Q2:17 compared with 0.5% qoq in Q1:17. Regarding sectors, manufacturing rose to a 73-month high in May, reflecting strong export growth, while services recorded a marginal decline.

Overall, increased backlogs of work in both sectors and favorable demand conditions underpin strong job creation and firms' plans to expand capacity, according to the survey. Finally, selling prices continued to rise, but input cost inflation moderated to a 5-month low, possibly suggesting some easing in inflation in the coming months.

- **Regional PMI reports for both Germany and France signaled similar optimism, albeit activity moderated slightly in the rest of the euro area.** In France, the composite PMI rose to 57.6 in May, from 56.6 previously, while its German counterpart strengthened by 0.6 pts to 57.3. Both indices are hovering around 6-year highs. Local surveys were consistent with these results, with the German IFO business climate indicator increasing by 1.6 pts in May to an all-time high level of 114.6.

UK GDP was revised down, due to a deceleration in consumer spending

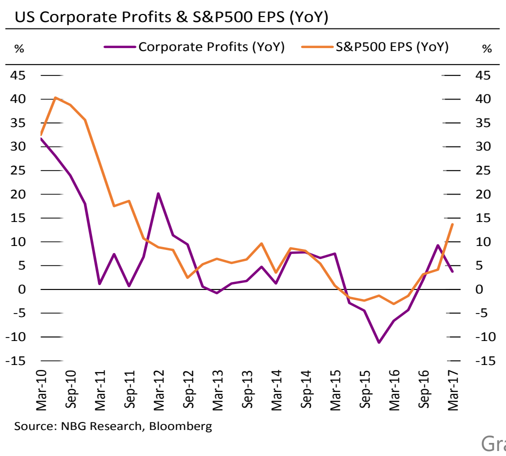
- **GDP growth in Q1:17 was revised down (by 0.1 pp), as rising inflation took its toll on consumer spending and exports failed to benefit from the depreciation of the GBP.** GDP growth was 0.2% qoq (2.0% yoy), following a robust 0.7% qoq in Q4:16, and may partly reflect payback from the strong performance of previous quarters. Gross fixed capital formation was the main contributor to overall growth (+0.2 pps), up by 1.2% qoq (from 0.1% qoq in Q4:16). Furthermore, government spending rose by 0.8% qoq (from zero growth in Q4:16) and added 0.1 pp to overall growth. On a negative note, the weaker currency failed to support net trade, that subtracted 1.4 pps from GDP growth (from +1.7 pps in Q4:16), as exports fell by 1.6% qoq, while imports rose by +2.7% qoq. Moreover, private consumption slowed from +0.7% qoq in Q4:16 to +0.3% qoq in Q1:17, as the GBP depreciation gradually passes through to higher prices, consequently reducing real incomes and squeezing consumer purchasing power. Monetary policy is unlikely to react to the higher inflation this year, due to the probability of a slower pace of expansion than the Bank of England expected in its May inflation report (0.7% qoq in Q2:17), as well as ongoing Brexit negotiations.

Japan: Inflation continues to rise, albeit the underlying trend remains weak

- **Inflation data continued to improve in April, albeit a sustainable upward underlying trend remains elusive.** Headline CPI inflation reached 0.4% yoy, up 0.2 pps compared with the previous month. At the same time, the CPI ex-fresh food rose by 0.1 pp to +0.3% yoy. The outcome was widely anticipated, and was solely due to the fading effect of the past year's energy price declines. On the other hand, manufacturing PMI fell to a 6-month low of 52.0 in May, albeit remaining strong, from 52.7 in the previous month, mainly due to weak job creation data. Note that the average PMI so far in Q2:17 (April-May) stands at 52.4, compared with 52.8 in Q1:17.

Equities

- **Global equity markets were up on a weekly basis**, as economic data over-performed and volatility moderated after the past week's spike, reinforcing investors' risk appetite. Specifically, the MSCI World index rose by 1.1% wow, with emerging markets out-performing their developed market peers (1.6% vs 1.0%, respectively), despite China's credit rating downgrade by Moody's and lower oil prices. In the US, the S&P500 was up 1.4% wow, led by technology (2.3%), consumer staples (2.2%) and utilities (2.5%), which recorded robust gains. US financials were also up 1.3% wow. As the US Q1:17 earnings season concludes, out of the 494 companies that have reported so far, circa 75% have exceeded analyst estimates, with EPS growth at 13.9% yoy. Technology (86% positive surprises, EPS growth at 17.6%) and financials (81% positive surprises, EPS growth at 18.7%) were the best performing US sectors in Q1:17. In Europe, the UK's FTSE100 index strengthened by 1.0% wow as the GBP weakened, while the EuroStoxx index was flat on a weekly basis (despite rising by 0.5% due to the better-than-expected PMI data on 23/5).

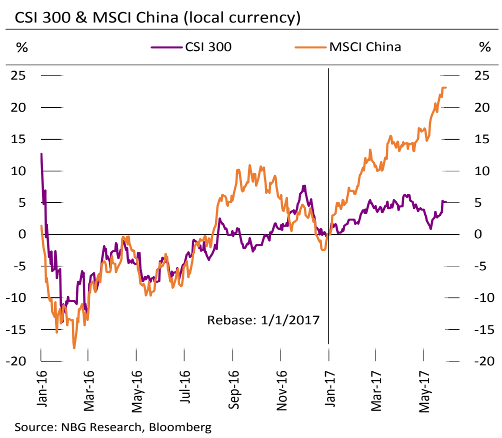


Graph 1.

Fixed Income

- **Long-term nominal Government bond yields were mixed during the past week.** The UST 10-year yield remained largely unchanged over the week (+1 bp wow to 2.25%). In contrast, government bond yields in Europe fell, with the UK's 10-year Gilt yield down 8 bps wow to 1.01% (the lowest level since October '16) and its German counterpart down 4 bps wow to 0.33%. Euro area periphery bond yields were flat over the week in most countries (at 177 bps for Italian 10Yr BTPs, 120 bps for Spanish 10Yr Bonos and 281 bps for the Portuguese government 10Yr bond), excluding Greece (+31 bps to 564 bps).

- **High yield corporate bond spreads narrowed**. US high yield corporate bond spreads declined by 11 bps wow to 367 bps, despite lower oil prices, as investors' risk appetite improved from the previous week, due, *inter alia*, to political woes. Similarly, euro area HY spreads fell by 10 bps wow to 303 bps. In contrast, investment grade corporate bonds spreads were unchanged on a weekly basis (US IG at 118 bps, euro area IG at 109 bps).

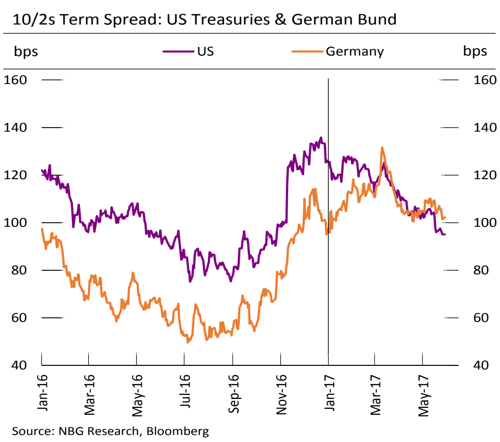


Graph 2.

FX & Commodities

- **In foreign exchange markets, the British pound came under pressure in the past week,** on the back of downwardly revised UK GDP growth for Q1:17 (-0.1pp to 0.2%). Moreover, a decrease in the Conservative Party's lead (from c. 14% to 7%), according to recent polls, also took its toll. Overall, the British Pound declined by 1.8% wow in NEER terms, while it weakened by 1.6% against the euro to €/£0.874. Most other major currencies were little changed over the week, with the US dollar up slightly against the euro by 0.2% to $/€1.118.

- **In commodities, OPEC and non-OPEC oil producers agreed to extend output curbs by nine months until Q1:18, as expected.** Nevertheless, oil prices declined by c. 5% on Thursday (25/5), the day of the meeting, ending the week down and reversing part of their earlier gains (WTI was up by +11% between 5 and 24 May). Indeed, oil prices moderated in the past week, with WTI declining by 1.1% to $49.8/barrel and Brent down by 3.0% to $51.8/barrel, despite the decline in US oil inventories (-4.4 mbs to 516 million barrels for the week ending May 19th). In precious metals, gold was up slightly by 0.9% wow to $1.267/ounce and silver strengthened by 2.8% wow to $17.4/ounce.



Graph 3.

Quote of the week: "The times in which we can fully count on others are somewhat over, as I have experienced in the past few days (...) We Europeans must really take our destiny into our own hands", **Angela Merkel, Chancellor of Germany,** May 28th 2017.

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Tactical Asset Allocation (3-month)

- **Equities**: We are **Overweight** amidst expectations for a recovery in global growth. O/W Euro area on declining political risks and strong growth. O/W UK in anticipation of strong election results in favor of incumbent PM May. O/W Banks due to higher yields (following their recent correction) and steeper curves (particularly Euro area).
- **Government Bonds:** The trend of higher long-term Government yields will re-emerge reflecting less aggressive CBs and a gradual buildup in inflation expectations. **Underweight Govies**. Steeper curves, particularly in Bunds.
- **Credit**: Credit spreads have less fuel to run from current levels. **Underweight position in credit.**
- **Cash:** We hold an **OW position** in cash, as a hedge, as well as a way of being tactical.

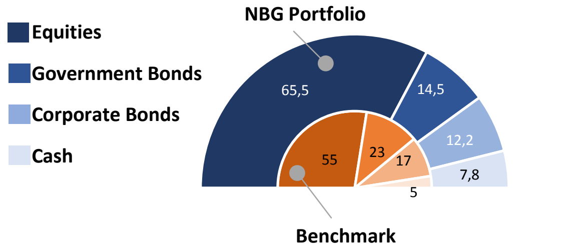
NBG Global Markets - Main Equity Sector Calls

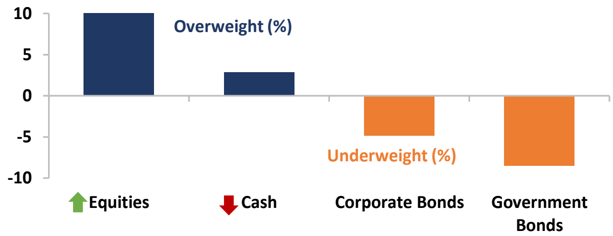
US Sector	Position	View/Comment
Banks	OW	Rising rates support interest margins, less regulation also positive. Neg: Loan volumes are declining and curves are now flattening
Energy	UW	OPEC's deal implementation (assuming a 9-month extension) remains a risk and oil price weakness has aggravated recently. US oil production is increasing (at 2015 high levels)
Materials	UW	Commodities (copper, iron ore) are declining. Renewed concerns regarding Chinese growth
Cyclical Sectors*	Neutral	We choose neutral positions across other sectors, for now
Defensive Sectors**	Neutral	

EA Sector	Position	View/Comment
Banks	OW	Steeper curves and attractive valuations on P/B terms should offset bouts of volatility. Private sector loan growth is increasing
Energy	UW	OPEC's deal implementation (assuming a 9-month extension) remains a risk and oil price weakness has aggravated recently. US oil production is increasing (at 2015 high levels)
Materials	UW	Commodities (copper, iron ore) are declining. Renewed concerns regarding Chinese growth
Cyclical Sectors*	Neutral	We choose neutral positions across other sectors, for now
Defensive Sectors**	Neutral	

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

Total Portfolio Allocation





Detailed Portfolio Breakdown

Equities	Portfolio	Benchmark	OW/UW
US	50	52	-2,0
Euro area	13	10	3,0
UK	9	7	2,0
Rest of Dev. Europe	5	5	-
Japan	7	7	-
Rest of Dev. World	8	8	-
EM Asia	6	7	-1,0
EM Latin America	0,5	2	-1,5
EMEA	1,5	2	-0,5

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

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

Notes:
1. (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. (2) All figures shown are in percentage points.
3. (3) OW/UW: Overweight/Underweight relative to Benchmark.
4. (4) Green (red) color arrows suggest an increase (decrease) in relative asset class weights (portfolio vs benchmark) over the last week.

	US	Euro Area	Japan	UK
Equity Markets	+ Fiscal loosening + EPS acceleration + Cash-rich corporates lead to share buybacks and higher dividends (de-equitization) - Demanding valuations - Peaking profit margins - Protectionism and trade wars	+ Still high equity risk premium due to policy uncertainty + Credit conditions gradual turn more favorable + Small fiscal loosening - Sovereign debt crisis could re-emerge - EPS estimates are declining - Strong Euro in NEER terms (2016 vs 2015)	+ Aggressive QE by the BoJ + Upward revisions in corporate earnings - Signs of policy fatigue regarding structural reforms and fiscal discipline - Strong appetite for foreign assets - If sustained, Japanese Yen appreciation hurts exporters companies	+ 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 Referendum and the negotiating process
	Neutral/Positive	**Neutral**	**Neutral**	**Neutral/Negative**
Government Bonds	+ Valuations appear rich + Underlying inflation pressures + The Fed is expected to increase its policy rate towards 1,5% by end-2017 - Global search for yield by non-US investors continues - Fed's commitment on gradual tightening policy - Safe haven demand	+ Upside risk in US benchmark yields + Valuations appear excessive compared with long-term fundamentals - Political Risk - Fragile growth outlook - Medium-term inflation expectations remain low - Gradually less accommodative monetary policy by the ECB	+ 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 Referendum and the negotiating process + Rich valuations + Inflation overshooting due to GBP weakness feeds through inflation expectations - The BoE is expected to cut rates or/and re-activate asset purchases - Slowing economic growth post-Brexit
	Higher yields expected	**Higher yields expected**	**Stable yields expected**	**Higher yields expected**
Foreign Exchange	+ The Fed is expected to increase its policy rate towards 1.5% in 2017 + Growth to remain slightly above-trend in 2017 + Destination-based taxation with border adjustment - Mid-2014 rally probably out of steam - Protectionism and trade Wars	+ 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)	+ 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 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
	Long USD against its major counterparts	**Flat EUR against the USD with upside risks short term**	**Lower JPY against the USD**	**Weaker GBP against the EUR and the USD**

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

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Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	May 26th	3-month	6-month	12-month
Germany	0,33	0,40	0,50	0,70
US	2,25	2,65	2,75	2,90
UK	1,01	1,25	1,39	1,54
Japan	0,04	0,05	0,06	0,08

Official Rate (%)	May 26th	3-month	6-month	12-month
Euro area	0,00	0,00	0,00	0,00
US	1,00	1,25	1,50	1,75
UK	0,25	0,25	0,25	0,25
Japan	-0,10	-0,10	-0,10	-0,10

Currency	May 26th	3-month	6-month	12-month
EUR/USD	1,12	1,10	1,11	1,12
EUR/GBP	0,86	0,85	0,85	0,86
EUR/JPY	125	124	127	129

Currency	May 26th	3-month	6-month	12-month
USD/JPY	111	113	114	115
GBP/USD	1,28	1,30	1,31	1,30

Forecasts at end of period

Economic Forecasts

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

Euro Area	2015a	Q1:16a	Q2:16a	Q3:16a	Q4:16a	2016a	Q1:17f	Q2:17f	Q3:17f	Q4:17f	2017f
Real GDP Growth (YoY)	1,9	1,7	1,6	1,8	1,8	1,7	1,7	1,6	1,6	1,7	1,7
Real GDP Growth (QoQ saar)	-	2,2	1,3	1,7	1,9	-	1,8	1,8	1,7	1,8	-
Private Consumption	1,8	2,9	1,4	1,3	1,8	1,9	1,7	1,7	1,7	1,7	1,7
Government Consumption	1,3	2,8	1,3	0,6	1,8	1,8	1,2	1,3	1,7	1,8	1,4
Investment	3,0	3,2	4,7	-0,7	14,0	2,5	2,8	3,2	2,6	2,6	2,2
Inventories Contribution	-0,2	-1,1	-0,6	0,5	1,3	0,0	0,0	0,0	0,0	0,0	0,1
Net Exports Contribution	0,2	0,6	-0,1	0,5	-3,3	-0,2	-0,2	-0,1	-0,1	-0,1	-0,1
Exports	6,3	1,0	5,3	1,5	7,3	2,7	3,4	3,6	3,7	3,7	3,8
Imports	6,3	-0,3	6,1	0,4	16,5	3,4	4,2	4,2	4,3	4,2	4,4
Inflation	0,0	0,0	-0,1	0,3	0,7	0,2	1,8	1,7	1,6	1,5	1,7

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

South Eastern Europe Economic Forecasts

Economic Indicators

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

f: NBG forecasts

Stock Markets (in local currency)

Country - Index	29/5/2017	Last week return (%)	Year-to-Date change (%)	2-year change (%)
Turkey - ISE100	97.726	1,4	25,1	17,8
Romania - BET-BK	1.645	1,6	22,4	18,2
Bulgaria - SOFIX	656	0,1	11,8	35,7
Serbia - BELEX15	718	-3,0	0,0	1,3

Financial Markets

	29/5/2017	3-month forecast	6-month forecast	12-month forecast
1-m Money Market Rate (%)				
Turkey	12,9	12,5	11,5	10,5
Romania	0,7	2,0	3,8	4,0
Bulgaria	0,0	0,1	0,1	0,2
Serbia	3,4	3,4	3,5	3,8
Currency				
TRY/EUR	3,99	3,90	3,82	3,80
RON/EUR	4,56	4,53	4,51	4,50
BGN/EUR	1,96	1,96	1,96	1,96
RSD/EUR	122,6	123,2	124,0	124,2
Sovereign Eurobond Spread (in bps)				
Turkey (USD 2020)(*)	212	208	200	180
Romania (EUR 2024)	173	160	150	140
Bulgaria (EUR 2022)	106	104	102	100
Serbia (USD 2021)(*)	171	165	160	150

(*) Spread over US Treasuries

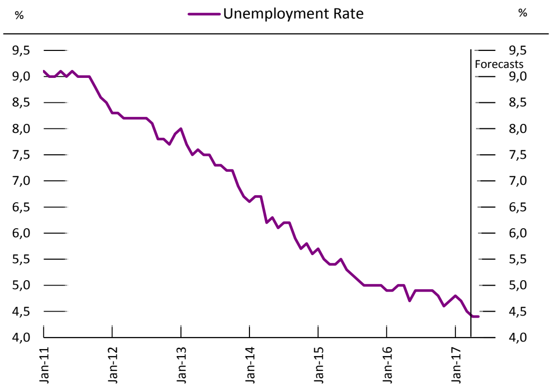
Economic Calendar

The main macro event next week is the US labor market report due for release next Friday. Nonfarm Payrolls are expected to have increased by 185k in May from 211k in April, while the unemployment rate is expected to remain stable at 4.4%.

In the euro area, markets will focus, on Wednesday, on the inflation data for May and unemployment rate for April. Inflation is expected to increase by 1.5% yoy from 1.9% yoy in April. Unemployment rate is expected to decline to 9.4% from 9.5% in the previous month.

In UK, the PMIs for May are released. PMI Manufacturing is expected at 56.5 in May from 57.3 in April.

US Unemployment Rate



Source: NBG Research, Bloomberg

Economic News Calendar for the period: May 23 - June 5, 2017

Tuesday 23

US		S		A	P
Markit US Manufacturing PMI	May	53.0	-	52.5	52.8
New home sales (k)	April	610	-	569	642
Existing home sales (mn)	April	5.65	-	5.57	5.70
JAPAN					
Nikkei PMI Manufacturing	May	..		52.0	52.7
EURO AREA					
Markit Eurozone Manufacturing PMI	May	56.5	+	57.0	56.7
Markit Eurozone Services PMI	May	56.4	-	56.2	56.4
Markit Eurozone Composite PMI	May	56.7	+	56.8	56.8
GERMANY					
GDP (QoQ)	Q1:17 F	0.6%		0.6%	0.6%
GDP (wda, YoY)	Q1:17 F	1.7%		1.7%	1.7%
Private Consumption (QoQ)	Q1:17	0.3%		0.3%	0.2%
Government Spending QoQ	Q1:17	0.3%	+	0.4%	0.3%
Capital Investment QoQ	Q1:17	1.7%		1.7%	0.4%

GERMANY		S		A	P
IFO- Business Climate Indicator	May	113.1	+	114.6	113.0
IFO-Expectations	May	105.4	+	106.5	105.2
IFO- Current Assesment	May	121.0	+	123.2	121.4

Wednesday 24

US		S	A	P
FOMC Minutes	May 3			

Thursday 25

US		S		A	P
Wholesale trade	April	0.2%	-	-0.3%	0.1%
Initial Jobless Claims (k)	May 20	238	+	234	233
Continuing Claims (k)	May 13	1925	+	1923	1899
UK					
GDP (QoQ)	Q1:17 P	0.3%	-	0.2%	0.3%
GDP (YoY)	Q1:17 P	2.1%	-	2.0%	2.1%
Private Consumption (QoQ)	Q1:17	0.3%		0.3%	0.7%
Government Spending QoQ	Q1:17	0.4%	+	0.8%	0.0%
Gross Fixed Capital Formation	Q1:17	-0.2%	+	1.2%	0.1%

Friday 26

US		S		A	P
GDP (QoQ, annualized)	Q1:17 S	0.9%	+	1.2%	0.7%
Personal Consumption	Q1:17 S	0.4%	+	0.6%	0.3%
Durable goods orders (MoM)	April	-1.5%	+	-0.7%	2.3%
Durable goods orders ex transportation (MoM)	April	0.4%	-	-0.4%	0.8%
JAPAN					
CPI (YoY)	April	0.4%		0.4%	0.2%
Core CPI (YoY) - ex. Fresh Food	April	0.4%	-	0.3%	0.2%
Core CPI (YoY) - ex. Fresh Food and Energy	April	0.0%		0.0%	-0.1%

Monday 29

EURO AREA		S	A	P
M3 money supply (YoY)	April	5.2%	4.9%	5.3%

Tuesday 30

US		S	A	P
Personal income (MoM)	April	0.4%	..	0.2%
Personal spending (MoM)	April	0.4%	..	0.0%
PCE Core Deflator (YoY)	April	1.5%	..	1.6%
PCE Deflator (YoY)	April	1.7%	..	1.8%
S&P Case/Shiller house price index 20 (YoY)	March	5.61%	..	5.85%
JAPAN				
Unemployment rate	April	2.8%	..	2.8%
Retail sales (MoM)	April	-0.2%	..	0.2%
Retail sales (YoY)	April	2.3%	..	2.1%
EURO AREA				
Business Climate Indicator	May	1.11	..	1.09
Economic confidence indicator	May	110.0	..	109.6

Wednesday 31

US		S	A	P
Pending home sales (MoM)	April	0.4%	..	-0.8%
JAPAN				
Industrial Production (MoM)	April	4.2%	..	-1.9%
Industrial Production (YoY)	April	6.1%	..	3.5%
EURO AREA				
Unemployment Rate	April	9.4%	..	9.5%
CPI (YoY)	May	1.5%	..	1.9%
Core CPI (YoY)	May	1.0%	..	1.2%
CHINA				
PMI manufacturing	May	51.0	..	51.2
GERMANY				
Retail sales (MoM)	April	0.3%	..	0.1%
Retail sales (YoY)	April	2.2%	..	2.3%

Thursday 1

US		S	A	P
ADP Employment Change (k)	May	180	..	177
Initial Jobless Claims (k)	May 27	239	..	234
Continuing Claims (k)	May 20	1920	..	1923
ISM Manufacturing	May	54.6	..	54.8
Construction spending	April	0.5%		-0.2%
UK				
Markit UK PMI Manufacturing SA	May	56.5	..	57.3
Nationwide House Px NSA YoY	May	2.4%	..	2.6%
CHINA				
Caixin PMI Manufacturing	May	50.1	..	50.3

Friday 2

US		S	A	P
Change in Nonfarm Payrolls (k)	May	185	..	211
Change in Private Payrolls (k)	May	177	..	194
Unemployment rate	May	4.4%	..	4.4%
Average Hourly Earnings MoM	May	0.2%	..	0.3%
Average Hourly Earnings YoY	May	2.6%	..	2.5%
Average weekly hours (hrs)	May	34.4	..	34.4
Underemployment rate	May	..	..	8.6%
Labor Force Participation Rate	May	..	..	62.9%
Trade balance ($bn)	April	-46.0	..	-43.7

UK		S	A	P
Markit/CIPS UK Construction PMI	May	52.6	..	53.1

Monday 5

US		S	A	P
ISM non-manufacturing	May	57.0	..	57.5
UK				
Markit/CIPS UK Services PMI	May	..	..	55.8

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	2416	1,4	7,9	15,6	13,8	MSCI Emerging Markets	54067	1,6	13,5	21,2	2,8
Japan	NIKKEI 225	19687	0,5	3,0	17,4	-3,8	MSCI Asia	811	1,9	17,1	25,5	1,8
UK	FTSE 100	7548	1,0	5,7	20,5	7,3	China	72	2,3	23,1	32,3	-12,9
Canada	S&P/TSX	15417	-0,3	0,8	9,7	2,0	Korea	692	2,9	19,1	31,6	22,6
Hong Kong	Hang Seng	25639	1,8	16,5	25,7	-8,7	MSCI Latin America	77022	1,8	7,1	18,0	11,0
Euro area	EuroStoxx	386	0,0	10,2	17,7	1,6	Brazil	220115	2,4	5,5	24,7	10,4
Germany	DAX 30	12602	-0,3	9,8	22,7	7,1	Mexico	46595	1,0	7,9	7,5	9,7
France	CAC 40	5337	0,2	9,8	18,3	3,0	MSCI Europe	4901	-0,6	-1,3	8,5	1,3
Italy	FTSE/MIB	21211	-1,7	10,3	16,4	-11,1	Russia	857	-1,5	-14,2	0,9	7,4
Spain	IBEX-35	10904	0,6	16,6	20,1	-4,6	Turkey	1369738	2,5	25,4	24,0	15,7

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	200,9	-2,0	-8,3	1,7	-13,9	Energy	207,2	-1,8	-9,3	4,1	-11,1
Materials	237,7	0,1	7,1	19,1	1,5	Materials	228,1	0,2	4,4	20,8	2,6
Industrials	234,8	1,0	10,5	18,0	13,0	Industrials	233,5	1,1	8,1	19,1	12,0
Consumer Discretionary	218,0	1,1	11,0	15,3	8,2	Consumer Discretionary	211,7	1,2	9,0	16,5	7,4
Consumer Staples	233,0	1,6	12,3	7,3	12,5	Consumer Staples	234,1	1,8	10,1	9,3	14,6
Healthcare	214,8	0,5	11,4	6,2	-3,2	Healthcare	212,8	0,6	9,8	7,0	-2,6
Financials	111,3	0,5	4,8	19,3	4,8	Financials	112,0	0,6	2,8	20,6	5,8
IT	193,1	2,2	19,8	32,2	28,9	IT	187,5	2,2	19,0	32,5	28,1
Telecoms	70,4	1,0	1,2	-1,7	-2,0	Telecoms	73,7	1,1	-1,2	0,1	-1,3
Utilities	128,0	2,0	11,4	7,8	7,9	Utilities	131,7	2,1	9,6	9,3	8,7

Bond Markets (%)

10-Year Government Bond Yields	Current	Last week	Year Start	One Year Back	10-year average
US	2,25	2,24	2,45	1,83	2,72
Germany	0,33	0,37	0,21	0,15	2,05
Japan	0,04	0,04	0,05	-0,12	0,86
UK	1,01	1,09	1,24	1,42	2,79
Greece	5,97	5,70	7,11	7,20	10,27
Ireland	0,80	0,83	0,75	0,78	4,49
Italy	2,09	2,13	1,81	1,37	3,77
Spain	1,54	1,58	1,38	1,50	3,77
Portugal	3,14	3,18	3,76	3,02	5,47

US Mortgage Market (1. Fixed-rate Mortgage)	Current	Last week	Year Start	One Year Back	10-year average
30-Year FRM[1] (%)	4,2	4,2	4,4	3,9	4,4
vs 30Yr Treasury (bps)	126	127	132	121	99

Government Bond Yield Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
US Treasuries 10Y/2Y	95	96	126	96	176
US Treasuries 10Y/5Y	46	45	52	48	90
Bunds 10Y/2Y	101	105	97	67	120
Bunds 10Y/5Y	73	72	74	52	72

Corporate Bond Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
EM Inv. Grade (IG)	159	161	181	208	270
EM High yield	451	454	510	726	817
US IG	118	118	129	154	202
US High yield	367	378	421	608	644
Euro area IG	109	109	124	128	169
Euro area High Yield	303	313	376	458	666

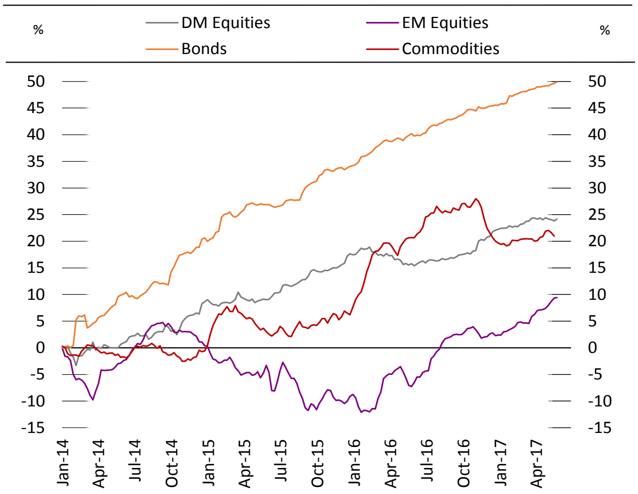
Foreign Exchange & Commodities

Foreign Exchange	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates					
EUR/USD	1,12	-0,2	2,6	-0,1	6,3
EUR/CHF	1,09	-0,1	0,6	-1,7	1,6
EUR/GBP	0,87	1,6	2,9	14,5	2,4
EUR/JPY	124,47	-0,1	2,8	1,3	1,2
EUR/NOK	9,37	-0,2	0,1	1,1	3,0
EUR/SEK	9,72	-0,7	1,7	4,8	1,5
EUR/AUD	1,50	0,0	3,0	-3,0	2,9
EUR/CAD	1,50	-0,7	1,3	3,5	6,4
USD-based cross rates					
USD/CAD	1,34	-0,5	-1,2	3,6	0,0
USD/AUD	1,34	0,2	0,4	-3,0	-3,3
USD/JPY	111,33	0,1	0,2	1,4	-4,8

Commodities	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Agricultural	412	-1,7	0,1	-15,2	-4,5
Energy	382	-1,9	-0,3	-8,5	-12,2
West Texas Oil ($)	50	-1,1	0,4	0,6	-7,3
Crude brent Oil ($)	52	-3,0	1,3	3,9	-6,6
Industrial Metals	1182	-0,1	-1,0	22,5	5,3
Precious Metals	1543	1,4	0,3	2,9	9,6
Gold ($)	1267	0,9	-0,2	3,9	9,9
Silver ($)	17	2,8	-0,9	6,3	9,0
Baltic Dry Index	912	-4,6	-20,5	51,7	-5,1
Baltic Dirty Tanker Index	807	2,8	1,3	10,9	-12,2

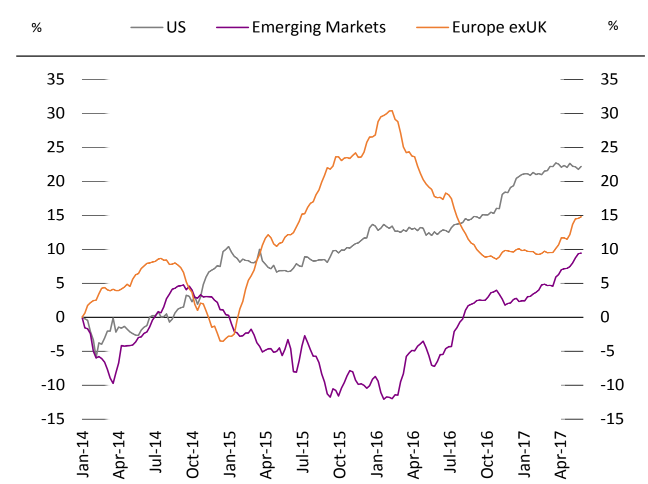
Source: Bloomberg, as of May 26th, S&P/Goldman Sachs Indices for Agricultural, Energy, Industrial & Precious Metals, BofA/ML Indices for Corporate Bond Spreads

Global Cross Asset ETFs: Flows as % of AUM



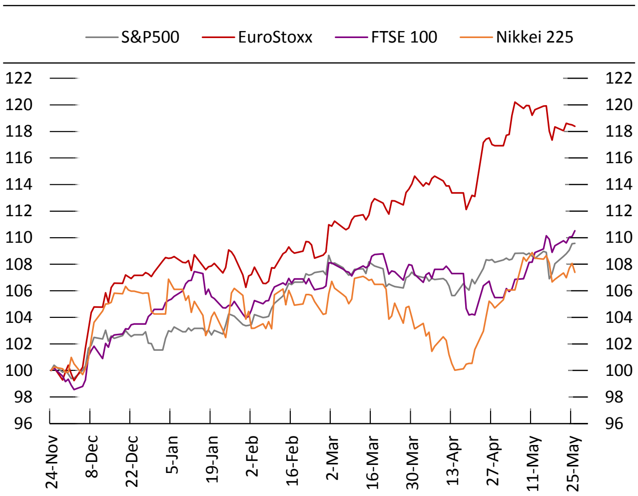
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of May 26th

Equity ETFs: Flows as % of AUM



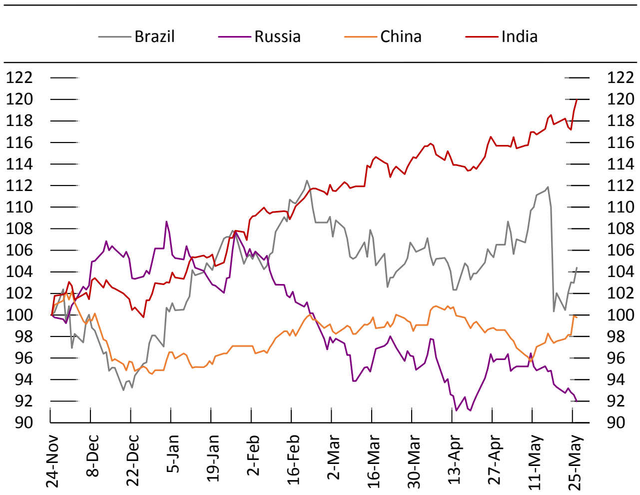
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of May 26th

Equity Market Performance - G4



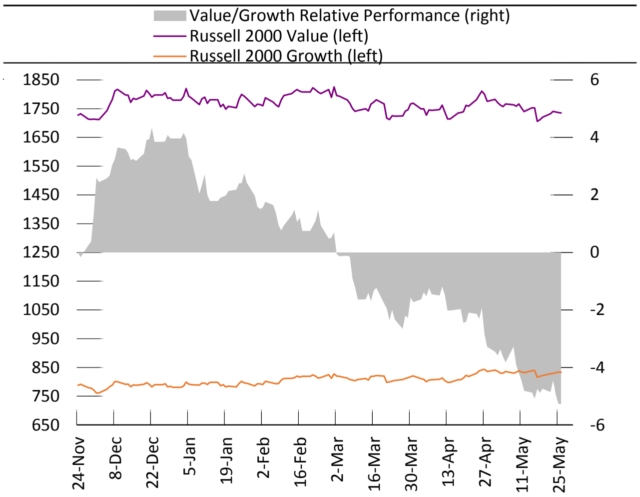
Source: Bloomberg - Data as of May 26th – Rebased @ 100

Equity Market Performance - BRICs



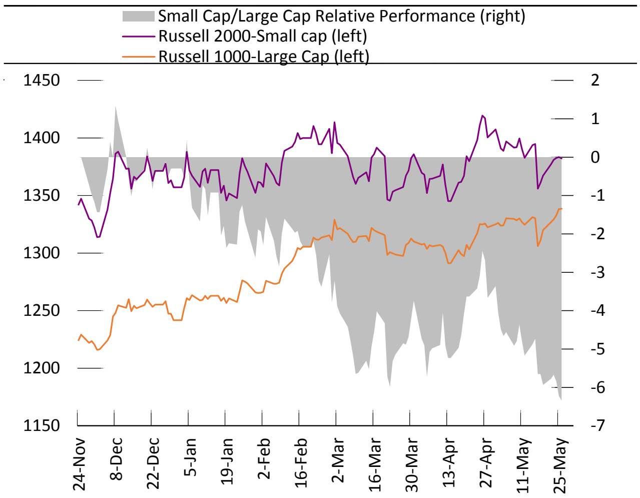
Source: Bloomberg - Data as of May 26th – Rebased @ 100

Russell 2000 Value & Growth Index



Source: Bloomberg, Data as May 26th

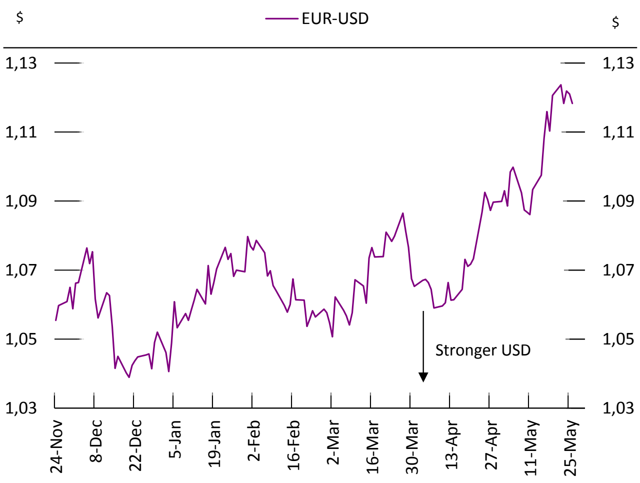
Russell 2000 & Russell 1000 Index



Source: Bloomberg, Data as May 26th

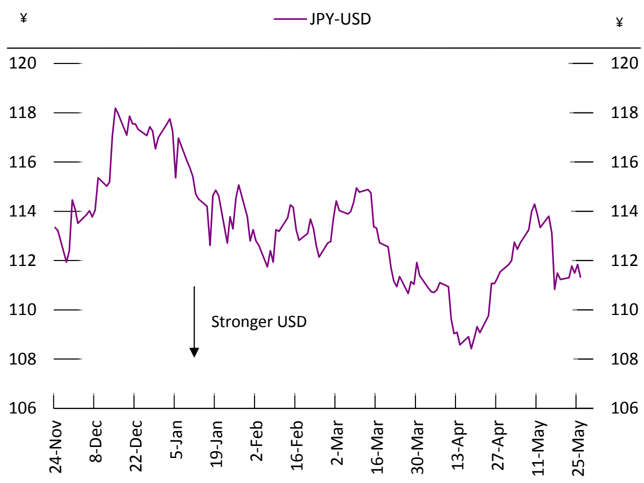
NATIONAL BANK OF GREECE

EUR/USD



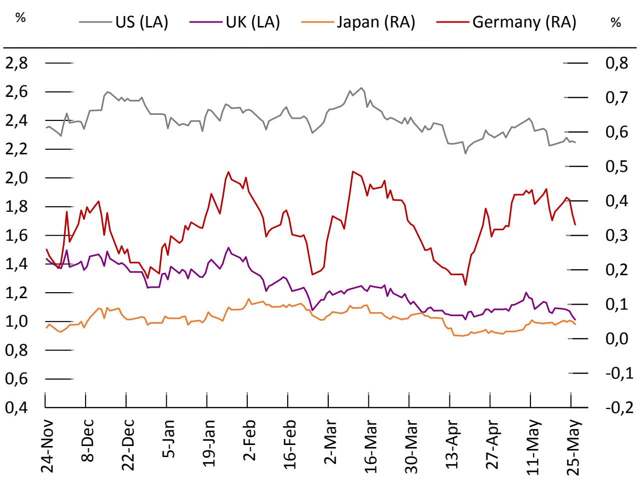
Source: Bloomberg, Data as of May 26th

JPY/USD



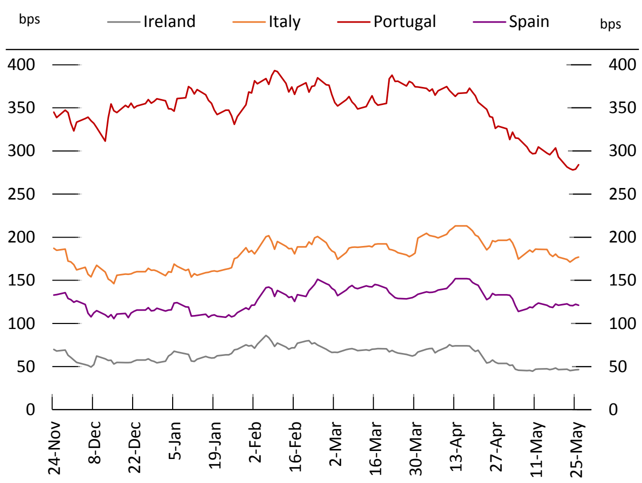
Source: Bloomberg, Data as of May 26th

10- Year Government Bond Yields



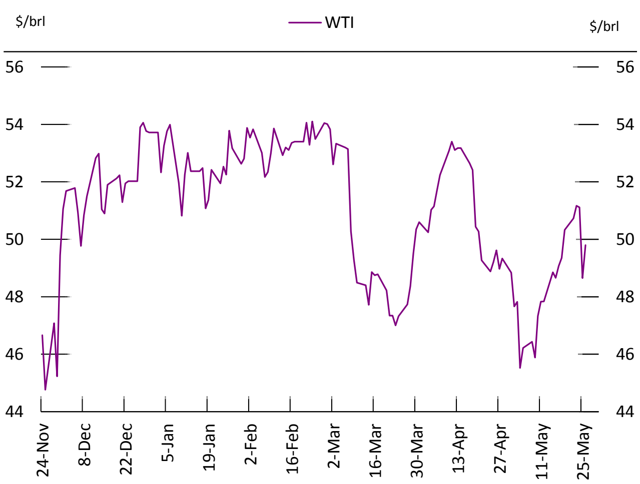
Source: Bloomberg - Data as of May 26th
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



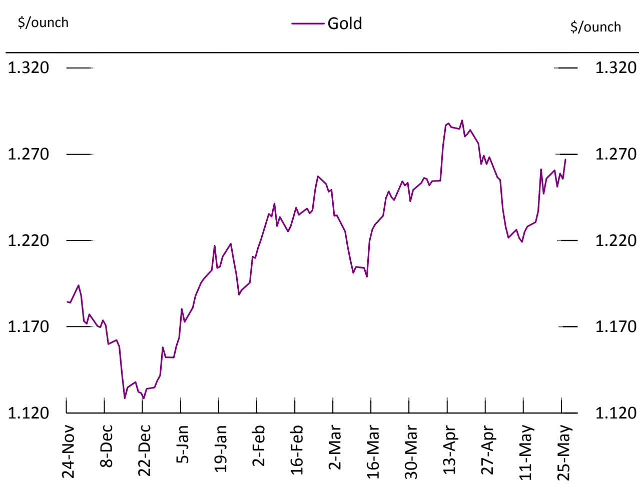
Source: Bloomberg - Data as of May 26th

West Texas Intermediate ($/brl)



Source: Bloomberg, Data as of May 26th

Gold ($/ounch)



Source: Bloomberg, Data as of May 26th

NATIONAL BANK OF GREECE

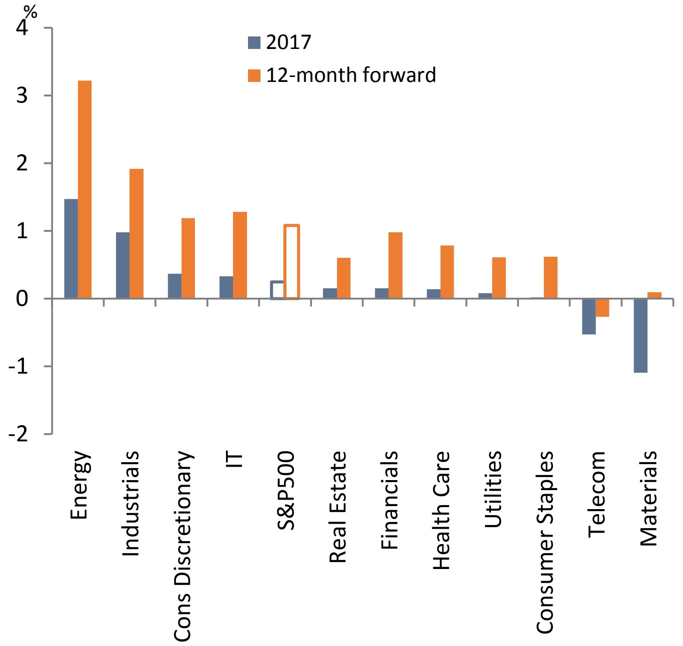
US Sectors Valuation

	Price ($)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	26/5/2017	% Weekly Change	2016	2017	2016	2017	2016	2017	12m fwd	10Yr Avg	2016	2017	12m fwd	10Yr Avg
S&P500	2416	1,4	1,2	10,5	2,0	2,0	19,9	18,4	17,7	14,1	3,1	3,0	2,9	2,2
Energy	487	-2,1	-73,9	277,8	2,7	2,9	123,0	30,5	26,8	18,5	1,9	1,8	1,8	1,8
Materials	332	1,0	-3,6	12,6	2,0	2,1	20,5	18,4	17,7	14,6	4,0	3,6	3,5	2,7
Financials														
Diversified Financials	557	1,6	5,7	10,9	1,3	1,5	18,1	15,7	15,0	13,5	1,8	1,6	1,6	1,5
Banks	284	0,6	1,1	11,0	1,8	2,2	15,3	13,0	12,5	12,4	1,3	1,1	1,1	0,9
Insurance	371	2,2	-4,2	24,1	2,0	2,1	16,0	13,1	12,7	9,9	1,4	1,3	1,3	1,0
Real Estate	197	0,7	8,3	2,7	4,0	3,5	18,9	18,3	17,8	17,3	2,9	2,9	2,9	2,5
Industrials														
Capital Goods	621	1,0	4,7	8,0	2,2	2,4	20,6	19,5	18,7	14,6	4,7	4,6	4,5	2,8
Transportation	648	4,2	-7,9	2,5	1,6	1,7	16,0	15,9	15,2	14,2	4,5	4,1	3,9	2,9
Commercial Services	243	0,9	8,3	4,4	1,6	1,7	23,0	21,7	21,0	17,9	4,6	4,2	4,1	3,0
Consumer Discretionary														
Retailing	1522	1,2	11,1	8,8	1,0	1,0	30,0	29,4	27,9	19,2	9,5	9,1	8,6	4,6
Media	554	2,7	3,3	8,8	1,2	1,3	20,6	19,2	18,3	14,8	3,2	3,0	3,0	2,1
Consumer Services	1002	2,4	9,8	13,4	2,2	2,0	22,9	23,4	22,3	17,2	11,2	12,9	12,7	5,2
Consumer Durables	295	1,3	11,7	5,7	1,7	1,8	17,6	16,7	16,1	16,8	3,4	3,1	3,0	2,9
Automobiles and parts	120	1,1	10,6	-3,1	4,2	4,0	7,6	7,3	7,1	8,6	1,8	1,5	1,4	1,8
IT														
Technology	937	0,6	-2,9	7,8	1,9	2,0	15,3	15,2	14,7	12,7	4,0	4,0	3,8	2,8
Software & Services	1363	3,1	11,3	7,7	1,0	1,0	23,4	23,9	22,7	15,4	5,5	5,4	5,1	3,7
Semiconductors	790	2,3	12,9	23,4	2,0	2,0	17,5	15,7	15,3	16,9	3,7	3,7	3,6	2,7
Consumer Staples														
Food & Staples Retailing	377	0,6	1,1	2,1	2,1	2,2	17,7	17,5	17,1	15,0	3,2	3,2	3,1	2,6
Food Beverage & Tobacco	735	3,1	8,4	7,1	2,7	2,8	23,3	22,7	22,0	16,5	6,3	5,7	5,8	4,7
Household Goods	568	1,3	1,6	4,2	2,6	2,8	24,1	22,8	22,1	17,7	6,4	5,1	5,1	4,2
Health Care														
Pharmaceuticals	776	0,3	6,3	2,7	2,0	2,2	16,2	15,5	15,0	13,8	4,3	4,1	3,9	3,1
Healthcare Equipment	926	2,3	9,7	9,8	1,0	1,0	18,7	18,0	17,3	13,7	3,2	3,2	3,1	2,4
Telecom	156	-0,3	-7,4	-1,4	4,5	5,0	14,0	13,0	12,9	13,2	2,9	2,5	2,5	2,2
Utilities	270	2,5	6,7	-0,9	3,4	3,5	18,0	18,7	18,2	14,2	2,0	1,9	1,9	1,5

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

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

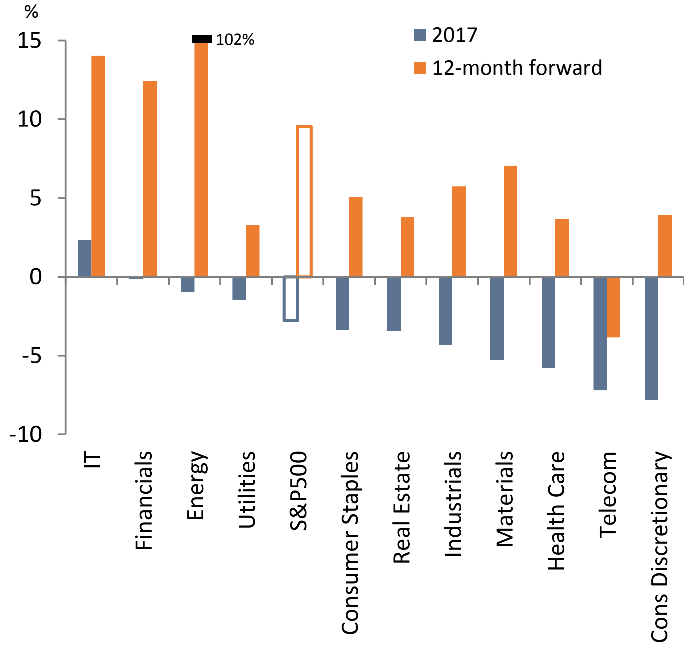
Earnings Revisions indicate 1-month change in 2017 & 12-month Forward EPS



Source: Factset, Data as of May 26th
12-month forward EPS are 60% of 2017 EPS and 40% of 2018 EPS

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

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



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Europe Sectors Valuation

	Price (€)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	26/5/2017	% Weekly Change	2016	2017	2016	2017	2016	2017	12m fwd	10Yr Avg	2016	2017	12m fwd	10Yr Avg
STOXX Europe 600	391	0,0	-4,4	17,4	3,4	3,3	18,1	16,2	15,7	12,5	1,8	1,9	1,8	1,6
Energy	316	-2,3	-30,7	74,5	5,5	5,2	27,1	15,6	14,7	10,8	1,2	1,2	1,2	1,3
Materials	468	0,9	16,9	14,1	2,7	2,7	20,0	18,6	17,8	13,8	1,9	2,0	1,9	1,5
Basic Resources	391	-1,4	271,8	77,0	2,2	3,8	21,7	11,3	11,7	12,5	1,5	1,3	1,3	1,4
Chemicals	933	-0,5	-1,2	11,1	2,7	2,8	18,5	17,6	17,1	13,9	2,6	2,6	2,5	2,2
Financials														
Fin/al Services	475	0,3	2,7	-0,9	3,9	3,7	13,6	15,0	14,5	10,9	1,5	1,6	1,6	1,2
Banks	184	-0,6	-39,3	56,3	4,2	4,1	18,2	12,7	12,1	10,4	0,9	0,9	0,9	0,9
Insurance	275	-0,6	3,8	0,1	4,8	4,9	11,2	11,4	11,2	9,1	1,1	1,1	1,1	1,0
Real Estate	177	0,9	6,4	2,7	3,7	3,7	20,7	21,0	20,5	18,1	1,0	1,0	1,0	1,0
Industrial	518	0,3	2,9	10,8	2,6	2,5	19,5	18,9	18,1	14,0	3,3	3,3	3,2	2,3
Consumer Discretionary														
Media	291	0,7	-0,8	8,9	3,2	3,1	18,6	17,7	17,0	14,0	3,0	3,0	3,0	2,4
Retail	327	0,0	1,6	5,5	2,6	2,5	20,5	20,8	19,9	15,7	2,8	2,8	2,8	2,4
Automobiles and parts	550	-1,9	16,0	16,2	3,0	3,3	9,4	8,2	7,9	9,3	1,3	1,2	1,1	1,0
Travel and Leisure	264	1,4	2,7	7,7	2,5	2,4	15,1	15,4	14,9	14,6	2,9	2,9	2,8	2,1
Technology	425	1,0	-2,0	11,5	1,5	1,5	23,5	23,0	21,7	16,6	3,1	3,2	3,1	2,6
Consumer Staples														
Food&Beverage	668	0,5	-4,5	9,9	2,8	2,7	23,5	22,8	22,0	16,9	3,2	3,4	3,3	2,7
Household Goods	897	0,7	5,4	12,1	2,5	2,5	22,2	21,4	20,7	16,3	4,5	4,5	4,3	3,2
Health care	780	-0,4	5,9	2,7	2,8	2,7	18,0	18,2	17,6	14,0	3,6	3,7	3,6	3,0
Telecom	311	2,0	1,9	13,2	4,8	4,1	19,8	18,8	17,9	13,2	1,8	2,0	2,0	1,6
Utilities	305	1,0	-8,8	-2,8	5,3	4,6	13,3	15,0	14,7	12,3	1,4	1,5	1,5	1,4

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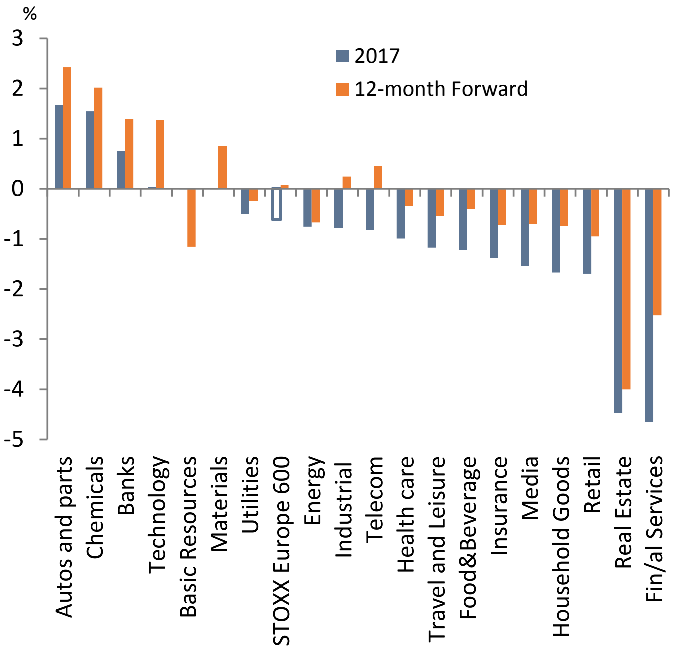

Source: Factset, Data as of May 26th
12-month forward EPS are 60% of 2017 EPS and 40% of 2018 EPS

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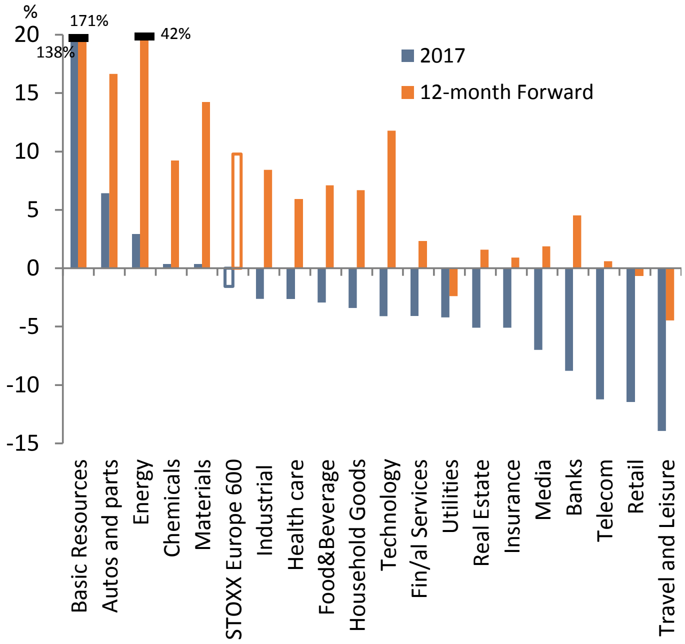

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