Global Markets Roundup

National Bank of Greece | Economic Research Division | December 05, 2017

NATIONAL BANK OF GREECE

US equities supported by positive economic data, progress on tax reform and Fed commentary

- US GDP growth in Q3:2017 was revised up by 0.3 pps to 3.3% qoq saar, the strongest outcome since Q3:14. Nowcast GDP models (Atlanta & NY Fed) point to Q4 growth of circa 3.7% qoq saar.
- Outgoing Fed Chair Yellen's recent remarks underscored the momentum of the US economy, while incoming Chair, Mr Powell, in his statement to the US Senate, supported the view for continuity on the monetary policy front, while underpinning the intention to ease regulatory burdens on US banks.
- The US Senate voted in favor of a tax reform bill, which will now need to be reconciled with the House's version. The legislative focus will first seek approval for a short-term Government spending bill, as the current Government funding expires on December 8th.
- The ECB, in its semi-annual Financial Stability Review, reiterated that risks remain regarding financial stability in the euro area. These include a sudden repricing of risk premia in financial markets due, *inter alia*, to a faster-than-expected withdrawal of monetary policy accommodation in advanced economies, that could also lead to public and private sector debt sustainability issues. Nevertheless, the ECB assessed these risks as low and that financial stability in the euro area continued to improve (see graph).
- In the UK, the Bank of England's (BoE) annual stress tests confirmed that UK banks (+1.1% on Wednesday) are sufficiently capitalized to absorb potential losses and continue to support the real economy even in severe adverse scenarios (see Economics).
- Downside risks could stem, *inter alia*, from a disorderly Brexit. Such a probability, however, has declined, amid reports that the EU and the UK are close to an agreement on a financial settlement ("divorce bill") ahead of the December 14th – 15th EU Summit. As a result, the GBP appreciated in the past week, by 1.4% wow against the euro to €/0.883 and a further 0.3% on Monday to €/0.880.
- Global equities were mixed (MSCI World flat wow), with Financials over-performing (+1.5% wow). The S&P 500 rose by 1.5% wow to record highs, with Financials increasing sharply (+5.2% wow), due to positive commentary by Fed officials. Note, however, that the S&P 500 recent highs are supported by fewer and fewer companies (see graph).
- US Treasury 10-year yields rose (+2 bps wow and +1 bps on Monday, to 2.37%) due to a positive economic outlook, progress on tax reform legislation and signs of firming inflation (core PCE: +0.1 pp to 1.4% yoy in October).
- At the November 30th meeting, the OPEC-led oil production cut deal was extended by nine months to December 2018. A review of the deal will take place in June 2018, based on market fundamentals. Spot prices were broadly stable in the past week as the extension had already been priced-in by investors (Brent: +0.3% wow to $63.7/brl).

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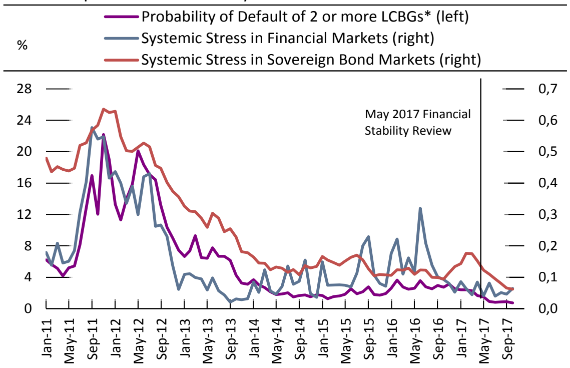
Charts of the week

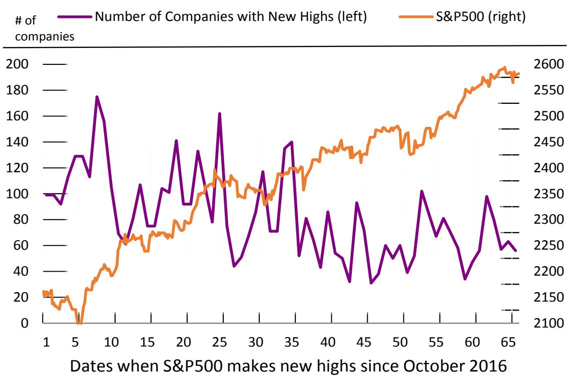
ECB Composite Indicators of Systemic Stress



Source: NBG Research, ECB, Datastream

*: Probability of simultaneous defaults in a sample of 15 large and complex banking groups (LCBGs) over an 1-year horizon

S&P500 and Number of Companies with New Highs



Source: NBG Research, Datastream

See page 14 for disclosures and analyst certification

US GDP in Q3 was revised up

- **The 2nd estimate of US GDP growth for Q3:17 was revised up by 0.3 pps to 3.3% qoq saar, the fastest pace of expansion since Q3:14 (3.1% qoq saar in Q2:17).** Business investment growth came out at +4.7% qoq saar compared with +3.9% qoq saar in the 1st estimate, posting a robust performance for a 3rd consecutive quarter (+6.7% qoq saar in Q2:17 and +7.2% qoq saar in Q1:17) and contributing 0.6 pps to the headline figure (versus 0.5 pps in the 1st estimate). The rest of the upward revision in Q3:17 GDP growth was due to slightly higher-than-previously-estimated government consumption and inventory accumulation. The estimates for residential investment, net exports and private consumption were revised slightly, with the latter (+2.3% qoq saar) remaining the most important driver of overall growth (contributing 1.6 pps). So far in Q4:17, solid consumer confidence argues in favor of private consumption (the Conference Board Consumer Confidence indicator rose by 3.3 pts to a 17-year high of 129.5 in November), albeit personal spending, in constant price terms, modestly undershot expectations in October (+0.1% mom versus consensus for +0.2% mom). Overall, according to the Atlanta Fed's GDPNowcast model, GDP growth for Q4:17 is currently expected at 3.5% qoq saar.

Robust US corporate profitability

- **Corporate profits remained solid in Q3:17, underpinning the positive environment for business investment and for the labor market.** Corporate profits of public and private companies (NIPA accounts) for Q3:17 rose by 5.4% yoy (4.3% qoq), following a rise of 6.3% yoy (0.7% qoq) in Q2:17. The rise was broad based, with profits from domestic non-financial activities increasing by 4.5% yoy (1.0% qoq), from domestic financial activities by 2.7% yoy (13.7% qoq) and from international activities by 11.8% yoy (4.5% qoq).

Euro area inflation outcomes below expectations continue

- **Despite strong activity and improving labor market in the euro area, underlying price pressures have, so far, failed to pick up.** The flash estimate for headline CPI stood at 1.5% yoy in November, from 1.4% yoy in October (consensus: 1.6% yoy). The rise was solely due to energy prices, which accelerated to 4.7% yoy from 3.0% yoy previously, reflecting both a positive base effect and a monthly rise in oil prices in November (Brent: +23.7% yoy in euro terms versus +8.7% yoy in October). Indeed, core CPI was stable at 0.9% yoy, undershooting consensus expectations for 1.0% yoy. The trend appears flat, so far in 2017, as core CPI has averaged 1% and in 2016, it averaged 0.9%. Meanwhile, the unemployment rate continues to fall, by 0.1 pp in October to 8.8%, an 8½-year low.

Continued support to euro area economic activity from the credit cycle

- **Euro area bank lending to the private sector accelerated in October.** Regarding the two major private sector components: i) loan growth to households (adjusted for sales and securitizations) was broadly stable at 2.7% yoy, the highest since March 2009; and ii) loan growth to non-financial corporations accelerated to 2.9% yoy, from 2.4% yoy previously, reaching an 8½-year high. On a country-by-country basis, the trend remains divergent, with the annual growth rate of loans to non-financial corporations in Germany (+4.5%) and France (+5.9%) strongly outpacing that of Italy and Spain (both around zero).

UK consumer credit growth remains high…

- **Total lending to households increased at a steady pace in October, with consumer credit growth remaining exceptionally high.** Specifically, in October, the annual growth rate of mortgage lending stood at 3.2% (euro area: 3.4% yoy) and that of consumer credit at 9.9%, both unchanged compared with September. The latter has hovered around 10.0% yoy since June, and remains relatively high (euro area: +6.7% yoy / US: +5.6% yoy), albeit slightly below the average pace of growth recorded in the period January - May 2017 (10.4% yoy). Recall that, since June 2017, the BoE's Financial Policy Committee (FPC) has focused on the rapid pace of increase in consumer credit (10% of GDP), highlighting it as a risk for financial stability. In that context, in the recent annual stress tests, the FPC incorporated a high loss ratio of 20% on consumer credit in the stress scenario. As a result, consumer credit would account for 40% of overall UK impairments incurred by UK banks (i.e. £29 bn out of £70 bn of total impairments), despite accounting for only 7% of total loans. Around ⅔ of the aforementioned impairments are estimated to be realized in the first two years.

… although banks are sufficiently capitalized against risks

- **The already accumulated capital from UK banks was deemed sufficient to absorb the aforementioned potential losses.** Indeed, the aggregate common equity Tier 1 (CET1) capital ratio of the UK banking system would fall from 13.4% of risk-weighted assets at the end of 2016 (UK banks have improved their CET1 ratio since end-2016 to a current 14.4%) to a low of 8.3% in 2018 (see graph in page 3). For the first time since the BoE launched its stress tests in 2014, none of the seven major participating banks (these banks account for c. 80% of the total outstanding lending in the UK) is required to strengthen its capital position. Furthermore, these results came even with the stress test incorporating a very severe stress scenario. Indeed, *inter alia*, UK GDP was assumed to fall by 4.7% (-6.3% during the financial crisis), the UK unemployment rate to rise to 9.5% (current: 4.3% / +3.2 pps during the financial crisis) and the policy interest rate to 4.00% from 0.50% currently.

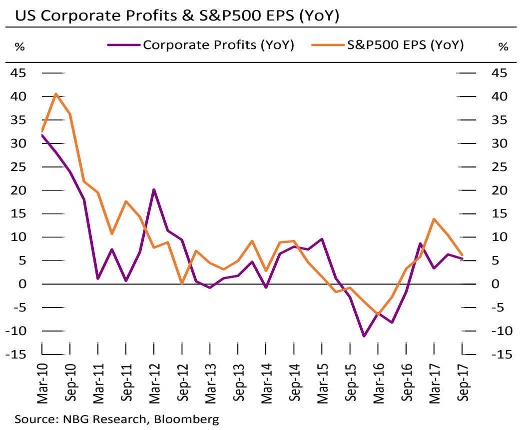
- **Finally, the FPC decided to increase the counter-cyclical capital buffer** (CCyB) on UK exposures from 0.0% currently and 0.5% effective from June 27th 2018, to 1.0% effective from November 28th 2018 (corresponding to £11.4 bn).

Inflation remains subdued in Japan

- **An upward trend in price pressures remains elusive according to CPI data in October.** Headline CPI decelerated to 0.2% yoy from 0.7% yoy in September due to base effects (a weather-related sharp rise in vegetable prices in October 2016). CPI ex-fresh food was 0.8% yoy (0.7% yoy previously), while CPI ex-food and energy, a better tracker of underlying price pressures, has remained flat in yoy terms since August 2017.

Equities

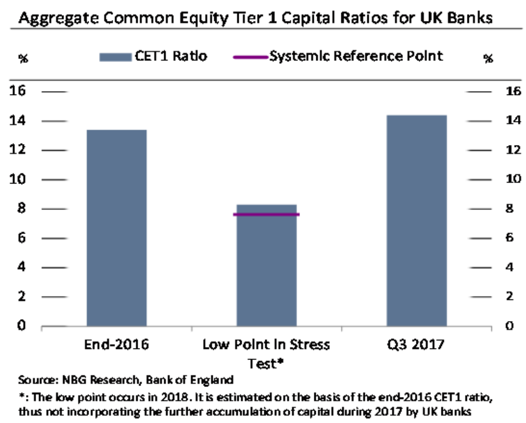
- **Global equity markets were mixed in the past week (MSCI World was flat wow), with Financials overperforming (+1.5% wow).** Developed markets rose 0.5% wow (+18.2% ytd), supported by positive economic data, while emerging markets underperformed due to profit-taking (-3.3% wow / +29.4% ytd). The S&P500 rose by 1.5% wow (+18.0% ytd), with Telecommunications Services (+6.7% wow) and Financials (+5.2% wow) overperforming. Concerning the US Q3:17 earnings season, with the reports season having almost concluded, circa 74% of S&P 500 companies exceeded analyst estimates, with reported growth of 6.2% yoy (consensus expectations at the start of the earnings season: +2%), from 10.4% yoy in Q2:17. In the UK, the FTSE 100 fell by -1.5% wow, due to the appreciation of the GBP in the past week (70% of FTSE 100 revenue is earned abroad). The EuroStoxx declined by 1.1% wow, due to an 1.1% fall on Friday, albeit recovering on Monday (+1.2%), with both performances related to investors' perception of political uncertainty in the US. In China, the CSI 300 index (largest A-shares in Shanghai and Shenzhen exchanges) underperformed (-2.6% wow / +20.8% ytd), as the renewed focus from Chinese authorities on financial deleveraging since the National Party Congress in mid-October 2017 has fed through to concerns that financial conditions may tighten (China's 10-Yr bond yield has risen by 24 bps since mid-October, to 3.92%), leading to profit-taking.



Graph 1.

Fixed Income

- **Government bond yields posted increased volatility in the past week and on Monday, mostly affected by political news in the US.** Specifically, the UST 10-year yield rose by 2 bps wow to 2.36% with the upbeat economic outlook and signs of inflation firming counteracting pockets of political uncertainty that emerged late in the week (-5 bps on Friday) related to the ongoing probe into Russian interference in the 2016 presidential elections (reports that the former national security adviser to President Trump, Michael Flynn, had pleaded guilty to lying to the FBI about his contacts with Russia). On Monday, the UST 10-Year yield rose by 1 bp to 2.37%, with political uncertainty appearing to recede and the US Senate voting in favor of a tax reform bill. The UK 10-year Gilt yield was down by 2 bps wow to 1.23%, while the German 10-year yield declined by 6 bps wow to 0.31%. Both followed suit of their US counterparts on Friday (-10 bps and -6 bps, respectively) and rose on Monday (+6 bps to 1.29% and +3 bps to 0.34%, respectively). Periphery bond spreads over the Bund declined modestly in the past week. Indeed, Italy's 10-year yield spread was down by 4 bps to 141 bps, Spain's 10-year yield spread by 1 bp to 111 bps, while Portugal's spread was stable at 158 bps. **Corporate bond spreads were mixed in the past week.** Specifically, euro area HY spreads increased by 12 bps wow to 277 bps and their US peers declined by 4 bps to 363 bps. Both euro area and US investment grade (IG) corporate bond spreads were broadly stable wow at 90 bps and 103 bps, respectively.

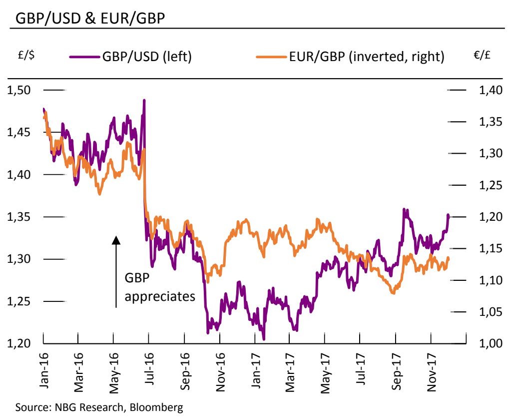


Graph 2.

FX and Commodities

- **In foreign exchange markets, the British Pound appreciated due to signs of progress on Brexit negotiations.** Specifically, the GBP rose by 1.1% wow against the USD to $1.349 and by 1.4% wow against the euro to €/0.883. The USD was slightly up by 0.3% wow against the euro at $1.190, while appreciating by 0.3% on Monday to $1.187, due to receding political uncertainty and progress on tax reform.

- **In commodities, oil prices were broadly stable in the past week, with investors having already priced-in the extension by nine months (to December 2018) of the OPEC-led production cut deal at the November 30th OPEC meeting.** Brent gained 0.3% to $63.7/barrel and WTI declined by 0.8% to $58.4/barrel. Meanwhile, US oil inventories declined in the past week, by 3.4 million barrels to 454 million barrels for the week ending November 24th.



Graph 3.

Quote of the week: "We will continue to consider appropriate ways to ease regulatory burdens while preserving core reforms--strong levels of capital and liquidity, stress testing, and resolution planning--so that banks can provide the credit to families and businesses necessary to sustain a prosperous economy", **Member of the Board of Governors of the Federal Reserve System, Jerome Powell,** November 28th 2017.

Tactical Asset Allocation (3-month)

- **Equities**: We remain **Overweight,** albeit locking in some profits as we approach year-end following 14% ytd gains. Synchronized strong global GDP growth and double-digit corporate earnings offset, for now, the anticipating peak of central bank (C/B) liquidity. US tax-reform, if enacted, will add some fuel to equities. O/W Euro area amid strong growth momentum with EUR strength now running out of steam (positive for EUR-denominated foreign earnings). O/W Euro area banks due to higher yields, steeper curves and still favorable relative valuations.
- **Government Bonds:** Higher yields due to less aggressive C/Bs, reduced liquidity and stronger inflation data. **Underweight Govies**. Steeper curves, particularly in Bunds, albeit in the short-term a more dovish ECB turns us less bearish in euro rates.
- **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.

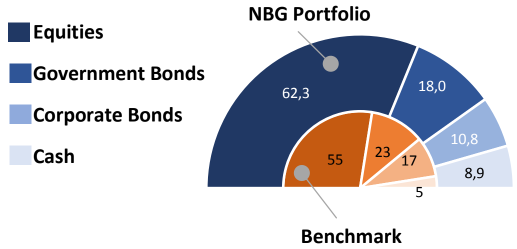
NBG Global Markets - Main Equity Sector Calls

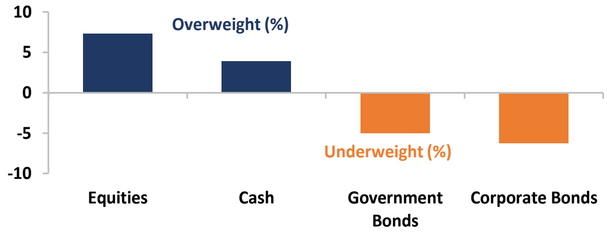
US Sector	Position	View/Comment
Banks	**Neutral**	Rising rates will support interest margins, less regulation also positive. (see US Treasury report) Neg: Loan volumes are declining and curves are now flattening
Energy	**Neutral**	OPEC's deal implementation (assuming a 9-month extension) remains a risk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

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

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

Total Portfolio Allocation





Detailed Portfolio Breakdown

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

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

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

Notes:
1. (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	+ Likely fiscal loosening will support the economy & companies' earnings + Solid EPS growth in H2:2017 & 2018 + Cash-rich corporates lead to share buybacks and higher dividends (de-equitization) – Demanding valuations – Peaking profit margins – Protectionism and trade wars – Aggressive Fed in 2018 ● **Neutral/Positive**	+ Still high equity risk premium, albeit declining + Credit conditions gradual turn more favorable + Small fiscal loosening – EPS estimates may turn pessimistic due to higher EUR and plateuning economic growth – Strong Euro in NEER terms (2017 vs 2016) – Political uncertainty (Spain, Italy) could re-emerge ● **Neutral**	+ Still aggressive QE and "yield-curve" targeting by the BoJ + Upward revisions in corporate earnings – Strong domestic recovery in H1:2017 will continue – Signs of policy fatigue regarding structural reforms and fiscal discipline – Strong appetite for foreign assets – If sustained, JPY appreciation hurts exporters companies ● **Neutral**	+ 65% of FTSE100 revenues from abroad + Undemanding valuations in relative terms + High UK exposure to the commodities sector assuming the oil rally continues – Elevated Policy uncertainty to remain due to the outcome of the Brexit negotiating process ● **Neutral/Negative**
Government Bonds	+ 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 ▲ **Higher yields expected**	+ 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 ▲ **Higher yields expected**	+ Sizeable fiscal deficits + Restructuring efforts to be financed by fiscal policy measures – Safe haven demand – Extremely dovish central bank – Yield-targeting of 10-Year JGB at around 0% ● **Stable yields expected**	+ 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 ▲ **Higher yields expected**
Foreign Exchange	+ 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 ▲ **Long USD against its major counterparts ex-EUR**	+ Reduced short-term tail risks + Higher core bond yields + Current account surplus – Sluggish growth – Deflation concerns – The ECB's monetary policy to remain extra loose (Targeted-LTROs, ABSs, covered bank bond purchases, Quantitative Easing) ● **Flat EUR against the USD with upside risks short term**	+ Safe haven demand + More balanced economic growth recovery (long-term) + Inflation is bottoming out – Additional Quantitative Easing by the Bank of Japan if inflation does not approach 2% ▼ **Lower JPY against the USD**	+ 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 ● **Flat GBP against the USD with upside risks short term**

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	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 (%)	Dec 1st	3-month	6-month	12-month	Official Rate (%)	Dec 1st	3-month	6-month	12-month
Germany	0,31	0,55	0,75	0,95	Euro area	0,00	0,00	0,00	0,00
US	2,36	2,65	2,75	2,90	US	1,25	1,50	1,75	2,00
UK	1,23	1,42	1,52	1,72	UK	0,50	0,50	0,50	0,60
Japan	0,04	0,02	0,04	0,10	Japan	-0,10	-0,10	-0,10	-0,10

Currency	Dec 1st	3-month	6-month	12-month		Dec 1st	3-month	6-month	12-month
EUR/USD	1,19	1,17	1,17	1,18	USD/JPY	112	114	116	116
EUR/GBP	0,88	0,88	0,89	0,90	GBP/USD	1,35	1,33	1,32	1,31
EUR/JPY	133	134	135	136					

Forecasts at end of period

Economic Forecasts

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

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

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

South Eastern Europe Economic Forecasts

Economic Indicators

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

f: NBG forecasts

Stock Markets (in local currency)

Country - Index	4/12/2017	Last week return (%)	Year-to-Date change (%)	2-year change (%)
Turkey - ISE100	105.215	0,4	34,7	41,7
Romania - BET-BK	1.655	0,9	23,1	22,8
Bulgaria - SOFIX	670	0,5	14,2	53,8
Serbia - BELEX15	744	0,8	3,8	16,1

Financial Markets

	4/12/2017	3-month forecast	6-month forecast	12-month forecast
1-m Money Market Rate (%)				
Turkey	13,9	13,0	12,5	11,5
Romania	2,2	2,4	2,6	2,8
Bulgaria	-0,1	0,1	0,1	0,2
Serbia	2,8	3,2	3,4	3,8
Currency				
TRY/EUR	4,60	4,58	4,40	4,36
RON/EUR	4,63	4,62	4,60	4,55
BGN/EUR	1,96	1,96	1,96	1,96
RSD/EUR	119,4	119,8	120,0	120,3
Sovereign Eurobond Spread (in bps)				
Turkey (USD 2020)(*)	185	180	175	150
Romania (EUR 2024)	121	120	116	110
Bulgaria (EUR 2022)	50	54	52	50
Serbia (USD 2021)(*)	126	124	122	120

(*) Spread over US Treasuries

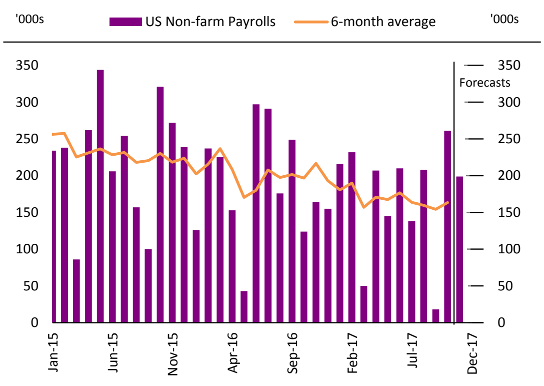
Economic Calendar

The main macro event next week in the US is the labor market report for November. Nonfarm Payrolls are expected to have increased by 199k, while the unemployment rate is expected to have remained stable at 4.1%, a c. 17-year low.

In the euro area, investors will focus on the final estimate for Q3:17 GDP, the first including detailed expenditure data.

In China, external trade data for November will provide information on economic activity momentum.

US Nonfarm Payrolls



Source: NBG Research, Bloomberg

Economic News Calendar for the period: November 28 - December 11, 2017

Tuesday 28

		S		A	P
US					
S&P Case/Shiller house price index 20 (YoY)	September	6.04%	+	6.19%	5.82%
Conference board consumer confidence	November	124.0	+	129.5	126.2
EURO AREA					
M3 money supply (YoY)	October	5.1%		5.0%	5.2%

Wednesday 29

		S		A	P
US					
GDP (QoQ, annualized)	Q3:17	3.2%	+	3.3%	3.0%
Personal Consumption	Q3:17	2.5%	-	2.3%	2.4%
Pending home sales (MoM)	October	1.0%	+	3.5%	-0.4%
JAPAN					
Retail sales (MoM)	October	0.2%	-	0.0%	0.8%
Retail sales (YoY)	October	0.0%	-	-0.2%	2.3%
EURO AREA					
Economic confidence indicator	November	114.6		114.6	114.1
Business Climate Indicator	November	1.51	-	1.49	1.44

Thursday 30

		S		A	P
US					
Initial Jobless Claims (k)	November 25	240	+	238	240
Continuing Claims (k)	November 18	1890	-	1957	1915
Personal income (MoM)	October	0.3%	+	0.4%	0.4%
Personal spending (MoM)	October	0.3%		0.3%	0.9%
PCE Deflator (YoY)	October	1.5%	+	1.6%	1.7%
PCE Core Deflator (YoY)	October	1.4%		1.4%	1.4%
JAPAN					
Industrial Production (MoM)	October	1.8%	-	0.5%	-1.0%
Industrial Production (YoY)	October	7.1%	-	5.9%	2.6%
Construction Orders YoY	October	..		6.7%	-11.6%
EURO AREA					
Unemployment Rate	October	8.9%	+	8.8%	8.9%
CPI Estimate YoY	November	1.6%	-	1.5%	1.4%
Core CPI (YoY)	November	1.0%	-	0.9%	0.9%
CHINA					
PMI manufacturing	November	51.4	+	51.8	51.6
GERMANY					
Retail sales (MoM)	October	0.3%	-	-1.2%	0.5%
Retail sales (YoY)	October	2.8%	-	-1.4%	4.1%
UK					
Nationwide House Px NSA YoY	November	2.7%	-	2.5%	2.5%

Friday 1

		S		A	P
US					
ISM Manufacturing	November	58.3	-	58.2	58.7
Construction spending (MoM)	October	0.5%	+	1.4%	0.3%
UK					
Markit UK PMI Manufacturing SA	November	56.5	+	58.2	56.6
JAPAN					
Jobless Rate	October	2.8%		2.8%	2.8%
CPI (YoY)	October	0.2%		0.2%	0.7%
Core CPI (YoY) - ex. Fresh Food	October	0.8%		0.8%	0.7%
Core CPI (YoY) - ex. Fresh Food and Energy	October	0.2%		0.2%	0.2%
CHINA					
Caixin PMI Manufacturing	November	50.9	-	50.8	51.0

Monday 4

		S		A	P
US					
Factory Goods Orders	October	-0.4%	+	-0.1%	1.7%
UK					
Markit/CIPS UK Construction PMI	November	51.0	+	53.1	50.8

Tuesday 5

		S	A	P
US				
Trade balance ($bn)	October	-47.4	..	-43.5
ISM non-manufacturing	November	59.0	..	60.1
UK				
Markit/CIPS UK Services PMI	November	55.0	..	55.6
EURO AREA				
Retail sales (MoM)	October	-0.7%	..	0.7%
Retail sales (YoY)	October	1.6%	..	3.7%

Wednesday 6

		S	A	P
US				
ADP Employment Change (k)	November	190	..	235

Thursday 7

		S	A	P
US				
Initial Jobless Claims (k)	December 2	240	..	238
Continuing Claims (k)	November 25	1900	..	1957
GERMANY				
Industrial Production (sa, MoM)	October	1.0%	..	-1.6%
Industrial Production (wda, YoY)	October	4.3%	..	3.6%
EURO AREA				
Gross Fixed Capital Formation (QoQ)	Q3:17	0.7%	..	2.0%
Government expenditure (QoQ)	Q3:17	0.3%	..	0.5%
Household Consumption (QoQ)	Q3:17	0.4%	..	0.5%
GDP (QoQ)	Q3:17 F	0.6%	..	0.6%
GDP (YoY)	Q3:17 F	2.5%	..	2.5%

Friday 8

		S	A	P
US				
Change in Nonfarm Payrolls (k)	November	199	..	261
Change in Private Payrolls (k)	November	200	..	252
Unemployment rate	November	4.1%	..	4.1%
Average Hourly Earnings MoM	November	0.3%	..	0.0%
Average Hourly Earnings YoY	November	2.7%	..	2.4%
Average weekly hours (hrs)	November	34.4	..	34.4
Labor Force Participation Rate	November	..	..	62.7%
Underemployment rate	November	..	..	7.9%
Wholesale trade (MoM)	November	0.3%	..	1.3%
University of Michigan consumer confidence	November	99.0	..	98.5
UK				
Industrial Production (MoM)	November	0.0%	..	0.7%
Industrial Production (YoY)	November	3.5%	..	2.5%
CHINA				
Exports (YoY)	November	5.1%	..	6.9%
Imports (YoY)	November	12.0%	..	17.2%
JAPAN				
Eco Watchers Current Survey	November	52.1	..	52.2
Eco Watchers Outlook Survey	November	54.0	..	54.9

Monday 11

		S	A	P
CHINA				
CPI (YoY)	November	1.8%	..	1.9%

Source: NBG Research, Bloomberg

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

Equity Markets (in local currency)

Developed Markets		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
US	S&P 500	2642	1,5	18,0	20,6	27,1
Japan	NIKKEI 225	22819	1,2	19,4	23,3	14,4
UK	FTSE 100	7300	-1,5	2,2	8,1	13,7
Canada	S&P/TSX	16039	-0,4	4,9	6,7	19,1
Hong Kong	Hang Seng	29074	-2,7	32,2	27,1	29,3
Euro area	EuroStoxx	386	-1,1	10,1	18,5	6,4
Germany	DAX 30	12861	-1,5	12,0	22,1	14,9
France	CAC 40	5317	-1,4	9,3	16,6	8,4
Italy	FTSE/MIB	22106	-1,4	14,9	29,3	-2,0
Spain	IBEX-35	10085	0,3	7,8	16,3	-2,5

Emerging Markets	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
MSCI Emerging Markets	59272	-3,2	24,4	24,6	30,3
MSCI Asia	901	-3,8	30,1	28,8	33,1
China	87	-5,1	47,7	41,8	40,9
Korea	746	-3,5	28,6	31,9	37,9
MSCI Latin America	81455	-2,1	13,3	14,2	34,1
Brazil	244982	-2,6	17,4	17,8	48,8
Mexico	44497	-1,8	3,0	5,1	8,3
MSCI Europe	5208	-2,2	4,9	11,5	18,9
Russia	948	-2,8	-5,1	0,6	19,0
Turkey	1434983	-0,7	31,4	40,6	32,1

World Market Sectors (MSCI Indices)

in US Dollar terms	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
Energy	215,3	1,6	-1,7	0,7	10,9
Materials	268,6	-1,4	21,1	22,2	40,8
Industrials	255,2	1,1	20,1	20,4	30,1
Consumer Discretionary	233,8	0,9	19,0	20,5	17,5
Consumer Staples	233,2	0,8	12,4	16,7	12,4
Healthcare	227,2	1,0	17,8	20,7	8,8
Financials	124,6	2,0	17,3	20,3	25,4
IT	219,4	-2,4	36,1	40,9	45,6
Telecoms	70,3	2,4	1,0	7,1	3,3
Utilities	133,0	0,9	15,7	21,5	21,1

in local currency	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
Energy	217,4	1,6	-4,9	-2,1	10,3
Materials	252,1	-1,2	15,3	17,3	35,9
Industrials	250,5	1,4	15,9	16,8	26,0
Consumer Discretionary	224,9	1,1	15,8	17,8	14,8
Consumer Staples	231,0	0,9	8,7	13,4	11,1
Healthcare	223,4	1,1	15,3	18,5	7,1
Financials	123,1	2,2	13,0	16,6	22,1
IT	212,3	-2,2	34,8	39,7	44,0
Telecoms	72,3	2,7	-3,0	3,5	0,8
Utilities	134,6	1,0	12,0	18,2	18,8

Bond Markets (%)

10-Year Government Bond Yields	Current	Last week	Year Start	One Year Back	10-year average
US	2,36	2,34	2,45	2,45	2,59
Germany	0,31	0,36	0,21	0,37	1,85
Japan	0,04	0,03	0,05	0,03	0,78
UK	1,23	1,25	1,24	1,50	2,59
Greece	5,45	5,38	7,11	6,50	10,31
Ireland	0,52	0,61	0,75	0,95	4,32
Italy	1,71	1,81	1,81	2,05	3,64
Spain	1,42	1,49	1,38	1,62	3,62
Portugal	1,88	1,94	3,76	3,77	5,37

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	4,2	4,3
vs 30Yr Treasury (bps)	144	144	132	112	96

Government Bond Yield Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
US Treasuries 10Y/2Y	59	60	126	130	178
US Treasuries 10Y/5Y	25	28	52	55	91
Bunds 10Y/2Y	101	106	97	110	125
Bunds 10Y/5Y	65	69	74	75	75

Corporate Bond Spreads (in bps)	Current	Last week	Year Start	One Year Back	10-year average
EM Inv. Grade (IG)	140	143	181	183	270
EM High yield	378	391	510	536	817
US IG	103	104	129	135	200
US High yield	363	367	421	462	642
Euro area IG	90	90	124	126	170
Euro area High Yield	277	265	376	420	663

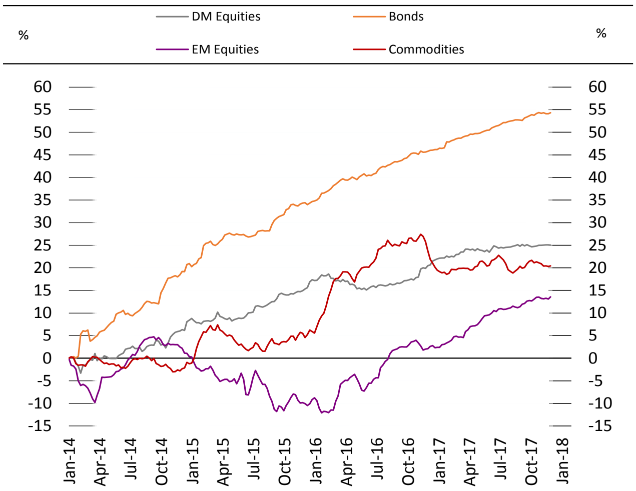
Foreign Exchange & Commodities

Foreign Exchange	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates					
EUR/USD	1,19	-0,3	2,4	11,6	13,1
EUR/CHF	1,16	-0,6	-0,4	7,8	8,4
EUR/GBP	0,88	-1,4	0,7	4,3	3,5
EUR/JPY	133,47	0,3	0,6	9,7	8,5
EUR/NOK	9,86	1,6	4,1	9,8	8,4
EUR/SEK	9,95	0,7	1,9	1,2	3,9
EUR/AUD	1,56	-0,3	3,2	8,6	7,0
EUR/CAD	1,51	-0,5	1,0	6,3	6,7
USD-based cross rates					
USD/CAD	1,27	-0,2	-1,4	-4,8	-5,6
USD/AUD	1,31	0,0	0,8	-2,6	-5,4
USD/JPY	112,18	0,6	-1,8	-1,7	-4,1

Commodities	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Agricultural	385	0,4	1,2	-10,4	-10,6
Energy	444	-0,2	5,5	6,4	2,1
West Texas Oil ($)	58	-0,8	7,5	14,3	8,6
Crude brent Oil ($)	64	0,3	5,3	20,1	14,9
Industrial Metals	1362	-2,1	-3,0	15,4	21,3
Precious Metals	1539	-1,1	-0,4	7,5	9,3
Gold ($)	1281	-0,6	0,5	9,3	11,1
Silver ($)	16	-3,7	-4,1	-0,5	3,3
Baltic Dry Index	1626	11,5	8,7	36,0	69,2
Baltic Dirty Tanker Index	820	1,0	-5,4	-6,6	-10,8

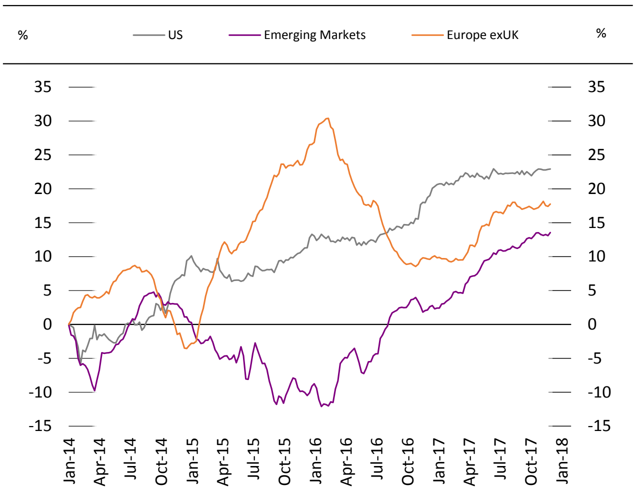
Source: Bloomberg, as of December 1st, S&P/Goldman Sachs Indices for Agricultural, Energy, Industrial & Precious Metals, BofA/ML Indices for Corporate Bond Spreads

Global Cross Asset ETFs: Flows as % of AUM



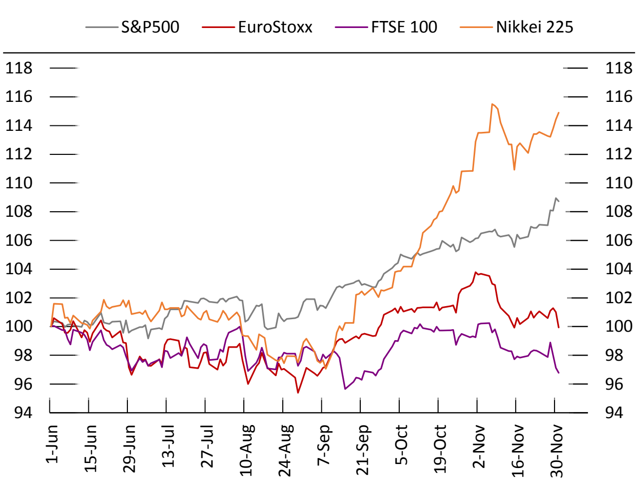
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of December 1st

Equity ETFs: Flows as % of AUM



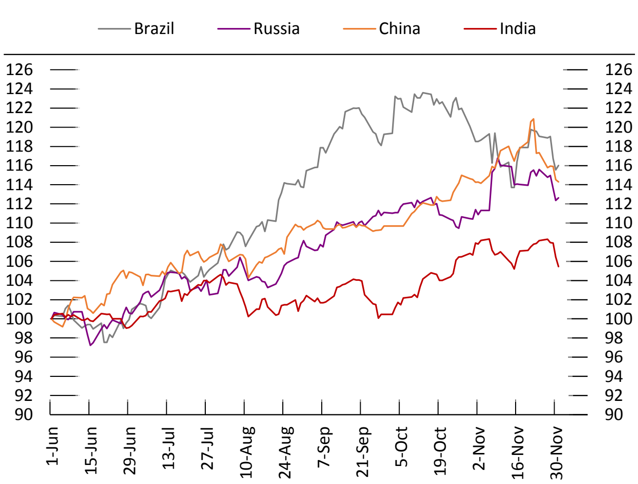
Source: Bloomberg, NBG estimates, Cumulative flows since January 2014, AUM stands for Assets Under Management, Data as of December 1st

Equity Market Performance - G4



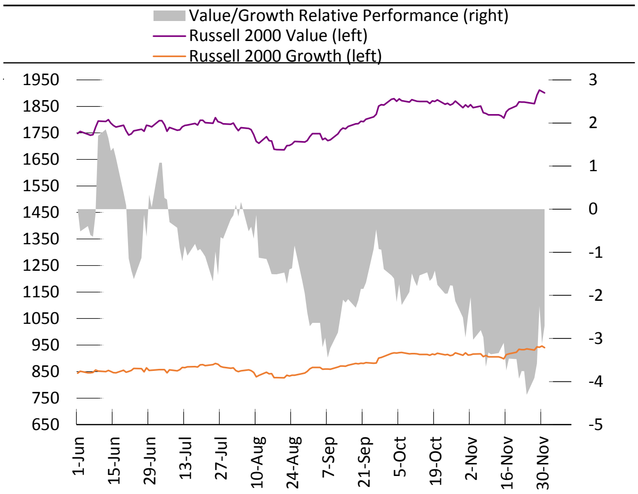
Source: Bloomberg - Data as of December 1st – Rebased @ 100

Equity Market Performance - BRICs



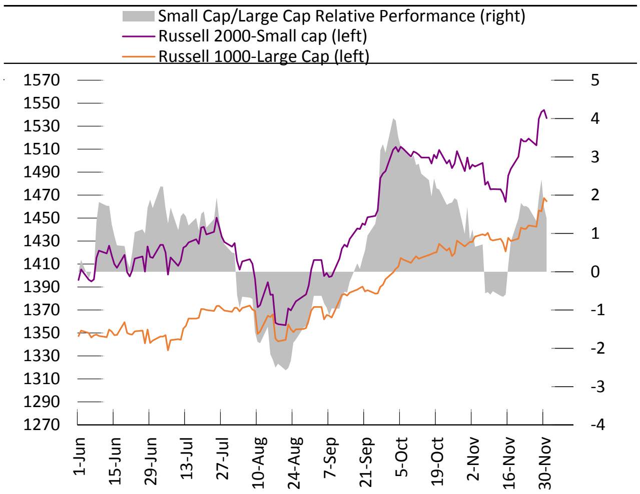
Source: Bloomberg - Data as of December 1st – Rebased @ 100

Russell 2000 Value & Growth Index



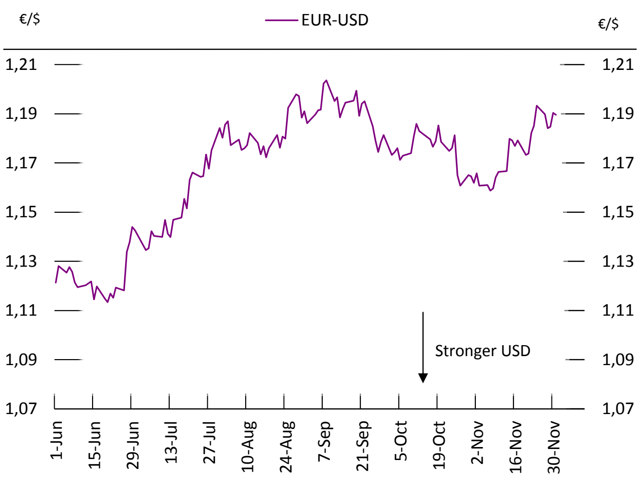
Source: Bloomberg, Data as of December 1st

Russell 2000 & Russell 1000 Index



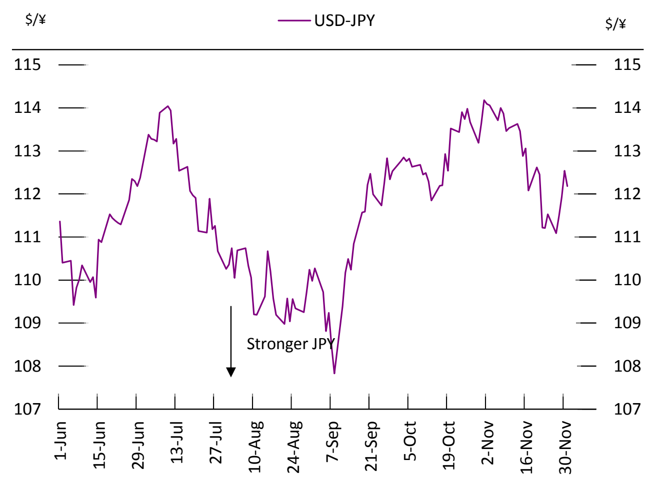
Source: Bloomberg, Data as of December 1st

EUR/USD



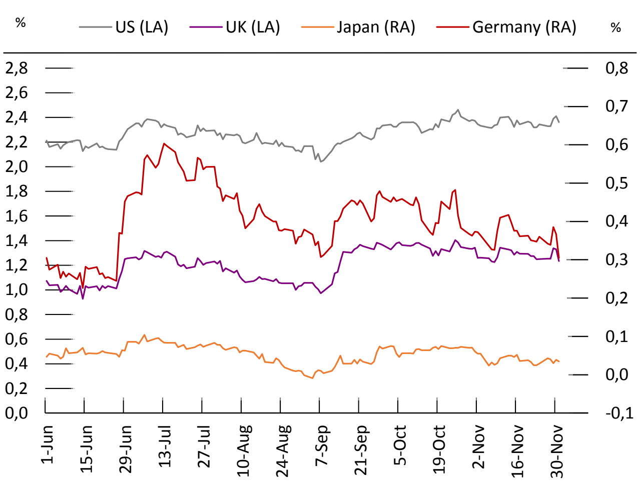
Source: Bloomberg, Data as of December 1st

JPY/USD



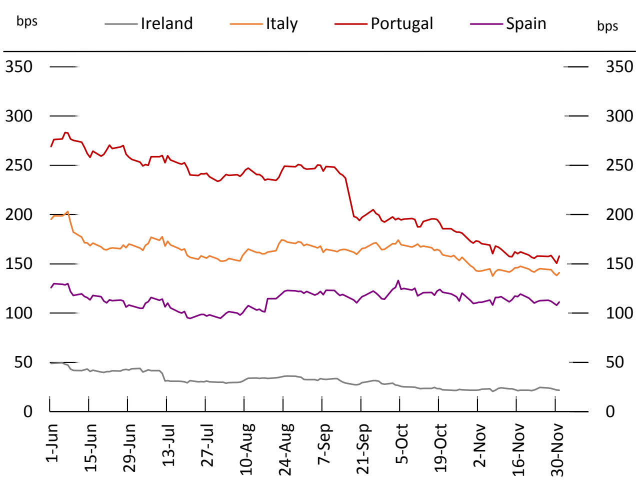
Source: Bloomberg, Data as of December 1st

10- Year Government Bond Yields



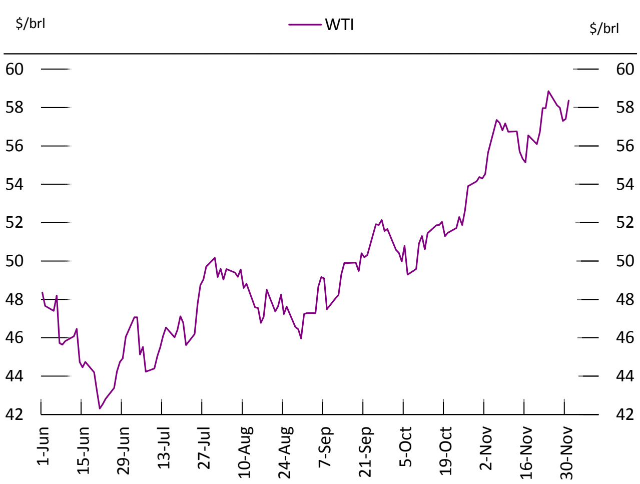
Source: Bloomberg - Data as of December 1st
LA:Left Axis RA:Right Axis

10- Year Government Bond Spreads



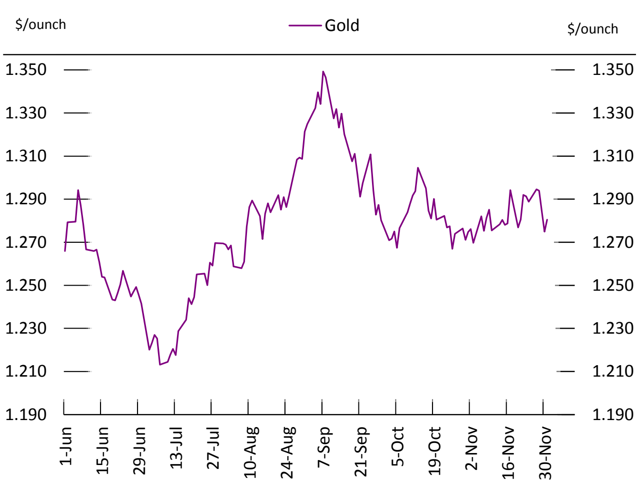
Source: Bloomberg - Data as of December 1st

West Texas Intermediate ($/brl)



Source: Bloomberg, Data as of December 1st

Gold ($/ounch)



Source: Bloomberg, Data as of December 1st

NATIONAL BANK OF GREECE

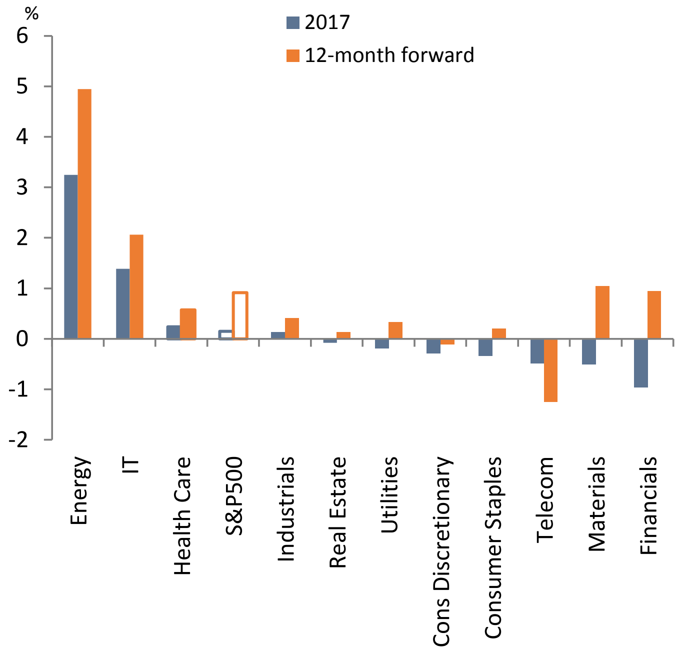
US Sectors Valuation

	Price ($)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	1/12/2017	% Weekly Change	2016	2017	2016	2017	2016	2017	12m fwd	10Yr Avg	2016	2017	12m fwd	10Yr Avg
S&P500	2642	1,5	1,4	10,2	2,0	1,9	19,8	20,1	18,3	14,2	3,1	3,3	3,1	2,2
Energy	513	2,7	-74,4	263,8	2,7	2,8	127,3	34,5	26,6	19,3	2,0	1,9	1,9	1,8
Materials	369	0,4	-5,7	7,9	2,1	1,9	20,2	21,1	18,1	14,8	3,8	4,1	2,9	2,7
Financials														
Diversified Financials	667	5,5	5,7	9,8	1,3	1,3	18,1	19,0	17,1	13,6	1,8	1,9	1,8	1,4
Banks	332	5,7	1,1	11,8	1,8	1,9	15,3	15,1	13,7	12,5	1,3	1,3	1,3	0,9
Insurance	410	3,1	-4,2	0,0	2,0	1,9	15,6	17,4	13,8	9,8	1,4	1,5	1,4	1,0
Real Estate	206	-0,5	8,0	1,4	3,9	3,3	18,8	19,2	18,1	17,2	3,0	3,3	3,4	2,6
Industrials														
Capital Goods	669	2,0	4,7	5,5	2,2	2,2	20,6	21,6	20,1	14,7	4,7	5,3	4,9	2,9
Transportation	701	6,1	-7,8	-0,4	1,6	1,6	16,0	17,7	16,1	14,2	4,5	4,5	4,1	3,0
Commercial Services	253	2,5	8,5	-3,7	1,4	1,5	22,9	24,4	23,0	18,0	3,9	4,0	3,8	2,9
Consumer Discretionary														
Retailing	1681	1,5	11,6	4,8	1,0	0,9	30,9	34,8	30,9	20,2	10,1	10,8	9,5	5,1
Media	533	4,2	2,6	7,3	1,2	1,4	20,8	18,8	17,4	15,0	3,2	3,1	2,9	2,2
Consumer Services	1060	1,6	9,8	10,9	2,0	1,8	22,5	24,8	22,1	17,8	7,8	10,2	10,5	4,5
Consumer Durables	318	1,3	11,7	-0,7	1,7	1,6	17,6	19,2	17,7	16,7	3,4	3,5	3,2	2,9
Automobiles and parts	143	1,0	10,6	1,9	4,2	3,3	7,6	8,3	8,8	8,9	1,8	1,9	1,7	1,9
IT														
Technology	1051	-1,2	-2,8	9,8	1,9	1,8	15,0	16,5	14,8	12,4	3,8	4,6	4,1	2,7
Software & Services	1543	-1,4	11,5	11,9	1,0	0,9	23,2	25,8	23,0	15,5	5,8	6,1	5,2	3,8
Semiconductors	938	-5,3	12,9	38,8	2,0	1,7	17,5	16,6	15,3	16,6	3,7	4,3	3,8	2,7
Consumer Staples														
Food & Staples Retailing	398	4,1	1,2	-0,6	2,1	2,4	17,6	19,0	17,9	14,9	3,2	3,6	3,5	2,6
Food Beverage & Tobacco	708	1,8	8,3	7,0	2,7	2,9	23,2	21,8	20,3	16,7	6,4	5,5	5,5	4,7
Household Goods	580	2,0	1,6	4,3	2,6	2,7	24,1	23,2	21,8	17,8	6,4	5,8	5,7	4,3
Health Care														
Pharmaceuticals	842	1,5	6,2	5,3	2,0	2,0	16,3	16,5	15,7	13,8	4,2	4,4	4,0	3,1
Healthcare Equipment	1037	2,2	9,5	10,1	1,0	0,9	18,8	20,2	18,8	13,8	3,3	3,5	3,3	2,4
Telecom	158	6,7	0,3	-0,6	4,7	5,3	13,6	12,8	12,7	12,8	3,0	2,5	2,4	2,3
Utilities	285	0,9	6,6	0,9	3,4	3,3	18,0	19,4	18,6	14,4	2,0	2,0	2,0	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 December 1st
12-month forward EPS are 8% of 2017 EPS and 92% of 2018 EPS

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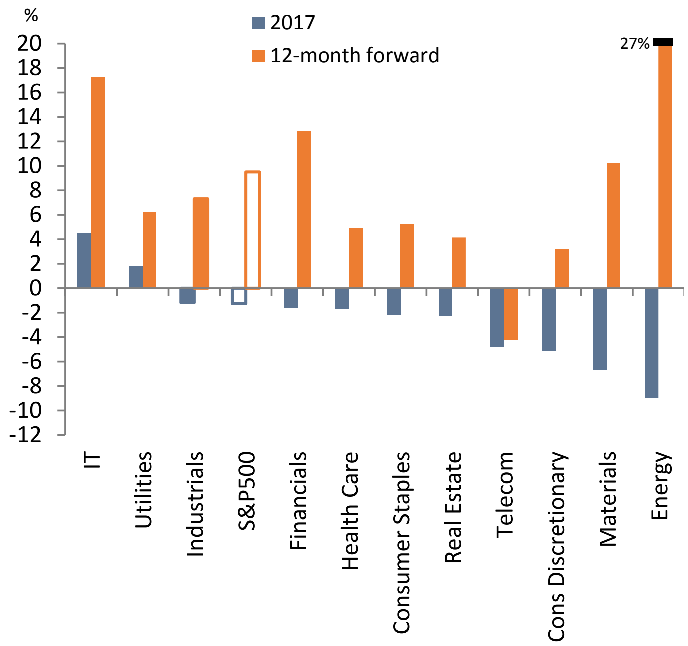

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Europe Sectors Valuation

	Price (€)		EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	1/12/2017	% Weekly Change	2016	2017	2016	2017	2016	2017	12m fwd	10Yr Avg	2016	2017	12m fwd	10Yr Avg
STOXX Europe 600	384	-0,7	-3,5	13,8	3,4	3,3	17,9	16,3	15,1	12,7	1,8	1,9	1,8	1,6
Energy	322	1,1	-31,3	70,2	5,4	4,9	27,3	16,5	15,6	11,0	1,2	1,3	1,3	1,3
Materials	452	-2,0	17,2	10,2	2,7	2,7	20,0	18,5	16,7	13,9	1,9	1,9	1,8	1,5
Basic Resources	427	-3,1	255,5	82,5	2,2	3,5	21,6	12,0	12,1	12,5	1,5	1,5	1,4	1,3
Chemicals	955	-2,1	-2,0	10,5	2,7	2,7	18,0	17,6	16,6	13,8	2,4	2,5	2,4	2,1
Financials														
Fin/al Services	476	0,0	12,8	3,7	3,2	3,0	15,5	16,4	16,6	12,9	1,6	2,0	2,2	1,3
Banks	180	-0,5	-34,2	44,8	4,2	4,1	16,8	12,3	11,4	10,8	0,9	0,9	0,9	0,9
Insurance	286	-0,5	3,1	-10,8	4,8	4,7	11,1	13,3	11,3	9,2	1,1	1,2	1,1	1,0
Real Estate	172	-0,1	7,1	6,6	3,7	3,8	20,7	19,7	19,7	18,1	1,0	1,0	1,0	1,0
Industrial	528	-0,4	0,7	8,5	2,6	2,4	19,9	20,0	17,9	14,1	3,3	3,3	3,1	2,3
Consumer Discretionary														
Media	270	0,5	-0,1	3,5	3,2	3,1	18,3	16,9	15,8	14,0	3,1	2,9	2,7	2,4
Retail	303	2,2	1,4	3,7	2,6	2,8	20,6	19,7	18,0	15,8	2,9	2,7	2,5	2,4
Automobiles and parts	593	-1,3	17,1	16,7	3,0	3,1	9,3	8,7	8,2	9,2	1,3	1,3	1,1	1,0
Travel and Leisure	256	1,0	5,5	13,7	2,4	2,3	14,6	13,7	12,9	15,2	2,8	2,8	2,5	2,0
Technology	430	-5,1	-1,9	6,8	1,5	1,5	23,3	24,1	21,1	16,7	3,1	3,1	3,1	2,6
Consumer Staples														
Food&Beverage	655	-1,2	-4,4	5,3	2,8	2,7	23,5	23,4	21,3	17,1	3,2	3,5	3,3	2,7
Household Goods	836	-1,3	5,3	9,5	2,5	2,6	22,2	20,5	18,9	16,5	4,6	4,5	4,2	3,3
Health care	720	-0,5	6,7	-1,2	2,8	2,9	17,9	17,4	16,6	14,1	3,5	3,5	3,3	3,0
Telecom	277	1,0	1,7	8,4	4,9	4,6	19,8	17,5	15,5	13,3	1,8	1,9	1,8	1,6
Utilities	301	1,3	-8,6	-6,3	5,4	4,8	13,2	15,3	14,7	12,2	1,4	1,5	1,4	1,4

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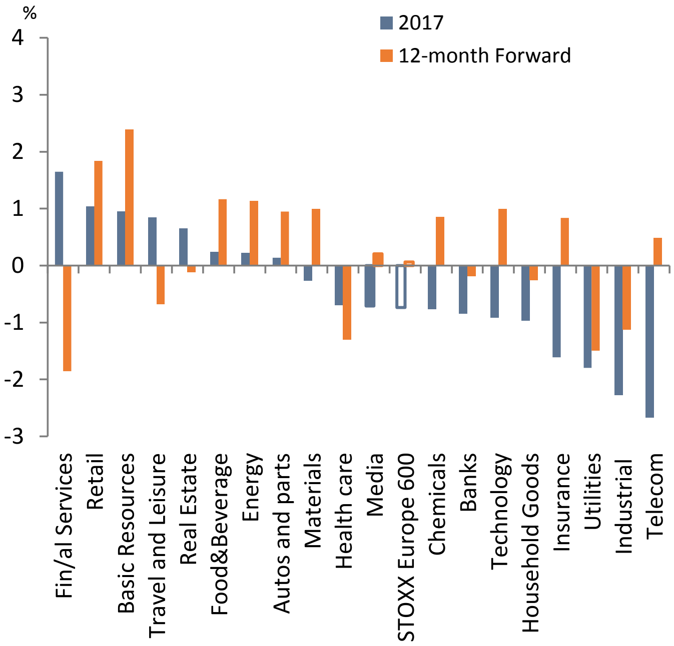

Source: Factset, Data as of December 1st
12-month forward EPS are 8% of 2017 EPS and 92% of 2018 EPS

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

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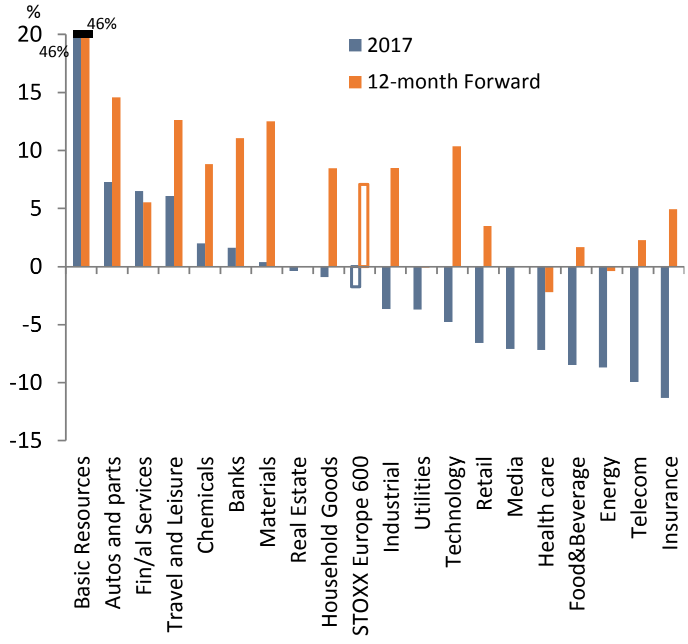

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