



Government-bond yields have surged since early December, with curves bear-steepening

- Borrowing costs continue to edge higher in 2025, following a hawkish shift from the Federal Reserve at its December 18th meeting and elevated fiscal, inflation and trade uncertainty across the globe.
- In 2024, long-term government bond yields rose meaningfully, especially in the US and the UK. In the US, solid real GDP growth of circa 3% contributed to a +70 bps increase in the 10-year tenor, while UK Gilts underperformed (+100 bps) due to a relatively hawkish BoE and fiscal woes.
- Strong US labor market data on Friday, with job creation beating consensus expectations by a wide margin (256k vs 150k, see Economics) and sticky core inflation readings (December's data due on January 15th with core CPI expected at +3.3% yoy) have sent 10-Year USTs higher by 21 bps to 4.78% in 2025, so far. The 10/2s curve has bear steepened significantly (+40 bps).
- Fiscal concerns also have exerted upside pressure for long-term yields, particularly in the UK. Recall that the UK government put forth in late-October 2024, a budget plan which entails increased public borrowing to support sluggish growth.
- According to the UK Office for Budget Responsibility, a substantial rise in public spending is envisaged, partly funded by higher taxes and in part by net borrowing (see graphs below). That factor, *inter alia*, led to an upward revision (compared with respective estimates in March 2024) of the anticipated public deficit, by +0.9% of GDP on average in the next 5 years (-4.5% of GDP in 2025, before easing to -2.1% in 2030), with the public debt at 98% of GDP in 2025 and 97% in 2030.
- 10-year UK Gilt yields have increased by +32 bps to 4.89% in 2025, so far, the highest since July 2008. In addition, 30-year UK Gilts have surpassed their peak 2023 levels (see page 3). The GBP has depreciated against the USD by circa 7% to GBP/USD 1.22 since early October 2024. The focus will shift on the December inflation data released on January 15th (November Core CPI: +3.5% yoy).
- Global equity markets are trading water in the start of 2025, following back-to-back double digit annual gains (MSCI All Country World Index: +16% in 2024 following a +20% in 2023), led by US bourses. Indeed, the S&P500 rose by +23% from +24% in 2023, in view of solid economic activity and corporate profitability, as well as of strong expectations for positive economic ramifications from technological advancements in the field of Artificial Intelligence (AI).
- The sharp gains in the course of 2024, came on the back of robust corporate earnings expectations (+14% yoy for Earning-per-Share in 2025 regarding the S&P500 and +8% for EuroStoxx), as well as increasing valuations, especially in the US, which currently stand at relatively stretched levels.
- The S&P500 12-month forward P/E stands at 21x, versus a 20-year average of 16x, rendering stocks susceptible to downside risks if risk appetite deteriorates significantly due to adverse global trade and geopolitical developments.
- At the same time, a possible persistence of US consumer inflation pressures, could delay the Federal Reserve's monetary policy easing process. Note though that if such a persistence is the result of strong domestic demand, higher than currently expected risk-free rates are not set to derail equity markets.

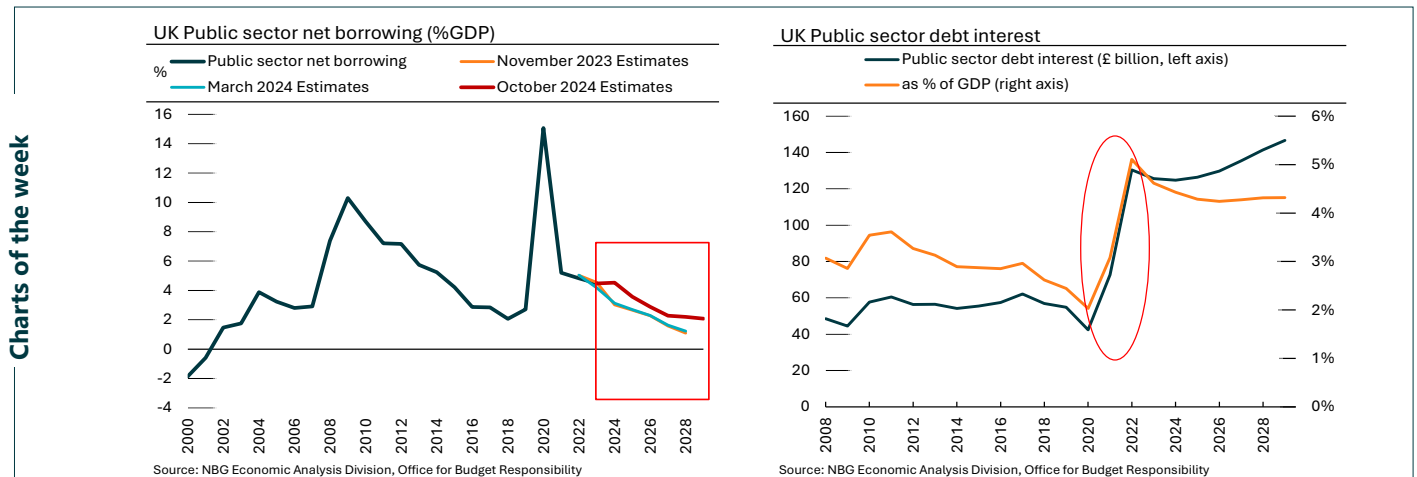
Ilias Tsirigotakis^{AC}
 Head of Global
 Markets Research
 210-3341517
 tsirigotakis.ilias@nbg.gr

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

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

Table of Contents

- Overview_p1
- Economics & Markets_p2,3
- Forecasts & Outlook_p4
- Event Calendar_p5
- Markets Monitor_p6
- ChartRoom_p7,8
- Market Valuation_p9,10



US labor market conditions remain strong, with stronger than expected job creation in December

- **Headline NFP job creation came out above expectations in December.** In the event, non-farm payrolls (NFP) were up by +256k compared with +212k in November, significantly above consensus estimates for +160k. Net revisions for the previous two months were minor (-8k, cumulatively). The average per month NFP net creation in 2024 came out at +186k, a robust performance (monthly average of +96k since 2000).
- At the same time, the (relatively more volatile) total household employment, which includes the self-employed and agricultural workers, rose by +478k in December, from -273k in November. As a result, the headline unemployment rate fell by -0.1 pp to 4.1%, below consensus estimates for 4.2%, albeit remaining within the tight range of 4.1% - 4.3% it has hovered in, since past June. The U-6 unemployment rate (which includes the unemployed, part-time workers for economic reasons and those marginally attached to the labor force), which is considered a broader measure of slack, also decreased, by -0.2 pps to 7.5%.
- On further metrics contributing to an assessment of labor market slack, according to the Job Openings and Labor Turnover Survey for November, job openings increased to 8.10mn from 7.84mn in October, well above consensus estimates for 7.73mn (record – i.e. since 2000 – high of 12.18mn in March 2022 | average of 5.41mn since 2000). The job vacancy rate (i.e. the ratio of job openings to the number of unemployed persons excluding those on temporary layoff, a metric closely watched as an indicator of labor market slack), was 1.28x from 1.27x in October (peak of 2.21x in December 2022 | average of 0.83x since 2000).
- Meanwhile, the growth of average hourly earnings moderately eased in December, albeit remaining healthy. In the event, the monthly pace was +0.3% mom, versus +0.4% mom in November, roughly in line with its average since 2006. The annual growth modestly decelerated to +3.9% from +4.0% previously, somewhat below consensus estimates for a stable performance, albeit remaining well above an average of +3.1% yoy since 2007. The three month-average of the monthly annualized growth was a still solid +4.1% in December from +4.3% in the previous month. Finally, the average weekly hours worked by total employees were stable at 34.3 in December (average of 34.4 since 2006).

US PMIs improved in December

- **PMIs from the Institute for Supply Management (ISM) suggest a stabilization in manufacturing activity, while services sectors continue to lead the overall positive momentum.** In the event, the ISM manufacturing PMI rose by +0.9 pts to a 9-month high of 49.3 in December, above consensus estimates for 48.2. Although the index remained below the expansion/contraction threshold of 50.0 for a 9th consecutive month, it should be noted that the relatively more forward looking component of new orders, overperformed (52.5). At the same time, the ISM services PMI was up by +2.0 pts to 54.1 in December, versus expectations for 53.5, in expansionary territory for a 6th consecutive month (new orders: 54.2). The most frequently cited concern from panelists, regarded tariffs uncertainty and respective possible ramifications for their business operations. On the prices front, pipeline pressures posted signs of intensification, with the prices paid index in manufacturing at 52.5 from 50.3 in November and at 64.4 from 58.2 in services.

Euro area headline inflation accelerated in December, as expected

- **According to the “flash” estimate, in December, the annual growth of CPI was +2.4%, from +2.2% in November** (record high of +10.6% yoy in October 2022 | +2.9% yoy in December 2023), in line with consensus estimates. Expectedly, that development was on the back of the annual growth of energy prices coming out at +0.1% from -2.0% yoy in November (neutral to the headline’s year-over-year increase), due to both a +0.6% mom in December 2024 and (more importantly) positive base effects (-1.6% mom in November 2023). Note that European natural gas prices (in “spot” TTF terms) were €45/MWh on average in December 2024 versus €36/MWh in December 2023 and €30/MWh in January 2024. The respective price for Brent crude oil (in euro terms) was 70/barrel in December 2024 versus 71/barrel in December 2023 and 73/barrel in January 2024. Prices of food, alcohol & tobacco slightly fell by -0.1% mom in December, with the annual growth holding steady at +2.7% (+0.5 pps).
- **More importantly, core CPI, which excludes the effects of energy and food components, posted a +0.45% mom in December,** above an average of +0.1% mom since 1996, albeit roughly in line with an average of +0.4% mom for the particular month. The annual growth held steady for a 4th consecutive month at +2.7% (record high of +5.7% in March 2023 | +3.4% yoy in December 2023), contributing +1.9 pps to the headline CPI yoy growth, in line with consensus estimates. Regarding the main subcomponents of the core index, the relatively more sensitive to wages developments services prices rose by +4.0% yoy from +3.9% yoy in November (weight of 45% on the overall CPI). The annual growth of non-energy industrial goods prices (26% of headline CPI) was +0.5% in December from +0.6% in November.

Euro area bank lending growth remains modest

- **Loan growth to households (adjusted for sales and securitizations) came out at +0.9% yoy in November** (a 15-month high), from +0.8% yoy in October, with the take-up of new loans gradually improving. In the event, the net monthly flow in terms of 12-month sum was +€62.3 bn in November 2024, versus +€54.6 bn in October (+€33.8 bn in November 2023). The annual growth of credit for consumption came out at +3.2% from +3.3% in October and the respective pace for house purchases lending at +0.9% (a 13-month high) from +0.8%. **At the same time, the annual growth of loans to non-financial corporations (NFCs) stood at +1.0% in November,** versus a 15-month high of +1.2% in October (trough of -0.3% yoy in October 2023, the weakest since June 2015). The net monthly flow (12-month sum) came out at +€51.5 bn in November 2024 versus +€61.0 bn in October 2024 (+€0.6 bn in November 2023).
- Loan demand is linked to respective trends for interest rates. In November 2024, the composite cost of borrowing indicator for new loans to households for house purchases (calculated as a weighted average of interest rates on both short-term and long-term loans) was 3.47% and the respective indicator for loans to non-financial corporations was 4.52%. Both readings stand well above troughs of 1.31% & 1.36%, respectively, in December 2021 (+216 bps & +316 bps, versus ECB’s cumulative interest rate net tightening of +350 bps in the same period), albeit below peaks of 4.03% in November 2023 and 5.28% in October 2023, respectively.

Equities

- Global equity markets were mixed in the past week.** In the US, the S&P500 index recorded losses of -1.9% on a weekly basis, mostly due to a -1.5% on Friday, following a strong labor market report for December. The latter reinforced some investors' doubts on whether the prospect of US monetary policy easing remains on track. On that regard, attention now turns to December's CPI, due on January 15th. Later on, investors' focus will turn to the Q4:2024 corporate results season, which is set to pick up speed during the current week, with prominent Financials reporting (Citigroup, Goldman Sachs, JPMorgan, Wells Fargo on January 15th and Bank of America, Morgan Stanley on January 16th). In all, S&P500 EPS annual growth is expected at +9.5% in Q4:2024, from +9.1% in Q3:2024. Such a performance would lead the full year 2024 EPS at +10.1% year-over-year (\$243). Sector-wise, Communication Services (+22.7%, including Alphabet and Meta) and Information Technology (+15.3%) and are expected to continue driving the headline EPS growth. On the other side of the Atlantic, the EuroStoxx rose by +1.6% wow, albeit entering the current week in the red (-0.4% on Monday). Finally, Chinese equity markets were down in the past week (CSI300: -1.1% wow and MSCI China: -4.3% wow), having entered 2025 on a notably negative note (-5.4% ytd & -6.8% ytd, respectively as of January 13th) as, *inter alia*, policy stimulus announcements continue to fall behind investors' expectations.

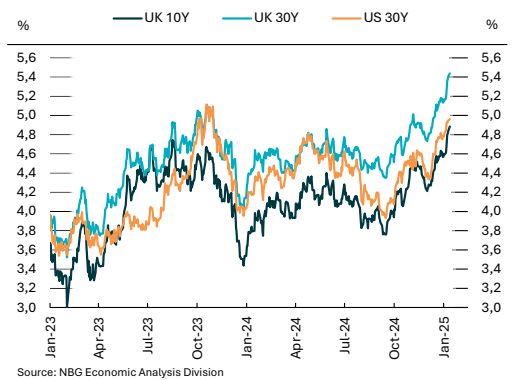
Fixed Income

- Government bond yields increased further in the past week.** The US Treasury 10-year yield rose by +18 bps on a weekly basis to 4.77% and its 2-year peer by +12 bps to 4.40%, with a +9 bps and +13 bps, respectively, on Friday following the labor market report for December. In Germany, the 10-year yield followed suit, 17 bps on a weekly basis. 10-year bond spreads were little changed in France (-1 bp wow to 85 bps) and Italy (+4 bps wow to 121 bps). In the UK, the 10-year Gilt yield spiked by +24 bps wow, to 4.84%, the highest since August 2008, with fiscal concerns coming back in the fore. **Corporate bond spreads were little changed in the past week, remaining at particularly low levels, especially in the US.** Specifically, USD high yield slightly decreased by -1 bp to 274 bps (260 bps in mid-November, the lowest since June 2007), while their EUR counterparts were up by +9 bps to 312 bps. In the Investment Grade spectrum, both USD and EUR spreads were insignificantly changed in the past week, at 80 bps (77 bps in past November, the lowest since July 1995) and 101 bps respectively. Regarding issuance, activity in the USD markets was strong in 2024. Specifically, gross issuance of US IG corporate bonds stood at \$1559 bn cumulatively in 2024, compared with \$1258 bn in 2023 (a +24% increase). At the same time, in the US HY spectrum, volumes stood at €302 bn from \$184 bn, respectively (+65%). Recall that the total debt (securities, loans) of US non-financial corporations as % of GDP continues to gradually decline, standing at 73% in Q3:2024 compared a record high of 93% in Q2:2020, albeit remaining somewhat high. Given also an environment of higher interest rates, the interest coverage ratio (earnings before interest and taxes, divided by interest payments) has fallen to 2.4x (median for all US corporations) from 3.4x in T2:2022.

FX and Commodities

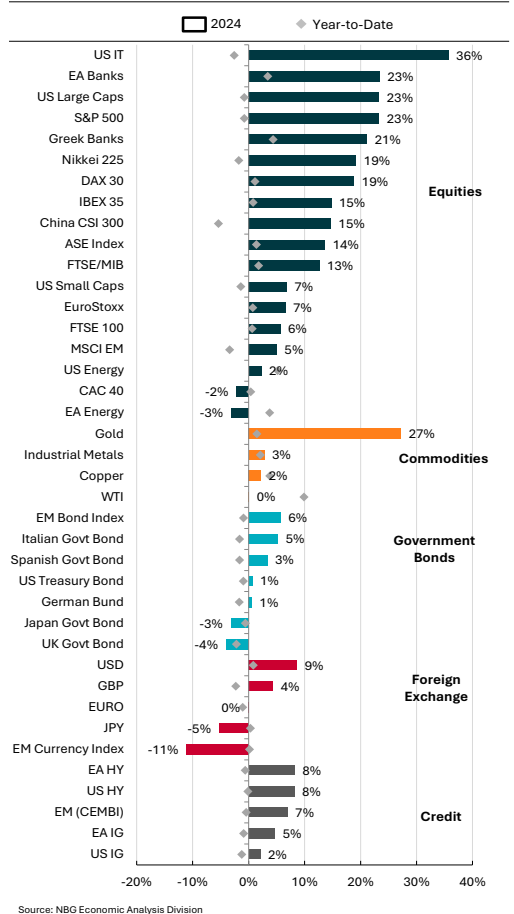
- In foreign exchange markets, the US Dollar posted further gains in the past week.** Against the euro, the USD rose by +0.6% wow, with the bulk (+0.5%) occurring on Friday, after the solid US labor market report. The pair hovers at EUR/USD 1.025, USD's strongest since November 2022. Recall that the recent gains follow up from respective ones in 2024 (+6.3% yoy) in view of divergence in economic growth and monetary policy prospects in the two regions. **In commodities, oil prices rose in the past week (Brent: +4.2% wow to \$79.8/barrel, WTI: +3.5 to \$76.6/barrel).** Strong US economic impetus and some widening of US sanctions targeting Russian crude oil exports, provided a boost for prices, with further gains in the proximity of +2% on Monday January 13th.

Government Bond Yields



Graph 1.

Assets Class Performance



Graph 2.

Quote of the week: "If interest rates fall too quickly, it will be difficult to bring services inflation under control...but we also don't want rates to remain too high for too long", **Chief Economist and a member of the Executive Board of the European Central Bank, Philip R. Lane, January 13th 2025**

Interest Rates & Foreign Exchange Forecasts

10-Yr Gov. Bond Yield (%)	January 10th	3-month	6-month	12-month	Official Rate (%)	January 10th	3-month	6-month	12-month
Germany	2,60	2,20	2,15	2,10	Euro area	3,00	2,50	2,00	2,00
US	4,76	4,40	4,20	4,10	US	4,50	4,25	4,00	3,50
UK	4,84	4,50	4,40	4,30	UK	4,75	4,50	4,25	3,75
Japan	1,20	1,30	1,40	1,50	Japan	0,25	0,50	0,60	0,80

Currency	January 10th	3-month	6-month	12-month	January 10th	3-month	6-month	12-month	
EUR/USD	1,02	1,02	1,03	1,05	USD/JPY	158	152	149	147
EUR/GBP	0,84	0,83	0,83	0,83	GBP/USD	1,22	1,24	1,24	1,26
EUR/JPY	162	155	153	154					

Forecasts at end of period

Economic Forecasts

United States	2023a	Q1:24a	Q2:24a	Q3:24a	Q4:24f	2024f	Q1:25f	Q2:25f	Q3:25f	Q4:25f	2025f
Real GDP Growth (YoY) (1)	2,9	2,9	3,0	2,7	2,7	2,8	2,8	2,6	2,4	2,2	2,5
Real GDP Growth (QoQ saar) (2)	-	1,6	3,0	3,1	3,0	-	2,2	2,2	2,2	2,3	-
Private Consumption	2,5	1,9	2,8	3,7	3,1	2,7	2,7	2,2	2,2	2,2	2,7
Government Consumption	3,9	1,8	3,1	5,1	2,5	3,4	2,2	2,3	2,2	2,0	2,7
Investment	2,4	6,5	2,3	2,1	6,3	4,2	2,5	2,9	2,7	2,7	3,3
Residential	-8,3	13,7	-2,8	-4,3	4,3	4,2	1,0	1,6	1,6	1,5	0,9
Non-residential	6,0	4,5	3,9	4,0	1,2	3,9	2,9	3,2	3,0	2,9	2,8
Inventories Contribution	-0,4	-0,5	0,9	-0,2	-0,1	0,1	-0,1	0,0	-0,1	0,1	0,0
Net Exports Contribution	0,5	-0,7	-1,0	-0,6	0,3	-0,4	-0,4	-0,2	-0,1	-0,1	-0,2
Exports	2,8	1,9	1,0	9,6	-1,0	3,2	2,7	2,2	2,2	2,1	2,5
Imports	-1,2	6,1	7,6	10,7	-2,4	5,3	4,5	2,7	2,5	2,3	3,4
Inflation (3)	4,1	3,3	3,2	2,6	2,7	3,0	2,6	2,3	2,4	2,5	2,5

Euro Area	2023a	Q1:24a	Q2:24a	Q3:24a	Q4:24f	2024f	Q1:25f	Q2:25f	Q3:25f	Q4:25f	2025f
Real GDP Growth (YoY)	0,5	0,4	0,5	0,9	1,1	0,7	1,0	1,2	1,1	1,4	1,2
Real GDP Growth (QoQ saar)	-	1,2	0,7	1,7	0,6	-	1,1	1,3	1,6	1,7	-
Private Consumption	0,7	1,1	0,1	2,7	1,3	0,9	1,3	1,3	1,4	1,4	1,4
Government Consumption	1,6	0,4	4,7	1,9	1,1	2,3	0,8	1,1	1,3	1,1	1,3
Investment	1,8	-8,8	-9,3	8,4	-1,4	-2,2	1,2	2,0	2,2	2,6	1,3
Inventories Contribution	-0,9	-0,2	0,6	1,6	0,1	-0,3	0,0	-0,1	-0,1	0,1	0,2
Net Exports Contribution	0,3	2,7	1,1	-3,4	-0,1	0,5	-0,1	0,1	0,2	0,1	-0,3
Exports	-0,5	4,3	6,3	-5,8	2,0	1,0	2,1	2,0	2,3	2,0	1,3
Imports	-1,2	-1,2	4,4	0,8	2,4	0,1	2,4	2,0	2,0	2,0	2,2
Inflation	5,5	2,6	2,5	2,2	2,2	2,4	2,1	1,8	1,7	1,9	1,9

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

6-12-Month View & Key Factors for Global Markets

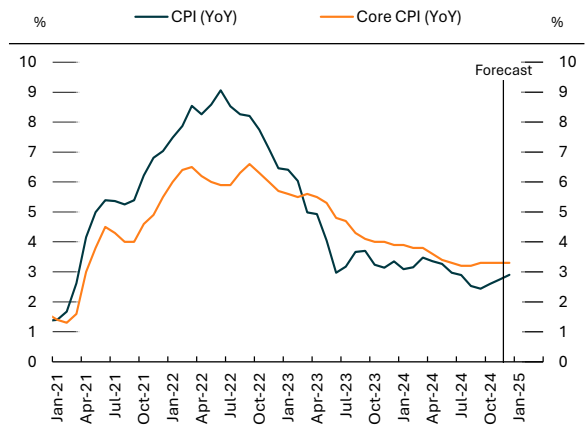
	US	Euro Area	Japan	UK
Equity Markets	<ul style="list-style-type: none"> Corporate profitability is expected to improve further in 2025, with annual EPS growth of 15% Households' balance sheets are healthy (low debt, still elevated excess savings) Peaking profit margins Recession risks remain P/E's (Valuations) above long-term means, with a premium of 38%. Current P/E of 22x vs a 20-year average of 16x <p>● Neutral</p>	<ul style="list-style-type: none"> Higher equity risk premium (lower P/E ratio) relative to benchmark market (US) China's policy support measures could accelerate an export-led recovery Geopolitical uncertainty (Ukraine-Russia, natural gas) could re-intensify The economic backdrop remains muted Fiscal policy will turn restrictive in 2025 <p>● Neutral/Positive</p>	<ul style="list-style-type: none"> Higher equity risk premium (lower P/E ratio) relative to benchmark market (US) China's policy support measures could accelerate an export-led recovery JPY appreciation from ¥162 to ¥150 (+7%), if continues, could hurt exporters Signs of policy fatigue regarding structural reforms and fiscal discipline <p>● Neutral</p>	<ul style="list-style-type: none"> Significant exposure to commodities Undemanding valuations in relative terms relative to other regions Elevated domestic policy uncertainty <p>● Neutral</p>
Government Bonds	<ul style="list-style-type: none"> Valuations appear somewhat rich, with term-premium, albeit remaining below 2000-2015 averages (1.4%) Fiscal deficits to remain sizeable in following years Underlying inflation pressures remain acute FED: passive (lower rollover) Quantitative Tightening Global search for yield by non-US investors (e.g. Japan, repatriation from EM Economies) could reverse Safe-haven demand bid to support prices assuming geopolitical risks re-intensify The Fed will continue rate cuts in 2025 <p>▲ Slightly higher yields</p>	<ul style="list-style-type: none"> ECB to continue unwinding its balance sheet via its APP portfolio Global spillovers from higher US interest rates ECB QE "stock" effect, with government bond holdings of €3.6 trillion (26% of GDP) The ECB will continue rate cuts in 2025 Fragile economic growth outlook due to the war in Ukraine <p>▲ Slightly higher yields</p>	<ul style="list-style-type: none"> Sizeable fiscal deficits Global spillovers from higher US interest rates Safe-haven demand Monetary stance remains extremely dovish, despite the unexpected shifts in YCC policy QE "stock" effect, with government bond holdings of ¥587 trillion (102% of GDP) <p>▲ Slightly Higher yields</p>	<ul style="list-style-type: none"> Inflation expectations could drift higher due to supply disruptions (persistent post Brexit, temporary due to China) BOE: active (sales) Quantitative Tightening Slowing economic growth post-Brexit The BoE will continue rate cuts in 2025 <p>▲ Slightly Higher yields</p>
Foreign Exchange	<ul style="list-style-type: none"> USD interest rate differential vs peers remain significant Weaker global economic growth Safe-haven demand status US political uncertainty to increase The Fed will continue rate cuts in 2025, which reduces potential USD upside <p>● Broadly Flat USD against G10 FX</p>	<ul style="list-style-type: none"> Lower geopolitical uncertainty (Ukraine-Russia, natural gas) is positive for EUR Economic growth could accelerate in 2025 Global growth risks could abate <p>● Range-bound with upside risks against the USD</p>	<ul style="list-style-type: none"> Safe haven demand More balanced economic growth recovery (long-term) Higher core Inflation rates could accelerate the shift of monetary policy (less accommodative) <p>▲ Stronger JPY</p>	<ul style="list-style-type: none"> Valuations appear undemanding with REER close its 15-year average Sizeable Current account deficit <p>● Broadly stable GBP</p>

Economic Calendar

In the **US**, the focus will be on December's CPI. The Federal Reserve Bank of Cleveland's Inflation Nowcasting model, points to an acceleration for the annual growth of the headline CPI, to 2.9% (monthly gains of +0.4%) from 2.7% in November, in a big part due to a further fading of the drag stemming from energy prices. In the event, the same model suggests that the respective pace of the core will hold steady at 3.3% (monthly gains of +0.3%) for a 4th consecutive month. December's retail sales will also be closely monitored, given also that private consumption represents c. 70% of US GDP.

In **China**, attention turns to Q4:2024 GDP as well as to prominent monthly indicators for December's economic activity for a better assessment of momentum.

US CPI



Source: NBG Economic Analysis Division

Economic News Calendar for the period: January 6 - January 17, 2025

Monday 6				Tuesday 7				Wednesday 8			
				EURO AREA CPI (YoY) December 2.4% 2.4% 2.2% Core CPI (YoY) December 2.7% 2.7% 2.7% Unemployment Rate November 6.3% 6.3% 6.3% US Trade balance (\$bn) November -78.3 -78.2 -73.6 ISM Services PMI December 53.5 + 54.1 52.1				EURO AREA Economic Sentiment Indicator December 95.6 - 93.7 95.6 US ADP Employment Change (k) December 140 - 122 146 FOMC Minutes December 18			
Thursday 9				Friday 10							
GERMANY Industrial Production (sa, MoM) November 0.5% + 1.5% -0.4% Industrial Production (wda, YoY) November -4.5% + -2.8% -4.2% EURO AREA Retail sales (MoM) November 0.3% - 0.1% -0.3% Retail sales (YoY) November 1.7% - 1.2% 2.1%				US University of Michigan consumer confidence January 74.0 - 73.2 74.0 Change in Nonfarm Payrolls (k) December 165 + 256 212 Change in Private Payrolls (k) December 140 + 223 182 Unemployment rate December 4.2% + 4.1% 4.2% Average Hourly Earnings MoM December 0.3% 0.3% 0.4% Average Hourly Earnings YoY December 4.0% 3.9% 4.0% Average weekly hours (hrs) December 34.3 34.3 34.3 Underemployment rate December .. 7.5% 7.7% Labor Force Participation Rate December 62.5% 62.5% 62.5%							
Monday 13				Tuesday 14				Wednesday 15			
CHINA Exports (YoY) December 7.5% .. 6.7% Imports (YoY) December -1.0% .. -3.9%				JAPAN Eco Watchers Survey Current December 49.5 .. 49.4 Eco Watchers Survey Outlook December 49.9 .. 49.4				UK CPI (YoY) December 2.6% .. 2.6% CPI Core (YoY) December 3.4% .. 3.5% EURO AREA Industrial Production (sa, MoM) November 0.2% .. 0.0% Industrial Production (wda, YoY) November -1.9% .. -1.2% US CPI (YoY) December 2.9% .. 2.7% Core CPI (YoY) December 3.3% .. 3.3%			
Thursday 16				Friday 17							
UK GDP (MoM) November 0.2% .. -0.1% US Retail sales (MoM) December 0.6% .. 0.7% Initial Jobless Claims (k) January 11 210 .. 201 Continuing Jobless Claims (k) January 4 1870 .. 1867 NAHB housing market confidence index January 45 .. 46				CHINA GDP (sa, QoQ) Q4:2024 1.6% .. 0.9% GDP (YoY) Q4:2024 5.0% .. 4.6% Industrial production (YoY) December 5.4% .. 5.4% Retail sales (YoY) December 3.5% .. 3.0% US Housing starts (k) December 1325 .. 1289 Building permits (k) December 1460 .. 1493 Industrial Production (MoM) December 0.3% .. -0.1%							

Equity Markets (in local currency)

Developed Markets							Emerging Markets					
	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)	
US	S&P 500	5827	-1,9	-0,9	21,8	48,7	MSCI Emerging Markets	67056	-1,4	-1,4	11,9	10,9
Japan	NIKKEI 225	39190	-1,8	-1,8	13,8	49,7	MSCI Asia	1044	-1,7	-1,9	15,9	12,7
UK	MSCI UK	2355	0,3	1,0	7,2	6,5	China	61	-4,3	-6,2	15,1	-13,2
Euro area	EuroStoxx	511	1,6	1,2	8,9	17,3	Korea	756	3,4	5,4	-4,2	5,5
Germany	DAX 40	20215	1,6	1,5	21,1	36,8	MSCI Latin America	85703	0,6	-0,1	-12,5	-5,7
France	CAC 40	7431	2,0	0,7	0,1	8,2	Brazil	273828	0,1	-0,6	-16,4	-8,0
Italy	MSCI Italy	1123	2,8	2,7	15,6	39,1	Mexico	46218	1,6	0,2	-10,1	-5,1
Spain	IBEX-35	11721	0,6	1,1	16,4	34,5	MSCI Europe	4322	0,5	2,8	12,4	51,6
Hong Kong	Hang Seng	19064	-3,5	-5,0	18,4	-10,6	Russia	2825	-0,1	-2,0	-10,7	30,8
Greece	ASE	1504	1,1	2,3	11,8	56,3	Turkey	10693733	-2,1	1,1	29,7	118,9

World Market Sectors and Styles (MSCI Indices*)

in US Dollar terms						Investment Styles					
	Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)		Current Level	1-week change (%)	Year-to-Date change (%)	1-Year change (%)	2-year change (%)
Energy	250,9	1,1	3,1	5,4	1,7	Growth (Developed)	5735,8	-1,7	-0,6	24,6	64,4
Materials	319,8	0,0	-0,5	-4,1	-2,6	Value (Developed)	3635,9	-1,5	-1,1	8,2	14,4
Industrials	401,8	-1,2	-0,8	12,5	30,3	Large Cap (Developed)	2351,5	-1,6	-0,7	17,6	41,4
Consumer Discretionary	460,8	-2,1	-1,6	19,9	50,7	Small Cap (Developed)	554,4	-2,4	-1,5	7,2	15,5
Consumer Staples	272,4	-2,0	-2,5	0,5	-0,2	US Growth	4077,8	-2,1	-0,4	34,0	71,6
Healthcare	357,7	0,7	1,4	-2,0	3,9	US Value	1858,5	-1,7	-1,5	8,1	25,0
Financials	180,5	-1,9	-1,5	22,6	32,6	US Large Cap	5827,0	-1,9	-0,9	21,8	48,7
IT	781,6	-2,7	-1,3	31,1	94,0	US Small Cap	1381,9	-2,8	-1,9	7,8	15,0
Telecoms	118,1	-2,0	-1,2	21,5	51,1	US Banks	472,4	-1,3	0,2	33,8	38,6
Utilities	162,1	-2,5	-1,0	7,6	4,3	EA Banks	150,0	3,4	2,7	24,3	44,3
Real Estate	981,6	-3,7	-3,4	-2,4	-0,2	Greek Banks	1360,3	3,4	5,8	20,8	93,9

Bond Markets (%)

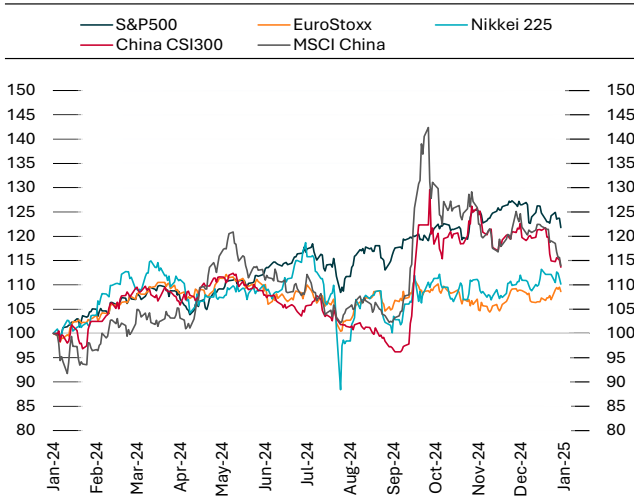
10-Year Government Bond Yields						Government Bond Yield Spreads (in bps)					
	Current	Last week	Year Start	One Year Back	10-year average		Current	Last week	Year Start	One Year Back	10-year average
US	4,76	4,60	4,57	4,03	2,48	US Treasuries 10Y/2Y	38	32	33	-33	48
Germany	2,60	2,43	2,37	2,21	0,65	US Treasuries 10Y/5Y	19	19	19	5	27
Japan	1,20	1,10	1,10	0,59	0,21	Bunds 10Y/2Y	31	26	29	-44	45
UK	4,84	4,59	4,57	3,82	1,81	Bunds 10Y/5Y	22	20	21	4	35
Greece	3,41	3,24	3,22	3,31	4,41	Corporate Bond Spreads (in bps)					
Ireland	2,85	2,71	2,64	2,54	1,14	US IG	80	80	80	99	122
Italy	3,77	3,59	3,52	3,84	2,28	US High yield	274	274	287	334	415
Spain	3,27	3,11	3,06	3,18	1,64	Euro area IG	101	102	102	142	123
Portugal	3,04	2,90	2,85	2,85	2,04	Euro area High Yield	312	303	309	369	389
Emerging Markets (LC)**	7,16	7,05	7,07	7,93	6,05	Emerging Markets (HC)	202	206	210	280	334
US Mortgage Market						iTraxx Senior Financial 5Y ²	65	63	64	69	77
30-Year FRM ¹ (%)	6,99	6,97	6,97	6,81	4,69						
vs 30Yr Treasury (bps)	203,0	217,0	219,0	261,0	175,5						

Foreign Exchange & Commodities

Foreign Exchange						Commodities					
	Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)		Current	1-week change (%)	1-month change (%)	1-Year change (%)	Year-to-Date change (%)
Euro-based cross rates											
EUR/USD	1,02	-0,4	-2,3	-6,5	-1,0	Agricultural	381	1,4	-0,5	0,8	-0,5
EUR/CHF	0,94	0,2	1,3	0,6	0,1	Energy	257	3,7	8,7	4,3	5,6
EUR/GBP	0,84	1,0	1,8	-2,7	1,4	West Texas Oil (\$/bbl)	77	3,5	9,5	8,0	6,7
EUR/JPY	161,51	-0,3	1,0	1,1	-0,8	Crude Brent Oil (\$/bbl)	80	4,2	8,4	3,8	6,8
EUR/NOK	11,76	0,5	0,4	3,6	0,0	HH Natural Gas (\$/mmbtu)	4,0	18,1	18,8	31,4	9,6
EUR/SEK	11,50	0,4	-0,2	2,5	0,5	TTF Natural Gas (EUR/mwh)	45	-9,3	0,7	45,5	-7,9
EUR/AUD	1,67	0,4	1,0	1,7	-0,4	Industrial Metals	447	2,9	-1,6	9,9	2,1
EUR/CAD	1,48	-0,5	-0,3	0,7	-0,7	Precious Metals	3537	3,0	-1,3	34,1	3,7
USD-based cross rates											
USD/CAD	1,44	-0,2	1,9	7,8	0,3	Gold (\$)	2690	1,9	-1,0	32,9	2,5
USD/AUD	1,62	0,8	3,4	8,8	0,6	Silver (\$)	30	2,6	-4,7	32,9	5,2
USD/JPY	157,58	0,1	3,3	8,2	0,3	Baltic Dry Index	1048	-2,2	-5,2	-37,0	5,1
						Baltic Dirty Tanker Index	821	-2,4	-11,8	-43,7	-11,4

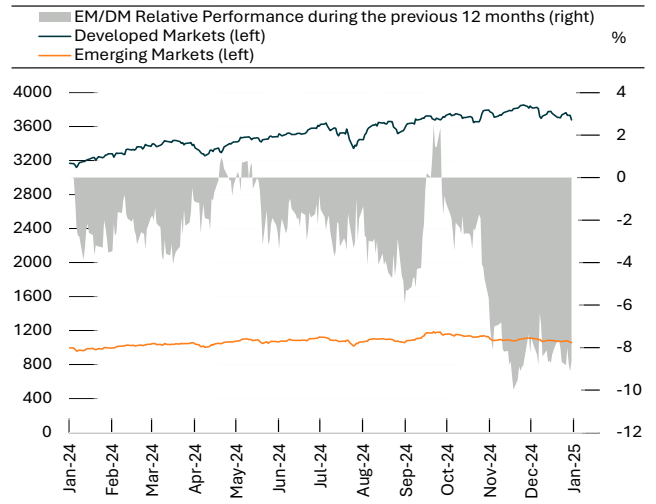
Source: NBG Economic Analysis Division, Data as of January 10th, *: Unless otherwise noted, ¹ Fixed-rate Mortgage, **: Emerging Markets Sovereign Bond index has an effective duration of c.7 years, ² The Markit iTraxx Europe Senior Financials index is made up of 5-yr CDS spreads on European financial companies.

Equity Market Performance



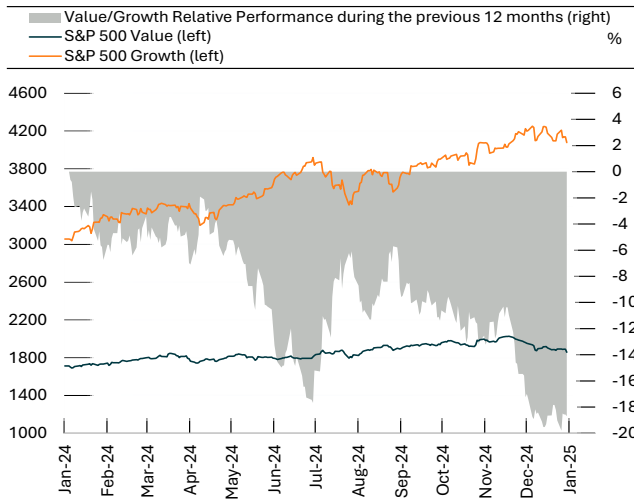
Data as of January 10th – Rebased @ 100

EM vs DM Performance in \$



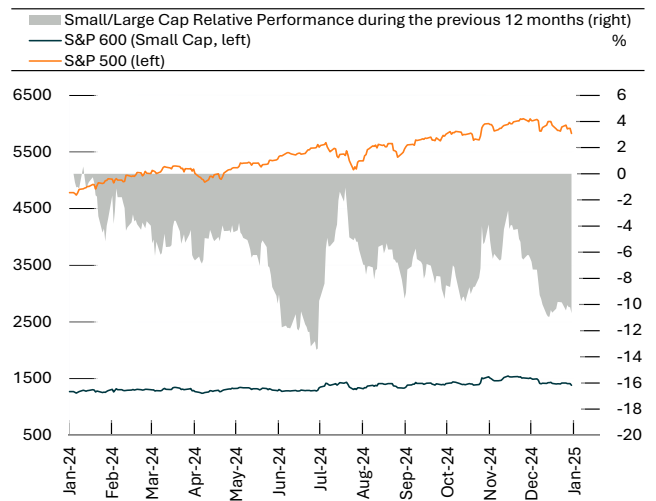
Data as of January 10th

S&P 500 Value & Growth Index



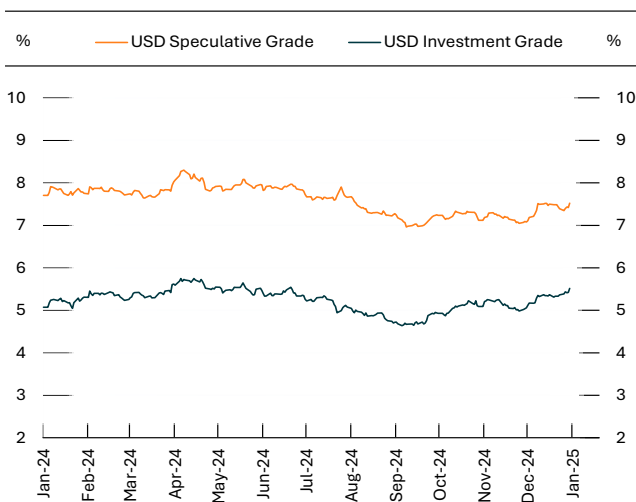
Data as of January 10th

S&P 500 & S&P 600 Index



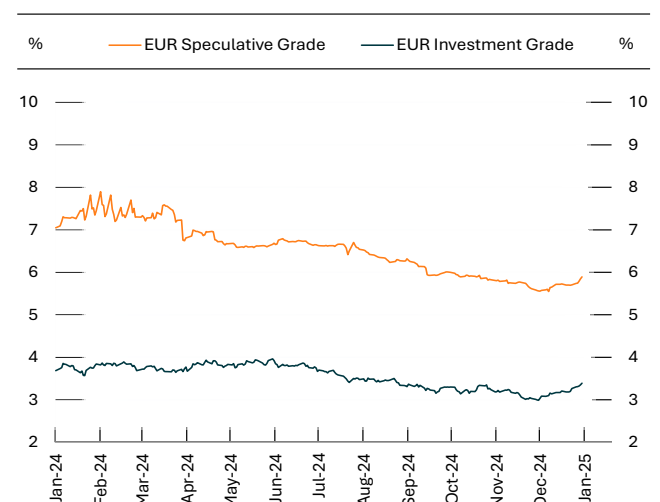
Data as of January 10th

USD Corporate Bond Yields



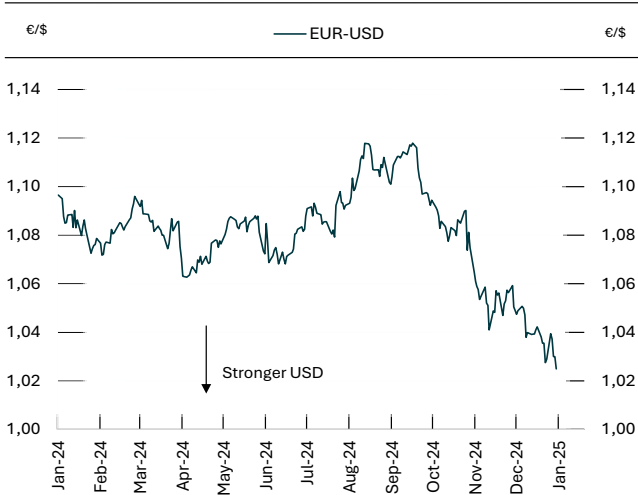
Data as of January 10th

EUR Corporate Bond Yields



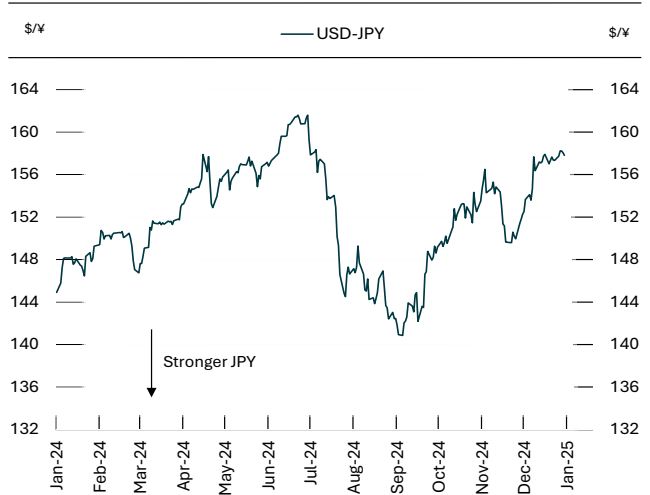
Data as of January 10th

EUR/USD



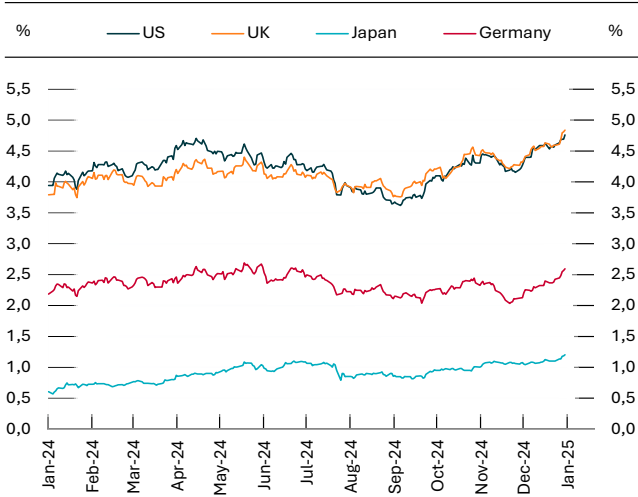
Data as of January 10th

USD/JPY



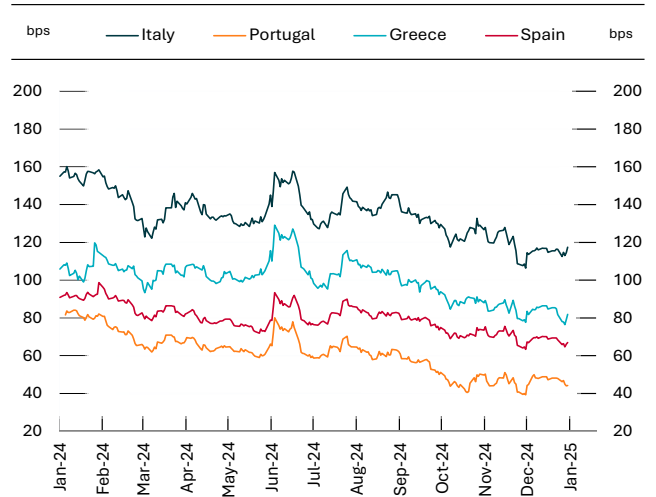
Data as of January 10th

10- Year Government Bond Yields



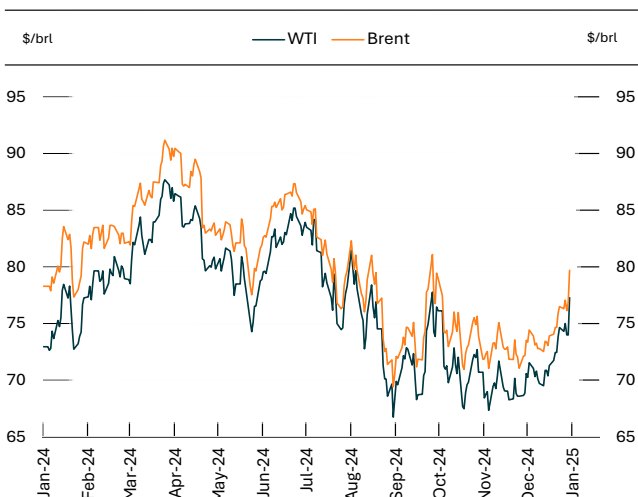
Data as of January 10th

10- Year Government Bond Spreads



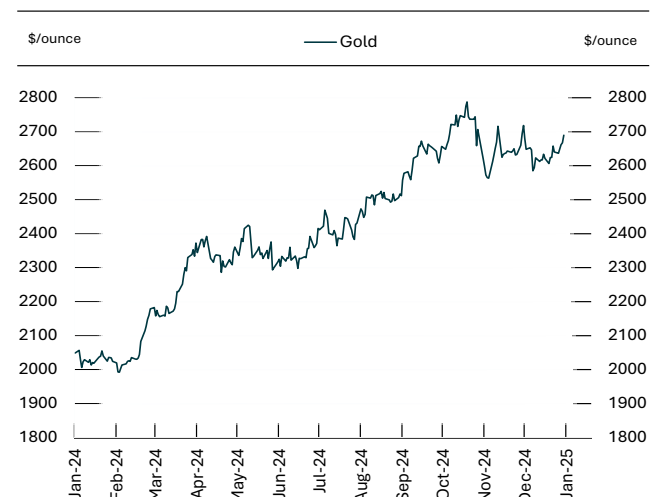
Data as of January 10th

West Texas Intermediate and Brent (\$/brl)



Data as of January 10th

Gold (\$/ounce)



Data as of January 10th

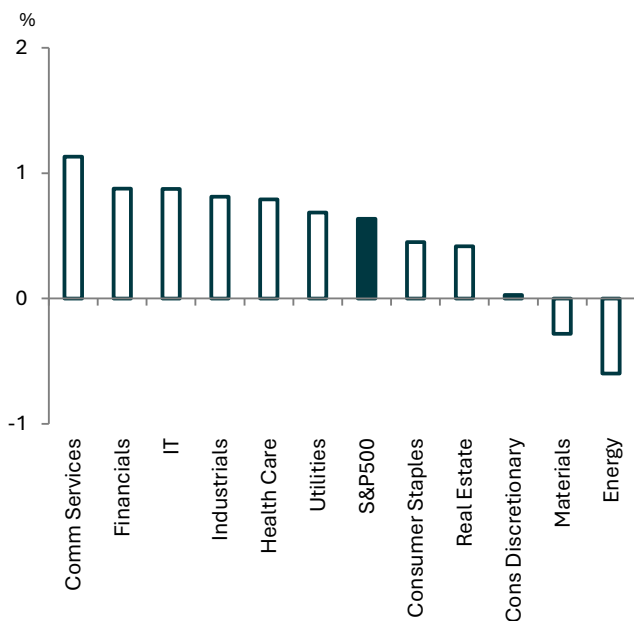
US Sectors Valuation

	Price (\$)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	10/1/25	% Weekly Change	%YTD	2024	2025	2024	2025	2024	2025	12m fwd	20Yr Avg	2024	2025	Current	20Yr Avg
S&P500	5827	-1,9	-0,9	9,8	14,2	1,3	1,3	25,0	21,9	21,5	16,1	5,0	4,5	4,9	3,0
Energy	674	0,9	2,9	-17,9	3,1	3,5	3,7	14,0	13,6	13,4	17,7	1,9	1,9	1,9	2,0
Materials	525	0,1	-1,0	-8,8	17,5	2,0	2,1	21,5	18,3	18,0	15,8	2,7	2,5	2,7	2,8
Financials															
Diversified Financials	1344	-3,4	-3,0	18,2	9,6	1,0	1,1	22,8	20,8	20,6	13,9	3,0	2,9	3,0	1,5
Banks	472	-1,3	0,2	2,8	4,0	2,5	2,7	13,0	12,5	12,3	12,2	1,4	1,3	1,4	1,3
Insurance	776	-2,4	-2,8	25,0	11,2	1,6	1,7	14,9	13,4	13,3	11,1	2,4	2,2	2,4	1,4
Real Estate	246	-4,1	-3,8	1,5	7,3	3,5	3,6	38,3	35,7	35,4	17,0	2,9	3,0	2,9	N/A
Industrials															
Capital Goods	1227	-1,5	-0,7	-4,7	19,9	1,3	1,4	27,1	22,6	22,2	16,4	6,3	5,6	6,2	3,7
Transportation	1000	0,5	1,7	3,3	17,0	1,8	1,9	19,0	16,2	16,1	16,2	4,6	4,1	4,6	3,9
Commercial Services	674	-0,4	-0,4	11,4	10,1	1,2	1,3	31,5	28,6	28,0	19,7	10,1	8,8	9,8	4,4
Consumer Discretionary															
Retailing	5142	-1,6	-0,1	30,2	13,8	0,5	0,6	33,8	29,7	29,3	22,4	10,8	8,2	10,6	7,4
Consumer Services	1802	-3,3	-3,2	5,1	12,9	1,2	1,3	26,5	23,4	23,1	22,3	N/A	N/A	N/A	N/A
Consumer Durables	396	-1,0	-1,6	-3,1	3,0	1,1	1,2	17,4	16,9	16,7	16,1	3,6	3,3	3,5	3,2
Automobiles and parts	206	-3,7	-2,5	2,5	8,7	0,3	0,3	45,1	41,5	41,1	15,5	6,5	5,8	6,5	2,8
IT															
Technology	4342	-2,2	-4,2	9,2	11,4	0,6	0,6	32,3	29,0	27,9	16,3	21,4	19,9	21,1	6,8
Software & Services	4782	-2,4	-2,0	16,6	10,6	0,7	0,7	35,2	31,8	30,2	20,6	10,9	8,7	10,0	6,1
Semiconductors	5781	-4,4	0,5	40,3	43,5	0,5	0,5	39,6	27,6	26,8	17,9	10,9	8,7	10,6	4,5
Communication Services	344	-0,7	0,7	24,0	15,0	0,8	0,9	22,3	19,4	19,2	15,5	4,8	4,1	4,7	2,6
Media	1431	-0,3	1,3	10,0	3,7	2,7	2,8	9,6	9,2	9,2	6,8	1,8	1,6	1,7	N/A
Consumer Staples															
Food & Staples Retailing	963	2,0	2,2	2,3	5,6	1,8	1,2	30,9	29,3	29,0	17,7	7,7	7,0	7,6	3,7
Food Beverage & Tobacco	761	-4,3	-4,6	2,7	4,9	3,7	3,8	16,9	16,1	16,0	17,0	5,0	4,7	5,0	5,2
Household Goods	834	-3,6	-4,9	8,1	4,8	2,5	2,6	24,4	23,3	22,5	19,8	8,5	8,0	8,3	6,1
Health Care															
Pharmaceuticals	1308	0,0	0,8	6,7	29,0	2,1	2,2	20,9	16,2	16,1	14,6	5,6	4,9	5,5	4,4
Healthcare Equipment	1943	1,3	2,5	3,4	9,4	1,3	1,4	18,9	17,2	17,1	16,1	3,7	3,3	3,6	3,1
Utilities	384	-2,0	-0,2	13,3	8,6	3,0	3,2	18,7	17,3	17,1	15,9	2,1	2,0	2,1	1,9

The prices data are as of 10/1/2025, while the EPS growth, Dividend yield, P/E ratio and P/BV ratio are as of 3/1/2025. Blue box indicates a value more than +2standard deviation from average, light blue a value more than +1standard deviation from average. Orange box indicates a value less than -2standard deviation from average, light orange a value less than -1standard deviation from average

1-month revisions to 12-month Forward EPS

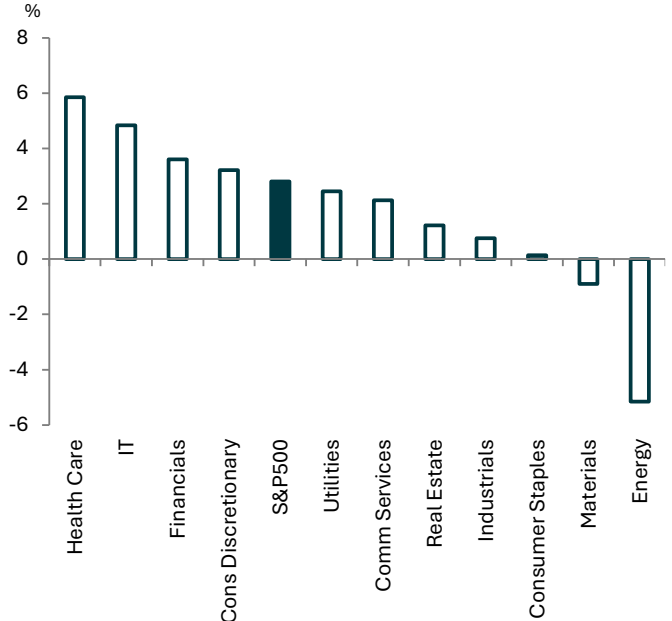
Earnings Revisions indicate 1-month change in 12-month Forward EPS



Data as of January 3rd
12-month forward EPS are 99% of 2025 EPS and 1% of 2026 EPS

3-month revisions to 12-month Forward EPS

Earnings Revisions indicate 3-month change in 12-month Forward EPS



Data as of January 3rd
12-month forward EPS are 99% of 2025 EPS and 1% of 2026 EPS

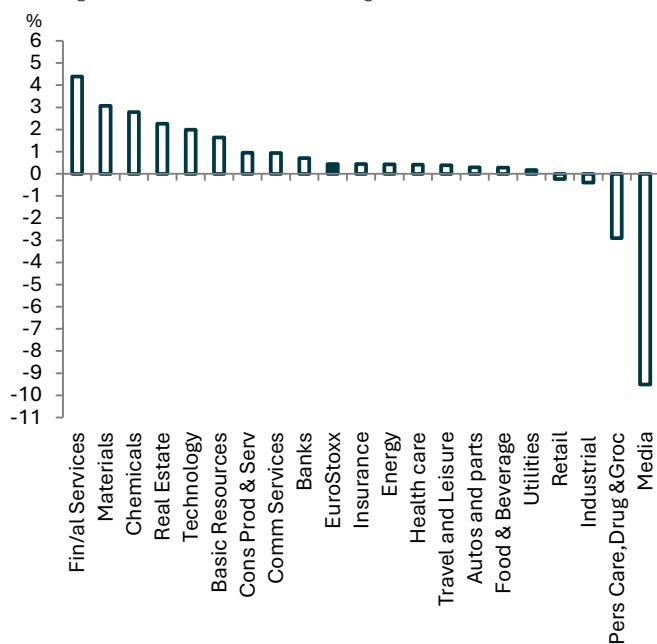
Euro Area Sectors Valuation

	Price (€)			EPS Growth (%)		Dividend Yield (%)		P/E Ratio				P/BV Ratio			
	10/1/25	% Weekly Change	%YTD	2024	2025	2024	2025	2024	2025	12m fwd	20Yr Avg	2024	2025	Current	20Yr Avg
EuroStoxx	511	1,6	1,2	-0,3	8,0	3,4	3,6	14,0	12,9	12,8	12,8	1,7	1,6	1,7	1,6
Energy	122	0,7	2,8	-14,9	5,0	5,5	5,7	8,9	8,5	8,3	10,3	1,2	1,1	1,1	1,4
Materials															
Basic Resources	173	-0,6	-1,7	-20,9	32,2	3,6	3,8	12,1	9,1	9,0	11,6	0,6	0,6	0,6	1,0
Chemicals	1378	0,0	-1,7	13,7	9,3	3,1	3,2	18,2	16,7	16,5	15,2	1,9	1,8	1,8	2,2
Financials															
Banks	150	3,4	2,7	11,2	1,8	7,0	7,2	6,9	6,8	6,7	9,2	0,8	0,7	0,8	0,9
Insurance	426	-0,4	0,1	10,1	12,9	5,1	5,5	11,0	9,8	9,7	9,1	1,6	1,5	1,6	1,1
Financial Services	633	1,2	0,8	6,4	-25,1	3,2	3,4	10,4	13,9	13,8	14,2	1,6	1,4	1,6	1,5
Real Estate	140	-3,4	-3,6	16,6	4,5	5,0	5,3	12,2	11,7	11,7	12,7	0,8	0,8	0,8	1,0
Industrials															
Industrial Goods & Services	1337	2,5	2,4	6,7	15,4	2,2	2,4	20,7	17,9	17,7	15,4	3,4	3,1	3,3	2,6
Construction & Materials	626	-0,5	-1,2	-0,9	12,1	3,4	3,8	13,4	12,0	11,9	13,2	1,7	1,6	1,7	1,6
Consumer Discretionary															
Retail	892	-0,9	-0,5	15,4	10,3	3,2	3,5	24,8	22,4	22,4	17,5	5,6	5,2	5,6	2,9
Automobiles and parts	531	2,0	-0,3	-32,0	11,0	4,9	5,2	7,2	6,5	6,4	11,2	0,6	0,6	0,6	1,1
Travel and Leisure	237	-2,2	-4,0	-9,4	21,4	2,7	3,0	13,2	10,8	10,8	27,7	2,4	2,0	2,3	2,1
Consumer Products & Services	450	3,7	0,4	5,0	14,3	1,6	1,8	29,8	26,0	25,7	21,2	5,0	4,6	5,0	3,9
Media	371	2,2	0,5	5,4	8,7	2,1	2,3	22,9	21,1	20,9	15,4	6,5	6,0	6,4	2,3
Technology	1091	3,3	3,3	-5,8	18,1	1,0	1,2	29,2	24,7	24,3	19,2	5,1	4,6	5,1	3,5
Consumer Staples															
Food, Beverage & Tobacco	142	-1,8	-3,2	3,6	8,9	2,7	2,8	16,9	15,6	15,6	17,8	1,6	1,5	1,6	2,8
Personal Care, Drug & Grocery	173	1,1	1,5	-1,7	10,6	3,4	3,6	14,1	12,8	12,6	N/A	1,9	1,8	1,9	2,1
Health care	845	3,1	2,4	2,9	11,3	2,1	2,3	16,6	14,9	14,7	14,7	1,9	1,8	1,9	2,0
Communication Services	328	0,0	1,0	14,9	11,6	3,9	4,2	15,8	14,1	14,0	13,0	1,6	1,6	1,6	1,8
Utilities	375	-3,4	-1,2	1,5	-5,6	5,6	5,6	11,3	12,0	12,0	13,0	1,5	1,4	1,5	1,5

The prices data are as of 10/1/2025, while the EPS growth, Dividend yield, P/E ratio and P/BV ratio are as of 3/1/2025. Blue box indicates a value more than +2standard deviation from average, light blue a value more than +1standard deviation from average. Orange box indicates a value less than -2standard deviation from average, light orange a value less than -1standard deviation from average

1-month revisions to 12-month Forward EPS

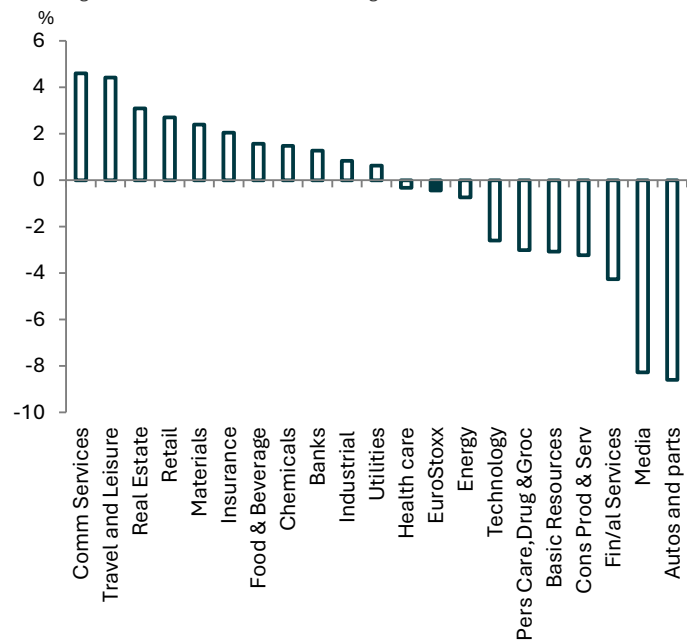
Earnings Revisions indicate 1-month change in 12-month Forward EPS



Data as of January 3rd
12-month forward EPS are 99% of 2025 EPS and 1% of 2026 EPS

3-month revisions to 12-month Forward EPS

Earnings Revisions indicate 3-month change in 12-month Forward EPS



Data as of January 3rd
12-month forward EPS are 99% of 2025 EPS and 1% of 2026 EPS

DISCLOSURES:

This report has been produced by the Economic Research Division of the National Bank of Greece, which is regulated by the Bank of Greece, and is provided solely as a sheer reference for the information of experienced and sophisticated investors who are expected and considered to be fully able to make their own investment decisions without reliance on its contents, i.e. only after effecting their own independent enquiry from sources of the investors' sole choice. The information contained in this report does not constitute the provision of investment advice and under no circumstances is it to be used or considered as an offer or an invitation to buy or sell or a solicitation of an offer or invitation to buy or sell or enter into any agreement with respect to any security, product, service or investment. No information or opinion contained in this report shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency rate or other market or economic measure. Past performance is not necessarily a reliable guide to future performance. National Bank of Greece and/or its affiliates shall not be liable in any matter whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance on or usage of this report and accepts no legal responsibility to any investor who directly or indirectly receives this report. The final investment decision must be made by the investor and the responsibility for the investment must be taken by the investor.

Any data provided in this report has been obtained from sources believed to be reliable but has not been independently verified. Because of the possibility of error on the part of such sources, National Bank of Greece does not guarantee the accuracy, timeliness or usefulness of any information. Information and opinions contained in this report are subject to change without notice and there is no obligation to update the information and opinions contained in this report. The National Bank of Greece and its affiliate companies, its representatives, its managers and/or its personnel or other persons related to it, accept no responsibility, or liability as to the accuracy, or completeness of the information contained in this report, or for any loss in general arising from any use of this report including investment decisions based on this report. This report does not constitute investment research or a research recommendation and as such it has not been prepared in accordance with legal requirements designed to promote investment research independence. This report does not purport to contain all the information that a prospective investor may require. Recipients of this report should independently evaluate particular information and opinions and seek the advice of their own professional and financial advisers in relation to any investment, financial, legal, business, tax, accounting or regulatory issues before making any investment or entering into any transaction in relation to information and opinions discussed herein.

National Bank of Greece has prepared and published this report wholly independently of any of its affiliates and thus any commitments, views, outlook, ratings or target prices expressed in these reports may differ substantially from any similar reports issued by affiliates which may be based upon different sources and methodologies.

This report is not directed to, or intended for distribution to use or use by, any person or entity that is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to any law, regulation or rule.

This report is protected under intellectual property laws and may not be altered, reproduced or redistributed, or passed on directly or indirectly, to any other party, in whole or in part, without the prior written consent of National Bank of Greece.

ANALYST CERTIFICATION:

The research analyst denoted by an "AC" on page 1 holds the certificate (type Δ) of the Hellenic Capital Market Commission/Bank of Greece which allows her/him to conduct market analysis and reporting and hereby certifies that all of the views expressed in this report accurately reflect his or her personal views solely, about any and all of the subject issues. Further, each of these individuals also certifies that no part of any of the report analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report. Also, all opinions and estimates are subject to change without notice and there is no obligation for update.