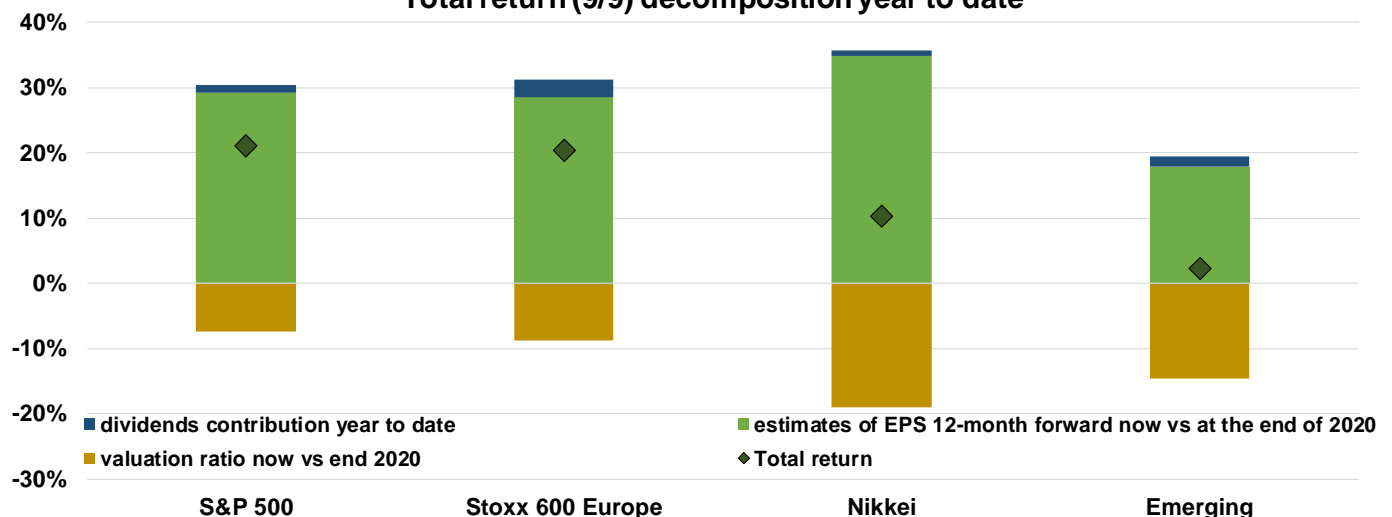


At the end of the previous week, **US** employment figures were mixed. Non-farm payrolls were in August substantially lower (235,000, historic average: 118,000) than expected (733,000). However, the unemployment rate posted low (5.2%, historic average: 5.8%) since March 2020. Despite the mixed employment figures, **the Fed will most probably start gradually reducing the pace of bond-buying by the end of 2021, as inflation is elevated.** **Eurozone** Sentix Investor confidence index dropped in September at a low (19.6, August: 22.2) since April, but remained above the 12-month average (9.9). In **Greece**, GDP increased on quarterly basis in the second quarter (3.4%) for fourth consecutive quarter and on yearly basis by 16.2%. In **China**, trade balance increased in August at a high (\$58.3 bn.) since January. The yearly rise of exports was higher (25.6%) than expected (17.3%). Worries about stricter regulation in China continue to weigh on market sentiment. At the end of this week, US and China Presidents talked about coordinating efforts against the pandemic and towards supporting global economic growth.

US and **European** equity markets have posted strong year to date total returns. Despite that the S&P 500 and the Stoxx 600 Europe indices have recently been around historic highs, **their 12-month forward P/E ratio is lower compared to where it was at the end of 2020, as the forward earnings per share estimates have been revised upwards during the year.** In **Japan**, upwards 12-month forward earnings estimate revisions, have driven the P/E 12-month forward ratio in mid-August at a low since April 2020. In the last few days, the Nikkei index has risen at a high (10/9: 30,381.8) since March (broader Topix index at 30-year high). **Expectations for additional fiscal stimulus and continued monetary stimulus have contributed to the recovery of the indices in Japan.** The MSCI **emerging** index has recovered, approaching at level (close of 7/9: 1,325.6) slightly below its 200-day average (1,333).

Total return (9/9) decomposition year to date *


*valuation ratio used for total return decomposition: P/E 12-month forward

Source: Bloomberg

The **ECB** decided to moderately lower the pace of bond-buying under the PEPP, compared to almost €80 bn./month on average conducted during the second and third quarter. Despite that, monetary support will continue to be substantial at least until March 2022, as the ordinary bond-buying programme is also ongoing (APP: €20bn/month). EUR/USD remains in range trading (\$1.1660 - \$1.1910 area, 200-day average: \$1.2000).

The week ahead:

US headline **inflation** and core inflation (14/9) may have remained elevated in August (5.3% and 4.3% respectively). University of Michigan consumer confidence index (17/9) has probably recovered in September (median of estimates: 72.0) from the low (70.3) since the end of 2011, posted in August. **Eurozone** industrial production (15/9) may have risen on monthly basis in July.

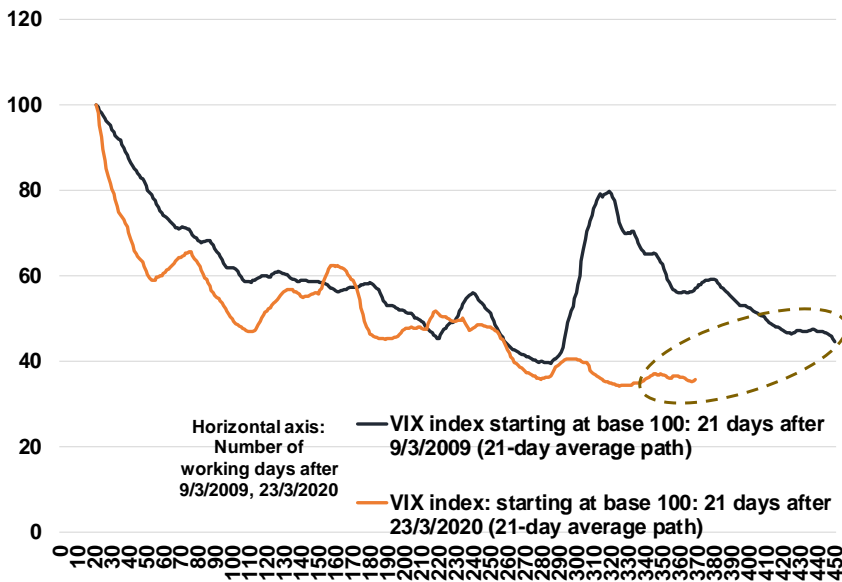
Quote of the Week:

The President of the ECB said (9/9): "Eurozone economy is clearly recovering. Policy support is still essential"

Global Markets in Charts

The VIX implied volatility on S&P 500 index has slightly risen, but from unusually low level

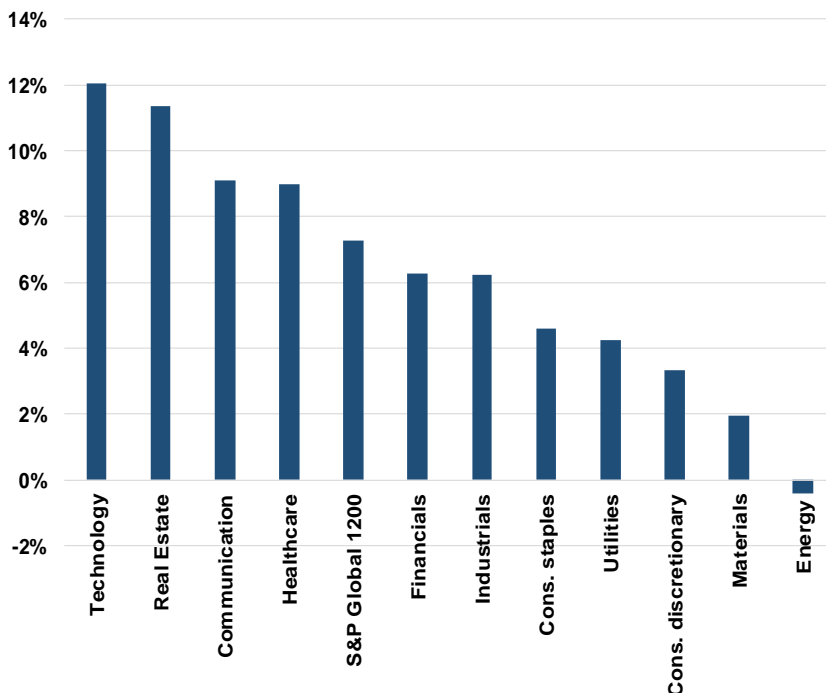
VIX index: 21-day average (starting at base 100: 2009-2010 vs 2020-2021)



The VIX index had risen at intraday high (8/9: 19.6%) since August 20, which is around its historic average. The 21-day average of the VIX stands at relatively low level (9/9: 17.4%). The drop of VIX has been more pronounced since mid-2020, compared to the respective period after the bottom of the stock market in 2009. The ongoing monetary and fiscal easing has probably suppressed volatility. Monetary policy is expected to become gradually less accommodative, which may trigger somewhat higher volatility. It is noted, that the equity markets were more volatile in 2009-2010 (after March 2009 bottom), compared to the period of 2020-2021 (after March 2020 bottom). While a rise in volatility may not be excluded, the mid-term constructive outlook for equities remains, as government bond yields are relatively low.

While short-term corrective move cannot be excluded, the upwards mid-term trend has been broad across sectors






S&P Global 1200: sector indices versus 200-day average



Source: Bloomberg

The rise of global equities since March 2020, has been strengthened by the gradual broadening, involving more sectors. Currently, almost all the main sector indices of the S&P Global 1200, are above their respective 200-day average. Technology is leading aggressive sectors, with its current level by 12% above its 200-day average. Defensive sectors, which are currently above their respective 200-day averages, include real estate and healthcare. Other sectors such as communications and financials have also risen quite strongly. The S&P 500 index has posted one-year total return of 34.2% (9/9), while the equally weighted S&P 500 index version, has increased even more (43.3%), as the upwards move has become broad-based. The MSCI all countries world value and the growth indices have almost the same one-year and year to date total return. The path of US 10-year government bond yield will be key for value versus growth and for markets overall.

Global Markets Minesweeper
Event Risk Calendar, 13 - 17 September 2021

Monday 13/9							
Date Time	Country	Event	Period	Survey	Prior		
13/9 02:50	JN	PPI (YoY)	Aug	5.70%	5.60%		
13/9 02:50	JN	PPI (MoM)	Aug	0.30%	1.10%		
13/9 21:00	US	Monthly Budget Statement	Aug		-\$200.0b		
Eco Event	AT	OPEC Monthly Oil Market Report published					
Tuesday 14/9							
Date Time	Country	Event	Period	Survey	Prior		
14/9 07:30	JN	Industrial Production (YoY)	Jul F		11.60%		
14/9 09:00	UK	Jobless Claims Change	Aug		-7.8k		
14/9 09:00	UK	Average Weekly Earnings 3M/(YoY)	Jul	8.20%	8.80%		
14/9 09:00	UK	Weekly Earnings ex Bonus 3M/(YoY)	Jul	6.80%	7.40%		
14/9 09:00	UK	ILO Unemployment Rate 3Mths	Jul	4.60%	4.70%		
14/9 13:00	US	NFIB Small Business Optimism	Aug	99	99.7		
14/9 15:30	US	CPI (MoM)	Aug	0.40%	0.50%		
14/9 15:30	US	CPI Ex Food and Energy (MoM)	Aug	0.30%	0.30%		
14/9 15:30	US	CPI (YoY)	Aug	5.30%	5.40%		
14/9 15:30	US	CPI Ex Food and Energy (YoY)	Aug	4.30%	4.30%		
Corp. Results	US	Apple is planning its biggest product launch of the year					
Wednesday 15/9							
Date Time	Country	Event	Period	Survey	Prior		
15/9 05:00	CH	Retail Sales (YoY)	Aug	7.00%	8.50%		
15/9 05:00	CH	Industrial Production (YoY)	Aug	5.80%	6.40%		
15/9 09:00	UK	CPI (YoY)	Aug	2.90%	2.00%		
15/9 09:00	UK	CPI Core (YoY)	Aug		1.80%		
15/9 09:00	UK	RPI (YoY)	Aug	4.50%	3.80%		
15/9 11:30	UK	House Price Index (YoY)	Jul		13.20%		
15/9 12:00	EC	Industrial Production SA (MoM)	Jul	0.50%	-0.30%		
15/9 12:00	EC	Industrial Production WDA (YoY)	Jul	5.70%	9.70%		
15/9 14:00	US	MBA Mortgage Applications	10-Sep		-1.90%		
15/9 15:30	US	Empire Manufacturing	Sep	17.1	18.3		
15/9 15:30	US	Import Price Index (MoM)	Aug	0.30%	0.30%		
15/9 16:15	US	Industrial Production (MoM)	Aug	0.30%	0.90%		
15/9 16:15	US	Capacity Utilization	Aug	76.30%	76.10%		
15/9 16:15	US	Manufacturing (SIC) Production	Aug	0.40%	1.40%		

Date Time	Country	Event	Period	Survey	Prior	
Eco Event						
	EC	ECB Chief Economist P. Lane speaks about the ECB's strategy review (18:00)				
Thursday 16/9						
16/9 02:50	JN	Trade Balance Adjusted	Aug	¥75.7b	¥52.7b	
16/9 12:00	EC	Trade Balance SA (EUR)	Jul		12.4b	
16/9 15:30	US	Retail Sales Advance (MoM)	Aug	-0.80%	-1.10%	🌟*
16/9 15:30	US	Initial Jobless Claims	11-Sep		310k	🌟*
16/9 15:30	US	Retail Sales Ex Auto (MoM)	Aug	-0.20%	-0.40%	
16/9 15:30	US	Philadelphia Fed Business Outlook	Sep	19.2	19.4	🌟*
16/9 15:30	US	Retail Sales Ex Auto and Gas	Aug	-0.30%	-0.70%	
16/9 23:00	US	Net Long-term TIC Flows	Jul		\$110.9b	
Eco Event						
	EC	ECB Governing Council member O. Rehn speaks on monetary policy (11:00)				
Friday 17/9						
17/9 09:00	UK	Retail Sales Inc Auto Fuel (MoM)	Aug	0.70%	-2.50%	
17/9 09:00	UK	Retail Sales Inc Auto Fuel (YoY)	Aug	2.70%	2.40%	
17/9 11:00	EC	ECB Current Account SA (EUR)	Jul		21.8b	
17/9 12:00	EC	CPI (YoY)	Aug F	3.00%	2.20%	🌟*
17/9 12:00	EC	CPI Core (YoY)	Aug F	1.60%	1.60%	🌟*
17/9 12:00	EC	CPI (MoM)	Aug F	0.40%	0.40%	
17/9 17:00	US	U. of Mich. Sentiment	Sep P	72	70.3	🌟*

Global Markets Analysis

+30 210-3268410

marketanalysis@alpha.gr

Maria Koutouzi
 Ioannis Kouravelos, CFA
 Konstantinos Anathreptakis
 Nikolaos Sakarelis

maria.koutouzi@alpha.gr
 ioannis.kouravelos@alpha.gr
 konstantinos.anathreptakis@alpha.gr
 nikolaos.sakarelis@alpha.gr

Disclaimer: The information herein is believed to be reliable and has been obtained from sources believed to be reliable, but we make no representation or warranty, express or implied, with respect to the fairness, correctness, accuracy or completeness of such information. In addition we have no obligation to update, modify or amend this communication or to otherwise notify a recipient in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. We are not acting and do not purport to act in any way as an advisor or in a fiduciary capacity. We therefore strongly suggest that recipients seek their own independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein. Analyses and opinions contained herein may be based on assumptions that if altered can change the analyses or opinions expressed. Nothing contained herein shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency rate or other market or economic measure. Furthermore, past performance is not necessarily indicative of future results. This communication is provided for information purposes only. It is not an offer to sell, or a solicitation of an offer to buy, any security, nor to enter into any agreement or contract with Alpha bank or any affiliates. In addition, because this communication is a summary only it may not contain all material terms, and therefore this communication in and of itself should not form the basis for any investment decision. Financial instruments that may be discussed herein may not be suitable for all investors, and potential investors must make an independent assessment of the appropriateness of any transaction in light of their own objectives and circumstances, including the possible risks and benefits of entering into such a transaction. By accepting receipt of this communication the recipient will be deemed to represent that they possess, either individually or through their advisers, sufficient investment expertise to understand the risks involved in any purchase or sale of any financial instrument discussed herein. Any duplication, copy, reprint or transmission of this document is prohibited without the prior written permission of the issuer.