FINANCE
CLUB UNIPI

FINANCIAL MARKETS DEPARTMENT

WEEKLY OUTLOOK

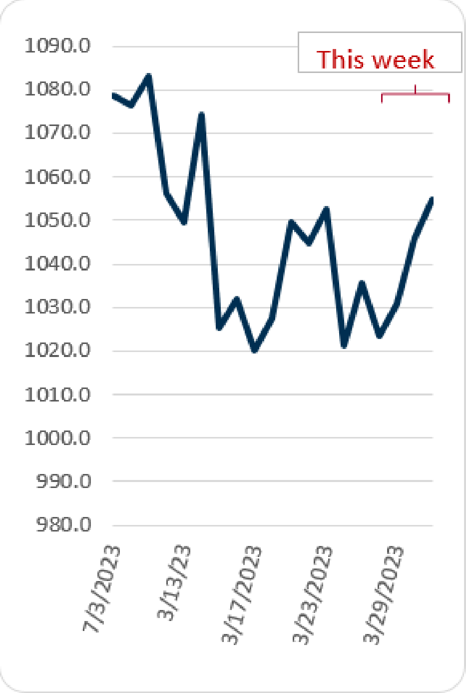
27.03.2023 - 31.03.2023

GREECE | GI 's rally fueled by bullish inflation data

MARKET COMMENT & DRIVING EVENTS

This week was a great one for the Greek stock market as the Athens General Composite rallied 3.27% or 33.43 points closing at 1,054.59. This was the 10th straight week that the index stayed above 1000 points despite the rough macroeconomic environment. The same goes for FTSE Large Cap which closed the week up 3.42% or 84.26 points reaching 2,548.89. Positive news came from the inflation front on Friday, as the Greek harmonized CPI was measured 5.4% in March from the 6.5% of February and the 7.3% of January, while inflation in other European countries seems to be following a similar trend as Eurozone CPI fell to 6.9% from last month's 8.5%. Many hope that the most recent inflation readings might allow the ECB to slow down or even pause the rate hikes program. On the banks front, there weren't any concerning news from the EU or US and the banking sector in Greece had a chance to regain some of the lost ground although it has a long way to go till it has fully recovered. The FTSE Banks rallied 3.22% reaching 759.91 points with Piraeus Bank being the best performer gaining 6.38% this week and Alpha Bank following with 3.21% for the week.

ASE General Index Closing Prices



Source: Bloomberg

STOCK OF THE WEEK: INTRAKAT

Intrakat: On Thursday, Intrakat announced the acquisition of Aktor for €214 mn., making it one of the biggest deals ever in the construction sector. Intrakat is now the second biggest construction group in Greece only behind Gek Terna. Aktor had a significant number of contracts under its name, many of which with the Greek government, mainly highway and road construction. The company's shares recorder substantial gains of 1.27% this week as investors are trying to digest the news. Intrakat is a Mid-Cap stock that focusing in constructions, telecommunications and Energy. The company was founded in 1987 and was listed on ATHEX in 2001.Recently Intracom Holdings sold a large part of its shares to WINEX INVESTMENTS LIMITED and made them the largest shareholder of the company.

Athens Stock Exchange General Index Movers	Weekly Change
Top Gainers	
Ideal Group	11.57%
Aegean Airlines	7.80%
Motor Oil	7.05%
Terna Energy	6.85%
Elvalhacor	6.58%
Top Losers	
Ellaktor	-3.80%
Hellenic Exchanges	-2.97%
Thessaloniki Port Authority	-2.37%
Athens Water	-1.52%
Thessaloniki Water & Sewage	-1.18%

CONCLUSION & OUTLOOK

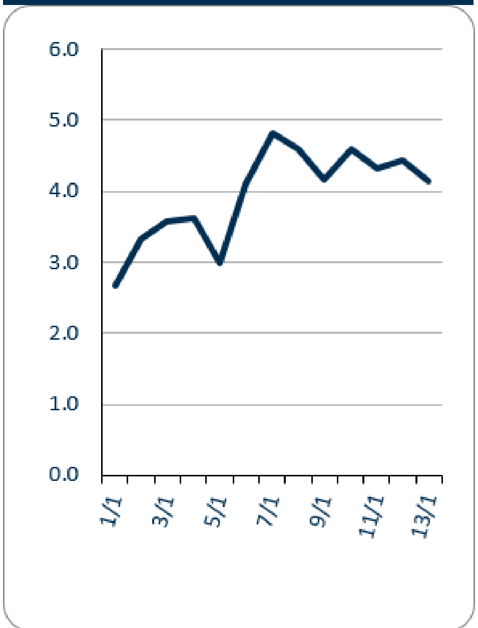
The Athens stock market ended March with loses, leaving a "bittersweet" to Q1 as it disrupted a significant rally that marked the first two months of the year where the ASE recorded gains of over 22%, however the March correction reduced the total gains just below 13%. The banking sector was a significant participant in this picture, as it lost over half of its annual gains as a result of its -18.3% decline this month, which prompted a correction that drove the broad index to 998 on March 20. What remains to be seen is how the markets will perform until the general elections in May. Most importantly the ghosts of the 2008 crisis remain very much alive as the banking sector experienced some turbulence this month that made investors wonder if the bank failures were caused by mismanagement or if there is systemic risk in the sector.

NEWS & ECONOMY

Unemployment rate falls bellow 11.5%

On Friday, ELSTAT released the unemployment report for February, which showed that the overall unemployment rate fell by to 11.4% Y.o.Y from last year's 13%. Specifically, the total number of unemployed was 526k in February almost 95k less than last year. The highest unemployment rate is observed in women and young people between the ages of 15-24.

10Y Greek Bond YTM



Source: Bloomberg

Greece has made significant progress to solve the ever-existing problem of unemployment since 2009 when it peaked around 28%, since then there is an almost linear decrease till now.

The investment grade scenario is a real possibility for Greece

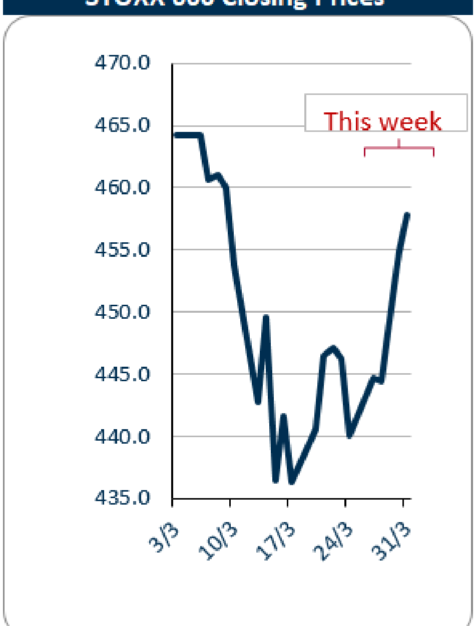
According to Goldman Sachs, S&P might upgrade Greece to investment grade one month before the general elections on April 21, as the economic activity remained solid through the rough market conditions of the last year mainly due to private lending. Moreover, the debt to GDP ratio continues to improve despite the high interest rates environment and the rough market conditions. Greece's debt is considered to be less vulnerable than other EU countries mainly due to European financial aid packages and future growth prospects.

EUROPE | Gains fueled by inflation news and support plans for banks

MARKETS&ECONOMY

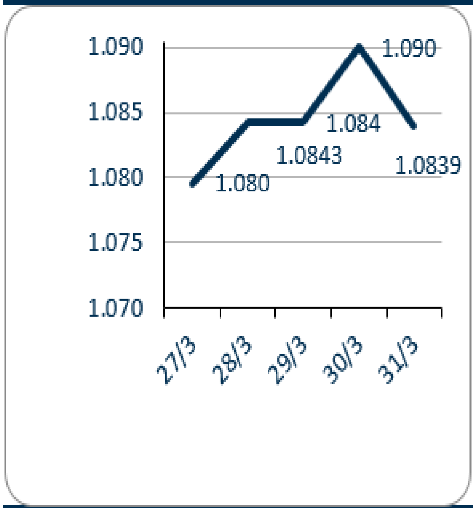
Europe's stocks rallied as concerns about financial instability eased. In local currency terms, the STOXX Europe 600 Index gained 4.03%. Major indexes also saw significant increases, including France's CAC 40 Index, which rose by 4.38%, Germany's DAX, which gained 4.49%, Italy's FTSE MIB, which increased by 4.72%, and the Swiss Market Index (SMI), which saw a gain of 4.41%. The UK's FTSE 100 Index also rose by 3.06%. In an attempt to reassure the markets about the banking crisis, the European Commission is expected to propose a plan in April that would allow banks with insufficient funds to use the European Union's funds to cover the gaps and avoid relying on uninsured depositors. Meanwhile, last week, the head of the European Central Bank, Christine Lagarde, called for the implementation of a stalled EU deposit insurance scheme, stating that European banks were safe but urging governments to take action. Lagarde also said that the banking sector in the euro area is strong due to the application of regulatory reforms implemented after the Global Financial Crisis and that the ECB has the necessary tools to provide liquidity to the system if required. Investors also drove up European government bonds after digesting new information about inflation and hawkish remarks from European Central Bank policymakers. The past month's turmoil in the banking sector has raised the prospect of a credit crunch that could slam the brakes on both inflation and growth in the coming months. However, ECB officials have signaled they are likely to continue raising rates at their next policy meeting in May unless the banking turmoil worsens. The eurozone saw a decrease in its annual consumer price growth, dropping from 8.5% in February to 6.9% in March, which was lower than the expected 7.1%. The decline was largely due to reduced energy costs. However, the core rate, which doesn't include food and energy prices, increased slightly from 5.6% in February to 5.7% in March. In February, the unemployment rate remained steady at 6.6%. Concerning politics, the French government reported that approximately 740,000 individuals took part in nationwide protests on March 28 in opposition to pension reforms, whereas unions claim that the number was closer to 2 million. The scale of the protests was smaller than the previous week's nationwide mobilization, and there were fewer instances of violent clashes. Unions are urging for another national strike on April 6. Although the government dismissed union requests for «mediation» regarding the reforms, Prime Minister Elisabeth Borne is scheduled to hold discussions with union representatives in the coming days.

STOXX 600 Closing Prices



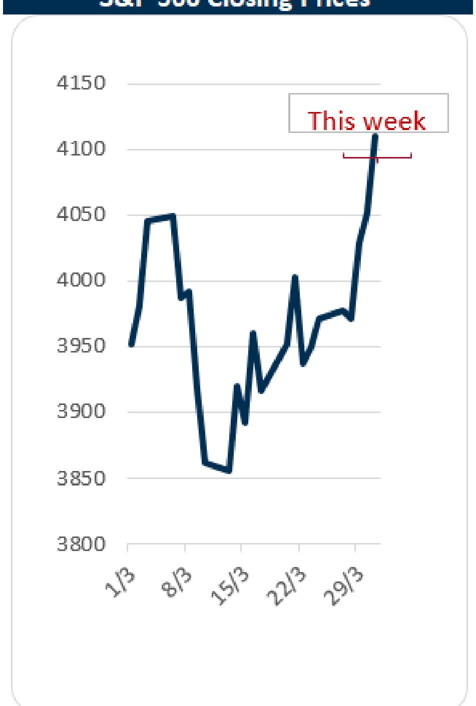
Source: Bloomberg

EUR/USD



Source: Bloomberg

S&P 500 Closing Prices



Source: Bloomberg

US | Stability in the banking sector propelled stocks higher

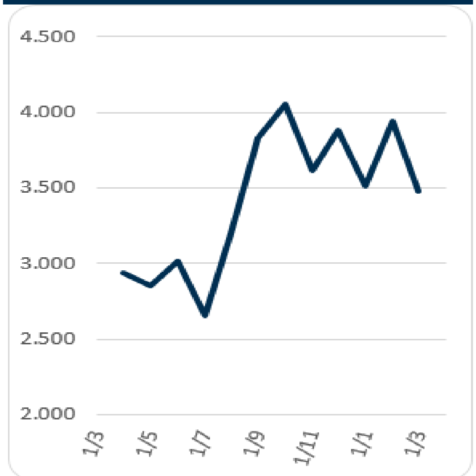
MARKETS & ECONOMY

Equity markets ended the week with gains, marking a positive quarter, as financial concerns over the banking system faded as well as economic data supported investor sentiment. Dow Jones Industrials Average rose 3.2% closing at 33,274 points, NASDAQ closed at 12,222 up 3.4% and the S&P 500 closed at 4,109 gaining 3.5%. As the elevated uncertainty around more potential bank failures that lasted the past few weeks subsided as a result of the emergency policy response, investors' focus shifted once again to the state of the economy as well as the future path of the Federal Reserve's policy to battle inflation. The week prior the central bank raised rates by 0.25%, as expected, but implied the possibility to end its rate-hiking cycle sooner than initially scheduled, a view that the latest reading on inflation fully supports. According to the Commerce Department the personal consumption expenditures price index, a measure that the Fed pays close attention to, slightly increased in February, but still came in lower than market's expectations, as both the headline and core measure increased by 0.3% while the PCE index marked a 5% y-o-y increase, the smallest number since September 2021, proving that inflationary pressures continue to moderate, making a pause to the central bank's tightening camping in the coming months seem more reachable. In response to the better-than-expected inflation news, short-term and long-term bond yields fell after reaching their peak recently reversing the valuation pressures that high-growth stocks have experienced this past year, allowing tech to outperform as shown to the 16.8% year-to-date gain in the NASDAQ and thus offsetting the weakness still spotted at banks. However, while inflation moved downward, US consumer spending, which accounts for two-thirds of US GDP, rose 0.2% in February, after marking the largest increases in two years the month prior, reflecting that the strength in the labor market continues to support consumers, with wages up 0.3%. Even though initial jobless claims unexpectedly rose to 198K the week ended March 25th, they still remain historically low while recording the 10th week below the 200K mark so the last reading should not cause any concerns over the economic activity ahead. Although the small banking crisis is behind us, the tighter financial conditions had a limited impact on consumer sentiment according to the University of Michigan, as the index marked its first decline in four months down to 62 points from 67, reflecting worries about the economy while on a positive note inflation expectation moved lower to 3.6% on the near term, the lowest reading since April 2021. Overall, even though near-term challenges for equities will continue to emerge, investors will keep a confident posture amid the outlook that the Fed is near to ending its rate hikes program.

STOCKS | Performance & Fundamental Analysis

EVGO Inc (NASDAQ: $EVGO) is an electric vehicle DC fast charging station network in the United States, with more than 850 fast charging stations in more than 60 metropolitan areas , whilst claiming to be on a mission to deliver a fast charging experience that leaves fossil fuels in the rearview mirror. The company went public on October 2, 2020. In July 2021 and its stock hit an all time high in January of 2021 at 22$ per share. At 30 of march of this year EVGO has reported better-than-expected fourth-quarter sales with their sales being 7.2m $ over Wall Street's prediction.That resulted in an increase of its stock and puts it in a bullish behavior according to analysts. EVGO has been powered by 100% renewable energy since 2019. For every kilowatt-hour (kWh) consumed on our network, EVGO purchases a

US 10Y Bond YTM



Source: Bloomberg

Dow Jones Movers	Weekly Change
Top Gainers	
Intel	11.27%
Boeing	7.54%
Walt Disney	6.43%
Dow	5.87%
Walgreen Boots Alliance	5.75%
Top Losers	
United Health Group	-0.71%
Porcter&Gamble	1.34%
Merck & Company	1.52%
J&J	1.54%
Amgen	1.56%

corresponding kWh Renewable Energy Credit (REC) from an accredited REC supplier making it a sustainable green powered company. One of the results is that EVgo drivers have reduced the U.S. carbon footprint by more than 180,000 metric tons. But investors need to keep in mind that EVGO is still unprofitable due it needing more time to place more charging stations <their goal as they said is for EV chargers to be as common as gas stations in the future. Also part of their recent growth is coming out from government resources, namely the White House's $7.5 billion EV charger buildout. With that said Wall street's experts expects EVGO to become consistently profitable between 2025 and 2026, when annual sales reach roughly $500 million. Last weeks closing price :5.50$ this weeks closing price: 7.80$

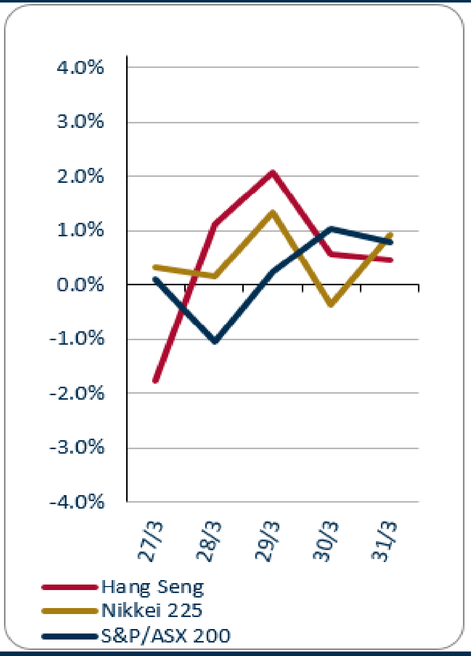
First Citizens BancShares Inc., (NASDAQ:FCNCA) originally founded in 1898 as Bank of Smithfield, is a Raleigh, North Carolina-headquarted bank that provides a wide range of banking and financial services to clients across the United States. This week, First Citizens made headlines with its acquisition of Silicon Valley Bank's deposits and loans. The deal is significant as it allows First Citizens to assume Silicon Valley Bank's assets of $110 billion, deposits of $56 billion, and loans of $72 billion. The purchase of these assets came at a discount of $16.5 billion, with the Federal Deposit Insurance Corporation (FDIC) agreeing to share some losses on commercial loans and provide a credit line to First Citizens depending on stock performance .Investors were pleased with the deal, as First Citizens' shares rose 53.74% on the news. First Citizens' acquisition of SVB's Private wealth business was particularly notable, as it is a natural fit for the bank's high-touch and sophisticated level of high-net-worth customer service and approach. The acquisition will accelerate First Citizens' expansion in California and give it wealth management capabilities in the Northeastern United States. SVB customers will continue to be able to access their accounts through websites, mobile apps, and branches, and employees in the acquired businesses will be retained. First Citizens' combined company will have total assets of $219 billion and $145 billion of deposits. However, some analysts note that the deal may not solve the main issue facing the U.S. banking system today: deposits leaving smaller banks for larger banks or money market funds. Regardless, the FDIC estimates the cost of SVB's failure to its Deposit Insurance Fund to be around $20 billion, which the banking industry will handle solely. Approximately $90 billion in securities and other assets from SVB will remain in receivership for disposal. Overall, the acquisition of Silicon Valley Bank's deposits and loans is a significant move for First Citizens BancShares Inc., as it allows the bank to expand its operations and strengthen its position in the competitive banking industry.

APAC | Minor gains for China, a rally for Japan

MARKETS & ECONOMY

The week ended with small gains for the Chinese stock market as its two major indices managed to erase the loses from the start of the week and reacted positively to major economic data announcements. More specifically, Shanghai Composite closed the week up 0.22% or 7.21 points reaching 3,272.86 and the Shanghai Shenzhen (CSI 300) gained 0.59% or 23.88 points closing at 4,050.93 with hopes of stabilizing above the 4,000 points mark in the foreseeable future. As mentioned before there was turbulence in the markets this past week as a plethora of economic data was announced from the Chinese government. On Monday, the country's industrial profits plummeted

APAC Daily Returns



Source: Bloomberg

Crude Oil WTI Futures

Source: Bloomberg

22.9% in year-to-date basis which marked the single worst performance since May 2020, indicating that despite the easing of anti-Covid measures the economy is still far away from completely recovering as some facets are still struggling to rebound. Substantial losses were prevented during Tuesday and Wednesday as U.S regulators claimed that SVB's failure is to be blamed on mismanagement and not looming systemic risks for the banking sector. In addition, there weren't any more concerning news from the banking sector this week which drove investors to buy in Asian markets despite the prospect of more aggressive rate hikes from the Fed as there isn't any visible risk for banks. More good news came on Friday, as the Non-Manufacturing Index showed that the services sector is gaining momentum as it grew at the fastest pace in the last 12 years with a reading of 58.2 from 56.3 in February beating the forecasts of 54.3. The manufacturing sector performed better than expected as it fell to 59.5 managing to stay above the 51.5 forecasts. On the other side of the border Japan's markets remained in the green throughout the week, as the Nikkei 225 closed up 2.40% or 656.23 points reaching 28,041.48 marking its second positive week in the row. On Friday, the government announced that the Tokyo CPI eased at a slower than expected rate as it rose 3.3% slightly down from February's 3.4%, while Tokyo Core CPI grew 3.2% below last month's 3.3%. The overall drop in inflation is mainly a result of government subsidies on electricity prices which fell 6% in March. On the other hand, food prices saw a 7.6% increase while gas prices jumped 12% in one month. In general, BoJ believes that inflation will slow down during the first half of 2023 which will allow for an ultra-loose monetary policy at least till late 2023 when inflation is forecasted to pick up again.

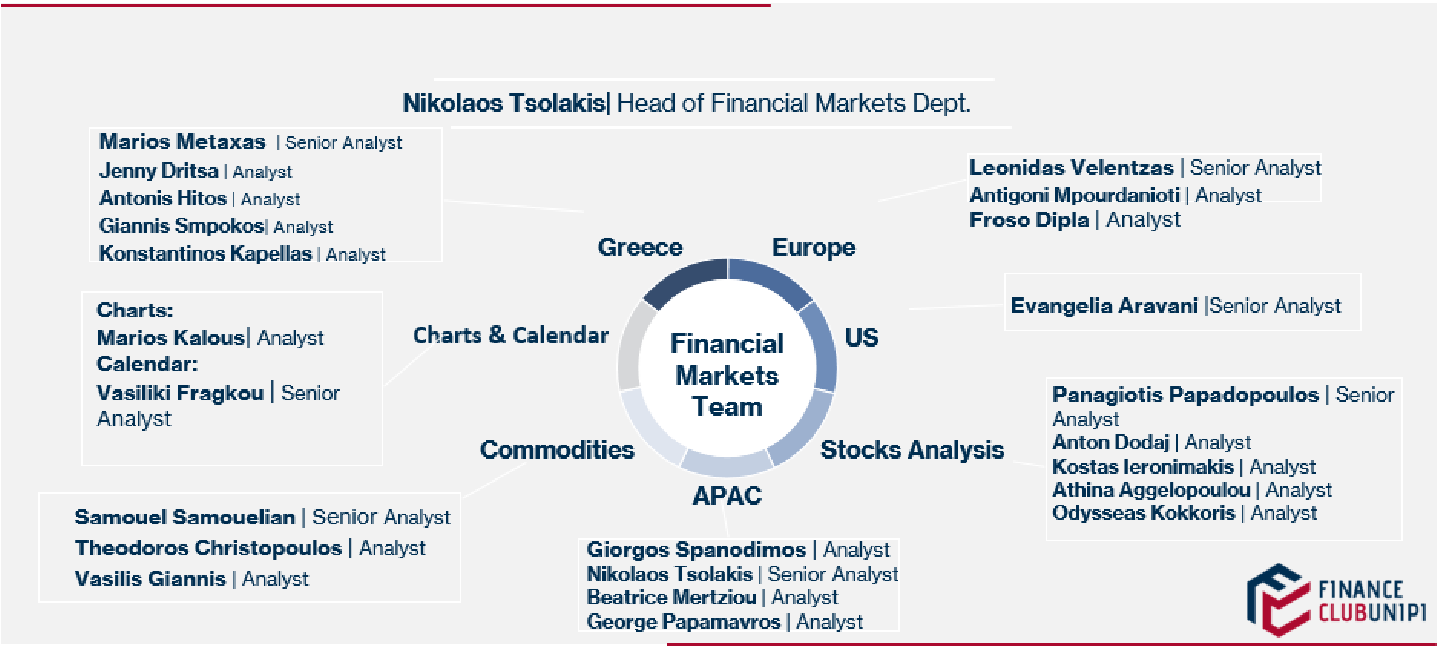
COMMODITIES | Oil and Natural Gas skyrocket – Gold with gains for 5th week, surpasses $2000

This week the two oil benchmarks soared to 3-week highs after a long period of uncertainty and protectionism. U.S. WTI crude prices consolidated at $75.67/b, gaining 9.25%, and Brent prices at $79.89/b, profiting 6.53%. The uptrend started on Monday based on news from the Middle East. More specifically, Reuters reported that about half a percent of global oil supply, or 450,000 barrels per day (bpd), of crude exports from Kurdistan stopped on Saturday after a victory in an arbitration case confirmed Baghdad's consent was needed to ship the oil from Turkey, adding that this could also force cuts to oil output in the Iraqi-Kurdistan region. This news fueled prices as oil bulls were on the sideline for the last couple of weeks due to banking crisis fears, giving them reason to bet on tight supply. On Wednesday, profit-taking led prices marginally on the red but the uptrend continued on Thursday after the EIA's report on crude oil inventories. The U.S. government organization reported a fall of 7.489 million barrels during the week ended March 24, falling the most in four months. Prices topped on Friday bolstered by a positive economic outlook and after a report of smaller oil output by OPEC. In retrospect, oil had a great week but fell short of turning March into a positive month, and took an even bigger hit for the quarter. U.S. Natural Gas experienced a volatile week but managed to gain 11.24%, climbing to $2.465/MMbtu, after three weeks of a combined 28.25% freefall. The week started with an 11% drop on Monday as it has been a warmer-than-expected winter and natural gas investors have been on edge. Prices were on the downside through most of the weekly session, hovering just above a 3-year low. Adding to that, the EIA reported a smaller than expected fall of 47 bcf for the week ending on March 24, in contrast to a forecasted 54 bcf draw. On Friday, prices rose 17% based on forecasts of increased demand as gas flowed to liquefied natural gas export plants. Natural Gas prices finished the first quarter of 2023 more than 50% lower and March with a loss of 19%. The highly volatile European Natural Gas benchmark ICE Dutch TTF ended Friday's session 16.42% higher to €47.843/MWh. Gold had a roller-coaster rise for the 5th week in a row as uncertainty drove investors to the 'safe-haven'. Prices consolidated at $2004.10/ounce, slightly over the $2000 point, after gaining 1.02%. Prices fluctuated throughout the week as U.S. 10-year yields rose and the U.S. dollar index followed a downtrend for the most part of the week and rose on Friday. When 10-yields and the U.S. dollar index increase, Gold loses attractiveness. Nonetheless, the events of the last couple of months and the volatility in the markets have led investors to follow defensive strategies driving gold prices up 9% for two quarters back-to-back.

Apr 2023	Next week's economic calendar
MON 03	GBP:Manufacturing PMI (Mar) (fx:49.2)
	EUR:German Manufacturing PMI (Mar) (fx:46.5)
	USD: ISM Manufacturing PMI(Mar) (fx:47.1)
	EUR:Spanish Manufacturing PMI (Mar) (fx:49.1)
	KRW: CPI(YoY) (Mar) (fx:4.3%)
TUE 04	AUD:RBA Interest Rate Decision(Apr)
	USD: JOLTs Job Openings (Feb)
	NZD: RBNZ Interest Rate Decision
	EUR:German Trade Balance (Feb) (fx:11.0B)
	CAD: Building Permits (MoM) (Feb) (fx:1.5%)
	CAD: Trade Balance (Feb) (fx: -0.06B)
	JPY: Services PMI (Mar)
WED 05	GBP:Composite PMI (Mar) (fx:53.0)
	GBP:Services PMI (Mar) (fx:53.3)
	USD:ADP Nonfarm Employment Change (Mar) (fx:200K)
	USD: ISM Non-Manufacturing PMI(Mar) (fx:54.6)
	EUR:Spanish Services PMI (Mar) (fx:54.3)
	USD:S&P Global Composite PMI (Mar)
THU 06	INR: Interest Rate Decision (fx:6.75%)
	GBP:Construction PMI (Mar)
	CAD: Employment Change (Mar)
	CAD: Ivey PMI (Mar)
	GBP: Halifax House Price Index (MoM) (Mar) (fx:0.3%)
FRI 07	USD:Nonfarm Payrolls (Mar) (fx:240K)
	USD:Unemployment Rate (Mar) (fx:3.6%)
	USD:GDP Quarterly (YoY) (Q4)
	USD: Average Hourly Earnings (MoM) (Mar) (fx:0.3%)
	USD:Average Hourly Earnings (YoY) (Mar) (fx:4.7%)

What to look for this week

The upcoming week is not going to be very busy, but there are expected to be some eventful releases. Specifically, on Monday the UK's Manufacturing Purchasing Managers Index(PMI) is about to be released with an expectation of increasing up to 49.2 and having a positive outcome on the GBP, while the Germans Manufacturing PMI is about to rise up to 46.5 which will be bullish for the EUR .The next day the Trade Balance of Germany is expected to drop down 11.0B (previous: 16.7B),causing damages to the EUR. Furthermore, on Wednesday, the S&P Global Composite PMI is expected to be released at 52.3,which is lower than the previous closing and will be bearish for the EUR but as far as the percentage remains above 50.0 the economy will experience improvement. On the same day, ADP Nonfarm Employment Change is about to drop down to 200K, which will be bearish for the USD, as it is a measure of the monthly change in non-farm, private employment, based on the payroll data of approximately 400,000 U.S. business clients. On Thursday ,the Interest Rate Decision for India is about to be released with the expectation of rising up to 6.75% which will be very positive for the INR, while the Unemployment Rate s.a in Switzerland is expected to be stable at 1.9%.Finally, on Friday, most of the markets will be closed due to the celebration of Good Friday, while the Nonfarm Payrolls for the US is about to drop down to 240K,which will be negative for the USD.



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