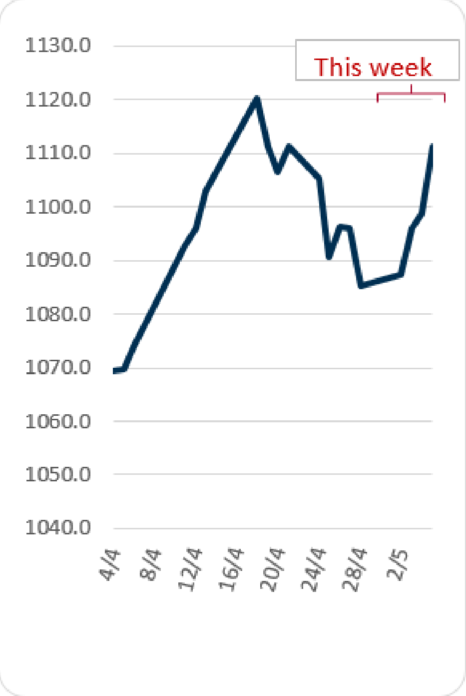
FINANCE CLUB UNIPI

FINANCIAL MARKETS DEPARTMENT

WEEKLY OUTLOOK

01.05.2023 - 05.05.2023

ASE General Index Closing Prices



Source: Bloomberg

Athens Stock Exchange General Index Movers	Weekly Change
Top Gainers	
MIG Holdings	46.58%
Piraeus Bank	9.35%
National Bank of Greece	5.17%
Jumbo	5.07%
Coca Cola	4.89%
Top Losers	
Athens Medical	-8.92%
Ekter	-7.23%
Kekrops	-5.90%
BriQ Properties	-5.10%
Entersoft	-4.87%

GREECE | Strong performance despite the overall uncertainty

MARKET COMMENT & DRIVING EVENTS

Greek markets performed very well this past week as they closed in the green every single day. Of course, this was a shorter week, due to the May Day Holiday but that didn't prevent the Athens General Composite from gaining 2.41% or 26.13 points as it closed at 1,111.24. The Athex Large Cap Index also performed strongly as it jumped 2.64% or 69.26 points closing the week at 2,693.34. Bank stocks were the main movers of the stock markets as the FTSEB Banks Index gained 4.9% on a weekly basis closing at 833.77. The bank that stood out the most was Piraeus Bank which announced great results for Q1 of 2023 resulting in a strong demand for its shares. Moreover, blue chip stocks recorded strong gains as Coca-Cola, Sarantis, Quest, Autohellas, Jumbo and National Bank of Greece hit new highs. These positive results have caused disagreements among analysts as some think that encouraging results will boost the local markets while others think that the current prices don't take the political risk, associated with the upcoming May 21 elections, into account.

STOCK OF THE WEEK: PIRAEUS BANK

Piraeus Bank shares gained 9.35% this week closing at €2.34 per share due to its great Q1 results. Specifically, the bank announced a strong profit of €0.15 per share and a total profitability of €180 mn. Moreover, the bank's management announced that it will propose a dividend distribution equal to 10% of its 2023 profits to reward its shareholders. Furthermore, the Group's NPL portfolio increased by 8% on a Y.o.Y basis whine at the same time its client assets under management grew at a 9% rate to €7.6 billion in Q1, driven mainly by mutual funds inflows. Piraeus Bank is one of the big four banks in Greece, it was founded on July 6, 1916 and on January 18 of 1918 it was listed on the Athens Stock Exchange.

CONCLUSION&OUTLOOK

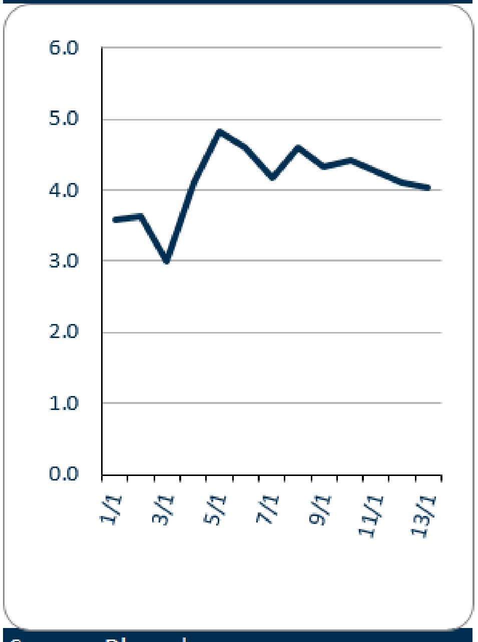
The Greek markets keep surprising both analysts and investors as they tend to defy the downward trend of international markets and they have outperformed them on a weekly basis many times in the last months. For that reason, many foreign investors continue to flow the country's market with money as the believe it has strong future prospects. The above coupled with the strong possibility that the country receives an upgrade to its debt grade by S&P in the near future boost the investors' confidence even more. Of course, the Greek market is sentiment-driven that's why the upcoming general elections are very crucial for the country's financial stability and prosperity as a result that won't appeal to the general public might have negative consequences on the economy.

NEWS&ECONOMY

More rate hikes-Greek markets remain solid

This week both Fed and ECB announced another interest rates hike of 25 bps, bringing their benchmark rate to 5.25% and 3.25% respectively. There are signs that the inflation in Europe has started coming back down but Christine Lagarde assured the

10Y Greek Bond YTM



Source: Bloomberg

general public there will be a long way ahead till the 2% benchmark. Despite these announcements Greek markets didn't bulge and they closed the week with significant gains.

Strong interest in the bond market

In the domestic market, and specifically in the Electronic Transaction System of the Bank of Greece, transactions of 252 million euros were recorded on Friday, of which 158 million euros related to purchase orders. The yield of the Greek 10-year bond fell to 4.10% from 4.11% yesterday, compared to 2.28% of the corresponding German bond, resulting in a spread of 1.82%.

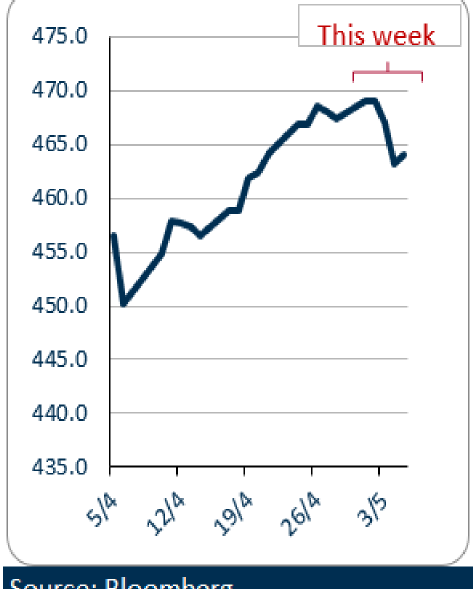
Greece had the best performance in the EU in the debt reduction in 2022

Greece has reduced its debt ratio by 23.3% in 2022, according to Handelsblatt newspaper, pointing out that this is the best performance in the European Union. The decline is mainly due to the strong economic growth of the past two years. "The strong economy brought more tax revenue to the coffers than expected. Instead of the expected primary deficit - excluding interest costs - of 1.6% of GDP, a small surplus of 0.1% was recorded at the end of 2022", the German economic newspaper writes, adding that "the fiscal success is all the more remarkable as the government paid out around 10 billion euros in energy subsidies last year." Additionally, in the first quarter of 2023 tax revenues were 12.4% above target, it said.

EUROPE | ECB increases the rates once again due to persistent inflation

MARKETS&ECONOMY

STOXX 600 Closing Prices



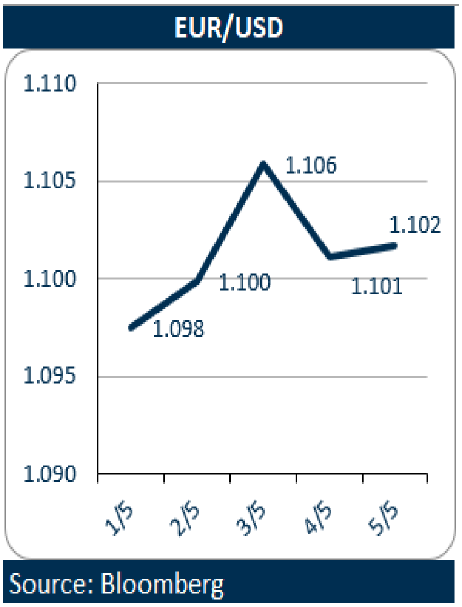
Source: Bloomberg

The STOXX Europe 600 Index, measured in the local currency, decreased by 0.28%. The stock markets were mixed, with Germany's DAX slightly increasing by 0.24%, France's CAC 40 Index decreasing by 0.78%, and the UK's FTSE 100 Index sliding by 1.17%. The European government bond yields went down after the ECB increased its key deposit rate by a quarter of a percentage point to 3.25%, as expected, and announced it would stop its bond purchase reinvestment program by July. The ECB President Christine Lagarde stated that interest rates would rise to reduce inflation to the target of 2%. Although some policymakers suggested a half a percentage point increase, the Governing Council was concerned about the banking industry's turmoil that was reducing credit to the economy. In April, the Eurozone inflation rate rose to 7.0% year over year from 6.9% in March, with the core rate, excluding food, energy, alcohol, and tobacco, unexpectedly declining to 5.6%. Additionally, the jobless rate fell to 6.5% in the Eurozone, with Germany having the lowest rate of 2.8% among bloc members, indicating a tightening labor market.

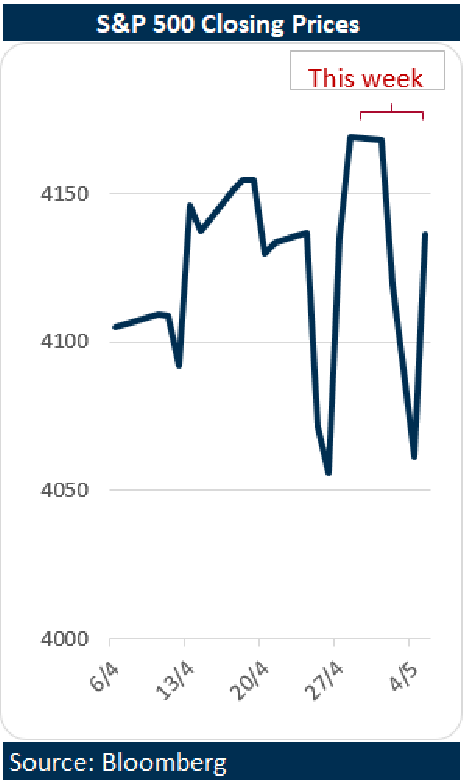
US | Fed's rate hike and ongoing bank turmoil weigh on markets

MARKETS & ECONOMY

Equity markets cut some gains last week affected by Federal Reserve's latest rate-hiking decision as well as the ongoing turmoil in the banking system, which overshadowed the positive market response to better-than-expected corporate profit results. Dow Jones Industrials Average slipped -1.2% closing at 33,674 points, NASDAQ closed at 12,235 gaining 0.1% and the S&P 500 closed at 4,136 down -0.8%. In their scheduled May meeting during the week, officials voted for their 10th consecutive and most likely their last rate hike since March of 2022, raising rates by 0.25%, as expected by the markets, thus bringing the central bank's policy rate to 5.25%.



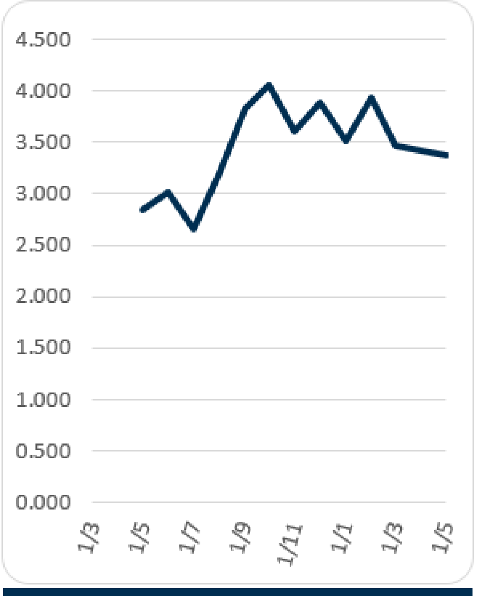
Even though the Fed will follow a data-dependent approach based on inflation and employment figures before their meeting in June in order to determine the future path of monetary policy, Chair Jerome Powell implied in his speech that a pause on rate increases is possible given inflation continues to moderate, economic activity is slowing down as well as the uncertainty around the banking system. Latest reports indicated that challenges for the banking sector are not yet over after First Republic's failure as a result of fleeing deposits in the past few weeks, leading to the bank's rescue from JP Morgan after acquiring more than 90 bn of its deposits and 173 bn in loans following an auction process. As these news mark the third bank failure, following Silicon Valley and Signature Bank, fears of possible contagion are growing, mostly concentrated in smaller banks, as overly restrictive policy puts the system under more pressure and might lead to even tighter lending standards, which weigh on economic growth. Despite investors' intense reaction to these events, Powell offered a more optimistic view reiterating the financial system remains strong as conditions in the banking sector have improved since March when the small banking crisis started. While the Fed is expected to pause rate hikes, any rate cuts are not feasible before September, as inflation still runs hot in comparison to the central bank's 2% target, while in the meantime the stronger-than-expected April jobs report supports that rates will remain higher for longer. According to the Labor Department the US economy added 253K jobs in April, by far exceeding expectations for 180K new positions and eventually pushing the unemployment rate to the lowest level since 1969, at 3.4% from 3.6% economists estimated. These figures reflect the ongoing strength of the labor market which continues to support consumer spending, bringing the probability for an upcoming recession down, leaving the Fed in a position to remain hawkish. Despite the low unemployment data, which lowers the prospect of rate cuts anytime soon, elevated wage growth remains a key catalyst in taming inflation. On a month basis wages grew 0.5% or 4.4% y-o-y, above expectations of a 4.2% growth, leaving some room for another rate hike next month if the FOMC finds it necessary. In response to the job report markets and yields rallied as investors are pricing in both the positive impact of the resilient labor market and the higher-rate environment in the remainder of the year. However the economic outlook seems more favorable than anticipated with more than half of S&P 500 companies having reported first quarter results that beat expectations, even though earnings are down -1.4% from a year earlier, data boosted investors' sentiment as markets had projected a -6.5% drop.



STOCKS | Performance & Fundamental Analysis

PacWest Bancorp (NASDAQ: PACW) operates as the bank holding company for Pacific Western Bank that provides various banking products and services. The company was formerly known as First Community Bancorp and changed its name to PacWest Bancorp in April 2008. PacWest Bancorp was founded in 1999 and is headquartered in Los Angeles, California, with an executive office in Denver, Colorado, with one wholly-owned banking subsidiary, Pacific Western Bank (the "Bank"). Pacific Western Bank is a relationship-based community bank focused on providing business banking and treasury management services to small, middle-market, and venture-backed businesses. PacWest Bancorp's stocks plummeted 56% - on Wednesday - in after-hours trading once the bank announced that it was exploring strategic options, including the possibility of selling or increasing its capital stock. The market's reaction highlighted investors' anxiety about a sector rocked by bank bankruptcies and deposit outflows since early March. Many regional banks on the West

US 10Y Bond YTM



Source: Bloomberg

Dow Jones Movers	Weekly Change
Top Gainers	
Apple	2.35%
Intel	2.28%
Microsoft	1.67%
Merck & Company	1.15%
Dow	0.55%
Top Losers	
Walgreens Boots Alliance	-7.05%
Chevron	-4.20%
American Express	-4.19%
Goldman Sachs	-3.98%
JPMorgan	-3.16%

Coast have been hit hard, especially since Silicon Valley Bank's collapse in March, partly due to concerns that their customer bases are similar. In an effort to calm the market after the stock's decline, PacWest Bancorp announced that it is in talks with potential investors while also pointing out that its deposits have increased since March. The bank has not experienced unusual deposit flows since the sale of First Republic Bank and other developments according to PacWest on Wednesday. Cash and available liquidity remain stable and have exceeded uninsured deposits was also reported by the bank. Moreover, it was announced that it "has explored sales of strategic assets," including the sale of a loan portfolio worth $2.7 billion, which could provide some relief for the bank. However, it remains to be seen whether these measures will be enough to turn the company's fortunes around. The struggles of PacWest Bancorp highlight the difficulties faced by regional banks during the pandemic. The economic downturn has led to bankruptcies, deposit outflows, and loan defaults, all of which have put significant pressure on banks' balance sheets. Overall, PacWest's stock has lost nearly 90% of its value since the regional banking crisis began on March 8. Other regional lenders, whose shares have come under pressure this week, also fell, shedding gains from earlier in the day. PacWest's stock price is down 49,16% on weekly basis

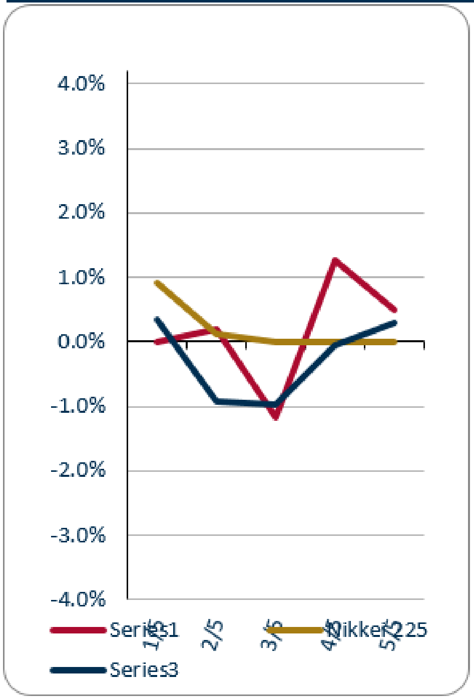
Chegg, Inc. (NYYSE: CHGG) is an American education technology company based in Santa Clara, California. It provides homework help, digital and physical textbook rentals, textbooks, online tutoring, and other student services. The company was launched in 2005, and began trading publicly on the New York Stock Exchange in November 2013.On 17th of April Chegg announced CheggMate, a new AI enhanced learning service built with OpenAI's most advanced model, GPT-4. CheggMate will leverage Chegg's leading personalized learning platform, proprietary data set, and the advanced problem-solving capabilities of GPT-4, to create an AI conversational learning companion that will empower students to learn in real-time more effectively, and with greater accuracy than ever before. This week Chegg lost almost $1 billion in market valuation after the company suggested the rising popularity of ChatGPT was putting pressure on its subscriber growth. CEO Dan Rosenzweig said: 'Since March, we saw a significant spike in student interest in ChatGPT. We now believe it's having an impact on our new customer growth rate.' The uncertainty has led Chegg to suspend its full-year outlook and targeted second-quarter total revenue between $175 million and $178 million, which fell short of Wall Street expectations of $186.3 million. Shares of the education technology company tumbled 48% to close Tuesday at $9.08. It's been a difficult two years for Chegg investors. Since peaking at over $113 in February 2021, the stock has lost more than 90% of its value, pushing its market cap below $1.3 billion. Last week closing price was $17.98 and this week's closing price was $10.14, down 43,60%.

APAC | Marginal gains in China – Australia takes a hit after a surpise rate hike

MARKETS & ECONOMY

The markets in China were closed from Monday to Wednesday due to May Day Golden Week Holiday and the reopened-on Thursday, May 4. In the span of two days the markets recorded marginal gains reflecting investors' uncertainty towards the current market conditions. More specifically, Shanghai Composite rose 0.33% or 11.23 points closing the shortened week at 3,334.5 and Shanghai Shenzhen (CSI 300) rose 0.17% or 7.07 points reaching 4,016.88.

APAC Daily Returns



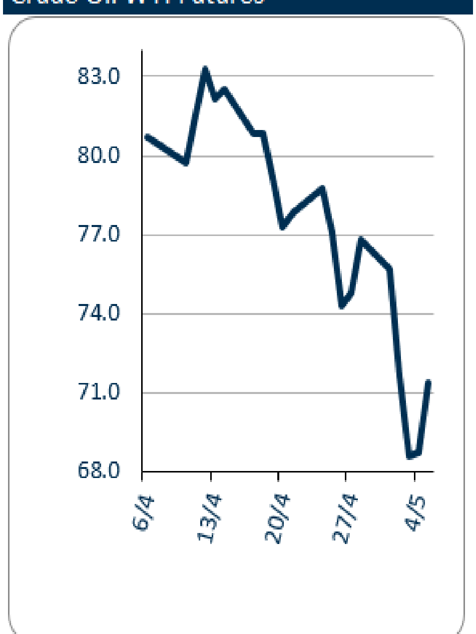
Source: Bloomberg

On Thursday Shanghai Composite rose 0.6% while CSI 300 recorded limited loses, with financial and consumer stocks were the best performers of the day. Despite that a private survey showed that China's services PMI shrank in April, indicating that the economic recovery won't be a smooth ride for the country. The downfall continued on Friday as the Shanghai Composite lost 0.7% and the CSI 300 fell 0.5%, as the fallout of softer-than-expected economic readings kept overshadowing the markets. An unexpected contraction in the manufacturing PMI just made things worse as many believe that the country's efforts for a quick recovery will very soon run out of steam. Moving south, the Australian markets suffered this week as the S&P/ASX 200 fell 1.59% or 116.1 points closing at 7,193.10. Despite the positive start of the week when the index rose on Monday, the RBA (Reserve Bank of Australia) unexpectedly hiked the rates by 25 bps as inflation is still high in the country, according to officials. As a result, Australia's big four banks closed the day in the red while miners like Rio Tinto and BHP Group fell 1.4% each. In the following days, the downtrend continued as strong retail sales and trade surplus are signs that RBA will likely hike the rates once again.

COMMODITIES | Oil and Natural Gas hit new lows – Gold on the rise

This week the two oil benchmarks hit new 2-year low prices following the third consecutive week of losses, as the U.S. are in a very volatile period of economic uncertainty. U.S. WTI crude closed Friday's session at $71.34, losing 7.09%, and Brent at $75.09, yielding -5.59%. The week started with negative sentiment flowing the market as weak economic data from China, one of the world's biggest oil consumers, and new cracks on the U.S. banking sector, after the default of First Republic Bank last week and two other banks before that, weighed heavily on prices. Adding to that, talks of a U.S. default are mounting, creating uncertainty in the markets, as the congress has to vote once more for an increase of the debt ceiling. A vote against that would make the U.S. unable to pay back its liabilities, meaning it would default on its obligations. Oil markets tumbled more than 4% on Wednesday extending the previous day's 5% plunge, after the Federal Reserve announced a tenth straight post-pandemic rate hike, by 0.25% to 5.25%, without any clear indication that it would halt further increases from June. The FED's moves in combination with the pale economy led prices to fall as low as the $64-level. Prices reversed late Thursday and on Friday, with investors clinging on data showed U.S. employers added 253,000 jobs in April, way above economists' expectations. Strong jobs growth is always a plus for oil, whose consumption depends on peoples' mobility and economic vibrancy. In the case of the U.S. economy, however, strong jobs numbers have been a problem as they've been adding to inflation since the end of the coronavirus pandemic. The Energy Information Administration (EIA) reported a draw of 1.28 million barrels in crude oil inventories for the week ending on April 28th. On a similar note, U.S. Natural Gas dropped 11.33% on the week, to $2.137/MMbtu, after following a downtrend throughout the weekly session. The negative economic outlook, record amounts of gas being extracted by drillers, mild weather keeping demand low, and maintenance shutdowns at liquefied natural gas (LNG) export plants are the main reasons that led natural gas to lose almost 2/3 of the three previous weeks' gains. The EIA reported a rise in U.S. natural gas inventories by 54 bcf last week, announcing a build historically lower for this time of year in an oversupplied market that needs to see fewer stockpile increases and more demand in order to rally. The European benchmark ICE Dutch TTF also fell by 5.10%, to €36.57/MWh, marking the fifth weekly loss. In all this chaos the 'safe-haven' Gold

Crude Oil WTI Futures



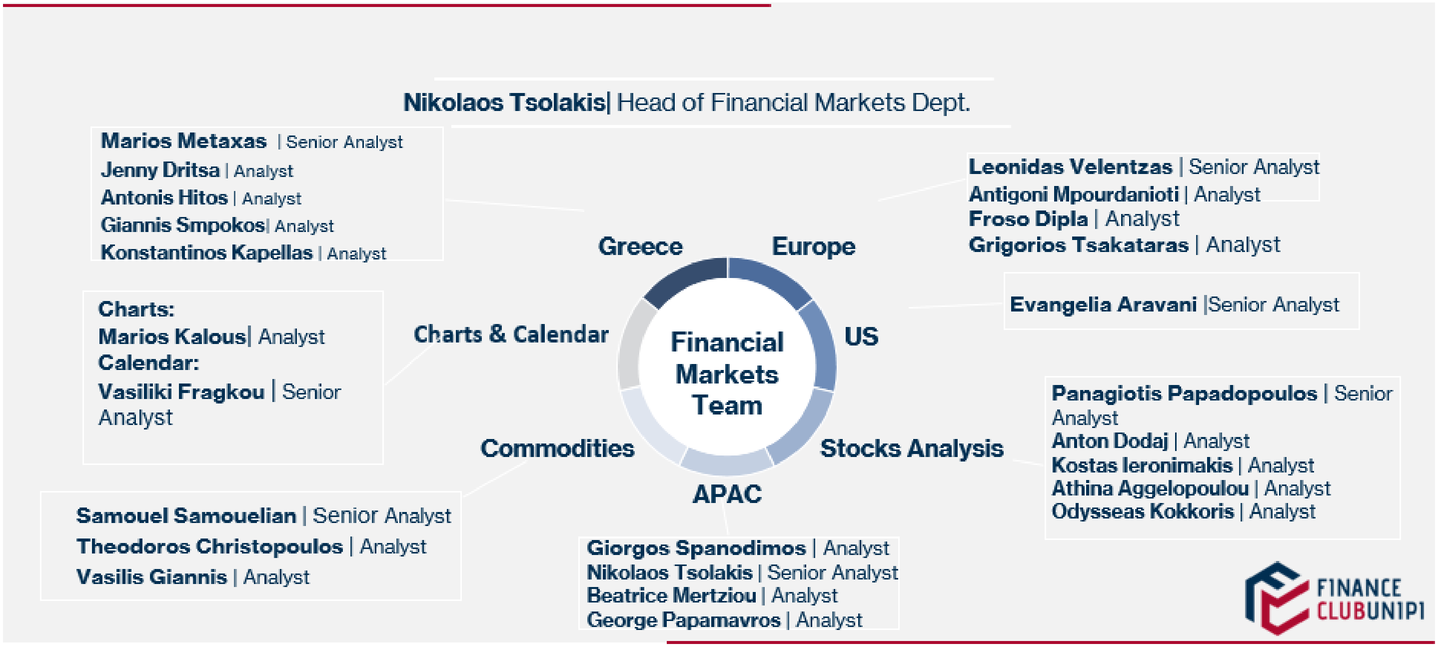
Source: Bloomberg

May 2023	Next week's economic calendar
MON 08	EUR: German Industrial Production (MoM) (Mar)(fx:0.1%)
	NZD: Electronic Card Retail Sales (MoM) (Apr)
	GBP:BRC Retail Sales Monitor (YoY) (Apr)
	CNY: Exports (YoY) (Apr)
	CNY: Imports (YoY) (Apr) (fx: -5.0%)
	CNY: Trade Balance (USD) (Apr)(fx:39.20B)
TUE 09	BRL:BCB Copom Meeting Minutes
	GBP: Halifax House Price Index (MoM) (Apr)
	GBP: Halifax House Price Index (YoY) (Apr)
	EUR:French Reserve Assets Total (Apr)
	EUR:French Trade Balance (Mar)
WED 10	EUR:German CPI (MoM) (Apr)
	USD: Core CPI (MoM) (Apr)(fx:0.3%)
	USD: CPI (MoM) (Apr)(fx:0.4%)
	USD: CPI (YoY) (Apr)(fx:5.2%)
	USD: Federal Budget Balance (Apr)(fx:302.0B)
	CNY: CPI (YoY) (Apr)(fx:1.0%)
THU 11	GBP: BoE Interest Rate Decision (May)(fx:4.50%)
	USD: PPI (MoM) (Apr)(fx:0.3%)
	USD: Core PPI (MoM) (Apr)(fx:0.3%)
	NZD: Business NZ PMI (Apr)
FRI 12	GBP:GDP (QoQ) (Q1)
	GBP: GDP (MoM) (Mar)(fx:0.1%)
	GBP: GDP (YoY) (Q1) (fx:0.4%)
	GBP:Manufacturing Production (MoM) (Mar)
	GBP: Monthly GDP 3M/3M Change (Mar)
	EUR: Spanish CPI (YoY) (Apr)(fx:3.3%)
	INR: CPI (YoY) (Apr)(fx:5.80%)

was the choice of investors, leading to a weekly profit of 1.97%, at the closing price of $2024.80/ounce. The weekly session opened with gains for the precious metal, as fear of the U.S. defaulting led prices to 2022 all-time high levels. Furthermore, the problems in the banking sector after the FBR's default weigh on markets. The concern in the U.S. economy favor Gold as is considered the go-to asset in uncertain times. Prices eased on Friday, as the much stronger-than-expected labor market signaled more FED rate hikes in the coming months.

What to look for this week

The upcoming week is not going to be very eventful, especially on the start. Specifically, on Monday the German Industrial Production , which measures the change in the total inflation-adjusted value of output produced by manufacturers, mines, and utilities, is expected to drop down to 0.1% having a bearish affect on the EUR. Also, the market of United Kingdom is going to be closed due to the celebration of Bank Holiday. Furthermore, on Tuesday, will take place the Monetary Policy Committee (Copom) meeting of the Central Bank of Brazil. The next day, the German Consumer Price Index (CPI) is about to be released, which might affect the EUR, while the US' Consumer Price Index (CPI)(MoM) is about to increase up to 0.4%, while the previous closing was at 0.1%,which will be positive for the USD. On Thursday, the BoE Interest Rate Decision will be released at 4.50%,while the previous closing was at 4.25%, affecting positively the GBP. Finally, on Friday, the GBP will be negatively affected by the fact that the GDP (MoM) and GDP (YoY) (Q1) are expected to be released at a smaller closing than the previous one.



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