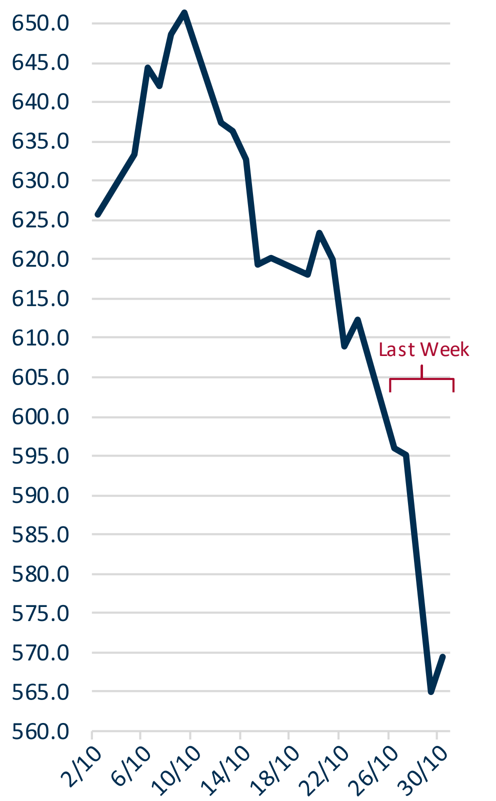
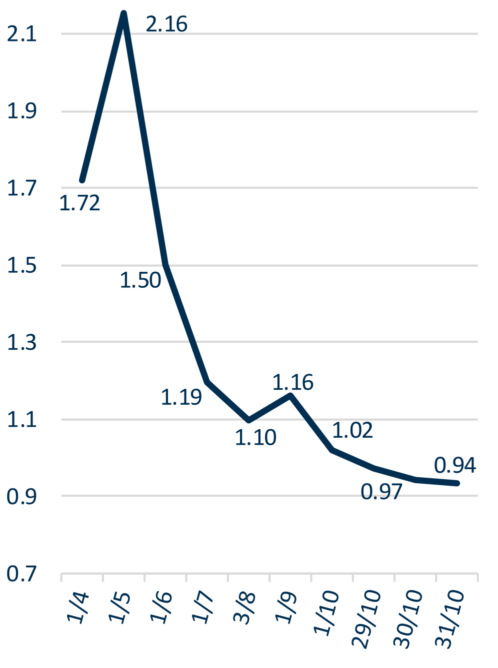
ASE General Index Closing Prices



Source: Bloomberg

10Y Greek Bond YTM



Source: Bloomberg

GREECE | Tumbling fashion with limited signs of recovery- risks pile up

Market Comment

The Athens Stock Exchange General Index ended last week at 569.50 points presenting a 6.99% weekly downside from previous Friday's 612.38 points. The FTSE 25 Large Cap declined by 7.90% and the FTSEB banks index yielded -14.02% on a weekly basis. The Greek General Index (GI) concluded its third worst month in 2020 this week. On a monthly basis, the index fell on by 8.8%, the FTSE 25 Large Cap followed suit posting 11% monthly losses and the banks index underperformed by 22% this month.

Key Market Driving Events

The Greek market is currently on a downward spiral as the resurgence of covid-19 coupled with the concerns regarding new restrictive measures- which were officially confirmed on Saturday- to curb the pandemic's spread, intensified selling pressures across the board. Even though in the last three sessions trading activity seems to shift its attention from banks to corporate stocks such as OTE, PPC, and OPAP and other non-financials, this trend is not expected to continue. SSM's upcoming decision about Piraeus Bank's CoCos interest payments is deemed critical not only for the bank itself but for the whole banking sector's route. The market, however, has already discounted the adverse scenario in which the bank fails to pay the coupons, thus the CoCos are triggered to be converted into equity in favor of the Hellenic Financial Stability Fund (HSF), causing a dilution in the bank's private shareholders. The benchmark's yearly performance as of today is on the verge of being the worst it has endured in 30 years. The fronts the Greek market has to face congregate. Coronavirus, geopolitical tensions, and the banking sector's constant suffering simultaneously are serious risks that keep investing activity at bay.

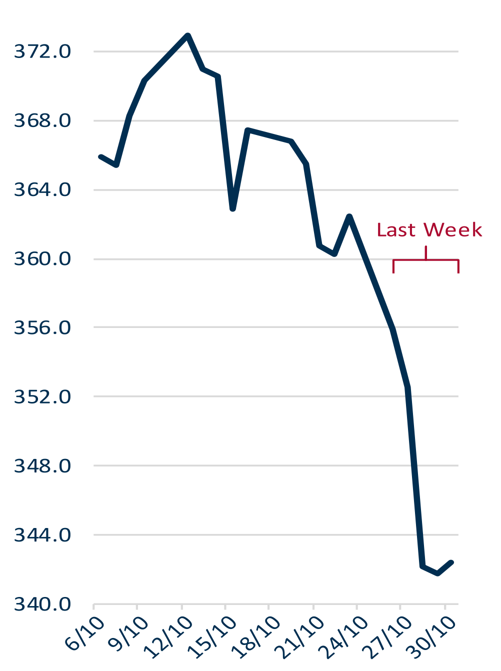
Conclusion & Outlook

The short-term consensus right now remains guarded as all the aforementioned fronts are still open and the market, albeit justifiably, is showing that it has a preference on weighing on negative news. On a technical level, signs show that the benchmark will not alter the laying on the low pattern before exhibiting a serious contraction. As they say, "when you hit rock bottom the only way to go is up", and apparently, for GI, this isn't rock bottom just yet.

News & Economy | New COVID-19 measures with lockdown hues

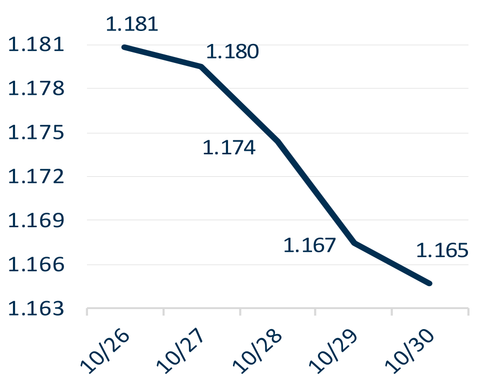
On Saturday, the Greek PM announced new restrictions that take effect from November 3rd lasting until the beginning of December. The Greek territory is now divided in two regions: the one under supervision and the areas of high risk. The areas of high risk mainly include Northern Greece and Attica, and the restrictions include -apart from the mandatory use if masks both indoors and outdoors, night traffic restriction from midnight to 5 a.m., 50% of employees compulsory working from home in both public and private sectors, 100% online classes for universities– operation suspension of all dining stores except for home deliveries and food take away. The same restrictive measure is extended to places of entertainment, culture, and sports: cafes, restaurants, bars, cinemas, museums, theaters, and indoor gyms. Travelling within the country is still allowed in contrast to the previous lockdown. The PM noted that this is not a complete freeze of the economy, but purposely targeted rules to contain the virus spread, emphasizing the fact that these are

STOXX 600 Closing Prices



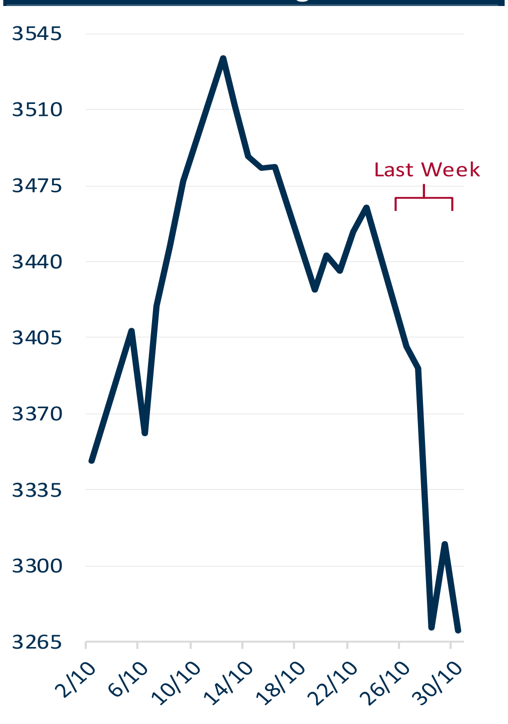
Source: Bloomberg

EUR/USD



Source:Bloomberg

S&P 500 Closing Prices



Source: Bloomberg

precautionary measures as the fatality levels from the virus still lay low compared to other European countries. Finally, and most importantly, the government guaranteed compensation of lost wages, insurance and debt obligation coverage or exemption, reaching a total of € 1.5 bn.

EUROPE | Covid-19 clenches its teeth & governments respond with measures

Markets & Economy

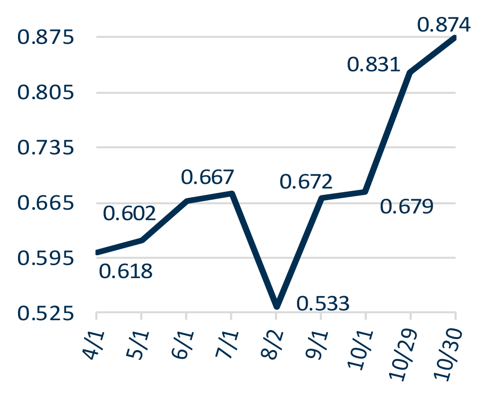
The second corona wave is persisting in the European territory. France and Germany are imposing new "lockdown" restrictions as the outburst of the virus is out of hand. The French PM, Macron, announced national lockdown on Thursday while chancellor Merkel declared a partial lockdown in Germany after the agreement of the Federal government and the Federal states. In the meantime, the UK is under pressure as early last week the government was said to be considering new restrictions as corona-cases surpassed 1 mn and are doubling every 9 days, according to an Imperial College London study. The lockdown rumors were confirmed on Saturday night, when Boris Johnson declared a national lockdown from Nov 4th until Dec 2nd. As economic activity is plunging within Europe, the investing attention was directed to ECB's announcements on Thursday. ECB's response to the pandemic's resurgence and the arising economic distress was non- intrusive, maintaining its historic low interest rates and its pandemic stimulus via bond buying packages to €1.35 tn unchanged. However, it was also reported by ECB that new monetary measures will come in the next months as the dangerously increasing cases are devouring the core economic activity. The aforementioned statement is backed by macro- metrics like the unemployment rate which stood at 8.3% in September, remaining stable from August's respective rate, albeit higher than September 2019 7.5%, as announced by Eurostat. Eurozone's inflation lays at -0.3%i YoY in October. As concern prevails the EU is planning to fund COVID-19 patients transferring to other countries in assistance to struggling national health systems. The picture begun to improve towards the end of the week when Eurostat released Eurozone's GDP Q3 2020 standing at 12.7% compared to last semester's 11.8% slump. This increase marked the most rapid quarterly increase in the research history according to Eurostat. A slight boost to the investing sentiment was the projection of a 7.8% yearly fall in contrast to the initial expectation of an 8.3% drop. (DAX -8.61%, FTSE100 -4.82% STOXX600 -5.55%, CAC40 -6.42%, FTSE MIB -6.96%)

US | WallST worst week since March as anxiety for the elections dominates

Markets & Economy

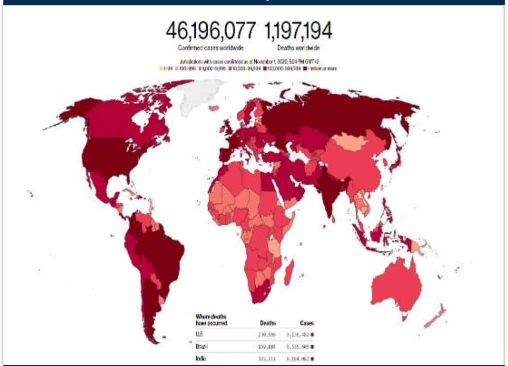
The new global coronavirus pandemic brings to the forefront fears of halting the economic recovery effort. The Dow Jones Industrials Average closed at $26,501.60 losing -6,47%, S&P500 closed at $3,269.96 losing -5,64% and NASDAQ100 closed at $11,052.95 down -5,47%. The second wave of the pandemic is already sweeping Europe, while the outbreak of cases in the US is uncontrollable as according to data from Johns Hopkins University the daily cases exceeded an unprecedented average of 71,832 a week ago. On Friday, specifically, new daily record was registered with more than 100,000 cases. Meanwhile, the number of patients has increased by at least 5% in 36 states. The steep rise in cases has also prompted some states to reinstate specific lockdown measures. Thus, last week volatility increased, with investors being even more cautious in view of the upcoming US presidential election. Democratic nominee Joe Biden's lead over President Donald Trump appears to be limited to the final straight and that raises concerns a clear election result may not be reached immediately. This development also intensifies uncertainty about the new stimulus package for businesses and households

US 10Y Bond YTM



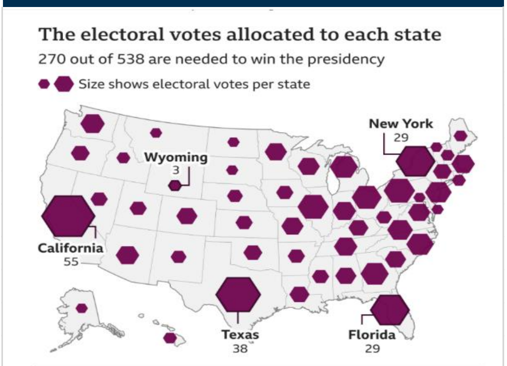
Source: Bloomberg

Coronavirus Reported Cases



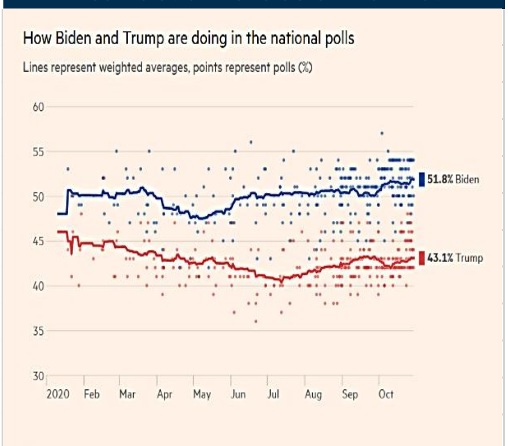
Source: Bloomberg

Electoral Vote Allocation



Source: BBC

Presindetial Polls as of Nov 1st



Source: Financial Times

by the Congress. On corporate news, last week we had several corporate results. In total, more than 260 S&P500 companies have announced quarterly results so far, with 85% exceeding analysts' expectations, according to Refinitiv. Many companies, however, are watching their shares fall despite their encouraging results, with tech stocks being in the selling spotlight as investors were discouraged by the quarterly results from FAANG (Facebook, Amazon, Apple, Netflix and Google) stocks- excluding Netflix . After the worst quarter in its history, the US economy grew at a record pace in the third quarter of the year. In particular, the quarterly GDP increased by 33.1% at an annual rate, while the weekly Initial Jobless Claims were lower than estimated, amounting to 751,000 from previous week's 791,000. CB Consumer Confidence was down to 100.9 from the initial estimation of 102, while September Core Durable Goods Orders were better than expected at 0.8% and September Pending Home Sales reduced at -2,2%. DXY was up 1.20% for the previous week inducing in USD gains against all major pairs except JPY. Lastly, in vaccine news, the US government is going to pay Eli Lilly $ 375 mn to provide 300,000 doses of the experimental antibody drug for the coronavirus treatment, as it is expected to produce 1 mn doses of its drug by the end of 2020.

US ELECTIONS | Biden VS Trump Economic Pros & Cons

Biden

- ☒ **Tax hikes:** Biden is going to rise taxes back to 28%. That would hurt workers who undertake the most burden of corporate taxation but also make the US economy less competitive .
- ☒ **Anti-gig legislation**: Biden opts to expand California's anti-gig legislation on a national level meaning flexible earning opportunities would vanish in the name of labor rights.
- ☑ **Free trade**: Biden has supported that he would loosen trade tariffs and establish a more favorable trade policy.
- ☑ **Immigration**: Biden encourages *legal* immigration, unlike Trump, and is more likely to reintroduce high skill immigration programs such as H-1B visas.

Trump

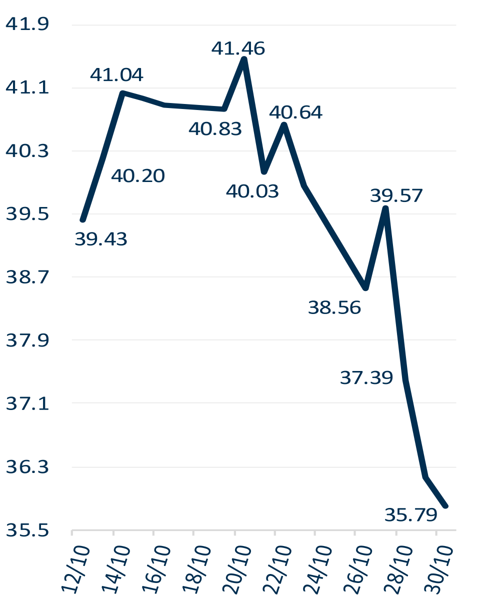
- ☒ **More trade tariffs:** Trump is expected to continue his harmful trade policy which has failed to protect employment because tariffs are essentially taxes reflected directly on consumers.
- ☒ **More immigration restrictions:** Trump has been openly accused of being xenophobic and his opposition to even *legal* immigration is clear. Economists largely agree that immigration is prosperous for the economy, but Trump will most likely set burdens to *legal* immigration.
- ☑ **Tax cuts**: Trump has signed tax cuts during his first term and if reelected he would likely continue with more tax reliefs in an attempt to boost job growth.
- ☑ **Less Federal spending & debt**: It is projected that federal speeding and national debt are going to grow at a steeper rate under Trump's reelection compared to a Biden win.

Sources: BBC, Washington Examiner

COMMODITIES | Oil falls as demand fears arise whilst gas and gold grow

This week in commodities was driven by the 2nd big wave of COVID-19 cases and lockdowns in the epicenter of the pandemic, Europe. As a result, fear of a new demand destruction due to lockdowns, sent prices tumbling. The market uncertainty is also aided by the fact that Libya is restarting the operation of its last oilfield, something that it will mark a milestone for the African member of OPEC. In the midst of uncertainty circulating the oil market, tropical storm Zeta

Crude Oil WTI Futures



Source: Bloomberg

Nasdaq Movers	Weekly Change
Top Gainers	
Automatic Data Processing	5.87%
PDD	3.53%
Charter Communications	1.78%
Xilinx	1.60%
Netease	1.07%
Top Losers	
Ebay	-11.45%
Booking Holdings	-11.03%
Zoom Video Communications	-9.89%
Illumina	-9.53%
Marriot International	-8.73%

S&P 500 Movers	Weekly Change
Top Gainers	
Harley Davidson	9.34%
CBRE Group	8.02%
Alliance Data System	6.03%
Tiffany&Co	5.91%
Automatic Data Processing	5.87%
Top Losers	
Dexcom Inc	-22.24%
Franklin Resources	-19.25%
Twitter	-18.00%
Nordstrom Inc	-15.56%
Fortinet	-15.35%

seemed like the only development that could boost prices, as it shut down 49% of gulf offshore crude oil output ahead of its arrival, but after reaching Mexico, Zeta downgraded from hurricane to Tropical Storm. This year was the busiest one for the US as far as hurricanes are concerned with 28 tropical or subtropical storms. Oversupply fears came to add to the grim market outlook as the EIA said on Wednesday that the US oil production rose by 1.2 mb/d the largest weekly gain on record, and stockpiles marked a rise of 4.320M vs 1.230M forecast. On Friday, WTI reached 5-month lows of $35.77. (WTI: $35.77, -8.39%, Brent: $37.89, -8,34%). Natural Gas marked one of his best weeks as it reached 21-month highs as Storm Zeta disrupted production and projections for colder weather implies rise in NG's demand for heating. The weekly rig count from Baker Hughes was bearish as 7 more rigs were active for the week ending 30, reaching 296, and marking the 7th straight week in which rigs were added to the production. (Natural Gas: $3.390/MMBtu, +5,67%). Gold, the traditional safe haven, kicked off the week strongly as uncertainty was added by upcoming elections, the disappointment about the lack of stimulus and rising COVID-19 cases. On Wednesday, the general market selloff affected gold as well and investors preferred the safety of the dollar, as it bounced back, leading the collapse of the yellow metal. (Gold: $1,878.70/ounce, -1,33%)

STOCKS | Fundamental & Technical Analysis

LVMH ($LVMH: NASDAQ): France's Louis Vuitton Moët Hennessy Group will finally acquire after a long term open-public battle the U.S jeweler Tiffany ($TIF) after the latest cut its price to the $16 bn takeover deal, the largest ever made in the luxurious spectrum. The new takeover price was set after a long-extended dispute at $131.50 a share, down from $135 in the original deal, bringing down the total acquisition price to $15.8 bn. That thoroughly represents a total discount of $425 mn for the Louis Vuitton Moët Hennessy Group, led by the wealthiest man in Europe, Bernard Arnault. The new deal wraps up an acrimonious and public war of words between the two luxury groups. The former deal was halted when LVMH owner said it could no longer conclude the transaction on time for the deadline, after the French Government intervened asking to delay the acquisition until next year in fear of US tariff sanction in French products. In the same statement the extended country's retaliation over the acquisition, the French side decried the dismal performance of Tiffany & Co due to the pandemic crisis. In return, Tiffany sued LVMH in a Delaware Court, seeking to force it to honor the original deal. However, as proven, the worsening of the pandemic in Europe and the U.S played an important role as both sides sat back on the negotiating table and came up with the current deal. The deal is designed to boost LVMH's smallest businesses, the jewelry and watch divisions that is already home to Bulgari and Tag Heuer. On Friday Oct 30th Tiffany's stock price closed at $130.85 posing weekly gains of 5.88%.

Twitter ($TWTR: S&P 500): The well-known online social media platform sank after reporting its Q3 earnings on Thursday, that even though, beat analyst estimates on top and bottom lines, fell short of estimates on Daily Active Users Growth, amid CEO's Jack Dorsey testimony in front of the Senate Commerce Committee. Specifically, on Thursday after market closed $TWTR posted third quarter earnings that crushed analyst estimates (Adj EPS: 19 cents vs 6 cents estimate),(Revenue: $936 mn vs $777 mn estimates), but underperformed on DAU growth with estimates expecting $195 mn vs the $187 mn, growing just by $1 mn since the last quarter. The ad revenue grew 15% YoY to $808 mn with a total ad engagement growing 27% over the same period. Even though results were highlighted with an upbeat tone, the lack in DAU, as well as the heightened scrutiny and the daunting challenge of handling posts around the 2020 US Elections brought uncertainty amid the investors and the advertiser's behavior. As a result, syncing in with the past week's sell off, Twitter was down 16% on Friday, after a gaining 8% on Thursday's close. Indicatively, Twitter kicked off the week ended with $50.60

and wrapped it up at $41.36, losing 17.98% of its value. Future seems uncertain for the social media giant, as last Thursday its CEO - along with Facebook's and Google's CEOs- seemed worried in the Senate Commerce Committee, where he was present to defend the Section 230, which concerns the legal liability shield that protects platforms from being held responsible for their user's posts and which lawmakers are keen to weaken.

NOV 2020	THIS WEEK'S ECONOMIC AGENDA
MON 02	• German Manufacturing PMI Oct (fc: 58) • US ISM Manufacturing PMI Oct (fc: 55.8) • RBA Interest Rate Decision Nov (fc: 0.10%)
TUE 03	• US Presidential Election • Brazil BCB Copom Meeting Minutes • New Zealand Employment Change QoQ Q3 (fc: -0.8%) • Bank of Japan Monetary Policy Statement • Australia's Retail Sales MoM Sep (fc: -1.5%)
WED 04	• UK Composite PMI Oct (fc: 52.9) • UK Services PMI Oct (fc: 52.2) • US ADP Nonfarm Employment Change Oct (fc: 650K) • US Crude Oil Inventories
THU 05	• UK Services PMI • UK Construction PMI Oct (fc: 55) • Bank of England MPC Meeting Minutes • Bank of England Interest Rate Decision Nov (fc: 0.10%) • US Initial Jobless Claims • Fed Interest Rate Decision • US FOMC Press Conference
FRI 06	• US Non-Farm Payrolls Oct (fc: 600K) • US Unemployment Rate Oct (fc: 7.6%) • Employment Change Oct (fc: -7.5K) • Canada Ivey PMI Oct

What to look for this week

Nov 3rd is the presidential election day for the world's biggest economy, and uncertainty begins to reign as the probability of a delayed and debatable result rises. Recent polls show that President Trump falls behind Joe Biden, but markets seem not to fear neither of them winning. Distress is also confirmed by a glimpse at volatility metrics such as the VIX "fear gauge" which is near its highest since June, fueled mostly by Trump's claims that mail-in ballots will induce in a fraud. The markets want a clear winner, so then uncertainty can start to subside, and they can focus on the program of the new president: stimulus, pandemic, and trade. The yuan has risen 7% since May and remains high despite the central bank's efforts to make market positions more expensive. Biden's victory is expected to trigger a rally for yuan as the free trade policy, which Biden stands by, is expected to sink the dollar. The Reserve Bank of Australia is expected to expand its bond market on Tuesday, targeting in lowering its short-term yield margin and cut cash rates. On Thursday, Bank of England may boost its QE by £ 100 bn to shake off coronavirus and Brexit damage. Turkish lira has tumbled almost 30% in October – its worst performance since Aug 2018- hit by the usual national unconventional policies. The Turkish central bank failed to intervene to raise rates this month so the markets are now assessing how much the lira will fall until the regulators take action.

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FINANCE CLUBUNIPI