AUEB Students' Investment & Finance Club

Market Report – Volume 11, November 2023

Our purpose

AUEB Students' Investment and Finance Club is a non-political and non-profit student initiative, and the first Finance Club amongst Greek Universities, founded in 2013.

It aims to promote the social dimension of Finance, demonstrate the potential positive impact of investments on society, train and inspire its members on different functions of Finance.

For this purpose, we plan and implement innovative activities which are mainly related to:

- Investments and Stock Markets
- Consulting
- The broad universe of finance through activities such as insight days, internships, workshops and involvement in research
- Building a strong network with other European finance clubs and maintain a strong alumni base

Last but not least, we emphasize on the cultural fit of our members, in order to ensure the Club's success, and for this purpose we have established a selection process. Thus, our members are well-rounded and highly motivated individuals with a genuine interest in Finance.

Organizational Structure

General Assembly	Management Board	Audit Committee

- The **General Assembly** consists of the members of the Club as well as honorary members. It is held annually and decides on any matter of the Club.

- The **Management Board** is consisted of 5 members of the Club with one year incumbency. It is elected by the Annual General Assembly and their role is the management of the Club and achieving the objectives of the Club.

- The **Audit Committee** is elected by the Annual General Assembly as well with one year incumbency. Their role is to supervise and monitor the financial management of the Club.

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Markets Summary

Foreign Exchange

November was an exceedingly negative month for the US dollar, with the DXY sinking to its lowest level in more than four months. News regarding the critical October inflation rate reports and the Monetary Policy Decisions of the FED and BOE functioned as the main driving factors. Overall, the US dollar registered losses against major rivals such as the Euro, the British pound, the Swiss Franc and the Japanese Yen, with the market starting to price in a rate cut from the Federal Reserve, by the FH of 2024, following the softer than expected US CPI numbers. According to the CME FedWatch tool, investors are betting on a first-rate cut by January 2024 with a low probability of 14.3% or by March 2024 with an enhanced likelihood of 55.1%. The Swiss Franc outperformed other currencies against the US dollar, ending the month 4.51% up. Additionally, the EUR, the GBP and the JPY traded upwards, against the US currency, with gains of 2.92%, 4.23% and 3.2% respectively.

Fixed Income

In a year where few things have gone in a favorable direction for bond investors, November was a notable month for Fixed Income Markets. Thanks to preliminary signs of economic moderation in the US and falling inflation across the markets, global bonds headed through the best month since 2008. The US 10-year Treasury Yield declined below 4.4% by the end of the month, down 60 basis points from the October high, as the economic data releases supported the view that FED is likely done with hiking interest rates. In Europe, yields moved in the same route as the US, with the German 10-year and the Italy 10-year bond yields falling around 50 basis points and 88 basis points respectively as the market weighed the positive data for Euro area inflation and Italy's avoidance of a downgrade by Moody's. In the United Kingdom, the UK 10-year Gilt decreased to the lowest level since June 2024 driven by the decision of the British Debt Management Office to issue USD 237.3B of government bonds, which exceeded the banks' estimations. In Japan, despite the hotter-than-expected CPI report, the Japanese 10-year bond diminished over the month by 26 basis points, boosted by the announcement from Japan's Finance Ministry that will raise the assumed rate, for the first time in 17 years, to 1.5%.

Commodities

During November, commodities slid lower than the preceding month, geopolitical risk acted as a key performance factor for broad commodity prices. Overall, despite a weaker dollar, commodity prices eased with the Bloomberg Commodity Index Total Return declining for the fourth consecutive month by 2.8%. The Bloomberg Energy Index followed an identical path as BCOMTR, decreasing by 11% as US supply remains at a record high level and OPEC members fail to agree on a meaningful cut production plan. The price of a barrel of Brent Crude Oil and WTI Crude Oil fell to USD 75.96 and to USD 81.83 respectively. Dutch TTF Natural Gas exhibited a consistent downward trend over the month regarding mild weather temperatures and high storage levels in Europe. Driven by mounting expectations that the FED has finished this tightening cycle, Gold rose for the third consecutive month and gained almost 3%.

Equities
Following a negative October for global stocks, broad equity indices were consistently trading higher over the month with the MSCI All Country World Index gaining almost 9.55%, powered by an easing in consumer prices, falling bond yields and lower probabilities of economic downturn. Additionally, healthy corporate earnings and the performance of the tech sector boosted growth stocks. Ongoing economic momentum, specifically in the US, reinforced market hopes for a "soft landing" scenario. This supported US indices through November, with the S&P 500 up 20% year-to-date and the NASDAQ 100 46.8% year-to-date, testing a nearly two-year high level and outperforming all US indices. Noted that, according to BofA, the combination of lower yields and the outranged performance of equities propelled 60/40 portfolios to their best month since December 1991, with a return up to 9.76% in November. European indexes also closed November on a positive note, with the MSCI Europe-ex UK index gaining 7% over the month, strengthened by significantly lower Euro Area inflation, which remains only 0.9% above the ECB target. The UK equities market finished the month with smaller gains, with FTSE 100 2.6% up, affected by the lowest than expected QoQ growth. Japanese equities rallied, with Nikkei 2225 5.9% up, posting their best monthly gain since November 2022. In emerging markets, China's MSCI is now up 2% over the month, despite a decrease of -2.7% in the China Industrial Profits growth, supported by the global MSCI Emerging Markets Index, which grew by 8% in November.

Economic News Summary

Policy
Starting with the US, the Federal Reserve held its benchmark rate unchanged for a second consecutive month. At the after-meeting conference, the chairman of the FED, Jerome Powell, expressed confidence that inflation is coming down even as the US economy is still expanding at a strong rate. Over the month, multiple comments from FED officers signaled that the US is edging closer to the end of this rate-hiking cycle. Finally, the release of FOMC minutes noted that all participants voted to keep the rate range steady, continuing with their data-dependent narrative. In the UK, the Bank of England also left its benchmark rate unchanged at a 15-year high, with BOE Governor Andrew Bailey mentioning that it's "too early to be thinking about cuts." In Europe, the ECB didn't have an interest rate meeting in November. However, the President of the European Central Bank, Christine Lagarde, and her colleagues suggested that they remain vigilant to upside inflation risks and will not hesitate to take further tightening measures. In Japan, the BOJ eased control over government bond yields. With this move, the BOJ retained its ultra dovish policy and backed up for any intervention scenario. In China, the BOC injected liquidity into the Chinese economy once again and announced an upcoming lower reserve ratio for Chinese banks.

Inflation

In general, throughout the month, global consumer and production prices eased. To begin with, US inflation declined to 3.2% YoY%, lower compared to market expectations of 3.3% YoY. On a monthly basis, consumer price inflation experienced no changes. The US Core inflation, which traced the same path as the headline, decreased to 4% YoY and to 0.2% MoM. On a yearly basis, despite geopolitical risks, it's important to note that Energy costs dropped by 4.5%, with natural gas down 15% and oil sinking 20%. In the Eurozone, the CPI continued its downward trend and declined to 2.9% YoY, getting closer to the ECB target. Similarly, to the headline, the Core CPI fell to 3.6%. In China, the consumer price index turned negative to -0.2% YoY and -0.1% MoM. However, Japanese inflation increased by 3.2% on a yearly basis and by 2.9% MoM, in line with consensus expectations.

Growth-Activity

In November, the economy of the United States of America expanded at a strong rate, with the GDP Growth Rate QoQ at 5.2%, exceeding estimates by 0.3%. Moreover, GDP sales QoQ beat estimates of 3.5% and came at a 3.7% rate. However, retail sales fell in October by 1%, while the real consumer spending QoQ came above estimates at 3.6%. Overall, the PMI indexes were printed in line with expectations. Meanwhile, the Euro Area contracted in the third quarter of 2024 by -0.1%. Nevertheless, the Eurozone economy expanded YoY by 0.1%. In the United Kingdom, the economy grew by 0% QoQ and remained on a steady path YoY by 0.6%, in line with the September print. Chinese macro data related to activity was more positive than expected, with retail sales up 7.6% YoY. However, the Chinese housing market remained a headache for investors, with new home sales continuing to decline. In November, the bleakest news came from the Japanese economy, which contracted by -2.1% year-over-year and by -0.5% quarter-over-quarter. The Japanese PMI indexes followed the same route as GDP.

Labour Market

In the United States of America, Initial Jobless Claims witnessed a slight rise of 5K. The Unemployment Rate increased by 0.1% from the previous month, remaining at a historic low level. In the UK, the unemployment rate stayed unchanged at 4.2%, with employment changing to 54K. In the Euro area, the seasonally adjusted unemployment rate remained at 6.5% YoY.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

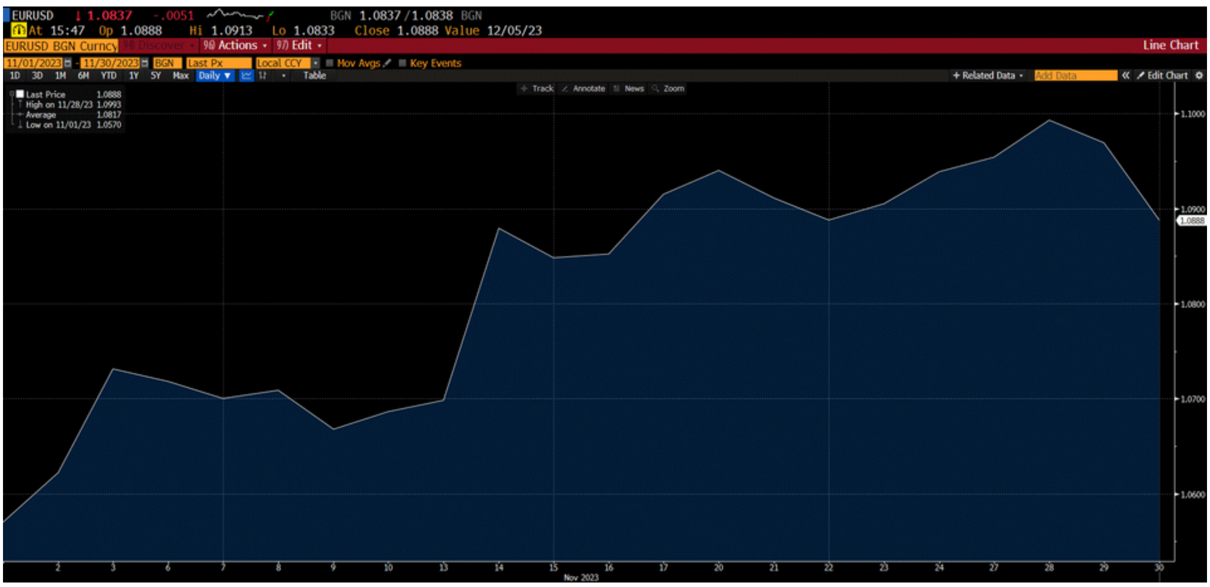
Global Markets

Pair	30/11 Close	MoM	YtD
USD Index	103.19	-2.88%	1.804%
EUR/USD	1.0715	2.93%	2.08%
GBP/USD	1.2622	3.79%	4.68%
USD/JPY	148.19	-2.33%	12.54%
USD/CHF	0.8751	-3.95%	-5.55%

EUR/USD

On a macro-level, EUR/USD has managed a breakout from October's price range of 1.06, having a strong uptrend throughout the month, closing to a 3-month high. The pair started the month at USD 1.0579 and finished at USD 1.0973. The main reasons were lower than expected inflation announcements in the US which prompted speculation about earlier than expected rate cuts, as well as a major de-escalation in US treasury yields. More specifically, CPI inflation in the US was announced at 3.2%, slightly lower than the 3.3% expected, and significantly lower than September's 3.7% figure. This strengthened investors' beliefs that the FED will avoid further rate hikes, as well as start rate cuts earlier than expected. Inflation in the Eurozone fell to 2.9% from 4.3% the previous month, also creating expectations for earlier rate cuts, hindering a further appreciation for the Euro. Europe's much expected depression also seems to be shallower than anticipated with European data coming in better than expected (48.1), although still in contractionary territory, thus providing some strength to the pair.

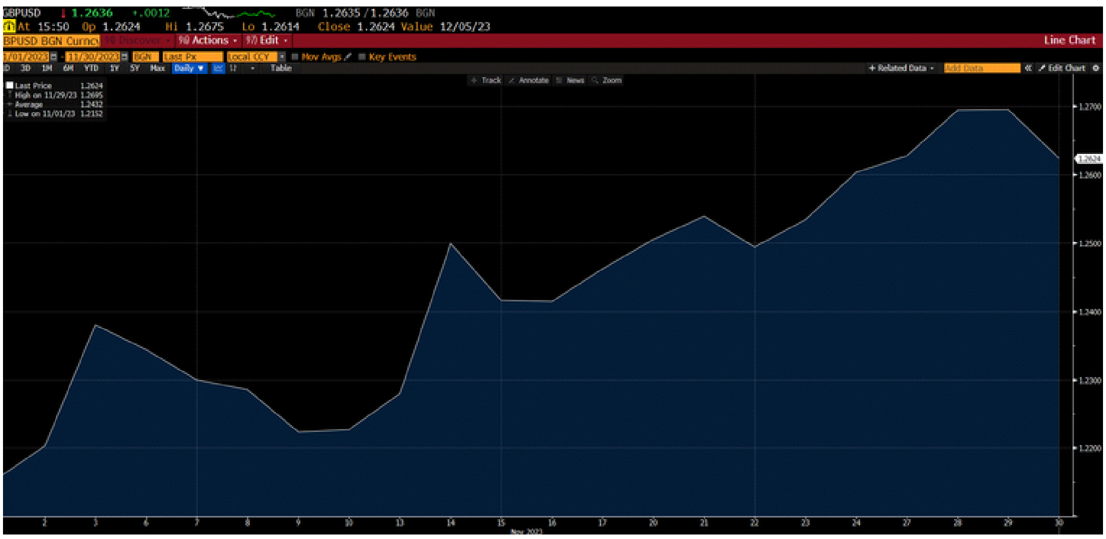
On a micro-level, EUR/USD started the month on a positive trend, taking advantage of the weak US Non-farm payroll data announced in early November. The second week had a somewhat more bearish trend, starting from 1.0732 and ending up below 1.07, caused mainly by the hawkish Federal Reserve outlook. Jerome Powell commented that monetary policy may not be sufficiently restrictive, adding that the FED would not hesitate to tighten monetary conditions if needed. This caused a spike in US Treasury yields, and created downward pressure for the pair, closing the second week at a loss. Week 3 saw a major de-escalation in US treasury yields, caused mainly by the announcement of lower than expected CPI levels. The significant drop in inflation reversed the negative sentiment caused by the earlier Powell statements, resulting in one of the pair's biggest daily gains in recent months, almost reaching 1.09. The strong uptrend continued throughout the month, although failing inflation in the Eurozone limited uptrend potential to just about under 1.10. Still, November was one of the best months for EUR/USD so far this year, reversing the last 4-month downtrend.



GBP/USD

November was a positive month for GBP/USD, opening at 1.215 and closing at 1.269, maintaining a strong uptrend throughout the month. The main reasons behind this were the weakening of the US dollar, as well as several announcements from the Bank of England. More specifically, BoE maintained interest rates steady at 5.25%, while BoE's Governor Andrew Bailey stressed that too tight monetary policy cannot be sustained for too long, holding a modest stance on further interventions in contrast to the US where markets are pricing in multiple cuts in the following year. Inflation in the UK fell sharply from 6.7% to 4.6%, although some components of inflation remained considerably higher. Wages also saw a sharp rise, lowering expectations of earlier rate cuts. On the other side of the pond, a lower-than-expected announcement of inflation at 3.2% vs the previous month's 3.7%, as well as the de-escalation of US treasury yields, caused a selloff for the dollar, with GBP/USD seeing one of it's biggest daily gains in recent months.

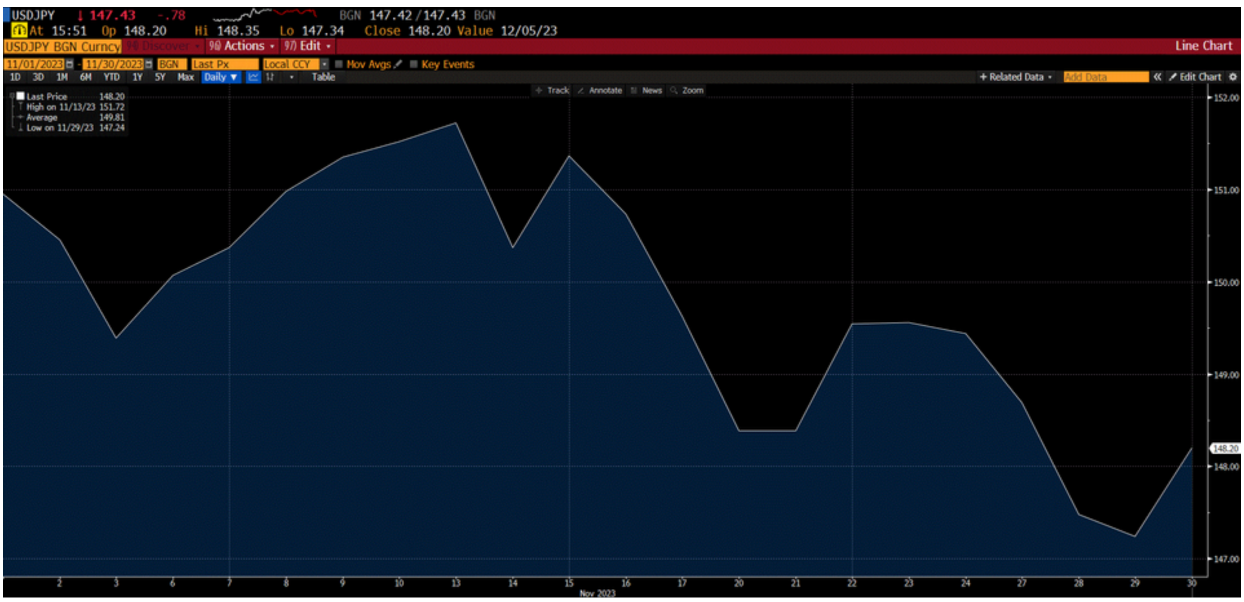
The first week of the month started with BoE maintaining interest rates steady at 5.25%, with Andrew Bailey stating the need to keep a tight monetary policy just long enough for inflation to reach its goal of 2%. There was low volatility, with the pair opening the week at 1.215 and closing at 1.219. In the second week, GBP/USD took advantage of the weak US Non-Farm Payroll data announcement, which led to a strong upward movement, reaching prices as high as 1.242, although FED's Jerome Powell's hawkish remarks later that week about "higher interest rates for a longer time" led to a decline, eventually closing the week negatively, at 1.221. The following weeks were key points for the return of the upward trend, starting with the announcement of US inflation figures. There was a sharp inflation reduction of 0.5% compared to the previous month, which led to the weakening of the dollar and the rise of GBP/USD. Inflation in the UK also fell sharply, with a massive 2.1% reduction from the previous month, although key CPI components remained at high enough levels, putting an end to expectations for any rate cuts in the following months. Another main reason for the strengthening of the sterling was BoE's Andrew Bailey speech, in which he mentioned it was too early to consider rate cuts, also mentioning the recent rise in wages. Overall GBP/USD managed to maintain the positive momentum shown in the first week, closing the month at 1.269.



USD/JPY

For November, USD/JPY continued October's uptrend, although it ended the month on a downtrend, losing all gains previously achieved. The pair opened at 151.294 and closed the month at 147.039, with a relative high volatility. Main factors were the weakening of the US dollar due to a weakening of inflation and expectation for rate cuts by the FED, as well as Bank of Japan's comments on monetary policy. More specifically, BoJ decided to leave interest rates unchanged at -0.1% while it refuted rumors regarding an intervention on the Yield Curve Control on the 10-year Japanese Government Bond (JGB). BoJ's governor Ueda stated that loose monetary policy would continue patiently, also stating that it is still too early to think about transitioning away from negative rates and expansionary policy. The other major factor was the de-escalation of US treasury yields, which led to the weakening of the US dollar.

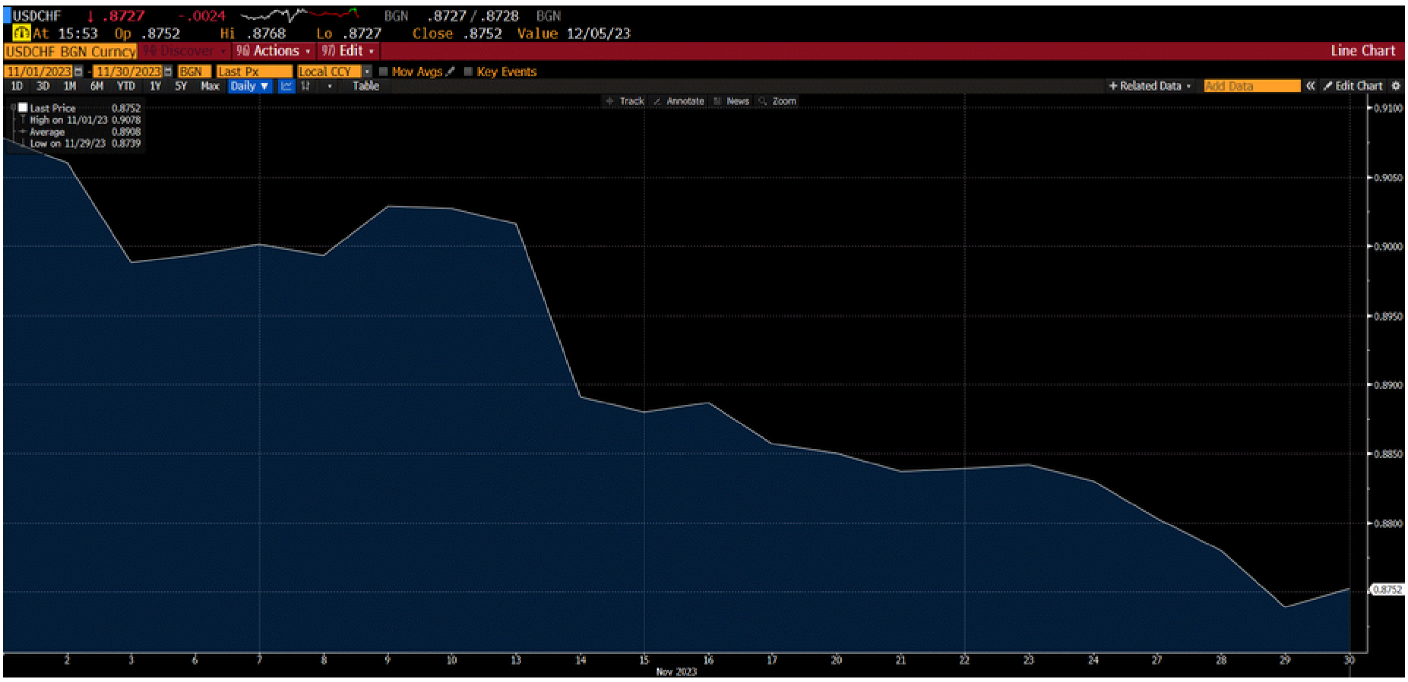
The first week started at 151.294 and closed at 150.497, while managing to reach a high of 151.432. This was mainly due to the Bank of Japan's decision to leave interest rates unchanged at -0.1% indicating a commitment to its past policy. The FED also decided to leave interest rates unchanged, causing a large de-escalation in bond yields as markets try to sense the peak of the hike cycle. The second week started negative at 149.449 but ended positive at 151.349. The main reason for this was BoJ's Ueda statement that loose monetary policy would continue, causing a weakening to the Yen, as well as FED's Powell hawkish speech regarding interest rates, which led to a renewed strengthening of hawkish sentiment. The third week saw a decline for the pair, opening at 151.469 and closing at 150.705 due to the large reduction in inflation in the US which came in at 3.2% (3.33% exp.). The final weeks were characterized by uncertainty about the direction of rates from both Central Banks with the BoJ being expected to end negative rates in the next years while the sentiment about the FED indicates that further hikes are not to be ruled out. However, the path of least resistance seems to be downwards for the pair, ending the month at 147.039, following the month's overall trend.



USD/CHF

November was characterized by a strong downtrend for USD/CHF, despite late October's upwards swing. The pair started the month at 0.9019 and closed noticeably lower at 0.8733. The main reasons behind this were inflation announcements in both Switzerland and the US, as well as decisions regarding interest rates. More specifically, inflation in the US dropped to 3.2% vs previous month's 3.7% beating expectations and indicating a speedier return to the 2% FED target. Inflation in Switzerland remained unchanged at 1.7%, matching market expectations. The FED decided to keep interest rates unchanged at 5.25%-5.5%, while SNB's chairperson Thomas Jordan stressed that the fight against inflation is not yet over and that new interventions by the bank cannot be ruled out marking a contrast with the prevailing sentiment for the dollar which is starting to price in rate cuts in the following year.

The pair started the month at 0.9098 while closing the week at 0.9061. The week's major event was the announcement of inflation in Switzerland matching market expectations at 1.7%, creating hopes for rate cuts, although SNB's Jordan tried to rule out this possibility in a later speech, keeping CHF doves at bay. The second week saw low volatility for the pair, opening at 0.8992 and closing at 0.9031, with the main cause being the strengthening of the US dollar, following FED's Powell's hawkish statements. The third week saw the beginning of a downtrend which lasted until the end of the month, opening at 0.9019 and closing the month at 0.8733. The de-escalation of treasury yields and a noticeable reduction in US inflation caused the weakening of the US dollar, while positive news regarding the Swiss economy, such as the growth of industrial production by 2% helped maintain the trend, along with a repeat of hawkish comments by the SNB chairman.



Poll Summary - Poll Date: 07-Nov-2023 EUR/USD				
	1M	3M	6M	1Y
Effective Date	30-Nov-2023	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	1.060	1.070	1.080	1.110
SmartEconomics®	1.062	1.067	1.081	1.106
Predicted Surprise	0.002	-0.003	0.001	-0.004
Mean	1.063	1.069	1.086	1.114
Mode	1.050	1.070	1.100	1.100
Min	1.030	1.010	1.020	1.030
Max	1.083	1.150	1.160	1.200
Standard Deviation	0.012	0.026	0.028	0.037
Forward Outright	1.099	1.102	1.107	1.116
Forecasters	51	72	71	63

Poll Summary - Poll Date: 07-Nov-2023 GBP/USD				
	1M	3M	6M	1Y
Effective Date	30-Nov-2023	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	1.22	1.23	1.24	1.27
SmartEconomics®	1.22	1.22	1.23	1.27
Predicted Surprise	0.00	-0.01	-0.01	0.00
Mean	1.22	1.23	1.24	1.27
Mode	1.22	1.22	1.24	1.26
Min	1.18	1.15	1.17	1.16
Max	1.26	1.34	1.35	1.36
Standard Deviation	0.02	0.04	0.04	0.04
Forward Outright	1.27	1.27	1.27	1.27
Forecasters	39.00	56.00	55.00	49.00

Poll Summary - Poll Date: 07-Nov-2023 USD/CHF				
	1M	3M	6M	1Y
Effective Date	30-Nov-2023	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	0.91	0.91	0.90	0.89
SmartEconomics®	0.91	0.91	0.90	0.88
Predicted Surprise	0.00	0.00	0.00	-0.01
Mean	0.91	0.91	0.90	0.89
Mode	0.90	0.90	0.89	0.86
Min	0.89	0.85	0.84	0.82
Max	0.93	0.94	0.95	0.98
Standard Deviation	0.01	0.02	0.03	0.04
Forward Outright	0.88	0.87	0.86	0.85
Forecasters	26.00	33.00	33.00	30.00

Poll Summary - Poll Date: 07-Nov-2023 USD/JPY				
	1M	3M	6M	1Y
Effective Date	30-Nov-2023	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	148.0	145.0	140.7	136.0
SmartEconomics®	149.1	146.7	143.0	136.2
Predicted Surprise	1.1	1.7	2.4	0.2
Mean	148.4	145.3	141.8	135.7
Mode	148.0	145.0	140.0	130.0
Min	143.2	135.0	130.0	123.3
Max	153.0	155.0	155.0	150.7
Standard Deviation	2.2	4.5	5.8	6.6
Forward Outright	147.4	145.9	143.9	140.1
Forecasters	44.0	59.0	59.0	52.0

Rates	30/11 Close	MoM	YtD
FED Funds Rate Target	5.25%-5.50%	No Change	+25 bps (2/02/2023) +25 bps (17/03/2023) +25 bps (4/05/2023) +25 bps (26/11/2023)
ECB Main Refinancing Operations Rate	4.50%	No Change	+50 bps (08/02/2023) +50 bps (22/03/2023) +25 bps (10/05/2023) +25 bps (21/06/2023) +25 bps (2/08/2023) +25 bps (20/09/2023)
ECB Deposit Facility Rate	4.00%	No Change	+50 bps (8/02/2023) +50 bps (22/03/2023) +25 bps (10/05/2023) +25 bps (21/06/2023) +25 bps (2/08/2023) +25 bps (20/09/2023)
EURIBOR 1M	3.869 %	-24 bps	+198 bps
USA 3 Month Treasury	5.401%	-7 bps	+101 bps
USA 10 Year Treasury Bill	3.688%	-60 bps	+58 bps
Germany 10 Year Bond	2.381%	-36 bps	-0.3 bps
UK 10 Year Gilt	4.207%	-35 bps	+52 bps
Greece 10 Year Bond	3.693%	-46 bps	-95 bps

European Union

In November, Europe experienced a heartening development in its battle against inflation, witnessing a more substantial decline than anticipated. The inflation rate dropped to 2.4% YoY from October's 2.9% YoY. Core inflation, a pivotal metric closely monitored by the European Central Bank, exhibited a similar downward trend, decreasing from 4.2% in October to 3.6%. Despite the eurozone maintaining a record-low unemployment rate of 6.5% in October—an indicator typically associated with inflationary pressures on the economy—analysts and the market, considering the noteworthy reduction in year-on-year inflation, anticipate that the European Central Bank will forego any further interest rate hikes in the upcoming December meeting. This marks the second consecutive decision to maintain rates after ten consecutive increases, holding them steady at a record high of 4%. Simultaneously, the contraction of the eurozone economy by 0.1% in the third quarter adds weight to the narrative that interest rates may have reached their zenith and are unlikely to undergo further increments as the ECB starts to grapple with recession. The noticeable decrease in inflation was mirrored across the eurozone's major economies, including Germany, France, and Italy.

This decline in inflation serves as a positive signal for these economies, which grapple with various challenges, resulting in a general monthly reduction in the 10-year bond yields. Specifically, Europe's flagship bond, the German 10-year bond, saw its yield drop for 4 consecutive weeks in November, reaching 2.6% mid-November from October's 2.81% and ending at 2.44%. Similarly, France's 10-year bond yield also decreased for 4 consecutive weeks starting at 3.43%, dipping to 3.15% in the second week, and concluding the month at 3.02%. The trend of four consecutive declines in the yield was followed by Italy's 10-year bond too, which saw a significant drop in the first half of November, going from 4.73% to 4.41% and ending even lower at 4.22%.

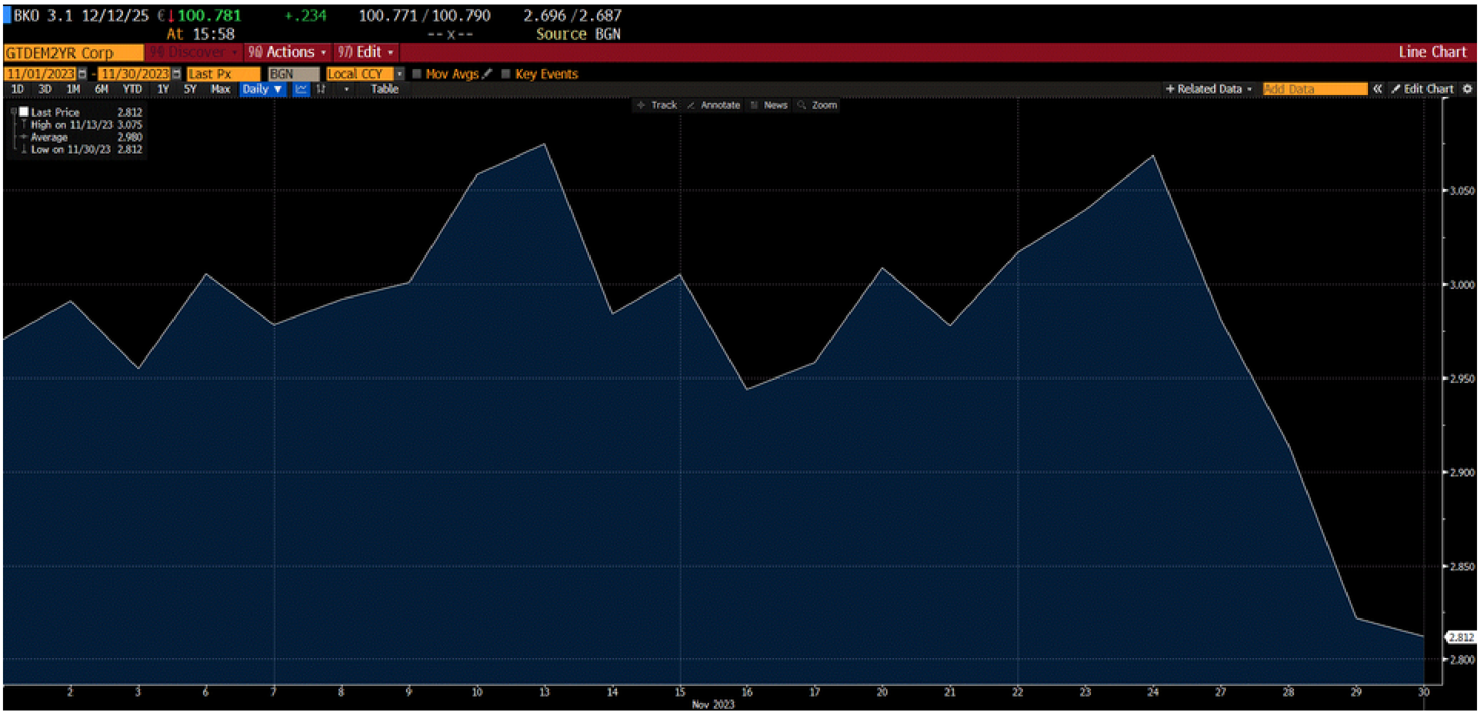
That positive signal was also evident in the trajectories of the 2-year bonds of these countries. For example, Germany's 2-year bond saw a marginal decrease in the first part of November, going from 3.02% to 2.99% but a bigger one in the second part, ending at 2.82%. Similarly, France's 2-year bond yield, even though it had a small increase in the third week of November, managed to follow the pattern and end at 3.23%, significantly lower than 3.43% in October. Italy's 2-year bond yield followed the usual, in this month, trajectory having four consecutive drops and reaching 3.41% from October's 3.85%.

Those changes in the bond yields resulted in a decrease in Germany's 10 year – 2-year bond spread in November, going from -26.3bp to -36.5bp. A smaller decline was also apparent in France's 10 year – 2-year bond spread which finished at 8.6bp from October's 9.7bp. That trend of declining spread's was also seen in Italy's 10 year – 2-year bond spread which also had a diminishment in November going from 87.3bp to 81.2bp.

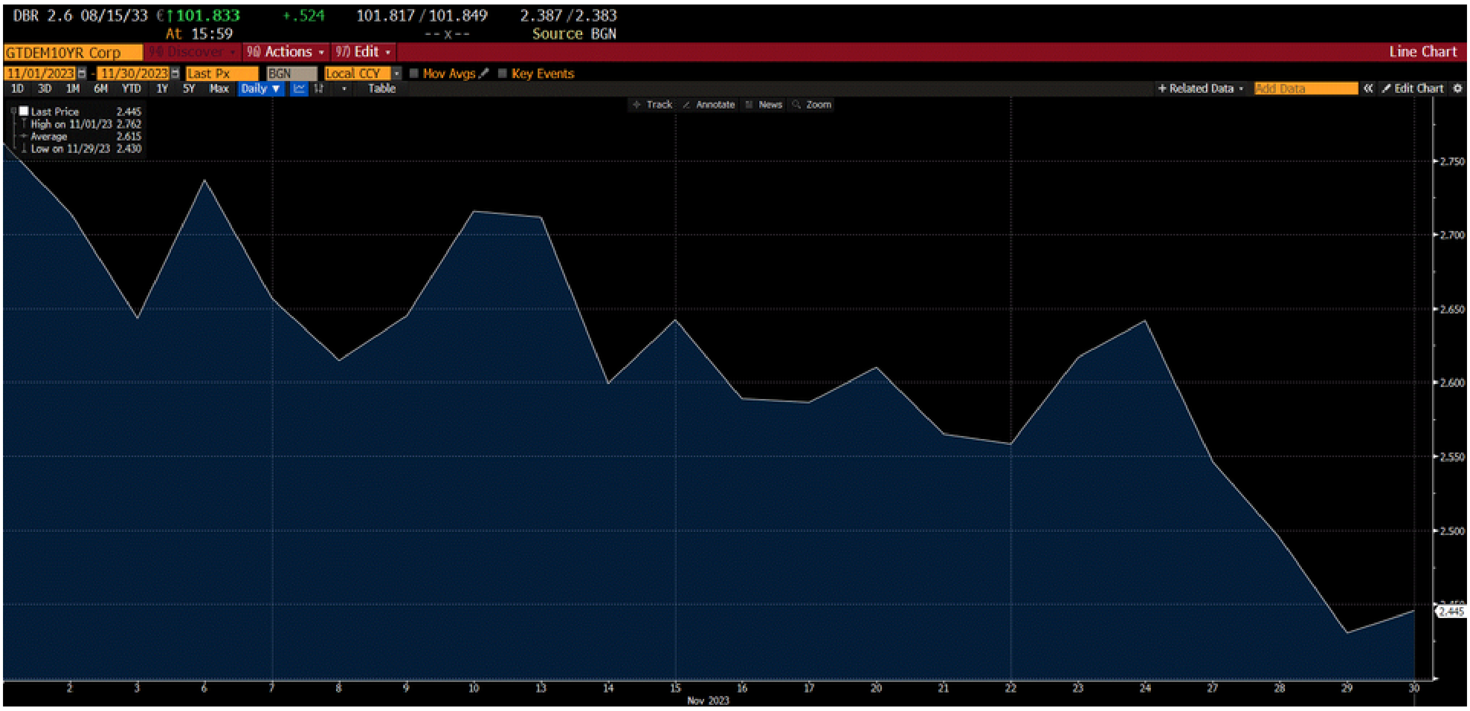
United Kingdom

The UK witnessed a comparable scenario in November, with inflation experiencing a more significant decline than anticipated, reaching 4.6% in October. Core inflation also saw a decrease to 5.7% from September's 6.1%. Coupled with the stagnation in growth recorded in the last quarter, the Bank of England's Monetary Policy Committee (MPC), in its November 2nd meeting, opted to maintain interest rates at 5.25% for the second consecutive session. This decision came after 14 consecutive meetings, spanning from December 2021 to August 2023, during which rates were consistently increased. The sustained decrease in inflation, coupled with the possibility of a prolonged pause in interest rate hikes, impacted UK fixed income assets similarly to the trends observed in the other major economies. Following three weeks of declining yields, the UK's 10-year gilt yield reached 4.1% from October's 4.52%. Even though in the last week of November, the 10-year gilt yield experienced a slight increase to 4.17%, it was still significantly lower than October's yield. The trajectory of the UK's 2-year bond yield in November mirrored that of the 10-year bond. The month started with three consecutive weeks of yield decrease, starting at 4.79% and reaching 4.55%, concluding with a slight uptick to 4.59%. These fluctuations led to a significant decline in the 10-year – 2-year bond spread, shifting from -26bp to -41.2 bp, concluding a generally positive month for fixed income assets in the UK.

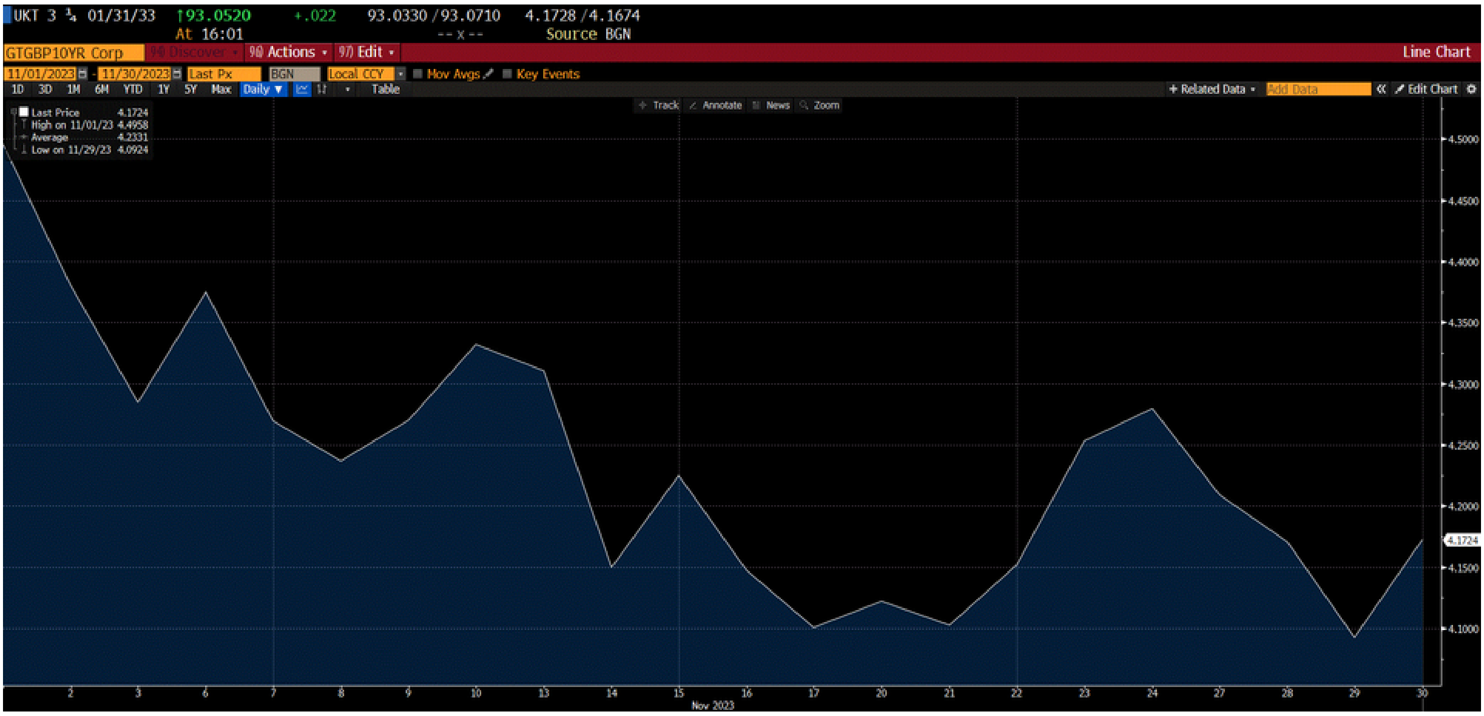
German 2Y Bond Yield



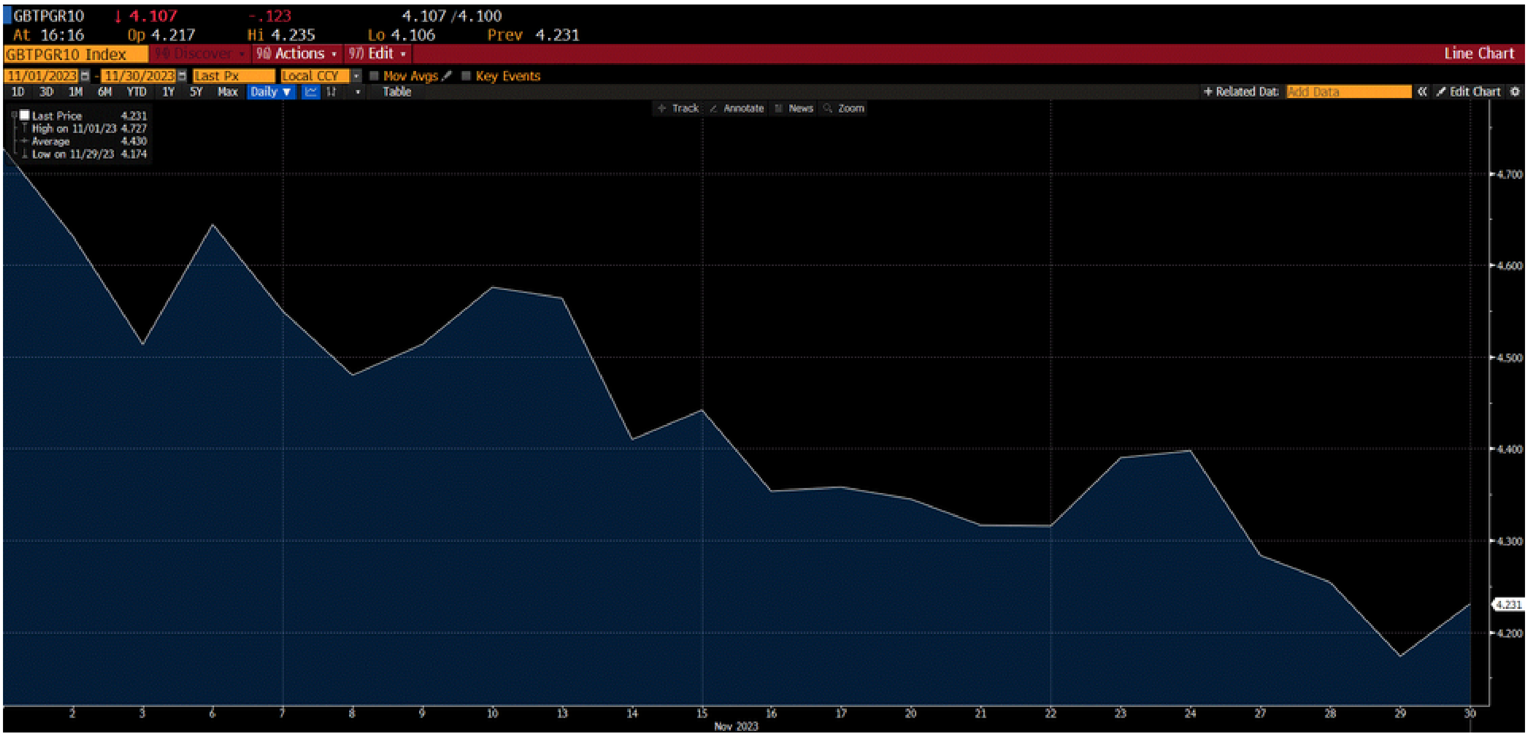
German 10Y Bond Yield



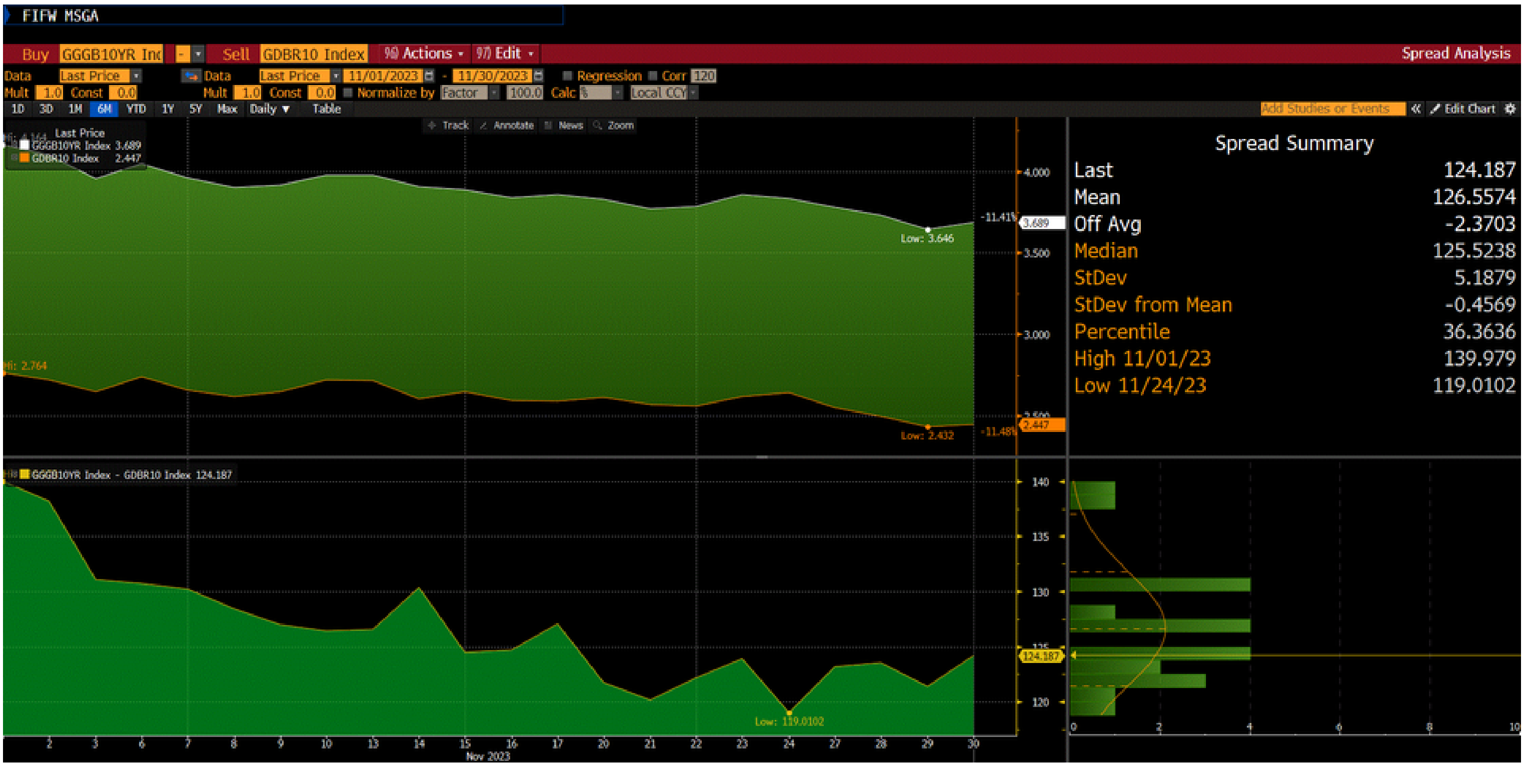
British 10Y Gilt



Italian 10Y Bond Yield



Greek-German 10Y Yield Spread



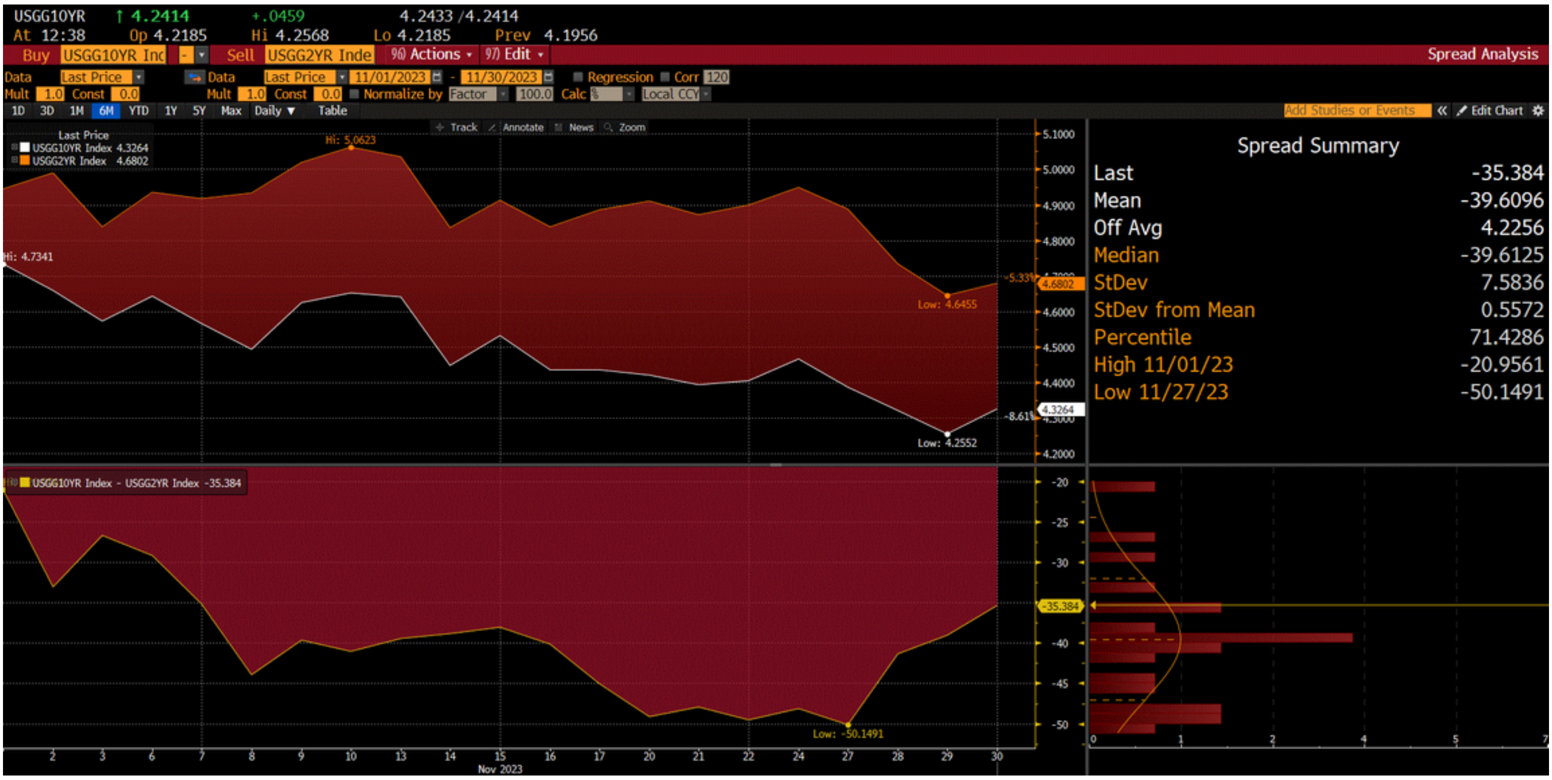
USA

November commenced with a Federal Reserve (FED) meeting in the United States, during which the benchmark interest rates were maintained at 5.25%-5.5%. This decision transpired against the backdrop of a prospering economy, a robust labor market, and inflation persistently surpassing the central bank's target. Remarkably, this marked the second consecutive meeting in which the Federal Open Market Committee opted to keep rates unchanged, following a series of 11 rate hikes, including four in 2023.

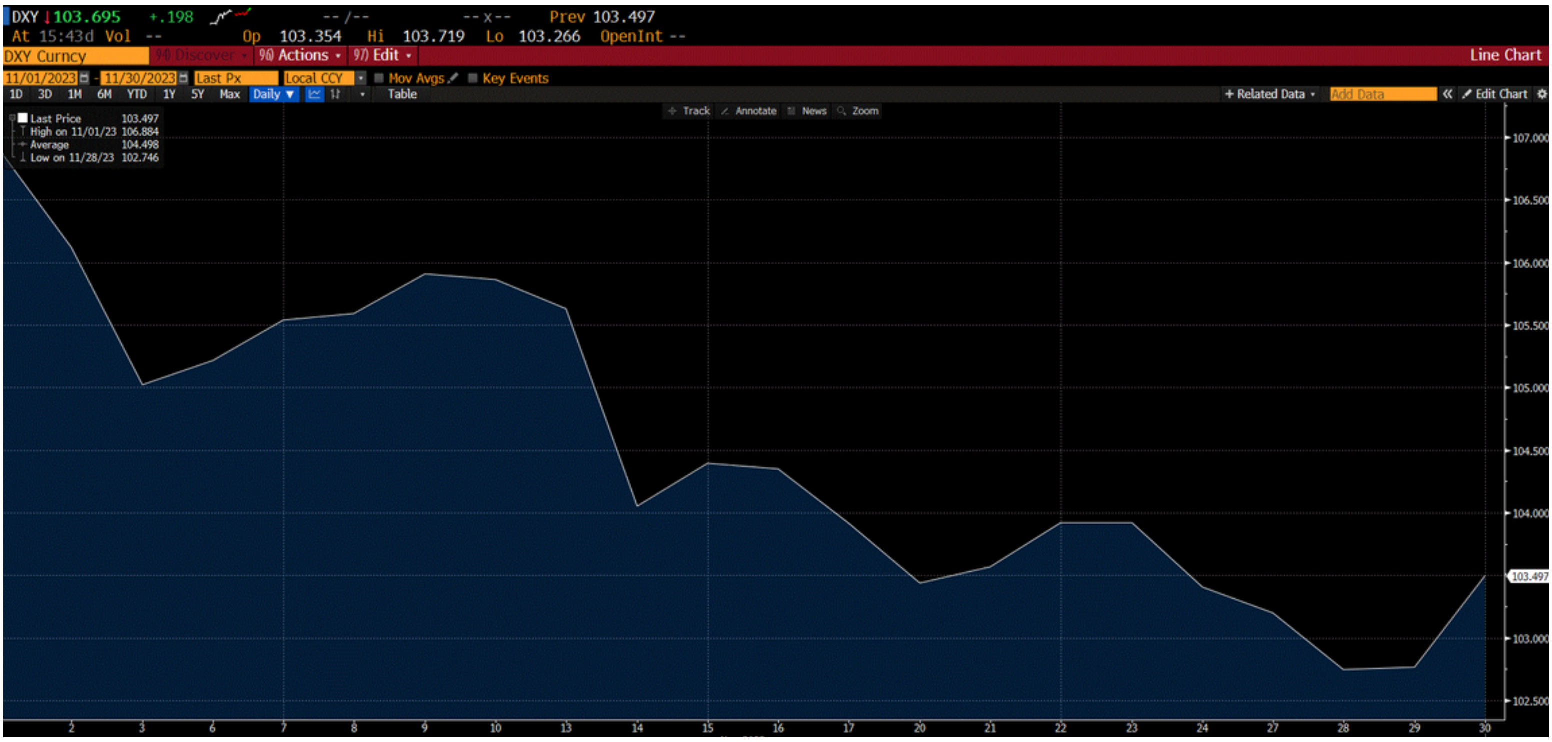
After the meeting, yields retraced from 16-year highs as markets absorbed the ramifications of extensive debt-fueled borrowing by the government. Specifically, the 10-year Treasury bond yield experienced a notable decline, dropping from 4.87% to 4.44% by mid-November, ultimately stabilizing at 4.32% by the month's end. Simultaneously, the 2-year Treasury bond yield also saw a significant decrease, falling from 5.06% to 4.81% by mid-November, persisting in its decline until reaching 4.71% at the close of the month. Within the same timeframe, the 10-2 Year Treasury yield spread contracted from -0.19% to -0.34%. The decline in yields for these fixed income assets was attributed to improvements in key metrics of the U.S. economy. Notably, inflation decreased to 3.2% in October, lower than expected with core inflation hitting a two-year low of 3.7%. The Gross Domestic Product (GDP) expanded at a robust annualized rate of 4.9% in the third quarter, surpassing expectations. Concurrently, the U.S. unemployment rate rose to 3.9% in October, a positive development in the nation's effort to combat inflation.

Despite the decrease in bond yields in November, several factors influenced them in the opposite direction. For instance, the Consumer Sentiment Index dropped to 60.4, its lowest level since May. Additionally, concerns grew regarding Treasury issuance to finance a substantial debt load, following the announcement of plans to auction off $776 billion of debt in the fourth quarter. Another important factor were mid-month comments by FED chairman, Jerome Powell, indicating some room for hawkish policy up ahead, creating some confusion in the markets.
Despite these factors and expectations of a slowdown in economic growth in the fourth quarter due to elevated interest rates, bond yields did not appear to significantly recover, with markets starting to sense the end of the hike cycle.

US 10 Year Bond Yield and 10Y-2Y Spread



USD Index



Asian Markets

China

In contrast with their Western counterparts, major Asian economies present a distinct economic landscape. Beginning with China, the nation grapples not with soaring inflation but with deflation, as evidenced by a 0.2% year-on-year contraction in the Consumer Price Index (CPI) in October. This deflationary trend is attributed to sluggish domestic demand and weakened consumer confidence stemming from internal challenges, including the looming prospect of a real estate crisis, marking a continuation of the country's uneven post-COVID economic recovery.

To counter this deflationary trend, China's central bank opted for a significant increase in liquidity injection while maintaining lending rates at a record low of 3.45% (one-year loan prime rate). The liquidity injection primarily originated from the issuance of Special-purpose bonds by China's local governments, surpassing a total value of $21.05 billion in 2023. Despite the efforts to address deflation, the central bank refrained from reducing lending rates, citing concerns about a depreciating currency. The Yuan experienced a depreciation of approximately 5% against the dollar in 2023, ranking among the weakest-performing Asian currencies. In the realm of fixed income assets, China witnessed a marginal decrease in the 10-year bond yield, shifting from 2.7% in October to 2.68% by the end of November.

Japan

Japan's economic situation presents a partial differentiation from both the Western and Chinese scenarios. The nation concluded October with an inflation rate of 3.3%. Consequently, a majority of economists, as indicated by an 80% consensus in a Reuters poll, anticipate the Bank of Japan (BOJ) to soon change its negative interest rate policy with the -0.1% short-term interest rate. The rationale behind maintaining negative interest rates lies in Japan's aim to stimulate growth, with less emphasis on inflation concerns, since according to the BOJ, cost pressures primarily stem from elevated global commodity prices and a weaker yen, rather than indicating sustainable price gains driven by robust domestic demand and wage growth.

BOJ Governor Kazuo Ueda faces the difficult task of navigating Japan away from the extremely accommodative policy of the past decade without causing market turmoil or squashing a fragile economic recovery. In the bond market, the BOJ has initiated a gradual relaxation of its long-standing tight control over the nation's bond market, gradually allowing the private sector to determine prices. Specifically, Japan's 10-year bond experienced a notable decline in its yield during November, transitioning from 0.98% to 0.69%. This drop is largely attributed to the BOJ's loosened control, evident in its shift from a commitment to buy the 10-year bond at a yield of 1% to a more ambiguous pledge to consider "market rates and other factors."

Japanese 10Y Bond

Poll Summary - Poll Date : 14-Nov-2023 GERMANY 2-Year Government Bond				
	One Month	**Three Months**	**Six Months**	**Twelve Months**
Effective Date	**30-Nov-2023**	**31-Jan-2024**	**30-Apr-2024**	**31-Oct-2024**
Median	3.06	3.00	2.87	2.55
Mean	3.05	3.00	2.85	2.53
Mode	3.07	3.00	2.75	2.50
Min	2.95	2.75	2.55	2.15
Max	3.20	3.40	3.32	2.87
Standard Deviation	0.08	0.14	0.18	0.23
Forecasts	8	16	15	15

Poll Summary - Poll Date : 14-Nov-2023 GERMANY 10-Year Government Bond				
	One Month	**Three Months**	**Six Months**	**Twelve Months**
Effective Date	**30-Nov-2023**	**31-Jan-2024**	**30-Apr-2024**	**31-Oct-2024**
Median	2.73	2.65	2.53	2.48
Mean	2.72	2.65	2.55	2.46
Mode	2.72	2.65	2.50	2.50
Min	2.53	2.35	2.25	2.00
Max	2.90	2.90	2.95	3.00
Standard Deviation	0.09	0.14	0.18	0.25
Forecasts	17	33	31	29

Poll Summary - Poll Date : 14-Nov-2023 Japan 2-Year Government Bond				
	One Month	**Three Months**	**Six Months**	**Twelve Months**
Effective Date	**30-Nov-2023**	**31-Jan-2024**	**30-Apr-2024**	**31-Oct-2024**
Median	0.15	0.14	0.16	0.24
Mean	0.15	0.13	0.16	0.24
Mode	--	0.15	--	--
Min	0.15	0.1	0.12	0.2
Max	0.15	0.15	0.2	0.27
Standard Deviation	--	0.02	0.03	0.03
Forecasts	1	4	4	4

Poll Summary - Poll Date : 14-Nov-2023 Japan 10-Year Government Bond				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Nov-2023	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	0.88	0.93	0.95	1
Mean	0.88	0.89	0.93	1.04
Mode	0.88	0.95	0.95	1
Min	0.79	0.62	0.53	0.86
Max	0.95	1.13	1.2	1.3
Standard Deviation	0.06	0.13	0.17	0.12
Forecasts	8	18	17	17

Poll Summary - Poll Date : 14-Nov-2023 UK 2-YEAR GILT			
	Three Months	Six Months	Twelve Months
Effective Date	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	4.60	4.38	3.98
Mean	4.62	4.41	3.98
Mode	4.60	--	4.20
Min	4.48	4.30	3.62
Max	4.77	4.67	4.20
Standard Deviation	0.10	0.12	0.20
Forecasts	8.00	8.00	8.00

Poll Summary - Poll Date : 14-Nov-2023 UK 10-YEAR GILT			
	Three Months	Six Months	Twelve Months
Effective Date	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	4.30	4.17	3.90
Mean	4.27	4.13	3.93
Mode	4.30	4.20	3.57
Min	3.93	3.53	3.43
Max	4.65	4.55	4.35
Standard Deviation	0.17	0.22	0.25
Forecasts	24.00	23.00	23.00

Poll Summary - Poll Date : 14-Nov-2023 US 10-Year Government Bond	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Nov-2023	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	4.63	4.52	4.30	4.00
Mean	4.63	4.50	4.27	4.01
Mode	4.75	4.60	4.50	3.70
Min	4.16	3.67	3.42	2.98
Max	5.00	5.00	4.87	4.75
Standard Deviation	0.18	0.29	0.34	0.37
Forecasts	26.00	44.00	42.00	40.00

Poll Summary - Poll Date : 14-Nov-2023 US 2-Year Government Bond	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Nov-2023	31-Jan-2024	30-Apr-2024	31-Oct-2024
Median	4.96	4.83	4.50	4.00
Mean	4.94	4.80	4.44	3.93
Mode	5.00	4.50	4.50	4.00
Min	4.65	4.27	3.64	2.76
Max	5.20	5.20	5.00	4.72
Standard Deviation	0.15	0.24	0.36	0.45
Forecasts	16.00	25.00	24.00	23.00

United States - US Federal Reserve - U.S. Fed funds rate

Consensus	Q4 2023			Q1 2024		
	From	To	Mid	From	To	Mid
Effective Date	31-Dec-2023	31-Dec-2023	31-Dec-2023	31-Mar-2024	31-Mar-2024	31-Mar-2024
Median	5.250	5.500	5.375	5.250	5.500	5.375
Mean	5.278	5.528	5.403	5.243	5.493	5.368
Mode	5.250	5.500	5.375	5.250	5.500	5.375
Min	5.250	5.500	5.375	4.750	5.000	4.875
Max	5.500	5.750	5.625	5.500	5.750	5.625
Forecasts	--	--	100.000	--	--	100.000

References: Reuters Terminal

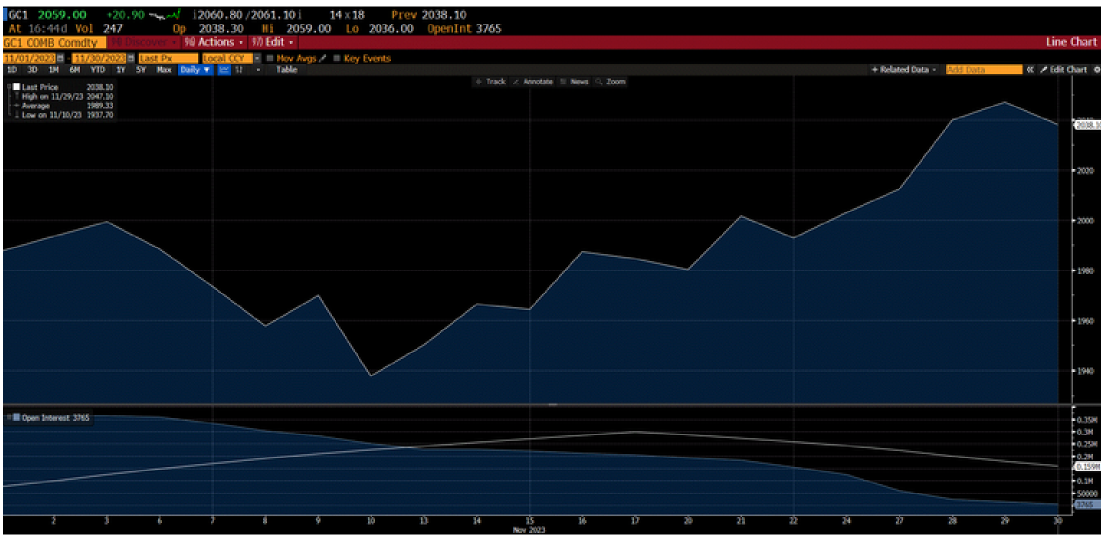
Commodity	30/11 Close	MoM	YtD
Bloomberg Commodity Index	101.8	-2.62%	-7.95%
Bloomberg Energy Index	74.95	10.55%	-11.77%
Gold Continuous Cont	USD 2038.09	2.99%	10.78%
Silver Continuous Cont	USD 25.29	11.49%	5.12%
Crude WTI Continuous Cont	USD 75.95	-5.56%	-1.26%
Crude Brent Continuous Cont	USD 82.83	-2.12%	0.88%
Natural Gas TTF Continuous	EUR 42.91	-11.86%	-41.79%

Gold

On a macro-level, in the preceding weeks, the gold market displayed a series of fluctuating trends in response to critical economic indicators and geopolitical events. Generally, November has been a positive month for Gold, as it followed a bearish trend in the first week but changed later with the commodities' price increasing by 2.69% from October.

More specifically, following the Federal Reserve's decision on 3/11 to uphold the prevailing interest rates, the gold market recorded a notable upswing, reaching a closing price of 1992. However, subsequent days witnessed a downturn, culminating in a weekly low of $1,943 by 10/11, influenced by increased Treasury yields subsequent to the hawkish statements made by FED. The market's trajectory during the third week was dynamic. Initially maintaining stability above $1,930, the release of the November Consumer Price Index (CPI) revealed a moderation in inflation, prompting a surge in gold prices beyond $1,970 post-CPI. This notable response was indicative of the market's positive reaction to the weakening US Dollar. On 16/11, the rise in Initial Jobless Claims fueled speculation that the Fed might need to conclude its rate-hiking cycle earlier than anticipated to safeguard the job market, with a result in a bullish trend, propelling gold to close at a monthly high of $2,000 on 21/11.

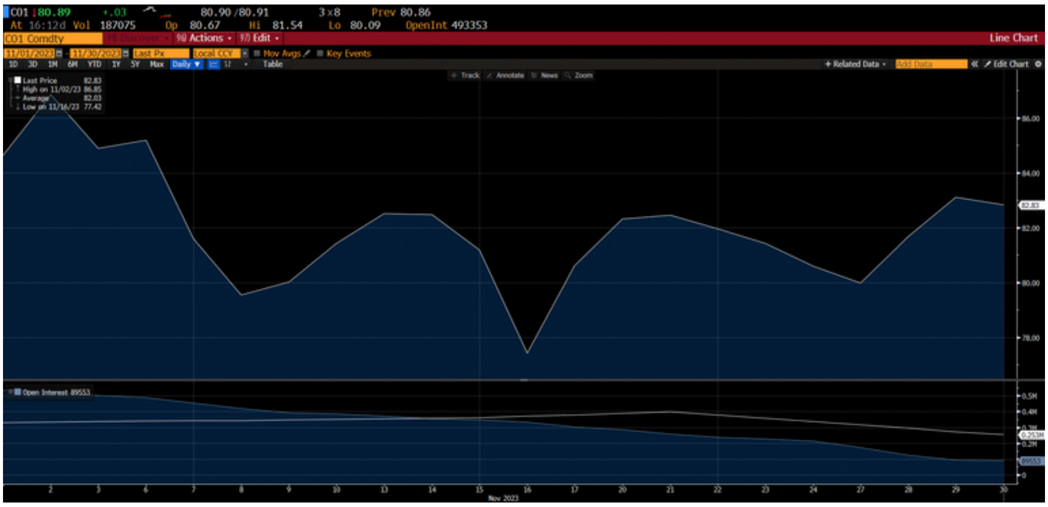
Towards the end of the week, the market experienced a slight retracement, stabilizing around the $1,981 mark. However, this temporary phase was quickly surpassed as gold steadied above $1,990 an ounce on 24/11, hovering near its highest levels in six months. This stability followed the latest Federal Open Market Committee (FOMC) indications, demonstrating policymakers' preference for maintaining a restrictive monetary policy without signaling imminent rate cuts. The final week ended on 30/11, with gold maintaining its position above $2,040 continuing a second consecutive month of growth, propelled by a declining dollar. Traders increased their wagers, speculating that the US Federal Reserve has concluded its interest rate hikes and might potentially initiate a reduction next year.

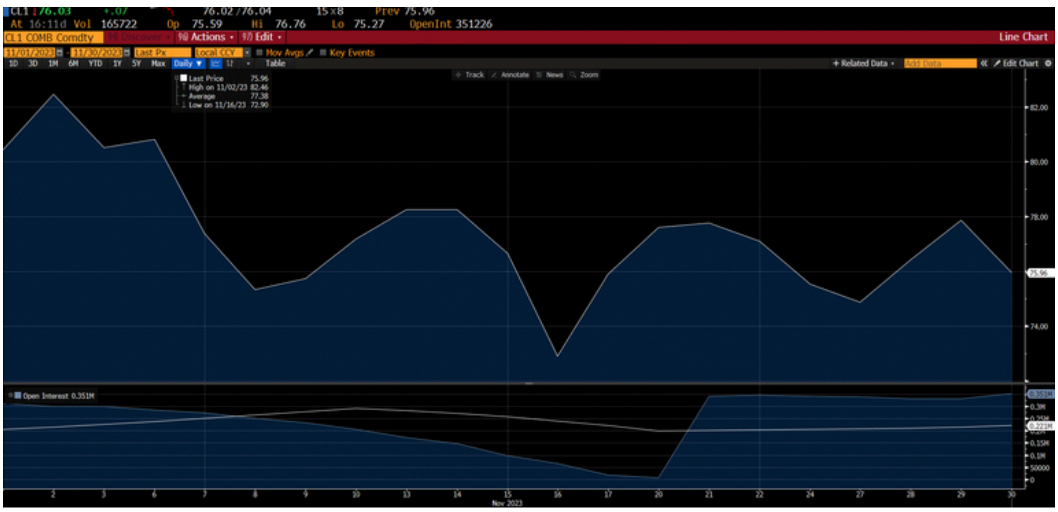


Oil

On a macro-level, the month of November saw Brent Crude ending at $80 per barrel and $75 per barrel for WTI Crude, with the commodity dropping 5.86% MoM. Overall, this year has not been positive neither for Brent nor WTI Oil, with Brent dropping 7.26% and WTI dropping 6.57% YoY.

On a micro-level, the crude oil market witnessed a bearish trend in November for both WTI and Brent Crude. WTI faced a significant downturn, reaching a 4-month low of $75 per barrel on 10/11, stemming from reduced concerns about Middle East supply disruptions, increased OPEC exports, and mixed economic data from China. This correction represented a more than 16% drop since mid-October. By 24/11, WTI crude futures stabilized above USD 76 per barrel but persisted under downward pressure amid an ongoing OPEC+ dispute over output exports. Similarly, Brent Crude experienced a downward trajectory since the beginning of November, plummeting 4.2% on 7/11 to $81.61 per barrel, its lowest level since late July, due to increased OPEC exports. Despite a 4.6% decline on 16/11, hitting a five-month low at $77.42, Brent Crude displayed resilience by stabilizing above $81 per barrel by 24/11, following considerable fluctuations in recent trading. However, the month concluded with Brent Crude falling 3% on 30/11 to $80 per barrel after a brief two-day ascent, as investors assessed the recent OPEC+ meeting outcomes.





Natural Gas

Throughout November, TTF Natural Gas exhibited a consistent decline in prices. Although the first two weeks had their ups and downs, after that the prices steadily fell, reaching 7-week lows and showing the commodities weakness for the month. Initially surpassing €50 MW/h at the beginning of the month, the prices steadily decreased, touching a low of €39 MW/h by the end of the month. The sharp decline is mainly attributed to mild weather predictions throughout the year, which didn't let the commodities price go up. On a YoY commodity performance, the price has dropped 69.77%, a huge downfall since November '22.

On a micro basis, in the first week of November, the TTF Natural Gas price exceeded €50 MW/h on 3/11. From that point on and until 10/11, when there was a slight increase in the commodities price, TTF continued its consecutive weekly decrease, with TTF futures trading below €47 MW/h. Natural gas prices are experiencing a total loss of 13.5% during this period. The decrease is attributed to mild temperatures, which are undermining demand for heating. Moving on to the following weeks, TTF kept its bearish trend, despite a 2.66% increase on 15/11 due to cold weather forecasts. On 22/11 the commodity reached a month-low of €43 MW/h, a 16.2% drop since 3/11. However, during the next day's TTF gas showed a slight increase in its price, gaining €4 MW/h, but without any significant result. The 4th week ended poorly, reaching a 7-week low of €39 MW/h on 29/11, gaining to a slight €42 MW/h, due to abundant supplies outweighing predictions of extremely cold weather anticipated across a significant part of Europe.

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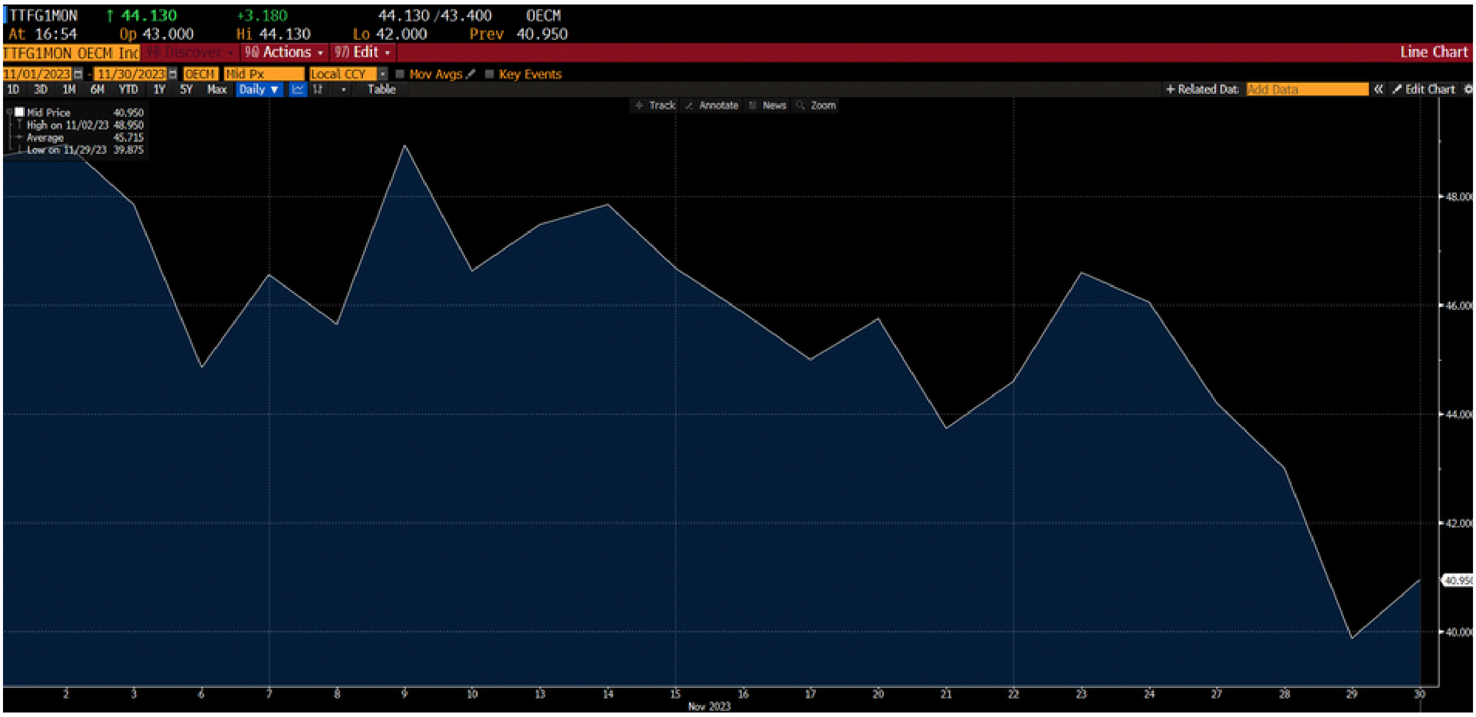


Poll Summary - Poll Date : 14-Nov-2023 Crude Brent Oil					
Poll Summary - Brent		Q4 2023	Q1 2024	Q2 2024	Q3 2024
Reuters Poll (Mean)		89.97	87.74	86.93	87.53
Median		90	86	85	87.75
Mode		85	85	85	90
Standard Deviation		4.22	5.63	6.85	8.19
Max		100	100	105	111
Min		82	77.5	75	72.5

Poll Summary - Poll Date : 14-Nov-2023 Crude WTI Oil					
Poll Summary - Brent		Q4 2023	Q1 2024	Q2 2024	Q3 2024
Reuters Poll (Mean)		86.38	84.12	83.44	83.75
Median		86	85	83	83.5
Mode		91	76	79	77
Standard Deviation		4.24	5.85	6.91	8.68
Max		95	97	100	108.5
Min		78	75	71	70

Poll Summary - Poll Date : 14-Nov-2023 Gold					
Poll Summary - Brent		Q4 2023	Q1 2024	Q2 2024	Q3 2024
Reuters Poll (Mean)		1919.6	1944.48	1924.87	1970.03
Median		1900	1950	1925	1986.5
Mode		1900	1950	1924	1850
Standard Deviation		59.41	96.74	28.83	105.44
Max		2075	2150	1975	2160
Min		1825	1775	1803	1750

References: Reuters Terminal

Index	30/11 Close	MoM	YtD
S&P 500	4567.79	7.78%	19.44%
NASDAQ 100	15947.87	8.74%	46.81%
DJIA	35950.89	8.04%	8.49%
FTSE 100	7453.79	1.51%	-1.32%
DAX	16215.42	8.65%	14.34%
CAC 40	7310.77	5.45%	10.36%
STOXX 600	461.60	5.73%	6.31%
ATHEX GD	1275.13	6.57%	35.1%
HANG SENG	17042.88	-0.34%	-15.4%
NIKKEI 225	33486.89	5.96%	30.21%

American Market - Indices

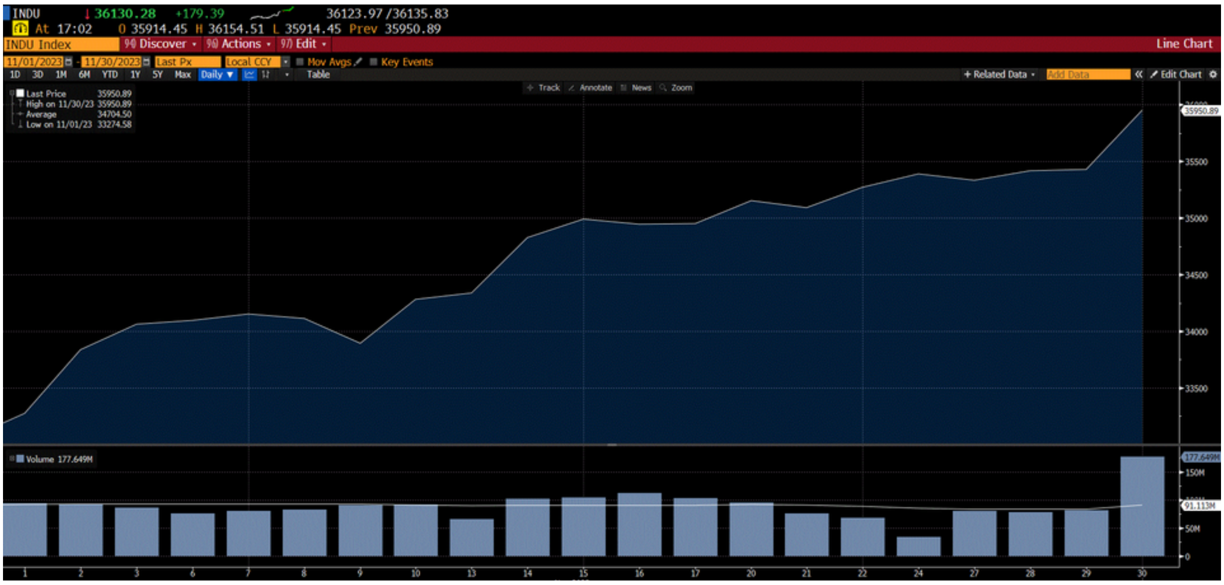
On a macro-level, following October's positive ending note for the US stock market, in the initiating week of November, US Equities experienced a robust surge. On the first Thursday of the month, The Federal Reserve maintained the target range for interest rates at its 22-year-old high of 5.25-5.5%. At the same time, Chairman Jerome Powell stated at FED's Conference that "We are close to the end of the cycle". The bullish momentum also continued due to the rise of the unemployment rate to 3.9%, as the cooling of the labor market brings hope for the FED's rate-hike conclusion.

The US indices closed the first week of November with an increase of 2.84% for the S&P, 2.96% for the NASDAQ 100, and 2.36% for the Dow Jones. Entering the second week, stocks extended their November rally amid a spike in tech giants and a comparatively tranquil session for fixed-income securities, contributing to the sustainment of the S&P 500 and Nasdaq's lengthiest winning streak in two years. Despite the more hawkish tone from Federal Reserve Chair Jerome Powell, the uptrend in the S&P 500 propelled the indicator beyond its crucial 4,400 threshold and the SPX 100-day moving average (MA). The event is seen as a bullish signal by many chartists. Advancing to the opening of the third week, S&P witnessed minor fluctuations on Monday as traders anticipated the newest inflation data, statements from Federal Reserve speakers, and reports from major retailers. The following day the annual inflation rate in the US slowed to 3.2% from 3.7%, beating the forecasts of 3.3%, while the core inflation rate fell to 4% from a previous 4.1%. These results lifted the market, signaling a strong suggestion that the Fed has concluded its interest rate hikes.

US markets concluded the third consecutive week on a favorable trajectory, with the S&P 500 closing with a 2.32% growth, the NASDAQ 100 with 2.29%, and Dow Jones with 1.77%. The positive momentum continued in November's fourth week for two out of three indices in the US market, with the S&P 500 and Dow Jones both showing advances of 0.26% and 0.68%, respectively, and the NASDAQ 100 slipping by -0.28. Regarding the overall market, investors flocked to stocks at the fastest pace in over two years, with inflows of 40 billion USD into global equities in only two weeks through November 21st, the largest since February 2022. Heading into the final four days of the month, The US economy expanded the GDP Growth Rate QoQ by 5.2% in Q3 2023, higher than the preliminary estimate of 4.9%, marking the most vigorous rise since Q4 2021. Moreover, the Federal Reserve's Beige Book underscored a decline in economic activity and an enhanced equilibrium in the labor market accompanied by slight salary expansion.

More specifically, in the first week of the month, the US equities soared, the S&P 500 AND NASDAQ 100 indexes achieved the highest performance levels since November 2022 and Dow Jones since October 2022. The markets were also assisted by Major market corporations (APPL, PYPL) releasing positive Q3 earnings. (S&P 4,358.34, NASDAQ 100 15,099.49, Dow Jones 34,061.32). As Non-Farm Payrolls Report M/M (act 150K, cons 180K, prev 297K) was below the expected mark, and Unemployment Rate M/M rose to 3.9% (cons 3.8%, prev 3,8%), breaking the 3.8% ceiling that had been maintained since Feb 2022. During the second week, American equities experienced again a dynamic advancement as the tech-heavy Nasdaq 100 climbed almost 2.5%, marked by Microsoft Corp. (MSFT) reaching an all-time high and Nvidia Corp. (NVDA) prolonging its gains for eight consecutive months. Moreover, the MBA 30-year Mortgage Rate declined to 7.61% (prev 7.86%) and the Initial Jobless Claims were also reduced to 217K (cons 218K, prev 220K). The S&P 500 closed at 4,415.24, up by 127.06 points, the NASDAQ 100 ended at 15,529.12, up 374,19 points and Dow Jones closed at 34,283.10, up by 187.24 points compared to the week's first-day closure. The markets sustained their positive rally, advancing into the third week (S&P at 4,514.02, NASDAQ 100 at 15,837.99, and DJI at 34947.28 points). The outcomes above stemmed from the inflation rate downgrade to 3.2%. Alongside the favorable outcome, the MBA 30-year Mortgage Rate stayed at 7.61%, remaining the lowest reading since the end of September and PPI YoY was lowered (act 1.3%, cons 1.9%, prev 2.2%). In addition, Initial Jobless Claims rose (act 231K, cons 220K, prev 218K), signifying a strong indication of labor market cooldown. On Tuesday of November's fourth week, the 30-year Mortgage Rates fell to 7.41%. Moreover, US Initial Jobless Claims declined by 24K to 209K as of the conclusion of November 18th, experiencing a significant decrease from the three-month peak in the preceding week and notably below the consensus of 225K. This outcome suggests that the deceleration in the labor market has not fully developed, granting the Federal Reserve with the leeway to sustain interest rates at elevated levels. The S&P 500 and Dow Jones indexes opened on Monday at 4,547.38 and 16,027.06 and ended at 4,559.34 and 15,982.01, respectively, while Dow Jones initiated at 35,151.04 and dipped below at 35,390.15 points. Transitioning to the month's conclusion, the US MBA 30-year Mortgage Rate fell to 7.37%, the lowest in ten weeks. Additionally, Mortgage applications, released on Wednesday, in the US increased by 0.3%, marking the fourth consecutive upswing in mortgage applications since reaching a 28-year low in late October. The PCE QoQ increased to 2.8%, but less than the market estimated (cons 2.9%, prev 2.5%) and the annual PCE rate in the US cooled to 3% in October 2023, a base not surpassed since March 2021. Personal expenditures in the United States increased by 0.2% compared to the previous month in October 2023. This represented the most subtle gain in five months, primarily due to the influence of elevated interest rates. The US market ended the month with the S&P closing at 4,567.80, NASDAQ 100 at 15,947.87 and Dow Jones at 35,950.89.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters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INDU Index
Line Chart
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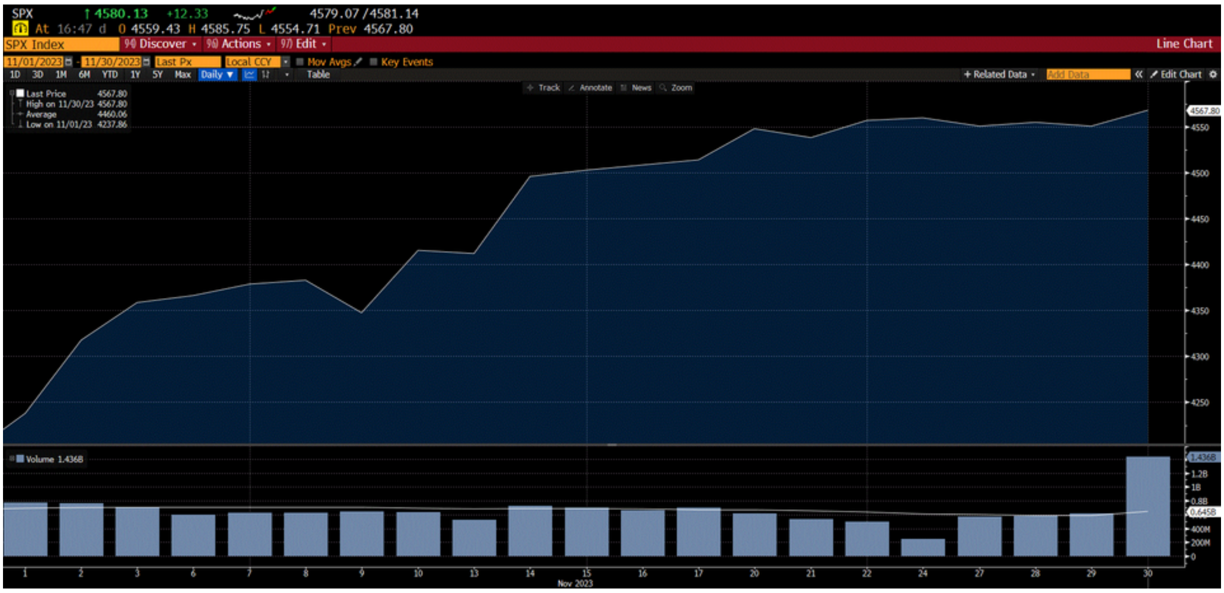
High on 11/30/23 35950.89
Average 34704.50
Low on 11/01/23 33274.58
Volume 177.649M


SPX 4580.13 +12.33 4579.07 /4581.14
At 16:47 d O 4559.43 H 4585.75 L 4554.71 Prev 4567.80
SPX Index
Line Chart
Last Price 4567.80
High on 11/30/23 4567.80
Average 4460.06
Low on 11/01/23 4237.86
Volume 1.436B
Nov 2023


At 17:05 O 15892.59 H 15978.73 L 15834.93 Prev 15947.87
NDX Index
Line Chart
Last Price 15947.87
High on 11/20/23 16027.06
Average 15609.56
Low on 11/01/23 14664.91
Volume 445.357M

European Market - Indices

FTSE100,CAC40,STOXX600

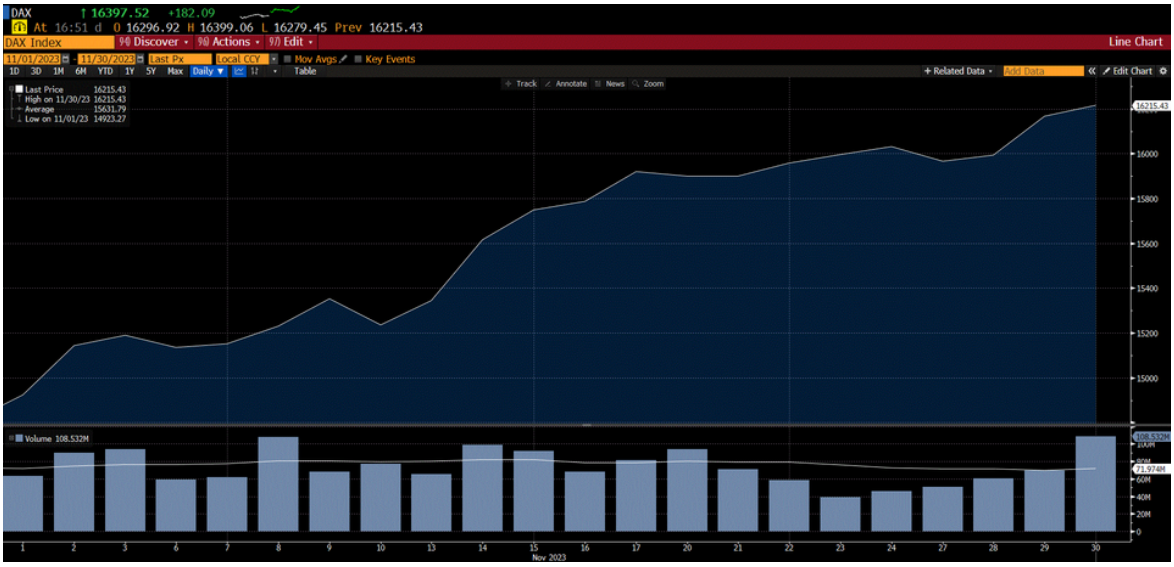
On a macro-level, European Equities (STOXX600, DAX, CAC 40) started November substantially higher, exiting from their previous bearish route, gaining 2.88%, 3.01%, and 2.98%, respectively, rounding off a weekly rally powered by consecutive strong earnings and a viewed dovish tilt from central banks. Moving into the second week of the month, European indices continued in line with their US peers, with DAX at 15364 points (3% up), CAC 40 at 7122 points (3.1% up), and STOXX600 at 448 points (2.6% up), boosted by a positive harmonized German inflation print that came in line with expectations (act 3%, cons 3%, prev 4.3%) and Europe's Producer Price Index YoY, which exhibited a decline of -1.1% (act -12.4%, cons -12.5%, prev -11.5%).

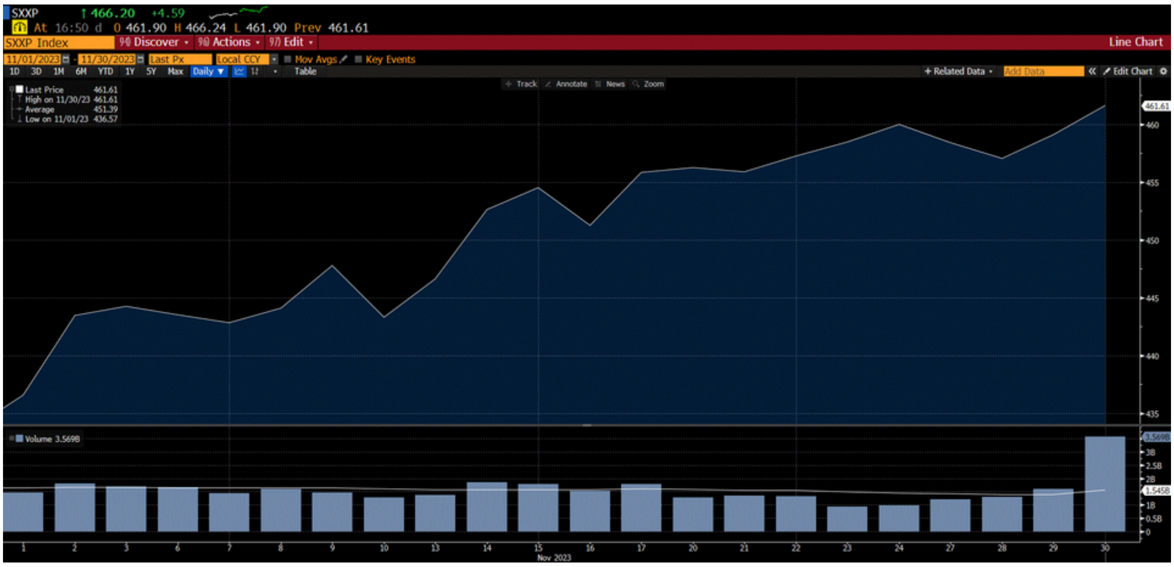
The European market had a favorable outcome at the end of the third week, with STOXX 600 closing up by 2.05%, DAX with an upsurge of 3.74%, and CAC with a climb of 2.07%, yet EU's GDP Q3 and GDP YoY fell beneath the previous results (act -0.1%, cons 0.1%, prev 0.2%,. ECB's president Christine Lagarde stated in Friday's speech: "Higher funding costs are weighing on banks profitability" – "Policymakers need to be alert to financial stability risks". In contrast to the above statement and economic results, the EU posted a trade surplus of 10 billion in September 2023, an important rise from the previous 6.7B result.

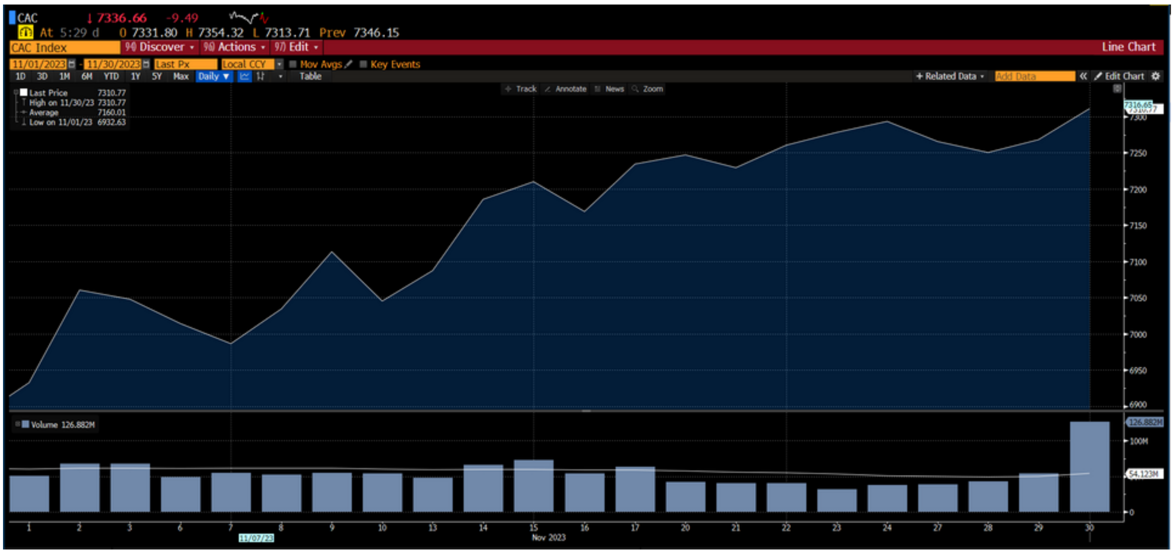
The week finished in an encouraging tone with Friday's announced CPI YoY being 2.9% (cons 2.9%, prev 4.3%). Proceeding on to the 4th week ECB's Christine Lagarde affirmed on Tuesday that monetary policy should be attentive and focused, and Governing Council member Madis Muller mentioned that Inflation is clearly showing a trend of slowing. Moreover, Germany's GDP YoY lowered (act -0.4% prev -0.3% cons -0.3%) and the GDP QoQ was brought down (act -0.1% prev 0.1 cons -0.1%). The STOXX600 and CAC 40 indexes closed with an upturn of 0.81% and 0.63%. On Friday the Ifo Business Climate indicator for Germany escalated to 87.3 for the second consecutive month, a bit below the market consensus of 89.5. However, companies have grown more optimistic regarding their current performance and outlook. The DAX index showed growth of 0.8%. As for November's last week, the EU Equities experienced an upward movement. The DAX displayed a 1.55% elevation, emerging from Germany's CPI YoY favorable drop to 3.2%, which beat the consensus of 3.5% and fell below the previous 3.8%, while also reaching its lowest point since August 2022. In addition, France's CPI YoY also decelerated and went to 3.4%, outperforming the expectations of 3.7%.ECB President Christine Lagarde stated on the 27th of November that ''The labor market remains resilient overall, although there are now some signs that job growth may lose momentum toward the end of this year''. To navigate this adaptable environment, policymakers must be open-minded and careful, whereas central banks need to provide price stability. The French CAC 40 gained 0.62% and the European STOXX600 index elevated by 0.7%.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

European Market – Indices





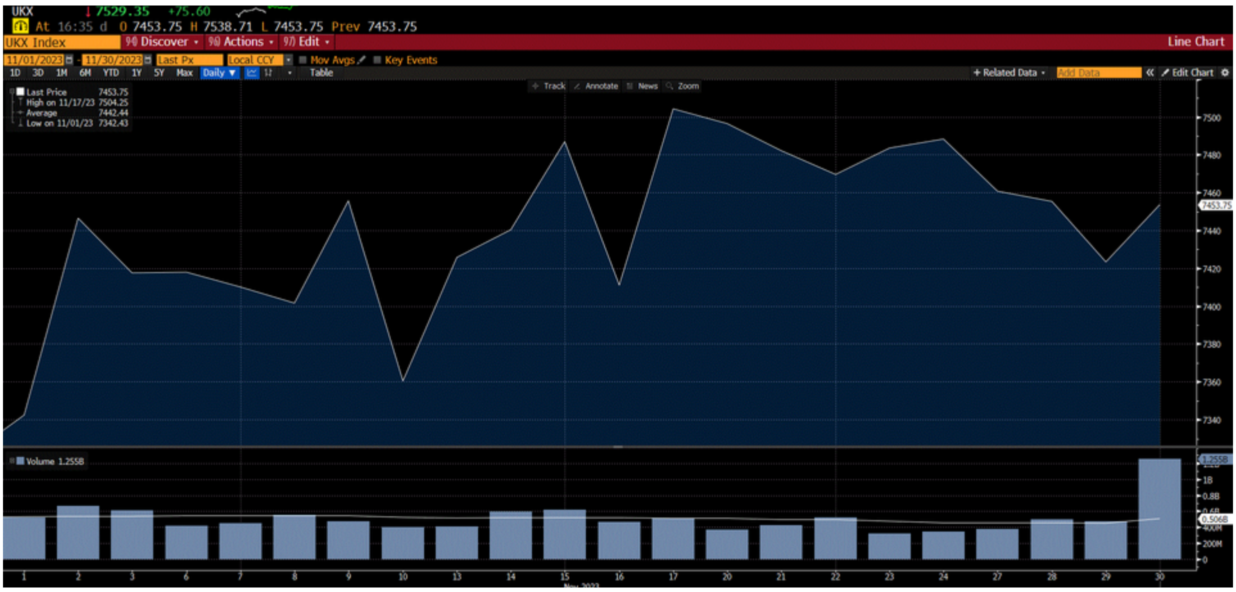


United Kingdom – Indices

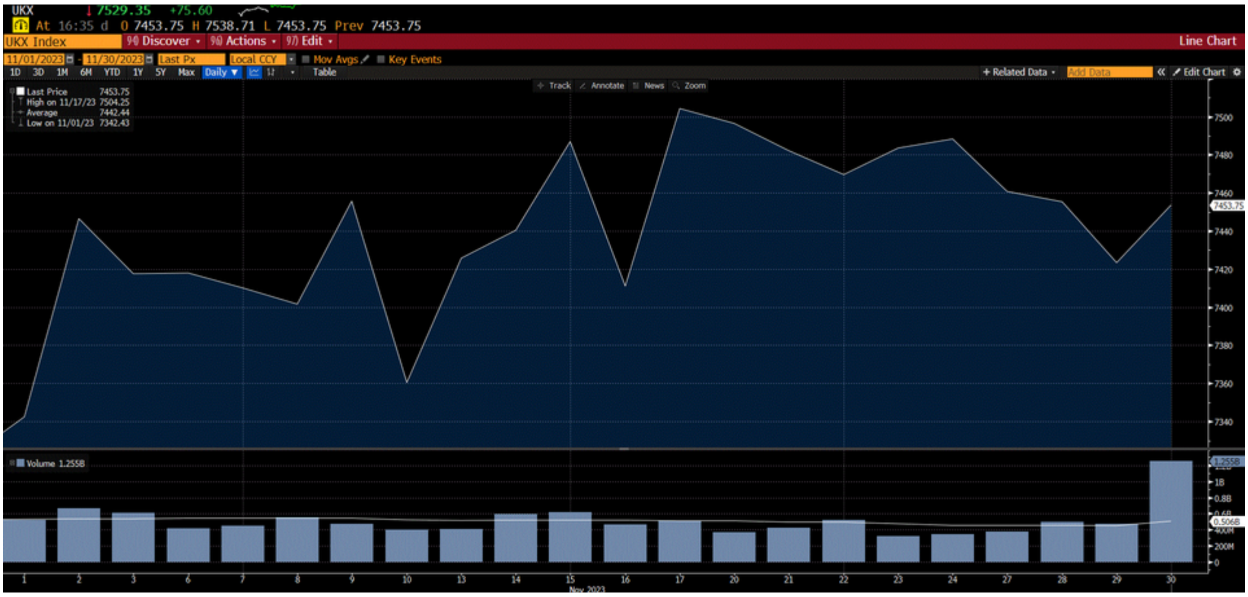
FTSE100

On a macro level, starting in November, the FTSE 100 endured upwards, gaining almost 1.5% as the Bank of England announced an interest rate decision, which left the interest rates unchanged at a 15-year high, signaling a peak with policy tightening. The FTSE 100 index closed the week at 7,450. In the first four sessions of the second week of the month, the FTSE 100 traded in a narrow range from 7,390 up to 7,440. However, the FTSE 100 ended up the week significantly lower at 7,340 points, making a monthly low due to fresh UK GDP QoQ (act 0% prev 0.2% cons -0.1%). This data showed an increasing impact of restrictive rates from the BoE and indicated that the UK's economy stalled in the third quarter, better than expectations of slight contraction, yet without subsequent growth for the first time in a year. Moving on to the third week, the UK's Inflation Rate slowed down to 4.6% from 6.7%, outperforming forecasts of 4.8%. Core CPI YoY moved in tandem as it also decreased (act 5.7%, cons 5.8%, prev 6.1%).

The FTSE 100 concluded positively with a boost of 1.05%. Nearing the conclusion of November's fourth week, the GfK indicator in the UK rose to -24 in November 2023 from -30 in October, exceeding the forecasts of -28. Joe Staton, client strategy director at GfK stated that consumers appeared more optimistic about their finances, with the inflation officially reducing, yet the ongoing cost of living still concerns many. The FTSE 100 index concluded with a 0.10% loss. During its November meeting, the Bank of England decided to hold the benchmark interest rate at 5.25%, maintaining the 15-year high for the second consecutive time. The Monetary Policy Committee voted 6-3 in favor of keeping rates unchanged, considering the recent indicators of an economic slowdown in the UK alongside the persistent high inflation. The UK markets closed out the week with FTSE 100 at 7,453.75 points.



On a micro-level, the FTSE 100 kicked off the month higher on 2/11, gaining almost 2% due to the Bank of England interest rate decision. The FTSE 100 closed slightly lower at 7,400, as oil majors lost more than 3.5%, as a result of oil prices heading for a second straight week of declines. In the second week of November, the FTSE 100 opened at 7,420. On 9/11, the British Index continued higher and reached 7,470 points. However, due to unfavorable macroeconomic data for the growth of the United Kingdom, the FTSE 100 moved sharply lower, reaching a monthly low of 7,310 points. The UK showed positive economic results in the middle of the third week while having a decline in PPI YoY (act. -0.6%, cons -1%, prev 0.2%) and Retail Sales YoY lowering (act -2.7% prev -1.5% cons -1.5%). The week ended brightly with the FTSE 100 at 7,504.25 points. At the end of the 4th week, the FTSE 100 index experienced a slight drop to 7,488.20 points, compared to the previous week. Lastly, in the closing week UK Mortgage Approvals which are a sign of future borrowing, climbed to 47.4K (cons 45K, prev 43.6K), bouncing back from an 8-month low of 43.7K in September. However, the general levels stayed restrained because of the enduring influence of increasing borrowing expenses on housing activity. The week ended with the FTSE 100 index showing a -0.09% slight drop.



Asian Markets - Indices

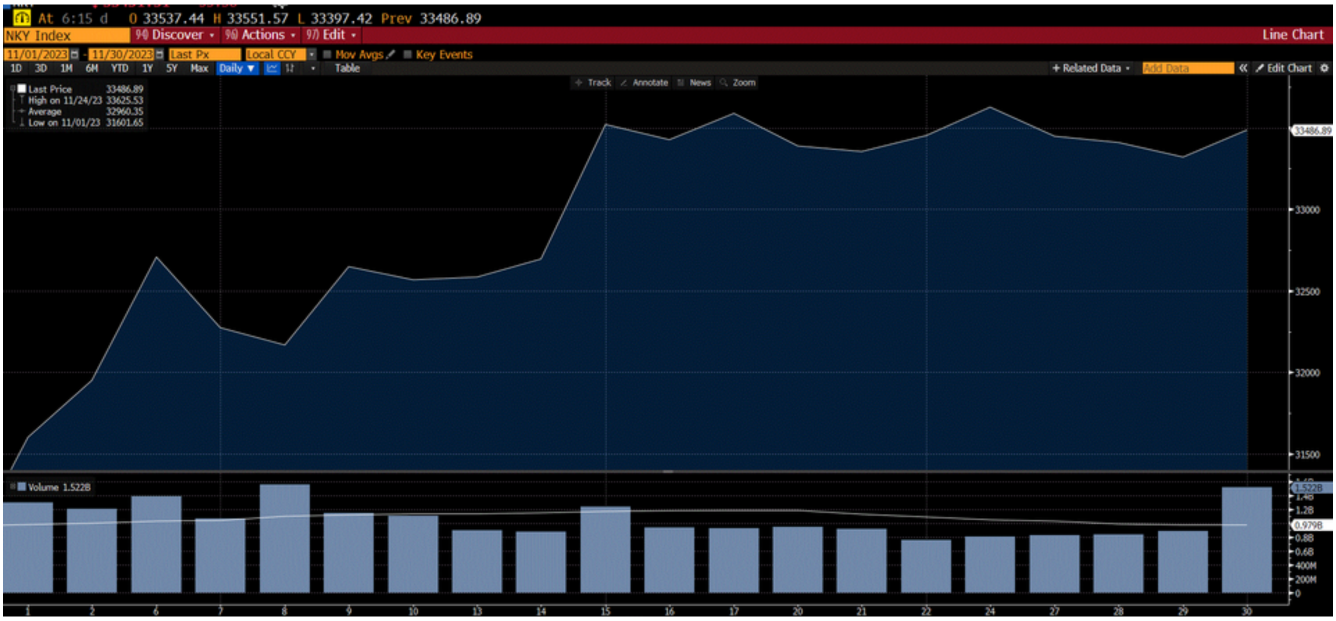
On a macro-level, in the wake of the encouraging economic results at the end of the preceding month, with the boost of Japan's Consumer Confidence and the Unemployment Rate subtle decline, the Asian stock market witnessed a strong upswing during the first week, having HSI up 3.2%, and NIKKEI 225 by 1.1%. In contrast to the performance of the first week, the Asian stock market opened higher on Monday, but witnessed a downturn afterward, with HSI closing at -4.25% and NIKKEI 225 having a strong fluctuance during the week and then ending with a decrease of -0.42%. The outcomes mentioned were driven by China's unfavorable Balance of Trade result falling short of estimates, representing the smallest trade surplus since February (act 56.53B, cons 82B, prev 77.71B).

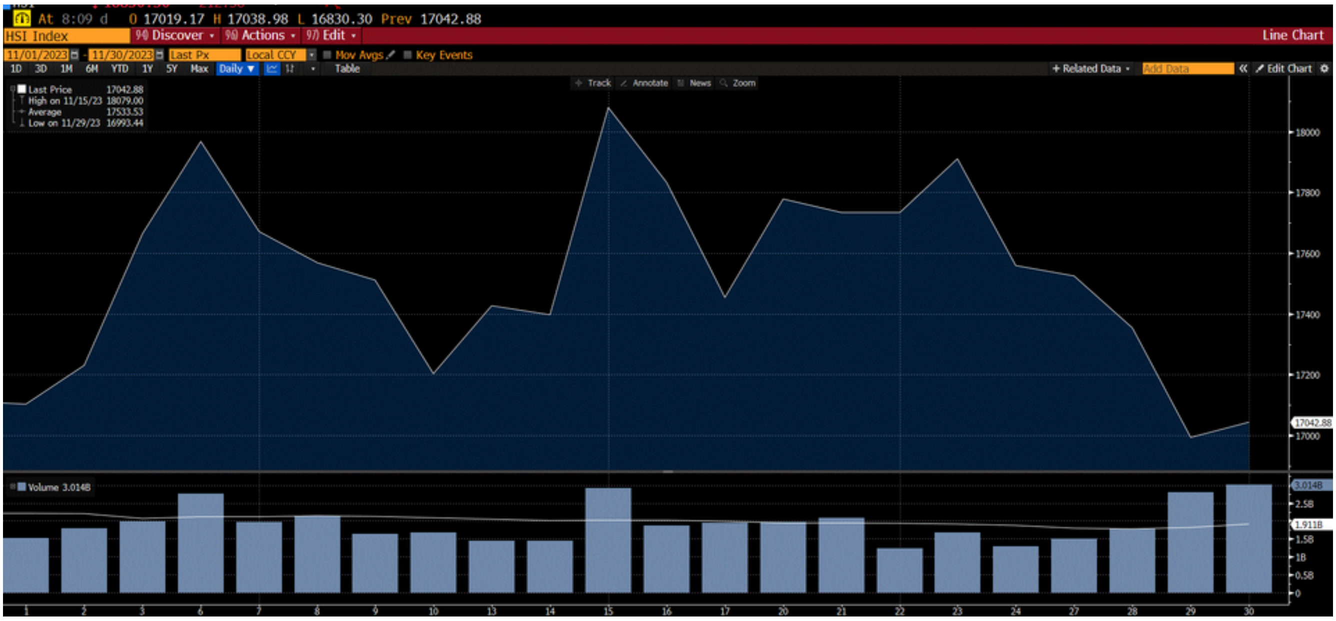
The stocks had a slight ascent when the Inflation Rate MoM was announced, being the first drop in four months (act -0.1%, cons 0%, prev 0.2%). Nevertheless, the markets concluded with a bearish sentiment. In the middle of November's third week, China witnessed an exponential surge in consumption, particularly within the service sectors, as they outpaced the sales of goods, with the expansion of Retail Sales YoY to 7.6% from 5.5%. Additionally, China's Industrial Production YoY upsurged to 4.6%, excelling the forecast of 4.4%. This vigorous economic data corresponds to the HSI index ascend of 0.16%. As for Japan, NIKKEI 225 extended last week's upward move by 1.91%, despite the bleak GDP results and stagnant Industrial Production YoY. Reaching the end of the fourth week, Japan's Annual Inflation Rate rose to 3.3% in October 2023 from 3.0%, pointing to the highest point since July. The core Inflation YoY rose to 2.9%, still exceeding the Bank of Japan's 2% target, challenging the central bank's commitment to ultra-easy monetary policy. NIKKEI 225 index charged back toward a 33-year high hit on Monday and closed with an upsurge of 0.71%.

On the other hand, China's markets suffered their worst week in about a month, reflecting investor's concern about a property slump and a sluggish economy. The last four days of November brought notably poor performance for Chinese markets, as the HSI index dropped by -2.76%. A drop, which is explained by the disappointing China Manufacturing PMI results. The reverse is true for Japanese markets as the NIKKEI 225 index closed at a gain of 0.11%. The Japanese Consumer Confidence index increased from 35.7 to 36.1, above the 35.6 predicted by the market and Industrial production MoM in Japan increased by 1.0% (cons 0.8% prev 0.5%), exceeding market forecasts.

References: Investing.com, CNBC, Financial Times, Bloomberg, The Washington Post, Reuters

Asian Markets – Indices





Poll Summary - Poll Date: 07-Nov-2023						
	DOWJONES			S&P500		
Period	Mid-24	End-24	Mid-25	Mid-24	End-24	Mid-25
Median	36,550	38,000	40,000	4,541	4,700	5,000
Mean	36,822	38,118	39,516	4,593	4,795	5,035
High	45,664	45,947	46,495	5,340	5,500	5,700
Low	32,500	35,000	33,000	3,800	3,900	4,375
Forecasts	16	17	13	30	33	15

Poll Summary - Poll Date: 07-Nov-2023 STOXX600			
Period	MID-24	END-24	MID-25
Median	462	475	468
Mean	448	472	464
High	470	530	501
Low	385	410	420
Forecasts	7	8	4

Poll Summary - Poll Date: 07-Nov-2023 CAC 40			
Period	Mid-24	End-24	Mid-25
Median	7,420	7,350	7,500
Mean	7,444	7,596	7,649
High	8,000	8,400	8,900
Low	7,051	7,000	6,700
Forecasts	5	7	5

References: Reuters Terminal, Bloomberg, Thomson Reuters

Poll Summary - Poll Date: 07-Nov-2023 FTSE 100			
Period	Mid-24	End-24	Mid-25
Median	7,780	8,000	8,150
Mean	7,709	8,028	8,181
High	8,010	8,800	8,600
Low	7,110	7,600	7,650
Forecasts	10	11	7

Poll Summary - Poll Date: 07-Nov-2023 DAX			
Period	Mid-24	End-24	Mid-25
Median	16,500	16,700	16,950
Mean	16,350	16,938	17,525
High	17,500	19,000	22,000
Low	15,100	15,538	15,650
Forecasts	13	14	8

Poll Summary - Poll Date: 07-Nov-2023 NIKKEI 225			
Period	MID-24	END-24	MID-25
Median	35,000	35,000	33,000
Mean	35,316	35,890	34,732
High	39,500	40,900	43,000
Low	31,143	30,497	29,927
Forecasts	9	10	4

References: Reuters Terminal

Blackstone sells stake in €4 bn Spanish hotel chain to GIC

The month started with the Blackstone Group selling a stake in Spanish hotel group Hotel Investment Partners to Singaporean sovereign wealth fund GIC, in a move that will provide capital for the business to expand at a time when borrowing costs are soaring. GIC Private Limited is a Singaporean sovereign wealth fund that manages the country's foreign reserves and will acquire a 35% stake in the company in a deal that values HIP at more than €4 billion, according to a person familiar with the terms. The decision to raise more equity comes as borrowing costs have risen for real estate investors in a higher interest rate environment.

Disney to buy remaining 33% stake in Hulu from Comcast for at least $8.6 bn

Walt Disney on Wednesday, November 1 formally began the process of buying Comcast's one-third stake in Hulu, a deal that will give Disney full ownership of the streaming service and freedom to incorporate it into the Disney+ streaming service. Disney said it expected to pay NBCUniversal (NBCU) parent Comcast about $8.61 billion by Dec. 1. This represents NBCU's percentage of the $27.5 billion guaranteed floor value for Hulu when it agreed to sell its stake to Disney in 2019, minus the anticipated outstanding capital call contributions payable by NBCU to Disney.

Vodafone hopes sale of Spanish unit will ring in turnaround changes

Two decades ago Vodafone was riding high, pulling off a blockbuster takeover with its 2000 acquisition of German rival Mannesmann in a deal worth £113 billion. Now on November 3 the UK-based telecoms group is making headlines for its retreat, after announcing this week it will exit Spain, one of its main European markets, selling its business there for up to €5 billion to a fund founded by two former Virgin Media executives. The retrenchment represents both a humbling for the telecoms group and what investors hope signals a fresh start following years of a languishing share price. Any shareholder who had stuck with them since the time of the Mannesmann deal would have experienced a fall of around 85% in the value of their holding. Vodafone's previous strategy "was all around building the empire", said Kester Mann, director of consumer and connectivity at CCS Insight. "It has come . . . full cycle now."

Canada's CPP sells $2.1 bn worth of private equity investments to Ardian

Canada's biggest pension fund, CPP Investments, announced on Tuesday, November 7 that it had sold a $2.1 billion portfolio of its private equity investments in certain North American and European buyout funds to France-based investment firm Ardian. The deal will allow CPP, which manages $575 billion ($418.6 billion) of assets, to rebalance its portfolio and free up capital for future investments. "We see this sale as an attractive opportunity to optimize the construction of our portfolio and to allow us to further support future investments" said Suyi Kim, senior managing director and global head of private equity at CPP.

Japan fund INCJ sells $1.8 bn of Renesas shares

Japanese state-backed fund INCJ announced that it has sold all but a token portion of its stake in semiconductor manufacturer Renesas Electronics on the 10th of November, offloading 279 billion yen ($1.84 billion) worth of shares. The shares have primarily been sold to overseas institutional investors, INCJ said. The sale price of 2,143 yen per share represented a discount of 8.01% on Renesas' closing share price of 2,329.5 yen on Thursday, the fund said in a separate statement on Friday. Renesas shares had dropped 4.5% to 2,224 yen by mid-morning on Friday. INCJ had previously held 6.65% of Renesas' shares, as it publicized in a statement on the following Thursday. It has retained a marginal holding of 75 shares, versus 130 million shares held. The deal marks the fifth-largest block trade in Asia so far this year and the second largest in Japan since 2020, according to Dealogic data.

General Atlantic takes control of Joe & the Juice

On November 13, US private equity firm General Atlantic agreed to take a controlling stake in Joe & the Juice, increasing its investment seven years after initially putting money into the Danish sandwich chain. General Atlantic is increasing its interest in the company from about 30% to as much as 90%, in a deal valuing Joe & the Juice at about $600 million, according to a person familiar with the matter. The transaction will see existing shareholders, including Swedish investment firm Valedo Partners, cash out. The investment will be used to reduce Joe & the Juice's debt load and help the company expand into markets such as the US, the person added.

Zara Billionaire Makes $395 mln Clean Energy Gambit

Amancio Ortega, the billionaire founder of Inditex SA's Zara clothing chain, agreed to buy a 49% stake in a Spanish clean energy portfolio from Repsol SA for €363 million ($395 million), its largest acquisition of renewable energy assets so far as of November 16. The portfolio comprises 12 wind farms and two solar photo-voltaic plants located across Spain, with a total capacity of 618 megawatts, Madrid-based Repsol said in a regulatory filing on Thursday. It also includes projects with hybridization potential, which would add an additional 279.2 megawatts. The move consolidates the recent bet by Ortega's family office Pontegadea on energy and outside real estate, the industry in which it has invested the most. It's the third deal agreed with Repsol, following the acquisitions in 2021 of a 49% stake in the oil maker's Delta wind farm for €245 million and of another 49% of the smaller Kappa plant last year.

Italy Sells 25% Stake in Monte Paschi for About €920 mln

Italy sold about 25% of Banca Monte dei Paschi di Siena SpA for approximately €920 million ($1 billion) as part of its plan to divest from the bailed-out lender on Monday (20/11). They sold 314.9 million shares for €2.92 apiece, with a 5% discount on Monte Paschi's closing price, the Finance Ministry said Monday in a statement. The size of the offering was increased from an initially planned disposal of a 20% stake because of strong demand, according to the statement. After declining as much as 5.8% at the opening in Milan, Monte Paschi shares were down 4.8% at 09:27 a.m. local time at €2.92. The transaction shows "market support for the ongoing restructuring and improving stock liquidity," Citigroup Inc. analyst Azzurra Guelfi wrote in a note. "The market will continue to focus on the next step of state exit/stake reduction, and the choice between further market placement and potential merger/combination option."

Panasonic plans to sell stake in autos business to Apollo Global-managed funds

On Friday, 15th of November, Japan's Panasonic Holdings said it plans to sell a stake in its automotive systems business to funds managed by U.S. private equity firm Apollo Global Management and has signed a memorandum of understanding with an Apollo affiliate. Shares of Panasonic surged on the news, ending 5.5% higher in Tokyo trade.

"The parties will continue discussions on an exclusive basis with the intention of finalizing the details of the agreement by March 31, 2024," Panasonic said in a press release. Panasonic also said it could potentially list the business in the future.

Continued investment in the automotive systems business would be necessary to achieve sustained growth for the company amid a rapid shift to electric cars and changes to vehicle architecture, Panasonic said.

The automotive unit makes cockpit and electronics systems. It is separate from Panasonic's energy unit that makes batteries for electric vehicles, including those from Tesla.

Sands casino family says they'll buy majority of Mavs from Cuban. Valuation rumored to be $3.5 bn

The month of November closed strong for the M&A Market with the Dallas Mavericks owner Mark Cuban entering into an agreement to sell a majority stake in the NBA franchise to the family that runs the Las Vegas Sands casino company, it was announced Wednesday. The deal could be completed in the coming weeks. The agreement would be in the valuation range of $3.5 billion, according to a person who spoke to the press on condition of anonymity because that detail was not being made public. Cuban would retain control of basketball operations in the deal. The company controlled by Miriam Adelson, widow of casino magnate Sheldon Adelson, announced earlier Tuesday it was selling $2 billion of her shares to buy an unspecified professional sports team. It revealed Wednesday that the team was the Mavericks. Dallas was one of the worst franchises in pro sports in the 1990s, but turned into one of the best under Cuban, with a lot of help from star forward Dirk Nowitzki — now a member of the Basketball Hall of Fame and the leader of the team that won the 2011 NBA championship.

References: Bloomberg, Reuters, Financial Times, The Associated Press

Largest Mergers & Acuquistions (M&A) Deals in November 2023			
Date	Acquiring Company	Aqcuired company	Deal Size
6/11/2023	Kinder Morgan	NextEra Energy Partner (Assets)	$1.8 billion
6/11/2023	Hilton Grand	Bluegreen Vacations	$1.5 billion
6/11/2023	Bain Capital	Guidehouse	$5 billion
6/11/2023	Crescent Point	Hammerhead Energy	$2.55 billion
7/11/2023	Ardian	CPP Investments (PE Portfolio)	$2.1 billion
9/11/2023	TransDigm Group	Communications & Power Industries (CPI)	$1.4 billion
13/11/2023	General Atlantic	Joe & the Juice	$600 million
16/11/2023	Mars	Hotel Chocolat	$662 million
20/11/2023	Capital Power Corp.	Harquahala and La Paloma facilities	$1.1 billion
21/11/2023	Merck	Caraway Therapeutics	$610 million
21/11/2023	CRH Americas Materials	Martin Marietta Materials	$2.1 billion

Largest IPOs in November 2023					
Date	Company	Symbol	IPO Price	Deal Size	Shares Offered
1/11/2023	Pineapple Financial inc	PAPL	$4	3.5 million	875,000
3/11/2023	Lexeo Therapeutics Inc.	LXEO	$11	99.00 million	9,000,000
8/11/2023	Glonavend Holdings Limited	GVH	$4	6.0 million	1,500,000
9/11/2023	AI Transportation Acquisition Corp	AITR	$10.00	60.00 million	6,000,000
9/11/2023	Agriculture & Natural Solutions Acquisition Corporation	ANSC	$10.00	300.0 million	30,000,000
10/11/2023	CARGO Therapeutics, Inc.	CRGX	$15.00	281.25 million	18,750,000
10/11/2023	Hamilton Insurance Group, Ltd.	HG	$15.00	225.00 million	15,000,000
14/11/2023	Signing Day Sports, Inc.	SGN	$5.00	6.00 million	1,200,000
14/11/2023	Global Lights Acquisition Corp	GLAC	$10.00	60.00 million	6,000,000
14/11/2023	Shimmick Corporation	SHIM	$7.00	25.03 million	3,575,000
17/11/2023	DDC Enterprise Limited	DDC	$8.50	33.15 million	3,900,000
17/11/2023	Richtech Robotics Inc.	RR	$5.00	10.0 million	2,000,000
21/11/2023	Elevai Labs, Inc.	ELAB	$4.00	6.00 million	1,500,000
21/11/2023	Colombier Acquisition Corp. II	CLBR	$10.00	150.0 million	15,000,000
30/11/2023	Fenbo Holdings Limited	FEBO	$5.00	5.00 million	1,000,000

References: Reuters Terminal, Bloomberg, Market Screener

AUEB Students' Investment & Finance Club

Greek Market

Macroeconomic Environment

The Greek economy is continuing its upward surge but also diverges from the general Western trend of disinflation. Although October unemployment came in at 9.4% marking a post-crisis low(last seen in 2009), Greece has not followed the rest of Europe in steady decreases in its inflation rate. This month it saw a jump to 3.4% after hovering around 2-2.5% in the previous months. This has awakened calls for more regulation and market interventions with the government seeming bent to curb increases in core prices of food and energy, indicated by a fine of 1 million imposed for anti-competitive practices on 2 multinational corporations. The increases may be related to country specific supply shocks such as the Thessaly floods and the generally poor weather of the past year, explaining the divergence from general European conditions. However, the picture is not clear and more is expected on that front. GDP numbers have not yet been reported for this quarter, with the latest estimate of Q2 growth being 2.7% but with leading indicators such as retail sales and PMI indicating a bleaker picture in the following months.

The Greek Government has been a protagonist of the last month by its involvement in groundbreaking transactions for the future of the banking sector of Greece. It has started selling its equity in the banking sector thus ending its crisis era involvement with the financial sector and enabling the institutions to access liquidity and form partnerships with other global players in the sector. Following last month's Eurobank stock selling, it proceeded with the auctioning off some of its National Bank of Greece and Alpha Bank stocks, with more divestment being expected in the next year. In fiscal news, the Greek Government has passed a new budget containing big salary and pension increases coupled with an increasing number of taxes levied on different professional groups as it tries to steady the ship of public finances in this high-rate environment.

On the Greek Corporate front, the banks are of course the biggest winners with their coming complete privatization serving as a catalyst and a signal for bigger opportunities for growth to come. Alpha Bank deserves a special mention thanks to the combination of its stock sale with forming a strategic partnership with UniCredit, thus providing new impetus to the institution. More detailed coverage is included in the Greek Corporate Section of the Report.

Greek Bonds

In the realm of fixed income assets, Greece has sustained its positive trajectory throughout November, marked by a reduction in bond yields—a testament to the nation's increasingly stable economic landscape. Notably, during the initial week of November, there was a substantial decline in the 10-year bond yield, dropping from October's 4.14% to 3.98%. Similarly, the 5-year bond yield experienced a decrease to 3.40% from October's 3.61%.

This favorable trend persisted into the second week of November, with the 10-year bond yield further diminishing to 3.82% and a spread of 132 basis points, while the 5-year bond yield continued its descent to 3.34%. In the third week, the Public Debt Management Agency of Greece announced the government's intention to enter the market for the re-issuance of its 10-year bond, featuring a fixed interest rate of 4.25% and a maturity date of 15 June 2033. This issuance, aimed at raising €200 million, seeks to meet demand and enhance the functioning of the secondary bond market, aligning with Greece's overall goal to borrow €7 billion in 2023. According to DZ Bank, Greece will exceed this goal and end up borrowing €12 billion in 2023.

The above-mentioned positive trend was apparent in the second market sale of those issued 10-year bonds, in which the yield fell to 3.75%, due to the bond's price increase, in comparison with the previous issuance in October which had a bond yield of 4.35%. Simultaneously, the 5-year bond yield continued its downward trajectory, concluding the third week of November at 3.27%. The month concluded with the 10-year bond yields at 3.64%, accompanied by a spread of 118 basis points, and the 5-year bond yields at 3.27%.
This optimistic economic trend in Greece, particularly in its fixed income assets, aligns with market expectations of Fitch awarding the country an investment-grade status in December. This forthcoming upgrade, making Fitch the second of the top three credit rating agencies to do so, is anticipated to spur increased foreign investments, among other things. Notably, prominent institutional investors, like JP Morgan, are advocating overweight positions on Greek bonds in response to these developments.

10-2 Year Bond Yield and 10Y-2Y Spread

Athens General Index

On a macro level, following the performance of Europe's stock market, the Greek market's value rose in the first week of the month. Meanwhile, Greece's Unemployment Rate eased to 10%, reaching the lowest level since August 2009. The ATG closed with an advancement of 1.94%. Despite the first week's performance, the Greek stock market, affected by the EU's stock market, slumped -2.77% as the second week concluded. On Nov 10th, the Inflation Rate MoM decreased from 1.8% to 0.6%. During the third week, the ATG index had a boost of 3.72%. JP Morgan stated that it's taking a long position in 10-year Greek bonds over Italian ones. Fitch's evaluation of Greece on December 1st will be crucial, with JP Morgan finding the current yield of Greek 10-year bonds an attractive entry point. Citi notes there's a strong possibility that Fitch might grant Greece an investment-grade rating. The positive sentiment was confirmed by the successful reissue of the 10-year bond, with the yield at 3.76% compared to 4.34% in the previous issuance on October 18. Having National Bank, which recorded a net profit of over €50 million on 20/11, and OTE strengthening significantly, the Greek stock market attempts to move higher, with a focus on the level of 1,260 points. At the end of the week, the Athens market moved at a slow pace, as did global boards in general, against the backdrop of the holiday in the United States due to Thanksgiving Day. The ATG index ended with a gain of 0.8%. During the final week, Greece's Unemployment Rate saw a decrease to 9.6% (forecast 10.0%, prev 10.3%), illustrating the lowest grade since June 2009. Contrarily, the Retail Sales YoY plummeted by -3.3% (forecast -3.0%, prev -3.3%), regressing for the fourth consecutive month.

On a micro level, November opened on a high note in Greece, as the ATG index commenced at 1,196.98 and came to a close at 1,219.77 points, signaling a strong beginning for the month. Greek equities did not experience positive development in the second week, with the ATG index initiating at 1,237.37 and closing at 1,203.08 points. The balance of trade remained the same at -2.7B, yet Industrial Production YoY rebounded to 2% from -0.1% (Sep 2023), announced on Nov. 10th. In the third week, the Athens General Composite opened at 1,205.55 and closed at 1,250.44 points. Moving towards the fourth week, ATG underwent a positive shift, opening at 1248.63 and concluding at 1258.73 points. As the month winds down, PPI YoY in Greece fell by -13.5% (forecast -3.0%), following a -4.3% decrease the previous month. It was the sharpest drop in the series starting in March and the eighth consecutive month of producer deflation, mostly because of energy costs (-23.3%). Last week opened at 1265.36 and concluded at 1,275.13 points.

References: Investing.com, Financial Times, Bloomberg, Reuters, Capital.gr, Kathimerini Money Review

Trade Estates Fund raises €56.9 mln from IPO

Trade Estates REIC, a spinoff of the Fourlis Group, recently concluded its IPO on the Greek Stock Exchange's Primary Market. The IPO, which raised €56.609 million at a per-share price of €1.92, fell on the lower end of the targeted €1.92-2.13 range. This suggests a demand weaker than expected, prompting underwriters to acquire a significant portion of the remaining shares. The company's equity is now valued at €211 million. The raised funds, part of an ambitious €300 million investment plan, will fuel Trade Estates' expansion of income-generating assets. Key ventures include the €110 million acquisition of the "Smart Park" retail park from Ellaktor and the development of Big Box retail parks in various urban centers, aligning with the company's focus on Big Box-type retail parks and logistics facilities.

Agreement for the acquisition of Kotsovolos by PPC

On November 3rd PPC formally announced its agreement with Curry's plc for the acquisition of Kotsovolos, operating in the retail sector specializing in consumer electronics and household appliances, at a consideration of €200 million. This strategic move aligns with PPC's overarching growth strategy, positioning the company as an integrated provider of products and services amidst the global energy transition and the new electrification era. Kotsovolos, a huge brand in Greece and Cyprus with 95 stores, demonstrated a commendable 12% increase in turnover to €733 million in the financial year 2022-2023. The acquisition is anticipated to yield savings of approximately €100 million, initially earmarked for logistics, delivery, and ICT infrastructure. PPC's Chairman and CEO, Mr. Georgios Stassis, underscores the transformative impact of this transaction, projecting PPC as a customer-centric entity operating seamlessly across digital and physical platforms. The transaction, expected to conclude in Q1 2024, is contingent upon shareholder approval and regulatory clearances.

PPC completes Enel Romania acquisition

Public Power Corporation (PPC) has successfully acquired the subsidiary of Enel in Romania, marking a transformative deal in the energy sector, On Thursday 9, November. With a surge in key metrics, including a 55% increase in customers (from 5.6 to 8.7 million) and a notable boost in renewable energy production potential, PPC's financial landscape is set for a substantial change. The integration is projected to elevate operating profits (EBITDA) by €300-350 million, propelling PPC's EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) to over €1.5 billion with the full integration of Enel Romania. The deal involves a strategic expansion of distribution networks by 133,000 kilometers. This acquisition signifies PPC's commitment to advance its renewable energy sources (RES) development, aligning with a broader industry trend. The goal behind the deal is to position PPC as a major player in the energy market, enhancing its capabilities and financial standing. The strategy involves capitalizing on Enel Romania's assets to drive growth, emphasizing the importance of renewable energy in the evolving energy landscape

Intrakat completes €100 mln Acquisition of Aktor SA

On Wednesday 8, November, Intrakat acquired Aktor SA, a member of the Ellaktor Group. The agreement was executed at €100 million in cash, with an additional €114 million covering Aktor's debt obligations paid gradually under Intrakat's guarantee over 19 months. This strategic move strengthens Intrakat's position in the construction sector, creating a new entity with a substantial project portfolio valued at approximately €4 billion. The acquisition signifies Intrakat's pivot into a key player in both the Greek and Southeast European markets. The rationale behind the deal, according to Alexandros Exarchou, is to establish Intrakat as a leading business pillar, reflecting confidence from shareholders in the group's prospects, the construction industry, and the country's economic trajectory. The acquisition aligns with Intrakat's strategic growth path and commitment to becoming a powerhouse in the construction sector.

UniCredit Seeks to acquire a 9% stake in Alpha Bank from the Greek state and take control of the Romanian unit

On Monday 13, November, UniCredit (a prominent Italian Bank), acquired a 9% stake in Alpha Bank (one of the 4 systemic banks in Greece's banking sector). The deal was facilitated by Greece's state-controlled bank bailout fund (HSFSF: Hellenic Financial Stability Fund). The total amount of the acquisition was €293.5 million, with an additional agreement for UniCredit to purchase a significant portion of the Alpha Bank's Romanian Business for €300 million. UniCredit secured the Alpha Bank shares at a premium of 9.4%, priced at €1.39 each, making a strategic investment in the Greek market. This move aligns with UniCredit's broader strategy to rebuild fee-yielding businesses and strengthen its capital position after navigating the crisis years. HFSF, instrumental in recapitalizing Greek banks with an injection of approximately €50 billion during the financial crisis, continues its divestment strategy. This follows the recent sale of its 1.4% stake in Eurobank, with plans to sell around 20% of National Bank soon. Overall, the transaction reflects a calculated move by UniCredit to capitalize on opportunities in the Greek banking landscape, and simultaneously become Alpha Bank's largest investor, while HFSF strategically reshapes its portfolio in line with Greece's evolving financial landscape.

Greek State sold a 22% stake in the country's largest bank (by TAs), National Bank of Greece

On Thursday 16, November Greece on sold a 22% stake in National Bank (NBG), its second-biggest lender by market value, with the sale oversubscribed by more than eight times. After injecting about €50 billion ($54 billion) to prop up Greece's four largest lenders in return for shares during the country's decade-long debt crisis which ended in 2018, state-controlled bank bailout fund HFSF started divesting its stakes last month. A book-building process and a public offering for the sale of the NBG stake which started on Nov. 14 concluded on the 17th, with the final offer price set at €5.30 a share, the source said. HFSF, which owns 40% of NBG, sold a total of 201,237,334 shares, raising more than 1 billion euros. Earlier on Thursday HFSF said that orders at less than €5.30 would "most likely not be considered" for allocation, having announced that it planned to increase the stake on offer to about 22% from 20% on the back of strong demand.

Titan: Launches a new equity buyback program - Up to €20 mln will be allocated

Titan Cement International S.A. announces the implementation of a new share purchase program on Euronext Brussels and the Athens Stock Exchange, amounting to up to €20 million and lasting up to 9 months, which will start on November 27 after the completion of the current program. The same shares that will be acquired will remain in the Company's portfolio and may also be used for distribution to Group executives and members of the Company's Board of Directors, within the framework of the reward policy. The Company will provide updates on the progress of relevant purchases in accordance with applicable laws and regulations. Titan Cement International SA announces that its own purchase program shares which started on March 1, 2023, has now been completed. In the period from March 2023 to November 24, 2023, the TITAN group acquired a total of 594,493 shares for a total amount of €9,992,550. Today, Titan Cement International SA has (directly or indirectly through its subsidiary S.A. TITAN Cement) 3,804,475 shares, which correspond to 4.86% of the Company's voting rights. A new share purchase program of up to €20 million and lasting up to nine months will be launched on the 27th of November. The Company will provide full information on the progress of the relevant purchases in accordance with applicable laws and regulations.

Orilina Properties REIC to IPO in December

Orilina Properties REIC is to launch its listing on the Stock Exchange with the aim of raising up to €30.5 million (€29.8 million after deducting issuance costs) with which it will finance the two developments it is planning in Elliniko, a total investment €77.4 million. The maximum share price was set at €0.95. The public offering will start on December 4 and end on December 6. The start of trading of the company's shares on the Regulated Market of the A.H.A. is expected to take place on December 11. The completeness of the Portfolio on the total leasable surface of the Group on 30.06.2023 was 94.13%. The most important tenants of REIC are Sklavenitis and Ellaktor which together represent approximately 61% of its annual revenue. The Total value of Orilina's real estate portfolio on 30.06.2023 amounted to €137.46 million, comprising 15 properties, while the market value of investments amounted to €135.93 million.

Eurobank: Acquires a minority stake in Plum Fintech Limited - Will initially invest €5 mln

Eurobank announces that it has agreed to acquire a minority stake in Plum Fintech Limited ("Plum"), an innovative UK-based fintech company that has created a "smart" money management application. According to the terms of the agreement, Eurobank will initially invest 5 million euros in its stake in Plum and subject to conditions another 5 million over time. In addition to the equity participation, Eurobank and Plum will also explore a commercial partnership in Greece in 2024. AXIA has been appointed as the exclusive financial advisor.

Introduction

In the present section, a comprehensive analysis of Greek real estate will be carried out in order to shed light on the landscape in the residential, commercial and hospitality sector. As we delve into the specifics of this booming market, our report aims to provide insightful information to the interested parties on current trends, key transactions and the broader economic forces shaping the real estate ecosystem. The residential sector is a dynamic canvas that reflects the evolving preferences, needs and aspirations of its residents. Presented below, the trends in residential real estate, offering a snapshot of the dominant forces shaping market prices and yields.

Real Estate Market Drivers

With domestic and foreign demand booming, property prices in Greece continue to rise.
Since the beginning of the year, capital inflows have reached €1.1 billion, with the second half of the year attracting investments worth €600 million or more. The rapid expansion of values is mainly observed in the more modern developments. This is due to the increased demand for accommodation that meets the needs of the present day (ESG criteria, luxury residences, building sustainability, etc.).

Key drivers of the property price rises include the following:
The "Golden Visa" program, which grants residence permits in the country for property purchases over €250 thousand and over €500 thousand in areas such as the central, northern and southern sectors of Attica, the municipality of Thessaloniki, Mykonos and Santorini. A boost to the demand for the purchase of Greek real estate through the scheme is the interruption of the latter in Portugal, a comparable country in terms of foreign investment in real estate.
Another decisive factor contributing to price increases is the new developments across the country, particularly in major cities. In Thessaloniki: The metro, the Flyover highway, renovations in squares, projects at the port, etc. In Athens: The expansion of metro line 4, the construction of new buildings, the development of new commercial centers, the project in Elliniko, etc.
The aforementioned projects act as driving factors for property prices in the broader areas where they are implemented. The upward trend is also linked to the limited supply of newly built rental properties, the increase in investment inflows, the rise in short-term leasing for another year and the lack of quality options in the used property market. When the difficulty in obtaining housing loans on favorable terms is added to all the above factors, the subsequent demand is fully justified in significantly surpassing the existing supply.

Lastly, among the short-term parameters influencing property prices, geopolitical turmoil adds to the complexity by escalating property demand and consequently driving up prices. Additionally, heightened construction and energy costs contribute to increased property development expenses, exerting a direct impact on their selling prices.

Residential Real Estate

To examine it from a numerical perspective, the formatted values per square meter for residential rentals in the largest cities and regions of the country during November are provided below.
The most deteriorated areas in the center of Athens exhibit the lowest average rent per square meter per month at €6, while the more upscale areas reach up to €13/sq.m./month. The overall average for the center of Athens ranges between €8 and €8.5 per square meter per month.
As anticipated, the Northern Suburbs of Attica showcase elevated values, with the lowest not falling below €7.2/sq.m./month and the highest reaching €12/sq.m./month, resulting in an average range of €9 to €9.5 per square meter per month for the northern regions.
The western suburbs and other sparsely populated areas of the region cannot attain values comparable to those above; nevertheless, the average prices per square meter per month, under certain circumstances, fluctuate at relatively high levels, ranging from €6 to €8.
Regarding the Municipality of Thessaloniki, the central area presents higher values than the corresponding areas in Athens, encompassing residences along the coastal road that reach up to €15/sq.m./month, elevating the overall average and reaching a range of €8.5 to €9 per square meter per month. In the remaining, more remote areas of Thessaloniki, rents start at approximately €5 and go up to €7/sq.m./month.

Real Estate Financial Stakeholders

The real estate sector is a multifaceted domain, comprising various stakeholders whose roles intricately contribute to its financial landscape. Understanding these stakeholders is fundamental for comprehending the sector's financial intricacies and the interactions that drive its economic dynamics. Some of them are briefly presented below.

Investors:
Investors in commercial real estate are individuals, institutions, or funds that allocate capital with the aim of earning a return on their investment. They may include private individuals, pension funds, hedge funds, and other financial entities. REICs are investment vehicles that pool capital from multiple investors to invest in a diversified portfolio of income-generating real estate assets. They offer a way for individual and institutional investors to access the commercial real estate market with liquidity.

Developers:
Developers are entities that purchase, plan, and oversee the construction or renovation of commercial real estate projects. They seek to enhance property value and generate returns through leasing or selling the developed assets.

Lenders/Financiers:
Lenders or financiers provide the capital necessary for commercial real estate projects through loans or other financial instruments. These stakeholders may include traditional banks, mortgage companies, and private equity firms.

Analysts/Advisors:
Financial analysts and advisors provide expertise on market trends, investment strategies, and risk assessments within the commercial real estate sector. They assist investors, developers, and other stakeholders in making informed financial decisions.

Commercial Real Estate

The primary updates in the commercial real estate sector for the month of November revolve around the efforts of Trade Estates, a subsidiary of the Fourlis Group operating as a REIC, to acquire the "Smart Park" in Spata. The transaction is valued at approximately €110 million. Trade Estates specializes its property portfolio primarily in two categories: commercial parks and logistics. With a property portfolio exceeding €200 million in value, Trade Estates aims to further strengthen its position in the commercial real estate market. According to reports, the company reached an agreement with REDS, a subsidiary of the ELLAKTOR Group, starting in October 2023. However, should the agreement falter, the company's objective remains to allocate €51 million for the acquisition of commercial parks, enhancing its robust positioning in this sector.
Regarding office spaces, there is a notable trend among companies to shift towards more sustainable buildings. The Hellenic Telecommunications Organization (OTE Group) has set the foundation for this trend in Greece by announcing the renovation project of the OTE building on Kifisias Avenue in Athens, along with an additional 30 million building renovations across Europe through a European program. The CEO of OTE Real Estate presented the project, stating that "sustainable development is integrated and constitutes a key priority in the OTE Group's strategy."

Following this trend, the largest IT company in Greece, Netcompany-Intrasoft, has completed its relocation to new buildings in Athens, located in Marousi, Syntagma, and Ampelokipi, with a total area of 12,500 square meters adhering to robust sustainability standards. According to Mr. Alexandros Manos, CEO of Netcompany-Intrasoft, the company is investing in creating a modern, human-centric, and sustainable working environment.

Industrial Real Estate

Moving into the industrial sector and the logistics industry, there continues to be a sustained high demand for storage spaces. In 2023, and up to the current month, most Greek Real Estate Investment Companies (REICs) have strategically acquired industrial properties. Specifically, dominant positions in warehouse investments within the logistics complex of Aspropyrgos are held by Trastor and Prodea Investments.

The noteworthy update this month in the Greek infrastructure landscape is the signing of a 40-year Public-Private Partnership by the Hellenic Republic Asset Development Fund (HRADF) for the port of Kavala, "Philippos B". The consortium of Gek Terna (35%), Black Sumit Financial Group (55%), and EFA Group (10%) secured the competition, committing a sum of €33.9 million. The companies have undertaken the project's maturity, involving the upgrade of the port with the addition of new equipment, infrastructure, superstructures, and the construction of buildings to facilitate public services and a customs station.

Hospitality

The hospitality sector in Greece is the primary revenue generator, given the characteristics of the country. Consequently, there is continuous and significant activity, with numerous transactions taking place every month involving tourism units, including developments, acquisitions, renovations, etc., across the entire country. In the most notable news related to hospitality for the month of November, the following highlights are observed: The 5-star Patmos Atkis in Paros, operating under the Marriott umbrella, is set to reopen in 2024. This move is part of Marriott's effort to further expand The Luxury Collection brand in the Aegean Sea market, specifically in the Dodecanese islands.

A significant development is the new major tourism investment in Halkidiki, totaling €132 million. The "DEEP BLUE PROJECT" by "LYKYTHOS S.A." includes a 5-star hotel with a total capacity of 400 beds and 53 furnished tourist residences. The investment is expected to create 185 new sustainable job positions while reaffirming Halkidiki's status as one of the country's key tourist destinations.

Lastly, it's worth noting the active contribution of Attica Bank to support the hotel industry. Through the "Attica Hospitality" program, the bank offers a package of financial products to hoteliers in the country, supporting developments with a focus on sustainability and ESG criteria. The CEO of the bank, Eleni Vrettou, emphasizes that this initiative tangibly supports the tourism industry by addressing the needs of small and medium-sized hotel businesses, assisting in their development efforts within a highly competitive environment.

Analysis Conclusion

One last thing to be added is the sectoral real estate index of the Athens Stock Exchange, which reflects the trends outlined in this report. This index comprises a sample of companies that are key players in the real estate market in Greece and actively engaged in it. Specifically, it includes construction companies (DIMAND, LAMDA DEVELOPMENT), REICs (BLE KEDROS, BRIQ PROPERTIES, PREMIA) and companies emphasizing hotel sector investments (KEKROPS).
The index opened at around 4,036 (the month's lowest value) at the beginning of the month, reaching 4,438 as the highest towards the end of November, ultimately closing at 4,347 units.
One of the roles performed by listed Real Estate companies is providing investors with access to real estate investments with liquidity and smaller amounts of initial capital required compared to traditional real estate investments. As expected, the index's performance is positively correlated with the performance of the physical Real Estate market, given that the latter is composed of companies active in the sector, performing well as the market grows and expands.

To conclude, the Greek real estate sector demonstrates dynamic and diverse activity across residential, commercial, industrial, and hospitality segments. Noteworthy trends include a focus on sustainability in office spaces, robust demand for industrial properties and logistics, and significant developments in the hospitality sector. Key investments such as those aforementioned in the report, underscore the resilience and strategic growth initiatives within the Greek real estate landscape. These developments align with broader economic goals, emphasizing sustainability, tourism expansion, and a competitive business environment.

References: Naftemporiki, Capital.gr, Kathimerini, Bizness.gr, eRed

Authors:

Giorgos Voutyreas (Vice President – Head of FX/Fixed Income)
Kostas Kiriakidis (Board Member – Head of Equities/Commodities)
Apostolos Dimas (Lead of Corporate Finance)
Angelos Papadatos (Global Markets – FX)
Angelos Lagos (Global/Greek Markets – Fixed Income)
Ignatios Heger (Global Markets – Commodities)
Angelos Konstantinidis (Global/Greek Markets – Equities)
Ilias Mpalatsouras (Greek Market – Corporate News)
Panagiotis Sarivasileiou (Head of Advisory Board – Real Estate)

Our emblem, a symbol of the creation and the deeper mentality of our club.

In the center, there is the legendary mermaid, the Medusa’s head, which had the ability to turn into stone whoever dared to look it in the eyes. It’s undoubtedly an Ancient Greek element. The choice of the mermaid is a kind of allegorical gate. Looking Medusa is like looking into yourself in the eyes and putting the greatest effort to overcome your biggest fears. You can either step back or proceed forward in a way that will make you considerably stronger.

At the bottom, the phrase «esse est percipi» is written. The deeper meaning of this expression is that the perception of something, is what really establishes the foundations of its existence. It consists of an element of the philosophy of “plasticity” that describes the world, or in other words it is a basis that highlights the fundamental importance of the power of ideas and analytical thinking in its creation, by providing many different alternative dimensions and perspectives.

Last but not least, the background is dominated by the exciting wheel of luck (rota fortunae). As it is lyrically mentioned in the poem collection Carmina Burana of the 13th century, “Fortune rota volvitur; descendo minoratus; alter in altum tollitur; nimis exaltatus; rex sedet in vertice; caveat ruinam!”