AUEB Students' Investment & Finance Club

Market Report – Volume 14, April 2024

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

In April, the US dollar strengthened for the fourth consecutive month, marking its biggest rally in over a year, with the dollar index gaining almost 2% and reaching seven-month highs. This movement has been backed by the resilient US economy and further reducing market expectations for 2024 Fed interest rate cuts. Across the pond, the euro and pound sterling depreciated against the greenback, as the willingness of the ECB and BOE to lower interest rates before the Fed weighed in foreign exchange markets. Additionally, an indication from the SNB of two more interest rate cuts in June and September bolstered the Swiss franc depreciation against the US dollar. In Asia, April was a fascinating month, with the yen notching a 34-year low against the US dollar after the Bank of Japan indicated that monetary policy would stay easy.

Fixed Income

Foreign exchange markets suffered due to changes in rate expectations. In April, US sovereign yields soared to six-month highs, with 2-year and 10-year Treasury yields rising 40 bps to 5.0% and 47 bps to 4.7%, respectively. Resilience in the US labor market and hotter-than-expected inflation results prompted markets to price out one and a half rate cuts from the Fed, pushing the timing of the first cut even further out. In Europe, yields movements were less pronounced, given fewer signs of reflationary pressures and multiple indications of a dovish stance by the ECB. In the UK, despite the lower-than-expected April inflation print, the British 10-year Gilt yield reached a level unseen in six months. In Asia, the Japan 10-year government bond yield pushed higher to 0.9%, as the yen continued to depreciate over the month.

Commodities

In April, the Bloomberg Commodity Index increased by 2.7%. After falling to a two-year low following seven consecutive months of declines, commodities have now risen 7% from that low. Despite a stronger dollar, the index rallied as natural gas, industrial metals, and gold all provided tailwinds. Over the month, oil prices posted marginally negative returns, as geopolitical risk diminished. On the other hand, natural gas surged over 12%, from near four-year lows, as future demand expectations increased. In precious metals, gold prices exhibited a positive return of 2.9%, hitting new highs during a month that was highlighted by elevated geopolitical and inflationary risk.

Markets Summary

Equities

During April, global equities declined, with the MSCI All Country World Index falling by 3.2%, for the first time in six months. In the US, a combination of hot inflation data and a tepid first-quarter GDP result fueled market fears that central banks will not ease monetary policy as quickly as previously hoped. The S&P 500 and NASDAQ 100 fell by 4.1% and 4.8%, respectively, as valuations came under pressure from rising bond yields. However, the economic backdrop remains supportive, thanks to robust corporate earnings, with the majority of US-listed companies beating analysts' expectations. In Europe, despite positive results from the PMI indexes, European equities declined, with the MSCI Europe ex-UK falling by 1.5%. However, it's important to note that European equities outperformed their US counterparts. In contrast, UK equities delivered positive returns of 2.5% and ended the month as the top-performing equity market, mainly attributed to the high share of energy and commodity companies. In Asia, Japanese equities fell for the first time since last October, experiencing the worst monthly decline since September 2022. However, Chinese equities jumped 20% from the January lows, with the Hang Seng Index entering a technical bull market for the first time since China scrapped Covid controls in late 2022, boosted by global asset re-allocation and extra supportive measures taken by the Chinese government.

Macroeconomic Developments Summary

Monetary Policy

In the US, as the next Federal Reserve meeting starts on the 1st of May, investors have shifted their attention to the FOMC members' speeches and the "minutes" of the Fed March meeting. Over the month, most of the Fed's members, including the chairman of the Federal Reserve, pointed out the importance of a data-dependent narrative, highlighting that the Fed needs "greater confidence" that inflation is coming down to the 2% target. In a more dovish stance, the FOMC minutes report indicated that it would be appropriate to move policy to a less restrictive level at some point this year. In Europe, the ECB held interest rates steady for a fifth meeting, while sending its clearest signal yet that cooling inflation will soon allow it to commence cuts. It's essential to highlight that markets are pricing in the first interest rate cut from the ECB for early June 2024. In a similar path to the ECB, the Bank of Japan left its interest rate range unchanged between 0% and 0.1%, as widely expected by economists. At the conclusion of its meeting, the BOJ didn't signal any reduction of its bond purchases.

Growth & Inflation

The US consumer price index surprised economist's projections to the upside, rising 0.36% in March from the month prior and 3.48% from the year prior. Higher transportation costs contributed to the surprise. Meanwhile, the PPI increased by 0.2% in March from the previous month, slightly below consensus expectations, while the year-over-year rate climbed to 2.1%. The Fed's preferred measure of inflation, core PCE, remained roughly unchanged in March at 2.8%, enhancing investors' concerns that stubborn US inflation may force the central bank to take a more cautious approach to policy easing in 2024. In the Euro area, both core and headline inflation printed below consensus expectations; core inflation decreased to 2.9% year-over-year, and headline inflation fell to 2.4% year-over-year. Conversely to the eurozone, the British core and headline inflation gauge came above expectations. Year-over-year core and headline inflation slowed to 4.2% and 3.2% respectively. In Asia, the Japanese core inflation index slowed to 2.9% from the year prior, below the consensus expectation of 3.0%. In China, the headline CPI moved in tandem with the Japanese and surprised to the downside, registering at 0.1% year-over-year. Weakness had been caused by seasonality factors after the Lunar New Year holiday period.

The US economy expanded faster than previously estimated in the fourth quarter, thanks to strong consumer spending and business investment in non-residential structures like factories. The US annualized GDP growth rate came at 3.4%, revised from the previously reported 3.2% pace. Note that the US continues to outperform its global peers despite the Fed's 5.25%-5.5% interest rate range. In the Eurozone, the Q4 GDP growth rate came in line with the expectations at 0%, exiting Europe from its negative territory. In the United Kingdom, the British economy derailed from its recession path and expanded MoM by 0.2% pace.

Global Markets

Pair	30/4 Close	MoM	YtD
USD Index	106.22	1.65%	4.73%
EUR/USD	1.0677	-1.24%	-3.6%
GBP/USD	1.2491	-1.06%	-1.95%
USD/JPY	157.8	4.05%	11.89%
USD/CHF	0.9195	1.92%	9.32%

EUR/USD

Monthly Overview

The Pair experienced significant fluctuations in April due to the constant shifting of expectations of rate cuts from the FED and the ECB. The ECB seems to be the first to pull the trigger as inflation worries subside, with Euro Area inflation falling to 2.4% in March, close to the 2% target, while experiencing anemic growth of only 0.3% for the first quarter. The US on the other hand is showcasing an almost surprising robustness with unemployment continuing to hover around the 3.7-3.9% range with growth at a slower than before, yet still significant, 1.6% for the quarter. This economic performance along with a persistent inflation of 3.5% is pointing towards a divergence in the timeline of rate cuts, with the ECB expected to initiate them in summer and the FED still debating whether to cut at all in the near future.

Weekly Breakdown

In finer detail, during the initial week of April EUR/USD trailed a positive path, as opposed to last month's end, closing the week at 1.0835 EUR/USD with a gain of +0.85%. Investors reacted positively to comments by US Federal Reserve Chair Jerome Powell about future interest rates. He hinted that the expected plan for three rate cuts in 2024, beginning in June, is still possible. Conversely, the euro experienced a significant drop in the second week, reaching a five-month low against the dollar, after the ECB indicated it could soon cut interest rates while. Thereafter EUR/USD rose +0.3% to 1.0654 EUR/USD, after German producer prices fell less than expected in March, decreasing by 2.9% YoY. The ECB is now expected to cut interest rates before the FED, aiming to help the struggling economies in the region. During the remaining session of the month EUR/USD fluctuated between 1.065 and 1.070 and finally concluded the month at 1.0665.

GBP/USD

Monthly Overview

The British pound remained relatively stable against the dollar in April. The pair initially dropped due to hawkish Fed remarks and persistently high US inflation which pushed the prospect of imminent rate cuts away, especially in the context of the robust US economy. Meanwhile, the UK economy expanded less than expected, while still managing to get out of a “technical” recession in Q1, giving more sway to voices calling for earlier cuts. However inflation still remains high compared to its European peers, coming in at 3.2% in March, contributing to a relative equilibrium between hawks and doves in the BoE.

Weekly Breakdown

In the initial week of the month, GBP strengthened against the dollar by +0.68%, closing at 1.2636 GBP/USD. Hawkish remarks from Fed officials prompted market participants to rethink whether the Fed would ease policy in June. In contrast to the previous week, GBP/USD plummeted by -1.59% at the end of the second week of April, closing at 1.2450 GBP/USD. Investment sentiment shifted as US inflation data came hotter than expected at 3.5% and the UK economy stagnated in March. Following the first half’s bearish trend, the third week found the GBP/USD pair balancing at five-month lows and ultimately tumbling by -0.58%, finally settling at 1.2371 GBP/USD. On April 17th U.K. inflation fell to 3.2%, the lowest print in the last two and a half years. That, in addition to weak retail spending data, signals that the BoE will be forced to cut rates earlier than the FED to prop up the UK economy. Later, from the midpoint of the month until its conclusion, the pair experienced an uptrend, resulting in a gain of +1.14%.

USD/JPY

Monthly Overview

April was marked by the strengthening of the dollar as the BoJ did not continue on the path of monetary tightening. US data came in strong across the board, with surprisingly durability in employment and slower yet still impressive growth, propping up the dollar both because of the performance of the economy and because it makes rate cuts less necessary for a FED that is still trying to tame inflation. The BoJ followed its historic move away from negative interest rates with a continuation of its cautious monetary policy, deciding to keep rates unchanged in April. This drove investors away from the Yen as expectations of further tightening were disappointed, so much so that authorities were rumored to intervene in the market to prop up the island's currency.

Weekly Breakdown

More thoroughly, USD/JPY concluded the initial week almost unchanged at -0.01% ending at 151.61. The U.S. nonfarm payrolls increased by 303,000 in March while inflation remained high, potentially delaying anticipated interest rate cuts this year. Despite the Bank of Japan's recent policy shift, which ended eight years of negative interest rates, the yen hit a 34-year low of 151.975 against the dollar mid-week, as investors thought the BoJ's cautious attitude meant there wouldn't be more rate hikes soon. Moving on to the second week the Japanese currency was on track for a weekly fall, as USD/JPY closed at 153.28, up +0.98%. This broad strength in the dollar sent the yen to a fresh 34-year low as investors remained on the lookout for signs of potential action from Japanese monetary authorities to prop up the currency. The upward momentum persisted as the Greenback strengthened against the yen during the remaining days of the month. On April 19th, Japanese Finance Minister reiterated that authorities would respond accordingly to any significant movements in the currency market which did not significantly impact the Yen. The pair traded at 157.37, after climbing as high as 160.245 on April 29th, before reversing sharply. The significant downward movement raised speculation about Japanese intervention in the market. Top currency officials didn't confirm these rumors. The pair concluded the month at 157.80 USD/JPY.

USD/CHF

Monthly Overview

The dollar strengthened against the Franc in April as the US economy continued on its growth trajectory while still showcasing signs of persistent inflation, making the prospect of rate cuts more uncertain. Meanwhile in Switzerland inflation seems to paradoxically be lower than the target, coming in at 1%, even after an interest rate cut in February. The SNB even lowered its benchmark rate, from 2% to 1.5%, recognizing the changing economic landscape and forecasting persistently low inflation in the coming months, highlighting its sharp divergence from the rest of the Western economies.

Weekly Breakdown

In greater depth, the USD/CHF pair surged to nearly 0.9030, propelled by a resurgence in the long-term yield on 10-year US bond coupons. The Swiss CPI fell even more, to just 1.0%, the lowest since September 2021. This has led to speculation that the Swiss National Bank (SNB) may implement another interest rate decrease. The pair hovered around the significant psychological level of 0.90 in the second week, ending at 0.9014. Looking ahead to the following week, USD/CHF saw a +0.94% upward movement as the annual inflation rate in the US accelerated for the second consecutive month to 3.5%. The third week saw a slight decline of -0.15% in the USD/CHF pair. The Franc strengthened as risk aversion spread across financial markets, triggered by reports confirming Israeli missile strikes on a site in Iran on April 19th, which heightened tensions in the Middle East, prompting an interest in safe-haven assets like the Swiss Franc. Meanwhile, with a strong US economy and inflation that's proving more persistent than anticipated, investors are reducing their expectations for interest rate cuts by the FED lending new strength to the dollar. The USD/CHF ultimately closed the month at 0.9193.

Poll Summary - Poll Date: 28-Apr-2024 EUR/USD				
	1M	3M	6M	1Y
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	1.0838	1.0894	1.0995	1.1159
Min	1.0600	1.0500	1.0300	1.0400
Max	1.1200	1.1600	1.1700	1.1900
Standard Deviation	0.0122	0.0193	0.0253	0.0327
Forecasters	68	90	88	83

Poll Summary - Poll Date: 28-Apr-2024 GBP/USD				
	1M	3M	6M	1Y
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	1.2668	1.2707	1.2812	1.2977
Min	1.2400	1.2200	1.1900	1.1800
Max	1.3100	1.3500	1.3600	1.3850
Standard Deviation	0.0128	0.0258	0.0334	0.0393
Forecasters	46	65	64	60

Poll Summary - Poll Date: 28-Apr-2024 USD/CHF				
	1M	3M	6M	1Y
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	0.8978	0.8976	0.8960	0.8909
Min	0.8570	0.8400	0.8200	0.8200
Max	0.9200	0.9300	0.9400	0.9500
Standard Deviation	0.0155	0.0224	0.0254	0.0304
Forecasters	31	36	36	35

Poll Summary - Poll Date: 28-Apr-2024 USD/JPY				
	1M	3M	6M	1Y
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	149.22	146.32	143.00	138.45
Min	141.00	138.00	135.00	125.00
Max	153.00	155.00	150.00	148.00
Standard Deviation	2.22	3.88	3.70	5.17
Forecasters	49	66	65	61

Rates	30/4 Close	MoM	YtD
FED Funds Rate Target	5.25%-5.50%	No Change	No Change
ECB Main Refinancing Operations Rate	4.50%	No Change	No Change
ECB Deposit Facility Rate	4.00%	No Change	No Change
EURIBOR 1M	3.873%	1.8 bps	1.7 bps
USA 3 Month Treasury	5.384%	2.9 bps	2.8 bps
USA 10 Year Treasury Bill	4.687%	48 bps	80.6 bps
Germany 10 Year Bond	2.587%	28.3 bps	57.8 bps
UK 10 Year Gilt	4.35%	40.9 bps	81.1 bps
Greece 10 Year Bond	3.563%	19.1 bps	45.9 bps

European Union

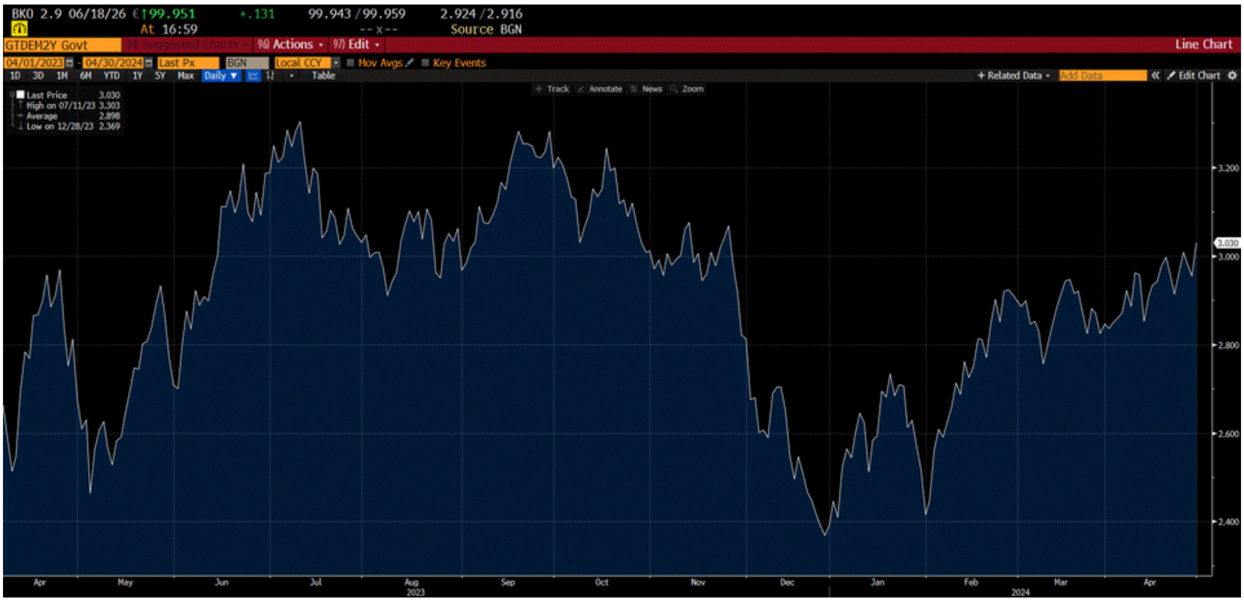
Over the past month, the European Central Bank (ECB) continued its policy of maintaining interest rates steady, with President Christine Lagarde emphasizing on ECB's independence from the Fed. While the ECB had so far followed closely FED's moves regarding interest rates, the latest data on both sides of the pond suggested the need for differentiation, as the US showcases relatively strong nominal growth, while the EU is once again struggling with sign stagnation. The question for the ECB is not if but when it will cut, with debate in America still weighing the options of the FED.

The ECB maintained interest rates steady at its April meeting, although it's worth noting that the decision was not unanimous with more dovish central bankers believing that the ECB is too timid in it's attitude towards inflation. Christine Lagarde laid the foundation for a possible rate cut in June. Although current inflation level is close to the target of 2%, she emphasized that the fight against inflation hasn't ended yet, with fluctuations expected in the coming months. Despite this, market sentiment remained positive of a rate cut in June, with at least two more following within 2024.

Following a relatively low-volatility month, April saw a rise in yields across Europe, with Germany's 10-year yield climbing as high as 2.63% - an increase of 33 basis points since opening. Other key rates, such as France and Italy's 10-year yields, closely followed suit, with a jump of 31.7 bps and 31.6 respectively. The 2-year bonds showed likewise upward momentum with the German Bund closing the month at 3.112%, the French bond at 3.101% and the Italian Bond at 3.578%

United Kingdom

UK gilts displayed a resurgence in April as inflation is proving stubborn yet again in the British Isles, as Consumer Price inflation came in at 3.2% in March's print, a less than expected reduction. The BoE is in limbo about rate cuts, with many people worried that without monetary easing the UK economy will remain in stagnation, however inflation fears don't allow for much optimism on that front. The market senses this fundamental conflict in the bank's decision framework and is coming down on the side of the hawks. The 2-year Gilt climbed from 4.181% to 4.513% and the 10-year gilt rose from 3.941% to 4.349%.



German 2Y Bond Yield

German 10Y Bond Yield

British 10Y Gilt Yield

Italian 10Y Bond Yield

USA

In April, the US economy navigated a dynamic landscape of economic data releases, geopolitical tensions, and shifting market expectations, all of which played pivotal roles in influencing US Treasury Bonds prices. The month began with a positive note as the ISM manufacturing index rose to 50.3, signaling an improvement in the manufacturing sector compared to previous months. However, this optimism was countered by concerns over inflationary pressures, particularly after March's CPI data exceeded expectations and rose 3.5% on a yearly basis, prompting a sharp rise in Treasury yields above 4.5%.

Throughout the month, market sentiment swung in response to key indicators. The release of the nonfarm payrolls data for March, which far surpassed expectations with an increase of 303,000 jobs, initially boosted Treasury yields, reflecting confidence in the strength of the labor market. Yet, as the month progressed, concerns over slowing economic growth emerged, exacerbated by disappointing GDP figures for the first quarter, which came in at 1.6% and fell short of economists' forecasts of 2.4%. Federal Reserve Chairman Jerome Powell's remarks on the lack of further progress on inflation, underscored market uncertainties about the trajectory of monetary policy and shifted market expectations for when the first rate cut will take place from June to September. As a result, the yield curve further inverted and the 2-year/10-year yield spread expanded reaching up to 42.8 bp.

Amidst these economic dynamics, geopolitical events, such as the strike by Israel against Iran, added another layer of complexity to market movements. Additionally, the release of the employment cost index, showing a 1.2% increase for the first quarter, exceeded economists' consensus estimates, contributing to the narrative of rising inflationary pressures and potential wage growth. By the end of the month, despite fluctuations, both the 10-year and 2-year Treasury bond yields saw notable increases. The 10-year bond yield rose from 4.32% to 4.69% while the 2-year bond yield rose from 4.71% to 5.05%.

US 2-Year Treasury Yield

US 10-Year Bond Yield

China

In April, China faced a series of economic challenges and adjustments. Fitch's decision to downgrade China's sovereign credit rating outlook to negative highlighted concerns over the country's public finances, citing decelerating growth and mounting debt as key factors. This move echoed a similar downgrade by Moody's in December, underscoring growing uncertainty surrounding China's transition to a new growth model amidst a backdrop of economic restructuring.

Meanwhile, economic indicators painted a mixed picture of China's economic health. While consumer prices rose at a slower pace and producer prices declined in March, indicating renewed concerns about deflationary pressures, China's gross domestic product (GDP) growth accelerated to 5.3% in the January-March quarter. However, China's central bank opted to keep key lending rates unchanged at 3.45%, recognizing the limited scope for monetary easing amid the yuan's weakness against the dollar and the delayed outlook for US rate cuts. All of this reflected on bonds with the 10-year bond yield shifting from 2.418% at the beginning of the month to 2.373% by the end of April.

Japan

The month began with concerning data showing the Japanese economy shrinking for the second consecutive month in February, declining by an annualized 0.8%, signaling persistent weakness. Additionally, in March, Japan experienced a decline in inflation, with the core consumer price index rising by 2.6% from a year earlier, down from a 2.8% increase in February. Bank of Japan Governor Kazuo Ueda gave a statement on April 18th, suggesting the potential for interest rate hikes to counter inflation fueled by a weakening yen. However, the slowdown of inflation is presenting a challenge for policymakers in determining the timing of interest rate adjustments. Despite these concerns, the Bank of Japan opted to maintain its policy rate unchanged, showcasing a cautious approach .

In the bond market, the Bank of Japan Governor Kazuo Ueda indicated a potential reduction in Japanese Government Bond (JGB) purchases, although no concrete timeline was provided. Moreover, yield movements were further impacted by shifting expectations regarding Federal Reserve rate cuts, which were pushed back to the end of the year. These factors led to the the 10-year Japanese Bond Yield experiencing a notable increase, rising from 0.742% to 0.874% by the end of the month as investors put more weight on the BoJ's hawkish stance.

Japanese 10Y Bond

Poll Summary - Poll Date : 12-Apr-2024 US 2-Year Government Bond				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	4.54	4.35	4.10	3.74
Min	4.40	3.80	3.50	2.95
Max	4.77	4.90	4.85	4.78
Standard Deviation	0.11	0.24	0.30	0.40
Forecasts	12	37	37	34

Poll Summary - Poll Date : 12-Apr-2024 US 10-Year Government Bond				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	4.24	4.12	4.01	3.88
Min	4.03	3.70	3.40	3.25
Max	4.50	4.65	4.60	4.70
Standard Deviation	0.12	0.21	0.25	0.34
Forecasts	32	81	80	70

Poll Summary - Poll Date : 12-Apr-2024 Japan 2-Year Government Bond				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	0.21	0.21	0.29	0.43
Min	0.2	0.15	0.2	0.25
Max	0.21	0.25	0.4	0.65
Standard Deviation	0.01	0.04	0.08	0.16
Forecasts	2	8	8	8

Poll Summary - Poll Date : 12-Apr-2024 Japan 10-Year Government Bond				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	0.77	0.83	0.91	0.97
Min	0.72	0.70	0.70	0.65
Max	0.81	1.10	1.20	1.30
Standard Deviation	0.03	0.09	0.13	0.16
Forecasts	13	19	21	18

Poll Summary - Poll Date : 12-Apr-2024 UK 2-YEAR GILT				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	4.14	4.09	3.85	3.49
Min	4.05	3.90	3.45	3.05
Max	4.26	4.40	4.10	3.90
Standard Deviation	0.08	0.14	0.17	0.23
Forecasts	12	13	15	11

Poll Summary - Poll Date : 12-Apr-2024 UK 10-YEAR GILT				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	3.96	3.90	3.80	3.66
Min	3.86	3.70	3.50	3.00
Max	4.04	4.10	4.00	4.10
Standard Deviation	0.04	0.10	0.14	0.24
Forecasts	24	30	32	24

Poll Summary - Poll Date : 12-Apr-2024 GERMANY 2-Year Government Bond				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	2.78	2.60	2.34	2.05
Min	2.65	2.25	2.00	1.65
Max	2.87	3.10	2.95	2.50
Standard Deviation	0.06	0.18	0.22	0.23
Forecasts	9	23	23	23

Poll Summary - Poll Date : 12-Apr-2024 GERMANY 10-Year Government Bond				
	One Month	Three Months	Six Months	Twelve Months
Effective Date	30-Apr-2024	28-Jun-2024	30-Sep-2024	31-Mar-2025
Mean	2.36	2.27	2.22	2.20
Min	2.20	1.95	1.80	1.70
Max	2.67	2.94	3.33	3.18
Standard Deviation	0.10	0.17	0.24	0.27
Forecasts	21	44	43	42

Commodity	30/4 Close	MoM	YtD
Bloomberg Commodity Index	100.5	2%	4.2%
Bloomberg Energy Index	74.5	2.31%	6.84%
Gold Continuous Cont	USD 2,304	1.96%	14.68%
Crude WTI Continuous Cont	USD 81.84	-2%	10%
Crude Brent Continuous Cont	USD 88	-5%	7.76%
Natural Gas TTF Continuous	EUR 29	9.7%	-1%

Gold

Monthly Overview

In the turbulent landscape of the gold market over the past month, investors witnessed unprecedented highs and sudden downturns, navigating through a maze of geopolitical tensions and shifting macroeconomic conditions. The month began strongly, as immense central bank buying and escalating geopolitical unrest propelled gold prices to an all-time high of $2448.80 per troy ounce. The prospect of looming interest rate cuts by the Federal Reserve in the coming months amplified the allure of gold, reducing the opportunity cost of holding the precious metal and attracting investors seeking safe-haven assets amidst global uncertainties. Additionally, strong physical demand from China and ongoing tensions in the Russia-Ukraine and Middle East regions further increased demand, setting a bullish tone for the month.

Weekly Breakdown

Delving into the week-by-week dynamics, in the first week of the month gold prices surged to unprecedented levels, following increased central bank demand, rising geopolitical tensions and the strong prospect of interest rate cuts, closing at $2345.40/troy oz. Continuing into the second week, gold maintained its upward trajectory amidst concerns about the rising US national debt after the latest numbers published by the Treasury Department, eventually closing at $2374.10/troy oz. As the month progressed to its third week, gold prices reached new record highs, closing at $2401.40/troy oz. Despite brief inclines in the US Dollar Index and Treasury Yields, gold remained resilient, drawing investors seeking refuge amidst geopolitical uncertainties and witnessing a surge in demand following geopolitical escalations amid the back-and-forth attacks between Iran and Israel. Coming into the fourth week of the month, gold prices fell and ultimately closing at $2302.90/troy oz. Easing tensions in the Middle East, tight US monetary policy and better-than-expected macroeconomic data exerted downward pressure on gold. Additionally, high-interest rates tend to reduce the attractiveness of non-yielding assets such as gold. However, lower than expected PMI results and persisting physical demand from China briefly recovered the price levels.

GC1 Comdty

Crude Oil

Monthly Overview

During April, the global oil market witnessed a series of fluctuations driven by three pivotal events: escalating tensions in the Middle East, Ukrainian drone attacks on Russian refineries, and the anticipation that OPEC will maintain its production cuts. Indeed the OPEC pumped 26.49 million barrels per day, down 100.000 bpd from March's revised total while oil prices surged to their highest levels since October 2023 tempered by geopolitical unrest where conflicts threatened to disrupt oil supplies. Throughout the month, the market grappled with shifting dynamics, as the Crude WTI benchmark surprisingly presented a decline of approximately 1.4%, opening at $83.14 per barrel and finishing at the lower price of $81.93 per barrel whereas following the Brent benchmark we noticed the price going slightly up from $86.98 to $87.86.

Weekly Breakdown

In the first week, prices soared on the back of investors' bullish sentiment and concerns over geopolitical tensions in key oil-producing regions, such as Russia and the Middle East. US WTI crude futures reached $87.63 per barrel and Brent crude futures rose to $91.91 per barrel at their highest points. However, the second week saw a reversal as increasing US stockpiles and interest rates—while inflation remained higher than expected after the results of the CPI report—coupled with indications of easing tensions in the Middle East, led to a decline in oil prices, with WTI closing at $85.66 per barrel and Brent at $90.45 per barrel. The third week witnessed further retreats from peak levels as US crude inventories exceeded expectations, albeit with some resurgence towards the end of the week amid renewed geopolitical concerns that were ultimately de-escalated. Finally, in the fourth week, despite reduced shipping disruptions in the Red Sea and the first decline in US crude stockpiles in five weeks, oil prices climbed, underpinned by stagflationary pressures and ongoing supply dynamics. WTI and Brent eventually reached their end marks.


CO1 $82.96 82.78 / 82.79
As of Close 03 Mayd Vol 335565 OpenInt 569598
CO1 Comdty
Line Chart
Last Price 87.86
High on 09/27/23 96.55
Average 82.63
Low on 06/12/23 71.84

Brent


CL1 $78.11 77.95 / 78.01 4 x 1
As of Close 03 Mayd Vol 304255 OpenInt 361263
CL1 Comdty
Line Chart
Last Price 81.93
High on 09/27/23 93.68
Average 78.37
Low on 06/12/23 67.12

WTI

Natural Gas - Dutch TTF

Monthly Overview
In April, the natural gas market experienced notable fluctuations driven by several factors. Heightened tensions in the Middle East and between Russia and Ukraine added a layer of uncertainty to global energy markets, impacting investor sentiment and contributing to market volatility. However, despite these geopolitical concerns, the levels of working gas in underground storage proved to be a stabilizing factor. Surpassing both the 5-year average and the 5-year maximum range, the ample storage levels alleviated concerns regarding potential supply constraints. Nonetheless, the month ended with a higher price level at $29.12/MWh, contrasting with the starting point of $27.34/MWh.

Weekly Breakdown
Breaking down the monthly events, the first week witnessed a decline in prices following the Dutch TTF, dropping from $27.35/MWh to $26.60/MWh, primarily due to decreased demand in the residential and commercial sectors by approximately 9.4% amid warmer weather conditions. The second week brought a contradictory trend as the Energy Information Administration reported a larger-than-expected increase in natural gas supply, leading to lower prices globally despite a rise in the Dutch TTF from $26.50/MWh to $30.73/MWh. During the third week, we experienced a volatile environment, with prices reaching 3-month highs of $33.71/MWh and then dropping again towards the week's opening levels of approximately $31/MWh after a bearish weather outlook for the rest of the month and a weak demand-oversupplied market. However, during the fourth week and until the end of the month, we observed another drop in prices due to persistently ample storage levels, increased supply, active LNG export activity, and notably reduced demand driven by warmer weather conditions according to the EIA report, down to the price of $29.12/MWh.

Dutch TTF 1M

Poll Summary - Poll Date : 28-Apr-2024 Crude Brent Oil					
Poll Summary - Brent		Q2 2024	Q3 2024	Q4 2024	Q1 2025
Reuters Poll (Mean)		82.8	83.33	82.43	81.38
Standard Deviation		3.26	4.27	5.08	5.94
Max		88.35	90.35	96	95
Min		74	72.5	72.5	72.5

Poll Summary - Poll Date : 28-Apr-2024 Crude WTI Oil					
Poll Summary - WTI		Q2 2024	Q3 2024	Q4 2024	Q1 2025
Reuters Poll (Mean)		78.52	79.36	78.35	77.67
Standard Deviation		3.19	4.92	5.3	5.9
Max		85	95	90	90
Min		71.77	70	69	70

Poll Summary - Poll Date : 28-Apr-2024 Gold					
Poll Summary - Gold		Q1 2024	Q2 2024	2024	2025
Reuters Poll (Mean)		2042.56	2042.56	2053.77	2065.83
Standard Deviation		86.6	86.6	75.41	159.18
Max		2250	2250	2215	2375
Min		1850	1850	1844	1750

References: Reuters Terminal

Global Markets - Performance Summary: Equities

Index	30/4 Close	MoM	YtD
S&P 500	5035	-3.96%	6.17%
NASDAQ 100	17440	-4.66%	5.42%
DJIA	37815	-4.42%	0.26%
FTSE 100	8144	2.41%	5.47%
DAX	17932	-2.3%	8.42%
CAC 40	7984	-1.3%	7.73%
STOXX 600	504	-3.5%	6.42%
ATHEX GD	1448.35	4%	11.36%
HANG SENG	17763	10.5%	6.7%
NIKKEI 225	38269	-5.5%	15.53%

American Market Indices - SPX, NASDAQ100, DJIA

Monthly Overview

April presented significant challenges for the equity market in the United States, following a robust three-month rally. The S&P 500, emblematic of the US market, encountered its first downturn of the year, declining by 4.1% amid mounting pressure from escalating bond yields. Similarly, the NASDAQ and Dow Jones Industrial Average experienced drops of 4.4% and 4.9%, respectively. The announcement of three anticipated interest rate cuts for 2024, though slower in pace than initially projected, placed investors in a defensive stance, signaling a potentially arduous second quarter for 2024. Tensions and unrest in the Middle East reverberated across sectors, particularly impacting energy markets. Real estate bore the brunt of the downturn, witnessing a sharp decline of 8.5%. The Technology and Health Care sectors followed suit, registering declines of 5.8% and 5.0%, respectively. Notably, the Utilities sector emerged as the sole sector to record a positive performance in April, offering a glimmer of hope amid broader market turbulence. In terms of market indices, the S&P 500 concluded April at $5,036.23, down from its March closing of $5,248.03, but YTD up by 8.12%. Similarly, the Dow Jones closed April at $38,337.40, compared to its March closing at $39,763.74, reflecting the broader market downturn. YTD, the Industrial Average is up by 2.55%.

Weekly Breakdown

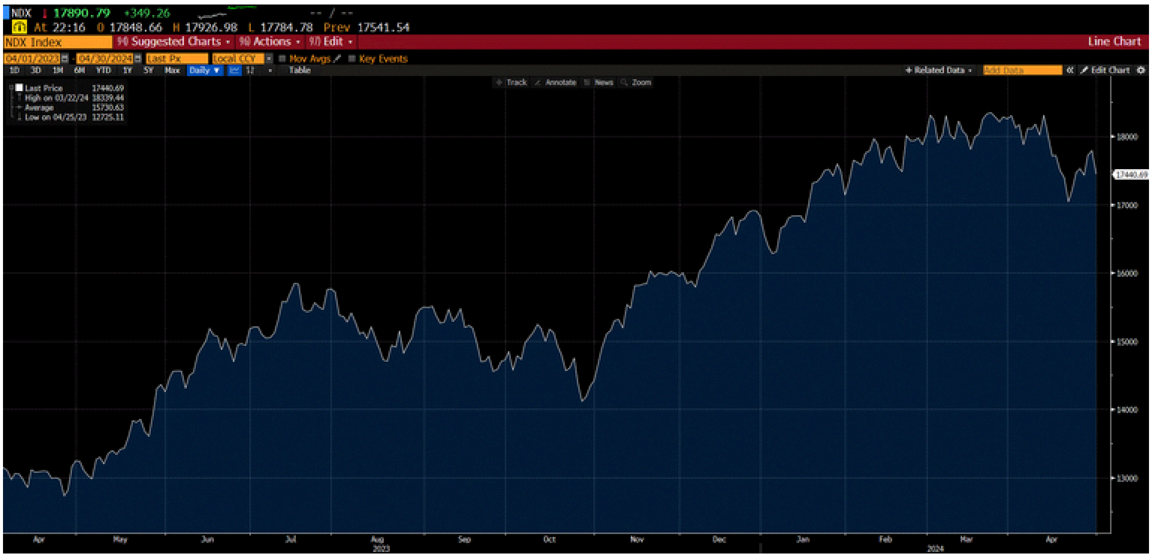
In the first week of the month, there was a strong start for both indices, with the S&P 500 opening at 5115.63 and the Dow Jones at 38,349.46. Despite initial optimism, both indices concluded the week slightly lower, with the S&P 500 at 5076.7 and the Dow Jones at 38,148.85. Nevertheless, this was the best-performing week of the period, highlighting an initial bullish sentiment among investors.

Moving into the second week of the month, challenges arose as hawkish rhetoric from the Federal Reserve sparked fears among investors that interest rate cuts might be delayed. This concern led to a decrease in both indices, with the S&P 500 closing the week 0.93% lower, showcasing the market's sensitivity to monetary policy signals.

In the third week of the month, firmer consumer price growth further stoked fears that monetary easing might occur later than anticipated. The S&P 500 fell by 1.52%, marking this as the most challenging week, characterized by investor anxiety over inflation and its potential to influence Federal Reserve policies.

In the last week of April, there was a reversal of fortunes. Despite a sharp slowdown in economic growth, strong corporate earnings reports came to the rescue, boosting investor confidence. The S&P 500 surged by 2.68%, recovering some of its earlier losses and ending on a positive note due to robust corporate performance, which eased fears over potentially prolonged high interest rates.

DJIA



NASDAQ 100

S&P500

European Market Indices - STOXX600, DAX 30, CAC 40

Monthly Overview

European equity markets experienced a notable shift mirroring the downturn in the US market, fueled by apprehensions surrounding economic instability stemming from conflicts and tensions both in the East and West. This sentiment of uncertainty weighed heavily on the Stoxx Europe 600 index, which recorded losses of 1.49% for the month. In specific market movements, the CAC 40 closed April at €8.073,64, marking a slight drop from €8.216,77 points, reflecting a decrease of 0.01%. Meanwhile, the headline eurozone inflation rate saw a more significant decline than anticipated, registering at 2.4% in March. Core inflation also experienced a downturn, sparking speculation about the European Central Bank potentially cutting rates at its upcoming policy meeting in June, contingent upon continued easing of inflation data. ECB President Christine Lagarde emphasized the bank's commitment to being data-dependent rather than influenced by actions of the Federal Reserve. Turning to corporate performance, both Mercedes and Volkswagen reported declines in profit, leading to respective share price decreases of 5.2% and 4.6%. reported fall in revenue.

Weekly Breakdown

In the first week of the month, European indices showed a mixed but generally positive start, with the STXE 600 opening at 504.9 and the DAX at 18,000. Despite a favorable beginning, the indices concluded the week with slight declines: the STXE 600 closed at 504.4, and the DAX at 17,940. The FTSE 100, however, bucked this trend by closing higher at 8113.8 from an opening of 8005.8, marking it as the strongest performer of the week.

Moving into the second week of the month, investor sentiment was tested as the European Central Bank held its policy rate steady, resulting in a cautious market reaction. This led to a modest decrease in indices, with the STXE 600 closing the week 0.14% lower, reflecting the market's sensitivity to central bank policies and economic forecasts.

In the third week of the month, increased consumer price growth raised concerns over potential delays in monetary easing, which adversely affected market performance. The STXE 600 and the FTSE 100 notably ended the week 1.12% and 1.19% lower, respectively, marking this period as particularly challenging due to rising investor anxiety over inflation and its possible implications on future monetary policy. n the last week of the month, there was a significant turnaround, driven by dovish commentary from the ECB. This shift in tone helped to alleviate some of the earlier concerns, leading to a strong recovery in the markets. The STXE 600 and the FTSE 100 surged by 2.01% and 3.15%, respectively, closing the month on a high note due to improved investor confidence and optimistic corporate earnings, which eased fears of a prolonged high-interest rate environment.

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

CAC 40

STOXX600

DAX 40

United Kingdom Indices - FTSE100

Monthly Overview

Throughout the month of April, the FTSE 100, Britain's premier stock index, exhibited resilience and reached record highs. Amid economic uncertainties and global market fluctuations, the index navigated challenges and emerged stronger by month's end. The FTSE 100 closed the month at 8130 points, eking out gains of over 3.5%.

Weekly Breakdown

The month began with mixed performance, characterized by fluctuating investor sentiment and geopolitical events. Despite initial hurdles, such as Eurozone inflation data and reduced expectations of US rate cuts, the FTSE 100 demonstrated resilience, buoyed by a rally in commodity prices and optimism surrounding central bank actions, ending the week close to the 7,900 mark. As the month progressed, signs of cautious optimism emerged, with the UK economy showing slight growth and investors finding solace in positive economic indicators. Despite concerns over employment and salary growth, the FTSE 100 closed the second week higher, signaling growing confidence among investors.

The third week saw the FTSE 100 experience mixed performance, initially underperforming against its European counterparts with losses pushing the index down to 7,810 on April 16, but it later rallied on news of potential oil supply disruptions and a positive economic outlook from the Bank of England Governor. The unexpected stall in England's retail sales also contributed to the index's upward movement, highlighting its ability to weather unexpected headwinds.

However, it was the final week of April that truly showcased the FTSE 100's resilience and strength. Surging to record highs on April 30, crossing the 8,100 level, the index experienced significant gains, defying global uncertainties and outperforming its European counterparts. Britain's FTSE 100 extended its record rally for the fifth straight session on Monday, helped by positive corporate updates, while a stronger pound boosted mid-cap stocks. Investor sentiment remained positive, supported by strong performances from key sectors and confidence in the UK's economic outlook.In conclusion, April proved to be a month of resilience and record highs for the FTSE 100.


UKX 8213.49 +41.34
On 03-May d O 8172.15 H 8248.73 L 8172.15 Prev 8172.15
UKX Index
Suggested Charts
Actions
Edit
Line Chart
04/01/2023 - 04/30/2024
Last Px
Local CCY
Mov Avgs
Key Events
1D 3D 1M 6M YTD 1Y 5Y Max Daily
Table
Related Data
Edit Chart
Track
Annotate
News
Zoom
Last Price 8144.13
High on 04/29/24 8147.03
Average 7621.25
Low on 07/07/23 7256.94
8200
8144.13
8000
7800
7600
7400
7200
Volume 0.710B
2B
1.5B
1B
0.710B
0
Apr
May
Jun
Jul
Aug
2023
Sep
Oct
Nov
Dec
Jan
Feb
2024
Mar
Apr

FTSE 100

Asian Markets Indices - HKHS, NIKKEI 225

Monthly Overview

In April, the Asian markets experienced a mix of volatility and resilience amid shifting economic and geopolitical landscapes. Starting in Japan, despite the Bank of Japan's dovish stance, the Nikkei 225 continued to decline, dropping 7% from its March highs. Meanwhile, inflationary pressures slightly eased in Japan, with Tokyo's core CPI rising 1.6% year-on-year, partly due to subsidies. In China, over the month, the HIS outperformed its peers, strengthening by 9% from the start of the month, mainly due to positive revisions in China's economic growth projections, with GDP expanding by 5.3% year-on-year in the first quarter. Monetary policy in China remained stable, with unchanged loan prime rates, reflecting cautious sentiment toward further easing amid ongoing economic challenges.

Weekly Breakdown

More specifically, the Nikkei 225 and the Hang Seng Index (HSI) embarked on a rollercoaster journey through the month's trading sessions, reflecting the dynamic nature of global financial markets. The first week set a turbulent tone as the Nikkei experienced a notable 3.4% slump, echoing broader concerns over geopolitical tensions and uncertainties surrounding monetary policy. Conversely, the HSI displayed a semblance of stability, opening the week with a modest gain of 0.18%. Despite its own challenges, including political unrest and regulatory uncertainty, the HSI managed to maintain composure amid the tumultuous start to the month.

As the calendar flipped to the second week, the Nikkei 225 demonstrated resilience by crossing the significant 39,000 mark and recording a gain of 0.91%. Positive economic indicators injected a dose of confidence into investors, contrasting with the cautious stance maintained by the HSI amid lingering geopolitical tensions and global economic uncertainties. While Japan's Index soared, the HSI remained vigilant, navigating through a landscape fraught with uncertainties.

Week three proved to be particularly challenging for both indices as geopolitical tensions escalated, sending shockwaves through the markets and causing an initial decline in values. However, amidst the turmoil, a ray of hope emerged with positive economic news emanating from China. This newfound optimism sparked a modest recovery for both indices toward the end of the week, providing a glimmer of respite amid the prevailing volatility observed in global markets.

In the final week of April, both the Nikkei 225 and Hang Seng Index (HSI) experienced significant surges, buoyed by unchanged loan prime rates in China, leading to notable gains and a positive close to the month. Japan's stock markets, fueled by historic yen weakness, saw considerable gains over the week.

NIKKEI 225

HANG SENG INDEX

References: Bloomberg Terminal

Poll Summary - Poll Date: 22-Mar-2024						
	DOWJONES			S&P500		
Period	Mid-24	End-24	Mid-25	Mid-24	End-24	Mid-25
Mean	39,413	41,670	42,857	4,982	5,058	5,379
High	40,700	46,876	47,402	5,400	6,060	6,750
Low	36,800	38,000	38,500	4,500	4,000	4,722

Poll Summary - Poll Date: 22-Mar-2024						
	STOXX600			CAC40		
Period	Mid-24	End-24	Mid-25	Mid-24	End-24	Mid-25
Mean	480	506	541	7,770	7,977	7,903
High	525	550	575	8000	8400	8,100
Low	390	430	510	7,552	7,500	7,762

Poll Summary - Poll Date: 22-Mar-2024						
	FTSE100			DAX		
Period	Mid-24	End-24	Mid-25	Mid-24	End-24	Mid-25
Mean	7,694	7,917	8,041	17,081	17,701	17525
High	8,060	8,700	8,304	18,000	19,500	19,500
Low	7,300	6,600	7,800	16,300	15,000	17,400

Poll Summary - Poll Date: 22-Mar-2024			
	NIKKEI 225		
Period	MID-24	END-24	MID-25
Mean	36,982	38,757	39,586
High	40,000	43,000	45,000
Low	32,249	31,556	30,928

References: Reuters Terminal, Bloomberg, Thomson Reuters

Silver Lake to take Endeavor private in deal valuing entertainment firm at $13bil.

The month of April started off with Private equity firm Silver Lake, the biggest investor in Endeavor Group Holdings, moving forward with a deal to take the talent and entertainment agency private for $13 billion on Tuesday (2/4). As part of the deal, Endeavor stockholders will receive $27.50 per share in cash, representing a premium of 55% to the closing price of $17.72. Silver Lake is the largest shareholder in Endeavor, owning about 31% of the outstanding shares as of Dec. 31, according to LSEG data. Silver Lake late last year said it was working to take Endeavor private, after the entertainment giant announced that it had begun a review to explore alternatives that better value the company. Endeavor had then said that it was evaluating strategic options, but would not consider a sale or disposition of its majority interest in TKO Group Holdings, a separately traded company whose assets include WWE and Ultimate Fighting Championship.

G42—The Emirati AI Giant That Just Got A $1.5bil. Investment From Microsoft.

Microsoft on Tuesday (16/4) announced it will invest $1.5 billion in leading United Arab Emirates artificial intelligence firm G42, the tech giant's latest high stakes investment in the sector and a sign of growing ties between Washington and Abu Dhabi as the U.S. fights to stay ahead of China in the race to control AI. G42 is a technology holding company and a giant in artificial intelligence, forming a crucial part of the UAE's plans to become a world leader in the field with a variety of companies in areas including biotechnology, surveillance, healthcare and data centers. The firm has strong connections in the region and is chaired by one of the most powerful members of Abu Dhabi's royal family and UAE national security adviser Sheikh Tahnoon bin Zayed Al Nahyan, as well as backed by Emirati sovereign wealth fund Mubadala. Since its founding in 2018, G42 has has partnerships with major firms such as OpenAI, Dell, IBM, Microsoft, Nvidia and Oracle, Cerebras, which is building G42 a super computer, pharma titan AstraZeneca, genetics giant Illumina and Mercedes.

International Paper Agrees to Buy DS Smith for $7.2bil.

U.S.-based International Paper, a leading producer of renewable fiber-based packaging agreed to an all-share deal to buy DS Smith valuing the British packaging firm at £5.8 billion ($7.2 billion) and edging out a bid by Mondi on the (16/4). DS Smith said it had received proposals from both International Paper and Mondi, but the U.S. company was now in a position to make a firm offer. The two suitors had an April 23 deadline to make a firm offer or walk away. DS Smith's shares, which have gained about 46% since Mondi first made its interest known in early February, fell as much as 4%, before paring losses to be down 2% by 10:20 GMT. DS Smith said revenue in the year to date has declined, mainly due to lower volumes and a fall in packaging and paper prices. The acquisition is expected to also initiate the listing of International Paper in the London Stock Exchange.

IBM Is in Advanced Talks to Acquire Software Provider HashiCorp.

International Business Machines Corp, is in advanced talks to acquire software company HashiCorp Inc on (24/4). HashiCorp's software helps companies in a range of industries set up their digital infrastructure in the cloud, which can lower costs and speed up the time it takes them to bring products to market. The company's shares have fallen 10% over the last 12 months through Monday's close (22/4), giving it a market value of almost $5 billion. Shares in Armonk, New York-based IBM have risen 45% over the past 12 months, giving the company a market value of about $167 billion. IBM has announced more than 10 acquisitions in the past year, including its $4.6 billion takeover of software company Apptio and purchase of data-integration platforms StreamSets and WebMethods for €2.13B. Its biggest buy to date remains its $34 billion acquisition of Red Hat 2019.

Abu Dhabi's Lunate buys stake in ADNOC pipeline assets.

On the Wednesday, 3rd of April, Abu Dhabi investor Lunate bought a 40% stake from private equity firms BlackRock, in the entity that leases Abu Dhabi National Oil Company's (ADNOC) oil pipelines. The terms of the deal were not disclosed. The transaction returns the stake to local hands after the two U.S funds bought it for $4 billion in 2019, becoming the first foreign investors to acquire infrastructure assets of a Gulf national oil company. It highlights how Abu Dhabi, home to three wealth funds that collectively manage about $1.4 trillion of assets and positions itself as the "Capital of Capital", is creating a new national champion in the alternative investments sector with Lunate. Alternative investments are in areas such as private equity and infrastructure, rather than traditional financial instruments such as equities and bonds.

Largest IPOs in April 2024					
Date	Company	Ticker	Exchange	IPO Price	Shares Offered
2/4/2024	Zhibao Technology	$ZBAO	Nasdaq	$4.00	1,200,000
5/4/2024	Contineum Therapeutics	$CTNM	Nasdaq	$16.00	110,000,000
10/4/2024	Mobile-health Network Solutions	$MNDR	Nasdaq	$4.00	2,250,000
11/4/2024	PACS Group	$PACS	NYSE	$21.00	21,428,572
12/4/2024	UL Solutions	$ULS	NYSE	$28.00	33,800,000
16/4/2024	Top Wealth Group	$TWG	Nasdaq	$4.00	2,000,000
18/4/2024	Ibbota	$IBTA	NYSE	$88.00	6,560,700
19/4/2024	Tungray Technologies	$TRSG	Nasdaq	$4.00	1,250,000
23/4/2024	Neo-Concept International Group Holdings	$NCI	Nasdaq	$4.00	2,320,000
25/4/2024	Loar Holdings	$LOAR	NYSE	$28.00	11,000,000
25/4/2024	Marex Group	$MRX	Nasdaq	$19.00	2,000,000
25/4/2024	Rubrik	$RBRK	NYSE	$32.00	23,000,000
26/4/2024	Colombier Acquisition Corp. II	$CLBR	NYSE American	$10.00	15,000,000

Largest Mergers & Acquisitions(M&A) Deals in April 2024			
Date	Acquiring Company	Acquired company	Deal Size
2/4/2024	Silver Lake	Endeavor	$13billion
3/4/2024	Lunate	ADNOC Pipelines	NDA
10/4/2024	PPC	Kotsovolos	$200 million
15/4/2024	Apax Partners	Zellis Group	$1.6 billion
16/4/2024	International Paper	DS Smith	$7.2 billion
18/4/2024	Concord	Hipgnosis	$1.4 billion
19/4/2024	Ares	Blackstone	1.1 billion
24/4/2024	IBM	HashiCorp	$6.4 billion
26/4/2024	KKR	Blackstone REIT	$1.6 billion
29/4/2024	UMB Financial	Heartland	$2 billion

References: Reuters Terminal, Bloomberg, Market Screener

AUEB Students' Investment & Finance Club

Greek Market

Macro Overview

April was another month of mixed messages for Greece. Inflation is persistent, growing by 0.1% MoM to 3.2% in March. Unemployment is still above 10% but data indicate a high number of unfilled job postings. This serves to highlight the many frictions that still remain in the Greek labour market, with a big mismatch in the type of labour demanded and supplied. Alongside this worrying data, the Bank of Greece is starting to ring the bell on the danger of the infamous "double deficits", a combination of a trade and budget deficit that had plagued Greece for decades before the Crisis. However, the BoG remains optimistic on the general trajectory of the economy, forecasting growth of 2.3% in 2024 even when many analysts highlight that this is too slow a recovery, especially in comparison with the performance of peer countries in the last decade.

On the fiscal front, Greece continues to exceed expectations. The primary budget surplus of 2023 reached 1.9% of GDP and government revenue in the first few months of the year has again been quite high. This fiscal discipline is reassuring for markets, which continue to buy up Greek Bond issues at reasonable rates. However, the primary surpluses must continue and even grow in size, with a 2.1% goal set for 2024. Yet, one should always remember that the general budget is still in an overall deficit if debt payments are included.

Greek Government Bonds

Greek government bond yields rose slightly in April, following the trend across Europe, with the 10-Year yield starting at 3,23% and closing the month at 3,50%. Standard & Poor maintained its BBB-credit rating for Greece, while the outlook was changed from stable to positive. This was mainly due to the improvement of public finances as well as the ongoing structural reforms implemented by the government. Despite the recent slowdown in GDP growth rate, S&P still expects higher growth than the European average. This reflected on spreads, with the Greek-German 10-year bond spread continuing it's decline, closing at 95bps. Greece continued to borrow cheaper than countries such as Italy and the UK, with spreads at -36bps and -82bps respectably. Another indicator that confirmed the positive momentum for the Greek economy, was the overwhelming demand for the recently issued 30-year bond. With Greece seeking to raise €3 billion, the total offerings reached €33 billion, nearly 11 times the amount.

10-Year Greek Bond Yield

Athens Stock Exchange General Index

Monthly Overview

Despite the unpredictable fluctuations that characterized April's trading sessions, the Athens Stock Exchange (ATHEX) adeptly steered through the turbulent waters of the market, showcasing remarkable resilience. As April came to an end, ATHEX emerged triumphant, posting a robust 2% gain for the month, thus extending its streak of three consecutive months in positive territory.

Weekly Breakdown

Starting the month on a strong note, the General Index witnessed a notable surge of +10%, signaling a robust first quarter for the Greek market. On Monday, April 1, the General Index dipped below the 1,400 points for the first time in a month, primarily driven by the banking sector. The downward trend continued for the rest of the week. By week's end, the General Index had marked a negative movement, dropping to nearly 1,380 units but lessened the intra-session losses and avoided the worst outcomes by closing near the day's high.

Moving on to the second week, the index showed dynamic fluctuations, initially surging by over 2.5% propelled by strong performances from high-capitalization companies and optimistic forecasts. However, challenges toward the end of the week resulted in a marginal increase followed by a notable drop, yet the index managed to maintain proximity to its yearly highs, showcasing its resilience amidst global uncertainties.

The third week saw ATHEX grappling with geopolitical challenges and international uncertainties, leading to a decline in the General Index. Despite positive momentum from European and American shares, concerns over valuations and geopolitical instability persisted, reflecting a cautious sentiment among investors.

Nonetheless, the market managed to halt its downward streak by the end of the week, with selective support aiding the recovery. The final week of April witnessed a significant surge in the Athens Stock Exchange, driven by an upgrade in the Greek bond outlook and news of a higher-than-expected primary surplus. The index reached its highest level in 13 years, marking a cumulative gain of 6.5% over five days. Despite some stocks underperforming, overall market sentiment remained positive, with corporate deals fueling buyer interest. As the month concluded, the market remained above 1,450 points for the third consecutive session, reflecting a calm atmosphere during the Easter period and providing a promising outlook for the Greek market

References: Investing.com, Financial Times, Bloomberg, Reuters, Capital.gr, newmoney.gr

ASE GENERAL INDEX

Strategic agreement of 2 billion euros PPC – Mytilineos abroad.

PPC continues on its spree of deals, this time with Mytilineos, announcing on Thursday (11/4) the largest strategic agreement signed to date between two Greek companies, exclusively for activities abroad. The cooperation framework agreement (CFA) concerns the development and construction of a portfolio of photovoltaic projects up to 2,000 MW in Italy, Bulgaria, Croatia and Romania, and is a milestone for the leading role that Greek companies can play in the wider region. The value of the agreement is estimated at up to 2 billion euros, with an implementation horizon of the next three years.

Guala Closures acquires Astir Vitogiannis from Ideal Holdings.

On the 23rd of April, it got announced that Astir will directly own 74.99% of Coleus Packaging, which produces 6 billion metal caps per year. Astir is based in Avlonas and produces approximately 7 billion metal caps per and is an exporter to more than 70 countries. Stelios Vitogiannis will continue in his role as CEO of Astir, report to the CEO of Guala Closures and become an indirect shareholder of Guala. Guala Closures is a leading player in high value-added closures for spirits and wine, with 33 production facilities, 7 R&D centers, selling its products in more than 100 countries.

PE firm General Atlantic to acquire remaining stake in Epsilon Net.

General Atlantic came to an agreement with the National Bank of Greece and Ginger Digital BidCo, under which the parties will act together to acquire the Epsilon Net stocks not already owned by them. They announced a mandatory tender offer to acquire the remaining 20.1m shares (37.08% stake) at € 12/share amounting to approximately €240 million.

Mytilineos considering dual Listing in Athens and London.

Mytilineos announced it's considering entering the London Stock Exchange in the next 12-18 months. This, along with more insights on the state and future of its business are included in the company's strategic review where the company makes clear its intention to assess and examine opportunities for growth both organically and through other means while hoping to optimize and rationalize its balance sheet and listing structures along with its capital allocation model.

Real Estate Analysis

Residential

The Greece Golden Visa program plays a big part in attracting people to invest in Greek real estate, which is undergoing pivotal changes to its investment requirements. The upcoming increase in the minimum investment threshold from €250,000 to €400,000 reflects the government's strategic approach to bolstering investment diversity and sustainability.

Moreover, the introduction of a dual-zone system for real estate transactions, with Tier 1 (€800,000) designated for high-demand areas and Tier 2 (€400,000) for other regions, aims to foster investment spread across Greece. This move not only broadens the scope of investment opportunities but also aligns with the country's vision for a balanced economic and cultural contribution. The program updates, slated to take effect on August 31, 2024, present a strategic response to the evolving dynamics of the real estate market while reaffirming Greece's status as a prime investment destination.

Regarding Greece's residential real estate as highlighted by RE/MAX Greece's recent research, underscoring its enduring appeal for investors worldwide, the latest updates stand as follows.
In Attica, property prices have seen significant increases, with newly built properties up to 5 years old rising by an average of €10.6/sq.m., and older properties increasing by €13.1/sq.m. Specifically, in central Athens, newly built properties up to 5 years old, reached €3,439/sq.m., while older properties reached €2,299/sq.m.

In Thessaloniki, newly built properties averaged €2,449/sq.m., while older properties reached €1,690/sq.m. In the city center, used properties rose by €11.7/sq.m., reaching €2,528/sq.m., while new properties increased by €9/sq.m., reaching €3,522/sq.m.

Throughout the rest of Greece, both new and used properties saw substantial increases, with average prices per square meter reaching €2,561 and €1,635, respectively, representing increases of €13/sq.m. and €13.5/sq.m. These trends reflect a period of significant growth in the real estate sector, likely spanning from January 2024 to May 2024.

Commerical

BriQ's large office investment on Poseidonos Avenue is underway. The project involves demolishing an existing building at 42 Poseidonos Avenue and Aegeos and constructing a new 5-story "green" office building of high specifications. The property will receive LEED certification. MTARCHITECTS is responsible for architectural design, while construction is undertaken by DIOLKOS. The construction is estimated to be completed by 2025. Regarding its financing, 50% of the investment is funded at a fixed interest rate of 0.35% through the Recovery and Resilience Fund (RRF).

The conversion of Athens Heart into the headquarters of AADE is nearing completion. The new LEED Gold-certified office complex spans about 26,500 sq.m. Mytilineos undertook the project after winning the competition from Premia PROPERTIES. It is estimated that the first building (the former shopping center) will be delivered by the end of May. The new, modern, "green" office complex has been certified LEED Gold. Premia Properties had announced a lease agreement with AADE for the central services housing in its properties. The 12-year contract includes an annual total rent of €4.4 million for office space, including 92 parking spaces. Additional revenue is expected from managing approximately 500 additional parking spaces in the building's underground parking lot.

PPC is making two significant moves in the real estate sector, positioning the company as a strong player in the market. Firstly, it plans the construction of new "green" office buildings with an investment of €100 million. Secondly, it finds temporary accommodation in a new "green" office building in central Athens, which is a historic property of the city.

The iconic project of the radical upgrade of Piraeus Tower is in an advanced stage, with official inaugurations estimated for the summer. JD Sports has already begun commercial operations, while the opening of the pharmacy, gym, and Zara stores is expected soon. Additionally, Dialectica is in the process of installing on six floors of the building, with equipment expected to be completed by late May. Furthermore, a Food and Beverage (F&B) store is planned to open on the 3rd floor, offering a stunning view of the Port of Piraeus.

Efood is expanding into the physical retail network with its own small retail stores, named efood local. The company aims to establish itself in physical market stores, creating a new generation of neighborhood stores and developing an integrated experience for consumers by combining physical and electronic markets. Additionally, it continues to manage the Kiosky's Convenience Stores network, with 51 stores in Athens, Thessaloniki, and regional cities. The primary focus of efood local stores is the neighborhood. The first phase of efood local development includes the creation of two stores within Attica during the second quarter of 2024, with the strategic expansion plan of the network to follow.

Industrial - Logistics

Skroutz is investing in new exclusive-use storage facilities in Aspropyrgos, Attica. According to a press release, the new state-of-the-art storage facilities are strategically located and easily accessible, with storage spaces totaling 11,000 sq.m. and infrastructure capable of accommodating over 30,000 unique product codes. George Hatziioannou, CEO and Co-Founder of Skroutz, stated, "Providing innovative order collection and delivery services with zero errors is a challenge that the Fulfilled by Skroutz service has successfully met throughout its operation. Our vision from the beginning has been the growth of our partners and the perfect shopping experience for consumers. And our new warehouses allow us to invest in both of these goals.

FAMAR, a leading provider of development and manufacturing services for pharmaceutical and cosmetic products (CDMO), and one of the major players in the CDMO sector in Europe, further strengthens its leading position in pharmaceutical product storage and distribution services for third parties (3PL) with new investments in its Distribution Center in Thebes. These new modules will add 6,000 square meters of storage space and create 7,500 pallet positions. One of the three modules, covering an area of 2,000 sq.m., will be dedicated to managing drugs that require refrigeration. Additionally, FAMAR, a pioneer in adopting innovative technologies, leads the smooth transition from the National Organization for Medicines (EOF) mark to drug serialization by 2025.

At the Distribution Center, FAMAR has initiated investments to provide off-line serialization services, leveraging the company's extensive experience. Apostolos Sagiakos, General Manager of FAMAR in Greece, commented on the investments, saying, "The expansion of the Distribution Center in Thebes and the enhancement of our services with modern technological means are critical steps to support the increasing demand and provide safer and more efficient solutions to our customers. With these moves, FAMAR not only ensures dominance in the industry but also develops a sustainable strategy to ensure our long-term success."

Hospitality

The new Mitsis N'U Piraeus Port hotel in Piraeus has been inaugurated. The Minister of Tourism, Mrs. Olga Kefalogianni, and the Mayor of Piraeus, Mr. G. Moralis, highlighted the significance of the Mitsis Group's investment at the Megaron Metaxa and its contribution to tourism development and the promotion of the city. This investment, as emphasized, contributes to sustainability, job creation, and the growth of tourist activity, while also showcasing Greek culture. This investment confirms the era of external orientation and development of Piraeus, which has now become a hub for businesses and investments. This highlights the progress and rejuvenation of the city.

New hotel developments are underway in the Cyclades, with projects planned for Ios, Naxos, Schinoussa, Paros and Sifnos. Moreover, in Sifnos, construction is about to start on a new 4-star hotel, with pre-approval from the Municipality of Milos and investment by C'EST PAS SI SIMPLE LTD. Aria Hotels expands its portfolio with the opening of Skylight Hotel in Syros, centrally located near the island's historic port. Meanwhile, Naoussa, Paros, anticipates a new 4-star hotel project, backed by 88TH IKE and awaiting construction approval from the Municipality of Paros. Lastly, the new 5-star Amyth hotel opened on May 1st in Mykonos which belongs to Thanos Hotels & Resorts.

In Crete, a surge of new hotel investments is reshaping the island's hospitality landscape, catering to the discerning tastes of modern travelers. The new 5-star Intercontinental Resort Crete in Agios Nikolaos will open its doors on June 3rd, following a top-notch collaboration between IHG and hotel real estate companies. Located on the waterfront of Agios Nikolaos, the hotel stands in a prime tourist destination. The partnership with Henderson Park and Hines marks a significant step for IHG, with stakeholders expressing delight over the collaboration and anticipated developments in Crete.

The new luxurious 5-star hotel in Chania is being developed in the Kolymvari area of Platanias, Chania, by MINOA XTE S.A. The project has already been included in the Development Law for funding. According to the decision by the Ministry of Development and Investments, the investment cost amounts to €13.6 million and will be supplemented by €4.6 million through tax exemption.
The Louis Creta Princess hotel (one of the hotels acquired by Blackstone in 2019) is being upgraded to a 5-star establishment with 712 beds. Situated on the Old National Road of Chania - Kissamos, in the Malame Platanias area, the property has already received the relevant preliminary building permit from the competent Building Service of the Municipality of Chania. The investment is undertaken by LEONIDAS HOTEL 5 S.A.

A large 5-star hotel investment has been approved in Rethymno, Crete. The project involves the construction of a new two-story 5-star hotel in the Bali area of the Municipality of Mylopotamos, Rethymno. The relevant building permit has already been issued by the Ministry of Tourism - Special Service for the Promotion and Licensing of Tourist Investments. According to the permit, the investment is undertaken by HOTELLAS S.A.

The Numo Ierapetra Beach Resort Crete, part of the Curio Collection by Hilton, opens this summer in southeastern Crete. It's an exclusive adult-focused seaside retreat with 132 rooms and suites, two pools, a gym, tennis court, and a boutique spa. Guests can enjoy unique amenities like an outdoor cinema with stunning mountain views. This expansion is part of Hilton's broader push in Europe, including ten new resorts opening this summer in Mediterranean destinations.

Laconia welcomes new hotel investments as well. Ble Kedros has received the green light to commence construction on a new 5-star hotel in Monemvasia, as the building permit for the project has just been approved. Ble Kedros is investing approximately €20 million in the construction of the hotel, as well as the construction of 59 tourist residences on the same 17.6-acre plot. The company has already obtained the permit for the hotel and plans to obtain permits for the residences. Additionally, Ble Kedros has formed the subsidiary company XIFIAS REAL ESTATE S.A., which is exclusively involved in the exploitation of the seaside property in Monemvasia. The project design is undertaken by the renowned architectural firm ASPA-KST.

Thanos Hotels and Resorts emerges as a powerhouse in Greece's luxury hospitality scene, making a bold statement with its entry. unveiling ambitious plans to open 10 new hotels across the country. The leading Cypriot group, Thanos Hotels and Resorts, is making a dynamic entry into the Greek luxury hospitality market with a three-year investment plan aimed at opening 10 new hotels. In May 2024, a new Amyth hotel is set to open in the popular Super Paradise area, offering 50 rooms, suites, and villas in a fully renovated complex. Moreover, the Group will provide hotel management services in the Greek market through partnerships with asset owners and existing hoteliers. The company's investment plan for the Greek ultra-luxury market includes three main pillars: expanding Amyth Hotels to various locations in Greece, creating a Greek "Anassa," and providing hotel management and consulting services through Thanos Hotel Management. In this way, the group aims to enhance the hospitality landscape in Greece by introducing new propositions and standards in the industry.

Lastly, as the Dodecanese Islands captivate with their scenic beauty, new hotel investments promise enhanced stays. With a focus on modern amenities and authentic experiences, these ventures elevate hospitality in this Aegean paradise. DER Touristik has received approval for its new 5-star hotel investment in Kos. The project involves the construction of a 5-star hotel by DER Touristik's arm in Greece. The relevant building permit has already been issued by the competent Building Service of the Municipality of Kos and according to the permit, the investment entity is DER TOURISTIK HOTELS & INVESTMENTS GREECE S.A.

References: Naftemporiki, Bigness.gr, ered.gr, capital.gr

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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!"