APRIL 2025

Investment Strategy Focus

Trump surprises again on tariff hikes

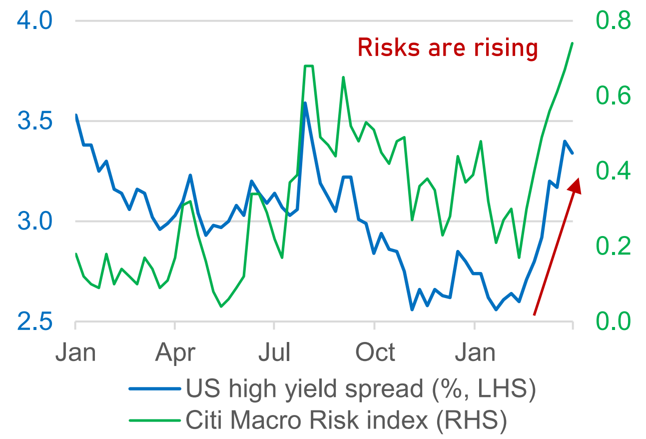
Summary

1. **Massive US tariff hike: this** represents one of the biggest tariff increases in the history of the US. It will probably take the effective tariff rate from around 2.5% pre-Trump 2.0 to 22% currently. This is highest level since 1910. The announced tariffs are significantly larger than either we or the market had anticipated.
2. **Greater risk of a stagflation scenario** for the US economy. The upcoming Q1 earnings season as well as business and consumer surveys will be important to monitor in view of the risks for employment and investments. This suggest a more cautious approach to asset allocation in the coming months.
3. **Elevated uncertainty supports US Treasury bond demand:** the trend towards lower yields in the US is likely to persist. Investors will seek refuge in safe-haven assets. We are tactically turning Positive on US Treasuries and have revised our 3-month target for the US 10-year yield to 4%.
4. **More caution on stocks warranted:** the result of yesterday's tariff announcement is clearly negative for growth on a global basis and even carries the risk of stagflation for the US economy. We downgrade our Equities view from Overweight to Neutral.
5. **Pressure on US corporate earnings:** the effects from the tariff announcements should have negative impacts on consumption while driving up companies' input costs, pressuring profit margins. We downgrade our view on the US equity market from Neutral to Underweight.

Contents

Macro, Market Views	2
The impact of new tariff measures	3
Q1 2025 financial markets review	5
Risk review: what to watch for	6
A US and global regime change	7
Arguments for a global rebalancing	8
Our main recommendations	9
Economic, FX tables, Team	10
Disclaimer	11

FINANCIAL MARKET RISKS ARE RISING ON TARIFFS



Source: BNP Paribas, Bloomberg

Edmund Shing, PhD

Global CIO

BNP Paribas Wealth Management

Macro, Market Views

Macro		– Rising policy uncertainty and tariff concerns are starting to weigh on US domestic investment and consumption. – In the eurozone, consumer confidence remains on an upward trend as the ECB continues to reduce benchmark interest rates. The announced German stimulus plan should boost long-term potential growth. Chinese stimulus could bring positive surprises.
Rates	+	– Positive on core eurozone government bonds and on UK gilts – Following the 2 April announcement of further US tariffs, we upgrade US Treasuries to Positive. We initiate a 3-month target on 10Y US Treasury yields at 4.0% – US, Euro central banks to cut benchmark rates to 4%, 2% by end-2025 – We see both the US 2-year and 10-year yields at 4.25% in 12 months. Our 12-month target on the German 10-year bund yield is 2.5%.
Credit	+	– We stay Positive given the strong technicals, high carry and low volatility. We prefer maturities of up to 10 years in the eurozone and maturities of up to 5 years in the US. – We continue to like EUR IG corporate bonds, and we stay Positive on UK IG corporates (offering a 5.5% average yield).
Equities	=	– Following the 2 April US tariff announcement, we downgrade Equities to Neutral – Favour UK, Japan, China. We downgrade the US to Negative. – Positive on Health Care, Industrials and and European Financials. – Negative on US IT and Consumer Discretionary. – We downgrade US Materials & Financials from Positive to Neutral. – EU utilities go from Neutral to Positive; EU travel and leisure from Neutral to Negative. – We cut back our preference for US SMIDs
Real Estate	=	– Lagged impact from higher interest rates to fade after stability in commercial real estate returns in Q2/Q3 2024. We see European real estate prices slowly stabilising, with rental yields now more attractive. – Industrial/logistics exposure preferred for healthy yields, higher expected rental growth on robust underlying demand growth.
Commod-ities	+/-	– Gold: Positive view as EM central banks continue strategic purchases and Asian households remain buyers. Gold 12m target is USD 3200/ounce. – Negative stance on Oil, price range for Brent crude oil of USD 60-70 on weaker global oil demand, potentially higher non-OPEC oil & gas supply and an expected reduction of OPEC+ production quota cuts in 2025. – We downgrade industrial metals from positive to neutral, in view of the expected global growth slowdown due to the trade war.
Alternative UCITS/ Private Assets	=	– We favour relative value equity, credit, convertible arbitrage and event-driven funds for their robust risk-adjusted returns at low volatility. – Private equity buyout funds are a preferred private asset subclass, given robust long-term returns and an abundance of public market opportunities
FX		– USD/JPY targets JPY 150 for both 3- and 12-month horizons. – US dollar strength has reversed dramatically on the back of a weaker US growth outlook, and expectations of more Fed rate cuts this year. Our 12-month target changed to 1.05 (value of one EUR).

The impact of new tariff measures

Guy Ertz

The new tariff measures

Our previous scenario incorporated higher US tariffs on Canada, Mexico and the EU (+12.5pp declining over time) as well as a permanent 30pp increase in the effective tariff rate on China (comprised of the 20pp already in place, and 10pp to come later this year). In addition, we expected a 4.5pp increase in the weighted average effective tariff rate on the rest of the world. This rather optimistic scenario was also reflected in asset prices as there was little risk premium observed.

Donald Trump's announcement on April 2 brought major changes. It represents one of the biggest tariff increases in the history of the US. **It will probably take the effective tariff rate from around 2.5% prior to the Trump presidency to 22% currently.** This is highest level since around 1910. The announced tariffs are significantly larger than either we or the market had anticipated.

The economic impact of tariffs, retaliation and tariffs uncertainty

Higher tariffs impact economic growth and inflation via multiple channels:

1. Higher prices of imported goods sold in the US leading to higher producer price and consumer price inflation.
2. Falling purchasing power reducing consumer spending.
3. In the event of retaliation, higher tariffs on US exports would hurt US economic activity.
4. Sustained uncertainty regarding tariffs (time frame and possible new changes) weigh on both consumer and business sentiment.

We now see a greater risk of a stagflation scenario (low growth and high inflation) for the US economy. The upcoming Q1 earnings season as well as business and consumer surveys will be important to monitor in view of the risks for employment and investments. There is even room for tariffs to move higher in an environment in which other countries decide to retaliate. This suggests that uncertainty related to tariff policies should remain very high for the foreseeable future.

Changes to our investment strategy

The many uncertainties and recent announcements suggest a more cautious approach to asset allocation in the coming months. Our key assumption that tariffs would be used mainly as a negotiation tool is now much less likely to hold. The Trump administration seems determined to keep tariffs high for a long period and to see them as a recurrent source of government income and a means to force the repatriation of supply chains. We believe this will have a negative impact on global growth for at least the next few months. The tariff announcements are also having a negative impact on US inflation. We had initially expected a peak later this year, but that now looks much less likely.

The impact of new tariff measures (2)

We expect economic growth in the euro area to follow a J-shaped pattern. Indeed, the negative effects of higher tariffs and remaining uncertainties will not be offset by the positive effects of the large infrastructure and defence spending programmes recently announced.

Things are therefore likely to get worse before they get better, both in terms of sentiment and economic growth. The net effect of higher tariffs on euro area inflation expectations is likely to be negative, at least in the coming months. We have already considered a moderate acceleration in inflation over the next few years as a result of the economic stimulus. The negative impact of higher tariffs would more than offset this effect, at least in the coming months (we do not expect any major retaliation from Europe).

Rates, bonds and the US dollar: We do not change our outlook for the Fed and still expect two rate cuts, with a terminal rate at 4%. Inflation pressures will rise but should be temporary. The risks related to a stronger-than-expected fall in economic growth should convince the US central bank to continue cutting rates despite inflation remaining above 2%.

The ECB is still expected to cut rates twice, bringing the deposit rate down to 2%. In the short term, uncertainty remains elevated, and the trend towards lower yields in the US is likely to persist. Investors will seek refuge in safe-haven assets.

Against this backdrop, **we are tactically turning Positive on US Treasuries and have revised our 3-month target for the US 10-year yield to 4%.**

We see no reason to change our outlook for 10-year government bond yields. Our 12-month forecast remains 4.25% in the US and 2.50% in Germany. We keep our Positive stance on euro core government bonds and eurozone high-grade corporate bonds.

We see two reasons to expect the USD dollar to rebound after the recent weakness: i) Higher US inflation due to increased tariffs will probably lead to fewer rate cut expectations in the US while expectations of a J-curve pattern for the eurozone could lead to expectations of more rate cuts and ii) sustained uncertainty and risk aversion has historically been supportive for the USD. We expect the EUR/USD to fall back to 1.05 and hover around this level on a 12-month horizon.

Equities: As already mentioned, the result of yesterday's tariff announcement is clearly negative for growth in a global basis and even carry the risk of stagflation for the US economy.

As a result, **we revise our long held Positive stance on equites and downgrade our overall view from Overweight to Neutral**.

Furthermore, **we downgrade our view on the US equity market from Neutral to Underweight**. The effects from the tariff announcements should have negative impacts on consumption while driving up companies' input costs. Thus, profits may face pressure from two sides that does not appear to be reflected in analysts' estimates.

The still high level on concentration in US mega-cap names is another reason for concern. Valuations are still well above historic turning points and companies could face regulatory pressures in the US while being an obvious target for European retaliatory measures. We stick to our preference for the equal-weighted S&P in the US. Outside the US, we keep our regional preferences but would advise reviewing high exposure to global trade and US tariff sensitivity.

The longer trade uncertainties persist, and these high levels of tariff are kept in place, the more negative the overall consequences will be. We need to monitor closely the recession probabilities, and our favourite indicators are initial jobless claims on the macro side and US high yield spreads (via credit default swaps) on the market side. In case of major changes, another review of the overall equity allocation could seem appropriate.

Q1 2025 Financial markets review

Stock markets: revenge of World ex-US

The rotation from US stocks to world ex-US exposure continued in March, with eurozone stocks registering a +10% return for the quarter while the S&P 500 was posted a 3% loss on the quarter by its mega-cap tech exposure (Magnificent 7 stocks -12% in Q1). The S&P 500 equal-weight index fared better due to its lack of tech bias, flat on Q1 overall.

Eurozone banks continue to lead the charge higher with a 30% Q1 return, while European insurers also impressed with +17%. Poland had the best performance amongst European countries, +31% in euro terms over the quarter as hopes grew for a potential Ukraine ceasefire.

The China tech trade continues apace, with the Hang Seng Technology index (+25% in Q1) driving a 20% quarterly gain for the Hong Kong China Enterprises index. Overall, the MSCI Emerging Markets index managed a 6% gain in US dollars from start-2025.

Lacklustre bonds post German yield reset

The fallout from the German stimulus plan announcement and ratification in parliament has weighed on eurozone sovereign and corporate bonds in March, with the 10-year benchmark German bund yield leaping 0.3% to 2.7%. Overall, Euro corporate bonds are flat for the year, while sovereigns have returned -1% for the year to date. Only Euro high yield credit (+1%) and emerging market sovereign bonds (+2% in US dollars) have eked out positive returns for 2025 so far.

Gold, silver and copper march ever higher

The standout performers across asset classes in Q1 2025 have undoubtedly been gold, silver and copper. Gold and silver have continued their longstanding bull run, with gold making a new all-time high (USD 3073/ounce as at 28 March) and driving a Q1 17% dollar return for gold and a 21% return for silver.

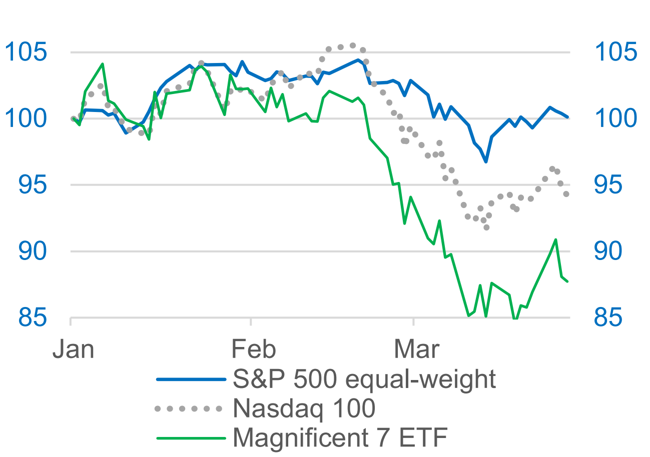
US-listed copper (on COMEX) has been even more impressive at +27% over the quarter, driven by US stockpiling over potential new tariffs on copper imports that has driven the US copper price to a near-15% premium over its London equivalent.

Diversified commodity funds have also performed well as a result – the BNP Paribas Energy & Metals Enhanced Roll index has delivered a near-10% Q1 return in euros, even accounting for the drag from a weaker dollar.

Steady improvement in commercial real estate

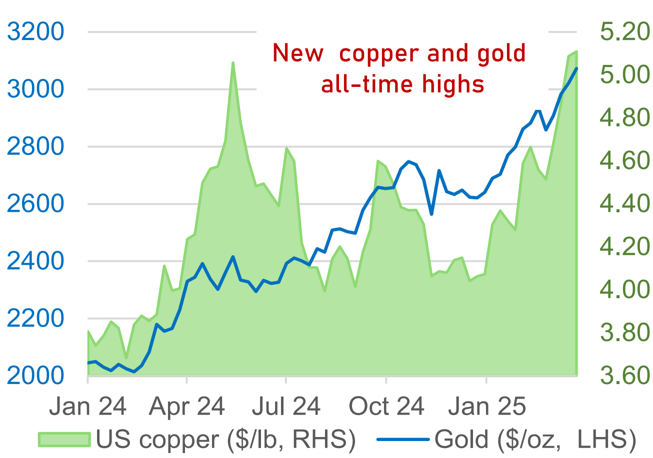
The commercial real estate market continues to follow a slow and steady recovery from the valuation reset triggered by the 2022-23 surge in long-term interest rates. According to the European real estate fund association INREV, European unlisted property funds registered a +3% total return in calendar 2024 with a 1.2% return over Q4 2024 alone, boosted by a stabilisation of net asset values and rising rental yields. Residential-focused funds performed best, with a +2.3% Q4 return.

S&P 500 EQUAL-WEIGHT FLAT IN Q1, CORRECTION CONCENTRATED IN MAG 7



Source: BNP Paribas Markets 360

NO STOPPING GOLD AND COPPER FOR NOW



Source: BNP Paribas, Bloomberg

Risk review: what to watch for

US high yield spread flags rising risk

One of our favourite financial market risk indicators, the US high yield credit spread, has widened by over 0.8% to 3.4% since mid-February. There are two ways to look at this spread widening.

The half-empty glass interpretation would highlight that this spread is now at its highest since mid-2024, underlining greater financial risk. This tallies with the US Economic Policy Uncertainty index, which has risen to its highest level since 2020.

But not so high compared to history

The half-full glass interpretation would argue that even at 3.4%, the spread remains very low by historical standards when comparing today's level to the last 25 years, when the credit spread has averaged over 5%. During periods of real economic stress, such as in mid-2022, the US high yield credit spread has frequently exceeded 5%. By these standards, the current spread is not at all extreme, but rather still well below long-term average.

Other measures of financial stress, such as the Citi Macro Risk index, have also risen since February but remain well below levels that we would consider alarming.

When we look at our composite risk radar of 9 different financial market and economic indicators, we do not see a worrying combination of warning signals at this point. We will watch these closely going forwards, but we do not yet flag the need to reduce exposure to risk assets such as stocks and corporate bonds.

US consumer sentiment is concerning...

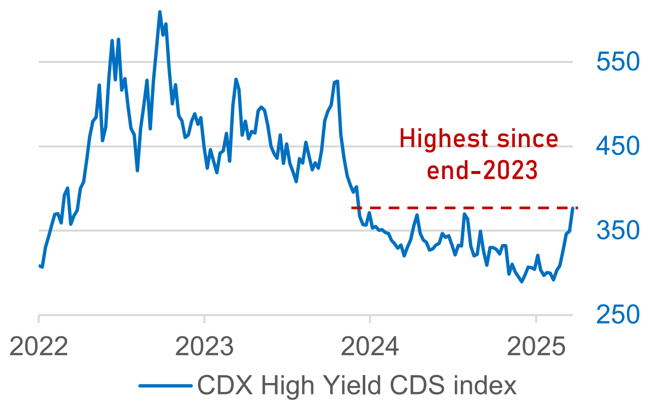
The March reading for the University of Michigan's consumer sentiment survey was worrying, with an aggregate reading as low as the one seen during the 2008 financial crisis and immediately after the 2022 outbreak of war in Ukraine. This reflects a pessimistic outlook from the bulk of US households, who are worried that the avalanche of tariffs will drive prices higher and erode domestic purchasing power.

...but not confirmed by other US economic measures

In contrast, composite measures of US economic momentum such as the Citi US Economic Surprise index are nowhere near recession territory but rather indicate at worst a modest slowdown in US GDP growth to somewhere in the 1%-2% range. The latest US composite PMI (combining readings for both manufacturing and services) calculated by S&P Global, sits in healthy expansion territory at 53.5, well above the 50 break-even level.

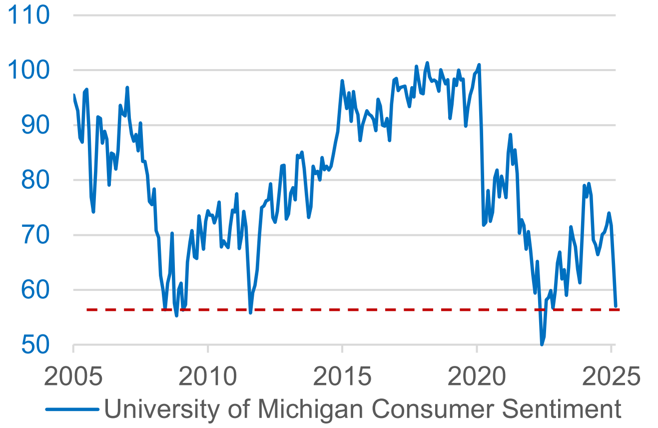
Most importantly, it is important to distinguish between "soft" data from surveys and "hard" economic data which measure actual economic activity such as retail sales. If in doubt, one should always lean towards the hard data over survey readings. In this case, March US retail sales ex-gasoline continue to grow at a healthy +3.1% year-on-year pace, not signalling any worrying slowdown in domestic consumption. Clearly, should consumer sentiment remain this depressed for a continued period, then it may well translate into slowing economic activity. But this is not yet the case.

HIGH YIELD SPREAD INDICATES RISING FINANCIAL STRESS



Source: BNP Paribas, Bloomberg

US CONSUMER SENTIMENT HIT HARD BY TARIFF UNCERTAINTY



Source: BNP Paribas, Bloomberg

A US and global regime change?

Take Trump at his word

Investors, particularly those in Europe, should heed what Trump supporters say when asked why they like the president:

"He tells it like it is and says what he means".

Uncomfortable as this might be for a global investor, this is perhaps an appropriate mantra to remember when trying to decode the president's latest moves on the geopolitical front.

So, when Trump talks about taking control of Greenland and the Panama Canal, and annexing Canada, he likely means what he says. Of course, this doesn't mean that he will get what he wants. But I believe that investors should take President Trump at his word, rather than trying to find some deeper reasons behind his daily pronouncements.

Why Trump is so focused on tariffs

The blunt truth is that as of 2023, the US maintained a lower level of global import tariffs than virtually any other G20 country. In addition, US manufacturing employment has declined since 2001 (when China joined the World Trade Organisation) from 17.3 million to 12.8 million today, while total US industrial production has not grown since 2014.

With the US current account deficit (value of goods & services imported minus those exported) growing from zero in 1991 to 4.2% of GDP as of Q3 2024, President Trump feels that other exporting nations, such as China have "taken advantage" of US demand in recent years. He thus wishes to redress this trade balance, using tariffs as his main weapon of choice.

Potentially undermining American exceptionalism

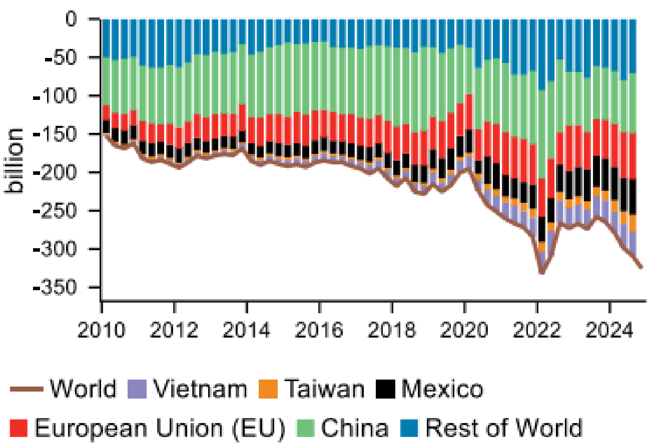
If we examine the fundamental reasons for American exceptionalism, we can point to several important facts:

1. The US is the largest economy in the world, with dominant industries in technology/internet, consumer-related, health care and energy.
2. It possesses the world's *de facto* reserve currency in the form of the US dollar, which gives it the benefit of a lower interest rate on Treasury debt as central banks hold the majority of their foreign currency reserves in US dollars.
3. It has unparalleled "hard power" through its military might, far outspending any other country. At nearly USD 1 trillion in defence spending, the US spent 6.6 times more than Russia and 3 times more than China on defence in 2024.
4. It also has dominant "soft power" through its global consumer and technology brands, cultural exports (films, music) and overseas aid.

To be clear, Donald Trump will not undo all of these unparalleled advantages for the US overnight. But we should ask ourselves whether the US has peaked in terms of the US exceptionalism narrative that has powered the US stock market and the dollar to strong performance in recent years, culminating in stretched valuations.

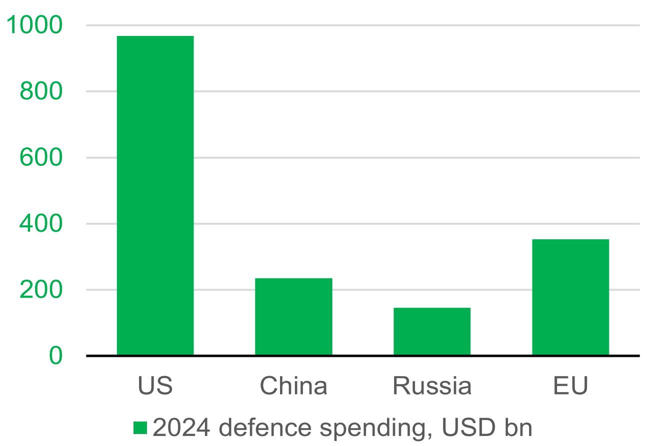
In terms of the military contribution to NATO, Trump has already been clear in obliging European NATO members to step up their defence spending to exceed 2% of GDP, undermining the US's hard power.

WIDENING US TRADE DEFICIT



Source: BNP Paribas Markets 360

US = ROUGHLY 37% OF WORLD DEFENCE SPENDING IN 2024



Source: BNP Paribas, Wikipedia

Arguments for a global rebalancing

Trump wants lower interest rates, a lower dollar

Both President Trump and Treasury Secretary Scott Bessent have underlined their desire for lower interest rates, to reduce the cost of financing the ever-expanding US federal debt burden and to reduce the cost of borrowing for the private sector, thus incentivising investment and growth.

They have already enjoyed some early success in this endeavour, with the benchmark 10-year US Treasury bond yield falling from 4.8% in mid-January to 4.0% currently. However, to encourage a further fall in financing costs, the Federal Reserve would need to reduce the Fed Funds rate from the present 4.25-4.50% range. In our view, this is likely to happen with 2 cuts expected in H2 2025 against a backdrop of softening economic growth.

President Trump has also highlighted his preference for a lower US dollar, which would help in rebalancing US trade and encouraging the relocalisation of manufacturing to the US – one of Trump's key goals. Since mid-2011, the Broad US Dollar index has appreciated by 39%, presenting an increasing headwind for US exports and cheapening goods imports from low-cost trade partners such as China, Vietnam and Mexico.

The end-February value of the Federal Reserve's Trade-weighted Real Broad Dollar index sits 20% above its 25-year average. The only time this broad dollar index has ever been higher than today was back in 1985, just before the Plaza Accord was signed in a bid to depreciate the US dollar (which it did eventually by 33% to 1992) against other major currencies.

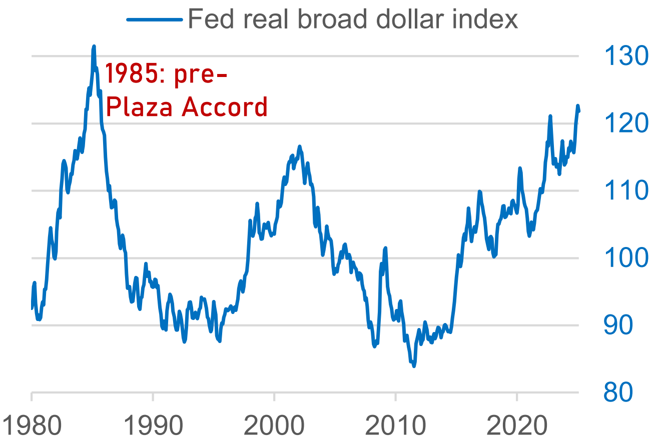
Investment flows have supported a stronger dollar

Aside from the usual fundamental arguments looking at inflation, growth or interest rate differentials between the US and the eurozone in determining the direction of the EUR/USD exchange rate, we should also consider the substantial influence of investment flows from Europe to the US.

Since the beginning of 2021, USD 1.3 trillion in gross capital has flown from European investors to be channelled into US stocks according to Bloomberg (they now hold over USD 8 trillion in US stocks in total), particularly in mega-cap tech stocks. This involves huge constant selling of euros to purchase US dollars, strengthening the greenback at the expense of the euro. While the Magnificent 7 continued to power outperformance of the US stock market versus the rest of the world, this momentum encouraged even more capital flows out of Europe and into the US, thus strengthening the US dollar versus the euro.

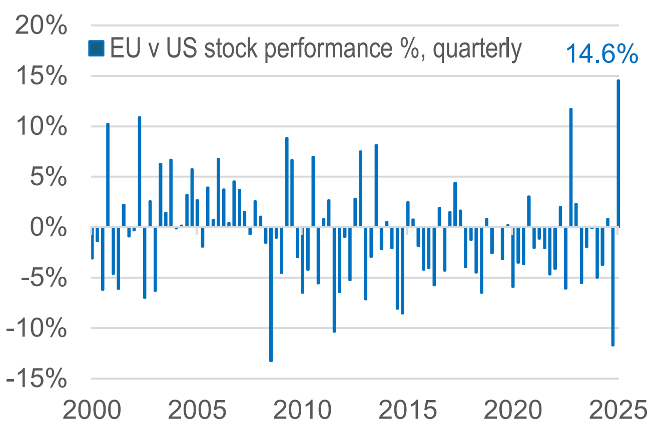
This reflexive momentum can continue until the mega-cap tech stocks stop outperforming, which may already have happened. Over 2025 to date, the Nasdaq 100 has lost 17% and the Magnificent Seven 24% in euro terms, while in contrast, the MSCI World ex-US has gained 2% over the same period, led by a 9% return from the Euro STOXX 50 index. Given the huge buying of US stocks by European institutional investors over the last 4 years, any reversal of this trend can only have begun and could still have a long way to run. Investment bank UBS recently warned that "fading US exceptionalism" could put USD 14 trillion of unhedged US assets held by non-US investors at risk.

FED REAL BROAD DOLLAR INDEX AT HIGHEST SINCE 1985



Source: BNP Paribas, Bloomberg

Q1 25: EUROPEAN STOCKS OUTPERFORM US BY MOST IN 25 YEARS



Source: BNP Paribas, Bloomberg

Summary of our main recommendations, by asset class

	Current Recom	Prior Recom	Segments	We like	We avoid	Comments
EQUITIES	=	+	Markets	UK, Japan, China, Singapore and Indonesia	US	The 2 April US tariff hikes raise the risk of a US recession or stagflation. Geopolitical uncertainty is mounting sharply, arguing for near-term prudence. We downgrade our Equities recommendation to Neutral, awaiting more positive signals on tariffs and liquidity. We also downgrade US stock exposure to Negative.
			Sectors	Global Health Care, Industrials, Materials, EU Financials	EU Oil & Gas, Consumer Staples, US IT, US Consumer Discretionary	**Banks and financial services** should benefit from improving loan demand, elevated Net Interest Margins & loan loss provisioning. **Health Care** has benefited from a strong earnings season and promising drug pipelines.
			Styles/ Themes	Quality, Megatrend themes		Circular Economy, Electrification, Security, Deep Value themes
BONDS	+	=	Govies	Favour above-benchmark euro duration, US Treasuries up to 10 years		Positive on core eurozone, UK government bonds, U Treasury maturities up to 10Y. 12-month US 10Y yield target 4.25%, German 10Y bund yield 2.5%.
	+	+	Credit	Euro IG credit, UK IG		We favour investment grade Credit, focusing on EU credit (especially financials) on the back of decade-high yields and strong balance sheets. We turn Positive on UK IG corporate bonds.
	=	=	EM bonds	USD and local currency		Neutral on EM bonds given risks ahead (trade barriers, stronger USD, high-for-longer US yields and tight valuations. The fundamentals remain however in place.
CASH	-	-				2 cuts to take Fed Funds rate to 4% by late 2025, 2% for the ECB deposit rate.
COMMO-DITIES	+/=/-	+/+/-		Gold (+) Industrial metals (=) Oil (-)		<u>Oil (-)</u> Weaker global oil demand and the prospect of a steady reduction in OPEC+ production cuts force Brent prices into the USD 60-70 range. <u>Base metals (=)</u> The outlook for the manufacturing sector is eroded by tariff hikes. <u>Gold (+)</u> we remain Positive in the medium term for geopolitical reasons, 12-month range = USD 3200.
FOREX			EUR/USD			Our EUR/USD 12m target is USD 1.05.
REAL ESTATE	=	=		Health Care, logistics/ warehouses		Lower interest rates and a slow improvement in net asset values should support unlisted real estate.
ALTERNATIVE UCITS				Long/Short Equity, Credit and Relative Value, Convertible Arbitrage		Relative value alternative UCITS funds have beaten bond/credit indices since the start of 2023, offering lower risk returns, at low volatility.
INFRA STRUCTURE	+	+		Energy, transportation, water		Excellent long-term returns expected from private and listed infrastructure given long-term underinvestment.

Economic, FX forecast tables

BNP Paribas Forecasts			
GDP Growth %	2024	2025	2026
United States	2.8	1.8	1.3
Japan	0.1	1.0	0.2
Eurozone	**0.7**	**1.3**	**1.5**
Germany	-0.2	0.6	1.3
France	1.1	0.8	1.2
Italy	0.5	0.9	1.4
Emerging			
China	5.0	4.5	4.3
India*	8.2	6.2	6.7
Brazil	3.2	2.1	1.0

* Fiscal year

Source : BNP Paribas - 02/04/2025

BNP Paribas Forecasts			
CPI Inflation %	2024	2025	2026
United States	2.9	3.3	3.4
Japan	2.7	3.2	2.1
Eurozone	**2.4**	**2.2**	**2.0**
Germany	2.5	2.4	2.1
France	2.3	1.0	1.2
Italy	1.1	1.9	1.8
Emerging			
China	0.2	0.8	1.0
India*	5.4	4.8	4.2
Brazil	4.4	5.3	4.8

* Fiscal year

Source : BNP Paribas - 02/04/2025

	Country	Spot 03/04/2025		Target 3 months	Target 12 months
Against euro	United States	EUR / USD	1.11	1.05	1.05
	United Kingdom	EUR / GBP	0.84	0.83	0.83
	Switzerland	EUR / CHF	0.95	0.94	0.94
	Japan	EUR / JPY	161.70	158	158
	Sweden	EUR / SEK	10.78	11.00	11.20
	Norway	EUR / NOK	11.43	11.60	11.30
Against dollar	Japan	USD / JPY	145.44	150	150
	Canada	USD / CAD	1.40	1.45	1.40
	Australia	AUD / USD	0.64	0.66	0.64
	New Zealand	NZD / USD	0.58	0.60	0.60
	Brazil	USD / BRL	5.60	5.80	6.00
	India	USD / INR	85.45	88.0	88.0
	China	USD / CNY	7.30	7.30	7.30

Source: : BNP Paribas, Refinitiv Datastream. As at 3 April 2025

THE INVESTMENT STRATEGY TEAM

FRANCE

Edmund SHING
Global Chief Investment Officer

Isabelle ENOS
Senior Investment Advisor

Charles GIROT
Senior Investment Advisor

ITALY

Luca IANDIMARINO
Chief Investment Advisor

BELGIUM

Philippe GIJSELS
Chief Investment Advisor

Alain GERARD
Senior Investment Advisor, Equities

Patrick CASSELMAN
Senior Investment Strategist, Commodities

GERMANY

Stephan KEMPER
Chief Investment Strategist

LUXEMBOURG

Guy ERTZ
Deputy Chief Investment Officer

Edouard DESBONNETS
Senior Investment Advisor, Fixed Income

ASIA

Prashant BHAYANI
Chief Investment Officer, Asia

Grace TAM
Chief Investment Strategist

CONNECT WITH US

wealthmanagement.bnpparibas

DISCLAIMER

This marketing document is communicated by the Wealth Management Métier of BNP Paribas, a French Société Anonyme, Head Office 16 boulevard des Italiens, 75009 Paris, France, registered under number 662 042 449 RCS Paris, registered in France as a bank with the French Autorité de Contrôle Prudentiel et de résolution (ACPR) and regulated by the French Autorité des Marchés Financiers (AMF). As marketing material, it has not been prepared in accordance with legal and regulatory requirements aimed at ensuring the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination. It has not been submitted to the AMF or any other market authority.

This document is confidential and intended solely for the use of BNP Paribas SA, BNP Paribas Wealth Management SA or their affiliates ("BNP Paribas") and the persons to whom this document has been delivered. It may not be distributed, published, reproduced or disclosed by any recipient to any other person, nor may it be quoted or referred to in any document, without the prior consent of BNP Paribas.

This document is provided solely for information and shall not constitute an offer or solicitation in any state or jurisdiction in which such an offer or solicitation is not authorized, or to any person to whom it is unlawful to make such offer, solicitation or sale. It is not, and under no circumstances is it to be construed as, a prospectus.

Although the information provided herein may have been obtained from published or unpublished sources considered to be reliable and while all reasonable care has been taken in the preparation of this document, BNP Paribas does not make any representation or warranty, express or implied, as to its accuracy or completeness and does not accept responsibility for any inaccuracy, error or omission. BNP Paribas gives no warranty, guarantee or representation as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of any product or transaction. Investors should not place undue reliance on any theoretical historical information regarding such theoretical historical performance. This document may contain or refer to past performance; past performance is no guarantee for future performance.

The information contained in this document has been drafted without prior knowledge of your personal circumstances, including your financial position, risk profile and investment objectives.

Prior to entering into a transaction each investor should fully understand the financial risks, including any market risk associated with the issuer, the merits and the suitability of investing in any product and consult with his or her own legal, tax, financial and accounting advisors before making his or her investment. Investors should be in a position to fully understand the features of the transaction and, in the absence of any provision to the contrary, be financially able to bear a loss of their investment and willing to accept such risk. Investors should always keep in mind that the value of investments and any income from them may go down as well as up and that past performance should not be seen as an indication of future performance. Any investment in a product described herein is subject to the prior reading and understanding of the legal documentation concerning the product, and in particular the one which describes in details the rights and obligations of investors as well as the risks inherent to an investment in the product. Save as otherwise expressly agreed in writing, BNP Paribas is not acting as financial adviser or fiduciary of the investor in any transaction. The information, opinions and projections expressed herein reflect the opinion of their author at the time of writing; they are not to be relied upon as authoritative or taken in substitution for the exercise of judgment by anyone, and are subject to change without notice. Neither BNP Paribas nor any BNP Paribas Group entity accepts any liability whatsoever for any consequences that may arise from the use of information, opinions or projections contained herein.

As distributor of the products described herein, BNP Paribas may receive distribution fees on which you can obtain more information upon specific request. BNP Paribas, their employees or administrators may hold positions in these products or have dealings with their issuers.

By accepting this document, you agree to be bound by the foregoing limitations.

BNP PARIBAS
WEALTH MANAGEMENT

The bank
for a changing
world