



Summary

France

A slow but unobstructed recovery

According to our estimates, French growth will barely accelerate this year and next, with average annual GDP growth of 1.2% in 2016 (the same as in 2015), followed by 1.3% in 2017. There are numerous supportive factors to boost domestic demand, but they will run up against the deterioration of the external environment.

► Page 2

Netherlands

Getting its house in order

In 2016, the Dutch economy will still benefit from low energy prices and interest rates, and a weak euro, although to a lesser extent than in 2015. Slower export growth will be offset by a substantial tax reduction. On balance, GDP growth should remain at around 1.8%.

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Market overview

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Summary of forecasts

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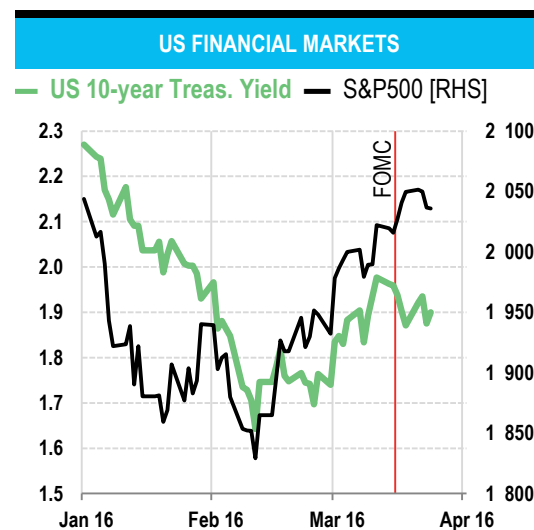
Also in :



A mixed picture keeps central banks in focus

- From 'risk off' to 'risk on' ■ Dovish Fed, for how long?
- Eurozone growth looking good

Looking back at the first quarter from an economic perspective, the picture is very mixed. In China, slowdown concerns continue to dominate. In Japan, data have been lacklustre and there is a risk of a new contraction. In the Eurozone, activity and sales data have been quite good and despite some softer survey data, our nowcasting model is in line with a quarterly growth rate of 0.5%. A similar method used by the Federal Reserve of Atlanta points towards first quarter annualised growth of 1.4% after reaching 2.3% earlier in the quarter. Admittedly, model-based estimates come with a margin of error but the recent more subdued readings provide food for thought. This has not stopped some Federal Reserve officials from calling for a rate hike as early as in April, on the back of a pick-up in inflation. Core inflation is now up 2.3% coming from 1.7% some months ago. This hawkish talk is quite different from the dovish signal sent by the latest FOMC meeting and it seems that markets attach more importance to the latter than to the former. The dovishness has supported risk appetite, thereby continuing a trend that started around mid-February, and on the back of this, Wall Street rallied and Treasury yields increased. The risk-on environment has been particularly welcomed in emerging markets which have seen a strengthening of their currencies. Whether the pendulum will eventually swing in the other direction again very much depends on the outlook for Fed policy.



THE WEEK ON THE MARKETS

Week 21-3 16 > 24-3-16

▼ CAC 40	4 463	► 4 330	-3.0 %
▼ S&P 500	2 050	► 2 036	-0.7 %
↗ Volatility (VIX)	14.0	► 14.7	+0.7 %
▼ Euribor 3M (%)	-0.24	► -0.24	-0.7 bp
↗ Libor \$ 3M (%)	0.62	► 0.63	+0.6 bp
▼ OAT 10y (%)	0.48	► 0.46	-2.5 bp
▼ Bund 10y (%)	0.22	► 0.18	-3.9 bp
↗ US Tr. 10y (%)	1.87	► 1.90	+2.9 bp
▼ Euro vs dollar	1.13	► 1.12	-1.1 %
▼ Gold (ounce, \$)	1 254	► 1 221	-2.6 %
▼ Oil (Brent, \$)	41.6	► 39.9	-4.2 %

Source: Thomson Reuters



France

A slow but unobstructed recovery

- According to our estimates, French growth will barely accelerate this year and next, with average annual GDP growth of 1.2% in 2016 (the same as in 2015), followed by 1.3% in 2017.
- There are numerous supportive factors to boost domestic demand, but they will run up against the deterioration of the external environment.
- Another decline in the INSEE confidence surveys for March illustrates the downside risks that loom over growth.

In 2015, French GDP grew at an average annual rate of 1.2%, a mixed performance. On the one hand, this is a very mild pace for a recovery phase, especially since this lack of vigour occurred despite an especially favourable combination of factors, including the fall in oil prices, the euro and interest rates as well as a series of government measures to boost competitiveness and employment. On the other hand, however, growth did rebound and was significantly stronger after three years of virtual stagnation (growth averaged 0.4% a year between 2012 and 2014). Above all, thanks to this favourable environment, the ingredients for a self-sustained recovery seem to have come together, with a rebound in corporate investment and employment.

Yet all of this still remains rather fragile. The consequence is that the French economy has a real but reduced capacity to withstand the current weakening in world growth. That is why we are expecting only a marginal acceleration in French growth to an average annual rate of 1.2% this year and 1.3% next year (see chart 1 and table). The scope of the recovery will be hampered by the squeeze on exports due to the slowdown in world growth. Corporate investment is also likely to be undermined by less positive growth prospects and by the upsurge in uncertainty and risk aversion. Lastly, fiscal consolidation will also continue to strain growth, albeit to a lesser extent than in previous years.

Even so, we expect growth to accelerate because most of the supportive factors that were present in 2015 are still in place in 2016. The still competitive level of the euro and the low level of interest rates should continue to have a positive impact. The ECB has further increased its monetary stimulus. Moreover, some positive effects of the decline in oil prices are still to come. Oil prices declined in two phases: in euro terms, Brent crude oil prices first plunged by 49% between June 2014 and January 2015 and then by another 51% between May 2015 and January 2016. Based on INSEE estimates, one year after the first period of decline, the impact would be an extra 0.1 points of growth in 2015. After two years, the expected impact is bigger, and should result in an additional 0.3 points of growth in 2016, in addition to the 0.1 point impact of the second period of decline.

Consumers benefit most from the decline in oil prices, which significantly increases their purchasing power. Other supportive

Breakdown of French growth

Contribution to growth of GDP components, q/q, percentage points

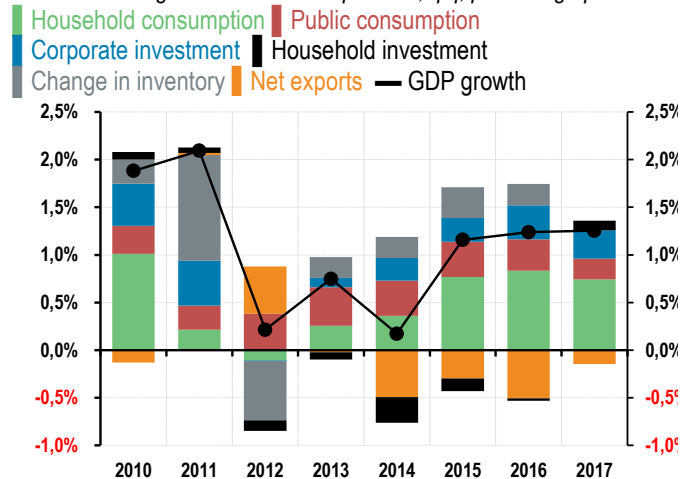


Chart 1

Sources: INSEE, BNP Paribas forecasts

Growth supportive factors

— Profit margins of non-financial companies [% GVA, LHS]
— Purchasing power of gross disposable household income [y/y, RHS]

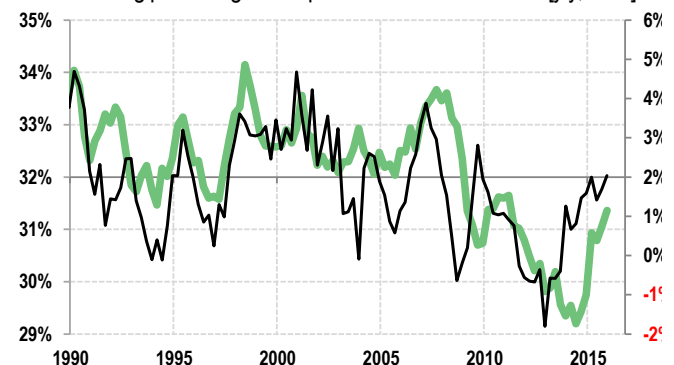


Chart 2

Source: INSEE

factors include the ongoing turnaround in employment, the expected slight decline in unemployment, and mild wage acceleration. Companies also benefit from the decline in oil prices, and lower commodity prices in general. Lower prices indeed reduce production costs and help rebuild margins, as does the decline in labour cost obtained through the different packages to reduce employers' social contributions. Although profit margins are not the main determinant of corporate investment, which is much more driven by the outlook for demand, the upturn nonetheless serves as a non-negligible supportive factor (see chart 2). The same can be said for the "over-amortization" scheme¹, low interest

¹ Additional depreciation amounted to 40% and targeted industrial capital goods investments. It took effect between 15 April 2015 and 14 April 2016 (the government announced in mid-February that the measure would be extended until the end of



rates, the Juncker plan, and more generally, major needs to replace and modernise capital stock.

Lastly, French growth should get a boost from a new supportive factor with household investment, whose upturn seems in sight after contracting for four years. Indeed, numerous conditions have come together to boost household investment: purchasing power gains, very low interest rates, more favourable credit dynamics, specific support measures (tax reductions for rental investment via the Pinel tax incentive; broader access to zero interest loans), favourable demographics, potential for renovation work and energy efficiency projects, and localised housing shortages. Yet any rebound will be hampered by the still high level of housing prices, unemployment and construction costs, and by the relatively sluggish pace of growth.

The economic indicators available to date point in the same direction as our scenario of mild growth. On the one hand, the mixed — not to say negative — results of the February and March surveys of consumer and business confidence illustrate the downside risks looming over growth (see chart 3). In March, household confidence eroded again, down 1 point to 94, notably due to a more negative assessment of the future personal financial situation and both past and future living standards in France. Fears about unemployment are diminishing, but only after rising sharply in February. These fears are echoed in the strong increase in the number of category A job seekers registered with Pole Emploi, the national employment agency (+1.1% m/m).

As to the business climate, the INSEE composite index and Markit PMI index both fell in February, and only the later rebounded in March (by nearly 2 points to 51.1). The INSEE index shed another point to its long-term benchmark level of 100. Business confidence eroded the most in industry (down 2 points to 101), while declining 1 point in services (to 99) and holding steady in construction (at 92). In the retail trade sector, confidence regained 3 points to 104.

It is worth noting, however, that a reading of 100 on the INSEE business sentiment index corresponds to average quarterly GDP growth of 0.3%-0.4%. This helps keep into perspective the downturn in the INSEE survey results. Besides, the first hard data for January (industrial output, retail sales) were very positive and point to upside risks to Q1 growth. Based on these hard data (and assuming their level stays the same in February and March), growth would reach 0.8% q/q according to our nowcasting model, vs. 0.2% q/q based on soft data.

Yet these activity figures paint an overly optimistic picture of the current situation with regard to the more mixed confidence surveys. A correction is thus likely in the months ahead. This should have an impact on Q2 growth, which could fall slightly short of the Q1 figure (0.3% q/q after 0.4%). In comparison, the Bank of France, based on the results of its own business climate survey for February, revised downwards its Q1 growth forecasts from 0.4% to 0.3%. As to the INSEE, in its latest economic note for March, it maintained its growth forecast at 0.4% q/q for both Q1 and Q2 2016.

2016). Thanks to this measure, companies can depreciate up to 140% of the value of their investment, thereby benefiting from a bigger tax deduction.

Confidence indicators

— Business climate (INSEE composite index, LHS)

--- Business climate (PMI composite index, RHS)

— Household confidence (INSEE summarised index, LHS)

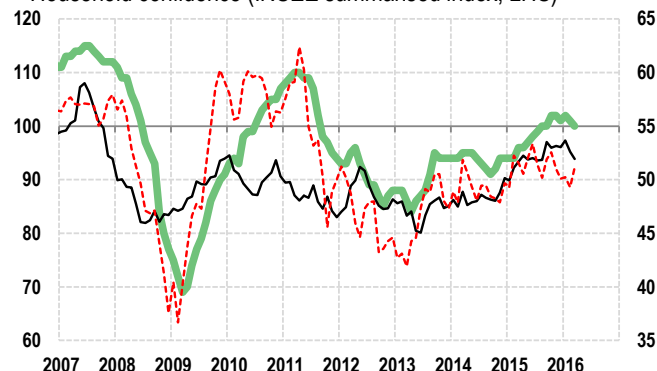


Chart 3

Sources: INSEE, Markit

France: forecasts summary

Components of growth

Annual change, real terms, sw da, %	2014	2015	2016(f)	2017(f)
GDP	0,2	1,2	1,2	1,3
Final domestic demand	0,5	1,1	1,5	1,4
Private consumption	0,7	1,4	1,5	1,3
Public consumption	1,5	1,5	1,3	0,9
Total investment	-1,2	-0,0	1,6	2,1
<i>business investment</i>	2,0	2,0	3,0	2,4
<i>household investment</i>	-5,3	-2,8	-0,6	2,2
<i>public investment</i>	-6,9	-3,0	-0,1	0,5
Change in inventories (contribution to growth)	0,2	0,3	0,2	0,0
Exports	2,4	6,1	2,3	3,1
Imports	3,9	6,7	3,9	3,3
Net exports (contribution)	-0,5	-0,3	-0,5	-0,1

Inflation & labour market

Consumer prices	0,5	0,0	0,3	1,1
Core consumer prices	0,2	0,5	0,7	0,7
Non-farm payrolls	-0,2	0,1	0,5	0,6
Unemployment rate - level, %	10,3	10,3	10,3	10,2

External and public accounts (% of GDP)

Current account balance	-0,9	-0,1	-0,1	-0,8
Fiscal deficit	-4,0	-3,5	-3,4	-3,2
Public debt ratio	95,3	95,7	96,6	97,0

Table

Sources : INSEE, BNP Paribas forecasts

From Q3 2016 through 2017, our scenario calls for quarterly growth to hold at 0.3%. This stability can be attributed to the opposing forces at play as well as the dual nature of French growth, which for years has curiously combined lacklustre momentum and strong resilience.



Netherlands

Getting its house in order

- In 2015, the Dutch economy grew by 2.0%, supported by low energy prices, a weak currency and low interest rates.
- Even though these supporting factors will be less vigorous in 2016, growth will remain at around the same level thanks to a EUR 5 billion tax reduction.
- It could be difficult to form a viable coalition government after the next general election in March 2017.

The Dutch economy was severely hit by the economic crisis. As it was also affected by a slump in the housing market, the recovery was much slower than elsewhere in the eurozone. Still, in 2015, the Dutch economy outperformed the eurozone average. Growth accelerated from 1.0% in 2014 to 2.0% in 2015, compared with 1.5% for the eurozone, implying that Dutch GDP returned to its pre-crisis level.

Favourable tail winds in 2015

There were a number of tailwinds which boosted growth in both the eurozone and the Netherlands: low energy prices, a weaker currency and lower interest rates.

Exporting firms benefited from the weakening of the euro. Nevertheless, the contribution of exports to GDP growth, corrected for export-related imports, amounted to only 0.7 point, the same as in 2014. Following a series of mini-earthquakes in Groningen, gas production in the region has been capped, resulting in less gas exports and more imports. In total, these production restrictions deducted about 0.5 point from GDP growth.

The effect of the low interest rate environment is ambiguous. On the one hand, the fall in mortgage rates has helped the turnaround of the housing market. This has been a major driver for consumer confidence and private consumption. Moreover, the increased demand for housing has also stimulated housing construction.

On the other hand, the decline in interest rates has been very damaging for the Dutch occupational pension schemes, as this has resulted in substantial increases in pension liabilities. Companies might have to step up their contributions to their pension funds to keep them sufficiently funded. Against this backdrop, it is not very surprising that the President of De Nederlandsche Bank, Klaas Knot, has voiced opposition to the ECB's quantitative easing programme. In addition, as business investment is largely self-financed, the cost of borrowing plays a minor role in investment decision. The utilisation rate is a more important factor.

Solid growth in 2016

Looking ahead to 2016, we are forecasting growth of 1.8%, which is again ahead of the eurozone forecast. Many of the factors which

Summary of forecasts

Annual growth, %	2015	2016 e	2017 e
GDP	2.0	1.8	1.6
Private consumption	1.5	1.9	1.4
Gross Fixed Capital Formation	10.3	2.9	3.9
Exports	5.3	3.5	3.5
Consumer Price Index (CPI)	0.2	0.3	1.1
CPI ex food and energy	0.9	0.7	1.3
Unemployment rate	7.4	6.9	6.9
Current account balance	9.6	8.7	8.5
Gen. Govt. Balance (% of GDP)	-1.8	-2.0	-1.8
Public Debt (% GDP)	65.1	63.2	62.5

e: BNP Paribas Global Markets estimates

affected the economy in 2015 will persist in 2016, though with less vigour.

Household consumption in 2016 is expected to grow by 1.9%, underpinned by the improvement in the labour market and rising wages. Moreover, this year, in particular, wage earners will benefit from a fall in taxes (the so-called EUR 5 billion package) while inflation remains low. For 2016, consumer prices will probably increase by just 0.3%, helping purchasing power to rise by slightly over 2%.

In 2016, we expect a deterioration in the investment climate as business confidence is weakening and capacity utilisation is falling. Nevertheless, investment is likely to remain quite robust in the first half of the year, as many investment projects were already decided before the slowdown of the business cycle. Moreover, the autumn investment survey suggests that some of the planned projects for 2015 have been moved to this year.

The area where we have become more pessimistic in our forecasts is external demand. The weakening of the euro in the early part of 2015 may still have some positive effect through 2016 but the currency has stabilised recently. There are also darkening clouds surrounding the outlook for global growth.

The main domestic risk is a political risk. The next general election will be held in March 2017. Disillusioned by current policies, many voters have deserted the traditional parties for those at both extremes of the political spectrum. The populist-right Freedom Party (PVV) could even get 25% of the vote. In these circumstances, it might be difficult to form a viable coalition government.



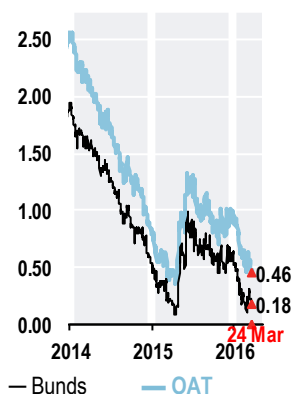
Markets overview

The essentials

Week 21-3 16 > 24-3-16

➤ CAC 40	4 463	➤ 4 330	-3.0 %
➤ S&P 500	2 050	➤ 2 036	-0.7 %
➤ Volatility (VIX)	14.0	➤ 14.7	+0.7 %
➤ Euribor 3M (%)	-0.24	➤ -0.24	-0.7 bp
➤ Libor \$ 3M (%)	0.62	➤ 0.63	+0.6 bp
➤ OAT 10y (%)	0.48	➤ 0.46	-2.5 bp
➤ Bund 10y (%)	0.22	➤ 0.18	-3.9 bp
➤ US Tr. 10y (%)	1.87	➤ 1.90	+2.9 bp
➤ Euro vs dollar	1.13	➤ 1.12	-1.1 %
➤ Gold (ounce, \$)	1 254	➤ 1 221	-2.6 %
➤ Oil (Brent, \$)	41.6	➤ 39.9	-4.2 %

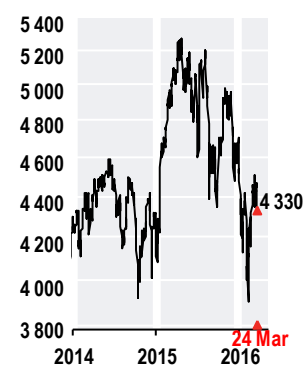
10 y bond yield, OAT vs Bund



Euro-dollar



CAC 40



Money & Bond Markets

Interest Rates		highest' 16		lowest' 16	
€ ECB	0.00	0.05	at 01/01	0.00	at 16/03
Eonia	-0.35	-0.13	at 01/01	-0.35	at 24/03
Euribor 3M	-0.24	-0.13	at 01/01	-0.24	at 24/03
Euribor 12M	-0.01	0.06	at 01/01	-0.03	at 04/03
\$ FED	0.50	0.50	at 01/01	0.50	at 01/01
Libor 3M	0.63	0.64	at 15/03	0.61	at 04/01
Libor 12M	1.24	1.24	at 16/03	1.12	at 12/02
£ BoE	0.50	0.50	at 01/01	0.50	at 01/01
Libor 3M	0.59	0.59	at 15/02	0.58	at 08/03
Libor 12M	1.02	1.07	at 01/01	0.98	at 12/02

At 24-3-16

Yield (%)		highest' 16		lowest' 16	
€ AVG 5-7y	0.20	0.49	at 12/01	0.16	at 01/03
Bund 2y	-0.47	-0.34	at 01/01	-0.56	at 03/03
Bund 10y	0.18	0.63	at 01/01	0.11	at 29/02
OAT 10y	0.46	0.98	at 01/01	0.46	at 24/03
Corp. BBB	1.88	2.50	at 20/01	1.88	at 24/03
\$ Treas. 2y	0.89	1.06	at 01/01	0.64	at 11/02
Treas. 10y	1.90	2.27	at 01/01	1.64	at 11/02
Corp. BBB	3.97	4.50	at 12/02	3.94	at 23/03
£ Treas. 2y	0.42	0.65	at 01/01	0.28	at 08/02
Treas. 10y	1.46	1.96	at 01/01	1.28	at 11/02

At 24-3-16

10y bond yield & spreads

8.83%	Greece	864 pb
2.78%	Portugal	259 pb
1.54%	Spain	136 pb
1.30%	Italy	112 pb
0.59%	Ireland	40 pb
0.58%	Belgium	40 pb
0.46%	France	27 pb
0.40%	Austria	21 pb
0.33%	Finland	15 pb
0.27%	Netherlands	9 pb
0.18%	Germany	

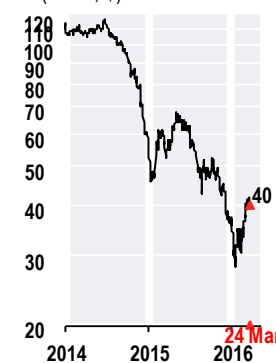
Commodities

Spot price in dollars		lowest' 16		2016(€)	
Oil, Brent	40	28	at 20/01	+8.7%	
Gold (ounce)	1 221	1 062	at 01/01	+11.8%	
Metals, LMEX	2 289	2 049	at 12/01	+1.1%	
Copper (ton)	4 977	4 328	at 15/01	+2.9%	
CRB Foods	348	329	at 11/01	+1.2%	
wheat (ton)	173	146	at 04/01	+9.1%	
Corn (ton)	142	135	at 11/01	+0.1%	

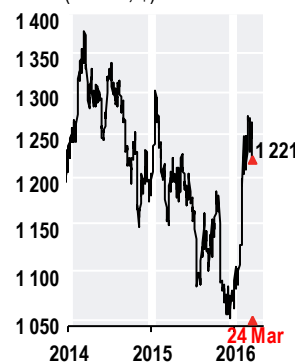
At 24-3-16

Variations

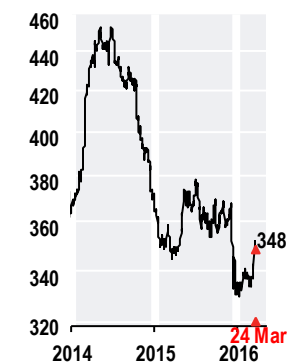
Oil (Brent, \$)



Gold (Ounce, \$)



CRB Foods



Exchange Rates

1€ =		highest' 16		lowest' 16		2016	
USD	1.12	1.13	at 11/02	1.07	at 05/01	+2.8%	
GBP	0.79	0.79	at 23/03	0.73	at 05/01	+7.1%	
CHF	1.09	1.11	at 04/02	1.08	at 29/02	+0.3%	
JPY	125.76	131.84	at 01/02	122.54	at 24/02	-3.8%	
AUD	1.49	1.60	at 11/02	1.47	at 09/03	-0.5%	
CNY	7.27	7.45	at 11/02	6.99	at 05/01	+3.1%	
BRL	4.13	4.53	at 16/02	4.03	at 14/03	-3.8%	
RUB	77.38	91.22	at 11/02	75.64	at 22/03	-2.5%	
INR	74.46	77.50	at 11/02	71.42	at 05/01	+3.6%	

At 24-3-16

Variations

Equity indices

Index		highest' 16		lowest' 16		2016	2016(€)
CAC 40	4 330	4 637	at 01/01	3 897	at 11/02	-6.6%	-6.6%
S&P500	2 036	2 052	at 21/03	1 829	at 11/02	-0.4%	-3.1%
DAX	9 851	10 743	at 01/01	8 753	at 11/02	-8.3%	-8.3%
Nikkei	16 892	19 034	at 01/01	14 953	at 12/02	-11.3%	-7.8%
China*	55	59	at 01/01	48	at 12/02	-7.2%	-9.8%
India*	443	460	at 01/01	393	at 11/02	-2.7%	-6.1%
Brazil*	1 255	1 329	at 22/03	860	at 21/01	+13.4%	+17.8%
Russia*	451	476	at 22/03	331	at 20/01	+7.0%	+8.6%

At 24-3-16

Variations

* Indices MCSI



Economic forecasts

En %	GDP Growth			Inflation			Curr. account / GDP			Fiscal balances / GDP		
	2015	2016 e	2017 e	2015	2016 e	2017 e	2015	2016 e	2017 e	2015	2016 e	2017 e
Advanced	1.9	1.6	1.4	0.3	0.6	1.7						
United States	2.4	1.9	1.5	0.1	1.4	2.1	-2.6	-2.8	-2.9	-2.5	-3.2	-3.3
Japan	0.5	0.3	0.2	0.5	0.1	1.8	3.3	3.6	3.3	-4.6	-3.7	-3.2
United Kingdom	2.2	1.7	2.0	0.1	0.5	1.9	-4.5	-4.8	-3.8	-4.1	-3.0	-2.2
Euro Area	1.5	1.3	1.4	0.0	-0.1	1.1	3.0	2.6	2.5	-2.2	-2.0	-1.7
Germany	1.4	1.3	1.5	0.1	0.0	1.5	8.1	7.7	7.6	0.7	0.3	0.3
France	1.1	1.2	1.3	0.1	0.3	1.1	0.0	0.0	-0.7	-3.7	-3.5	-3.2
Italy	0.6	1.0	0.9	0.1	-0.0	0.9	2.1	1.8	1.9	-2.7	-2.8	-2.3
Spain	3.2	2.6	2.1	-0.6	-0.9	1.0	0.9	0.6	0.5	-4.8	-3.8	-2.7
Netherlands	1.9	1.8	1.6	0.2	0.3	1.1	9.6	8.7	8.5	-1.8	-2.0	-1.8
Belgium	1.4	1.3	1.6	0.6	0.5	1.6	0.8	1.4	1.7	-2.7	-2.7	-2.5
Portugal	1.5	1.5	1.5	0.5	0.3	1.2	1.0	1.2	1.4	-4.1	-3.0	-2.5
Emerging	4.1	4.1	4.6	6.0	6.4	5.4						
China	6.9	6.4	6.1	1.4	1.5	1.7	2.8	3.1	2.2	-2.4	-3.1	-3.3
India	7.3	7.9	8.1	4.9	5.8	5.2	-1.3	-0.6	-0.6	-4.1	-3.9	-3.5
Brazil	-3.8	-4.0	0.0	9.0	9.1	7.3	-3.4	-1.0	-1.1	-10.3	-10.6	-10.3
Russia	-3.7	-1.8	0.6	15.6	9.1	7.2	5.4	2.8	7.4	-3.9	-4.8	-4.7
World	3.1	3.0	3.2	3.6	3.9	3.8						

Source : BNP Paribas Group Economic Research / GlobalMarkets (e: Estimates & forecasts)

Financial forecasts

Interest rates		2015				2016						
End period		Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e	2015	2016e	2017e
US	Fed Funds	0.25	0.25	0.25	0.5	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.01	0.25-0.50	0.25-0.50
	3-month Libor \$	0.27	0.28	0.33	0.61	0.62	0.70	0.70	0.70	0.61	0.70	1.05
	10-year T-notes	1.93	2.35	2.03	2.27	1.62	1.75	1.65	1.50	2.27	1.50	1.75
EMU	Refinancing rate	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
	3-month Euribor	0.02	-0.01	-0.04	-0.13	-0.40	-0.50	-0.60	-0.60	-0.13	-0.60	-0.60
	10-year Bund	0.18	0.77	0.59	0.63	0.25	0.30	0.00	-0.20	0.63	-0.20	-0.20
	10-year OAT	0.42	1.20	0.90	0.98	0.65	0.60	0.30	0.10	0.98	0.10	0.10
	10-year BTP	1.29	2.31	1.73	1.60	1.50	1.45	1.25	0.95	1.60	0.95	0.80
UK	Base rate	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00
	3-month Libor £	0.57	0.58	0.58	0.59	0.75	0.75	0.75	0.75	0.59	0.75	1.25
	10-year Gilt	1.58	2.03	1.77	1.96	1.40	1.40	1.47	1.50	1.96	1.50	1.80
Japan	Overnight call rate	0.02	0.01	0.01	0.04	-0.10	-0.30	-0.30	-0.30	0.04	-0.30	-0.50
	3-month JPY Libor	0.17	0.17	0.17	0.17	0.10	0.00	-0.05	-0.10	0.17	-0.10	-0.25
	10-year JGB	0.40	0.44	0.35	0.25	0.00	-0.10	-0.10	-0.10	0.25	-0.10	-0.25

Exchange rates		2015				2016						
End period		Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e	2015	2016e	2017e
USD	EUR / USD	1.07	1.11	1.12	1.09	1.14	1.16	1.15	1.14	1.09	1.14	1.05
	USD / JPY	120	122	120	120	110	108	110	115	120	115	124
EUR	EUR / GBP	0.72	0.71	0.74	0.74	0.77	0.77	0.74	0.72	0.74	0.72	0.68
	EUR / CHF	1.04	1.04	1.09	1.09	1.12	1.14	1.14	1.16	1.09	1.16	0.01
	EUR/JPY	129	136	134	131	125	125	127	131	131	131	130

Source : BNP Paribas Group Economic Research / GlobalMarkets (e: Estimates & forecasts)



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