

# ECOWEEK

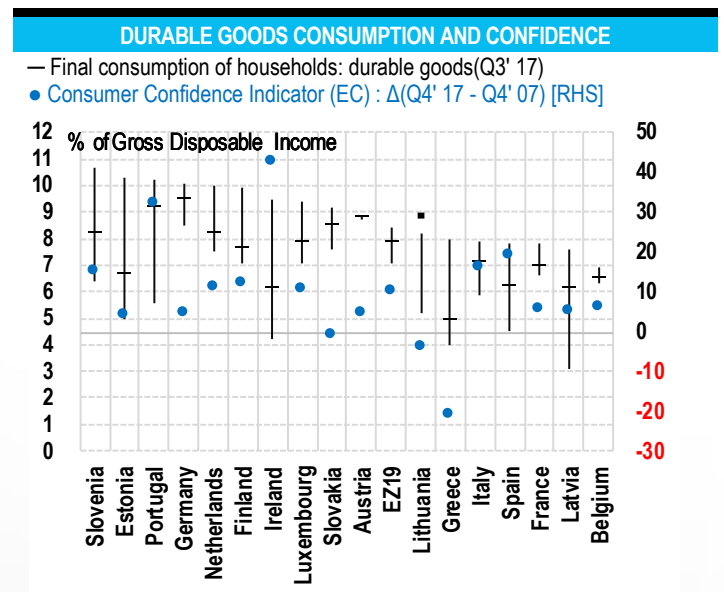
No. 18-14, 6 April 2018

## Eurozone: pent-up consumption, sign of hope or concern?

- In most eurozone countries, durable goods consumption in relation to income is still below the previous cyclical peak
- Consumer confidence tends to be higher than the previous peak
- This combination suggests there is pent-up consumer demand but it could also reflect lingering households' concerns about the lasting nature of the current robust growth.

Last week's editorial analysed whether the case can be made in favour of pent-up business investment. What about consumer spending? Mario Draghi argued on 14 March that *"there are signs of pent-up demand for both consumption and investment that still needs to be satisfied"* adding that essential consumption (food and rents) was 9% above the pre-crisis level whereas non-essential consumption (e.g. electrical goods, holidays) was only 2% higher.

Household spending depends, amongst other factors, on income so it is relevant to take this into account when assessing whether there is pent-up consumer demand, in particular in terms of non-essential spending. The chart looks at durable consumption as a percentage of gross disposable income. The vertical lines show the pre-crisis peak and subsequent trough whereas the horizontal marker shows the ratio for Q3 2017, the most recent data. Whereas the numbers for Austria have been remarkably stable, many others have seen a huge peak to trough contraction. In the vast majority of countries, current durable consumption in relation to income is still well below the previous high. Durable goods spending also depends on household confidence. In this respect, the dots represent the difference between confidence in Q4 2017 versus Q4 2007. With the exception of Slovakia, Lithuania and in particular Greece, confidence is higher now than in 2007. Nevertheless, durable goods spending in relation to income is still quite a bit below the previous peak. This would indicate that there is still pent-up consumer demand in the eurozone as a whole and very much so in a number of individual countries. This bodes well for the growth outlook. An alternative interpretation is less positive: it could also mean that households are not yet convinced that robust growth will continue.



Source: Thomson Reuters, European Commission, BNP Paribas

William De Vijlder

p. 2

Markets Overview

p. 3

Pulse

p. 4

Economic scenario

**Eco**  
**WEEK**

ECONOMIC RESEARCH DEPARTMENT



**BNP PARIBAS**

The bank  
for a changing  
world

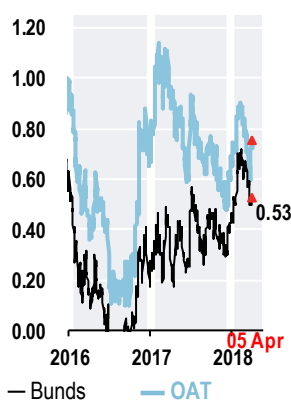
## Markets overview

### The essentials

Week 30-3 18 > 5-4-18

↗ CAC 40	5 167	▶ 5 277	+2.1 %
↗ S&P 500	2 641	▶ 2 663	+0.8 %
↘ Volatility (VIX)	20.0	▶ 18.9	-1.0 pb
↗ Euribor 3M (%)	-0.33	▶ -0.33	+0.0 bp
↗ Libor \$ 3M (%)	2.31	▶ 2.32	+1.3 bp
↗ OAT 10y (%)	0.60	▶ 0.76	+15.5 bp
↗ Bund 10y (%)	0.50	▶ 0.53	+3.0 bp
↗ US Tr. 10y (%)	2.75	▶ 2.83	+8.8 bp
↘ Euro vs dollar	1.23	▶ 1.22	-0.6 %
↗ Gold (ounce, \$)	1 323	▶ 1 325	+0.1 %
↘ Oil (Brent, \$)	70.1	▶ 68.3	-2.6 %

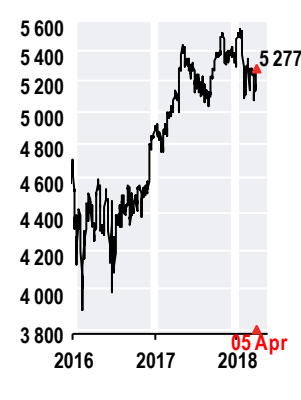
10 y bond yield, OAT vs Bund



Euro-dollar



CAC 40



### Money & Bond Markets

Interest Rates		highest' 18		lowest' 18	
€ ECB	0.00	0.00 at 01/01	0.00	at 01/01	
Eonia	-0.37	-0.35 at 01/01	-0.37	at 02/01	
Euribor 3M	-0.33	-0.33 at 25/01	-0.33	at 01/01	
Euribor 12M	-0.19	-0.19 at 01/01	-0.19	at 19/02	
\$ FED	1.75	1.75 at 22/03	1.50	at 01/01	
Libor 3M	2.32	2.32 at 04/04	1.69	at 01/01	
Libor 12M	2.68	2.68 at 04/04	2.11	at 01/01	
£ BoE	0.50	0.50 at 01/01	0.50	at 01/01	
Libor 3M	0.74	0.74 at 04/04	0.52	at 04/01	
Libor 12M	1.02	1.02 at 04/04	0.76	at 03/01	

At 5-4-18

Yield (%)		highest' 18		lowest' 18	
€ AVG 5-7y	0.42	0.66 at 15/02	0.41	at 04/04	
Bund 2y	-0.58	-0.55 at 07/03	-0.66	at 01/01	
Bund 10y	0.53	0.72 at 15/02	0.42	at 01/01	
OAT 10y	0.76	0.91 at 08/02	0.60	at 30/03	
Corp. BBB	1.44	1.44 at 05/04	1.17	at 08/01	
\$ Treas. 2y	2.31	2.34 at 20/03	1.89	at 01/01	
Treas. 10y	2.83	2.94 at 21/02	2.41	at 01/01	
Corp. BBB	4.12	4.16 at 21/03	3.59	at 01/01	
£ Treas. 2y	0.79	0.85 at 21/03	0.40	at 01/01	
Treas. 10y	1.46	1.67 at 15/02	1.23	at 01/01	

At 5-4-18

10y bond yield & spreads

4.49%	Greece	395 pb
1.78%	Italy	125 pb
1.47%	Portugal	94 pb
1.23%	Spain	70 pb
0.81%	Belgium	28 pb
0.76%	France	22 pb
0.72%	Austria	19 pb
0.67%	Netherlands	14 pb
0.63%	Finland	10 pb
0.63%	Ireland	9 pb
0.53%	Germany	

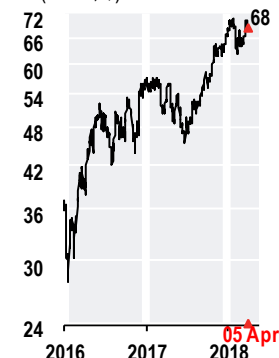
### Commodities

Spot price in dollars		lowest' 18		2018(€)	
Oil, Brent	68.3	62.2 at 13/02		+0.6%	
Gold (ounce)	1 325	1 303 at 01/01		-0.2%	
Metals, LMEX	3 224	3 184 at 26/03		-7.4%	
Copper (ton)	6 781	6 556 at 26/03		-7.6%	
CRB Foods	336	335 at 04/04		-1.8%	
wheat (ton)	172	155 at 16/01		+6.2%	
Corn (ton)	141	126 at 08/01		+8.8%	

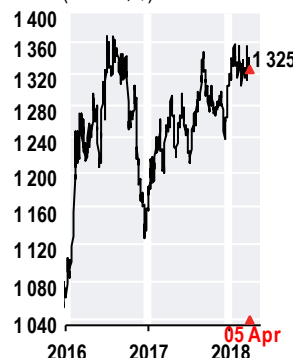
At 5-4-18

Variations

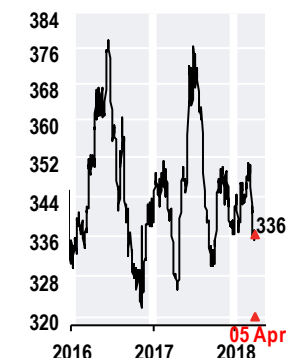
Oil (Brent, \$)



Gold (Ounce, \$)



CRB Foods



### Exchange Rates

€ =		highest' 18		lowest' 18		2018	
USD	1.22	1.25 at 25/01	1.19	at 09/01	+1.8%		
GBP	0.87	0.89 at 02/03	0.87	at 24/01	-1.6%		
CHF	1.18	1.18 at 15/01	1.15	at 27/02	+0.7%		
JPY	131.41	137.29 at 02/02	129.63	at 23/03	-2.9%		
AUD	1.59	1.61 at 26/03	1.53	at 09/01	+3.6%		
CNY	7.70	7.92 at 25/01	7.70	at 07/02	-1.5%		
BRL	4.07	4.13 at 27/03	3.87	at 08/01	+2.3%		
RUB	70.55	71.44 at 09/02	68.06	at 09/01	+2.1%		
INR	79.49	80.72 at 26/03	75.92	at 08/01	+3.7%		

At 5-4-18

Variations

### Equity indices

Index		highest' 18		lowest' 18		2018	2018(€)
CAC 40	5 277	5 542 at 22/01	5 066	at 26/03	-0.7%	-0.7%	
S&P500	2 663	2 873 at 26/01	2 581	at 08/02	-0.4%	-2.2%	
DAX	12 305	13 560 at 23/01	11 787	at 26/03	-4.7%	-4.7%	
Nikkei	21 645	24 124 at 23/01	20 618	at 23/03	-4.9%	-2.1%	
China*	88	101 at 26/01	88	at 09/02	-0.1%	-2.2%	
India*	581	642 at 29/01	563	at 23/03	-3.1%	-6.6%	
Brazil*	2 240	2 393 at 26/01	2 023	at 01/01	+11.2%	+8.7%	
Russia*	668	707 at 26/02	604	at 01/01	+10.8%	+8.5%	

At 5-4-18

Variations

\* MSCI index



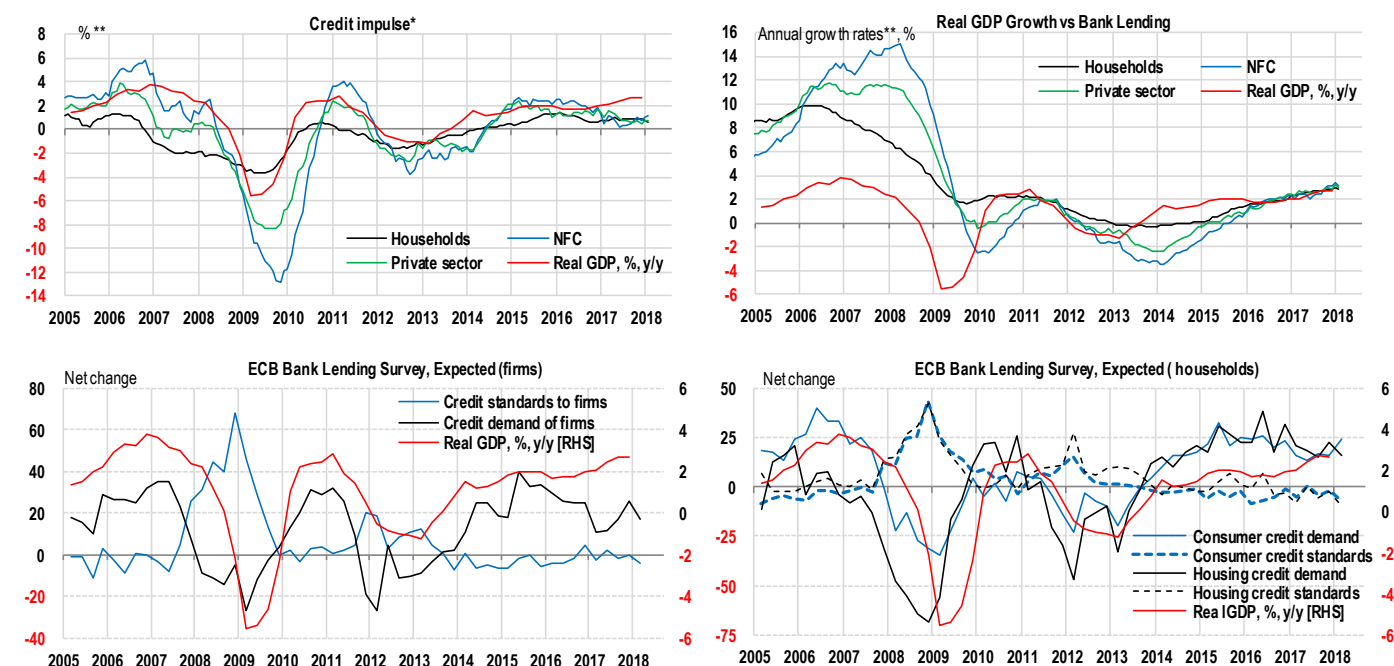
BNP PARIBAS

The bank  
for a changing  
world

## Pulse

## Eurozone: Credit pulse

The year-over-year growth rate of bank lending continues to accelerate (top right chart) in line with faster GDP growth. The assessment by banks of credit demand of corporates and households (housing, consumer credit) continues to be positive.



\*Credit impulse is measured as the annual change of the annual growth rate of MFI loans \*\* Adjusted for securitizations

Source: ECB, ECB BLS, BNP Paribas calculations

## Indicators preview

Next week will see the publication of the economy watchers' survey in Japan and, in the US, small business sentiment and the University of Michigan sentiment index. However, the focus will be on inflation data in the US, France and Germany as well as the FOMC minutes.

Date	Country	Event	Period	Prior
04/09/2018	Japan	Eco Watchers Survey Current SA	March	48.6
04/09/2018	France	Bank of France Ind. Sentiment	March	105
04/10/2018	United States	NFIB Small Business Optimism	March	107.6
04/10/2018	United States	PPI Ex Food and Energy MoM	March	0.2%
04/11/2018	Japan	Core Machine Orders MoM	February	8.2%
04/11/2018	United Kingdom	Manufacturing Production MoM	February	0.1%
04/11/2018	United Kingdom	NIESR GDP Estimate	March	0.3%
04/11/2018	United States	CPI Ex Food and Energy MoM	March	0.2%
04/11/2018	United States	FOMC Meeting Minutes	March 21	--
04/12/2018	France	CPI EU Harmonized MoM	March	--
04/13/2018	Germany	CPI EU Harmonized MoM	March	--
04/13/2018	United States	University of Michigan Sentiment	April	--

Sources: Bloomberg, BNP Paribas



## Economic scenario

### UNITED STATES

- GDP growth is accelerating along with the recovery in the emerging countries and reinforcing world trade. However the fiscal outlook remains uncertain. Tax cuts would add +0.5 pp to the GDP growth this year, that would trend near 3%.
- The labour market is as buoyant as ever, showing its first signs of tension (participation rates and real wages are up).
- Fed Funds rates: 1.75% in Q1 2018, 2% by mid-2018.

### CHINA

- Economic growth will decelerate in 2018. Despite the slowdown, the central bank will have to continue to act to encourage the deleveraging of financial institutions and corporates and reduce financial instability risks. Fiscal policy should remain expansionist.
- The outlook for exports and household spending is rather favourable in the short term, but the tightening of domestic credit conditions, restructuring measures in the industry and less buoyant property market will weigh on economic activity.

### EUROZONE

- The recovery is getting stronger and broader: the dispersion of economic performances among member states is receding.
- Despite the cyclical recovery, core inflation still shows no sign of a convincing upward trend. For the recovery to enter its inflationary phase the economy has to improve further, until the point at which wages will tend to increase. The ECB is expected to remain cautious. Possible extension of APP after Sept. no rates hike before mid-2019.

### FRANCE

- A clear growth acceleration is underway. Households' consumption is supported by the jobs recovery but restrained by the upturn in inflation. Investment and exports dynamics are favourable.
- A slight rise in inflation is appearing but remains to be confirmed.

### INTEREST RATES AND FX RATES

- In the US, ongoing strong growth and a very low unemployment rate pave the way for several rate hikes (we expect 4 this year and 1 next). This will put upward pressure on bond yields in 2018. The ECB is expected to stop its QE programme at the end of 2018 and to hike its rates by the middle of 2019. As a consequence, bond yields should follow a rising trend, including in 2019. No change expected in Japan
- The narrowing bond yield differential between the US and the eurozone should cause a strengthening of the euro, all the more so considering it is still below its long-term fair value (around 1.34).

### SUMMARY

%	GDP Growth			Inflation		
	2017	2018 e	2019 e	2017	2018 e	2019 e
<b>Advanced</b>	<b>2.2</b>	<b>2.7</b>	<b>1.9</b>	<b>1.7</b>	<b>2.0</b>	<b>1.8</b>
United-States	2.3	3.1	2.1	2.1	2.3	2.1
Japan	1.7	1.3	0.6	0.5	1.1	1.0
United-Kingdom	1.7	1.5	1.8	2.7	2.6	2.1
<b>Euro Area</b>	<b>2.5</b>	<b>2.8</b>	<b>2.1</b>	<b>1.5</b>	<b>1.7</b>	<b>1.7</b>
Germany	2.5	3.1	2.1	1.7	1.8	1.9
France	2.0	2.4	1.9	1.2	1.6	1.7
Italy	1.5	1.7	1.2	1.3	1.4	1.5
Spain	3.1	2.9	2.2	2.0	1.6	1.6
Netherlands	3.2	2.3	1.7	1.4	1.7	1.8
<b>Emerging</b>						
China	6.9	6.4	6.4	1.6	2.3	2.5
India	6.6	7.4	7.6	3.6	4.5	4.2
Brazil	1.1	3.0	3.5	3.4	3.3	3.8
Russia	1.7	1.6	1.5	3.7	4.0	4.4

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

### INTEREST RATES & FX RATES

Interest rates, %		2018				2017	2018e	2019e
End of period		Q1e	Q2e	Q3e	Q4e			
<b>US</b>	Fed Funds	1.75	2.00	2.25	2.50	1.50	2.50	2.75
	Libor 3m \$	2.01	2.15	2.35	2.55	1.69	2.55	2.55
	T-Notes 10y	3.00	3.10	3.20	3.25	2.41	3.25	3.00
<b>Ezone</b>	ECB Refi	0.00	0.00	0.00	0.00	0.00	0.00	0.25
	Euribor 3m	-0.33	-0.33	-0.33	-0.33	-0.33	-0.33	0.07
	Bund 10y	0.70	0.85	1.20	1.50	0.42	1.50	1.80
	OAT 10y	1.00	1.10	1.40	1.70	0.66	1.70	2.05
<b>UK</b>	Base rate	0.50	0.75	0.75	1.00	0.50	1.00	1.50
	Gilts 10y	1.55	1.65	1.75	1.90	1.23	1.90	2.25
<b>Japan</b>	BoJ Rate	-0.10	-0.10	-0.10	-0.10	-0.04	-0.10	-0.10
	JGB 10y	0.06	0.08	0.08	0.08	0.05	0.08	0.00

Exchange Rates		2018				2017	2018e	2019e
End of period		Q1e	Q2e	Q3e	Q4e			
<b>USD</b>	EUR / USD	1.26	1.27	1.28	1.28	1.20	1.28	1.34
	USD / JPY	106	105	104	102	113	102	98
	GBP / USD	1.38	1.41	1.44	1.45	1.35	1.45	1.52
	USD / CHF	0.93	0.93	0.93	0.94	0.97	0.94	0.93
<b>EUR</b>	EUR / GBP	0.91	0.90	0.89	0.88	0.89	0.88	0.88
	EUR / CHF	1.17	1.18	1.19	1.20	1.17	1.20	1.25
	EUR / JPY	134	133	133	131	135	131	131

Source : GlobalMarkets BNP Paribas (e: estimates & forecasts)



# GROUP ECONOMIC RESEARCH

■ **William DE VIJDER**  
Chief Economist

+33.(0)1 55 77 47 31

[william.devijlder@bnpparibas.com](mailto:william.devijlder@bnpparibas.com)

## ADVANCED ECONOMIES AND STATISTICS

■ **Jean-Luc PROUTAT**  
Head

+33.(0)1.58.16.73.32

[jean-luc.proutat@bnpparibas.com](mailto:jean-luc.proutat@bnpparibas.com)

■ **Alexandra ESTIOT**

Works coordination - United States - United Kingdom - Globalisation

+33.(0)1.58.16.81.69

[alexandra.estiot@bnpparibas.com](mailto:alexandra.estiot@bnpparibas.com)

■ **Hélène BAUDCHON**

France (short-term outlook and forecasts) - Labour markets

+33.(0)1.58.16.03.63

[helene.baudchon@bnpparibas.com](mailto:helene.baudchon@bnpparibas.com)

■ **Frédérique CERISIER**

Euro Area (European governance and public finances), Spain, Portugal

+33.(0)1.43.16.95.52

[frederique.cerisier@bnpparibas.com](mailto:frederique.cerisier@bnpparibas.com)

■ **Thibault MERCIER**

Euro Area (short-term outlook and monetary policy), France (structural reforms)

+33.(0)1.57.43.02.91

[thibault.mercier@bnpparibas.com](mailto:thibault.mercier@bnpparibas.com)

■ **Catherine STEPHAN**

Nordic countries - World trade - Education, health, social conditions

+33.(0)1.55.77.71.89

[catherine.stephan@bnpparibas.com](mailto:catherine.stephan@bnpparibas.com)

■ **Raymond VAN DER PUTTEN**

Germany, Netherlands, Austria, Switzerland - Energy, climate - Long-term projections

+33.(0)1.42.98.53.99

[raymond.vanderputten@bnpparibas.com](mailto:raymond.vanderputten@bnpparibas.com)

■ **Tarik RHARRAB**

Statistics and Modelling

+33.(0)1.43.16.95.56

[tarik.rharrab@bnpparibas.com](mailto:tarik.rharrab@bnpparibas.com)

## BANKING ECONOMICS

■ **Laurent QUIGNON**  
Head

+33.(0)1.42.98.56.54

[laurent.quignon@bnpparibas.com](mailto:laurent.quignon@bnpparibas.com)

■ **Céline CHOLET**

+33.(0)1.43.16.95.54

[celine.choulet@bnpparibas.com](mailto:celine.choulet@bnpparibas.com)

■ **Thomas HUMBLLOT**

+33.(0)1.40.14.30.77

[thomas.humblot@bnpparibas.com](mailto:thomas.humblot@bnpparibas.com)

## EMERGING ECONOMIES AND COUNTRY RISK

■ **François FAURE**  
Head - Argentina

+33.(0)1 42 98 79 82

[francois.faure@bnpparibas.com](mailto:francois.faure@bnpparibas.com)

■ **Christine PELTIER**

Deputy Head - Greater China, Vietnam, other North Asian countries, South Africa

+33.(0)1.42.98.56.27

[christine.peltier@bnpparibas.com](mailto:christine.peltier@bnpparibas.com)

■ **Stéphane ALBY**

Africa (French-speaking countries)

+33.(0)1.42.98.02.04

[stephane.alby@bnpparibas.com](mailto:stephane.alby@bnpparibas.com)

■ **Sylvain BELLEFONTAINE**

Turkey, Latin America

+33.(0)1.42.98.26.77

[sylvain.bellefontaine@bnpparibas.com](mailto:sylvain.bellefontaine@bnpparibas.com)

■ **Sara CONFALONIERI**

Africa (Portuguese & English-speaking countries)

+33.(0)1.42.98.43.86

[sara.confalonieri@bnpparibas.com](mailto:sara.confalonieri@bnpparibas.com)

■ **Pascal DEVAUX**

Middle East, Balkan countries

+33.(0)1.43.16.95.51

[pascal.devau@bnpparibas.com](mailto:pascal.devau@bnpparibas.com)

■ **Anna DORBEC**

CIS, Central European countries

+33.(0)1.42.98.48.45

[anna.dorbec@bnpparibas.com](mailto:anna.dorbec@bnpparibas.com)

■ **Hélène DROUOT**

Korea, Thailand, Philippines, Andean countries

+33.(0)1.42.98.33.00

[helene.drouot@bnpparibas.com](mailto:helene.drouot@bnpparibas.com)

■ **Johanna MELKA**

India, South Asia, Russia

+33.(0)1.58.16.05.84

[johanna.melka@bnpparibas.com](mailto:johanna.melka@bnpparibas.com)

■ **Michel BERNARDINI**  
Contact Média

+33.(0)1.42.98.05.71

[michel.bernardini@bnpparibas.com](mailto:michel.bernardini@bnpparibas.com)



**BNP PARIBAS**

The bank  
for a changing  
world



# OUR PUBLICATIONS



## CONJUNCTURE

Structural or in news flow, two issues analysed in depth



## EMERGING

Analyses and forecasts for a selection of emerging economies



## PERSPECTIVES

Analyses and forecasts for the main countries, emerging or developed



## ECOFASH

Data releases, major economic events. Our detailed views...



## ECOWEEK

Weekly economic news and much more...



## ECOTV

In this monthly web TV, our economists make sense of economic news



## ECOTV WEEK

What is the main event this week? The answer is in your two minutes of economy

The information and opinions contained in this report have been obtained from, or are based on, public sources believed to be reliable, but no representation or warranty, express or implied, is made that such information is accurate, complete or up to date and it should not be relied upon as such. This report does not constitute an offer or solicitation to buy or sell any securities or other investment. It does not constitute investment advice, nor financial research or analysis. Information and opinions contained in the report are not to be relied upon as authoritative or taken in substitution for the exercise of judgement by any recipient; they are subject to change without notice and not intended to provide the sole basis of any evaluation of the instruments discussed herein. Any reference to past performance should not be taken as an indication of future performance. To the fullest extent permitted by law, no BNP Paribas group company accepts any liability whatsoever (including in negligence) for any direct or consequential loss arising from any use of or reliance on material contained in this report. All estimates and opinions included in this report are made as of the date of this report. Unless otherwise indicated in this report there is no intention to update this report. BNP Paribas SA and its affiliates (collectively "BNP Paribas") may make a market in, or may, as principal or agent, buy or sell securities of any issuer or person mentioned in this report or derivatives thereon. BNP Paribas may have a financial interest in any issuer or person mentioned in this report, including a long or short position in their securities and/or options, futures or other derivative instruments based thereon. Prices, yields and other similar information included in this report are included for information purposes. Numerous factors will affect market pricing and there is no certainty that transactions could be executed at these prices. BNP Paribas, including its officers and employees may serve or have served as an officer, director or in an advisory capacity for any person mentioned in this report. BNP Paribas may, from time to time, solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager, underwriter or lender) within the last 12 months for any person referred to in this report. BNP Paribas may be a party to an agreement with any person relating to the production of this report. BNP Paribas may, to the extent permitted by law, have added upon or used the information contained herein, or the research or analysis on which it was based, before its publication. BNP Paribas may receive or intend to seek compensation for investment banking services in the next three months from or in relation to any person mentioned in this report. Any person mentioned in this report may have been provided with sections of this report prior to its publication in order to verify its factual accuracy.

BNP Paribas is incorporated in France with limited liability. Registered Office 16 Boulevard des Italiens, 75009 Paris. This report was produced by a BNP Paribas group company. This report is for the use of intended recipients and may not be reproduced (in whole or in part) or delivered or transmitted to any other person without the prior written consent of BNP Paribas. By accepting this document you agree to be bound by the foregoing limitations.

Certain countries within the European Economic Area:

This report has been approved for publication in the United Kingdom by BNP Paribas London Branch. BNP Paribas London Branch is authorised and supervised by the Autorité de Contrôle Prudentiel and authorised and subject to limited regulation by the Financial Services Authority. Details of the extent of our authorisation and regulation by the Financial Services Authority are available from us on request.

This report has been approved for publication in France by BNP Paribas SA. BNP Paribas SA is incorporated in France with Limited Liability and is authorised by the Autorité de Contrôle Prudentiel (ACP) and regulated by the Autorité des Marchés Financiers (AMF). Its head office is 16, boulevard des Italiens 75009 Paris, France.

This report is being distributed in Germany either by BNP Paribas London Branch or by BNP Paribas Niederlassung Frankfurt am Main, a branch of BNP Paribas S.A. whose head office is in Paris, France. BNP Paribas S.A. – Niederlassung Frankfurt am Main, Europa Allee 12, 60327 Frankfurt is authorised and supervised by the Autorité de Contrôle Prudentiel and it is authorised and subject to limited regulation by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

**United States:** This report is being distributed to US persons by BNP Paribas Securities Corp., or by a subsidiary or affiliate of BNP Paribas that is not registered as a US broker-dealer. BNP Paribas Securities Corp., a subsidiary of BNP Paribas, is a broker-dealer registered with the U.S. Securities and Exchange Commission and a member of the Financial Industry Regulatory Authority and other principal exchanges. BNP Paribas Securities Corp. accepts responsibility for the content of a report prepared by another non-U.S. affiliate only when distributed to U.S. persons by BNP Paribas Securities Corp.

**Japan:** This report is being distributed in Japan by BNP Paribas Securities (Japan) Limited or by a subsidiary or affiliate of BNP Paribas that is not registered as a financial instruments firm in Japan, to certain financial institutions defined by article 17-3, item 1 of the Financial Instruments and Exchange Law Enforcement Order. BNP Paribas Securities (Japan) Limited is a financial instruments firm registered according to the Financial Instruments and Exchange Law of Japan and a member of the Japan Securities Dealers Association and the Financial Futures Association of Japan. BNP Paribas Securities (Japan) Limited accepts responsibility for the content of a report prepared by another non-Japan affiliate only when distributed to Japanese based firms by BNP Paribas Securities (Japan) Limited. Some of the foreign securities stated on this report are not disclosed according to the Financial Instruments and Exchange Law of Japan.

**Hong Kong:** This report is being distributed in Hong Kong by BNP Paribas Hong Kong Branch, a branch of BNP Paribas whose head office is in Paris, France. BNP Paribas Hong Kong Branch is registered as a Licensed Bank under the Banking Ordinance and regulated by the Hong Kong Monetary Authority. BNP Paribas Hong Kong Branch is also a Registered Institution regulated by the Securities and Futures Commission for the conduct of Regulated Activity Types 1, 4 and 6 under the Securities and Futures Ordinance.

Some or all the information reported in this document may already have been published on <https://globalmarkets.bnpparibas.com>

© BNP Paribas (2015). All rights reserved.

YOU WANT TO RECEIVE OUR PUBLICATIONS?

**SUBSCRIBE ON OUR WEBSITE**  
<http://economic-research.bnpparibas.com>

OR

**READ AND WATCH OUR ANALYSES ON ECO NEWS, OUR IPAD AND ANDROID APPLICATION**

© BNP Paribas (2015). All rights reserved.  
 Prepared by Economic Research – BNP PARIBAS  
 Registered Office: 16 boulevard des Italiens – 75009 PARIS  
 Tel: +33 (0) 1.42.98.12.34 – Internet :  
[www.group.bnpparibas.com](http://www.group.bnpparibas.com)  
 Publisher: Jean Lemierre. Editor: William De Vijlder



**BNP PARIBAS**

The bank  
for a changing  
world