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WHAT DRIVES THE PACE OF DISINFLATION?

There is a large consensus that 2023 should be a year of disinflation. Monetary tightening will play an important role in that respect. However, it is difficult if not impossible to estimate when and at which level of official interest rates, inflation will have sufficiently converged to target. This explains why the Federal Reserve and the ECB have decided to frontload their rate hikes. It should reduce the risk of inflation surprising to the upside. A lot will depend on how inflation expectations evolve. Recent research shows that firms use price information to which they are directly exposed to form an opinion of future, aggregate inflation. This implies that disinflation could be a slow process considering that a majority of firms in the euro area are confronted with rising input prices.

There is a large consensus that, absent new negative supply shocks, next year should be a year of disinflation - a declining trend of inflation - on the back of favourable base effects, the easing of supply bottlenecks and slower demand growth due to the pressure of inflation on household income and corporate profits as well as rising interest rates. Professional forecasters project inflation at the end of 2023 to be significantly lower than at the start of the year (table 1). However, these forecasts are surrounded by a lot of uncertainty.

During the course of this year, the forecasts for next year's inflation had to be revised upwards several times, to a large extent due to new shocks, such as the war in Ukraine, and their impact on commodity and in particular energy prices. The fact that inflation became very broad-based also played a role. This year's experience implies that inflation forecasts for 2023 are surrounded by an unusually high degree of uncertainty. This point is illustrated by the distribution of inflation forecasts for the fourth quarter of next year. Compared with the distribution for the fourth quarter of this year, there is a shift to the left -forecasters expect lower inflation- but there is nevertheless a high degree of disagreement amongst the forecasters (chart 1 and 2). The Federal Reserve and the ECB also face this uncertainty in their own projections, which explains why they have switched to a data-dependent policy.

It is indeed difficult if not impossible to estimate with a sufficient degree of confidence when and at which level of official interest rates, inflation will have sufficiently converged to target. The former question concerns the speed of disinflation, the latter how much cumulative tightening will be necessary to slow down demand growth to cool inflation pressures.

Disinflation can occur with an unchanged monetary policy. At the risk of oversimplifying, imbalances between demand and supply narrow because demand slows down due to high inflation and supply increases because companies see attractive opportunities due to higher output prices. We can call this process endogenous disinflation. However, such a process would take a lot of time.

Disinflation can also occur when an inflation-targeting central bank reacts to elevated inflation by tightening its monetary policy. For the spending and production decisions of households and businesses,

this represents an exogenous shock, so we can call this exogenous disinflation¹. Both types of disinflation are intertwined. Rate hikes reinforce the endogenous dynamics, but the pace of the latter will influence the extent of monetary tightening. Indeed, if it is too slow, it would raise concern that households and companies would expect inflation to stay well above the central bank's target, i.e. inflation expectations would become unanchored. This could influence demands for wage increases and price setting decisions of firms.

This explains why the Federal Reserve and the ECB have decided to frontload their rate hikes. This way they demonstrate they're serious about bringing inflation down to target. It reduces the risk of being surprised to the upside in terms of inflation developments because a faster cumulative tightening will slow down demand more quickly compared to a more gradual approach.

1. A positive supply shock -e.g. a sudden, significant increase in the supply of commodities- is another example of exogenous disinflation.

FREQUENCY DISTRIBUTION OF INFLATION FORECASTS FOR THE US

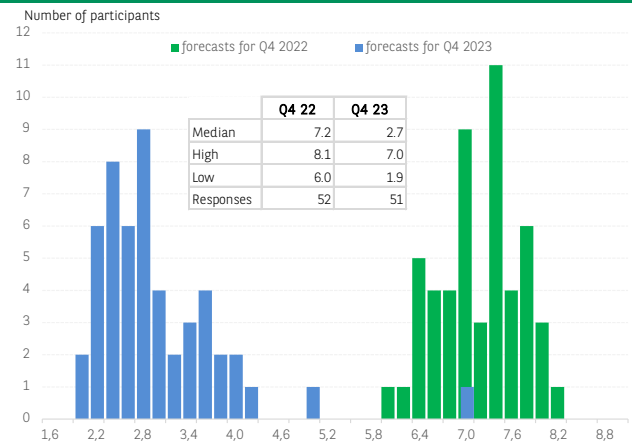


CHART 1

SOURCE: CONSENSUS BLOOMBERG, BNP PARIBAS

Recent research shows that firms use price information to which they are directly exposed to form an opinion of future, aggregate inflation. This implies that disinflation could be a slow process considering that a majority of firms in the euro area are confronted with rising input prices.



A second reason is that it should influence inflation expectations. A recent ECB survey concludes that *“the significant rise in inflation since 2020 appears to have influenced the role of expected inflation in expected selling prices, with 58% of firms now reporting it as “very important” (up from 30% in 2020).”*²

This raises the question whether firms’ inflation expectations are forward or backward looking. In case of the former, they would incorporate the expected negative impact of monetary tightening on the outlook for aggregate demand, pricing power, etc. In case of the latter, recent inflation developments play a key role in forming expectations about the future, so inflation first would need to drop before seeing a decline in expectations.

Recent research of the IMF sheds light on this question. Using a unique dataset on Chilean firms, the authors find *“that firms use changes in input prices observed in the transactions with their suppliers -i.e. supply chain inflation- to form expectations about aggregate -i.e., CPI- inflation”*³. Firms use price information to which they are directly exposed -i.e. local information- to form an opinion of future, aggregate inflation. Similar results were obtained in earlier research on French companies⁴. This could mean that disinflation could be a slow process considering that a majority of euro area manufacturing companies are still confronted with rising input prices⁵.

William De Vijlder

2. Source: *Selling price expectations among euro area enterprises*, ECB Economic Bulletin, Issue 5/2022
 3. Source : *Inflation Expectations and the Supply Chain*, IMF, working paper 22/161, July 2022.
 4. Source: *No Firm Is an Island? How Industry Conditions Shape Firms’ Expectations*, Philippe Andrade, Olivier Coibion, Erwan Gautier and Yuriy Gorodnichenko, Banque de France working paper 780, September 2020.
 5. The manufacturing input price purchasing managers’ index for the euro area in August stood at 71.7 (source : S&P Global PMI).

CHART 2: FREQUENCY DISTRIBUTION OF INFLATION FORECASTS FOR THE EURO AREA

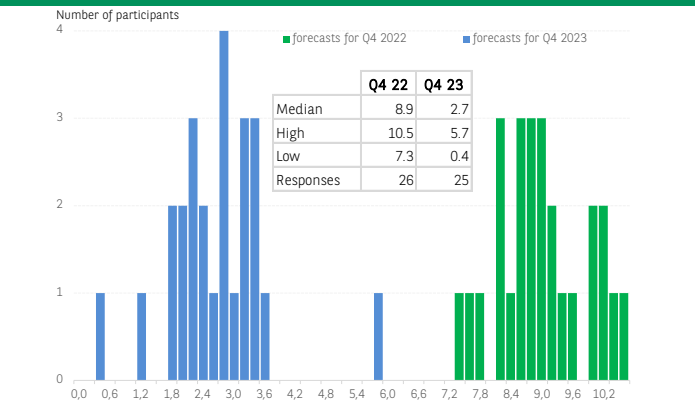


CHART 2 SOURCE: CONSENSUS BLOOMBERG, BNP PARIBAS

CONSENSUS FORECASTS OF INFLATION

		Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
US	CPI (YoY%)	8.7	8.2	7.2	5.8	3.9	3.1	2.7
US	Core PCE (yoy%)	4.8	4.6	4.3	3.7	3.3	3	2.7
Eurozone	CPI (YoY%)	8	9.1	8.9	6.9	5.1	3.8	2.7

TABLE 1 SOURCE: BLOOMBERG, 12 SEPTEMBER 2022

MARKETS OVERVIEW

OVERVIEW

Week 2-9-22 to 9-9-22

➔ CAC 40	6 168	▶ 6 212	+0.7 %
➔ S&P 500	3 924	▶ 4 067	+3.6 %
➔ Volatility (VIX)	25.5	▶ 22.8	-2.7 pb
➔ Euribor 3M (%)	0.76	▶ 0.93	+17.1 bp
➔ Libor \$ 3M (%)	3.16	▶ 3.25	+8.7 bp
➔ OAT 10y (%)	2.15	▶ 2.28	+13.2 bp
➔ Bund 10y (%)	1.52	▶ 1.70	+17.7 bp
➔ US Tr. 10y (%)	3.19	▶ 3.32	+13.0 bp
➔ Euro vs dollar	1.00	▶ 1.00	+0.1 %
➔ Gold (ounce, \$)	1 717	▶ 1 714	-0.1 %
➔ Oil (Brent, \$)	93.1	▶ 92.9	-0.1 %

MONEY & BOND MARKETS

Interest Rates

		highest 22	lowest 22	
€ ECB	0.50	0.50 at 27/07	0.00 at 03/01	
Eonia	-0.51	-0.51 at 03/01	-0.51 at 03/01	
Euribor 3M	0.93	0.93 at 09/09	-0.58 at 05/01	
Euribor 12M	2.02	2.02 at 09/09	-0.50 at 05/01	
\$ FED	2.50	2.50 at 28/07	0.25 at 03/01	
Libor 3M	3.25	3.25 at 09/09	0.21 at 03/01	
Libor 12M	4.19	4.22 at 31/08	0.58 at 03/01	
£ BoE	1.75	1.75 at 04/08	0.25 at 03/01	
Libor 3M	2.67	2.69 at 07/09	0.26 at 03/01	
Libor 12M	0.81	0.81 at 03/01	0.81 at 03/01	

At 9-9-22

Yield (%)

		highest 22	lowest 22
€ AVG 5-7y	2.12	2.21 at 15/06	-0.04 at 03/01
Bund 2y	1.21	1.23 at 08/09	-0.83 at 04/03
Bund 10y	1.70	1.76 at 21/06	-0.14 at 24/01
OAT 10y	2.28	2.28 at 09/09	0.15 at 04/01
Corp. BBB	3.99	4.04 at 08/09	0.90 at 05/01
\$ Treas. 2y	3.59	3.59 at 09/09	0.70 at 04/01
Treas. 10y	3.32	3.48 at 14/06	1.63 at 03/01
High Yield	8.53	9.09 at 30/06	5.07 at 03/01
£ gilt. 2y	3.00	3.17 at 05/09	0.69 at 03/01
gilt. 10y	3.10	3.16 at 08/09	0.97 at 03/01

At 9-9-22

EXCHANGE RATES

1€ =		highest 22	lowest 22	2022
USD	1.00	1.15 at 10/02	0.99 at 06/09	-11.7%
GBP	0.87	0.87 at 07/09	0.83 at 14/04	+3.3%
CHF	0.97	1.06 at 10/02	0.96 at 22/08	-6.8%
JPY	143.06	143.95 at 22/06	125.37 at 04/03	+9.2%
AUD	1.47	1.62 at 04/02	1.43 at 25/08	-6.1%
CNY	6.95	7.29 at 10/02	6.75 at 14/07	-4.1%
BRL	5.17	6.44 at 06/01	5.01 at 21/04	-18.4%
RUB	60.69	164.76 at 07/03	56.01 at 29/06	-28.8%
INR	79.93	85.96 at 11/02	79.05 at 01/09	-5.5%

At 9-9-22 Change

COMMODITIES

Spot price, \$		highest 22	lowest 22	2022	2022(€)
Oil, Brent	92.9	128.2 at 08/03	79.0 at 03/01	+18.5%	+34.2%
Gold (ounce)	1 714	2 056 at 08/03	1 698 at 01/09	-5.9%	+6.5%
Metals, LME	3 702	5 506 at 07/03	3 473 at 14/07	-17.8%	-6.9%
Copper (ton)	7 924	10 702 at 04/03	7 160 at 14/07	-18.7%	-7.9%
wheat (ton)	318	4.7 at 17/05	276 at 18/08	+33.5%	+51.2%
Corn (ton)	268	3.2 at 28/06	226 at 03/01	+1.7%	+33.0%

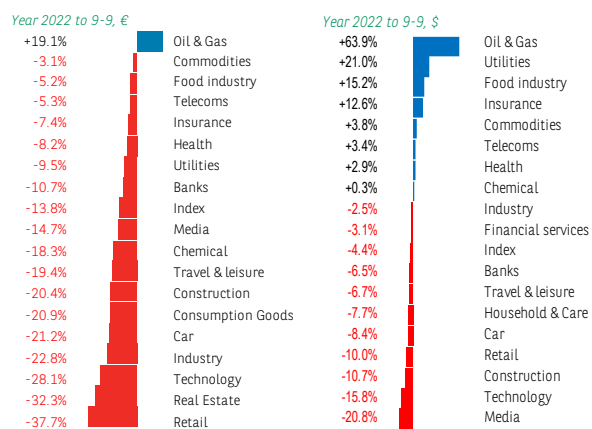
At 9-9-22 Change

EQUITY INDICES

Index	highest 22	lowest 22	2022	
World				
MSCI World	2 683	3 248 at 04/01	2 486 at 17/06	-17.0%
North America				
S&P500	4 067	4 797 at 03/01	3 667 at 16/06	-14.7%
Europe				
EuroStoxx50	3 570	4 392 at 05/01	3 360 at 05/07	-16.9%
CAC 40	6 212	7 376 at 05/01	5 795 at 05/07	-1.3%
DAX 30	13 088	16 272 at 05/01	12 401 at 05/07	-17.6%
IBEX 35	8 033	8 934 at 27/05	7 645 at 07/03	-0.8%
FTSE100	7 351	7 672 at 10/02	6 959 at 07/03	-0.0%
Asia				
MSCI, loc.	1 089	1 165 at 05/01	1 024 at 08/03	-0.5%
Nikkei	28 215	29 332 at 05/01	24 718 at 09/03	-2.0%
Emerging				
MSCI Emerging (\$)	970	1 267 at 12/01	957 at 07/09	-2.1%
China	84	86 at 20/01	59 at 15/03	-21.7%
India	808	891 at 13/01	699 at 17/06	+2.4%
Brazil	1 561	2 003 at 04/04	1 311 at 14/07	+0.6%

At 9-9-22 Change

PERFORMANCE BY SECTOR (Eurostoxx50 & S&P500)

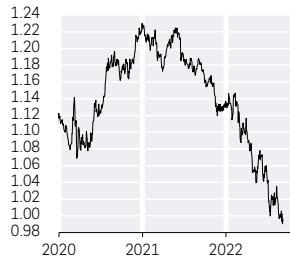


SOURCE: REFINITIV, BNP PARIBAS,

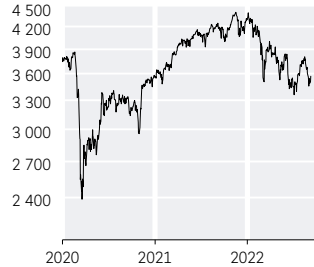


MARKETS OVERVIEW

EURO-DOLLAR



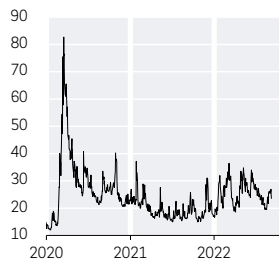
EUROSTOXX50



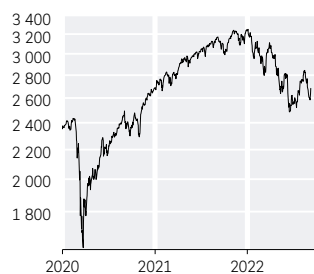
S&P500



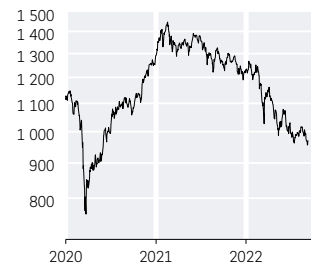
VOLATILITY (VIX, S&P500)



MSCI WORLD (USD)



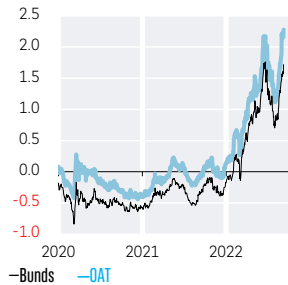
MSCI EMERGING (USD)



10Y BOND YIELD, TREASURIES VS BUND



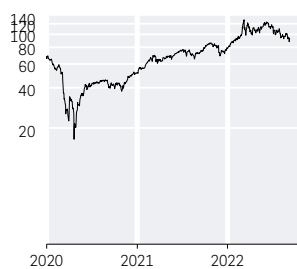
10Y BOND YIELD



10Y BOND YIELD & SPREADS

Year 2022 to 9-9		
4.26%	Greece	255 bp
3.91%	Italy	220 bp
2.87%	Spain	116 bp
2.61%	Portugal	91 bp
2.33%	Belgium	63 bp
2.32%	Austria	61 bp
2.30%	Ireland	59 bp
2.28%	France	57 bp
2.27%	Finland	57 bp
2.01%	Netherlands	31 bp
1.70%	Germany	

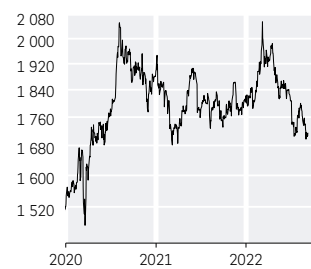
OIL (BRENT, USD)



METALS (LMEX, USD)



GOLD (OUNCE, USD)



SOURCE: REFINITIV, BNP PARIBAS



PMI: THE DECLINE OF NEW ORDERS CONTINUES

The downward trend of the manufacturing PMI has continued in August. In most advanced economies, the index is below 50, which corresponds to a contraction of activity in the manufacturing sector. A significant deterioration could be noted in the UK last month. The Chinese index has also dropped below 50.

The drop in terms of new orders has been particularly large since the month of May. It is also widespread. In the euro area and most of its member countries as well as in the UK, the index has moved below the 46 mark. The readings are also very low in Mexico, the Czech Republic, Poland and Turkey. The situation has also deteriorated in China.

Despite the low readings for the overall index, the employment survey continues to be remarkably resilient, although a gradual weakening can be observed. One can expect further declines, considering the worsening of the order book data.

In terms of inflation dynamics, the percentage of companies confronted with higher input prices continues its downward trend. This is very broad-based across countries. However, the level of this index remains very high.

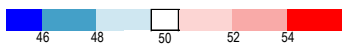
The developments in terms of input prices have a positive influence on the output prices where fewer companies than before plan to raise their prices. Nevertheless, like with the input prices, the index remains at a high level so this should be reflected in the evolution of producer and consumer prices.

A welcome development is the shortening of delivery times, which points towards an easing of supply side tensions. However, delivery times are still long. Finally, the services PMI has continued to decline in the US and the euro area, continuing a downward trend that started several months ago. The euro area index is now slightly below 50 but, with the exception of Germany (at 47.7), the other member countries have an index (slightly) above 50.

William De Vijlder

		MANUFACTURING																																		
	World	CANADA	USA	EURO ZONE		AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	SWITZERLAND	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	LEBANON	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA	VIETNAM
Nov-21	54.2	57.2	58.3	58.4	58.1	67.5	55.9	57.4	58.8	59.9	62.8	60.7	57.1	63.8	58.1	54.8	51.5	54.5	50.6	49.8	49.4	57.1	54.4	51.7	52.0	48.7	46.1	56.9	57.2	55.9	49.9	52.6	57.6	53.9	52.2	
Dec-21	54.3	56.5	57.7	58.0	58.7	63.7	55.6	57.4	59.0	58.3	62.0	58.7	56.2	64.2	57.9		53.9	64.3	50.7	49.8	49.4	59.1	56.1	51.6	52.1	49.0	46.7	53.9	54.1	55.6	50.9	50.8	55.5	53.5	52.5	
Jan-22	53.2	56.2	55.5	58.7	61.5	61.2	55.5	59.8	57.9	59.4	58.3	60.1	56.2	63.8	57.3	48.4	52.4	55.4	50.6	47.8	46.1	59.0	54.5	51.8	50.5	47.9	47.1	53.2	57.1	54.1	49.1	48.9	54.0	53.7	53.7	
Feb-22	53.7	56.6	57.3	58.2	58.4	52.7	57.2	58.4	57.8	57.8	58.3	60.6	56.9	62.6	58.0	53.2	53.5	52.7	50.2	49.6	48.0	56.5	54.7	48.6	50.4	48.1	47.5	56.2	58.6	54.8	50.4	42.9	54.9	51.2	54.3	
Mar-22	52.9	58.9	58.8	56.5	59.3	64.3	54.7	56.9	54.6	59.4	55.8	58.4	54.2	64.0	55.2	55.7	53.4	54.1	50.1	52.3	49.2	54.7	52.7	44.1	49.4	46.5	47.4	56.8	60.0	54.8	48.1	42.0	54.0	51.3	51.7	
Apr-22	52.3	56.2	59.2	55.5	57.9	64.1	55.7	54.6	54.8	59.1	54.5	59.9	53.3	62.5	55.8	58.5	51.0	53.5	50.3	51.8	49.3	54.4	52.4	48.2	49.2	46.9	47.9	55.7	50.7	54.6	46.0	51.7	54.7	51.9	51.7	
May-22	52.3	56.8	57.0	54.6	56.6	61.6	54.6	54.8	53.8	56.4	51.9	57.8	53.8	60.0	54.6	52.4	52.8	53.3	50.4	54.2	50.6	52.3	48.5	50.8	49.2	47.0	48.6	55.7	54.8	55.6	48.1	54.9	54.6	50.8	54.7	
Jun-22	52.2	54.6	52.7	52.1	51.2	70.0	51.4	52.0	51.1	53.1	50.9	55.9	52.6	59.1	52.8	54.0	50.0	52.7	50.3	54.1	52.2	49.0	44.4	50.9	48.1	45.2	49.1	57.0	52.2	54.8	51.7	52.4	53.9	50.2	54.0	
Jul-22	51.1	52.5	52.2	49.8	51.7	38.1	49.5	49.3	49.1	51.8	48.5	54.5	48.7	58.0	52.1	52.5	52.7	52.1	50.1	54.0	48.5	46.8	42.1	50.3	46.9	46.4	49.9	56.3	47.6	55.4	50.4	52.3	56.4	51.3	51.2	
Aug-22	50.3	48.7	51.5	49.6	48.8	48.0	50.6	49.1	48.8	51.1	48.0	52.6	49.9	56.4	47.3	49.3		51.5	50.0	51.9	48.5	46.8	40.9	51.7	47.4	47.6	50.1	57.7	52.1	56.7	49.5	51.2	56.2	51.7	52.7	

		MANUFACTURING - NEW ORDERS																																			
	World	Developed Markets													Emerging countries																						
		NA		Europe									Asia-Oceania		LATAM	Eurasia			Middle East & Africa			Asia															
		CANADA	USA	EURO ZONE		AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	SWITZERLAND	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	ISRAEL	LEBANON	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA	VIETNAM
Nov-21	53.2	54.4	56.9	55.9	50.3			51.6	54.5	58.7	58.1	63.7	57.2	55.5	54.7	59.3		52.9	51.1	46.2	48.5	51.6	52.5	51.2	47.5	48.6	51.3	45.7	62.2	50.3	60.5	49.4	54.2	61.3	55.2	54.4	
Dec-21	53.4	54.6	56.8	55.0	53.1			52.5	53.2	58.0	57.6	63.0	54.2	52.7	55.1			52.5	51.2	46.7	46.7	55.3	54.2	51.1	48.2	48.8	53.5	47.2	55.2	44.8	58.6	50.9	51.0	58.4	53.3	54.3	
Jan-22	52.2	55.0	53.7	56.4	58.7			51.2	57.4	55.4	59.2	57.5	55.8	55.0	53.1	51.3		54.5	50.9	43.7	44.0	57.3	51.5	51.7	47.5	46.9	47.3	56.6	48.6	61.4	50.7	58.2	51.6	36.6	57.6	52.6	55.3
Feb-22	53.7	54.2	57.0	57.0	54.2			53.8	58.5	53.8	58.7	57.2	58.0	54.1	54.6	59.8		50.5	50.4	47.0	46.3	55.3	53.5	47.0	46.8	47.3	56.6	48.6	61.4	50.7	58.2	51.6	36.6	57.6	52.6	55.3	
Mar-22	51.4	57.5	59.1	53.7	53.2			51.1	54.0	50.3	60.9	54.6	53.7	47.5	51.8	65.0		52.0	50.3	52.1	47.4	49.4	48.5	40.2	45.9	45.1	49.9	48.3	61.9	50.6	58.3	45.4	33.3	56.1	51.1	52.8	
Apr-22	50.5	54.4	59.0	51.6	53.0			53.0	48.8	50.7	58.7	52.6	56.3	49.6	51.7	64.8		51.5	50.4	51.7	46.7	48.5	48.0	45.9	46.2	45.3		49.6	59.5	49.3	57.2	42.8	52.2	56.8	52.1	51.9	
May-22	50.9	54.7	56.1	48.7	48.1			50.6	47.0	50.2	52.0	47.4	52.6	50.0	51.1	55.0		50.4	50.5	53.3	49.6	45.4	43.2	49.3	46.8	44.6		49.8	59.9	50.2	58.7	47.5	56.5	56.4	51.6	55.3	
Jun-22	50.1	52.8	48.7	45.2	41.2			46.1	43.3	45.7	47.9	43.9	52.5	49.7	48.3	55.7		50.2	50.7	52.9	50.7	43.9	39.1	51.0	44.9	41.9		49.3	63.3	52.5	56.5	51.2	52.1	55.7	50.9	54.8	
Jul-22	48.9	48.9	48.6	42.6	43.6			43.0	40.1	43.5	47.0	42.5	51.1	43.5	46.9	59.9		49.2	50.2	52.4	46.2	42.6	35.6	51.8	43.6	43.1		49.6	62.0	53.3	57.2	50.3	53.3	60.0	51.6	52.0	
Aug-22	48.2	44.5	48.8	43.3	39.8			44.8	40.9	45.6	47.3	42.6	48.7	47.3	43.9	55.8		48.2	50.1	51.4	45.1	42.2	33.4	52.9	42.8	45.1		49.8	64.1	52.2	59.8	48.9	51.3	60.5	52.4	54.1	



SOURCE: S&P GLOBAL, BNP PARIBAS



BNP PARIBAS

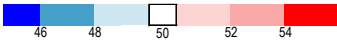
The bank for a changing world

MANUFACTURING - DELIVERY TIMES

WD	Developed Markets														Emerging countries																		
	World	NA		Europe							Asia-Oceania					LATAM		Eurasia			Middle East & Africa			Asia									
		CANADA	USA	EURO ZONE	AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA	VIETNAM
Nov-21	36.4	24.4	18.9	21.7	19.3	5.0	19.8	21.3	24.5	25.9	24.5	18.5	21.8	21.4	53.4	44.3	37.7	50.5	41.3	38.6	22.8	33.4	45.3	36.1	49.1	52.4	70.4	51.5	48.4	48.5	49.1	49.3	43.0
Dec-21	37.8	28.7	24.4	25.3	24.5	13.2	24.7	25.9	24.9	31.1	24.0	22.0	25.3	23.8	37.8	51.8	37.1	50.4	42.2	34.7	25.6	35.2	44.1	33.8	49.5	52.3	69.6	51.8	48.7	49.8	47.9	48.6	46.2
Jan-22	38.0	27.8	23.2	26.6	24.6	33.6	24.2	27.1	26.4	27.4	27.4	23.4	30.0	30.4	37.8	53.9	37.8	50.1	40.7	38.8	31.1	34.9	45.3	41.7	49.7	50.0	65.5	52.4	47.5	46.6	48.5	50.1	45.2
Feb-22	39.4	26.8	25.0	31.0	29.2	41.8	25.2	34.0	25.3	30.8	31.5	25.1	31.5	31.7	49.0	53.0	38.1	50.5	45.0	43.3	32.0	38.3	44.1	42.1	49.4	53.1	65.8	52.7	48.1	44.2	48.8	50.7	44.8
Mar-22	38.7	24.8	28.5	25.9	20.2	38.8	24.7	24.9	24.3	32.8	29.9	24.5	22.4	33.4	45.7	51.5	37.5	50.3	44.1	41.1	25.8	32.2	30.5	41.2	48.3	54.1	67.3	52.7	47.1	37.6	49.5	48.2	41.3
Apr-22	35.8	34.0	26.9	26.3	22.5	34.4	25.4	23.9	24.8	31.5	29.7	24.6	31.2	32.8	60.4	49.7	37.8	50.1	45.2	43.7	26.2	37.2	33.6	43.7	48.9	55.6	63.5	53.5	37.8	38.7	48.9	48.8	46.5
May-22	38.8	33.3	31.1	29.9	24.2	44.9	30.0	28.2	27.0	33.3	32.6	28.4	33.7	34.1	48.0	55.1	37.1	49.8	44.1	41.9	32.9	41.5	34.3	47.0	48.5	52.2	55.8	52.3	43.3	44.1	49.4	48.3	42.2
Jun-22	42.2	31.0	33.6	34.2	34.6	43.1	31.2	33.0	30.7	32.4	38.0	36.6	39.8	34.5	51.5	51.6	38.0	50.1	42.1	38.5	37.9	43.2	40.7	46.8	46.1	54.5	65.8	51.4	50.2	44.5	50.3	50.0	45.1
Jul-22	42.8	33.1	33.7	37.9	38.7	48.2	32.0	38.7	33.4	36.6	40.8	38.5	40.8	37.9	47.4	49.4	39.2	50.3	41.5	41.9	42.4	45.7	39.0	46.2	48.7	55.0	55.1	51.0	49.1	46.9	50.2	48.9	48.5
Aug-22	44.8	37.6	38.9	40.2	41.4	45.7	33.1	40.9	36.1	37.7	44.5	39.8	44.9	44.5	47.1		40.0	50.4	46.6	42.5	46.5	47.3	43.8	46.7	49.5	54.6	60.0	52.8	49.4	49.2	50.8	50.0	50.5

SERVICES

	World	USA	EURO ZONE	FRANCE	GERMANY	IRELAND	ITALY	SPAIN	UK	AUSTRALIA	JAPAN	BRAZIL	RUSSIA	LEBANON	CHINA	HONG KONG	INDIA
Nov-21	55.6	58.0	55.9	57.4	52.7	59.3	55.9	59.8	58.5	49.6	53.0	53.6	47.1	46.1	52.1	52.6	58.1
Dec-21	54.7	57.6	53.1	57.0	48.7	55.4	53.0	55.8	53.6		52.1	53.6	49.5	46.7	53.1	50.8	55.5
Jan-22	51.0	51.2	51.1	53.1	52.2	56.2	48.5	46.6	54.1	56.2	47.6	52.8	49.8	47.1	51.4	48.9	51.5
Feb-22	54.0	56.5	55.5	55.5	55.8	61.8	52.8	56.6	60.5	60.0	44.2	54.7	52.1	47.5	50.2	42.9	51.8
Mar-22	53.4	58.0	55.6	57.4	56.1	63.4	52.1	53.4	62.6	56.2	49.4	58.1	38.1	47.4	42.0	42.0	53.6
Apr-22	52.2	55.6	57.7	58.9	57.6	61.7	55.7	57.1	58.9	57.8	50.7	60.6	44.5	47.9	36.2	51.7	57.9
May-22	51.9	53.4	56.1	58.3	55.0	60.2	53.7	56.5	53.4	49.2	52.6	58.6	48.5	48.6	41.4	54.9	58.9
Jun-22	53.9	52.7	53.0	53.9	52.4	55.6	51.6	54.0	54.3	48.8	54.0	60.8	51.7	49.1	54.5	52.4	59.2
Jul-22	51.1	47.3	51.2	53.2	49.7	56.3	48.4	53.8	52.6	51.7	50.3	55.8	54.7	49.9	55.5	52.3	55.5
Aug-22		44.1	49.8	51.2	47.7	54.7	50.5	50.6	50.9		49.5	53.9	49.9	50.1	55.0	51.2	57.2



SOURCE: S&P GLOBAL, BNP PARIBAS



ECONOMIC PULSE

FRANCE: DOWNSIDE RISKS TO GROWTH OUTLOOK IN THE SECOND HALF OF THE YEAR

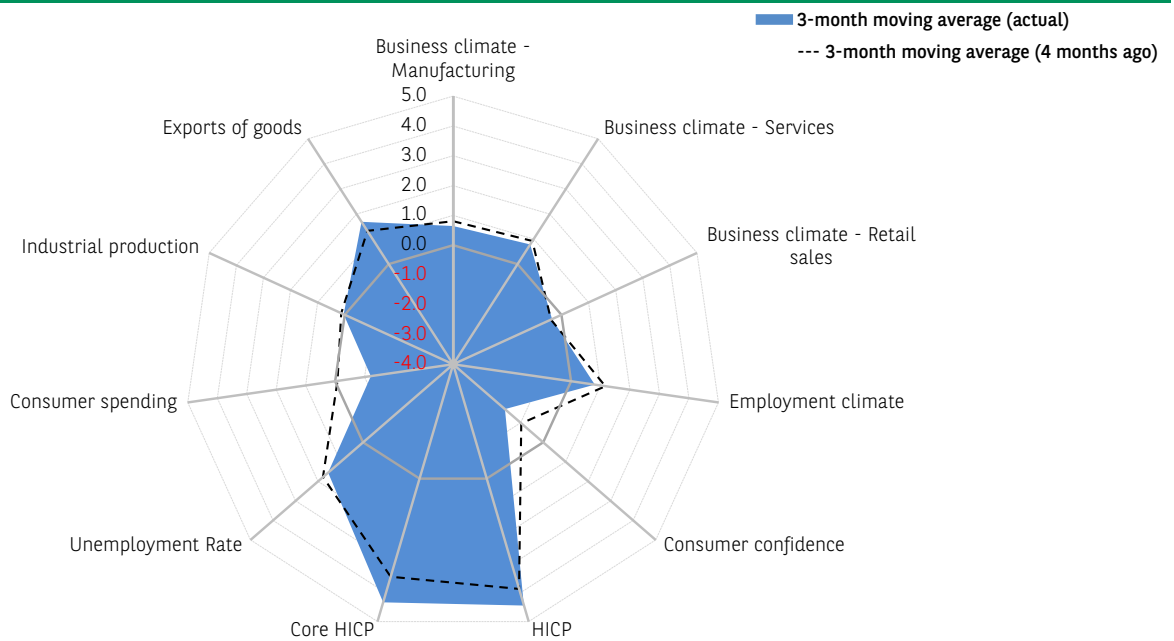
The French economy sprung a pleasant surprise in view of the headwinds that have been picking up since the start of 2022. Growth was 0.5% Q/Q during Q2, mainly due to the upturn in tourism and leisure business activity after COVID restrictions were lifted from March onwards. However, inflation continued to have an impact, as seen in the further fall in consumer purchasing power during Q2 (-1.1% Q/Q, following on from -1.6% during Q1). This inflation hit 6.1% Y/Y in July before falling back to 5.8% in August (according to the French National Institute of Statistics and Economic Studies (INSEE) national measurements). This helped the consumer confidence index to strengthen slightly, rebounding 2 points in August to 82. However, it is still down 17 points from December 2021. By the end of the year, we expect inflation to remain below the July peak, due to the increase in the discount per litre of fuel from 18 to 30 cents during September and October, in particular. This increased discount is one of the aspects of the purchasing power law passed this summer, which should help purchasing power to bounce back, +1.4% Q/Q during Q3 according to our expectations (compared with +0.1% if no purchasing power support measures had been introduced).

This positive growth in purchasing power during Q3 will be followed by an expected shock next winter, mainly due to fears about energy supplies. The first issue here is the potential shortages (in gas and electricity) and the precautionary consumption-reduction measures designed to avoid them. The second issue revolves around prices and rising energy bills. Households are protected by a tariff freeze that fixes regulated gas and electricity tariffs until December. A cap will remain in place in 2023 according to the government, but the size of the price increase at the start of 2023 is still unknown. Companies are already facing price increases when their previous electricity-supply contracts come to an end and they have to take out new ones, which has led some to announce short-time working from this autumn in order to reduce their costs.

All of these aspects will quickly hamper French growth. And as this is a common problem across the rest of the European Union, exports will also be affected. In addition, there are vulnerabilities in the French economy as we approach this period. The first vulnerability is driven by France's electricity production, which fell by 10.4% Y/Y during the first half of the year. The second vulnerability revolves around droughts, which has likely worsened the problem, while also negatively impacting crop production, which is pushing food prices upwards (expected to hit +10.8% Y/Y at the end of the year). The third vulnerability is linked to an increase in the inventories in the manufacturing sector, against a backdrop of declining demand. Inventories are now equivalent to 68 days of turnover, according to our calculation, which is higher than usual levels (60 days). In order to reduce this high level, there is an increased risk of a drop in production. With all of these aspects in mind, we are expecting a 0.2% Q/Q contraction in GDP during Q3, with the INSEE expecting growth of 0.2% Q/Q and the Bank of France anticipating growth of around 0.3% Q/Q.

Stéphane Colliac

FRANCE: QUARTERLY CHANGES



SOURCE: REFINITIV, BNP PARIBAS

The indicators in the radar are all transformed into 'z-scores' (deviations from the long-term average, as standard deviations). These z-scores have mean zero and their values are between -4 and +5. In the radar chart, the blue area shows the actual conditions of economic activity. It is compared with the situation four months earlier (dotted-line). An expansion of the blue area compared to the dotted area signals an increase in the variable.



ECONOMIC PULSE

COVID-19: NEW WEEKLY CASES FALL BELOW THE SYMBOLIC 5 MILLION THRESHOLD

The downward trend in the number of new Covid-19 cases continues worldwide. For the first time since the end of June, the number of infections has fallen below the symbolic 5 million weekly mark (seven-day moving average). Thus, 4 million new cases were recorded between 1 and 7 September, a 15% drop compared to the previous week (Chart 1). The situation continues to improve markedly in South America (-32%), North America and Asia (-18), but also in Europe (-5%), while it has stabilised in Africa, after two months of almost continuous decline. At the same time, vaccination campaigns continue to progress worldwide, but at a much slower pace. Sixty-eight percent of the world's population has received at least one dose of a vaccine (Chart 2).

At the same time, footfall in retail and leisure facilities remains high in developed countries. Recently, Germany, Italy and France have returned to their pre-pandemic levels. These three countries join Belgium, which reached its pre-pandemic level a fortnight ago (Chart 3). In contrast, retail and recreation mobility remains below its pre-Covid level in other countries (Spain, the US and the UK). In Japan, it suddenly fell back below its pre-pandemic level, after the sharp rise seen in mid-August (Chart 3, blue curve).

Finally, the weekly GDP proxy continues to recover in Japan, while it remains on a downward trend in the UK, France, Germany, Belgium and the US. In Italy and Spain, the slight increase seen in the last point is part of a downward trend (Chart 3, black curve). This indicator is produced by the OECD using data from Google Trends, which results from searches relating to consumption, the labour market, real estate, industrial activity and uncertainty. The indicator shown here is calculated on a rolling basis over one year.

Tarik Rharrab

* Google Mobility Reports show how visits and length of stay at different places change compared to a baseline. The baseline is the median value, for the corresponding day of the week, during the 5-week period Jan 3–Feb 6, 2020. A figure of negative 30% indicates that traffic was down 30% compared to a baseline. The reports show trends over several weeks with the most recent data representing approximately 2-3 days ago—this is how long it takes to produce the reports. In order to smooth the series, we use a seven-day moving average of the raw data in the Google Mobility Reports. Source: Google.

DAILY CONFIRMED COVID-19 CASES (7-DAY MOVING AVERAGE)

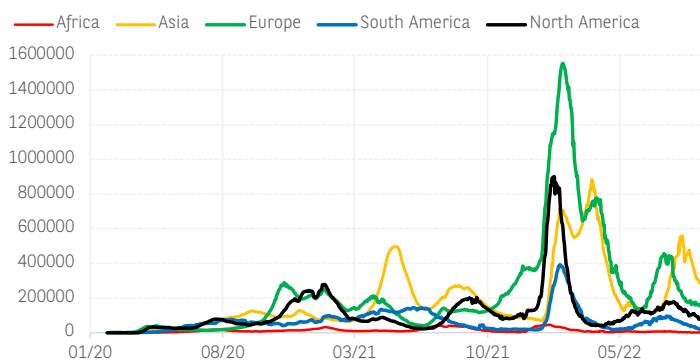


CHART 1

SOURCE: JOHNS-HOPKINS UNIVERSITY (09/08/2022), BNP PARIBAS

SHARE OF PEOPLE WHO RECEIVED AT LEAST ONE DOSE OF VACCINE

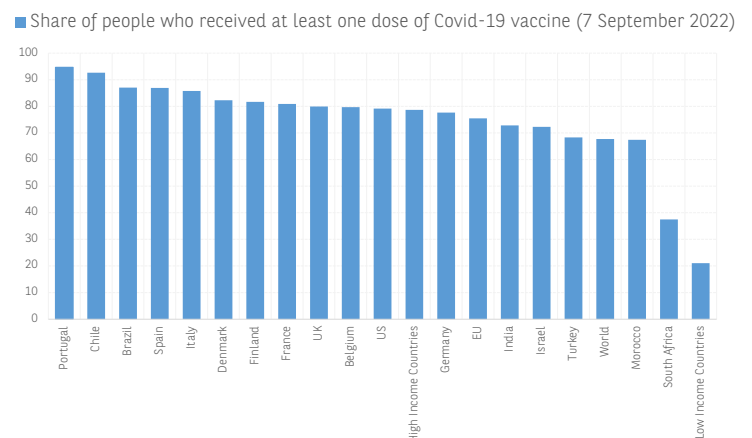


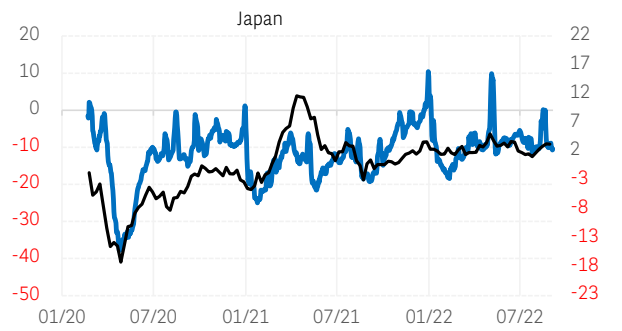
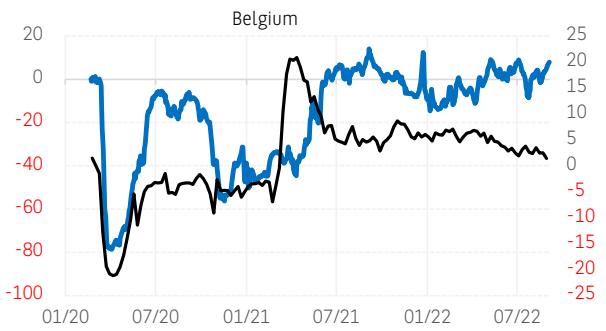
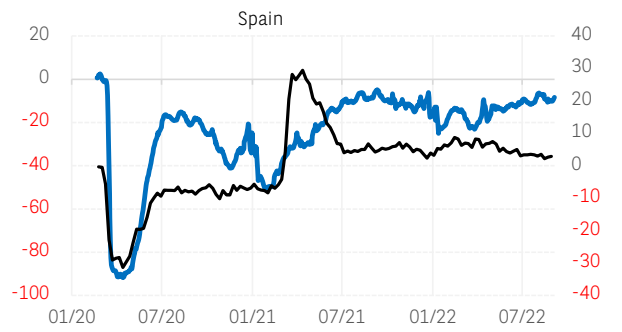
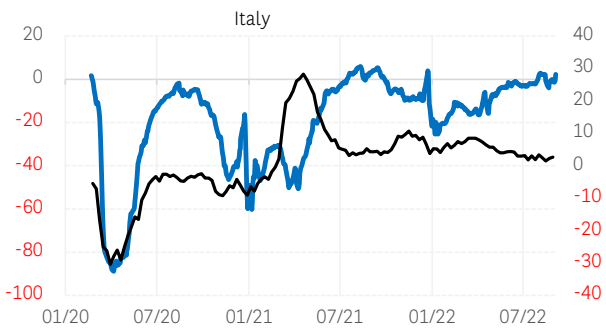
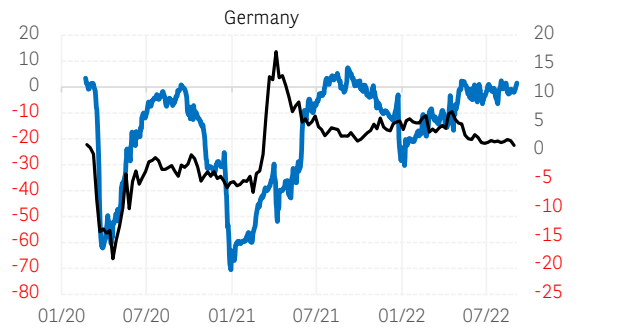
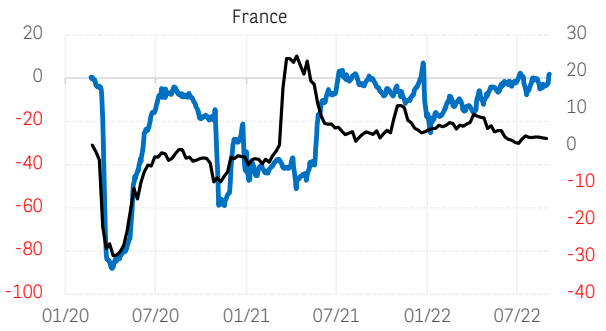
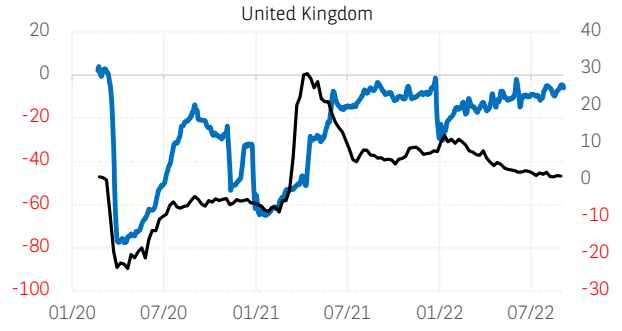
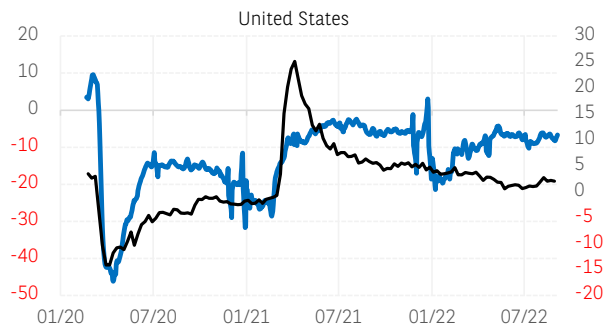
CHART 2

SOURCE: OUR WORLD IN DATA (09/08/2022), BNP PARIBAS



RETAIL AND RECREATION MOBILITY & OECD WEEKLY TRACKER

— Retail and recreation mobility (7-day moving average, % from baseline*) — OECD Weekly tracker, y/2y GDP growth [RHS]

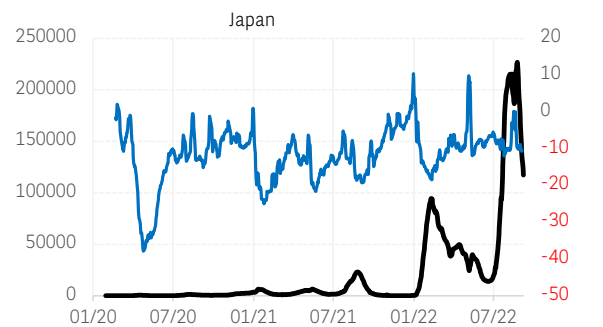
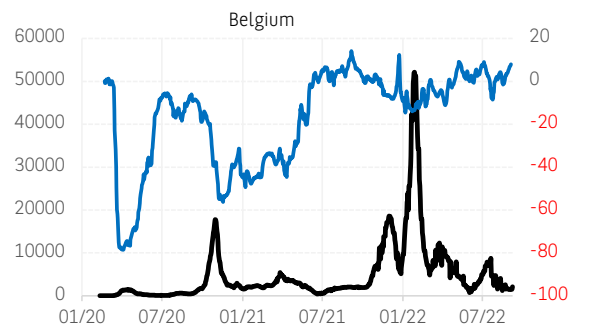
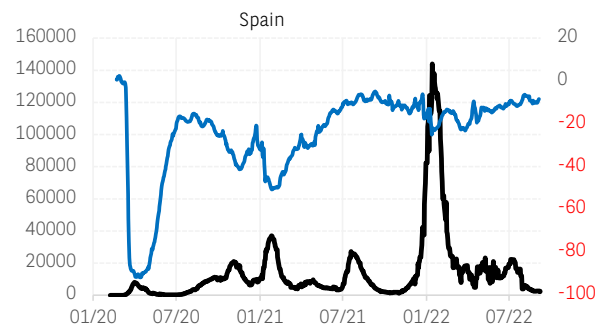
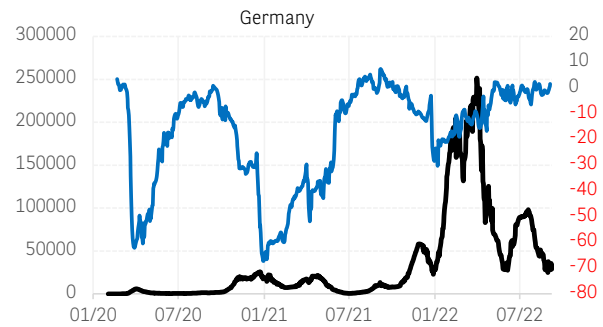
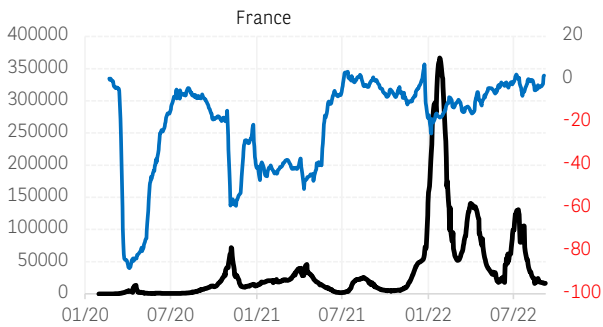
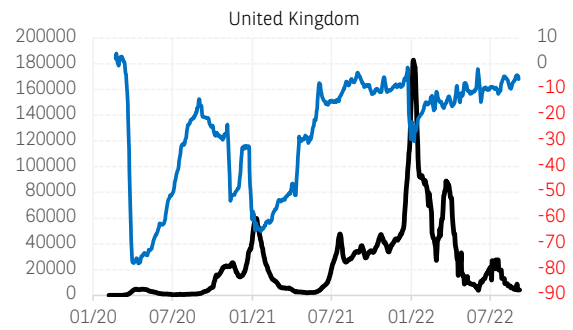
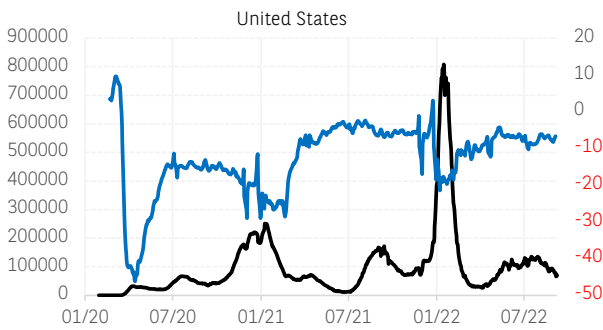


SOURCE: OECD (09/08/2022), GOOGLE (09/08/2022), BNP PARIBAS



DAILY NEW CASES & RETAIL AND RECREATION MOBILITY

— Daily new confirmed cases of Covid-19 (7-day moving average)
 — Retail and recreation mobility (7-day moving average, % from baseline*)[RHS]



SOURCE: JOHNS-HOPKINS UNIVERSITY (09/08/2022), GOOGLE (09/08/2022), BNP PARIBAS



ECONOMIC SCENARIO

13

UNITED STATES

The US economy is slowing down significantly, with GDP contracting again in Q2 2022, despite strong household consumption and a rebound in exports. Job gains remain robust however and the unemployment rate low, which supports wage growth. However, there are some early signs of a slowdown. Inflation may have peaked in mid-2022 and should continue to decline, but not to move below the 2% target. Facing high and persistent inflation, the Fed continues to raise interest rates "expeditiously" and to shrink its balance sheet. As the mid-term elections approach, the Inflation Reduction Act (IRA) vote represents a victory for President Joe Biden, with the implementation of some of his social and environmental key measures. This plan should also support economic activity. According to our forecasts, the US would not fall into recession, but growth would run below-trend for a prolonged period to ease price pressures.

CHINA

Economic activity contracted in Q2 2022 due to the lockdowns imposed in large industrial regions such as Shanghai. The economic growth rebound since late spring has proved difficult. The authorities are enhancing fiscal and monetary easing measures. However, factors constraining growth remain significant: the correction in the property sector continues, and the deterioration in the labour market, the still tight zero Covid strategy and weak household confidence weigh on private consumption. Moreover, exports are expected to suffer from the slowdown in global demand. Consumer price inflation is accelerating only moderately.

EUROZONE

The look in the rear-view mirror is fairly favorable. The first half of 2022 was better than expected, leading to a comfortable growth carry-over a bit above 3%. However, the outlook for the coming quarters is negative: according to our forecasts, the Eurozone will not escape a contraction of its GDP. The current unprecedented combination of shocks (inflation, health, geopolitical, energy, climate, monetary) should overcome the resilience observed so far. We already have signs of this in the deterioration in confidence surveys, which has intensified over the summer. However, the recession should remain limited in scope thanks to the support of fiscal measures and as long as the labor market continues to perform well as it is now. In annual average terms, we expect Eurozone growth to reach 2.8% in 2022 but only 0.3% in 2023 (2 points lower than in our previous scenario in June). Regarding inflation, we forecast it will soon reach its peak, nearing 10% y/y, before engaging in a rather slow disinflation process in 2023.

FRANCE

Real GDP growth has surprised on the upside in the 2nd quarter of 2022 (+0.5% q/q after -0.2% in the 1st quarter), mainly as a result of tourism (positive contribution of net exports) and accommodation & catering following the unwinding of the bulk of Covid related restrictions. However, inflation has continued to accelerate (reaching a peak of 6.1% y/y in July) and household purchasing power has reduced for a second quarter in a row (-1.1% q/q during the 2nd quarter). Backlog of orders in the manufacturing have continued to decrease, and GDP growth should follow (we expect 0.5% in 2023 after 2.3% in 2022).

RATES AND EXCHANGE RATES

In the US, the Federal Reserve will continue its tightening policy at a swift pace, with a 75bp hike in September, followed by 25bp hikes in both November and December. We expect the terminal rate of 3.75% (upper end of the target range) to hold through 2024. The Fed's hawkish stance is motivated by the particularly elevated inflation and a strong labour market. When the economy slows down and inflation will be on a downward path, the Federal Reserve should adapt its guidance to achieve a soft landing. To a very large degree, US Treasury yields already reflect the prospect of monetary policy tightening. This means that year-end levels shouldn't be that different from current levels. For next year we expect somewhat lower yields as growth slows and inflation declines.

After the 50bp rate hike in July and the 75bp increase in September, the ECB Governing Council will continue to raise its policy rates at its next meetings. Policy tightening is frontloaded, which means that the terminal rate -i.e. the peak rate in this cycle- should be reached by the end of the first quarter of next year. We expect a peak for the deposit rate at 2.00%. This should cause an increase in Bund yields.

The Bank of Japan is expected to maintain its current policy stance, at least until Governor Kuroda's term ends in the spring of 2023. Thereafter, we expect a less dovish policy and a one-off rate hike in the fourth quarter of 2023.

We expect the dollar to weaken somewhat versus the euro. The dollar's valuation is expensive, positioning in the market is very long and the long-term interest rate differential should narrow. The yen has already weakened significantly versus the dollar, reflecting the prospect of increased policy divergence between the Fed and the Bank of Japan. We expect the exchange rate to remain around current levels for the remainder of the year. In 2023, the yen should strengthen versus the dollar considering that the federal funds rate should have reached its terminal rate and that the Bank of Japan is expected to tighten policy.

GDP GROWTH & INFLATION

%	GDP Growth				Inflation			
	2021	2022 e	2023 e	2024 e	2021	2022 e	2023 e	2024 e
United-States	5,7	1,8	1,3	1,4	4,7	7,8	3,0	2,8
Japan	1,7	1,3	0,8	0,6	-0,2	2,2	1,1	0,6
United-Kingdom	7,4	3,4	-0,1	1,4	2,6	9,6	9,3	1,7
Euro Area	5,3	2,8	0,3	1,5	2,6	8,3	6,0	2,4
Germany	2,6	1,4	0,4	1,7	3,2	8,1	4,7	2,4
France	6,8	2,3	0,5	1,5	2,1	5,8	4,2	2,2
Italy	6,6	3,4	0,4	1,6	1,9	8,3	6,1	2,2
Spain	5,1	4,3	0,5	1,7	3,0	8,9	4,5	1,9
China	8,1	3,0	5,3	5,0	0,9	2,3	3,1	2,5
India*	9,3	8,3	6,2	6,5	5,4	7,9	5,9	5,5
Brazil	4,6	1,5	0,0	1,2	8,3	11,0	7,1	4,3
Russia	4,5	-7,0	0,8	0,3	7,1	14,0	10,5	7,6

SOURCE: BNP PARIBAS GROUP ECONOMIC RESEARCH (E: ESTIMATES & FORECASTS)
*FISCAL YEAR FROM 1ST APRIL OF YEAR N TO MARCH 31ST OF YEAR N+1

INTEREST & EXCHANGE RATES

Interest rates, %		Q2 2022	Q4 2022 e	Q1 2023 e	Q2 2023 e	Q4 2023 e
End of period						
US	Fed Funds (upper limit)	1.75	3.75	3.75	3.75	3.75
	T-Note 10y	2.97	3.20	3.15	3.10	3.00
	Deposit rate	-0.50	1.50	2.00	2.00	2.00
Eurozone	Bund 10y	1.37	1.90	2.20	2.20	2.10
	OAT 10y	1.80	2.55	2.90	2.85	2.75
	BTP 10y	3.29	4.40	4.60	4.50	4.40
	BONO 10y	2.46	3.20	3.70	3.60	3.50
UK	Base rate	1.25	2.75	3.00	3.00	3.00
	Gilts 10y	2.21	2.95	2.95	2.90	2.90
Japan	BoJ Rate	-0.04	-0.10	-0.10	-0.10	0.00
	JGB 10y	0.23	0.25	0.25	0.25	0.45
Exchange Rates		Q2 2022	Q4 2022 e	Q1 2023 e	Q2 2023 e	Q4 2023 e
End of period						
USD	EUR / USD	1.05	1.00	1.01	1.02	1.06
	USD / JPY	136	137	135	133	127
	GBP / USD	1.21	1.14	1.13	1.13	1.18
EUR	EUR / GBP	0.86	0.88	0.89	0.90	0.90
	EUR / JPY	142	137	136	136	135
Brent		Q2 2022	Q4 2022 e	Q1 2023 e	Q2 2023 e	Q4 2023 e
End of period						
Brent	USD/bbl	115	100	102	107	115

SOURCES: BNP PARIBAS (E: ESTIMATES & FORECASTS) (MARKET ECONOMICS, INTEREST RATE STRATEGY, FX STRATEG, COMMODITIES DESK STRATEGY) , * LAST UPDATE 09/05/2022



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CALENDAR

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LATEST INDICATORS

In China, the services PMI edged down, reaching 55.0, which was better than expected. Export growth slowed down far more than expected in July and import growth was close to zero. In the euro area, the services and composite PMIs both declined and came in below expectations. Retail sales growth turned slightly positive in July and second quarter GDP growth was revised upwards to a non-annualised 0.8% versus the first quarter. The ECB increased its policy rates 75bp and indicated that more hikes will follow. In France, the composite PMI improved, reaching 50.4. Growth in private sector job creation was stable and in line with the consensus. The PMI data in Germany were bad with the services, composite and construction sector PMIs all declining and moving further below the 50 mark. In Japan, second quarter GDP was revised upwards to 0.9% and the EcoWatchers' survey improved in August compared to July but did also better compared to expectations. In the UK, the services PMI weakened a lot -the consensus had expected a status quo- and the composite PMI was also down. The construction PMI created a positive surprise by moving higher but it remains below 50. In the US, the business surveys send conflicting signals: the services PMI declined but the ISM index for services edged higher. Initial jobless did better than expected by moving lower.

DATE	COUNTRY	INDICATOR	PERIOD	CONSENSUS	ACTUAL	PREVIOUS
09/05/2022	Japan	Jibun Bank Japan PMI Services	Aug	--	49,5	49,2
09/05/2022	China	Caixin China PMI Services	Aug	54,0	55,0	55,5
09/05/2022	France	S&P Global France Services PMI	Aug	51,0	51,2	51,0
09/05/2022	France	S&P Global France Composite PMI	Aug	49,8	50,4	49,8
09/05/2022	Germany	S&P Global Germany Services PMI	Aug	48,2	47,7	48,2
09/05/2022	Germany	S&P Global Germany Composite PMI	Aug	47,6	46,9	47,6
09/05/2022	Eurozone	S&P Global Eurozone Services PMI	Aug	50,2	49,8	50,2
09/05/2022	Eurozone	S&P Global Eurozone Composite PMI	Aug	49,2	48,9	49,2
09/05/2022	United Kingdom	S&P Global/CIPS UK Services PMI	Aug	52,5	50,9	52,5
09/05/2022	United Kingdom	S&P Global/CIPS UK Composite PMI	Aug	50,9	49,6	50,9
09/05/2022	Eurozone	Retail Sales MoM	Jul	0,40%	0,30%	-1,00%
09/06/2022	Germany	S&P Global Germany Construction PMI	Aug	--	42,6	43,7
09/06/2022	United Kingdom	S&P Global/CIPS UK Construction PMI	Aug	48,1	49,2	48,9
09/06/2022	United States	S&P Global US Services PMI	Aug	44,2	43,7	44,1
09/06/2022	United States	ISM Services Index	Aug	55,3	56,9	56,7
09/07/2022	Eurozone	GDP SA QoQ	T2	0,60%	0,80%	0,60%
09/07/2022	United States	U.S. Federal Reserve Releases Beige Book				
09/07/2022	China	Exports YoY	Aug	13,00%	7,10%	18,00%
09/07/2022	China	Imports YoY	Aug	1,10%	0,30%	2,30%
09/08/2022	Japan	GDP SA QoQ	T2	0,70%	0,90%	0,50%
09/08/2022	Japan	Eco Watchers Survey Current SA	Aug	44,9	45,5	43,8
09/08/2022	Japan	Eco Watchers Survey Outlook SA	Aug	44,9	49,4	42,8
09/08/2022	France	Private Sector Payrolls QoQ	T2	0,50%	0,50%	0,50%
09/08/2022	Eurozone	ECB Main Refinancing Rate	Sept	1,25%	1,25%	0,50%
09/08/2022	United States	Initial Jobless Claims	Sept	235k	222k	228k

SOURCE: BLOOMBERG



CALENDAR: THE WEEK AHEAD

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COMING INDICATORS

The highlight of the week are the consumer price inflation data in the US and the Bank of England meeting. The final inflation numbers for August will be published for the euro area as well. Other important data are US retail sales and several releases in China for the month of August. For Germany and the euro area we will have the ZEW survey. We will finish the week with the University of Michigan sentiment index.

DATE	COUNTRY	INDICATOR	PERIOD	CONSENSUS	PREVIOUS
09/13/2022	United Kingdom	Employment Change 3M/3M	Jul	--	160k
09/13/2022	Germany	ZEW Survey Expectations	Sep	--	-55.3
09/13/2022	Germany	ZEW Survey Current Situation	Sep	--	-47.6
09/13/2022	Eurozone	ZEW Survey Expectations	Sep	--	-54.9
09/13/2022	United States	CPI MoM	Aug	-0.10%	0.00%
09/13/2022	United States	CPI Ex Food and Energy MoM	Aug	0.30%	0.30%
09/14/2022	United Kingdom	CPIH YoY	Aug	--	8.80%
09/14/2022	United States	MBA Mortgage Applications	Sep	--	-0.80%
09/14/2022	United States	PPI Ex Food and Energy MoM	Aug	0.30%	0.20%
09/15/2022	United Kingdom	Bank of England Bank Rate	Sep	--	1.75%
09/15/2022	United States	Initial Jobless Claims	Sep	--	--
09/15/2022	United States	Retail Sales Advance MoM	Aug	0.00%	0.00%
09/16/2022	China	Residential Property Sales YTD YoY	Aug	--	-31.40%
09/16/2022	China	Industrial Production YoY	Aug	3.80%	3.80%
09/16/2022	China	Retail Sales YoY	Aug	3.20%	2.70%
09/16/2022	China	Fixed Assets Ex Rural YTD YoY	Aug	5.50%	5.70%
09/16/2022	China	Property Investment YTD YoY	Aug	-6.90%	-6.40%
09/16/2022	China	Surveyed Jobless Rate	Aug	5.40%	5.40%
09/16/2022	United Kingdom	Retail Sales Ex Auto Fuel MoM	Aug	--	0.40%
09/16/2022	Eurozone	CPI YoY	Aug	--	9.10%
09/16/2022	Eurozone	CPI MoM	Aug	--	0.50%
09/16/2022	Eurozone	CPI Core YoY	Aug	--	4.30%
09/16/2022	United States	U. of Mich. Sentiment	Sep	59.6	58.2
09/16/2022	United States	U. of Mich. 1 Yr Inflation	Sep	--	4.80%
09/16/2022	United States	U. of Mich. 5-10 Yr Inflation	Sep	--	2.90%

SOURCE: BLOOMBERG



FURTHER READING

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Eurozone: a positive first half of the year to be followed by a negative second half?	EcoTVWeek	9 September 2022
Sweden: Can populist forces take power in Sweden?	EcoFlash	9 September 2022
Chile: rejection of the draft constitution	Chart of the Week	7 September 2022
Global: Towards a frugal winter	EcoWeek	5 September 2022
Monetary policy : from theory without end to the end of theory	EcoTVWeek	2 September 2022
Eurozone: the rise in corporate bond yields makes bank lending more attractive for non-financial corporations	Chart of the Week	31 July 2022
Global: The new meaning of 'whatever it takes'	EcoWeek	29 July 2022
Heightened risk despite agreement with IMF	Chart of the Week	27 July 2022
France : Reconciling short-term and medium-term challenges	Conjoncture	26 July 2022
Eurozone : ECB: Into a new era	EcoWeek	25 July 2022
Turkey: on the razor's edge	EcoTVWeek	22 July 2022
Germany : A mixed bag for pay rises in 2022	EcoFlash	21 July 2022
Spain: the effects of the labour-market reforms in Spain are clearly visible	Chart of the Week	20 July 2022
Algeria : A window of opportunity not to be missed	Conjoncture	20 July 2022
Eurozone : ECB: addressing unwarranted spread widening	EcoWeek	18 July 2022
The euro at parity versus the dollar: causes, consequences and outlook	EcoTVWeek	15 July 2022
Euro area: corporation overdrafts returning to pre-pandemic levels	Chart of the Week	13 July 2022
US : An uneasy feeling (part 2)	EcoWeek	11 July 2022
Emerging Countries : from one shock to another	EcoEmerging	11 July 2022
Peru: tempered economic outlook	EcoTVWeek	8 July 2022



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