

“ In April, rate hikes were deemed premature. By June, the window of opportunity to look through the inflationary impact of the energy shock will likely have closed, and this impact should be sufficiently clear to justify a response. This is our scenario for the ECB, the BoE and the BoJ. For the Fed, we anticipate another status quo while identifying a low but growing risk that it will also proceed with a rate hike. ”

ECONOMIC RESEARCH



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FOUR CENTRAL BANKS AND JUST AS MANY SHADES OF *STATUS QUO*

Unsurprisingly, the Bank of Japan (BoJ), the U.S. Federal Reserve (Fed), the European Central Bank (ECB), and the Bank of England (BoE) opted to keep their policy rates unchanged at their meetings in April. However, beneath this shared decision lie subtle differences that enable us to categorize each central bank based on how ready they are for a rate hike in the near future. The ECB ranks first, followed closely by the BoJ and the BoE, with the Fed remaining apart. Although the current energy shock is a global phenomenon and of a stagflationary nature (leading to lower growth and higher inflation), the dilemma varies for each central bank. The United States is experiencing higher inflation but it is benefiting from higher growth too, while economic activity is expected to be more adversely affected in other countries. Assuming a gradual normalization of the situation in the Middle East, the reaction function of each central bank suggests that we can expect a 25-basis-point (bp) rate hike in June from the ECB, the BoE, and the BoJ, while the Fed is likely to maintain its current stance (albeit with a low but growing risk of aligning with this trend).

FOUR *STATUS QUO* PERSPECTIVES

Our comparison is based on the following factors: the number of dissenting votes, the tone of the statements and press conferences, the characterization of monetary policy, and the presentation of the economic situation and outlook for each country¹. It appears that, in our assessment, the ECB exhibits the most hawkish bias—indicating the clearest inclination to raise its policy rates soon in response to the inflationary impact of the ongoing energy shock. Its *status quo* in April (the only unanimous decision among the four central banks) does not mean that a response is not required. The decision was warranted given the lack of sufficient information to act as early as this month, coupled with the fact that the ongoing tightening of credit conditions is already doing part of the job. However, the possibility of a rate hike was discussed at length. President Christine Lagarde refrained from making any explicit pre-commitment and reiterated the ECB's data-dependent, meeting-by-meeting approach. Nevertheless, a clear signal was given in favor of a rate hike in June, barring a sudden change in conditions.

The BoJ stands out from its counterparts with a *status quo* that is difficult to justify given the macroeconomic situation of the country (an economy close to full employment, inflation above 2%, and real interest rates that remain negative). In March, the BoJ appeared poised to raise rates in April. The revision of its forecasts was more hawkish than expected: not only has the inflation outlook been significantly raised, but the BoJ, while also acknowledging downside risks to growth, placed particular emphasis on the need to prevent upside risks to inflation from materializing. Finally, the rewording of its forward guidance suggests that a rate hike could be considered even if the economy were to slow down. The split vote (6 in favor of the *status quo*, 3 in favor of a hike) illustrates this situation. The factor that appears to have influenced the BoJ's decision to postpone a rate hike in April is the lack of government support.

The BoE also appears ready to hike rates, while keeping the *status quo* option open—slightly more so than the ECB. Its April *status quo* was less hawkish than we had expected just before the meeting: we had anticipated a tighter vote (7-2 or even 6-3, but it turned out to be 8-1) and a more explicit reference to a rate hike in June.

The central scenario was not only downplayed in favor of alternative scenarios; it was not even explicitly articulated. And of the three alternative scenarios presented, only one embeds significant second-round effects on inflation.

Among the four central banks, the Fed is the least inclined to implement a rate hike. Monetary policy is still deemed well-positioned given the economic outlook and the balance of risks. While its tone has shifted slightly, it has not done so as clearly as we had anticipated. Indeed, it has not explicitly abandoned its dovish bias in favor of a symmetric bias (indicating equal likelihood that the next rate move will be a hike or a cut). However, this symmetric bias effectively emerged in Jerome Powell's remarks, as he described the committee as “close to changing the guidance” and “in a good position to move in either direction.” This FOMC meeting was also notable for an unusually high number of dissenting votes (4), pointing in opposite directions².

THE SAME SHOCK, BUT TO VARYING DEGREES

Data from all four countries shows signs of weakening growth and rising inflation, albeit to varying degrees. As highlighted by the ECB, the current inflation data was insufficient to warrant a rate hike in April, even as a precautionary measure. Nevertheless, the situation poses challenges for central banks, as their patience is being tested by numerous inflationary signals³ and the uncertainty surrounding the potential peak of inflation.

Regarding growth, the initial estimates for Q1 2026 for both the United States and the Eurozone (published on 30 April, i.e. after the central banks' meetings) fell short of expectations (0.1% q/q for the Eurozone versus 0.3% according to our forecast; 0.5% q/q for the United States versus 0.7% expected). However, these figures conceal more positive aspects. The Eurozone, in particular, is not starting the year as poorly as it may seem. Q1 growth was dragged down by the sharp contraction in Irish GDP (-2% q/q, contributing a drag of -0.1 percentage points) and by the unexpected stagnation of French GDP. However, Irish growth is notoriously volatile, and the French flat growth is due, for the most part, to exceptional factors⁴. Growth in Germany (0.3%), Spain (0.6%), and Italy (0.2%) has lived up to expectations.

¹ See, for a summary of the decisions, [Four Central Banks on “Active Hold”](#), April 30, 2026.

² Governor Miran voted in favor of a rate cut (-25bp), while three regional Fed presidents opposed maintaining the “dovish bias” in the statement.

³ See, for a monthly tracking of these trends, [Inflation Tracker - April 2026](#), April 28, 2026.

⁴ See: France: [one-off factors largely account for zero growth in Q1](#), April 30, 2026.



On the other hand, confidence surveys in the Eurozone for April conveyed, unsurprisingly, a negative signal⁵. Additionally, inflation continues to escalate (3% year-on-year for the headline figure according to Eurostat's flash estimate). Consumer inflation expectations for the upcoming year have also risen significantly, along with inflationary pressures on input and output prices. However—and this is an important and positive point—this has not yet spread to core inflation, which edged down slightly in April (-0.1 percentage points, to 2.2% y/y).

Economic news from the United States is more favorable in terms of growth (still bolstered by the AI boom) but not on the inflation front (with both headline and core figures up in March—the latest available data—for the Consumer Price Index as well as the PCE deflator). Jerome Powell also expressed optimism when describing the growth figures (“really solid”) and the labor market situation (“pretty good”), marking a significant change from earlier concerns about the labour market and the risk of a sudden and sharp deterioration. On the other hand, there are emerging concerns about the stability of long-term inflation expectations, given that inflation has exceeded 2% for the sixth consecutive year and, in addition to the energy shock, is being fueled by higher tariffs and robust growth.

This robust growth, combined with the United States' position as a net exporter of hydrocarbons, means that it is less exposed to a stagflation-type scenario than the Eurozone, the United Kingdom, and Japan. Among these four major economies, the United States experiences the least significant adjustments in our forecasts (downward revision of growth forecasts of -0.3 percentage points to 2.4% in 2026 in annual average terms and upward revision of inflation forecasts of +0.5 percentage points to 3.3%). In contrast, the United Kingdom faces the highest inflation rate (close to 4% annually in 2026) and one of the lowest growth rates (0.7%). Japan is expected to have even lower real GDP growth (0.5%) but also the lowest inflation (close to but below 3%). The Eurozone finds itself in a middle ground, with growth expected to be relatively low (1%) yet still positive, and inflation kept in check (3.1%).

FOUR STATUS QUOS IN APRIL; THREE (PLUS ONE?) RATE HIKE IN JUNE?

While rate hikes in April were deemed premature, the four central banks could take action at their upcoming meetings in June. Between now and June, our base case scenario assumes a gradual normalization of the situation in the Middle East, with oil prices projected to average USD 110 per barrel in Q2 (before a decline to around USD 85/b by year-end). By June, the window of opportunity to look through the inflationary impact of the energy shock will likely have closed, and this impact should be sufficiently clear to justify a response. This is our scenario for the ECB, the BoE and the BoJ. For the Fed, we anticipate another *status quo* while identifying a low but growing risk that it will also proceed with a rate hike.

As for the ECB, a rate hike in June appears to be the default option. The inflation data available at that time (including possible early signs of second-round effects on core inflation) should support such a move, unless, in the meantime, energy prices fall sharply and consistently. If, on the contrary, they rise further, we expect the debate to shift towards the magnitude of the hike. Even in the event of a sharp drop in energy prices, the justification for a rate hike would not disappear entirely, given the persistence of the energy shock and the lengthy period required for the oil flows situation to return to normal.

As for the BoE, rate cuts are no longer on the table. Admittedly, its communication in April was cautious enough to retain full flexibility in an uncertain environment, allowing for more time to monitor developments. However, since we expect second-round effects to be more significant and/or occur more rapidly than the BoE anticipates, we think the central bank will have to raise its bank rate in June.

For the BoJ, which is already in a hiking cycle, gradually normalizing its monetary policy from very low interest rates, the question is when its next rate hike will take place. We believe it will be in June. Its “active hold” in April, the general tone of its forecasts, and the fact that it is already “behind the curve” (in our view) point in this direction. However, if the primary reason for postponing the hike in April was the difficulty in securing government support, the same risk looms over upcoming meetings.

According to our baseline scenario, the Fed would stand apart from its counterparts with a *status quo* in June, as downside risks to employment balance out upside risks to inflation. However, setting aside the fact that this will be the first FOMC meeting chaired by Kevin Warsh and focusing solely on the economic conditions prevailing at that time, a rate hike in June is a tail risk that cannot be ignored. We believe that such a move would be triggered by a combination of the unemployment rate approaching 4% (a level likely to fuel a wage-price spiral) and an increase in households' 5-year inflation expectations similar to that observed in the first months of 2025 (+1.4 percentage points between December 2024 and the peak of 4.4% in April 2025, the month of Liberation Day). As a reminder, the U.S. unemployment rate was 4.3% in March 2026 (a low, with two decimal places, since July 2025), and 5-year household inflation expectations stood at 3.5% in April 2026 according to the University of Michigan survey (up 0.3 percentage points since December 2025).

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⁵ See our dashboard on page 7 in this issue of EcoWeek.



[Find out more in our scenario and forecasts](#)

ADVANCED ECONOMIES

UNITED STATES / EUROPEAN UNION

New tariff threats. President Trump is considering imposing a 25% tariff on trucks and cars imported from Europe, citing the EU's sluggishness in implementing its part of the agreement reached in 2025. Furthermore, he has announced the withdrawal of 5,000 US troops stationed in Germany.

UNITED STATES

Key interest rate stable, smooth transition at the Fed and growth driven by AI. The FOMC has maintained the Fed Funds target range at 3.5%-3.75%, judging its policy to be 'well positioned' (see our [EcoFlash](#)). The Senate Banking Committee has approved K. Warsh's nomination as head of the Fed to be put to a vote before the full House. GDP growth accelerated to +2% q/q on an annualised basis in Q1 2026 (+0.5% in Q4 2025), bolstered by the end of the shutdown, AI-related investment and the resilience of household consumption. Household confidence (Conference Board) improved in April (+0.6 m/m, to 92.8). *Coming up: employment survey (Friday), non-manufacturing ISM (Tuesday), trade figures and JOLTS survey (Tuesday), Michigan household confidence (Friday).*

EUROPEAN UNION

Relaxation of state aid rules. For agriculture, fisheries and transport, compensation could cover up to 70% of the additional costs resulting from price rises (fuel, fertilisers). For energy-intensive industries, the aid ceiling has been raised from 50% to 70% for electricity. The European Commission has announced measures to simplify regulations in 12 sectors and remove national requirements that go beyond European obligations (gold-plating). It has also proposed new rules to simplify European laws governing mergers.

EUROZONE

Misleading GDP figures, hawkish tone from the ECB. Growth slowed to 0.1% quarter-on-quarter in Q1, hindered by one-off factors (France, as detailed below, and Ireland at -2% quarter-on-quarter), despite strong figures in Germany and Italy. The economic sentiment index hit its lowest level since November 2020 in April, dragged down by consumers (-4.2 points) and services (-3.2 points), while construction and industry held up. Inflation climbed to 3% y/y (2.5% y/y in March), driven by energy (+10.1% y/y), although core inflation slowed (-0.1 pp, to 2.2% y/y). Household inflation expectations for the next 12 months rose (+1.5 pp to 4%), as did expectations at a 3-year horizon (+0.5 pp to 3.0%, close to the 2022 peak). The ECB kept its key interest rates unchanged but noted an intensification of upside risks to inflation and downside risks to growth (see our [EcoFlash](#)). The unemployment rate fell to 6.2% in March (a record low). Restocking effects supported the manufacturing PMI in April (+0.6 m/m to 52.2). According to the ECB, credit conditions and lending criteria for households and businesses tightened more than anticipated in Q1 2026 (perceived risk increasing); this tightening is expected to continue in Q2, as is the deterioration in banks' access to funding sources (deposits, money markets, debt securities and securitisation).

- **France: One-off factors explain the stagnation in GDP in Q1.** Growth was held back by i/ the slowdown in aerospace exports (-20% q/q), while production continued to rise in Q1 (+1.5% q/q); ii/ a decrease in construction investment (-1.5% q/q) due to the end of the electoral cycle and the delayed approval of the 2026 budget (although the floor area of housing starts increased by 14.7% q/q in Q1); iii/ a decline

in household consumption (-0.1% q/q) which may continue as inflation stands at 2.5% y/y in April (+14.4% y/y for energy). Employment contracted by 0.1% q/q in Q1, primarily due to the construction sector; but the number of people registered with France Travail in category A fell by 1.2% q/q in Q1. The manufacturing PMI rose to 52.8 in April (+2.8 m/m), supported by production and demand. *Coming up: car registrations (Tuesday), industrial production (Wednesday), foreign trade (Thursday).*

- **Germany: Improved growth and fiscal outlook for 2027.** GDP growth reached +0.3% q/q in Q1 (+0.2% q/q in Q4), driven by both private and public consumption as well as exports. The manufacturing PMI (51.4; -0.8 m/m) recorded its second-best result in four years. Retail sales fell by 2% y/y in March (-3.3% in food). Harmonised inflation stood at 2.9% in April (+0.1pp m/m), while core inflation slowed (2.3%; -0.2pp). The government has unveiled the broad outlines of the 2027 budget: a 3.6% increase in public spending, defence spending equivalent to 3.1% of GDP, and net borrowing of EUR 196.5 billion (+8.2%). Measures have been announced to consolidate public finances over the coming years: reducing bureaucracy, digitising administration, introducing taxes (on plastic, sugar and tobacco), combating tax fraud, and reforming the healthcare system (with a plan to cut expenditure by EUR 16.3 billion from 2027). *Coming up: new industrial orders (Thursday), foreign trade and industrial production (Friday).*

- **Italy: GDP growth holds up, inflation accelerates.** Growth (0.2% q/q in Q1, following 0.3% in Q4) was driven by external demand. Harmonised inflation rose to 2.9% y/y in April (1.6% in March) due to rising energy prices (core inflation fell by 0.1pp to 1.7% y/y). The unemployment rate fell to 5.2% in March (-0.1pp m/m). The manufacturing PMI rose in April (+0.8 m/m to 52.1), driven by production, while demand declined. *Coming up: retail sales, composite PMI (Wednesday), industrial production (Friday).*

- **Spain: Growth remains robust** at 0.6% q/q in Q1 (after +0.8% in Q4), with two-thirds of this growth driven by domestic demand. Inflation rose by 0.1 percentage points in April to +3.5% y/y. The manufacturing PMI rose to 51.7 (+3 m/m) in April, driven by a rise in production. *Coming up: Composite PMI (Wednesday).*

JAPAN

The BoJ has kept its key interest rate at 0.75% (see our [EcoFlash](#)). The central bank has revised its inflation forecast (+0.9pp to 2.8%) and growth forecast (-0.5pp to +0.5%) for 2026. The exchange rate strengthened on 30 April, with the USD/JPY falling below 157 after exceeding the 160 threshold the previous day, following intervention in the foreign exchange market. Industrial production fell in March (-0.5% m/m) but shows significant improvement in Q1 2026. Retail sales rose (+1.3% m/m) following a decline in February. In April, household confidence (32.2, -1.1 m/m) continued to be adversely affected by the energy shock. *Coming up: BoJ minutes (Thursday).*

UNITED KINGDOM

The Bank of England kept its bank rate at 3.75% in a near-unanimous decision (8-1), with the chief economist voting in favour of a 0.25% rise. Market expectations point to two to three rate hikes by the end of 2026 (see our [EcoFlash](#)). The manufacturing PMI rebounded to 53.7 in April (+2.7 m/m), driven by production and demand. *Coming up: local elections (Thursday).*



[Find out more in our scenario and forecasts](#)

EMERGING ECONOMIES

AFRICA & MIDDLE EAST

China is abolishing customs duties on imports from Africa with effect from 1 May. This policy applies to all countries that maintain diplomatic relations with China (which excludes Eswatini). China is the primary destination for African exports (20% of total exports).

Saudi Arabia: Sharp slowdown in Q1 growth. Real GDP grew by 2.8% y/y, compared with 5% in Q4 2025. This slowdown is widespread and is expected to continue in Q2. However, the Saudi economy seems to be less affected than other Gulf countries, largely due to its ability to bypass the Strait of Hormuz via the Red Sea.

Qatar: Inflation spiked in March. The CPI index rose by 4.2% (+1.7 percentage points compared with February). The rise in food prices (+8.7% in March compared with 2% in February) stems from additional logistics costs linked to the closure of the Strait of Hormuz (on which Qatar's supplies are almost entirely reliant). The other components of the CPI index remain stable.

ASIA

Asia: Pressure on currencies is mounting with the risk of a prolonged war in Iran and rising oil prices. The most vulnerable countries (net importers of oil and gas, heavily dependent on Gulf producers and/or with significant macroeconomic imbalances) have seen the sharpest depreciation since 20 April, notably the Philippine peso (-2.3% against the USD) and the Indian rupee (-1.9%).

South-East Asia: Decline in manufacturing PMIs, except in Malaysia. Surveys confirm a weakening in activity in Indonesia and the Philippines (PMIs at 49.1 and 48.3 respectively), and a slowdown in Vietnam (index at 50.5, the lowest level since September) due to a reduction in new orders (particularly for exports) alongside rising costs.

China: April's official PMIs confirm the strength of the export sector (the manufacturing PMI fell by just 0.1 percentage points to 50.3 despite the war in Iran) and the fragility of domestic demand. The services PMI slipped back into contraction territory (49.6, down from 50.2 in March). The 'input prices' and 'producer prices' sub-indices did not rise as much as in March but remain high.

China: Resumption of exports related to refined products. Chinese refineries are preparing to resume their exports of kerosene, petrol and diesel. Beijing is reported to have set a new quota for the main state-owned refineries, allowing them to export to Asian customers and relaxing the export ban in force until now.

Taiwan: Growth remained very strong in Q1 2026, driven by AI. Real GDP growth reached +13.7% y/y (after +12.7% in Q4 2025) and +2.8% q/q (after +5.4%). It is driven primarily by exports of AI-related semiconductors, while the effects of the export sector's momentum on domestic demand have strengthened. However, in the short term, the energy shock and potential supply issues could weigh on economic activity. However, the government is introducing support measures and the central bank is expected to keep its key interest rates unchanged, with inflation remaining very moderate (stable at +1.2% y/y in March). Above all, the economy should continue to benefit from the AI boom. Manufacturing PMIs also rose in April (reaching 55.3 in Taiwan and 53.6 in Korea).

EMERGING EUROPE

Hungary: Renewed optimism and a rebound in activity. Real GDP growth accelerated to +1.7% y/y in Q1 2026 (+0.8% q/q), bolstered by the strong performance of services and renewed momentum in industry. The central bank kept its key interest rate unchanged at 6.25%, despite inflation being below its 3% target (1.8% y/y) and the lack of pressure on the forint (+3.7% against the euro since late February). The central bank remains cautious amidst the energy price shock.

Czech Republic: Moderate slowdown. Q1 GDP growth slowed to 2.1% y/y and +0.2% q/q (after +0.7% in Q4 2025), driven in particular by a negative contribution from foreign trade.

Manufacturing PMI: Overall indices are largely unaffected by the war in the Middle East, although sub-indices have been more significantly impacted. In Poland and Romania, PMIs remain below 50 but have risen slightly compared with March. In the Czech Republic and Hungary, they are above 50 and are seeing slight increases. There is evidence of longer delivery times, higher input costs and increased input stock levels.

Türkiye: Pressure on foreign exchange reserves and the lira. The Central Bank's (CbT) foreign exchange reserves, which had recovered between late March and mid-April, have declined. As of 24 April, international foreign exchange reserves (including gold holdings) stood at USD 171 billion, and over the past week, the CbT's net external position (which acts as a proxy of the foreign exchange reserve movement) has deteriorated. In April, the lira depreciated by 1.4%, the sharpest monthly fall since July 2025. Furthermore, the manufacturing PMI remains in contraction territory.

LATIN AMERICA

Monetary policy: War-related inflation is shaking things up. The Central Bank of Brazil has cut its key interest rate by 25 basis points for the second consecutive month (to 14.5%), but the upward revision to the inflation forecast for 2026 (4.6%, +0.7 percentage points) is expected to limit its room for maneuver. In Chile, the Central Bank left its rate unchanged at 4.5% but may take action soon to ensure that two-year inflation expectations remain anchored at 3%. In Colombia, the Central Bank left its key rate unchanged at 11.25% after raising it by 200 basis points since the start of the year.

Brazil is turning to the euro to diversify its financing. The government recently raised EUR 5 billion (its first euro-denominated issue since 2014). This operation is part of the Treasury's strategy to tap into different markets and creates a euro benchmark that should facilitate future issues by Brazilian companies abroad. Foreign currency borrowings account for around 7% of public debt.

COMMODITIES

The United Arab Emirates announced its withdrawal from OPEC on 1 May. This decision reflects the differences between the UAE and some of the other cartel members regarding medium- and long-term oil policy. The UAE is the cartel's third-largest producer (3.4 mb/d in January 2026) and, alongside Saudi Arabia, the only member with rapidly deployable spare production capacity (in excess of 1 mb/d). Once the Strait of Hormuz reopens, the Emirates will be able to increase their production without being constrained by OPEC quotas. Current production capacity is estimated at around 4.8 mb/d (the authorities are targeting 5 mb/d by 2027).

The OPEC+ member countries have announced an increase in their production by 0.188 million barrels per day in June. However, this announcement will remain largely symbolic as long as the Strait of Hormuz remains blocked.

The sharp rise in nitrogen fertiliser prices (+70% since late February) since the closure of the Strait of Hormuz (through which one-third of the world's fertiliser trade passes) is a cause for concern as it threatens food security in the most vulnerable countries. The possible occurrence of a severe El Nino episode exacerbates risks related to global food security



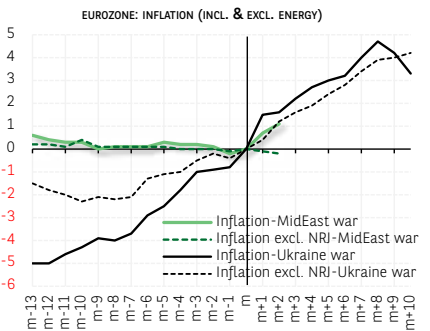
FOCUS EUROZONE

IMPACT ON THE EUROZONE'S ACTIVITY AND INFLATION OF THE MIDDLE EAST WAR (APRIL 2026 DATA)

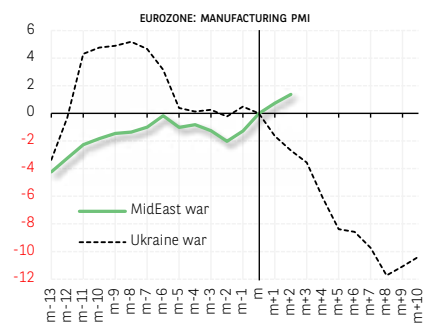
Will the same causes produce the same effects? To track the impact of the new energy shock—triggered by the war in the Middle East—on economic activity and prices in the Eurozone, and to assess how closely the current situation resembles that of 2022 when the conflict in Ukraine broke out, we have selected two measures of inflation (including and excluding energy) and six survey data points. According to April 2026 data, the energy-led rise in inflation remains contained but pressures are building and consumer and services confidence is suffering.

Impact on the Eurozone's activity and inflation of the Middle East war (April 2026 data): The energy-led rise in inflation remains contained but pressures are building and consumer and services confidence is suffering

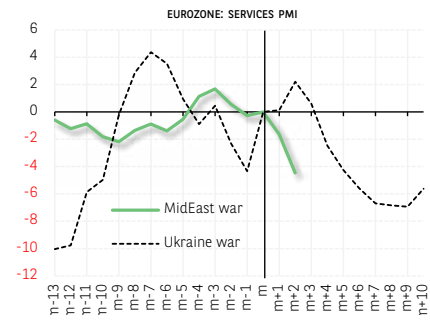
April 2026: The inflation rise remains energy-led and limited



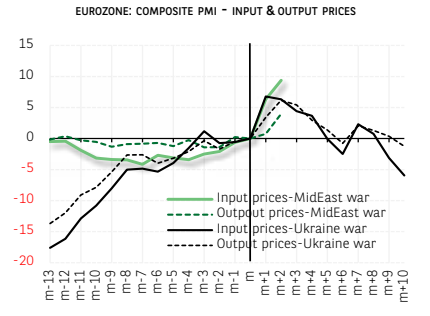
April 2026: business confidence in the manufacturing sector remains well oriented



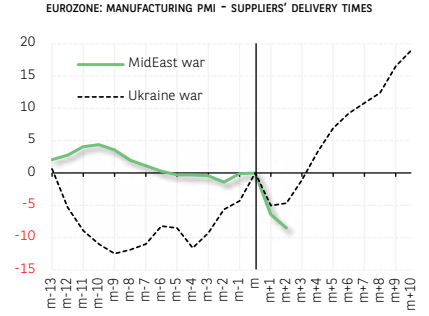
April 2026: business confidence in services deteriorates further



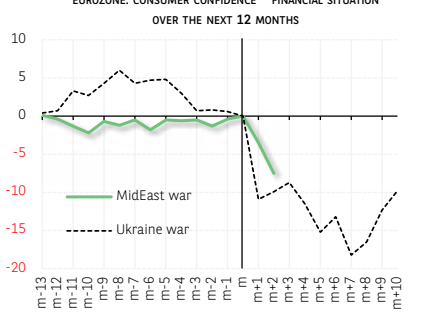
April 2026: Sharp rise in input prices combined with the beginning of an uptick in output prices



April 2026: delivery times further lengthen, signaling rising supply tensions



April 2026: consumer confidence plunge continues



Change since m = 0 = February 2026 / February 2022

SOURCE: EUROSTAT, EUROPEAN COMMISSION, MACROBOND, BNP PARIBAS

MARKETS OVERVIEW

Bond Markets

	In %	In bps			
	01/05/2026	1-Week	1-Month	Year to date	1-Year
Bund 2Y	2.59	+6.7	+1.9	+50.1	+90.4
Bund 5Y	2.72	+3.8	+1.1	+25.2	+77.1
Bund 10Y	3.00	+2.4	+3.0	+13.7	+55.8
OAT 10Y	3.63	+3.7	+0.3	+12.8	+44.9
BTP 10Y	3.86	+7.7	+2.3	+36.2	+28.3
BONO 10Y	3.50	+5.1	+2.5	+25.4	+38.7
Treasuries 2Y	3.87	+9.2	+5.7	+38.8	+14.8
Treasuries 5Y	4.03	+11.4	+6.8	+30.0	+22.7
Treasuries 10Y	4.39	-1.2	+5.3	+22.0	+3.2
Gilt 2Y	4.43	+7.1	+12.6	+67.1	+59.3
Treasuries 5Y	4.49	+4.4	+11.1	+64.1	+53.8
Gilt 10Y	4.97	-3.9	+13.6	+47.6	+17.2

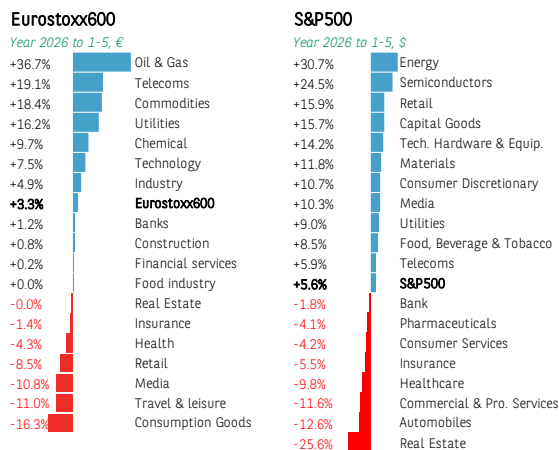
Currencies & Commodities

	Level	Change, %			
	01/05/2026	1-Week	1-Month	Year to date	1-Year
EUR/USD	1.18	+0.5	+1.2	+0.2	+4.3
GBP/USD	1.36	+0.9	+2.2	+1.3	+2.4
USD/JPY	156.66	-1.8	-1.1	-0.1	+7.8
DXY	98.16	-0.4	-1.5	-0.2	-2.1
EUR/GBP	0.86	-0.4	-0.9	-1.1	+1.8
EUR/CHF	0.92	-0.4	-0.5	-1.5	-2.4
EUR/JPY	184.35	-1.3	+0.1	+0.1	+12.4
Oil, Brent (\$/bbl)	108.21	+2.6	+6.8	+77.8	+74.1
Gold (\$/ounce)	4635	-1.8	-2.7	+7.2	+44.0

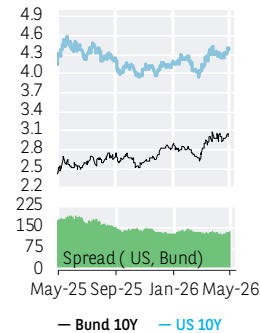
Equity Indices

	Level	Change, %			
	01/05/2026	1-Week	1-Month	Year to date	1-Year
World					
MSCI World (\$)	4674	+0.9	+8.2	+5.5	+27.6
North America					
S&P500	7230	+0.9	+10.0	+5.6	+29.0
Dow Jones	49499	+0.5	+6.3	+3.0	+21.5
Nasdaq composite	25114	+1.1	+15.0	+8.1	+41.8
Europe					
CAC 40	8115	-0.5	+1.7	-0.4	+6.9
DAX 30	24292	+0.7	+4.3	-0.8	+8.0
EuroStoxx50	5882	-0.0	+2.6	+1.6	+14.0
FTSE100	10364	-0.1	-0.0	+4.4	+22.0
Asia					
MSCI, loc.	1819	+0.0	+1.7	+7.7	+30.4
Nikkei 225	59513	-0.3	+10.7	+18.2	+63.3
Emerging					
MSCI Emerging (\$)	1601	-0.5	+9.9	+14.0	+44.0
China	78	-1.6	+1.2	-5.8	+10.3
India	941	-0.3	+7.3	-11.1	-9.5
Brazil	2035	-0.6	+2.9	+23.6	+47.9

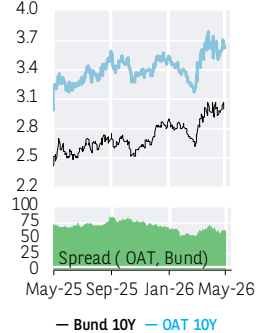
Performance by sector



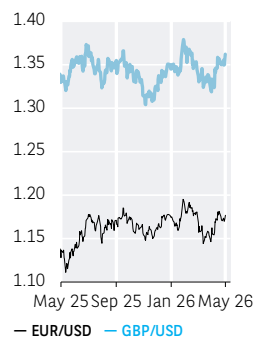
Bund 10Y & US Treas. 10Y



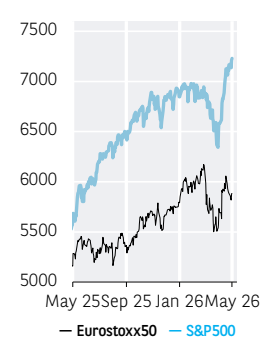
Bund 10Y & OAT 10Y



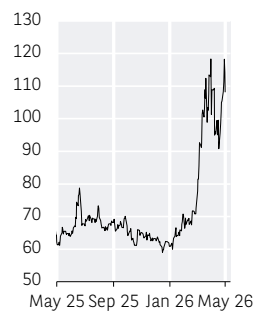
EUR/USD & GBP/USD



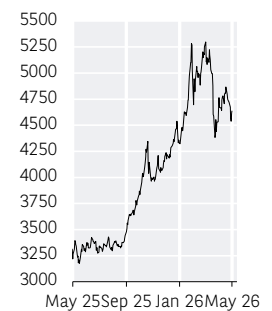
EUROSTOXX 50 & S&P500



Oil, Brent (\$/bbl)



Gold (\$/ounce)



MSCI World (\$)



MSCI Emerging (\$)



SOURCE: LSEG, BLOOMBERG, BNP PARIBAS
DATA VISUALISATION AND CARTOGRAPHY: TARIK RHARRAB

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