ECOWEEK

Issue 23.45
4 December 2023

“MEASURES AIMED AT LOWERING THE COST OF INFORMATION GATHERING FOR INVESTORS WOULD REDUCE MARKET FRAGMENTATION, INCREASE THE RISK BEARING CAPACITY OF INVESTORS AND LOWER THE COST OF FINANCING FOR ISSUERS. THIS WOULD REPRESENT AN IMPORTANT STEP ON THE ROAD TO A MUCH-NEEDED CAPITAL MARKETS UNION.”

ECONOMIC RESEARCH

BNP PARIBAS

The bank
for a changing
world

TABLE OF CONTENT

EDITORIAL

EUROPEAN UNION: CAPITAL MARKET FRAGMENTATION AND THE COST OF NON-CMU

In a recent speech, ECB President Christine Lagarde said that when the financing needs of an economic transformation exceed the capacities of fragmented financial markets, developing a capital markets union becomes crucial. This is the point at which the EU has arrived. According to European Commission estimates, financing the energy and digital transition will require more than EUR 700 billion annually. One way of reducing capital market fragmentation is by lowering the cost of information gathering for investors, e.g. through the harmonisation and, where possible, simplification of standards and regulations. This would increase the risk bearing capacity of investors and lower the cost of financing for issuers. This would represent an important step on the road to a much-needed capital markets union.

In a recent, important speech, ECB President Christine Lagarde made a strong call for action to establish a capital markets union. Faced with "*an immense financing challenge, the moment for action is now. So I encourage all of us to be bold and not to let this moment pass*[1]." The financing challenge concerns the huge investment needs in terms of the energy and digital transition. According to the European Commission, "*additional investments of over EUR 620 billion annually will be needed to meet the objectives of the Green Deal and RepowerEU*" whereas the digital transition -bridging the EU's investment gap in this area- is expected to cost at least EUR 125 billion annually[2]. Interestingly, C. Lagarde made a comparison with the US where the development of railroads in the 19th century and the associated financing needs led to the development of capital markets to tap the domestic and foreign investor base. This was necessary considering that the banking system was too fragmented to be able to meet the investment needs throughout the country. According to the ECB President, history teaches us "*that a capital markets union emerges when there is a need to finance an economic transformation that exceeds the capacities of fragmented financial markets.*"

Capital market fragmentation can have many causes. Investors may prefer domestic assets -preferred habitat- because they have a better understanding and an easier access to information. Investors may be less familiar with foreign assets and may consider that the cost of information gathering is too high. International differences in terms of regulations -e.g. insolvency laws- increase this cost and may act as a barrier to international investments. International differences in terms of listing rules may reduce the willingness of companies to tap international capital markets[3].

Due to capital market fragmentation, the investor base is narrower, the capacity to invest in risky assets -equities, corporate bonds, infrastructure, etc.- is lower and the cost of financing through capital markets is more expensive. Breaking down the walls separating markets would broaden the investor base and increase the risk bearing capacity

PORTFOLIO RISK FOR DIFFERENT CORRELATION ASSUMPTIONS

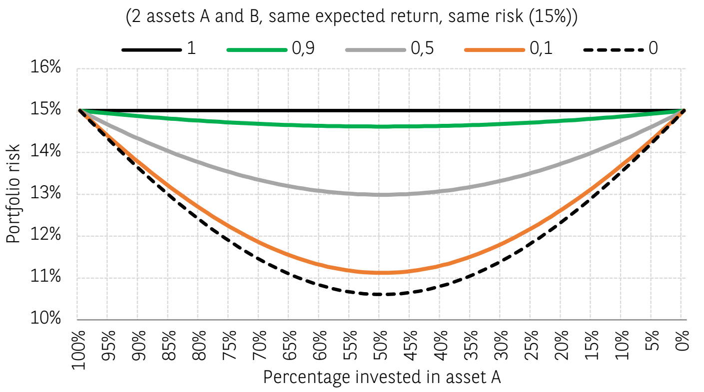


CHART 1

SOURCE: BNP PARIBAS

due to diversification effects. As a consequence, financing costs would be lower. An example illustrates this point. Imagine a French investor with a portfolio invested in cash and a domestic risky asset with a risk of 15%. We call this asset A. Then the investor decides to invest in a risky asset -asset B- of another Eurozone country, e.g. Germany. For the ease of the argument, it is supposed that the German risky asset has the same risk and expected return as the French asset but is imperfectly correlated with the latter. Chart 1 shows the risk of the portfolio -excluding cash- invested in two assets with the same risk and expected return. It illustrates the well-known result that the lower the correlation between the two assets, the bigger the diversification effect and the lower the portfolio risk[4].

1 *A Kantian shift for the capital markets union*, Speech by Christine Lagarde, President of the ECB, at the European Banking Congress, Frankfurt am Main, 17 November 2023.
2 European Commission, *Strategic Foresight Report 2023*.
3 For this reason, the European Commission's 2022 capital markets union package consists of legislative proposals regarding "the harmonisation of certain aspects of insolvency laws within the EU in order to increase the efficiency and predictability of frameworks, in particular for cross-border investments" as well as "the listing rules for companies, particularly small and medium-sized enterprises (SMEs), with a view to reducing administrative burdens and red tape and making it easier for EU companies to go public." Source: Capital markets union - Consilium (europa.eu).
4 Expected portfolio risk corresponds to the standard deviation of expected portfolio returns. This depends on the risk of the individual assets of the portfolio, the weights of the assets in the portfolio and the correlation between the various assets.

Measures aimed at lowering the cost of information gathering for investors would reduce market fragmentation, increase the risk bearing capacity of investors and lower the cost of financing for issuers. This would represent an important step on the road to a much-needed capital markets union.

This risk reduction enables the French return-maximising investor to reduce his exposure to cash and to invest more in risky assets, whilst still respecting his risk limit. International diversification thus increases his risk bearing capacity. This is illustrated in chart 2. For a correlation of 0.8, the investor can raise his exposure to the domestic and foreign risky asset with 5.4%[5]. Despite its simplicity, this theoretical example provides important insights. Firstly, international diversification allows an increase of the exposure to risky assets, thereby increasing long-term portfolio returns. Secondly, this increase benefits both the domestic and foreign firms and ventures that are raising money through capital markets and lowers their financing costs. Thirdly, it enhances two-way cross-border flows: much like French investors, German investors have an interest in tapping the diversification opportunities provided by international diversification.

The importance of these issues is illustrated by a recent European Commission analysis of cross-border venture capital flows in Europe[6]. Venture capital plays an important economic role through the creation of new businesses and jobs thereby fostering innovation and stimulating economic growth. However, compared with more traditional investments, information is even more crucial for this asset class, "*where funds invest into small firms (e.g. start-ups) which are not required to comply with international accounting standards or with disclosure requirements, on top of being systematically affected by high risk. Language barriers as well as regulatory and institutional dissimilarities further exacerbate information asymmetry*[7]." As a consequence, there is a scarcity of cross-border capital flows within Europe -they account for only 23.1% of venture capital investments (average for the period 2007-2020)-, leading to the conclusion that "*most of the investments of European private equity intermediaries remain within national borders*." Clearly, lowering the information barriers and hence the cost of information gathering -e.g. through the harmonisation and, where possible, simplification of standards and regulations in the EU- would be an important step on the road to a much-needed capital markets union.

William De Vijlder

RISK BEARING CAPACITY AND CORRELATION

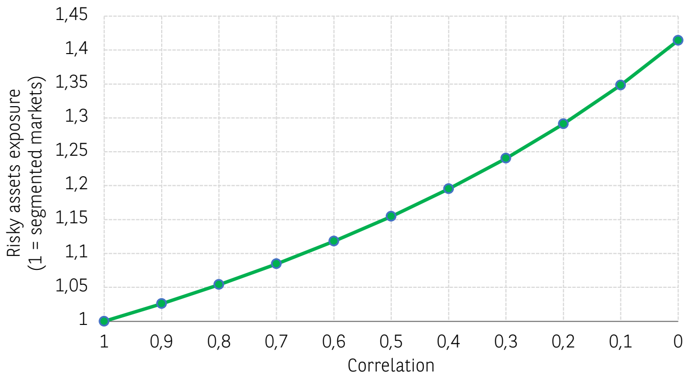


CHART 2

SOURCE: BNP PARIBAS

5 To illustrate this point, suppose an investor has a portfolio of 20% invested in cash and 80% in a risky asset A. Cash is riskless and has zero correlation with the risky asset, which has a risk of 15%. This implies a portfolio risk of 12%. By investing in a second risky asset (B) with a risk of 15% -financed through a reduction of his exposure to A-, this risk declines due to a diversification effect. This allows the investor to increase his overall exposure to risky assets and to reduce his cash exposure. For a correlation between A and B of 0.8, the risky part of the portfolio becomes 84.3% -an increase of 5.4%- and the cash weight declines to 15.7%. Portfolio risk remains at 12%.

6 Pierfederico Asdrubali, *Patterns of Cross-Border Venture Capital Flows in Europe,* European Commission, discussion paper 195, November 2023. A venture capital fund is a pool of dedicated financial capital provided by investors to start-up firms and small businesses with perceived long-term growth potential.

7 Source: see footnote 6.

MARKETS OVERVIEW

OVERVIEW

Week 24-11 23 to 1-12-23				
↗ CAC 40	7 293	▸ 7 346	+0.7	%
↗ S&P 500	4 559	▸ 4 595	+0.8	%
↗ Volatility (VIX)	12.5	▸ 12.6	+0.2	pb
↗ Euribor 3M (%)	3.94	▸ 3.96	+2.5	bp
↘ Libor $ 3M (%)	5.65	▸ 5.64	-1.1	bp
↘ OAT 10y (%)	3.12	▸ 2.87	-24.8	bp
↘ Bund 10y (%)	2.61	▸ 2.33	-28.9	bp
↘ US Tr. 10y (%)	4.50	▸ 4.22	-27.9	bp
↘ Euro vs dollar	1.09	▸ 1.08	-1.0	%
↗ Gold (ounce, $)	1 999	▸ 2 056	+2.9	%
↘ Oil (Brent, $)	80.3	▸ 79.0	-1.6	%

MONEY & BOND MARKETS

Interest Rates			highest 23			lowest 23		
€	ECB	4.50	4.50	at	20/09	2.50	at	02/01
	Eonia	-0.51	-0.51	at	02/01	-0.51	at	02/01
	Euribor 3M	3.96	4.00	at	19/10	2.16	at	02/01
	Euribor 12M	3.90	4.23	at	29/09	3.30	at	19/01
$	FED	5.50	5.50	at	27/07	4.50	at	02/01
	Libor 3M	5.64	5.69	at	10/10	4.77	at	02/01
	Libor 12M	6.04	6.04	at	30/06	4.70	at	20/03
£	BoE	5.25	5.25	at	03/08	3.50	at	02/01
	Libor 3M	5.35	5.60	at	30/08	3.87	at	02/01
	Libor 12M	0.81	0.81	at	02/01	0.81	at	02/01

At 1-12-23

Yield (%)			highest 23			lowest 23		
€	AVG 5-7y	2.64	2.64	at	02/01	2.64	at	02/01
	Bund 2y	2.88	3.38	at	28/09	2.39	at	20/03
	Bund 10y	2.33	2.94	at	28/09	1.98	at	18/01
	OAT 10y	2.87	3.50	at	28/09	2.42	at	18/01
	Corp. BBB	4.23	5.00	at	19/10	3.95	at	02/02
$	Treas. 2y	4.60	5.28	at	18/10	3.85	at	04/05
	Treas. 10y	4.22	4.98	at	19/10	3.30	at	06/04
	High Yield	8.49	9.48	at	20/10	7.94	at	02/02
£	gilt. 2y	4.52	5.51	at	06/07	3.15	at	02/02
	gilt. 10y	4.23	4.74	at	17/08	3.00	at	02/02

At 1-12-23

EXCHANGE RATES

1€ =		highest 23		lowest 23			2023
USD	1.08	1.12	at 14/07	1.05	at	03/10	+1.5%
GBP	0.86	0.90	at 03/02	0.85	at	11/07	-3.3%
CHF	0.95	1.00	at 24/01	0.94	at	20/10	-4.3%
JPY	160.00	163.97	at 15/11	138.02	at	03/01	+13.6%
AUD	1.63	1.70	at 21/08	1.53	at	27/01	+3.8%
CNY	7.74	8.08	at 19/07	7.23	at	05/01	+4.3%
BRL	5.31	5.79	at 04/01	5.18	at	18/09	-5.7%
RUB	98.20	110.46	at 14/08	73.32	at	12/01	+26.0%
INR	90.26	92.37	at 14/07	86.58	at	08/03	+2.2%

At 1-12-23 *Change*

COMMODITIES

Spot price, $		highest 23			lowest 23			2023	2023(€)
Oil, Brent	79.0	96.6	at	27/09	71.9	at	12/06	-7.0%	-8.4%
Gold (ounce)	2 056	2 056	at	01/12	1 810	at	24/02	+13.2%	+11.5%
Metals, LMEX	3 699	4 404	at	26/01	3 551	at	05/10	-7.1%	-8.5%
Copper (ton)	8 539	9 331	at	23/01	7 824	at	05/10	+2.1%	+0.5%
wheat (ton)	219	2.9	at	13/02	168	at	29/09	-23.4%	-24.6%
Corn (ton)	173	2.7	at	13/02	161	at	21/08	-3.3%	-34.4%

At 1-12-23 *Change*

EQUITY INDICES

	Index	highest 23			lowest 23			2023
World								
MSCI World	3 041	3 064	at	31/07	2 595	at	05/01	+16.8%
North America								
S&P500	4 595	4 595	at	01/12	3 808	at	05/01	+19.7%
Europe								
EuroStoxx50	4 419	4 471	at	31/07	3 856	at	02/01	+16.5%
CAC 40	7 346	7 577	at	21/04	6 595	at	02/01	+1.3%
DAX 30	16 398	16 470	at	28/07	14 069	at	02/01	+17.8%
IBEX 35	10 141	10 141	at	01/12	8 370	at	02/01	+2.3%
FTSE100	7 529	8 014	at	20/02	7 257	at	07/07	+0.1%
Asia								
MSCI, loc.	1 228	1 256	at	15/09	1 065	at	04/01	+1.5%
Nikkei	33 432	33 753	at	03/07	25 717	at	04/01	+28.1%
Emerging								
MSCI Emerging ($)	982	1 052	at	26/01	911	at	26/10	+0.3%
China	56	75	at	27/01	55	at	24/10	-11.5%
India	859	859	at	01/12	703	at	16/03	+12.2%
Brazil	1 707	1 733	at	26/07	1 296	at	23/03	+8.7%

At 1-12-23 *Change*

PERFORMANCE BY SECTOR (Eurostoxx50 & S&P500)

Year 2023 to 1-12, €

+31.5%	Retail
+28.7%	Technology
+22.3%	Construction
+20.5%	Media
+17.1%	Banks
+16.2%	Car
+14.9%	Industry
+11.8%	Travel & leisure
+10.8%	Consumption Goods
+9.7%	Index
+7.7%	Insurance
+7.3%	Utilities
+7.1%	Chemical
+5.3%	Telecoms
+5.3%	Real Estate
+4.4%	Oil & Gas
+4.1%	Health
-6.6%	Food industry
-7.2%	Commodities

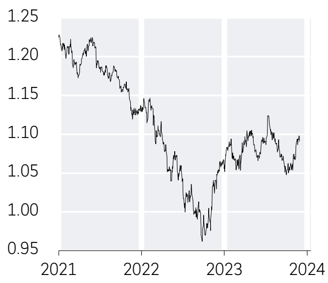
Year 2023 to 1-12, $

+54.9%	Technology
+53.7%	Car
+27.6%	Retail
+26.4%	Travel & leisure
+22.5%	Construction
+17.8%	Index
+13.9%	Insurance
+11.8%	Financial services
+11.2%	Media
+8.6%	Industry
+6.2%	Commodities
+2.5%	Chemical
+2.4%	Household & Care
-3.6%	Banks
-3.7%	Telecoms
-5.0%	Oil & Gas
-5.3%	Health
-9.4%	Food industry
-12.3%	Utilities

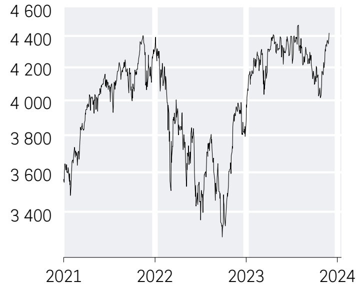
SOURCE: REFINITIV, BNP PARIBAS

MARKETS OVERVIEW

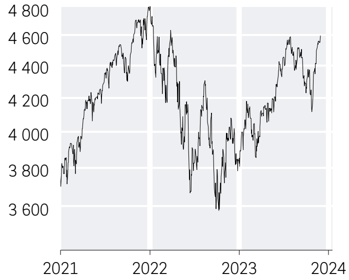
EURO-DOLLAR



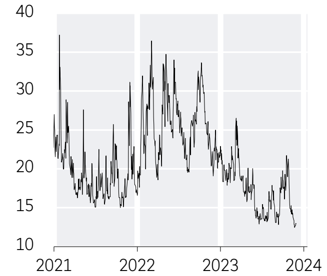
EUROSTOXX50



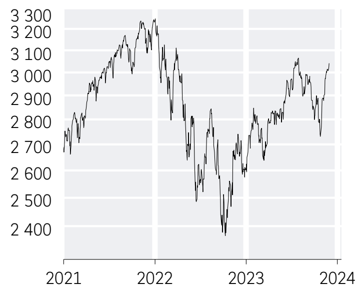
S&P500



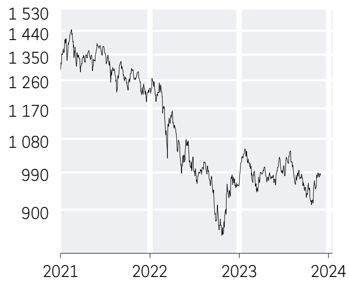
VOLATILITY (VIX, S&P500)



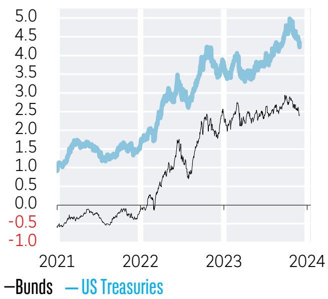
MSCI WORLD (USD)



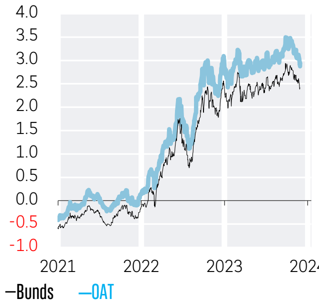
MSCI EMERGING (USD)



10Y BOND YIELD, TREASURIES VS BUND

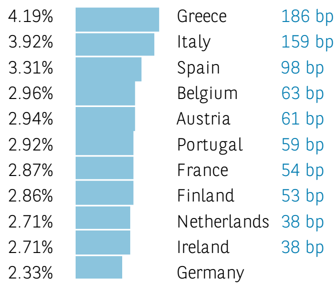


10Y BOND YIELD

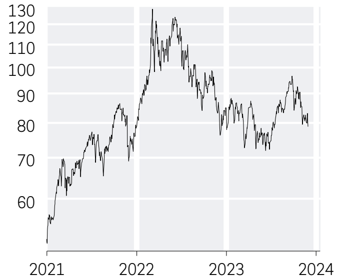


10Y BOND YIELD & SPREADS

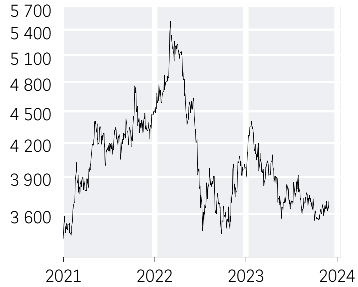
Year 2023 to 1-12



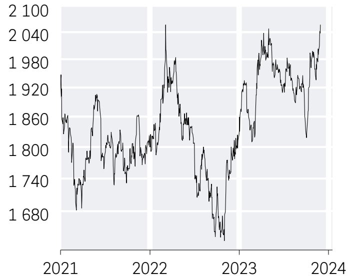
OIL (BRENT, USD)



METALS (LMEX, USD)



GOLD (OUNCE, USD)



SOURCE: REFINITIV, BNP PARIBAS

INTERNATIONAL TRADE: CLIMATE CHANGE IS DISRUPTING MARITIME TRANSPORT

The evolution of international trade is sending rather reassuring signals about the state of global demand. New machinery and equipment orders from South Korea, as well as export orders from Taiwan – generally seen as two reliable indicators of global manufacturing activity – rebounded sharply in October. While the manufacturing new export orders PMI remains deteriorated (Chart 2), it has nevertheless stabilised slightly below the expansion threshold (50) and was up in November compared to the previous month (+0.6 points to 48.1). Global exports may not be growing but at least they are stabilising towards their 2021 level (see Chart 1). According to the CPB[1], goods exports in real terms rose by 0.8% m/m in September, following an increase of 1.0% m/m in the previous month. Exports from the United States and China grew by 2.3% m/m and 3.1% m/m, respectively, while those from the euro area fell by 0.6% m/m.

The notable development in recent weeks is also the jump in dry bulk sea freight (Baltic Dry Index), which more than doubled in November (+119%), to its highest levels since spring 2022 (Chart 4). This rebound primarily reflects supply disruptions, rather than an increase in demand: this is a direct consequence of climate change on maritime flows, as an historic drought is affecting the Panama Canal. This is not an isolated case. Closer to home, river transport on the Rhine has been severely disrupted this year by low water flow. Transit through the Panama Canal is currently severely restricted, which leads to an increase in transport times and support demand for large (capesize) vessels, which are more suitable for long journeys. This supports freight rates on this type of transport, which have now reached the levels observed two years ago, at the end of the lockdown periods. That said, sea freight for all goods remains at an all-time low, according to the Freightos index (Chart 5).

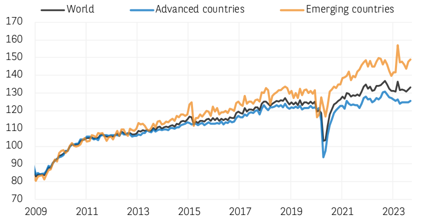
The New York Federal Reserve's Global Supply Chain Pressure Index (GSCPI) hit its lowest level on record in October (Chart 3). However, this indicator should logically rise again in November, given the rebound of the Baltic Dry index, which is directly included in the calculation of the GSCPI index.

Guillaume Derrien

1 Netherlands Bureau for Economic Policy Analysis.

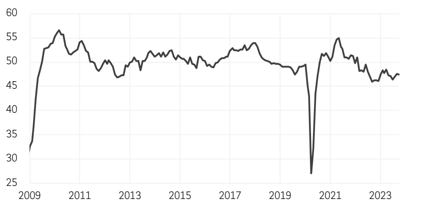
INDICATORS OF INTERNATIONAL TRADE

1. World exports by area, volume (index 2010=100)



Source: CPB, BNP Paribas

2. Global manufacturing PMI, New export orders

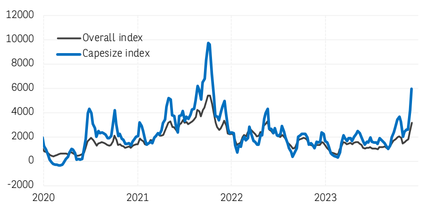


S&P Global (Markit), BNP Paribas

3. Global supply-chain pressures index

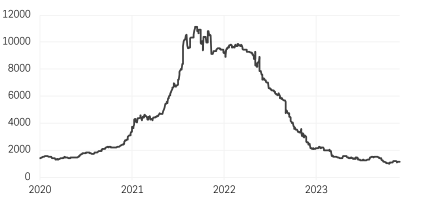
Source: Federal Reserve of New York

4. Baltic Exchange Dry Index



Source: Baltic Exchange, BNP Paribas

5. Freight rate index



Source: Freightos, BNP Paribas

6. Global manufacturing PMI, Delivery times (Inverted line)

S&P Global (Markit), BNP Paribas

ECONOMIC SCENARIO

UNITED STATES

US activity decelerated only slightly in the first half of 2023 (+0.5% q/q on average per quarter after +0.6% q/q during the second half of 2022), thanks to the resilience of household consumption and the strength of nonresidential investment. The impact of the tighter monetary policy on lending standards is strong but it still limited on activity and employment growth. Q3 GDP growth was even stronger (+1.3% q/q according to the second estimate). A sharp slowdown remains expected, however, in Q4, because of the diminution of excess savings and the ensuing loss of momentum of the household consumption engine. The US economy would manage to escape a recession, even a technical one, but it would not avoid a temporary contraction of its GDP in Q2 2024.. The peak in inflation was reached in mid-2022, and core disinflation is becoming more significant. Inflation should approach the 2% target in 2024. Progress on that front should be considered as sufficient by the Fed to start cutting rates progressively, from May 2024. Such an easing would prevent a rise in rates in real terms but monetary policy would remain in restrictive territory. This should limit the recovery in 2024.

CHINA

Economic growth rebounded in early 2023 following the end of the zero Covid policy, but the recovery has weakened very rapidly. Export momentum has stalled due to depressed global demand and tensions with the US. Domestic demand has remained held back by a significant loss in consumer and investor confidence. The crisis in the property sector has persisted, with the continued fall in sales, new defaults of developers and growing difficulties of certain financial institutions. Since last summer, the government and the central bank have implemented new policy stimulus measures. Economic activity has strengthened while consumer price inflation has remained very low. In the short term, real GDP growth is projected to stabilize. Policy makers remain constrained by the debt excess of the economy and the weak financial situation of local governments.

EUROZONE

According to the first estimate, real GDP in the Eurozone registered a small contraction in Q3 (-0.1% q/q) after two quarters of stagnation. The disparate performance between Member States weakens the overall result. France and Spain have been doing well, but Germany, Italy and the Netherlands are struggling. The rising negative effects of monetary tightening as well as the fading of the positive post-Covid-19 catching up effects and diminishing supply-side constraints contribute to the deterioration of business confidence and are expected to weigh on economic activity. We foresee real GDP growth to stall in Q4, before a sluggish recovery expected in 2024. The fall in inflation is continuing. Nonetheless the inflation rate is expected to remain above 2% y/y by the end of next year, forcing monetary policy to remain in restrictive territory – disinflation provides, along with wage and employment dynamics, a significant support to household purchasing power and consumption. Growth should also be supported by NGEU disbursements and its deployment on the ground.

FRANCE

French growth was negative in Q3 2023 (-0.1% q/q) after a short-lived acceleration in Q2 2023 (+0,6% t/t, driven by exceptional factors, such as aeronautics). While household consumption has surprised on the upside in Q3, it has remained depressed. In parallel, corporate investment, has reached a new high (+0.5% q/q). Disinflation is now visible (the harmonized index grew by 3.8% y/y in November), but the impact of higher interest rates should continue to be felt. As a result, we except 0% growth q/q during the Q4. Going forward, we expect no clear growth acceleration next year (0.6% in 2024 after 0.8% in 2023).

RATES AND EXCHANGE RATES

In the US, the 25bp rate hike in July should be the last for the Fed. Regarding the ECB, the 25bp hike in September of its policy rates (deposit rate at 4.00%, refinancing rate at 4.50%) should mark the end of the tightening cycle too. The uncertainty about the possibility of a further monetary tightening has not completely disappeared, but it has been reduced by the fall in inflation, which is getting closer more visibly to the 2% target. Positive developments on the inflation front, together with the expected weakening of growth, pave the way for the first rates cuts in April for the ECB and May for the Fed. On both sides of the Atlantic, the induced decline in long-term rates should be limited by the importance of bond issuance against a background of quantitative tightening. In this regard, we expect a halt in the spring of 2024 to the ECB's reinvestments under the PEPP.

On 31 October, the Bank of Japan (BoJ) adjusted its yield curve control policy (YCC) by allowing a wider fluctuation in 10-year sovereign interest rates around the target of 1%. Further adjustments to the YCC are likely, given that the country currently faces the fastest rate of inflation since the early 1990s. The BoJ is unlikely to increase its policy rates this year, but we expect a first rate hike in March 2024.

We remain bearish regarding the US dollar, particularly from Q2 2024 and especially versus the euro, given that we expect fewer cuts by the ECB than the Fed. We also expect the yen to strengthen versus the USD, based on the combination of the start of BoJ tightening, of the repatriation by Japanese investors of their foreign holdings, and of the fall in US bond yields.

GDP GROWTH AND INFLATION

	GDP Growth				Inflation			
%	2022	2023 e	2024 e	2025 e	2022	2023 e	2024 e	2025 e
United-States	1,9	2.4	0,9	1,3	8,0	4,1	2,6	2,3
Japan	0,9	1,8	1,0	0,9	2,5	3,2	2,4	1,9
United-Kingdom	4,4	0,5	0,0	1,1	9,1	7,4	3,0	2,1
Euro Area	3,4	0,5	0,6	1,6	8,4	5,5	2,2	2,0
Germany	1,9	-0,1	0,3	1,3	8,6	6,1	2,4	2,1
France	2,5	0,8	0,6	1,4	5,9	5,7	2,4	1,8
Italy	3,9	0,7	0,9	1,5	8,7	6,1	1,7	1,8
Spain	5,8	2,3	1,5	2,1	8,3	3,5	2,5	1,9
China	3,0	5,2	4,5	4,3	2,0	0,4	1,5	1,7
India*	7,2	7,5	7,0	6,5	6,7	5,8	5,7	4,5
Brazil	2,9	3,1	1,8	1,8	9,3	4,6	4,0	4,0

Source : BNP Paribas (e: Estimates & forecasts)
Last update: 4 December 2023
* Fiscal year from 1st April of year n to March 31st of year n+1

INTEREST AND EXCHANGE RATES

Interest rates, % End of period		Q1 2024	Q2 2024	Q3 2024	Q4 2024	T4 2025
US	Fed Funds (upper limit)	5.50	5.00	4.50	4.00	2.75
	T-Note 10y	4.15	4.00	3.95	3.95	4.00
Eurozone	deposit rate	4.00	3.75	3.50	3.25	2.50
	Bund 10y	2.45	2.35	2.20	2.20	2.50
	OAT 10y	3.02	2.91	2.75	2.75	3.05
	BTP 10y	4.25	4.00	3.95	3.90	4.20
	BONO 10y	3.45	3.25	3.10	3.05	3.30
UK	Base rate	5.25	5.00	4.75	4.25	3.00
	Gilts 10y	3.90	3.75	3.65	3.55	3.65
Japan	BoJ Rate	0.10	0.10	0.25	0.25	0.75
	JGB 10y	0.95	1.20	1.35	1.35	1.35

Exchange Rates End of period		Q1 2024	Q2 2024	Q3 2024	Q4 2024	T4 2025
USD	EUR / USD	1.10	1.12	1.14	1.15	1.18
	USD / JPY	145	141	138	135	130
	GBP / USD	1.26	1.29	1.31	1.32	1.36
EUR	EUR / GBP	0.87	0.87	0.87	0.87	0.87
	EUR / JPY	160	158	157	155	153

Brent Quarter Average		Q1 2024	Q2 2024	Q3 2024	Q4 2024	T4 2025
Brent	USD/bbl	85	86	91	91	85

Sources: BNP Paribas (Market Economics, Interest Rate Strategy, FX Strategy, Commodities Desk Strategy)
Last update: 4 December 2023

FURTHER READING

Federal home loan banks: their support for bank liquidity called into question	EcoTVWeek	1 December 2023
French employment data in Q3: fade to grey	EcoBrief	30 November 2023
Electric vehicles: a high voltage market	Chart of the Week	29 November 2023
Eurozone: stabilisation but not yet a bottoming out	EcoWeek	27 November 2023
China: Stabilization and sluggishness	EcoTVWeek	24 November 2023
November 2023 issue	EcoPulse	22 November 2023
Europe: less widespread but still meaningful labour shortages	EcoFlash	22 November 2023
November 2023 issue	Pocket Atlas	22 November 2023
Malaysia: external accounts are still under pressure	Chart of the Week	22 November 2023
Global economy : household saving plays its cushioning part across the Atlantic, not (yet?) in the euro area	EcoWeek	20 November 2023
Romania: Twin deficits still persist	EcoTVWeek	17 November 2023
United States: The centrally cleared repo segment expands	Chart of the Week	15 November 2023
Global economy: The last mile of disinflation	EcoWeek	13 November 2023
Labour shortages in a receding labour market	EcoTVWeek	10 November 2023
French economy pocket atlas - October 2023	Ecobooklet	10 November 2023
Inflation tracker - November 2023	EcoChart	9 November 2023
French exports: if only one should remain...	EcoBrief	8 November 2023
United States: New home sales, a short-lived rebound?	Chart of the Week	8 November 2023
Japan: Yield curve out of control?	EcoWeek	6 November 2023
US: sprinting uphill	EcoTVWeek	3 November 2023

GROUP ECONOMIC RESEARCH

William De Vijlder Chief Economist	+33 1 55 77 47 31	william.devijlder@bnpparibas.com

OECD ECONOMIES AND STATISTICS

Hélène Baudchon Deputy chief economist, Head - United States	+33 1 58 16 03 63	helene.baudchon@bnpparibas.com
Stéphane Colliac France, Germany	+33 1 42 98 43 86	stephane.colliac@bnpparibas.com
Guillaume Derrien Eurozone, Southern Europe, Japan, United Kingdom - Global trade	+33 1 55 77 71 89	guillaume.a.derrien@bnpparibas.com
Veary Bou, Tarik Rharrab Statistics		

ECONOMIC PROJECTIONS, RELATIONSHIP WITH THE FRENCH NETWORK

Jean-Luc Proutat Head	+33 1 58 16 73 32	jean-luc.proutat@bnpparibas.com

BANKING ECONOMICS

Laurent Quignon Head	+33 1 42 98 56 54	laurent.quignon@bnpparibas.com
Céline Choulet	+33 1 43 16 95 54	celine.choulet@bnpparibas.com
Thomas Humblot	+33 1 40 14 30 77	thomas.humblot@bnpparibas.com
Marianne Mueller	+33 1 40 14 48 11	marianne.mueller@bnpparibas.com

EMERGING ECONOMIES AND COUNTRY RISK

François Faure Head – Argentina, Turkey – Methodology, Modelling	+33 1 42 98 79 82	francois.faure@bnpparibas.com
Christine Peltier Deputy Head – Greater China, Vietnam – Methodology	+33 1 42 98 56 27	christine.peltier@bnpparibas.com
Stéphane Alby Africa (French-speaking countries)	+33 1 42 98 02 04	stephane.alby@bnpparibas.com
Pascal Devaux Middle East, Balkan countries	+33 1 43 16 95 51	pascal.devaux@bnpparibas.com
Hélène Drouot South Korea, Philippines, Thailand, Andean countries	+33 1 42 98 33 00	helene.drouot@bnpparibas.com
Salim Hammad Latin America	+33 1 42 98 74 26	salim.hammad@bnpparibas.com
Cynthia Kalasopatan Antoine Ukraine, Central European countries	+33 1 53 31 59 32	cynthia.kalasopatan.antoine@bnpparibas.com
Johanna Melka India, South Asia, Russia, Kazakhstan	+33 1 58 16 05 84	johanna.melka@bnpparibas.com
Lucas Plé Africa (Portuguese & English-speaking countries)	+33 1 40 14 50 18	lucas.ple@bnpparibas.com

CONTACT MEDIA

Mickaelle Fils Marie-Luce	+33 1 42 98 48 59	mickaelle.filsmarie-luce@bnpparibas.com

GROUP ECONOMIC RESEARCH

ECOCONJONCTURE
Structural or thematic topics.

ECOEMERGING
Analyses and forecasts for a selection of emerging economies.

ECOPERSPECTIVES
Analyses and forecasts with a focus on developed countries.

ECOFLASH
Data releases, major economic events.

ECOWEEK
Recent economic and policy developments, data comments, economic calendar, forecasts.

ECOCHARTS
Easy-to-read monthly overview of inflation dynamics in the main developed economies.

ECOPULSE
Monthly barometer of key economic indicators of the main OECD countries.

ECOTV WEEK

MACROWAVES
Our economic podcast.

HOW TO RECEIVE OUR PUBLICATIONS

SUBSCRIBE ON OUR WEBSITE
see the Economic Research website

&

FOLLOW US ON LINKEDIN
see the Economic Research linkedin page

OR TWITTER
see the Economic Research Twitter page

Published by BNP PARIBAS Economic Research
Head office: 16 boulevard des Italiens – 75009 Paris France / Phone : +33 (0) 1.42.98.12.34
Internet: www.group.bnpparibas - **www.economic-research.bnpparibas.com**
Head of publication : Jean Lemierre / Chief editor: William De Vijlder
Copyright: Givaga

BNP PARIBAS

The bank
for a changing
world