

“ THE US ECONOMY IS STILL STRONG, BUT IT IS NOT INVINCIBLE. IF POLICY UNCERTAINTY WERE TO PERSIST AT RECENT RECORD LEVELS, OR EVEN INTENSIFY FURTHER, A MUCH MORE ABRUPT SLOWDOWN CANNOT BE RULED OUT.



ECONOMIC RESEARCH



BNP PARIBAS

The bank
for a changing
world

TABLE OF CONTENT

3

EDITORIAL

How the 2025 Davos Consensus Was Upended in two Months, and What Comes Next

5

ECO NEWS

Key points of the economic week

7

MARKETS OVERVIEW

Recent market developments (foreign exchange, stock markets, interest rates, commodities, etc.)

8

FURTHER READING

Latest articles, charts, videos and podcasts of Economic Research



HOW THE 2025 DAVOS CONSENSUS WAS UPENDED IN TWO MONTHS, AND WHAT COMES NEXT

They say the Davos consensus is always wrong, but it usually takes longer than a couple of months to be apparent. Not so in 2025.

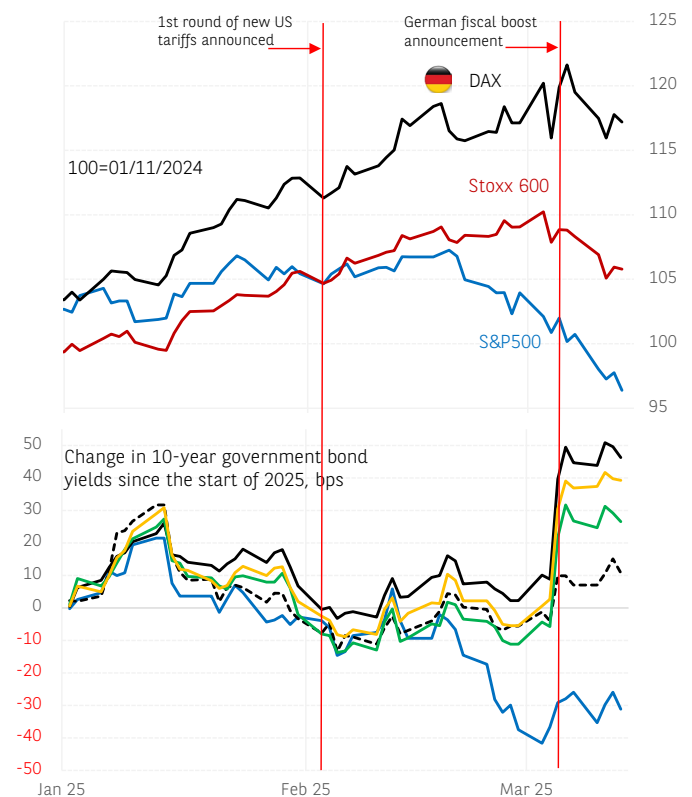
Back on Inauguration Day, world elites gathered in the Swiss Alps were enthusiastic about the prospects of the US economy under Donald Trump's second mandate. So were US households and small business owners, according to confidence surveys. The US stock and bond markets agreed, with the former reaching an all-time high that week and the latter touching 4.79% days earlier, its 2nd highest level since 2008. Meanwhile, after historic underperformance of the STOXX Europe 600 index versus the S&P 500 in 2024 (by 23% percentage points in dollar terms), consensus was for the euro to fall to parity with the dollar. The Eurozone's already sluggish economy was seen as ill-prepared to absorb the shock of President's Trump looming tariffs. Questions were frequently being asked about recession risks in Europe.

Fast forward to today, and recession risk is back in focus, but this time for the US economy. US 10-year interest rates have plummeted, while European ones have soared, the euro is up over 5% against the dollar year to date, and stock markets' respective performances have been reversed (see chart). In the US, households and business confidence indicators are rolling over—in some cases sharply, while they are starting to improve in Europe.

What explains this sudden reversal, and is it warranted? Developments on both sides of the Atlantic have moved against expectations. US investors were counting on the sweets from President Trump's economic platform and had high hopes for tax cuts and deregulation. Instead, they got the sour in the form of massive tariffs on the US largest trading partners, along with federal spending and job cuts. That both have been rolled out in a highly discretionary and hence unpredictable manner has caused uncertainty to surge, and magnified their chilling effect on activity. Meanwhile, in Europe, the sudden urgency to boost military capabilities has led to an historic change in mindset, both in Germany, its largest and one of its most frugal economies, and at EU level. This week, Germany's Parliament is expected to approve a plan allowing an additional 1 trillion euros in infrastructure and defense investment over the next 10 years, while the European Commission has proposed reforms that would allow additional defense spending of 800bn euros. German growth could triple as a result in 2025 (from a low base, admittedly), and Eurozone growth be higher by several decimal points of GDP.

Will this pattern persist? Some repricing was probably inevitable. Since last November, markets had been pricing in only the good news from Trumponomics, forgetting the bad. Conversely, expectations about Europe had got so implausibly low that beating them required only to show minimal agency. That said, the US entered 2025 with a GDP growth carry over of +1%, a very strong labour market, and high levels of confidence across households and businesses. Signs of cooling are appearing: retail sales slowing, credit card and business delinquencies rising fast, optimism about labour market conditions waning, and capex intentions slowing.

BOTH STOCK AND BOND MARKETS HAVE BEEN REVERSING GROWTH EXPECTATIONS OUT OF EUROPE AND THE US



SOURCE: LSEG, BNP PARIBAS

CHART

At the same time, still high inflation and fast-rising inflation expectations will constrain the Fed from cutting rates. In Europe, by contrast, the direction of travel looks positive for most indicators, but starting from a much lower level, symptomatic of an economy still operating with ample spare capacity overall.

This means inflationary pressures are limited. As a result, the ECB is likely to deliver 2 further cuts this year. Where we go from here will depend on the path taken by fiscal and structural economic policies on both sides of the Atlantic.



There are no grounds for complacency. The US economy is still strong, but it is not invincible. If policy uncertainty were to persist at recent record levels, or even intensify further, a much more abrupt slowdown cannot be ruled out. A few months of wobble in consumption and investment decisions can be absorbed without growth turning negative in an economy that started the year as strong as the US did. But a longer standstill in activity could well tip the economy into a recessionary environment. Conversely, Europe should resist the temptation to succumb to *Schadenfreude*. There is much to be optimistic about in recent policy developments. However, part of the near-term boost to growth will simply serve to offset the headwind from US tariffs, and much more work needs to be done to boost growth meaningfully over the medium term. Political agreements to unleash expansive investment are a highly welcome necessary first step. But they are only that. Execution must now follow promptly, on this and all the other growth levers identified in the Competitiveness Compass and Rearm Europe plans. Otherwise, the newfound optimism about Europe's potential will be disappointed.

Isabelle Mateos Lago

Data visualisation and cartography: Tarik Rharrab



The US economy is still strong, but it is not invincible. If policy uncertainty were to persist at recent record levels, or even intensify further, a much more abrupt slowdown cannot be ruled out.



[Find our scenario and forecasts](#)

ADVANCED ECONOMIES

The trade war between the United States and the European Union has begun. US tariffs of 25% on all steel and aluminium imports came into force on 12 March. In response, the EU will re-impose, from 1 April, the rebalancing measures introduced during the first Trump administration, and will impose a new, more substantial package of measures, bringing the total amount of imports affected to EUR 26 billion.

UNITED STATES: Inflation falls and consumer sentiment worsens ahead of the Fed meeting

In March, the University of Michigan's consumer sentiment index fell to its lowest level since November 2022 (57.9, -6.8 pts), a decline triggered by a further deterioration in expectations. 1-year inflation expectations (+4.9%, +0.4 pp) and 5-year inflation expectations (+3.9% - the highest since 1992, +0.4 pp) were rising again. Headline inflation (measured by the CPI) and its underlying component slowed in February to 2.8% and 3.1% y/y respectively (-0.2 pp each). Inflation in services excluding housing and energy fell sharply (3.7% y/y, -0.3 pp). Year-on-year producer prices fell for the first time since August 2024, to +3.2% (-0.5 pp). In addition, the electoral boost to small business sentiment has fizzled out: the NFIB optimism index fell in February for a second consecutive month, to 100.7 (-2.1 pts). In addition, the uncertainty index has risen again, to 104 (a level exceeded only once in history).

On the domestic front, the Democrats in the Senate did not obstruct the adoption of the Republican budget resolution. As a result, a shutdown has been avoided and federal funding has been extended until the end of the fiscal year (30 September). The main event of the week ahead will be the FOMC meeting on 18-19 March. Market pricing is 97% in favour of maintaining the rate target at +4.25% - +4.5%, while Jerome Powell reiterated (7 March) that there is no hurry to cut rates. The rate decision will be accompanied by the publication of the Summary of Economic Projections, which will update the Committee members' median view of inflation and the key rate to 2027.

EUROZONE: Inflation torn between two-directional shocks

In her latest speech, Christine Lagarde acknowledged the change in the current inflationary environment, with the direction of shocks "much harder to predict", and the persistence of inflation that could «in some circumstances be greater». The ECB's latest wage tracker still points to a deceleration in negotiated wages in 2025. Industrial production grew by 0.8% m/m in January. Activity in the machinery/equipment, metallurgy and petrochemicals sectors continues to suffer, but the agri-food and pharmaceuticals industries are posting record levels. Interest rates on 10-year government bonds, which rose following Germany's announcement of its spending plans on 4 March, continued to rise. On 14 March, the increase reached 45 bps. It was uniform across Germany, France and Italy. This week will see the publication of the final inflation figures for February, as well as the labour cost estimate for Q4 2024. On 20-21 March, the European Council will discuss European security and defence issues.

GERMANY: The German parliament debates its reforms

The German parliament met on Thursday 13 March for the first day of an extraordinary session devoted to examining reforms aimed at increasing spending on infrastructure and defence. The Greens eventually gave their support, which is key to the vote, following amendments (aid to Ukraine and the intelligence services are to be included in defence spending; extension of the period of use and doubling the budget of the Infrastructure Fund allocated to climate and transition). The second session of the Bundestag is scheduled for Tuesday 18 March, followed by the decisive vote, while the Bundesrat will examine the bill on 21 March. The following week, on 25 March, the new parliament will take office.

FRANCE: Stable growth at a low level

The Banque de France's monthly business survey points to stable yet low growth (between 0.1% and 0.2% for Q1). The uncertainty indexes have eased back from their peak following the adoption of the motion of no confidence, but they remain above their pre-dissolution level. The Banque de France has updated its growth forecasts for 2025 (0.7%, revised by -0.2 points) and 2026 (1.2%, -0.1 points). These forecasts show weak growth at the end of Q1, and point to an acceleration in growth from Q2 onwards. Fitch has kept France's sovereign rating at AA- and still has a negative outlook on this rating. INSEE will publish its updated growth forecasts on Tuesday 18 March and its business climate survey on Thursday 21st March.

UNITED KINGDOM: Industrial setback

Affected by the industrial recession, activity fell back in January. Value added fell by 0.1% m/m, while manufacturing activity contracted by 1.1% m/m. Household consumption is in better shape: according to BRC/KPMG, retail sales rose by 2.2% y/y in February, the highest increase in two years. According to the FCA, arrears rose very slightly in Q4 (1.32% of outstanding home loans compared with 1.31% in Q3). The property market has lost further momentum: the RICS indices of price and sales trends fell again in February, partly due to the tightening of stamp duty in April. The BoE's Monetary Policy Committee meeting will be held on 20 March, and the labour market indicators will be published.



EMERGING ECONOMIES

Capital flows. According to estimates by the Institute of International Finance, portfolio investment flows (equities and bonds) by non-residents into the main financial markets of emerging countries remained distinctly positive in February (USD 15 billion) despite geopolitical tensions. Investments in bond debt more than offset net outflows from equity markets. Investments in China were slightly negative again. Excluding China, investments in bond debt remained very strong, at USD 33 billion. Cumulatively since July 2024, these have exceeded USD 300 billion, a record for an 8-month period. However, a comparison with balance-of-payment data suggests that estimates of investment in bond debt are overestimated.

SAUDI ARABIA: The good momentum in activity continues. GDP growth reached 4.5% y/y in Q4, driven by a favourable base effect in the oil sector (+3.4%/y/y) and, above all, by the resilience of non-oil activity (+4.7%). Against a backdrop of moderate inflation, household consumption remains strong (+3.9%), as does private sector investment (+4.4%). On the other hand, government activities (15% of GDP) weakened for the third consecutive quarter (+2.2%), due to a significantly tighter fiscal stance. This decorrelation between the public and private sectors is encouraging. Despite the sharp fall in dividends from the national oil company Aramco, non-hydrocarbon GDP growth should remain above 4% this year.

CHINA: Deflation. The CPI index contracted by -0.1% y/y on average over the first two months of 2025, vs. +0.2% y/y in Q4 2024. While this decline can be explained in part by the volatility of prices during the Chinese New Year period, it reveals above all the persistence of deflationary pressures. In January-February, core inflation eased very slightly (to +0.25% y/y on average), food prices fell again (-1.5%), and the producer price index continued to fall (-2.3%). In another sign of weak domestic demand, growth in outstanding bank loans continued to slow (+7.1% y/y in February 2025, vs. +9.7% in February 2024). These figures could prompt the monetary authorities to cut their benchmark rates in the very short term (the last cut in the 7-day reverse repo rate, from 1.7% to 1.5%, was in September 2024).

Consumer support plan. Beijing has just announced a plan to stimulate household income and consumption. This plan contains measures that have already been implemented (such as the consumer goods trade-in programme) and envisages new measures, which have yet to be specified (including wage increases).

INDIA: Inflationary pressures continued to ease in February. Inflation slowed significantly to 3.6% year-on-year (y/y), helped by the deceleration in food prices. For the first time since August 2024, price inflation was below the target of 4% +/- 2pp set by the monetary authorities. This points to a further 25 bp rate cut at the next Monetary Policy Committee meeting in April, especially as the rupee, like other Asian currencies, has recently strengthened against the US dollar.

SOUTH AFRICA: 2025/26 Budget presented to Parliament without the support of the DA. On Wednesday 12 March, a revised version of the 2025/26 Budget was presented to Parliament. The document confirms the continued consolidation of public finances and forecasts a fall in the budget deficit from 4.7% of GDP in the current fiscal year to 3.3% of GDP in 2027/28. Despite 3 additional weeks of negotiations, made possible by the last-minute postponement of the initial presentation of the Budget in February, the Government of National Unity (GNU) has still not managed to present a united front. The proposed increase in the VAT rate (+0.5 pp in May 2025 and +0.5 pp in April 2026) is still a stumbling block between the ANC and the DA, the government's second largest party. Strongly opposed to any tax increase, John Steenhuisen, leader of the DA, has stated that he will not support this budget bill when Parliament votes on 2 April. In the meantime, the members of the GNU will have to find more compromises to avoid fragmenting the government coalition.

TURKEY: Further monetary easing. At the Monetary Policy Committee meeting on 6 March, the Central Bank cut its key rate by 250 bps to 42.5%. This is the third consecutive cut by the same amount, following those on 26 December and 23 January. This action follows the publication of more reassuring inflation figures for February (2.3% over one month and 39.1% over one year, compared with +3.5% and 42.4% respectively in January), even though recent monthly trends have been particularly erratic and do not allow us to detect trend changes with any reasonable degree of reliability. This deceleration in inflation comes against a backdrop of slowing growth and the lira's reduced depreciation against the euro/dollar basket.

BRAZIL: Slowing economic activity and deteriorating expectations. After three years of growth in excess of 3%, the Brazilian economy is showing signs of slowing down. In addition to the sharp deceleration in activity in Q4 2024 (0.2% q/q compared with 0.7% in the previous quarter), several indicators available for Q1 2025 confirm a loss of momentum. Unemployment has been rising since January, after reaching a historic low in 2024. In the manufacturing sector, production levels are stagnating and new orders are growing at their slowest pace in over a year. The FGV-IBRE consumer confidence index fell in February to its lowest level since August 2022 amid rising food prices, tighter credit conditions and greater global and domestic uncertainty. Inflation expectations have continued to deteriorate despite the appreciation of the real (+7.3% against the US dollar since January). While a strong harvest should support growth in Q1 (seasonal effects), it will not be enough to mask the broader economic slowdown in the rest of the economy, especially as the central bank projects to tighten monetary policy further at its March meeting (+100 bps).

COMMODITIES

The US is stepping up its sanctions against the Russian and Iranian oil sectors. The licences authorising certain Russian banks to receive foreign currency payments in return for oil purchases have not been renewed. The number of Iranian companies and vessels subject to sanctions has been extended.

The EIA (US Energy Information Administration) has revised its price forecasts for 2025 slightly downwards, to \$74.2/b (-0.4%), but upwards for 2026, to \$68.5/b (+3%), in view of the impact of the tougher US sanctions on the Russian, Iranian and Venezuelan oil sectors.

The International Energy Agency has lowered its forecast for growth in demand for oil for 2025 to +1 mb/d (-0.1 mb/d), linked to the growing risk of a trade war. As a result, with the announced easing of OPEC quotas, the supply surplus could exceed 0.6 mb/d in 2025 and have a downward impact on prices.



MARKETS OVERVIEW

Bond Markets

	In %		In bps		
	14/03/2025	1-Week	1-Month	Year to date	1-Year
Bund 2Y	2.18	-5.9	+5.0	+11.8	-83.5
Bund 5Y	2.46	-1.6	+26.2	+34.3	-1.1
Bund 10Y	2.85	+3.5	+44.7	+48.2	+44.3
OAT 10Y	3.41	+2.0	+38.0	+28.8	+54.7
BTP 10Y	3.82	+2.7	+41.2	+39.6	+12.7
BONO 10Y	3.40	-0.1	+38.6	+38.2	+17.6
Treasuries 2Y	4.05	+2.5	-22.9	-19.9	-69.0
Treasuries 5Y	4.10	+0.2	-24.1	-28.2	-20.8
Treasuries 10Y	4.31	-0.2	-16.8	-26.1	+1.7
Gilt 2Y	4.19	-1.3	-2.6	+4.2	-42.7
Treasuries 5Y	4.29	+0.8	+2.5	-5.3	+33.6
Gilt 10Y	4.67	+2.6	16.6	+9.7	+58.3

Currencies & Commodities

	Level		Change, %		
	14/03/2025	1-Week	1-Month	Year to date	1-Year
EUR/USD	1.09	+0.0	+3.5	+5.0	-0.1
GBP/USD	1.29	-0.1	+2.4	+3.1	+1.3
USD/JPY	148.52	+0.7	-2.4	-5.5	+0.2
DXY	111.99	+7.9	+11.5	+10.5	+6.1
EUR/GBP	0.84	+0.1	+1.1	+1.8	-1.4
EUR/CHF	0.96	+0.8	+2.0	+2.6	+0.1
EUR/JPY	161.47	+0.7	+1.0	-0.8	+0.1
Oil, Brent (\$/bbl)	70.99	+0.4	-5.4	-5.0	-16.7
Gold (\$/ounce)	2988	+2.5	+3.0	+13.8	+38.5

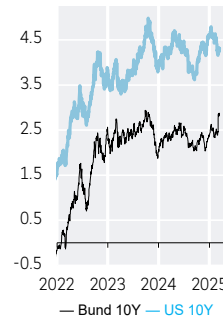
Equity Indices

	Level		Change, %		
	14/03/2025	1-Week	1-Month	Year to date	1-Year
World					
MSCI World (\$)	3666	-2.0	-6.0	-1.1	+8.4
North America					
S&P500	5639	-2.3	-7.8	-4.1	+9.5
Dow Jones	41488	-3.1	-6.9	-2.5	+6.6
Nasdaq composite	17754	-2.4	-11.3	-8.1	+10.1
Europe					
CAC 40	8028	-1.1	-1.8	+8.8	-1.6
DAX 30	22987	-0.1	+2.1	+15.5	+28.1
EuroStoxx50	5404	-1.2	-1.6	+10.4	+8.2
FTSE100	8632	-0.5	-1.1	+5.6	+11.5
Asia					
MSCI, loc.	1393	-0.7	-3.5	-2.8	+2.5
Nikkei	37053	+0.4	-5.4	-7.1	-4.5
Emerging					
MSCI Emerging (\$)	1120	-0.8	-0.5	+4.0	+6.8
China	77	-0.1	+5.7	+19.7	+39.5
India	924	-1.3	-2.6	-10.1	-4.5
Brazil	1333	+3.6	-2.5	+13.3	-19.1

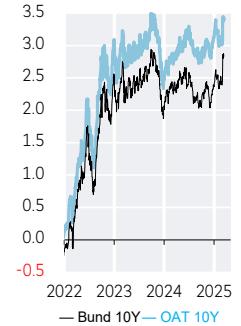
Performance by sector

Eurostoxx600		S&P500	
Year 2025 to 14-3, €		Year 2025 to 14-3, \$	
+23.7%	Banks	+13.6%	Telecoms
+13.6%	Insurance	+8.3%	Insurance
+12.6%	Construction	+6.7%	Food, Beverage & Tobacco
+12.3%	Industry	+5.7%	Pharmaceuticals
+11.7%	Telecoms	+4.2%	Healthcare
+9.5%	Chemical	+4.0%	Energy
+7.7%	Eurostoxx600	+3.5%	Utilities
+6.9%	Food industry	+1.9%	Real Estate
+6.2%	Oil & Gas	+1.8%	Materials
+5.1%	Financial services	+1.7%	Commercial & Pro. Services
+4.2%	Utilities	-1.0%	Capital Goods
+3.7%	Commodities	-4.1%	Retail
+3.3%	Health	-4.1%	S&P500
+1.7%	Consumption Goods	-4.4%	Bank
+1.4%	Technology	-4.8%	Consumer Services
-2.6%	Real Estate	-5.2%	Media
-4.2%	Media	-8.6%	Consumer Discretionary
-6.7%	Retail	-8.7%	Semiconductors
-7.2%	Travel & leisure	-13.2%	Tech. Hardware & Equip.
		-35.0%	Automobiles

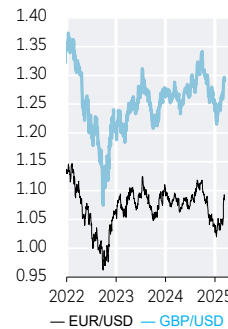
Bund 10Y vs US Treas. 10Y



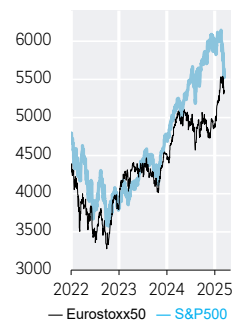
Bund 10Y vs OAT 10Y



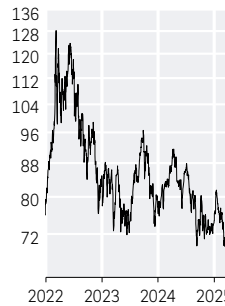
EUR/USD vs GBP/USD



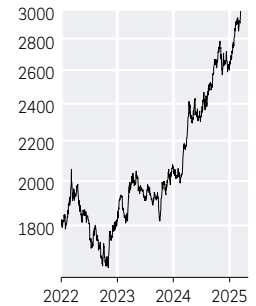
EUROSTOXX 50 vs S&P500



Oil, Brent (\$/bbl)



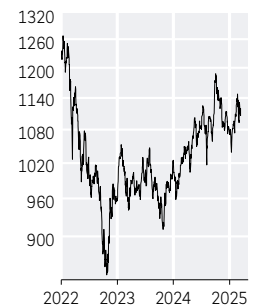
Gold (\$/ounce)



MSCI World (\$)



MSCI Emerging (\$)



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



FURTHER READING

8

Tariff wars are stories that usually end badly	Chart of the Week	18 March 2025
Growth is local, bond yields are global: why does it matter?	EcoInsight	14 March 2025
Germany: "whatever it takes"?	EcoFlash	12 March 2025
The challenge of inflation: 5 things to look out for	EcoWeek	11 March 2025
Eurozone: stimulated by lower interest rates, new loans to households and businesses continued to increase in January 2025	Chart of the Week	7 March 2025
Emerging countries: financial vulnerability is lower than it once was	EcoWeek	4 March 2025
Emerging markets: which sovereign debts are most vulnerable to rising global financial volatility?	Chart of the Week	27 February 2025
February inflation: sharp drop expected in France, stability in the rest of the Eurozone	EcoFlash	26 February 2025
German election: A government by Easter?	EcoFlash	24 February 2025
Is the United States so disadvantaged in terms of customs duty?	Chart of the Week	20 February 2025
Germany: after the elections, a wind of change?	EcoTV	20 February 2025
2019 - 2024: Debts in face of crises	EcoTV	14 February 2025
US tariff offensive: a (non-exhaustive) risk map	Chart of the Week	12 February 2025
United States: 'What's up with long-term rates?'	Chart of the Week	12 February 2025
Eco Perspectives - Emerging Economies 1st quarter 2025	EcoPerspectives Emerging Economies	11 February 2025
Five Reasons Trumponomics Need not Weaken Europe, Even the Opposite	EcoWeek	10 February 2025
EcoPulse of February 2025	EcoPulse	10 February 2025
France: trade deficit down and current account nearly in balance	EcoFlash	6 February 2025
Eurozone: The increase in the credit impulse prevented a contraction in GDP in Q4 2024	EcoInsight	5 February 2025
Central Europe: Moving up the value chain	Chart of the Week	4 February 2025
To bring down oil prices, Trump must take little action and stay patient	EcoWeek	4 February 2025



GROUP ECONOMIC RESEARCH

Isabelle Mateos y Lago Group Chief Economist	+33 1 87 74 01 97	isabelle.mateosylago@bnpparibas.com
Hélène Baudchon Deputy Chief Economist, Head of Global Macroeconomic Research	+33 1 58 16 03 63	helene.baudchon@bnpparibas.com
Stéphane Alby Maghreb, Middle East	+33 1 42 98 02 04	stephane.alby@bnpparibas.com
Lucie Barette Europe, Southern Europe	+33 1 87 74 02 08	lucie.barette@bnpparibas.com
Anis Bensaidani United States, Japan	+33 1 87 74 01 51	anis.bensaidani@bnpparibas.com
Céline Choulet Banking Economics	+33 1 43 16 95 54	celine.choulet@bnpparibas.com
Stéphane Colliac Head of Advanced economies – France	+33 1 42 98 26 77	stephane.colliac@bnpparibas.com
Guillaume Derrien Europe, Eurozone, United Kingdom – World Trade	+33 1 55 77 71 89	guillaume.a.derrien@bnpparibas.com
Pascal Devaux Middle East, Western Balkans – Energy	+33 1 43 16 95 51	pascal.devaux@bnpparibas.com
Hélène Drouot Latin America	+33 1 42 98 33 00	helene.drouot@bnpparibas.com
François Faure Head of Country Risk – Türkiye	+33 1 42 98 79 82	francois.faure@bnpparibas.com
Salim Hammad Head of Data & Analytics – Brazil	+33 1 42 98 74 26	salim.hammad@bnpparibas.com
Thomas Humblot Banking Economics	+33 1 40 14 30 77	thomas.humblot@bnpparibas.com
Cynthia Kalasopatan Antoine Central Europe, Ukraine, Russia, Kazakhstan	+33 1 53 31 59 32	cynthia.kalasopatanantoine@bnpparibas.com
Johanna Melka Asia	+33 1 58 16 05 84	johanna.melka@bnpparibas.com
Marianne Mueller Europe, Germany, Netherlands	+33 1 40 14 48 11	marianne.mueller@bnpparibas.com
Christine Peltier Head of Emerging economies – Asia	+33 1 42 98 56 27	christine.peltier@bnpparibas.com
Lucas Plé Sub-saharan Africa, Colombia, Central America	+33 1 40 14 50 18	lucas.ple@bnpparibas.com
Jean-Luc Proutat Head of Economic Projections	+33 1 58 16 73 32	jean-luc.proutat@bnpparibas.com
Laurent Quignon Head of Banking Economics	+33 1 42 98 56 54	laurent.quignon@bnpparibas.com
Tarik Rharrab Data scientist	+33 1 43 16 95 56	tarik.rharrab@bnpparibas.com
Mickaëlle Fils Marie-Luce Media contact	+33 1 42 98 48 59	mickaëlle.filsmarie-luce@bnpparibas.com



BNP PARIBAS

The bank
for a changing
world

GROUP ECONOMIC RESEARCH

ECOINSIGHT

Structural or thematic topics

ECOPERSPECTIVES

Analyses and forecasts with a focus on developed and emerging economies.

ECOFLASH

Data releases, major economic events

ECOWEEK

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

ECOPULSE

Easy-to-read monthly overview of inflation dynamics

ECOCHARTS

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

ECOTV

What is the key event of the month?

You will find the answer in our economy broadcast.

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](#)



The information and opinions contained in this document have been obtained from, or are based on, public sources believed to be reliable, but there is no guarantee of the accuracy, completeness or fitness for any particular purpose of such information and such information may not have been independently verified by BNPP or by any person. None of BNPP, any of its subsidiary undertakings or affiliates or its members, directors, officers, agents or employees accepts any responsibility or liability whatsoever or makes any representation or warranty, express or implied, as to the accuracy and completeness of the information or any opinions based thereon and contained in this document and it should not be relied upon as such. This document does not constitute research, as defined under MIFID II, or form any part of any offer to sell or issue and is not a solicitation of any offer to purchase any financial instrument, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on, in connection with any contract or investment decision. Information and opinions contained in this document are published for the information of recipients, but are not to be relied upon as authoritative or taken in substitution for the exercise of judgment by any recipient, are subject to change without notice. In providing this document, BNPP does not offer investment, financial, legal, tax or any other type of advice to, nor has any fiduciary duties towards, recipients. Any reference to past performance is not indicative of future performance, which may be better or worse than prior results. Any hypothetical, past performance simulations are the result of estimates made by BNPP, as of a given moment, on the basis of parameters, market conditions, and historical data selected by BNPP, and should not be used as guidance, in any way, of future performance. To the fullest extent permitted by law, no BNPP group company accepts any liability whatsoever (including in negligence) for any direct or consequential loss arising from any use of or reliance on material contained in this document even when advised of the possibility of such losses. All estimates and opinions included in this document are made as of the date of this document. Unless otherwise indicated in this document there is no intention to update this document. BNPP may make a market in, or may, as principal or agent, buy or sell securities of any issuer or person mentioned in this document or derivatives thereon. Prices, yields and other similar information included in this document are included for information purposes however numerous factors will affect market pricing at any particular time, such information may be subject to rapid change and there is no certainty that transactions could be executed at any specified price. BNPP may have a financial interest in any issuer or person mentioned in this document, including a long or short position in their securities and/or options, futures or other derivative instruments based thereon, or vice versa. BNPP, including its officers and employees may serve or have served as an officer, director or in an advisory capacity for any person mentioned in this document. BNPP may, from time to time, solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager, underwriter or lender) within the last 12 months for any person referred to in this document. BNPP may be a party to an agreement with any person relating to the production of this document. BNPP may to the extent permitted by law, have acted upon or used the information contained herein or in the document, or the analysis on which it was based, before the document was published. BNPP may receive or intend to seek compensation for investment banking services in the next three months from or in relation to any person mentioned in this document. Any person mentioned in this document may have been provided with relevant sections of this document prior to its publication in order to verify its factual accuracy.

This document was produced by a BNPP group company. This document is for the use of intended recipients and may not be reproduced (in whole or in part) or delivered or transmitted to any other person without the prior written consent of BNPP. By accepting or accessing this document you agree to this.

BNP Paribas is a société anonyme incorporated in France, licensed and supervised as a credit institution by the European Central Bank (ECB) and as an investment services provider by the Autorité de contrôle prudentiel et de résolution (ACPR) and Autorité des marchés financiers (AMF), and having its registered office at 16, boulevard des Italiens, 75009 Paris, France.

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

For country-specific disclaimers (United States, Canada, United Kingdom, Germany, Belgium, Ireland, Italy, Netherlands, Portugal, Spain, Switzerland, Brazil, Turkey, Israel, Bahrain, South Africa, Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Singapore, South Korea, Taiwan, Thailand, Vietnam) please type the following URL to access the applicable legal notices: https://globalmarkets.bnpparibas.com/gm/home/Markets_360_Country_Specific_Notices.pdf

© BNP Paribas (2025). All rights reserved.

Subscribe to our publications:

ECONOMIC RESEARCH



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: Isabelle Mateos y Lago

Copyright: Andreas Naegli



BNP PARIBAS

The bank
for a changing
world