OCTOBER 2024

Investment Strategy Focus

Better late than never

Summary

1. **Fed jumbo 0.5% rate cut to start:** the Federal Reserve starts its US rate-cutting cycle with a 0.5% cut, taking the Fed Funds rate below 5%. We now expect further rate cuts in November and December, and 4 further cuts in 2025. Expect a 3.5% Fed Funds rate at end-2025, but not lower long bond yields.
2. **Macro risk recedes from peak:** a coordinated rate-cutting cycle boosts macro liquidity, while market volatility calms. Macro risk has receded dramatically since early August, supporting a rebound in risk assets. The November US Presidential election could still trigger further volatility, but ultimately could help stocks.
3. **Gold hits a new all-time, yet again:** the steady gold bull market is being extended by both retail and central bank buying, reaching USD 2665/ounce. The best major asset class so far in 2025, we remain positive and now look for USD 3000/ounce in 12 months.
4. **US and Chinese stocks ignore seasonality to lead higher:** the equal-weight S&P 500 index has hit a new high in the wake of the Fed rate cut. Chinese stock indices have rallied 16-29% since 11 September on multiple fresh stimulus announcements. Recall that seasonal effects typically turn favourable from mid-October.
5. **European real estate values on the rise:** house prices start to recover in interest rate-sensitive markets like the UK and Sweden on lower rates. Listed real estate has rallied 18% since April, and European real estate fund returns averaged +1% q/q in Q2. Prefer listed REITs, as they react faster to declines in short- and long-term rates.

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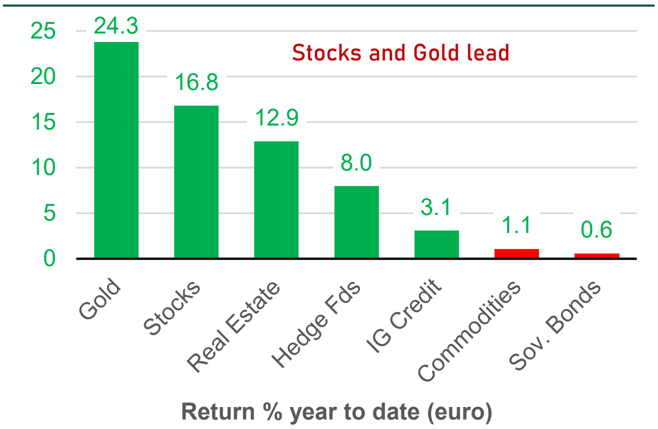
2024 DOUBLE-DIGIT RETURNS FOR GOLD, GLOBAL STOCKS, LISTED REITS



Source: BNP Paribas, Bloomberg. Note: Real Estate = global listed REITs

Edmund Shing, PhD

Global CIO
BNP Paribas Wealth Management

BNP PARIBAS
WEALTH MANAGEMENT

The bank for a changing world

Macro and Market Views

	Macro		– US economic data came out broadly better-than-expected especially on consumer sentiment. The manufacturing sector remains the weak point. Initial jobless claims suggest slower hiring, not layoffs. – In the eurozone, consumer confidence remains on an upward trend. The main worry is the manufacturing sector. The service sector is holding up somewhat better. China and global trade could bring positive surprises.
	Rates	=	– Expect Fed Funds rate of 3.5% at end-2025. – Our 12-month US 10-year Treasury yield target remains 4.0%. We moved tactically to Neutral from Positive on US government bonds as we expect rates to move higher in the short term. – EM sovereign bonds (local currency and USD) still offer attractive 6%+ yields.
	Credit	+	– We keep a positive medium-term stance on US and eurozone corporate bonds of high quality ("Investment Grade") but would look for better entry points in the near-term after the recent compression in yields.
	Equities	+	– The key risks are that the market starts to reprice growth fears with central banks being perceived as "behind the curve". – Favour eurozone, UK, Japan. In Asia prefer Singapore, South Korea, Indonesia. – We like EU Small Caps. Positive on Health Care, Industrials and Materials like Metals. We also like EU financials, tech and REITs. – We prefer investment themes like clean water, copper miners, electricity infrastructure, circular economy, deep value markets.
	Real Estate	=	– Lagged impact from higher interest rates to fade after stability in commercial real estate returns in Q2 2024. We see European real estate prices slowly stabilising, with rental yields now more attractive. – Industrial/logistics exposure preferred for healthy yields, higher expected rental growth on robust underlying demand growth. – Listed REIT exposure preferred given low price/book values, 4+% dividend yield
	Commod-ities	+/=	– Gold: Positive view as EM central banks should continue strategic purchases and Asian households remain buyers. Gold 12m target upgraded to USD 3000/ounce. – Neutral stance on Oil, price range for Brent crude oil of USD 70-80 on weaker global oil demand and an expected reduction of OPEC+ production quota cuts into 2025.
	Alternative UCITS/ Private Assets	=	– We favour relative value equity, credit and event-driven funds for their robust risk-adjusted returns at low volatility. – Private equity buyout funds are a preferred private asset subclass, given robust long-term returns and an abundance of public market opportunities
	FX		– EUR/USD: 3-month target of USD 1.10 and our 12-month target of USD 1.12 (value of one euro). – USD/JPY: 3-month target of 145 and 12-month target of 140 (value of one US dollar).

The Fed makes up for July

The Fed starts with a bang

Since July 2023, the Fed Funds rate has stood at 5.25-5.5%, a restrictive level aimed at reducing economic growth and thus inflation.

Has this worked? With US manufacturing in recession, core inflation at 2.6% year-on-year on the Fed's preferred core Personal Consumption Expenditure (PCE) measure, and unemployment on the rise, we can conclude that the Fed is achieving its aim on inflation.

With a dual mandate targeted at both inflation and employment, the Fed's focus has now shifted to maintaining stable employment.

This can be achieved by reducing the drag from interest rates on economic growth, by cutting rates closer to the "neutral" interest rate (a little over 3%), a level where it neither helps nor hinders growth.

Economic slowdowns are by nature risky. Often, the Fed changes course too late, when the US economy is already in or about to enter recession (a prolonged period when the economy contracts). According to the ISM manufacturing survey, the 15-20% of the economy that is manufacturing, has been shrinking since mid-2023. Domestic consumption has also slowed, with US retail sales growing at 2.3% yearly in August. Subtracting the effect of rising prices, retail sales volumes are flat. The unemployment rate has also risen from a mid-2023 3.4% low to 4.2% today. These are hardly signs of a fast-growing economy.

Soft landing favoured over 2% inflation target

September's 0.5% Fed Funds rate cut is a clear sign that the Federal Reserve prefers to ensure a "soft landing" where the economy slows down but does not go into recession, at with the risk of core inflation remaining above their 2% target in the near term.

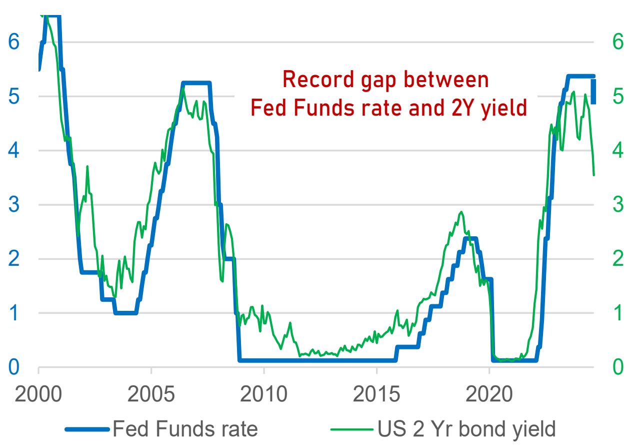
Should the Fed achieve this aim, we should see only a modest rise in unemployment (the Fed forecasts a peak rate of 4.4%), which would be favourable for mid-/small-cap stocks and cyclical sectors.

Key messages: The Federal Reserve (Fed) started its rate-cutting cycle with a 50bp cut but indicated that it was not intending to continue at this pace.

Market expectations of a steep and rapid rate cut cycle remain too high in our view. We expect 25bp cuts at the November and December meetings, followed by quarterly 25bp cuts in 2025, leading to a policy rate of 3.5% by December 2025, close to our estimate of the neutral rate at 3.25%. We continue to expect the US 10-year yield to rise in the short term before falling to 4% in 12 months' time.

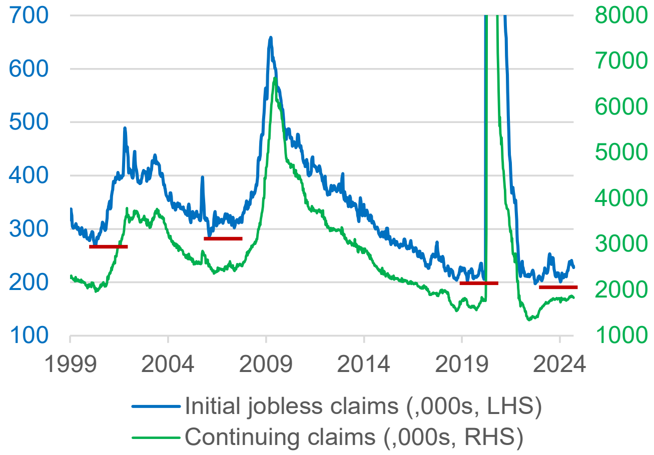
The rate-cutting cycle should support global financial markets, especially equities, commodities and corporate bonds in the final months of 2024. Historically, bonds tend to outperform equities during rate-cutting cycles, especially in recessionary periods. However, in soft landing scenarios such as the current one, we expect equities to outperform bonds.

2 YR TREASURY YIELD PRICING A FAST FED RATE CUT CYCLE



Source: Bloomberg.

US JOBLESS CLAIMS REMAIN BELOW 2000 AND 2006 PRE-RECESSION LOWS



Source: Bloomberg

The ECB's challenges

Edouard Desbonnets

Macro deterioration

While the disinflationary trend continues, there are doubts over the eurozone's economic growth potential.

Inflation has come down well from its peak, to 1.8% for headline and 2.7% for core (excluding food and energy). The outlook for the disinflationary trend remains intact, as oil prices have fallen in recent weeks and wage growth has slowed and is expected to slow further, with recent data showing a closing gap between negotiated and actual payments, particularly due to a sharp slowdown in Germany. In fact, market pricing of inflation even suggests that core inflation could fall below the ECB's 2% target next year, potentially creating future challenges for the ECB to push inflation back up.

The ECB is more worried about the growth outlook. Leading indicators (PMI surveys) in the manufacturing sector point to a contraction of activity. The services component, however, has flattened out in modest expansion territory and represents the biggest share of the economy. The manufacturing sector suffers from 3 key uncertainties: i) economic weakness in China; ii) the potential for US import tariffs if Donald Trump is re-elected president and iii) the lack of visibility for the auto sector. China has just announced a huge stimulus package that should improve the outlook for European exporters. The uncertainty around US import tariffs should also fall after the US elections. The visibility regarding the auto industry could last somewhat longer. Lower rates should also support the economy in 2025.

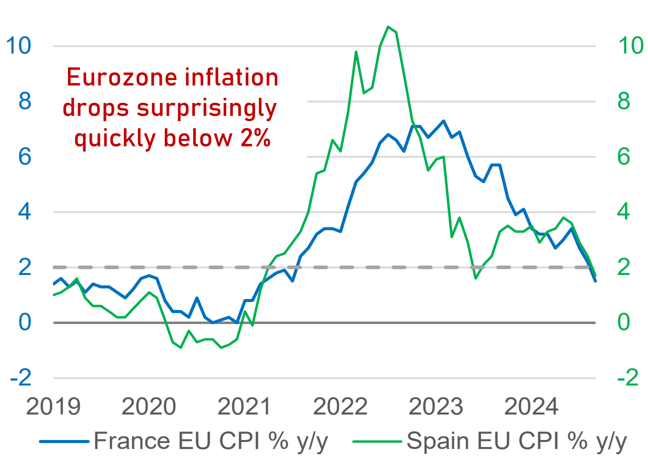
The ECB's response

Traditionally, the ECB's hawks tend to give more credibility to hard data (GDP, inflation) and ECB's forecasts than to surveys, which they see as more pessimistic than reality. Unfortunately, there won't be many data releases before the next ECB meeting scheduled for 17 October.

The ECB has long said that services inflation is sticky (4% in September), and that markets should be patient, but given the deterioration in the economy, we think there is a case for the ECB to bring forward rate cuts. We expect a 25bp rate cut at each of the next two meetings this year (October and December). We think the ECB will resume a quarterly 25bp rate cut rhythm next year, after a 100bp cut in 2024. The rate-cutting cycle should continue until the policy rate reaches the neutral rate, which we estimate to be around 2.25%, and would be reached in September 2025.

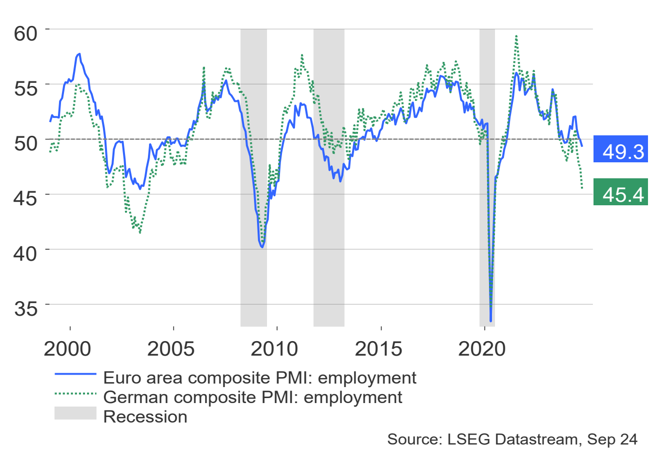
Key messages: the eurozone economy is weak and the manufacturing sector is deteriorating. We expect the ECB to bring forward rate cuts. The market is pricing in a modestly more aggressive path for the ECB than we are. We thus suspect that bond yields could rise in the next few months, before falling again. Our 12-month target is 2.0% for the 2-year yield and 2.25% for the 10-year yield in Germany. We therefore remain cautious for now, with a Neutral view on German government bonds and a preference for short maturities.

EUROZONE INFLATION RATES DROP BELOW 2% FASTER THAN EXPECTED



Source: Bloomberg.

EMPLOYMENT COMPONENT OF PMI SURVEYS DETERIORATE SHARPLY



Source: Datastream

Macro risk recedes as financial conditions loosen further

Volatility reverts lower post early August spike

The memory of the "vol shock" of early August when stock markets sold off and the US VIX volatility index spiked to a multi-year high of over 60, continues to fade. Today the VIX index sits at 16, well off the lows of early 2024 but now back below its long-term average of 20. The receding level of macro risk perceived by financial markets, represented by the Citi Macro Risk index, has descended from 0.7 (the maximum is 1.0) in August to under 0.5 as of end-September.

US financial conditions continue to loosen largely thanks to the precipitous decline in both short- and long-term bond yields since May. However, they are still nowhere near the extremely loose conditions experienced in late 2020 and 2021. Looser financial conditions and stronger liquidity in the form of global money supply growth have powered the MSCI World index (in US dollars) to a new all-time high, driven principally by US stocks. Corporate bonds have also been propelled by a renewed hunt for yield, posting a 16% total return in USD since October last year.

Sector laggards: Technology and Energy

Since the end of June, the Technology and Energy sectors have lagged broad stock markets. The Energy sector has been held back by weak crude oil prices on the back of weaker end-demand for oil products, while Technology mega-caps are suffering some short-term under-performance on the back of high valuations and profit-taking after stellar H1 returns.

Sector leaders: Bond-sensitives and Insurance

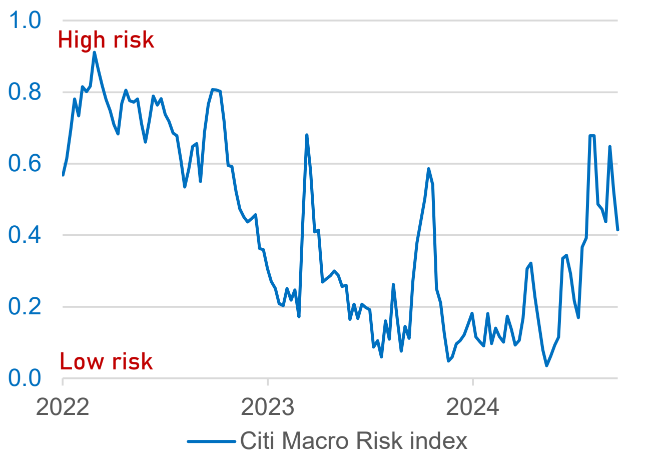
The dramatic fall in bond yields since May has been the key factor behind rotation towards US and European bond-sensitive sectors, such as listed Real Estate, Utilities and Telecoms. Insurance has been the standout financial sector, benefiting from strong growth in book values and profitability partly thanks to resilient growth in insurance premium rates. Note the insurance sector's generous dividend yield of 5+%.

Dividend income back in favour

Falling yields from cash deposits and short- and long-term bond yields has put the spotlight on high and sustainable dividend yielding companies, especially in the World ex US. In Europe, the MSCI Europe high dividend yield index has returned 12% for the year to date, and still offers a forward dividend yield of 4.9%. This dividend yield is a generous 1.4% above the average bond yield offered today by the Bloomberg Europe investment grade corporate bond universe.

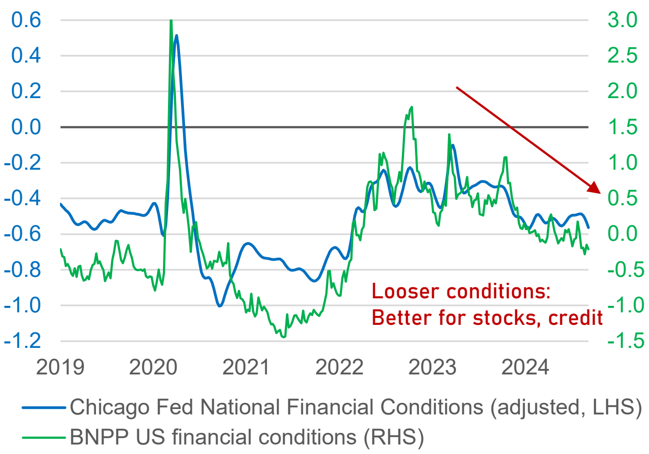
Macro risk recedes from peak: a coordinated rate-cutting cycle boosts macro liquidity, while market volatility calms. Macro risk has receded dramatically since early August, supporting a rebound in risk assets. The November US Presidential election could still trigger further volatility, but ultimately could help stocks. Stay Positive on equities, with a mid/small-cap and dividend/value bias. Favour Insurance, Health Care and electricity infrastructure-related stocks.

MACRO RISK LEVEL RETURNS TO LONG-TERM AVERAGE AFTER EARLY AUGUST PEAK



Source: Bloomberg.

US FINANCIAL CONDITIONS LOOSEN , BUT FAR FROM 2021 LOWS



Source: BNP Paribas, Bloomberg

China's pivot to pro-growth stimulus

Grace Tam

The latest monetary stimulus package beats market expectations

The Fed's big first rate cut and recent strengthening of the RMB have given room for the PBoC to do this bigger-than-expected monetary easing. The PBoC's dovish tone and more proactive monetary measures are supportive to liquidity and positive for the Hong Kong and China stock markets. **We expect southbound-eligible stocks in Hong Kong and the Mainland onshore ETFs to be the key beneficiaries.**

The RRR cut will inject RMB 1 trillion into the banking system. The monetary injection will also lower banks' cost of funds, which in turn will encourage banks to lend to the real economy rather than buying bonds.

As securities firms are allowed to tap liquidity from the PBoC, this is structurally positive as tech and innovative companies which have difficulty borrowing from banks can now benefit from the improving market liquidity. The regulators also signal more policies to promote long-term fund inflows and streamline M&A procedure in the near term.

China's Politburo pledges to step up fiscal support

The mortgage rate cut is estimated to save households' annual interest expense of RMB 150bn. If one third is translated into consumption, this will be about 0.05% of GDP, which is still very small. Hence, more measures to stimulate consumption are still needed to sustain economic growth.

The announcement of monetary stimulus raises market expectations of new fiscal policies soon to be declared to revive domestic demand of the real economy, which is also the key for a more sustained equity market rally.

Cheap valuation meets catalyst and momentum: Valuations of the Hang Seng Index with forward PE at 9.9x (vs 5-year average 10.9x) and the CSI 300 at 13.5x (vs 5-year average 13.8x) are still depressed. The Fed's rate cutting cycle will also improve global liquidity, and together with a weakening USD, will benefit Asian equities, including Hong Kong and China stocks..

Stimulus	Measures	Market Implications
Policy rates	• 20bp 7D reverse repo rate cut • 30bp 1Y MLF rate cut • 20-25bp LPR cut • 20-25bp deposit rate cut to stabilize banks' NIM	• the simultaneous and large magnitude of rate and RRR cuts suggest policymakers are still determined to achieve 5% growth target
RRR	• 50bp cut • another 25-50bp cut by end-2024	• inject RMB 1 trillion into the banking system
Banks	• add core tier-1 capital to 6 major banks	• increase bank's ability to support the real economy
Property market	• average of 50bp cut in outstanding mortgage rates (close to new mortgage rate) • lower minimum downpayment ratio for 2nd home buyers from 25% to 15% (same as 1st home buyers) • increase rental housing relending support to cover 100% of the loan principal from 60% to accelerate inventory reduction • extend supportive policies for operating estate management loans and developers outstanding loans to end-2026	• impact of property easing is likely to be moderate • mortgage rate cut is estimated to save households' annual interest expense of RMB 150bn • if one third is translated into consumption, this will be about 0.05% of GDP, which is still very small • More aggressive fiscal policies are still needed
Stock market	• RMB 500bn swap facility for insurance, asset management and securities firms to tap PBoC funding to buy stocks • RMB 300 bn relending facility to encourage banks to provide loans to listed companies for share buybacks • Request constituents of key A-share indices with low PB to set up plans on market value management • 6 reform guidelines to support M&A	• RMB 800bn is sizable, equivalent to ~1.03x daily turnover, 2.5x 2023 total buybacks, 1.3x YTD national team buying, 3.4x average annual northbound inflows; quota can be increased • provide further liquidity support and enhance stock market value • Southbound eligible stocks and onshore ETFs are key beneficiaries

EM Bonds and Gold: 2 beneficiaries of lower US rates and a weaker USD

Emerging market bonds still attractive

Since the end of April, sovereign and corporate bond markets have surged off the back of steady declines in global inflation, which have in turn fuelled increasing expectations of benchmark interest rate cuts by major central banks, the Federal Reserve being first amongst them.

Falling yields have resulted in a 13% total return from 10-year US Treasury bonds over the 5 months since end-April. US corporate bonds have returned 7-9% over this period, while European corporate bonds have returned 4%.

Emerging market sovereign bonds in hard currency have also performed well, with an 8% return over this period. However, unlike US investment grade and high yield corporate bonds which today trade at historically tight levels of spread in yield over Treasury bonds, emerging market bond spreads remain relatively attractive versus their 10-year historic range.

Depending on the underlying EM bond index benchmark used (Bloomberg or J.P. Morgan EMBI), this asset class still offers 6-7% yields to the income-seeking investor, while offering a nearly equal split between investment grade (BBB) and high yield rated bonds. On a fundamental basis, emerging market economies have increased their resilience on the back of prudent policymaking, and today lead the world in reducing debt vulnerabilities.

Finally, flows into this asset class have increased of late as investors position themselves for a supportive backdrop from further expected Fed rate cuts.

Gold maintains its upwards trend on ETF inflows

Since the end of April, the US dollar index has weakened by over 3% against a basket of currencies as interest rate differentials narrow for US short- and long-term bonds against international comparators.

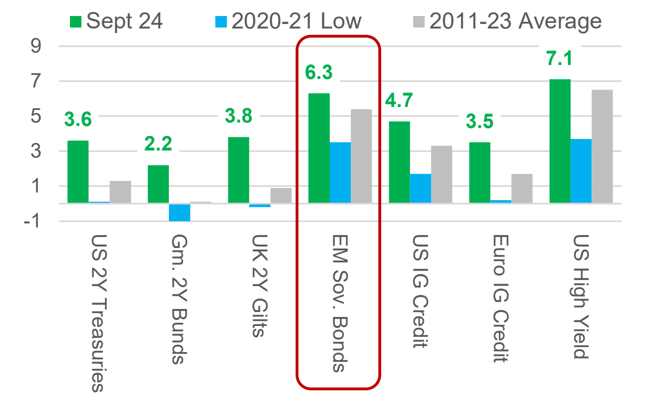
The potential for further US dollar weakness as the Fed cuts rates faster than other central banks, combined with lower real yields and with ongoing central bank and retail demand for physical gold are factors that all support our Positive view on gold.

If we examine the last three Fed rate cutting cycles (2000-03, 2007-08 and 2019-20), in each case the gold price rallied sharply, gaining on average 20% in the 12 months following the first Fed rate cut.

After suffering huge outflows over the first 3 months of this year, the main US-listed GLD physical gold ETF has received USD 3.7bn of inflows, underlining the relatively recent Western retail investor demand for this asset class. Combined with continued demand from central banks and from Asian investors, this steady bull market in gold may have some way to run if the fundamental drivers of geopolitical tensions, lower real yields and a weaker US dollar persist.

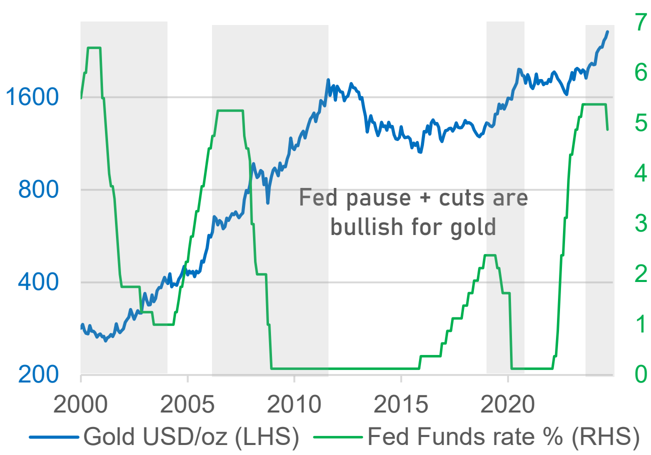
Gold hits new all-time high above USD 2600/ounce: the gold bull market continues on the back of both retail and central bank buying, reaching USD 2665/ounce. The best major asset class so far in 2025, we remain positive and look for USD 3000/ounce in 12 months.

EMERGING MARKET BONDS STILL OFFER ATTRACTIVE YIELDS



Source: BNP Paribas, Bloomberg.

GOLD GAINED C. 20% IN 12M ON AVERAGE POST 1ST RATE CUT IN LAST 3 CYCLES



Source: BNP Paribas, Bloomberg

Listed Real Estate boosted by lower rates

Sharp reset in interest rates supports real estate

Falling short- and long-term interest rates since October 2023, which accelerated from May this year, have started to buoy US and European real estate.

The average US 30-year fixed mortgage rate has declined to just over 6% from a 2023 high of 7.9%, while 2-year UK fixed rate mortgages are now offered at 5%, from a 2023 peak of 6.2%. As a result, house prices are rising by 6.5% year-on-year in major US cities, by 7% y/y in Sweden and by 3% in Germany, after 2023 price corrections. Continued interest rate cuts over 2024-25 should support further house price growth in each market.

Repricing in commercial real estate nearly over

We argue that on a global basis, almost all of the negative valuation effect of 2022-23 interest rate increases has now been factored into real estate values. There is a lagged relationship between interest rates and commercial real estate values, given the infrequent appraisal of real estate net asset values (typically only performed once or twice per year).

Given the more liquid nature of the listed real estate sectors in global stock markets, they have reacted much faster to interest rate changes. This explains why we prefer to re-enter real estate via the listed REIT route for now. There is typically a 3-4 quarter lag between listed REIT prices and unlisted real estate fund NAVs. This suggests that unlisted European and US commercial real estate values should have already bottomed out in Q2 of this year.

Economic drivers of demand remain solid

Continued modest growth in global economies and positive employment trends underpin end-demand for both residential and commercial property in major cities, with resilient rental growth overall.

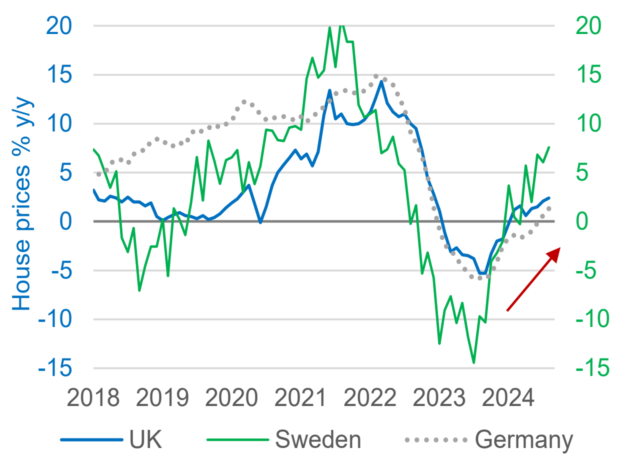
According to fund manager PGIM, in the trough or the early recovery stages of the global real estate cycle, 5-year capital growth averages 5-6% per year. To this we can add prevailing rental yields, which average 5% across regions and sectors according to the major commercial real estate agencies (as of May 2024).

In Europe, industrial/warehouse sector favoured

In Europe, the only segment of commercial real estate to post a positive return for H1 2024 was the industrial/warehouse segment. According to BNP Paribas Real Estate, the prime European logistics sector is forecast to generate a 5% rental yield and 2.5% 5-year average rental growth, suggesting an average future annual total return of close to 8%. Student accommodation is another sector which boasts a favourable mix of under-supply and strong demand. In contrast, the secondary office segment is expected to continue to struggle, given high vacancy rates and the tenants' preference for prime office locations.

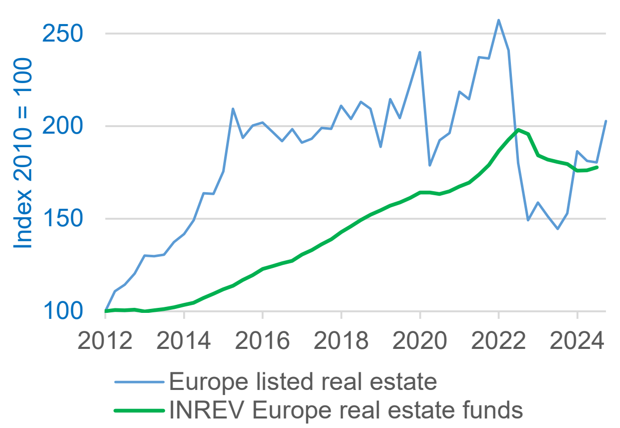
European real estate values start to rise: house prices start to recover in interest rate-sensitive markets like the UK and Sweden on lower rates. Listed real estate has rallied 18% since April, and European real estate fund returns were +1% q/q in Q2. Prefer listed REITs for now, as they react faster to declines in short- and long-term rates.

UK, SWEDISH AND GERMAN HOUSE PRICES HAVE RISEN OVER LAST 12M



Source: BNP Paribas, Bloomberg.

EUROPEAN COMMERCIAL REAL ESTATE VALUES RISE IN Q2 AND Q3



Source: BNP Paribas, Bloomberg

Summary of our main recommendations, by asset class

	Current Recom	Prior Recom	Constituents	We like	We avoid	Comments
EQUITIES	+	+	Markets	UK, Japan, eurozone, Brazil, China, S. Korea Singapore and Indonesia		Buoyant global liquidity continues to support stock markets. Key drivers include falling US inflation, lower long-term interest rates, improving macro liquidity, and easing energy prices. Build stock exposure gradually on market consolidations.
			Sectors	Global Health Care, Industrials, Materials, EU Financials & Technology	Consumer Discretionary, Consumer Staples, Travel & Leisure	**European insurance** benefit from robust inflation in insurance premium rates, plus generous dividends. **Health Care** has benefited from a strong earnings season and promising drug pipelines.
			Styles/ Themes	Quality, Megatrend themes		Circular Economy, Electrification, Security, Deep Value themes
BONDS	=	=	Govies			Our 10-year bond yield targets are 4.0% in the US and 2.25% in Germany in one year. Favour US inflation-linked bonds.
	+	+	Credit	US, Euro IG credit		We favour Investment Grade Credit, focusing on EU credit on the back of reasonable spreads and strong cash flows and balance sheets.
	+	+	EM bonds	USD and local currency		Attracted by high yields versus US high yield, solid economic prospects
CASH	-	-				
COMMODITIES	+/=	+		Gold Oil Industrial metals		Oil (=) Weaker global oil demand and the prospect of a steady reduction in OPEC+ production cuts should keep Brent prices in the USD 70-80 range. Base metals (+) The outlook for the manufacturing sector is improving. Cyclical demand will meet structural while supply remains constrained. Gold (+) we remain positive on the medium term for geopolitical reasons, 12-month target = USD 3000.
FOREX			EUR/USD			Our EUR/USD target is USD 1.12 (value of 1 euro) in 12 months.
REAL ESTATE	=	=		Health Care, logistics/ warehouses		Lower financing rates should provide a more positive backdrop for real estate. Office real estate faces enduring headwinds from weak demand. Prefer listed real estate, value-add strategies.
ALTERNATIVE UCITS				Long/Short Equity, Credit and Relative Value, Trend-following		Relative value alternative UCITS funds have beaten bond/credit indices since the start of 2023, offering lower risk returns, at low volatility.
INFRASTRUCTURE	+	+		Energy, transportation, water		Robust long-term returns expected from private and listed infrastructure given long-term underinvestment, lower long-term interest rates.

Economic, FX forecast tables

BNP Paribas Forecasts			
GDP Growth %	2023	2024	2025
United States	2.5	2.6	1.9
Japan	1.7	-0.2	0.7
Eurozone	**0.5**	**0.8**	**1.4**
Germany	-0.1	0.1	1.0
France	1.1	1.2	1.2
Italy	1.0	0.9	1.2
Emerging			
China	5.2	4.9	4.5
India*	8.2	6.9	6.7
Brazil	2.9	3.1	2.0

* Fiscal year

Source : BNP Paribas, Bloomberg - 03/10/2024

BNP Paribas Forecasts			
CPI Inflation %	2023	2024	2025
United States	4.1	2.9	2.2
Japan	3.2	2.6	2.4
Eurozone	**5.4**	**2.4**	**2.0**
Germany	6.1	2.5	2.4
France	5.7	2.5	1.1
Italy	6.0	1.2	2.0
Emerging			
China	0.2	0.4	1.3
India*	5.4	4.7	4.3
Brazil	4.6	4.3	3.8

* Fiscal year

Source : BNP Paribas, Bloomberg - 03/10/2024

	Country		Spot 03/10/2024	Trend	Target 3 months (vs. EUR)	Trend	Target 12 months (vs. EUR)
	United States	EUR / USD	1.10	Neutral	1.10	Neutral	1.12
	United Kingdom	EUR / GBP	0.84	Negative	0.86	Negative	0.86
	Japan	EUR / JPY	161.71	Neutral	160	Positive	157
	Switzerland	EUR / CHF	0.94	Neutral	0.94	Negative	0.96
	Australia	EUR / AUD	1.61	Neutral	1.62	Neutral	1.60
	New-Zealand	EUR / NZD	1.77	Neutral	1.75	Neutral	1.78
	Canada	EUR / CAD	1.49	Positive	1.45	Positive	1.46
	Sweden	EUR / SEK	11.37	Positive	11.00	Positive	11.00
	Norway	EUR / NOK	11.70	Positive	11.30	Positive	11.00
Asia	China	EUR / CNY	7.73	Neutral	7.81	Negative	7.95
	India	EUR / INR	92.52	Positive	90.20	Neutral	91.84
Latam	Brazil	EUR / BRL	6.05	Neutral	6.05	Neutral	5.94
	Mexico	EUR / MXN	21.53	Positive	20.90	Positive	20.72

Source: : BNP Paribas, Refinitiv Datastream. As at 3 October 2024

THE INVESTMENT STRATEGY TEAM

FRANCE

Edmund SHING
Global Chief Investment Officer

Isabelle ENOS
Senior Investment Advisor

Charles GIROT
Senior Investment Advisor

ITALY

Luca IANDIMARINO
Chief Investment Advisor

BELGIUM

Philippe GIJSELS
Chief Investment Advisor

Alain GERARD
Senior Investment Advisor, Equities

Xavier TIMMERMANS
Senior Investment Strategist, PRB

GERMANY

Stephan KEMPER
Chief Investment Strategist

LUXEMBOURG

Guy ERTZ
Deputy Chief Investment Officer

Edouard DESBONNETS
Senior Investment Advisor, Fixed Income

ASIA

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Chief Investment Officer, Asia

Grace TAM
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