

INVESTMENT STRATEGY

Equity Focus: Awaiting catalysts

June 2022



Edmund Shing, PhD

Global CIO

BNP Paribas Wealth Management



Alain Gérard, MSc, MBA

Senior Investment Adviser

BNP Paribas Wealth Management



Stephan Kemper

Investment Strategist

BNP Paribas Wealth Management, Germany



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Equities at a glance

Summary

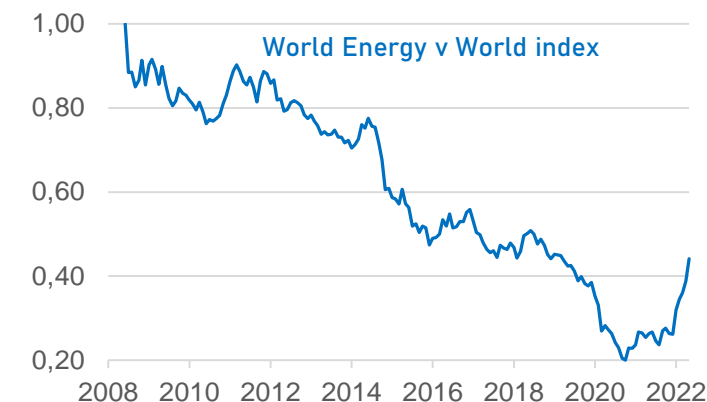
- 1. Neutral overall:** we remain neutral overall on Equities as an asset class (including in Europe, Emerging Markets), as we await further potential reduction in uncertainties (inflation, rising bond yields, monetary policies, war in Ukraine, energy crisis).
- 2. Positive signs for equities include:** falling credit spreads, falling real bond yields, less financial market volatility, extreme investor pessimism.
- 3. Bear market rally, or a more durable rebound?** Stock markets have started to rebound from mid-May lows despite clear signs of slowing economic growth. Is this merely a bear market rally or a more lasting rebound? The answer depends on the risk of a recession. If this is a recession scare, as we think it is, then a rebound may endure.
- 4. Earnings upgrades v downgrades:** commodity-related sectors enjoy the strongest upgrades to earnings forecasts in Europe and the US. Consumer discretionary and industrial sectors are most at risk of downgrades from rising costs & weaker demand.

Key recommendations

- + Stay long Oil & Gas:** Oil & Gas is by far the best-performing equity sector in 2022 thus far. But remember the scale of the prior underperformance of global oil & gas stocks against the MSCI World index since mid-2008. Oil & Gas stocks could have a lot further to run, if energy prices stay at or above current levels.
- + Dividend and buyback strategies perform strongly:** these strategies are currently skewed towards high-yielding sectors such as Oil & Gas, Mining and Banks. European banks have been surprisingly robust performers of late, on the back of above-consensus results.
- + Circular Economy theme in focus:** very high energy and raw materials prices underline the need to optimise our use of natural resources – the focus of the circular economy model.
- ! Key Risk:** US Federal Reserve tightening too hard in an already-slowing economy? 3% Fed fund rate is now priced in for 2023. We have our doubts. We think the Fed is likely to soften their discourse in the coming months. If not, a recession in 12-18 months?

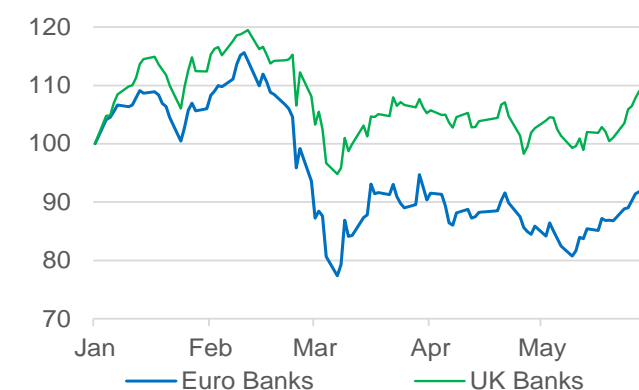
+ – = Our position for this month
 ▲ ▼ ▴ ▾ Evolution of our position from last month

Oil & Gas stocks have a long, long way to catch up with the MSCI World



Source: BNP Paribas, Bloomberg

European Banks start to outperform



Source: BNP Paribas, Bloomberg

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or real stock rally?**

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IBES Forecasts for Europe and US

1. Just a bear market rally, or real stock rally?

US financial conditions hold the key

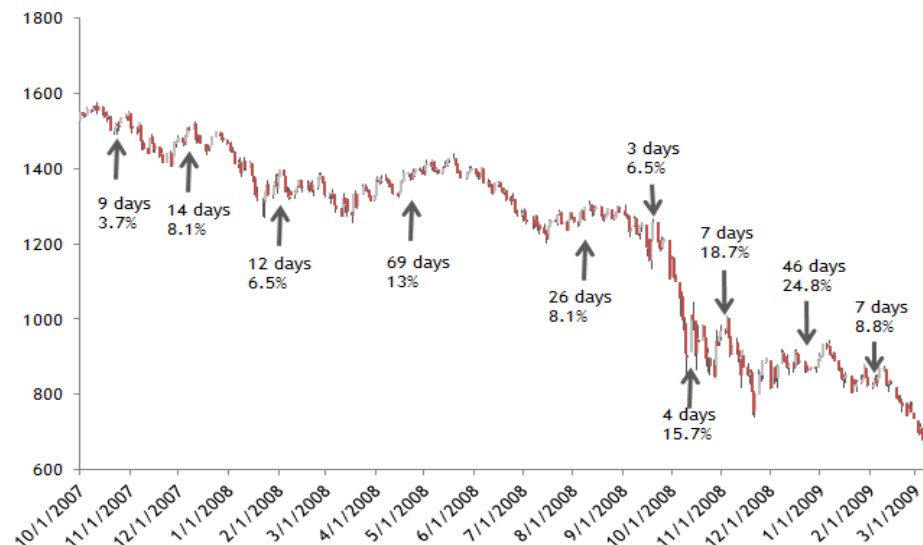
PREVIOUS BEAR MARKETS SAW STRONG RALLIES

During the long bear markets of 2007-09, 2000-03 and the Japanese bear market in the early 1990s, there were several moments when stock markets rebounded by over 10%. Is the 7% rise in the US S&P 500 and Nasdaq indices and the 8% rise in the Euro STOXX 50 from mid-May lows the beginning of a sustainable stock market recovery, or just one of those bear market rallies that could soon run out of steam?

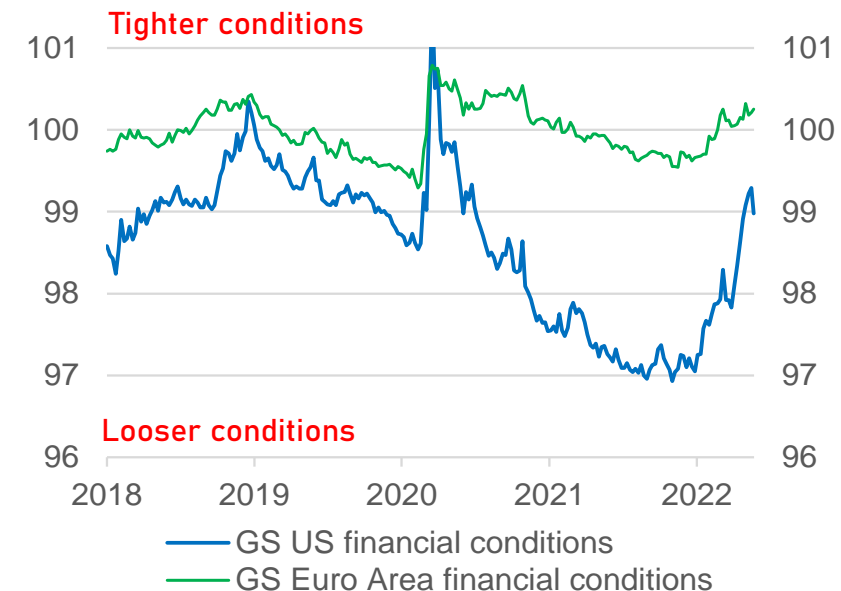
US FINANCIAL CONDITIONS BEGIN TO EASE

A key drag on stocks has been the sharp tightening in US financial conditions. This means that financing has become more difficult and more expensive for both companies and households. Note how US financial conditions have finally started to loosen, with lower bond yields, tighter credit spreads and falling stock market volatility. The continuation of these trends should help stocks.

Bear Market Rallies 2007-2009



Source: investing.com



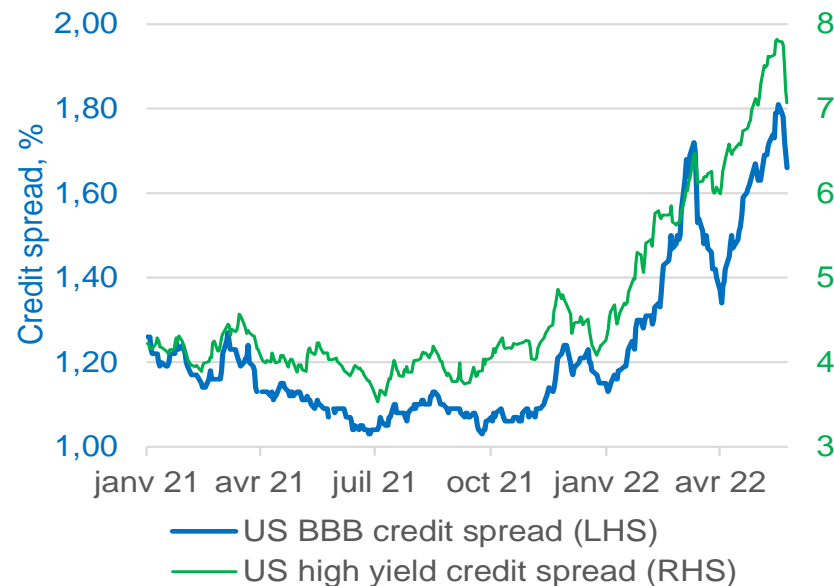
Source: BNP Paribas, Bloomberg

2. Falling credit spreads good for stocks

CNN index at Extreme Fear level

RISK RALLY EXTENDS TO THE CREDIT MARKET TOO

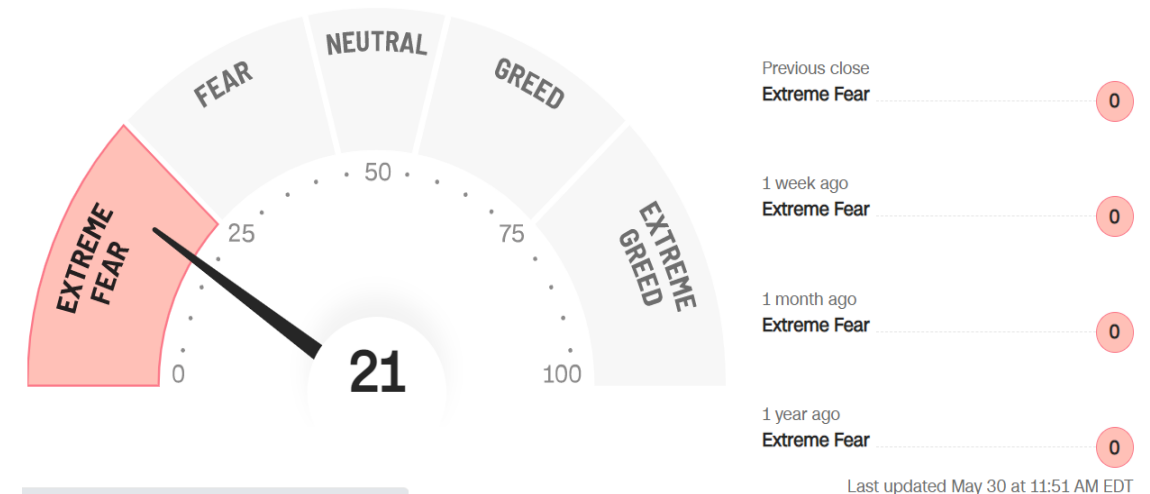
In 2022, credit spreads have widened considerably both for investment-grade and high yield corporate bonds. High yield credit is in particular very correlated to the direction of the stock market. Note how credit spreads have stopped rising, and are now starting to fall as credit finally becomes more attractive to bond investors. This is a positive sign that the risk rally we have started to see in stocks is extending to other key risk asset markets, such as credit, too.



Source: BNP Paribas, Bloomberg

EXTREME FEAR READING IS A CONTRARIAN INDICATOR

When everyone is fearful and equity funds are suffering outflows, then that has been a good time historically to invest in stocks. The CNN/Money sentiment index is registering "Extreme fear" at present. In the past, investing when this index pointed to extreme fear has resulted in positive returns, for instance following the last extreme fear reading in March 2020.



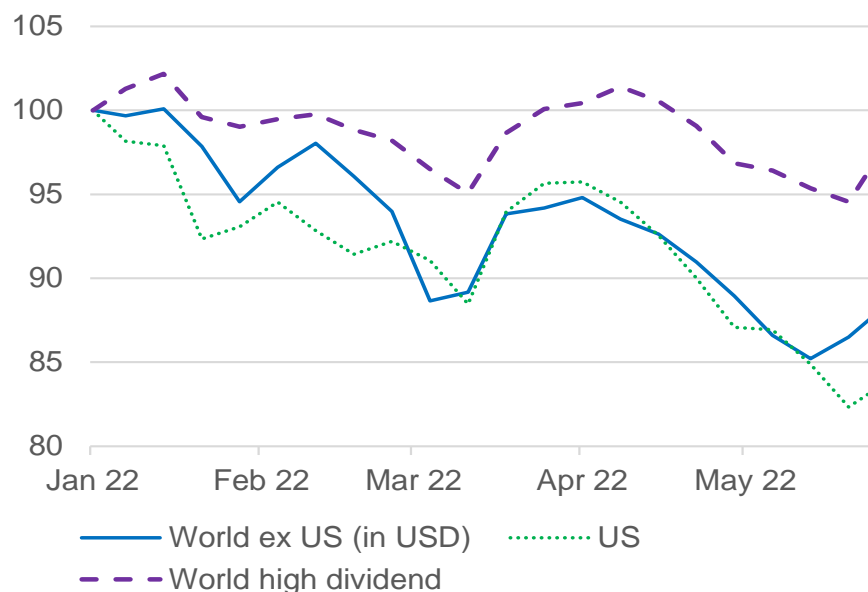
Source: CNN/Money

3. Still bullish on Oil & Gas, dividend stocks

Banks are starting to rebound

WORLD EX-US STARTS TO BEAT US STOCKS

For the first four months of this year, US stocks and World ex-US stocks (Europe, Japan and Emerging Markets) fell broadly in line with one another; both losing 15% over the year to early May. But in May, World ex-US started to hold up far better than US stocks, which continue to be dragged down by the US index's growth/tech bias. Stock markets heavy in oil & gas exposure like the UK and Brazil have been key drivers of this World ex-US outperformance.

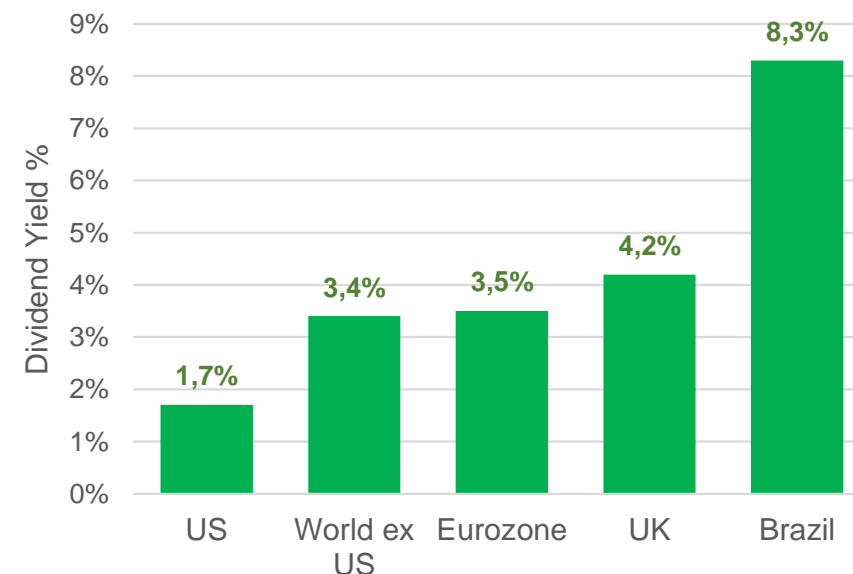


Source: BNP Paribas, Bloomberg. Note: MSCI World ex US index

COMMODITY-FOCUSED MARKETS OFFER HIGH YIELDS

Note how the MSCI World High Dividend index (dividends included) has fallen only 4% since the start of the year, while US stocks have lost 17% on a similar basis including dividends.

We continue to favour high dividend and stock buyback-oriented funds and ETFs both in Europe (where yields are generally higher) and on a global basis. In regional terms, commodity-heavy UK and Brazilian markets offer higher yields.

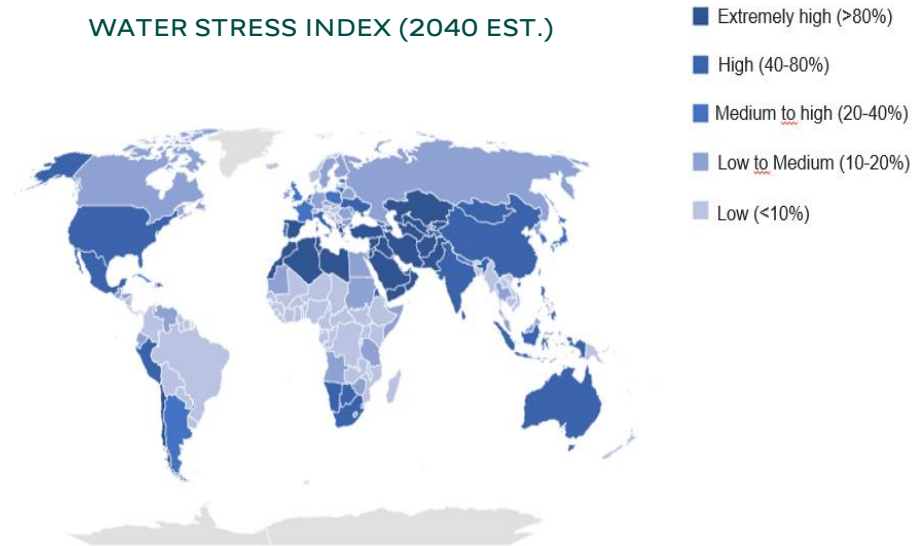


Source: CNN/Money

4. Water – precious in design

A KEY INPUT FOR GROWING FOOD AND ECONOMIC ACTIVITY

Population growth and economic development are driving a sharp increase in water demand. Billions more people expect to have regular showers and eat more water-intensive food. At the same time, climate change and shifting weather patterns are making the distribution of rainfall less predictable. This contributes to increased water stress at a global level. Addressing these issues will require significant capital investments in new technologies and services.

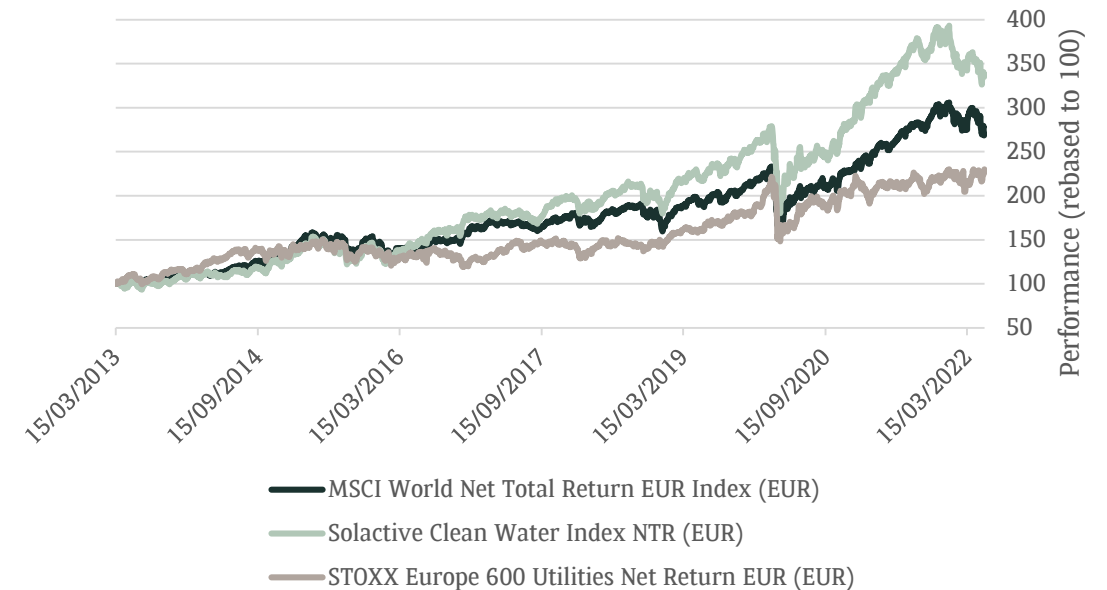


Source: World Resources Institute, BNP Paribas

Water – a defensive theme

A DEFENSIVE APPROACH TO ESG - INVESTING

Compared with more growth-oriented and thus more volatile ESG themes, water offers a low volatility, value-oriented approach. Most water-related indices include a high degree of utilities, which often offer attractive dividend yields and are less influenced by the economic cycle. Those characteristics helped the theme to accumulate an outperformance of ca 70% during the last decade.



Source: BNP Paribas / Bloomberg

5. Asian Equities view

CHINA: COVID RESTRICTIONS ARE EASING, STIMULUS INCOMING

ASIA COUNTRY PREFERENCE

+	=	-
COUNTRY		
China A-shares Singapore South Korea Indonesia	India, Taiwan, Thailand Malaysia Philippines	-

- China is moving towards relaxing COVID restrictions in Beijing and Shanghai, after local authorities confirmed that the outbreak was now under control. This includes reopening of businesses, shopping areas and most public transport as the number of infections fell to their lowest since early March. The local Shanghai government also rolled out targeted measures to support the lockdown-hit economy, including restarting of manufacturing on 1 June.
- Activity in both China's manufacturing and services sector 'rebounded' in May, but recovery remains 'tepid'. The official manufacturing PMI rose to 49.6, from 47.4 in April, while the non-manufacturing PMI rose to 47.8 in May from 41.9 in April.
- The Chinese market remains volatile given the policy uncertainties and the long-standing zero-COVID policy. More decisive stimulus measures and evidence are required to follow through on previous policy pledges. Nonetheless, signs of slowing coronavirus infections are helping to reverse negative sentiment.
- Asian equities outperformed most regions, as the reopening of this region buffered the ongoing uncertainty surrounding the Ukraine/Russia conflict, Fed tightening and China lockdowns. We remain overweight Singapore on reopening, and Indonesia on commodities exposure, with both countries still up year-to-date.



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Southeast Asian markets have outperformed YTD

A HAWKISH FED & STRONGER USD COULD BE NEAR-TERM HEADWINDS FOR ASIAN EQUITIES

	1-month (%)	YTD (%)	2021 (%)	Forward PE (x)	Trailing PB (x)	Dividend Yield (%) 2022f	EPS Growth (%) 2022f	EPS Growth (%) 2023f	ROE (%) 2022f
Asia Ex-Japan	-7.5	-15.1	-6.4	12.2	1.6	2.6	11.3	12.0	11.7
China	-8.5	-21.2	-22.7	10.3	1.3	3.1	15.6	15.2	11.2
China A-shares	-4.9	-18.7	-5.2	14.1	2.4	1.9	17.5	13.8	11.4
Hong Kong	-4.8	-6.6	-5.9	14.3	1.2	3.3	14.2	14.2	8.7
South Korea	-4.4	-12.3	-1.6	9.1	1.1	2.3	2.4	10.9	14.1
Taiwan	-8.3	-11.4	21.6	12.7	2.5	2.7	6.3	2.4	20.6
India	0.2	0.1	27.3	21.3	3.7	1.2	20.1	14.1	15.1
Indonesia	4.6	14.0	1.5	15.6	2.7	3.1	18.7	8.6	16.0
Malaysia	0.4	1.7	-7.3	14.8	1.6	3.9	-5.7	13.0	10.2
Philippines	-4.4	-1.6	0.9	16.6	1.9	1.5	18.1	21.6	8.3
Singapore	-3.6	2.3	9.8	17.5	1.5	3.8	20.8	21.6	8.9
Thailand	-2.1	0.7	7.1	17.6	2.1	2.7	15.4	12.0	9.4

Source: Datastream, BNP Paribas (WM) as of 30 May 2022

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6. Focus on Brazil

BULLISH ON BRAZIL ON COMMODITIES EXPOSURE

There are good reasons to be bullish on Brazilian stock and bond exposure in spite of currency volatility and high inflation rates (12% at the current time).

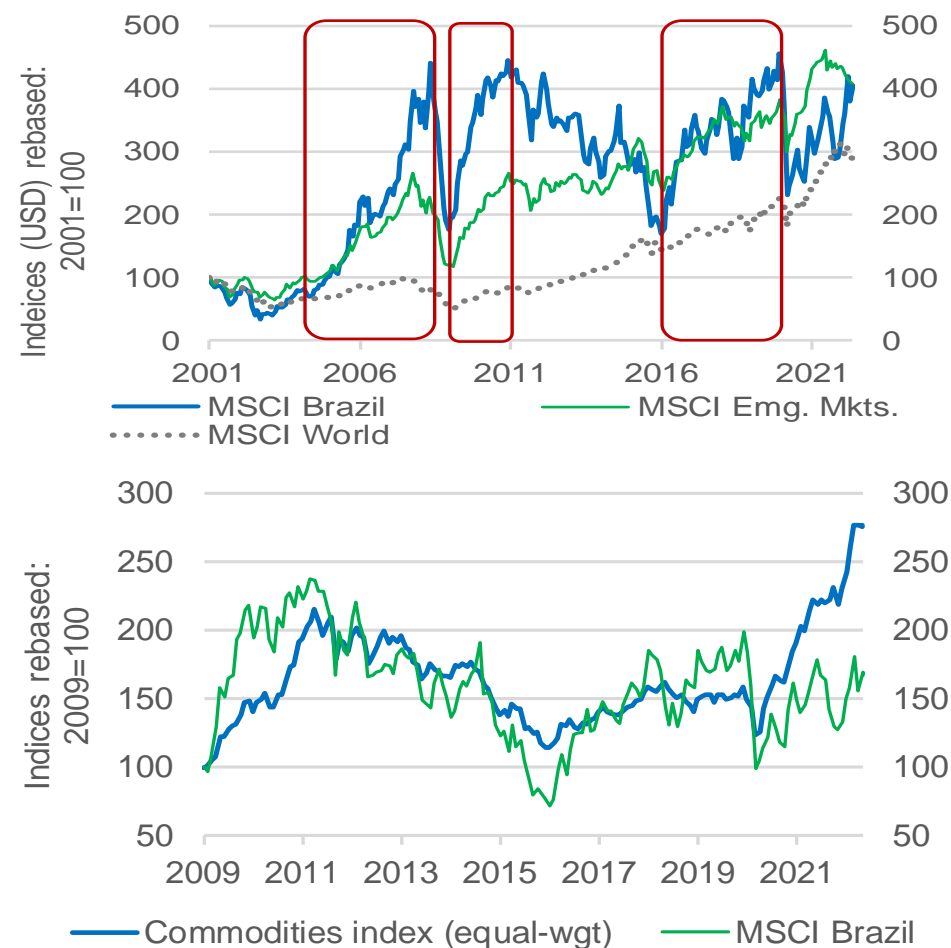
Firstly, inflation is high in most of the developed world! So Brazil is not alone in this. Secondly, historic long-term returns have been strong since 2001 for stocks and 2003 for sovereign bonds, even when denominated in euros or US dollars. Since 2003, Brazilian sovereign bonds have delivered an average annual 9.7% total return in US dollars, thanks to the historic high yields that Brazilian sovereign bonds have offered in hard currency (USD). Today, one can still enjoy a 5.5% yield in US dollars from a Brazilian 10-year sovereign bond, still 2.6% above an equivalent US Treasury or Chinese USD sovereign bond.

Brazilian equities have similarly performed well, beating the MSCI World in common currency terms since 2001. However, this outperformance has come in concentrated bursts, typically when commodity prices are enjoying a bull market phase (1999-2000, 2002-2008, 2016-18, 2020-). Note how Brazilian equity performance has diverged from overall MSCI Emerging Market index performance since 2021, with the divergence between Chinese technology stocks and Brazilian energy and mining stock performance.

If we can avoid a global recession in 2023, elevated commodity prices for energy, metals and foodstuffs suggest further upside for the Brazilian stock market. Bear in mind the low P/E, and a dividend yield well in excess of 8% backed by huge commodity-related cash flows. Yes GDP growth is forecast to be in the 1-2% range for 2022 and 2023, but with CPI due to fall rapidly over the next two years, this is a support for sovereign bonds, while global commodities demand remains the dominant driver for equities.

Brazil driven by commodities boom

BRAZILIAN OUTPERFORMANCE FOLLOWS COMMODITIES



Source: BNP Paribas, Bloomberg



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7. Sector Allocation

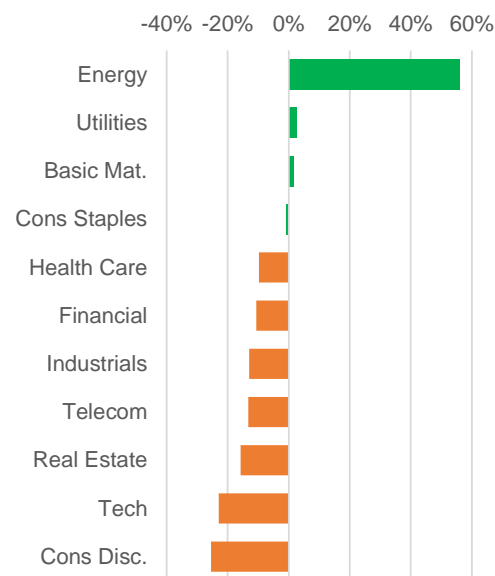
A Barbell approach is still adequate and we upgrade Energy sector from = to +

IN THESE UNCERTAIN TIMES, WE FAVOUR DEFENSIVE SECTORS BUT STAY HEDGED AGAINST HIGH INFLATION.
ENERGY SECTOR IS UPGRADED TO POSITIVE AFTER THE RECENT CONSOLIDATION.

Due to persisting uncertainties, we recommend staying relatively prudent and well diversified. Inflation figures remain very high, bond yields are rising and it is unclear if and when central banks will stop tightening. However, risks seem much better priced in now compared with the beginning of this year.

- The global economy is cooling down and many investors are increasingly nervous given the flattening/inversion of the yield curve. And now China is also cooling down. We do not foresee a recession in 2022, but we believe in staying somewhat more defensive in the short term. **Our favourite defensive sector, Health Care, has been the best sector in Europe since Russia invaded Ukraine: +10% (24/02 until 25/04) against +1.4% for Stoxx Europe.**
- Other defensive areas in the market, such as high dividend strategies, have also outperformed.
- The worst-performing sectors since 24/2 are retail, autos, banks, travel & leisure, etc.

US sectors: year-to-date performance.
Energy still at the top

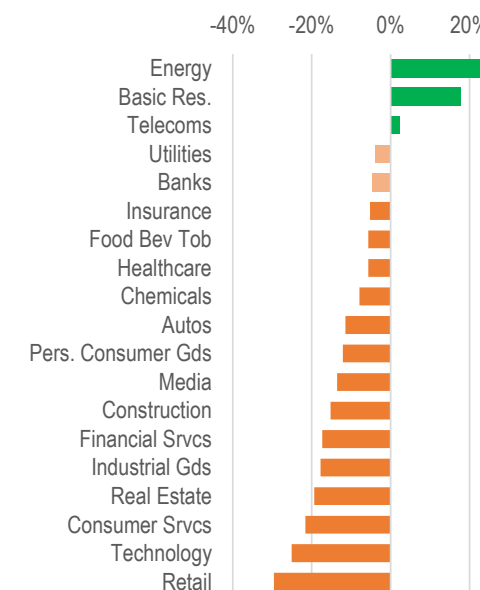


Source: FTSE Russell. Note: performance to 7 June 2022

Energy security has become a major issue in Europe, often criticised for 'financing the war in Ukraine'. Europe is looking for alternatives to Russian oil & gas. This is another supporting factor for Western oil & gas companies. The sector is very cheap, it has published great results, and generates huge cash flows, allowing for new investments, fat dividends and share buybacks. **We upgrade Energy to Positive.**

- This year, we have been strongly advocating portfolio hedges against inflation, with the following as the main beneficiaries: **commodities, European real estate, but also some select US real estate and some financials** (our preference is now for insurers and diversified financials).
- Earnings revisions also support these sectors.
- Companies with pricing power have also posted a much better performance and should take a larger place in any portfolio.
- In the short term, we would be cautious of sectors exposed to China (industrials, materials, some cons. discretionary) due to the economic slowdown there.

Europe: Basic Resources and Energy still in the lead



Source: STOXX. Note: performance to 7 June 2022

8. Sector Preferences

Reco	Sector (Level 1)	Industry (Level 2)		
		+	=	-
+	Energy	Energy		
	Health care	Pharmaceuticals + Biotech Health Care equip. + services		
	Financials	Diversified Fin. Insurance	Banks	
=				
	Materials	Metals & Mining	(other) Materials	
	Real estate	EU real estate	US real estate	
	Consumer Staples		Food & Beverages Food Retail Household & Personal Care Products	
	Communication Services		Telecoms Media	
	Utilities		Utilities	
	Industrials		Commercial Services Infrastructure Capital Goods Transportation	
	Technology		Technology (preference for 'Metaverse', semicond & cybersecurity) Semis & Cybersecurity)	
	Consumer Discretionary		Luxury Goods Consumer Services Retail Automobiles Travel & Leisure	



A. IBES forecasts: Europe

10/06/2022	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2022	2023	2024	12m fwd	2022	2023	2024	12m fwd	2022	2023	2024	12m fwd	2022	2023	2024	12m fwd	2022	2023	2024	2022	2023	2024
MSCI EUROPE (€) (*)	12,9	12,4	11,7	12,6	13,5	3,7	5,8	8,1	1,2	5,4	0,6	3,3	0,5	1,8	0,9	4,4	12,1	1,1	2,14	0,5	4,53	3,2
(*) EU15 + Switzerland + Norway																						
MSCI UK (€)	10,6	10,6	10,5	10,6	16,4	-0,1	1,0	7,0	1,7	11,7	0,5	8,6	-0,3	3,1	1,2	10,2	22,8	-2,6	-0,8	-0,4	5,1	3,7
MSCI Switzerland (CHF)	18,2	16,5	15,1	17,3	11,2	10,5	9,2	11,1	-0,2	-1,9	0,0	-1,5	0,4	-1,2	-0,1	-1,7	2,2	4,2	1,6	0,7	0,4	2,7
MSCI Germany	11,3	10,5	9,6	10,9	6,4	7,8	10,1	7,0	0,4	0,9	0,0	-0,8	0,7	1,2	0,2	0,0	4,9	4,1	4,6	1,3	3,9	3,5
MSCI France	12,7	12,4	11,7	12,5	18,0	2,5	6,2	9,6	2,2	7,4	1,5	4,3	1,4	3,3	1,9	5,8	14,2	2,1	2,7	0,0	4,5	2,8
MSCI Spain	11,9	11,1	10,2	11,5	14,9	7,6	8,8	11,3	2,2	7,6	1,5	4,7	2,0	5,3	1,9	6,1	11,1	0,7	1,6	0,8	6,5	3,4
MSCI The Netherlands	20,3	17,0	15,1	18,7	10,1	19,6	12,6	14,5	-2,0	-5,6	-0,9	-3,4	0,7	1,3	-1,5	-4,4	9,0	4,8	4,3	1,1	3,3	2,4
MSCI Belgium	18,2	16,7	14,2	17,4	-2,9	9,2	17,0	3,1	0,6	-1,3	-0,5	-3,6	0,8	-0,7	0,0	-2,5	2,5	-0,1	8,2	0,4	-4,5	2,9
MSCI EUROPE ENERGY	6,0	6,9	7,9	6,4	76,8	-13,2	-13,1	19,3	6,1	37,1	4,0	29,0	2,6	12,6	5,1	33,2	44,3	-9,8	-5,7	-1,1	13,8	3,9
MSCI EUROPE MATERIALS	9,5	11,2	11,9	10,3	8,7	-15,5	-5,8	-3,9	2,5	18,3	1,3	12,6	0,3	4,3	1,9	15,6	14,1	-4,6	-1,4	1,1	9,1	4,1
MSCI EUROPE INDUSTRIALS	15,7	15,1	14,0	15,4	18,8	4,2	7,6	11,2	0,1	0,3	0,1	-0,6	-0,6	-1,3	0,2	0,0	10,0	4,2	4,3	0,6	2,3	2,6
MSCI EUROPE CAP GDS	17,7	15,2	13,6	16,3	11,0	16,3	11,5	14,2	-0,7	-2,6	-0,2	-1,5	-0,2	0,0	-0,3	-1,9	8,6	6,1	5,0	0,5	1,4	2,4
MSCI EUROPE COML SVS/SUP	21,1	19,3	17,8	20,2	12,8	9,0	8,5	10,8	-0,3	0,3	-0,4	-0,7	-0,5	-1,6	-0,4	-0,2	9,9	5,0	4,7	0,3	1,4	2,4
MSCI EUROPE TRANSP	7,8	11,4	13,0	9,3	52,8	-32,2	-12,2	1,4	2,5	9,9	2,1	4,2	-3,3	-8,0	2,3	7,5	17,1	-4,6	0,8	1,5	7,2	4,1
MSCI EUROPE CONS DISCR	12,5	11,3	10,3	11,9	13,1	11,0	9,8	11,8	-0,1	-0,5	-0,5	-2,7	0,6	1,0	-0,3	-1,6	11,3	7,6	6,5	0,7	1,3	3,0
MSCI EUROPE AUTO & COMPO	5,7	5,4	5,0	5,6	6,2	4,8	8,4	5,5	1,6	2,0	0,3	-2,0	1,2	1,8	0,9	-0,1	9,4	6,7	5,7	0,8	1,5	5,3
MSCI EUROPE CONS DUR/APP	18,9	17,1	15,5	18,0	17,2	10,7	10,1	14,3	-0,7	0,9	-0,6	0,5	-0,3	1,5	-0,7	0,6	13,0	7,4	7,0	0,4	2,4	2,2
MSCI EUROPE CONS SVS	26,7	19,5	16,9	22,1	95,3	36,7	15,5	51,9	1,8	0,8	2,1	0,0	2,8	2,8	2,1	0,6	24,8	12,4	8,3	1,8	1,7	1,2
MSCI EUROPE RETAILING	22,3	16,3	14,5	19,7	10,1	37,4	12,3	21,3	-10,1	-20,4	-6,1	-17,0	-1,1	-5,5	-8,4	-18,8	10,7	10,3	10,0	-0,4	-2,4	3,3
MSCI EUROPE CONS STAPLES	19,8	18,1	16,6	18,8	6,9	9,4	9,3	7,7	0,5	-0,6	0,5	-0,6	0,8	0,4	0,5	-0,6	7,7	3,9	4,1	0,7	2,4	2,7
MSCI EUROPE FD/STAPLES RTL	14,2	13,0	11,9	13,6	-0,5	9,2	9,2	3,6	0,0	-1,0	-0,2	-1,1	0,4	1,4	-0,1	-1,1	6,0	2,4	3,0	0,8	2,7	3,9
MSCI EUROPE FD/BEV/TOB	20,1	18,4	16,8	19,1	10,3	9,4	9,3	9,2	0,6	-0,2	0,8	-0,3	0,9	0,2	0,7	-0,2	8,6	5,2	5,0	0,4	1,6	2,6
MSCI EUROPE H/H PERS PRD	21,4	19,5	17,8	20,4	0,1	9,8	9,3	4,9	0,0	-1,6	0,0	-1,4	0,5	0,3	0,0	-1,5	9,4	4,3	4,4	0,8	3,4	2,8
MSCI EUROPE HEALTH CARE	17,8	16,1	14,5	16,9	8,0	10,4	11,0	9,3	0,4	1,0	0,1	0,7	0,3	0,7	0,2	0,8	7,8	5,1	6,0	0,6	1,5	2,5
MSCI EUROPE H/C EQ/SVS	21,5	18,9	16,5	20,1	6,8	13,8	14,4	10,7	-0,5	-1,2	-0,7	-2,6	-0,7	-1,9	-0,6	-2,0	8,2	6,1	6,2	0,6	1,0	1,5
MSCI EUROPE PHARM/BIOTEC	17,3	15,7	14,2	16,5	8,2	10,0	10,5	9,1	0,5	1,3	0,2	1,1	0,4	1,1	0,4	1,2	7,7	4,7	5,9	0,6	1,6	2,6
MSCI EUROPE FINANCIALS	9,4	8,4	7,5	8,9	-2,4	12,4	11,3	4,3	-0,3	-2,7	-0,2	-0,9	0,5	0,8	-0,2	-1,8	3,5	3,2	1,8	0,8	-0,6	4,7
MSCI EUROPE BANKS	8,3	7,4	6,6	7,8	-8,2	11,4	12,9	1,1	1,8	-0,6	1,3	0,3	1,6	2,0	1,5	-0,1	4,0	3,8	3,9	1,1	1,8	5,2
MSCI EUROPE DIV FIN	11,5	10,1	9,2	10,8	1,9	13,7	11,9	4,5	-2,5	-3,5	-2,7	-3,5	-1,7	-2,5	-2,5	-3,5	14,1	1,8	9,9	-0,1	-7,7	2,7
MSCI EUROPE INSURANCE	10,3	9,1	8,4	9,7	7,2	13,6	8,1	10,5	-2,5	-5,9	-1,2	-1,7	-0,2	0,2	-1,8	-3,7	1,2	3,2	-1,0	0,8	-0,2	5,3
MSCI EUROPE REAL ESTATE	15,6	14,6	13,9	15,1	8,8	7,2	4,6	7,8	-1,7	-1,5	-1,3	-1,2	-1,8	0,7	-1,5	-1,4	13,2	-2,7	6,8	0,1	5,7	3,3
MSCI EUROPE IT	22,5	19,5	17,2	20,9	8,6	15,1	12,7	11,2	0,6	-0,1	0,7	0,9	0,5	0,7	0,6	0,3	14,1	7,9	7,4	0,3	1,0	1,2
MSCI EUROPE S/W & SVS	23,8	20,3	17,7	21,9	-3,8	17,5	14,7	6,6	0,6	-1,7	0,9	-0,9	1,1	-1,0	0,8	-1,3	15,7	9,6	8,9	0,2	0,5	1,5
MSCI EUROPE TCH H/W/EQ	14,6	13,1	11,4	13,9	5,3	11,0	8,2	7,8	0,3	1,0	0,6	2,4	-0,5	-0,3	0,4	1,7	7,5	3,7	3,2	0,1	1,5	1,4
MSCI EUROPE COMM. SERVICES	16,3	14,9	13,3	15,7	7,9	9,2	12,1	8,3	0,3	1,2	-0,4	-1,1	-0,6	-1,6	0,0	0,3	2,3	2,4	2,1	0,1	1,3	4,1
MSCI EUROPE TELECOM	15,4	14,3	12,8	14,9	7,0	7,5	11,9	7,3	1,0	2,1	0,1	-1,0	-0,5	-2,0	0,7	0,9	1,5	1,6	1,6	0,2	1,2	4,5
MSCI EUROPE MEDIA & ENTER.	19,6	17,0	15,1	18,3	11,2	15,0	12,7	11,9	-2,3	-1,6	-2,0	-1,6	-0,9	-0,1	-2,3	-1,8	6,2	6,0	4,3	-0,3	1,7	2,6
MSCI EUROPE UTILITIES	14,7	14,5	13,7	14,6	8,6	1,8	5,2	5,2	1,4	3,8	1,5	2,1	0,8	2,4	1,4	2,7	-2,3	0,3	2,1	2,6	13,2	4,1

Source: IBES


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B. IBES forecasts: US

10/06/2022	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2022	2023	2024	12m fwd	2022	2023	2024	12m fwd	2022	2023	2024	12m fwd	2022	2023	2024	2022	2023	2024				
MSCI USA	18,6	16,9	15,5	17,6	9,4	10,1	8,9	9,6	0,2	0,7	0,2	0,854	-0,32	-0,23	0,232	0,76	10,9	4,9	4,4	0,5	2,0	2,0
MSCI USA ENERGY	10,3	11,4	13,0	10,8	118,8	-10,0	-11,8	30,4	7,5	47,0	6,9	39,4	4,6	25,6	7,2	43,3	35,7	-7,0	-10,8	3,3	18,4	2,8
MSCI USA MATERIALS	12,9	14,0	14,1	13,4	21,2	-8,3	-1,0	4,9	1,9	13,7	1,9	13,0	0,4	6,8	1,9	13,3	14,7	-2,1	-1,1	1,0	7,1	1,9
MSCI USA INDUSTRIALS	19,6	16,5	14,8	17,9	16,9	18,8	10,8	17,7	-2,5	-3,6	-0,2	-0,7	0,1	-0,4	-1,3	-2,1	9,6	6,3	4,3	0,2	0,3	1,9
MSCI USA CAP GDS	18,9	16,0	14,5	17,3	20,6	18,1	10,8	18,9	0,1	-2,4	0,1	-0,8	0,6	0,1	0,1	-1,5	8,4	7,7	4,6	0,0	-0,9	1,9
MSCI USA COML SVS/SUP	26,6	23,7	20,6	25,1	10,8	12,4	13,2	10,9	-0,1	0,4	0,0	0,6	0,1	0,3	0,0	0,4	10,2	6,4	6,3	0,8	1,5	1,1
MSCI USA TRANSP	18,9	15,2	13,8	16,9	8,8	24,0	10,1	16,8	-10,7	-8,8	-1,3	-0,8	-1,4	-2,0	-5,7	-4,6	12,8	2,7	2,9	0,6	3,1	2,1
MSCI USA CONS DISCR	28,8	21,5	18,2	24,6	13,5	34,0	18,4	24,7	-2,6	-12,9	-1,6	-6,1	-2,0	-6,0	-2,0	-9,1	12,8	11,0	8,6	-0,1	-1,1	2,1
MSCI USA AUTO & COMPO	28,3	23,9	21,8	25,9	48,2	18,5	9,7	30,5	-1,2	0,7	-2,2	-0,2	-3,4	0,7	-1,7	0,2	22,2	15,0	7,8	-0,2	-1,1	2,7
MSCI USA CONS DUR/APP	13,0	11,4	10,5	12,1	17,8	13,2	9,0	18,7	-2,1	0,6	-1,1	-0,2	-1,9	0,2	-1,3	0,1	13,7	6,3	5,1	-0,2	0,0	1,7
MSCI USA CONS SVS	36,0	21,2	17,8	26,2	297,8	70,1	19,2	113,5	-3,2	-13,1	-1,4	-3,3	-1,4	-3,6	-2,0	-6,9	31,4	16,1	9,0	0,0	-1,3	1,9
MSCI USA RETAILING	33,2	24,0	19,3	28,0	-14,7	38,3	24,5	9,1	-3,3	-21,7	-1,6	-10,8	-1,8	-10,4	-2,3	-15,8	7,3	9,6	9,4	0,0	-1,2	2,2
MSCI USA CONS STAPLES	21,0	19,6	18,3	20,2	3,9	7,0	7,4	5,5	-0,4	-1,0	-0,6	-2,1	-0,9	-2,1	-0,5	-1,8	7,1	3,9	3,7	0,5	2,0	2,6
MSCI USA FD/STAPLES RTL	21,4	19,7	18,0	20,2	8,7	8,6	9,5	6,6	-2,0	-0,8	-1,7	-1,0	-1,3	-0,7	-2,0	-1,0	7,8	4,8	4,1	0,8	1,6	1,6
MSCI USA FD/BEV/TOB	19,3	18,3	17,2	18,8	3,6	5,7	6,2	4,5	0,2	-0,5	-0,1	-1,9	-0,8	-2,1	0,0	-1,3	6,5	2,2	2,8	0,2	3,1	3,2
MSCI USA H/H PERS PRD	25,9	23,7	21,8	24,1	0,0	9,3	8,8	7,1	-0,2	-2,5	-0,4	-3,8	-0,7	-3,6	-0,4	-3,8	5,0	4,4	4,6	-0,1	0,0	2,4
MSCI USA HEALTH CARE	16,7	16,3	15,1	16,5	4,2	2,9	7,3	3,5	-0,2	-3,7	-0,3	-1,6	-1,0	-1,4	-0,2	-2,7	7,2	3,0	5,7	0,3	0,3	1,9
MSCI USA H/C EQ/SVS	20,9	17,9	15,8	19,3	-3,8	16,9	12,9	6,5	-0,7	-7,1	-0,8	-2,1	-0,8	-1,8	-0,7	-4,5	7,1	4,8	6,5	0,4	0,8	1,4
MSCI USA PHARM/BIOTEC	14,6	15,3	14,7	14,9	8,7	-4,2	3,9	2,0	0,1	-1,9	0,0	-1,3	-1,2	-1,1	0,0	-1,6	7,3	-2,7	2,6	-0,1	-1,4	2,3
MSCI USA FINANCIALS	13,0	11,4	10,2	12,1	-10,1	14,0	11,3	1,3	-0,1	-0,2	-0,2	0,6	-0,5	-0,5	-0,1	0,2	5,1	7,7	5,1	-0,2	-0,5	2,5
MSCI USA BANKS	10,8	9,3	8,4	10,0	-15,5	16,0	11,1	-1,1	0,8	2,1	0,6	2,5	0,3	0,1	0,7	2,3	3,9	8,2	4,2	0,3	1,2	2,9
MSCI USA DIV FIN	14,9	13,3	12,0	14,0	-9,0	11,7	10,7	0,9	-1,1	-3,0	-1,2	-1,9	-1,7	-2,9	-1,2	-2,4	4,6	9,2	5,5	-0,7	-1,3	2,2
MSCI USA INSURANCE	13,7	12,0	10,4	12,8	1,0	14,6	12,9	7,9	0,2	1,0	0,2	1,6	0,6	3,4	0,2	1,4	7,0	5,4	5,3	-0,1	-0,9	2,2
MSCI USA REAL ESTATE	38,7	37,3	34,2	38,0	-7,5	3,7	9,3	-2,1	2,9	7,2	0,7	0,0	0,5	2,3	1,8	3,4	12,6	3,1	5,7	0,3	2,0	2,9
MSCI USA IT	23,1	20,6	18,6	21,3	13,2	12,1	10,5	11,7	0,0	0,4	-0,1	-0,1	-0,1	0,2	0,0	0,1	12,2	8,5	7,8	0,1	0,4	1,1
MSCI USA S/W & SVS	29,0	24,9	21,3	26,0	13,5	16,3	16,8	14,7	0,0	-0,6	-0,1	-0,7	-0,2	-0,6	0,1	-0,6	15,0	12,8	12,6	-0,1	0,0	1,1
MSCI USA TCH H/W/EQ	21,0	19,6	18,4	19,9	10,5	7,3	6,1	7,9	-0,2	-0,4	-0,1	-0,7	0,0	0,8	-0,2	-0,6	7,2	4,1	4,4	0,2	0,0	0,9
MSCI USA COMM SERVICES	17,3	14,9	13,1	15,9	-5,3	16,7	13,6	5,4	-0,7	-7,9	-0,7	-6,6	-1,0	-5,8	-0,6	-7,1	7,6	8,0	8,1	-0,1	-0,5	3,6
MSCI USA TELECOM	10,7	10,2	9,6	10,5	-15,2	4,4	7,0	-6,2	0,2	-8,5	-0,6	-9,6	-0,8	-8,6	-0,2	-9,0	-11,2	-1,3	1,6	0,0	-7,3	5,2
MSCI USA MEDIA & ENTER.	19,5	16,1	14,0	17,6	-1,6	20,7	15,4	9,3	-0,9	-7,8	-0,8	-5,7	-1,0	-5,1	-0,8	-6,5	16,7	11,4	10,2	-0,1	2,2	2,0
MSCI USA UTILITIES	21,0	19,4	18,0	20,2	6,8	8,0	7,7	7,5	0,3	0,2	0,1	0,1	0,0	0,0	0,2	0,1	0,5	2,2	2,2	2,2	6,5	2,9

Source: IBES


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