

SECTOR FOCUS

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IN A WORD:

- The Covid-19 resurgence is hurting in many parts of the world. But in November, thanks to diminishing uncertainties (US elections, confirmed efficiency of some vaccines & improving expectations for corporate earnings), deep value sectors rebounded sharply whereas defensives underperformed.
- We continue to play the expected economic recovery via Materials, Industrials, Insurance, EU Energy and some segments of Tech. We are also positive on Pharma (including Biotech) as these stocks are very cheap. We still recommend selectivity on some value sectors such as Banks and Energy as they face various issues and disruptions.
- **This month, we upgrade the Real Estate sector from '=' to '+'** as it is too cheap and to play the end of the 'stay at home' period. With vaccines, in 2021 people will be able to leave their homes more often, including going to the office or shopping, for example. The sector generally shows strong balance sheets, attractive dividend yields and new opportunities, for instance in residential and warehousing. Most tenants appear to be paying rent to their landlords despite the economic crisis.
- Due to ongoing uncertainties, we continue to recommend good diversification across sectors.



	SECTOR (MSCI level 1)	INDUSTRY (MSCI level 2)		
		+	=	-
+	Real Estate	Real Estate		
	Materials	Materials		
	Industrials	Commercial Services & Supplies Infrastructure Capital Goods Transportation		
	Health Care	Pharmaceuticals & Biotech	Health Care Equip, tech & Services	
=	Technology	EU Tech Hardware EU Software & Services EU Semiconductors & Equip	US Tech Hardware US Software & Services US Semiconductors & Equip	
	Financials	Insurance	Banks & Divers. Fin.	
	Energy	EU Energy	US Energy	
	Consumer Discretionary		Consumer Durables & Apparel (Luxury goods) Consumer Services Retail Automobile & Components	
	Communication Services		Telecom Media	
	Utilities		Utilities	
	Consumer Staples			HPC Food & Beverage Food Retail

Value/ cyclical finally rebound

In November, deep value/cyclical sectors (Energy, Financials) rebounded sharply whereas defensives underperformed.

We continue to play the expected economic recovery in 2021 via Materials, Industrials, Insurance, EU energy ('+' on these sectors). We are also positive on Pharma (including Biotech) as this sub-sector is very cheap. We have the same opinion on EU technology as it is relatively cheaper than US technology.

This month, we upgrade the Real Estate sector from '=' to '+' in order to play the end of the 'stay at home' period. The sector generally shows strong balance sheets, attractive dividend yields and new opportunities, for instance in residential, warehousing or with digitalisation. Most tenants appear to be paying rent to their landlords despite the economic crisis. More on real estate in the dedicated section of this paper.

On the other hand, after the November rally, we do not want to chase US energy (neutral as valuations are not attractive and there are balance sheet problems; more write-offs are expected) or Banks in general (=). We keep recommending selectivity for banks as economic uncertainties persist (bad loans? A possible 'double dip' of the economy? Inflation? When is the yield curve going to steepen?). The context remains difficult for banks and they still face disruptions and new competitors. Not much dividends will be paid in 2021. There could be disappointments there as well.



Investors should also **be selective in Technology** (preference for 5G, AI and other 'Enablers of smart technologies' as well as for the European tech), Consumer Discretionary, Utilities, Communication services (our opinion stays neutral on these; we favour a thematic approach with these sectors).

In the short term, the least appealing sector is Consumer Staples (-) as investors are likely to exit this relatively expensive sector to reinvest in more pro-cyclical sectors.

EUROPE	in EUR		USA	in USD
PERFORMANCES IN EUROPE - 30/10 - 27/11			PERFORMANCES IN THE USA - 30/10 - 27/11	
MSCI EUROPE :	15,03%		MSCI USA :	12,16%
ENERGY	39,99%		ENERGY	32,94%
FINANCIALS	27,14%		FINANCIALS	19,46%
CONSUMER DISCRETIONARY	17,96%		INDUSTRIALS	16,67%
INFORMATION TECHNOLOGY	15,22%		CONSUMER DISCRETIONARY	12,93%
INDUSTRIALS	14,93%		INFORMATION TECHNOLOGY	11,28%
MATERIALS	13,73%		COMMUNICATION SERVICES	10,99%
UTILITIES	12,50%		MATERIALS	9,75%
REAL ESTATE	12,38%		HEALTH CARE	7,90%
COMMUNICATION SERVICES	12,14%		REAL ESTATE	7,81%
CONSUMER STAPLES	6,67%		CONSUMER STAPLES	7,51%
HEALTH CARE	6,37%		UTILITIES	3,05%

We increase our recommendation on listed real estate ('REITs') from Neutral to Positive.

At the end of 2019, we lowered our recommendation on real estate from positive to neutral as the sector was fairly valued at the time. Its appeal was simply the good, (often fairly) secure, dividends that the sector provided compared with other asset classes which offered much lower yields. The upside potential of REITs seemed quite limited.

At the beginning of 2020, when the first wave of Covid-19 hit, the real estate sector collapsed, especially commercial segments (e.g shopping centres because consumers could no longer leave their homes much, and even preferred to shop online) but also, to some extent, Offices because employees were asked to work at home. In addition, the nursing homes segment was impacted. The real estate sector underperformed significantly in 2020.

There have been major concerns about potential non-payments of rents and dividend payouts. These fears were exaggerated in our view. REITs managers are professionals and their assets are diversified. In general, REITs are invested in high quality real estate assets that are relatively well located. Certain US shopping malls are not in prime locations and some were already quite empty. Here we have seen the most challenges, or even bankruptcies. In addition, governments have sometimes intervened, for example to help some nursing homes impacted by the Coronavirus crisis, including covering the extra costs of the crisis and even sometimes the rents, at least until 31 March 2021. In general, the very large monetary support and stimulus packages have also prevented the global economy from collapsing entirely.

EU Real Estate left out in November's value rally



Source: Bloomberg

With some vaccines now authorised and in the process of being manufactured and distributed, we hope that **this challenging period of 'staying at home' will soon come to an end**. Numerous sectors severely affected by social distancing rules have rebounded. And REITs, to some extent, as well. Yet when you look at the valuations and at the yields of most dividends (still attractive and relatively secure), we conclude that there is still upside potential.

Record yield gap: REIT div yield (black) v BBB credit (red), Euro sovereign 10Y yield (blue)



Source: Bloomberg, BNP Paribas



BNP PARIBAS
WEALTH MANAGEMENT

We believe that the gradual return to normality, already embedded in the rally of several sectors, is not yet incorporated in REITs' stock prices. They are still lagging behind in the stock market despite their recent rally. In fact, funds specialising in distressed assets seem to be eyeing heavily discounted real estate (especially shopping centres) at the moment.

Another segment, offices, still shows relatively large discounts, of between 5% and 20% to net asset values. At the end of 2019, many REITs in this segment were trading at a premium to their intrinsic value. At the top of the cycle, these premiums may reach as much as 20-25%. It is as if the market is assuming that employees will return to the office much less than before. **Admittedly teleworking has become widespread, but surveys show that most employees are keen to return to the office (an opinion shared with their employers) and of course, quality real estate is still in demand.** Moreover, dividends are quite well secured. In addition, employees are likely to need a little more room in the office than before the pandemic, thus somewhat offsetting the "norm" of people working at home more often. We believe that discounts are likely to continue to narrow even if there is little chance (at least in the short term) that this segment will trade at a premium to the NAV.

Finally, there are new opportunities in the sector; there is a lack of high quality residential and student housing in many countries. These segments are booming. Similarly, in **Logistics and Warehouses**, e-commerce has created the need for much larger surface areas. Also, with the **explosion of internet data, today network capabilities require much better infrastructure**, for example server hosting centres or new telecom towers. Some REITs specialise in these areas.

In conclusion, the Real Estate sector has become more diversified in recent years with traditional, discounted segments as well as new growth areas that give it a new appeal. Most REITs are very well managed, well positioned in quality real estate assets (which benefit from the payment of most rents) and pay out attractive dividends. The global recommendation on REITs is therefore now positive.

Summary of our other sector views (minor changes since last month):

In the current context, we suggest favouring (in the short term) cyclical and 'value' stocks, which are still very cheap. However, with the ongoing techno/digital revolution and given the low valuations in the pharmaceutical sector, new targeted purchases may also be made in these sectors, at least for the sake of diversification.

Materials (positive): We believe this sector is ideal for playing our repositioning in quality cyclical stocks. Indeed, there has been very good discipline in companies' management of balance sheets and investments in recent years. Balance sheets are generally robust and, in comparison with other cyclical sectors, cash flows and dividends look relatively better insured. Even though the sector has already recovered well along with the rest of the equity markets, we believe there remains some potential. Manufacturing indicators are likely to remain strong, and this sector is highly correlated to these, as is China, which is a major importer of raw materials and other materials. The economic recovery there is obvious and is arguably the prelude to what is going to happen in Europe and North America. Giant government stimulus plans should also directly and indirectly support materials (needed for construction, housing, glass and steel for automobiles, etc.). Finally, with the return of risk appetite in the financial markets and the dollar having begun a downward trend (it seems less necessary to favour this 'safe-haven' currency), raw material prices should continue to rise, as should the materials sector as a whole. Corporate results were very good in this sector in Q3 2020.



Industrials (positive): this sector is highly correlated to the manufacturing PMI and China. At the global level, we can see that freight and transport activities continue to improve. Companies in general have not invested much in recent months, and with the stronger-than-expected economic recovery, they need to reinforce production capacity. In many cases, they also need to invest more in their supply chains (many disruptions occurred in the spring) and they must replenish their stocks, sometimes at higher levels than before in order to avoid disruptions.

So although the industrial sector is not really cheap (2021 price-to-earnings ratios are around 22-23 but based on fast improving cash flows, valuations are not so stretched compared with historical valuations), the sector is likely to continue its momentum, driven by expectations of increased infrastructure spending, "Green deals" and other stimulus plans in the pipe or underway in various countries. Profound changes in the way industrial companies are run (e-commerce, Industry 4.0 or the 'Internet of Things', etc.) are also creating new opportunities.

Health Care (positive): after the excellent performance of health care technology and medical equipment makers, we recently cut our recommendation to neutral in these segments. With regards to medical equipment suppliers, their business could suffer again, as in the spring, if patients do not dare to go to hospital in view of the increase of Covid-19 cases.

Pharmaceuticals (+), on the other hand, have been underperforming for the last few months. They are now very cheap, and we find value there. Same view on biotechnology.

Finally, the results in the health care sector have been generally better than expected this year, which is rare in the context of the Covid-19 crisis. And of course, this sector is currently receiving exceptional support from political authorities and the people.

This year, growth sectors (especially technology and health care) have outperformed. In these sectors, since the beginning of the year, we have been highlighting 5G, e-commerce and innovation in health care globally as well as European technology which have all performed very well.

The still very low interest rates are a key supporting factor for these growth sectors. As long as inflation does not rise sharply, and central bank action keeps yields at very low levels - and with the support of stimulus packages approved in many countries - we do not believe that a major correction will affect these themes and sectors.

In fact, **the health crisis has amplified the rise in technology stocks (=)** because many individuals and businesses have had to equip themselves better. It is still preferable to stay at home/work from home if feasible. Similarly, consumers have become accustomed to ordering more and more goods and services online because many stores are closed, and they cannot leave their home, or only for a limited period.

Valuations are now expensive, especially the 'FAANGs' (Facebook, Amazon, Apple, Netflix, Google, etc.). Some debates and disputes regularly reappear in the United States about the power and unsocial attitude of some 'Mega Techs'. More controls and regulations could emerge in the coming years to counter abuse and allow for healthier competition.

But there is still momentum. It seems too early to take massive profits on this sector. Several segments still have potential, including 5G-related stocks, Artificial Intelligence, and European techs.

Note that the recent resurgence of Covid-19 cases in the West has brought further support to the technology sector.

Financials (=): In early March, we became generally more cautious on financials (=) due to the looming economic crisis. US banks are facing corporate bankruptcies and many consumers will not be able to repay their loans or credit cards. Generally speaking, interest rates remain very low.

Before turning positive on banks, we would like to see a more confirmed economic recovery leading to a rise in inflation and higher yields and interest rates, which would provide a much more favourable backdrop for the banking sector.

Dividends are under pressure on both sides of the Atlantic. Even if they should be able to pay some next year, banks have lost one of their main attractions.

Therefore, we still recommend **selectivity** by favouring the strongest banks that hold enough capital and cash to pay relatively attractive dividends.

Among financials, we prefer the insurance sector (+). Solvency remains very good (around 200% on average). P/E 2021 ratios in Europe are now around 9.9x for insurance against 16.9x for the market and in the US it is 11.7x versus 22.4x. Dividend yields in Europe look relatively secure there at around 4.4%.

There is indeed some doubt about potential compensation of businesses hurt by the crisis. But we believe these claims should not significantly penalise insurers' profits and certainly not their strong balance sheets. In addition, these disputes could take years before they are settled. On the other hand, new opportunities have arisen to raise prices in view of the new risks involved. Some insurers are even creating new 'Covid' or 'pandemic' insurance.

There are clear signs that pricing power is now coming back for the sector.

Energy (=): due to the resurgence of Covid-19 and related fears, the recovery in travel and the entertainment sector appears to be running out of steam and, as a result, demand for oil is slowing down. In the short term, the environment is less rosy in the oil and gas market. In another segment, renewable energy companies have seen a very strong run on the stock market this year and probably need to stop to pause. Therefore, we would delay further purchases in the energy sector in general. However, we are maintaining our positive bias on European oil majors for the long term, as they are still cheap.

Consumer Discretionary (=): As mentioned several times, this is a **very heterogeneous sector**. It offers several 'big winners' from new consumption trends. In the short term, we continue to recommend caution on traditional leisure-related names (restaurants, cinemas, hotels, etc.) and on travel in general. At the moment, we prefer the automobile sub-sector, which is too heavily discounted. **In general, it is important to be selective and we favour a rather thematic approach to this sector.**

This year, we have been recommending e-commerce stocks, and our bet has paid off. **In 2021, our preferences will be more diversified within this sector: we will generally recommend the winners of new consumption habits, and not only the winners of consumption via the net.** Of course, we hope for the end of lockdowns and a return to normal life. There are more and more signs that the consumers who have saved a lot in 2020 want to start enjoying life again and should spend even more in 2021!

Similarly, for communication services and utilities (globally, neutral opinions), we recommend selectivity and/or a thematic approach.

Consumer staples (-): Following the rebound with the rest of the market in March-April and following the end of the first lockdowns, the sector looks fairly valued (price to earnings ratios of around 20-21 on average) and it is likely to underperform in the current context of an economic recovery.

In general, we are cautious about defensive sectors, which should continue to underperform in the context of an economic recovery.

Sector performance in the US and Europe

27/11/2020	MSCI USA (in \$)		MSCI EUROPE (in LC)	
	-3M	YTD	-3M	YTD
MSCI Zone	5,3	15,1	6,3	-6,5
Energy	8,3	-36,6	12,8	-35,3
Materials	13,4	16,5	7,8	1,2
Industrials	13,5	10,1	9,2	0,9
Consumer Discretionary	5,2	43,5	15,7	1,7
Consumer Staples	3,0	6,1	0,0	-6,3
Health Care	2,2	8,9	-2,1	-3,8
Financials	12,5	-8,3	12,7	-17,0
Information Technology	1,8	36,1	-0,6	8,4
Communication Services	5,5	21,9	4,6	-15,2
Utilities	8,6	-2,0	8,7	7,8

Source: Refinitiv/Datastream

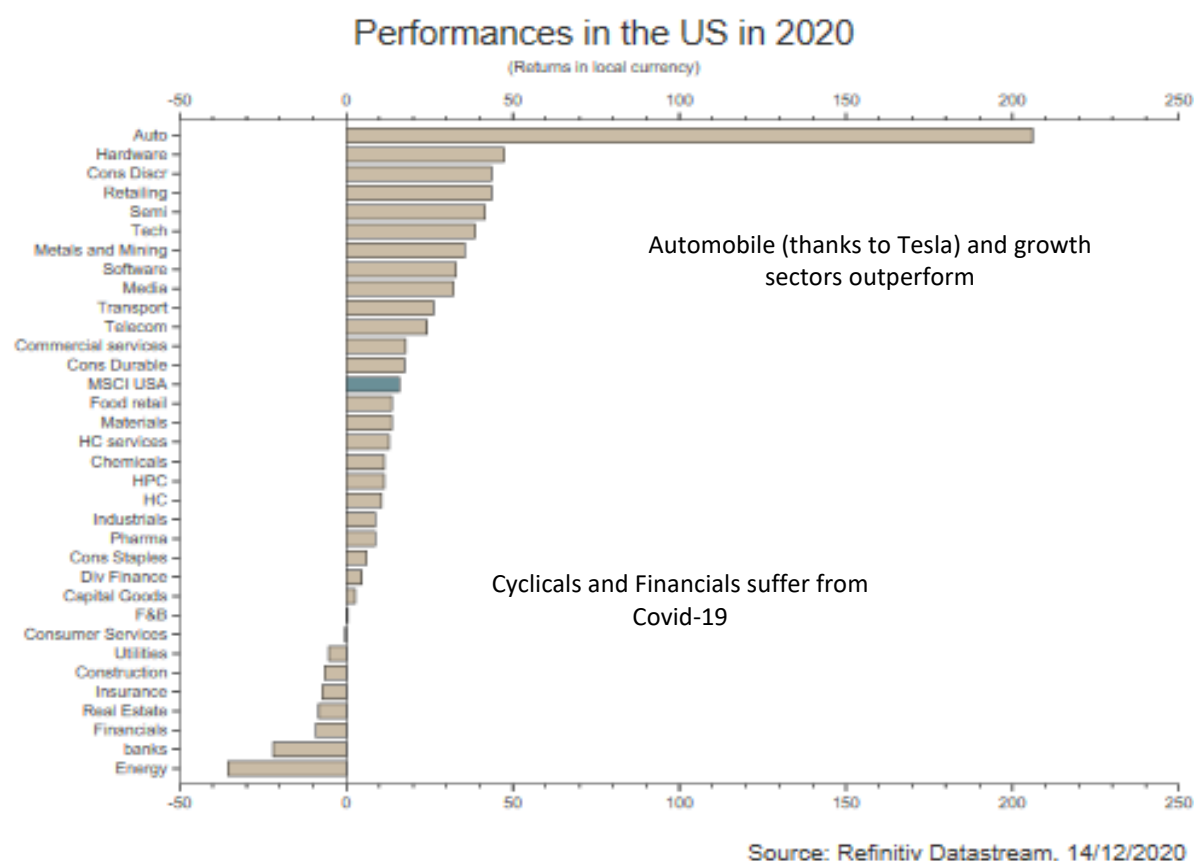
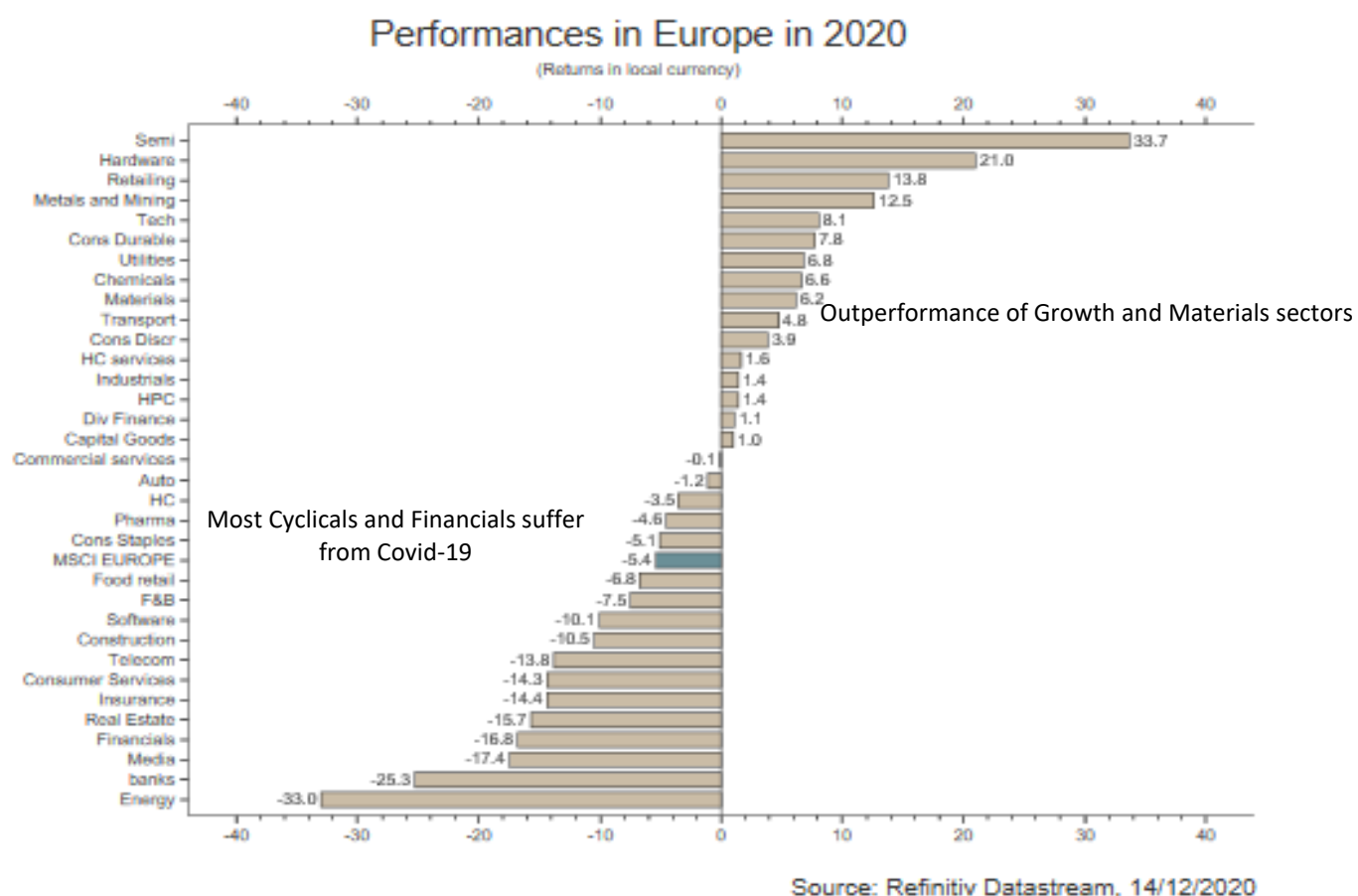
The eased lockdowns in the spring and the strong economic recovery in the summer have allowed cyclical sectors to bounce back strongly in recent months. Energy has been lagging due to fears about travelling and related restrictions during the pandemic crisis.

Most defensive sectors have underperformed lately. Within health care, pharmaceuticals appear to be extremely cheap, with record low valuations not seen in many years: the Price to Earnings Ratio is approx. 15.9x for Europe and barely 14.6x for US pharma, i.e. a large discount to the US equity market.

Finally, the technology sector in Europe suffered from the announcements of a leading software company that reported extremely disappointing profit forecasts.



How did the sectors perform in 2020? (as at 14 December 2020)



Sector overview

Price index - in €																						
27/11/2020	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2020	2021	2022	12m fwd	2020	2021	2022	12m fwd	2020	2021	2022	12m fwd	2020	2021	2022	2020	2021	2022				
MSCI EUROPE (€) (*)	23,2	16,9	14,4	17,3	-32,1	37,6	16,9	29,2	2,5	1,0	0,2	0,0	0,0	-0,1	0,3	0,1	-9,4	6,4	4,72	0,1	-0,02	2,8
(*) EU15 + Switzerland + Norway																						
MSCI UK (€)	19,3	14,0	11,9	14,4	-38,2	37,6	17,7	27,0	3,4	-0,9	1,2	2,1	0,5	1,0	1,3	1,9	-15,4	8,3	6,2	-0,2	-0,6	4,0
MSCI Switzerland (CHF)	22,0	18,9	17,0	19,2	-8,6	16,4	11,0	13,9	1,5	1,2	0,7	0,5	0,6	0,6	0,8	0,6	-8,0	4,3	4,1	0,5	1,0	2,7
MSCI Germany	22,9	15,6	13,1	15,9	-27,5	46,5	18,9	38,7	2,8	4,2	-1,7	-1,9	-1,9	-2,2	-1,5	-1,7	-4,6	5,3	4,6	0,3	0,8	2,8
MSCI France	29,6	17,9	14,8	18,5	-46,2	65,5	20,7	49,8	1,4	-3,9	0,2	-1,3	0,1	-0,4	0,3	-1,5	-11,8	7,4	4,0	-0,1	-0,7	1,9
MSCI Spain	30,1	15,5	12,8	16,2	-61,0	94,2	20,7	63,8	16,8	8,9	-1,1	-5,1	-0,2	-3,4	-0,4	-4,6	-12,1	3,8	3,8	-0,4	-1,0	4,8
MSCI The Netherlands	26,2	21,5	18,6	22,0	-13,3	21,9	15,7	18,4	-4,4	-2,9	-0,6	-1,0	-0,7	-1,6	-0,9	-1,2	1,1	3,0	3,0	-0,2	-0,2	1,9
MSCI Belgium	23,1	20,4	18,0	20,6	-33,1	12,9	17,8	7,4	5,6	3,9	-1,1	-1,0	0,5	-0,1	-0,6	-0,7	-11,5	5,3	1,9	0,7	2,3	1,9
MSCI EUROPE ENERGY	55,9	14,0	9,0	14,9	-84,8	300,2	54,9	156,4	-1,9	-17,8	0,1	-3,7	0,6	-0,8	0,1	-4,0	-29,5	15,1	9,9	-0,6	-1,1	7,0
MSCI EUROPE MATERIALS	21,2	16,2	15,5	16,6	-19,5	30,9	4,9	24,0	3,4	11,9	1,4	10,0	0,9	6,3	1,5	9,8	-12,5	8,1	2,9	0,2	-0,3	3,0
MSCI EUROPE INDUSTRIALS	37,7	22,1	18,4	22,7	-48,1	70,8	20,1	52,7	-1,9	-11,7	-0,9	-1,0	-0,4	-0,1	-1,0	-1,5	-13,3	6,8	5,1	0,1	0,4	1,7
MSCI EUROPE CAP GDS	35,6	21,4	18,0	22,0	-46,8	66,4	19,0	49,5	-2,0	-15,6	-0,5	-1,2	-0,3	-1,0	-0,6	-1,9	-14,5	6,3	4,8	0,2	0,2	1,7
MSCI EUROPE COML SVS/SUP	28,5	23,7	21,4	24,1	-18,1	20,1	10,9	15,7	1,8	1,1	0,4	0,1	0,5	0,5	0,6	0,2	-9,2	6,2	5,3	0,3	0,4	1,8
MSCI EUROPE TRANSP	230,0	25,2	17,7	27,2	-91,3	814,0	42,4	350,8	-26,3	29,5	-6,0	-1,1	-1,8	5,8	-6,2	-0,9	-9,5	10,0	6,5	-0,6	1,2	1,3
MSCI EUROPE CONS DISCR	60,8	19,7	15,5	21,0	-69,2	209,1	26,8	142,2	11,2	3,5	3,7	4,8	3,3	4,1	3,9	4,7	-13,9	11,8	6,7	0,9	1,7	1,1
MSCI EUROPE AUTO & COMPO	79,5	9,5	7,3	10,2	-88,4	740,6	29,0	375,8	110,7	54,1	8,2	12,6	5,8	8,1	8,7	12,9	-14,7	10,9	5,7	1,2	2,3	1,9
MSCI EUROPE CONS DUR/APP	48,1	27,7	23,6	28,9	-46,2	73,9	17,0	53,4	1,5	-1,3	1,4	1,2	1,6	1,7	1,4	1,1	-15,0	15,8	6,9	0,3	-0,2	1,0
MSCI EUROPE CONS SVS	147,6	35,4	22,1	36,9	-84,9	316,7	60,6	150,2	-28,5	-57,5	-12,2	-22,3	-3,2	-6,7	-12,0	-22,8	-14,4	7,3	12,9	0,3	0,0	0,2
MSCI EUROPE RETAILING	62,9	34,4	26,6	37,2	-28,5	82,9	29,3	66,7	2,2	11,6	1,8	2,7	1,2	1,4	1,5	2,9	-2,5	15,1	9,0	0,9	2,2	0,6
MSCI EUROPE CONS STAPLES	21,4	19,7	18,1	19,8	-9,8	8,6	9,0	7,3	0,4	0,4	-0,3	-1,0	-0,2	-0,8	-0,3	-1,0	-3,1	2,1	3,1	0,1	-0,1	2,8
MSCI EUROPE FD/STAPLES RTL	13,6	12,9	12,0	13,1	-1,2	5,3	7,1	2,5	2,5	4,1	1,0	1,5	0,7	1,8	1,2	1,7	0,2	0,3	1,8	0,3	0,4	3,6
MSCI EUROPE FD/BEV/TOB	21,8	19,8	18,0	19,8	-12,3	10,3	10,0	9,2	-0,1	-0,3	-0,6	-1,5	-0,4	-1,1	-0,6	-1,5	-7,5	3,9	4,2	-0,2	-0,6	2,8
MSCI EUROPE H/H PERS PRD	24,0	22,8	21,3	22,9	-5,9	5,5	7,2	4,5	0,6	0,2	-0,1	-0,7	-0,1	-0,9	-0,1	-0,6	-1,6	2,4	3,5	0,1	-0,4	2,4
MSCI EUROPE HEALTH CARE	18,6	16,9	15,2	17,1	-0,5	9,9	11,1	9,0	-0,1	-0,7	-1,0	-2,1	-1,4	-2,5	-1,0	-2,0	1,9	5,4	5,2	-0,8	-1,3	2,8
MSCI EUROPE H/C EQ/SVS	30,3	24,5	21,7	24,9	-13,6	23,6	12,9	19,6	0,5	1,8	-1,4	-1,9	-1,4	-1,9	-1,3	-1,6	1,2	6,6	5,8	-0,2	-0,5	1,2
MSCI EUROPE PHARM/BIOTEC	17,2	15,9	14,3	16,0	1,3	8,2	10,9	7,6	-0,2	-1,0	-1,0	-2,2	-1,4	-2,6	-0,9	-2,1	2,2	5,0	5,1	-1,0	-1,6	3,1
MSCI EUROPE FINANCIALS	15,1	11,0	9,2	11,2	-38,4	37,7	18,9	28,6	8,0	6,7	1,6	0,9	0,7	0,2	2,0	1,2	-4,7	1,9	3,1	0,3	0,1	3,6
MSCI EUROPE BANKS	16,2	10,2	8,0	10,5	-57,6	58,2	27,5	37,8	20,9	15,5	2,6	0,5	0,5	-0,7	3,5	1,2	-6,2	-0,4	1,9	0,5	0,4	3,8
MSCI EUROPE DIV FIN	16,6	15,4	13,1	15,5	6,4	7,7	18,7	10,3	5,9	12,2	4,1	5,5	3,9	3,9	4,5	6,3	-1,1	-3,4	2,6	1,9	2,1	2,1
MSCI EUROPE INSURANCE	13,3	9,9	9,1	10,1	-21,4	34,0	8,9	28,2	-1,2	-3,0	-0,5	-0,6	-0,3	-0,3	-0,5	-0,7	-4,8	4,6	3,9	-0,3	-0,6	4,4
MSCI EUROPE REAL ESTATE	18,5	17,5	16,5	17,7	-10,7	5,7	6,2	2,9	-3,0	-5,1	-0,7	-5,8	-0,9	-5,8	-0,9	-5,7	-2,3	1,3	2,0	-2,5	-2,4	4,1
MSCI EUROPE IT	31,5	27,2	23,3	27,4	-5,2	16,0	16,7	14,6	2,7	3,3	-5,6	-7,3	-6,3	-7,2	-4,9	-6,5	0,5	7,8	6,1	0,0	-0,2	1,0
MSCI EUROPE S/W & SVS	29,3	26,6	23,5	26,8	-15,8	10,3	13,3	7,8	1,8	0,8	-9,5	-11,2	-11,9	-13,1	-8,7	-10,4	-2,1	8,8	6,0	-0,3	-1,0	1,3
MSCI EUROPE TCH H/W/EQ	22,0	20,5	17,6	20,6	12,3	7,4	15,9	8,8	5,1	5,3	-5,5	-6,6	-2,3	-3,7	-4,5	-5,5	-0,3	2,2	3,6	0,0	-0,3	0,9
MSCI EUROPE COMM. SERVICES	17,1	14,7	12,9	15,0	-15,6	16,4	13,4	12,4	-1,4	-2,8	-1,5	-2,7	-0,6	-1,5	-1,4	-2,6	-0,1	2,7	1,8	0,4	0,5	4,5
MSCI EUROPE TELECOM	15,4	13,6	12,0	13,9	-8,9	12,8	13,5	9,5	-1,7	-2,0	-1,9	-2,3	-0,7	-1,6	-1,7	-2,1	2,2	2,1	1,2	0,5	0,9	5,5
MSCI EUROPE MEDIA & ENTER.	23,6	18,1	16,0	18,6	-34,0	30,4	13,1	23,2	0,0	-5,4	-0,3	-3,8	-0,1	-1,3	-0,3	-3,9	-9,9	5,3	4,4	-0,1	-1,6	1,8
MSCI EUROPE UTILITIES	18,5	16,7	15,6	16,9	5,4	11,0	6,6	9,4	0,8	1,1	0,2	0,0	0,1	0,4	0,2	0,0	12,1	3,6	2,5	-0,7	-0,9	3,8

27/11/2020	PE				EPS Growth - %				1m / 3m % Δ in EPS								Sales growth - %			1m / 3m % Δ in Sales		Divid end yield (%)
	2020	2021	2022	12m fwd	2020	2021	2022	12m fwd	2020	2021	2022	12m fwd	2020	2021	2022	2020	2021	2022	2020			
MSCI USA	26,8	22,4	19,2	22,5	-11,5	20,0	16,2	17,2	4,4	7,0	1,7	2,23	1,45	1,89	1,86	2,5	-2,0	7,6	6,8	1,1	2,0	2,0
MSCI USA ENERGY		30,4	15,4	33,5	-105,3		97,3	1015,9			-5,1	-11,8	1,2	-4,5	-4,9	-12,5	-34,4	14,2	13,9	-2,7	-2,5	6,2
MSCI USA MATERIALS	25,9	20,3	18,3	20,6	-10,2	27,5	11,2	24,3	5,2	9,9	3,7	8,3	3,8	6,8	3,8	8,3	-6,2	7,4	4,4	0,7	1,7	1,9
MSCI USA INDUSTRIALS	30,6	23,5	19,8	23,9	-23,6	29,9	18,9	25,6	6,0	8,8	0,8	2,1	1,3	3,3	1,1	2,6	-8,4	7,1	6,6	0,9	1,4	1,6
MSCI USA CAP GDS	28,3	22,3	18,7	22,6	-29,4	27,1	19,2	21,6	6,8	7,9	0,3	0,5	1,0	1,6	0,7	1,0	-11,3	6,8	6,4	0,8	0,8	1,7
MSCI USA COML SVS/SUP	35,6	31,9	28,4	32,1	-0,2	11,6	12,3	10,8	3,0	4,6	2,2	3,8	2,2	4,4	2,2	4,0	-1,1	7,1	5,9	0,8	1,0	1,0
MSCI USA TRANSP	36,6	24,3	20,2	25,2	-7,1	50,5	20,4	49,9	4,5	14,4	2,0	6,9	2,0	8,8	2,1	7,7	-0,4	8,0	7,5	1,1	3,3	1,6
MSCI USA CONS DISCR	50,6	33,7	26,2	34,8	-23,9	50,3	28,6	43,1	14,3	19,6	4,4	6,2	4,2	6,9	5,0	7,1	1,5	13,7	10,0	2,0	2,9	1,3
MSCI USA AUTO & COMPO	55,7	28,5	23,4	29,7	-37,1	95,4	21,7	78,7	158,6	203,9	22,7	30,6	13,2	17,0	25,7	34,0	-12,4	21,2	7,2	2,2	3,4	0,3
MSCI USA CONS DUR/APP	27,1	21,5	18,5	22,5	18,9	26,2	16,5	24,4	8,7	19,5	8,0	16,6	5,5	18,4	8,4	18,4	2,5	14,5	8,3	1,7	5,1	1,3
MSCI USA CONS SVS		54,0	27,2	57,1	-109,4		98,7				-9,7	-18,8	-1,4	-1,0	-9,6	-18,4	-34,2	27,2	21,2	-2,5	-4,2	1,4
MSCI USA RETAILING	44,6	35,4	28,6	36,3	3,9	26,0	23,8	23,4	5,4	8,3	1,7	3,1	3,2	4,0	2,1	3,6	14,3	9,5	9,8	2,3	3,1	1,4
MSCI USA CONS STAPLES	22,1	20,9	19,4	20,8	3,2	5,7	8,1	6,1	2,7	4,5	1,6	1,8	1,0	1,3	1,6	2,0	2,8	2,4	4,1	0,4	1,2	2,7
MSCI USA FD/STAPLES RTL	24,8	24,5	22,2	24,0	1,9	1,2	10,5	4,8	3,7	8,8	1,8	1,4	1,5	1,0	1,9	1,7	4,9	1,6	4,6	0,6	1,5	1,5
MSCI USA FD/BEV/TOB	19,1	17,9	16,6	18,0	1,2	6,4	7,7	6,0	2,7	4,1	1,1	1,8	0,5	1,0	1,2	2,1	-0,7	3,4	3,3	0,1	0,9	3,6
MSCI USA H/H PERS PRD	27,9	25,7	24,1	25,2	10,2	8,2	6,9	7,5	0,9	1,0	2,7	2,3	1,9	2,1	2,4	2,3	3,8	4,3	3,8	1,2	1,4	2,1
MSCI USA HEALTH CARE	18,8	16,7	15,3	16,9	8,3	12,9	9,0	12,0	2,5	3,3	0,6	1,0	-0,3	-0,3	0,8	1,1	8,8	7,0	5,5	0,8	1,1	2,1
MSCI USA H/C EQ/SVS	22,8	19,6	17,9	20,0	5,4	16,3	9,8	14,0	3,9	5,1	2,4	3,2	1,2	1,5	2,5	3,3	8,5	6,6	5,7	0,9	1,1	1,2
MSCI USA PHARM/BIOTEC	16,2	14,6	13,5	14,7	10,3	10,6	8,5	10,6	1,6	2,2	-0,6	-0,5	-1,4	-1,6	-0,4	-0,3	10,1	8,8	4,6	0,6	1,1	2,8
MSCI USA FINANCIALS	16,5	13,7	11,6	13,9	-24,7	20,5	18,3	15,6	4,3	12,1	2,4	3,2	1,8	1,5	2,5	3,8	-5,2	3,0	4,6	2,7	5,9	2,5
MSCI USA BANKS	15,3	12,5	9,8	12,7	-39,5	21,8	27,5	13,8	3,6	23,2	1,5	1,0	0,5	-1,7	1,6	2,3	-1,5	-3,1	2,7	0,3	1,1	3,2
MSCI USA DIV FIN	19,2	16,0	14,0	16,3	-13,0	18,9	14,9	15,9	6,3	9,6	3,4	5,8	2,8	4,4	3,6	6,0	-11,0	5,5	5,3	7,1	15,9	2,0
MSCI USA INSURANCE	14,2	11,7	10,7	11,9	-9,4	21,1	9,1	18,3	2,4	1,2	2,3	2,9	2,5	3,0	2,3	2,8	-1,2	5,7	5,2	0,5	0,8	2,2
MSCI USA REAL ESTATE	50,3	48,2	41,9	48,3	-29,3	4,4	15,0	0,5	0,1	0,8	-0,1	-3,5	1,6	-0,6	-0,1	-3,2	-2,9	5,9	7,5	0,0	0,4	3,1
MSCI USA IT	31,9	27,5	24,4	27,2	4,5	15,8	13,0	14,9	0,1	2,3	1,9	2,1	1,0	1,8	1,6	2,0	4,6	8,7	7,3	1,0	1,9	1,2
MSCI USA S/W & SVS	38,9	33,4	29,1	33,0	6,1	16,5	14,6	15,2	-3,0	-0,5	1,0	1,5	0,3	0,9	0,6	1,1	8,7	9,6	10,4	0,7	1,4	1,2
MSCI USA TCH H/W/EQ	28,7	24,8	22,5	24,4	3,8	15,5	10,4	14,8	3,4	7,3	2,2	2,5	1,8	2,9	2,1	2,5	0,2	7,4	4,5	0,9	2,4	1,0
MSCI USA COMM SERVICES	26,6	23,4	19,6	23,5	-4,0	13,7	19,8	13,4	8,7	9,0	2,5	2,8	2,6	2,8	2,9	3,2	1,3	10,3	8,7	1,7	1,8	2,9
MSCI USA TELECOM	12,0	11,7	11,2	11,7	-4,5	2,9	4,4	2,2	1,9	1,7	1,9	2,3	1,4	1,3	1,9	2,2	-1,5	3,3	0,3	0,6	0,6	5,6
MSCI USA MEDIA & ENTER.	34,7	28,9	22,8	29,1	-3,9	19,7	27,0	19,7	13,0	13,6	2,8	3,0	3,0	3,4	3,6	3,1	14,3	13,1	2,5	2,7	1,0	
MSCI USA UTILITIES	19,2	18,7	17,7	18,7	-2,5	2,9	5,4	2,5	1,6	1,9	0,5	0,7	1,0	1,0	0,6	0,8	-1,1	4,0	1,9	0,1	0,1	2,9



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