

2025, a decisive year for Europe?




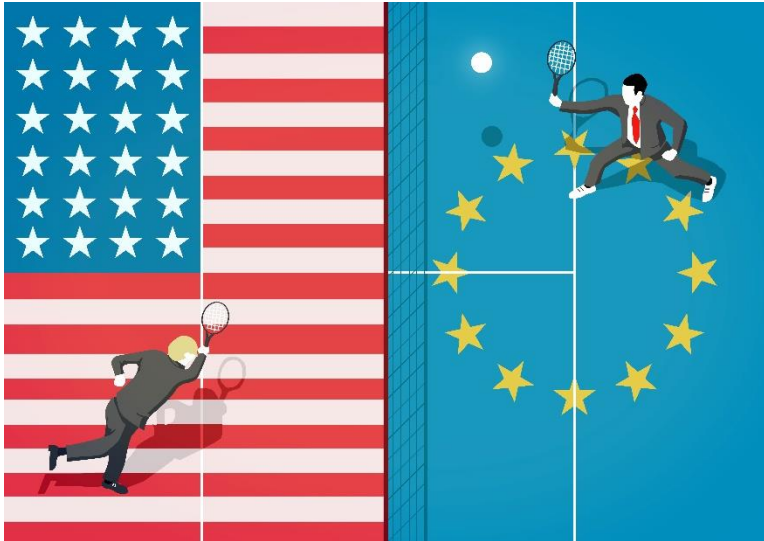


Table of contents

- | Will Europe find a common response to the new challenging geopolitical environment?
- | Political risk: Is Europe going to emerge from its lethargy?
- | Budgetary sustainability: What changes in ratings?
- | What are the developments for assets in Europe?



Will Europe find a common response to the new challenging geopolitical environment?

Global public opinion after the US elections and impact on international relations

Europeans are more anxious about Trump ...

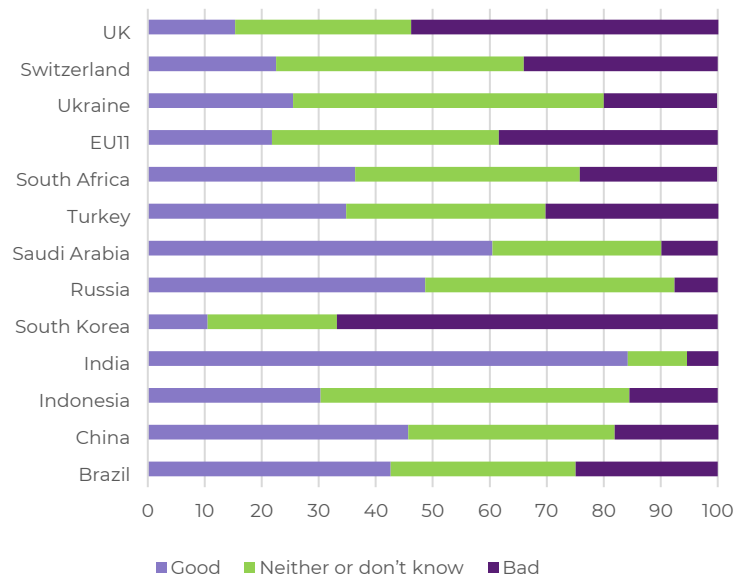
A study conducted by the European Council on Foreign Relations in collaboration with the University of Oxford covers 24 countries, including 11 EU countries, in the aftermath of the US election results.

The findings reveals

- ▶ 37% of positive opinion;
- ▶ 36 % neutral;
- ▶ 27% of negative opinion



Do you think the election of Donald Trump as US president is a good or a bad thing for your country?

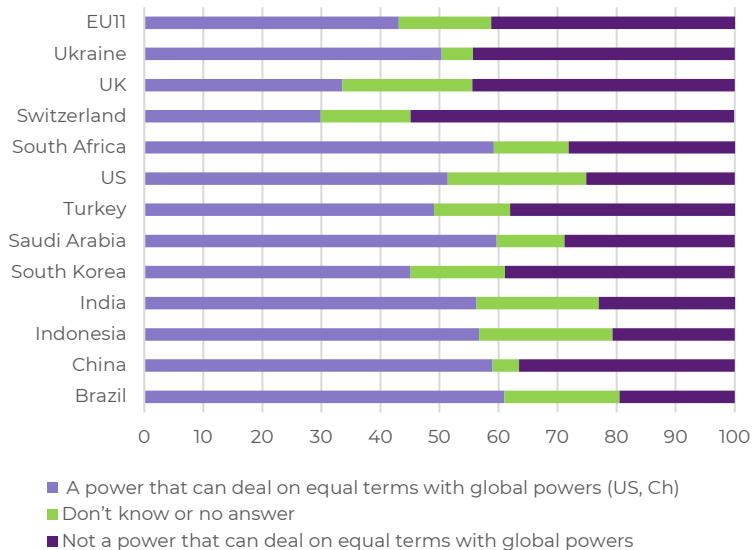


Global public opinion after the US elections and impact on international relations

... and less positive about the EU than their partners

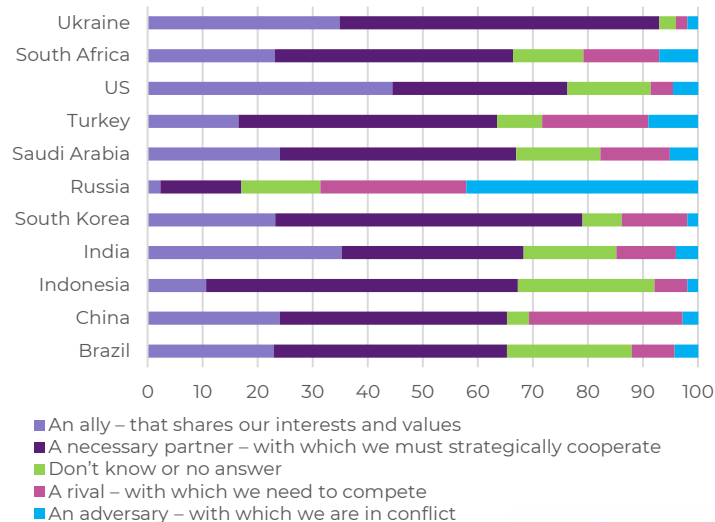
EU is a power that can deal in equal terms with US and China for 55%

Which of the following best reflects your view on the EU's global standing?



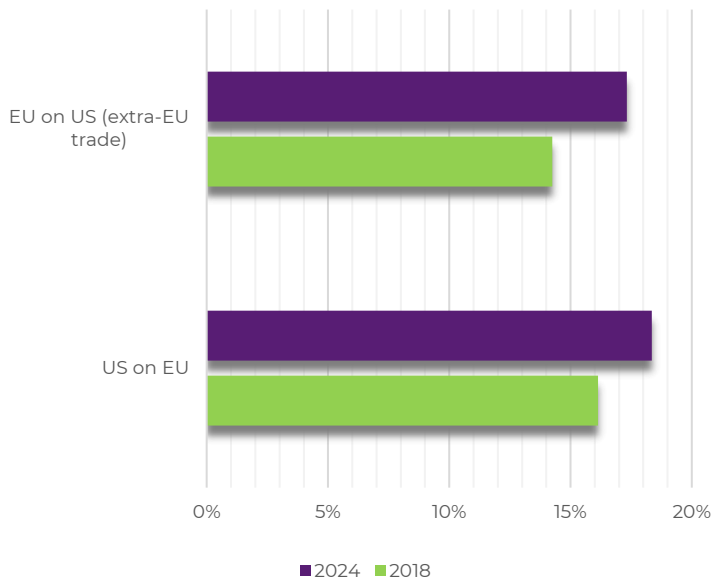
For 71 % (excl. Russia) EU is an ally or a necessary partner

Generally speaking, thinking about the EU, which of the following best reflects your view on what it is to your country

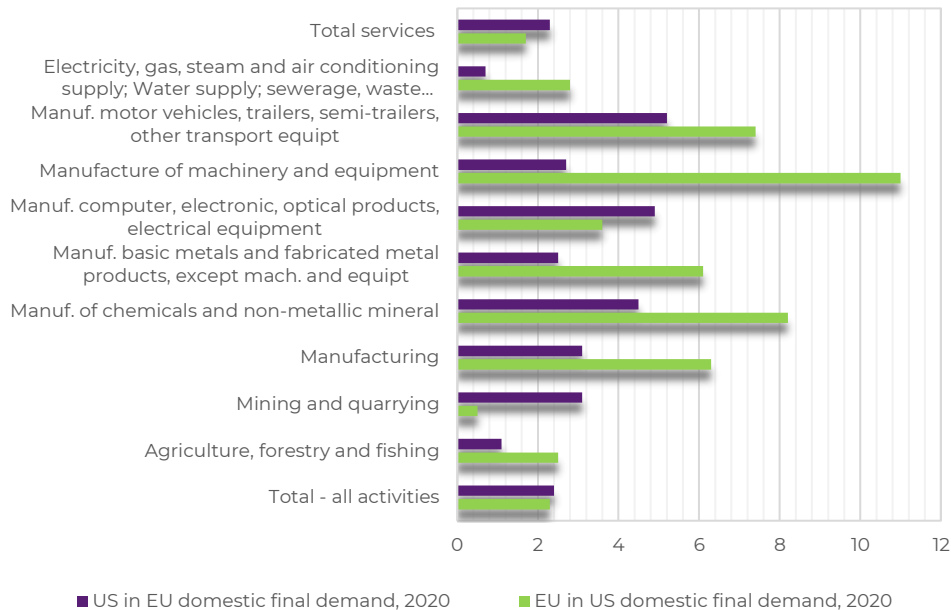


European Union and the United States, some indicators of trade links

Dependency ratio on the EU
(the ratio of trade in goods with the EU to total trade in goods)



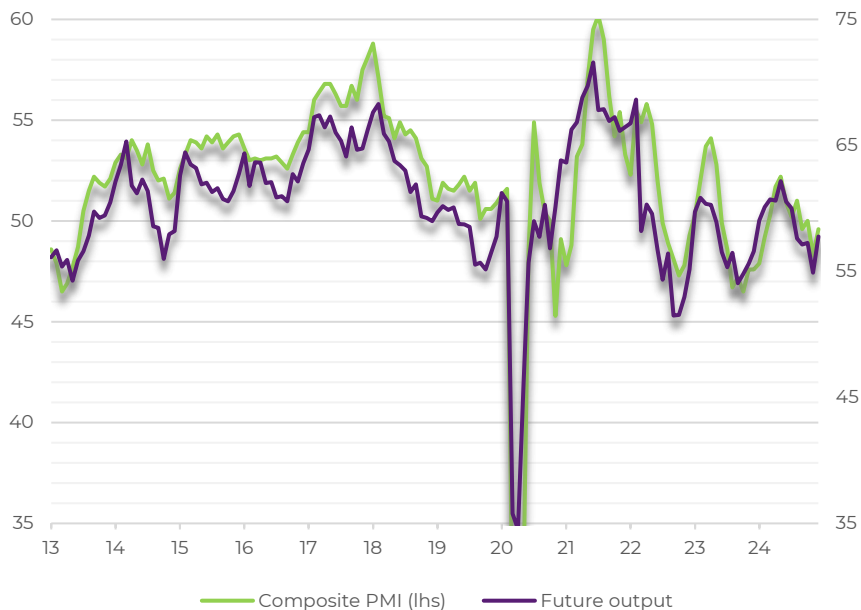
FDFVA : Foreign value added in domestic final demand, % of total VA



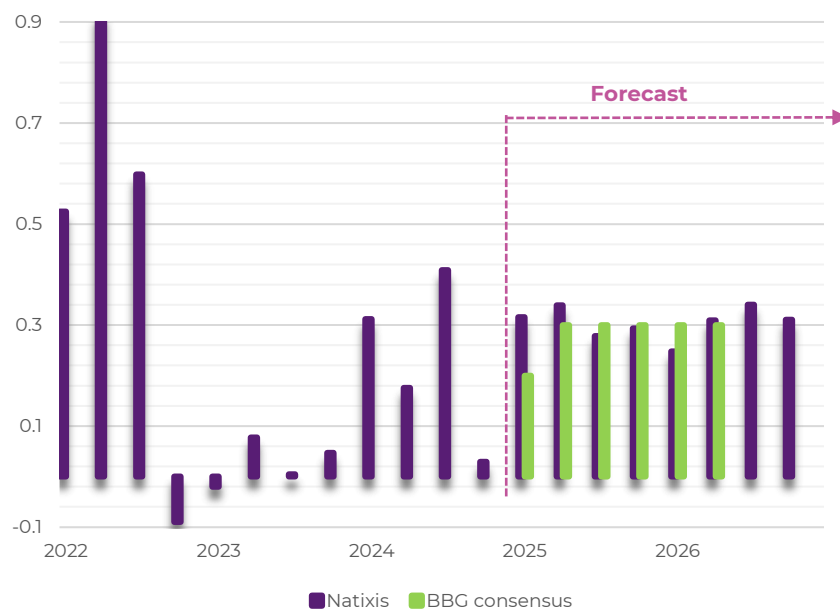
Euro area: business surveys

Business sentiment, as well as our different now-casting models, point to a moderate acceleration in euro area growth.

Composite PMI (index)



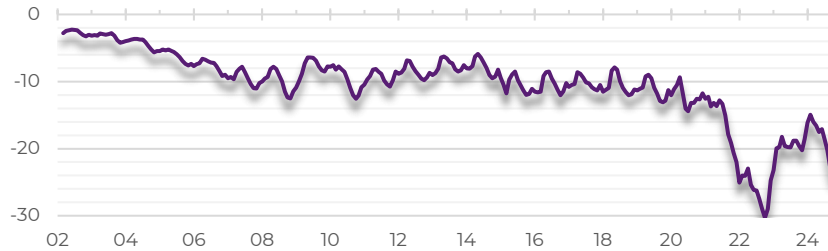
GDP (real, % qoq)



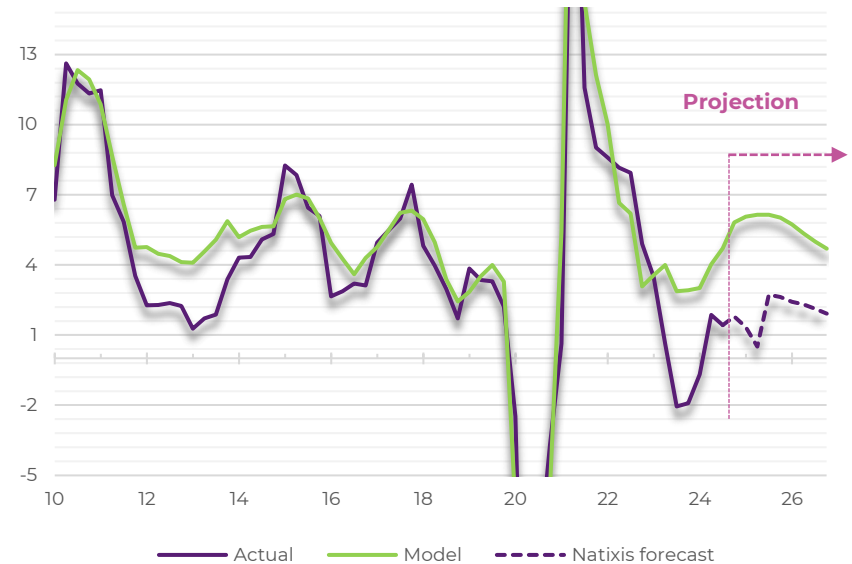
Euro area: external trade

Euro area exports have been undershooting. Some of it seems « excessive » and we expect a moderate pick up. Tariffs remain the main risk.

Euro area/China trade balance for manufactured goods (mn EUR)



Exports (% yoy)



Trade Weighted Tariffs under Trump 2.0 (%)

	Current	2025	2026	2027
World	2.3	3.3	5.4	5.4
China	10.4	17	25	25
ROW	1.1	1.2	2.3	2.3

Euro area: private consumption

Real income has been rising strongly – but so has the savings rate.

Private consumption (% yoy); real disposable income (% yoy)



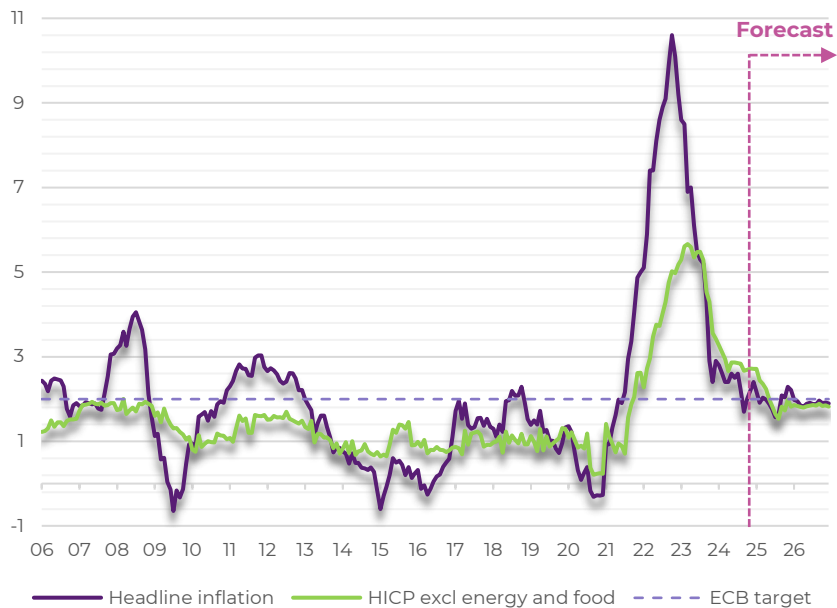
Household savings rate (%)



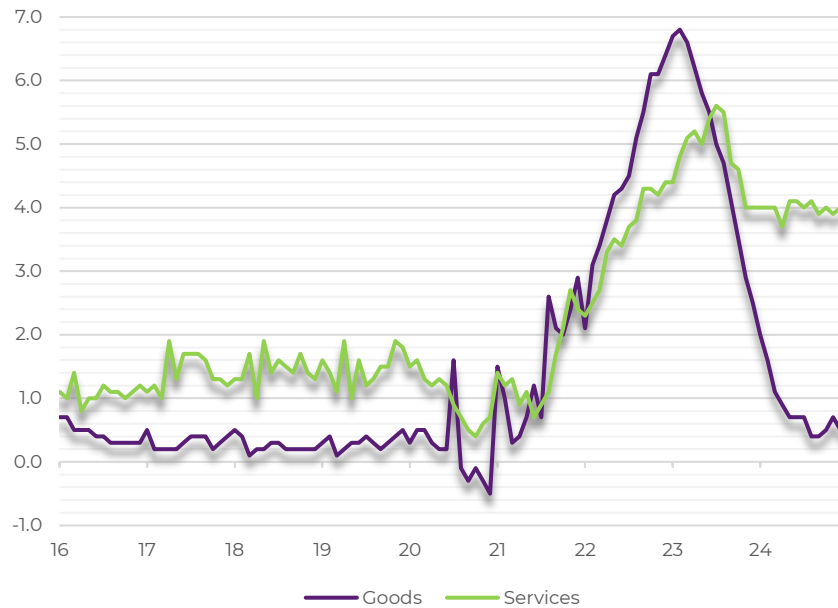
Euro area: inflation

Headline inflation is close to target. The stickiness of services inflation, however, poses an upside risk.

Headline and core inflation (% yoy)



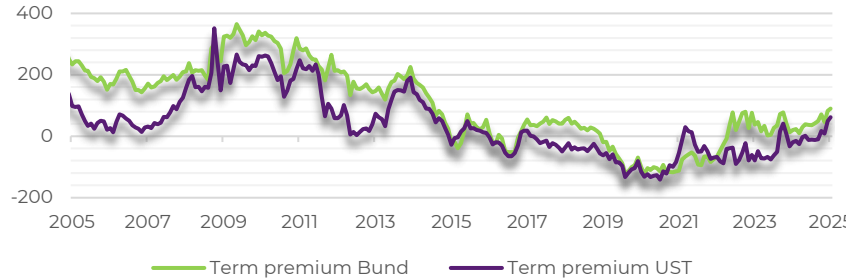
Services price inflation (% yoy); goods prices inflation (% yoy)



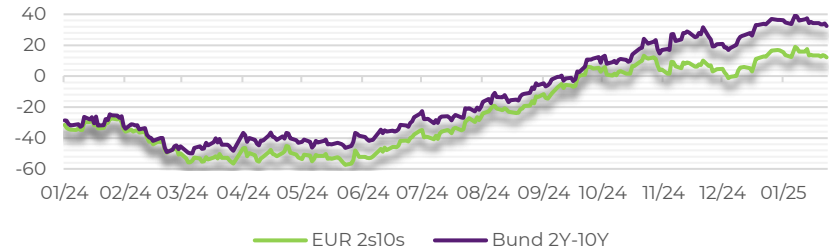
EUR curve & Long-end

Higher level of term premium rebuilding in the EUR sovereign curves than swap curve

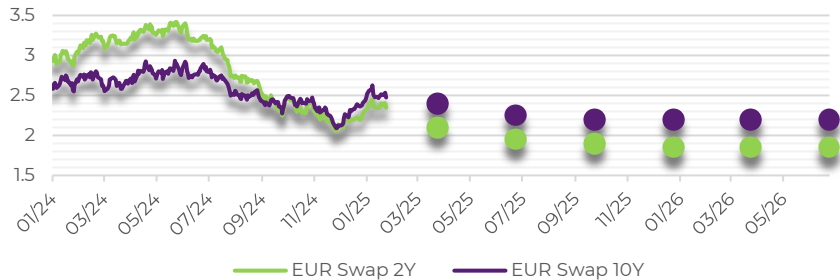
We expect the Bund 10Y term premium to continue increasing in 2025 (bp)



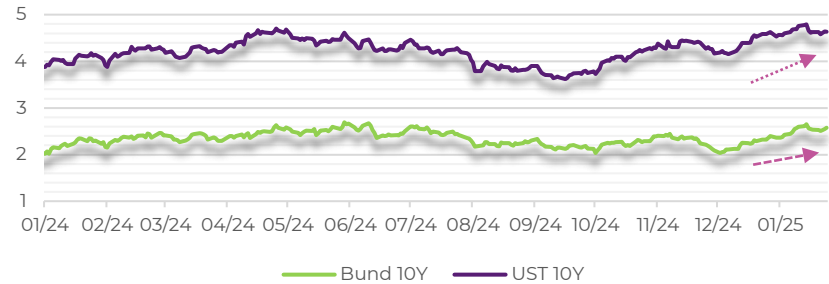
We continue to see more steepening in EGBs curve than EUR swap curve (bp)



We target 1.85% (2Y Swap) and 2.20% (10Y Swap) by year-end (%)



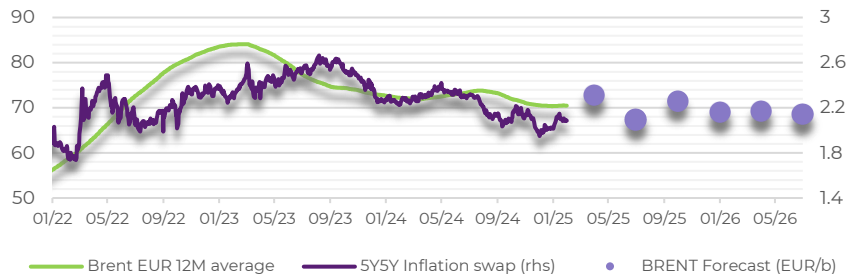
Spillover effect from the US to EUR rates due to the Fed taking a break this year (%)



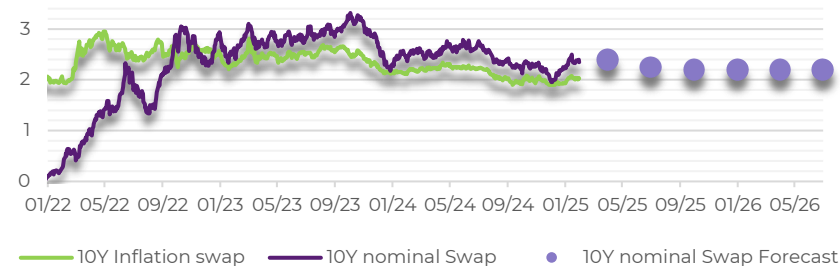
EUR inflation (swap & cash)

A stabilization in breakeven & swaps, after a strong decline last summer

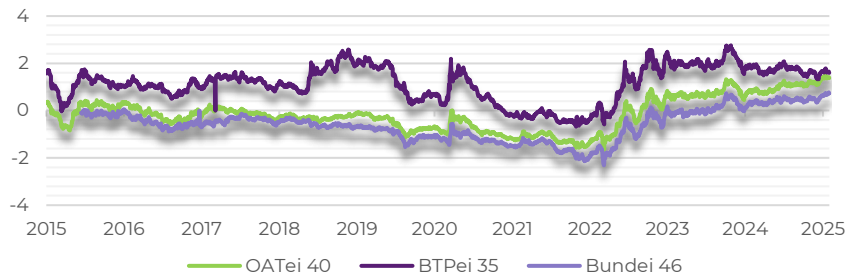
We do not expect a shock to the price of oil, which should help to stabilise inflation



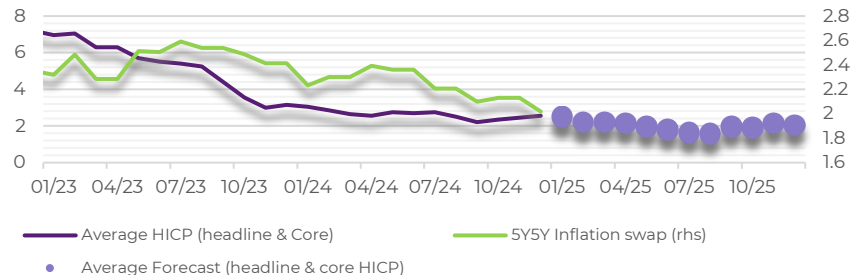
The limited expected decline in the nominal 10Y nominal swap should also be a ceiling for long-term inflation swaps.



Real yields are back to levels not seen since the pre-QE (2015) at the long end

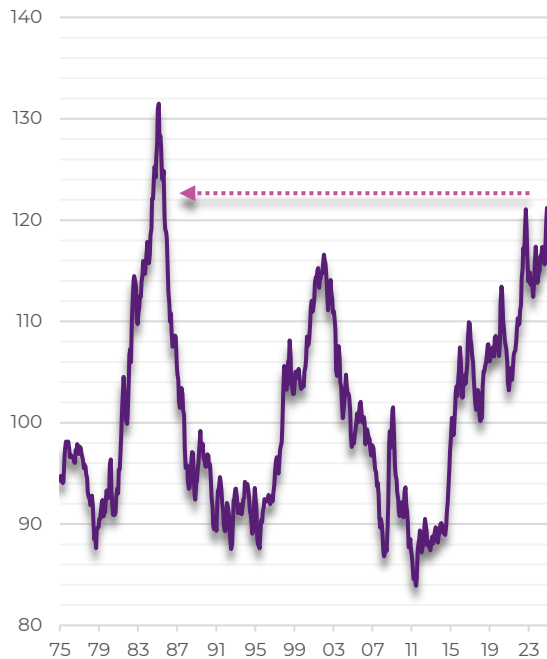


With disinflation largely behind us, downside potential is also limited.

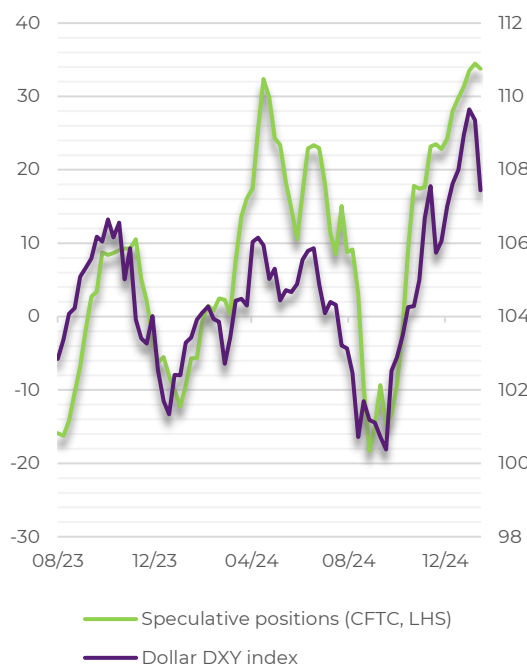


Has the dollar peaked?

US dollar is overvalued (Real Effective Exchange Rate)



Speculative accounts are already "long" dollar



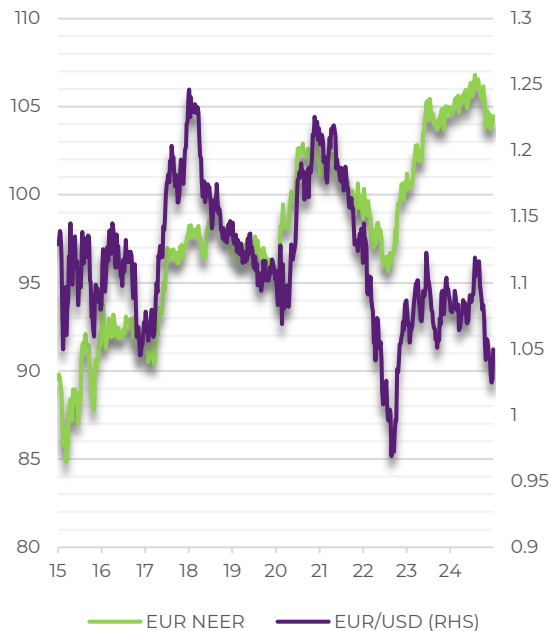
Dollar DXY index & US 10 year rate



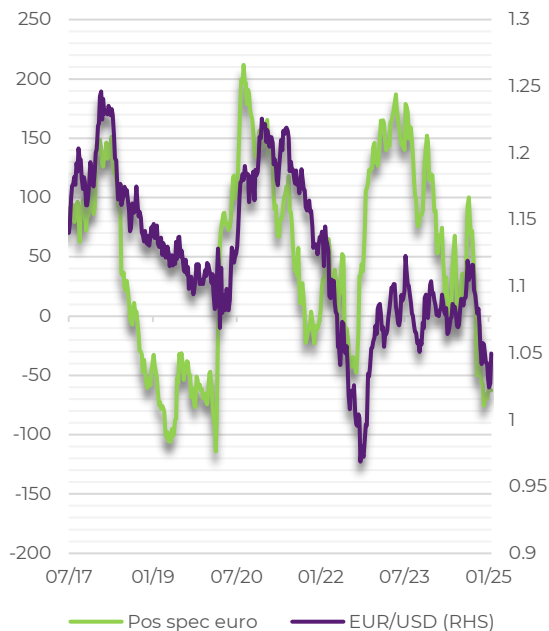
EUR/USD to improve slowly this year towards 1.06

Risks remain in short term : US tariff, Europe political noise

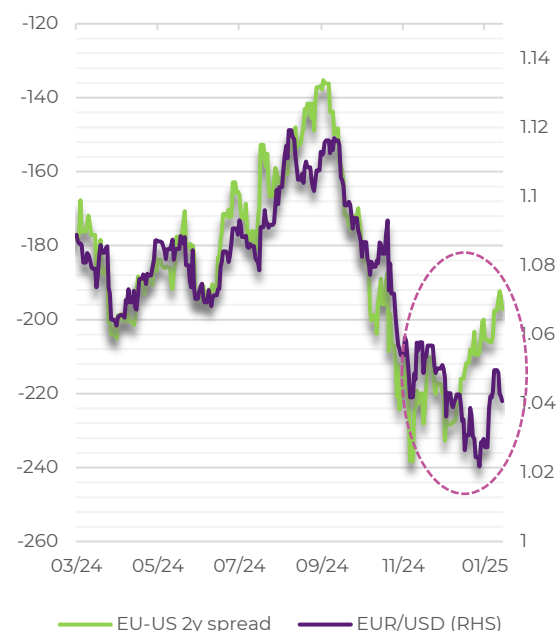
A weak EURUSD but a historically high euro in terms of nominal effective exchange rate



EUR/USD & net speculative position (CFTC)



EUR/USD & EU-US 2Y spread

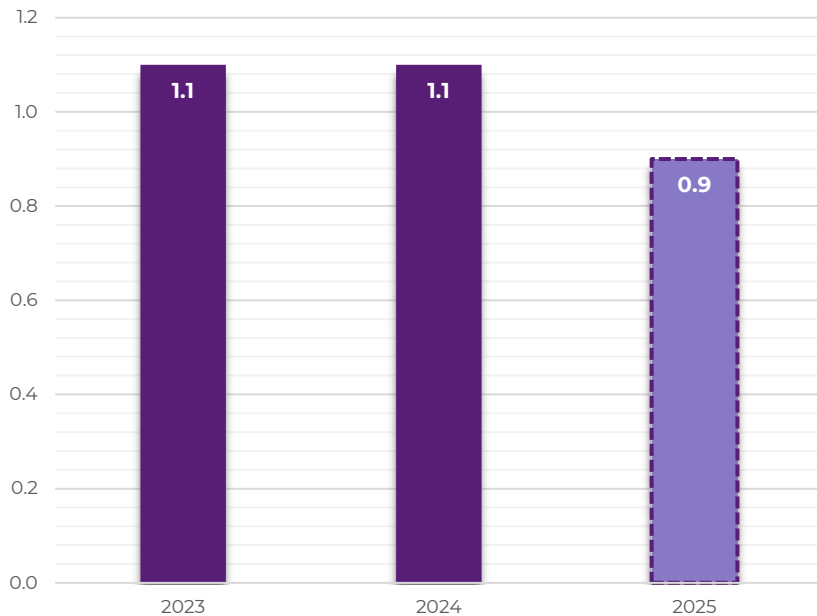




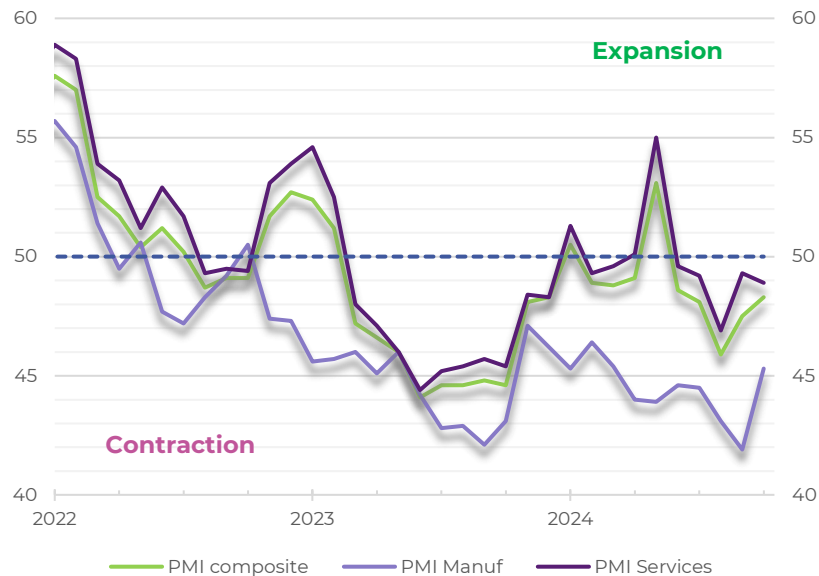
Political risk: Is Europe going to emerge from its lethargy?

How immune is the French economy to political risk?

GDP Growth (%)

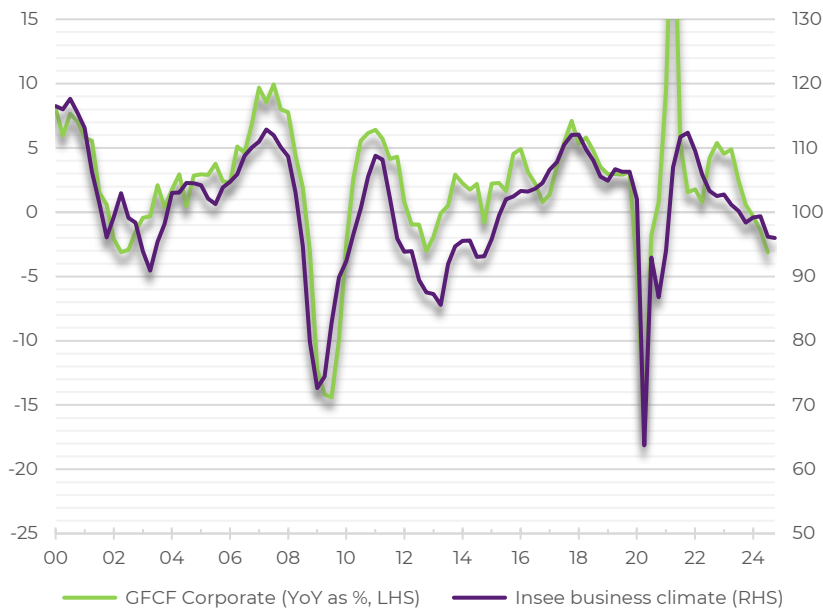


Business climate (S&P Markit)

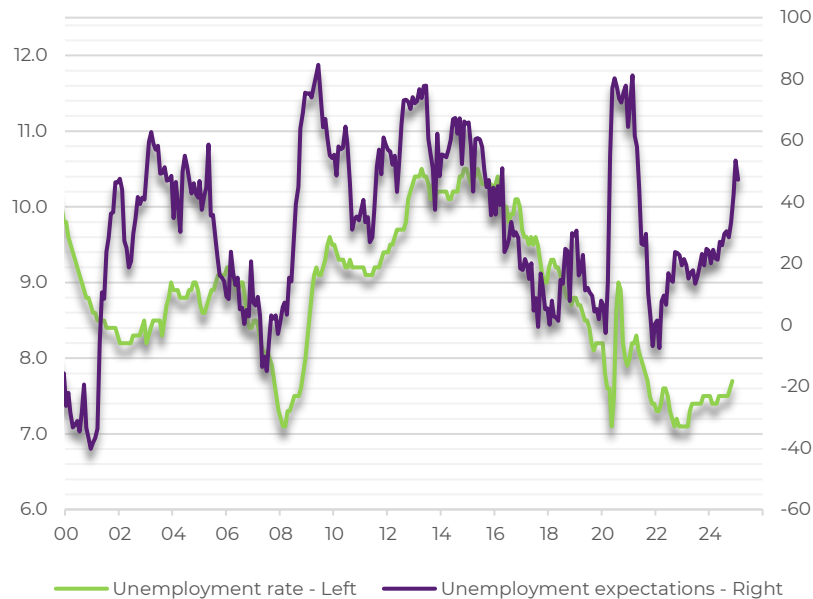


Uncertainties will hurt private investment and employment

Corporate GFCF and Insee business climate survey



Unemployment expectations and unemployment rate



How to remain (somewhat) optimistic about France despite political and fiscal headwinds?

- ▶ A lot of bad news is already priced in
- ▶ Other countries have learned to live without a budget (Belgium, Spain) or are facing early elections (Germany) or with no-government (Belgium)
- ▶ France remains one of the most large and diversified economy
- ▶ French demographics remain more favourable than those of its neighbours
- ▶ French institutions remain solid (no shutdown, etc.)
- ▶ Some positive surprises cannot be excluded regarding private consumption, the recovery in export market shares and tourism

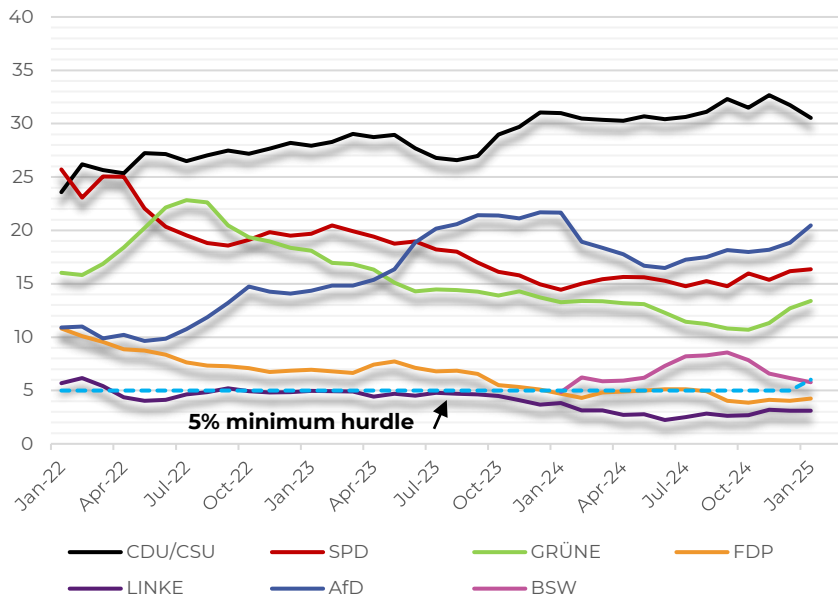
Aircraft deliveries are far from their 2018 peak



German elections

Polls have been rather steady with the CDU/CSU clearly in the lead.

Germany: Poll results for main parties on the federal level
(%, average of polling institutes)



Latest polls point to three potential coalition governments:

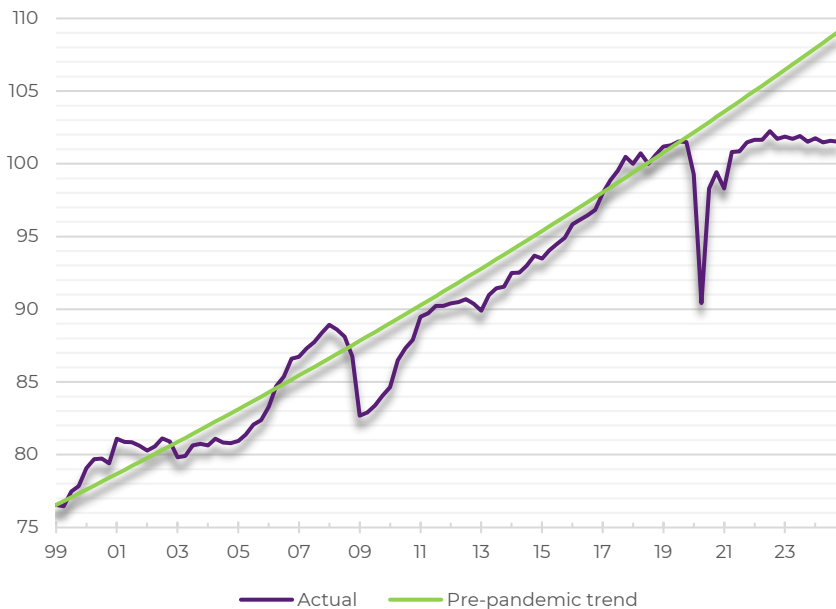
- ▶ CDU/CSU - SPD
- ▶ CDU/CSU - Greens
- ▶ CDU/CSU - SPD - Greens

A three-party coalition would most likely be dysfunctional.

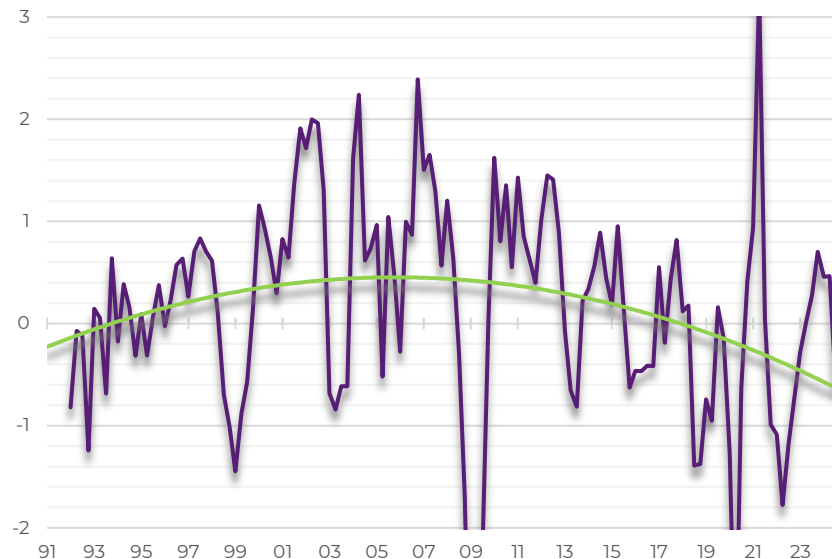
Germany: Growth stagnation

The German economy has been stagnating now for a long time. Structural shocks have exacerbated the initial cyclical weakness.

GDP (real, index)



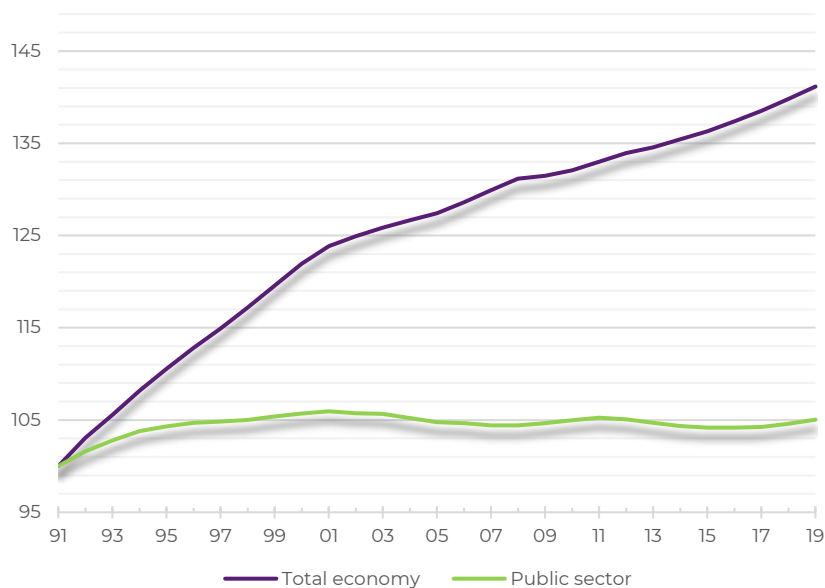
Growth contribution from net trade (percentage points)



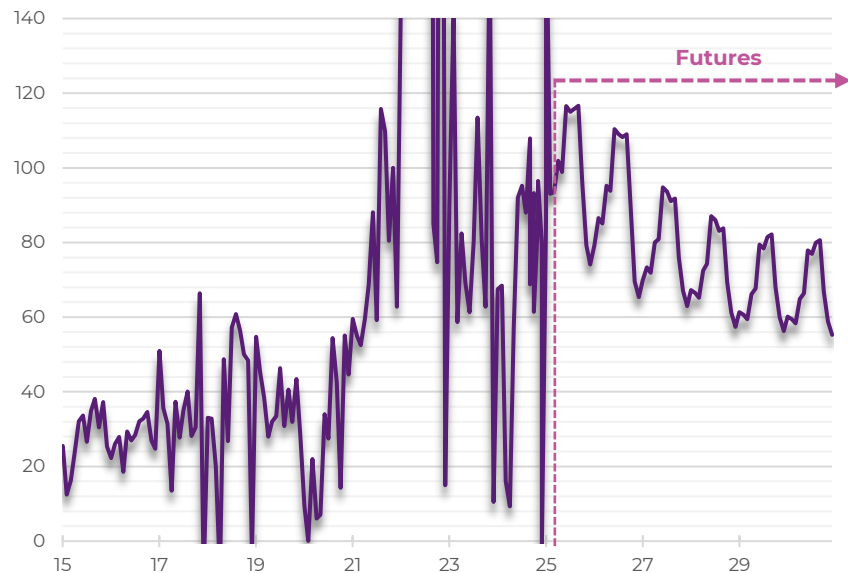
Germany: public investment and energy

The next government will have to address the public underinvestment and higher energy prices. « Sidestepping » the debt brake is needed for this.

Capital stock (net, real)



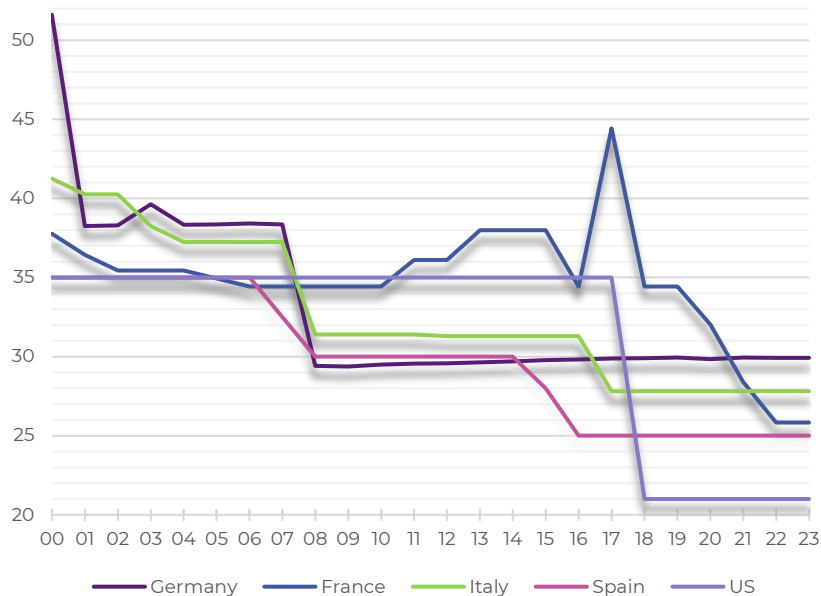
Wholesale electricity prices (EUR/MWh)



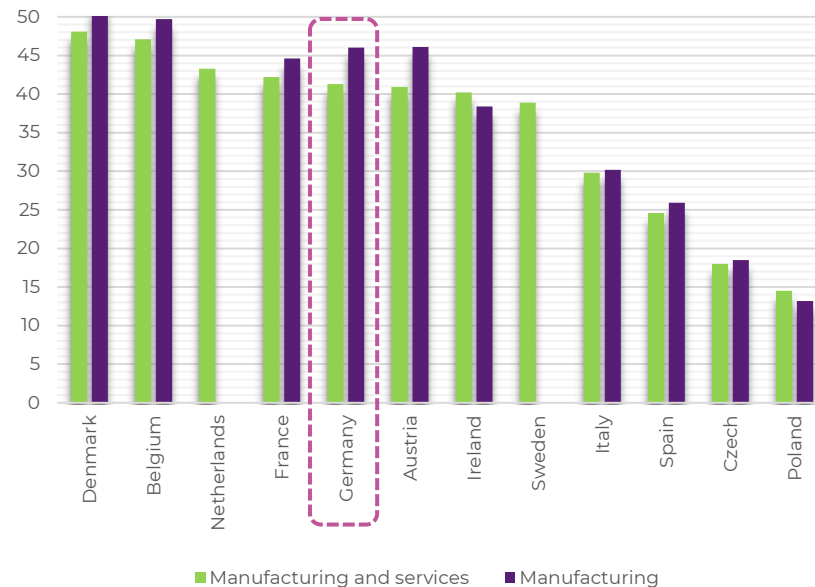
German: corporate taxes and wages

High corporate tax rates and high wages have been « acceptable » in the past. Now Germany needs to regain competitiveness on this front too.

Combined statutory corporate income tax (%)



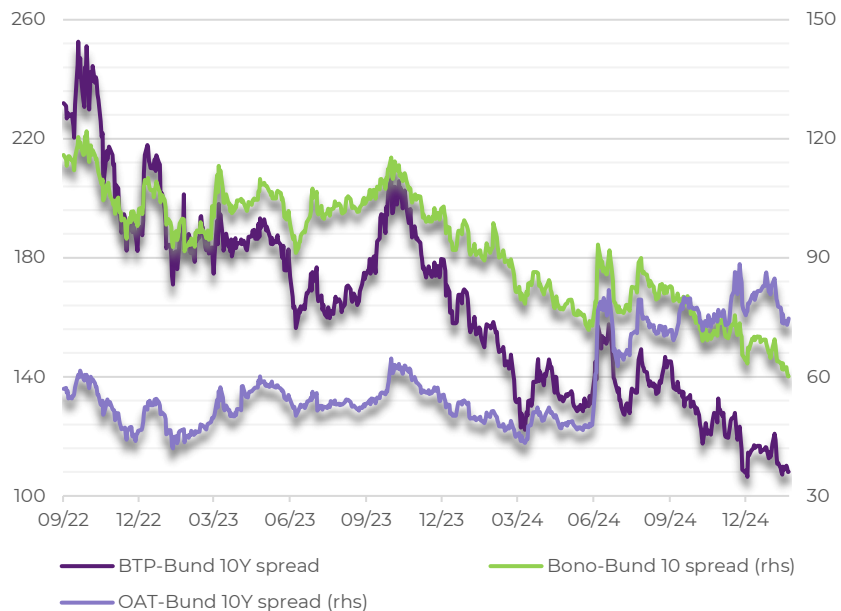
Hourly labour costs 2023 (EUR)



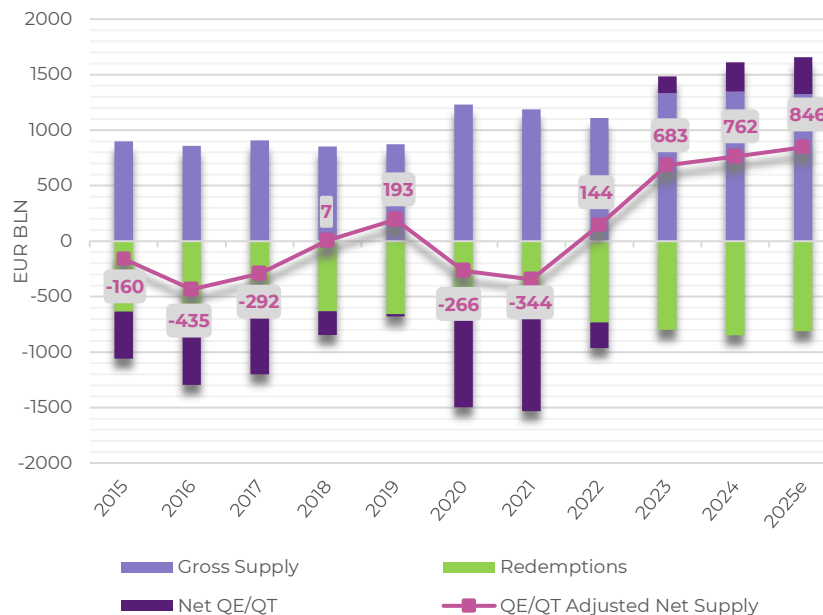
Sovereign spreads

We anticipate that Spain and Italy will outperform their peers, while OATs are likely to remain at risk

Sovereign spreads vs Bund 10Y



Eurozone sovereign issuance forecasts (EUR bn)



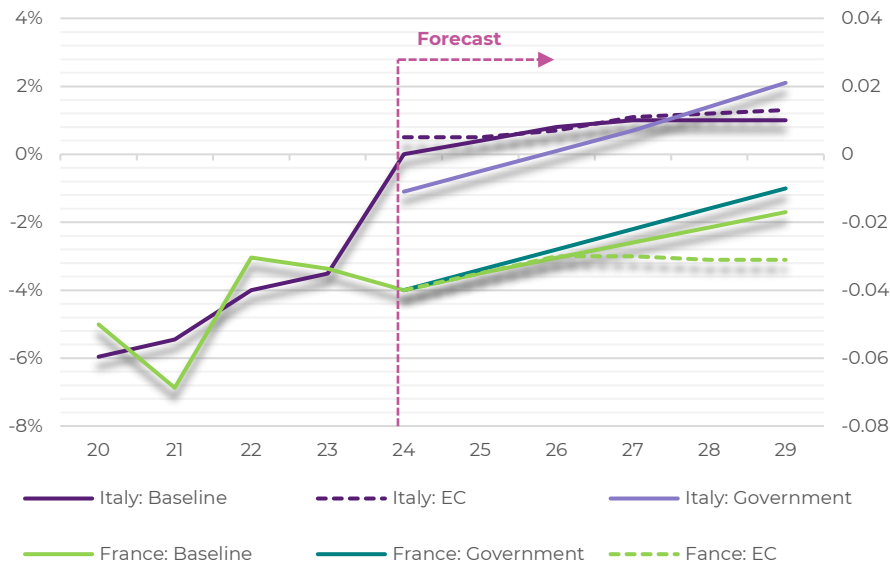


Budgetary sustainability: What changes in ratings?

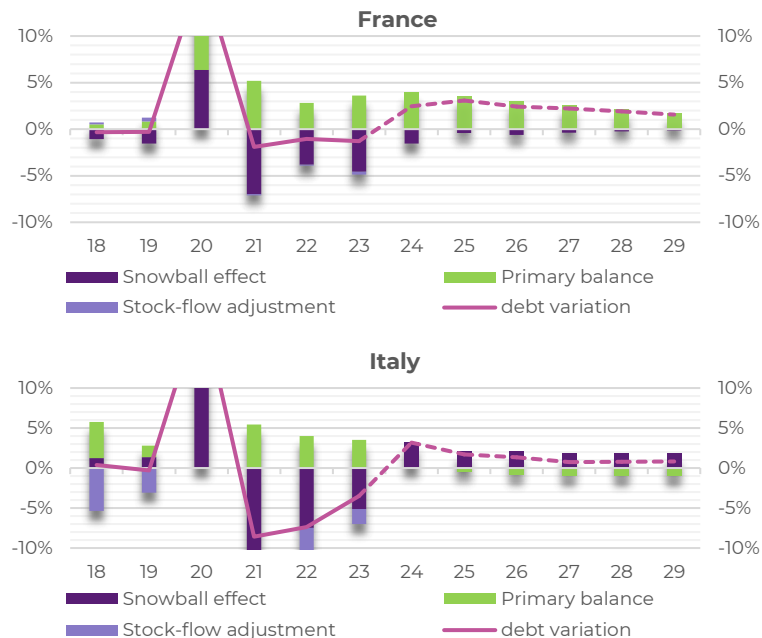
DSA: Challenges lie ahead for certain EU countries

France and Italy will experience an increase in their Debt-to-GDP ratio different reasons.

Primary Balance (% GDP)



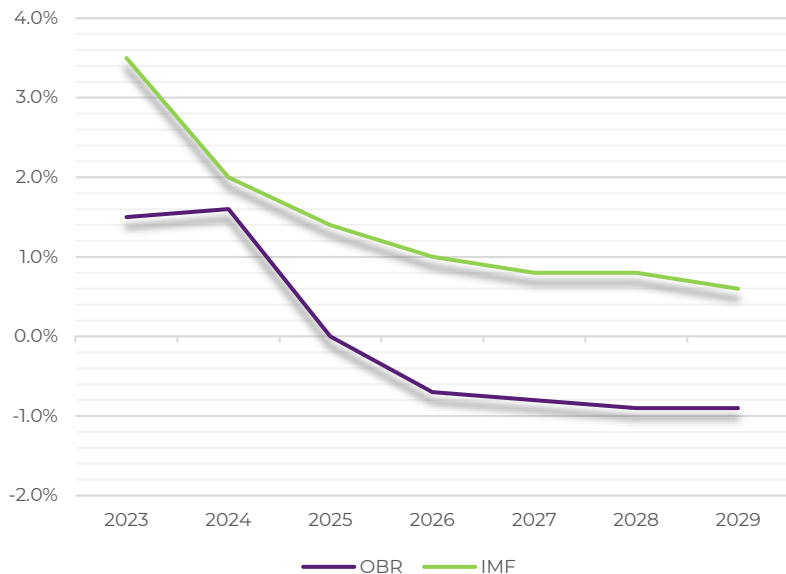
Historical decomposition of debt variation (% GDP)



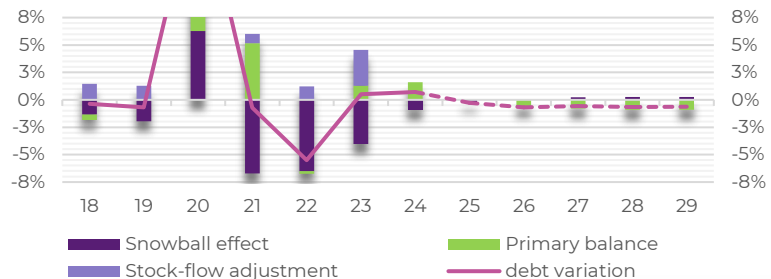
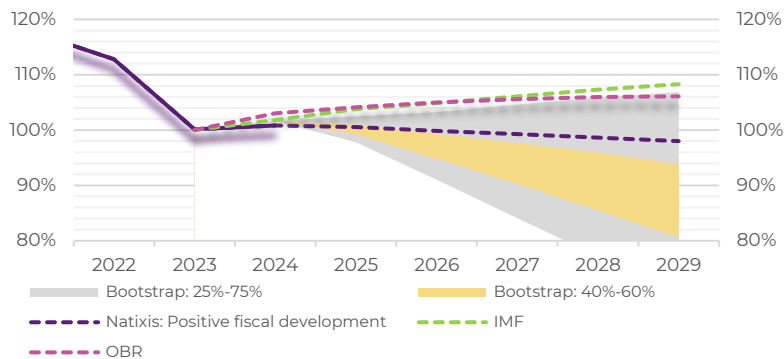
UK: Fiscal Consolidation will be key

With a broadly neutral r-g differential over the medium term, the trajectory of public finances will be the key factor in the UK.

Primary budget deficit (% GDP)



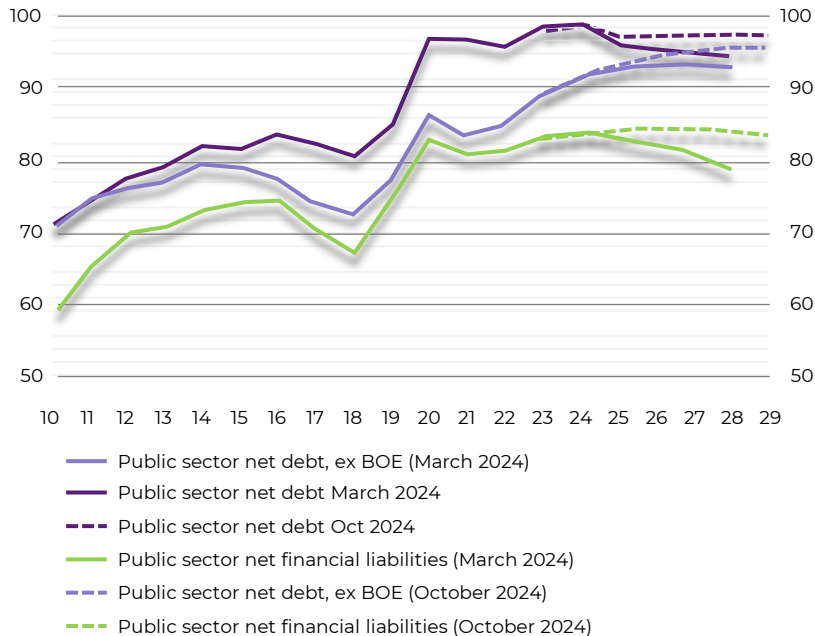
Debt-to-GDP ratio (% GDP)



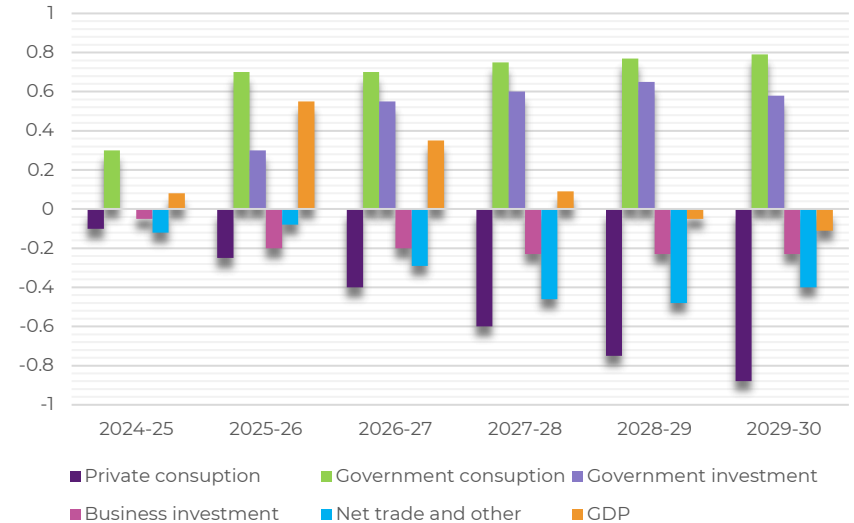
UK budget: tax increases and new fiscal rules

General Government Gross Debt is expected to increase from 100% of GDP in 2023-24 to 106% in 2029-30

Debt measure: previous vs new fiscal target (% of GDP)



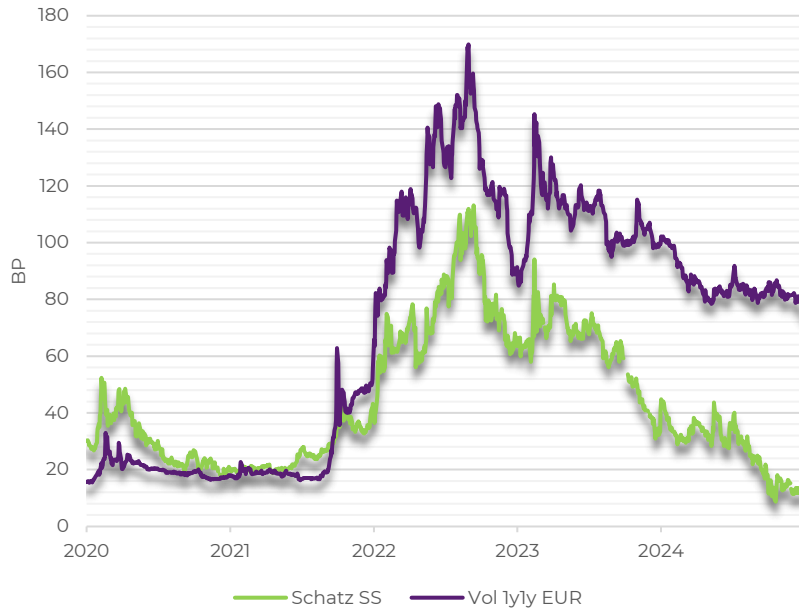
Policy impacts on real GDP and its components (percentage points)



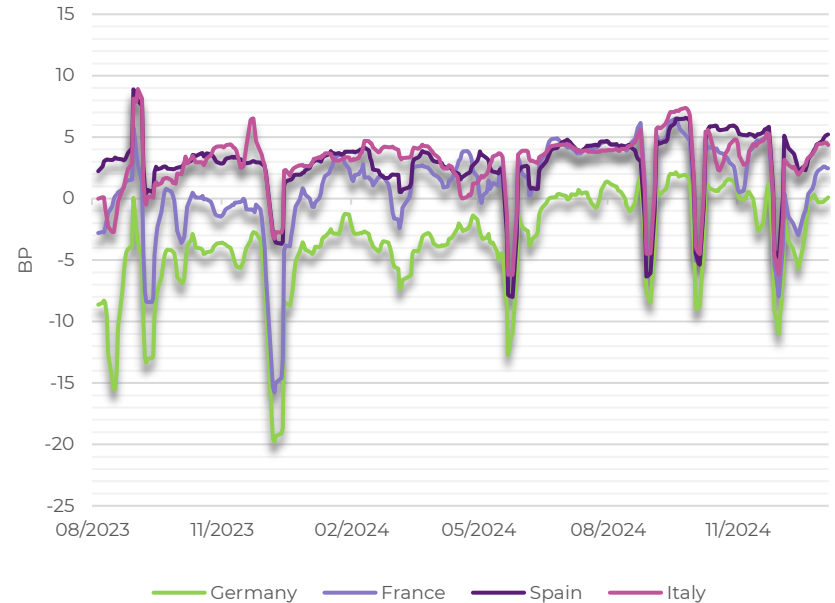
EGB swap spreads

Monetary policy has been a more significant driver to swap spreads than fiscal issues. They should continue to tighten in 2025 but more slowly.

Germany 2y swap spread vs Volatility



Repo spread vs €ster



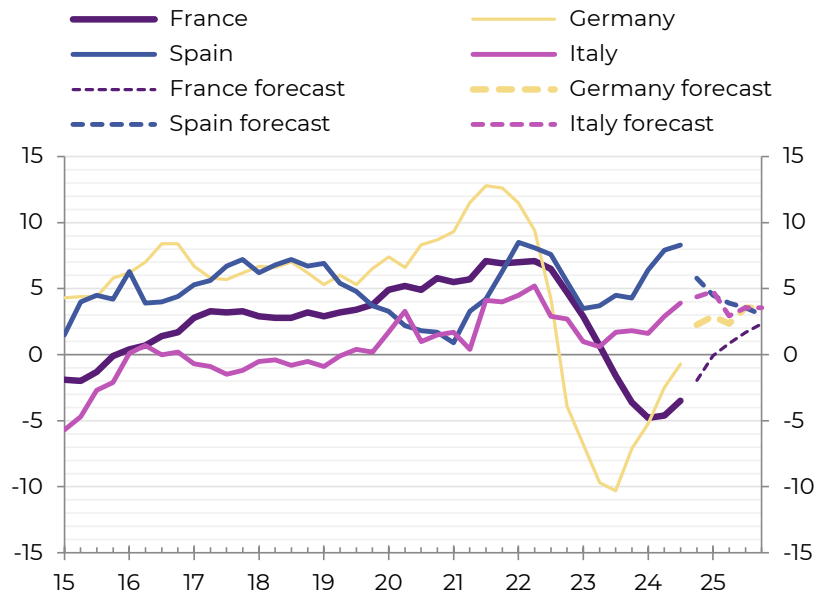


What are the developments for assets in Europe?

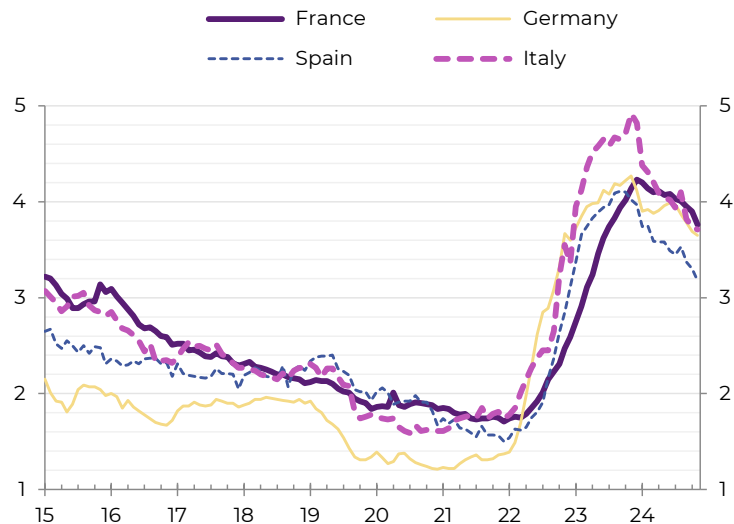
Housing market turning around

House prices in the euro area rebounded by 1.9% QoQ (+1.4% YoY) in Q2 2024 after contracting by -1.2% in 2023 and grew by 1.4% in Q3 (+2.6% YoY)

House prices (YoY, %)

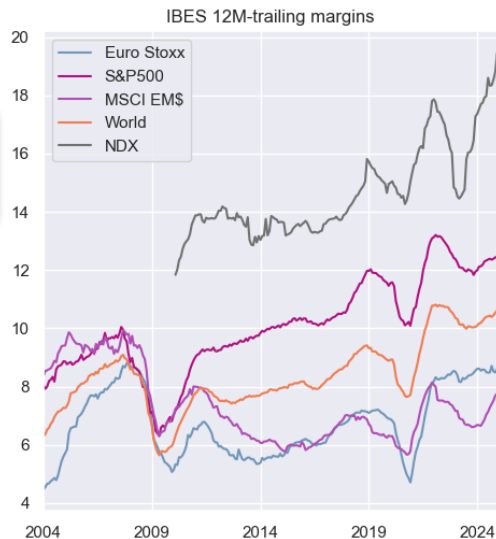
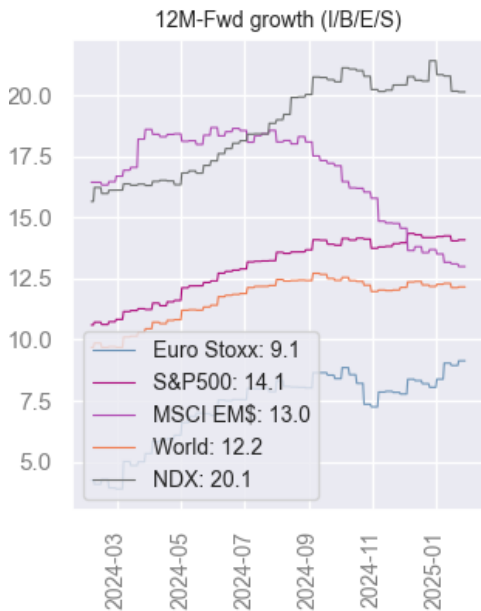


Interest rates on new housing loans (%)



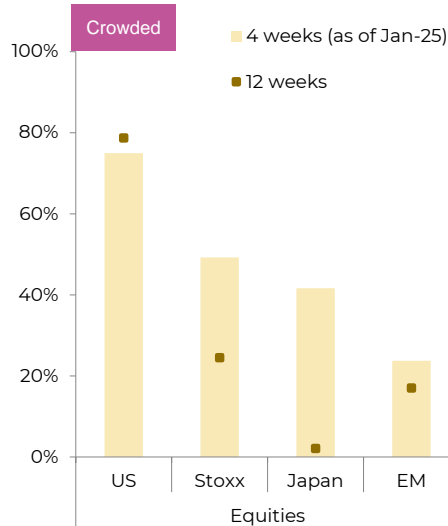
Can European equities continue to outperform US equities ?

Fundamentals: US exceptionalism

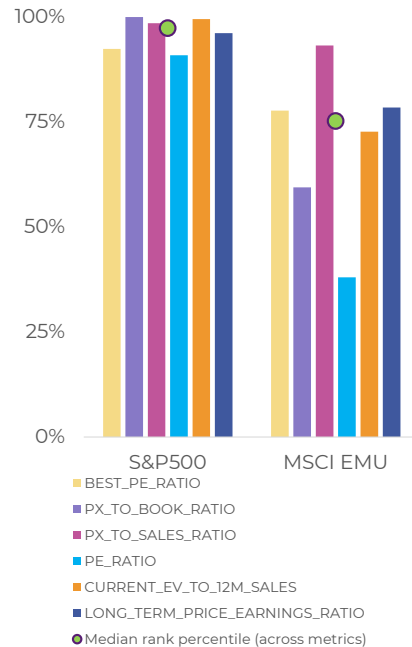


Source: Natixis, Bloomberg, IBES

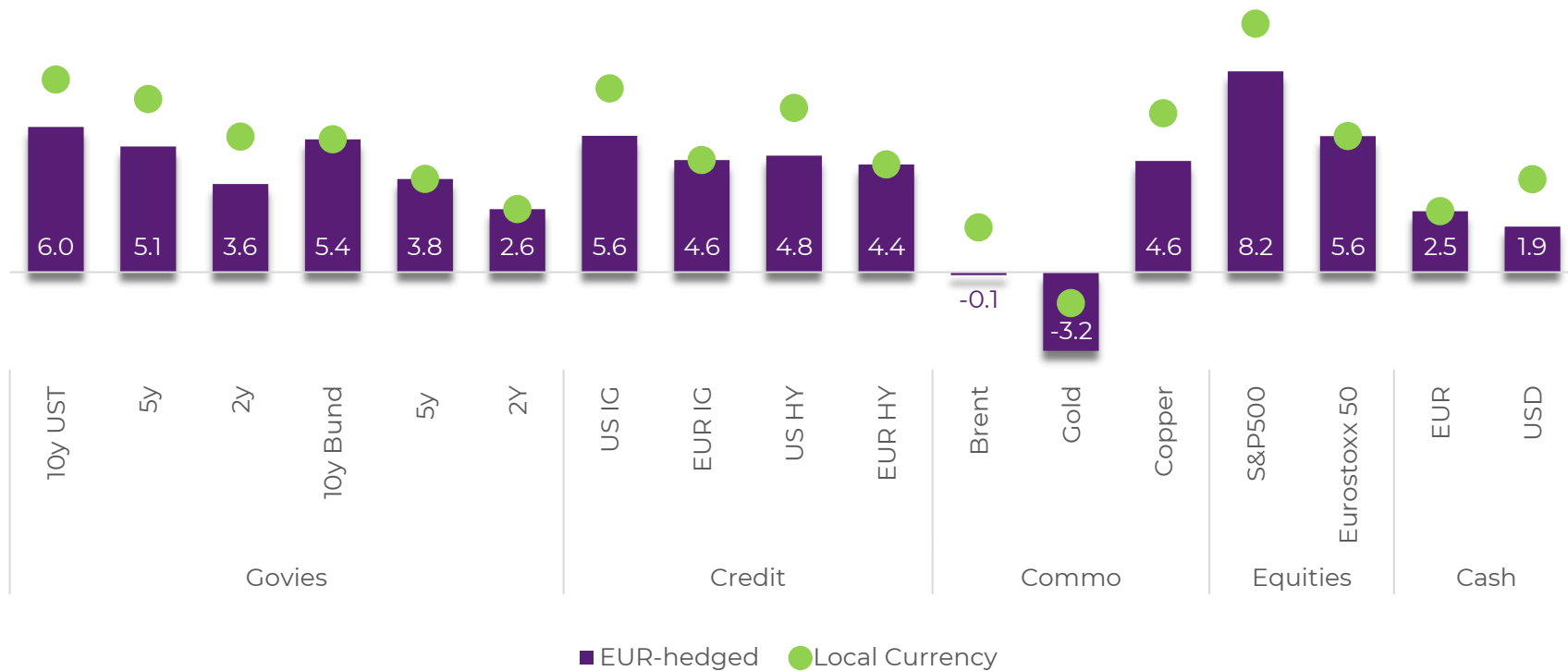
Flows



Valuation



Expected returns for 2025



MACRO & FINANCIAL INSTITUTIONS TEAM



Nathalie DEZEURE

Head of Macro & Financial Institutions Research

+33 1 58 55 99 93
nathalie.dezeure@natixis.com

FINANCIAL INSTITUTIONS



Bouchra RHAJBAL

+33 1 58 55 79 93
bouchra.rhajbal@natixis.com

STRESS TEST / MODELISATION



Patricia FLOREZ CABRA

+33 1 58 55 62 71
patricia.florezcabra@natixis.com

COVERED BONDS



Jennifer LEVY

+33 1 58 55 82 80
jennifer.levy@natixis.com

MACRO ECONOMIC RESEARCH



Dirk SCHUMACHER

Head of Europe Macro Research

+49 699 7153 354
dirk.schumacher@natixis.com



Jesus CASTILLO

Southern Europe, Euro zone

+33 1 58 55 99 90
jesus.castillo@natixis.com



Sylwia HUBAR

Real Estate

+33 1 58 55 35 59
sylwia.hubar@natixis.com



Hadrien Camatte

France, Belgium, Euro zone

hadrien.camatte@natixis.com



Inna MUFTEEVA, CFA

CEEMEA

+33 1 58 55 52 04
inna.mufteeva@natixis.com

MARKETS RESEARCH TEAM



Cyril REGNAT

Head of Markets Research

+33 1 58 55 82 20
cyril.regnat@natixis.com

RATES STRATEGIST



Benoit GERARD

+33 1 58 55 44 86
benoit.gerard@natixis.com



Théophile LEGRAND

+33 1 58 55 44 14
theophile.legrand@natixis.com

RATES DERIVATIVES STRATEGIST



Eya CHAMMAKHI

+33 1 58 55 26 05
eya.chammakhi@natixis.com



Florent POCHON

Head of Cross-asset strategies

+33 1 58 55 32 81
florent.pochon@natixis.com

FOREX



Nordine NAAM

+33 1 58 55 14 95
nordine.naam@natixis.com



Céline CLARI

+33 1 58 55 82 50
celine.clari@natixis.com

INVESTMENT STRATEGIES / CROSS-ASSET



Emilie TETARD

+33 1 58 19 98 15
emilie.tetard@natixis.com

REAL ASSETS & SECTORS RESEARCH TEAM



Thibaut CUILIERE

Head of Real Asset Research

+33 1 58 55 05 06
thibaut.cuilliere@natixis.com

ENERGY TRANSITION & COMMODITIES



Bernard DAHDH

+33 1 58 55 14 39
bernard.dahdah@natixis.com



Fanny MEINDRE, PhD

+33 1 58 55 28 62
fanny.meindre@natixis.com



Micaella FELDSTEIN

+33 1 58 55 80 83
micaella.feldstein@natixis.com



Thierry CHEREL

+33 1 58 55 14 68
thierry.cherel@natixis.com



Joel HANCOCK

+44 20 321 696 48
joel.hancock@natixis.com



Eric BENOIST

+44 20 32 16 93 97
eric.benoist@natixis.com



Roméo YOMBO-NGUITONGO

+33 1 58 55 04 57
romeo.yombo-nguitongo@natixis.com

HIGH YIELD



Serge Herve SAME

+33 1 58 55 04 64
sergeherve.same@natixis.com



Ivan PAVLOVIC

+33 1 58 55 17 04
ivan.pavlovic@natixis.com



Valentin MORY

+33 1 58 55 04 98
valentin.mory@natixis.com

INFRASTRUCTURE, GREEN & HYBRIDS

TRANSPORTATION & MOBILITY

INTERNATIONAL TEAM



Alicia GARCIA HERRERO

Chief Economist Asia Pacific

+852 3900 8680

alicia.garciaherrero@natixis.com



Benito BERBER

Chief Economist Americas

+1 212 698 3044

benito.berber@natixis.com

ASIA - PACIFIC



Kohei IWAHARA

Japan, Pacific

+813 4519 2141

kohei.iwahara@natixis.com



Trinh NGUYEN

Emerging Asia

+852 3900 8726

trinh.nguyen@natixis.com



Jianwei XU

Greater China

+852 3900 8034

jianwei.xu@natixis.com



Gary NG

Sectoral Research Asia

+852 3915 1242

gary.ng@natixis.com



Haoxin MU

Sectoral Research Asia

+852 3900 8067

haoxin.mu@natixis.com

AMERICAS



Christopher HODGE

Chief economist US

+1 212 891 6109

christopher.hodge@natixis.com



Jonathan PINGLE

Economist

+1 212 891 1932

jonathan.pingle@natixis.com

In compliance with Market Abuse Regulation (MAR) that came into force on July 2016, please find relevant information regarding investment recommendations.

As a staff member of Natixis, the producer of the document is considered as the author of an investment recommendation as defined by MAR.

Policy for managing conflicts of interest: https://natixis.groupebp.com/wp-content/uploads/2022/11/summary_policy_management_of_conflicts_of_interests_eng_220626.pdf

Information about potential conflicts of interest within Natixis/Grpue BPCE: <https://home.cb.natixis.com/regulation>

This marketing communication and the information contained in this publication and all attachments are exclusively intended for a client base consisting of professionals and eligible counterparties.

This document is not prepared independently of the interests of Natixis, and its respective affiliates, employees or clients.

This document and any attachment thereto are strictly confidential and cannot be divulged to a third party without the prior written consent of Natixis. If you are not the intended recipient of this document and/or the attachments, please delete them and immediately notify the sender.

Reference prices are based on closing prices (if mentioned in this document).

Distribution, possession or delivery of this document is, to or from certain jurisdictions may be restricted or prohibited by law. Recipients of this document are required to inform themselves of and comply with all such restrictions or prohibitions. Neither Natixis, nor any of its affiliates, directors, employees, agents or advisers or any other person may be deemed liable to any person in relation to the distribution, possession or delivery of this document, to or from any jurisdiction.

This document has been developed by our economists. It does not constitute a financial analysis and has not been developed in accordance with legal requirements designed to promote the independence of investment research. Accordingly, there are no prohibitions on dealing ahead of its dissemination.

This document and all attachments are communicated to each recipient for information purposes only and do not constitute a professional investment recommendation. They are intended for general distribution and the products or services described herein do not take into account any specific investment objective, financial situation or particular need of any recipient. This document and any attachment thereto shall not be construed as an offer nor a solicitation for any purchase, sale or subscription. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances. You should make your own independent evaluation of the information contained in this document and make such other investigations as you deem necessary, including obtaining independent financial advice, before participating in any transaction in respect of the financial instruments referred to in this document. Under no circumstances should this document be considered as an official confirmation of a transaction to any person or entity.

This document and any attachment thereto are based on public information and shall not be used nor considered as an undertaking from Natixis.

Natixis has neither verified nor carried out independent analysis of the information contained in this document. Accordingly, no representation, warranty or undertaking, either express or implied, is made to the recipients of this document as to or in relation to the relevance, accuracy or completeness of this document or as to the reasonableness of any assumption contained in this document. Information does not take into account specific risks applicable to certain clients or potential clients of Natixis. Therefore, Natixis shall not be liable for differences, if any, between its own valuations and those valuations provided by third parties, as such differences may arise as a result of the application and implementation of alternative accounting methods, tax rules or valuation models. The statements, assumptions and opinions contained in this document may be changed or may be withdrawn by Natixis at any time without notice.

Prices and margins are indicative only and are subject to change at any time without notice depending on, inter alia, market conditions. Past performances and simulations of past performances are not a reliable indicator and therefore do not anticipate any future results. The information contained in this document may include results of analyses from a quantitative model, which represent potential value events that may or may not be realized and is not a complete analysis of every material fact representing any product. Information may be changed or may be withdrawn by Natixis at any time without notice.

The statements, assumptions and forecasts contained in this document reflect the judgment of its author(s), unless otherwise specified, and do not reflect the judgment of any other person or of Natixis. The information contained in this document should not be assumed to have been updated at any time subsequent to the date shown on the first page of this document and the delivery of this document does not constitute a representation by any person that such information will be updated at any time after the date of this document.

Natixis shall not be liable for any financial loss or any decision taken on the basis of the information disclosed in this presentation and Natixis does not provide any advice, including in case of investment services. In any event, you should refer to any internal and/or external advice that you consider necessary or desirable to obtain, including from any financial, legal, tax or accounting adviser, or any other specialist, in order to verify in particular that the transaction (as the case may be) described in this document complies with your objectives and constraints and to obtain an independent valuation of the transaction, its risk factors and rewards.

All of the views expressed in this report accurately reflect the author's personal views regarding any and all of the subject securities or issues. No part of author compensation was, is or will be, directly or indirectly related to the specific recommendations or views expressed in this report. The personal views of authors may differ from one another. Natixis, its subsidiaries and affiliates may have issued or may issue reports that are inconsistent with, and/or reach different conclusions from, the information presented herein.

(Natixis may have Conflicts of Interest : Natixis may from time to time, as principal or agent, be involved in a wide range of activities globally, have positions in, or may buy or sell, or make a market in any securities, currencies, financial instruments or other assets underlying the instruments to which the information relates. Natixis activities related to those instruments may have an impact on the price of the relevant underlying asset and may give rise to conflicting interests or duties. Natixis may provide services to any member of the same group as the recipient of the information or any other entity or person (a Third Party), engage in any transaction (on its own account or otherwise) with respect to the recipient of the information or a Third Party, or act in relation to any matter for itself or any Third Party, notwithstanding that such services, transactions or actions may be adverse to the recipient of the information or any member of its group, and Natixis may retain for its own benefit any related remuneration or profit. In addition, Natixis, whether by virtue of the types of relationships described in this paragraph or otherwise, from time to time be in possession of information in relation to a particular instrument that is or may be material in the context of that instrument and that may or may not be publicly available or known to you. Our providing you an indicative price quotation or other information with respect to any such instrument does not create any obligation on the part of Natixis to disclose to you any such information (whether or not confidential).)]

For more information on our conflicts of interest, please refer to our [Conflicts of Interest](#) and [Conflicts of Interest](#) disclosures. Please click on the following link to consult them: <https://www.research.natixis.com/Globa/ResearchWeb/main/globa/research/Disclaimers/Specifics>

Natixis is supervised by the European Central bank (ECB). Natixis is authorized in France by the Autorité de Contrôle Prudentiel et de Régulation (ACPR) as a Bank -Investment Services Provider and subject to its supervision. Natixis is regulated by the Autorité des marchés financiers in respect of its investment services activities.

In the UK, Natixis London Branch is authorised by l'Autorité de contrôle prudentiel et de résolution (ACPR), supervised by the European Central Bank (ECB) and regulated by the Autorité des Marchés Financiers (AMF), deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulated by the Prudential Regulation Authority. Details of the Temporary Permissions Regime (TPR) and the Financial Markets Incentive Regime (FMR) authorisation, are available on the Financial Conduct Authority's website. In Germany, NATIXIS is authorized by the ACPR as a bank - investment services provider and is subject to its supervision. NATIXIS Zweigniederlassung Deutschland is subject to a limited form of regulation by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) with regards to the conduct of its business in Germany under the right of establishment there. The transfer / distribution of this document in Germany is performed by / under the responsibility of NATIXIS Zweigniederlassung Deutschland.

Natixis is authorized by the ACPR and regulated by Bank of Spain and the CNMV (Comisión Nacional del Mercado de Valores) for the conduct of its business under the right of establishment in Spain. Natixis is authorized by the ACPR and regulated by Bank of Italy and the CONSOB (Commissione Nazionale per le Società e la Borsa) for the conduct of its business under the right of establishment in Italy.

Natixis, a foreign bank and broker-dealer, makes this report available solely for distribution in the United States to major U.S. institutional investors as defined in Rule 15a-6 under the U.S. securities Exchange Act of 1934. This document shall not be distributed to any other persons in the United States. All major U.S. institutional investors receiving this document shall not distribute the original nor a copy thereof to any other person in the United States. Natixis Securities Americas LLC, a U.S. registered broker-dealer and member of FINRA, is a subsidiary of Natixis. Natixis Securities Americas LLC did not participate in the preparation of this report and as such assumes no responsibility for its content. This report has been prepared and reviewed by authors employed by Natixis, who are not associated persons of Natixis Securities Americas LLC and are not registered or qualified as research analysts with FINRA, and are not subject to the rules of the FINRA. In order to receive any additional information about or to effect a transaction in any security or financial instrument mentioned herein, please contact your usual registered representative at Natixis Securities Americas LLC, by email or by mail at 1251 Avenue of the Americas, New York, NY 10020, or by telephone at the subject to specific disclosures. Please click on the following link to consult them: [Disclaimers/Specifics](#)

In Canada, Natixis operates through Natixis Canada Branch which is supervised and regulated by the Office of the Superintendent of Financial Institutions (OSFI) as a Foreign Bank Branch (Schédule 3 – Lending only) . Natixis Securities Americas LLC is not a registered broker-dealer in any Canadian province but operates under the International Dealer Exemption in each province. NATIXIS is not a registered broker-dealer in any Canadian province and operates under the International Dealer Exemption in Quebec and Ontario. Any securities transaction or other offer, sale, or solicitation will be structured to be in compliance with such exemption.

In Canada, this document may only be transmitted to "permitted clients" as defined in National Instrument 31-103. No further distribution is permitted. Distribution to retail investors is prohibited. Natixis Japan Securities Co., Ltd. (NJS) is a Financial Instruments Business Operator (Director General of Financial Instruments Business (Kinsho) No. 2227 and is supervised by the Financial Services Agency. NJS is a member of the Japan Securities Dealers Association and Type II Financial Instruments Firms. This document is intended solely for distribution to Professional Investors as defined in Article 2.31 of the Financial Instruments and Exchange Act. All of the views expressed in this report accurately reflect the author's personal views regarding any and all of the subject securities or issues. No part of author compensation was, is or will be, directly or indirectly related to the specific recommendations or views expressed in this report. (IWE, IWH) WHO WROTE THIS REPORT HEREBY CERTIFY THAT THE VIEWS EXPRESSED IN THIS DOCUMENT ACCURATELY REFLECT OUR(MY) PERSONAL VIEWS ABOUT THE SUBJECT COMPANY OR COMPANIES AND ITS OR

THEIR SECURITIES, AND THAT NO PART OF OUR COMPENSATION WAS, IS OR WILL BE, DIRECTLY OR INDIRECTLY, RELATED TO THE SPECIFIC RECOMMENDATIONS OR VIEWS EXPRESSED IN THIS REPORT. The personal views of authors may differ from one another. Natixis, its subsidiaries and affiliates may have issued or may issue reports that are inconsistent with, and/or reach different conclusions from, the information presented herein.

In Hong Kong, this document is for distribution to professional investors only (as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made under that Ordinance).

Natixis Singapore Branch is regulated by the Monetary Authority of Singapore. This document is intended solely for distribution to Institutional Investors, Accredited Investors and Expert Investors as defined in Section 4A of the Securities and Futures Act of Singapore.

In Mainland China, Natixis Shanghai branch and Natixis Beijing branch are regulated in the PRC by China Banking and Insurance Regulatory Commission, the People's Bank of China, and the State Administration of Foreign Exchange for the exchange of banking business. This document is intended solely for distribution to Professional Investors who are authorized to engage in the purchase of Product of the type being offered or sold. PRC Professional investors are responsible for obtaining all relevant approvals/licenses, verification and/or registrations themselves from relevant governmental authorities (including but not limited to China Banking and Insurance Regulatory Commission, the People's Bank of China, State Administration of Foreign Exchange and/or China Securities Regulatory Commission), and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or foreign investment regulations.

In Taiwan, Natixis Taipei Branch is regulated by the Taiwan Financial Supervisory Commission. This document is intended solely for distribution to professional investors in Taiwan for reference only.

In South Korea, this research material has been provided to you without charge for your convenience only. All information contained in this material is factual information and does not reflect any opinion or judgment by Natixis. The information contained in this research material should not be construed as offer, marketing, solicitation or investment advice with respect to any financial investment products mentioned in this material.

In Australia, Natixis has a wholly owned subsidiary, Natixis Australia Pty Limited ("NAPL"). NAPL is registered with the Australian Securities & Investments Commission and holds an Australian Financial Services License (No. 317114) which enables NAPL to conduct its financial research business in Australia with "wholesale" clients. Details of the AFSL are available upon request.

Natixis S.A. is not an Authorised Deposit-Taking Institution under the Australian Banking Act 1959, nor is it regulated by the Australian Prudential Regulation Authority. Any references made to banking in the document refer to Natixis activities outside of Australia.

Natixis is authorized by the ACPR and regulated by the Dubai Financial Services Authority (DFSA) for the conduct of its business in and from the Dubai International Financial Centre (DIFC). The document is being made available to the recipient with the understanding that it meets the DFSA definition of a Professional Client, the recipient is therefore required to inform Natixis if this is not the case and return the document. The recipient also acknowledges and understands that neither the document nor its contents have been approved, licensed by or registered with any regulatory body or governmental agency in the GCC or Lebanon.

In Oman, Natixis does not have a physical presence nor a representative office in Oman and does not undertake banking business or provide financial services in Oman. Consequently, Natixis is not regulated by either the Central Bank of Oman or Oman's Capital Market Authority. This document has been prepared by Natixis.

The information contained in this document is for discussion purposes only and neither constitutes an offer of securities in Oman as regulated by the Commercial Companies Law of Oman (Royal Decree 47/4) or the Capital Market Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy non-Omani securities in Oman as contemplated by Article 139 of the Executive Regulations to the Capital Market Law (issued vide OCM Decision 120/98).

Natixis does not solicit business in Oman and, in any circumstances in which Natixis sends information or material to recipients in Oman, the person or entity to whom it has been dispatched by Natixis understands, acknowledges and agrees that this document has not been approved by the CBO, the CMA or any other regulatory body or authority in Oman.

Natixis does not market, offer, sell or distribute any financial or investment products or services in Oman and no subscription to any securities, products or financial services may or will be consummated within Oman.

Nothing contained in this document is intended to constitute Oman investment, legal, tax, accounting or other professional advice.

In Qatar, the information contained in this document has been compiled in good faith with all reasonable care and attention and, to the best of our knowledge and belief, is correct at the time of publication and does not omit any fact available to us that is material to the correctness of such information. Any opinions expressed herein have been formed in good faith on the relevant facts available at the time of its formation.

Natixis Saud Arabia Investment Company, licensed and regulated by the Capital Market Authority (Number: 19205-31), located in Alifalshah Tower, 16th Floor, King Fahad Road, Riyadh – KSA. Argentina: In accordance with laws and regulations in force, the representative office of a foreign financial institution not licensed to operate in Argentina is prohibited from receiving funds from the public for itself or for the foreign financial institution it represents. The unlicensed representative office is not authorized to perform foreign exchange transactions reserved to licensed entities pursuant to Law No. 18.924 on Brokerage Firms and Agencies. Any violation of the laws related to the unauthorized taking of funds shall be punishable consistent with Section 41 of Law 21.526 on Financial Institutions (Ley de Entidades Financieras). Natixis does not have a representative office in Chile and does not intend to provide foreign exchange transactions shall be punishable under the Criminal Exchange Regulations (Regimen Penal Cambiario) set forth in Law 19.359 (as amended and restated by Decree 480/1995).

Colombia: By receiving this document you confirm that you have requested us to provide you this document and information on described in it. You also confirm that your interest in requesting such documents and information arose out of your own private interest and was not the result of any direct or indirect solicitation, promotion or offering of services or products by Natixis or by any of its representatives. Accordingly, the information contained in this document is not intended and should not be construed as constituting ongoing promotion, marketing or solicitation of securities-market services or products. The distribution of the information contained in this document is restricted by law and persons who access it are required to comply with all such restrictions. The information is not intended to be published or otherwise disseminated, and anyone doing so would contravene any applicable laws or regulations. By receiving this document, you confirm that you are aware of the laws in Colombia relating to the promotion and marketing of financial services products and you warrant and represent that you will not pass on or utilize the information contained in this document in a manner that could constitute a breach of such laws by Natixis, its affiliates or any other person. Any securities or products mentioned in this document have not been and will not be registered with the National Register of Securities ("Registro Nacional de Valores y Emisores") maintained by the Colombian Financial Superintendency ("Superintendencia Financiera de Colombia") and may not be publicly offered or sold in Colombia. This information does not constitute and should not be construed as an offer to enter into any agreement, or to purchase or subscribe any securities. The information is provided for information purposes only and does not constitute investment, legal, tax or other advice or any recommendation to buy, sell or otherwise transact in any of the funds or securities mentioned. Prospective investors should take appropriate professional advice before making any investment decision.

Chile: This communication and any accompanying information (the "Materials") are intended solely for informational purposes and do not constitute (and should not be interpreted to constitute) the selling, or conducting of business with respect to such products or services in Chile ("Jurisdiction"), or the conducting of any brokerage, banking or other similarly regulated activities in this Jurisdiction. Natixis ("Bank") is not registered (or intended to be registered) in this Jurisdiction. The Materials/information is/are private, confidential and are sent by the Bank only for the exclusive use of the addressee. The Materials must not be publicly distributed and any use of the Materials by anyone other than the addressee is not authorized. The addressee is required to comply with all applicable laws in this Jurisdiction, including, without limitation, tax laws and exchange control regulations, if any.

Peru: The product/information mentioned herein has/have not been registered under the Peruvian Securities Market Law (Supreme Decree N° 093-2002-EF) or before the Superintendencia del Mercado de Valores (SMV). There will be no public offering of the shares in Peru. The SMV has not reviewed the information provided to the investor. This material is only for the exclusive use of institutional investors in Peru and will not be public distribution."

Panama: This document and its contents are for information purposes and shall not be interpreted as banking or financial intermediation, business solicitation and/or public offering of any kind. Any and all services provided by Natixis are provided on a cross border basis outside of Panama. Natixis is not authorized by the Superintendencia de Banks nor the Superintendencia of the Securities Market to carry out any activities locally in Panama.

Brazil: There are no products mentioned herein which have been issued, placed, distributed or offered in the Brazilian market. Documents relating to these products, as well as information contained therein, are not intended to be published or otherwise disseminated, and anyone doing so would contravene any applicable laws or regulations in Brazil or used in connection with any offer for subscription or sale of financial products or services to the public in Brazil. These products will not be offered in Brazil, except in circumstances which do not constitute any breach or non-compliance with the Brazilian applicable legislation.

Mexico: As per your request, this information is delivered to you, who strictly participate to activities performed by Natixis, a Foreign Financial Entity in its country of origin, such institution is herein represented by its Representation Office in Mexico. This information is being delivered to you for information purposes only. Please note that the Representation Office in Mexico is prevented from negotiating, executing, or participating in (i) operations related to listed derivatives, and (ii) securing funds from the general public in Mexico."



NATIXIS

CORPORATE AND
INVESTMENT BANKING



Natixis Corporate & Investment Banking is part of
Global Financial Services, the global arm of Groupe BPCE

 **GROUPE BPCE**