

Midyear Economic & Investment Outlook

Koen De Leus – Chief Economist
Philippe Gijssels – Chief Strategy Officer

26 June 2026



**BNP PARIBAS
FORTIS**

The bank
for a changing
world



00 Macroeconomic overview

Koen De Leus
[Starts at slide 3](#)

01 AI as a driver of economic growth

Koen De Leus
[Starts at slide 13](#)

02 Climate transition and its impact on inflation

Koen De Leus
[Starts at slide 23](#)

03 Rising interest rates: Belgian government bonds under pressure

Koen De Leus
[Starts at slide 44](#)

04 SpaceX's IPO and its impact on the markets

Philippe Gijssels
[Starts at slide 57](#)

05 Commodities bull market

Philippe Gijssels
[Starts at slide 72](#)

06 New world order: higher inflation and interest rates, weaker dollar




Philippe Gijssels
[Starts at slide 88](#)

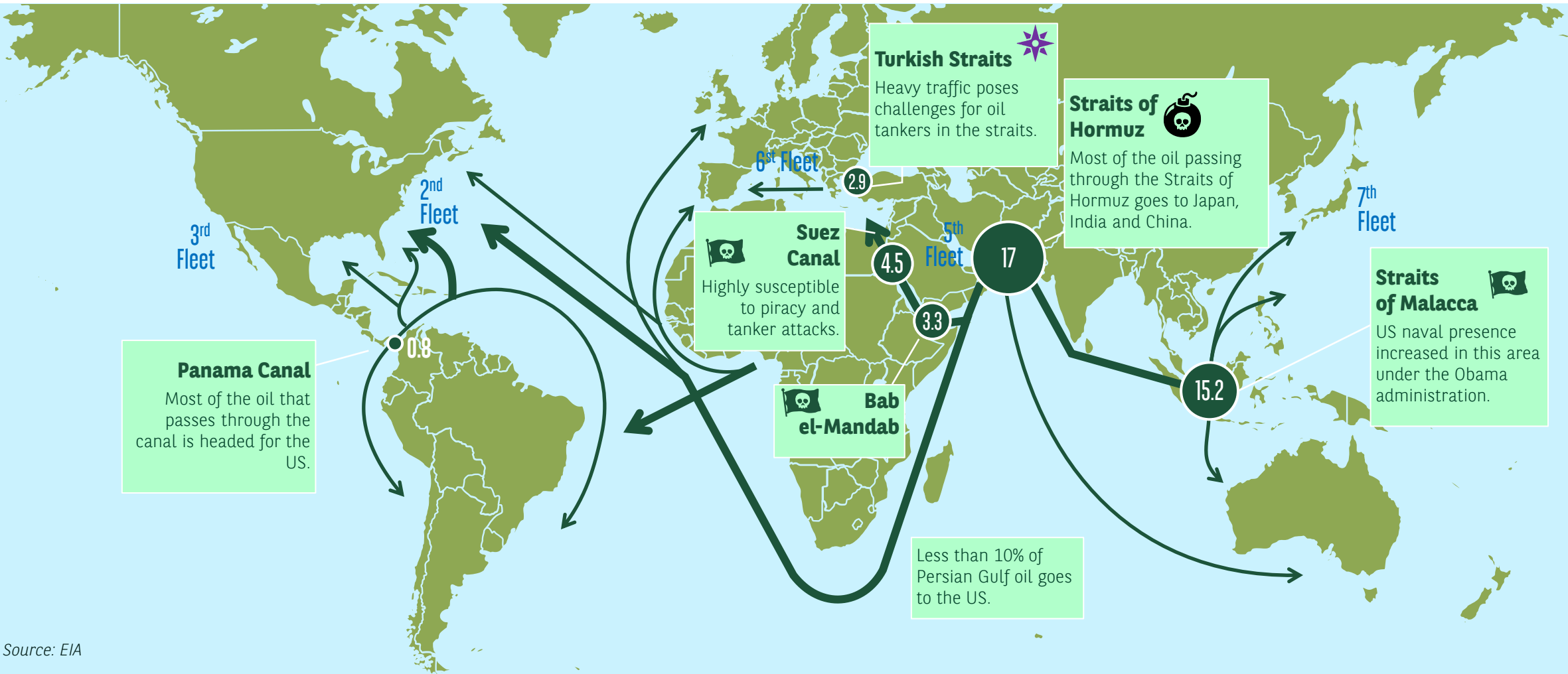


Macroeconomic overview

Koen De Leus

Global chokepoints and oil routes

- Millions of barrels per day
-  Risk of mines
-  Navigation challenge
-  Risk of piracy/attacks on oil tankers



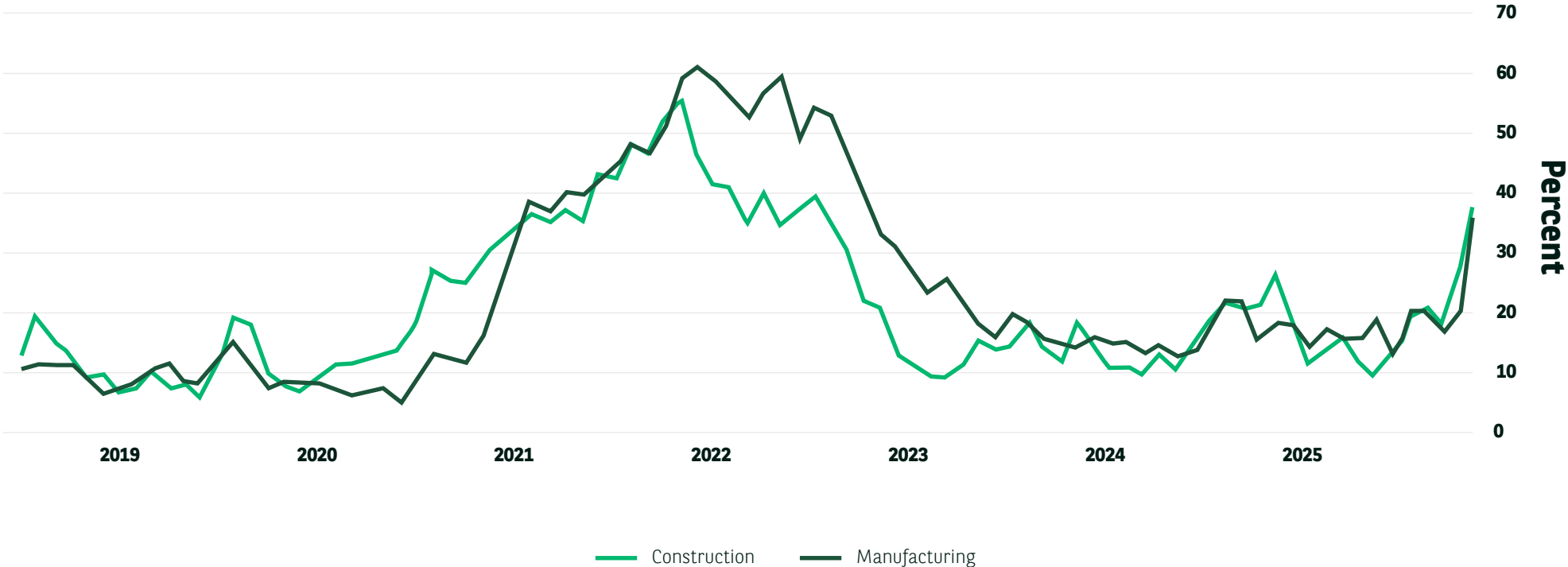
Source: EIA



Prices up

Selling price expectations over next 3 months

Share of firms that plan to raise prices, raw survey data



Sources: BNP Paribas Fortis, Macrobond



Base scenario today

BNP Paribas growth forecast

GDP growth	Annual avg (% y/y)			Quarterly averages (% q/q)								
	2025	2026	2027	2026				2027				
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
US	2.1	2.3	2.4	0.4	0.8	0.5	0.6	0.6	0.6	0.6	0.6	0.6
Eurozone	1.5	0.6	1.6	-0.2	0.3	0.4	0.4	0.4	0.5	0.4	0.4	0.4
Germany	0.3	0.8	1.1	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3
France	0.9	0.8	1.1	-0.1	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3
Italy	0.7	0.8	0.8	0.3	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3
Spain	2.8	2.3	2.2	0.6	0.4	0.5	0.6	0.5	0.6	0.6	0.6	0.6
China	5.0	4.6	4.5	1.3	0.8	1.2	1.1	1.2	1.0	1.1	1.1	1.1
Japan	1.1	0.5	0.7	0.5	0.1	0.0	0.1	0.2	0.2	0.2	0.2	0.2
UK	1.4	1.0	1.2	0.6	0.1	0.1	0.2	0.3	0.4	0.4	0.4	0.4
Switzerland	1.4	0.8	1.3	0.4	0.2	0.3	0.3	0.3	0.3	0.4	0.4	0.4



Belgium



2026

Growth: 0.7%
Inflation: 3.5%



2027

Growth: 0.9%
Inflation: 2.2%



Oil scenarios

Brent (future) and scenarios



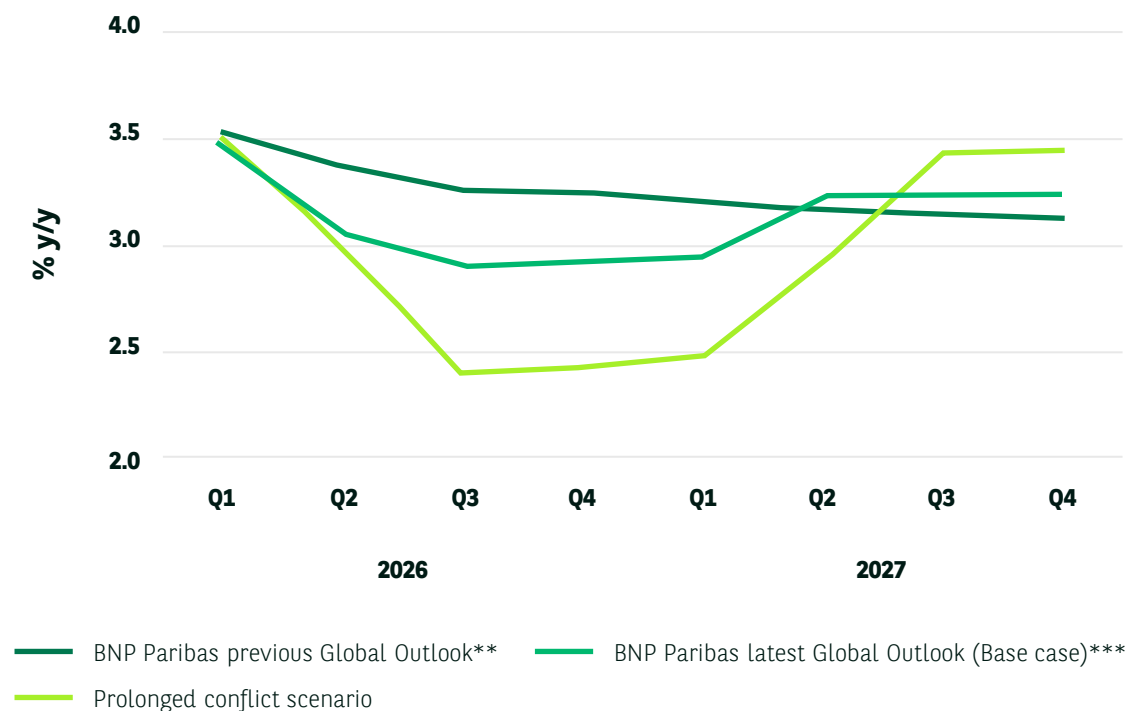
- Scenario 1**
MoU leads to durable deal,
Brent End of year: 75\$
- Scenario 2**
MoU leads – after extension(s) –
to durable deal, Brent EOY: 85\$
- Scenario 3**
MoU leads to unstable deal,
unpredictable flows, Brent EOY:
95\$
- Scenario 4**
MoU breaks down, scarcity
pricing, Brent EOY: 140\$

Source: BNP Paribas

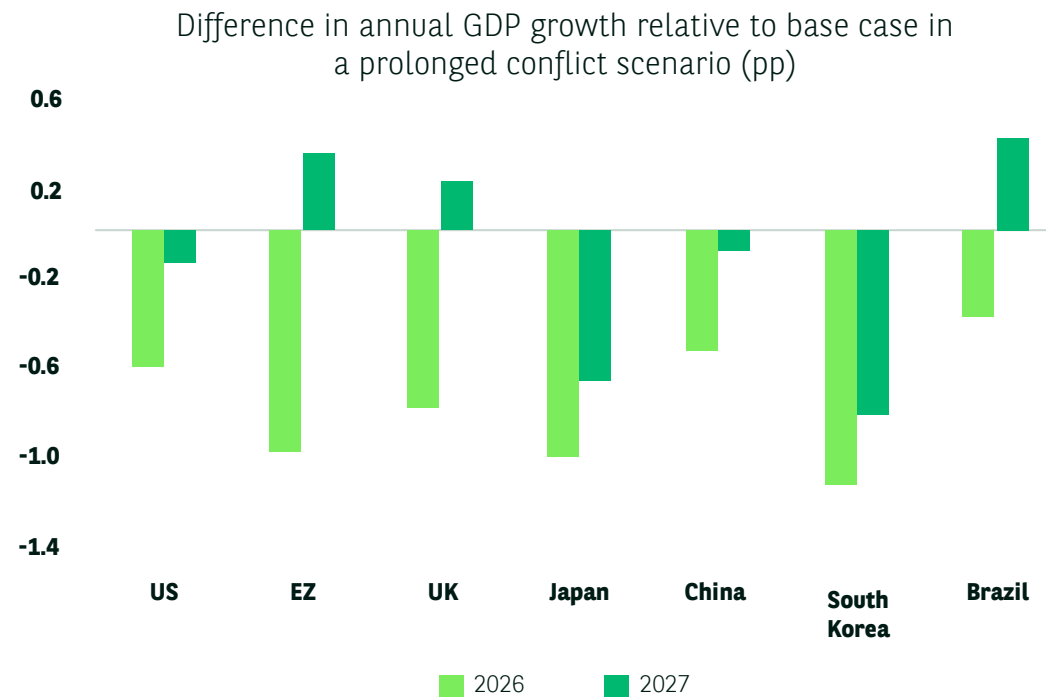


Base case versus recession scenario

We model a slide in global GDP growth* below 2.5% y/y under a prolonged closure of the Strait of Hormuz



Our recession scenario shows the largest impacts on South Korea, Japan and the eurozone



*Weighted average of all countries under our coverage and India, amounting to around 72% of world GDP on PPP basis. **BNP Paribas Global Outlook, dated 1 December 2025. ***These are the raw model outputs. We use adjustment when applying them to forecasts. Sources: NiGEM, IMF, Macrobond, BNP Paribas



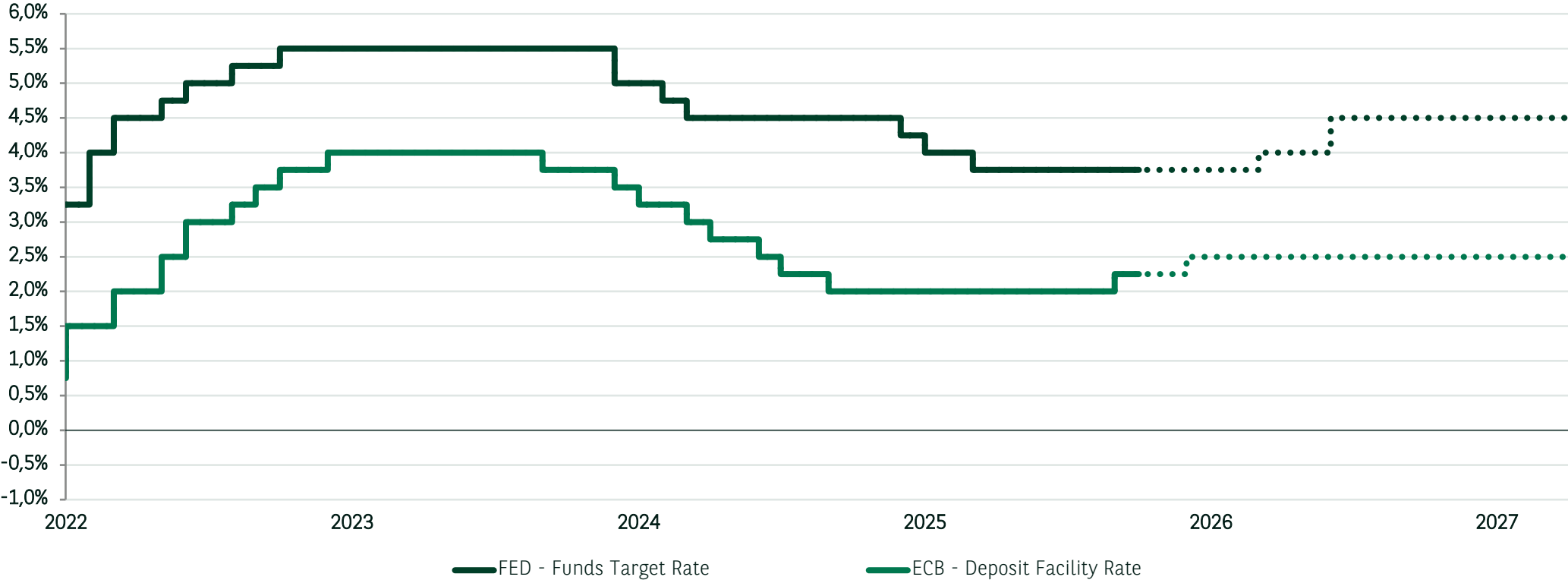
Base scenario inflation

CPI Inflation	Annual avg (% y/y)			Quarterly averages (% y/y)							
	2025	2026	2027	2026				2027			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US	2.7	3.7	2.8	2.7	4.1	4.0	4.1	3.8	2.6	2.4	2.4
Eurozone	2.1	3.0	3.3	2.0	3.1	3.1	3.6	3.7	3.1	3.4	3.0
Germany	2.2	3.2	3.5	2.2	3.3	3.3	3.8	3.9	3.4	3.5	3.1
France	1.0	2.2	1.6	1.1	2.6	2.5	2.6	2.3	1.3	1.3	1.5
Italy	1.7	3.1	3.7	1.4	3.2	3.4	4.3	4.5	3.6	3.5	3.1
Spain	2.7	3.3	3.1	2.8	3.5	3.4	3.4	3.3	3.1	3.2	2.9
China	0.0	1.3	1.6	0.9	1.5	1.6	1.1	1.3	1.1	1.4	1.7
Japan	3.1	2.3	3.1	1.4	1.6	2.4	3.6	4.2	3.6	3.1	1.8
UK	3.4	3.2	3.1	3.1	2.8	3.3	3.7	3.9	3.4	2.8	2.5
Switzerland	0.2	0.5	0.5	0.2	0.5	0.5	0.7	0.7	0.5	0.4	0.4

Source: BNP Paribas



Projected policy rates FED & ECB



Source: BNP Paribas





Richard Nixon

37th President of the United States:
1969 - 1974

Remarks at the Swearing In of Dr. Arthur F. Burns
as Chairman of the Board of Governors of the
Federal Reserve System

January 31, 1970

Dr. Burns, I want to bring you with me more often. I never heard so much applause in this room for some time.

"I respect his independence. However, I hope that independently he will conclude that my views are the ones that should be followed."



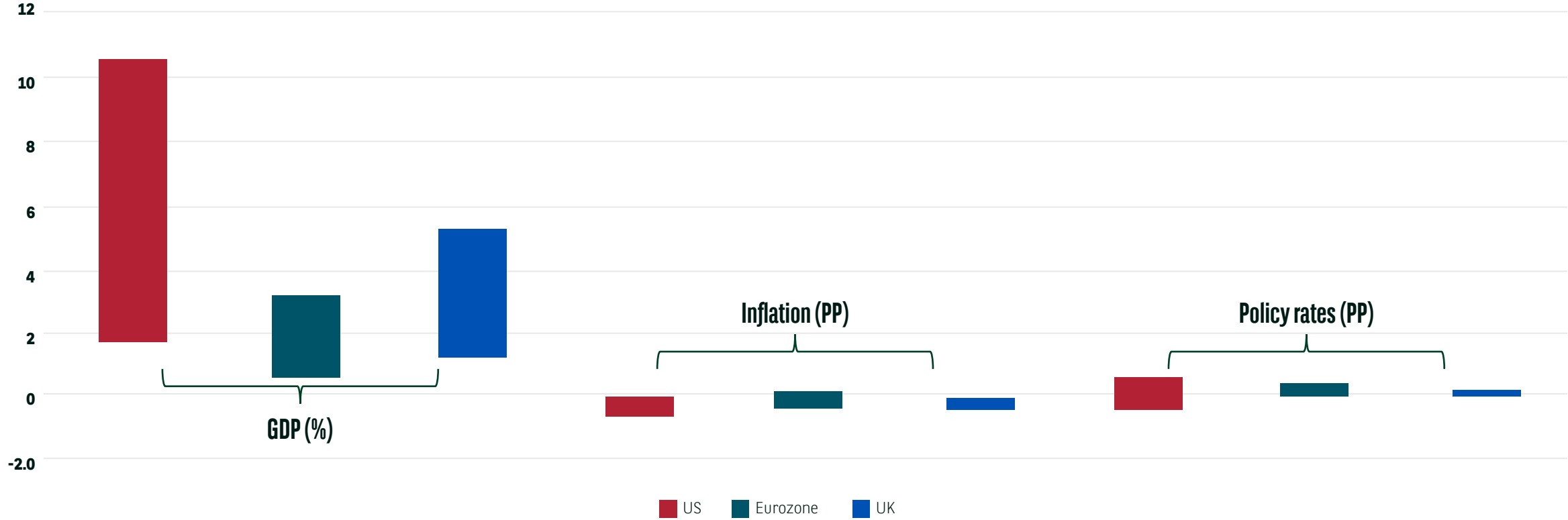


AI as a driver of economic growth

Koen De Leus

Range of outcomes for GDP, inflation and policy rates

Deviation from baseline, 2034



Source: BNP Paribas



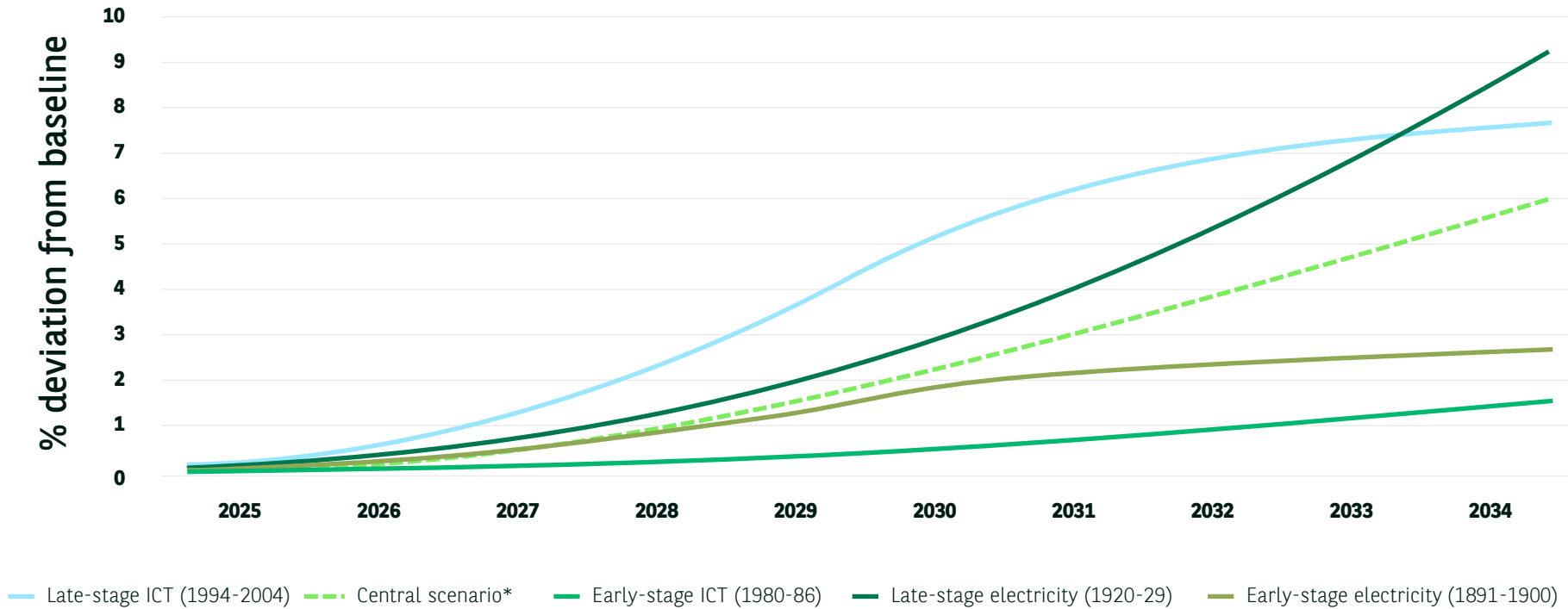
Forecasts of AI's effect on economic growth over 2025-2035 in %



Source: Tom Cunningham



BNP Paribas central case for AI impact and historic scenarios for US total factor productivity



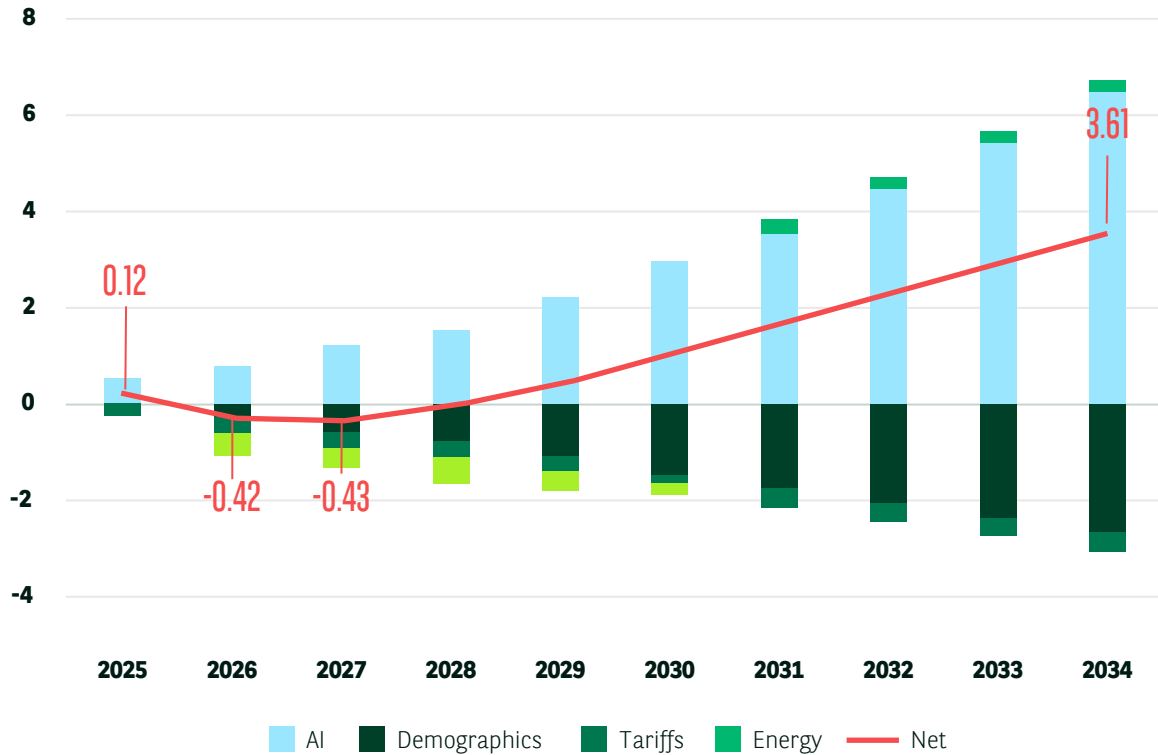
*Central scenario is computed as average of early and late-stage electricity. | Lines are % deviation from NiGEM baseline for total factor productivity.
Sources: NiGEM, BNP Paribas



Impact on GDP level

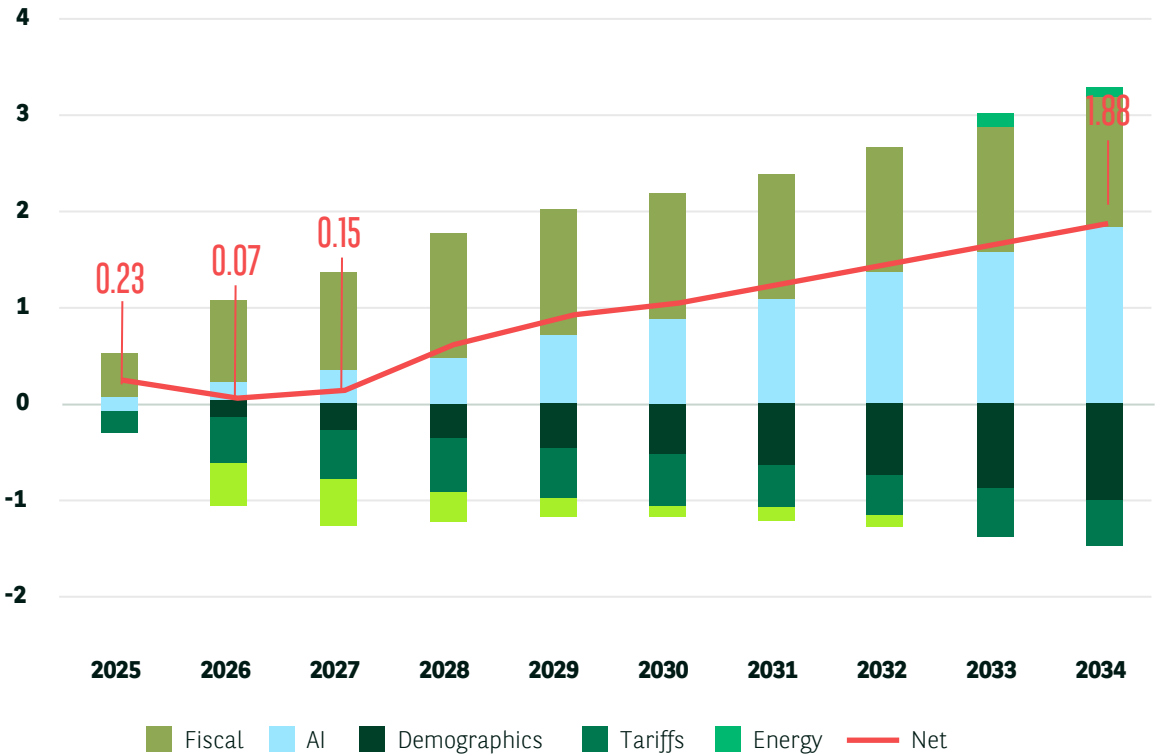
US

% deviation from baseline



Eurozone

% deviation from baseline



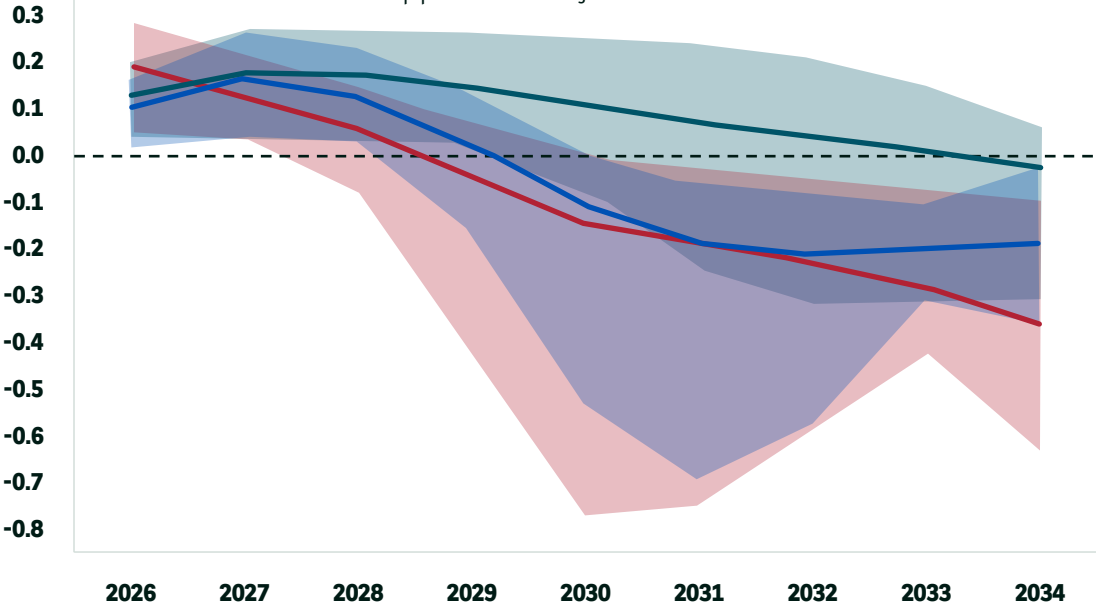
Sources: NIGEM, BNP Paribas



Impact on unemployment and inflation

Range of impacts on inflation

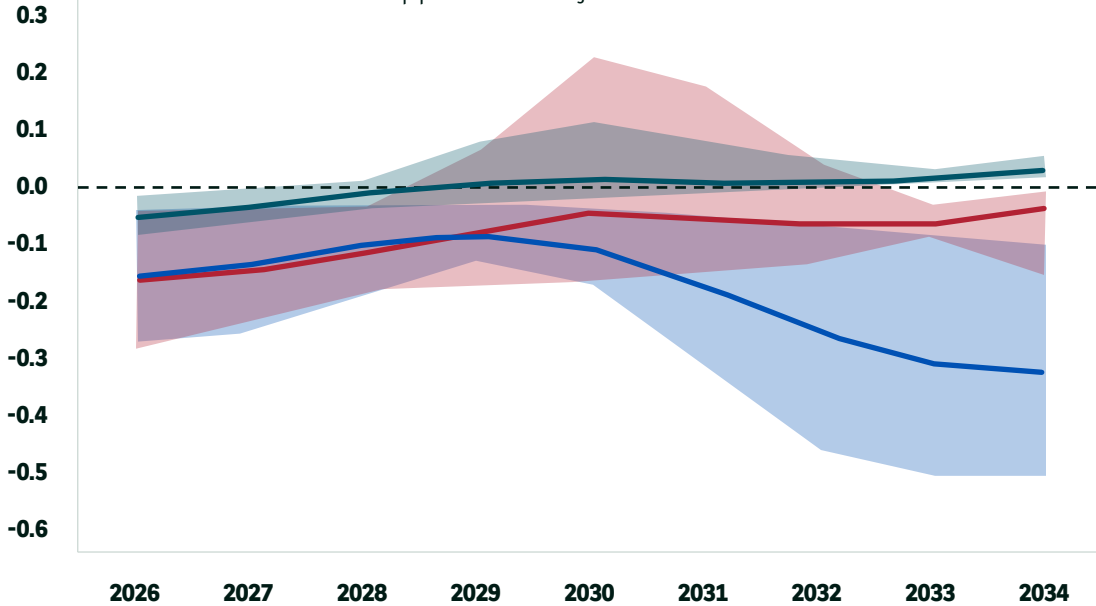
pp deviation from baseline



- US central scenario
- UK central scenario
- Eurozone central scenario
- US
- UK
- Eurozone

Range of impacts on unemployment rate

pp deviation from baseline



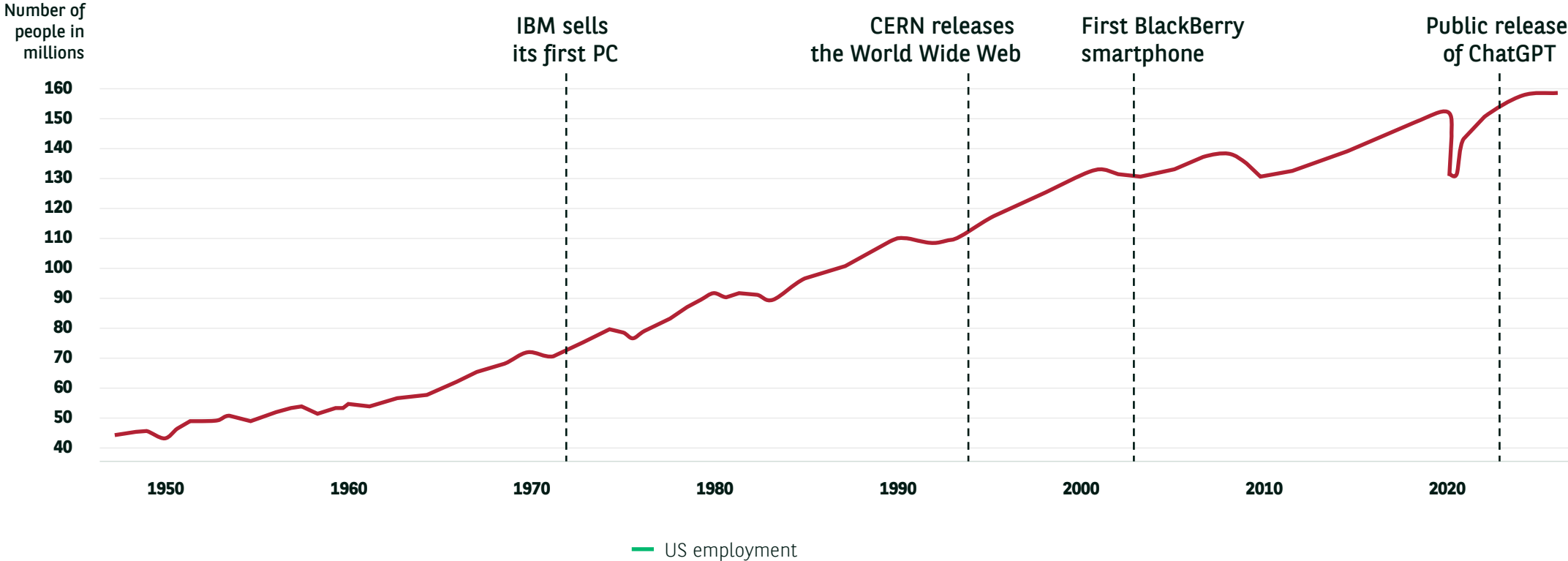
- US central scenario
- UK central scenario
- Eurozone central scenario
- US
- UK
- Eurozone

Scenarios show our modelling of AI impact relative to a baseline assuming no AI impact
Sources: NiGEM, Macrobond, BNP Paribas



AI: impact on jobs

History suggests that innovation did not destroy jobs



Sources: BLS, Macrobond, BNP Paribas



Effect of higher productivity

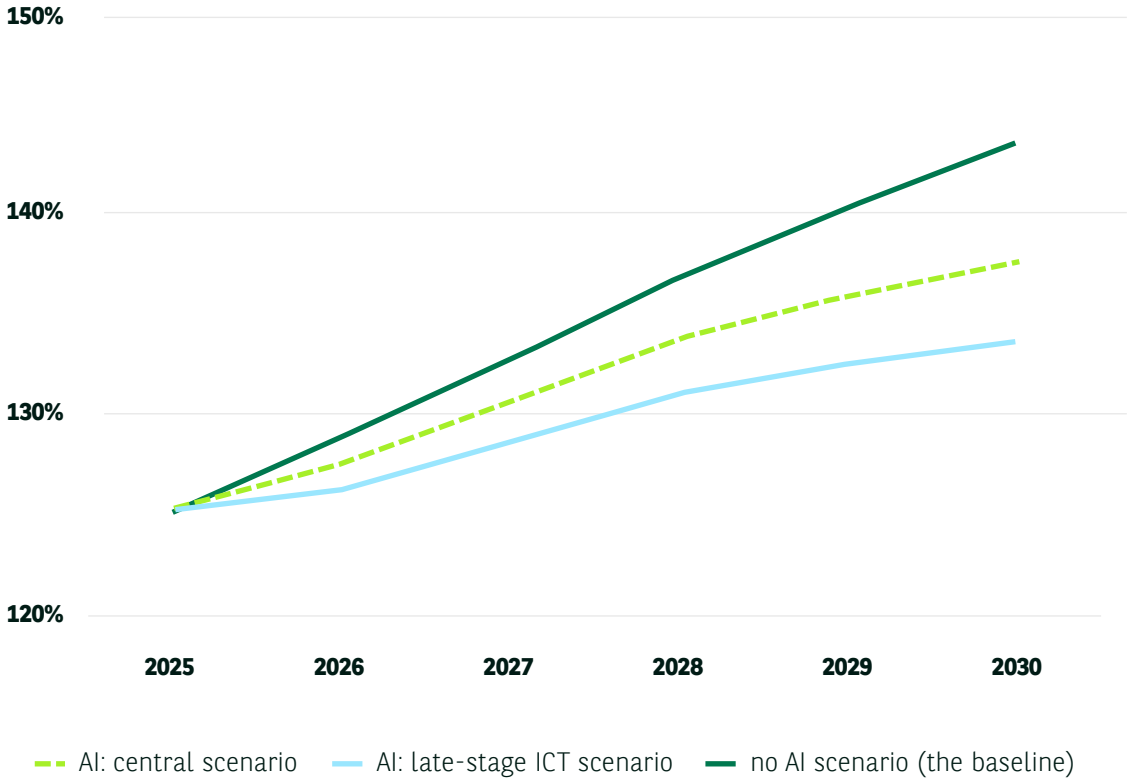
LOWER PRICES, MORE DEMAND

NEW BUSINESS MODEL,
NEW DEMAND



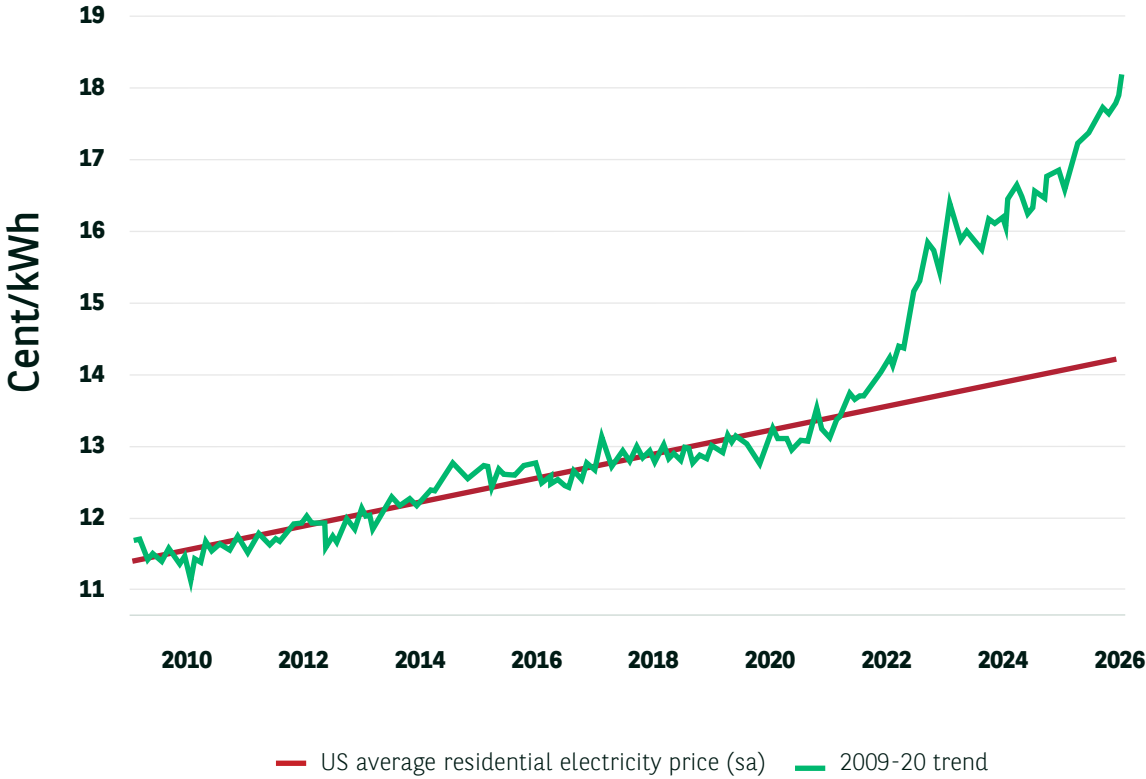
Debt and inflation

US debt/GDP level under different AI scenarios



Baseline refers to IMF's projections.
Sources: NIGEM, BNP Paribas

US electricity prices and pre-pandemic trend



Sources: EIA, Macrobond, BNP Paribas





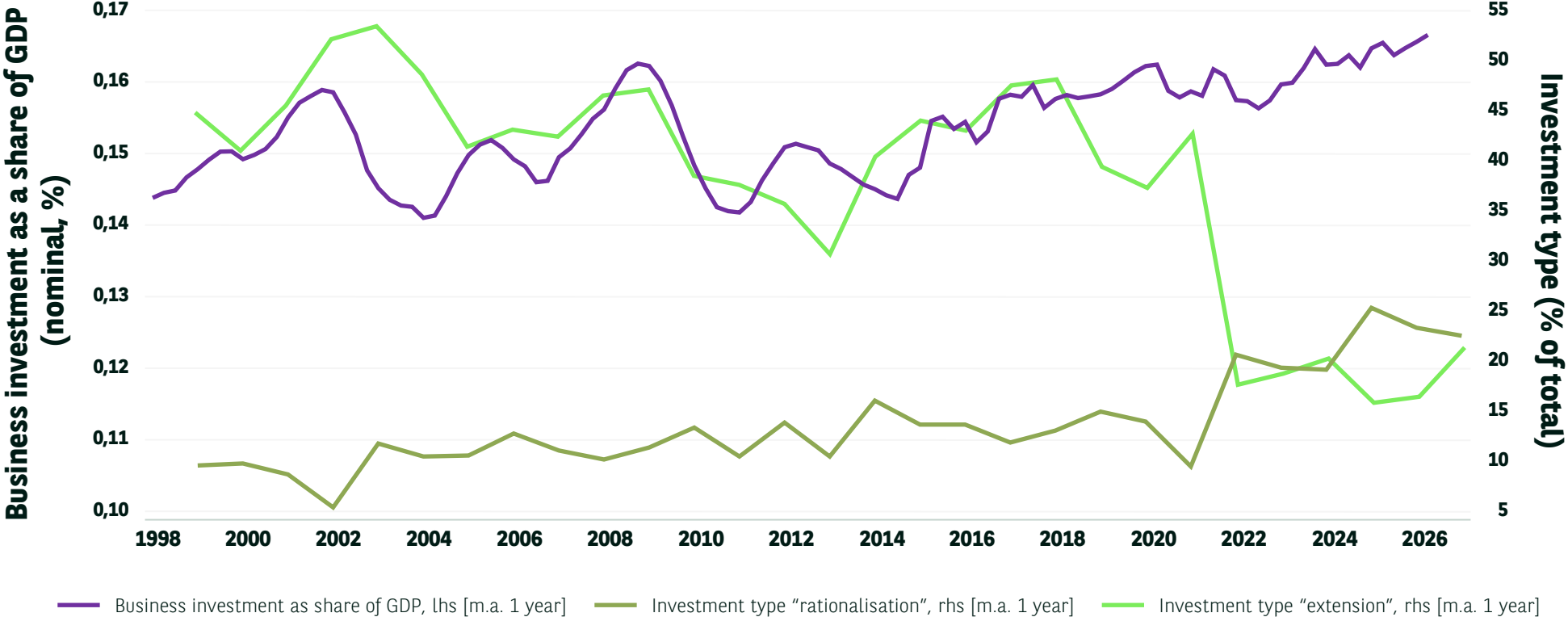
Climate transition and its impact on inflation

Koen De Leus



Who is investing?

Business investment is up but no sign of capacity expansion

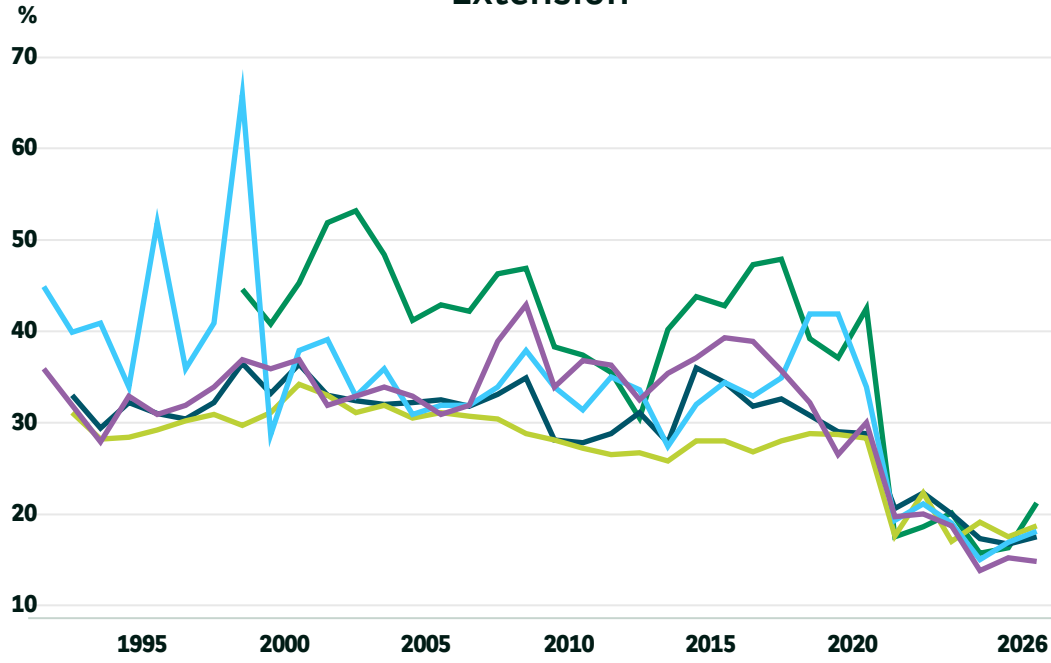


Sources: BNP Paribas Fortis, Macrobond

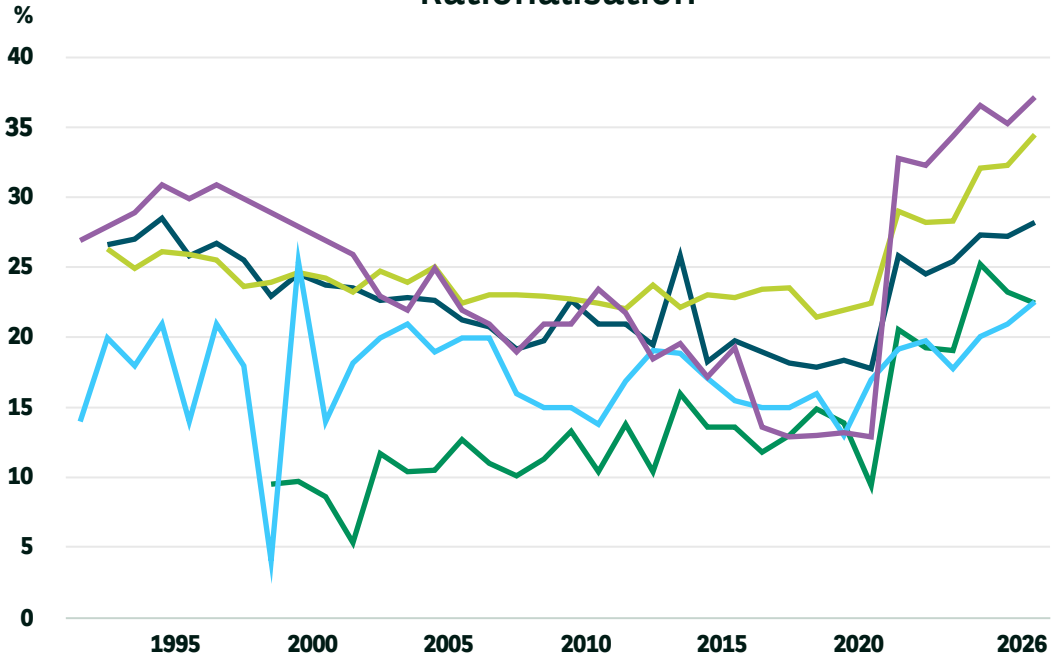


Investor Surveys

Extension



Rationalisation

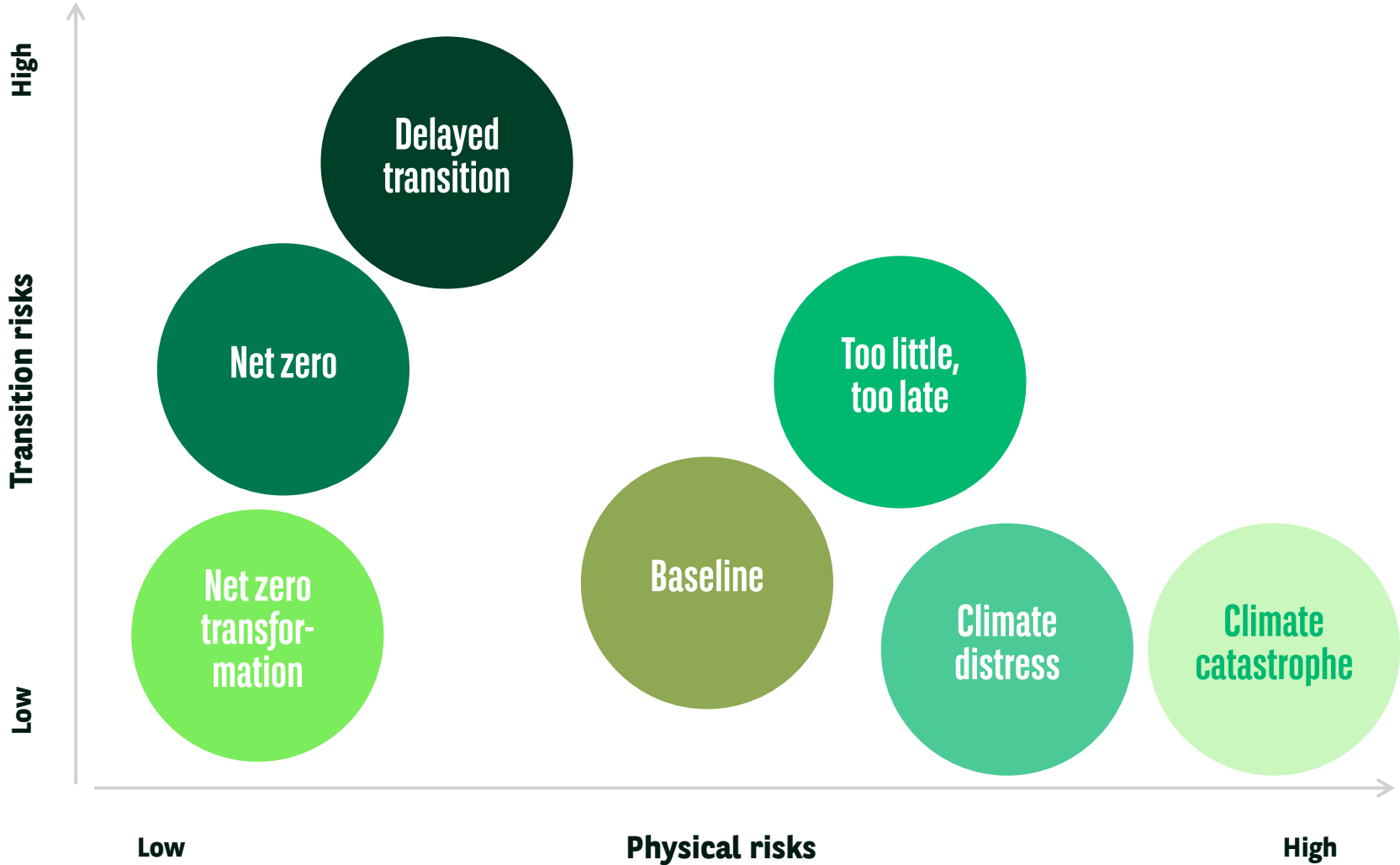


Germany Netherlands France Euro Area Belgium

Sources: BNP Paribas Fortis, Macrobond



Climate risk profiles



Note: Physical risks arise from changes in weather and climate that impact the economy. Transition risks encompass risks that arise from climate mitigation policy.

Source: Oxford Economics Global Climate Service





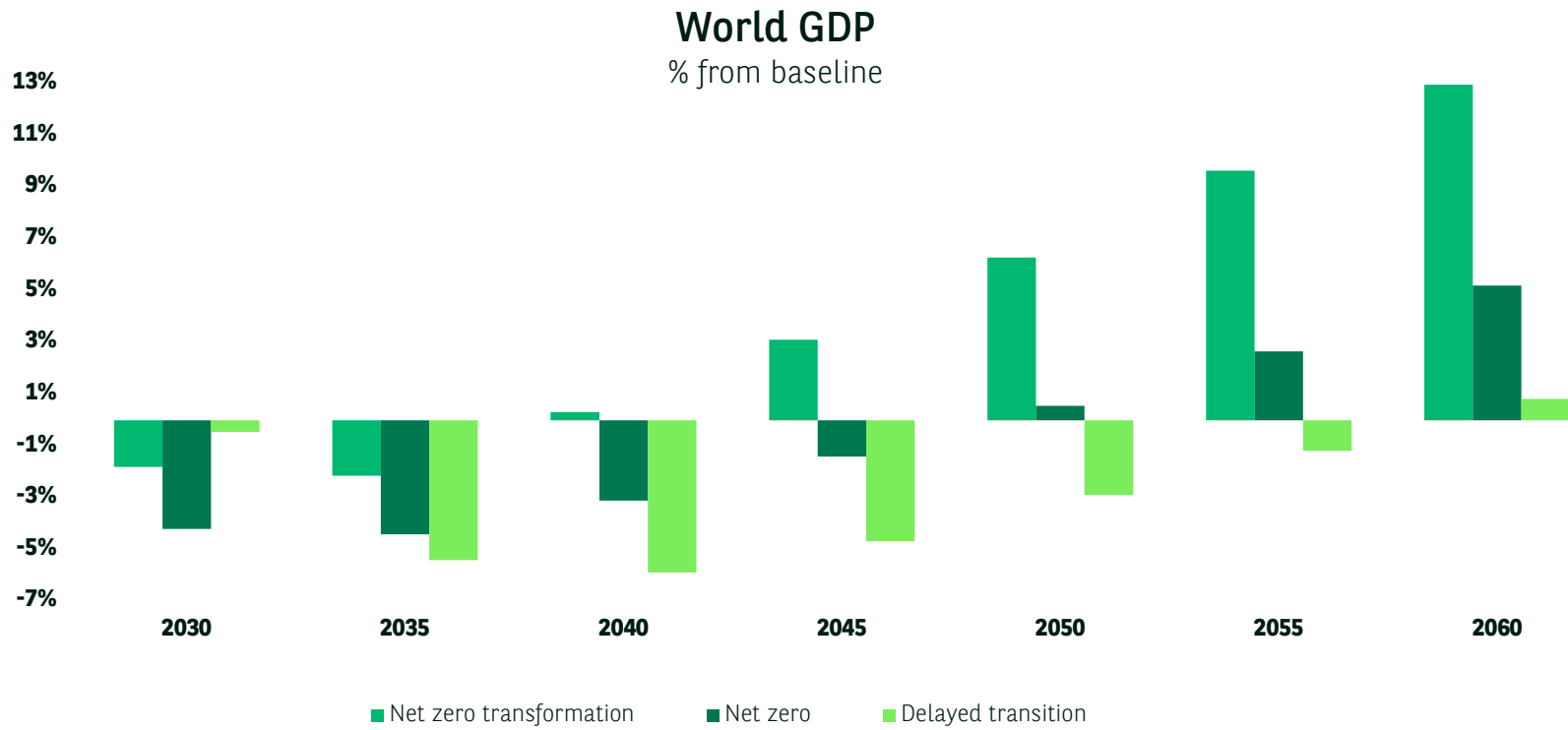
Climate risk profile

Accelerating transition and transition risks

- (Much) higher GDP in the long term
- Economies can gain from innovation
- Short term negative impact because of higher carbon prices (CB) and inflation (less purchasing power)
- Countries with higher renewable electricity capacity (e.g. Brazil, Eurozone) are better protected from the impact of CB (inflation).
- Select countries benefit from higher prices of key minerals and metals (see long term bull market commodities).
- Fossil fuel exporters and countries with higher fossil fuel intensity are negatively impacted.

Transition scenario

Short-term costs for long term gain



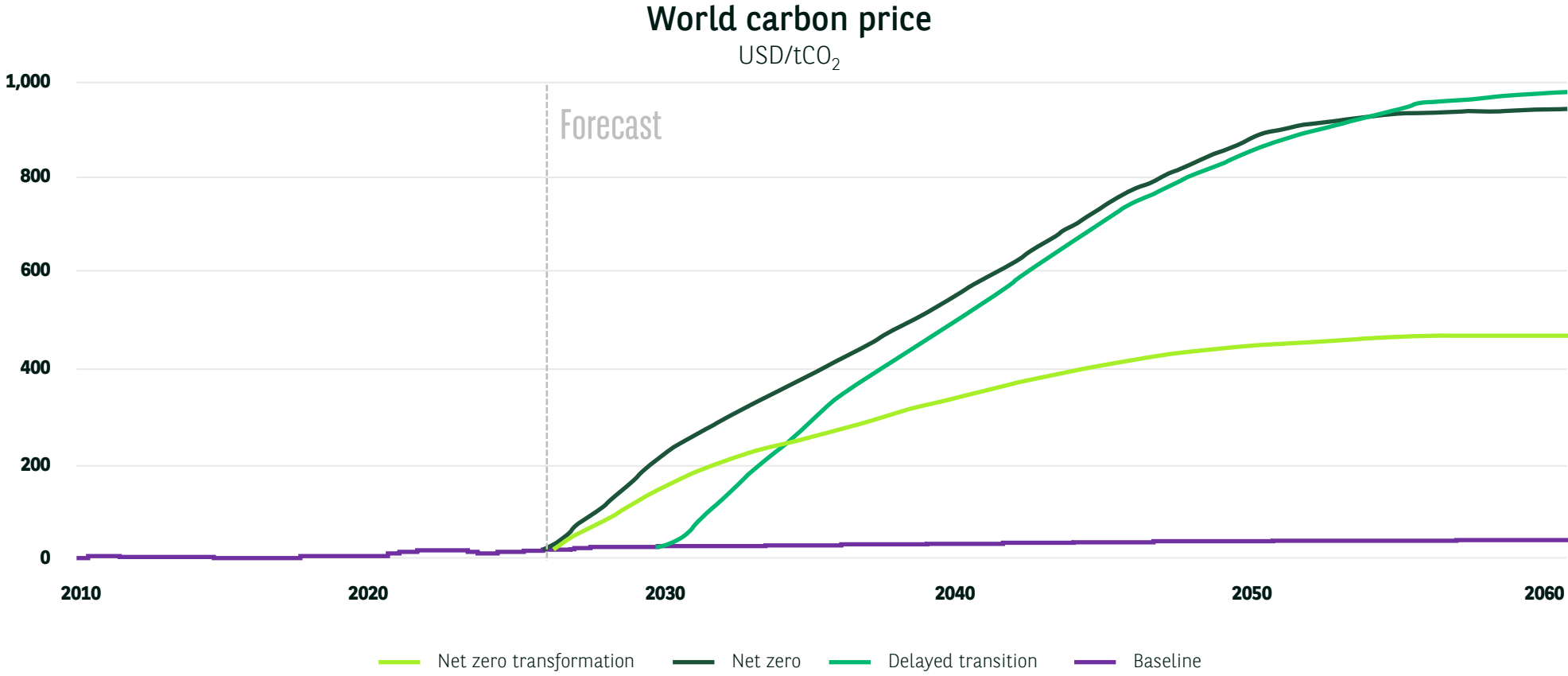
Cumulative GDP
2026-2100,
% diff. from baseline

+22%
+8%
+3%

Sources: Oxford Economics Global Climate Service, Haver Analytics



Short-term costs of the transition

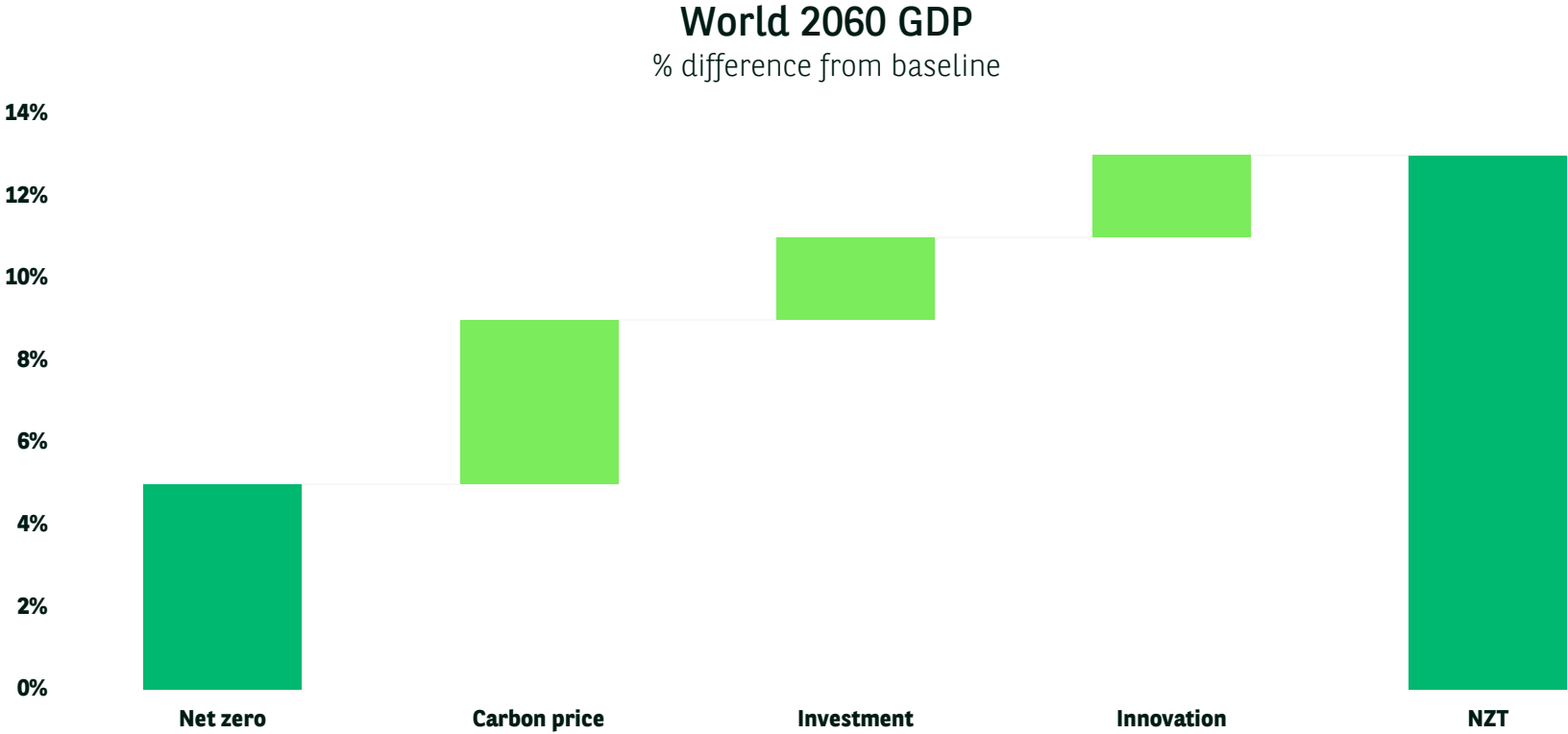


Sources: Oxford Economics Global Climate Service, Haver Analytics



Being ambitious : Net Zero Transformation

= Positive impact on innovation, investment and lower carbon prices



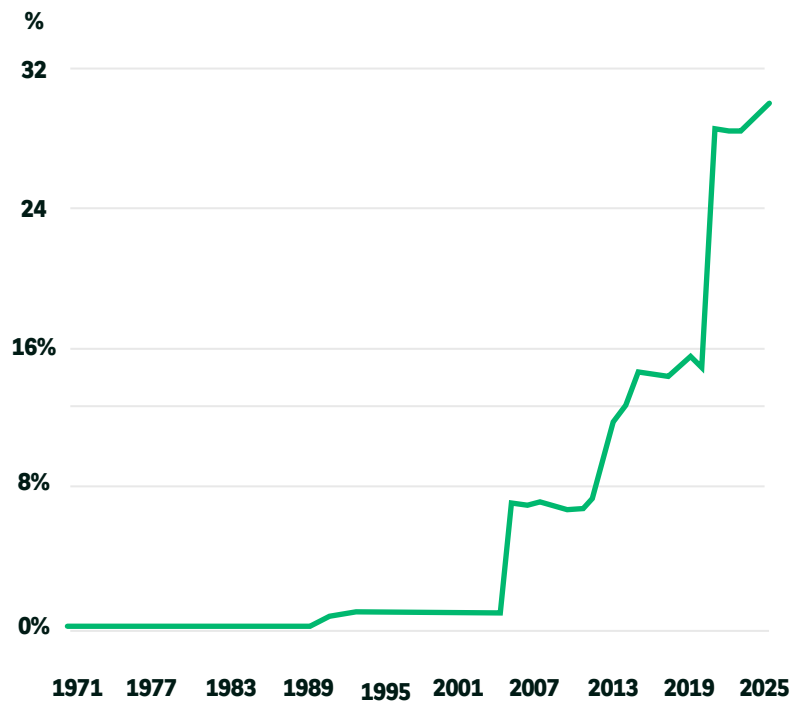
Source: Oxford Economics Global Climate Service



Reality check

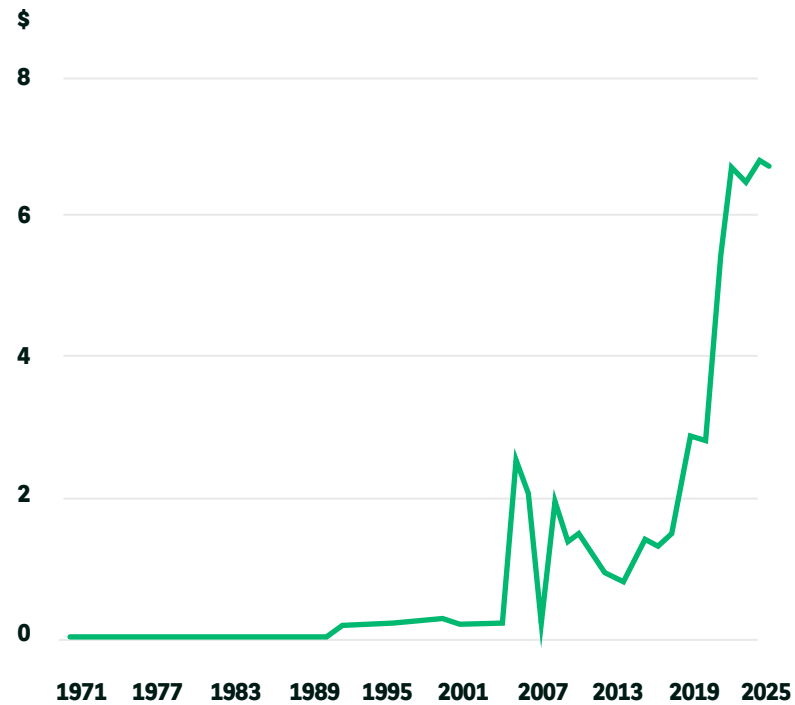
Global CO₂ coverage

Share of global CO₂ emissions covered by carbon pricing



Global average CO₂ price

Average carbon price across jurisdictions (2021 USD/tCO₂)



US\$ 0.11 ↔ Price range US\$ 170
US\$/tCO₂e

1%
of global emissions priced above
the recommended level

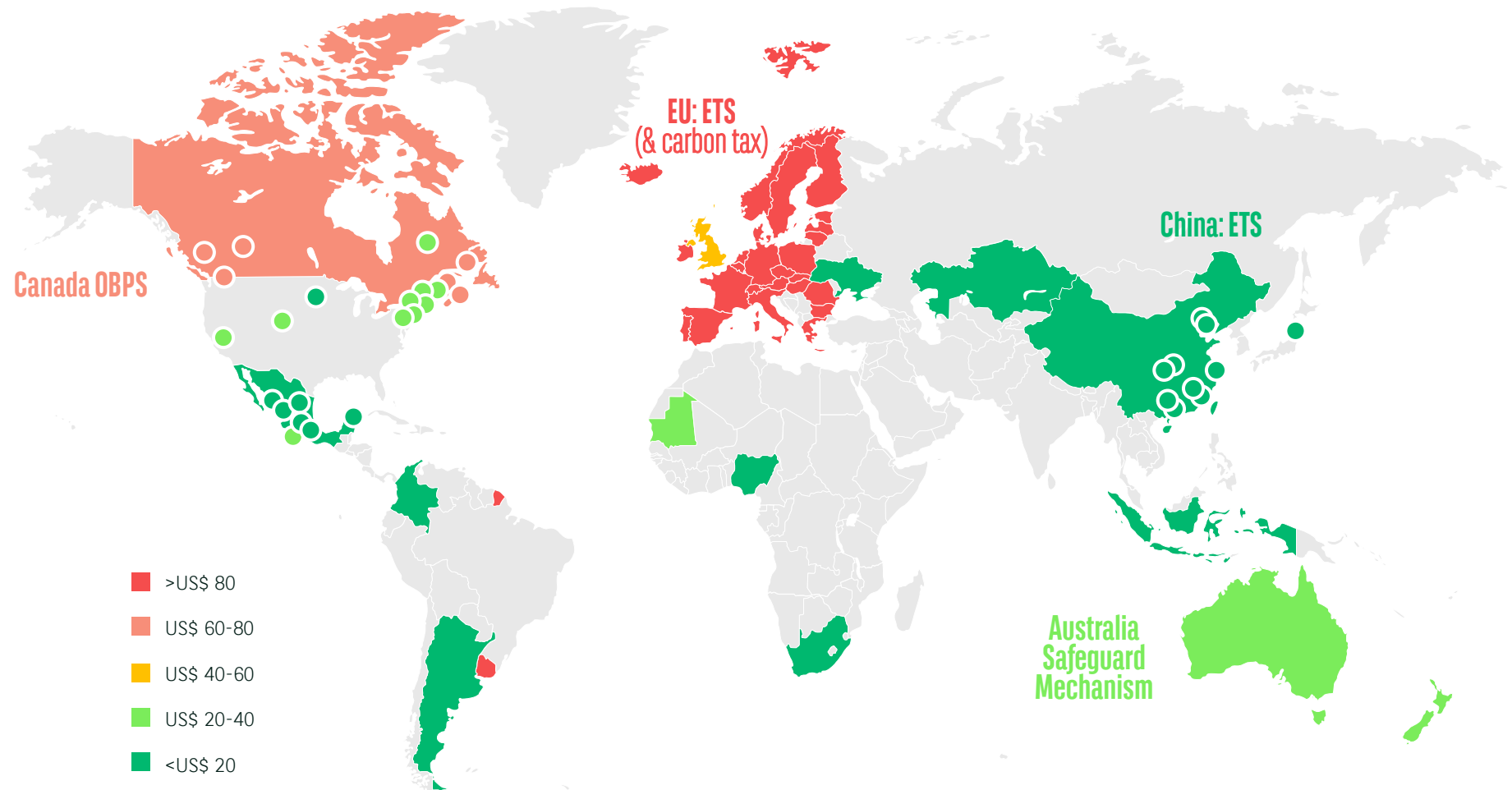
Source: World Bank Group



Reality check

Price of carbon around the world, 2026

Heat map shows the level of the main price set by emissions trading systems or carbon taxes in each jurisdiction (US\$/tCO₂e), subject to any filters applied.



Source: World Bank Group

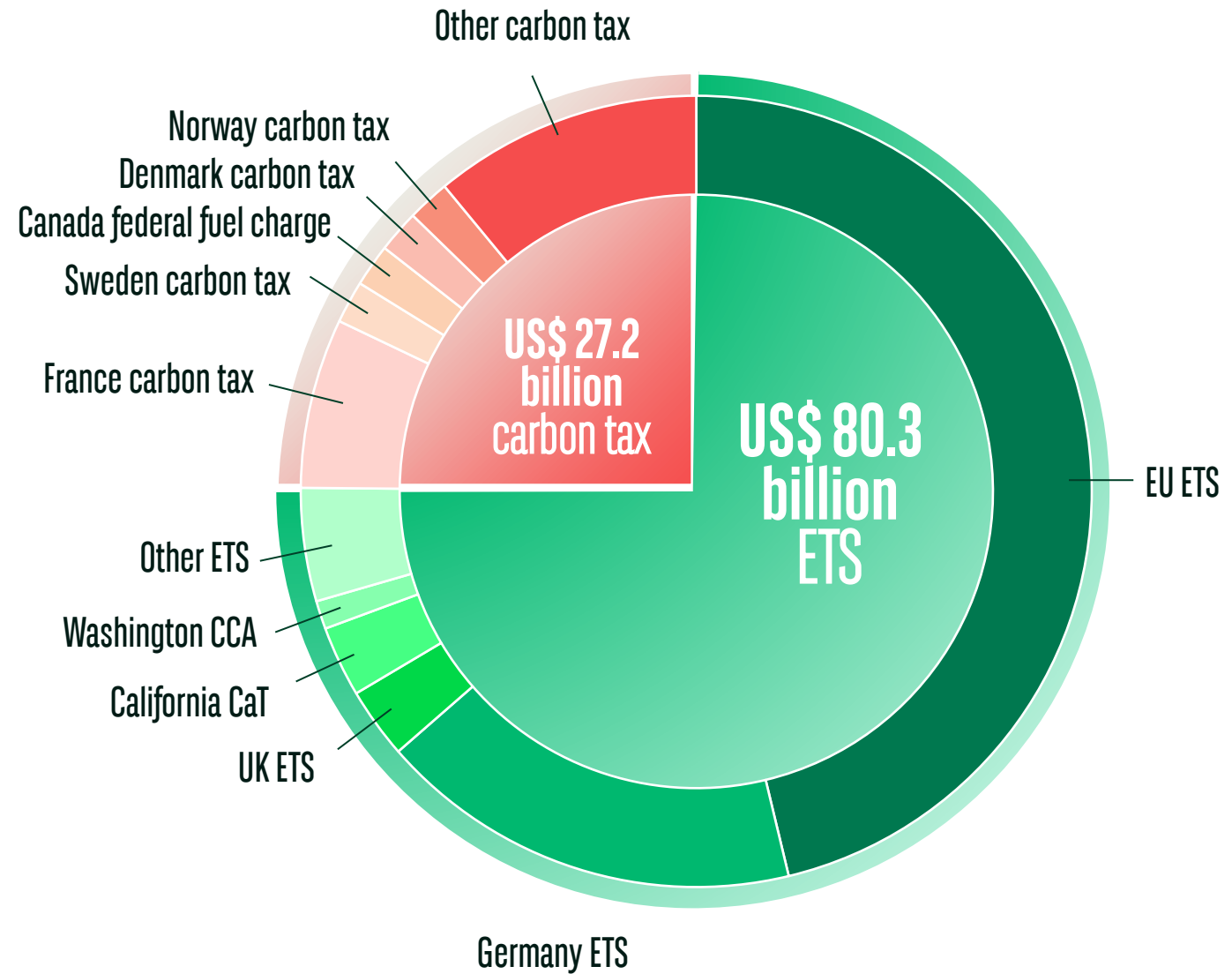


The bank for a changing world

Reality check

Carbon pricing revenue, by instrument in 2025

Reflects the contribution to global government revenues from carbon pricing, by instrument

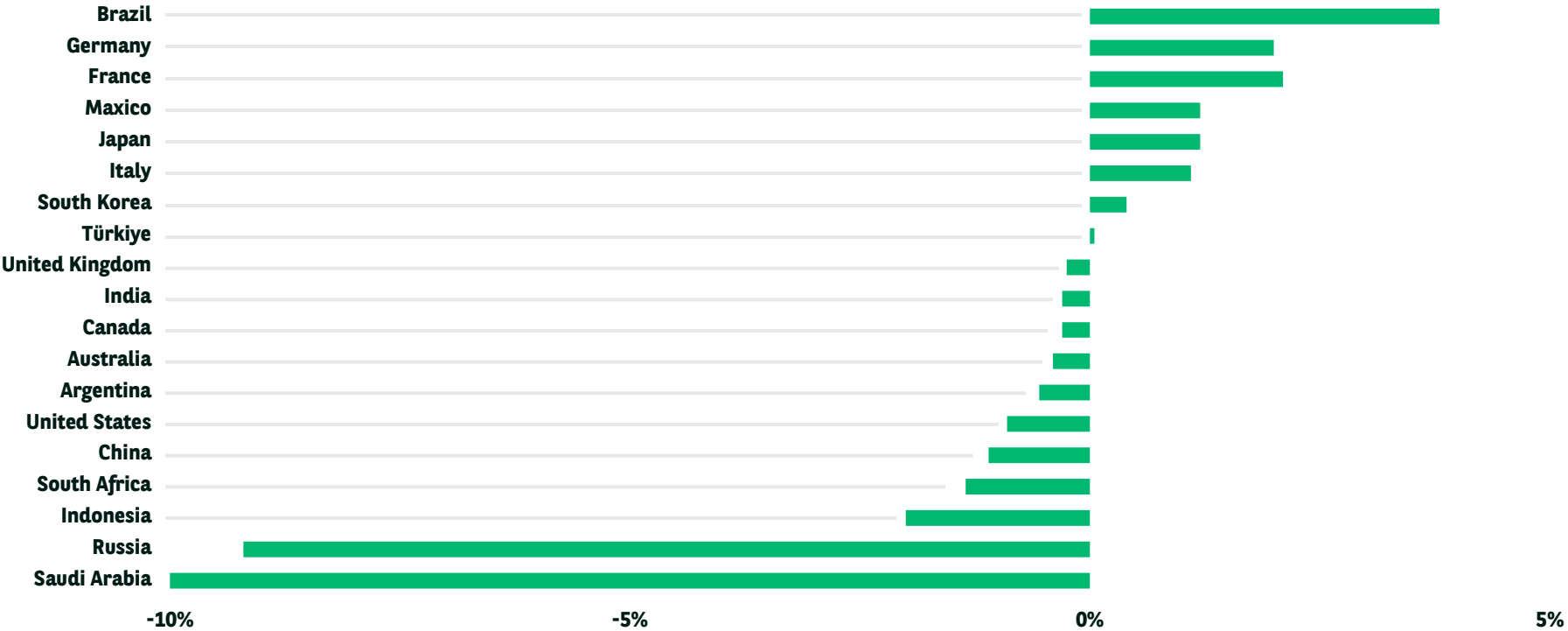


Source: World Bank Group



Winners versus losers in transition scenario

Net zero, cumulative GDP 2025-2060,
% difference from baseline



Sources: Oxford Economics Global Climate Service, Haver Analytics





Climate risk profile

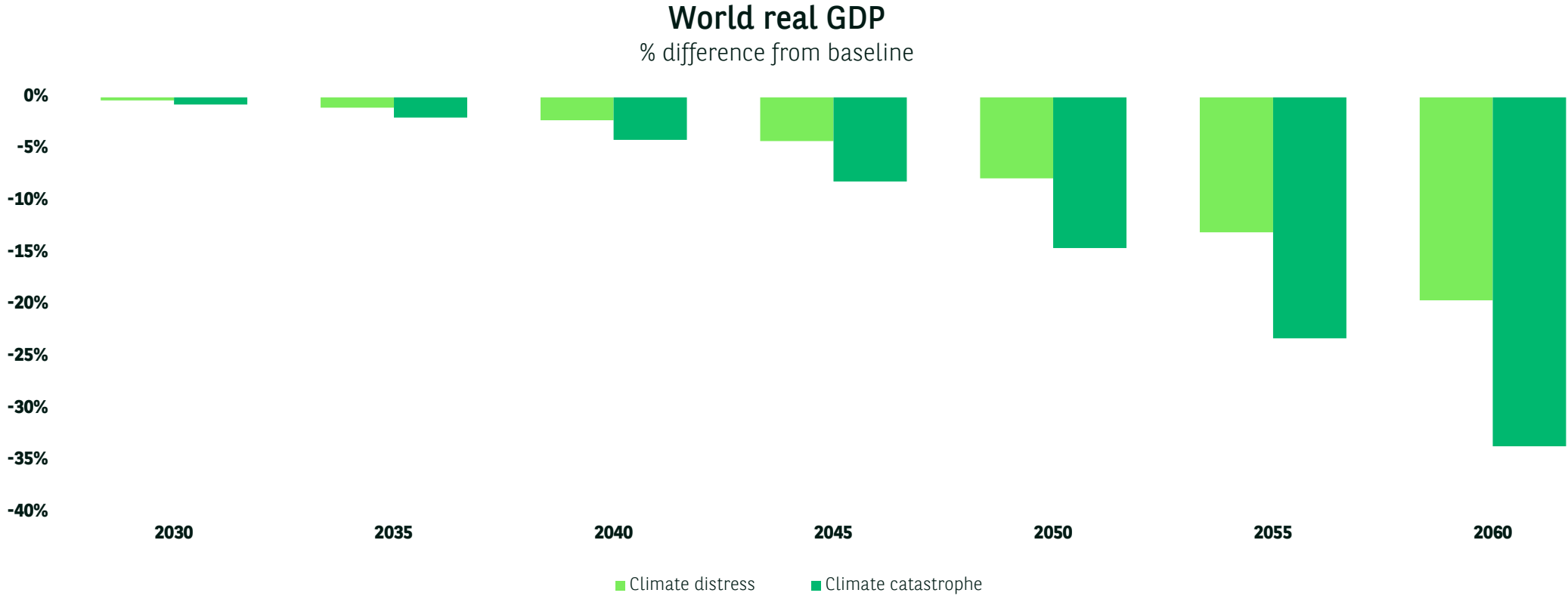
Accelerating transition and transition risks

- (Much) higher GDP in the long term
- Economies can gain from innovation
- Short term negative impact because of higher carbon prices (CB) and inflation (less purchasing power)
- Countries with higher renewable electricity capacity (e.g. Brazil, Eurozone) are better protected from the impact of CB (inflation).
- Select countries benefit from higher prices of key minerals and metals (see long term bull market commodities).
- Fossil fuel exporters and countries with higher fossil fuel intensity are negatively impacted.

Transition too late and physical risks

- (Much) lower GDP in the long term
- Increase in acute physical risk from extreme weather events in the short term.
- In the longer term, chronic risk also leads to productivity and output losses.
- Countries in the northern hemisphere are harder hit because of greater temperature anomalies there = more frequent extreme events = greater physical risk
- Oil-exporting countries benefit from higher fossil fuel demand and higher commodity prices, which initially offset the damages from extreme physical risk. Eventually, higher temperatures start eroding any economic gains.

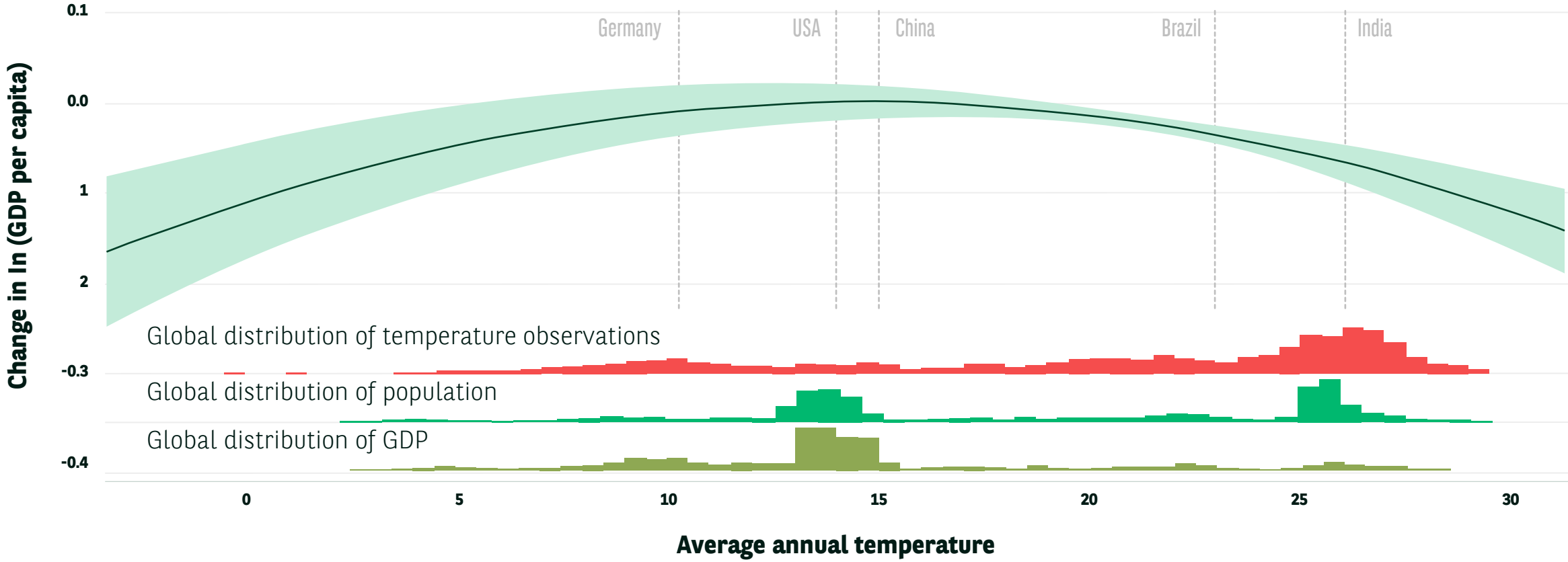
Catastrophic damages if emissions are unabated



Sources: Oxford Economics Global Climate Service, Haver Analytics



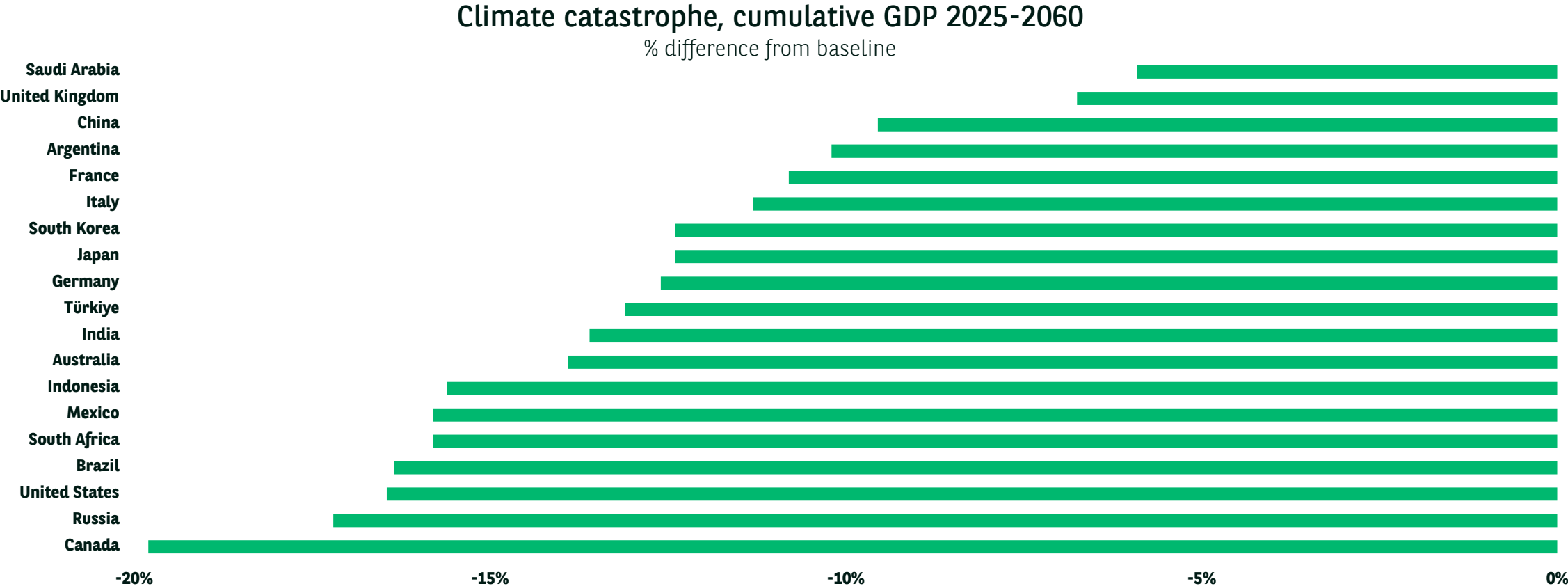
Relationship between annual temperature and growth



Source: Oxford Economics Global Climate Service



Winners versus losers in physical risk scenario



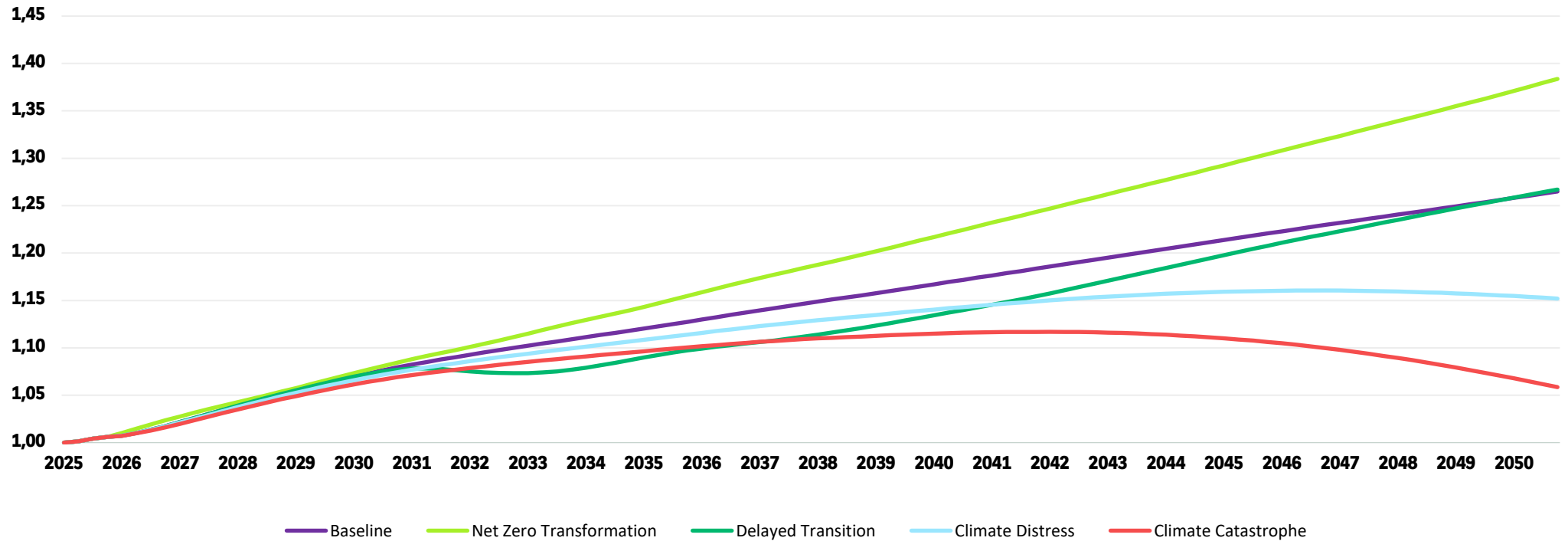
Sources: Oxford Economics Global Climate Service, Haver Analytics



Eurozone

Net Zero Transformation to lift GDP 10% by 2050

Eurozone GDP levels
Rebased in Q1 2025



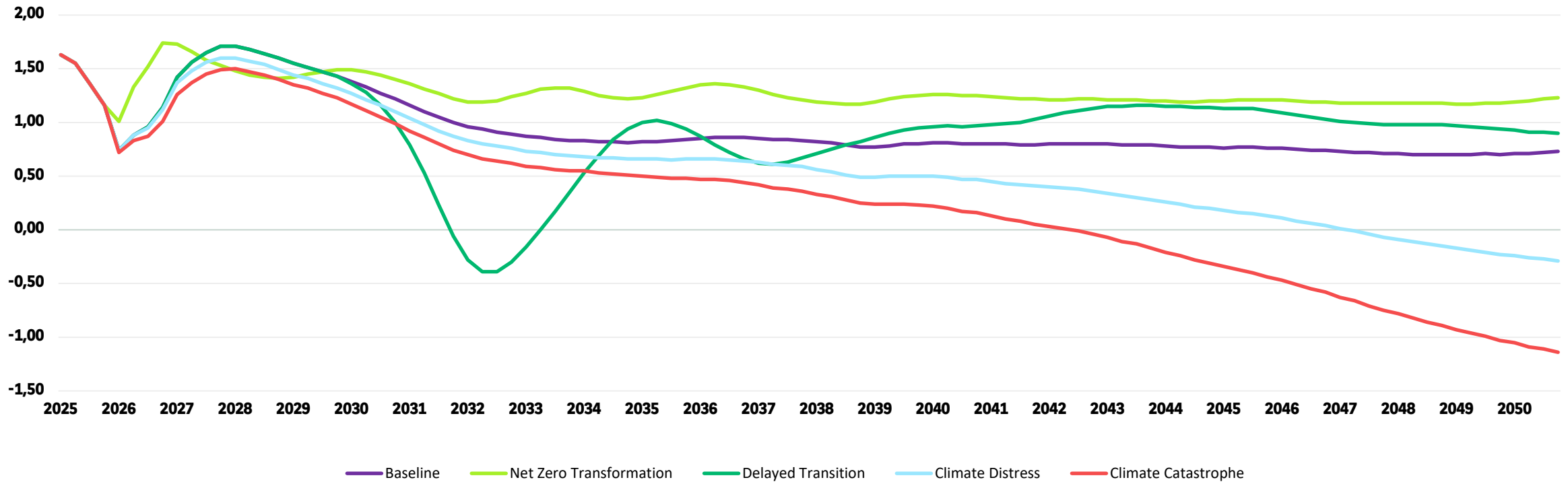
Source: Oxford Economics Global Climate Service



Eurozone

Net zero transformation speeds up growth by 0.5%pts

Eurozone GDP growth
YoY%



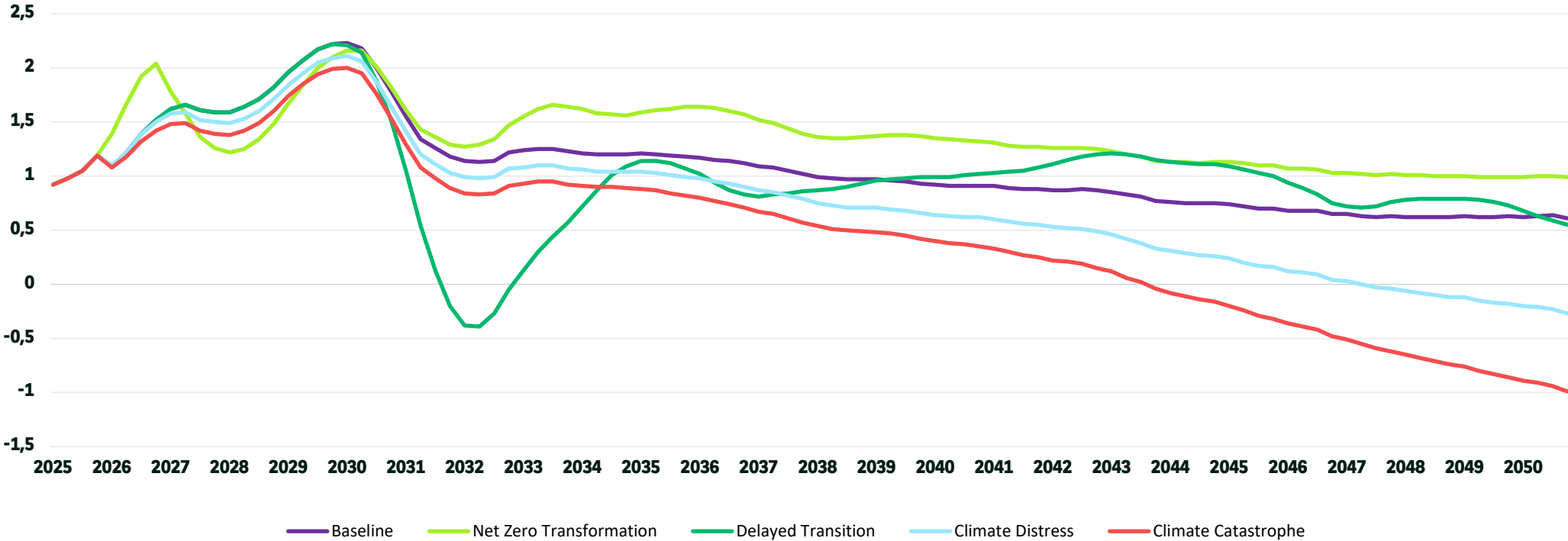
Source: Oxford Economics Global Climate Service



Belgium

Delayed transition = recession risk

Belgium GDP growth
YoY%

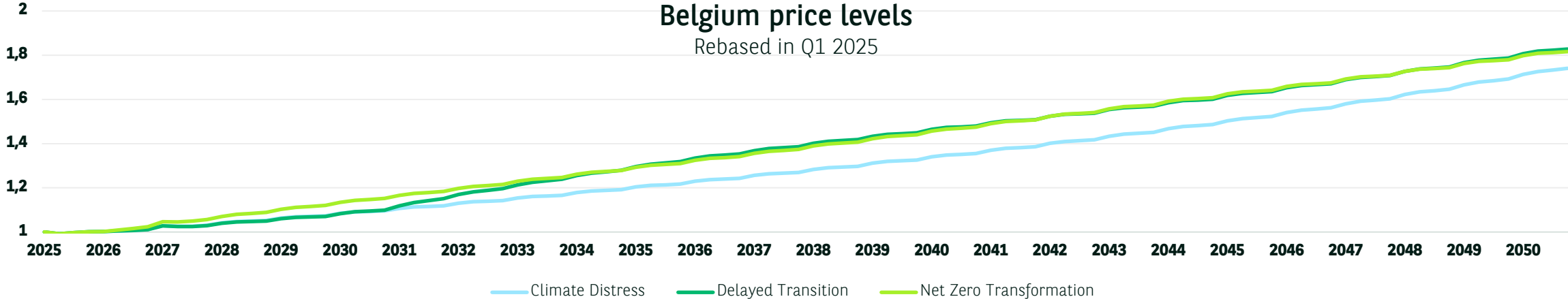


Source: Oxford Economics Global Climate Service



What about inflation?

Prices ~+20%pts by 2050 ... IN ANY SCENARIO!



Scenario's	Price level 2050 vs 2025	Average inflation
Net zero transformation	1.82	2.4%
Net zero	1.80	2.4%
Climate catastrophe	1.85	2.5%
Climate distress	1.74	2.2%
Delayed transition	1.83	2.4%
ECB goal	1.64	2.0%

Source: Oxford Economics Global Climate Service



Key takeaways

Unmitigated climate change leads to an increase in acute physical risk from extreme weather events.

In the longer term, chronic risk also leads to productivity and output losses.

The energy transition comes at a short-term cost but yields long-term benefits. Real GDP initially falls away from baseline levels as inflation eats into real incomes but later recovers as climate damages are avoided.

Climate policies and ambition determine the speed, depth, and impact of the transition in different economies.

Positive impact on debt / GDP





Rising interest rates: Belgian government bonds under pressure

Koen De Leus



Oil scenarios

Brent (future) and scenarios



- Scenario 1**
MoU leads to durable deal,
Brent End of year: 75\$
- Scenario 2**
MoU leads – after extension(s) –
to durable deal, Brent EOY: 85\$
- Scenario 3**
MoU leads to unstable deal,
unpredictable flows, Brent EOY:
95\$
- Scenario 4**
MoU breaks down, scarcity
pricing, Brent EOY: 140\$

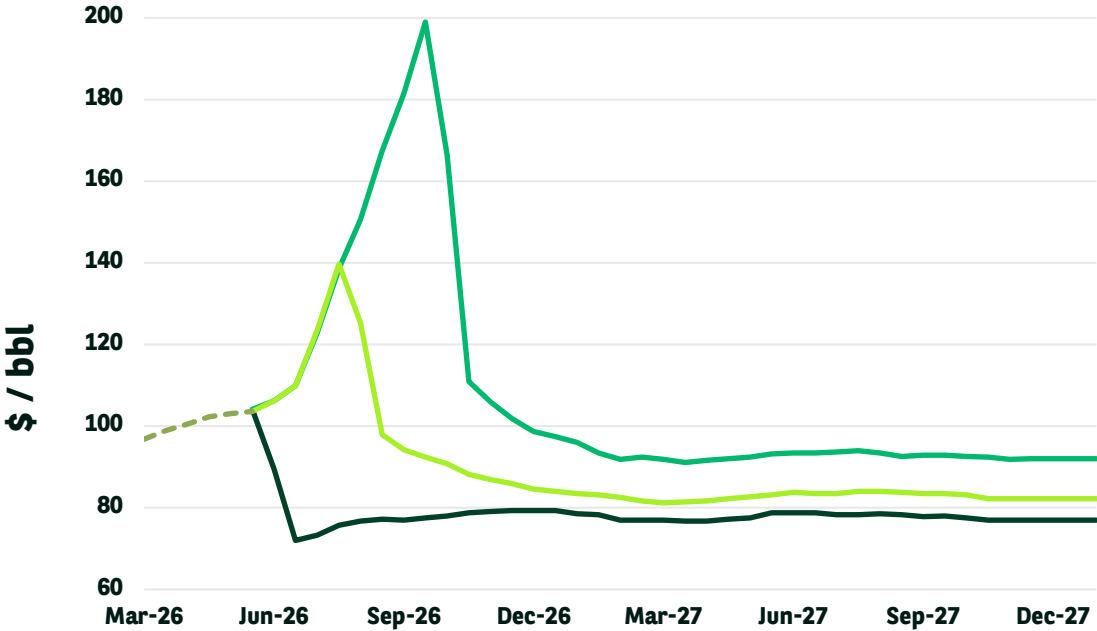
Source: BNP Paribas



Forecasts oil & gas

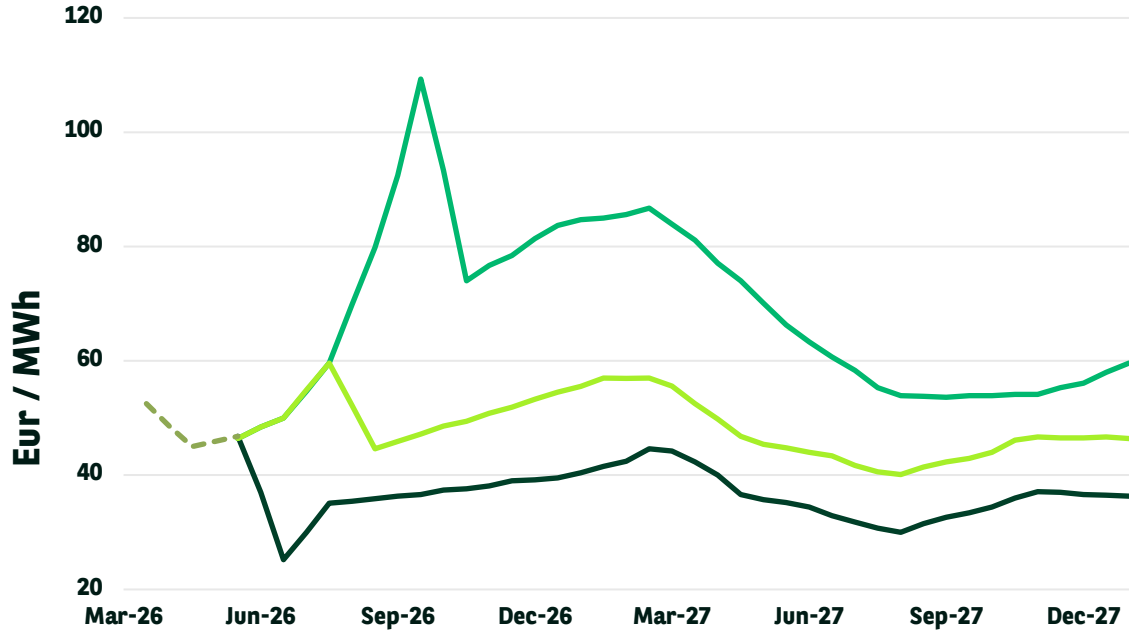
Brent crude price scenarios

Oil price scenarios



TTF gas price scenarios

EU gas price scenarios

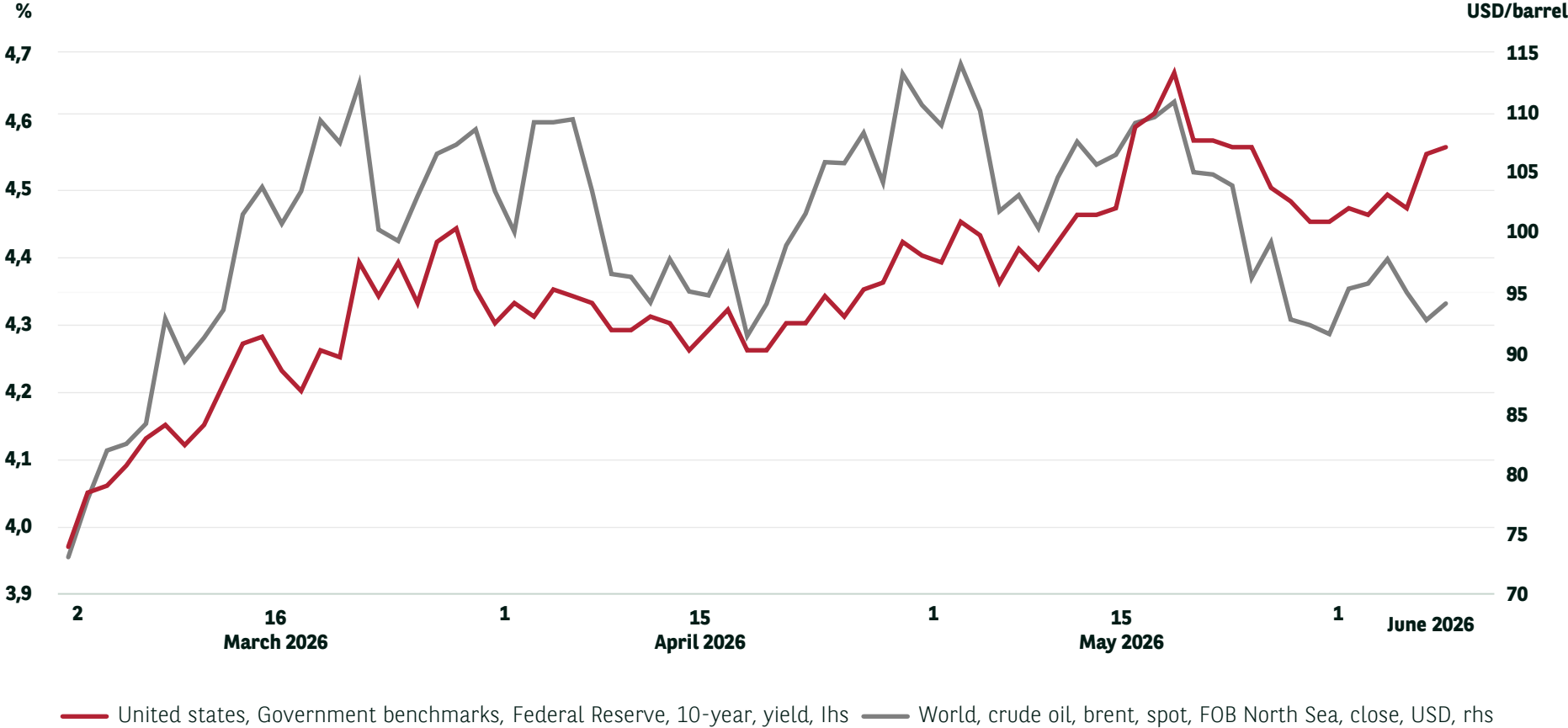


Imminent ceasefire Hormuz back in Oct Hormuz back in August Actuals

Sources: Bloomberg, BNP Paribas



Oil & 10-year yields have mostly moved in lockstep

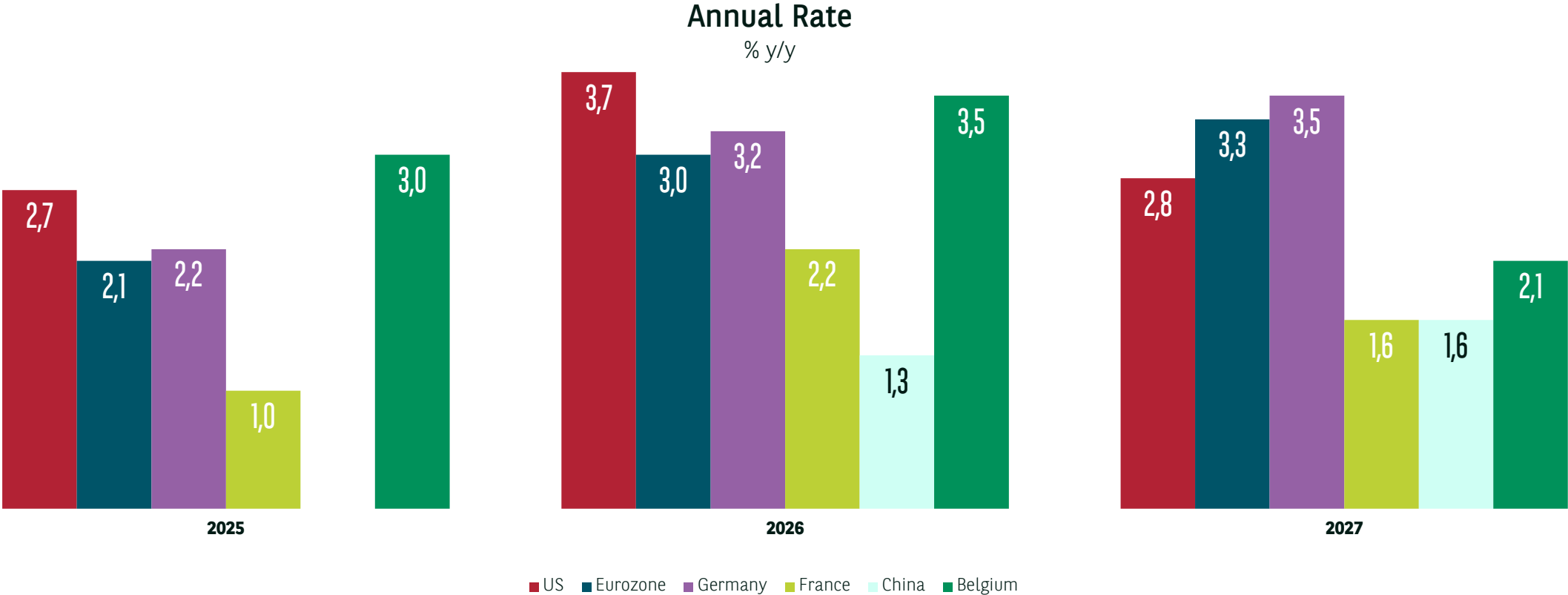


Source: Macrobond



BNP Paribas consumer price inflation forecasts

Developed markets



Notes: 2025 and Q1 data are actual. Eurozone, US & UK inflation numbers are marked to markets each month
Sources: National statistical agencies, BNP Paribas forecasts



The new world economy

Volatile years ahead

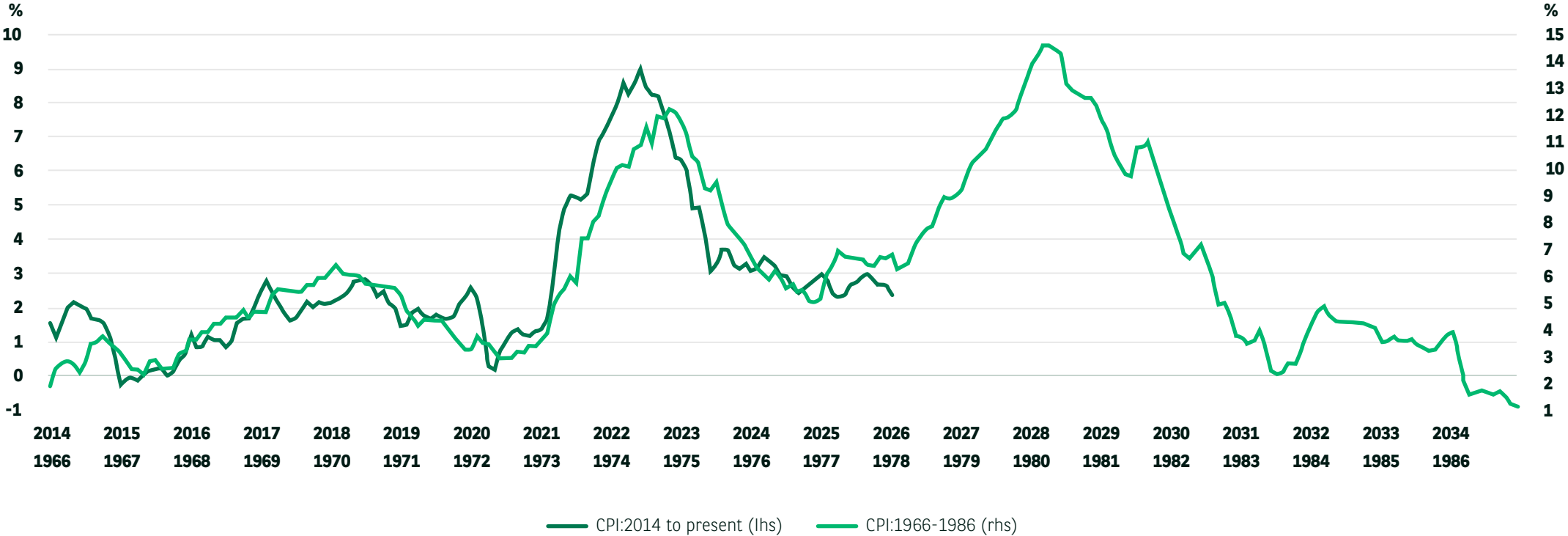
	0-10 years					10-30 years				
	PRODUCTIVITY	REAL GROWTH	REAL RATE	INFLATION	NOMINAL RATE	PRODUCTIVITY	REAL GROWTH	REAL RATE	INFLATION	NOMINAL RATE
Ageing	-	-	-	+	0/+	-	-	-	+	0/+
Debt	0	+	+	+	+	0	-	-	+	+
Innovation	0	0	0	0	0	+	+	+	-	0
Climate transition	-	0	0/+	+	+	+	0	0	0/+	0
Multi globalisation	-	0/-	0	+	+	0/+	0/+	0/+	0	+
Aggregate impact	-	0/-	0	+	+	+	+	0/+	+	+

Source: De Leus, K., & Gijssels, P. (2024). *The New World Economy in 5 trends: Investing in times of superinflation, hyperinnovation & climate transition*. Acc Publishing Group Ltd.



The presents doesn't always correspond to the past, but often it rimes

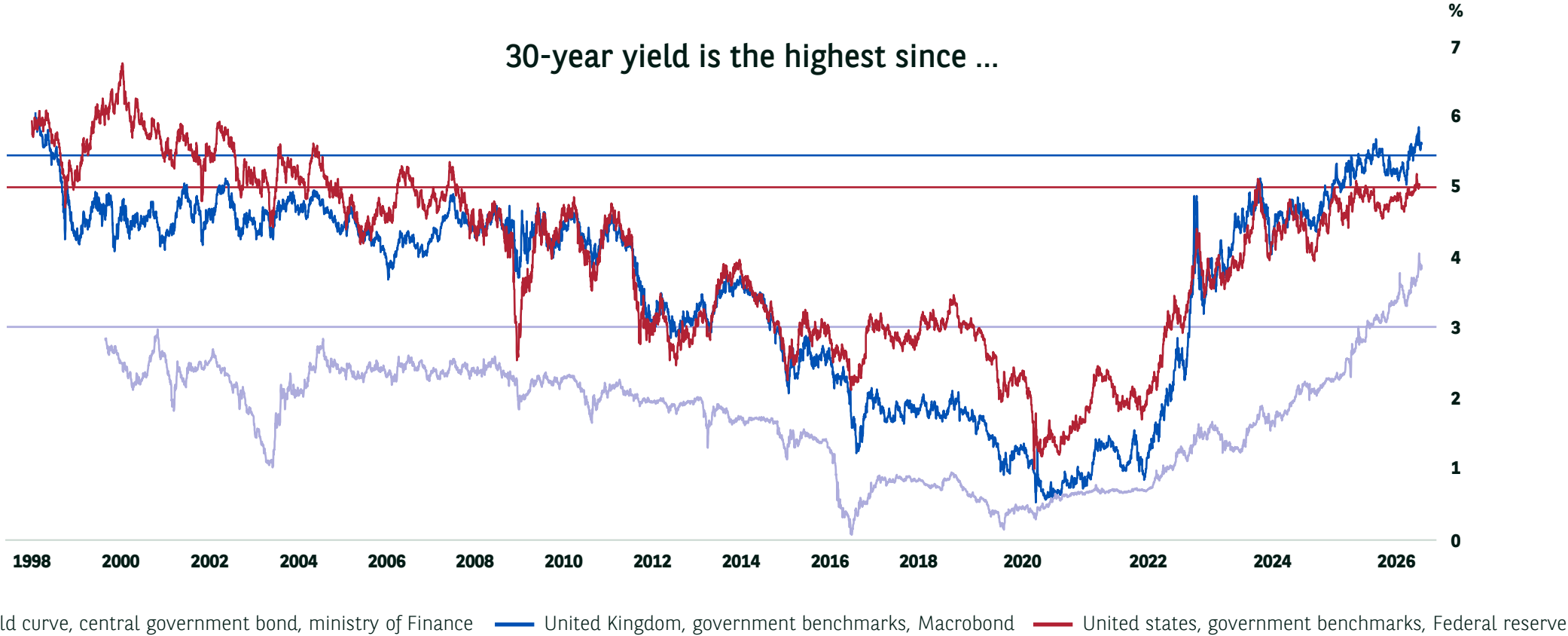
US inflation: 1970s vs today (different scales). The chart often gets derided but eerie that Iran now links the second shock in both cycles.



Sources: BLS, Haver, Deutsche Bank



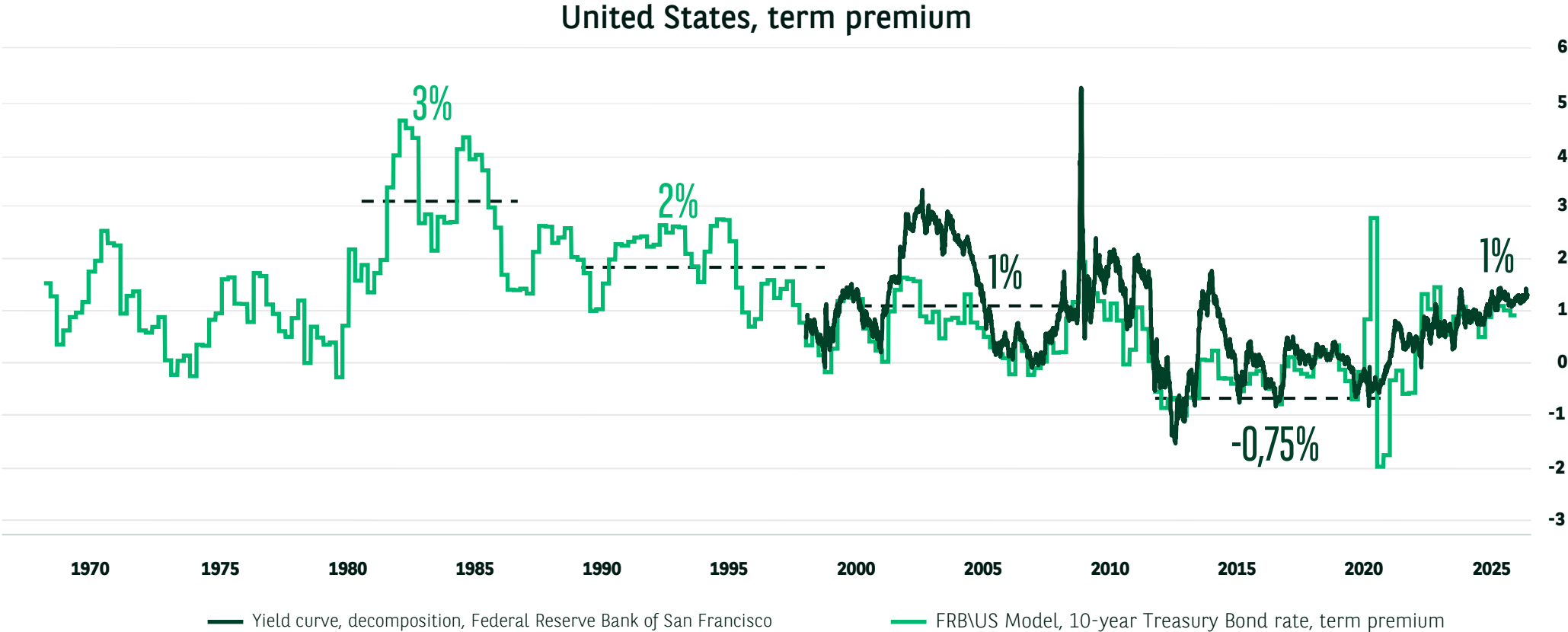
Changing era



Sources: BNP Paribas Fortis, Macrobond



Long term: rising **term premium**



Sources BNP Paribas Fortis, Macrobond



Belgian debt

Primary deficit to stabilize debt versus interest rates (June 2026)

COUNTRY	IMPLICIT RATE ON GROSS DEBT (E2026, AMECO)	AV.GROWTH 2026-2031 (NOMINAL, IMF)	R-G	BRUT DEBT (2025, IMF)	PRIMARY DEFICIT NEEDED TO STABILIZE DEBT	EXPECTED PRIMARY DEFICIT / SURPLUS (2026, IMF)	IMPROVEMENT NEEDED (-) TO STABILIZE DEBT	AV.PRIMARY DEFICIT (-) / SURPLUS (+) 2010-2019	ACTUAL INTEREST RATE 10Y (JUNE 10 2026)	R - G IF IMPLICIT RATE RISES TO ACTUAL 10Y RATE	PRIMARY +/- NEEDED TO STABILISE DEBT AT ACTUAL INTEREST RATE
Belgium	2.22%	2.79%	-0.57%	106%	-0.59%	-3.53%	-2.94%	-0.13%	3.63%	0.84%	0.87%
France	2.02%	2.76%	-0.74%	116%	-0.84%	-3.13%	-2.29%	-2.10%	3.79%	1.03%	1.17%
Germany	1.84%	3.26%	-1.42%	63%	-0.87%	-1.78%	-0.92%	1.51%	3.07%	-0.19%	-0.12%
Italy	2.94%	2.82%	0.12%	137%	0.16%	0.50%	0.34%	1.28%	3.89%	1.07%	1.43%
Netherlands	1.71%	3.58%	-1.87%	43%	-0.78%	-1.24%	-0.46%	-0.44%	3.18%	-0.40%	-0.17%
Portugal	2.20%	4.23%	-2.03%	90%	-1.75%	2.15%	3.90%	-1.00%	3.46%	-0.78%	-0.67%
Spain	2.49%	4.49%	-2.00%	100%	-1.93%	-0.37%	1.56%	-3.93%	3.51%	-0.98%	-0.94%
Japan	0.57%	2.76%	-2.18%	207%	-4.39%	-0.85%	3.53%	-4.51%	2.64%	-0.12%	-0.23%
UK	3.58%	3.39%	0.19%	102%	0.18%	-2.77%	-2.95%	-3.15%	5.00%	1.61%	1.59%
US	3.95%	4.04%	-0.09%	124%	-0.11%	-3.17%	-3.06%	-4.04%	4.55%	0.51%	0.60%

Sources: The New World Economy, IMF & Ameco latest forecasts, Ameco, own calculations



Belgium performs poorly

Difference (improvement/worsening) today - August 2024

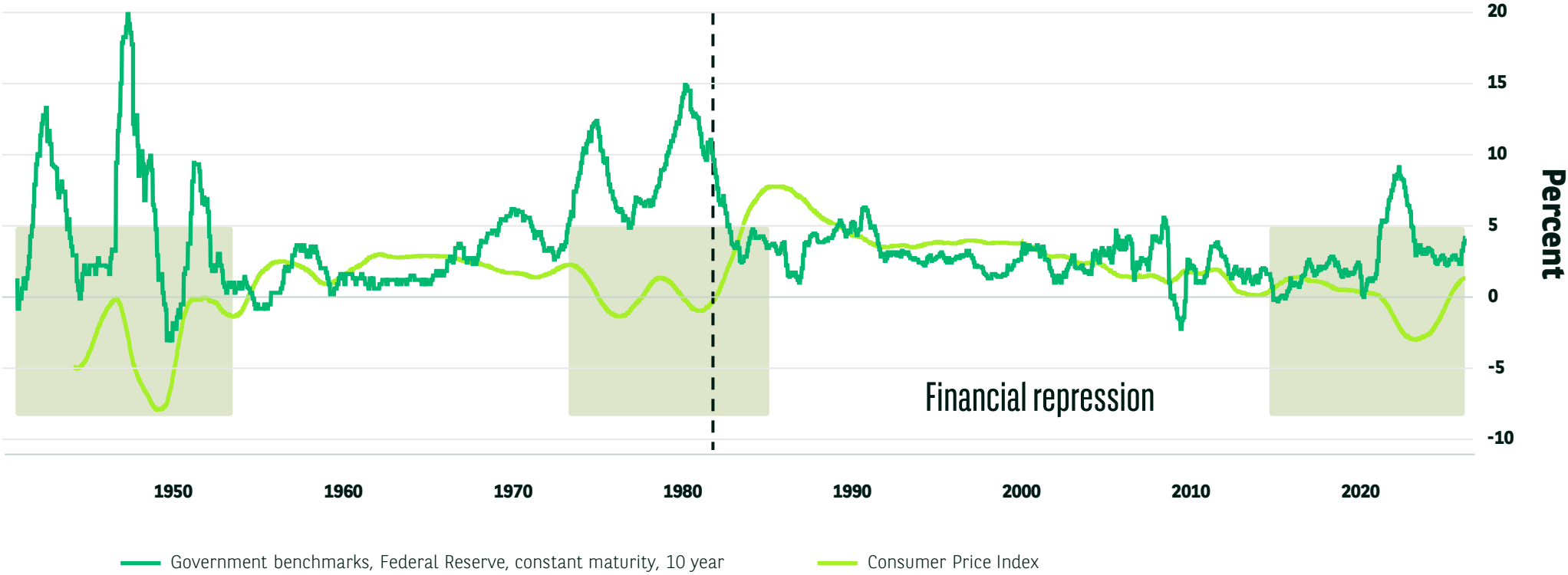
COUNTRY	IMPLICIT RATE ON GROSS DEBT 2026/2023	AVERAGE GROWTH NEXT 6 YEARS	R-G	BRUT DEBT 2023/2026	PRIMARY DEFICIT NEEDED TO STABILIZE DEBT	EXPECTED PRIMARY DEFICIT / SURPLUS 2024/2026	IMPROVEMENT NEEDED TO STABILIZE DEBT	AVERAGE PRIMARY DEFICIT (-) / SURPLUS (+) 2010-2019	ACTUAL INTEREST RATE 10Y JUNE 10 2026/ AUG 2024	R - G IF IMPLICIT RATE RISES TO ACTUAL 10Y RATE	PRIMARY +/- NEEDED TO STABILISE DEBT AT ACTUAL INTEREST RATE
Belgium	0.48%	-0.60%	1.08%	0.38%	1.10%	-0.84%	-1.94%	0.00%	0.77%	1.37%	1.41%
France	0.15%	-0.59%	0.75%	4.56%	0.77%	-0.21%	-0.98%	0.00%	0.71%	1.30%	1.46%
Germany	0.54%	-0.09%	0.63%	-4.23%	0.47%	-1.06%	-1.53%	0.00%	0.79%	0.87%	0.58%
Italy	-0.01%	0.02%	-0.03%	-3.20%	-0.05%	1.10%	1.15%	0.00%	0.22%	0.20%	0.24%
Netherlands	0.26%	-0.03%	0.29%	-4.83%	0.22%	0.07%	-0.15%	0.00%	0.62%	0.65%	0.32%
Portugal	0.14%	0.19%	-0.06%	-22.46%	0.38%	-0.33%	-0.71%	0.00%	0.56%	0.37%	0.57%
Spain	0.13%	0.70%	-0.56%	-10.03%	-0.39%	0.39%	0.78%	0.00%	0.41%	-0.29%	-0.20%
Japan	0.00%	-0.09%	0.09%	-51.66%	1.32%	5.58%	4.26%	0.00%	1.75%	1.84%	4.68%
UK	-0.89%	-0.08%	-0.80%	-3.93%	-0.83%	-0.45%	0.38%	0.00%	1.00%	1.08%	1.05%
US	0.44%	-0.12%	0.56%	1.66%	0.65%	0.11%	-0.54%	0.00%	0.64%	0.76%	0.90%



Financial repression

US inflation and 10-year real interest rates

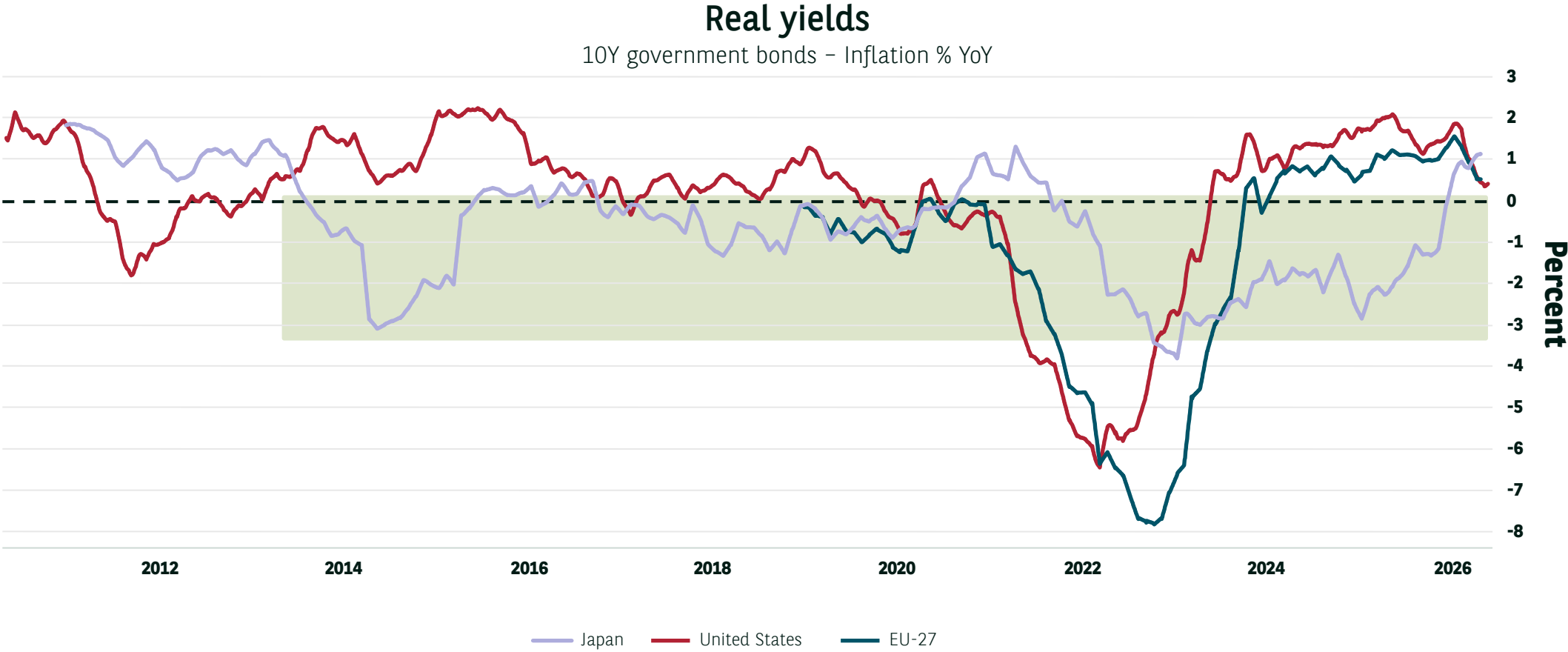
3-year MAV



Sources: BNP Paribas Fortis, Macrobond



Financial repression



Sources: BNP Paribas Fortis, Macrobond





SpaceX's IPO and its impact on the markets

Philippe Gijssels



BNP PARIBAS
FORTIS

The bank for a changing world





Aerth's orbit is filling up

32,000+ tracked objects | 130 million estimated fragments | 28,000 km/h

DEAD SATELLITES
3,043 in orbit

ROCKET STAGES
2,028 orbiting

KESSLER THRESHOLD
Possible exceeded 800 km band

DEBRIS PERSISTENCE
100 years @ 800 km
Millennia @ 1,000km+

TOTAL MASS IN ORBIT
16,346 tonnes

- SOLUTIONS**
- Active debris removal
 - Lower orbit constellations
 - International guidelines

14,587
Active satellites

32,448
Tracked objects

130M+
Estimated fragments

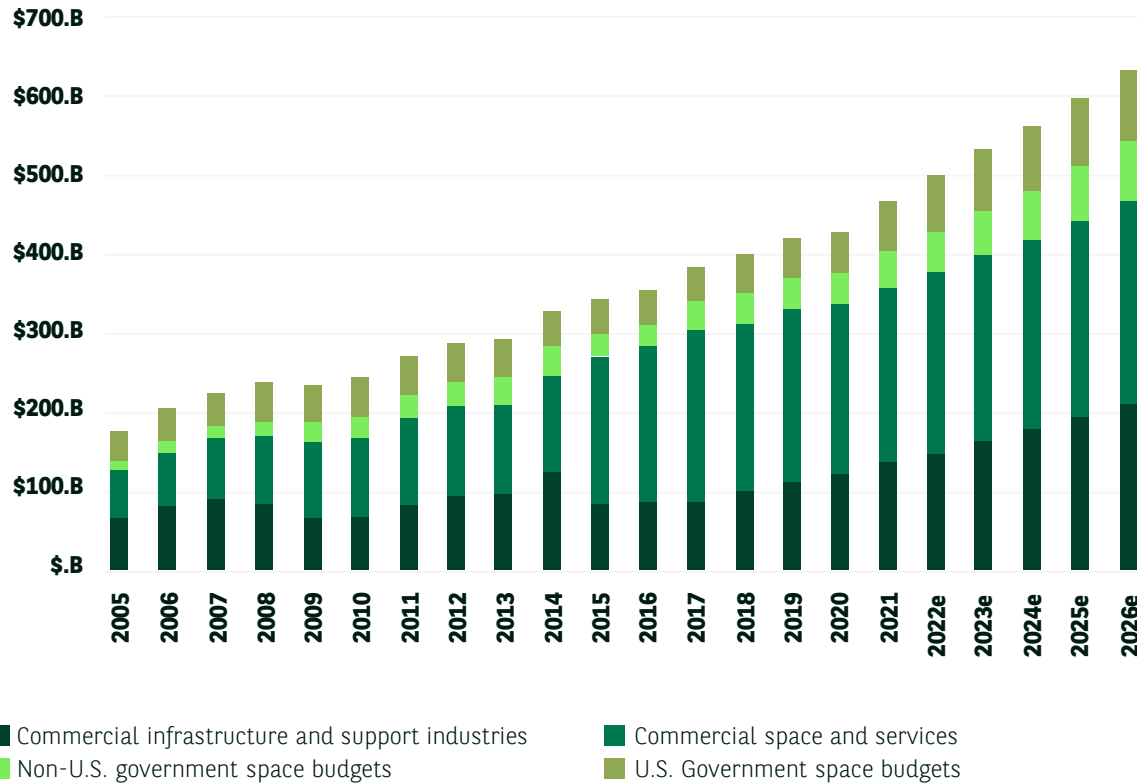
28,000
Km/h debris speed

Source: Sky & Earth

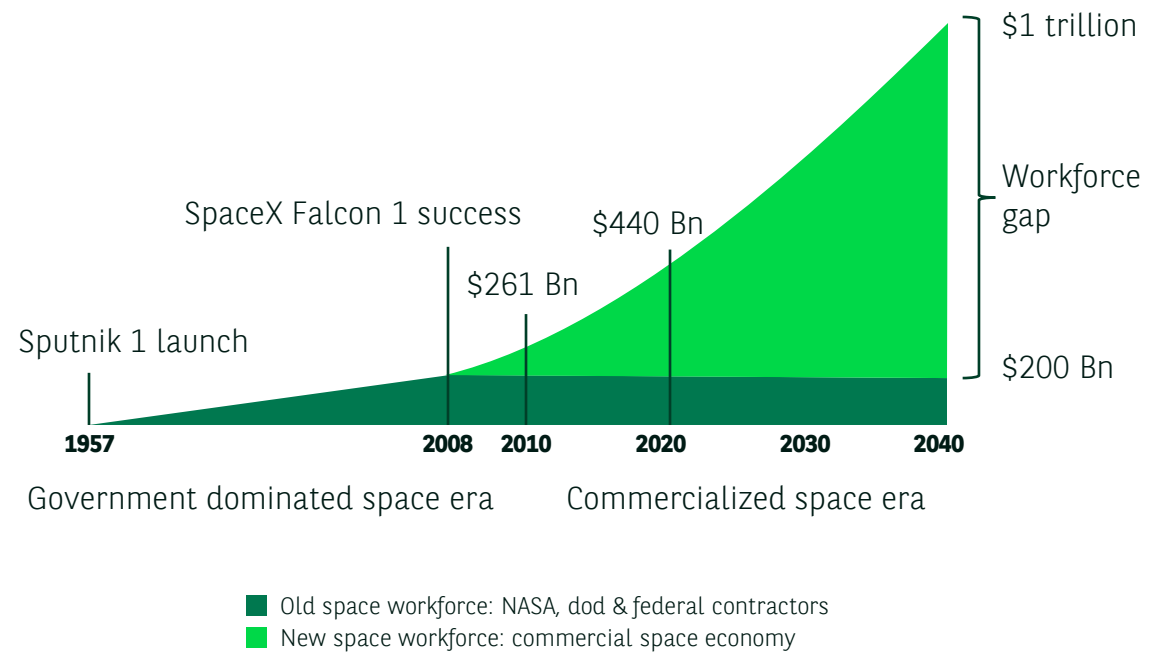


Space industry

Global space activity by category, 2005-2026



Space industry growth

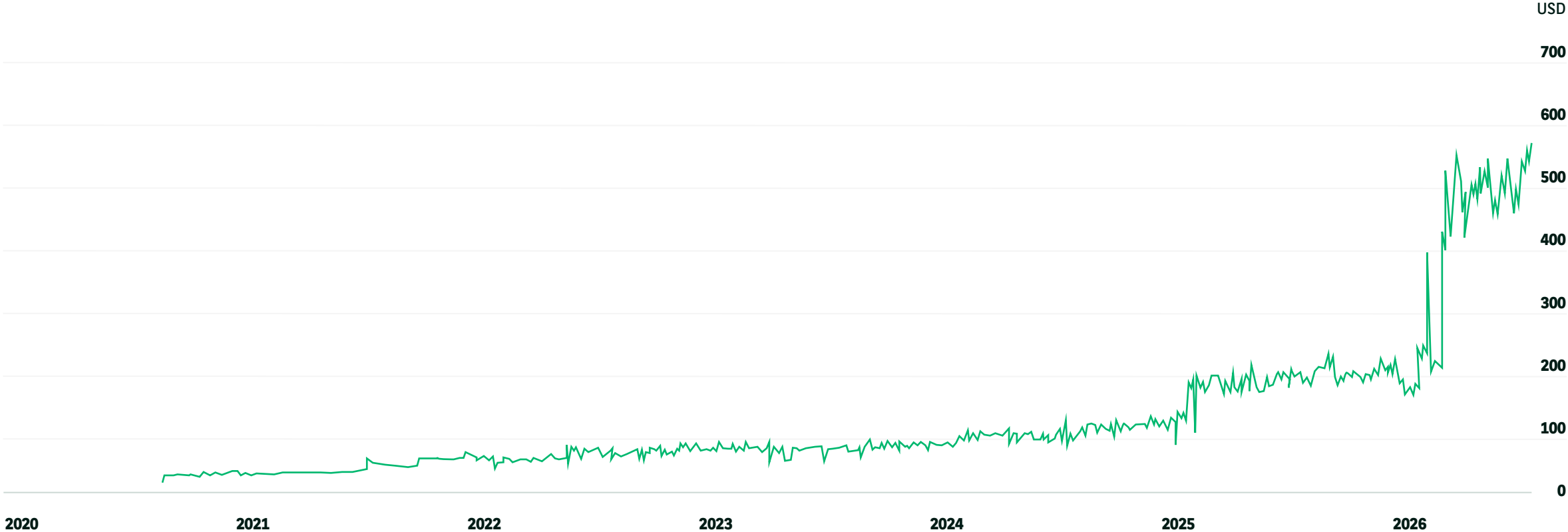


Source: Space Foundation database

Note: Values from 2022 onward are a Space Foundation projection based on historical data.



SpaceX

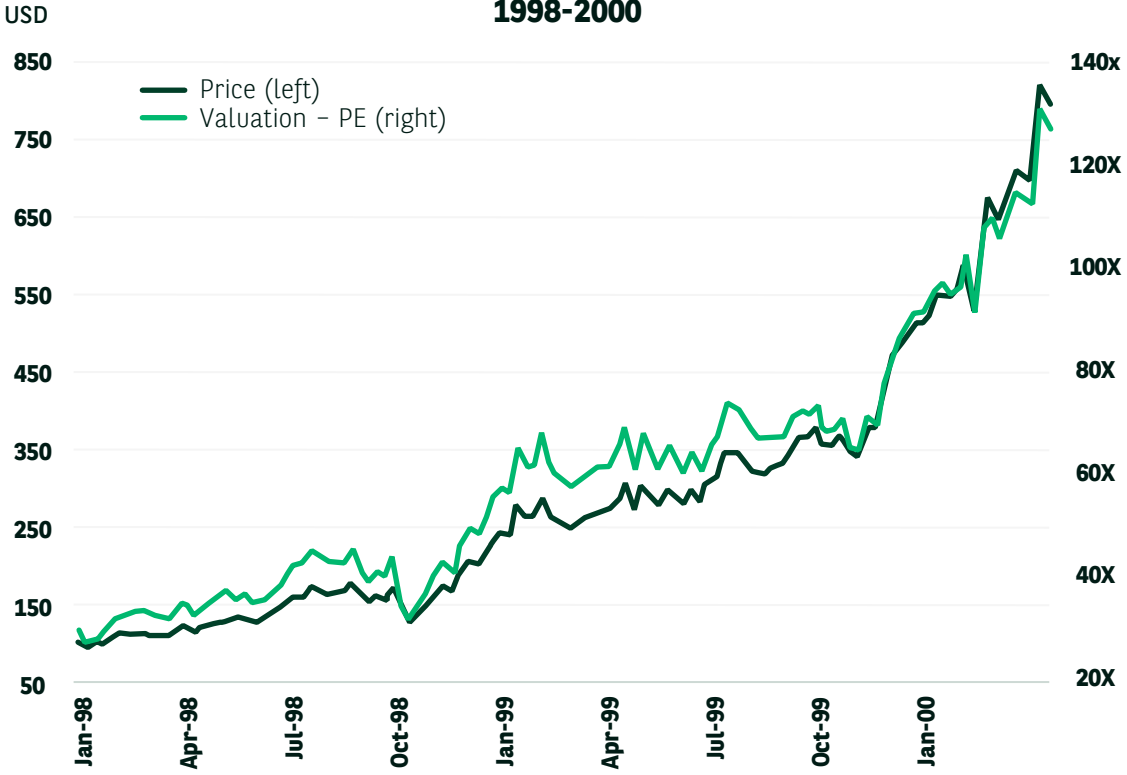


Source: Notice.co

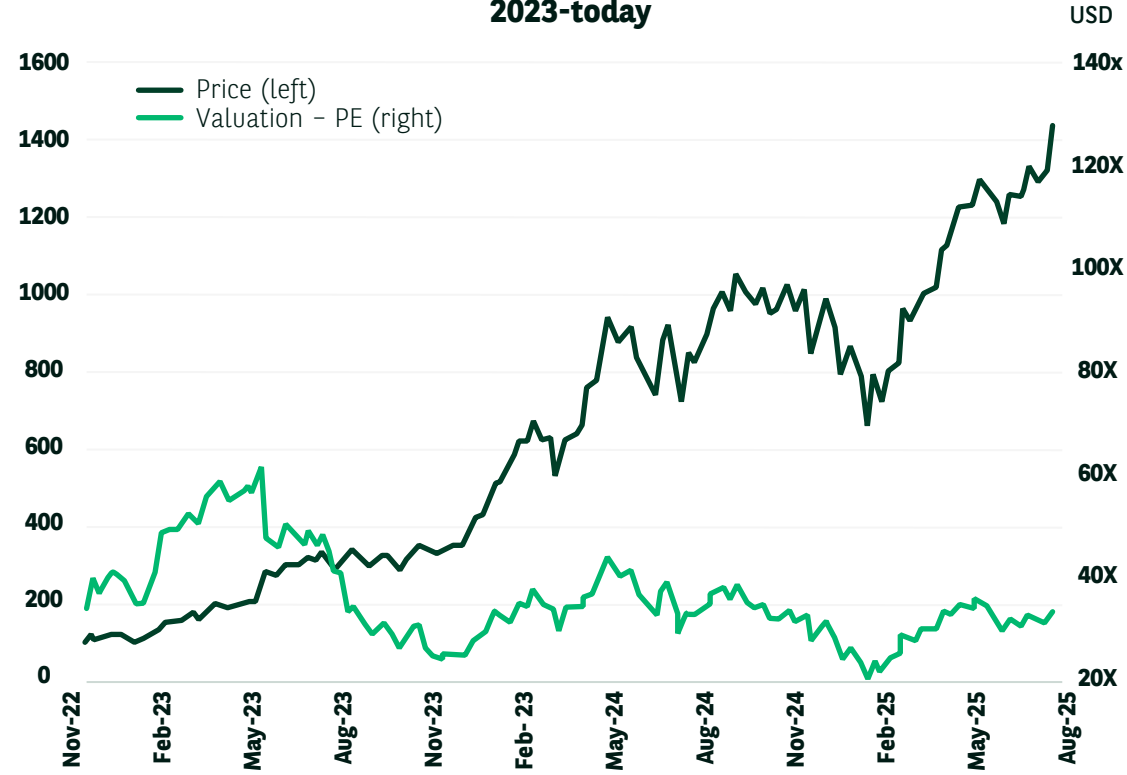


To bubble or not to bubble

Cisco price and valuation
1998-2000



Nvidia price and valuation
2023-today



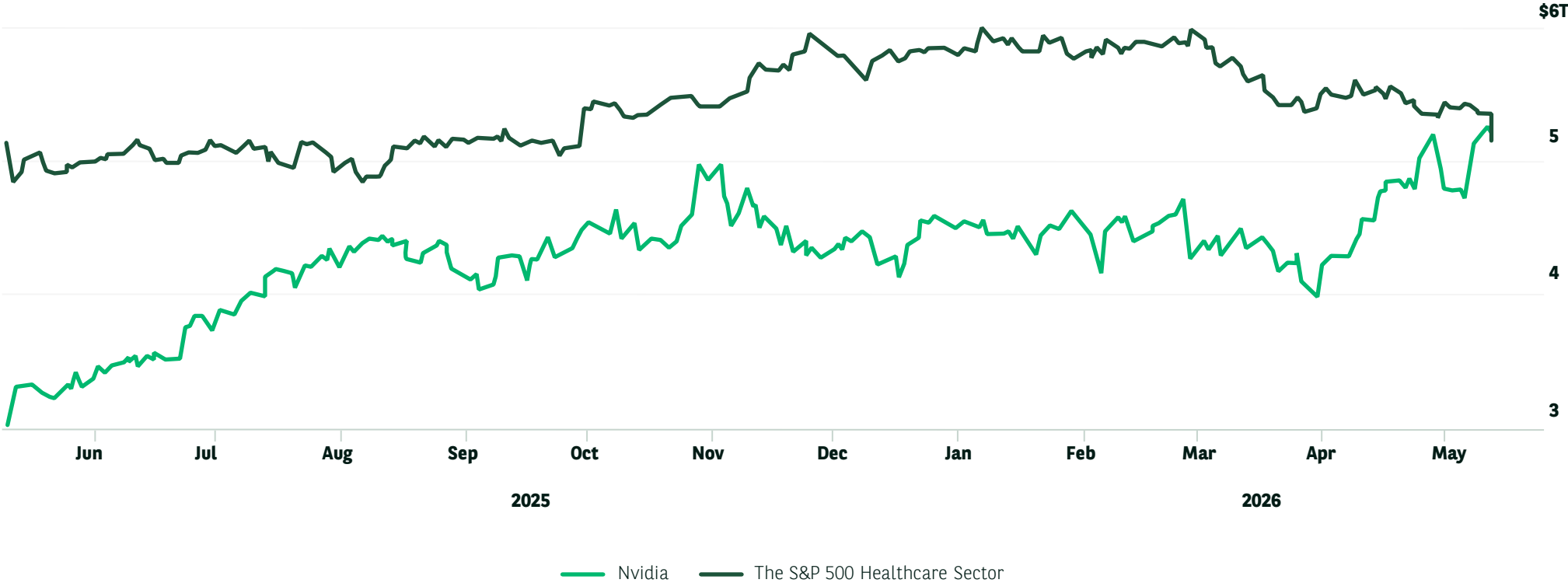
Sources: FactSet, Edward Jones



Nvidia market cap

Nvidia is bigger than all health stocks in the S&P 500

It now has a larger market cap than the entire healthcare sector of the index



Source: Bloomberg



The rise of \$100 billion companies

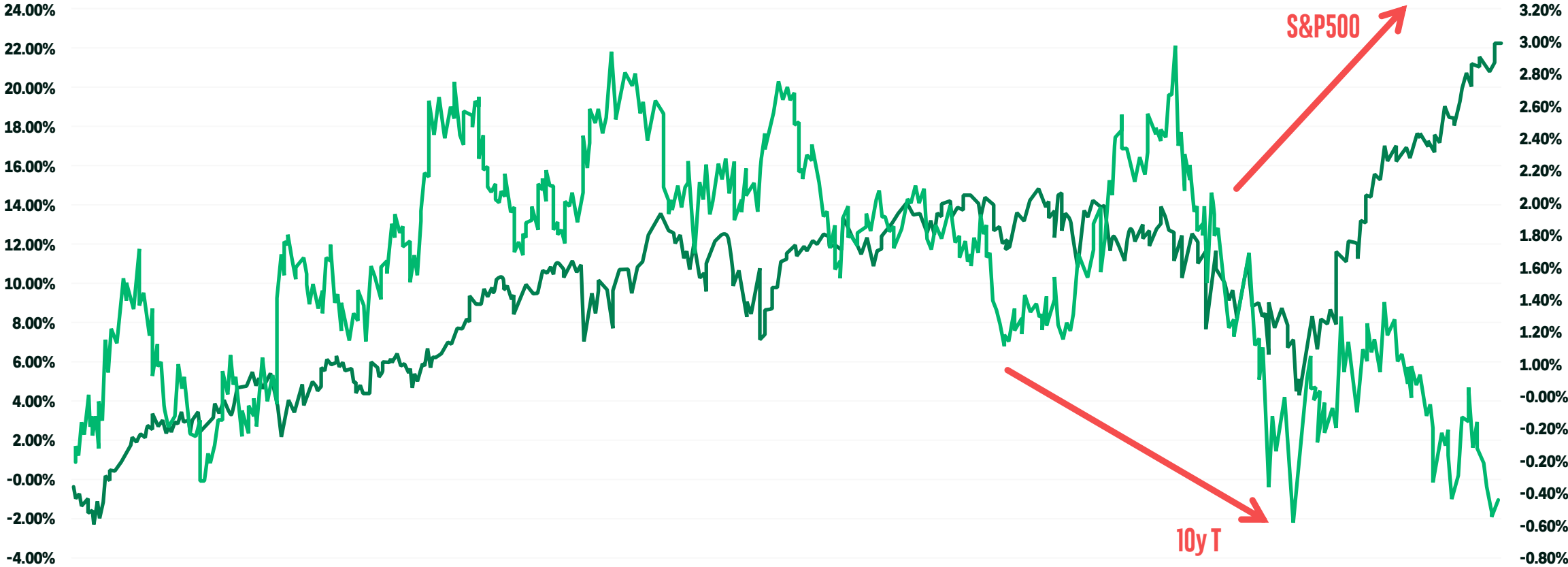
Total # of \$100 billion companies in the S&P 500



Sources: Chartkidmatt.com. The Compound Media, data via Bloomberg Finance L.P.



K-shaped economy



Source: Bloomberg



Dispersion

Artificial intelligence trade fuels stock divergence

Stocks seen hurt by AI disruption have tumbled



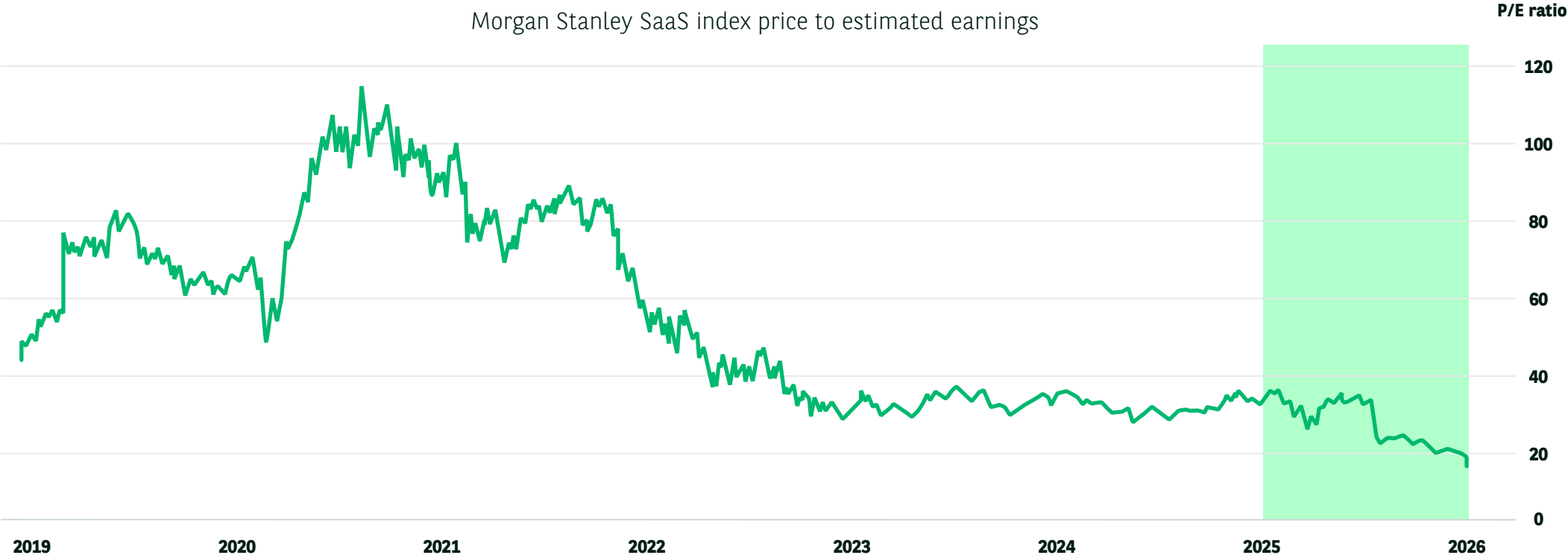
Source: Bloomberg
Note: Data is normalized with percentage appreciation as of 4 August 2025.



Software

Software valuations keep getting cheaper

Morgan Stanley SaaS index price to estimated earnings

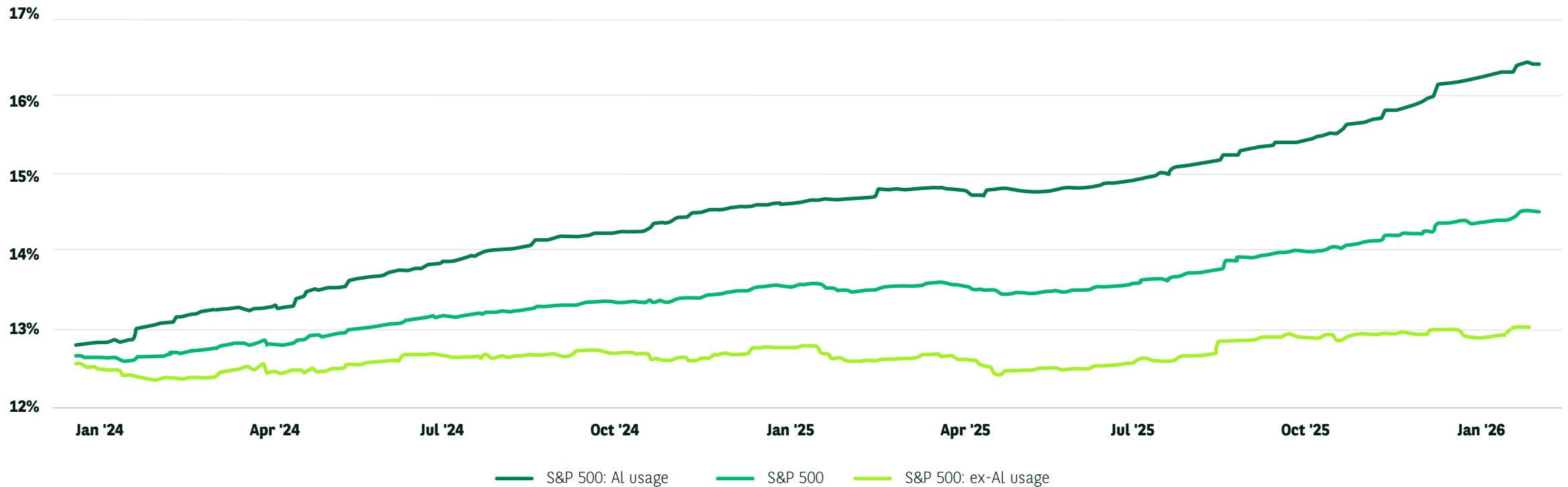


Sources: Morgan Stanley, Bloomberg



AI is driving margin expansion for its adopters

Net margin (net income / revenue), next 12 months



Source: J.P. Morgan



US tech vs non-tech



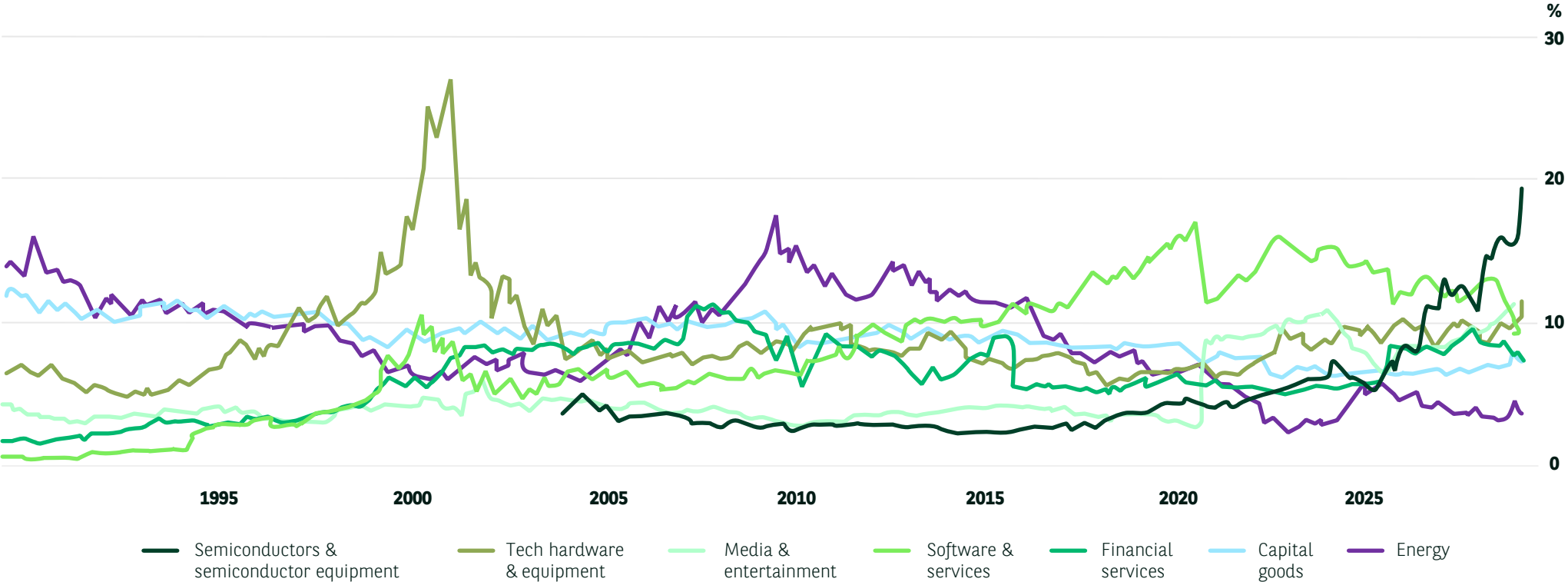
— Relative price performance: US TMT vs ex-Tech US Market Index

Sources: Topdown Charts, LSEG



Largest industry group in S&P 500

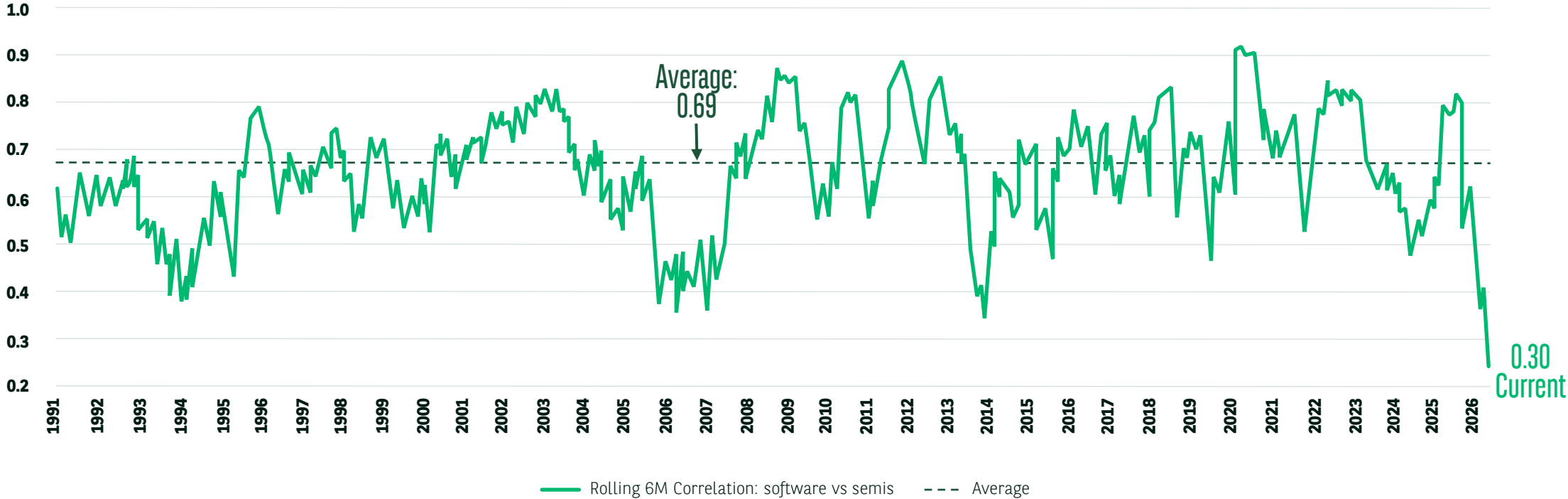
Chips are now S&P 500's largest industry group
 Weight in the benchmark index by industry groups



Source: Bloomberg



Correlation is gone



Sources: Chartkidmatt.com. The Compound Media, data via Bloomberg Finance L.P.



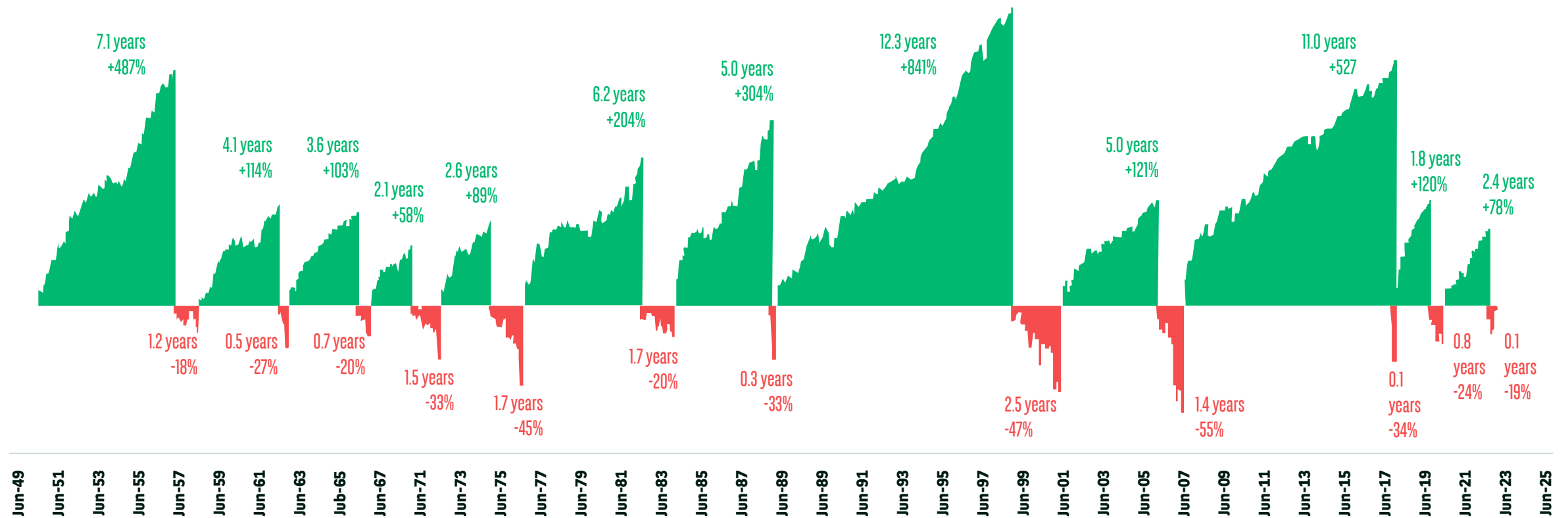
Bull and bear

Bull market average: 5.3 years, +254%

Bear market average: 1.0 years, -31%

S&P 500 bull and bear markets

Total returns



Source: Charlie Bilello, Creative Planning





Commodities bull market

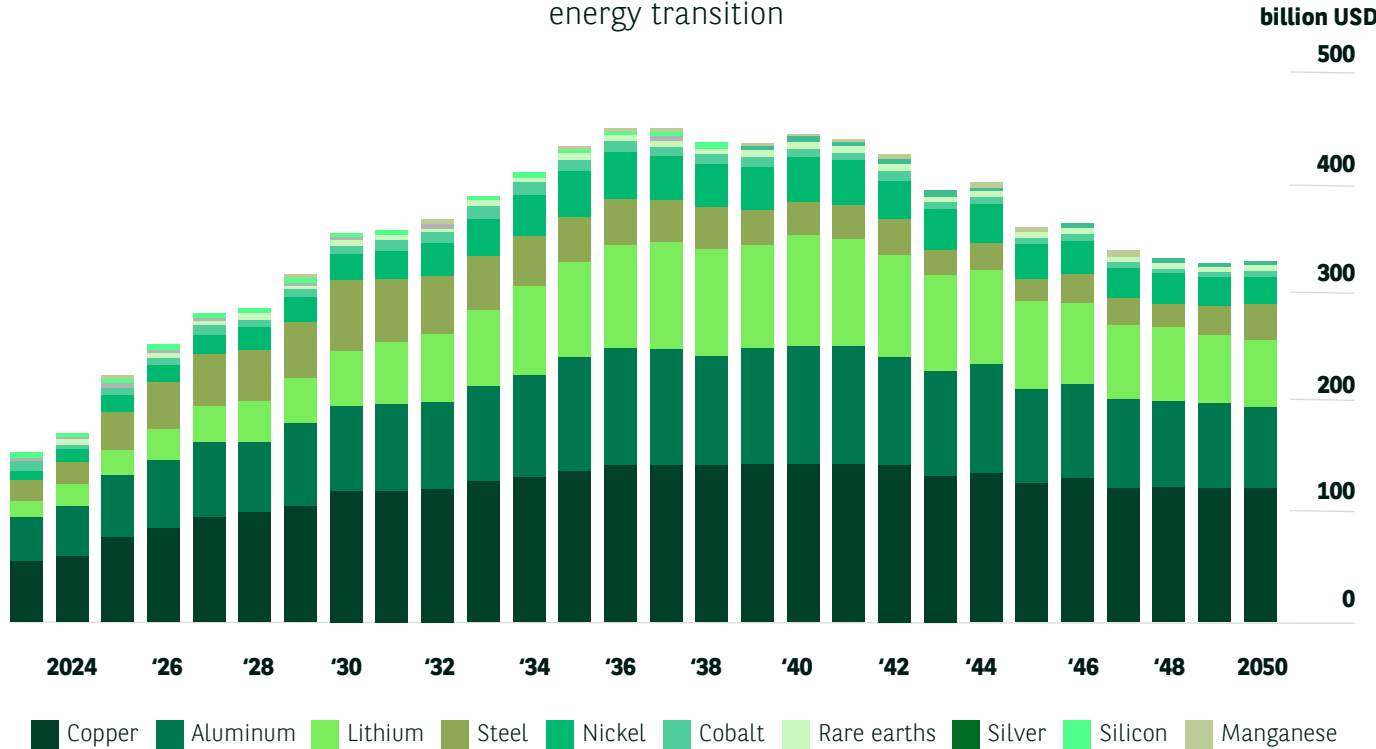
Philippe Gijssels



The great rebalancing and EU independence

Multi-trillion dollar net-zero opportunity

Almost \$10 trillion of metals could be needed between now and 2050 for the energy transition



Source: BloombergNEF

Europe's dependence on Chinese resources

Percentage of critical materials supplied by China in 2024

<p>100%</p> <p>Heavy rare earth elements Nuclear reactors, TV screens, fiber optics</p>	<p>97%</p> <p>Magnesium Aerospace alloys, automotive parts</p>	<p>85%</p> <p>Light rare earth elements Catalysts, aircraft engines, magnets</p>	<p>79%</p> <p>Lithium Batteries, ceramics, pharmaceuticals</p>
<p>71%</p> <p>Gallium Semiconductors, LEDs, solar panels</p>	<p>67%</p> <p>Scandium Aerospace components, power generation, sports equipment</p>	<p>65%</p> <p>Bismuth Pharmaceuticals, cosmetics, low-melting alloys</p>	<p>62%</p> <p>Vanadium Steel alloys, aerospace, tools</p>
<p>45%</p> <p>Baryte Oil and gas drilling, paints, plastics</p>	<p>45%</p> <p>Germanium Fiber optics, infrared optics, electronics</p>	<p>40%</p> <p>Natural graphite Batteries, lubricants, refractory materials</p>	<p>32%</p> <p>Tungsten Cutting tools, electronics, heavy metal alloys</p>

Sources: European Commission, Bloomberg



America's mineral supply

Import vs domestic share in 2024

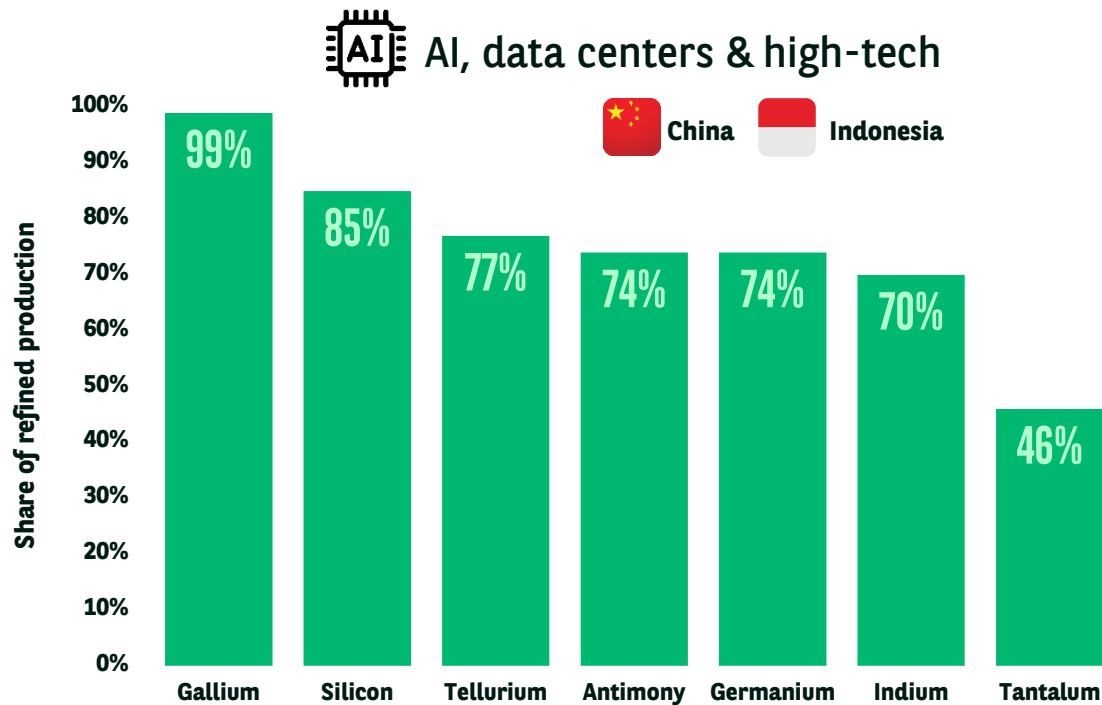


Source: Commodity Insights

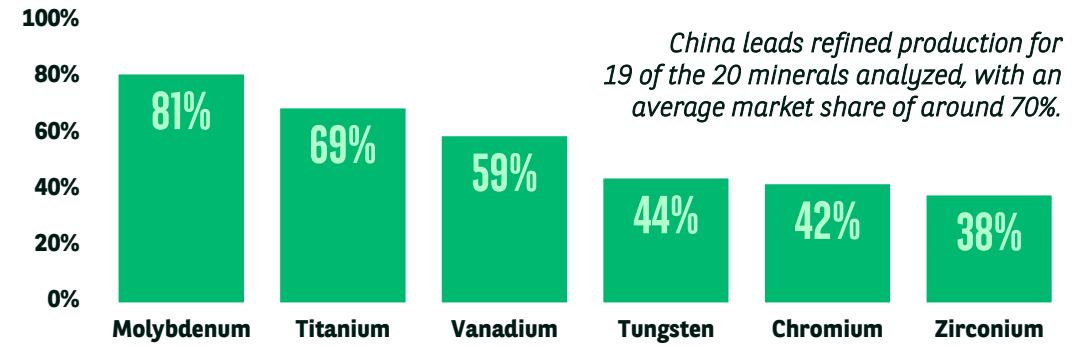


China's dominance

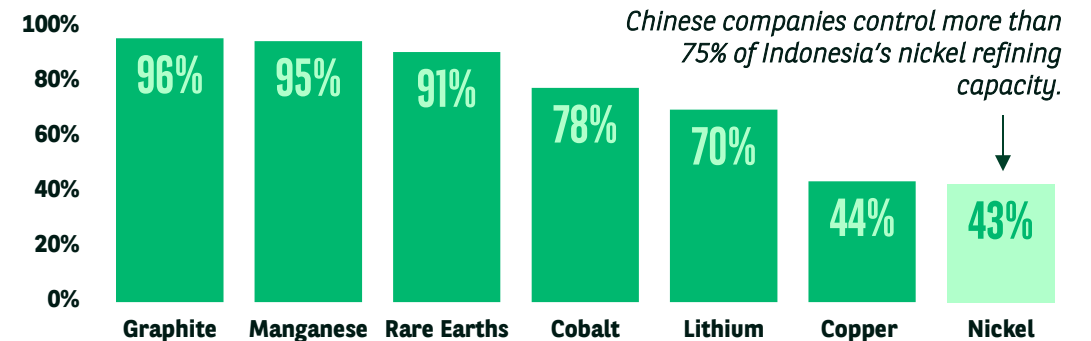
In refined critical minerals



Aerospace, industry & defense



Batteries, grids & renewables



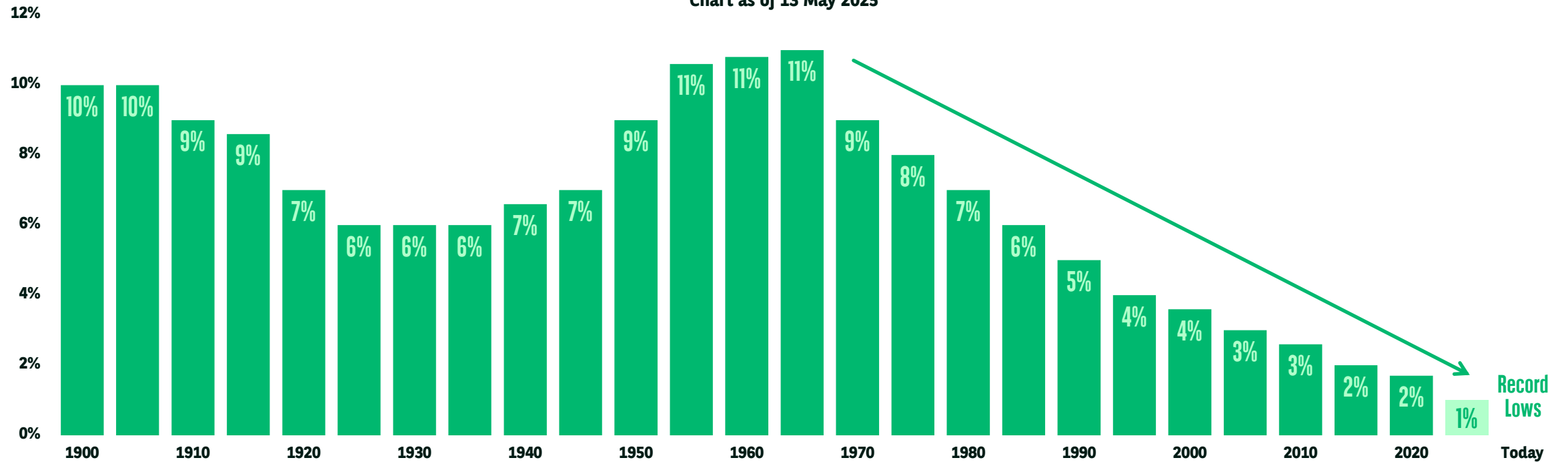
Source: World Economic Forum via international Energy Agency as of 2025



Mining industry

Global mining industry aggregate market cap relative to total global stocks' market cap

Chart as of 13 May 2025

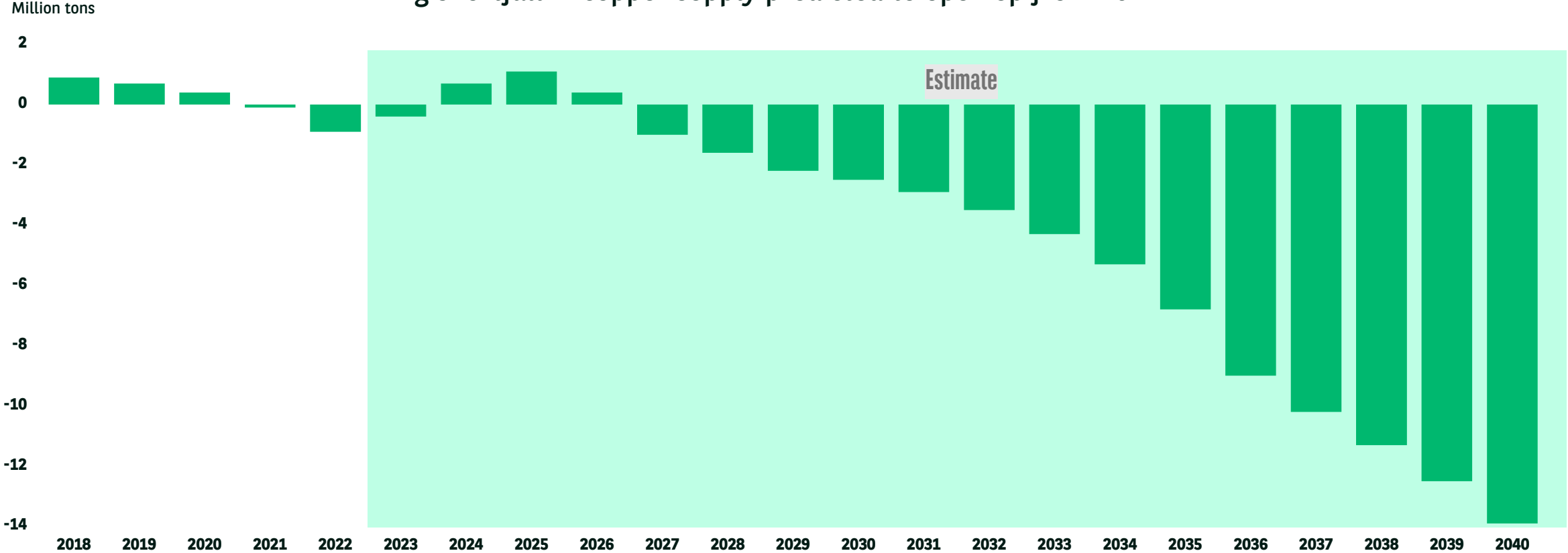


Sources: Statista; S&P Global Market intelligence; Tavi Costa; Crescat Capital LLC



Copper

Big shortfall in copper supply predicted to open up from 2027



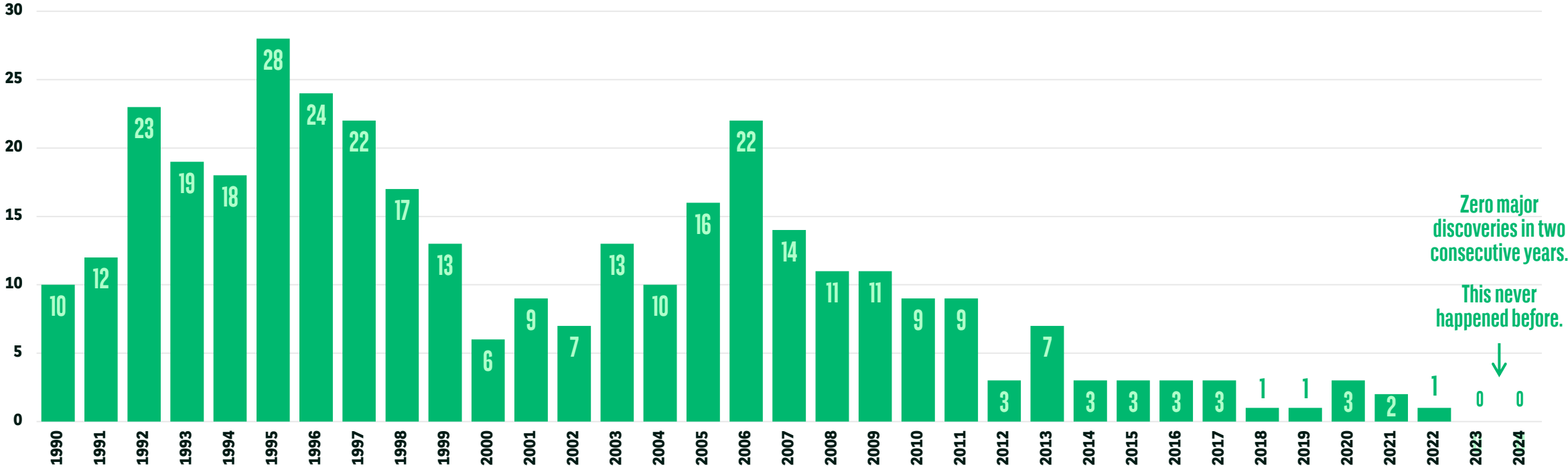
Sources: Bernstein; Financial Times



Goldminers

New gold discoveries worldwide

Discoveries of at least 2 million ounces of gold



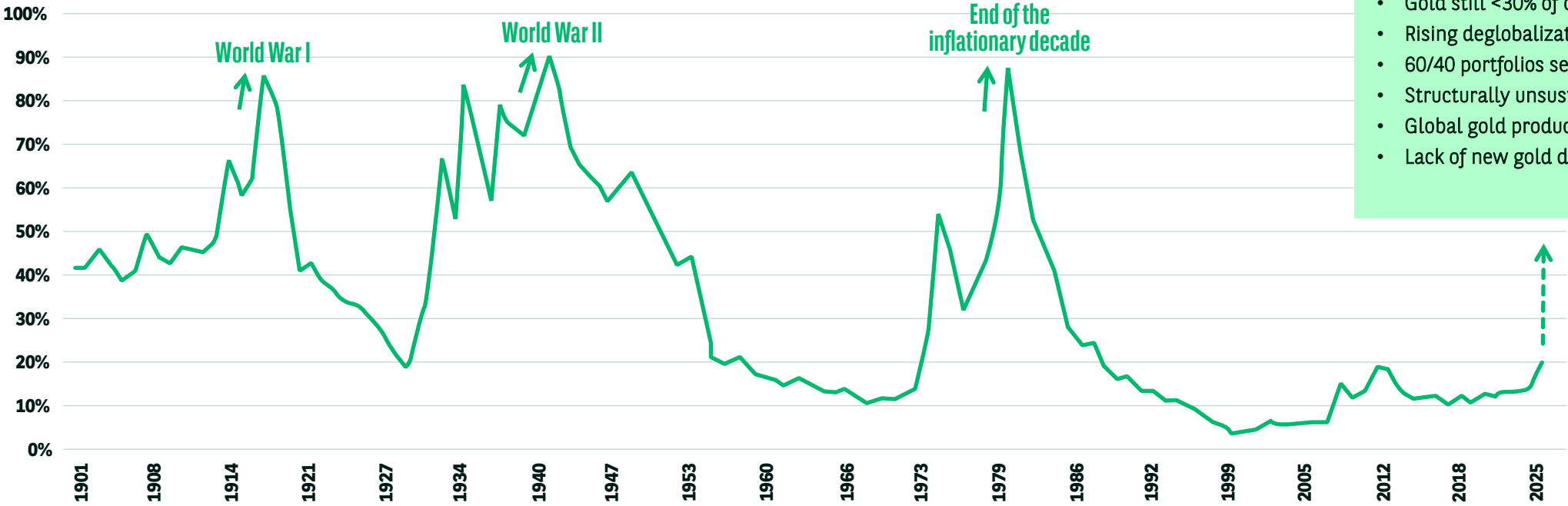
Sources: S&P Global; Azuria Capital



Gold market cap

Gold market cap as a % of global stock market

Calculation: above-ground gold value / global equity market cap



- Early in the gold cycle**
- Global debt at record highs
 - Inflation as the path of least resistance
 - Gold still <30% of central bank assets
 - Rising deglobalization favors neutral assets
 - 60/40 portfolios seeking safe alternatives
 - Structurally unsustainable fiscal deficits
 - Global gold production flat
 - Lack of new gold discoveries

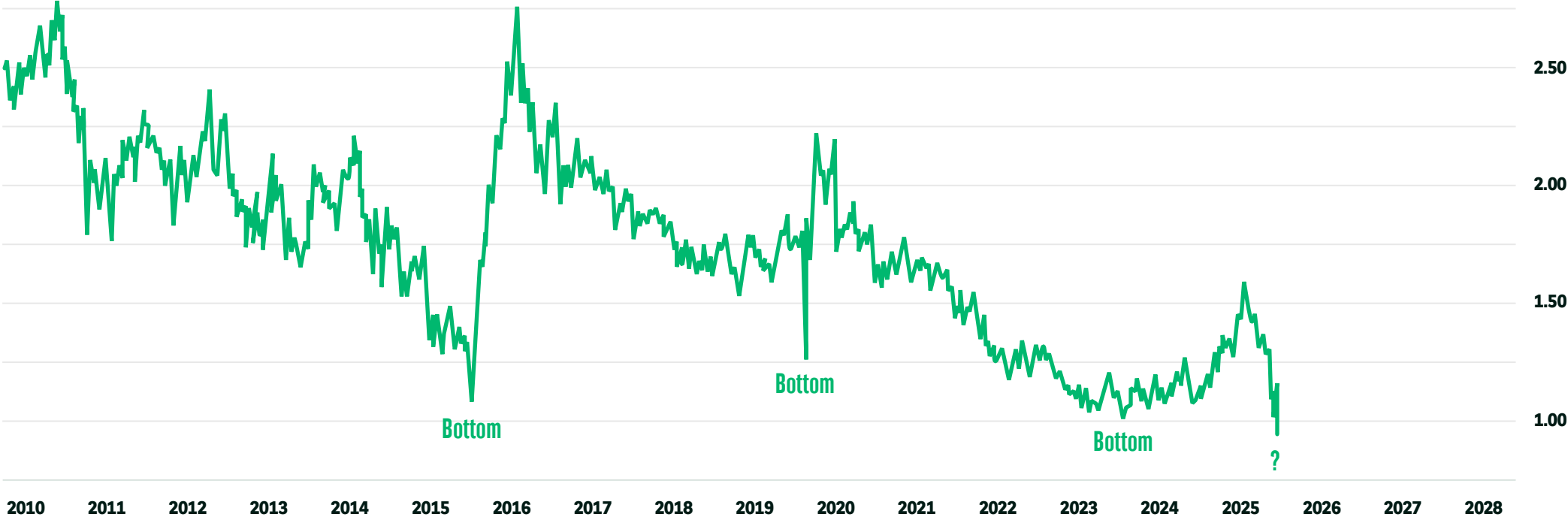
Sources: DMS Dataset (UBS/Credit Suisse); World Bank (WDI); World Federation of Exchanges (WFE); Analysis by Tavi Costa; Azuria Capital



Silver

Silver miners-to-silver ratio

Calculation: SIL ETF / silver prices (2 February 2026)



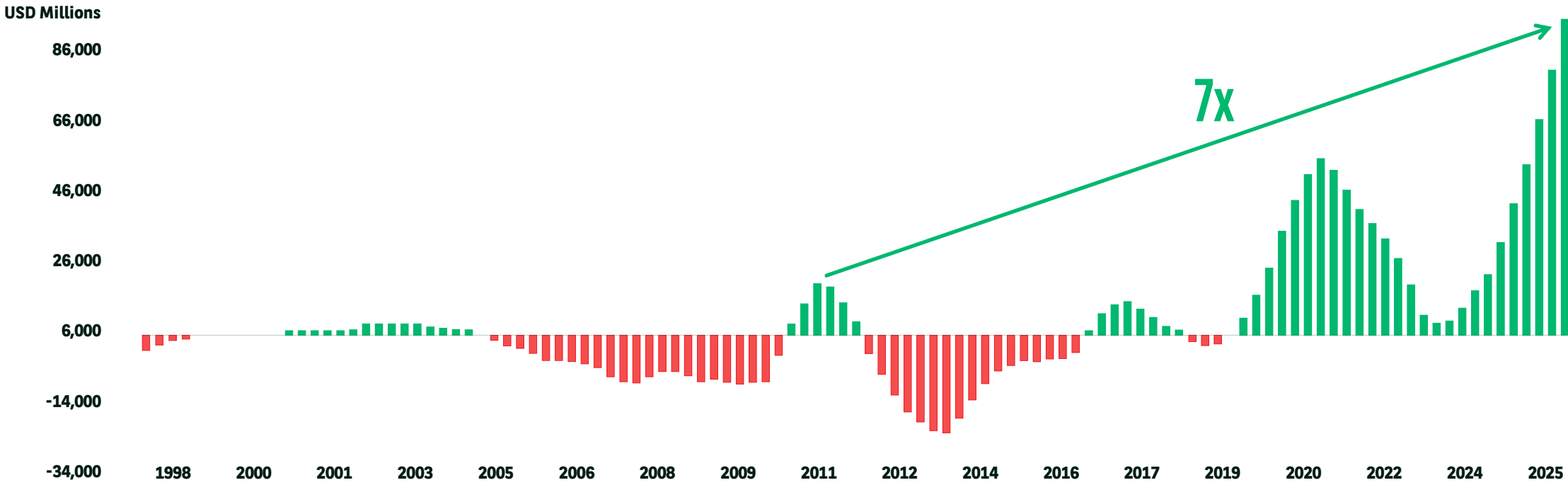
Sources: Bloomberg, analysis by Tavi Costa; Azuria Capital



Aggregate free cash flow

Gold & silver miners: aggregate free cash flow

Top 50 miners by market cap in the Canadian & US stock exchanges (1 May 2025)

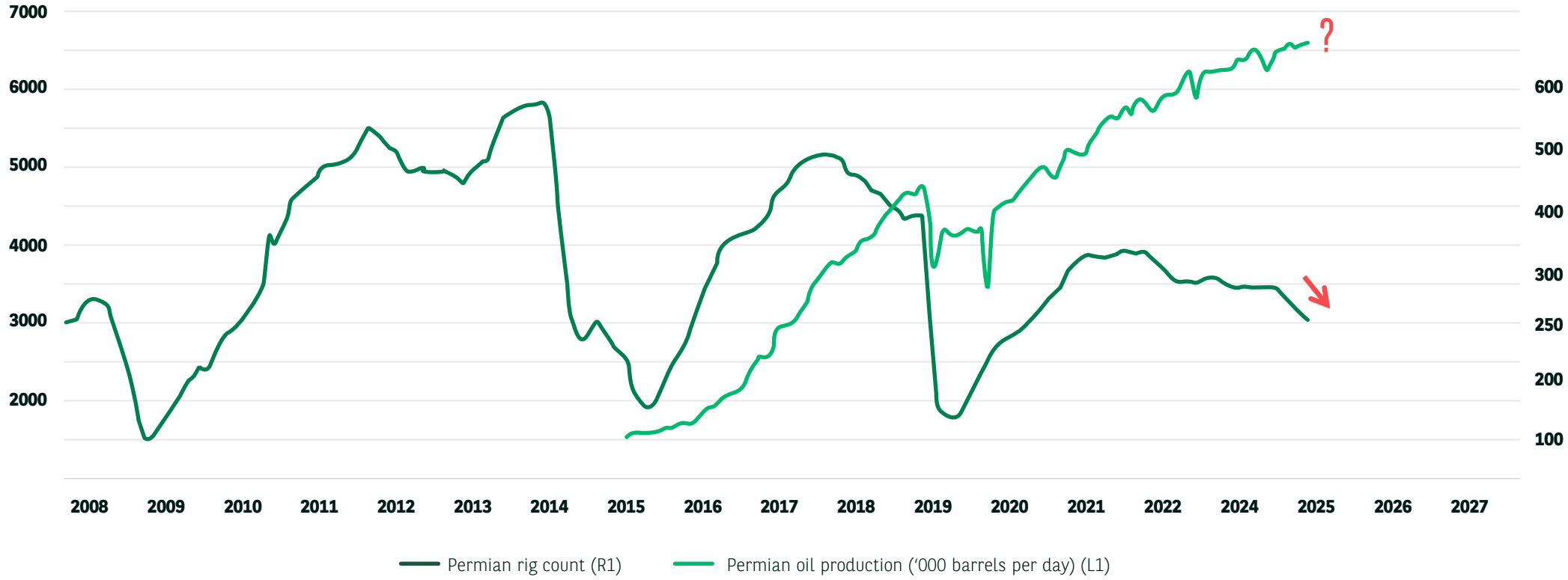


Sources: Bloomberg; Analysis by Tavi Costa; Azuria Capital



Oil production

US oil production: Permian Basin



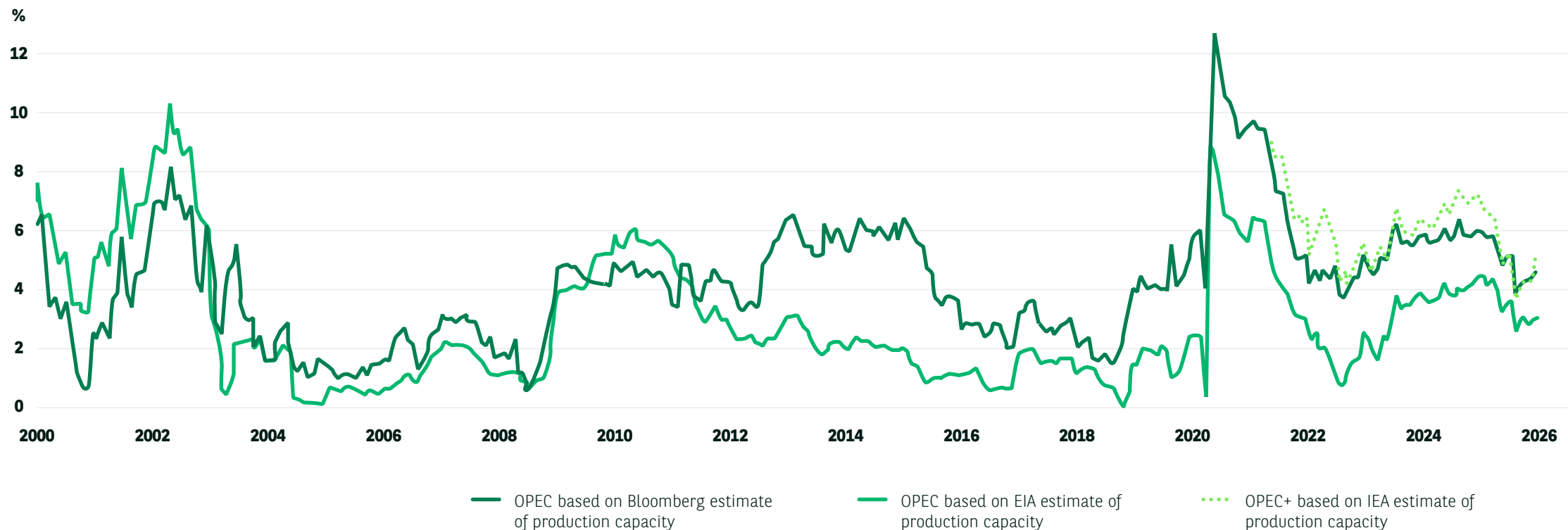
Sources: Bloomberg; Tavi Costa; Crescat Capital LLC



Iran

OPEC spare capacity insufficient to offset a major oil shock

Crude oil spare production capacity as a share of global liquid fuels consumption



Note: US EIA estimates for crude production used in all series
Sources: IEA, US EIA, Bloomberg Finance L.P.



Where are the reactors?

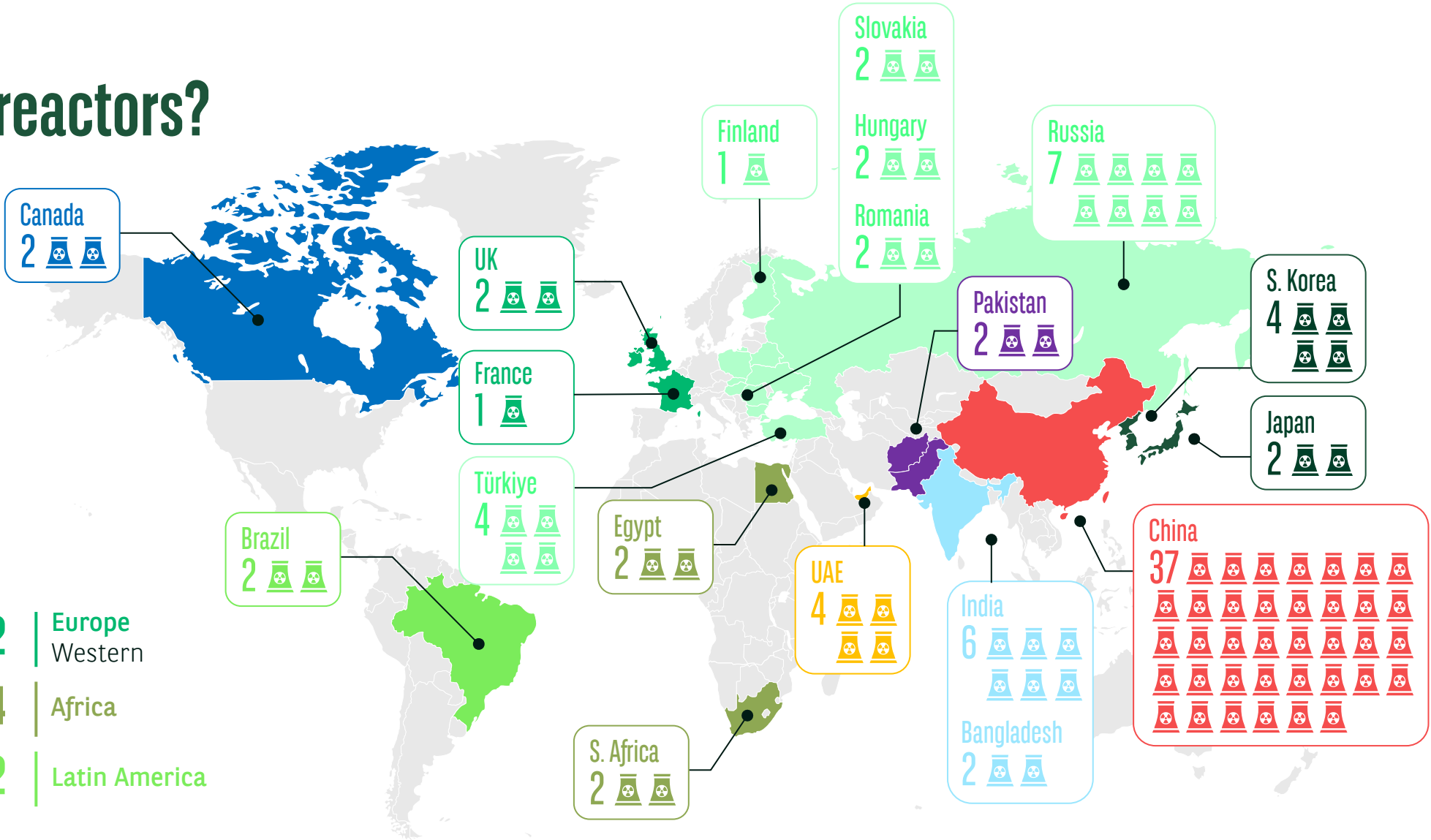
72

NUCLEAR REACTORS

currently under construction worldwide

Reactors under construction by region

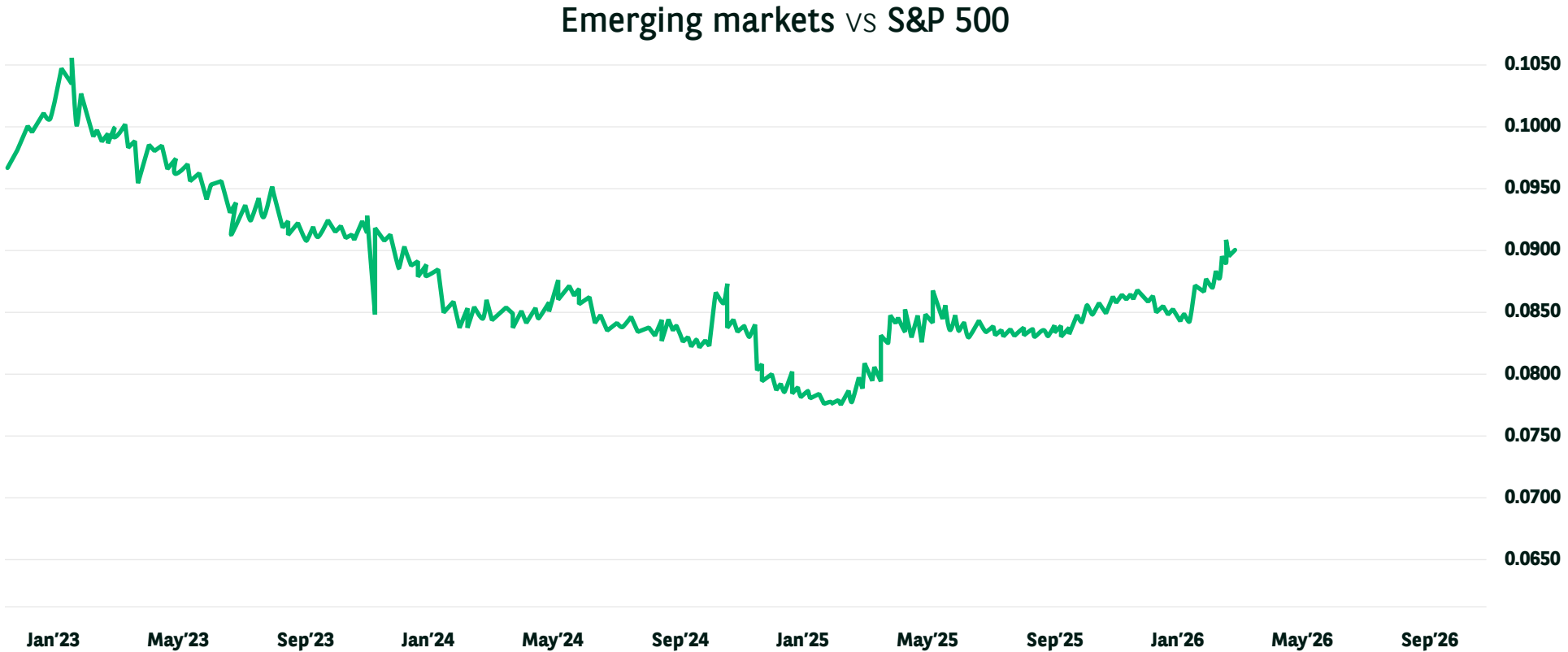
- 13 | Europe Central & Eastern
- 2 | Europe Western
- 39 | Asia Far East
- 4 | Africa
- 12 | Asia Middle East & South
- 2 | Latin America



Note: Includes commercial power reactors only. Does not include planned or proposed reactors
 Sources: IAEA Pris (Power Reactor Information Systems) - Data as of April 2026



Money is flowing more evenly



Source: TrendSpider



Why Latin America ?

Regime shift: USD moving from headwind to tailwind, lower US rates, and a potential Chinese recovery is good for emerging markets equities and currencies

Valuations and earnings at the bottom of the cycle, lower rates are needed to support earnings momentum

Good support from **commodities**

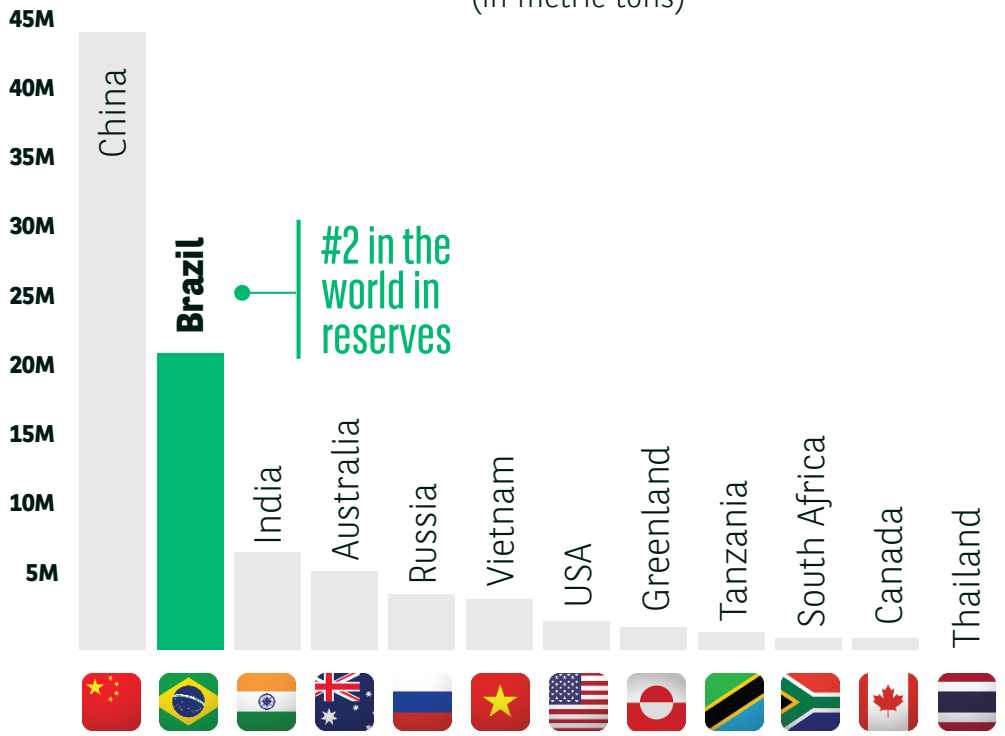
Geopolitics

- Beneficiary of US proximity for Mexico
- Rest of Latam geopolitically well placed and shifting from left to centric and more market friendly government



Brazil is the sleeping giant of minerals

Rare earth mineral reserves
(in metric tons)



Rare earth mineral production in 2024
(in metric tons)



Source: USGS

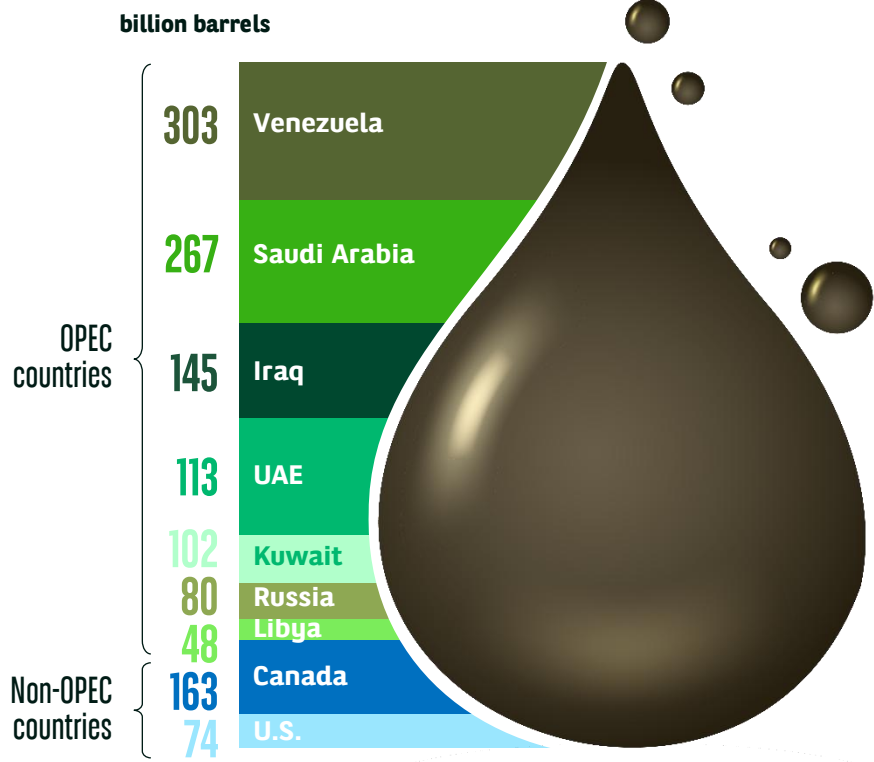




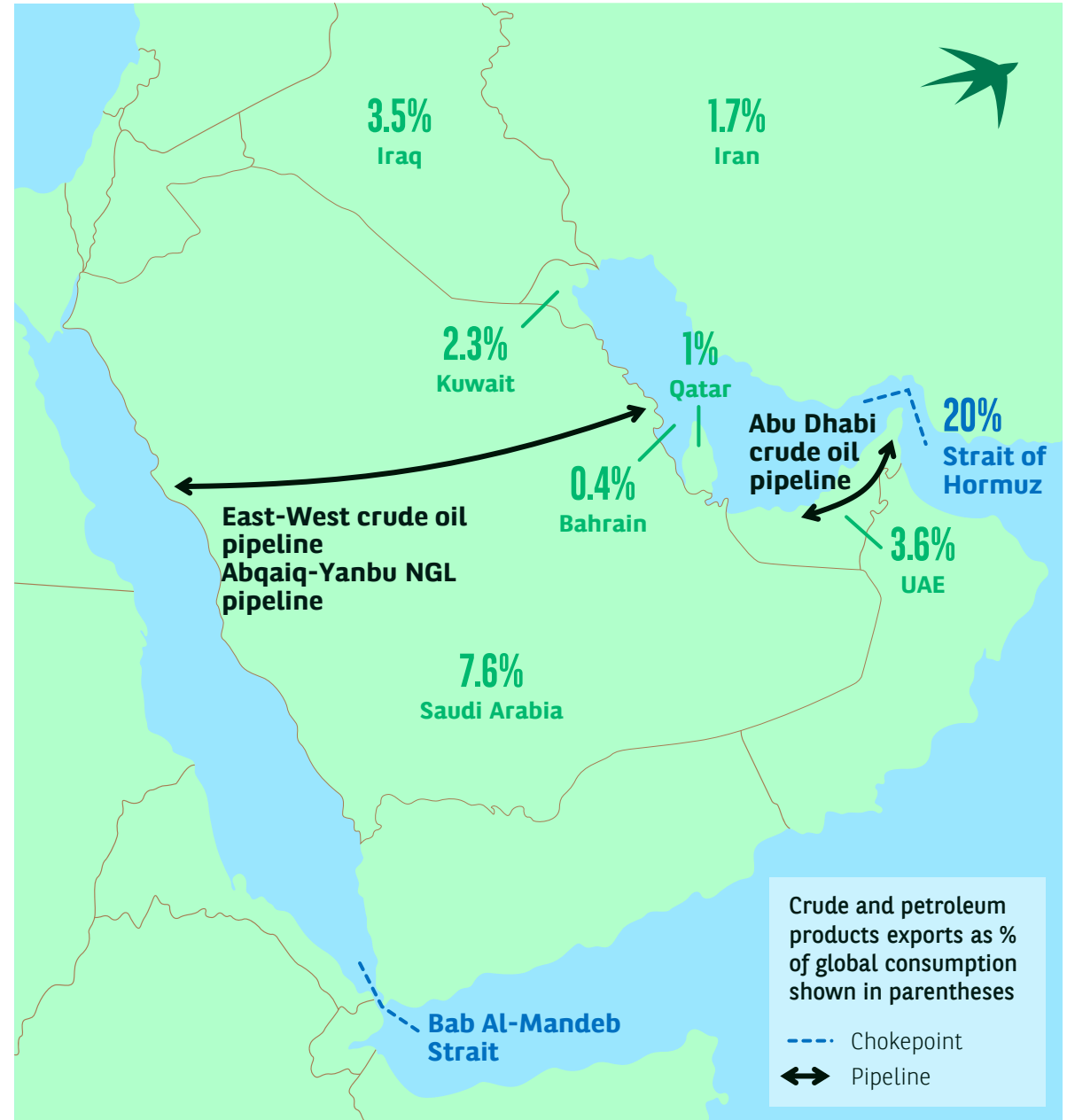
New world order: higher inflation and interest rates, weaker dollar

Philippe Gijsels

Countries with the largest proven oil reserves



Source: Visual Capitalist



The bank for a changing world

Source: BCC Research

World oil inventories are falling at a record pace

Total visible oil inventories, in billions of barrels

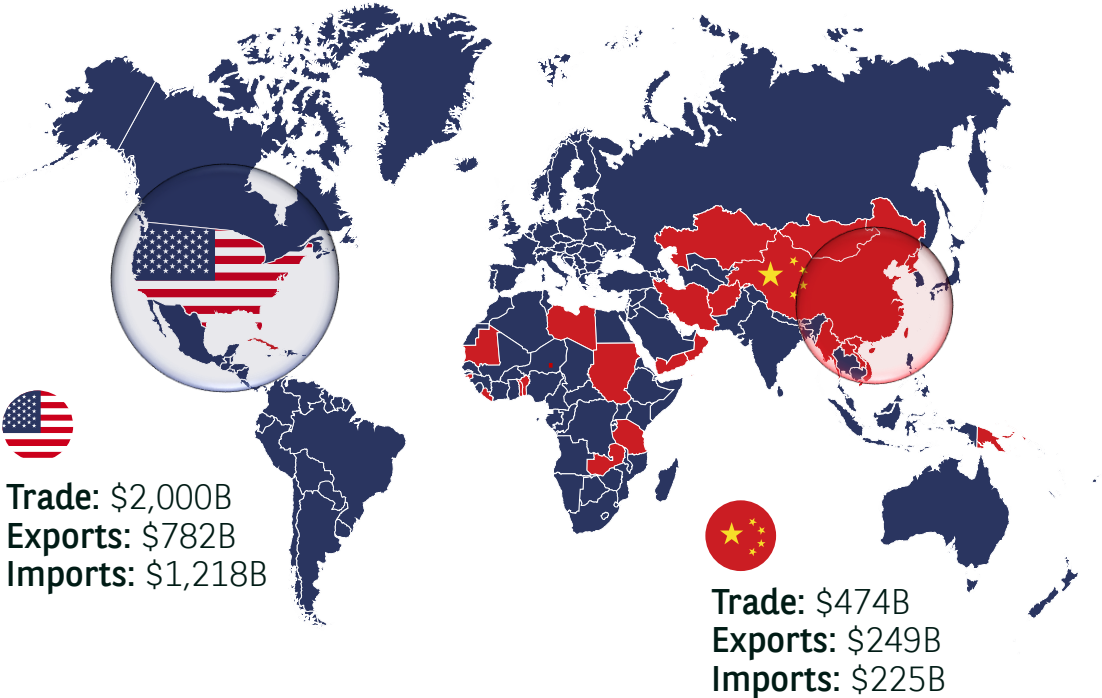


Source: Tavi Costa

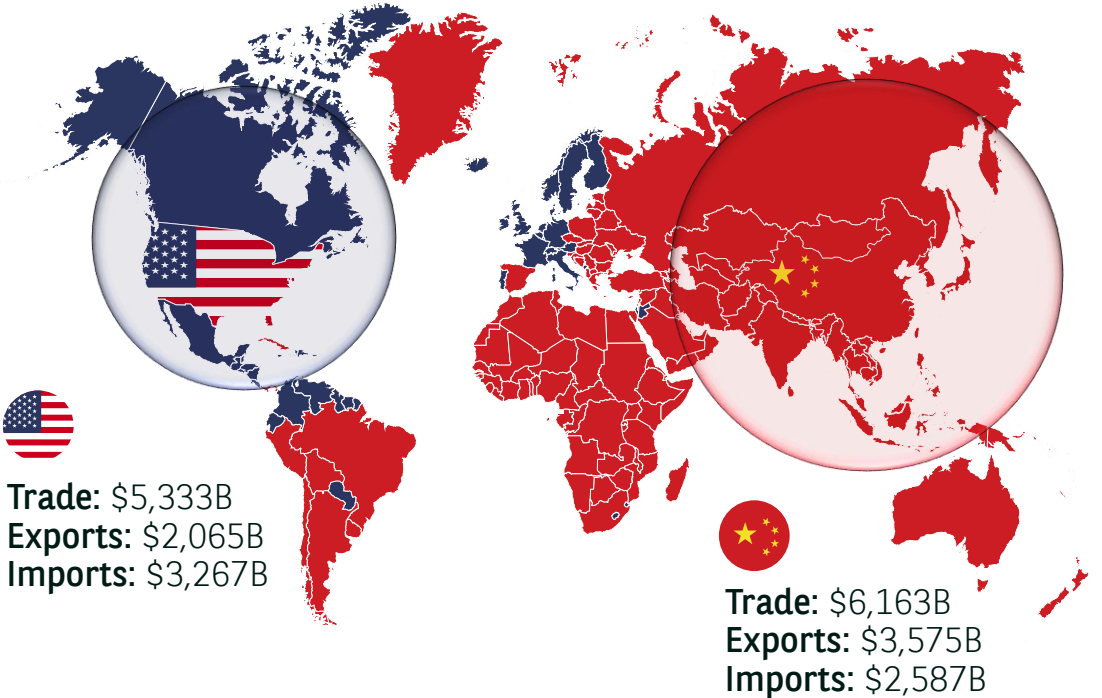


The global trade war

2000



2024



Sources: Econovis, US Census, Customs of China

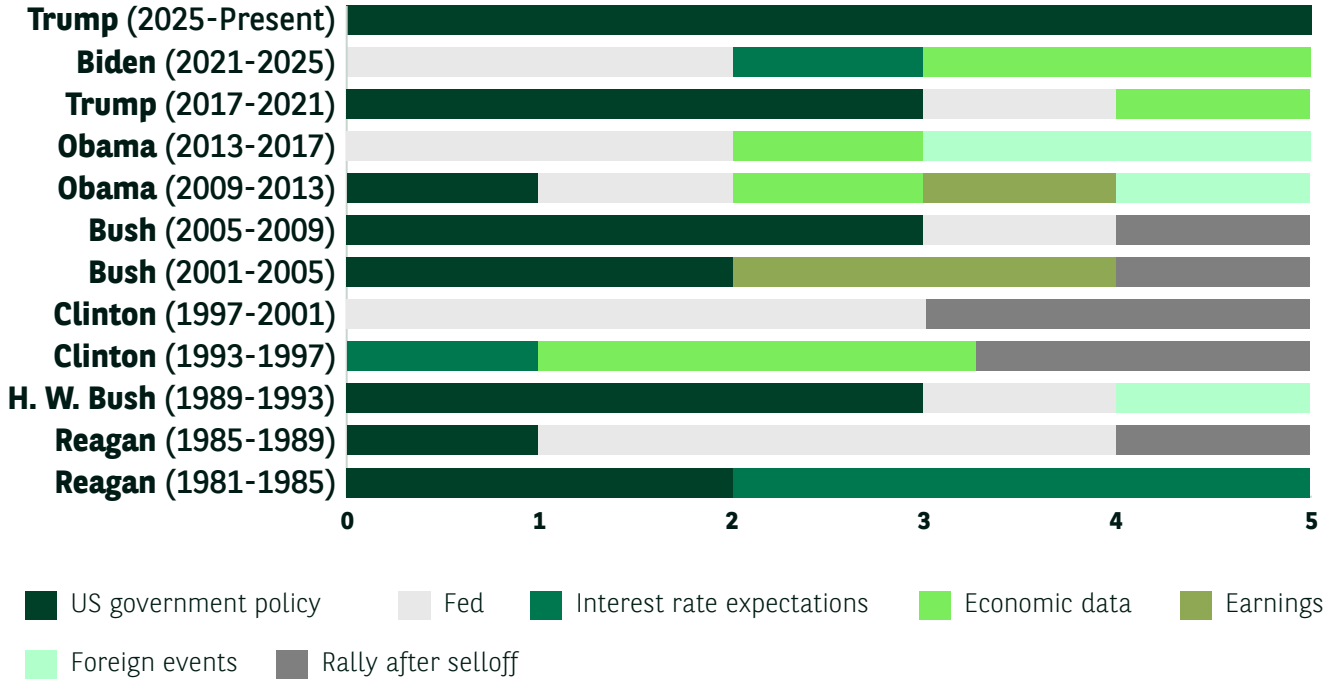
■ U.S. As the larger trading partner ■ China as the larger trading partner



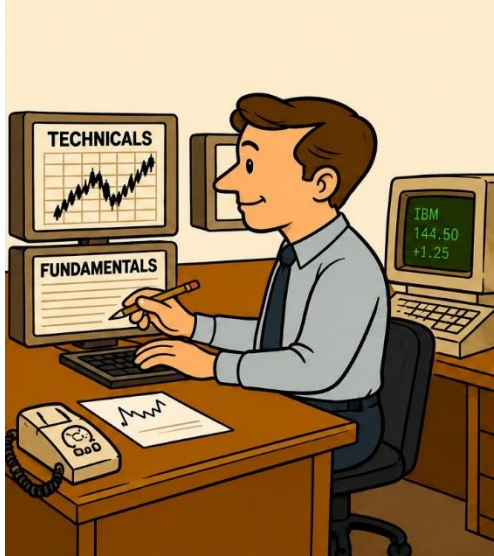
Trading with Trump

Biggest up days

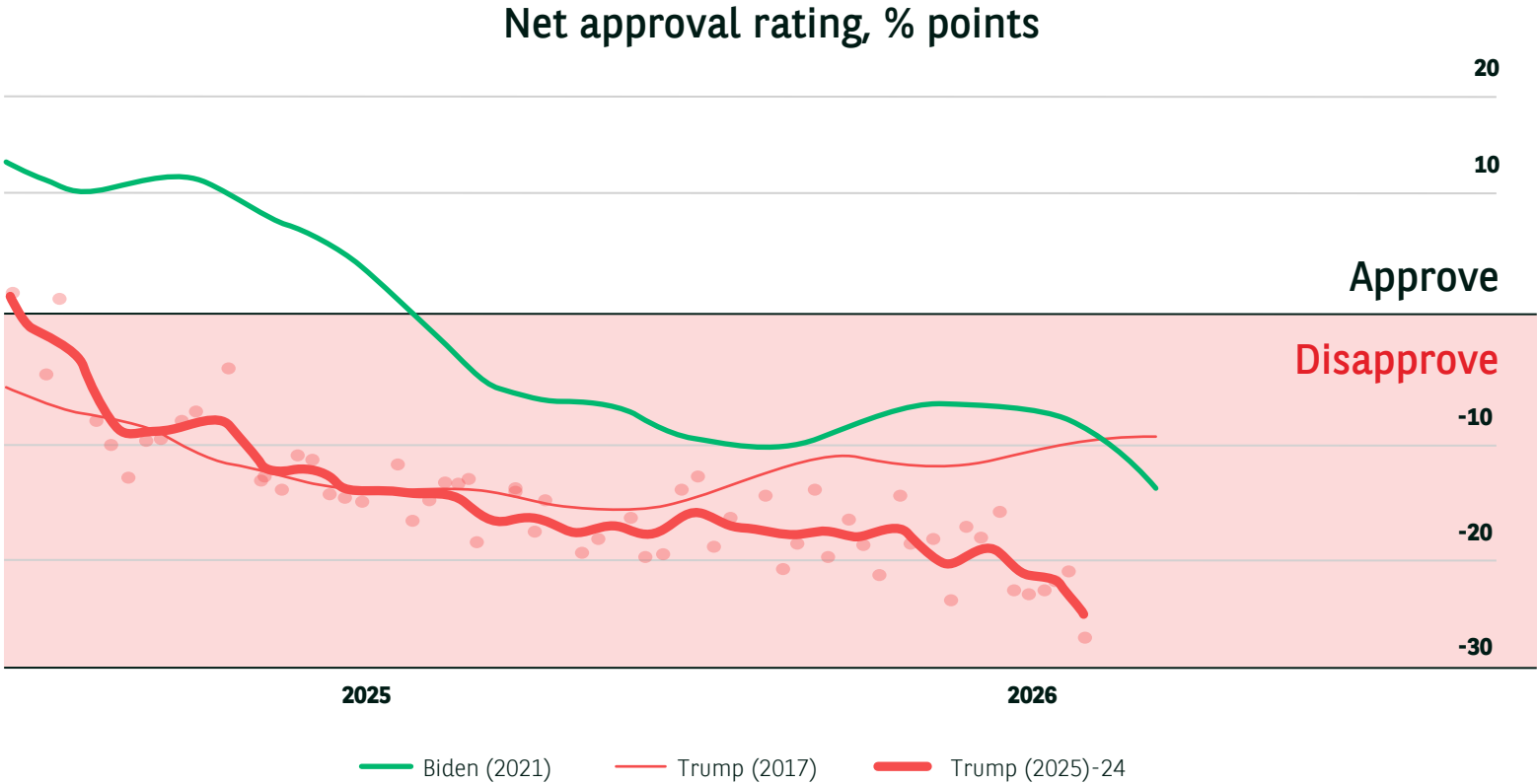
S&P 500's five best days during second Trump term have been policy driven



Sources: Fundstrat, Bloomberg



Donald Trump's popularity hits a new low



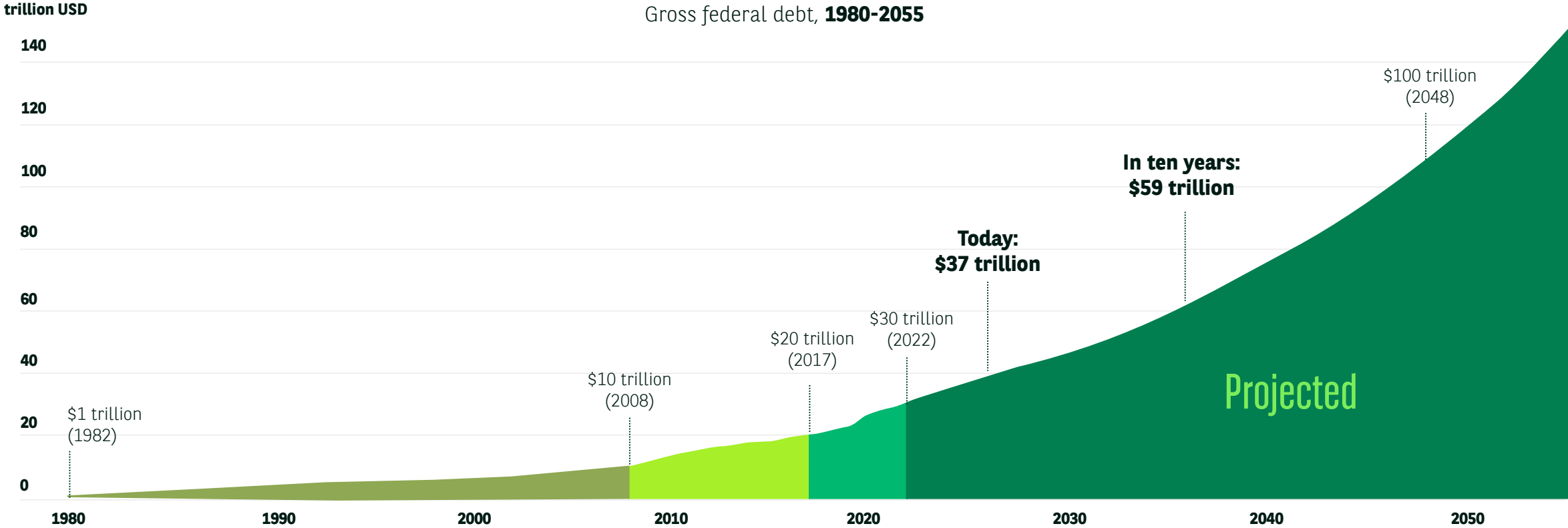
Source: The Economist's Trump approval tracker



US total debt

US national debt is growing at an unsustainable rate

Gross federal debt, 1980-2055

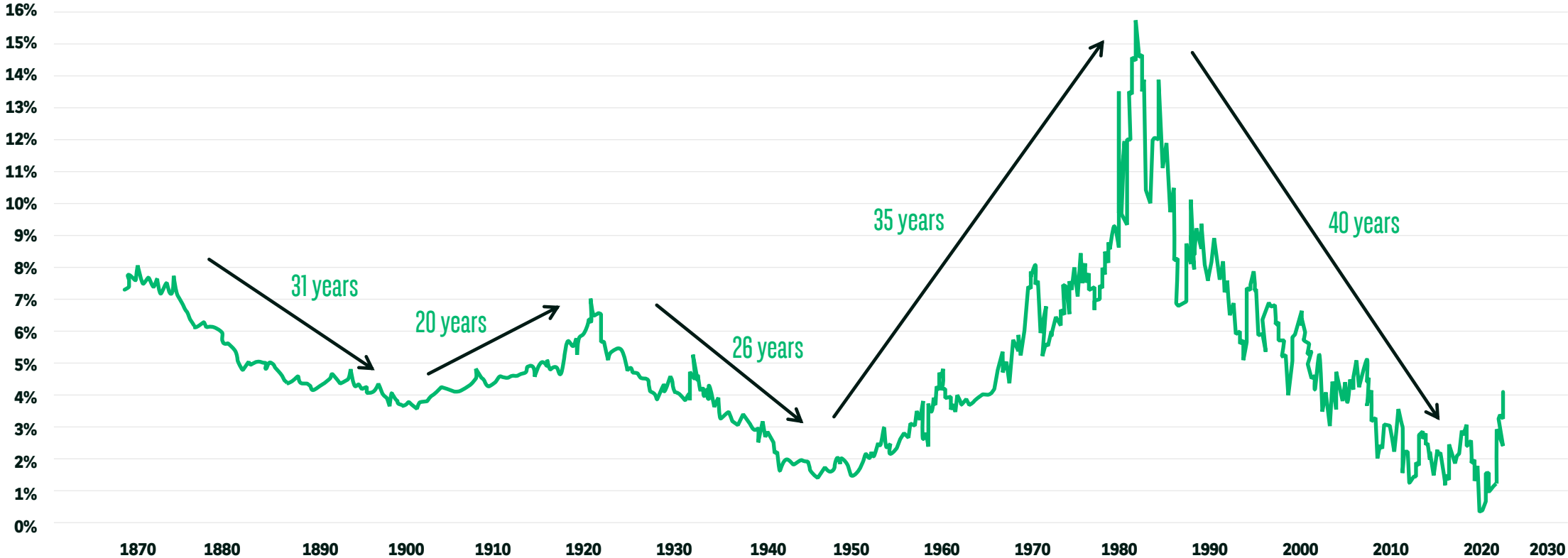


Source: US Treasury, CBO March 2025 Long-term Budget Outlook



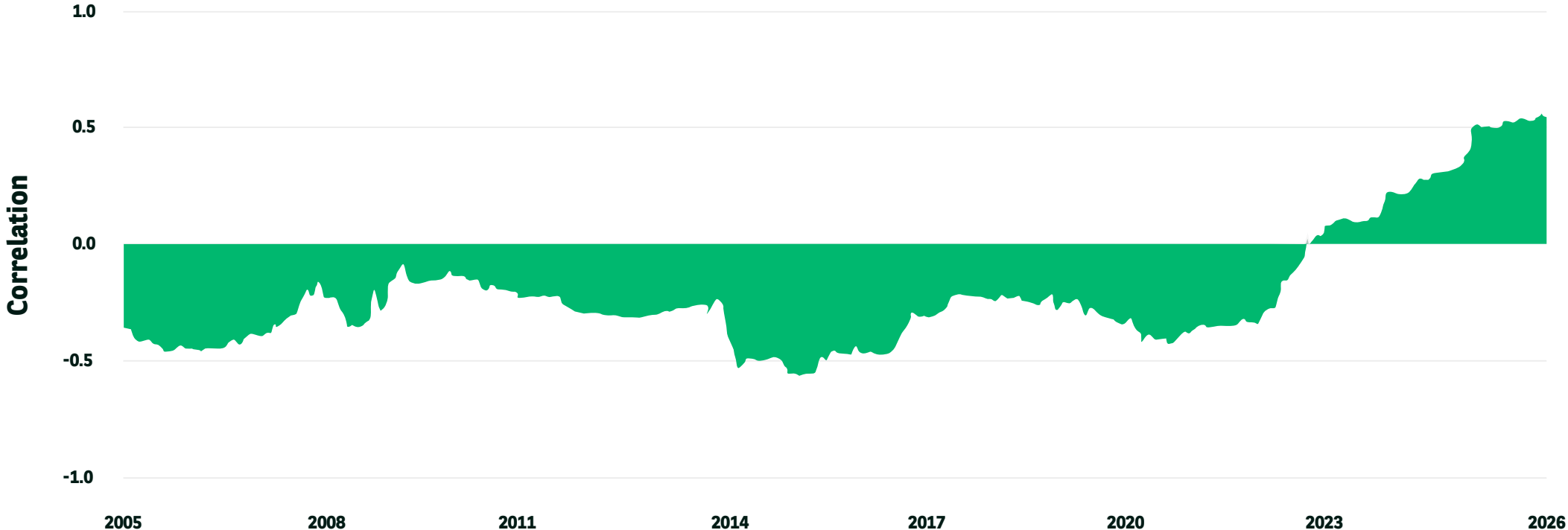
10 year treasury yield

10-year treasury yield



Stocks vs bonds

Trailing 5-year correlation between stocks and bonds
1 January 2000 – 30 April 2026

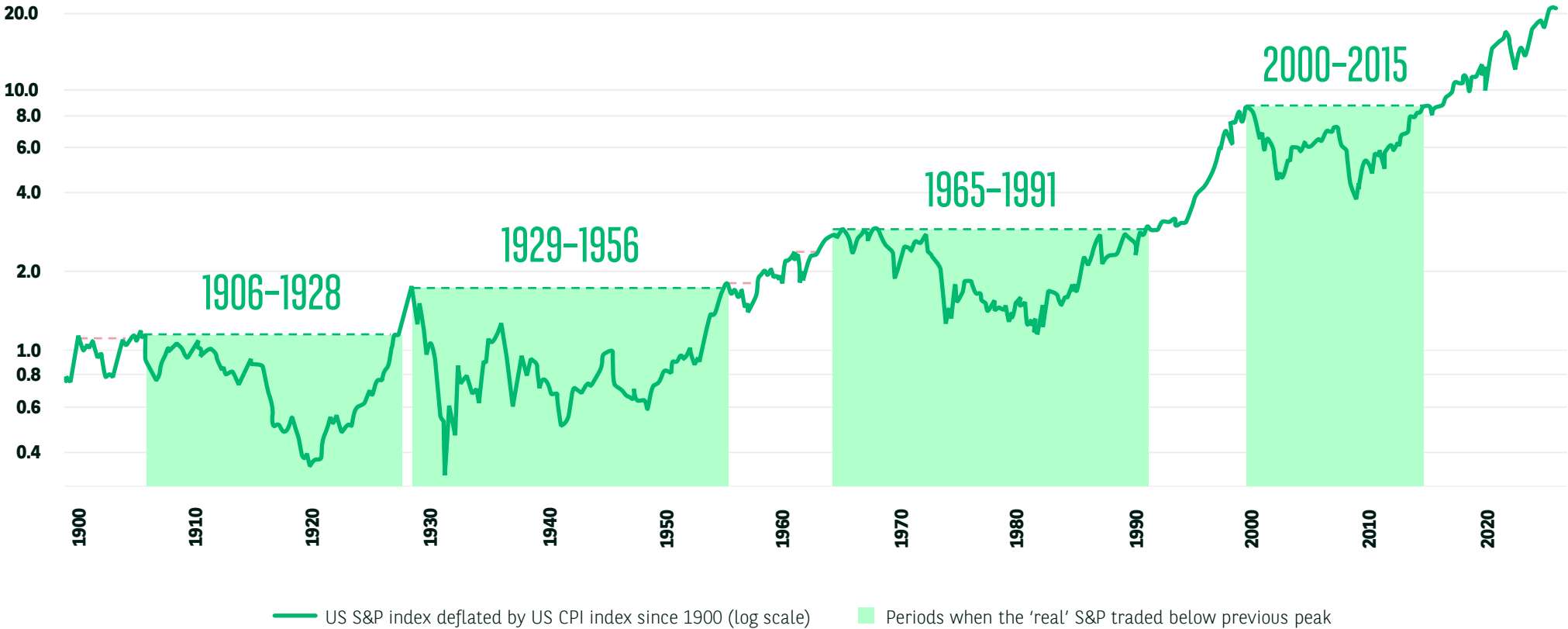


Sources: AQR, Bloomberg. Stocks are represented by the S&P 500. Bonds are represented by the Bloomberg Barclays US Treasury Index. Chart uses monthly gross data.



Equity prices and time to recover

US real equity prices and time to recover previous peaks



Sources: ASR Ltd, LSEG Datastream



Emerging markets

Deutsche Bank EM FX Equally Weighted Spot Index

Chart as of 4 September 2025



Sources: Bloomberg; Tavi Costa



Euro/dollar trend



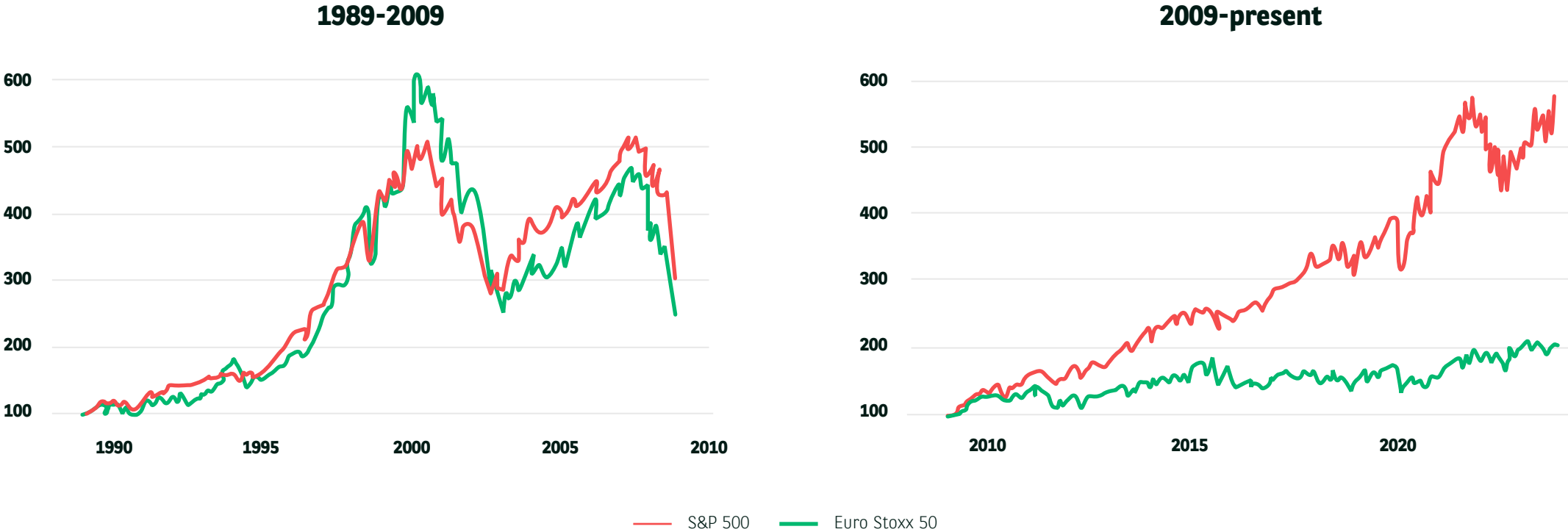
Source: Bloomberg



American exceptionalism

US and European equity returns were much more similar before 2009

Indices rebased in local currencies

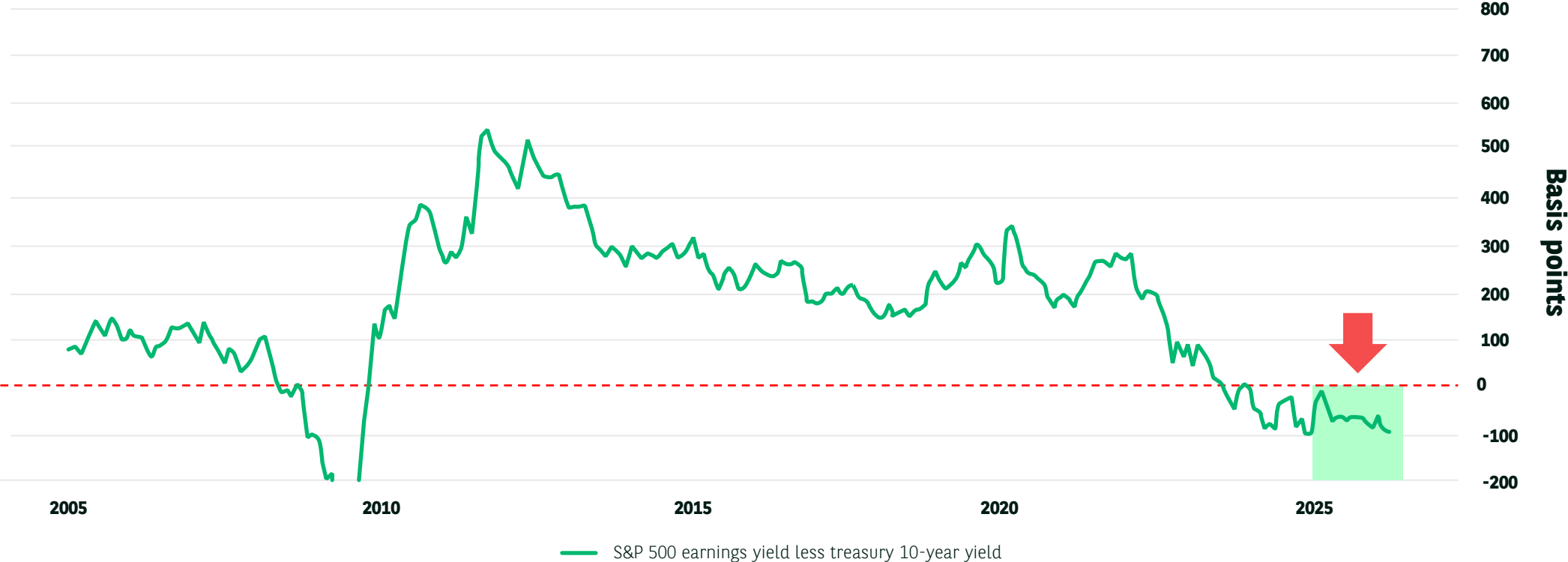


Source: Bloomberg



Risk premium

US equity risk premiums

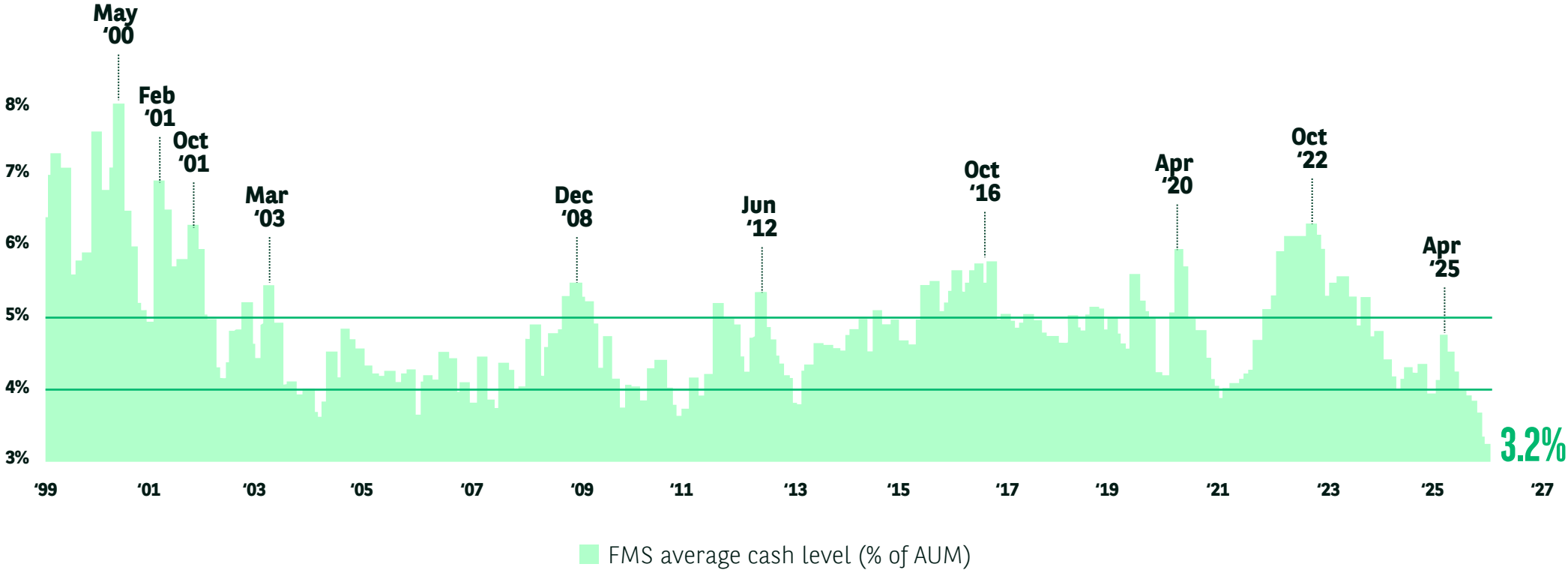


Sources: FRED, Multpl | Through May 2026



Cash levels drop

FMS cash level drops further to record-low 3.2%



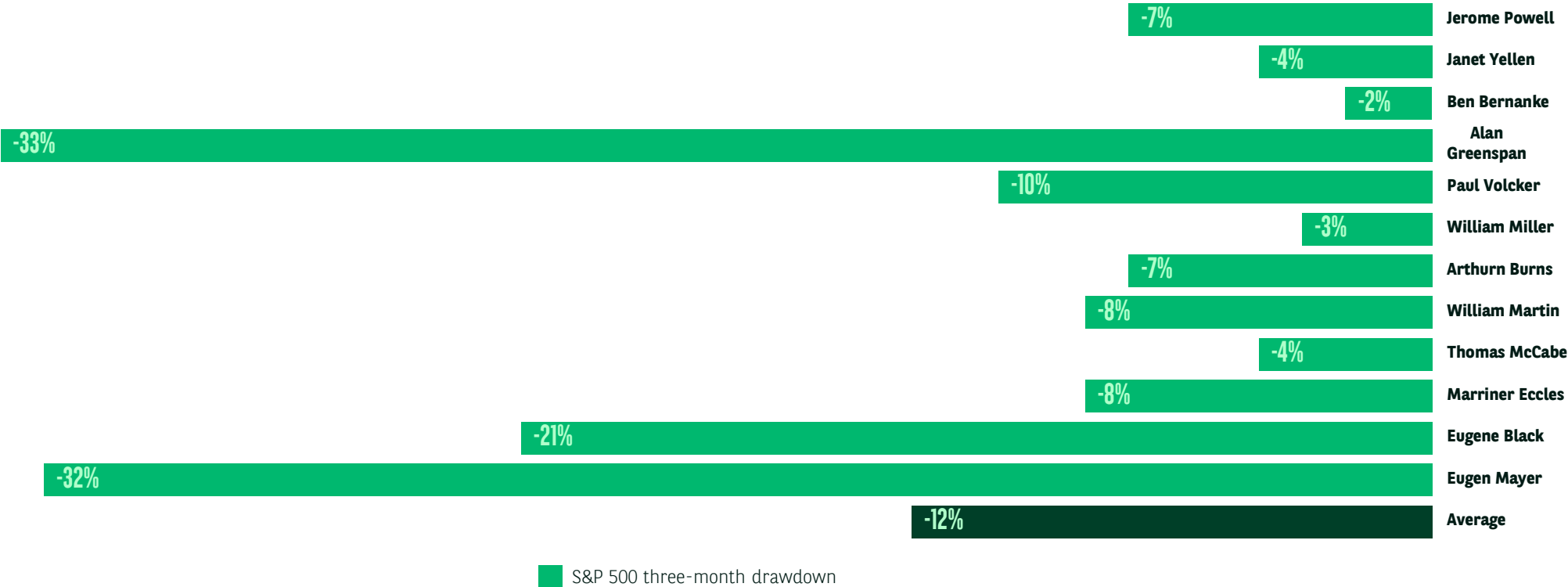
Source: BofA Global Fund Manager Survey



Stocks movements & FED

Stocks turbulent following FED Chair changes

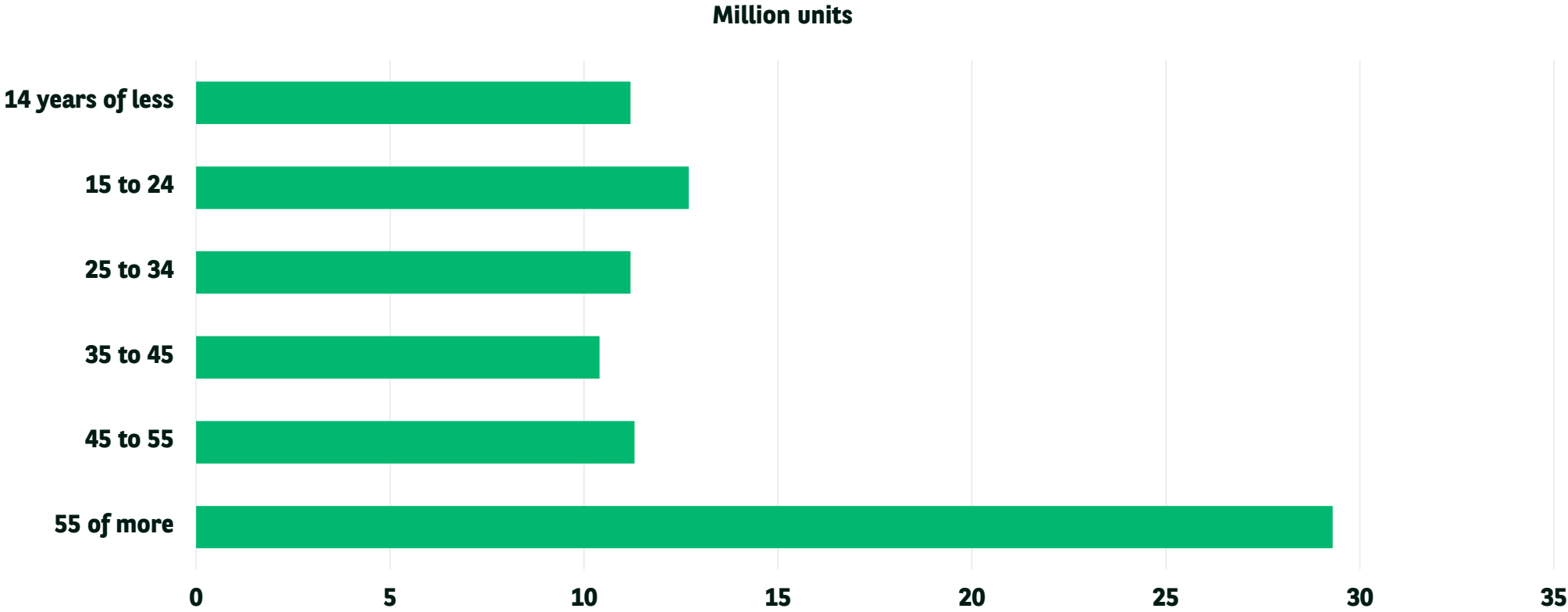
Equities historically post sharp drawdowns in first three months of new FED Chair



Sources: Barclays, Bloomberg



The age of American's Homes

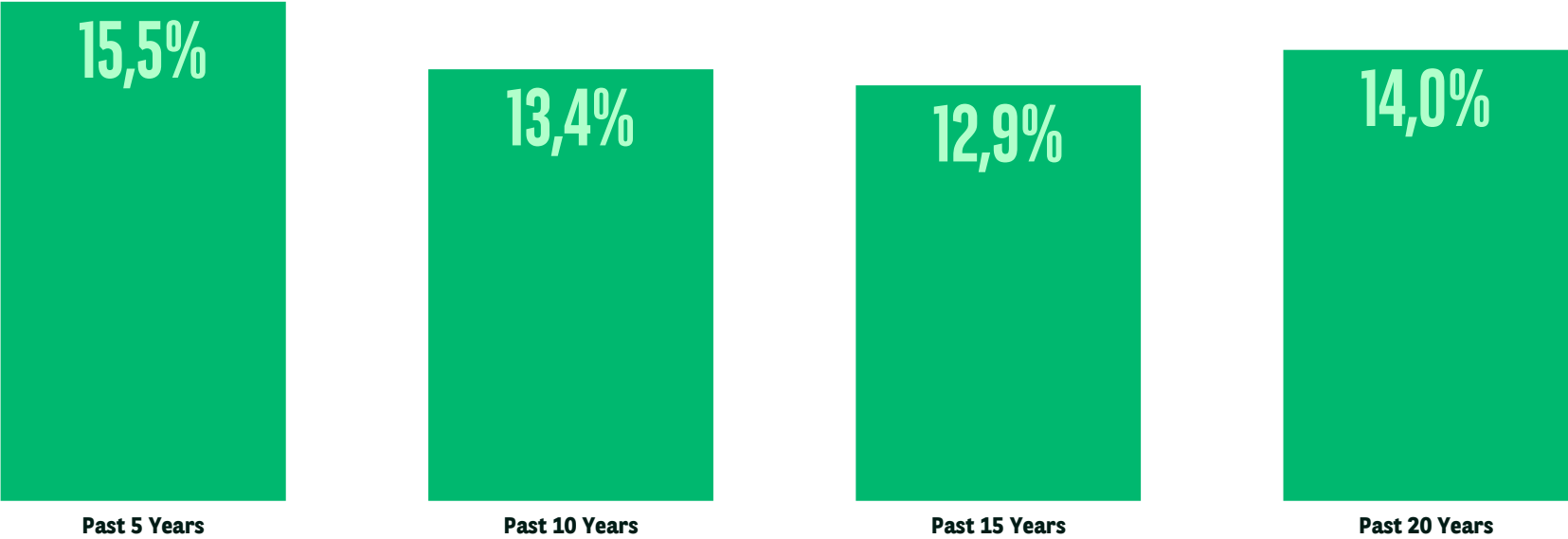


Sources: Na Zhao/NAHB analysis of American community survey data.



Nasdaq earnings growth

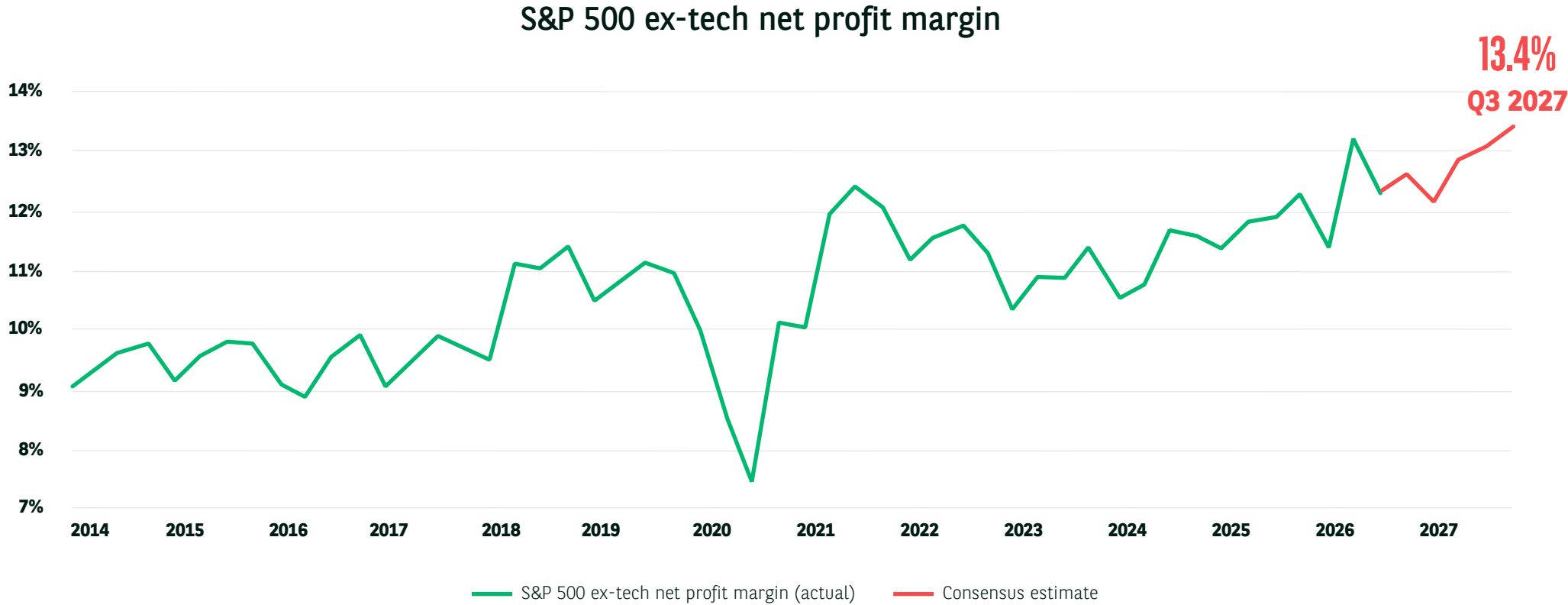
Nasdaq 100 annualized earnings growth



Sources: The compound Media, data via Bloomberg Finance L.P.



Margins outside tech continue trending higher



Sources: Chartkidmatt.com; The compound Media, data via Bloomberg Finance L.P.



BELANGRIJK BERICHT

De opinies in deze presentatie zijn die van de Chief Economist en / of de Chief Strategy Officer van BNP Paribas Fortis, en geven niet noodzakelijk het standpunt van BNP Paribas Fortis weer.

De divisie Private Banking van BNP Paribas Fortis nv, met maatschappelijke zetel gevestigd te Warandeborg 3, 1000 Brussel, RPR Brussel, BTW BE 0403.199.702 ("BNP Paribas Fortis Private Banking")*, is verantwoordelijk voor het opstellen en verspreiden van dit document. Dit document is een marketing communicatie en wordt U uitsluitend verstrekt in het kader van een specifieke beleggingsdienst. Dit document vormt geen prospectus als bedoeld in de op het aanbieden of toelaten tot de handel van financiële instrumenten toepasselijke regels en bevat geen beleggingsadvies en kan niet worden opgevat als onderzoek op beleggingsgebied. De informatie in dit document is niet verkregen conform de wettelijke en reglementaire vereisten die het uitbrengen van objectief en onafhankelijk onderzoek op beleggingsgebied beoogt te waarborgen en BNP Paribas Fortis Private Banking is dan ook niet onderworpen is aan het verbod tot handelen voorafgaand aan de verspreiding van dit document. Informatie betreffende beleggingen kan op ieder ogenblik onderhevig zijn aan wijzigingen zonder verdere notificatie. Informatie met betrekking tot resultaten behaald in het verleden, gesimuleerde resultaten uit het verleden en voorspellingen kunnen, onder geen beding, opgevat worden als een betrouwbare indicator van toekomstige resultaten. Hoewel BNP Paribas Fortis Private Banking redelijke maatregelen heeft genomen om ervoor te zorgen dat de informatie opgenomen in dit document juist, duidelijk en niet misleidend is, aanvaardt noch BNP Paribas Fortis Private Banking, noch de aan haar gelieerde vennootschappen, directeuren, adviseurs of werknemers, enige aansprakelijkheid voor enige onjuiste, onvolledige of ontbrekende informatie of voor enige directe of indirecte schade, verliezen, kosten, vorderingen, aansprakelijkheden of andere uitgaven die op enigerlei wijze voortvloeien uit het gebruik van of het zich beroepen op de in dit document vermelde informatie, tenzij in geval van opzet of grote nalatigheid. Een beslissing om te beleggen in financiële instrumenten dient niet uitsluitend te worden gebaseerd op dit document en dient slechts te worden genomen na een zorgvuldige analyse van uw portefeuille alsmede na het inwinnen van alle nodige informatie en/of adviezen van professionele adviseurs (met inbegrip van fiscale adviseurs). BNP Paribas Fortis heeft een beleid vastgelegd teneinde belangenconflicten te voorkomen en te vermijden. Persoonlijke beleggingstransacties van personen betrokken bij de redactie van dit document in het algemeen zijn onderworpen aan monitoring. Verder geldt specifiek het verbod om in financiële instrumenten of emittenten te beleggen waarover zij rapporteren. Deze personen ontvingen specifieke instructies voor het geval dat ze over voorkennis beschikken.

(*) BNP Paribas Fortis nv staat als kredietinstelling naar Belgisch recht onder het prudentieel toezicht van de Nationale Bank van België en de controle inzake beleggers- en consumentenbescherming van de Autoriteit van Financiële Diensten en Markten (FSMA). BNP Paribas Fortis nv is ingeschreven als verzekeringsagent onder FSMA nr. 25879 A en treedt op als tussenpersoon van AG Insurance NV.

Belangenconflicten

Belangenconflicten kunnen bestaan in hoofde van BNP Paribas Fortis nv en de met haar verbonden vennootschappen op datum van het opstellen van dit document. In dit verband werden bijzondere gedragsregels en interne procedures uitgewerkt. Deze gedragscodes en de bekendmakingen in verband met mogelijke belangenconflicten in hoofde van BNP Paribas Fortis nv en de met haar verbonden vennootschappen zijn beschikbaar op <http://disclosures.bnpparibasfortis.com> en, wat de BNP Paribas Group betreft, op <https://wealthmanagement.bnpparibas/en/conflict-of-interest.html>. U kan deze informatie eveneens bekomen via uw contactpersoon.

Certificering van de analist

De personen die vermeld staan als auteurs van de teksten waar individuele aandelen worden besproken, bevestigen dat:

1. alle opinies die vermeld zijn in deze teksten een nauwkeurige weergave vormen van de persoonlijke opinie van de auteurs over het onderwerp financiële instrumenten en emittenten; en
2. geen enkel deel van hun bezoldiging rechtstreeks of onrechtstreeks verband hield, houdt of zal houden met de specifieke aanbevelingen of opinies die in deze teksten worden gegeven.

MESSAGE IMPORTANT

Les opinions exprimées dans cette présentation sont celles du Chief Economist et / ou du Chief Strategy Officer de BNP Paribas Fortis, et ne représentent pas nécessairement la position de BNP Paribas Fortis.

La division Private Banking de BNP Paribas Fortis sa, dont le siège social est établi 3 Montagne du Parc à 1000 Bruxelles, RPM Bruxelles, TVA BE 0403.199.702 ("BNP Paribas Fortis Private Banking")*, est responsable de la production et de la distribution de ce document. Ce document est une communication marketing et vous est uniquement fourni dans le cadre d'un service d'investissement spécifique. Il ne constitue pas un prospectus au sens de la législation relative aux offres publiques et/ou à l'admission d'instruments financiers à la négociation sur un marché. Il ne constitue pas de conseil en investissement et ne peut être considéré comme une recherche en investissement. Il n'a dès lors pas été élaboré conformément aux dispositions relatives à la promotion de l'indépendance de la recherche en investissements. Par conséquent, BNP Paribas Fortis Private Banking n'est soumise à aucune interdiction relative à l'exécution de transactions avant la diffusion de ce document. Toute information relative à des investissements est à tout moment susceptible de modification(s) sans aucune notification. Les informations sur des performances passées, des performances passées simulées ou des prévisions ne sont pas un indicateur fiable des résultats futures. BNP Paribas Fortis Private Banking a pris toutes les mesures raisonnables afin de garantir l'exactitude, le caractère clair et non-trompeur des informations contenues dans ce document lors de sa rédaction. Ni BNP Paribas Fortis Private Banking, ni aucune des sociétés qui lui sont liées, ni aucun de ses administrateurs, collaborateurs ou employés ne pourront être tenus responsables de toute information incorrecte, incomplète ou absente, ou des éventuels dommages directs ou indirects, pertes, frais, réclamations, indemnisations ou autres dépenses qui résulteraient de l'utilisation de ce document ou d'une décision prise sur la base de ce document, sauf en cas de dol ou de faute lourde. Une décision pour investir dans des instruments financiers ne peut, par conséquence, être prise sur la seule base de ce document et ne devrait être considérée qu'après une analyse profonde de votre portefeuille ainsi qu'après avoir obtenu toutes les informations et tous les conseils nécessaires de professionnels du secteur financier (experts fiscaux y compris). BNP Paribas Fortis a établi une politique afin de prévenir et d'éviter les conflits d'intérêts. Les investissements personnels effectués par les personnes qui participent à la rédaction de ce document sont généralement soumis à un contrôle. De plus, il est interdit d'investir dans des instruments financiers ou des émetteurs pour lesquels ils rapportent. Ces personnes ont reçu des instructions spécifiques au cas où ils disposent d'information privilégiée.

(*) BNP Paribas Fortis sa est soumise en qualité d'établissement de crédit de droit belge au contrôle prudentiel de la Banque Nationale de Belgique ainsi qu'au contrôle de l'Autorité des services et marchés financiers (FSMA) en matière de protection des investisseurs et des consommateurs. BNP Paribas Fortis sa est inscrite comme agent d'assurances sous le n° FSMA 25879 A et agit en qualité d'intermédiaire d'AG Insurance SA.

Conflits d'intérêts

Il peut exister des conflits d'intérêts dans le chef de BNP Paribas Fortis sa et ses sociétés liées à la date de rédaction du présent document. Des règles de comportement et procédures internes, spécifiques, sont élaborées à cet effet. Ces codes de conduite et les mentions des conflits d'intérêts éventuels dans le chef de BNP Paribas Fortis sa et ses sociétés liées sont disponibles sur <http://disclosures.bnpparibasfortis.com> et, en ce qui concerne le groupe BNP Paribas, sur <https://wealthmanagement.bnpparibas/fr/conflict-of-interest.html>. Vous pouvez également obtenir cette information via votre personne de contact.

Engagement des analystes

Les personnes nommément désignées comme les auteurs des textes relatifs aux actions individuelles présentées certifient que:

1. toutes les opinions exprimées dans ces textes de recherche reflètent précisément les opinions personnelles des auteurs concernant les instruments financiers et les émetteurs concernés; et
2. aucune partie de leur rémunération n'a été, n'est ou ne sera, directement ou indirectement, liée aux recommandations ou aux opinions spécifiques exprimées dans ces textes.

Media Relations

Hilde Junius

Spokesperson

+32 478 88 29 60

hilde.junius@bnpparibasfortis.com



Valéry Halloy

Spokesperson

+32 475 78 80 97

valery.halloy@bnpparibasfortis.com



Jeroen Petrus

Spokesperson

+32 498 32 14 94

jeroen.petrus@bnpparibasfortis.com

