



EURONEXT®FRANCE GERMANY LEADERS 50 EW DECREMENT 5% INDEX

MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY | NOVEMBER 2020

ALPHA | BETA | ENHANCED BETA

Euronext® France Germany Leaders 50 EW Decrement 5% Index, a smart access to the two leading economies of the Eurozone

Currency	Type of index	Live date	Bloomberg code	Reuters code
EUR	Adjusted Return	23 June 2017	EFGED Index	EFGED

INVESTING IN THE LONGTIME LEADERS OF THE EUROZONE¹



German equities **market's** new record high² reflects a strong and healthy economy:

- Very low unemployment rate (3.4% in July 2018)³ with a continuous salary growth since 2014⁴
- GDP growth rate at five-year high (2.2% in 2017)⁵
- Europe's leading exporter of goods and services since 1970⁶



French equities are supported by positive elements following **Macron's** business-friendly initiatives:

- A target corporate tax rate cut from 33.3% to 25.0% over the next 5 years⁷
- Corporates' operating profit margin recovery⁸
- Unemployment rate at five-year low (9.2% in July 2018)⁹

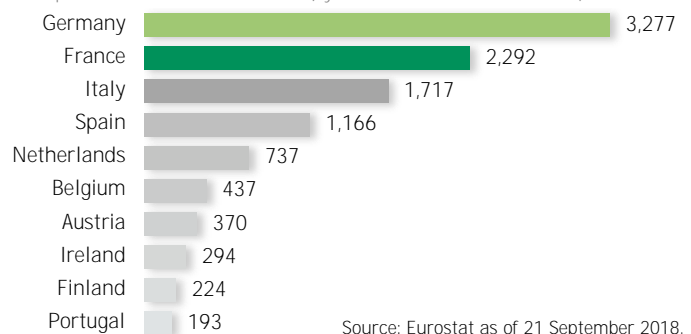
¹GDP (in current EUR) of Germany and France are the two largest of the Eurozone within the period of 1970-2017. Source: Eurostat as of 21 September 2018. ²Germany's DAX set new all-time high of 13,560 on 23 January 2018. Source: Bloomberg as of 30 October 2020. ³Source: Eurostat as of 18 September 2018. ⁴Source: Destatis.de as of 03 July 2017. ⁵Source: World Bank as of 21 September 2018. ⁶Export value in 2017 picked up 6.3% to EUR 1.28tn, setting a new all-time record high, source: Destatis.de, as of 08 February 2018. ⁷EUR 10B tax cuts would represent around 10% of corporate profits. Source: AMECO and Exane BNP Paribas as of 10 May 2017. ⁸Corporate operating profit margins are close to pre-crisis level and should continue to benefit from lower tax bills. Manufacturing companies' margin are back at 2002 highs. Source: INSEE and Exane BNP Paribas as of 10 June 2016. ⁹Lowest level since the first quarter of 2012. Source: Eurostat as of 18 September 2018.

FRANCE AND GERMANY



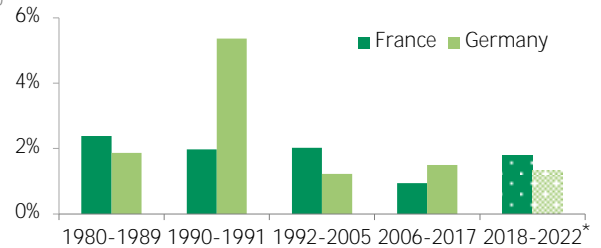
- For decades, Germany and France have in turn played the leading role in the Eurozone economy:
 - The two countries are the largest GDP generators of the Eurozone (See upper chart)
 - After 12 years being surpassed by Germany, French GDP is projected to grow stronger than its neighbour's in the upcoming years¹⁰ (See lower chart)
 - For 20 years, productivity of France and Germany have topped the four Eurozone giants and the gap continues to be substantial across the five-year forecast horizon, according to Bloomberg Economics¹¹
- Germany and France showed greater resilience than their Southern European peers during the recent subprime and Euro crises¹²
- As a pro-European leader, **Macron's** presidency signals the revival of the so-called Franco-German engine, which has provided political impetus to the EU in general and the Eurozone in particular over the past decades

Top 10 Eurozone countries in 2017 (by GDP Nominal in billions of EUR)



Source: Eurostat as of 21 September 2018.

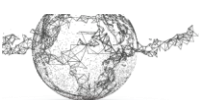
Average GDP Growth



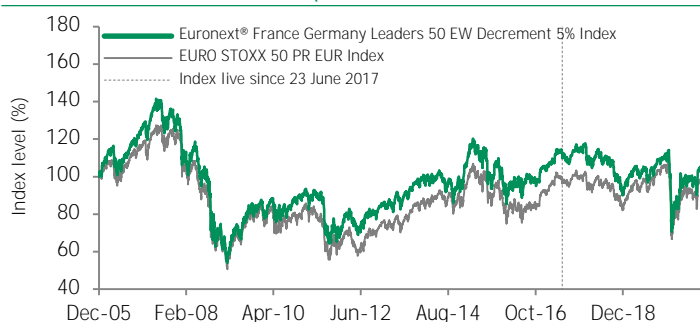
Source: Exane BNP Paribas, as of June 2017.

*Estimated by Exane BNP Paribas.

¹⁰Source: Exane BNP Paribas, as of June 2017. Exane BNP Paribas' projected average growth rates for France and Germany are 1.75% and 1.33% respectively in the period of 2018-2022. ¹¹Source: Bloomberg Economics Research as of 09 June 2018. Productivity is a crucial indicator to measure economic resilience and ultimately create the conditions for salaries to rise. ¹²During the period of 2009 to 2014, the average GDP growth rate of Germany and France were 0.78% and 0.47% respectively while the figures for the Eurozone, Portugal, Italy, Spain and Greece were -0.14%, -1.20%, -1.28%, -1.30% and -4.85% respectively. Source: World Bank as of 30 November 2017.



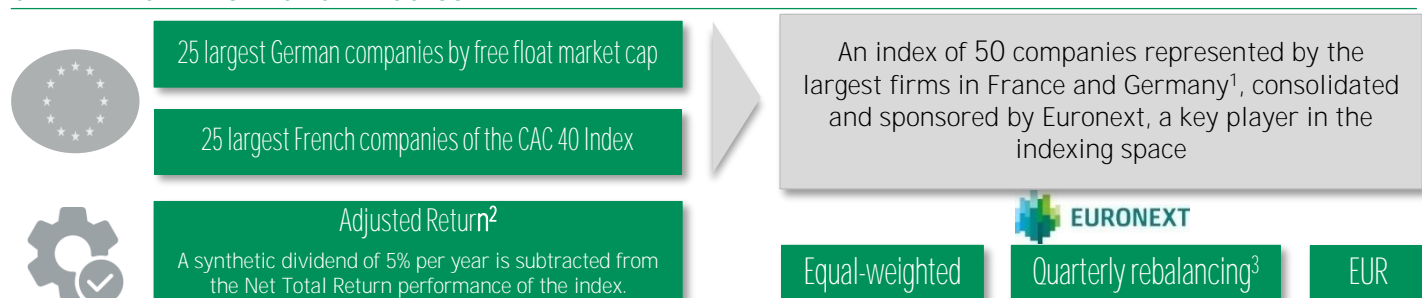
PERFORMANCE ANALYSIS (SIMULATIONS UNTIL 22 JUNE 2017)



Dec.05 – Nov. 20	Euronext® France Germany Leaders 50 EW Decrement 5% Index	EURO STOXX 50 PR EUR Index
Annualised Return	0.28%	-0.16%
Annualised Volatility	22.07%	22.78%
Sharpe Ratio	0.01	-
Maximum Drawdown	-61.85%	-60.29%

Sources: BNP Paribas, Bloomberg as of 30 November 2020. Performance simulations on EFGED Index from 30 December 2005 until 22 June 2017. Historical data thereafter. Comparative index: EURO STOXX 50 PR EUR Index, Bloomberg code: < SX5E Index >. Comparative index for illustrative purpose only. This index does not represent an official benchmark of the Strategy. Simulated or historical past performance is not an indicator of future performance.

OVERVIEW OF THE SELECTION PROCESS



¹ By market capitalisation

² It means that the Index will have a lower value than it would have if gross dividends were reinvested and there was no synthetic dividend

³ By the end of March, June, September and December

INDEX COMPONENTS

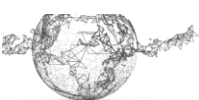
COMPANIES - GERMANY	Bloomberg code
1 adidas AG	ADS GY Equity
2 Allianz SE	ALV GY Equity
3 BASF SE	BAS GY Equity
4 Bayer AG	BAYN GY Equity
5 Bayerische Motoren Werke AG	BMW GY Equity
6 Daimler AG	DAI GY Equity
7 Deutsche Boerse AG	DB1 GY Equity
8 Deutsche Bank AG	DBK GY Equity
9 Deutsche Post AG	DPW GY Equity
10 Deutsche Telekom AG	DTE GY Equity
11 Deutsche Wohnen SE	DWNI GY Equity
12 Siemens Energy AG	ENR GY Equity
13 E.ON SE	EOAN GY Equity
14 Fresenius Medical Care AG Co KGaA	FME GY Equity
15 Fresenius SE Co KGaA	FRE GY Equity
16 Henkel AG Co KGaA	HEN3 GY Equity
17 Infineon Technologies AG	IFX GY Equity
18 Merck KGaA	MRK GY Equity
19 Muenchener RueckversicherungsGesellschaft AG in Muenchen	MUV2 GY Equity
20 RWE AG	RWE GY Equity
21 SAP SE	SAP GY Equity
22 Siemens AG	SIE GY Equity
23 Symrise AG	SY1 GY Equity
24 Vonovia SE	VNA GY Equity
25 Volkswagen AG	VOW3 GY Equity

COMPANIES - FRANCE	Bloomberg code
1 Air Liquide SA	AI FP Equity
2 Airbus SE	AIR FP Equity
3 Danone SA	BN FP Equity
4 BNP Paribas SA	BNP FP Equity
5 Cargemini SE	CAP FP Equity
6 AXA SA	CS FP Equity
7 Vinci SA	DG FP Equity
8 Dassault Systemes SE	DSY FP Equity
9 EssilorLuxottica SA	EL FP Equity
10 Engie SA	ENGI FP Equity
11 TOTAL SE	FP FP Equity
12 Kering SA	KER FP Equity
13 Legrand SA	LR FP Equity
14 LVMH Moet Hennessy Louis Vuitton SE	MC FP Equity
15 Cie Generale des Etablissements Michelin SCA	ML FP Equity
16 LOreal SA	OR FP Equity
17 Orange SA	ORA FP Equity
18 Pernod Ricard SA	RI FP Equity
19 Hermes International	RMS FP Equity
20 Safran SA	SAF FP Equity
21 Sanofi	SAN FP Equity
22 Cie de SaintGobain	SGO FP Equity
23 STMicroelectronics NV	STM FP Equity
24 Schneider Electric SE	SU FP Equity
25 Vivendi SA	VIV FP Equity

Sources: BNP Paribas as of 30 November 2020.

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