

BNP Paribas SA

BNP Paribas is a leading France-based European commercial bank with dominant market share in France, Belgium, and Italy. It is also active in US retail banking, mainly in California and Hawaii. The group has strong presence in corporate and investment banking (CIB), asset management, private banking, and insurance across Europe. Revenues rose 8% y/y to EUR12.3bn. CIB revenues grew 6% y/y to EUR3.8bn, driven by 10% y/y growth in SS, and 15% y/y growth in GM (FICC: +25% y/y; equity and prime services: +3% y/y), partly offset by an 8% y/y drop in GB, due to a high base. CPBS revenues increased 10% y/y to EUR6.9bn, led by 7% y/y growth in CPB to EUR4.5bn, while SB revenues rose 15% y/y to EUR2.4bn on strength in Arval and leasing solutions (+33% y/y) and personal finance (+6% y/y). IPS revenues rose 9% y/y to EUR1.6bn led by insurance (+7% y/y) and wealth management (WM) and asset management (AM) (+10% y/y). Q3 net profit of EUR2.8bn (+10% y/y, RoTE: 11.4%) was 11% above cons. on a pre-tax profit basis, driven by 3% higher revenues, while expenses (+6% y/y) were in line and loan losses were EUR7bn worse. BNP booked EUR947m in loan loss provisions, up from EUR789m in Q2, primarily due to EUR204m reserved for credit holiday regulations in Poland, while credit trends were broadly stable. By segment, CPBS saw a 25% beat in PBT of EUR2.1bn (+9% y/y) on a strong beat in Europe Mediterranean (profit vs cons. loss) and outperformance across segments, except BancWest (a 23% miss). IPS' PBT of EUR627m (+34% y/y) beat cons. by 8%, with beats in WM (+55% y/y) and AM (+30% y/y), while it missed cons. in insurance (+28% y/y). CIB's PBT of EUR1.4bn(+3% y/y) was 12% ahead of cons. on a beat in GM (+42% y/y), while SS (+1% y/y) and GB (-35% y/y) missed. The CET1 ratio fell 10bps q/q to 12.1%, 10bps below cons. TBVPS grew 1.7% q/q to EUR 79.3. The bank reconfirmed its 2025 targets, aiming for an RoTE of over 11%, a revenue CAGR of more than 3.5% over 2021-2025, and a 60% payout ratio (hereof a minimum of 50% in cash). In addition, an incremental EUR2.0bn of net interest income on higher rates was indicated. The sale of BancWest by end-2022 would result in a capital release of ca EUR11bn, with a subsequent EUR4bn share buyback (6.7% of market cap) to offset the earnings impact from the sale.

Corporate Ratings		Periodicity	Fiscal Quarterly	Currency	Default	Parent/Consolidated			C	Data	Adjusted (if Available)			
S&P	A+													
Outlook	Stable													
Moody's	-													
Outlook	Stable													
Fitch	A+													
Outlook	Stable													
CDS Data														
5 YR CDS	57.76													
% 3 Months	-11.24													
% 6 Months	-4.06													
% 1 Year	56.91													
52 Week Low	32.51													
52 Week High	96.67													
Profitability		Balance Sheet Summary		03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
EBIT	--	Total Current Assets		--	--	--	--	--	--	--	--	--	--	--
Operating Margin	28.76	Total Long-Term Assets		--	--	--	--	--	--	--	--	--	--	--
Pretax Margin	30.91	Total Assets		#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	2,488,491.0
Return on Assets	0.38	Total Current Liabilities		--	--	--	--	--	--	--	--	--	--	--
Return on Common Equity	9.68	Total Long-Term Liabilities		--	--	--	--	--	--	--	--	--	--	--
Return on Capital	1.52	Total Liabilities		#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	2,371,142.0
Asset turnover	0.02	Total Shareholders' Equity		125,330.0	125,426.0	120,529.0	123,633.0	122,507.0	120,763.0	120,463.0	118,375.0	117,349.0	117,349.0	
		Shares Outstanding		1,233.0	1,233.0	1,232.3	1,233.0	1,233.6	1,246.0	1,249.1	1,249.0	1,248.1	1,248.1	
		Book Value per Share		95.7	91.8	89.2	89.2	87.7	89.6	88.1	85.8	85.5	83.7	82.4
		Tangible Book Value / Sh		--	--	81.8	81.9	80.5	80.1	81.0	76.8	76.4	74.6	73.3
		Shareholder Equity/Total Liab		--	--	4.2	4.2	4.2	4.3	4.7	4.4	4.5	4.4	4.7
Structure		Cash Flow Summary		03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
Current Ratio	--	Net Income		1,621.6	5,158.3	10,352.0	2,761.0	3,177.0	2,108.0	2,306.0	2,503.0	2,911.0	1,768.0	1,592.0
Quick Ratio	--	Depreciation and Amortization		--	--	--	--	--	--	--	--	--	--	--
Total Debt to Total Assets	19.70	Change in Working Capital		--	--	--	--	--	--	--	--	--	--	--
Total Debt to Com Equity	539.62	Cash - Operating Activities		--	--	--	--	--	--	--	--	--	--	--
Acct Receivable Turnover	--	Capital Expenditures		--	--	--	--	--	--	--	--	--	--	--
Inventory Turnover	--	Cash - Investing Activities		--	--	--	--	--	--	--	--	--	--	--
Gross Margin	--	Cash - Financing Activities		--	--	--	--	--	--	--	--	--	--	--
EBIT / Total Inter	--	Net Changes in Cash		--	--	--	--	--	--	--	--	--	--	--
		Free Cash Flow		--	--	--	--	--	--	--	--	--	--	--
Growth Potential														
Sales 1yr Growth	2.32													
Asset 1yr Growth	5.87													
Capital 1yr Growth	8.34													

Prevenções:

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