



100% Capital Secure Interest Rate Opportunity Bond

BOND OBJECTIVES

100% Capital Protected



Potential for 4% Annual Income



Performance linked to EUR CMS 10Y



Potential for Early Maturity each year



Access to Capital during the Term



Summary Risk Indicator: 1



100%
CAPITAL
PROTECTION

**LINKED TO
EUR INTEREST
RATES**

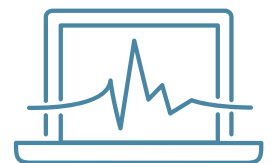


4%
ANNUAL
INCOME
POTENTIAL

**POTENTIAL
FOR EARLY
MATURITY**



5
Year
Term

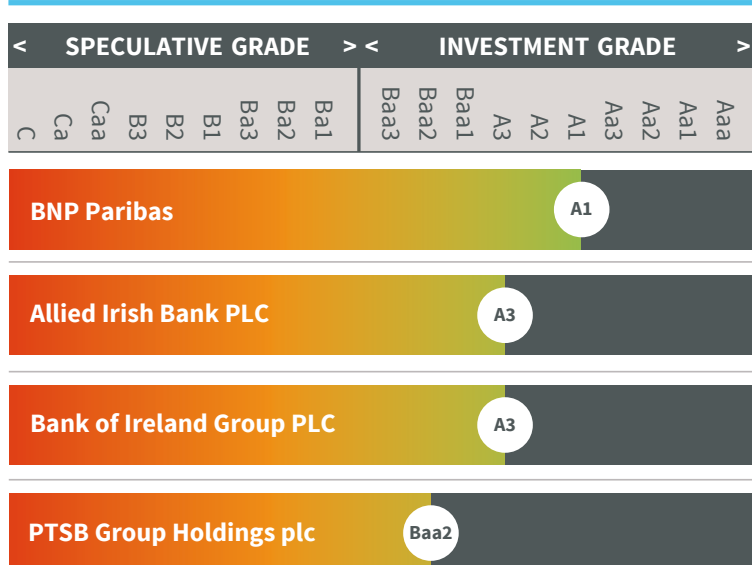


Closing Date: 28 February 2025 (or earlier if fully subscribed)

INDICATIVE KEY FEATURES:

Term:	5 years
Capital Protection Provider:	BNP Paribas (Moody's: A1/S&P: A+/Fitch A+)
Underlying Index:	EUR CMS 10Y EUR CMS 10Y swap rate (annually, 30/360) vs 6 months Euribor (semi-annually, Act/360), as quoted on the Reuters Screen ICESWAP2 Page. The value of EUR CMS 10Y is directly linked to EUR 10 Year Interest Rates i.e. when 10 Year EUR interest rates increase, the value of the CMS increases and vice versa.
Capital Protection:	100%
Potential Annual Income:	4%. If EUR CMS 10Y is below 2.3% at the end of each year
Summary Risk Indicator:	1
Potential Early Maturity:	At the end of each year if EUR CMS 10y is below 1.9%.
EUR CMS 10Y Level:	Approximately 2.4% at launch in early January 2025
Minimum Return:	0%
Maximum Return:	20%
Minimum Amount:	€25,000
Closing Date:	28 February 2025 (or earlier if fully subscribed)
Liquidity:	Daily, via stock market listing
Taxation:	Income Tax for Personal Investors Exempt for Pension & Post Retirement Investors
Availability:	Personal: Conexim and Omnium Investment Platforms Pension: Self-Administered and Self-Directed Insured Plans

MOODY'S CREDIT RATINGS:



Source: Various (January 2025)

INVESTMENT RATIONALE:

Economic Outlook: After a prolonged period of stagnation, the EU economy returned to modest growth in 2024, while the disinflation process continued. The European Commission's Autumn Forecast projects GDP growth in 2024 of 0.9%. The ECB forecasts Eurozone Real GDP growth of 1.1% in 2025, 1.4% in 2026 and 1.3% in 2027. Although some peripheral EU member states are growing at their potential rate, this sluggish growth forecast reflects the economic and political challenges in the large core countries of France and Germany in particular.

Inflation Outlook: Eurozone inflation is forecast to be in or around the ECB's target rate of 2% in 2025 and 2026 negating the need for any monetary tightening to contain prices. The ECB's own forecast for inflation (as measured by Harmonised Index of Consumer Prices (HICP)) is 2% in 2025, 1.9% in 2026 and 2% long term over the next 5 years.

Interest Rate Outlook: High post Covid 19 national debt levels (and the sustainability of interest repayments on this debt) together with sluggish economic growth prospects and a more benign inflation outlook has led some economic commentators to predict EU interest rates dropping to as low as 1% in the current rate cutting cycle. While the terminal level of interest rates amid the current cutting cycle cannot be predicted with any degree of certainty, what does appear likely is that because there is little scope for fiscal policy action by individual states, the Eurozone economy is likely to require the stimulus of looser monetary policy and lower interest rates in order to boost GDP growth and debt repayment capacity in the coming years.

Additional Reading: <https://www.ecb.europa.eu/press/projections/html/index.en.html>

SUMMARY RISK INDICATOR:

The Summary Risk Indicator (SRI) is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because BNP Paribas is not able to pay the Investor. The risk indicator assumes the product is held until maturity. The actual risk can vary significantly if the Investor encashes prior to maturity.

We have classified this Bond as 1 out of 7 as illustrated below:



Warning: This document is intended for Financial Broker firms only and is not suitable for potential Investors. This document should be read in conjunction with the product Brochure where a full list of warnings is provided.

