



TNP
HARNESS THE UNPREDICTABLE

CORPORATE & INVESTMENT BANKING MAJOR TRENDS

Q4 | 2024

Every quarter, CIB experts from TNP, a leading consulting firm, analyze key trends and financial results of corporate and investment banking across Europe and globally.

KEY TAKEAWAYS

- Strong revenue growth, driven by solid performances in Global Markets.
- Operational efficiency plans: cost management and optimization of the cost-income ratio
- Strategic focus: BNP Paribas CIB - A decade of key moves to build a European champion

STRONG REVENUE GROWTH, PARTICULARLY IN LATE 2024

Investment banking divisions were a major growth engine for leading French banking groups in the final quarter of 2024, benefiting from:

- Increased market volatility, fueling investor appetite for hedging instruments.
- Impact of U.S. elections on rates and FX, driving a sharp rise in client activity across Corporate and Financial Institutions segments.
- Strong commercial momentum in Prime Services, Cash Equities, and Equity Derivatives.

FOCUS ON KEY BANK PERFORMANCES

BNP Paribas CIB:

+20.1% YoY revenue growth (Q4 24 vs. Q4 23)

- **Global Markets:** +32.4%, with balanced growth across FICC (+34.2%) and Equity & Prime Services (+30%).
- Strong performance in **Global Banking** (+10.8%) and **Securities Services** (+13.4%).

Société Générale

+12.4% YoY revenue growth (Q4 24 vs. Q4 23)

- **Global Markets:** +9.5%, including +10% in Equities and +8.8% in FICC.
- **Financing & Advisory:** +16.7%, supported by a more active M&A market.

Crédit Agricole CIB

+9.9% YoY revenue growth (Q4 24 vs. Q4 23)

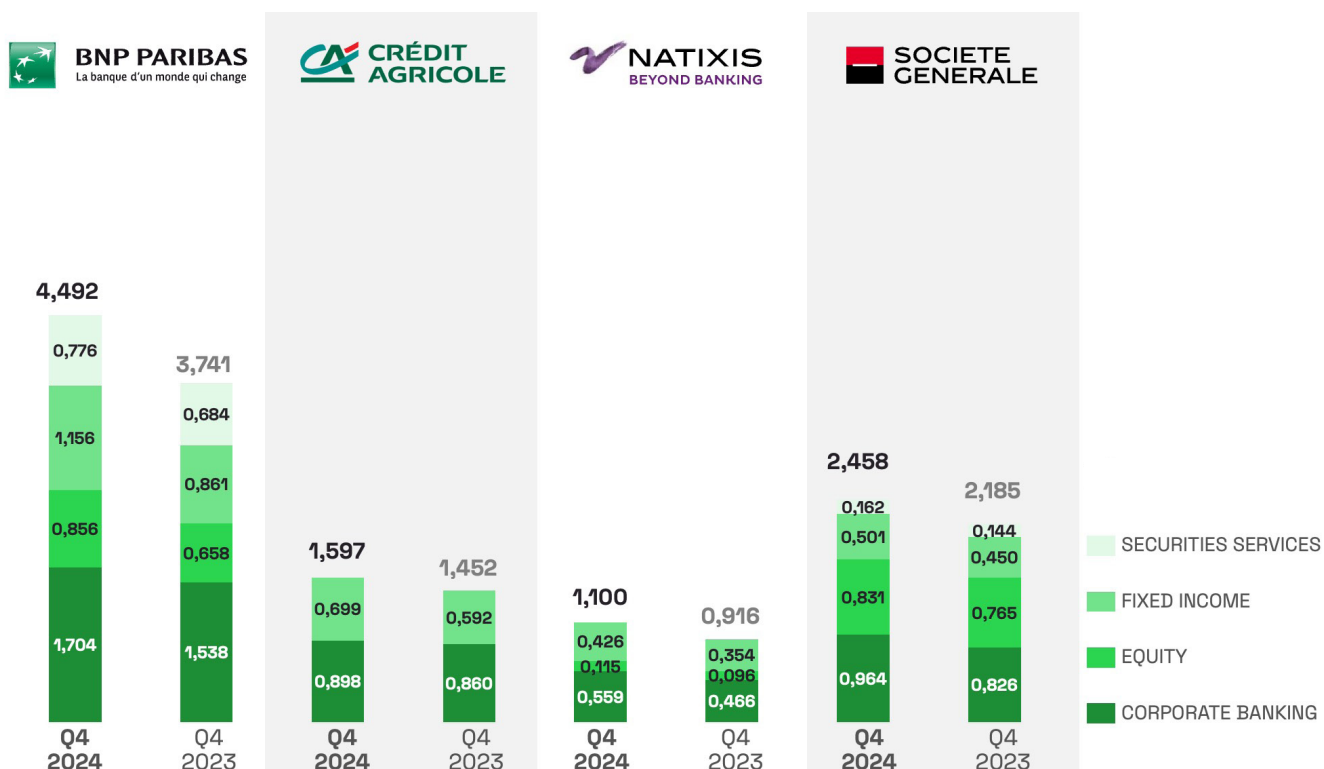
- Global Markets: +17.0%, led by Repo and Securitization.
- Investment Banking: +23.0%, with a strong performance in Structured Equity.

Natixis

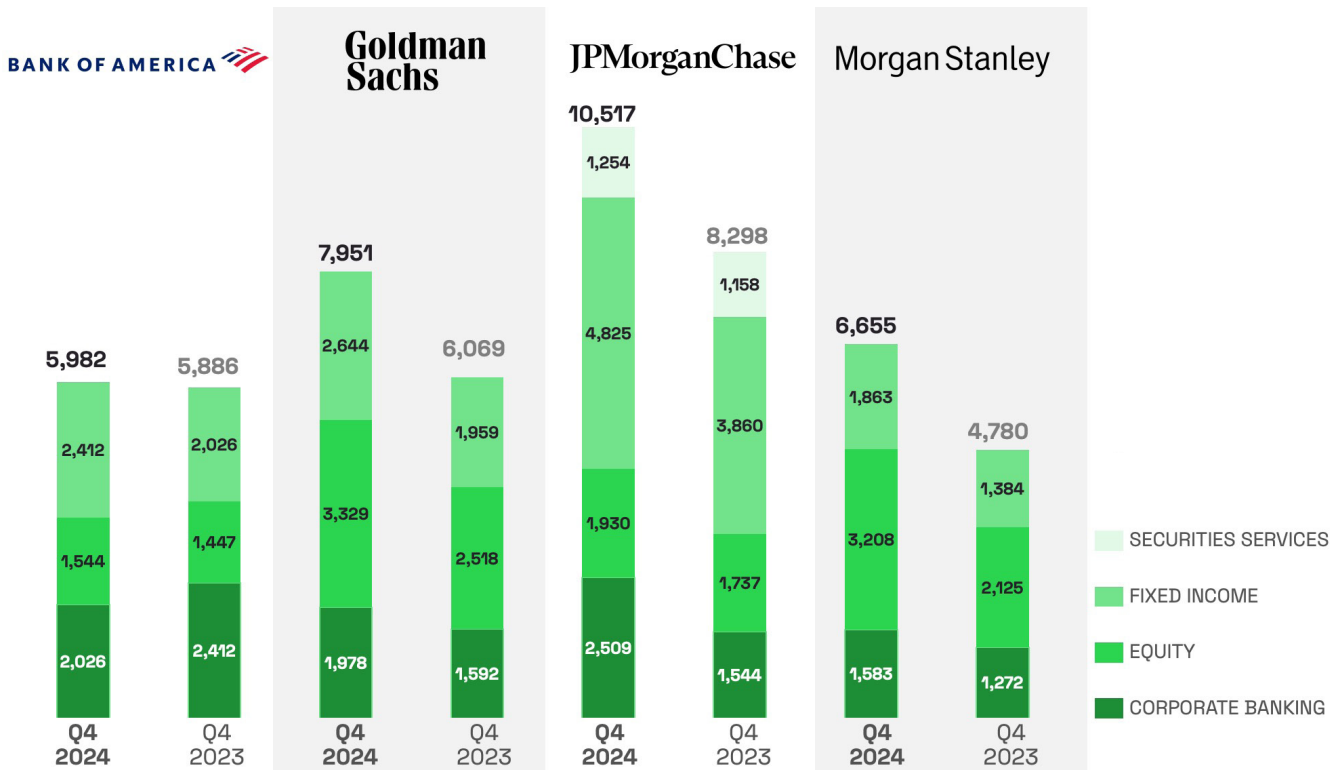
+20% YoY revenue growth (Q4 24 vs. Q4 23)

- Global Markets: strong performance across FICC (+20%) and Equities (+20.3%).

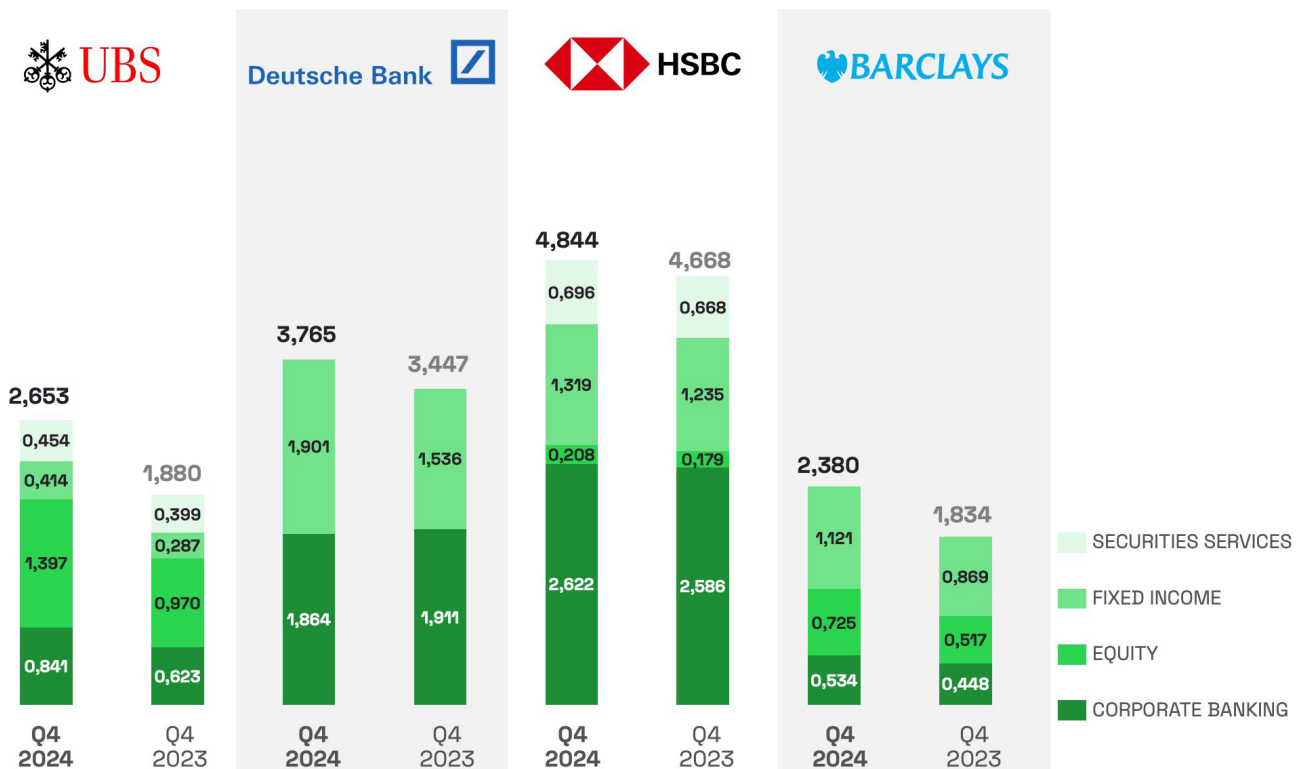
EVOLUTION NBI Q4 CIB, FRANCE IN BILLIONS OF EUROS



EVOLUTION NBI Q4 CIB, UNITED STATES
IN BILLIONS OF DOLLARS



EVOLUTION NBI Q4 CIB, EUROPE
IN BILLIONS OF EUROS



OPERATIONAL EFFICIENCY PLANS: COST MANAGEMENT AND OPTIMIZATION OF THE COST-INCOME RATIO

Leading investment banks continue to implement efficiency strategies aimed at enhancing their competitiveness and financial resilience.

BNP PARIBAS: A DISCIPLINED COST REDUCTION TRAJECTORY

BNP Paribas remains on track to achieve its €3.3 billion in cumulative cost savings between 2022 and 2026, leveraging several key initiatives:

- Procurement optimization and reduction of external expenses.
- Expansion of onshore and offshore hubs, streamlining operational costs.
- Optimized real estate footprint, supported by an integrated remote work policy.
- Targeted investments in platform resilience, minimizing operational disruptions amid business growth.

SOCIÉTÉ GÉNÉRALE: A RIGOROUS OPERATIONAL EFFICIENCY PLAN

Société Générale has launched a disciplined cost management strategy and a structural transformation effort, focusing on:

- A major IT efficiency plan, shifting to a platform-based approach.
- Organizational simplification, streamlining functions and reducing hierarchical layers.
- Procurement optimization, ensuring cost efficiency across operations.

FOCUS

STRATEGIC FOCUS: BNP PARIBAS CIB – A DECADE OF KEY MOVES TO BUILD A EUROPEAN CHAMPION

Over the past decade, BNP Paribas CIB has emerged as a key growth engine for the group, generating nearly one-third of its total revenues. Its strategic evolution can be divided into three major phases:

2014–2016: STRATEGIC REFOCUSING AND DISCIPLINED CAPITAL ALLOCATION

- Realignment of operations across regions, businesses, and client profiles.
- Optimized Risk-Weighted Assets (RWA) management to ensure efficient capital deployment

2016–2020: EXPANDING INTO EQUITIES AND DIVERSIFYING REVENUE STREAMS

Historically, BNP Paribas CIB had a strong presence in Rates, FX, and Financing. To rebalance its business mix, the bank:

- Acquired Deutsche Bank's prime brokerage business, expanding its footprint among institutional investors and asset managers.
- Integrated Exane and Securities Services into CIB, solidifying its capabilities in Equities and Prime Services.

2020–2024: PLATFORM EXPANSION AND FULL-SPECTRUM SERVICES

The launch of a comprehensive service platform, covering Global Markets, Financing, M&A, and Securities Services, enabled:

- Market share gains across key segments.
- Sustained revenue growth, with improved capital efficiency and risk management.

Outcome: +55% revenue growth in CIB since 2016, alongside disciplined capital optimization and cost-of-risk reduction.

2025 OUTLOOK: STRENGTHENING PROFITABILITY LEVERS

With growing geopolitical uncertainties, tighter funding conditions, low European economic growth forecasts, and rising unemployment in France, the sector's profitability will remain under pressure.

In response, banks are expected to accelerate the following strategic levers:

- A greater shift toward fee-generating businesses, reducing dependency on volatile trading revenues.
- Highly selective capital allocation, prioritizing capital-efficient activities.
- Continued operational efficiency programs, optimizing value chains across inshore, onshore, and offshore locations.
- Scaling AI-driven solutions: despite significant investments and numerous announced use cases, large-scale deployment remains limited. A structured approach to data collection and governance is required to automate low-value tasks and refocus human capital on high-impact strategic initiatives.

TO LEARN MORE, CONTACT OUR EXPERTS



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