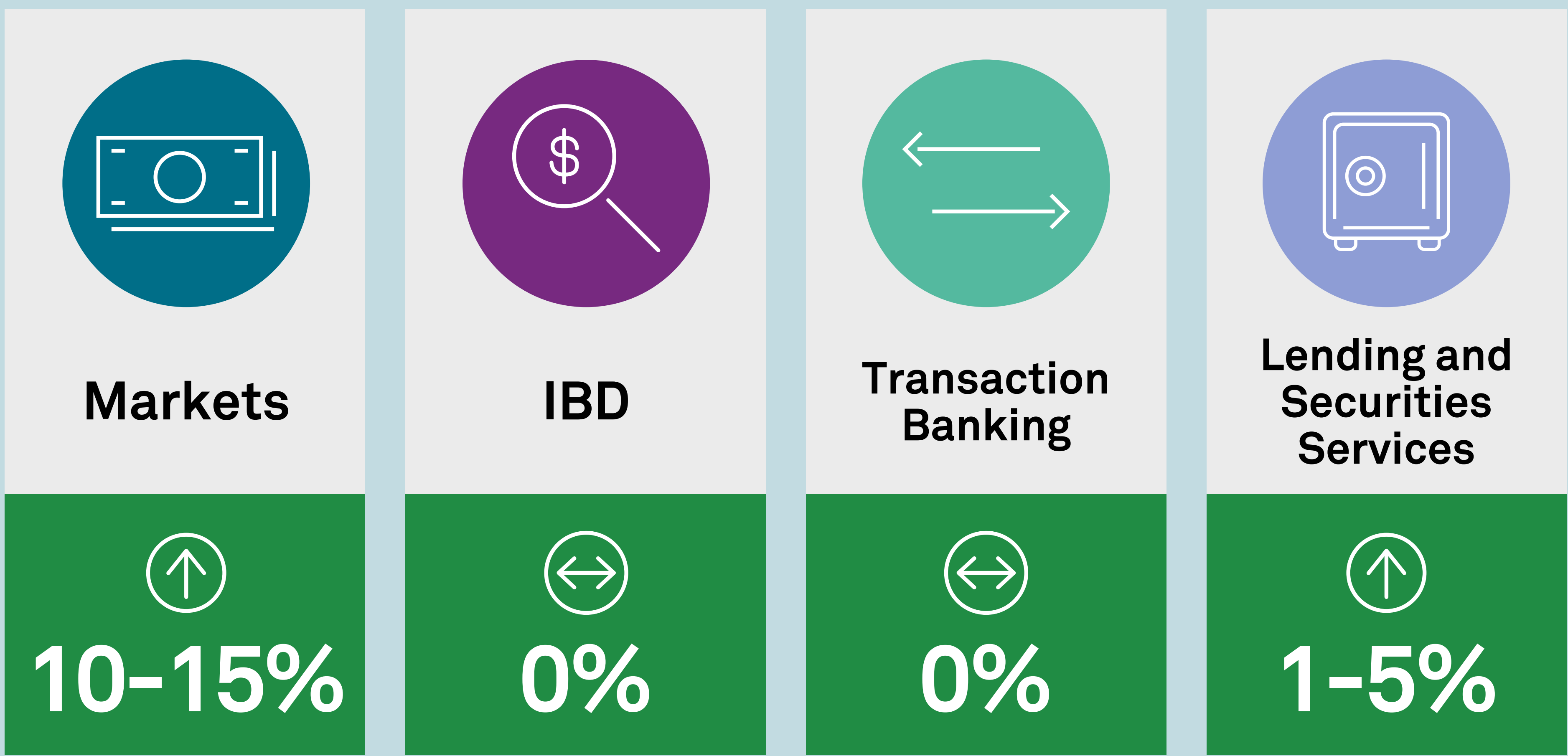
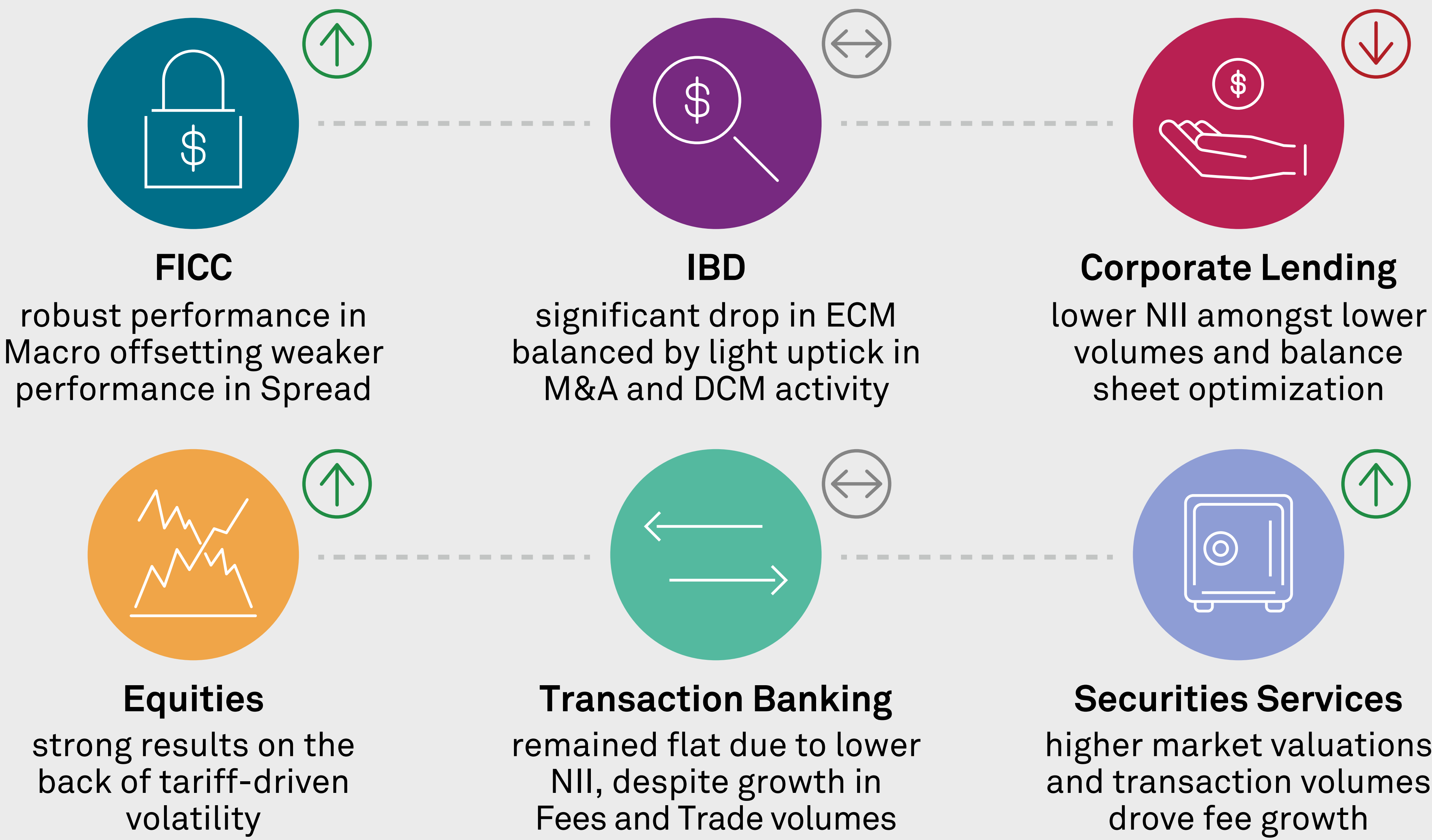


# Tariffs, tensions and trading

Have CIB revenues held up in 2Q25?

CIB revenue increased **5%** in 2Q25—stronger performance largely driven by an uptick in Markets activity



## Key product trends

 Equities		<ul style="list-style-type: none"><li>Strongest performance expected in Equities on the back of tariff-driven volatility in April</li><li>The heightened volatility backdrop (especially in the U.S.) drove outsized gains in Derivatives</li><li>Prime grew more slowly, with increased revenue pressure on Core Prime Brokerage</li></ul>
 FICC		<ul style="list-style-type: none"><li>Elevated macro volatility and increased Institutional client activity were positive drivers for Macro (especially Currencies)</li><li>Spread revenues expected to fall on the back of declines in Flow Credit and Munis trading</li><li>Expect banks' relative FICC performance to be dispersed due to business mix (Macro vs Spread), client mix (Institutional vs Corporate) and trading one-offs</li></ul>
 Transaction Banking and Securities Services		<ul style="list-style-type: none"><li>A rebound in Markets in May is expected to drive higher fee revenue in Securities Services aided by robust valuations and higher transaction volumes</li><li>Tariff induced volatility is expected to drive higher Trade activity. However, revenue growth remains under pressure from margin compression, despite an increase in demand for Financing (particularly in EM countries)</li><li>Banks with stronger payments franchises are expected to outperform, as Cash management revenues remain flat amidst declining NII</li></ul>
 Lending and Private Credit		<ul style="list-style-type: none"><li>Lending is expected to decline driven by lower C&amp;I volumes, banks' balance sheet management and mixed NIM performance</li><li>Structured Financing is expected to grow with resilient demand for project finance and increased appetite for Asset Based facilities</li><li>Private Credit will be bolstered by an increase in demand for nontraditional financing and easy access to liquidity</li></ul>