



THE EUROPEAN UNION: AN ECONOMIC HEAVYWEIGHT1

> Home to 448 million plus consumers

World's biggest single market; one of the world's largest economies

Largest exporter of manufactured goods and services

Top trading partner for **80** countries; the US is the top trading partner for just over 20



Euronext is one of the world's largest stock exchanges - **\$6trn** market cap and over 1,800 listed issuers<sup>2</sup>

European earnings growth has shown robust resilience<sup>3</sup>

European bond markets supported by resilient fundamentals, attractive yields and strong inflows

Supportive government policy – Germany has earmarked **€1trn** for defence and infrastructure spending



GLOBAL SUSTAINABILITY LEADER

Driving force behind international climate initiatives

European Green Deal aims to make Europe the first climate-neutral continent by 2050

The European Commission has pledged to mobilise at least **€1trn** in sustainable investments over the next decade<sup>4</sup>

Globally, Europe is the largest issuer of green bonds with its market valued at more than €1trn<sup>5</sup>

# 4 INVESTMENT IDEAS FOR EUROPE:

## EUROPEAN **EQUITIES**

European equities offer exposure to global growth. Dividend income and valuations currently more attractive vs. US

### **EURO** HIGH YIELD

Healthy income returns to potentially continue above inflation

### GREEN BONDS

Europe's green bonds market is maturing and becoming an increasingly relevant part of core fixed income portfolios

### EURO CREDIT

European credit is supported by resilient fundamentals, attractive yields and strong inflows

- <sup>2</sup>The world's largest stock exchanges: 10 biggest by market capitalization, Bankrate, 31 July 2025
- <sup>3</sup> AXA IM, 1 August 2025
- <sup>4</sup> Finance and the Green Deal, European Commission
- <sup>5</sup>ICE BoA Euro Green Bond Index (as at end August 2025)

Disclaimer: This document is for informational purposes only and does not constitute investment research or financial analysis relating to transactions in financial instruments as per MIF Directive (2014/65/EU), nor does it constitute on the part of AXA Investment Managers or its affiliated companies an offer to buy or sell any investments, products or services, and should not be considered as solicitation or investment, legal or tax advice, a recommendation for an investment strategy or a personalized recommendation to buy or sell securities.

Due to its simplification, this document is partial and opinions, estimates and forecasts herein are subjective and subject to change without notice. There is no guarantee forecasts made will come to pass. Data, figures, declarations, analysis, predictions and other information in this document is provided based on our state of knowledge at the time of creation of this document. Whilst every care is taken, no representation or warranty (including liability towards third parties), express or implied, is made

as to the accuracy, reliability or completeness of the information contained herein. Reliance upon information in this material is at the sole discretion of the recipient. This material does not contain sufficient information to support an investment decision. Issued in the UK by AXA Investment Managers UK Limited, which is authorised and regulated by the Financial Conduct Authority in the UK. Registered in England and

In other jurisdictions, this document is issued by AXA Investment Managers SA's affiliates in those countries.

Design & Production : AXA IM | Photo Credit : GettyImages © 2025 AXA Investment Managers. All rights reserved.

Wales No: 01431068. Registered Office: 22 Bishopsgate London EC2N 4BQ





<sup>&</sup>lt;sup>1</sup> Facts and figures on the European Union