# The Wide Angle in 2022

The year in review through the lens of Sam Theodore's The Wide Angle: no-nonsense analysis of the key issues facing European banks

Sector analysis (pages 2–4) Digitalisation and cyber risk (pages 4–6) Banking and geopolitics (pages 6–7)



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# SSM priorities for 2023-2025: a useful blueprint for assessing European banks

16 December

SSM forward priorities a helpful framework because priorities are not just focused on prudential metrics but on areas like digitalisation, cyber risk and climate change

### Bank profitability is no longer a major problem

8 November

The sector's bottom line is reaching an adequate level. Analysts and investors should revisit their views that profits remain a risk for the sector

# European banks: shareholder-value creators or quasi-public utilities?

4 October

The market continues to assess banks primarily from the angle of shareholder value creation. This needs to be revisited

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# Five reasons why European banks will remain a nodrama sector

8 September

Large banks will remain islands of relative stability amid the deepening energy crisis, high inflation and threats of recession and will avoid the dramatic collapses of the GFC

# French banks less vulnerable to presidential election surprise

20 April

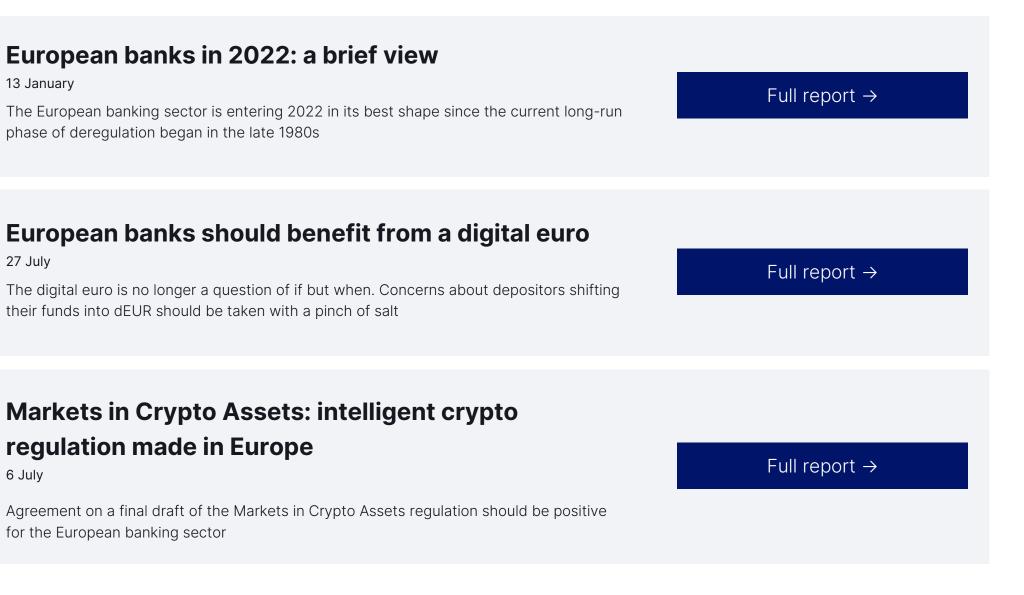
Victory by Emmanuel Macron in the presidential election will see French banks remain on their existing trajectory. A win by Marine le Pen would not be a game changer.

### The bank analyst job needs to refocus

24 February

To mirror the sector's new realities, bank analysis should be anchored as much in nonparametric activities as in financial ratios. This means new skills and new angles. Full report →

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### SCOPE

### **Open Banking, BaaS/BaaP, Embedded Finance: existential threats for Europe's banks?**

20 June

Banks that fall behind in adjusting their structures and operations to the digital-first ecosystem will find it increasingly hard to remain competitive and profitable

# Modest interconnectedness with cryptocurrencies but banks not immune to crypto risk

9 June

Crypto regulation is sub-standard and banks are not immune to crypto risk as client demand increases.

# Why cyber risk is more than ever a top threat for European banks

11 May

Banks and regulators have highlighted time and again that they consider cyber risk to be a key threat to activities yet this remains the least assessed and considered risk factors

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## Central Bank Digital Currencies coming of age; limited impact on banks

#### 1 February

CBDCs could create challenges for the banking industry. This is not an active part of the dialogue between banks and the market but it should be

# Geopolitical realignments will not hurt banks' global positions if tackled wisely

20 October

The tectonic geopolitical realignments raise questions about European banks' global strategies in a partially de-globalising marketplace

### Russia's war a game changer for global banking

#### 8 April

Russia's war on Ukraine could be a game changer for global banking. European banks, which have the lion's share of cross-border banking world-wide, are in the front row

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# For European banks, exiting Russia and Russian business is a must

24 March

Most Western banks have announced or hinted that they will be exiting Russia and Russian banking. This is the only sensible option.

### Some European banks are still in Russia:

### should they be?

9 March

What banks do and how they act should not be determined by the short-term reactions of traders and investors.

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#### Scope Group's The Wide Angle in the media

A selection of headlines from articles citing Sam Theodore in 2022

Euromoney: Could the European banking recovery be over?

S&P Global Intelligence: European banks face tough choice as they weigh Russia pullback

Capital Monitor: What worries banks about the EU's new ESG reporting proposals

Politico: <u>5 ways Russian sanctions are affecting global financial markets</u>

S&P Global Market Intelligence: Europe's banks to set aside higher bad loan provisions as recession looms

Revue Banque: Meilleurs bénéfices et solidité prudentielle compenseront la hausse du coût du crédit

El Confidencial: Las cinco razones de la agencia de calificación europea para descartar una crisis bancaria

Expansion: La geopolítica gana terreno en la toma de decisiones de los bancos europeos

Cinco Dias: Un triunfo de Le Pen en las elecciones francesas, temblor seguro en la Bolsa y la deuda