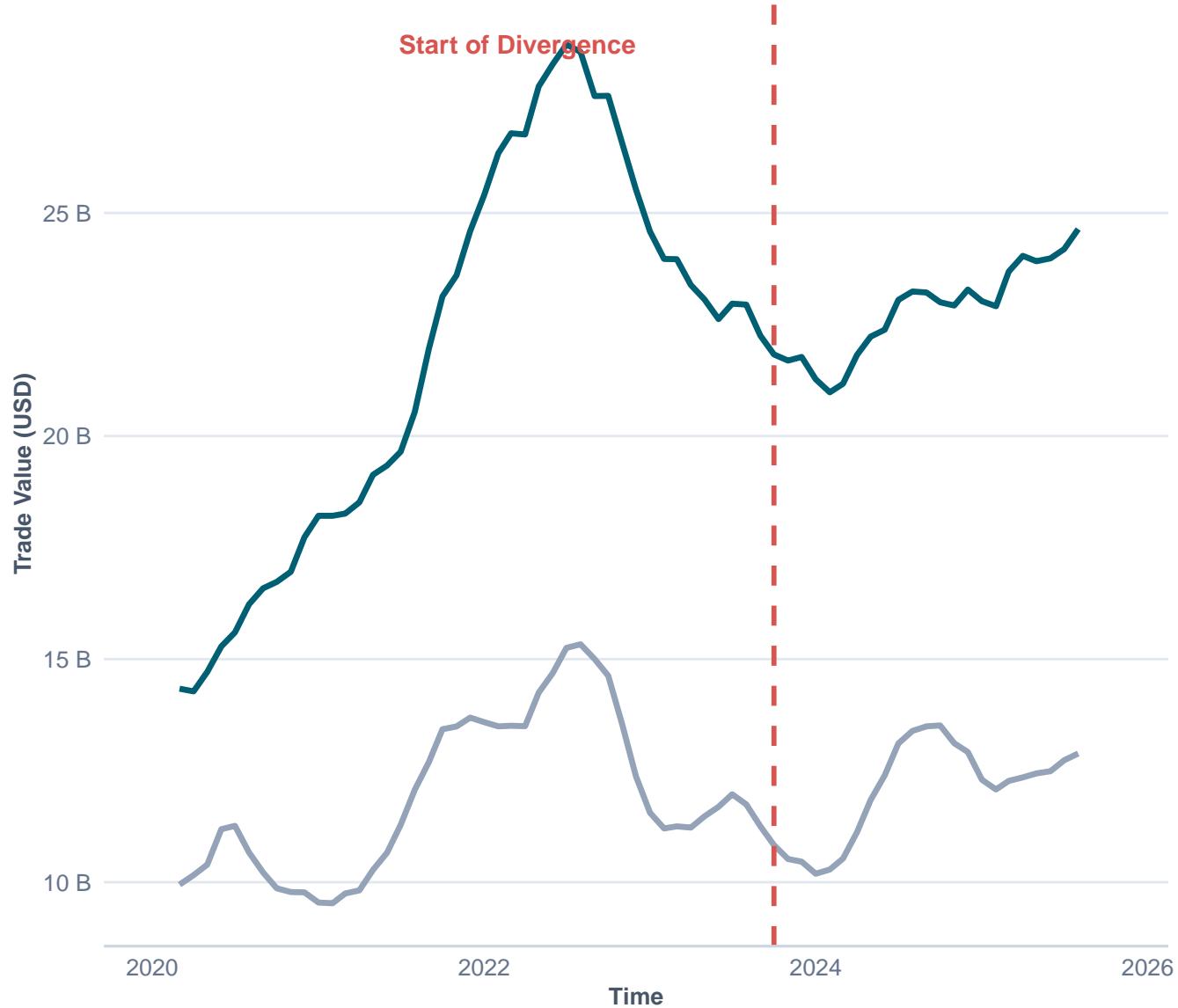


# 3-Month Rolling Average of EU Trade with China by Sector Growth

High-Tech & Strategic    Traditional & Basic

Start of Divergence



# Relative Trade Performance (Index: 2022 Average = 100)

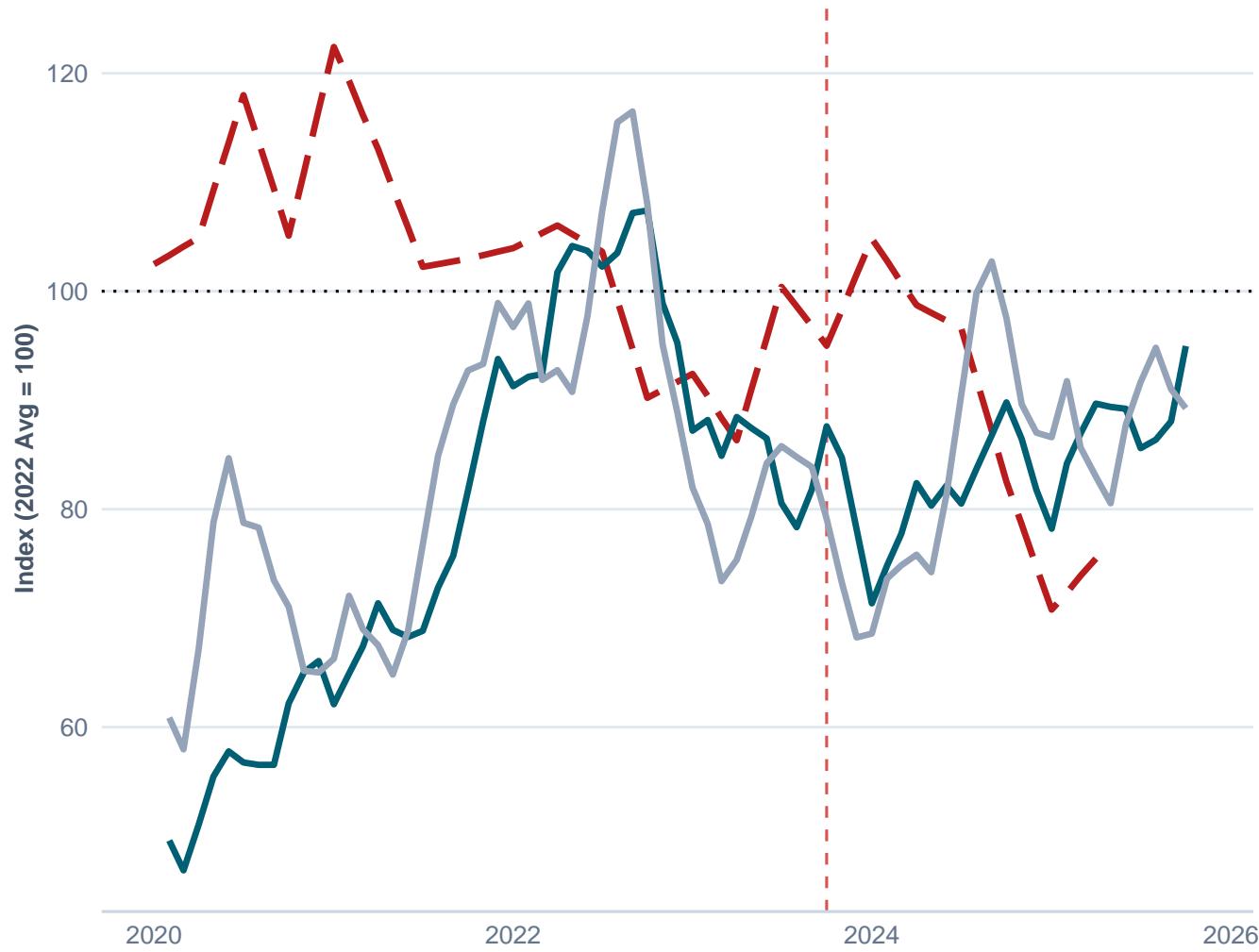
Since the EU Economic Security Strategy, High-Tech has underperformed Traditional trade.



# The Substitution Effect: Trade vs Finance Divergence

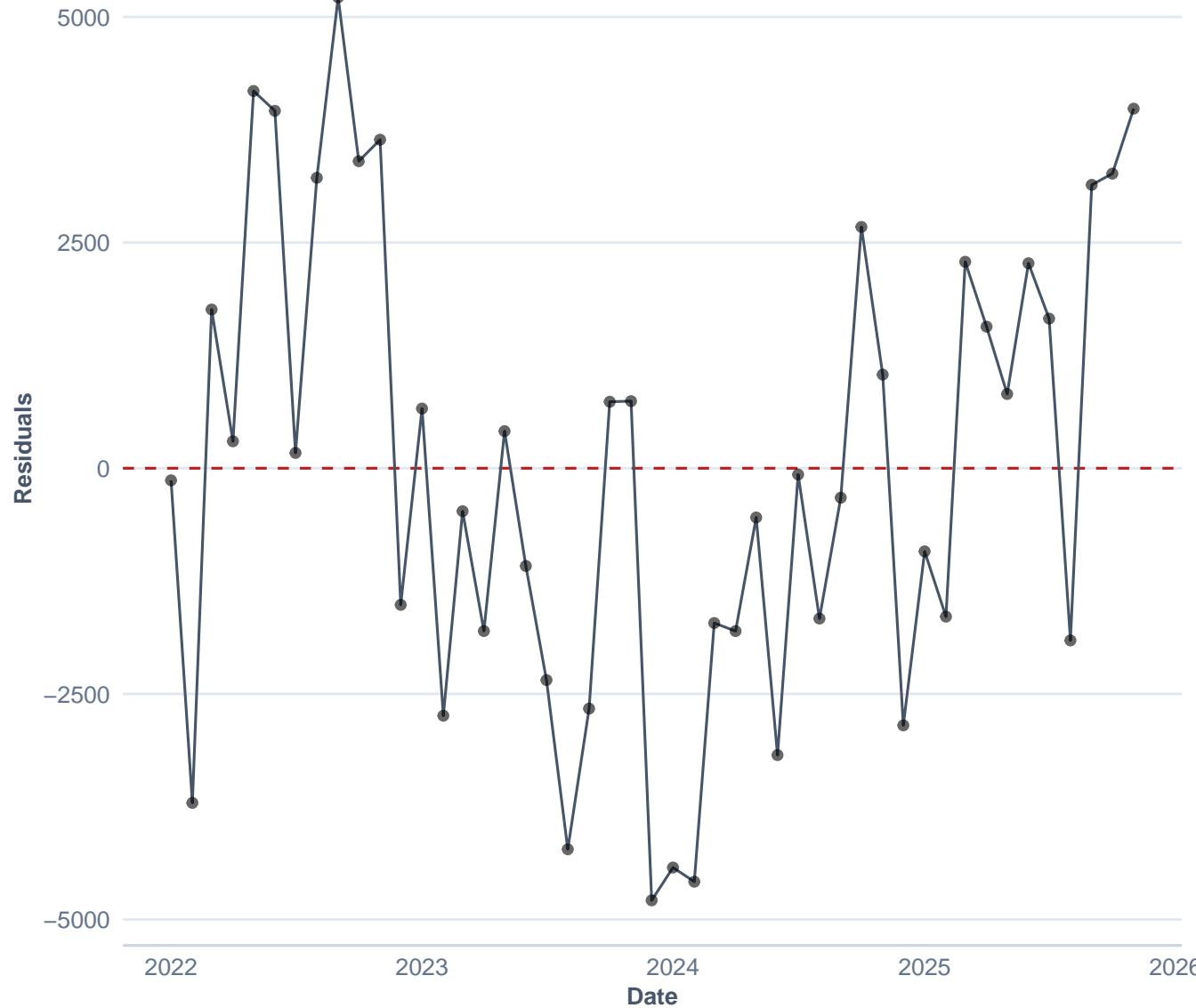
Since Oct 2023, EU Banks increased exposure (Capital) while Importers cut flows (Trade).

— Financial Exposure (BIS) — High-Tech & Strategic — Traditional & Basic

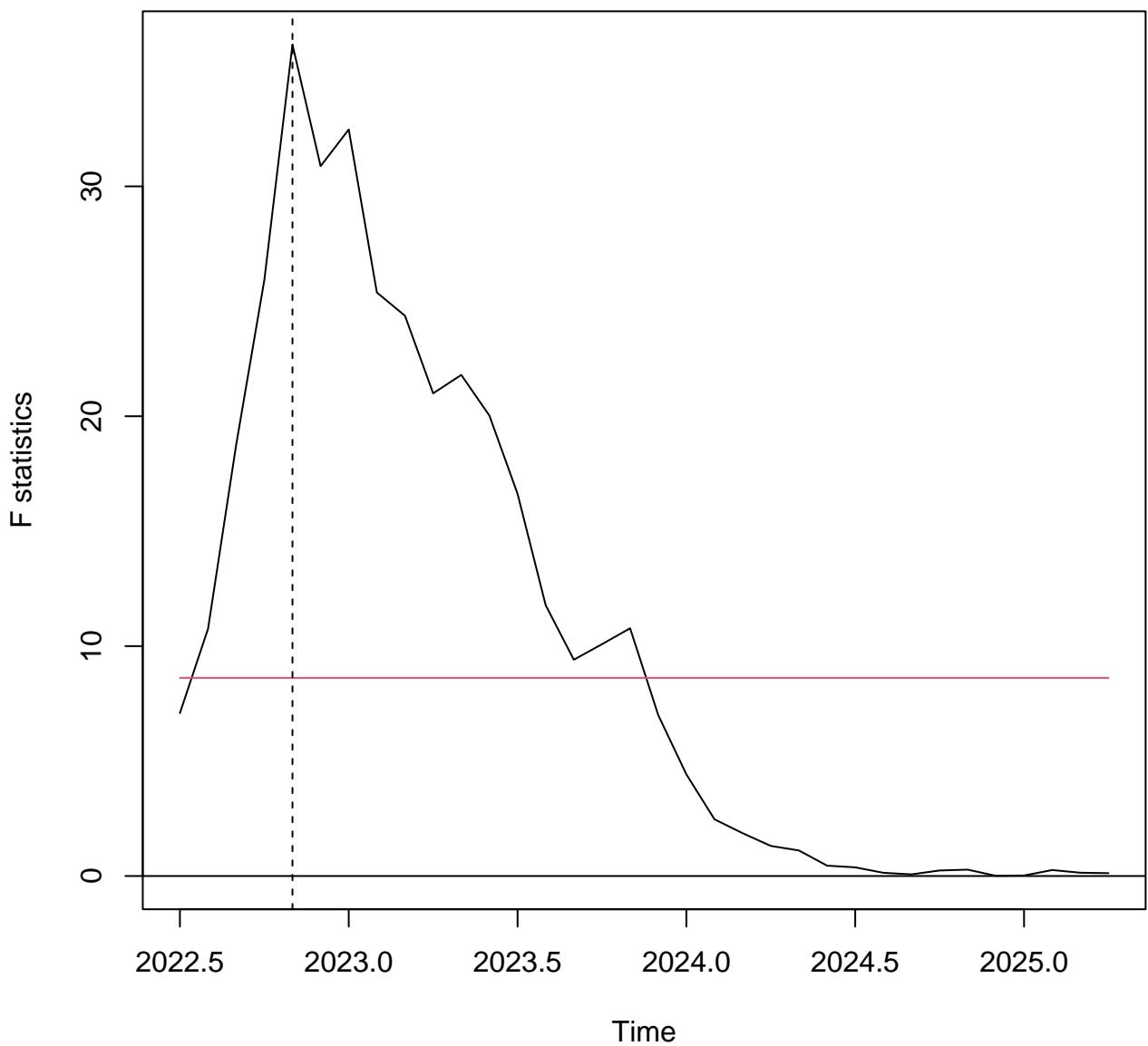


# Variance Check: Residuals over Time

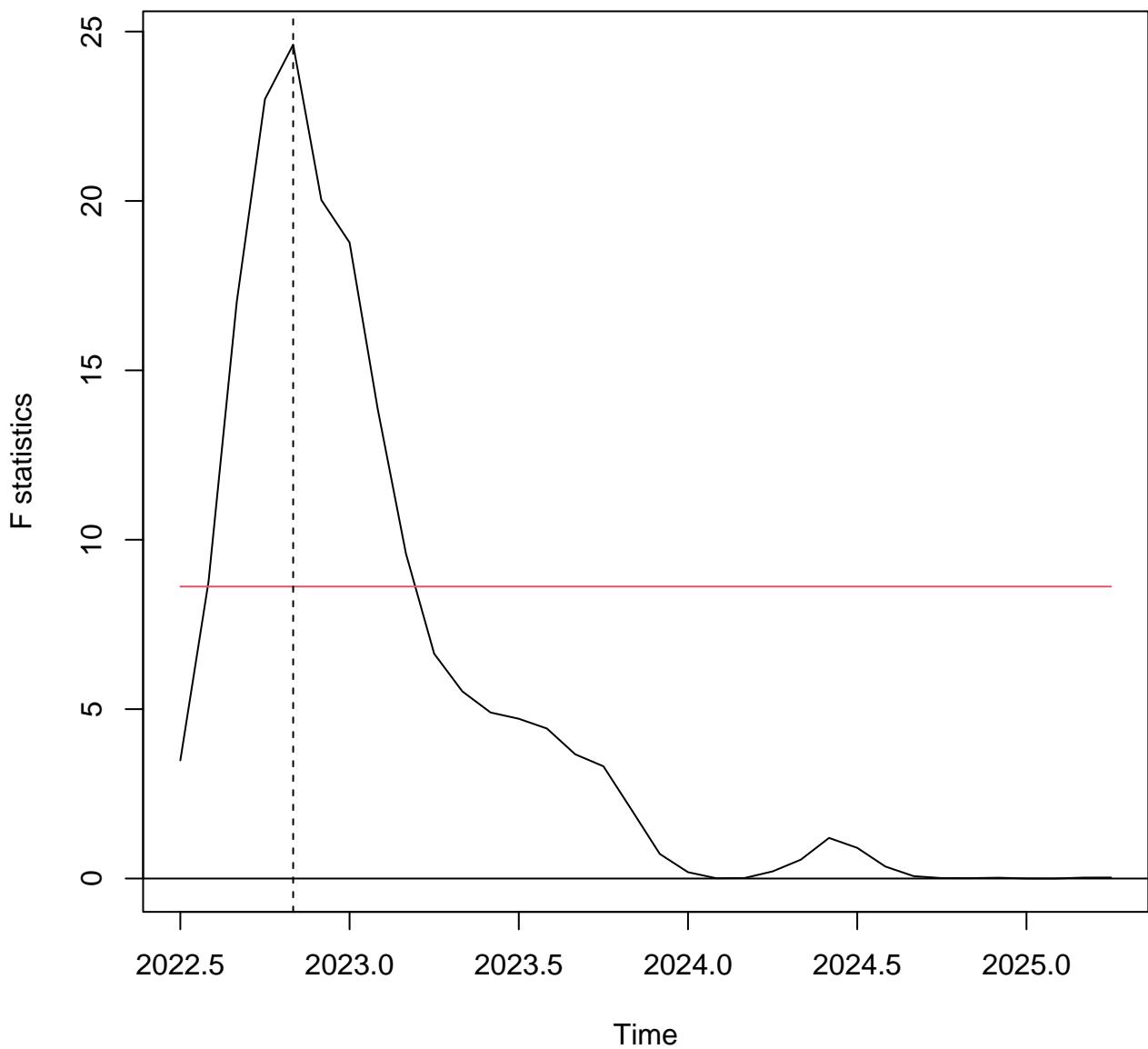
Ideally, this looks like random noise (constant width).



## Structural Break Test (F-Statistics)



## Structural Break Test (F-Statistics)



# Projecting the 'De-risking' Trend into 2026

Linear extrapolation of the post-break trajectory (May 2023 – Present)

