

Euro Rates Update

Nordea Research, 15 January 2016

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US Treasury Yields				
	2Y	5Y	10Y	30Y
	0.90	1.51	2.09	2.88
Δ 1D	-3.7	-5.6	-5.3	-4.8
Δ 1W	-10.5	-17.9	-12.3	-8.7

German Benchmark Yields				
	2Y	5Y	10Y	30Y
	-0.39	-0.14	0.50	1.32
Δ 1D	-0.8	-1.4	-1.6	-0.4
Δ 1W	-1.0	-2.1	-2.1	-5.1

German Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-24.9	-64.0	-88.9	-82.6
Δ 1D	-0.6	-0.2	-0.8	1.2
Δ 1W	-1.1	0.0	-1.1	-3.0

EUR Swap Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-30.7	-63.6	-94.3	-60.5
Δ 1D	-0.4	0.3	-0.1	0.8
Δ 1W	-1.7	-0.2	-1.9	-2.6

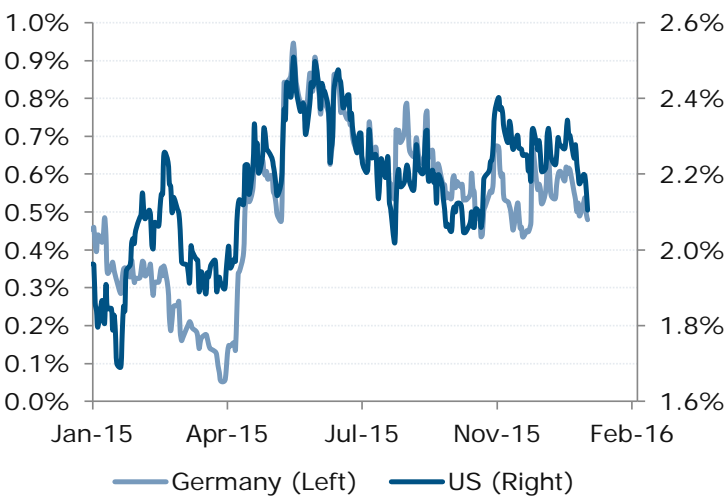
German Asset Swap Levels				
	2Y	5Y	10Y	30Y
	-29.8	-32.9	-30.7	-11.0
Δ 1D	-0.6	-0.9	-1.4	-1.2
Δ 1W	-0.3	0.2	0.1	-0.5

10Y Benchmark Yields				
	Yield	Δ 1D	Spread	Δ 1D
GER	0.498	-1.6	-	-
FRA	0.887	0.1	35.1	1.6
ITA	1.564	-0.7	102.6	0.8
ESP	1.767	-2.1	124.1	-0.6
BEL	0.849	-1.5	37.1	0.0
HOL	0.689	-1.0	20.2	0.5
AUT	0.800	-1.1	27.8	0.4
GRE	7.760	6.6	732.5	8.1
POR	2.635	-1.4	211.5	0.1
FIN	0.811	-0.4	30.1	1.1
IRL	0.986	-2.6	54.5	-1.2

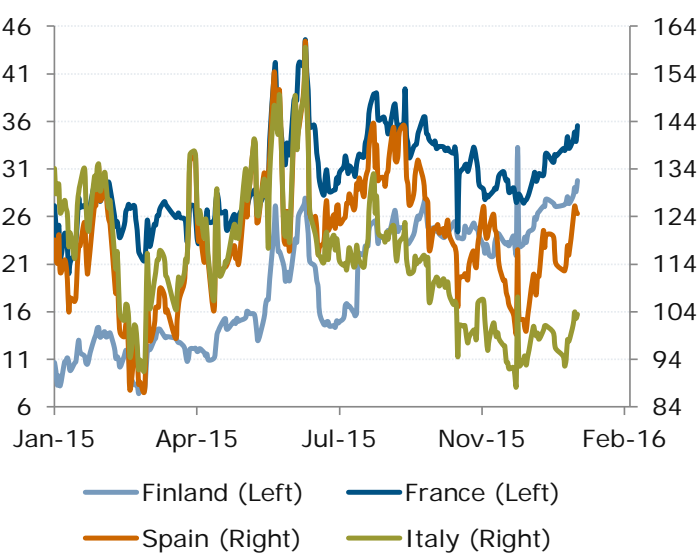
Spread = Maturity interpolated spread to German government par yield curve

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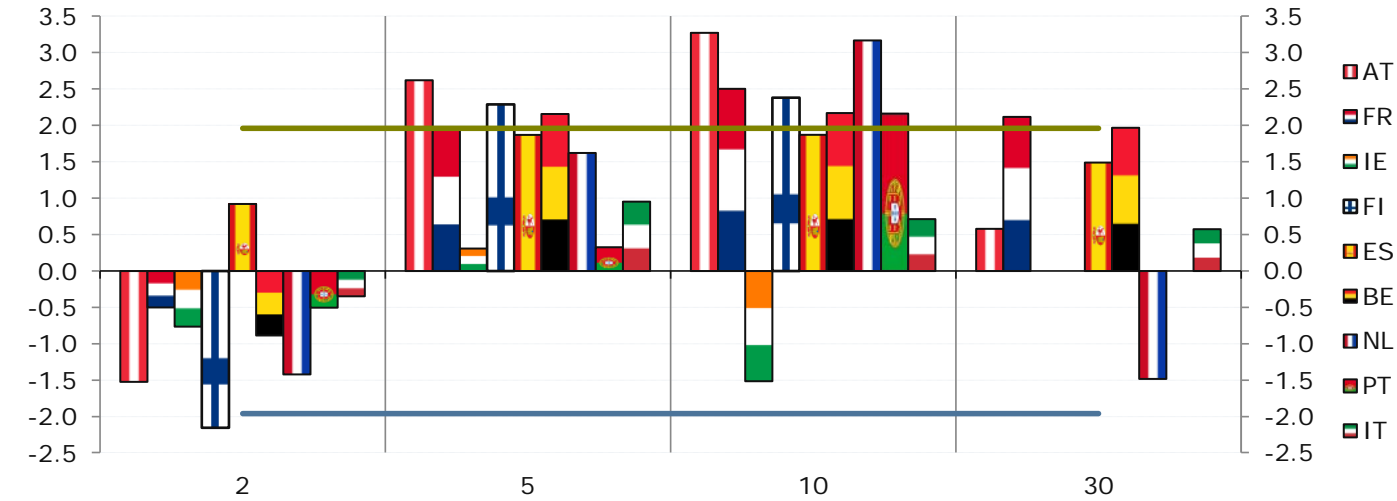
German & US 10-year benchmark yields, %



10 year spreads against Germany, bp



Z-scores of benchmark vs. Germany



Upcoming Issuance (source: Bloomberg)						
Date		Country	Coupon	Maturity		Amount (EURbn)
18 Jan		BE				
18 Jan		LN				
18 Jan		SO	1.50%	2018		
18 Jan		SO	3.38%	2024		
19 Jan		FI	2.63%	2042		
19 Jan		FI	0.38%	2020		

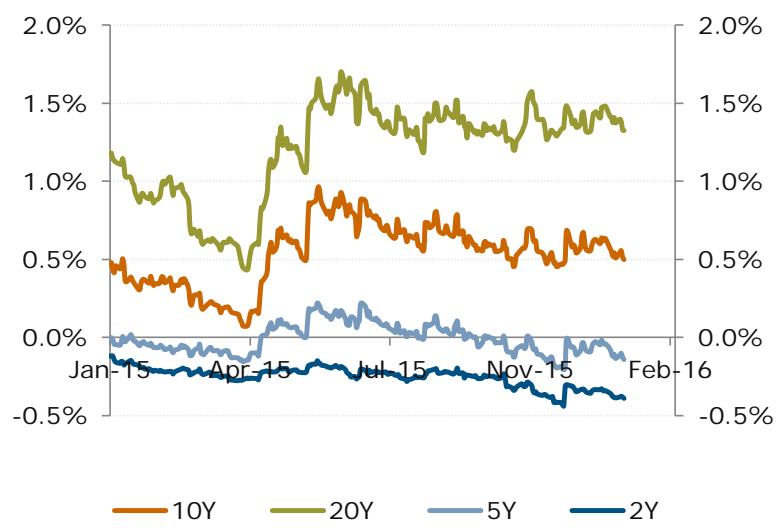
All bond quotes are taken at 16:15 CET.

Bond Yields & Curves

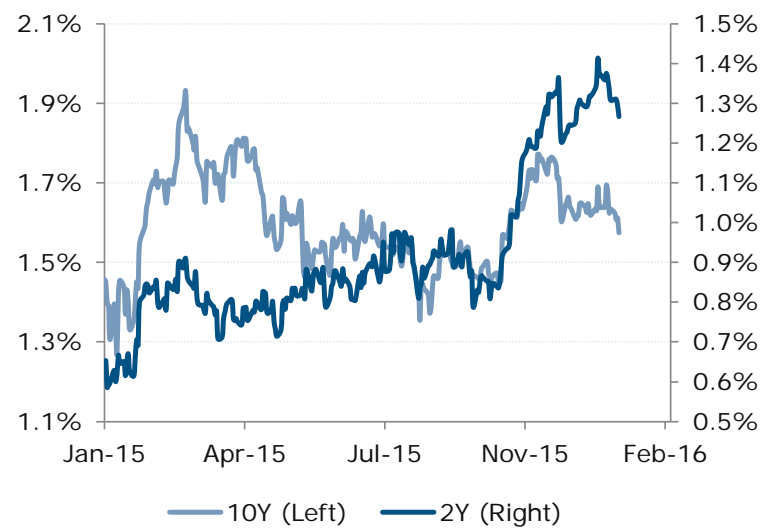
Yield Levels

German & US benchmark bonds on-the-run Nordea Analytics benchmarks.

German benchmark bond yields, %



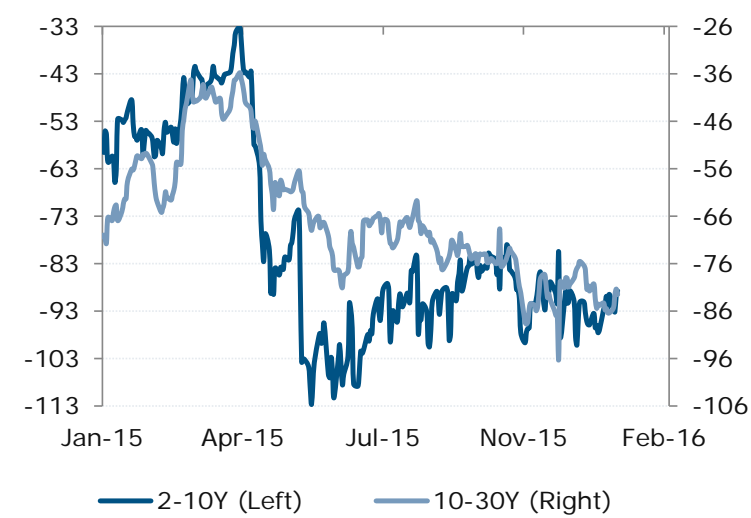
USA-Germany spreads, annualized yields, %



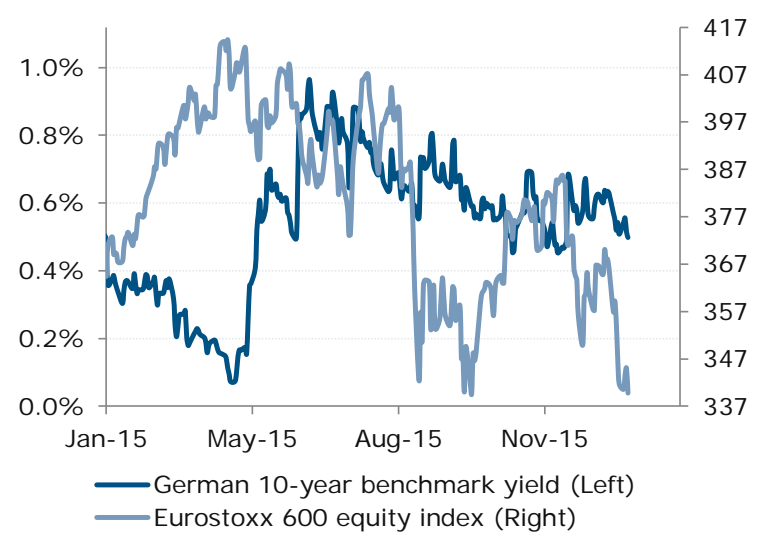
Bond Curve Shape

German curve slopes are yield spreads between Nordea Analytics benchmark bonds.

German yield curve slopes, bp



Bonds vs. equities



Swaps and Forwards

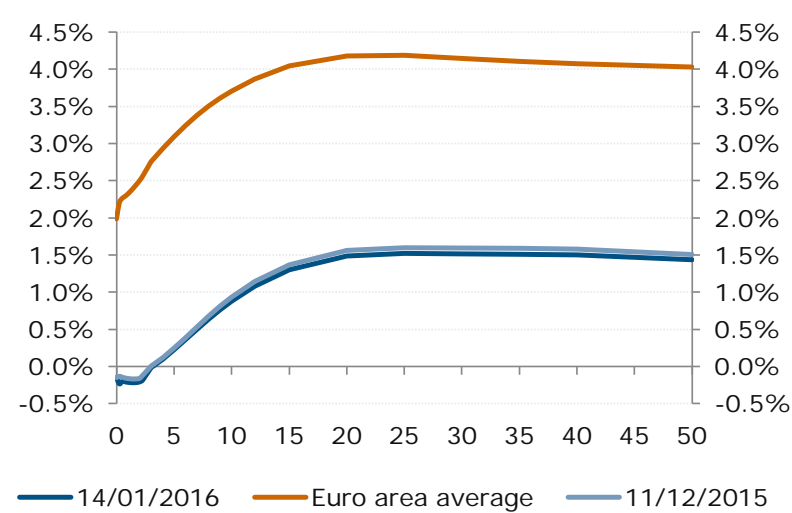
EUR swap rates and implied forwards, %



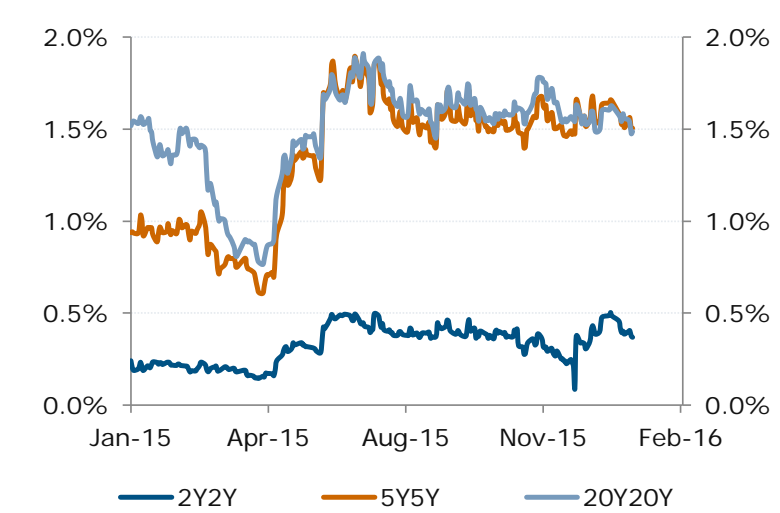
EUR-USD spreads and implied forwards, %



EUR swap curve shape vs. historical

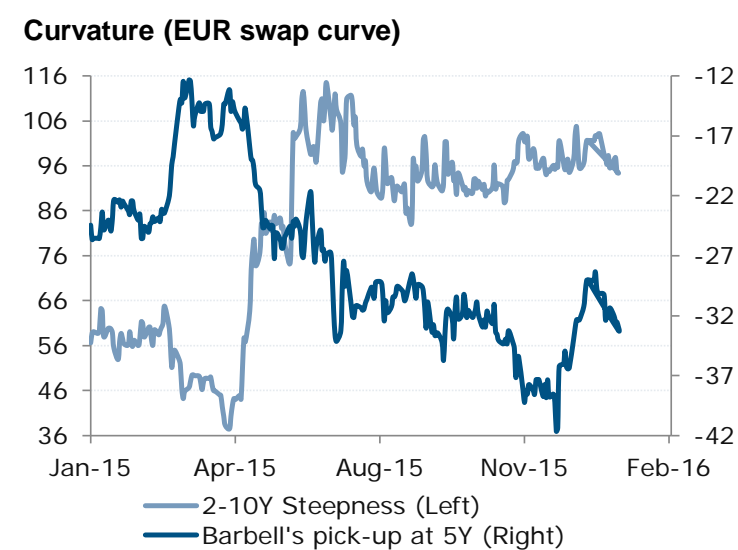


Historical forward rates, %



E.g. 2Y2Y swap rate illustrates the rate of a 2-year swap with a 2-year forward start.

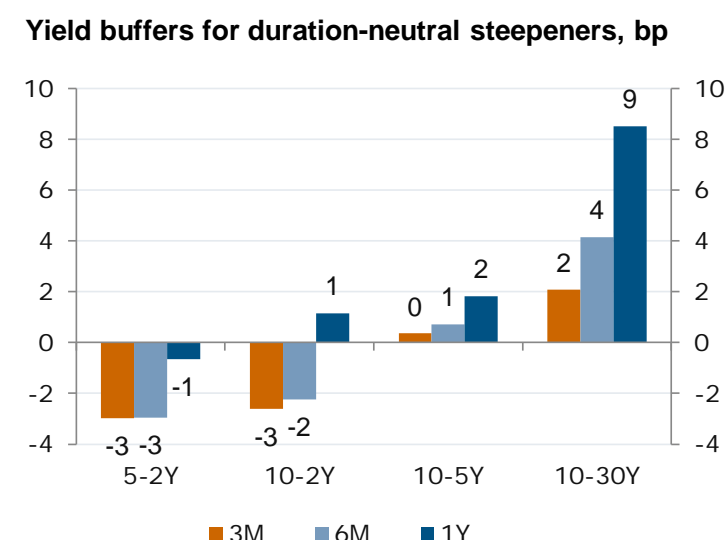
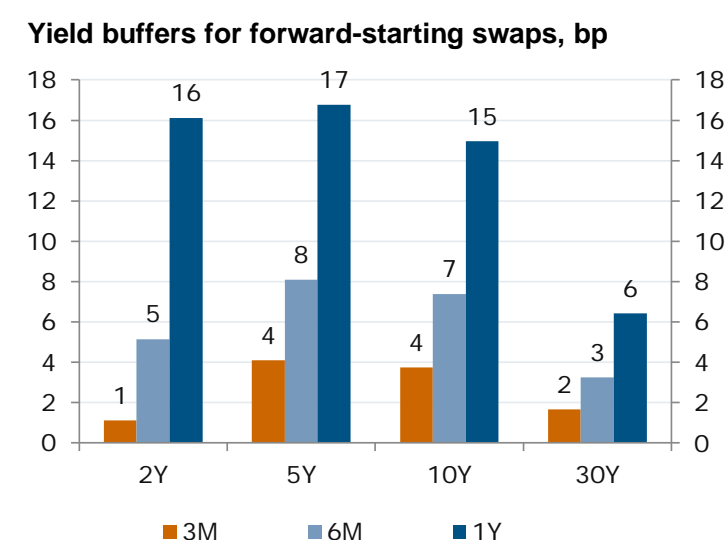
5Y pick-up over a duration and cash neutral 2-10Y EUR swap barbell.



Carry

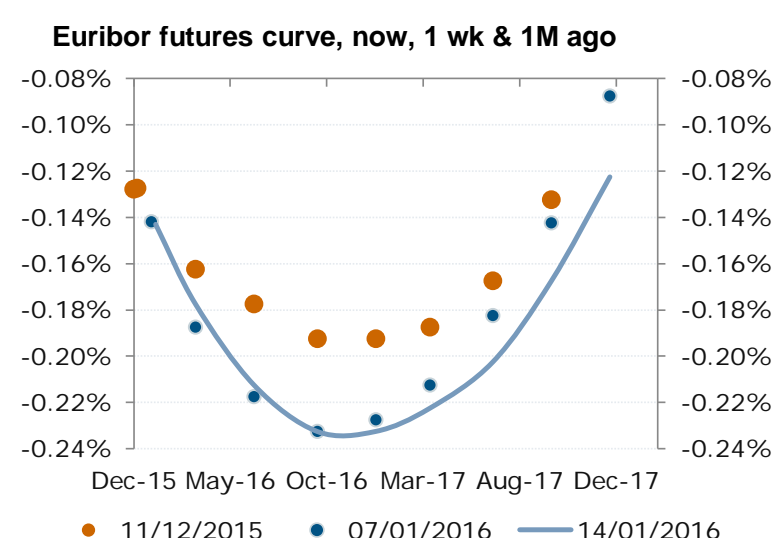
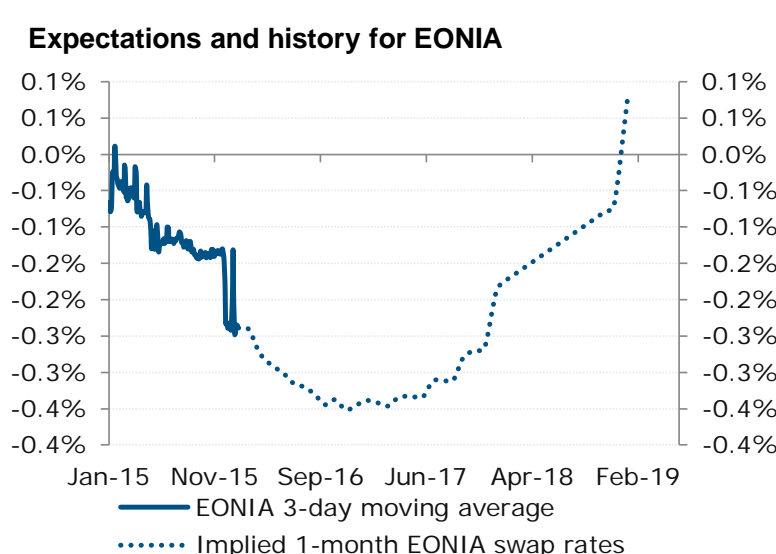
The carry on the given horizon illustrates how much the spot swap rate may rise for a receiver swap position in a forward-starting swap to result in zero profit.

Yield buffers for steepeners tell how much the curve may flatten in order to result in a zero-profit in a forward starting steepener position.



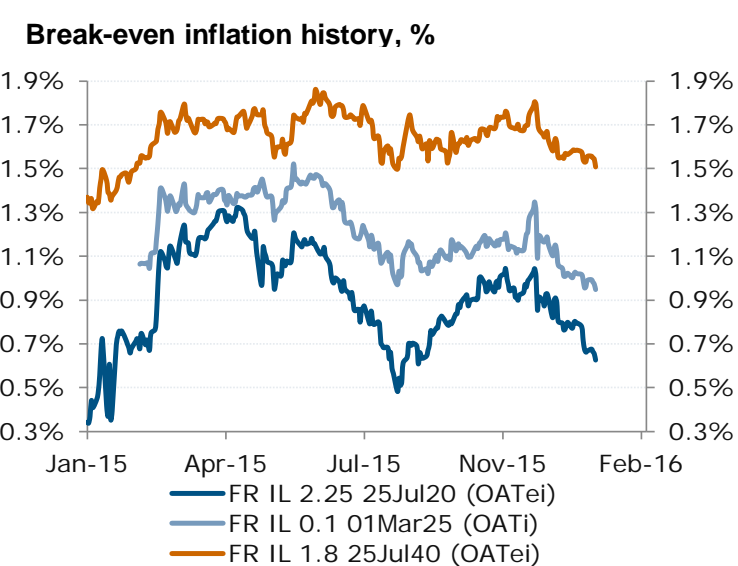
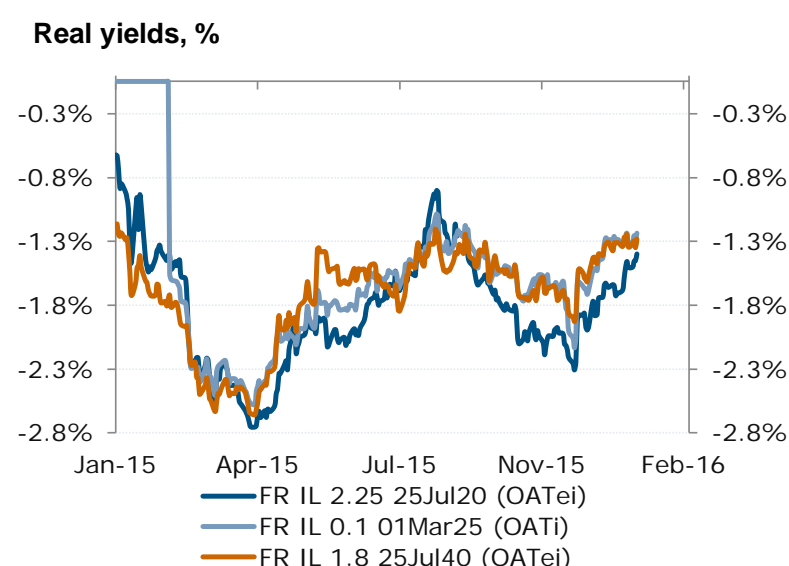
Money Market Rates

The EONIA (Euro Overnight Index - Average) rate is the effective overnight reference rate for the euro.



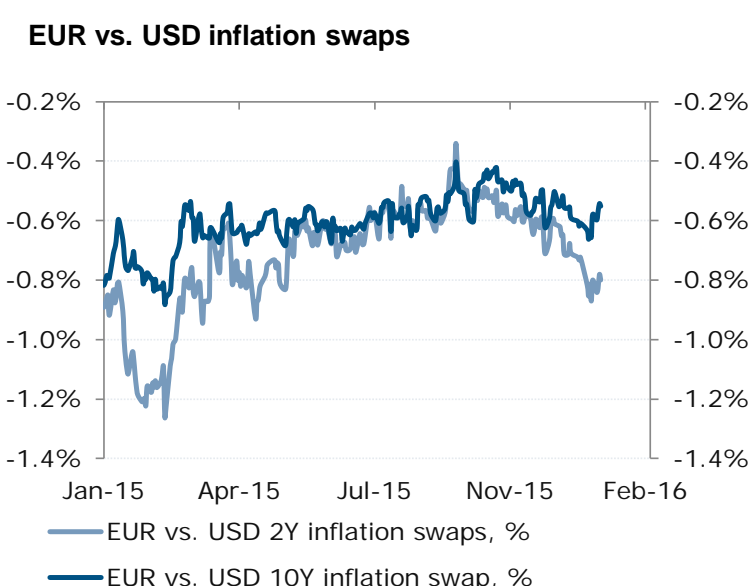
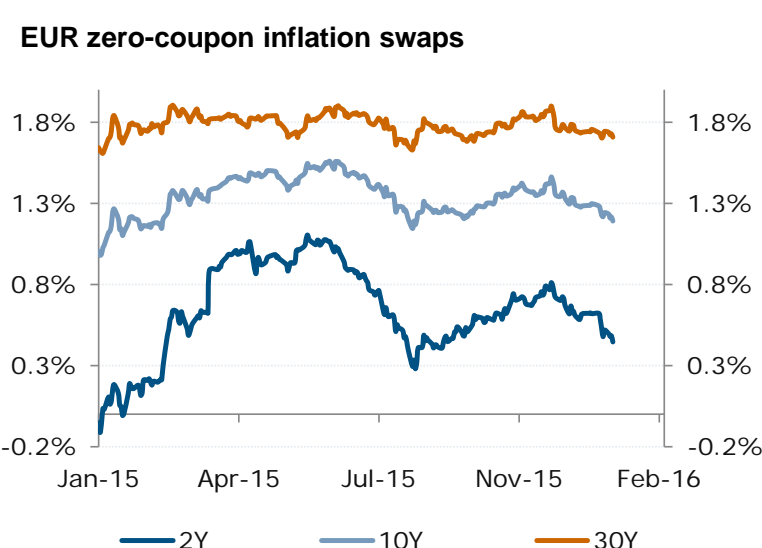
Inflation-linked Bonds

Break-even inflation calculated as a yield spread to a nominal comparable bond.



Inflation Swaps

A zero-coupon inflation swap is a derivative contract, in which one party pays a fixed rate (the break-even inflation rate) and the other party pays a floating rate based on realized inflation. The zero-coupon inflation swap illustrates the average expected inflation rate during the life of the swap.

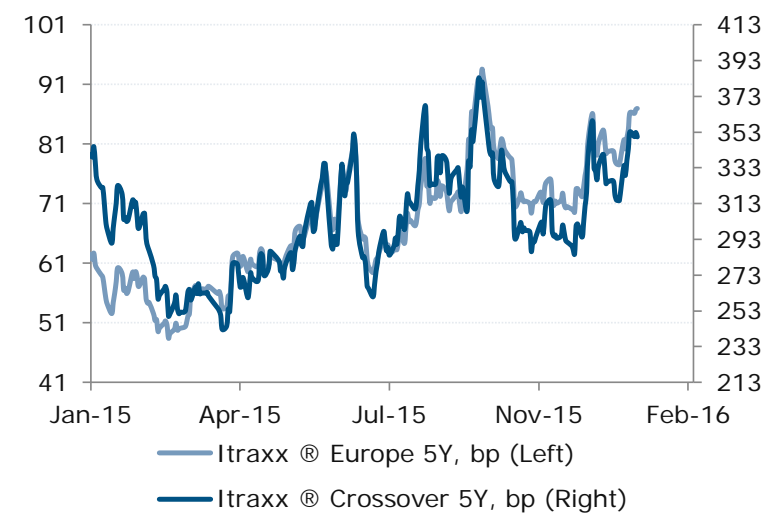


Credit & Money Market Spreads

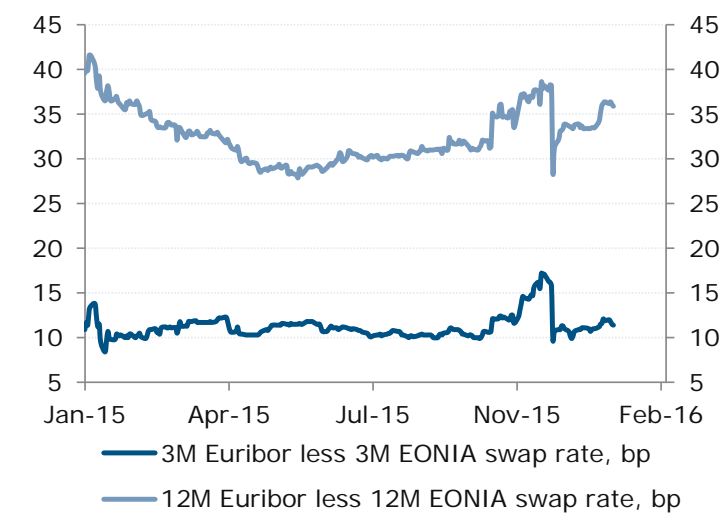
Credit default swap indices illustrate the annual cost of buying protection against a credit event of a company. iTraxx® Europe is comprised of the 125 most liquid CDS contracts referencing European investment grade credits, iTraxx® Crossover of 50 sub-investment grade credits.

The spread between Euribor and EONIA swap rate illustrates the money market credit risk premium, i.e. the difference between Euribor rates and the expected future ECB minimum bid rate.

iTraxx® credit default swap spreads



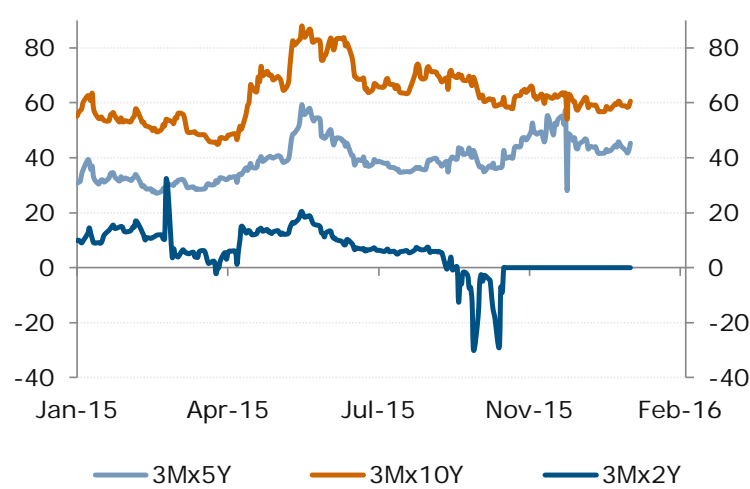
Money market rates vs. EONIA swap rates



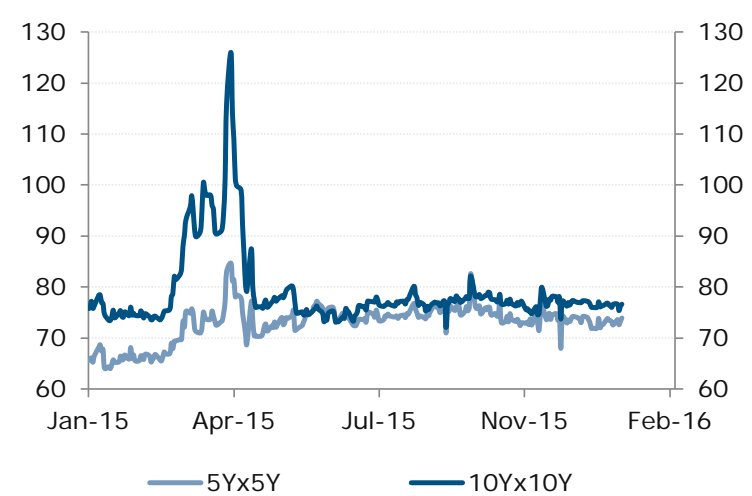
Swaption Volatilities

ATMF (At The Money Forward) swaption bp vol measures the normalized volatility, i.e. the absolute changes in the forward rate in basis points.

Short-dated ATMF swaption bp vol



Long-dated ATMF swaption bp vol

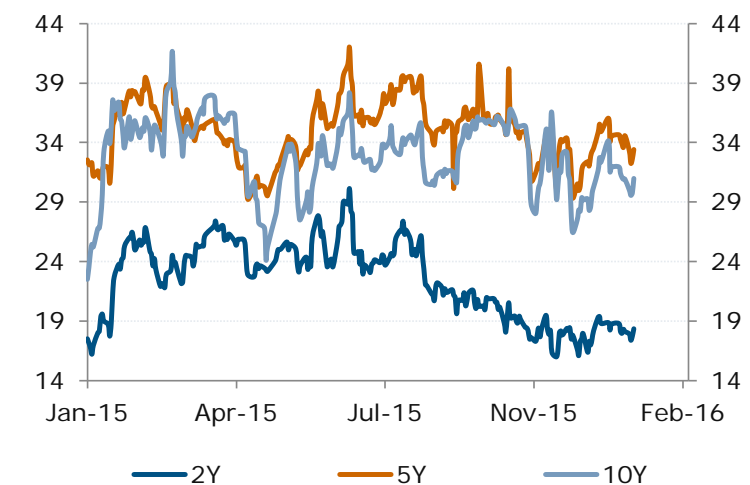


Swap & Cross-country Spreads

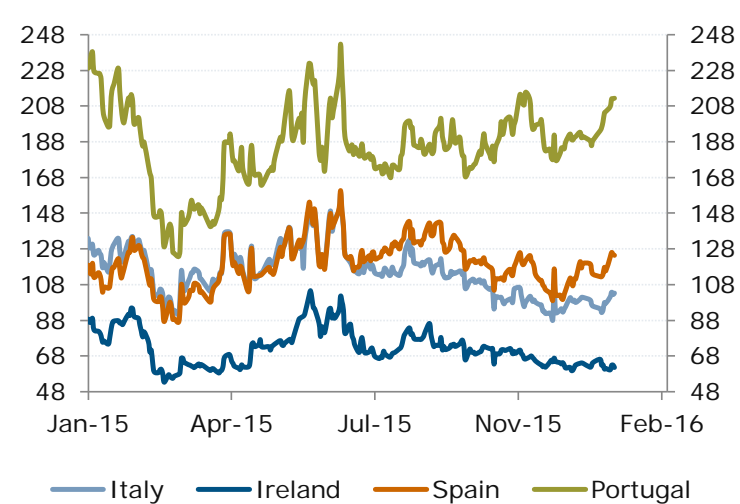
Swap spread:
Benchmark bond's spread to EUR swap curve.

10Y country spreads are maturity interpolated spreads against the German government curve.

German swap spreads, bp



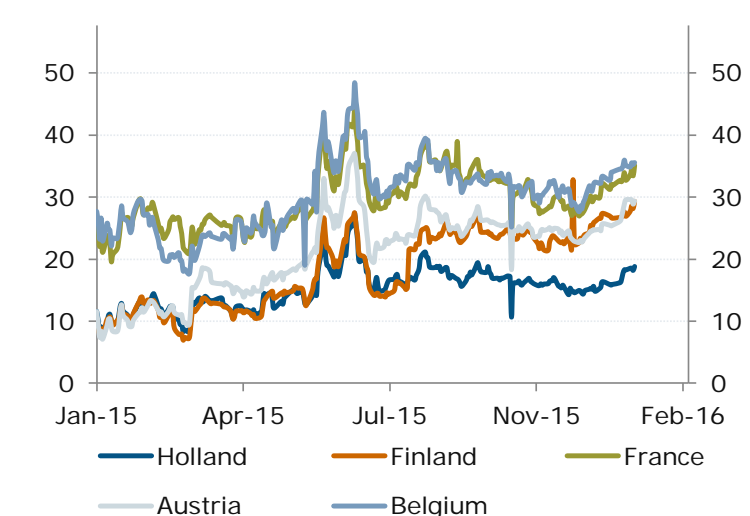
10Y non-AAA spreads against Germany, bp



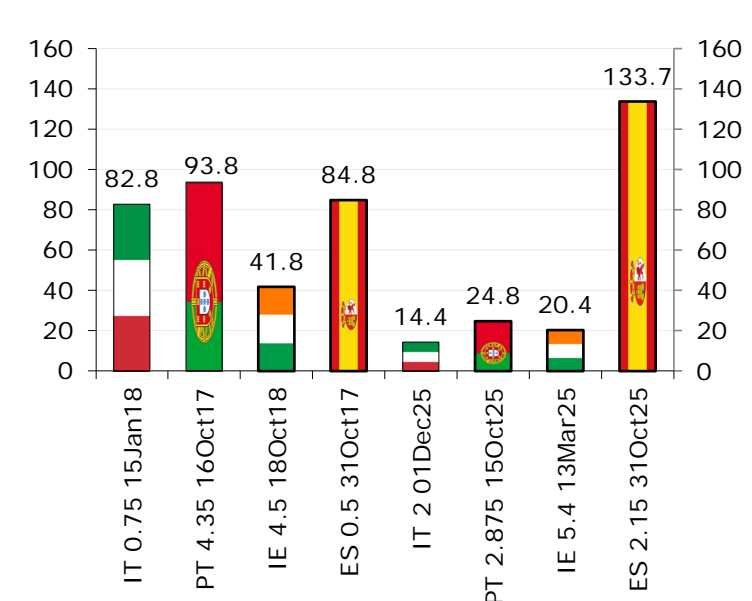
1Y break-even spread changes indicate how much a bond's spread against an equivalent bond trading on the German curve may widen in order to give the same return in one year.

The break-even spread change is based on the spread against the following two German benchmark bonds:
DE TB 15Dec17
DE 1 15Aug25

10Y AAA/AA+ spreads to Germany, bp



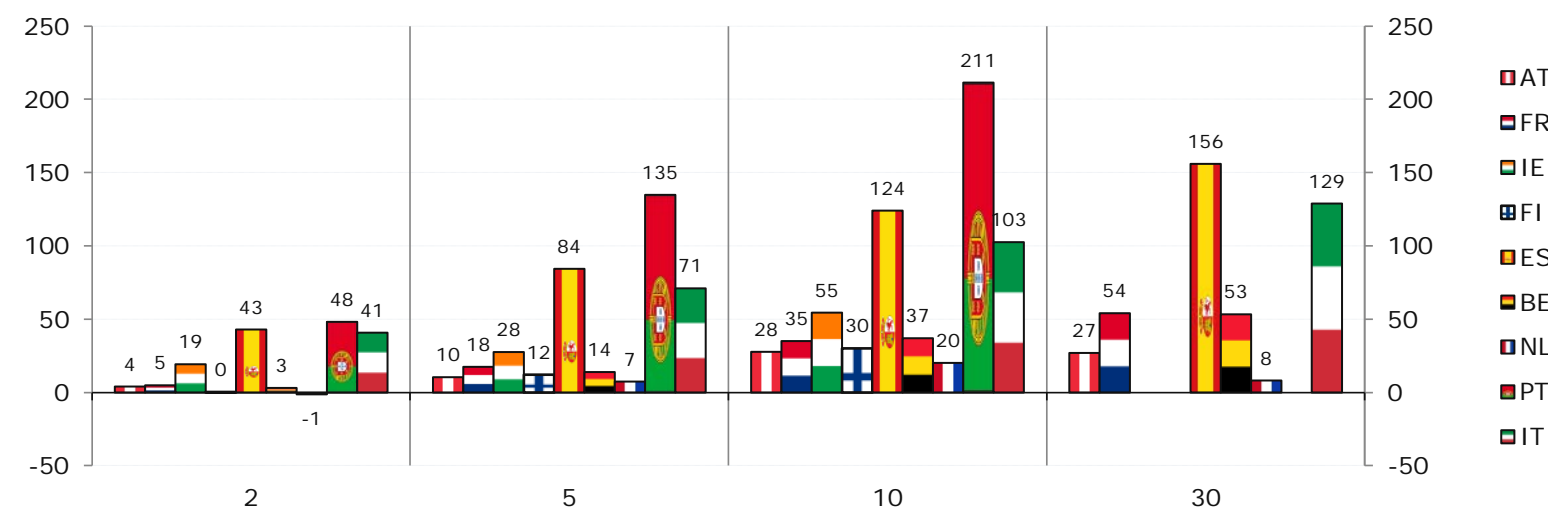
1Y B/E spread changes against Germany, bp



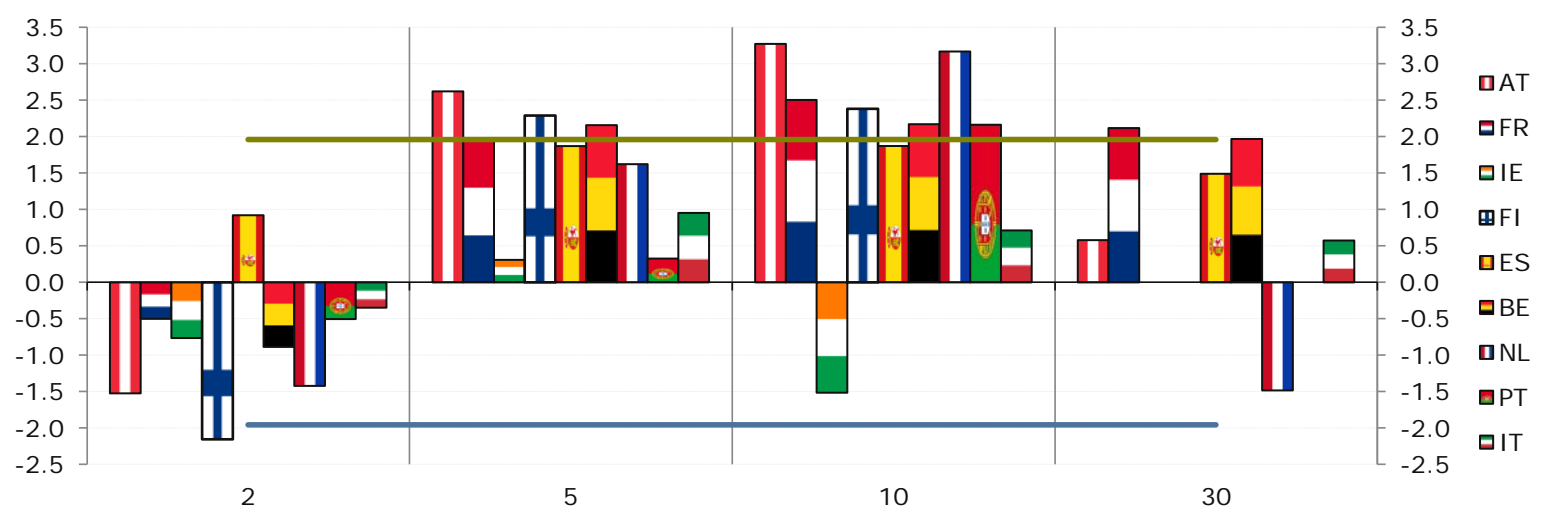


Country Relative Value

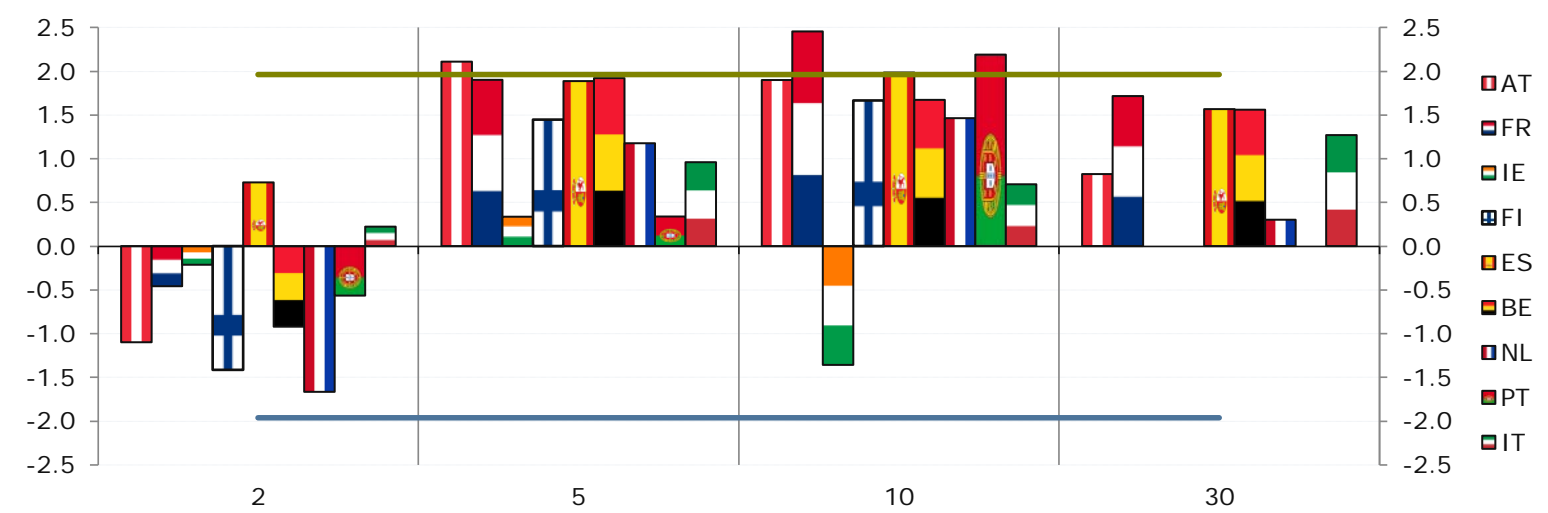
Benchmark spreads over the maturity-interpolated German par curve, bp



Z-scores of benchmark vs. Germany



Z-scores of benchmark vs. swap curve



The richest and cheapest benchmark bonds against Germany and the swap curve by sectors:

Against German Curve						Against Swap Curve				
	Issue	Maturity	Coupon	Spread	Z-score	Issue	Maturity	Coupon	Spread	Z-score
2Y: Rich	FI	15 Sep 17	3.875	0.3	-2.06	NL	15 Apr 17	0.500	-30.7	-2.03
	FR	25 May 19	1.000	15.1	2.83	GR	17 Apr 19	4.750	799.7	2.51
5Y: Rich	DE	11 Oct 19	0.250	-17.4	-3.18	IE	18 Oct 20	5.000	-1.6	-0.43
	FR	25 Nov 19	0.500	16.3	2.80	EIB	16 Mar 20	2.625	-18.4	2.97
7Y: Rich	DE	15 Aug 23	2.000	-31.6	-3.35	IE	20 Mar 23	3.900	10.5	-1.91
	FR	25 May 23	1.750	27.4	3.67	FR	25 Oct 22	2.250	-8.9	3.18
10Y: Rich	DE	15 Aug 24	1.000	-33.2	-2.84	IE	13 Mar 25	5.400	38.3	-1.45
	FI	04 Jul 28	2.750	23.7	3.78	EIB	15 Sep 25	2.750	-11.8	2.77
15Y: Rich	DE	04 Jan 37	4.000	-57.6	-2.04	IE	15 May 30	2.400	38.8	-0.49
	FI	15 Apr 31	0.750	28.3	3.22	EIB	15 Mar 35	2.625	5.6	2.80
20Y: Rich	DE	15 Aug 46	2.500	-65.4	-2.13	IE	18 Feb 45	2.000	59.7	0.28
	FI	04 Jul 42	2.625	9.6	4.02	PT	15 Feb 45	4.100	236.4	2.33

To exploit the historical cheapness/ richness of bonds, we calculate 60-day z-scores:

Current spread - 60-day average
standard deviation

Bond is
- rich if z-score < -1.96
- cheap if z-score > 1.96

We evaluate bonds included in the country specific tables below. Bonds are ranked by z-scores.



	15	16	17
GDP, %, y/y	1.5	1.5	2.0
Public balance	0.4	0.2	0.2
Debt/GDP	74.2	71.9	68.9

Source: European Commission, Winter 2015 forecast

Rating	Aaa/AAA/AAA
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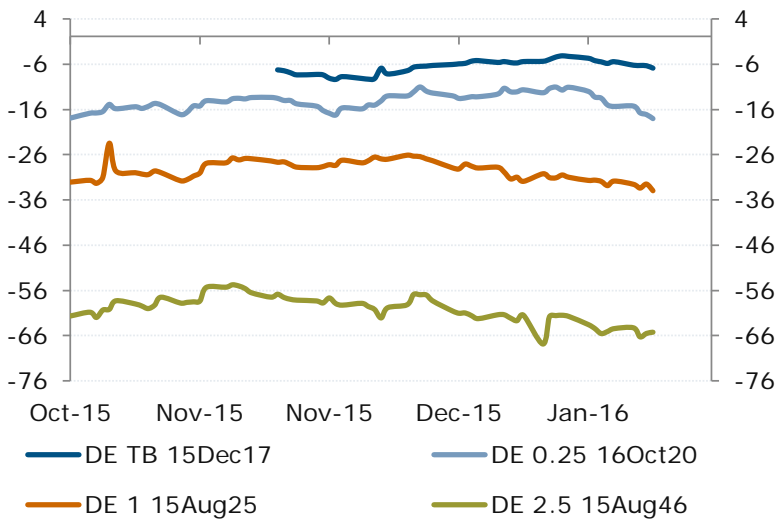
Moody's / S&P / Fitch

Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the French curve.

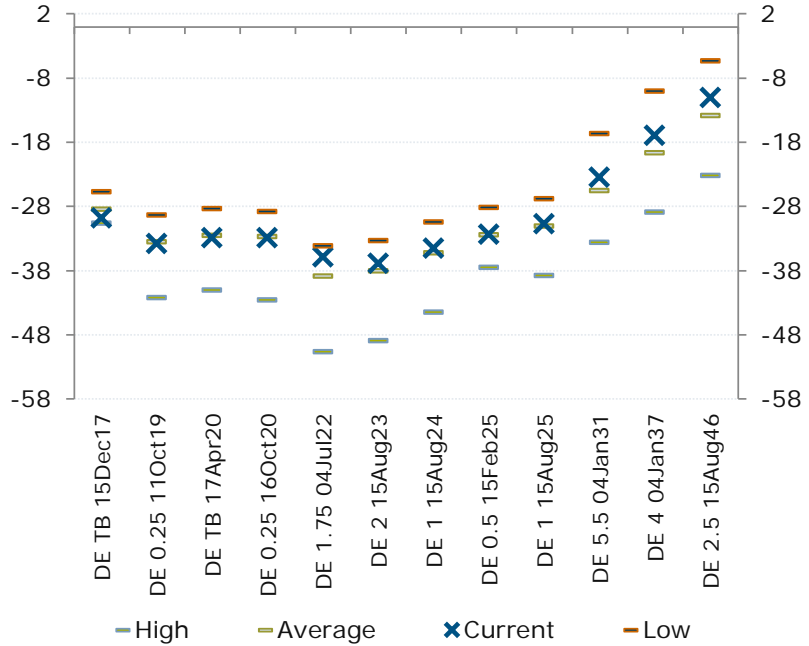
Germany

Benchmark Bonds				Spread vs. France				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
0.000	15 Dec 17	13.0B	-0.391	-7.0	-6.9	-0.10	-1.5	-29.8	-28.4	-1.13
0.250	11 Oct 19	16.0B	-0.276	-17.4	-13.9	-3.18	0.2	-33.8	-33.5	-0.18
0.000	17 Apr 20	20.0B	-0.207	-17.7	-13.9	-2.80	0.0	-32.9	-32.5	-0.20
0.250	16 Oct 20	19.0B	-0.142	-18.2	-14.5	-2.45	-0.4	-32.9	-32.7	-0.17
1.750	04 Jul 22	24.0B	0.055	-26.1	-24.2	-1.69	-1.2	-35.8	-38.9	1.54
2.000	15 Aug 23	18.0B	0.190	-31.6	-27.7	-3.35	-0.5	-36.8	-38.0	0.59
1.000	15 Aug 24	18.0B	0.344	-33.2	-28.7	-2.84	-4.6	-34.5	-35.2	0.35
0.500	15 Feb 25	23.0B	0.433	-32.8	-27.6	-2.73	0.2	-32.3	-32.4	0.04
1.000	15 Aug 25	23.0B	0.498	-34.1	-29.4	-2.51	-0.3	-30.7	-31.1	0.21
5.500	04 Jan 31	17.0B	0.915	-49.4	-44.8	-1.94	-0.3	-23.4	-25.5	0.61
4.000	04 Jan 37	23.0B	1.190	-57.6	-53.1	-2.04	-0.8	-16.9	-19.7	0.76
2.500	15 Aug 46	13.0B	1.324	-65.4	-60.2	-2.13	0.1	-11.0	-13.8	0.82

Spreads against the French curve, bp



Asset swap term structure, bp



	15	16	17
GDP, %, y/y	0.4	1.0	1.8
Public balance	-4.3	-4.1	-4.1
Debt/GDP	95.3	97.1	98.2

Source: European Commission, Winter 2015 forecast

Rating	Aa1/AA/AA
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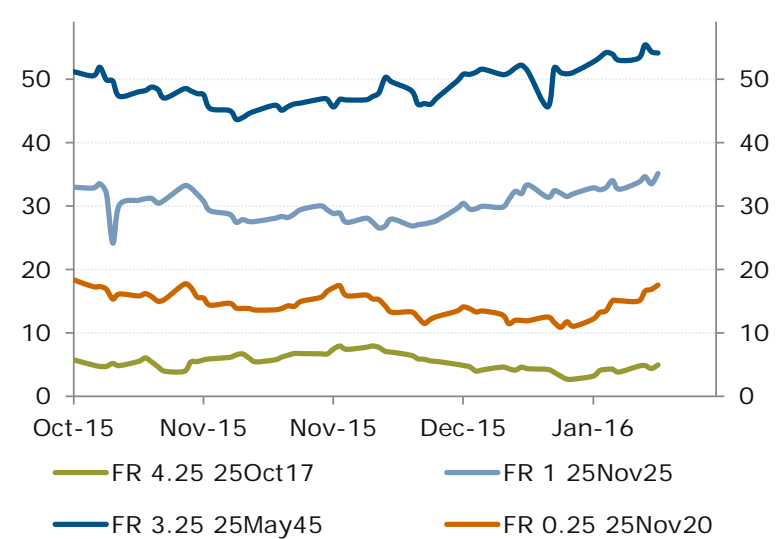
Moody's / S&P / Fitch

Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

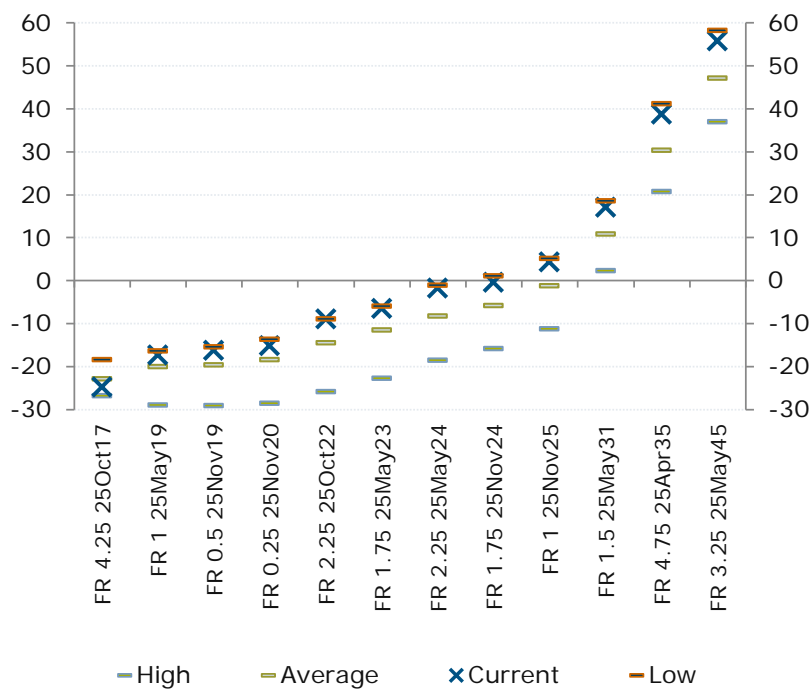
France

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
4.250	25 Oct 17	34.75B	-0.341	4.9	5.4	-0.49	0.7	-24.8	-22.9	-0.98
1.000	25 May 19	23.02B	-0.156	15.1	11.9	2.83	-0.2	-17.5	-20.1	1.67
0.500	25 Nov 19	26.98B	-0.089	16.3	13.2	2.80	0.2	-16.3	-19.7	2.19
0.250	25 Nov 20	11.99B	0.051	17.5	14.6	1.97	0.7	-15.2	-18.5	1.87
2.250	25 Oct 22	26.99B	0.349	24.6	21.4	3.47	0.8	-8.9	-14.5	3.18
1.750	25 May 23	32.97B	0.454	27.4	24.3	3.67	0.1	-6.6	-11.6	2.70
2.250	25 May 24	30.55B	0.618	29.6	24.3	2.87	0.3	-1.9	-8.3	2.42
1.750	25 Nov 24	30.99B	0.703	30.4	25.9	2.46	-0.7	-0.5	-5.9	2.14
1.000	25 Nov 25	19.99B	0.887	35.1	30.1	2.44	0.4	4.3	-1.2	2.51
1.500	25 May 31	9.44B	1.444	42.9	38.5	1.65	-0.7	17.0	10.8	2.25
4.750	25 Apr 35	25.03B	1.589	37.0	32.2	1.73	-0.4	38.7	30.3	2.09
3.250	25 May 45	17.01B	1.896	54.1	48.8	2.05	-0.2	55.7	47.0	1.95

Spreads against the German curve, bp



Asset swap term structure, bp





	15	16	17
GDP, %, y/y	-0.5	0.6	1.3
Public balance	-3.0	-2.6	-2.0
Debt/GDP	131.9	133.0	131.9

Source: European Commission, Winter 2015 forecast

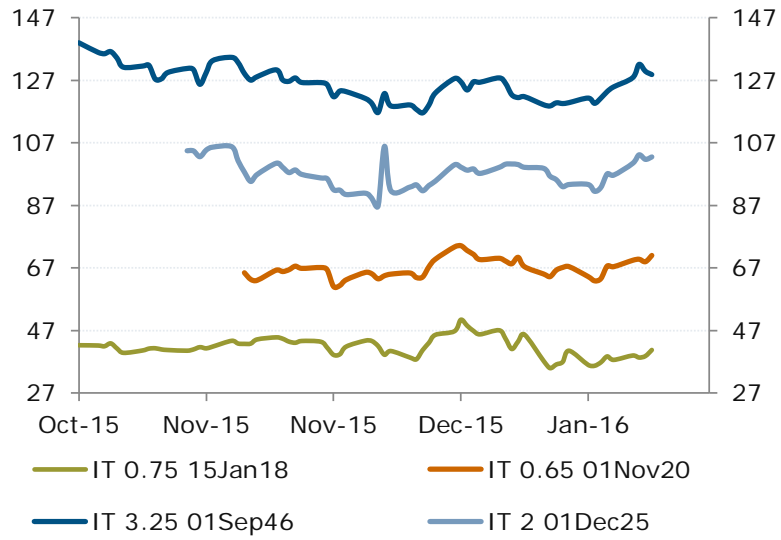
Rating	Baa2/BBB-/BBB+
Moody's / S&P / Fitch	

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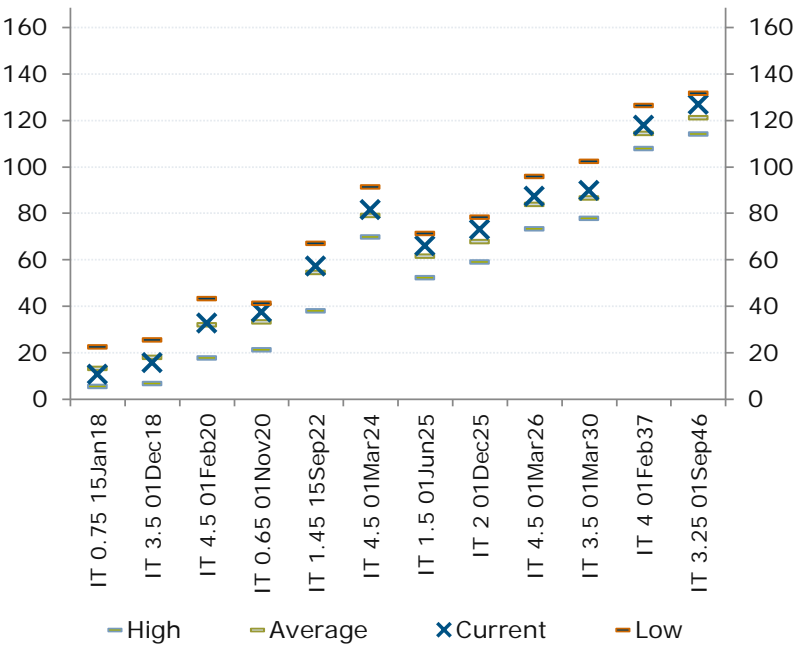
Italy

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
0.750	15 Jan 18	15.46B	0.019	40.8	41.7	-0.34	3.2	10.6	13.2	-0.89
3.500	01 Dec 18	19.01B	0.107	45.8	47.1	-0.46	-0.1	15.6	17.9	-0.62
4.500	01 Feb 20	22.99B	0.376	60.6	60.1	0.18	-4.8	32.6	32.0	0.17
0.650	01 Nov 20	8.94B	0.578	71.1	66.8	1.65	-6.4	37.4	33.2	1.39
1.450	15 Sep 22	13.94B	1.019	92.9	92.3	0.15	-4.3	57.2	54.4	0.69
4.500	01 Mar 24	23.71B	1.312	102.4	100.9	0.39	-3.0	81.4	78.9	0.70
1.500	01 Jun 25	19.99B	1.464	99.4	95.7	0.84	0.3	65.8	61.5	1.35
2.000	01 Dec 25	14.88B	1.564	102.6	97.5	1.31	0.4	72.9	67.8	1.58
4.500	01 Mar 26	20.01B	1.571	100.4	97.9	0.55	0.3	87.2	83.6	0.94
3.500	01 Mar 30	19.99B	1.977	103.7	102.6	0.20	0.8	89.7	86.5	0.80
4.000	01 Feb 37	26.01B	2.425	116.4	115.3	0.28	-0.4	117.8	114.2	1.15
3.250	01 Sep 46	13.24B	2.649	129.0	126.3	0.64	1.4	126.7	120.9	1.81

Spreads against the German curve, bp



Asset swap term structure, bp



	15	16	17
GDP, %, y/y	1.4	2.3	2.5
Public balance	-5.6	-4.5	-3.7
Debt/GDP	98.3	101.5	102.5

Source: European Commission, Winter 2015 forecast

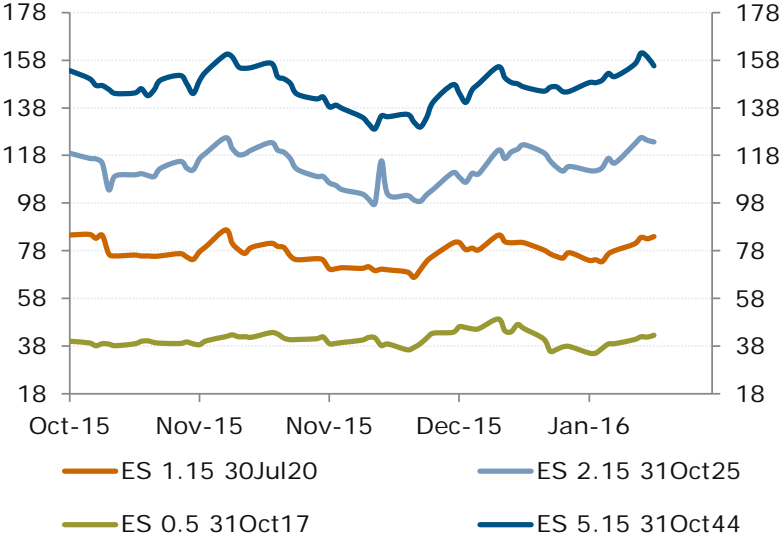
Rating	Baa2/BBB/BBB+
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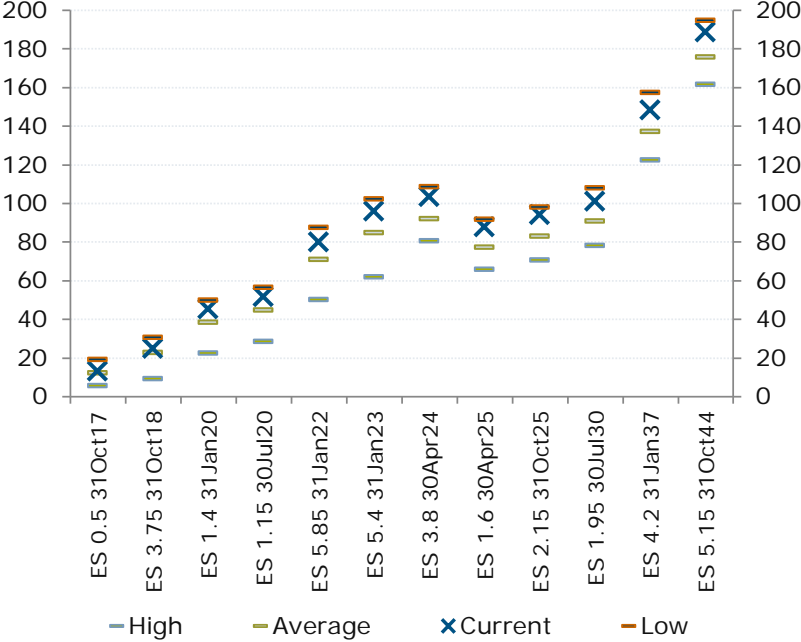
Spain

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
0.500	31 Oct 17	16.99B	0.040	43.0	41.0	0.89	-1.1	13.1	12.4	0.31
3.750	31 Oct 18	20.01B	0.182	53.7	50.8	0.96	0.2	24.9	22.7	0.64
1.400	31 Jan 20	21.91B	0.545	77.6	70.7	1.72	-0.2	45.5	38.5	1.73
1.150	30 Jul 20	14.73B	0.678	84.4	77.4	1.88	6.8	51.8	44.7	1.89
5.850	31 Jan 22	22.01B	1.002	99.0	92.5	1.52	1.8	80.2	71.1	1.77
5.400	31 Jan 23	19.01B	1.273	113.6	105.1	1.75	1.2	95.8	84.7	1.96
3.800	30 Apr 24	21.99B	1.573	126.0	115.9	2.02	0.5	103.4	92.1	2.14
1.600	30 Apr 25	19.09B	1.683	122.5	112.2	1.81	-0.9	87.9	77.4	2.04
2.150	31 Oct 25	20.96B	1.767	124.1	113.0	1.83	-5.6	94.2	83.0	2.04
1.950	30 Jul 30	10.81B	2.300	133.5	124.3	1.33	-0.8	101.1	91.0	1.74
4.200	31 Jan 37	16.37B	2.704	144.4	135.4	1.43	-0.7	148.3	137.1	1.67
5.150	31 Oct 44	11.23B	2.913	156.0	146.8	1.48	0.6	188.6	175.8	1.77

Spreads against the German curve, bp



Asset swap term structure, bp





	15	16	17
GDP, %, y/y	0.7	1.4	1.7
Public balance	-2.8	-2.2	-1.8
Debt/GDP	69.5	70.5	70.5

Source: European Commission, Winter 2015 forecast

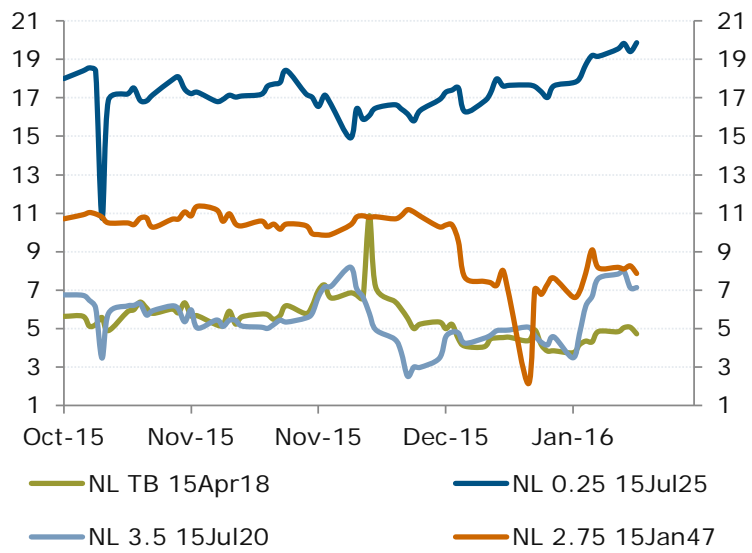
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

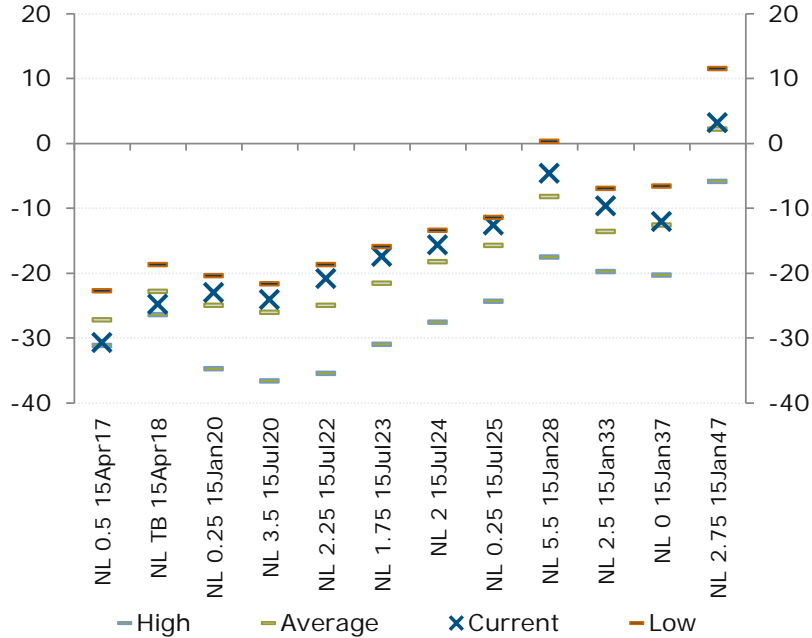
Netherlands

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
0.500	15 Apr 17	13.03B	-0.406	-1.2	0.5	-1.37	9.5	-30.7	-27.3	-2.03
0.000	15 Apr 18	15.99B	-0.328	5.1	5.9	-1.07	-0.4	-24.9	-22.8	-1.28
0.250	15 Jan 20	15.84B	-0.139	9.7	7.7	1.70	7.6	-23.0	-25.1	1.07
3.500	15 Jul 20	15.02B	-0.097	7.5	5.9	1.60	0.1	-24.1	-26.1	1.06
2.250	15 Jul 22	15.01B	0.198	12.9	11.1	1.17	-0.1	-20.9	-25.0	2.24
1.750	15 Jul 23	15.63B	0.368	16.8	14.4	2.29	-0.4	-17.4	-21.6	2.26
2.000	15 Jul 24	15.32B	0.505	16.1	14.4	2.55	0.1	-15.7	-18.3	1.28
0.250	15 Jul 25	15.01B	0.689	20.2	17.6	3.01	0.0	-12.7	-15.8	1.59
5.500	15 Jan 28	13.02B	0.874	10.8	9.7	0.71	-0.1	-4.6	-8.3	1.30
2.500	15 Jan 33	12.99B	1.198	8.5	6.8	1.46	-0.5	-9.7	-13.7	1.44
0.000	15 Jan 37	0.0B	1.385	12.6	14.4	-1.29	-3.7	-12.1	-12.6	0.18
2.750	15 Jan 47	10.99B	1.443	8.2	10.1	-1.40	-0.2	3.1	2.2	0.29

Spreads against the German curve, bp



Asset swap term structure, bp



	15	16	17
GDP, %, y/y	1.0	1.1	1.4
Public balance	-3.2	-2.6	-2.4
Debt/GDP	106.4	106.8	106.6

Source: European Commission, Winter 2015 forecast

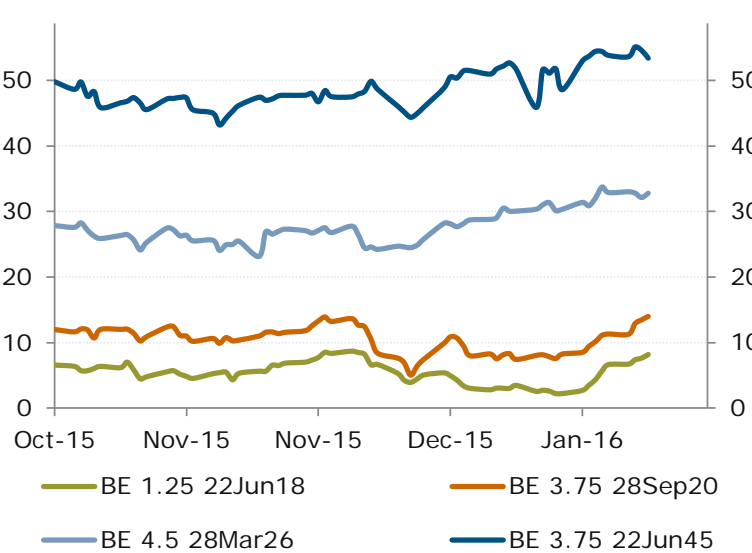
Rating	Aa3/AA/AA
Moody's / S&P / Fitch	

Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

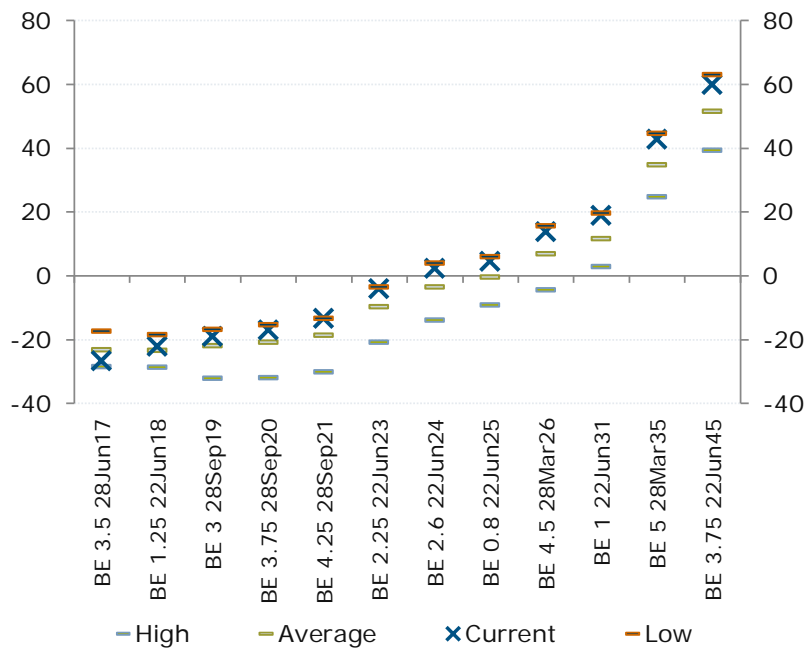
Belgium

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
3.500	28 Jun 17	13.34B	-0.361	3.2	4.4	-0.85	3.5	-26.6	-23.1	-1.38
1.250	22 Jun 18	11.01B	-0.289	8.2	5.5	1.97	1.5	-22.1	-23.4	0.64
3.000	28 Sep 19	12.01B	-0.139	13.0	10.2	1.79	-2.2	-19.0	-21.9	1.33
3.750	28 Sep 20	19.01B	-0.005	14.0	10.6	2.10	-2.1	-17.0	-20.8	1.75
4.250	28 Sep 21	15.98B	0.152	17.9	14.8	1.91	-1.4	-13.3	-18.6	2.52
2.250	22 Jun 23	13.99B	0.481	29.0	25.3	2.23	-0.3	-4.0	-9.6	2.28
2.600	22 Jun 24	15.85B	0.660	32.6	28.0	2.57	0.3	2.4	-3.4	2.23
0.800	22 Jun 25	17.99B	0.849	37.1	32.8	2.06	0.5	4.6	-0.3	1.76
4.500	28 Mar 26	9.02B	0.903	32.8	27.5	2.43	0.7	13.9	7.0	1.91
1.000	22 Jun 31	4.0B	1.505	48.6	42.4	2.00	-0.7	19.0	11.6	2.15
5.000	28 Mar 35	19.01B	1.608	39.1	34.6	1.70	-0.9	42.8	34.7	1.95
3.750	22 Jun 45	8.01B	1.889	53.4	48.6	1.89	0.1	59.9	51.5	1.75

Spreads against the German curve, bp



Asset swap term structure, bp





	15	16	17
GDP, %, y/y	0.0	0.8	1.4
Public balance	-2.7	-2.5	-2.2
Debt/GDP	58.9	61.2	62.6

Source: European Commission, Winter 2015 forecast

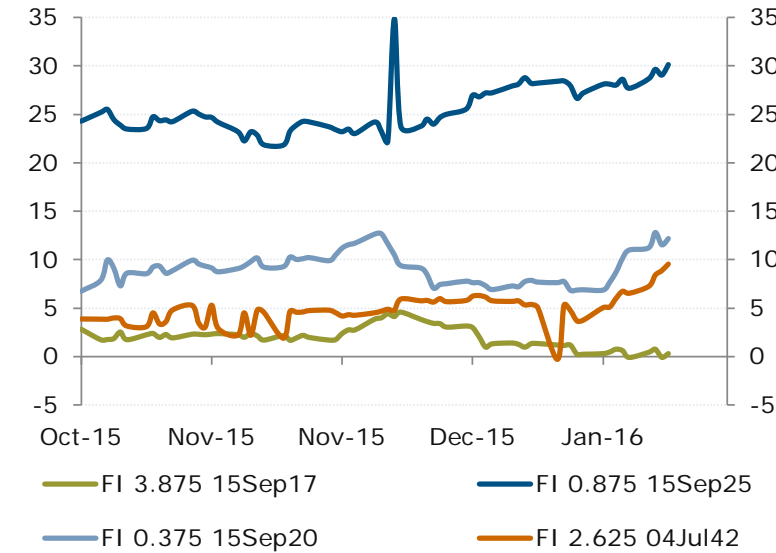
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

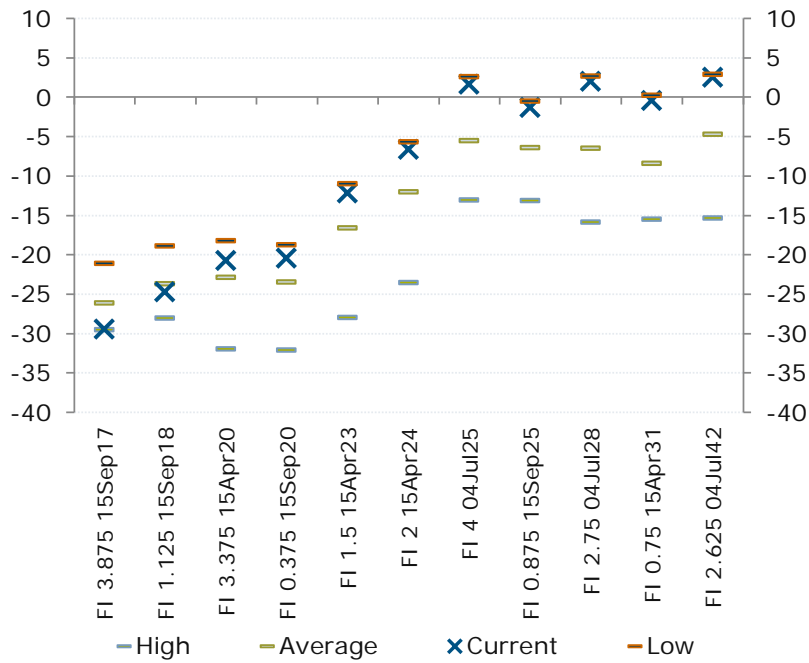
Finland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
3.875	15 Sep 17	6.0B	-0.388	0.3	2.1	-2.06	2.2	-29.4	-26.1	-1.82
1.125	15 Sep 18	5.03B	-0.299	6.1	6.1	-0.02	-0.4	-24.7	-23.7	-0.48
3.375	15 Apr 20	6.5B	-0.095	10.9	9.1	1.44	0.6	-20.7	-22.9	0.96
0.375	15 Sep 20	5.03B	-0.028	12.2	9.3	2.20	1.6	-20.4	-23.5	1.33
1.500	15 Apr 23	5.0B	0.391	22.6	20.0	3.04	0.0	-12.1	-16.6	2.43
2.000	15 Apr 24	5.0B	0.564	25.7	21.5	2.81	-0.1	-6.6	-12.0	2.33
4.000	04 Jul 25	6.03B	0.734	25.2	19.3	2.87	0.3	1.7	-5.5	2.41
0.875	15 Sep 25	4.03B	0.811	30.1	25.4	2.23	0.1	-1.3	-6.4	1.88
2.750	04 Jul 28	5.0B	1.045	23.7	17.7	3.78	-0.3	2.0	-6.5	2.32
0.750	15 Apr 31	3.5B	1.292	28.3	21.7	3.22	-0.6	-0.5	-8.4	2.23
2.625	04 Jul 42	4.03B	1.438	9.6	4.9	4.02	0.2	2.6	-4.7	1.83

Spreads against the German curve, bp



Asset swap term structure, bp



	15	16	17
GDP, %, y/y	0.2	0.8	1.5
Public balance	-2.9	-2.0	-1.4
Debt/GDP	86.8	86.4	84.5

Source: European Commission, Winter 2015 forecast

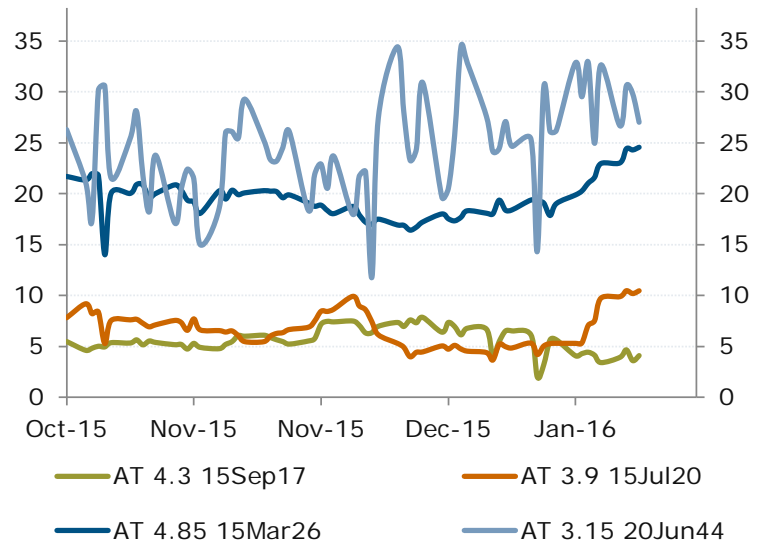
Rating	Aaa/AA+/AA+
Moody's / S&P / Fitch	

Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

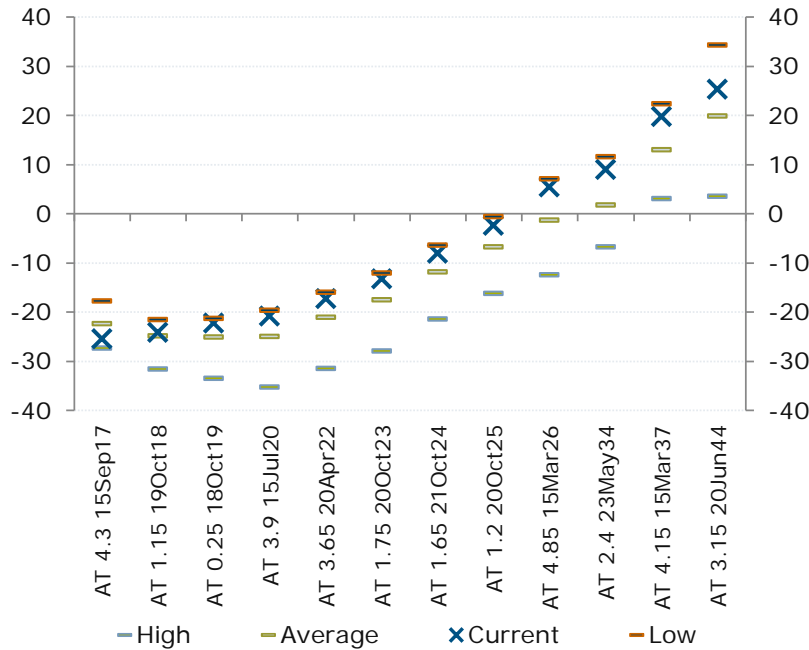
Austria

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
4.300	15 Sep 17	7.79B	-0.350	4.1	5.6	-1.47	-1.8	-25.5	-22.4	-1.62
1.150	19 Oct 18	7.02B	-0.286	7.0	5.6	1.91	-0.9	-24.2	-24.8	0.39
0.250	18 Oct 19	7.95B	-0.159	10.4	7.6	2.02	0.1	-22.2	-25.1	1.40
3.900	15 Jul 20	13.01B	-0.067	10.5	6.8	2.51	0.6	-20.8	-25.0	1.93
3.650	20 Apr 22	8.71B	0.190	15.0	13.7	0.64	1.0	-17.3	-21.0	1.57
1.750	20 Oct 23	9.99B	0.442	20.6	17.9	2.53	0.8	-13.3	-17.5	2.28
1.650	21 Oct 24	10.35B	0.619	23.5	20.5	2.69	0.7	-8.0	-11.8	1.92
1.200	20 Oct 25	9.02B	0.800	27.8	23.9	3.05	0.1	-2.4	-6.8	1.98
4.850	15 Mar 26	8.01B	0.817	24.6	19.5	3.27	-0.2	5.5	-1.3	2.68
2.400	23 May 34	5.19B	1.426	24.0	19.5	2.17	-1.1	8.9	1.8	1.83
4.150	15 Mar 37	12.22B	1.491	22.8	19.1	2.69	0.4	19.8	13.1	1.53
3.150	20 Jun 44	6.72B	1.621	27.0	24.6	0.57	-0.6	25.3	19.9	0.85

Spreads against the German curve, bp



Asset swap term structure, bp





Greece

	15	16	17
GDP, %, y/y	1.0	2.5	3.6
Public balance	-2.5	1.1	1.6
Debt/GDP	176.3	170.2	159.2

Source: European Commission, Winter 2015 forecast

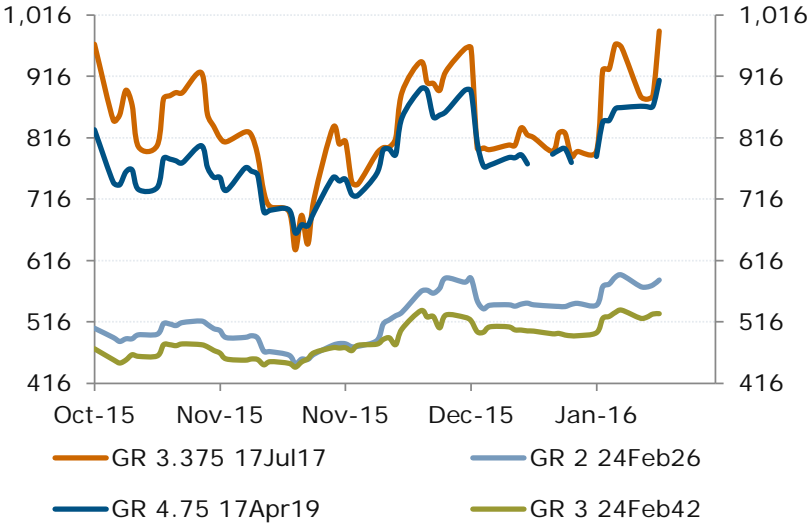
Rating	Caa1/B-/CCC
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Moody's / S&P / Fitch

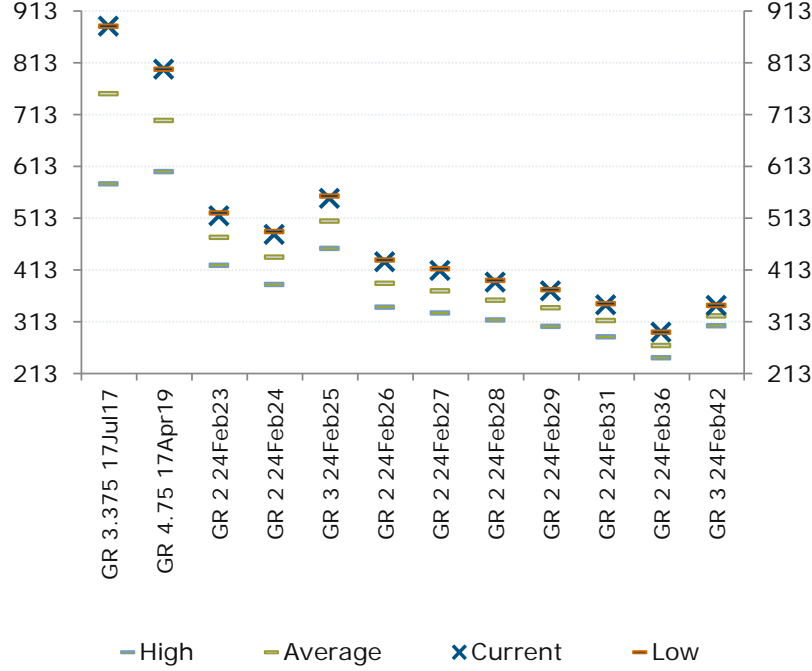
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
3.375	17 Jul 17	2.02B	9.503	989.5	834.6	2.44	402.4	882.4	751.6	2.46
4.750	17 Apr 19	4.02B	8.775	909.2	784.3	2.53	95.4	799.7	700.8	2.51
2.000	24 Feb 23	1.04B	6.876	672.9	614.3	1.69	14.1	517.0	475.4	1.79
2.000	24 Feb 24	1.25B	6.665	637.9	571.8	1.81	8.7	481.1	436.3	1.87
3.000	24 Feb 25	1.84B	7.760	732.5	662.1	1.72	10.6	550.5	506.4	1.78
2.000	24 Feb 26	1.37B	6.402	583.7	520.5	1.73	9.8	427.5	386.8	1.77
2.000	24 Feb 27	1.21B	6.395	572.3	510.7	1.75	9.2	410.5	371.8	1.79
2.000	24 Feb 28	1.84B	6.273	549.7	493.6	1.76	10.1	389.1	354.1	1.80
2.000	24 Feb 29	1.48B	6.201	533.6	480.3	1.69	15.3	371.7	339.3	1.72
2.000	24 Feb 31	1.29B	6.116	511.6	457.9	1.70	17.0	345.2	314.4	1.78
2.000	24 Feb 36	1.33B	5.759	452.1	403.3	1.80	22.2	292.3	266.4	1.92
3.000	24 Feb 42	1.05B	6.629	528.8	486.3	1.72	7.5	343.2	323.7	1.89

Spreads against the German curve, bp



Asset swap term structure, bp



Portugal

	15	16	17
GDP, %, y/y	1.0	1.6	1.7
Public balance	-4.6	-3.2	-2.8
Debt/GDP	128.9	124.5	123.5

Source: European Commission, Winter 2015 forecast

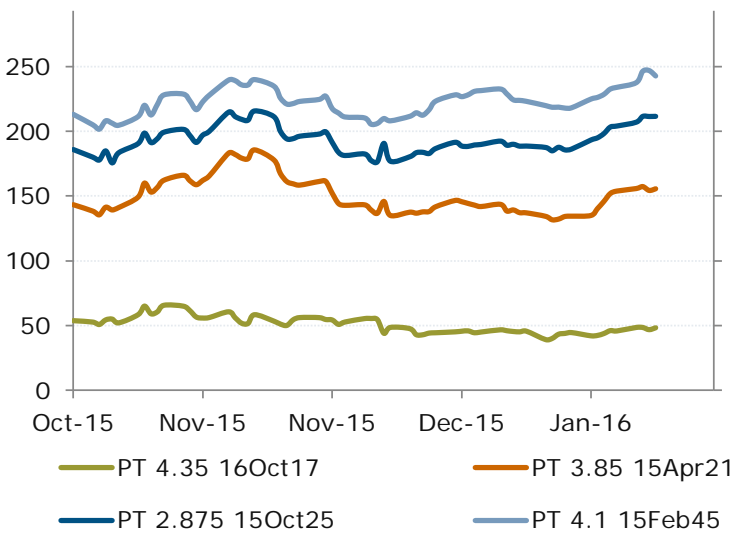
Rating	Ba1/BB/BB+
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Moody's / S&P / Fitch

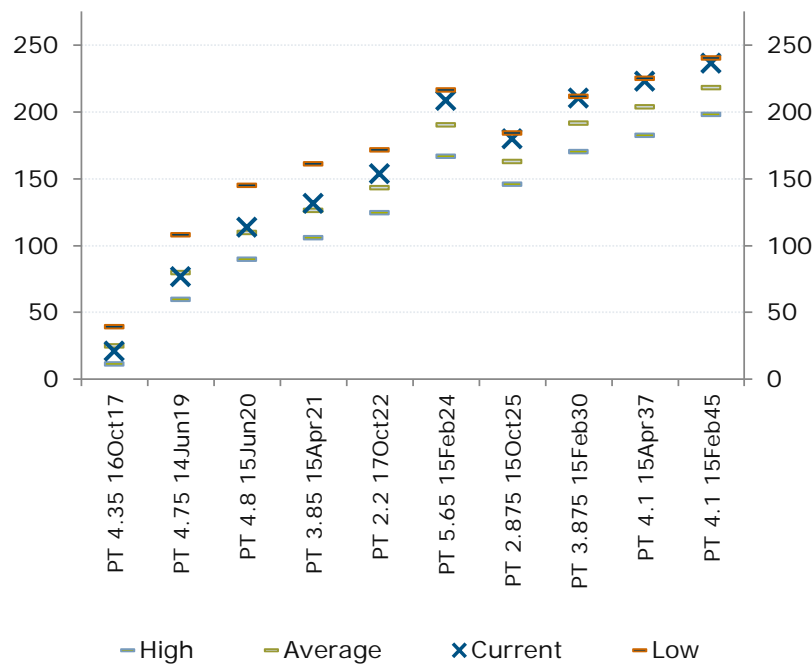
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
4.350	16 Oct 17	8.99B	0.092	48.2	51.0	-0.49	23.2	20.5	24.8	-0.72
4.750	14 Jun 19	10.75B	0.718	101.8	103.9	-0.23	-3.4	76.5	79.4	-0.29
4.800	15 Jun 20	10.99B	1.167	134.9	131.4	0.31	-2.2	113.6	109.8	0.31
3.850	15 Apr 21	9.55B	1.477	155.6	151.1	0.38	0.8	131.6	126.0	0.45
2.200	17 Oct 22	3.0B	2.006	190.5	182.2	0.76	0.5	153.4	143.2	0.97
5.650	15 Feb 24	12.02B	2.443	216.1	198.9	2.03	-1.7	208.6	190.1	1.95
2.875	15 Oct 25	10.52B	2.635	211.5	193.4	2.06	-0.8	180.0	162.8	2.12
3.875	15 Feb 30	4.05B	3.230	229.2	210.7	2.08	0.0	210.1	191.7	2.29
4.100	15 Apr 37	8.02B	3.592	232.7	212.6	2.33	0.6	222.7	203.7	2.43
4.100	15 Feb 45	2.5B	3.780	242.7	222.9	2.13	-1.4	236.4	218.0	2.33

Spreads against the German curve, bp



Asset swap term structure, bp





	15	16	17
GDP, %, y/y	4.8	3.5	3.6
Public balance	-4.0	-2.9	-3.1
Debt/GDP	110.8	110.3	107.9

Source: European Commission, Winter 2015 forecast

Rating	Baa1/A/A-
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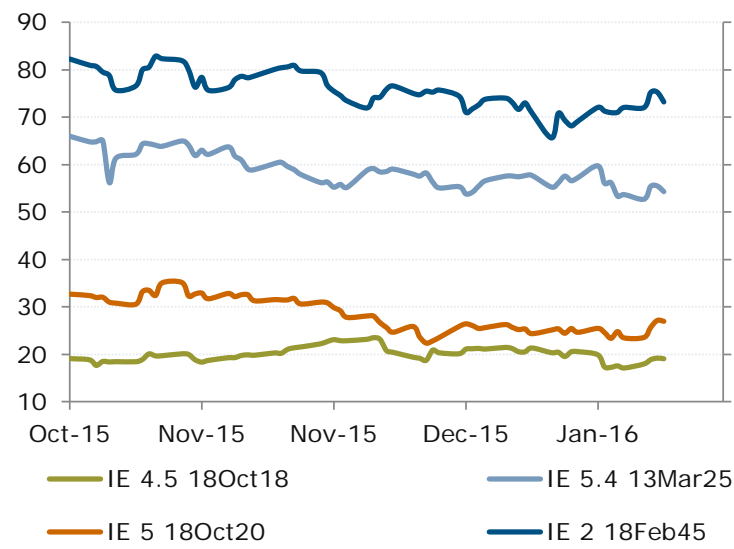
Moody's / S&P / Fitch

Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

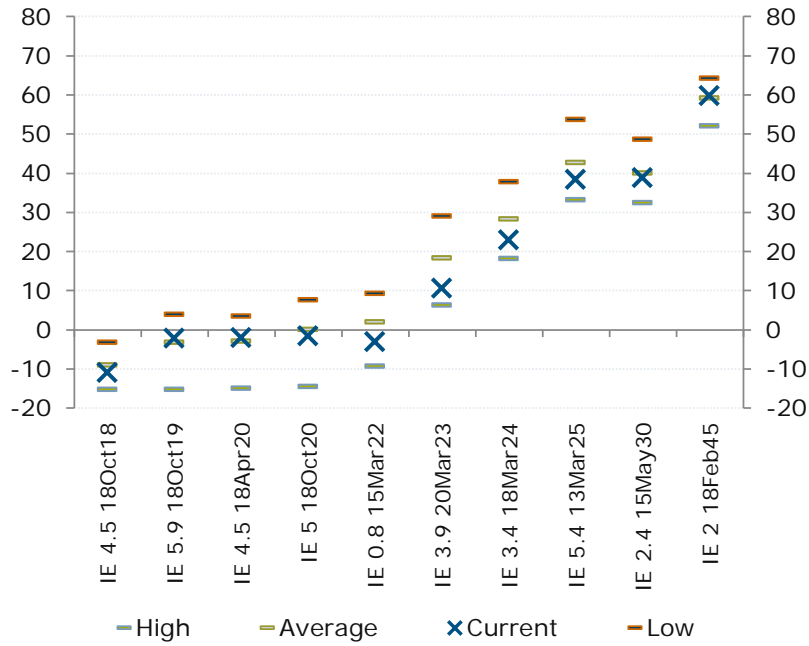
Ireland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
4.500	18 Oct 18	9.58B	-0.163	19.3	20.3	-0.76	-0.1	-10.9	-9.0	-0.80
5.900	18 Oct 19	6.58B	0.010	27.3	26.4	0.62	0.1	-2.2	-3.3	0.47
4.500	18 Apr 20	11.77B	0.074	27.6	27.1	0.30	-0.5	-2.1	-2.9	0.28
5.000	18 Oct 20	8.99B	0.134	27.2	28.8	-0.47	-0.3	-1.6	0.0	-0.43
0.800	15 Mar 22	4.25B	0.347	31.9	39.1	-1.82	-0.8	-3.0	2.0	-1.42
3.900	20 Mar 23	5.95B	0.555	39.9	48.8	-2.24	-0.5	10.5	18.4	-1.91
3.400	18 Mar 24	8.01B	0.803	50.9	56.7	-2.01	-0.9	23.0	28.3	-1.77
5.400	13 Mar 25	11.35B	0.986	54.5	58.9	-1.48	-0.6	38.3	42.7	-1.45
2.400	15 May 30	7.78B	1.554	60.2	63.6	-0.88	-0.8	38.8	40.0	-0.49
2.000	18 Feb 45	5.05B	2.088	73.4	76.1	-0.86	-5.0	59.7	59.1	0.28

Spreads against the German curve, bp



Asset swap term structure, bp



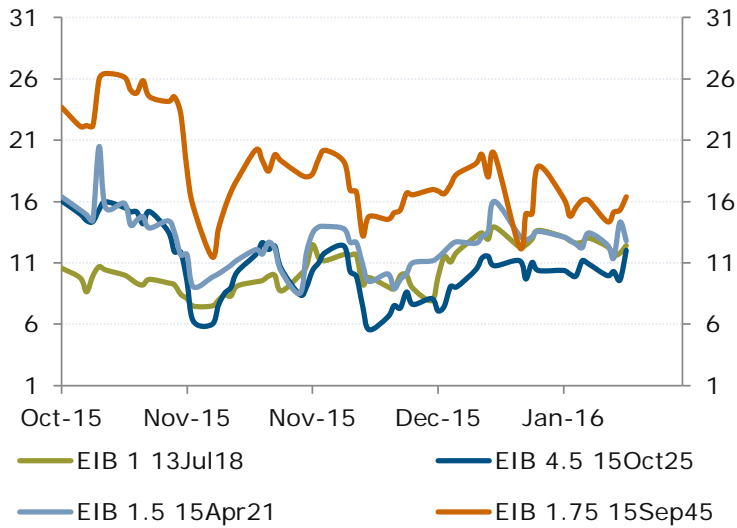


Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

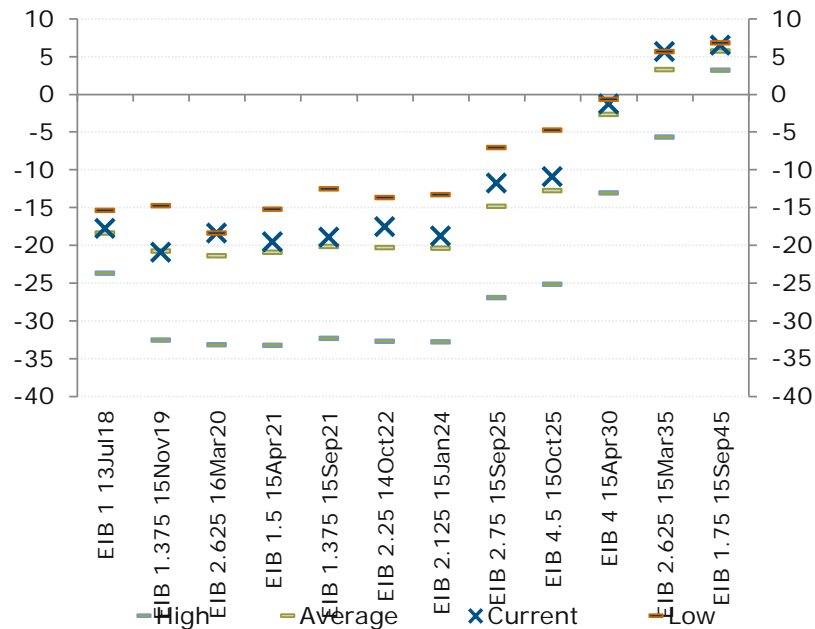
European Investment Bank (EIB)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
1.000	13 Jul 18	5.0B	-0.242	12.6	10.6	1.33	0.7	-17.8	-18.4	0.48
1.375	15 Nov 19	3.0B	-0.141	11.4	11.8	-0.25	-1.3	-21.0	-20.8	-0.13
2.625	16 Mar 20	3.4B	-0.080	13.4	10.7	1.65	0.5	-18.4	-21.4	2.97
1.500	15 Apr 21	5.0B	0.051	13.0	12.7	0.19	-2.4	-19.6	-21.0	1.50
1.375	15 Sep 21	4.02B	0.115	14.5	15.1	-0.27	0.9	-19.0	-20.2	0.94
2.250	14 Oct 22	5.75B	0.263	16.3	15.8	0.29	1.0	-17.6	-20.4	3.11
2.125	15 Jan 24	5.0B	0.413	14.5	13.8	0.30	-1.0	-18.8	-20.5	1.63
2.750	15 Sep 25	5.35B	0.660	15.1	12.6	1.10	0.7	-11.8	-14.9	2.77
4.500	15 Oct 25	7.75B	0.642	12.2	10.8	0.64	1.6	-10.9	-12.8	1.95
4.000	15 Apr 30	6.5B	1.091	14.4	15.0	-0.19	-0.9	-1.3	-2.7	1.55
2.625	15 Mar 35	1.7B	1.404	18.8	18.8	-0.03	0.6	5.6	3.3	2.80
1.750	15 Sep 45	1.3B	1.521	16.6	18.5	-0.65	-0.1	6.5	5.7	1.48

Spreads against the German curve, bp



Asset swap term structure, bp

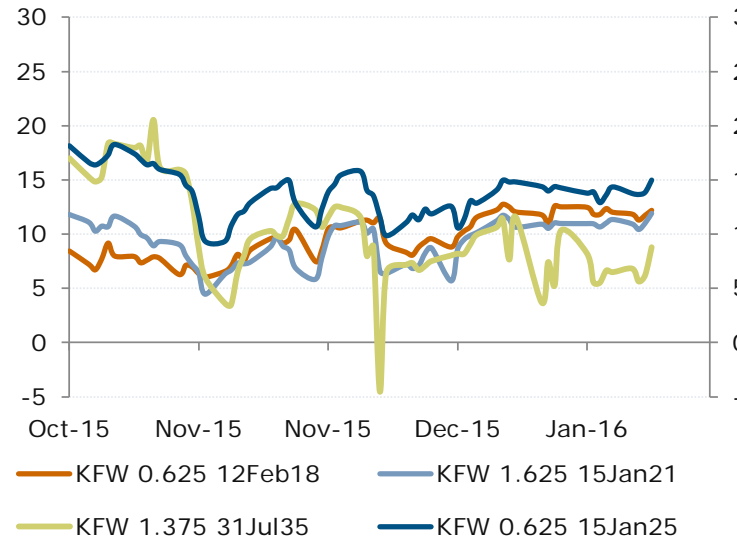


Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

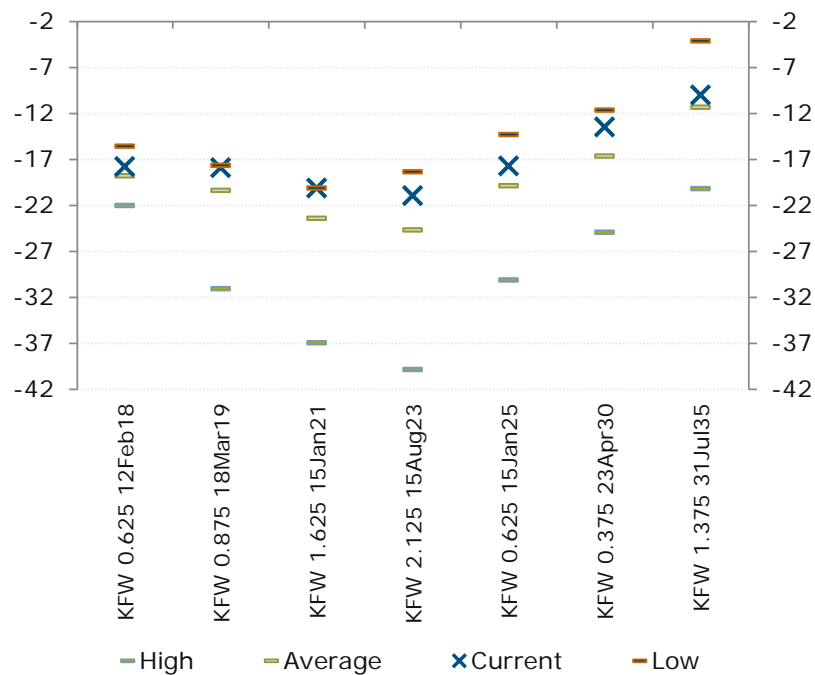
Kreditanstalt für Wiederaufbau (KfW)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	14-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	14-Jan	60D Avg.	Z-score
0.625	12 Feb 18	2.0B	-0.264	12.2	9.6	1.51	0.0	-17.9	-18.8	0.64
0.875	18 Mar 19	5.0B	-0.179	14.8	11.1	1.61	0.1	-17.9	-20.4	1.33
1.625	15 Jan 21	5.0B	0.013	11.9	9.2	1.62	0.8	-20.1	-23.4	2.18
2.125	15 Aug 23	3.0B	0.340	12.8	10.7	1.15	0.0	-21.0	-24.7	3.18
0.625	15 Jan 25	3.0B	0.570	15.0	13.7	0.76	0.2	-17.7	-19.9	2.76
0.375	23 Apr 30	2.0B	1.105	15.6	14.2	0.45	-0.1	-13.5	-16.7	2.64
1.375	31 Jul 35	1.0B	1.313	8.8	9.8	-0.29	2.4	-10.1	-11.3	1.01

Spreads against the German curve, bp



Asset swap term structure, bp



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