

Euro Rates Update

Nordea Research, 26 January 2016

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US Treasury Yields				
	2Y	5Y	10Y	30Y
	0.87	1.48	2.04	2.82
Δ 1D	-1.7	-4.0	-5.8	-6.0
Δ 1W	2.3	2.9	1.4	-1.5

German Benchmark Yields				
	2Y	5Y	10Y	30Y
	-0.44	-0.23	0.48	1.24
Δ 1D	-0.4	-0.3	-1.7	-3.8
Δ 1W	-5.2	-6.7	0.4	-6.1

German Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-21.8	-70.5	-92.3	-76.5
Δ 1D	0.2	-1.4	-1.3	-2.1
Δ 1W	-1.5	7.1	5.6	-6.5

EUR Swap Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-28.2	-64.4	-92.6	-62.7
Δ 1D	-0.1	-1.1	-1.2	-0.6
Δ 1W	-1.9	0.9	-1.0	2.0

German Asset Swap Levels				
	2Y	5Y	10Y	30Y
	-29.9	-33.0	-31.3	-14.0
Δ 1D	-0.3	0.0	-0.3	-2.0
Δ 1W	-0.2	0.5	0.3	-2.2

10Y Benchmark Yields				
	Yield	Δ 1D	Spread	Δ 1D
GER	0.479	-1.7	-	-
FRA	0.788	-1.9	34.0	-0.2
ITA	1.570	-0.8	112.0	0.9
ESP	1.725	-1.2	128.6	0.6
BEL	0.766	-1.8	37.8	0.0
HOL	0.590	-1.9	19.3	-0.1
AUT	0.707	-2.1	27.3	-0.3
GRE	8.646	0.3	830.4	2.1
POR	2.830	1.3	239.8	3.0
FIN	0.731	-1.7	31.0	0.1
IRL	0.925	-0.8	57.6	-1.0

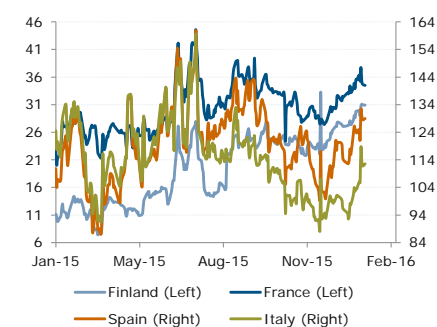
Spread = Maturity interpolated spread to German government par yield curve

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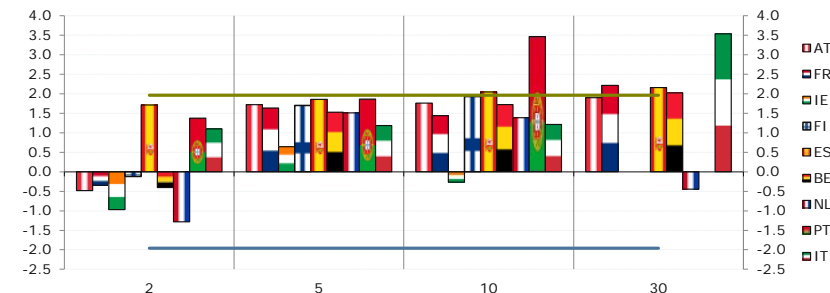
German & US 10-year benchmark yields, %



10 year spreads against Germany, bp



Z-scores of benchmark vs. Germany



Upcoming Issuance (source: Bloomberg)						
Date	Country	Coupon	Maturity	Amount (EURbn)		
26 Jan	IT					
27 Jan	GE	2.50%	2046	1.00		
28 Jan	IT					
01 Feb	LN					
03 Feb	GE			5.00		
04 Feb	FR					

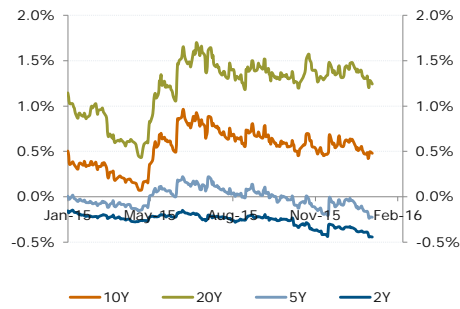
All bond quotes are taken at 16:15 CET.

Bond Yields & Curves

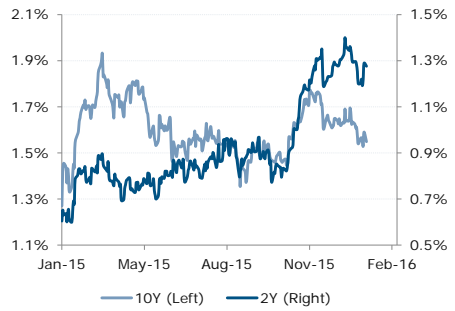
Yield Levels

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

German benchmark bond yields, %



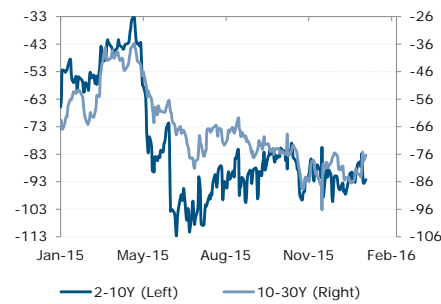
USA-Germany spreads, annualized yields, %



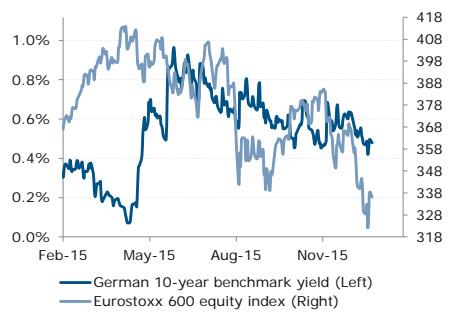
Bond Curve Shape

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

German yield curve slopes, bp



Bonds vs. equities



Swaps and Forwards

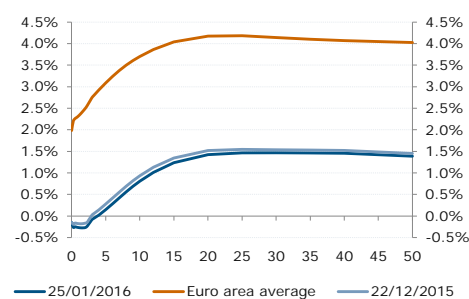
EUR swap rates and implied forwards, %



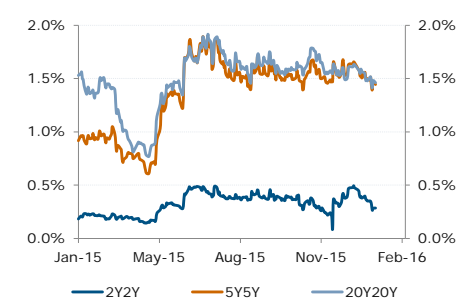
EUR-USD spreads and implied forwards, %



EUR swap curve shape vs. historical

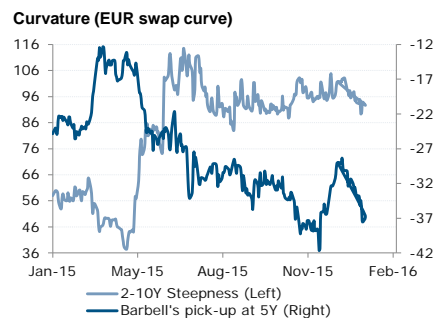


Historical forward rates, %



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

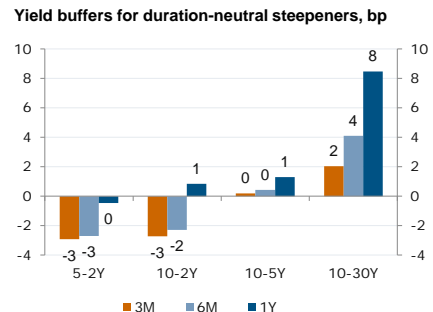
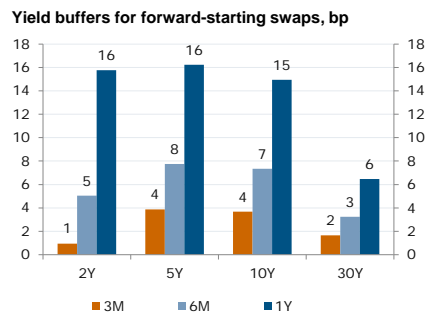
5Y pick-up over a duration and cash neutral 2-10Y EUR swap barbell.



Carry

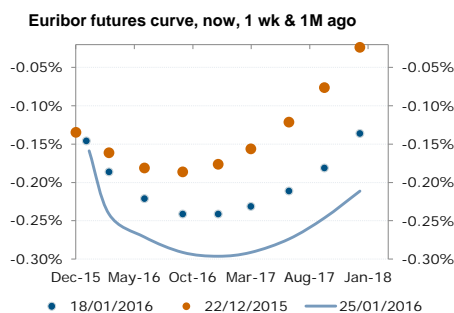
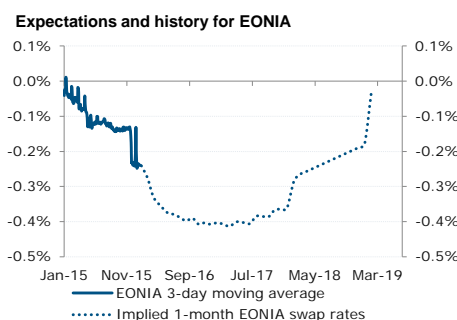
The carry on the given horizon illustrates how much the spot swap rate may rise for a receiver swap position in a forward-starting swap to result in zero profit.

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.



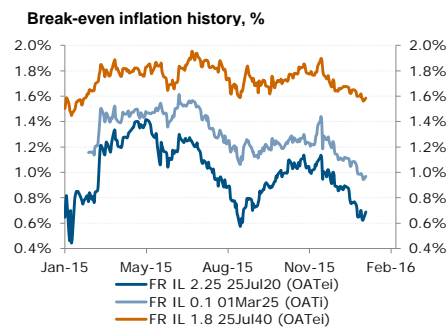
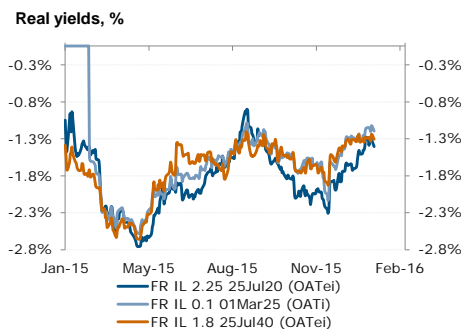
Money Market Rates

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



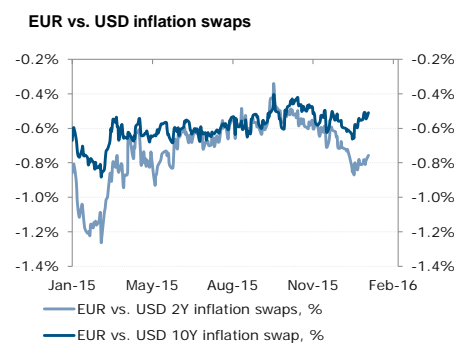
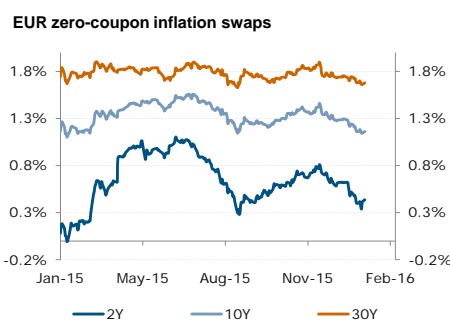
Inflation-linked Bonds

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

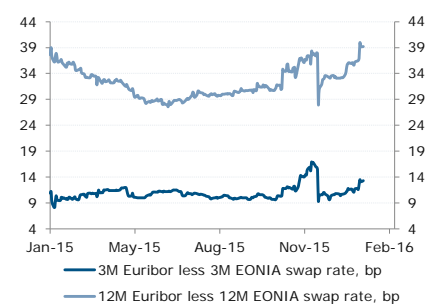
Credit default swap indices illustrate the annual cost of buying protection against a credit event of a company. iTraxx® Europe is comprised of the 125 most liquid CDS contracts referencing European investment grade credits, iTraxx® Crossover of 50 sub-investment grade credits.

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



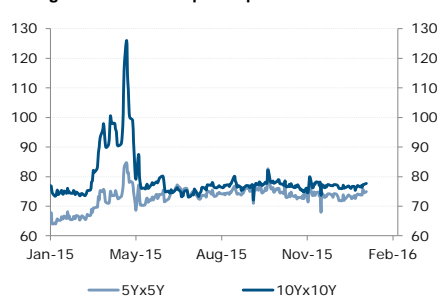
Swaption Volatilities

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.

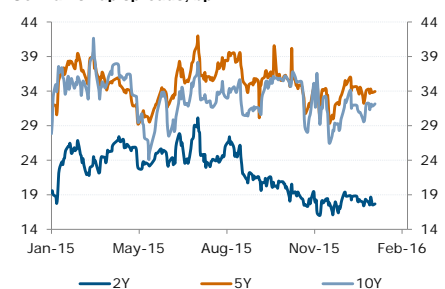
10Y country spreads are maturity interpolated spreads against the German government curve.

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.

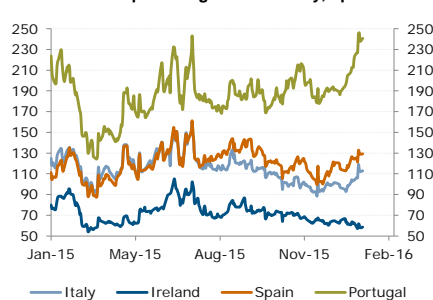
The break-even spread change is based on the spread against the following two German benchmark bonds:

DE TB 15Dec17
DE 0.5 15Feb26

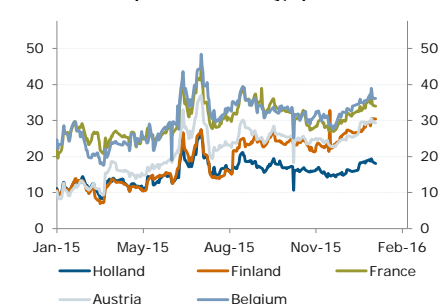
German swap spreads, bp



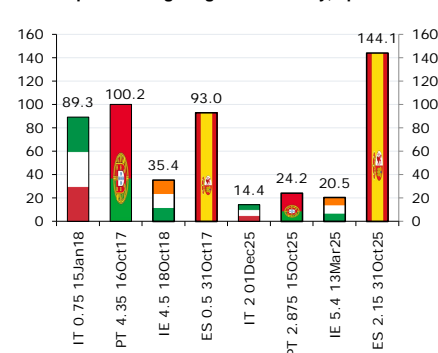
10Y non-AAA spreads against Germany, bp



10Y AAA/AA+ spreads to Germany, bp



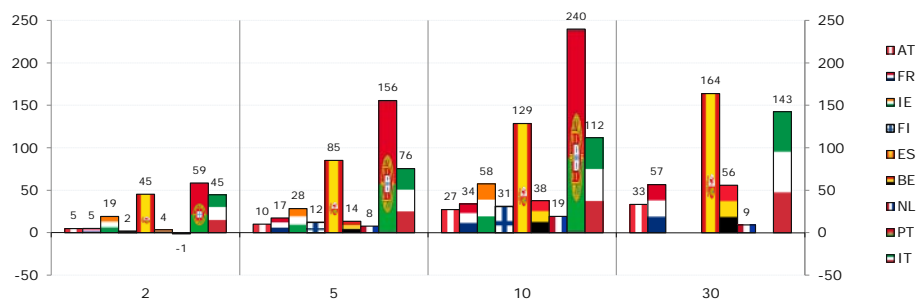
1Y B/E spread changes against Germany, bp



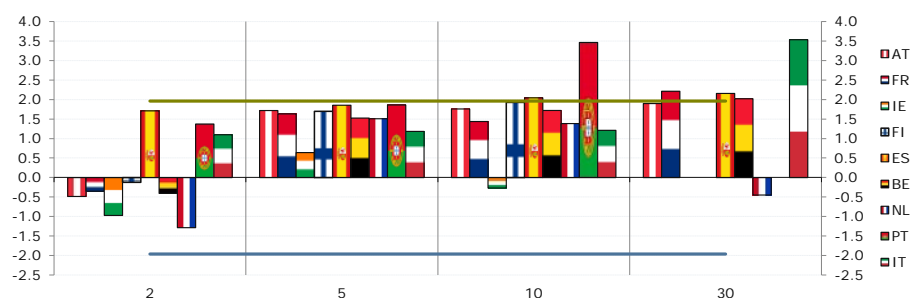


Country Relative Value

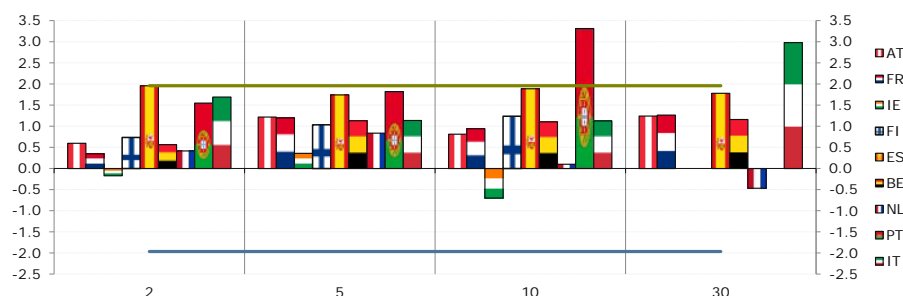
Benchmark spreads over the maturity-interpolated German par curve, bp



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	NL	15 Apr 17	0.500	-1.3	-1.25	AT	15 Jan 18	4.650	-25.3	-1.15
	GR	17 Jul 17	3.375	1,404.4	4.48	GR	17 Jul 17	3.375	1,209.8	4.37
5Y: Rich	DE	17 Apr 20	0.000	-17.1	-1.77	IE	18 Oct 20	5.000	-1.9	-0.39
	EIB	16 Mar 20	2.625	17.2	2.67	EIB	16 Mar 20	2.625	-14.7	3.84
7Y: Rich	DE	15 Aug 23	2.000	-31.1	-2.16	IE	20 Mar 23	3.900	14.2	-0.75
	PT	15 Feb 24	5.650	245.0	3.22	EIB	15 Jan 24	2.125	-15.3	4.01
10Y: Rich	DE	15 Feb 25	0.500	-32.6	-1.82	DE	15 Feb 25	0.500	-34.0	-1.07
	FI	04 Jul 28	2.750	26.9	3.47	EIB	15 Sep 25	2.750	-10.2	3.35
15Y: Rich	DE	04 Jan 37	4.000	-60.2	-2.27	IE	15 May 30	2.400	38.8	-0.44
	PT	15 Apr 37	4.100	266.6	3.63	PT	15 Apr 37	4.100	248.7	3.41
20Y: Rich	DE	15 Aug 46	2.500	-68.9	-2.34	NL	15 Jan 47	2.750	1.7	-0.43
	FI	04 Jul 42	2.625	12.6	3.77	EIB	15 Sep 45	1.750	10.2	4.56

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

$$\frac{\text{Current spread} - 60\text{-day average}}{\text{standard deviation}}$$

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.



Germany

	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

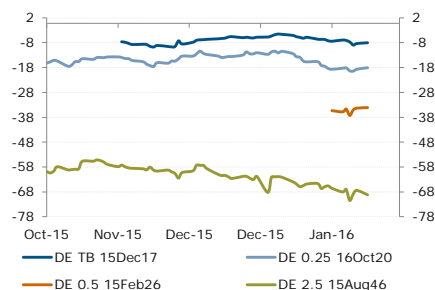
Source: European Commission, Winter 2015 forecast

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

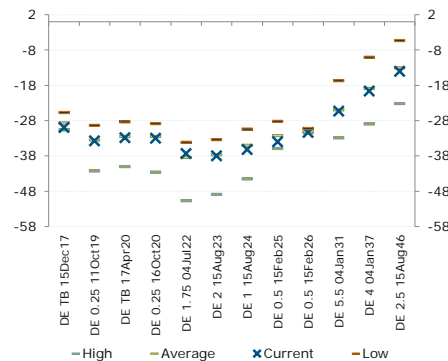
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the French curve.

Benchmark Bonds				Spread vs. France				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
0.000	15 Dec 17	13.0B	-0.444	-7.8	-7.0	-0.69	1.4	-29.9	-28.6	-1.10
0.250	11 Oct 19	16.0B	-0.352	-17.0	-14.4	-1.75	-0.3	-33.7	-33.5	-0.16
0.000	17 Apr 20	20.0B	-0.286	-17.1	-14.3	-1.77	-0.5	-32.8	-32.4	-0.25
0.250	16 Oct 20	19.0B	-0.226	-17.9	-14.8	-1.74	-0.3	-33.0	-32.5	-0.38
1.750	04 Jul 22	24.0B	-0.044	-26.6	-24.3	-1.88	0.0	-37.3	-38.4	0.63
2.000	15 Aug 23	18.0B	0.097	-31.1	-28.1	-2.16	-0.6	-37.9	-37.7	-0.17
1.000	15 Aug 24	18.0B	0.249	-32.9	-29.3	-1.82	4.6	-36.1	-35.0	-0.74
0.500	15 Feb 25	23.0B	0.339	-32.6	-28.2	-1.82	0.0	-34.0	-32.2	-1.07
0.500	15 Feb 26	5.0B	0.479	-33.9	-35.0	1.20	0.4	-31.3	-31.1	-0.61
5.500	04 Jan 31	17.0B	0.830	-51.3	-45.4	-2.08	-0.4	-25.3	-25.0	-0.11
4.000	04 Jan 37	23.0B	1.102	-60.2	-53.7	-2.27	-0.1	-19.6	-18.8	-0.27
2.500	15 Aug 46	13.0B	1.244	-68.9	-61.1	-2.34	0.1	-14.0	-13.0	-0.37

Spreads against the French curve, bp



Asset swap term structure, bp



France

	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

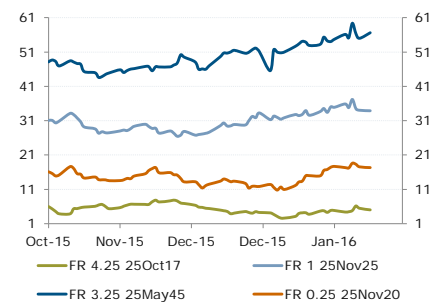
Source: European Commission, Winter 2015 forecast

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

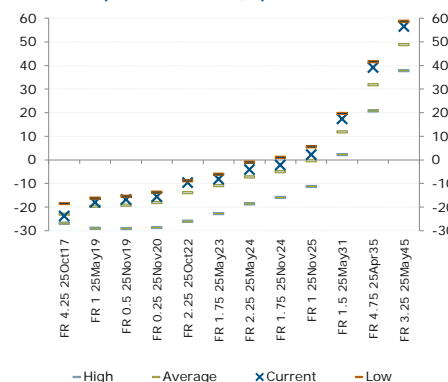
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
4.250	25 Oct 17	34.75B	-0.386	5.1	5.4	-0.33	-2.1	-23.8	-23.0	-0.44
1.000	25 May 19	23.02B	-0.234	14.3	12.2	1.49	-1.2	-18.0	-19.7	0.95
0.500	25 Nov 19	26.98B	-0.171	15.9	13.6	1.67	-1.7	-16.8	-19.2	1.32
0.250	25 Nov 20	15.95B	-0.037	17.4	14.7	1.60	-2.5	-15.6	-18.1	1.25
2.250	25 Oct 22	27.01B	0.256	24.4	21.7	2.45	-1.5	-9.7	-13.9	1.96
1.750	25 May 23	32.97B	0.356	26.9	24.5	2.06	-0.9	-8.1	-11.0	1.35
2.250	25 May 24	30.55B	0.515	28.6	25.0	1.59	-0.4	-4.1	-7.3	1.12
1.750	25 Nov 24	30.99B	0.606	30.0	26.4	1.64	0.2	-2.2	-5.0	1.07
1.000	25 Nov 25	19.99B	0.788	34.0	30.6	1.39	0.1	2.2	-0.4	1.08
1.500	25 May 31	9.44B	1.378	44.7	39.1	1.83	1.2	17.3	11.8	1.71
4.750	25 Apr 35	25.03B	1.521	39.1	32.9	1.90	-0.1	39.1	31.8	1.57
3.250	25 May 45	17.01B	1.844	56.7	49.6	2.10	0.4	56.4	48.8	1.60

Spreads against the German curve, bp



Asset swap term structure, bp





Italy

	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

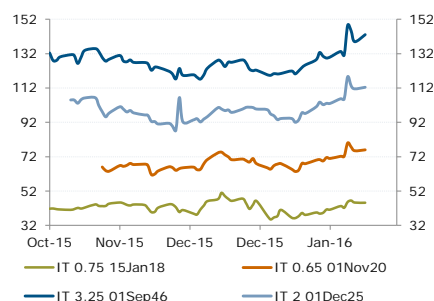
Source: European Commission, Winter 2015 forecast

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

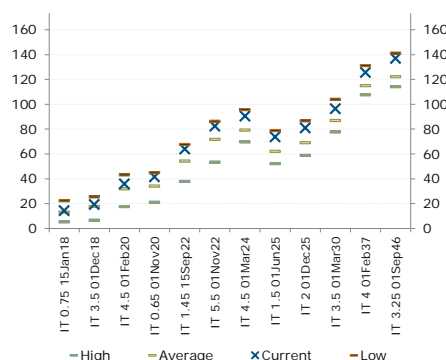
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Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
0.750	15 Jan 18	15.46B	0.005	44.8	41.9	1.06	0.5	14.4	13.3	0.37
3.500	01 Dec 18	19.01B	0.075	48.9	47.0	0.70	2.5	19.3	17.8	0.43
4.500	01 Feb 20	22.99B	0.329	64.0	60.1	1.42	7.3	35.9	32.0	1.16
0.650	01 Nov 20	8.94B	0.536	75.5	67.9	2.26	9.2	41.6	34.2	2.08
1.450	15 Sep 22	14.99B	1.002	100.2	91.8	2.09	4.7	64.0	54.3	2.32
5.500	01 Nov 22	21.01B	1.041	102.7	94.2	2.38	4.5	82.4	71.8	2.50
4.500	01 Mar 24	23.71B	1.313	112.0	101.0	2.80	1.0	90.5	79.3	2.78
1.500	01 Jun 25	19.99B	1.469	109.0	96.1	2.77	-1.5	73.8	62.2	2.95
2.000	01 Dec 25	14.88B	1.570	112.0	99.0	2.67	-1.9	80.9	69.1	2.77
3.500	01 Mar 30	19.99B	1.971	111.1	102.5	1.60	-1.2	96.4	87.0	2.06
4.000	01 Feb 37	26.01B	2.433	125.5	115.3	2.58	1.8	125.7	114.9	2.79
3.250	01 Sep 46	13.24B	2.708	142.6	126.8	3.36	-0.8	136.9	122.2	3.38

Spreads against the German curve, bp



Asset swap term structure, bp



Spain

	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

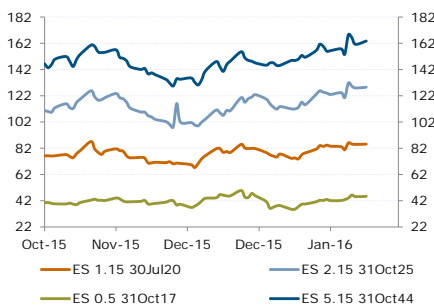
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Rating	Baa2/BBB/BBB+
Moody's / S&P / Fitch	

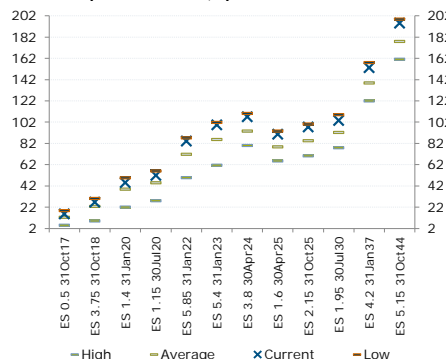
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Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
0.500	31 Oct 17	16.99B	0.016	45.4	41.6	1.64	5.0	16.1	12.9	1.45
3.750	31 Oct 18	20.01B	0.137	55.3	51.2	1.25	0.7	27.1	23.2	1.10
1.400	31 Jan 20	21.91B	0.467	77.9	71.5	1.48	-2.4	45.5	39.4	1.41
1.150	30 Jul 20	15.03B	0.601	85.2	77.8	1.77	-5.3	52.4	45.3	1.71
5.850	31 Jan 22	22.01B	0.954	102.9	93.0	2.10	-9.7	84.6	72.1	2.08
5.400	31 Jan 23	21.99B	1.224	117.9	106.1	2.08	-8.2	99.8	86.1	2.02
3.800	30 Apr 24	21.99B	1.527	130.8	117.4	2.20	-4.2	107.5	94.0	2.07
1.600	30 Apr 25	19.09B	1.635	126.7	113.8	1.93	-1.0	91.0	79.2	1.92
2.150	31 Oct 25	20.96B	1.725	128.6	114.7	1.95	5.3	97.8	84.9	1.96
1.950	30 Jul 30	11.51B	2.260	137.7	125.6	1.51	-2.1	104.1	92.7	1.61
4.200	31 Jan 37	16.37B	2.687	150.9	136.9	1.86	1.9	153.7	139.3	1.83
5.150	31 Oct 44	11.23B	2.913	163.9	148.4	2.06	0.1	195.5	178.4	2.04

Spreads against the German curve, bp



Asset swap term structure, bp





Netherlands

	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
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Moody's / S&P / Fitch

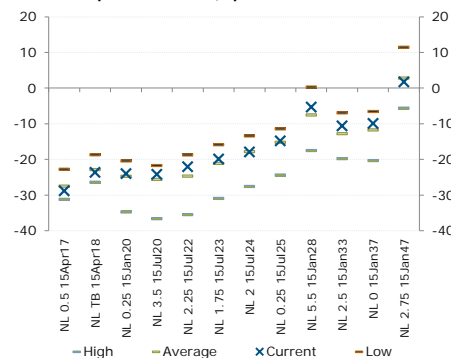
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread			
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score	
0.500	15 Apr 17	13.03B	-0.436	-1.3	0.2	-1.25	-10.0	-28.9	-27.5	-0.72	
0.000	15 Apr 18	15.99B	-0.375	6.1	5.9	0.22	1.3	-23.6	-22.9	-0.49	
0.250	15 Jan 20	15.84B	-0.226	9.0	7.9	0.94	-6.3	-24.0	-24.8	0.41	
3.500	15 Jul 20	15.02B	-0.178	7.8	6.1	1.46	0.2	-24.2	-25.7	0.80	
2.250	15 Jul 22	15.01B	0.102	12.3	11.0	0.97	0.0	-22.1	-24.7	1.26	
1.750	15 Jul 23	15.63B	0.261	15.5	14.4	1.11	0.2	-19.9	-21.2	0.65	
2.000	15 Jul 24	15.32B	0.404	15.4	14.6	1.18	-0.2	-17.9	-17.8	-0.05	
0.250	15 Jul 25	15.01B	0.590	19.3	18.0	1.32	-0.2	-14.8	-15.2	0.23	
5.500	15 Jan 28	13.02B	0.792	10.6	9.6	0.70	0.0	-5.4	-7.6	0.81	
2.500	15 Jan 33	12.01B	1.122	9.5	7.1	1.91	0.3	-10.6	-12.8	0.80	
0.000	15 Jan 37	0.0B	1.349	17.3	14.8	1.75	1.2	-9.9	-11.8	0.75	
2.750	15 Jan 47	10.99B	1.376	9.3	9.9	-0.43	0.0	1.7	2.8	-0.43	

Spreads against the German curve, bp



Asset swap term structure, bp



Belgium

	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

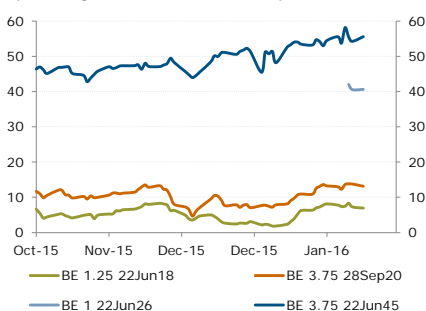
Rating	Aa3/AA/AA
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Moody's / S&P / Fitch

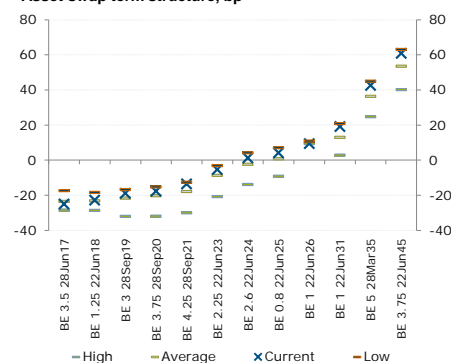
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread			
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score	
3.500	28 Jun 17	13.34B	-0.393	3.6	4.2	-0.38	-0.7	-25.0	-23.5	-0.56	
1.250	22 Jun 18	11.01B	-0.356	7.3	5.7	1.00	-0.9	-22.9	-23.2	0.18	
3.000	28 Sep 19	12.01B	-0.215	13.0	10.4	1.48	-1.1	-18.9	-21.6	1.17	
3.750	28 Sep 20	19.01B	-0.096	13.5	10.8	1.49	-1.1	-17.7	-20.4	1.14	
4.250	28 Sep 21	15.98B	0.061	17.5	14.9	1.52	-0.7	-13.6	-17.9	1.77	
2.250	22 Jun 23	13.99B	0.384	28.7	25.8	1.41	0.2	-5.4	-8.7	1.29	
2.600	22 Jun 24	15.85B	0.568	32.8	28.6	1.75	-0.1	1.3	-2.4	1.32	
0.800	22 Jun 25	16.02B	0.766	37.8	33.6	1.65	-0.2	4.1	0.8	1.23	
1.000	22 Jun 26	5.0B	0.926	41.0	41.4	-0.45	0.0	9.4	10.0	-0.69	
1.000	22 Jun 31	4.0B	1.437	50.1	43.5	1.81	0.0	19.1	13.0	1.58	
5.000	28 Mar 35	19.01B	1.534	40.6	35.4	1.70	-0.6	42.6	36.4	1.42	
3.750	22 Jun 45	8.01B	1.837	56.0	49.6	1.92	0.4	60.8	53.5	1.48	

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

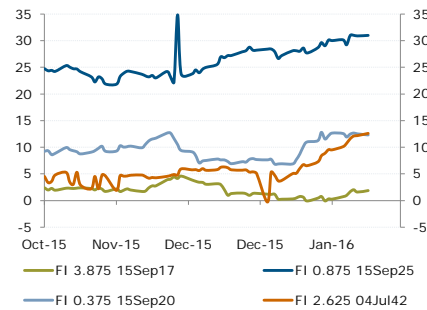
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

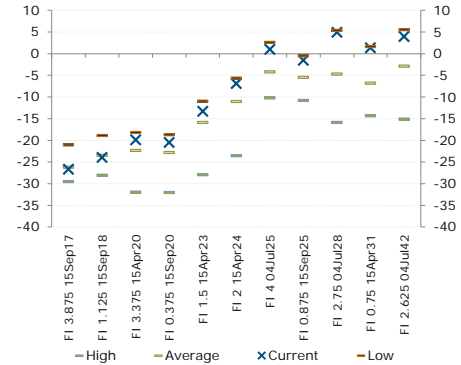
Finland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread			
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score	
3.875	15 Sep 17	6.0B	-0.416	1.9	2.0	-0.11	2.1	-26.7	-26.2	-0.25	
1.125	15 Sep 18	5.03B	-0.358	6.3	6.3	0.07	-0.4	-24.0	-23.5	-0.26	
3.375	15 Apr 20	6.5B	-0.168	11.9	9.5	1.71	-0.3	-19.9	-22.3	1.11	
0.375	15 Sep 20	6.03B	-0.112	12.3	9.7	1.63	0.0	-20.5	-22.8	1.05	
1.500	15 Apr 23	5.0B	0.295	22.3	20.3	2.16	0.3	-13.3	-15.9	1.35	
2.000	15 Apr 24	5.0B	0.478	26.6	22.1	2.43	0.1	-6.9	-11.1	1.72	
4.000	04 Jul 25	6.03B	0.649	25.7	20.1	2.05	-0.4	1.0	-4.2	1.79	
0.875	15 Sep 25	4.03B	0.731	31.0	26.2	1.84	-0.1	-1.6	-5.5	1.52	
2.750	04 Jul 28	5.0B	0.998	26.9	18.7	3.47	0.2	4.9	-4.7	2.49	
0.750	15 Apr 31	3.5B	1.243	31.8	22.9	3.01	0.7	1.3	-6.8	2.22	
2.625	04 Jul 42	4.03B	1.391	12.6	5.8	3.77	-0.1	3.9	-2.9	1.94	

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

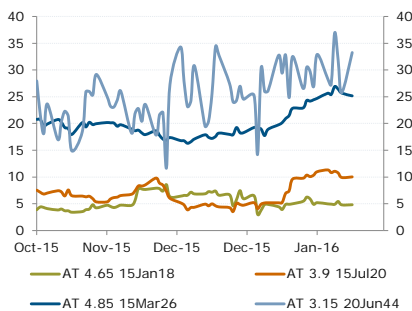
Rating	Aaa/AA+/AA+
Moody's / S&P / Fitch	

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

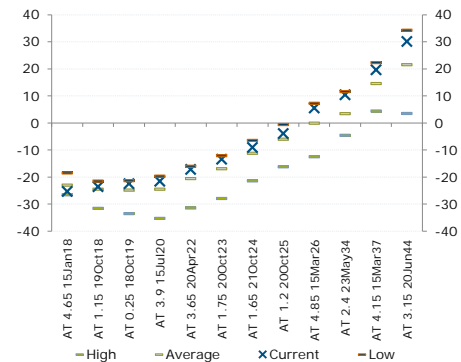
Austria

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread			
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score	
4.650	15 Jan 18	12.06B	-0.393	4.9	5.6	-0.50	1.2	-25.3	-22.9	-1.15	
1.150	19 Oct 18	7.02B	-0.346	7.2	5.8	1.43	-0.8	-23.6	-24.5	0.59	
0.250	18 Oct 19	7.95B	-0.238	10.2	7.8	1.50	-0.5	-22.5	-24.8	1.06	
3.900	15 Jul 20	13.01B	-0.154	10.1	7.1	1.65	-1.3	-21.5	-24.4	1.16	
3.650	20 Apr 22	8.71B	0.105	15.4	13.6	0.85	-1.8	-17.2	-20.6	1.30	
1.750	20 Oct 23	9.99B	0.358	21.5	18.1	2.65	-0.7	-13.4	-16.9	1.63	
1.650	21 Oct 24	10.35B	0.529	23.8	20.9	2.15	-0.9	-9.0	-11.2	1.06	
1.200	20 Oct 25	9.02B	0.707	27.3	24.4	1.67	-0.5	-3.9	-6.0	0.95	
4.850	15 Mar 26	8.01B	0.739	25.3	20.2	2.41	-0.8	5.5	0.0	1.84	
2.400	23 May 34	5.19B	1.373	27.5	20.5	2.67	1.0	10.4	3.4	1.78	
4.150	15 Mar 37	12.22B	1.422	24.2	19.8	2.53	-1.2	19.7	14.6	1.29	
3.150	20 Jun 44	6.72B	1.607	33.4	25.4	1.84	1.8	30.2	21.6	1.37	

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

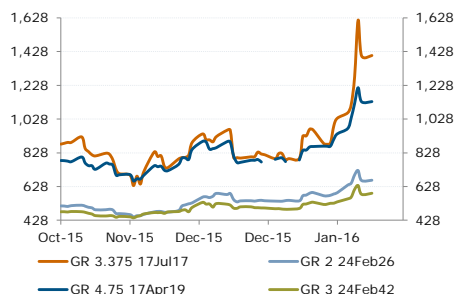
Source: European Commission, Winter 2015 forecast

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

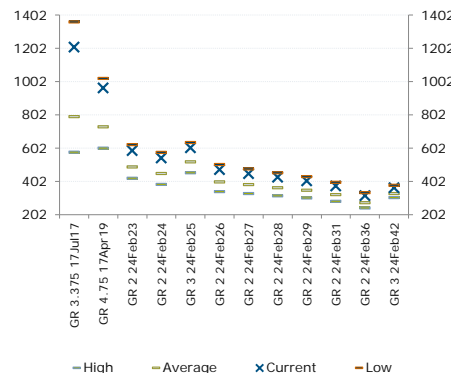
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
3.375	17 Jul 17	2.02B	13.614	1,404.4	884.0	4.48	80.8	1,209.8	791.9	4.37
4.750	17 Apr 19	4.02B	10.924	1,131.1	822.4	3.60	2.3	964.0	730.2	3.50
2.000	24 Feb 23	1.04B	7.927	787.3	635.4	3.02	8.5	587.7	489.3	2.93
2.000	24 Feb 24	1.25B	7.607	741.6	593.1	2.89	33.1	543.0	450.0	2.81
3.000	24 Feb 25	1.84B	8.646	830.4	684.3	2.73	14.7	604.1	519.6	2.66
2.000	24 Feb 26	1.37B	7.130	665.0	540.0	2.60	12.1	473.4	398.7	2.52
2.000	24 Feb 27	1.21B	7.022	643.1	528.9	2.49	11.7	449.2	382.6	2.42
2.000	24 Feb 28	1.84B	6.910	621.3	511.0	2.60	9.6	427.1	364.3	2.51
2.000	24 Feb 29	1.48B	6.778	599.3	497.0	2.51	6.6	405.6	348.8	2.44
2.000	24 Feb 31	1.29B	6.644	572.7	474.0	2.49	1.5	374.6	323.0	2.43
2.000	24 Feb 36	1.33B	6.247	509.4	418.5	2.61	0.4	316.8	273.8	2.54
3.000	24 Feb 42	1.05B	7.141	587.7	500.5	2.73	18.2	363.7	329.4	2.65

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

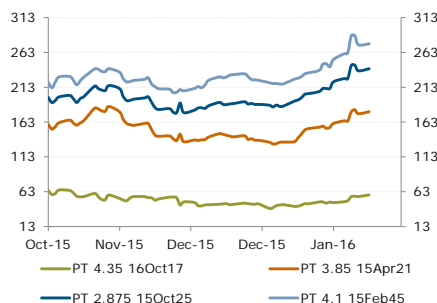
Source: European Commission, Winter 2015 forecast

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

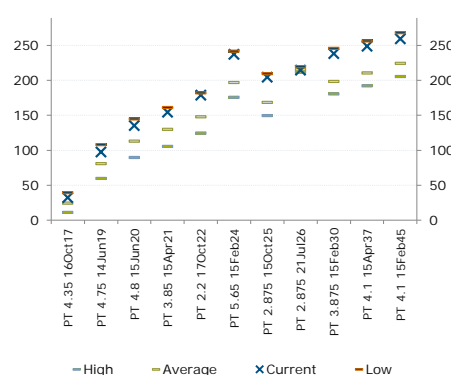
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
4.350	16 Oct 17	8.99B	0.150	58.6	50.7	1.42	7.7	32.2	24.5	1.32
4.750	14 Jun 19	10.75B	0.843	121.5	105.2	1.73	1.8	97.4	80.8	1.59
4.800	15 Jun 20	10.99B	1.291	155.7	134.4	1.80	1.1	135.1	113.1	1.72
3.850	15 Apr 21	9.55B	1.615	178.1	154.4	1.83	2.1	154.3	129.7	1.84
2.200	17 Oct 22	3.0B	2.190	218.0	186.4	2.46	2.9	178.6	147.6	2.48
5.650	15 Feb 24	12.02B	2.637	245.0	205.0	3.22	2.3	237.0	196.7	3.02
2.875	15 Oct 25	10.52B	2.830	239.8	199.2	3.18	0.9	204.4	168.3	3.08
2.875	21 Jul 26	4.0B	3.047	252.2	252.7	-0.12	1.6	214.4	215.1	-0.16
3.875	15 Feb 30	4.05B	3.483	262.5	217.6	3.39	-1.9	238.0	198.2	3.29
4.100	15 Apr 37	8.02B	3.849	266.6	219.9	3.63	-1.0	247.8	210.2	3.41
4.100	15 Feb 45	2.5B	4.033	275.7	230.3	3.40	-1.1	259.1	224.2	3.26

Spreads against the German curve, bp



Asset swap term structure, bp





Ireland

	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

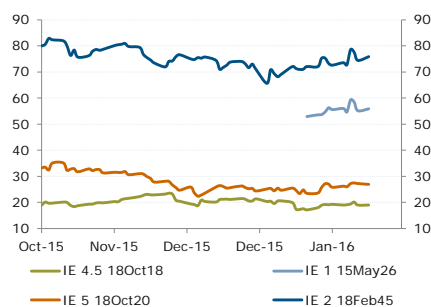
Rating	Baa1/A/A-
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Moody's / S&P / Fitch

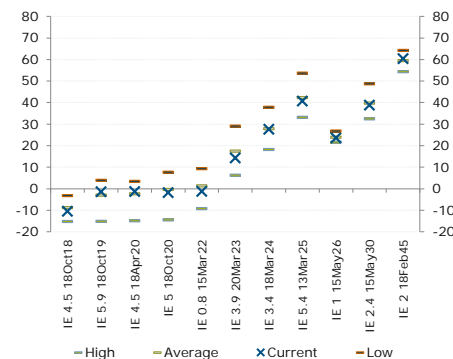
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
4.500	18 Oct 18	9.58B	-0.226	19.2	20.4	-0.97	-1.3	-10.5	-8.8	-0.75
5.900	18 Oct 19	6.58B	-0.060	27.9	26.5	0.95	0.7	-1.4	-3.0	0.69
4.500	18 Apr 20	11.77B	-0.001	28.5	27.3	0.64	0.0	-1.4	-2.5	0.42
5.000	18 Oct 20	8.99B	0.047	27.1	28.2	-0.35	-0.2	-1.9	-0.4	-0.39
0.800	15 Mar 22	4.25B	0.276	33.7	37.7	-1.03	0.0	-1.3	1.2	-0.68
3.900	20 Mar 23	5.95B	0.503	44.1	47.6	-0.90	-0.4	14.2	17.4	-0.75
3.400	18 Mar 24	8.01B	0.763	56.2	56.0	0.10	1.1	27.6	27.8	-0.08
5.400	13 Mar 25	11.35B	0.925	57.6	58.2	-0.23	0.2	40.6	42.2	-0.53
1.000	15 May 26	3.0B	1.065	56.1	55.7	0.25	5.0	23.6	23.9	-0.22
2.400	15 May 30	7.78B	1.481	61.0	62.7	-0.52	-0.1	38.8	39.8	-0.44
2.000	18 Feb 45	5.05B	2.036	76.1	75.6	0.16	4.0	60.4	59.5	0.41

Spreads against the German curve, bp



Asset swap term structure, bp





European Investment Bank (EIB)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	25-Jan	60D Avg.	Z-score	Δ B/E Spd 1Y	25-Jan	60D Avg.	Z-score
1.000	13 Jul 18	5.0B	-0.263	16.4	11.2	2.77	1.5	-13.9	-17.9	2.99
1.375	15 Nov 19	3.0B	-0.172	16.0	11.9	2.17	0.0	-16.4	-20.6	3.42
2.625	16 Mar 20	3.4B	-0.125	17.2	11.3	2.67	-0.1	-14.7	-20.7	3.84
1.500	15 Apr 21	5.0B	0.003	16.8	12.7	2.56	0.1	-15.8	-20.5	3.47
1.375	15 Sep 21	4.02B	0.061	17.9	15.0	1.53	0.2	-15.6	-19.7	2.37
2.000	14 Apr 23	5.0B	0.244	17.2	14.6	1.55	-1.6	-17.8	-21.1	2.34
2.125	15 Jan 24	5.0B	0.365	19.0	13.7	2.76	1.5	-15.3	-20.3	4.01
2.750	15 Sep 25	5.35B	0.596	17.6	12.5	2.35	-0.4	-10.2	-14.7	3.35
3.500	15 Apr 27	4.0B	0.755	15.0	12.9	1.00	0.2	-7.9	-10.7	3.09
4.000	15 Apr 30	6.55B	1.041	17.4	14.7	0.98	0.4	1.1	-2.4	3.07
2.625	15 Mar 35	1.7B	1.349	22.2	18.6	1.40	0.4	7.1	3.6	3.14
1.750	15 Sep 45	1.3B	1.505	22.7	18.1	1.80	-0.4	10.2	6.1	4.56

Configuration	Current (Left Axis)	Low (Right Axis)
EIB 1.3 Jul18	-12	-12
EIB 1.375 15Nov19	-18	-18
EIB 1.375 16Mar20	-18	-18
EIB 2.625 16Mar20	-18	-18
EIB 1.5 15Apr21	-18	-18
EIB 1.375 15Sep21	-18	-18
EIB 2.14Apr23	-18	-18
EIB 2.125 15Jan24	-18	-18
EIB 2.75 15Sep25	-18	-18
EIB 3.5 15Apr27	-18	-18
EIB 4.15Apr30	2	2
EIB 2.625 15Mar35	8	8
EIB 1.75 15Sep45	10	10



Kreditanstalt für Wiederaufbau (KfW)

[illegible]

Date	KFW Index	Current Value
Feb 18	0.625	-18
Mar 19	0.875	-18
Jan 21	1.025	-20
May 23	1.125	-21
Jan 25	1.225	-18
Apr 30	1.325	-12
May 31	1.375	-9

<https://nexus.nordea.com/#/research>