

Euro Rates Update

Nordea Research, 05 February 2016

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US Treasury Yields				
	2Y	5Y	10Y	30Y
	0.72	1.27	1.90	2.74
Δ 1D	1.2	4.2	7.3	9.0
Δ 1W	-15.1	-19.6	-13.7	-8.9

German Benchmark Yields				
	2Y	5Y	10Y	30Y
	-0.49	-0.31	0.31	1.03
Δ 1D	0.6	1.5	2.1	1.6
Δ 1W	-4.2	-7.3	-14.4	-16.8

German Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-17.8	-61.7	-79.5	-72.4
Δ 1D	0.9	0.6	1.5	-0.5
Δ 1W	-3.1	-7.1	-10.2	-2.4

EUR Swap Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-24.6	-58.8	-83.4	-56.3
Δ 1D	0.6	-0.3	0.3	-1.7
Δ 1W	-3.4	-4.2	-7.6	-4.9

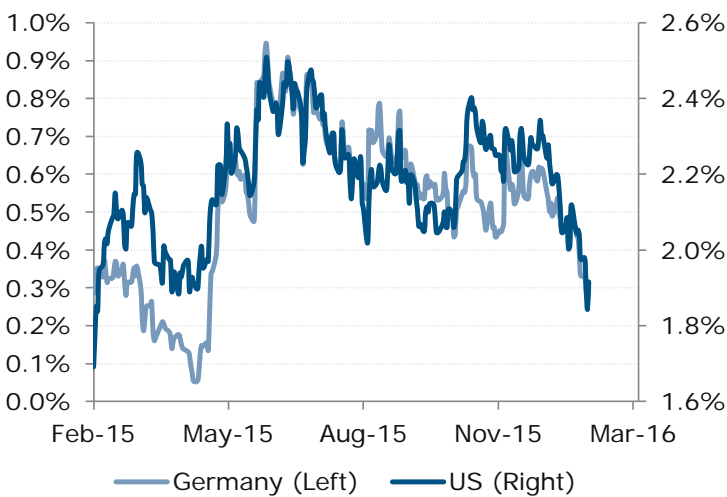
German Asset Swap Levels				
	2Y	5Y	10Y	30Y
	-29.2	-32.5	-33.5	-14.2
Δ 1D	-0.5	-0.2	0.5	1.8
Δ 1W	0.7	1.1	-1.2	1.2

10Y Benchmark Yields				
	Yield	Δ 1D	Spread	Δ 1D
GER	0.310	2.1	-	-
FRA	0.632	1.1	34.4	-1.2
ITA	1.529	5.4	124.0	3.2
ESP	1.652	7.2	137.3	4.9
BEL	0.607	1.7	37.0	-0.8
HOL	0.437	1.7	19.3	-0.7
AUT	0.570	2.5	29.4	0.2
GRE	8.751	12.7	855.3	10.1
POR	2.821	10.3	254.7	8.0
FIN	0.564	0.8	29.9	-1.5
IRL	0.854	3.0	65.0	0.5

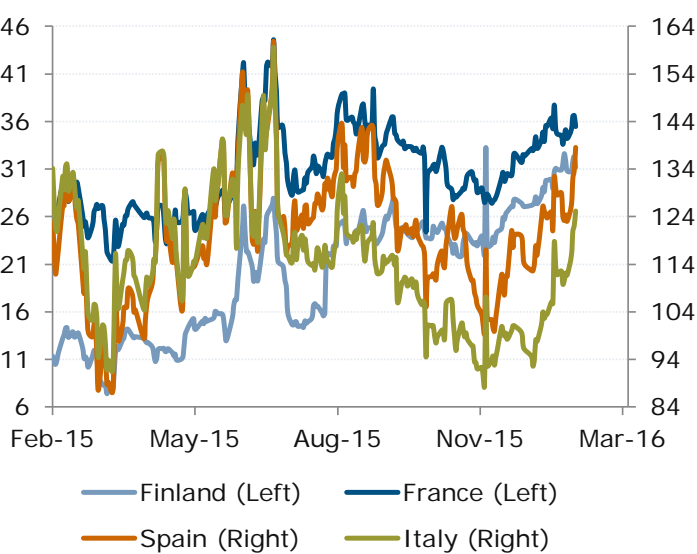
Spread = Maturity interpolated spread to German government par yield curve

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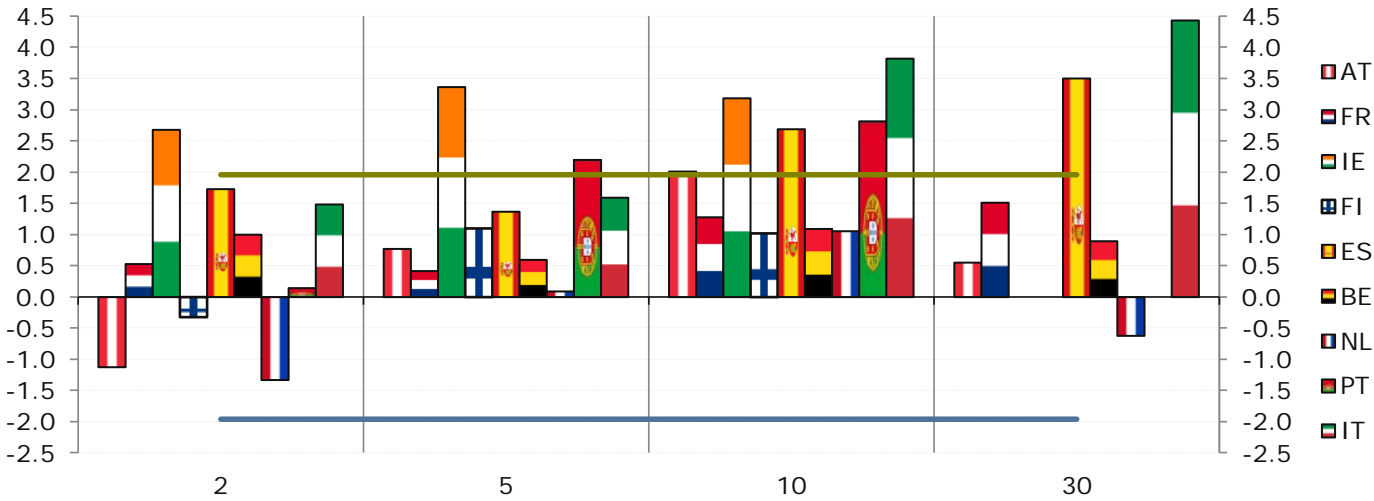
German & US 10-year benchmark yields, %



10 year spreads against Germany, bp



Z-scores of benchmark vs. Germany



Upcoming Issuance (source: Bloomberg)						
Date		Country	Coupon		Maturity	Amount (EURbn)
08 Feb		LN				
09 Feb		AS				
10 Feb		GE				5.00
11 Feb		IT				
11 Feb		IR				

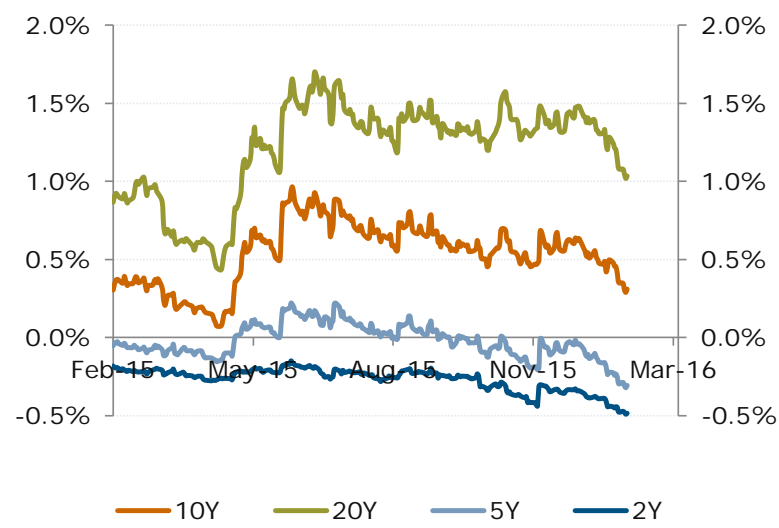
All bond quotes are taken at 16:15 CET.

Bond Yields & Curves

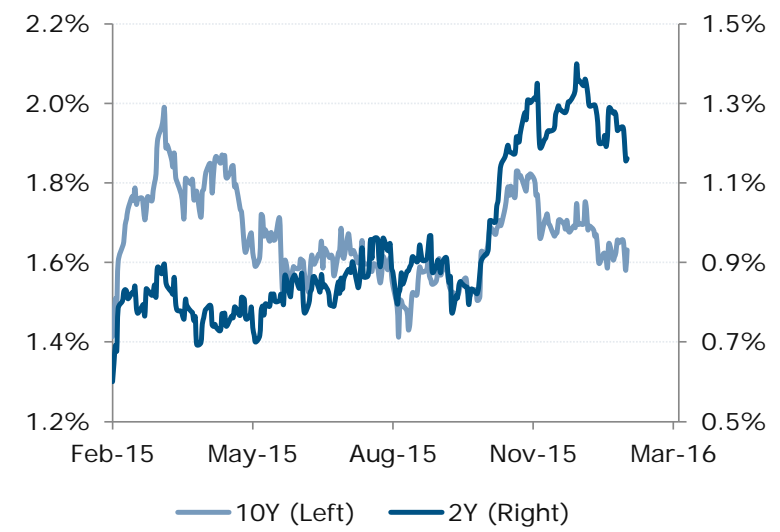
Yield Levels

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

German benchmark bond yields, %



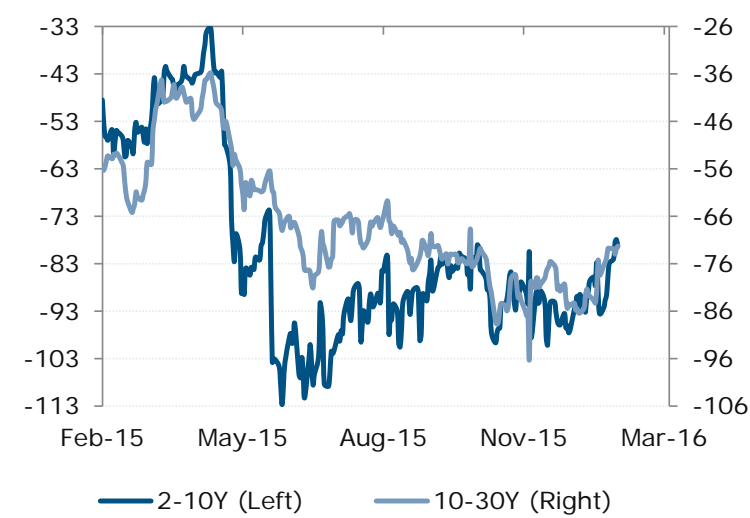
USA-Germany spreads, annualized yields, %



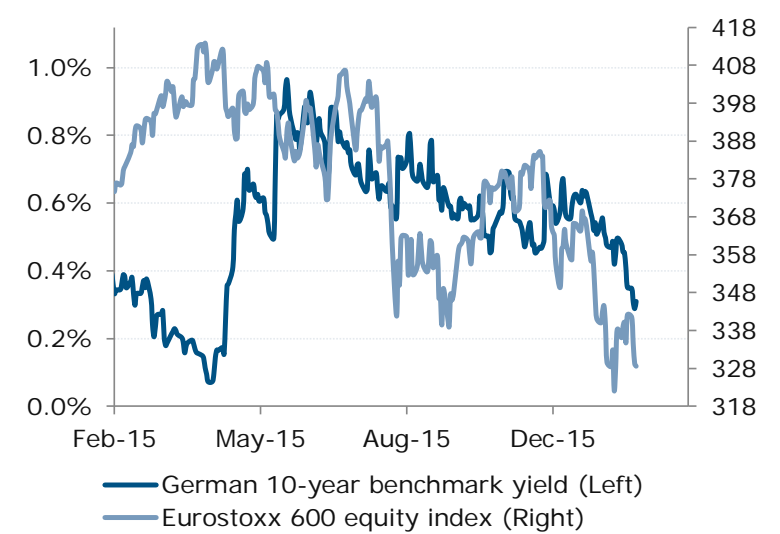
Bond Curve Shape

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

German yield curve slopes, bp



Bonds vs. equities



Swaps and Forwards

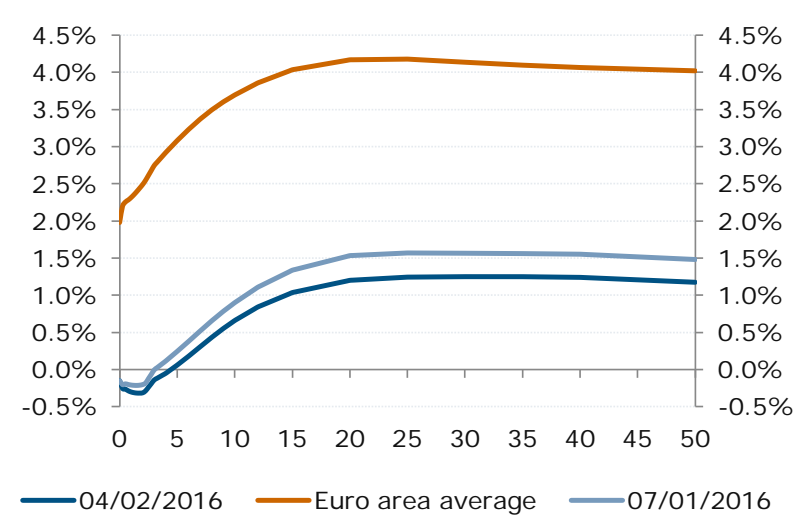
EUR swap rates and implied forwards, %



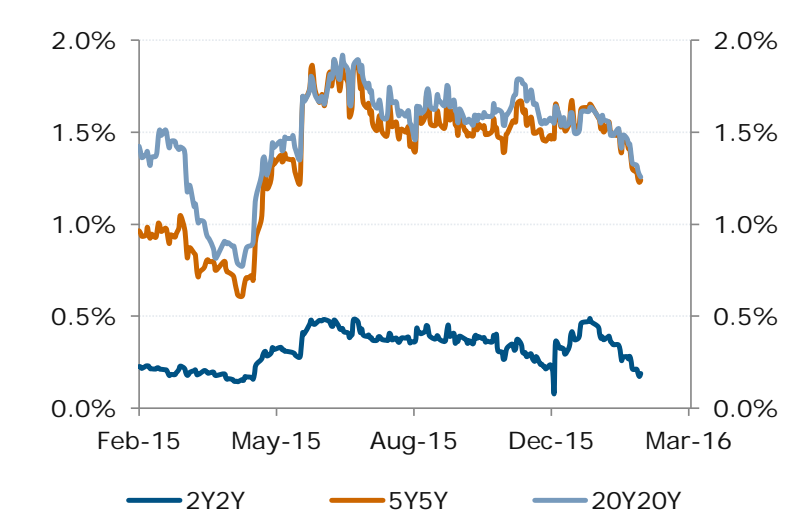
EUR-USD spreads and implied forwards, %



EUR swap curve shape vs. historical



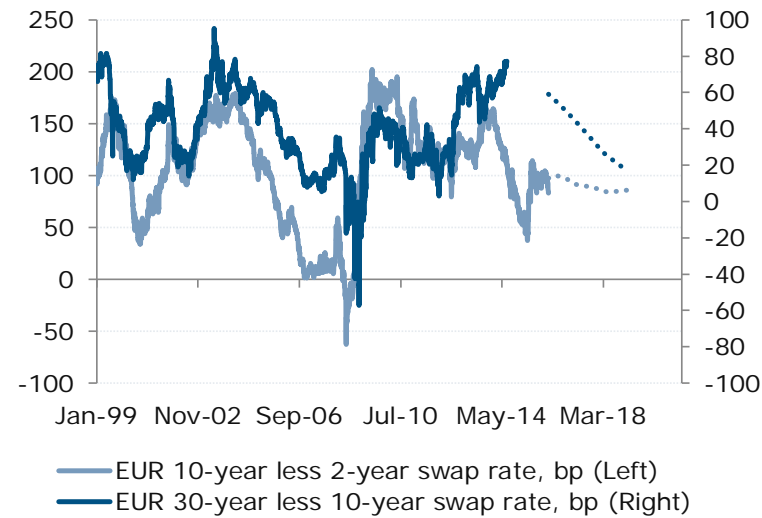
Historical forward rates, %



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.

EUR swap curve slopes and forwards



Curvature (EUR swap curve)

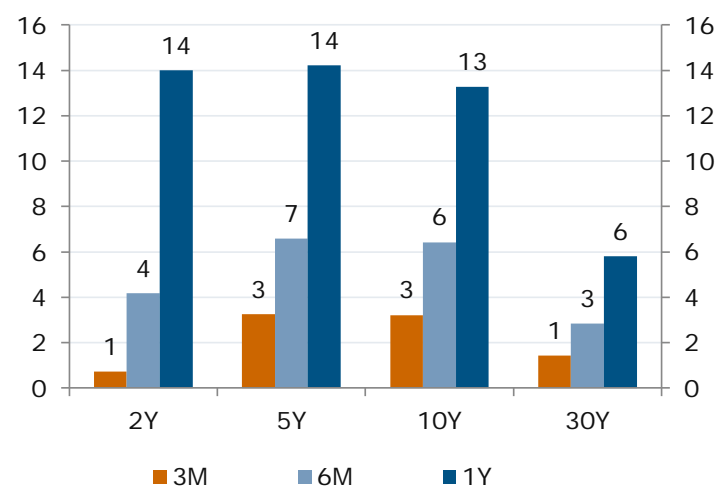


Carry

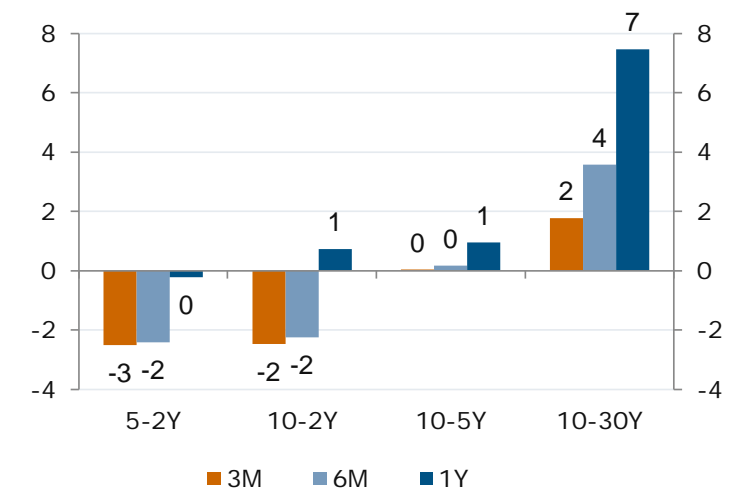
The carry on the given horizon illustrates how much the spot swap rate may rise for a receiver swap position in a forward-starting swap to result in zero profit.

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.

Yield buffers for forward-starting swaps, bp



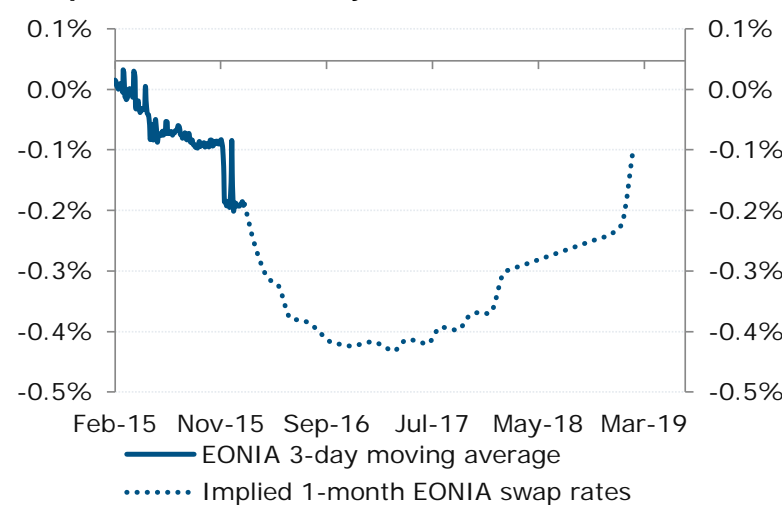
Yield buffers for duration-neutral steepeners, bp



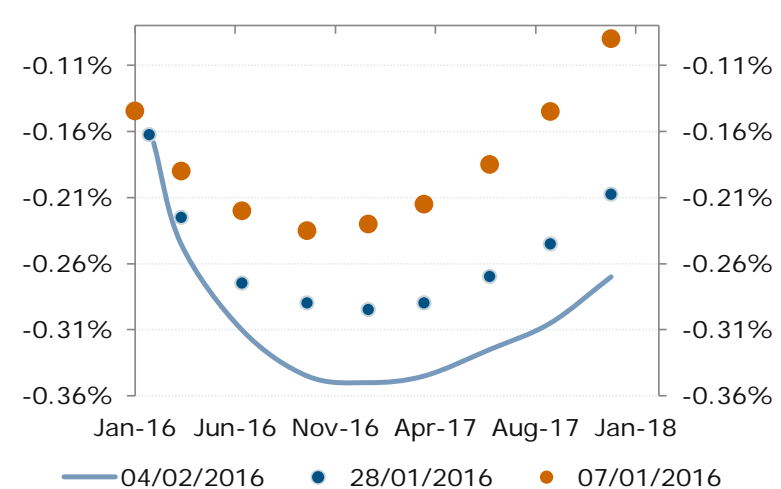
Money Market Rates

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

Expectations and history for EONIA



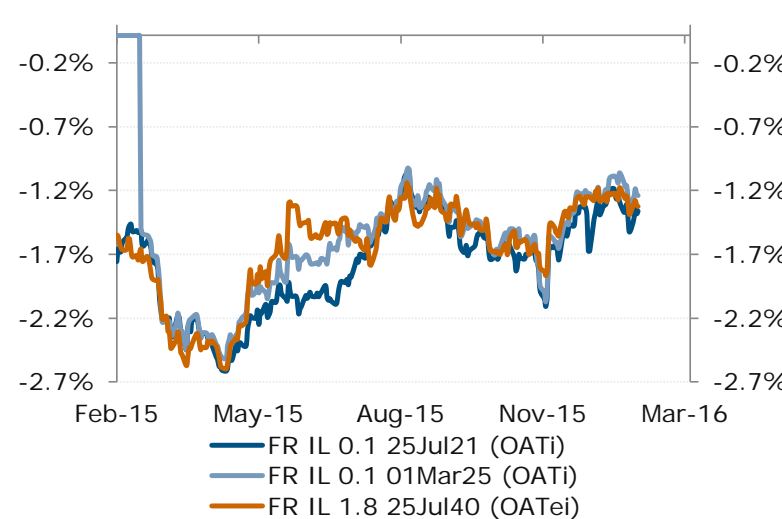
Euribor futures curve, now, 1 wk & 1M ago



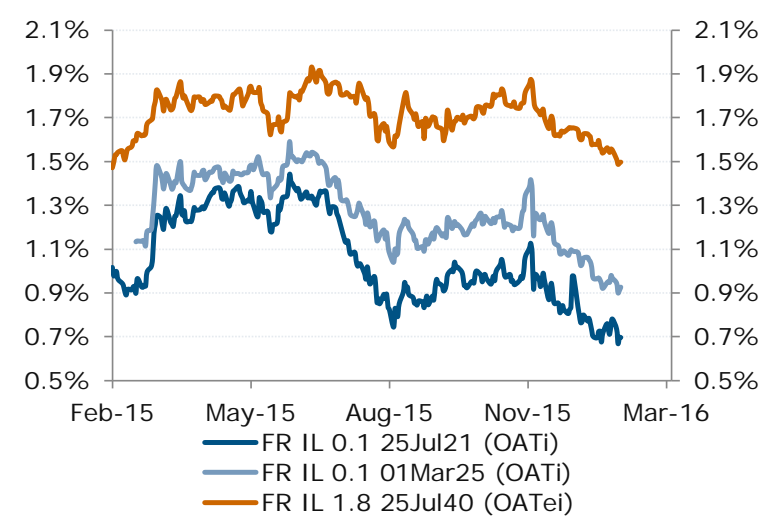
Inflation-linked Bonds

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

Real yields, %



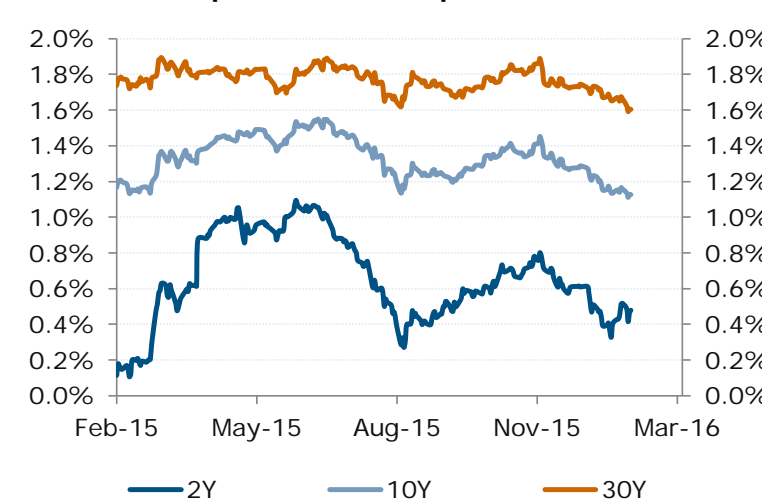
Break-even inflation history, %



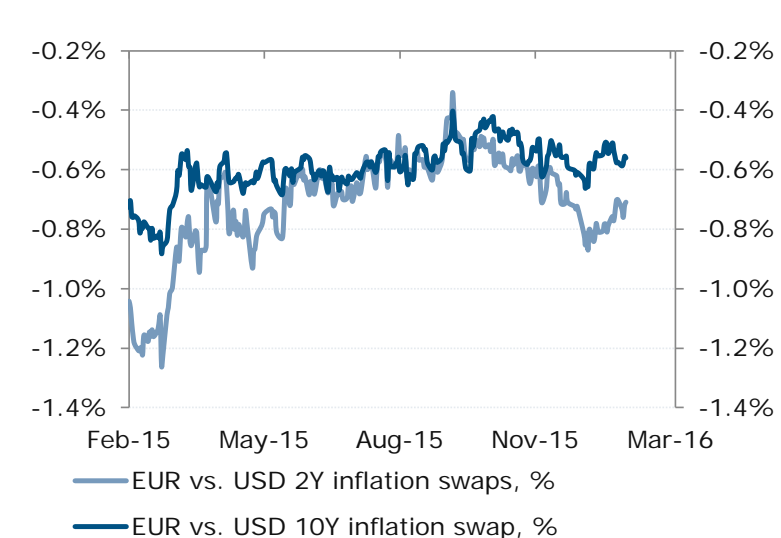
Inflation Swaps

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.

EUR zero-coupon inflation swaps



EUR vs. USD inflation swaps

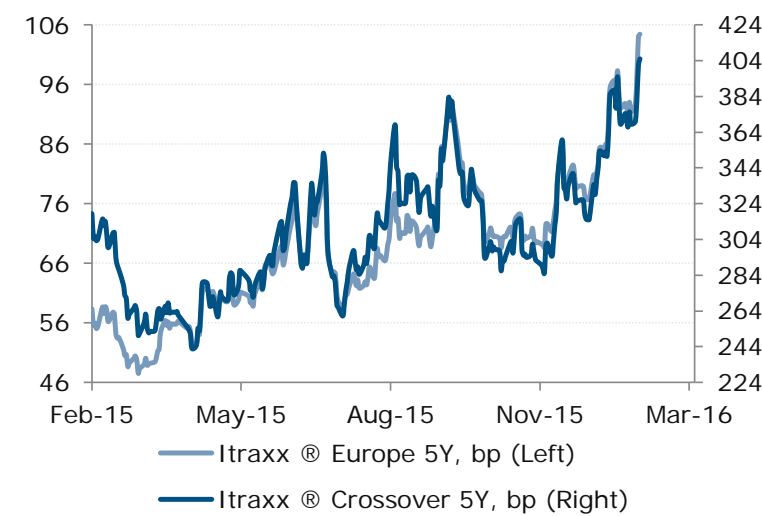


Credit & Money Market Spreads

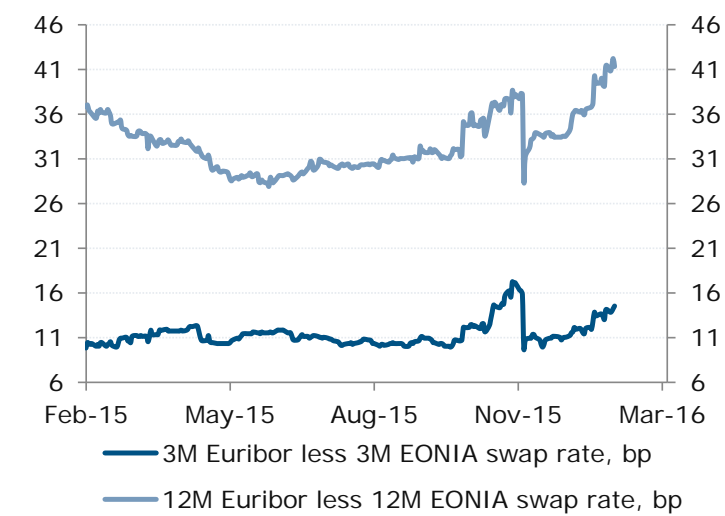
Credit default swap indices illustrate the annual cost of buying protection against a credit event of a company. iTraxx® Europe is comprised of the 125 most liquid CDS contracts referencing European investment grade credits, iTraxx® Crossover of 50 sub-investment grade credits.

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



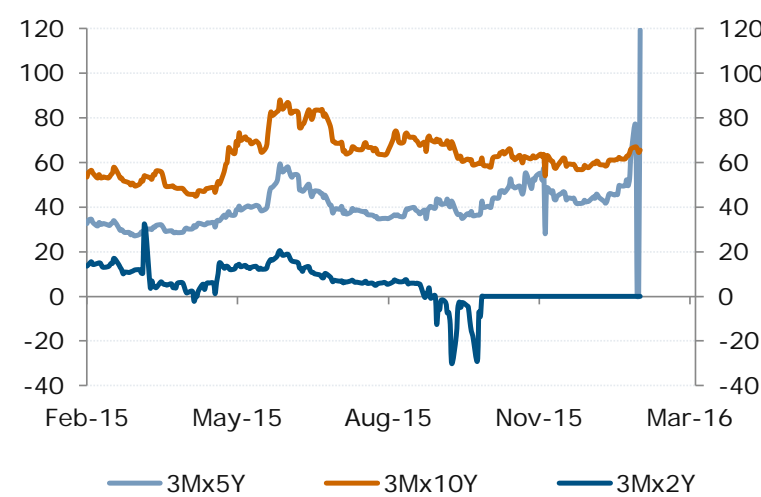
Money market rates vs. EONIA swap rates



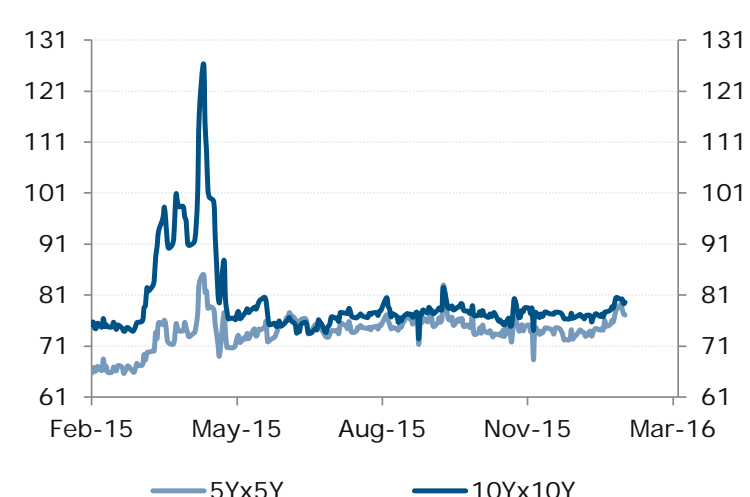
Swaption Volatilities

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

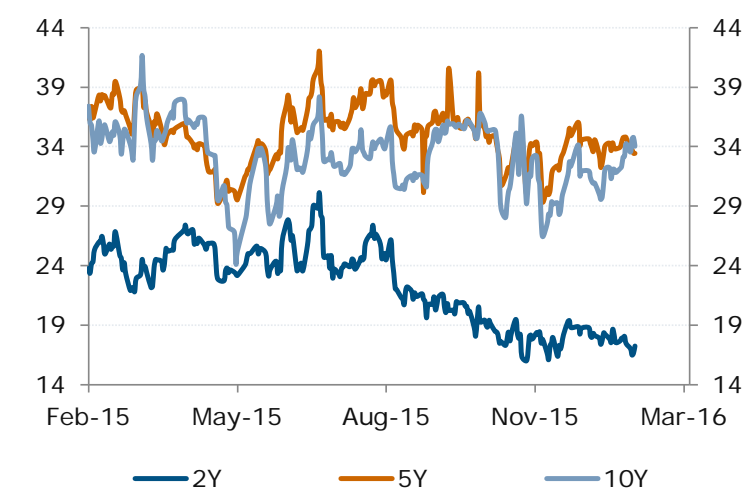
Swap spread: Benchmark bond's spread to EUR swap curve.

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

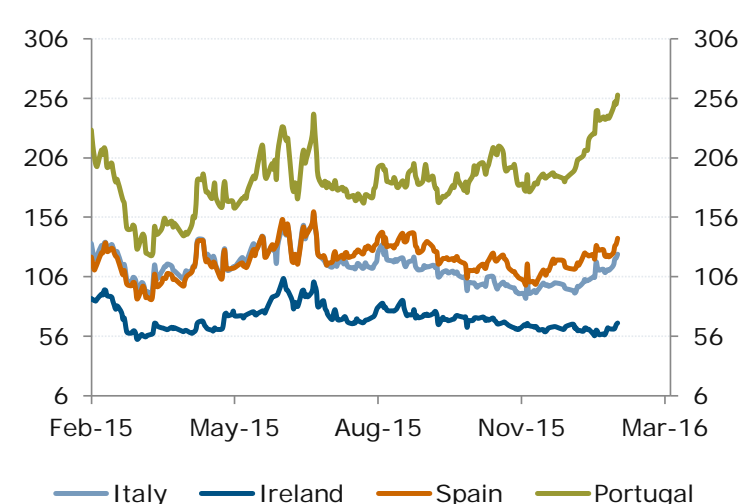
1Y break-even spread changes indicate how much a bond's spread against an equivalent bond trading on the German curve may widen in order to give the same return in one year.

The break-even spread change is based on the spread against the following two German benchmark bonds:
DE TB 15Dec17
DE 0.5 15Feb26

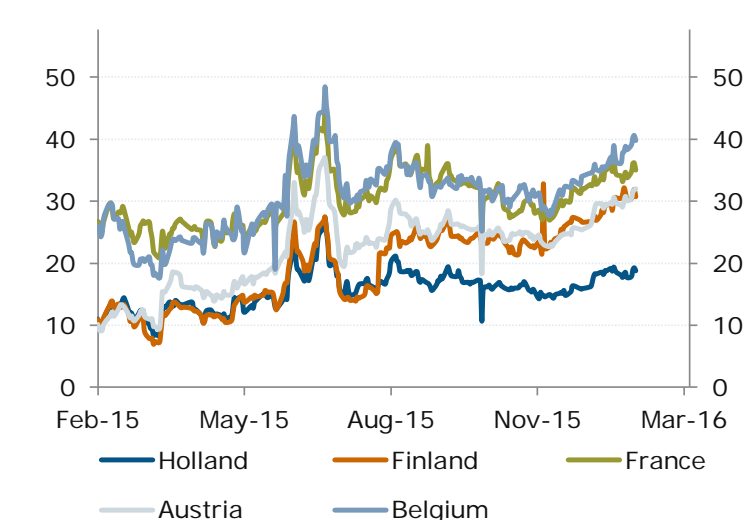
German swap spreads, bp



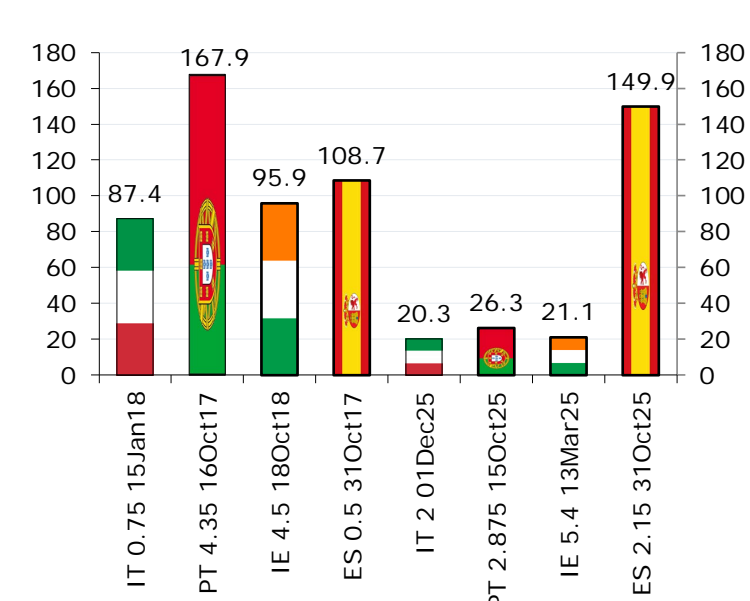
10Y non-AAA spreads against Germany, bp



10Y AAA/AA+ spreads to Germany, bp



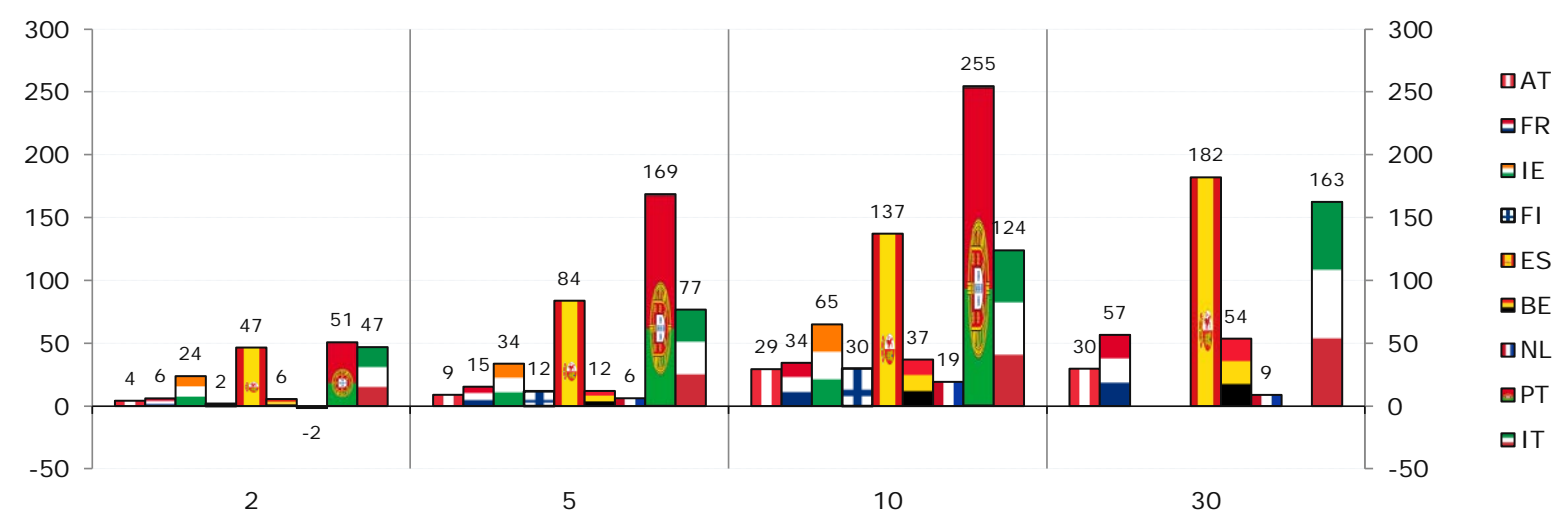
1Y B/E spread changes against Germany, bp



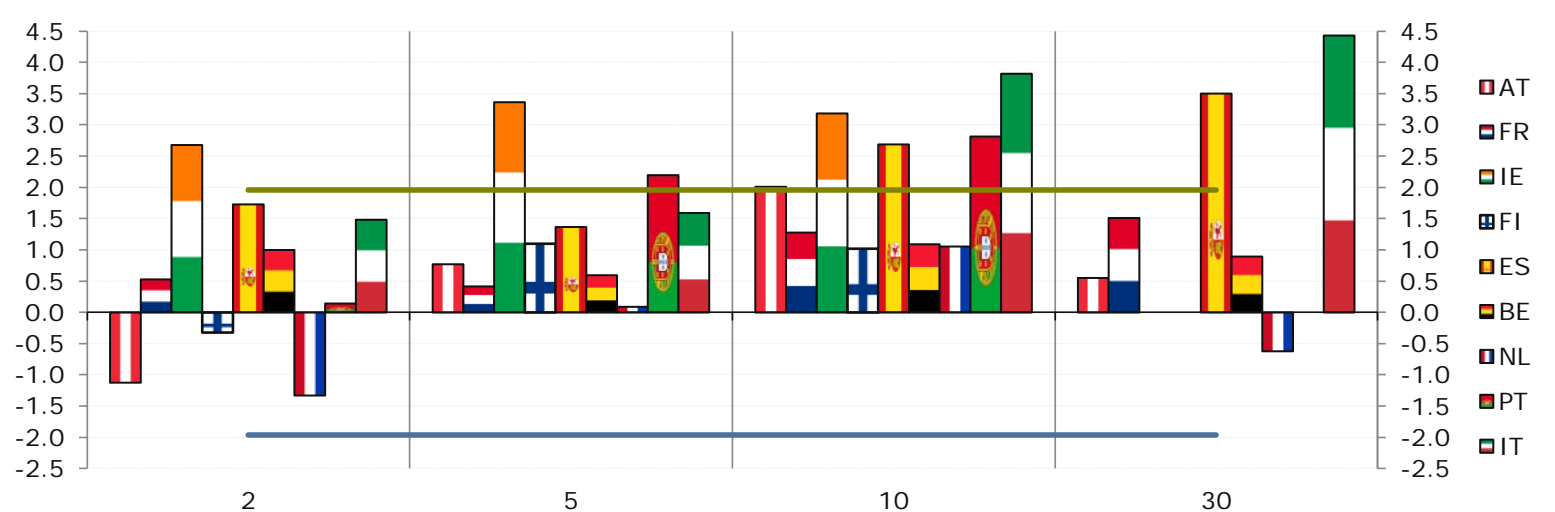


Country Relative Value

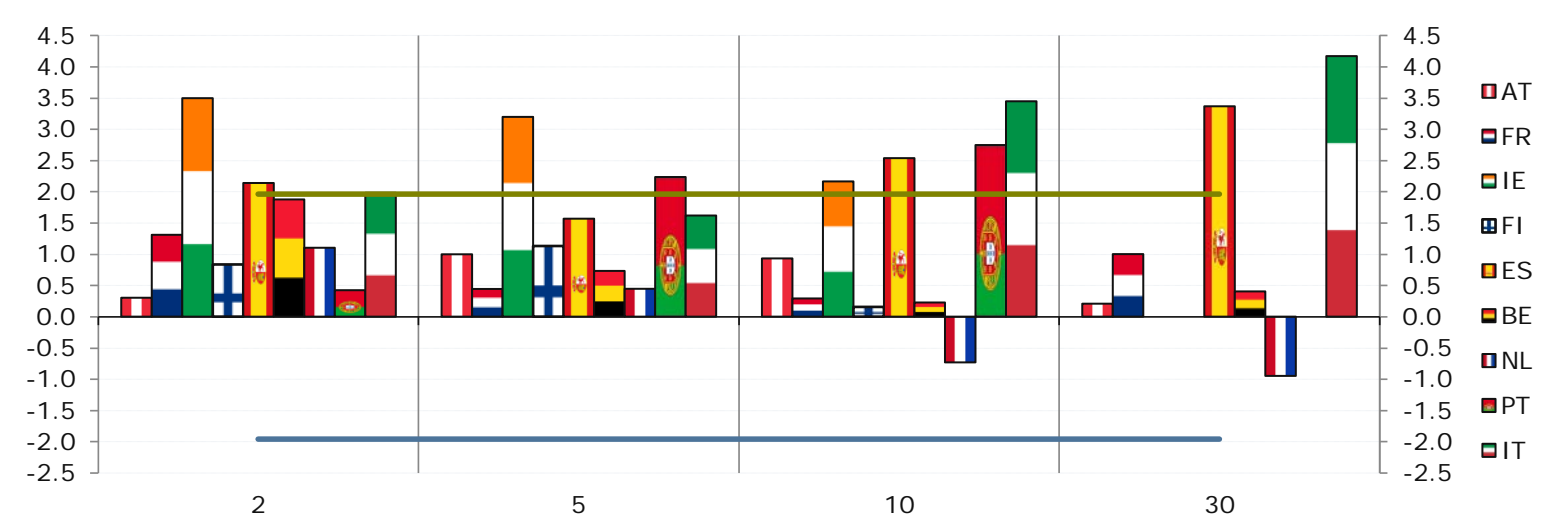
Benchmark spreads over the maturity-interpolated German par curve, bp



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 18	0.000	3.9	-2.12	NL	15 Apr 18	0.000	-24.7	-0.94
	IE	18 Oct 18	4.500	23.8	2.55	EIB	15 Mar 19	2.500	-14.4	2.55
5Y: Rich	DE	04 Jan 20	3.250	-16.0	-1.06	DE	16 Oct 20	0.250	-32.5	-0.03
	IE	18 Apr 20	4.500	33.8	3.17	IE	18 Oct 19	5.900	5.9	3.11
7Y: Rich	DE	15 May 23	1.500	-30.0	-1.59	DE	15 Feb 24	1.750	-38.6	-1.11
	IT	01 Mar 24	4.500	121.0	3.65	IT	01 Mar 24	4.500	99.3	3.54
10Y: Rich	DE	15 Feb 25	0.500	-32.7	-1.34	DE	15 Feb 25	0.500	-34.8	-1.50
	IT	01 Dec 24	2.500	122.4	3.67	IT	01 Dec 24	2.500	91.8	3.70
15Y: Rich	DE	04 Jan 37	4.000	-61.8	-1.80	DE	04 Jan 31	5.500	-26.3	-0.76
	IT	01 Feb 37	4.000	144.9	4.40	IT	01 Feb 37	4.000	147.0	4.36
20Y: Rich	DE	15 Aug 46	2.500	-69.6	-1.69	DE	15 Aug 46	2.500	-14.2	-0.94
	IT	01 Sep 46	3.250	162.5	4.02	IE	18 Feb 45	2.000	72.5	4.40

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

$\text{Current spread} - 60\text{-day average}$
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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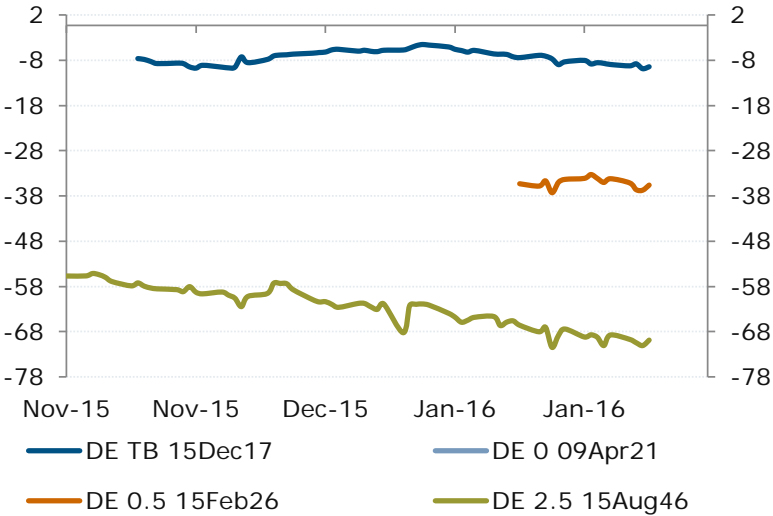
Moody's / S&P / Fitch

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

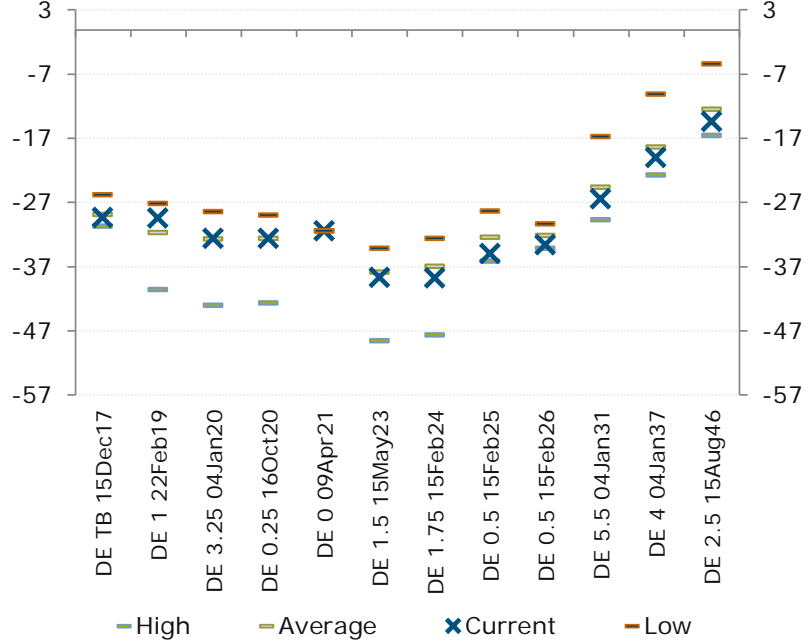
Germany

Benchmark Bonds				Spread vs. France				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
0.000	15 Dec 17	13.0B	-0.485	-9.2	-7.2	-1.52	-10.8	-29.2	-28.8	-0.44
1.000	22 Feb 19	16.0B	-0.433	-11.5	-11.6	0.07	-1.4	-29.4	-31.5	1.17
3.250	04 Jan 20	22.0B	-0.389	-16.0	-14.2	-1.06	0.1	-32.5	-32.6	0.04
0.250	16 Oct 20	19.0B	-0.307	-16.7	-14.9	-0.93	1.0	-32.5	-32.5	-0.03
0.000	09 Apr 21	5.0B	-0.239	-16.0	-16.0	0.00	1.9	-31.3	-31.3	0.00
1.500	15 May 23	18.0B	-0.059	-30.0	-27.2	-1.59	-0.1	-38.5	-37.8	-0.51
1.750	15 Feb 24	18.0B	0.031	-32.9	-29.8	-1.58	-0.4	-38.6	-36.9	-1.11
0.500	15 Feb 25	23.0B	0.192	-32.7	-28.8	-1.34	-0.2	-34.8	-32.3	-1.50
0.500	15 Feb 26	5.0B	0.310	-35.4	-34.9	-0.49	-0.1	-33.5	-32.0	-1.39
5.500	04 Jan 31	17.0B	0.639	-49.8	-46.1	-1.07	-1.0	-26.3	-24.5	-0.76
4.000	04 Jan 37	23.0B	0.893	-61.8	-54.8	-1.80	-0.2	-19.9	-18.2	-0.76
2.500	15 Aug 46	14.0B	1.034	-69.6	-62.6	-1.69	1.2	-14.2	-12.4	-0.94

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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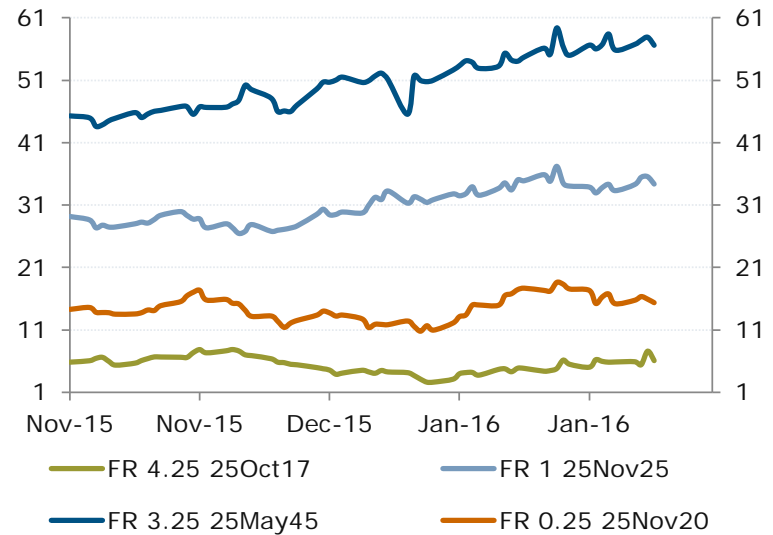
Moody's / S&P / Fitch

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

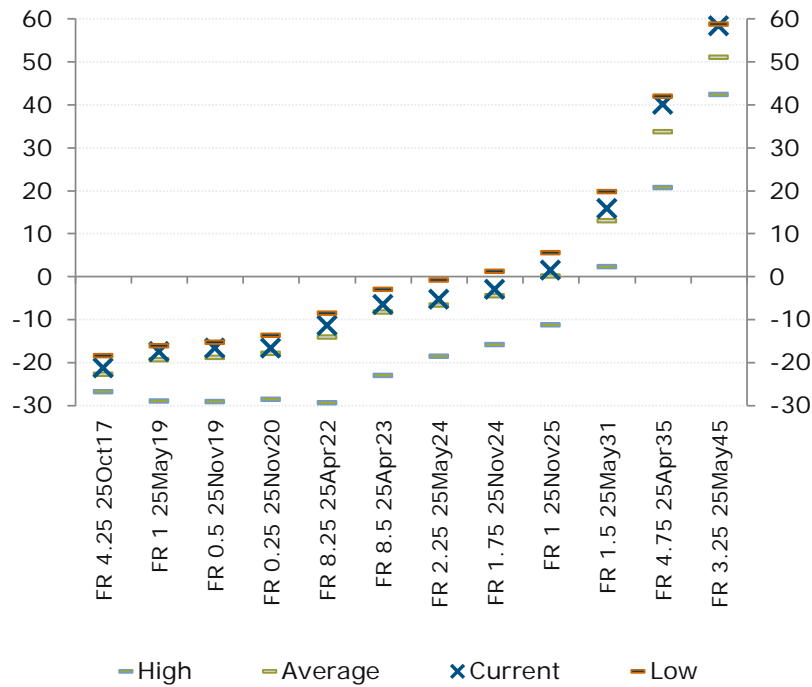
France

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
4.250	25 Oct 17	34.75B	-0.409	6.1	5.6	0.52	-2.2	-21.3	-22.8	0.77
1.000	25 May 19	23.02B	-0.297	11.9	12.3	-0.30	-0.7	-17.5	-19.5	1.07
0.500	25 Nov 19	26.98B	-0.244	13.9	13.8	0.07	0.3	-16.8	-18.9	1.15
0.250	25 Nov 20	15.95B	-0.136	15.4	14.8	0.41	1.0	-16.8	-18.0	0.63
8.250	25 Apr 22	1.99B	0.016	17.1	15.6	1.10	-0.2	-11.4	-14.2	1.07
8.500	25 Apr 23	10.03B	0.157	20.6	18.5	1.67	0.5	-6.6	-8.3	0.78
2.250	25 May 24	30.55B	0.373	28.3	25.6	1.05	-0.8	-5.3	-6.7	0.55
1.750	25 Nov 24	30.99B	0.461	29.7	27.0	1.10	-0.2	-3.0	-4.5	0.62
1.000	25 Nov 25	24.36B	0.632	34.4	31.0	1.23	-0.7	1.4	0.1	0.57
1.500	25 May 31	9.44B	1.160	43.0	39.6	0.95	-1.2	15.8	12.9	0.85
4.750	25 Apr 35	25.03B	1.317	39.7	33.9	1.44	0.2	40.1	33.6	1.31
3.250	25 May 45	17.01B	1.637	56.7	50.8	1.47	-0.2	58.4	51.0	1.58

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

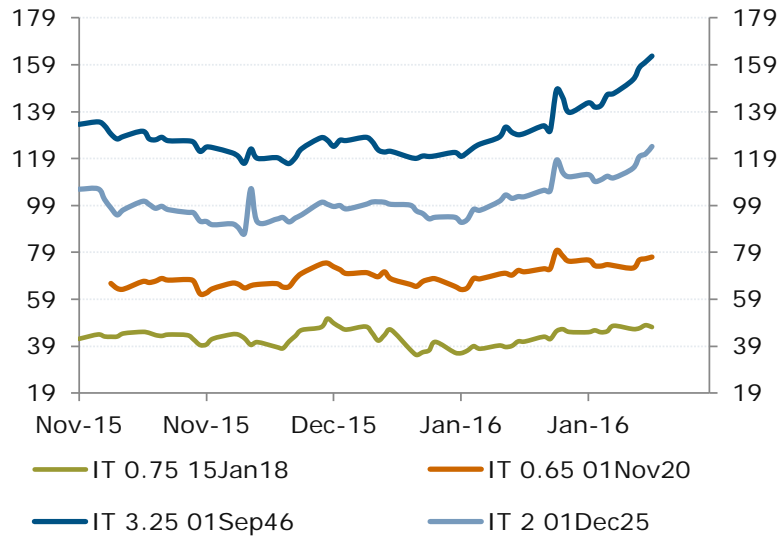
Rating	Baa2/BBB-/BBB+
Moody's / S&P / Fitch	

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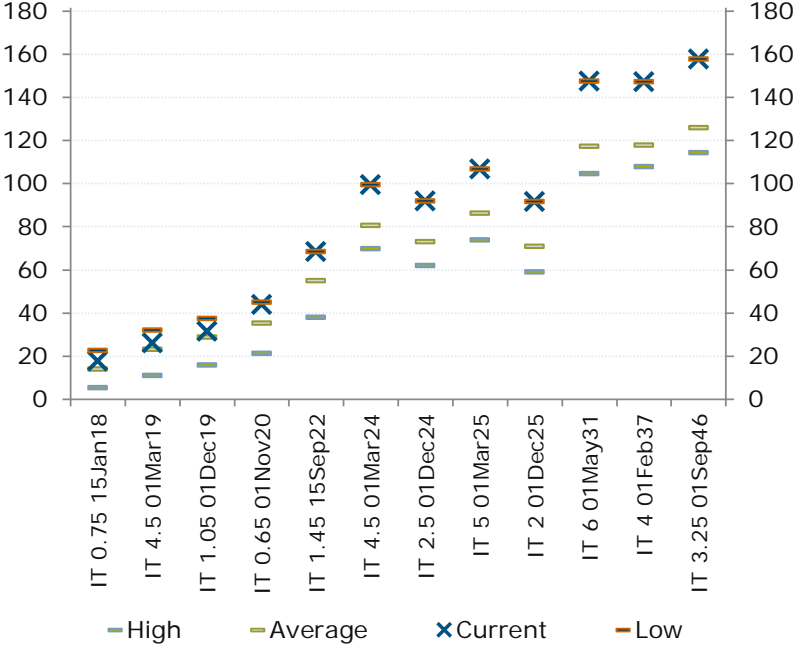
Italy

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
0.750	15 Jan 18	15.46B	-0.012	46.9	42.6	1.43	-10.0	17.6	13.8	1.20
4.500	01 Mar 19	24.01B	0.090	52.1	51.3	0.30	0.9	26.1	22.9	0.98
1.050	01 Dec 19	15.69B	0.239	62.2	61.3	0.32	-7.3	31.5	28.6	1.03
0.650	01 Nov 20	11.15B	0.471	76.8	68.7	2.10	7.1	43.8	35.1	2.26
1.450	15 Sep 22	14.99B	0.929	104.4	92.1	2.81	4.8	68.2	55.0	2.73
4.500	01 Mar 24	23.71B	1.266	121.0	102.0	3.65	4.4	99.3	80.4	3.54
2.500	01 Dec 24	20.99B	1.390	122.4	102.4	3.67	2.4	91.8	72.9	3.70
5.000	01 Mar 25	23.01B	1.403	120.3	100.5	3.45	1.8	106.5	86.2	3.44
2.000	01 Dec 25	17.01B	1.529	124.0	100.7	3.55	1.1	91.5	70.7	3.47
6.000	01 May 31	29.75B	2.054	132.8	106.1	4.10	-1.9	147.5	117.3	3.90
4.000	01 Feb 37	26.01B	2.417	144.9	117.3	4.40	-0.1	147.0	117.8	4.36
3.250	01 Sep 46	13.24B	2.702	162.5	129.6	4.02	0.1	157.7	125.8	4.06

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

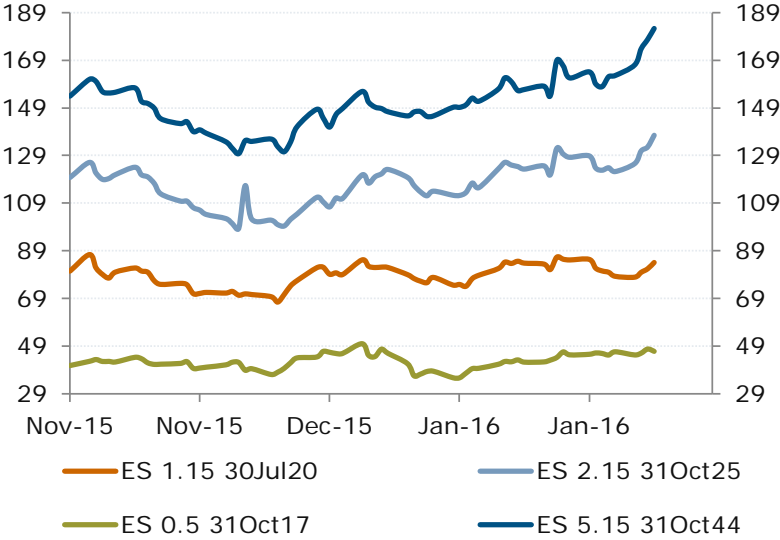
Rating	Baa2/BBB/BBB+
Moody's / S&P / Fitch	

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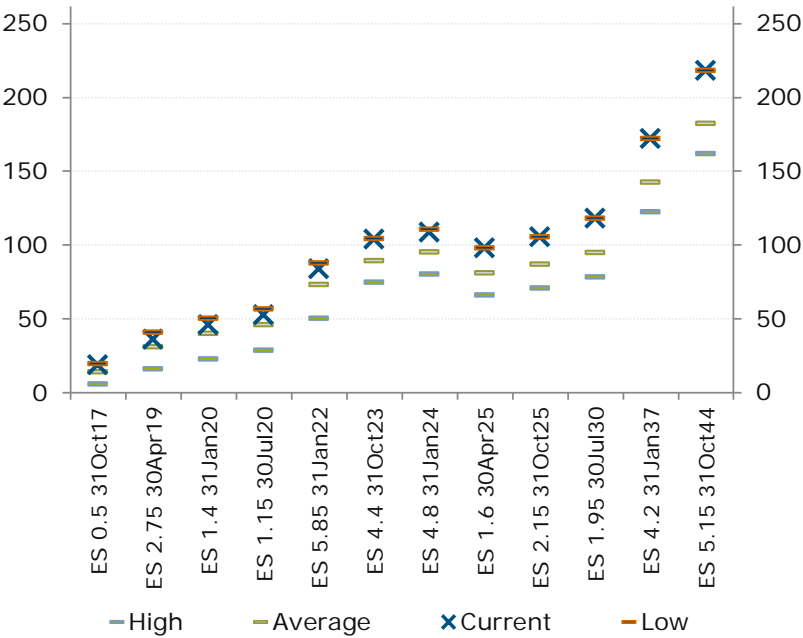
Spain

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
0.500	31 Oct 17	16.99B	-0.005	46.6	42.4	1.66	-12.1	18.7	13.8	1.95
2.750	30 Apr 19	22.98B	0.211	63.1	60.4	0.70	0.6	36.1	30.9	1.38
1.400	31 Jan 20	21.91B	0.392	76.4	72.1	1.02	0.3	45.7	40.0	1.41
1.150	30 Jul 20	15.03B	0.516	83.9	78.3	1.34	-1.1	52.3	45.8	1.63
5.850	31 Jan 22	22.01B	0.842	102.0	93.5	1.63	1.8	83.7	73.0	1.69
4.400	31 Oct 23	20.01B	1.268	125.5	111.2	2.09	2.7	103.9	89.2	2.00
4.800	31 Jan 24	16.01B	1.316	127.2	113.8	1.97	1.3	108.4	95.0	1.82
1.600	30 Apr 25	19.09B	1.557	133.8	115.3	2.44	1.4	97.6	80.8	2.52
2.150	31 Oct 25	20.96B	1.652	137.3	116.5	2.56	5.3	105.4	86.8	2.57
1.950	30 Jul 30	11.51B	2.212	152.8	127.1	2.73	5.6	118.0	94.7	2.81
4.200	31 Jan 37	17.02B	2.635	166.8	139.2	2.95	-2.2	171.8	142.4	3.07
5.150	31 Oct 44	11.23B	2.888	182.1	151.0	3.28	0.4	218.0	182.3	3.45

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

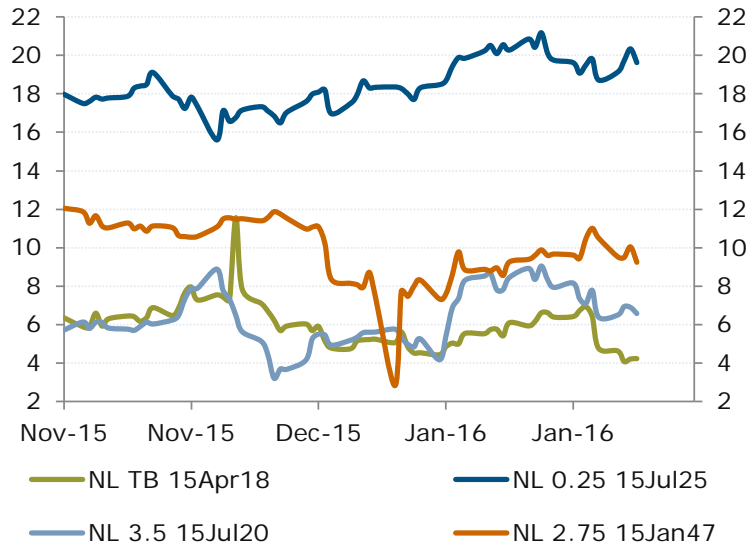
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

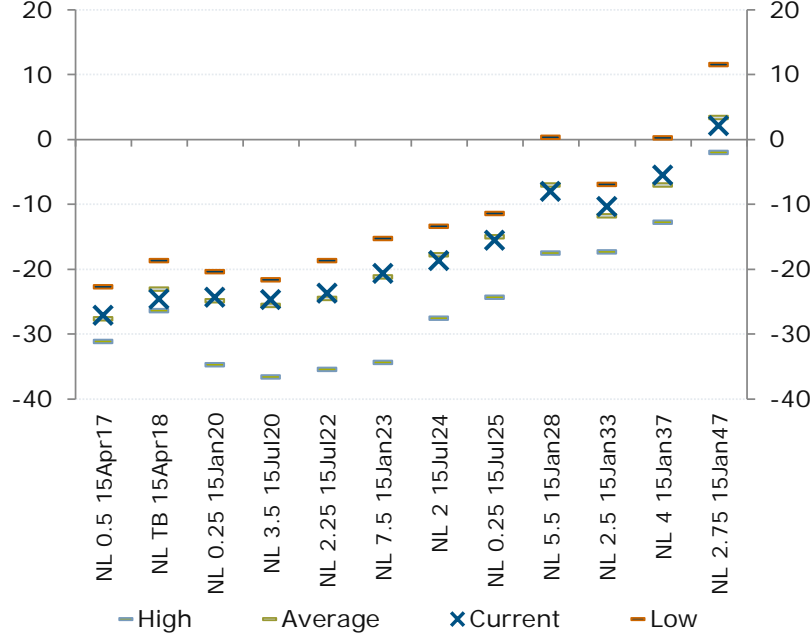
Netherlands

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
0.500	15 Apr 17	13.03B	-0.461	-1.5	-0.2	-1.31	-15.7	-27.1	-27.7	0.28
0.000	15 Apr 18	15.99B	-0.435	3.9	5.7	-2.12	-0.6	-24.7	-23.1	-0.94
0.250	15 Jan 20	15.84B	-0.306	6.9	7.8	-0.78	-6.8	-24.4	-24.9	0.26
3.500	15 Jul 20	15.02B	-0.265	6.2	6.1	0.08	0.4	-24.8	-25.6	0.49
2.250	15 Jul 22	15.01B	-0.023	10.9	10.9	0.01	-0.3	-23.7	-24.5	0.40
7.500	15 Jan 23	2.37B	0.026	10.8	10.0	0.73	0.5	-20.7	-21.3	0.28
2.000	15 Jul 24	15.32B	0.264	15.4	14.7	1.02	-0.1	-18.7	-17.8	-0.52
0.250	15 Jul 25	15.01B	0.437	19.3	18.2	1.02	-0.4	-15.6	-15.0	-0.40
5.500	15 Jan 28	13.02B	0.610	10.5	9.5	0.70	0.0	-8.1	-7.1	-0.42
2.500	15 Jan 33	12.01B	0.920	10.0	7.6	1.44	-0.5	-10.4	-11.9	0.66
4.000	15 Jan 37	13.99B	1.007	4.1	1.9	1.69	0.0	-5.6	-7.1	0.71
2.750	15 Jan 47	10.99B	1.167	8.9	9.6	-0.59	-0.1	2.0	3.3	-0.70

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

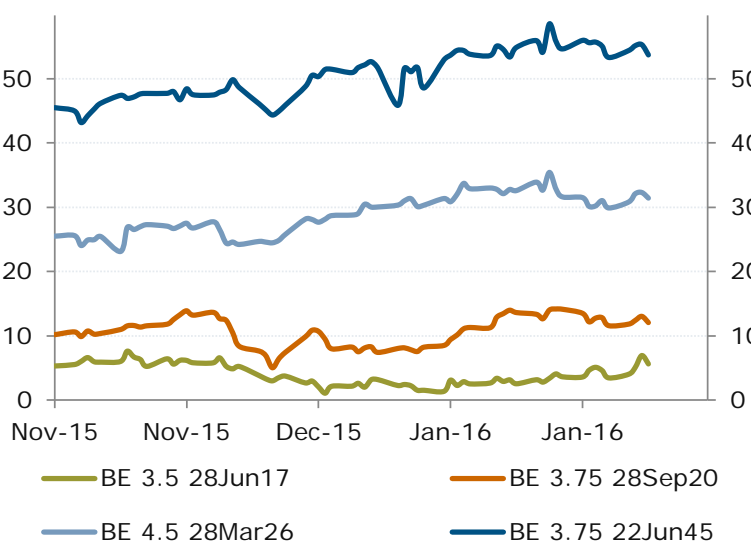
Rating	Aa3/AA/AA
Moody's / S&P / Fitch	

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

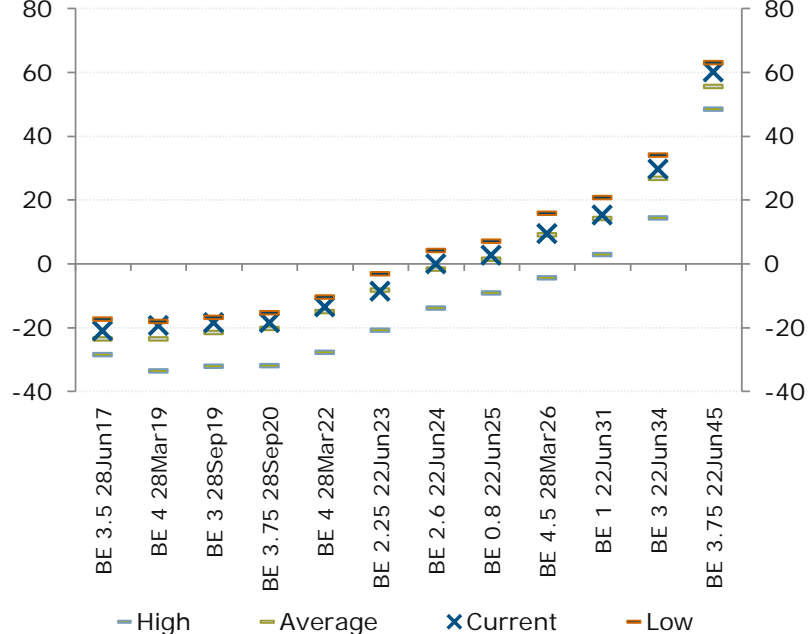
Belgium

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
3.500	28 Jun 17	13.34B	-0.399	5.6	4.1	0.99	-9.0	-21.1	-23.5	0.89
4.000	28 Mar 19	12.37B	-0.332	9.4	7.8	0.78	-0.4	-19.3	-23.6	1.59
3.000	28 Sep 19	12.01B	-0.281	11.2	10.5	0.40	0.4	-18.5	-21.4	1.25
3.750	28 Sep 20	19.01B	-0.186	12.1	11.0	0.58	1.4	-18.4	-20.2	0.78
4.000	28 Mar 22	14.02B	0.022	18.5	18.1	0.25	-0.2	-13.5	-15.0	0.70
2.250	22 Jun 23	13.99B	0.232	26.2	26.2	0.03	0.5	-8.6	-8.2	-0.22
2.600	22 Jun 24	15.85B	0.424	32.3	29.4	1.16	0.6	-0.1	-1.7	0.65
0.800	22 Jun 25	16.02B	0.607	37.0	34.4	1.06	0.4	2.7	1.5	0.53
4.500	28 Mar 26	9.02B	0.639	31.4	28.9	0.89	0.3	9.4	9.2	0.07
1.000	22 Jun 31	4.0B	1.188	45.5	44.3	0.31	-0.5	15.3	14.3	0.29
3.000	22 Jun 34	6.47B	1.311	42.0	39.1	0.75	0.0	29.6	26.7	0.73
3.750	22 Jun 45	8.01B	1.608	53.7	50.6	0.87	-0.3	60.2	55.7	1.05

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

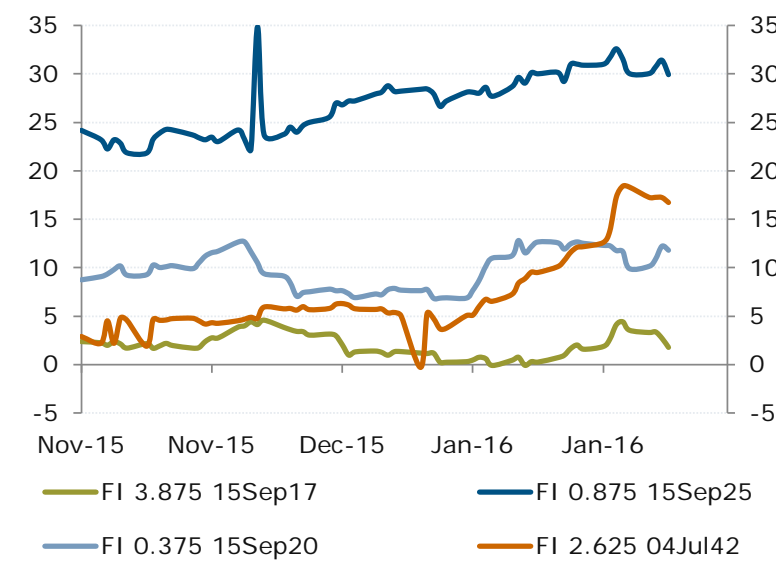
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

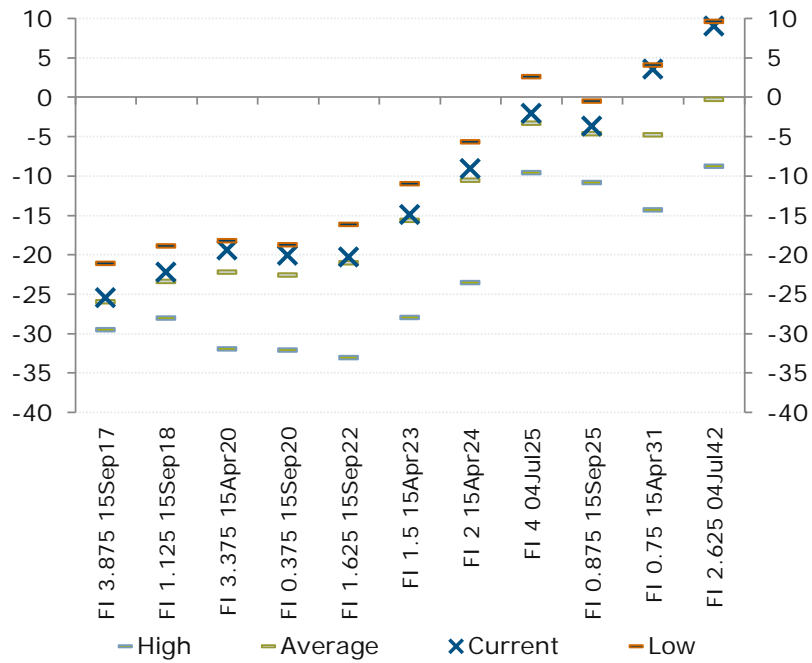
Finland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
3.875	15 Sep 17	6.0B	-0.447	1.8	2.1	-0.31	-1.8	-25.4	-26.0	0.26
1.125	15 Sep 18	5.03B	-0.393	6.0	6.3	-0.32	-0.3	-22.2	-23.4	0.63
3.375	15 Apr 20	6.5B	-0.241	11.0	9.6	0.97	-1.2	-19.4	-22.2	1.29
0.375	15 Sep 20	6.03B	-0.192	11.8	10.0	1.07	0.3	-20.1	-22.5	1.15
1.625	15 Sep 22	5.0B	0.035	15.0	15.0	-0.01	-0.3	-20.3	-21.0	0.29
1.500	15 Apr 23	5.0B	0.160	21.3	20.4	0.79	0.1	-14.9	-15.6	0.40
2.000	15 Apr 24	5.0B	0.328	25.4	22.6	1.18	-0.2	-9.1	-10.6	0.62
4.000	04 Jul 25	6.03B	0.483	24.2	21.0	1.00	-0.5	-2.1	-3.3	0.45
0.875	15 Sep 25	4.03B	0.564	29.9	27.0	0.99	-0.9	-3.7	-4.6	0.45
0.750	15 Apr 31	3.5B	1.066	34.3	24.6	2.20	-0.1	3.6	-4.8	2.04
2.625	04 Jul 42	4.03B	1.223	16.7	7.5	2.55	-0.2	9.0	-0.3	2.51

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

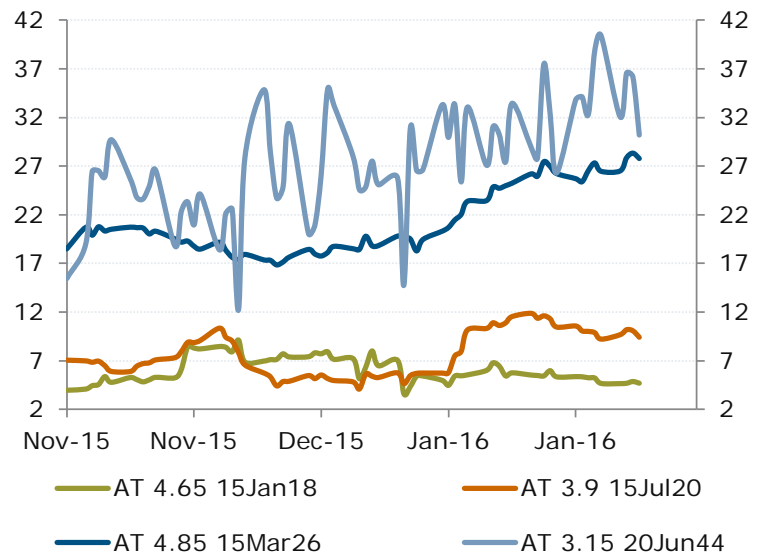
Rating	Aaa/AA+/AA+
Moody's / S&P / Fitch	

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

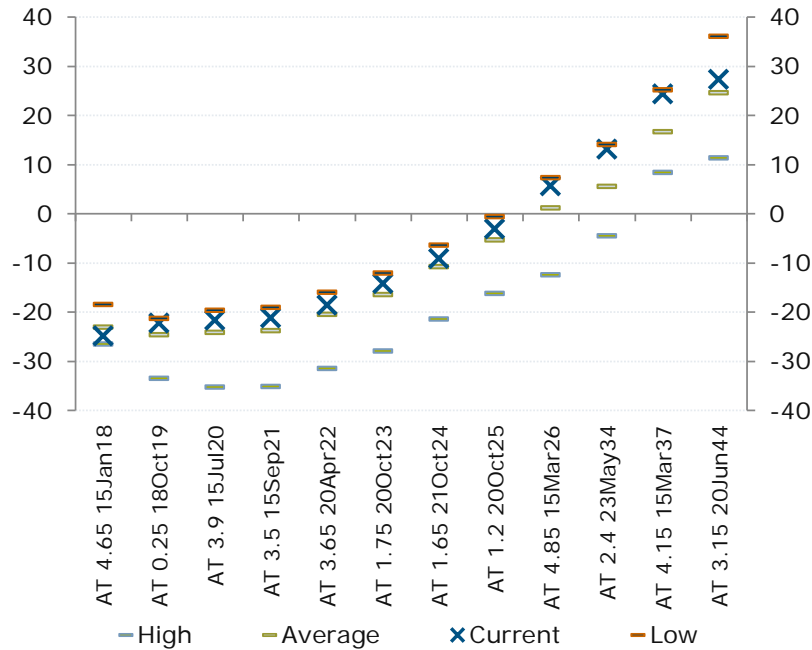
Austria

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
4.650	15 Jan 18	12.06B	-0.438	4.3	5.6	-1.14	2.1	-24.9	-23.1	-0.86
0.250	18 Oct 19	7.95B	-0.307	8.3	8.0	0.18	-0.6	-22.2	-24.6	1.02
3.900	15 Jul 20	13.01B	-0.237	9.0	7.4	0.75	0.5	-21.7	-24.2	0.98
3.500	15 Sep 21	14.99B	-0.104	11.0	9.7	0.59	0.6	-21.1	-23.8	0.89
3.650	20 Apr 22	8.71B	-0.014	14.2	13.5	0.37	1.4	-18.6	-20.4	0.70
1.750	20 Oct 23	9.99B	0.225	21.5	18.5	1.70	1.1	-14.3	-16.4	0.99
1.650	21 Oct 24	10.35B	0.393	24.3	21.4	1.60	0.8	-9.1	-10.7	0.86
1.200	20 Oct 25	9.02B	0.570	29.4	25.0	1.91	1.3	-3.1	-5.3	1.15
4.850	15 Mar 26	8.01B	0.595	27.4	21.1	2.01	0.5	5.6	1.2	1.35
2.400	23 May 34	5.19B	1.186	29.8	22.0	1.99	-2.1	13.1	5.5	1.79
4.150	15 Mar 37	12.22B	1.248	27.8	20.9	2.42	0.6	24.4	16.7	1.95
3.150	20 Jun 44	6.72B	1.363	29.8	27.3	0.52	-1.1	27.3	24.5	0.51

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

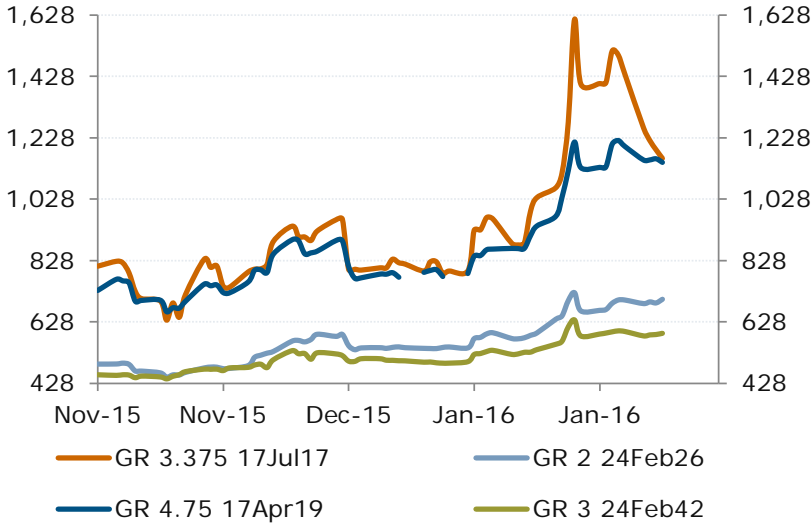
Source: European Commission, Winter 2015 forecast

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

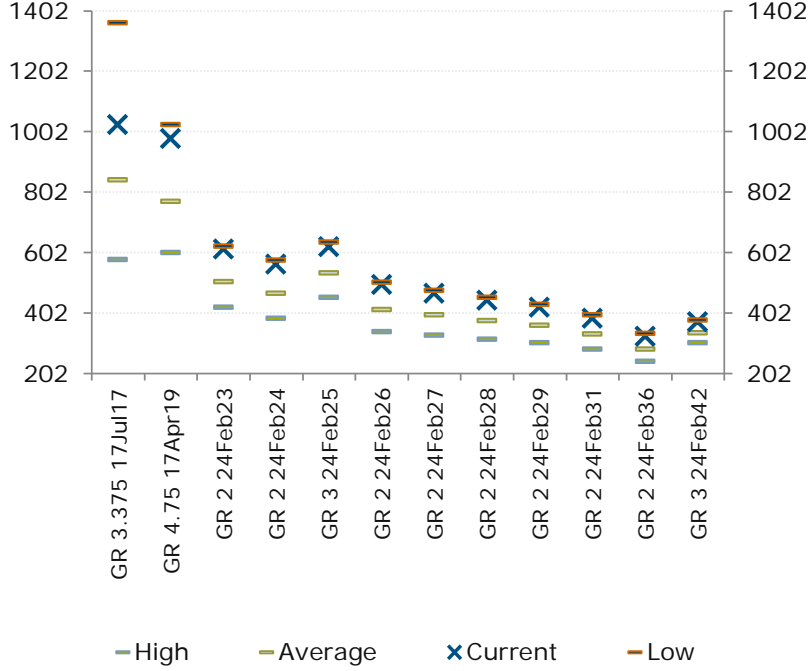
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
3.375	17 Jul 17	2.02B	11.148	1,160.5	947.0	1.15	-114.1	1,025.4	843.2	1.21
4.750	17 Apr 19	4.02B	11.052	1,147.4	876.4	2.07	-23.4	979.8	771.3	2.09
2.000	24 Feb 23	1.04B	8.197	826.6	661.8	2.33	47.6	613.6	506.7	2.31
2.000	24 Feb 24	1.25B	7.789	773.6	619.6	2.19	27.3	564.3	466.9	2.17
3.000	24 Feb 25	1.84B	8.751	855.3	711.3	2.06	24.5	621.3	535.6	2.08
2.000	24 Feb 26	1.37B	7.327	701.2	564.4	2.16	27.2	496.0	413.7	2.15
2.000	24 Feb 27	1.21B	7.126	670.9	551.4	2.03	12.5	467.4	396.2	2.04
2.000	24 Feb 28	1.84B	6.979	646.4	532.5	2.03	12.7	444.1	377.1	2.06
2.000	24 Feb 29	1.48B	6.787	619.2	517.3	1.96	12.5	420.4	360.6	2.03
2.000	24 Feb 31	1.29B	6.520	580.4	492.7	1.81	12.1	384.4	333.5	1.96
2.000	24 Feb 36	1.33B	6.057	511.5	435.3	1.81	12.7	325.3	282.6	2.06
3.000	24 Feb 42	1.05B	6.955	590.1	516.3	1.85	19.8	373.3	336.6	2.22

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

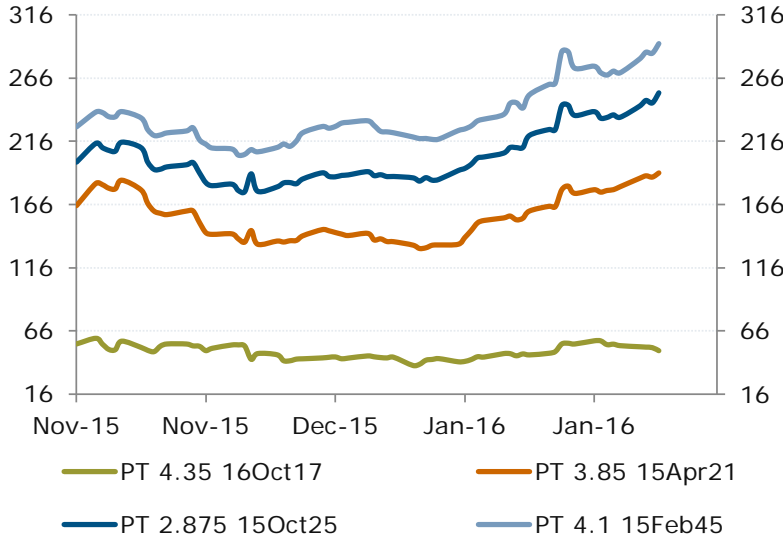
Source: European Commission, Winter 2015 forecast

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

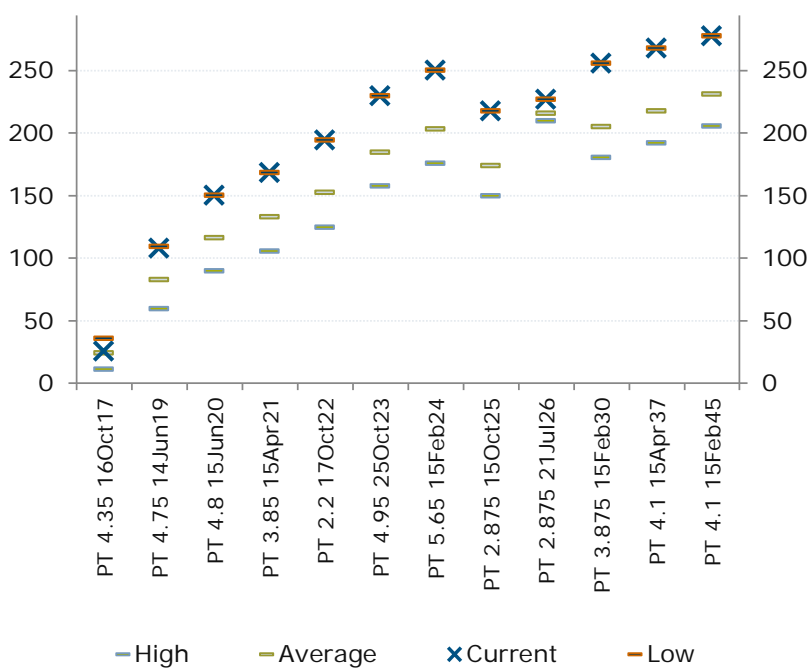
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
4.350	16 Oct 17	8.99B	0.039	50.8	50.0	0.17	-29.1	25.5	23.8	0.34
4.750	14 Jun 19	10.75B	0.871	128.3	106.9	1.87	5.7	107.5	82.7	1.95
4.800	15 Jun 20	10.99B	1.352	168.7	137.5	2.11	1.9	150.0	116.3	2.12
3.850	15 Apr 21	9.55B	1.660	191.4	157.4	2.11	3.1	168.4	133.0	2.13
2.200	17 Oct 22	3.0B	2.241	234.7	191.0	2.47	1.8	194.4	152.3	2.47
4.950	25 Oct 23	8.02B	2.463	245.1	200.4	2.48	-0.3	229.4	184.4	2.42
5.650	15 Feb 24	12.02B	2.628	257.8	211.4	2.59	2.1	249.8	203.2	2.51
2.875	15 Oct 25	10.52B	2.821	254.7	205.3	2.63	1.3	217.7	174.0	2.61
2.875	21 Jul 26	4.0B	3.020	266.3	253.6	2.03	0.1	226.8	215.8	1.96
3.875	15 Feb 30	4.05B	3.472	281.4	224.6	2.80	-0.1	255.5	205.1	2.81
4.100	15 Apr 37	8.02B	3.821	284.9	227.7	2.79	-1.1	267.6	217.5	2.89
4.100	15 Feb 45	2.5B	4.005	293.6	237.7	2.78	1.2	277.6	231.0	2.92

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

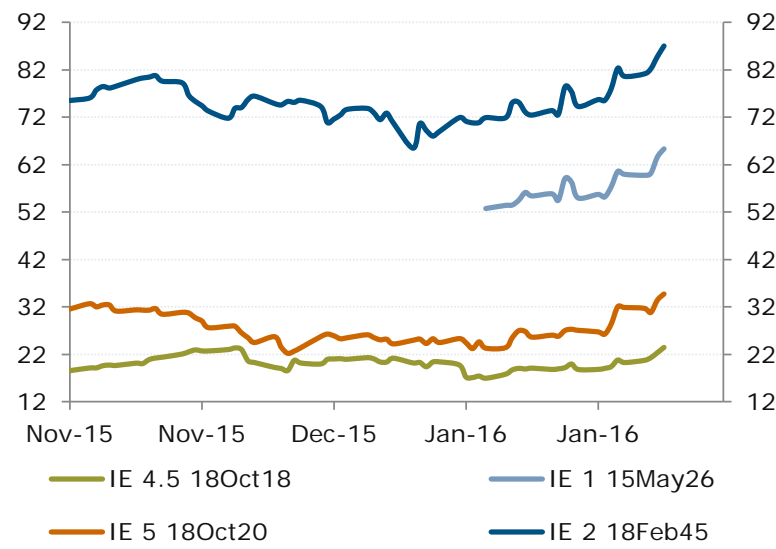
Rating	Baa1/A/A-
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Moody's / S&P / Fitch

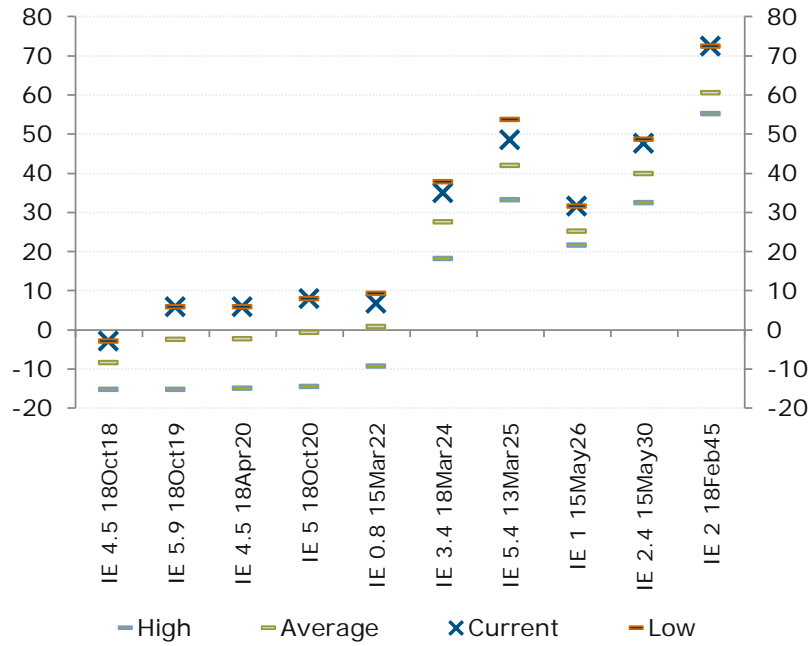
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
4.500	18 Oct 18	9.58B	-0.211	23.8	20.6	2.55	1.5	-3.0	-8.5	2.27
5.900	18 Oct 19	6.58B	-0.066	32.4	26.9	3.01	2.1	5.9	-2.5	3.11
4.500	18 Apr 20	11.77B	-0.013	33.8	27.5	3.17	1.7	5.8	-2.3	2.93
5.000	18 Oct 20	8.99B	0.050	35.1	27.9	2.57	3.0	7.9	-0.7	2.44
0.800	15 Mar 22	4.25B	0.251	41.7	37.1	1.38	-4.6	6.7	0.8	1.75
3.400	18 Mar 24	8.01B	0.702	64.0	55.8	3.44	0.3	35.0	27.6	2.72
5.400	13 Mar 25	11.35B	0.854	65.0	57.9	3.10	-0.1	48.5	41.9	2.37
1.000	15 May 26	3.0B	0.995	65.7	57.7	2.69	1.3	31.5	25.1	2.97
2.400	15 May 30	7.78B	1.375	70.3	62.2	2.86	-0.3	47.5	39.9	2.95
2.000	18 Feb 45	5.05B	1.943	87.4	75.9	3.63	4.3	72.5	60.6	4.40

Spreads against the German curve, bp



Asset swap term structure, bp



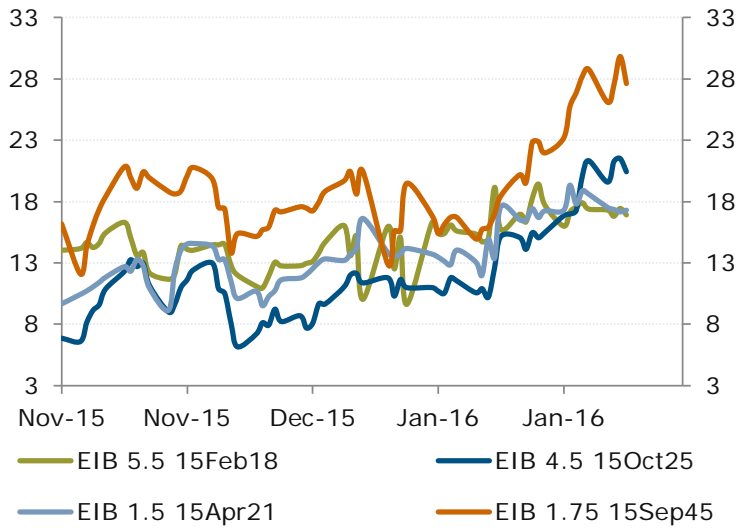


Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

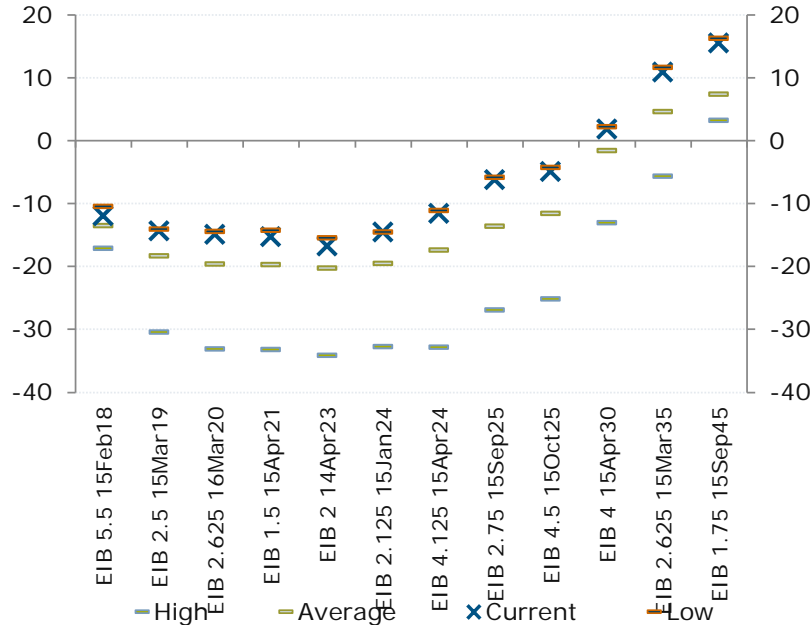
European Investment Bank (EIB)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
5.500	15 Feb 18	0.64B	-0.317	16.5	14.5	1.21	1.4	-12.0	-13.6	1.52
2.500	15 Mar 19	2.9B	-0.285	14.3	12.8	0.67	0.4	-14.4	-18.4	2.55
2.625	16 Mar 20	3.4B	-0.204	15.5	12.3	1.20	-1.1	-14.9	-19.6	1.96
1.500	15 Apr 21	5.0B	-0.085	16.9	13.3	1.71	1.2	-15.3	-19.7	2.08
2.000	14 Apr 23	5.0B	0.135	18.8	15.2	1.69	-1.0	-16.8	-20.3	1.59
2.125	15 Jan 24	5.0B	0.246	20.7	14.4	2.59	0.5	-14.5	-19.6	2.57
4.125	15 Apr 24	7.25B	0.271	19.7	12.9	2.44	-0.2	-11.6	-17.5	2.36
2.750	15 Sep 25	5.35B	0.491	22.7	13.4	2.97	0.0	-6.3	-13.7	2.88
4.500	15 Oct 25	7.75B	0.474	20.0	11.7	2.78	0.0	-4.9	-11.6	2.78
4.000	15 Apr 30	6.5B	0.863	19.5	14.8	1.65	-0.5	1.8	-1.7	2.22
2.625	15 Mar 35	1.7B	1.172	25.4	19.0	2.34	-0.9	10.9	4.6	3.36
1.750	15 Sep 45	1.3B	1.344	27.2	18.7	2.69	-0.9	15.5	7.4	3.61

Spreads against the German curve, bp



Asset swap term structure, bp

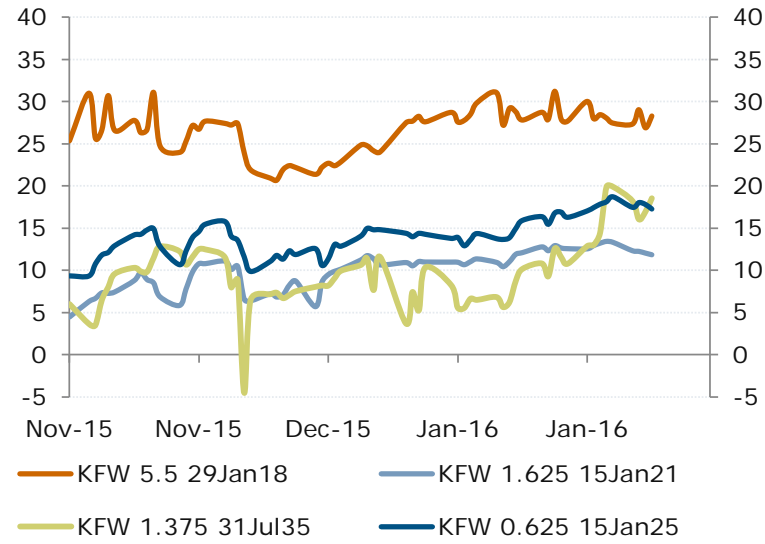


Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

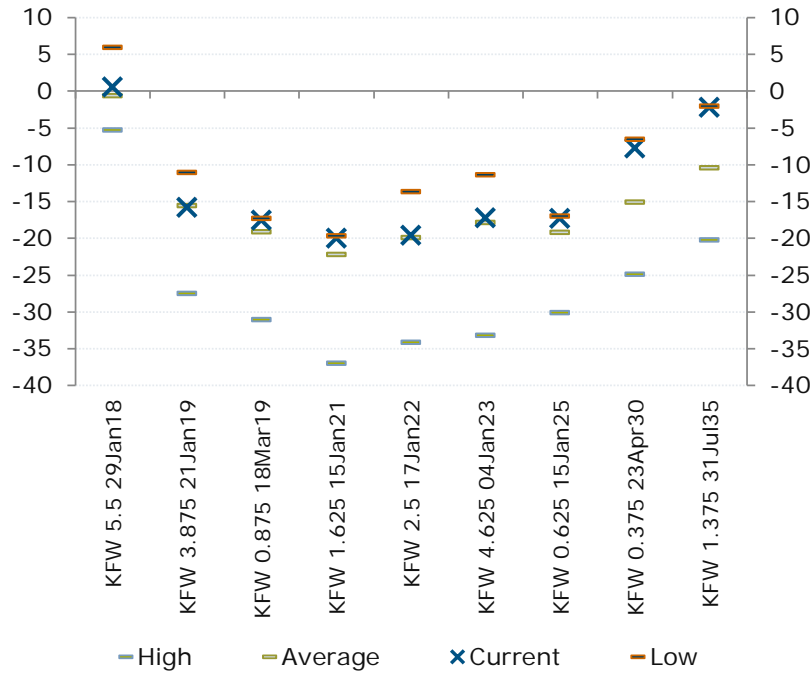
Kreditanstalt für Wiederaufbau (KfW)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	04-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	04-Feb	60D Avg.	Z-score
5.500	29 Jan 18	400.0B	-0.200	28.3	26.6	0.74	6.1	0.5	-0.6	0.61
3.875	21 Jan 19	6.0B	-0.312	12.4	15.0	-0.84	-0.5	-15.8	-15.6	-0.12
0.875	18 Mar 19	5.0B	-0.312	11.5	12.3	-0.36	-1.1	-17.6	-19.1	1.25
1.625	15 Jan 21	5.0B	-0.159	11.8	10.1	0.93	1.3	-20.0	-22.2	1.46
2.500	17 Jan 22	4.0B	-0.044	13.8	14.6	-0.39	-0.1	-19.6	-20.0	0.15
4.625	04 Jan 23	3.0B	0.072	15.7	15.1	0.26	0.9	-17.3	-17.9	0.26
0.625	15 Jan 25	3.0B	0.357	17.3	14.1	1.72	0.3	-17.4	-19.2	1.57
0.375	23 Apr 30	2.0B	0.907	23.8	14.8	2.54	-1.4	-7.8	-15.1	2.96
1.375	31 Jul 35	1.0B	1.113	18.5	9.6	2.80	2.7	-2.3	-10.5	4.06

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