

Euro Rates Update

Nordea Research, 12 February 2016

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US Treasury Yields				
	2Y	5Y	10Y	30Y
	0.66	1.09	1.64	2.49
Δ 1D	-7.2	-9.1	-10.6	-8.6
Δ 1W	-4.5	-13.1	-18.0	-16.4

German Benchmark Yields				
	2Y	5Y	10Y	30Y
	-0.53	-0.31	0.20	0.89
Δ 1D	-1.5	-2.3	-4.7	-7.0
Δ 1W	-3.6	1.0	-8.7	-13.3

German Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-21.5	-51.4	-73.0	-68.3
Δ 1D	-0.8	-2.4	-3.2	-2.2
Δ 1W	4.6	-9.6	-5.0	-4.6

EUR Swap Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-21.8	-54.5	-76.3	-49.5
Δ 1D	-0.5	-2.0	-2.5	-2.8
Δ 1W	-2.2	-4.6	-6.8	-8.5

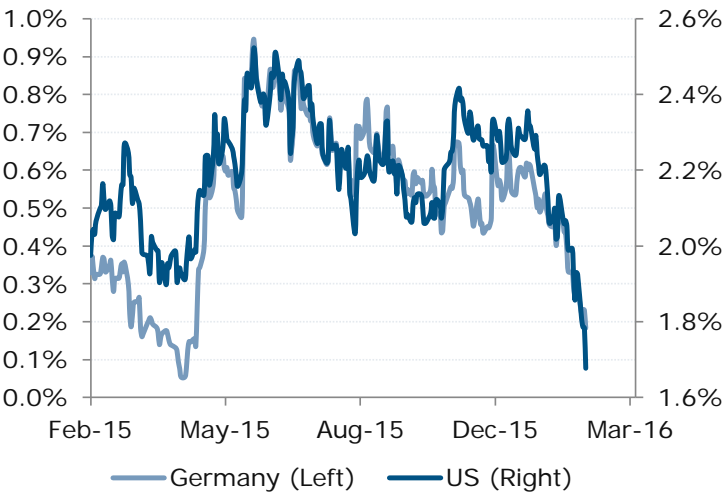
German Asset Swap Levels				
	2Y	5Y	10Y	30Y
	-34.3	-37.0	-38.4	-16.5
Δ 1D	-1.1	-1.6	-2.0	-1.6
Δ 1W	-5.6	-4.7	-4.3	-0.5

10Y Benchmark Yields				
	Yield	Δ 1D	Spread	Δ 1D
GER	0.202	-4.7	-	-
FRA	0.598	-2.0	41.7	2.6
ITA	1.697	5.6	151.4	10.2
ESP	1.769	4.4	159.7	9.0
BEL	0.591	-1.9	46.2	2.7
HOL	0.367	-3.2	23.0	1.3
AUT	0.518	-1.9	34.9	2.7
GRE	10.632	31.5	1054.2	36.0
POR	3.859	35.1	369.2	39.7
FIN	0.520	-1.9	36.3	2.6
IRL	0.924	2.8	82.9	7.3

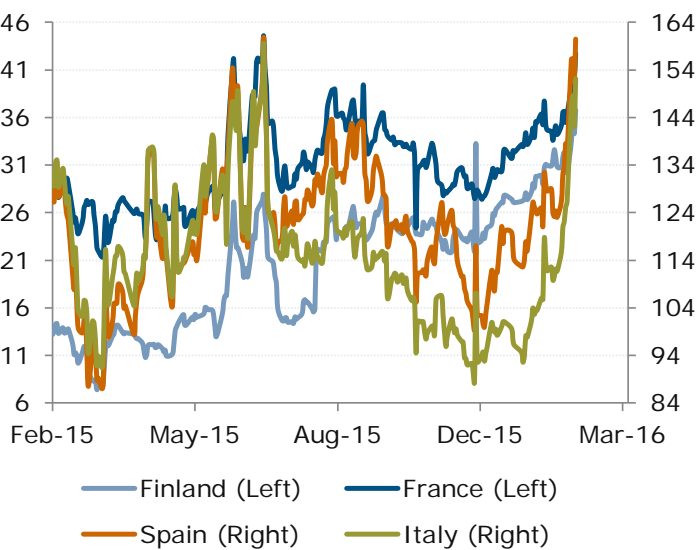
Spread = Maturity interpolated spread to German government par yield curve

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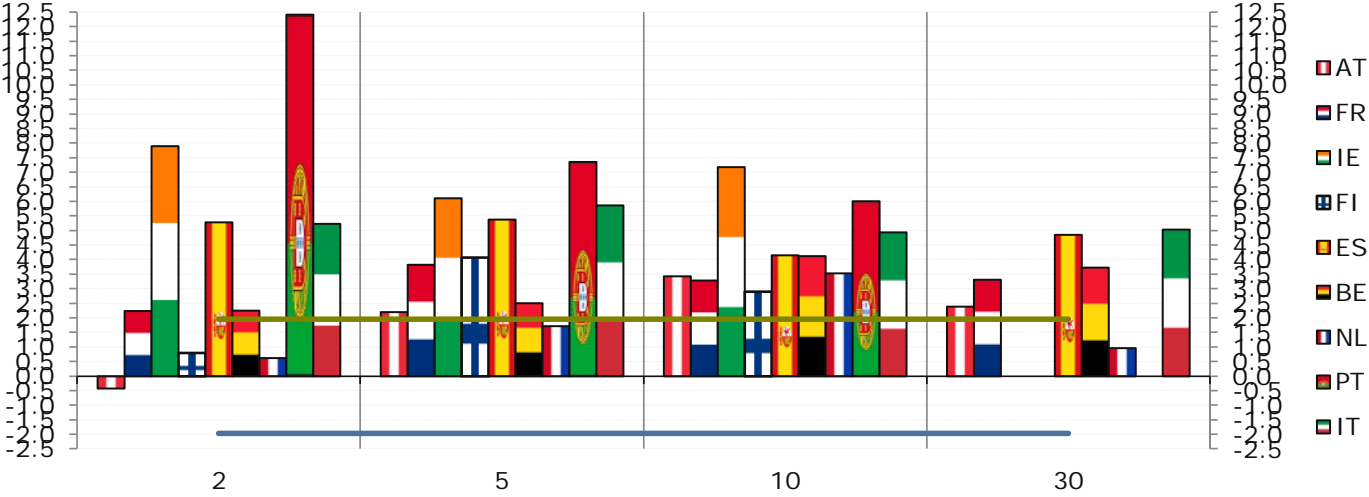
German & US 10-year benchmark yields, %



10 year spreads against Germany, bp



Z-scores of benchmark vs. Germany



Upcoming Issuance (source: Bloomberg)						
Date		Country	Coupon	Maturity		Amount (EURbn)
15 Feb		LN				
15 Feb		SO				
17 Feb		GE				5.00
18 Feb		FR				
22 Feb		LN				
22 Feb		BE				

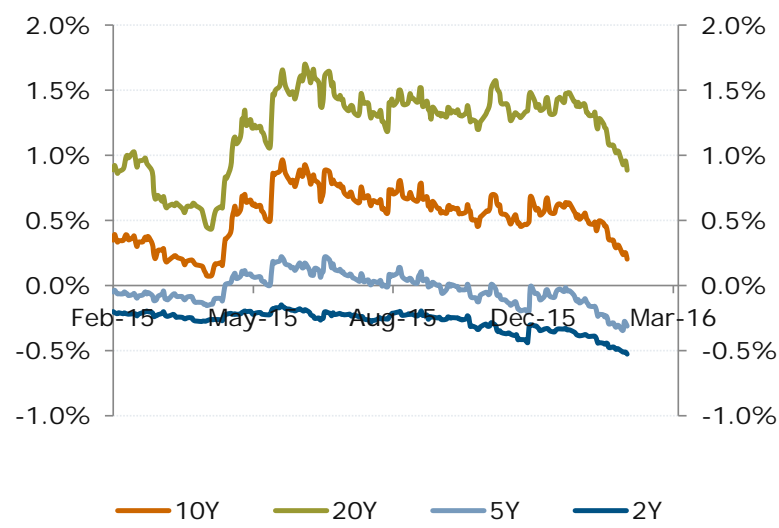
All bond quotes are taken at 16:15 CET.

Bond Yields & Curves

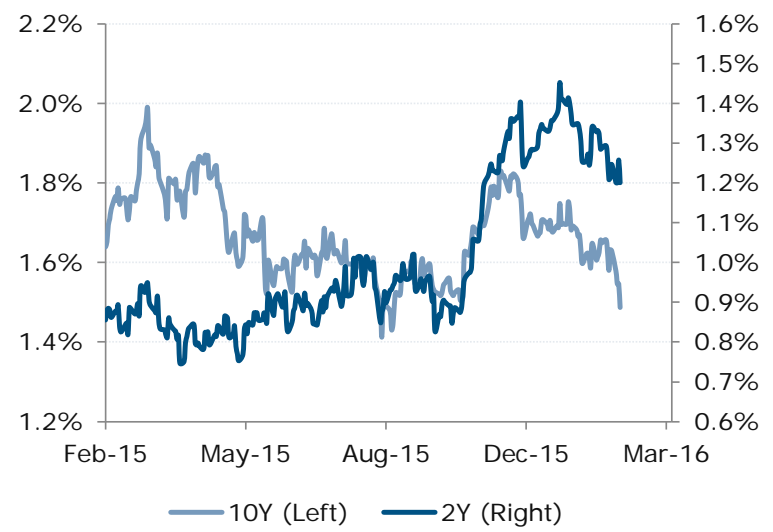
Yield Levels

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

German benchmark bond yields, %



USA-Germany spreads, annualized yields, %



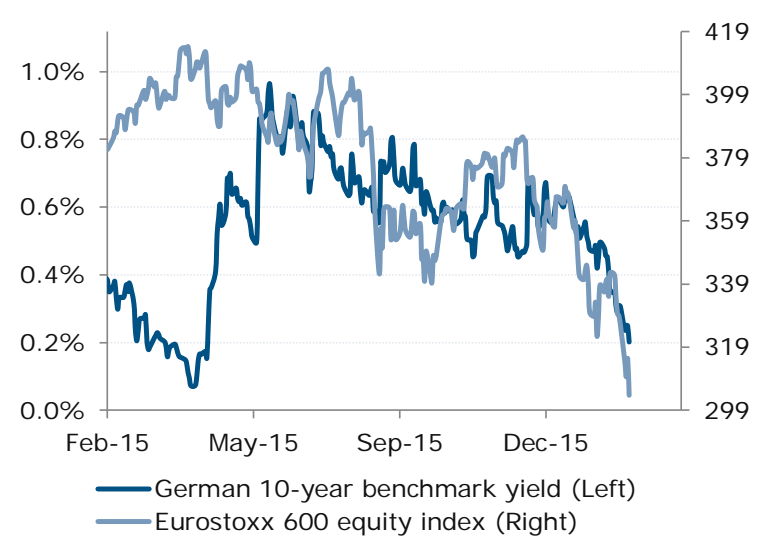
Bond Curve Shape

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

German yield curve slopes, bp



Bonds vs. equities



Swaps and Forwards

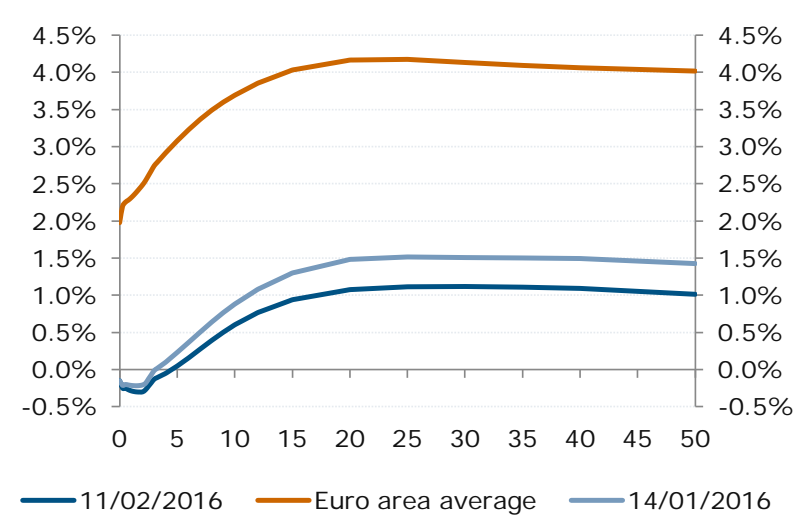
EUR swap rates and implied forwards, %



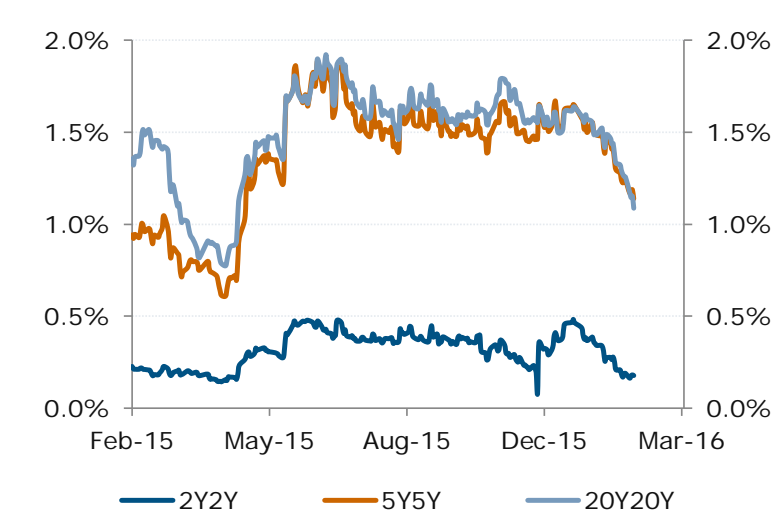
EUR-USD spreads and implied forwards, %



EUR swap curve shape vs. historical

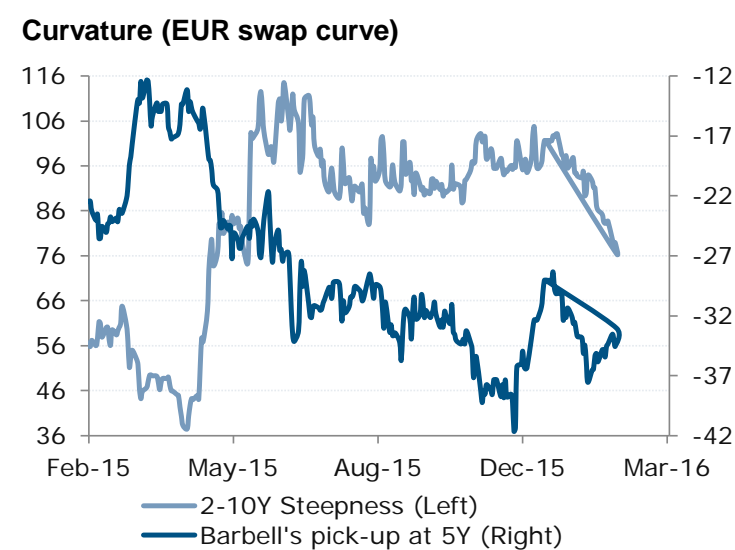


Historical forward rates, %



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.

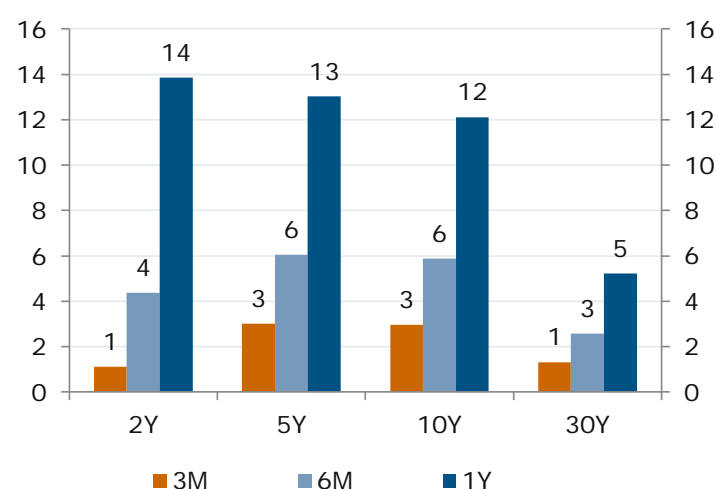


Carry

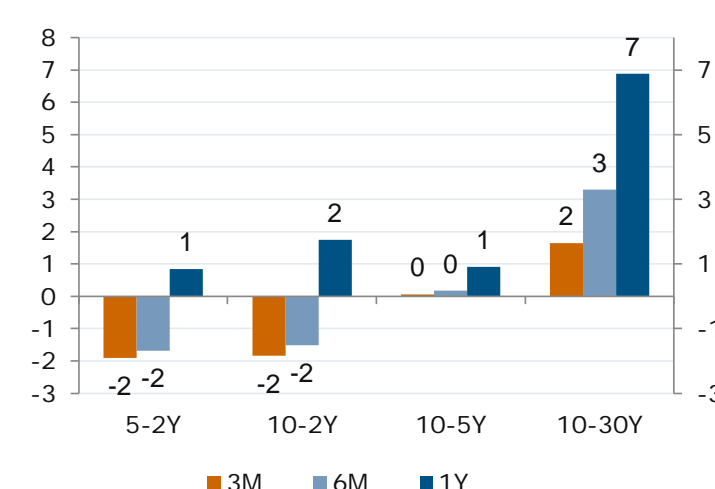
The carry on the given horizon illustrates how much the spot swap rate may rise for a receiver swap position in a forward-starting swap to result in zero profit.

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.

Yield buffers for forward-starting swaps, bp

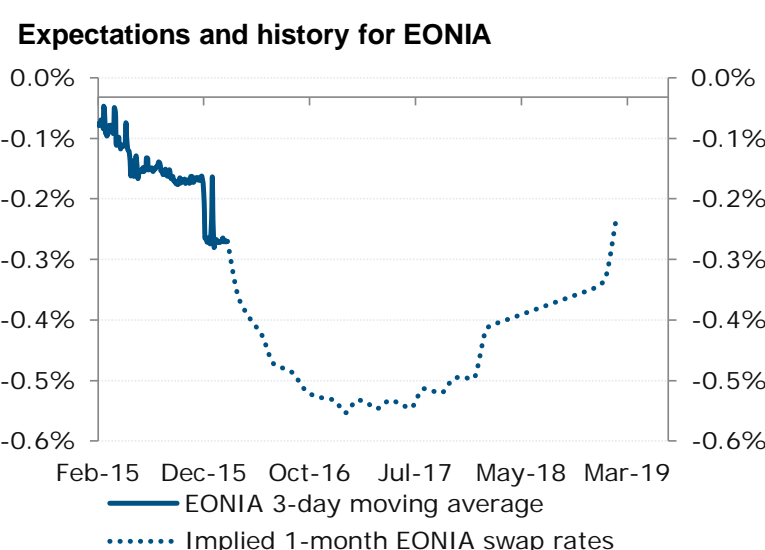


Yield buffers for duration-neutral steepeners, bp

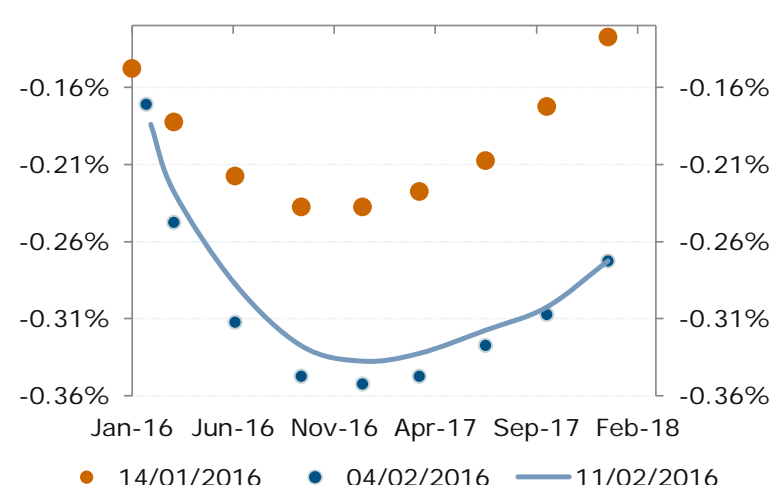


Money Market Rates

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

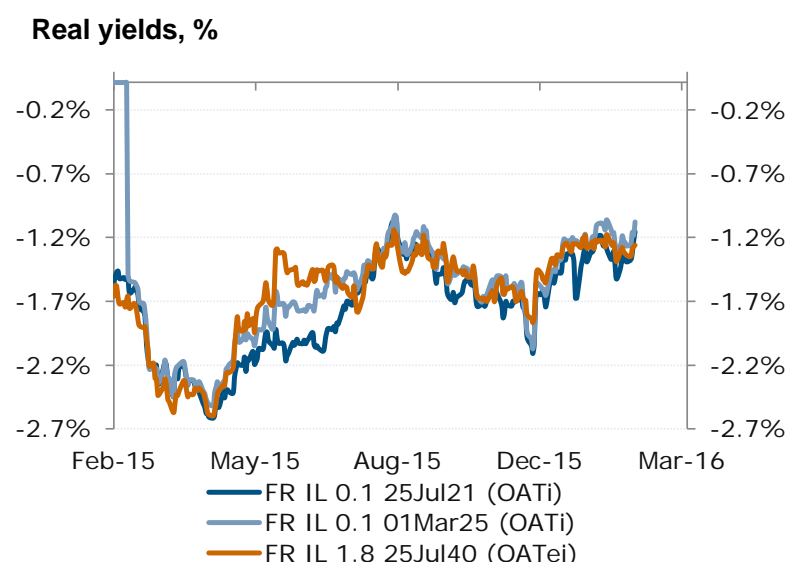


Euribor futures curve, now, 1 wk & 1M ago

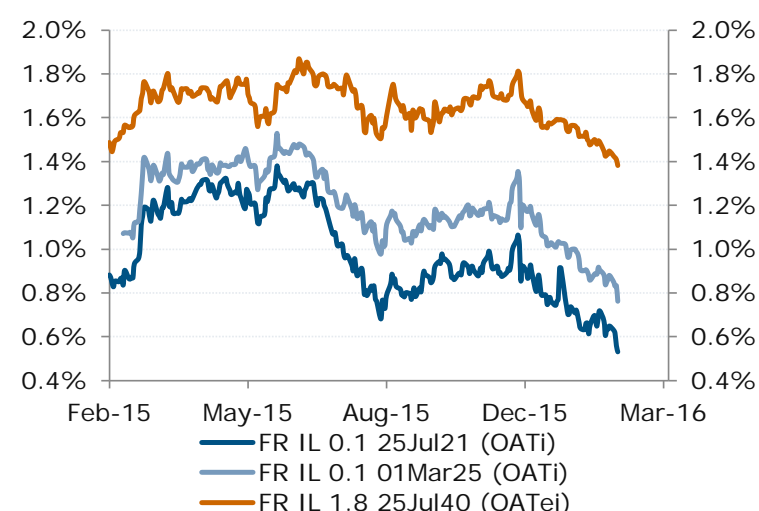


Inflation-linked Bonds

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

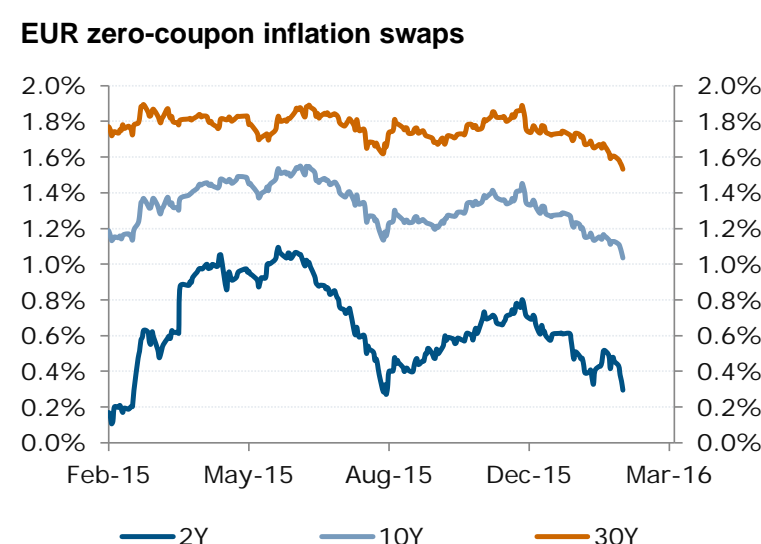


Break-even inflation history, %

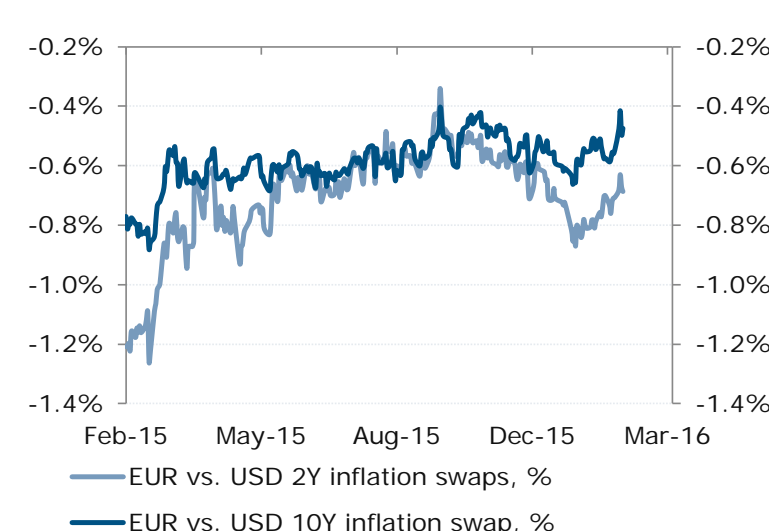


Inflation Swaps

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 vs. USD inflation swaps



Credit & Money Market Spreads

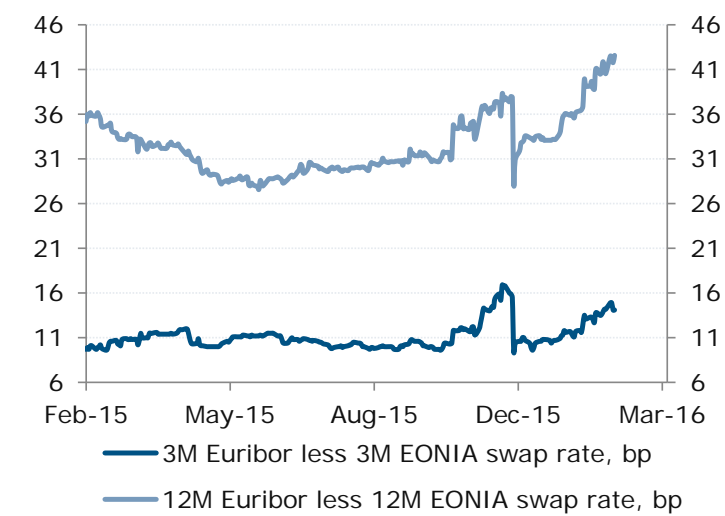
Credit default swap indices illustrate the annual cost of buying protection against a credit event of a company. iTraxx® Europe is comprised of the 125 most liquid CDS contracts referencing European investment grade credits, iTraxx® Crossover of 50 sub-investment grade credits.

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



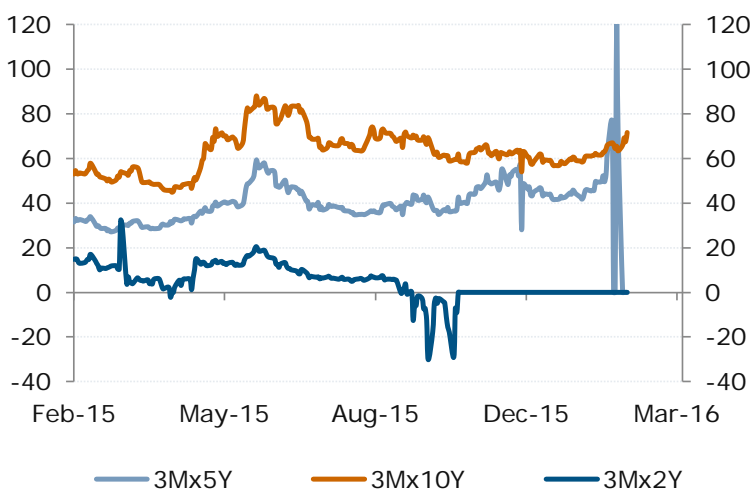
Money market rates vs. EONIA swap rates



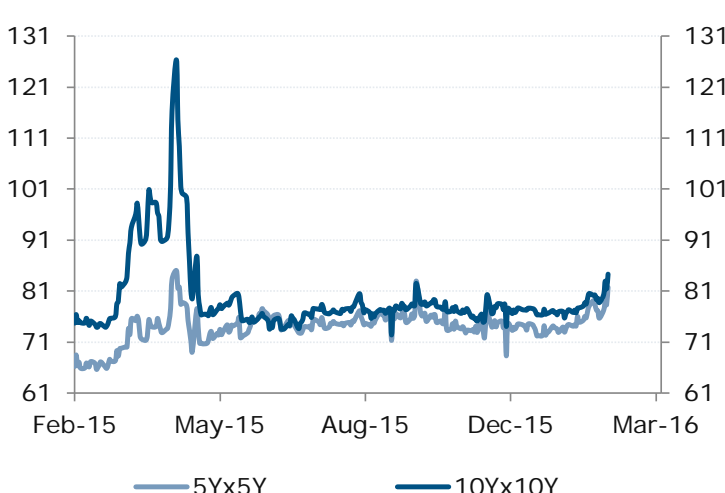
Swaption Volatilities

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

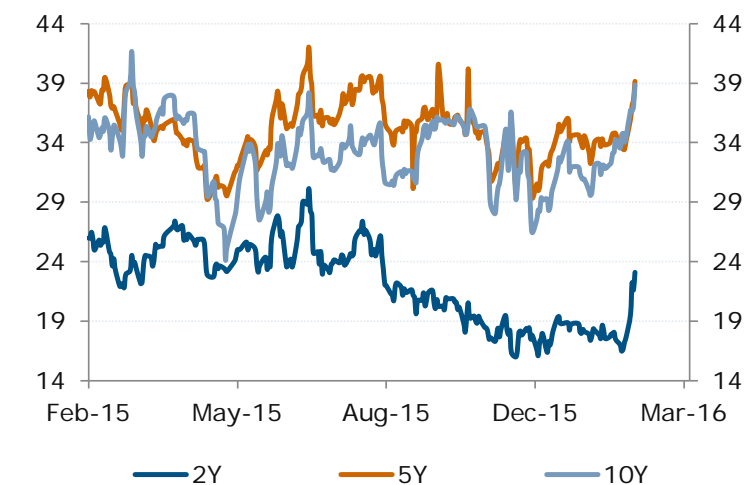
Swap spread:
Benchmark bond's spread to EUR swap curve.

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

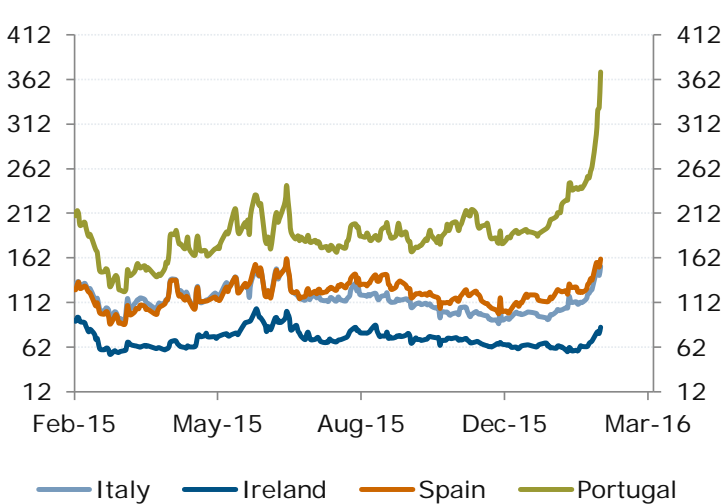
1Y break-even spread changes indicate how much a bond's spread against an equivalent bond trading on the German curve may widen in order to give the same return in one year.

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

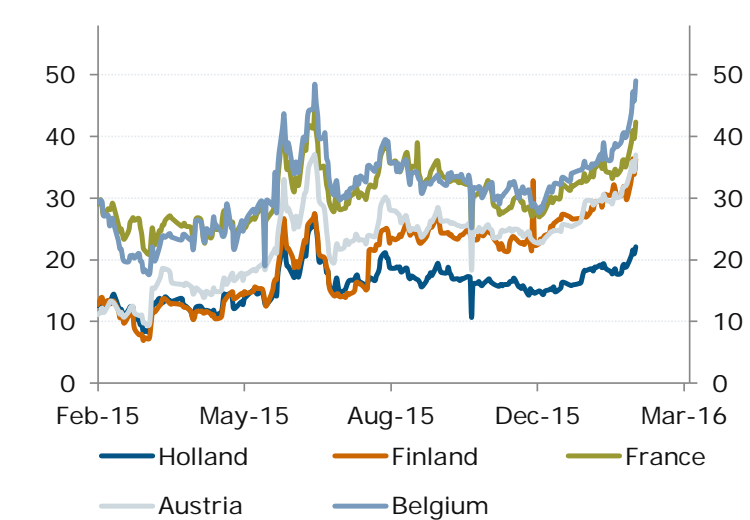
German swap spreads, bp



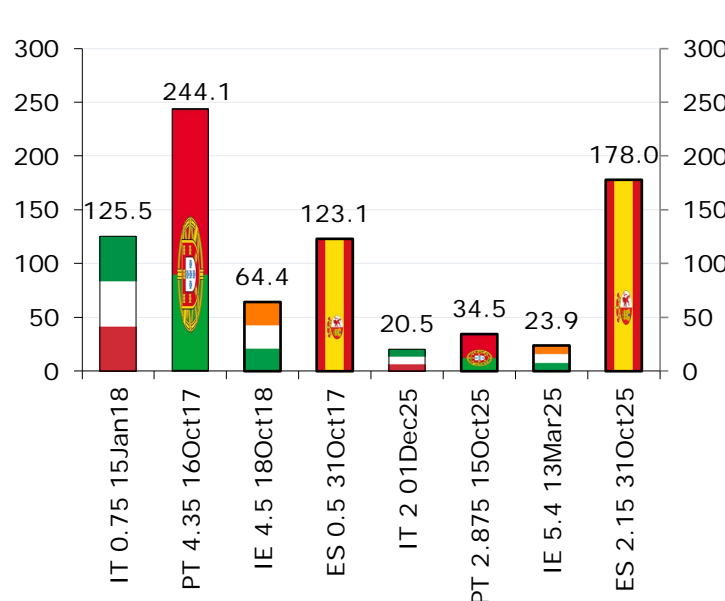
10Y non-AAA spreads against Germany, bp



10Y AAA/AA+ spreads to Germany, bp



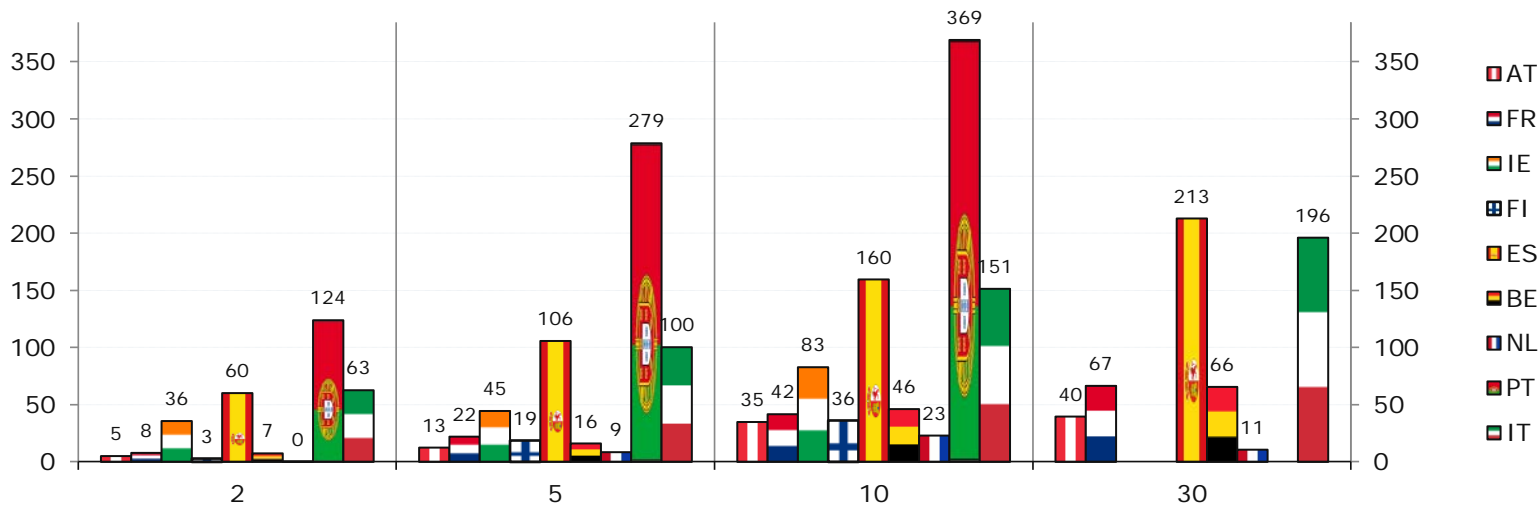
1Y B/E spread changes against Germany, bp



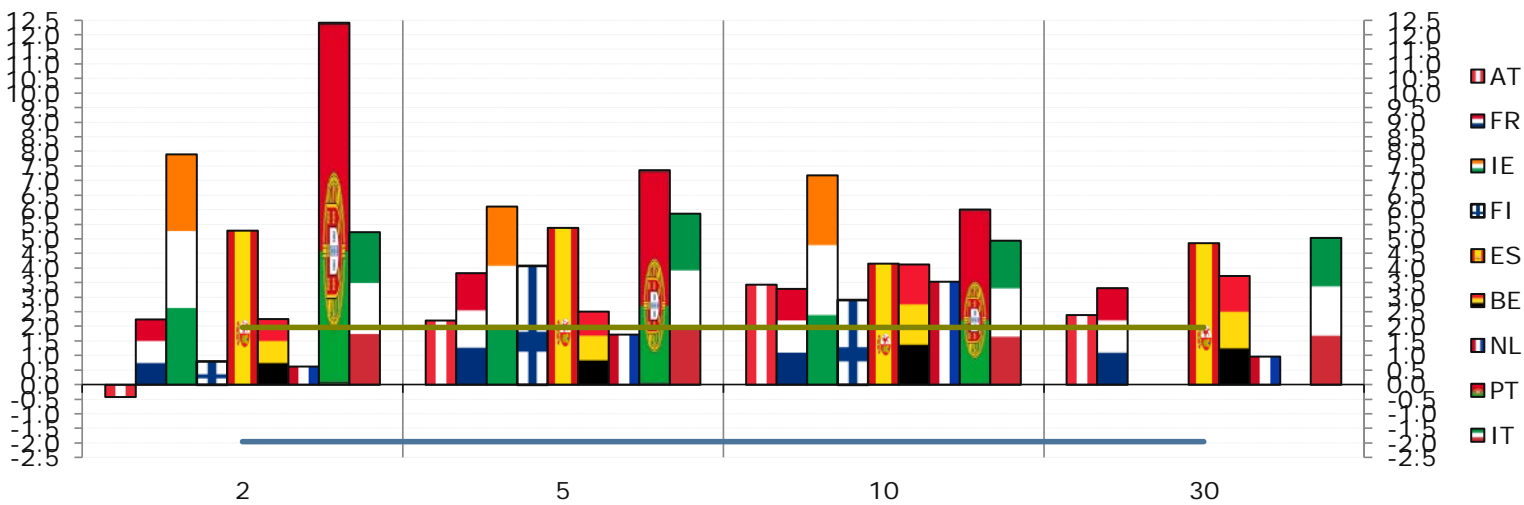


Country Relative Value

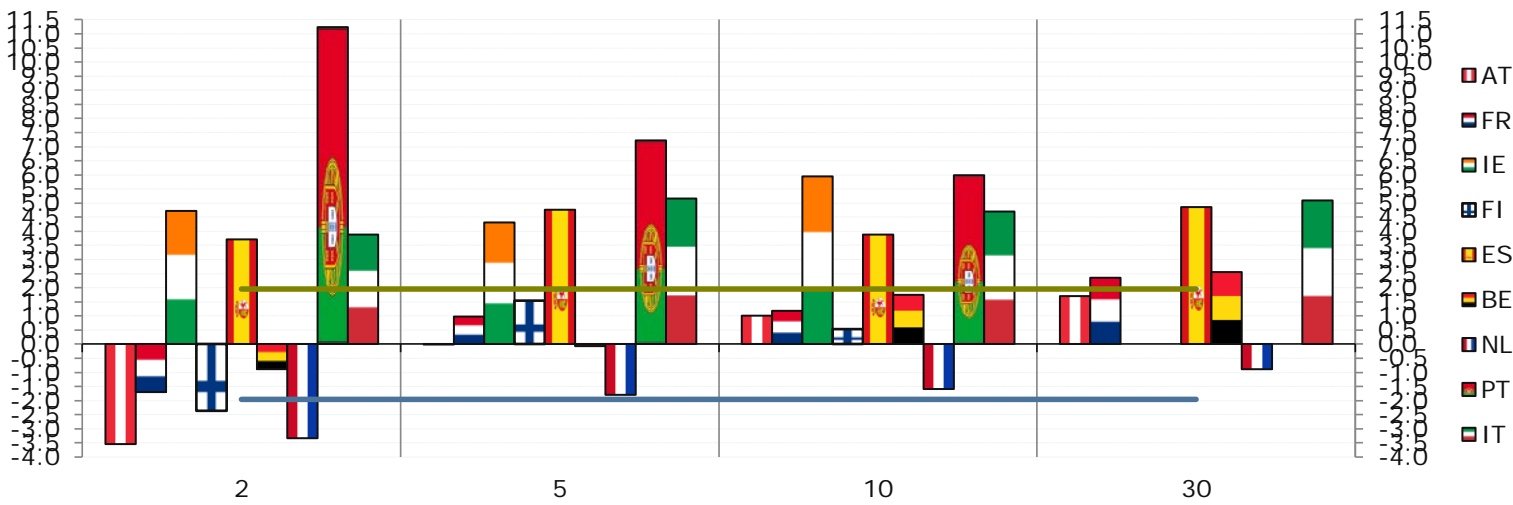
Benchmark spreads over the maturity-interpolated German par curve, bp



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	DE	15 Dec 17	0.000	-10.5	-2.27	DE	15 Dec 17	0.000	-34.3	-4.14
	PT	16 Oct 17	4.350	124.0	10.07	PT	16 Oct 17	4.350	94.5	9.53
5Y: Rich	DE	04 Jan 22	2.000	-29.0	-4.17	DE	17 Apr 20	0.000	-37.8	-3.14
	PT	15 Jun 20	4.800	278.8	6.39	PT	15 Jun 20	4.800	254.8	6.11
7Y: Rich	DE	15 Feb 24	1.750	-39.7	-3.97	DE	15 May 23	1.500	-45.1	-4.21
	IE	18 Mar 24	3.400	80.7	6.07	PT	15 Feb 24	5.650	363.5	5.33
10Y: Rich	DE	15 Feb 25	0.500	-40.3	-3.13	DE	15 Feb 25	0.500	-40.8	-4.18
	IE	13 Mar 25	5.400	82.9	6.10	IE	13 Mar 25	5.400	62.8	5.33
15Y: Rich	DE	04 Jan 31	5.500	-62.1	-3.73	DE	04 Jan 31	5.500	-33.4	-3.21
	IE	15 May 30	2.400	91.4	5.65	IE	15 May 30	2.400	62.3	5.54
20Y: Rich	DE	15 Aug 46	2.500	-79.7	-3.19	DE	15 Aug 46	2.500	-16.5	-1.87
	IE	18 Feb 45	2.000	109.2	5.56	IE	18 Feb 45	2.000	90.7	5.81

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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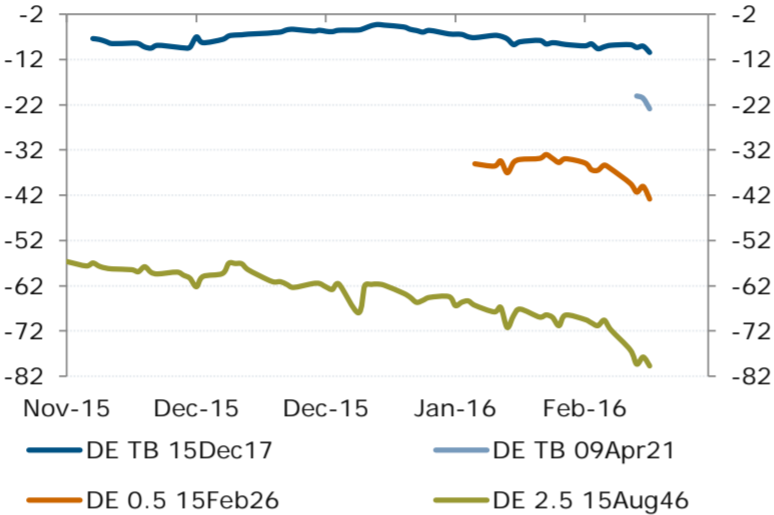
Moody's / S&P / Fitch

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

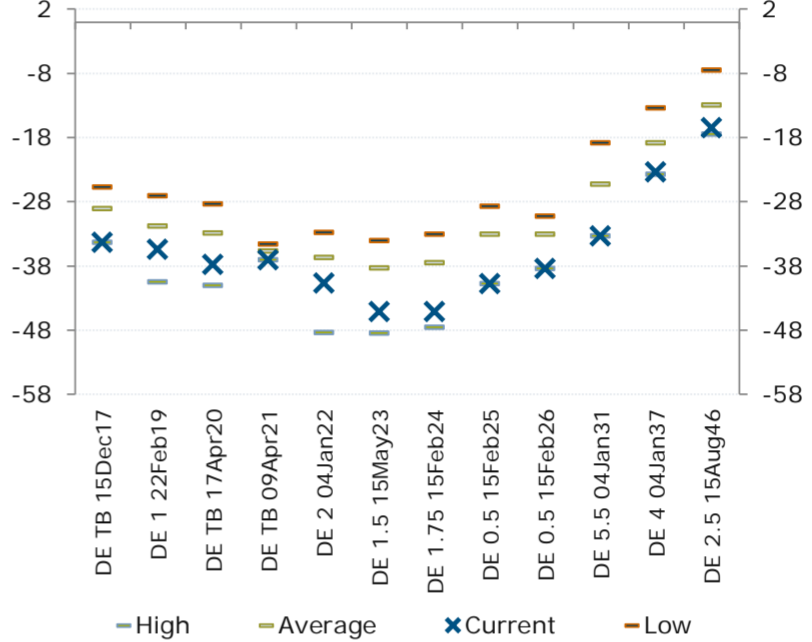
Germany

Benchmark Bonds				Spread vs. France				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
0.000	15 Dec 17	13.0B	-0.528	-10.5	-7.4	-2.27	89.9	-34.3	-29.1	-4.14
1.000	22 Feb 19	16.0B	-0.484	-13.9	-11.8	-1.51	-0.9	-35.4	-31.8	-1.85
0.000	17 Apr 20	20.0B	-0.418	-20.9	-15.0	-2.97	-3.6	-37.8	-32.8	-3.14
0.000	09 Apr 21	5.0B	-0.313	-22.9	-21.2	-1.00	-29.4	-37.0	-35.7	-1.00
2.000	04 Jan 22	20.0B	-0.269	-29.0	-21.7	-4.17	-3.4	-40.6	-36.7	-2.43
1.500	15 May 23	18.0B	-0.157	-37.0	-28.0	-3.86	-1.9	-45.1	-38.3	-4.21
1.750	15 Feb 24	18.0B	-0.073	-39.7	-30.7	-3.97	-1.7	-45.1	-37.5	-4.17
0.500	15 Feb 25	23.0B	0.080	-40.3	-29.8	-3.13	-1.5	-40.8	-33.0	-4.18
0.500	15 Feb 26	5.0B	0.202	-42.9	-36.2	-3.12	-0.6	-38.4	-33.0	-2.85
5.500	04 Jan 31	17.0B	0.494	-62.1	-47.5	-3.73	-0.2	-33.4	-25.3	-3.21
4.000	04 Jan 37	23.0B	0.745	-72.3	-56.5	-3.52	-0.1	-23.3	-18.9	-2.14
2.500	15 Aug 46	14.0B	0.885	-79.7	-64.4	-3.19	0.4	-16.5	-12.9	-1.87

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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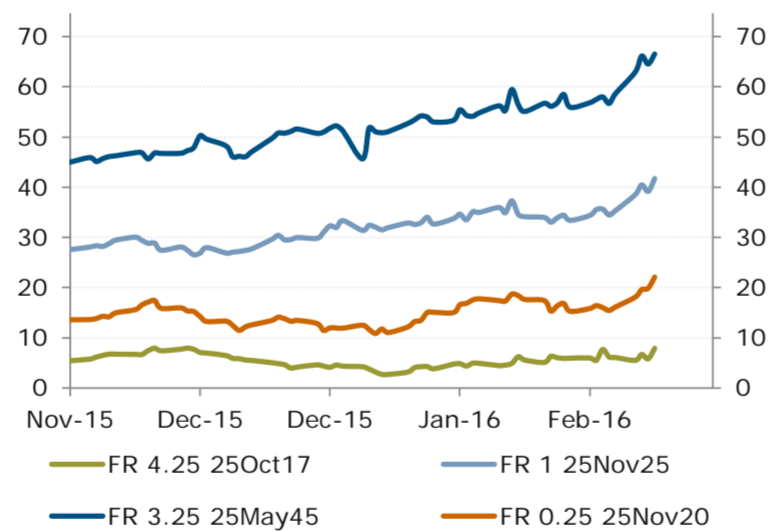
Moody's / S&P / Fitch

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

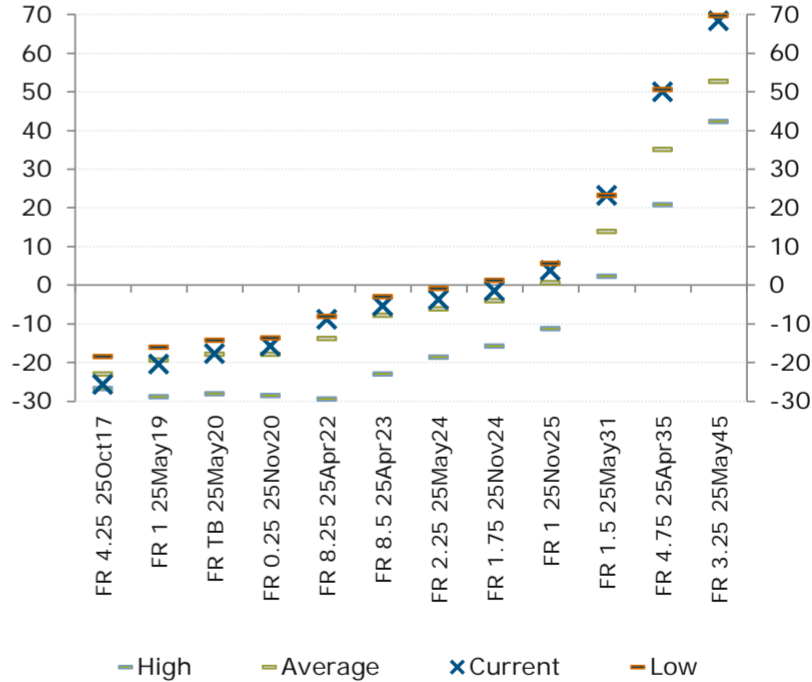
France

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
4.250	25 Oct 17	34.03B	-0.443	7.9	5.6	2.13	-9.9	-25.8	-23.0	-1.40
1.000	25 May 19	23.02B	-0.319	14.9	12.6	1.69	-1.2	-20.4	-19.4	-0.57
0.000	25 May 20	22.01B	-0.204	20.0	15.3	3.27	-26.6	-17.8	-17.9	0.10
0.250	25 Nov 20	15.95B	-0.139	22.1	15.2	3.58	-4.0	-15.8	-17.9	1.04
8.250	25 Apr 22	1.99B	0.005	23.9	16.0	4.46	-2.6	-9.0	-13.9	1.71
8.500	25 Apr 23	10.03B	0.127	27.4	19.3	5.12	-1.9	-5.4	-7.9	1.12
2.250	25 May 24	30.55B	0.341	35.7	26.6	3.32	0.6	-3.8	-6.3	1.01
1.750	25 Nov 24	30.99B	0.424	36.9	27.9	3.28	1.0	-1.6	-4.2	1.09
1.000	25 Nov 25	25.99B	0.598	41.7	31.9	3.13	1.9	3.7	0.5	1.37
1.500	25 May 31	9.44B	1.137	56.0	41.0	3.74	1.3	23.1	13.7	2.48
4.750	25 Apr 35	25.03B	1.279	50.8	35.5	3.46	-1.2	49.9	35.0	2.66
3.250	25 May 45	17.01B	1.590	66.5	52.4	3.14	0.9	68.2	52.6	2.91

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

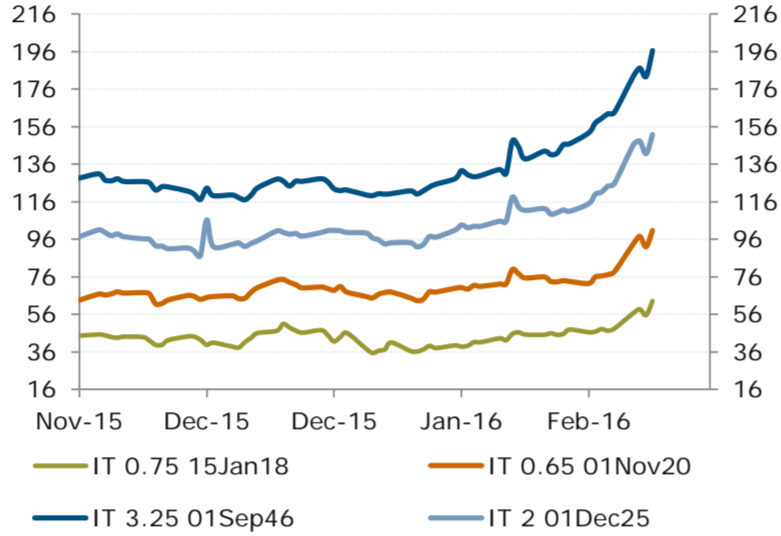
Rating	Baa2/BBB-/BBB+
Moody's / S&P / Fitch	

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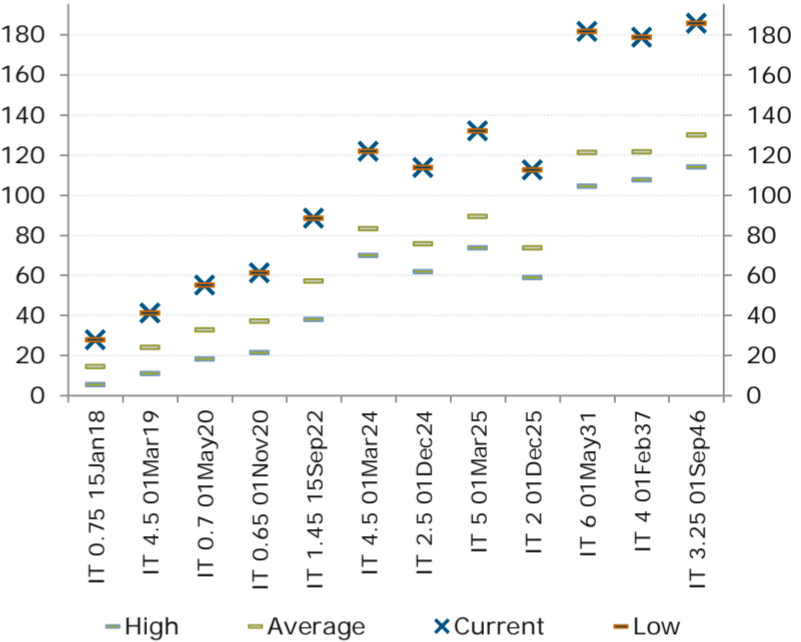
Italy

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
0.750	15 Jan 18	15.46B	0.100	62.7	43.7	4.76	103.4	27.8	14.5	3.58
4.500	01 Mar 19	24.01B	0.241	72.2	52.4	5.63	3.7	41.2	23.8	4.19
0.700	01 May 20	15.99B	0.525	93.4	66.4	5.74	4.1	55.0	32.7	4.91
0.650	01 Nov 20	11.15B	0.638	100.4	70.9	5.23	4.7	61.0	36.9	4.54
1.450	15 Sep 22	16.99B	1.112	131.5	94.3	5.34	3.7	88.5	57.0	4.55
4.500	01 Mar 24	23.71B	1.436	148.6	105.2	4.80	2.0	121.8	83.1	4.55
2.500	01 Dec 24	20.99B	1.566	150.8	105.6	4.76	14.7	113.7	75.6	4.55
5.000	01 Mar 25	23.01B	1.588	149.6	103.8	4.67	1.1	131.9	89.2	4.48
2.000	01 Dec 25	17.01B	1.697	151.4	104.2	4.39	0.0	112.5	73.7	4.16
6.000	01 May 31	29.75B	2.261	168.8	110.1	4.97	1.4	181.5	121.2	4.69
4.000	01 Feb 37	26.01B	2.618	179.7	121.4	4.97	1.6	178.6	121.6	4.78
3.250	01 Sep 46	13.24B	2.893	196.2	134.0	4.42	0.6	185.6	129.8	4.29

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

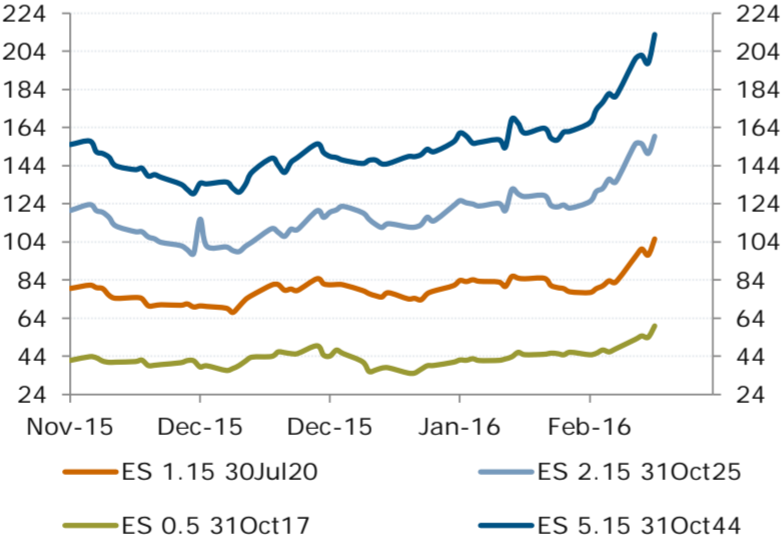
Rating	Baa2/BBB/BBB+
Moody's / S&P / Fitch	

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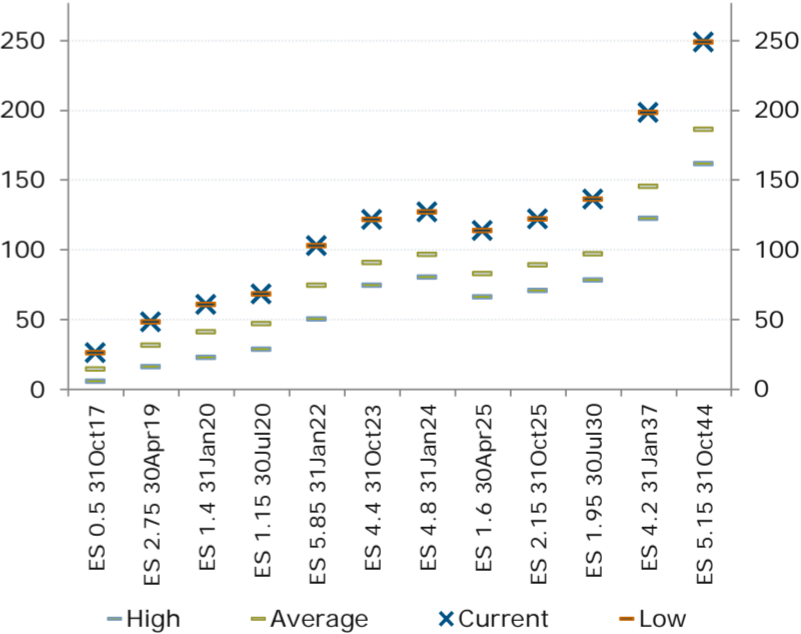
Spain

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
0.500	31 Oct 17	16.99B	0.080	60.2	43.4	4.76	97.4	26.0	14.5	3.64
2.750	30 Apr 19	22.98B	0.334	80.6	61.1	4.38	5.2	48.0	31.4	3.88
1.400	31 Jan 20	21.91B	0.540	97.0	73.2	4.62	4.9	60.6	40.9	4.11
1.150	30 Jul 20	15.03B	0.670	105.8	79.6	4.88	-19.4	68.2	46.8	4.34
5.850	31 Jan 22	22.01B	0.985	123.8	94.9	4.44	12.6	102.6	74.3	3.70
4.400	31 Oct 23	20.01B	1.395	148.4	113.1	4.05	7.6	121.6	90.7	3.45
4.800	31 Jan 24	16.01B	1.443	150.4	115.7	3.97	5.7	126.7	96.4	3.43
1.600	30 Apr 25	19.09B	1.674	156.3	117.7	3.92	1.0	113.3	82.7	3.55
2.150	31 Oct 25	20.96B	1.769	159.7	119.0	3.84	15.5	121.8	88.8	3.54
1.950	30 Jul 30	11.51B	2.326	179.5	129.8	4.05	19.0	136.0	96.8	3.73
4.200	31 Jan 37	17.02B	2.778	195.8	142.2	4.21	-1.4	198.0	145.3	4.08
5.150	31 Oct 44	11.23B	3.052	213.0	154.4	4.38	2.4	248.4	186.1	4.23

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

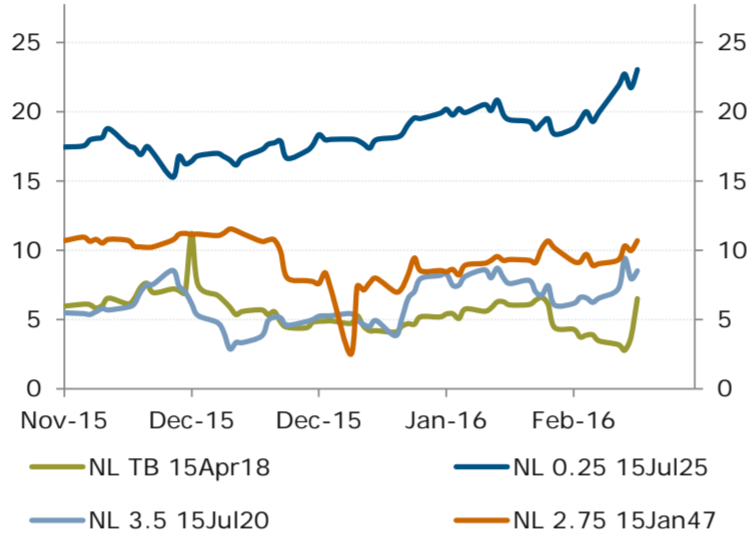
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

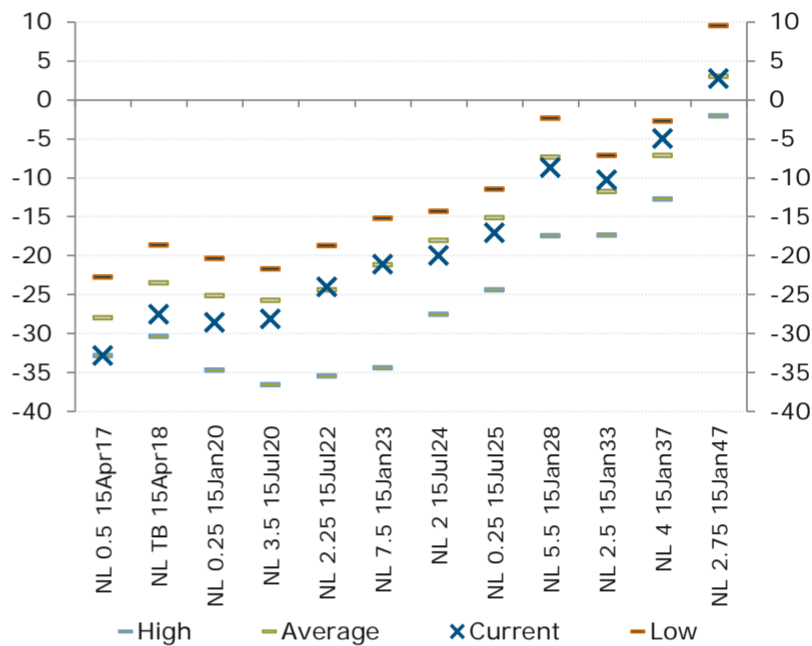
Netherlands

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
0.500	15 Apr 17	13.03B	-0.508	0.3	-0.3	0.67	6.7	-32.9	-28.0	-2.50
0.000	15 Apr 18	15.99B	-0.456	6.5	5.6	0.92	4.0	-27.6	-23.6	-2.08
0.250	15 Jan 20	15.84B	-0.349	8.3	7.8	0.43	-22.8	-28.6	-25.2	-1.74
3.500	15 Jul 20	15.02B	-0.306	8.5	6.3	1.65	-0.4	-28.2	-25.8	-1.35
2.250	15 Jul 22	15.01B	-0.055	16.2	11.2	3.43	0.8	-24.0	-24.5	0.22
7.500	15 Jan 23	2.37B	-0.013	16.2	10.4	5.09	0.3	-21.2	-21.3	0.05
2.000	15 Jul 24	15.32B	0.204	20.1	15.0	5.02	-0.3	-20.1	-18.1	-1.19
0.250	15 Jul 25	15.01B	0.367	23.0	18.5	3.29	0.1	-17.1	-15.2	-1.28
5.500	15 Jan 28	13.02B	0.530	16.7	9.8	4.10	-0.3	-8.7	-7.4	-0.61
2.500	15 Jan 33	12.01B	0.814	14.6	8.2	3.23	0.5	-10.3	-11.8	0.70
4.000	15 Jan 37	13.99B	0.889	7.0	2.3	3.04	0.0	-5.0	-7.2	1.04
2.750	15 Jan 47	10.99B	1.040	10.7	9.5	0.97	-0.1	2.7	3.0	-0.18

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

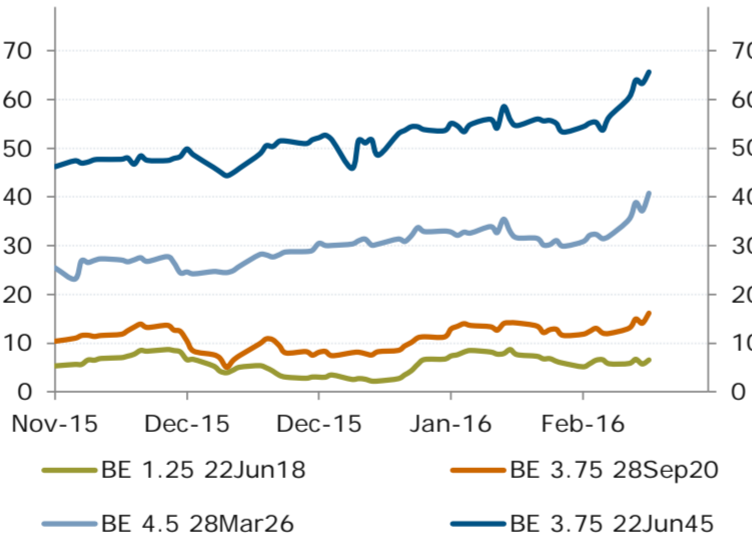
Rating	Aa3/AA/AA
Moody's / S&P / Fitch	

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

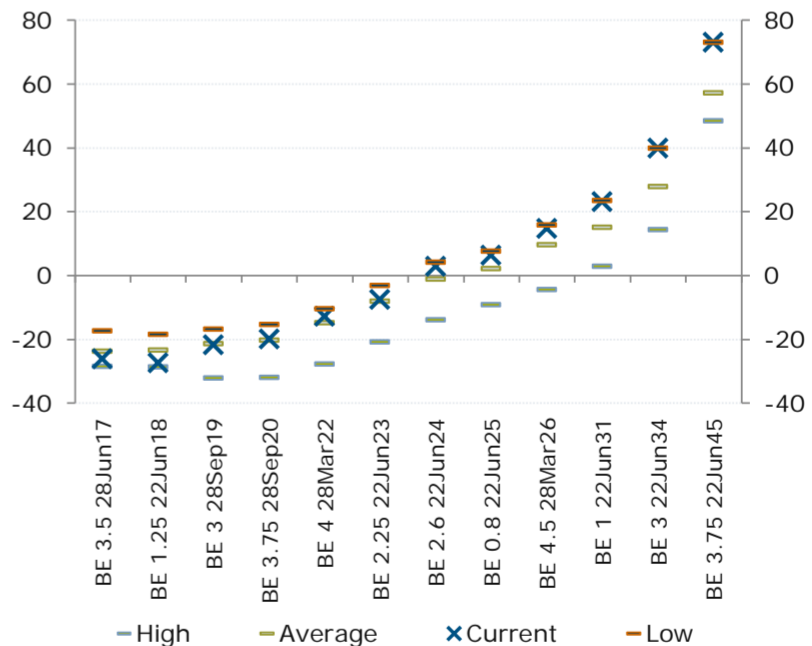
Belgium

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
3.500	28 Jun 17	13.34B	-0.440	7.5	4.2	2.19	-16.5	-26.1	-23.8	-0.88
1.250	22 Jun 18	11.01B	-0.447	6.5	6.0	0.38	0.3	-27.4	-23.4	-1.78
3.000	28 Sep 19	12.01B	-0.309	14.0	10.7	1.79	1.3	-21.6	-21.4	-0.08
3.750	28 Sep 20	19.01B	-0.212	16.2	11.3	2.40	1.7	-19.9	-20.3	0.14
4.000	28 Mar 22	14.02B	0.002	24.3	18.4	3.54	1.9	-12.7	-14.8	0.97
2.250	22 Jun 23	13.99B	0.206	33.5	26.8	3.92	1.0	-7.4	-7.9	0.26
2.600	22 Jun 24	15.85B	0.405	41.1	30.4	3.78	0.5	2.9	-1.2	1.64
0.800	22 Jun 25	16.02B	0.591	46.2	35.4	3.90	0.1	6.5	2.1	2.01
4.500	28 Mar 26	9.02B	0.624	40.8	29.9	3.53	0.5	14.8	9.7	1.75
1.000	22 Jun 31	4.0B	1.174	59.3	45.7	3.49	0.5	23.1	15.1	2.27
3.000	22 Jun 34	6.47B	1.291	55.0	40.6	3.67	0.6	39.9	27.8	2.74
3.750	22 Jun 45	8.01B	1.581	65.6	52.1	3.51	-0.3	73.0	57.2	3.19

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

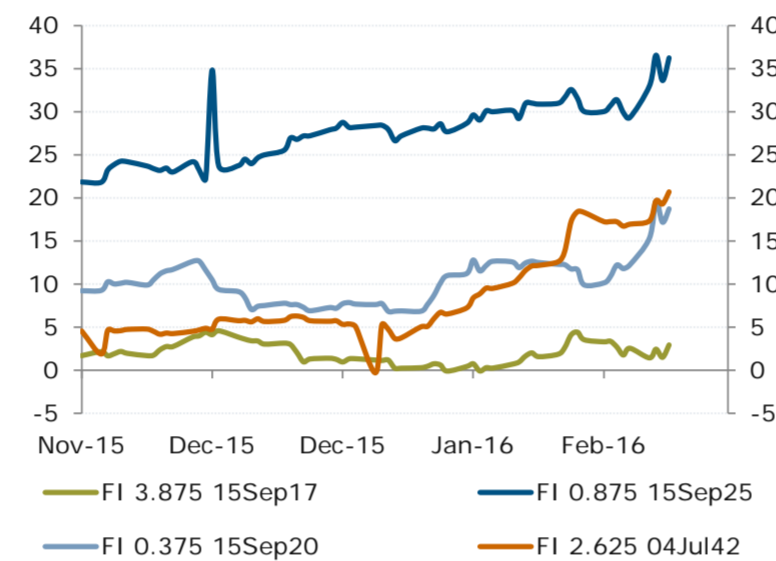
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

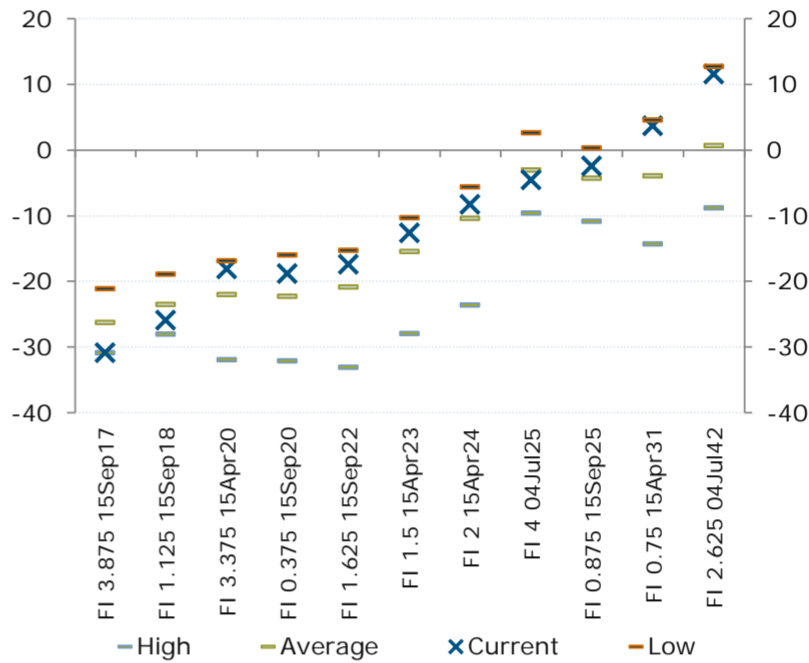
Finland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
3.875	15 Sep 17	6.0B	-0.490	3.0	2.1	0.77	-13.1	-30.8	-26.2	-1.99
1.125	15 Sep 18	5.03B	-0.425	7.7	6.4	1.57	0.8	-25.9	-23.5	-1.24
3.375	15 Apr 20	6.5B	-0.235	17.8	10.1	4.16	1.3	-18.1	-22.0	1.63
0.375	15 Sep 20	6.03B	-0.189	18.7	10.6	3.77	0.7	-18.9	-22.3	1.46
1.625	15 Sep 22	5.0B	0.033	23.6	15.4	4.15	0.6	-17.4	-20.9	1.40
1.500	15 Apr 23	5.0B	0.148	29.8	21.0	5.79	0.4	-12.6	-15.4	1.49
2.000	15 Apr 24	5.0B	0.291	32.3	23.3	3.22	0.2	-8.2	-10.4	0.89
4.000	04 Jul 25	6.03B	0.405	27.2	21.8	1.62	-3.1	-4.5	-3.1	-0.54
0.875	15 Sep 25	4.03B	0.520	36.3	27.9	2.82	0.3	-2.5	-4.2	0.89
0.750	15 Apr 31	3.5B	0.969	39.8	26.1	2.60	0.5	3.7	-3.9	1.65
2.625	04 Jul 42	4.03B	1.117	20.7	8.8	2.62	-0.1	11.6	0.6	2.41

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

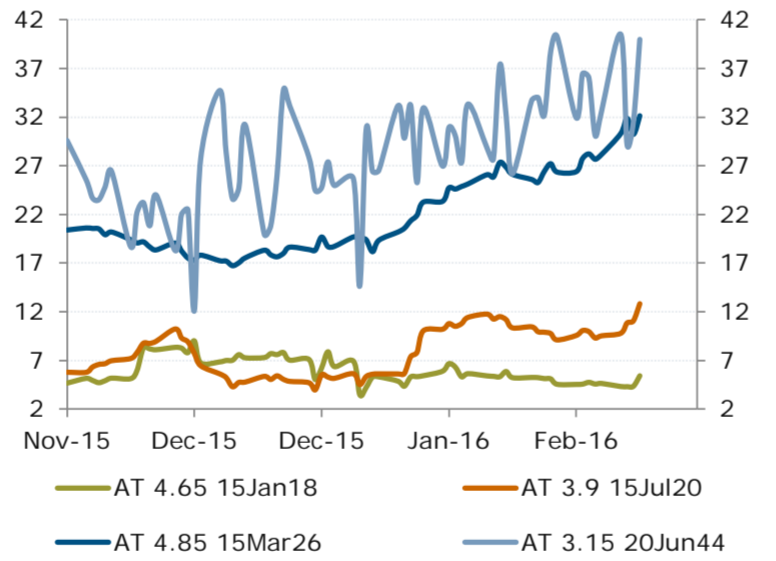
Rating	Aaa/AA+/AA+
Moody's / S&P / Fitch	

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

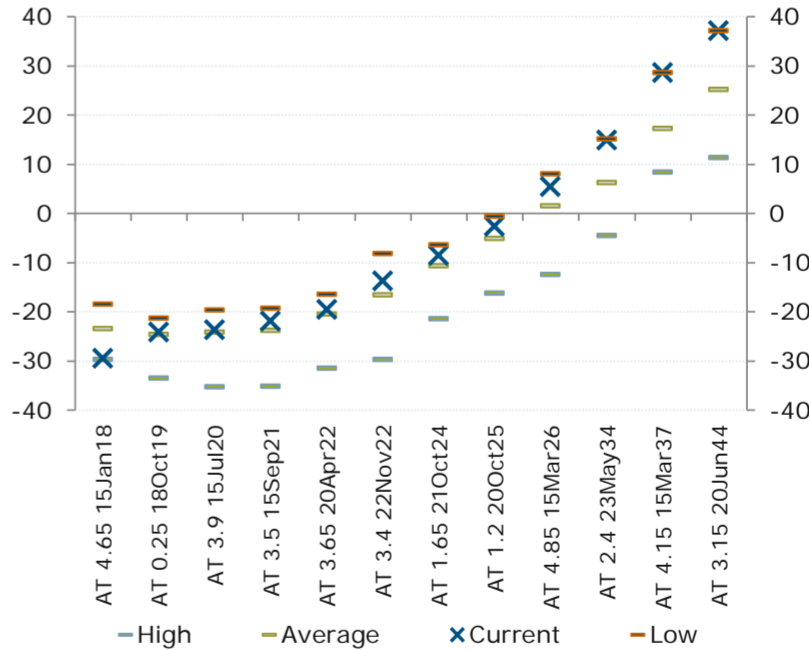
Austria

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
4.650	15 Jan 18	12.06B	-0.476	5.1	5.6	-0.43	-0.1	-29.5	-23.5	-2.51
0.250	18 Oct 19	7.95B	-0.324	12.2	8.1	2.28	2.2	-24.2	-24.6	0.20
3.900	15 Jul 20	13.01B	-0.266	12.5	7.8	2.11	0.9	-23.7	-24.1	0.16
3.500	15 Sep 21	14.99B	-0.133	15.5	9.8	2.37	0.3	-21.9	-23.8	0.67
3.650	20 Apr 22	8.71B	-0.050	18.6	13.6	2.44	-0.5	-19.5	-20.5	0.41
3.400	22 Nov 22	10.99B	0.069	25.7	18.0	2.67	2.9	-13.8	-16.5	0.82
1.650	21 Oct 24	10.35B	0.349	30.8	22.1	3.73	-0.4	-8.5	-10.6	1.08
1.200	20 Oct 25	9.66B	0.518	34.9	25.8	3.20	0.1	-2.6	-5.1	1.19
4.850	15 Mar 26	8.01B	0.532	31.8	21.9	2.52	-1.0	5.4	1.5	1.08
2.400	23 May 34	5.19B	1.088	35.0	23.2	2.56	0.7	14.9	6.3	1.75
4.150	15 Mar 37	12.22B	1.157	33.4	21.8	3.15	-0.3	28.6	17.3	2.51
3.150	20 Jun 44	6.72B	1.317	39.7	28.1	2.28	1.2	37.1	25.1	2.06

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

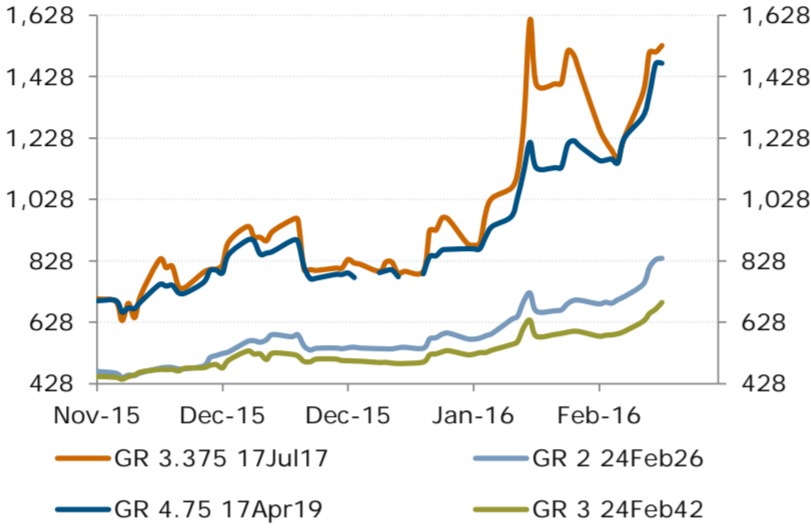
Source: European Commission, Winter 2015 forecast

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

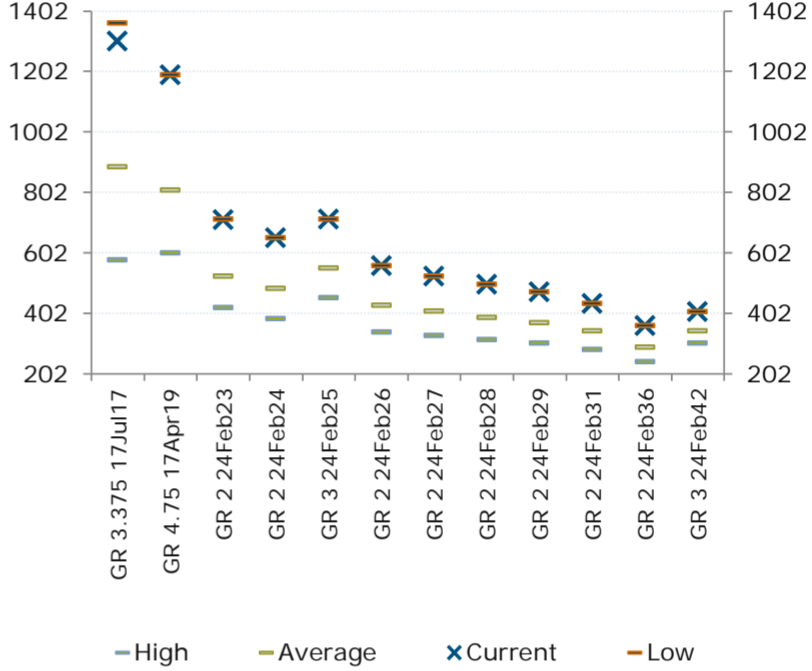
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
3.375	17 Jul 17	2.02B	14.776	1,529.2	1,001.8	2.32	207.0	1,302.3	887.3	2.27
4.750	17 Apr 19	4.02B	14.242	1,471.6	929.1	3.10	13.7	1,190.0	809.8	2.92
2.000	24 Feb 23	1.04B	9.986	1,015.1	691.7	3.45	-30.1	711.7	525.0	3.17
2.000	24 Feb 24	1.25B	9.407	946.0	648.3	3.33	6.2	651.3	484.0	3.06
3.000	24 Feb 25	1.84B	10.632	1,054.2	740.3	3.58	117.2	713.0	551.7	3.25
2.000	24 Feb 26	1.37B	8.567	835.8	589.9	3.18	22.9	560.7	428.3	2.94
2.000	24 Feb 27	1.21B	8.219	792.9	574.7	3.09	21.7	524.3	409.3	2.86
2.000	24 Feb 28	1.84B	8.061	769.0	555.0	3.15	28.0	499.0	389.4	2.91
2.000	24 Feb 29	1.48B	7.856	741.4	538.7	3.23	27.5	473.8	372.1	2.98
2.000	24 Feb 31	1.29B	7.563	700.0	512.5	3.30	23.2	435.0	343.7	3.07
2.000	24 Feb 36	1.33B	6.807	601.3	452.2	3.04	12.1	362.0	290.9	2.94
3.000	24 Feb 42	1.05B	7.828	692.0	532.8	3.39	111.4	407.0	343.7	3.23

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

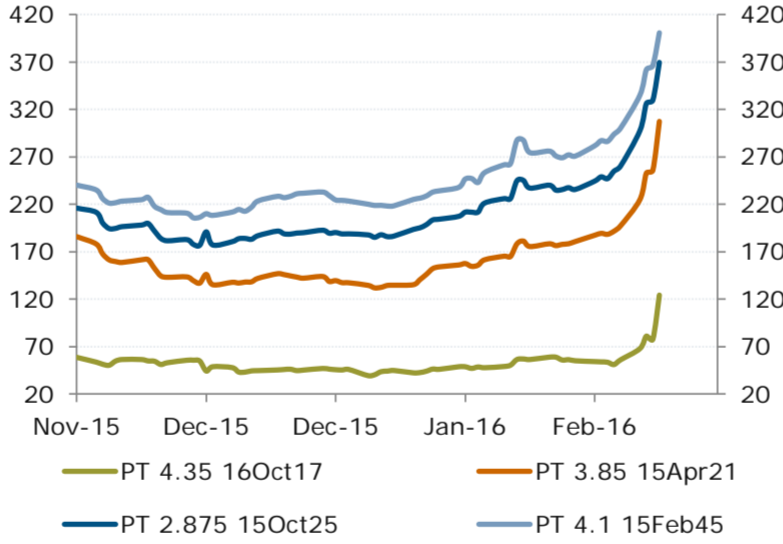
Source: European Commission, Winter 2015 forecast

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

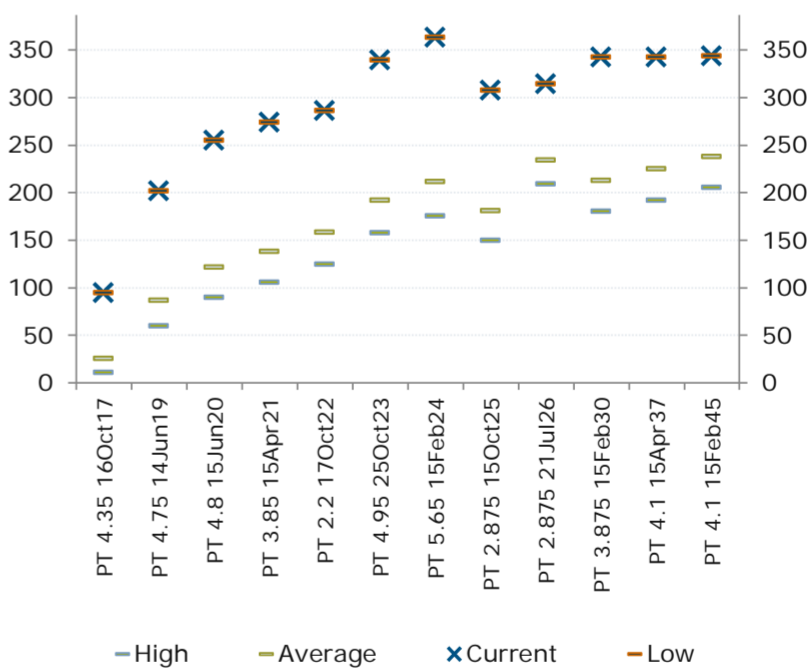
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
4.350	16 Oct 17	8.99B	0.718	124.0	52.1	10.07	99.9	94.5	25.7	9.53
4.750	14 Jun 19	10.75B	1.801	226.6	110.8	7.01	17.3	201.9	86.5	6.60
4.800	15 Jun 20	10.99B	2.390	278.8	142.7	6.39	16.6	254.8	121.3	6.11
3.850	15 Apr 21	9.55B	2.745	307.0	162.9	6.34	15.0	274.2	138.1	5.99
2.200	17 Oct 22	3.0B	3.271	346.6	197.7	5.63	2.5	286.2	158.2	5.21
4.950	25 Oct 23	8.02B	3.603	369.4	208.5	5.64	8.5	339.7	191.9	5.29
5.650	15 Feb 24	12.02B	3.788	384.4	220.1	5.66	0.1	363.5	211.3	5.33
2.875	15 Oct 25	10.52B	3.859	369.2	214.0	5.22	-3.1	307.3	181.2	4.92
2.875	21 Jul 26	4.0B	4.060	381.8	276.9	3.01	0.6	314.5	234.1	2.95
3.875	15 Feb 30	4.05B	4.516	401.0	234.5	5.05	1.8	342.6	213.0	4.64
4.100	15 Apr 37	8.02B	4.769	394.3	237.6	4.77	3.7	342.8	225.3	4.37
4.100	15 Feb 45	2.5B	4.928	400.4	247.3	4.77	-0.1	343.5	238.1	4.29

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

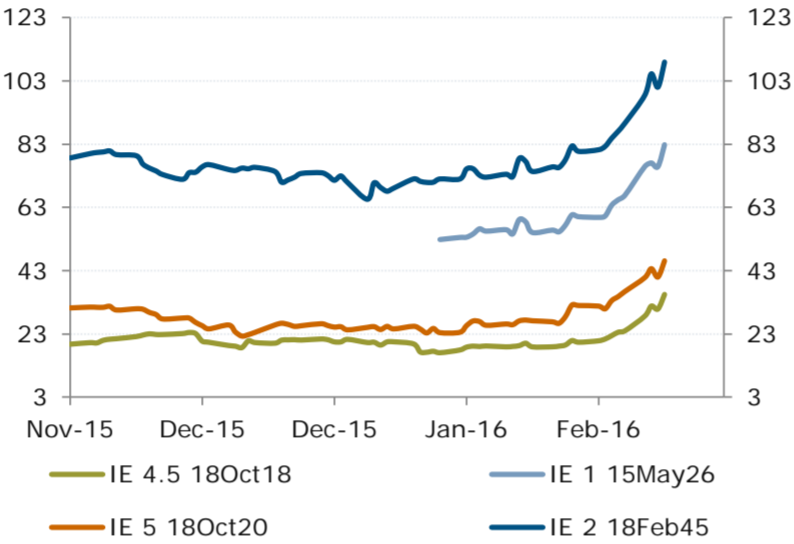
Rating	Baa1/A/A-
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Moody's / S&P / Fitch

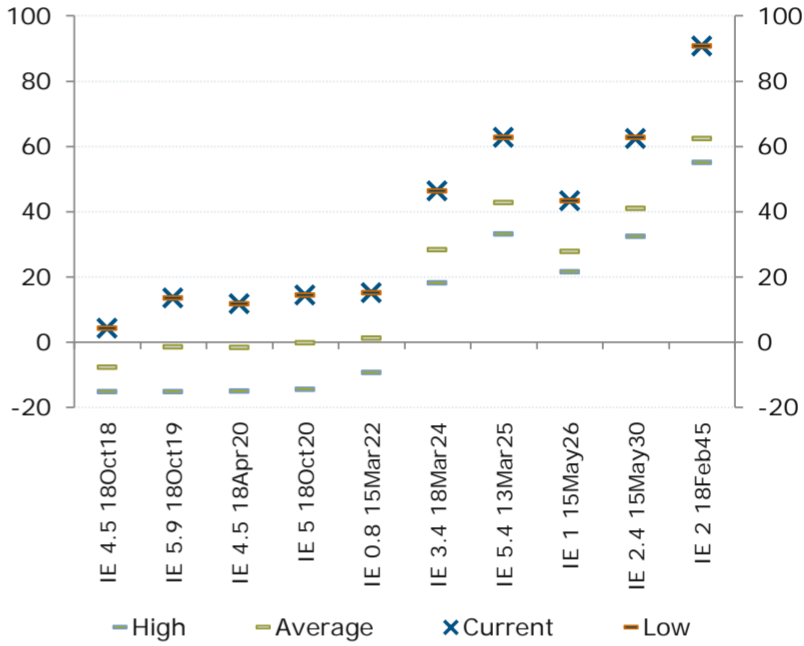
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
4.500	18 Oct 18	9.58B	-0.140	35.8	21.5	6.70	3.2	4.1	-7.7	3.80
5.900	18 Oct 19	6.58B	0.000	44.6	28.0	5.64	1.1	13.4	-1.5	4.10
4.500	18 Apr 20	11.77B	0.033	44.6	28.3	5.61	3.2	11.6	-1.7	3.82
5.000	18 Oct 20	8.99B	0.095	46.4	28.7	4.66	3.2	14.4	-0.2	3.53
0.800	15 Mar 22	4.25B	0.310	55.4	37.6	4.47	3.4	15.0	1.2	3.62
3.400	18 Mar 24	8.01B	0.764	80.7	57.1	6.07	-3.0	46.3	28.3	5.03
5.400	13 Mar 25	11.35B	0.924	82.9	59.2	6.10	2.7	62.8	42.7	5.33
1.000	15 May 26	4.0B	1.058	83.1	61.3	3.25	13.2	43.2	27.8	3.13
2.400	15 May 30	7.78B	1.434	91.4	63.8	5.65	1.4	62.3	41.0	5.54
2.000	18 Feb 45	5.05B	2.015	109.2	77.8	5.56	11.1	90.7	62.3	5.81

Spreads against the German curve, bp



Asset swap term structure, bp



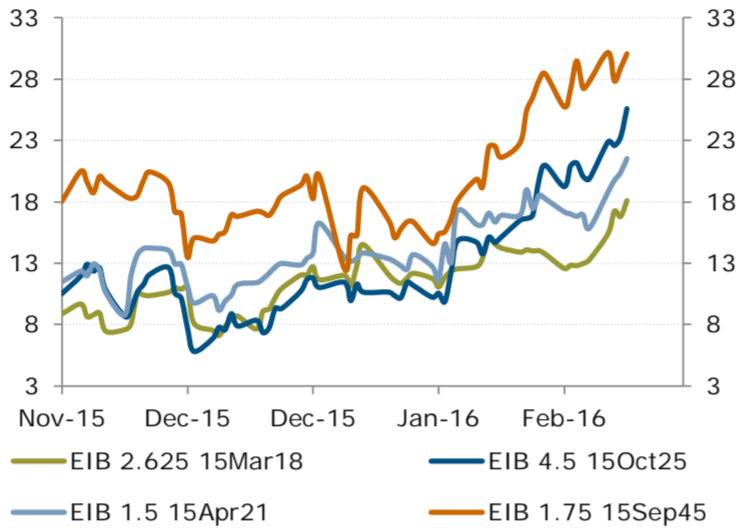


Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

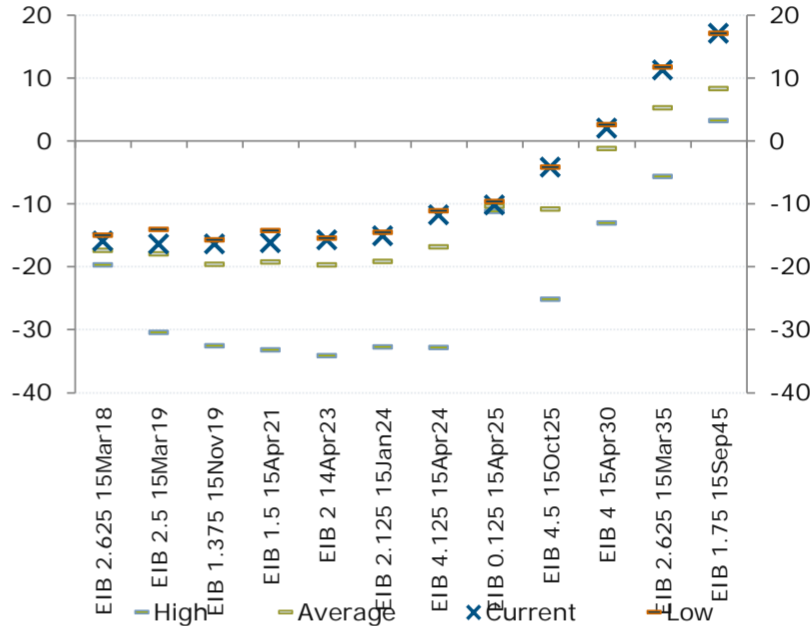
European Investment Bank (EIB)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
2.625	15 Mar 18	2..9B	-0.344	18.0	11.4	3.21	2.3	-16.0	-17.4	1.27
2.500	15 Mar 19	2..9B	-0.297	18.2	13.4	2.19	0.3	-16.4	-18.0	0.90
1.375	15 Nov 19	3.0B	-0.245	19.6	13.0	3.06	1.7	-16.5	-19.6	1.71
1.500	15 Apr 21	5.0B	-0.111	21.4	14.0	3.02	1.4	-16.2	-19.3	1.26
2.000	14 Apr 23	5.0B	0.110	26.0	16.1	3.74	2.4	-15.8	-19.8	1.62
2.125	15 Jan 24	5.0B	0.197	26.2	15.4	3.51	1.5	-15.2	-19.2	1.72
4.125	15 Apr 24	7.25B	0.224	25.6	14.1	3.24	1.8	-11.8	-16.9	1.71
0.125	15 Apr 25	3.0B	0.416	31.0	28.5	1.37	1.7	-10.2	-10.4	0.34
4.500	15 Oct 25	7.75B	0.422	25.5	12.9	3.23	1.8	-4.3	-10.9	2.20
4.000	15 Apr 30	6..5B	0.775	26.0	15.9	3.11	0.4	2.0	-1.2	1.76
2.625	15 Mar 35	1..7B	1.057	28.9	20.1	2.84	1.1	11.2	5.2	2.38
1.750	15 Sep 45	1..3B	1.226	30.0	19.8	2.61	1.0	17.0	8.3	2.69

Spreads against the German curve, bp



Asset swap term structure, bp

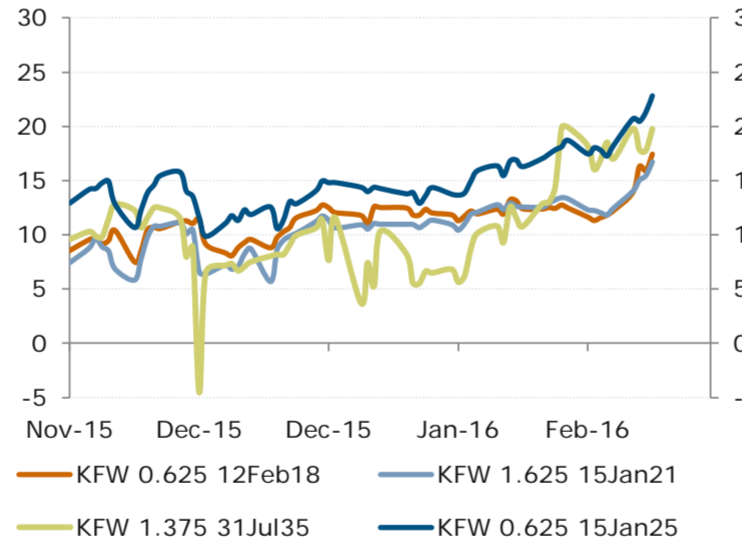


Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

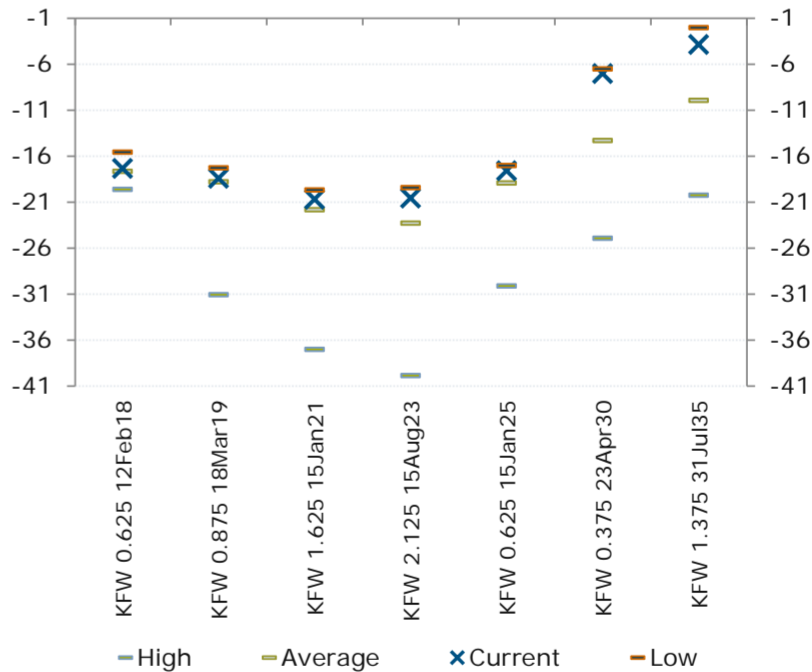
Kreditanstalt für Wiederaufbau (KfW)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	11-Feb	60D Avg.	Z-score	Δ B/E Spd 1Y	11-Feb	60D Avg.	Z-score
0.625	12 Feb 18	2.0B	-0.354	17.4	11.4	4.31	1.9	-17.4	-17.7	0.78
0.875	18 Mar 19	5.0B	-0.311	16.7	12.9	1.88	1.8	-18.4	-18.8	0.38
1.625	15 Jan 21	5.0B	-0.181	16.7	10.7	3.23	1.6	-20.7	-21.9	0.80
2.125	15 Aug 23	3.0B	0.100	21.3	12.2	3.71	1.7	-20.6	-23.3	1.18
0.625	15 Jan 25	3.0B	0.303	22.8	14.9	3.62	1.1	-17.6	-19.0	1.06
0.375	23 Apr 30	2.0B	0.825	30.9	16.3	3.59	3.5	-7.1	-14.3	2.53
1.375	31 Jul 35	1.0B	0.976	19.8	10.6	2.50	1.8	-3.9	-9.9	2.27

Spreads against the German curve, bp



Asset swap term structure, bp



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