

Euro Rates Update

Nordea Research, 10 marts 2016

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US Treasury Yields				
	2Y	5Y	10Y	30Y
	0.89	1.37	1.87	2.67
Δ 1D	2.4	3.0	4.2	4.2
Δ 1W	8.9	12.1	8.6	0.5

German Benchmark Yields				
	2Y	5Y	10Y	30Y
	-0.54	-0.35	0.23	1.00
Δ 1D	2.5	4.9	5.9	3.8
Δ 1W	1.9	4.2	8.6	10.2

German Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-19.0	-57.3	-76.4	-77.1
Δ 1D	2.3	1.1	3.4	-2.2
Δ 1W	2.3	4.4	6.7	1.6

EUR Swap Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-20.9	-57.7	-78.6	-54.9
Δ 1D	2.5	1.4	3.9	-1.3
Δ 1W	2.4	3.5	5.9	2.3

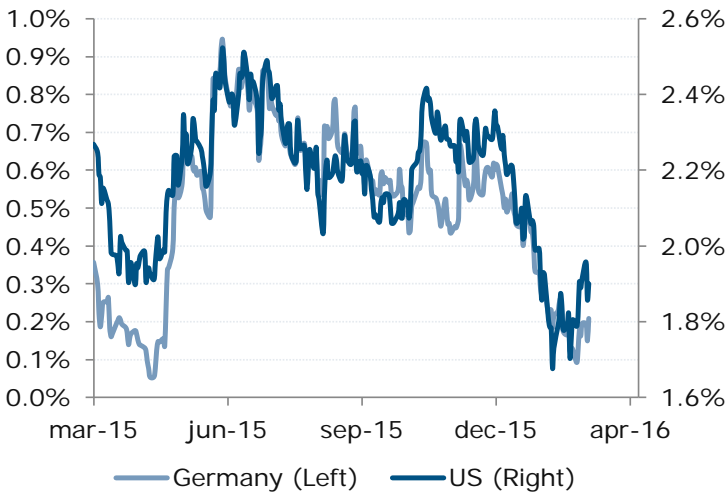
German Asset Swap Levels				
	2Y	5Y	10Y	30Y
	-34.8	-37.2	-35.7	-10.8
Δ 1D	0.6	0.4	0.3	-0.9
Δ 1W	-0.4	-0.1	1.0	-0.7

10Y Benchmark Yields				
	Yield	Δ 1D	Spread	Δ 1D
GER	0.227	5.9	-	-
FRA	0.535	5.5	33.4	-0.4
ITA	1.409	0.2	120.6	-5.6
ESP	1.567	-0.3	137.4	-6.1
BEL	0.517	5.1	36.9	-0.8
HOL	0.344	5.1	18.9	-0.7
AUT	0.481	5.0	29.2	-0.8
GRE	8.806	2.8	870.1	-3.0
POR	2.975	1.3	278.8	-4.5
FIN	0.477	5.5	30.0	-0.3
IRL	0.882	1.1	62.7	-4.7

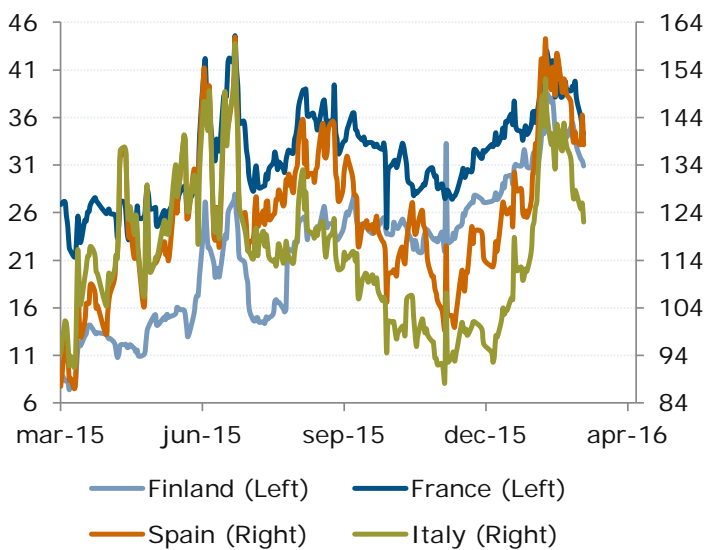
Spread = Maturity interpolated spread to German government par yield curve

Global Research
nordearesearch@nordea.com
+45 33 33 61 02

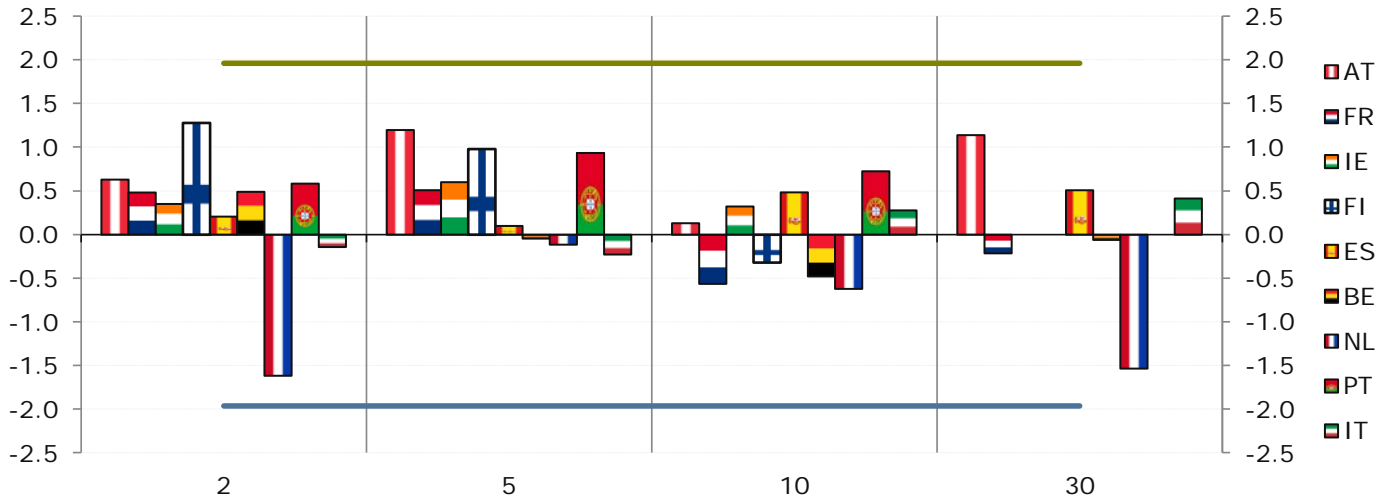
German & US 10-year benchmark yields, %



10 year spreads against Germany, bp



Z-scores of benchmark vs. Germany



Upcoming Issuance (source: Bloomberg)							
Date		Country		Coupon		Maturity	Amount (EURbn)
11 mar		IT					
14 mar		LN		2.10%		2024	
16 mar		GE					4.00
17 mar		SP					
17 mar		FR					

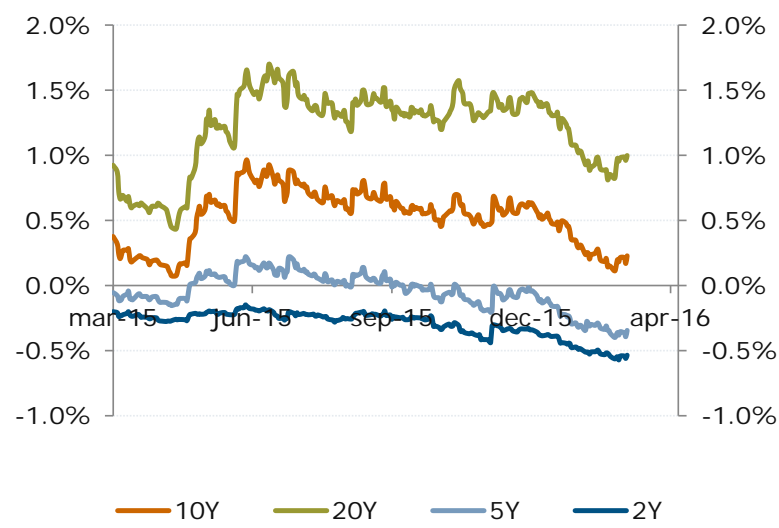
All bond quotes are taken at 16:15 CET.

Bond Yields & Curves

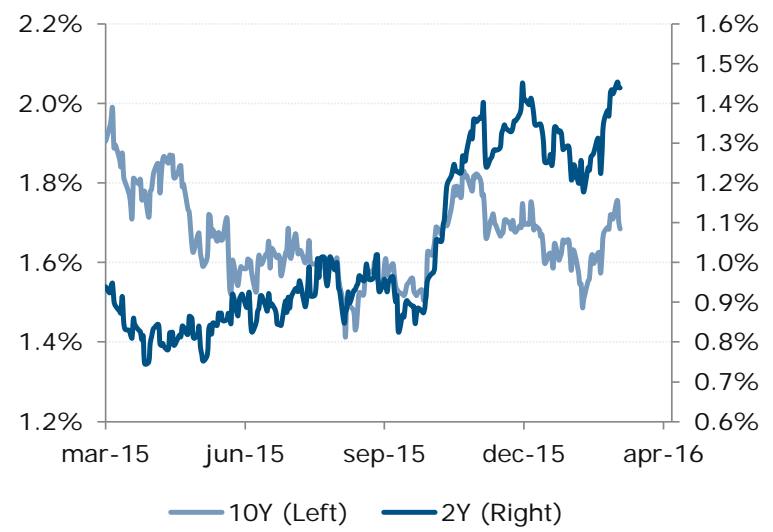
Yield Levels

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

German benchmark bond yields, %



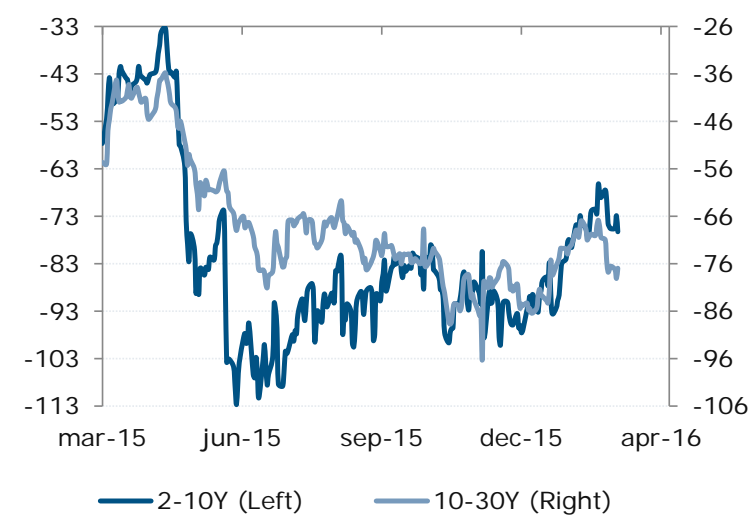
USA-Germany spreads, annualized yields, %



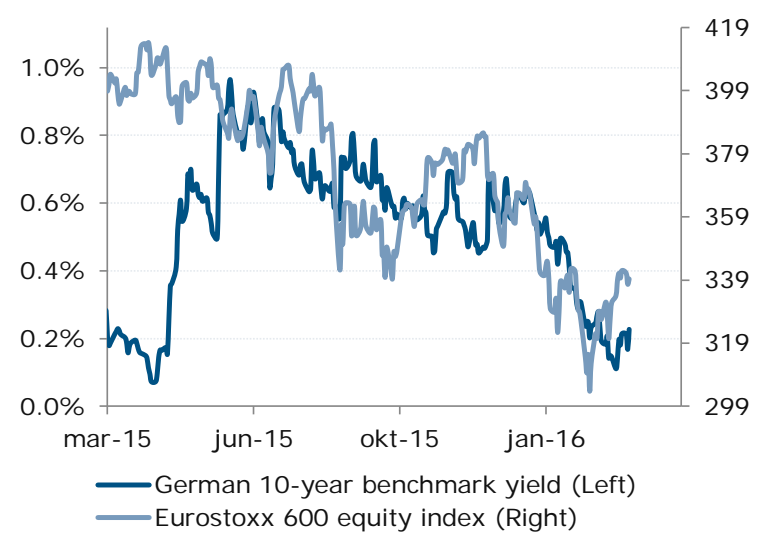
Bond Curve Shape

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

German yield curve slopes, bp

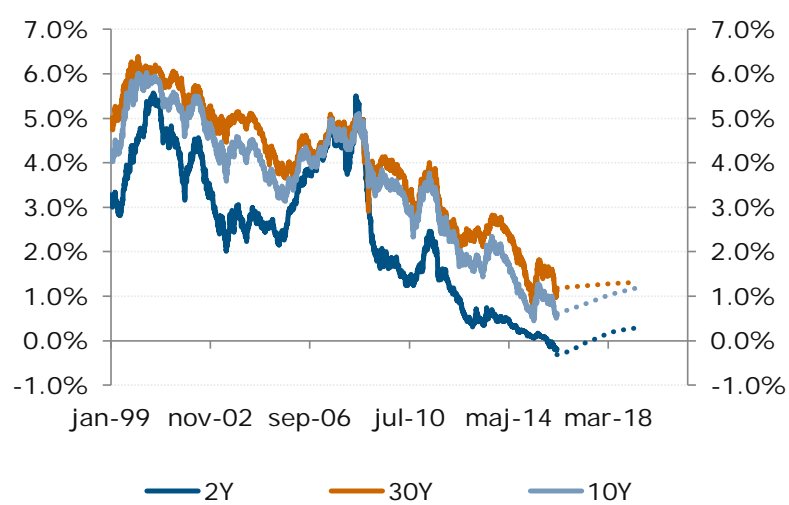


Bonds vs. equities



Swaps and Forwards

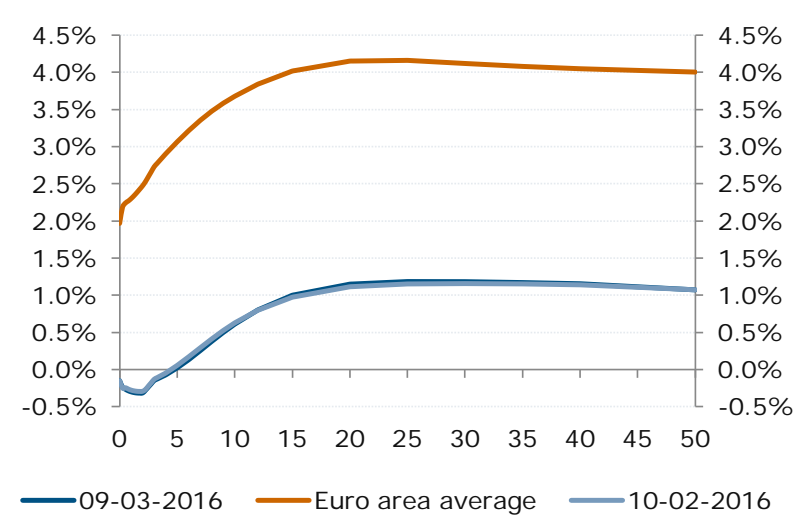
EUR swap rates and implied forwards, %



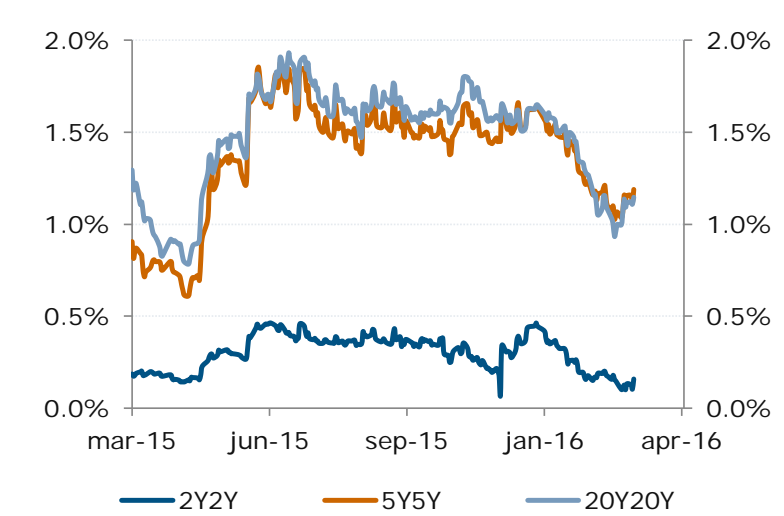
EUR-USD spreads and implied forwards, %



EUR swap curve shape vs. historical

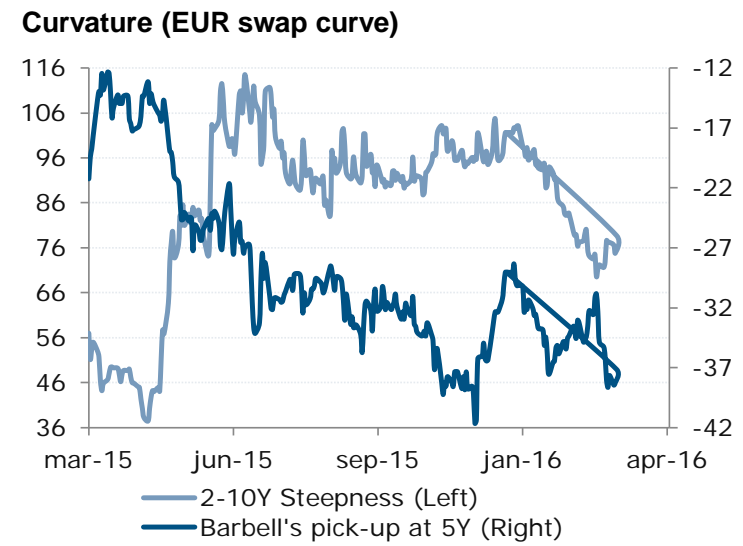
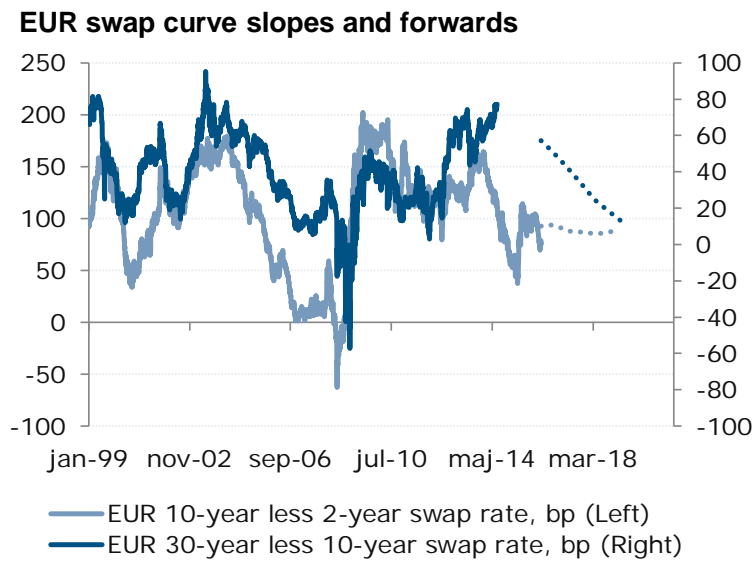


Historical forward rates, %



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.

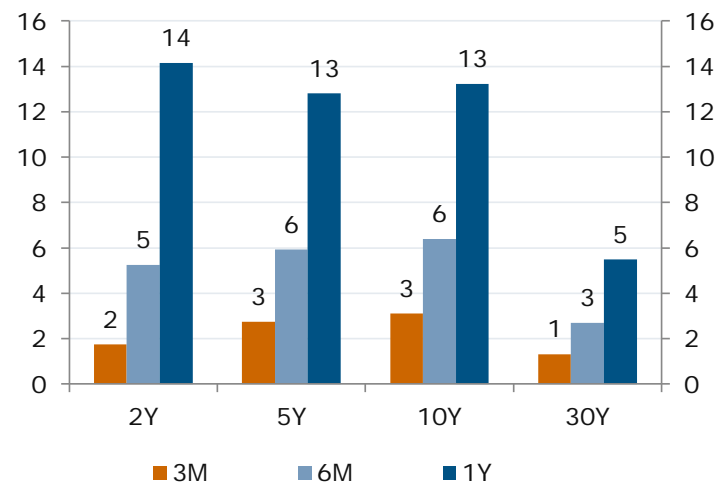


Carry

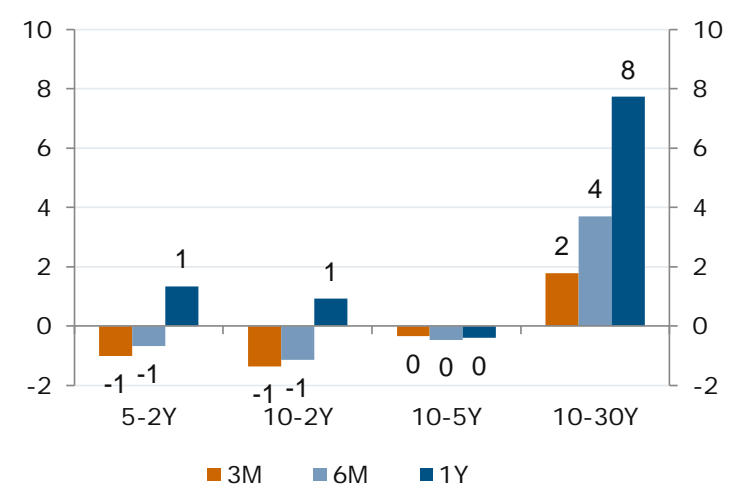
The carry on the given horizon illustrates how much the spot swap rate may rise for a receiver swap position in a forward-starting swap to result in zero profit.

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.

Yield buffers for forward-starting swaps, bp

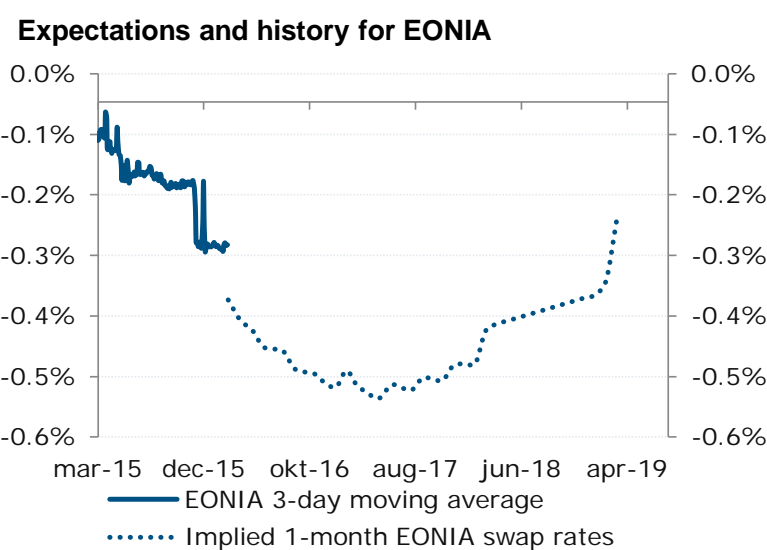


Yield buffers for duration-neutral steepeners, bp

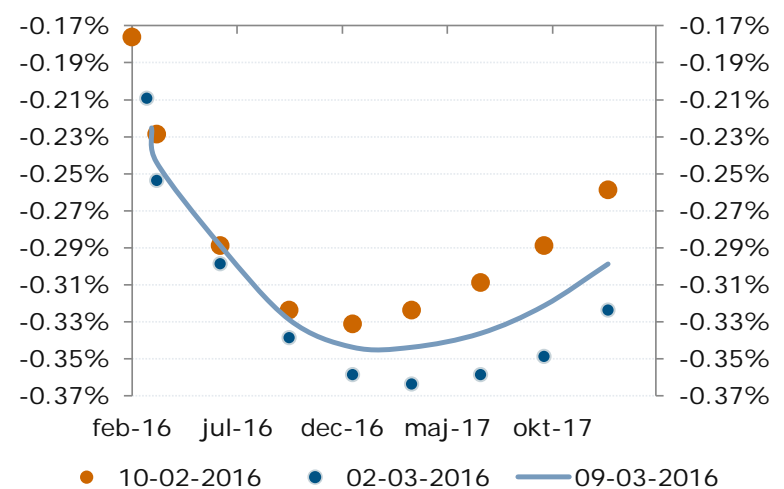


Money Market Rates

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

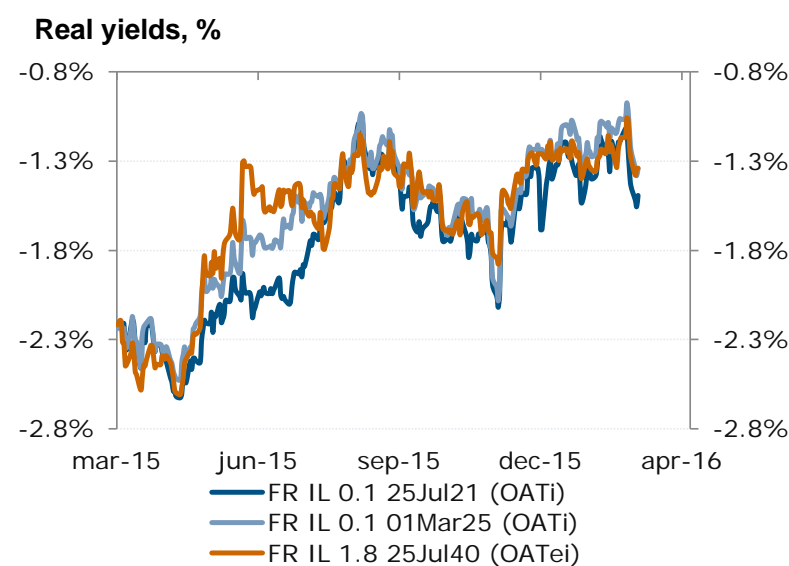


Euribor futures curve, now, 1 wk & 1M ago

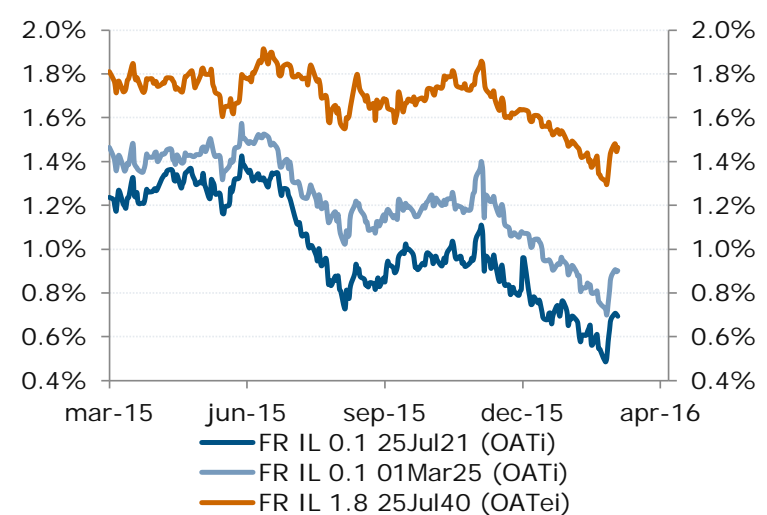


Inflation-linked Bonds

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



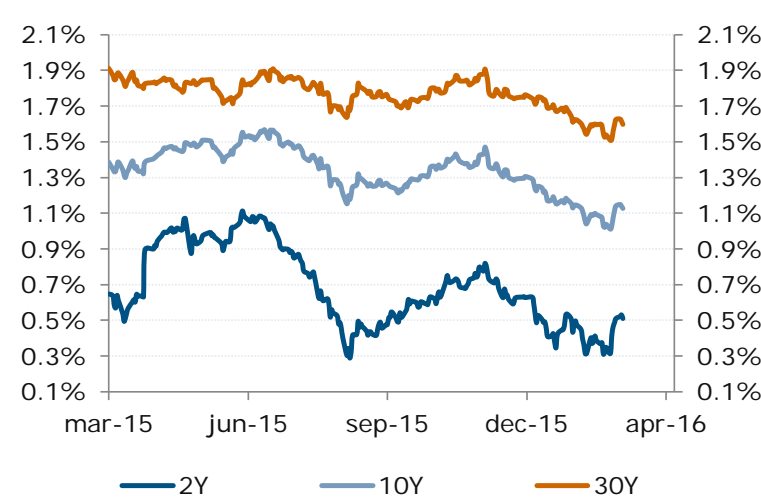
Break-even inflation history, %



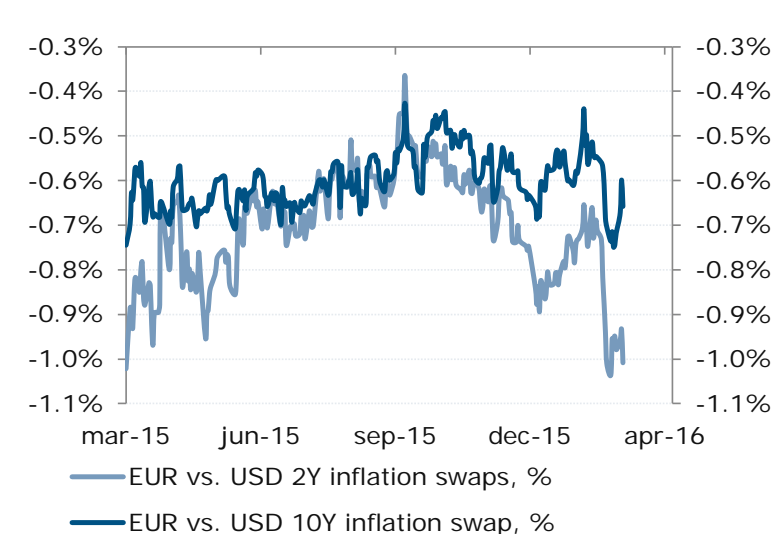
Inflation Swaps

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 zero-coupon inflation swaps



EUR vs. USD inflation swaps

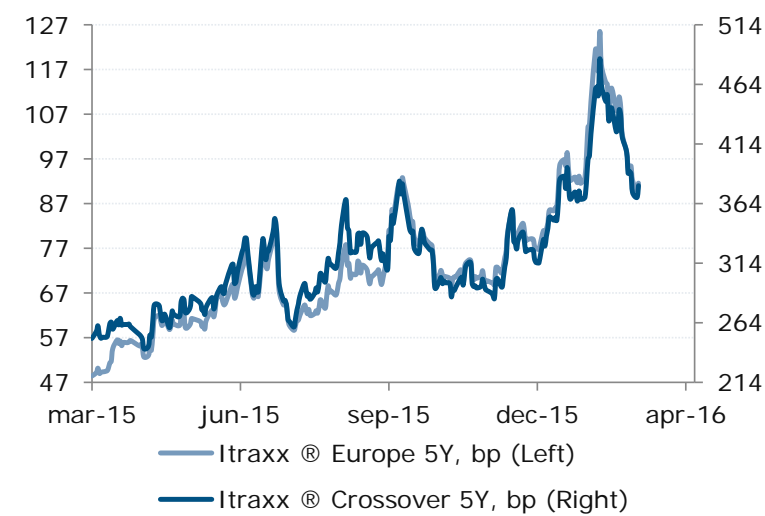


Credit & Money Market Spreads

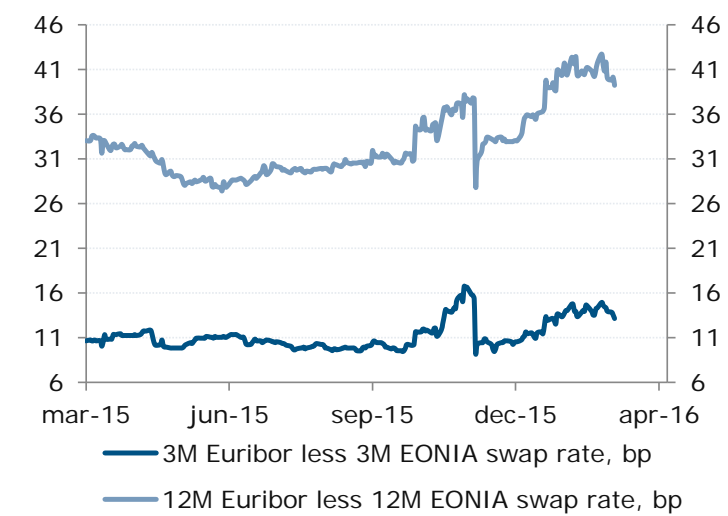
Credit default swap indices illustrate the annual cost of buying protection against a credit event of a company. iTraxx® Europe is comprised of the 125 most liquid CDS contracts referencing European investment grade credits, iTraxx® Crossover of 50 sub-investment grade credits.

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



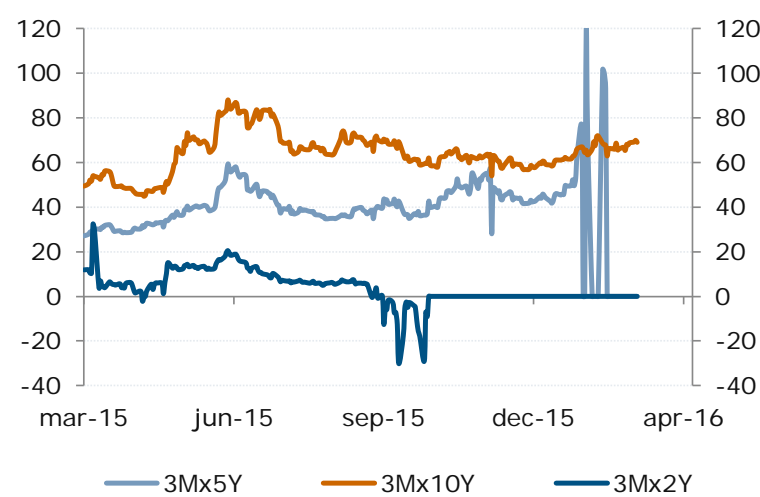
Money market rates vs. EONIA swap rates



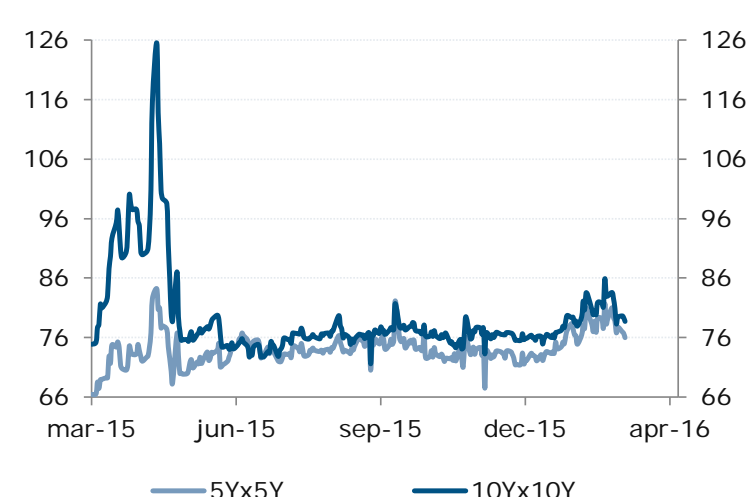
Swaption Volatilities

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

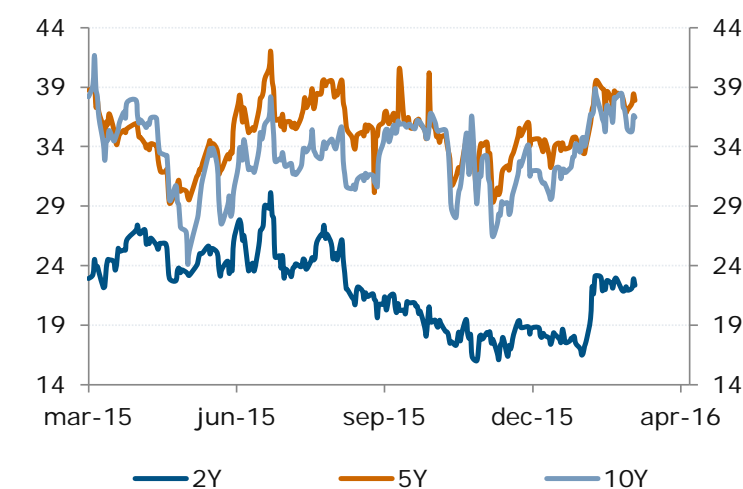


Swap & Cross-country Spreads

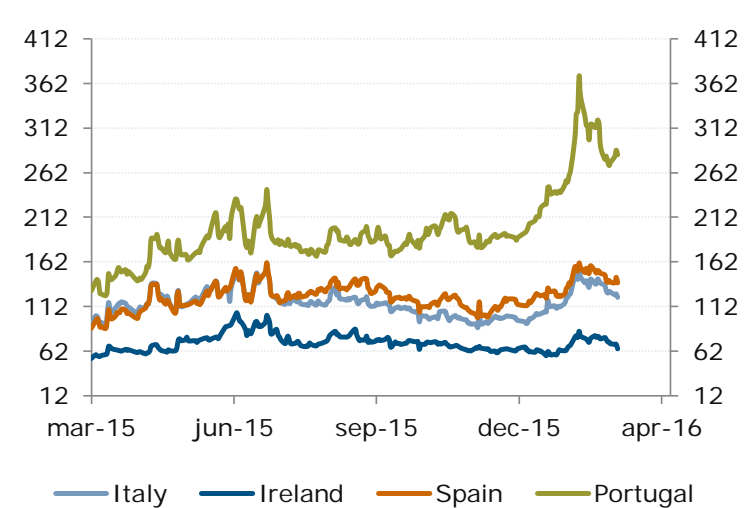
Swap spread:
Benchmark bond's spread to EUR swap curve.

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

German swap spreads, bp



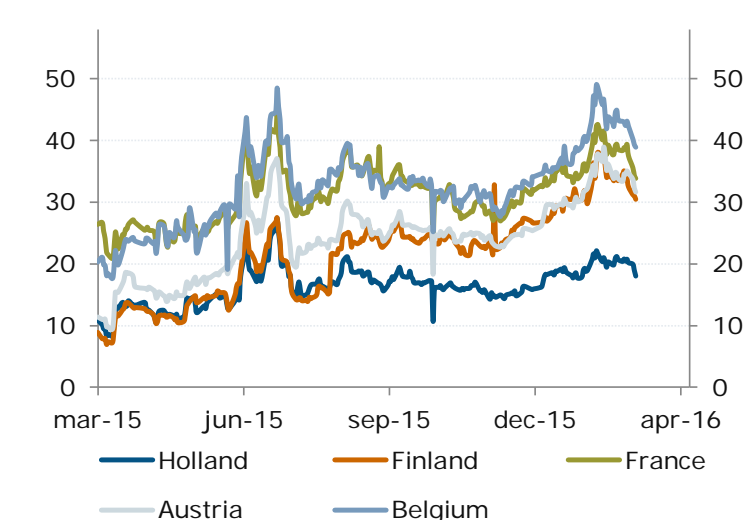
10Y non-AAA spreads against Germany, bp



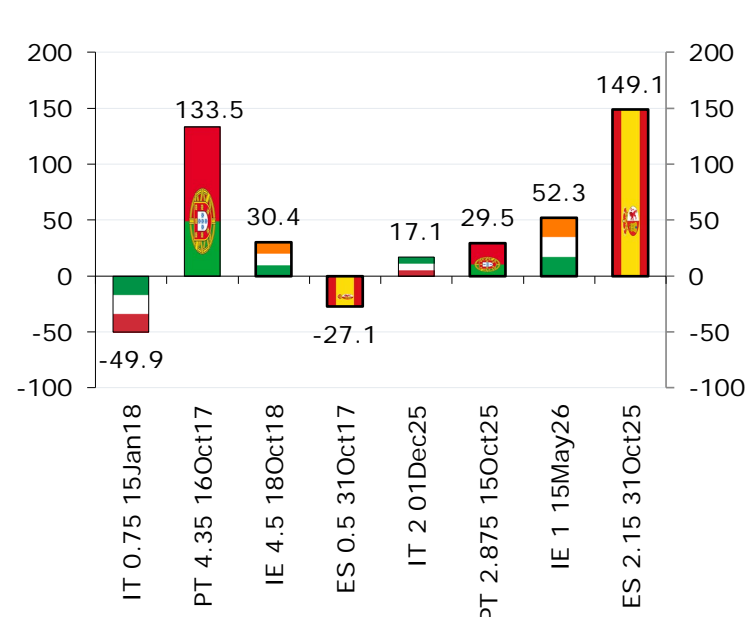
1Y break-even spread changes indicate how much a bond's spread against an equivalent bond trading on the German curve may widen in order to give the same return in one year.

The break-even spread change is based on the spread against the following two German benchmark bonds:
DE TB 16Mar18
DE 0.5 15Feb26

10Y AAA/AA+ spreads to Germany, bp



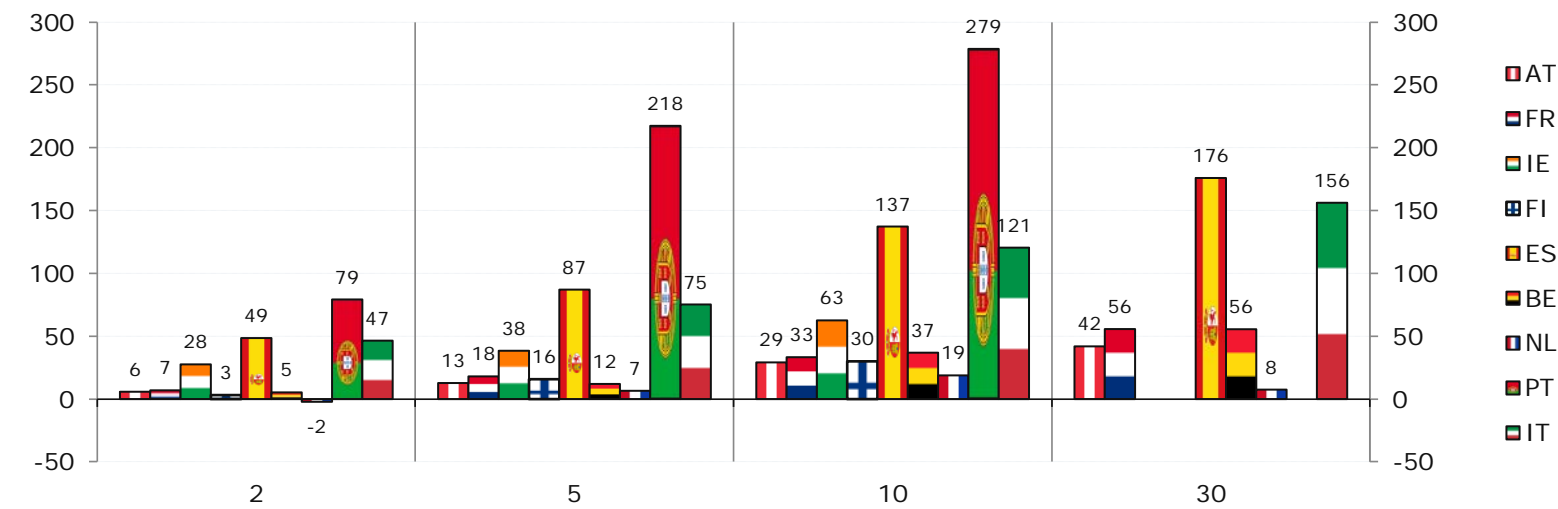
1Y B/E spread changes against Germany, bp



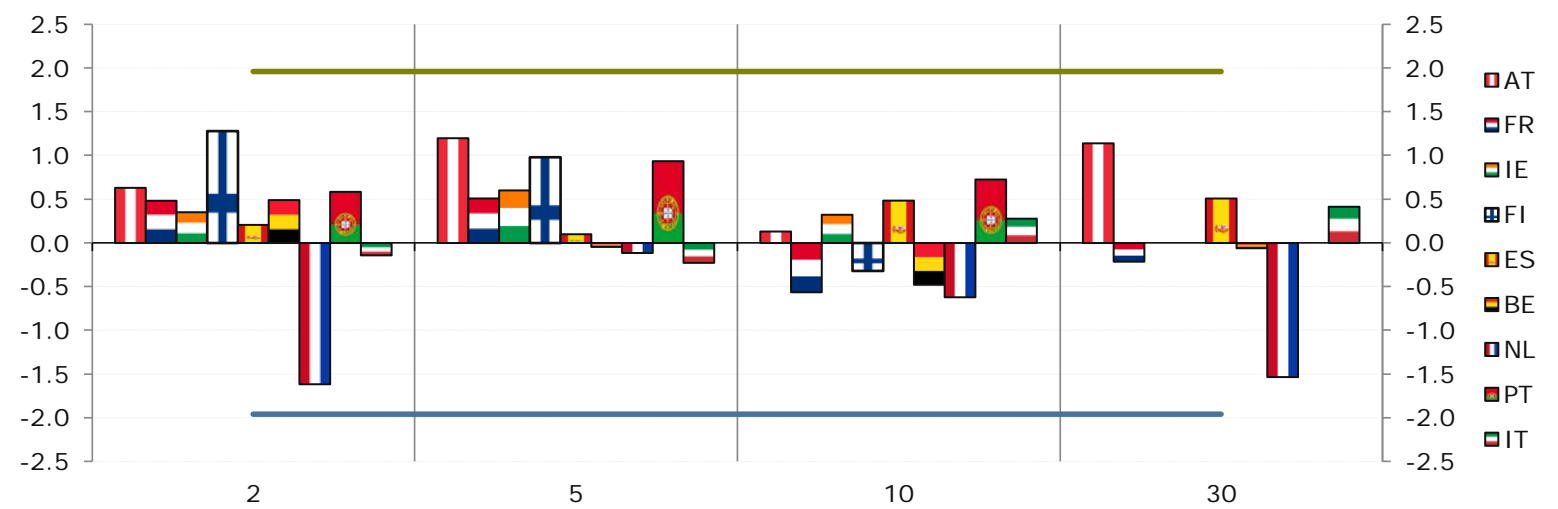


Country Relative Value

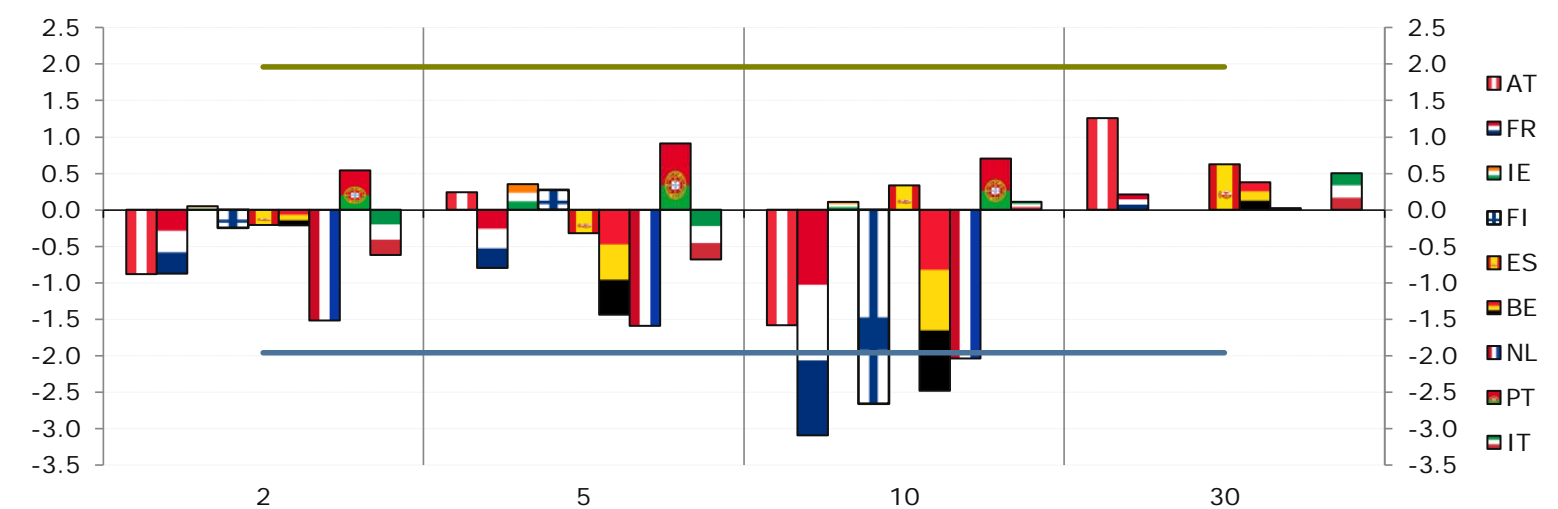
Benchmark spreads over the maturity-interpolated German par curve, bp



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	-2.1	-1.57	DE	22 feb 19	1.000	-37.0	-2.01
	FI	15 sep 18	1.125	10.2	2.84	PT	14 jun 19	4.750	150.3	0.86
5Y: Rich	DE	17 apr 20	0.000	-18.0	-0.50	KfW	15 jan 21	1.625	-23.4	-1.83
	DE	09 apr 21	0.000	-19.4	1.86	PT	15 apr 21	3.850	210.1	0.91
7Y: Rich	BE	22 jun 23	2.250	24.4	-2.41	BE	22 jun 23	2.250	-13.9	-2.60
	AT	20 apr 22	3.650	19.8	1.57	AT	20 apr 22	3.650	-17.7	0.83
10Y: Rich	BE	28 mar 26	4.500	29.3	-1.41	BE	28 mar 26	4.500	4.2	-3.01
	DE	15 feb 26	0.500	-34.0	1.39	KfW	15 jan 25	0.625	-15.2	2.04
15Y: Rich	NL	15 jan 37	4.000	1.0	-1.27	NL	15 jan 33	2.500	-14.3	-2.76
	KfW	23 apr 30	0.375	27.6	1.16	KfW	23 apr 30	0.375	-7.8	1.02
20Y: Rich	NL	15 jan 47	2.750	7.5	-1.48	AT	20 feb 47	1.500	31.5	-1.85
	FI	04 jul 42	2.625	18.4	0.70	FI	04 jul 42	2.625	14.7	1.04

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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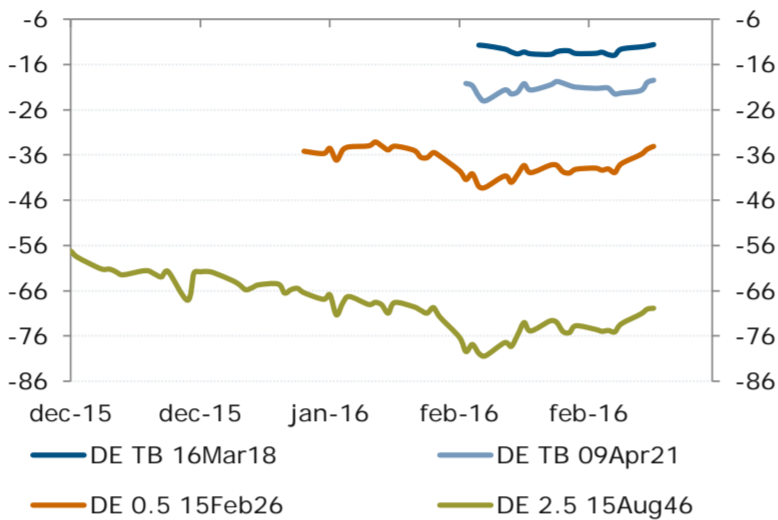
Moody's / S&P / Fitch

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

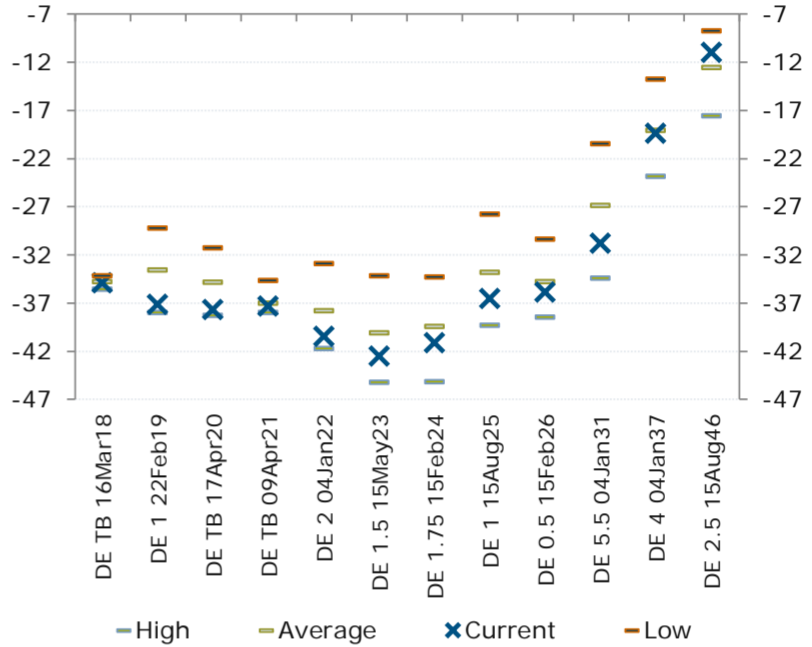
Germany

Benchmark Bonds				Spread vs. France				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
0.000	16 mar 18	9.0B	-0.536	-11.5	-12.9	2.04	0.0	-34.8	-34.7	-0.29
1.000	22 feb 19	16.0B	-0.522	-16.1	-13.4	-1.38	0.1	-37.0	-33.4	-2.01
0.000	17 apr 20	20.0B	-0.443	-18.0	-16.9	-0.50	-0.1	-37.6	-34.7	-1.48
0.000	09 apr 21	9.0B	-0.346	-19.4	-21.2	1.86	-13.5	-37.2	-36.9	-0.53
2.000	04 jan 22	20.0B	-0.298	-23.7	-23.3	-0.18	0.1	-40.4	-37.7	-1.33
1.500	15 maj 23	18.0B	-0.159	-29.1	-30.2	0.46	-0.1	-42.4	-40.0	-0.89
1.750	15 feb 24	18.0B	-0.056	-30.1	-32.9	1.28	0.0	-41.0	-39.3	-0.62
1.000	15 aug 25	23.0B	0.161	-32.6	-34.5	0.65	0.0	-36.4	-33.7	-0.94
0.500	15 feb 26	10.0B	0.227	-34.0	-37.5	1.39	0.0	-35.7	-34.6	-0.53
5.500	04 jan 31	17.0B	0.562	-51.8	-51.8	0.00	0.0	-30.7	-26.8	-1.37
4.000	04 jan 37	23.0B	0.843	-62.2	-61.5	-0.14	0.2	-19.3	-18.9	-0.17
2.500	15 aug 46	14.0B	0.998	-69.8	-69.3	-0.10	0.2	-10.8	-12.4	0.81

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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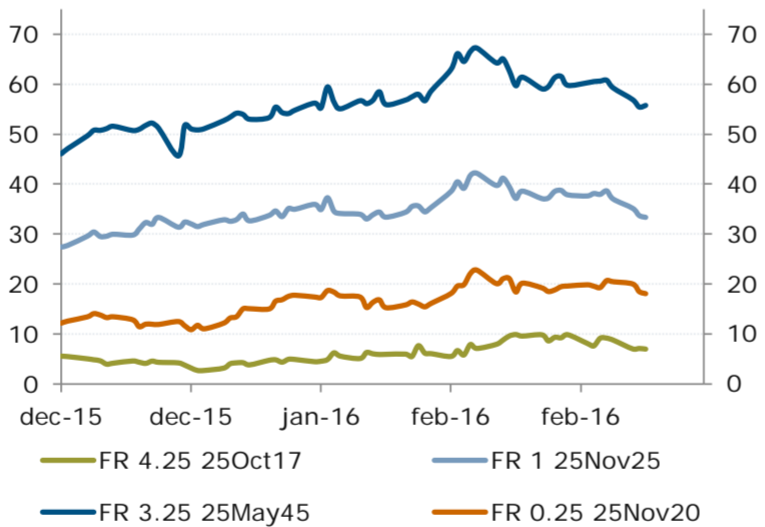
Moody's / S&P / Fitch

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

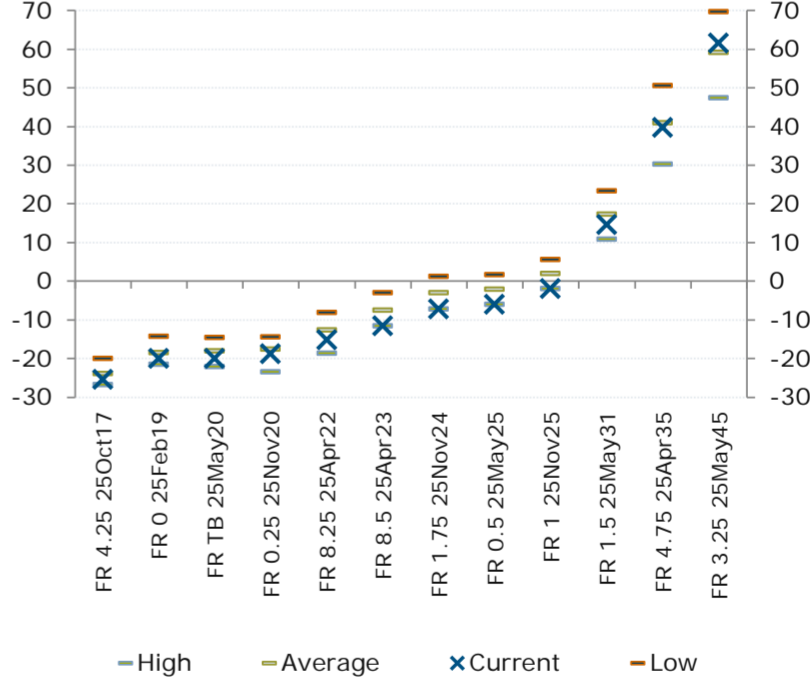
France

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
4.250	25 okt 17	34.03B	-0.446	7.0	6.2	0.47	-0.7	-25.5	-24.1	-1.10
0.000	25 feb 19	9.48B	-0.353	17.1	15.3	1.06	-0.2	-20.1	-18.5	-1.42
0.000	25 maj 20	22.01B	-0.254	17.6	16.7	0.55	-21.6	-20.1	-18.1	-1.41
0.250	25 nov 20	20.95B	-0.200	18.1	16.8	0.48	-0.1	-18.9	-17.7	-0.73
8.250	25 apr 22	1.99B	-0.070	19.0	18.1	0.36	0.4	-15.3	-12.6	-1.10
8.500	25 apr 23	10.03B	0.058	20.5	21.0	-0.21	0.7	-11.6	-7.6	-1.95
1.750	25 nov 24	30.99B	0.356	28.5	30.5	-0.88	-0.3	-7.3	-3.1	-2.65
0.500	25 maj 25	31.02B	0.453	31.6	33.5	-0.80	-0.1	-6.1	-2.2	-2.71
1.000	25 nov 25	25.99B	0.535	33.4	35.0	-0.62	0.3	-2.1	1.9	-2.79
1.500	25 maj 31	12.01B	1.103	44.8	45.4	-0.15	0.2	14.6	17.2	-1.02
4.750	25 apr 35	25.03B	1.262	39.5	40.2	-0.17	0.2	39.7	40.9	-0.25
3.250	25 maj 45	17.01B	1.598	55.8	56.8	-0.26	0.1	61.5	59.1	0.39

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

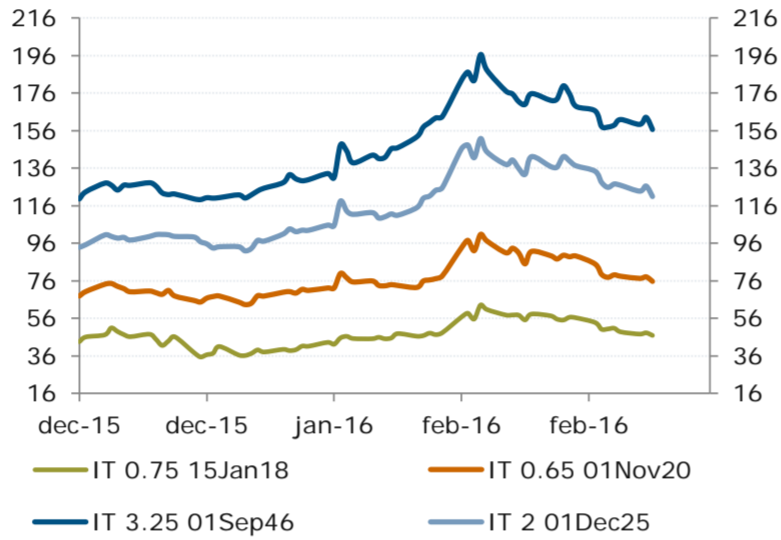
Rating	Baa2/BBB-/BBB+
Moody's / S&P / Fitch	

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

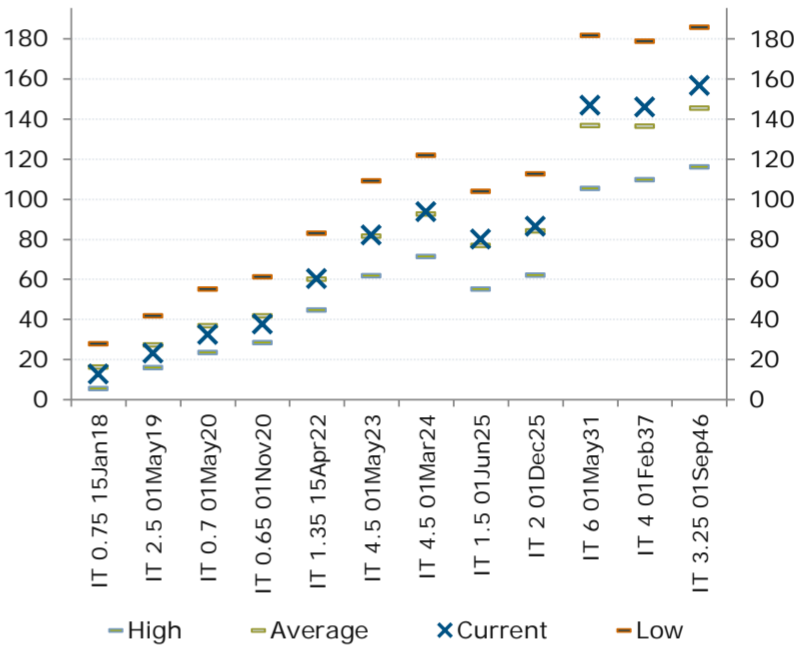
Italy

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
0.750	15 jan 18	15.46B	-0.063	46.5	47.4	-0.15	52.0	12.6	16.0	-0.71
2.500	01 maj 19	18.01B	0.075	58.8	59.0	-0.04	-2.0	23.2	27.1	-0.74
0.700	01 maj 20	15.99B	0.263	70.0	72.0	-0.29	-77.0	32.3	36.8	-0.73
0.650	01 nov 20	11.99B	0.366	75.3	77.2	-0.25	-53.6	37.7	41.7	-0.62
1.350	15 apr 22	17.01B	0.737	100.1	97.9	0.22	-9.1	60.2	59.9	0.03
4.500	01 maj 23	18.02B	0.949	109.4	107.2	0.18	29.9	82.0	81.5	0.04
4.500	01 mar 24	23.71B	1.146	117.9	115.5	0.17	34.6	93.6	92.4	0.10
1.500	01 jun 25	19.99B	1.322	118.2	113.3	0.32	36.6	80.0	76.8	0.25
2.000	01 dec 25	17.01B	1.409	120.6	116.5	0.25	36.4	86.3	84.1	0.16
6.000	01 maj 31	29.75B	2.000	134.9	124.3	0.53	15.1	146.7	136.7	0.46
4.000	01 feb 37	26.01B	2.343	141.9	134.8	0.37	-3.0	146.0	136.4	0.47
3.250	01 sep 46	13.24B	2.607	156.3	148.5	0.39	-13.3	156.7	145.2	0.56

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

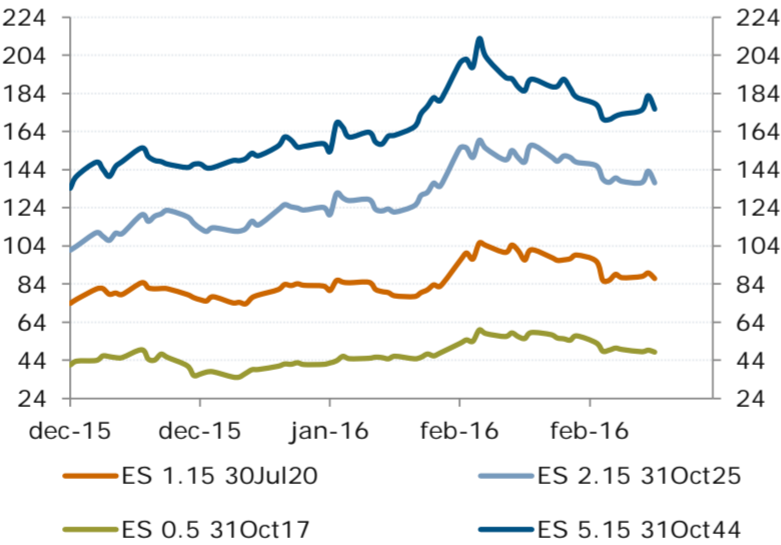
Rating	Baa2/BBB/BBB+
Moody's / S&P / Fitch	

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

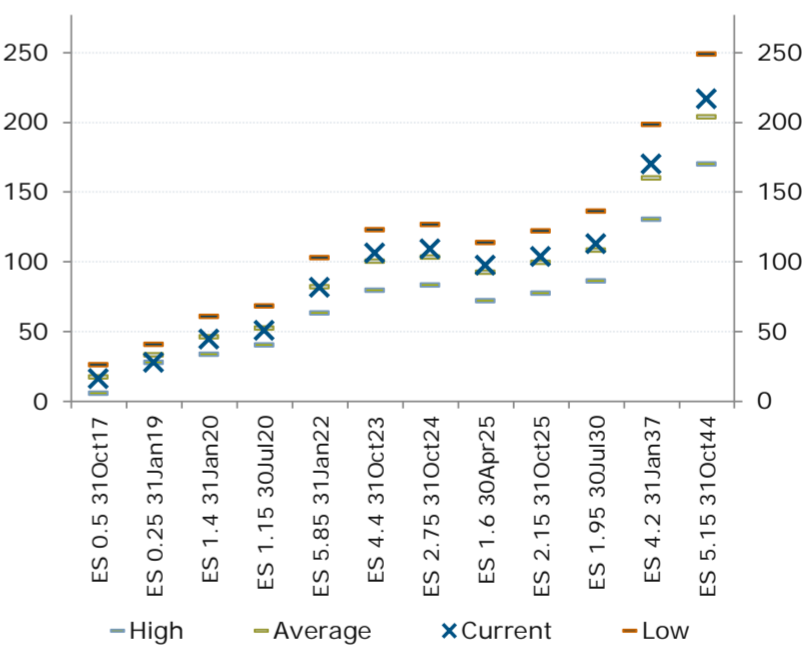
Spain

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
0.500	31 okt 17	16.99B	-0.031	48.6	47.6	0.19	64.1	15.8	17.0	-0.29
0.250	31 jan 19	4.86B	0.125	64.9	69.1	-0.95	-10.6	27.6	33.0	-1.16
1.400	31 jan 20	21.91B	0.350	80.8	80.0	0.12	-0.9	44.3	46.0	-0.29
1.150	30 jul 20	17.02B	0.459	87.2	86.6	0.07	-24.7	50.5	52.2	-0.29
5.850	31 jan 22	22.01B	0.764	104.7	102.5	0.24	1.1	81.4	81.7	-0.03
4.400	31 okt 23	20.01B	1.224	130.2	123.4	0.55	-0.5	106.2	100.2	0.53
2.750	31 okt 24	23.99B	1.464	140.4	133.4	0.52	-4.1	108.8	103.3	0.48
1.600	30 apr 25	19.09B	1.487	135.8	129.1	0.50	-1.7	97.2	92.2	0.45
2.150	31 okt 25	20.96B	1.567	137.4	131.2	0.45	-3.5	103.5	99.2	0.38
1.950	30 jul 30	12.31B	2.104	149.9	142.8	0.46	-7.2	112.9	108.0	0.39
4.200	31 jan 37	17.02B	2.551	162.6	155.3	0.47	0.2	169.9	160.0	0.58
5.150	31 okt 44	11.23B	2.798	176.0	168.4	0.48	-0.1	216.7	203.6	0.65

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

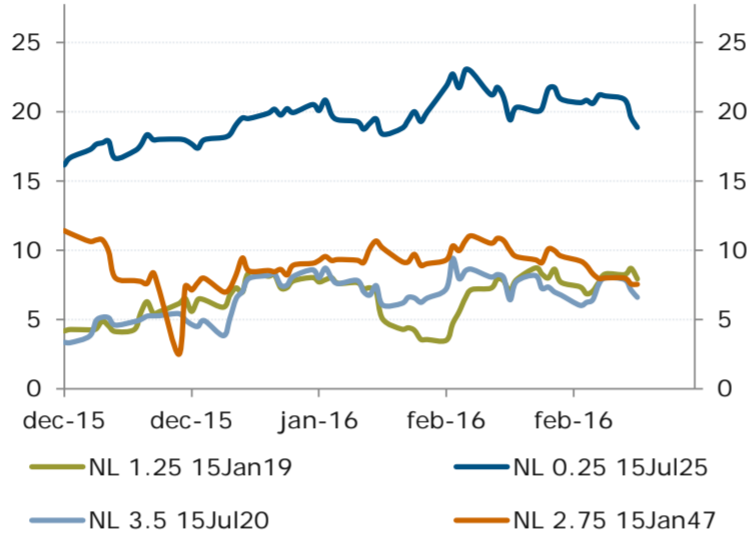
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

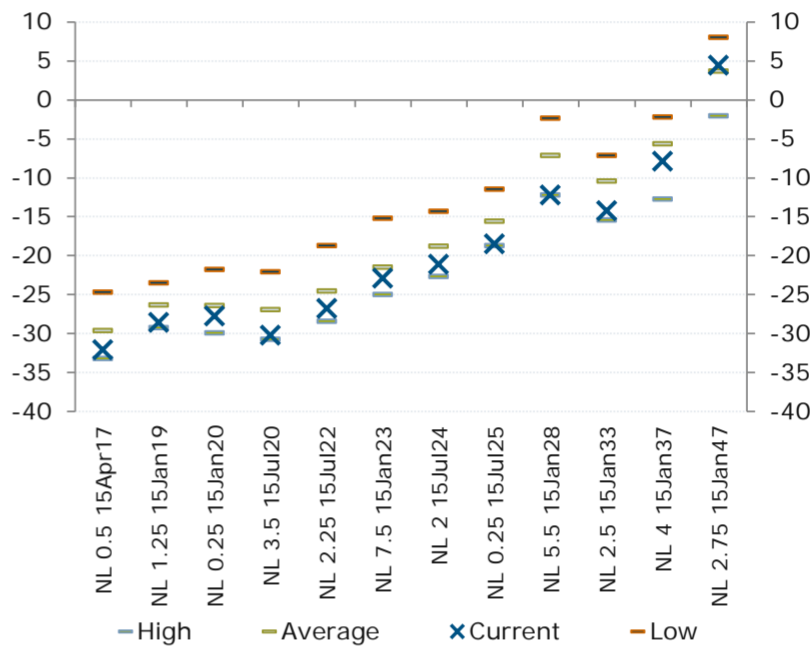
Netherlands

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
0.500	15 apr 17	13.03B	-0.509	-2.1	-0.6	-1.57	-2.4	-32.1	-29.7	-1.67
1.250	15 jan 19	15.01B	-0.446	7.9	6.6	0.96	0.1	-28.6	-26.4	-1.81
0.250	15 jan 20	15.84B	-0.367	9.5	8.1	1.13	-22.2	-27.8	-26.5	-0.74
3.500	15 jul 20	15.02B	-0.351	6.6	6.8	-0.17	0.5	-30.3	-27.0	-1.67
2.250	15 jul 22	15.01B	-0.112	12.4	12.0	0.18	-0.3	-26.8	-24.6	-1.26
7.500	15 jan 23	2.37B	-0.051	13.0	11.5	0.88	0.2	-22.9	-21.5	-0.78
2.000	15 jul 24	15.32B	0.177	15.8	16.1	-0.22	0.3	-21.1	-18.8	-1.38
0.250	15 jul 25	15.01B	0.344	18.9	19.7	-0.68	0.0	-18.6	-15.6	-2.04
5.500	15 jan 28	13.02B	0.525	11.5	11.7	-0.08	0.3	-12.3	-7.2	-2.95
2.500	15 jan 33	12.01B	0.838	8.4	10.1	-0.78	0.1	-14.3	-10.5	-2.76
4.000	15 jan 37	13.99B	0.933	1.0	3.4	-1.27	0.1	-7.9	-5.7	-1.25
2.750	15 jan 47	10.99B	1.121	7.5	9.0	-1.48	0.1	4.4	3.6	0.40

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

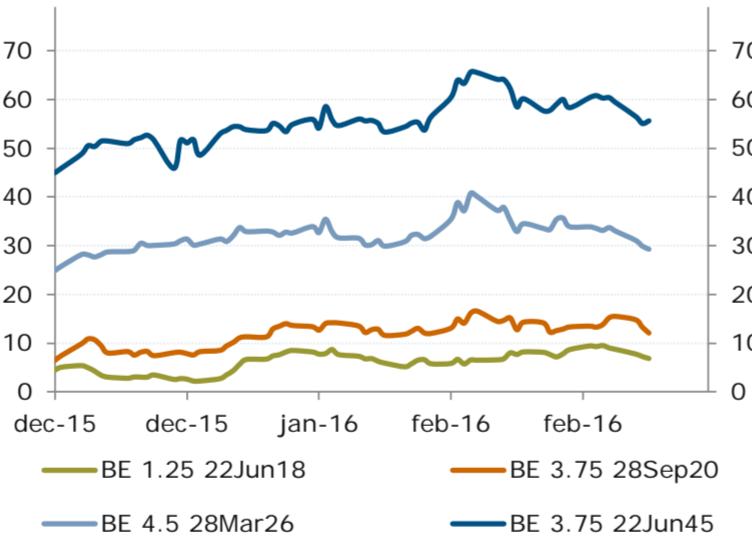
Rating	Aa3/AA/AA
Moody's / S&P / Fitch	

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

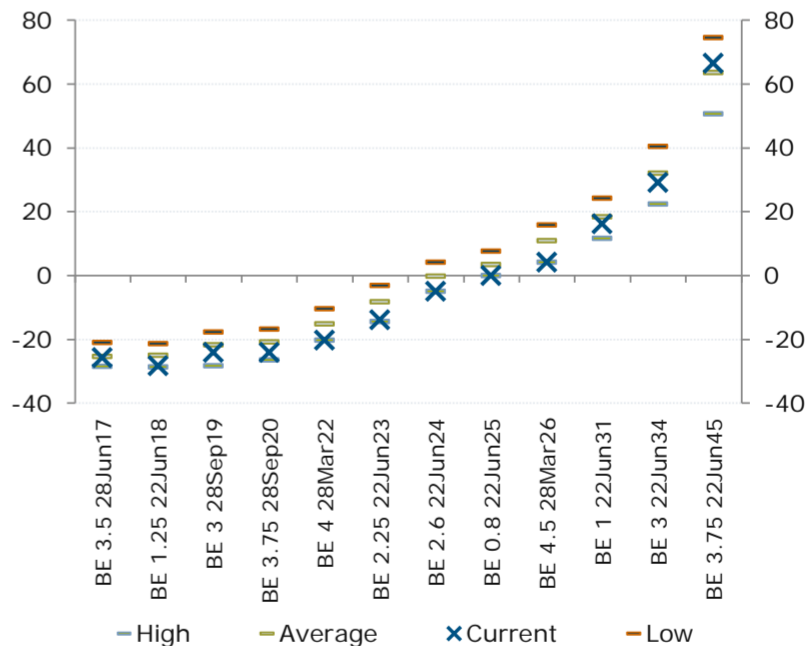
Belgium

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
3.500	28 jun 17	13.34B	-0.445	5.3	4.5	0.47	5.6	-25.8	-25.3	-0.37
1.250	22 jun 18	11.01B	-0.464	6.8	6.4	0.29	-2.9	-28.2	-25.0	-1.59
3.000	28 sep 19	12.01B	-0.355	12.8	11.8	0.53	3.2	-24.0	-21.7	-1.09
3.750	28 sep 20	19.01B	-0.276	12.1	12.3	-0.10	0.1	-24.1	-20.9	-1.56
4.000	28 mar 22	14.02B	-0.095	17.4	19.1	-1.03	2.2	-20.2	-15.2	-2.10
2.250	22 jun 23	13.99B	0.118	24.4	28.0	-2.41	2.6	-13.9	-8.2	-2.60
2.600	22 jun 24	15.85B	0.314	30.4	33.0	-1.08	2.5	-4.9	-0.3	-2.35
0.800	22 jun 25	16.02B	0.517	36.9	38.3	-0.53	2.5	0.1	3.4	-2.26
4.500	28 mar 26	9.02B	0.536	29.3	32.5	-1.41	2.8	4.2	10.9	-3.01
1.000	22 jun 31	4.52B	1.155	49.6	49.9	-0.09	-0.3	16.2	18.3	-0.91
3.000	22 jun 34	6.47B	1.256	42.2	44.5	-0.65	-0.5	29.2	32.1	-0.86
3.750	22 jun 45	8.01B	1.596	55.6	56.0	-0.11	0.4	66.6	63.5	0.51

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

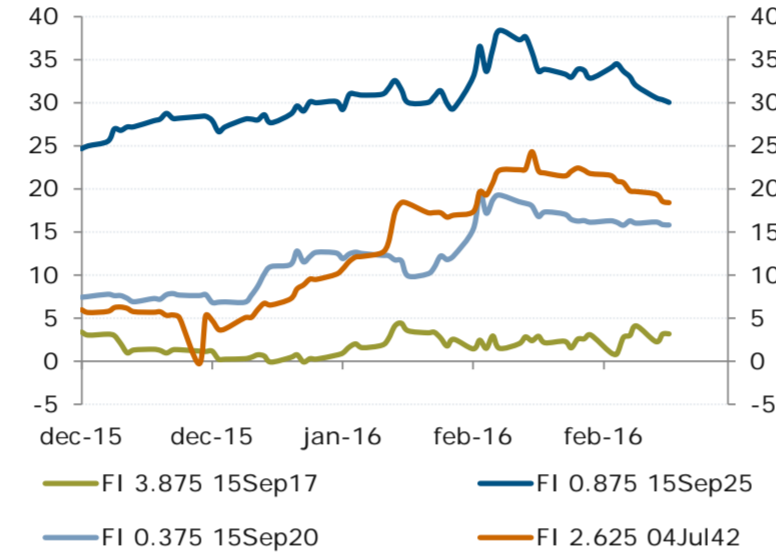
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

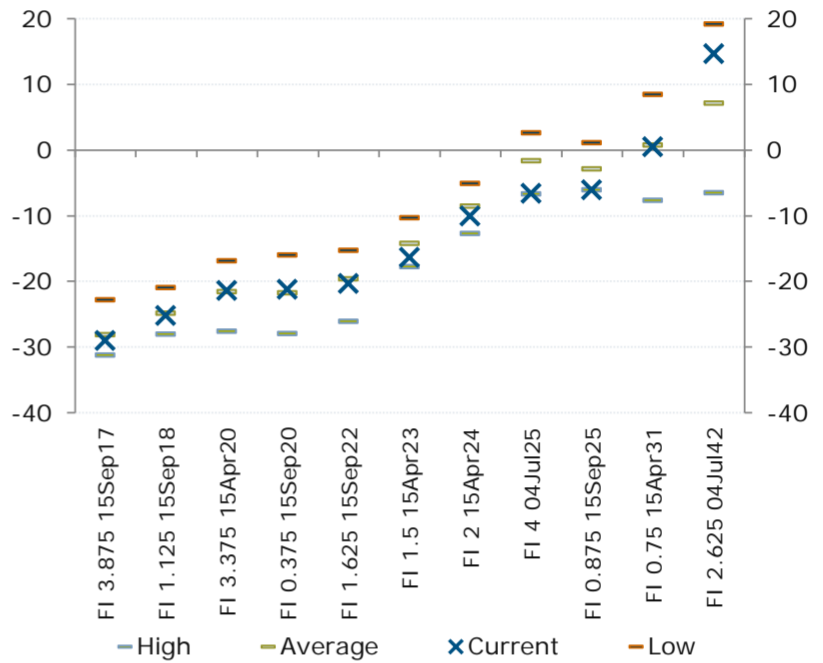
Finland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
3.875	15 sep 17	6.0B	-0.478	3.2	1.9	1.29	-0.1	-29.0	-28.1	-0.47
1.125	15 sep 18	5.03B	-0.428	10.2	6.8	2.84	0.8	-25.2	-24.8	-0.30
3.375	15 apr 20	6.5B	-0.290	15.1	12.0	1.04	0.7	-21.4	-21.6	0.10
0.375	15 sep 20	6.03B	-0.242	15.8	12.7	0.94	0.2	-21.2	-21.8	0.24
1.625	15 sep 22	5.0B	-0.026	19.1	17.6	0.44	0.2	-20.3	-19.6	-0.26
1.500	15 apr 23	5.0B	0.083	23.4	23.4	-0.01	-0.1	-16.3	-14.3	-1.28
2.000	15 apr 24	5.0B	0.254	27.1	26.8	0.09	0.1	-10.0	-8.6	-0.87
4.000	04 jul 25	6.03B	0.382	23.0	24.8	-0.70	0.4	-6.6	-1.6	-2.58
0.875	15 sep 25	4.03B	0.477	30.0	31.0	-0.37	0.2	-6.1	-2.9	-2.45
0.750	15 apr 31	3.5B	0.989	34.0	32.0	0.35	0.0	0.5	0.8	-0.08
2.625	04 jul 42	4.03B	1.214	18.4	14.0	0.70	0.1	14.7	7.1	1.04

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

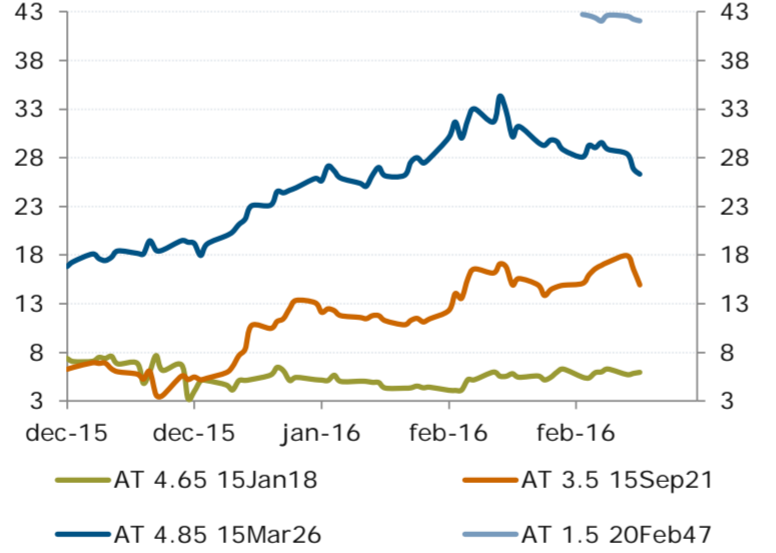
Rating	Aaa/AA+/AA+
Moody's / S&P / Fitch	

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

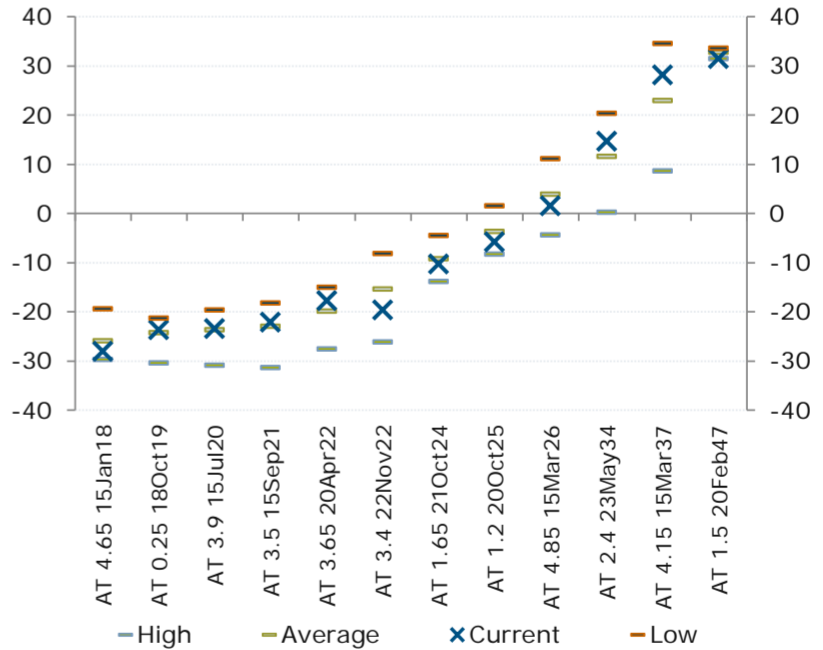
Austria

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
4.650	15 jan 18	12.06B	-0.470	5.9	5.3	0.69	-3.3	-28.1	-25.9	-1.04
0.250	18 okt 19	7.95B	-0.345	13.5	9.9	1.41	-0.6	-23.7	-24.3	0.28
3.900	15 jul 20	13.01B	-0.289	12.8	9.7	1.17	-0.7	-23.4	-23.7	0.13
3.500	15 sep 21	15.99B	-0.164	14.8	11.6	1.02	0.2	-22.1	-22.9	0.29
3.650	20 apr 22	8.71B	-0.064	19.8	15.2	1.57	1.7	-17.7	-19.8	0.83
3.400	22 nov 22	10.99B	-0.013	18.4	20.0	-0.44	-11.4	-19.6	-15.4	-1.28
1.650	21 okt 24	10.35B	0.318	26.1	25.0	0.36	2.9	-10.3	-9.2	-0.71
1.200	20 okt 25	9.28B	0.481	29.2	28.9	0.10	2.8	-5.8	-3.7	-1.33
4.850	15 mar 26	8.01B	0.502	26.2	25.5	0.18	3.3	1.6	3.8	-0.80
2.400	23 maj 34	5.19B	1.150	31.9	28.3	0.71	-1.2	14.6	11.6	0.69
4.150	15 mar 37	12.22B	1.223	29.5	26.1	0.68	-0.5	28.1	22.9	0.87
1.500	20 feb 47	1.5B	1.466	42.0	42.3	-1.32	5.8	31.5	32.7	-1.85

Spreads against the German curve, bp



Asset swap term structure, bp





Greece

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

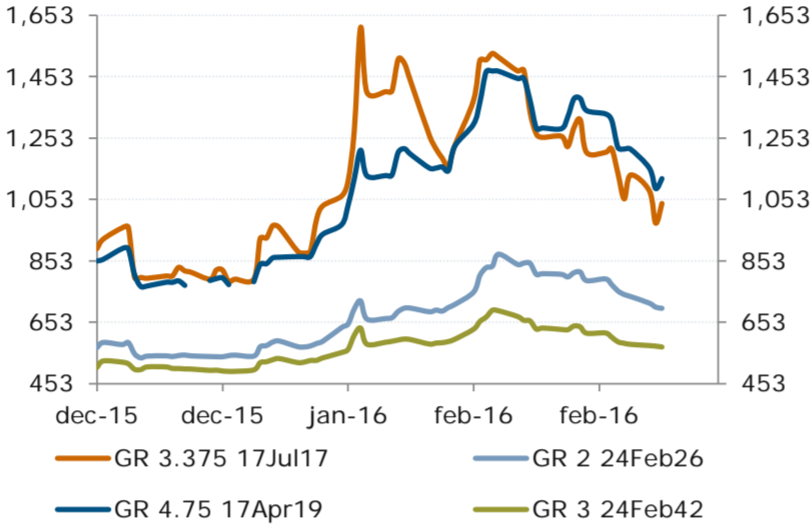
Source: European Commission, Winter 2015 forecast

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

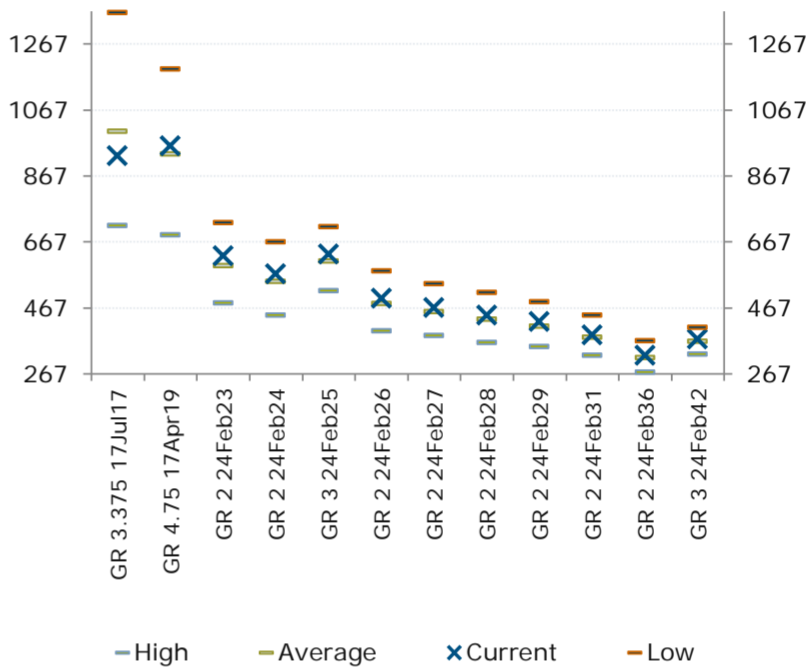
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
3.375	17 jul 17	2.02B	9.899	1,040.0	1,142.1	-0.48	426.6	927.5	1,002.4	-0.44
4.750	17 apr 19	4.02B	10.694	1,121.0	1,097.9	0.11	82.6	957.6	933.7	0.16
2.000	24 feb 23	1.04B	8.270	843.9	803.9	0.34	-14.1	624.8	593.9	0.43
2.000	24 feb 24	1.25B	7.773	780.8	754.5	0.24	-13.1	570.1	547.5	0.35
3.000	24 feb 25	1.84B	8.806	870.1	843.5	0.25	-0.4	630.5	609.1	0.37
2.000	24 feb 26	1.37B	7.218	698.5	681.1	0.19	-0.4	496.1	480.5	0.30
2.000	24 feb 27	1.21B	7.036	670.8	657.0	0.17	-12.8	468.2	455.4	0.28
2.000	24 feb 28	1.84B	6.910	648.9	633.1	0.20	-13.3	445.3	432.2	0.30
2.000	24 feb 29	1.48B	6.805	630.1	610.9	0.26	-4.9	425.2	411.0	0.36
2.000	24 feb 31	1.29B	6.454	581.4	575.0	0.10	-10.5	385.0	376.8	0.25
2.000	24 feb 36	1.33B	5.895	500.1	500.7	-0.01	-8.4	323.1	316.5	0.25
3.000	24 feb 42	1.05B	6.751	572.2	576.9	-0.10	-12.1	371.7	364.5	0.31

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

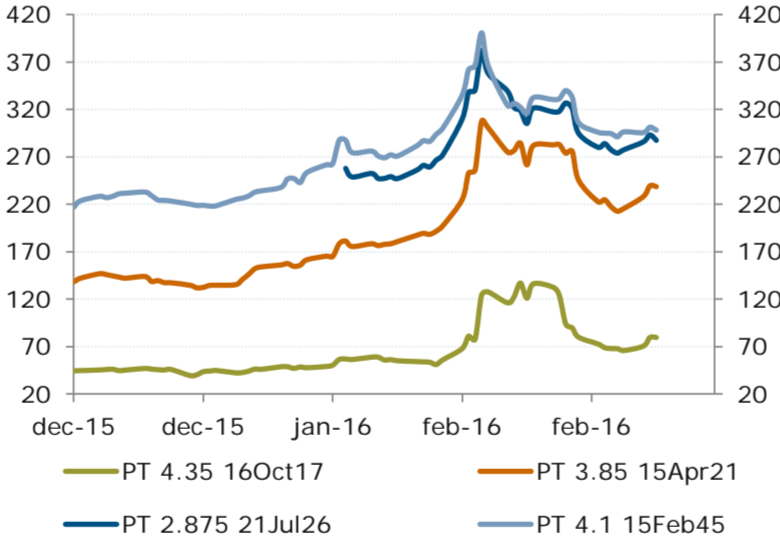
Source: European Commission, Winter 2015 forecast

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

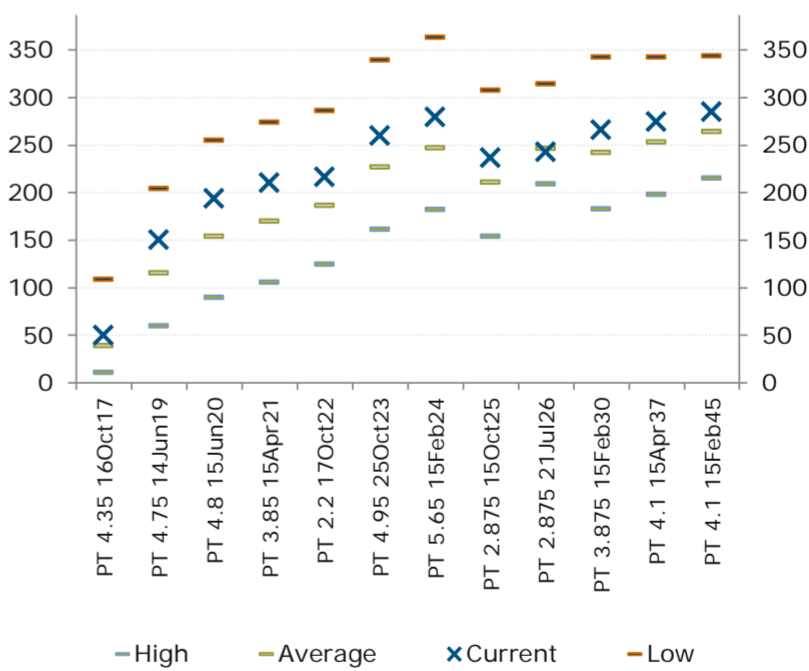
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
4.350	16 okt 17	8.99B	0.278	79.3	66.8	0.56	5.5	50.0	39.2	0.50
4.750	14 jun 19	10.99B	1.269	177.3	140.3	0.91	-12.5	150.3	115.4	0.86
4.800	15 jun 20	10.99B	1.751	217.5	176.5	0.90	-2.6	194.0	154.3	0.88
3.850	15 apr 21	10.99B	2.038	238.3	196.2	0.91	1.4	210.1	170.0	0.91
2.200	17 okt 22	3.0B	2.421	262.8	229.5	0.77	3.0	216.6	186.7	0.78
4.950	25 okt 23	8.02B	2.711	279.1	245.2	0.73	2.3	260.0	226.9	0.76
5.650	15 feb 24	12.02B	2.863	290.2	257.5	0.70	1.2	279.7	247.1	0.73
2.875	15 okt 25	10.52B	2.975	278.8	248.6	0.69	1.4	236.7	210.7	0.71
2.875	21 jul 26	4.21B	3.143	287.1	292.2	-0.17	0.2	242.7	246.6	-0.16
3.875	15 feb 30	4.05B	3.550	297.3	269.0	0.64	-0.4	265.9	242.3	0.64
4.100	15 apr 37	8.02B	3.839	290.8	270.0	0.52	-3.3	274.3	253.4	0.61
4.100	15 feb 45	2.5B	4.017	297.8	278.5	0.51	0.1	284.7	264.4	0.65

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

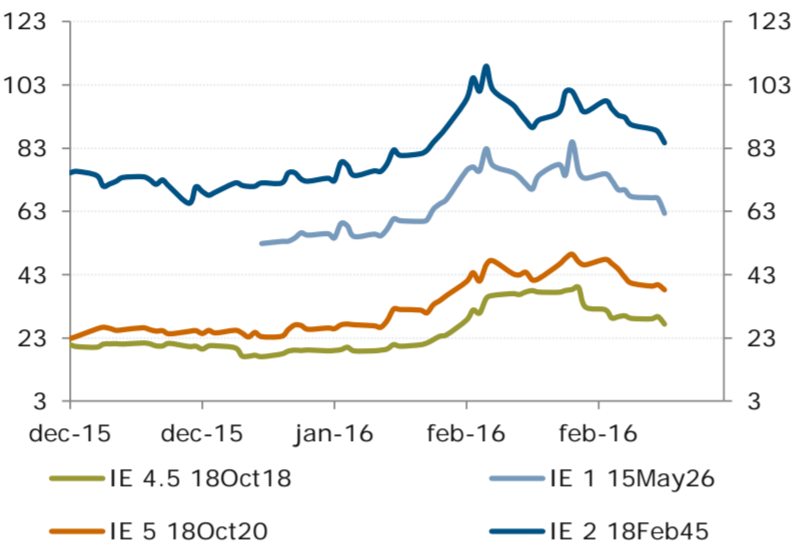
Rating	Baa1/A/A-
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Moody's / S&P / Fitch

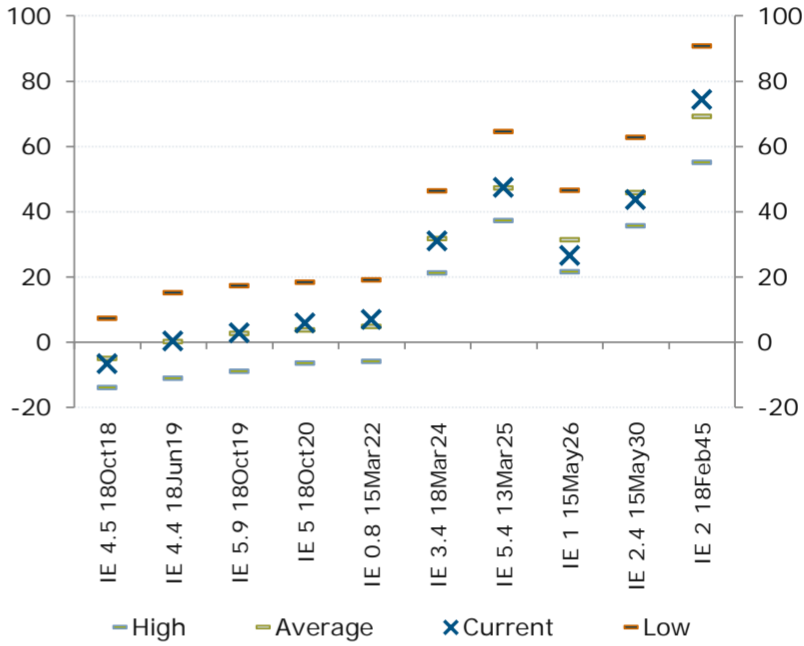
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
4.500	18 okt 18	9.58B	-0.252	27.6	25.4	0.34	-191.8	-6.7	-5.1	-0.29
4.400	18 jun 19	7.06B	-0.152	35.2	31.5	0.44	-180.5	0.3	0.2	0.01
5.900	18 okt 19	6.58B	-0.115	36.4	33.0	0.46	-133.8	2.9	2.6	0.04
5.000	18 okt 20	8.99B	-0.006	38.5	33.8	0.57	-48.9	5.9	3.8	0.29
0.800	15 mar 22	4.25B	0.193	46.6	42.1	0.53	2.5	6.9	4.8	0.30
3.400	18 mar 24	8.01B	0.601	62.8	61.9	0.11	22.4	31.0	31.7	-0.11
5.400	13 mar 25	11.35B	0.783	67.1	64.7	0.27	23.1	47.3	47.2	0.01
1.000	15 maj 26	4.0B	0.882	62.7	66.3	-0.45	-1.3	26.6	31.3	-0.79
2.400	15 maj 30	7.78B	1.291	69.9	69.4	0.05	10.8	43.6	45.7	-0.26
2.000	18 feb 45	5.95B	1.889	85.0	83.3	0.16	-5.0	74.2	69.2	0.46

Spreads against the German curve, bp



Asset swap term structure, bp



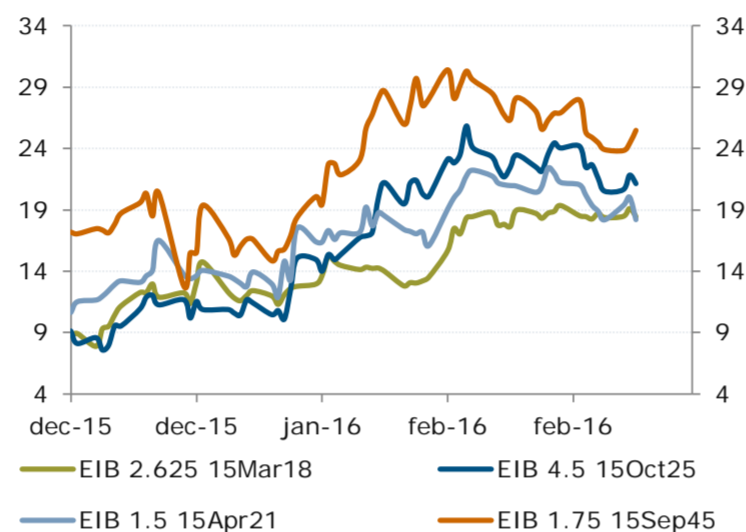


European Investment Bank (EIB)

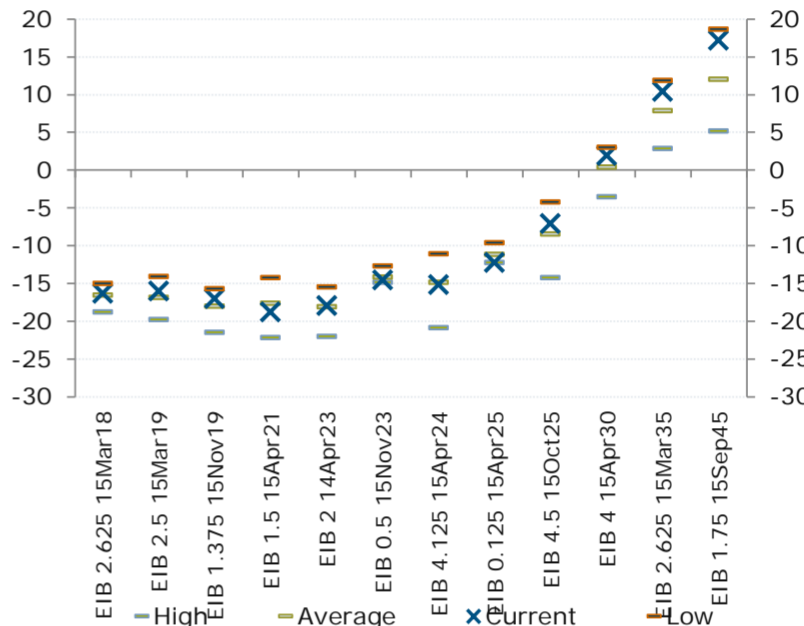
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
2.625	15 mar 18	3.2B	-0.355	18.1	14.3	1.33	-1.2	-16.4	-16.6	0.22
2.500	15 mar 19	2.9B	-0.315	20.8	16.0	2.01	-0.9	-16.1	-16.9	0.49
1.375	15 nov 19	3.0B	-0.276	19.8	15.9	1.50	-0.8	-17.0	-18.0	0.55
1.500	15 apr 21	5.0B	-0.167	17.9	16.7	0.39	-2.1	-18.8	-17.7	-0.55
2.000	14 apr 23	5.0B	0.061	21.2	19.0	0.64	-0.1	-18.0	-18.1	0.09
0.500	15 nov 23	1.5B	0.184	25.6	26.2	-0.49	-0.6	-14.6	-14.2	-0.72
4.125	15 apr 24	7.25B	0.177	19.3	17.6	0.37	-0.4	-15.2	-14.9	-0.12
0.125	15 apr 25	3.0B	0.384	26.1	27.9	-1.39	-0.6	-12.3	-11.2	-2.40
4.500	15 okt 25	7.75B	0.396	20.8	16.8	0.77	-0.3	-7.1	-8.5	0.43
4.000	15 apr 30	6.5B	0.820	23.2	18.7	1.09	-0.1	1.9	0.4	0.75
2.625	15 mar 35	1.7B	1.115	25.1	22.4	0.73	-0.4	10.3	7.8	0.79
1.750	15 sep 45	1.3B	1.293	25.2	22.5	0.58	-0.4	17.2	12.0	1.03

Spreads against the German curve, bp



Asset swap term structure, bp

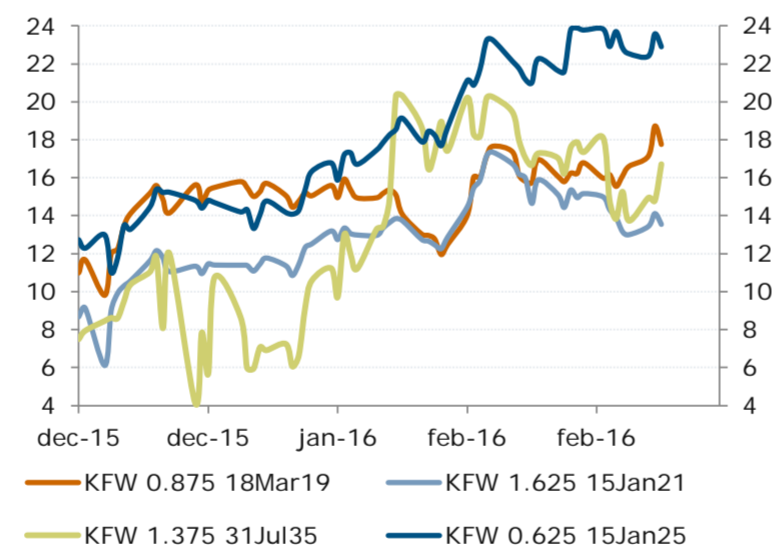


Kreditanstalt für Wiederaufbau (KfW)

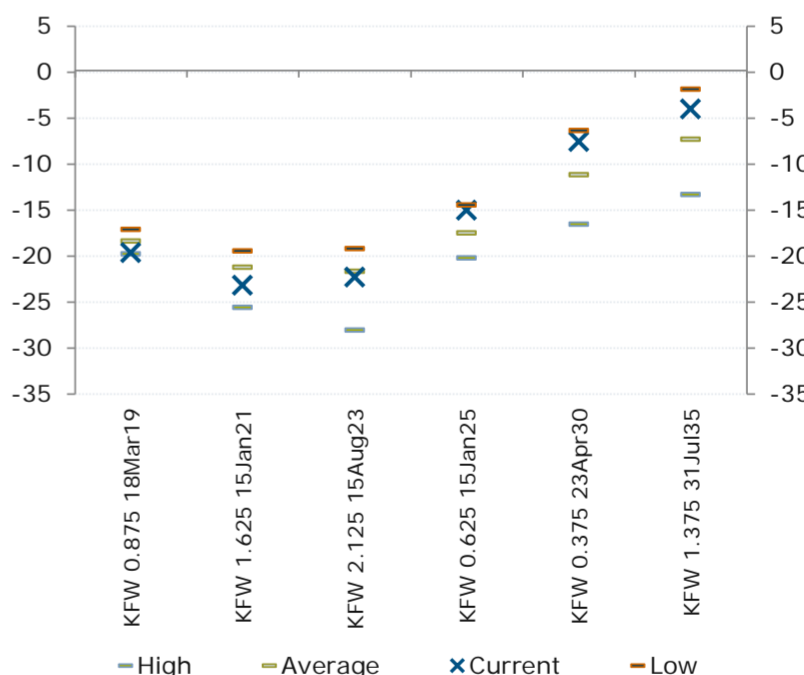
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	09-mar	60D Avg.	Z-score	Δ B/E Spd 1Y	09-mar	60D Avg.	Z-score
0.875	18 mar 19	5.0B	-0.348	17.3	14.7	2.18	-1.0	-19.9	-18.6	-1.85
1.625	15 jan 21	5.0B	-0.236	13.1	12.6	0.32	-0.5	-23.4	-21.4	-1.83
2.125	15 aug 23	3.0B	0.056	16.3	15.0	0.39	-0.9	-22.5	-21.9	-0.42
0.625	15 jan 25	3.0B	0.315	22.5	17.8	1.37	-0.7	-15.2	-17.7	2.04
0.375	23 apr 30	2.0B	0.864	27.6	20.7	1.16	0.1	-7.8	-11.4	1.02
1.375	31 jul 35	1.0B	1.039	16.3	12.9	0.80	0.6	-4.3	-7.5	0.90

Spreads against the German curve, bp



Asset swap term structure, bp



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