

Euro Rates Update

Nordea Research, 28 June 2016

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US Treasury Yields				
	2Y	5Y	10Y	30Y
	0.59	1.00	1.47	2.31
Δ 1D	#####	#####	-11.5	-14.9
Δ 1W	-11.6	-12.5	-14.6	-13.5

German Benchmark Yields				
	2Y	5Y	10Y	30Y
	-0.66	-0.56	-0.11	0.38
Δ 1D	-0.7	-0.7	-5.5	-12.0
Δ 1W	-6.0	-6.5	-13.1	-20.0

German Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-9.8	-44.9	-54.7	-49.0
Δ 1D	0.0	-4.8	-4.8	-6.5
Δ 1W	-0.5	-6.6	-7.2	-6.8

EUR Swap Curve Slopes				
	2-5Y	5-10Y	2-10Y	10-30Y
	-12.4	-48.6	-61.0	-41.1
Δ 1D	-0.7	-3.7	-4.4	-4.0
Δ 1W	-0.6	-4.1	-4.7	-6.2

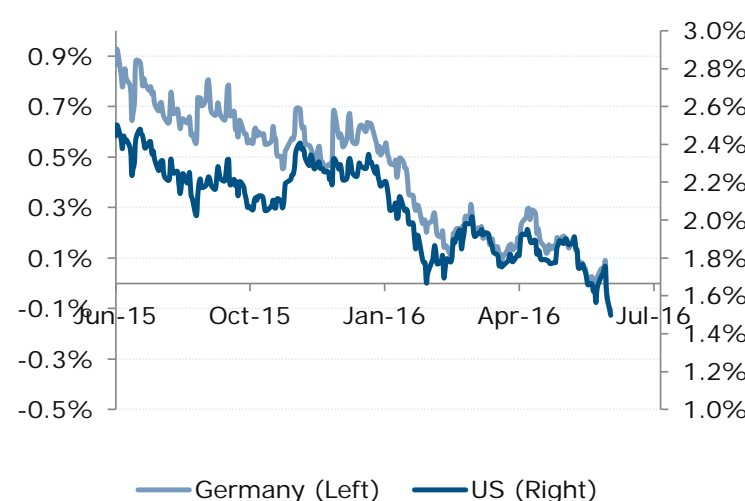
German Asset Swap Levels				
	2Y	5Y	10Y	30Y
	-43.0	-43.6	-45.2	-43.6
Δ 1D	-0.5	0.2	-0.9	-4.5
Δ 1W	-2.6	-2.3	-5.0	-7.6

10Y Benchmark Yields				
	Yield	Δ 1D	Spread	Δ 1D
GER	-0.109	-5.5	-	-
FRA	0.301	-6.7	40.2	-0.8
ITA	1.426	-4.4	157.2	1.3
ESP	1.441	-17.8	154.9	-11.9
BEL	0.339	-6.3	43.2	-0.3
HOL	0.158	-5.7	25.0	0.2
AUT	0.283	-4.6	37.0	1.6
GRE	7.802	7.8	792.6	13.6
POR	3.292	-3.9	338.4	2.0
FIN	0.221	-5.9	33.3	0.0
IRL	0.767	-7.1	87.1	-1.2

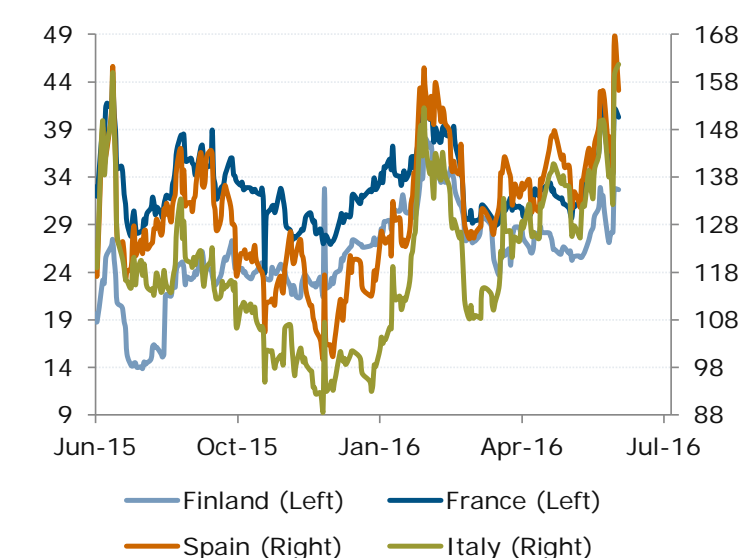
Spread = Maturity interpolated spread to German government par yield curve

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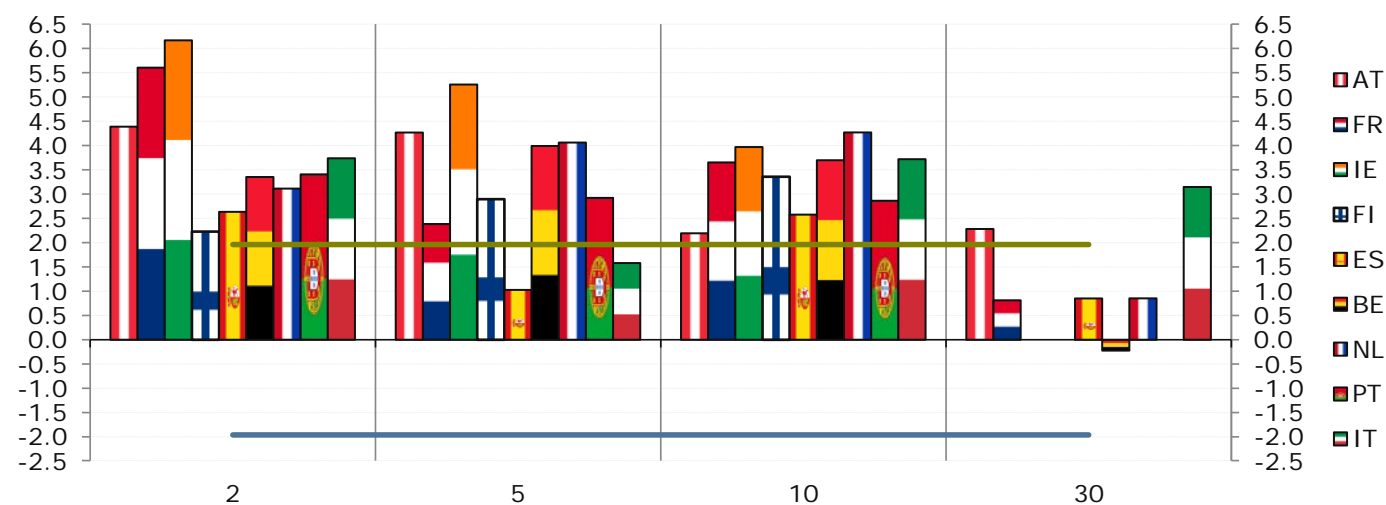
German & US 10-year benchmark yields, %



10 year spreads against Germany, bp



Z-scores of benchmark vs. Germany



Upcoming Issuance (source: Bloomberg)						
Date		Country	Coupon	Maturity		Amount (EURbn)
30 Jun		IT				
05 Jul		AS				
06 Jul		GE				4bn
07 Jul		FR				
12 Jul		NL	0.50%	2026		

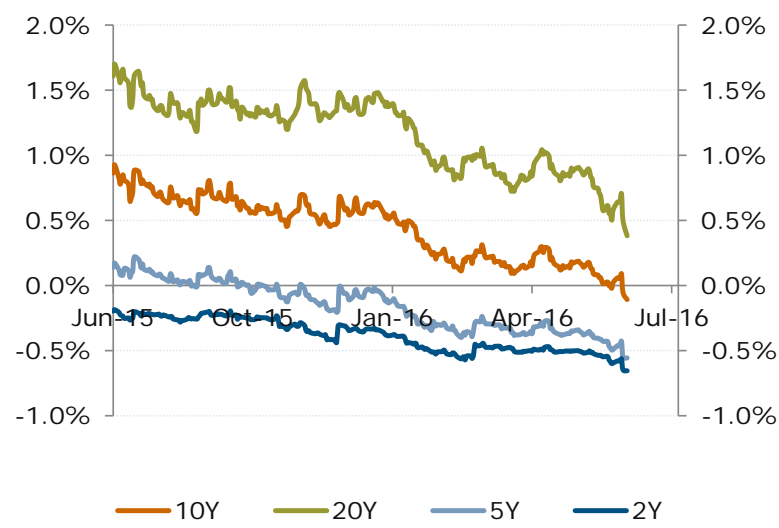
All bond quotes are taken at 16:15 CET.

Bond Yields & Curves

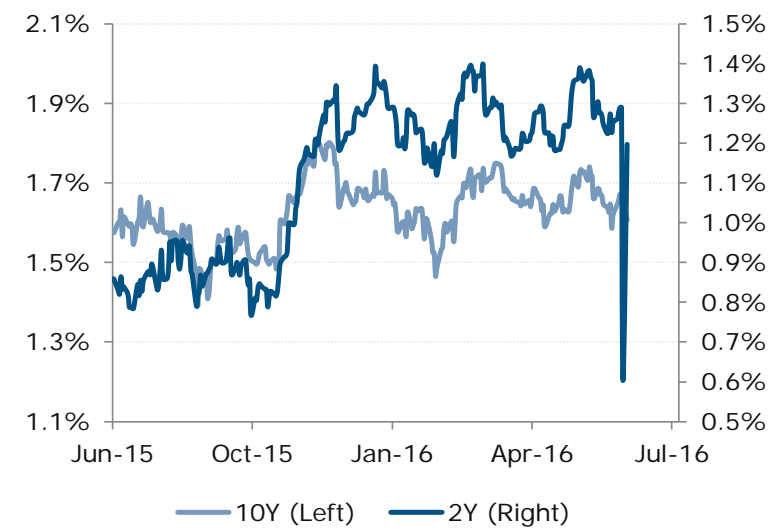
Yield Levels

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

German benchmark bond yields, %



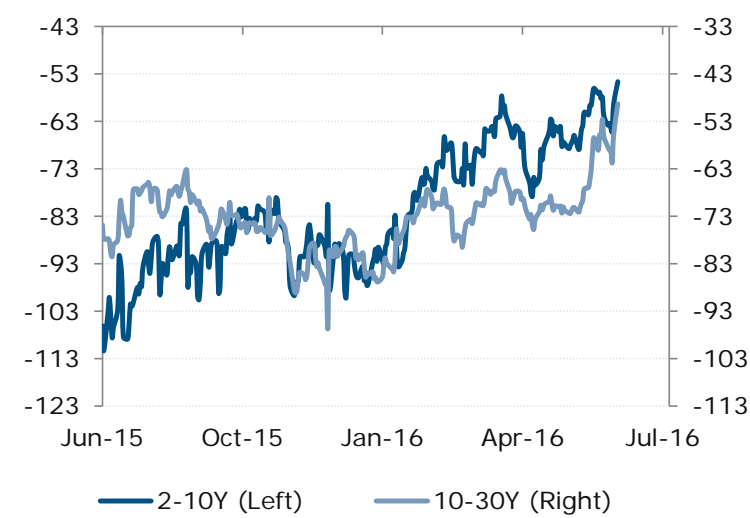
USA-Germany spreads, annualized yields, %



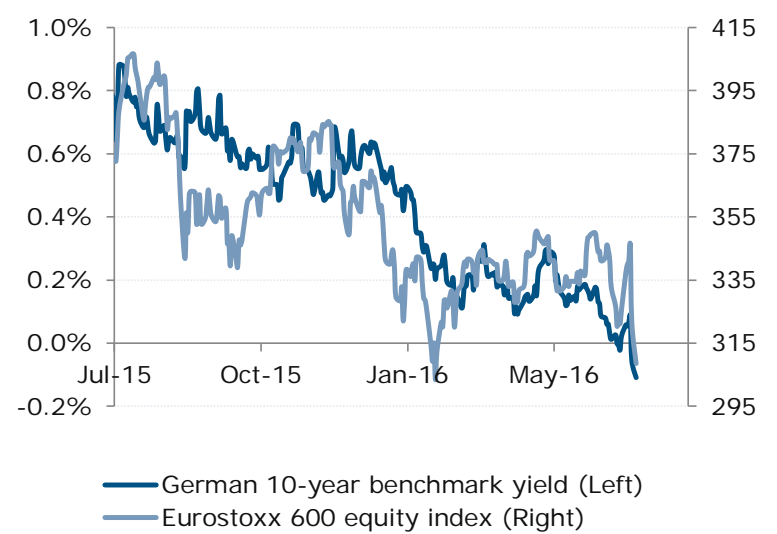
Bond Curve Shape

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

German yield curve slopes, bp



Bonds vs. equities



Swaps and Forwards

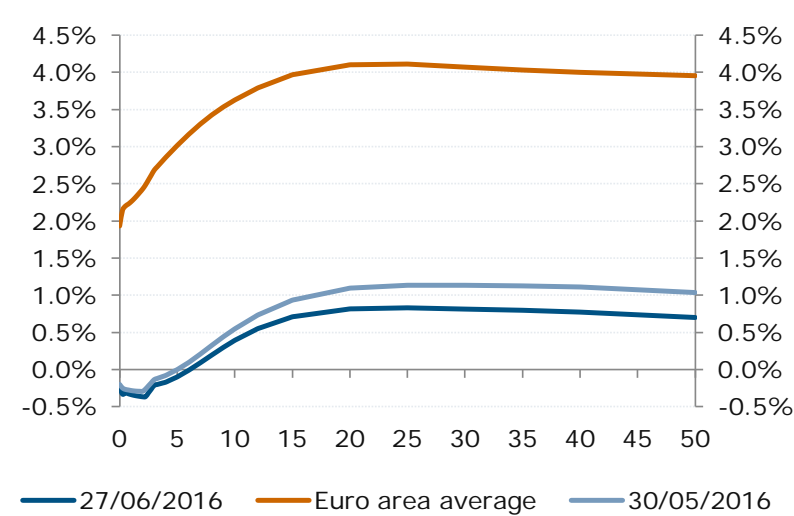
EUR swap rates and implied forwards, %



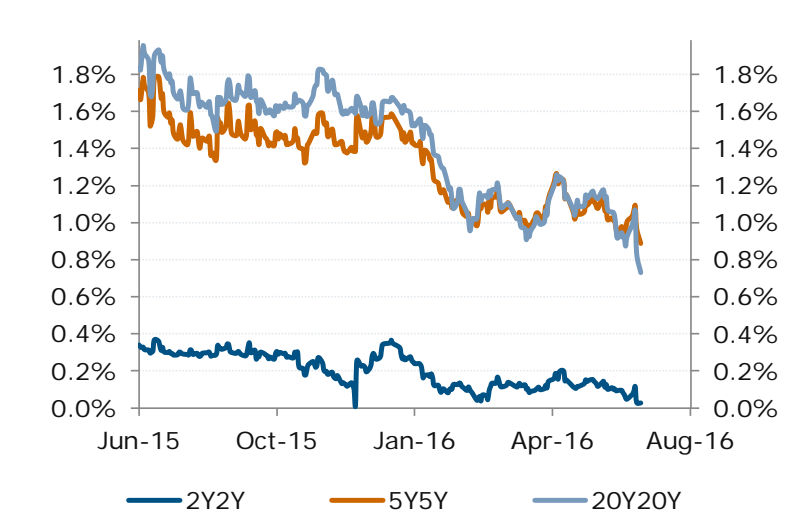
EUR-USD spreads and implied forwards, %



EUR swap curve shape vs. historical



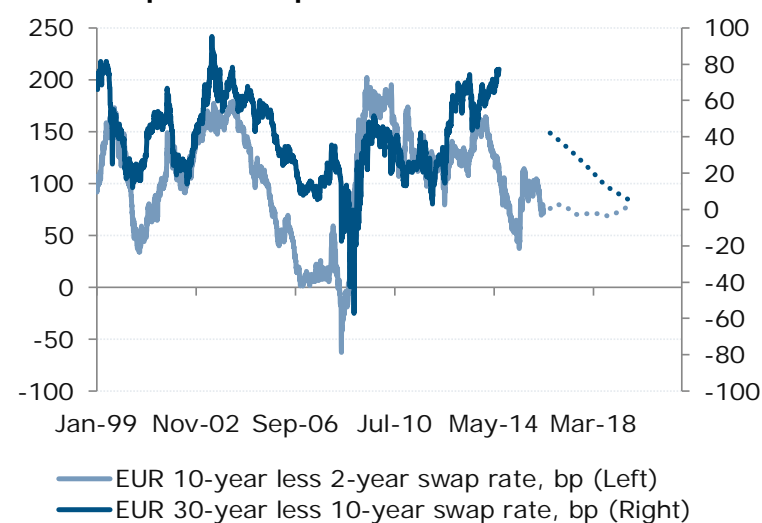
Historical forward rates, %



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)

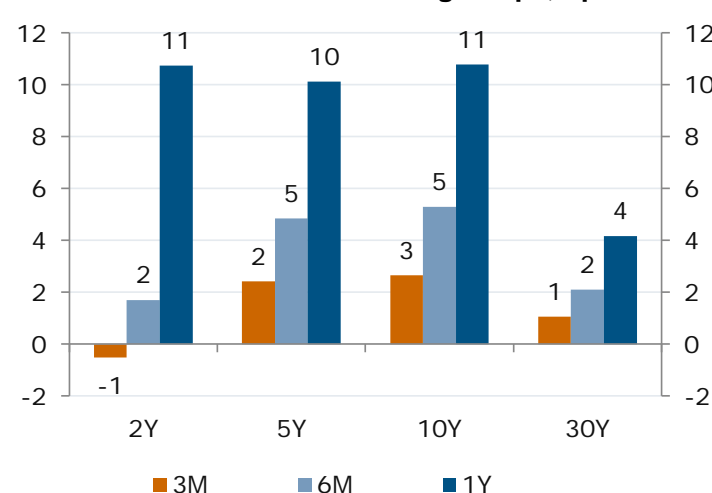


Carry

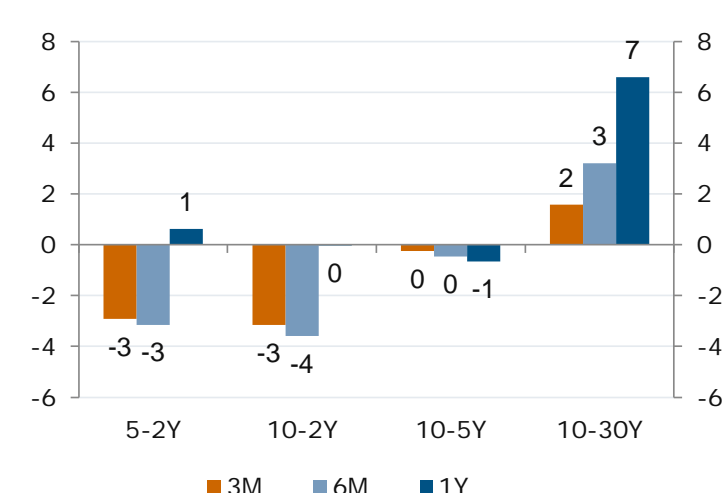
The carry on the given horizon illustrates how much the spot swap rate may rise for a receiver swap position in a forward-starting swap to result in zero profit.

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



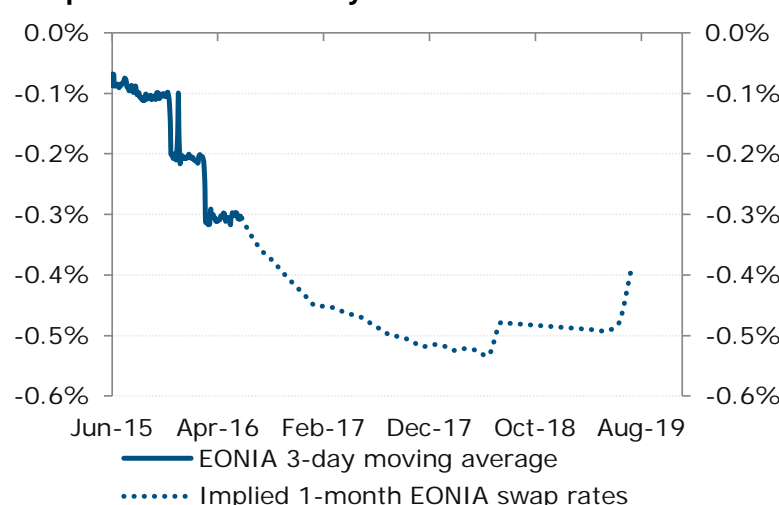
Yield buffers for duration-neutral steepeners, bp



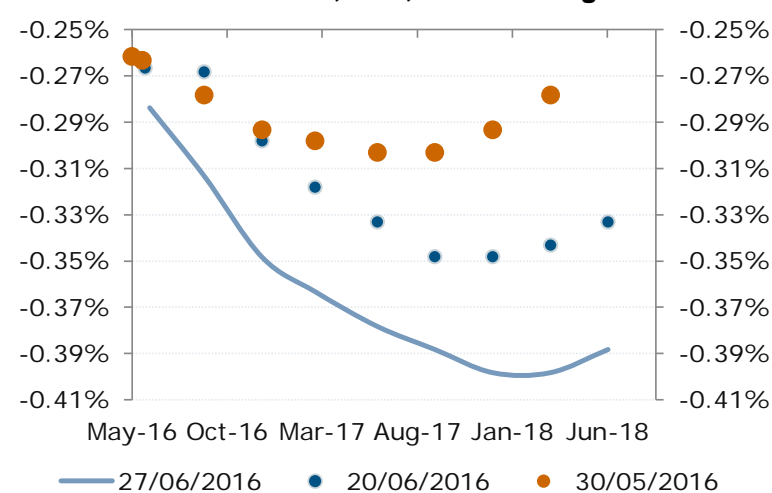
Money Market Rates

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

Expectations and history for EONIA



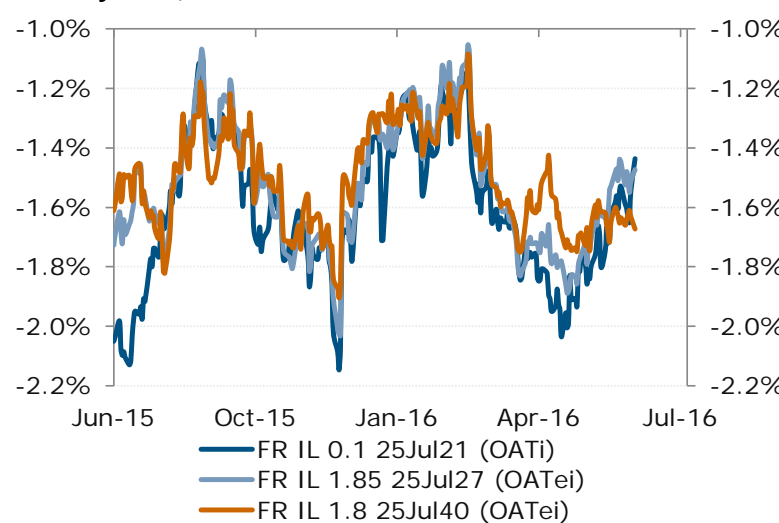
Euribor futures curve, now, 1 wk & 1M ago



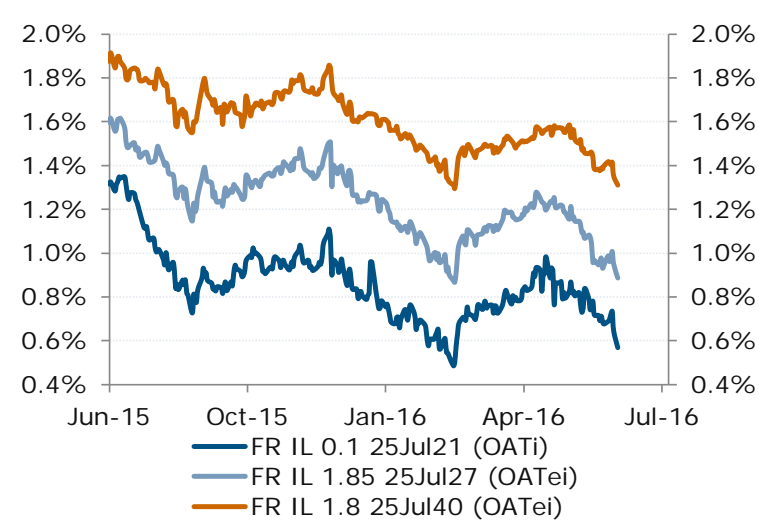
Inflation-linked Bonds

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

Real yields, %



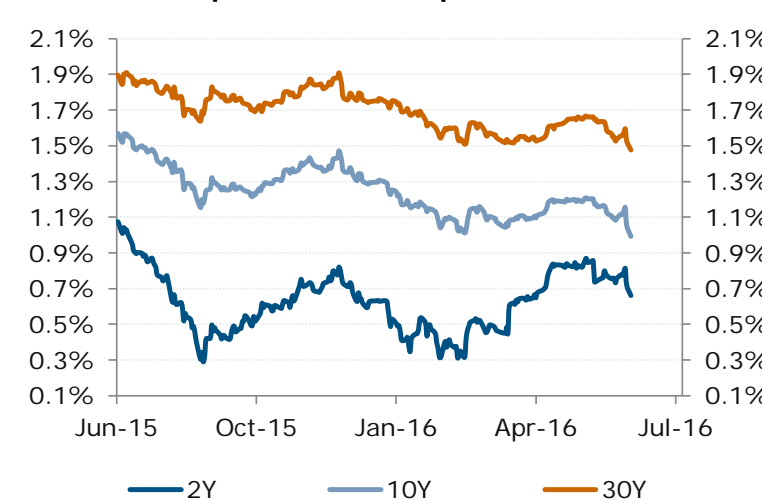
Break-even inflation history, %



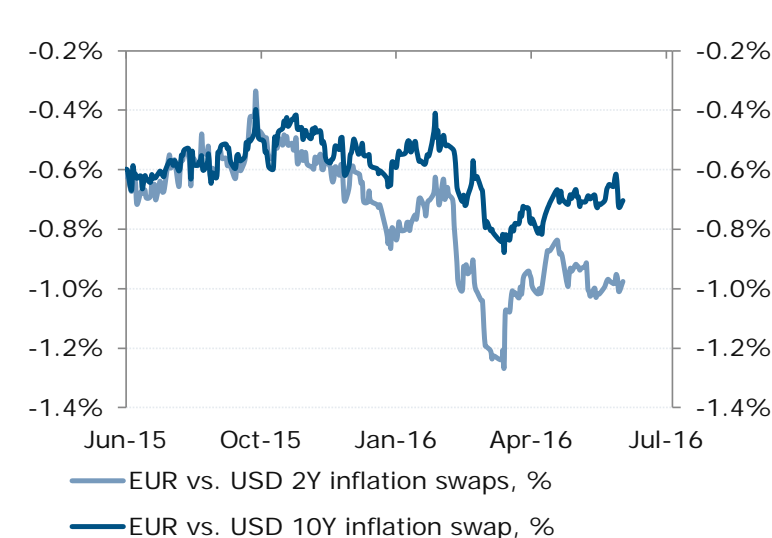
Inflation Swaps

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

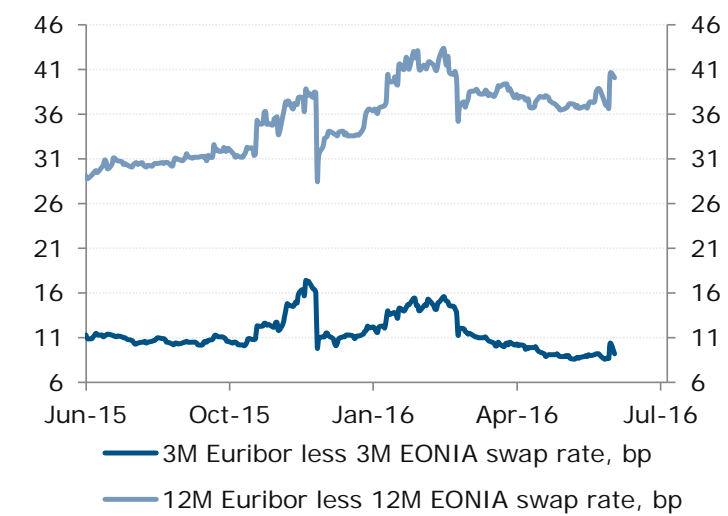
Credit default swap indices illustrate the annual cost of buying protection against a credit event of a company. iTraxx® Europe is comprised of the 125 most liquid CDS contracts referencing European investment grade credits, iTraxx® Crossover of 50 sub-investment grade credits.

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



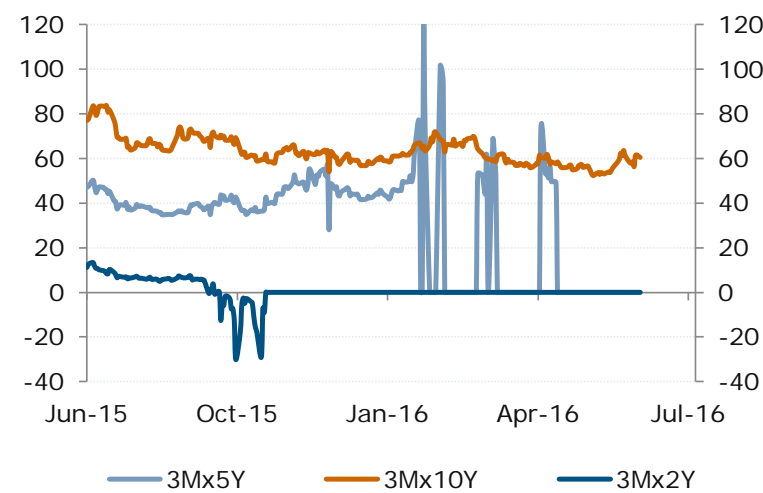
Money market rates vs. EONIA swap rates



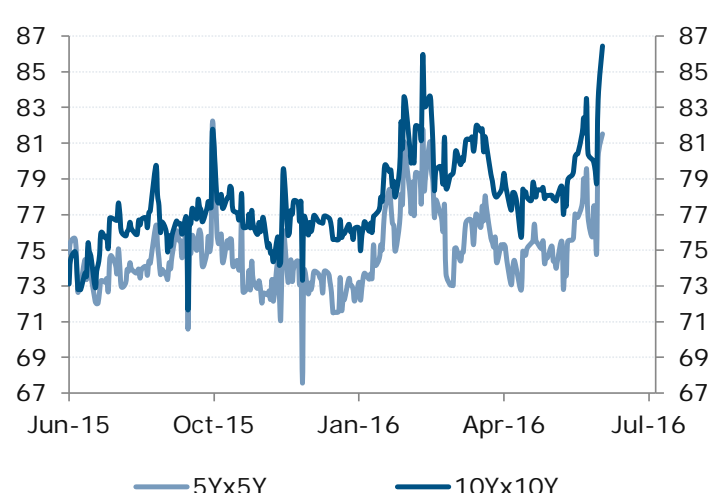
Swaption Volatilities

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

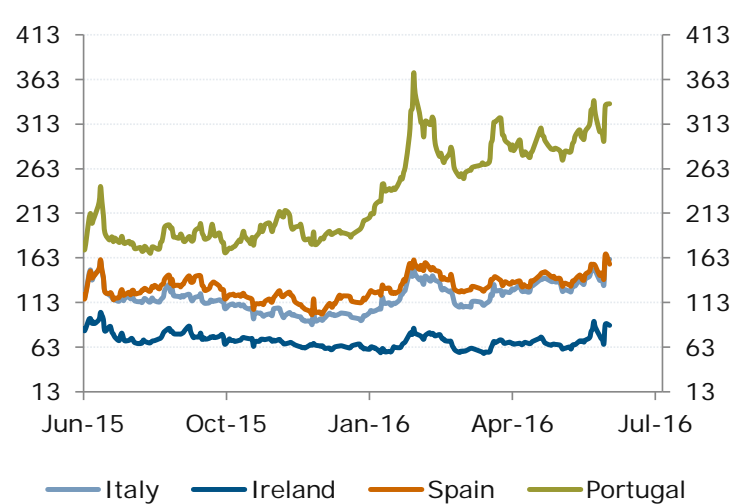
Swap spread:
Benchmark bond's spread to
EUR swap curve.

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

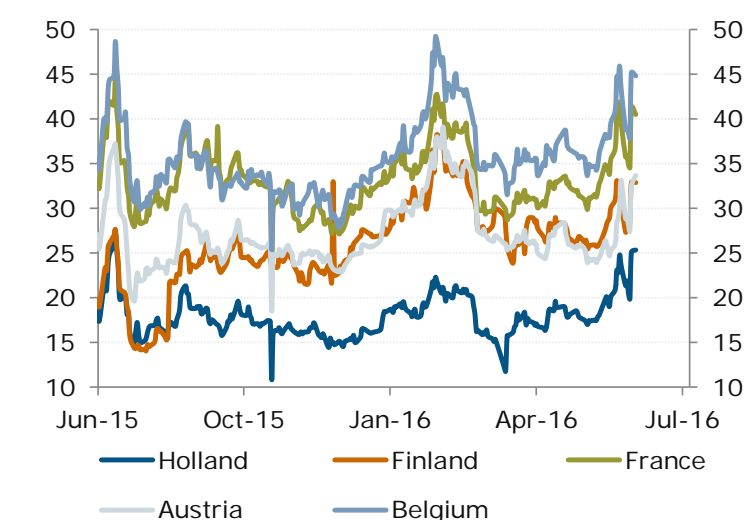
German swap spreads, bp



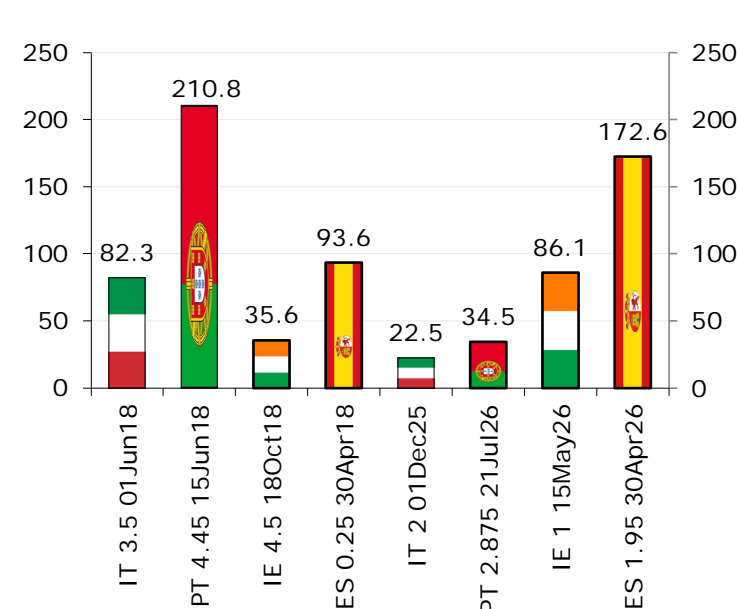
10Y non-AAA spreads against Germany, bp



10Y AAA/AA+ spreads to Germany, bp



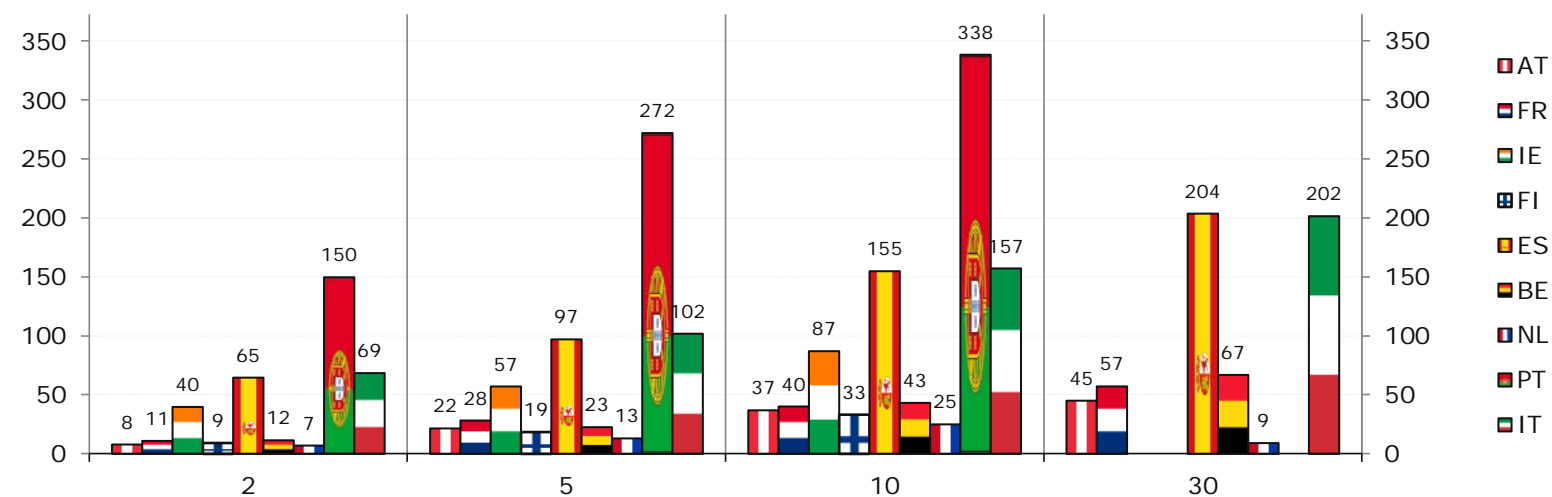
1Y B/E spread changes against Germany, bp



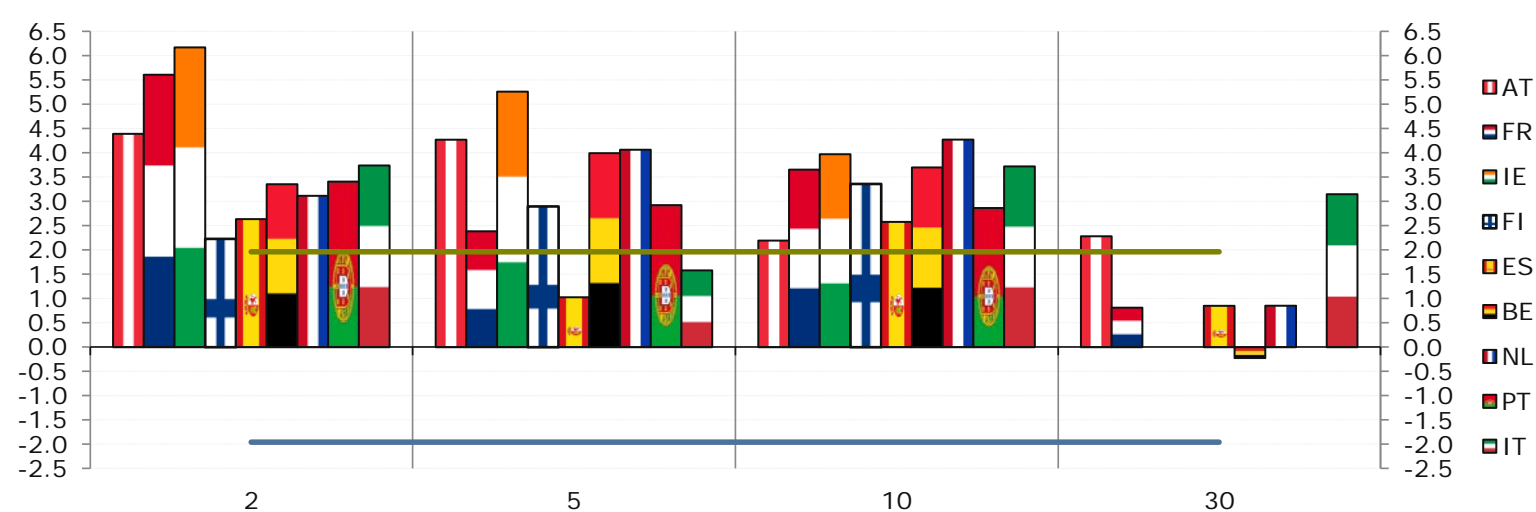


Country Relative Value

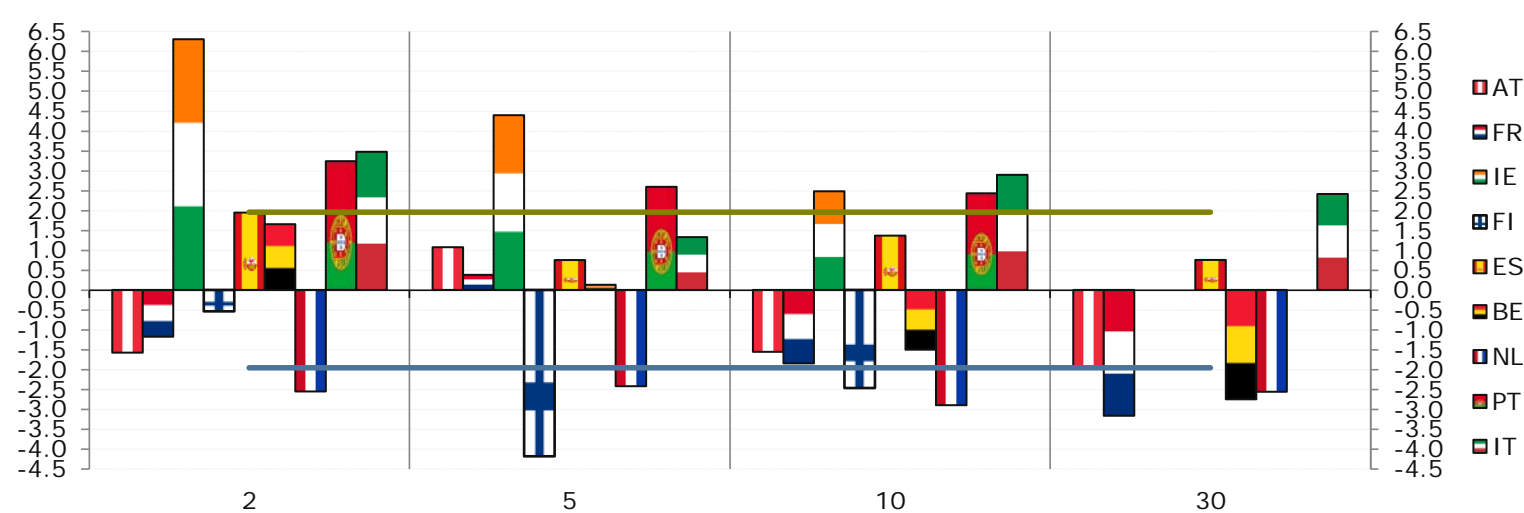
Benchmark spreads over the maturity-interpolated German par curve, bp



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	04 Jul 19	3.500	-19.4	-3.43	DE	04 Jul 19	3.500	-43.5	-3.75
	IE	18 Oct 18	4.500	39.8	5.23	EIB	16 Sep 19	2.500	-19.3	8.40
5Y: Rich	DE	04 Jul 20	3.000	-23.6	-3.39	DE	04 Jul 20	3.000	-45.5	-3.98
	EIB	15 Jul 20	1.500	20.9	4.72	EIB	15 Jul 20	1.500	-23.1	6.74
7Y: Rich	DE	04 Sep 22	1.500	-31.1	-3.13	DE	04 Sep 22	1.500	-48.9	-4.16
	EIB	14 Apr 23	2.000	22.9	5.11	EIB	14 Apr 23	2.000	-24.6	3.43
10Y: Rich	DE	15 Feb 26	0.500	-37.5	-3.43	DE	15 Feb 26	0.500	-45.2	-4.13
	EIB	14 Apr 26	0.375	33.0	4.60	IT	01 Jun 26	1.600	112.1	3.13
15Y: Rich	DE	04 Jan 31	5.500	-54.6	-1.69	KfW	31 Jul 35	1.375	-18.3	-3.53
	FI	15 Apr 31	0.750	39.0	4.68	PT	15 Apr 37	4.100	314.1	2.49
20Y: Rich	DE	15 Aug 46	2.500	-72.6	-1.17	DE	15 Aug 46	2.500	-43.6	-2.98
	IE	18 Feb 45	2.000	107.0	3.67	EIB	15 Sep 45	1.750	16.3	3.92

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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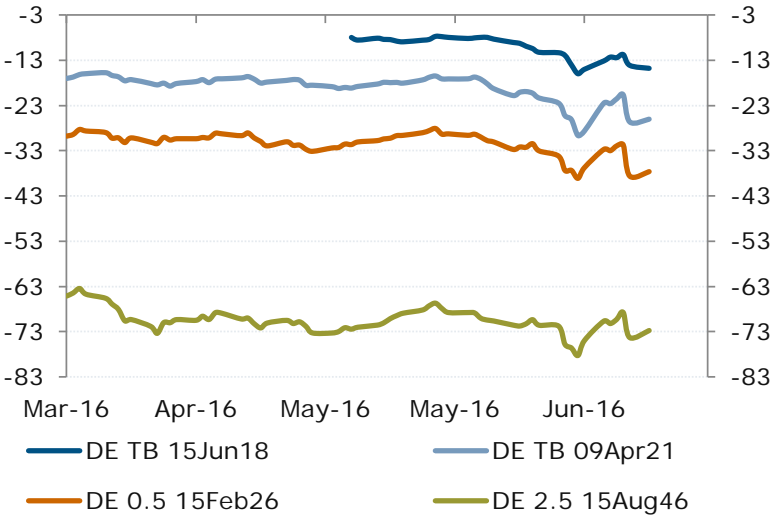
Moody's / S&P / Fitch

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

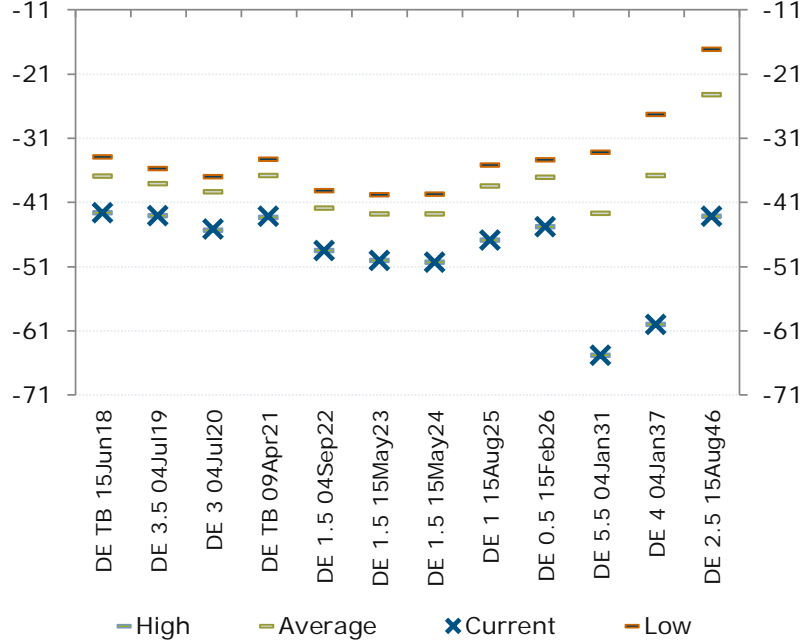
Germany

Benchmark Bonds				Spread vs. France				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
0.000	15 Jun 18	10.0B	-0.656	-14.7	-10.1	-2.00	-1.2	-43.0	-37.3	-2.67
3.500	04 Jul 19	24.0B	-0.640	-19.4	-13.6	-3.43	-1.0	-43.5	-38.5	-3.75
3.000	04 Jul 20	22.0B	-0.620	-23.6	-17.9	-3.39	-2.1	-45.5	-39.8	-3.98
0.000	09 Apr 21	21.0B	-0.558	-25.9	-19.0	-2.96	5.2	-43.6	-37.3	-3.89
1.500	04 Sep 22	18.0B	-0.483	-31.1	-24.9	-3.13	-0.7	-48.9	-42.3	-4.16
1.500	15 May 23	18.0B	-0.432	-33.4	-26.7	-3.12	-0.2	-50.4	-43.2	-4.15
1.500	15 May 24	18.0B	-0.335	-36.1	-29.4	-2.98	0.0	-50.7	-43.2	-3.89
1.000	15 Aug 25	23.0B	-0.179	-38.2	-30.7	-3.38	0.3	-47.3	-38.9	-4.13
0.500	15 Feb 26	26.0B	-0.109	-37.5	-31.2	-3.43	1.3	-45.2	-37.5	-4.13
5.500	04 Jan 31	17.0B	0.025	-54.6	-51.1	-1.69	0.0	-65.2	-43.1	-3.12
4.000	04 Jan 37	23.0B	0.215	-63.9	-62.4	-0.65	-0.2	-60.4	-37.2	-3.10
2.500	15 Aug 46	17.0B	0.381	-72.6	-70.4	-1.17	0.0	-43.6	-24.6	-2.98

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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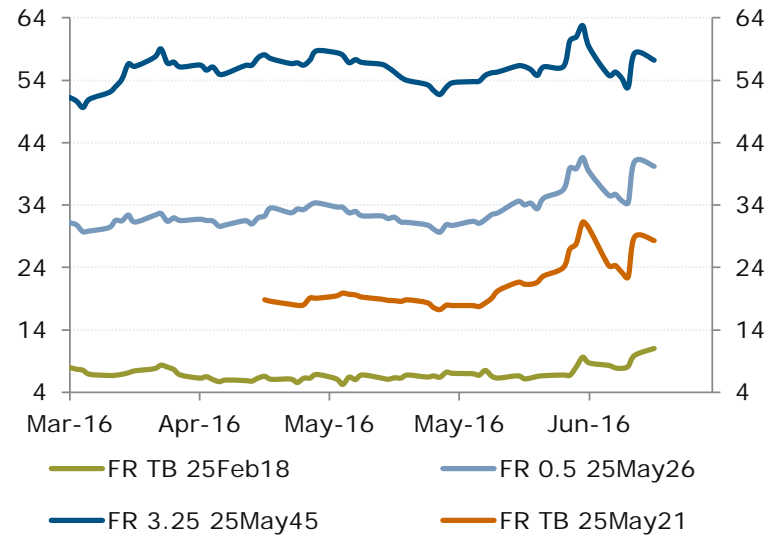
Moody's / S&P / Fitch

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

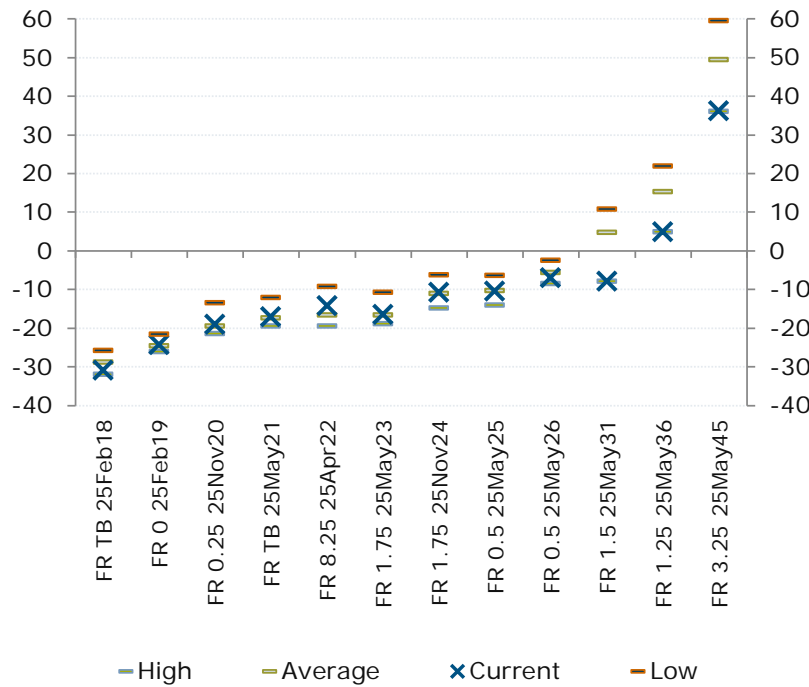
France

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
0.000	25 Feb 18	19.22B	-0.533	11.0	7.0	5.07	1.9	-31.0	-28.9	-1.99
0.000	25 Feb 19	12.81B	-0.468	18.4	12.9	3.65	-0.2	-24.4	-24.7	0.33
0.250	25 Nov 20	24.82B	-0.340	25.5	18.4	2.99	-1.1	-19.0	-19.6	0.59
0.000	25 May 21	10.99B	-0.283	28.3	21.2	2.26	-0.3	-17.2	-17.5	0.30
8.250	25 Apr 22	1.99B	-0.232	26.9	18.3	3.57	1.8	-14.3	-16.7	1.58
1.750	25 May 23	35.02B	-0.109	30.9	24.0	3.09	3.1	-16.6	-16.6	0.07
1.750	25 Nov 24	30.99B	0.094	35.1	27.5	3.17	3.4	-10.8	-11.1	0.19
0.500	25 May 25	32.97B	0.170	36.8	29.5	3.32	2.5	-10.5	-10.3	-0.13
0.500	25 May 26	20.05B	0.301	40.2	33.1	3.35	1.7	-7.0	-5.7	-1.27
1.500	25 May 31	16.99B	0.570	50.2	46.0	1.92	-1.1	-8.0	4.7	-3.16
1.250	25 May 36	6.0B	0.816	54.7	52.0	1.33	0.0	4.8	15.3	-2.46
3.250	25 May 45	20.99B	0.997	57.2	55.7	0.79	-0.7	36.1	49.4	-2.76

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

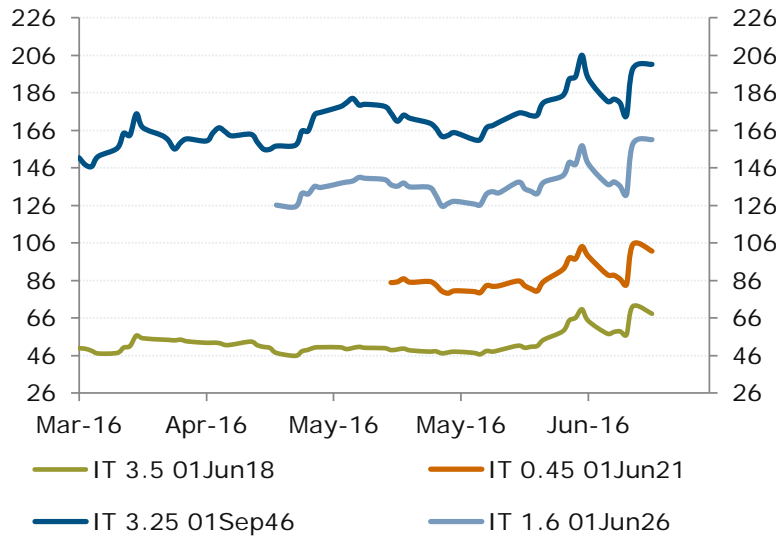
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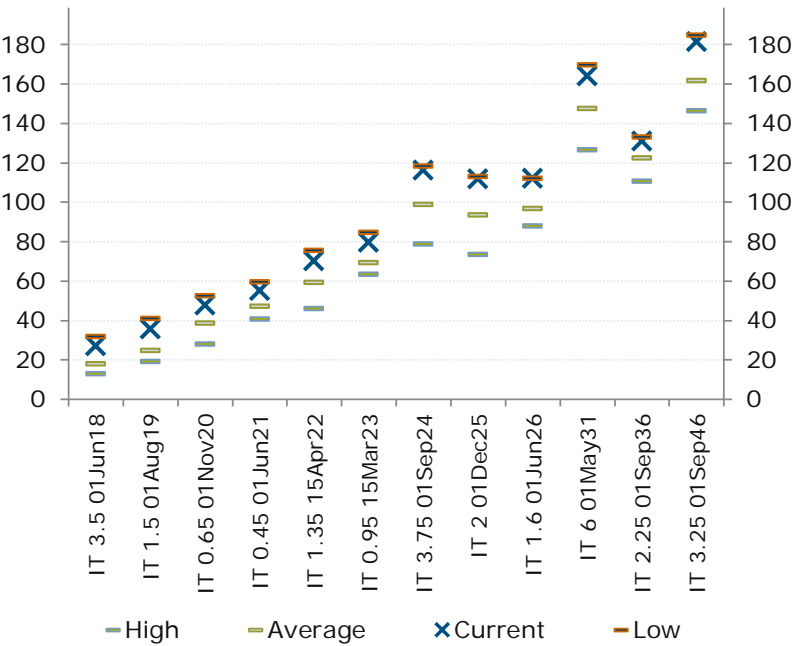
Italy

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
3.500	01 Jun 18	19.01B	0.032	68.5	53.0	3.42	-7.2	27.1	17.9	2.62
1.500	01 Aug 19	16.01B	0.138	78.5	62.5	3.51	-5.5	35.7	24.7	2.90
0.650	01 Nov 20	14.02B	0.327	92.6	77.2	3.49	0.0	47.6	38.6	2.56
0.450	01 Jun 21	9.03B	0.454	101.9	87.7	2.33	2.3	55.2	47.2	1.96
1.350	15 Apr 22	17.01B	0.661	116.4	98.6	3.68	-2.0	70.1	59.0	2.80
0.950	15 Mar 23	13.44B	0.863	129.7	112.6	3.42	1.9	79.5	69.3	2.61
3.750	01 Sep 24	19.01B	1.231	151.7	127.8	3.66	2.1	116.3	98.7	2.97
2.000	01 Dec 25	17.01B	1.426	157.2	130.4	3.54	0.9	111.7	93.3	2.92
1.600	01 Jun 26	13.99B	1.514	161.4	137.3	3.75	1.5	112.1	96.6	3.13
6.000	01 May 31	29.75B	1.840	177.6	147.0	2.92	-2.1	164.0	147.5	2.26
2.250	01 Sep 36	6.5B	2.104	182.8	170.3	1.37	1.9	130.9	122.4	1.19
3.250	01 Sep 46	13.24B	2.451	201.5	170.9	2.97	0.2	181.3	161.5	2.95

Spreads against the German curve, bp



Asset swap term structure, bp



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

Source: European Commission, Winter 2015 forecast

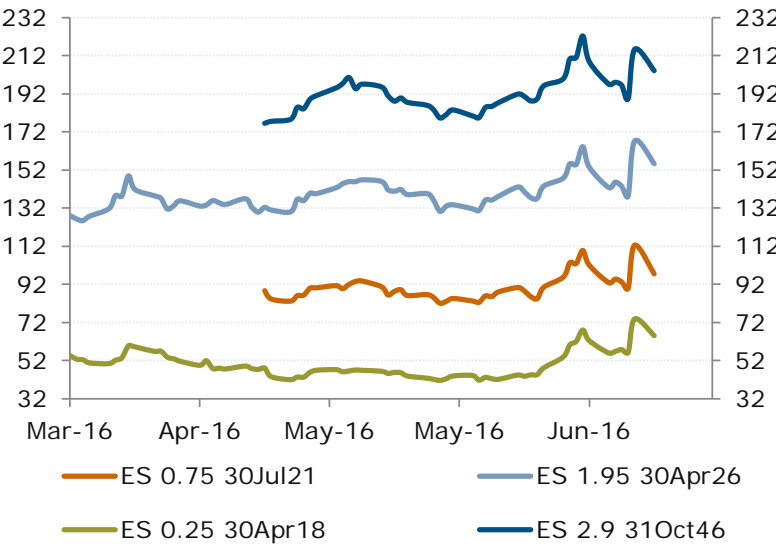
Rating	Baa2/BBB/BBB+
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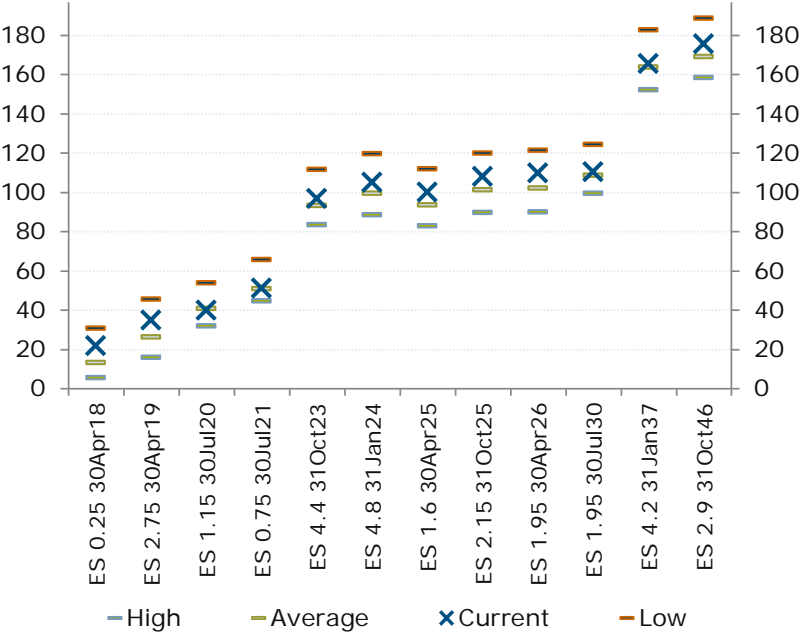
Spain

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
0.250	30 Apr 18	16.99B	-0.003	64.7	49.7	2.52	-15.1	21.6	13.1	1.64
2.750	30 Apr 19	22.98B	0.105	75.5	62.3	2.26	8.3	34.8	26.1	1.57
1.150	30 Jul 20	17.02B	0.220	83.3	78.6	1.05	6.8	39.7	40.8	-0.27
0.750	30 Jul 21	7.93B	0.416	97.1	90.1	1.26	6.0	51.1	50.8	0.08
4.400	31 Oct 23	20.01B	0.922	129.8	119.8	1.85	2.2	96.6	93.0	0.74
4.800	31 Jan 24	16.34B	1.002	135.2	123.3	2.15	4.1	105.1	99.3	1.13
1.600	30 Apr 25	19.09B	1.267	147.3	133.7	2.37	-10.6	100.0	93.5	1.43
2.150	31 Oct 25	20.96B	1.358	151.2	136.9	2.38	-20.4	107.9	101.0	1.46
1.950	30 Apr 26	19.99B	1.441	154.9	139.0	2.44	-20.7	109.7	101.9	1.56
1.950	30 Jul 30	13.21B	1.748	172.0	155.0	2.08	2.4	110.3	108.6	0.40
4.200	31 Jan 37	17.02B	2.122	183.4	168.1	1.97	-9.0	165.4	163.8	0.28
2.900	31 Oct 46	6.87B	2.474	203.7	191.6	1.38	-15.7	175.6	169.1	1.10

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

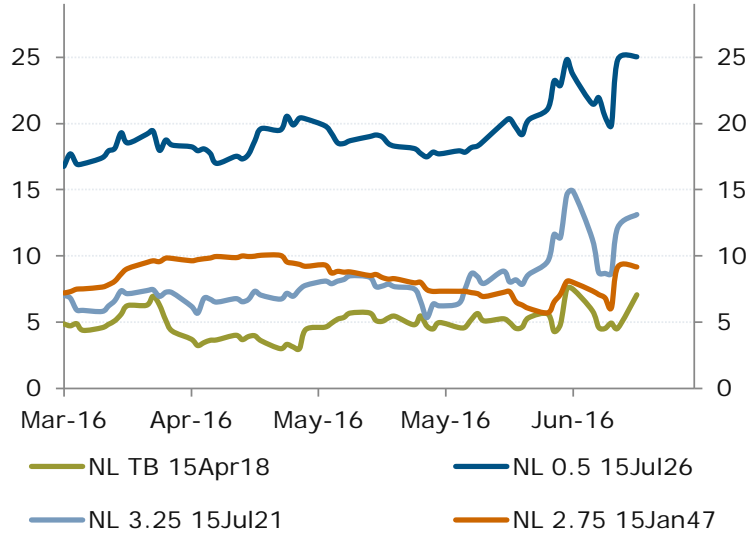
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

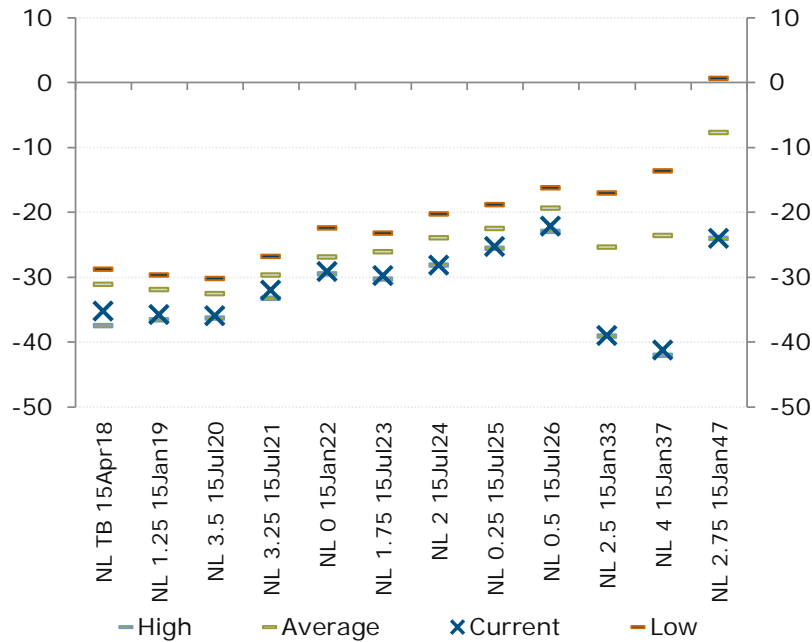
Netherlands

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
0.000	15 Apr 18	14.66B	-0.578	7.1	4.9	2.91	7.7	-35.3	-31.2	-3.10
1.250	15 Jan 19	15.01B	-0.582	7.1	5.4	1.90	3.0	-35.8	-32.0	-3.66
3.500	15 Jul 20	15.02B	-0.529	8.6	5.9	2.74	-1.4	-36.0	-32.6	-3.07
3.250	15 Jul 21	16.99B	-0.426	13.1	8.0	3.69	0.4	-32.1	-29.7	-2.07
0.000	15 Jan 22	4.12B	-0.349	17.2	15.9	0.52	2.6	-29.1	-27.0	-1.16
1.750	15 Jul 23	15.63B	-0.221	18.5	15.0	2.56	0.8	-29.8	-26.1	-3.36
2.000	15 Jul 24	15.32B	-0.110	19.2	15.8	2.41	0.5	-28.2	-24.0	-3.05
0.250	15 Jul 25	15.01B	0.037	21.9	17.2	3.82	-0.5	-25.3	-22.5	-2.33
0.500	15 Jul 26	8.51B	0.158	25.0	19.3	3.91	-4.1	-22.2	-19.4	-2.41
2.500	15 Jan 33	12.01B	0.311	16.5	10.6	4.41	0.1	-39.0	-25.4	-2.22
4.000	15 Jan 37	13.99B	0.354	6.7	2.0	4.11	-0.4	-41.3	-23.6	-2.23
2.750	15 Jan 47	11.01B	0.530	9.2	8.3	0.82	0.1	-24.1	-7.8	-2.40

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

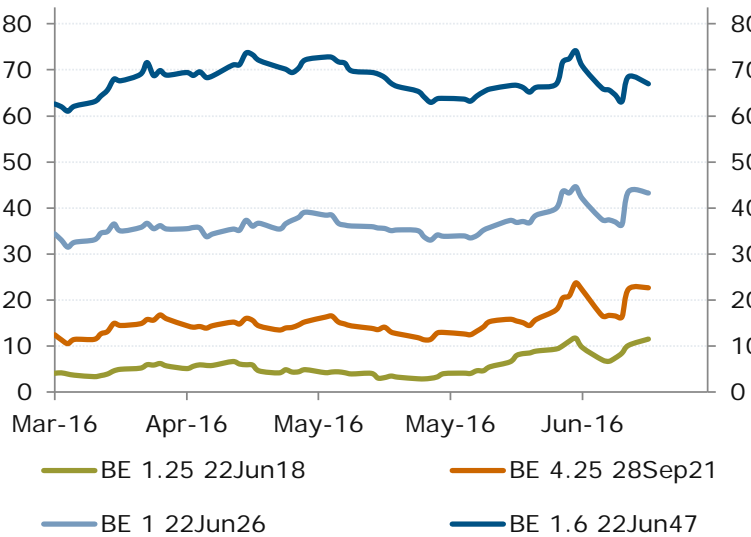
Rating	Aa3/AA/AA
Moody's / S&P / Fitch	

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

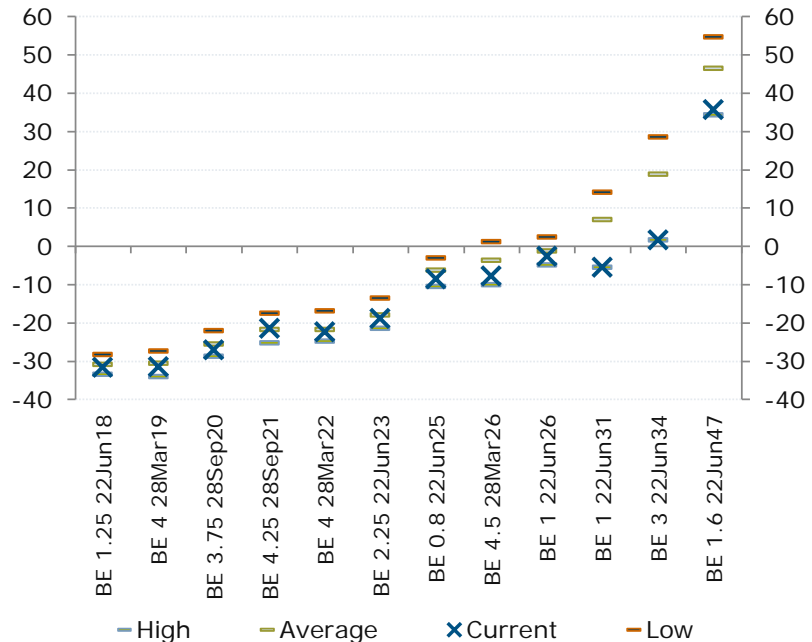
Belgium

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
1.250	22 Jun 18	11.01B	-0.540	11.5	5.7	3.12	2.7	-31.6	-30.8	-0.70
4.000	28 Mar 19	12.37B	-0.534	11.8	7.6	2.63	-1.8	-31.4	-30.5	-0.71
3.750	28 Sep 20	19.01B	-0.435	16.9	12.1	3.15	-3.1	-27.0	-25.4	-1.11
4.250	28 Sep 21	16.45B	-0.316	22.7	15.1	3.69	2.9	-21.4	-21.8	0.29
4.000	28 Mar 22	14.02B	-0.283	22.4	16.1	3.24	3.6	-22.3	-21.7	-0.45
2.250	22 Jun 23	13.99B	-0.128	28.4	22.4	2.90	6.2	-18.8	-17.9	-0.62
0.800	22 Jun 25	16.02B	0.191	38.0	32.9	3.01	2.7	-8.5	-6.2	-1.83
4.500	28 Mar 26	9.02B	0.192	30.8	25.7	2.93	0.0	-7.8	-3.6	-1.90
1.000	22 Jun 26	9.99B	0.339	43.2	36.4	3.42	0.6	-2.6	-1.2	-0.99
1.000	22 Jun 31	7.12B	0.617	54.6	50.9	1.41	-2.5	-5.5	7.0	-3.01
3.000	22 Jun 34	6.47B	0.684	47.0	45.0	0.72	-3.0	1.7	18.9	-2.98
1.600	22 Jun 47	3.5B	1.112	67.0	67.7	-0.25	0.1	35.7	46.5	-2.31

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

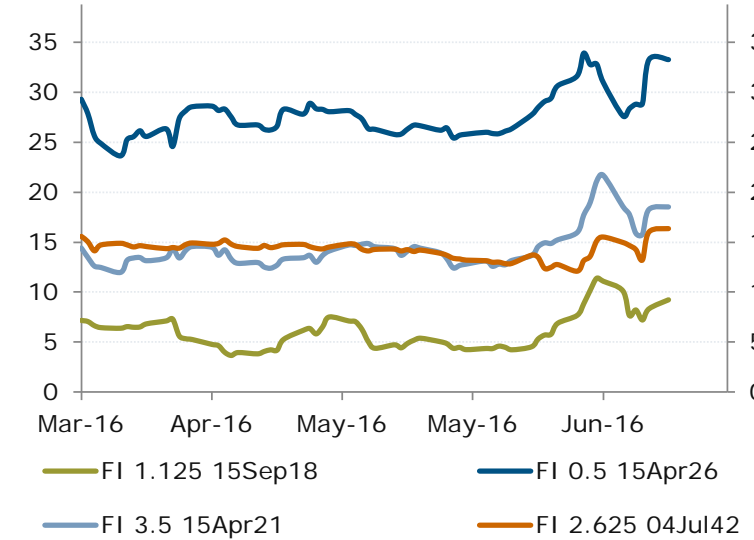
Rating	Aaa/AA+/AAA
Moody's / S&P / Fitch	

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

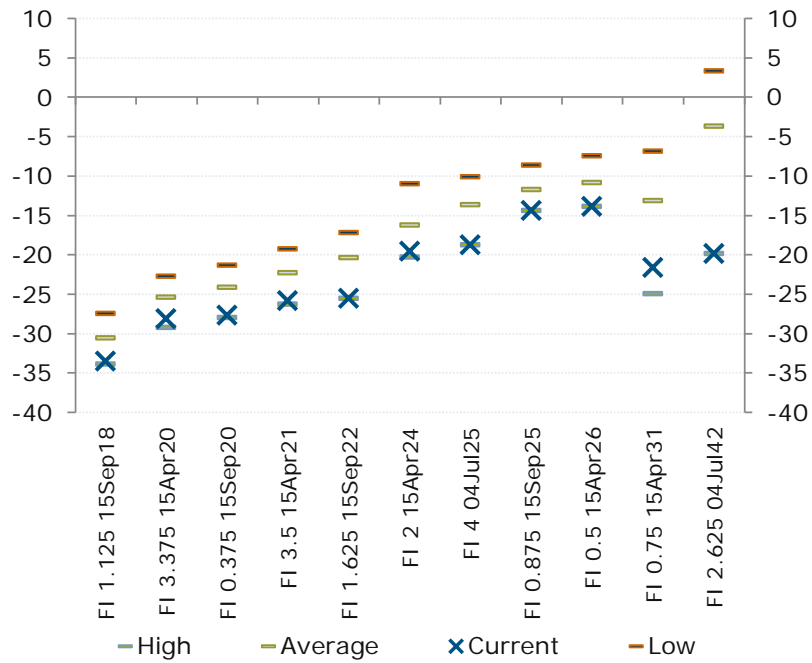
Finland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
1.125	15 Sep 18	5.03B	-0.562	9.2	6.1	2.15	1.5	-33.5	-30.5	-2.45
3.375	15 Apr 20	6.5B	-0.468	15.7	12.9	2.43	0.4	-28.1	-25.4	-2.04
0.375	15 Sep 20	6.03B	-0.439	16.6	14.0	2.16	-1.5	-27.7	-24.1	-3.74
3.500	15 Apr 21	6.0B	-0.387	18.5	14.4	2.69	-1.1	-25.8	-22.3	-3.49
1.625	15 Sep 22	5.0B	-0.260	21.2	19.4	1.32	-0.1	-25.5	-20.4	-3.90
2.000	15 Apr 24	5.0B	-0.053	27.6	23.7	2.21	-0.1	-19.5	-16.2	-1.52
4.000	04 Jul 25	6.03B	0.044	22.8	19.7	2.67	-1.2	-18.8	-13.7	-3.62
0.875	15 Sep 25	4.03B	0.153	31.9	26.8	3.26	-0.5	-14.4	-11.7	-2.46
0.500	15 Apr 26	5.0B	0.221	33.3	27.7	3.18	-0.1	-13.8	-10.9	-2.17
0.750	15 Apr 31	3.5B	0.453	39.0	30.9	4.68	1.7	-21.6	-13.1	-1.73
2.625	04 Jul 42	4.03B	0.565	16.4	14.2	3.09	-0.7	-19.8	-3.7	-2.53

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

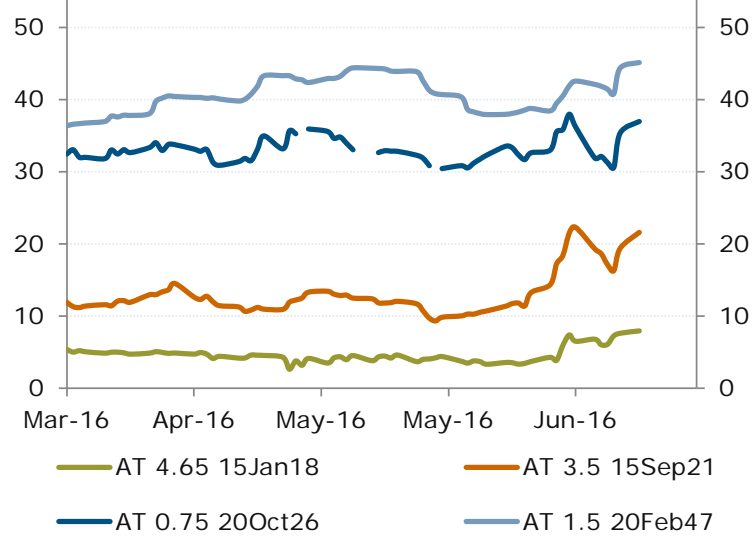
Rating	Aaa/AA+/AA+
Moody's / S&P / Fitch	

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

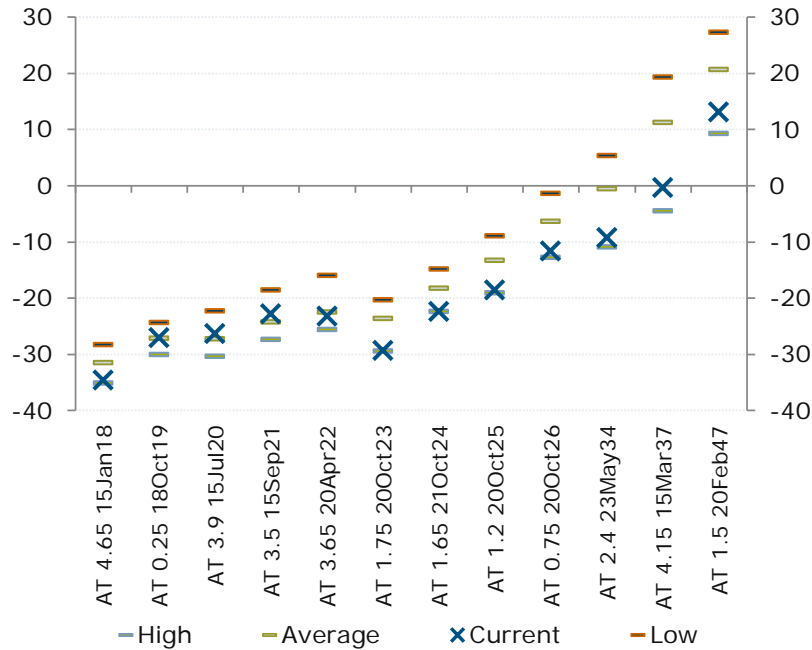
Austria

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
4.650	15 Jan 18	12.06B	-0.559	8.0	4.7	4.06	0.0	-34.6	-31.5	-2.42
0.250	18 Oct 19	7.97B	-0.475	16.5	11.2	4.01	20.3	-27.1	-27.2	0.14
3.900	15 Jul 20	13.01B	-0.441	17.5	10.8	3.62	24.1	-26.3	-27.3	0.76
3.500	15 Sep 21	15.99B	-0.329	21.6	13.0	3.83	12.8	-22.8	-24.3	1.23
3.650	20 Apr 22	8.71B	-0.285	21.8	15.7	2.72	5.1	-23.2	-22.5	-0.58
1.750	20 Oct 23	9.17B	-0.190	18.8	17.2	0.82	-5.3	-29.3	-23.6	-3.73
1.650	21 Oct 24	10.35B	-0.025	24.4	21.0	2.15	-4.6	-22.4	-18.2	-3.57
1.200	20 Oct 25	9.28B	0.114	27.1	24.4	2.19	-4.2	-18.6	-13.3	-3.06
0.750	20 Oct 26	5.69B	0.283	37.0	33.1	3.09	-1.3	-11.6	-6.4	-2.29
2.400	23 May 34	6.69B	0.606	39.6	29.9	3.51	2.2	-9.3	-0.6	-1.84
4.150	15 Mar 37	12.22B	0.661	37.0	28.8	3.83	2.9	-0.4	11.3	-1.66
1.500	20 Feb 47	1.95B	0.890	45.1	40.6	2.19	4.3	13.1	20.7	-1.62

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

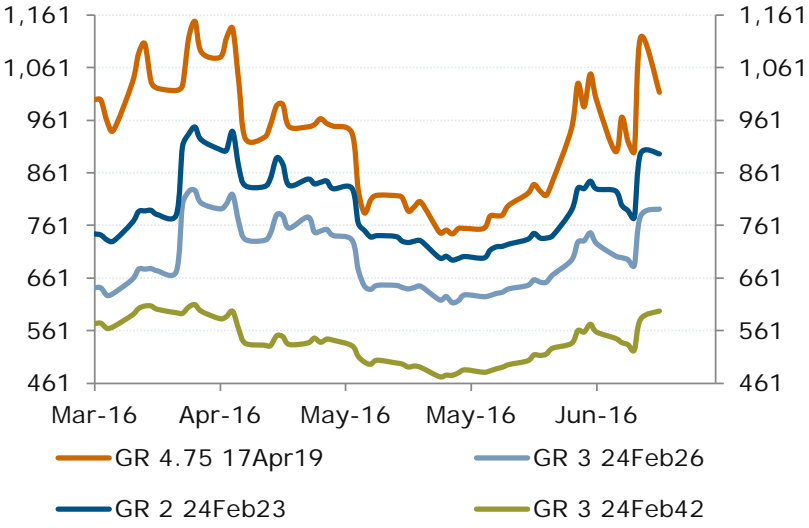
Source: European Commission, Winter 2015 forecast

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

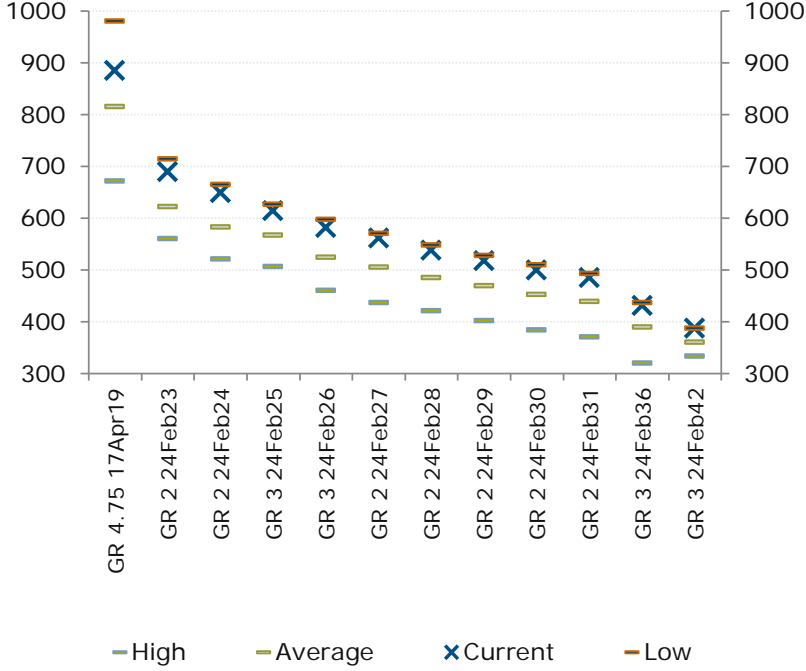
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
4.750	17 Apr 19	4.02B	9.496	1,014.7	927.8	0.82	-237.5	883.6	814.5	0.84
3.000	24 Feb 23	1.04B	8.538	897.5	795.4	1.61	1.5	688.7	621.1	1.62
3.000	24 Feb 24	1.25B	8.263	860.5	757.9	1.72	10.1	648.3	582.2	1.71
3.000	24 Feb 25	1.84B	8.032	825.9	745.7	1.31	10.9	613.5	566.2	1.39
3.000	24 Feb 26	1.37B	7.802	792.6	698.6	1.64	24.4	581.1	523.4	1.64
3.000	24 Feb 27	1.21B	7.758	783.8	687.0	1.80	34.8	560.7	504.3	1.76
3.000	24 Feb 28	1.84B	7.611	767.2	673.5	1.84	21.1	537.4	485.1	1.75
3.000	24 Feb 29	1.48B	7.482	751.2	662.9	1.75	26.8	516.7	469.3	1.66
3.000	24 Feb 30	1.34B	7.373	736.3	648.3	1.80	28.5	499.4	452.6	1.70
3.000	24 Feb 31	1.29B	7.297	724.1	635.4	1.85	31.0	485.0	438.6	1.75
3.000	24 Feb 36	1.33B	6.915	665.4	583.4	1.91	42.4	430.9	389.0	1.84
3.000	24 Feb 42	1.05B	6.385	598.7	540.7	1.57	54.8	386.6	359.9	1.81

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

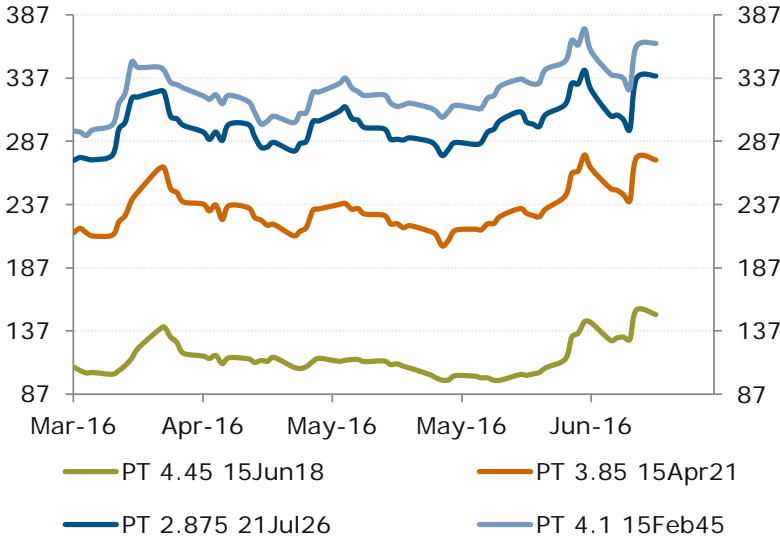
Source: European Commission, Winter 2015 forecast

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

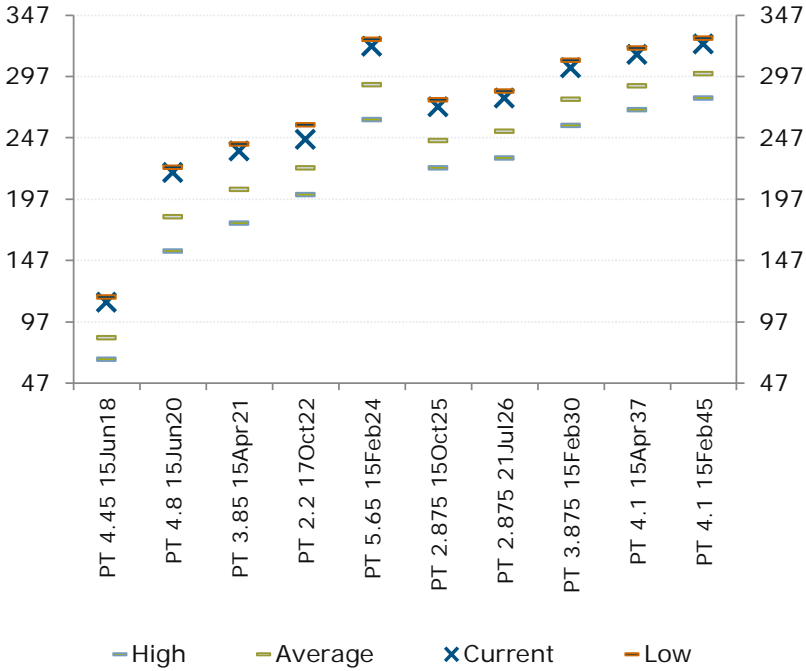
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
4.450	15 Jun 18	8.99B	0.843	149.7	114.9	3.14	-8.6	112.1	83.1	2.77
4.800	15 Jun 20	10.99B	1.869	248.9	207.9	2.83	0.2	217.9	182.0	2.61
3.850	15 Apr 21	11.01B	2.147	272.0	232.8	2.76	2.4	235.7	204.1	2.50
2.200	17 Oct 22	4.0B	2.532	299.7	268.2	2.34	-3.2	244.8	221.6	2.10
5.650	15 Feb 24	12.02B	3.061	340.6	302.5	2.78	0.0	320.8	289.5	2.54
2.875	15 Oct 25	11.99B	3.114	327.2	289.0	2.81	1.7	271.7	244.2	2.55
2.875	21 Jul 26	6.02B	3.292	338.4	299.6	2.73	1.9	278.9	251.8	2.47
3.875	15 Feb 30	4.05B	3.664	365.5	321.2	2.73	3.7	303.4	277.8	2.39
4.100	15 Apr 37	8.02B	3.939	364.6	321.0	2.71	1.7	314.1	288.7	2.49
4.100	15 Feb 45	3.0B	4.065	364.2	326.2	2.43	-1.6	322.6	298.4	2.43

Spreads against the German curve, bp



Asset swap term structure, bp





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

Source: European Commission, Winter 2015 forecast

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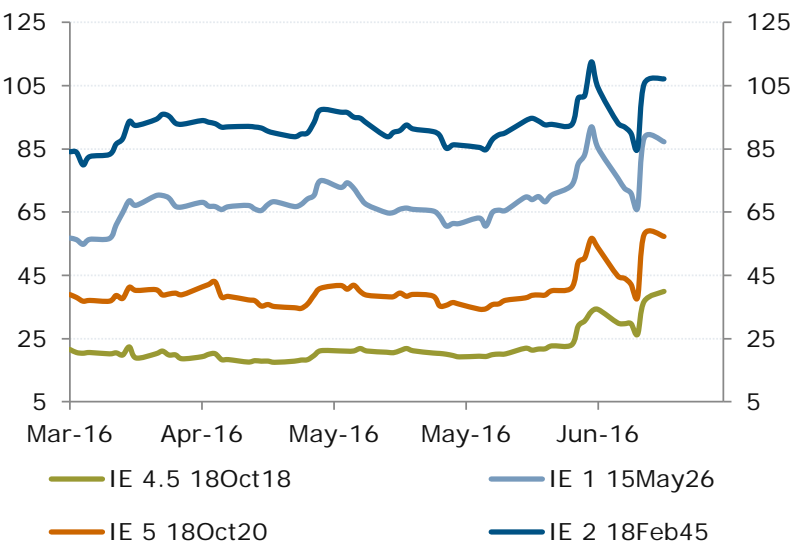
Moody's / S&P / Fitch

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

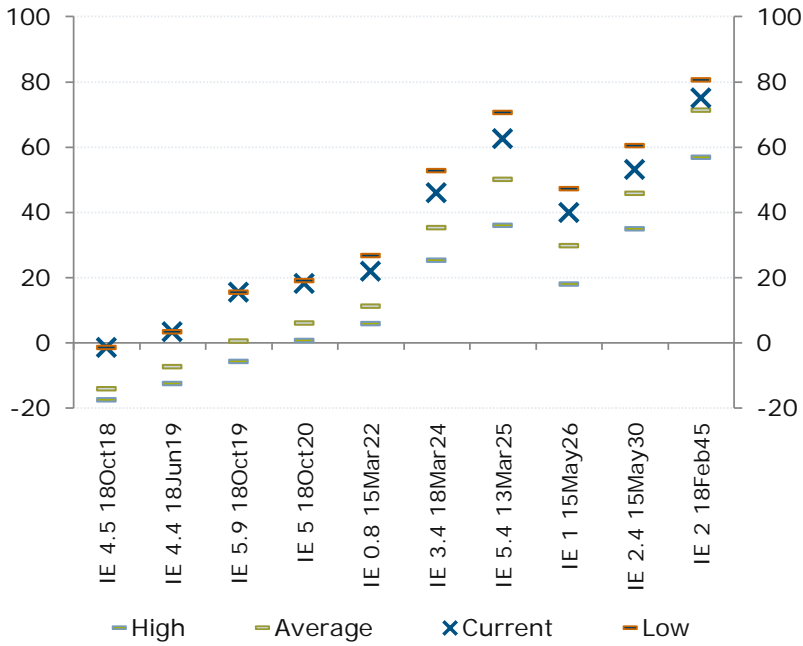
Ireland

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
4.500	18 Oct 18	9.58B	-0.256	39.8	22.0	5.23	13.9	-1.4	-14.1	5.32
4.400	18 Jun 19	7.06B	-0.207	44.3	29.5	3.96	7.0	3.2	-7.4	2.90
5.900	18 Oct 19	6.58B	-0.095	54.5	35.7	5.17	1.5	15.5	0.4	4.68
5.000	18 Oct 20	8.99B	-0.029	57.2	39.9	4.64	-3.9	18.1	6.0	4.05
0.800	15 Mar 22	5.75B	0.171	68.0	50.6	4.10	-1.6	21.8	11.2	3.41
3.400	18 Mar 24	8.01B	0.522	85.9	69.2	3.64	1.1	45.9	35.2	2.63
5.400	13 Mar 25	11.01B	0.682	90.4	72.4	3.67	-0.6	62.4	50.0	2.72
1.000	15 May 26	4.75B	0.767	87.1	68.3	3.69	-6.1	39.8	29.8	2.64
2.400	15 May 30	7.78B	1.084	106.5	82.9	3.65	0.4	53.1	45.7	1.84
2.000	18 Feb 45	5.45B	1.493	107.0	92.0	3.67	5.3	74.9	71.3	0.91

Spreads against the German curve, bp



Asset swap term structure, bp



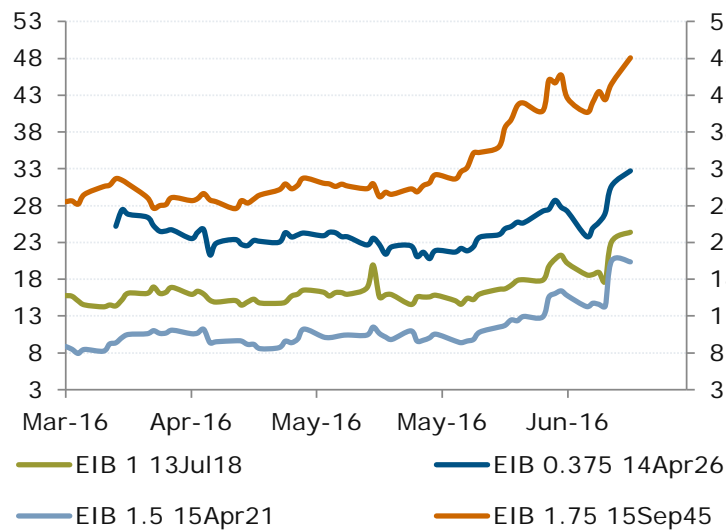


European Investment Bank (EIB)

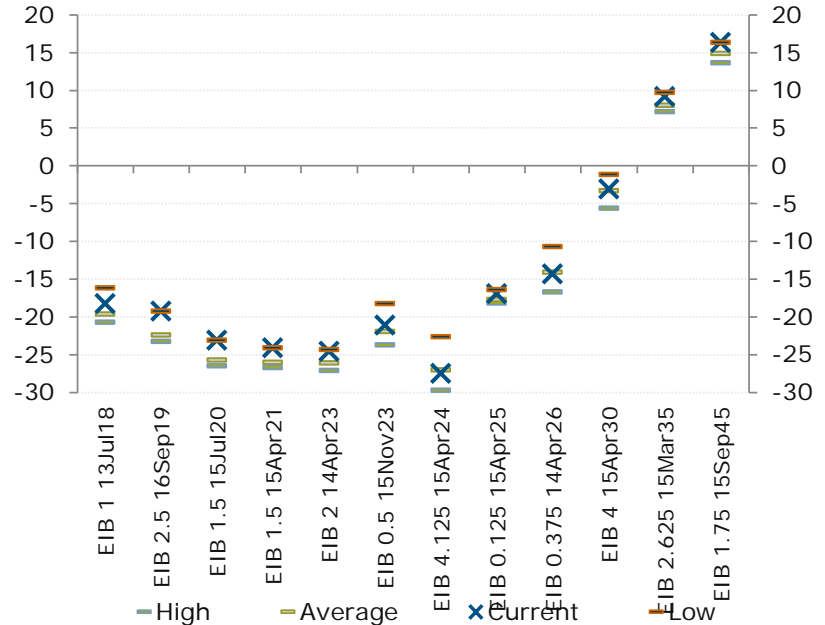
Δ B/E Spd 1Y is calculated as a spread to a synthetically created par bond trading on the German curve.

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
1.000	13 Jul 18	5.0B	-0.410	24.6	16.8	4.97	2.2	-18.3	-19.6	2.83
2.500	16 Sep 19	4.7B	-0.404	23.9	15.7	4.79	0.5	-19.3	-22.5	8.40
1.500	15 Jul 20	6.0B	-0.407	20.9	12.5	4.72	1.3	-23.1	-25.7	6.74
1.500	15 Apr 21	5.0B	-0.367	20.6	11.4	4.69	0.4	-24.1	-26.0	5.89
2.000	14 Apr 23	5.0B	-0.198	22.9	14.6	5.11	1.3	-24.6	-26.2	3.43
0.500	15 Nov 23	1.5B	-0.093	27.9	20.0	4.20	2.7	-21.1	-21.9	1.16
4.125	15 Apr 24	7.25B	-0.144	18.4	11.8	3.54	0.8	-27.5	-27.1	-0.27
0.125	15 Apr 25	3.0B	0.100	31.1	22.8	4.52	1.1	-17.0	-17.7	2.41
0.375	14 Apr 26	5.0B	0.218	33.0	24.7	4.60	1.4	-14.4	-14.1	-0.18
4.000	15 Apr 30	6.5B	0.490	47.4	30.1	3.50	1.5	-3.1	-3.3	0.19
2.625	15 Mar 35	1.7B	0.776	54.1	35.7	3.19	-0.3	9.1	8.0	2.17
1.750	15 Sep 45	1.55B	0.911	48.3	33.7	2.96	0.6	16.3	14.8	3.92

Spreads against the German curve, bp



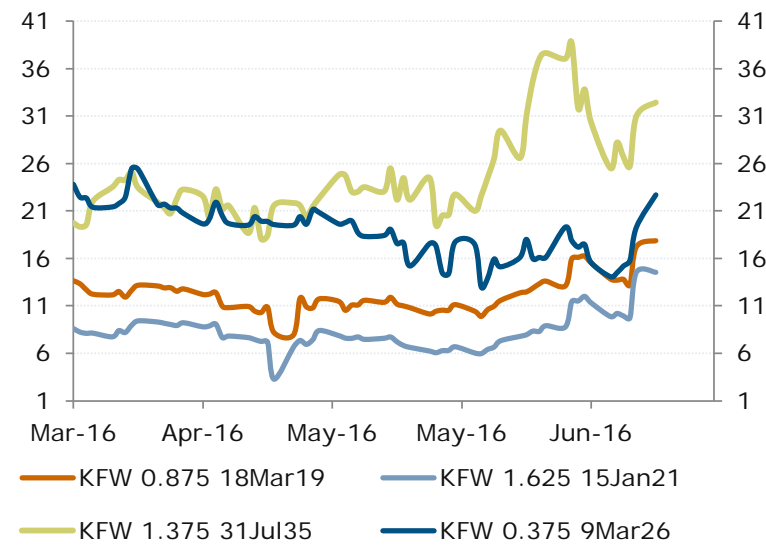
Asset swap term structure, bp



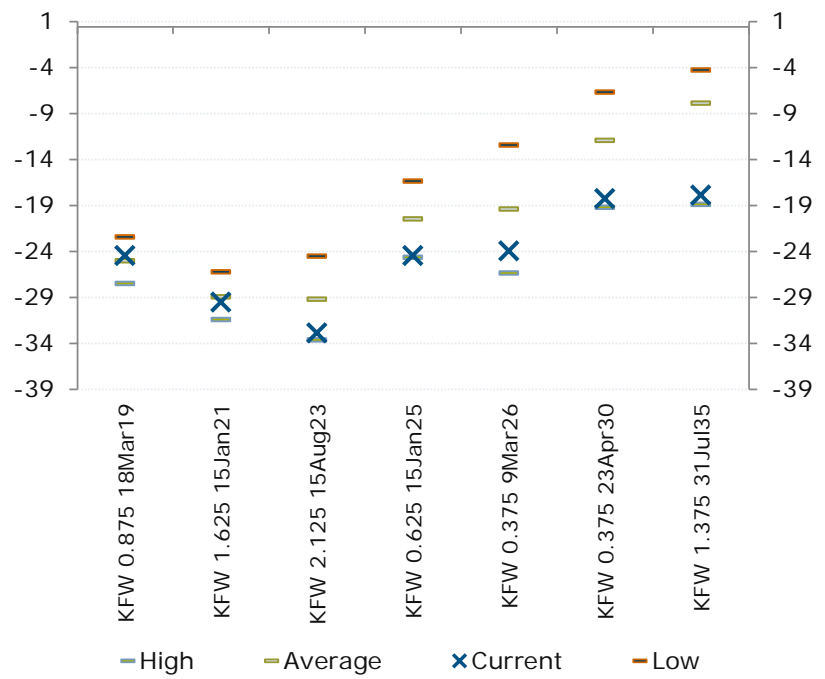
Kreditanstalt für Wiederaufbau (KfW)

Benchmark Bonds				Spread vs. Germany				Asset Swap Spread		
Coupon	Maturity	Volume	Yield	27-Jun	60D Avg.	Z-score	Δ B/E Spd 1Y	27-Jun	60D Avg.	Z-score
0.875	18 Mar 19	5.0B	-0.473	17.9	12.2	3.91	0.7	-24.9	-25.5	0.66
1.625	15 Jan 21	5.0B	-0.441	14.6	8.3	4.43	0.3	-30.0	-29.4	-0.44
2.125	15 Aug 23	3.0B	-0.248	15.0	11.3	1.66	0.6	-33.3	-29.6	-1.32
0.625	15 Jan 25	4.0B	-0.013	22.7	19.3	1.81	1.0	-24.9	-21.0	-1.42
0.375	09 Mar 26	4.0B	0.106	22.7	18.8	1.65	2.9	-24.4	-19.9	-1.19
0.375	23 Apr 30	2.0B	0.452	43.5	33.5	3.14	2.4	-18.7	-12.4	-1.72
1.375	31 Jul 35	1.0B	0.570	32.5	24.9	1.90	-1.3	-18.3	-8.4	-3.53

Spreads against the German curve, bp



Asset swap term structure, bp



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