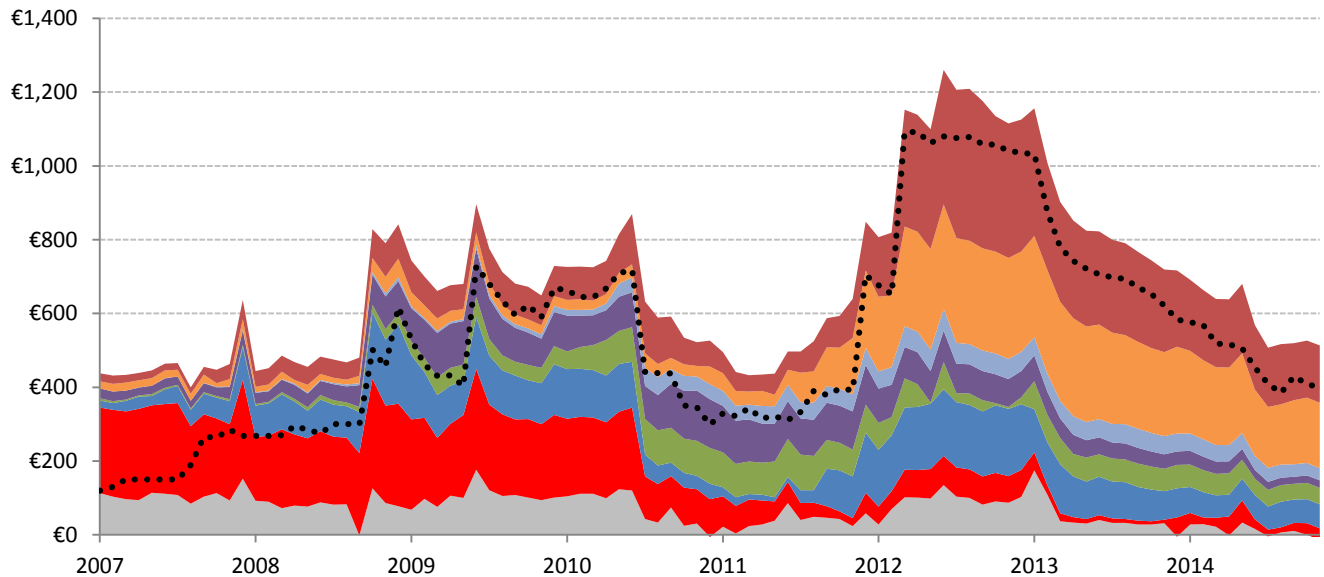


Data Insights: Euro Area Recovery Monitor

Thursday, December 4, 2014

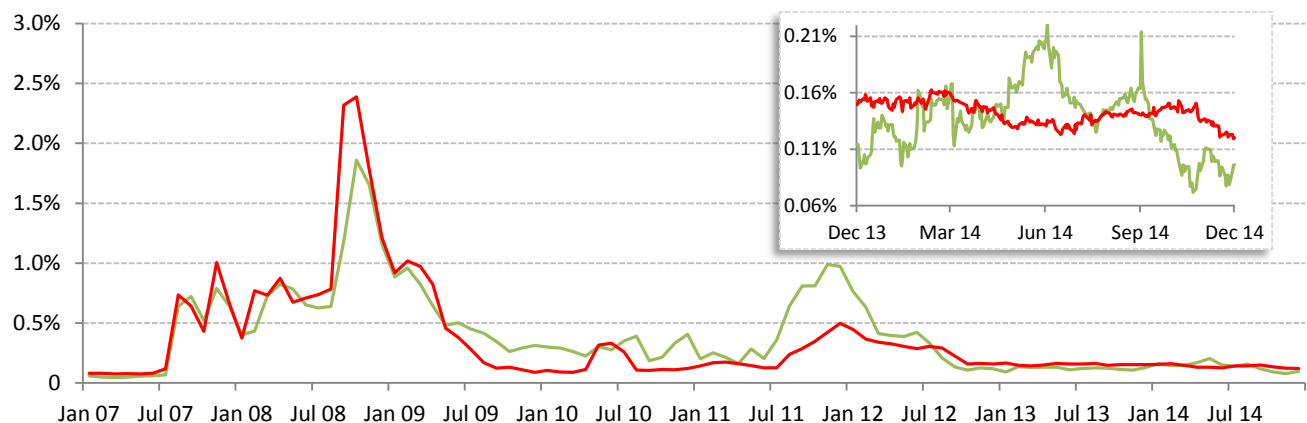
Banking system dependency: borrowing from the ECB (€ billions)

--- Total LTRO ■ Spain ■ Italy ■ Portugal ■ Ireland ■ Greece ■ France ■ Germany ■ Other



Source: ECB, National central banks, TrendMacro calculations

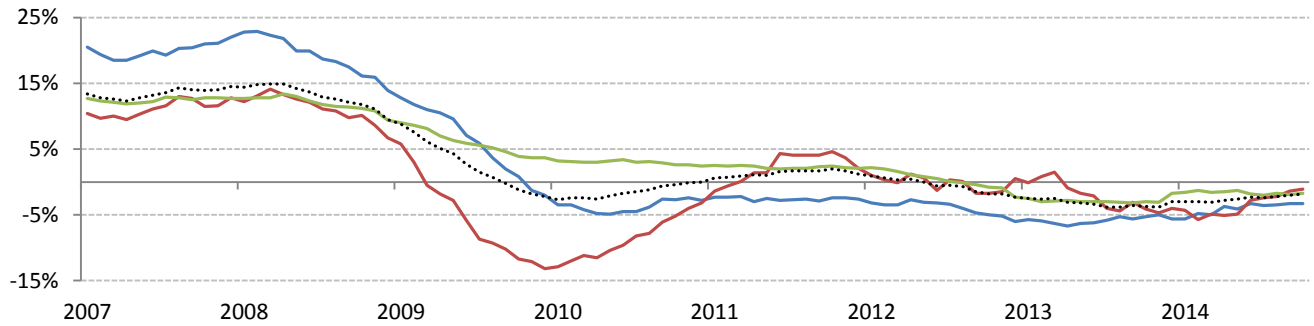
Bank stability: 90-day LIBOR/OIS spreads — USD — EUR



Source: Bloomberg, TrendMacro calculations

The credit drought: loans to non-financial businesses (YOY growth)

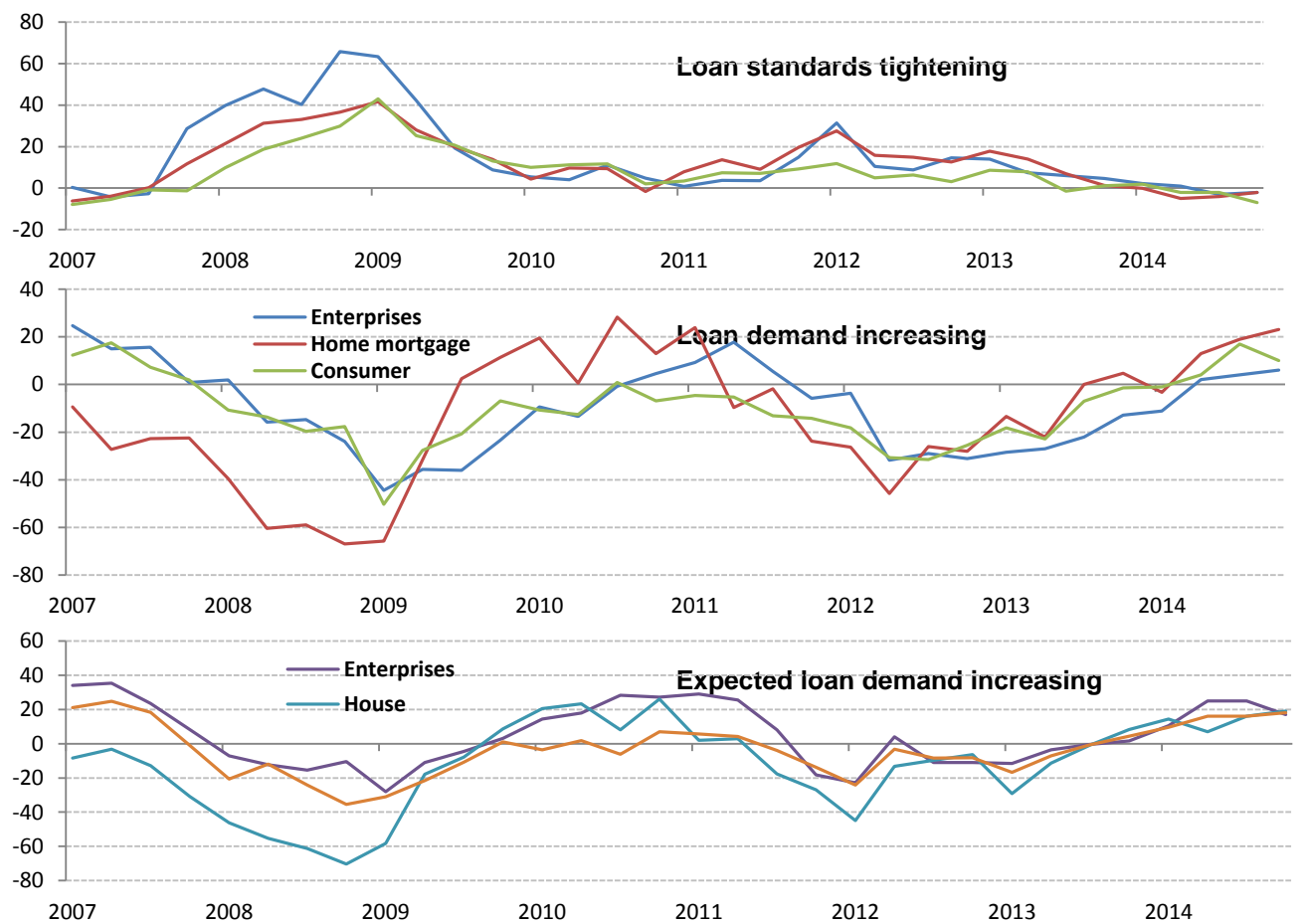
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

Supply and demand for lending: ECB Bank Survey

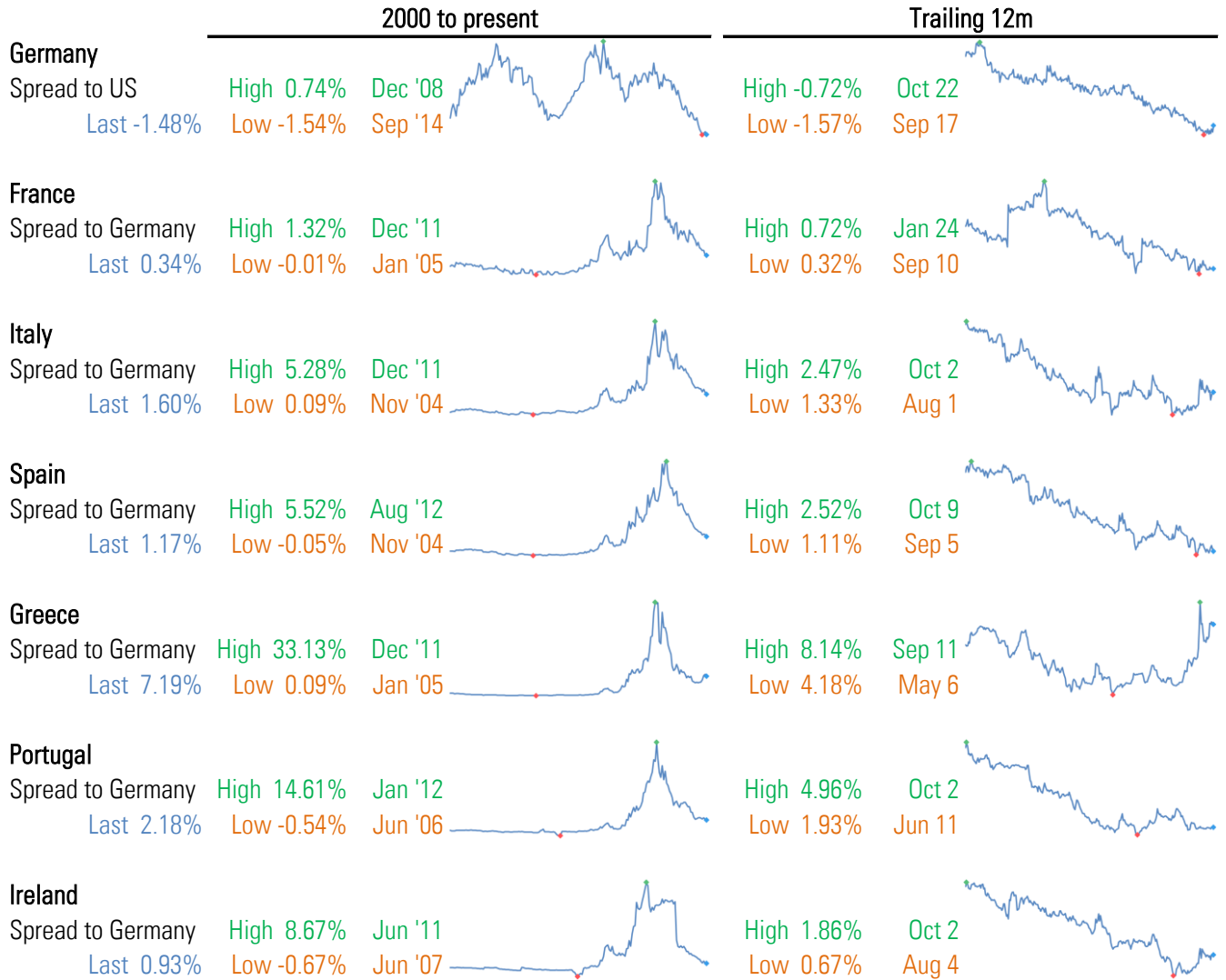
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

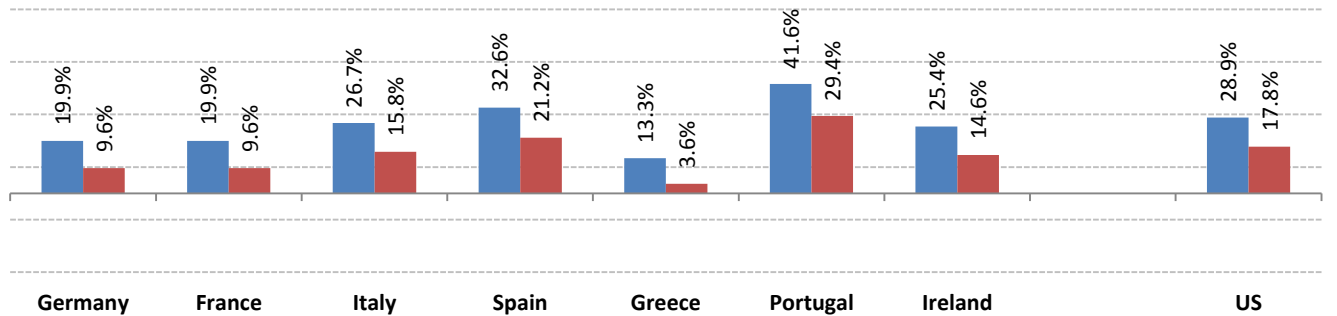
Sovereign stress monitor: 10-year bond spreads

· High · Low · Last



10-year sovereign bond total returns, trailing 12-months

■ EUR ■ USD



Source: Bloomberg, TrendMacro calculations

Labor market in intensive care

ULC: Nominal, quarterly YOY UE: High 12m pulse: monthly ■ improvement or ■ worsening in rate of change



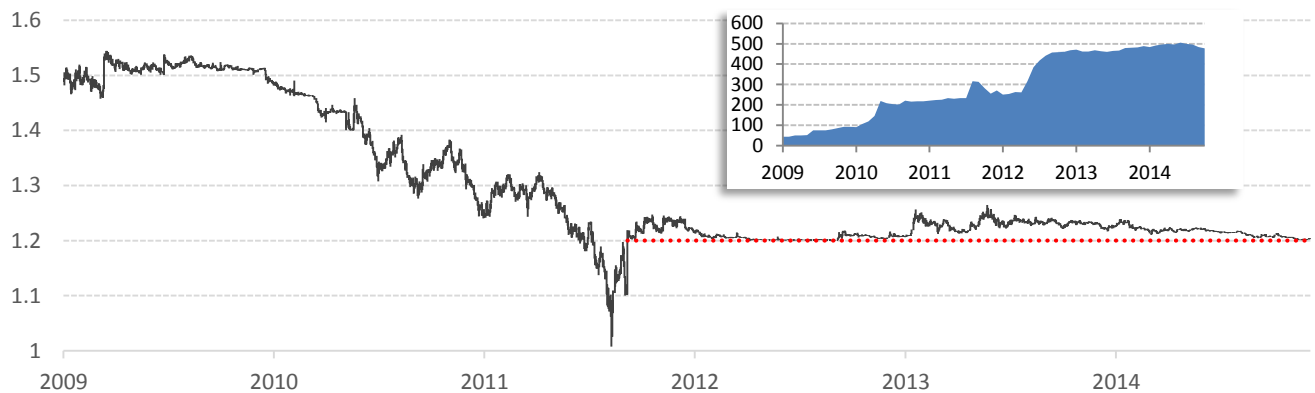
Source: Eurostat, TrendMacro calculations

Purchasing Manager Indices

Manufacturing				Services			
	Last	Prev	13-month history		Last	Prev	13-month history
Eurozone Nov	50.1	50.6		Eurozone Nov	51.1	52.3	
UK Nov	53.5	53.3		UK Nov	58.6	56.2	
Germany Nov	49.5	51.4		Germany Nov	52.1	54.4	
France Nov	48.4	48.5		France Nov	47.9	48.3	
Italy Nov	49.0	49.0		Italy Nov	47.9	49.4	
Spain Nov	54.7	52.6		Spain Nov	52.7	55.9	
Ireland Nov	56.2	56.6		Ireland Nov	61.6	61.5	
Netherlands Nov	54.6	53.0					
Austria Nov	47.4	46.9					
Greece Nov	49.1	48.8					
Czech Rep Nov	55.6	54.4					

Source: Markit, TrendMacro calculations

Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves

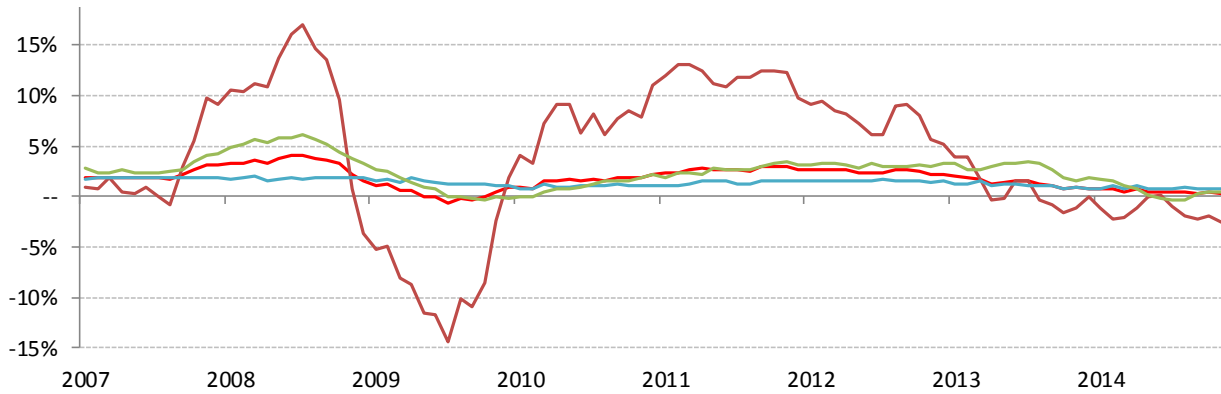
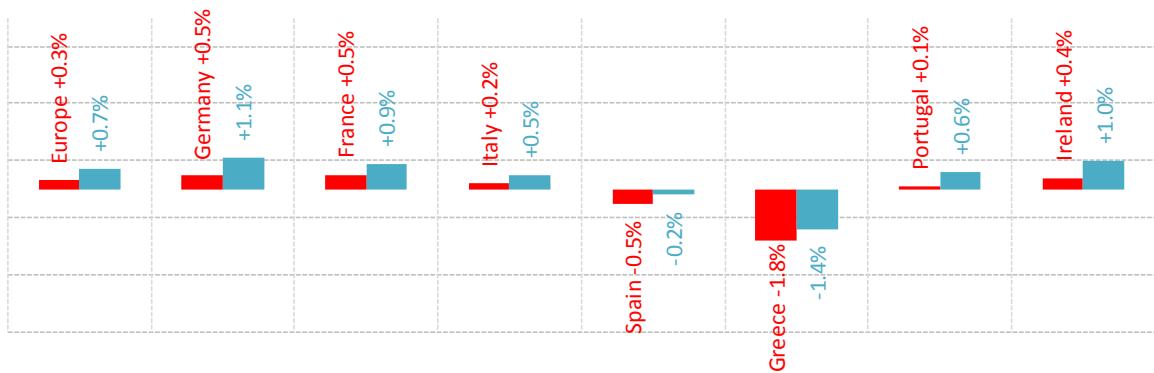


Source: Bloomberg, TrendMacro calculations

Euro area consumer inflation, year on year

By country: ■ Headline ■ Ex-food and energy

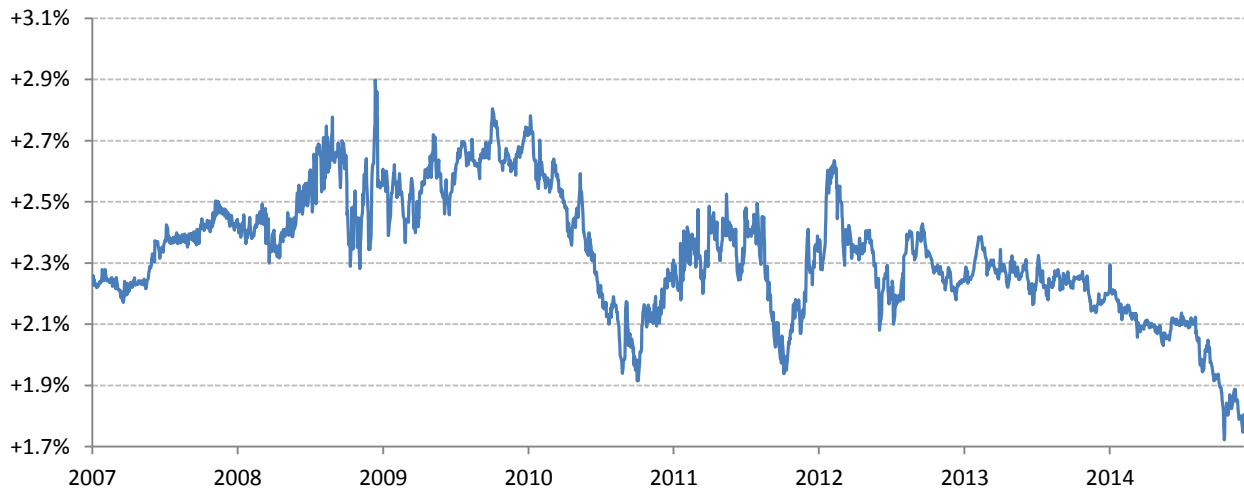
Euro area: — Headline — Ex-food and energy — Energy — Food



Source: Eurostat, TrendMacro calculations

Draghi's dashboard: swap-implied inflation expectations

— 5-year inflation-swap rate, 5 years forward



Source: Bloomberg, TrendMacro calculations