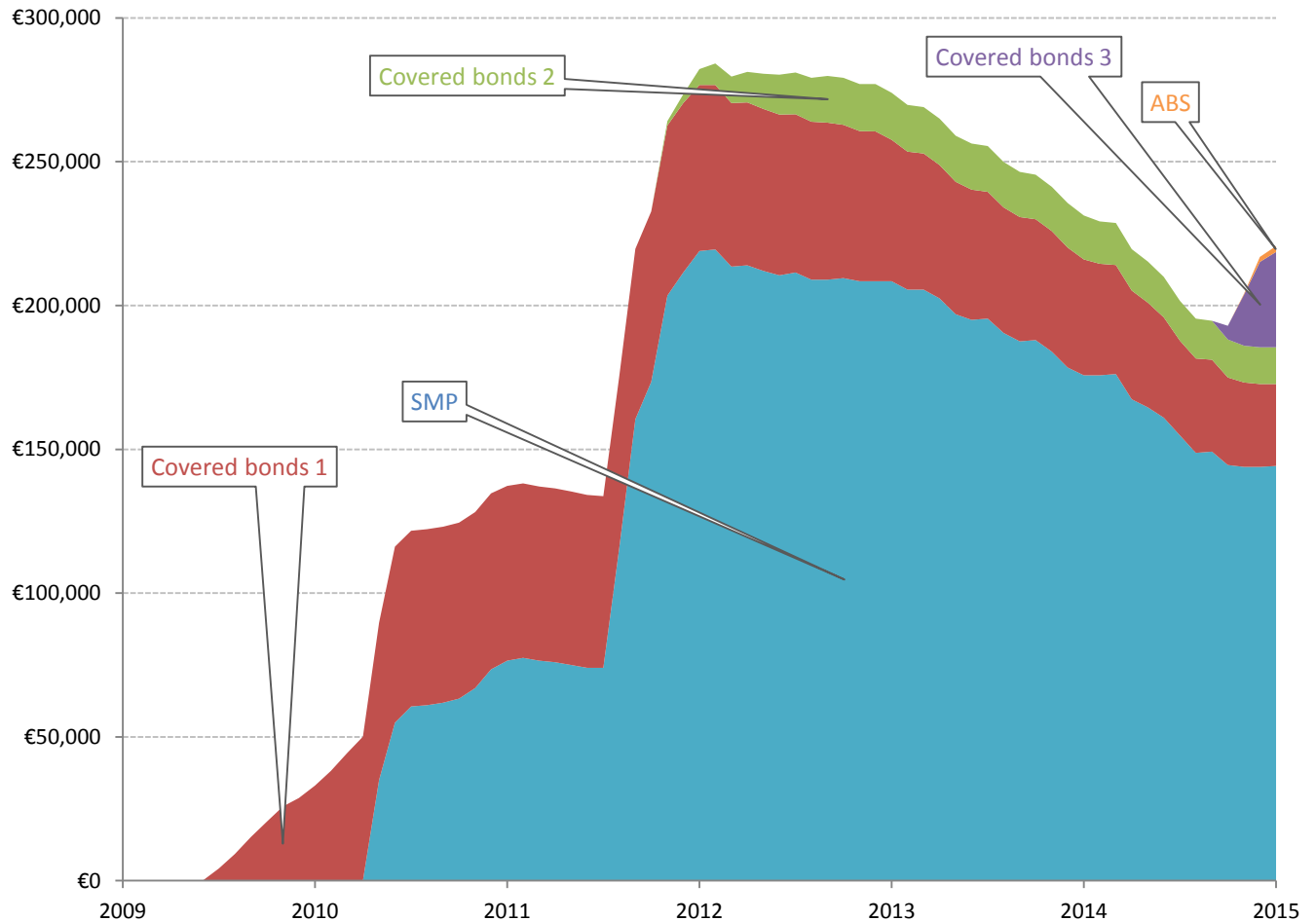


Data Insights: Euro Area Recovery Monitor

Thursday, January 22, 2015

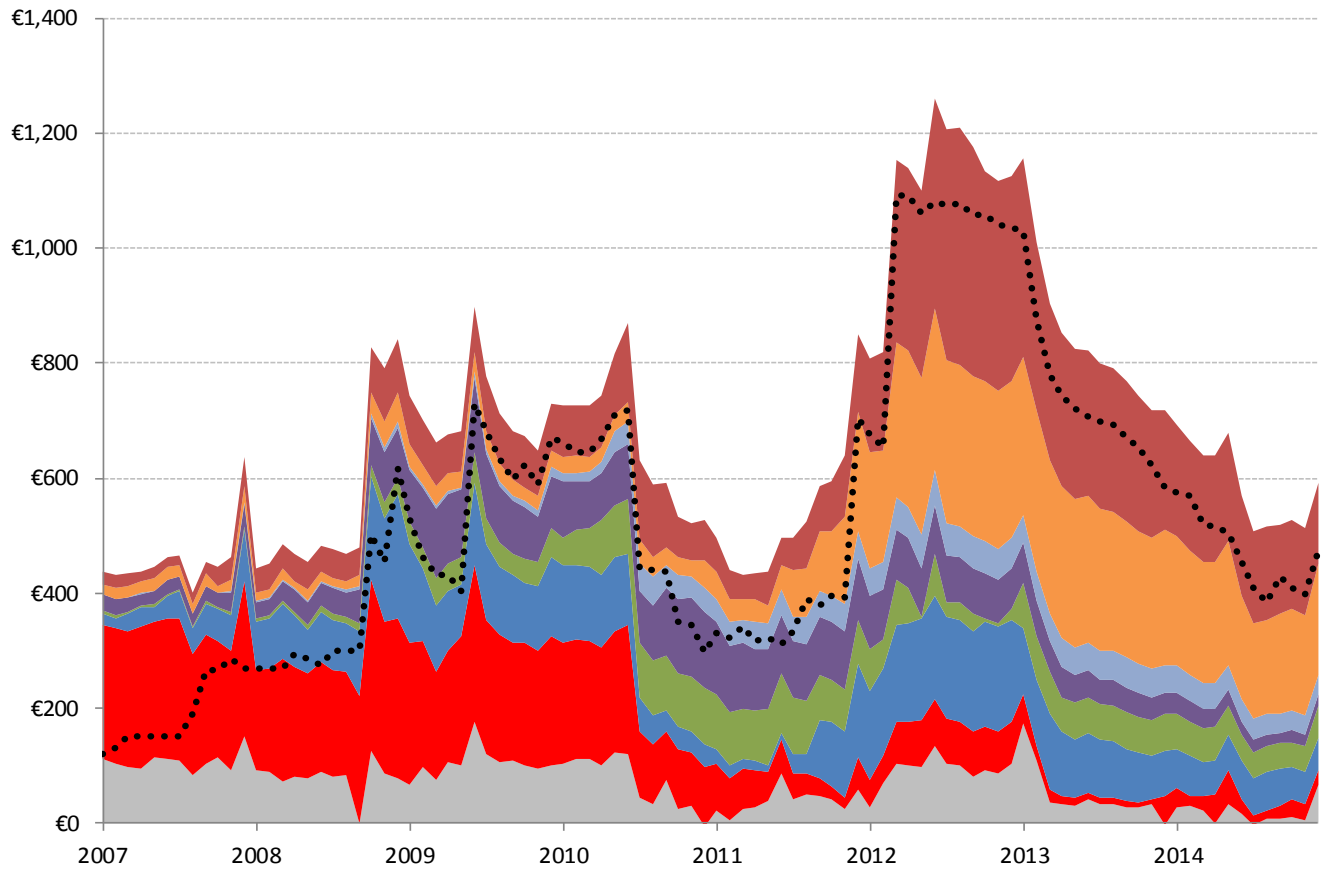
The ECB's struggle to build purchased assets (€ millions)



Source: ECB, TrendMacro calculations

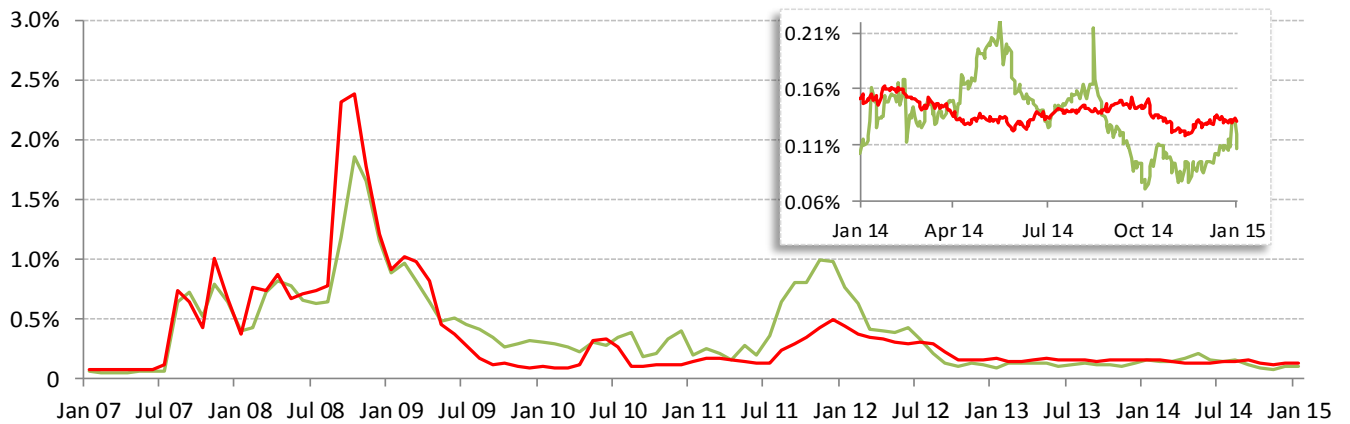
Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

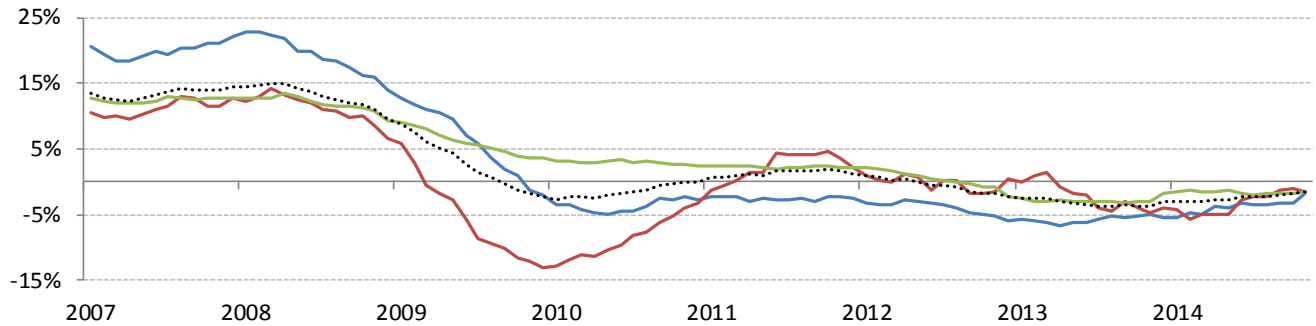
Bank stability: 90-day LIBOR/OIS spreads — USD — EUR



Source: Bloomberg, TrendMacro calculations

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

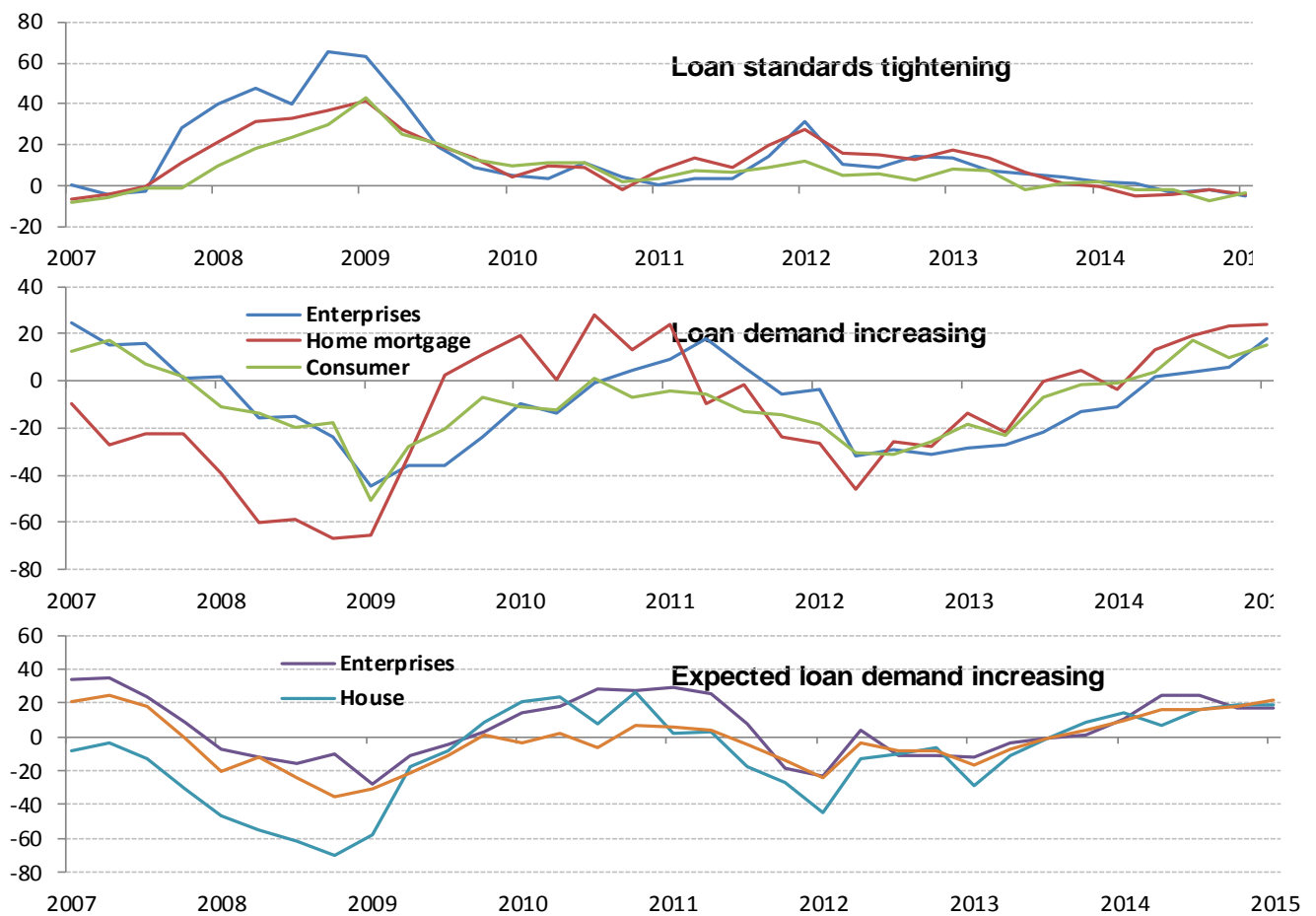
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

Supply and demand for lending: ECB Bank Survey

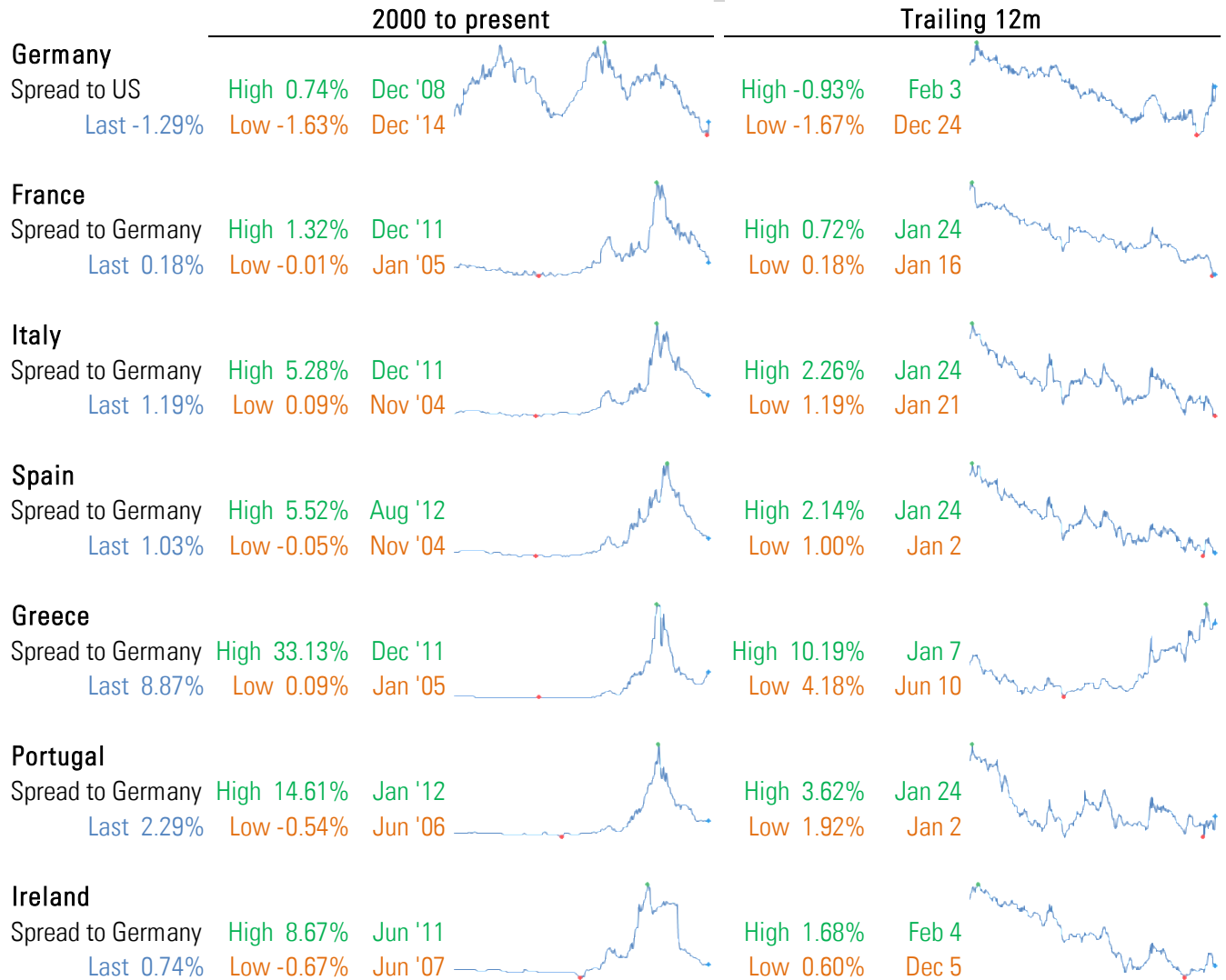
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

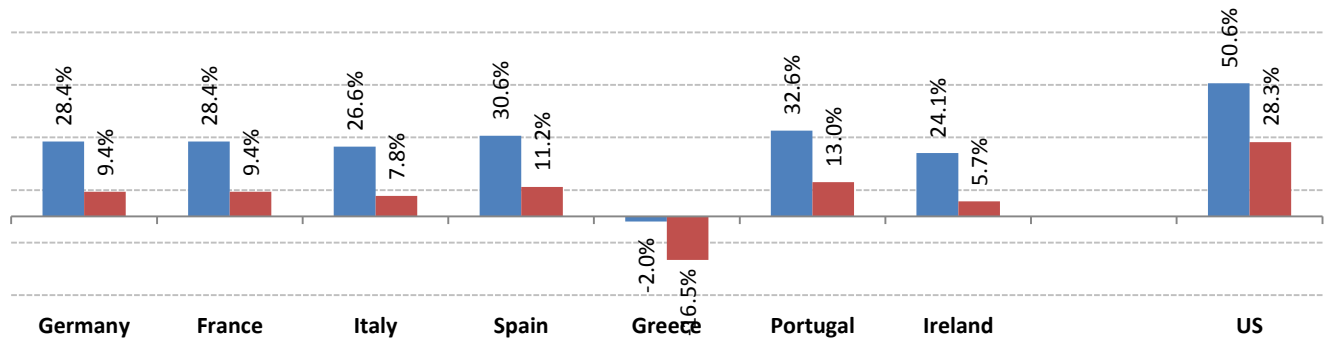
Sovereign stress monitor: 10-year bond spreads

· High · Low · Last



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

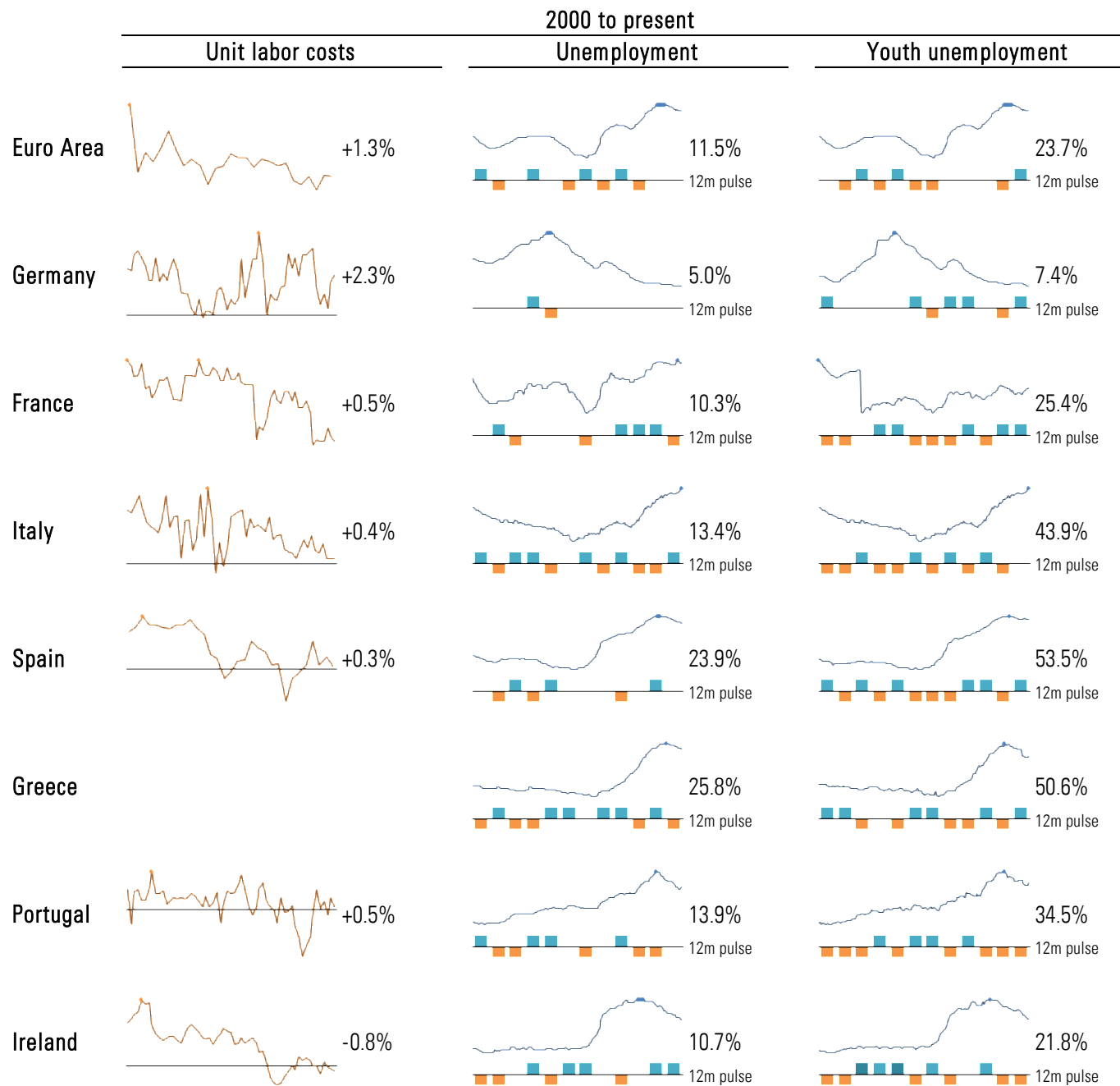
■ EUR ■ USD



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 Dec	50.6	50.1		Eurozone Dec	51.6	51.1	
UK Dec	52.5	53.3		UK Dec	55.8	58.6	
Germany Dec	51.2	49.5		Germany Dec	52.1	52.1	
France Dec	47.5	48.4		France Dec	50.6	47.9	
Italy Dec	48.4	49.0		Italy Dec	49.4	52.9	
Spain Dec	53.8	54.7		Spain Dec	54.3	52.7	
Ireland Dec	56.9	56.2		Ireland Dec	62.6	61.6	
Netherlands Dec	53.5	54.6					
Austria Dec	49.2	47.4					
Greece Dec	49.4	49.1					
Czech Rep Dec	53.3	55.6					

Source: Markit, TrendMacro calculations

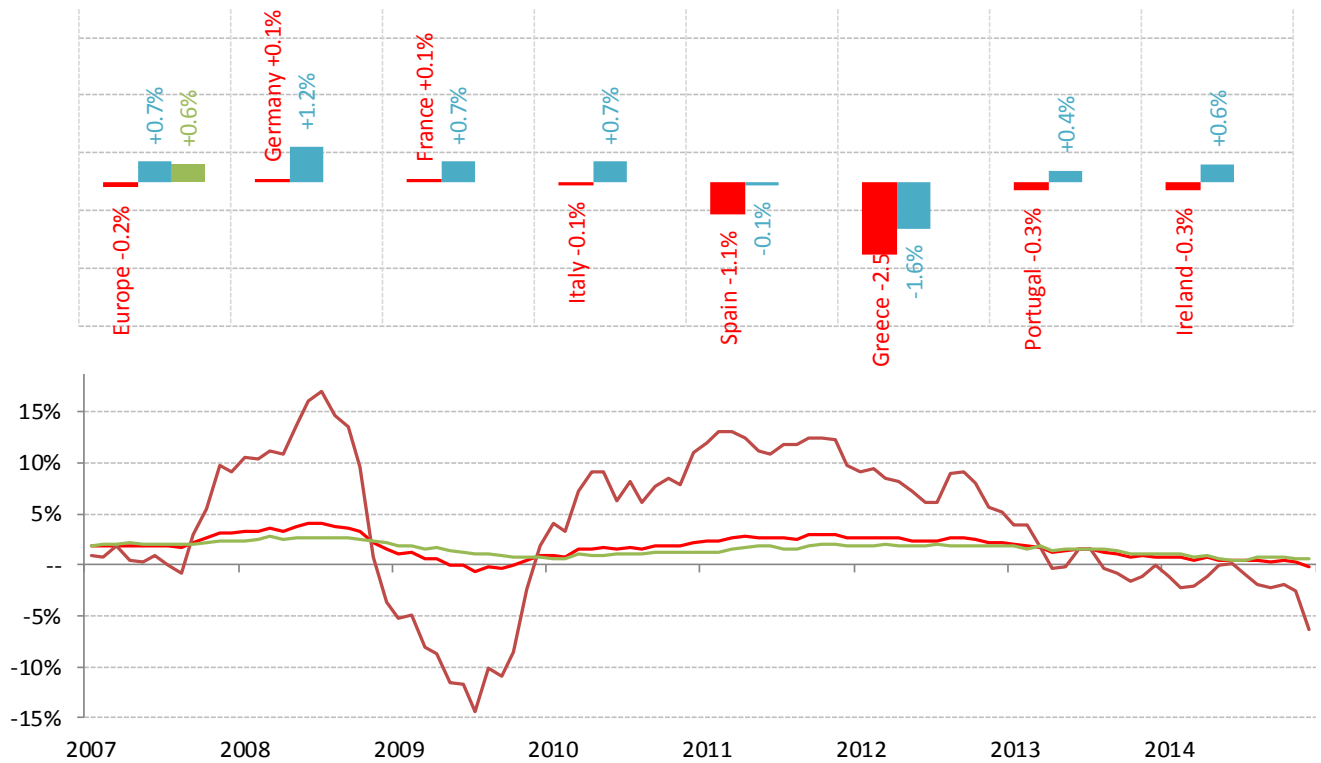
Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



Source: Bloomberg, TrendMacro calculations

Euro area consumer inflation, year on year

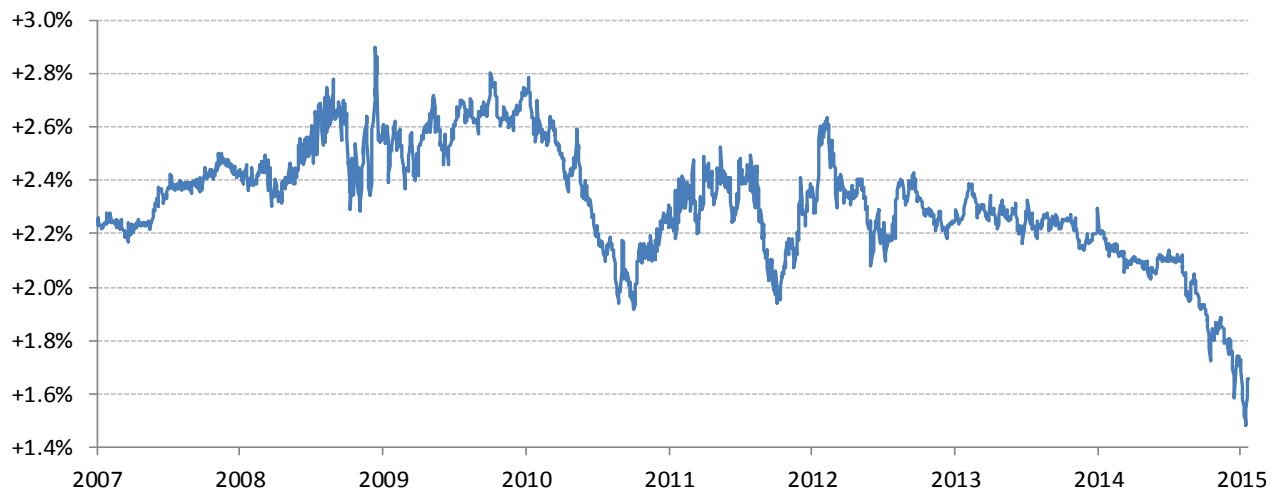
Country: ■ Headline ■ Ex-food and energy ■ Ex-energy Euro area: — Headline — Energy — Ex-energy



Source: Eurostat, TrendMacro calculations

Draghi's dashboard: swap-implied inflation expectations

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



Source: Bloomberg, TrendMacro calculations