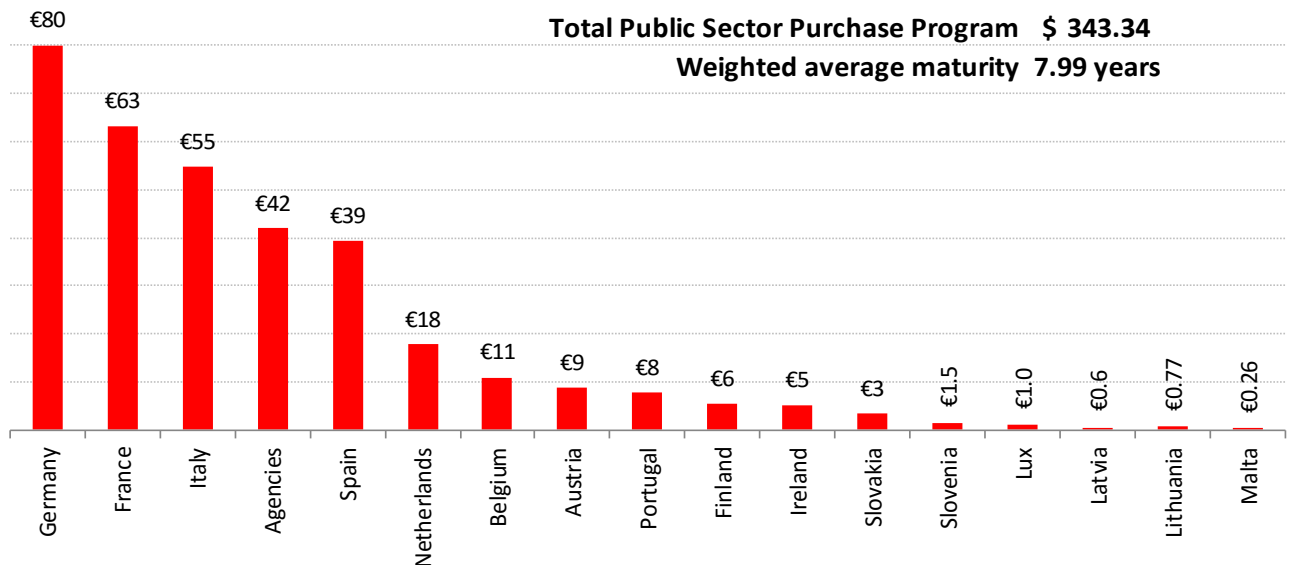
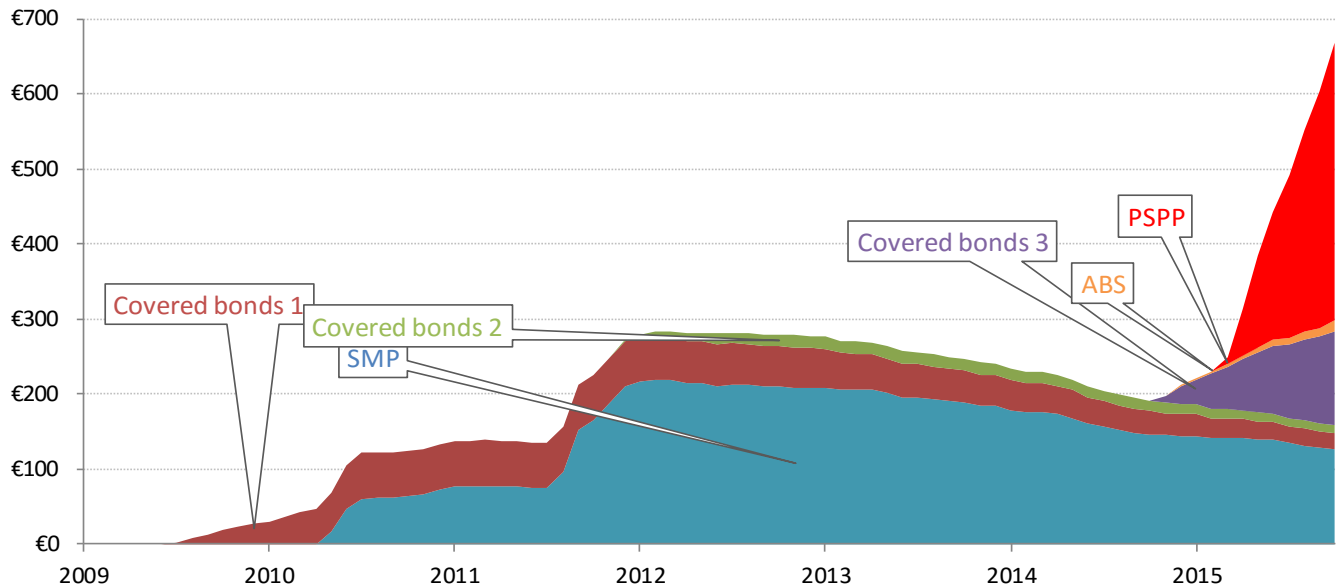


Data Insights: Euro Area Recovery Monitor

Thursday, October 22, 2015

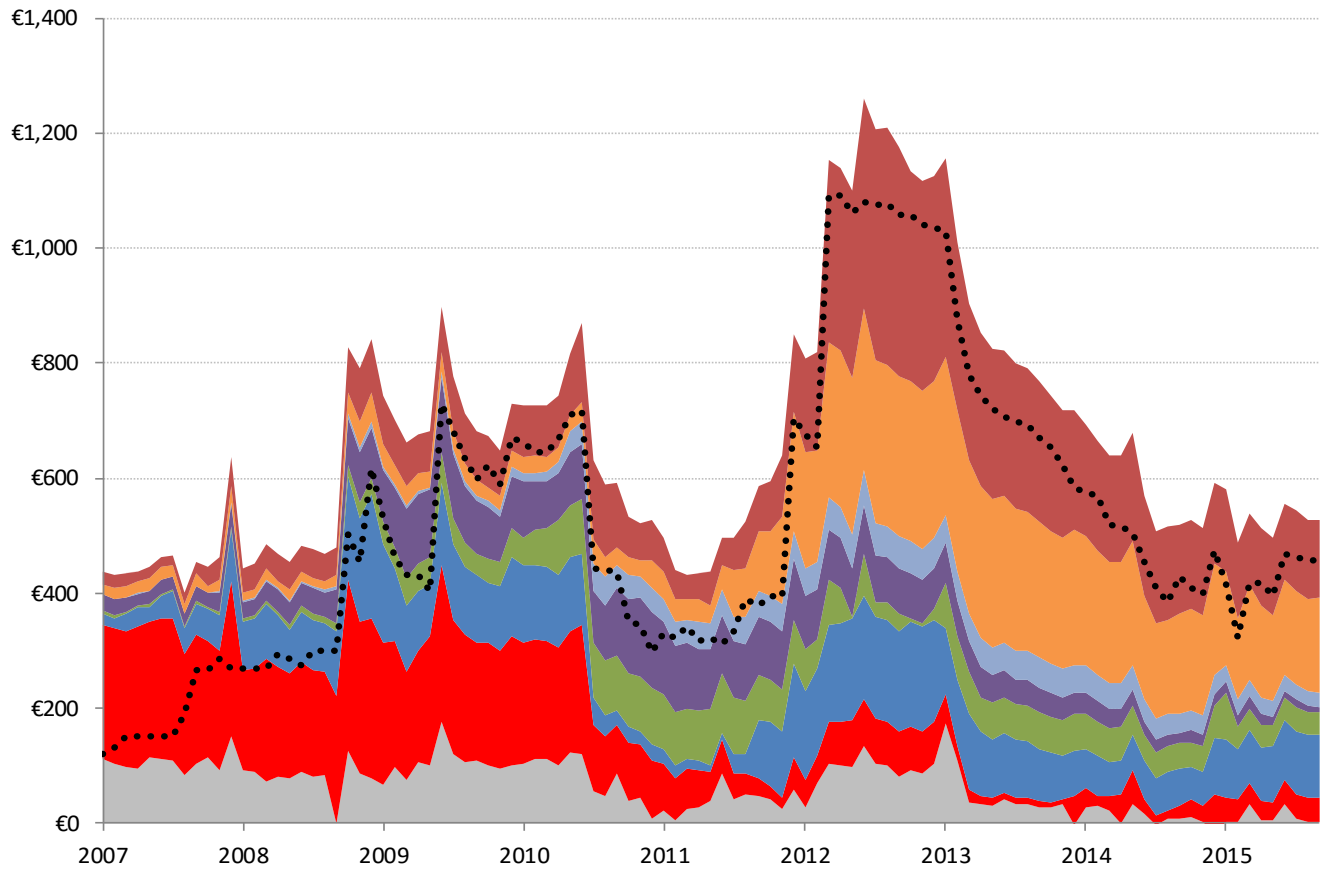
The ECB's struggle to build purchased assets (€ billions)



Source: ECB, TrendMacro calculations

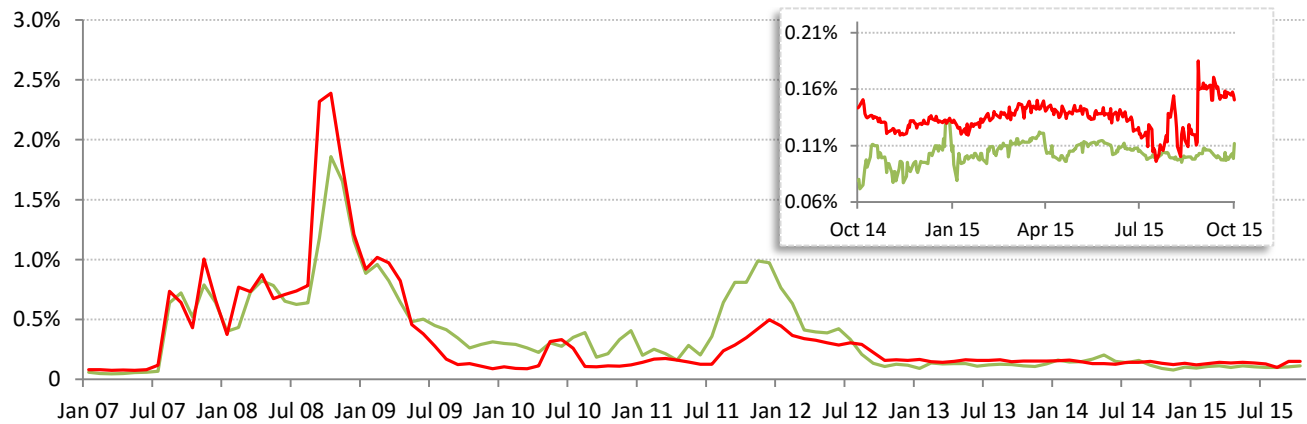
Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

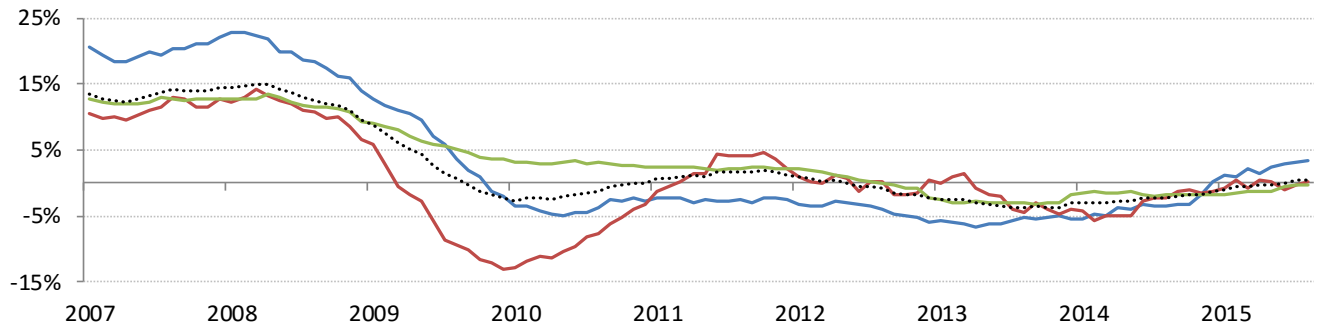
Bank stability: 90-day LIBOR/OIS spreads — USD — EUR



Source: Bloomberg, TrendMacro calculations

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

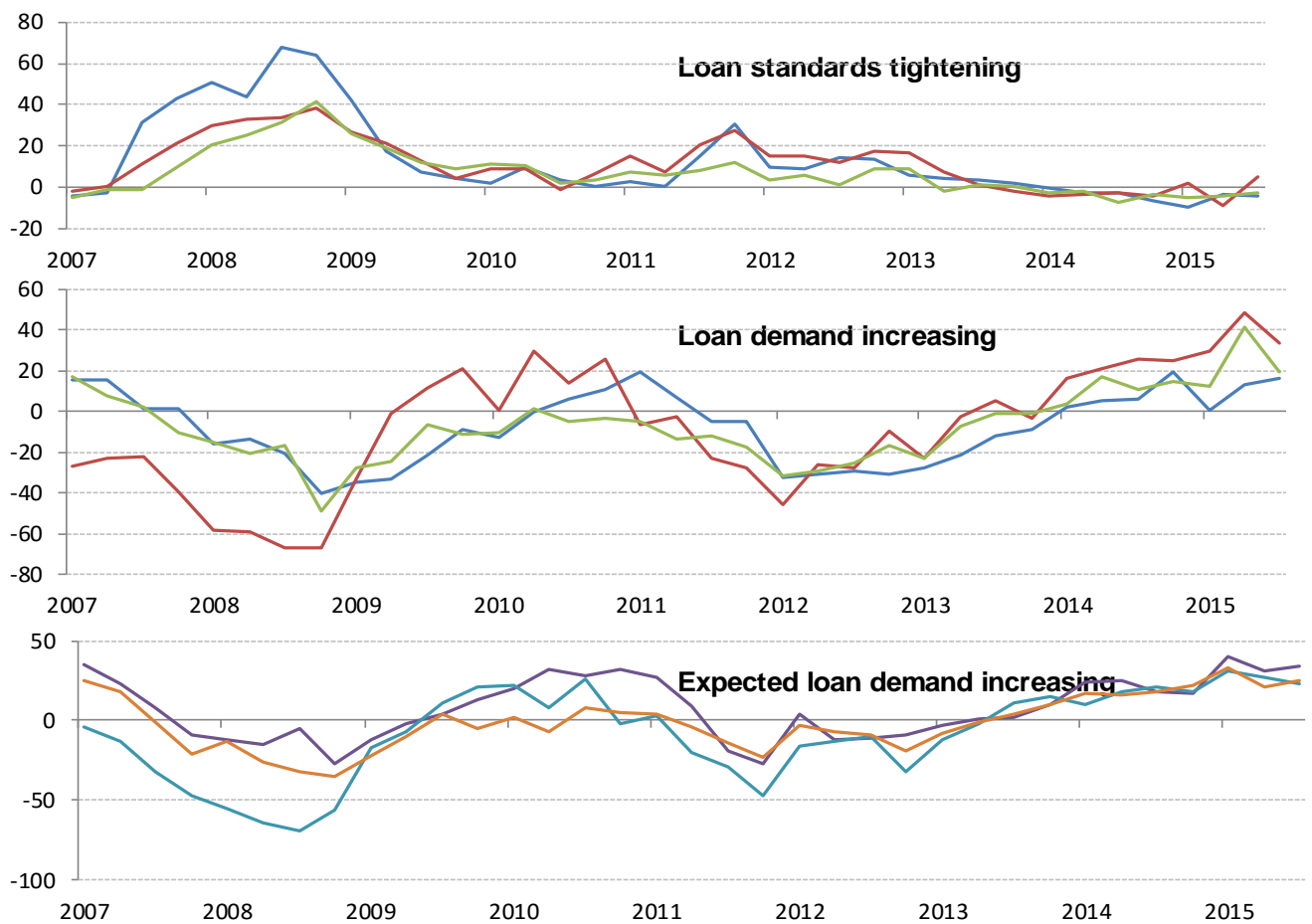
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

Supply and demand for lending: ECB Bank Survey

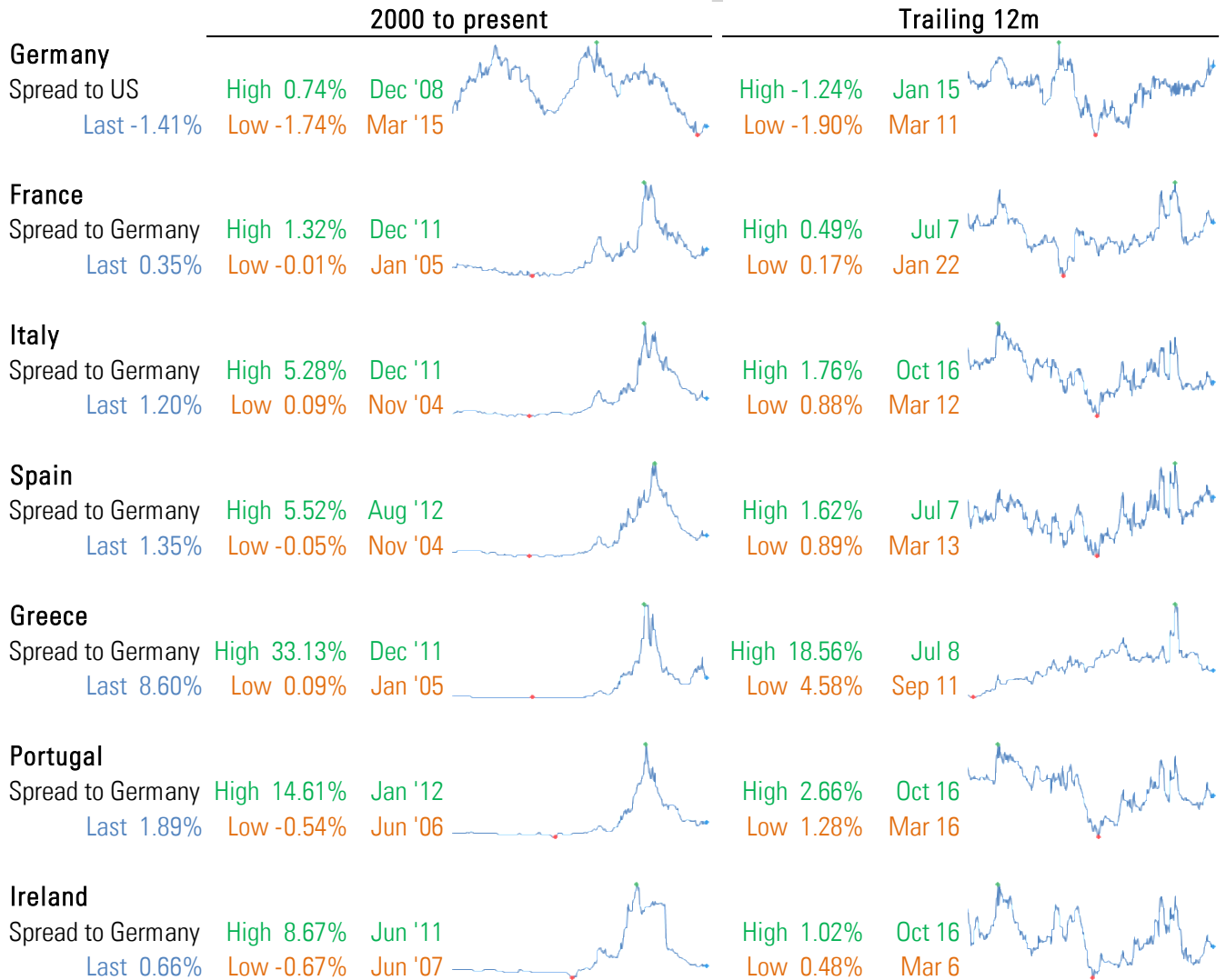
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

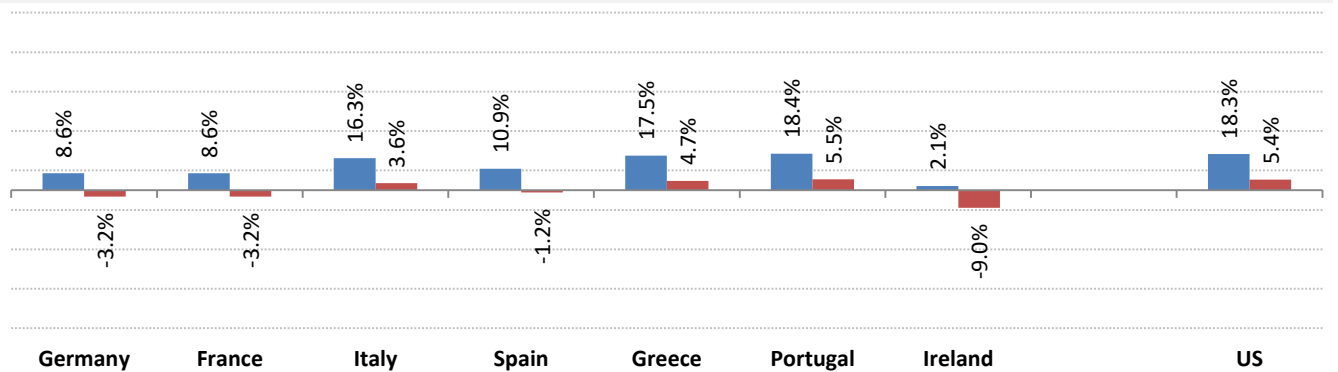
Sovereign stress monitor: 10-year bond spreads

· High · Low · Last



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

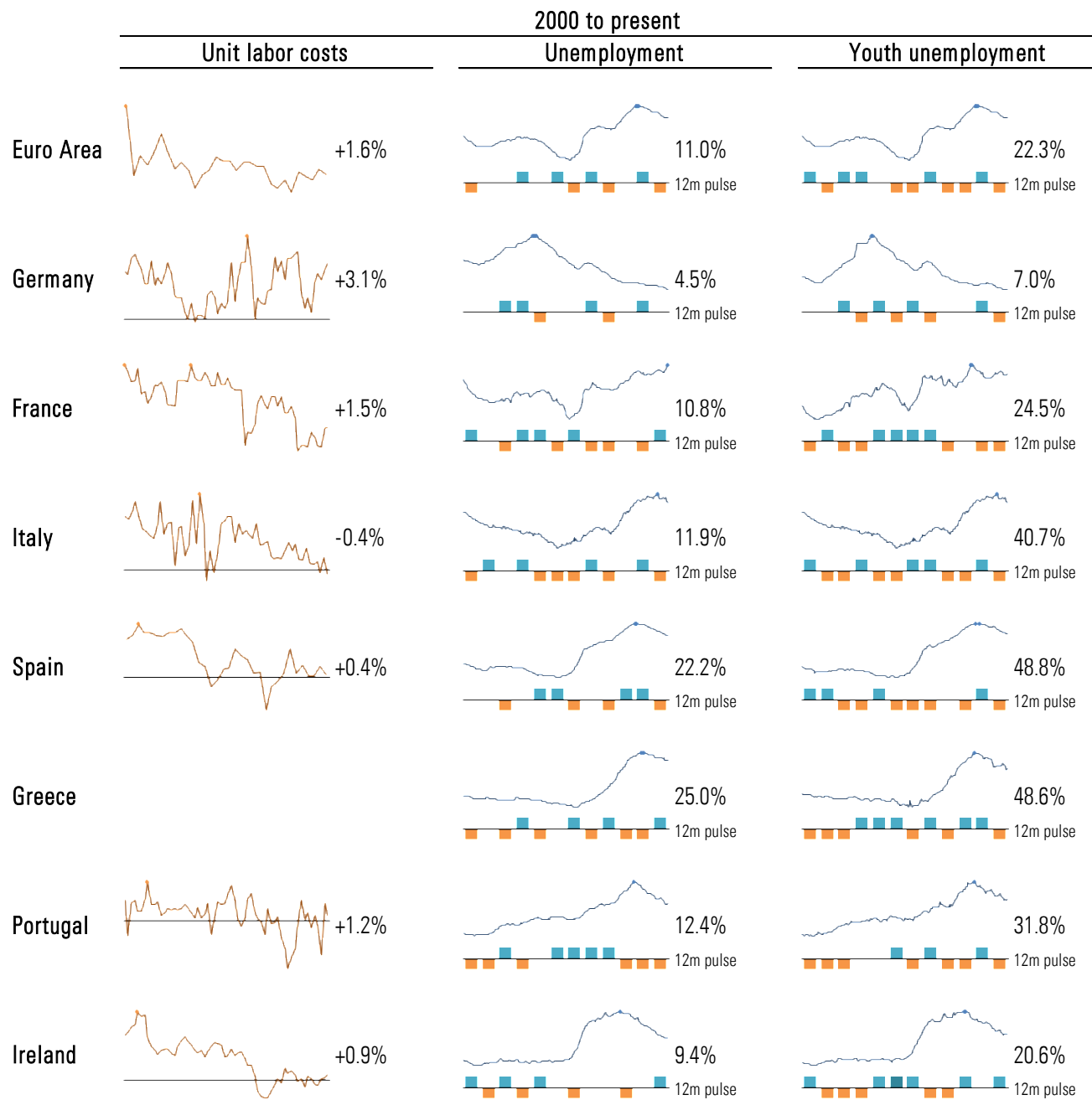
■ EUR ■ USD



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 Sep	52.0	52.3		Eurozone Sep	53.7	54.4	
UK Sep	51.5	51.6		UK Sep	53.3	55.6	
Germany Sep	52.3	53.3		Germany Sep	54.1	54.9	
France Sep	50.6	48.3		France Sep	51.9	50.6	
Italy Sep	52.7	53.8		Italy Sep	50.8	51.8	
Spain Sep	51.7	53.2		Spain Sep	55.1	59.6	
Ireland Sep	53.8	53.6		Ireland Sep	62.4	62.1	
Netherlands Sep	53.0	53.9					
Austria Sep	52.5	50.5					
Greece Sep	43.3	39.1					
Czech Rep Sep	55.5	56.6					

Source: Markit, TrendMacro calculations

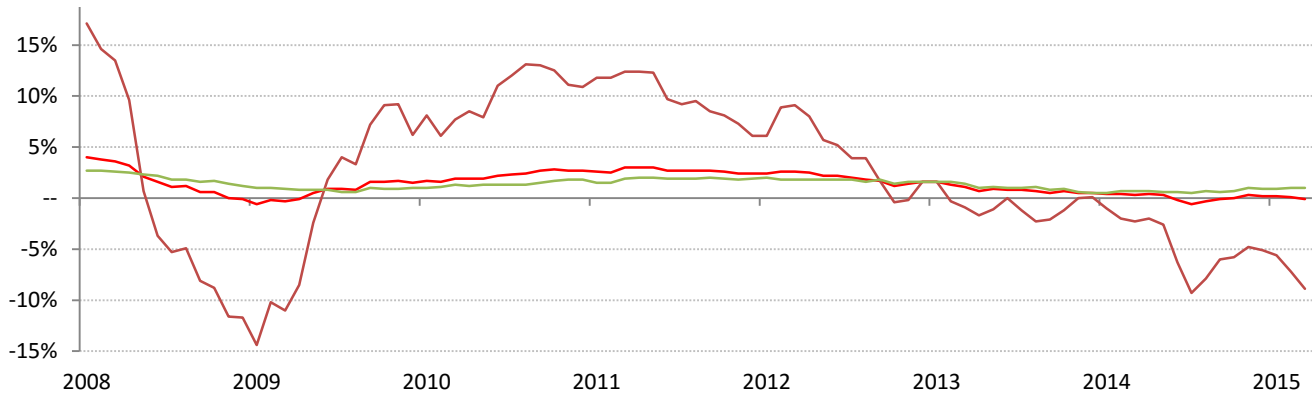
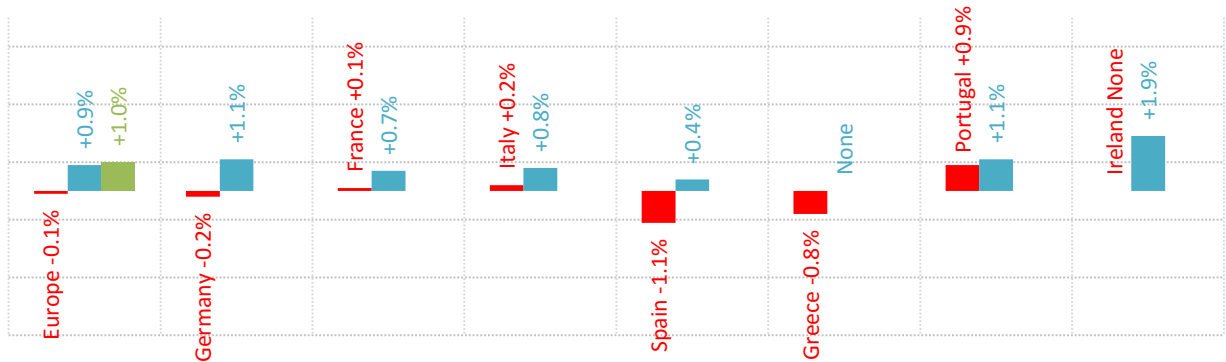
Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



Source: Bloomberg, TrendMacro calculations

Euro area consumer inflation, year on year

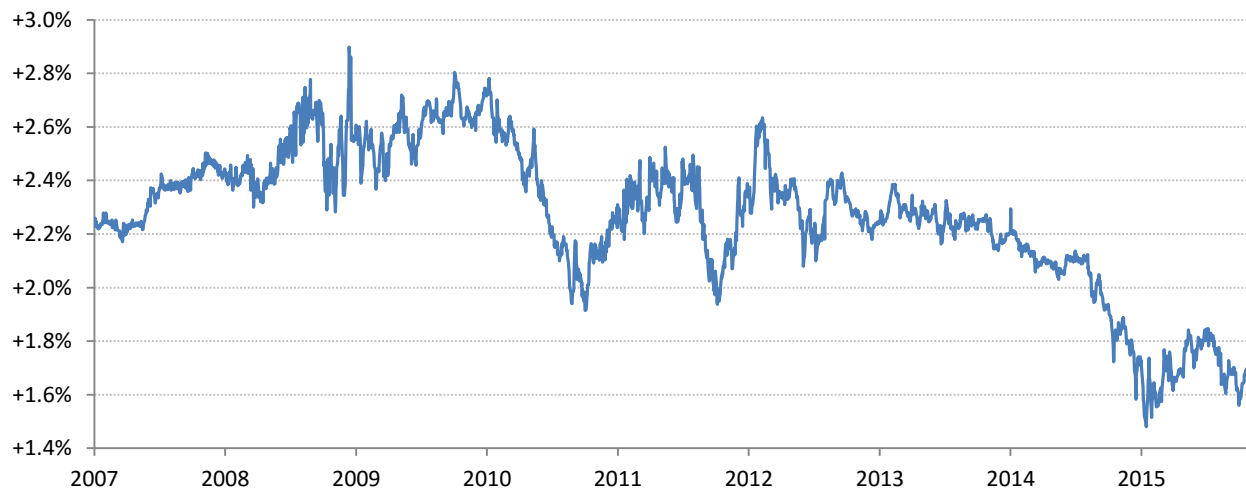
Country: ■ Headline ■ Ex-food and energy ■ Ex-energy Euro area: — Headline — Energy — Ex-energy



Source: Eurostat, TrendMacro calculations

Draghi's dashboard: swap-implied inflation expectations

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



Source: Bloomberg, TrendMacro calculations