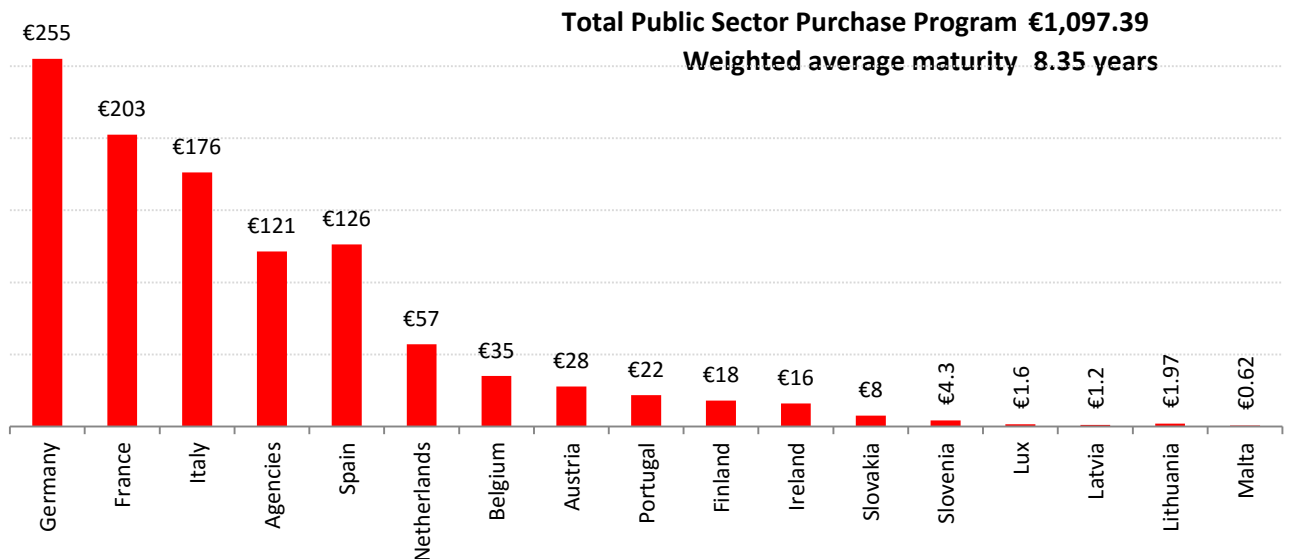
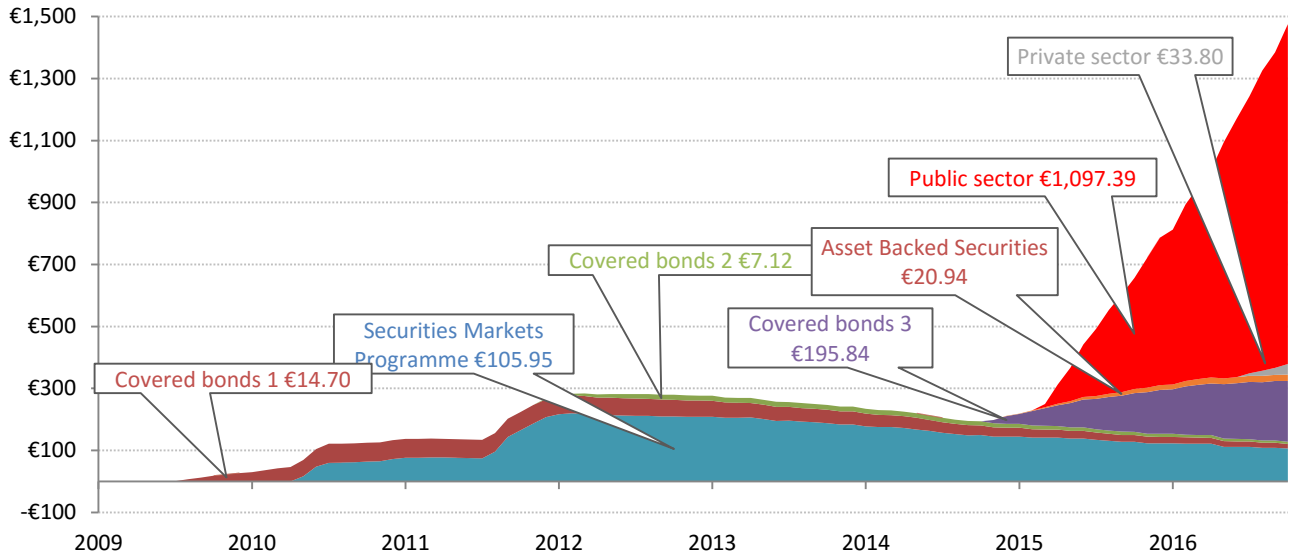


## Data Insights: Euro Area Recovery Monitor

Thursday, October 20, 2016

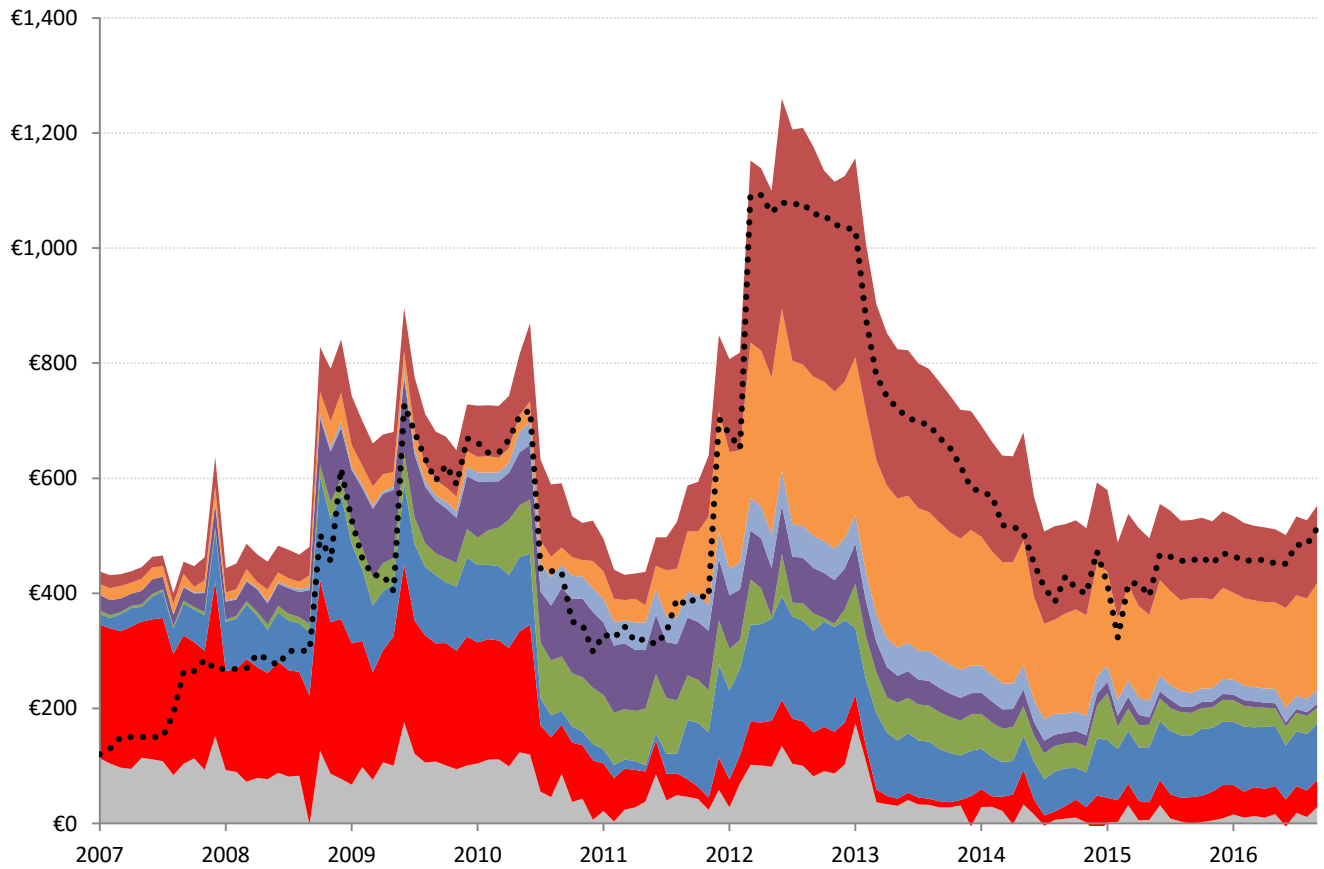
### The ECB's drive to build purchased assets (€ billions)



Source: ECB, TrendMacro calculations

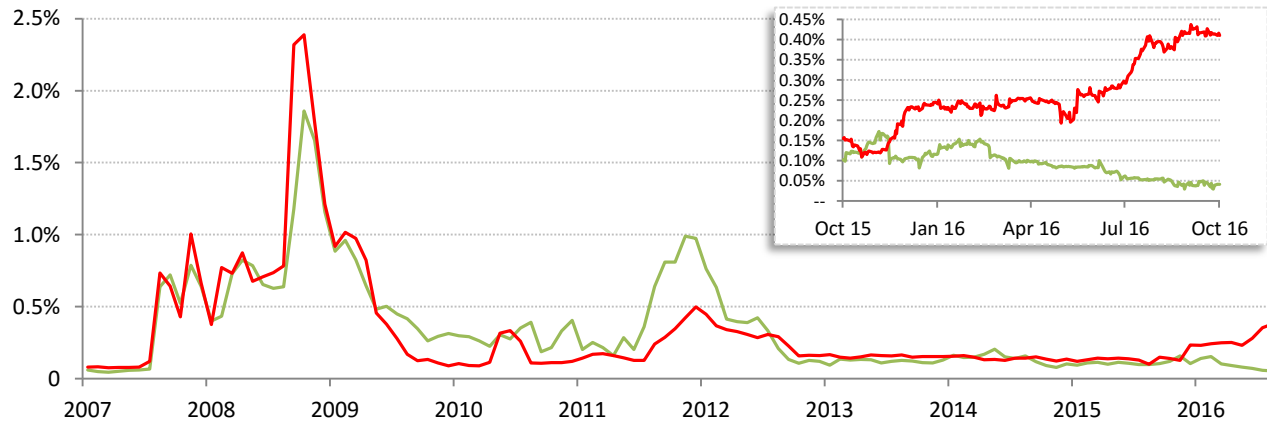
## Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

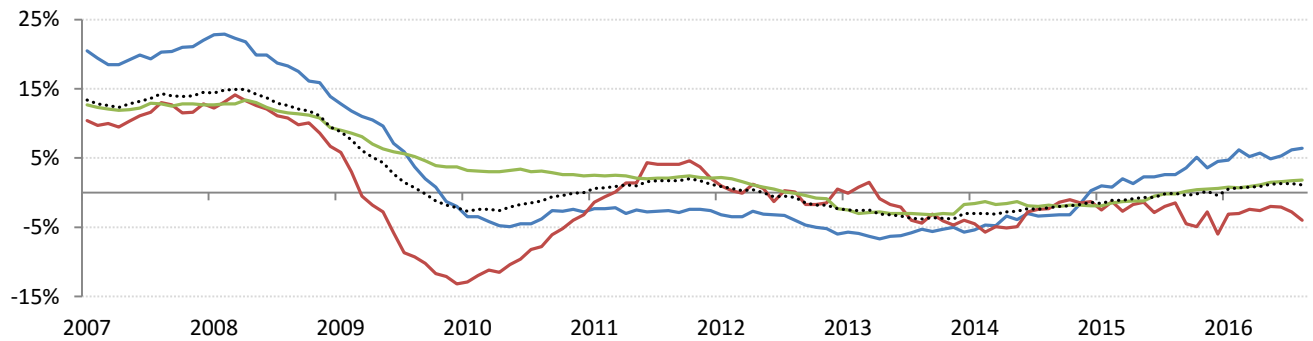
## Bank stability: 90-day LIBOR/OIS spreads — USD — EUR



Source: Bloomberg, TrendMacro calculations

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

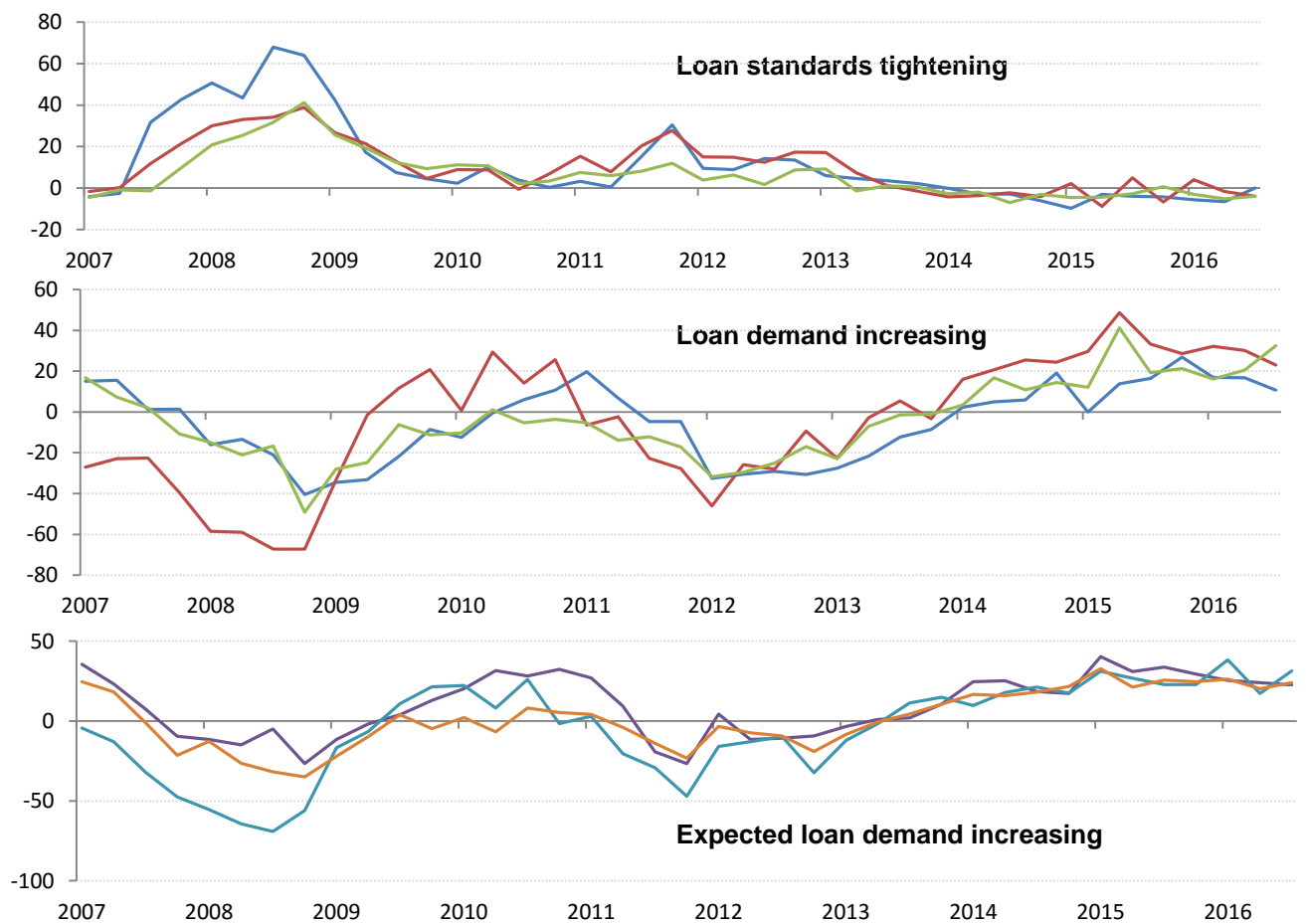
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

## Supply and demand for lending: ECB Bank Survey

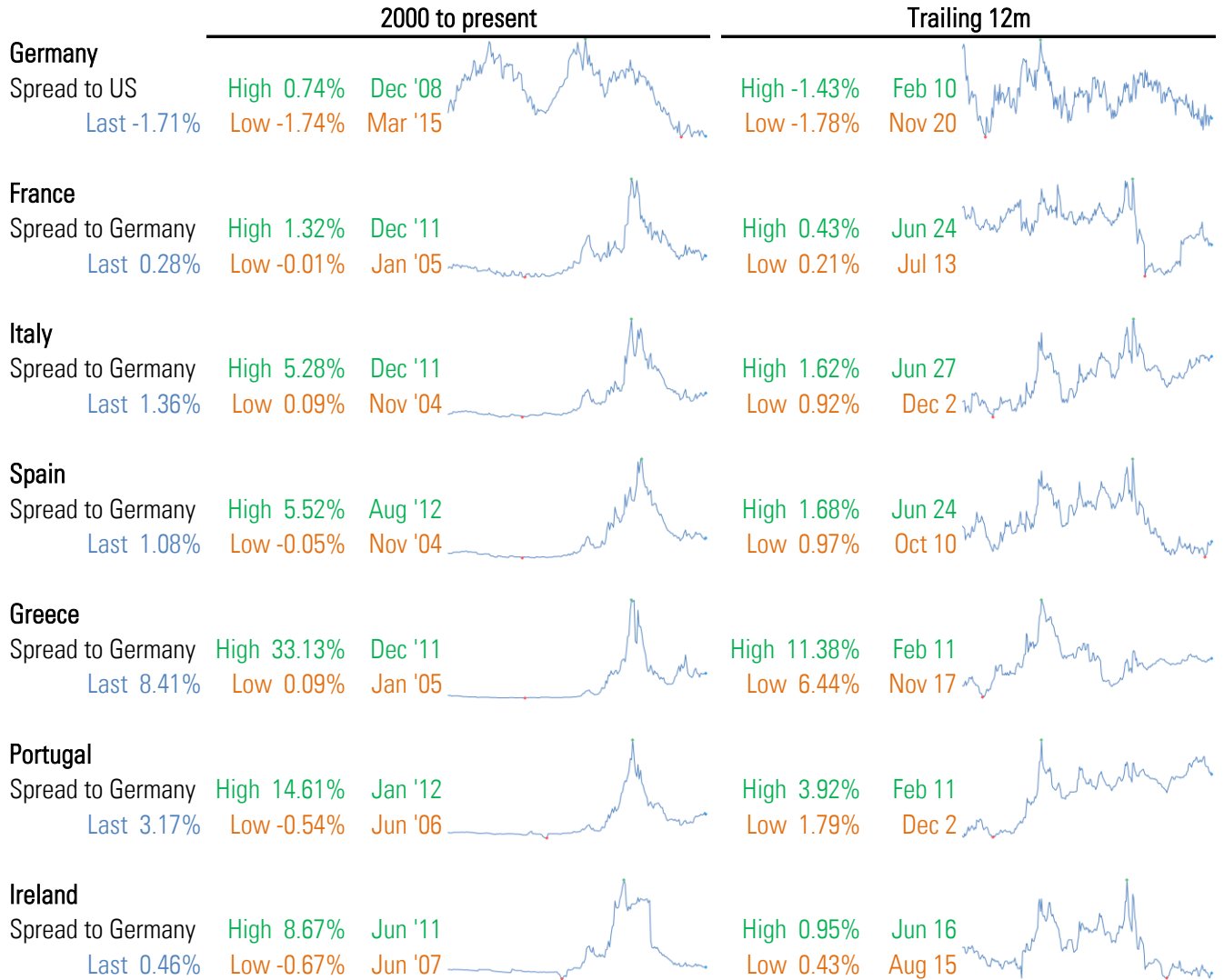
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

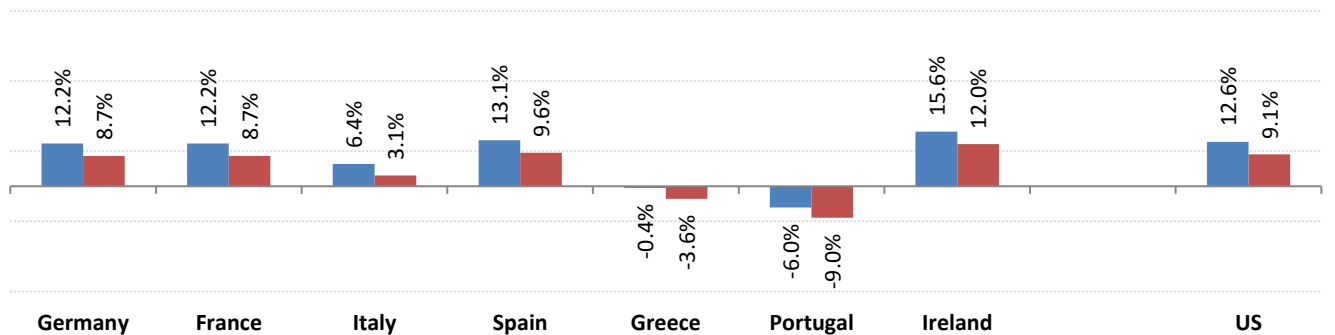
# Sovereign stress monitor: 10-year bond spreads

· High · Low · Last



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

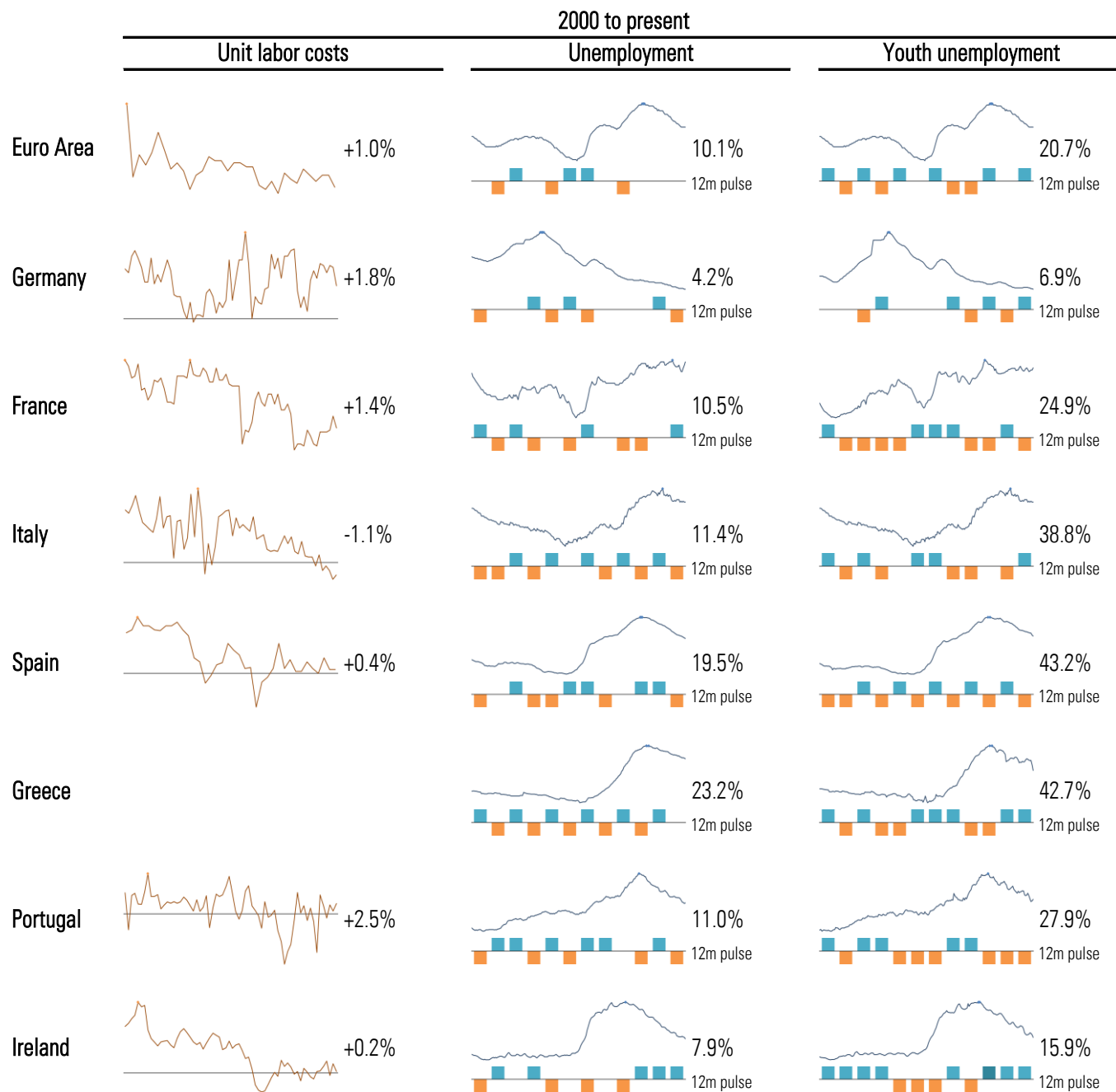
■ EUR ■ USD



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	52.6	51.7		Eurozone Sep	52.2	52.8	
UK Sep	55.4	53.4		UK Sep	52.6	52.9	
Germany Sep	54.3	53.6		Germany Sep	50.9	51.7	
France Sep	49.7	48.3		France Sep	53.3	52.3	
Italy Sep	51.0	49.8		Italy Sep	53.4	53.4	
Spain Sep	52.3	51.0		Spain Sep	54.7	56.0	
Ireland Sep	51.3	51.7		Ireland Sep	56.2	59.7	
Netherlands Sep	53.4	53.5					
Austria Sep	53.5	52.1					
Greece Sep	49.2	50.4					
Czech Rep Sep	52.0	50.1					

Source: Markit, TrendMacro calculations

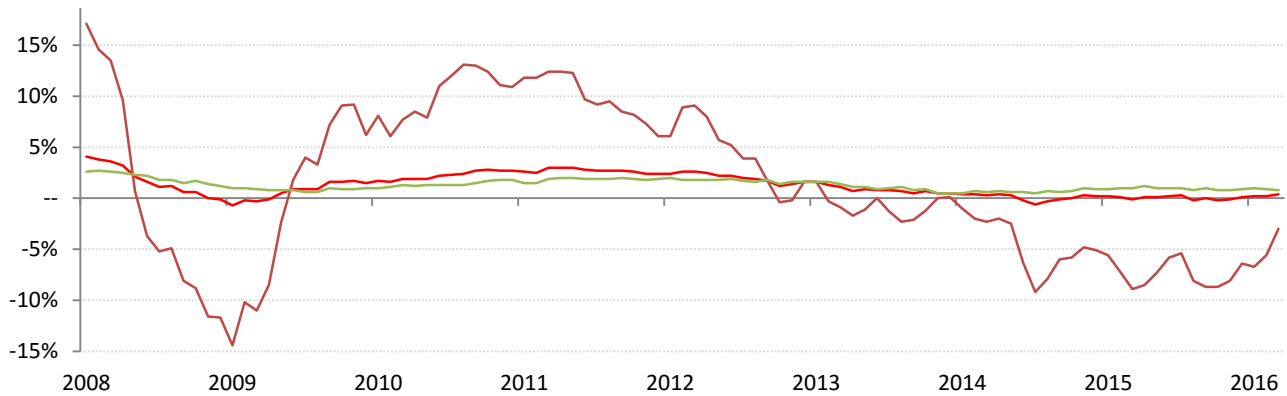
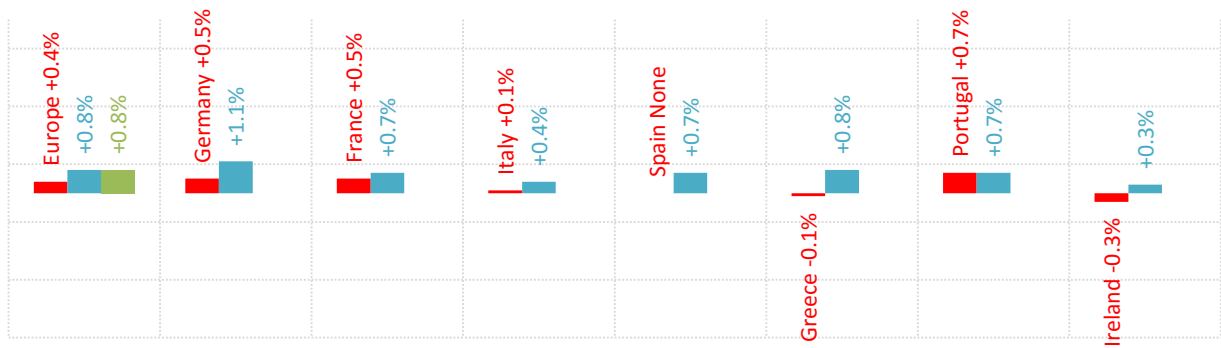
## Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



Source: Bloomberg, TrendMacro calculations

## Euro area consumer inflation, year on year

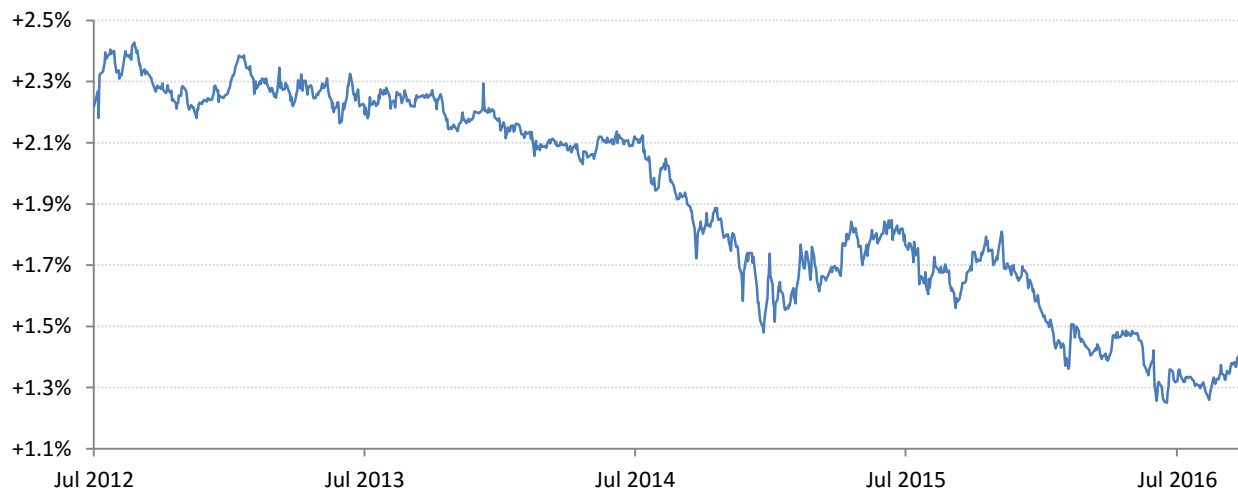
Country: ■ Headline ■ Ex-food and energy ■ Ex-energy    Euro area: — Headline — Energy — Ex-energy



Source: Eurostat, TrendMacro calculations

## Draghi's dashboard: swap-implied inflation expectations since "Whatever it takes"

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



Source: Bloomberg, TrendMacro calculations