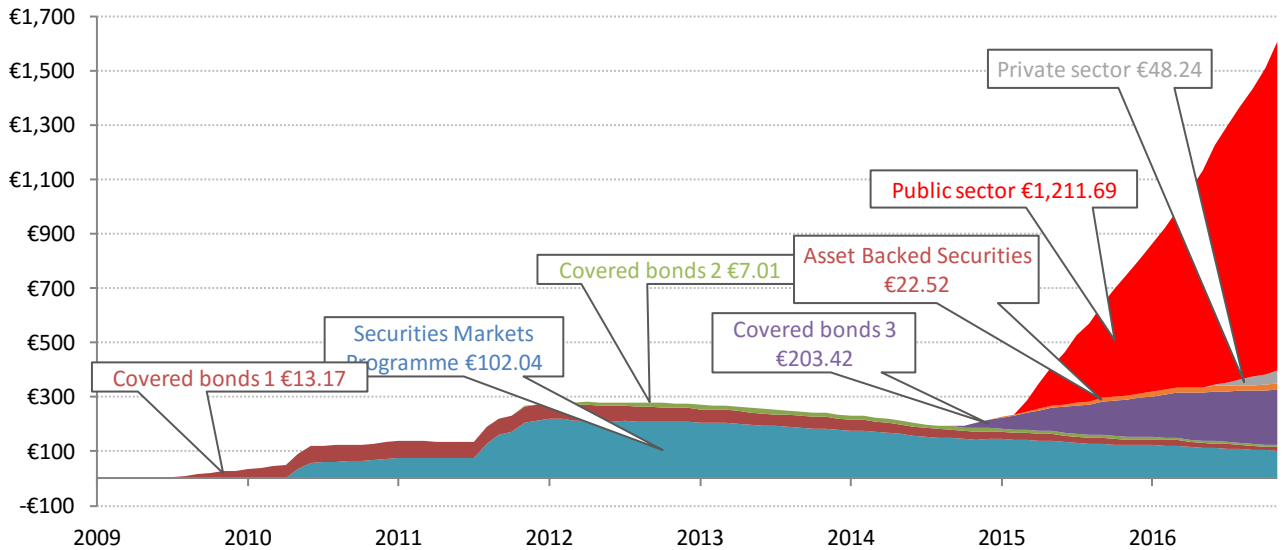


## Data Insights: Euro Area Recovery Monitor

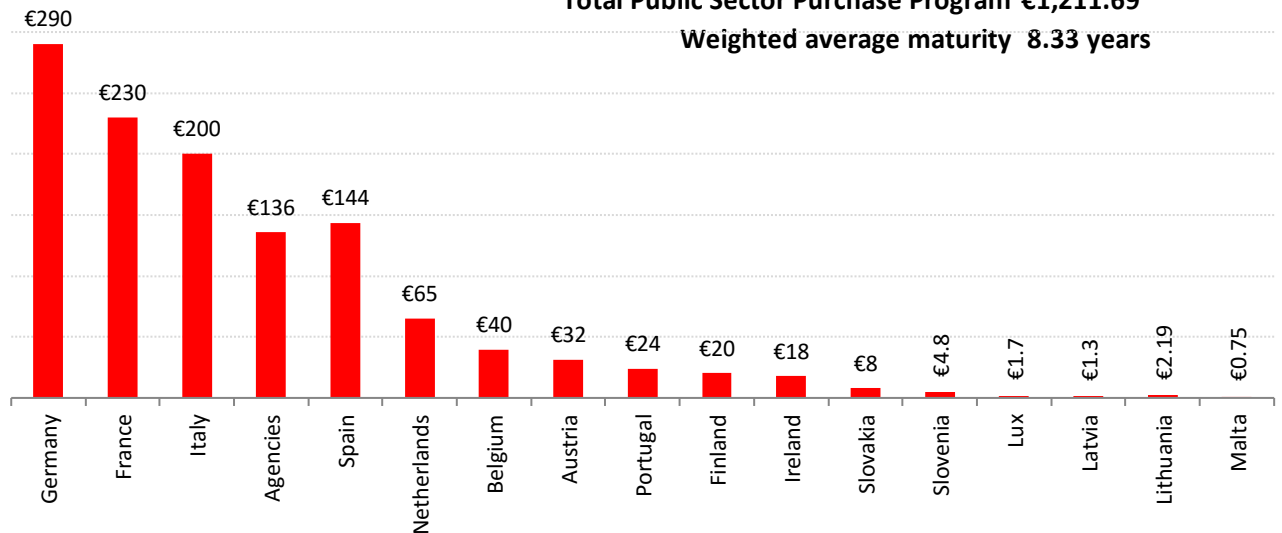
Thursday, December 8, 2016

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



### Total Public Sector Purchase Program €1,211.69

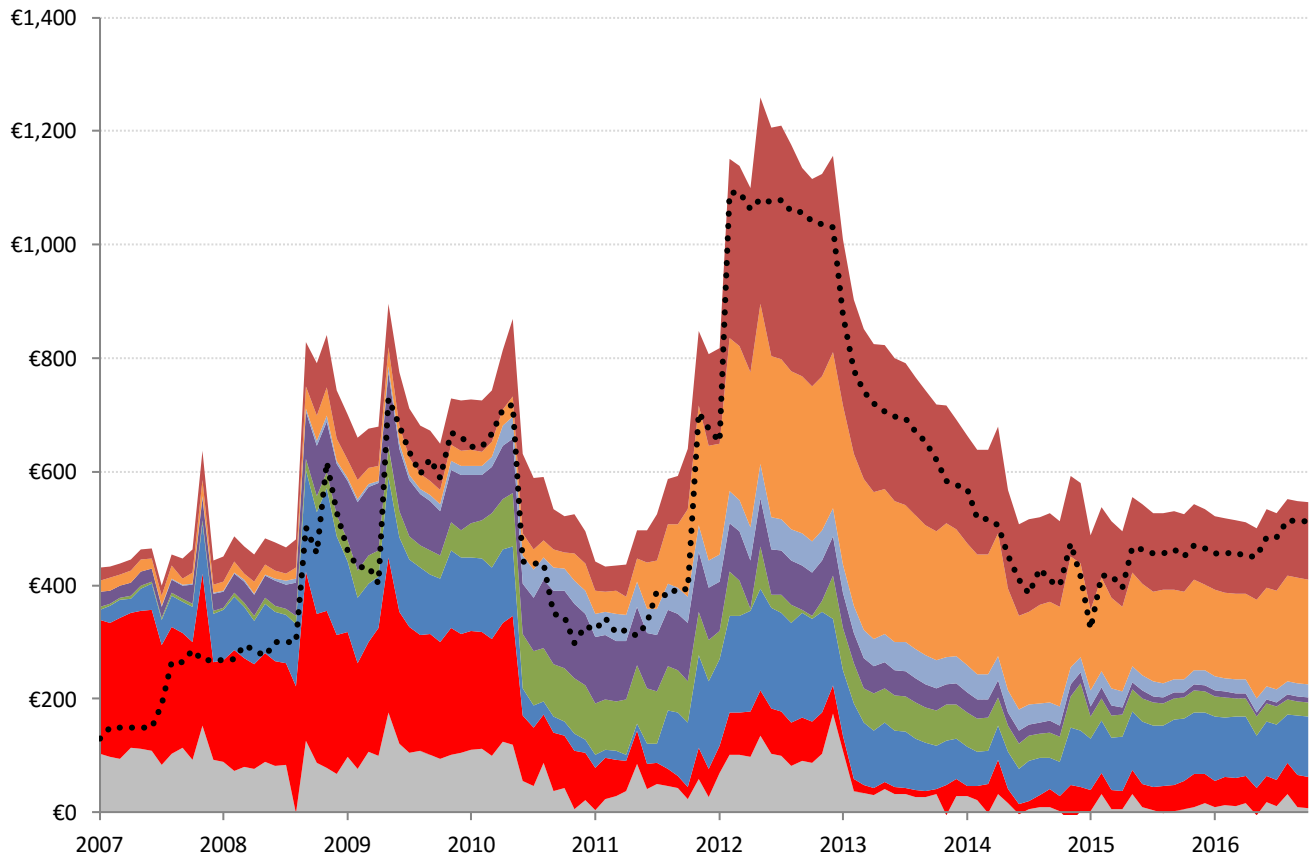
Weighted average maturity 8.33 years



Source: ECB, TrendMacro calculations

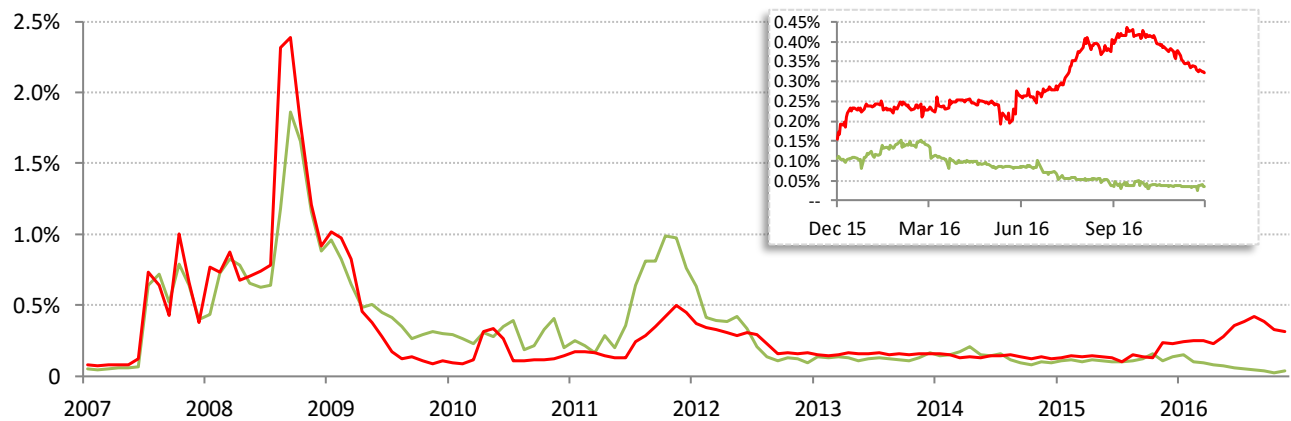
## Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

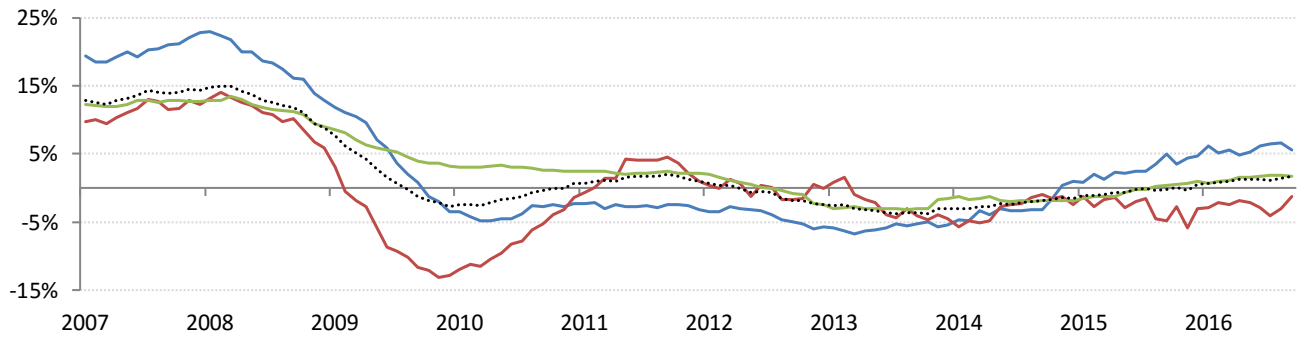
## Bank stability: 90-day LIBOR/OIS spreads — USD — EUR



Source: Bloomberg, TrendMacro calculations

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

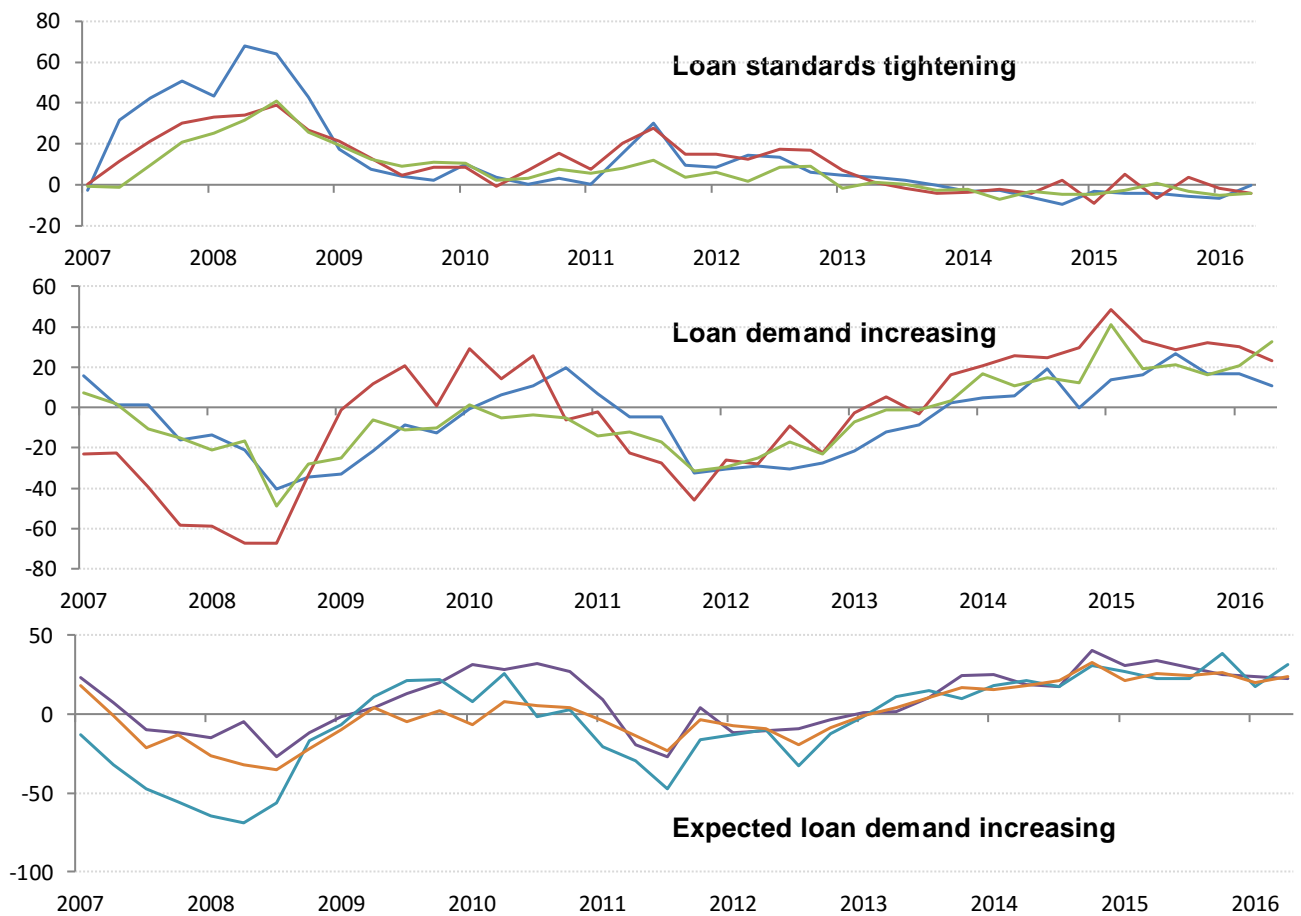
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

## Supply and demand for lending: ECB Bank Survey

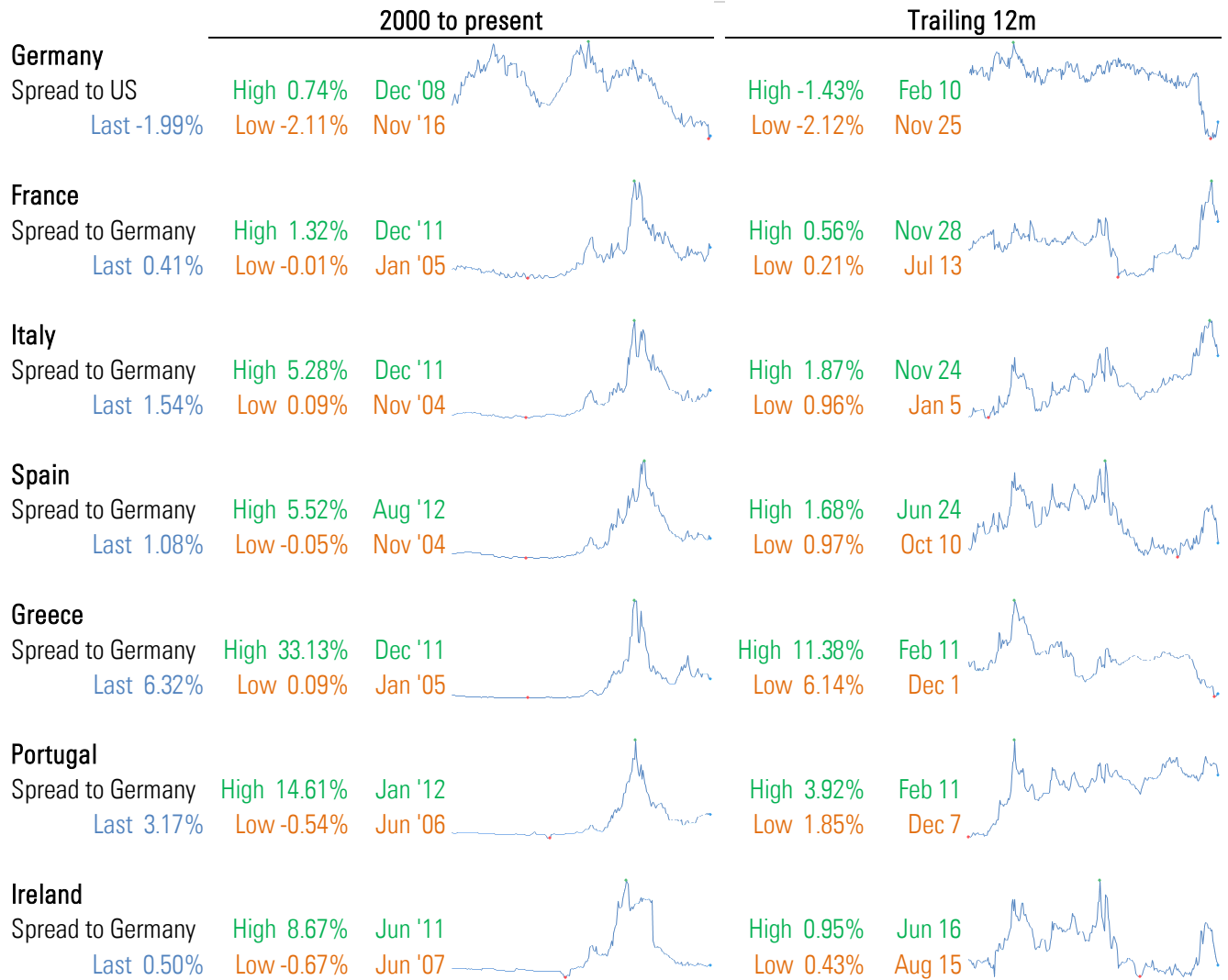
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

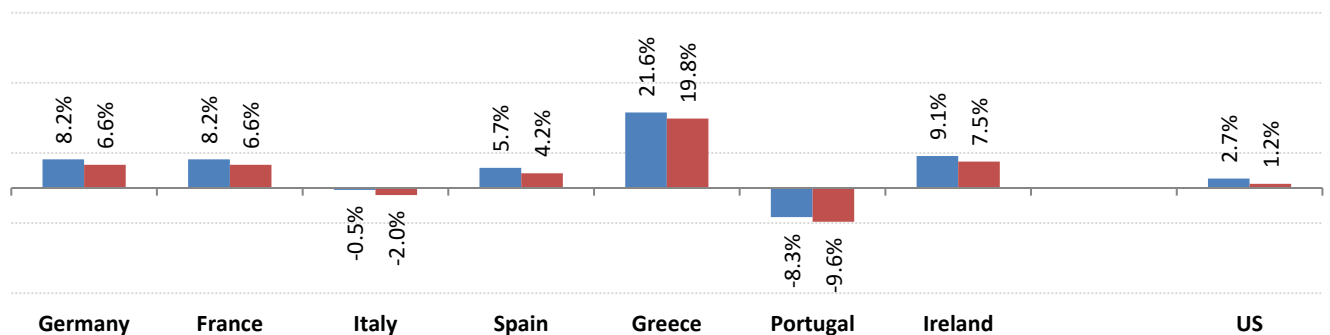
# Sovereign stress monitor: 10-year bond spreads

· 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

<b>Manufacturing</b>				<b>Services</b>			
	Last	Prev	13-month history		Last	Prev	13-month history
Eurozone Nov	53.7	53.5		Eurozone Nov	53.8	52.8	
UK Nov	53.4	54.2		UK Nov	55.2	54.5	
Germany Nov	54.3	55.0		Germany Nov	55.1	54.2	
France Nov	51.7	51.8		France Nov	51.6	51.4	
Italy Nov	52.2	50.9		Italy Nov	55.3	53.6	
Spain Nov	54.5	53.3		Spain Nov	55.1	54.6	
Ireland Nov	53.7	52.1		Ireland Nov	56.0	54.6	
Netherlands Nov	57.0	55.7					
Austria Nov	55.4	53.9					
Greece Nov	48.3	48.6					
Czech Rep Nov	52.2	53.3					

Source: Markit, TrendMacro calculations

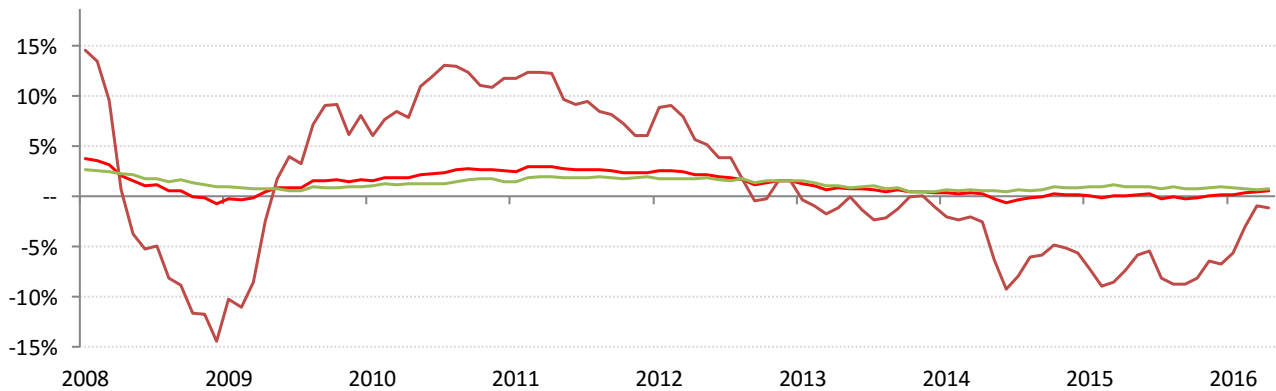
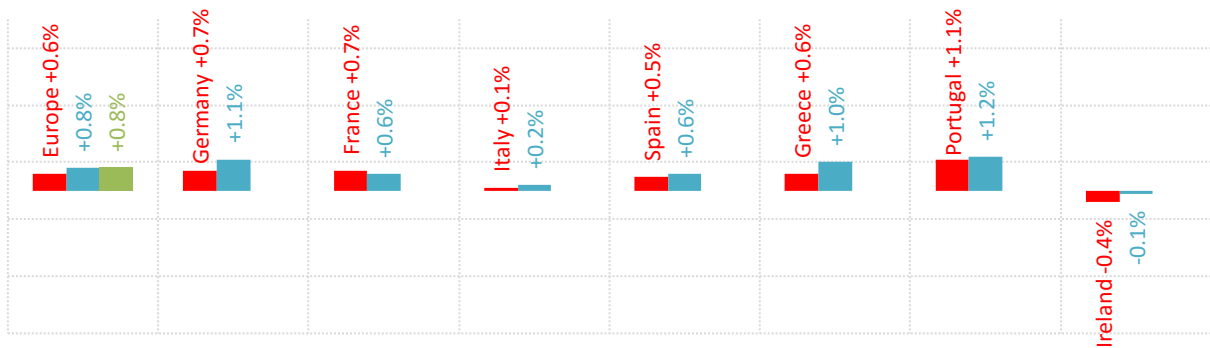
## Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



Source: Bloomberg, TrendMacro calculations

## Euro area consumer inflation, year on year

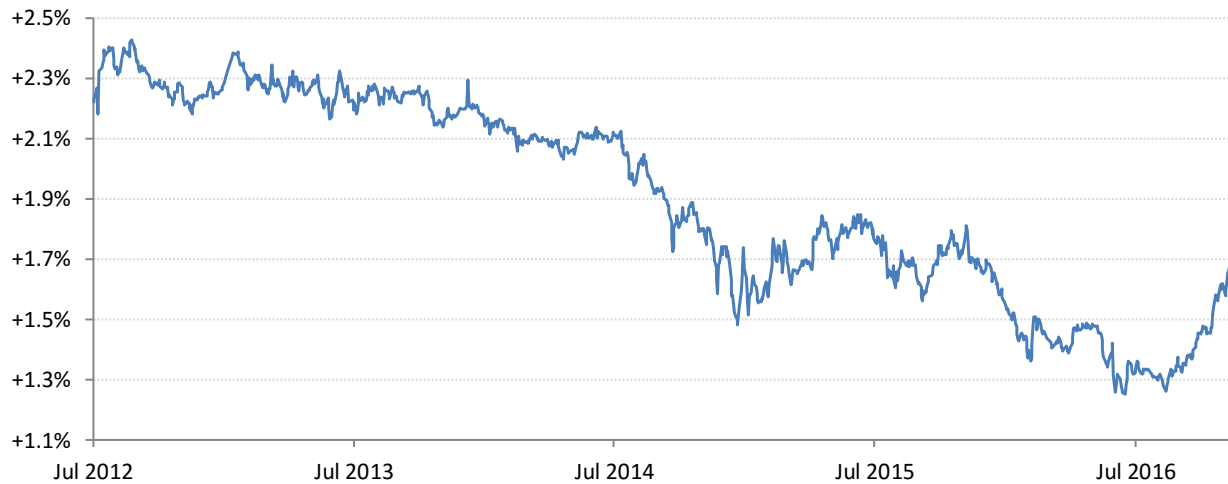
Country: ■ Headline ■ Ex-food and energy ■ Ex-energy    Euro area: — Headline — Energy — Ex-energy



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