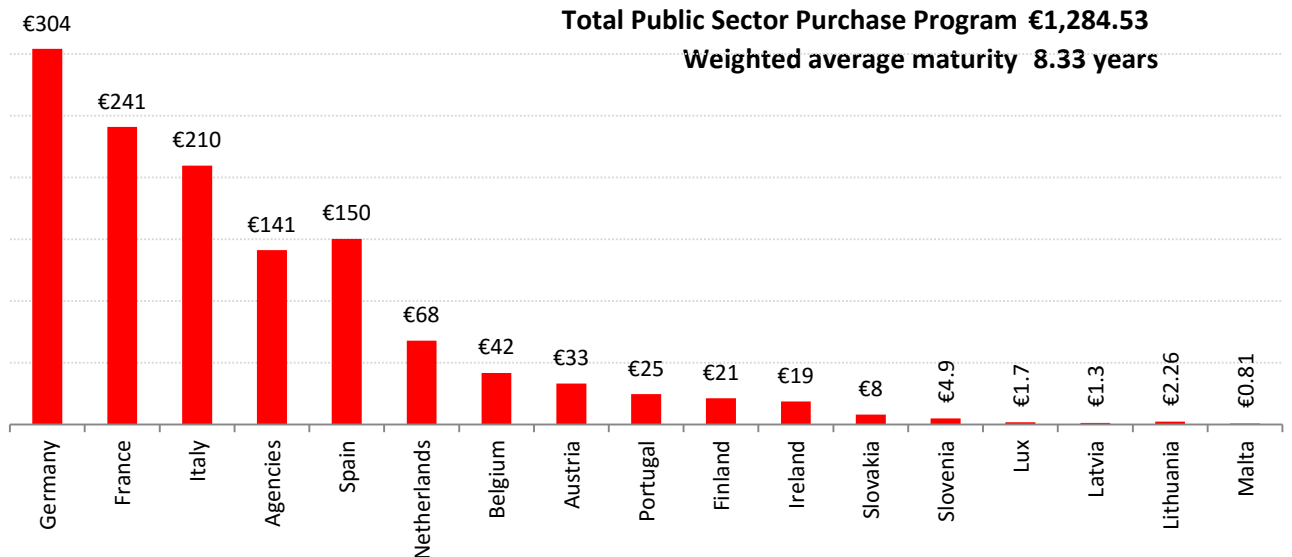
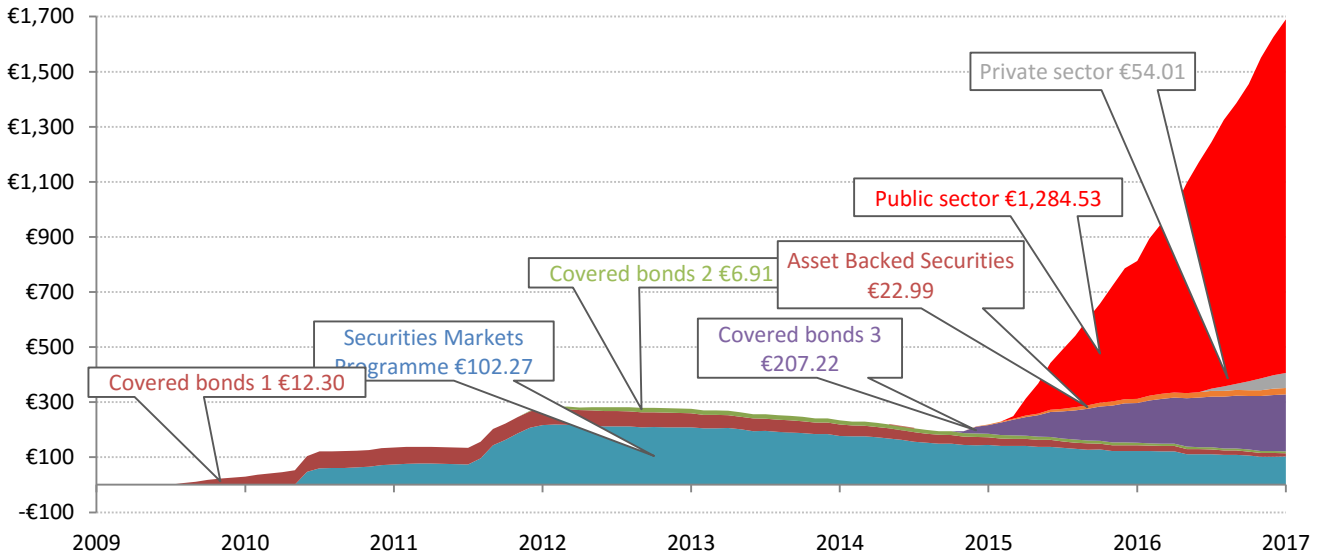


Data Insights: Euro Area Recovery Monitor

Thursday, January 19, 2017

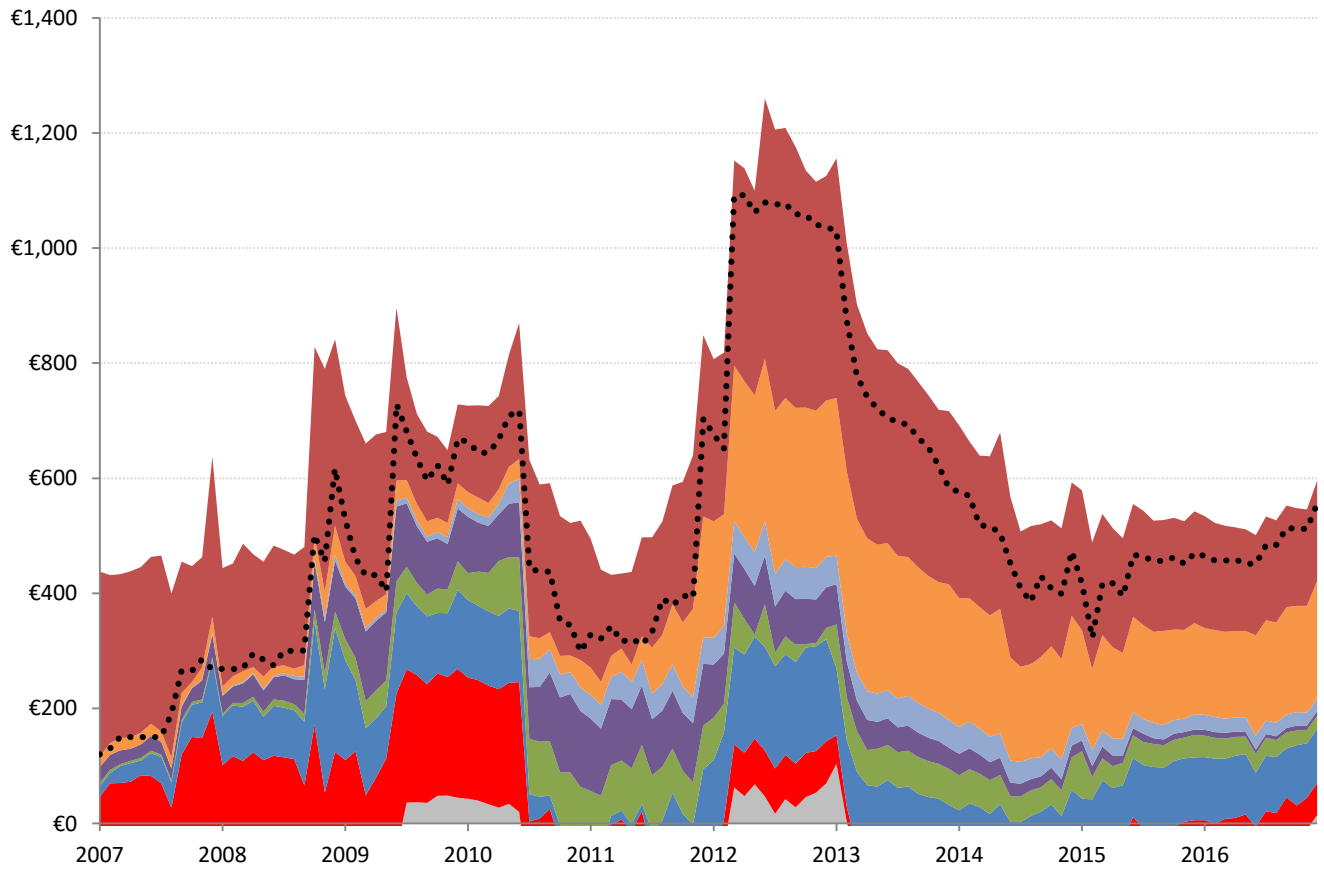
The ECB's drive to build purchased assets (€ billions)



Source: ECB, TrendMacro calculations

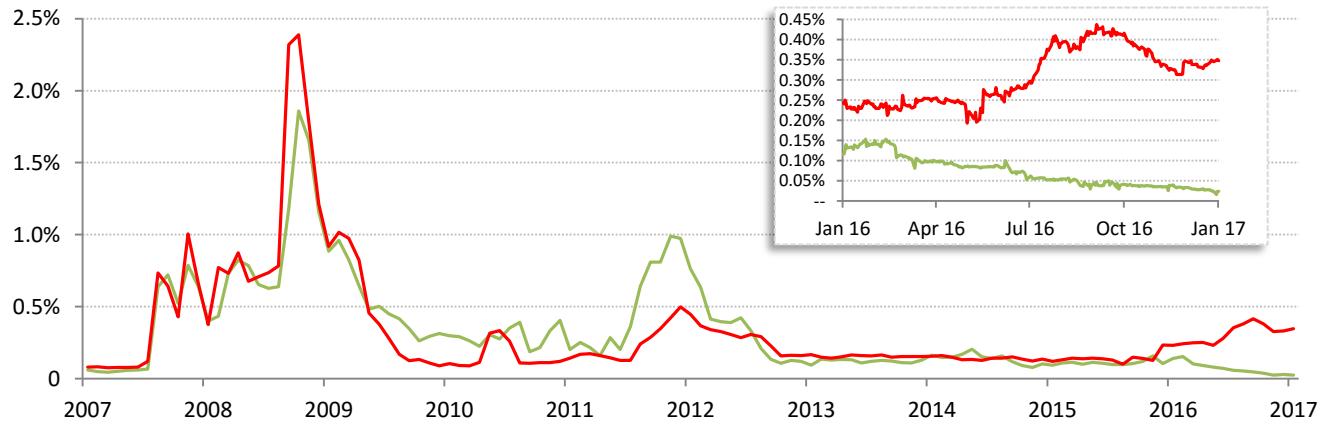
Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

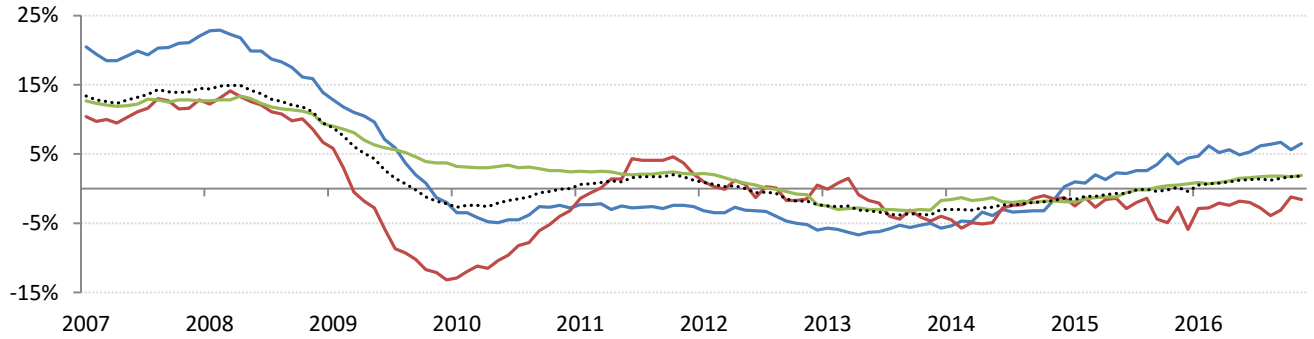
Bank stability: 90-day LIBOR/OIS spreads (USD — EUR)



Source: Bloomberg, TrendMacro calculations

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

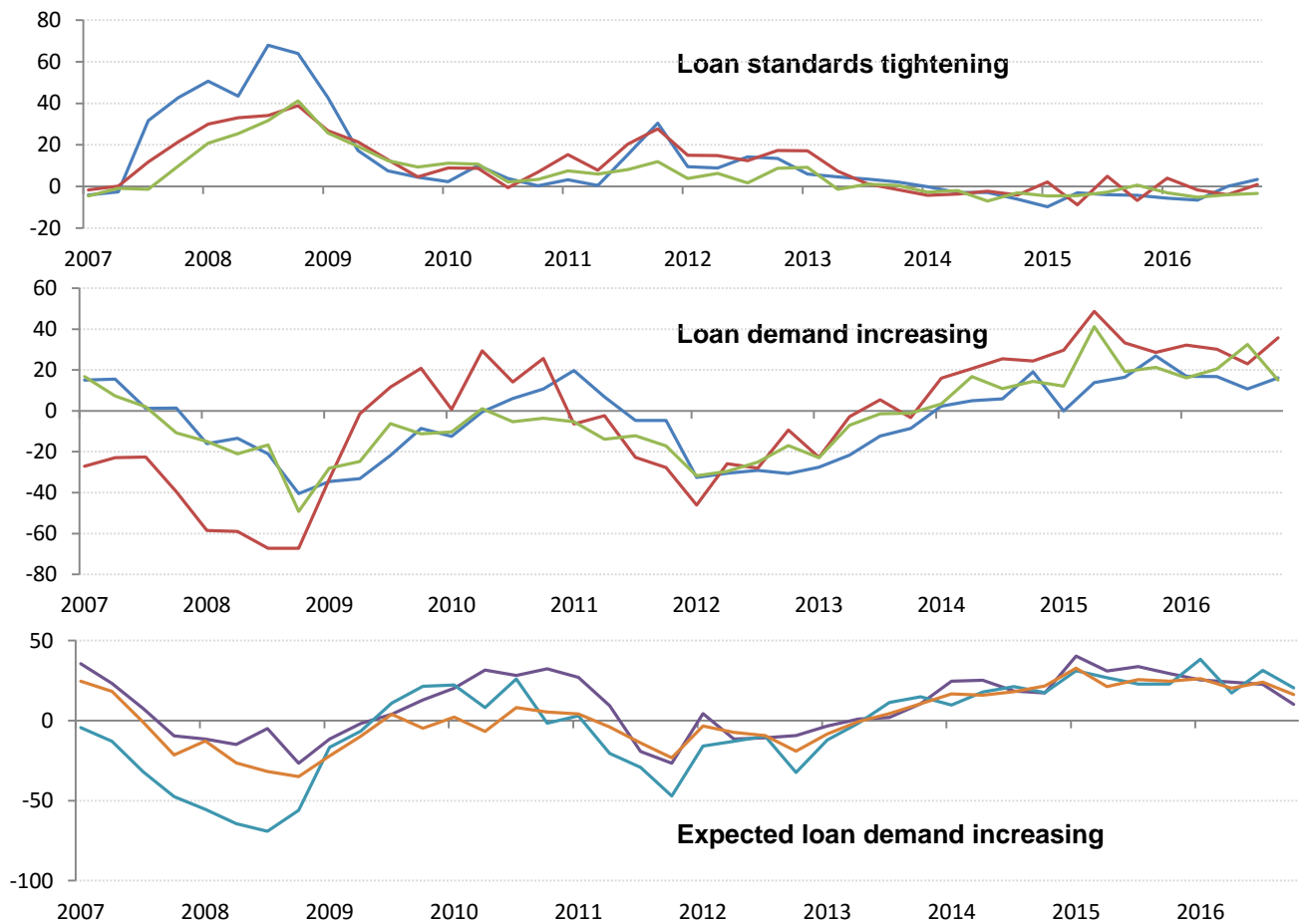
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

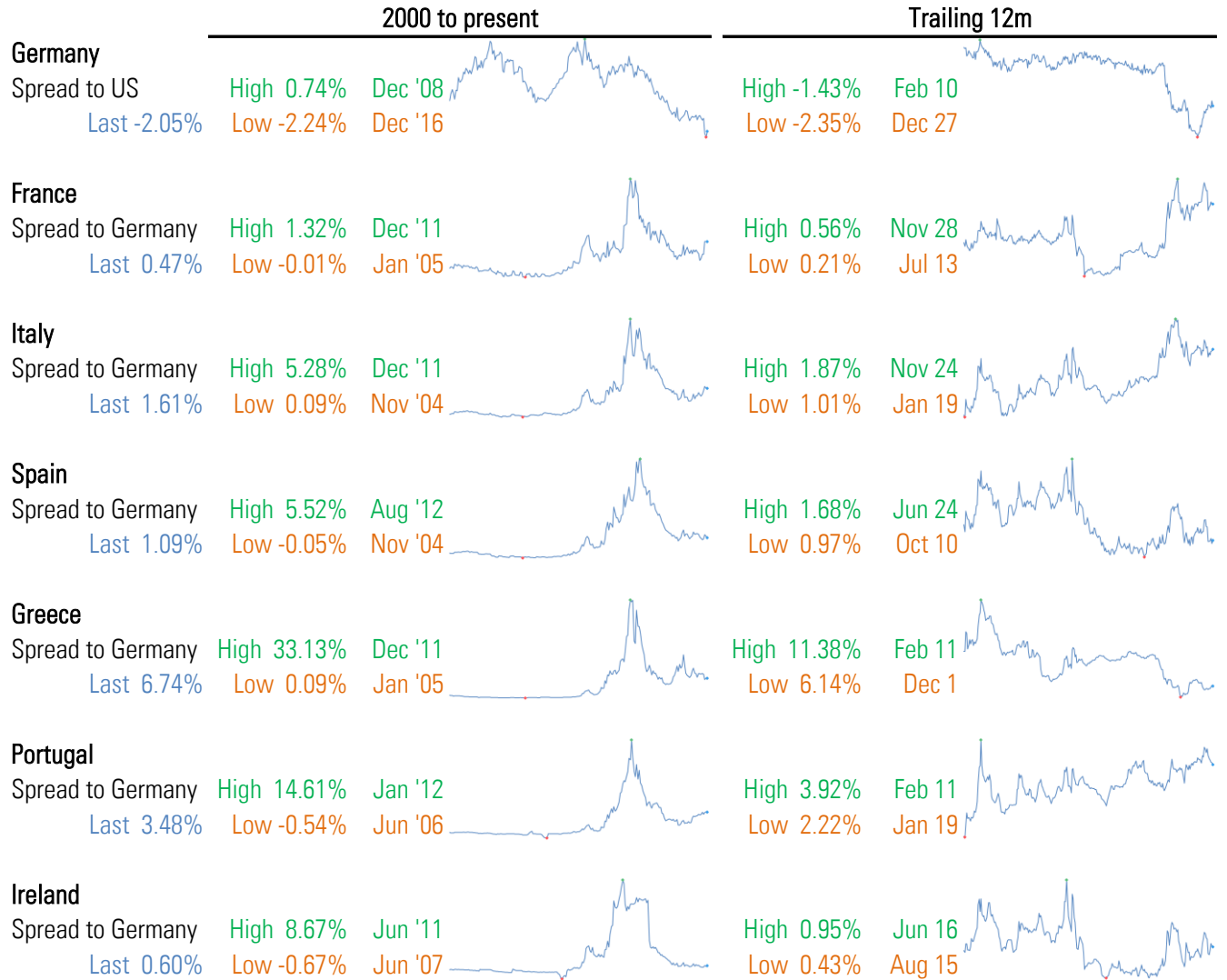
Supply and demand for lending: ECB Bank Survey

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

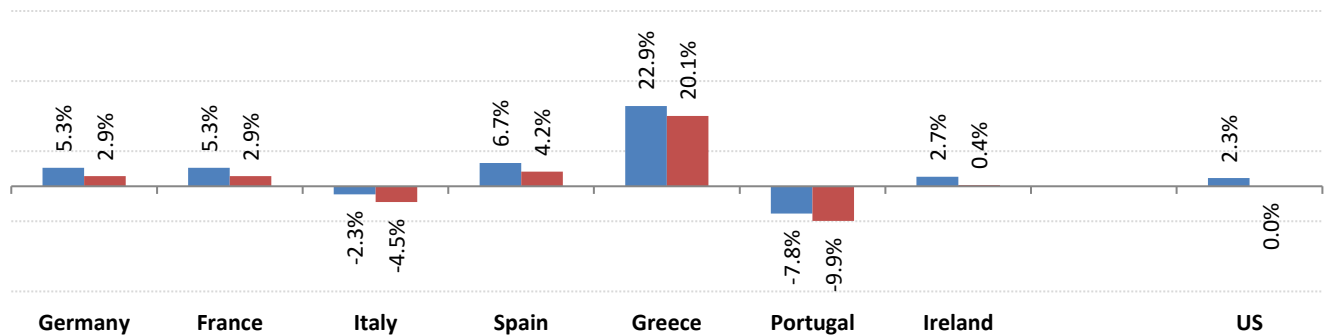


Source: ECB, TrendMacro calculations

Sovereign stress monitor: 10-year bond spreads · High · Low · Last



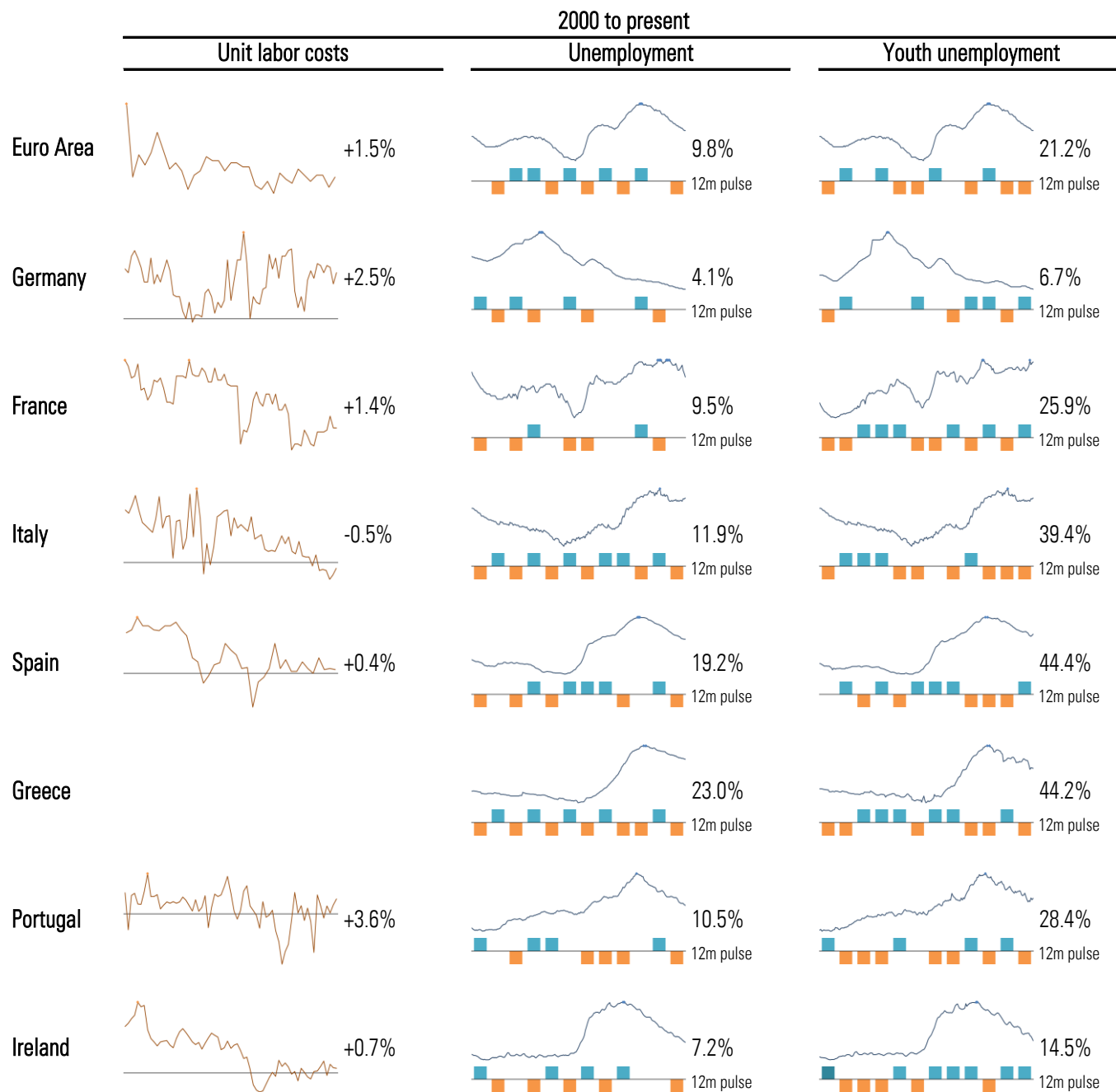
10-year sovereign bond total returns, trailing 12-months ■ EUR ■ USD



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



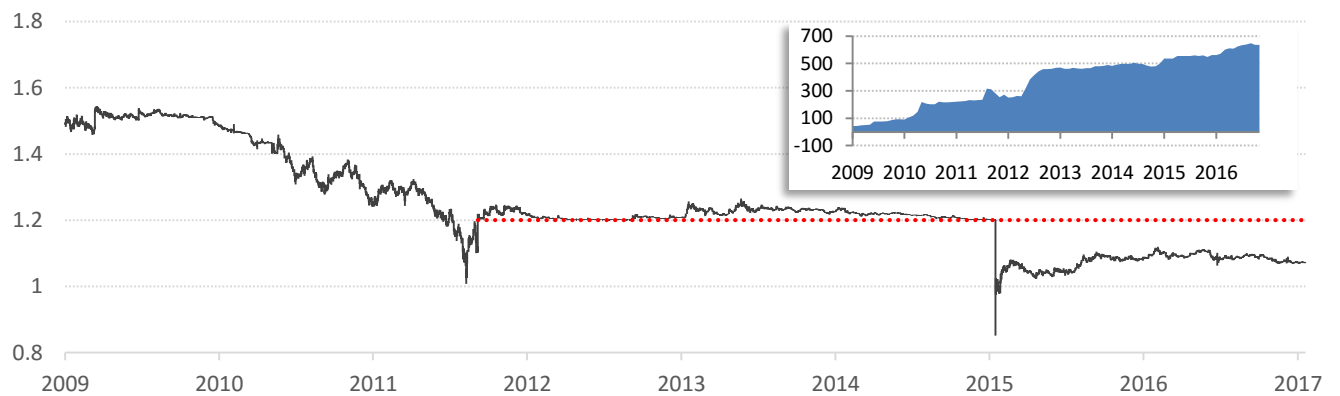
Source: Eurostat, TrendMacro calculations

Purchasing Manager Indices

Manufacturing				Services			
	Last	Prev	13-month history		Last	Prev	13-month history
Eurozone Dec	54.9	53.7		Eurozone Dec	53.7	53.8	
UK Dec	56.1	53.6		UK Dec	56.2	55.2	
Germany Dec	55.6	54.3		Germany Dec	54.3	55.1	
France Dec	53.5	51.7		France Dec	52.9	51.6	
Italy Dec	53.2	52.2		Italy Dec	53.6	53.8	
Spain Dec	55.3	54.5		Spain Dec	55.0	55.1	
Ireland Dec	55.7	53.7		Ireland Dec	59.1	56.0	
Netherlands Dec	57.3	57.0					
Austria Dec	56.3	55.4					
Greece Dec	49.3	48.3					
Czech Rep Dec	53.8	52.2					

Source: Markit, TrendMacro calculations

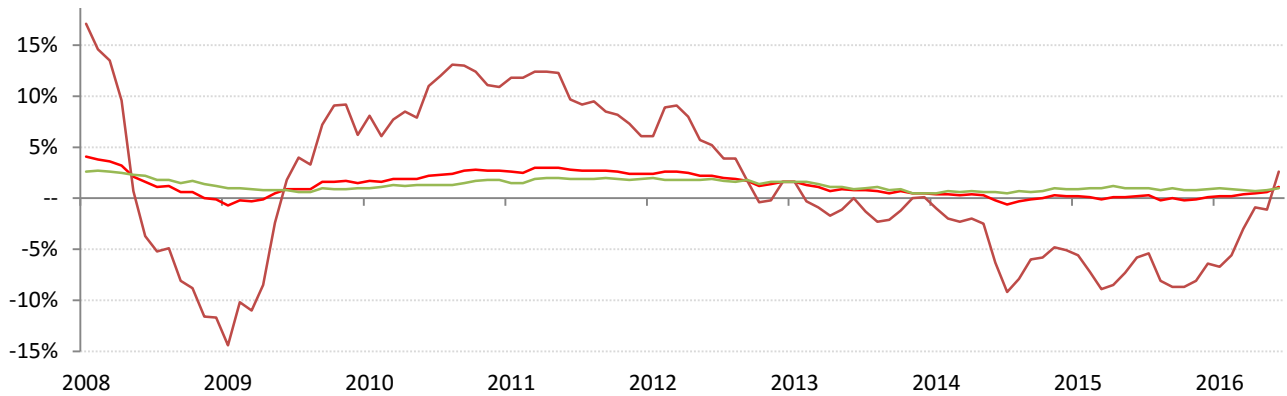
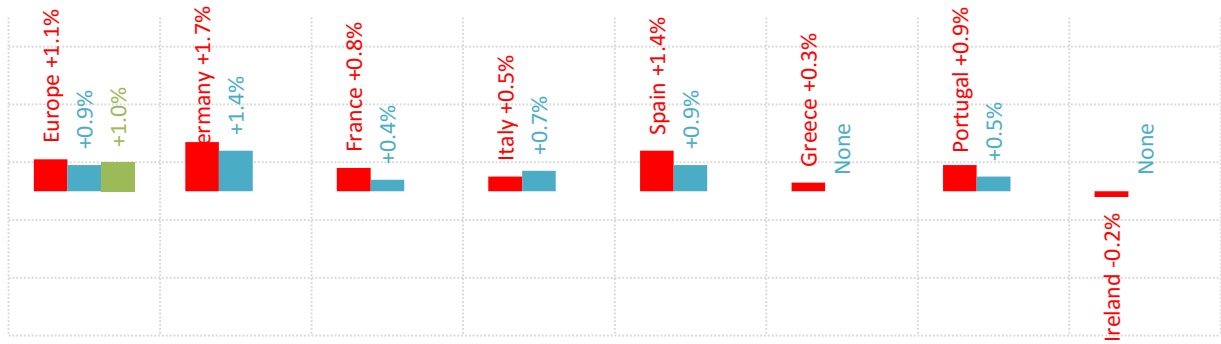
Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



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