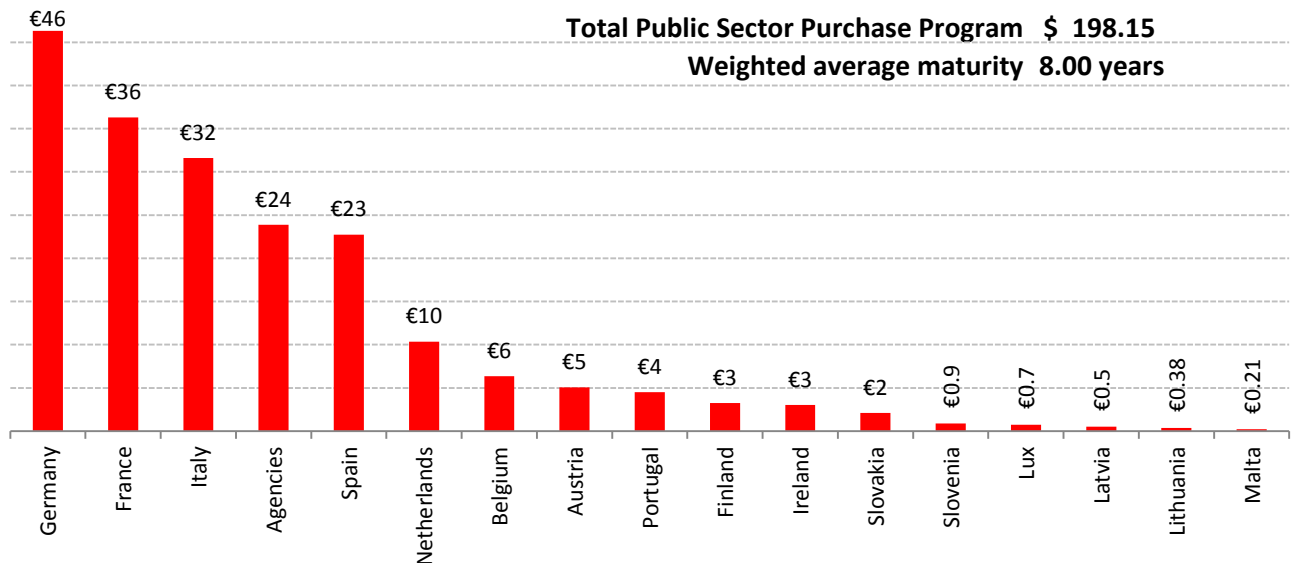
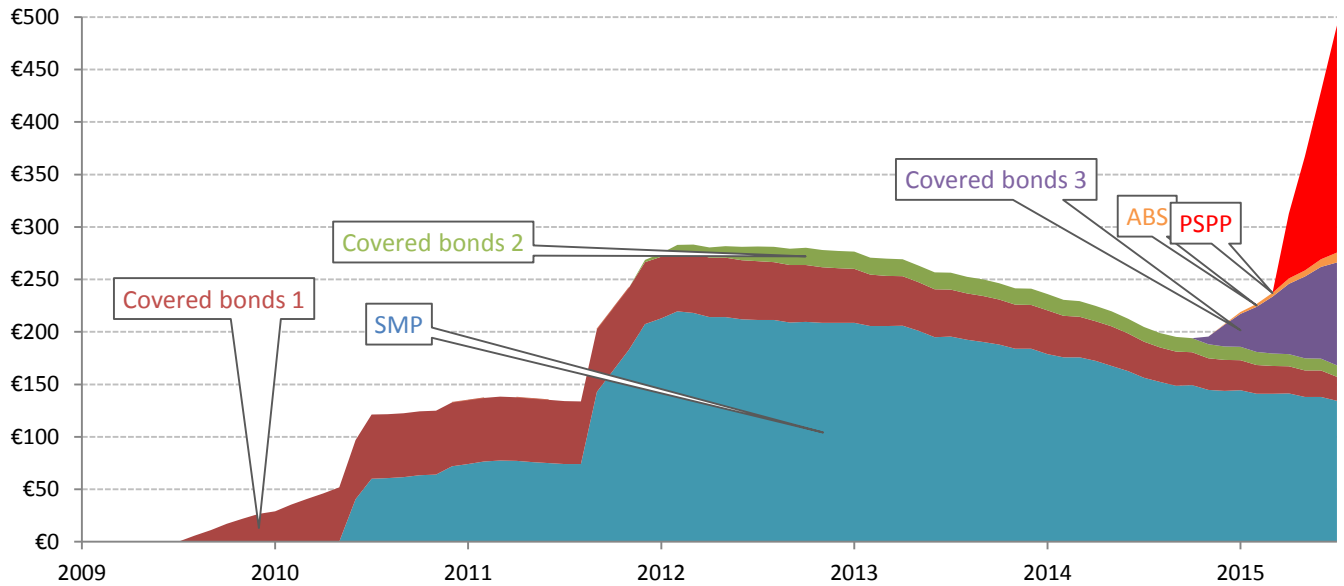


Data Insights: Euro Area Recovery Monitor

Thursday, July 16, 2015

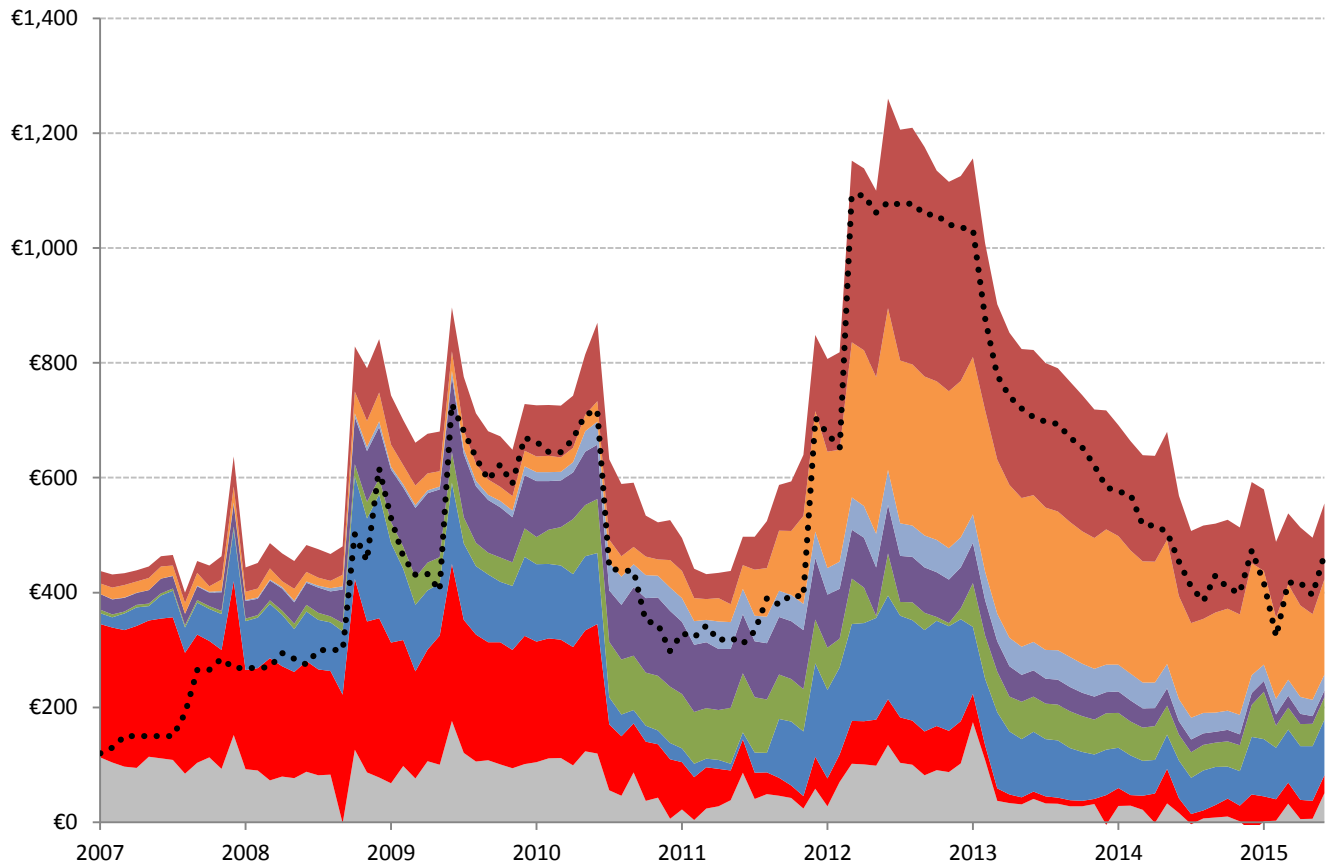
The ECB's struggle to build purchased assets (€ billions)



Source: ECB, TrendMacro calculations

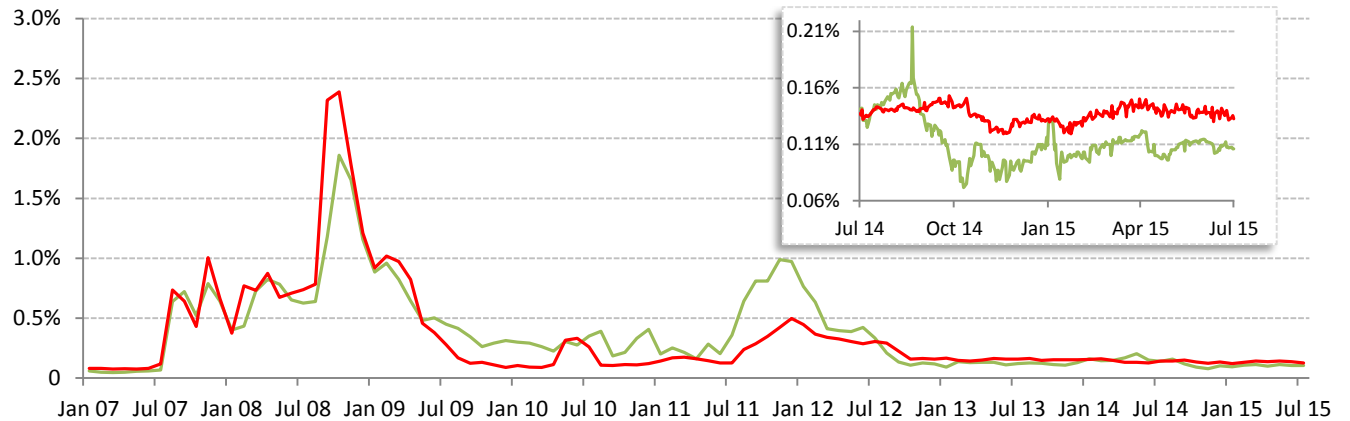
Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

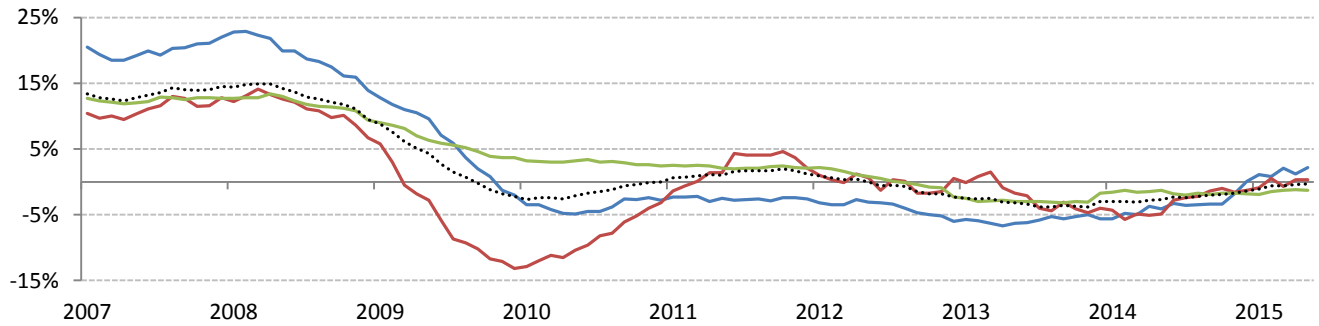
Bank stability: 90-day LIBOR/OIS spreads (USD, EUR)



Source: Bloomberg, TrendMacro calculations

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

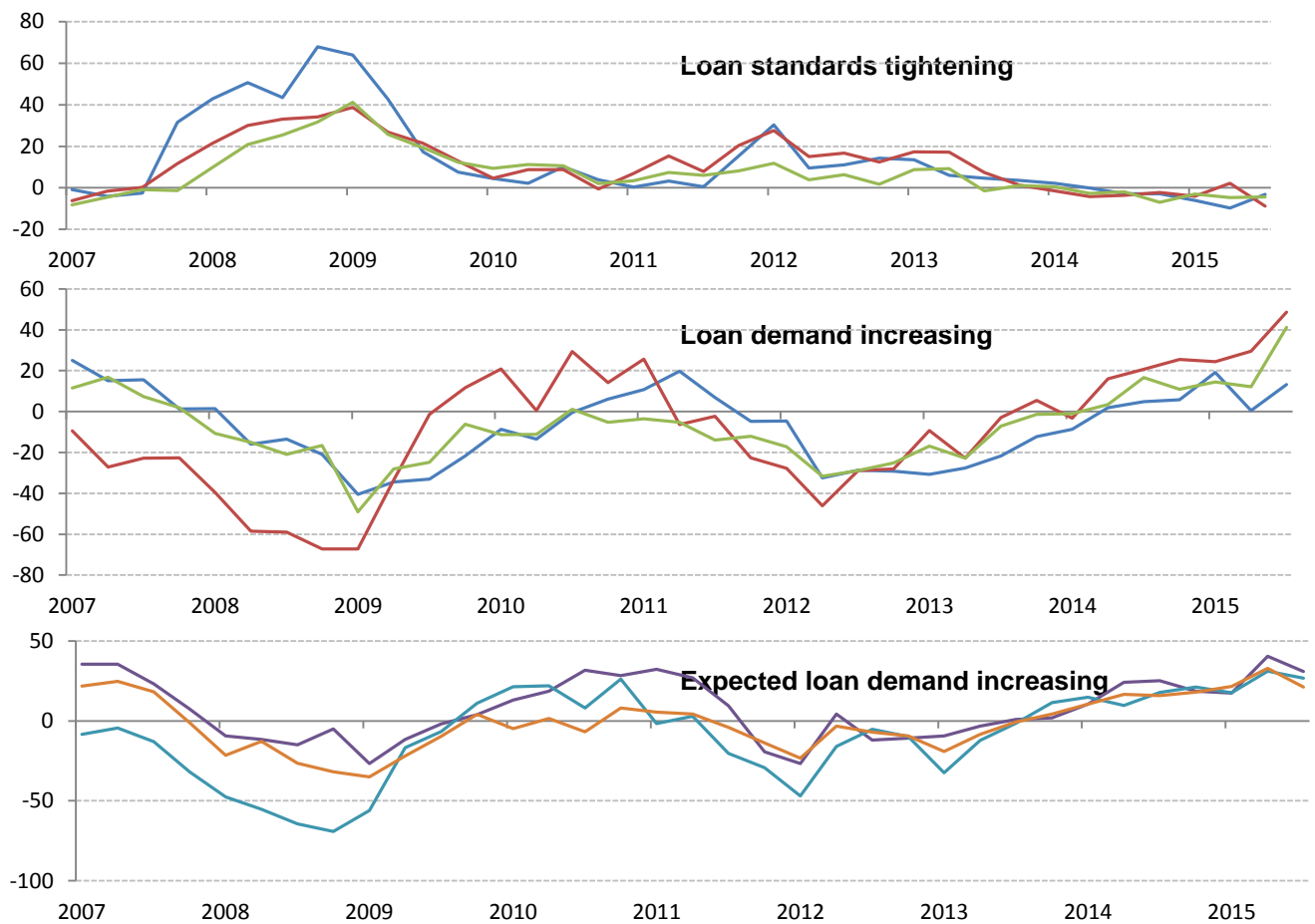
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

Supply and demand for lending: ECB Bank Survey

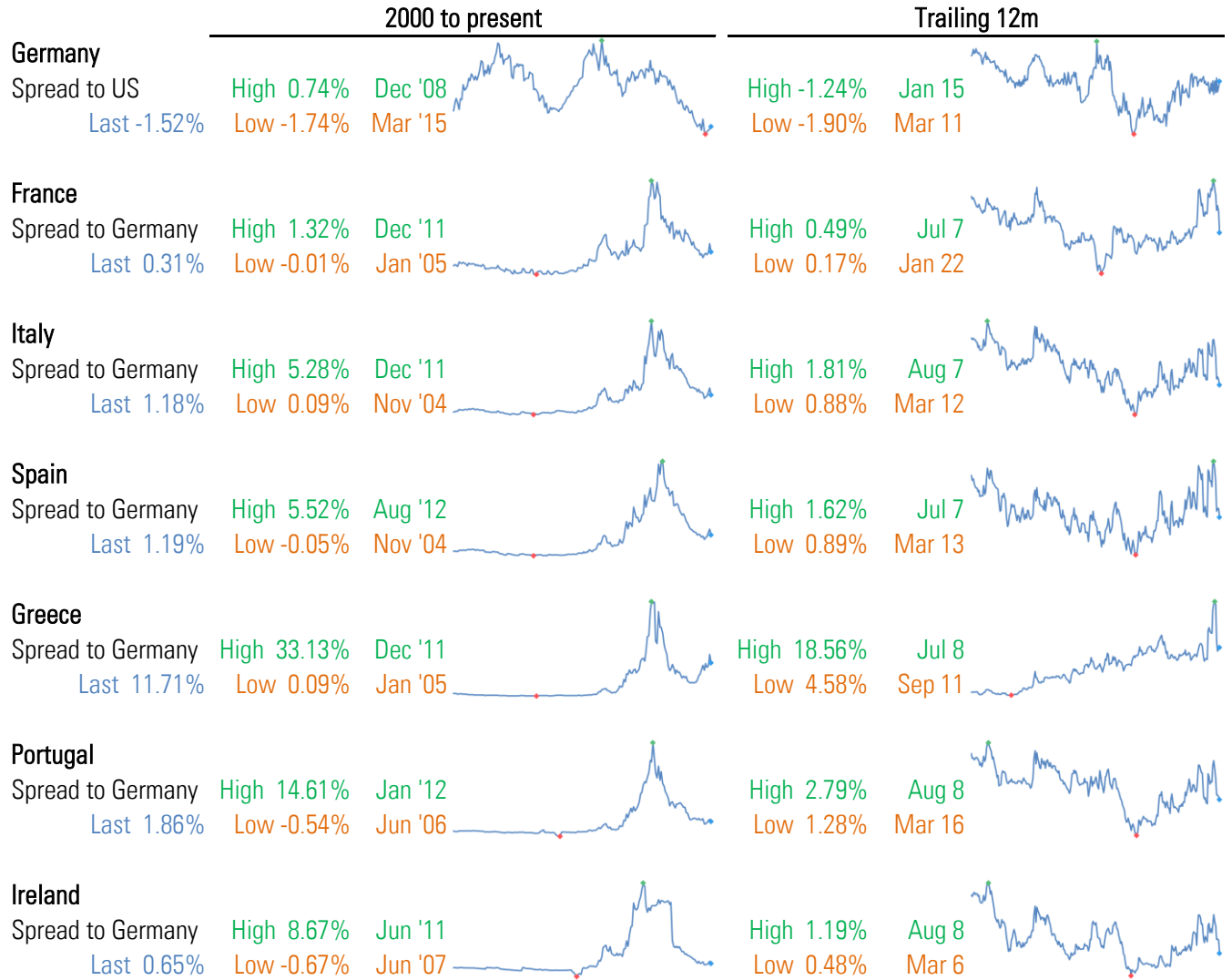
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

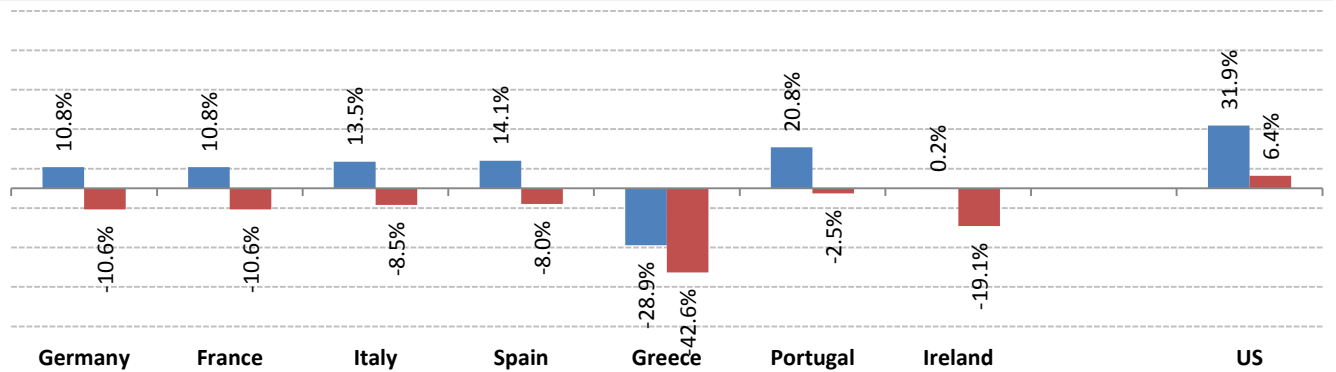
Sovereign stress monitor: 10-year bond spreads

· 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 Jun	52.5	52.2		Eurozone Jun	54.4	53.8	
UK Jun	51.4	51.9		UK Jun	58.5	56.5	
Germany Jun	51.9	51.1		Germany Jun	53.8	53.0	
France Jun	50.7	49.4		France Jun	54.1	52.8	
Italy Jun	54.1	54.8		Italy Jun	52.8	49.8	
Spain Jun	54.5	55.8		Spain Jun	56.1	58.4	
Ireland Jun	54.6	57.1		Ireland Jun	63.3	61.4	
Netherlands Jun	56.2	55.5					
Austria Jun	51.2	50.3					
Greece Jun	46.9	48.0					
Czech Rep Jun	56.9	55.5					

Source: Markit, TrendMacro calculations

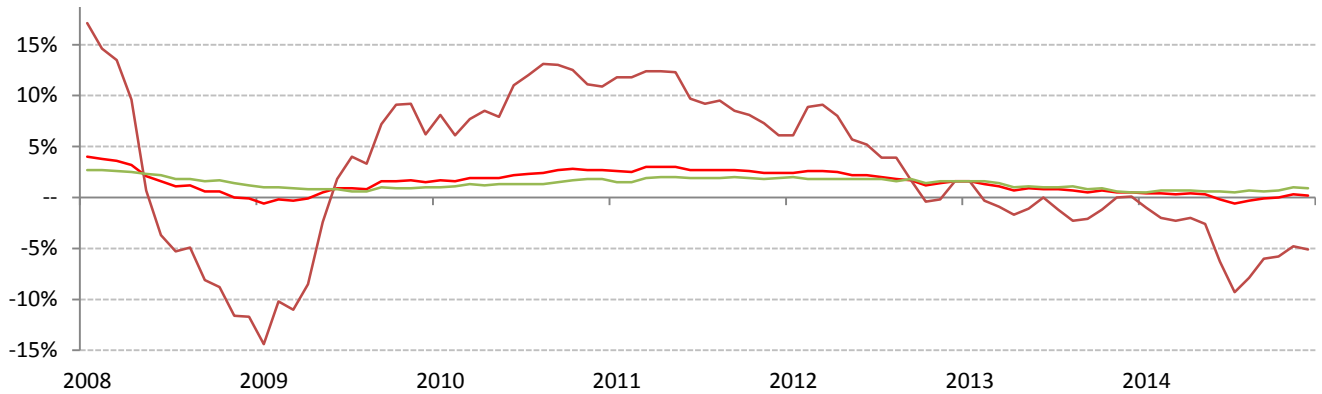
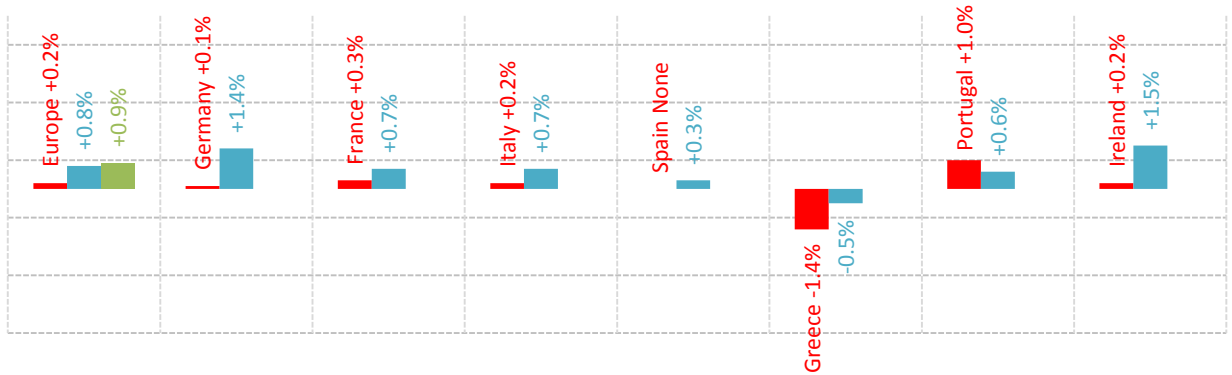
Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



Source: Bloomberg, TrendMacro calculations

Euro area consumer inflation, year on year

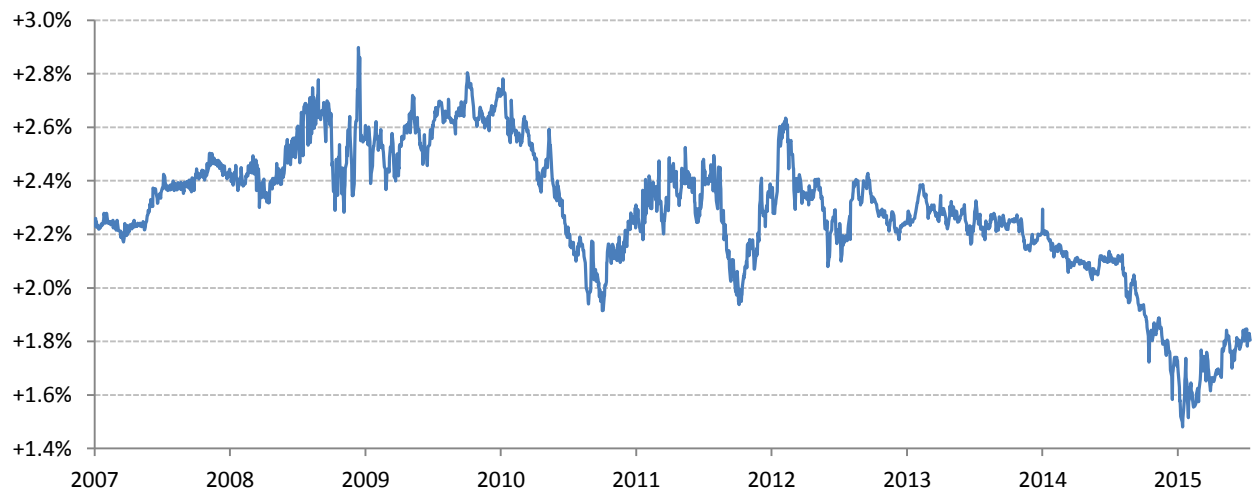
Country: ■ Headline ■ Ex-food and energy ■ Ex-energy Euro area: — Headline — Energy — Ex-energy



Source: Eurostat, TrendMacro calculations

Draghi's dashboard: swap-implied inflation expectations

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



Source: Bloomberg, TrendMacro calculations