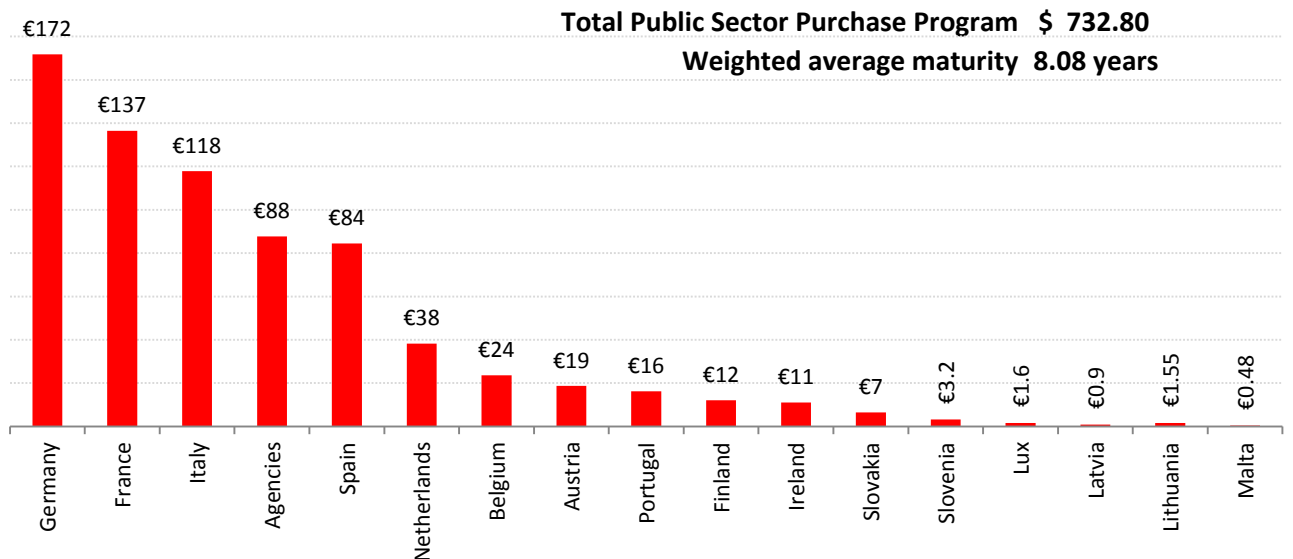
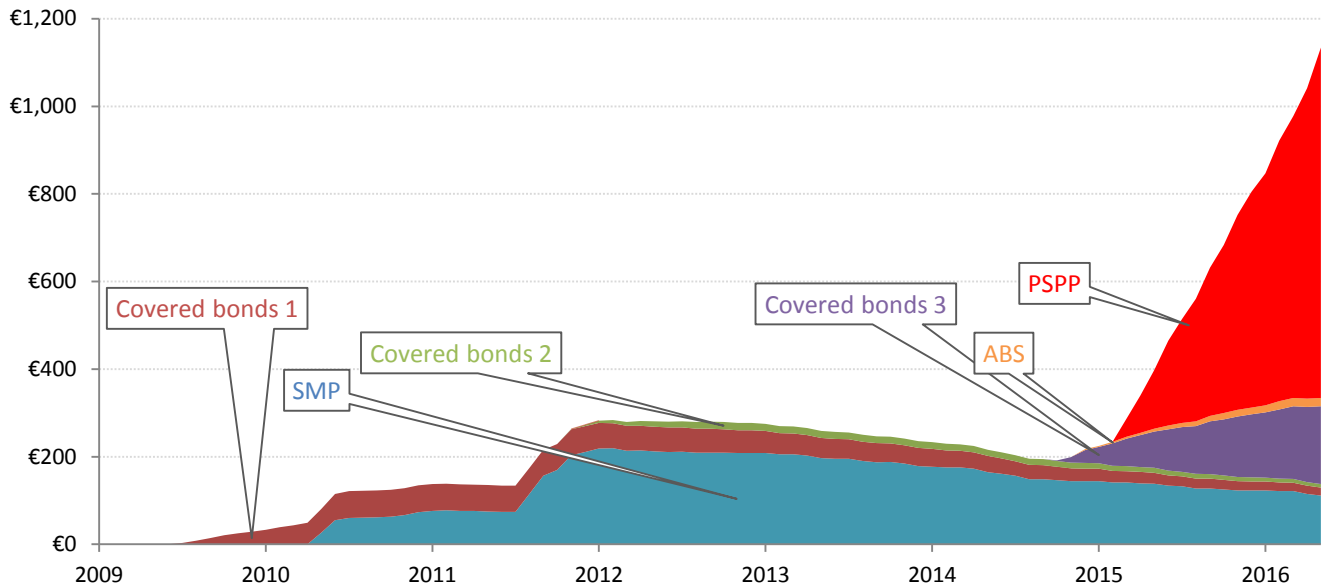


## Data Insights: Euro Area Recovery Monitor

Thursday, June 2, 2016

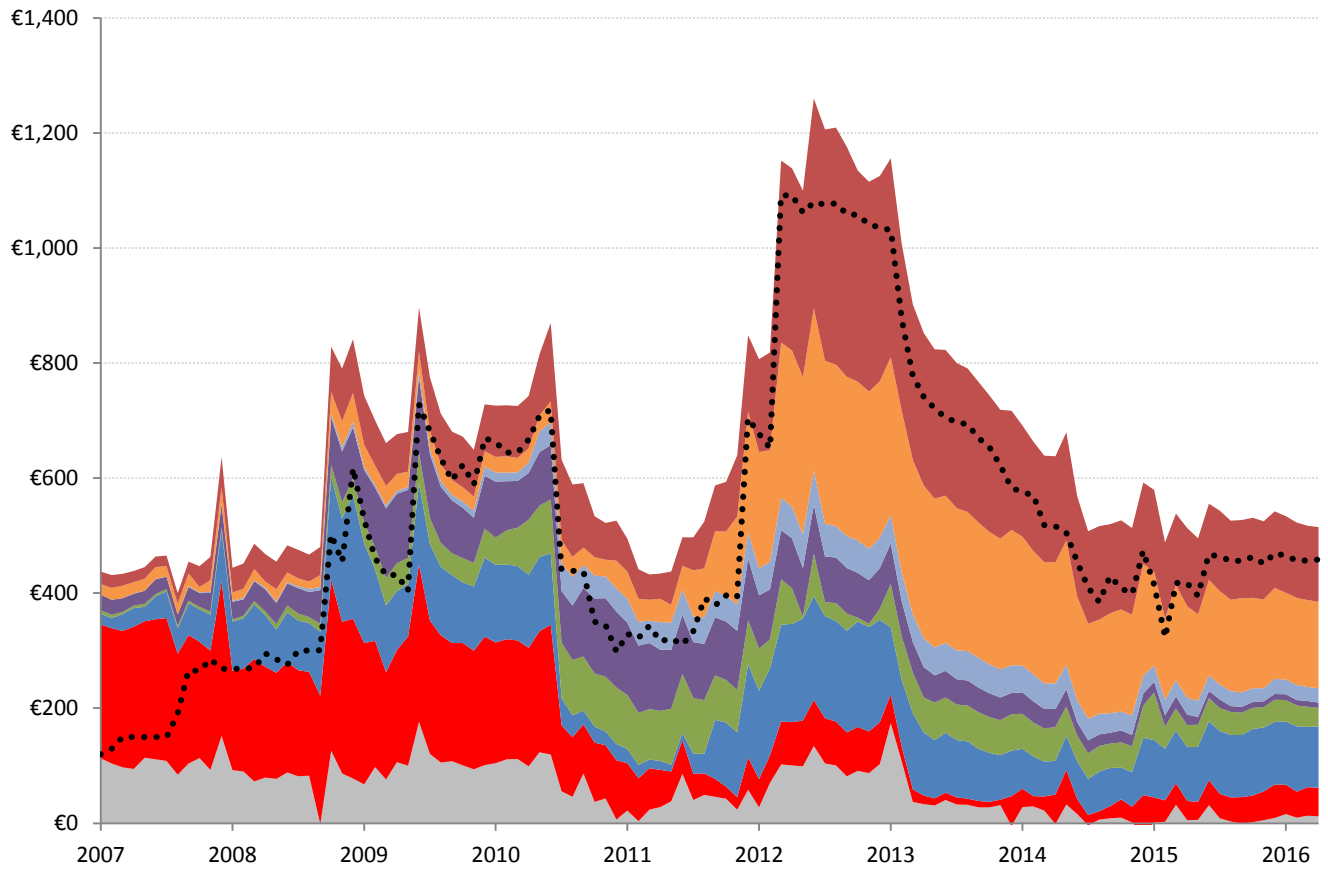
### The ECB's struggle to build purchased assets (€ billions)



Source: ECB, TrendMacro calculations

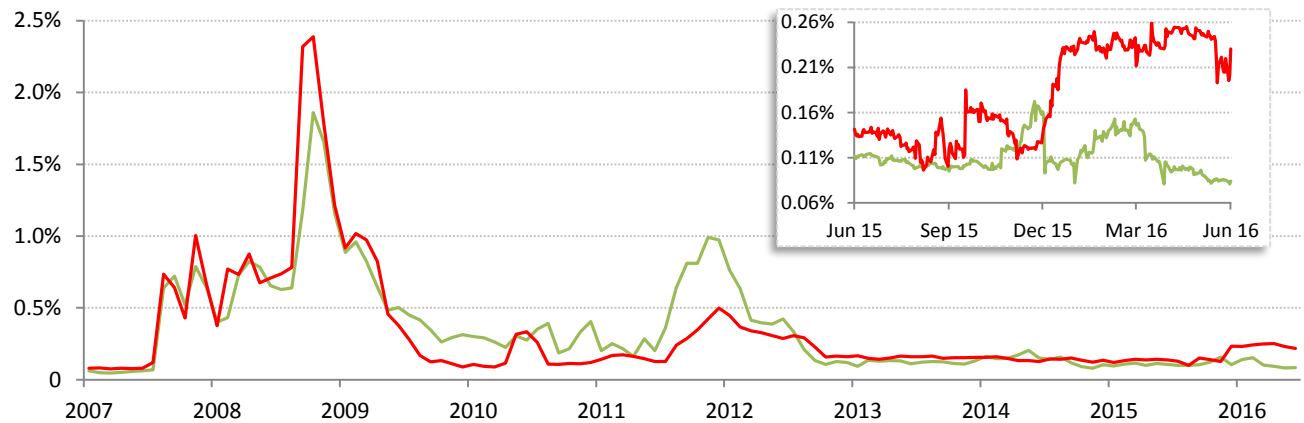
## Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

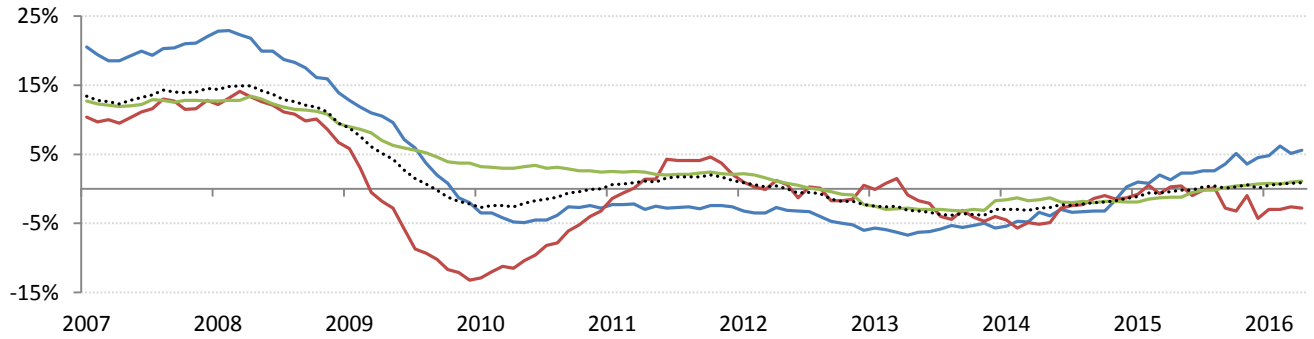
## Bank stability: 90-day LIBOR/OIS spreads — USD — EUR



Source: Bloomberg, TrendMacro calculations

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

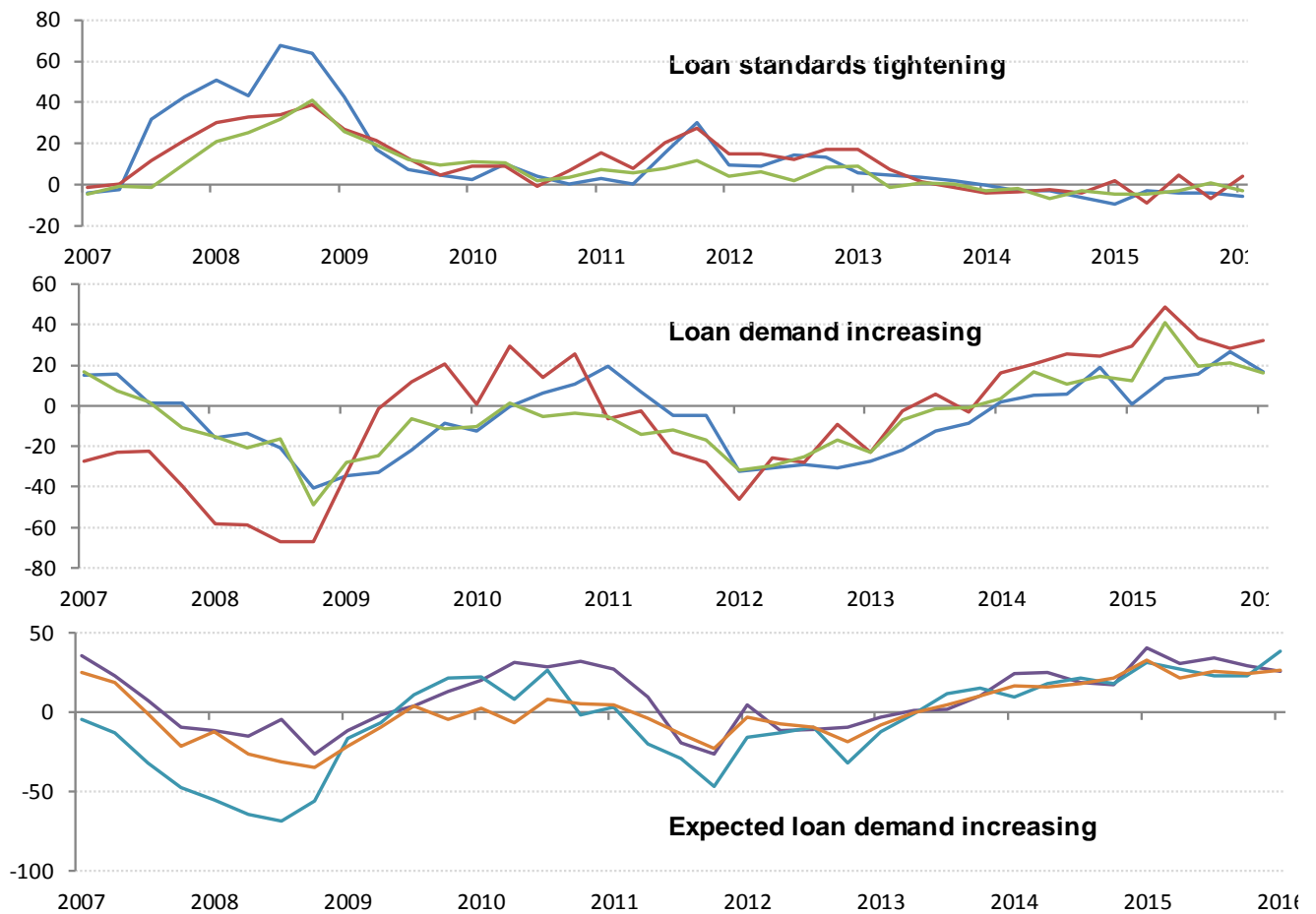
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

## Supply and demand for lending: ECB Bank Survey

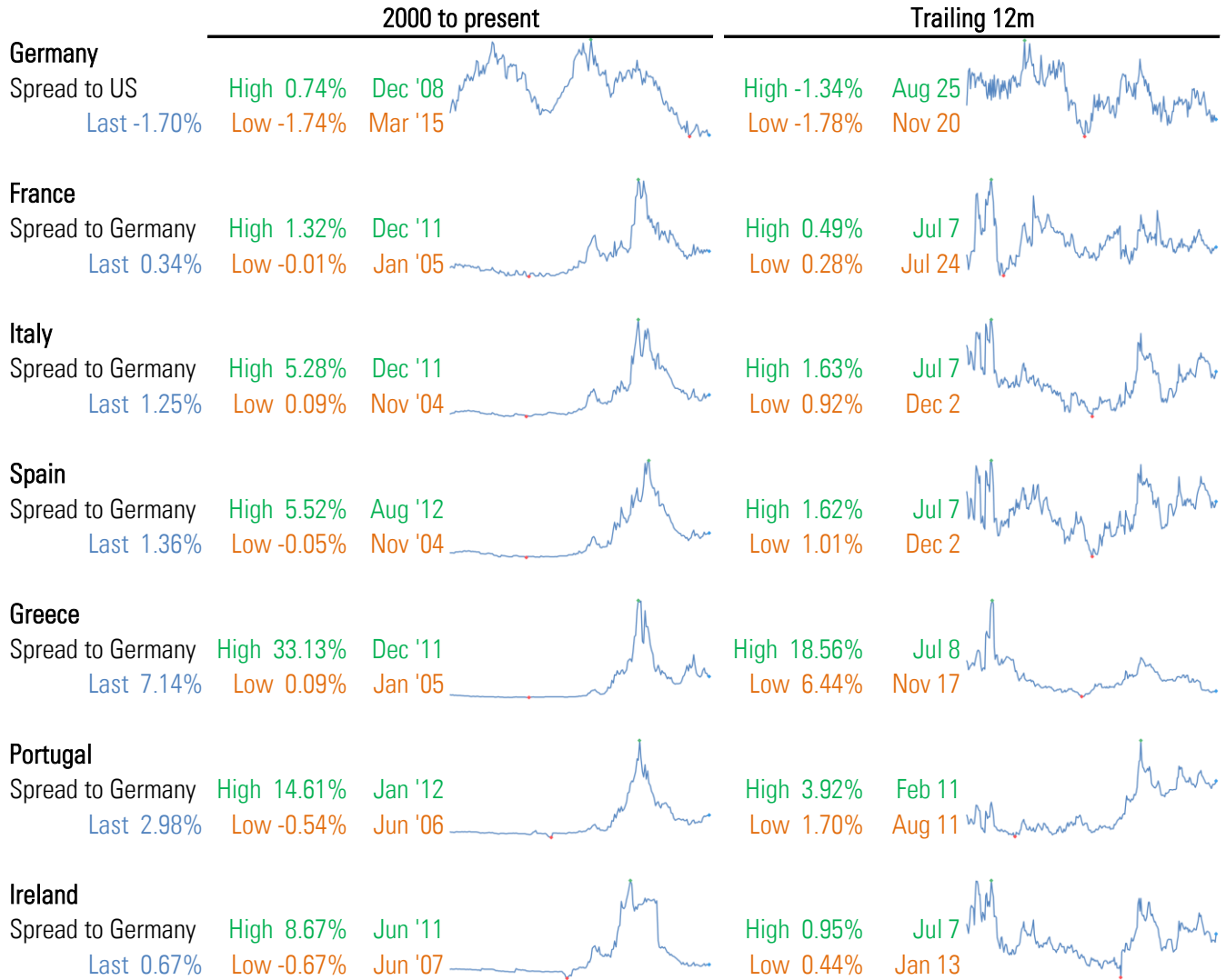
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

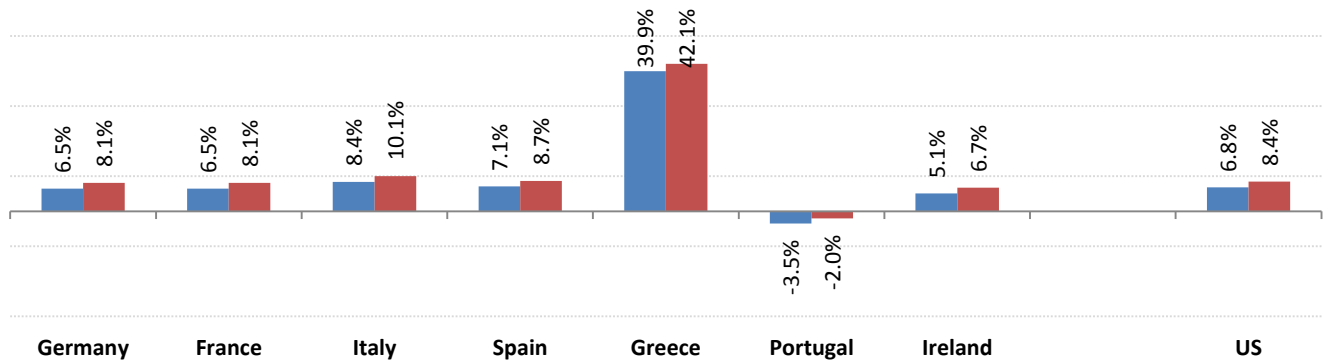
# Sovereign stress monitor: 10-year bond spreads

· High · Low · Last



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

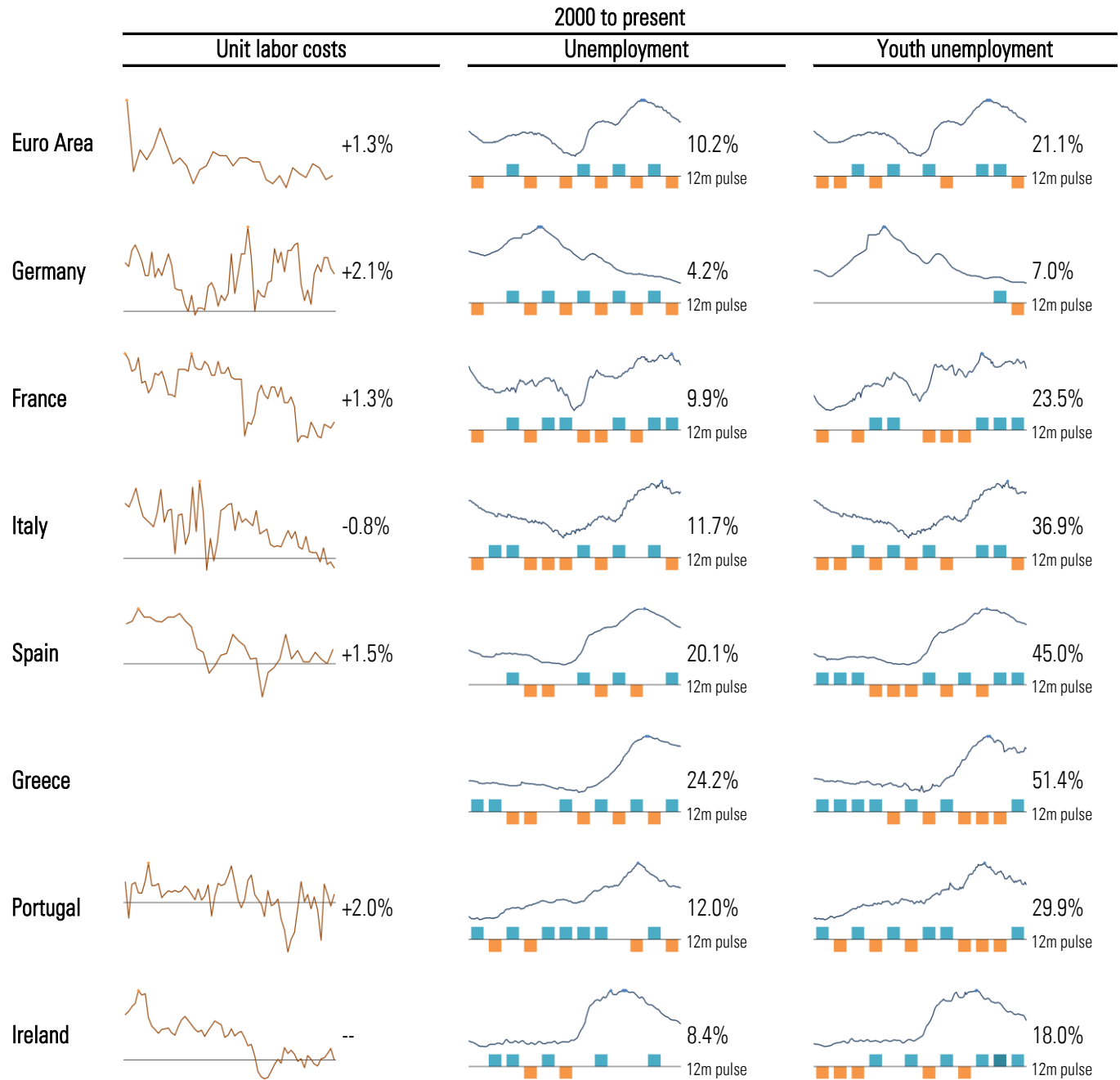
■ EUR ■ USD



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



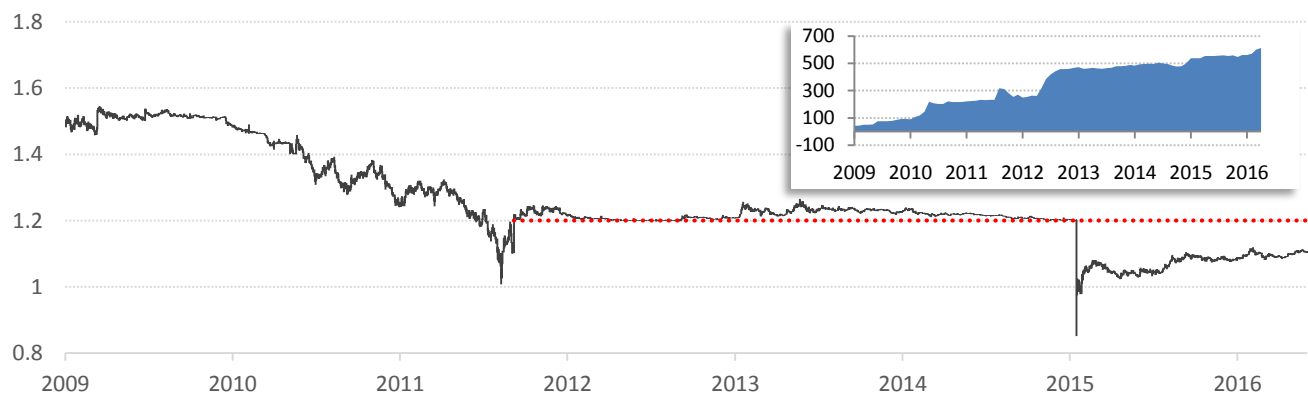
Source: Eurostat, TrendMacro calculations

## Purchasing Manager Indices

<b>Manufacturing</b>				<b>Services</b>			
	Last	Prev	13-month history		Last	Prev	13-month history
Eurozone May	51.5	51.7		Eurozone May	53.1	53.1	
UK May	50.1	49.4		UK Apr	52.3	53.7	
Germany May	52.1	51.8		Germany May	55.2	54.5	
France May	48.4	48.0		France May	51.8	50.6	
Italy May	52.4	53.9		Italy Apr	52.5	53.4	
Spain May	51.8	53.5		Spain Apr	55.1	55.3	
Ireland May	51.5	52.6		Ireland Apr	59.8	62.8	
Netherlands May	52.7	52.6					
Austria May	52.0	52.0					
Greece May	48.4	49.7					
Czech Rep May	53.3	53.6					

Source: Markit, TrendMacro calculations

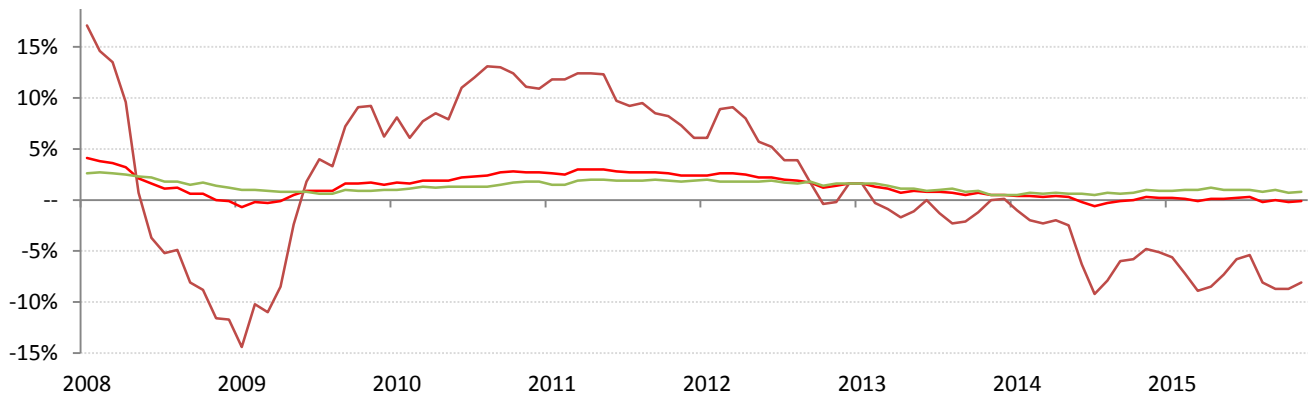
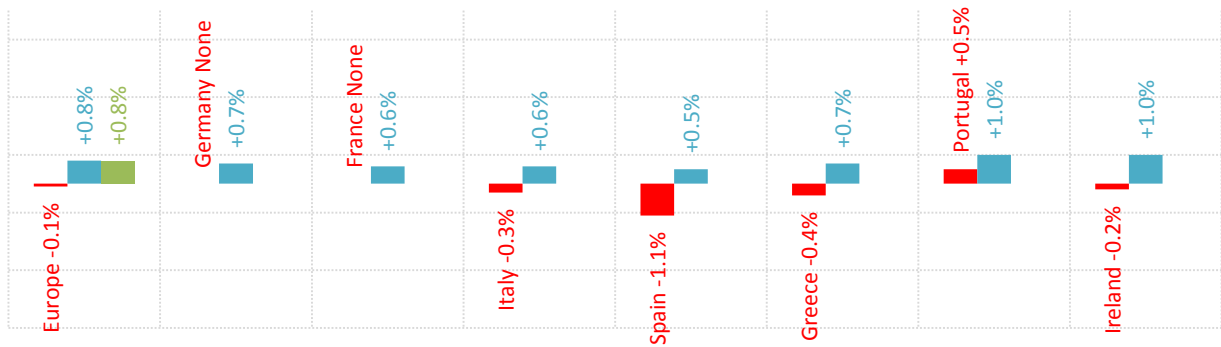
## Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



Source: Bloomberg, TrendMacro calculations

## Euro area consumer inflation, year on year

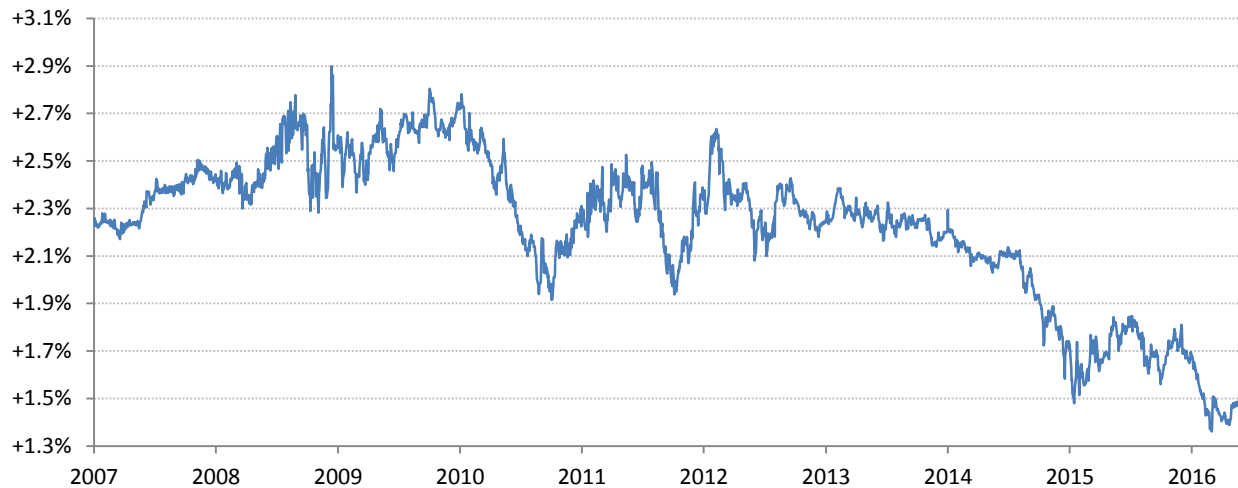
Country: ■ Headline ■ Ex-food and energy ■ Ex-energy    Euro area: — Headline — Energy — Ex-energy



Source: Eurostat, TrendMacro calculations

## Draghi's dashboard: swap-implied inflation expectations

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



Source: Bloomberg, TrendMacro calculations