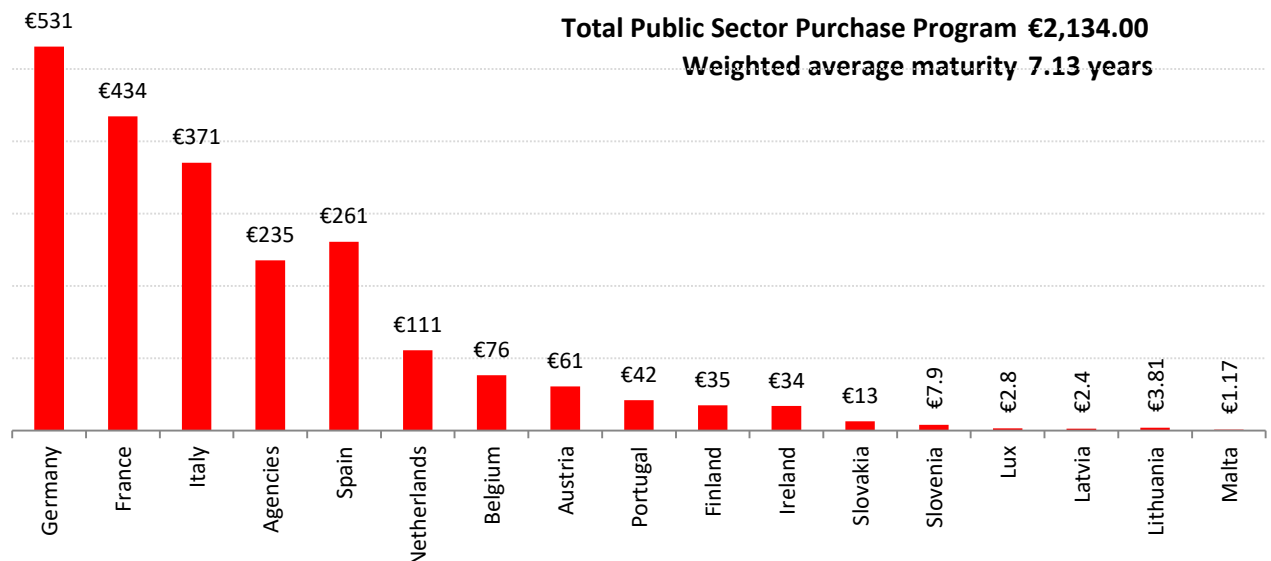
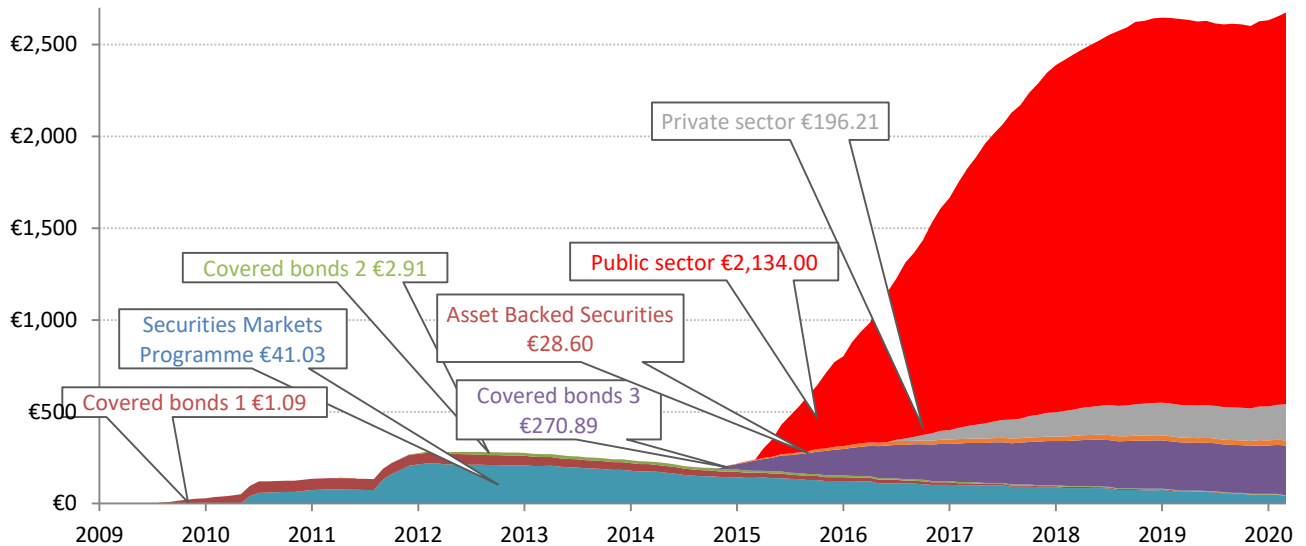


Data Insights: Euro Area Recovery Monitor

Thursday, March 12, 2020

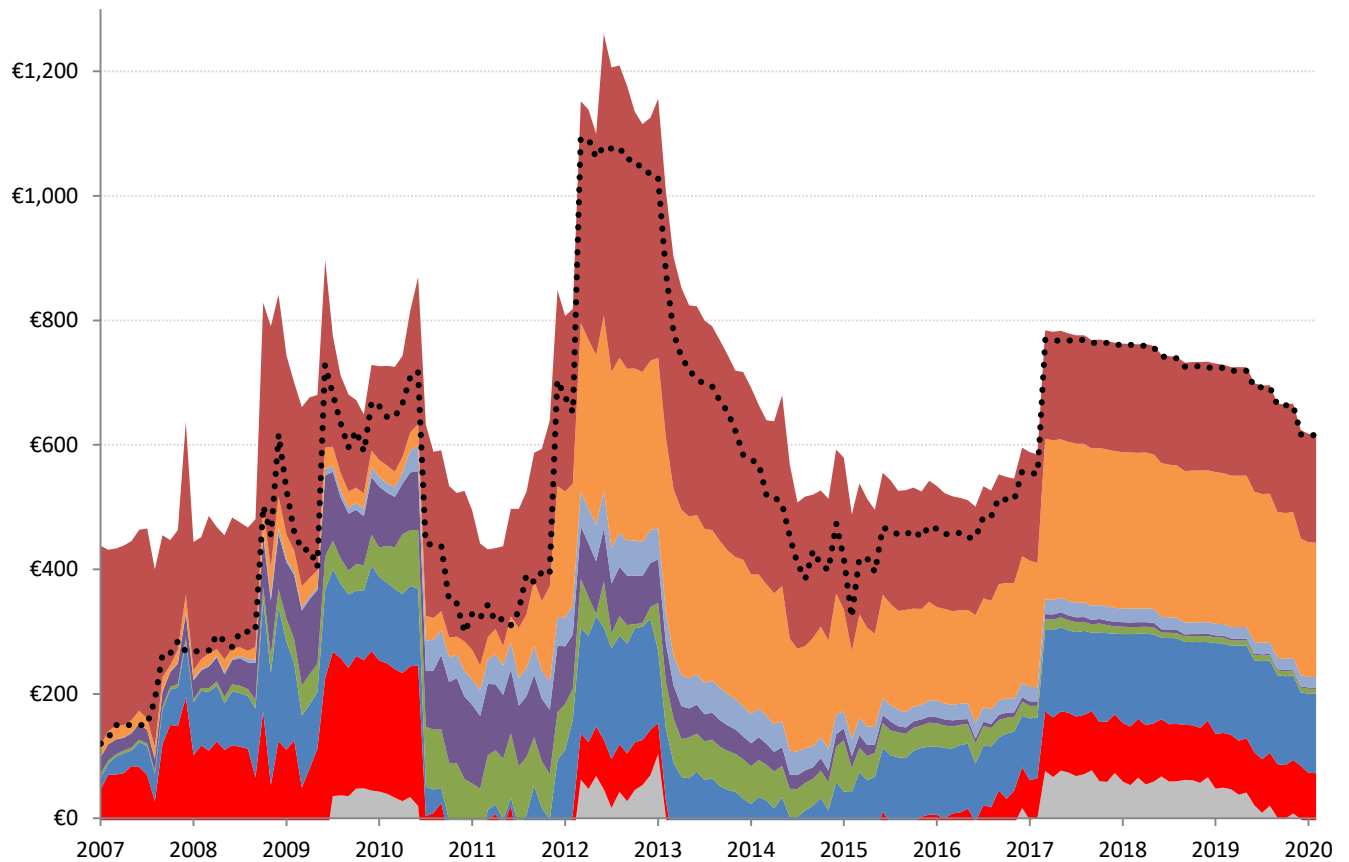
Euro-QE: its *baaack!* (€ billions)



Source: ECB, TrendMacro calculations

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

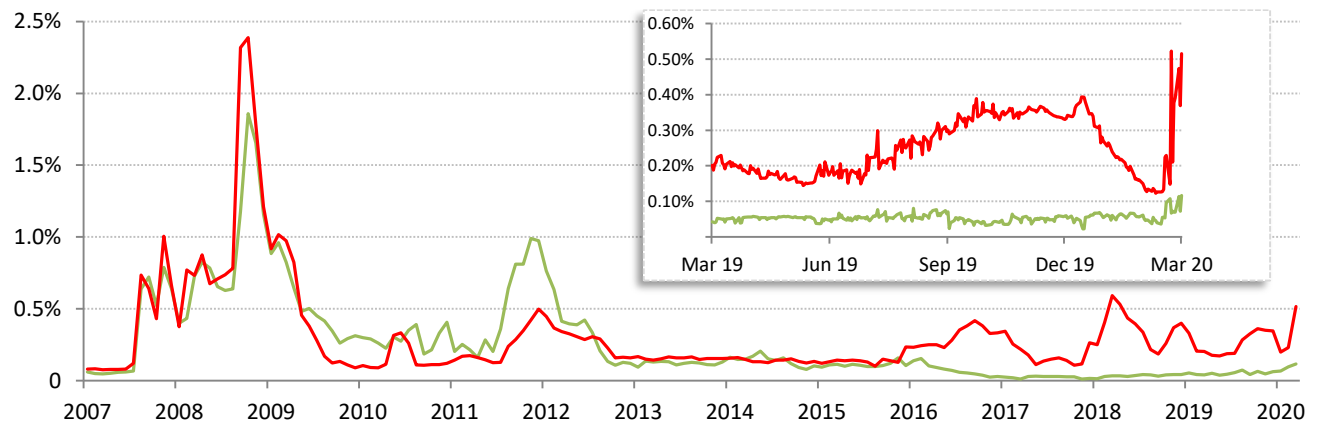
--- Total LTRO Spain Italy Portugal Ireland Greece France Germany Other



Source: ECB, National central banks, TrendMacro calculations

Bank stability: 90-day LIBOR/OIS spreads

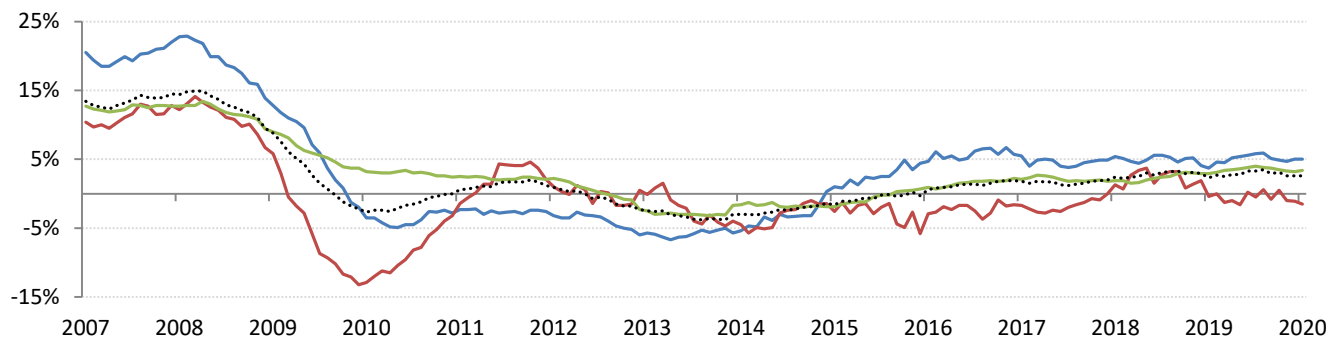
— USD — EUR



Source: Bloomberg, TrendMacro calculations

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

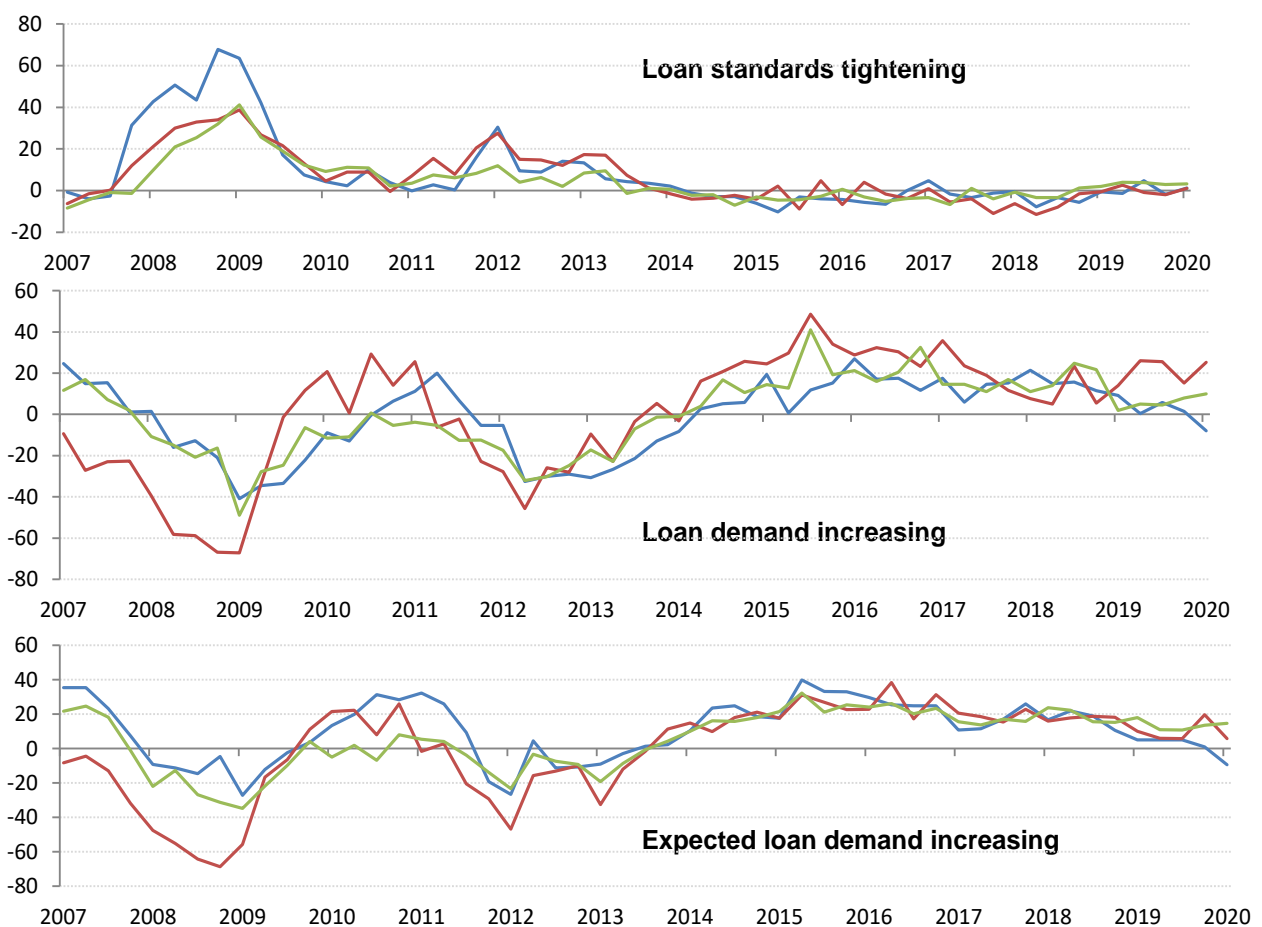
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

Supply and demand for lending: ECB Bank Survey

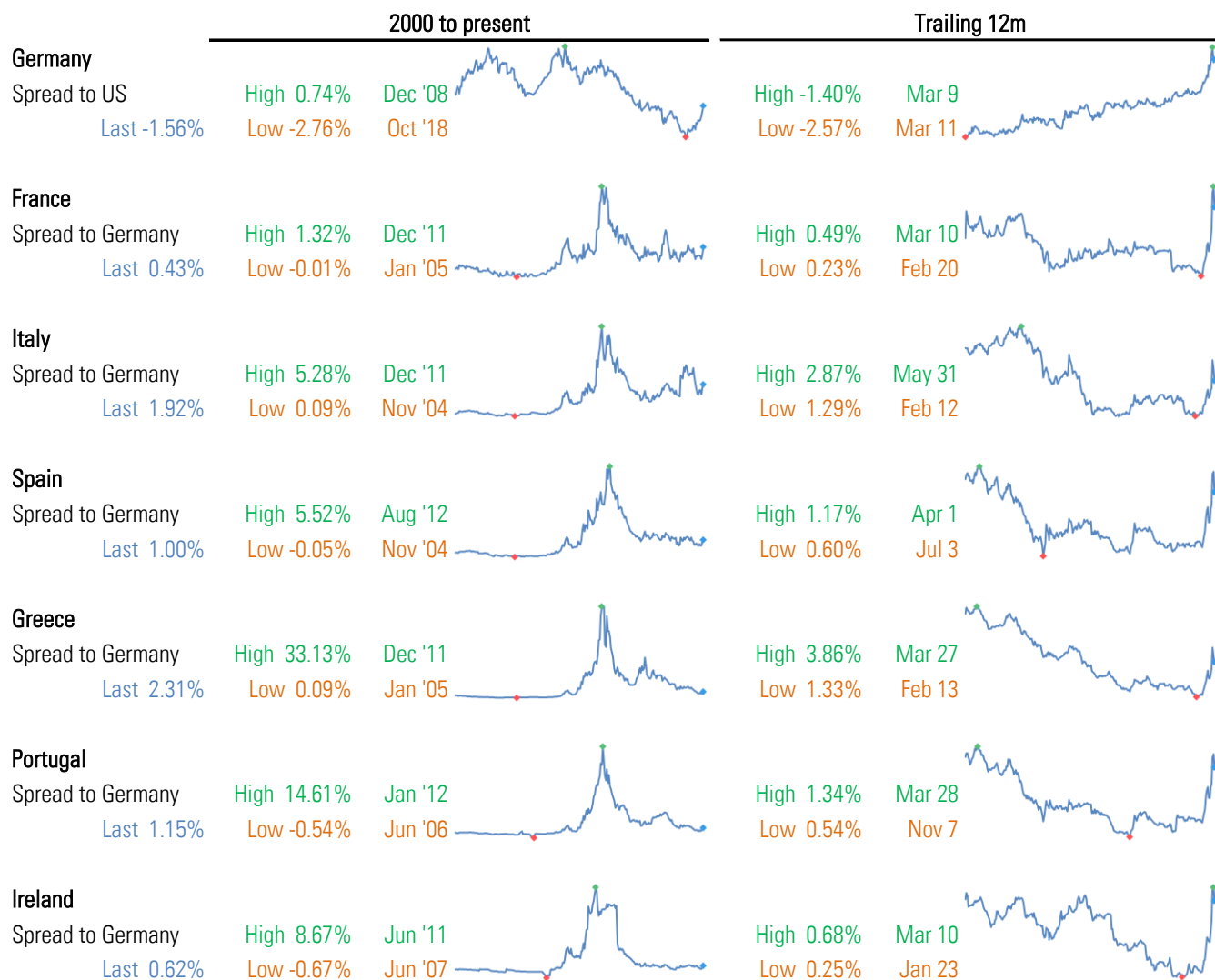
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

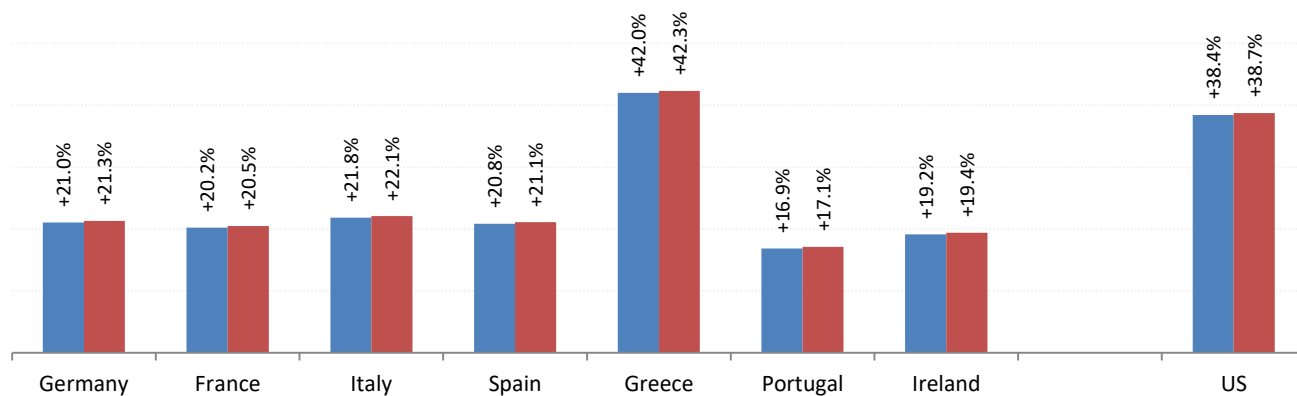
Sovereign stress monitor: 10-year bond spreads

· High · Low · Last



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

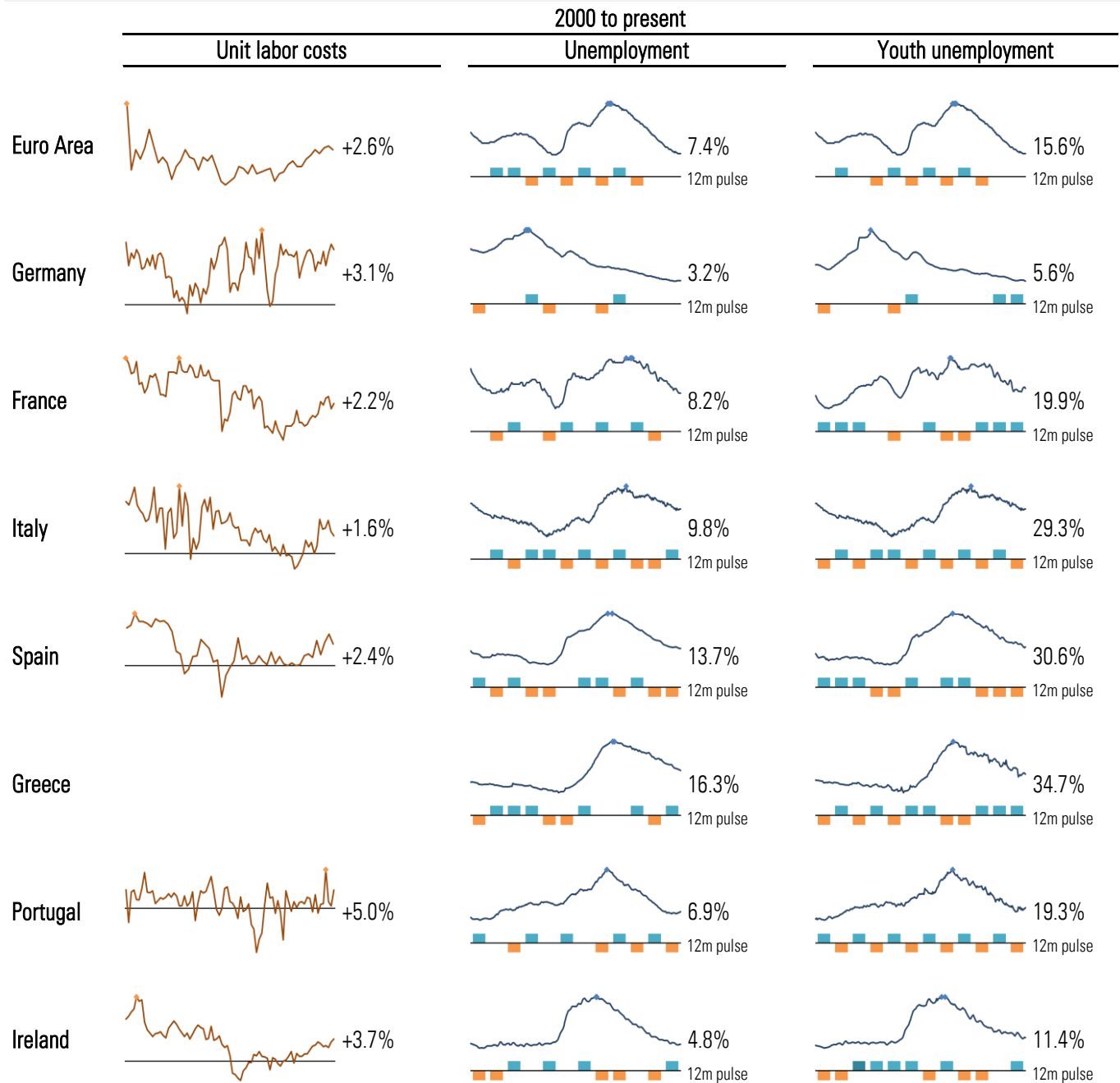
■ EUR ■ USD



Source: Bloomberg, TrendMacro calculations



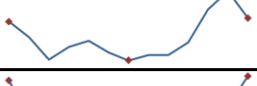

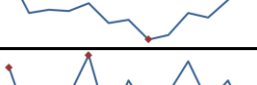
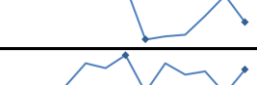
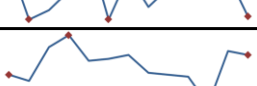

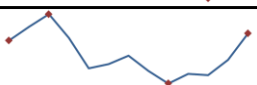
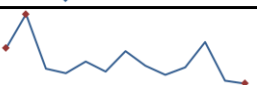
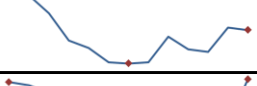
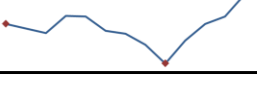

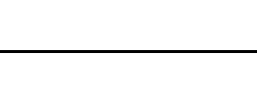
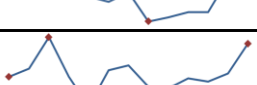

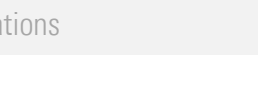

Labor market in intensive care

ULC: Nominal, quarterly YOY UE: High 12m pulse: monthly ■ improvement or ■ worsening in rate of change



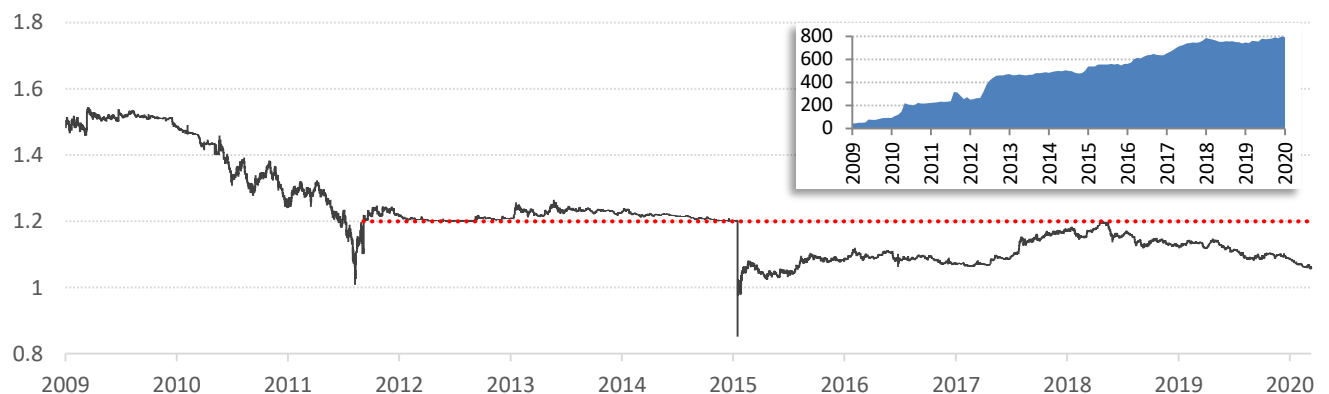
Source: Eurostat, TrendMacro calculations

Purchasing Manager Indices

Manufacturing	Last	Prev	13-month history	Services	Last	Prev	13-month history
Eurozone Feb	49.2	47.9		Eurozone Feb	52.6	52.5	
UK Feb	51.7	50.0		UK Feb	53.2	53.9	
Germany Feb	48.0	45.3		Germany Feb	52.5	54.2	
France Feb	49.8	51.1		France Feb	52.5	51.0	
Italy Feb	48.7	48.9		Italy Feb	53.1	50.4	
Spain Feb	50.4	48.5		Spain Feb	52.1	52.3	
Ireland Feb	51.2	51.4		Ireland Feb	59.9	56.9	
Netherlands Feb	52.9	49.9					
Austria Feb	50.2	49.2					
Greece Feb	56.2	54.4					
Czech Rep Feb	46.5	45.2					

Source: Markit, TrendMacro calculations

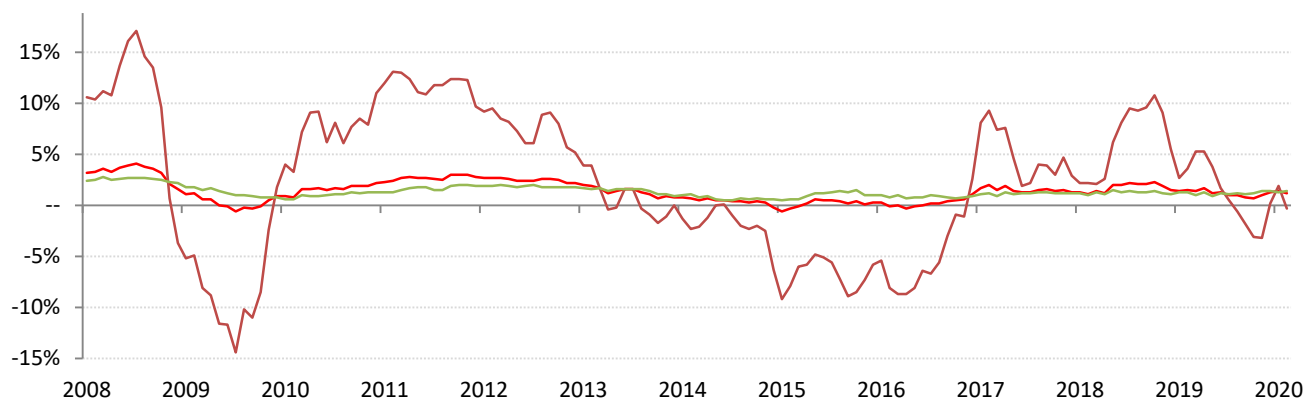
Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



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 old dashboard:

swap-implied inflation expectations since “Whatever it takes”

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



Source: Bloomberg, TrendMacro calculations