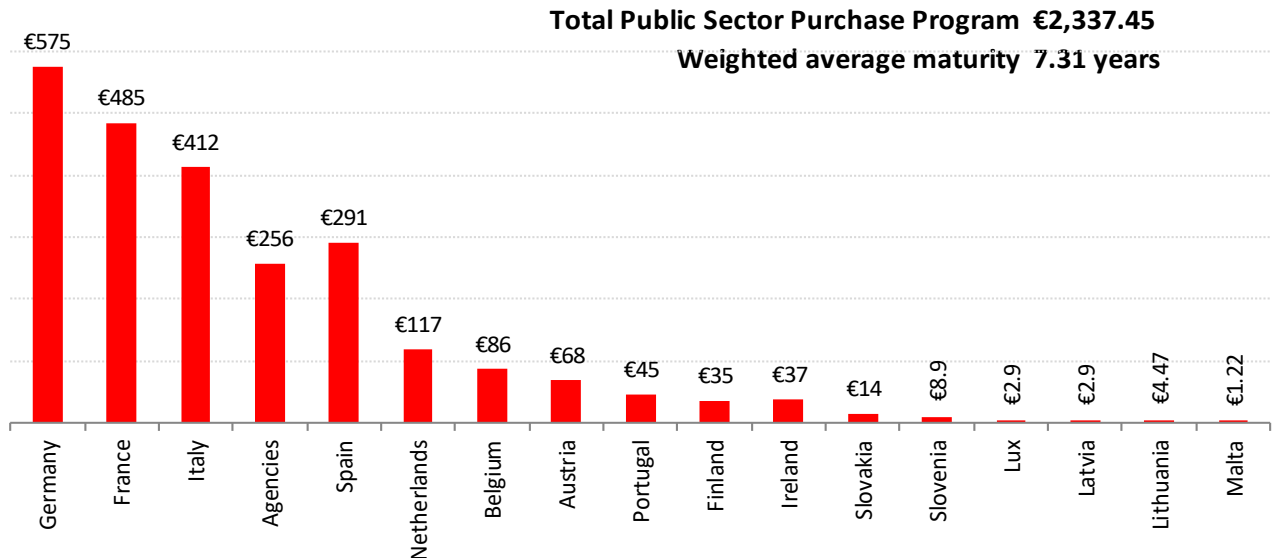
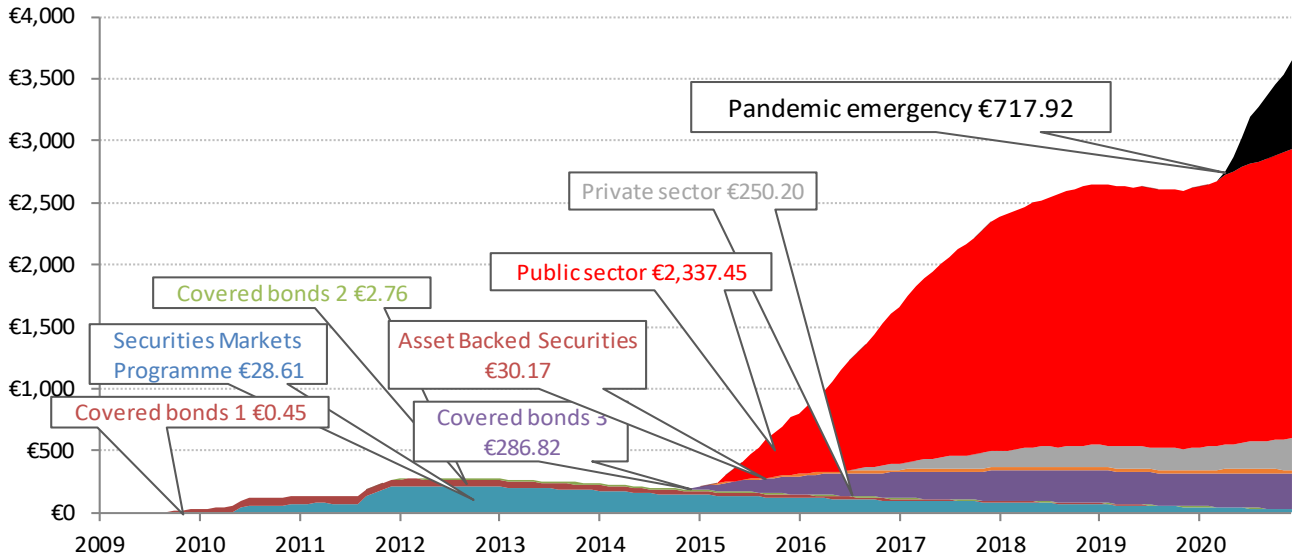


Data Insights: Euro Area Recovery Monitor

Thursday, December 10, 2020

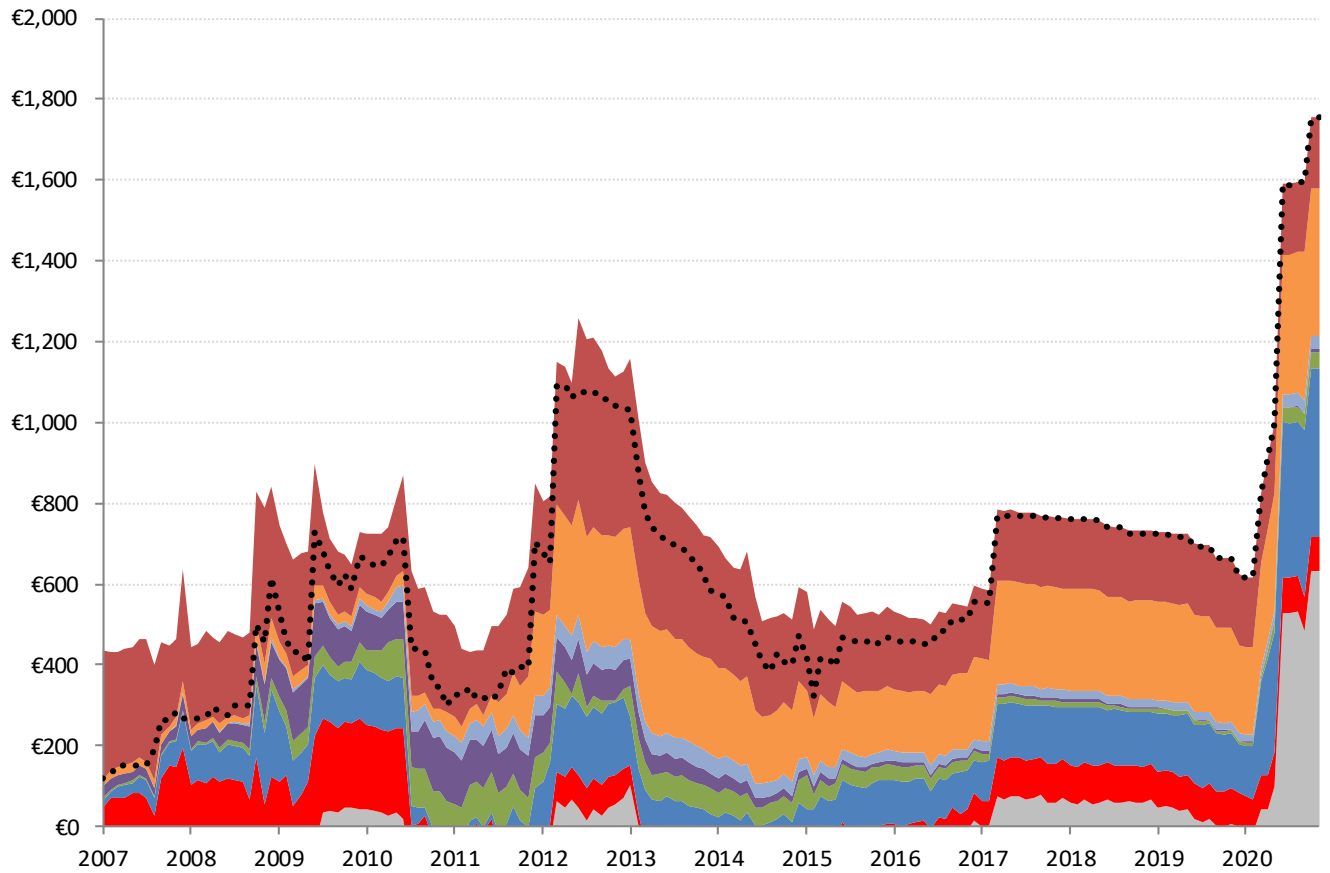
Euro-QE: its *baaack!* (€ billions)



Source: ECB, TrendMacro calculations

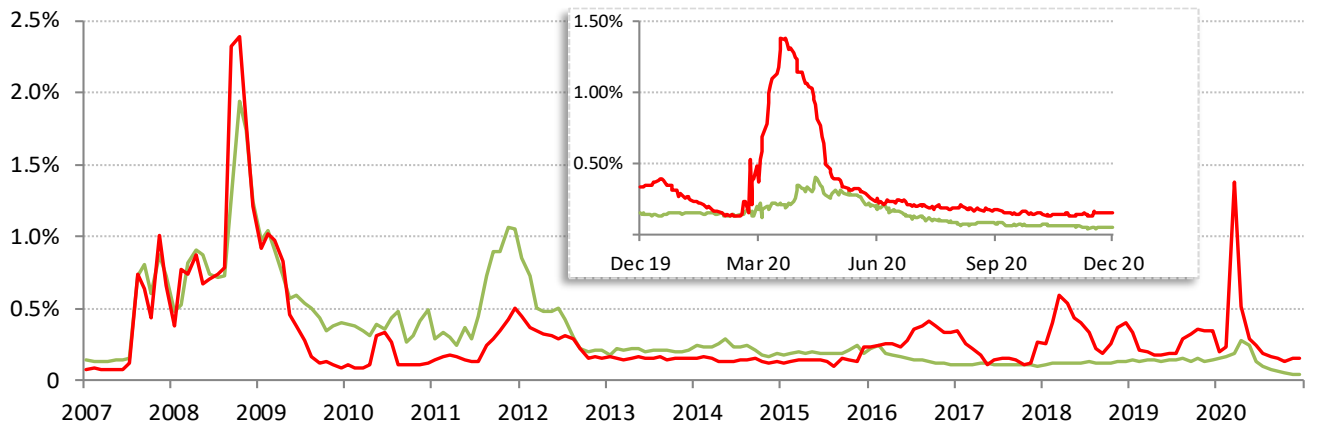
Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

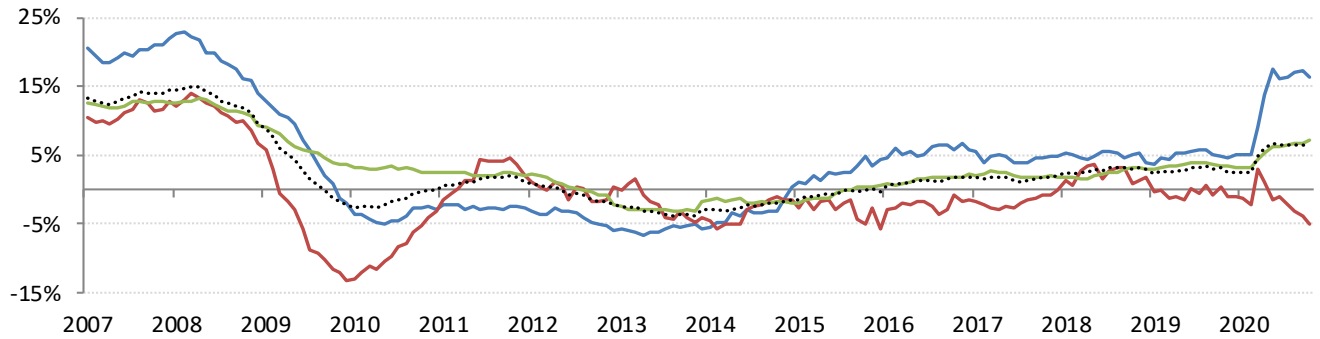
Bank stability: 90-day LIBOR/OIS spreads (USD — EUR)



Source: Bloomberg, TrendMacro calculations

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

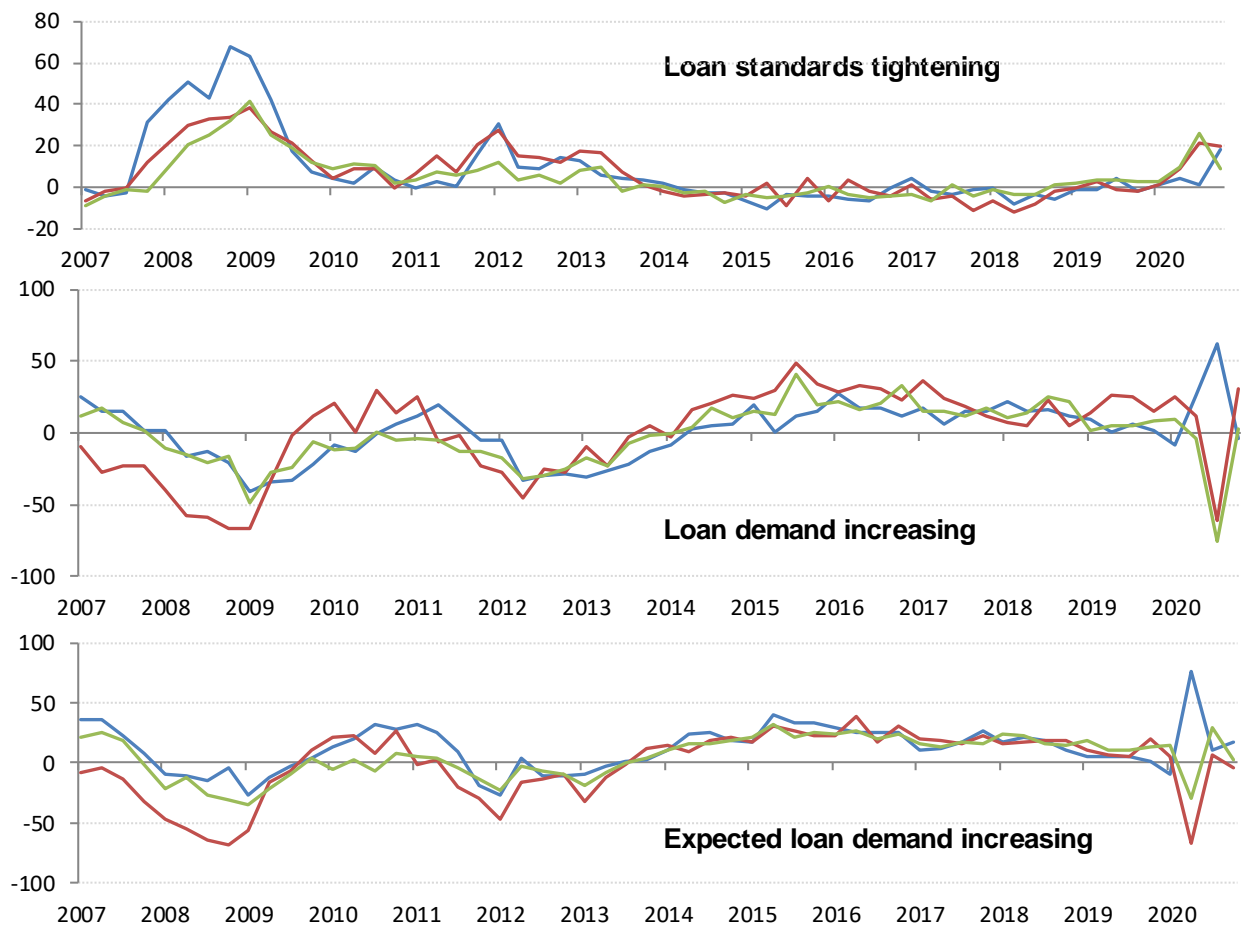
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

Supply and demand for lending: ECB Bank Survey

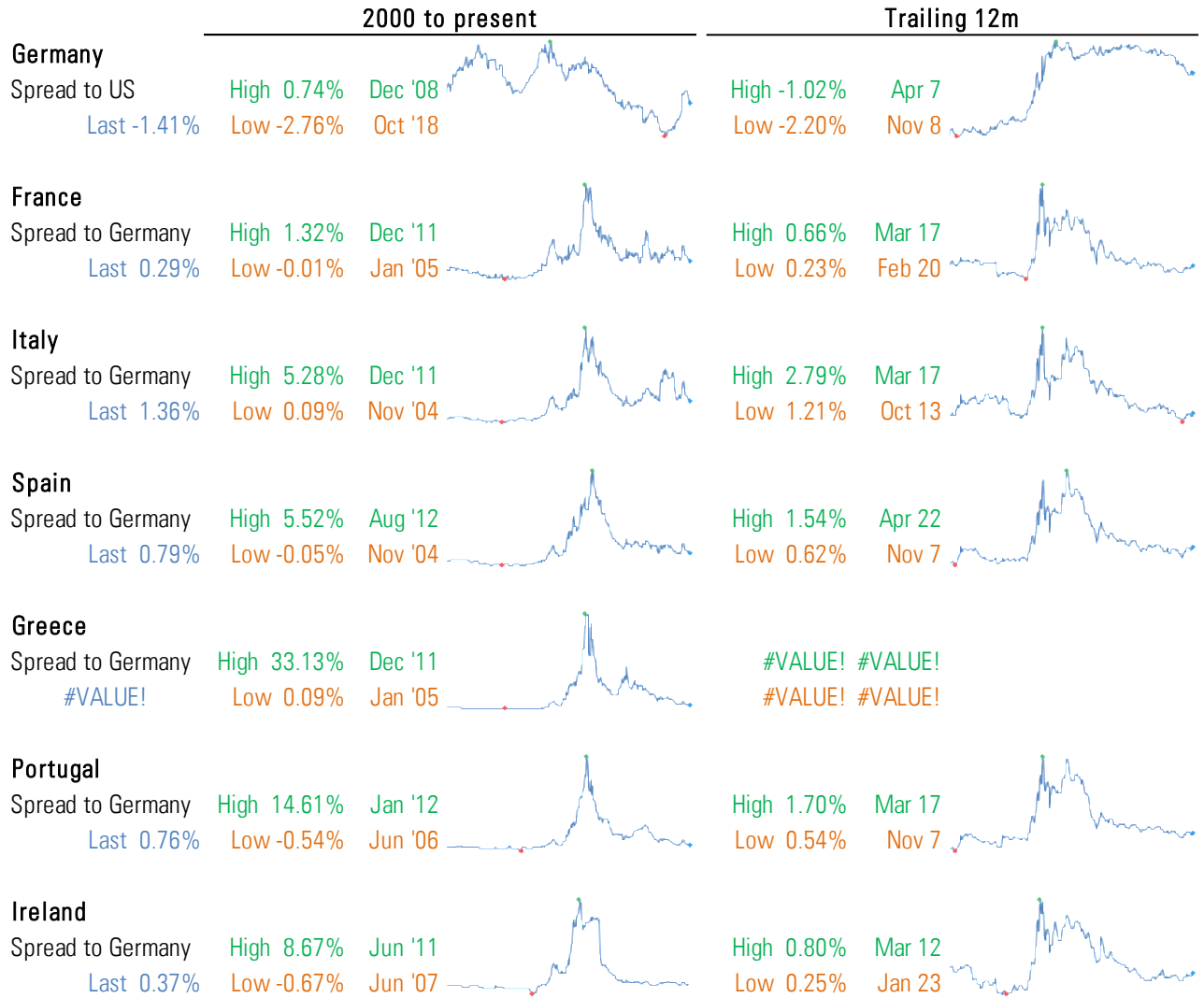
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

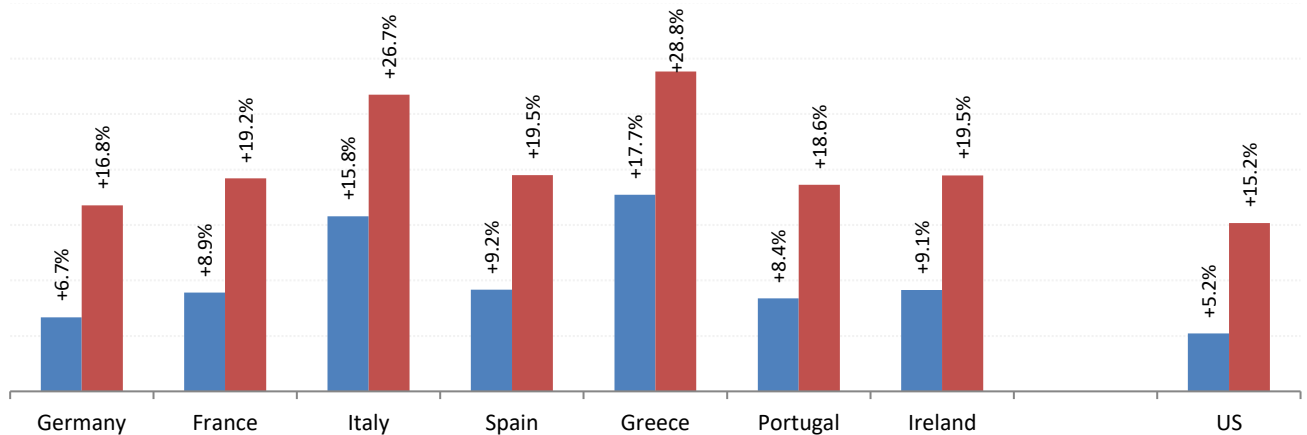
Sovereign stress monitor: 10-year bond spreads

· High · Low · Last



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

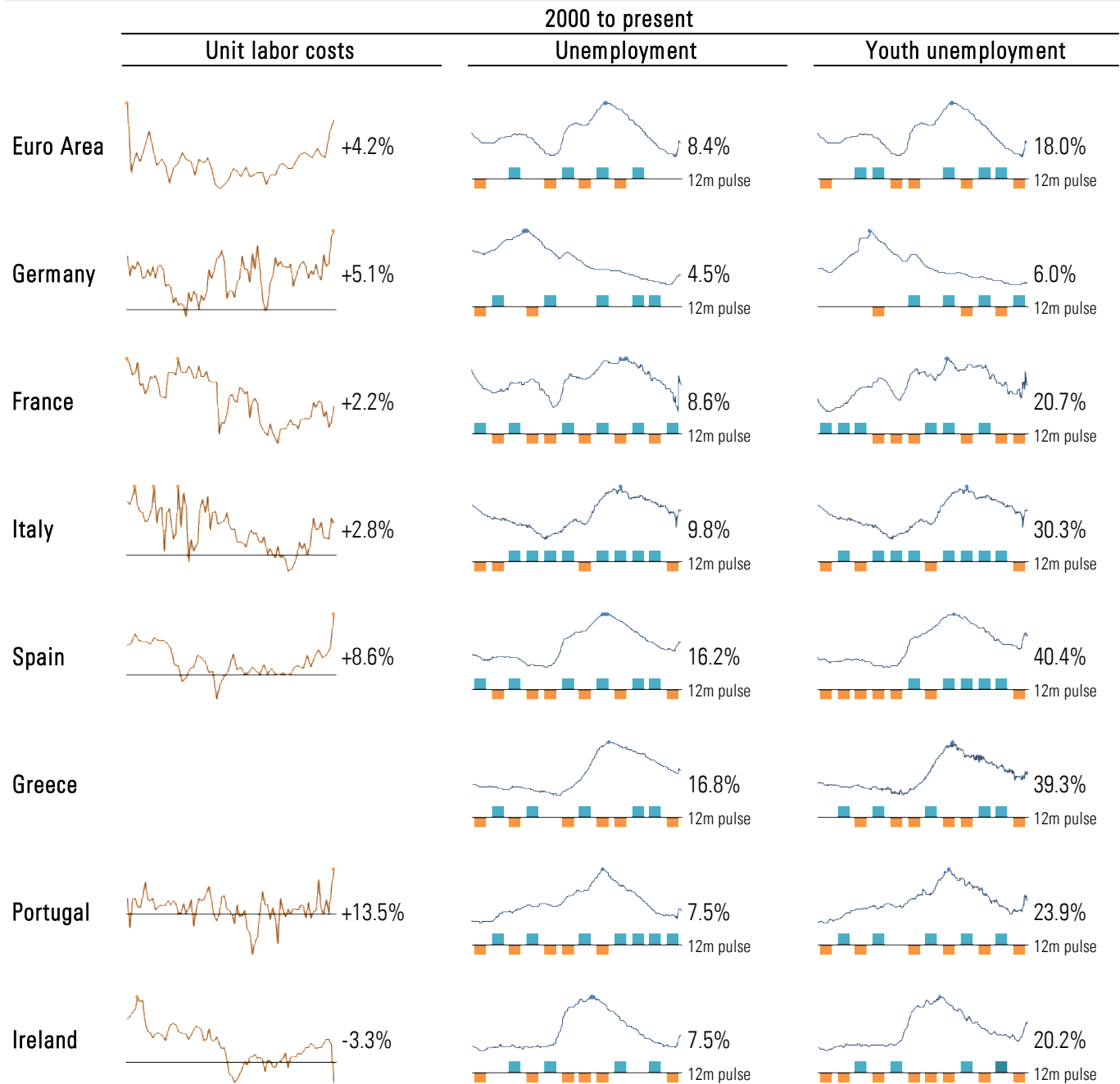
■ EUR ■ USD



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



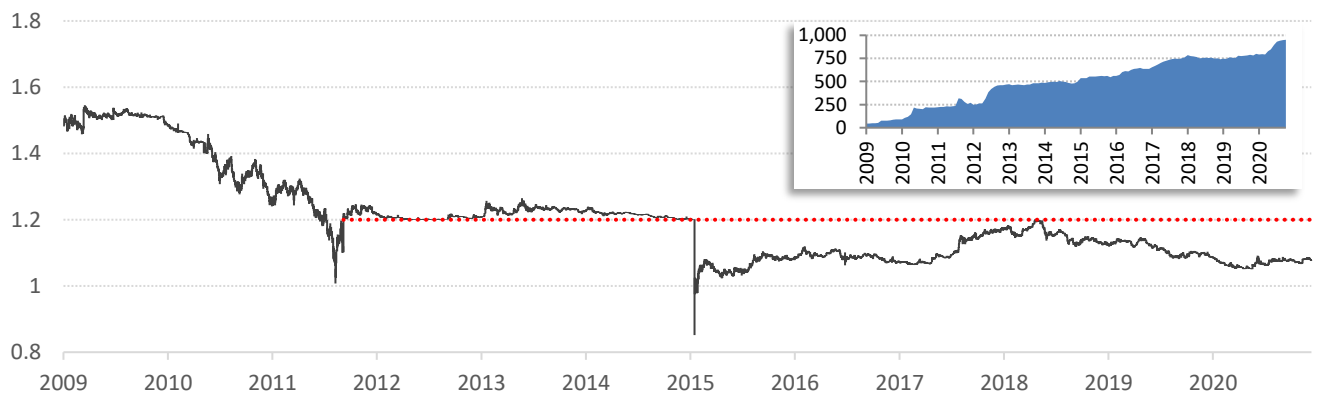
Source: Eurostat, TrendMacro calculations

Purchasing Manager Indices

Manufacturing				Services			
	Last	Prev	13-month history		Last	Prev	13-month history
Eurozone Nov	53.8	54.8		Eurozone Nov	41.7	46.9	
UK Nov	55.6	53.7		UK Nov	47.6	51.4	
Germany Nov	57.8	58.2		Germany Nov	46.0	49.5	
France Nov	49.6	51.3		France Nov	38.8	46.5	
Italy Nov	51.5	53.8		Italy Nov	51.1	51.4	
Spain Nov	49.8	52.5		Spain Nov	39.5	41.4	
Ireland Nov	52.2	50.3		Ireland Nov	45.4	48.3	
Netherlands Nov	54.4	50.4					
Austria Nov	51.7	54.0					
Greece Nov	42.3	48.7					
Czech Rep Nov	53.9	51.9					

Source: Markit, TrendMacro calculations

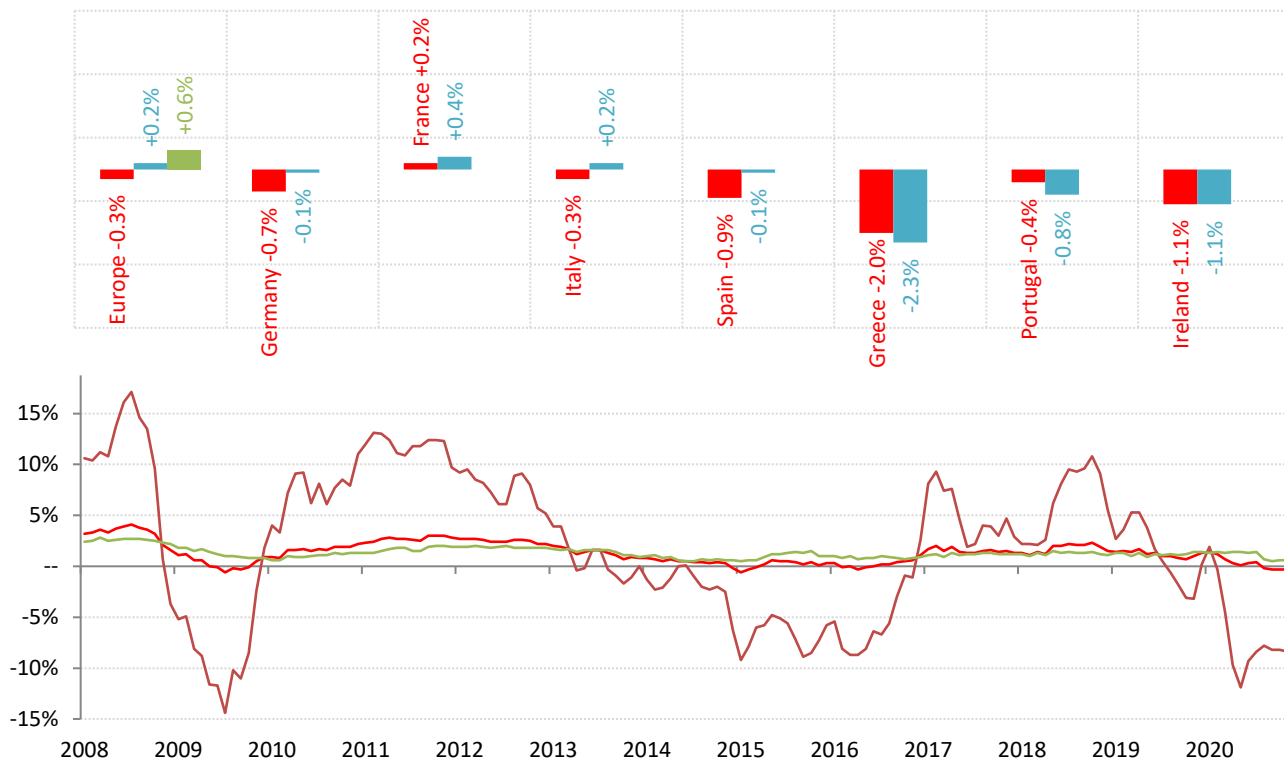
Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



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