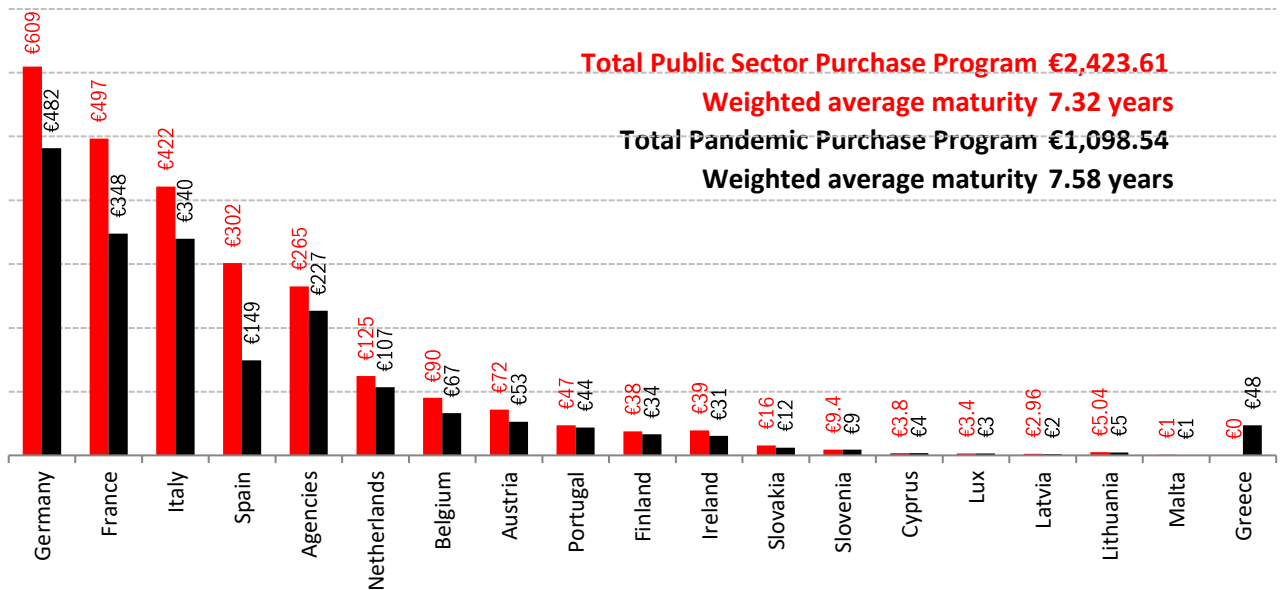
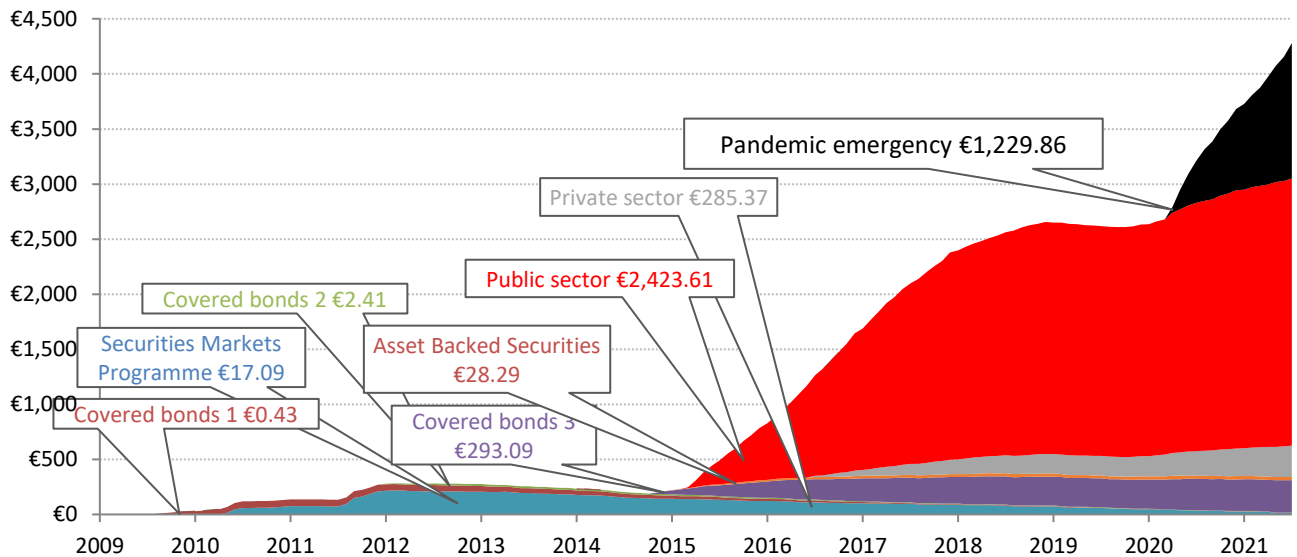


Data Insights: Euro Area Recovery Monitor

Thursday, July 22, 2020

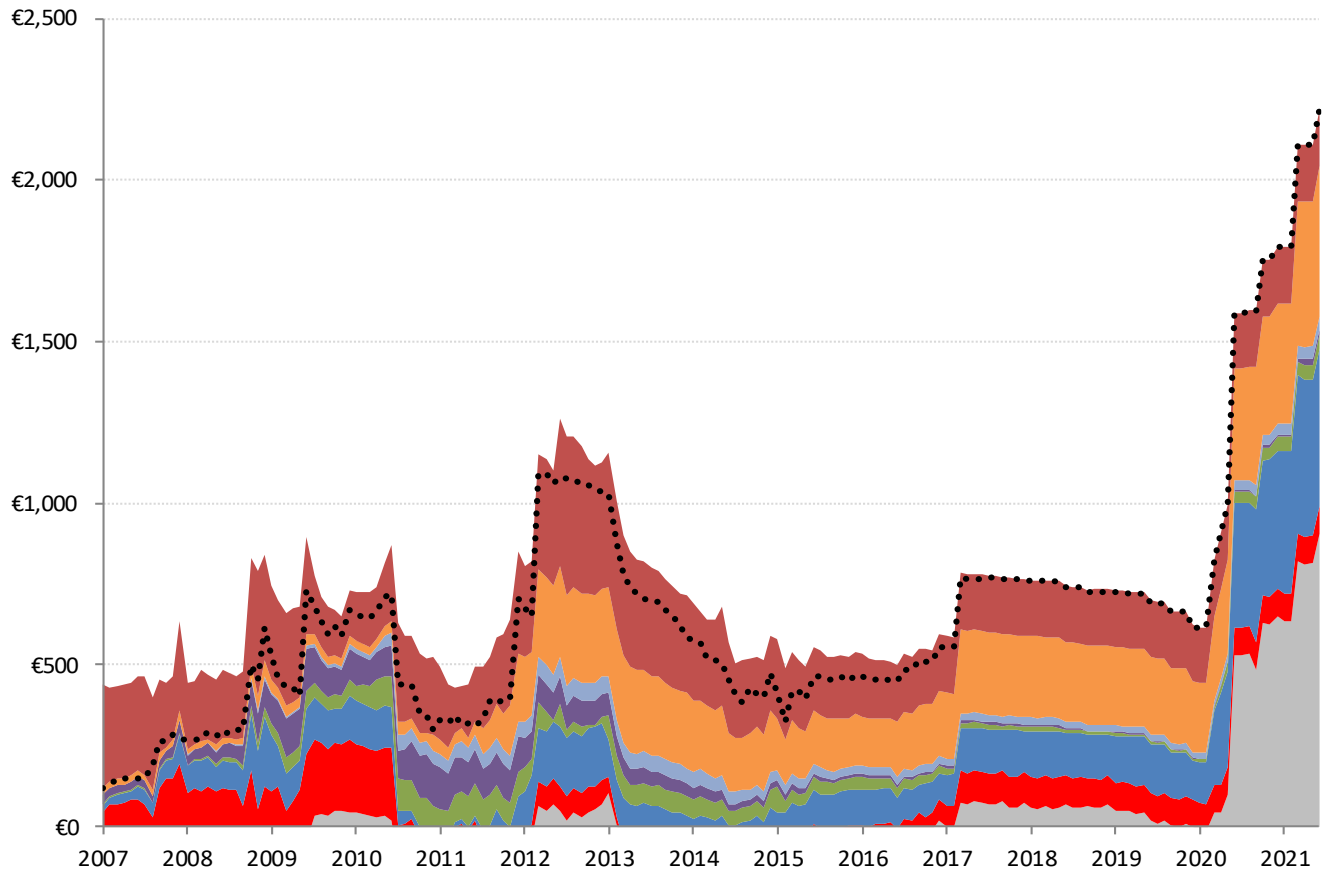
Euro-QE: its *baaack!* (€ billions)



Source: ECB, TrendMacro calculations

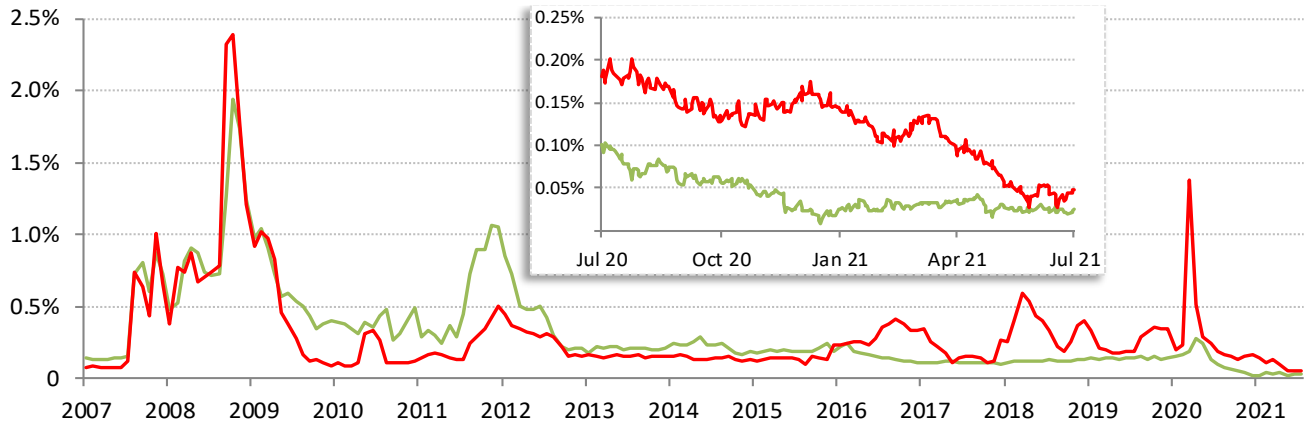
Banking system dependency: borrowing from the ECB (€ billions)

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



Source: ECB, National central banks, TrendMacro calculations

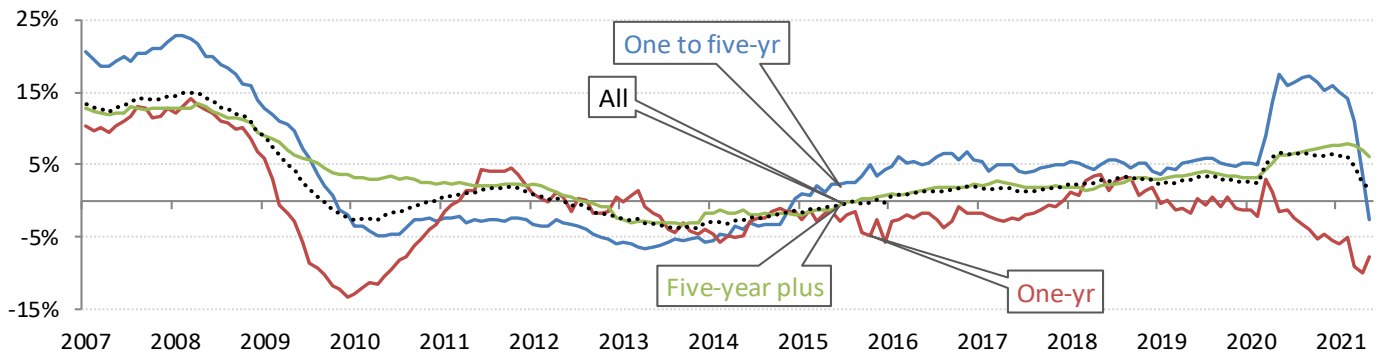
Bank stability: 90-day LIBOR/OIS spreads (USD, EUR)



Source: Bloomberg, TrendMacro calculations

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

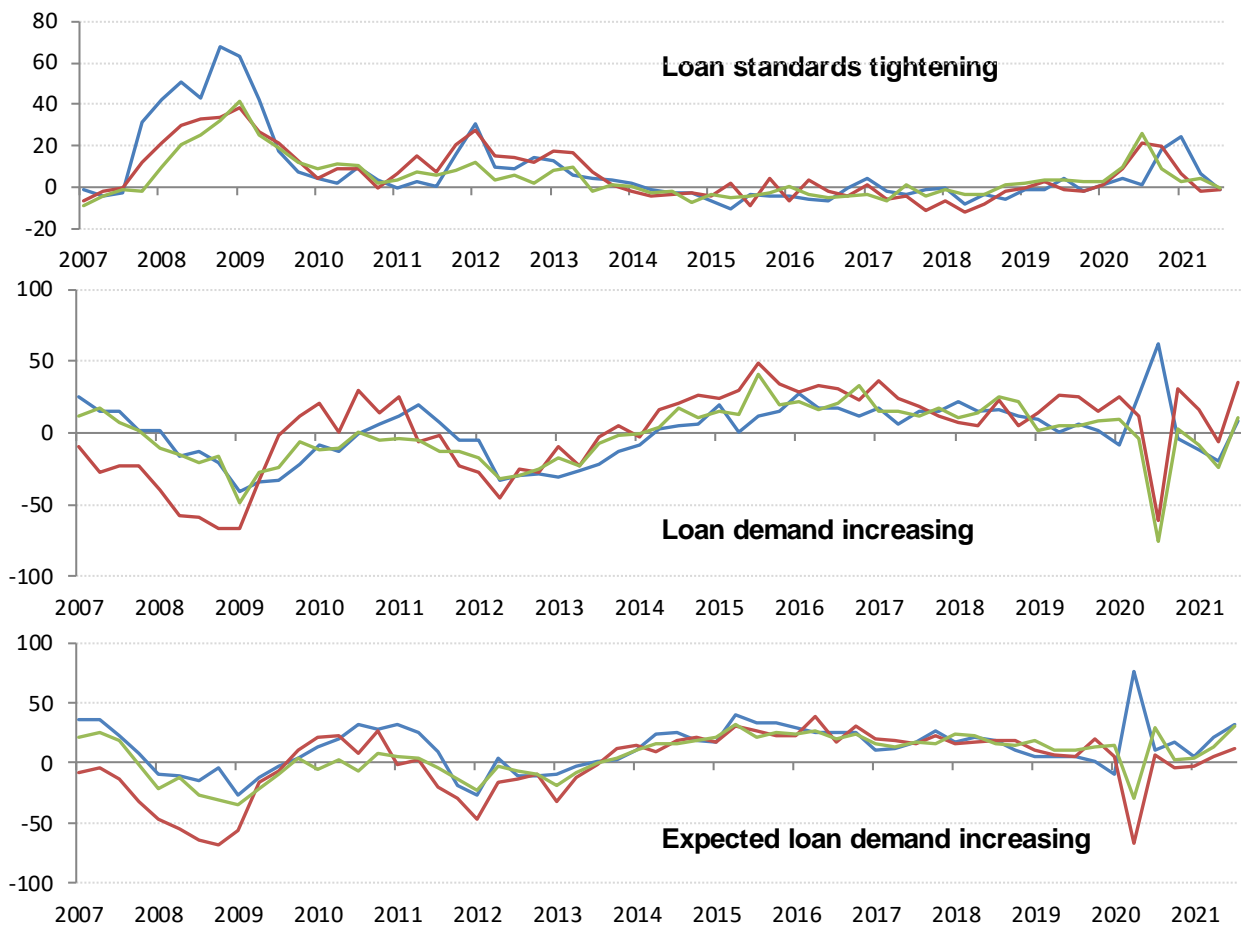
— Loans to 1 year — Loans 1-5 years — Loans 5 years plus ... Total



Source: ECB, TrendMacro calculations

Supply and demand for lending: ECB Bank Survey

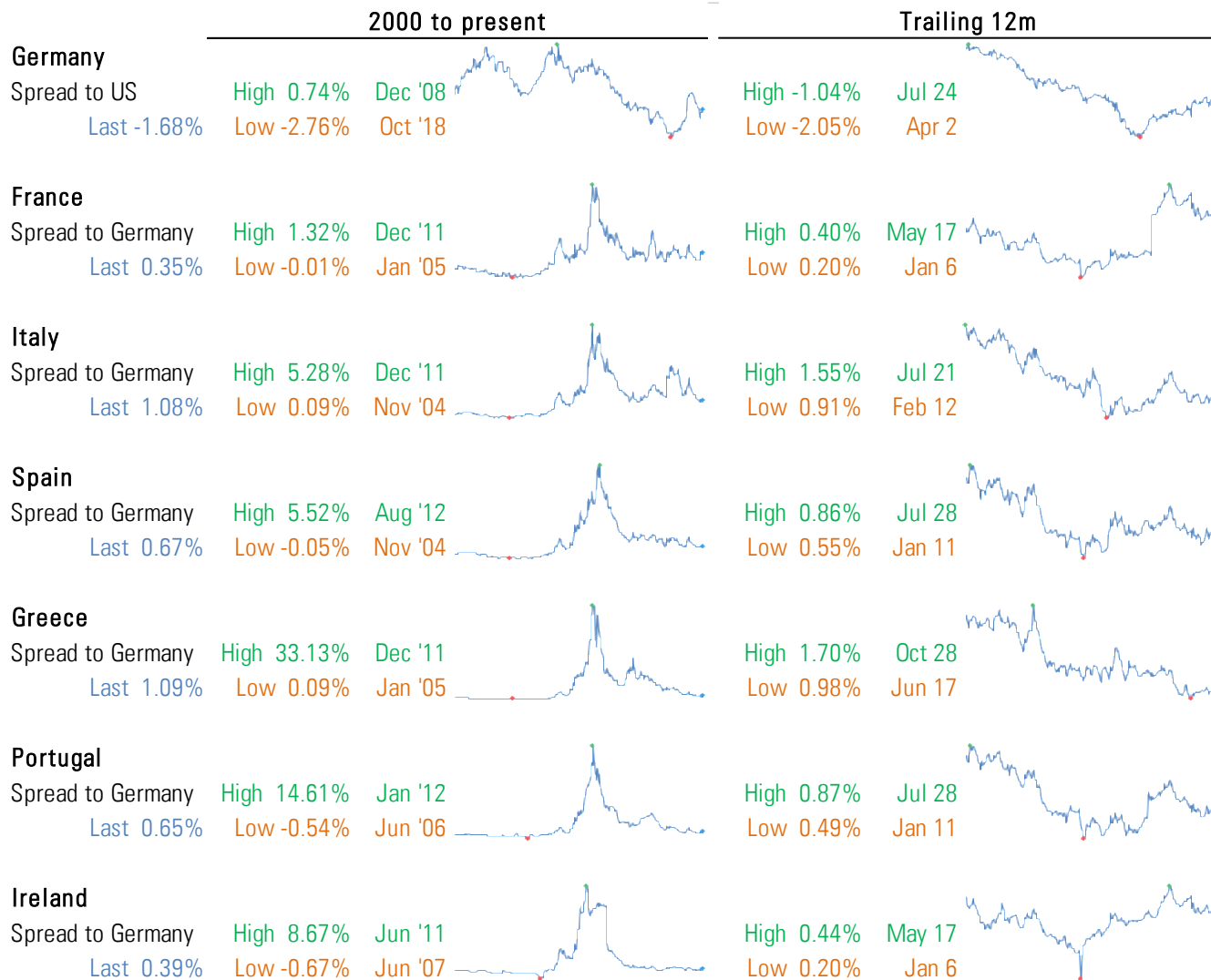
Net number of banks reporting for: — Enterprises — Home mortgage — Consumer



Source: ECB, TrendMacro calculations

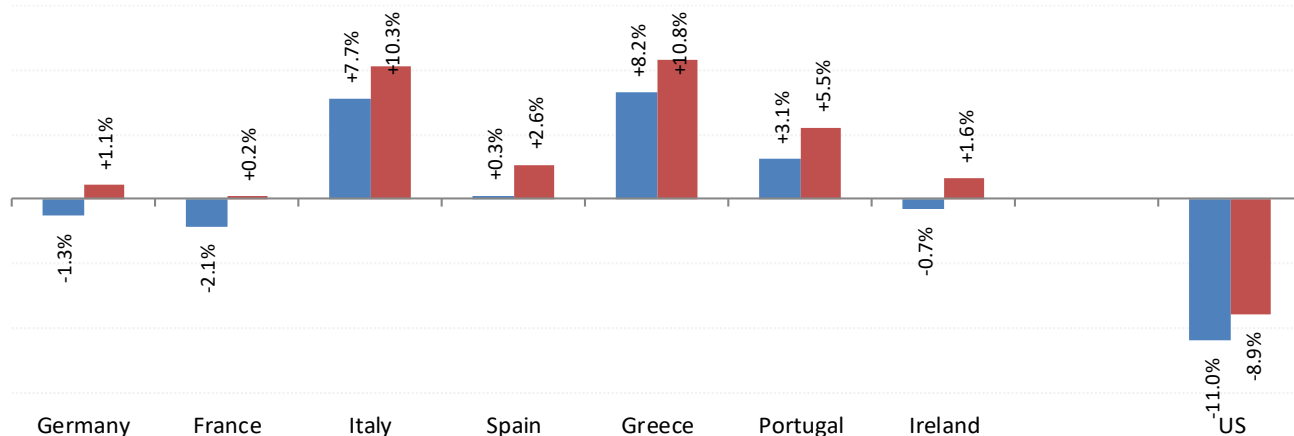
Sovereign stress monitor: 10-year bond spreads

· 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 Jun	63.4	63.1		Eurozone Jun	58.3	55.2	
UK Jun	63.9	65.6		UK Jun	62.4	62.9	
Germany Jun	65.1	64.4		Germany Jun	57.5	52.8	
France Jun	59.0	59.4		France Jun	57.8	56.6	
Italy Jun	62.2	62.3		Italy Jun	51.6	47.1	
Spain Jun	60.4	59.4		Spain Jun	62.5	59.4	
Ireland Jun	64.0	64.1		Ireland Jun	63.1	62.1	
Netherlands Jun	68.8	69.4					
Austria Jun	67.0	66.4					
Greece Jun	58.6	58.0					
Czech Rep Jun	62.7	61.8					

Source: Markit, TrendMacro calculations

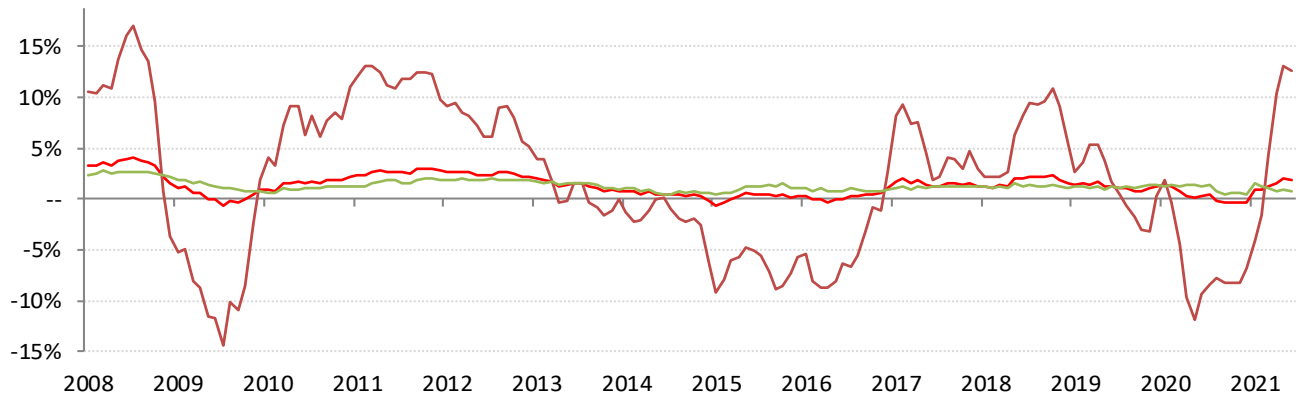
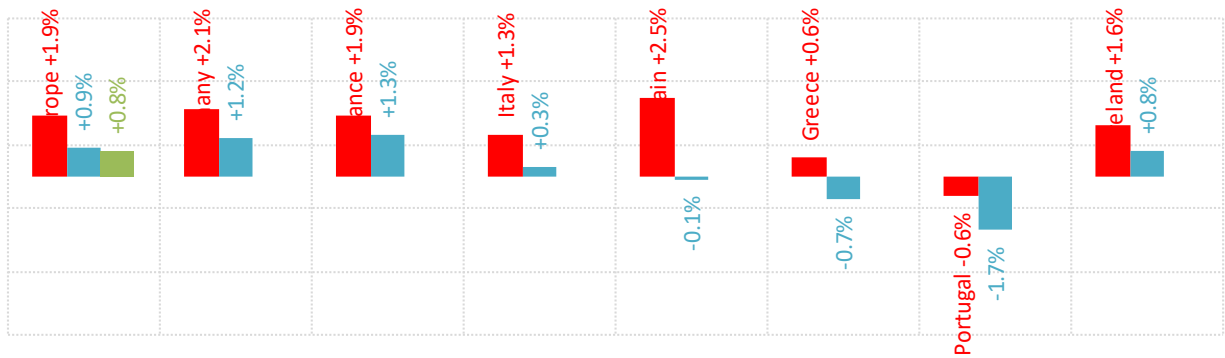
Regional currency flight — Euro vs Swiss franc — Swiss National Bank floor — SNB FX reserves



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