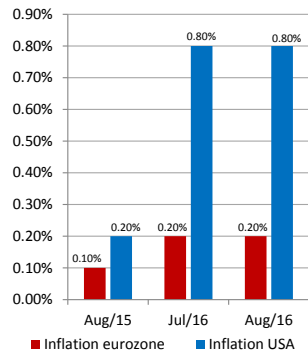
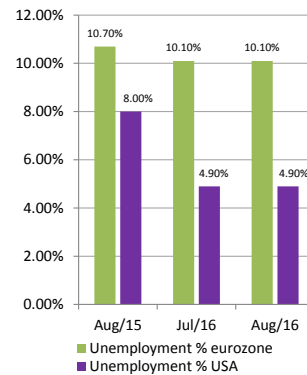


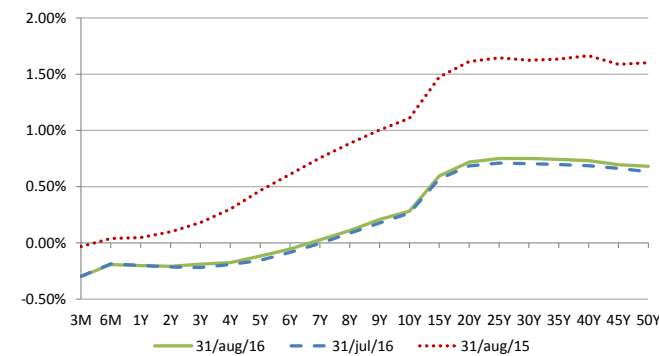
Inflation eurozone & USA



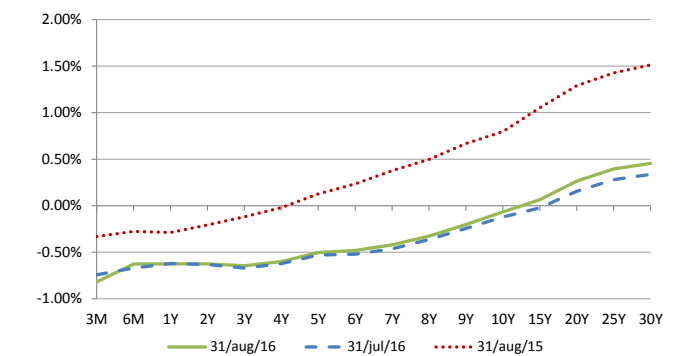
Unempl. rate eurozone & USA



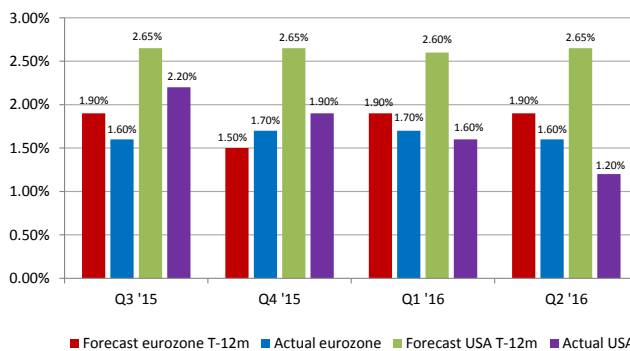
Euro Swaps Curve



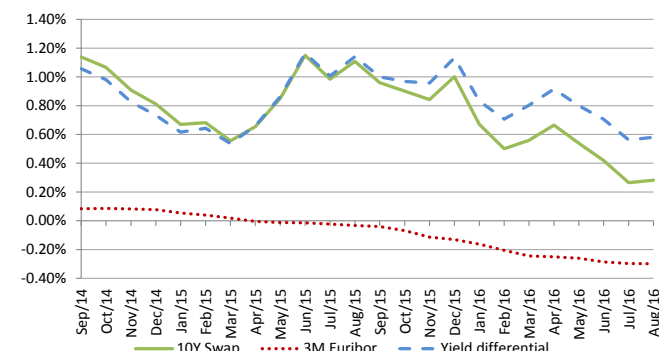
German Government Bond Curve



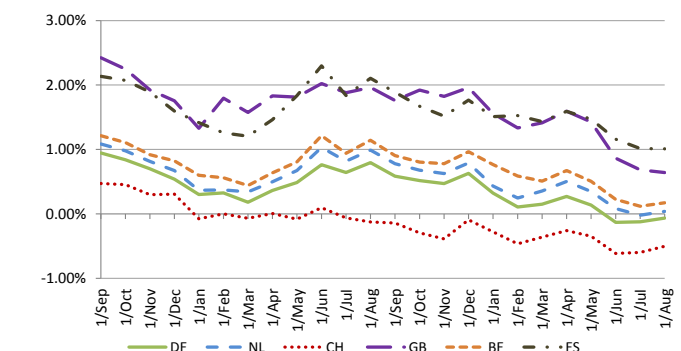
Forecast vs actual GDP growth Eurozone & USA



10Y swap +/- 3M Euribor



Yields 10Y Government Bonds



Macro-economic Development

- The Bank of England (BoE) lowered its policy rate with 25 basis points to 0.25%. The BoE also announced to increase three of its buyback programs to a total value of GBP 170 billion. The BoE stated that because of the Brexit vote, the expected economic growth for 2017 decreased with 1.5% to 0.8% on an annual basis, and the expected economic growth for 2018 decreased with 0.5% to 1.8%.
- Figures from Statistics Netherlands (CBS) show that house prices increased in July this year compared to house prices in July 2015 by 4.9%. This is the largest increase in 12 years.
- According to the Greek bureau of statistics, the Greek economy grew in the second quarter of 2016 with 0.2% after a decline in the first three months of this year. Compared to the same period last year, the Greek economy shrank by 0.4%.
- Please note that the information does not refer to the graphs above.

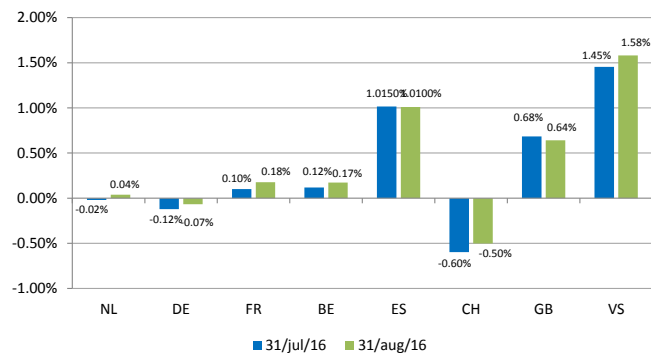
Interest Rates

- The Euro swap curve slightly increased in August compared to July 2016. The swap rates for tenors up to and including 6 years are at the end of August below 0.00%.
- The 10-years swap increased to 0.28% in August 2016. This is an increase of 1 basis point compared to the end of July, when the 10Y swap closed at 0.27%.
- The 3-months Euribor remained the same in August compared to last month and closed at -0.30%.
- Please note that the interest rates shown in the graphs above do not include liquidity and credit spreads (as are applicable on loans).

Government Yields

- The curve for the German government bond increased compared to July 2016 and is higher for all tenors above 2 years compared to July 2016.
- The yield on a Dutch 10-year government bond increased with 6 basis points to 0.04% last month.
- At the end of August, all bonds with a tenor up to and including 9 years hold a negative yield. At the end of July, bonds with a tenor up to and including 10 years held a negative yield.
- The 10-year government bond yield curves of the all countries mentioned in the graph decreased in August 2016 compared to August 2015.

Yields 10Y Government Bonds



Credit Ratings Sovereigns

Long Term Foreign Currency Rating	S&P	Moody's	Fitch
The Netherlands	AAAu	Aaa	AAA
Germany	AAAu	Aaa	AAA
France	AAu	Aa2	AA
Belgium	AAu	Aa3	AA
Spain	BBB+	Baa2	BBB+
Switzerland	AAAu	Aaa	AAA
Great Britain	AAu	Aa1	AA
United States	AA+u	Aaa	AAA

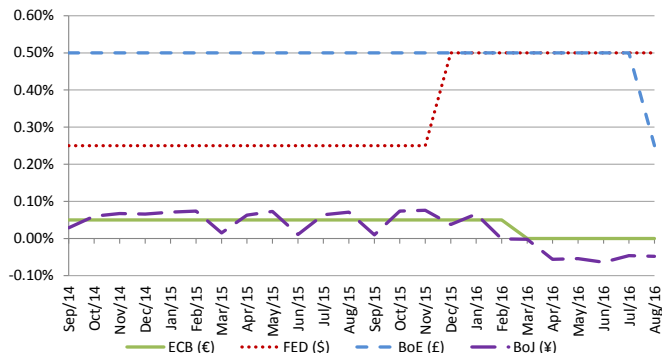
Yields 10Y Government Bonds

- The yields on the Dutch, German, French, Belgian, Swiss and American 10-year government bonds increased compared to previous month. The yield on a Dutch 10-year government bond is positive since this month.
- The 10-year yield on a Swiss government bond increased with 10 basis points to -0.50%.
- The 10-year yield on the British and Spanish government decreased in August.

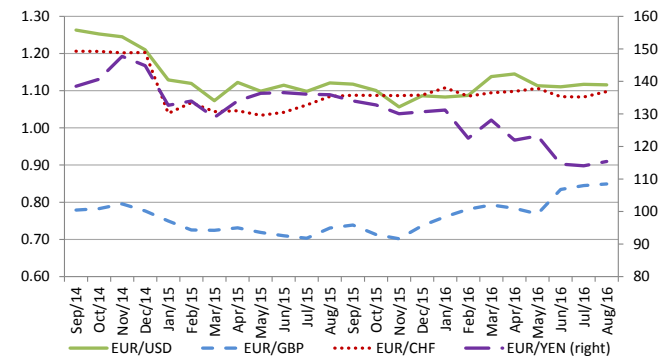
Credit Rating Sovereigns

- Credit rating agencies Standard & Poor's, Moody's and Fitch have not changed the credit ratings of all the countries mentioned in the table above.

Official Policy Rates



Currencies



Official Policy Rates

- The Bank of England (BoE) lowered its policy rate with 25 basis points to 0.25%. The cut is mainly caused by the economic turmoil in Great-Britain after the Brexit-vote.
- In August, the European Central Bank, the Federal reserve (\$) and the Bank of Japan (¥) did not make policy rate decisions.
- The Federal Reserve (Fed) is expecting an interest rate hike during the next policy meeting. The decision is mainly based on the outcome of a Labor Department's report in September.
- Note that the BoJ interest rate fluctuates within an bandwidth between 0.00% and -0.10%.

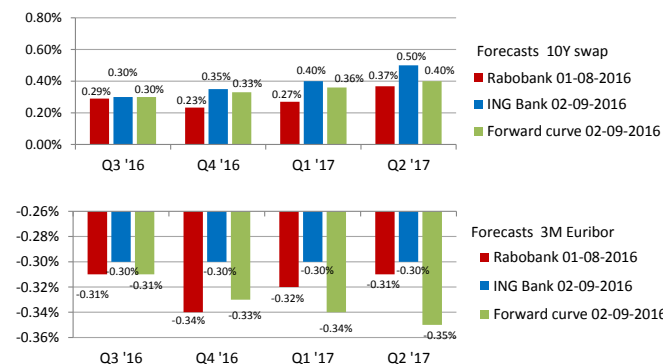
Currencies

- In August, the EUR/USD exchange rate closed at EUR/USD 1.158, a decrease of USD 0.0016 compared to last month, when the EUR/USD exchange rate closed at EUR/USD 1.1174.

Credit Ratings Banks

Long term Foreign Currency Rating	S&P	Moody's	Fitch
Deutsche Bank	BBB+	Baa2	A-
BNP Paribas	A	A1	A+
RBS plc.	BBB+	A3	BBB+
HSBC Bank plc.	A	A1	AA-
UBS AG	A+	Aa3	A+
CitiGroup Inc.	BBB+	Baa1	A
ING Bank	A	A1	A+
UniCredit SpA	BBB-	Baa1	BBB+

Interest Rate Forecasts 10Y Swap and 3M Euribor



Credit Ratings Banks

- In August, credit rating agencies Standard & Poor's, Moody's and Fitch did not changed the credit ratings of all the banks mentioned in the table above.

Interest Rate Forecasts Banks

- ING expects that the 3-month Euribor will remain at the same level until the second quarter of 2017. Rabobank predicts a level of -0.31% in the second quarter of 2017.
- ING expects an increase of 10 basis points of the 10-year swap to a level of 0.50% in the second quarter of 2017. In the same period Rabobank also expects an increase of 10 basis points to a level of 0.40%.
- Please note that the interest rates shown in the graphs above do not include liquidity and credit spreads (as are applicable on loans).