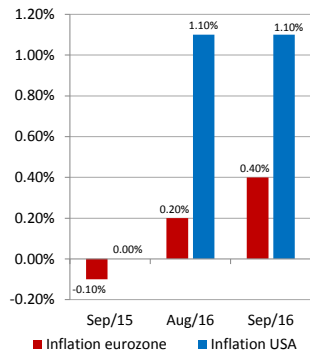
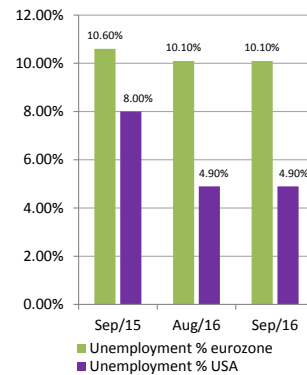


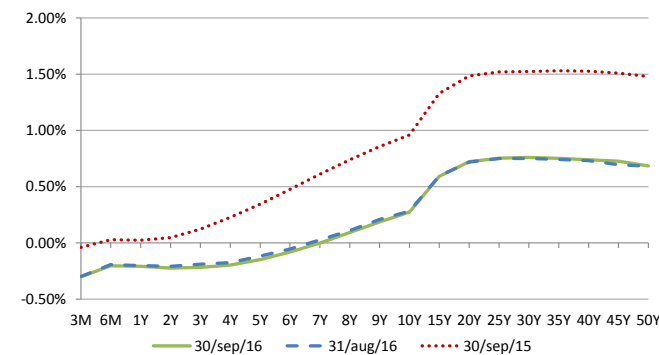
Inflation eurozone & USA



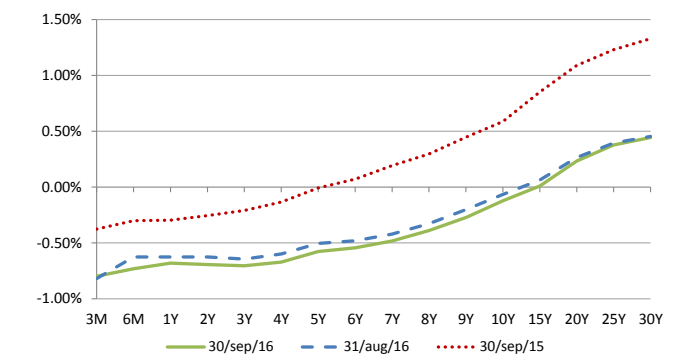
Unempl. rate eurozone & USA



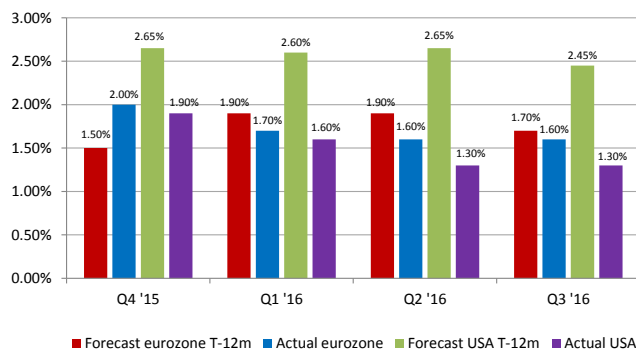
Euro Swaps Curve



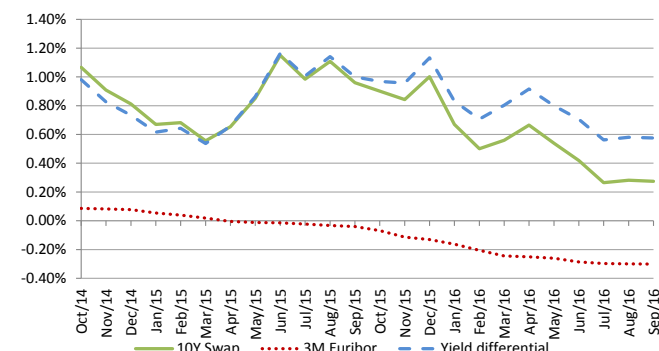
German Government Bond Curve



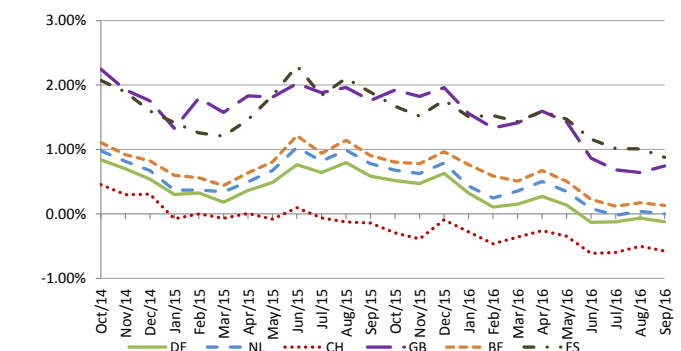
Forecast vs actual GDP growth Eurozone & USA



10Y Swap -/- 3M Euribor



Yields 10Y Government Bonds



Macroeconomic Developments

- The Organization of the Petroleum Exporting Countries (OPEC) agreed to freeze worldwide oil production levels. The countries agreed on a production ceiling of up to 33 million barrels a day. The agreement, which has to be ratified at the next OPEC meeting in November, caused a surge in the price of a barrel of Brent oil to close to USD 50. Goldman Sachs analysts remain sceptical that the agreement will have the desired effect. The bank has reduced its oil price outlook for the remainder of this year.
- Figures published by the World Trade Organization (WTO) show that world trade growth slowed down to 1.7% in September 2016. Furthermore, WTO lowered its forecasts for 2017 to a range of 1.8% – 3.1%.
- The Organisation for Economic Co-operation and Development (OECD) reduced its economic growth forecasts. The organisation expects the economy to grow by 2.9% in 2016 and 3.2% in 2017.
- Please note that the information does not refer to the graphs above.

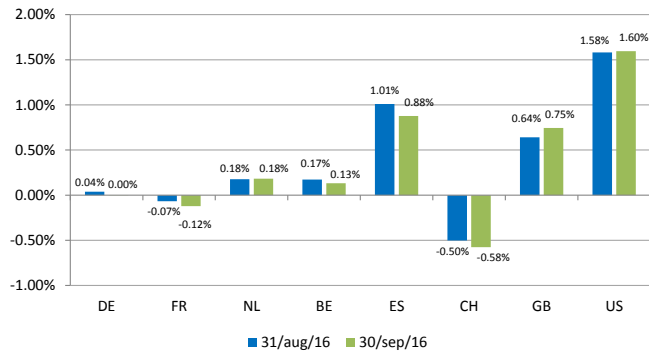
Interest Rates

- The Euro swap curve is nearly identical compared to August 2016. The swap rates for tenors up to 7 years are below 0.00% as of September 30.
- The 10-year swap decreased to 0.27% in September 2016. This is a decrease of 1 basis point compared to August 2016, when the 10Y swap closed at 0.28%.
- The 3-month Euribor remained the same in September 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).

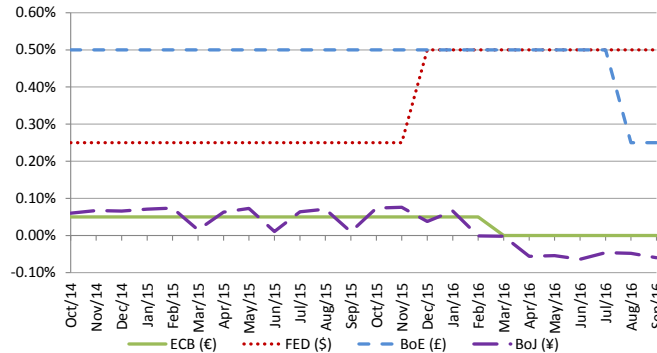
Government Yields

- The curve for the German government bond decreased compared to August 2016 and is lower for all tenors above 3 months compared to August.
- The yield on a Dutch 10-year government bond decreased with 4 basis points to 0.00% last month.
- At the end of September, all bonds with a tenor up to and including 9 years continue to have a negative yield.
- The 10-year government bond yield curves of the all countries mentioned in the graph (except for Great Britain) decreased in September 2016 compared to August 2016.

Yields 10Y Government Bonds



Official Policy Rates



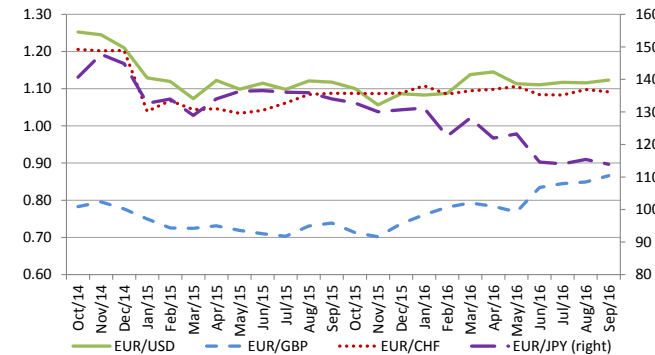
Credit Ratings Banks

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+

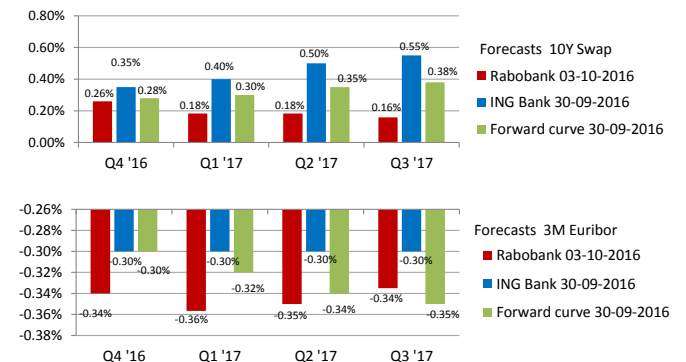
Credit Ratings Sovereigns

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

Currencies



Interest Rate Forecasts 10Y Swap and 3M Euribor



Yields 10Y Government Bonds

- The yields on British and American 10-year government bonds increased in September compared to August 2016. The return on a 10-year Netherlands government bond is 0.00% at the end of August.
- The yield of British 10-year government bonds increased the most, with 11 basis points to 0.75% in September 2016. American 10-year government bond yields increased by 2 basis points to 1.60%.

Credit Rating Sovereigns

- Credit rating agencies Standard & Poor's, Moody's and Fitch have not changed the credit ratings of the countries mentioned in the table above.
- Credit rating agency Moody's lowered Turkey's credit rating from Baa3 to Ba1. The decreased credit rating is caused by the increased investment risk for foreign investors due to the attempted military coup that took place in July 2016.

Official Policy Rates

- The Federal Reserve (Fed) announced on the 21st of September that it will not increase its short term interest rates. Due to this decision, the short-term interest rate will remain at 0.50%. However, the Fed believes that there is a stronger case for increasing the interest rates before the end of the year. The next policy meeting is scheduled for November.
- The European Central Bank (€) and the Bank of Japan (¥) announced not to change their benchmark interest rates, in line with expectations. Both the European Union and Japan currently have inflation rates below policy targets.
- Note that the BoJ interest rate fluctuates within a bandwidth of 0.00% and -0.10%.

Currencies

- In September, the EUR/USD exchange rate closed at EUR/USD 1.1235, an increase of USD 0.0077 compared to last month, when the EUR/USD exchange rate closed at EUR/USD 1.1158.

Credit Ratings Banks

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

Interest Rate Forecasts Banks

- ING expects the 3-month Euribor to remain at -0.30% until the third quarter of 2017. Rabobank expects the rate to fluctuate slightly before settling at -0.34% in the third quarter of 2017.
- ING expects an increase of the 10-year swap to a level of 0.55% in the third quarter of 2017. Rabobank expects a decrease of the 10-year swap to a level of 0.16% in the third quarter of 2016.
- The current 10-year forward rate forecasts are in between the forecasts of ING Bank and Rabobank.
- Please note that the interest rates shown in the graphs above do not include liquidity and credit spreads (as are applicable on loans).