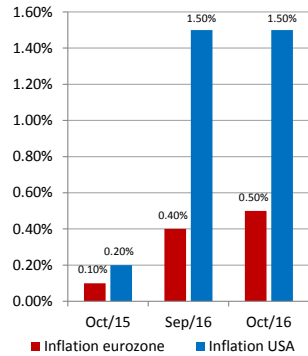
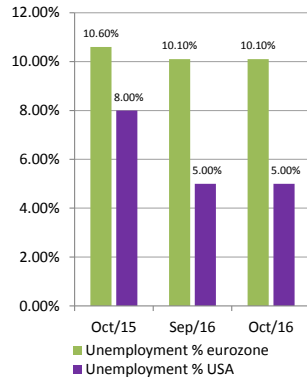


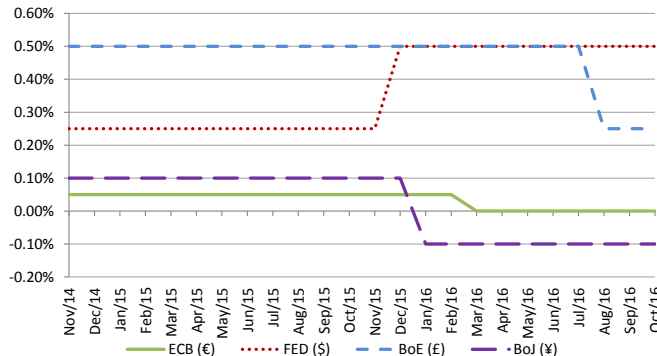
Inflation eurozone & USA



Unempl. rate eurozone & USA



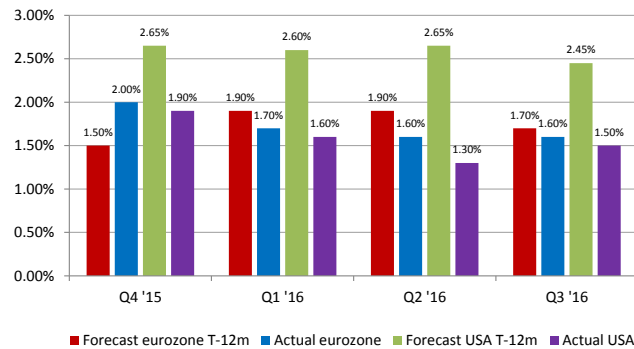
Official Policy Rates Central Banks



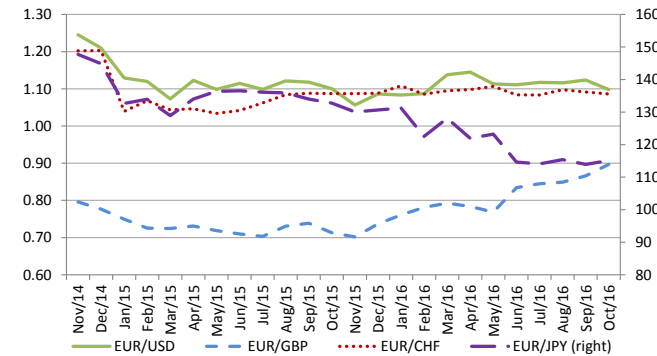
Credit Ratings Banks

	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+

Forecast vs actual GDP growth Eurozone & USA



Currencies



Credit Ratings Sovereigns

	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

Macroeconomic Developments

- The International Monetary Fund (IMF) expects world economic growth to be 3.1% in 2016. The IMF World Economic Outlook further shows 2017 economic growth is expected to be 3.4%.
- Eurostat reports a third quarter economic growth of 0.3% for the eurozone. Research agency Markit reports an estimated economic growth of 0.4% for the eurozone in October 2016.
- In October, all EU countries approved the EU-Canada Comprehensive Economic and Trade Agreement (CETA). The EU and Canada signed the agreement on 30 October 2016.
- The oil market remains unstable in October. Russia announced its support of OPEC measures to stabilize oil production. OPEC countries, meanwhile, failed to formally agree on measures to reach their objective. In September, the countries reached a tentative agreement to stabilize production levels. Iraq announced it does not support OPEC objectives.
- Please note that the information does not refer to the graphs above.

Official Policy Rates Central Banks

- On 20 October 2016 the European Central Bank decided to keep its benchmark interest rate unchanged. The quantitative easing (QE) program will also remain in effect until March 2017, when it is set to end. Analysts expect the QE program to be gradually reduced in size after the current program ends.
- On 1 November 2016 the Bank of Japan decided not to adjust its policy rate. In the first week of November, the Federal Reserve and the Bank of England will also meet to discuss interest rates. Analysts expect both institutions to maintain current policy rates.
- Please note that the BoJ interest rate fluctuates within a bandwidth of 0.00% and -0.10%.

Currencies

- In October, the EUR/GBP exchange rate increased with GBP 0.0541 to EUR/GBP 0.9033 on 31 October 2016. The increase is primarily caused by news that the British government will enter into negotiations with the European Union (EU) seeking to fully unravel its ties with the EU.

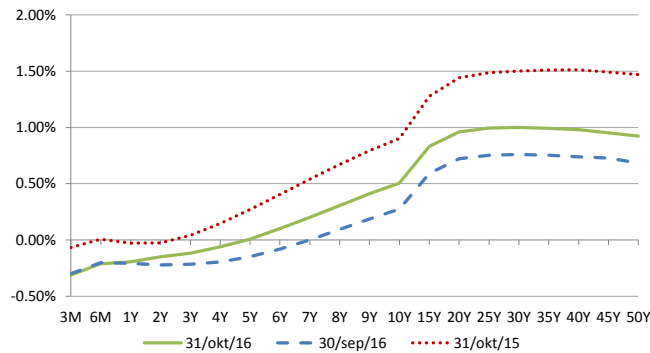
Credit Ratings Banks

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

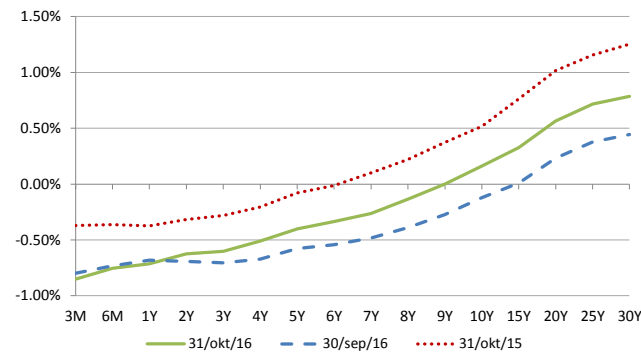
Credit Ratings Sovereigns

- Standard & Poor's (S&P) increased the outlook on the sovereign rating of France from negative to stable. Tax and labor reforms in particular could lead to higher economic growth, according to S&P.
- S&P further announced that it maintains a negative outlook on the sovereign rating of the United Kingdom (UK). According to the rating agency, Brexit presents a significant risk to British economic growth.

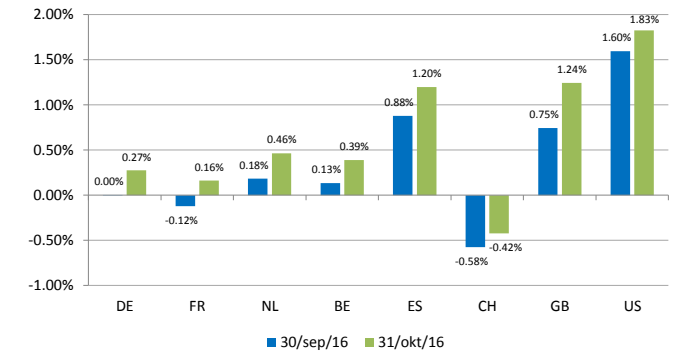
Euro Swaps Curve



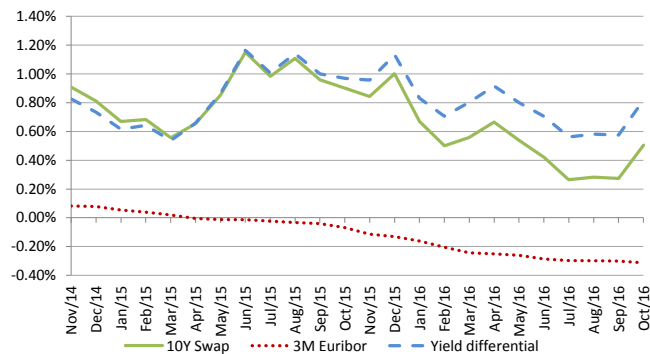
German Government Bond Curve



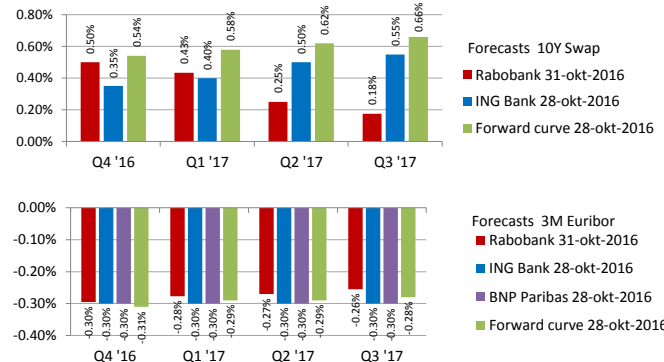
Yields 10Y Government Bonds



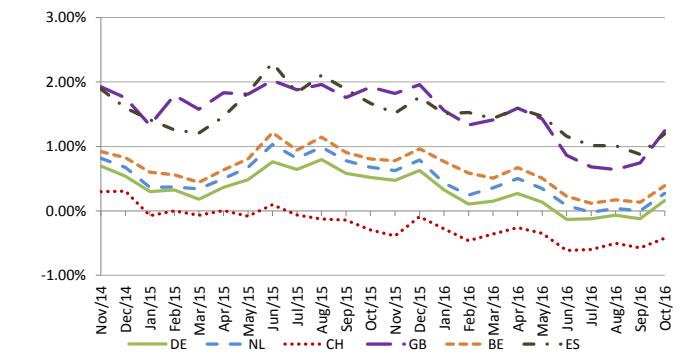
10Y Swap -/- 3M Euribor



Interest Rate Forecasts 10Y Swap and 3M Euribor



Yields 10Y Government Bonds



Interest Rates

- During October the euro swap curve increased compared to September 2016. Swap rates up to five years are negative on 31 October 2016.
- The ten-year euro swap increased with 23 basis points to 0.50% on 31 October 2016. In September 2016, the ten-year rate closed at 0.27%.
- During October the three-month Euribor remained stable versus the end of September. On 31 October 2016 the three-month Euribor closed at -/-. 0.31% versus -/-. 0.30% at the end of September 2016.
- Please note that the interest rates shown in the graphs above do not include liquidity and credit spreads (as are applicable on loans).

Interest Rate Forecasts

- ING Bank and BNP Paribas expect the three-month Euribor to remain at -/-. 0.30% until the third quarter of 2017. Rabobank expects the rate to fluctuate slightly before settling at -/-. 0.26% in the third quarter of 2017.
- ING Bank expects an increase of the ten-year swap to a level of 0.55% in the third quarter of 2017. Rabobank expects a decrease of the ten-year swap to a level of 0.18% in the third quarter of 2016.
- The current ten-year forward rate forecasts are greater than the forecasts of both ING Bank and Rabobank. In the third quarter of 2017 the ten-year IRS is expected to be 0.66%.
- Please note that the interest rates shown in the graphs above do not include liquidity and credit spreads (as are applicable on loans).

Government Bond Yields

- In October yields on European government bonds rose substantially. The yield on a German ten-year government bond rose from -/-. 0.12% to 0.17%, after reaching a low of -/-. 0.15% at the end of September 2016. The increase is mainly caused by analyst expectations that the Federal Reserve and the ECB will reduce their extensive monetary policies in the near future.
- The yield on a Netherlands ten-year government bond has increased by 27 basis points to 0.27% in October 2016.