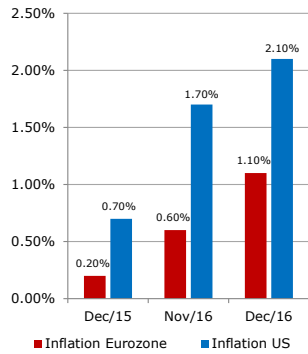
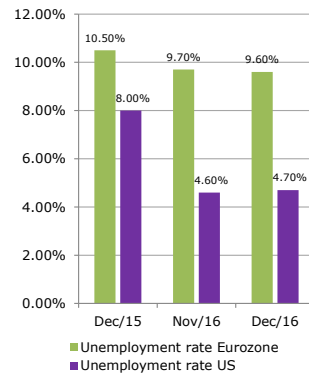


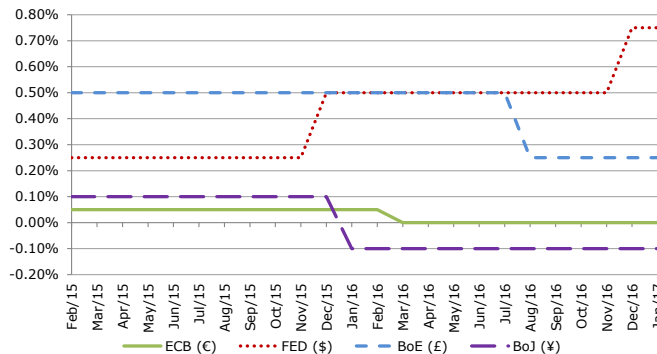
Inflation Eurozone & US



Unempl. rate Eurozone & US



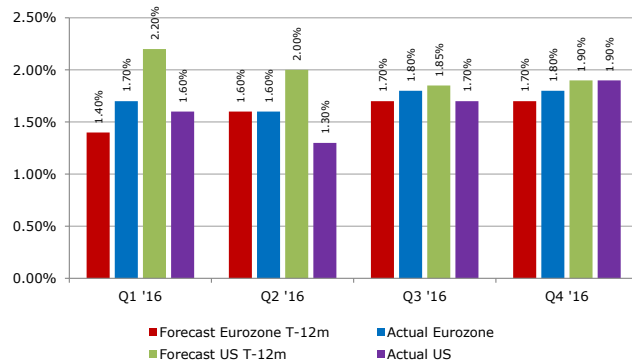
Official Policy Rates Central Banks



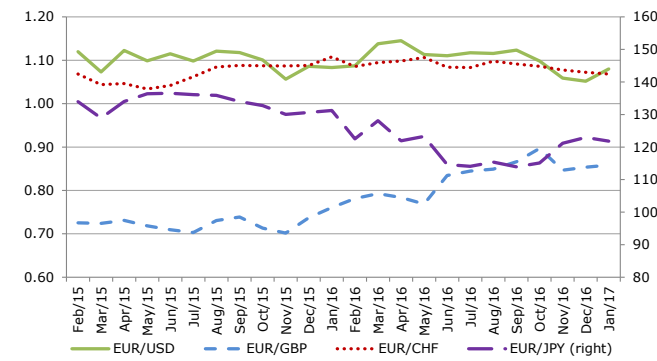
Credit Ratings Banks

Bank	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 & US



Currencies



Credit Ratings Sovereigns

Country	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

- American employment has increased considerably in January 2017. An increase of 227,000 jobs was reported compared to December 2016. The unemployment rate, however, increased slightly to 4.8% as more Americans joined the labor market.
- The Bank of England (BoE) has increased its 2017 economic growth forecast for the UK from 1.4% to 2.0%. This indicates the BoE has a more positive outlook on the state of the economy this year, and on growth prospects in 2018 and 2019. There are concerns, however, about the depreciation of the British pound causing rising inflation.
- According to preliminary estimates by Eurostat, the economy of the Eurozone has expanded by an average of 0.5% in the fourth quarter of 2016. This is in line with analyst expectations and contributed to an annual Eurozone growth rate of 1.7% in 2016.
- Please note that the information does not refer to the graphs above.

Official Policy Rates Central Banks

- The Federal Reserve (Fed) has decided to keep its benchmark interest rate constant at a bandwidth of 0.50% to 0.75%. The Fed did indicate that confidence in the American economy is increasing. Market participants expect the Fed will increase the policy rate multiple times this year.
- In January 2017 the European Central Bank decided to leave its policy interest rate unchanged to further stimulate the recovery of the European economy.
- Please note that the BoJ interest rate fluctuates within a bandwidth of 0.00% and -0.10%.

Currencies

- In January 2017 the currencies reported above were relatively stable. ING expects the interest rate to appreciate to EUR/USD 1.12 during 2017.
- At the end of January 2017 the EUR/USD exchange rate increased to EUR/USD 1.0798.

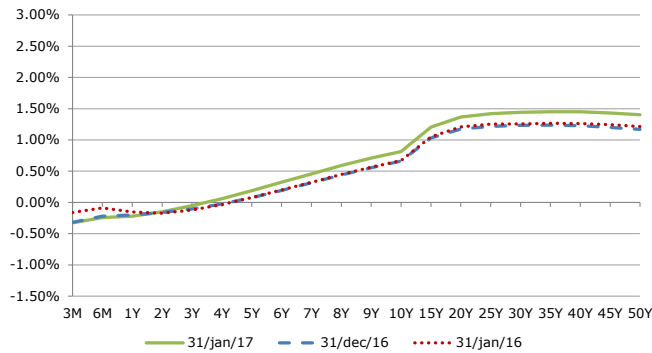
Credit Ratings Banks

- In January 2017, credit rating agencies Standard & Poor's, Moody's and Fitch did not change the credit ratings of the banks listed in the table above.

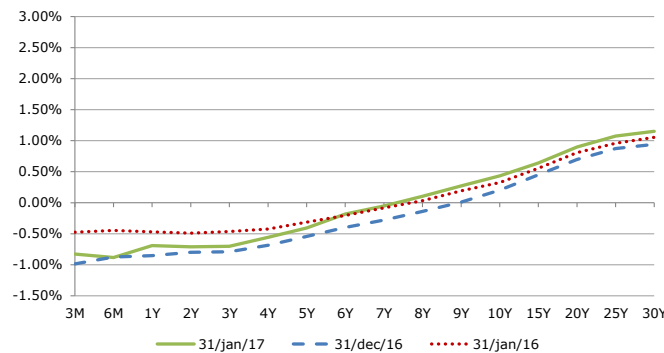
Credit Ratings Sovereigns

- The credit ratings of the countries listed above have not been changed in January 2017 by the three major credit agencies.

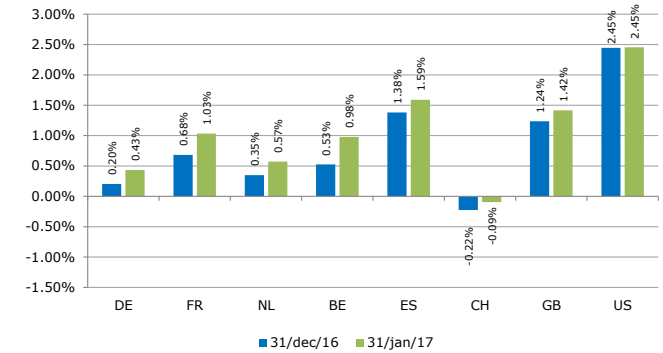
Euro Swap Curve



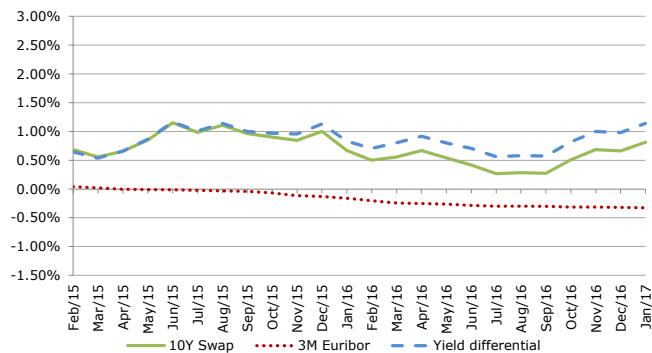
German Government Bond Curve



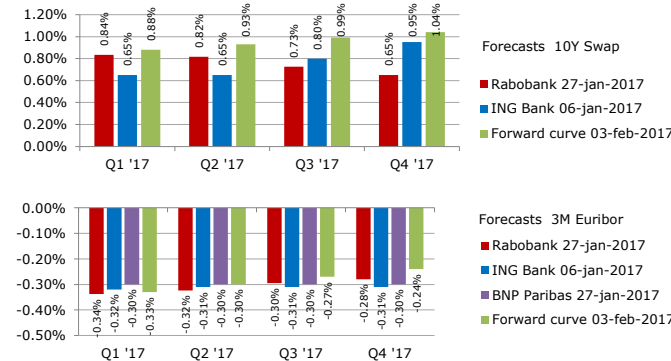
Yields 10Y Government Bonds



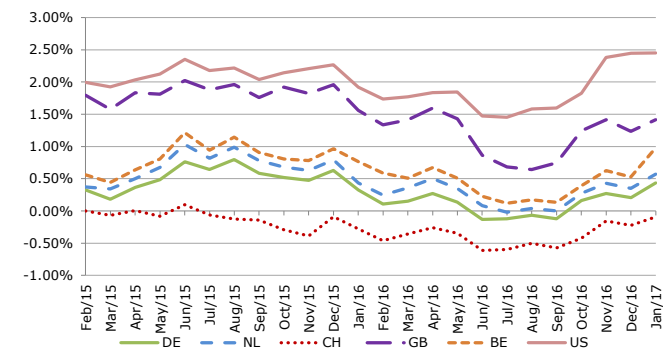
10Y Swap -/- 3M Euribor



Interest Rate Forecasts 10Y Swap and 3M Euribor



Yields 10Y Government Bonds



Interest Rates

- During January 2017, the Euro swap curve increased slightly compared to December 2016. Swap rates up to and including the 3-year point are negative on 31 January 2017.
- The 10-year Euro swap increased by 15 basis points to 0.81% on 31 January 2017. In December 2016, the 10-year rate closed at 0.66%.
- During January 2017 the 3-month Euribor decreased with 1 basis point. On 31 January 2017 the 3-month Euribor closed at -0.33%.
- Please note that the interest rate forecasts and 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 expects an increase of the 10-year swap to a level of 0.95% in the fourth quarter of 2017. Rabobank expects the 10-year swap to decrease to 0.65% in the fourth quarter of 2017.
- ING Bank expects the 3-month Euribor to increase slightly to -0.31% until the fourth quarter of 2017. BNP Paribas forecasts the 3-month Euribor to remain at 0.30%. Rabobank expects the rate to increase from -0.34% in the first quarter to -0.28% in the fourth quarter of 2017.
- The 10-year forward rate forecasts exceed the forecasts of both ING Bank and Rabobank in the first 3 quarters of 2017. In the fourth quarter of 2017 the 10-year IRS is expected to be 1.04%, whereas the 3-month Euribor is expected to increase to -0.24%.
- Please note that these interest rate forecasts are based on predictions and are therefore by definition uncertain. Taking financial actions based on the forecasts above may be considered speculative trading, especially in (semi) public institutions.

German Government Bond Curve

- German government bond yields have increased for all tenors up to and including the 30-year point in January 2017 compared to December 2016.

Government Bond Yields

- In January 2017, 10-year yields on all European government bonds shown in the graph above have increased.
- In January 2017 the yield on an American 10-year government bond remained unchanged at a level of 2.45%.
- The yields on 10-year Belgian and French bonds increased the most in January 2017. The yield on a 10-year Belgian bond increased by 45 basis points to 0.98%. The yield on a 10-year French bond increased by 35 basis points to 1.03%.