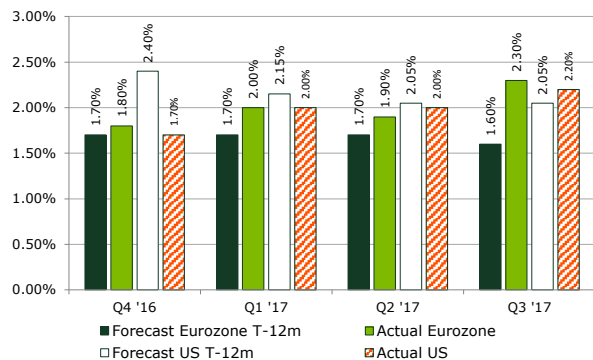
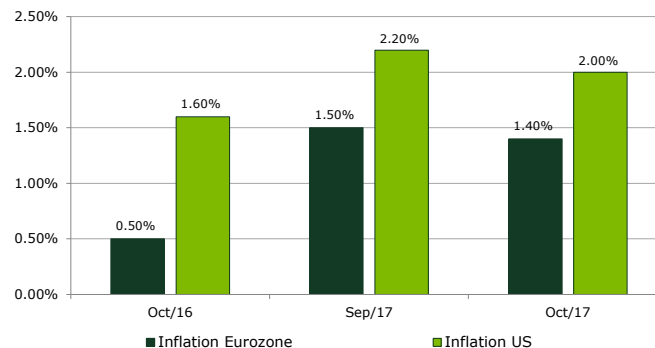


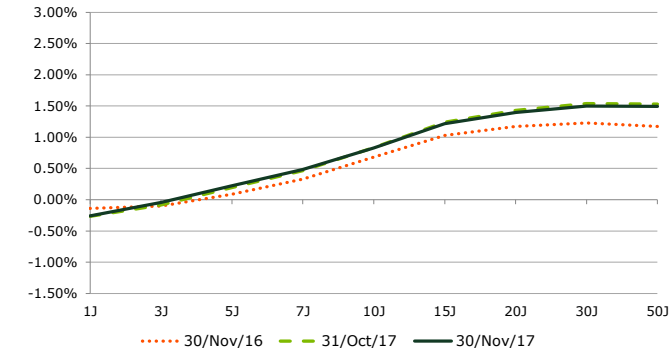
Forecast vs Actual GDP Growth Eurozone & US (YoY)



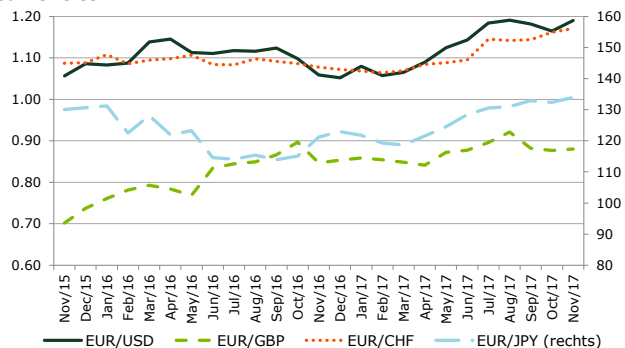
Inflation Rates Eurozone & US



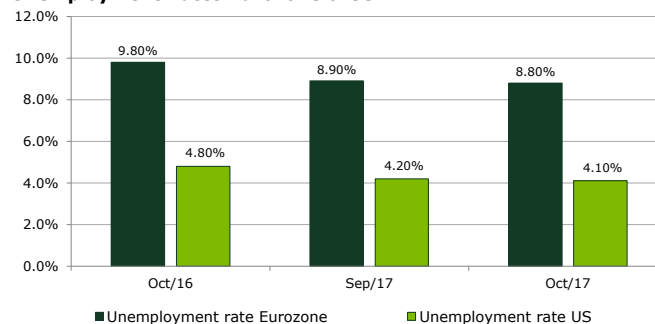
Euro Swap Curve



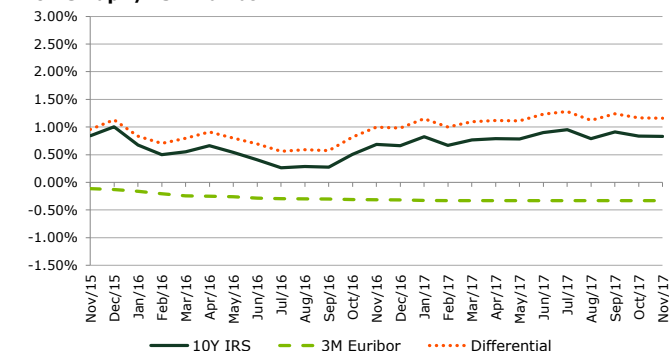
Currencies



Unemployment Rates Eurozone & US



10Y Swap -/- 3M Euribor



Macroeconomic Developments

- Last month, Russia and OPEC have reached an agreement in principle to extend the cap on oil production until the end of 2018. By limiting the oil production, the OPEC attempts to lower global oil reserves, which it expects will result in an increase of the oil price.
- The Cabinet of the United Kingdom agreed with an increase of the Brexit bill offer to EUR 40 billion. Previously, the UK government was willing to pay up to EUR 20 billion to settle long-term financial obligations, while EU negotiators expect payment of at least EUR 60 billion. Early December, it was reported that negotiators have reached an agreement on the settlements of dues.
- The European Commission announced that economic confidence indicators of the eurozone economy increased further in November 2017 compared to October 2017. The index that measures the confidence level increased in November 2017 from 114.1 to 114.6, the highest level since 2001.

Ratings Countries

- In November 2017, credit rating agency Standard & Poor's affirmed the credit rating of the Netherlands at AAA with a stable outlook.

Inflation

- According to Eurostat, the inflation rate in the eurozone fell to 1.4% in October 2017. The new estimate is lower than analysts' expectations of an inflation rate of 1.5%. The inflation rate of the European Union decreased from 1.8% in September to 1.7% in October 2017.
- In October 2017, inflation in the United States decreased to 2.0%. In September 2017, prices increased by 2.2% compared to September 2016. The decrease of the inflation rate is primarily the result of volatile energy and food prices. The US core inflation rate, which excludes energy and food prices, increased in October 2017 from 1.7% to 1.8%.

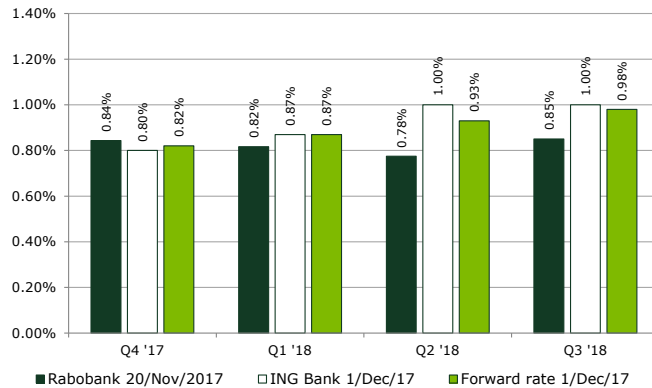
Unemployment Rates

- The eurozone unemployment rate decreased in October 2017 to 8.8%, the lowest level since January 2009. Approximately 14.3 million citizens within the eurozone were unemployed at the end of October 2017.
- The US unemployment rate decreased from 4.2% in September 2017 to 4.1% in October 2017. Furthermore, the US Department of Labor reported a stronger than expected decrease of people filing unemployment benefits in November 2017. Because of this, a further decrease of the unemployment rate is expected in November 2017.

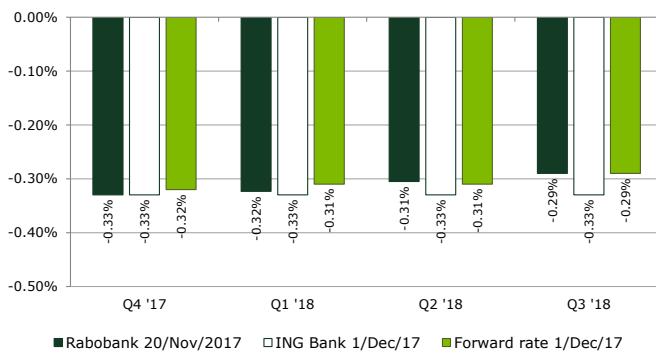
Interest Rates

- The euro swap curve increased for tenors up to 10-years in November 2017 compared to October 2017. For tenors of 10 years and upwards, the swap curve decreased compared to the previous month. Swap rates for tenors of 1, 2 and 3 years are below zero at the end of November.
- Compared to October 2017, the 10-year euro swap rate decreased by 1 basis point to 0.83% at the end of November 2017.
- The 3-month Euribor remained unchanged at -0.33% at the end of November 2017.
- The decrease in the 10-year interest rate swap and the stable 3-month Euribor rate resulted in a 1 basis point decrease in the spread between the 3-month Euribor and the 10-year interest rate swap. The spread was 116 basis points at the end of November.
- Please note: The interest rates presented above do not take into account any liquidity and credit spreads charged by banks and other lenders.

Interest Rate Forecasts 10Y Swap



Interest Rate Forecasts 3M Euribor



Interest Rate Forecasts

- ING Bank expects the 10-year swap rate to increase to 1.00% in Q3 2018. Rabobank expects that the 10-year swap rate will increase to 0.85% in Q3 2018, after having decreased in the first half year of 2018.
- ING Bank expects the 3-month Euribor to remain stable at -0.32% until Q3 2018. Rabobank expects the 3-month Euribor to increase by 4 basis points to -0.29%.
- The Q3 2018 forward rate for the 10-year interest rate swap is 0.98% and the 3-month Euribor forward rate for the same quarter is -0.29%.
- Please note that these interest rate forecasts are based on predictions and are therefore uncertain. Taking financial actions based on the forecasts above may be considered speculative trading.*

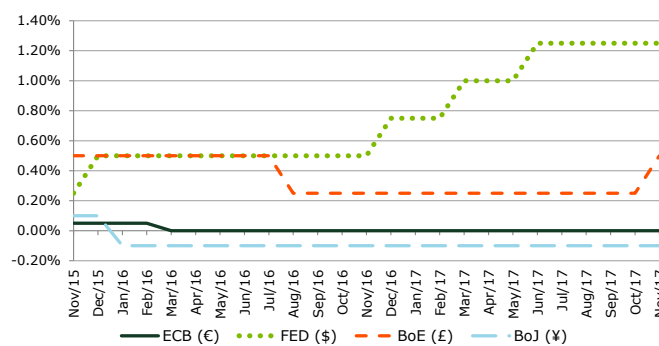
Ratings

- In November 2017, the credit ratings of the banks listed in the table above remained unchanged.

Bank Ratings

	S&P	Moody's	Fitch
Rabobank	A+	Aa2	AA-
ING Bank	A+	Aa3	A+
ABN AMRO	A	A1	A+
BNG Bank	AAA	Aaa	AA+
NWB Bank	AAA	Aaa	N.a.
Deutsche Bank	A-	Baa2	BBB+
BNP Paribas	A	Aa3	A+
Barclays Bank	A	A1	A
Credit Suisse Int.	A	A1	A-

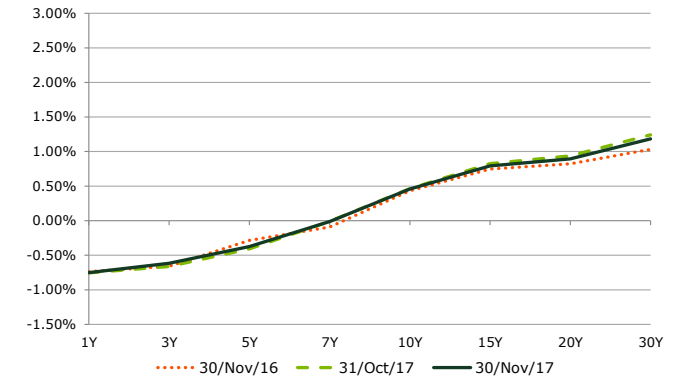
Central Bank Policy Rates



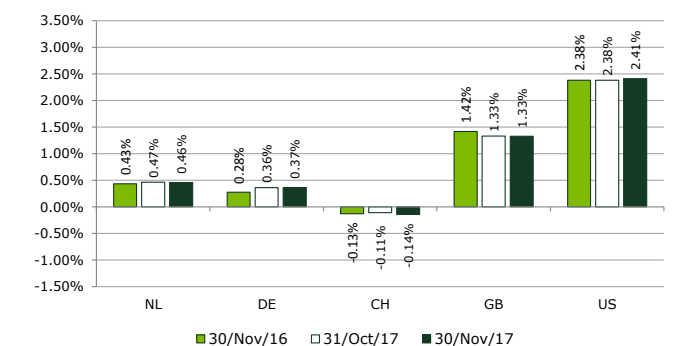
Central Bank Policy Rates

- In November 2017, the Bank of England (BoE) increased its Bank Rate by 0.25% to 0.50%. According to the BoE, economic growth remains sluggish and inflation will decrease conditioned on the gently rising path of the Bank Rate.
- Minutes from the most recent policy meeting of the Federal Reserve (Fed) show that the majority of Fed officials are inclined to increase the official interest rates in the near future. Therefore, it seems likely that the interest rate will be increased in December 2017. So far, the Fed increased its Federal Funds Rate twice in 2017. The latest increase was in June 2017.
- The ECB and the Bank of Japan did not hold monetary policy meetings in November 2017.
- Please note: The interest rate as set by the Bank of Japan fluctuates between 0.00% and -0.10%. In the graph, the lower bound is shown. Furthermore, the graph displays the upper bound of the federal funds rate bandwidth of 1.00% to 1.25%.*

Dutch Government Bond Curve



Yields 10Y Government Bonds



Dutch Government Bond Curve

- Compared to September 2017, yields on Dutch government bonds have increased in November 2017 for all tenors up to the 7-year point. Yields decreased for tenors of 7 years and higher. The curve is below zero for tenors up to and including 7 years on 30 November 2017.

Government Bond Yields

- Yields on Dutch, Swiss and US 10-year government bonds decreased in November 2017 compared to October 2017.
- The yield on 10-year German government bonds increased with 1 basis point compared to the end of October 2017. On 30 November 2017, the yield on a 10-year German government bond was 0.37%.
- The 10-year yield on Dutch, German and US government bonds increased marginally in November 2017 compared to November 2016. The yields on Swiss and British government bonds decreased compared to the previous year.