



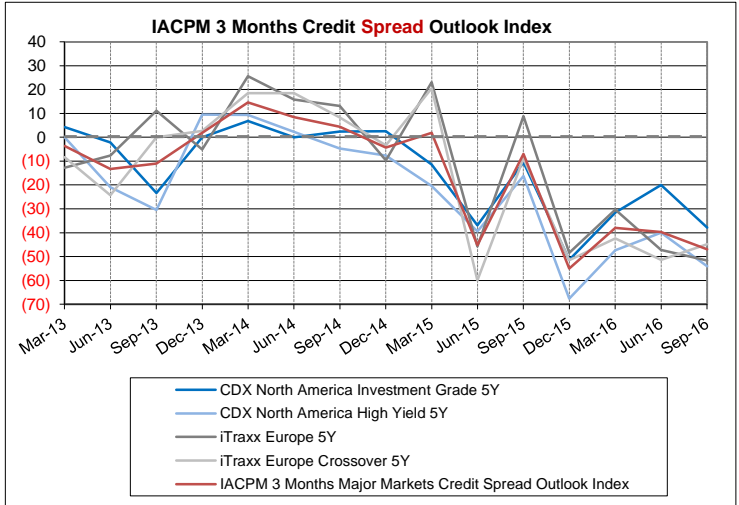
## Third Quarter 2016 Credit Outlook

### Expected direction Credit Spreads will move over the course of the next 3 months

Percent of total respondents selecting the option.	Up (widen)	Unchanged	Down (narrow)	IACPM 3 Months Credit Spread Outlook Index (positive numbers indicate credit improvement)				
	Sep-16	Sep-16	Sep-16	Sep-16	Jun-16	Mar-16	Dec-15	Sep-15
CDX North America Investment Grade 5Y	57%	24%	19%	(37.8)	(20.0)	(31.6)	(51.4)	(10.5)
CDX North America High Yield 5Y	70%	14%	16%	(54.1)	(40.0)	(47.4)	(67.6)	(16.2)
iTraxx Europe 5Y	72%	7%	21%	(51.7)	(47.2)	(30.3)	(48.5)	8.8
iTraxx Europe Crossover 5Y	69%	7%	24%	(44.8)	(51.4)	(42.4)	(51.5)	(8.8)

### IACPM 3 Months Major Markets Credit Spread Outlook Index (weighted average based on number of responses)

(47.0) (39.7) (38.0) (55.0) (7.0)



### Expected direction Credit Default Rates will move over the course of the next 12 months (annual twelve month trailing)

Percent of total respondents selecting the option.	Up	Unchanged	Down	IACPM 12 Months Credit Default Outlook Index (positive numbers indicate credit improvement)				
	Sep-16	Sep-16	Sep-16	Sep-16	Jun-16	Mar-16	Dec-15	Sep-15
Average Corporate	62%	27%	12%	(50.0)	(54.5)	(64.6)	(63.9)	(43.9)
North America Corporate	66%	24%	11%	(55.3)	(48.7)	(82.1)	(65.0)	(51.2)
Europe Corporate	58%	29%	13%	(45.2)	(64.9)	(40.0)	(47.2)	(20.0)
Asia Corporate	67%	22%	11%	(55.6)	(56.0)	(71.4)	(80.8)	(70.4)
Australia Corporate	53%	35%	12%	(41.2)	(45.0)	(66.7)	(70.0)	(35.0)
Average Retail/ Consumer Mortgage	54%	36%	10%	(44.4)	(50.0)	(53.8)	(52.7)	(23.7)
Average Commercial Real Estate	61%	28%	11%	(49.4)	(53.6)	(49.5)	(46.8)	(25.9)

### IACPM Aggregate Credit Default Outlook Index (weighted average based on number of responses)

(48.1) (52.8) (56.2) (54.8) (31.4)

