



Second Quarter 2014 Credit Outlook

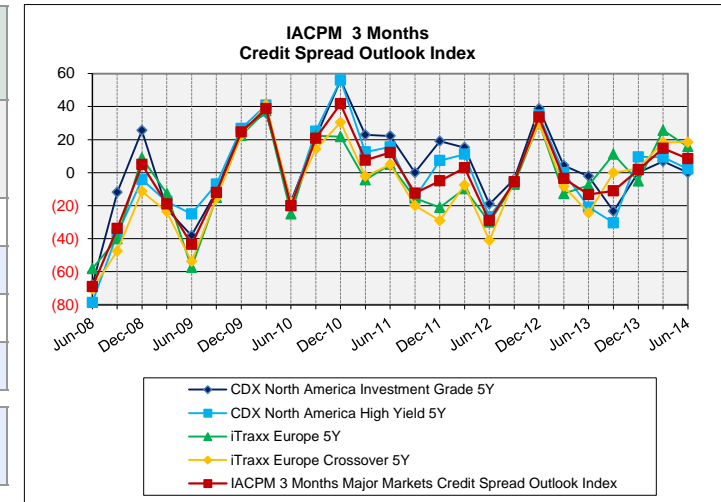
Expected direction Credit Spreads will move over the course of the next 3 months

Percent of total respondents selecting the option.	Up (widen)	Unchanged	Down (narrow)	IACPM 3 Months Credit Spread Outlook Index (positive numbers indicate credit improvement)				
	Jun-14	Jun-14	Jun-14	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
CDX North America Investment Grade 5Y vs. 58*	20%	60%	20%	0.0	6.8	0.0	(23.4)	(2.2)
CDX North America High Yield 5Y vs. 303*	25%	48%	27%	2.3	9.3	9.5	(30.4)	(20.9)
iTraxx Europe 5Y vs. 62*	18%	47%	34%	15.8	25.6	(5.1)	11.1	(7.7)
iTraxx Europe Crossover 5Y vs. 241*	21%	39%	39%	18.4	18.4	2.6	0.0	(24.3)

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

8.5	14.6	1.8	(11.0)	(13.3)
------------	-------------	------------	---------------	---------------

*Values as of June 30, 2014 in basis points; Source: Markt



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)				
	Jun-14	Jun-14	Jun-14	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Average Corporate	33%	49%	17%	(15.9)	(22.2)	4.3	(13.2)	(32.4)
Average Retail/ Consumer Mortgage	40%	43%	17%	(22.4)	(7.3)	0.8	(2.4)	(39.7)
Average Commercial Real Estate	33%	51%	15%	(17.9)	(13.0)	8.3	(3.9)	(34.8)

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

(18.6)	(14.6)	4.5	(6.9)	(35.6)
---------------	---------------	------------	--------------	---------------

