



## Fourth Quarter 2009 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) Dec-09	Unchanged Dec-09	Down (narrow) Dec-09	IACPM Credit Spread Outlook Index (positive numbers indicate credit improvement)				
				Dec-09	Sep-09	Jun-09	Mar-09	Dec-08
CDX North America Investment Grade 5Y vs. 83*	24%	26%	50%	26.1	(11.1)	(38.1)	(22.0)	25.5
CDX North America High Yield 5Y vs. 502*	29%	16%	56%	26.7	(7.0)	(25.0)	(17.5)	(4.3)
iTraxx Europe 5Y vs. 73*	25%	28%	48%	22.5	(15.0)	(57.5)	(12.8)	8.9
iTraxx Europe Crossover 5Y vs. 428*	28%	23%	50%	22.5	(15.4)	(53.8)	(23.7)	(11.4)

### IACPM Major Markets Credit Spread Outlook Index

(weighted average based on number of responses)

**24.6 (12.0) (43.5) (19.0) 4.9**

\*Values as of December 29, 2009 in basis points; Source: Markit

### Expected direction Credit Defaults will move over the course of the next 12 months

Percent of total respondents selecting the option.	Up Dec-09	Unchanged Dec-09	Down Dec-09	IACPM Credit Default Outlook Index (positive numbers indicate credit improvement)				
				Dec-09	Sep-09	Jun-09	Mar-09	Dec-08
Average Corporate	20%	25%	55%	35.4	(2.8)	(71.2)	(96.6)	(90.1)
Average Retail/ Consumer	28%	21%	51%	22.4	(17.9)	(67.6)	(94.3)	(92.2)
Average Real Estate	49%	27%	24%	(25.3)	(25.9)	(78.1)	(95.0)	(89.6)

### IACPM Aggregate Credit Default Outlook Index

(weighted average based on number of responses)

**10.9 (15.3) (72.3) (95.3) (90.7)**

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