



Second Quarter 2010 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) Jun-10	Unchanged Jun-10	Down (narrow) Jun-10	IACPM 3 Months Credit Spread Outlook Index (positive numbers indicate credit improvement)				
				Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
CDX North America Investment Grade 5Y vs. 121*	43%	30%	26%	(17.4)	36.2	26.1	(11.1)	(38.1)
CDX North America High Yield 5Y vs. 637*	47%	27%	27%	(20.0)	40.9	26.7	(7.0)	(25.0)
iTraxx Europe 5Y vs. 132*	50%	25%	25%	(25.0)	37.5	22.5	(15.0)	(57.5)
iTraxx Europe Crossover 5Y vs. 582*	48%	23%	30%	(18.2)	41.0	22.5	(15.4)	(53.8)

IACPM Major Markets Credit Spread Outlook Index

(weighted average based on number of responses)

(20.1) 38.8 24.6 (12.0) (43.5)

*Values as of June 29, 2010 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 Jun-10	Unchanged Jun-10	Down Jun-10	IACPM 12 Months Credit Default Outlook Index (positive numbers indicate credit improvement)				
				Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
Average Corporate	31%	34%	36%	4.7	60.0	35.4	(2.8)	(71.2)
Average Retail/ Consumer Mortgage	38%	34%	28%	(10.5)	35.7	22.4	(17.9)	(67.6)
Average Commercial Real Estate	46%	32%	21%	(25.0)	13.7	(25.3)	(25.9)	(78.1)

IACPM Aggregate Credit Default Outlook Index

(weighted average based on number of responses)

(10.0) 37.7 10.9 (15.3) (72.3)

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