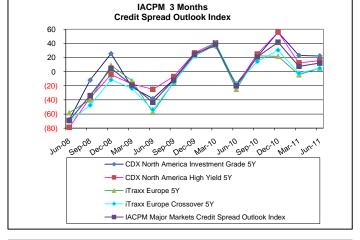


## **Second Quarter 2011 Credit Outlook**

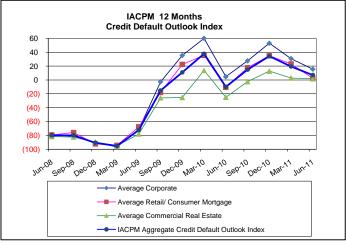
Percent of total respondents selecting the option.	Up (widen)	Unchanged	Down (narrow)	and the second operation					
	Jun-11	Jun-11	Jun-11	Jun-11	Mar-11	Dec-10	Sep-10	Jun-10	
CDX North America Investment Grade 5Y vs. 96*	18%	42%	40%	22.2	22.9	56.0	21.1	(17.4)	
CDX North America High Yield 5Y vs. 486*	22%	40%	38%	15.6	12.5	56.0	25.0	(20.0)	
iTraxx Europe 5Y vs. 111*	29%	37%	34%	4.9	(4.4)	21.7	22.4	(25.0)	
iTraxx Europe Crossover 5Y vs. 413*	32%	32%	36%	4.9	(2.2)	30.4	14.3	(18.2)	



## 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)				
selecting the option.	Jun-11	Jun-11	Jun-11	Jun-11	Mar-11	Dec-10	Sep-10	Jun-10
Average Corporate	21%	42%	37%	15.6	30.7	53.0	27.6	4.7
Average Retail/ Consumer Mortgage	28%	41%	31%	2.5	23.1	35.0	17.7	(10.5)
Average Commercial Real Estate	28%	42%	30%	1.7	2.8	12.8	(2.4)	(25.0)

IACPM Aggregate Credit Default Outlook Index (weighted average based on number of responses)	7.1	19.4	34.3	14.8	(10.0)



<sup>\*</sup>Values as of June 29, 2011 in basis points; Source: Markit