



Fourth Quarter 2011 Credit Outlook

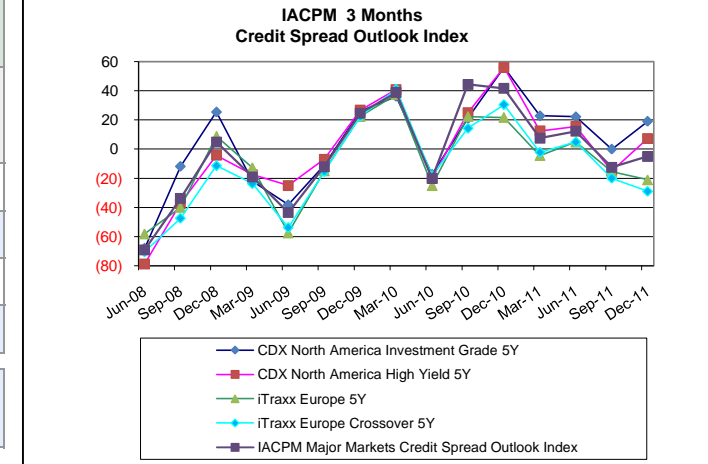
Expected direction Credit Spreads will move over the course of the next 3 months

Percent of total respondents selecting the option.	Up (widen) Dec-11	Unchanged Dec-11	Down (narrow) Dec-11	IACPM 3 Months Credit Spread Outlook Index (positive numbers indicate credit improvement)				
				Dec-11	Sep-11	Jun-11	Mar-11	Dec-10
CDX North America Investment Grade 5Y vs. 121*	24%	33%	43%	19.1	0.0	22.2	22.9	56.0
CDX North America High Yield 5Y vs. 686*	32%	29%	39%	7.3	(15.0)	15.6	12.5	56.0
iTraxx Europe 5Y vs. 175*	45%	32%	24%	(21.1)	(15.4)	4.9	(4.4)	21.7
iTraxx Europe Crossover 5Y vs. 759*	53%	24%	24%	(29.0)	(20.0)	4.9	(2.2)	30.4

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

(5.0) (12.5) 12.2 7.5 41.7

*Values as of December 29, 2011 in basis points; Source: Markit



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 Dec-11	Unchanged Dec-11	Down Dec-11	IACPM 12 Months Credit Default Outlook Index (positive numbers indicate credit improvement)				
				Dec-11	Sep-11	Jun-11	Mar-11	Dec-10
Average Corporate	40%	37%	23%	(17.3)	(34.8)	15.6	30.7	53.0
Average Retail/ Consumer Mortgage	42%	38%	20%	(21.7)	(38.0)	2.5	23.1	35.0
Average Commercial Real Estate	44%	40%	16%	(27.7)	(44.7)	1.7	2.8	12.8

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

(22.0) (39.0) 7.1 19.4 34.3

