

## First Quarter 2012 Credit Outlook

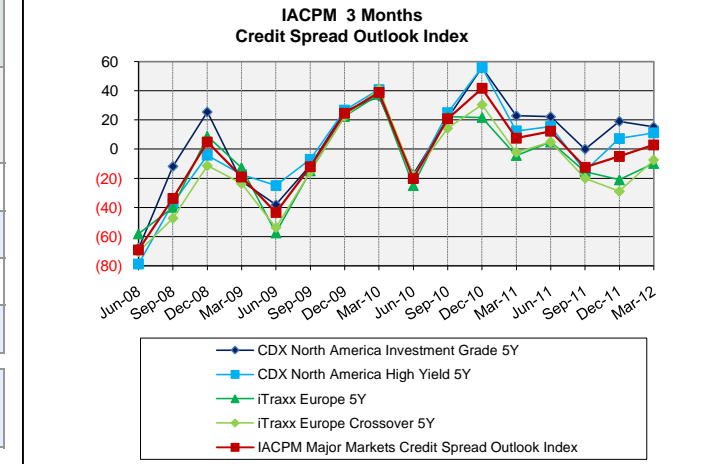
### Expected direction Credit Spreads will move over the course of the next 3 months

Percent of total respondents selecting the option.	Up (widen) Mar-12	Unchanged Mar-12	Down (narrow) Mar-12	IACPM 3 Months Credit Spread Outlook Index (positive numbers indicate credit improvement)				
				Mar-12	Dec-11	Sep-11	Jun-11	Mar-11
CDX North America Investment Grade 5Y vs. 93*	24%	37%	39%	15.2	19.1	0.0	22.2	22.9
CDX North America High Yield 5Y vs. 579*	24%	40%	36%	11.1	7.3	(15.0)	15.6	12.5
iTraxx Europe 5Y vs. 125*	32%	46%	22%	(9.8)	(21.1)	(15.4)	4.9	(4.4)
iTraxx Europe Crossover 5Y vs. 617*	33%	43%	25%	(7.5)	(29.0)	(20.0)	4.9	(2.2)

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

**2.9 (5.0) (12.5) 12.2 7.5**

\*Values as of March 29, 2012 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 Mar-12	Unchanged Mar-12	Down Mar-12	IACPM 12 Months Credit Default Outlook Index (positive numbers indicate credit improvement)				
				Mar-12	Dec-11	Sep-11	Jun-11	Mar-11
Average Corporate	35%	52%	13%	(21.9)	(17.3)	(34.8)	15.6	30.7
Average Retail/ Consumer Mortgage	35%	53%	13%	(22.0)	(21.7)	(38.0)	2.5	23.1
Average Commercial Real Estate	36%	54%	10%	(26.0)	(27.7)	(44.7)	1.7	2.8

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

**(23.3) (22.0) (39.0) 7.1 19.4**

