

IACPM 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-08	Unchanged Dec-08	Down (narrow) Dec-08	IACPM Credit Spread Outlook Index (positive numbers indicate credit improvement)				
				Dec-08	Sep-08	Jun-08	Mar-08	Dec-07
CDX North America Investment Grade 5Y vs. 203.10*	23%	28%	49%	25.5	(11.9)	(68.1)	20.0	(46.9)
CDX North America High Yield 5Y vs. 1,160.30*	38%	28%	34%	(4.3)	(37.2)	(78.7)	2.2	(76.1)
iTraxx Europe 5Y vs. 180.75*	27%	38%	36%	8.9	(40.0)	(58.1)	32.5	(37.8)
iTraxx Europe Crossover 5Y vs. 1,018.62*	34%	43%	23%	(11.4)	(47.5)	(70.5)	5.1	(48.8)

IACPM Major Markets Credit Spread Outlook Index

(weighted average based on number of responses)

4.9 (33.9) (69.1) 14.8 (52.5)

*Values as of December 29, 2008 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-08	Unchanged Dec-08	Down Dec-08	IACPM Credit Default Outlook Index (positive numbers indicate credit improvement)				
				Dec-08	Sep-08	Jun-08	Mar-08	Dec-07
Average Corporate	92%	5%	2%	(90.1)	(81.5)	(78.6)	(78.7)	(87.7)
Average Retail/ Consumer	95%	3%	2%	(92.2)	(75.8)	(79.5)	(85.5)	(87.7)
Average Real Estate	92%	5%	2%	(89.6)	(82.5)	(81.6)	(87.6)	(87.7)

IACPM Aggregate Credit Default Outlook Index

(weighted average based on number of responses)

(90.7) (80.0) (79.9) (83.9) (87.7)

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