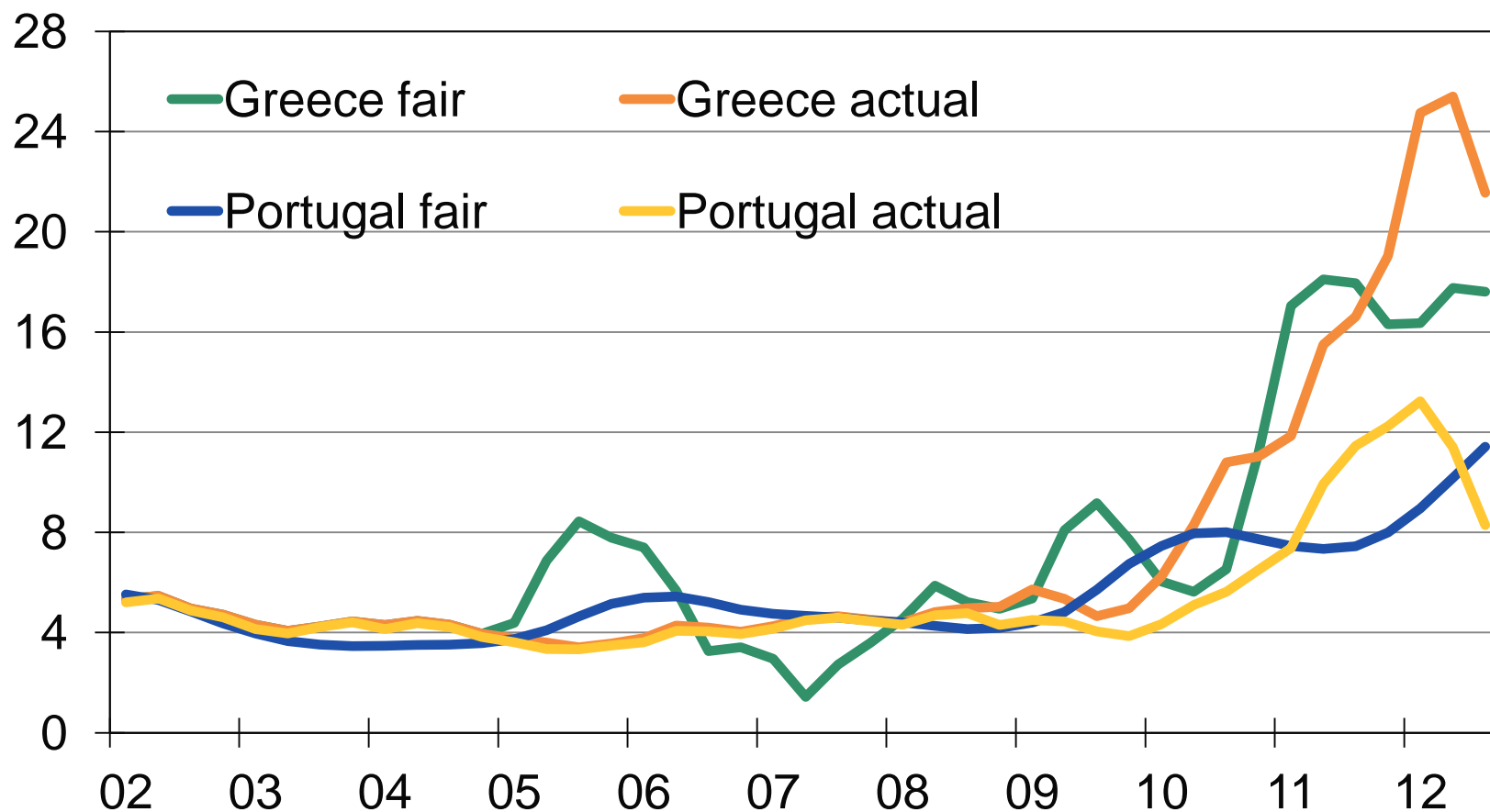


The ECB to the Rescue

PETR ZEMCIK, DIRECTOR OF ECONOMIC RESEARCH

Investors Shift Out of Risky Assets

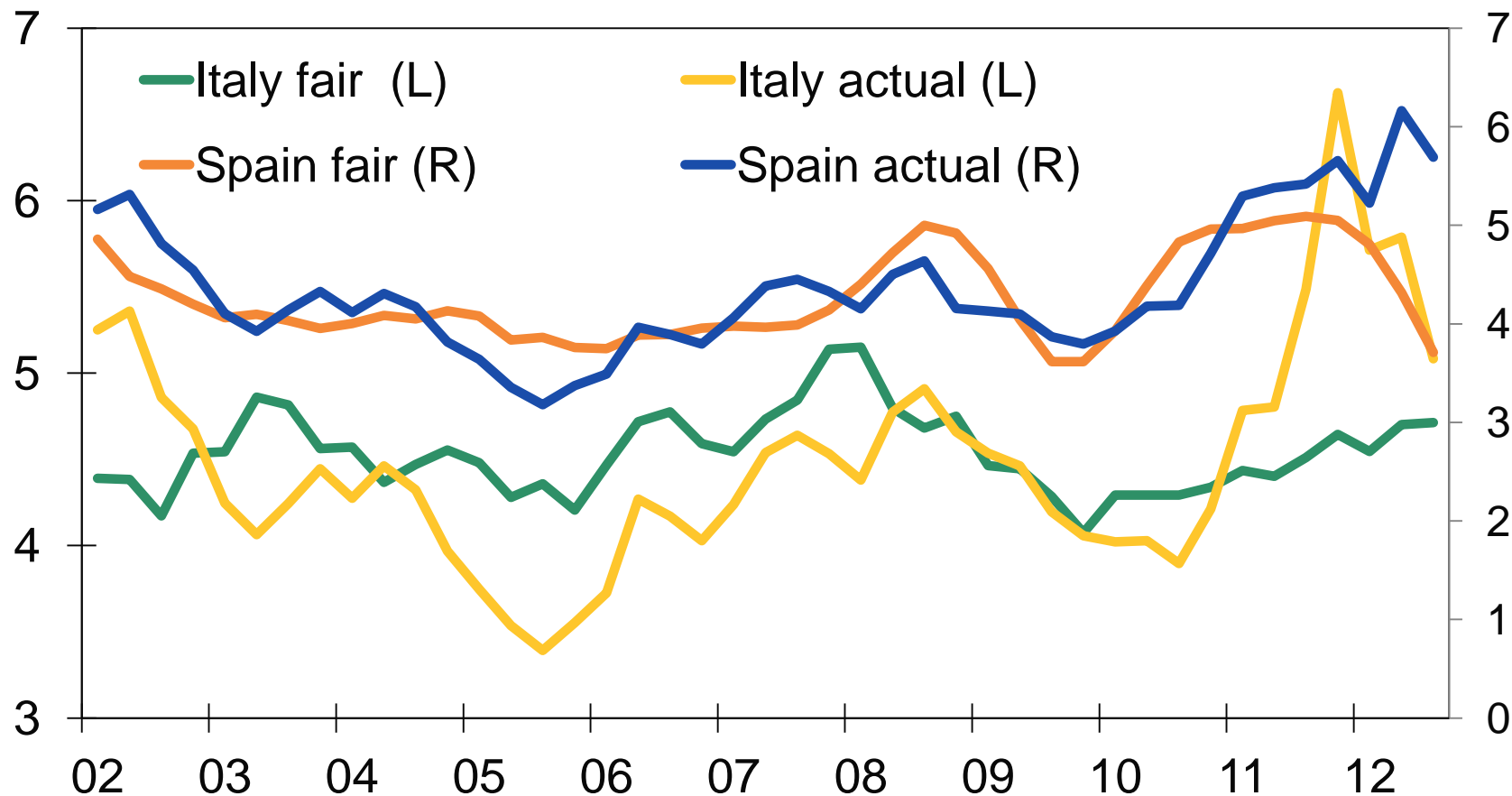
Fundamentals-driven vs actual 10yr bond yields, %



Source: National Statistical Offices, Moody's Analytics

Italy Gets Brunt of Contagion from Spain

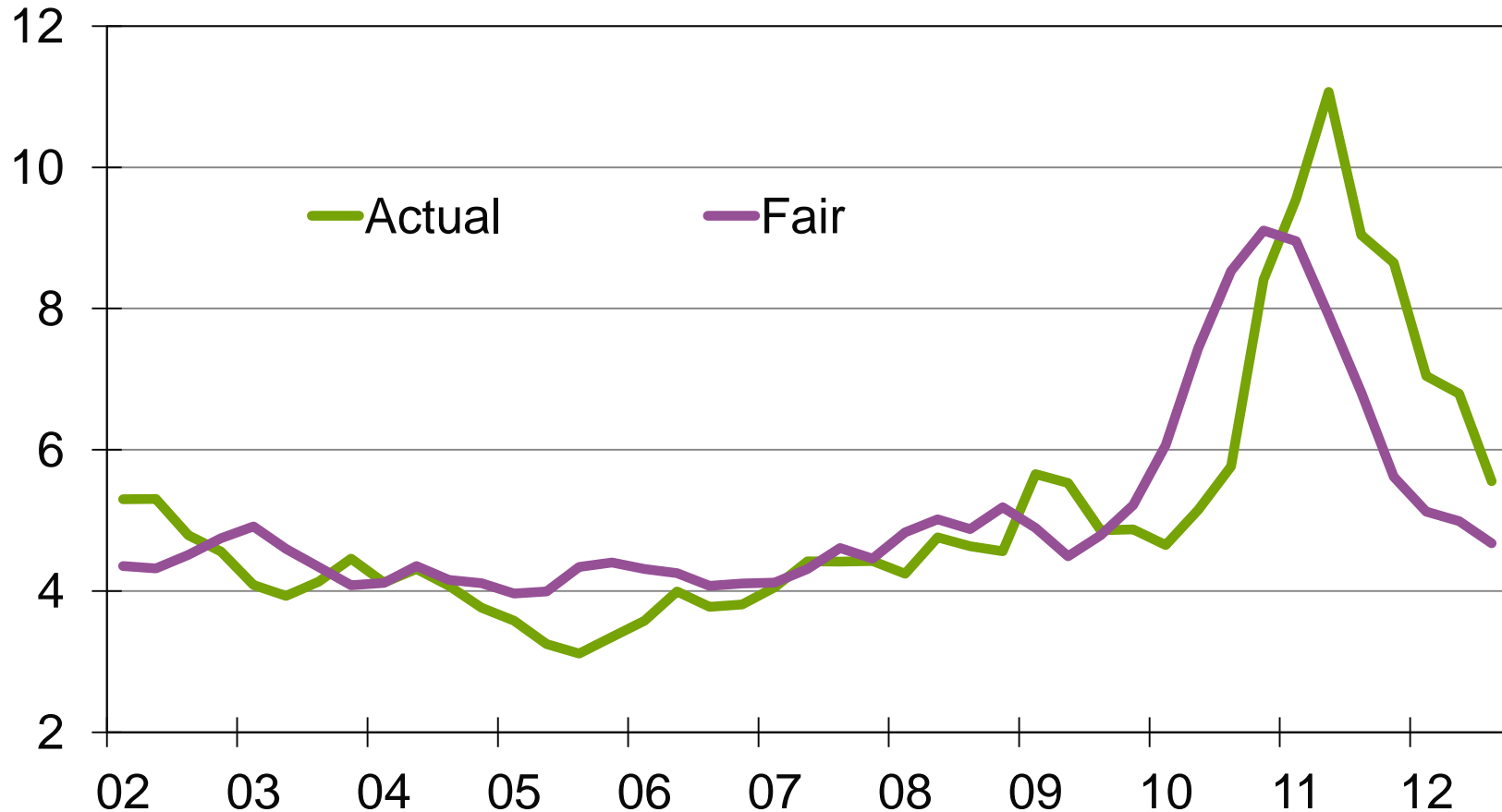
Fundamentals-driven vs actual 10yr bond yields, %



Sources: Moody's Analytics, Bloomberg

Investors Price Irish Fiscal Troubles

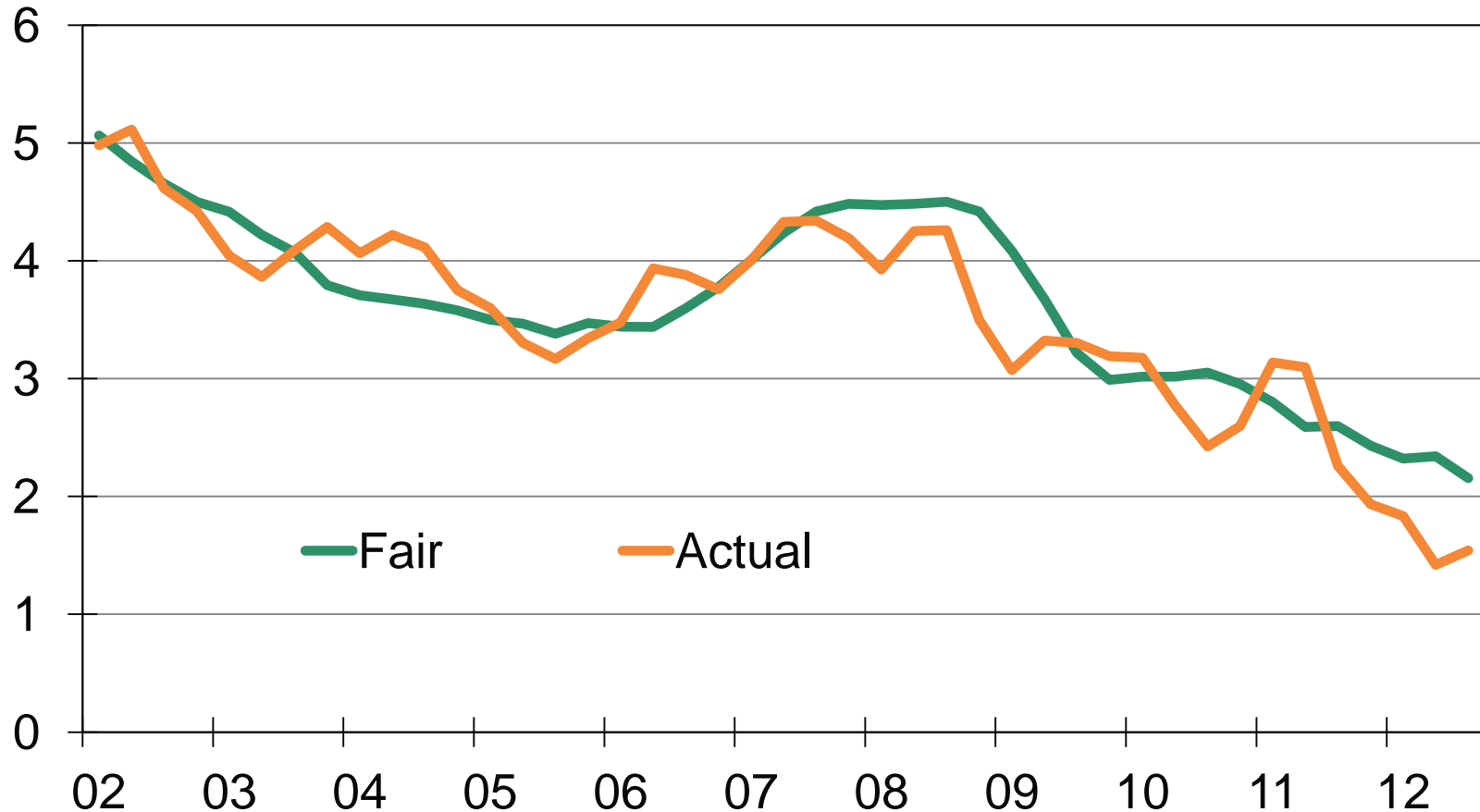
Fundamentals-driven vs actual 10yr bond yields, %



Sources: Moody's Analytics, Bloomberg

Haven Rush Drives German Yields Low

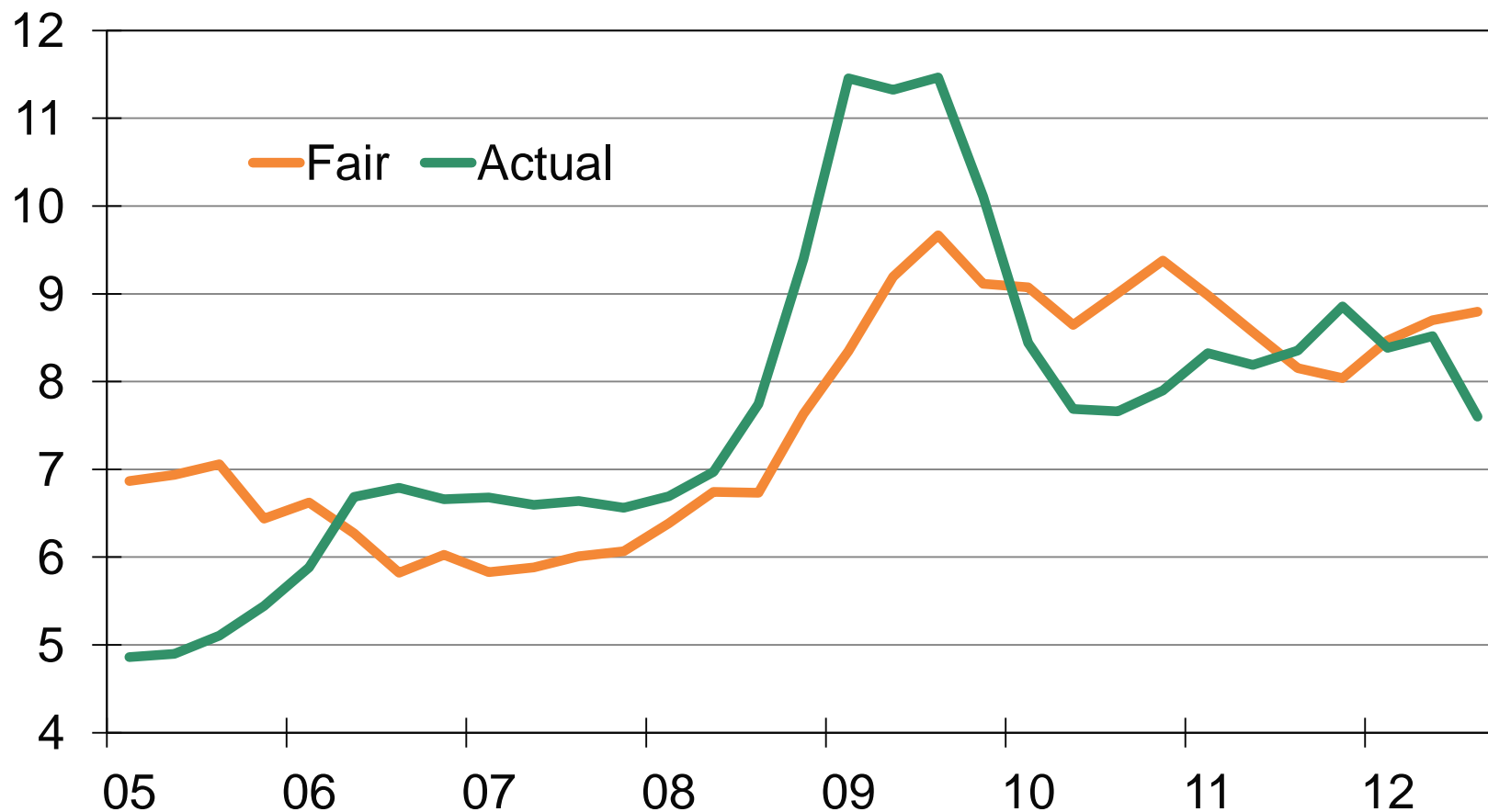
Fundamentals-driven vs actual 10yr bond yields, %



Sources: Moody's Analytics, Bloomberg

Russian Yields Fall on Oil Price Gain

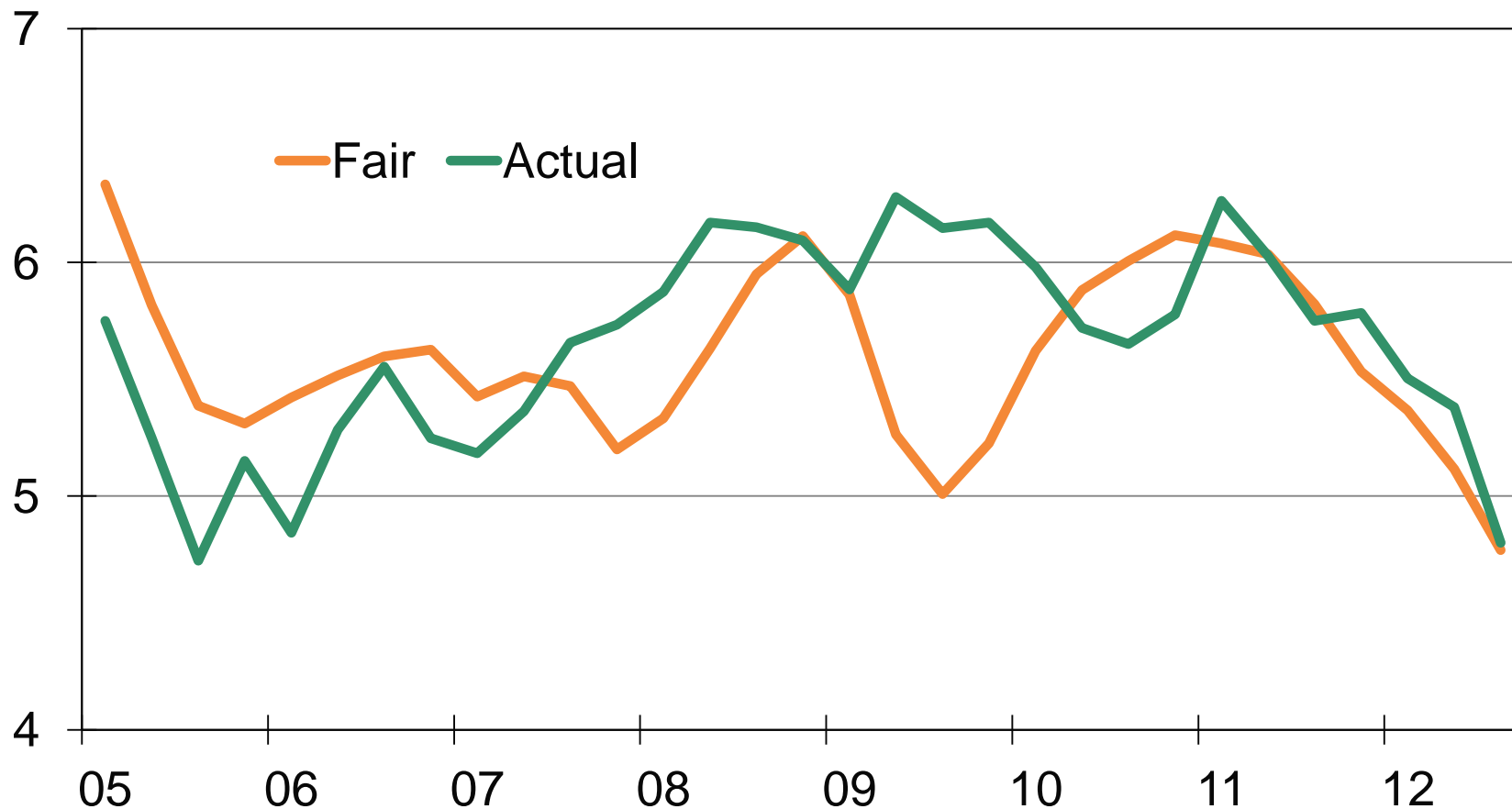
Fundamentals-driven vs actual 10yr bond yields, %



Sources: Moody's Analytics, Bloomberg

Polish Strong Fundamentals Lure Investors

Fundamentals-driven vs actual 10yr bond yields, %



Sources: Moody's Analytics, Bloomberg

Whose Interest Rates Are Above Survival Rates?

%

	Fiscal Space (debt/GDP)	Survival 10yr Yield, 12Q3	Fair 10yr Yield, 12Q3	Actual 10yr Yield, 12Q3
Germany	151.48	5.99	2.15	1.54
U.K.	136.77	7.06	2.36	1.74
France	120.80	5.30	3.15	2.17
Greece	No Space	1.99	17.61	21.56
Ireland	No Space	7.24	4.68	5.55
Italy	No Space	2.78	4.71	5.08
Portugal	No Space	4.74	11.42	8.29
Spain	No Space	5.00	3.71	5.69

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