

## Interest rate forecasts

US		YTD chg.				
		21-Jun*	Sep-13	Dec-13	Mar-14	Jun-14
	Fed funds	0 - 0.25	0 - 0.25	0 - 0.25	0 - 0.25	0 - 0.25
	3M Libor	0.27	0.25	0.25	0.25	0.25
	2Y bmk yield	0.33	0.37	0.39	0.42	0.52
	5Y bmk yield	1.30	1.44	1.52	1.60	1.82
	10Y bmk yield	2.40	2.55	2.65	2.75	3.00
	30Y bmk yield	3.49	3.60	3.70	3.80	4.00
	2s/10s bmk curve	208	218	226	233	248
	10s/30s bmk curve	109	105	105	105	100
	2s/30s bmk curve	316	323	331	338	348
	2Y swap spread	17	16	13	13	13
	5Y swap spread	20	18	16	16	16
	10Y swap spread	22	17	15	15	15
	30Y swap spread	-7	-5	0	0	0

Euro area		YTD chg.				
		21-Jun*	Sep-13	Dec-13	Mar-14	Jun-14
	Refi rate	0.50	0.50	0.50	0.50	0.50
	3M Euribor	0.22	0.20	0.25	0.25	0.25
	2Y bmk yield	0.23	0.30	0.35	0.40	0.45
	5Y bmk yield	0.75	0.90	1.05	1.20	1.30
	10Y bmk yield	1.68	1.85	2.00	2.15	2.30
	30Y bmk yield	2.47	2.60	2.75	2.85	2.95
	2s/10s bmk curve	145	155	165	175	185
	10s/30s bmk curve	79	75	75	70	65
	2s/30s bmk curve	224	230	240	245	250
	2Y swap spread	35	34	32	30	28
	5Y swap spread	47	46	44	40	38
	10Y swap spread	29	27	24	22	20
	30Y swap spread	5	5	4	3	2

10Y spread to Germany (curve adj.)		YTD chg.				
		21-Jun*	Sep-13	Dec-13	Mar-14	Jun-14
	Austria	37	35	25	25	25
	Belgium	88	80	70	65	60
	Finland	28	25	20	20	20
	France	59	60	55	50	50
	Ireland	242	235	200	175	175
	Italy	284	270	225	200	180
	Netherlands	37	35	30	25	25
	Portugal	480	450	400	350	325
	Spain	311	290	250	225	200
	Wtd. peri. spread	301	284	241	214	194

UK		YTD chg.				
		21-Jun*	Sep-13	Dec-13	Mar-14	Jun-14
	Base rate	0.50	0.50	0.50	0.50	0.50
	3M Libor	0.51	0.50	0.50	0.50	0.60
	2Y bmk yield	0.48	0.60	0.70	0.85	1.05
	5Y bmk yield	1.18	1.40	1.60	1.85	2.15
	10Y bmk yield	2.33	2.60	2.75	3.00	3.20
	30Y bmk yield	3.44	3.60	3.70	3.90	4.05
	2s/10s bmk curve	185	200	205	215	215
	10s/30s bmk curve	111	100	95	90	85
	2s/30s bmk curve	296	300	300	305	300
	2Y swap spread	25	30	30	30	30
	5Y swap spread	14	20	15	15	15
	10Y swap spread	4	0	-5	-5	-5
	30Y swap spread	-26	-20	-20	-17	-17

Japan		YTD chg.				
		21-Jun*	Sep-13	Dec-13	Mar-14	Jun-14
	O/N call rate	0.08	0.08	0.08	0.08	0.08
	2Y bmk yield	0.13	0.12	0.14	0.14	0.16
	5Y bmk yield	0.34	0.25	0.30	0.30	0.40
	10Y bmk yield	0.84	0.70	0.80	0.85	0.90
	20Y bmk yield	1.73	1.65	1.70	1.70	1.75
	30Y bmk yield	1.86	1.80	1.85	1.85	1.90
	2s/10s bmk curve	71	58	66	71	74
	10s/30s bmk curve	103	110	105	100	100
	2s/30s bmk curve	174	168	171	171	174

Australia		YTD chg.				
		21-Jun*	Sep-13	Dec-13	Mar-14	Jun-14
	Cash rate	2.75	2.75	2.50	2.25	2.25
	3Y bmk yield	2.75	2.65	2.80	2.80	3.00
	10Y bmk yield	3.67	3.50	3.55	3.55	3.70

New Zealand		YTD chg.				
		21-Jun*	Sep-13	Dec-13	Mar-14	Jun-14
	Cash rate	2.50	2.75	2.75	3.00	3.00
	2Y bmk yield	2.53	2.55	2.80	2.95	3.02
	10Y bmk yield	4.11	4.00	4.15	4.20	4.30

\* Levels as of 1:00PM London time.

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