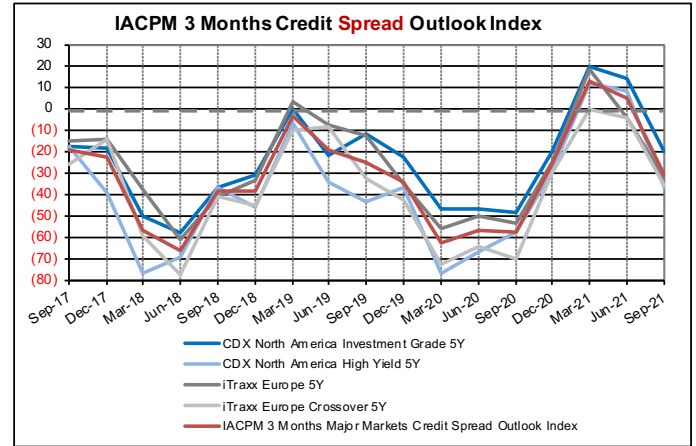




## Third Quarter 2021 Credit Outlook

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

Percent of total respondents selecting the option.	Up (widen) Sep-21	Unchanged Sep-21	Down (narrow) Sep-21	IACPM 3 Months Credit Spread Outlook Index <i>(positive numbers indicate credit improvement)</i>				
				Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
CDX North America Investment Grade 5Y	33%	53%	13%	(20.0)	14.3	20.0	(20.0)	(48.5)
CDX North America High Yield 5Y	50%	37%	13%	(36.7)	8.8	12.1	(29.4)	(57.6)
iTraxx Europe 5Y	43%	46%	11%	(32.1)	(3.6)	18.8	(25.0)	(53.3)
iTraxx Europe Crossover 5Y	46%	43%	11%	(35.7)	(3.8)	0.0	(29.6)	(70.0)
<b>IACPM 3 Months Major Markets Credit Spread Outlook Index</b> <i>(weighted average based on number of responses)</i>				<b>(31.0)</b>	<b>4.9</b>	<b>13.2</b>	<b>(25.8)</b>	<b>(57.1)</b>



### Expected direction Credit Default Rates will move over the course of the next 12 months

*(annual twelve month trailing) \* starting Jun-20, averages include expected credit default rate direction for South/Central America and Africa.*

Percent of total respondents selecting the option.	Up Sep-21	Unchanged Sep-21	Down Sep-21	IACPM 12 Months Credit Default Outlook Index <i>(positive numbers indicate credit improvement)</i>				
				Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
Average Corporate *	25%	59%	16%	(9.4)	6.0	(19.5)	(51.1)	(72.7)
North America Corporate	32%	50%	18%	(14.7)	7.7	16.7	(44.7)	(72.5)
Europe Corporate	28%	50%	22%	(6.3)	12.1	(31.4)	(58.1)	(81.1)
Asia Corporate	26%	65%	9%	(17.4)	9.1	(13.0)	(42.9)	(55.6)
Australia Corporate	17%	72%	11%	(5.6)	15.0	0.0	(31.3)	(65.0)
Average Retail/ Consumer Mortgage *	23%	64%	13%	(10.3)	2.9	(39.5)	(67.7)	(74.1)
Average Commercial Real Estate *	34%	61%	5%	(29.6)	(1.5)	(62.4)	(74.6)	(76.8)
<b>IACPM Aggregate Credit Default Outlook Index *</b> <i>(weighted average based on number of responses)</i>				<b>(16.2)</b>	<b>2.6</b>	<b>(39.7)</b>	<b>(64.2)</b>	<b>(74.5)</b>

