Recent Money Market Developments

Money Market Contact Group
Frankfurt am Main, 29 February 2008
EURIBOR vs. OIS spread until 17 December 2007
ECB operations, reserve surplus and Eonia in the Dec’07/Jan’08 maintenance period

- MRO with benchmark +35.0 bn
- 2-weeks MRO with benchmark +168.1 bn
- MRO of 20.0 bn
- MRO with benchmark +35.0 bn
- MRO with benchmark +4.0 bn
- supplementary LTRO of 60.0 bn
- LTRO of 48.5 bn
- LTRO of 48.5 bn
- MRO of 20.0 bn
- MRO with benchmark +35.0 bn
- MRO with benchmark +4.0 bn
- FTO of -20.0 bn
- FTO of -168.6 bn
- FTO of -150.0 bn
- FTO of -145.6 bn
- FTO of -141.6 bn
- FTO of -101.6 bn
- FTO of -141.6 bn
- FTO of -133.6 bn
- FTO of -136.6 bn
- FTO of -141.6 bn
- FTO of -150.0 bn
- FTO of -150.0 bn
- FTO of -200.0 bn
- MRO with benchmark +4.0 bn
- MRO with benchmark +4.0 bn
EURIBOR vs. OIS spread until 27 February 2008
ECB operations, reserve surplus and Eonia in the Jan/Feb ’08 maintenance period
Development of spread between MRO rates and the minimum bid rate
Weighted average maturity of the ECB’s liquidity providing operations
Development of spread between LTRO rates and 3m Eonia swap rates
International comparison of 3-month deposit-OIS spreads

- 9 Aug: Start of turmoil
- 18 Aug: First ECB extra LTRO
- 13 Sep: BoE injects reserves
- 18 Sep: FED cuts 50 bps
- 12 Dec: Coordinated CB action
- 17 Dec: ECB 2-week MRO
# Results of the Eurosystem’s USD providing operations

<table>
<thead>
<tr>
<th>Characteristics of the tender</th>
<th>TAF07001 17-Dec-07</th>
<th>TAF07002 20-Dec-07</th>
<th>TAF08001 14-Jan-08</th>
<th>TAF08002 28-Jan-08</th>
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</thead>
<tbody>
<tr>
<td>Reference number</td>
<td>TAF07001</td>
<td>TAF07002</td>
<td>TAF08001</td>
<td>TAF08002</td>
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<tr>
<td>Auction date</td>
<td>17-Dec-07</td>
<td>20-Dec-07</td>
<td>14-Jan-08</td>
<td>28-Jan-08</td>
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<tr>
<td>Min bid (in million)</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
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<tr>
<td>Max bid (in million)</td>
<td>1,000</td>
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<tr>
<td>Auction type</td>
<td>Fixed rate tender</td>
<td>Fixed rate tender</td>
<td>Fixed rate tender</td>
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<tr>
<td>Term</td>
<td>28 days</td>
<td>35 days</td>
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<td>From</td>
<td>20-Dec-07</td>
<td>27-Dec-07</td>
<td>17-Jan-08</td>
<td>31-Jan-08</td>
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<tr>
<td>To</td>
<td>17-Jan-08</td>
<td>31-Jan-08</td>
<td>14-Feb-08</td>
<td>28-Feb-08</td>
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<tr>
<td>Result of the tender</td>
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<td></td>
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<tr>
<td>Total Bid amount</td>
<td>22,080</td>
<td>14,115</td>
<td>14,790</td>
<td>12,400</td>
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<tr>
<td>Allotment</td>
<td>10,000</td>
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<td>10,000</td>
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<td>Bid-to cover</td>
<td>2.21</td>
<td>1.41</td>
<td>1.48</td>
<td>1.24</td>
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<tr>
<td>Number of bidders</td>
<td>39</td>
<td>27</td>
<td>22</td>
<td>19</td>
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<tr>
<td>Fixed rate</td>
<td>4.65%</td>
<td>4.67%</td>
<td>3.95%</td>
<td>3.123%</td>
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<td>Weighted average rate</td>
<td>4.65%</td>
<td>4.67%</td>
<td>3.95%</td>
<td>3.123%</td>
</tr>
<tr>
<td>Spread to Libor 1-Month USD</td>
<td>-0.32%</td>
<td>-0.30%</td>
<td>-0.13%</td>
<td>-0.15%</td>
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<tr>
<td>Allotment at marginal</td>
<td>45.2899%</td>
<td>70.8466%</td>
<td>67.6133%</td>
<td>80.6452%</td>
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</tbody>
</table>
3m forward EURIBOR - OIS spreads
EURIBOR - OIS spreads for longer maturities
12m-3m difference of spreads vs. iTRAXX financials
12m-3m spread of spreads vs. interest expectations
Euro area monetary policy expectations derived from Eonia swap rates

At the beginning of 2008

Currently

Rate change of 25 bp to 3.50%
Rate change of 25 bp to 3.75%
Rate change of 25 bp to 4.25%
Rate change of 25 bp to 4.50%
Issues for discussion

• Assessment of the liquidity management over year end.
• Assessment of the decision to suspend the participation in the USD TAF.
• (When) can the supplementary LTROs be suspended?
• What explains the rising forward Euribor-OIS spreads?
• Major concerns regarding the upcoming end-of-quarter?
• Assessment of credit spreads and banks’ funding situation.