

JANUARY 2015

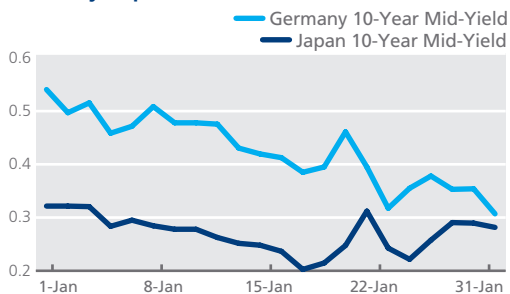
Tradeweb Government Bond Update

Key Points:

- ECB announces QE expansion
- Greek anti-austerity party rises to power

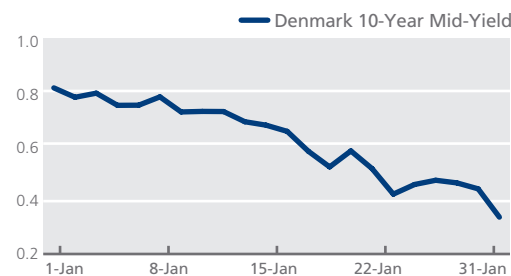
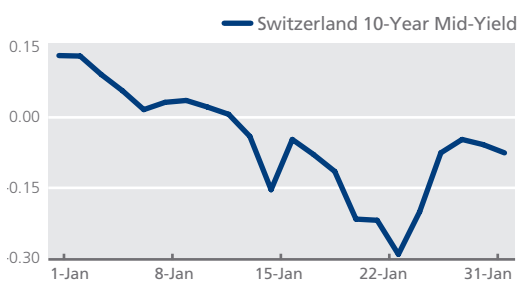
Eurozone consumer prices suffered a 0.6% annual drop in January - the largest on record since July 2009 – according to Eurostat figures released on January 30. A week earlier, the European Central Bank (ECB) had announced the launch of an expanded stimulus program, which encompasses the central bank's existing purchase schemes for asset-backed securities and covered bonds. From March onwards, the ECB will buy €60 billion of public and private sector securities per month until at least September 2016, in a bid to revitalize the eurozone economy and combat deflation. Government debt rallied across several countries in the region. Ireland's 10-year bond mid-yield closed barely above 1% on the day of the announcement, while the mid-yield on Germany's 10-year Bund ended the month just 3 basis points higher than its Japanese counterpart.

Germany, Japan and Greece 10-Year Mid-Yields



In Greece, however, government bond yields climbed higher in January. As pre-election polls predicted, anti-austerity party Syriza won the majority of the electorate vote and its leader, Alexis Tsipras, was sworn prime minister on January 26. Two days later, Standard & Poor's placed the country's "B" sovereign rating on "CreditWatch negative", indicating that a downgrade could take place by the next scheduled ratings publication date on March 13, 2015. The Greek 10-year government bond mid-yield increased by nearly 164 basis points over the month, closing at 11.07% on January 30 – its highest market close value since July 2013.

Switzerland and Denmark 10-Year Mid-Yields



Elsewhere in Europe, the Swiss National Bank abolished its currency's cap of 1.2 against the euro, and pushed its key interest rate deeper into negative territory to -0.75%. Denmark's central bank also cut interest rates - three times in 10 days – while the country's Ministry of Finance suspended the issuance of government debt, in an effort to limit demand for the national currency and promote longer-dated debt. The Danish 10-year government bond mid-yield continued its downward trajectory in January, falling by roughly 49 basis points to 0.34% at month end.

FOR MORE INFORMATION, PLEASE CONTACT:

Louise Collins

louise.collins@tradeweb.com
+44 (0)20 7776.0943

Clayton McGratty

clayton.mcgratty@tradeweb.com
+1 646.430.6054

www.tradeweb.com

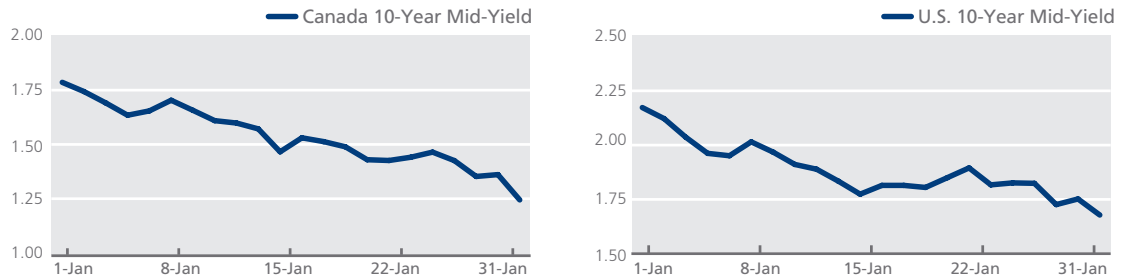
ABOUT DATA POINTS

Data Points is a monthly report that aggregates information from the Tradeweb fixed income and derivatives markets, and the world's largest liquidity providers.

ABOUT TRADEWEB

Tradeweb is a leading global provider of institutional markets, driving the evolution of electronic trading in fixed income and derivatives. Tradeweb applies technology with flexible trading protocols to enhance workflow efficiency and increase market transparency.

Canada and U.S. 10-Year Mid-Yields



Across the Atlantic, the Bank of Canada surprised the markets by cutting its target for the overnight lending rate from 1% to 0.75%, in light of the risk posed to the economy by sliding oil prices. The country's 10-year bond mid-yield ended January at 1.24%, 54.2 basis points lower than the previous month end. In the U.S., the 30-year Treasury mid-yield touched a record low of 2.26% on January 30, while its 10-year equivalent dropped to 1.68%, its lowest level since May 2013.

Eurozone government bond yields dropped to new record lows in January

Ten-Year Benchmark Government Bond Data

| | JANUARY 2015 | | | | 3yr yield high | 3yr yield high date |
|----------------|-------------------|--------------------------------|---------------------------|----------------------------|----------------|---------------------|
| | Closing yield (%) | Change on previous month (bps) | Yield low (current month) | Yield high (current month) | | |
| Australia | 2.41 | -39.96 | 2.41 | 2.81 | 4.32 | 09-Jan-14 |
| Austria | 0.39 | -31.10 | 0.39 | 0.70 | 3.05 | 31-Jan-12 |
| Belgium | 0.60 | -22.25 | 0.51 | 0.83 | 3.64 | 24-Feb-12 |
| Canada | 1.24 | -54.15 | 1.24 | 1.79 | 2.81 | 10-Sep-13 |
| Denmark | 0.34 | -48.90 | 0.34 | 0.83 | 2.23 | 10-Sep-13 |
| Finland | 0.35 | -30.55 | 0.35 | 0.65 | 2.46 | 16-Mar-12 |
| France | 0.54 | -28.95 | 0.54 | 0.83 | 3.10 | 17-Feb-12 |
| Germany | 0.31 | -23.35 | 0.31 | 0.54 | 2.06 | 16-Mar-12 |
| Greece | 11.07 | 163.85 | 8.42 | 11.07 | 37.46 | 07-Mar-12 |
| Ireland | 1.13 | -10.85 | 1.06 | 1.37 | 7.30 | 21-May-12 |
| Italy | 1.60 | -27.65 | 1.47 | 1.92 | 6.54 | 24-Jul-12 |
| Japan | 0.28 | -4.00 | 0.20 | 0.32 | 1.05 | 15-Mar-12 |
| Netherlands | 0.37 | -30.45 | 0.37 | 0.68 | 2.55 | 16-Mar-12 |
| Portugal | 2.39 | -27.70 | 2.12 | 2.70 | 15.56 | 31-Jan-12 |
| Spain | 1.43 | -16.25 | 1.35 | 1.73 | 7.56 | 24-Jul-12 |
| Sweden | 0.64 | -28.90 | 0.64 | 0.93 | 2.73 | 05-Sep-13 |
| United Kingdom | 1.34 | -41.70 | 1.34 | 1.75 | 3.07 | 27-Dec-13 |
| United States | 1.68 | -49.50 | 1.68 | 2.17 | 3.01 | 01-Jan-14 |

Source: Tradeweb Markets LLC, February 1, 2015

All yields cited in this report are mid-yields.