ESMA Risk Dashboard

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ESMA Economics and Financial Stability Unit

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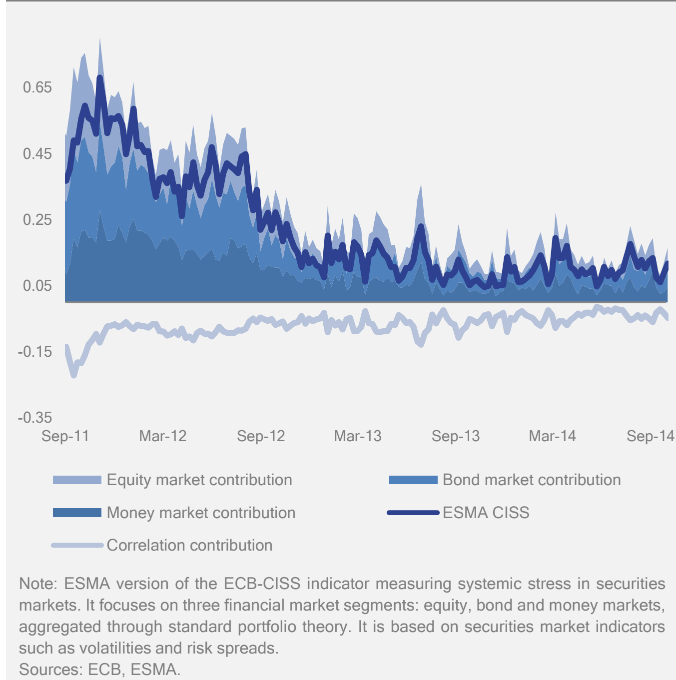
ESMA Risk Dashboard

Systemic stress: Systemic stress low but volatile R.1



Note: ESMA version of the ECB-CISS indicator measuring systemic stress in securities markets. It focuses on three financial market segments: equity, bond and money markets, aggregated through standard portfolio theory. It is based on securities market indicators such as volatilities and risk spreads.
Sources: ECB, ESMA.

Main risks: Sources R.2

Risk category	Risk level	Change since 2Q14	Outlook for 4Q14
Liquidity risk	● (orange)	→	↗
Market risk	● (orange)	→	↗
Contagion risk	● (orange)	↗	→
Credit risk	● (red)	↘	→

Note: Assessment of main risk categories for markets under ESMA's remit since last quarter and outlook for the following quarter. Risk Heat Map measures current risk intensity. Upward arrows indicate a risk increase; downward arrows indicate a risk decrease. Risk assessment based on categorisation of ESMA Risk Heat Map, ● green=low, ● yellow=moderate, ● orange=high, ● red=very high.

Main risks: Categories R.3

Economic environment	Change since 2Q14
Macroeconomic conditions	↗
Interest-rate environment	↗
Sovereign-bank nexus	→
Securities markets conditions	
Risks in EU sovereign debt markets	→
Market clustering	↗
Funding risk	↘
Valuation risk	→
Market functioning	↗

Note: Assessment of main risk sources under ESMA's remit: change since the last assessment. Upward arrows indicate an increase in the contribution to risks, downward arrows indicate a decrease in the contribution to risks.

In 3Q14, EU systemic stress indicators increased, after experiencing a calm 2Q14. Contagion risk augmented and liquidity and market risk remained on high levels, with potential for further increases ahead. Credit risk receded though remaining at a high level. The sanguine market sentiment continued to be at odds with sluggish economic fundamentals and guarded expectations. An environment of ultra-low interest rates supported markets and preserved the current hunt-for-yield behaviour of investors. Markets recognised however resulting new balance sheet risks, as risk spreads increased, equity valuation moderated and expectations for future short-term interest rates fanned out. Due to these offsetting forces liquidity risk and market risk remained stable, preserving the risk of critical market corrections for the future. The systemic impact of such corrections could be exacerbated by liquidity bottlenecks, such as might arise from structural factors such as thin dealer markets or rising collateral requirements.

Systemic stress: Following a calm 2Q14, systemic stress moved up again in 3Q14, stabilising at higher levels, except for a downward fluctuation in early September. This increase was driven by money and equity markets, with contagion effects, presented by correlations between asset types, contributing initially, but declining later on. Recently increased implied volatilities, declining equity price trends and a levelling out of the PE ratio demonstrated that valuation concerns around equities found their way into market prices. Fixed income markets continued to perform strongly, emphasising growing valuation risks. As evidenced by the jump in implied fixed income volatilities, the potential for market corrections rose. Drivers possibly include modest growth expectations across the EU, persisting down-side influences including geopolitical tensions, local pockets of stress in debt markets and increasing awareness for contagion and market functioning.

Economic environment

Macroeconomic conditions: As EU macroeconomic conditions developed below expectations, the outlook for a sluggish and fragile recovery deepened. Activity was uneven across member states, even if heterogeneity continued to decrease. Differences in economic conditions among core economies became more pronounced, adding to the diversity already present among peripheral countries. Diversity in fiscal conditions added to macroeconomic heterogeneities, as the scope for public stabilisation measures remained unevenly distributed across the EU. Disinflationary trends persisted, further contributing to existent macroeconomic vulnerabilities. External risk factors stemming from emerging markets, including Russia, Ukraine, China and Argentina among others, feed, which could be transmitted through trade, exchange rates and commodity prices.

Interest-rate environment: Interest rates remained at historic lows as leading central banks continued to provide monetary policy support and as yields remained compressed across sectors. With the introduction of negative interest rates – lowering the deposit rate first to -0.1% and later to -0.2%, the allotment of first TLTRO tranches and the announcement of the purchase of ABS and covered bonds, the ECB contributed to the persistence of low interest rates. Recent upticks of spreads at the lower end of bond markets' risk spectrum and concerns about the stability of future short-term interest rates, however, indicated that risk apprehension

Main risks: Summary assessment R.4

Risk category	Summary
Liquidity risk	Liquidity risk in 3Q14 persisted on high levels and looks set to increase further, depending on the materialisation of snapbacks in interest rates. Aggregate liquidity appeared ample, though its distribution was uneven across markets and structural trends such as thin dealer markets and rising collateral needs remained present. Both this unevenness as well as dependence of short-term interest rates on monetary policy support are important determinants. The risk of a snapback in interest rates and related liquidity demands that would arise from asset reallocation increased, as signalled by rising implied bond market volatilities. Liquidity in sovereign bond markets increased, yet was sensitive to new macroeconomic signals for countries experiencing weaker economic growth. In equity markets liquidity conditions continued to be favourable, though showing signs of intensified risk perception.
Market risk	Market risk remained elevated in 3Q14, notably on account of continuing sanguine market sentiment potentially overly reliant on sustained policy support. Revaluation risk continued to be of high concern, it may have already partially materialised in lower rated corporate bond and equity markets. Price and quantity adjustments accommodating potential changes in monetary policy could result in bottlenecks and dislocations, with resulting increases in market and liquidity risk. While aggregate equity PE ratios peaked below their average, valuations in some markets were close to historical highs until mid-September. Current yields on bonds remained very low. Moreover, corporate bond spreads started to diverge across the risk spectrum, with an increase in lower-rated spreads signalling a heightening of risk perception. After the robust growth registered in the previous quarter, high-yield issuance was low. Where prices are fuelled by short-term and cheap credit rather than expectations about economic recovery, valuation risk could further rise in near future.
Contagion risk	EU contagion risk increased slightly in 3Q14, while structural changes in individual countries' risk contributions continued to unfold. The situation of several vulnerable EA sovereigns improved, evidenced by lower CDS exposures and further decreases in bond spreads. On the other hand, default insurance bought against a few larger sovereigns increased. Dispersion of sovereign bond markets along some geographical borders rose, while within individual member states sovereign and corporate bond markets segments moved in parallel.
Credit risk	Credit risk remained high, even if experiencing some improvement. Net sovereign debt issuance declined in a buoyant bond market environment, which suggests that this evolution is mostly driven by a moderation in issuance plans after several active quarters. Debt maturity increased for sovereigns and in particular banks, which lengthened the maturity profile of their market debt, although at a slower pace. Accordingly, banks and other financial corporates reduced their market debt redemption needs over the next three years.

Note: Qualitative summary of assessment of main risk categories in markets under ESMA's remit.

Market functioning: Risk summary R.5

Risk	Summary
Bench-marks	Investigations of potential benchmark manipulations continued. They extended to foreign exchange fixings, oil and precious metal indices. In 3Q14 the London Silver Price was introduced with the purpose to increase price transparency. The continuity of interest rate benchmarks remains a concern: the Eonia Swap Index was discontinued by administrators as of July 1, while the Euribor panel remained stable at 26 banks. IOSCO published a review of major interest rate benchmarks alongside a FSB report on plans for system reform.
Market infra-structures	During the current quarter, no major events threatening operational stability were observed. The market structure continued to evolve, including in response to regulation. Risks related to any potential interest rate snapback are carefully monitored, including with respect to resulting liquidity constraints and collateral scarcity.
Conduct risks	Risks stemming from inappropriate business conduct and business practices are growing, as evidenced by more frequent finings, increases in redress costs and a growing awareness of regulators. Risks can be transmitted through loss of profitability and reputation for businesses, consumer detriment, costs of higher regulatory standards and negative effects on competitivity caused by inadequate provisioning for risks around technological innovation. On the systemic level, widespread microeconomic conduct risk can lead to systemic frictions and reduced efficiency of financial markets.

Note: Qualitative summary of assessment of main risks to the functioning of markets under ESMA's remit.

returned. Forward-guidance signals differing across major economic areas render expectations for cross-regional dynamics volatile, thereby fuelling concerns about potential effects of non-synchronised snapbacks in interest rates.

Sovereign-bank nexus: Continued stabilisation of macroeconomic conditions, structural reforms, and policy support contributed to improving both governments' and banks' positions in some member states. The anticipated implementation of the banking union and banks' continuing repayment of LTRO funds further reassured markets. Recent events in a member state, however, elucidated that low bank profitabilities and uncertainty about their legacy assets continued to weigh on the sector's self-reliability. Hence, credible bank stress tests and a reliable asset quality review remained important as adequate tools for enhancing the sector's stability and tempering the risk of feed-back loops between banks, sovereigns and the real economy.

Conditions in securities markets

Risks in EU sovereign debt markets: The broad reduction of EU sovereigns' bond yields continued, while spreads for one vulnerable sovereign increased again. Important factors include the positive, even if fragile, macroeconomic outlook, particularly for programme countries, accompanied by improved government deficits and external current accounts on the positive side. Still, exposures to stress in international debt markets and fiscal uncertainties contributed to increases in the dispersion of sovereign funding conditions. Valuation risk in sovereign debt market remained high.

Market clustering: Correlation among EU sovereign yields weakened for some members, while individual sovereigns and their respective national corporate sectors remained closely aligned. With at least one sovereign experiencing an uptick in relative funding costs, market clustering in the EU re-emerged.

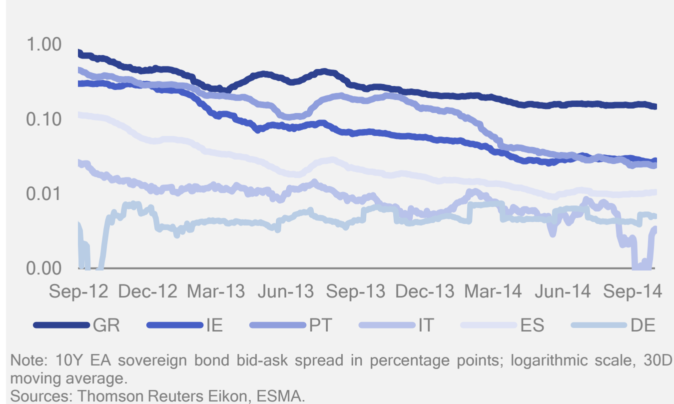
Funding risk: Funding stress receded across all sectors, as short term redemption needs decreased, maturities stood stable or increased and issuance appeared to be moderate. In the context of continued deleveraging, reduced excess liquidity and low interbank market rates, liquidity conditions in the core of the financial system improved. A materialisation of an interest rate snapback, however, could still imply bottlenecks in asset reallocation due to related portfolio restructuring.

Valuation risk: The low interest rate environment remained an important factor influencing market sentiment and behaviour, with yields continuing to compress in several market segments. These developments imply an elevated probability of a continued build-up of imbalances, while asset prices already are at historically high levels. The risk of valuation corrections remains significant. Thus, comovements of bonds and equities dissolved recently, as re-valuation started to materialise. Hunt-for-yield behaviour based on overly optimistic assumptions nevertheless continues to be a concern and can lead to misallocation of capital.

Market functioning: Key structural issues that may impact EU financial markets' stability relate to conduct risks, benchmarks and market infrastructures. In particular conduct risks are perceived as an important concern by several EU regulators and contribute to risks observed around the functioning of markets. In particular, the detrimental impact of conduct risk materializations on investor trust may contribute to systemic risks. For a more detailed summary risk assessment see textbox R.5.

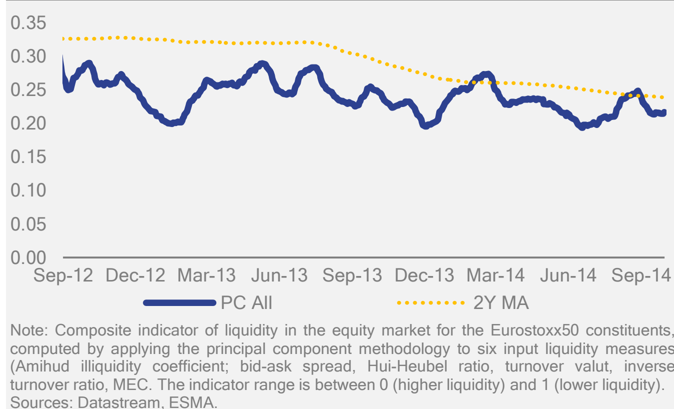
Liquidity risk

Sovereign bid-ask spreads: Compression continued R.6



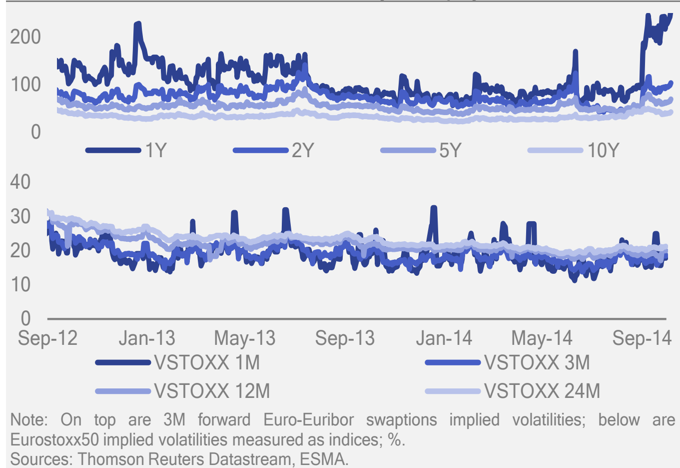
Note: 10Y EA sovereign bond bid-ask spread in percentage points; logarithmic scale, 30D moving average.
Sources: Thomson Reuters Eikon, ESMA.

Equity illiquidity index: Low, but slightly increased R.7



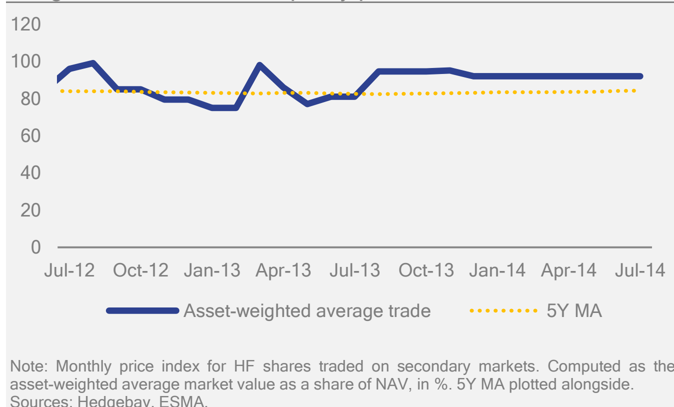
Note: Composite indicator of liquidity in the equity market for the Eurostoxx50 constituents, computed by applying the principal component methodology to six input liquidity measures (Amihud illiquidity coefficient; bid-ask spread, Hui-Heubel ratio, turnover valut, inverse turnover ratio, MEC. The indicator range is between 0 (higher liquidity) and 1 (lower liquidity).
Sources: Datastream, ESMA.

Volatilities: Short term bond volatility abruptly increased R.8



Note: On top are 3M forward Euro-Euribor swaptions implied volatilities; below are Eurostoxx50 implied volatilities measured as indices; %.
Sources: Thomson Reuters Datastream, ESMA.

Hedge fund shares: Low liquidity premia R.9



Note: Monthly price index for HF shares traded on secondary markets. Computed as the asset-weighted average market value as a share of NAV, in %. 5Y MA plotted alongside.
Sources: Hedgebay, ESMA.

Liquidity risk in 3Q14 persisted on high levels and looks set to increase further, depending on the materialisation of snapbacks in interest rates. Aggregate liquidity appeared ample, though its distribution was uneven across markets. Structural trends such as thin dealer markets and rising collateral needs remained present. Both this unevenness as well as dependence of short-term interest rates on monetary policy support are important determinants. The risk of a snapback in interest rates and related liquidity needs that would arise from asset reallocation increased, as signalled by rising implied bond market volatilities. Liquidity measured in sovereign bond markets increased, yet was sensitive to new macroeconomic signals for countries experiencing weaker economic performance. In equity markets, liquidity conditions continued to be favourable, though showing signs of intensified risk perception.

Sovereign bond bid-ask spreads: Bid-ask spreads decreased in 3Q14 across the EA, even though this development was interrupted by temporary upticks for some sovereigns. In particular the most liquid EU market experienced fluctuations related first to news about weak economic performance and later to changes in the stance of monetary policy support. With decreases being higher for more vulnerable peripheral EA sovereigns, spread compression continued. Still liquidity conditions continued to be mixed across countries reflecting country-specific differences.

Equity illiquidity index: Liquidity conditions of main EU equities remained favourable in 3Q14, with the illiquidity indicator staying below its two-year average, except for a temporary breach in late August. However, liquidity started to decrease in early 3Q12, hitting a bottom in late August and not fully recovering afterwards. These fluctuations in the illiquidity index were mirrored by fluctuations in EU equity indices. (cf. R.10).

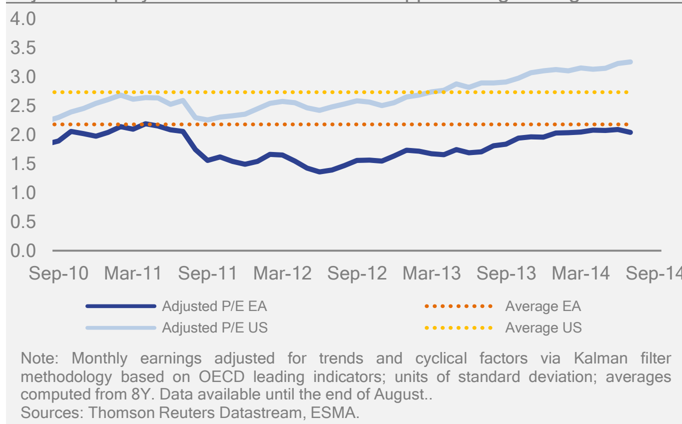
Bond volatility: Following a sharp temporary increase in June, indicating intensified risks, implied bond volatility increased slightly on the long end, and fluctuated somewhat on the shorter end till late August. Afterwards volatilities increased abruptly, in particular at the shorter end, accompanied by a flattening of the implied term structure of interest rates. While expected future short term interest rates were reduced, concerns of market participants with regard to their stability increased up to a level last observed early 1Q13. Drivers may include unfavourable macroeconomic news, monetary policy reactions, increased expected exchange rate volatility and an increased difficulty to price short term risks.

Equity volatility: Implied equity volatility increased over the review period. The increase in volatility was observed across the shorter and longer end of the spectrum. Implied volatility at the shorter end of the spectrum breached the longer-term volatility in early August and in late September. This evidence is consistent with valuation risks persisting in equity markets and indicates that market expectations for short term risks immediately ahead are considerable.

Hedge fund shares' liquidity premia: The discount of hedge funds' book value to their valuation in the secondary market remained stable, consistent with relatively low liquidity concerns in this area. With average secondary market transactions trading at 92% of NAV, the discount remained marginally higher than the averages recorded since August 2013. Overall, a low discount points to low liquidity concerns vis-à-vis hedge funds, as it implies that traders on the secondary market require less of a liquidation premium.

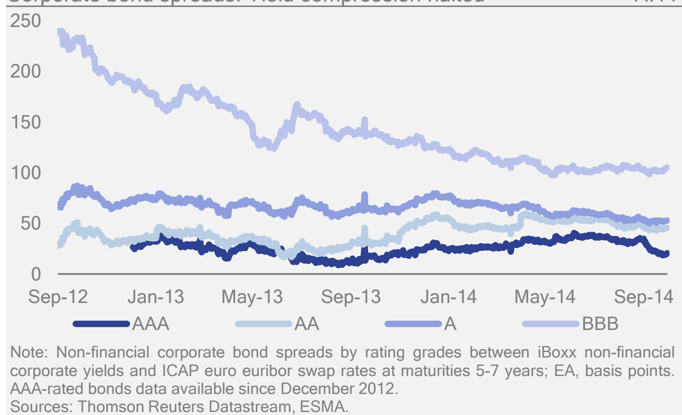
Market risk

Adjusted equity PE ratios: EU valuations approaching average R.10



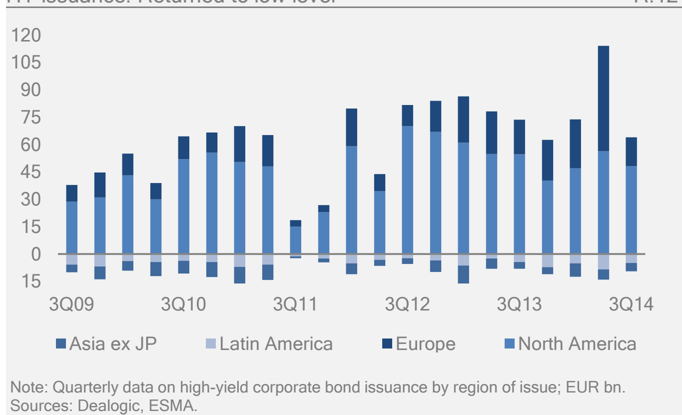
Note: Monthly earnings adjusted for trends and cyclical factors via Kalman filter methodology based on OECD leading indicators; units of standard deviation; averages computed from 8Y. Data available until the end of August..
Sources: Thomson Reuters Datastream, ESMA.

Corporate bond spreads: Yield compression halted R.11



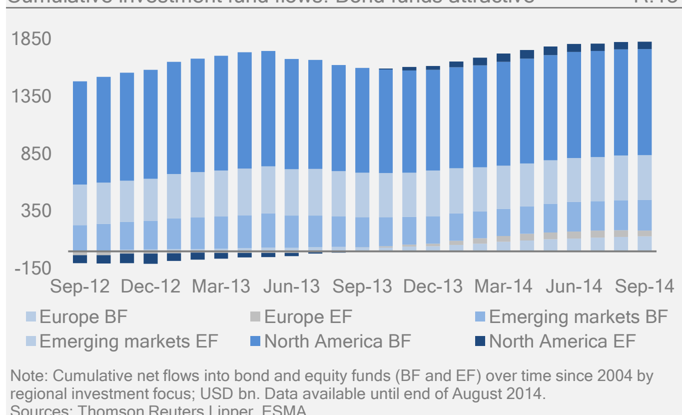
Note: Non-financial corporate bond spreads by rating grades between iBoxx non-financial corporate yields and ICAP euro euribor swap rates at maturities 5-7 years; EA, basis points. AAA-rated bonds data available since December 2012.
Sources: Thomson Reuters Datastream, ESMA.

HY issuance: Returned to low level R.12



Note: Quarterly data on high-yield corporate bond issuance by region of issue; EUR bn.
Sources: Dealogic, ESMA.

Cumulative investment fund flows: Bond funds attractive R.13



Note: Cumulative net flows into bond and equity funds (BF and EF) over time since 2004 by regional investment focus; USD bn. Data available until end of August 2014.
Sources: Thomson Reuters Lipper, ESMA

Market risk remained elevated in 3Q14, notably on account of continuing sanguine market sentiment potentially overly reliant on sustained policy support. Revaluation risk continued to be of high concern, it may have already partially materialised in lower-rated corporate bond and equity markets. Price and quantity adjustments accommodating potential changes in monetary policy could result in bottlenecks and dislocations, with resulting increases in market and liquidity risk. While aggregate equity PE ratios peaked below their average, valuations in some markets were close to historical highs until mid-September. Current yields on bonds remained very low. Moreover, corporate bond spreads started to diverge across the risk spectrum, with an increase in lower-rated spreads signalling a heightening of risk perception. After the robust growth registered in the previous quarter, high-yield issuance was low. Where prices are fuelled by short-term and cheap credit rather than expectations about economic recovery, valuation risk could further rise in near future.

Adjusted equity PE ratios: PE ratios in the EA remained broadly stable in 3Q14, just below their eight-year average, while recently displaying a downward momentum. Valuation risk in the EU may have finally impacted on equity prices. Market confidence remained ahead of economic fundamentals and is still overly reliant on low interest rates. Further, differences in stock market performance across EU jurisdictions were considerable. Thus, valuation risk remains of particular concern in market segments where equity performance and economic fundamentals diverge.

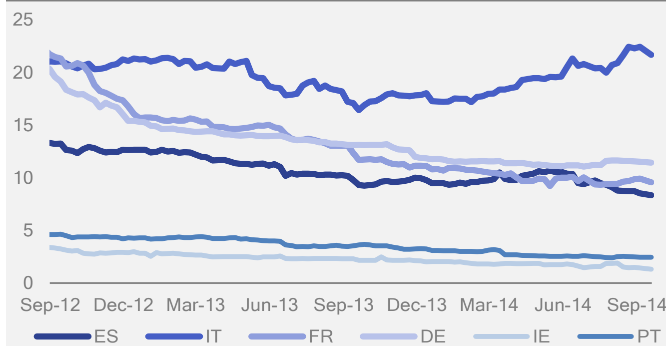
Corporate bond spreads: In 3Q14, the compression of non-financial corporate bond spreads across risk categories halted. The yields on higher-rated bonds decreased, while yields on BBB-rated bonds marginally increased, suggesting a return to stronger risk apprehension. Recently a similar reversal was also observed for bonds rated as AA and A. Overall, broad-based yield convergence started in mid-2013 seems to have come to a halt, while still remaining a concern. (The discrete jump for AA-rated in 2Q14 related to a duration increase in the underlying basket.)

High-yield corporate bond issuance: After the exceptional growth registered in 2Q14, HY corporate bond issuance in the EU in 3Q14 was as low as last observed in 2012. In the US, the level of HY issuance was broadly stable while it continued to be subdued for EM, decreasing both in Latin America and in Asia.

Investment fund flows: Bond funds focused on the EU (EUR 18.7bn), emerging markets (EUR 7.2bn) and global markets (EUR 31bn) received positive inflows and supported their respective market segments in 3Q14. Negative net fund flows were registered for funds focused on US bonds (EUR -0.3bn) and equities (EUR -4.1bn). Meanwhile EU equity funds experienced negative inflows (EUR -10bn) and could not contribute to the performance of their respective asset markets. Funds investing into global and emerging market equity received net positive flows (EUR 18.7bn and 9.3bn respectively). Such investment behaviour mirrors the most recent development of valuation risk in EU bond and equity markets.

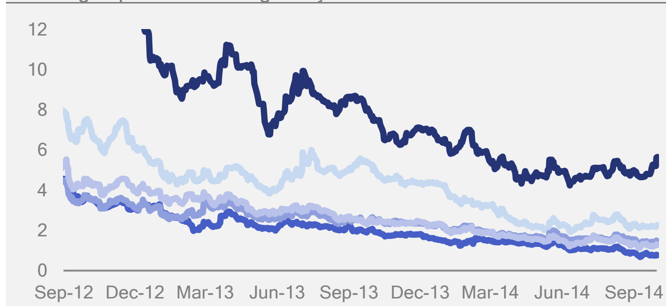
Contagion risk

Outstanding EU sovereign CDS: Increased for some countries R.14



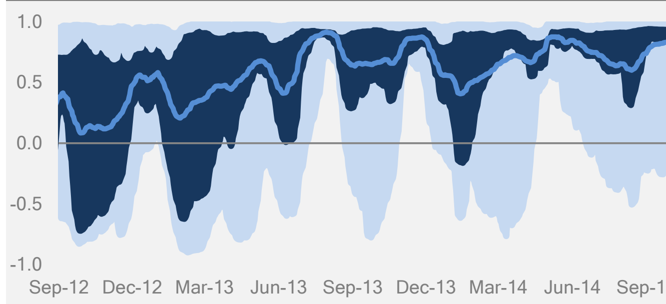
Note: Value of outstanding net notional sovereign CDS for selected countries; USD bn.
Sources: Thomson Reuters Eikon, ESMA.

Sovereign spreads: Heterogeneity increased R.15



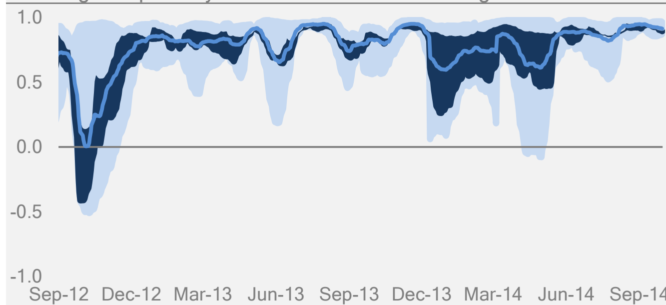
Note: Selected 10Y EA sovereign bond risk premia (vs. DE Bunds); percentage points. For GR spreads above 12 pps before December 2012.
Sources: Thomson Reuters Datastream, ESMA.

Sovereign yield correlation: High, but more disperse R.16



Note: Dispersion of correlations between 10Y DE Bunds and other EU countries' sovereign bond redemption yields over 60D rolling windows.
Sources: Thomson Reuters Datastream, ESMA.

Sovereign-corporate yield correlation: Stable on high level R.17



Note: Dispersion of correlation between Barclays Aggregate for corporate and 10Y sovereign bond redemption yields for BE, FI, FR, IT, NL.
Sources: Thomson Reuters Datastream, ESMA.

EU contagion risk increased slightly in 3Q14, while structural changes in individual countries' risk contributions continued to unfold. The situation of several vulnerable EA sovereigns improved, evidenced by lower CDS exposures and further decreases in bond spreads. However, default insurance bought against a few larger sovereigns increased. Dispersion of sovereign bond markets along some geographical borders rose, while within individual member states sovereign and corporate bond markets moved in parallel.

Outstanding EU sovereign CDS: Net volumes were stable or decreased for most member states in 3Q14, while for some countries with recently weaker economic performance marked increases were registered, mirroring recent reductions in the liquidity of respective secondary markets (cf. R.6). These increases may point to potential risks forming on the horizon, including concerns about the future course of macroeconomic conditions and geopolitical tensions. Decreases in CDS contracts outstanding for countries pursuing structural reforms in the recent past may reflect lower insurance needs due to successful stabilisations.

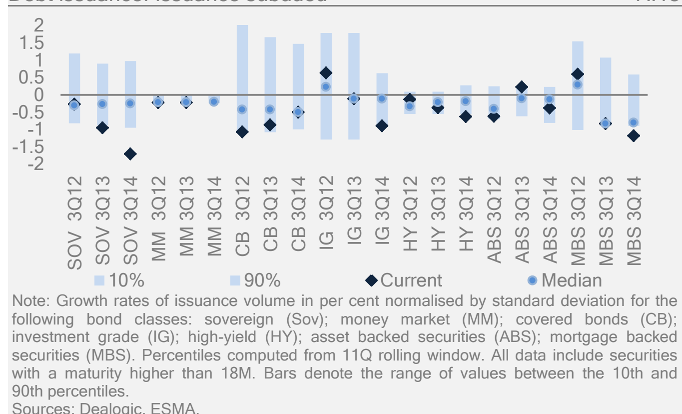
Sovereign spreads: Spreads of most vulnerable EU sovereigns' 10Y bonds relative to Bunds continued to decrease since 2Q14, even if showing some temporary increases in July and August. Sovereign yields continued to trend downwards, following a decreasing German benchmark yield. However, respective spreads and yields increased considerably for one vulnerable EU sovereign, reversing the trend observed in previous quarters. This evidence reconfirmed continued search-for-yield, while simultaneously recent irritations around economic performance or individual fluctuations in fiscal needs were also reflected. The continued sovereign yield compression appeared to be delinked from absolute and relative growth expectations of the respective sovereign issuers.

Sovereign yield correlation: Sovereign bond yield correlations fluctuated in 3Q14, returning to high values for most sovereigns at the end of the quarter. Differences in intensity across countries reflected increasing differentiation in sovereign bond yields. Dispersion returned almost to levels seen in 3Q13. Possible drivers included unexpected weaker macroeconomic trends for some EU member states, recent increases in risks perceived for vulnerable member states and disperse exposures to emerging markets experiencing increasing funding stress.

Sovereign-corporate yield correlation: In 3Q14, correlation between corporate bond yields and sovereign yields of respective localisations continued to remain stable at high levels, except for fluctuations at the bottom 25% of the distribution, which abated towards the end of the quarter. National differences between corporate and sovereign bond segments remained subdued, providing evidence for funding conditions being mainly fragmented along geographical dimension, while showing consistency within individual member states.

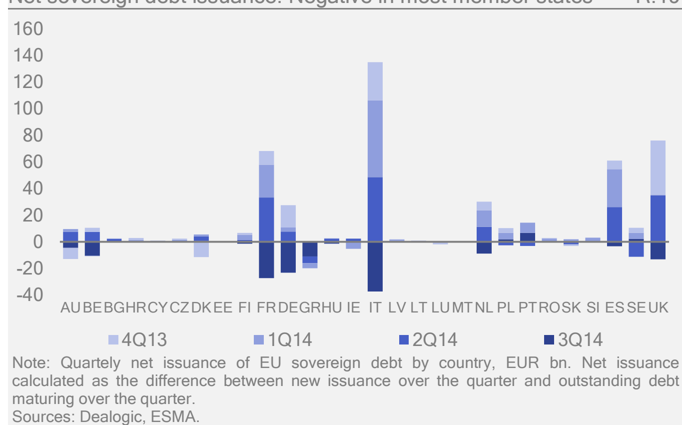
Credit risk

Debt issuance: Issuance subdued R.18



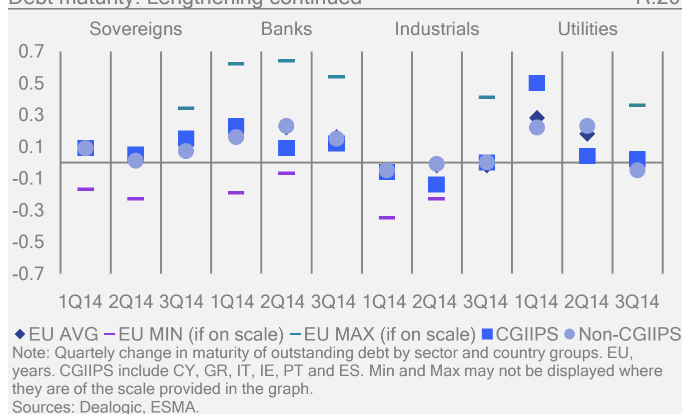
Note: Growth rates of issuance volume in per cent normalised by standard deviation for the following bond classes: sovereign (Sov); money market (MM); covered bonds (CB); investment grade (IG); high-yield (HY); asset backed securities (ABS); mortgage backed securities (MBS). Percentiles computed from 11Q rolling window. All data include securities with a maturity higher than 18M. Bars denote the range of values between the 10th and 90th percentiles.
Sources: Dealogic, ESMA.

Net sovereign debt issuance: Negative in most member states R.19



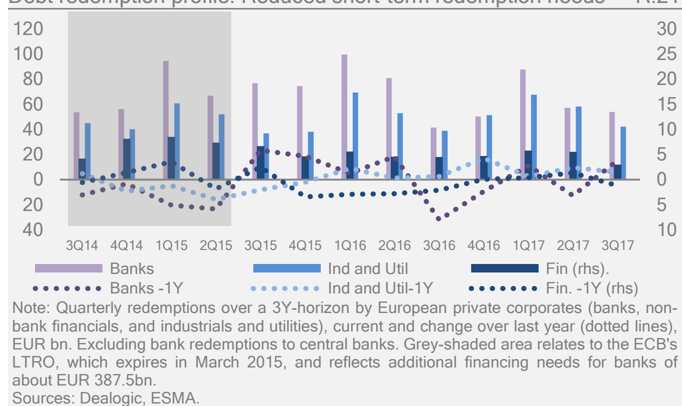
Note: Quartely net issuance of EU sovereign debt by country, EUR bn. Net issuance calculated as the difference between new issuance over the quarter and outstanding debt maturing over the quarter.
Sources: Dealogic, ESMA.

Debt maturity: Lengthening continued R.20



Note: Quartely change in maturity of outstanding debt by sector and country groups. EU, years. CGIIPS include CY, GR, IT, IE, PT and ES. Min and Max may not be displayed where they are of the scale provided in the graph.
Sources: Dealogic, ESMA.

Debt redemption profile: Reduced short-term redemption needs R.21



Note: Quarterly redemptions over a 3Y-horizon by European private corporates (banks, non-bank financials, and industrials and utilities), current and change over last year (dotted lines), EUR bn. Excluding bank redemptions to central banks. Grey-shaded area relates to the ECB's LTRO, which expires in March 2015, and reflects additional financing needs for banks of about EUR 387.5bn.
Sources: Dealogic, ESMA.

Credit risk remained high, even if experiencing some improvement. Net sovereign debt issuance declined in a buoyant bond market environment, which suggests that this evolution is mostly driven by a moderation in issuance plans after several active quarters. Debt maturity increased for sovereigns and in particular banks, which lengthened the maturity profile of their market debt, although at a slower pace compared with previous quarters. Accordingly, banks and other financial corporates reduced their market debt redemption needs over the next three years.

Debt issuance: Issuance was subdued in 3Q14: except for money markets, the volume of newly emitted bonds decreased in all segments. While this appears to be in line with seasonal patterns, for sovereign, investment-grade and high-yield bonds as well as for MBS issuance was low compared to medium-term standards. Volatilities in the issuance of investment-grade and covered bonds as well as of MBS continued to decrease, displaying trends towards lower issuance volumes.

Net sovereign debt issuance: After several quarters of positive net debt issuance, the trend reversed in 3Q14, with negative net issuance dominating throughout the EU, except for one medium-sized and several smaller issuers. An environment characterised by yields remaining below their long-term averages suggested that this evolution was driven by several factors. Some sovereigns emitted particularly large volumes during previous quarters, taking advantage of recent buoyant conditions while anticipating potential deteriorations of market sentiment in line with uncertain macroeconomic prospects and, meanwhile partially materialized, market expectations for lower euro exchange rates.

Debt maturity: At the aggregate EU level, the debt maturity profile increased for banks and sovereigns and was roughly stable for industrials and utilities, except for utilities located in non-peripheral countries, which shortened their debt maturity. Indeed, banks continued to increase the maturity of their debt albeit at a slower pace than in the previous quarter (cf. R.21 as well). Contrary to 2Q14, these evolutions were similar for peripheral and core-countries.

Debt redemption profile: Redemption activity in 3Q14 was low following its typical seasonal pattern, in particular for banks. On a year-on-year basis, banks and other financial corporates reduced their debt due within the next three years ahead, albeit in different ways. Banks decreased their reliance on external short term funding maturing within one year, while financials increased one-year ahead redemption needs and reduced those for the subsequent next two years. Industrials and utilities also reduced their liabilities over the one-year horizon, but over-compensated this reduction by increasing their debt profile for the next two subsequent years. As of end-September, the outstanding LTRO balance stood at EUR 387bn, to be repaid by end of March 2015, in addition to the EUR 150bn of private funding that has to be reimbursed over the same period. Furthermore, EUR 83tn allotted from the TLTRO facility need to be repaid, contingent on benchmarks, either till September 2016 or 2018.