

# Covered Bond & Agency Monitor

June 29, 2006

## AND YET IT WORKS - COVERED BONDS AS PFANDBRIEF COVERAGE

### Contents

Market Telegram	2
Euroconstruct issues yearly reports	2
Covered Bonds as Pfandbrief Coverage	5
Greater financial autonomy for Catalonia in the pipeline	6
Hypo Real Estate International in the Aussie Market	7
Market Update	9
Recommendations	11
Market Snapshot	12

### Covered Bonds

Bernd Volk, CFA  
+49 89 378-18133

Florian Hillenbrand  
+49 89 378-12961

### Agencies

Valentina Stadler  
+49 89 378-16296

### Bloomberg

HVCA

### Internet

www.hvb.de/valuepilot

### MARKET TELEGRAM

Last week's star were Agencies, which, on average, richened 0.7 bp in the past five trading days. The short KFW 5 08/07 (-2.7 bp), but also the long dated KFW 3.5 07/21 (-0.8), CADES 4 10/19 (-2 bp) and CADES 3.75 10/20 (-1.4 bp) were the key drivers of this development. Despite an inverted US Treasury curve and the rise in short-term rates, the Bund-Swap spread remains more or less stable in the 21-23 bp region, and we see the potential for a widening into the 25-28 bp area.

### EUROCONSTRUCT ISSUES YEARLY REPORTS

Last week, we mentioned the yearly Euroconstruct conference and announced that we would provide an overview on the reports published shortly after the conference. In our summary, we focus on the core covered bond countries Germany, Spain, France and the UK.

### GREATER FINANCIAL AUTONOMY FOR CATALONIA IN THE PIPELINE

The recent changes of the statute of the Spanish autonomous community of Catalonia (Aa3s/AAs/AA-n) will only have a small positive impact on the credit metrics of the issuer (through more investment in the region from the central government), but are positive on a medium-term perspective (with more retained tax revenue possible from 2008).

### HYPO REAL ESTATE INTERNATIONAL IN THE AUSSIE MARKET

Despite just having been beaten by the Italian team, the importance of the Australian bond market seems to be increasing – at least for Hypo Real Estate International (HYPINT A2s/A-2/-). Patrick Steeg, Head of Funding at HYPINT, provided some information on the development of AUD-funding at his company. We summarize his key points.

### COVERED BONDS AS PFANDBRIEF COVERAGE

As it is perfectly true that covered bonds are not eligible as ordinary collateral for Pfandbriefe, it is also perfectly true that provided certain prerequisites, covered bonds are eligible as part of other collateral (formerly known as substitute collateral) up to 10% of the amount of outstanding Pfandbriefe. We provide an overview on which prerequisites are valid and which covered bonds fulfill them.

### PFANDBRIEF ELIGIBLE COVERED BONDS

Cédulas	Yes
Obligations Foncières	No
ACS	No
UK Covered Bonds	Yes
Italian Covered Bonds	Yes
CDP Covered Bonds	No
Lettres de Gage	Yes
Austria	Yes/No

Source: HVB Global Markets Research

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### MARKET TELEGRAM

**The sunny side of life:** Since the beginning of the World Cup, the German weather seems to be perfect (which was not the case before). Team Germany advanced to the quarter finals and is even playing quite well (which also was not the case before), the Portuguese team also succeeded (in fact, it is not that the Portuguese succeeded but that the Dutch did not) and only two of the ten sub-sectors we cover underperformed compared to the previous week.

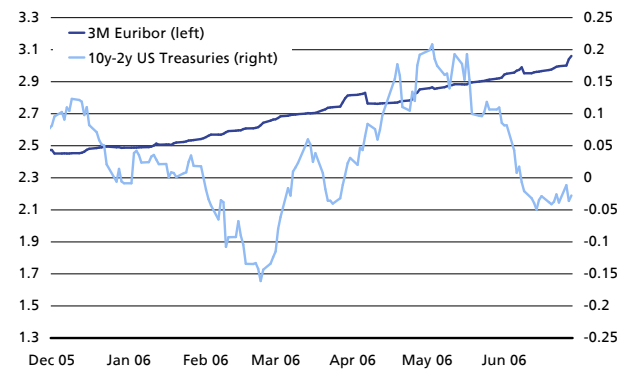
Last week's star were Agencies, which, on average, richened 0.7 bp in the past five trading days. The short KFW 5 08/07 (-2.7 bp), but also the long dated KFW 3.5 07/21 (-0.8), CADES 4 10/19 (-2 bp) and CADES 3.75 10/20 (-1.4 bp) were the key drivers of this development. Furthermore, the few bonds underperforming vs. swap in the past week - mainly to be found in Spain - only fell behind slightly. In this respect, the ICO 06/09, ICO 03/09 and the ICO 12/08 all cheapened by just 0.5 vs. swap.

While Supras and Sub-Sovereigns performance-wise rank second and third, the majority of the covered bond universe shows a "green zero" gaining around 0.2 bp vs. swaps. Only the UK and the Cédulas market (-0.3 bp and -0.1 bp respectively) slightly lost ground.

Compared to Bunds, the last week was stable, however, given the continuing rise in short-term interest rates (+7.6 bp) and the currently slightly

inverted US 10Y-2Y (not taking into account today's rate hike), we are still awaiting another round in Bund-Swap widening.

### TWO FACTORS ARGUING FOR A WIDER BUND-SWAP



Source: HVB Global Markets Research

Despite an inverted US Treasury curve and the rise in short-term rates, the Bund-Swap spread remains more or less stable in the 21-23 bp region, and we see the potential for a widening into the 25-28 bp area. Simultaneously, the steepening of the covered bond curve continues. Compared to last week, the 10Y-2Y covered bond spread steepened almost 1 bp. In October 2005 the 10Y-2Y spread was 4.5 bp. Since then it has risen another 4.5 bp to currently 9 bp.

### EUROCONSTRUCT ISSUES YEARLY REPORTS

Last week, we mentioned the yearly Euroconstruct conference and announced to provide an overview on the reports published shortly after the conference. The reports discuss in great detail the development of the construction sector in Euroconstruct member countries. In our summary, we focus on the core covered bond countries Germany, Spain, France and the UK.

#### GERMANY – RECESSION IN CONSTRUCTION COMES TO AN END IN 2006

The good news first: according to the analysis of Euroconstruct, prepared by the Munich based Ifo-institute, the 12-year recession in the German construction industry is about to come to an end in 2006. The long recession is to be interpreted as a reaction to the construction boom in the early 1990s which was – at least to a large extent – triggered by an unnaturally high subsidization of capital expenditures in Germany's eastern Länder, resulting in negative costs of capital.

The Ifo Institute sees the reasons for the fundamentally weak demand for residential building in Germany in the following points:

- Relatively great, but rapidly decreasing economic and political uncertainty.
- High unemployment and low increase in income
- Qualitatively good housing stock together with average good supply of living space.

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

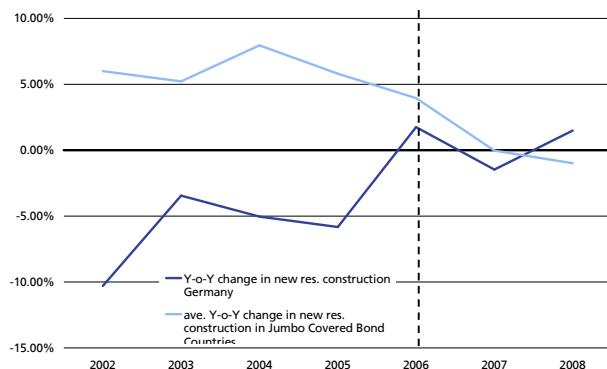
June 29, 2006

Giving the fundamentals, Ifo has rather weak expectations for 2007 but is more positive for 2008.

### Implications for Pfandbrief

Given the decline in the outstanding amount triggered by diminishing coverage from the public sector side, the mortgage Pfandbrief sub-segment will hardly be able to fill this gap. At least from a national perspective, the amount of potential cover assets will not be sufficient. Hence, we expect foreign cover business to gain in importance. Nevertheless, the diminishing total (public and mortgage) issuance potential will result in even stronger rarity appeal, which is supportive for spreads.

### CHANGE IN NEW RESIDENTIAL CONSTRUCTION - GERMAN VS. NON-GERMAN

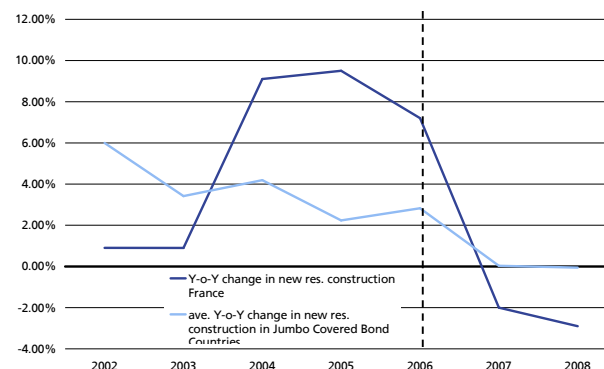


Source: HVB Global Markets Research

### FRANCE - RARITY WILL MARGINALLY ENHANCE

In France, the performance of residential construction in the past has been quite different from the German situation. The stable development in the construction sector in 2002 and before turned into a three-year boom phase, which currently shows signs of a slight cooling down. However, BIPE, the institute conducting Euroconstruct analyses in France, for 2007 and 2008 expects a macroeconomic environment which is less favorable for the construction industry, despite stable disposable income and unemployment rate. Hence, it assumes a slightly less vigorous pace of growth, which - broken down to the residential new construction segment - is expected to result in a slight decline.

### CHANGE IN NEW RESIDENTIAL CONSTRUCTION - FRENCH VS. NON-FRENCH



Source: HVB Global Markets Research

For BIPE, the crucial reasons for the cooling off are as follows:

- Although the rise in interest rates is still at a reasonable level, BIPE sees the period of historically low interest rates as having ended.
- Statements, for example by the ECB, that house prices in France are significantly overvalued could threaten the demand side.
- 2007 will mark the demographic low point for the age-class between 30-39 years, which defines the core age group of first-time buyers.

Given these negative factors, all in all, BIPE expects some 405,000 construction starts in 2007 followed by 390,000 in 2008, which translates into a decline of 2% in 2007 and 3% in the following year.

### Implications for Obligations Foncières

We think this development should be neutral for OFs. In this respect, it is important to note that a reasonable portion of the French mortgage market is not refinanced through Jumbo Obligations Foncières. The large French banks benefit from a significant deposit base and - in addition - have the opportunity to opt for CRH funding, which is rather domestically and non-Jumbo focused. Hence, the expected decline in new residential construction per se reduces the potential aggregate collateral; nevertheless, we believe that the rarity appeal of Jumbo OFs will only be marginally enhanced by this fact.

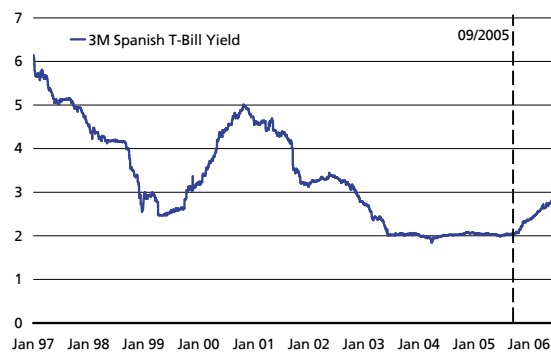
## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### SPAIN – RETURN TO NORMALITY

The Spanish construction market was, together with the UK market, probably the most discussed in the past. In both countries, housing prices shot through the roof. However, in the past few quarters, we have already experienced a slight deceleration of the house price development, mainly in the metropolitan regions. This is also reflected in the development of new residential construction in Spain. After a period of sustainable high growth in this sector, ITeC (Catalonia Institute of Construction Technology) expects a significant cooling down – historically at a rather late point in time as cycles in the Spanish real estate market used to last around 2-3 years. The current cycle has been lasting for around seven years now, which already raised concerns with the investing public. Now, ITeC interprets the rise in interest rates as the crucial factor triggering the "return to normality".

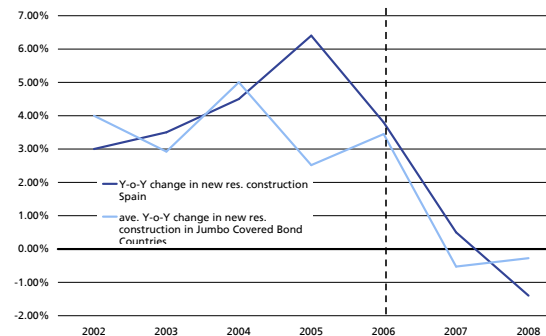
### SHORT-TERM RATES ARE RISING SINCE 09/2005



Source: HVB Global Markets Research

The rise in rates, which started roughly at the beginning of Sept. 2005, did not have an immediate effect. On the one hand, this is due to a natural delay (which is rather short in Spain, as most mortgage loans are paying floating rate interest), on the other hand, ITeC's arguments are that the increase in rates was not completely unanticipated. Furthermore, the rise was seen as rather less severe given the high historic rates.

### CHANGE IN NEW RESIDENTIAL CONSTRUCTION – SPANISH VS. NON-SPANISH



Source: HVB Global Markets Research

### Implications for Cédulas

Standing close to the summit looking down always gives a funny feeling in the stomach. However, whether the funny feeling is justified or not depends on how thick the rope and how stable the hook is. Despite the rise in interest rates, the Spanish market is fundamentally well supported. The impact of a slowdown or even a potential decrease in construction activity might, after a certain timelag also slow down Cédulas new issuance.

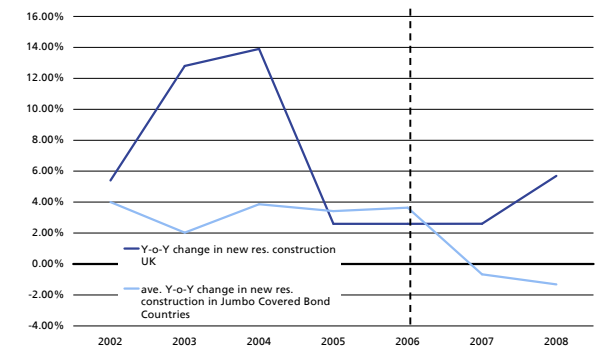
During the timelag we will closely monitor the mismatch between the increase of outstanding Cédulas volume and the increase of collateral.

**In a nutshell:** on an aggregate level, we are positive about a slowdown in construction activities as it will lead to a slowdown in Cédulas issuance activity. On an individual level, the slower or halted increase in collateral could lead to some issuers discontinuing Cédulas operations.

### UK – SHARP DECELERATION

After the booming years of 2002 through 2004, in 2005, UK new residential construction activity increased by 2.6%. While completions increased by 4%, Experian Business Strategies – the UK Euro-construct partner - reports that private residential housing starts were marginally lower than in 2004.

### CHANGE IN NEW RESIDENTIAL CONSTRUCTION – UK VS. NON-UK



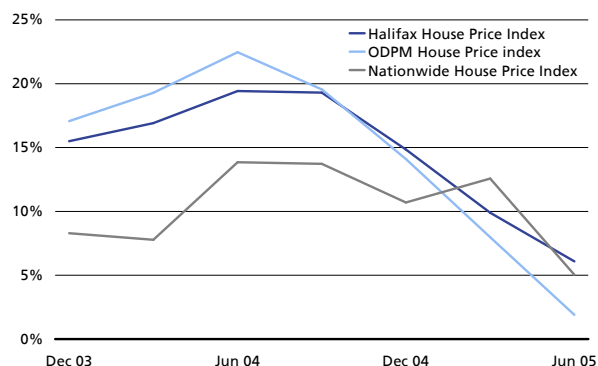
Source: HVB Global Markets Research

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

Latest publications of the established indices suggest that house price appreciation in the UK is continuing to slow down. In Q1 2006, Halifax reported annual house price appreciation was 6.2% and Nationwide estimated it at 4.9%

### WHERE DID THE HOUSE PRICE BUBBLE GO?



Source: HVB Global Markets Research

Experian's forecasts for the private household sector are "cautiously optimistic". The institution sees the market back or at least close to being back at somewhat normal conditions, meaning the sector is expected to grow but at a much slower pace than observed in past years.

### Implications for UK Covered Bonds

Issuance levels of UK covered bonds were artificially held at low levels in the past due to the 4% rule, which was in the meantime abolished. Hence, we believe that the slower pace of construction activity will not have an impact on issuance activity due to the cushion of existing issu-

ance potential some players are still reporting. We are positive on the fact that house price appreciation returned to reasonable levels. However, we are not as positive as Experian. We rather believe that the buoyant years in the past will still need some time to be digested.

### COVERED BONDS AS PFANDBRIEF COVERAGE

Although the concept of Pfandbriefe seems to be clear, there are sometimes still question marks. As it is perfectly true that covered bonds are not eligible as ordinary collateral for Pfandbriefe, it is also perfectly true that, given certain prerequisites, covered bonds are eligible as part of other collateral (formerly substitute collateral) up to 10% of the amount of outstanding Pfandbriefe. The basis for this is §19 (2) PfandBG which allows for coverage by debt repayable by "suitable credit institutions" – this also includes secured debt by such an institution.

A "suitable credit institution" in terms of §19 (2) PfandBG is defined by a guideline of BaKred (one of the three antecedents of BaFin). According to this guideline, domestic credit institutions are declared suitable provided:

- liable equity is above EUR 1.5 bn
- minimum reserve requirements with the Bundesbank are fulfilled
- guidelines of the supervising authority are obeyed.

Furthermore, in order to be eligible for Pfandbrief coverage, the amount of the debt repayable by a suitable bank must not amount to more than the amount of liable equity of the Pfandbrief issuing bank.

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

As all Pfandbriefbanks fulfill this criteria, all Pfandbriefe are eligible to, in turn, act as "other collateral" up to 10% of the outstanding Pfandbriefe.

The more interesting part arises when crossing the border in order to select non-Pfandbrief covered bonds as potential "other coverage" for Pfandbriefe. The prerequisites for a foreign bank to fulfill suitability are defined by a BAKred guideline dated August 18, 1988. According to this guideline, foreign credit institutions have to fulfill the following criteria:

- Transfer risk has to be eliminated
- The credit institution has to act under the supervision of a national regulatory authority. The license to conduct banking business has to include the authorization to accept deposits.
- Credibility of the respective institutions needs to be doubtless. The credit assessment of this institution has to be presented to the regulator on demand.
- The foreign credit institution has to be sufficiently capitalized.

Furthermore, the amount of "other coverage" of a Pfandbriefbank with a single foreign credit institution must not exceed its own liable capital.

### WHICH COVERED BONDS FULFILL THE CRITERIA?

Probably the most crucial point among the above mentioned is the general banking license plus the ability to accept deposits. In this context, Cédulas

are the most obviously connected with these features. Totally specialized funding institutions for Obligations Foncières and Irish Asset Covered Securities are disqualified. The structure in the UK, however, allows for UK covered bonds to act as "other collateral" for Pfandbriefe as bonds are issued by the originating bank while the subsidiary is just adding a guarantee – the same will very likely be true in the upcoming Italian Obbligazioni Bancarie Garantite. Although Luxembourg covered bond players do not accept customer deposits, they still have the authorization to do so, which makes Lettres de Gage eligible for other cover of Pfandbriefe.

Such general statements do not apply to Austria. While the KA does not have authorization to accept deposits, BAWAG does. Hence, covered bonds repayable by KA are not eligible for "other coverage" while BAWAG covered bonds are. The eligibility of covered bonds of Austrian Landeshypothekenbanken, however, is based on the maintenance obligation backing the debt, which in this respect is a different ballpark.

### PFANDBRIEF ELIGIBLE COVERED BONDS

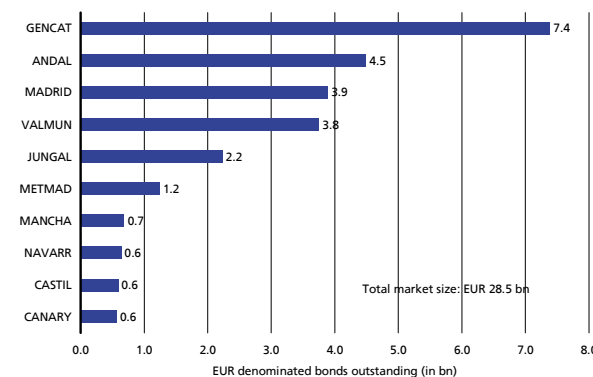
Cédulas	Yes
Obligations Foncières	No
ACS	No
UK Covered Bonds	Yes
Italian Covered Bonds	Yes
CDP Covered Bonds	No
Lettres de Gage	Yes
Austria	Yes/No

Source: HVB Global Markets Research

### GREATER FINANCIAL AUTONOMY FOR CATALONIA IN THE PIPELINE

The recent changes of the statute of the Spanish autonomous community of Catalonia (Aa3s/AAs/AA-n) only have a small positive impact on the credit metrics of the issuer, but are positive from a medium-term perspective.

### CATALONIA IS THE LARGEST ISSUER AMONG SPANISH SUB-NATIONALS



Source: Bloomberg

### MORE INVESTMENT NOW, MORE FINANCIAL AUTONOMY POSSIBLE FROM 2008

In addition to granting greater political autonomy, the new statute paves the way for greater financial autonomy of the region. There are two important points of the new statute from a credit point of view:

1. **More investment:** Catalonia will receive a greater share of infrastructure investment

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

funds from the central government than before (18% compared to previously 12% of total funds), which is positive for the overall economic fundamentals of the region.

2. **Greater fiscal autonomy:** Catalonia will be granted greater fiscal autonomy once the new financing system for the regions will be introduced. Specifically, it will be able to keep a larger share of national taxes: 50% instead of currently 33% of personal income tax, 50% instead of 35% of VAT, and 50% instead of 40% of special taxes (tobacco, alcohol and gasoline).

Both points are clearly positive for the creditworthiness of this prosperous Spanish region. However, the greater financial autonomy would only be achieved with the introduction of the new financing system, i.e. at the earliest in 2008. The new system would further decrease Catalonia's dependence on government transfers.

### FURTHER REDUCTION OF DEPENDENCE ON GOVERNMENT TRANSFERS ON THE HORIZON

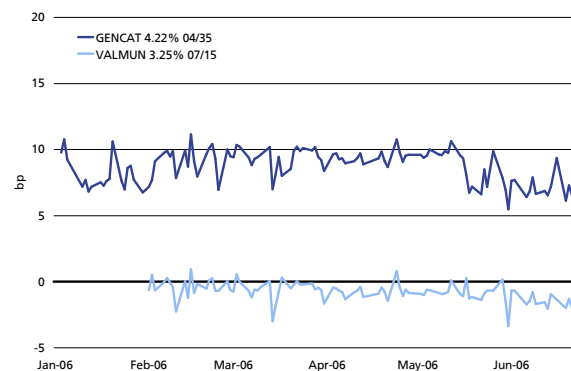
When the current system was introduced, Catalonia's financing from government transfers decreased from 68% in 2001 to 23% in 2002. The new system would reduce its dependence on government funds even further to possibly below 10%, as a significantly greater share of taxes will be kept by the regional government.

**Thus, the immediate impact is a small positive through the increase in infrastructure investment, while the real positive impact will be felt in the medium term. We do not expect any immediate rating changes or impact on spreads.**

### LARGEST SPANISH SUB-SOVEREIGN ISSUER

Catalonia is the largest euro capital markets player among the Spanish regions with EUR 7.4 bn in euro-denominated bonds outstanding (total Spanish sub nationals EUR 28.5 bn). Furthermore, it has issued three of the ten Spanish regional bonds with a size of EUR 500 mn or larger and is one of the two regions besides Valencia with an iBoxx bond.

### PERFORMANCE OF THE TWO SPANISH REGIONAL IBOXX BONDS



Source: iBoxx

### HYPO REAL ESTATE INTERNATIONAL IN THE AUSSIE MARKET

Despite just having been beaten by the Italian team, the importance of the Australian bond market seems to increase – at least for Hypo Real Estate International (HYPINT A2s/A-2/-). Patrick Steeg, Head of Funding at HYPINT, provided some information on the development of AUD-funding at his company. We summarize his key points:

- For HYPINT, diversification in funding is a key issue. Being a well-known lender in Europe and having successfully entered the Asian market, entering the Aussie market is a logical step for HYPINT.
- Starting from November 2005, HYPINT steadily developed an AUD 3 bn issuance program. A connection between the New South Wales law and the Pfandbrief Act allows Australian investors to benefit from Pfandbrief technology. Although not new, this offers the first opportunity for Aussie investors to buy Pfandbriefe.
- The two initial bonds, a 5Y AUD 200 mn senior unsecured and a 10Y AUD 200 mn Pfandbrief, enjoyed strong investor demand. Both issues were tapped immediately by AUD 25 mn. The outstanding Pfandbrief amount was increased further to AUD 400 mn.
- Steeg articulated that HYPINT has no opportunistic interest in the Australian market, but has a long-term strategic interest with the goal of achieving benchmark status in Australia.

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### COVERED BOND OPPORTUNITIES FOR AUSSIES

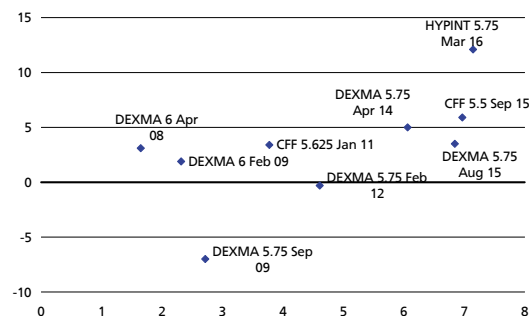
	CPN	Mat	Issue	Amount	Gov. Spread at issue
DEXMA	6	10/07	2/02	350 mn	31.5 bp
DEXMA	6	2/09	2/04	350 mn	47 bp
DEXMA	5.75	4/14	4/04	500 mn	57.5 bp
DEXMA	5.75	2/12	2/05	200 mn	47.5 bp
DEXMA	5.75	9/09	3/05	100 mn	
DEXMA	6	4/08	4/05	200 mn	41.5 bp
DEXMA	5.75	8/15	8/05	400 mn	49 bp
CFF	5.5	9/15	9/05	600 mn	51.5 bp
CFF	5.625	1/11	10/05	100 mn	
HYPINT	5.75	3/16	3/06	400 mn	49.5 bp

Source: HVB Global Markets Research

### DEXMA DOMINATES KANGACOVERED MARKET

Until Q4 2005, the AUD covered bond market was a monopoly of DEXMA's public covered Obligations Foncières (OFs). CFF's mixed mortgage and public covered OFs appeared in Q4 2005, while finally HYPINT, the first non-French covered bond issuer, tapped the market downunder.

### KANGACOVERED BONDS AND WHERE THEY TRADE



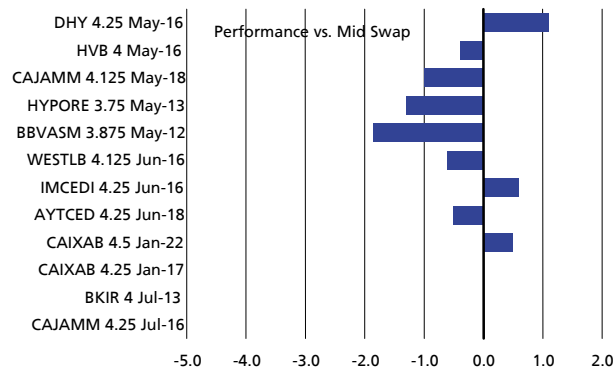
Source: HVB Global Markets Research

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

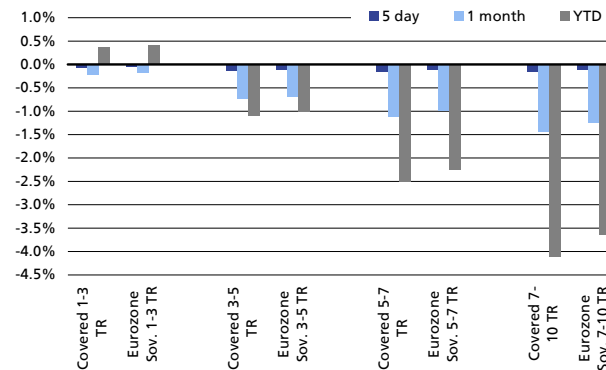
### MARKET UPDATE

SPREAD PERFORMANCE OF RECENTLY ISSUED BONDS



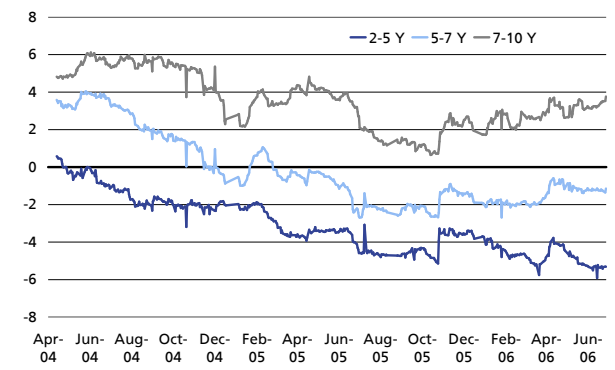
Source: Bloomberg, Reuters, HVB Global Markets Research

IBOXX PERFORMANCE OVERVIEW



Source: Bloomberg, Reuters, HVB Global Markets Research

COVERED BOND MID-SWAP SPREAD BY MATURITY



Source: Bloomberg, Reuters, HVB Global Markets Research

### SUPPLY TABLE

Name	Date	Type	Volume in EUR mn	Maturity	Cpn	Mid-Swap	Lead Managers
CAJAMM	28 Jun	New Issue	2500	7/16	4.25	10 bp	CAJAM, DB, IXIS, MS
CIFEUR	23 Jun	Tap	750	7/11	4	bp	BNP, IXIS
HYPINT	23 Jun	Tap	250	5/11	3.75	bp	COBA, DZ, HVB
BKIR	21 Jun	New Issue	2000	7/13	4	1 bp	ABN, DAVY, DB, MS
CAIXAB	21 Jun	New Issue	1000	1/22	4.5	13 bp	ABN, CITI, DRKW, CAIXA, SG
CAIXAB	21 Jun	New Issue	2000	1/17	4.25	9.5 bp	ABN, CITI, DRKW, CAIXA, SG
CFE	19 Jun	Tap	250	1/08	3.625	bp	HSBC

Source: Bloomberg, Reuters, HVB Global Markets Research

### PRIMARY MARKET ACTIVITY

Issuer	Rating	Amount	Mat	Launch	Comment
Banesto	Aa1/AA+/-	EUR 1-1.5 bn	7Y	Next week	ANESTO, BARCAP, HSBC, IXIS
HBOS	Aaa/AAA/AAA	EUR Benchmark	Long dated	Early July	ABN, DRKW, SG
DUSHYP	Depends on Hypfe or Oepfe	EUR Benchmark	t.b.d.	Early July	COBA, DB, HSBC
MUNHYP	Aaa	EUR Benchmark	t.b.d.	Early Sept.	BARCAP, BALABA, DB, DZ
SHAMPO	Exp. Aaa	EUR Benchmark	t.b.d.	Early Sept.	ABN, GS, HVB, SAMPO
NRBS	Aaa/AAA/AAA	EUR Benchmark	t.b.d.	Early Sept.	
CGD	t.b.d.	EUR Benchmark	t.b.d.	2nd half of 2006	BARCAP, CAIXA BANCO INVESTIMENTO, NO-MURA, SG

Source: Bloomberg, Reuters, HVB Global Markets Research

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### COVERED BONDS

#### TOP 10 WINNERS

Ticker	Cpn	Mat	ASW	1w diff
LBNRW	4.75	09/07	-14.3	-1.4
AHBR	5.75	09/08	0.8	-1.1
CIFEUR	3.5	11/07	-10.2	-1.0
BBVSM	5.5	10/09	-3.6	-1.0
BHH	3.25	05/08	-11.1	-0.9
LBW	5.5	07/10	-8.2	-0.9
DGHYP	4.25	01/14	-4.1	-0.9
HVB	5	04/08	-10.6	-0.8
LBW	3.5	02/15	-4.9	-0.7
MUNHYP	4.25	04/13	-4.1	-0.7

#### TOP 10 DEAREST

Ticker	Cpn	Mat	ASW	Z-Score
BHH	3.5	02/09	-5.3	-3.0
DGHYP	4.25	01/14	-4.1	-2.6
DGHYP	3.5	09/08	-10.8	-2.4
MUNHYP	4.25	04/13	-4.1	-2.4
HVB	4.5	07/14	-2.2	-2.4
DEXMA	5.5	04/10	-8.4	-2.2
HESLAN	3.25	02/09	-11.8	-2.2
DGHYP	4.5	01/13	-3.1	-2.1
EURHYP	5.75	01/11	-6.3	-2.1
CFE	4	07/11	-5.2	-2.1

### AGENCIES

#### TOP 10 WINNERS

Ticker	Cpn	Mat	ASW	1w diff
ICO	3	06/08	-12.6	-9.0
RENTEN	5	08/07	-14.7	-2.7
KFW	4.75	08/07	-13.1	-2.1
CADES	4	10/19	-8.2	-2.0
CADES	3.75	10/20	-7.3	-1.4
KFW	3.5	07/21	-8.8	-1.1
UNEDIC	3	02/10	-9.8	-0.9
EIB	2.75	06/08	-14.2	-0.8
KFW	5.25	07/12	-10.6	-0.8
EIB	5.375	10/12	-10.3	-0.8

#### TOP 10 DEAREST

Ticker	Cpn	Mat	ASW	Z-Score
NRW	3.25	06/10	-7.6	-2.0
RESFER	5	10/33	3.3	-1.9
EIB	5.375	10/12	-10.3	-1.7
KFW	5.25	07/12	-10.6	-1.7
LANDER	3.25	05/09	-7.9	-1.5
BNG	4.25	01/09	-19.0	-1.5
BAYERN	3.375	01/13	-8.5	-1.4
CADES	5.25	10/12	-21.0	-1.4
KFW	3.5	07/15	-11.6	-1.4
KFW	4.25	07/14	-10.9	-1.4

#### TOP 10 LOSERS

Ticker	Cpn	Mat	ASW	1w diff
BANEST	3.5	01/15	8.5	1.4
CAIXAB	3.25	10/15	7.8	1.0
CFE	5.125	10/08	-6.8	0.9
BBVSM	5.75	09/10	-0.7	0.8
AYTCED	3.75	06/25	11.3	0.5
BANSAB	3.25	06/15	6.6	0.5
BRADBI	3.75	05/09	-4.6	0.4
EURHYP	4.75	08/08	-9.8	0.4
AYTCED	4.5	11/08	-7.1	0.4
WHB	2.75	11/07	-12.6	0.4

#### TOP 10 CHEAPEST

Ticker	Cpn	Mat	ASW	Z-Score
CAIXAB	3.25	10/15	7.8	2.8
BANEST	3.5	01/15	8.5	2.7
CFE	5.125	10/08	-6.8	2.7
BBVSM	5.75	09/10	-0.7	2.0
CAJAMM	5.75	06/16	8.6	1.8
SANTAN	3.125	09/15	7.8	1.7
AYTCED	4	04/14	6.1	1.6
BANSAB	3.25	06/15	6.6	1.5
CAIXAB	3.875	02/25	12.3	1.2
CAJAMM	5.5	01/10	-3.3	1.2

#### TOP 10 LOSERS

Ticker	Cpn	Mat	ASW	1w diff
KFW	3	02/08	-12.9	1.4
UKRAIL	3.125	03/09	-10.5	1.2
BNG	5.625	10/10	-10.8	0.8
FHLMC	3.75	07/09	-8.6	0.6
ICO	3.5	06/09	-11.8	0.6
ICO	2.875	03/09	-11.4	0.5
ICO	3	12/08	-12.6	0.5
HSHN	3.875	09/08	-0.6	0.4
HESLAN	5.5	03/12	2.5	0.4
HESSEN	4	07/09	-8.6	0.4

#### TOP 10 CHEAPEST

Ticker	Cpn	Mat	ASW	Z-Score
WESTLB	5.25	04/11	2.4	1.7
ENEL	4.5	10/08	-3.4	1.5
NDB	4.25	01/14	3.4	1.4
DEKA	4.25	07/13	5.2	1.3
HESLAN	5.5	03/12	2.5	1.3
LBBER	4.375	12/15	8.2	1.1
ISPA	5.2	07/34	20.0	1.1
NDB	4.5	04/13	3.8	1.1
LBBER	3.25	07/08	0.4	1.1
HSHN	5.375	04/11	4.2	1.0

Source: Bloomberg, Reuters, HVB Global Markets Research

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### RECOMMENDATIONS

#### MAIN SECTOR RECOMMENDATIONS

Sector	Rec	Mod. Dur. iBoxx / HVB	iBoxx Issuer Weight	Portfolio Weight
Sovereigns	MW		-	-
Collateralized	MW	4.6 / 4.3	43.30%	37.50%
Sub-Sovereigns	OW	5.0 / 5.0	34.00%	35.00%

Source: Bloomberg, Reuters, HVB Global Markets Research

#### COLLATERALIZED PORTFOLIO SELECTION

Ticker	Cpn	Maturity	Rating	Mod. Dur.	iBoxx weight	Portfolio weight	OW/UW
AYTCED	4	4/7/14	AAA	6.9	2.30%	3.50%	1.20%
CAJAMM	3.5	3/25/11	AAA	4.7	0.80%	5.50%	4.70%
DEPFA	3.875	7/15/13	AAA	6.4	3.60%	5.00%	1.40%
DEXMA	4.25	2/20/13	AAA	6	1.40%	3.00%	1.60%
DUSHYP	3.75	7/4/07	AAA	1.5	0.30%	6.50%	6.20%
EURHYP	5.75	7/19/10	AA	4	3.00%	7.00%	4.00%
NRBS	3.5	5/4/09	AAA	3.1	0.40%	7.00%	6.60%

Source: Bloomberg, Reuters, HVB Global Markets Research

#### COVERED BOND SECTOR VIEWS

Sector	Recommendation for trading accounts	Recommendation for buy-and-hold investors
Public Sector Pfandbriefe	Overweight	Marketweight
Mortgage Pfandbriefe	Marketweight	Marketweight
Cédulas	Marketweight	Overweight
Multi-Cédulas	Marketweight	Marketweight
France Covered	Overweight	Underweight
UK Covered	Marketweight	Overweight

Source: Bloomberg, Reuters, HVB Global Markets Research

#### SSA PORTFOLIO SELECTION

Ticker	Cpn	Maturity	Rating	Mod. Dur.	iBoxx weight	Portfolio weight	OW/UW
Regions							
BERGER	5	4/1/11	Aa3	4.8	0.30%	3.00%	2.70%
NRW	3.5	11/16/15	AA-	7.4	2.50%	3.00%	0.50%
SACHAN	5.75	3/15/10	AA-	5.8	1.90%	3.00%	1.10%
VALMUN	3.25	11/24/10	AA-	4	0.50%	3.00%	2.50%
Agencies							
KFW	3.874	1/4/13	AAA	3	0.80%	4.00%	3.20%
LBANK	3.25	7/6/09	AA+	4.5	0.60%	2.00%	1.40%
ICO	2.875	3/16/00	AAA	4.6	1.10%	1.50%	0.40%
NEDWBK	4	3/12/13	AAA	6.3	1.40%	1.40%	0.00%
FHLMC	4.75	1/15/13	AAA	5.8	4.50%	4.50%	0.00%
Supranationals							
EIB	5.375	10/15/12	AAA	5.8	4.50%	4.50%	0.00%

Source: Bloomberg, Reuters, HVB Global Markets Research

#### SSA SECTOR VIEWS

Sector	Sub-Sector	Recommendation
Regions	Germany	Marketweight
	Spain	Overweight
	Italy	Marketweight
Agencies	Germany	Marketweight
	Spain	Overweight
	France	Underweight
	Netherlands	Marketweight
	US	Marketweight

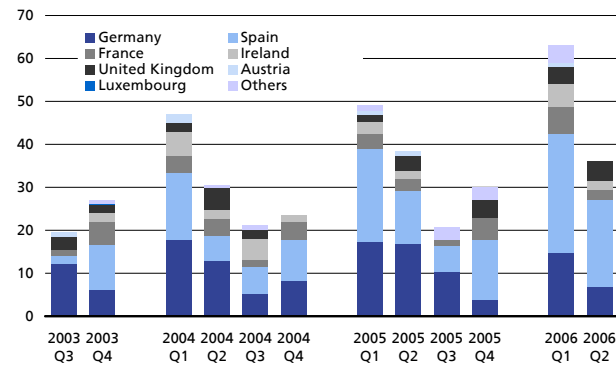
Source: Bloomberg, Reuters, HVB Global Markets Research

# Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

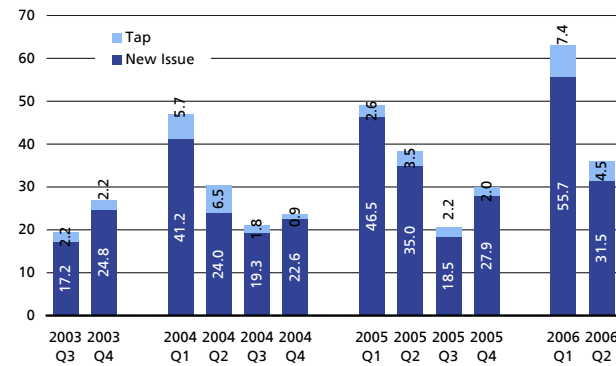
## MARKET SNAPSHOT

TOTAL SUPPLY BY COUNTRY IN EUR BN



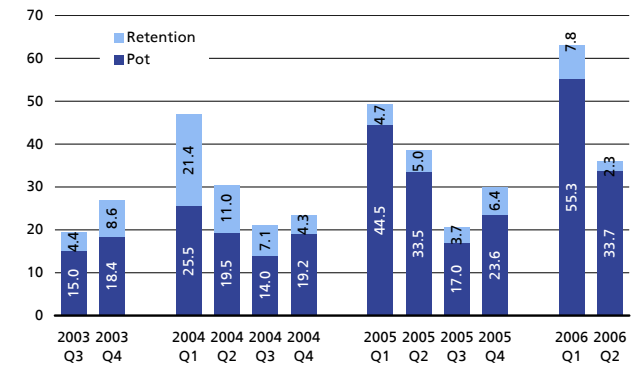
Source: Bloomberg, Reuters, HVB Global Markets Research

TOTAL SUPPLY BY SUPPLY TYPE IN EUR BN



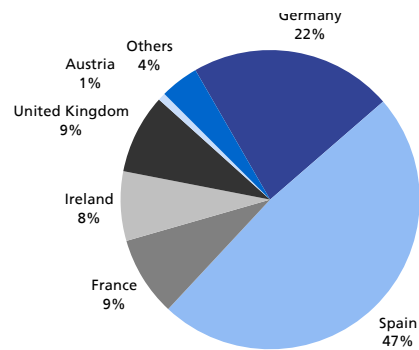
Source: Bloomberg, Reuters, HVB Global Markets Research

TOTAL SUPPLY BY ISSUE STYLE IN EUR BN



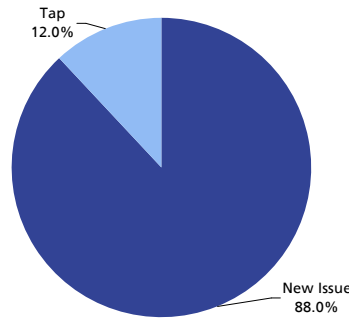
Source: Bloomberg, Reuters, HVB Global Markets Research

SUPPLY YTD BY COUNTRY



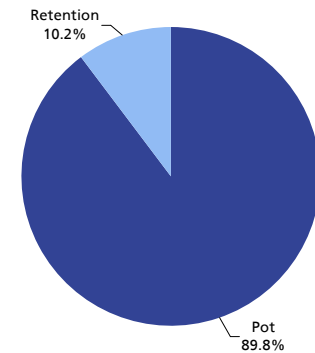
Source: Bloomberg, Reuters, HVB Global Markets Research

SUPPLY YTD BY SUPPLY TYPE



Source: Bloomberg, Reuters, HVB Global Markets Research

SUPPLY YTD BY ISSUE STYLE

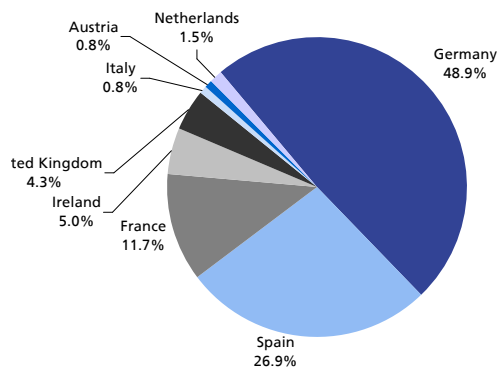


Source: Bloomberg, Reuters, HVB Global Markets Research

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

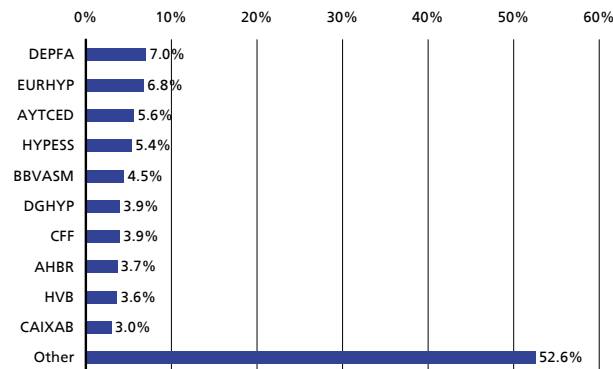
June 29, 2006

### SECTOR SUMMARY OUTSTANDING BONDS



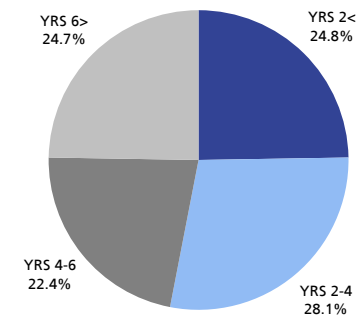
Source: Bloomberg, Reuters, HVB Global Markets Research

### MARKET SHARE OF TOP 10 ISSUERS



Source: Bloomberg, Reuters, HVB Global Markets Research

### DISTRIBUTION BY MODIFIED DURATION



Source: Bloomberg, Reuters, HVB Global Markets Research

### SECTOR SUMMARY OUTSTANDING BONDS

Country	Total Volume in EUR bn	No. of Bonds	Avg. Size in EUR bn	WA Mod. Dur. in Years
Germany	360.6	221	1.6	2.8
Spain	198.0	104	1.9	6.7
France	86.5	54	1.6	4.5
Ireland	37.0	15	2.5	3.9
United Kingdom	31.8	17	1.9	6.3
Italy	6.0	3	2.0	4.4
Austria	6.0	6	1.0	4.9

Source: Bloomberg, Reuters, HVB Global Markets Research

### TOP 10 ISSUER PROFILES

Ticker	Total Volume in EUR bn	No. of Bonds	Avg. Size in EUR bn	WA Mod. Dur.
DEPFA	51.9	21	2.5	3.5
EURHYP	50.2	23	2.2	2.7
AYTCED	41.6	19	2.2	6.9
HYPESS	39.8	20	2.0	2.2
BBVASM	33.0	15	2.2	5.6
DGHYP	29.2	17	1.7	3.0
CFF	29.2	16	1.8	4.9
AHBR	27.0	17	1.6	2.5
HVB	26.9	15	1.8	3.4
CAIXAB	22.3	11	2.0	7.6

Source: Bloomberg, Reuters, HVB Global Markets Research

### TOP 10 REDEMPTION MONTHS

Month	Volume	No. of Bonds
Jan-2007	14.6	8
Sep-2007	15.2	8
Apr-2008	12.9	6
Jan-2009	12.7	6
Feb-2009	12.0	8
Jun-2010	15.7	7
Jul-2010	23.8	10
Jan-2011	12.9	7
Apr-2011	18.4	9
Jan-2013	19.7	9

Source: Bloomberg, Reuters, HVB Global Markets Research

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### DISCLAIMER

This analysis was prepared by Mr. Florian Hillenbrand (Analyst), Ms. Valentina Stadler (Analyst), Mr. Bernd Volk (Analyst) and was published the first time on 06/29/2006

Responsibility for its preparation lies with: Bayerische Hypo- und Vereinsbank AG, Am Tucherpark 16, 80538 Munich, Germany  
Regulatory authority: "BaFin" – Bundesanstalt für Finanzdienstleistungsaufsicht, Lurgiallee 12, 60439 Frankfurt, Germany

Important notices acc. § 4/ 4; 4 Fin AnV:

Company	Date	Product	Rating
---------	------	---------	--------

BIW: Bank & Insurance Watch, CBM: Covered Bond Monitor, CCT: Corporate CDS Tracker, CF: Credit Flash, CSS: Credit Strategy Special, CV: Credit View, DCB: Daily Credit Briefing, ECP: Euro Credit Pilot, HGC: High Grade Compass, HYCO: Euro High Yield & Crossovers, SF: Sector Flash, SMW: Securitization Market Watch, SR: Sector Report, SU: Strategy Update

#### Other important notices:

- Key 1a: Bayerische Hypo- und Vereinsbank AG and/or a company affiliated with it pursuant to § 15 AktienG (German Stock Corporation Act) owns at least 5% of the capital stock of the company.
- Key 1b: The analyzed company owns at least 5% of the capital stock of Bayerische Hypo- und Vereinsbank AG and/or a company affiliated with it pursuant to § 15 AktienG (German Stock Corporation Act).
- Key 2: Bayerische Hypo- und Vereinsbank AG and/or a company affiliated with it pursuant to § 15 AktG (German Stock Corporation Act) belonged to a syndicate that has acquired securities of the analyzed company within the twelve months preceding publication.
- Key 3: Bayerische Hypo- und Vereinsbank AG and/or a company affiliated with it pursuant to § 15 AktG (German Stock Corporation Act) administers the securities issued by the analyzed company on the stock exchange or on the market by quoting bid and ask prices.

- Key 4: The analyzed company and Bayerische Hypo- und Vereinsbank AG and/or a company affiliated with it pursuant to § 15 AktG (German Stock Corporation Act) concluded an agreement on services in connection with investment banking transactions in the last 12 months, in return for which the Bank received a consideration or promise of consideration.
- Key 5: The analyzed company and Bayerische Hypo- und Vereinsbank AG and/or a company affiliated with it pursuant to § 15 AktG (German Stock Corporation Act) have concluded an agreement on the preparation of analyses.

**Company - Key:** Aareal Bank 2 ; Allgemeine Hypothekbank Rheinboden AG 2 ; AyT Cédulas Cajas 2 ; Banco Bilbao Vizcaya Argentaria SA 2 ; BANCO ESP.CREDITO SA (BANESTO) 2 ; Banco Sabadell 2 ; Banco Santander Central Hispano 2 ; BAWAG 2 ; BANKGESELLSCHAFT BERLIN AG 2 ; BARCLAYS 2 ; Bayerische Landesbank 2 ; BBVA 2 ; Berlin-Hannoversche Hypothekbank AG 2 ; BfG Hypothekbank AG 2 ; BGB Bankgesellschaft Berlin 2 ; BRADFORD & BINGLEY PLC 2 Caisse de Refinancement de l'Habitat 2 ; Caisse de Refinancement Hypothécaire 2 ; Caixa Catalunya 2 ; Caixa d'Estalvis I Pensions de Barcelona 2 ; Caja Madrid 2 ; CIF Euromortgage 2 ; Commerzbank 2 ; Compagnie de Financement Foncier 2 ; CREDIT FONCIER DE FRANCE 2 ; Credit Suisse Group 2 ; DEPFA BANK plc. 2 ; DG HYP 2 ; Deutsche Hypothekbank 2 ; DEXIA 2 ; Dexia Hypothekbank Berlin AG 2 ; Düsseldorf Hypothekbank AG 2 ; Eurohypo Aktiengesellschaft 2 ; Eurohypo SA Luxemburg 2 ; GZ-BANK AG 2 ; Hamburgische Landesbank 2 ; Helaba Finance B.V. 2 ; HSH Nordbank AG 2 ; HVB Real Estate Bank 2 ; Hypo Real Estate Holding AG 3 ; Hypothekbank in Essen 2 ; Instituto de Credito Oficial 2 ; Instituto de Credito Oficial 2 ; KFW 2 ; Kommunalkredit Austria AG 2 ; La Caixa de Barcelona 2 ; LANDESBANK BADEN-WÜRTTEMBERG 2 ; Landesbank Berlin 2 ; Münchener Hypothekbank eG 2 ; Norddeutsche Landesbank 2 ; Sanpaolo IMI 2 ; Santander Central Hispano 2 ; SEB Hypothekbank AG 2 ; Svenska Handelsbanken 2 ; UniCredito Italiano 2 ; Westdeutsche Landesbank Girozentrale 2 ; Westfälische Hypothekbank AG 2 ; Westfälische Landschaft. Bodenkreditbank 2 ; Württembergische Hypothekbank AG 2

#### Significant financial interest:

Bayerische Hypo- und Vereinsbank AG and companies affiliated with it regularly trade shares of the analyzed company. Analyses may refer to one or several companies and to the securities issued by them. The author's remuneration has not been, and will not be, geared to the recommendations or views expressed in this study, neither directly nor indirectly.

In some cases, the analyzed issuers have actively supplied information for this analysis.

To prevent or remedy conflicts of interest, Bayerische Hypo- und Vereinsbank AG has established the organizational arrangements required from a legal and supervisory aspect, adherence to which is monitored by its Compliance department.

**The prices used in the analysis are the closing prices of the Xetra system or the closing prices of official trading on the Frankfurt Stock Exchange or the closing prices on the relevant local stock exchanges. In the case of unlisted stocks, the average market prices based on various major broker sources (OTC market) are used.**

Our recommendations are based on information available to the general public that we consider to be reliable but for the completeness and accuracy of which we assume no liability. **We reserve the right to modify the views expressed herein at any time and without notice.**

**Moreover, we reserve the right not to update this information or to discontinue it altogether without notice.** The investment possibilities discussed in this report may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. In particular the risks associated with an investment in the securities or the financial instruments under discussion are not explained in its entirety. This information is given without any warranty on an "as is" basis and should not be regarded as a substitute for obtaining individual advice. Please contact your bank's investment advisor for individual explanations and advice. Provision of this information shall not be construed as constituting an offer to enter into a consulting agreement.

You will find an overview of the breakdown in absolute and relative terms of our investment ratings on our website [www.hvb.de](http://www.hvb.de) under the heading "Disclaimer."

Our investment ratings are in principle judgments relative to an index as a benchmark. Our ratings are as follows: **Buy, Outperform, Neutral, Underperform and Sell.** Outperform/Underperform ratings mean that we expect a stock to outperform or underperform the benchmark by more than 5%. Similarly, a Buy or Sell rating is based on the assumption of outperformance or underperformance of more than 10%, including an absolute component (i.e. projected absolute gains or losses). The benchmark for the stocks covered in this publication is the Euro STOXX 50.

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### Issuer level:

**Marketweight:** We recommend to have the same portfolio exposure in the name as the respective reference index (the iBoxx index universe for high-grade names and the ML EUR HY index for sub-investment grade names)

**Overweight:** We recommend to have a higher portfolio exposure in the name as the respective reference index (the iBoxx index universe for high-grade names and the ML EUR HY index for sub-investment grade names)

**Underweight:** We recommend to have a lower portfolio exposure in the name as the respective reference index (the iBoxx index universe for high-grade names and the ML EUR HY index for sub-investment grade names)

### Instrument level:

**Core hold:** We recommend to hold the respective instrument for investors who already have exposure.

**Sell:** We recommend to sell the respective instrument for investors who already have exposure.

**Buy:** We recommend to buy the respective instrument for investors who already have exposure.

### Note on what the evaluation of equities is based:

Company valuations are based on the following valuation methods: Multiple-based models (P/E, P/cash flow, EV/sales, EV/EBIT, EV/EBITA, EV/EBITDA), peer-group comparisons, historical valuation approaches, discount models (DCF, DVMA, DDM), break-up value approaches or asset-based evaluation methods. Furthermore, recommendations are also based on the Economic profit approach. Valuation models are dependent on macroeconomic factors, such as interest rates, exchange rates, raw materials, and on assumptions about the economy. Furthermore, market sentiment affects the valuation of companies. The valuation is also based on expectations that might change rapidly and without notice, depending on developments specific to individual industries. Our recommendations and target prices derived from the models might therefore change accordingly. The investment ratings generally relate to a 6 to 9-month horizon. They are, however, also subject to market conditions and can only represent a snapshot. The ratings may in fact be achieved more quickly or slowly than expected, or need to be revised upward or downward.

### Note on the bases of valuation for interest-bearing securities:

Trading recommendations for fixed-interest securities mostly focus on the credit spread (yield difference between the fixed-interest security and the relevant government bond or swap rate) and on the rating views and methodologies of recognized agencies (S&P, Moody's, Fitch). Depending on the type of investor, investment ratings may refer to a short period or to a 6 to 9-month horizon.

Please note that the provision of securities services may be subject to restrictions in certain jurisdictions. You are required to acquaint yourself with local laws and restrictions on the usage and the availability of any services described herein. The information is not intended for distribution to or use by any person or entity in any jurisdiction where such distribution would be contrary to the applicable law or provisions.

### Notice to U.K. residents:

This report is intended for clients of Bayerische Hypo- und Vereinsbank AG who are market counterparties or intermediate customers (both as defined by the "FSA", the Financial Services Authority) and is not intended for use by any other person, in particular, private customers as defined by the FSA Rules. This report is not to be construed as a solicitation to buy or an offer to sell any securities. The information in this publication is based on carefully selected sources believed to be reliable, but we do not make any representation with respect to its completeness or accuracy. All opinions expressed in this report reflect our assessment at this time and are subject to change without notice.

We and/or other members of Bayerische Hypo- und Vereinsbank Group may take a long or short position and buy or sell securities mentioned in this publication. We and/or members of Bayerische Hypo- und Vereinsbank Group may act as investment bankers and/or commercial bankers for issuers of securities mentioned, be represented on the board of such issuers and/or act as "market makers" for such securities. The Bank and its affiliates may also, from time to time, have a consulting relationship with a company mentioned in this report.

The investment opportunities discussed in this report may be unsuitable for certain investors depending on their specific investment objectives and financial position. Investors are recommended to obtain the advice of their banker/broker about investments prior to entering into them. Bayerische Hypo- und Vereinsbank AG London branch is regulated by the FSA.

### Notice to U.S. residents:

The information contained in this report is intended solely for institutional clients of Bayerische Hypo- und Vereinsbank AG, New York Branch ("HypoVereinsbank") and HVB Capital Markets, Inc. ("HVB Capital" and, together with HypoVereinsbank, "HVB") in the United States, and may not be used or relied upon by any other person for any purpose. Such information is provided for informational purposes only and does not constitute a solicitation to buy or an offer to sell any securities under the Securities Act of 1933, as amended, or under any other U.S. federal or state securities laws, rules or regulations. The investment opportunities discussed in this report may be unsuitable for certain investors depending on their specific investment objectives, risk tolerance and financial position.

In jurisdictions where HVB is not registered or licensed to trade in securities, commodities or other financial products, transactions may be executed only in accordance with applicable law and legislation, which may vary from jurisdiction to jurisdiction and may require that a transaction be made in accordance with applicable exemptions from registration or licensing requirements.

The information in this publication is based on carefully selected sources believed to be reliable, but HVB does not make any representation with respect to its completeness or accuracy. All opinions expressed herein reflect HVB's judgment at the original time of publication, without regard to the date on which you may receive such information, and are subject to change without notice.

HVB may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report.

These publications reflect the different assumptions, views and analytical methods of the analysts who prepared them. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is provided in relation to future performance.

HVB and any company affiliated with it may, with respect to any securities discussed herein: (a) take a long or short position and buy or sell such securities; (b) act as investment and/or commercial bankers for issuers of such securities; (c) act as market makers for such securities; (d) serve on the board of any issuer of such securities; and (e) act as paid consultant or advisor to any issuer.

The information contained herein may include forward-looking statements within the meaning of U.S. federal securities laws that are subject to risks and uncertainties. Factors that could cause a company's actual results and financial condition to differ from expectations include, without limitation: political uncertainty, changes in general economic conditions that adversely affect the level of demand for the company's products or services, changes foreign exchange markets, changes in international and domestic financial markets and in the competitive environment, and other factors relating to the foregoing. All forward-looking statements contained in this report are qualified in their entirety by this cautionary statement.

## Covered Bond & Agency Monitor - And yet it works - Covered Bonds as Pfandbrief Coverage

June 29, 2006

### CONTACTS

#### Global Markets Research

Thorsten Weinelt, CFA  
Managing Director  
+49 89 378-15110  
thorsten.weinelt@hvb.de

#### Financials, Covered Bonds & Agencies, and Securitization Research

Luis Maglanoc, CFA, Head  
Banks  
+49 89 378-12708

Alexander Plenk, CFA  
Banks  
+49 89 378-12429

Franz Rudolf, CEFA  
Insurance, Financial Services  
+49 89 378-12449

Bernd Volk, CFA  
Covered Bonds  
+49 89 378-18133

Florian Hillenbrand  
Covered Bonds  
+49 89 378-12961

Valentina Stadler  
Sub-Sovereigns & Agencies  
+49 89 378-16296

Helge Münkel  
Securitization  
+49 89 378-11294

Dr. Marco Krohn  
Securitization  
+49 89 378-12250

#### Credit & Credit Derivatives Strategy

Dr. Jochen Felsenheimer, Head  
+49 89 378-18188

Dr. Philip Gisdakis  
Quantitative Credit Strategy  
+49 89 378-13228

Michael Zaiser  
Credit Strategy  
+49 89 378-13229

#### Corporate Credit Research

Dr. Felix Fischer, CFA, Co-Head  
General Industries, Construction & Materials, Tobacco  
+49 89 378-15449

Dr. Sven Kreitmair, CFA, Co-Head  
Automobiles & Parts, Industrial G&S,  
Aerospace & Defense  
+49 89 378-13246

Jana Arndt  
Basic Resources, Travel & Leisure  
+49 89 378-13211

Stephan Haber  
Telecoms, Media, Technology  
+49 89 378-15192

Carmen Hummel  
Food & Beverage, Personal & Household Goods, Retail  
+49 89 378-12252

Christian Kleindienst  
Utilities, Oil & Gas  
+49 89 378-12650

Jochen Schlachter  
Chemicals, Healthcare  
+49 89 378-13212

Dusan Meszaros  
EEMEA Credit  
+43 50505-82350, dusan.meszaros@ba-ca.com

#### Quantitative Cross Asset Strategy

Dr. Dominik Dersch, PRM  
+49 89 378-15368

Dr. Stefan Schulz  
+49 89 378-12765

#### FX/FI Strategy

Michael Rottmann, Head  
+49 89 378-15121

#### Equity Strategy

Gerhard Schwarz, Head  
+49 89 378-12421

#### Publication Address

Bayerische Hypo- und Vereinsbank AG  
HVB Corporates & Markets  
Global Markets Research  
Arabellastrasse 12  
D-81925 Munich

Telephone +49 89 378-12759  
Facsimile +49 89 378-16237

#### Bloomberg / Internet

HVBR  
www.hvbmarkets.de