

Market Comment | Oil prices set the pace of global financial markets.

Global Financial Markets Unit
09 Dec 2015

- **Japan revised 3Q15 GDP upward.** Japan GDP in the 3Q15 was revised from -0.8% QoQ to 1.0% QoQ annualised, improving in this quarter by comparison with 2Q15 (-0.5% QoQ annualised). The increase was due mainly to the rise in private non-residential investment (2.3% QoQ ann; estimated: -5.0%). In addition, exports increased more than imports (+11.1 and +7.0% QoQ annualised respectively).
- **China's CPI rose more than expected in November** (by 1.5% YoY; consensus: 1.4%; previous month: 1.3%). Food and services were the components that explained the improvement and could be a consequence of the wide range of measures (fiscal stimulus and interest-rate cuts, among others) that have been implemented by the authorities.
- **Oil prices set the pace of global financial markets.** After oil prices reached 2009 lows during last week - hampered by last Friday's OPEC meeting - they rebounded slightly today and prevented further depreciation of commodity-linked currencies and supported the energy and utilities sectors in equity markets. There was high volatility in European equity markets today. In early morning trading, all indices dropped across the board, while as the trading day went by they recovered, eventually closing with no major changes (Euro Stoxx: +0.2%, IBEX-35: +0.7%, CAC: -0.1%, DAX: 0.0%, MIB: +0.5%). The healthcare sector propped up the indices due to rumours of a merger between Dow Chemical and Dupont, while the energy sector underpinned the main indices. On another front, US equity indices were rising at the time of writing (S&P 500: +0.5%, Dow: +0.8%) in a session without any relevant macroeconomic data and with investors waiting for next week's FOMC meeting. On bond markets, US treasury yields rose in all tenors (2Y: +2bp, 10Y: +4bp) as the probability of a lift-off next week remained at high levels (80%). Along the same lines, European yields increased slightly (GER 10Y: +4bp, FRA 10Y: +4bp, ITA 10Y: +2bp SPA 10Y: +3bp, POR 10Y: +1bp) after last week's rollercoaster performance. On the FX markets, the USD depreciated against all major currencies (EUR: +0.71%, GBP: +1.09%, JPY: +0.72%). EM currencies appreciated against the US dollar (BRL: +1.6%, RUB: +0.7%, CLP: +0.7%, COP: +0.5%, MXN: +0.1%) helped by the slight rebound in commodity prices (Brent: +1.5%, WTI: +1.7%, copper: +0.9%), despite the oil price remaining near to its lowest levels since 2009.

Update 17.0 CET 09 December, 2015

Table1

Current level and changes at daily, weekly, monthly and annual frequencies

Libor markets (changes in bp)

3-month LIBOR

US 3m 8.96 (2) (1) (7) (26)
 US 3m 1.68 (2) (1) (5) (5)
 US 3m 2.36 (4) (8) (4) (49)

6-month LIBOR

GER 6m 8.52 (1) (2) (7) (22)
 GER 6m 2.07 (6) (1) (4) (48)
 GER 6m 3.65 (4) (1) (4) (48)

12-month LIBOR

Belgium 12m 8.88 (2) (1) (5) (4) (49)
 France 12m 8.42 (1) (4) (1) (7) (26)
 Greece 12m 8.39 (4) (8) (4) (8) (49)
 Korea 12m 1.36 (2) (1) (1) (1)

18-month LIBOR

Italy 18m 1.58 (2) (1) (5) (1) (5)
 Netherlands 18m 2.75 (2) (1) (5) (1) (5)
 Portugal 18m 2.46 (1) (2) (1) (2) (1) (2)
 Spain 18m 1.52 (1) (1) (1) (1) (1)

24-month LIBOR

Denmark 24m 8.42 (1) (4) (1) (4) (49)
 Canada 24m 8.00 (2) (1) (2) (1) (2)
 Mexico 24m 8.34 (1) (1) (1) (1) (1) (1)
 New Zealand 24m 1.42 (2) (1) (2) (1) (2)

30-month LIBOR

Finland 30m 2.88 (2) (1) (4) (4)
 France 30m 2.88 (1) (1) (1) (1) (1) (1)
 Russia 30m 5.84 (1) (1) (1) (1) (1) (1)
 Turkey 30m 1.51 (2) (1) (2) (1) (2)

36-month LIBOR

India 36m 7.78 (2) (1) (1) (1) (1)
 Indonesia 36m 8.53 (1) (7) (1) (7) (1)

Country risk (changes in bp)

1-yr sovereign default (against Germany)

Belgium 28 (2) (0) (0) (0)
 France 7 (1) (0) (0) (0)
 Greece 278 (1) (4) (7) (1) (4) (7)
 Korea 0 (0) (0) (0) (0) (0)

3-yr sovereign default (against Germany)

Belgium 9 (1) (1) (1) (1) (1)
 France 14 (1) (1) (1) (1) (1)
 Greece 188 (1) (1) (1) (1) (1)
 Korea 28 (1) (1) (1) (1) (1)

5-yr sovereign default (against Germany)

Belgium 8 (0) (1) (0) (1) (0)
 France 8 (0) (1) (0) (1) (0)
 Greece 141 (1) (1) (1) (1) (1)
 Korea 21 (1) (1) (1) (1) (1)

1-yr sovereign CDS

Belgium 8 (1) (1) (1) (1) (1)
 France 14 (1) (1) (1) (1) (1)
 Greece 188 (1) (1) (1) (1) (1)
 Korea 28 (1) (1) (1) (1) (1)

3-yr sovereign CDS

Belgium 8 (0) (1) (0) (1) (0)
 France 8 (0) (1) (0) (1) (0)
 Greece 141 (1) (1) (1) (1) (1)
 Korea 21 (1) (1) (1) (1) (1)

5-yr sovereign CDS

Belgium 8 (0) (1) (0) (1) (0)
 France 8 (0) (1) (0) (1) (0)
 Greece 141 (1) (1) (1) (1) (1)
 Korea 21 (1) (1) (1) (1) (1)

Country risk

US 11.14 (2) (1) (2) (1) (2)
 VOTW23 4.4 (2) (1) (2) (1) (2)
 EIA EPT energy price 26.1 (1) (1) (1) (1)
 Domestic mobility 8 (1) (1) (1) (1) (1)
 EIA EPT energy price 26.1 (1) (1) (1) (1)

Libor markets (changes in percentage points for 3.0-month, 6m)

US 3m 8.96 (2) (1) (7) (26)
 US 6m 8.52 (1) (2) (7) (22)
 US 12m 8.88 (2) (1) (5) (4) (49)

Libor markets (changes in percentage points for 18-month, 24-month)

US 18m 1.58 (2) (1) (5) (1) (5)
 US 24m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 30-month, 36-month)

US 30m 1.52 (1) (1) (1) (1) (1)
 US 36m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 48-month, 60-month)

US 48m 1.52 (1) (1) (1) (1) (1)
 US 60m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 72-month, 84-month)

US 72m 1.52 (1) (1) (1) (1) (1)
 US 84m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 96-month, 108-month)

US 96m 1.52 (1) (1) (1) (1) (1)
 US 108m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 120-month, 132-month)

US 120m 1.52 (1) (1) (1) (1) (1)
 US 132m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 144-month, 156-month)

US 144m 1.52 (1) (1) (1) (1) (1)
 US 156m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 168-month, 180-month)

US 168m 1.52 (1) (1) (1) (1) (1)
 US 180m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 192-month, 204-month)

US 192m 1.52 (1) (1) (1) (1) (1)
 US 204m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 216-month, 228-month)

US 216m 1.52 (1) (1) (1) (1) (1)
 US 228m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 240-month, 252-month)

US 240m 1.52 (1) (1) (1) (1) (1)
 US 252m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 264-month, 276-month)

US 264m 1.52 (1) (1) (1) (1) (1)
 US 276m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 288-month, 300-month)

US 288m 1.52 (1) (1) (1) (1) (1)
 US 300m 1.52 (1) (1) (1) (1) (1)

Libor markets (changes in percentage points for 312-month, 324-month)

US 312m 1.52 (1) (1) (1) (1) (1)
 US 324m 1.52 (1) (1) (1) (1) (1)

[Current level and changes at daily, weekly, monthly and annual frequencies]

Debt markets (changes in bpt)

US 2yr 4.96 (2) (1) (1) (20)
 US 5yr 1.82 (2) (2) (2) (2)
 US 10yr 2.26 (4) (8) (8) (9)

Japan 10yr 0.31 (1) (1) (2) (1) (2)
 GDE 2yr 0.20 (1) (1) (1) (1) (2)
 GDE 5yr 2.07 (8) (16) (14) (14)
 GDE 10yr 3.05 (16) (16) (8)

Belgium 10yr 0.89 (2) (1) (1) (1) (8)
 France 10yr 0.52 (4) (14) (1) (1) (9)
 Greece 5yr 3.24 (8) (8) (8) (8) (15)
 Ireland 10yr 1.11 (4) (1) (1) (1) (1)

Italy 10yr 1.58 (2) (1) (1) (1) (1)
 Netherlands 10yr 2.75 (2) (1) (1) (1) (1)
 Portugal 10yr 2.48 (1) (1) (2) (1) (1) (2)
 Spain 10yr 1.45 (2) (1) (2) (1) (2)

Emerging Markets
 Brazil 10yr 15.52 (14) (18) (14) (18) (16)
 China 10yr 4.82 (1) (1) (1) (1) (1)
 Colombia 10yr 8.12 (12) (12) (12) (12) (12)
 Mexico 10yr 5.34 (1) (1) (1) (1) (2) (2)
 Peru 10yr 5.14 (1) (1) (1) (1) (2) (2)

Poland 10yr 2.85 (2) (2) (1) (1) (8)
 Russia 5yr 9.86 (14) (14) (17) (12) (14)
 Russia 10yr 9.54 (14) (17) (12) (14)
 Turkey 10yr 15.13 (2) (2) (4) (2) (2)

India 10yr 7.75 (2) (4) (1) (1) (1)
 Indonesia 10yr 8.31 (1) (1) (1) (1) (1)

Country risk (changes in bpt)

10yr sovereign spreads (against Germany)
 Belgium 20 (0) (0) (0)
 France 21 (0) (0) (1) (1)
 Greece 72 (14) (25) (14)
 Ireland 22 (0) (1) (1) (1)
 Italy 31 (1) (1) (1) (1)
 Netherlands 15 (0) (1) (1) (1)
 Portugal 183 (16) (16) (16) (16)
 Spain 103 (0) (1) (2) (1) (1)

5yr sovereign spreads (against Germany)
 Belgium 5 (1) (1) (1) (1) (1)
 France 5 (1) (1) (1) (1) (1)
 Greece 169 (1) (1) (1) (1) (1)
 Ireland 24 (1) (1) (1) (1) (1)
 Italy 37 (1) (1) (1) (1) (1)
 Netherlands 11 (1) (1) (1) (1) (1)
 Portugal 118 (1) (1) (1) (1) (1)
 Spain 81 (1) (1) (1) (1) (1)

3yr sovereign spreads (against Germany)
 Belgium 4 (0) (1) (1) (1)
 France 4 (0) (1) (1) (1)
 Greece 161 (1) (1) (1) (1) (1)
 Ireland 21 (1) (1) (1) (1) (1)
 Italy 32 (1) (1) (1) (1) (1)
 Netherlands 11 (1) (1) (1) (1) (1)
 Portugal 121 (1) (1) (1) (1) (1)
 Spain 71 (1) (1) (1) (1) (1)

Sovereign CDS
 5yr CDS Belgium 33 (1) (1) (1) (1) (1)
 5yr CDS France 28 (1) (1) (1) (1) (1)
 5yr CDS Germany 15 (0) (0) (1) (1) (1)
 5yr CDS Greece 103 (1) (1) (1) (1) (1)
 5yr CDS Ireland 41 (0) (1) (1) (1) (1)
 5yr CDS Italy 42 (1) (1) (1) (1) (1)
 5yr CDS Netherlands 16 (0) (1) (1) (1) (1)
 5yr CDS Portugal 111 (1) (1) (1) (1) (1)
 5yr CDS Spain 88 (1) (1) (1) (1) (1)
 5yr CDS UK 10 (0) (1) (1) (1) (1)
 5yr CDS US 28 (1) (1) (1) (1) (1)

Emerging Markets
 5yr CDS Brazil 490 (1) (1) (1) (1) (1)
 5yr CDS China 14 (1) (1) (1) (1) (1)
 5yr CDS Colombia 41 (1) (1) (1) (1) (1)
 5yr CDS Mexico 163 (1) (1) (1) (1) (1)
 5yr CDS Peru 161 (1) (1) (1) (1) (1)
 5yr CDS Poland 448 (1) (1) (1) (1) (1)
 5yr CDS Russia 26 (1) (1) (1) (1) (1)
 5yr CDS Russia 26 (1) (1) (1) (1) (1)
 5yr CDS Turkey 277 (1) (1) (1) (1) (1)

5yr CDS China 106 (1) (1) (1) (1) (1)
 5yr CDS India 151 (1) (1) (1) (1) (1)
 5yr CDS Indonesia 227 (1) (1) (1) (1) (1)

Company risk (changes in percentage points for CAA spread, bp)

VIX 17.11 (2.6) (7) (1) (1) (1)
 VIX30 21.49 (2.3) (2) (1) (1) (1)
 EIA EFT energy price 20 (1) (1) (1) (1) (1)
 Duffield volatility 5.1 (1) (1) (1) (1) (1)
 EIT FX volatility 10 (1) (1) (1) (1) (1)
 Credit spread Brazil 117 (1) (1) (1) (1) (1)
 US bank credit yield 7.7 (1) (1) (1) (1) (1)

Bank risk (changes in bpt)

US banks CDS 17 (0) (2) (1) (1)
 EU banks CDS 79 (2) (1) (1) (1)
 UK banks CDS 71 (2) (1) (1) (1)

Large Spanish banks CDS 115 (2) (1) (1) (1)
 Medium Spanish banks CDS 154 (4) (1) (1) (1)

Other banks CDS 100 (2) (1) (1) (1) (1)
 Russian banks CDS 374 (2) (1) (1) (1) (1)

Company risk (changes in bpt)

US Non-financial CDS 6 (0) (0) (1) (1)
 EU Non-financial CDS 6 (0) (0) (1) (1)
 UK Non-financial CDS 6 (0) (0) (1) (1)

Interbank markets (changes in bpt)

US 3m secured 3m 11 (0) (1) (1) (1)
 US 6m secured 3m 21 (0) (1) (1) (1)
 US 12m secured 3m 18 (0) (1) (1) (1)
 US 3m unsecured 3m 46 (0) (1) (1) (1)
 US 6m unsecured 3m 49 (0) (1) (1) (1)
 US 12m unsecured 3m 23 (0) (1) (1) (1)

Spain-Tel Spread 3m 9 (0) (1) (1) (1)
 EONIA Index 4.15 (0) (1) (1) (1) (1)
 EONIA 3m 4.12 (0) (1) (1) (1) (1)
 Euribor 12m 3.57 (0) (1) (1) (1) (1)

Libor 3m 0.49 (0) (1) (1) (1) (1)
 Libor 12m 1.04 (0) (1) (1) (1) (1)

Stock markets (Change in percentage)

Major equity indices
 S&P500 2014 (0) (1) (1) (1) (1)
 Dow Jones 1759.32 (0) (1) (1) (1) (1)
 Nikkei 18611.91 (1) (1) (1) (1) (1)
 FTSE 100 6064.6 (1) (1) (1) (1) (1)
 Euro Stoxx 50 3104.62 (1) (1) (1) (1) (1)
 BEI000 8 (0) (1) (1) (1) (1)
 DAX 10565.14 (1) (1) (1) (1) (1)
 CAC40 7101.41 (1) (1) (1) (1) (1)
 NYSE 19451.3 (1) (1) (1) (1) (1)
 ASI Athens 558.8 (2) (1) (1) (1) (1)

Russian
 US banks 16 (0) (1) (1) (1) (1)
 SIF 16 (0) (1) (1) (1) (1)
 CIE 13 (0) (1) (1) (1) (1)
 Baa 17 (1) (1) (1) (1) (1)
 MS 14 (0) (1) (1) (1) (1)
 OS 18 (1) (1) (1) (1) (1)

UK banks 16 (0) (1) (1) (1) (1)
 MBE 11 (0) (1) (1) (1) (1)
 RBS 29 (1) (1) (1) (1) (1)
 Barclays 22 (0) (1) (1) (1) (1)
 Lloyds 7 (1) (1) (1) (1) (1)

EU banks 103 (1) (1) (1) (1) (1)
 BNP 22 (1) (1) (1) (1) (1)
 Citigroup 17 (1) (1) (1) (1) (1)
 Deutsche 21 (1) (1) (1) (1) (1)
 HSBC 12 (1) (1) (1) (1) (1)
 Intesa 3 (1) (1) (1) (1) (1)
 SO 4 (2) (1) (1) (1) (1)
 Unicredit 5 (2) (1) (1) (1) (1)

Large Spanish banks 182 (1) (1) (1) (1) (1)
 Santander 4 (1) (1) (1) (1) (1)
 BBVA 7 (2) (1) (1) (1) (1)

Medium Spanish banks 81 (1) (1) (1) (1) (1)
 Caixabank 3 (1) (1) (1) (1) (1)
 Pegasus 3 (1) (1) (1) (1) (1)
 Sabadell 1 (1) (1) (1) (1) (1)
 Bankinter 0 (1) (1) (1) (1) (1)
 Bankia 1 (1) (1) (1) (1) (1)

Other banks 3 (1) (1) (1) (1) (1)
 ABN 1 (1) (1) (1) (1) (1)
 AmBank 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)

Company risk (changes in percentage)

US 10yr Treasury 1.82 (2) (2) (2) (2) (2)
 US 5yr Treasury 1.03 (2) (2) (2) (2) (2)
 US 3m Treasury 0.29 (1) (1) (1) (1) (1)

US 6m Treasury 0.46 (0) (1) (1) (1) (1)
 US 12m Treasury 0.49 (0) (1) (1) (1) (1)

Spain-Tel Spread 3m 9 (0) (1) (1) (1) (1)

EONIA Index 4.15 (0) (1) (1) (1) (1)

EONIA 3m 4.12 (0) (1) (1) (1) (1)

Euribor 12m 3.57 (0) (1) (1) (1) (1)

Libor 3m 0.49 (0) (1) (1) (1) (1)

Libor 12m 1.04 (0) (1) (1) (1) (1)

Stock markets (Change in percentage)

Major equity indices
 S&P500 2014 (0) (1) (1) (1) (1)
 Dow Jones 1759.32 (0) (1) (1) (1) (1)
 Nikkei 18611.91 (1) (1) (1) (1) (1)
 FTSE 100 6064.6 (1) (1) (1) (1) (1)
 Euro Stoxx 50 3104.62 (1) (1) (1) (1) (1)
 BEI000 8 (0) (1) (1) (1) (1)
 DAX 10565.14 (1) (1) (1) (1) (1)
 CAC40 7101.41 (1) (1) (1) (1) (1)
 NYSE 19451.3 (1) (1) (1) (1) (1)
 ASI Athens 558.8 (2) (1) (1) (1) (1)

Russian
 US banks 16 (0) (1) (1) (1) (1)
 SIF 16 (0) (1) (1) (1) (1)
 CIE 13 (0) (1) (1) (1) (1)
 Baa 17 (1) (1) (1) (1) (1)
 MS 14 (0) (1) (1) (1) (1)
 OS 18 (1) (1) (1) (1) (1)

UK banks 16 (0) (1) (1) (1) (1)
 MBE 11 (0) (1) (1) (1) (1)
 RBS 29 (1) (1) (1) (1) (1)
 Barclays 22 (0) (1) (1) (1) (1)
 Lloyds 7 (1) (1) (1) (1) (1)

EU banks 103 (1) (1) (1) (1) (1)
 BNP 22 (1) (1) (1) (1) (1)
 Citigroup 17 (1) (1) (1) (1) (1)
 Deutsche 21 (1) (1) (1) (1) (1)
 HSBC 12 (1) (1) (1) (1) (1)
 Intesa 3 (1) (1) (1) (1) (1)
 SO 4 (2) (1) (1) (1) (1)
 Unicredit 5 (2) (1) (1) (1) (1)

Large Spanish banks 182 (1) (1) (1) (1) (1)
 Santander 4 (1) (1) (1) (1) (1)
 BBVA 7 (2) (1) (1) (1) (1)

Medium Spanish banks 81 (1) (1) (1) (1) (1)
 Caixabank 3 (1) (1) (1) (1) (1)
 Pegasus 3 (1) (1) (1) (1) (1)
 Sabadell 1 (1) (1) (1) (1) (1)
 Bankinter 0 (1) (1) (1) (1) (1)
 Bankia 1 (1) (1) (1) (1) (1)

Other banks 3 (1) (1) (1) (1) (1)
 ABN 1 (1) (1) (1) (1) (1)
 AmBank 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)
 Citicredit 1 (1) (1) (1) (1) (1)

Company risk (changes in percentage)

US 10yr Treasury 1.82 (2) (2) (2) (2) (2)
 US 5yr Treasury 1.03 (2) (2) (2) (2) (2)
 US 3m Treasury 0.29 (1) (1) (1) (1) (1)

US 6m Treasury 0.46 (0) (1) (1) (1) (1)
 US 12m Treasury 0.49 (0) (1) (1) (1) (1)

Spain-Tel Spread 3m 9 (0) (1) (1) (1) (1)

EONIA Index 4.15 (0) (1) (1) (1) (1)

EONIA 3m 4.12 (0) (1) (1) (1) (1)

Euribor 12m 3.57 (0) (1) (1) (1) (1)

Libor 3m 0.49 (0) (1) (1) (1) (1)

Libor 12m 1.04 (0) (1) (1) (1) (1)

*CDS, EMBI & MSCI indices with one day delay

**Credit spread (BAA) with two days delay

DISCLAIMER

This document and the information, opinions, estimates and recommendations expressed herein, have been prepared by Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter called "BBVA") to provide its customers with general information regarding the date of issue of the report and are subject to changes without prior notice. BBVA is not liable for giving notice of such changes or for updating the contents hereof.

This document and its contents do not constitute an offer, invitation or solicitation to purchase or subscribe to any securities or other instruments, or to undertake or divest investments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

Investors who have access to this document should be aware that the securities, instruments or investments to which it refers may not be appropriate for them due to their specific investment goals, financial positions or risk profiles, as these have not been taken into account to prepare this report. Therefore, investors should make their own investment decisions considering the said circumstances and obtaining such specialized advice as may be necessary. The contents of this document are based upon information available to the public that has been obtained from sources considered to be reliable. However, such information has not been independently verified by BBVA and therefore no warranty, either express or implicit, is given regarding its accuracy, integrity or correctness. BBVA accepts no liability of any type for any direct or indirect losses arising from the use of the document or its contents. Investors should note that the past performance of securities or instruments or the historical results of investments do not guarantee future performance.

The market prices of securities or instruments or the results of investments could fluctuate against the interests of investors. Investors should be aware that they could even face a loss of their investment. Transactions in futures, options and securities or high-yield securities can involve high risks and are not appropriate for every investor. Indeed, in the case of some investments, the potential losses may exceed the amount of investment and, in such circumstances; investors may be required to pay more money to support those losses. Thus, before undertaking any transaction with these instruments, investors should be aware of their operation, as well as the rights, liabilities and risks implied by the same and the underlying stocks. Investors should also be aware that secondary markets for the said instruments may be limited or even not exist.

BBVA or any of its affiliates, as well as their respective executives and employees, may have a position in any of the securities or instruments referred to, directly or indirectly, in this document, or in any other related thereto; they may trade for their own account or for third-party account in those securities, provide consulting or other services to the issuer of the aforementioned securities or instruments or to companies related thereto or to their shareholders, executives or employees, or may have interests or perform transactions in those securities or instruments or related investments before or after the publication of this report, to the extent permitted by the applicable law.

BBVA or any of its affiliates' salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to its clients that reflect opinions that are contrary to the opinions expressed herein. Furthermore, BBVA or any of its affiliates' proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. No part of this document may be (i) copied, photocopied or duplicated by any other form or means (ii) redistributed or (iii) quoted, without the prior written consent of BBVA. No part of this report may be copied, conveyed, distributed or furnished to any person or entity in any country (or persons or entities in the same) in which its distribution is prohibited by law. Failure to comply with these restrictions may breach the laws of the relevant jurisdiction.

In the United Kingdom, this document is directed only at persons who (i) have professional experience in matters relating to investments falling within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (as amended, the "financial promotion order"), (ii) are persons falling within article 49(2) (a) to (d) ("high net worth companies, unincorporated associations, etc.") Of the financial promotion order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the financial services and markets act 2000) may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The remuneration system concerning the analyst/s author/s of this report is based on multiple criteria, including the revenues obtained by BBVA and, indirectly, the results of BBVA Group in the fiscal year, which, in turn, include the results generated by the investment banking business; nevertheless, they do not receive any remuneration based on revenues from any specific transaction in investment banking.

BBVA is not a member of the FINRA and is not subject to the rules of disclosure affecting such members.

"BBVA is subject to the BBVA Group Code of Conduct for Security Market Operations which, among other regulations, includes rules to prevent and avoid conflicts of interests with the ratings given, including information barriers. The BBVA Group Code of Conduct for

Security Market Operations is available for reference at the following web site: www.bbva.com / Corporate Governance".

BBVA is a bank supervised by the Bank of Spain and by Spain's Stock Exchange Commission (CNMV), registered with the Bank of Spain with number 0182.