

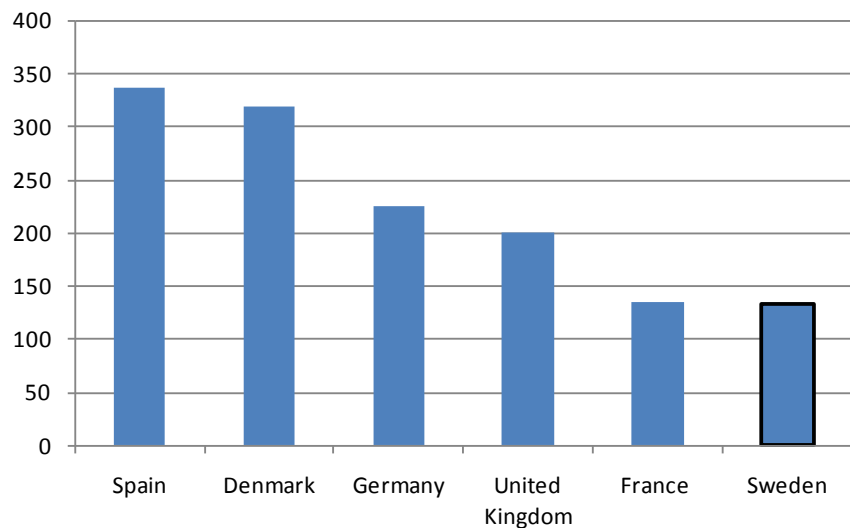
The Swedish Market

Moderator: Ms Fanny Borgström

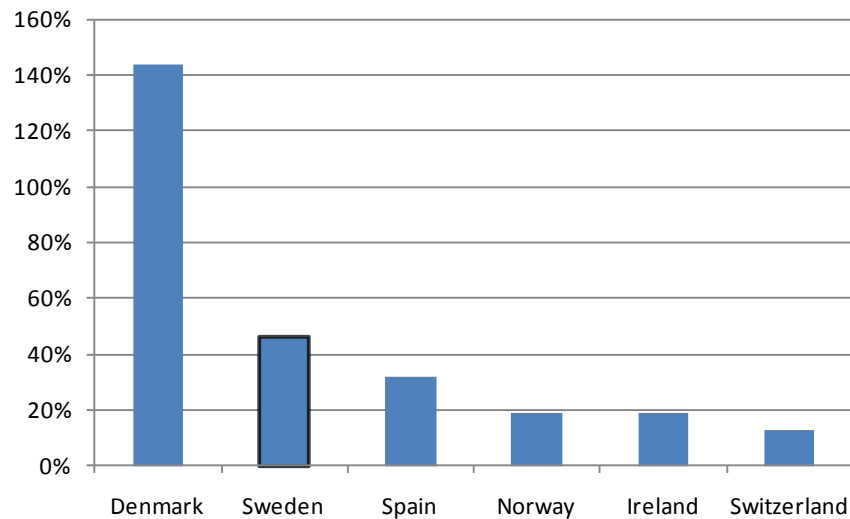
Mar 2011

The Swedish market is the 6th largest in absolute terms, but No 2 relative to GDP

European covered mortgage markets, bln €



European covered mortgage markets, share of GDP



Source: ECBC, Eurostat.
Figures from end 2009

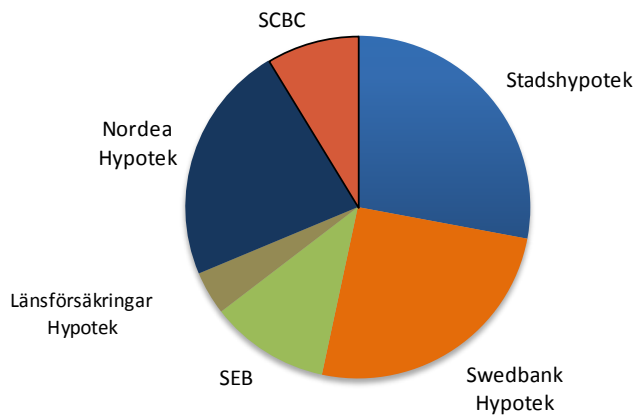


Association of Swedish Covered Bond issuers
The Covered Bond Voice of the Swedish Bankers' Association

The Swedish covered bond benchmark market

The issuers

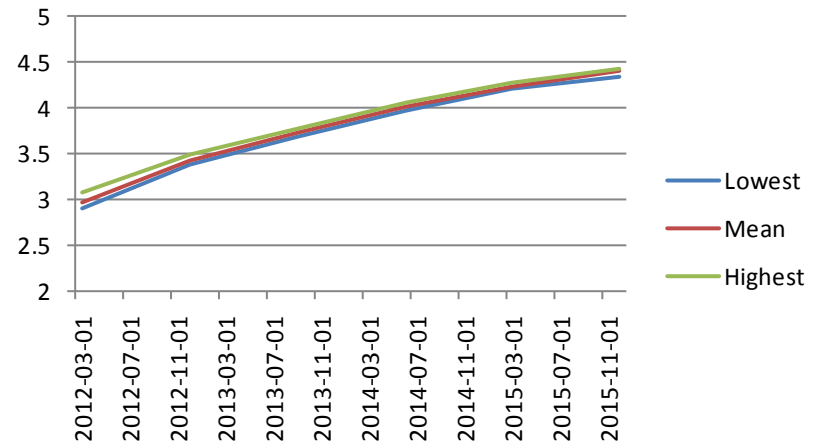
Share of outstanding benchmark covered bonds



Source: Handelsbanken Capital Markets

The yield curves

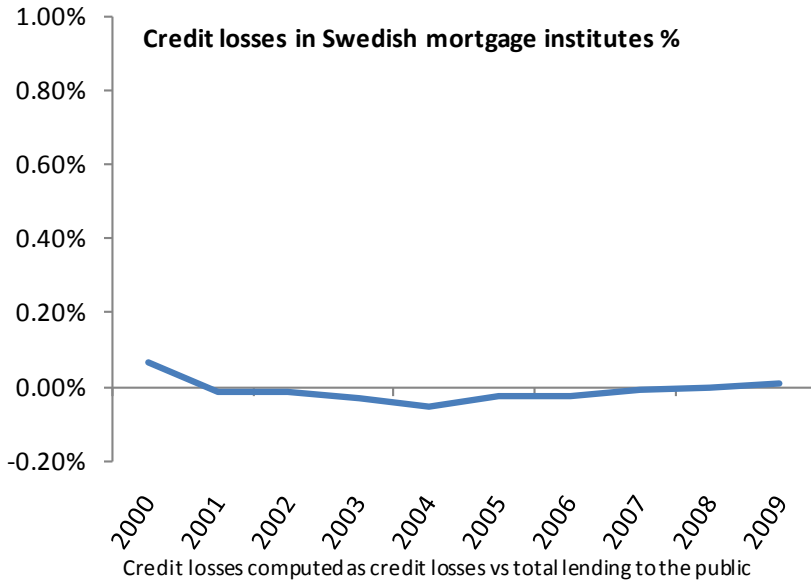
Yield curves of the Swedish covered institutes



Source: Reuter, Handelsbanken Capital Markets

Swedish Covered Bonds - high quality rated AAA

Mortgage institutes with a history of low credit losses



Source: Statistics Sweden

Residential assets with low LTV

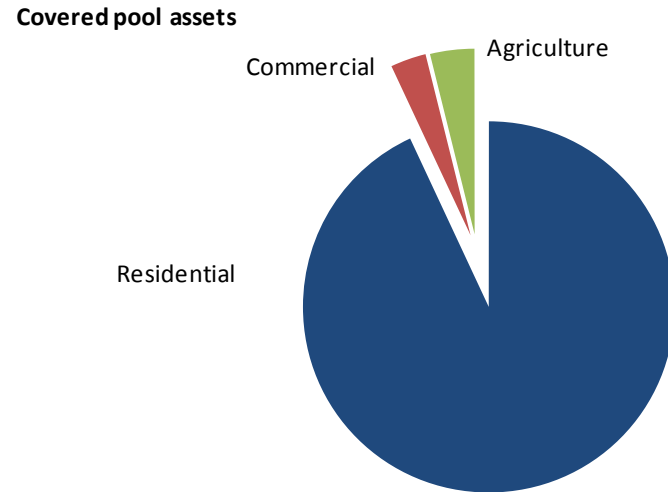
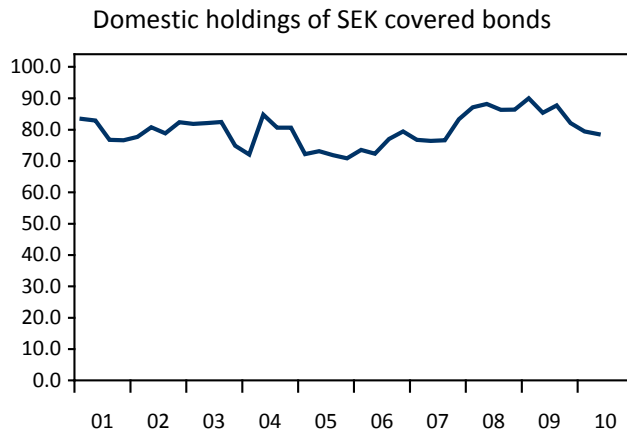


Chart based on covered pool data from Swedbank Hypotek, Nordea Hypotek, SEB and Stadshypotek

Investments in Swedish covered Bonds

Local currency – Low government debt – Liquid AAA paper

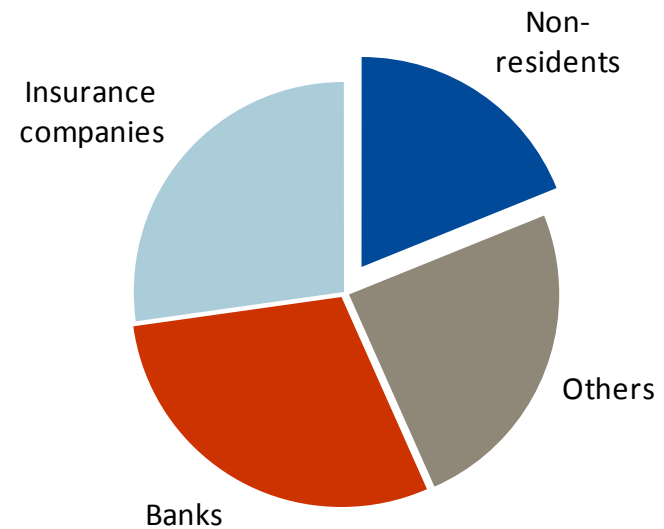
A stable domestic investor base



Source: Statistics Sweden and calculations by Handelsbanken Capital Markets

Source: Statistics Sweden and calculations by Handelsbanken Capital Markets

Holdings of SEK covered bonds

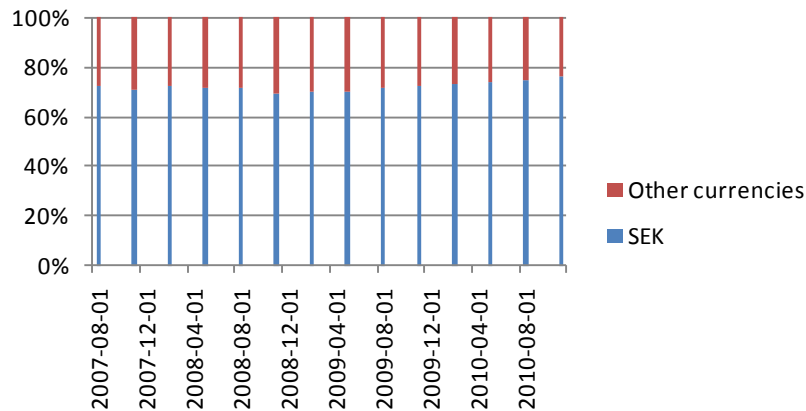


Source: Statistics Sweden
After sep 2010, the data refers to 'covered bonds', before that 'bonds'

Government debt will not provide this SEK asset exposure

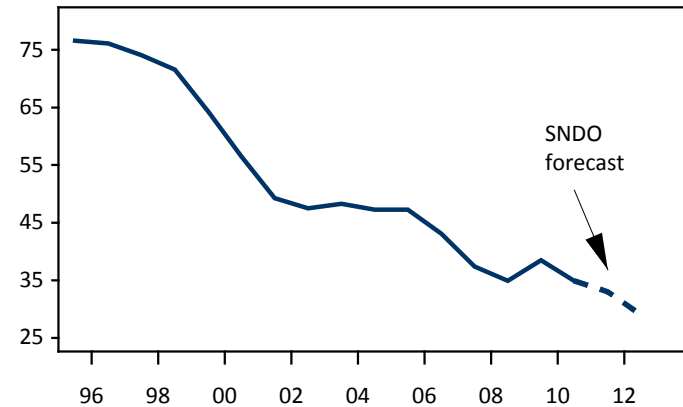
The government aims to cut the debt further

Insurance companies holdings of fixed income instruments



Source: Statistics Sweden

Central government debt, % of GDP

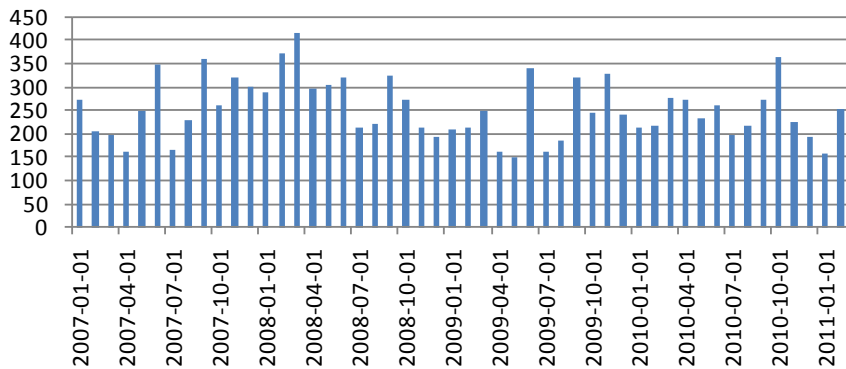


Source: Reuters EcoWin, Swedish National Debt Office (SNDO)

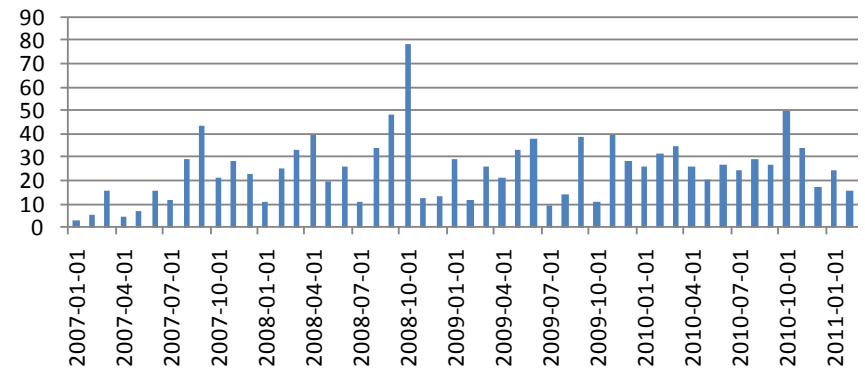
A strong domestic investor base, combined with a well functioning 'on-tap market', has ensured liquid primary and secondary markets



Monthly turnover in the secondary market



Monthly turnover in the primary market



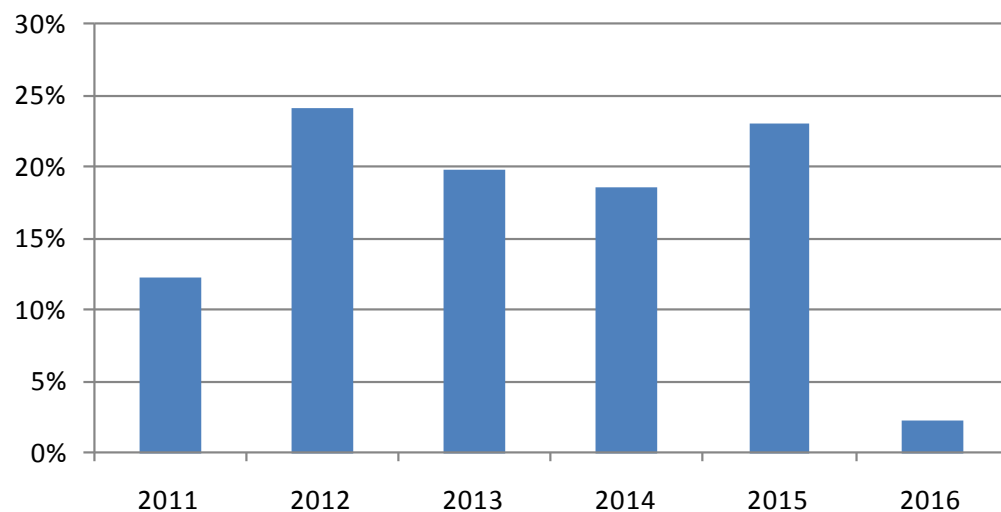
Source: The Riksbank



Association of Swedish Covered Bond issuers
The Covered Bond Voice of the Swedish Bankers' Association

Maturities evenly distributed out to 5 years

Maturity profile, benchmark bonds



Association of Swedish Covered Bond issuers
The Covered Bond Voice of the Swedish Bankers' Association