

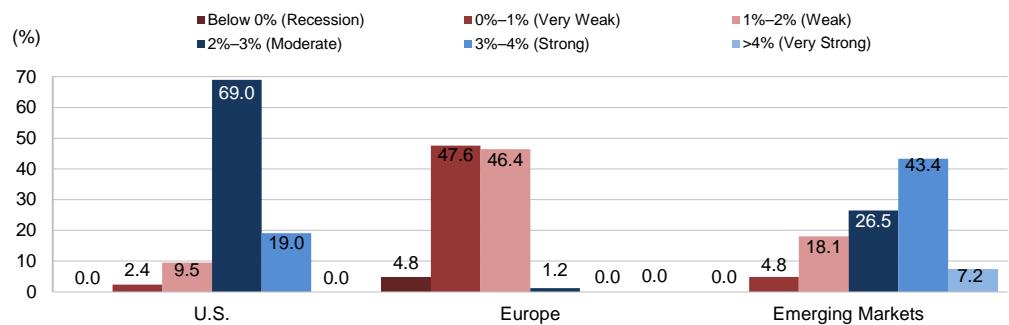
Fitch Ratings / Fixed Income Forum U.S. Investor Survey

Balancing Inconsistent Global Growth, Rich Valuations and Mounting Geopolitical Worries
Special Report

Divergence Fuels Volatility: The latest Fitch Ratings / Fixed Income Forum survey of professional money managers finds investors grappling with complex and conflicting credit market conditions. While the survey closed in September, prior to the market's recent volatility, responses on a wide variety of topics — ranging from the economy to valuation to central bank intervention — provide key insights into, and context for, October's price swings.

Which Lever Moves the Needle? Senior money managers see the U.S. economy on sounder footing, but are again glum on Europe, whose stability they unanimously deem important to supporting the credit markets. Half of respondents now project weak to recessionary conditions in Europe over the coming year. The prognosis for Europe was also poor in the February survey, but less so, and suggested an improving trend.

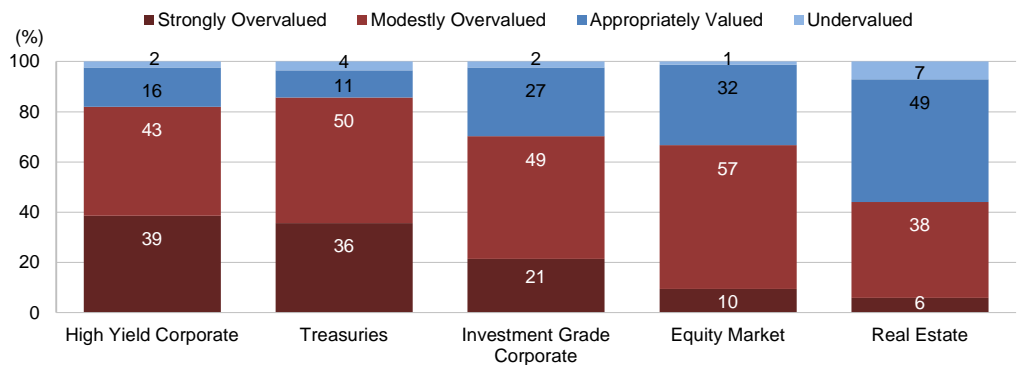
Economic Outlook^a



^aOver the next 12 months.
Source: Fitch Ratings/Fixed Income Forum Survey.

Valuation Disconnect: Investors have a less benign view of the U.S. high yield default rate and expect modest credit deterioration across high yield and high grade corporates over the coming year. They consider high yield especially overvalued.

Cross Asset Valuation



Source: Fitch Ratings/Fixed Income Forum Survey.

Related Research

European Senior Fixed-Income Investor Survey 3Q14 (Geopolitics and Recession Fears Unsettling – and High Yield Suffers) (October 2014)

Analysts

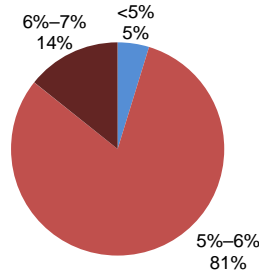
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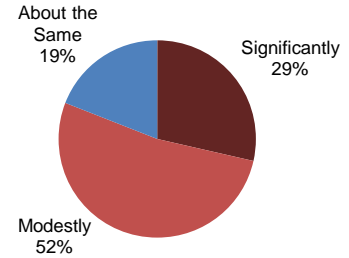
Optimism with Caveats: Survey participants continue to believe that the labor market is weaker than reported figures would suggest but they do expect the unemployment rate to decline further in 2015.

2015 U.S. Unemployment Rate



Source: Fitch Ratings/Fixed Income Forum Survey.

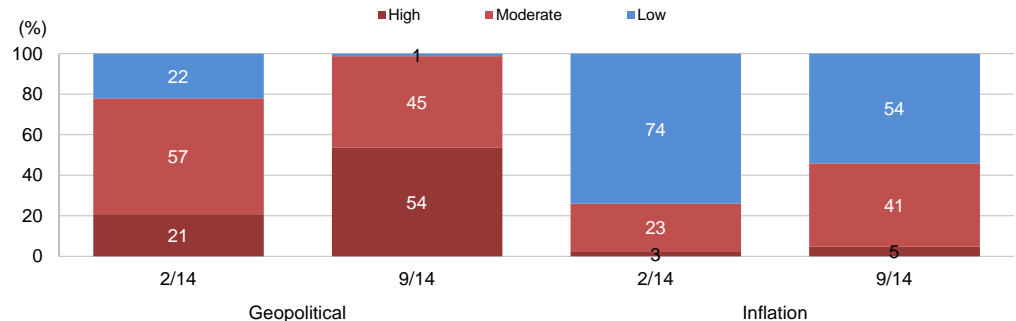
Extent to Which Labor Market Is Weaker than Reported



Source: Fitch Ratings/Fixed Income Forum Survey.

Growth Versus Event Risk: Investors remain constructive on emerging markets (EM), but are troubled by the potentially disruptive forces of geopolitical conflict. Half of respondents project EM growth of 3% or higher over the coming year versus a third in the February survey. However, half of investors now consider geopolitical risk a serious threat to credit market stability.

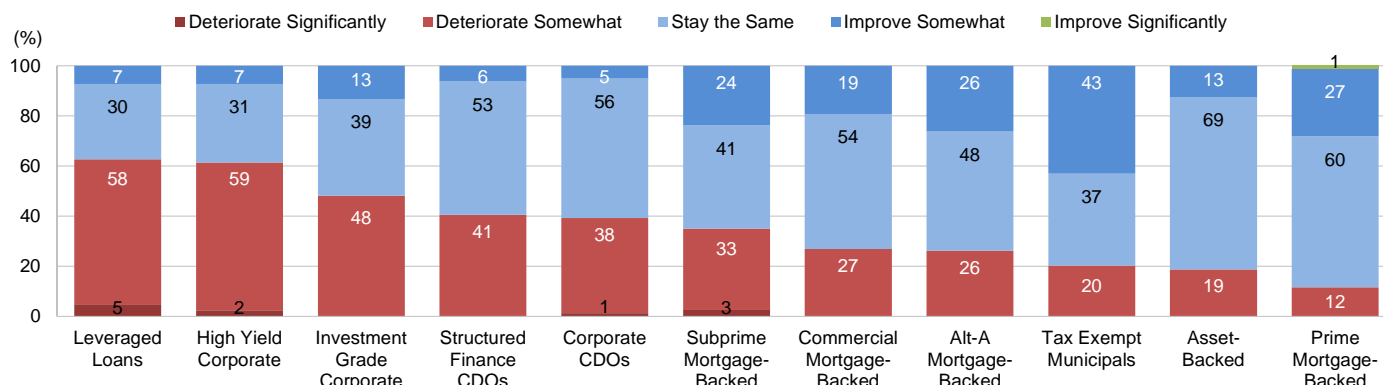
Risk Posed to the Credit Markets^a



^aOver the next 12 months. Note: Responses on geopolitical and inflation showed the most change from February to September.
Source: Fitch Ratings/Fixed Income Forum Survey.

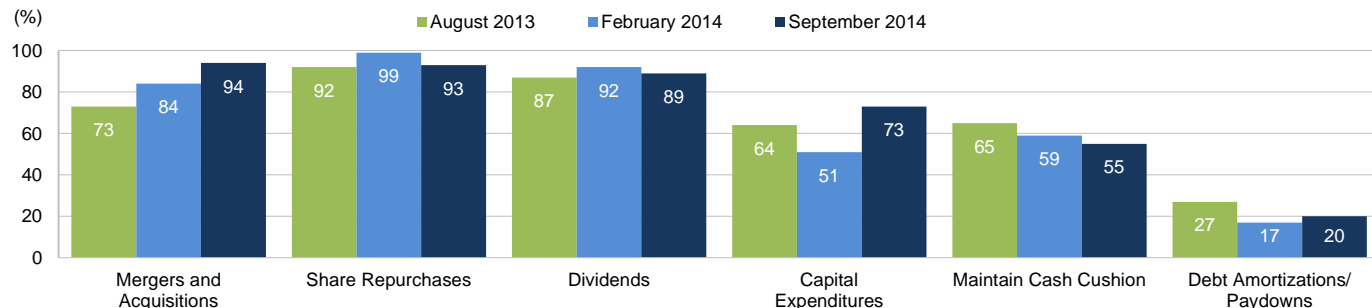
Corporate Credit Modestly Stretched: Among major asset categories, investors view corporate credit — both high grade and high yield — as the most susceptible to some deterioration over the coming year. Leveraged loans and high yield shared a nearly identical negative bias in the current survey, with investment grade corporates a close third. Opinions here mostly focused on modest, rather than severe, deterioration. This is not surprising given a relatively sanguine outlook for the U.S. economy offset by a similarly strong view that mergers and acquisitions, share repurchases and dividend payouts will continue to drive corporate cash usage. Capital expenditures also ranked high as a use of corporate cash — a long-awaited trend and if realized, a source of support for the domestic economy. Among other asset types, investors expressed the most optimism on municipal debt and prime mortgage-backed bonds.

View of Fundamental Credit Conditions by Asset Type^a



^aOver the next 12 months.
Source: Fitch Ratings/Fixed Income Forum Survey.

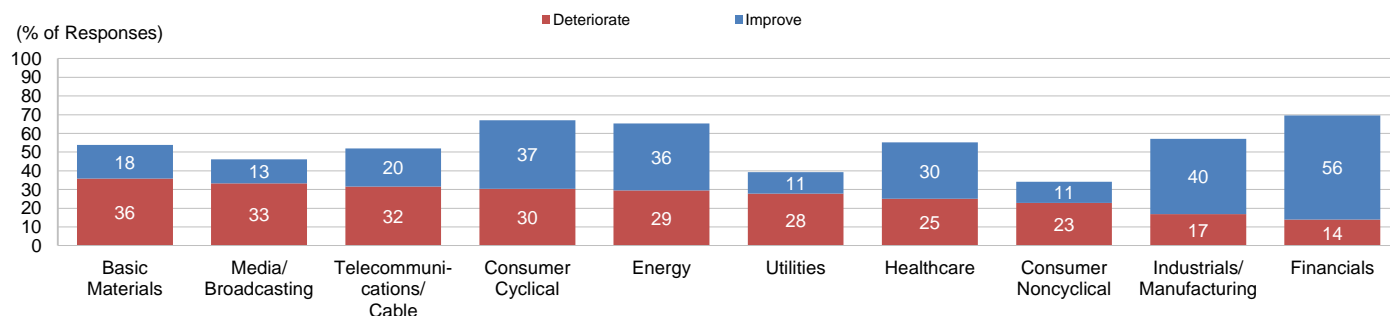
Significant or Moderate Use of Corporate Cash^a



^aOver the next 12 months.
Source: Fitch Ratings/Fixed Income Forum Survey.

Sector Outlooks Steady: U.S. sector outlooks remain virtually unchanged from the February survey. On the upside, financials and manufacturing lead expectations for credit gains — consistent with a positive view of the U.S. economy. On the downside, about a third of investors project some deterioration in basic materials, media and broadcasting, and telecommunications. The mix of investors projecting credit gains versus deterioration was nearly even for three categories: energy, consumer cyclicals, and healthcare. Even responses typically speak to either a lack of clear direction for the group or the heterogeneity of companies operating in the space.

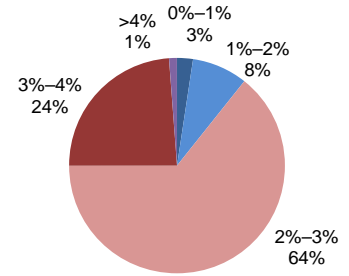
Industry Outlook^a



^aOver the next 12 months.
Source: Fitch Ratings/Fixed Income Forum Survey.

Less Benign Default Outlook: Investors project the high yield default rate will remain contained in the near term with most predicting a 2%–3% rate. While responses remained anchored at this level, there was a meaningful increase in participants placing the default rate above 3%. This shift — the most pronounced in several years — accompanied a majority view that high yield spreads would widen over the next year.

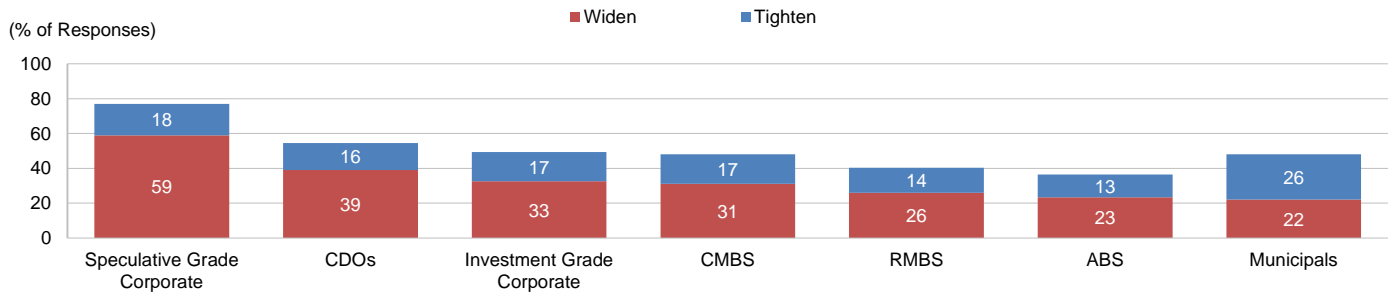
2015 U.S. High Yield Default Rate



Full survey responses are available in the tables that follow.

Source: Fitch Ratings/Fixed Income Forum Survey.

Spread Outlook^a



^aOver the next 12 months.
Source: Fitch Ratings/Fixed Income Forum Survey.

Fitch Ratings / Fixed Income Forum Survey of Senior Investors

(%)

Which of the following best describes your firm?

	7/12	2/13	8/13	2/14	9/14
Traditional Asset Management Firm	43.2	43.5	50.6	48.1	45.2
Insurance Company	40.9	36.5	26.0	36.4	36.9
Asset Management Arm of a Bank	11.4	10.6	15.6	9.1	10.7
Pension Fund	4.5	7.1	7.8	5.2	7.1
Other	0.0	2.4	0.0	1.3	0.0
	100.0	100.0	100.0	100.0	100.0

Which of the following best describes the amount of fixed income assets under management at your firm?

	2/13	8/13	2/14	9/14
Up to \$25 Bil.	30.6	40.8	31.6	33.3
\$25 Bil.–\$50 Bil.	15.3	13.2	13.2	15.5
\$50 Bil.–\$100 Bil.	18.8	13.2	19.7	16.7
\$100 Bil.–\$200 Bil.	12.9	11.8	14.5	13.1
\$200 Bil.–\$300 Bil.	7.1	3.9	5.3	2.4
More than \$300 Bil.	15.3	17.1	15.8	19.0
	100.0	100.0	100.0	100.0

What is the outlook for economic growth across the following regions over the next 12 months?

	U.S.					Europe					Emerging Markets				
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
Below 0% (Recession)	2.3	2.4	0.0	1.3	0.0	61.2	27.2	10.4	2.7	4.8	3.5	0.0	1.3	2.7	0.0
0%–1% (Very Weak)	12.8	5.9	2.6	0.0	2.4	35.3	55.6	51.9	27.0	47.6	2.4	3.8	7.8	8.1	4.8
1%–2% (Weak)	67.4	51.8	40.3	9.2	9.5	3.5	17.3	33.8	64.9	46.4	15.3	3.8	14.3	18.9	18.1
2%–3% (Moderate)	17.4	40.0	55.8	80.3	69.0	0.0	0.0	3.9	5.4	1.2	36.5	33.8	40.3	37.8	26.5
3%–4% (Strong)	0.0	0.0	1.3	9.2	19.0	0.0	0.0	0.0	0.0	0.0	35.3	47.5	22.1	24.3	43.4
>4% (Very Strong)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.1	11.3	14.3	8.1	7.2
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Where do you place the U.S. unemployment rate at the end of 2014 and 2015?

	2014	2015
	9/14	9/14
<5%	0.0	4.8
5%–6%	50.0	81.0
6%–7%	50.0	14.3
7%–8%	0.0	0.0
>8%	0.0	0.0
	100.0	100.0

To what extent do you think the labor market is weaker than reflected in the official unemployment rate?

	2/14	9/14
Significantly	35.1	28.6
Modestly	51.9	52.4
About the Same	13.0	19.0
	100.0	100.0

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Fitch Ratings / Fixed Income Forum Survey of Senior Investors (Continued)

(%)

Please rate the degree of risk posed by the following factors to the U.S. credit markets over the next 12 months?

	Geopolitical Risk					Shareholder-Oriented Activities (e.g. LBOs, M&A, Share Buybacks)					Significant Increase in Interest Rates					Stock Market Decline				
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
High	54.5	36.5	28.6	20.8	53.6	4.5	41.7	28.6	29.9	25.0	3.4	12.9	24.7	18.4	20.2	13.0	19.3	8.3	14.7	13.3
Moderate	40.9	58.8	58.4	57.1	45.2	42.0	41.7	45.5	53.2	54.8	21.6	51.8	50.6	43.4	38.1	70.1	70.5	58.3	58.7	73.5
Low	4.5	4.7	13.0	22.1	1.2	53.4	16.7	26.0	16.9	20.2	75.0	35.3	24.7	38.2	41.7	16.9	10.2	33.3	26.7	13.3
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	Sovereign Debt Crisis/Contagion					Inflation					Reliance on Foreign Demand for U.S. Fixed Income Assets					Housing Market Momentum		
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	8/13	2/14	9/14
High	81.8	24.1	14.5	21.1	8.3	2.3	8.3	3.9	2.6	4.8	11.4	17.6	7.9	13.0	4.8	10.4	6.5	3.6
Moderate	15.9	66.3	65.8	51.3	52.4	20.5	35.7	23.4	23.4	41.0	48.9	41.2	46.1	28.6	42.9	37.7	51.9	64.3
Low	2.3	9.6	19.7	27.6	39.3	77.3	56.0	72.7	74.0	54.2	39.8	41.2	46.1	58.4	52.4	51.9	41.6	32.1
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	Bank Reluctance to Lend				
	7/12	2/13	8/13	2/14	9/14
High	8.0	7.1	9.1	8.0	2.4
Moderate	64.8	41.2	37.7	33.3	34.1
Low	27.3	51.8	53.2	58.7	63.4
	100.0	100.0	100.0	100.0	100.0

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Fitch Ratings / Fixed Income Forum Survey of Senior Investors (Continued)

(%)

How important are the following in the context of supporting the credit markets and ensuring sustained U.S. economic growth?

	Improved Labor Market Conditions					Financial Stability in the Euro Zone					Continued Easy Monetary Policy					Foreign Interest in U.S. Assets				
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
Critical	50.0	27.4	35.1	28.9	32.1	44.8	18.8	11.7	13.2	8.3	12.6	16.5	15.6	13.0	4.8	8.0	10.6	9.1	10.4	3.7
Important	45.3	63.1	61.0	61.8	56.0	51.7	78.8	83.1	80.3	86.9	58.6	61.2	75.3	57.1	53.6	59.8	62.4	50.6	53.2	50.0
Not Important	4.7	7.1	2.6	7.9	9.5	3.4	2.4	5.2	6.6	4.8	20.7	10.6	3.9	22.1	32.1	32.2	24.7	40.3	35.1	46.3
Harmful	0.0	2.4	1.3	1.3	2.4	0.0	0.0	0.0	0.0	0.0	8.0	11.8	5.2	7.8	9.5	0.0	2.4	0.0	1.3	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	U.S. Home Price Improvement			Strong Growth in China	
	8/13	2/14	9/14	9/14	
Critical	11.8	13.0	3.6	2.4	
Important	77.6	71.4	61.9	61.9	
Not Important	10.5	15.6	34.5	31.0	
Harmful	0.0	0.0	0.0	4.8	
	100.0	100.0	100.0	100.0	

What are your expectations for home prices nationally over the next 12 months?

	9/14
Significant Decline	0.0
Modest Decline	6.0
Stable	41.7
Modest Increase	52.4
Significant Increase	0.0
	100.0

How much do you think the wealth effect (impact of higher home prices/equity markets on confidence and spending) is boosting U.S. GDP growth?

	2/14	9/14
Significantly — Greater than 0.5%	18.2	19.3
Moderately — Between 0.25% and 0.5%	64.9	59.0
Limited — Less than 0.25%	16.9	21.7
	100.0	100.0

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Fitch Ratings / Fixed Income Forum Survey of Senior Investors (Continued)

(%)

What is your opinion of valuation across the following categories?

	High Yield Corporate	Treasuries	Investment Grade Corporates	Equity Market	Real Estate
	9/14	9/14	9/14	9/14	9/14
Strongly Overvalued	38.6	35.7	21.4	9.5	6.0
Modestly Overvalued	43.4	50.0	48.8	57.1	38.1
Appropriately Valued	15.7	10.7	27.4	32.1	48.8
Undervalued	2.4	3.6	2.4	1.2	7.1
	100.0	100.0	100.0	100.0	100.0

Do you think financial stability in the euro zone is sustainable over the next year?

	9/14
Yes	81.0
No	19.0
	100.0

What is likely to happen to lending conditions over the next year?

	7/12	2/13	8/13	2/14	9/14
Standards Will Loosen Significantly	0.0	3.6	1.3	5.2	2.4
Standards Will Loosen Moderately	56.8	75.0	72.7	75.3	75.0
Standards Will Tighten Moderately	8.0	1.2	0.0	2.6	4.8
Standards Will Tighten Significantly	1.1	1.2	0.0	1.3	0.0
No Meaningful Change in Lending Practices	34.1	19.0	26.0	15.6	17.9
	100.0	100.0	100.0	100.0	100.0

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Fitch Ratings / Fixed Income Forum Survey of Senior Investors (Continued)

(%)

Over the next 12 months, fundamental credit conditions in the following U.S. asset classes will:

	Leveraged Loans		High Yield Corporate					Investment Grade Corporate					Structured Finance CDOs				
	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	3.9	4.8	5.7	1.2	3.9	0.0	2.4	1.1	0.0	0.0	0.0	0.0	2.5	1.3	1.4	0.0	0.0
Deteriorate Somewhat	44.7	57.8	38.6	51.2	39.5	50.6	59.0	27.3	51.8	35.5	45.5	48.2	16.3	12.7	24.6	35.2	40.5
Stay the Same	34.2	30.1	39.8	35.7	36.8	32.5	31.3	53.4	31.8	42.1	40.3	38.6	62.5	67.1	59.4	54.9	53.2
Improve Somewhat	17.1	7.2	15.9	11.9	18.4	16.9	7.2	18.2	16.5	22.4	14.3	13.3	18.8	17.7	14.5	9.9	6.3
Improve Significantly	0.0	0.0	0.0	0.0	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	Corporate CDOs					Subprime Mortgage-Backed					Commercial Mortgage-Backed					Alt-A Mortgage-Backed				
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	1.3	0.0	1.5	0.0	1.3	4.8	0.0	1.4	4.2	2.5	0.0	1.3	1.4	2.7	0.0	3.6	0.0	1.4	1.4	0.0
Deteriorate Somewhat	12.7	22.1	28.8	41.2	38.0	25.0	12.5	30.0	25.4	32.5	24.1	10.0	22.2	21.9	26.9	17.9	10.1	18.8	22.2	26.3
Stay the Same	69.6	55.8	53.0	45.6	55.7	40.5	35.0	34.3	38.0	41.3	34.9	36.3	40.3	47.9	53.8	46.4	36.7	40.6	47.2	47.5
Improve Somewhat	16.5	20.8	16.7	13.2	5.1	28.6	46.3	32.9	26.8	23.8	41.0	48.8	34.7	26.0	19.2	32.1	48.1	37.7	27.8	26.3
Improve Significantly	0.0	1.3	0.0	0.0	0.0	1.2	6.3	1.4	5.6	0.0	0.0	3.8	1.4	1.4	0.0	0.0	5.1	1.4	1.4	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	Tax Exempt Municipals					Asset-Backed					Prime Mortgage-Backed				
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	0.0	0.0	1.4	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deteriorate Somewhat	37.8	31.6	37.5	20.0	20.3	14.3	14.1	11.3	14.1	18.8	13.1	12.5	14.1	15.5	11.5
Stay the Same	29.3	32.9	27.8	32.9	36.7	51.2	55.1	62.0	66.2	68.8	47.6	38.8	38.0	49.3	60.3
Improve Somewhat	32.9	35.4	30.6	44.3	43.0	34.5	28.2	26.8	19.7	12.5	39.3	43.8	43.7	31.0	26.9
Improve Significantly	0.0	0.0	2.8	1.4	0.0	0.0	2.6	0.0	0.0	0.0	0.0	5.0	4.2	4.2	1.3
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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Fitch Ratings / Fixed Income Forum Survey of Senior Investors (Continued)

(%)

Over the next 12 months, fundamental credit conditions in the following U.S. industries will:

	Basic Materials				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	3.6	2.4	2.9	0.0	2.6
Deteriorate Somewhat	44.6	27.7	37.1	32.9	33.3
Stay the Same	39.8	39.8	35.7	42.5	46.2
Improve Somewhat	12.0	28.9	24.3	24.7	17.9
Improve Significantly	0.0	1.2	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Media/Broadcasting				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	0.0	0.0	0.0	2.7	1.3
Deteriorate Somewhat	32.1	39.0	33.8	34.2	32.1
Stay the Same	48.8	43.9	53.5	46.6	53.8
Improve Somewhat	16.7	17.1	12.7	16.4	12.8
Improve Significantly	2.4	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Telecommunications/Cable				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	0.0	0.0	1.4	1.4	1.3
Deteriorate Somewhat	19.0	28.0	32.4	38.4	30.4
Stay the Same	58.3	51.2	53.5	38.4	48.1
Improve Somewhat	21.4	20.7	12.7	21.9	20.3
Improve Significantly	1.2	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Consumer Cyclical				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	1.2	0.0	0.0	0.0	0.0
Deteriorate Somewhat	39.3	30.1	22.9	17.8	30.4
Stay the Same	35.7	32.5	31.4	34.2	32.9
Improve Somewhat	23.8	36.1	44.3	46.6	34.2
Improve Significantly	0.0	1.2	1.4	1.4	2.5
	100.0	100.0	100.0	100.0	100.0

	Energy				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	1.2	0.0	1.4	0.0	0.0
Deteriorate Somewhat	52.4	24.1	21.4	28.4	29.5
Stay the Same	27.4	34.9	47.1	28.4	34.6
Improve Somewhat	19.0	39.8	30.0	41.9	35.9
Improve Significantly	0.0	1.2	0.0	1.4	0.0
	100.0	100.0	100.0	100.0	100.0

	Utilities				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	0.0	1.2	2.9	1.4	0.0
Deteriorate Somewhat	21.4	28.0	18.6	23.6	27.8
Stay the Same	63.1	62.2	64.3	59.7	60.8
Improve Somewhat	14.3	8.5	14.3	15.3	11.4
Improve Significantly	1.2	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Healthcare				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	0.0	2.4	2.8	1.4	0.0
Deteriorate Somewhat	33.3	33.7	36.6	31.1	25.0
Stay the Same	32.1	33.7	43.7	43.2	44.7
Improve Somewhat	33.3	28.9	16.9	20.3	27.6
Improve Significantly	1.2	1.2	0.0	4.1	2.6
	100.0	100.0	100.0	100.0	100.0

	Consumer Noncyclical				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	0.0	0.0	0.0	0.0	0.0
Deteriorate Somewhat	14.5	32.5	18.6	19.2	22.8
Stay the Same	63.9	44.6	61.4	60.3	65.8
Improve Somewhat	21.7	22.9	20.0	20.5	11.4
Improve Significantly	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Industrials/Manufacturing				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	1.2	0.0	0.0	0.0	0.0
Deteriorate Somewhat	22.9	25.3	16.9	17.8	16.9
Stay the Same	51.8	34.9	45.1	43.8	42.9
Improve Somewhat	24.1	38.6	38.0	38.4	40.3
Improve Significantly	0.0	1.2	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Financials				
	7/12	2/13	8/13	2/14	9/14
Deteriorate Significantly	3.6	0.0	0.0	0.0	0.0
Deteriorate Somewhat	21.4	9.6	15.1	8.1	13.9
Stay the Same	34.5	21.7	20.5	17.6	30.4
Improve Somewhat	39.3	65.1	64.4	68.9	55.7
Improve Significantly	1.2	3.6	0.0	5.4	0.0
	100.0	100.0	100.0	100.0	100.0

How do you expect the U.S. high yield default rate to end June 2015?

	9/14
0-1	2.4
1-2	8.3
2-3	64.3
3-4	23.8
>4	1.2
	100.0

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Fitch Ratings / Fixed Income Forum Survey of Senior Investors (Continued)

(%)

Over the next 12 months do you expect corporate leverage (debt/EBITDA) to:

	7/12	2/13	8/13	2/14	9/14
Increase Significantly	0.0	3.5	0.0	2.6	2.4
Increase Modestly	55.3	83.5	76.0	80.3	86.9
Stay About the Same	29.4	8.2	20.0	14.5	8.3
Decrease Modestly	15.3	3.5	4.0	2.6	2.4
Decrease Significantly	0.0	1.2	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

Over the next 12 months, how do you expect U.S. firms to use cash?

	Mergers and Acquisitions				
	7/12	2/13	8/13	2/14	9/14
Significant	9.2	31.3	21.9	17.8	42.2
Moderate	48.3	53.0	50.7	65.8	51.8
Limited	42.5	15.7	27.4	16.4	6.0
Not at All	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Share Repurchases				
	7/12	2/13	8/13	2/14	9/14
	13.8	35.3	32.4	33.3	45.2
	65.5	56.5	59.5	65.3	47.6
	19.5	8.2	8.1	1.3	6.0
	1.1	0.0	0.0	0.0	1.2
	100.0	100.0	100.0	100.0	100.0

	Dividends				
	7/12	2/13	8/13	2/14	9/14
	9.2	25.9	21.3	16.0	15.5
	67.8	58.8	65.3	76.0	73.8
	23.0	15.3	13.3	8.0	10.7
	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Capital Expenditures				
	7/12	2/13	8/13	2/14	9/14
	2.3	1.2	2.7	1.4	3.6
	50.0	58.8	60.8	50.0	69.9
	43.0	37.6	35.1	48.6	25.3
	4.7	2.4	1.4	0.0	1.2
	100.0	100.0	100.0	100.0	100.0

	Maintain Cash Cushion				
	7/12	2/13	8/13	2/14	9/14
Significant	37.9	16.9	18.9	14.7	9.6
Moderate	47.1	42.2	45.9	44.0	45.8
Limited	14.9	37.3	29.7	34.7	38.6
Not at All	0.0	3.6	5.4	6.7	6.0
	100.0	100.0	100.0	100.0	100.0

	Debt Amortizations/Paydowns				
	7/12	2/13	8/13	2/14	9/14
	3.4	2.4	0.0	0.0	3.6
	31.0	23.8	27.0	17.3	16.7
	54.0	52.4	58.1	64.0	63.1
	11.5	21.4	14.9	18.7	16.7
	100.0	100.0	100.0	100.0	100.0

What is your expectation for issuance over the next 12 months for the following categories?

	Investment Grade Corporate				
	7/12	2/13	8/13	2/14	9/14
Very Strong	4.6	17.6	1.4	9.3	13.4
Strong	49.4	54.1	40.5	53.3	57.3
Moderate	34.5	25.9	52.7	32.0	26.8
Low	11.5	2.4	5.4	5.3	2.4
Minimal	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	Speculative Grade Corporate				
	7/12	2/13	8/13	2/14	9/14
	2.4	16.5	6.7	12.2	6.1
	35.3	56.5	44.0	41.9	56.1
	48.2	22.4	41.3	40.5	31.7
	10.6	4.7	8.0	5.4	6.1
	3.5	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

	CDOs				
	7/12	2/13	8/13	2/14	9/14
	0.0	5.0	1.5	1.4	3.9
	2.5	15.0	17.6	19.7	38.2
	30.0	40.0	42.6	38.0	34.2
	42.5	26.3	36.8	38.0	21.1
	25.0	13.8	1.5	2.8	2.6
	100.0	100.0	100.0	100.0	100.0

	CMBS				
	7/12	2/13	8/13	2/14	9/14
	0.0	2.5	0.0	1.4	1.3
	3.8	19.8	24.6	32.4	34.2
	48.7	60.5	53.6	49.3	46.1
	41.0	17.3	21.7	16.9	17.1
	6.4	0.0	0.0	0.0	1.3
	100.0	100.0	100.0	100.0	100.0

	ABS				
	7/12	2/13	8/13	2/14	9/14
Very Strong	3.7	4.9	0.0	2.8	0.0
Strong	8.6	17.3	23.2	22.5	17.3
Moderate	46.9	60.5	59.4	54.9	68.0
Low	33.3	14.8	17.4	18.3	14.7
Minimal	7.4	2.5	0.0	1.4	0.0
	100.0	100.0	100.0	100.0	100.0

	RMBS				
	7/12	2/13	8/13	2/14	9/14
	0.0	3.8	0.0	0.0	1.3
	3.7	8.8	17.4	18.6	9.3
	46.9	56.3	50.7	45.7	58.7
	35.8	23.8	30.4	30.0	26.7
	13.6	7.5	1.4	5.7	4.0
	100.0	100.0	100.0	100.0	100.0

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Fitch Ratings / Fixed Income Forum Survey of Senior Investors (Continued)

(%)

What is your expectation for spread movement over the next 12 months in these areas?

	Municipals					Speculative Grade Corporate					CMBS					Investment Grade Corporate				
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
Widen	11.0	26.3	43.3	14.5	22.1	32.6	28.9	40.5	26.7	59.0	16.5	11.1	19.1	19.1	31.2	14.0	14.3	25.3	17.1	32.5
Tighten	31.7	28.8	35.8	52.2	26.0	34.9	38.6	29.7	36.0	18.1	38.0	39.5	39.7	41.2	16.9	32.6	36.9	33.3	30.3	16.9
Remain Within Recent Ranges	57.3	45.0	20.9	33.3	51.9	32.6	32.5	29.7	37.3	22.9	45.6	49.4	41.2	39.7	51.9	53.5	48.8	41.3	52.6	50.6
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	CDOs					RMBS					ABS				
	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14	7/12	2/13	8/13	2/14	9/14
Widen	18.5	7.4	28.8	20.6	39.0	17.5	11.3	27.7	28.2	26.0	7.6	9.9	16.7	12.7	23.4
Tighten	17.3	35.8	21.2	25.0	15.6	27.5	31.3	23.1	31.0	14.3	25.3	23.5	18.2	32.4	13.0
Remain Within Recent Ranges	64.2	56.8	50.0	54.4	45.5	55.0	57.5	49.2	40.8	59.7	67.1	66.7	65.2	54.9	63.6
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Survey Methodology

The *Fitch Ratings / Fixed Income Forum U.S. Investor Survey* is designed to provide insight into the opinions of professional money managers on the state of the U.S. credit markets. In conducting this survey, the 17th in the series, a wide range of senior investment personnel (84 total) were queried with respect to matters involving the economy, fundamental credit conditions across various asset classes and sectors, corporate strategy and market developments. The bulk of responses reflect the views of senior investors at traditional asset management firms and insurance companies, with the rest representing the opinions of those operating within the asset management arms of banks and pension funds.

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