

City Of London Corporation
Monthly Investment Analysis Review
May 2015



City Of London Corporation

Monthly Economic Summary

General Economy

May began with the Conservatives winning an outright majority of 331 seats in the General Election. This was a surprise result after polls forecasted a hung parliament. US data releases show the jobs market has rebounded after a weak month in March, indicating their next Fed rate hike will happen towards the end of this year. UK CPI inflation slipped into negative territory for the first time since 1960, falling to -0.1% in April.

The General Election result dominated the headlines in May. With the outright victory eliminating immediate concerns over political uncertainty, attention shifting towards a clarified fiscal outlook and the timing of the European referendum. The results indicate that the economy is set for greater fiscal tightening over the course of the next two years.

The latest news from PMI activity surveys highlighted mixed news after recent lacklustre returns. The Manufacturing PMI fell to 51.8 in April, from a downwardly revised 54.0 in March, the sharpest slowdown in more than two years. This was due to strong domestic demand being largely offset by weak exports. Growth in Britain's Construction industry also slowed sharply in April, in anticipation of the General election, falling to 54.2 in April, its lowest level in 22 months. Conversely, Services PMI climbed to an 8 month high of 59.5 in April, from 58.9 in March, strongly attributed to by rising new orders and future activity.

The Bank of England's (BoE) Monetary Policy Committee (MPC) reiterated that interest rates will continue to remain at a record low of 0.5%. The minutes revealed that policymakers cited the squeeze on consumer spending as a factor to persuade the Bank to keep interest rates at their record low for longer, voting unanimously 9-0 for no change. Moreover, the MPC stated that unless oil and commodity prices fell further, the deflationary rate would be temporary, and would pick up towards the end of 2015.

The headline CPI inflation figure turned negative in April for the first time since 1960. The annual rate of inflation fell to -0.1%, pushed down by lower travel costs due to an early Easter. The BoE said in its May Inflation Report that inflation is like to rise over the coming months as factors like falling food and energy prices, begin to be less prevalent. Therefore, this rate is anticipated to be a temporary phenomenon, which may provide some encouragement for consumer and investment spending.

Britain's public sector budget deficit declined greater than forecasted in April, which gave the current Conservative government a boost in their efforts to eliminate the deficit. On the 8th of July Chancellor George Osborne is set to announce a new budget promising further cuts to welfare and government departments' spending. The ONS's release demonstrated that net borrowing fell down by almost 27% from a year earlier. The UK's goods deficit narrowed to £10.122bn in March from an upwardly revised figure of £10.799bn in February, reflecting a rebound in global oil prices. This emphasises that the British recovery has relied profoundly on domestic spending as opposed to making exports a key driver in the UK's economic recovery.

Retail sales rose more strongly than expected in April, recovering from a fall in March, with the warm weather encouraging consumers to spend more. The ONS reported Retail sales volume rose 1.2% on the month, the strongest increase since November. The UK unemployment rate fell to 5.5% in the three months to March, the lowest since mid-2008. Average weekly earnings, including bonuses, rose by 1.9% on an annual basis in the three months to March, continuing to outstrip inflation and therefore, increasing real wages in the UK.

Consumer confidence fell unexpectedly in May, slipping to +1 from +4 in April, its lowest level since January. This suggests Britain's are less upbeat about their personal financial prospects, alongside fiscal tightening under the Conservative government.

In the Eurozone, the European Central Bank (ECB) announced that they would keep interest rates unchanged at the record low of 0.05% to combat the risk of the EU suffering adverse deflationary prospects. On a more positive note, Q1 GDP for the Eurozone growth rose by 0.4% from January to March, due to falling energy and food prices. The political tensions within Greece are still ongoing, with a 'Grexit' becoming more likely in the near future. Greece has little chance of making the scheduled payments of over €3bn to the IMF across the next 6 weeks, which will impact the financial markets and peripheral economies.

In the US, the beginning of May saw a rebound in the US labour market after March's lacklustre data, with a 223,000 increase in non-farm payrolls. Service sector jobs offset weak employment figures in mining, as the unemployment rate fell to a seven year low of 5.4%. The downward revision to their second estimate of GDP for Q1 was discouraging, declining from an annualised 0.2% to -0.7%. This contraction is likely to be due to net external trade being a bigger drag than was initially anticipated. Despite this, much stronger growth is expected in Q2 and Q3 respectively. This data cumulatively suggests that the Federal Reserve will hold off determining a rate hike till later this year.

Currency

Sterling opened the month at \$1.54 against the US dollar and steadily decreased to reach \$1.52. Against the Euro, sterling opened the month at €1.37 and closed at €1.39.

Forecast

Capita Asset Services altered its forecast this month. Capita Asset Services expects the first rate hike to come in the second quarter of 2016. Capital Economics left their forecast unchanged in May. They expect the first Bank Rate increase to come in Q2 2016.

| Bank Rate | Jun-15 | Sep-15 | Dec-15 | Mar-16 | Jun-16 |
|-----------------------|--------|--------|--------|--------|--------|
| Capita Asset Services | 0.50% | 0.50% | 0.50% | 0.50% | 0.75% |
| Capital Economics | 0.50% | 0.50% | 0.50% | 0.50% | 0.75% |

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Current Investment List

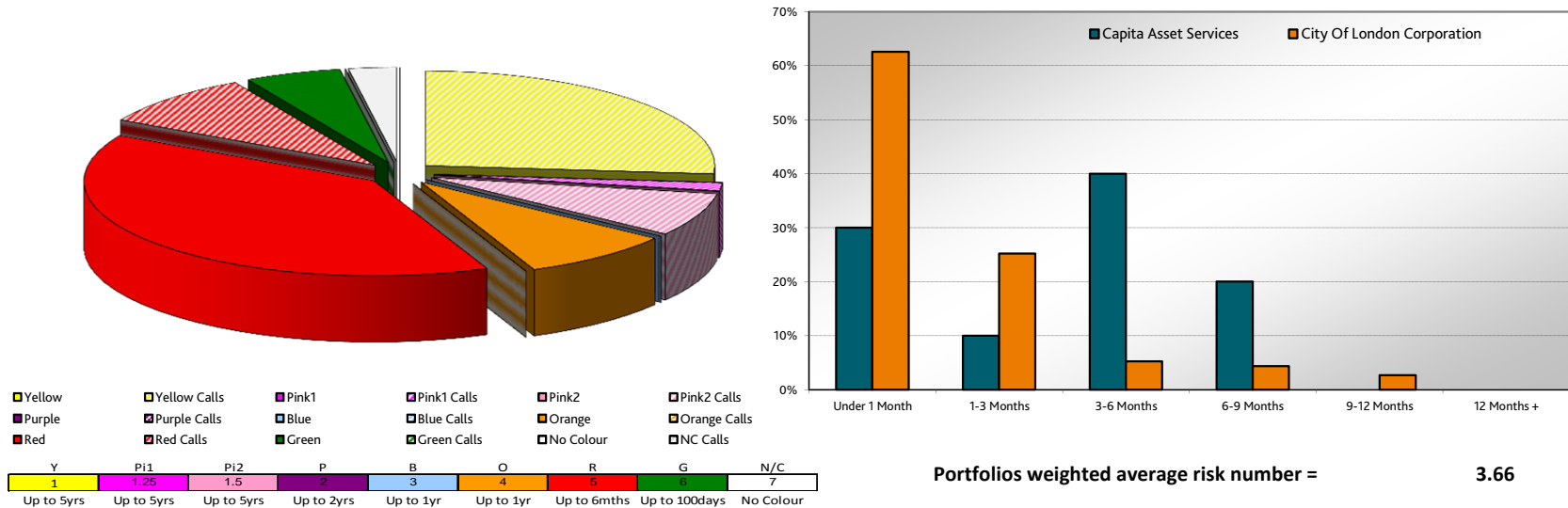
| Borrower | Principal (£) | Interest Rate | Start Date | Maturity Date | Lowest Long Term Rating | Historic Risk of Default |
|---|---------------|---------------|------------|---------------|-------------------------|--------------------------|
| MMF Federated Investors (UK) | 64,000,000 | 0.45% | | MMF | AAA | 0.000% |
| EMMF Federated Sterling Cash Plus Fund | 5,000,000 | 0.69% | | EMMF | AAA | 0.000% |
| MMF Invesco | 61,500,000 | 0.44% | | MMF | AAA | 0.000% |
| MMF CCLA | 10,000,000 | 0.41% | | MMF | AAA | 0.000% |
| EMMF Payden Sterling Reserve Fund | 55,000,000 | 1.15% | | EMMF | AAA | 0.000% |
| MMF Standard Life | 61,500,000 | 0.47% | | MMF | AAA | 0.000% |
| EMMF Standard Life Short Duration Cash Fund | 5,000,000 | 0.62% | | EMMF | AAA | 0.000% |
| Lloyds Bank Plc | 67,300,000 | 0.50% | | Call | A | 0.000% |
| Nationwide Building Society | 10,500,000 | 0.50% | 04/03/2015 | 04/06/2015 | A | 0.001% |
| Nationwide Building Society | 2,700,000 | 0.50% | 04/03/2015 | 04/06/2015 | A | 0.001% |
| Nationwide Building Society | 10,000,000 | 0.50% | 04/03/2015 | 05/06/2015 | A | 0.001% |
| Yorkshire Building Society | 5,000,000 | 0.47% | 04/03/2015 | 08/06/2015 | BBB+ | 0.003% |
| Coventry Building Society | 2,300,000 | 0.45% | 04/03/2015 | 08/06/2015 | A- | 0.001% |
| Australia and New Zealand Banking Group Ltd | 7,600,000 | 0.40% | 04/03/2015 | 09/06/2015 | AA- | 0.000% |
| Nationwide Building Society | 2,400,000 | 0.50% | 09/03/2015 | 09/06/2015 | A | 0.002% |
| Nationwide Building Society | 10,500,000 | 0.51% | 05/03/2015 | 10/06/2015 | A | 0.002% |
| Coventry Building Society | 5,000,000 | 0.45% | 10/03/2015 | 10/06/2015 | A- | 0.002% |
| Svenska Handelsbanken AB | 5,000,000 | 0.48% | 05/03/2015 | 11/06/2015 | AA- | 0.000% |
| Nationwide Building Society | 9,400,000 | 0.52% | 05/03/2015 | 11/06/2015 | A | 0.002% |
| Lloyds Bank Plc | 5,000,000 | 0.57% | 11/03/2015 | 11/06/2015 | A | 0.002% |
| Nationwide Building Society | 6,600,000 | 0.51% | 16/03/2015 | 15/06/2015 | A | 0.003% |
| Yorkshire Building Society | 2,400,000 | 0.47% | 16/03/2015 | 16/06/2015 | BBB+ | 0.007% |
| National Australia Bank Ltd | 7,000,000 | 0.43% | 17/03/2015 | 17/06/2015 | AA- | 0.000% |
| Nationwide Building Society | 5,000,000 | 0.50% | 17/03/2015 | 17/06/2015 | A | 0.003% |
| Nationwide Building Society | 1,000,000 | 0.50% | 18/03/2015 | 18/06/2015 | A | 0.003% |
| Leeds Building Society | 3,900,000 | 0.48% | 18/03/2015 | 25/06/2015 | A- | 0.004% |
| Leeds Building Society | 10,300,000 | 0.49% | 20/03/2015 | 26/06/2015 | A- | 0.004% |
| Nationwide Building Society | 7,000,000 | 0.54% | 31/03/2015 | 29/06/2015 | A | 0.005% |
| Coventry Building Society | 4,500,000 | 0.45% | 30/03/2015 | 30/06/2015 | A- | 0.005% |
| Nationwide Building Society | 15,000,000 | 0.55% | 30/03/2015 | 01/07/2015 | A | 0.005% |
| Svenska Handelsbanken AB | 20,000,000 | 0.49% | 02/04/2015 | 02/07/2015 | AA- | 0.001% |
| Nationwide Building Society | 2,100,000 | 0.50% | 02/04/2015 | 03/07/2015 | A | 0.006% |
| Barclays Bank Plc | 35,200,000 | 0.65% | 05/01/2015 | 06/07/2015 | A | 0.006% |
| Nationwide Building Society | 8,500,000 | 0.50% | 07/04/2015 | 07/07/2015 | A | 0.006% |
| National Australia Bank Ltd | 6,500,000 | 0.42% | 09/04/2015 | 08/07/2015 | AA- | 0.001% |
| Leeds Building Society | 5,800,000 | 0.52% | 01/04/2015 | 09/07/2015 | A- | 0.007% |
| Coventry Building Society | 7,800,000 | 0.46% | 09/04/2015 | 10/07/2015 | A- | 0.007% |
| Nationwide Building Society | 5,400,000 | 0.50% | 16/04/2015 | 16/07/2015 | A | 0.008% |
| Barclays Bank Plc | 25,000,000 | 0.55% | 10/04/2015 | 20/07/2015 | A | 0.008% |

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Current Investment List

| Borrower | Principal (£) | Interest Rate | Start Date | Maturity Date | Lowest Long Term Rating | Historic Risk of Default |
|---|---------------------|---------------|------------|---------------|-------------------------|--------------------------|
| Nationwide Building Society | 7,000,000 | 0.52% | 16/04/2015 | 20/07/2015 | A | 0.008% |
| National Australia Bank Ltd | 3,400,000 | 0.42% | 22/04/2015 | 22/07/2015 | AA- | 0.001% |
| Yorkshire Building Society | 3,200,000 | 0.47% | 29/04/2015 | 29/07/2015 | BBB+ | 0.024% |
| Nationwide Building Society | 10,400,000 | 0.50% | 05/05/2015 | 05/08/2015 | A | 0.011% |
| National Australia Bank Ltd | 3,800,000 | 0.42% | 05/05/2015 | 05/08/2015 | AA- | 0.001% |
| Yorkshire Building Society | 6,400,000 | 0.47% | 06/05/2015 | 06/08/2015 | BBB+ | 0.028% |
| Nationwide Building Society | 2,100,000 | 0.50% | 06/05/2015 | 07/08/2015 | A | 0.012% |
| Lloyds Bank Plc | 18,500,000 | 0.57% | 07/05/2015 | 07/08/2015 | A | 0.012% |
| National Australia Bank Ltd | 3,600,000 | 0.42% | 06/05/2015 | 10/08/2015 | AA- | 0.001% |
| Yorkshire Building Society | 3,000,000 | 0.47% | 08/05/2015 | 10/08/2015 | BBB+ | 0.029% |
| Australia and New Zealand Banking Group Ltd | 6,900,000 | 0.50% | 18/05/2015 | 19/08/2015 | AA- | 0.001% |
| Nationwide Building Society | 3,400,000 | 0.52% | 28/05/2015 | 28/08/2015 | A | 0.015% |
| Barclays Bank Plc | 39,000,000 | 1.00% | 27/11/2014 | 27/11/2015 | A | 0.031% |
| Lloyds Bank Plc | 32,200,000 | 1.00% | 22/12/2014 | 22/12/2015 | A | 0.035% |
| Skipton Building Society | 20,000,000 | 1.05% | 22/04/2015 | 22/04/2016 | BBB- | 0.135% |
| Total Investments | £746,600,000 | 0.61% | | | | 0.009% |

Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



Portfolios weighted average risk number = **3.66**

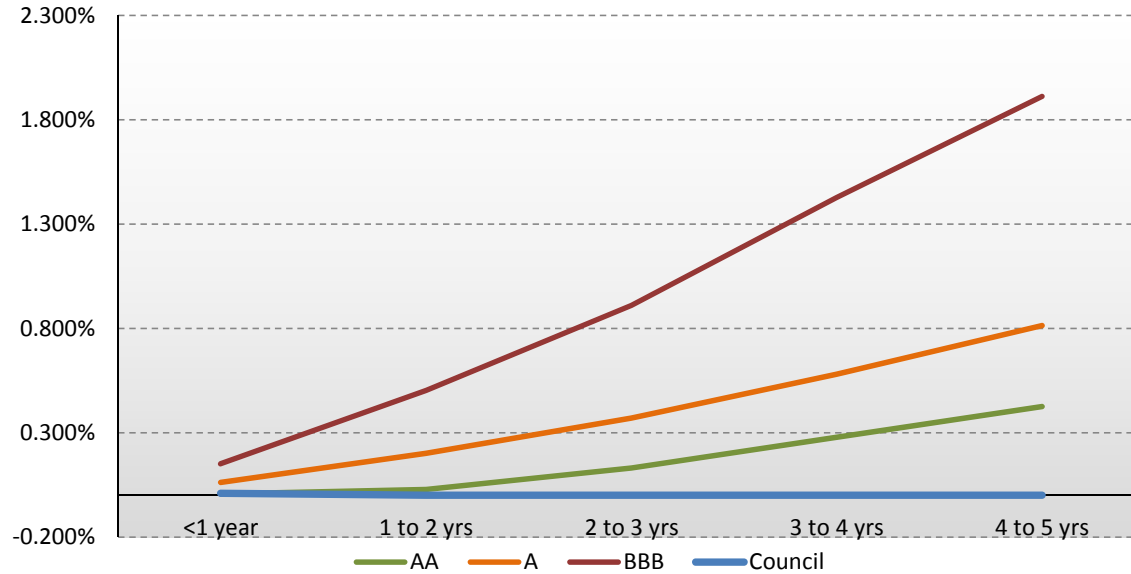
WARoR = Weighted Average Rate of Return
WAM = Weighted Average Time to Maturity

| | % of Portfolio | Amount | % of Colour in Calls | Amount of Colour in Calls | % of Call in Portfolio | WARoR | WAM | WAM at Execution | Excluding Calls/MMFs/EMMFs | |
|--------------|----------------|---------------------|----------------------|---------------------------|------------------------|--------------|-----------|------------------|----------------------------|------------------|
| | | | | | | | | | WAM | WAM at Execution |
| Yellow | 26.39% | £197,000,000 | 100.00% | £197,000,000 | 26.39% | 0.45% | 0 | 0 | 0 | 0 |
| Pink1 | 1.34% | £10,000,000 | 100.00% | £10,000,000 | 1.34% | 0.66% | 0 | 0 | 0 | 0 |
| Pink2 | 7.37% | £55,000,000 | 100.00% | £55,000,000 | 7.37% | 1.15% | 0 | 0 | 0 | 0 |
| Purple | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| Blue | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| Orange | 8.55% | £63,800,000 | 0.00% | £0 | 0.00% | 0.45% | 37 | 93 | 37 | 93 |
| Red | 48.33% | £360,800,000 | 18.65% | £67,300,000 | 9.01% | 0.62% | 59 | 138 | 73 | 170 |
| Green | 5.36% | £40,000,000 | 0.00% | £0 | 0.00% | 0.48% | 38 | 96 | 38 | 96 |
| No Colour | 2.68% | £20,000,000 | 0.00% | £0 | 0.00% | 1.05% | 327 | 366 | 327 | 366 |
| Total | 100.00% | £746,600,000 | 44.11% | £329,300,000 | 44.11% | 0.61% | 42 | 90 | 63 | 161 |

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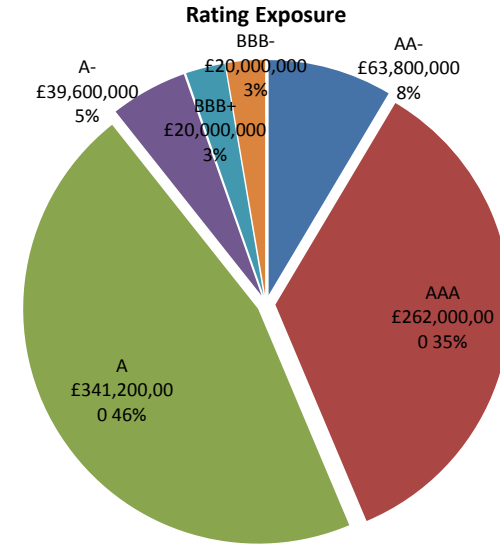
Investment Risk and Rating Exposure

Investment Risk Vs. Rating Categories



Historic Risk of Default

| Rating/Years | <1 year | 1 to 2 yrs | 2 to 3 yrs | 3 to 4 yrs | 4 to 5 yrs |
|--------------|---------|------------|------------|------------|------------|
| AA | 0.007% | 0.029% | 0.130% | 0.278% | 0.425% |
| A | 0.062% | 0.202% | 0.370% | 0.581% | 0.813% |
| BBB | 0.150% | 0.502% | 0.910% | 1.428% | 1.912% |
| Council | 0.009% | 0.000% | 0.000% | 0.000% | 0.000% |



Historic Risk of Default

This is a proxy for the average % risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment.

Chart Relative Risk

This is the authority's risk weightings compared to the average % risk of default for "AA", "A" and "BBB" rated investments.

Rating Exposures

This pie chart provides a clear view of your investment exposures to particular ratings.

City Of London Corporation

Monthly Credit Rating Changes FITCH

| Date | Update Number | Institution | Country | Rating Action |
|------------|---------------|---|-------------|--|
| 11/05/2015 | 1342 | Clydesdale Bank | UK | Long Term Rating Long Term Rating 'A', removed from Stable Outlook and placed on Negative Watch. Short Term Rating 'F1', placed on Negative Watch. Support Rating '1', placed on Negative Watch. |
| 20/05/2015 | 1346 | KBC Bank N.V | Belgium | Long Term Rating Affirmed at 'A-', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Danske Bank | Denmark | Long Term Rating Affirmed at 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Nordea Bank Finland | Finland | Long Term Rating 'AA-', Stable Outlook. Short Term Rating Affirmed at 'F1+'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Pohjola Bank | Finland | Long Term Rating 'A+', Stable Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | BNP Paribas | France | Long Term Rating Affirmed at 'A+', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Credit Agricole SA | France | Long Term Rating Affirmed at 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Societe Generale | France | Long Term Rating Affirmed at 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | BayernLB | Germany | Long Term Rating Downgraded to 'A-' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Affirmed at '1' |
| 20/05/2015 | 1346 | Commerzbank AG | Germany | Long Term Rating Downgraded to 'BBB' from 'A+', Outlook changed to Positive from Negative. Short Term Rating Downgraded to 'F2' from 'F1+'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Deutsche Bank AG | Germany | Long Term Rating Downgraded to 'A' from 'A+', Negative Outlook. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | DZ Bank AG | Germany | Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1' and Withdrawn |
| 20/05/2015 | 1346 | Landesbank Baden Wuerttemberg | Germany | Long Term Rating Downgraded to 'A-' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Affirmed at '1' |
| 20/05/2015 | 1346 | Landesbank Hessen-Thuringen Girozentrale (Helaba) | Germany | Long Term Rating 'A+', Stable Outlook. Short Term Rating 'F1+'. Support Rating Affirmed at '1' and Withdrawn. |
| 20/05/2015 | 1346 | Norddeutsche Landesbank Girozentrale | Germany | Long Term Rating Downgraded to 'A-' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1' |
| 20/05/2015 | 1346 | UniCredit Bank AG | Germany | Long Term Rating Downgraded to 'A-' from 'A+', Negative Outlook. Short Term Rating Downgraded to 'F2' from 'F1+'. Support Rating Downgraded to '3' from '1.' |
| 20/05/2015 | 1346 | ABN AMRO Bank N.V. | Netherlands | Long Term Rating Downgraded to 'A' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Bank Nederlandse Gemeenten | Netherlands | Long Term Rating Downgraded to 'AA+' from 'AAA', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1+'. Support Rating Affirmed at '1'. |
| 20/05/2015 | 1346 | Cooperatieve Centrale Raiffeisen Boerenleenbank BA (Rabobank Nederland) | Netherlands | Long Term Rating 'AA-', Negative Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1', Rating Withdrawn. |
| 20/05/2015 | 1346 | ING Bank NV | Netherlands | Long Term Rating Downgraded to 'A' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Downgraded to '5' from '1.' |
| 20/05/2015 | 1346 | Nordea Bank AB | Netherlands | Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' from '1'. |
| 20/05/2015 | 1346 | Skandinaviska Enskilda Banken AB | Sweden | Long Term Rating 'A+', Positive Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '2' from '1'. |

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Monthly Credit Rating Changes

FITCH

| Date | Update Number | Institution | Country | Rating Action |
|------------|---------------|---|-------------|---|
| 20/05/2015 | 1346 | Swedbank AB | Sweden | Long Term Rating 'A+ ', Positive Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '2' from '1'. |
| 20/05/2015 | 1346 | Svenska Handelsbanken | Sweden | Long Term Rating 'AA- ', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' from '1'. |
| 20/05/2015 | 1346 | Credit Suisse AG | Switzerland | Long Term Rating Affirmed at 'A ', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1346 | UBS AG | Switzerland | Long Term Rating Affirmed at 'A ', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1346 | Bank of Scotland Plc | UK | Long Term Rating Upgraded to 'A+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1' |
| 20/05/2015 | 1346 | Barclays Bank plc | UK | Long Term Rating Affirmed at 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1346 | Lloyds Bank Plc | UK | Long Term Rating Upgraded to 'A+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1' |
| 20/05/2015 | 1346 | Santander UK plc | UK | Long Term Rating 'A', Stable Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '2' from '1' |
| 20/05/2015 | 1346 | Standard Chartered Bank | UK | Long Term Rating 'AA-', Negative Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1346 | Nationwide Building Society | UK | Long Term Rating 'A', Stable Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1346 | Royal Bank of Scotland Group plc | UK | Long Term Rating Downgraded to 'BBB+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '5' from '1' |
| 20/05/2015 | 1346 | National Westminster Bank Plc | UK | Long Term Rating Downgraded to 'BBB+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '5' from '1' |
| 20/05/2015 | 1346 | The Royal Bank of Scotland Plc | UK | Long Term Rating Downgraded to 'BBB+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '5' from '1' |
| 20/05/2015 | 1346 | Ulster Bank Ltd | UK | Long Term Rating Downgraded to 'BBB+' from 'A-', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '2' from '1' |
| 20/05/2015 | 1347 | Bank of New York Mellon (International) Ltd | UK | Long Term Rating Affirmed at 'AA-', Outlook changed to Positive from Stable. Short Term Rating 'F1+'. Support Rating Affirmed at '1'. |
| 20/05/2015 | 1347 | Citibank International Plc | UK | Long Term Rating Affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1'. |
| 20/05/2015 | 1347 | Goldman Sachs International | UK | Long Term Rating Affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'F1'. |
| 20/05/2015 | 1347 | Goldman Sachs International Bank | UK | Long Term Rating Affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'F1'. |
| 20/05/2015 | 1347 | MBNA Europe Bank | UK | Long Term Rating Affirmed at 'A-', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1'. |
| 20/05/2015 | 1347 | Merrill Lynch International | UK | Long Term Rating Affirmed at 'A', Outlook changed to Positive from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1'. |
| 20/05/2015 | 1348 | Bank of America, N.A. | USA | Long Term Rating Upgraded to 'A+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1+'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1348 | Bank of New York Mellon, The | USA | Long Term Rating Upgraded to 'AA' from 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'. |

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Monthly Credit Rating Changes FITCH

| Date | Update Number | Institution | Country | Rating Action |
|------------|---------------|-------------------------------------|---------|---|
| 20/05/2015 | 1348 | Citibank, N.A. | USA | Long Term Rating Upgraded to 'A+' from 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1348 | JPMorgan Chase Bank NA | USA | Long Term Rating Upgraded to 'AA-' from 'A+', Stable Outlook. Short Term Rating Upgraded to 'F1+' from 'F1'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1348 | State Street Bank and Trust Company | USA | Long Term Rating Upgraded to 'AA' from 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1348 | Wells Fargo Bank NA | USA | Long Term Rating Upgraded to 'AA' from 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'. |
| 20/05/2015 | 1349 | Bank of Montreal | Canada | Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'. |
| 20/05/2015 | 1349 | Bank of Nova Scotia | Canada | Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'. |
| 20/05/2015 | 1349 | Canadian Imperial Bank of Commerce | Canada | Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'. |
| 20/05/2015 | 1349 | National Bank of Canada | Canada | Long Term Rating 'A+', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'. |
| 20/05/2015 | 1349 | Royal Bank of Canada | Canada | Long Term Rating 'AA', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'. |
| 20/05/2015 | 1349 | Toronto Dominion | Canada | Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'. |

City Of London Corporation

Monthly Credit Rating Changes MOODY'S

| Date | Update Number | Institution | Country | Rating Action |
|------------|---------------|--|---------|---|
| 08/05/2015 | 1341 | Close Brothers Ltd | UK | Long Term Rating Upgraded to 'Aa3' from 'A3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating upgraded to 'P-1' from 'P-2', removed from Positive Watch |
| 12/05/2015 | 1343 | Standard Chartered Bank | UK | Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Negative Outlook. Short Term Rating Affirmed at 'P-1'. |
| 15/05/2015 | 1345 | Bank of New York Mellon, The | USA | Long Term Rating Upgraded to 'Aa1' from 'Aa2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 15/05/2015 | 1345 | BOKF, NA | USA | Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 15/05/2015 | 1345 | HSBC Bank USA | USA | Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 15/05/2015 | 1345 | Northern Trust Company | USA | Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 15/05/2015 | 1345 | Silicon Valley Bank | USA | Long Term Rating Upgraded to 'Aa3' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'P-1'. |
| 15/05/2015 | 1345 | State Street Bank and Trust Company | USA | Long Term Rating Upgraded to 'Aa2' from 'Aa3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'P-1'. |
| 15/05/2015 | 1345 | Wells Fargo Bank NA | USA | Long Term Rating Upgraded to 'Aa1' from 'Aa3' removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'P-1'. |
| 29/05/2015 | 1352 | Citibank International Plc | U.K | Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1352 | Goldman Sachs International | U.K | Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1352 | Goldman Sachs International Bank | U.K | Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1352 | HSBC Bank plc | U.K | Long Term Rating Upgraded to 'Aa2' from 'Aa3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1352 | Morgan Stanley & Co. International plc | U.K | Long Term Rating Upgraded to 'A1' from 'A3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Upgraded to 'P-1' from 'P-2', removed from Positive Watch. |
| 29/05/2015 | 1352 | Royal Bank of Scotland Group plc | U.K | Long Term Rating Downgraded to 'Ba1' from 'Baa2', removed from Negative Watch and placed on Stable Outlook. Short Term Rating Downgraded to 'NP' from 'P-2', removed from Negative Watch. |
| 29/05/2015 | 1352 | National Westminster Bank Plc | U.K | Long Term Rating Upgraded to 'A3' from 'Baa1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-2'. |
| 29/05/2015 | 1352 | The Royal Bank of Scotland Plc | U.K | Long Term Rating Upgraded to 'A3' from 'Baa1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-2'. |
| 29/05/2015 | 1353 | Bank of America, N.A. | USA | Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1353 | Citibank, N.A. | USA | Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1353 | JPMorgan Chase Bank NA | USA | Long Term Rating Upgraded to 'Aa2' from 'Aa3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |

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Monthly Credit Rating Changes MOODY'S

| Date | Update Number | Institution | Country | Rating Action |
|------------|---------------|---|-------------|--|
| 29/05/2015 | 1354 | BNP Paribas | France | Long Term Rating Affirmed at 'A1', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1354 | Deutsche Bank AG | Germany | Long Term Rating Affirmed at 'A3', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'P-2'. |
| 29/05/2015 | 1354 | Cooperatieve Centrale Raiffeisen Boerenleenbank BA (Rabobank Nederland) | Netherlands | Long Term Rating 'Aa2', removed from Evolving Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1354 | ING Bank NV | Netherlands | Long Term Rating to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1355 | Credit Suisse AG | Switzerland | Long Term Rating Upgraded to 'Aa3' from 'A1', removed from Positive Watch and placed on Negative Outlook. Short Term Rating Affirmed at 'P-1'. |
| 29/05/2015 | 1355 | UBS AG | Switzerland | Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'. |

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Monthly Credit Rating Changes S&P

| Date | Update Number | Institution | Country | Rating Action |
|------------|---------------|---------------------------------|-------------|--|
| 14/05/2015 | 1344 | Clydesdale Bank | UK | Long Term Rating 'BBB+', removed from Stable Outlook and placed on Negative Watch. Short Term Rating affirmed at 'A-2' |
| 22/05/2015 | 1350 | Netherlands (Sovereign) | Netherlands | Sovereign Rating Affirmed at 'AA+', Outlook changed to Positive from Stable |
| 27/05/2015 | 1351 | Bank Nederlandse Gemeenten | Netherlands | Long Term Rating Affirmed at 'AA+', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'A-1+' |
| 27/05/2015 | 1351 | Nederlandse Waterschapsbank N.V | Netherlands | Long Term Rating Affirmed at 'AA+', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'A-1+' |