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State Aid: Sixteenth Extension of the Portuguese Guarantee Scheme

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EUROPEAN COMMISSION

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Subject: **State Aid SA. 48550 (2017/N) – Portugal - Sixteenth Extension of the Portuguese Guarantee Scheme**

Sir,

1. PROCEDURE

(1) On 29 October 2008 the Commission approved the Portuguese Guarantee Scheme ("the scheme") by its decision in State aid case NN 60/2008 ("the original decisions")[1].

(2) On the basis of subsequent notifications, the Commission approved the prolongation of the scheme by its decisions of 22 February 2010 in State aid case N 51/2010[2], of 23 July 2010 in State aid case N 315/2010[3], of 21 January 2011 in State aid case SA.32158[4], of 30 June 2011 in State aid case SA. 33178[5], of 21 December 2011 in State aid case SA. 34034[6], of 27 June 2012 in State aid case SA.34958[7], of 17 December 2012 in State aid case SA.35743[8], of 1 August 2013 in State aid case SA.36869[9], of 19 December 2013 in State aid case SA.37698[10], of 30 July 2014 in State aid case SA.38900[11], of 4 February 2015 in State aid case SA.39991[12], of 22 July

1 OJ C 9, 14.01.2009, p.1, a corrigendum to which appeared in OJ C 25, 31.01.2009, p.25.
2 OJ C 96, 16.04.2010, p. 1.
3 OJ C 283, 20.10.2010, p. 5.
4 OJ C 111, 9.4.2011, p. 5.
5 OJ C 344, 24.11.2011, p. 1.
6 OJ C 99, 03.04.2012, p. 2.
7 OJ C 246, 15.8.2012, p. 1.
8 OJ C 36, 17.12.2013, p. 1.
9 OJ C 2, 07.01.2014, p. 1.
10 OJ C 50, 21.02.2014, p. 1.
11 OJ C 348, 3.10.2014, p. 28.
12 OJ C 94, 20.03.2015, p. 10.

S. Ex.ª o Ministro dos Negócios Estrangeiros
Augusto Santos Silva
Largo do Rilvas
P – 1399-030 - Lisboa

2015 in State aid case SA.42404[13], of 13 January 2016 in State aid case SA.43996[14], of 25 June 2016 in State aid case SA.45761[15] and of 17 February 2016 in State aid case SA.47168[16]. By its decision in case SA.47168, the Commission authorised the prolongation of the scheme until 30 June 2017.

(3) On 30 June 2017, Portugal notified a sixteenth extension of the scheme for 6 months from the adoption date of the present decision. The notification was completed by further submissions of information on 17 July 2017 and 12 October 2017.

(4) By letter dated 12 July 2017, Portugal agreed exceptionally to waive its rights deriving from Article 342 of the Treaty on the Functioning of the European Union ("TFEU") in conjunction with Article 3 of Regulation 1/1958[17] and to have the present decision adopted and notified in English.

2. FACTS

2.1. Description of the scheme:

(5) To stabilise the financial market, Portugal passed law 60-A/2008 of 20 October 2008[18] and its implementing provisions, Portaria nº 1219-A/2008 of 23 October 2008[19], Portaria nº 946/2010 of 22 September 2010[20], Portaria nº 80/2012 of 27 March 2012[21] and law 42/2016 of 28 December 2016[22].

(6) The total budget of the extended/prolonged scheme is EUR 20 billion according to the notification made by Portugal.

(7) The beneficiaries of the scheme are all credit institutions incorporated in Portugal, including subsidiaries of foreign banks with registered office in Portugal. Only institutions which are solvent for the purposes of Portuguese law may benefit from the scheme.

(8) Under Portaria n°80/2012, the scheme covers the issuance of non-subordinated debt with a minimum maturity of three months and a maximum maturity up to five years. In case of guarantees on the issuance of covered bonds (on mortgages and on the public sector), the maturity can go up to seven years.

(9) The remuneration for guarantees on liabilities will be calculated in accordance with the formula set out in the 2011 Prolongation Communication[23], as described in the Commission decision in State aid case SA.34958[24]. The indicative guarantee fees for the period of 6 months from the adoption of the present decision can be found in the

13 OJ C 369, 6.11.2015, p. 1.
14 OJ C 20, 20.1.2017, p. 9.
15 Published on the DG Competion website under case number: SA45761 and in course of being published in the Official Journal..
16 OJ C 110, 7.4.2017, p. 8.
17 Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385.
18 Diário da República, 1.ª série, n.º 203.
19 Diário da República, 1.ª série, n.º 206.
20 Diário da República, 1.ª série, n.º 185.
21 Diário da República, 1.ª série, n.º 62.
22 Diário da República, 1.ª série, n.º 248.
23 Communication from the Commission on the application, from 1 January 2012, of State aid rules to support measures in favour of banks in the context of the financial crisis, OJ C 356, 6.12.2011, p. 7.
24 Recitals 13 to 16. See footnote 7.

Annex and are based on an updated sample of European banks established by the Commission on 5 May 2017.

(10) A detailed description of the scheme is provided in the original decision, in particular recital 9 concerning the legal basis, recitals 5 to 8 concerning the objective of the scheme and recitals 10 to 21 on the general description of the scheme. Portaria n° 80/2012 introduced the requirement in terms of maturities described in recital (8).

2.2. Actual use of the scheme

(11) Along with the notification, the Portuguese authorities submitted a report on the operation of the scheme from 15 October 2016 until 15 April 2017.

(12) During the current reporting period, no new liabilities have been issued under the scheme, and all the outstanding guarantees have matured.

(13) On 12 October 2017, the Portuguese authorities confirmed that the report was still up to date, as no utilisations of the scheme had taken place since the reporting date.

2.3. New elements introduced with the last notifications

(14) The terms and conditions of the extended scheme remain the same as compared to the previous scheme.

3. POSITION OF PORTUGAL

(15) Portugal requests an extension of the scheme for 6 months from the adoption date of the present decision.

(16) Portugal submits that the scheme constitutes State aid within the meaning of Article 107(1) TFEU, but is of the view that the proposed extension is compatible with the internal market on the basis of Article 107(3)(b) TFEU as it is necessary to remedy a serious disturbance in the economy of Portugal.

(17) Portugal submitted an opinion by the Bank of Portugal[25] further supporting the need for the proposed extension to safeguard the stability of the financial system in Portugal, because prevailing market conditions do not allow for a termination of the scheme. In particular the Bank of Portugal notes that despite the gradual improvement in the economic growth and the Portuguese State's issuance ability in the medium and long-term debt market, in general the Portuguese private economy still faces some constraints regarding the regular access to funding, mainly in the medium to long term. According to the Bank of Portugal, during the first half of 2017, Portuguese financial institutions have been exhibiting reduced issuance activity, which although mitigated by the positive effects of the expanded asset purchase programme might also be the result of the worsening of risk perception of Portuguese banks by financial markets.

(18) Although the last issuance under this scheme occurred in the beginning of 2013, the existence of the scheme for extraordinary granting of guarantees is still deemed to be an important safeguard instrument for the Portuguese financial system, providing protection to the collateral buffers, in the process of regaining broader market access. Portuguese sovereign bond yields have decreased over the past 6 months, which also benefited the financing conditions of domestic issuers, however, the spreads of

[25] Opinion by the Bank of Portugal included in Portugal's submission of information on 17 July 2017.

sovereign yields remain at an elevated level. According to Portugal, no debt issuances were performed without State guarantee under the current reporting procedures.

(19) In view of the above, the Bank of Portugal considers the availability of the scheme may prove to be relevant to improve the Portuguese banking system's funding conditions and, in particular, to enhance the ability of Portuguese financial institutions to access the capital markets when circumstances so require.

(20) Portugal reasserted the existing commitments relating to the scheme, as reflected in recital 17 of the Commission decision of 30 July 2014 in State aid case SA.38900[11], namely:

(a) to grant aid measures under the scheme only to solvent credit institutions which have no capital shortfall[26]; banks which have already received approved rescue aid at the date of entry into force of the 2013 Banking Communication[27], i.e. before 1 August 2013, but have not yet obtained a final approval of the restructuring aid, can also receive support under the scheme without individual notification. In such a case an update to the restructuring plan has to be submitted if the restructuring plan had not already provided for the envisaged guarantee measure;

(b) to grant the guarantees under the scheme only for the new issuance of senior debt (subordinated debt is excluded);

(c) to provide guarantees only on debt instruments with maturities from three months up to five years (or a maximum of seven years in the case of covered bonds) and to limit the guarantees with a maturity of more than three years to one-third of the total outstanding amount of guarantees granted to each individual bank;

(d) to determine the minimum level of State guarantee remuneration in line with the provisions of Article 4 of Executive Order nr. 1219-A/2008, of 23 October (as amended by Executive Order nr. 80/2012, of 27 March), in accordance with the formula set out in the Commission's Communication on the application, from 1 January 2012, of State aid rules to support measures in favour of banks in the context of the financial crisis[28];

(e) to communicate to the Commission, within three months following each issuance of guaranteed bonds, the actual fee charged;

(f) that any credit institution that is granted guarantees on new liabilities or on renewed liabilities for which, at the time of the granting of the new guarantee, the total outstanding guaranteed liabilities (including guarantees accorded before the date of this decision) exceed both a ratio of 5% of total liabilities and the total amount of EUR 500 million, will be required to present a restructuring plan within two months of the granting of the guarantees;

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[26] "No capital shortfall" is certified by the competent supervisory authority, as it is established, in line with point 28 of the 2013 Banking Communication, in a capital exercise, stress test, asset-quality review or an equivalent exercise at Union, euro area or national level, which has to be confirmed by the competent supervisory authority.

[27] Communication from the Commission on the application, from 1 August 2013, of State aid rules to support measures in favour of banks in the context of the financial crisis (OJ C 216, 30.7.2013, p. 1).

[28] C(2011) 8744 final, p. 7.

(g) that any institutions which cause the guarantee to be called upon will be required to submit individual restructuring or liquidation plans to the Commission within two months from such event;

(h) to impose a ban on advertising referring to the State support received by the beneficiaries of the scheme and to prevent the latter from employing any aggressive commercial strategies, which would not take place without the State support;

(i) to present every three months (15 April, 15 July, 15 October and 15 January, at the latest) a report on the operation of the scheme, on guaranteed issuances and on the actual fees charged.

(j) to complement reports on the operation of the scheme with updated available data on the cost of comparable non-guaranteed debt issuances (as regards nature, volume, rating, currency).

(21) In line with the requirements of the 2011 Prolongation Communication, Portugal provided an indicative fee (estimation) for financial institutions. Portugal applied the formula for banks without CDS prices, as according to the Bank of Portugal's opinion Portuguese bank's CDS prices are still tainted by sovereign risk and therefore not representative since the calculations are related to a period of three years.The estimation was based on an application of the scheme's remuneration formula and recent market data.

4. ASSESSMENT

4.1. Existence of State aid

(22) According to Article 107(1) TFEU, any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market.

(23) For the reasons indicated in the original decision, the Commission considers that the scheme constitutes State aid within the meaning of Article 107(1) TFEU because it concerns the provision of State resources to a certain sector, i.e. the financial sector, which is open to intense international competition. Under the scheme, participating banks obtain guarantees under conditions which would not be available to them under market conditions, and so receive an advantage. Given the characteristics of the financial sector, any advantage from State resources to a bank affects intra-Union trade and threatens to distort competition. The measure therefore constitutes State aid within the meaning of Article 107(1) TFEU.

4.2. Compatibility of the scheme

4.2.1. Legal basis for the compatibility assessment

(24) Under the scheme Portugal intends to provide aid in the form of guarantees in favour of banks.

(25) Given the exacerbation of tensions in sovereign debt markets that has taken place since 2011 and in light of the persisting circumstances and risks, the Commission considers it

appropriate, as confirmed by the 2013 Banking Communication, to examine the measure under Article 107(3)(b) TFEU.

(26) Article 107(3)(b) TFEU empowers the Commission to find that aid is compatible with the internal market if it is intended "to remedy a serious disturbance in the economy of a Member State". The Commission has acknowledged that the global financial crisis can create a serious disturbance in the economy of a Member State and that measures supporting banks are apt to remedy that disturbance. That assessment has been confirmed in the Recapitalisation Communication[29] and the Restructuring Communication.[30] The Commission still considers that the conditions for State aid to be approved pursuant to Article 107(3)(b) TFEU are present. The Commission confirmed that view by adopting the 2013 Banking Communication31.

(27) The Commission does not dispute the position of the Portuguese authorities that regular access of banks to funding in financial markets remains vulnerable at the current juncture, despite recent positive developments concerning Portugal's sovereign rating. The Commission notes that Portugal ended its three-year Economic Adjustment Programme in May 2014, which included the implementation of an ambitious reform agenda and contributed to regaining economic growth and restoring investor confidence for the sovereign and that one rating agency (S&P) increased Portugal's credit rating in September 2017 one notch to BBB-, returning it to "investment-grade" status. Yet, the issuance activity of Portuguese financial institutions in the international debt market is not yet broad-based, with vulnerabilities in the sector. Those concerns should continue to be addressed in order to safeguard financial stability and credit availability in the Portuguese economy, therefore the existence of the scheme continues to be a safeguard instrument for the Portuguese financial system for the time being.

(28) Therefore, the Commission continues to base its assessment of State aid measures in the banking sector on Article 107(3)(b) TFEU.

(29) In order for an aid to be compatible under Article 107(3)(b) TFEU, it must comply with the general principles for compatibility under Article 107(3), viewed in the light of the general objectives of the Treaty. Therefore, according to the Commission's decisional practice[32] any aid or scheme must comply with the following conditions: (i) appropriateness (ii) necessity and (iii) proportionality.

(30) The 2013 Banking Communication and the Restructuring Communication formulate assessment criteria which reflect those general principles and their requirements in light of the specific policy context.

4.2.2. Compatibility assessment of the scheme

Appropriateness

[29] Commission Communication - Recapitalisation of financial institutions in the current financial crisis: limitation of the aid to the minimum necessary and safeguards against undue distortions of competition (OJ C 10, 15.1.2009, p. 2).

[30] Commission Communication on the return to viability and the assessment of the restructuring measures in the financial sector in the current crisis under the State aid rules, (OJ C 195, 19.8.2009, p. 9).

[31] See points 4 to 6.

[32] See Commission decision of 6.9.2013 in State Aid Case SA.37314 "Rescue aid in favour of Probanka" (OJ C 314, 29.10.2013, p. 1) and Commission decision of 6.9.2013 in State Aid Case SA.37315 "Rescue aid in favour to Factor Banka" (OJ C 314, 29.10.2013, p. 2).

(31) The scheme should be appropriate to remedy a serious disturbance in the Portuguese economy. The objective of the scheme is to temporarily offer appropriate measures to establish backstops for the financial system in a timely and efficient manner, where banks face difficulties in obtaining sufficient funding. The Commission observes that the crisis has eroded confidence in the creditworthiness of the banks, which results in difficulties in obtaining necessary funding on the financial markets. Hence, a backstop mechanism by the Member State, which in case of urgency ensures that banks would have access to funding, is an appropriate means to strengthen banks and thus to restore market confidence.

(32) Points 23 and 60(a) of the 2013 Banking Communication explain that guarantee schemes will continue to be available in order to provide liquidity to banks but that such schemes should be limited to banks without a capital shortfall. The Commission observes that Portugal has committed to restrict the scheme only to banks without a capital shortfall as certified by the competent supervisory authority.

(33) The Commission also notes that one Portuguese bank, Novo Banco, will not be eligible to access the scheme, according to the commitments put forward by Portugal in the case "Sale of Novo Banco with additional aid in the in the context of the 2014 Resolution of Banco Espírito Santo, S.A."[33].

(34) The Commission, additionally, notes that Portugal has committed to grant guarantees only for new issues of banks' senior debt, as prescribed in point 59(a) of the 2013 Banking Communication.

Necessity

(35) With regard to the scope of the measure, the Commission notes positively that Portugal has limited the size of the scheme by setting its maximum budget at EUR 20 billion and that the scheme applies for 6 months from the adoption date of the present decision.

(36) The Commission notes that Portugal has committed to grant guarantees only on debt instruments with maturities from three months to five years (or a maximum of seven years in the case of covered bonds) and limit guarantees with a maturity of more than three years to one-third of the outstanding guarantees granted to the individual bank, which complies with the requirements in points 59(b) and 60(b) of the 2013 Banking Communication.

(37) Regarding the remuneration level, the Commission observes that Portugal, in line with point 59(c) of the 2013 Banking Communication, has committed to follow the pricing and other conditions for State guarantees laid down in the 2011 Prolongation Communication which requires, in particular, the application of a pricing method based largely on market data.

(38) The guarantee fee required by 2011 Prolongation Communication foresees a pricing method also for banks without representative CDS data, which Portugal argues would still be appropriate to use.[34] It seems appropriate to consider the CDS spreads of individual banks located in the countries currently or recently subject to a financial

[33] Commission decision in State aid n° SA.49275 (2017/N) – Portugal, not yet published.
[34] See point 19.

assistance programme as temporarily non-representative of the intrinsic risk of those banks. The financial assistance programme in Portugal ended in May 2014.

(39) On that basis, the Commission does not object to Portugal's intention to determine the guarantee fee for banks which still have a traded CDS on the basis of the CDS of the sample of Union banks in the "BBB-rating and lower" rating category. The Commission will review its assessment of the macro-economic situation and appropriateness of that exceptional pricing mechanism whenever a further extension of the scheme is notified.

Proportionality

(40) As regards proportionality, the Commission notes, first, that Portugal, in line with point 59(d) of the 2013 Banking Communication, has committed to submit a restructuring plan within two months for any bank granted guarantees on new liabilities or on renewed liabilities for which, at the time of the granting of the new guarantee, the total outstanding guaranteed liabilities (including guarantees accorded before the date of the decision) exceed both a ratio of 5% of the bank's total liabilities and a total amount of EUR 500 million. That commitment ensures that the use of the scheme will not enable banks with structural weaknesses in their business models to postpone or avoid the necessary adjustments.

(41) Second, the Commission notes that Portugal has committed, in line with point 59(f) of the 2013 Banking Communication, to a number of behavioural safeguards such as a ban on advertisements referring to the State support and a ban on any aggressive commercial strategies which would not take place without the State support. Such safeguards help ensure that the participating institutions do not misuse the received State support to expand their activities.

(42) Finally, the Commission welcomes that Portugal undertakes to submit individual restructuring or liquidation plans, within two months, for banks which cause the guarantee to be called upon, in line with point 59(e) of the 2013 Banking Communication.

(43) As regards the combination of the scheme with other aid measures, the Commission recalls that, as indicated in the Annex to the Restructuring Communication, the restructuring plans to be submitted should contain all State aid received as individual aid or under a scheme during the restructuring period.

(44) Furthermore, based on point 16 of the Restructuring Communication, the Commission recalls that, should further aid not initially foreseen in a notified restructuring plan be necessary for the restoration of viability, such additional aid cannot be granted under an approved scheme but needs to be subject to individual ex ante notification. All State aid measures received by a bank as individual aid or under the scheme during the restructuring period will be taken into account in the Commission's final decision on that bank.

Monitoring

(45) The Commission welcomes, in line with point 60(c) and (d) of the 2013 Banking Communication, that Portugal undertakes to present every three months a report on the operation of the scheme, on guaranteed issuances and on the actual fees charged and to

supplement it with updated available data on the cost of comparable non-guaranteed debt issuances (nature, volume, rating and currency).

Conclusions on the compatibility of the aid measure

(46) On the basis of the above, the Commission finds the notified extension to be in line with the 2013 Banking Communication and the Restructuring Communication. The scheme remains an appropriate, necessary and proportionate measure to remedy a serious disturbance of Portugal's economy and does not alter the Commission's previous assessment in the original decision and the prolongation decisions of 22 February 2010, 23 July 2010, 21 January 2011, 30 June 2011, 21 December 2011, 27 June 2012, 17 December 2012, 1 August 2013, 19 December 2013, 30 July 2014, 4 February 2015, 22 July 2015, 13 January 2016, 25 June 2016 and 17 February 2017.

(47) In line with the Commission's decisional practice, the scheme can therefore be extended for 6 months from the adoption date of the present decision. Any further extension will require the Commission's approval and will have to be based on a review of the developments in financial markets and the scheme's effectiveness.

5. COMPLIANCE WITH THE INTRINSICALLY LINKED PROVISIONS OF DIRECTIVE 2014/59/EU [AND REGULATION (EU) 806/2014][35]

(48) The Commission notes that the scheme does not seem to violate intrinsically linked provisions of Directive 2014/59/EU on bank recovery and resolution ('BRRD') and namely Article 32(4)(d)(ii) and Article 18(4)(d)(ii) of Regulation (EU) 806/2014 on the Single Resolution Mechanism ('SRM-R'). The criteria of the scheme ensure that the institutions benefitting from it will not be deemed failing or likely to fail on the sole basis of their participation in the scheme. If the criteria did not ensure that outcome, the scheme could not be deemed appropriate since it would not be apt to remedy the serious disturbance in the Portuguese economy.

(49) The first subparagraph of Article 32(4) BRRD and Article 18(4) SRM-R establishes that an institution shall be deemed to be failing or likely to fail and placed into resolution, (if all the other pre-conditions for resolution are met), where, *inter alia*, extraordinary public financial support is required, except when, in order to remedy a serious disturbance in the economy of a Member State and preserve financial stability, the extraordinary public financial support takes the form, inter alia, of a State guarantee of newly issued liabilities.

(50) The second subparagraph of Article 32(4) BRRD and Article 18(4) SRM-R provide that in order not to trigger resolution such State guarantees on newly issued liabilities must be confined to solvent institutions and must be conditional on final approval under the Union State aid framework. Those measures must be of a precautionary and temporary nature and must be proportionate to remedy the consequences of the serious

[35] Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, OJ L 173, 12.6.2014, p. 190; .; Regulation (EU) no 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, OJ L 225, 30.07.2014, p.1.

disturbance and must not be used to offset losses that the institution has incurred or is likely to incur in the near future.

(51) The Commission notes that the scheme is limited to solvent institutions. The guarantees granted under the scheme are of a temporary nature since the window of their issuance is limited to six months and their maturity is limited to a maximum maturity up to five years. In case of guarantees on the issuance of covered bonds (on mortgages and on the public sector), the maturity can go up to seven years. The Commissions notes positively that the guarantees granted under the scheme are of a precautionary nature since they only cover newly issued liabilities. The guarantees granted are also proportionate to remedy the consequences of the serious disturbance as explained in recitals (40) to (44). The Commission therefore concludes that the notified extension does not seem to violate any intrinsically linked provisions of Directive 2014/59/EU nor of Regulation (EU) No. 806/2014. The scheme is in compliance with the requirements of Article 32(4) of BRRD and Article 18(4) SRM-R, therefore, apt to remedy the consequences of the serious disturbance in the Portuguese economy.

6. CONCLUSION

The Commission has accordingly decided to consider the aid to be compatible with the internal market pursuant to Article 107(3)(b) TFEU and not to raise objections to the scheme.

Portugal exceptionally accepts that the present decision be adopted in the English language, for reasons of urgency.

If this letter contains confidential information which should not be disclosed to third parties, please inform the Commission within fifteen working days of the date of receipt. If the Commission does not receive a reasoned request by that deadline, you will be deemed to agree to the disclosure to third parties and to the publication of the full text of the letter in the authentic language on the Internet site:

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Your request should be sent electronically to the following address:

European Commission,
Directorate-General Competition
State Aid Greffe
B-1049 Brussels
Stateaidgreffe@ec.europa.eu

Yours faithfully
For the Commission

Margrethe VESTAGER
Member of the Commission

CERTIFIED COPY
For the Secretary-General,

Jordi AYET PUIGARNAU
Director of the Registry
EUROPEAN COMMISSION

Annex

Indicative guarantee fees as of 31 July 2017	
Institute	**Premium per institute (basis points)**
Banks without CDS spread	92

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