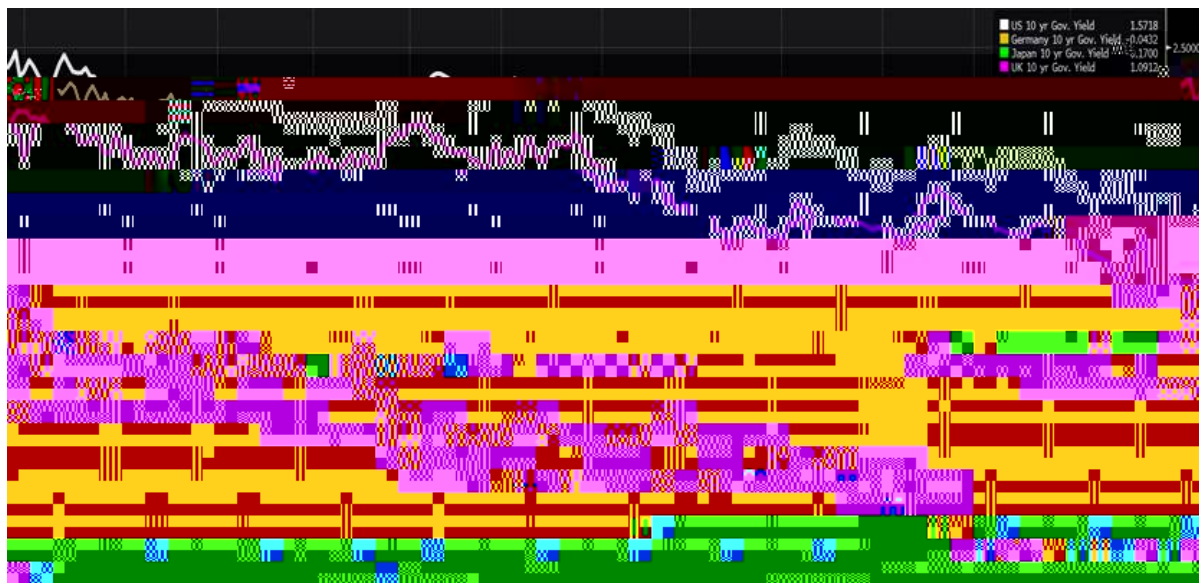




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As scheduled on Thursday, the United Kingdom (U.K.) held a referendum on whether or not to leave the European Union (EU), informally referred to as the "Brexit". As previously discussed in a Hot Spot published on June 7, the expectations for which way the referendum would go has varied significantly and in the last week leaned in the direction of staying in the EU. The actual result was a vote in favor of leaving. Following the vote, Prime Minister



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The Brexit vote has increased concerns for credit risk given the potential for negative economic consequences as well as increased operating costs for companies. This has been reflected in the index credit default swap (CDS) markets. The Market iTraxx European and North American indices are each comprised of 125 investment grade issuers and the Japanese of forty. All three followed a similar] x



Britain's vote yesterday to leave the EU sank the pound ste



investment in the economy,

Bonds		Stocks			
Netherlands	47,366		Ireland	3,040	
Britain	16,301,861,772	2,645,646,277	2,548,350,589	21,495,858,588	39.3%

This will be an evolving situation over the next several

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