

# Bond Ratings (Pre-Great Recession, QE + € crisis)

Borrower	Class	Rating	1 yr.	5 yr.	30 yr	
USG (risk-free)	Sovereign	AAA	1%	2%	3%	Exorbitant Privilege Power to tax
EU "Core" France Germany, Netherlands	"	"	1.5%	3%	4.5%	
MSFT, Exxon, BP	Private	AAA	3%	4%	6%	Long-term Profitability
Fannie, Freddie (MBS)	GSE	AAa	3.5%	4.5%	6%	Implicit Gov. - Backed (Basel Standards)
Mortgages	Private	Aa		5%	6%	
Adjustable Rate Mortgages	"	Aa		LIBOR + 2% → "		
Italy EU Periphery	Sovereign	AAa	4%	5%	7%	No collateral
Greece (PIIGS)	"	AA-	5%	6%	9%	(Instability)
Mali	"	BB	6%	7%	10%	
Facebook	Private	BB-	6%	8%	12%	No profits but patents
Cameron, Inc (Junk Bond)	Private	CCC	10%	15%	20%	