



SUMMARY

EM weekly local currency bond flows* suggest that inflows have returned for the second consecutive month. Flows have also stabilized for Colombia, Indonesia and Thailand, after persistent outflows seen since August. Hungary, Mexico, South Africa, and India continue to experience inflows month to date (Figure 1 & 3).

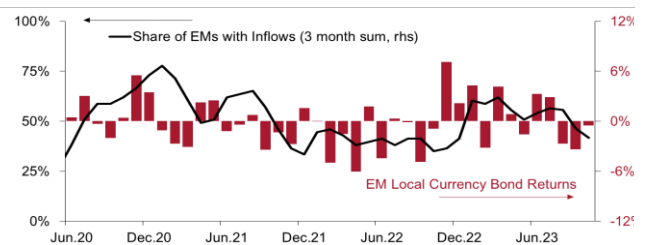
On aggregate, EM ex. China saw small monthly non-resident inflows in October (+\$3.8 bn), led by inflows to Hungary, India and Mexico. YTD EM ex. China local currency non-resident flows remain positive at +\$42.4 bn, in contrast to hard currency fund flows (see annex). **Flows to China also stabilized in October (+\$5.8 bn inflows)**, after experiencing three consecutive months of outflows, and reducing YTD total outflows to -\$33.8 bn.

- **LATAM: Sentiments further improved in October**, with Brazil recording another month of outsized inflows (+\$4.6bn). Small inflows into Mexico (+\$0.7 bn) and Colombia (+\$0.1 bn) offset some of the outflows in the previous month. Conversely, flows to Peru reversed, with small outflows (-\$0.2 bn) in October. Cumulatively, both Peru and Colombia continue to record YTD outflows.
- **ASIA: Flows improved in the past few weeks** after a weak Aug-Sep. Indonesia and Malaysia recorded their third consecutive month of outflows in October, eroding a portion of their YTD inflows. Nonetheless, India continue to be the bright spot in the region, maintaining a streak of monthly inflows since March. Thailand, with small inflows in October and November, restored its cumulative YTD flows to positive.
- **CEEMEA: Regional flows were positive in October and MTD November.** Sizeable inflows to Hungary in October (+\$2.4 bn) reversed the outflows seen in the month prior. Turkey and South Africa also saw trickling inflows, increasing their cumulative YTD inflows.
- **Investor Composition (Fig 4): Foreign ownership moves have been mixed in 2023, after a broad reduction in 2022.** Ownership increased in CEEMEA, notably Romania, Czechia, and Egypt. Earlier gains in parts of Asia have started to taper somewhat. Latin America generally lagged YTD, notably in Colombia (-4.5 ppt), Peru (-4.2 ppt) and Mexico (-2.3 ppt). Domestically, NBFIs have increased their ownership across much of Latin America, particularly in Colombia, as well as Indonesia, Georgia and South Africa. Domestic banks have stepped-up in parts of CEEMEA (Poland and Turkey), Asia (Malaysia, China), and Latin America (Peru).

1. Weekly Local Currency (LC) Non-resident Flows (USD bn)

	29-Sep	6-Oct	13-Oct	20-Oct	27-Oct	3-Nov	10-Nov	17-Nov	24-Nov
MEX	1.16	0.27	0.04	-0.13	0.98	-0.20	2.94	-0.63	
ZAF	-0.69	0.43	0.20	0.03	0.19	-0.18	0.20	0.46	0.19
HUN	-2.38	2.37	0.19	-0.16	-0.12	-0.16	0.40	0.00	0.31
TUR	0.02	-0.04	0.00	0.01	-0.01	0.03	0.13	0.01	
IDN	-0.44	-0.31	-0.31	0.04	-0.31	0.57	0.10	0.03	0.42
IND	0.14	0.27	0.20	0.20	-0.01	0.31	0.80	0.35	0.03
THA	-0.19	-0.08	0.48	-0.27	0.30	0.00	0.38	-0.09	0.03

2. Flow Dispersion and Returns (percent share, left scale; percent, right scale)



3. Local Currency Government Non-resident Debt Flows (USD bn; latest month is month to date)

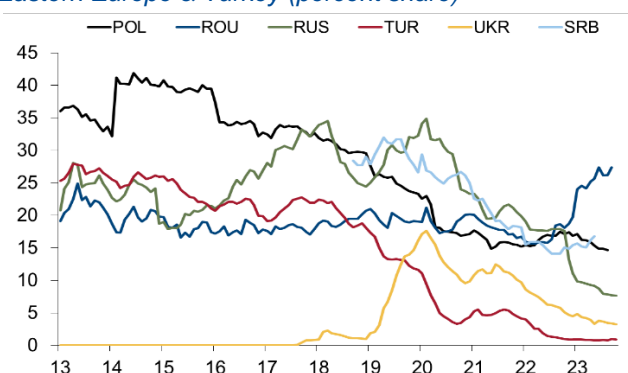
	Nov.22	Dec.22	Jan.23	Feb.23	Mar.23	Apr.23	May.23	Jun.23	Jul.23	Aug.23	Sep.23	Oct.23	Nov.23 mtd	2023YTD	2022
BRA	3.5	0.5	1.6	1.2	0.6	0.0	0.0	2.8	-4.1	2.5	4.4	4.6		13.7	-7.2
MEX	2.0	6.7	-2.0	1.7	0.1	-0.2	-3.6	1.7	0.3	0.5	-0.1	0.7	1.6	0.7	3.9
PER	-0.1	-0.4	-0.2	0.0	-0.4	0.4	0.6	0.1	-0.5	-0.5	0.4	-0.2		-0.3	-1.9
COL	0.0	-0.5	0.5	-0.9	0.0	0.3	-0.2	-0.5	-0.4	-0.4	-1.1	0.1		-2.5	4.8
HUN	-0.8	-1.1	4.2	0.4	-0.6	2.5	-0.6	-2.0	1.1	0.3	-2.3	2.4	0.6	5.9	2.7
POL	0.4	-0.8	0.0	-1.2	0.3	-0.5	-0.9	-0.3	0.3	-0.3	-1.2			-3.8	4.9
CZE	-0.5	-0.6	1.6	0.3	2.1	-0.9	0.1	1.3	1.7	0.0	0.6			6.8	4.0
RUS	-9.2	-2.8	-3.0	0.0	-0.1	-0.2	-0.1	-0.5	-1.5	-0.4	-0.2			-6.0	-16.4
TUR	-0.1	0.0	0.0	0.0	0.0	0.0	-0.1	0.1	0.0	0.0	0.5	0.0	0.2	0.6	-2.2
ROU	0.7	0.4	3.8	0.5	0.1	0.3	1.0	1.0	0.1	0.3				7.0	2.4
UKR	-0.1	0.0	0.2	-0.2	0.0	-0.1	-0.2	0.2	0.0	-0.1	0.0	0.0	0.0	-0.3	-1.1
KAZ	0.0	0.0	-0.1	0.1	0.0	0.0	0.1	-0.1						0.2	-0.9
ZAF	0.4	-0.7	1.7	-1.4	-0.9	1.5	-0.8	1.7	1.0	-0.5	-0.3	0.7	0.9	3.6	0.2
EGY	1.2	1.6	4.0	2.0	0.1	0.4	-0.5	0.4	0.1	0.0				6.5	-8.3
GHA	-0.2	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.1		0.0	-0.2	-1.8
MYS	0.1	0.5	0.5	1.1	1.5	0.0	0.6	0.8	1.9	-1.1	0.0	-0.4		5.0	-1.9
IND	0.1	-0.2	0.6	0.1	-0.3	0.1	0.4	1.2	0.4	0.9	0.2	0.8	1.4	5.8	-2.0
IDN	1.5	1.6	3.3	-0.5	0.9	0.3	0.4	1.2	0.6	-0.6	-1.5	-0.8	1.0	4.4	-9.0
THA	1.8	1.5	0.8	-1.1	0.9	-0.6	0.7	-0.3	1.0	-1.1	-0.6	0.5	0.2	0.4	6.2
CHN	-4.8	2.5	-13.1	-12.0	-4.0	-3.9	3.1	5.3	-7.2	-6.0	-1.9	5.8		-33.8	-76.0
EM ex. CHN	0.6	5.8	17.6	2.2	4.2	3.3	-3.1	8.9	1.8	-0.2	-1.2	8.4	6.0	47.7	-27.1

4. Local Currency Government Debt Holdings: Investor Composition

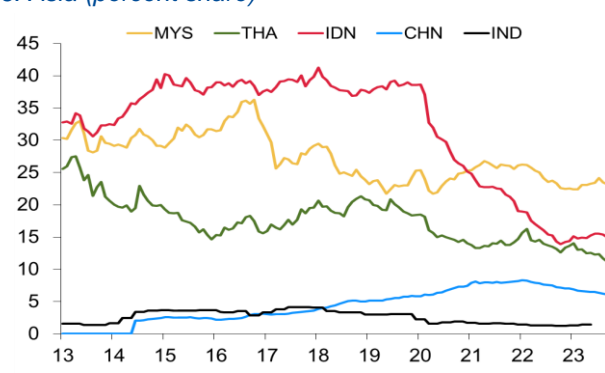
	Foreign Holdings (US blns)	Foreign Share (percent)	Change since Dec. 2022 (ppt)	Change since Dec. 2021 (ppt)	Domestic Bank Share (percent)	Change since Dec. 2022 (ppt)	Domestic NBF Share (percent)	Change since Dec. 2022 (ppt)
BRA	119	10	0.8	-0.4	28	-0.8	51	0.0
MEX	93	15	-2.3	-3.2	10	-1.3	48	1.3
COL	26	22	-4.5	-3.1	12	-1.8	40	5.6
PER	14	37	-4.2	-12.5	27	2.8	15	0.0
POL	30	14	-3.0	-1.3	44	3.3	13	-0.2
TUR	1	1	0.0	-3.3	77	3.8	9	-1.3
ROU	18	26	6.5	9.5	38	-5.1	23	-2.0
CZE	37	29	2.0	2.3	40	0.6	25	-2.5
GEO	0	3	-1.4	-6.6	53	-3.7	12	3.3
CHN	428	6	-0.9	-2.1	62	2.4		
IDN	53	15	0.3	-4.4	29	-2.8	22	2.6
MYS	53	23	0.2	-3.4	34	2.5	34	0.0
THA	25	11	-2.5	-3.6	23	0.7	33	-0.1
IND	19	1	0.2	-0.1	39	0.0	33	0.0
ZAF	48	25	-0.2	-2.8	20	-1.4	52	1.6
EGY	13	16	4.4	-6.3	42	-0.9	17	-0.6

Regional Look: Non-resident Holdings of Domestic Government Debt

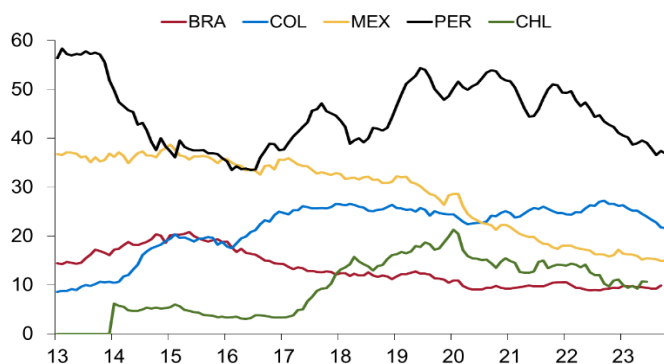
5. Eastern Europe & Turkey (percent share)



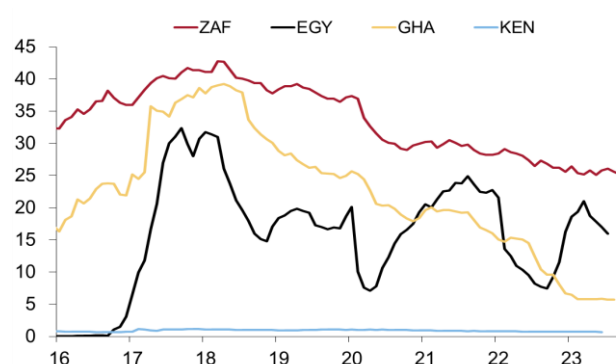
6. Asia (percent share)



7. Latin America (percent share)

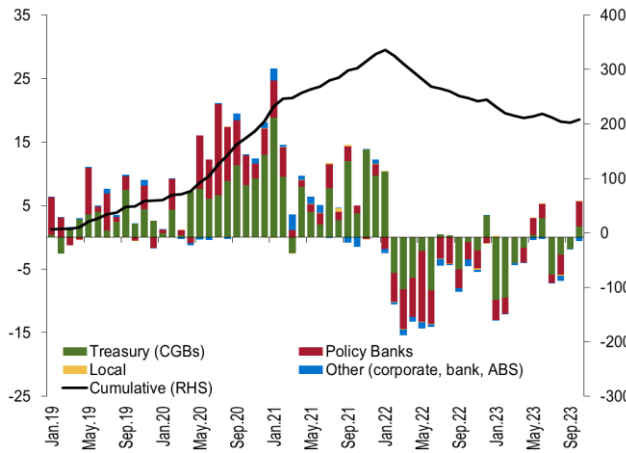


8. Africa (percent share)

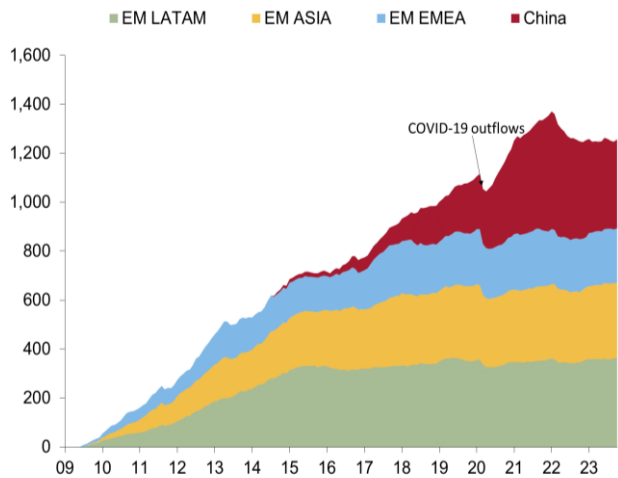


Notes: China data includes government and policy bank bonds. Egypt refers only to Treasury bills. In Figure 4, the 'latest' figures may refer to different months for each country and are the latest available. Due to lagged releases, data on flows and holdings may be slightly inconsistent for some countries. Data on NBFIs refers to insurance, pension (including public), and investment funds where specifically available, but exact categorization may differ across countries. South Africa includes 'other financial institutions' alongside pension funds and insurance for NBFIs.

9. Non-resident Flows into Chinese Local Currency Bonds, by Sector (USD billions)

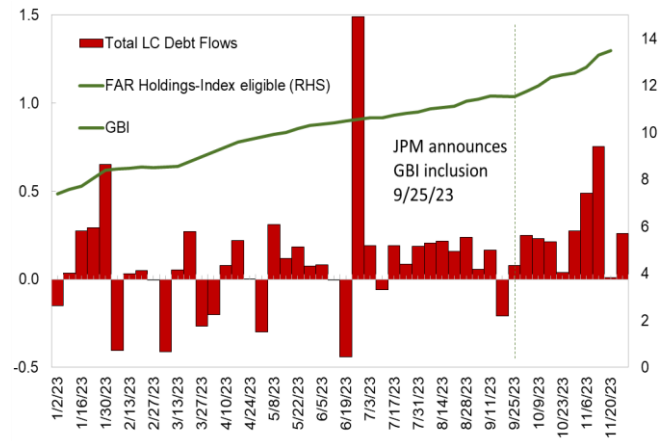


11. Cumulative Non-resident Flows into LC Government Bonds Since 2009 (USD billions)



Note: In chart 9, in some cases, flows are derived from the change in stock outstanding held by foreign investors each month.

10. Non-resident Flows into India, Index Eligible Bonds, Fully Accessible Route (USD billions)



12. EM Hard Currency ETF and Mutual Fund Flows (percent of AUM, cumulative by year)

