






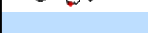


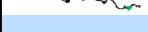



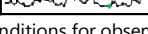
- US bond funds maintain strong inflows, continuing trend seen over past year ([link](#))
- Intesa, Monte dei Paschi, and UBI stocks surge on M&A news ([link](#))
- Japanese Q4 2019 preliminary GDP growth declines more sharply than expected ([link](#))
- Weak Apple Inc. earnings guidance weighs on Asian assets ([link](#))
- Chinese equities gain as PBC lowers 1-year MLF rate and injects further liquidity ([link](#))
- Latin American asset prices lag on China exposure and weaker commodity prices ([link](#))

[US](#) | [Europe](#) | [Other Mature](#) | [Emerging Markets](#) | [Market Tables](#)

Risk aversion resumes as markets react to signs of virus-related disruptions

Global equities and benchmark bond yields are falling as a Q1 revenue warning from Apple Inc. has served as a wake-up call to investors of the potential knock-on effects of the coronavirus. This morning, US Treasury yields are down 3 to 5 bps across the curve and core Euro area yields are 2 to 3 bps lower. Equities are also trading down, with S&P 500 futures declining 0.5%, reflecting investor concerns after Apple Inc. issued a statement that it no longer expected to meet its quarterly revenue guidance owing to supply-demand disruptions from the coronavirus. Asian equities closed down across the region, with Chinese indexes the main exception. Chinese stocks have risen over 2% to start the week following news the PBC cut the MLF rate and the government promising further measures to support the economy. European bourses are trading modestly lower, while investors are digesting regional banks news with some Italian banks gaining on M&A reports and HSBC lagging on announced cost-cutting efforts. Oil prices are declining 2% and EM asset prices are weaker, with the South African rand and local equities underperforming after Moody's cut the country's growth forecast.

Key Global Financial Indicators

| Last updated: 2/18/20 8:08 AM | Level | | Change from Market Close | | | | YTD |
|--------------------------------------|---|--------|--------------------------|--------|---------|------|-----|
| | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | |
| Equities | | | % | | | | % |
| S&P 500 |  | 3380 | 0.0 | 2 | 2 | 22 | 5 |
| Eurostoxx 50 |  | 3832 | -0.5 | 0 | 1 | 18 | 2 |
| Nikkei 225 |  | 23194 | -1.4 | -2 | -4 | 9 | -2 |
| MSCI EM |  | 44 | -1.3 | 2 | -4 | 6 | -1 |
| Yields and Spreads | | | bps | | | | |
| US 10y Yield |  | 1.54 | 0.0 | -6 | -28 | -112 | -38 |
| Germany 10y Yield |  | -0.42 | -1.8 | -3 | -20 | -53 | -23 |
| EMBIG Sovereign Spread |  | 306 | 2 | 0 | 13 | -51 | 13 |
| FX / Commodities / Volatility | | | % | | | | |
| EM FX vs. USD, (+) = appreciation |  | 59.5 | -0.2 | 0 | -2 | -6 | -3 |
| Dollar index, (+) = \$ appreciation |  | 99.3 | 0.3 | 1 | 2 | 2 | 3 |
| Brent Crude Oil (\$/barrel) |  | 56.3 | -2.3 | 4 | -13 | -15 | -15 |
| VIX Index (% change in pp) |  | 15.3 | 1.6 | 0 | 3 | 0 | 1 |

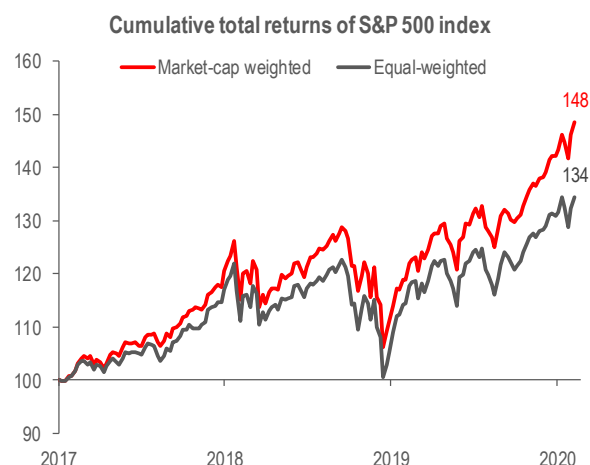
Colors denote **tightening/easing** financial conditions for observations greater than ± 1.5 standard deviations. Data source: Bloomberg.

The FOMC meeting minutes will take center stage this week, along with some second-tier data such as PPI, housing and leading indicators. The EU budget negotiation starts on Thursday, and euro area countries will release PMI and CPI numbers. In emerging markets, monetary policy meetings will be held in Turkey, Indonesia and Egypt.

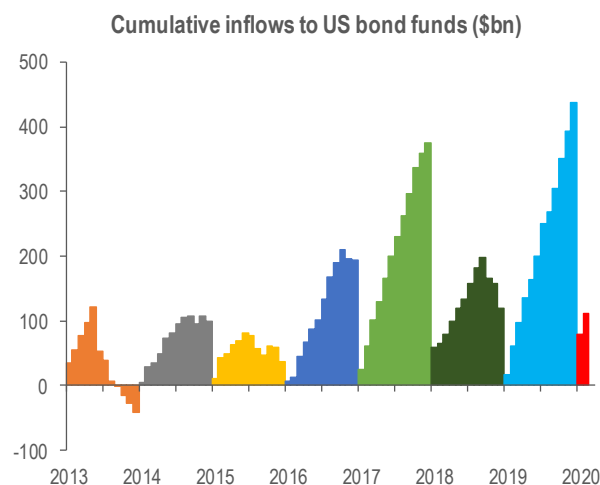
United States

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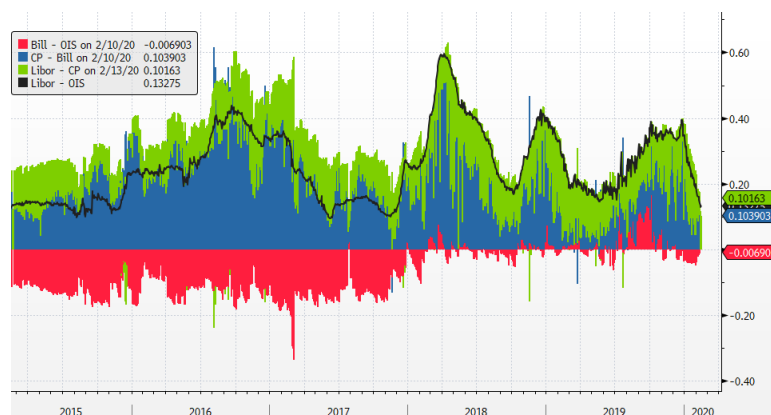
US stocks closed at record highs and registered their second weekly gain in a row. The S&P 500 and NASDAQ added 0.2% each to nudge past its previously set record on Wednesday. Despite the rising number of reported virus cases globally, markets have recovered from their January loss, reflecting investors' hopes that efforts to contain the virus will limit its fallout for the global economy. However, some investors are becoming increasingly wary about the relentless rise in stock prices, especially in the large-cap firms. Treasury yields closed slightly lower on Friday and were largely unchanged for the week. **This morning, S&P 500 futures point to a 0.5% decline at the open and Treasury yields are down 3 to 5 bps across maturities.**



Investors continue to favor US bond funds even after inflows more than tripled in the last year. ICI data shows the total inflow in 2019 reached \$440 bn, more than tripling the 2018 total. With fears about the coronavirus outbreak dimming growth prospects, bond funds continue to see very strong inflows in 2020 at \$110 bn YTD. Some analysts are expecting 2020 to be another record year, as retail investors rebalance their portfolio by reinvesting their equity gains into bonds.



The 3m LIBOR-OIS (LOIS) spread has tightened 30 bps this year. A simple decomposition shows that the tightening is driven in large part by falling bill and commercial paper (CP) rates. Bill rates have richened relative to OIS given the Fed's ongoing bill purchase, while CP rates have fallen quite sharply following the ease of money market volatility, helped by the Fed's open market operations. Markets generally expect LOIS to remain near current levels, with forward March & June FRA-OIS contracts both trading around 12 bps.



Europe

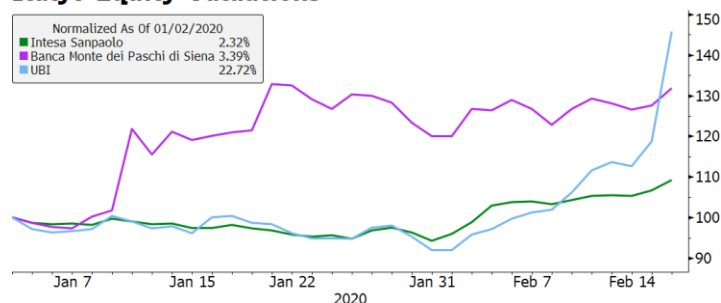
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Sentiment among equity investors soured after Apple (-4.1%) indicated it may not meet its quarterly revenue targets due to coronavirus. The tech company expects serious disruptions to its production lines as well as drops in sales across Asia. Apple's somber warning re-awakened investors' concerns over the potential economic damage of 2019-nCoV, sending the main indices lower: DAX (-0.6%), CAC 40 (-0.3%), EuroStoxx 600 (-0.4%). Bank stocks (-0.2%) traded in line with main indices, except for Italian banks. UK-based **HSBC plummeted 6.4%** after announcing staff cuts in the order of 35,000 globally.

Intesa (+2.3%) surged after the Italian lender launched an unexpected \$5.3 bn bid for rival UBI. Under the bid offer, UBI investors will get 17 Intesa shares for each 10 UBI shares, or an equivalent of €4.50 per UBI share. **UBI equities surged 23% to €4.28 this morning**, compared to €3.50/share on Monday. Intesa's bid has reportedly obtained the approval of the ECB. This would be one of the largest deals since the global financial crisis, and policymakers and investors have long advocated for European banking consolidation to bolster financial performance pressured by low interest rates, rising technology investment needs and increasingly challenging regulatory frameworks.

Separately, **Monte dei Paschi (+3.4%)** stocks also jumped as investors become more confident that the Italian government will go ahead of the disposal of its 68% stake in BMPS. Analysts expect the government's exit from BMPS to be a key driver of forthcoming M&A activity among Italian and possibly European banks.

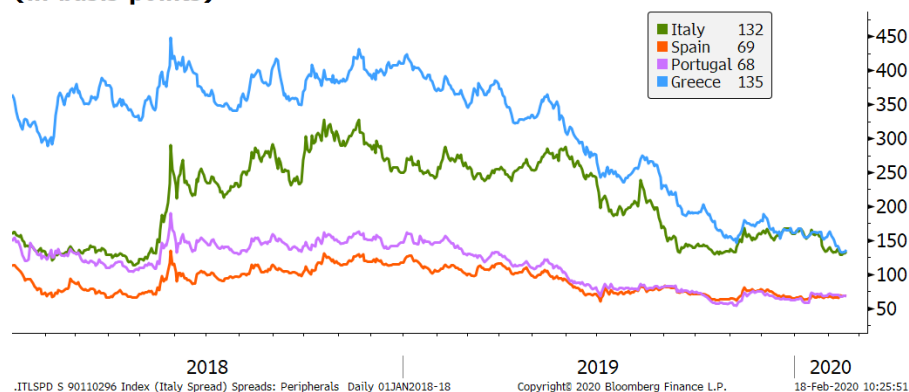
Italy: Equity Valuations



Source: Bloomberg
FTSEMIB Index (FTSE MIB Index) Bank: Italy Equity Daily 31DEC2019-18FEB2020 Copyright© 2020 Bloomberg Finance L.P. 18-Feb-2020 11:23:34

Core sovereign debt yields edged lower on risk-off trading this morning. The German and French 10-year yields shed 2 bps to -0.43% and -0.18%, respectively; Italian 10-year yields dropped 1 bp to 0.89%. Spanish and Portuguese 10-year spreads to bunds have been steady at about 70 bps year-to-date. Italian and Greek spreads have continued to come down.

Southern Europe Sovereign Spreads to 10yr Bunds (in basis points)



The first EBA [quantitative report](#) on banks' minimum requirements for own funds and eligible liabilities (MREL) shows that 117 banks out of 222 exhibit an MREL shortfall reaching €178 bn. Based on Dec. 2018 data, the EBA notes that the shortfalls vary depending on the type of bank, with 7 out of the 16 G-SIIs groups under the EBA accounting for €51 bn of the shortfall. The EBA's report acknowledges national authorities' progress in implementing MREL regulation.

On the Brexit front, **Britain's chief Brexit negotiator, David Frost, had rejected the idea that the UK should abide to EU financial rules if it wants to secure an equivalence regime.** Although not rejecting the idea of closely-aligned financial regulation, Mr. Frost claimed the UK's "ability to set laws that suit us." Separately, **the European Commission has launched a consultation of the EU's regulation governing financial products, known as Mifid II.** According to news outlets, the review would seek to boost the euro's role as a trading currency for commodity derivatives, as well as the EU's preeminence as a global financial center post-Brexit.

Coronavirus Update

| | Confirmed cases worldwide | Deaths worldwide | Mortality Rate | Left hospital |
|---------------|------------------------------|---------------------|-------------------|---------------|
| Feb. 7, 2020 | 31,479 | 638 | 2.0% | 1,540 |
| Feb. 18, 2020 | 73,332 | 1,873 | 2.6% | 12,552 |

Source: WHO

Other Mature Markets

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Japan

The yen gained while equities lost ground as Apple's weak earnings expectations highlighted the coronavirus' hit to the global economy and boosted demand for safe-haven assets. The yen







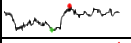

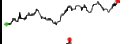

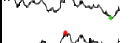


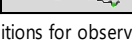
appreciated 0.2% against the dollar while the Topix shed 1.3% and JGB yields fell 2 to 3 bps across the curve. The auction of the 5-year note drew a bid-to-cover ratio of 4.49x, compared to 4.48x previously in January. Meanwhile, domestic growth outlook was far weaker than expected. Preliminary estimate of Q4 GDP contracted by 6.3%, q/q, annualized, the largest decline since 2014. Contacts noted that the tax hike, weak global demand and recent disruptions from the typhoon all weighed on the outlook and raised the possibility that the virus outbreak could force the government to boost its stimulus efforts.

Emerging Markets

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Currencies and equities lost ground as news of Apple's weak revenue guidance weighed on sentiment. Apple indicated that it is unlikely to meet its revenue guidance for Q1 due to work slowdowns from the virus outbreak as global supply of the iPhone is expected to be "temporarily constrained." The Korean won underperformed, losing 0.5% against the dollar while both the onshore and offshore RMB weakened 0.3%. In equities, Chinese bourses were the exception to broad-based losses. **The Shanghai Composite was flat and the tech-heavy Shenzhen Composite gained 1.1% while other indices in the region lost as much as 1.5% on the day** (Hong Kong Hang Seng -1.5%; Kospi: -1.5%). India indicated that it is open to greater market access of American goods as it looks to conclude its trade deal with the U.S. ahead of President Trump's visit to India next week. Goods that could see greater market access and reduced tariffs could include American farm and dairy products as well as Harley-Davidson motorcycles. The rupee lost 0.3% on the day. **Equities also fell in EMEA, with noticeable underperformance in Russia (-1%) and South Africa (-0.9%).** Currencies also fell. The Turkish lira is 0.4% weaker against the USD ahead of a central bank meeting tomorrow. **Latin American equity markets were mostly quiet on Friday, but currencies have mostly advanced.** The Brazilian real (+1.2%), Chilean peso (+0.5%) and Mexican peso (+0.3%) have appreciated against the dollar. The Colombia peso (-0.4%) has depreciated. On Monday, markets were similarly quiet. Equities in Argentina (+1.4%) and Brazil (+0.8%) have increased, where equities in Chile (-0.5%) have fallen. The Colombian peso (-0.5%) has depreciated against the dollar.

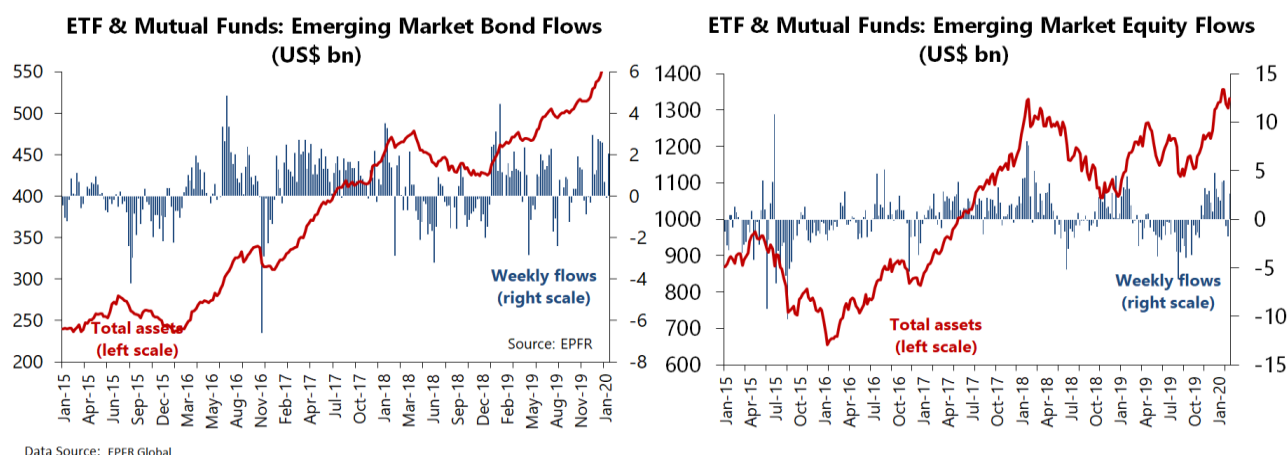
Key Emerging Market Financial Indicators

| Last updated: 2/18/20 8:15 AM | Level | | Change | | | | YTD |
|----------------------------------|---|-------|-----------------------------------|--------|---------|------|------|
| | Last 12m | index | 1 Day | 7 Days | 30 Days | 12 M | |
| Major EM Benchmarks | | | % | | | | % |
| MSCI EM Equities |  | 44.20 | -1.3 | 2 | -4 | 6 | -1 |
| MSCI Frontier Equities |  | 30.11 | 0.1 | 0 | -4 | 4 | -1 |
| EMBIG Sovereign Spread (in bps) |  | 306 | 2 | 0 | 13 | -51 | 13 |
| EM FX vs. USD |  | 59.51 | -0.2 | 0 | -2 | -6 | -3 |
| Major EM FX vs. USD | | | %, (+) = EM currency appreciation | | | | |
| China Renminbi |  | 7.00 | -0.3 | -1 | -2 | -3 | -1 |
| Indonesian Rupiah |  | 13694 | -0.2 | 0 | 0 | 3 | 1 |
| Indian Rupee |  | 71.56 | -0.4 | 0 | -1 | 0 | 0 |
| Argentine Peso |  | 61.60 | 0.0 | -1 | -3 | -37 | -3 |
| Brazil Real |  | 4.35 | -0.4 | 0 | -4 | -14 | -7 |
| Mexican Peso |  | 18.64 | -0.5 | 0 | 0 | 3 | 2 |
| Russian Ruble |  | 63.77 | -0.5 | -1 | -4 | 4 | -3 |
| South African Rand |  | 15.05 | -0.4 | -2 | -4 | -6 | -7 |
| Turkish Lira |  | 6.07 | -0.4 | -1 | -3 | -13 | -2 |
| EM FX volatility |  | 6.43 | 0.0 | -0.4 | 0.5 | -2.4 | -0.2 |

Colors denote **tightening/easing** financial conditions for observations greater than ± 1.5 standard deviations. Data source: Bloomberg.

Emerging Market Fund Flows

Emerging market fund flows recovered from the week before. Bond flows (\$2.1 bn) turned out to be positive last week after slightly negative flows (-\$0.1 bn) the week before. Equity flows (\$2.7 bn) also turned positive after two weeks of negative flows. Inflows have been larger than the sum of outflows in those two weeks (\$2.5 bn). However, it has been still lower than the strong inflows seen in January.



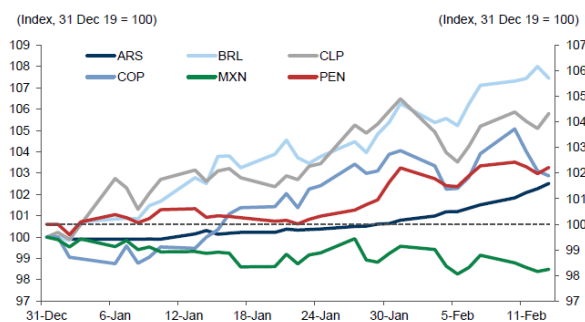
China

PBC lowered the 1-year Medium Term Lending Facility rate (MLF) by 10 bps to 3.15% on Monday to maintain market liquidity. In addition to the rate cut, the PBC injected RMB 200 bn of liquidity via MLF. The 10 bp rate cut was seen as in-line with the 10 bp reduction in the OMO rate earlier in February. It also raised expectations for a reduction in the Loan Prime Rate (LPR) as the LPR is priced according to the MLF rate plus a spread. Chinese equities outperformed their Asian peers. The CSI 300 index of stocks on the Shanghai and Shenzhen bourses – the top 300 stocks based on market capitalization – has each gained 10% since the sharp sell-off seen earlier this month, erasing losses sustained following the market reopening after Lunar New Year, when news of the coronavirus outbreak became public in late January. The ChiNext index for smaller companies gained 21% over the same period and is currently the best performer in Asia so far this year.

Coronavirus Effect on Latin America

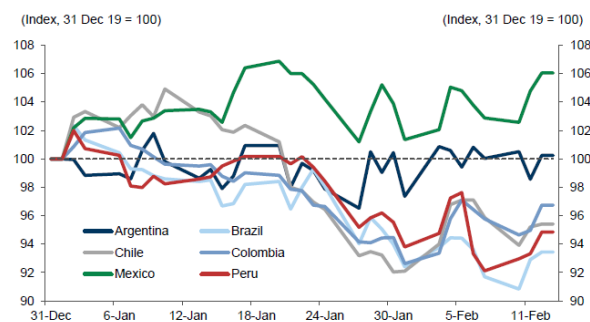
The coronavirus outbreak has affected Latin American currencies and equities, with most of the currencies depreciating and equities having sold off in the region, with the exception of Mexico. A potential driver of this is that China is a key trade partner for many Latin American countries, except Mexico. It is the largest trading partner for Brazil and Chile, whose exposure to China have been increasing since early 2000s. Partly driven by these relatively large exposures, currencies and equities of Brazil and Chile have been weakening more than other countries in the region since the virus outbreak. Moreover, the decline in commodity prices have also affected region. A recent report by Goldman Sachs Global Investment Research classifies Latin American countries based on transmission of a China shock to domestic economies. Based on their analysis, Latin America is mostly exposed to China through global commodity prices and exports to China.

LatAm FX has depreciated since January

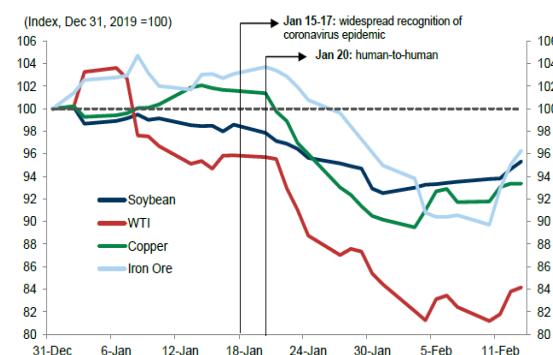


Most equity indices have sold off

Equity Price Index (in USD)



Commodities sold off after January 17



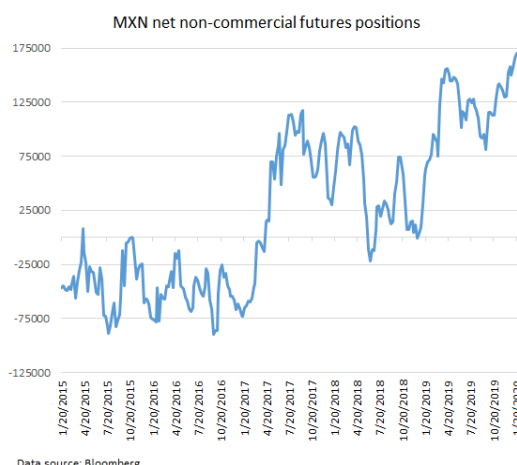
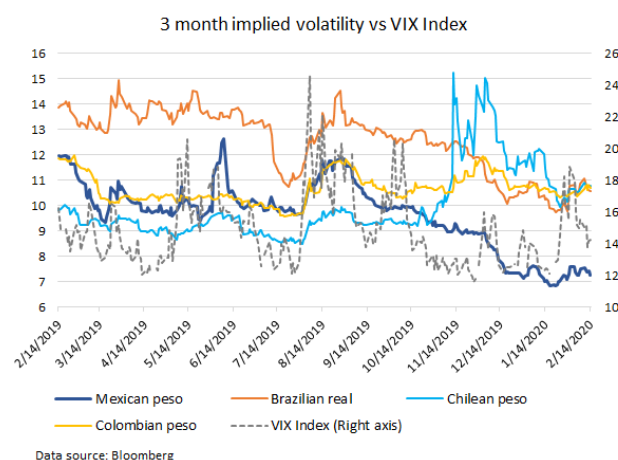
Main Channels of Transmission from Shock to China Activity to Latin America

| | LatAm Exposure to China | | | |
|-----------|-------------------------|-------------------------|--------------------------------|---------|
| | Trade: Exports to China | Global Commodity Prices | Trade: Supply Chain Dependence | Tourism |
| Argentina | Medium | High | Low | Low |
| Brazil | Medium | High | Medium | Low |
| Chile | High | High | Low | Low |
| Colombia | Low | High | Low | Low |
| Ecuador | Low | High | Low | Low |
| Mexico | Low | Low | Medium | Low |
| Peru | High | High | Low | Low |

Source: Goldman Sachs Global Investment Research

Mexico

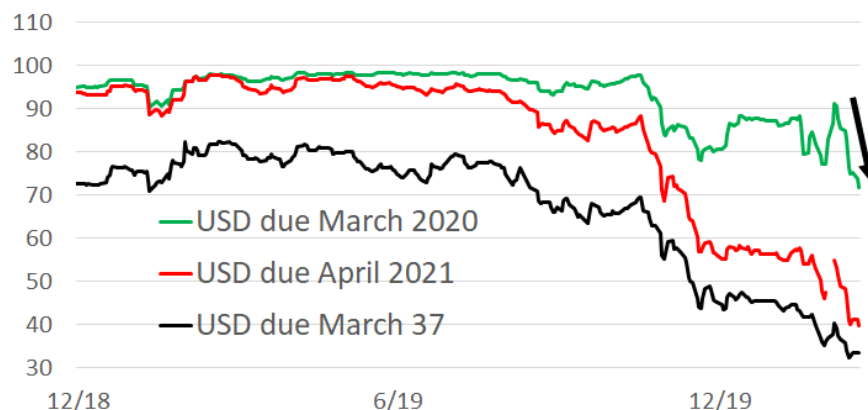
Although Mexican peso (MXN) volatility has seen increases since the coronavirus emerged at the end of January, it has mostly remained near historically low levels (~7.2). The Mexican peso has also been more resilient relative to other countries in the region. One potential driver of this divergence may be strong demand from carry-seeking investors given the relatively higher real interest rates. Although Banxico cut interest rates last week (to 7%) for the 5th time since August, the inflation-adjusted (real) interest rate is still high (~4%), relative to peers. Net long MXN positions have been showing an increasing trend since mid-September, and reached it highest point in the past 5 years.



Lebanon

The \$1.2 bn USD bond due March 2020 edged 2 points lower to 72 points. Bond prices have slipped lower as the FT reported disagreement between investors with Ashmore reportedly trying to convince the government to pay the USD bond due next month.

Lebanon: Cash Prices on USD bonds

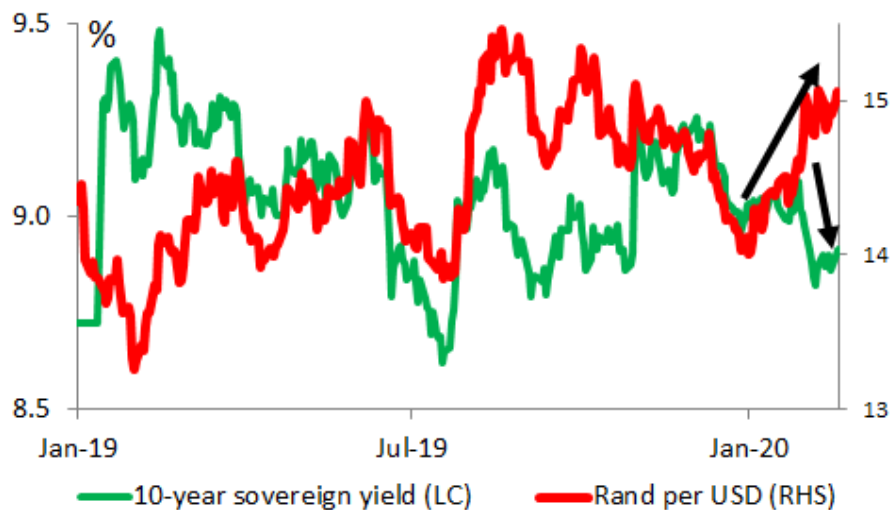


Source: Bloomberg and IMF

South Africa

SARB MPC member and head of research Loewald warned that a higher credit premium is creating upside pressure on South African rates after **Moody's cut its 2020 economic growth forecast for South Africa to 0.7%** (from 1%) yesterday. Moody's is the only major ratings company that still rates South African debt investment-grade. **10-yr local rates are up 5 bps in the past 5 days.** Nevertheless, 10-yr bond yields rates have fallen 21 bps in the past 3 months. **Financial market pressures have been more apparent on the rand.** The currency (-0.5%) trades at \$15.06 and has weakened 1.7% in the past 3 months.

South Africa: 10-yr bond yield and rand per USD



Source: Bloomberg and IMF staff


















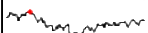

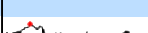


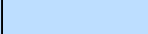



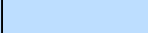


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Global Financial Indicators

| Last updated: 2/18/20 8:09 AM | Level | | Change | | | | YTD |
|----------------------------------|---|--------|----------------------------------|--------|---------|------|------|
| | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | |
| Equities | | | % | | | | % |
| United States |  | 3380 | 0.0 | 2 | 2 | 22 | 5 |
| Europe |  | 3832 | -0.5 | 0 | 1 | 18 | 2 |
| Japan |  | 23194 | -1.4 | -2 | -4 | 9 | -2 |
| China |  | 2985 | 0.0 | 3 | -3 | 8 | -2 |
| Asia Ex Japan |  | 73 | 0.0 | 2 | -4 | 7 | -1 |
| Emerging Markets |  | 44 | -1.3 | 2 | -4 | 6 | -1 |
| Interest Rates | | | basis points | | | | |
| US 10y Yield |  | 1.54 | 0.0 | -6 | -28 | -112 | -38 |
| Germany 10y Yield |  | -0.42 | -1.8 | -3 | -20 | -53 | -23 |
| Japan 10y Yield |  | -0.06 | -2.7 | -1 | -6 | -4 | -5 |
| UK 10y Yield |  | 0.61 | -3.1 | 4 | -2 | -56 | -21 |
| Credit Spreads | | | basis points | | | | |
| US Investment Grade |  | 106 | 0.7 | 0 | 7 | -14 | 9 |
| US High Yield |  | 417 | 3.8 | -1 | 29 | -3 | 24 |
| Europe IG |  | 42 | 0.6 | 0 | -1 | -26 | -2 |
| Europe HY |  | 215 | 3.7 | 4 | 6 | -81 | 8 |
| EMBIG Sovereign Spread |  | 306 | 2.0 | 0 | 13 | -51 | 13 |
| Exchange Rates | | | % | | | | |
| USD/Majors |  | 99.28 | 0.3 | 1 | 2 | 2 | 3 |
| EUR/USD |  | 1.08 | -0.2 | -1 | -3 | -4 | -4 |
| USD/JPY |  | 109.8 | 0.1 | 0 | 0 | 1 | -1 |
| EM/USD |  | 59.5 | -0.2 | 0 | -2 | -6 | -3 |
| Commodities | | | % | | | | |
| Brent Crude Oil (\$/barrel) |  | 56 | -2.3 | 4 | -13 | -15 | -15 |
| Industrials Metals (index) |  | 107 | -0.3 | 1 | -8 | -8 | -7 |
| Agriculture (index) |  | 40 | 0.8 | 1 | -3 | -6 | -4 |
| Implied Volatility | | | % | | | | |
| VIX Index (% change in pp) |  | 15.3 | 1.6 | 0.2 | 3.2 | 0.4 | 1.5 |
| 10y Treasury Volatility Index |  | 4.3 | 0.0 | -0.4 | 0.8 | 0.8 | 0.1 |
| Global FX Volatility |  | 5.3 | 0.0 | -0.1 | 0.2 | -2.5 | -0.7 |
| EA Sovereign Spreads | | | 10-Year spread vs. Germany (bps) | | | | |
| Greece |  | 139 | 4.3 | -3 | -24 | -227 | -26 |
| Italy |  | 133 | 1.9 | -3 | -27 | -133 | -27 |
| Portugal |  | 69 | -0.5 | -1 | -3 | -72 | 6 |
| Spain |  | 69 | 0.0 | 3 | 1 | -43 | 4 |


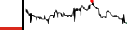













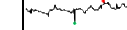













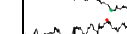




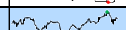
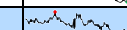

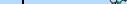
Colors denote **tightening**/**easing** financial conditions for observations greater than ± 1.5 standard deviations.

Data source: Bloomberg.

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Emerging Market Financial Indicators

| Last updated: 2/18/2020 8:17 AM | Exchange Rates | | | | | | | Local Currency Bond Yields (GBI EM) | | | | | | |
|---------------------------------------|----------------|--------|-----------------------|--------|---------|------|-----|-------------------------------------|--------|--------------------------|--------|---------|------|------|
| | Level | | Change (in %) | | | | | Level | | Change (in basis points) | | | | |
| | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | YTD | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | YTD |
| | vs. USD | | (+) = EM appreciation | | | | | % p.a. | | | | | | |
| China | | 7.00 | -0.3 | -0.5 | -2 | -3 | -1 | | 2.9 | 1.6 | 6 | -21 | -14 | -24 |
| Indonesia | | 13694 | -0.2 | -0.1 | 0 | 3 | 1 | | 6.7 | -0.5 | -10 | -30 | -145 | -46 |
| India | | 72 | -0.4 | -0.4 | -1 | 0 | 0 | | 6.6 | -0.7 | -6 | -32 | -94 | -31 |
| Philippines | | 51 | -0.2 | 0.1 | 1 | 3 | 0 | | 4.1 | 0.0 | -3 | -13 | -154 | -17 |
| Thailand | | 31 | -0.2 | 0.1 | -3 | 0 | -4 | | 1.3 | -3.5 | -7 | -28 | -128 | -28 |
| Malaysia | | 4.15 | -0.2 | -0.5 | -2 | -2 | -2 | | 2.9 | 0.0 | -16 | -41 | -108 | -47 |
| Argentina | | 62 | 0.0 | -0.8 | -3 | -37 | -3 | | 59.9 | 10.0 | 158 | 608 | 3979 | -270 |
| Brazil | | 4.35 | -0.4 | -0.4 | -4 | -14 | -7 | | 5.8 | 1.2 | -18 | -37 | -188 | -46 |
| Chile | | 797 | -0.5 | -0.5 | -3 | -17 | -6 | | 3.5 | 0.1 | 11 | 26 | -80 | 25 |
| Colombia | | 3417 | -0.6 | 0.1 | -2 | -9 | -4 | | 5.5 | -0.2 | -4 | -21 | -89 | -45 |
| Mexico | | 18.64 | -0.5 | 0.1 | 0 | 3 | 2 | | 6.6 | -2.2 | -7 | -30 | -183 | -34 |
| Peru | | 3.4 | 0.0 | 0.4 | -2 | -2 | -2 | | 4.3 | -0.1 | 1 | -17 | -136 | -26 |
| Uruguay | | 38 | 0.0 | -0.2 | -1 | -14 | -2 | | 9.9 | 0.0 | -19 | -81 | -36 | -99 |
| Hungary | | 310 | 0.0 | 0.2 | -3 | -9 | -5 | | 1.7 | 9.8 | 43 | 42 | -35 | 53 |
| Poland | | 3.95 | -0.6 | -1.3 | -3 | -3 | -4 | | 2.0 | 1.2 | 12 | -12 | -26 | 6 |
| Romania | | 4.4 | -0.3 | -1.2 | -3 | -5 | -3 | | 3.6 | -1.0 | -12 | -33 | -52 | -42 |
| Russia | | 63.8 | -0.5 | -0.6 | -4 | 4 | -3 | | 5.8 | -0.6 | -11 | -15 | -229 | -31 |
| South Africa | | 15.1 | -0.4 | -1.6 | -4 | -6 | -7 | | 9.5 | 3.6 | -2 | -4 | -13 | -4 |
| Turkey | | 6.07 | -0.4 | -0.9 | -3 | -13 | -2 | | 11.1 | -15.3 | 28 | 62 | -425 | -63 |
| US (DXY; 5y UST) | | 99 | 0.3 | 0.5 | 2 | 2 | 3 | | 1.38 | -3.8 | -4 | -24 | -111 | -31 |

| | Equity Markets | | | | | | | Bond Spreads on USD Debt (EMBIG) | | | | | | | |
|--------------|---|--------|---------------|--------|---------|------|----------|---|--------|-------|--------------------------|---------|------|-----|-----|
| | Level | | Change (in %) | | | | | YTD | Level | | Change (in basis points) | | | | YTD |
| | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | Last 12m | | Latest | 1 Day | 7 Days | 30 Days | 12 M | | |
| | | | | | | | | basis points | | | | | | | |
| China |  | 2985 | 0.0 | 3 | -3 | 8 | -2 |  | 168 | -1 | -2 | -5 | -15 | -8 | |
| Indonesia |  | 5887 | 0.3 | -1 | -6 | -9 | -7 |  | 164 | 0 | -2 | 2 | -37 | 8 | |
| India |  | 40894 | -0.4 | -1 | -3 | 15 | -1 |  | 132 | 2 | -4 | 8 | -40 | 7 | |
| Philippines |  | 7323 | -0.1 | -2 | -5 | -8 | -6 |  | 72 | 1 | 1 | 1 | -20 | 6 | |
| Malaysia |  | 1537 | 0.0 | -1 | -4 | -9 | -3 |  | 103 | -1 | -4 | 0 | -26 | -9 | |
| Argentina |  | 39200 | 1.4 | -5 | -7 | 5 | -6 |  | 2046 | 15 | 48 | 214 | 1358 | 277 | |
| Brazil |  | 115309 | 0.8 | 0 | -3 | 19 | 0 |  | 198 | 0 | -9 | -12 | -37 | -17 | |
| Chile |  | 4623 | -0.5 | -1 | -5 | -14 | -1 |  | 141 | -1 | 0 | 1 | 5 | 8 | |
| Colombia |  | 1665 | 0.1 | 1 | 1 | 12 | 0 |  | 165 | 0 | 1 | -3 | -31 | 2 | |
| Mexico |  | 45017 | 0.0 | 2 | -2 | 5 | 3 |  | 295 | 0 | -4 | 0 | -26 | 3 | |
| Peru |  | 19841 | -0.1 | -1 | -4 | -2 | -3 |  | 112 | -1 | -3 | 3 | -32 | 5 | |
| Hungary |  | 45601 | 0.6 | 2 | 3 | 12 | -1 |  | 110 | 1 | 3 | 19 | -4 | 24 | |
| Poland |  | 57908 | -0.3 | 0 | -2 | -3 | 0 |  | 35 | 1 | 2 | 15 | -18 | 17 | |
| Romania |  | 10111 | 0.0 | 1 | 0 | 30 | 1 |  | 175 | -3 | -10 | -2 | -21 | 1 | |
| Russia |  | 3075 | -1.1 | -1 | -4 | 24 | 1 |  | 142 | -1 | 1 | 4 | -85 | 11 | |
| South Africa |  | 57574 | -1.1 | 1 | -2 | 4 | 1 |  | 335 | 1 | 2 | 6 | 29 | 15 | |
| Turkey |  | 120075 | -0.6 | 0 | -1 | 18 | 5 |  | 391 | 2 | 3 | 21 | -20 | -10 | |
| Ukraine |  | 528 | 0.0 | 0 | 4 | -6 | 4 |  | 360 | 6 | -11 | 4 | -350 | -60 | |
| EM total |  | 44 | -1.3 | 2 | -4 | 6 | -1 |  | 306 | 2 | 0 | 13 | -51 | 13 | |

Colors denote tightening/easing financial conditions for observations greater than ±1.5 standard deviations. Data source: Bloomberg.

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| Coronavirus (Covid-19) Dashboard | | | | | | | |
|--|----------------|-------------------------------------|--------|---------|------|------|---|
| | Level | Change or relative change | | | | | |
| | Latest | 1 Day | 7 Days | 30 Days | 12 M | YTD | Since Covid-19 intensification (Jan 20) |
| Equity Markets | Index | Change (in %) | | | | | |
| China | | | | | | | |
| CSI 300 (Large Cap/Main Equity Index) | 4058 | -0.5 | 2.7 | -2.3 | 17.8 | -1.0 | -3.1 |
| CSI 500 (Mid-Cap Index) | 5661 | 1.2 | 5.6 | 2.7 | 21.5 | 7.5 | 1.3 |
| CSI 1000 (Small-Cap Index) | 6072 | 2.3 | 8.0 | 3.3 | 22.8 | 9.1 | 2.0 |
| Indonesia | 5887 | 0.3 | -1.1 | -6.4 | -9.4 | -6.5 | -5.7 |
| India | 40894 | -0.4 | -0.8 | -2.5 | 15.2 | -0.9 | -1.5 |
| Philippines | 7323 | -0.1 | -1.6 | -5.2 | -8.1 | -6.3 | -3.0 |
| Thailand | 1514 | -0.9 | -0.7 | -5.4 | -7.5 | -4.2 | -4.7 |
| Malaysia | 1537 | 0.0 | -0.9 | -3.7 | -9.2 | -3.3 | -3.3 |
| China: Selected Interest Rates | Percent or bps | Change (in basis points) | | | | | |
| 7-Day Repo Rate: Depository Institutions (1) | 2.21 | 66 | 16 | -43 | 21 | -61 | 1 |
| 10-Year Government Bond Yield | 2.87 | -3 | 5 | -22 | -24 | -27 | -21 |
| 5-Year Corp. Bond: AAA Issuers: Credit Spread (bps) | 73 | 1 | -9 | -9 | -17 | -9 | -7 |
| 5-Year Corp. Bond: AA Issuers: Credit Spread (bps) | 141 | 1 | -8 | -5 | -48 | -13 | -3 |
| 7-Day Repo Rate: Liquidity Premium (bps) (2) | 15 | -59 | -17 | -17 | -22 | -11 | -35 |
| 3-Month Bank NCD (3): AAA Issuers | 2.35 | 0 | 4 | -38 | -30 | -35 | -43 |
| 3-Month Bank NCD: AA+ Issuers | 2.52 | -5 | -6 | -32 | -23 | -41 | -34 |
| 3-Month SHIBOR Interbank Rate: Fixing | 2.53 | -2 | -8 | -34 | -27 | -50 | -34 |
| 1-Year Interest Rate Swap: 7-Day Repo Rate | 2.40 | 0 | 1 | -23 | -9 | -25 | -21 |
| Bond Spreads on USD Debt (EMBIG) | Basis points | Change (in basis points) | | | | | |
| China | 169 | 0 | -1 | -4 | -14 | -7 | -5 |
| Indonesia | 165 | 1 | -1 | 3 | -36 | 9 | 2 |
| India | 132 | 2 | -4 | 8 | -40 | 7 | 3 |
| Philippines | 72 | 1 | 1 | 1 | -20 | 6 | -1 |
| Malaysia | 103 | -1 | -4 | 0 | -26 | -9 | -1 |
| Exchange Rates | vs. USD | Change (in %) (+) = EM appreciation | | | | | |
| China | 7.00 | -0.3 | -0.5 | -1.9 | -3.4 | -0.5 | -2.0 |
| Indonesia | 13694 | -0.2 | -0.1 | -0.4 | 3.0 | 1.3 | -0.4 |
| India | 72 | -0.4 | -0.4 | -0.6 | -0.3 | -0.3 | -0.6 |
| Philippines | 51 | -0.2 | 0.1 | 0.6 | 3.3 | 0.0 | 0.6 |
| Thailand | 31 | -0.2 | 0.1 | -2.8 | 0.1 | -4.0 | -2.9 |
| Malaysia | 4.15 | -0.2 | -0.5 | -2.3 | -1.6 | -1.5 | -2.3 |
| Local Currency Bond Yields (GBI EM) | Percent | Change (in basis points) | | | | | |
| China | 2.91 | 2 | 6 | -21 | -14 | -24 | -19 |
| Indonesia | 6.68 | -1 | -10 | -30 | -145 | -46 | -26 |
| India | 6.57 | -1 | -6 | -32 | -94 | -31 | -33 |
| Philippines | 4.14 | 0 | -3 | -13 | -154 | -17 | -13 |
| Thailand | 1.33 | -4 | -7 | -28 | -128 | -28 | -26 |
| Malaysia | 2.88 | 0 | -16 | -41 | -108 | -47 | -41 |
| Note: (1). Daily closing rate on depository institution transactions. | | | | | | | |
| (2). Calculated as spread between market-wide weighted average 7-day repo rate and the 7-day repo closing rate for transactions between depository institutions. | | | | | | | |
| (3). NCD = Negotiable Certificate of Deposit. | | | | | | | |