GLOBAL MARKETS ANALYSIS
Monetary and Capital Markets

Global Markets Monitor

FRIDAY, FEBRUARY 7, 2020

- **US non-farm payrolls beat expectations at 225k vs. 165k expected** (link)
- **US financial conditions remain supportive** (link)
- **Euro-area macro data disappoints** (link)
- **Central Bank of Russia cuts 25 bps to 6.00%, with further cuts possible** (link)
- **Moody's downgrades Ecuador's sovereign rating to Caa1 but changes outlook to stable** (link)
- **Yields on South Africa's Eskom dollar bonds fall on reports of rescue plan** (link)

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Markets pause on lingering coronavirus concerns and disappointing euro-area data

European bourses and US equity futures dropped amid lingering concerns about the economic impact of coronavirus and as industrial production data out of the major euro-area economies disappointed. There were outsized output contractions in Germany (-6.8% at annual rate) and France (-3% annualized), while Spain expanded at a meager 0.8%. As a reminder of the potential impact of coronavirus, shares in luxury retailer Burberry (-1.4%) fell after the company scrapped its financial guidance for the year and warned that the virus epidemic was cutting sales by 70-80% at stores in China. Elsewhere, Treasury yields were little changed after US non-farm payrolls exceeded expectations this morning. In emerging markets, Asian and EMEA equities traded lower while the central bank of Russia cut its policy rate 25 bps to 6.00%, as expected, and signaled that further rate cuts are possible given disinflationary forces.

Key Global Financial Indicators

Last updated: 2/7/20 8:11 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities				%			%
S&P 500		3346	0.3	2	3	24	4
Eurostoxx 50		3791	-0.4	4	1	20	1
Nikkei 225		23828	-0.2	3	1	15	1
MSCI EM		44	-1.1	2	-2	4	-2
Yields and Spreads				bps			
US 10y Yield		1.62	-0.9	11	-20	-104	-30
Germany 10y Yield		-0.38	-0.6	6	-9	-49	-19
EMBIG Sovereign Spread		304	1	-12	-3	-37	11
FX / Commodities / Volatility				%			
EM FX vs. USD, (+) = appreciation		59.8	-0.3	0	-2	-6	-3
Dollar index, (+) = $ appreciation		98.5	0.0	1	2	2	2
Brent Crude Oil ($/barrel)		54.5	-0.8	-6	-20	-12	-17
VIX Index (%, change in pp)		15.4	0.4	-3	2	-1	2

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

United States

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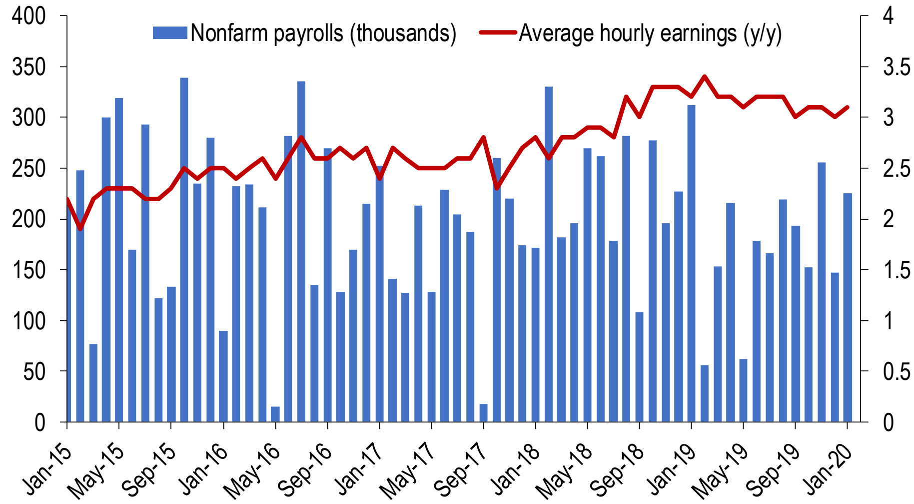
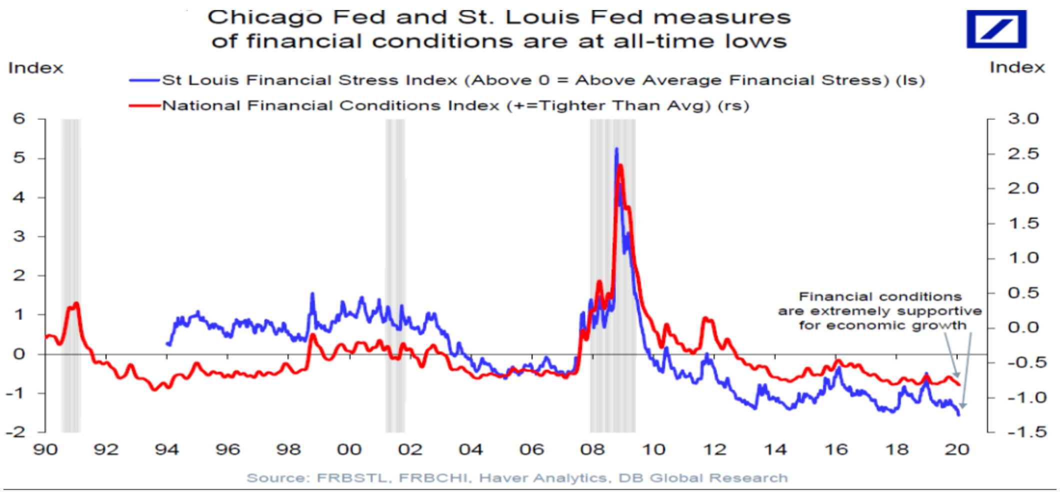
US equities edged higher on Thursday for the fourth consecutive day of gains, with the S&P 500 up 0.3%. Markets have seized on the notion that virus fears are receding, though confirmed cases are now approaching 30,000, with over 500 deaths as of Thursday afternoon. Treasuries were largely unchanged on the day, though the 30-year yield fell by 3 bps. Markets received a tailwind after China announced it would move forward with one part of the trade deal and cut tariffs on $75 bn of imports on February 14. US jobless claims also came in just below expectations for January. Nonfarm productivity growth also rebounded to 1.4% in Q4, broadly in line with expectations, bringing annual 2019 productivity growth to its highest level since 2010.

US job growth accelerated in January, with Treasury yields little changed on net. **Nonfarm payrolls added 225k jobs in January, compared to estimates of 165k**, boosted by a surge in construction jobs amid unusually warm weather. Unemployment rose slightly to 3.6%, though labor force participation also rose to 63.4%. However, annual benchmark revisions cut 2018's job gain to 2.31 mn from 2.68 mn**.** Average hourly wage growth inched up to 3.1% yoy, matching its 12-month moving average. Treasury yields fell 2-3 bps overnight, but were largely unchanged after some up and down trading after the report came out.



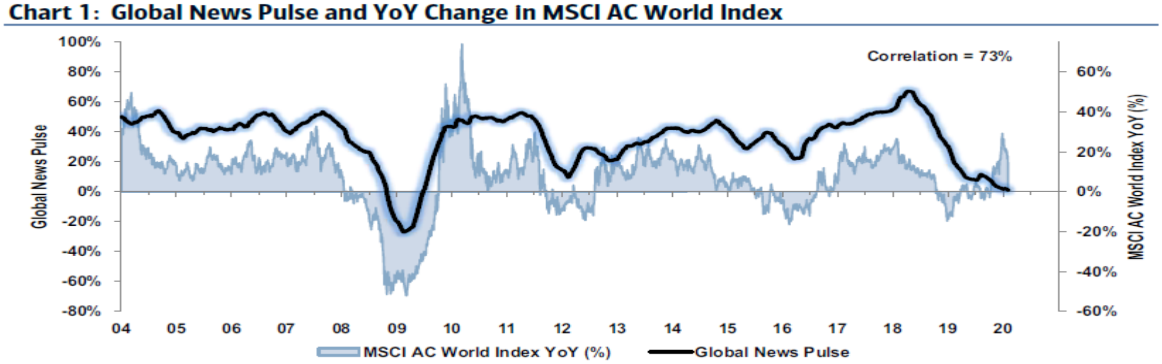
On the political front, two issues have received attention from policymakers, though the outlook remains uncertain for now. The **Commerce Department ruled on Monday that punitive tariffs can be used in cases of currency manipulation**. Importantly, such determinations can be independent of the Treasury Department's biannual report on currencies. Elsewhere, four **US Senators sent a bipartisan letter to the SEC asking about the credit-ratings "issuer pay" system**, which came under heavy scrutiny after the financial crisis. The House of Representatives is also set to hold hearings on the issue, while the SEC is scheduled to meet on Monday for deliberations.

US financial conditions remain supportive, with measures from the Chicago and St. Louis Feds near all time lows. Investors embrace easy financial conditions and the notion of a central bank put to overcome virus fears. After a brief risk-off sentiment in late January--driven by coronavirus fears--that wiped out equity gains for the year, US equities have rallied to set new record highs with 4 consecutive days of gains. The market reaction to coronavirus fears was to price in additional accommodation from the Fed; the December 2020 futures contract on the federals fund rate fell about 25 bps in January. Investors also interpreted the Fed's January FOMC statement as being somewhat dovish, given the failure of core PCE inflation to accelerate to or even past the 2% target. Nevertheless, more data that reflects the true economic cost in China will start to become available in late February/March and will test sentiment.



Financial market news turned more negative over the last year, even before coronavirus. The proportion of significant stock-related news that is positive has slipped, and the net pulse is now close to zero. Bank of America's methodology includes product news, price targets, guidance, earnings, and other market events. Coronavirus has played a role more recently of course, with BofA reporting that since January 20, there have been close to 10,000 stock-specific stories that mentioned 'coronavirus', and 53% percent of these items were explicitly negative. However, (as of January 30), some of the largest negative changes over the last 3 months by country have been geographically diverse, including Thailand, South Africa, Hong Kong, Sweden, and Brazil. The US and Europe hold net 1% ratings currently with relatively small changes over the last three months, while Asia ex Japan has more a favorable net rating, though these regions could have different media and reporting structures.

Chart 1: Global News Pulse and YoY Change in MSCI AC World Index



Source: BofA Global Quantitative Strategy, MSCI, ExShare, Ravenpack

Europe

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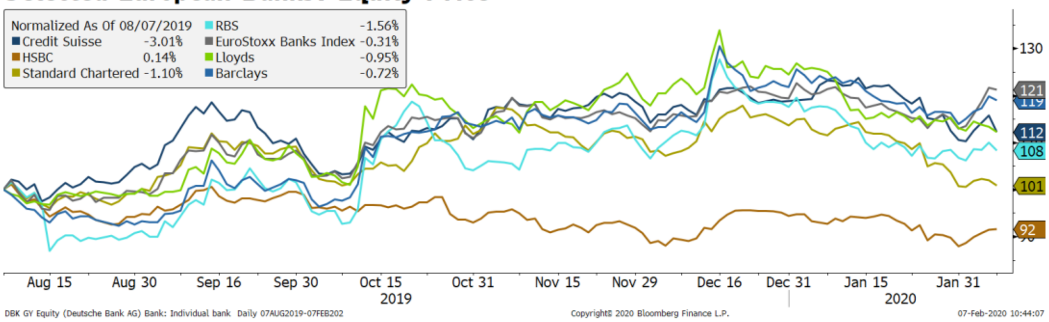
Macro data for December out of Germany, France, and Spain disappointed. Industrial production in Germany contracted at a 6.8% rate y/y, compared to -3.7% expected. In France, industrial production contracted 3.0% y/y, vs. a forecasted expansion of 1.0%. Manufacturing data also disappointed bitterly, shrinking 3.2% y/y (vs. expansion expected of 1.2%). Lastly, Spanish industrial production expanded only 0.8% y/y, compared to forecasts of +2.1%.

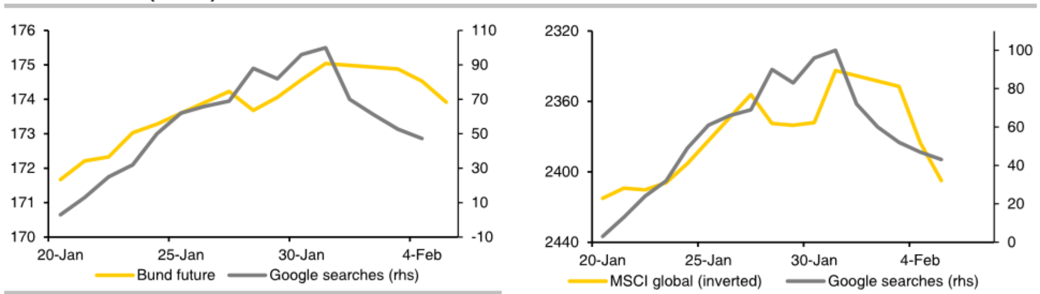
Equity markets paused this week's rally and posted small losses following lackluster German data: DAX (-0.5%), CAC 40 (-0.2%), EuroStoxx 600 (-0.4%). Losses in UK-based indices were slightly larger: FTSE 100 (-0.7%) and FTSE 250 (-0.5%). Bank stocks (-0.4%) traded in line with major indices, except for UK banks – which lost about 0.8% to 1.6% - and Swiss lender Credit Suisse. **Credit Suisse stocks plummeted over 3% following news of its CEO ousting** amid a controversy involving the hiring of detectives to follow a former top executive.

Selected European Banks: Equity Price



Core sovereign debt yields edged lower: German 10-year yields at -0.39% (-2 bps); French OATs are at -0.13% (-2 bps); Italian at 0.95% (-1 bp); and Spanish at 0.27% (-2 bps). Researchers at Commerzbank point out that the impact of coronavirus on some of the key headline-driven markets (e.g., Bund futures and MSCI equity index) is fading.

Uncertainty premium subsiding in headline-driven markets
Bund future (left) and MSCI World equity index (right) vs Google search requests for "Coronavirus" (index)



Source: Bloomberg, Google, Commerzbank Research

Source: Bloomberg, Google, Commerzbank Research

Other Mature Markets

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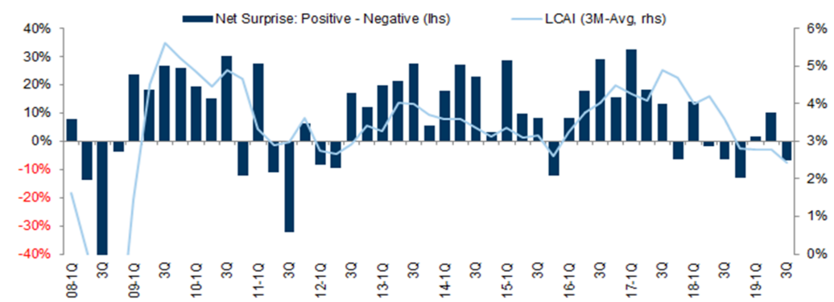
Japan

Equities (-0.3%) fell, reversing earlier gains after news that Japan found more virus cases on a cruise ship. The number of cases on a quarantined ship in Japan tripled to 61, making it the biggest center of infections outside of China, according to Bloomberg. On economic data, the decline in household spending worsened unexpectedly to -4.8% yoy in December from -2% yoy in November. Meanwhile, the number of earnings negative surprises for listed companies continued to outweigh positive surprises in Q3 of the fiscal year that ends in February, according to Goldman analysts. The **10-year JGB yield fell 2 bps to -0.046% while the yen was unchanged.**

Exhibit 1: So far in 3Q, negative surprises still outweigh positive surprises, but by smaller margin than in early stages of earnings season
Combined data for TSE1 firms with Feb/Mar fiscal year-ends, as of February 6, 2020



Net Surprise is the difference in percentages of companies reporting positive and negative surprises.

Source: I/B/E/S, Toyo Keizai, FactSet, Goldman Sachs Global Investment Research

Emerging Markets

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Asian equities (-0.7%) fell on net, led by losses in Singapore (-1.7%), Taiwan Province of China (-1.2%) and Korea (-0.7%). China (Shanghai +0.3%, Shenzhen +0.5%) rose for a fourth straight day, led by tech, but remained down for the week amid the ongoing virus outbreak. Regional currencies depreciated, led by Korean won (-0.6%), Thai baht (-0.5%) and Malaysian ringgit (-0.4%) weakness. **Poor sentiment also spilled over into EMEA.** Equities underperformed in Russia (-1%) but also fell in South Africa (-0.7%) and Turkey (-0.3%). , South Africa, and Poland. Currencies also fell with ruble weakness persisting after the central bank signaled that further rates are possible following today's cut. **Latin American markets were mixed yesterday.** Stocks declined in Brazil (-0.7%) and Mexico (-0.6%) but advanced in Chile (0.5%). Regional currencies broadly weakened, particularly in Brazil (-1.1%). Government bond yields mostly declined modestly, except in Brazil (+8 bps) after a notable decline the prior day.

Key Emerging Market Financial Indicators

Last updated:	Level		Change				
2/7/20 8:10 AM	Last 12m	index	1 Day	7 Days	30 Days	12 M	YTD
Major EM Benchmarks					%		%
MSCI EM Equities		43.97	-1.0	2	-2	4	-2
MSCI Frontier Equities		30.44	0.8	-1	1	8	0
EMBIG Sovereign Spread (in bps)		304	1	-12	-3	-37	11
EM FX vs. USD		59.79	-0.3	0	-2	-6	-3
Major EM FX vs. USD				**%, (+) = EM currency appreciation**			
China Renminbi		6.99	-0.3	-1	-1	-4	0
Indonesian Rupiah		13675	-0.3	0	1	2	1
Indian Rupee		71.40	-0.3	0	1	0	0
Argentine Peso		60.71	-0.2	-1	-1	-38	-1
Brazil Real		4.29	-0.3	0	-5	-13	-6
Mexican Peso		18.70	-0.2	1	1	2	1
Russian Ruble		63.79	-0.7	0	-3	3	-3
South African Rand		14.96	-0.3	0	-4	-9	-6
Turkish Lira		5.99	0.0	0	0	-12	-1
EM FX volatility		6.57	0.0	-0.3	-0.1	-2.4	0.0

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

China

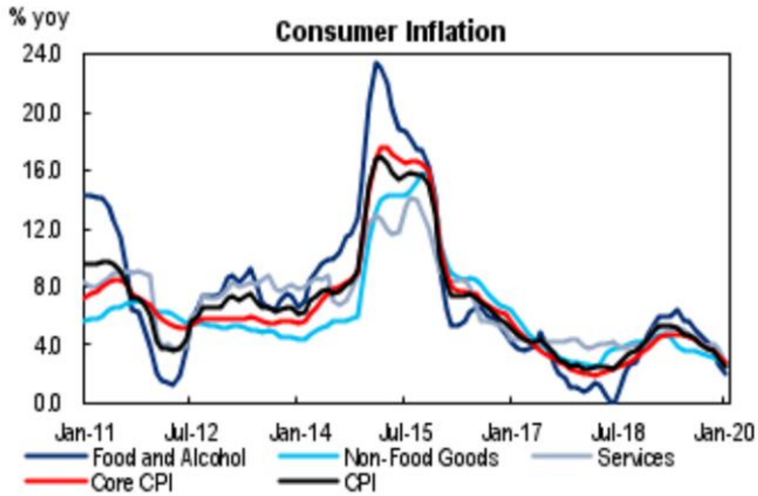
The People's Bank of China (PBC) said that it is prioritizing growth in light of the coronavirus outbreak. According to Bloomberg, Deputy Governor Pan Gongsheng said that economic growth is more important against the backdrop of the virus, even though monetary policy should fully consider economic growth, leverage, inflation and exchange rate. The PBC also said it has ample room to deal with the downward economic pressure and monetary policy will "balance supporting economic growth with stabilizing the leverage ratio." However, the impact of the virus would be temporary, according to Zhou Liang, vice chairman of China's banking regulator. He sees an increase in bad loans for smaller firms to be short-lived and banks have plenty of buffers to deal with rising bad debt. **Equities (Shanghai +0.3%, Shenzhen +0.5%) rose for a fourth successive day but remained lower for the week on concerns over the impact of the virus.** The onshore and offshore RMB (both -0.2%) depreciated.

International consumer-related companies are signaling the negative impact from the virus outbreak. Luxury fashion group Burberry said that it has closed 24 of its 64 shops in China and sales for those that remain open have dropped 70-80%. **Burberry scrapped its financial guidance for the year and mentioned that it was too early to assess the financial impact from the virus**. Cosmetic companies L 'Oreal and Estee Lauder also said that they expect temporary setbacks in China.

Russia

The central bank of Russia cut its policy rate 25 bps to 6.00%, as expected, and signaled that further rate cuts are possible given disinflationary forces. Governor Nabiullina also downplayed the potential inflationary impact of the government's spending plans. Russian swap rates traded 3 bps lower across the curve and the ruble was 0.7% weaker against the dollar. **Headline inflation was slightly below expectations at 2.4% yoy in January** (compared to 2.5% expected, from 3.0% yoy in December).

Russia: Headline consumer inflation and components



Source: Rosstat, Citi

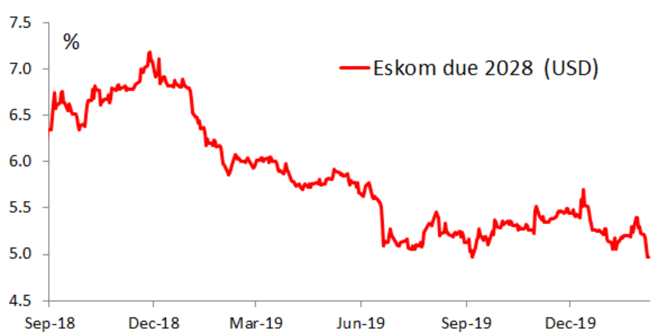
Ecuador

Moody's downgraded Ecuador from B3 to Caa1 but changed the outlook to stable from negative. The credit rating agency cited limited market access, a heavy debt refinancing schedule, policy uncertainty amidst popular opposition to reforms, and weak economic activity. However, Moody's also said that the change to a stable outlook captures the authorities' intentions to maintain their efforts aimed at achieving further, gradual, fiscal consolidation and that risks to debt repayment "remain contained in 2020-21" given an absence of large amounts of maturing market debt. The yield on Ecuador's 2029 dollar bond rose 33 bps to 13.11% following the announcement.

South Africa

Yields on Eskom's dollar bonds trade at multi-month lows on reports that government, business and workers may reach an agreement to endorse -at least- components of a plan by the Congress of South African Trade Unions to reorganize the electricity company**.** Analysts expect more details by next week's State of the National Address on February 13.

South Africa: Yield on 2028 USD ESKOM bond

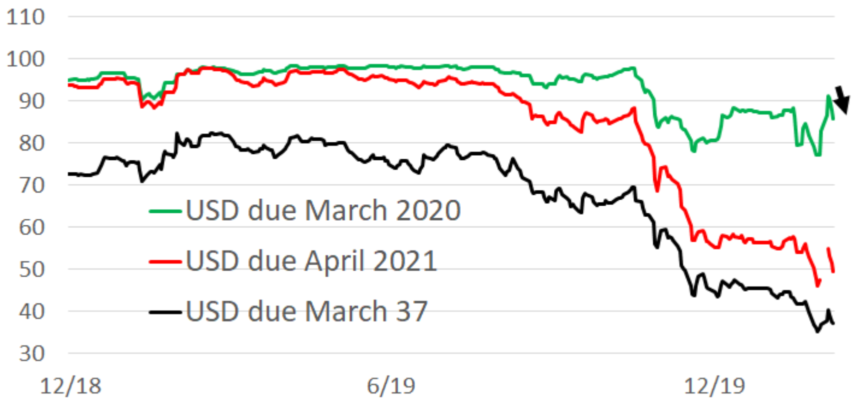


Source: Bloomberg and IMF staff

Lebanon

The $1.2 bn USD bond due March 2020 edged 2 points lower to 86 points as Bloomberg reported that some foreign holders are asking the government to restructure its debt (rather than make near-term payments). In contrast, the central bank is reportedly ready to pay the Eurobond due March 2020 if asked by the government.

Lebanon: Cash Prices on USD bonds



Source: Bloomberg and IMF

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Global Financial Indicators

Last updated: 2/7/20 8:11 AM	Level: Last 12m	Level: Latest	Change: 1 Day	Change: 7 Days	Change: 30 Days	Change: 12 M	YTD
Equities					%		%
United States		3346	0.3	2	3	24	4
Europe		3791	-0.4	4	1	20	1
Japan		23828	-0.2	3	1	15	1
China		2876	0.3	-3	-7	10	-6
Asia Ex Japan		72	0.6	3	-2	6	-1
Emerging Markets		44	-1.1	2	-2	4	-2
Interest Rates					basis points		
US 10y Yield		1.62	-0.9	11	-20	-104	-30
Germany 10y Yield		-0.38	-0.6	6	-9	-49	-19
Japan 10y Yield		-0.04	-2.1	3	-3	-3	-3
UK 10y Yield		0.58	-0.3	6	-21	-60	-24
Credit Spreads					basis points		
US Investment Grade		103	0.3	-6	-3	-18	6
US High Yield		418	1.3	-27	19	-11	25
Europe IG		44	0.7	-3	-1	-30	-1
Europe HY		216	4.0	-14	4	-101	9
EMBIG Sovereign Spread		304	1.0	-12	-3	-37	11
Exchange Rates					%		
USD/Majors		98.54	0.0	1	2	2	2
EUR/USD		1.10	-0.1	-1	-2	-3	-2
USD/JPY		109.8	0.1	-1	-1	0	-1
EM/USD		59.8	-0.3	0	-2	-6	-3
Commodities					%		
Brent Crude Oil ($/barrel)		54	-0.8	-6	-20	-12	-17
Industrials Metals (index)		106	-1.6	0	-8	-11	-7
Agriculture (index)		39	0.2	0	-4	-8	-5
Implied Volatility					%		
VIX Index (%, change in pp)		15.4	0.4	-3.5	1.6	-1.0	1.6
10y Treasury Volatility Index		4.1	-0.3	-1.3	-0.3	0.4	-0.1
Global FX Volatility		5.4	0.0	-0.4	-0.4	-2.5	-0.6
EA Sovereign Spreads					10-Year spread vs. Germany (bps)		
Greece		147	-4.0	-14	-21	-241	-18
Italy		134	0.4	-3	-32	-150	-26
Portugal		71	-0.2	0	5	-84	8
Spain		67	0.2	0	-2	-46	1

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: 2/7/2020 8:09 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		6.99	-0.3	-1.2	-1	-4	0		2.9	1.7	-14	-25	-17	-25
Indonesia		13675	-0.3	-0.1	1	2	1		6.8	-3.1	-6	-39	-113	-36
India		71	-0.3	-0.1	1	0	0		6.7	-8.0	-17	-17	-89	-19
Philippines		51	-0.1	0.2	0	3	0		4.2	2.5	-5	-11	-154	-13
Thailand		31	-0.4	-0.2	-3	0	-5		1.4	-1.7	-7	-7	-114	-17
Malaysia		4.14	-0.4	-1.0	-1	-2	-1		3.1	-0.6	-2	-18	-91	-24
Argentina		61	-0.2	-0.7	-1	-38	-1		58.5	116.6	115	-163	3774	-408
Brazil		4.29	-0.3	-0.2	-5	-13	-6		6.0	8.9	-4	-29	-181	-27
Chile		786	-0.3	1.8	-2	-17	-4		3.4	1.0	2	14	-96	14
Colombia		3387	-0.2	1.0	-3	-8	-3		5.6	-2.0	-10	-40	-82	-37
Mexico		18.70	-0.2	0.8	1	2	1		6.7	-2.0	-1	-17	-170	-22
Peru		3.4	-0.4	-0.2	-1	-2	-2		4.3	0.0	-2	-16	-132	-24
Uruguay		38	0.0	0.1	-1	-14	-1		10.3	-0.1	-6	-49	8	-53
Hungary		308	-0.2	-1.4	-4	-9	-4		1.3	-1.0	2	22	-64	15
Poland		3.89	-0.3	-0.4	-2	-2	-2		1.9	-3.4	-4	4	-34	0
Romania		4.3	-0.2	-0.7	-1	-4	-2		3.8	-5.0	-7	-18	-51	-23
Russia		63.8	-0.7	0.3	-3	3	-3		6.0	0.4	-5	-16	-199	-16
South Africa		15.0	-0.3	0.5	-4	-9	-6		9.4	-0.4	-10	-12	2	-14
Turkey		5.99	0.0	-0.1	0	-12	-1		10.2	6.7	38	-176	-504	-150
US (DXY; 5y UST)		99	0.1	1.2	2	2	2		1.44	-2.1	13	-17	-102	-25

	Equity Markets							Bond Spreads on USD Debt (EMBIG)						
	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
								basis points						
China		2876	0.3	-3	-7	10	-6		170	0	-1	-6	-10	-6
Indonesia		6000	0.2	1	-4	-8	-5		168	-1	-15	1	-9	12
India		41142	-0.4	4	1	11	0		134	1	2	9	-40	9
Philippines		7507	0.0	4	-4	-7	-4		72	0	-9	-7	-7	6
Malaysia		1554	0.1	2	-4	-8	-2		109	-1	-3	0	-9	-3
Argentina		40906	0.3	1	-1	14	-2		1863	-50	-228	-58	1204	94
Brazil		115190	-0.7	1	-1	22	0		215	2	-9	-12	-13	0
Chile		4706	0.5	3	-4	-13	1		141	0	-9	-8	19	8
Colombia		1654	-0.1	2	-1	12	-1		170	3	-5	-9	-7	7
Mexico		44493	-0.6	-1	1	2	2		300	2	-10	-5	2	8
Peru		20101	-1.4	1	-2	-1	-2		117	1	-6	-4	-8	10
Hungary		44067	-0.1	2	-1	10	-4		106	2	-11	8	2	20
Poland		57639	-0.5	2	-1	-5	0		33	2	-12	5	-22	15
Romania		10059	-0.5	0	2	34	1		177	-2	-18	2	-15	4
Russia		3070	-0.9	0	0	22	1		150	4	-1	-5	-55	19
South Africa		57092	-0.7	2	-1	6	0		331	3	-21	3	53	11
Turkey		122062	-0.2	2	8	19	7		368	9	-2	-43	-16	-33
Ukraine		516	-0.1	1	1	-7	1		371	4	-31	-31	-314	-49
EM total		44	-1.0	2	-2	4	-2		304	1	-12	-3	-37	11

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

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Coronavirus (nCov) Dashboard							
	Level	Change or relative change					
	Latest	1 Day	7 Days	30 Days	12 M	YTD	Since nCov intensification (Jan 20)
Equity Markets	**Index**	**Change (in %)**					
China							
CSI 300 (Large Cap/Main Equity Index)	3900	0.0	-2.6	-6.3	20.1	-4.8	-6.8
CSI 500 (Mid-Cap Index)	5327	0.8	-0.9	-3.1	24.0	1.1	-4.7
CSI 1000 (Small-Cap Index)	5584	1.2	-2.0	-4.6	24.6	0.3	-6.2
Indonesia	6000	0.2	1.0	-4.5	-8.2	-4.8	-3.9
India	41142	-0.4	3.5	0.7	11.3	-0.3	-0.9
Philippines	7507	0.0	4.3	-4.3	-7.3	-3.9	-0.6
Thailand	1535	0.0	1.4	-3.2	-7.1	-2.8	-3.4
Malaysia	1554	0.1	1.5	-3.5	-8.2	-2.2	-2.2
China: Selected Interest Rates	**Percent or bps**	**Change (in basis points)**					
7-Day Repo Rate: Depository Institutions (1)	1.71	31	-83	11	-59	-111	-49
10-Year Government Bond Yield	2.80	-4	-19	-34	-29	-33	-28
5-Year Corp. Bond: AAA Issuers: Credit Spread (bps)	85	3	0	4	-11	3	4
5-Year Corp. Bond: AA Issuers: Credit Spread (bps)	152	3	3	2	-43	-2	7
7-Day Repo Rate: Liquidity Premium (bps) (2)	57	-31	51	-33	57	32	8
3-Month Bank NCD (3): AAA Issuers	2.62	-2	-18	7	-19	-8	-16
3-Month Bank NCD: AA+ Issuers	2.73	-2	-11	1	-18	-21	-14
3-Month SHIBOR Interbank Rate: Fixing	2.75	-2	-11	-15	-15	-27	-11
1-Year Interest Rate Swap: 7-Day Repo Rate	2.41	-3	-18	-22	-11	-24	-20
Bond Spreads on USD Debt (EMBIG)	**Basis points**	**Change (in basis points)**					
China	170	0	-1	-6	-10	-6	-4
Indonesia	169	0	-14	2	-8	13	6
India	134	1	2	9	-40	9	5
Philippines	74	2	-7	-5	-5	8	1
Malaysia	109	-1	-3	0	-9	-3	5
Exchange Rates	**vs. USD**	**Change (in %) (+) = EM appreciation**					
China	7.00	-0.4	-1.2	-0.7	-3.6	-0.5	-1.9
Indonesia	13675	-0.3	-0.1	1.5	2.2	1.4	-0.3
India	71	-0.3	-0.1	0.6	0.1	0.0	-0.4
Philippines	51	-0.1	0.2	0.0	2.9	-0.2	0.4
Thailand	31	-0.3	-0.2	-3.0	-0.1	-5.0	-3.0
Malaysia	4.14	-0.4	-1.0	-1.1	-1.6	-1.2	-2.0
Local Currency Bond Yields (GBI EM)	**Percent**	**Change (in basis points)**					
China	2.90	2	-14	-25	-17	-25	-21
Indonesia	6.77	-3	-6	-39	-113	-36	-17
India	6.68	-8	-17	-17	-89	-19	-22
Philippines	4.17	3	-5	-11	-154	-13	-10
Thailand	1.44	-2	-7	-7	-114	-17	-16
Malaysia	3.11	-1	-2	-18	-91	-24	-18

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.