



- USD money market strains continue to ease; Fed rolls out FIMA facility ([link](#))
- Yen-USD cross-currency swap basis disappears at Japanese fiscal year end ([link](#))
- Turkey's central bank to ease credit condition by front loading bond purchases ([link](#))
- Zambia announces intentions to restructure \$11.2 bn of external debt ([link](#))
- Bank Indonesia granted power to purchase bonds directly from Indonesian MoF ([link](#))
- Chile cuts policy rates by 50 bps; suggests they have hit the effective lower bound ([link](#))
- European data point to further declines in manufacturing in March ([link](#))
- **Special Feature: EM Capital Flows Monitor (attached)**

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## Funding markets ease further though macro outlook remains grim

**Aggressive policy action has helped US dollar funding conditions to slowly ease, though liquidity in many assets remains strained.** Yesterday, the Federal Reserve created a facility granting its international custodial accounts with access to overnight funding for US Treasury collateral. The measure is expected to further allay balance sheet pressure at primary dealers and reduce repo market funding pressures. Emerging market authorities from Indonesia to Turkey introduced measures to ease credit conditions. As financial markets begin to slowly unlock, market participants are beginning to look past the dysfunctional reaction to the initial virus-induced shock and have increasingly discussed macroeconomic fundamentals.

Key Global Financial Indicators

Last updated: 4/1/20 8:17 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>			%				%
S&P 500		2585	-1.6	6	-13	-10	-20
Eurostoxx 50		2677	-3.9	-4	-20	-21	-29
Nikkei 225		18065	-4.5	-8	-15	-16	-24
MSCI EM		34	-3.5	4	-16	-21	-24
<b>Yields and Spreads</b>			bps				
US 10y Yield		0.60	-5.7	-27	-55	-191	-132
Germany 10y Yield		-0.50	-2.6	-24	11	-47	-31
EMBIG Sovereign Spread		636	17	20	265	293	343
<b>FX / Commodities / Volatility</b>			%				
EM FX vs. USD, (+) = appreciation		52.8	-1.0	-2	-9	-16	-14
Dollar index, (+) = \$ appreciation		99.7	0.7	-1	2	3	3
Brent Crude Oil (\$/barrel)		25.4	-3.6	-7	-50	-63	-62
VIX Index (% change in pp)		59.4	5.9	-5	19	46	46

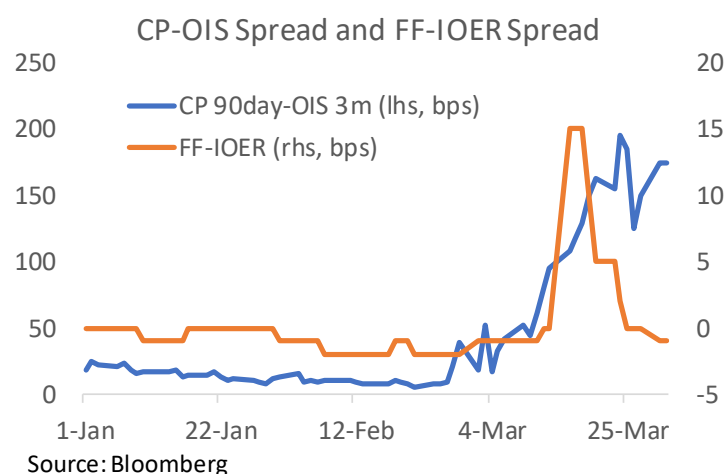
Colors denote **tightening/easing** financial conditions for observations greater than  $\pm 1.5$  standard deviations. Data source: Bloomberg.

## United States

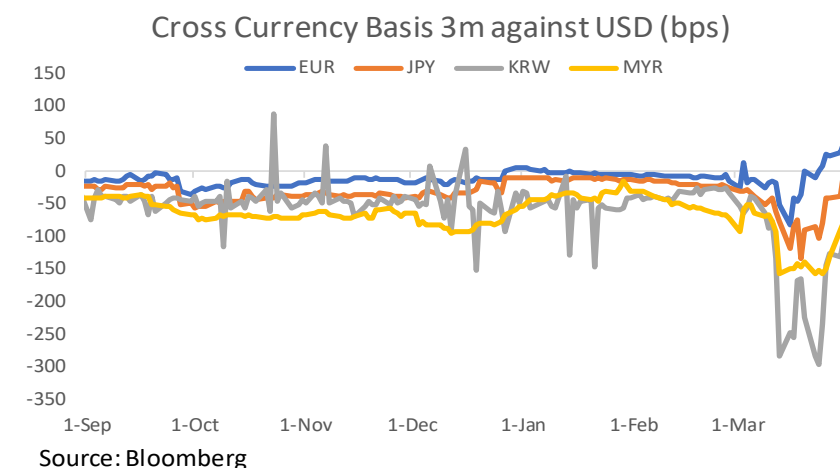
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**The S&P 500 finished the worst quarter since the Global Financial Crisis, down by 20%,** and Dow Jones Industrial Average's quarterly loss was the worst since 1987. Equities were down on the day, too, despite signs of a new round of stimulus. President Trump dusted off a \$2 tn infrastructure bill and reportedly approved a proposal by some businesses to delay payment of specific tariffs. The order, which could come as soon as this week, would give the Treasury Department the authority to direct customs and border protection to delay collecting tariffs on those imports for 90 days. Market sentiment, however, did not improve much as the pandemic's reach has been increasing. New York City saw a 16% increase in deaths in the past six hours (932 as of Tuesday) and confirmed cases in the US exceeded 187k, more than double as cases in China. The 10-year Treasury yield was down by 6 bps to 0.67%. Implied volatility, both in equities and rates, declined.

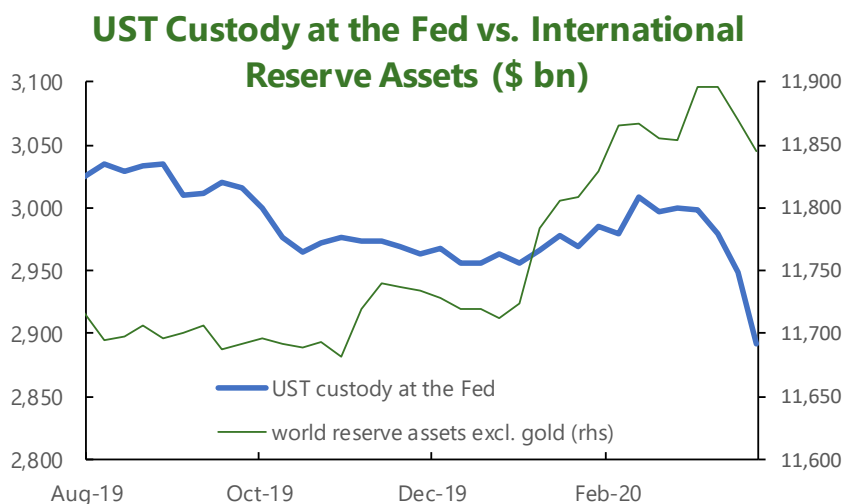
**Money market stress eased, while term CP rates remain elevated.** While the MMLF launched last week and helped to provide much-needed liquidity to domestic prime funds, there has been little assistance for offshore funds. CPFF, announced on March 17, will not be available until the first half of April, meaning that some issuers may face rollover risks. Based on Fed data, as of March 20, roughly \$500 bn of CP or about 45% of the market is expected to mature between now and April 17.



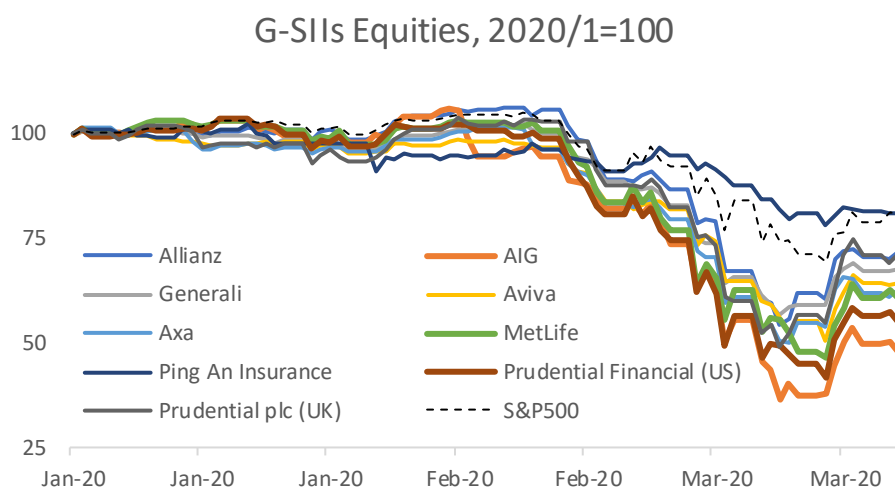
**International dollar funding stress has been less intense.** Cross-currency bases against the US dollar has continued to narrow globally, supported by the Fed's announcement yesterday of a new repo facility for foreign and international monetary authorities (FIMA repo facility). Of note, the JPY basis was positive the first time in the past eight years. Meanwhile, dollar funding rates for foreigners relative to risk-free rates remain elevated due to wider Libor-OIS spread in the US.



**Analysts believe the FIMA repo facility should take some pressure off dealer balance sheet** and prevent foreign central banks from selling their holding Treasuries in large size. They suspect the announcement of the FIMA repo facility comes in response to the rapid decline in custodial holdings at the Fed as foreign official accounts sought to raise dollars during the cross-asset deleveraging purge. These sales had a considerable role to play in the sharp deterioration in Treasury market liquidity. This new facility will give foreign official accounts access to temporary dollar funding without having to sell the underlying.



**US insurers' shares have underperformed broader equity indices and their global peers.** US property and casualty insurers generally have controlled cash outflows even in periods of large claim volume. The most substantial risks for them are government legislation forcing insurers to pay otherwise uncovered claims and potential liability losses not contemplated in policies. For example, New Jersey, Ohio, and Massachusetts have proposed bills to require that insurers payout for certain claims related to the coronavirus. The American Property Casualty Insurance Association estimates that the business-continuity losses for small firms could total as much as \$383 bn per month. Also, US insurers are estimated to have more than \$40 bn of BBB credits at risk of a downgrade to speculative grade according to CreditSights..



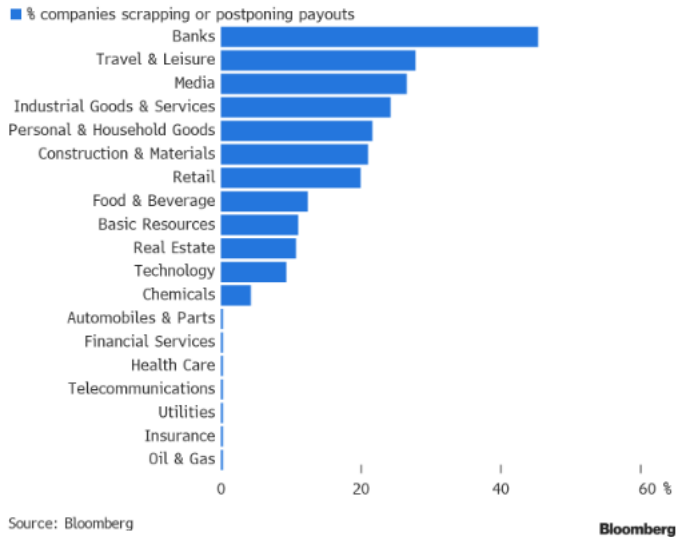
## Europe

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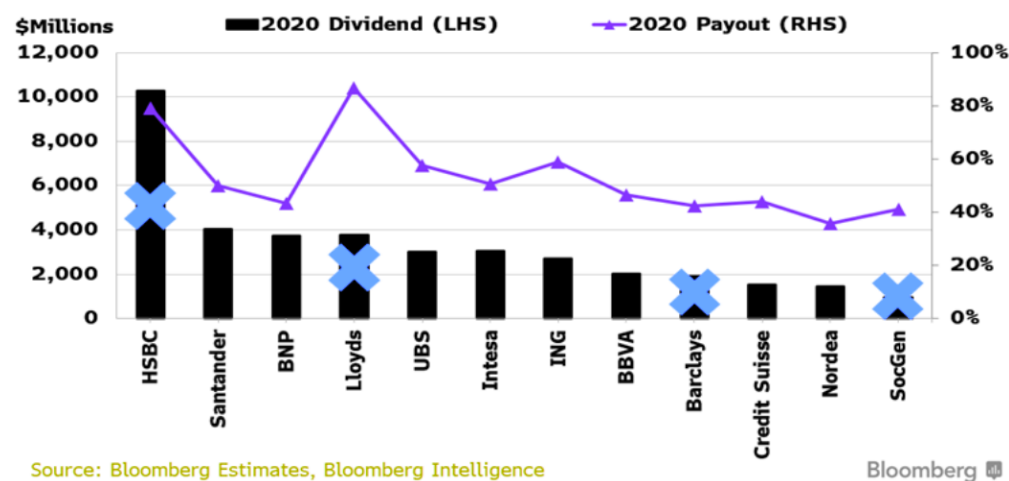
**Equity markets slipped close to 3% as macro data painted a poor outlook throughout Europe.** More companies are announcing the curtailment of dividends.

### Diminishing Returns

The Stoxx 600 Banks sector has seen the most dividend cancellations



**Bank stocks (-3.7%) also dropped further but are in line with main indices today.** As of early March, European banks were forecasted to pay out about \$64 bn in dividends in 2020, before regulators across jurisdictions called for the profits to be used to increase capital buffers. Various banks have already announced plans to do so.



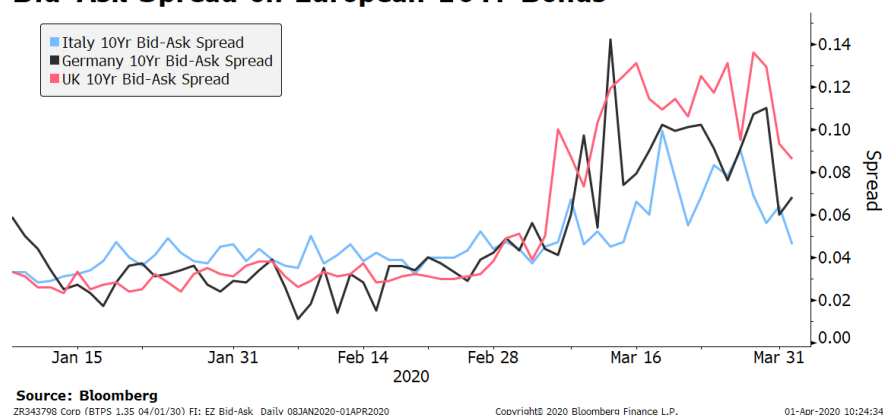
	Comment
Santander	Postponing November interim dividend to 2021
CaixaBank	Reducing 2019 dividend
Komerční, Moneta Money, Bank of Ireland, AIB, ING, ABN, KBC, UniCredit, Commerzbank, Intesa	Suspending 2019 dividend
Erste, Handelsbanken, SEB, Danske	Reviewing 2019 dividend
Credit Suisse	Freezing CHF1 billion buyback; CHF315 million completed to date
Supervisors/Central Banks/Governments: ECB, Sweden, Finland, Norway, Denmark, Austria, Czechia, Poland, Hungary	Asking banks to reconsider shareholder payout

Source: Company Announcements

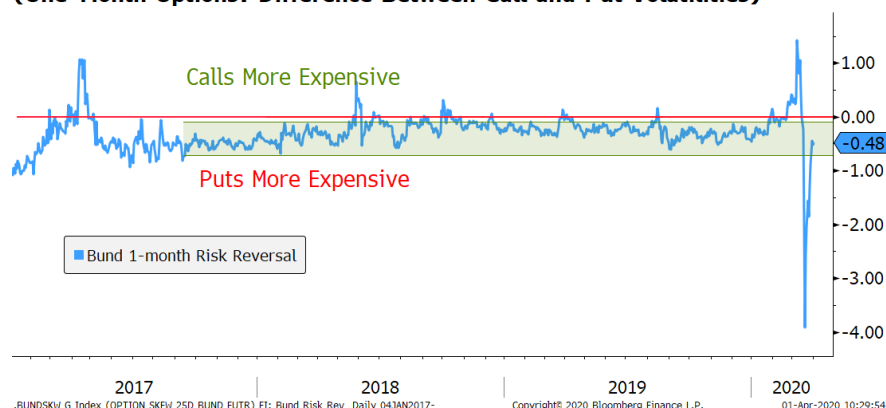
Bloomberg

**Sovereign debt markets went deeper into safe-haven mode**, as the 10-year Bund yield sunk deeper and Southern European yields gapped wider: German 10-year yields are currently at -0.50% (-3 bps); French OATs are at 0.00% (-1 bp); Italian at 1.58% (+6 bps); and Spanish at 0.69% (+2 bps). Liquidity conditions in sovereign debt markets remain somewhat challenging, as measured by still elevated bid-ask spreads relative to recent months. One-month risk reversals suggest that the German Bund is expected to trade at current levels for the coming weeks.

### Bid-Ask Spread on European 10Yr Bonds



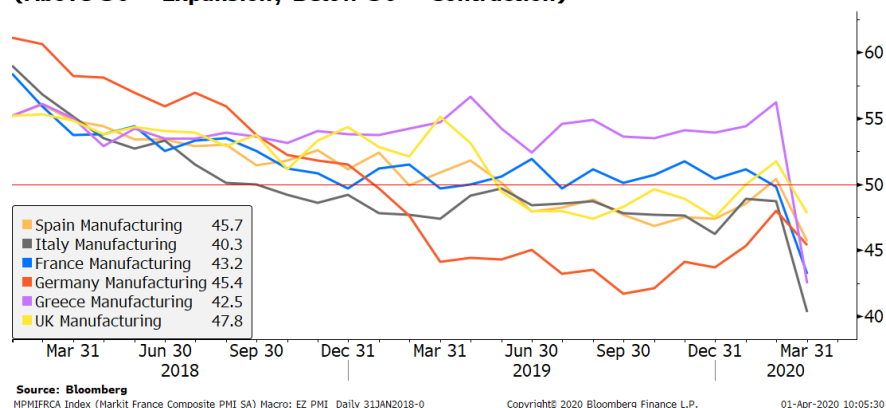
### German Bund Risk Reversals (One-Month Options: Difference Between Call and Put Volatilities)



Data released today reveal a further contraction in manufacturing in various European countries in March. The largest drops in activity took place in Italy and Greece, the latter dropping from expansionary territory. The (preliminary) unemployment rate in Italy, however, stood at 9.7%, from 9.8% the month prior.

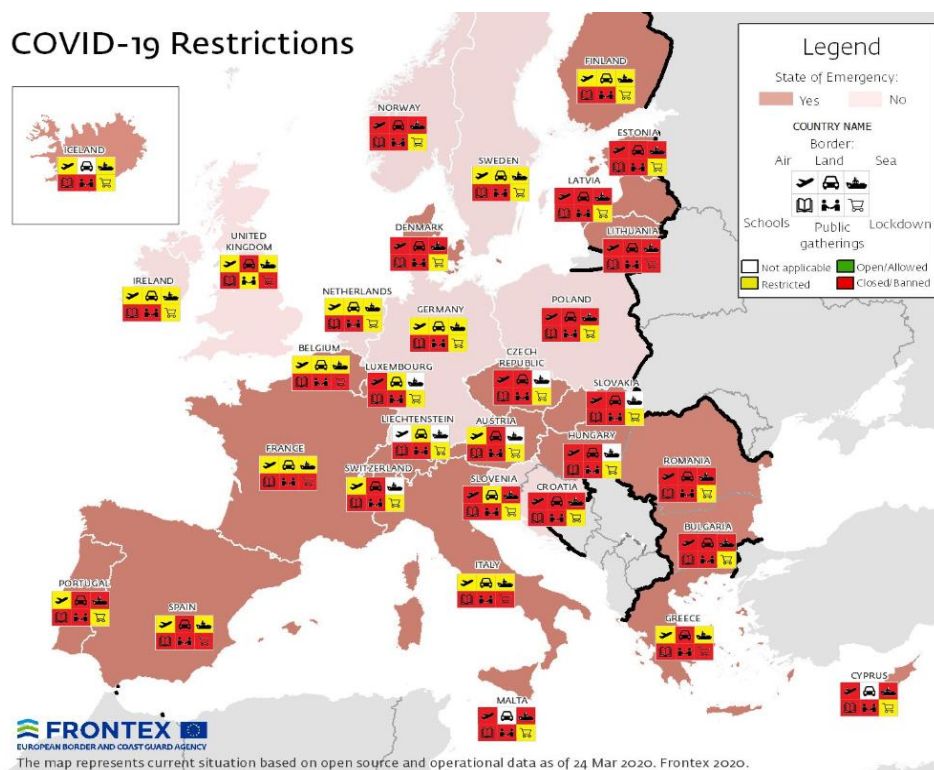
### European PMI Indices

(Above 50 = Expansion; Below 50 = Contraction)



Moody's has lowered the outlook for UK-based and Italian life insurers to 'negative' from 'stable' while affirming that of European insurers at 'negative'. The agency noted that the sector's prospects has deteriorated by lower-for-longer policy rates, market volatility and valuation losses on assets held by insurers, as well as lower premiums going forward. Moody's also expects increased government pressure on companies to make payments to clients. Separately, the [FT reported](#) that some insurance companies are ensuring that their policies do not cover losses related to the COVID-10 outbreak.

Various European countries, including Italy, Spain, and the UK, are considering prolonging their restrictive measures to halt the spread of the coronavirus. Virtually the entire European continent is in near lockdown mode.





## Other Mature Markets

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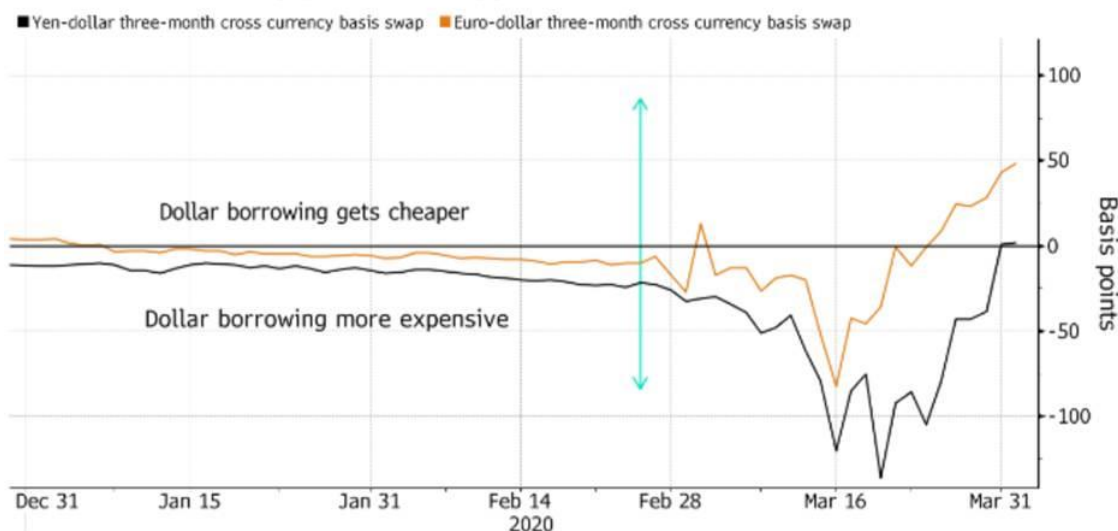
### Japan

**The premium for yen-based dollar funding at shorter maturities has disappeared.** The 3-month yen-USD basis turned positive, meaning that there is now a small discount on USD funding relative to interest parity. The basis had become very negative in mid-March making synthetic USD funding expensive. The extension of Fed swap lines and easing of swap terms have been successful in addressing these dollars funding stresses at shorter maturities. In the latest BoJ USD auction today, there was limited uptake of USD funds by banks. In the longer-term cross-currency swap market with maturities of 1 year and beyond there remains a premium for USD funding. Meanwhile, the Libor-OIS spread remains wide, showing stresses in outright USD funding. This may also contribute to the tightening in the cross-currency basis as it incentivizes the provision of USD funding through swaps to take advantage of relatively high Libor rates.

**Sentiment among large corporations fell to the worst since 2013**, based on the Tankan survey. On the bright side, analysts had expected an even worse reading. In addition to very weak sentiment among industrial firms, the survey showed a plunge in the outlook for service sector firms. **Equities fell (Topix - 3.7%; Nikkei -4.5%) with all sector declining.** Tokyo reported 78 new covid-19 cases. PM Abe told a parliamentary committee that Japan was not in a situation to declare a state of emergency at this point. Under a state of emergency in Japan, the authorities can ask citizens to stay home, but cannot enforce the request. **YEN and JGB yields**

## Easy Dollars

### U.S. dollar borrowing premium disappears in basis markets





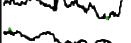

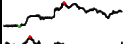







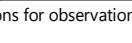

### Singapore

**The Monetary Authority of Singapore (MAS) and the financial sector announced forbearance measures for individuals and SMEs.** Individuals can request for banks and finance companies to defer both principal and interest payments on residential mortgages through the end of the year. Individuals with life and health insurance can also apply to their insurer to defer premium payments for up to six months and maintain insurance coverage. SMEs can opt to defer principal payments on their secured term loans until year-end. It is estimated that close to \$30 bn in outstanding SME loans qualify for the moratorium. The Singapore dollar depreciated -0.9% and equities fell -1.7%.

## Emerging Markets [back to top](#)

**Asian markets traded risk off.** Equities declined in most markets for a 1.3% decline across the region on net. Currencies weakened against the dollar. Manufacturing PMIs dropped in March for most Asian countries. In **Latin America**, price action was generally muted helped by the stability in oil prices. The main mover was Ecuadorian dollar bonds. Prices rallied by around 6 points to around 30 cents on the dollar as various analysts upgraded their recovery assumptions.

Key Emerging Market Financial Indicators

Last updated: 4/1/20 8:18 AM	Level		Change				
	Last 12m	index	1 Day	7 Days	30 Days	12 M	YTD
<b>Major EM Benchmarks</b>			%				%
MSCI EM Equities		34.13	-3.5	4	-16	-21	-24
MSCI Frontier Equities		21.35	0.7	2	-22	-26	-30
EMBIG Sovereign Spread (in bps)		636	17	20	265	293	343
EM FX vs. USD		52.84	-1.0	-2	-9	-16	-14
<b>Major EM FX vs. USD</b>			%, (+) = EM currency appreciation				
China Renminbi		7.10	-0.3	0	-2	-5	-2
Indonesian Rupiah		16450	-0.9	0	-13	-14	-16
Indian Rupee		76.28	-0.9	0	-5	-9	-6
Argentine Peso		64.40	0.1	-1	-3	-34	-7
Brazil Real		5.25	-0.8	-4	-15	-27	-23
Mexican Peso		24.16	-2.0	-1	-20	-21	-22
Russian Ruble		79.07	-0.6	-1	-16	-18	-22
South African Rand		17.98	-0.8	-4	-14	-21	-22
Turkish Lira		6.67	-0.8	-4	-7	-18	-11
EM FX volatility		12.27	0.0	-0.2	4.1	3.5	5.7

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

### China

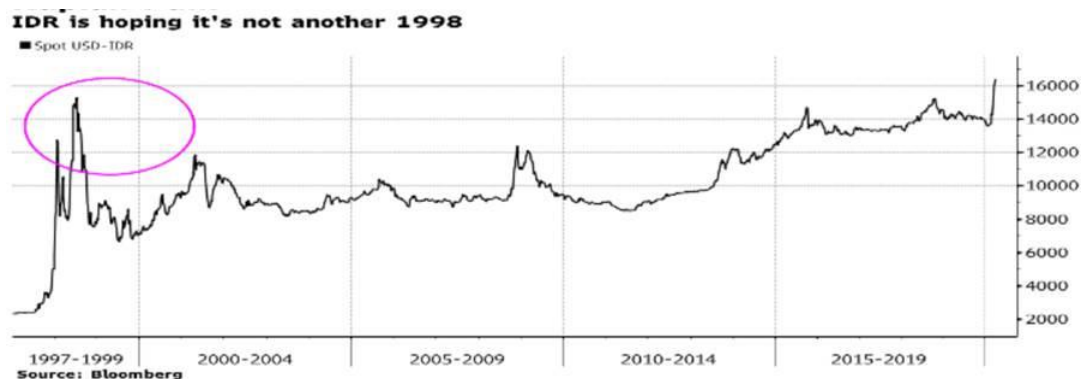
**The State Council announced a slew of stimulus measures.** Regarding **monetary policies**, it announced that the People's Bank of China (PBC) will provide an additional RMB1tn in relending and rediscounting quotas and reserve requirement ratio cuts for small and medium-sized banks. Financial institutions are allowed to issue RMB300 bn of financial bonds to support extension of loans to small and micro firms. The meeting also called for an increase in RMB1tn in corporate bond net financing for private and smaller businesses. On **fiscal policy**, the authorities called for speeding up the approval and issuance of local government special bonds used for infrastructure. Separately, **the Caixin manufacturing PMI rebounded to 50.2 in March from 40.3 in February.** On covid-19, **China started reporting asymptomatic cases and there were 130 new cases as of March 31**, with the total number of such cases under observation at 1,367. There were 36 new confirmed cases with symptoms and 35 were imported. Equities (Shanghai -0.6%; Shenzhen -0.4%) fell, the onshore and offshore RMB (-0.2%) depreciated slightly.

### Indonesia

**The government announced a stimulus package, suspended the budget deficit cap of 3%, and allowed Bank Indonesia to buy bonds directly from MoF.** The fiscal package amounts to about 2.3% of GDP, pushing the budget deficit to 5.07% of GDP this year. The constitutional deficit cap of 3% which was adopted in 2003 will be suspended for 3 years. **Bank Indonesia (BI) will be allowed to purchase government bonds directly from the Ministry of Finance.** Higher deficits imply a significant increase in borrowing needs. BI now has the powers to buy the securities directly and provide an emergency financing facility to the government. The authorities emphasized that they will still respect the market mechanism and



understand the importance of having a well-functioning capital market. **The government cut its 2020 growth forecast to 2.3% from an initial estimate of 5.3%**, and under the worst-case scenario thinks growth could fall -0.4%. It also sees the currency depreciating to IDR17,500 per dollar this year (16,450 currently). **Indonesia has recorded in excess of 1,500 confirmed cases as of March 31 and President Jokowi has declared a public health emergency status.** Indonesian assets declined: equities -1.6%, the rupiah -0.9% and sovereign yields rose.



### Chile

**In a unanimous decision, the central bank of Chile announced a 50-bp cut on the policy rate and increased the bank bonds purchase program.** The rate cut decision was in line with market expectations and the second cut this month (75 bps on March 16). The board also increased purchases of bank bonds by \$4 bn, taking the total amount for this facility to \$8 bn.

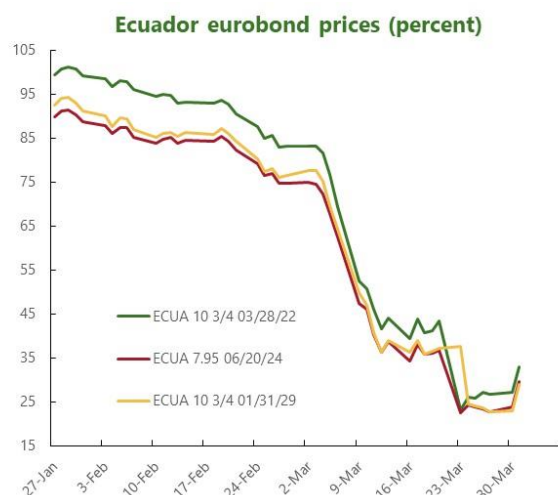
### Chilean Inflation Expectations Sink on Virus Threat

**Break-even inflation in the swaps market**



### Ecuador

**Dollar bonds rebounded on Tuesday and were the best performers in EM credit.** Bonds rallied across the curve rose from 3 to 7cents on the dollar, trading closer to 30 cents at the close. Over the last two days various analysts (BOFA/Citi) have published reports with recovery assumptions in the upcoming debt restructuring closer to 40-45 cents on the dollar. Amherst Pierpont analyst expects that the recovery can be as high as 65-75 cents on the dollar if bondholders allow the country to postpone this year's coupon payments for 12 months.



Source: Bloomberg

## Turkey

**The Central Bank of Turkey' (TCMB) introduced new measures to ease credit access as it looks to contain the economic fallout from the virus outbreak.** The latest measures call for “front loaded” purchases of government bonds while the program’s “limits may be revised depending on market conditions.” Currently, the central bank’s government bond holdings can reach 5% of its balance sheet. Moreover, as a part of its new initiatives, TCMB also pledged to boost the amount of liquidity to eligible commercial lenders, accept banks’ assets and MBS as collateral and provide “rediscount loans” to exporters. TCMB had rolled out its first round of emergency measures roughly two weeks ago and had already increased its government bond purchases. Over the past 5 bond-buyback auctions, the central bank bought TRY 1.56 bn (\$240 mn) of local-currency debt from the secondary market, the fastest pace in a decade and more than double the average seen this year. The yield on the 10-year government bond has jumped more than 130 bps this year and the lira has lost about 10% against the dollar on a year-to-date basis amid sizable capital outflows. Foreign investors pulled a net \$742 mn out of Turkey’s local-currency bond market over a 5-day period through March 20<sup>th</sup>, the seventh straight week of outflows. By Bloomberg’s estimate, Turkey has more than \$170 bn of external debt coming due over the next 12 months. Meanwhile, foreign holdings of its lira-denominated debt dipped to 10% of total stock, an all-time low. The 10-year note yield rose 41 bps. The lira was 0.7% weaker against the dollar.

## Buying Spree

Central bank scales up its bond buying operations

Rolling sum of five consecutive auctions



Source: Central Bank of the Republic of Turkey, Bloomberg calculations

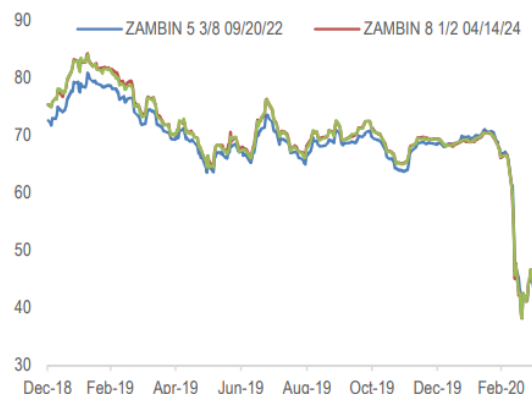
Bloomberg

## Zambia

The finance ministry sent a request to banks for proposals on reorganizing its foreign debt. According to a document seen by Bloomberg the country “intends to implement a liability management of its external debt portfolio to lengthen maturity and enhance its capacity to meet debt-service obligations”. Analysts highlight that the risk of debt distress has been well telegraphed, but the timing of the announcement is likely a surprise given that no Eurobond maturities are due until 2022. Zambia’s \$3 bn of Eurobonds have been trading at distressed levels, with prices around 40 cents on the dollar.

Figure 1: ZAMBIN bonds now trade in the 30s

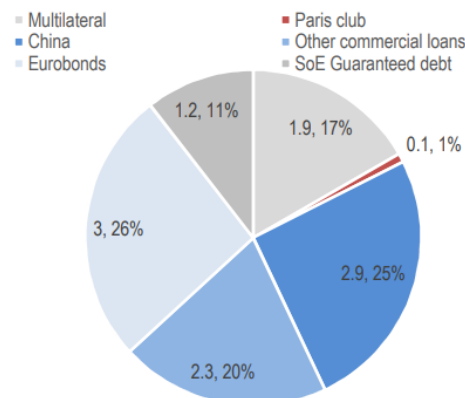
ZAMBIN bond mid price



Source: J.P. Morgan.

Figure 3: ...but Chinese debt is just as large as Eurobonds

External debt in \$bn and as a percentage of total



Source: IMF, Ministry of Finance, J.P. Morgan as at June 2019.

## EM Central Banks

The new repo window for foreign central banks with US Treasury holdings (FIMA Repo Facility) is expected to have a positive effect on dollar liquidity in EMs. JPM argues that the Fed facility can help

Table 1: EM CB holdings of US Treasury securities

US\$bn, unless noted

	Total UST holdings		Gross FX reserves
	US\$bn	% of GFXR	
China	1,078.6	34.7	3,107
India	164.3	36.9	446
Indonesia	27.3	22.2	123
Korea	121.1	30.4	398
Malaysia	14.0	14.5	97
Philippines	40.5	52.0	78
Taiwan	199.2	41.5	480
Thailand	96.0	43.8	219
Czech Republic	-	-	123
Hungary	0.9	3.7	25
Israel	45.6	35.2	129
Poland	32.6	7.2	451
Romania	5.8	15.2	38
Russia	10.5	2.4	440
South Africa	13.5	28.0	48
Turkey	2.8	3.8	73
Argentina	6.7	20.0	33
Brazil	283.3	81.9	346
Chile	32.5	89.7	36
Colombia	29.7	58.3	51
Mexico	45.8	25.9	177
Peru	19.8	30.3	65
Uruguay	9.4	65.0	14

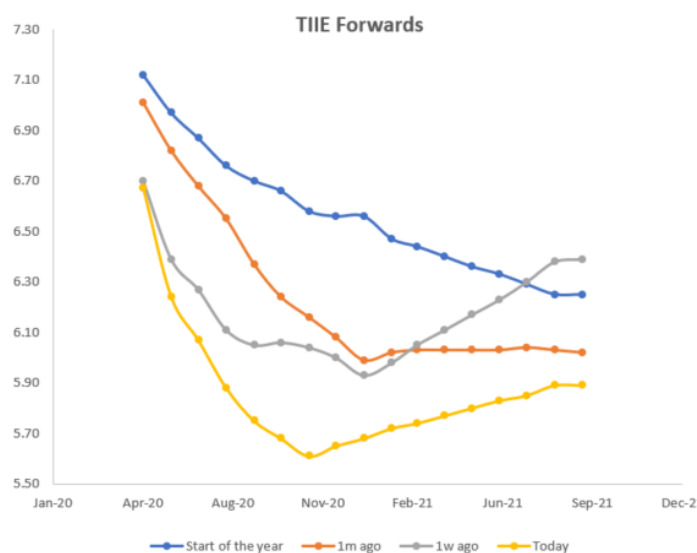
Source: Treasury, J.P. Morgan. UST data end-Jan 2020, FX reserves data end-Feb 2020.

EM central banks that have been reluctant to liquidate the UST portion of their FX reserves to intervene. Given the structure of the facility the EMs that can benefit the most are the ones who have large US Treasury holdings (see table). Compared to the FX swap dollar lines that a few EMs already have (Brazil, Mexico) is available to a much larger set of counterparties. However, unlike the Fed FX swap lines, this facility cannot increase the intervention power of the central banks given it relies on secured financing (against US Treasuries which already

count as reserves)

## Mexico

**Rates markets continue to price more aggressive rate cut by the central bank.** The one-year swap rate declined by 90 bps in March, the biggest monthly decline since March 2009. Forwards are pricing in rates fall as low as 5.25% from the current 6.5%. JPMorgan has revised in growth forecast to -7% in 2020 and expects rates to drop to 3% as Mexico remains one of the countries with the highest real rates in EM.



Source: Bloomberg

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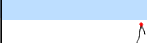







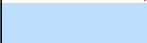
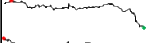


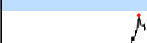


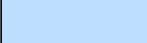



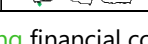
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## Global Financial Indicators

Last updated: 4/1/20 8:18 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>			%				%
United States		2585	-1.6	6	-13	-10	-20
Europe		2677	-3.9	-4	-20	-21	-29
Japan		18065	-4.5	-8	-15	-16	-24
China		2735	-0.6	-2	-5	-14	-10
Asia Ex Japan		60	0.5	4	-13	-17	-19
Emerging Markets		34	-3.5	4	-16	-21	-24
<b>Interest Rates</b>			basis points				
US 10y Yield		0.60	-5.7	-27	-55	-191	-132
Germany 10y Yield		-0.50	-2.6	-24	11	-47	-31
Japan 10y Yield		0.01	-0.9	-4	17	9	2
UK 10y Yield		0.29	-7.0	-16	-16	-76	-54
<b>Credit Spreads</b>			basis points				
US Investment Grade		271	-0.4	-42	143	154	174
US High Yield		885	2.8	-137	352	478	492
Europe IG		104	8.4	15	37	42	60
Europe HY		607	35.1	75	303	349	400
EMBIG Sovereign Spread		636	17.0	20	265	293	343
<b>Exchange Rates</b>			%				
USD/Majors		99.72	0.7	-1	2	3	3
EUR/USD		1.09	-0.8	1	-2	-2	-2
USD/JPY		107.5	0.0	3	1	4	1
EM/USD		52.8	-1.0	-2	-9	-16	-14
<b>Commodities</b>			%				
Brent Crude Oil (\$/barrel)		25	-3.6	-7	-50	-63	-62
Industrials Metals (index)		91	-2.4	-1	-12	-26	-21
Agriculture (index)		37	-1.3	-4	-5	-9	-11
<b>Implied Volatility</b>			%				
VIX Index (% change in pp)		59.4	5.9	-4.5	19.3	46.0	45.7
10y Treasury Volatility Index		8.5	0.2	0.4	0.9	4.6	4.4
Global FX Volatility		11.0	0.0	-0.1	3.5	3.8	5.0
<b>EA Sovereign Spreads</b>			10-Year spread vs. Germany (bps)				
Greece		226	11.2	-36	32	-148	61
Italy		205	5.7	25	34	-48	45
Portugal		138	3.7	6	42	7	75
Spain		119	3.8	5	30	2	53

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


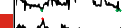


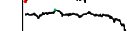













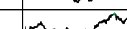

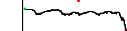

















Data source: Bloomberg.

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## Emerging Market Financial Indicators

Last updated: 4/1/2020 8:19 AM	Exchange Rates							Local Currency Bond Yields (GBI EM)						
	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	
	vs. USD		(+) = EM appreciation					% p.a.						
China		7.10	-0.3	0.1	-2	-5	-2		2.7	-2.0	-6	-17	-43	-47
Indonesia		16450	-0.9	0.3	-13	-14	-16		8.0	-5.2	-44	90	25	86
India		76	-0.9	-0.2	-5	-9	-6		6.4	-7.4	-25	-10	-95	-43
Philippines		51	-0.4	0.5	0	3	-1		4.9	-0.8	18	77	-45	58
Thailand		33	-0.8	-0.6	-5	-4	-10		1.7	2.3	1	41	-90	5
Malaysia		4.36	-1.0	0.5	-4	-6	-6		3.3	-5.3	-39	48	-49	-5
Argentina		64	0.1	-1.0	-3	-34	-7		60.2	0.0	-901	807	3622	-242
Brazil		5.25	-0.8	-4.0	-15	-27	-23		6.3	-10.5	-149	40	-190	5
Chile		865	-1.3	-2.4	-6	-22	-13		3.7	-4.6	-21	1	-50	39
Colombia		4065	0.0	0.4	-15	-23	-19		6.9	17.5	-95	112	70	91
Mexico		24.16	-2.0	-1.0	-20	-21	-22		7.2	-10.5	-77	30	-94	25
Peru		3.4	0.3	2.6	0	-4	-3		5.0	-5.0	-61	60	-32	52
Uruguay		43	1.0	2.5	-9	-23	-14		13.2	-1.6	46	326	269	235
Hungary		338	-3.2	-4.0	-10	-15	-13		1.9	19.1	35	32	6	69
Poland		4.19	-1.4	0.2	-7	-9	-9		1.3	-2.2	-5	-29	-96	-57
Romania		4.4	-0.9	0.5	-2	-4	-3		4.4	4.0	11	70	34	42
Russia		79.1	-0.6	-1.0	-16	-18	-22		6.6	-19.0	-31	36	-147	48
South Africa		18.0	-0.8	-3.6	-14	-21	-22		11.2	-56.7	-140	156	182	170
Turkey		6.67	-0.8	-3.8	-7	-18	-11		12.6	-16.3	15	-6	-691	94
US (DXY; 5y UST)		100	0.7	-1.3	2	3	3		0.35	-3.5	-18	-59	-198	-135

	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		2735	-3.7	-2	-5	-14	-10		246	3	-6	67	70	70
Indonesia		4466	-19.3	13	-18	-31	-29		368	17	13	157	178	212
India		28265	-28.9	-1	-26	-27	-31		374	-8	-49	199	214	249
Philippines		5409	-22.4	8	-20	-31	-31		227	11	-12	119	142	161
Malaysia		1323	-12.2	0	-11	-19	-17		295	1	-28	170	168	183
Argentina		24384	-2.8	8	-30	-27	-41		3959	74	-301	1694	3195	2190
Brazil		73020	-2.6	5	-30	-24	-37		405	12	22	159	161	190
Chile		3487	-0.8	12	-15	-34	-25		316	14	-9	139	186	183
Colombia		1124	-2.1	7	-27	-29	-32		387	13	14	179	207	224
Mexico		34555	-2.6	0	-16	-21	-21		683	25	90	317	377	391
Peru		14464	-1.8	2	-21	-31	-30		276	12	-11	123	149	169
Hungary		32283	-24.4	-1	-20	-23	-30		215	3	17	52	106	129
Poland		41078	-20.0	2	-17	-32	-29		135	0	13	57	86	117
Romania		7477	-21.8	-2	-18	-8	-25		385	-1	-18	146	176	211
Russia		2485	-14.8	1	-11	-1	-18		315	14	45	123	96	184
South Africa		43374	-18.9	0	-15	-24	-24		767	37	85	365	467	447
Turkey		89086	-19.4	0	-16	-5	-22		762	30	99	249	289	361
Ukraine		511	-4.1	-1	-4	-9	0		916	34	-60	429	305	496
EM total		34	-3.5	4	-16	-21	-24		636	17	20	265	293	343

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

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Coronavirus (Covid-19) Dashboard						
	Latest	Change or relative change				
		1 Day	7 Days	YTD	Since global intensification (Feb 19)	Since Chinese intensification (Jan 20)
<b>Equity Markets</b>	<b>Index</b>	<b>Relative change (in %) except VIX</b>				
China						
CSI 300 (Large Cap/Main Equity Index)	3675	-0.3	-1.3	-10.3	-9.3	-12.2
CSI 500 (Mid-Cap Index)	5019	-0.4	-3.8	-4.7	-10.4	-10.2
CSI 1000 (Small-Cap Index)	5403	-0.4	-4.3	-2.9	-10.2	-9.3
Japan (Nikkei)	18065	-4.5	-7.6	-23.6	-22.8	-25.0
Korea (Kospi)	1685	-3.9	-1.1	-23.3	-23.7	-25.5
United States (S&P 500)	2585	-1.6	5.6	-20.0	-23.7	-22.4
Europe (Eurostoxx 600)	309	-3.4	-1.4	-25.7	-28.8	-27.1
MSCI Global	442	-0.6	3.5	-21.7	-23.7	-23.6
MSCI Asia ex. Japan	560	2.2	1.8	-18.6	-18.6	-21.3
Asia Pacific Airlines	100	-2.2	-6.3	-35.1	-27.3	-33.4
Luxury Goods	570	-2.6	-2.0	-26.3	-24.5	-28.2
Hotels Restaurants & Leisure	252	-0.6	-1.8	-34.7	-35.0	-36.9
Volatility Index (VIX, change in pp)	59	5.9	-4.5	45.7	45.1	47.3
<b>Interest Rates</b>	<b>Percent</b>	<b>Change (in basis points)</b>				
US 10y Yield	0.60	-7	-27	-132	-97	-123
Germany 10y Yield	-0.50	-3	-24	-31	-8	-28
Eurodollar - April 2020	1.20	-4	-11	52	-44	-53
Eurodollar - June 2020	0.55	-2	4	115	-100	-114
Eurodollar - December 2020	0.36	-2	3	127	-107	-125
<b>Exchange Rates</b>	<b>Level</b>	<b>Relative change (in %) (+) = Appreciation</b>				
Chinese Renminbi (per USD)	7.10	-0.3	0.1	-2.0	-1.5	-3.4
Japanese Yen (per USD)	107.5	0.0	3.5	1.0	3.5	2.4
Euro (in USD)	1.09	-0.9	0.5	-2.5	-1.2	1.5
Dollar Index	99.7	0.6	-1.4	3.4	0.0	2.1
EM FX index	52.8	-1.0	-1.9	-14.0	-11.0	-13.3
<b>EM Bond Spreads on USD Debt</b>	<b>Basis points</b>	<b>Change (in basis points)</b>				
EMBI Global Diversified	626	-16	-64	336	324	336
EMBI Asia	425	-8	-34	248	252	250
EMBI Latam	641	-22	-93	333	318	331
China	246	3	-6	70	78	73
<b>Local Currency Bond Yields (GBI EM)</b>	<b>Percent</b>	<b>Change (in basis points)</b>				
China	2.68	-2	-6	-47	-24	-42
Mexico	7.19	-11	-77	25	59	28
Brazil	6.30	-11	-149	5	54	14
South Africa	11.21	-57	-140	170	177	174
Turkey	12.64	-16	15	94	125	212
<b>Commodities</b>	<b>Dollars</b>	<b>Relative change (in %)</b>				
Brent Crude Oil (per ton)	25.4	-3.6	-7.3	-61.5	-57.1	-61.1
Gold (per troy ounce)	1583.9	0.4	-2.0	4.4	-1.7	1.5