



- European credit spreads tighten as ECB eases collateral rules ([link](#))
- US earnings reports reveal a sharp decline in profits and buybacks during Q1 ([link](#))
- Capital markets revenue at major US banks reaches decade high ([link](#))
- Argentina fails to make interest payment on debt, triggering 30-day grace period ([link](#))
- Central Bank of Turkey surprises with a 100-bps rate cut ([link](#))
- Credit Suisse reports high 1Q20 credit costs and expects further provisions ([link](#))




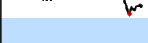




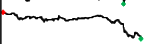

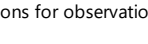
[US](#) | [Europe](#) | [Other Mature](#) | [Emerging Markets](#) | [Market Tables](#)

Markets take a breather as oil prices stabilize

Risk assets find some relief in calmer oil markets and central bank support, but concerns remain.

Emerging market equities are trading in positive territory this morning as risk sentiment seems to have improved on the back of a rebound in oil prices. This followed a general rally in risk assets yesterday that saw US stock markets rise by about 2% and European and EM equities up by around 1%. 10-Year Treasuries were conversely on the offer, with yields down by close to 5 bps. Crude prices rose by 11% over the past two trading sessions, mainly in response to increased tensions in the Persian Gulf. However, analysts underline that risks to energy prices remain weighed to the downside as oil markets continue to be significantly over-supplied. In Europe, PMI data came in far lower than expected today and painted a grim picture of the economic situation in the euro area. In an attempt to further ease financial conditions, the ECB announced an expansion of the list of assets it would accept as collateral, which now include bonds of European companies that have recently been downgraded to below investment grade. Although this announcement seemed to provide some support for European credit markets, it failed to buoy broader risk assets, with European equities generally trading sideways today.

Key Global Financial Indicators

Last updated: 4/23/20 8:49 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities			%				%
S&P 500		2799	2.3	1	25	-5	-13
Eurostoxx 50		2836	0.0	1	14	-19	-24
Nikkei 225		19429	1.5	1	15	-13	-18
MSCI EM		36	0.1	1	17	-19	-20
Yields and Spreads			bps				
US 10y Yield		0.62	5.0	-1	-17	-194	-130
Germany 10y Yield		-0.42	-1.7	5	-5	-47	-24
EMBIG Sovereign Spread		629	-4	25	-76	290	336
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		52.7	0.4	-1	-1	-16	-14
Dollar index, (+) = \$ appreciation		100.5	0.1	0	-2	3	4
Brent Crude Oil (\$/barrel)		22.0	8.1	-21	-18	-70	-67
VIX Index (% change in pp)		41.2	-0.8	1	-20	29	27

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

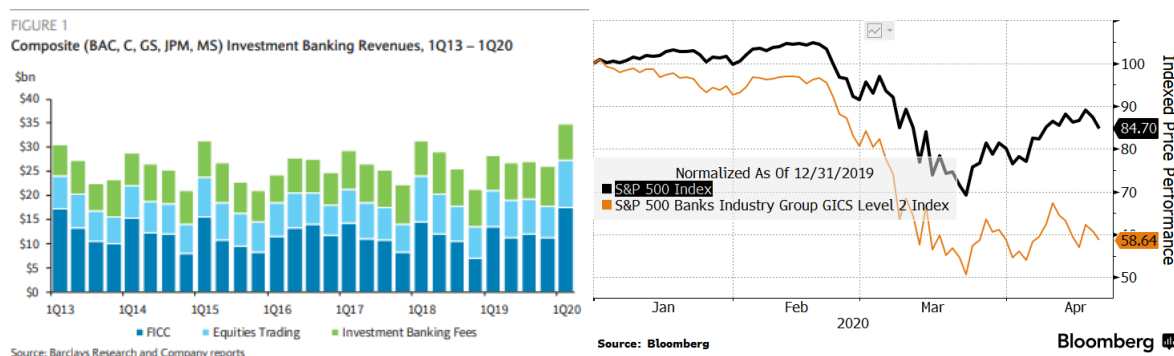
United States

[back to top](#)

US equities rebounded yesterday amid quarterly results that sparked speculation that a recovery might be sooner than expected, and a sharp bounce in oil prices. Chipotle (+14%) rose on above-consensus sales (revenue growth of 8%), while Texas Instruments advanced on solid results. The S&P 500 closed up 2.3%, led by the semi-conductor, restaurants and oil & gas sectors. Treasury Secretary Mnuchin said he anticipates that most of the economy would restart by the end of August. Oil also rose from record lows, with the June WTI futures closing at \$21/barrel and retracing all of its losses from the previous day. Treasury yields rose steadily over today's session, led by long-end of the curve. US 2-year yield was up 8 bps and the 10-year yield was up 5 bps.

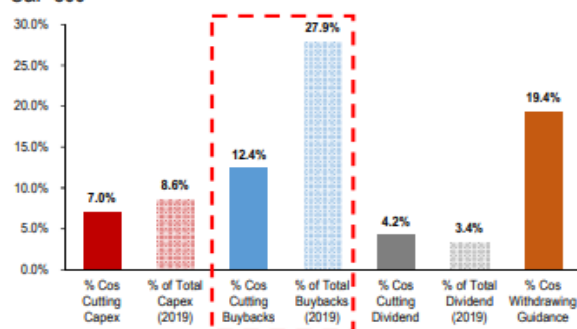
Amongst key data releases, **initial jobless claims** for the week were reported at 4.4mn, marginally less than consensus expectations of 4.5mn. This marks the third consecutive weekly decline from the peaks of 6.8mn in the last week of March and compares with 5.2mn last week. Continuing claims rose to 16mn (vs 12mn last week) though marginally less than consensus expectations of ~17mn. Immediate market reaction is broadly unchanged.

Revenue from capital market operations reaches a decade high for the major US banks, totaling \$35bn, its highest quarter since 1Q10, per Barclays analysts. Revenue grew by 24% y/y, its fastest growth rate since 4Q12, vs expectations of 10-15% growth. Fixed income, currencies and commodities (FICC) trading revenues rose by 31% y/y, and equities trading revenues rose by 28% y/y, reflecting increased client activity on the back of higher volatility. The overall performance was, however, marred by markdowns on positions across public and private asset classes and held-for-sale positions, as well as loss provisions for loans and unfunded lending commitments. In 1Q20, overall investment banking fees increased 4% y/y (3rd straight quarter up 3- 4%) and fell 7% on a q/q basis. *US banks have underperformed the broader index by 26 ppts this year and have not participated in the rally over the past month.*

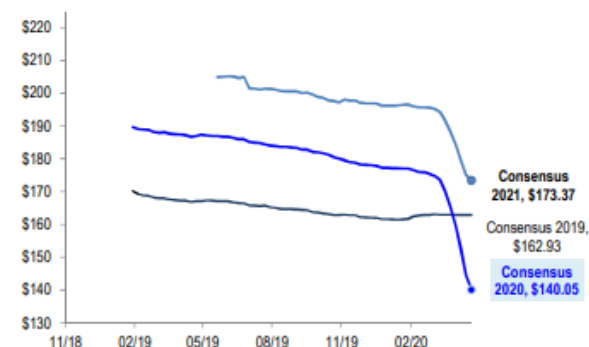


S&P 500 earnings season has started on a modest note, with 43% of firms beatings earnings estimates and c50% beating revenue estimates. Revenues have grown by ~3% y/y, while net income has declined sharply by 28.6% y/y. Consensus EPS is expected to decline by 14% y/y in 2020 but rise by a staggering 24% in 2021. A key investor focus has been on shareholder return and capital investments. Based on 1Q results so far, ~12% of S&P 500 firms have reduced/cut buyback activity representing ~28% of buyback execution in 2019. Furthermore, S&P 500 buybacks executions are down by 43% y/y and 13% q/q. Corporate investment and capital return activity is also lower y/y driven by capex (-11%) and buybacks (-43%), but partially offset by higher dividends (+4%).

COVID-19 Driven Corporate Action S&P 500



S&P 500 Consensus Annual EPS



Despite the recent rally in USD IG corporate bonds, yields remain higher than their EUR denominated counterparts on a fully currency hedged basis for all maturities, albeit much less than a month ago. For example, 7-10 year BBB-rated USD corporate bonds are yielding 3.7% compared to 2.0% for EUR, while the cost of a 1-year USD forward FX hedge is only 0.92% for a hedged yield advantage of 0.78%. BAML analysts highlighted that this recent episode is the first time since 2016 that relative value favors USD IG credit on a hedged basis and with recent relative stability in spreads, they expect foreign buying to accelerate. US IG new issuance totaled \$8.3bn across 6 deals on Wednesday, extending the YTD/MTD issuance to almost \$700bn / \$185bn. BAML analysts also highlighted that companies have increased the size of their revolver/credit facilities without actually drawing on them. Revolver utilization ratio for US IG companies is estimated at around 12% as of 4Q19 and 30% during the financial crisis

Figure 1: USD IG credit cheaper than EUR counterpart on currency hedged basis first time since 2016

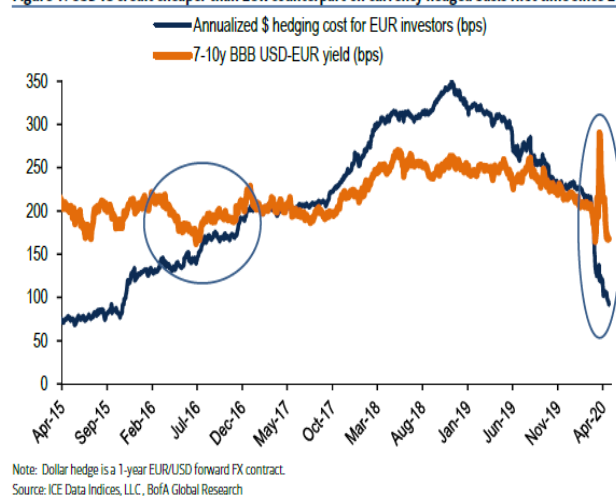
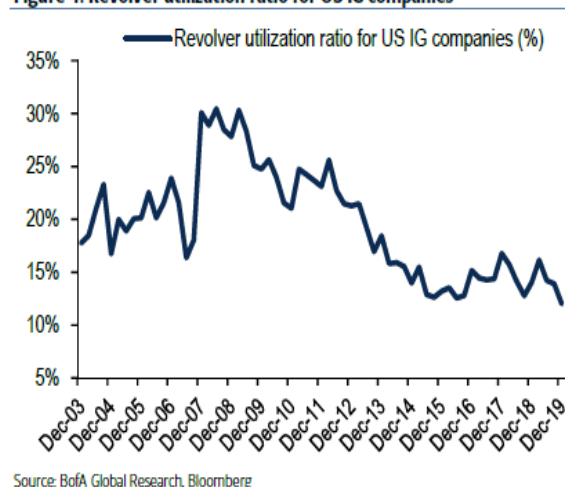


Figure 4: Revolver utilization ratio for US IG companies



Europe

[back to top](#)

Euro area

European equities are little changed but the euro fell 0.4% (to \$1.078) after flash PMI data disappointed. The euro area's composite PMI collapsed to 13.5 (25 expected). The euro area services PMI fell to 11.7 (22.8 expected) and the manufacturing PMI to 33.6 (38 expected).

EU leaders are meeting later today but contacts have lowered expectations on specific announcements, even as political leaders like PM Conte have sounded more conciliatory in recent days. EU Council President Michel has proposed to task the Commission to analyze the exact needs and come up with a proposal. Contacts speculate that more details could be announced on 29 April, when the

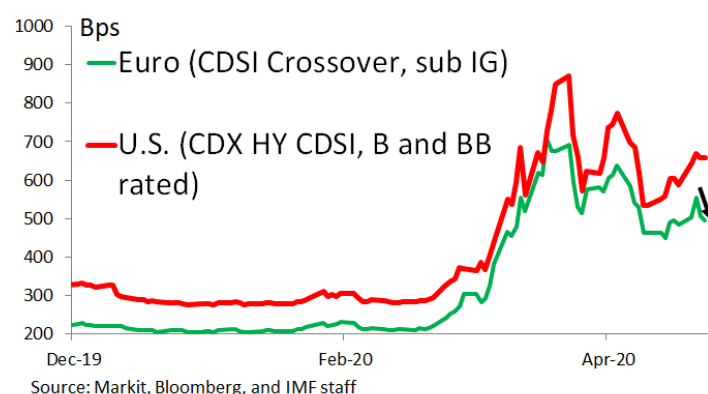
Commission is scheduled to present its plans for the new 7-yr EU budget. **Current EC proposals focus on deploying EU budget guarantees to issue bonds and loan the proceeds to countries in need.**

Sovereign and high-yield corporate spreads tightened after the [ECB decided to accept assets rated as low as BB as collateral](#), provided assets were rated at least BBB- on 7 April (when the ECB announced its first collateral easing package). The rules will remain in place until September 2021. The ECB emphasized that **its collateral easing measures serve three purposes including: (i) pre-emptive action to avoid an acute shortage of collateral for banks; (ii) providing substantial flexibility from a risk management perspective; and (iii) countering adverse procyclical feedback effects that could emerge due to reduced collateral availability. Stricter rules will apply for ABS securities.**

10-yr Italian and Spanish spreads both tightened 7 bps. Greek 10-yr spreads fell 22 bps to 277 bps.

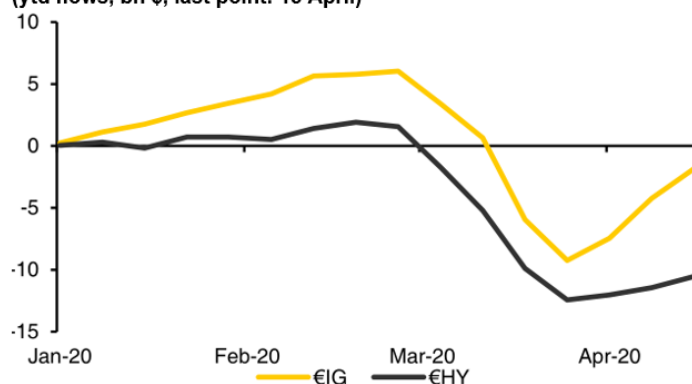
High-yield corporate spreads fell 9 bps to 496 bps today as investment-grade spreads were little changed around 85 bps.

High-yield Corporate Credit Spreads (HY)



Outflows from euro-denominated high-yields funds have stopped but analysts point that funds have not received inflows, unlike their Euro IG peers. Commerzbank expects a major wave of fallen angels that could be challenging to digest for high-yield investors even with the ECB's new collateral framework.

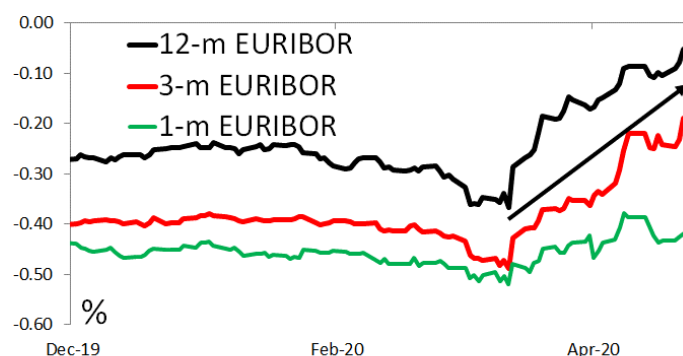
Euro area: Cumulative flows into investment-grade (IG) and high-yield (HY) debt (ytd flows, bn \$, last point: 15 April)



Source: EPFR and Commerzbank

Euribor money market rates have been fixing higher, as analysts wonder to what extent the easier ECB collateral rules can stop upward pressure. The new collateral framework could help alleviate collateral pressures at some bank (helping them to achieve cheaper ECB funding).

European Money Markets (EURIBOR bank rates)



Source: Bloomberg, and IMF staff

In Germany, the government agreed on an additional crisis package worth €10 bn (including VAT tax cuts for restaurants and temporary increases in state wage support).

European Banks

Credit Suisse reports high 1Q20 credit costs and expects further provisions and declining capital ratios. Credit Suisse reported 1Q20 net income of CHF1.3bn, ahead of consensus CHF1bn, in part due to tax rebates and one-off gains. Underlying revenues were 2% and costs 4% better than expectations. This was negated by CHF1bn credit losses from leveraged lending, oil and gas and other exposures, booked as CHF 568mn of provisions (CHF81mn in 1Q19), of which CHF379mn were due to the US introduction of current expected credit losses, or CECL, and as CHF444mn of markdowns on securities. Management expects further markdowns and CECL reserve build in coming quarters. The bank's CET1 fell to 12.1%, from 12.7% at end-2019, and management guided for a further decline to 11.5% at year-end. Risk-weighted assets rose 3.5% from end-2019, due mainly to commitment drawdowns. While drawdowns have stopped, management expects RWA inflation in 2Q20 driven by rating agency downgrades. The company's share price is down about 1.2% from yesterday's close.

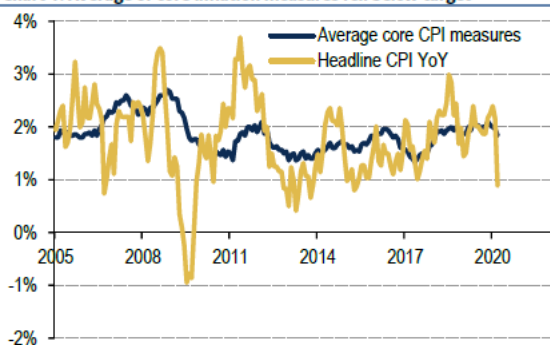
Other Mature Markets

[back to top](#)

Canada

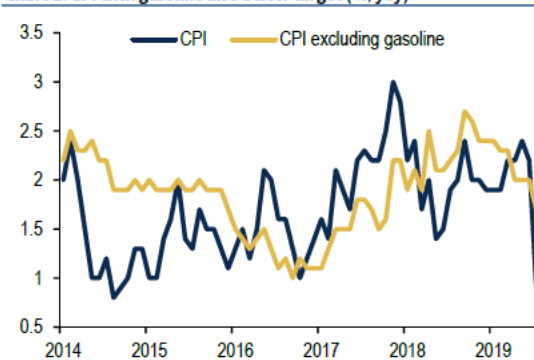
In Canada, headline inflation in March declined sharply to 0.9% y/y. This was lower than consensus expectations of 1.1% yoy growth and February's print of 2.2% y/y. The weak inflation print was mainly driven by collapsing gas prices that fell by 21% in the month. The average of the three core measures that the Bank of Canada (BoC) follows fell to 1.8% yoy in March from 2.0% previously (Chart 1). CPI excluding gasoline also slid down to 1.7% yoy (Chart 2). 10-year yields rose by 4 bps (inline with the global risk-on sentiment). Market implied policy rates for Canada also rose by 5-8 bps over the next 2 years.

Chart 1: Average of core inflation measures fell below target



Source: Bank of Canada

Chart 2: CPI excl. gasoline also below target (% yoy)



Source: Stat Canada

Japan

Equities (+1.4%) rose across all sectors ending a 3-day losing streak despite poor PMI readings.

The services PMI dropped to a record-low of 27.8 in April according to preliminary estimates. The manufacturing PMI fell to 43.7 in April, the biggest contraction since April 2009. Covid-19 cases in Japan have risen beyond 11,000 from around 9,000 a week ago. **The yen and JGB yields were stable.**

Nikkei 225 trades between 19,000 and 20,000



Source: Nikkei

Japan's economic activity plunges in April as virus fallout grows



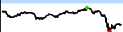






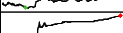

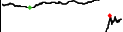
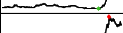
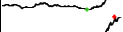
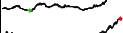

Source: IHS Markit

Emerging Markets

[back to top](#)

Asian equities (+0.8%) rose except for China (Shanghai -0.2%; Shenzhen -0.5%) and Singapore (-0.3%). India (+1.8%) outperformed following the central bank's announcement that it will buy long-term bonds and sell bills, while the rupee (+0.8%) strengthened and 10-year bond yield (-17bps) fell. Other currencies were broadly stable. On COVID-19, Shanghai will offer city-wide virus testing on a voluntary basis for companies and individuals. Such tests could be rolled out nationwide after Premier Li called for larger-scale testing yesterday to keep the virus under control. Vietnam's state television has reported that the social distancing order will end for most of the country on April 23, but containment measures of various degrees will remain in place at the local level. Australian officials said that they will keep international borders closed for at least 3 to 4 months to protect Australia from imported virus cases. **EMEA equities gained today**, following the positive session in the US yesterday and in Asia earlier this morning. By country: Russia (+0.2%); Turkey (closed today); Poland (+0.6%); Czech Republic (+1.4%). Currencies mostly weakened to the dollar by about 0.1% to 0.4%. **Latin American equity markets** were mostly higher on Wednesday. Brazil outperformed as the equity index rose 2.2%, followed by Argentina (+1.1%) and Mexico (+1%). Local currencies were mixed but mainly traded in narrow ranges, except for the Brazilian real (-2.7%). 10-year government bond yields dropped 13 bps in Mexico and were mixed in other countries.

Key Emerging Market Financial Indicators

Last updated: 4/23/20 8:52 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		35.76	0.1	1	17	-19	-20
MSCI Frontier Equities		22.16	3.4	1	13	-23	-27
EMBIG Sovereign Spread (in bps)		629	-4	25	-76	290	336
EM FX vs. USD		52.69	0.4	-1	-1	-16	-14
Major EM FX vs. USD			% (+) = EM currency appreciation				
China Renminbi		7.08	0.1	0	0	-5	-2
Indonesian Rupiah		15415	0.2	1	8	-9	-10
Indian Rupee		76.07	0.8	1	0	-8	-6
Argentina Peso		66.23	-0.2	-1	-4	-36	-10
Brazil Real		5.42	0.7	-3	-5	-28	-26
Mexican Peso		24.40	0.4	-2	4	-23	-22
Russian Ruble		74.43	2.0	0	7	-14	-17
South African Rand		19.00	0.1	-1	-6	-25	-26
Turkish Lira		6.94	0.7	0	-5	-16	-14
EM FX volatility		11.71	0.0	0.3	-2.9	3.5	5.1

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

China

Chinese regulators will increase financial and insurance assistance to agriculture and rural areas.

According to a circular by the China Banking and Insurance Regulatory Commission, banks are encouraged to strengthen financial support for related activities. Lending to rural areas will be ramped up for epidemic prevention and control, public health infrastructure construction and areas of tourism, production of agricultural products that were hit by COVID-19. Insurers are encouraged to offer agriculture-based insurance services and promote severe illness insurance programs in poor regions. **Equities (Shanghai - 0.2%; Shenzhen -0.5%) declined, the onshore and offshore RMB were stable while sovereign bond yields fell -4 bps.**

Korea

Korea's Q1 real GDP growth slowed to 1.3% y/y from 2.3% in Q4 2019 (consensus: 1.0%). Seasonally adjusted q/q growth (unannualized) dropped -1.4% from 1.3% in the previous quarter. Although better than expected, it still marked the sharpest contraction since the global financial crisis due to a big slump in private consumption. Analysts expect growth to weaken further in Q2 driven by worsening external demand despite increased fiscal policy support. Analysts also expect another interest rate cut in May. **Equities rose +1% and the won strengthened +0.2%.**

India

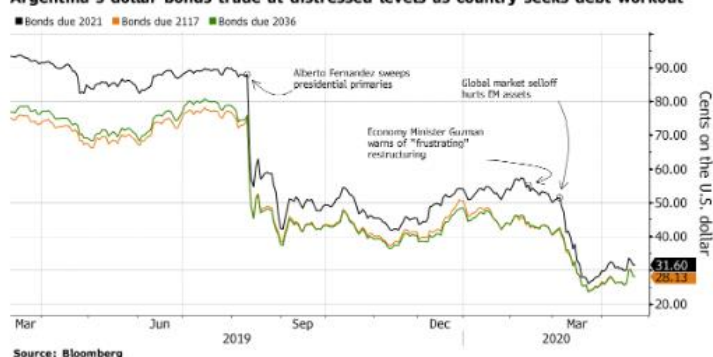
The 10-year bond yield fell -17 bps and equities (+1.8%) and the rupee (+0.8%) rose after the central bank said that it will buy long-term debt and sell bills. The Reserve Bank of India (RBI) will purchase INR100 bn (\$1.3 bn) of bonds maturing between 2026 and 2030 on April 7 and sell the same amount of bills, according to Bloomberg. The central bank has used such operations in January and December to ensure better monetary policy transmission.

Yield on benchmark debt fell after RBI announced debt operations**Argentina**

Argentina failed to make a \$500 mn interest payment due on Wednesday. The failure has triggered a 30-day grace period, during which Argentina must pay up the interest to avoid default on \$65 bn of foreign debt. The government proposed last week to delay all debt obligations for three years and impose a 62% reduction in interest (\$38 bn) and a 5.4% cut in face value (\$3.6bn). The proposal was rejected on Monday by three major debt holders. According to press reports, creditors have stated they are ready to engage with the government to reach an ideal agreement. Since late February, sovereign bonds have suffered losses, as one bond maturing in 2021 fell almost 40% and traded at 31 cents on the dollar. Domestic equities rose 1% yesterday, and the peso was little changed.

Deep in Distress

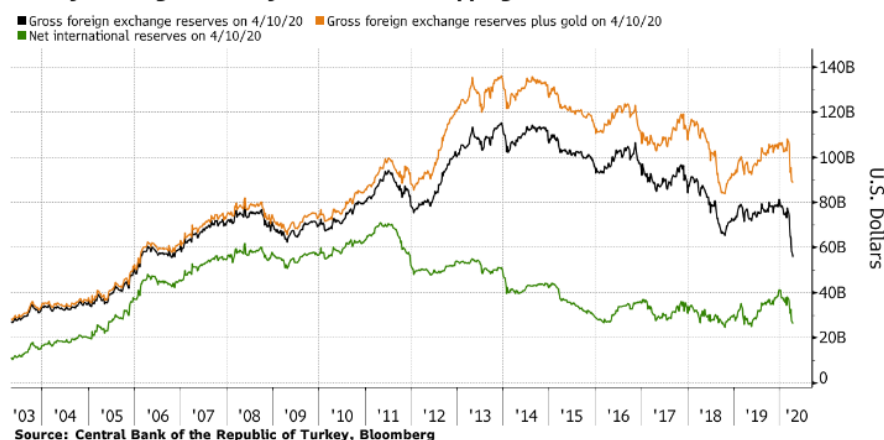
Argentina's dollar bonds trade at distressed levels as country seeks debt workout

**Mexico**

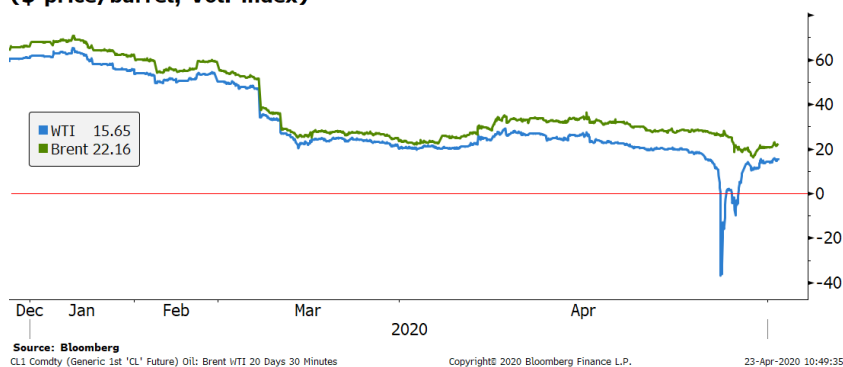
On Wednesday, Mexico sold \$6 bn in a three-part debt offering with notes due in 5, 12, and 31 years, which yield 4.125%, 5.0%, and 5.5%, respectively. Last sovereign issuance was placed in January when 10-year bonds yielded only 3.3%. Analysts commented that the high yields further proved the country is facing severe economy stress due to the coronavirus pandemic and sharp decline in oil prices. Mexican risky assets traded in a narrow range yesterday, as the domestic equities rose by 1%, and the peso weakened slightly against the dollar.

Risk Jumps**Mexico's five-year CDS hovers around the highest in more than a decade****Turkey**

The Central Bank of Turkey surprised yesterday with a 100 bps repo rate cut to 8.75%. The CBT said that it sees downside risks to the inflation outlook and that it aims to support growth. The move, however, resulted in renewed pressure on the lira. According to unconfirmed sources, state banks had to intervene in FX markets to support the lira by selling at least \$600 mn. Turkish financial markets are closed today for a holiday but the lira traded

Turkey's foreign-currency reserves are dropping fast

Crude prices have stabilized somewhat and traded at \$15/barrel for WTI and \$22/barrel for Brent this morning. Analysts remain concerned over forthcoming supply gluts, as the agreed OPEC production cuts will not take effect until May 1 and may not be enough to compensate for plummeting global demand.

Oil Markets: Selected Indicators
(**\$ price/barrel, Vol. index**)





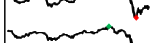
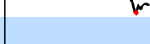
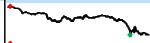




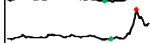

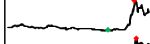



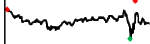
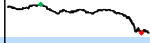




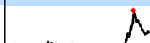


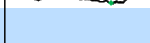


List of GMM Contributors

Global Markets Analysis Division, MCM Department

Anna Ilyina <i>Division Chief</i>	Reinout De Bock <i>Economist</i>	Patrick Schneider <i>Research Officer</i>
Will Kerry <i>Deputy Division Chief</i>	Dimitris Drakopoulos <i>Financial Sector Expert</i>	Jochen Schmittmann <i>Senior Economist</i>
Evan Papageorgiou <i>Deputy Division Chief</i>	Mohamed Jaber <i>Senior Financial Sector Expert</i>	Can Sever <i>Economist (Economist Program)</i>
Sergei Antoshin <i>Senior Economist</i>	David Jones <i>Senior Financial Sector Expert</i>	Juan Solé <i>Senior Economist</i>
John Caparusso <i>Senior Financial Sector Expert</i>	Sanjay Hazarika <i>Senior Financial Sector Expert</i>	Jeffrey Williams <i>Senior Financial Sector Expert</i>
Sally Chen <i>Senior Economist</i>	Frank Hespeler <i>Senior Financial Sector Expert</i>	Akihiko Yokoyama <i>Senior Financial Sector Expert</i>
Yingyuan Chen <i>Financial Sector Expert</i>	Rohit Goel <i>Financial Sector Expert</i>	Piyusha Khot <i>Research Assistant</i>
Han Teng Chua <i>Economic Analyst</i>	Henry Hoyle <i>Financial Sector Expert</i>	Xingmi Zheng <i>Research Assistant</i>
Fabio Cortés <i>Senior Economist</i>	Thomas Piontek <i>Financial Sector Expert</i>	

Disclaimer: This is an internal document produced by the Global Markets Analysis Division (GA) of the Monetary and Capital Markets Department. It reflects GA staff's interpretation and analysis of market views and developments. Market views presented may or may not reflect a consensus of market participants. GA staff do not independently verify the accuracy of all data and events presented in this document.

Global Financial Indicators

Last updated: 4/23/20 8:51 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		2799	2.3	1	25	-5	-13
Europe		2836	0.0	1	14	-19	-24
Japan		19429	1.5	1	15	-13	-18
China		2839	-0.2	1	7	-11	-7
Asia Ex Japan		63	2.7	2	17	-14	-14
Emerging Markets		36	0.1	1	17	-19	-20
Interest Rates			basis points				
US 10y Yield		0.62	5.0	-1	-17	-194	-130
Germany 10y Yield		-0.42	-1.7	5	-5	-47	-24
Japan 10y Yield		0.01	0.6	-1	-6	4	2
UK 10y Yield		0.30	-2.7	0	-13	-93	-52
Credit Spreads			basis points				
US Investment Grade		196	-0.2	7	-161	85	99
US High Yield		761	0.1	36	-331	368	368
Europe IG		84	-1.0	-1	-30	26	40
Europe HY		499	-6.6	5	-192	253	292
EMBIG Sovereign Spread		629	-4.0	25	-76	290	336
Exchange Rates			%				
USD/Majors		100.47	0.1	0	-2	3	4
EUR/USD		1.08	-0.3	0	1	-4	-4
USD/JPY		107.4	0.3	0	4	4	1
EM/USD		52.7	0.4	-1	-1	-16	-14
Commodities			%				
Brent Crude Oil (\$/barrel)		22	8.1	-21	-18	-70	-67
Industrials Metals (index)		95	0.3	0	5	-20	-17
Agriculture (index)		36	1.1	0	-5	-10	-14
Implied Volatility			%				
VIX Index (%, change in pp)		41.2	-0.8	1.1	-20.4	28.9	27.4
10y Treasury Volatility Index		6.5	-0.2	0.1	-6.7	2.6	2.4
Global FX Volatility		9.6	0.0	0.1	-4.5	3.4	3.7
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		278	-20.6	17	-7	-49	113
Italy		247	-2.0	16	51	-17	87
Portugal		163	-5.2	19	30	47	101
Spain		149	-5.8	18	35	41	83

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

Data source: Bloomberg.

[back to top](#)

Emerging Market Financial Indicators

Last updated: 4/23/2020 8:53 AM	Exchange Rates							Local Currency Bond Yields (GBI EM)						
	Level		Change (in %)					Level		Change (in basis points)				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M		YTD	Last 12m	Latest	1 Day	7 Days	30 Days	
	vs. USD		(+) = EM appreciation					% p.a.						
China		7.08	0.1	0.1	0	-5	-2		2.5	-3.0	-5	-35	-91	-69
Indonesia		15415	0.2	1.5	8	-9	-10		7.8	7.5	-6	-21	8	69
India		76	0.8	0.9	0	-8	-6		6.3	-1.8	-27	-29	-126	-54
Philippines		51	0.2	0.2	1	3	0		5.0	-7.1	-17	9	-33	66
Thailand		32	0.0	1.1	2	-1	-7		1.4	-5.3	-13	-38	-121	-21
Malaysia		4.36	0.1	0.4	2	-5	-6		2.9	3.2	-18	-69	-101	-44
Argentina		66	-0.2	-0.9	-4	-36	-10		50.3	-8.5	-486	-1891	2804	-1232
Brazil		5.42	0.7	-3.4	-5	-28	-26		5.4	-11.3	-46	-247	-273	-83
Chile		855	0.3	-0.2	1	-22	-12		3.0	-3.5	-22	-66	-110	-31
Colombia		4032	0.4	-3.5	1	-22	-19		6.5	-4.9	5	-192	32	54
Mexico		24.40	0.4	-1.5	4	-23	-22		6.8	-20.5	-11	-78	-138	-15
Peru		3.4	0.4	1.0	5	-2	-2		4.6	-1.4	2	-89	-75	9
Uruguay		43	0.2	1.2	4	-20	-13		12.1	-25.4	-76	112	163	127
Hungary		331	-0.3	-2.0	-1	-14	-11		1.8	1.0	4	-37	-26	58
Poland		4.20	0.0	-0.3	2	-9	-10		1.0	-3.2	-8	-60	-135	-94
Romania		4.5	-0.3	-0.5	1	-6	-5		4.2	0.0	-5	-78	-11	17
Russia		74.4	2.0	-0.3	7	-14	-17		6.0	-12.9	-55	-148	-199	-13
South Africa		19.0	0.1	-0.7	-6	-25	-26		11.0	30.1	11	-99	174	147
Turkey		6.94	0.7	0.0	-5	-16	-14		11.1	-46.5	-272	-156	-826	-56
US (DXY; 5y UST)		101	0.1	0.5	-2	3	4		0.38	1.6	3	-3	-198	-131

	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		2839	-0.2	1	7	-11	-7		247	-1	5	-24	73	71	
Indonesia		4594	0.6	3	15	-29	-27		351	-6	4	-68	173	195	
India		31863	1.5	4	23	-17	-23		326	3	-20	-86	172	201	
Philippines		5600	0.5	1	18	-28	-28		190	-5	11	-111	106	124	
Malaysia		1382	0.0	0	10	-15	-13		283	-1	3	-55	157	171	
Argentina		30555	1.1	-5	28	-1	-27		3888	55	-70	-624	3021	2119	
Brazil		80687	2.2	1	27	-16	-30		435	5	41	-43	193	220	
Chile		3679	0.7	-3	27	-29	-21		302	0	5	-86	176	169	
Colombia		1133	0.1	-6	23	-29	-32		407	3	41	-80	234	244	
Mexico		34224	1.0	1	4	-24	-21		701	0	44	-31	411	409	
Peru		14404	0.7	0	3	-31	-30		280	2	10	-94	158	173	
Hungary		32496	0.5	1	5	-25	-29		213	-1	3	7	110	127	
Poland		45078	0.7	1	15	-26	-22		129	-2	0	-1	86	111	
Romania		7923	1.0	-4	13	-5	-21		358	-3	-6	-22	159	184	
Russia		2594	0.8	3	15	0	-15		279	-10	8	-61	79	148	
South Africa		48830	1.5	1	28	-18	-14		666	4	14	-112	371	346	
Turkey		98171	0.0	2	17	2	-14		727	-1	-31	-48	228	326	
Ukraine		501	0.0	0	-4	-10	-2		904	-15	63	-308	300	484	
EM total		36	0.1	1	17	-19	-20		629	-4	25	-76	290	336	

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

[back to top](#)