GLOBAL MARKETS ANALYSIS
Monetary and Capital Markets

Global Markets Monitor

WEDNESDAY, APRIL 8, 2020

- **US equities erase early gains as focus shifts from virus to earnings and data releases** (link)
- **Eurogroup fails to agree on joint fiscal approach; southern European spreads widen** (link)
- **ECB announces broadening of collateral and lower haircuts for lending operations** (link)
- **S&P cuts Australian rating outlook to negative; banks underperform on dividend cuts** (link)
- **National Bank of Hungary surprises by raising rates but starts asset purchases** (link)
- **Chinese government bond yields lowest since 2002; Wuhan to lift travel restrictions** (link)
- **Banxico policy easing expected as Mexico's fiscal plan to deal with virus disappoints** (link)
- **S&P changes Brazil outlook from positive to stable and corporates face liquidity risks** (link)

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Nervousness around economic fallout from virus weighs on risk sentiment

Growing concerns about the depth and duration of the virus-driven economic shock put renewed pressure on global risk assets. Sentiment appears to reflect various factors which collectively underscore that investors believe markets may not be out of the woods. Investors have continued to weigh daily virus statistics, that have exhibited some encouraging signs of stabilization, against how long lockdowns will last and how deep of a growth slowdown the world will experience in an environment of unprecedented stimulus. Yesterday, the S&P 500 closed slightly lower after a choppy trading session, while US Treasury yields moved modestly higher and the curve steepened. After two-day gains in the range of 5 to 7% for Asian and European equities to start the week, most regional bourses are posting 1-1.5% declines this morning and peripheral yields in Europe are a bit higher after the Eurogroup was unable to reach an agreement. The US dollar is stronger against most G-10 majors this morning and oil prices remain volatile amid doubts an agreement on output curbs can be reached at the OPEC meeting scheduled for tomorrow, alongside reports of increasingly strained storage capacity. Emerging market currencies are also broadly weaker against the US dollar as some countries face tighter lockdown restrictions and further downgrades to ratings outlooks.

Key Global Financial Indicators

Last updated: 4/8/20 8:03 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities				%			%
S&P 500		2659	-0.2	3	-11	-8	-18
Eurostoxx 50		2820	-1.3	5	-13	-18	-25
Nikkei 225		19353	2.1	7	-7	-11	-18
MSCI EM		35	-1.6	3	-12	-20	-22
Yields and Spreads				bps			
US 10y Yield		0.75	4.2	17	-1	-177	-117
Germany 10y Yield		-0.31	-0.1	15	40	-32	-13
EMBIG Sovereign Spread		619	2	-26	221	279	326
FX / Commodities / Volatility				%			
EM FX vs. USD, (+) = appreciation		53.1	0.0	1	-8	-16	-13
Dollar index, (+) = $ appreciation		100.1	0.2	0	4	3	4
Brent Crude Oil ($/barrel)		32.1	0.6	30	-29	-55	-51
VIX Index (%, change in pp)		46.2	-0.5	-11	4	33	32

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

United States

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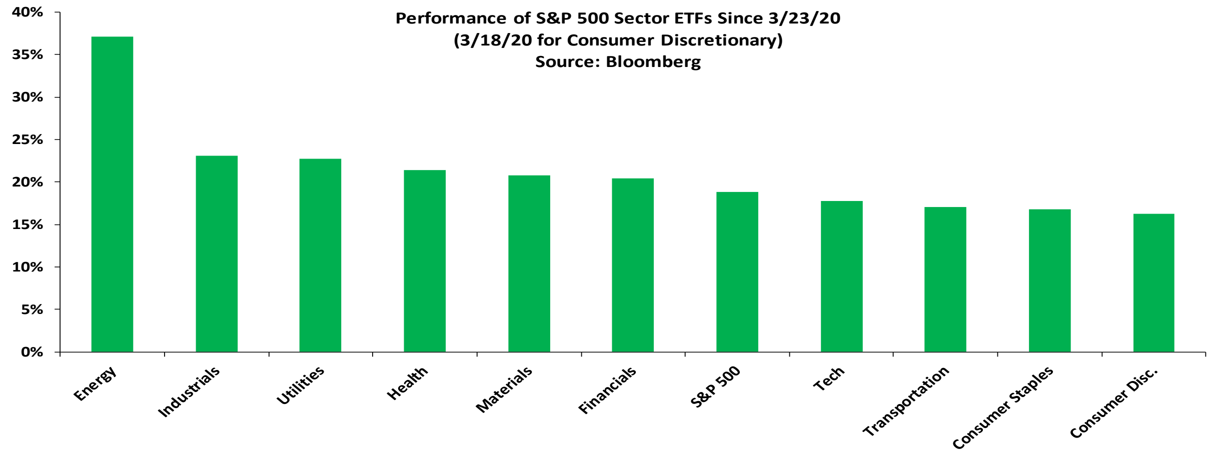
Markets made a strong start on Tuesday, but the gains faded away and the major indexes ended in the red. At one point the S&P 500 was up over 20% from the March 23 low. Markets have been buoyed by the extensive countermeasures taken by global authorities and on cautiously positive news regarding COVID-19. However, contacts warned that the upcoming earnings reports for Q1 might present a challenge, and that any renewal of bad news related to the virus could quickly erase recent gains.

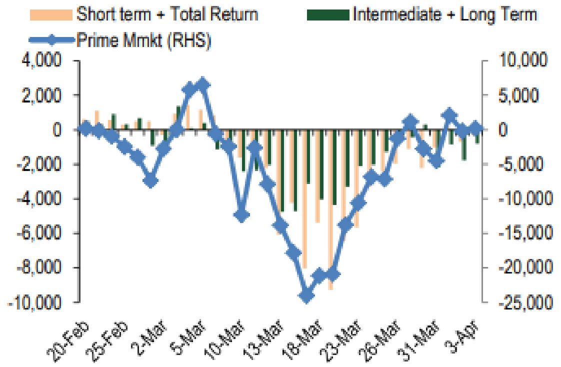
	Move Since Trough/Peak	Distance from Peak
S&P 500	**+15.87%**	**-33.92%**
Euro Stoxx 600	**+14.37%**	**-35.55%**
iShares Emerging Market ETF	**+12.84%**	**-33.89%**
10yr Treasury	**+17 bps**	
10yr Bund	**+55 bps**	
VIX	**-36 pts. (from 82.69)**	
MOVE Interest Rate Vol. Index	**-91 pts. (from 163.7)**	

The worst hit energy sector has seen the biggest gains since the market low on March 23. However, contacts warned that the upcoming earnings reports for Q1 might present a challenge as markets come to grips with the true impact of COVID-19 on corporate balance sheets and the broader global economy. The overall impact of the crisis on the economy also remains very unclear and any bad news on the virus could quickly erase the recent gains. In other news, the $25bn 10-year auction faced weak demand following a weak three-year note auction on Monday.



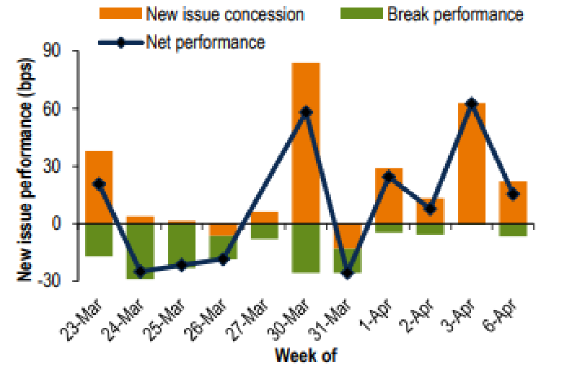
Outflows from bond funds are abating as investors regain confidence. Short maturity bond funds were the fastest to recover. Meanwhile, the US investment grade corporate bond market has been extremely busy as investors snap up new bonds from companies with stronger credit profiles. Although companies are being forced to offer large new issue concessions, spreads on newly issued bonds have tightened in the secondary market in the face of robust demand. At the current pace, 2020 would become the year with the highest volume of new IG bond issuance in history. However, few expect smooth sailing in the months ahead as the true scale of the economic damage from the crisis becomes apparent. There is a strong possibility that more shutdowns of the new issue market could occur as they did in March. In addition, it remains to be seen if even higher rated companies can retain balance sheet flexibility if economic conditions worsen.

Figure 3: Front-end outflows abating



Source: Crane, EPFR Global, BofA Global Research

Figure 4: Daily US IG new issue performance

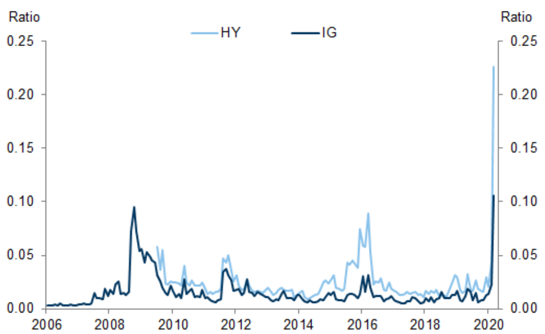


Source: BofA Global Research

The global selloff in March saw the US corporate bond market record the greatest dispersion in returns ever, much higher than the global financial crisis. Dispersion is the difference in returns between the best and worst performing bonds in the market, and dispersion was so pronounced due to the dual nature of the market shock. COVID-19 had a particularly negative impact on companies in the airline, travel and hospitality industries while the simultaneous oil shock hit the energy sector with both barrels as the oil price decline exacerbated the impact of COVID-19 due to reduced travel and collapsing demand for gasoline and other oil products. In comparison, technology and communications companies did much better as their business models stood to benefit from the COVID-19 environment as more people stayed home and relied on these companies' products to conduct business and communicate with employers and family members. Sharply reduced liquidity was another factor driving dispersion as more liquid bonds did better than less liquid bonds.

Exhibit 1 : March return dispersion reached record-setting levels in both IG and HY

Normalized inter-decile range of gross excess returns across all bond constituents of the USD iBoxx indices



Source: iBoxx, Goldman Sachs Global Investment Research

Europe

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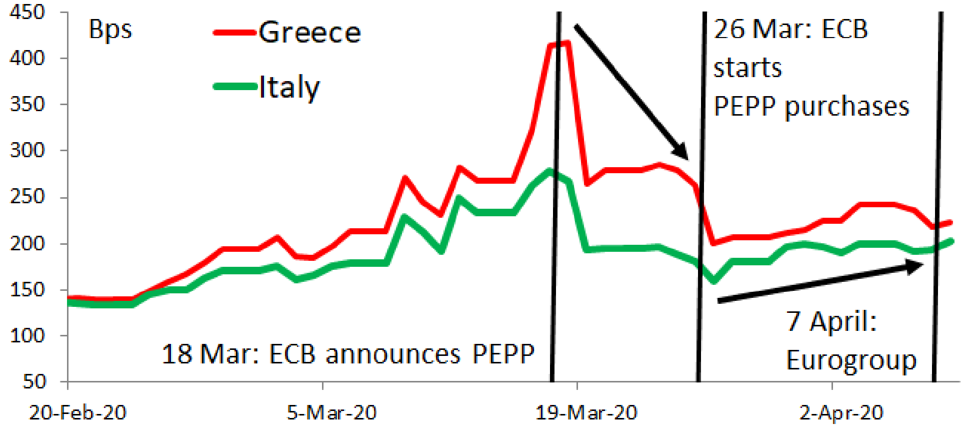
Italian 10-year spreads (+10 bps to 202 bps) and Greek 10-year spreads (+4 bps to 222 bps) widened after the Eurogroup failed to agree on a joint fiscal approach to the Coronavirus pandemic after an all-night session. European finance minister will now reconvene on Thursday. 10-year German yields fell 3 bps to -0.34% and U.S. 10-year yields are little changed at 0.73%. **European equities (-1.2%) fell as did the euro (-0.3% to $1.086).** Bank stocks (-2.3%) are also lower

Euro area: 10-year spread over German bunds (bps)



Source: Bloomberg and IMF staff

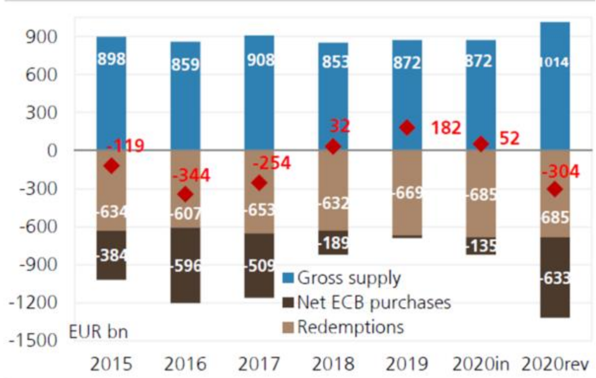
Euro area finance ministers reportedly disagreed on ESM conditionality and hints of future debt mutualization, with Italy's finance minister demanding an explicit reference to the use of jointly issued bonds. The French government reportedly attempted to propose a compromise in the form of a temporary recovery fund. This fund would be up to 3% of GDP and financed by jointly issued debt with a 10-year maturity, but the idea was rejected outright by the Netherlands. Reports suggest that Eurogroup participants could agree only on SURE, an EU Commission temporary unemployment scheme and EIB re-insurance for guarantees made by individual states.

The ECB announced new, easier collateral rules **yesterday, increasing the Eurosystem's risk tolerance to "support credit to the economy."** The measures include a waiver to accept Greek sovereign debt as collateral in Eurosystem credit operations but also reduced haircuts on credit claims and collateral valuation. The ECB will also assess further measures to temporarily mitigate the effect on counterparties' collateral availability from rating downgrades. Local Greek media reports that the **ECB's decisions to accept sub-investment grade Greek sovereign bonds as collateral in Eurosystem operations may free up to €15 bn of additional liquidity.**

The Banque de France estimates that the economy shrank 6% q/q in Q1, the largest fall since World War II. A monthly survey of 8,500 companies (Mar 27 and April 3) shows that economic activity has been reduced by nearly a third and that annual GDP is falling by 1.5 ppt every two weeks.

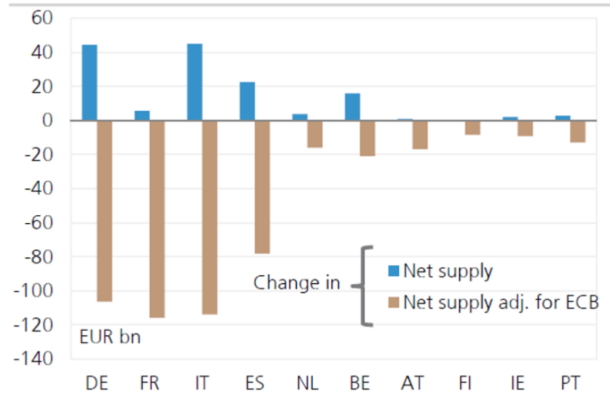
Analysts expect euro area 2020 gross bond issuance to rise to at least €1014 bn (from €871 bn expected at start of year) **based on current numbers compiled from debt managers and fiscal announcements. Nevertheless, net supply available to investors is expected to turn strongly negative once adjusted for likely ECB purchases.** Contacts expect the ECB to remain aggressive in its two QE programs (the €20 bn/m of regular APP with an extra €120 bn envelope and the €750 bn pandemic PEPP response program). According to UBS, data from the past two weeks of purchases shows that these two programs are being deployed actively with purchases of €57 bn compared to only €10 bn on the pre-pandemic trend.

Euro area bonds: €1014 bn in gross bond supply expected for 2020 (UBS).



Source: National DMOs, Bloomberg, UBS; 2020rev are our current estimates factoring in our economist's deficit forecasts, guidance from DMOs and our subjective judgement

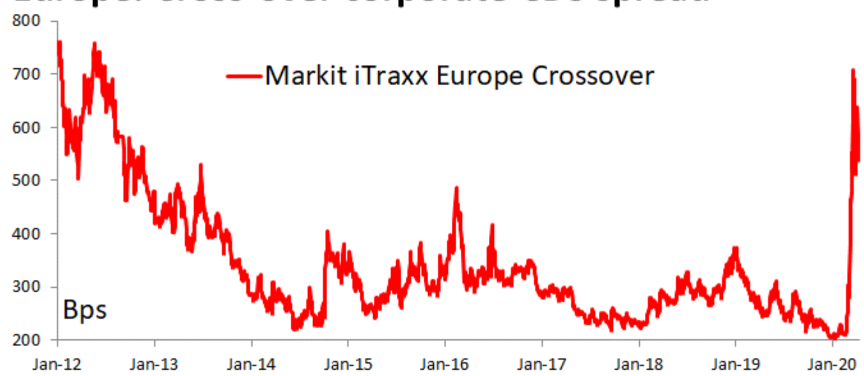
Euro area bonds: Net supply adjusted for ECB purchases expected to turn strongly negative in 2020.



Source: National DMOs, Bloomberg, UBS

In primary markets, IG corporates continue to boost liquidity buffers but cross-over corporate high-yield CDS spreads remain elevated at 549 bps. Yesterday, €7.8 bn of debt was priced across 9 deals but A and BBB+ dominated. Analysts argue that deals are generally eligible for the ECB's CSPP corporate bond buying program, and that the European high-yield market remains in distress.

Europe: Cross-over corporate CDS spread



Note: Markit iTraxx Europe Crossover index comprises 75 equally weighted credit default swaps on the most liquid sub-investment grade European corporate entities.
Source: Bloomberg, and IMF staff

Other Mature Markets

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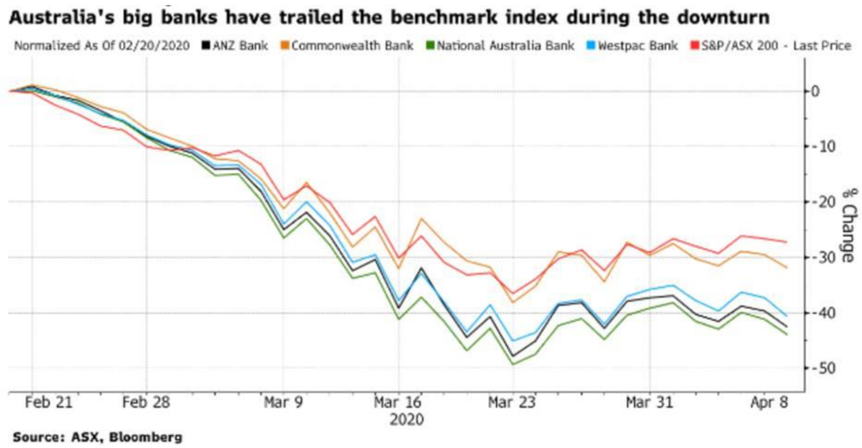
Australia

S&P cut Australia's AAA credit rating outlook to negative. S&P said that it would lower the rating within the next two years should COVID-19 causes more severe or prolonged economic damage than expected. **Bank of Queensland Ltd. became the first bank in Australia to delay its dividend after the prudential regulator urged banks and insurers to consider dividend cuts.** The bank would defer its first half dividend until the economic outlook is clearer. **Bank stocks underperformed (-4.2%) while the broader market declined 0.9%.**



Oil Prices

Brent oil prices (+0.7% to $32.1/bbl) are little changed as investor await further news on potential output cuts. **Despite the higher oil prices in the futures market, physical prices continue to fall** as refineries cut the amount of crude they process and purchase. North American landlocked crudes are fetching lower and lower prices. In Canada, oil from Alberta is now worth just $3.92 a barrel, while crude in the U.S. Bakken region is back beneath $10.

Emerging Markets back to top

Most Asian equity markets and currencies declined. Indonesia (-3.2%) and the Philippines (-2.5%) declined the most. Both countries have been reporting rapidly rising covid-19 infection rates. Singapore (-1.3%) also underperformed as the authorities continue tightening restrictions to a near-complete lockdown in response to rising domestic virus transmissions. **Equities in the EMEA region are mixed** with Hungary leading gains up 1.6%, while Russia is down 0.7%. Regional currencies are all modestly weaker against the US dollar by 0.1 to 0.3%. **Latin American stocks and currencies closed with mixed results.** Stocks gained 3 % in Brazil and 1.5% in Peru and declined by 1% in Chile and 0.8% in Argentina. Currencies appreciated in a range from 0.8% to 1.9%, with the Chilean and Argentine peso remaining flat. Sovereign debt spreads to US treasury yields narrowed for the region across all maturities and for both USD and local currency debt. The yield on Argentine 2-year USD debt surged by 282 bps to 158 percent, as S&P reduced its long- and short-term foreign currency sovereign ratings from CCC- and C to SD, indicating selective default.

Key Emerging Market Financial Indicators

Last updated:	Level		Change				
4/8/20 8:06 AM	Last 12m	index	1 Day	7 Days	30 Days	12 M	YTD
Major EM Benchmarks			%				%
MSCI EM Equities		35.12	-1.5	3	-12	-20	-22
MSCI Frontier Equities		21.16	-1.6	-1	-23	-27	-30
EMBIG Sovereign Spread (in bps)		617	0	-28	219	277	324
EM FX vs. USD		53.14	0.0	1	-8	-16	-13
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		7.07	-0.3	0	-2	-5	-1
Indonesian Rupiah		16250	-0.3	1	-11	-13	-15
Indian Rupee		76.31	-0.9	-1	-3	-9	-6
Argentine Peso		65.07	-0.1	-1	-4	-33	-8
Brazil Real		5.22	0.0	1	-10	-26	-23
Mexican Peso		24.26	0.2	0	-14	-22	-22
Russian Ruble		75.46	0.1	4	-9	-14	-18
South African Rand		18.21	0.6	0	-12	-22	-23
Turkish Lira		6.77	-0.1	-1	-9	-16	-12
EM FX volatility		12.12	0.0	-0.4	3.5	3.8	5.5

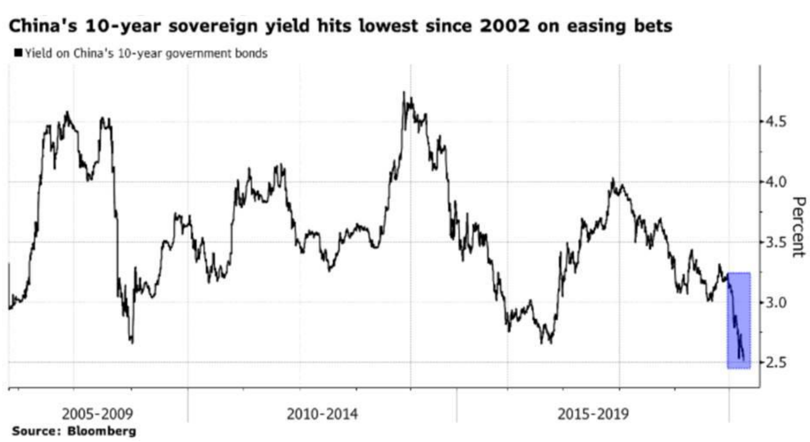
Colors denote tightening/easing financial conditions for observations greater than ±1.5 standard deviations. Data source: Bloomberg.

Hungary

Hungary announced stimulus to stave off the impact from the virus pandemic while its central bank tightened policy to support the currency. Hungarian authorities unveiled a stimulus package worth as much as 20% of GDP to counter growth headwinds from the virus outbreak. The package, which included planned stimulus from the central bank, will pay some private-sector wages, offer loan guarantees, subsidize investments and boost pensions. The total package is expected to deepen this year's budget deficit from 1% of GDP to 2.7%. Meanwhile, to stem a selloff in the forint, the Central Bank of Hungary (MNB) raised the overnight and 1-week collateralized loan rates from 0.9% to 1.85%. Moreover, MNB will launch additional bond purchases and announce the size and focus of these purchases – expected to include government bonds, MBS and SME loans – in the coming weeks. Before the introduction of these latest measures, the authorities had introduced a moratorium on loan repayments, injected roughly $29 bn to support banks, and unveiled a new deposit tool with a higher interest rate to drain liquidity. The forint, which has lost more 7.5% of its value against the dollar since late January, gained as much as 2.6% on Tuesday while yield on the 10-year note fell 13 bps to 2.69%.

China

Wuhan, where COVID-19 was first reported, has lifted its official ban on travel in place since January 23. According to Financial Times, some 55,000 people are expected to leave the city on Wednesday. While activity has picked up, many businesses remain closed. Free movement is still restricted in central Hankou area, where the coronavirus is thought to have originated. As of April 7, the authorities reported 62 confirmed cases (59 imported) with symptoms and 137 asymptomatic cases (102 imported) nationwide. **Separately, the 10-year government bond yield fell 3 bps to below 2.5%, the lowest since 2002.** The volume-weighted average rate of the benchmark overnight repo also declined to 0.7865%, the lowest on record amid flush liquidity. Foreign reserves fell -$46.1 bn to $3.061 tn, the largest drop since November 2016. **The onshore and offshore RMB and equities were marginally weaker.**



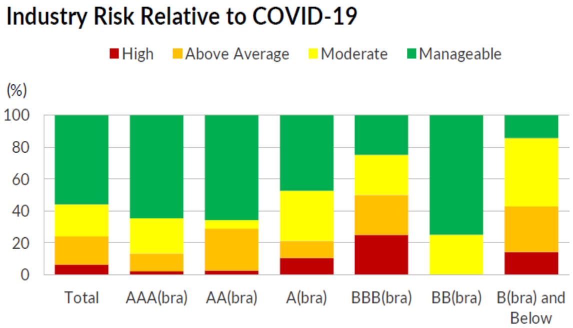
Mexico

As current fiscal stimulus plans disappointed market participants, they expect further monetary easing. Market participants were missing concrete supply-side measures in a policy package announced by Mexico's president Obrador. Mr. Obrador detailed a loan program for housing and small businesses, a continuance of infrastructure projects supposed to generate up to 2 mn jobs and a 64 bn peso tax cut for Pemex. A list of announced measures collected by JP Morgan would add up to roughly 3% of GDP not including the Pemex tax cut**. Markets nevertheless reacted unimpressed with the peso on Monday initially depreciating up to 3% intraday before starting to appreciate amid the general risk-on move in emerging market assets**. A CPI growth of 3.25% y/y, down from 3.7% in February, surprised Tuesday on the downside and invigorated expectations for additional monetary policy rate cuts. Accordingly, the 3-

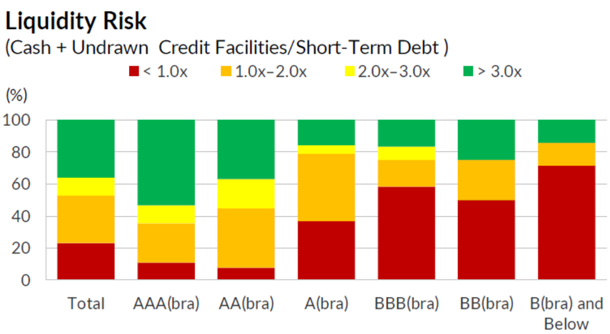
month ahead market implied policy rate receded over the last week by a further 14 bps to 5.53%, consistent with JP Morgan expectations for a rate cut of up to 100 bps in April.

Brazil

Corporate vulnerabilities are expected to deepen the economic impact of COVID-19. Fitch analysts gauge about one fifth of Brazilian corporates rated by the agency as vulnerable to COVID-19. Liquidity risk is the most pressing concern: one fifth of corporates, especially from sectors such as energy extraction, tourism and air traffic, are unable to cover their short-term debt with cash or undrawn credit lines and will need to tap local markets, where funding costs are expected to rise, and credit may be scarce. These concerns are illustrated by S&P reports that a 40 bn *real* credit line of the treasury and private lenders offering payroll financing to SMEs could be exhausted within two months, as well as by local press reports that the country's five top banks received restructuring requests for loans of 200 bn *real*. Such corporate vulnerabilities are likely to add to recessionary and fiscal pressures. Meanwhile S&P changed on Monday the country's sovereign rating outlook, along with the outlook for 15 domestic financial institutions, from positive to stable, reflecting a 75% increase in its 5-year CDS spread vs. the US from 180bps to 323bps over the last month. The country's authorities continued their attempts to preserve liquidity, most recently by restricting dividend payments and share buy-backs for financial institutions and doubling the volume of deposit insured CDs banks are allowed to issue. Stronger stock markets and a firmer currency may have partially reflected markets' content with these measures.



Source: Fitch Ratings, issuer financial statements and announcements.



Source: Fitch Ratings, issuer financial statements and announcements.

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Global Financial Indicators

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4/8/20 8:04 AM	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities					%		%
United States		2659	-0.2	3	-11	-8	-18
Europe		2820	-1.3	5	-13	-18	-25
Japan		19353	2.1	7	-7	-11	-18
China		2815	-0.2	2	-7	-13	-8
Asia Ex Japan		61	0.4	3	-10	-16	-17
Emerging Markets		35	-1.6	3	-12	-20	-22
Interest Rates					basis points		
US 10y Yield		0.75	4.2	17	-1	-177	-117
Germany 10y Yield		-0.31	-0.1	15	40	-32	-13
Japan 10y Yield		0.02	0.5	1	15	7	4
UK 10y Yield		0.38	-3.4	7	14	-74	-44
Credit Spreads					basis points		
US Investment Grade		243	-13.1	-29	107	126	145
US High Yield		840	-29.1	-42	287	433	447
Europe IG		96	0.4	-8	-9	35	52
Europe HY		546	5.2	-60	81	285	338
EMBIG Sovereign Spread		619	2.0	-26	221	279	326
Exchange Rates					%		
USD/Majors		100.12	0.2	0	4	3	4
EUR/USD		1.09	-0.2	-1	-5	-3	-3
USD/JPY		108.9	-0.1	-2	-6	2	0
EM/USD		53.1	0.0	1	-8	-16	-13
Commodities					%		
Brent Crude Oil ($/barrel)		32	0.6	30	-29	-55	-51
Industrials Metals (index)		93	-0.6	2	-11	-24	-19
Agriculture (index)		36	0.4	1	-5	-10	-12
Implied Volatility					%		
VIX Index (%, change in pp)		46.2	-0.5	-10.9	4.2	33.0	32.4
10y Treasury Volatility Index		7.0	0.8	-0.7	-2.8	3.4	2.9
Global FX Volatility		10.0	0.0	-1.2	1.5	3.3	4.0
EA Sovereign Spreads					10-Year spread vs. Germany (bps)		
Greece		216	-1.9	-8	3	-132	50
Italy		199	6.2	2	20	-49	39
Portugal		128	2.7	-7	27	6	66
Spain		114	1.3	-2	22	6	49

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:	Exchange Rates							Local Currency Bond Yields (GBI EM)						
4/8/2020	Level		Change (in %)					Level		Change (in basis points)				
8:08 AM	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		7.07	-0.3	0.5	-2	-5	-1		2.5	-14.6	-16	-25	-71	-63
Indonesia		16250	-0.3	1.2	-11	-13	-15		8.2	-6.6	23	129	52	109
India		76	-0.9	-1.0	-3	-9	-6		6.6	7.7	20	24	-80	-23
Philippines		51	0.2	0.6	0	3	0		5.1	0.2	20	98	-21	78
Thailand		33	0.0	0.4	-4	-3	-9		1.7	-8.5	-1	55	-92	4
Malaysia		4.35	-0.1	0.4	-3	-6	-6		3.3	1.8	-5	47	-53	-10
Argentina		65	-0.1	-1.0	-4	-33	-8		59.5	-83.9	-73	1165	3579	-314
Brazil		5.22	0.0	0.5	-10	-26	-23		6.5	-10.2	19	73	-163	24
Chile		854	-0.3	0.1	-1	-22	-12		3.5	1.0	-15	31	-62	24
Colombia		3911	1.7	3.7	-3	-20	-16		7.2	-25.8	34	159	101	125
Mexico		24.26	0.2	-0.1	-14	-22	-22		7.2	-15.8	2	76	-87	28
Peru		3.4	0.8	1.9	4	-2	-2		5.2	-44.6	14	109	-13	66
Uruguay		43	0.8	0.0	-1	-22	-13		13.1	-10.8	-14	273	261	221
Hungary		330	-0.4	0.4	-11	-14	-11		1.9	-5.6	2	55	-2	71
Poland		4.18	-0.5	0.3	-10	-9	-9		1.3	-1.2	-4	-19	-104	-61
Romania		4.4	-0.2	-0.9	-5	-5	-4		4.3	-1.0	-12	75	10	30
Russia		75.5	0.1	4.3	-9	-14	-18		6.5	-1.8	-6	29	-149	42
South Africa		18.2	0.6	0.1	-12	-22	-23		11.3	-28.2	4	169	197	173
Turkey		6.77	-0.1	-1.1	-9	-16	-12		13.6	-24.1	96	234	-497	190
US (DXY; 5y UST)		100	0.2	0.4	4	3	4		0.48	2.5	13	-13	-184	-121

	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		2815	-0.2	2	-7	-13	-8		247	2	0	62	71	71
Indonesia		4627	-3.2	4	-16	-28	-27		377	6	7	146	188	221
India		29894	-0.6	5	-20	-23	-28		355	-3	-19	177	196	230
Philippines		5511	-2.5	2	-19	-30	-29		190	-12	-40	53	103	124
Malaysia		1361	-0.6	3	-8	-17	-14		298	4	2	165	171	186
Argentina		26696	-0.8	9	-24	-19	-36		3742	-12	-209	1333	2937	1973
Brazil		76358	3.1	5	-22	-22	-34		416	-5	-10	162	170	201
Chile		3712	-1.0	8	-12	-30	-21		315	0	-13	117	187	182
Colombia		1163	0.3	9	-23	-28	-30		386	0	-22	172	207	223
Mexico		34526	0.4	0	-17	-24	-21		691	-4	-24	295	395	399
Peru		13775	1.5	-5	-25	-36	-33		285	0	-5	123	164	178
Hungary		33215	1.6	3	-19	-21	-28		205	-1	-13	3	101	119
Poland		44065	-0.1	7	-11	-28	-24		125	-1	-12	11	78	107
Romania		7997	-0.3	8	-15	-3	-20		383	-11	-1	123	179	210
Russia		2628	-0.2	6	-3	3	-14		269	3	-47	59	55	138
South Africa		46663	-1.8	7	-10	-20	-18		693	5	-83	254	402	373
Turkey		92896	0.5	4	-15	-4	-19		780	-3	15	273	302	379
Ukraine		505	0.0	-1	-6	-11	-1		855	17	-63	250	275	435
EM total		35	-1.5	3	-12	-20	-22		617	0	-28	219	277	324

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						
		Change or relative change				
	Latest	1 Day	7 Days	YTD	Since global intensification (Feb 19)	Since Chinese intensification (Jan 20)
Equity Markets	**Index**	**Relative change (in %) except VIX**				
China						
CSI 300 (Large Cap/Main Equity Index)	3780	-0.5	2.6	-7.7	-6.7	-9.7
CSI 500 (Mid-Cap Index)	5272	0.1	4.6	0.1	-5.9	-5.7
CSI 1000 (Small-Cap Index)	5718	0.4	5.4	2.7	-5.0	-4.0
Japan (Nikkei)	19353	2.1	7.1	-18.2	-17.3	-19.6
Korea (Kospi)	1807	-0.9	7.2	-17.8	-18.2	-20.1
United States (S&P 500)	2659	-0.2	2.9	-17.7	-21.5	-20.1
Europe (Eurostoxx 600)	324	-0.8	4.2	-22.1	-25.4	-23.6
MSCI Global	453	1.0	6.4	-19.8	-21.9	-21.8
MSCI Asia ex. Japan	578	2.8	5.7	-16.0	-15.9	-18.7
Asia Pacific Airlines	103	2.4	3.7	-32.7	-24.6	-30.9
Luxury Goods	582	2.6	7.4	-24.7	-22.8	-26.6
Hotels Restaurants & Leisure	260	2.8	9.0	-32.6	-32.9	-34.9
Volatility Index (VIX, change in pp)	46	-1.0	-11.3	31.9	31.3	33.6
Interest Rates	**Percent**	**Change (in basis points)**				
US 10y Yield	0.75	4	17	-117	-81	-107
Germany 10y Yield	-0.31	0	15	-12	11	-9
Eurodollar - April 2020	1.29	-2	-7	43	-35	-44
Eurodollar - June 2020	0.69	-9	-14	101	-86	-100
Eurodollar - December 2020	0.44	-3	-9	118	-99	-117
Exchange Rates	**Level**	**Relative change (in %) (+) = Appreciation**				
Chinese Renminbi (per USD)	7.07	-0.3	0.5	-1.5	-1.0	-2.9
Japanese Yen (per USD)	108.9	-0.1	-1.5	-0.2	2.3	1.2
Euro (in USD)	1.09	-0.2	-0.8	-3.0	-0.6	2.0
Dollar Index	100.1	0.2	0.4	3.9	0.4	2.6
EM FX index	53.2	0.1	0.7	-13.4	-10.4	-12.7
EM Bond Spreads on USD Debt	**Basis points**	**Change (in basis points)**				
EMBI Global Diversified	622	-16	-4	332	320	332
EMBI Asia	423	-3	-2	246	250	248
EMBI Latam	672	-11	31	364	349	362
China	247	2	0	71	79	74
Local Currency Bond Yields (GBI EM)	**Percent**	**Change (in basis points)**				
China	2.51	-15	-16	-63	-40	-59
Mexico	7.22	-16	2	28	62	31
Brazil	6.49	-10	19	24	73	33
South Africa	11.25	-28	4	173	180	177
Turkey	13.59	-24	96	190	221	308
Commodities	**Dollars**	**Relative change (in %)**				
Brent Crude Oil (per ton)	32.0	0.5	29.4	-51.5	-45.8	-50.9
Gold (per troy ounce)	1646.0	-0.1	3.4	8.5	2.1	5.5