GLOBAL MARKETS ANALYSIS
Monetary and Capital Markets

Global Markets Monitor

MONDAY, DECEMBER 2, 2019

- **Analysts predict rebound in 2020 US corporate earnings** (link)
- **Rising funding costs signal worry over year-end liquidity** (link)
- **Global markets enjoy an extensive period of low and falling volatility** (link)
- **Japanese equities lead gains in Asia on potential fiscal stimulus as well as domestic capex and Chinese PMI upside surprise** (link)
- **Japanese banks' USD borrowing costs rise sharply on tighter funding conditions** (link)
- **Chilean peso appreciates after the central bank announced a $20 bn FX intervention program** (link)

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Markets cautious as Trump revives Brazil and Argentina steel tariffs

US equity futures pared gains and European stocks lost momentum as Trump's tariff announcement on Brazil and Argentina overshadowed solid Chinese and Euro-area PMI data. President Trump is reinstating tariffs on steel and aluminum from Argentina and Brazil, nations he criticized for cheapening their currencies to the detriment of US farmers. Japanese stocks (+1.0%) outperformed buoyed by better-than-expected domestic capex and Chinese manufacturing data as well as press reports of potential fiscal stimulus. Meanwhile, sovereign bonds sold off this morning with yields up 6 bps and 7 bps in the US and Germany, respectively. Coming out of the Thanksgiving holiday in the US, market participants will likely remain fixated on the trade negotiations. The consensus view is that there will be a "phase one" deal by December in which the US will call off the December 15 tariffs, with additional concessions by both sides. The market is fairly confident of this outcome and falling short in any material way could have a large negative impact on sentiment.

It will be a busy week of data releases in the US highlighted by the all-important employment report on Friday where the consensus forecast is for 190K new jobs to be created. If realized, this would be a strong rebound from the weak 128K print in the October report. Other important reports include ISM Manufacturing data later today, non-manufacturing PMI data on Wednesday and durable goods orders on Thursday. The US data could be especially important due going into the last FOMC meeting of the year on December 11. In the euro area, the raft of PMI data due on Wednesday will be the highlight, followed by euro area employment on Thursday and German industrial production on Friday. The UK reports services PMI on Wednesday and China reports PMIs tomorrow. This week's central bank meetings include India (Tuesday-Wednesday) and Canada (Wednesday).

Key Global Financial Indicators

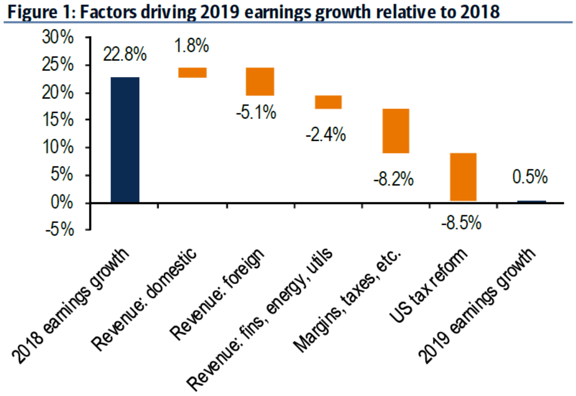
Last updated: 12/2/19 7:57 AM	Level Last 12m	Latest	Change from Market Close 1 Day	7 Days	30 Days	12 M	YTD
Equities					%		%
S&P 500		3141	-0.4	1	2	14	25
Eurostoxx 50		3691	-0.3	0	2	16	23
Nikkei 225		23530	1.0	1	3	5	18
MSCI EM		43	0.4	-1	-2	4	9
Yields and Spreads					bps		
US 10y Yield		1.84	1.0	9	13	-115	-84
Germany 10y Yield		-0.29	7.1	6	9	-60	-53
EMBIG Sovereign Spread		322	-3	-13	-2	-76	-92
FX / Commodities / Volatility					%		
EM FX vs. USD, (+) = appreciation		59.9	0.1	0	-2	-4	-4
Dollar index, (+) = $ appreciation		98.3	0.1	0	1	1	2
Brent Crude Oil ($/barrel)		61.8	2.2	-3	0	5	15
VIX Index (%, change in pp)		12.9	0.3	1	1	-5	-12

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

United States back to top

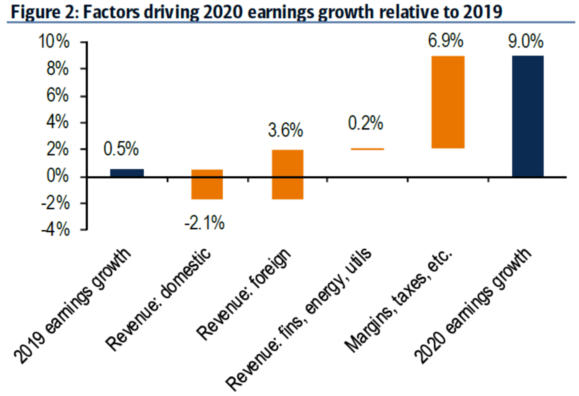
Friday saw a quiet trading session following the holiday, with many US market participants out of the office. Stocks and Treasuries drifted near current levels. **With most major indexes at or near record levels, there appears to be a fair amount of optimism in the markets and the consensus is for a strong rebound in US corporate earnings next year.** Most analysts are predicting a strong recovery in corporate earnings next year. For example, Bank of America forecasts that the 2020 earnings growth for US investment grade companies will be a robust 9% compared to an estimated growth of just 0.5% in 2019. The Bank predicts that the main drivers of growth next year will be higher profit margins and lower effective tax rates, along with higher foreign revenue due to a de-escalation of trade tensions. In 2019, lower foreign revenue due to the trade dispute, squeezed profits and negative tax effects relative to 2018 were the main drags on earnings growth.

Figure 1: Factors driving 2019 earnings growth relative to 2018



Note: Domestic and foreign revenues are excluding Finance, Energy and Utilities.
Source: BofA Merrill Lynch Global Research, FactSet.

Figure 2: Factors driving 2020 earnings growth relative to 2019

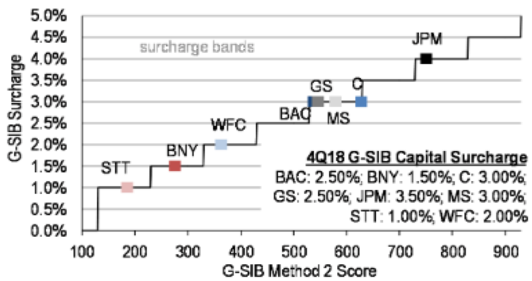


Note: Domestic and foreign revenues are excluding Finance, Energy and Utilities.
Source: BofA Merrill Lynch Global Research, FactSet.

With year-end approaching, market participants are getting very worried about potential disruptions in the money markets over the "turn" from 2019 to 2020. The recent flareup in the money markets in September spooked a market already worried after the severe disruptions at the end of 2018. JP Morgan forecasts that the biggest US banks are still have a long way to go to get back to their balance sheet levels of Q4 2018. They forecast that regulatory considerations will force them to pull back from the derivatives and repo markets once again this year, leaving a gap in the market that could make life difficult for money market participants if there is an unexpected shortfall in the supply of liquidity. The Fed's overnight and term repo operations introduced in September helped to calm things down but there is skepticism that their efforts will be enough for the turn. General collateral (GC) repo rates maturing over the turn have already risen sharply.

Exhibit 1: The latest 3Q19 G-SIB scores show that some banks are still far away from the 4Q18 level

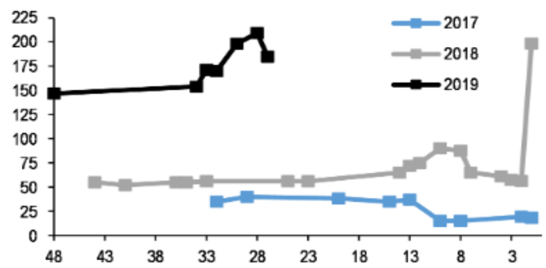
US G-SIBs' scores (unitless) and surcharge buckets (%), as of 3Q19



Source: FR Y-15, J.P. Morgan

Exhibit 2: Markets are already pricing a substantial premium to fund over the turn relative to this time period in 2017 and 2018

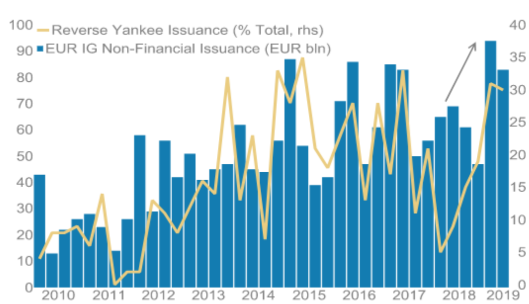
Turn trades for GC<10Y in the days leading up to year-ends, 2017-2019, volume weighted average spread to IOER (bp)



Source: J.P. Morgan

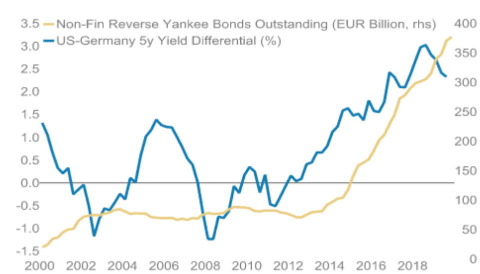
The volume of reverse Yankee euro-denominated corporate bond issuance has increased significantly in recent years. Reverse-Yankees are bonds issued in the euro area bond market by US companies, in contrast to Yankee bonds which are dollar-denominated bonds issued in the US market by non-US companies. Morgan Stanley points out that reverse Yankee issuance is large both in terms of absolute size but also in terms of share of the euro area corporate bond market overall. Low volatility in the foreign exchange market coupled with very low interest rates in the euro area have made euro-denominated funding for US companies more attractive relative to dollar funding, especially for companies with higher credit ratings. The US corporate tax cuts that came into effect in 2018 also boosted the reverse Yankee market as companies repatriated their profits back to the US in dollars and now found it convenient to fund their extensive euro area assets and operations in the euro area bond markets. The analysts expect less issuance in 2020 as US companies try to de-lever and pay down their debt.

Exhibit 6: Increasing reverse Yankee issuance...



Source: *Morgan Stanley Credit Research*

Exhibit 7: ...has boosted the absolute level of reverse Yankee bonds outstanding

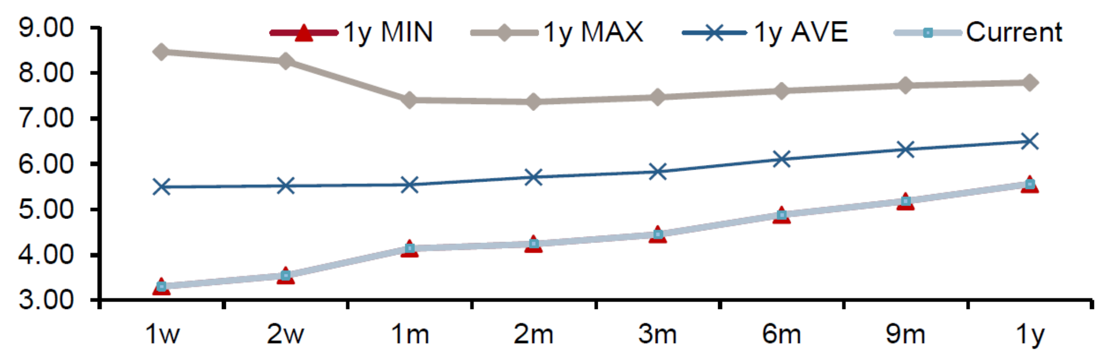


Source: Bloomberg, Macrobond, Morgan Stanley Research

Global markets have enjoyed an extensive period of low and falling volatility. This has extended across most asset classes and sectors, barring idiosyncratic cases like Brazil and Ecuador and similar countries that have seen volatile FX markets. Low volatility has prevailed in the VIX, the interest markets and FX across all the G-10 countries. This has contributed to stable conditions in funding markets as well as longer maturity bond markets, both sovereign and corporate. CFTC data show that there is a record level of short positions in VIX futures. Some market participants are beginning to worry about complacency in the markets, pointing out that a volatility spike similar to the February 2018 episode could be potentially disruptive for markets.

Figure 1: The lack of volatility remains the main story in G10 FX

EURUSD implied volatility curve (%)



Source: Credit Suisse, the BLOOMBERG PROFESSIONAL™ service

Europe

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Equity markets lost momentum mid-morning following Trump's tariff announcement on Brazil and Argentina after opening the week with gains across countries. The DAX (-0.1%), CAC (-0.3%) and Euro Stoxx 600 (-0.1%) turned negative after opening up +0.7%, +0.3%, +0.4%, respectively. Bank stocks (+0.2%) outperformed the main indices.

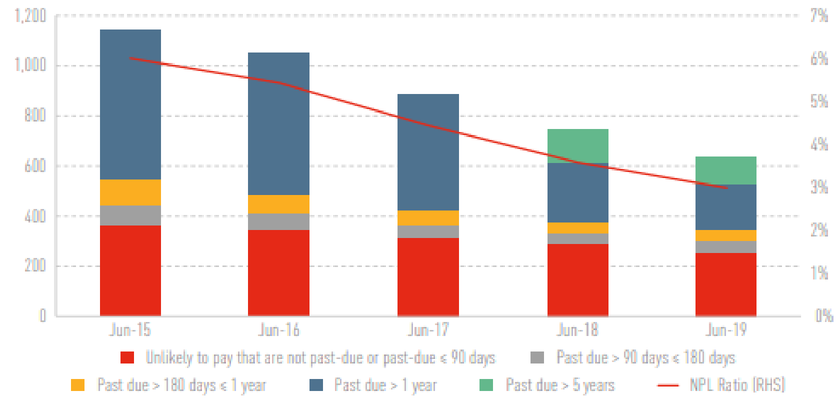
Sovereign bonds sold off this morning on slightly better-than-expected macro data out of China and Europe. German 10-year yields ate at -0.29% (+6 bps); French OATs are at 0.01% (+6 bps); Italian at 1.34% (+12 bps); Spain at 0.48% (+7 bps).

European banks' capital buffers have remained stable over the last year while NPL ratios have declined somewhat, according to the EBA's Risk Assessment Report. The EBA also noted that, amid continuing challenges to banks' profitability, an increasing share of lenders expect a deterioration of asset quality in coming months. Banks should take advantage of the low rate environment to fulfill their MREL regulatory requirements, the EBA recommends.

Overview of key figures

	CET1 ratio (transitional)	CET1 ratio (fully loaded)	NPL ratio	Coverage ratio	RoE	Leverage ratio (fully phased-in)
Q2 2019	14.6%	14.4%	3.0%	44.9%	7.0%	5.2%
Q2 2018	14.5%	14.3%	3.6%	46.0%	7.2%	5.1%

Figure 18: NPL volumes (EUR bn) by past-due category and yearly trend of EU NPL ratio (%)
Source: EBA supervisory reporting data

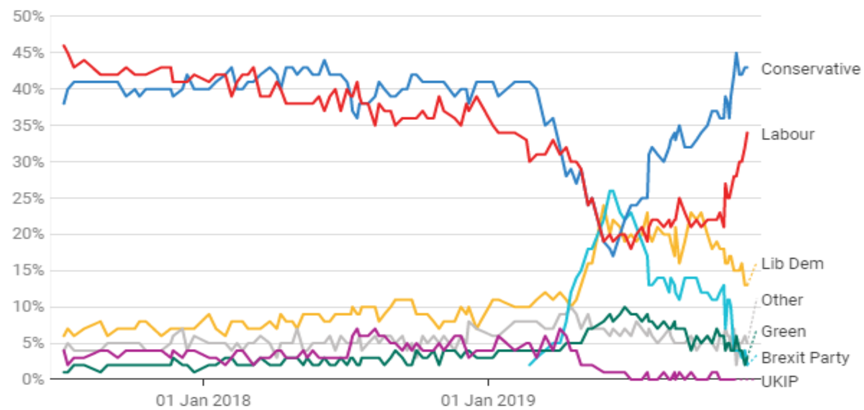


In **macro data**:

- The **German** manufacturing PMI for November came in at 44.1, compared to 43.8 expected;
- **French** manufacturing PMI stood at 51.7 vs. 51.6 expected;
- **Italy**'s manufacturing PMI was 47.6 vs. 47.6 expected;
- The **Eurozone**'s manufacturing PMI came in at 46.9 vs. 46.6 expected.

On the Brexit front, EU commissioner Domvroskis said this weekend that the European Commission would be willing to grant the UK "financial equivalence" similar to that currently obtained by the US and Singapore, but that such decision would be revoked if the UK engaged in "deregulation." Domvroskis noted that the more systemically important a market was perceived, the closer regulatory alignment the EC would expect from the UK.

On the campaign trail, PM Johnson continued to vow to "getting Brexit done" and tighten border controls if elected. **The Conservative Party maintains a 68-seat advantage over Labour** for the Dec. 12th election according to the latest polls (359 Tory MPs vs. 211 Labour MPs projected).



Latest update: 28-29 Nov 2019
Chart: YouGov • Source: YouGov • Get the data • Created with Datawrapper

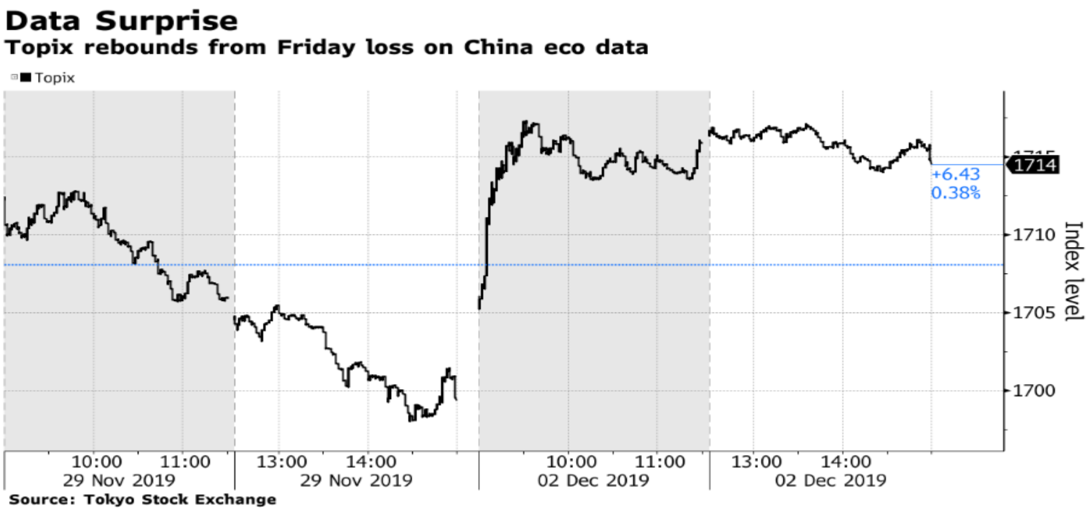
Separately, the Bank of England announced that current **governor Carney will become the next UN's Special Envoy on Climate Change** when his term expires on Jan 31st, 2020 (the current date for Brexit). Mr. Carney will succeed Mr. Bloomberg at the UN and command a salary of $1 for this post.

Malta's PM Joseph Muscat resigned amid a deepening political crisis surrounding the murder in 2017 of journalist Daphne Caruana Galizia.

Other Mature Markets back to top

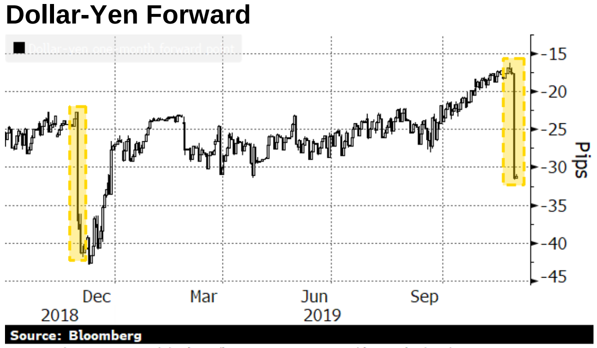
Japan

Equities (+1.0%) rose, buoyed by better-than-expected domestic capex and Chinese manufacturing data as well as press reports of potential fiscal stimulus. Electronics and autos outperformed. Japanese firms increased capex by 7.1% y/y in Q3, beating consensus of 5.0% y/y and rising from 1.9% y/y in Q2. The rise was broad-based across manufacturing and services. The pace of decline in profits slowed to -5.3% y/y from -12.0% y/y. On potential fiscal stimulus, **Nikkei newspaper reported over the weekend that the Japanese government is preparing a fiscal stimulus package of $91bn. 10-year JGB yields rose 3 bps to -0.06% while the yen was unchanged.**



Japanese banks' dollar borrowing costs rose sharply on tightening funding conditions. The chart below, which shows the widening spread between one-month dollar forward contracts and spot rates, suggests that Japanese banks' cost to borrow US dollars in cross-currency swap markets has risen sharply. This development has become typical in the run-up to year end as US banks with surplus dollars begin to retract balance sheet commitments in preparation for year-end capital, liquidity and G-SIB scoring data submissions. However, conditions have become particularly challenging this year, because US short-term funding conditions are tight and banks can earn relatively high yields on reserves held with the Fed.

Dollar-Yen Forward



Emerging Markets

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Asian equities (+0.3%) rose on stronger-than-expected Chinese PMIs and possible fiscal stimulus in Japan. The Philippines (+1.8%) and Indonesia (+2.0%) outperformed, while Thailand (-1.4%) and Vietnam (-1.2%) fell. Regional currencies were little changed except the Philippine peso (-0.5%). Turning to EMEA, **equities traded with a positive tone, with the exception of South Africa (-0.4).** The **Hungarian forint appreciated 0.5% against the euro as Hungary's manufacturing PMI index rose to 53** in November. Currencies were little changed elsewhere. **In Latin America, the Chilean peso rebounded 2.3% Friday from a historical low after the central bank announced a major FX intervention program.** Other regional currencies weakend, particularly in Brazil (-0.6%) and Mexico (-0.4%) on potential risks around the US-China trade agreement and a notable decline in oil prices. Regional equity markets were mixed, with Chilean stocks up 0.5% and Mexican stocks down 0.8%. Long-term USD and local bond spreads were mostly marginally tighter.

Key Emerging Market Financial Indicators

Last updated: 12/2/19 8:00 AM	Level: Last 12m	Level: index	Change: 1 Day	Change: 7 Days	Change: 30 Days	Change: 12 M	YTD
Major EM Benchmarks			%				%
MSCI EM Equities		42.54	0.3	-1	-2	4	9
MSCI Frontier Equities		29.23	0.8	1	2	6	12
EMBIG Sovereign Spread (in bps)		322	-3	-13	-2	-76	-92
EM FX vs. USD		59.87	0.1	0	-2	-4	-4
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		7.04	-0.1	0	0	-2	-2
Indonesian Rupiah		14125	-0.1	0	-1	1	2
Indian Rupee		71.66	0.1	0	-1	-2	-3
Argentine Peso		59.91	-0.3	0	-1	-37	-37
Brazil Real		4.23	0.2	0	-5	-9	-8
Mexican Peso		19.57	-0.2	-1	-2	4	0
Russian Ruble		64.34	0.0	-1	-1	3	8
South African Rand		14.67	0.0	1	1	-7	-2
Turkish Lira		5.75	-0.1	0	0	-9	-8
EM FX volatility		6.85	0.3	-0.2	-0.3	-3.3	-2.9

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

China

Equities gave up earlier gains to close only marginally higher (+0.1%), despite strong PMI prints. Sentiment was buoyed by a strong manufacturing PMI print. The official number recorded its first expansion since April, rising to 50.2 in November (versus consensus expectation of 49.5 and October's 49.3). The improvement was driven by increases in new orders and new export orders due to demand spurred by the holiday season. The Caixin survey, which covers more small and medium-sized enterprises and export-oriented enterprises located in eastern coastal regions compared to the official PMI, also strengthened to 51.8 from 51.7. **The onshore and offshore RMB (-0.2%) weakened slightly.**

Separately, **China emphasized that it wants a roll-back of tariffs as part of a 'phase-one' trade deal with the US.** According to Global Times, the official newspaper of the Communist Party of China, Beijing's top priority in any 'phase-one' deal involves the removal of existing tariffs, not just a moratorium on the additional 15% tariffs on approximately US$156 bn of Chinese imports planned for December 15. The US has been resisting this demand, according to Reuters.

Chile

The currency appreciated after the central bank announced a $20 bn FX intervention program. The program will run from today to May 29. The central bank will reportedly allocate up to $10 bn in the spot market and $10 bn in derivatives (such as FX swaps). The announced FX program is both sizeable relative to the country's FX reserves (around $40 bn) and extraordinary (this is the first dollar sale by the authorities since 2009 and the first dollar sale by the central bank since 2002). The announcement had a significantly positive effect on the currency which gained 2.3%, despite the reports of a notable yearly drop in industrial production in October and an expected decline in spending by state-owned copper giant Codelco. Analysts commended the central bank's action as positive and credible, but many remain highly concerned about the ongoing protests and political and policy risks, including changes in the constitution.

EMEA

Manufacturing PMIs remain below the expansionary level of 50 in the Czech Republic (43.5, from 45 in October), Poland (46.7 from 45.6), Turkey (49.5 from 49) and South Africa (47.7 from 48.1). In contrast, Hungary's manufacturing PMI suggests expansion at 53.0 (52.7 expected, from 51.9). On Tuesday, Turkey will publish November inflation (headline inflation of 10.95% yoy and core inflation of 8.90% expected) and South Africa GDP growth (0.0% annualized qoq expected). On Wednesday, the central bank of Poland is expected to keep its policy rate unchanged at 1.50%, in line with market pricing.

Regional Policy Rates

With the exception of Turkey, market pricing suggest that regional central banks are unlikely to change rates in the remainder of 2019. An easing bias is expected for 2020, with the exception of Hungary.

Table: Policy Rate Changes Priced in Markets on 2 Dec 2019

	Czech Rep	Hungary	Israel	Poland	Russia	South Africa	Turkey
Current Rate (%)	2.00	0.90	0.25	1.50	6.50	6.50	14.00
Market-implied changes (bps)							
2019	3	2	0	0	-7	0	-23
2020	-11	16	-5	-16	-36	-12	-48

Note: Table shows marginal policy rate changes priced into yield curves for 2019 and 2020.
Source: Bloomberg, BofA-ML, and IMF

Turkey

Real GDP growth unexpectedly slowed to 0.4% qoq in 2019Q3 (1.1% qoq expected, from 1.2% in Q2). GDP growth was up 1.0% yoy (0.9% expected). Household purchases of goods and services fell to 1.9% qoq (from 3.4%). **Analysts argue that rate cuts have supported consumer consumer loans and expect the central bank to maintain an easing bias to further support internal demand.** The Central Bank of Turkey is meeting 12 Dec. Bloomberg has not yet produced a survey of analyst expectations for that meeting but BofA-ML – for example - expects a rate cut of 125 bps. The Turkish lira was little changed today.

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Global Financial Indicators

Last updated: 12/2/19 7:59 AM	Level Last 12m	Level Latest	Change 1 Day	Change 7 Days	Change 30 Days	Change 12 M	YTD
Equities					%		%
United States		3141	-0.4	1	2	14	25
Europe		3691	-0.3	0	2	16	23
Japan		23530	1.0	1	3	5	18
China		2876	0.1	-1	-3	11	15
Asia Ex Japan		70	-1.7	0	-1	4	10
Emerging Markets		43	0.4	-1	-2	4	9
Interest Rates					basis points		
US 10y Yield		1.84	1.0	9	13	-115	-84
Germany 10y Yield		-0.29	7.1	6	9	-60	-53
Japan 10y Yield		-0.05	2.8	3	13	-14	-5
UK 10y Yield		0.75	5.3	5	9	-61	-53
Credit Spreads					basis points		
US Investment Grade		115	-0.5	-5	-3	-12	-32
US High Yield		465	-0.2	-9	22	45	-56
Europe IG		48	0.0	0	-1	-32	-40
Europe HY		221	0.3	-7	-5	-99	-132
EMBIG Sovereign Spread		322	-3.0	-13	-2	-76	-92
Exchange Rates					%		
USD/Majors		98.33	0.1	0	1	1	2
EUR/USD		1.10	0.0	0	-1	-3	-4
USD/JPY		109.6	-0.1	-1	-1	4	0
EM/USD		59.9	0.1	0	-2	-4	-4
Commodities					%		
Brent Crude Oil ($/barrel)		62	2.2	-3	0	5	15
Industrials Metals (index)		111	-0.1	-1	-6	-4	2
Agriculture (index)		39	0.1	0	-1	-8	-6
Implied Volatility					%		
VIX Index (%, change in pp)		12.9	0.3	0.6	0.6	-5.1	-12.5
10y Treasury Volatility Index		4.2	0.1	-0.1	0.1	0.3	-0.4
Global FX Volatility		5.9	0.0	-0.2	-0.5	-2.7	-3.1
EA Sovereign Spreads					10-Year spread vs. Germany (bps)		
Greece		182	1.2	10	25	-214	-234
Italy		164	4.4	12	26	-126	-87
Portugal		75	-1.6	2	16	-77	-74
Spain		78	0.0	1	12	-41	-40

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)						
12/2/2019	Level		Change (in %)					Level		Change (in basis points)				
8:01 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		7.04	-0.1	-0.1	0	-2	-2		3.2	0.8	1	-7	-11	3
Indonesia		14125	-0.1	-0.3	-1	1	2		7.2	4.2	6	8	-83	-94
India		72	0.1	0.1	-1	-2	-3		6.8	1.0	-1	-3	-87	-65
Philippines		51	-0.4	-0.5	-1	2	3		4.3	0.0	-1	-1	-203	-200
Thailand		30	-0.2	-0.2	0	8	7		1.7	-2.1	-4	10	-109	-93
Malaysia		4.18	0.0	0.0	-1	0	-1		3.4	-0.4	0	-7	-78	-70
Argentina		60	-0.3	-0.2	-1	-37	-37		88.3	128.7	-894	2674	6543	6533
Brazil		4.23	0.2	0.0	-5	-9	-8		6.2	-5.8	4	45	-229	-192
Chile		802	1.0	-0.8	-8	-17	-13		3.4	8.6	-3	11	-122	-104
Colombia		3517	-0.1	-2.6	-4	-8	-7		6.1	-3.1	7	35	-63	-40
Mexico		19.57	-0.2	-0.6	-2	4	0		7.1	-0.8	5	19	-204	-159
Peru		3.4	-0.3	-0.5	-2	-1	-1		4.6	10.1	10	19	-115	-112
Uruguay		38	0.4	-0.3	-1	-15	-14		11.2	-5.3	4	6	48	53
Hungary		302	0.5	0.9	-2	-6	-7		1.1	8.2	6	6	-126	-109
Poland		3.90	0.4	0.0	-2	-3	-4		1.8	0.0	-5	-1	-73	-49
Romania		4.3	0.1	-0.1	-1	-6	-6		4.1	0.0	15	27	-16	-14
Russia		64.3	0.0	-0.6	-1	3	8		6.3	0.1	6	1	-215	-215
South Africa		14.7	0.0	0.7	1	-7	-2		9.7	0.6	6	36	17	9
Turkey		5.75	-0.1	-0.2	0	-9	-8		12.0	-0.1	13	-68	-458	-485
US (DXY; 5y UST)		98	0.0	0.0	1	1	2		1.67	4.3	6	13	-114	-84

	Equity Markets							Bond Spreads on USD Debt (EMBIG)						
	Level		Change (in %)					Level		Change (in basis points)				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
								basis points						
China		2876	0.1	-1	-3	11	15		182	0	7	5	-8	-12
Indonesia		6130	2.0	1	-1	1	-1		175	-3	-6	-7	-52	-61
India		40802	0.0	0	2	13	13		127	0	0	0	-48	-69
Philippines		7877	1.8	1	-1	7	6		82	-2	-5	0	-28	-39
Malaysia		1571	0.6	-1	-1	-7	-7		121	0	1	1	-27	-41
Argentina		34500	0.8	3	-3	10	14		2269	-4	-37	-23	1565	1454
Brazil		108233	-0.1	0	0	21	23		236	-2	1	9	-33	-37
Chile		4549	0.4	-2	-4	-11	-11		148	-2	-2	6	-11	-18
Colombia		1612	0.5	1	-2	17	22		185	-3	0	4	-26	-43
Mexico		42820	-0.6	-2	-2	3	3		316	-4	-5	1	-29	-38
Peru		20078	0.1	1	1	5	4		124	-3	-5	-6	-41	-44
Hungary		43677	-0.1	-1	4	9	12		95	-5	-6	-5	-55	-53
Poland		57096	-0.7	-2	-1	-2	-1		22	-4	-6	-8	-54	-63
Romania		9877	-0.1	1	3	14	34		194	-2	-2	14	-22	-27
Russia		2946	0.4	0	1	23	24		157	-2	-7	-20	-86	-95
South Africa		55001	-0.6	-3	-3	9	4		347	-4	-1	3	-9	-18
Turkey		107849	0.9	2	10	13	18		436	-3	4	-20	-31	7
Ukraine		510	0.0	-2	-2	-12	-9		496	1	9	37	-219	-291
EM total		43	0.3	-1	-2	4	9		322	-3	-13	-2	-76	-92

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

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