









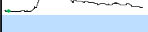



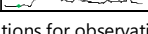
- US GSIB scores steady as larger size offset by less complexity and interconnectedness ([link](#))
- UK Prime Minister Johnson to attend Brexit talks in Brussels this week ([link](#))
- Japanese government announces new stimulus package ([link](#))
- Bank of Korea facing pressure to include employment stability in its mandate ([link](#))
- South African Q3 GDP surprises on the upside ([link](#))
- Central Bank of Chile holds policy rate and keeps unconventional measures in place ([link](#))

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

Risk sentiment remains tempered by political uncertainty and rising virus cases

Risk aversion remains somewhat elevated across global markets as investors await fresh catalysts on the vaccine and political fronts. US equities slipped from all-time records yesterday and futures are pointing to further declines this morning as little progress was made on any fiscal package and attention shifted back to the intensifying COVID-19 crisis. The S&P 500 edged down 0.2% and US Treasury yields reversed off their local highs declining 1 to 4 bps across the curve amid a broader rally in advanced economy government bond markets. Investors are looking towards a key FDA review meeting on Thursday that could provide further clarity around the timing of a vaccine approval. Outside the US, Brexit uncertainty and US-China tensions continue to hold regional equities in check. The sterling remains the underperformer across G10 currencies with UK PM Johnson and EC President von der Leyen planning to join talks this week as remaining differences threaten to imperil negotiations. The more cautious tone expressed by investors is driving a slight bid for the US dollar, while EM currencies are more mixed against the USD with the South African rand outperforming following a stronger than expected Q3 GDP report.

Key Global Financial Indicators

Last updated: 12/8/20 8:03 AM	Level	Change from Market Close					
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities			%				%
S&P 500		3692	-0.2	2	5	17	14
Eurostoxx 50		3510	-0.6	0	10	-5	-6
Nikkei 225		26467	-0.3	-1	9	13	12
MSCI EM		51	0.0	4	6	19	13
Yields and Spreads			bps				
US 10y Yield		0.93	0.7	0	11	-91	-99
Germany 10y Yield		-0.60	-1.3	-7	3	-31	-41
EMBIG Sovereign Spread		361	5	-17	-35	45	72
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		57.3	0.1	1	3	-5	-7
Dollar index, (+) = \$ appreciation		90.9	0.1	0	-1	-7	-6
Brent Crude Oil (\$/barrel)		48.7	-0.2	3	23	-24	-26
VIX Index (% change in pp)		21.9	0.6	1	-3	8	8

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

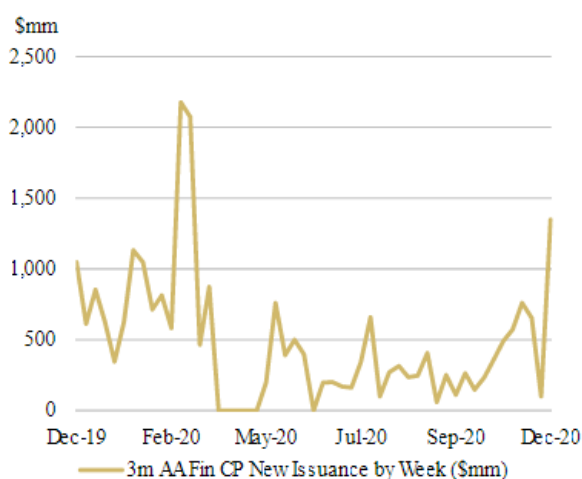
United States

[back to top](#)

Markets opened the week on a weaker note. The weakness in the Asian and European markets carried through to the US session, with sentiment further dented by news that lawmakers are set to postpone the Friday night deadline for passing the government spending bill along with potential stimulus measures, with negotiations unable as yet to resolve the key sticking points (state aid and liability protection for businesses). Instead, Congress will vote on Wednesday on a one-week continuing resolution to avert a government shutdown. Investors are also keenly watching the FDA's review of Pfizer/BioNTech's vaccine on Thursday, with some analysts noting that the decision could potentially impact the Fed's updated Summary of Economic Projections, scheduled to be released at the upcoming December FOMC meeting. Stocks closed mixed, as the S&P 500 dipped 0.2% from Friday's record high, while the NASDAQ continued to march higher for a 9th straight session. Treasury yields dropped and the curve flattened, with long bond yields down 4 bps. Monday's 3- and 6-month Treasury bill auction showed strong investor demand, with the largest indirect bidder take-up since Aug 2019. Markets generally expect bill rates to remain anchored given record reserve levels and a decline in T-bill supply.

There was a sharp increase in issuance of 3-month AA financial commercial paper (CP) last week, likely to secure funding ahead of year-end. Prior to last week, the CP supply had been quite muted, with slowing CP issuance by foreign banks leading the declines in supply. This happens despite the fact that funding costs in USD is much lower, even on a hedged basis, a likely indication of overall lower USD funding needs given the buildup in reserves.

Exhibit 2: 3m AA Financial CP new issuance (7-day rolling basis) (\$mm)



Source: Bloomberg, Morgan Stanley Research

The GSIB scores for the 8 US GSIBs were little changed in Q3, with size growth offset by lower complexity and interconnectedness. Most banks' scores were either flat or slightly up, but Wells Fargo and BNY are now within 25 bps of drifting into a higher buffer. Pandemic-related lending and a surge in borrowing in the "dash for cash" has driven the size and cross-jurisdiction sub-components to accelerate this year. In recent years, banks have offset the inertia in their size score by pulling their complexity component lower, which requires a steep reduction in derivatives and Level 3 assets. But the sharp appreciation in bank equity prices this quarter is expected to push their interconnectedness component higher and could require additional trimming of derivative activities (See the latest issue of [GSIB Monitor](#)).

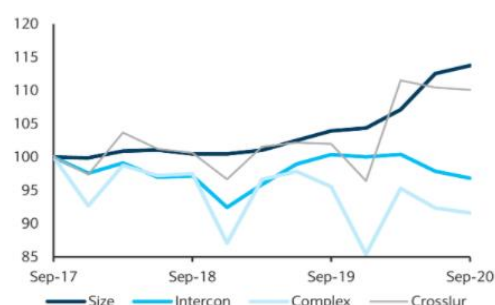
Figure 1. GSIB scores (bps)

	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
JPM	751	705	804	794	797
Citi	628	604	638	646	646
BOA	537	512	537	548	552
GS	546	518	557	553	553
<i>Wells</i>	362	368	353	334	322
<i>MS</i>	579	580	571	565	565
<i>State</i>	185	191	211	228	235
<i>BNY</i>	276	279	304	306	315

Banks in bold are within 25bp of a lower buffer. Those in italics are within 25bp of drifting into a higher buffer.

Source: Federal Reserve, Barclays Research

Figure 3. Systemic risk components (Sep-2017=100)



As measured cumulatively across all 8 GSIB banks.

Source: Federal Reserve, Barclays Research

Europe

[back to top](#)

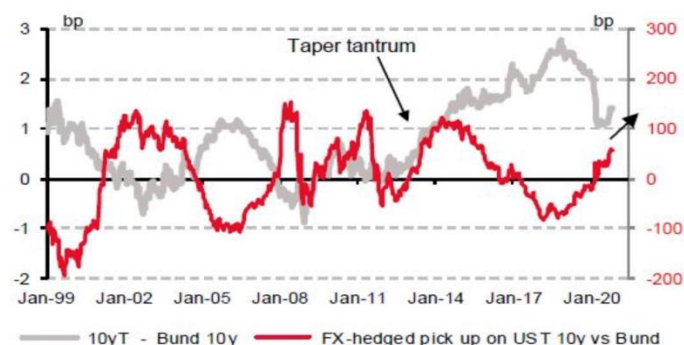
European equities drifted lower this morning with country indices down around 0.5%. Energy (-0.8%) and health care (-0.8%) stocks were slightly underperforming the broader index.

European investors are looking for fresh reasons to keep the rally going

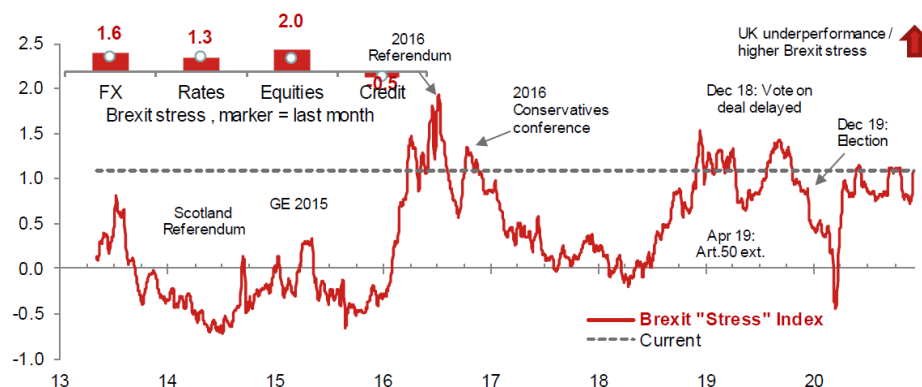


European sovereign bond yields and corporate credit benchmarks were little changed this morning. Some contacts argue that the recent steepening of the U.S. Treasury yield curve vis-à-vis the German bund curve, as evident from the difference between 10-year and 2-year bond yields (78 bps for treasuries and 17 bps for bunds), is unlikely to continue for long. Currency hedged and unhedged spreads on the 10-year benchmarks are widening in tandem, making current situation more similar to the 2013 taper tantrum episode. These dynamics make the euro area fixed income less appealing to investors with euro rates eventually pressured to adjust through portfolio outflows.

This time, widening UST/Bund spread makes FX-hedged US Treasuries increasingly attractive vs Bunds



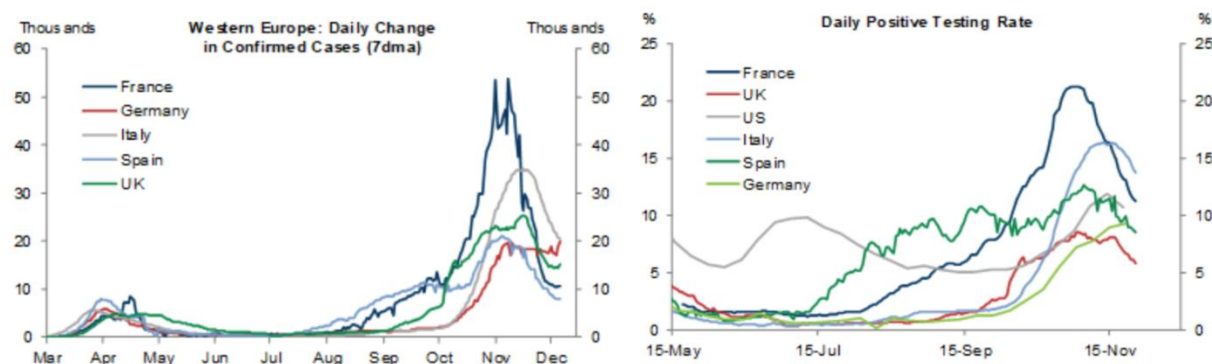
The euro (+0.1%) and the sterling (-0.3%) were mostly stable this morning. While the call between EC President von der Leyen and UK's Prime Minister Johnson did not lead to any immediate progress on trade talks, contacts generally saw the agreement on a face to face meeting in Brussels as a positive development. At this stage it remains unclear when the UK's Prime Minister will travel to Brussels and whether any other meetings with EU leaders will be taking place as part of this trip. Meanwhile, the Internal Markets Bill passed the House of Commons with the contentious clause being reinstated. At the same time, media reported that the bill could be dropped if an agreement is reached this week.



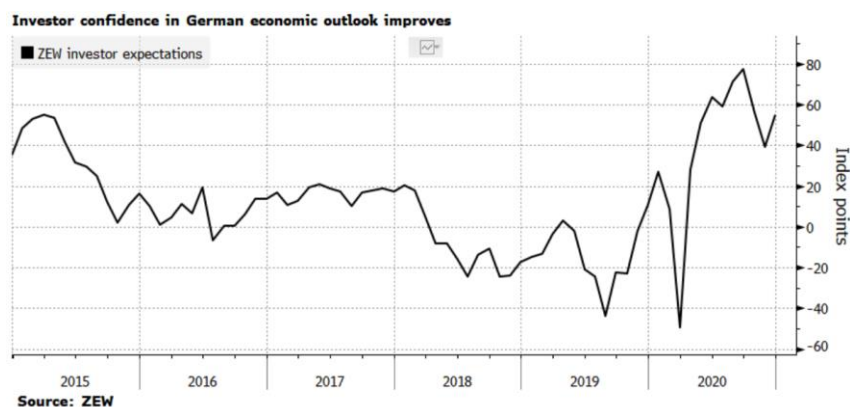
Source: Nomura, Bloomberg

1

Easing of lockdown measures could see delays in some European states as the retracement of the second wave proves slower than expected. While new daily cases as well as infection rates have declined significantly over the last few weeks, the momentum seems to be slowing down after some restrictions were lifted last week across Europe. Authorities in France have voiced concerns whether the next round of easing is prudent as the number of new cases hovers around 10k per day as compared to the 5k target. **Media reports suggest that Germany may be considering tightening national restrictions ahead of Christmas** as states of Bavaria and Saxony already move closer to a full lockdown. Some analysts are also raising concerns that the additional relaxation over the upcoming holidays may result in a significant spike in infections and as a result drag the lockdown further into the first quarter of 2021.



In terms of data, the **German ZEW expectations survey surprised to the upside at 55** as compared to 46 index points expected, mostly on the back of recent vaccine related developments. The current situation reading declined slightly to -66.5 in line with consensus.



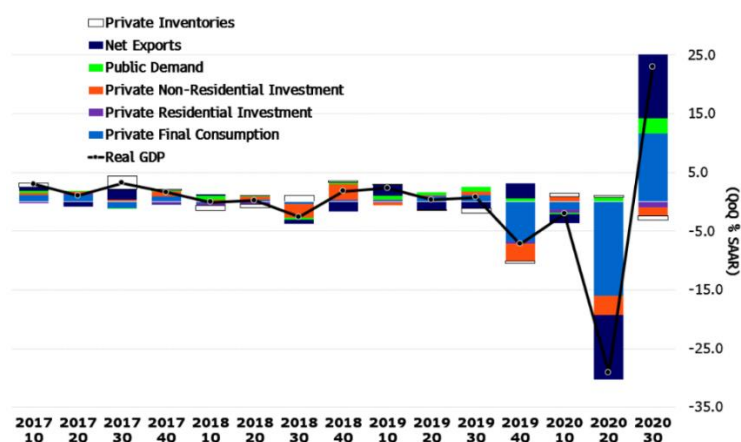
Other Mature Markets

[back to top](#)

Japan

The government announced a new stimulus package of 73.6 tn yen (\$707 bn). The package would include about 40 tn yen (\$384 bn) of fiscal measures, with the rest featuring lending and investment. As about half of the spending will be financed from a third extra budget, market concerns about large-scale additional government borrowing abated. **JGB yields declined** (1-year: -0.6 bp; 10-year: -0.7 bp). **Real GDP expanded stronger than initially estimated in 2020Q3 after a data revision.** Revised real GDP data showed a 5.3% q/q growth in Q3, up from 5.0% in Q2, with private consumption and exports driving the recovery. Some analysts, however, noted that the increase in household spending (+1.9% y/y in October) was largely due to pent-up demand. Going forward, weak household earnings (-0.2% y/y in October) could undercut household spending powers. **Equities declined (NIKKEI: -0.3%); Japanese yen was little changed.**

Real GDP, Contribution to GDP by Component QoQ% SAAR



Source: Bloomberg.

Emerging Markets

[back to top](#)

Latin American markets were mixed on Monday, as concerns rose about the possible re-imposition of mobility restrictions threatening a near-term recovery. Equities in Peru (+0.84%) and Colombia (+1.68%) continued to rally on Monday. However, other leading markets pared their gains as Chile, Mexico and Brazil were down 1.5%, 0.9%, and 0.1%, respectively. On Monday, the supreme court of Brazil ruled against the re-appointment of the senate and the lower house speakers. While this has increased the uncertainty about implementation of fiscal and taxation reforms, the real appreciated 0.4% to reach its 20-week high of 5.1/USD. The Chilean peso too appreciated (0.3%). Other regional currencies, however, lost

some steam and were down in the range of 0.4-0.6%. **Asian stock markets were mixed.** Share prices dropped in major markets, falling in Korea (-1.6%) and China (CSI 300: -0.3%). Equities gained in Thailand (+2.1%; reopening after local holiday) and India (+0.6%). **Asian currencies were also mixed.** Indian rupee (+0.2%) and Thai baht (+0.2%) appreciated, while Korean won (-0.3%) depreciated. **In India,** markets were supported by the finance minister's comment that the widening budget deficit will not constrain the government from providing more support to the economy as needed. **EMEA bourses were mixed again today,** with gains in UAE (+1.7%), Turkey (+1.0%), Hungary (+0.4%), the Czech Republic (+0.4%), and Bulgaria (+0.3%). Stocks slipped in Qatar (-1.0%), Poland (-0.5%), Kuwait (-0.4%), and Romania (-0.3%). Currencies strengthened by about +0.1% to +0.6%, with the largest gains for the Russian ruble (+0.6%) and the South African rand (+0.5%).

Key Emerging Market Financial Indicators

Last updated: 12/8/20 8:08 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		50.85	-0.6	4	6	19	13
MSCI Frontier Equities		27.97	-0.4	3	5	-7	-8
EMBIG Sovereign Spread (in bps)		361	5	-17	-35	45	72
EM FX vs. USD		57.32	0.1	1	3	-5	-7
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		6.53	0.0	1	2	8	7
Indonesian Rupiah		14110	0.0	0	0	-1	-2
Indian Rupee		73.52	0.5	0	1	-3	-3
Argentina Peso		81.66	-0.1	-1	-3	-27	-27
Brazil Real		5.10	0.1	2	5	-19	-21
Mexican Peso		19.87	0.1	1	2	-3	-5
Russian Ruble		73.32	0.4	3	4	-13	-15
South African Rand		15.05	0.7	1	2	-2	-7
Turkish Lira		7.83	-0.4	0	3	-26	-24
EM FX volatility		10.40	0.0	0.3	-0.2	3.6	3.8

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

China and Hong Kong SAR

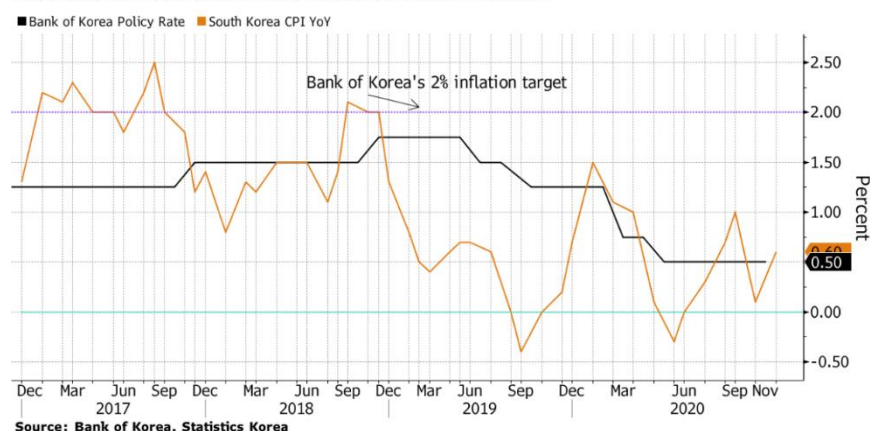
China vowed countermeasures over U.S. sanctions of its officials. The U.S. government added 14 Chinese officials to the sanction list under the Hong Kong Autonomy Act. Equities declined in China (CSI 300: -0.3%) and in Hong Kong (-0.8%) on growing U.S.-China tensions. HSBC (-3.6%) led the decline in the Hong Kong exchange as the bank got caught in complicated geopolitics. HSBC (and other lenders) recently suspended bank accounts tied to a former pro-democracy lawmaker. **The Hong Kong SAR government will implement the strictest social distancing and border control measures since the beginning of the pandemic.** RMB appreciated (+0.1%).

Korea

The Bank of Korea (BOK) faces pressures to include employment in its mandate. Lawmakers are pushing for the passage of a bill to add employment stability to the BOK's mandate. The proposal came as job losses increased despite government support during the pandemic. BOK governor Lee Ju-yeol previously expressed concern that an added remit could clash with the other goals of price and financial stability. **Market sentiment dampened amid rising COVID-19 cases.** President Moon Jae-in urged citizens to cancel holiday plans and stay home. **Korean won depreciated (-0.3%); equities declined (-1.6%),** led by the pharmaceutical sector on the news that the government will secure vaccines.

Distant Goal

Rate cuts to record low have failed to boost inflation



Source: Bloomberg.

Hungary and Poland

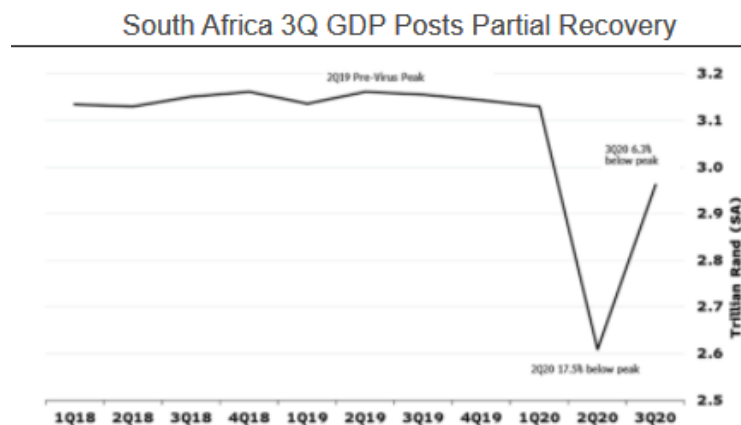
The EU has given until today for Hungary and Poland to lift their veto to the EU budget. Reportedly, German and Polish officials are conducting last-minute talks to seek a compromise around the EU's linking of a controversial 'rule of law' clause to disbursement of aid funding. The disagreement between Hungary and Poland and the rest of EU members has stalled the approval of the EU's \$2.2 tn budget. **The Polish zloty (-0.1%) and the Hungarian forint (-0.1%) underperformed peers in the region** and weakened to the dollar. Equity indices in both countries yielded the largest losses across the region today.

Romania

Romanian PM Ludovic Orban resigned yesterday after his ruling party lost the national election. After a split outcome in Sunday's election, the Social Democrat and Liberal parties could seek to form governing coalitions with other parties. Analysts note that the split result bodes poorly for much-needed structural reforms. Separately, **GDP data revealed a 6% y/y contraction in Q3.**

South Africa

South African GDP printed stronger than expected for Q3 2020. GDP growth came in at -6.0% y/y compared to an expected contraction of 7.5%. Output had already contracted over 17% in the previous quarter. The RBSA is forecasting a contraction of 8% for the entire year, and a 3.5% expansion in 2021.



Source: Bloomberg Economics

Chile

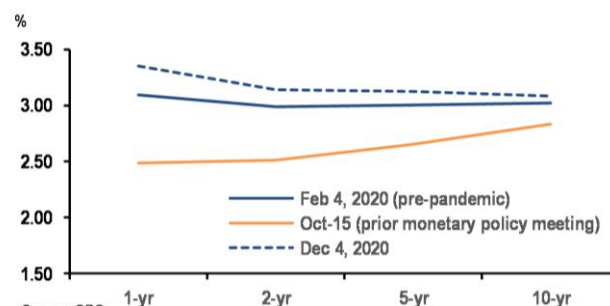
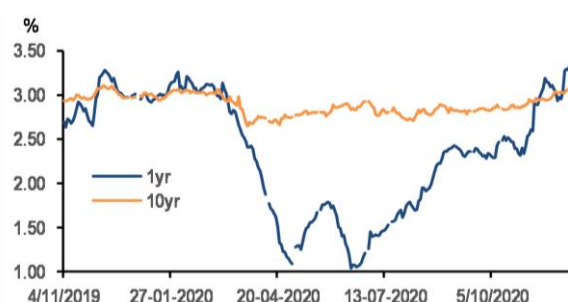
The Central Bank of Chile (CBC) kept its policy rate unchanged at 0.5%. Underscoring the growth concerns as inflation expectations remain in an acceptable range, the CBC also guided for the policy rates to stay at this technical lower bound going forward and continue with the existing extraordinary measures. The monetary policy board of the CBC noted that economic activity, which came in lower than expected in Oct, would be further adversely affected by the mobility restrictions that have been re-imposed lately. While the board does not see inflation pressure rising, analysts argue that the markets are factoring in higher than pre-COVID inflation.

Extraordinary measures by the Central Bank of Chile (CBC) through Dec 2, 2020

			USDbn	Program amount
FX intervention	FX spot (Dec 2- Jan 9)	Cumulative USD sold	2.55	10.0
	NDF (Dec 2 - Jan 9)	Outstanding amount	-	10.0
Foreign exchange liquidity	FX swap (Nov 14-Jan 9)	Outstanding amount	-	4.0
	REPO (Nov 19-Jan 9)	Outstanding amount	0.165	-
Domestic ccy liquidity	BCCh debt buyback (Started Nov 9-)	Cumulative buybacks	6.147	8.5
	Bank Bonds Purchase program (Started Mar 20-)	Cumulative purchases	3.863	8.0
	o/w Inflation linked		3.623	
	o/w CLP		0.24	
	Special Assets Purchase Program (Started June 22)	Total bought (whole program)	4.531	8.0
	CC VP (Aug 3rd, 2020)	Outstanding amount	1.371	10.0
Domestic currency liquidity with credit expansion incentives	DP (Aug 7th, 2020)	Cumulative purchases	0.25	8.0
	FCIC 1-LCI	Total usage	23.907	24.00
	FCIC 2	Current usage	5.095	16.00

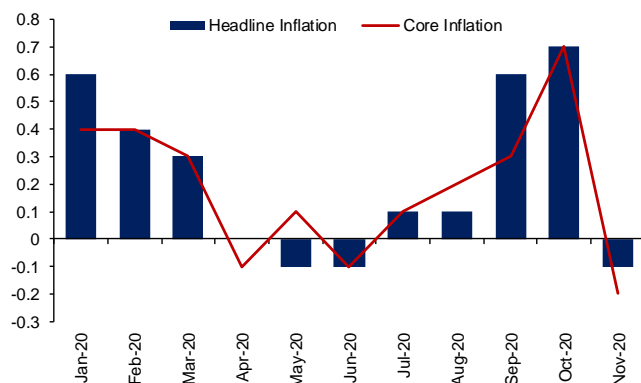
Sources: CBC; and JP Morgan

Inflation priced in swaps



Sources: CBC; and JP Morgan

In a reversal of recent trends, Chile reported negative inflation for November. Contrary to market expectations and the price trends of recent months, Chile's CPI declined by 0.13% in November. This was driven by core inflation, as it reversed its upward trajectory (3-month average of 0.43% in Oct) and fell 0.19% m/m in November. Analysts opine, price rises in the previous months were due to higher spending as workers withdrew a part of their pension savings (in Aug 2020). According to a Bloomberg report, the CBC estimates these withdrawals (about \$17 bn) have added 1.2% to current year GDP. Given that the parliament approved another round of withdrawals last week, JP Morgan argues that inflation will return to positive territory over the next few months.

Core inflation drives headline into negative territory

Source: Bloomberg.

Mexico

Galia Borja, treasurer from the finance ministry, was nominated to replace outgoing Central Bank board member, Javier Guzman. Ms. Borja's nomination is seen as another dovish member on the monetary policy board. However, as the central bank has a clear mandate of inflation targeting, this is not believed to have an impact on the policy rate decision, in the near future. In a split vote during its last meeting, the central bank did not cut the policy rate for the first time since COVID-19 outbreak, citing the rising inflation pressure. The economic recovery, on the other hand, is fragile with further downside risk if COVID-19 related restrictions are re-imposed.






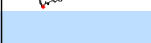


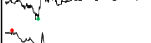


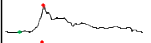










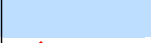



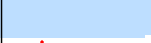


List of GMM Contributors

Global Markets Analysis Division, MCM Department

Nassira Abbas <i>Deputy Division Chief</i>	Dimitris Drakopoulos <i>Financial Sector Expert</i>	Dmitri Petrov <i>Financial Sector Expert</i>
Antonio Garcia-Pascual <i>Deputy Division Chief</i>	Deepali Gautam <i>Research Officer</i>	Thomas Piontek <i>Financial Sector Expert</i>
Evan Papageorgiou <i>Deputy Division Chief</i>	Rohit Goel <i>Financial Sector Expert</i>	Patrick Schneider <i>Research Officer</i>
Jose Abad <i>Financial Sector Expert</i>	Sanjay Hazarika <i>Senior Financial Sector Expert</i>	Can Sever <i>Economist</i>
Sergei Antoshin <i>Senior Economist</i>	Frank Hespeler <i>Senior Financial Sector Expert</i>	Juan Solé <i>Senior Economist</i>
John Caparusso <i>Senior Financial Sector Expert</i>	Henry Hoyle <i>Financial Sector Expert</i>	Jeffrey Williams <i>Senior Financial Sector Expert</i>
Yingyuan Chen <i>Financial Sector Expert</i>	Mohamed Jaber <i>Senior Financial Sector Expert</i>	Dmitry Yakovlev <i>Senior Research Officer</i>
Han Teng Chua <i>Economic Analyst</i>	Phakawa Jeasakul <i>Senior Economist</i>	Akihiko Yokoyama <i>Senior Financial Sector Expert</i>
Fabio Cortés <i>Senior Economist</i>	Sonia Meskin <i>Financial Sector Expert</i>	Xingmi Zheng <i>Research Assistant</i>
Reinout De Bock <i>Economist</i>	Natalia Novikova <i>IMF Resident Representative in Singapore</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: 12/8/20 8:04 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		3689	-0.2	1	5	17	14
Europe		3510	-0.6	0	10	-5	-6
Japan		26467	-0.3	-1	9	13	12
China		3410	-0.2	-1	3	17	12
Asia Ex Japan		88	-0.2	3	5	25	20
Emerging Markets		51	0.0	4	6	19	13
Interest Rates			basis points				
US 10y Yield		0.93	0.7	0	11	-91	-99
Germany 10y Yield		-0.60	-1.3	-7	3	-31	-41
Japan 10y Yield		0.02	-0.4	0	0	3	3
UK 10y Yield		0.28	-0.5	-7	0	-49	-54
Credit Spreads			basis points				
US Investment Grade		102	0.6	-4	-16	-11	4
US High Yield		401	-0.3	-33	-74	-44	8
Europe IG		48	0.1	1	-3	0	3
Europe HY		244	0.7	-8	-49	23	37
EMBIG Sovereign Spread		361	4.5	-17	-35	45	72
Exchange Rates			%				
USD/Majors		90.93	0.1	0	-1	-7	-6
EUR/USD		1.21	0.1	0	3	10	8
USD/JPY		104.1	-0.1	0	1	4	4
EM/USD		57.3	0.1	1	3	-5	-7
Commodities			%				
Brent Crude Oil (\$/barrel)		49	-0.2	3	23	-24	-26
Industrials Metals (index)		133	-0.2	0	8	19	16
Agriculture (index)		43	-0.6	0	1	9	4
Implied Volatility			%				
VIX Index (% change in pp)		21.9	0.6	1.1	-3.0	8.3	8.1
US 10y Swaption Volatility		64.7	5.1	12.4	8.1	-5.5	2.7
Global FX Volatility		8.1	0.0	0.4	0.0	2.1	2.1
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		124	2.6	6	-19	-56	-41
Italy		122	2.3	1	-5	-42	-38
Portugal		61	1.0	0	-9	-10	-2
Spain		65	1.2	0	-7	-13	-1

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: 12/8/2020 8:08 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		6.53	0.0	0.6	2	8	7		3.4	-0.9	-1	7	17	26	
Indonesia		14110	0.0	0.1	0	-1	-2		6.2	-0.6	-6	-26	-103	-96	
India		74	0.5	0.2	1	-3	-3		6.0	1.7	0	-4	-98	-92	
Philippines		48	-0.1	0.0	0	6	5		3.7	0.2	0	5	-61	-65	
Thailand		30	0.4	0.7	2	1	0		1.5	0.0	1	1	-22	-16	
Malaysia		4.07	0.0	0.2	1	2	0		2.6	3.6	-5	14	-75	-71	
Argentina		82	-0.1	-0.7	-3	-27	-27		54.4	0.0	76	350	-3683	-818	
Brazil		5.10	0.1	2.3	5	-19	-21		5.9	-3.8	-60	-35	-20	-33	
Chile		743	0.3	3.3	2	4	1		2.9	-4.4	10	25	-85	-36	
Colombia		3488	-0.6	3.2	5	-2	-6		5.2	0.8	0	-2	-74	-78	
Mexico		19.87	0.1	0.8	2	-3	-5		5.8	-2.5	-10	-20	-128	-118	
Peru		3.6	-0.4	0.1	-1	-6	-8		3.8	-3.5	-9	-11	-75	-72	
Uruguay		43	0.1	-0.3	0	-11	-12		7.3	0.3	-15	-22	-387	-352	
Hungary		297	0.0	-0.6	2	1	-1		1.7	-1.1	4	7	61	47	
Poland		3.69	0.2	0.0	3	5	3		0.7	-3.7	8	15	-108	-118	
Romania		4.0	0.1	0.4	2	7	6		2.9	2.0	-1	-1	-125	-110	
Russia		73.3	0.4	3.4	4	-13	-15		5.6	-1.4	-2	-5	-70	-57	
South Africa		15.0	0.7	1.3	2	-2	-7		9.8	-3.0	-5	-4	17	33	
Turkey		7.83	-0.4	0.0	3	-26	-24		13.3	19.6	90	-94	135	160	
US (DXY; 5y UST)		91	0.2	-0.4	-1	-7	-6		0.39	0.2	-3	3	-127	-130	

	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		5010	-0.2	-1	3	28	22		206	-1	0	-2	24	30
Indonesia		5944	0.2	4	11	-4	-6		184	1	1	-19	11	28
India		45609	0.4	2	9	13	11		155	0	-8	-34	29	30
Philippines		7204	0.0	6	8	-8	-8		112	0	3	-3	32	46
Malaysia		1632	0.5	2	7	4	3		117	1	-3	-27	-5	5
Argentina		54730	0.0	-1	13	50	31		1460	8	55	70	-861	-309
Brazil		113590	-0.1	2	13	2	-2		262	1	5	-18	31	47
Chile		4130	-1.4	2	8	-13	-12		149	-1	0	-11	3	16
Colombia		1364	1.7	8	16	-15	-18		213	0	-4	-7	34	50
Mexico		43255	-0.9	4	12	3	-1		415	1	-4	-29	101	123
Peru		20763	0.8	5	15	4	1		153	0	2	9	29	46
Hungary		39440	0.6	2	11	-11	-14		97	-1	-1	-11	3	11
Poland		55619	0.1	5	14	-1	-4		5	0	0	-10	-17	-13
Romania		9484	-0.1	2	8	-5	-5		210	7	-1	-12	23	37
Russia		3177	-0.6	1	10	8	4		171	0	-3	-17	21	40
South Africa		59072	-0.8	3	5	7	3		377	-3	-33	-69	29	57
Turkey		1343	1.0	1	13	23	17		482	1	-12	-136	57	81
Ukraine		508	0.0	0	1	0	0		490	0	-22	-131	-6	70
EM total		51	-0.6	4	6	19	13		361	5	-17	-35	45	72

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

[back to top](#)