



- Expectations are building for a Fed rate cut ([link](#))
- Italian spreads widen as finance minister plans to use EU budget flexibility ([link](#))
- British pound falls as U.K. rejects “level playing field” with the EU ([link](#))
- Standard Chartered reports weak 4Q2019 and lowers medium-term targets ([link](#))
- Brazilian assets suffer steep losses as the country reports its first virus case ([link](#))
- Bank of Korea hold interest rates, against consensus, despite virus uncertainty ([link](#))

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## Markets extend sell-off as virus fears continue to grow

The global sell-off in equity markets has continued this morning as uncertainty over the impact of the virus continues to weigh on sentiment. After falling for a fifth consecutive day yesterday, S&P 500 futures are down over 1% this morning, following the lead of European bourses. The virus spread has extended to South America with Brazil reporting the first confirmed case in the region, sending domestic equities much lower yesterday and the currency weaker. President Trump sought to assuage fears of a widespread outbreak in the US at a press conference yesterday evening, but that has seemingly failed to calm investors' nerves, especially as the first incident of a US infection without direct link to a foreign outbreak was reported. Safe haven assets are continuing their rally this morning with the US 10-year yield reaching an all-time low of 1.27%. Despite the rising concern abroad, Chinese sentiment showed improvement today, with equities rising somewhat, and some provinces lowered their emergency response level to below the most severe category.

Key Global Financial Indicators

Last updated: 2/27/20 8:11 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>			%				%
S&P 500		3116	-0.4	-8	-4	12	-4
Eurostoxx 50		3476	-2.8	-9	-5	6	-7
Nikkei 225		21948	-2.1	-6	-6	2	-7
MSCI EM		42	-1.2	-6	-3	-2	-7
<b>Yields and Spreads</b>			bps				
US 10y Yield		1.28	-1.5	-24	-33	-141	-64
Germany 10y Yield		-0.53	-2.9	-9	-15	-68	-35
EMBIG Sovereign Spread		344	10	37	31	-2	51
<b>FX / Commodities / Volatility</b>			%				
EM FX vs. USD, (+) = appreciation		58.6	0.0	-1	-3	-8	-5
Dollar index, (+) = \$ appreciation		98.6	-0.4	-1	1	3	2
Brent Crude Oil (\$/barrel)		51.9	-2.9	-13	-13	-22	-21
VIX Index (% change in pp)		30.1	2.5	15	12	15	16

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

## United States

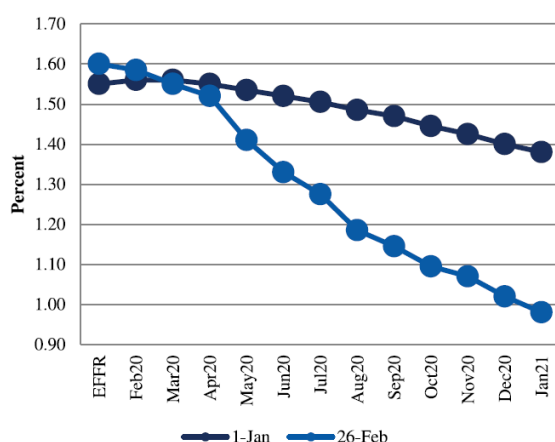
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**Early gains turned into the fifth consecutive losing session for US stocks as more bad news on the virus front continued to dominate the headlines.** At the Wednesday close, the S&P 500 was down 8.2% from the record close on February 19. However, the major indexes ended the day with relatively moderate losses compared to recent sessions. Meanwhile, oil prices remained under pressure and the benchmark US 10-year Treasury yield set a new historic low, falling below 1.30% before ending the day at 1.33%. Sentiment is likely to remain very cautious heading into the last trading day of the month tomorrow. In other news, US new home sales were much stronger than expected in January at 764K versus the consensus forecast of 718K, equivalent to a rise of 7.9% (versus the 3.5% consensus forecast). The housing sector remains a key area of strength for the US economy, although an unusually mild winter may have played a role in boosting housing sales.

**This morning, the latest estimate of Q4 GDP came in on target at 2.1%, in line with expectations.** Durable goods were better than expected at -0.2% versus the consensus forecast of a decline of 1.4%. The ex-transportation number was 0.9% (vs. 0.2%). Core PCE was 1.2% (vs. 1.3%). The market response was muted because the focus is squarely on the spread of the virus amidst another bout of risk-off selling.

**There is growing speculation that the Fed may have to rethink its policy stance and cut rates one or more times in 2020.** Worries that Covid-19 will hurt the US economy are growing. The January 2021 Fed Funds futures contract is trading at 0.92%, implying 66 bps of cuts from current levels. In contrast, the last Fed dot plot showed that none of the FOMC members were expecting a rate cut this year. The spread between the implied yield of the ninth euro-dollar futures contract (March 2021) at 1.02% and the midpoint of the Fed's 1.50%-1.75% target range has reached -60 bps. BMO points out that a divergence larger than -50 has always led to a Fed rate cut. There has never been an occasion with so much easing priced into the market that has not been met with Fed action. Analysts also point to curve inversions as signals of futures economic stress, such as the yield spread between one-month and 12-month T-Bills (-33 bps) and the yield spread between the three-month bill and ten-year Treasury (-21 bps).

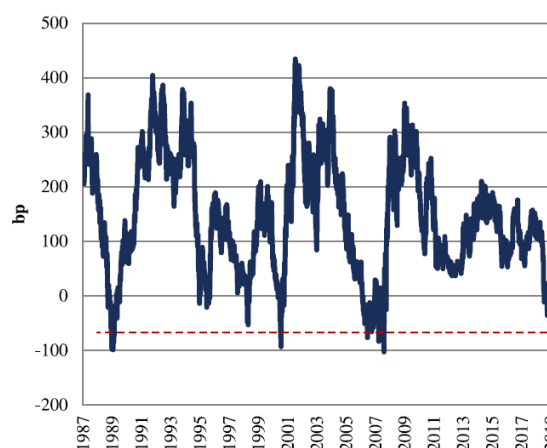
Figure 1 - Fed Funds Futures Curve



Source: BMO CM, Bloomberg

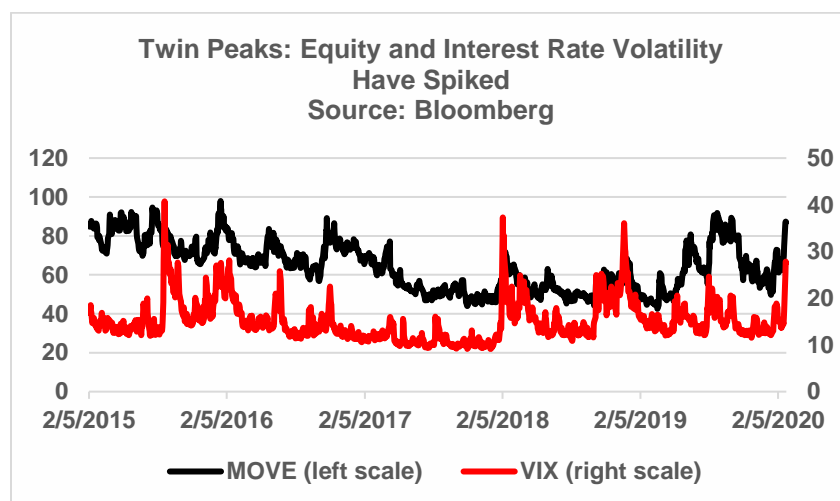
Figure 2 - 9th ED Contract versus Fed Funds Target Range Midpoint

Dashed red line is current level

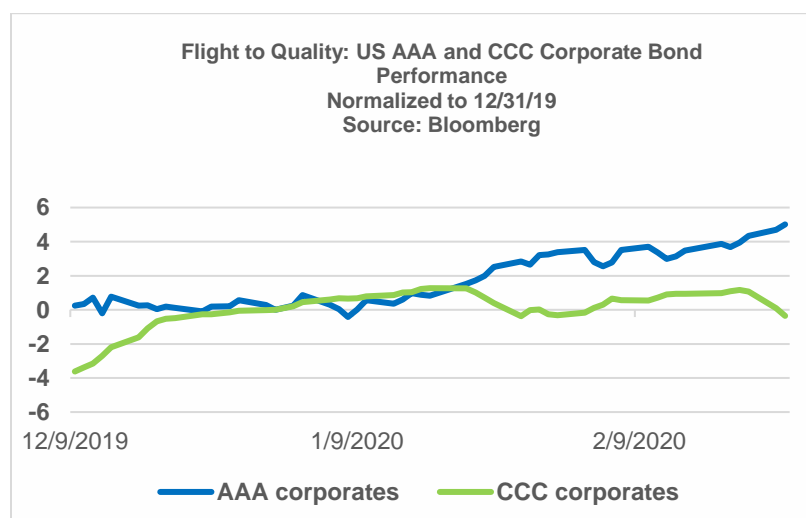


Source: BMO CM, Bloomberg

**Volatility in the equity and bond markets has spiked as the virus spread beyond China, as seen in the VIX equity volatility index and Bank of America's MOVE interest rate volatility index.** However, the jump in the MOVE index has been much more pronounced as the bond market had a much larger reaction to the spread of the virus. Since January 17, the last trading day before the virus hit the headlines, the 10-year US Treasury yield fell from 1.83% to just under 1.30% intra-day yesterday on heavy safe haven buying. In contrast, equities continued to march higher despite the spread of the virus, with many indexes such as the S&P 500 and the Euro Stoxx 600 setting new records just a week ago. The equity selloff did not begin until February 20. The VIX will have to rise by roughly 50% to reach its five-year high, but the MOVE is just 11% away.



**The sharp reduction in Treasury rates accompanying the virus-driven market selloff has benefited the highest rung of the US corporate credit spectrum.** Contacts report that investors are seeking out AAA rated US corporate bonds in addition to Treasuries because they believe that they will be almost as safe while providing some yield pickup. On the other hand, speculative grade (junk) bonds have been under pressure along with equities, especially those issued by energy related companies. Normalizing returns to December 31, 2019, the AAA sector delivered a total return of over 5% year-to-date while the CCC sector is down 0.35%. Some are worried that the rally in AAA bonds is overdone, pointing out that the average forecast for investment grade returns for the whole of 2020 was 5%, which the sector has already delivered in less than two months.



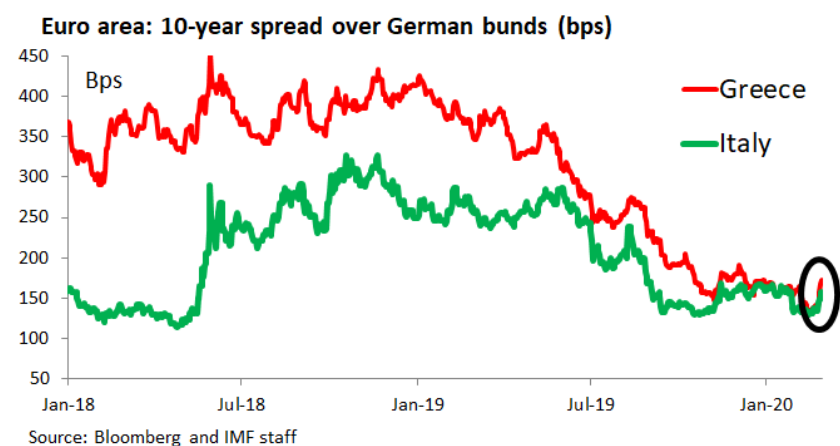
## Europe

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The euro (+0.6%) gained versus the dollar with contacts pointing to safe haven buying.

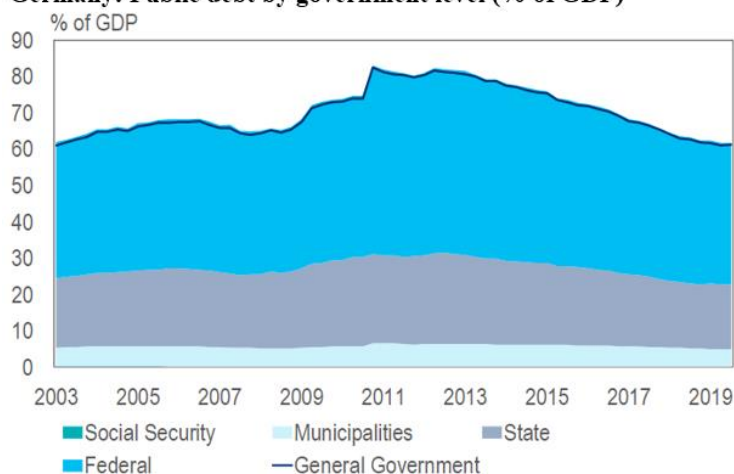
**Equities (-2.0%) traded lower despite better economic confidence data in February** (index at 103.5 compared to 102.8 expected). Italian equities fell 1.5% as the country confirmed a total cumulated 528 cases with 14 deaths and 40 recoveries. Greek stocks (-1.6%) are also lower.

10-yr French and German yields are 1-2 bps lower at -0.24% and -0.52% respectively. In contrast, **10-yr Italian yields rose 4 bps** (to 1.04%) and the spread to bunds widened 6 bps (to 155 bps) after **Italy's finance minister said that Italy is ready to use EU budget flexibility to address the virus impact** with the intention to pass a first package of measures this week. 10-yr Greek yields also rose 4 bps to 1.20%.



**Germany's finance ministry is proposing to temporarily suspend the constitutional debt brake, but analysts warn that FM Scholz may have no intention to directly increase spending or cut taxes.** The constitutional debt brake prevents the federal government from borrowing more than 0.35% of GDP/yr (€10bn) on a structural basis. Analysts at Citi argue that the finance ministry wants to swap up to €40 bn (1.3% of GDP) of the €130 bn (4% of GDP) municipal debt stock into federal debt, which would exceed the limit. **A temporary suspension would require a two-thirds majority in both houses of parliament.**

### Germany: Public debt by government level (% of GDP)



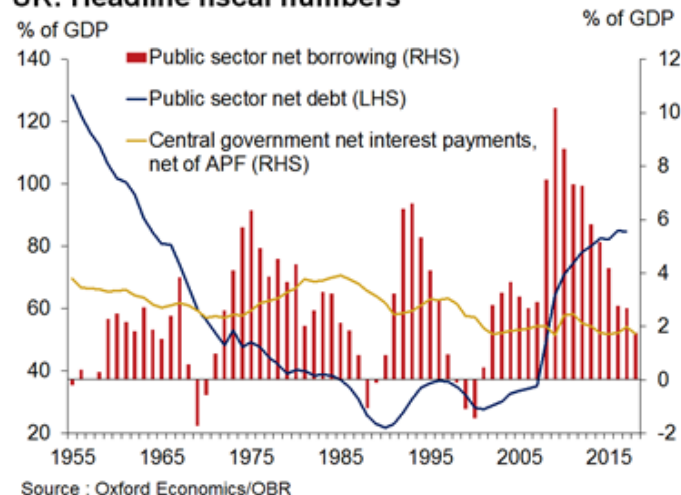
## United Kingdom

The **British pound (-0.2%)** fell below **\$1.29** after the **U.K. government** said that it is prepared to start **preparations for a no-deal outcome** if the outcome of a trade pact with the EU is not clear by June. PM Johnson has reportedly insisted on full U.K. control of regulatory questions related to state aid and labor markets. British stocks are 2% lower, in line with broader markets.

**Standard Chartered reported weak 4Q2019 results and lowered its medium-term targets.** This London-based G-SIB, with operations primarily in Asia, Africa and the Middle East, reported 4Q2019 pretax profit 17% below analyst expectations excluding 'debt value adjustments' (and 54% below on a headline basis). This result was driven mainly by weak revenues and surprisingly high provision charges (-3% below and +20% above consensus, respectively). Weak revenues were driven in part by a 7bps quarter-on-quarter contraction of net interest margins. These results preceded any impact of COVID-19 headwinds, which are exacerbating the 2020 impact of the already recessionary conditions in Hong Kong. Management is now stepping back from its 5-7% medium term revenue growth target and is pushing back its 2021 target of 10% return on tangible equity. The bank's shares have declined 3.5% in early trading.

**Some analysts are coining the term "historic" for the likely expansionary fiscal policy to be announced on 11 March.** The shift would occur precisely a decade since Chancellor Osborne's policy shift to austerity in 2010. The U.K. budget deficit was at a 17-yr low of 1.8% GDP in 2018-19 with interest expenditures at a century-low of 1.7% GDP. **Contacts are expecting an extra fiscal boost of up to 1.5% GDP.** 10-yr gilt yields fell 3 bps to 0.48% today.

### UK: Headline fiscal numbers



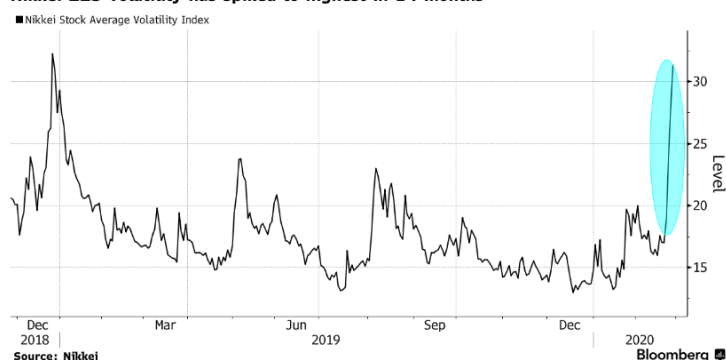
## Other Mature Markets

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### Japan

**Equities (-2.4%)** fell on worsening sentiment driven by the rapid spread of the virus outside China. Volatility surged to a 14-month high. Separately, Bank of Japan board member Goushi Kataoka said that the impact of the virus on the Japanese economy is still highly uncertain but the virus itself is not reason for more monetary easing. **10-year JGB yield fell -1.7bps to -0.11% while the yen strengthened +0.3%.** Goldman analysts expects the yen to remain a 'safe haven' and to appreciate in a risk averse environment, driven by global growth concerns stemming from the spread of the virus outside China and upcoming US presidential election.

## Nikkei 225 volatility has spiked to highest in 14 months



## Emerging Markets

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**Asian equities (-0.2%) fell on net amid investor concerns over the virus.** Indonesia (-2.3%) declined the most while Korea (-1.1%) also dropped, with virus cases surging by 334 to almost 1,600. Thailand (+1.5%) and China (+0.3%) bucked the regional trend, rebounding from yesterday's decline. Regional currencies largely appreciated, led by gains in the Malaysian ringgit (+0.5%) and the Philippine peso (+0.4%) while the Indonesian rupiah (-0.5%) weakened. **EMEA** bourses also dropped notably this morning: Turkey (-2.3%), Kuwait (-1.7%), Saudi Arabia (-1.7%), and UAE (-1.2%) – partly weighed down by drops in oil prices (-1.8%). Central and Eastern European stocks followed other EMs lower: Russia (-1.2%), Czech Republic (-1.1%), and Poland (-1.0%). Currencies, however, strengthened about 0.3% to 0.7% to the dollar across the region. **Latin American assets mostly suffered losses yesterday.** Stocks in Brazil (-7%) and Argentina (-6%) suffered the biggest losses catching up on the EM wide losses as the markets opened for first time this week, followed by Chile (-1.5%) and Mexico (-0.7%). Amongst regional currencies, the Brazilian real (-1.4%) depreciated the most against the dollar, followed by the Mexican peso (-1%) and Colombian peso (-0.6%). MSCI EM stocks fell by 1.3% and MSCI EM currency index fell by 0.1% yesterday, erasing any gains so far this week.

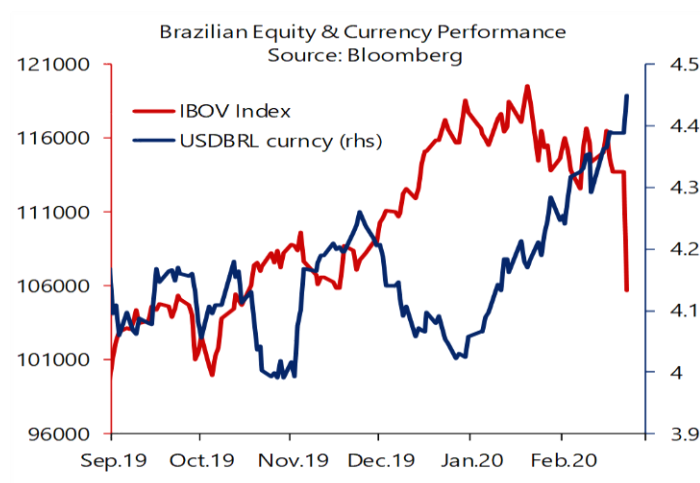
## Key Emerging Market Financial Indicators

Last updated: 2/27/20 8:14 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
<b>Major EM Benchmarks</b>			%				%
MSCI EM Equities		41.67	-1.3	-6	-3	-2	-7
MSCI Frontier Equities		28.35	0.7	-5	-7	-2	-7
EMBIG Sovereign Spread (in bps)		345	11	38	32	-1	52
EM FX vs. USD		58.57	0.0	-1	-3	-8	-5
<b>Major EM FX vs. USD</b>			%, (+) = EM currency appreciation				
China Renminbi		7.01	0.2	0	-1	-5	-1
Indonesian Rupiah		14025	-0.6	-2	-3	0	-1
Indian Rupee		71.56	0.1	0	0	0	0
Argentine Peso		62.13	-0.1	-1	-3	-38	-4
Brazil Real		4.47	-0.4	-2	-6	-16	-10
Mexican Peso		19.39	-0.6	-3	-2	-1	-2
Russian Ruble		65.77	-0.5	-2	-4	0	-6
South African Rand		15.36	-0.3	-2	-5	-9	-9
Turkish Lira		6.16	-0.1	-1	-4	-14	-3
EM FX volatility		7.26	0.0	0.6	0.6	-1.1	0.7

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

## Brazil

**Equities (-7%) suffered their worst one-day loss since May 2017 after the country reported the first coronavirus case in Latin America.** The currency caught up to the losses suffered by EMs in the first 2 days of the week, when the local markets were closed. The real depreciated by 1.4% against the dollar, but the losses were limited after the central bank announced support with auctions in the FX futures market. Brazil domestic swap rates fell in the short-end of the curve and rose in the long one amid fears that the virus will impact the Brazilian economy.



## China

**Equities (+0.3%) rose on improved sentiment amid signs of virus containment and resumption of economic activity alongside liquidity support.** China's National Health Commission said there were 29 additional deaths as of February 26, slowing for the third straight day, while the number of new confirmed cases was 433, compared with 406 the day before. The Politburo said that "the economic recovery in China is accelerating", even though the risks of coronavirus epidemic resurgence cannot be ignored. Some Chinese provinces (a total of 14) have lowered their emergency response levels to below the most severe category. **The onshore RMB appreciated 0.1% while the offshore counterpart was unchanged.**

## Korea

**The Bank of Korea (BOK) kept its policy rate unchanged at 1.25%, against consensus expectations of a 25 bps cut.** Five out of seven board members voted for a hold, with two in favor of a 25bps cut. BOK Governor Lee stated that micro policy measures aimed at the sectors affected by the coronavirus would be more effective than rate changes. The central bank expanded a lending-support facility ceiling for smaller companies by KRW5 tn (\$4 bn) to KRW30 tn. The BOK also lower its 2020 growth forecast to 2.1% from 2.3% to account for the virus impact, assuming that the outbreak peaks in March. It also noted uncertainties regarding future growth are high due to the virus and will monitor its impact on the domestic economy and changes in financial stability including household debt growth. **Equities (-1.1%) fell while the Korean won and bonds were unchanged.**

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## Global Financial Indicators

Last updated: 2/27/20 8:12 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>			%				%
United States		3116	-0.4	-8	-4	12	-4
Europe		3476	-2.8	-9	-5	6	-7
Japan		21948	-2.1	-6	-6	2	-7
China		2991	0.1	-1	0	1	-2
Asia Ex Japan		69	0.8	-5	-2	-1	-6
Emerging Markets		42	-1.2	-6	-3	-2	-7
<b>Interest Rates</b>			basis points				
US 10y Yield		1.28	-1.5	-24	-33	-141	-64
Germany 10y Yield		-0.53	-2.9	-9	-15	-68	-35
Japan 10y Yield		-0.11	-1.9	-7	-6	-8	-9
UK 10y Yield		0.46	-4.4	-12	-5	-81	-36
<b>Credit Spreads</b>			basis points				
US Investment Grade		120	1.7	12	13	-2	22
US High Yield		482	10.9	64	43	73	89
Europe IG		57	4.8	14	11	-5	12
Europe HY		275	16.7	59	46	1	68
EMBIG Sovereign Spread		344	10.0	37	31	-2	51
<b>Exchange Rates</b>			%				
USD/Majors		98.61	-0.4	-1	1	3	2
EUR/USD		1.10	0.8	2	-1	-4	-2
USD/JPY		109.9	0.5	2	-1	1	-1
EM/USD		58.6	0.0	-1	-3	-8	-5
<b>Commodities</b>			%				
Brent Crude Oil (\$/barrel)		52	-2.9	-13	-13	-22	-21
Industrials Metals (index)		103	-0.8	-2	-4	-15	-10
Agriculture (index)		39	-0.8	-3	-3	-7	-7
<b>Implied Volatility</b>			%				
VIX Index (% change in pp)		30.1	2.5	14.5	11.9	15.4	16.3
10y Treasury Volatility Index		5.8	0.2	1.2	0.9	1.9	1.6
Global FX Volatility		6.3	0.0	0.6	0.7	-0.9	0.3
<b>EA Sovereign Spreads</b>			10-Year spread vs. Germany (bps)				
Greece		173	6.2	32	17	-182	8
Italy		160	10.3	25	18	-103	0
Portugal		87	9.2	19	18	-43	25
Spain		82	6.1	15	15	-20	16

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

Data source: Bloomberg.

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## Emerging Market Financial Indicators

Last updated: 2/27/2020 8:14 AM	Exchange Rates						Local Currency Bond Yields (GBI EM)							
	Level		Change (in %)				YTD	Level		Change (in basis points)				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M		Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
	vs. USD		(+) = EM appreciation					% p.a.						
China		7.01	0.2	0.2	-1	-5	-1		2.9	-0.3	-3	-16	-24	-27
Indonesia		14025	-0.6	-2.0	-3	0	-1		6.8	12.0	20	3	-105	-31
India		72	0.1	0.1	0	0	0		6.5	-1.9	-5	-32	-101	-35
Philippines		51	0.5	-0.4	0	2	0		4.1	2.1	4	-10	-140	-16
Thailand		32	0.6	-0.6	-3	-1	-6		1.2	-3.0	-9	-35	-142	-42
Malaysia		4.21	0.3	-0.7	-4	-3	-3		2.9	-4.7	-7	-28	-112	-50
Argentina		62	-0.1	-0.6	-3	-38	-4		52.3	-113.9	-548	-230	3127	-1033
Brazil		4.47	-0.4	-1.7	-6	-16	-10		6.0	11.6	20	-12	-192	-29
Chile		817	-0.8	-1.2	-3	-20	-8		3.6	4.0	0	23	-70	34
Colombia		3484	-0.7	-2.3	-2	-12	-6		5.5	2.3	-5	-15	-89	-46
Mexico		19.39	-0.6	-2.9	-2	-1	-2		6.6	2.7	0	-27	-168	-34
Peru		3.4	0.0	-0.8	-2	-3	-3		4.2	1.3	0	-18	-140	-32
Uruguay		39	-0.7	-1.5	-3	-16	-3		9.6	7.2	3	-75	-58	-123
Hungary		309	1.1	1.6	-1	-10	-4		1.6	6.2	-7	29	-44	39
Poland		3.93	0.8	0.9	-1	-3	-4		1.7	-2.2	-21	-32	-61	-21
Romania		4.4	0.7	1.4	-1	-5	-3		3.5	-6.0	-3	-35	-62	-46
Russia		65.8	-0.5	-2.4	-4	0	-6		5.9	1.8	8	-10	-223	-26
South Africa		15.4	-0.3	-1.5	-5	-9	-9		9.2	-12.5	-22	-29	-18	-29
Turkey		6.16	-0.1	-1.1	-4	-14	-3		12.1	8.0	69	210	-349	39
US (DXY; 5y UST)		99	-0.4	-1.3	1	3	2		1.08	-7.8	-28	-36	-140	-61

	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		2991	0.1	-1	0	1	-2		174	1	6	5	-7	-2
Indonesia		5536	-2.7	-7	-10	-15	-12		185	10	22	9	-10	29
India		39746	-0.4	-4	-3	11	-4		138	2	7	6	-31	13
Philippines		6968	0.8	-6	-8	-12	-11		88	5	16	8	-1	22
Malaysia		1506	0.7	-2	-4	-12	-5		120	4	17	23	-7	8
Argentina		36422	-5.6	-7	-8	3	-13		2183	75	89	38	1493	414
Brazil		105718	-7.0	-8	-8	9	-9		232	15	39	6	-2	17
Chile		4285	-1.5	-6	-6	-20	-8		160	5	21	9	31	27
Colombia		1590	-1.4	-5	-2	5	-4		190	8	24	10	1	27
Mexico		42737	-0.7	-5	-3	-1	-2		336	12	40	26	15	44
Peru		18946	0.5	-4	-5	-8	-8		134	5	20	12	-2	27
Hungary		42923	-1.4	-6	-2	6	-7		133	1	21	33	19	47
Poland		52655	-1.5	-9	-8	-12	-9		60	2	24	41	8	42
Romania		9696	-0.1	-4	-4	26	-3		198	0	29	8	-3	24
Russia		2928	-3.0	-6	-5	18	-4		164	6	20	12	-52	33
South Africa		53833	-2.2	-7	-4	-4	-6		373	10	39	21	87	53
Turkey		111643	-3.1	-3	-7	7	-2		455	12	42	85	45	54
Ukraine		533	0.0	1	5	-5	5		460	26	101	68	-181	40
EM total		42	-1.3	-6	-3	-2	-7		345	11	38	32	-1	52

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							
	Level	Change or relative change					
	Latest	1 Day	7 Days	30 Days	12 M	YTD	Since Covid-19 intensification (Jan 20)
<b>Equity Markets</b>	<b>Index</b>	<b>Change (in %)</b>					
China							
CSI 300 (Large Cap/Main Equity Index)	4085	0.3	-1.4	2.0	11.1	-0.3	-2.4
CSI 500 (Mid-Cap Index)	5754	0.2	0.8	7.0	14.7	9.2	3.0
CSI 1000 (Small-Cap Index)	6232	0.2	1.6	9.4	17.4	11.9	4.7
Indonesia	5536	-2.7	-6.8	-9.7	-15.2	-12.1	-11.4
India	39746	-0.4	-3.8	-3.4	10.7	-3.7	-4.3
Philippines	6968	0.8	-5.8	-8.2	-11.7	-10.8	-7.7
Thailand	1395	2.1	-6.4	-8.5	-16.2	-11.7	-12.2
Malaysia	1506	0.7	-1.9	-4.3	-12.1	-5.2	-5.2
Japan	21948	-2.1	-6.2	-6.0	1.8	-7.2	-8.9
Korea	2055	-1.1	-6.4	-8.5	-8.0	-6.5	-9.2
Italy	22781	-2.7	-9.2	-2.7	11.1	-3.1	-5.1
<b>China: Selected Interest Rates</b>	<b>Percent or bps</b>	<b>Change (in basis points)</b>					
7-Day Repo Rate: Depository Institutions (1)	2.10	20	65	-44	-70	-72	-10
10-Year Government Bond Yield	2.77	-3	-8	-22	-40	-37	-31
5-Year Corp. Bond: AAA Issuers: Credit Spread (bps)	73	-1	4	-12	-18	-10	-8
5-Year Corp. Bond: AA Issuers: Credit Spread (bps)	139	-1	1	-10	-53	-16	-6
7-Day Repo Rate: Liquidity Premium (bps) (2)	24	-18	-60	18	-25	-1	-25
3-Month Bank NCD (3): AAA Issuers	2.34	4	-1	-46	-38	-36	-45
3-Month Bank NCD: AA+ Issuers	2.50	-1	-8	-34	-35	-44	-36
3-Month SHIBOR Interbank Rate: Fixing	2.43	-1	-6	-43	-32	-59	-43
1-Year Interest Rate Swap: 7-Day Repo Rate	2.31	-2	-8	-28	-29	-34	-30
<b>Bond Spreads on USD Debt (EMBIG)</b>	<b>Basis points</b>	<b>Change (in basis points)</b>					
China	174	1	6	5	-7	-2	0
Indonesia	185	10	22	9	-10	29	22
India	138	2	7	6	-31	13	9
Philippines	88	5	16	8	-1	22	15
Malaysia	120	4	17	23	-7	8	16
<b>Exchange Rates</b>	<b>vs. USD</b>	<b>Change (in %) (+) = EM appreciation</b>					
China	7.01	0.2	0.2	-1.4	-4.6	-0.6	-2.0
Indonesia	14025	-0.6	-2.0	-2.9	0.0	-1.1	-2.8
India	72	0.1	0.1	-0.2	-0.4	-0.3	-0.6
Philippines	51	0.5	-0.4	0.0	2.0	-0.4	0.3
Thailand	32	0.6	-0.6	-2.9	-0.6	-6.1	-4.2
Malaysia	4.21	0.3	-0.7	-3.6	-3.5	-2.8	-3.7
<b>Local Currency Bond Yields (GBI EM)</b>	<b>Percent</b>	<b>Change (in basis points)</b>					
China	2.88	0	-3	-16	-24	-27	-22
Indonesia	6.83	12	20	3	-105	-31	-11
India	6.53	-2	-5	-32	-101	-35	-37
Philippines	4.14	2	4	-10	-140	-16	-13
Thailand	1.20	-3	-9	-35	-142	-42	-40
Malaysia	2.85	-5	-7	-28	-112	-50	-44
Note: (1). Daily closing rate on depository institution transactions.							
(2). Calculated as spread between market-wide weighted average 7-day repo rate and the 7-day repo closing rate for transactions between depository institutions.							
(3). NCD = Negotiable Certificate of Deposit.							