Global Markets Monitor

FRIDAY, FEBRUARY 28, 2020

- **Safe haven buying sends US Treasury yields to record lows** (link)
- **S&P 500 suffers fastest ever 10% decline from market peak** (link)
- **Goldman lowers S&P 500 EPS growth forecast to zero** (link)
- **Chinese banks avoid recognizing bad loans as virus takes toll on economy** (link)
- **South African rand at multi-year lows following record bond sales by foreigners** (link)

US | Europe | Other Mature | Emerging Markets | Market Tables

Market turmoil deepens as stocks experience fastest ever correction

Even after the S&P 500 experienced its fastest ever 10% decline, the rout in equity markets is continuing this morning. The sell-off so far today is widespread, with even countries who have not yet reported virus incidents experiencing sharp declines. The latest move comes as more signs of the spread of COVID-19 have emerged. Germany has announced 1,000 people have been quarantined and Nigeria has reported the first infection in Sub-Saharan Africa. European equities are down about 3% this morning, having recovered from earlier losses of as much as 4.5%. Chinese equities experienced their largest one-day decline since February 3. According to Bloomberg data, South Africa yesterday saw the most one-day selling by foreigners of its domestic debt since at least 1996. With the market moves elsewhere, US equity futures are indicating a relatively tame move, down less than 1% at the moment. US Treasury yields reached record lows once again, with the 10-year falling to as low as 1.15% early in the morning before recovering back to above 1.2%.

Key Global Financial Indicators

Last updated: 2/28/20 8:15 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities			%				%
S&P 500		2979	-4.4	-12	-9	7	-8
Eurostoxx 50		3346	-3.2	-12	-10	1	-11
Nikkei 225		21143	-3.7	-10	-9	-1	-11
MSCI EM		41	-2.5	-7	-6	-4	-9
Yields and Spreads			bps				
US 10y Yield		1.23	-7.6	-25	-43	-149	-69
Germany 10y Yield		-0.59	-4.7	-16	-25	-77	-41
EMBIG Sovereign Spread		351	2	40	43	12	58
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		58.2	-0.1	-2	-4	-8	-5
Dollar index, (+) = $ appreciation		98.4	-0.1	-1	0	2	2
Brent Crude Oil ($/barrel)		51.1	-2.0	-13	-14	-23	-23
VIX Index (%, change in pp)		39.9	0.8	23	24	25	26

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

United States

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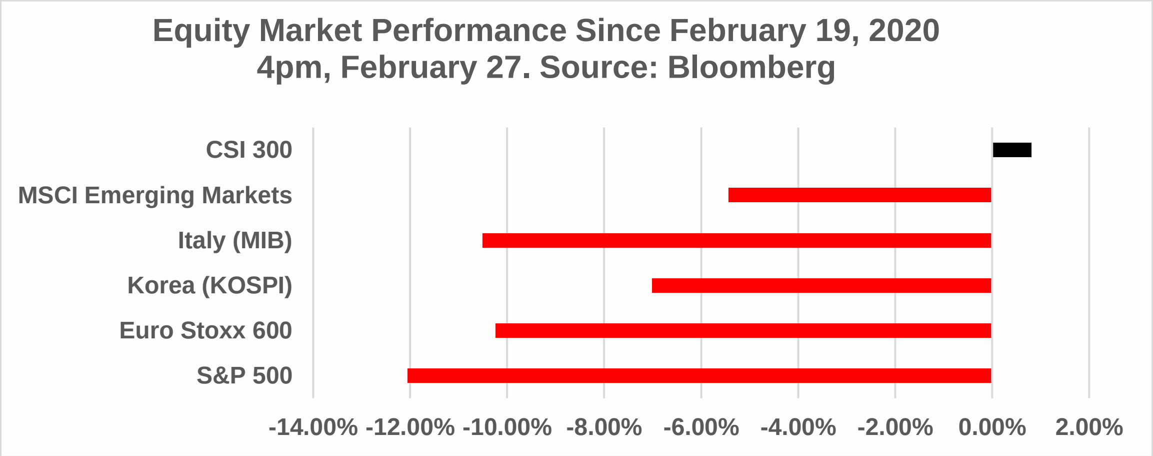
The market mood has darkened as bad news on Covid-19 continues. Risk assets are under severe pressure, especially in the US and Europe where several bourses are in correction territory after falling more than 10% over the past six days since the S&P 500 and Euro Stoxx 600 set all-time records on February 19. Safe haven buying sent the global benchmark US 10-year Treasury yield to a new record low below 1.25% before ending at 1.28%. The long bond yield also hit a new record low of 1.74% before ending at 1.77%. The VIX hit 39.16, just shy of its five-year high of 40.74 set back in 2015 when the market was in the throes of another China related risk-off episode. Oil prices have been a key proxy for the economic consequences of the virus. While equities were still rallying, oil prices immediately began to fall on January 20, the first day of trading after the news of the virus broke. Since the previous close on January 17, Brent prices are in a bear market, having fallen 20%. Fears of economic disruption are also being reflected in global inflation markets, where yields of inflation-linked bonds have pushed deep into negative levels for the US, Japan, Germany and the UK among others. **This morning, The headline PCE deflator came in at 0.1% mom versus the 0.2% consensus forecas**t, while the annualized number was 1.7% (vs. 1.8%). The core PCE deflator, the Fed's favored measure of inflation, was 0.1% mom (vs. 0.2%), with the annualized number at 1.6% (vs. 1.7%). The market response was muted because the focus remains on Covid-19 rather than short term data releases.

The S&P 500 has suffered its fastest 10% decline from a market peak in history, taking just six days to plunge over 12%. The Dow suffered the largest one-day point drop in its history of 1190.95, equivalent to a 4.4% decline. The S&P 500, Nasdaq, Dax, and Euro Stoxx 600 indexes among others all set new record highs as recently as February 19. Since then stocks have plunged as the virus spread to more countries around the globe, including the US. The initial optimism that the impact would be limited has given way to a growing pessimism that the global economy could take a significant hit from the disease. Only the Chinese market has held up since February 19 as attention shifted to other countries, with the CSI index actually in positive territory since February 19.



The impact of the selloff is reaching deeper into markets as large tech companies with major exposure to China such as Apple, Microsoft and HP have abandoned their earlier earnings guidance for Q1 due to the uncertain outlook. This week there has been very little issuance of investment grade bonds aside from agency and super sovereign issuance as investors stay on the sidelines. Dealers had expected $25 bn of new corporate issuance this week. Most expect today to be another day of zero issuance, leading to the first blank week since July 2018 when trade war headlines hit markets. Meanwhile, markets are now pricing three Fed rate cuts by January 2021.

Selected Market Moves Since January 17, 2020
As of 4pm February 27. Source: Bloomberg

	Change Since 1/17/20
US 10-year Yield	-55 bps (1.28% yield)
US 30-year Yield	-51 bps (1.77% yield)
German 10-Year Bund Yield	-34 bps (-0.55% yield)
Brent Crude	-20% ($51.94)
US five-year TIPS yield	-37 bps (-0.40% yield)
US 10-Year TIPS Yield	-32 bps (-0.24% yield)
MSCI Emerging Markets Equity Index	-9%

Goldman forecasts that US corporate earnings growth in 2020 will fall to zero due to Covid-19. Their baseline forecast is that the S&P 500 price earnings per share (EPS) will remain flat at $165 even if Covid-19 is widespread but short-lived. Their upside scenario where containment is rapid is not much better, with EPS growth at just 3% compared to the 6% ($174) forecast at the start of the year. Their downside recession scenario forecasts earning growth to fall by 13%, in which case the S&P 500 could fall another 21% from current levels. They have also marked down their EPS growth estimates for 2021. On a more positive note, they expect a 9% rally from current levels if the upside or baseline scenarios are realized. In other news, Citigroup cut is 2020 global EPS growth estimate to zero from 4%.

Exhibit 2: Scenarios around our baseline forecasts

			YEAR-END 2020		
	Current	MID-YEAR 2020 TROUGH	COVID-19 contained (upside)	Baseline COVID-19 widespread but short-lived	Recession (downside)
Earnings					
2020E EPS			$170	**$165**	$143
Growth			*3 %*	***0 %***	*(13)%*
2021E EPS			$180	**$175**	$158
Growth			*5 %*	***6 %***	*10 %*
Valuation					
Model-implied yield gap	427 bp	500 bp	345 bp	**365 bp**	575 bp
10-year US Treasury yield	1.3%	1.0%	1.85%	**1.50%**	0.75%
S&P 500 earnings yield	5.6%	6.0%	5.3%	**5.2%**	6.5%
S&P 500 fwd P/E	17.8 x	16.7 x	18.9 x	**19.4 x**	15.4 x
S&P 500 price	**3,116**	**2,900**	**3,400**	**3,400**	**2,450**
Change from current		***(7)%***	***9 %***	***9 %***	***(21)%***

Source: Goldman Sachs Global Investment Research

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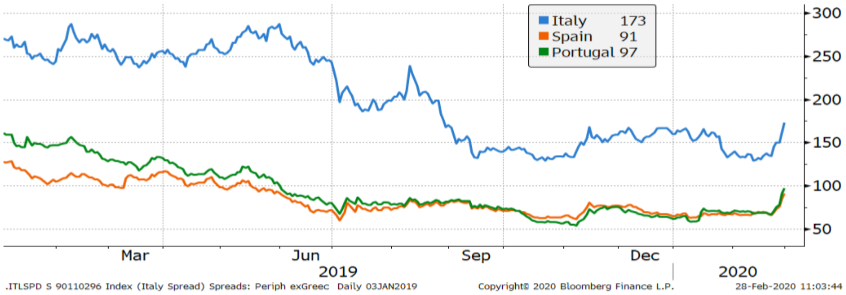
European equities traded in freefall through the morning. DAX (-3.9%), CAC 40 (-3.1%), EuroStoxx 600 (-3.4%). Italy's Titans 30 is at -2.9% on the day. Bank stocks (-4.2%) underperformed.

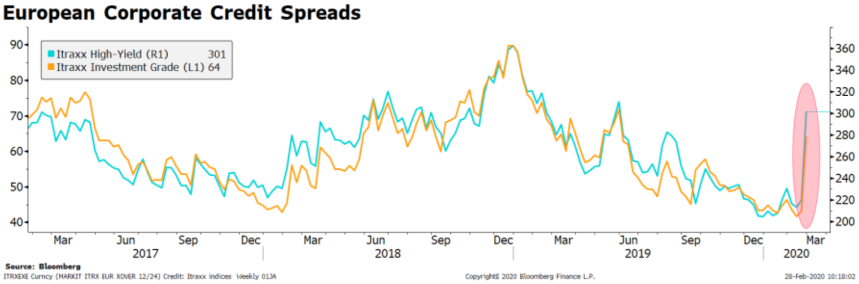
Sovereign debt markets are on risk-off mode, with core yields dropping while 'peripherals' increase: German 10-year yields at -0.60% (-6 bps); French OATs are at -0.29% (-4 bps); Italian at 1.13% (+5 bps); and Spanish at 0.31% (flat).

Selected European Sovereign Spreads to 10yr Bunds
(in basis points)

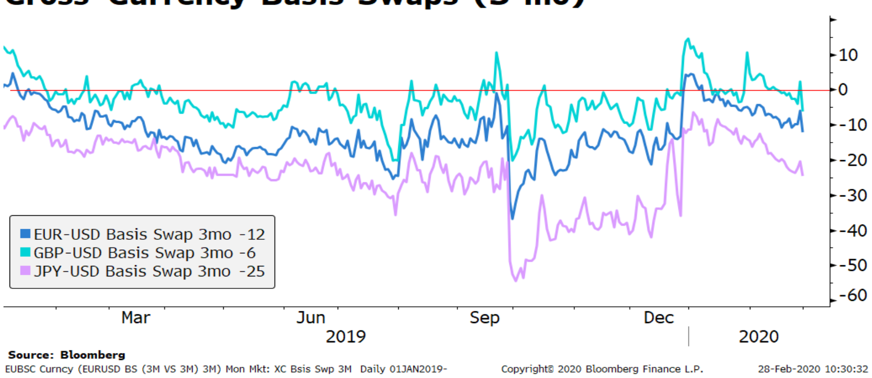


Corporate spreads in European credit markets have surged to near three-year highs. As concerns over the economic impact of the coronavirus spills across market segments, spreads in corporate high-yield markets reached 301 bps, from just 210 bps two weeks ago. Investment-grade cost of credit also increased, trading at 64 bps, from 40 bps in early February. Similarly, although of lesser magnitude, **dollar-funding pressures are increasing** for the yen-dollar and the euro-dollar pairs.

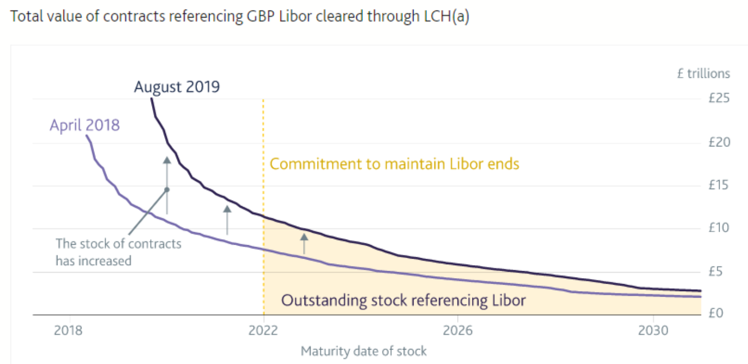
European Corporate Credit Spreads



Cross-Currency Basis Swaps (3 mo)



The UK's Financial Conduct Authority has urged asset managers to accelerate their transition away from Libor. In a letter sent to asset management companies, the FCA told companies that "if Libor transition is not yet underway at your firm, we expect you to take immediate action to develop and to begin to execute an appropriate plan. If your Board decides that no Libor transition plan is needed, we may seek to understand and, where appropriate, challenge the reasons for this decision." Even though the scandal-ridden Libor benchmark is expected to phase out at end-2021, many derivatives contracts continue to reference Libor, with even an increase in some market segments, according to the latest data available.



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Japan

Equities (-3.6%) plunged and the yen (+1%) strengthened on global virus concerns. Stocks saw their worst weekly decline since February 2016 with losses of -9.7%. Separately, industrial production fell -2.5% y/y in January from -3.1% y/y in December, prior to the supply chain disruptions from the virus. Prime Minister Shinzo Abe announced the closure of schools nationwide and called for big events to be halted, delayed or scaled back. Most analysts expect Japan to fall into recession this quarter after shrinking sharply in 2019Q4. **10-year JGB yield fell 4.6bps to -0.16%.**

Emerging Markets back to top

Asian equities (-2.6%) plunged across the board as sentiment remains very fragile. China (Shanghai -3.7%; Shenzhen -4.9%) and Thailand (-3.7%) led declines while Korea (-3.3%) also fell, with confirmed cases in Korea rising above 2,000. Regional currencies were little changed, except the Indian rupee (-0.8%) and the Indonesian rupiah (-2.1%). **EMEA also traded in line with global risk-off sentiment**, with the ruble (-1.8%), South African rand (-1.2%) and Turkish lira (-0.7%) sharply lower against the U.S. dollar. There was no respite for equities, with Russian, Turkish and Polish shares trading about 5% lower. **Latin American assets also extended losses yesterday.** Stocks in and Argentina (-2.8%) suffered the biggest losses, followed by Brazil (-2.6%), Mexico (-2.6%) and Chile (-0.8%). **Among LatAm currencies, the Mexican peso (-1.1%) depreciated the most against the dollar, followed by the Brazilian real (-0.9%),** Colombian peso (-0.7%) and Chilean peso (-0.6%). MSCI EM stocks fell by 1.1% and MSCI EM currency index fell by 0.2% yesterday.

Key Emerging Market Financial Indicators

Last updated: 2/28/20 8:09 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		40.67	-2.5	-7	-6	-4	-9
MSCI Frontier Equities		28.21	-0.5	-5	-8	-1	-7
EMBIG Sovereign Spread (in bps)		351	2	40	43	12	58
EM FX vs. USD		58.21	-0.1	-2	-4	-8	-5
Major EM FX vs. USD				%, (+) = EM currency appreciation			
China Renminbi		6.98	0.3	1	-1	-4	0
Indonesian Rupiah		14318	-2.0	-4	-5	-2	-3
Indian Rupee		72.18	-0.9	-1	-1	-2	-1
Argentine Peso		62.16	0.0	-1	-3	-37	-4
Brazil Real		4.49	0.1	-2	-7	-16	-10
Mexican Peso		19.71	-1.1	-4	-5	-2	-4
Russian Ruble		67.10	-1.2	-5	-7	-2	-8
South African Rand		15.58	-0.6	-4	-7	-10	-10
Turkish Lira		6.23	-0.3	-2	-5	-14	-4
EM FX volatility		7.45	0.0	0.5	0.9	-0.8	0.9

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

China

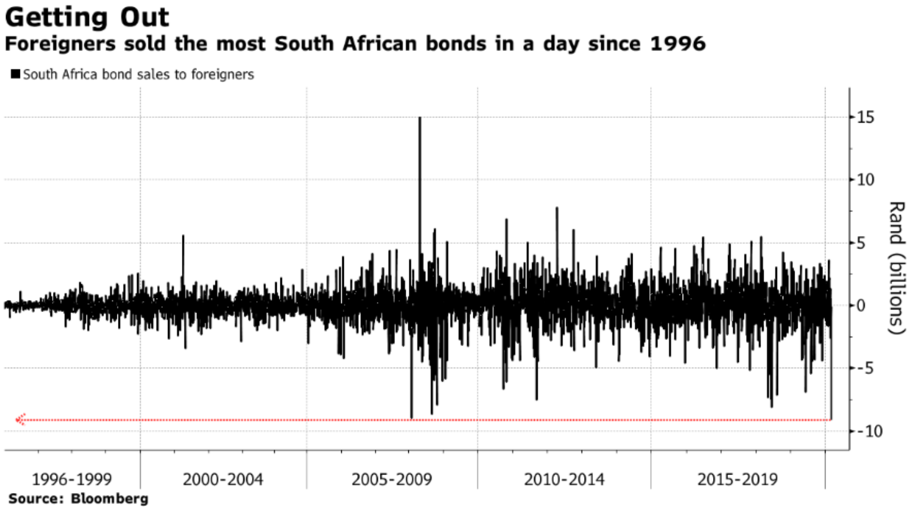
Equities (Shanghai -3.7%; Shenzhen -4.9%) plunged, recording their largest daily fall since February 3. While new coronavirus infections in China fell to the slowest rate (327) since January 23, the virus has already taken a toll on the economy. According to Bloomberg, Chinese banks are taking extraordinary measures to avoid recognizing bad loans. Some of the measures include rolling over loans to companies at risk of missing payment deadlines and relaxing guidelines on the categorization of overdue debt. Lenders are also refraining from reporting delinquencies to the nation's centralized credit-scoring system and allow borrowers to skip interest payments for as long as six months. **10-year bond yield fell 5.5bps to 2.72% while the onshore and offshore RMB (+0.2%) appreciated.**

Mexico

State-owned oil company, Pemex reported its biggest quarterly loss in 2 years as production growth stalled. Pemex is struggling to be profitable while balancing the need to finance the nation's budget, which relies on it for nearly a fifth of its revenue. Revenue fell in 2019Q4, boosting Pemex's net loss to $8.8 bn, the biggest drop since the same period in 2017 reports Bloomberg. Pemex bonds maturing in 2027 fell 1.4%, the biggest drop in nearly 7 months. Yields rose 26 bps to 5.4% on the day.

South Africa

The rand (-1.2% to 15.6 per $) fell to new multi-year lows and local 10-yr yields (+28 bps to 9.10%) rose sharply amid **reports of record net bond selling by off-shore investors** and **outstanding questions on the new budget**. Offshore investors were net sellers of R9.1 bn rand ($591 mn) of the country's debt yesterday, the most since Bloomberg began tracking the data in 1996. FM Tito Mboweni presented a budget earlier this week that focuses on limiting wage growth rather than tax increases but analysts see execution risks to expenditure cuts and point out that consolidation effort reduces national government funding needs only marginally in the next few years as gross public debt would still rise to 69% in 2021/22 (from 62% in this fiscal year).



Indonesia

Indonesian assets sold off sharply amid risk aversion driven by the international outbreak of the coronavirus. The rupiah depreciated -2.1% (to its weakest level since September), local and USD-denominated bond yields rose 15bps, and equities dropped -1.6%. **This was despite Bank Indonesia stepping up its market intervention through the interbank forex market, domestic non-deliverable forwards (DNDFs) and purchases of sovereign bonds**. According to Bloomberg, foreign investors have sold a net $1.7 bn of sovereign bonds this month. Intervention through DNDFs increased sharply this week, with the outstanding amount rising to a record high of $8 bn, according to Nomura.

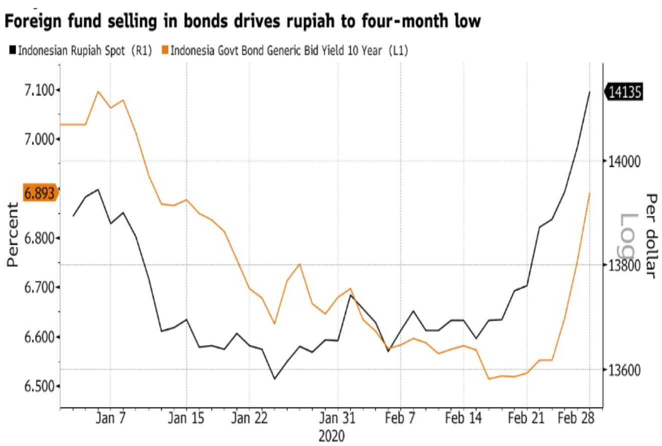
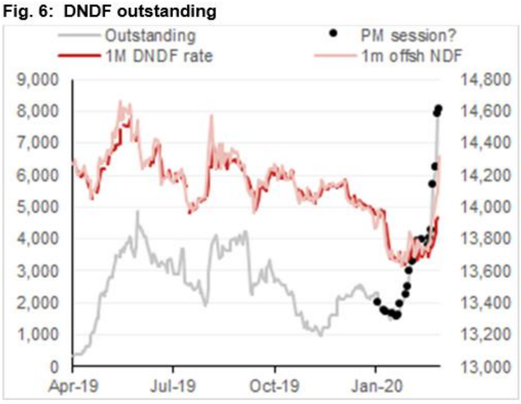


Fig. 6: DNDF outstanding



Source: Bloomberg, Nomura.

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Global Financial Indicators

Last updated: 2/28/20 8:19 AM	Level Last 12m	Level Latest	Change 1 Day	Change 7 Days	Change 30 Days	Change 12 M	YTD
Equities					%		%
United States		2979	-4.4	-12	-9	7	-8
Europe		3346	-3.2	-12	-10	1	-11
Japan		21143	-3.7	-10	-9	-1	-11
China		2880	-3.7	-5	-3	-2	-6
Asia Ex Japan		68	-1.5	-5	-4	-1	-7
Emerging Markets		41	-2.5	-7	-6	-4	-9
Interest Rates					basis points		
US 10y Yield		1.23	-7.6	-25	-43	-149	-69
Germany 10y Yield		-0.59	-4.7	-16	-25	-77	-41
Japan 10y Yield		-0.15	-4.8	-10	-11	-13	-14
UK 10y Yield		0.44	-2.9	-13	-11	-86	-38
Credit Spreads					basis points		
US Investment Grade		126	1.4	15	21	6	28
US High Yield		515	10.5	92	88	111	122
Europe IG		62	5.5	19	17	0	17
Europe HY		292	19.9	73	71	15	85
EMBIG Sovereign Spread		351	2.0	40	43	12	58
Exchange Rates					%		
USD/Majors		98.45	-0.1	-1	0	2	2
EUR/USD		1.10	-0.2	1	0	-3	-2
USD/JPY		108.7	0.8	3	0	2	0
EM/USD		58.2	-0.1	-2	-4	-8	-5
Commodities					%		
Brent Crude Oil ($/barrel)		51	-2.0	-13	-14	-23	-23
Industrials Metals (index)		103	-0.7	-3	-4	-16	-10
Agriculture (index)		38	-0.6	-3	-4	-7	-7
Implied Volatility					%		
VIX Index (%, change in pp)		39.9	0.8	22.8	23.6	25.1	26.1
10y Treasury Volatility Index		6.3	0.6	1.4	1.7	2.5	2.2
Global FX Volatility		6.7	0.0	0.9	1.2	-0.4	0.7
EA Sovereign Spreads					10-Year spread vs. Germany (bps)		
Greece		192	13.0	53	39	-156	26
Italy		174	12.0	40	37	-83	14
Portugal		94	2.1	27	26	-35	31
Spain		88	2.8	22	23	-11	23

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: 2/28/2020 8:12 AM	Exchange Rates							Local Currency Bond Yields (GBI EM)						
	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
		vs. USD	(+) = EM appreciation						% p.a.					
China		6.98	0.3	0.6	-1	-4	0		2.9	-0.9	-5	-16	-27	-28
Indonesia		14318	-2.0	-3.9	-5	-2	-3		6.9	8.5	28	0	-99	-22
India		72	-0.9	-0.7	-1	-2	-1		6.5	1.4	-5	-29	-104	-34
Philippines		51	-0.3	-0.2	0	1	-1		4.1	-2.3	-5	-12	-147	-18
Thailand		32	0.4	0.1	-2	0	-6		1.2	1.5	-4	-31	-141	-40
Malaysia		4.22	-0.1	-0.6	-3	-4	-3		2.9	0.1	-9	-28	-112	-50
Argentina		62	0.0	-0.5	-3	-37	-4		52.1	-18.2	-445	-347	3091	-1051
Brazil		4.49	0.1	-2.2	-7	-16	-10		5.9	-8.1	8	-16	-196	-37
Chile		817	-0.3	-1.8	-4	-20	-8		3.7	4.1	-3	30	-67	39
Colombia		3536	-1.0	-4.3	-4	-13	-7		5.6	11.7	7	-9	-77	-34
Mexico		19.71	-1.1	-4.1	-5	-2	-4		6.8	16.9	15	-7	-153	-18
Peru		3.4	-0.8	-1.3	-3	-4	-4		4.3	6.4	4	-12	-134	-26
Uruguay		39	-1.0	-1.9	-4	-16	-4		9.9	27.5	36	-47	-33	-95
Hungary		307	0.3	1.1	0	-10	-4		1.6	1.6	-10	29	-45	40
Poland		3.94	-0.2	0.4	-2	-4	-4		1.6	-8.2	-27	-37	-73	-29
Romania		4.4	-0.3	1.0	-1	-5	-3		3.5	0.0	2	-32	-53	-46
Russia		67.1	-1.2	-4.7	-7	-2	-8		6.0	11.8	22	-3	-214	-15
South Africa		15.6	-0.6	-3.7	-7	-10	-10		9.4	13.3	-4	-22	-5	-16
Turkey		6.23	-0.3	-2.1	-5	-14	-4		12.4	28.7	63	231	-309	67
US (DXY; 5y UST)		98	-0.1	-0.8	0	2	2		1.02	-5.3	-31	-46	-150	-68

	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		2880	-3.7	-5	-3	-2	-6		176	0	7	4	-4	0
Indonesia		5453	-1.5	-7	-11	-15	-13		195	9	32	19	3	39
India		38297	-3.6	-7	-7	7	-7		138	0	7	9	-29	13
Philippines		6788	-2.6	-8	-9	-12	-13		95	2	23	13	10	29
Malaysia		1483	-1.5	-3	-4	-13	-7		121	0	19	16	-6	9
Argentina		35387	-2.8	-7	-13	3	-15		2223	2	165	132	1523	454
Brazil		102984	-2.6	-12	-12	8	-11		238	2	39	14	5	23
Chile		4220	-0.8	-7	-8	-20	-10		170	3	29	21	41	37
Colombia		1557	-2.1	-5	-4	3	-6		199	2	33	23	11	36
Mexico		41607	-2.6	-7	-7	-3	-4		341	2	42	36	23	49
Peru		18608	-1.8	-6	-7	-10	-9		143	2	-29	21	9	36
Hungary		40767	-4.5	-11	-7	1	-12		138	2	21	30	28	52
Poland		50069	-2.4	-13	-13	-16	-13		64	2	24	38	15	46
Romania		9238	-3.4	-9	-8	20	-7		208	10	35	10	11	34
Russia		2818	-3.4	-10	-9	13	-7		170	2	27	21	-41	39
South Africa		51605	-3.4	-10	-7	-8	-10		378	3	40	35	94	58
Turkey		106507	-3.5	-9	-11	2	-7		459	2	45	97	59	58
Ukraine		533	0.0	1	6	-5	5		458	2	89	72	-185	38
EM total		41	-2.5	-7	-6	-4	-9		351	2	40	43	12	58

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)
Equity Markets	**Index**	**Change (in %)**					
China							
CSI 300 (Large Cap/Main Equity Index)	3940	-3.5	-5.0	-1.6	7.4	-3.8	-5.9
CSI 500 (Mid-Cap Index)	5451	-5.3	-5.8	1.4	8.5	3.5	-2.4
CSI 1000 (Small-Cap Index)	5871	-5.8	-6.0	3.0	10.1	5.5	-1.4
Indonesia	5453	-1.5	-7.3	-10.8	-15.4	-13.4	-12.7
India	38297	-3.6	-7.0	-6.5	6.8	-7.2	-7.8
Philippines	6788	-2.6	-8.4	-9.1	-11.9	-13.1	-10.1
Thailand	1341	-3.9	-10.3	-11.4	-18.9	-15.1	-15.6
Malaysia	1483	-1.5	-3.2	-4.4	-13.2	-6.7	-6.7
Japan	21143	-3.7	-10.0	-8.9	-1.1	-10.6	-12.2
Korea	1987	-3.3	-8.1	-8.7	-9.5	-9.6	-12.2
Italy	22179	-2.7	-10.5	-7.7	7.4	-5.6	-7.6
China: Selected Interest Rates	**Percent or bps**	**Change (in basis points)**					
7-Day Repo Rate: Depository Institutions (1)	2.40	30	32	-14	-25	-42	20
10-Year Government Bond Yield	2.74	-3	-11	-26	-44	-40	-34
5-Year Corp. Bond: AAA Issuers: Credit Spread (bps)	78	5	6	-7	-14	-5	-3
5-Year Corp. Bond: AA Issuers: Credit Spread (bps)	144	5	3	-5	-49	-11	-1
7-Day Repo Rate: Liquidity Premium (bps) (2)	7	-18	-2	1	-7	-18	-42
3-Month Bank NCD (3): AAA Issuers	2.35	1	0	-45	-34	-35	-43
3-Month Bank NCD: AA+ Issuers	2.50	0	-8	-34	-39	-44	-37
3-Month SHIBOR Interbank Rate: Fixing	2.43	0	-6	-43	-32	-59	-43
1-Year Interest Rate Swap: 7-Day Repo Rate	2.28	-3	-11	-31	-33	-37	-33
Bond Spreads on USD Debt (EMBIG)	**Basis points**	**Change (in basis points)**					
China	176	0	7	4	-4	0	2
Indonesia	195	9	32	19	3	39	32
India	138	0	7	9	-29	13	9
Philippines	95	2	23	13	10	29	22
Malaysia	121	0	19	16	-6	9	17
Exchange Rates	**vs. USD**	**Change (in %) (+) = EM appreciation**					
China	6.98	0.3	0.6	-1.1	-4.2	-0.3	-1.7
Indonesia	14318	-2.0	-3.9	-4.7	-1.7	-3.2	-5.0
India	72	-0.9	-0.7	-1.2	-2.0	-1.1	-1.5
Philippines	51	-0.3	-0.2	-0.3	1.4	-0.6	0.0
Thailand	32	0.4	0.1	-2.3	0.1	-5.8	-3.9
Malaysia	4.22	-0.1	-0.6	-3.1	-3.5	-2.9	-3.8
Local Currency Bond Yields (GBI EM)	**Percent**	**Change (in basis points)**					
China	2.87	-1	-5	-16	-27	-28	-23
Indonesia	6.92	9	28	0	-99	-22	-2
India	6.54	1	-5	-29	-104	-34	-36
Philippines	4.12	-2	-5	-12	-147	-18	-15
Thailand	1.21	2	-4	-31	-141	-40	-39
Malaysia	2.86	0	-9	-28	-112	-50	-43

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.