




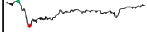
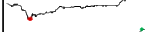


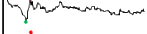

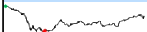



- Report that Biden admin's first COVID package could be \$2 tn lifts bond yields ([link](#))
- Italian bond spreads widen on political tensions ([link](#))
- German GDP contracted less than expected in 2020 ([link](#))
- US initial jobless claims surprise at 965k, versus consensus estimates of 789k ([link](#))
- China ends 2020 with a record trade surplus ([link](#))
- Chinese tech giants avoid US investment ban ([link](#))
- Peso weakens as Chile announces plan to increase its international reserves ([link](#))
- Poland's CB keeps policy on hold but investors see potential for more stimulus ([link](#))

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## Investors await US stimulus plans

**Expectations for a large US fiscal stimulus are lifting investor sentiment this morning.** The Biden administration will announce its economic support policies this evening, but early word of a \$2 trillion price tag has boosted risk sentiment. Long-dated US Treasury yields jumped 3-4 bps on news of the headline figure, while cyclical stocks in Europe led advances. In the US, equity futures pointed to modest gains overall but the now-telltale sign of risk rotation at the sector-level told a different story, with futures for the cyclically sensitive small-cap Russell Index up 0.6% and the tech-heavy Nasdaq underperforming. EM investors are eyeing recent moves higher in US Treasury yields as a potential spoiler to their recent strong rally. Recent dovish Fed commentary has helped pare back some of the initial 24 bps jump in yields after last week's shift in Senate control and is increasing interest in remarks from Chair Powell later today.

Key Global Financial Indicators

Last updated: 1/14/21 8:11 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		3810	0.2	2	4	16	1
Eurostoxx 50		3629	0.3	0	4	-4	2
Nikkei 225		28698	0.8	6	7	19	5
MSCI EM		55	0.2	3	9	19	6
Yields and Spreads			bps				
US 10y Yield		1.10	1.9	2	21	-71	19
Germany 10y Yield		-0.54	-2.2	-2	8	-37	3
EMBIG Sovereign Spread		356	1	8	-7	65	6
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		57.6	0.2	0	1	-6	-1
Dollar index, (+) = \$ appreciation		90.5	0.1	1	0	-7	1
Brent Crude Oil (\$/barrel)		55.7	-0.6	2	11	-14	8
VIX Index (% change in pp)		22.2	0.0	0	-3	10	-1

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

## United States

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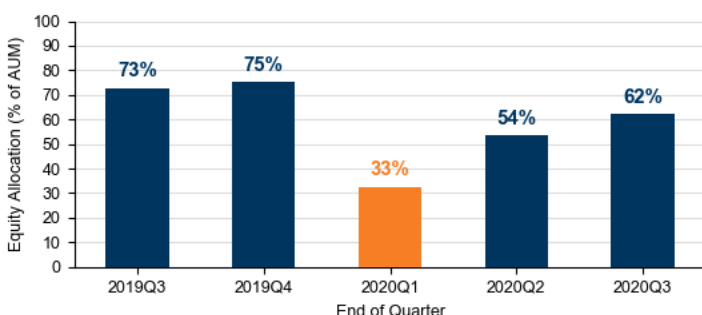
US Treasury yields fell for the second day yesterday on a strong primary auction and supportive comments from Fed officials. US 10-yr yields declined by 3 bps, composed of a 2 bps decline in the real yields and 1 bp decline in the inflation breakevens. US Treasuries received strong demand for a second consecutive day at a government debt sale, helping to send yields down from the highest levels since March. The strong demand for the \$24 bn 30-year bond auction followed comparable results for yesterday's 10-year reopening. At the auction, primary dealers were awarded a record low share as end users absorbed more. In official commentary, ECB council member Francois Villeroy said the ECB will keep an easy stance for as long as needed, and investors also took comfort from remarks by two Fed officials that pushed back on the possibility of tapering bond purchases anytime soon. Analysts highlighted that "coordinated comments from Fed governors" are helping to deflate bond yields.

**New relief package discussions drive Treasuries lower overnight.** Treasuries erased the day's gains in the Asia trading session however, with a flurry of selling in futures, after media reports highlighted that the incoming Biden administration will push for a Covid relief package expected to be around \$2 trillion. 10-year Treasury yields moved +3-4 bps higher as selling pressures emerged at the 5- and 10-year tenors.

**Initial jobless claims for December were reported at 965k, far outpacing the consensus expectations of 789k.** Consensus expectations ranged from 747k to 875k, surveyed over 44 economists, so the release was a surprise even versus the upper range. This is also a sharp spike vs last week's revised print of 784k, and is the highest print since August. Correspondingly, the continuing claims rose to 5.27 mn from 5.07 mn last week. This compares with consensus expectations of a decline to 5.0 mn.

**New research suggests managed volatility funds may have exacerbated volatility in Q1 of last year.** These funds potentially exacerbated Q1's sell-off by selling over \$60 bn of equity risk in response to rising volatility, as they reduced equity allocations from 75% to 33% of assets under management. Among systematic macro investors, managed volatility funds are large and important, since volatility itself is the key input to their asset allocation decisions. Thus they can often become significant equity sellers, driving sell-offs to intensify. However, Goldman analysts highlight that that allocations have recovered sharply and are now approaching full allocation. Analysts note that the speed of the recovery was notable, especially given that the volatility remained relatively elevated in September. Analysts note that the funds have likely re-allocated further in Q4, leaving very little remaining re-allocation flows to support markets in 2021.

Estimated equity allocation (% of AUM) for large managed vol funds at the end of each quarter



Source: Goldman Sachs Global Investment Research, Company filings

**The strong equity market rally in the last few months has led to a pick-up in options activity.** Single stock options have averaged \$438 bn in daily notional volume trading January-to-date, nearly 10% higher than volumes in the underlying shares, per Goldman analysis. This includes \$642bn traded on 08-Jan, the highest single day notional traded on record. Analysts also note that while investors have focused on the

short-dated options which offer the highest leverage to a directional view, they are not systematically buying options that capture earnings events.

**Exhibit 1: Options volumes have increased sharply to start the year.....**

Total US single stock options notional traded daily



Source: Goldman Sachs Global Investment Research, OptionMetrics

**Exhibit 2: ...with total single stock open interest rising to all-time-high levels**

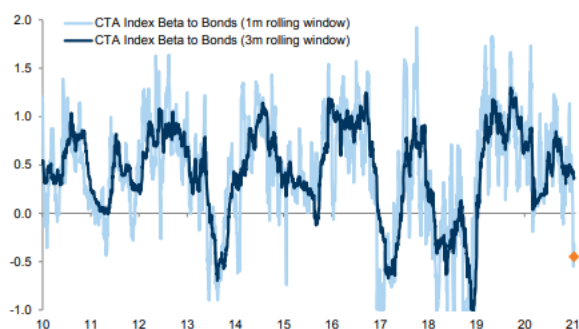
Total US single stock open interest for all expiries



Source: Goldman Sachs Global Investment Research, OptionMetrics

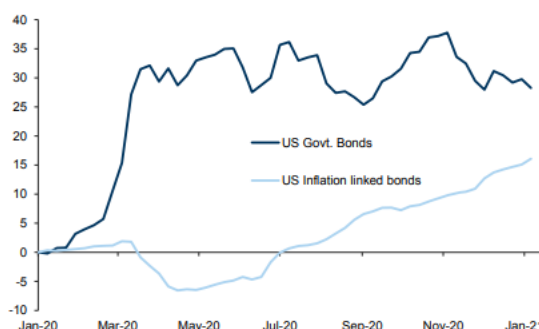
**Goldman analysts highlighted that more fast-money trading strategies appear to be shorting Treasuries.** The sensitivity of CTA funds performance to US 10y bonds has turned sharply negative over the last month and while sensitive to commodities and EM equity has become more positive. US government bond funds saw marginal outflows, while US inflation linked bonds inflows stayed very positive. While inflation expectations have lowered a bit in the last couple of days, they did get a boost after the GA senate election run-off, reflecting the perception of higher likelihood of further US fiscal stimulus.

**Exhibit 1: CTA funds performance sensitivity to US bonds declined over the last month**



Source: Datastream, Goldman Sachs Global Investment Research

**Exhibit 2: US Government bonds funds showed some outflows while US inflation link bonds inflows continued**  
Cumulative global funds since 2020 (\$ bn)



Source: Bloomberg, Goldman Sachs Global Investment Research

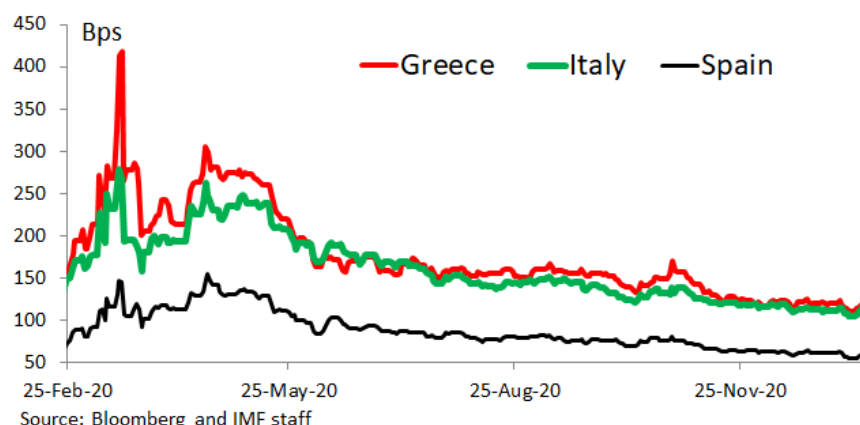
## Europe [back to top](#)

**10-yr bund yields (-1 bps to -0.53%) resisted the move higher in 10-yr U.S. rates** following yesterday's communication by ECB officials and signals of strong demand for European government bonds at this week's auctions. For next week's ECB meeting, contacts expect that President Lagarde will acknowledge that the next few months could be challenging and that the Governing Council is closely monitoring developments to see whether further policy easing may be appropriate. **The euro is little changed.**

**German GDP contracted a less-than-expected 5% in 2020 (5.2% expected).** Germany's budget deficit was also smaller than expected at 4.8%GDP (6%GDP expected) in 2020.

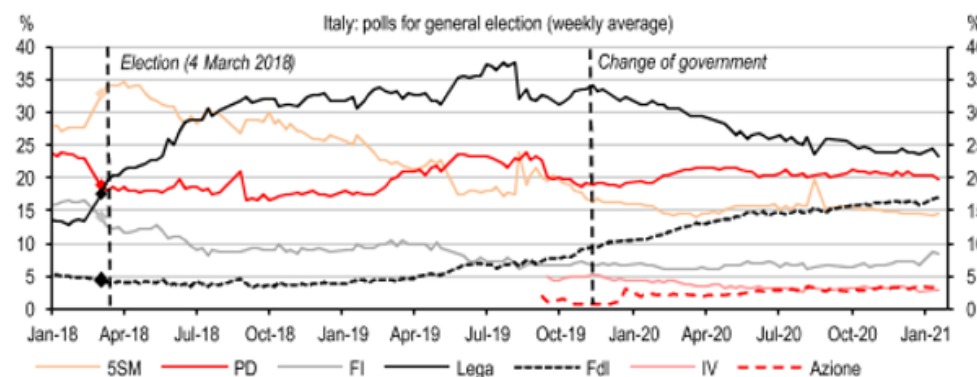
**Italian 10-yr spreads (+6 bps to 118 bps) widened on the escalation of domestic political tensions.** Yesterday former PM Renzi outlined his three demands to continue his support for Italy's coalition government: less concentration of powers in the hands of the prime minister, more investments and reforms, and use of the ESM credit line. In any case, Mr. Renzi said he will back new budget measures worth €25 bn (1.5% of GDP) as well as the recovery plan discussed by the government earlier this week.

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



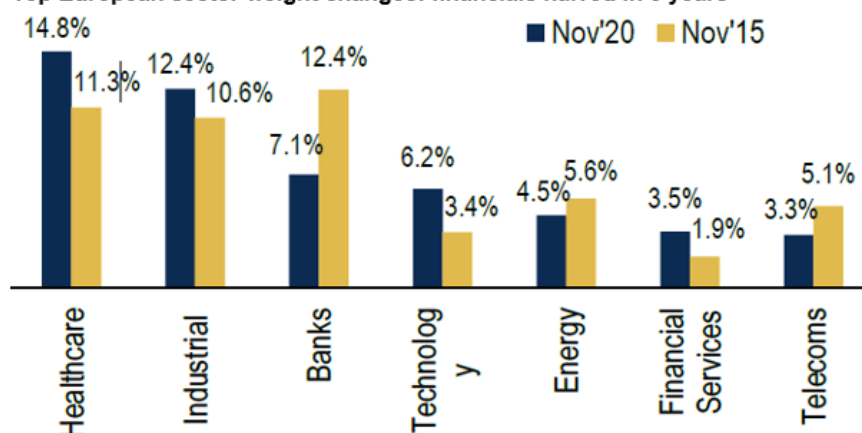
**Analysts at Citi see 4 scenarios for a new Italian government.** They believe that the most likely scenario is that PM Conte will be reappointed as PM and Italia Viva (IV) votes are filled in by other parties/independent MPs. In a second scenario, PM Conte is replaced by another PM agreed by M5S/PD and IV stays in the coalition. The third case is the installation of grand-coalition under a new technocratic PM. Failing all the above, Italy must hold snap elections likely to be won by a Lega-led government. **Contacts attach a low probability to new elections as polls show that coalition parties will be unlikely to form a new government afterwards.**

#### Italy: Weekly Polls for General Election



**Equities (+0.3%) are higher with banks stocks (+0.3%) trading in line with the broader market.** Analysts at BofA-ML point out that **European equity markets have suffered from disadvantageous sector exposure** with the largest index overweight 20 years ago (such as energy and banks) having the worst Earnings-per-Share (EPS) performance. In contrast, the biggest sector underweight two decades ago (software and services) saw one of the largest gains in EPS (over 500%). **Going forward, analyst argue that future gains are to be made in health care and clean energy.**

### Top European sector weight changes: financials halved in 5 years

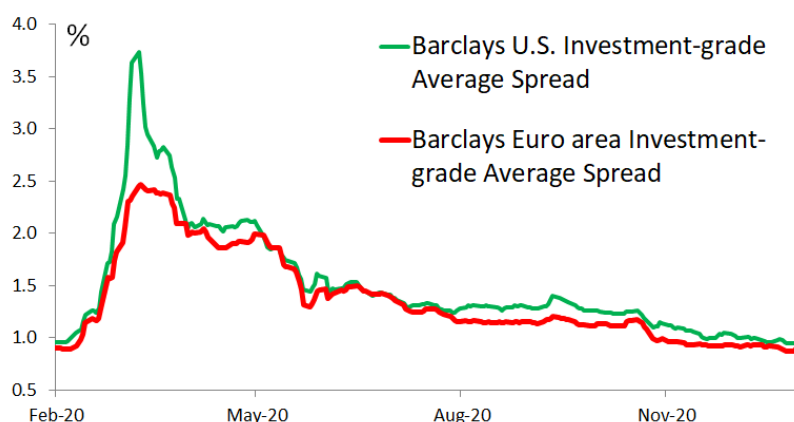


Source: Bloomberg and BofA-ML

Crossover CDS high-yield spreads are little changed at 250 bps after tightening 6 bps this week.

**Euro area investment-grade (IG) corporate spreads have been steady in 2020.** GS recommends maintaining a slight overweight in euro-area IG bonds versus the U.S. equivalent on more conservative management of European firms and stronger policy support to credit markets in the euro area. The Fed's Corporate Credit Facilities have expired and the ECB is also expected to remain active in the market with a predictable flow of purchases.

### Euro and U.S. corporate spreads (%)



Note: Option-adjusted spread.

Source: Bloomberg, and IMF staff

## Other Mature Markets

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### Japan

**Equities rose for the sixth straight day by +0.5% following positive economic data.** Core machine orders surprised to the upside, rising by +1.5% m/m in November (consensus: -6.5%), after a jump of +17.1% in October. Machine tool orders rose +8.7% y/y in December, increasing for the second straight month, following an increase of +8.6% y/y in November, according to the Japan Machine Tool Builders' Association. Separately, the Bank of Japan has upgraded its economic assessment for three (Hokuriku, Shikoku and Kyushu) of the country's nine regions in its quarterly regional economic report. The report noted that most were still in a severe situation due to the coronavirus but had shown signs of a pick-up. **The yen weakened -0.2% while 10-year JGB yield rose +0.2bps.**

## Nikkei 225 nears key 29,000 mark



## Emerging Markets

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**Asian equities were mixed (+0.2%).** In Southeast Asia, declines in Thailand (-0.5%) and Indonesia (-0.1%) were offset by gains in Singapore (+0.7%) and Philippines (+0.4%), where Malaysia was flat. In North Asia, Hong Kong gained (+0.9%), China (Shanghai -0.9%; Shenzhen -1.4%), Taiwan Province of China (-0.4%) underperformed while Korea was little changed. **Regional currencies traded in narrow ranges.**

**EMEA equities were little changed except for small gains in South Africa (+0.7%) and Russia (+0.5%).** EMEA currencies were stronger against the dollar with the Russian ruble (+0.8%) and the South African rand (+0.8%) leading the rally.

**Latin American equities and currencies predominantly retreated, while hard currency sovereign yields declined in line with US treasury yields.** Equities declined over the day, with the strongest loss in Brazil (-1.7%), except for Chilean stocks (+1.3%) that presumably profited from the weaker Chilean peso (-2%). The Mexican and Argentine pesos and Peru's sol depreciated between 0.3% and 0.1%, while the Brazilian real (+0.2%) and the Colombian peso (+0.1%) remained in positive territory. Brazil's local currency treasury yield curve flattened, shifting up 22 bps on the two year and 9 bps on the ten year horizon, highlighting that the recent trend to higher inflation has reached the shorter end of the curve. USD external yields followed the downward trend set by US treasury yields.

## Key Emerging Market Financial Indicators

Last updated: 1/14/21 8:13 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
<b>Major EM Benchmarks</b>			%				%
MSCI EM Equities		3908.00	1.1	3	7	16	6
MSCI Frontier Equities		29.56	-0.1	2	7	-5	4
EMBIG Sovereign Spread (in bps)		356	1	8	-7	65	6
EM FX vs. USD		57.57	0.2	0	1	-6	-1
<b>Major EM FX vs. USD</b>			%, (+) = EM currency appreciation				
China Renminbi		6.47	0.0	0	1	6	1
Indonesian Rupiah		14059	0.0	-1	0	-3	0
Indian Rupee		73.05	0.1	0	1	-3	0
Argentine Peso		85.65	-0.1	-1	-4	-30	-2
Brazil Real		5.27	0.8	3	-3	-22	-1
Mexican Peso		19.82	0.2	1	2	-5	0
Russian Ruble		73.44	0.5	2	1	-16	1
South African Rand		15.19	0.4	2	-1	-5	-3
Turkish Lira		7.38	0.3	-1	6	-20	1
EM FX volatility		10.51	0.0	-0.2	0.3	4.2	-0.2

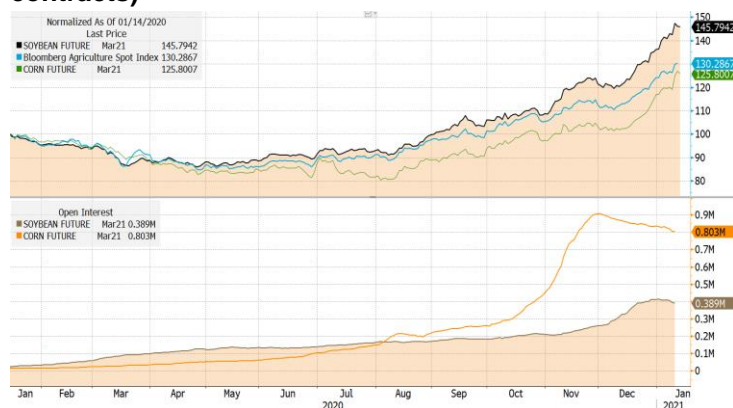
Colors denote **tightening/easing** financial conditions for observations greater than  $\pm 1.5$  standard deviations. Data source: Bloomberg.



## Argentina

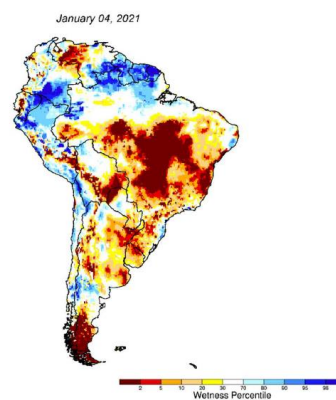
**High prices for soybeans and corn may provide some relief for the Argentine peso.** Prices of corn futures (+26% yoy) and soybean futures (+46% yoy) remain on the rise, driven by substantive volumes of open interests and potential supply constraints, as weather conditions in Argentina and Brazil are drier than usual and US corn inventories as well as Brazilian and Argentine harvests of soy beans and corn are projected to decline. With exports related to the two commodities making up around a quarter of total Argentine exports, the positive net effects of higher prices could somewhat soften the pressure on the country's embattled currency.

**Soybean and corn future prices**  
(upper panel: 1/14/20=100, lower panel: number of open contracts)



Source: Bloomberg.

**Root Zone Soil Moisture Drought indicator**

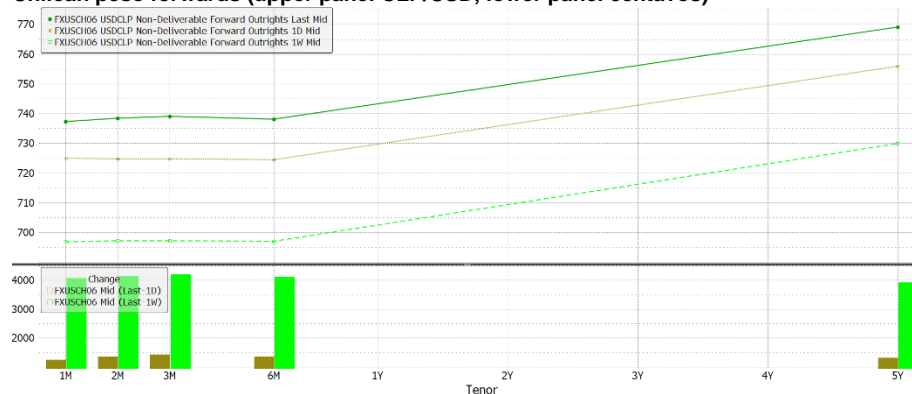


Source: J.P. Morgan.

## Chile

**Chile's announces plan to build up its international reserves, leading to peso selling.** Yesterday's announcement of the Chilean central bank to conduct USD purchases of \$40 mn per day until its international reserve position reaches 18% of GDP sent the peso tumbling and brought its depreciation since the start of the year to 4%. Forward markets moved somewhat less than the spot price over the day, implying that markets perceive limited risks for additional depreciation surprises over the next 6 months. The central bank emphasized that it will sterilize the planned purchases by issuing bills with a maturity of 90 days. With the central bank not expecting major implications for yield levels, yields on local currency government bonds indeed increased over the day by 2bps at the 10 year maturity, to 2.74%.

**Chilean peso forwards (upper panel CLP/USD, lower panel centavos)**



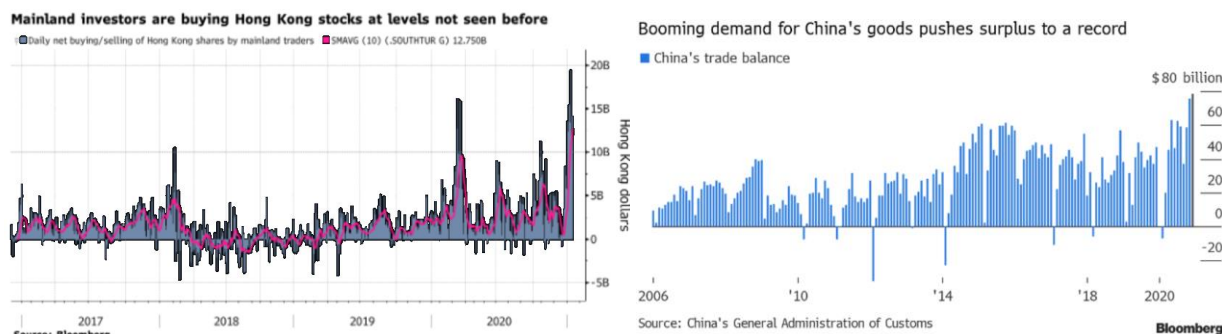
Source: Bloomberg.

## China

**Chinese investors rushed into Hong Kong stocks chasing firms under selloff pressure due to US sanctions.** Daily net purchases from the mainland surpassed HK\$10 bn (\$1.3 bn) for a ninth consecutive day, according to Bloomberg. The buying includes Chinese telecom and semiconductor giants blacklisted by the US on alleged links to the Chinese military. In the meantime,

**State Street Global Advisors Asia unit reversed its decision made on Monday that its \$13 bn Tracker Fund of Hong Kong would stop making new investments in Chinese companies included in the US ban.** State Street said that the ban does not apply because the Tracker Fund and its managers are considered to be non-US persons; but clarified that the Tracker Fund is not appropriate for US investors. The Hong Kong Monetary Authority is monitoring the issue, as it would affect Hong Kong's pension industry given that eight of 18 Mandatory Provident Fund Scheme sponsors provide the Tracker Fund as an investment option. Vanguard Group said this week that it liquidated all of its holdings of US sanctioned Chinese companies while BlackRock Inc. also reduced its holdings and plans to keep selling.

**China's tech giants - Alibaba, Baidu and Tencent – were spared from the US investor ban.** The US Treasury blocked a Pentagon effort to add the companies on alleged links to the Chinese military. US Treasury Secretary Steven Mnuchin argued that putting Alibaba on the list, for example, would have been a huge problem for US investors. **Chinese stock indices fell (Shanghai -0.9%; Shenzhen -1.4%), Hang Seng gained (+0.9%). The RMB was little changed.**



**China ended 2020 on a record trade surplus amid an export boom.** The annual trade balance reached \$535 bn, +27% increase from 2019 and the highest since 2015. This included a record high surplus of \$78.2 bn in December driven by a +18.1% y/y increase in exports in dollar terms and was above expectations. Overseas shipments were fueled by demand for healthcare equipment and tech products. Imports meanwhile grew by +6.5% y/y in December, rising from +4.6% y/y in November. Separately, China appointed Vice Minister of Commerce Yu Jianhua as representative to international trade negotiations. The position has been left vacant since late-2018. Yu has more than three decades of experience in trade policy and has been ambassador to the World Trade Organization and the United Nations.

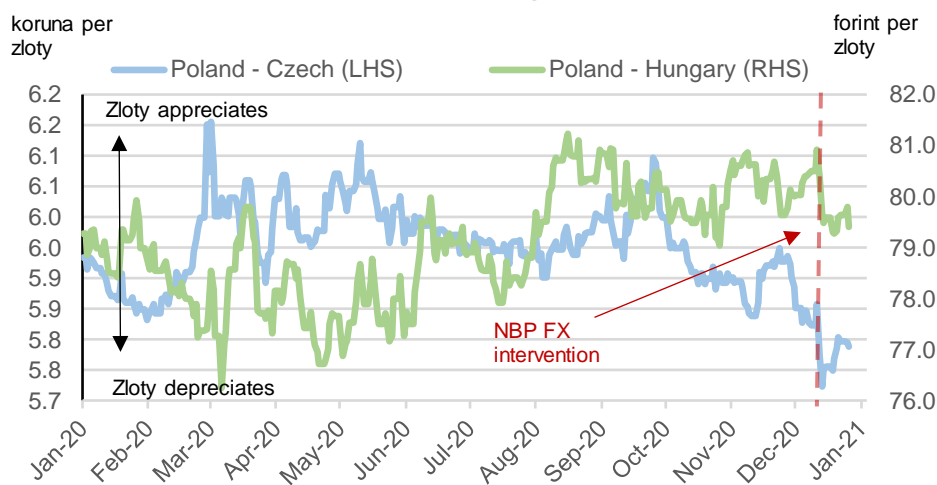
## Poland

**The National Bank of Poland maintained its monetary policy unchanged while keeping the door open for further stimulus.** The press release suggests an ongoing preference for asset purchases and currency interventions rather than further cuts to the main policy rate, currently at 0.10%. That said, following the dovish remarks by the Governor Adam Glapinski in late December, interest rate forwards continue to price increased likelihood of another 10 bps rate cut already in Q1 2021. **Since the start of FX interventions on the 18<sup>th</sup> of December, the Polish zloty has underperformed its CEE peers by around 2%.** Contacts also highlight that selling the zloty against buying the Czech koruna, the Romanian leu and more recently even the Hungarian forint has gained further traction among investors as monetary policy in the region is seen to diverge. On the other hand, **Poland government local bonds have been trading**



**well with yields decreasing over the last week**, despite the upward pressure on global yield curves. Contacts point out to technical factors such limited supply with upcoming bond buybacks and redemptions amid generally strong local asset-liability manager demand.

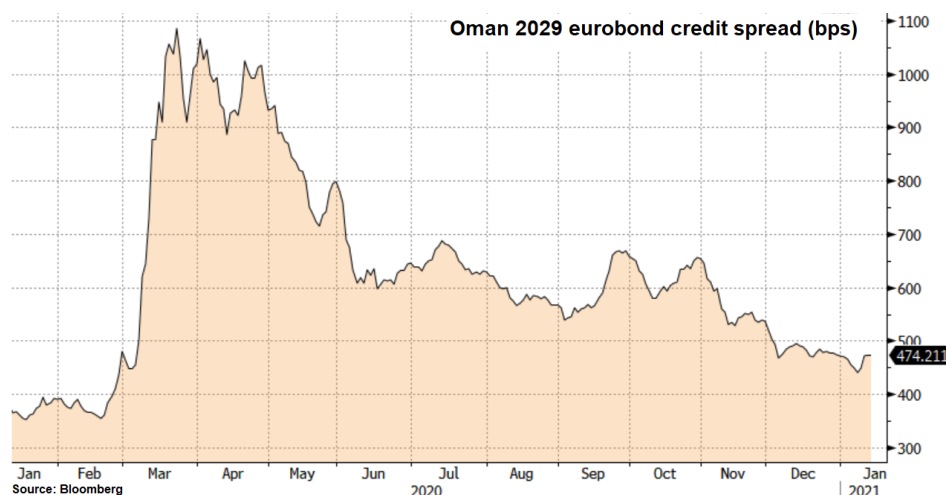
### Poland exchange rate



Source: Bloomberg

### Oman

**The Sultanate returns to the international market for its third placement in three months.** According to media reports, the government plans to issue 10-year and 30-year bonds as well as re-tap the existing 4-year issue. The initial price guidance was set 40-50 bps above the existing yield curve (6.6% for 10-year), but contacts expect pricing to tighten as order books have reached above \$6bn. Oman issued \$2bn in October amid uneven investor demand, followed by another \$500 mn re-tap in November. Earlier this week, the government also announced plans to raise \$1.1 bn to \$2 bn from a bank syndicate loan. Oman credit spreads remain above pre-Covid-19 levels as investors remain concerned with execution risk of the fiscal consolidation plan.



Source: Bloomberg

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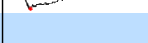


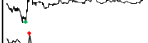













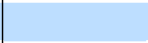



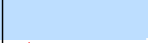


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## Global Financial Indicators



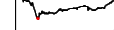

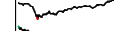









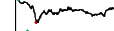

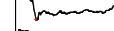

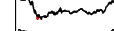





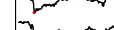












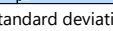
Last updated: 1/14/21 8:11 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		3810	0.2	0	4	16	1
Europe		3629	0.3	0	4	-4	2
Japan		28698	0.8	6	7	19	5
China		3566	-0.9	0	6	15	3
Asia Ex Japan		95	0.4	4	10	25	6
Emerging Markets		55	0.2	3	9	19	6
Interest Rates			basis points				
US 10y Yield		1.10	1.9	2	21	-71	19
Germany 10y Yield		-0.54	-2.2	-2	8	-37	3
Japan 10y Yield		0.04	0.1	0	3	3	2
UK 10y Yield		0.29	-1.4	1	7	-43	10
Credit Spreads			basis points				
US Investment Grade		93	-0.7	-3	-12	-9	-2
US High Yield		375	-2.3	3	-28	-16	-4
Europe IG		49	0.0	1	-1	6	1
Europe HY		250	-0.4	0	-10	40	7
EMBIG Sovereign Spread		356	1.2	8	-7	65	6
Exchange Rates			%				
USD/Majors		90.48	0.1	1	0	-7	1
EUR/USD		1.21	-0.3	-1	0	9	-1
USD/JPY		104.1	-0.2	0	0	6	-1
EM/USD		57.6	0.2	0	1	-6	-1
Commodities			%				
Brent Crude Oil (\$/barrel)		56	-0.6	2	11	-14	8
Industrials Metals (index)		137	0.4	-2	1	18	3
Agriculture (index)		50	-0.1	3	15	22	5
Implied Volatility			%				
VIX Index (%, change in pp)		22.2	0.0	-0.2	-2.5	9.8	-0.5
US 10y Swaption Volatility		59.9	0.6	1.0	-2.5	3.1	-0.2
Global FX Volatility		7.8	0.0	-0.1	-0.3	2.4	-0.3
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		124	4.6	10	2	-33	4
Italy		120	7.7	12	4	-37	9
Portugal		56	2.7	3	-2	-4	-4
Spain		61	1.9	4	-1	-4	-1

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: 1/14/2021 8:13 AM	Exchange Rates						YTD	Local Currency Bond Yields (GBI EM)						
	Level		Change (in %)					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		6.47	0.0	0.2	1	6	1		3.3	-2.2	-3	-12	14	-2
Indonesia		14059	0.0	-1.1	0	-3	0		6.3	-2.7	18	15	-73	20
India		73	0.1	0.4	1	-3	0		6.0	1.7	10	5	-88	7
Philippines		48	0.0	0.0	0	5	0		3.7	6.0	9	8	-57	8
Thailand		30	0.0	0.2	0	1	0		1.4	0.2	6	-8	-17	6
Malaysia		4.04	0.2	0.0	0	1	0		2.5	-5.8	1	-7	-74	-1
Argentina		86	-0.1	-0.7	-4	-30	-2		51.7	-46.1	-83	-367	104	-444
Brazil		5.27	0.8	2.6	-3	-22	-1		6.4	18.4	63	64	21	86
Chile		737	0.7	-3.7	0	5	-4		2.8	0.8	9	-5	-63	7
Colombia		3477	0.0	0.4	-1	-5	-1		5.1	-4.2	5	-9	-69	3
Mexico		19.82	0.2	1.0	2	-5	0		5.7	0.5	11	-6	-122	12
Peru		3.6	-0.1	0.3	-1	-8	0		3.7	-2.6	2	-1	-73	11
Uruguay		42	0.1	-0.2	0	-12	0		7.2	0.0	-2	-15	-354	-1
Hungary		297	-0.1	-1.2	-2	1	0		1.6	-5.8	8	0	37	8
Poland		3.74	-0.3	-1.6	-2	1	0		0.6	-2.6	-3	-11	-149	-5
Romania		4.0	-0.3	-1.3	0	7	-1		2.6	1.0	-3	-20	-126	-10
Russia		73.4	0.5	1.8	1	-16	1		5.8	1.4	4	16	-21	4
South Africa		15.2	0.4	1.6	-1	-5	-3		9.7	-0.5	7	-1	13	5
Turkey		7.38	0.3	-0.8	6	-20	1		13.4	1.1	12	-1	261	30
US (DXY; 5y UST)		90	0.1	0.7	0	-7	1		0.48	1.3	2	12	-114	12

	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		5470	-1.9	-1	11	31	5		208	-1	-1	1	34	0
Indonesia		6428	-0.1	4	7	2	8		180	-6	1	-13	16	-7
India		49584	0.2	3	7	18	4		158	2	4	6	34	7
Philippines		7273	0.4	2	0	-7	2		101	-5	2	-15	26	-4
Malaysia		1636	-0.1	2	-2	3	1		116	-2	-8	-1	11	6
Argentina		50961	-0.5	-2	-4	22	-1		1447	-2	72	70	-410	79
Brazil		121933	-1.7	0	6	4	2		261	-2	5	0	45	11
Chile		4668	1.3	3	15	-5	12		140	-2	4	-12	-2	-4
Colombia		1456	-0.4	1	5	-12	1		217	-3	9	3	47	12
Mexico		45740	-0.5	0	5	2	4		375	-2	14	-28	73	15
Peru		21518	-0.5	1	5	5	3		133	-2	7	-20	20	1
Hungary		44779	0.2	2	7	0	6		79	-2	-1	-21	-13	-17
Poland		58732	0.4	-2	6	-1	3		-13	-2	-4	-19	-34	-12
Romania		10291	0.2	3	7	3	5		204	0	7	-9	29	1
Russia		3491	0.6	4	7	12	6		160	-6	-3	-12	18	-6
South Africa		63877	0.6	1	7	10	8		383	-6	-5	-2	52	3
Turkey		1555	-0.2	2	12	28	5		453	-2	16	-43	67	8
Ukraine		499	0.0	0	-2	-1	0		486	-9	9	1	112	-5
EM total		55	1.1	3	9	19	6		421	0	17	-10	97	128

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

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