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- Eurozone high-frequency indicators point to continued economic weakness ([link](#))
- Global corporate earnings upgrades hit record level in December ([link](#))
- Investor survey shows existing Goldilocks consensus may have peaked ([link](#))
- Hong Kong stock market sees strong interest from Mainland Chinese investors ([link](#))
- Brazil's central bank keeps policy rate unchanged ([link](#))
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Rally in risk assets continues on investor optimism

Risk sentiment remains generally buoyed by expectations of continued policy support. As President Biden takes office and the Democratic party regains control of both houses of Congress, investors are pricing in a larger US fiscal stimulus and a potential reduction in US-China trade tensions. In Europe, the ECB maintained its accommodative stance by keeping rates unchanged and reaffirming the size of its pandemic purchase program. Investor focus will now turn to its President's comments on the euro area's growth outlook and her possible views on the currency which has depreciated by close to 0.5% against the greenback so far this year, following a strong rally in 2020. European equities are up by close to 0.2% this morning, while EM stocks are mixed and US equities are pointing to a positive start. Treasuries and Bunds are trading on the weaker side, with 10-Year yields up by close to 2%. The US dollar is also trading about 0.4% weaker against major trading partners, while Brent oil prices are holding steady following a rally of about 8% so far this year and close to 50% since end-October.

Key Global Financial Indicators

Last updated: 1/21/21 7:58 AM	Level Last 12m Latest	Change from Market Close					YTD
		1 Day	7 Days	30 Days	12 M		
Equities		%					%
S&P 500	3852	1.4	1	4	16		3
Eurostoxx 50	3634	0.3	0	5	-4		2
Nikkei 225	28757	0.8	0	8	21		5
MSCI EM	56	1.8	3	12	25		9
Yields and Spreads		bps					
US 10y Yield	1.09	1.0	-4	16	-68		18
Germany 10y Yield	-0.52	1.3	3	6	-27		5
EMBIG Sovereign Spread	357	-1	0	5	68		6
FX / Commodities / Volatility		%					
EM FX vs. USD, (+) = appreciation	58.0	0.2	1	1	-5		0
Dollar index, (+) = \$ appreciation	90.2	-0.3	0	0	-8		0
Brent Crude Oil (\$/barrel)	55.8	-0.6	-1	10	-14		8
VIX Index (% change in pp)	21.3	-0.3	-1	-4	8		-1

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

United States

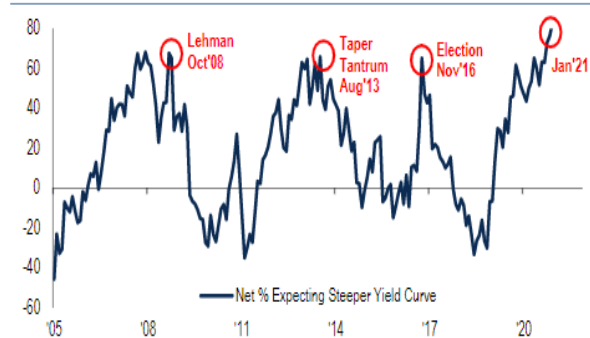
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US stocks rallied to record highs yesterday, marking the best first-day reaction to a presidential inauguration since 1937. Investors are counting on more spending to boost growth under the new administration, which is reportedly planning a series of executive orders on the first day. Meanwhile, technology and growth stocks rallied strongly after Netflix's earnings report smashed the street's estimates. All but the financial sector closed in the green, with the latter weighed down by a few regional banks whose earnings came in slightly weaker than expected. The S&P 500 gained 1.4%, with the NASDAQ up by 2%. The Treasury market was surprising stable, with the curve edging lower by less than 1 bp, despite a fairly tepid 20-year bond auction. The bond was sold at 1.657%, a 1.4 bp tail relative to the when-issued yield. The 2.28x cover ratio was the third lowest since the reopening in last May.

Initial jobless claims over the past week came in slightly lower than expected (900K vs. 935K consensus) as were continuing claims (5054K s. 5300K consensus). **Housing starts** for the month of December were also better than expected, coming in at 1,669K (SAAR) versus a consensus figure of 1,560K. There was no clear reaction to the news in US Treasury markets.

Investor expectations for a steeper yield curve and higher inflation hit record high, while Goldilocks consensus has peaked. According to a Merrill Lynch survey, a record net 83% of fund managers expect a steeper yield curve, surpassing previous records set during the GFC, Taper Tantrum episode and 2016 US Election. Meanwhile, a record net 92% of fund managers expect higher inflation in the next 12 months. As a result, positioning for a Goldilocks scenario (i.e., higher growth and lower inflation) appears to have peaked.

Exhibit 3: Steeper yield curve expectations at all-time high



Source: BofA Global Fund Manager Survey

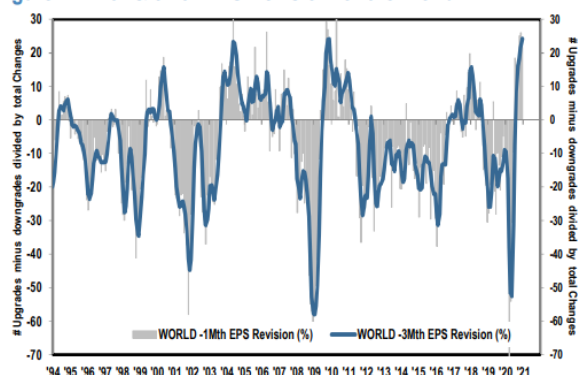
Exhibit 5: Jan FMS shows Goldilocks consensus has peaked



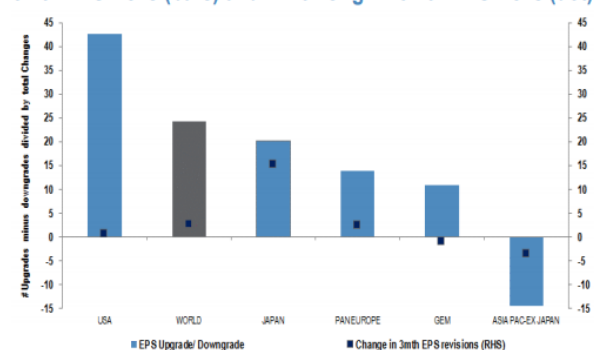
Source: BofA Global Fund Manager Survey

Global corporate earnings upgrades hit a record level in December. The earnings revision trend has been improving for 7 consecutive months. The global 3-month EPS net revisions hit a record 24.4% in December, propelled by US revisions which also hit an all-time high, as well as broad-based improvement in other regions. Financials, tech and discretionary show the largest upgrades, while the upgrade trend in health care, staples and utilities lags the global average. While the improving profit backdrop is supportive to equities and value/cyclical rotation, analysts expect the pace of EPS upgrades to soften during Q1 in US, which could limit the steep rise in equity prices. For the other regions, the consensus is for EPS to continue the uptrend.

Figure 2: 1mth & 3mth EPS Revision for the World



Source: J.P. Morgan Quantitative and Derivatives Strategies, MSCI, I/B/E/S

Figure 3: Regional Earnings Expectations.
3mth EPS Revs (bars) and 1-mth Chg. in 3mth EPS Revs (dot)

Source: J.P. Morgan Quantitative and Derivatives Strategies, MSCI, I/B/E/S.

Europe

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Equity markets inched higher on optimism about Biden's presidency. DAX (+0.1%), CAC 40 (-0.1%), EuroStoxx 600 (+0.5%), Italy's Titans 30 (+0.1%), and Spanish Ibex (+0.1%). Bank stocks (-0.1%) slightly declined, with no obvious driver. Traders await the announcement by the ECB later today. No changes are expected.

The ECB maintained its monetary policy unchanged as widely expected, with the deposit rate at -0.5% and total Pandemic Emergency Purchase Program (PEPP) envelope at €1,850 bn. The official statement reconfirmed the accommodative monetary policy stance adopted in December while highlighting the flexibility of the PEPP both in terms of exhausting the current envelope as well as recalibrating the program. Market reaction has been rather muted with government bond markets and the euro little changed.

Sovereign yields stayed flat. German 10-year yields at -0.52% (+1 bps); French OATs are at -0.29% (+1 bps); Italian at 0.62% (unch); and Spanish at 0.08% (+1 bps). Spain's long-term government yields have hovered over the 0% mark since late 2020 but still remain positive.

Selected Government Bond Yields (10-yr Yields, in %)



High-frequency indicators for European economies were mixed today:

- In France, January Business Confidence printed at 92 from 91 in December, while Manufacturing Confidence came in at 98 from 93. The Production Outlook indicator, however, fell to -9 from -4.

- In Italy, Industrial Orders for November grew 5.3% y/y, compared to 1.2% in October, while Industrial sales dropped 4.6% y/y in November from -1.7% in October.
- In Belgium, January Consumer Confidence fell further to -10 from -8 the prior month.

Insurer and asset manager Aviva (+0.4%) has announced the closing of three of its 14 branches and the streamlining of the rest in preparation for the post-Covid work environment. Aviva has said that it does not intend on cutting jobs but rather boost telecommuting of employees.

Other Mature Markets

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Canada

Bank of Canada stayed on hold as expected but signaled potential tapering if growth and inflation play out in line, or stronger than projections. The policy rate (0.25%), asset purchases (at least C\$4 bn a week), and forward guidance (projected 2023 liftoff) were left unchanged. However, the policy statement and the Governor's opening remarks both hinted at tapering – the pace of asset purchases will be adjusted as required “if the economy and inflation play out broadly in line or stronger than projected”. The BoC downgraded Q1 growth to -2.5% annualized but significantly upgraded Q4 growth by 0.8 pp to 4.6% annualized, with the level of GDP now expected to return to its pre-pandemic level in 2021H2 vs “early 2022” previously. Consequently, the BoC upgraded its inflation projections for end-2021 by 0.2 pp to 1.5% and for end-2022 by 0.1 pp to 1.9%, and inflation is now projected to reach 2% in 2023Q2. In addition, persistent cost pressures due to structural changes to global value chains were introduced as a new upside risk to inflation, which also includes stronger household spending and additional US fiscal stimulus. The Canadian dollar strengthened 0.7% against the dollar to 1.26, the strongest level since April 2018, as yields on 10-year government bonds rose by 3 bps.

Table 3: Summary of the projection for Canada

Year-over-year percentage change*

	2020			2021	2019	2020	2021	2022	2023
	Q2	Q3	Q4	Q1	Q4	Q4	Q4	Q4	Q4
CPI inflation	0.0 (0.0)	0.2 (0.2)	0.7 (0.2)	0.9	2.1 (2.1)	0.7 (0.2)	1.5 (1.3)	1.9 (1.8)	2.1
Real GDP	-12.5 (-13.0)	-5.2 (-4.4)	-4.1 (-4.3)	-2.9	1.7 (1.5)	-4.1 (-4.3)	4.6 (3.8)	2.9 (3.0)	2.7
Quarter-over-quarter percentage change at annual rates†	-38.1 (-38.7)	40.5 (47.5)	4.8 (1.0)	-2.5					

* Details on the key inputs to the base-case projection are provided in **Box 1**. Numbers in parentheses are from the projection in the previous Report.

† Over the projection horizon, 2020Q4 and 2021Q1 are the only quarters for which some information about real GDP growth was available at the time the projection was conducted. For longer horizons, fourth-quarter-over-fourth-quarter percentage changes are presented.

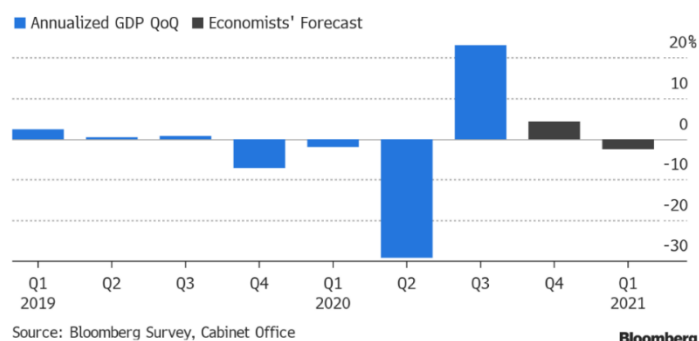
Japan

The Bank of Japan (BOJ) left its main policy unchanged. The BOJ's growth forecasts were revised down for FY20 from -5.5% to -5.6% but up for FY21 (starting from April) from +3.6% to +3.9%. Economic activity is expected to be weaker in the near term given the state of emergency to contain the COVID-19 situation, but the government stimulus package announced last month should yield a stronger rebound. The BOJ kept its interest rate and asset purchase settings intact; market participants did not expect any change given the ongoing policy review that will conclude in March. Governor Kuroda said that the current yield curve control framework works well, that an excessive drop in super-long yields will weigh on the economy, and that it is important to keep the entire yield curve low after the pandemic. **Japan's exports expanded for the first time in two years in December**, growing 2% y/y and benefiting from strong

demand from China. **Government bond yields dropped (10-year: -0.9 bp; 30-year: -1.8 bps); Japanese yen appreciated against the US dollar (+0.1%); and equities gained (NIKKEI: +0.8%).**

Recovery Setback

Japan's economy is seen shrinking again this quarter

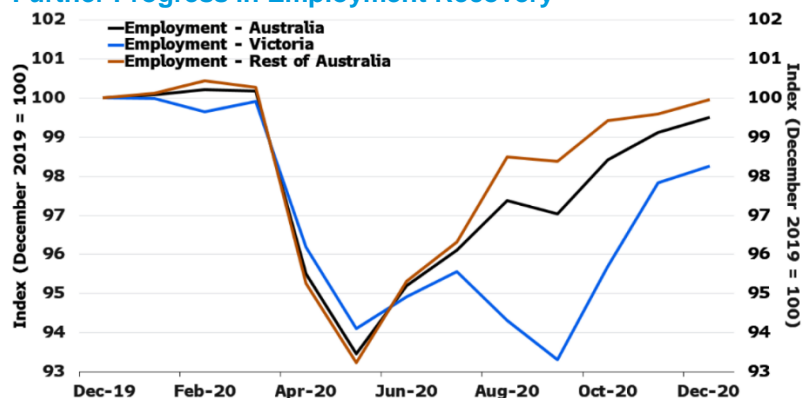


Source: Bloomberg.

Australia

Labor market conditions continue improving. The unemployment rate fell more than expected, dropping from 6.8% in November to 6.6% in December. Labor force participation also hit a record high as employment and hours worked recovered further, with 50,000 jobs being created. According to analysts, **the overall economic outlook appears bright.** Consumer confidence remains solid and inflation expectation remains robust at 3.4%. Based on some analysts' estimates, corporate earnings are expected to grow 20% this year. **Equities rose (+0.8%); Australian dollar appreciated against the US dollar (+0.3%); and government bond yields declined (10-year: -1.9 bps).**

Further Progress in Employment Recovery



Emerging Markets

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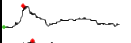




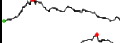

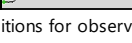

In Asia, most stock markets gained, +0.7% on net, led by Taiwan (+2.2%), China (CSI 300: +1.6%) and Korea (+1.5%). Share prices dropped in Malaysia (-0.4%). Market sentiment was generally upbeat on prospects of a more solid recovery of the U.S. economy owing to fiscal stimulus. **Asian currencies appreciated,** led by Malaysian ringgit (+0.3%), on a weaker US dollar.

In EMEA, Russian equities (-1.5%) and the ruble (-0.4%) followed spot oil prices (-0.7%) lower as investors await details on shifts in the U.S. policy vis-à-vis Russia. Equities gained in Turkey (+0.5%) as banks (+2%) outperformed on reports that the Turkish regulator may remove the ban on dividend payments. The Turkish

lira (+1.0%) extended earlier gains after the central bank left its benchmark rate unchanged. Stocks in Israel (-0.6%) fell as the shekel weakened another 0.5% against the U.S. dollar following last week's announcement by the central bank that it intends to purchase \$30 bn in 2021.

In Latin America, equity markets were generally lower on Wednesday. Stock markets in Brazil and Mexico underperformed (-0.8%), followed by Chile (-0.7%) and Argentina (-0.6%). Local currencies were mostly stronger. The Chilean peso outperformed among peers, appreciating by 2% against the dollar, followed by the Brazilian real (+0.8%) and the Colombian peso. 10-year government bond yields were little changed.

Key Emerging Market Financial Indicators

Last updated: 1/21/21 8:01 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		56.22	0.9	3	12	25	9
MSCI Frontier Equities		29.64	0.1	0	6	-5	5
EMBIG Sovereign Spread (in bps)		357	-1	0	5	68	6
EM FX vs. USD		58.01	0.2	1	1	-5	0
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		6.46	0.1	0	1	7	1
Indonesian Rupiah		14000	0.3	0	1	-2	0
Indian Rupee		73.00	0.0	0	1	-2	0
Argentine Peso		86.35	0.0	-1	-4	-30	-3
Brazil Real		5.27	0.8	-1	-3	-20	-1
Mexican Peso		19.63	-0.1	0	2	-4	1
Russian Ruble		73.82	-0.4	-1	1	-16	1
South African Rand		14.83	0.5	2	-2	-2	-1
Turkish Lira		7.38	0.6	0	4	-20	1
EM FX volatility		10.10	0.0	-0.3	-0.4	4.0	-0.6

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

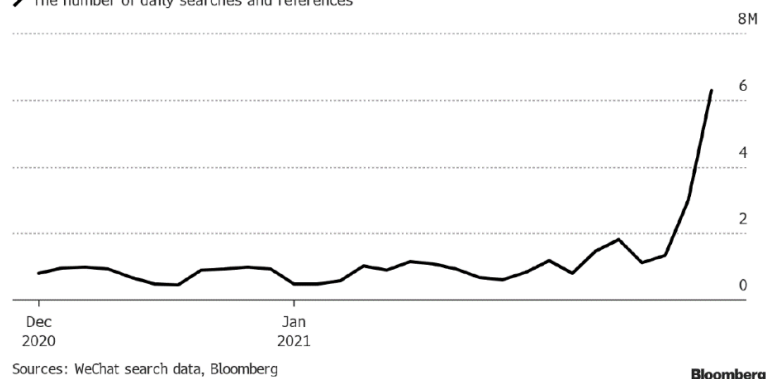
China and Hong Kong SAR

Mainland Chinese investors continue pouring money into Hong Kong's stock market. In January, net inflows from mainland China to Hong Kong via the Stock Connect scheme amounted to nearly \$29 bn. The purchases were driven by relative cheap valuations of Hong Kong stocks in general as well as Chinese firms sanctioned by the United States. **Hong Kong equities declined (-0.1%) today.** Alibaba shares fell (-2.4%) following the Chinese authorities' plan to curb monopolistic powers in the online payments market.

Growing Interest

"Hong Kong stocks" keyword searches and references on WeChat explode in January

✓ The number of daily searches and references



Source: Bloomberg.

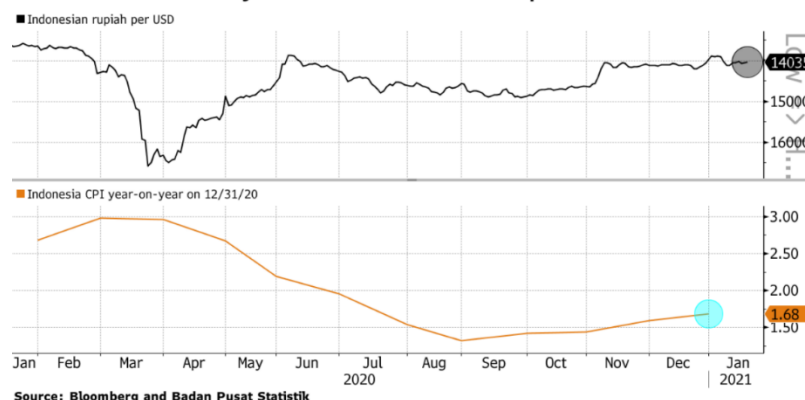
China sanctioned former U.S. State Secretary Pompeo and 27 other Trump officials just as President Biden was being inaugurated. The sanctions were made on the grounds that these officials were instrumental in shaping the Trump administration's more confrontational stance toward China.

Indonesia

Bank Indonesia kept its key rate at 3.75%, as expected. Governor Perry said that the Indonesian economy should grow by 4.8%-5.8% this year, with inflation remaining within the 2%-4% target range. Indonesia kicked off its mass vaccination program last week, paving the way for a growth recovery. Some analysts noted that the decision underscored Bank Indonesia's efforts to stabilize the currency. Bank Indonesia has purchased 13.7 tn rupiah (\$1 bn) of government bonds this year. **The Indonesian rupiah appreciated against the US dollar (+0.2%); government bond yields declined (10-year: -2.5 bps); and equities fell (-0.3%).**

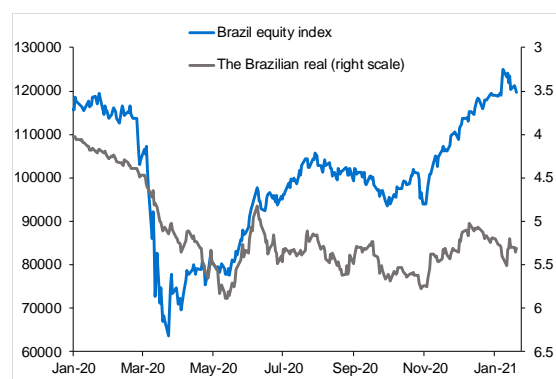
Guarding Stability

Rates on hold as currency wobbles and inflation ticks up



Brazil

Brazil's central bank kept its Selic rate unchanged at 2% on Wednesday, in line with expectations. The central bank also expectedly withdrew its previous forward guidance, citing that inflation expectations and inflation projections in its basic scenario were "sufficiently close to the inflation target for the relevant monetary policy horizon". The central bank added that the withdrawal didn't mechanically imply rate hikes. Analysts commented that the removal of forward guidance signaled that policy makers want to have more flexibility for future monetary policy decisions, and they expected the central bank to raise the benchmark rate soon. Brazilian risky assets were mixed yesterday, as domestic equities fell 0.8% while the real appreciated by 0.8% against the dollar.



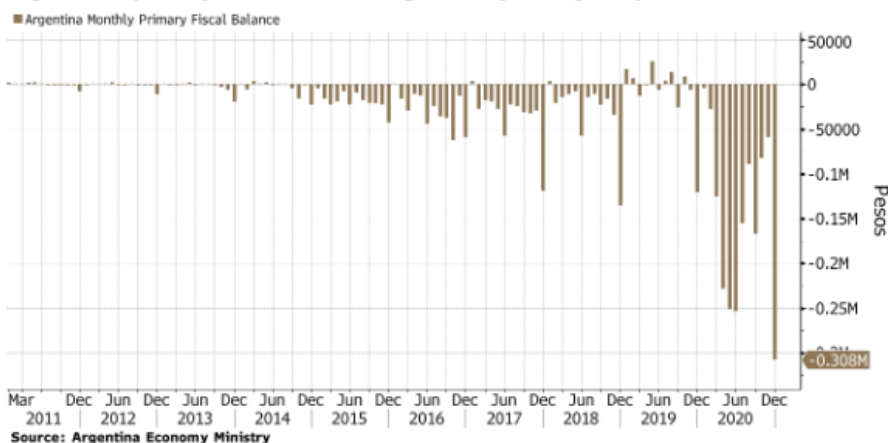
Source: Bloomberg

Argentina

Argentina's primary fiscal deficit rose to 6.5% of GDP in 2020, the widest gap since at least 1993, as the government substantially increased social spending to fight the coronavirus pandemic. The deficit swelled to 8.5% of GDP with debt payments included. According to reports, government expenditures climbed 53% in December 2020 while revenues rose by 21%. Argentinian risky assets declined yesterday, with the equity index falling by 0.6% and the peso slightly weakening.

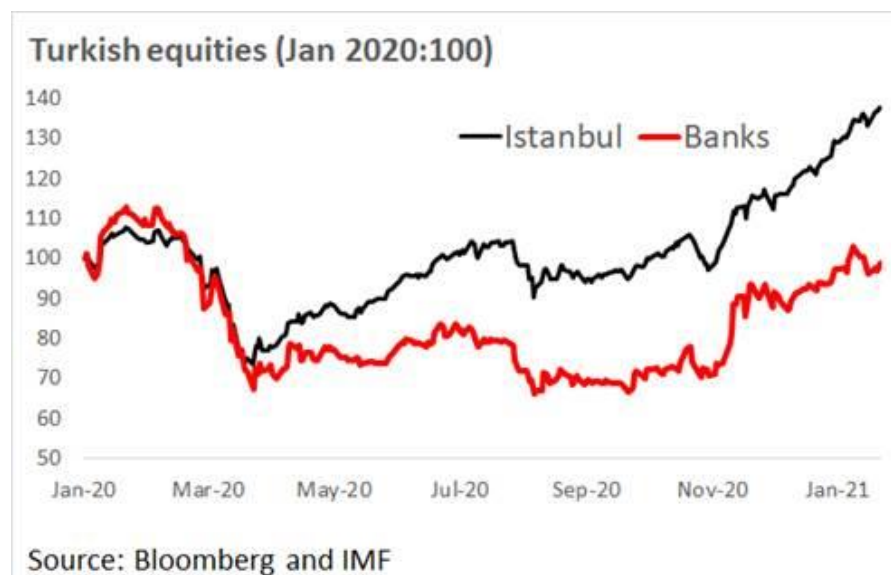
Deep Hole

Argentina's primary deficit widened significantly during the pandemic



Turkey

The lira (+1.0%) extended earlier gains after the central bank left its benchmark rate unchanged at 17% and promised to keep monetary policy tight for an “extended” period after inflation accelerated to 14.6% y/y in December. The central bank has raised its benchmark by a cumulative 675 bps since the appointment of the new governor in November. In separate news, **shares in Turkish banks rose 2% on reports that the Turkish banking regulator and the Treasury are considering the removal of a 1-yr old ban on banks’ dividend payments** ahead of next month’s annual general meetings of banks.



Ukraine

The central bank left rates unchanged at 6% (as expected) as contacts expect that the central bank may hike in the second half of 2021 if inflation accelerates further. Analysts argue that a hike could materialize if a pick-up in global food and energy prices and planned wage increases translates into persistent price pressures but will also depend on the strength of the currency. Off-shore investors have been active in local bond markets and are tracking developments closely. HSBC estimates that offshore investors currently hold around UAH 80 bn (around \$3bn) of Ukrainian local currency bonds, about 10% of total outstanding and 25% of liquid issues. Carry trades have been popular given a yield of around 12% on 1-yr bonds and a stable currency in recent months. The currency has been little changed at \$28.3 so far in 2021. The yield on 3-m non-deliverable forwards rose to 9.50% last week after the government decided to introduce a temporary cap on gas tariffs for households but continues to normalize (-70 bps to 7.54% today).

Ukraine: CPI (%yoy) and policy rate (%)



Source: Bloomberg and IMF

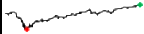
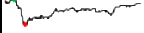
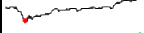
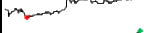






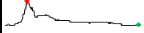
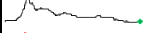

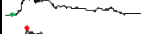





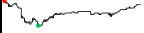


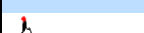



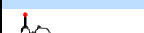


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Global Financial Indicators

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Europe		3634	0.3	0	5	-4	2
Japan		28757	0.8	0	8	21	5
China		3621	1.1	2	6	19	4
Asia Ex Japan		99	2.1	4	13	33	10
Emerging Markets		56	1.8	3	12	25	9
Interest Rates			basis points				
US 10y Yield		1.09	0.9	-4	15	-69	18
Germany 10y Yield		-0.52	1.2	3	6	-27	5
Japan 10y Yield		0.04	-0.6	0	3	4	2
UK 10y Yield		0.31	0.9	2	11	-32	11
Credit Spreads			basis points				
US Investment Grade		94	-0.1	-1	-7	-6	-1
US High Yield		366	-4.7	-12	-29	-22	-14
Europe IG		49	0.3	0	-3	5	1
Europe HY		249	2.4	-1	-14	37	7
EMBIG Sovereign Spread		357	-0.8	0	5	68	6
Exchange Rates			%				
USD/Majors		90.15	-0.4	0	0	-8	0
EUR/USD		1.21	0.3	0	-1	10	-1
USD/JPY		103.5	0.1	0	0	6	0
EM/USD		58.0	0.2	1	1	-5	0
Commodities			%				
Brent Crude Oil (\$/barrel)		56	-0.5	-1	10	-14	8
Industrials Metals (index)		137	0.6	1	1	18	3
Agriculture (index)		51	1.0	1	12	24	5
Implied Volatility			%				
VIX Index (%, change in pp)		21.3	-0.3	-0.9	-3.9	8.4	-1.5
US 10y Swaption Volatility		54.8	-0.5	-2.9	-5.4	-2.3	-5.3
Global FX Volatility		7.5	0.0	-0.2	-0.9	2.3	-0.5
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		116	-1.3	-8	-8	-47	-4
Italy		115	0.6	-4	0	-47	4
Portugal		56	1.1	1	-5	-15	-4
Spain		61	0.8	0	-2	-6	0

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: 1/21/2021 8:02 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		6.46	0.1	0.2	1	7	1		3.3	-0.8	4	-9	19	1
Indonesia		14000	0.3	0.4	1	-2	0		6.4	6.3	12	37	-55	32
India		73	0.0	0.1	1	-2	0		6.0	-0.3	2	7	-86	9
Philippines		48	0.0	0.0	0	6	0		3.6	-4.0	-10	-2	-64	-2
Thailand		30	0.2	0.2	0	2	0		1.4	-0.2	1	3	-21	7
Malaysia		4.03	0.4	0.2	1	1	0		2.6	4.2	3	4	-71	2
Argentina		86	0.0	-0.8	-4	-30	-3		52.1	-23.1	36	-463	-178	-409
Brazil		5.27	0.8	-1.1	-3	-20	-1		6.4	0.7	-8	58	19	77
Chile		716	0.8	1.7	2	8	-1		2.8	0.0	-3	5	-49	4
Colombia		3472	0.4	0.2	-1	-4	-1		5.1	-1.8	-5	-5	-71	-2
Mexico		19.63	-0.1	0.4	2	-4	1		5.6	-3.5	-12	1	-132	0
Peru		3.6	0.0	0.0	0	-8	0		3.7	-1.9	3	21	-67	15
Uruguay		42	0.2	0.7	0	-11	1		7.3	-0.6	1	3	-344	0
Hungary		294	0.3	0.4	0	2	1		1.6	-0.1	4	13	33	11
Poland		3.73	0.4	0.2	-2	2	0		0.6	0.3	-3	-11	-153	-8
Romania		4.0	0.3	-0.1	-1	7	-1		2.4	-7.0	-21	-27	-147	-31
Russia		73.8	-0.4	-0.8	1	-16	1		5.9	-1.5	11	25	-10	15
South Africa		14.8	0.6	1.9	-1	-2	-1		9.6	-3.3	-5	11	17	0
Turkey		7.38	0.6	-0.2	4	-20	1		13.5	3.1	12	43	302	42
US (DXY; 5y UST)		90	-0.3	-0.1	0	-8	0		0.45	1.0	-3	7	-112	9

	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		5565	1.6	2	10	35	7		204	-2	-3	-2	30	-4	
Indonesia		6414	-0.2	0	4	3	7		178	-1	1	-9	15	-9	
India		49625	-0.3	0	9	20	4		156	-1	-2	2	30	5	
Philippines		7140	0.0	-2	-1	-4	0		94	2	-4	-13	21	-11	
Malaysia		1595	-0.4	-3	-3	0	-2		113	-2	-1	0	9	3	
Argentina		50225	-0.6	-1	0	21	-2		1423	2	-39	59	-509	55	
Brazil		119646	-0.8	-3	3	2	1		270	-1	9	15	58	20	
Chile		4655	-0.7	0	12	-1	11		143	0	5	-2	2	-1	
Colombia		1460	0.0	0	6	-12	2		222	0	7	15	51	17	
Mexico		45126	-0.8	-1	4	-1	2		377	-2	2	-12	82	17	
Peru		21541	-0.1	0	5	5	3		135	1	4	-2	23	3	
Hungary		44290	0.4	-1	9	0	5		80	0	3	-16	-14	-16	
Poland		57661	-0.8	-2	7	-2	1		-12	0	1	-14	-34	-11	
Romania		10276	0.6	0	7	2	5		202	-1	-2	-1	25	-1	
Russia		3426	-1.2	-2	8	7	4		162	2	6	0	22	-4	
South Africa		64300	0.3	1	10	11	8		383	-4	1	-4	48	3	
Turkey		1573	0.2	2	14	27	6		456	-7	3	-9	80	11	
Ukraine		499	0.0	0	-2	-1	0		488	-10	3	-8	125	-3	
EM total		56	0.9	3	12	25	9		421	0	17	-10	97	128	

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

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