



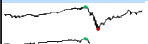


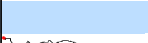





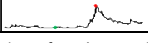
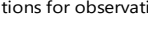
- S&P 500 declines in volatile session as concerns mount around virus resurgence ([link](#))
- LIBOR transition timeline remains intact as authorities caution for preparedness ([link](#))
- Option markets signal investors continue to build long positions in the euro ([link](#))
- Asian equities pullback on virus concerns and US-China tensions ([link](#))
- Russian corporates post largest quarterly increase in foreign debt since 2014 ([link](#))
- Turkish market regulator fines brokerages for breach of short-selling rules ([link](#))

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Growing headwinds to reopening efforts keeps lid on market rebound

Global risk assets have traded lower amidst a continued focus on COVID-19 case growth and investor concerns about the consequent headwinds to reopening. Risk assets were whipsawed during the US session yesterday as intraday the S&P 500 posted gains of 1.5%, but traded to a loss in the afternoon (-1%) as concerns mounted around the resurgence of COVID-19. On the virus front, California announced one of the most comprehensive rollbacks to date of previous reopening plans, and given the still uncertain pace of economic recovery and the threat of a more widespread steepening in pandemic curves, the positive momentum in risky assets has slowed down. The weakening risk backdrop carried over to Asian markets overnight with regional indexes declining close to 1%, alongside further uncertainty around US-China relations, and European bourses are down over 1%. However, eyes are back on the Q2 earnings season as this morning a few US money center banks have reported mixed results but with some beating on strong capital market revenues, which has helped to push S&P 500 futures slightly higher this morning. Major sovereign bond yields are range bound, the US dollar is little changed against G10 and EM pairs, and front-month WTI crude oil prices are back down trading below \$40 a barrel.

Key Global Financial Indicators

Last updated: 7/14/20 8:13 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities			%				%
S&P 500		3155	-0.9	-1	4	5	-2
Eurostoxx 50		3308	-1.2	0	5	-5	-12
Nikkei 225		22587	-0.9	0	1	4	-5
MSCI EM		43	-1.9	0	8	1	-4
Yields and Spreads			bps				
US 10y Yield		0.63	-2.6	-1	-8	-150	-129
Germany 10y Yield		-0.43	-0.8	0	1	-22	-24
EMBIG Sovereign Spread		467	1	12	-14	132	174
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		55.0	0.1	0	-1	-13	-10
Dollar index, (+) = \$ appreciation		96.4	-0.1	-1	-1	0	0
Brent Crude Oil (\$/barrel)		42.4	-0.7	-2	10	-36	-36
VIX Index (% change in pp)		30.8	-1.4	1	-5	18	17

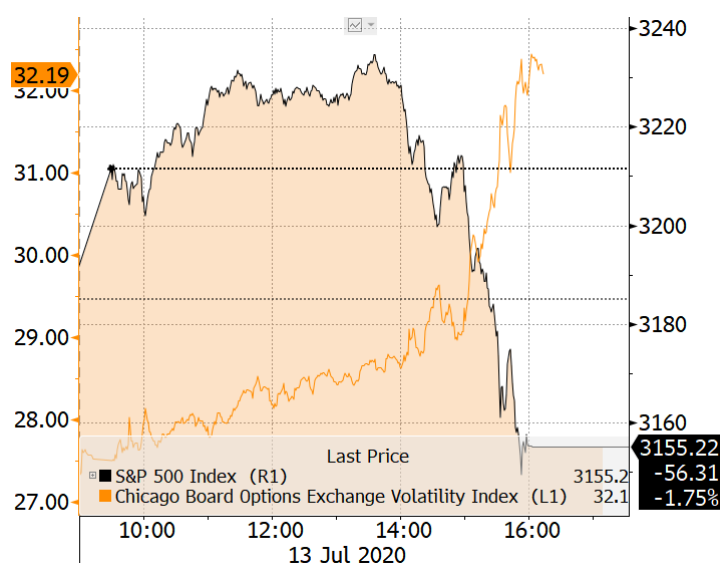
Colors denote **tightening/easing** financial conditions for observations greater than ± 1.5 standard deviations. Data source: Bloomberg.

United States

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The rally in the S&P 500 fizzled on Monday after California rolled back its reopening plans, spurring worries about another coronavirus lockdown. Major stocks had been sharply higher earlier in the session, up almost 1.5%. But sentiment shifted in the afternoon hours of the trading session, and the S&P 500 closed down 0.9%. California moved to close all indoor dining, bars and other businesses. The LA Unified School District, the nation's second largest, also said it would start the school year online. The tech-heavy Nasdaq, which has been at record highs in recent days, also dropped 2.2%. US treasury yields closed down 0-3 bps across the curve, down ~2-4 bps from the session high levels. The risk-off sentiment was also reflected in VIX spiking by 5 pts to 32. The dollar pared losses after touching the lowest in almost a month and ended up flat. Analyst focus remains on the policy support and the Q2 earnings results. White House adviser said that President Trump would be willing to consider increasing funding for state and local governments that reopen schools this fall amid the coronavirus outbreak. On Federal Reserve repo operations, the Federal Reserve Bank of New York kept its size, frequency and bid rates for repo operations unchanged Monday, which was expected ahead of Wednesday's tax date deadline.

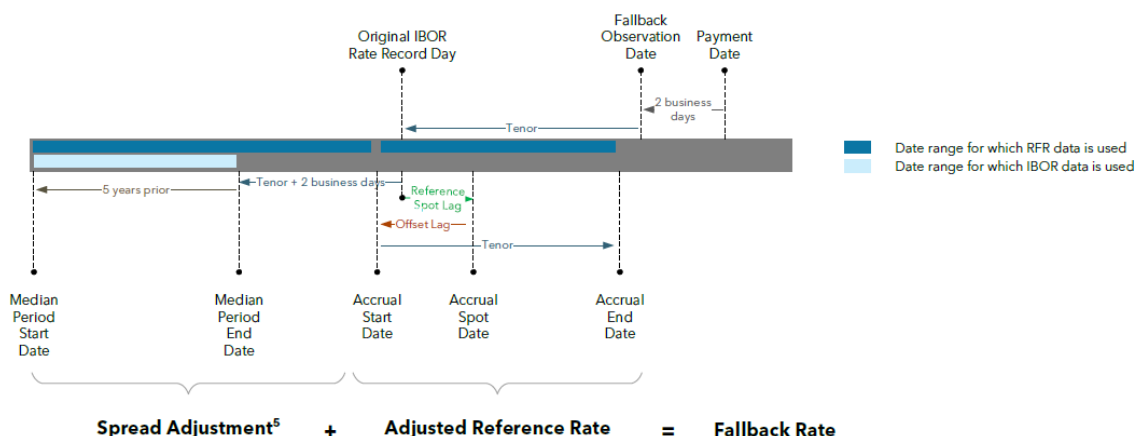
In key data releases this morning, CPI for June was reported at 0.6% y/y inline with consensus expectations and compares with May's print of 0.1%. Ex food and energy, the inflation index was reported at 1.2% y/y, marginally higher vs consensus expectations of 1.1% and inline with previous months' print of 1.2%. Asset prices were broadly unchanged following the release.



Source: Bloomberg

NY Fed President Williams used the ARRC/BOE sponsored SOFR Summer Series platform to iterate that there are only 537 days left until the existence of LIBOR can no longer be assured, and adequate preparations need to be made. Market contacts highlighted that a constant theme from the speakers was the importance of transitioning from LIBOR and that despite the effects of COVID-19, the overall timeline remains the same. LIBOR is scheduled to be phased out on Jan. 1, 2022, and regulators have been pushing financial firms to adopt SOFR to replace it. Bloomberg has highlighted that they will start publishing the fallback rates starting the end of this week. SOFR volumes, which have been on a steady rise after the launch a few years back, had shot up significantly during the COVID-19 selloff to almost \$1.3 tn. Volumes have since normalized to almost \$950 bn.

Figure 1

Interplay of the key dates associated with the IBOR Fallbacks Rule Book and 2006 ISDA Definitions²

Source: Bloomberg

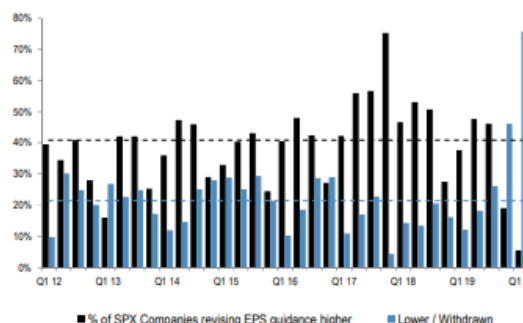
S&P 500 earnings season has begun this week, with 17% of firms reporting this week and 61% of the firms reporting in the next two weeks. Q2 earnings results are keenly watched by the investors to gauge the extent of damage to corporate balance sheets, with consensus expecting a 45% y/y decline in earnings. Analysts have also highlighted the historically high earnings uncertainty after the COVID sell-off, which is also partly reflected in the fact that more than 100 firms have withdrawn guidance. This implies that almost 75% of the firms have either lowered guidance or removed it.

Table 1: No. of companies withdrawing EPS guidance – for S&P500

No. of companies withdrawing EPS guidance	
Industrials	23
Health Care	19
IT	18
Discretionary	12
Materials	10
Real Estate	9
Staples	8
Financials	3
Com. Services	1
Energy	0
Utilities	0
Total	103

Source: Bloomberg

Figure 9: % of S&P500 companies guiding EPS higher/lower



Source: Bloomberg, J.P. Morgan

JPMorgan's 2Q20 results beat market expectations, Citi also solid; Wells Fargo reports quarterly loss. JPMorgan reported 2Q20 net income of \$4.7bn (+43% vs. consensus, +63% QoQ). Revenues of \$33bn, the highest in the bank's history, were driven by extremely strong markets and investment banking volumes that offset interest margin headwinds and reduced consumer activity. Provisions were above market expectations and +26% QoQ as the bank took \$8.9bn of reserves build, mainly against potential Covid-19 credit losses. The bank's CEO says JPM has built 'massive loss-absorbing capacity' against 'much uncertainty regarding the future path of the economy.' JPM paid out \$2.7bn in dividends but also announced a suspension of share repurchases at least through 30 September. The CET1 ratio stands at 12.4%, +90bps QoQ, and management estimates that its trough CET1 in an 'extreme adverse' scenario (more severe than the Fed's 'U' or 'W' scenarios) is 11.3%. Citi (see table) also reported better-than-expected results. (See table) However, Wells Fargo reported its first quarterly loss since 2008 and cut its dividend sharply. JPMorgan and Citi shares were up about 2.5% and 1.5%, respectively, in after-market trading; Wells Fargo shares are down about 3.8%.

JPMorgan: 2Q2020 results highlights

	FQ2 2020	Consensus	FQ1 2020	vs cons.	QoQ	YoY
Revenue	32,980	30,573	28,251	7.9%	16.7%	14.4%
Net interest income	13,853	14,065	14,439	-1.5%	-4.1%	-3.8%
Non-interest income	19,127	16,111	13,812	18.7%	38.5%	32.5%
Non-interest expense	16,038	16,906	16,850	-5.1%	-4.8%	-1.9%
Provisions	10,473	9,150	8,285	14.5%	26.4%	811.5%
Pretax		3,935	3,116	-100.0%	-100.0%	-100.0%
Net income	4,687	3,272	2,865	43.2%	63.6%	-51.4%
Risk-weighted assets	1,544,281	1,599,920	1,598,828	-3.5%	-3.4%	-0.1%
Loans	978,518	999,712	1,015,375	-2.1%	-3.6%	2.3%
Non-performing loans	8,440	7,040	6,421	19.9%	31.4%	60.5%
Loan-loss reserves	32,092	na	23,244	na	38.1%	143.7%
Tier 1 CAR	14.3	12.1	13.3	2.20ppt	1.00ppt	0.30ppt
CET1 CAR	12.4	na	11.5	na	0.90ppt	0.20ppt

Source: Company, Bloomberg

Citi: 2Q2020 results highlights

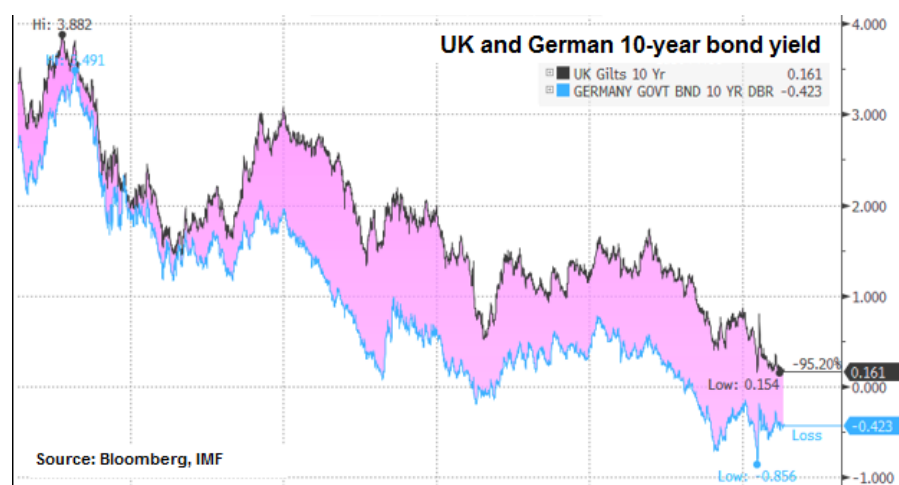
	FQ2 2020	Consensus	FQ1 2020	vs cons.	QoQ	YoY
Revenue	19,766	19,158	20,731	3.2%	-4.7%	5.4%
Net interest income	11,080	11,047	11,492	0.3%	-3.6%	-7.3%
Non-interest income	8,686	8,319	9,239	4.4%	-6.0%	27.6%
Non-interest expense	10,415	10,502	10,620	-0.8%	-1.9%	-1.0%
Provisions	7,903	7,156	7,001	10.4%	12.9%	281.1%
Pretax	1,448	1,263	3,110	14.6%	-53.4%	-76.5%
Net income	1,316	654	2,522	101.3%	-47.8%	-72.6%
Risk-weighted assets	1,210,429	1,212,355	1,217,805	-0.2%	-0.6%	1.9%
Loans	na	714,643	789,575	na	na	na
Non-performing loans	5,900	4,233	4,233	39.4%	39.4%	58.6%
Loan-loss reserves	na	na	20,841	na	na	na
Tier 1 CAR	na	7.1	12.67	na	na	na
CET1 CAR	11.5	na	11.22	na	0.28ppt	-0.39ppt

Europe

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European equities are weaker in a broad sell-off, with the French CAC40 (-1.8%) and German Dax (-1.6%) underperforming. European tech-stock (-3%) underperformed. **German yields and southern European spreads are mostly unchanged despite the risk-off sentiment.**

U.K. gilts are 2-3 bps lower across the curve with the 10-year approaching the zero bound after weak economic data. The euro is 0.3% stronger against the U.S. dollar while the sterling (-0.5%) is underperforming following disappointing monthly GDP data.



Investors have continued to build a long position in euro as a preferred way to express the dollar weakness view. The IMM positioning report showed that real money investors long euro position has reached a decade high. These figures are consistent with strong inflows into European funds reported by Morningstar, suggesting that real money is likely to hedge for euro weakness. Hedge funds continued to reduce their short position as some have been shifting into the U.S. dollar as the preferred funding currency for carry trades. **There has been also a shift in the option market, where price of call option on euro now exceeds the price of put options. Despite the increase in investor positioning, the euro has been rather range bound in June.** Market contacts suggest that this could in part due to weaker export related inflows, but also hedge fund position change reflecting rolling off existing option position, rather than increase actual purchase of euros. Better economic data in Europe continue to support the bullish sentiment, but some investors are looking for signs of a more hawkish ECB to increase long positions in the euro

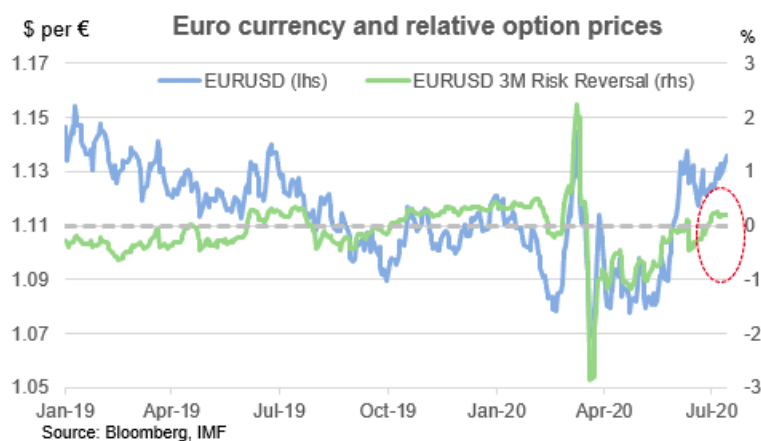
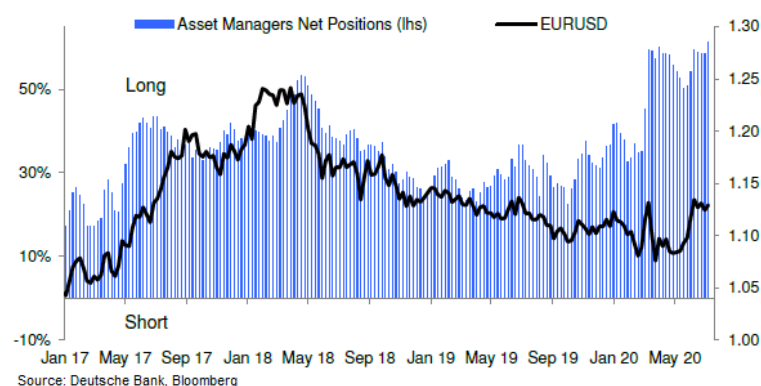
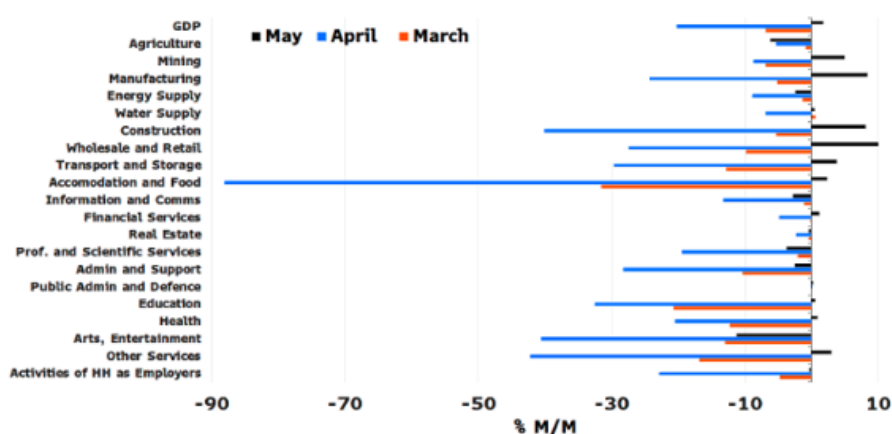


Figure 1: Asset manager EUR length rises to new high of 61% of open interest

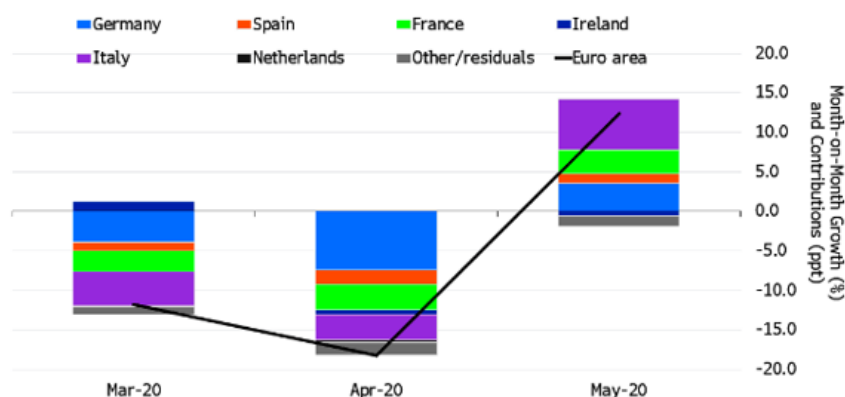


The UK's economic activity remained subdued in May as the monthly GDP estimate surprised to the downside. UK's May GDP expanded only by 1.8% mom after a 20% contraction in April, thereby missing the 5.5% growth consensus. The economic activity recovered in manufacturing and construction sectors, where output grew 8.4% and 8.2% m-o-m respectively. Service sector output remained stagnant as the UK's lockdown measures remained in place throughout May. Market contacts suggest that the recovery should be more pronounced in June in line with the pick-up in the high-frequency mobility data, but not enough save the Q2 GDP expectation from further downside revisions.



Source: ONS

The Eurozone industrial output also missed the consensus estimate with May industrial production growing 12.4% m/m (consensus: 15% m/m). The y/y decline slowed to 20.9%, from a 28% decline in April. Italy has seen the fastest normalization of output, while the recovery was lagging in Germany.



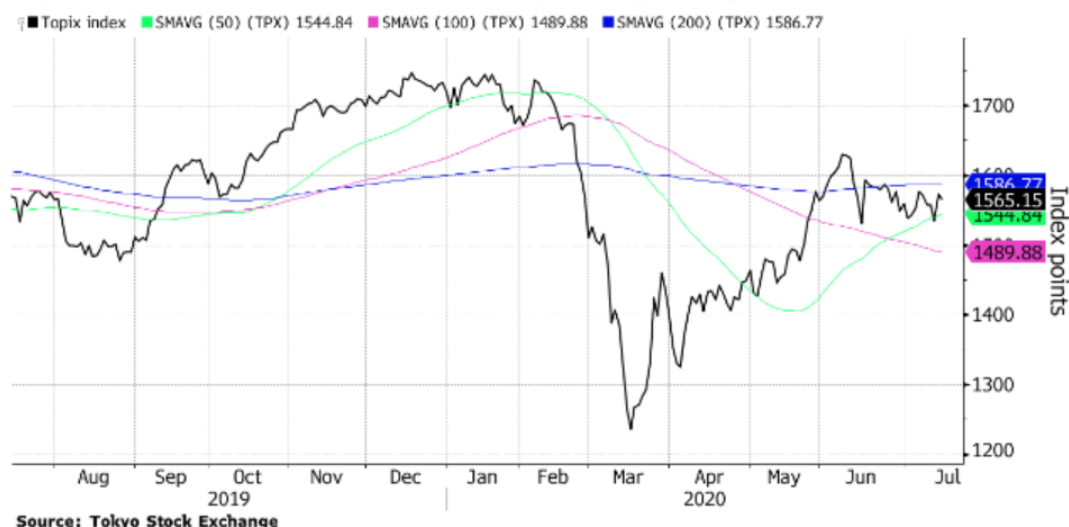
Source: Eurostat

Other Mature Markets

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Japan

Equities (-0.5%) fell with tech underperforming. Economy Minister Yasutoshi Nishimura said that Japan could reimpose a state of emergency should infections increase further. Tokyo reported 143 new virus cases on Tuesday, falling below 200 for the second consecutive day. Separately, according to Bloomberg the ruling party's tax policy chief Akira Amari said that there is a likelihood of an extra budget this year, which could potentially be combined with an election. **The yen was little changed and 10-year JGB yield dropped -1 bp.**

Topix continues to trade below its 200-day moving average**Emerging Markets**[back to top](#)

Asian equities fell -1% on renewed risk aversion from COVID-19 concerns and US-China tensions. India (-1.8%) and Hong Kong SAR (-1.1%) underperformed. Regional currencies weakened led by the Thai baht (-0.6%). On economic data, Singapore's economy plunged into recession in Q2 with a record decline of -41.2% q/q annualized, worse than consensus of -35.9%. **EMEA equities traded with a cautious tone, with stocks underperforming in Russia (-1.8%), South Africa (-1.6%) and Israel (-1.4%).** Currencies traded in a tighter range. Regional currencies have generally firmed against the U.S. dollar so far in July. The South African rand stands out with a gain of 3.1% whereas the Russian ruble and Turkish lira were little changed. **Latin American equity markets were mixed on Monday.** Chile and Argentina's equity markets saw gains, with equities rising 2.1% and 1.1%, respectively, while Brazil underperformed among peers (-1.3%). Local currencies were mixed as well. The Brazilian real weakened 1.5% against the dollar, and the Mexican peso depreciated 1.4%, while the Chilean peso was 1.3% stronger. 10-year government bond yields dropped 7 bps in Colombia and were mixed in other countries.

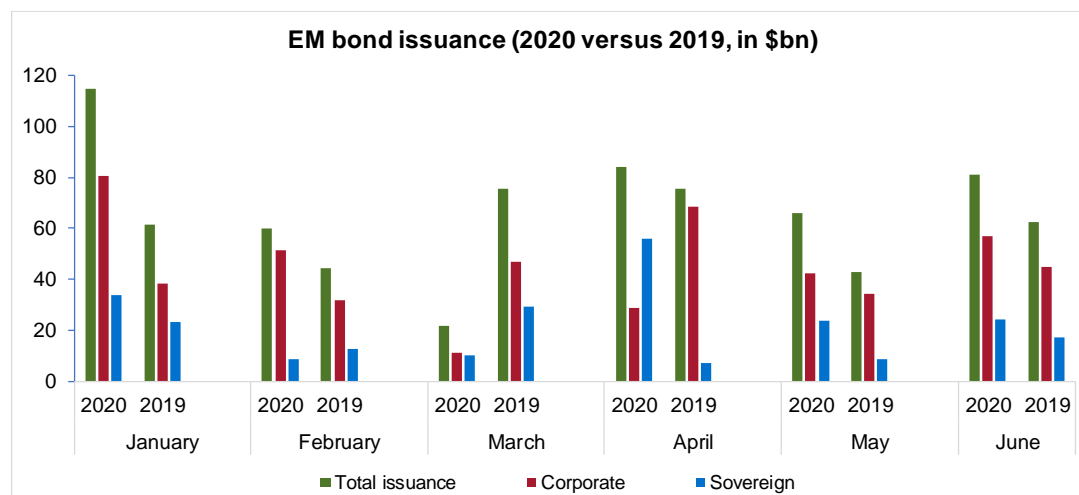
Key Emerging Market Financial Indicators

Last updated: 7/14/20 8:16 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		42.95	-1.9	0	8	1	-4
MSCI Frontier Equities		24.11	-0.3	0	1	-21	-21
EMBIG Sovereign Spread (in bps)		467	1	12	-14	132	174
EM FX vs. USD		54.99	0.1	0	-1	-13	-10
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		7.02	-0.3	0	1	-2	-1
Indonesian Rupiah		14450	-0.2	0	-2	-4	-4
Indian Rupee		75.43	-0.3	-1	1	-9	-5
Argentina Peso		71.24	-0.4	-1	-3	-40	-16
Brazil Real		5.36	0.9	0	-4	-30	-25
Mexican Peso		22.62	0.6	1	-2	-16	-16
Russian Ruble		71.09	-0.1	1	-2	-12	-13
South African Rand		16.76	0.6	2	2	-17	-16
Turkish Lira		6.87	-0.1	0	-1	-17	-13
EM FX volatility		9.71	0.0	-0.2	-0.4	2.6	3.1

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

Emerging Market Bond Issuance

EM corporate issuance increased by \$17.6 bn last week, up from \$6.6 bn the week before, and EM sovereign issuance decreased from \$4.9 bn the week before to \$4.3 bn. The year to date total issuance of \$452 bn was around 18% higher than the 2019 issuance over the same period (\$383.1 bn). From a regional perspective, China was the largest EM corporate debt issuer, accounting for 47% (\$8.2 bn) of the total, followed by Colombia (\$1.7 bn), and Brazil (\$1.5 bn). Last week's sovereign issuance was placed by Romania (\$3.3 bn), and El Salvador (\$1 bn) rated at B- and with a coupon of 9.5%.



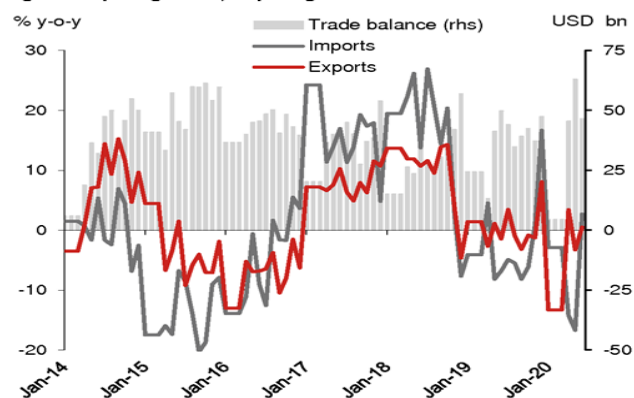
Source: Bond Radar, Bloomberg

Asia COVID-19 Update

Hong Kong significantly tightened social distancing measures yesterday, including requiring all public transport passengers to wear masks, banning dine-in services from 6pm until 5am, limiting public gatherings to four, and closing bars and 12 other premises. In the Philippines, a city in Metro Manila, Navotas, with a population of around 250,000 will go back into lockdown. Thailand is temporarily halting exemptions from a 14-day quarantine given to some groups of foreigners following two separate incidents of possible COVID-19 spread to the community. Singapore and Malaysia plan to open a 'green lane' for essential business and official travel from August 10.

China

China's trade data rebounded in June and beat consensus expectations. Exports in USD terms grew 0.5% y/y (consensus: -2.0%) from -3.3% y/y in May, supported by exports to the US, Southeast Asia and shipments of medical products. Imports rose 2.7% y/y (consensus: -9.0%) from -16.7% y/y in May amid broad-based improvement. **Separately, the US rejected China's claims to most of the South China as unlawful, moving in line with a 2016 ruling by a United Nations tribunal.** The Chinese embassy in the US called the action 'completely unjustified'. **Top advisors to the US President have ruled out undermining the Hong Kong dollar peg to punish China over the national security law.** According to Bloomberg, supporters of the idea could not gather enough support while those against it were concerned over the difficulty in implementation and negative consequences for US businesses. **China meanwhile announced that it would impose sanctions on Lockheed Martin.** The sanctions are in reaction to the company's arms sale to Taiwan Province of China. **Equities fell -0.9% and the RMB weakened -0.3%.**

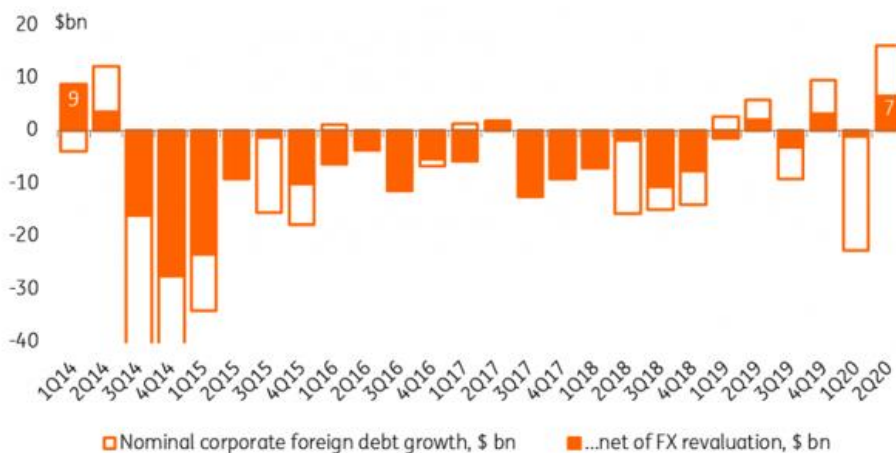
Fig. 2: Export growth, import growth and the trade balance

Note: We use the average of January-March data to largely smooth out the LNY distortions.
Source: WIND and Nomura Global Economics.

Russia

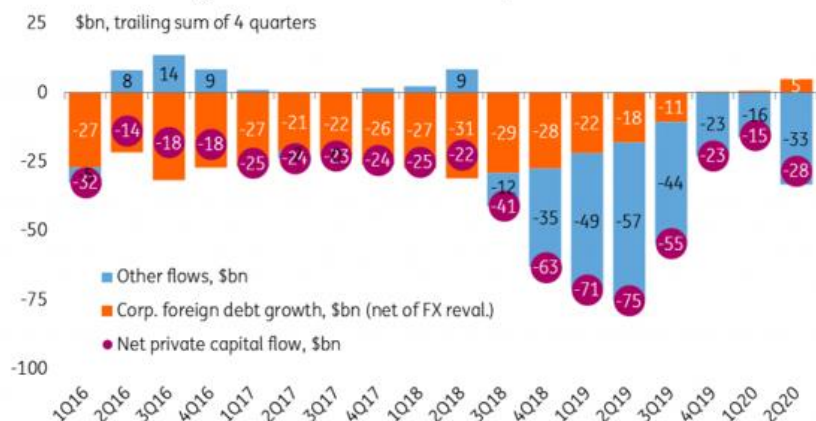
The ruble (-0.3% to 71.2 per \$) edged lower as analysts are firming expectations for another central bank cut on 24 July. Analysts are now expecting the central bank to cut rates 25 bps to 4.25% at the meeting on 24 July. Yesterday, **Bank of Russia governor Nabiullina said that inflation data for June and early July show that the central bank has room to cut rates further. Russian equities fell 3.6% in the past 5 days, underperforming regional peers** as commodity prices have remained under pressure. Brent oil futures fell 2% and natural gas futures are down 8% over the same period. ING points out that the **Russian corporate sector had the biggest quarterly increase of foreign debt since 2014**. The bank estimates that non-financial corporates drove a \$7 bn increase in corporate foreign debt (adjusted for currency movements) in 2020Q2, attracting almost \$10 bn, while Russian banks reduced foreign debt by around \$3 bn. Despite strong issuance by non-financial corporates, Russia still saw net private capital outflows given outflows in the “other flows” category.

Russia: Corporate foreign debt growth in 2020Q2 highest since pre-sanctions 1Q14



Source: Bank of Russia, ING

Russia: Increasing role of “other flows” in capital outflows



Source: Bank of Russia, ING

Turkey

Yesterday, Turkey’s market regulator imposed fines totaling 16.7 mn liras (\$2.4 mn) on 7 brokerages and 18 investors for contravening short-selling regulations in place since Feb. 25. The regulator also warned that paid membership of stock-tipping groups could make them complicit in crimes. The participation of individual investors in the Turkish equity market has reportedly increased sharply in response to diminishing returns from fixed-income products and bank savings deposits. According to figures from the Central Securities Depository, the number of equity market accounts has surged by 33% since the end of 2019 (to 1.61 mn as of July 13). Trading volumes in Turkish stocks have risen to record levels. **The benchmark Borsa Istanbul 100 Index is little changed today but gained 3.1% in 2020, while the Small and Midcap Industrials Index is up 124% ytd.**

Record Popularity

Local investors have pushed stock volumes to all-time highs



Ecuador

Some of Ecuador’s creditors have revised restructuring terms on Monday, according to Bloomberg reports. Based on the proposal, the bondholders participating in the exchange offer would receive a package of bonds maturing in 10, 15, and 20 years, with a weighted average coupon rate of 5.8% (original bond’s coupon rate: 6.9%). Despite the rejection of the initial restructuring offer, analysts from Barclays saw the relationship between the creditors and authorities as remaining constructive. They also expect further improvements to the current offer. Local bonds went up slightly yesterday, with the benchmark 2028 bond up to 51 cents on Monday from 50 cents on Friday.




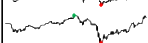





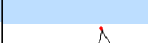







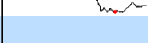



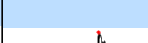



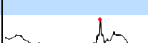



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Global Financial Indicators

Last updated: 7/14/20 8:14 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		3155	-0.9	-1	4	5	-2
Europe		3308	-1.2	0	5	-5	-12
Japan		22587	-0.9	0	1	4	-5
China		3415	-0.8	2	17	17	12
Asia Ex Japan		75	-0.5	-1	9	8	2
Emerging Markets		43	-1.9	0	8	1	-4
Interest Rates			basis points				
US 10y Yield		0.63	-2.6	-1	-8	-150	-129
Germany 10y Yield		-0.43	-0.8	0	1	-22	-24
Japan 10y Yield		0.03	-0.7	-1	2	15	4
UK 10y Yield		0.15	-3.2	-3	-5	-68	-67
Credit Spreads			basis points				
US Investment Grade		142	0.2	0	-16	23	45
US High Yield		607	-0.6	-7	-9	176	213
Europe IG		61	0.3	-1	-9	13	17
Europe HY		374	5.0	9	-31	131	167
EMBIG Sovereign Spread		467	1.0	12	-14	132	174
Exchange Rates			%				
USD/Majors		96.37	-0.1	-1	-1	0	0
EUR/USD		1.14	0.3	1	0	1	1
USD/JPY		107.4	-0.1	0	0	0	1
EM/USD		55.0	0.1	0	-1	-13	-10
Commodities			%				
Brent Crude Oil (\$/barrel)		42	-0.7	-2	10	-36	-36
Industrials Metals (index)		111	-1.0	4	10	-2	-3
Agriculture (index)		35	0.1	-2	0	-16	-15
Implied Volatility			%				
VIX Index (% change in pp)		30.8	-1.4	1.3	-5.3	18.4	17.0
10y Treasury Volatility Index		57.3	0.0	-2.7	-12.1	-5.2	-4.7
Global FX Volatility		7.5	0.0	-0.1	-1.2	1.5	1.6
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		168	4.9	14	-4	-88	3
Italy		166	1.0	3	-22	-28	7
Portugal		86	-0.9	2	-15	-1	23
Spain		85	-0.8	0	-18	8	20

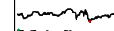







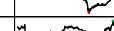

















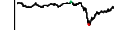





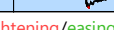





Colors denote **tightening/easing** financial conditions for observations greater than ± 1.5 standard deviations.

Data source: Bloomberg.

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Emerging Market Financial Indicators

Last updated: 7/14/2020 8:16 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		7.02	-0.3	0.0	1	-2	-1		3.2	1.0	13	35	-3	3	
Indonesia		14450	-0.2	-0.1	-2	-4	-4		7.1	0.5	-8	-22	-7	1	
India		75	-0.3	-0.7	1	-9	-5		5.9	0.3	-11	-20	-76	-98	
Philippines		50	-0.2	0.0	2	3	2		4.0	0.9	-9	-14	-75	-32	
Thailand		32	-0.6	-1.0	-1	-2	-5		1.5	1.6	0	4	-67	-15	
Malaysia		4.27	-0.2	0.1	0	-4	-4		2.6	0.7	-16	-29	-105	-78	
Argentina		71	-0.4	-0.6	-3	-40	-16		45.3	14.7	61	-358	1582	-1733	
Brazil		5.36	0.9	0.5	-4	-30	-25		5.3	2.8	8	4	-137	-99	
Chile		786	1.3	1.5	0	-13	-4		2.7	0.5	6	-4	-67	-64	
Colombia		3620	0.0	0.5	4	-12	-9		5.2	-0.3	-4	-48	-51	-73	
Mexico		22.62	0.6	1.0	-2	-16	-16		5.8	-3.6	-7	-40	-186	-113	
Peru		3.5	0.2	1.4	-1	-6	-5		4.3	-3.2	-16	-11	-40	-24	
Uruguay		44	0.0	-1.0	-2	-20	-14		9.8	-3.0	-3	-38	-55	-110	
Hungary		313	0.3	0.6	-2	-8	-6		1.6	3.4	5	-1	7	45	
Poland		3.94	0.7	0.9	-1	-4	-4		0.9	5.5	4	-1	-115	-103	
Romania		4.3	0.3	0.8	0	-1	0		3.8	0.0	12	9	-17	-17	
Russia		71.1	-0.1	0.6	-2	-12	-13		5.4	-3.4	-22	3	-179	-71	
South Africa		16.8	0.6	2.4	2	-17	-16		10.3	-2.5	-12	17	107	75	
Turkey		6.87	-0.1	-0.1	-1	-17	-13		11.4	-10.8	36	71	-602	-28	
US (DXY; 5y UST)		96	-0.1	-0.5	-1	0	0		0.29	0.5	0	-4	-158	-140	

	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		3415	-0.8	2	17	17	12		222	0	5	-7	45	46
Indonesia		5079	0.3	2	4	-20	-19		263	0	6	-3	94	107
India		36033	-1.8	-2	7	-7	-13		251	0	8	13	114	126
Philippines		6173	0.0	-2	-5	-24	-21		163	0	0	4	96	97
Malaysia		1599	-0.5	2	3	-4	1		178	0	-3	-16	63	66
Argentina		43237	1.1	9	0	1	4		2337	15	4	-236	1559	568
Brazil		98697	-1.3	0	6	-5	-15		373	2	2	-4	163	158
Chile		4115	2.1	-3	3	-19	-12		207	0	0	-9	77	74
Colombia		1145	-0.2	1	0	-29	-31		292	-1	9	-4	121	129
Mexico		36389	-0.2	-4	-3	-15	-16		521	2	12	2	199	229
Peru		16646	-0.1	-2	-1	-20	-19		177	-1	-1	-13	67	70
Hungary		35231	-0.3	-1	-6	-13	-24		164	-2	-6	-3	81	78
Poland		50794	-0.7	0	1	-16	-12		41	2	-1	-16	7	23
Romania		8449	-0.3	-1	-3	-7	-15		292	0	16	-4	104	119
Russia		2713	-1.9	-4	-1	-2	-11		214	1	0	-2	23	83
South Africa		55287	-1.6	0	3	-3	-3		532	4	7	11	258	212
Turkey		118035	-0.3	-1	7	22	3		616	5	22	33	120	215
Ukraine		499	0.0	0	0	-7	-2		706	4	63	74	192	286
EM total		43	-1.9	0	8	1	-4		467	1	12	-14	132	174

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

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