






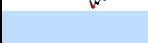






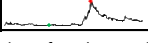
- ECB urges banks to extend pause on shareholder payouts another three months ([link](#))
- Euro area bank stress tests show lenders resilient to stress ([link](#))
- US virus hot spots showing tentative signs of improvement ([link](#))
- Downgrade of US firms from IG to junk has slowed but expected to continue ([link](#))
- Turkish lira depreciates as offshore funding costs rise sharply ([link](#))
- Banks in EMEA sharply increased bond holdings in 2020 ([link](#))
- European Q2 earnings season off to a better than expected start ([link](#))

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## Negative real yields spur gold rush

**Precious metals prices are soaring and the dollar is slumping as investors react to the prospect of prolonged negative US real yields.** Gold reached new all-time highs on Monday and silver prices added 7%, with both metals padding 25%+ YTD gains. The dollar fell another 0.8% against major peers, with many analysts making the case that the dollar's freefall could be just getting started. The common driver of these market moves has been slumping real yields in the US and expectations that the Fed will push these yet deeper into negative territory as it increasingly contemplates inflation "catch-up" strategies. No major changes are expected at tomorrow's FOMC meeting, but investors will be on the lookout for further easing signals. Equities edged higher yesterday as the softer greenback boosted risk sentiment, but risk asset gains have taken a pause over night. In EMs, the Turkish lira is weakening again after nearly a month of relative stability, while Russia's currency is dropping on concerns over the oil price outlook.

Key Global Financial Indicators

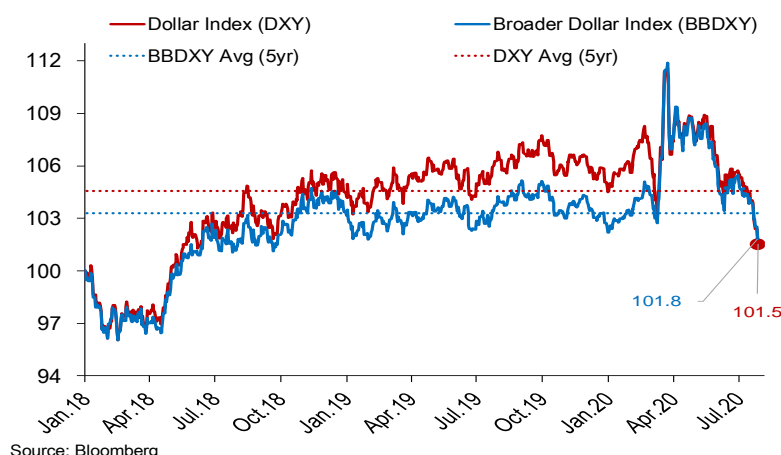
Last updated: 7/28/20 8:14 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>			%				%
S&P 500		3239	0.7	0	8	7	0
Eurostoxx 50		3285	-0.5	-4	3	-7	-12
Nikkei 225		22657	-0.3	0	1	5	-4
MSCI EM		44	0.4	1	10	3	-2
<b>Yields and Spreads</b>			bps				
US 10y Yield		0.61	2.6	0	-4	-147	-131
Germany 10y Yield		-0.50	-0.8	-4	-2	-12	-31
EMBIG Sovereign Spread		445	2	-2	-31	118	152
<b>FX / Commodities / Volatility</b>			%				
EM FX vs. USD, (+) = appreciation		55.8	-0.4	0	3	-11	-9
Dollar index, (+) = \$ appreciation		93.9	0.2	-1	-4	-4	-3
Brent Crude Oil (\$/barrel)		43.5	0.3	-2	6	-31	-34
VIX Index (% change in pp)		25.7	0.9	1	-9	13	12

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

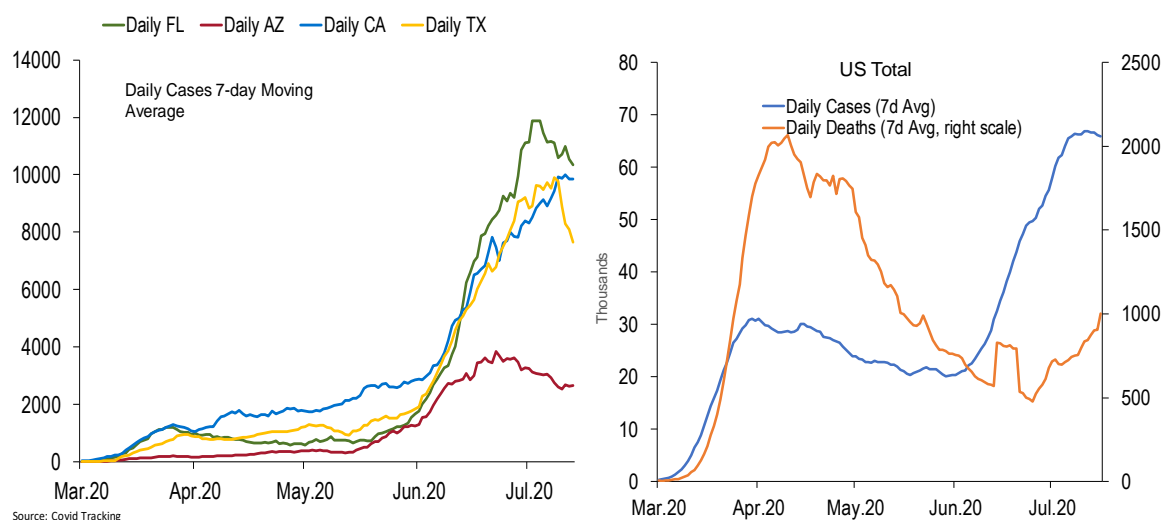
## United States

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**Equities posted modest gains on a relatively quiet start to the week**, with tech outperforming after two weeks of losses, while Treasury yields rose 1-2 bps throughout the curve. The S&P 500 staged a late rally to close 0.7% higher, while the Nasdaq gained 1.7%. Record high gold prices climbed another 2%, for a 28% gain year to date, while silver was up 7% on the day to gain 37% for the year. **The dollar continued its recent slide, down 0.8%, and is now below its 5-year average.** Durables goods orders beat expectations for June, up 7.3% m/m (vs 6.9% consensus), but still lag pre-pandemic levels at \$206 bn (compared to about \$245 bn normally)



**US Covid-19 hotspots show tentative signs of improvement, but national cases and deaths remain elevated.** Encouragingly, the positive test rate has declined to 7.2% nationally, from 9.2% in mid-July, which is seen as a key leading indicator for future cases as more cases are identified and quarantined. On Monday, both Moderna and Pfizer/BioNTech announced the start of large, late stage vaccine trials, with results likely available by October/November.



**Demand for the Federal Reserve's emergency lending facilities has been modest thus far**, with many programs slow to get off the ground initially, and the market having recovered prior to any significant usage. Economists have lowered their forecasts for the Fed's balance sheet at year-end from \$9.3 tn in May to \$8.7 tn recently, according to a WSJ survey. The Fed's lending facilities have extended barely \$100 bn,

less than the Treasury's total equity backstop of close to \$200 bn. However, purchases of Treasuries and mortgage backed securities have continued at a steady, though slower pace, with about \$2.4 tn purchased since March (~12% of GDP), at an average pace of about \$20 bn in Treasuries per week over the last month. Market participants will be hoping for more forward guidance during Chairman Powell's press conference after the Wednesday FOMC meeting.

Federal Reserve's emergency measures assets

Treasury support Program capacity

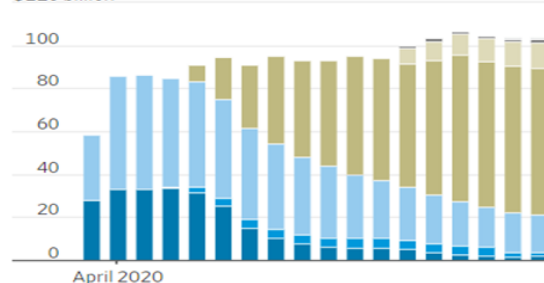


\*No program capacity limit. Note: Figures through July 22  
Source: Federal Reserve

Source: Wall Street Journal, Federal Reserve

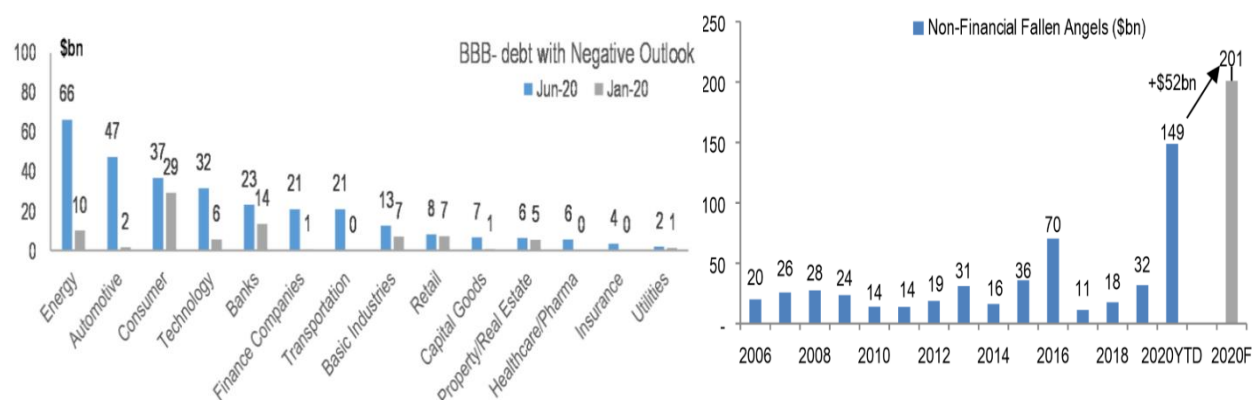


\$120 billion



Source: Federal Reserve

**Fallen angel volume has slowed but analysts expect further downgrades for the US corporate sector.** The volume of fallen angels—investment grade rated companies downgraded to junk—has eased sharply in June and July after totaling \$142 bn from February – May. However, accumulated downgrades within the BBB-rated segment through the first half of the year and the ongoing stress in the economy from the Covid-19 crisis is likely to lead to more fallen angels—albeit at a slower pace. JPM analysts expect another \$52 bn in downgrades in H2 for nonfinancial firms (plus another ~\$15 bn for financial), for a 2020 total of \$201 bn, equal to 5% of the investment grade index, an annual record. Energy, automotive, and consumer sectors are most at risk, with the largest notional value of BBB- debt with a negative outlook.



Source: JP Morgan

## Europe

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After opening little changed, European equities are trading in a slight risk off-mode following the sell-off in the Turkish lira. Equities have recovered slightly in Spain (+0.4%) but trading lower in Italy (-1.2%) and France (-0.8%).

German yields are unchanged and Southern European spreads are about 1 bps wider. The euro and the sterling are stable.

The European Q2 earning season started better than expected with about two thirds of reporting companies beating consensus (one quarter of firms reported so far). Average earnings have surprised by about 4%, one of the highest results posts GFC. That said, the industry and country level results remain relatively mixed with generally strong results delivered by the healthcare and technology sectors. On the country level, results are coming stronger out of Northern Europe as compared to those out of France and Southern Europe. The results have already triggered a shift in analyst expectations as for the first time since the onset of the pandemic, analyst upgrades are outnumbering downgrades.



Exhibit 1 : 2Q Earnings surprise is one of the biggest since the GFC  
Equal weighted

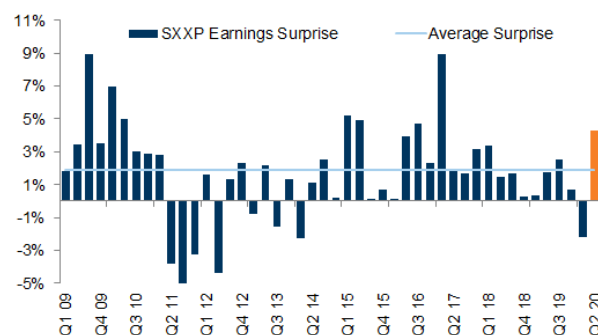
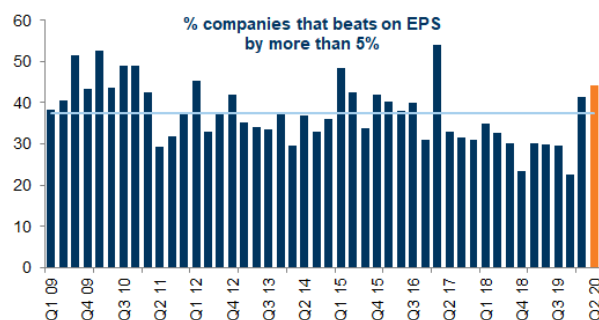
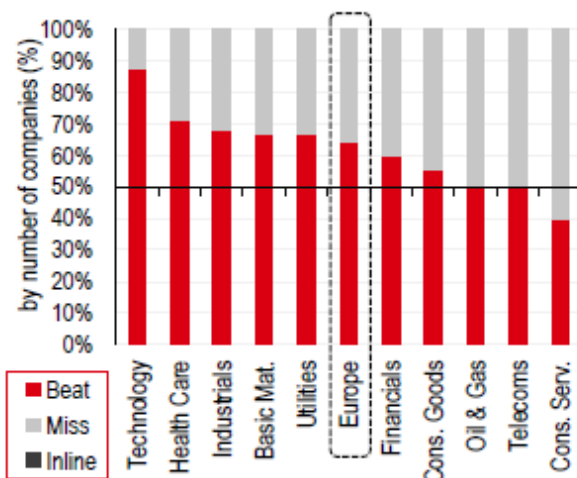


Exhibit 2 : ... same for the share of companies beating expectations

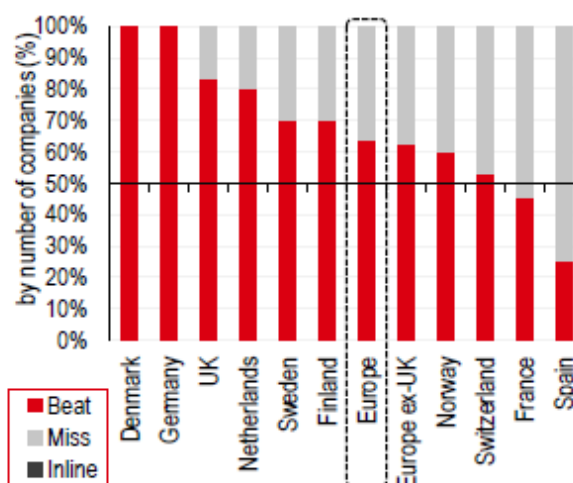


### 7. Beats and misses by Industry: Technology and Healthcare lead



Source: FTSE Russell, Refinitiv Datastream, IBES, HSBC calculations

### 8. Beats and misses by Country; France and Switzerland lag

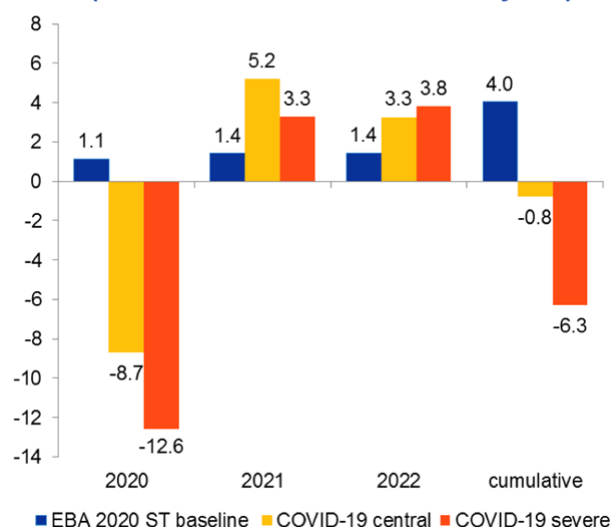


Source: FTSE Russell, Refinitiv Datastream, IBES, HSBC calculations

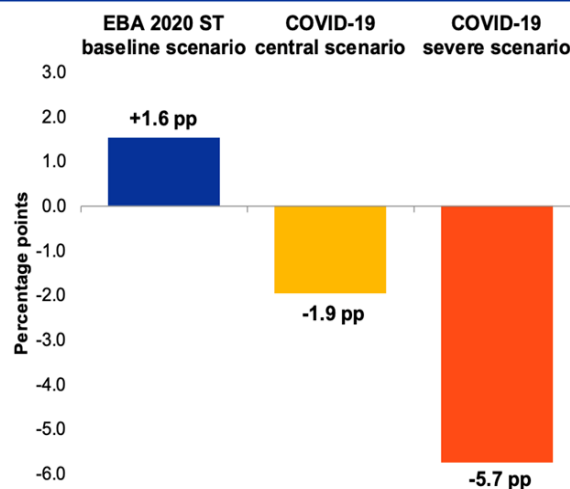
Bank stocks were little changed after **ECB stress-test results confirmed that the banking sector is resilient enough to withstand the pandemic-induced stress**. Under the current COVID central scenario (Eurosysteem June 2020 staff projections), the common equity tier 1 (CET1) ratio is expected to drop by 1.9pp to 12.5%. **The overall shortfall should remain contained even in a severe stress scenario, although several banks would need to take action to meet minimum capital requirements.** The CET1 ratio is seen to drop by 5.7pp in the aggregate, with the 25th risk percentile seeing their capital drop below 6.8%. The report further suggests that **the extension of application deadlines for state guarantees from December 2020 to June 2021 could be one of the potential policy tools to deal with the stress case**. Such policy move would boost impairments absorption from €42bn to €60bn.

### Real GDP growth (%)

(annual and cumulative over three years)



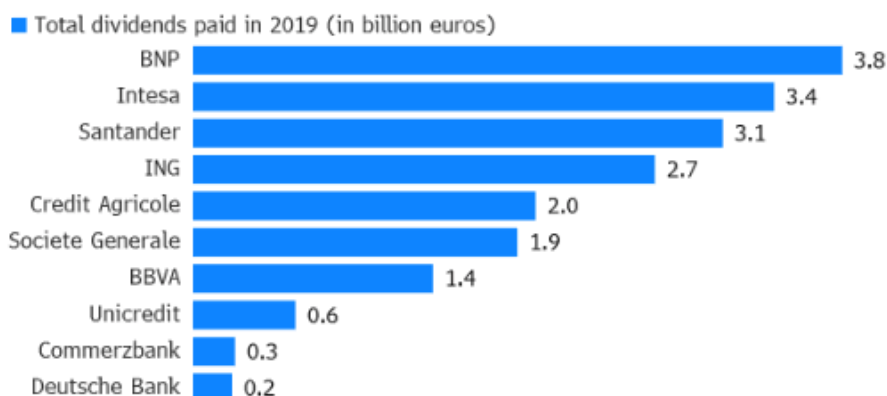
### CET1R (TR)\* 2019-2022 depletion across scenarios



Source: ECB

**Dividend payments freeze seems to be another mitigating policy measure as the ECB extends its restriction on bank capital return and bonus payments from October 2020 to January 2021.** According to Bloomberg, banks like BNP have been lobbying to resume dividend payments in order to

boost their stock prices. The ECB has previously indicated that the measure could keep as much as €30bn of capital in the banking system.



Source: Data compiled by Bloomberg

Note: Chart shows 10 biggest publicly traded euro area banks by assets; payouts calculated by multiplying 2019 payouts per share with number of shares outstanding as of June 30

Bloomberg

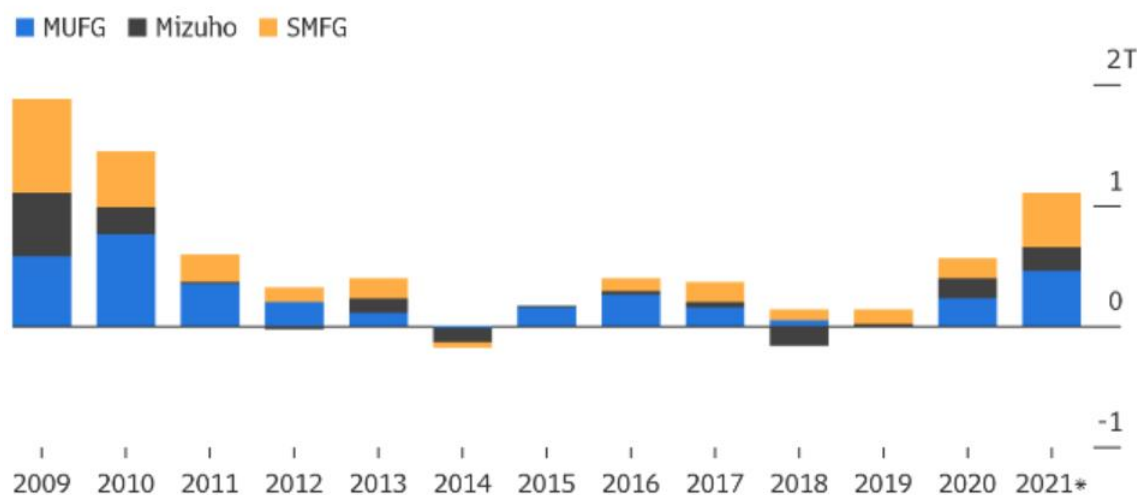
## Other Mature Markets

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### Japan

**Equities fell -0.5%, with autos underperforming after Nissan reported a larger than expected loss.** The yen and JGB yields were stable. Separately, **Japan's three largest banks forecast credit costs will swell to an 11-year high of \$10 billion in the year ending March 2021**. The forecasted credit costs for 2021 are about half those occurred during the peak of the Global Financial Crisis in 2009. For the April-June quarter this year, analysts expect actual credit costs to be relatively low because companies have been tapping credit lines and Bank of Japan loan assistance.

### Japanese lenders see credit costs hitting at least a decade high



Source: Bank filings

Note: Years to March 31. Figures for latest year are bank forecasts.

Bloomberg

## Emerging Markets

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In EMEA, depreciation of the Turkish lira towards a record low against the euro grabbed headlines and weighed on regional risk sentiment. Stocks fell in Turkey (-1.3%) and Hungary (-0.5%) but still posted gains in Israel (+0.6%). The lira depreciated 1% against the U.S. dollar and euro, reaching a record low against the euro. The South African rand also depreciated 1% against the U.S. dollar as did the Russian ruble. **Latin American** assets posted gains on Monday, led by stocks in Brazil (+2%) Argentina (+1.7%). The Mexican peso (+1.6%) appreciated the most against the weakening dollar as it unexpectedly posted its biggest-ever trade surplus in June. The Brazilian real (+1.6%), Chilean peso (+0.9%), and Colombian peso (+0.5%) appreciated against the dollar. **Asian equities gained 0.9% on net.** Vietnam (+3.6%) rebounded after yesterday's sell-off triggered by new virus cases in the country. Korean (+1.8%), China (Shenzhen +1.4%, Shanghai +0.7%), and India (+1.3%) also outperformed. Asian currencies were stable against the dollar.

Key Emerging Market Financial Indicators

Last updated: 7/28/20 8:23 AM	Level	Change	
	Last 12m	index	1 Day 7 Days 30 Days 12 M YTD
<b>Major EM Benchmarks</b>			%
MSCI EM Equities		43.81	0.4 1 10 3 -2
MSCI Frontier Equities		23.81	1.0 0 -1 -21 -22
EMBIG Sovereign Spread (in bps)		444	1 -3 -32 117 151
EM FX vs. USD		55.78	-0.4 0 3 -11 -9
<b>Major EM FX vs. USD</b>			%, (+) = EM currency appreciation
China Renminbi		7.00	-0.1 0 1 -2 -1
Indonesian Rupiah		14535	0.0 1 -2 -4 -5
Indian Rupee		74.84	0.0 0 1 -8 -5
Argentine Peso		72.07	-0.2 -1 -2 -39 -17
Brazil Real		5.18	-0.6 0 4 -27 -22
Mexican Peso		22.05	-0.6 1 5 -14 -14
Russian Ruble		72.43	-1.1 -2 -3 -12 -14
South African Rand		16.59	-1.0 -1 4 -15 -16
Turkish Lira		6.94	-1.0 -2 -1 -19 -14
EM FX volatility		9.83	0.0 0.5 -0.9 2.9 3.2

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

**Asian countries are mostly recovering from the virus quickly, while Latin America is struggling.** Bloomberg analysts have scored 75 emerging and frontier economies on how far they are from pre-virus normal economic activity, confirmed deaths from COVID-19 in the last month, and the policy space available to counter the damage. The results show that Taiwan, Botswana, Thailand and South Korea are outperforming, with Latin America's biggest economies are in the bottom third of the group.

## Who's Bouncing Back, Who's Struggling?

	Covid-19	Economy	Policy Space		Covid-19	Economy	Policy Space		Covid-19	Economy	Policy Space
1 Taiwan	0.0	-3.4	8.7	36 UAE	2.7	-22.7	29.7	81 North Macedonia	93.1	-14.6	35.7
2 Botswana	0.0	2.8	8.3	37 Turkey	6.5	-15.7	31.7	82 Nicaragua	5.1	-22.1	45.7
3 Thailand	0.0	-9.9	18.0	38 Ghana	1.9	-7.9	35.7	83 India	11.5	-46.4	33.3
4 South Korea	0.3	-4.1	15.3	39 Uganda	0.0	-24.4	41.5	84 Guatemala	58.6	-46.0	39.0
5 Czech Republic	2.3	-4.4	10.0	40 Saudi Arabia	38.0	-21.9	5.3	85 Egypt	20.7	-20.6	46.3
6 China	0.0	-9.5x	19.3	41 Jordan	0.2	-10.4	58.5	86 Peru	280.5	-48.5	10.0
7 Mauritius	0.0	-10.4	26.0	42 Romania	30.5	-12.7	31.7	87 Colombia	97.2	-46.0	25.3
8 Cambodia	0.0	-15.4	24.7	43 Bangladesh	7.6	-21.3	35.7	88 Chile	288.7	-16.6	16.7
9 Vietnam	0.0	-3.1	45.7	44 Sri Lanka	0.0	-16.4	61.3	89 Venezuela	3.3	-24.5	74.5
10 Trinidad & Tob.	0.0	-13.6	32.0	45 Bosnia & Herz.	31.1	-6.1	39.5	90 Iraq	69.4	-24.2	40.0
11 Cote D'Ivoire	1.3	-2.6	41.0	46 Kenya	2.5	-14.7	45.7	91 Oman	42.1	-27.6	40.7
12 Mali	0.6	-2.3	43.0	47 Kuwait	20.4	-36.6	37.7	92 South Africa	67.3	-31.1	38.0
13 Bulgaria	17.4	-8.6	13.7	48 Zambia	6.1	-3.0	37.7	93 Dominican Rep.	30.4	-32.6	46.0
14 Croatia	5.1	1.1	37.0	49 Mongolia	0.0	-20.6	52.3	94 Pakistan	9.1	-21.9	62.7
15 Poland	7.3	-5.6	29.0	50 Ukraine	12.0	-8.1	48.7	95 Brazil	147.9	-26.1	36.7
16 Nigeria	1.5	-14.4	32.7	51 The Bahamas	0.0	-25.5	45.7	96 Mexico	143.7	-33.3	36.0
17 Malaysia	0.1	-18.4	31.3	52 Philippines	6.3	-40.9	23.7	97 Costa Rica	13.3	-27.2	46.3
18 Russia	31.0	-11.6	9.0	53 Angola	0.7	-17.6	54.3	98 Honduras	61.2	-54.1	39.0
19 Cameroon	2.8	-6.0	42.5	54 Jamaica	0.0	-23.3	54.0	99 Bahrain	39.4	-23.4	60.7
20 Paraguay	3.2	-18.5	21.3	55 Senegal	5.3	-13.9	49.0	100 Panama	156.0	-59.6	36.3
21 Indonesia	7.5	-17.7	19.0	56 Maldives	16.3	-11.2	38.7	101 Argentina	35.9	-40.4	53.3
22 Qatar	22.2	-10.5	23.0	57 Kazakhstan	24.0	-10.6	19.3	102 Bolivia	133.7	-52.6	42.1
23 Hungary	2.4	-8.1	46.3	58 Gabon	3.6	-11.9	58.0	103 Ecuador	66.0	-34.6	56.0
24 Uruguay	2.6	-20.6	28.7	59 Belarus	17.1	-10.9	50.3	104 Kyrgyz Republic	172.9	-36.9	47.0
25 Morocco	11.9	-14.8	41.0	60 Lebanon	1.6	-15.6	74.5	105 El Salvador	39.9	-48.0	57.7

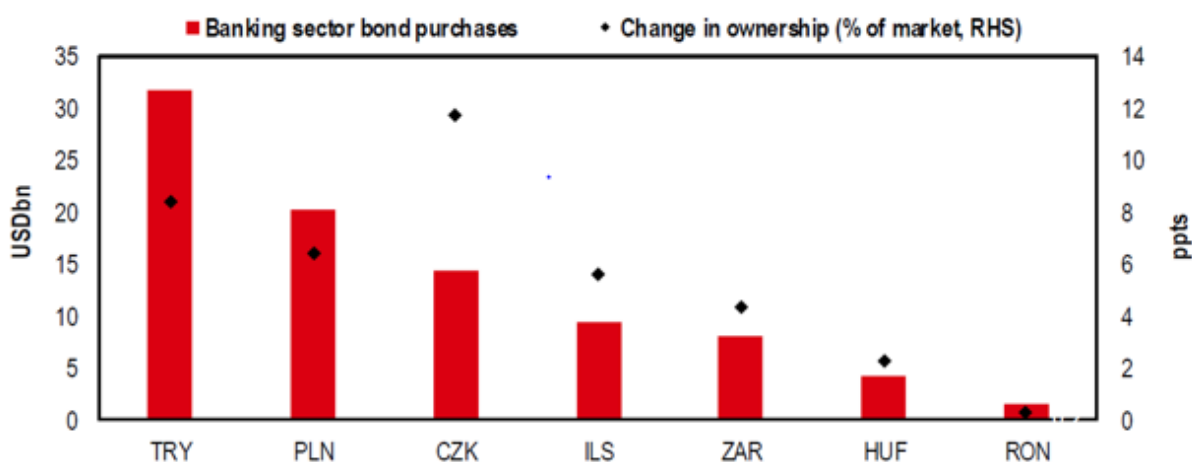
Covid-19: Confirmed deaths per million population in the last 30 days. Economy: Google Mobility & derivatives from baseline, average of retail and workplace indicators, latest 7-day average. China's score reflects BE's activity indicator (see BEIC1020). Policy Space: Average rank on public debt (% GDP, 2019), reserves coverage (months of imports, 2019) and credit rating (average of available ratings from S&P, Moody's and Fitch). Economies shown in order of average rank across Covid-19, Economy and Policy Space indicators.

Source: Bloomberg Economics, Bloomberg News, Johns Hopkins, Google, UN, IMF, S&P, Moody's, Fitch, national statistics agencies

### EMEA banks

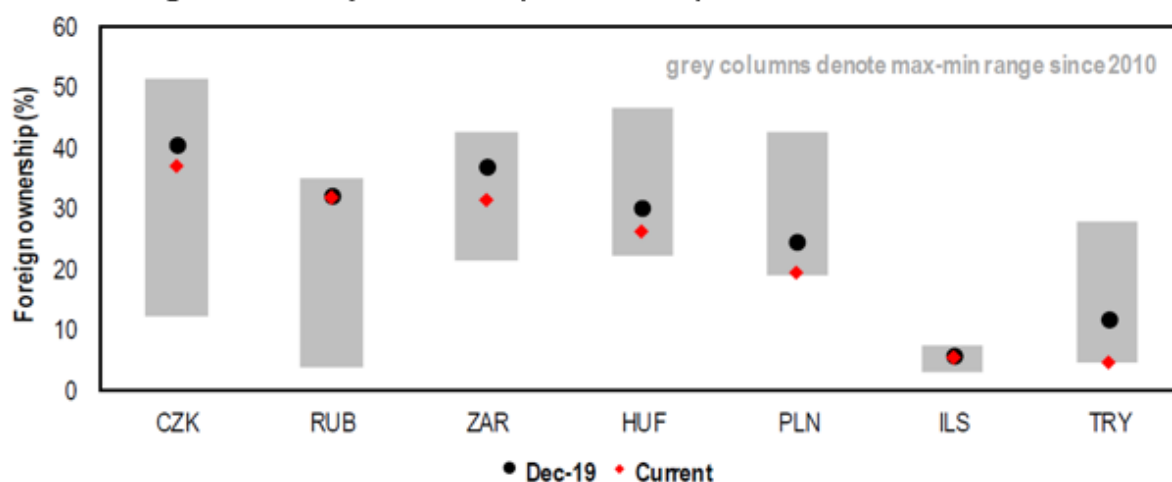
Analysts at HSBC point out that **domestic banks have been the largest buyer of bonds in the region, absorbing foreign outflows as well as new supply**. The largest increase among banks was in the Czech Republic where ownership has increased almost 12 ppts, rising from 21% to almost 33%. Banks have the highest proportional ownership in Turkey compared to anywhere else in the sample, holding 64% of local bonds. In USD terms, Turkish banks have also bought the most local debt, increasing holdings by almost \$32bn. Domestic institutional investors have been sellers of local debt in the low yielding markets, but buyers in the high yielders. **Despite net foreign inflows in four out of eight markets, foreign ownership has declined everywhere except Israel.**

### EMEA: Local bank purchases of bonds in 2020 (from HSBC)



Source: HSBC

### EMEA: Foreign ownership of bonds (from HSBC)



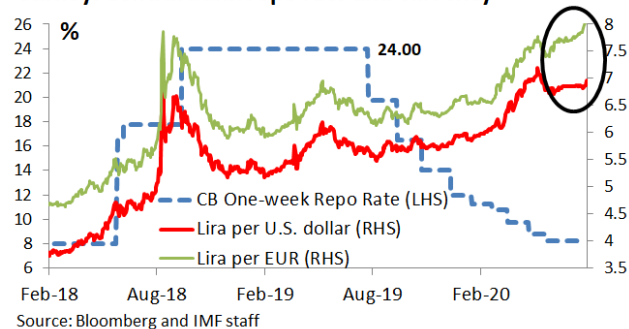
Source: HSBC

### Turkey

**The lira depreciated 1% against the U.S. dollar and euro, reaching a record low against the euro** as concerns about outflows and adequacy of international reserves accelerate. State banks have reportedly been very active in selling USD to support the lira, which has helped keep the spot exchange rate in a tight range since mid-June. Contacts also report that a statement by the U.S. State Department asking for the

release of Turkish philanthropist and civil society leader Osman Kavala may have dented risk sentiment in Monday afternoon trading London time. **The 1-yr rate for converting USD funding into Turkish lira, a popular benchmark for offshore TRY borrowing costs, widened 179 bps to a 2020 high of 19.22%.** The central bank will release its quarterly inflation report tomorrow. **Equities (-1.3%) traded lower, with banks (-2.2%) underperforming.**

**Turkey: Central bank repo rate and currency**

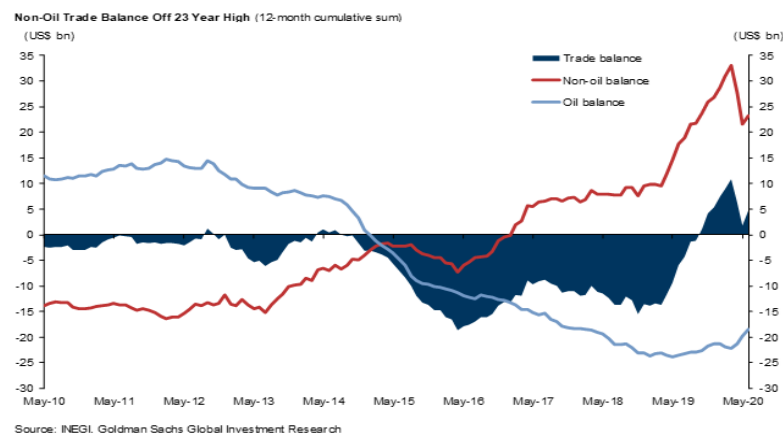


**Turkey: Rate for converting U.S. dollar funding in lira off-shore ("TYUSSW1" interest rate swap, term: 1-yr)**



## Mexico

**Mexico unexpectedly posted a trade surplus in June as its economic crisis caused imports to slump, while food exports surged.** The gap between exports and imports widened to \$5.55 bn last month from a deficit of \$3.52 bn in May. That was higher than expected by all 11 analysts in a Bloomberg survey, whose median forecast was for a surplus of \$1.55 bn. Total exports fell almost 13% compared to a year ago to \$33 bn, while imports declined by 22% amid weak economic activity due to the impact of the coronavirus. The peso appreciated 1.6% against the weakening dollar and equities were up by 1%.



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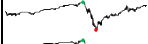




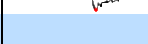




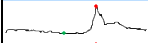
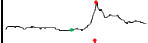

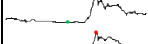















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## Global Financial Indicators

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Asia Ex Japan		75	1.3	0	9	8	2
Emerging Markets		44	0.4	1	10	3	-2
<b>Interest Rates</b>			basis points				
US 10y Yield		0.61	2.6	0	-4	-147	-131
Germany 10y Yield		-0.50	-0.8	-4	-2	-12	-31
Japan 10y Yield		0.02	0.1	0	1	17	3
UK 10y Yield		0.11	0.4	-2	-6	-57	-71
<b>Credit Spreads</b>			basis points				
US Investment Grade		131	0.4	0	-22	15	34
US High Yield		547	0.6	-16	-87	117	154
Europe IG		60	0.7	3	-10	11	16
Europe HY		366	5.2	24	-30	120	159
EMBIG Sovereign Spread		445	2.0	-2	-31	118	152
<b>Exchange Rates</b>			%				
USD/Majors		93.87	0.2	-1	-4	-4	-3
EUR/USD		1.17	-0.3	2	4	5	4
USD/JPY		105.3	0.1	1	2	3	3
EM/USD		55.8	-0.4	0	3	-11	-9
<b>Commodities</b>			%				
Brent Crude Oil (\$/barrel)		44	0.3	-2	6	-31	-34
Industrials Metals (index)		111	-0.5	-1	7	-3	-3
Agriculture (index)		36	-0.6	1	5	-11	-14
<b>Implied Volatility</b>			%				
VIX Index (% change in pp)		25.7	0.9	0.8	-9.1	13.5	11.9
10y Treasury Volatility Index		4.7	-0.3	-0.4	-2.4	0.6	0.7
Global FX Volatility		8.3	0.0	1.0	-0.2	1.9	2.3
<b>EA Sovereign Spreads</b>			10-Year spread vs. Germany (bps)				
Greece		157	-0.1	-2	-19	-87	-8
Italy		150	2.0	-5	-27	-44	-10
Portugal		86	1.7	4	-8	4	23
Spain		85	1.7	3	-9	10	19









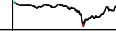











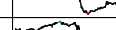







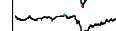





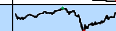



Colors denote **tightening**/**easing** financial conditions for observations greater than  $\pm 1.5$  standard deviations.

Data source: Bloomberg.

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## Emerging Market Financial Indicators

Last updated: 7/28/2020 8:23 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		7.00	-0.1	-0.3	1	-2	-1		3.0	-1.4	-8	2	-20	-14	
Indonesia		14535	0.0	1.4	-2	-4	-5		6.9	0.6	-19	-31	-35	-22	
India		75	0.0	-0.1	1	-8	-5		5.9	2.9	3	-12	-82	-94	
Philippines		49	0.1	0.4	1	4	3		3.7	-0.3	-8	-37	-91	-57	
Thailand		32	-0.1	0.1	-2	-2	-6		1.4	0.0	-1	0	-60	-20	
Malaysia		4.25	0.0	0.2	1	-3	-4		2.5	-0.2	-5	-36	-113	-89	
Argentina		72	-0.2	-0.6	-2	-39	-17		45.3	-54.1	-112	-36	1488	-1729	
Brazil		5.18	-0.6	-0.1	4	-27	-22		5.1	-9.9	-7	-22	-151	-115	
Chile		769	0.9	2.3	7	-9	-2		2.6	10.5	-19	7	-42	-67	
Colombia		3677	0.5	-0.7	2	-11	-11		5.2	-4.4	-5	-43	-39	-78	
Mexico		22.05	-0.6	1.3	5	-14	-14		5.9	-3.7	-12	-17	-174	-106	
Peru		3.5	0.6	-0.3	0	-6	-6		4.0	-2.9	-13	-40	-50	-56	
Uruguay		42	-0.2	2.5	-1	-19	-12		9.1	2.0	-42	-113	-69	-179	
Hungary		296	-0.5	2.5	7	-1	0		1.5	-0.5	-10	-1	14	29	
Poland		3.76	-0.6	2.3	5	2	1		0.8	-1.6	-1	-1	-104	-108	
Romania		4.1	-0.4	1.8	4	3	3		3.7	-1.0	-18	-1	-4	-33	
Russia		72.4	-1.1	-2.4	-3	-12	-14		5.4	0.6	0	6	-169	-70	
South Africa		16.6	-1.0	-1.1	4	-15	-16		10.0	-9.4	-34	-6	55	48	
Turkey		6.94	-1.0	-1.7	-1	-19	-14		11.4	10.5	4	101	-387	-32	
US (DXY; 5y UST)		94	0.2	-1.3	-4	-4	-3		0.28	-1.0	1	-3	-157	-142	

	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		3228	0.7	-3	8	10	6		215	0	-2	-12	38	39
Indonesia		5113	-0.1	0	4	-19	-19		239	-4	-8	-23	69	83
India		38493	1.5	1	9	2	-7		235	-3	-16	-5	101	110
Philippines		5927	1.1	-3	-4	-28	-24		137	-3	-10	-27	70	71
Malaysia		1610	1.2	1	8	-2	1		160	0	-13	-24	44	48
Argentina		49450	1.7	8	22	18	19		2237	15	-107	-309	1444	468
Brazil		104477	2.0	0	11	2	-10		341	3	2	-38	140	126
Chile		4063	1.2	5	2	-18	-13		193	1	-3	-22	66	60
Colombia		1181	0.6	1	6	-25	-29		262	3	10	-41	93	99
Mexico		37742	1.0	4	1	-7	-13		506	3	15	-28	179	214
Peru		17701	2.4	5	6	-14	-14		160	1	-2	-23	46	53
Hungary		34846	-0.4	-2	-4	-15	-24		153	-2	-12	-19	61	67
Poland		52379	0.3	0	5	-13	-9		33	0	-1	-17	-4	15
Romania		8618	0.4	1	0	-4	-14		265	-5	-19	-27	85	92
Russia		2879	-0.2	2	4	6	-5		215	6	8	7	29	84
South Africa		56321	0.0	0	5	-2	-1		511	1	-5	-14	222	191
Turkey		1180	-1.3	-99	3	15	3		611	26	14	15	165	210
Ukraine		500	0.0	0	0	-7	-2		640	10	3	-16	176	220
EM total		44	0.4	1	10	3	-2		444	1	-3	-32	117	151

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

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