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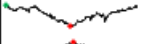


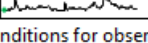
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## Markets await more DC fireworks

While the crowds have left the US capital following the weekend Independence Day celebration, investors' attention will remain on the city as the July 9 tariff deadline approaches. US equity futures were lower as markets await announcements from president Trump as soon as later today. Following the passage of the "Big Beautiful Bill," some analysts believe the president may be emboldened to move swiftly forward with tariff announcements. In a social media post on Sunday night, he threatened additional 10% tariffs on countries that align with "the Anti-American policies of BRICs." While the original 90 day pause is set to end this coming Wednesday, news reports this morning indicate that the effective date for new tariffs will not be until August 1, potentially offering some relief, but also creating continued uncertainty. The treasury curve is steepening this morning with the 2-year yield lower by 2bp while the 10-year and longer yields are higher by about 2 bp. The move is somewhat unwinding the bear flattening that was induced by last Thursday's weak US nonfarm payroll data.

Key Global Financial Indicators

| Last updated:<br>7/7/25 8:24 AM      | Level   |        | Change from Market Close |        |         |      |     |
|--------------------------------------|---|--------|--------------------------|--------|---------|------|-----|
|                                      | Last 12m  | Latest | 1 Day                    | 7 Days | 30 Days | 12 M | YTD |
| <b>Equities</b>                      |   |        | %                        |        |         |      | %   |
| S&P 500                              |  | 6279   | 0.8                      | 2      | 5       | 13   | 7   |
| Eurostoxx 50                         |  | 5324   | 0.7                      | 0      | -2      | 7    | 9   |
| Nikkei 225                           |  | 39588  | -0.6                     | -2     | 5       | -3   | -1  |
| MSCI EM                              |  | 49     | 0.5                      | 1      | 4       | 12   | 17  |
| <b>Yields and Spreads</b>            |   |        | bps                      |        |         |      |     |
| US 10y Yield                         |  | 4.36   | 1.6                      | 13     | -14     | 8    | -21 |
| Germany 10y Yield                    |  | 2.63   | 2.0                      | 2      | 5       | 7    | 26  |
| EMBIG Sovereign Spread               |  | 305    | -9                       | -19    | -21     | -89  | -19 |
| <b>FX / Commodities / Volatility</b> |   |        | %                        |        |         |      |     |
| EM FX vs. USD, (+) = appreciation    |  | 46.2   | -0.5                     | 0      | 1       | 0    | 8   |
| Dollar index, (+) = \$ appreciation  |  | 97.4   | 0.2                      | 0      | -2      | -7   | -10 |
| Brent Crude Oil (\$/barrel)          |  | 68.6   | 0.5                      | 1      | 3       | -21  | -8  |
| VIX Index (% change in pp)           |  | 17.5   | 0.1                      | 1      | 1       | 5    | 0   |

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

The July 9 deadline for tariffs will be the primary focus of markets. It will be a quiet week on the data front in the US after the holiday weekend, with the FOMC minutes the sole item of note, although jobless claims can occasionally move markets. In the euro area, today's industrial production and retail sales data will be followed by inflation reports from various member countries. China will report on money supply, while Brazil will report on retail sales and inflation. Japan will report on inflation and the UK will release industrial production data. It will be a busy week for central banks, with meetings in Australia, New Zealand, Malaysia, Korea, Peru, and Egypt, among others. This week's \$39 bn US 10-year Treasury auction could also have an impact on markets, as any sign of weak demand tends to cause a surge in volatility due to lingering concerns about the US fiscal situation.

## Mature Markets

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### United States

**With the budget deal close to being completed and the debt ceiling close to being lifted, the US Treasury Department is likely to increase the share of T-Bill issuance to keep funding costs lower for the Federal government.** Analysts at Bank of America predict that the share of T-Bills will be increased from 20% to 25%. If realized, this would represent a one standard deviation increase in T-Bill supply. The Treasury Borrowing Advisory Committee had advised the administration to keep longer term debt issuance at stable levels. The analysts expect the administration to wait for interest rates to decline before boosting longer term issuance. Treasury Secretary Bessent was recently reported to have identified the 2021–2022 period as the right time to have issued more long-term debt, as interest rates were much lower in both nominal and real terms. The Treasury market is not cooperating as the 10-year Treasury yield has traded between 4.0–4.5% all year, with a brief burst higher to 4.60% back in May.

**Exhibit 1: Bills as a share of marketable debt**

Assuming UST holds coupons steady, bills will reach levels last observed during covid period



Source: BofA Global Research, Bloomberg. Note: projection through end of FY '27

BoFA GLOBAL RESEARCH

**Exhibit 2: Rate levels during '21 - '22**

During period that Secretary Bessent referenced as correct time to "term out" debt, rates were significantly lower vs current levels

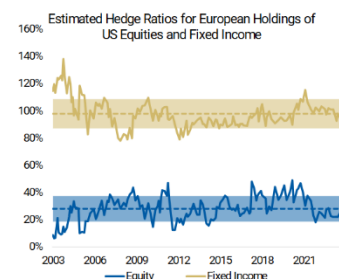
|         |         | 10Y   | 20Y   | 30Y   |
|---------|---------|-------|-------|-------|
| Nominal | Average | 2.19  | 2.63  | 2.58  |
|         | High    | 4.24  | 4.61  | 4.38  |
|         | Low     | 0.91  | 1.45  | 1.66  |
| Real    | Average | -0.26 | 0.22  | 0.27  |
|         | High    | 1.74  | 2.013 | 1.84  |
|         | Low     | -1.21 | -0.75 | -0.60 |

Source: BofA Global Research, Bloomberg

BoFA GLOBAL RESEARCH

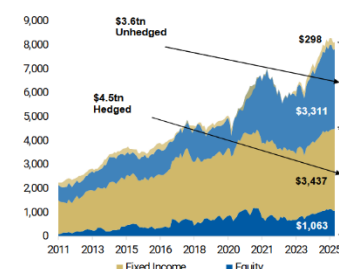
**The DXY dollar index is off to its weakest start to the year since 1973 when the Bretton Woods system ended, forcing investors to hedge against further depreciation.** These hedges can put even more pressure on the dollar, with uncertain long-term consequences for the global financial system given the very large amounts involved. Foreign investors own trillions of dollars of US Treasuries, agency securities, corporate bonds, and equities. With the dollar remaining strong for many years, foreign investors were in the habit of partially hedging fixed income investments and keeping very low hedges for equity investments. Most of these investors are reluctant to sell their US investments, so they will need to increase their FX hedges to preserve their profits. Morgan Stanley estimates that Europeans alone own \$3.5 tn of unhedged US equities. With

**Exhibit 7: What is the historical hedge ratio of European portfolio asset holdings in the US?**



Source: Harvard Business School, Morgan Stanley Research

**Exhibit 8: We estimate that roughly US\$3.5 trillion of European asset holdings remain FX-unhedged**



Source: Harvard Business School, Macrobond, Morgan Stanley Research

potentially trillions of new FX hedges to short the dollar against home currencies, the outlook for the dollar could become even more negative.

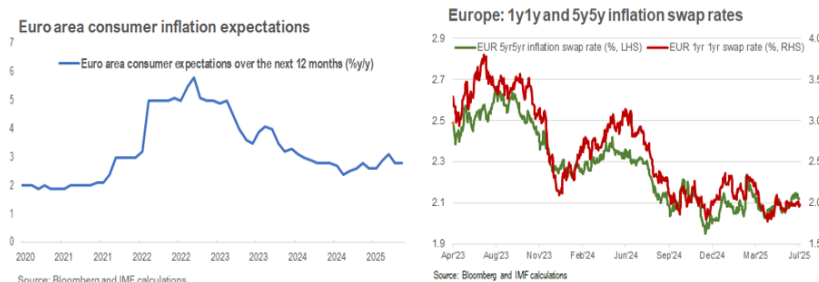
## Europe

### European equities were rangebound ahead of Wednesday's expiry of the 90-day pause in US tariffs.

The Stoxx 600 index was broadly unchanged, while regional bourses were trading higher. Germany's DAX index was outperforming (+0.6%) on the back of better-than-expected May industrial production data which showed an improvement of 1% y/y (vs -0.3% exp and -2.1% prior). Analysts at HSBC note that today's data suggest tentative signs of a cyclical rebound, although caution that a stronger euro, tariff related uncertainty and low water levels on the Rhine pose risks to the recovery. Separately, the July eurozone Sentix investor confidence index climbed to 4.5, better than expectations of 1.0. European government bond yields were fractionally higher. The 10Y German bund yield was trading at 2.62% while European government bond spreads were broadly unchanged. The euro was weaker (-0.4%) against a broadly stronger dollar.

### ECB policymaker notes risk of inflation undershoot.

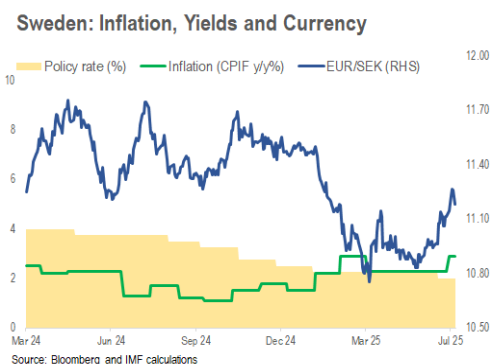
Governing Council (GC) member Centeno remarked that the risk of inflation undershooting the ECB's 2% target is one of the biggest risks facing policymakers. Centeno said that "if economic growth is flat [in the coming quarters], investment doesn't pick and inflation remains close to 1%, we will have to do something" but noted that the likely timing of any further rate cuts is "difficult to say". Markets are currently pricing in one further rate cut by the end of this year, broadly unchanged relative to last week with a pause expected at the upcoming July meeting. Meanwhile, analysts at UBS have a contrarian call and expect a 25bp rate cut at the July meeting to take the policy rate to 1.75%. The analysts note that in their opinion, markets are attaching a very low probability to the risk of US-EU trade tensions escalating around this week's deadline. Should this materialize, they anticipate that the probability of a July rate cut would increase. Conversely, a benign outcome to trade talks would lead them to abandon their call for a July ECB rate cut.



## Sweden

### Swedish krona strengthens after flash June headline inflation surprises on the upside.

Data released this morning showed preliminary headline inflation accelerated more than expected in June to 2.9%y/y, up from 2.3% in May and ahead of consensus expectations of 2.5%. Immediately following the release, the Swedish krona advanced (+0.7%) against the euro to trade at 11.18 as markets slightly reduced expectations of interest rate cuts from the Riksbank. According to Bloomberg data, markets are now pricing around 4bp of easing at the upcoming August meeting, down from around 8bp last Friday. Analysts at JP Morgan expect the Riksbank to deliver one more rate cut in September, noting that today's data has reversed the recent trend of downside inflation surprises which they expect will temper markets' expectations of policy easing.



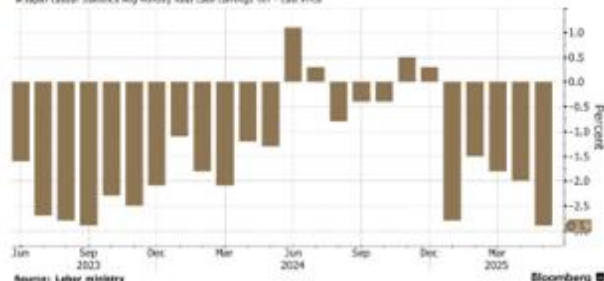
## Japan

**Japanese workers' real wages declined 2.9% y/y in May (consensus: -1.7%), the most since September 2023.** While Monday's report showed nominal base pay increasing 2.1% and continuing on a

solid uptrend, the sharp drop in real wages highlights the need for prime minister Ishiba's administration to come up with more convincing strategies to alleviate the cost-of-living squeeze. With the upper house election just two weeks away, Ishiba's Liberal Democratic Party has pledged a one-off ¥20,000 cash handout per adult. However, recent opinion polls suggest many voters are leaning towards the opposition party proposal of cutting the sales tax. Today, on concerns that election results may spur bigger fiscal spending, the 10-yr JGB yield rose 3bp to 1.46% and the 30-yr yield rose 10bp to 2.97%. Investors will be closely watching the 20-yr bond auction on Thursday. The yen weakened 0.6% to \$/¥145.33, the first break above 145 in more than a week. Japanese equities fell (Nikkei 225: -0.6%) as investors await fresh developments in trade talks ahead of the expiration date for Trump's pause on "reciprocal tariffs".

**Lagging Behind Inflation**  
Japan's real wages dropped most in 20 months in May

■ Japan Labor Statistics Avg Monthly Real Cash Earnings YoY - Last Drop



Source: Labor ministry

Bloomberg

**Japan's Longer-Term Bond Yields Are Climbing**

■ Japan 20-Year Yield ■ Japan 30-Year Yield



Source: Bloomberg

Bloomberg

## Emerging Markets

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**Asian currencies broadly weakened today** (EM Asia: -0.3%), led by the Thai baht (-0.8%) as falling consumer prices raise expectations of further rate cut. Asian equities declined (EM Asia: -0.5%), dragged down by Malaysia (-0.9%) and Taiwan POC (-0.5%), as trade tensions resurface ahead of the July 9 tariff deadline. **EMEA equities traded mostly lower this morning, while currencies were mixed.** In CEE, equities were in the red across the region, with Romania and Czechia underperforming (-0.3%), while currencies were mixed against the euro save for the Czech koruna that edged higher (+0.2%). Equities dropped by 1.4% in Türkiye this morning, with the lira also lower (-0.3%) against the dollar, on the back of headlines reporting increased political tensions in the country. The rand was also under pressure (-0.8% against the dollar) this morning amid news of allegations against South Africa's president, with the stock market down 0.2%. **LatAm markets were little changed on Friday.** The Mexican peso outperformed, ending the day marginally higher (+0.1%) while the Brazilian Real underperformed (-0.2%). Local bond yields were relatively unchanged, with the benchmark JPM GBI LATAM gov't bond yield rising 2 bp over the past two trading days. Local equities were also stable, with the broader MSCI Latin America index marginally gaining (+0.2%). Chilean and Colombian central banks released minutes from their recent meetings, where both authorities kept policy rates unchanged. Chile's minutes revealed that while the central bank mulled cutting rates at their June 17 meeting, it opted to hold rates due to the uncertain impact arising from the conflict in the Middle East. Additionally, Colombian authorities signaled a more cautious approach to future rate cuts, noting that recent strength in domestic demand has reduced the urgency for immediate easing.

## EM Fund Flows

**EM funds posted inflows on aggregate for the sixth consecutive week, driven by equity inflows.** In the past week, equity funds' inflows increased (+\$3.6bn, prior week +\$0.7 bn) while EM bond funds reverted to outflows (-\$0.4bn, prior week +\$1.5bn). Both EM hard and local currency bond funds saw outflows (-\$70mn and -\$47mn, respectively), following inflows in the prior week (+0.8bn and +0.7bn respectively). For EM equity funds, the pace of inflows accelerated, driven by ETFs (+\$5.2bn, from +\$2.2bn), while non-ETFs had increased outflows (-\$1.6bn, from -\$1.5bn). Regional equity funds saw inflows, led by Asia



ex-Japan (+\$0.7bn) and LATAM (+\$0.4bn) while EMEA (+\$0.04bn) posted small inflows. Despite the recent improvements in flows, cumulative YTD outflows for EM bonds currently stand at -\$6.7bn while equity is at -\$10.1bn, indicating that 2025 is on track to mark the fourth consecutive year of outflows for EM assets.

Weekly cross-asset flows

USD billion

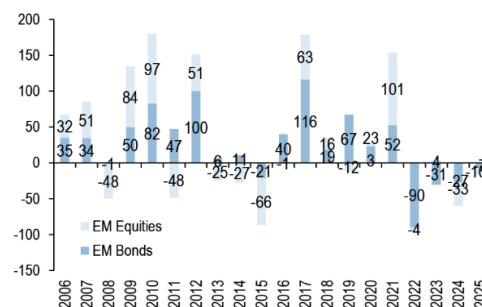
| Asset                                    | 8w flows (8w ago → current) | This wk     | YTD          |
|--|-----------------------------|-------------|--------------|
| <b>EM Bonds and Equities</b>             |                             | <b>3.5</b>  | <b>-16.7</b> |
| <b>EM Bonds</b>                          |                             | <b>-0.1</b> | <b>-6.7</b>  |
| Hard Ccy                                 |                             | -0.1        | -8.4         |
| Local Ccy <sup>a</sup>                   |                             | 0.0         | 1.7          |
| o.w. EM ex-China                         |                             | 0.1         | 0.8          |
| o.w. China                               |                             | -0.2        | -1.2         |
| <b>EM Equities</b>                       |                             | <b>3.6</b>  | <b>-10.1</b> |
| US HG                                    |                             | 8.1         | 41.6         |
| US HY                                    |                             | 1.2         | 11.5         |
| Global Equities                          |                             | 2.5         | 37.4         |
| <b>EM Bond and Equity ETFs</b>           |                             | <b>5.5</b>  | <b>24.4</b>  |
| EM Bond ETFs                             |                             | 0.3         | -0.3         |
| EM Equity ETFs                           |                             | 5.2         | 24.7         |
| <b>Non-resident EM flows<sup>*</sup></b> |                             | <b>6.0</b>  | <b>-22.4</b> |

<sup>\*</sup>High-frequency non-resident EM portfolio flow data where available. <sup>a</sup>Local ccy split is retail only.

Source for all charts and data in this report: J.P. Morgan, EPFR Global, Bloomberg Finance L.P.

EM bond and equity fund flows

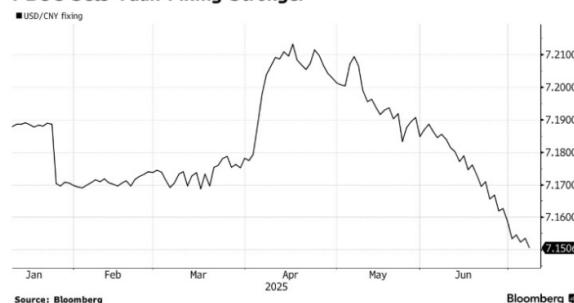
USD billion



## China

**Yuan slips after President Trump threatened an additional 10% tariff on any country aligned with “the Anti-American policies of BRICS.”** Both onshore CNY (-0.1%) and offshore CNH (-0.2%) weakened to beyond 7.17, despite PBOC fixing the yuan at \$/7.1506, stronger than last Friday's 7.1535. Late last week, Bloomberg reported that China is planning to offer cash handouts of CNY3,600 (\$503) a year for each child until they turn three, under a nationwide initiative starting from 2025. China's population has declined for three straight years through 2024, with the shrinking working-age population posing a threat to labor supply and productivity. The worrying trend has already prompted many local governments to roll out measures such as housing subsidies; however, these measures are mostly only targeted at families with a second or third child. Bloomberg analysts believe that the subsidies alone are not sufficient in stemming falling marriage and birth rates but should support consumer confidence and spending. According to the latest data, in the week ending June 27, sales of home appliances and cars have stayed resilient, benefitting from government subsidies, but new-home sales have remained sluggish in the four-week period ending June 27, 4% below the month-earlier reading.

PBOC Sets Yuan Fixing Stronger

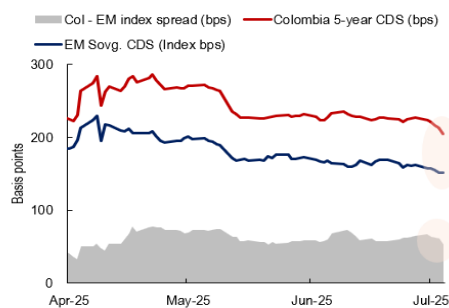


## Colombia

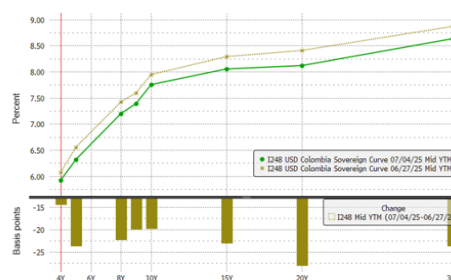
**Colombian assets outperformed following measures to improve the country's debt structure.** Following the dual credit rating downgrade earlier in the week, Colombian authorities announced measures to diversify external financing, reduce debt servicing costs, and extend maturities to mitigate refinancing risk. Authorities have announced plans to tap into lower-interest CHF and EUR markets, with Bloomberg reporting that authorities have initiated talks with eight major banks for CHF financing (equivalent of up to USD10bn) to buy back peso- and dollar-denominated bonds. Public Credit Director Javier Cuellar said that the operation is aimed at lowering interest payments from 4.7% to 4.5% of GDP. Additionally, authorities intend to issue EUR bonds (equivalent to USD5bn) to establish a benchmark EUR curve over the next year. Meanwhile, in local markets, the authorities are attempting to reduce refinancing risks by extending the debt maturity structure. On July 4, the government revealed a bond-swap operation planned for July 8, exchanging shorter-term bonds for longer-term ones, specifically offering COP bonds due in 2029, 2033,

and 2040 in exchange for those maturing in 2026.

Despite the downgrade in ratings, Colombia's CDS tightened against EM peers in the past week...



...alongside tightening of Colombia's USD bond spread

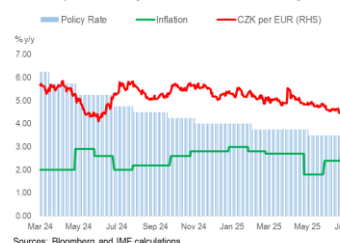


## Czechia

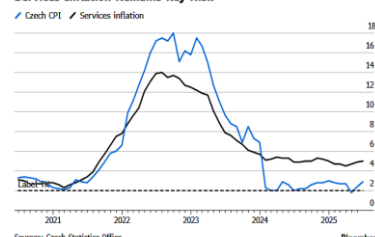
The koruna edged marginally higher (+0.1%) against the euro this morning, to trade at CZK.24.60/€ (+2.3% YTD), after data released today provided a mixed picture of Czechia's economic output in May, while the preliminary June inflation figure increased in line with expectations last Friday. Industrial

output disappointed, continuing to decline by 0.9%/y in May (vs. est. +0.7%), from prior -1.1%/y, while construction output increased by 11.6%/y from 1.9%/y in April, although the Czech Statistical Office warned that the figure was driven by a low comparison base; still, construction output was 2.3%/m higher in May with the sector recording its seventh consecutive month of yearly growth. Data released last Friday showed the CPI rising by 2.9%/y in June from prior 2.4%/y, a touch higher than expected on a sequential basis at 0.3%/m (vs. est. 0.2%/m, from prior 0.5%/m). As headline inflation approached the upper end of the 1%-3% tolerance range of the central bank (CNB), JP Morgan and Erste Bank expect the policy rate to remain at 3.5% for the rest of 2025, with the CNB possibly reconsidering easing only from 1Q 2026, after it paused in June a cycle that saw the benchmark rate halved since November 2023. KBC sees, however, room for another 25bp cut in the fall noting recent weaker services prices and wage-growth dynamic, that could lead inflation to slow down quickly to 2%.

Czech Republic: Policy rate, inflation and currency



Services Inflation Remains Key Risk



*This monitor is prepared under the guidance of Jason Wu (Assistant Director), Charles Cohen (Advisor), Caio Ferreira (Deputy Division Chief) and Sheheryar Malik (Deputy Division Chief). Fabio Cortes (Senior Economist), Sanjay Hazarika (Senior Financial Sector Expert), Esti Kemp (Financial Sector Expert-London Representative), Johannes S. Kramer (Senior Financial Sector Expert), Benjamin Mosk (Senior Financial Sector Expert), Sonal Patel (Senior Financial Sector Expert-London Representative), Patrick Schneider (Financial Sector Expert), and Jeff Williams (Senior Financial Sector Expert) are the lead editors of this monitor. The contributors are John Caparusso (Senior Financial Sector Expert), Mustafa Oguz Caylan (Research Officer), Sally Chen (IMF Resident Representative in Hong Kong), Yingyuan Chen (Financial Sector Expert), Andrew Ferrante (Research Analyst), Deepali Gautam (Senior Research Officer), Zixuan Huang (Economist – EP), Harrison Kraus (Research Analyst), Yiran Li (Senior Research Analyst), Xiang-Li Lim (Financial Sector Expert), Corrado Macchiarelli (Economist), Kleopatra Nikolaou (Senior Financial Sector Expert), Francesco de Rossi (Senior Financial Sector Expert-London Representative), Lawrence Tang (Senior Economist), Dmitry Yakovlev (Senior Research Officer), Akihiko Yokoyama (Senior Financial Sector Expert), and Jing Zhao (Economic Analyst). Javier Chang (Senior Administrative Coordinator), Jeremie Benzaken (Administrative Coordinator), and Srujana Tyler (Administrative Coordinator) are responsible for the word processing and production of this monitor.*

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## Global Financial Indicators

| 7/7/25 8:24 AM              | Level    |          | Change                           |        |         |       |      |
|-----------------------------|----------|----------|----------------------------------|--------|---------|-------|------|
|                             | Last 12m | Latest   | 1 Day                            | 7 Days | 30 Days | 12 M  | YTD  |
| <b>Equities</b>             |          |          | %                                |        |         |       | %    |
| United States               |          | 6,267    | 0.8                              | 1.5    | 4.4     | 12.6  | 7    |
| Europe                      |          | 5,324    | 0.7                              | 0.4    | -1.9    | 6.9   | 9    |
| Japan                       |          | 39,588   | -0.6                             | -2.2   | 4.9     | -2.9  | -1   |
| China                       |          | 3,965    | -0.4                             | 0.7    | 2.4     | 16.6  | 1    |
| Asia Ex Japan               |          | 83       | 0.4                              | 0.6    | 3.9     | 13.1  | 16   |
| Emerging Markets            |          | 49       | 0.5                              | 1.0    | 3.9     | 11.8  | 17   |
| <b>Interest Rates</b>       |          |          | basis points                     |        |         |       |      |
| US 10y Yield                |          | 4.4      | 2                                | 13     | -14     | 8     | -21  |
| Germany 10y Yield           |          | 2.6      | 2                                | 2      | 5       | 7     | 26   |
| Japan 10y Yield             |          | 1.5      | 3                                | 3      | 1       | 38    | 36   |
| UK 10y Yield                |          | 4.6      | 1                                | 8      | -8      | 44    | 0    |
| <b>Credit Spreads</b>       |          |          | basis points                     |        |         |       |      |
| US Investment Grade         |          | 124      | 1                                | -5     | -6      | -2    | 4    |
| US High Yield               |          | 329      | 0                                | -15    | -19     | -31   | 1    |
| <b>Exchange Rates</b>       |          |          | %                                |        |         |       |      |
| USD/Majors                  |          | 97.4     | 0.2                              | 0.0    | -1.8    | -7.1  | -10  |
| EUR/USD                     |          | 1.17     | -0.4                             | -0.5   | 2.7     | 8.3   | 13   |
| USD/JPY                     |          | 145.6    | 0.8                              | 1.1    | 0.7     | -9.5  | -7   |
| EM/USD                      |          | 46.2     | -0.5                             | 0.0    | 0.7     | 0.0   | 8    |
| <b>Commodities</b>          |          |          | %                                |        |         |       |      |
| Brent Crude Oil (\$/barrel) |          | 68.6     | 0.5                              | 2.8    | 4.4     | -14.4 | -6   |
| Industrials Metals (index)  |          | 146.7    | -2.0                             | -1.7   | 2.1     | -5.5  | 5    |
| Agriculture (index)         |          | 54.7     | -1.5                             | -0.4   | -3.2    | -5.8  | -4   |
| Gold (\$/ounce)             |          | 3304.8   | -1.0                             | 0.0    | -0.6    | 40.1  | 26   |
| Bitcoin (\$/coin)           |          | 108434.7 | -0.3                             | -0.7   | 2.4     | 89.4  | 16   |
| <b>Implied Volatility</b>   |          |          | %                                |        |         |       |      |
| VIX Index (% change in pp)  |          | 17.5     | 0.1                              | 1.2    | 0.8     | 5.1   | 0.2  |
| Global FX Volatility        |          | 8.4      | 0.1                              | -0.1   | -0.2    | 1.3   | -0.8 |
| <b>EA Sovereign Spreads</b> |          |          | 10-Year spread vs. Germany (bps) |        |         |       |      |
| Greece                      |          | 69       | 1                                | 0      | -1      | -37   | -16  |
| Italy                       |          | 84       | 1                                | -3     | -8      | -53   | -31  |
| France                      |          | 68       | 0                                | 0      | 1       | 2     | -15  |
| Spain                       |          | 62       | 0                                | -2     | 4       | -17   | -8   |

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

## Emerging Market Financial Indicators

| Last updated:<br>7/7/2025<br>8:24 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                                |                | 7.17   | -0.1                 | -0.2   | 0.1     | 1.3   | 1.7      |                                     | 1.7    | 0     | -2                       | -6      | -47   | 0    |     |
| Indonesia                            |                | 16240  | -0.3                 | 0.0    | 0.3     | 0.1   | -0.7     |                                     | 6.6    | -2    | -7                       | -17     | -42   | -46  |     |
| India                                |                | 86     | -0.5                 | -0.1   | -0.3    | -2.8  | -0.3     |                                     | 6.8    | 0     | 3                        | -5      | -48   | -58  |     |
| Philippines                          |                | 57     | -0.5                 | -0.6   | -1.5    | 3.2   | 2.3      |                                     | 4.8    | -2    | -1                       | -9      | -60   | -3   |     |
| Thailand                             |                | 33     | -0.7                 | -0.4   | 0.3     | 11.8  | 5.4      |                                     | 1.7    | 0     | 1                        | -21     | -109  | -63  |     |
| Malaysia                             |                | 4.24   | -0.3                 | -0.6   | -0.1    | 11.2  | 5.6      |                                     | 3.4    | -6    | -7                       | -8      | -42   | -37  |     |
| Argentina                            |                | 1241   | -0.8                 | -4.3   | -4.5    | -26.4 | -16.9    |                                     | 32.5   | 49    | 54                       | 358     | -1475 | 339  |     |
| Brazil                               |                | 5.45   | -0.6                 | -0.4   | 1.9     | 0.3   | 13.2     |                                     | 13.7   | 4     | -18                      | -37     | 176   | -219 |     |
| Chile                                |                | 931    | 0.0                  | 1.1    | 0.7     | 0.5   | 7.1      |                                     | 5.5    | -1    | -2                       | -10     | -54   | -22  |     |
| Colombia                             |                | 3987   | 0.0                  | 2.8    | 3.1     | 2.6   | 10.5     |                                     | 12.0   | -7    | -11                      | -10     | 118   | 15   |     |
| Mexico                               |                | 18.76  | -0.7                 | -0.1   | 1.5     | -4.0  | 11.0     |                                     | 9.2    | 1     | -6                       | -3      | -93   | -113 |     |
| Peru                                 |                | 3.5    | -0.1                 | 0.0    | 1.9     | 6.9   | 5.9      |                                     | 6.4    | ##### | -6                       | -27     | -68   | -28  |     |
| Uruguay                              |                | 40     | -0.2                 | -0.2   | 3.5     | -0.1  | 8.7      |                                     | 8.8    | 0     | -8                       | -37     | -84   | -84  |     |
| Hungary                              |                | 341    | -0.5                 | -0.6   | 3.2     | 6.9   | 16.6     |                                     | 6.6    | -2    | -5                       | -3      | -14   | 20   |     |
| Poland                               |                | 3.62   | -0.7                 | -0.6   | 3.2     | 8.8   | 14.0     |                                     | 4.8    | -3    | -20                      | -20     | -73   | -76  |     |
| Romania                              |                | 4.3    | -0.6                 | -0.3   | 2.2     | 6.4   | 11.2     |                                     | 7.2    | -1    | -12                      | -22     | 64    | -5   |     |
| Russia                               |                | 78.6   | 0.1                  | -0.4   | 0.7     | 11.4  | 44.4     |                                     |        |       |                          |         |       |      |     |
| South Africa                         |                | 17.8   | -1.0                 | -0.2   | -0.1    | 2.1   | 6.1      |                                     | 10.1   | -1    | -19                      | -25     | -104  | -39  |     |
| Türkiye                              |                | 40.00  | -0.3                 | -0.5   | -1.8    | -18.3 | -11.6    |                                     | 31.2   | 10    | -130                     | -259    | 387   | 148  |     |
| US (DXY; 5y UST)                     |                | 97     | 0.2                  | 0.0    | -1.8    | -7.1  | -10.2    |                                     | 3.94   | 0     | 14                       | -18     | -29   | -44  |     |

|              | Equity Markets |           |               |        |         |       |       | Bond Spreads on USD Debt (EMBIG) |          |                          |        |         |     |
|--------------|----------------|-----------|---------------|--------|---------|-------|-------|----------------------------------|----------|--------------------------|--------|---------|-----|
|              | Level          |           | Change (in %) |        |         |       |       | Level                            |          | Change (in basis points) |        |         |     |
|              | Last 12m       | Latest    | 1 Day         | 7 Days | 30 Days | 12 M  |       | YTD                              | Last 12m | Latest                   | 7 Days | 30 Days |     |
|              |                |           |               |        |         |       |       | basis points                     |          |                          |        |         |     |
| China        |                | 3,965     | -0.4          | 0.7    | 2.4     | 16.6  | 0.8   |                                  | 106      | -7                       | -2     | -33     | 10  |
| Indonesia    |                | 6,901     | 0.5           | -0.4   | -3.0    | -4.8  | -2.5  |                                  | 87       | -16                      | -13    | -22     | -4  |
| India        |                | 83,443    | 0.0           | -0.2   | 1.5     | 4.4   | 6.8   |                                  | 99       | -7                       | -9     | -2      | 13  |
| Philippines  |                | 6,425     | 0.5           | 0.9    | 0.8     | -1.6  | -1.6  |                                  | 76       | -14                      | -8     | -16     | -3  |
| Thailand     |                | 1,123     | 0.3           | 3.1    | -1.2    | -15.1 | -19.8 |                                  |          |                          |        |         |     |
| Malaysia     |                | 1,538     | -0.8          | 0.3    | 1.4     | -4.6  | -6.4  |                                  | 75       | -4                       | -5     | -7      | 5   |
| Argentina    |                | 2,078,697 | 0.0           | 1.8    | -3.6    | 27.6  | -18.0 |                                  | 688      | -7                       | 12     | -839    | 51  |
| Brazil       |                | 141,264   | requesting    | 3.2    | 3.8     | 11.9  | 17.4  |                                  | 205      | -22                      | -15    | -25     | -42 |
| Chile        |                | 8,285     | requesting    | 0.5    | 1.4     | 27.8  | 23.5  |                                  | 106      | -13                      | -8     | -14     | -7  |
| Colombia     |                | 1,687     | requesting    | 1.1    | 2.2     | 21.9  | 22.3  |                                  | 316      | -30                      | -13    | 9       | -10 |
| Mexico       |                | 57,978    | 0.1           | 1.0    | -0.1    | 10.8  | 17.1  |                                  | 262      | -22                      | -30    | -52     | -50 |
| Peru         |                | 33,043    | 0.1           | 1.2    | 1.2     | 9.8   | 14.1  |                                  | 119      | -16                      | -10    | -26     | -22 |
| Hungary      |                | 99,237    | -0.4          | 1.6    | 2.8     | 37.6  | 25.1  |                                  | 147      | -20                      | -5     | -5      | -8  |
| Poland       |                | 105,569   | 0.0           | 0.8    | 6.3     | 20.9  | 32.7  |                                  | 98       | -15                      | -13    | -6      | -14 |
| Romania      |                | 18,511    | -0.6          | -1.2   | -1.6    | 0.4   | 10.7  |                                  | 205      | -35                      | -49    | 13      | -31 |
| South Africa |                | 97,338    | 0.2           | 0.9    | 1.0     | 20.5  | 15.7  |                                  | 289      | -16                      | -23    | -22     | -4  |
| Türkiye      |                | 10,157    | -1.2          | 2.1    | 7.1     | -6.4  | 3.3   |                                  | 282      | -44                      | -29    | -1      | 23  |
| EM total     |                | 49        | -0.1          | 1.0    | 3.9     | 11.8  | 16.6  |                                  | 354      | -21                      | -22    | -53     | -10 |

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

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