GLOBAL MARKETS ANALYSIS
Monetary and Capital Markets

Global Markets Monitor

THURSDAY, JULY 9, 2020

- **UK delivers fresh fiscal stimulus package worth up to 1.2% of GDP** (link)
- **Strong tech rally powers the US equity markets** (link)
- **Structured credit issuance in the US remains subdued** (link)
- **China's PPI deflation eases more than expected in June** (link)
- **GMM Box: Update on EM Reserve Operations** (link)

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Markets Lacking Direction Amid Continued Uncertainty

Global risk sentiment remains torn between worrying news on the pandemic front and positive reassurance from continued policy support. Investors are weighing the rising count of Covid-19 cases in a number of countries—the US registered a one-day record rise of 62,000 yesterday—against the strong policy support measures being introduced in response, with the UK announcing yesterday a fresh fiscal stimulus package worth up to £25 bn. This tension in investor expectations about the future outlook is partly being reflected in the strong performance of assets on both ends of the risk spectrum. On one hand, risk assets have generally performed well so far this month, with global equities up 3% MTD and high-yield credit spreads continuing to tighten, especially in the US (-36 bps MTD). EM equities are also up by about 7% MTD and EM currencies have strengthened by close to 1.5% against the dollar. On the other hand, safe haven assets have also been well supported, as reflected by the lack of upward pressure on Treasury and Bund yields and the continued rise the price of gold (+2.5% MTD). This lack of investor conviction is also being reflected in markets this morning, with Asian equities in the green (China +1.4%), European equities mixed and US equity futures pointing to a flat start.

Key Global Financial Indicators

Last updated: 7/9/20 7:01 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities				%			%
S&P 500		3170	0.8	4	-1	6	-2
Eurostoxx 50		3299	0.4	-1	-1	-6	-12
Nikkei 225		22529	0.4	2	-2	4	-5
MSCI EM		44	1.6	9	6	3	-3
Yields and Spreads				bps			
US 10y Yield		0.65	2.5	-2	-17	-141	-127
Germany 10y Yield		-0.45	-0.9	-2	-14	-10	-26
EMBIG Sovereign Spread		459	-1	-4	-2	120	166
FX / Commodities / Volatility				%			
EM FX vs. USD, (+) = appreciation		55.0	0.0	1	-2	-12	-10
Dollar index, (+) = $ appreciation		96.5	0.1	-1	0	-1	0
Brent Crude Oil ($/barrel)		43.4	0.2	1	5	-32	-34
VIX Index (%, change in pp)		28.4	0.3	0	1	14	15

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

United States

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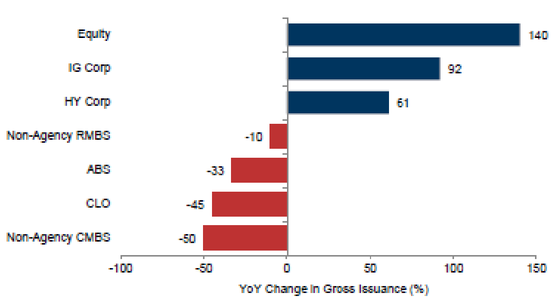
Technology stocks continued to power the S&P 500, with the NYFANG tech sub index up 2.6% on Wednesday driving the 0.8% rally in the S&P 500. Nasdaq has outperformed S&P 500 by almost 24 percentage points YTD (7 ppts in the last one month). Risk sentiment was bolstered despite increased Covid-19 cases in some states and tensions between the U.S. and China. On the virus front, Vice-President Pence offered hope that the virus breakout in key southern states may be peaking, citing plateauing positivity rates. Other data show elderly infection rates rising in Florida. With respect to tensions with China, a recent report that some of President Trump's advisers proposed a move to destabilize Hong Kong's currency peg to punish China led to weakness in some of the bank stocks, including HSBC Holdings Plc which declined by more than 2%. US Treasury yields remained broadly unchanged in a lackluster session that included a well-bid 10-year auction. The dollar depreciated by 0.4%; weakening against all G10 peers.

Source: Bloomberg

As per the key releases this morning, both initial jobless claims and continuing claims continued to decline and were reported below consensus expectations. Initial jobless claims printed at 1.31 mn, below consensus expectations of 1.38 mn and 120k less than last week's print of 1.43mn. Continuing claims declined to 18.06 mn as compared to consensus expectations of 18.80 mn and to last week's print of 19.29 mn. S&P futures were marginally up, and treasury yields are broadly unchanged.

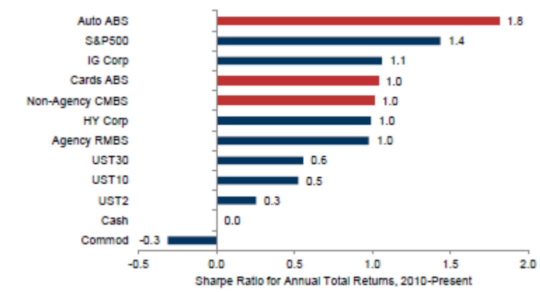
While corporate issuance remains strong in the US, structured credit issuance remains very weak. As shown in the figure on the left below, while US equity and IG corporate bond issuance is up 140% and 92% year-over-year in 2020, issuance of US CLOs, CMBS and ABS is down over 30% on the year. Goldman analysts highlighted that the recent trend of constrained issuance of structured products in the aftermath of the COVID-19 crisis parallels a similar trend that occurred following the financial crisis. Analysts also highlighted that the restrained growth of supply of securitized credit products following the financial crisis likely contributed to the strong risk-adjusted returns for this asset class. At the figure on the right shows, ABS and CMBS had higher Sharpe ratios than HY corporate bonds and Treasury debt during the 2010-2020 time period.

Exhibit 1: YTD issuance of structured credit products has significantly lagged the pace of sovereign and corporate credit issuance
Percentage change in gross issuance: YTD 2020 vs. same period in 2019



Source: Bloomberg, Treasury, Goldman Sachs Global Investment Research

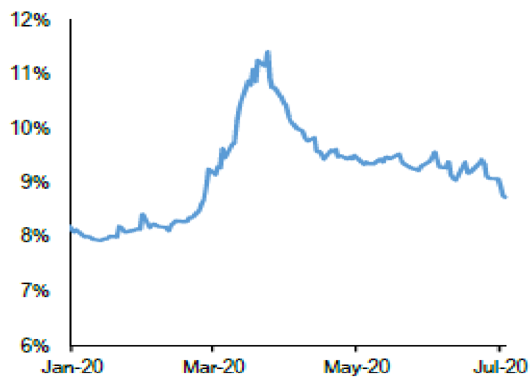
Exhibit 3: Restrained supply of US structured products has helped contribute to strong risk-adjusted returns for securitized credit since the GFC
Annual Sharpe ratio by sector, 2010-2020



Source: Bloomberg, Haver Analytics, ICE-BAML, Treasury, Goldman Sachs Global Investment Research

J.P. Morgan analysts highlight that equity short covering has advanced further in recent weeks at a global level. The analysis proxies the short base using the Quantity-On-Loan, across stocks and equity ETFs globally. The figure on the left suggests that of the $500 bn of short base that had opened up during Feb/Mar, around three-fourth has been unwound so far. Most of the remaining short base at the individual stock level continues to be concentrated across non-US equities. In fact, the figure on the right shows that that all of the short base that had opened up on US stocks during Feb/Mar has been already unwound. JPM's analysis also highlights that there is still a large short base across European stocks with around two-thirds of the short base that had opened up on Euro area and UK stocks during Feb/Mar still open.

Figure 1: Quantity-On-Loan on stocks and equity ETFs globally
On loan value as a % Lendable Value. Last obs is for 3rd Jul 2020.



Source: Datalend, J.P. Morgan

Figure 2: Quantity-On-Loan on US stocks
On loan value as a % Lendable Value. Last obs is for 3rd Jul 2020.

Source: Datalend, J.P. Morgan

Europe

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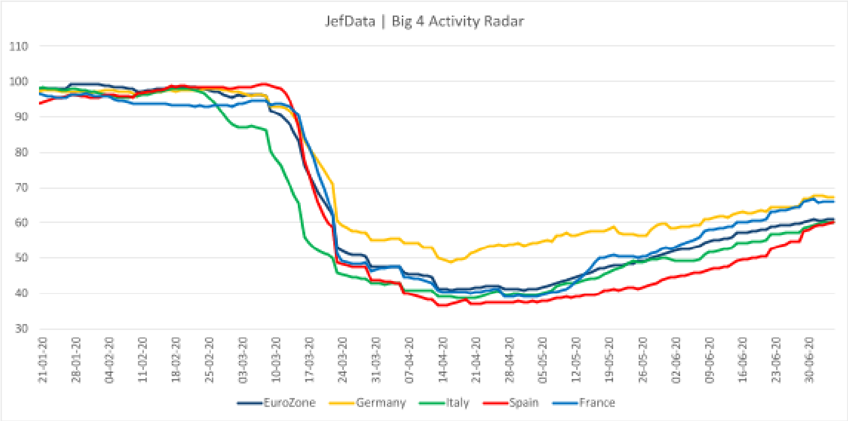
Equities were broadly stronger in Europe with the DAX (+1.3%) outperforming, supported by the tech-sector and the stronger than expected second quarter revenue of SAP, Europe's largest technology company. Stocks have underperformed in the UK and Spain with the FTSE (-0.5%) and the IBEX (-0.3%) down respectively.

Sovereign yields were mostly unchanged, as was the euro, while sterling (+0.3%) continued to appreciate against the dollar on fiscal stimulus news.

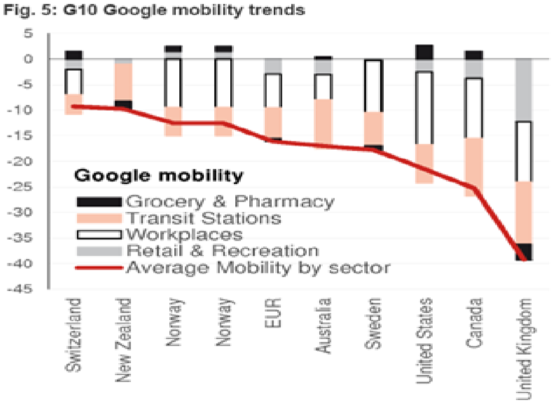


Source: Jefferies

The UK Chancellor Rishi Sunak delivered a fresh fiscal stimulus package worth up to £25 bn, or 1.2% of GDP, on top of the £5 bn of infrastructure spending announced last week. The total package size was broadly in line with the market estimates, but there was some surprise with regards to the composition. While the package included the anticipated measures like the Stamp Duty cut and the temporary 15% VAT reduction for the hospitality industry, the biggest measures turned to be the job retention bonus. The employers can now qualify for a £1,000 bonus per each reinstated furloughed worker, a measure worth between £7.0bn to £9.4bn. **Despite the temporary nature of the announced stimulus measures, market contacts suggested that the swift action was appropriate especially as the UK is somewhat lagging in terms of economic reopening. That said, investor focus will now turn to the Autumn Budget, where a more comprehensive medium-term fiscal expansion program** is expected along with a more long-term plan of bringing the fiscal stance to more sustainable path.

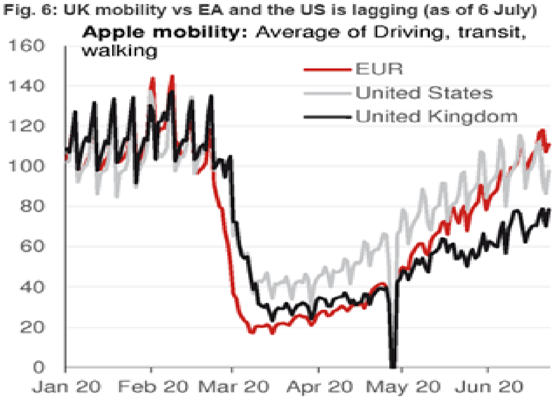
Name	Cost
Job Retention Bonus	Up to 9.4 billion pounds
Kickstart Program	2.1 billion pounds
Boosting work-searches, skills and apprenticeships	1.6 billion pounds
VAT cut for hospitality	4.1 billion pounds
Eating out vouchers	0.5 billion pounds
Infrastructure spending	5.6 billion pounds
Public sector de-carbonization	1.1 billion pounds
Green homes grant	2 billion pounds
Stamp duty cut	3.8 billion pounds
Total	Up to 30 billion pounds

Fig. 5: G10 Google mobility trends



Source: Nomura, Bloomberg

Fig. 6: UK mobility vs EA and the US is lagging (as of 6 July)



Source: Nomura, Macrobond

German Chancellor Angela Merkel is seen by analysts as further allocating political capital towards the European recovery plan, aiming to conclude the deal by the end of July. During her first visit to the European Parliament since the onset of the pandemic, she stressed the need for compromise and solidarity. Her visit comes ahead of the special EU summit on 17-18th of July, which will primarily focus on the €750bn recovery package. The Chancellor is also holding a meeting with Dutch Prime Minister Mark Rutte, the leader of one the four main countries opposing the current recovery fund proposal. The key disagreement remains over both the nature of the support—grants instead of loans—as well as stricter conditions and control of disbursements. Market contacts suggest that peripheral spreads are likely to see some pressure as we head into next week's EU summit.

German trade data recovered in May, although less than market had expected. Exports grew 9% m/m on seasonally adjusted basis against a 24% contraction back in April and 14% consensus estimate. Together with weaker than expected manufacturing production data, export figures continue to point to the lagging recovery in the German industrial sector.

Other Mature Markets

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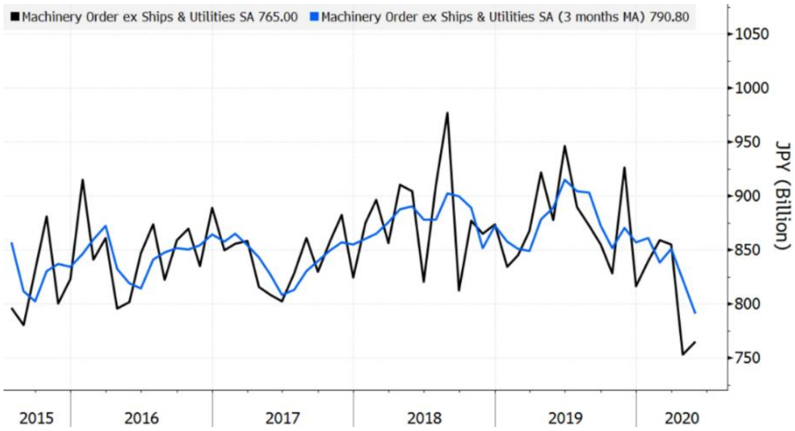
Japan

Japan's machinery orders rebounded in May, led by non-manufacturers. Core orders (i.e., excluding ships and utilities) increased 1.7% m/m, better than market expectations (-5%). Machinery orders serve as a leading indicator of capital spending. Orders from service companies rose 17.7% m/m, while those from export-reliant manufacturers sank 15.5%. The contrast highlighted the fact that even as Japan reopens, the economic recovery could be weak due to the muted demand for exports. **Tokyo reported 220 new COVID-19 cases, a record for a single day.** Though small in comparison to major global cities, the figure came as a shock after the declining trend in new cases over the past week. Equities gained (NIKKEI: +0.6%) while yen was little changed.

Machinery Order ex Ships & Utilities



Source: Bloomberg, with data sourced from Cabinet Office.

Emerging Markets

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In Asia, equities traded mostly higher today, following yesterday's gains in US stocks. Chinese equities (+1.4%) extended rallied for an eight-straight day, leading the advance in Asian markets (India: +0.8%; Korea: +0.4%). Philippine equities underperformed (-1.5%) as new COVID-19 cases spiked. Asian currencies mostly strengthened against the US dollar, led by Thai baht (+0.2%) and Malaysian ringgit (+0.2%). In Singapore, markets remained stable ahead of Friday's polls, with an easy win expected for the ruling party. **In Latin America**, equity markets were mixed yesterday, while currency markets were generally quiet. Equities advanced in Brazil (2.1%) and Colombia (1.9%), whereas Chilean (-1.7%) and

Mexican (-0.9%) equities were down on the day. **In EMEA,** bourses were mixed today. By country: Russia (-0.6%); Turkey (+0.2%); Poland (+0.3%); Czech Republic (+0.3%), and Egypt (-1.6%). Currencies in the region were little changed, except for the Russia ruble which appreciated about 0.7% to the US dollar. In central banking news, the Serbian central bank is expected to maintain its policy rate unchanged at 1.25% later today.

Key Emerging Market Financial Indicators

Last updated:	Level		Change				
7/9/20 7:04 AM	Last 12m	index	1 Day	7 Days	30 Days	12 M	YTD
Major EM Benchmarks					%		%
MSCI EM Equities		43.52	1.6	9	6	3	-3
MSCI Frontier Equities		24.12	0.1	0	-2	-20	-21
EMBIG Sovereign Spread (in bps)		460	0	-3	-1	121	167
EM FX vs. USD		55.07	0.1	1	-2	-12	-10
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		6.99	0.3	1	1	-1	0
Indonesian Rupiah		14395	0.1	0	-4	-2	-4
Indian Rupee		75.00	0.0	0	1	-9	-5
Argentine Peso		70.94	-0.1	-1	-3	-41	-16
Brazil Real		5.34	0.8	0	-10	-29	-25
Mexican Peso		22.69	-0.1	-1	-3	-16	-17
Russian Ruble		70.75	0.6	0	-3	-10	-12
South African Rand		16.86	0.5	1	-1	-16	-17
Turkish Lira		6.87	-0.1	0	-1	-17	-13
EM FX volatility		9.93	0.0	-0.2	0.4	2.4	3.3

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

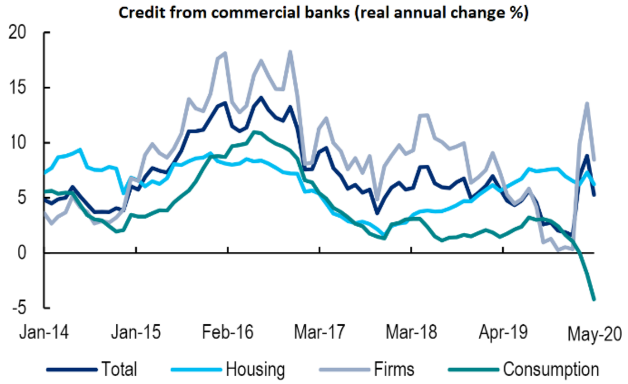
China

China's producer price index (PPI) deflation eases as the economic recovery continues. The PPI fell by -3% y/y in June, less than the -3.7% y/y recorded in May. The better-than-expected PPI deflation (consensus forecast: -3.2% y/y) reflected higher commodity prices and recovering domestic manufacturing. Improving PPI numbers could provide support for corporate profits. In turn, this could reduce pressure on firms to cut jobs—a favorable outcome for the economy. Moreover, the consumer price index (CPI) increased by 2.5% y/y in June, up from 2.4% y/y in May. The CPI inflation edged up slightly due to a rebound in food prices rather than stronger overall demand. Looking forward, market participants expect sluggish CPI inflation and continued PPI deflation. With limited inflationary pressures, further rate cuts are expected by some market participants. The stock market saw an extended rally, with share prices up 18% over the past eight days. Short-term money market rates were little changed.

Source: Bloomberg.

Mexico

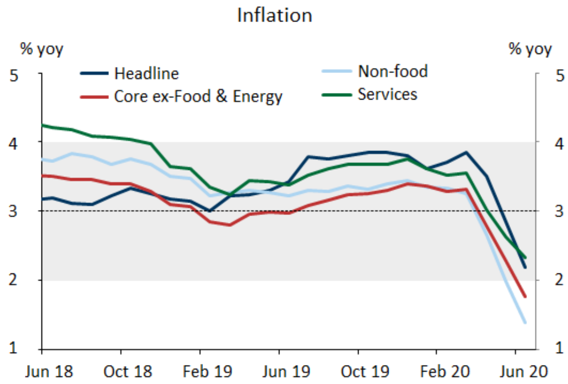
Credit growth slowed down in May. Credit from commercial banks to the private sector increased by 5.3% y/y in real terms, whereas it was 8/8% y/y in April. The slowdown was mainly driven by lower credit growth to firms and consumption. Growth in credit to firms declined to 8.5% y/y in May from 13.5% y/y in April, and credit growth to consumption was -4.2% y/y from -1.9% in April. So far this year, the central bank has cut its policy rate by 225 bps to 5%, while GDP growth has remained weak – printing -1.24% (q/q seasonally adjusted) in the first quarter of 2020.



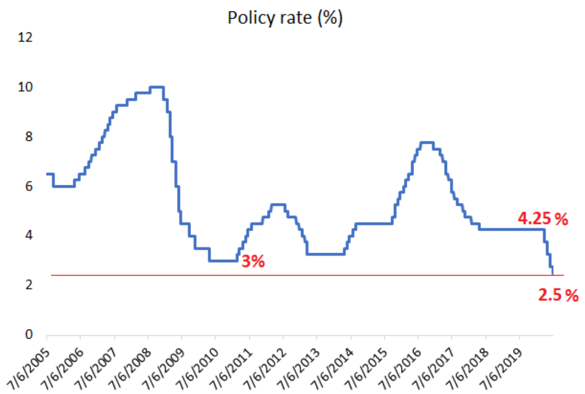
Source: Citibanamex Economic Research

Colombia

Colombia registered its lowest inflation rate since 2014 while the central bank policy rate is also at a record low level. CPI inflation was -0.38% m/m in June. It was 65 bps lower than June 2019, which decreased the annual inflation down to 2.19% y/y, the lowest value since 2014. At the same time, the central bank cut its policy rate from 4.25% at the end of March to 2.5% at the end of June; a record low. The lowest policy rate before the Covid-19 pandemic was 3% at 2010. The next policy meeting is on July 31st.



Source: DANE, Goldman Sachs



Data source: Bloomberg

The African Development Bank has downgraded markedly its macroeconomic projections and warns of a surge in public debt. In its latest [African Economic Outlook](), the ADB warns that in a worse-case scenario, African GDP could contract by 3.4% in 2020 – a 7.3 percentage point decline compared to pre-Covid forecasts. The ADB's baseline, however, is for a 1.7% contraction this year. Debt levels are expected to increase markedly – to over 70% of GDP – as many governments across the continent have responded with large stimulus packages. A rapid increase in sovereign indebtedness may hamper governments' access to financial markets going forward.

GMM Box: Update on EM Reserve Operations[1]

- ***Emerging Markets (EMs) are estimated to have intervened heavily in FX markets during the worst of COVID-19 market selloff.*** *In March, EMs sold $160 bn ($146 bn in spot and $14 bn through derivatives), the highest dollar amount since the GFC. Since then, FX intervention slowed, with many countries seeing a reserve accumulation. As a share of the total reserve stock, the intervention has been significantly less than previous episodes.*

- ***The intervention was also the most broad-based historically*** *with almost 90% of the countries in the sample registering a negative reserve operation in March.*

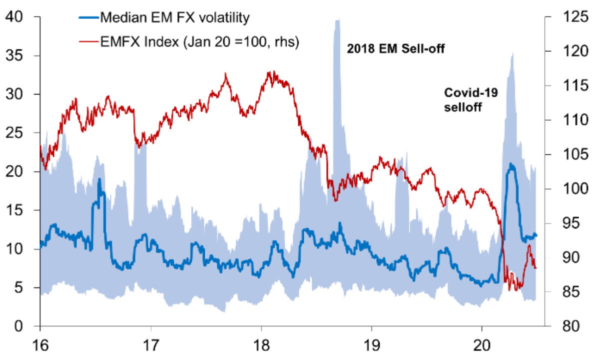
- ***EMEA saw significant interventions****, contrary to the 2018 EM sell-off which saw a lot more activity in Asia and Latam. Many countries—most notably Turkey, Egypt, saw a sharp decline in reserves as a percent of the total stock (adjusted for valuation changes).*

- ***Local currency debt flows are strongly correlated with the changes in reserves****, reflecting the role of global factors and the fact that EMs have been using the local flows to boost up reserves. March was the worst month on record (refer GFSR April 2020: Managing Volatile Portfolio Flows)*

Trends in the EM Reserve Operations

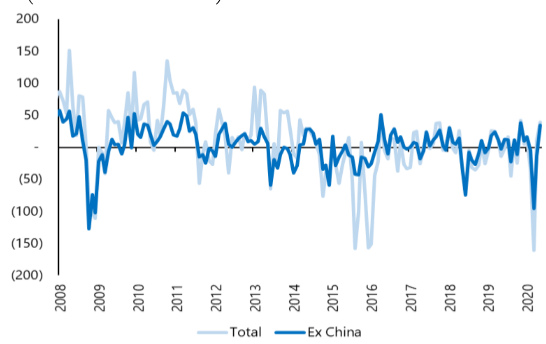
EM currency volatility spiked significantly in March, with the median level rising to a post-crisis high. EM currencies depreciated by almost 10% against the USD in March, though April and May have seen some stabilization.

1. EM Currency Volatility and EM Currency Index
(Ppts on LHS; Index on RHS)



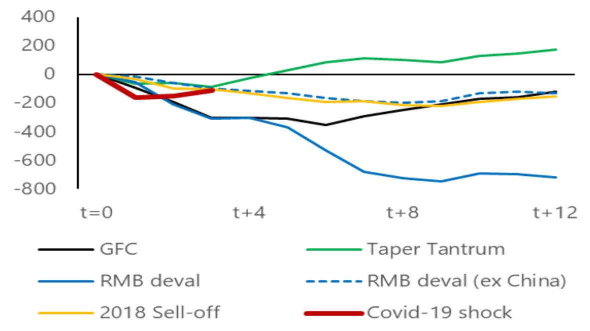
EMs intervened heavily in FX markets in March. Aggregated across major EMs, the dollar amount exceeded the 2015 and 2018 episodes, and almost reached the GFC. Excluding China, the March episode was significantly largest of the last decade.

2. Reserve Operations by Major EMs
(US dollar in billions)



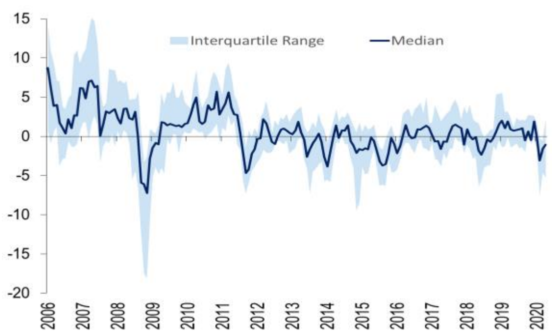
While the scale and pace of EM reserve operations in the first month surpassed most other stress periods, there seems to be less intervention since.

3. Cumulative EM Reserve Operations
(US Dollar in billions; months on the x-axis)



As a share of the total reserve stock, the intervention has been significantly smaller than in previous sell-off episodes reflecting the significant reserve accumulation done by EMs over the last decade.

4. Reserve Operations by Major EMs
(Percent of total stock)



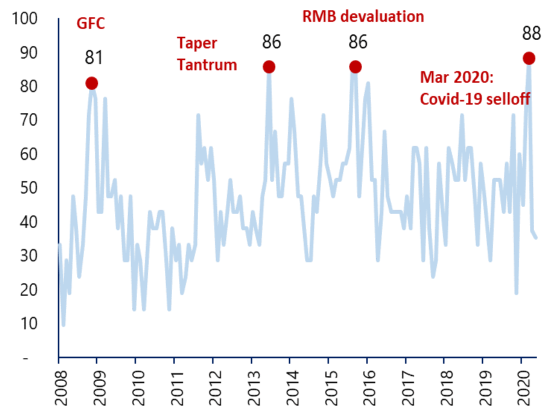
GMM Box: Update on EM Reserve Operations (continued)

Trends in the EM Reserve Operations (continued)

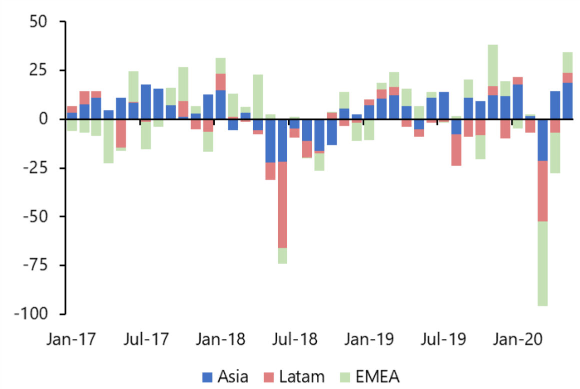
However, intervention has been widespread, as almost 90% of the EMs in the sample intervened in March—marginally higher than previous sell-off episodes. Despite a decline in April/May, more than one-third of countries were still intervening.

Across regions, EMEA saw a significant intervention in the latest episode, contrary to the 2018 sell-off which saw a lot more activity from Asia and Latam. May saw an improvement across all regions.

5. Share of Countries with a Negative Reserve Operation
(In the sample of countries with a reserve operation, %)



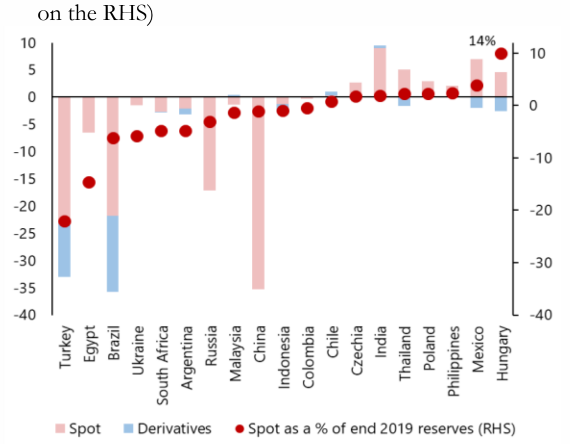
6. Reserve Operations Across the Major EM Regions
(US dollars in billions)



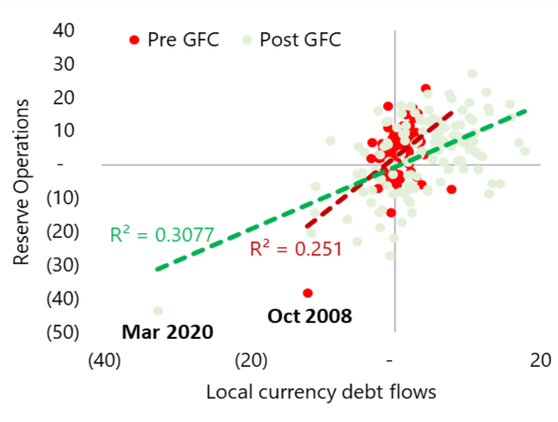
Many countries—notably Turkey, Egypt—saw a sharp decline in their reserves as a percent of their stock. Select EMs like Turkey and Brazil also intervened sharply through the derivatives markets.

Local currency debt flows are strongly correlated with the changes in reserves, reflecting the role of global factors and the fact that EMs have been using the local flows to boost up reserves. This relationship has strengthened post GFC. Mar 2020 sell-off screens as the worst month.

7. Reserve Operations for the Major EMs in Mar-May 2020
(US dollars in billions on LHS; Percent of reserve stock on the RHS)



8. Local Currency Debt Flows vs Reserve Operations
(US dollar in billions; Monthly frequency since Jan 2005)



Source for all the figures: Bloomberg Finance L.P; IIF, Dataset from *Adler, Chang, Mano and Shao; forthcoming; "Foreign Exchange Intervention: A Dataset of Public Data and Proxies" International Monetary Fund,* IMF staff calculations.
Note for all figures: The data is updated as of end May. May's values include estimates for operations only in the spot market, while data from April and before, includes estimates for operations in spot as well as the derivative markets. Operations in the derivative markets do not represent a drag on the reserve stock, but are included in the calculations to estimate the size of the intervention. These estimates do not adjust for FX bond sales / purchases, so may represent a partial picture in a few cases (e.g., Mexico).

[1] This GMM Box was prepared by Rohit Goel, Patrick Schneider, and Can Sever (all MCMGA)

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Global Financial Indicators

Last updated: 7/9/20 7:03 AM	Level		Change				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities					%		%
United States		3170	0.8	4	-1	6	-2
Europe		3299	0.4	-1	-1	-6	-12
Japan		22529	0.4	2	-2	4	-5
China		3451	1.4	12	17	18	13
Asia Ex Japan		76	2.6	10	9	10	3
Emerging Markets		44	1.6	9	6	3	-3
Interest Rates					basis points		
US 10y Yield		0.65	2.5	-2	-17	-141	-127
Germany 10y Yield		-0.45	-0.9	-2	-14	-10	-26
Japan 10y Yield		0.03	-0.3	-1	1	17	4
UK 10y Yield		0.17	-1.3	-2	-17	-55	-65
Credit Spreads					basis points		
US Investment Grade		142	-0.5	-5	-2	23	45
US High Yield		614	0.2	-24	68	184	221
Europe IG		62	-0.5	-2	-3	12	18
Europe HY		368	2.4	-1	7	120	161
EMBIG Sovereign Spread		459	-1.0	-4	-2	120	166
Exchange Rates					%		
USD/Majors		96.50	0.1	-1	0	-1	0
EUR/USD		1.13	-0.1	1	0	1	1
USD/JPY		107.4	-0.1	0	0	1	1
EM/USD		55.0	0.0	1	-2	-12	-10
Commodities					%		
Brent Crude Oil ($/barrel)		43	0.2	1	5	-32	-34
Industrials Metals (index)		110	1.2	5	7	-1	-4
Agriculture (index)		36	0.5	0	2	-11	-12
Implied Volatility					%		
VIX Index (%, change in pp)		28.4	0.3	-0.3	0.8	14.3	14.6
Global FX Volatility		7.6	0.0	-0.3	-0.4	1.4	1.6
EA Sovereign Spreads					10-Year spread vs. Germany (bps)		
Greece		155	0.4	-6	-24	-100	-10
Italy		166	1.6	2	-15	-43	6
Portugal		85	0.5	-2	-5	2	22
Spain		85	0.0	-3	-10	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:	Exchange Rates							Local Currency Bond Yields (GBI EM)						
7/9/2020	Level		Change (in %)					Level		Change (in basis points)				
7:06 AM	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
		vs. USD	(+) = EM appreciation						% p.a.					
China		6.99	0.3	1.2	1	-1	0		3.1	0.3	18	21	-10	-2
Indonesia		14395	0.1	-0.1	-4	-2	-4		7.2	-1.1	-7	-22	-12	6
India		75	0.0	0.0	1	-9	-5		5.9	-1.9	-6	-17	-80	-94
Philippines		49	0.2	0.7	1	4	3		4.0	-0.5	-6	-23	-76	-33
Thailand		31	0.2	-0.4	1	-1	-4		1.5	-0.7	5	-4	-65	-13
Malaysia		4.26	0.2	0.6	0	-3	-4		2.6	-8.1	-18	-30	-102	-75
Argentina		71	-0.1	-0.6	-3	-41	-16		45.1	24.7	69	-246	1582	-1747
Brazil		5.34	0.8	-0.4	-10	-29	-25		5.3	6.4	8	3	-137	-91
Chile		785	0.9	3.6	-2	-13	-4		2.5	-2.9	-15	-38	-88	-81
Colombia		3641	-0.4	2.0	-1	-12	-10		5.3	-0.8	-18	-6	-39	-66
Mexico		22.69	-0.1	-0.9	-3	-16	-17		5.9	1.4	8	-48	-153	-99
Peru		3.5	0.5	0.2	-2	-7	-6		4.3	-5.9	-3	0	-38	-17
Uruguay		44	-0.2	-3.2	-3	-19	-14		9.8	-7.9	-20	-27	-65	-106
Hungary		313	0.0	-0.1	-3	-7	-6		1.6	0.3	6	-10	17	43
Poland		3.95	0.1	0.6	-1	-3	-4		0.8	0.5	-5	-14	-113	-107
Romania		4.3	0.0	0.6	0	-1	0		3.8	3.0	10	-1	-25	-21
Russia		70.7	0.6	-0.3	-3	-10	-12		5.5	-4.8	-6	3	-174	-63
South Africa		16.9	0.5	0.7	-1	-16	-17		10.5	1.4	44	60	138	101
Turkey		6.87	-0.1	-0.2	-1	-17	-13		11.4	16.6	82	68	-555	-29
US (DXY; 5y UST)		97	0.1	-0.8	0	-1	0		0.29	-1.0	0	-11	-159	-140

	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	1 Day	7 Days	30 Days	12 M	YTD
								basis points						
China		3451	1.4	12	17	18	13		226	3	-2	-1	49	50
Indonesia		5053	-0.5	2	0	-21	-20		258	0	-2	10	80	102
India		36738	1.1	2	8	-5	-11		249	3	2	3	115	124
Philippines		6193	-1.5	-3	-6	-23	-21		161	1	0	16	91	95
Malaysia		1583	0.0	3	1	-6	0		186	8	-1	9	72	74
Argentina		42748	0.6	7	-8	2	3		2279	-34	-261	-318	1494	510
Brazil		99770	2.1	4	3	-5	-14		367	1	8	26	146	152
Chile		4186	-1.7	4	1	-17	-10		205	2	-3	3	74	72
Colombia		1154	1.9	4	-5	-27	-31		281	1	2	11	107	118
Mexico		37484	-0.9	0	-4	-12	-14		507	1	-5	26	177	215
Peru		16836	-0.5	1	-3	-19	-18		174	1	-4	3	59	67
Hungary		35984	0.1	-1	-5	-11	-22		165	-1	-7	10	85	79
Poland		50869	0.3	0	-1	-15	-12		43	1	-4	-16	17	25
Romania		8556	0.3	-1	-3	-4	-14		281	4	-6	8	102	108
Russia		2797	-0.7	0	0	-1	-8		211	0	5	11	14	80
South Africa		56401	0.9	3	4	-1	-1		523	1	8	46	242	203
Turkey		119052	0.3	2	9	23	4		599	1	26	39	114	198
Ukraine		499	0.0	0	0	-8	-2		650	-3	25	53	113	230
EM total		44	1.6	9	6	3	-3		460	0	-3	-1	121	167

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

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