





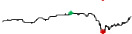






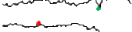

- The ECB announces an additional €600 bn for its PEPP ([link](#))
- German authorities agree to additional €130 bn stimulus package ([link](#))
- China sovereign yields rise and curve flattens as QE expectations diminish ([link](#))
- JGB yields rise following a poorly received bond auction ([link](#))
- US high yield debt default rates remain elevated, but have eased since April ([link](#))
- External-debt ratios are rising across EM ([link](#))

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## Investor Sentiment Remains Positive as Policy Support Does Not Disappoint

**Risk assets continued to rally this morning, building up on their recent strong performance.** Buoyed by the gradual roll-back in Covid-19 restrictions and positive news on the vaccine front, global equities have posted significant gains recently. Stock markets are up significantly on the week, posting gains in the US (+2.5%), Europe (+5%) and EM (6%). Meanwhile, safe haven assets have mainly sold off, seeing the yield on 10-Year Treasuries and Bunds rising this week by 9 bps and 8 bps, respectively. Investor sentiment was further supported today by the ECB's announcement of an increase of €600 bn to its PEPP (vs. €500 bn expected) taking the total program size to €1.35 tn. This follows, Germany's ruling coalition's agreement on a €130 bn stimulus package. The news reflected positively on European periphery bonds, with yields on Italian 10-year BTPs down 14 bps (to 1.42%) and Spanish bonos down 8 bps to (0.53%). Meanwhile, anticipation grows for tomorrow's monthly employment release in the US as investor attempt to gauge the extent of damage to the economy from the Covid-19 pandemic. Moreover, on the oil front, Brent prices declined by close to 2% over the past two trading sessions, as frustration grows among the larger OPEC+ producers about the non-compliance of some the organization's members.

Key Global Financial Indicators

Last updated: 6/4/20 7:21 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		3123	1.4	3	10	11	-3
Eurostoxx 50		3250	-0.6	5	15	-3	-13
Nikkei 225		22696	0.4	4	16	11	-4
MSCI EM		40	-1.0	8	13	-1	-10
Yields and Spreads			bps				
US 10y Yield		0.74	6.1	5	11	-139	-117
Germany 10y Yield		-0.35	0.2	7	21	-15	-17
EMBIG Sovereign Spread		480	0	-44	-128	107	187
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		55.6	-0.1	2	5	-10	-9
Dollar index, (+) = \$ appreciation		97.5	0.3	-1	-2	0	1
Brent Crude Oil (\$/barrel)		39.5	-0.7	12	45	-36	-40
VIX Index (% change in pp)		26.3	0.6	-2	-10	9	12

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

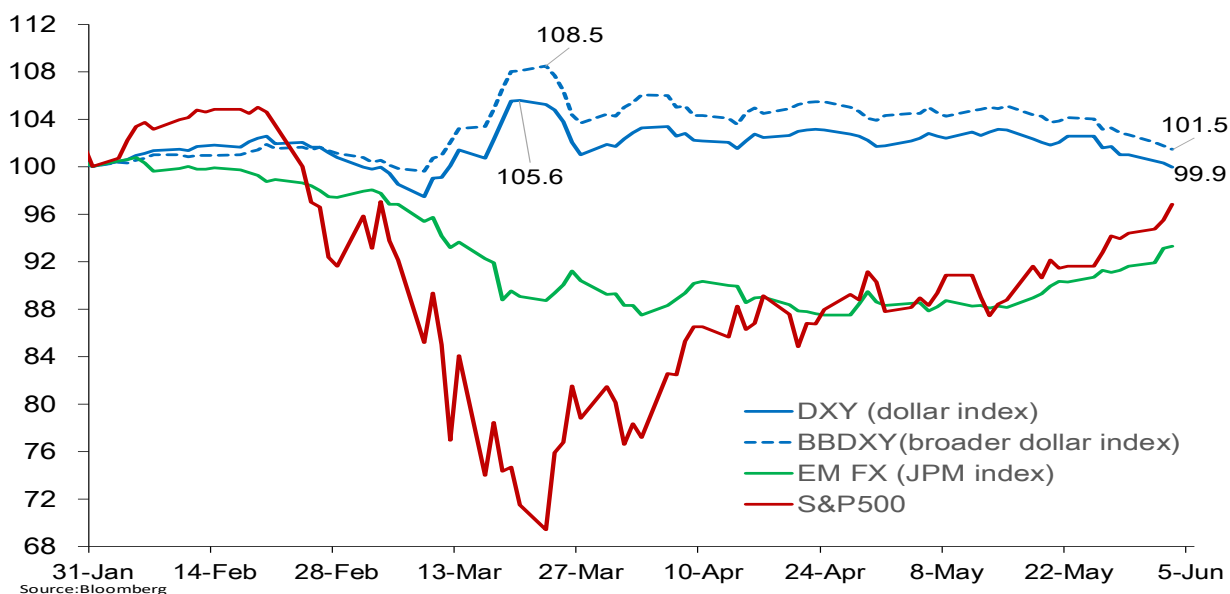
## United States

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**Risk-on sentiment prevailed again as US markets continued to look past any lingering domestic unrest and US-China tensions.** The S&P 500 gained 1.4% as equities rallied around the world. Treasuries sold off again, with long-dated bond yields up around 6 bps, while the dollar index fell 0.4%. The Trump Administration announced it would bar Chinese airlines from the country as of June 16, reportedly in retaliation for a similar move by Chinese authorities. Domestic protests continued, though the more violent aspects of the movement appear to have faded overnight. Factory orders (-13.0% m/m) and final durable goods (-17.7% m/m) data for April largely met expectations, albeit at brutal levels, reinforcing the depth of the Covid-19 shock in recent months. **The Federal Reserve announced an expansion of its Municipal Liquidity Facility**, which will allow all states to have at least two eligible issuers for the purchase facility regardless of population, while also allowing states to designate two issuers in their jurisdiction whose revenue comes from operating activities (transit, ports, tolls, etc.) for the program.

**Initial jobless claims largely met expectations at 1.88 million** (vs consensus 1.83 million) for the week ending May 30, down from 2.1 million last week. However, continuing claims with a 1-week lag came in higher than expected at 21.5 million (vs 20 million), which is an increase from the previous week's revised 20.8 million. Market reaction was muted. Nonfarm payrolls (unemployment rate) for May will be released tomorrow.

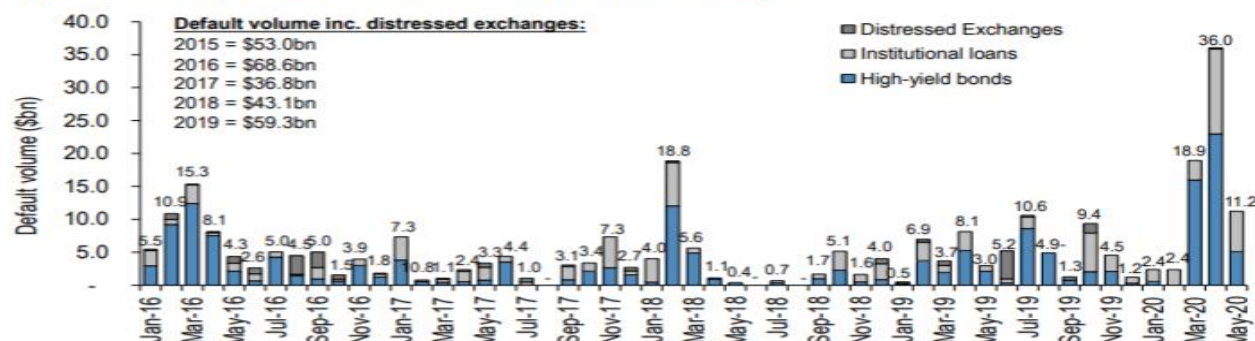
**Dollar strength has faded as market sentiment improves.** Unsurprisingly, the dollar rallied hard as a safe haven beginning on March 9 as the Covid-19 economic crisis accelerated before reaching a plateau in April and into May. Since mid-May, risky assets have gained, with emerging market currencies clawing back some of their losses and equities taking another leg higher while the dollar has fallen back to its late January lows. Dollar indices fell another 0.4% on Wednesday.



**High yield bond and loan defaults remain elevated, but have eased from April, even as analysts project further difficulties in 2020.** High yield bond and loan default volume slipped to \$11.2 bn in May, down from \$36 bn in April and \$18.9 bn in March, but remains higher than 48 out of the last 50 months pre-Covid. Year-to-date default volume through May has surpassed \$70 billion with 42 defaults (HY bonds make up 63% of the total), with the annual record set in 2009 at \$205 bn. Estimates differ, but JPMorgan analysts expect the 2020 high yield bond and loan default rates to hit 8% and 5% respectively, while S&P

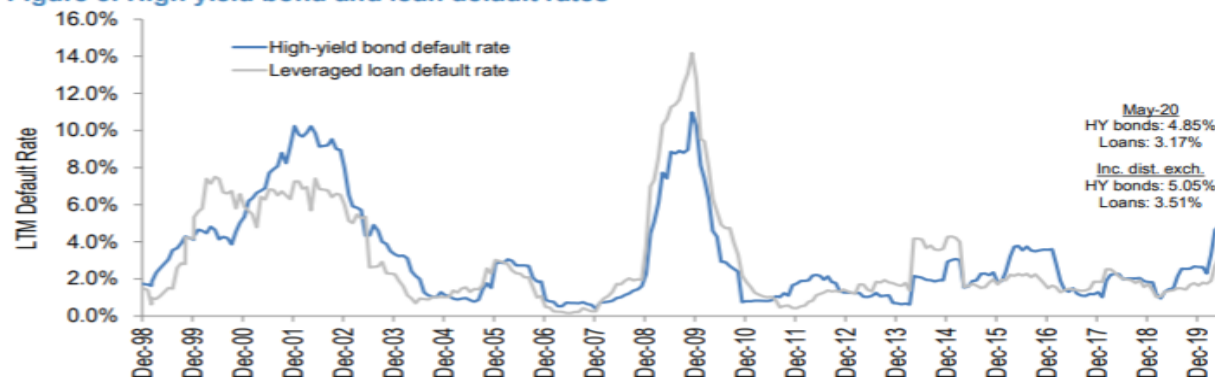
raised its high-yield bond default forecast for March 2021 (trailing 12 month) to 12.5%. Default assumptions are generally based on a favorable outcome on the virus front by the summer, and don't incorporate specific forecasts of a second wave in the fall as some in the health community fear. Despite the ongoing default rate, the asset class has rallied over the last month (though it remains below its pre-pandemic highs), with S&P's Leveraged Loan Price index up close to 5% and the Bloomberg Barclays High Yield index up 7%.

Figure 1: Monthly default volume remained elevated in May



Source: J.P. Morgan.

Figure 3: High yield bond and loan default rates



Source: J.P. Morgan.

## Europe

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**Equity markets paused their recent rally ahead of the ECB announcement later today** (see below). DAX (-0.8%), CAC 40 (-0.7%), EuroStoxx 600 (-0.6%), Italy's Titans 30 (-0.9%), and Spanish Ibex (-1.1%). Bank stocks (-1.7%) underperformed.

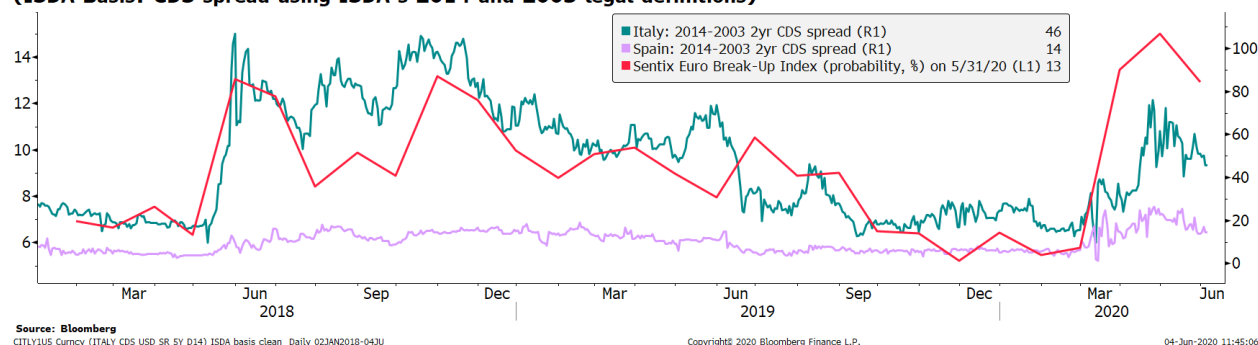
**Sovereign yields were steady.** German 10-year yields flat at -0.35% (bps); French OATs are at 0.01% (+1 bp); Italian at 1.58% (+3 bps); and Spanish at 0.63% (+2 bps).

**The ECB announced an additional €600 bn for its Pandemic Emergency Purchase Program (PEPP), reaching a total of €1.35 tn.** The Bank argued that the decision was taken to counter the negative impact of the pandemic on economic activity and will help ease further its general monetary policy stance. The horizon for net purchases under the PEPP will be extended to at least the end of June 2021, and the maturing principal payments from securities purchased under the PEPP will be reinvested until at least the end of 2022. The ECB's other asset purchase programs as well as the key policy interest rates were left

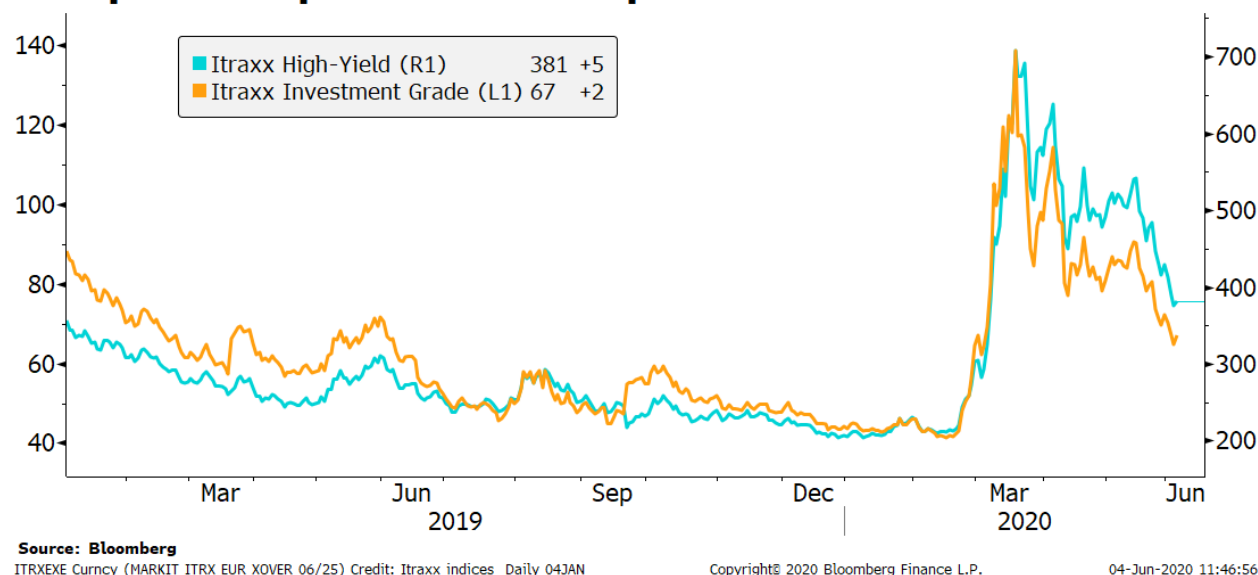
unchanged at 0.00% (main refinancing rate), 0.25% (marginal lending rate), and -0.50% (deposit facility rate). The market reaction to the announcement has been positive, with equities tracing back earlier losses and gaining about 0.1% on the day. Sovereign yields dropped, notably on Italian 10-year BTPs (-14 bps to 1.42%) and Spanish bonos (-8 bps to 0.53%). Bunds are steady at 0.36% (-1 bp). The euro is 0.1% stronger to the dollar, at \$1.12. **The ECB's and government measures have helped contain sovereign and corporate risks since the pandemic's outbreak, as shown by falling political risk measures and corporate spreads.**

### Eurozone Political Risk Measures

(ISDA Basis: CDS spread using ISDA's 2014 and 2003 legal definitions)

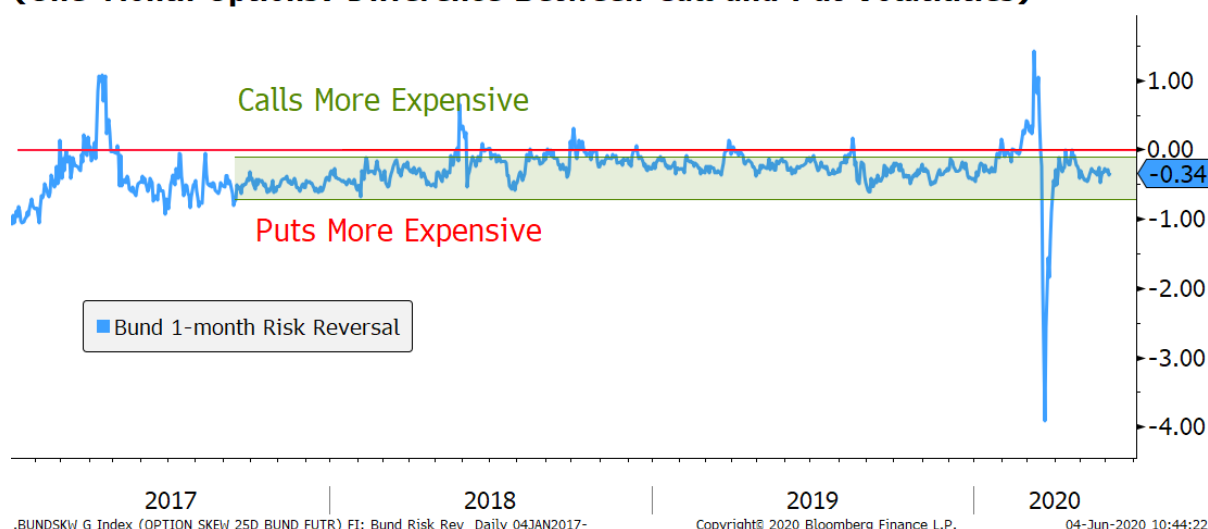


### European Corporate Credit Spreads



**German authorities have agreed a \$145 bn (€130 bn) stimulus package aimed at boosting consumer spending and investment.** Of the total spending envelope, €120 bn are to be financed by the federal government and the rest by local and regional authorities. The [measures](#) range from temporary cuts to VAT, to public investments in telecom infrastructure, railways, and green automobile technologies. The new measures add to the already €1.3 tn (including loan guarantee programs) mobilized by German authorities to quick start the economy. **The impact on the bund market has been muted**, with 10- and 2-year yields flat at -0.35% and -0.63%, respectively. A sideways move in bund risk-reversals also suggest steady views on German sovereign debt at the one-month horizon.

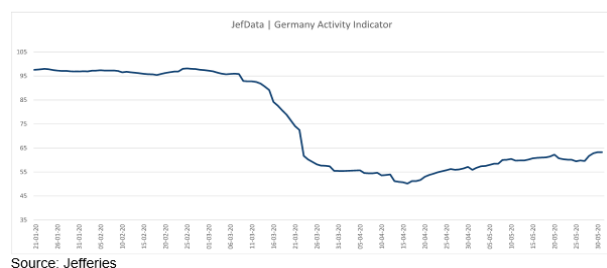
## German Bund Risk Reversals (One-Month Options: Difference Between Call and Put Volatilities)



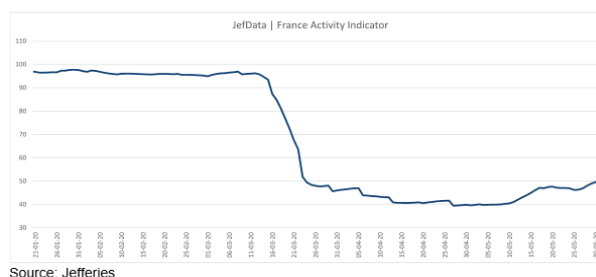
The Spanish government has extended the national state of emergency until June 21, 2020.

European high-frequency activity indicators are creeping higher as economies slowly reopen. In today's releases, **Germany's construction PMI for May** refloated to **40.1** after plummeting to 31.9 in April. Similarly, the UK's construction PMI jumped to 28.9, from 8.2 in April. Researchers at Jefferies also note that energy consumption across the 4 largest EU economies is now over 90% of the levels typical for this time of the year, providing an encouraging leading indicator. Notwithstanding the signs of recovery, other major economic gauges point to the damage from the pandemic. **Greece's Q1 GDP came in at -0.9% y/y**, from +1.0% y/y the previous quarter.

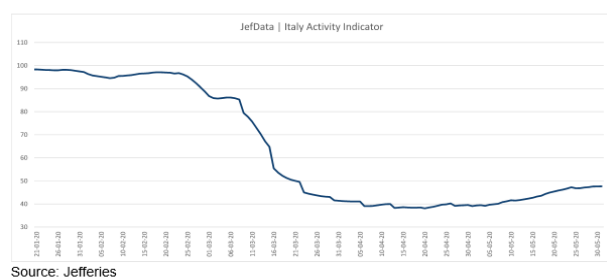
### Germany Economic Activity Indicator



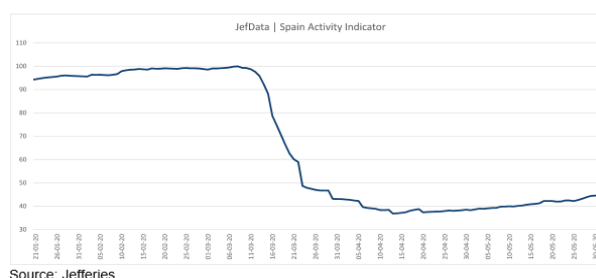
### France Economic Activity Indicator



### Italy Economic Activity Indicator



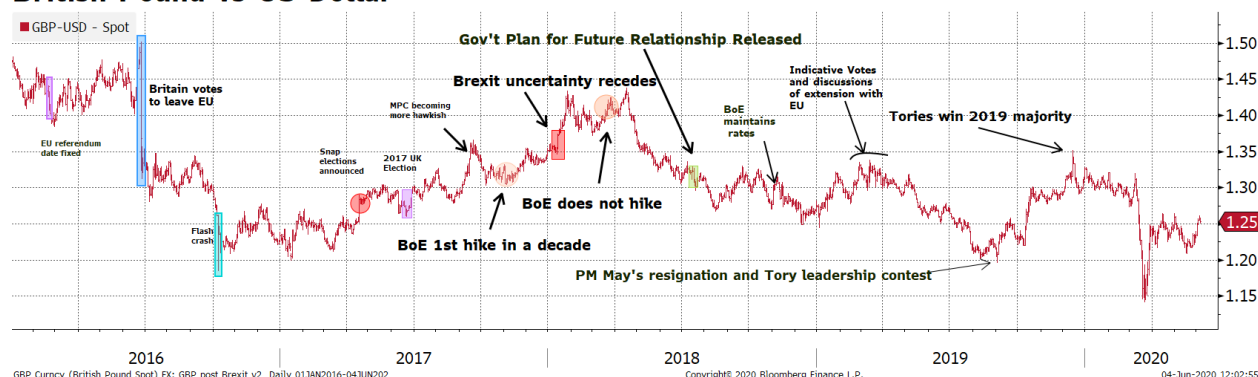
### Spain Economic Activity Indicator





In Brexit news, **BoE governor Bailey has reportedly urged UK banks to step up preparations for a possible no-deal Brexit.** Negotiations between the EU and UK were halted by the pandemic and restarted on June 2. An official statement regarding whether the EU-UK financial systems are “equivalent” and hence “passports” are granted to financial entities is expected by the end of this month. To expedite negotiations, British PM Johnson and EC president Van der Leyen are scheduled to resume high-level talks on this issue in coming days. **In recent weeks, UK financial assets have traded in line with EU peers,** with the pound (currently at \$1.25) even recovering from its lows when Covid-19 hit the UK.

### British Pound vs US Dollar



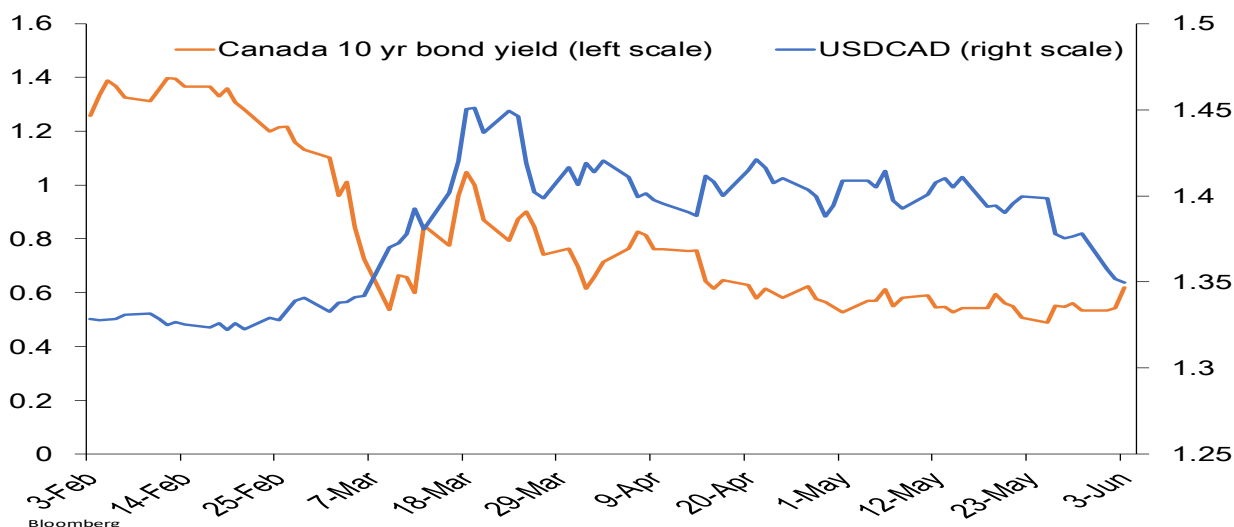
### Other Mature Markets

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#### Canada

**Bank of Canada maintained its policy stance in a relatively uneventful meeting.** The BoC left the policy rate unchanged at 0.25% on the day new governor Tiff Macklem began his tenure (though he did not preside over this decision). The BoC noted that the crisis appears to have peaked, and likely will not reach the worst case scenarios it outlined previously. Despite the somewhat less gloomy view, with a rebound to growth in Q3, the BoC noted that the outlook “remains heavily clouded”. The BoC will reduce its term repo operations to once per week due to improved liquidity conditions, but will continue its asset purchase programs (federal, provincial, and corporate debt) indefinitely at their current pace. Government bonds sold off through the announcement, with the 10 year yield up 8 bps by the afternoon, while the loonie appreciated slightly.

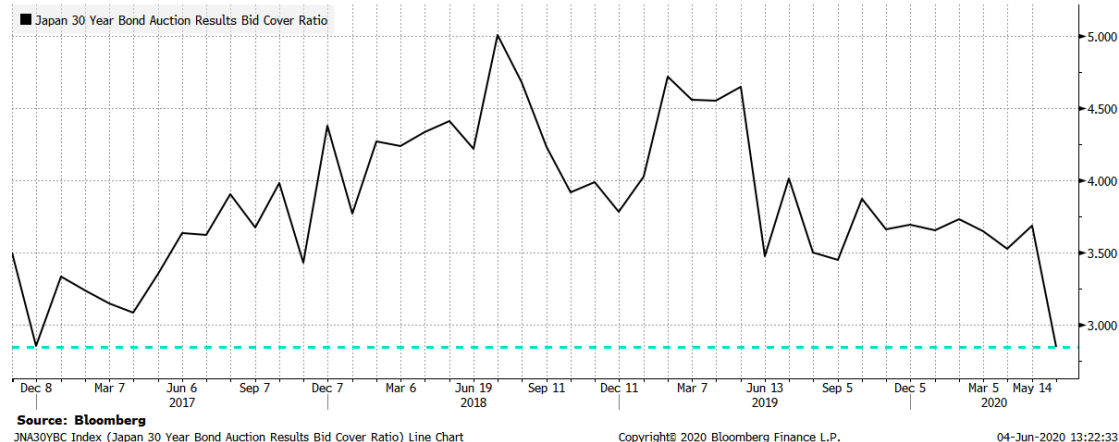
#### Japan



**JGB yields rose across the curve following a poorly-received bond auction**, as investors fretted over the market's ability to absorb new issues. Demand at the 30-year JGB auction fell to its lowest level in 4 years, with a bid-to-cover ratio of 2.84X, down from 3.69X previously. Traders noted that concerns over impending increases in bond supply from fiscal stimulus, relatively limited purchases from BoJ in the long end, combined with positive risk sentiment sapped JGB demand. The yield on the 30-year bond rose 2.5 bps to 0.54%, its highest level in roughly 12 months. Meanwhile, yields across the 5- to 40-year sectors rose 1 to 3 bps. The 2-year note, by comparison, held steady at -0.17%. The yen extended its depreciation (-0.2%) over the past three sessions while the Topix gained (+0.3%) amid still-buoyant risk appetite.

#### Poor Show

Demand at 30-year JGB auction is weakest since 2016



## Emerging Markets

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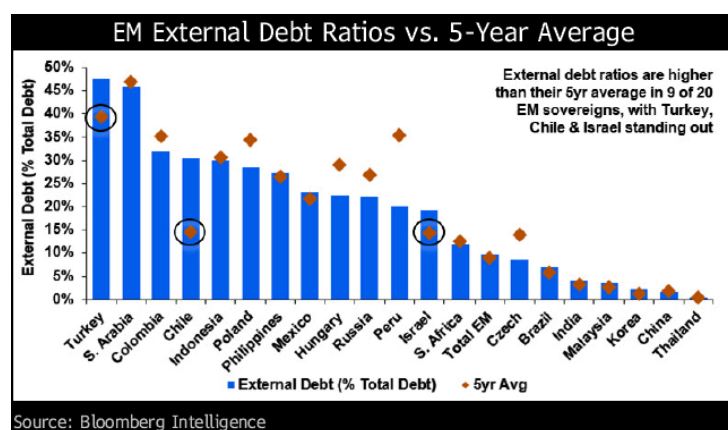
**The momentum behind equity market rally and EM currency appreciation eased.** Asian currencies were broadly weaker against the dollar, albeit modestly and equity bourses remained positive on the day. The Indonesian rupiah reversed its initial losses to end the day unchanged following its sharp appreciation yesterday. Meanwhile the Malaysia ringgit underperformed (-0.35%) while the Philippine peso appreciated (+0.24%), outperforming others. In equities, Malaysia led broad-based gains (+0.9%) while Hong Kong and Chinese stocks turned lower after initial increases (flat and -0.1%, respectively). Thailand's May CPI fell by 3.4% y/y, the weakest print since 2009 and prompted analysts to expect another rate cut of 25 bps by the Bank of Thailand later this year. The Thai baht weakened by 0.1% on the day. **Bourses across EMEA were mixed today, reflecting the mixed session in Asia as well and uncertainties regarding the ECB's stimulus announcement later today.** Stocks gained in UAE (+2.0%), Egypt (+1.6%), the Czech Republic (+0.6%), and Turkey (+0.6%). Losses were seen in Russia (-1.8%), Hungary (-0.8%), and Saudi Arabia (-0.7%). Currencies weakened to the US dollar, led by the Polish zloty (-1.1%), the Russian ruble (-0.9%), and the Czech koruna (-0.7%). **Latin American equity markets saw another day of gains on Wednesday.** Equities in Argentina (4.3%), Colombia (3.6%), Peru (3.6%), Mexico (2.2%), Chile (2.2%) and Brazil (2.2%) advanced. Currency markets were relatively quiet.

## Key Emerging Market Financial Indicators

Last updated: 6/4/20 7:24 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
<b>Major EM Benchmarks</b>			%				%
MSCI EM Equities		40.44	-1.2	8	13	-1	-10
MSCI Frontier Equities		24.41	2.0	3	8	-16	-20
EMBIG Sovereign Spread (in bps)		480	0	-44	-128	107	187
EM FX vs. USD		55.62	-0.1	2	5	-10	-9
<b>Major EM FX vs. USD</b>			%, (+) = EM currency appreciation				
China Renminbi		7.12	-0.1	0	-1	-3	-2
Indonesian Rupiah		14095	0.0	4	7	1	-2
Indian Rupee		75.58	-0.1	0	0	-8	-6
Argentine Peso		68.80	-0.1	-1	-3	-35	-13
Brazil Real		5.07	2.7	4	9	-23	-20
Mexican Peso		21.88	-0.5	1	10	-11	-13
Russian Ruble		69.18	-0.8	2	8	-6	-10
South African Rand		16.97	-0.3	3	10	-14	-17
Turkish Lira		6.75	-0.2	1	4	-14	-12
EM FX volatility		9.88	0.0	-1.0	-2.1	1.3	3.3

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

**External-debt ratios are rising across EM, leaving sovereign creditors more directly exposed to shifts in offshore sentiment.** As a percentage of total debt, external obligations are highest in Turkey (47.5%) and Saudi Arabia (45.9%), as the two combine for nearly 14% of all EM hard-currency sovereign credit. Chile's external-debt ratio has surged to 30.4%, well above its five-year average of 14.5%. External-debt ratios exceed their 5-year averages in 9 out of 20 emerging market economies studied, according to Bloomberg reports. Relative to their 5-year historical average, external-debt ratios exhibit the greatest improvement in Peru, Hungary, Poland and the Czech Republic.



## China

**Central government bond yields extended their increases as investors scaled back expectations for QE.** The 10-year note rose 4 bps after a pause yesterday, reaching 2.85%, while the 1-year note rose 7 bps to 1.98%; both reached their highest levels since February. Analysts noted that the latest initiatives from the PBC – including targeted incentives to banks to support SMEs – suggest that the authorities are likely to refrain from broad easing to support the economy. Meanwhile, total bond issuance is expected to increase. Already there is a surge in government issuance. According to WIND, based on deal-level data, net government bond financing rose from RMB 290 bn (USD 40 bn) in April to RMB 1.5 tn (USD 210 bn) in



May, primarily driven by local government special bonds (LGSB). Amid rising yields for shorter-dated paper, the CGB yield curve flattened. Since early April, the 10-year note rose 38 bps while the 1-year note rose by 80 bps, leading the 1- to 10-year segment of the curve to flatten by over 40 bps. The RMB was little changed on the day.

### Lack of Easing Ahead?

Traders price in less monetary loosening with interest-rate swaps



Source: Bloomberg

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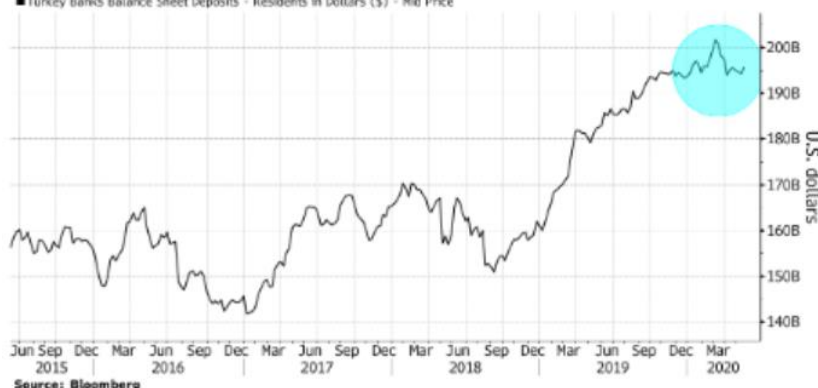
## Turkey

**The Capital Markets Board will no longer allow investors to set up hedge funds that invest primarily in FX assets and will start taxing existing ones, to clamp down on local demand for hard currency.** The board has suspended approvals for funds whose foreign exchange-denominated securities make up at least 80% of total holdings. The government will impose a 15% tax on the management of such funds, according to Bloomberg. The size of the funds affected by these measures is relatively small. Moving to restrict this corner of the market shows authorities are determined to limit the persistent demand for foreign exchange, which threatens to weigh on the lira after it slumped to a record low last month. The lira has weakened by 12% against the dollar since the beginning of the year.

### FX Demand

Turkish savers, businesses hold around \$200 billion of hard-currency deposits

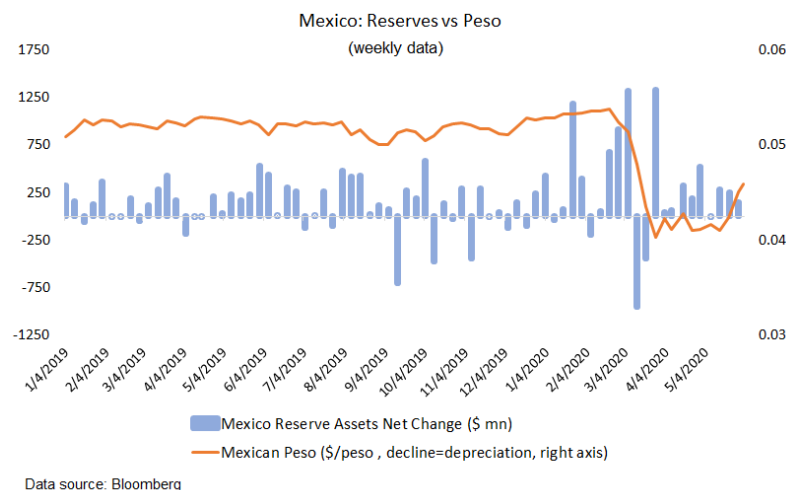
■ Turkey Banks Balance Sheet Deposits - Residents in Dollars (\$) - Mid Price



Source: Bloomberg

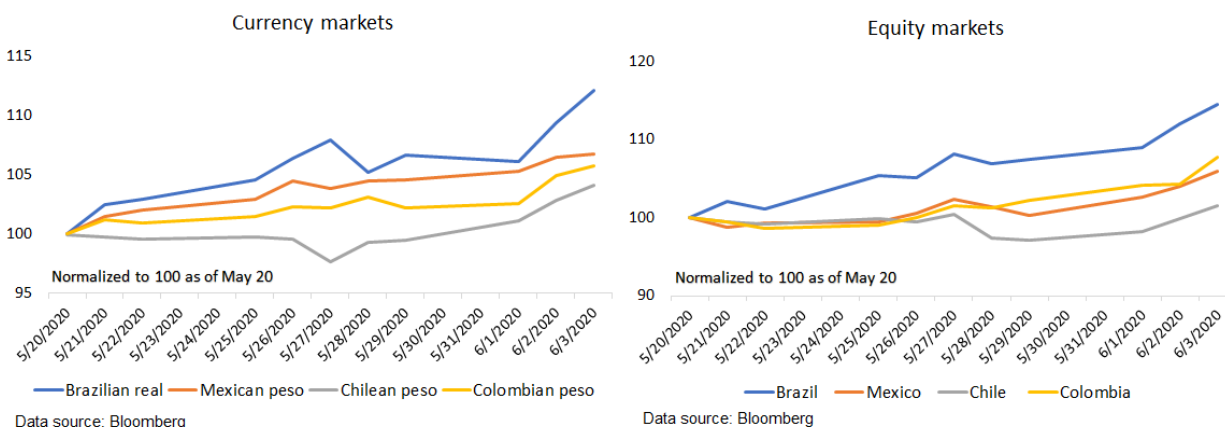
## Mexico

**In Mexico, reserves increased by \$143.8 mn last week to \$187.3 bn.** Reserves had decreased significantly (-\$1.4 bn) around mid-March, at a time when the peso had depreciated by more than 15% against the dollar. However, reserves have recovered significantly during the following weeks, growing by \$1.3 bn. The Mexican peso seems to have also stabilized and regained its footing since mid-May.



## Brazil

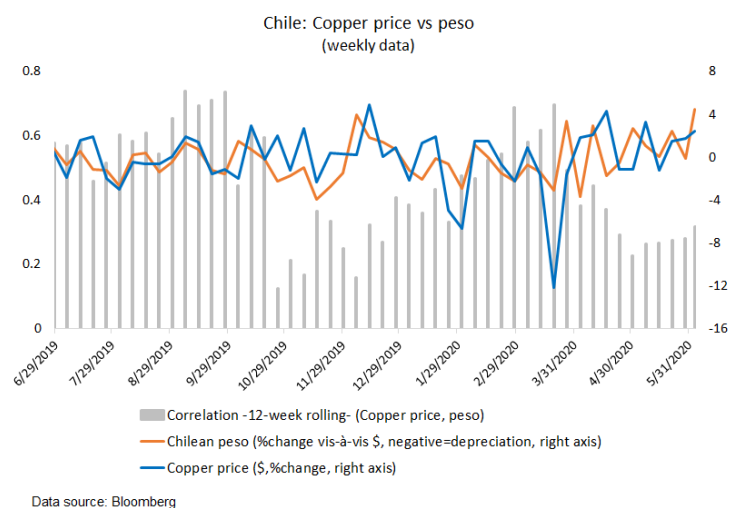
**Brazil has been outperforming regional peers since late May.** The Brazilian real appreciated about 12% against the dollar since May 20<sup>th</sup>, where the second highest gain was in the Mexican peso (7%). Similarly, Brazilian equities led equity markets with more than 14% increase in the same period, almost double the gain in Colombian equities (8%), which is the second highest market. Bond markets were similar, as we noted earlier this week. Fixed-rate treasury notes (NTN-Fs), maturing in 2029, continued to advance—increasing by more than 6% increase since May 20—while similar bonds issued by regional peers have not performed as well.



## Chile

**The link between copper prices and Chile's currency has been recovering and strengthening recently.** Chile, the world's largest copper exporter, produces around one third of world's copper. Historically, the correlation between the price of copper and the Chilean peso has been positive and generally high. However, the social unrest in October 2019 weakened this link. The correlation dropped to as low as 0.1 in late October. More recently, the coronavirus pandemic has had a similar effect, but to a

lesser extent. The correlation between copper prices and the peso decreased to 0.2 in early May. Although it has been increasing since then, it remains quite low (0.3) relative to its average value in the first quarter of 2020 (0.5).



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## Global Financial Indicators

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<b>Equities</b>			%				%
United States		3123	1.4	3	10	11	-3
Europe		3250	-0.6	5	15	-3	-13
Japan		22696	0.4	4	16	11	-4
China		2919	-0.1	3	2	2	-4
Asia Ex Japan		69	2.1	8	11	4	-6
Emerging Markets		40	-1.0	8	13	-1	-10
<b>Interest Rates</b>			basis points				
US 10y Yield		0.74	6.1	5	11	-139	-117
Germany 10y Yield		-0.35	0.2	7	21	-15	-17
Japan 10y Yield		0.04	2.0	3	6	14	5
UK 10y Yield		0.27	-0.9	6	3	-64	-56
<b>Credit Spreads</b>			basis points				
US Investment Grade		160	-5.7	-17	-38	26	63
US High Yield		601	-23.9	-53	-161	106	208
Europe IG		67	2.7	-2	-20	1	23
Europe HY		384	7.7	-31	-139	92	177
EMBIG Sovereign Spread		480	0.0	-44	-128	107	187
<b>Exchange Rates</b>			%				
USD/Majors		97.53	0.3	-1	-2	0	1
EUR/USD		1.12	-0.3	1	3	0	0
USD/JPY		108.9	0.0	-1	-2	-1	0
EM/USD		55.6	-0.1	2	5	-10	-9
<b>Commodities</b>			%				
Brent Crude Oil (\$/barrel)		40	-0.7	12	45	-36	-40
Industrials Metals (index)		99	-0.8	2	6	-10	-13
Agriculture (index)		35	0.1	1	2	-15	-15
<b>Implied Volatility</b>			%				
VIX Index (% change in pp)		26.3	0.6	-2.3	-9.7	9.3	12.5
10y Treasury Volatility Index		4.7	-0.3	0.0	0.0	-0.5	0.6
Global FX Volatility		7.7	0.0	-0.1	-1.7	0.7	1.7
<b>EA Sovereign Spreads</b>			10-Year spread vs. Germany (bps)				
Greece		182	-6.2	-11	-92	-132	16
Italy		193	2.6	9	-40	-79	34
Portugal		95	2.2	-1	-47	2	32
Spain		98	1.2	-2	-35	11	32

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: 6/4/2020 7:25 AM	Exchange Rates						YTD	Local Currency Bond Yields (GBI EM)						
	Level		Change (in %)					Level		Change (in basis points)				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M		Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
	vs. USD		(+) = EM appreciation					% p.a.						
China		7.12	-0.1	0.4	-1	-3	-2		2.9	10.1	19	48	-41	-27
Indonesia		14095	0.0	4.4	7	1	-2		7.1	-13.8	-27	-72	-94	1
India		76	-0.1	0.2	0	-8	-6		6.1	1.7	3	-17	-102	-76
Philippines		50	0.2	1.4	1	4	1		4.2	-0.5	-20	-68	-87	-10
Thailand		32	-0.1	0.8	2	-1	-5		1.4	0.0	5	5	-108	-18
Malaysia		4.28	-0.4	1.7	1	-2	-4		2.8	-0.1	1	-4	-99	-58
Argentina		69	-0.1	-0.7	-3	-35	-13		45.7	25.8	-27	673	1254	-1693
Brazil		5.07	2.7	4.1	9	-23	-20		5.2	-9.7	-29	-79	-238	-107
Chile		771	1.3	6.6	9	-9	-2		2.6	12.6	5	-16	-119	-71
Colombia		3607	0.8	3.5	11	-6	-9		5.4	3.7	18	-102	-81	-60
Mexico		21.88	-0.5	1.5	10	-11	-13		6.3	-3.9	-6	-38	-187	-68
Peru		3.4	-0.2	1.4	-1	-1	-3		4.3	-3.1	4	-42	-91	-22
Uruguay		43	0.3	0.8	0	-18	-13		10.3	0.1	-10	-171	-91	-55
Hungary		308	-0.4	2.3	5	-7	-4		1.7	6.0	-7	-8	-9	48
Poland		3.97	-1.0	1.4	5	-4	-4		0.9	4.3	-12	-15	-132	-102
Romania		4.3	-0.5	1.2	2	-3	-1		3.8	7.0	-14	-33	-30	-16
Russia		69.2	-0.8	1.9	8	-6	-10		5.3	1.5	1	-54	-240	-81
South Africa		17.0	-0.3	3.2	10	-14	-17		9.6	-12.0	-22	-118	21	4
Turkey		6.75	-0.2	0.9	4	-14	-12		10.5	11.6	-59	-27	-965	-119
US (DXY; 5y UST)		98	0.3	-0.9	-2	0	1		0.36	-0.5	2	0	-154	-133

	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		2919	-0.1	3	2	2	-4		234	0	-8	-22	51	58
Indonesia		4917	-0.5	6	7	-21	-22		258	-3	-21	-83	49	102
India		33981	-0.4	6	7	-15	-18		258	-8	1	-71	98	133
Philippines		6517	4.4	17	17	-18	-17		152	-1	-13	-31	59	86
Malaysia		1562	1.5	7	13	-5	-2		179	-9	-43	-105	46	67
Argentina		43853	4.3	8	35	26	5		2491	14	-261	-1135	1524	722
Brazil		93002	2.1	6	18	-4	-20		348	1	-31	-76	94	133
Chile		3833	2.2	2	-1	-23	-18		209	1	-12	-71	67	76
Colombia		1158	3.6	7	5	-23	-30		269	0	-15	-111	69	106
Mexico		38291	2.2	4	5	-11	-12		497	1	-43	-158	177	205
Peru		16342	3.6	4	11	-18	-20		173	0	-21	-79	33	66
Hungary		37085	-0.6	2	7	-10	-20		169	-2	-33	-41	52	83
Poland		49729	0.0	3	10	-14	-14		63	5	-18	-76	-4	45
Romania		8953	-0.3	3	12	6	-10		298	-9	-38	-65	76	124
Russia		2780	-1.8	0	6	3	-9		192	2	-12	-82	-30	61
South Africa		53151	-0.9	3	8	-6	-7		518	2	-47	-170	195	198
Turkey		109753	0.6	4	11	21	-4		574	-1	-59	-118	34	173
Ukraine		500	0.0	0	0	-10	-2		652	-3	-77	-214	7	232
EM total		40	-1.2	8	13	-1	-10		480	0	-44	-128	107	187

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

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