GLOBAL MARKETS ANALYSIS
Monetary and Capital Markets

Global Markets Monitor

MONDAY, MARCH 1, 2021

- **Markets bring forward Fed rate hike expectations alongside rising rate volatility** (link)
- **Flows to US inflation-protected securities remains strong** (link)
- **US Treasury market liquidity conditions contributed to last week's rate sell-off** (link)
- **Bank of England signals rise in bond yields a reflection of optimistic outlook** (link)
- **Australian bond yields fall as RBA continues unscheduled bond purchases** (link)
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Global equities rebound and yields stabilize as risk-off impulses recede

Global fixed income markets remain at center stage, though yields have continued to subside slightly in most major markets to start the new month. Global equity markets ended last week lower with most advanced economy indexes posting losses of 2 to 4% and EM equities underperforming down 7% for the week. However, markets are opening the week on a more stable footing as the improving virus and vaccine outlook drives the interplay between better growth expectations and higher interest rates. Asian equities traded decidedly higher, closing up 1-2% across most of the region, European equities are gaining over 1%, and S&P 500 futures are pointing to a solid opening with 1% gains. The global bond rout has paused for the moment after central banks discussed additional bond purchases at the end of last week, though US Treasury yields from the intermediate through the long end of the curve remain near one-year highs despite some retracement on Friday and 4-6 bp increases at the long end of the curve this morning. Commodity prices continue to move higher with oil prices rising this morning, while EM FX is mixed to slightly stronger, with some of the worst performers from last week recovering, such as the Turkish lira leading gains this morning and appreciating 2.5%.

Key Global Financial Indicators

Last updated: 3/1/21 8:06 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities					%		%
S&P 500		3811	-0.5	-2	1	29	1
Eurostoxx 50		3679	1.2	-1	4	10	4
Nikkei 225		29664	2.4	-1	6	40	8
MSCI EM		54	1.1	-7	-2	33	4
Yields and Spreads					bps		
US 10y Yield		1.44	4.0	8	37	30	53
Germany 10y Yield		-0.31	-5.1	3	21	30	26
EMBIG Sovereign Spread		357	11	13	0	26	7
FX / Commodities / Volatility					%		
EM FX vs. USD, (+) = appreciation		57.0	0.4	-1	-1	-2	-2
Dollar index, (+) = $ appreciation		91.1	0.2	1	0	-7	1
Brent Crude Oil ($/barrel)		65.3	1.3	0	16	29	26
VIX Index (%, change in pp)		25.2	-2.8	2	-5	-15	2

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

In the week ahead, central bank meetings are expected to result in no change in policy rates for Australia (Monday; 0.1%), Poland (Wednesday; 0.1%) and Malaysia (Thursday; 1.75%). Amongst economic releases, GDP prints are scheduled for Turkey (Monday; 6.9% y/y for 4Q), Canada (Tuesday; -2.0% y/y), Brazil (Wednesday; -1.5% y/y for 4Q). Inflation releases are due for Eurozone (Tuesday; 0.9% y/y), Turkey (Tuesday; 15.4%), Thailand (Thursday; -0.15%), Russia (Friday; 5.5%) and Colombia (Friday; 1.4%). In the US, initial jobless claims (Thursday) are expected to tick up from 730k to 755k this week, while continuing claims are expected to decline further to 4.3mn (from 4.42 mn last week). Nonfarm payrolls for the month of February will be reported on Friday and are expected to be reported at +180k (vs +49k in January).

United States

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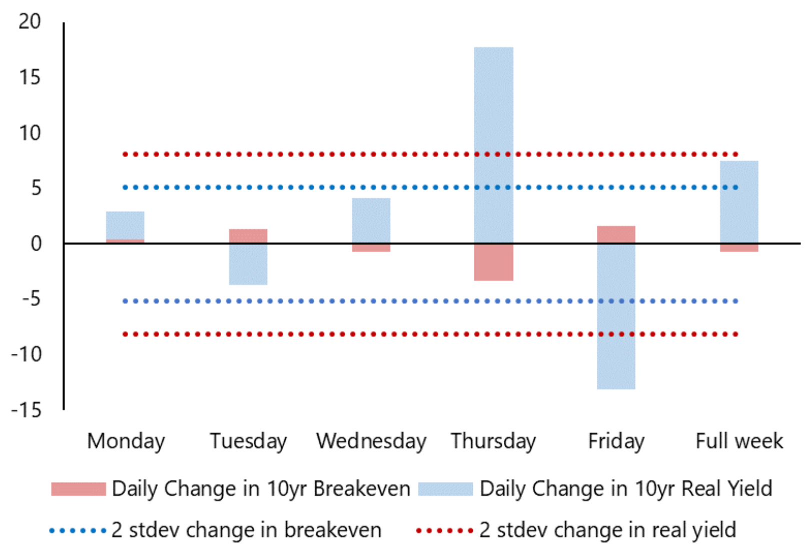
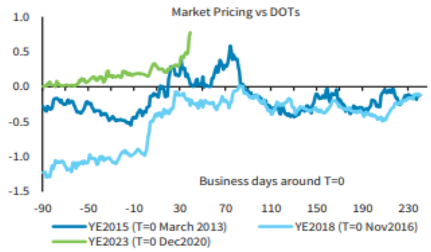
While the rise in inflation breakevens had been the major focus of investors to start the year, the volatility in real yields caught the markets by surprise last week. After spiking about 18 bps on Thursday, real 10yr yields gave back most of it and fell 14 bps on Friday. Correspondingly, after the sharp bond sell-off on Thursday, bonds rallied across all maturities, with 5yr (-10 bps), 10yr (-12 bps), and 30yr (-16 bps) yields all substantially lower on the last trading day of the month on Friday. For the week, the nominal yields widened by around 7 bps driven entirely by the rise in the real yields. Equities endured a choppy session on Friday, with the S&P 500 fading late in the session to close down 0.5%, and -2.5% for the week.



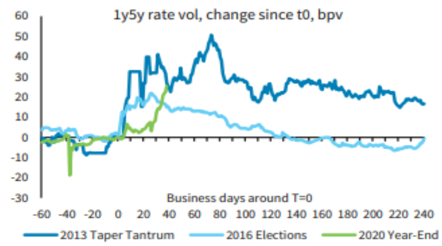
The sharp sell-off in the bond markets is also reflected in the market pricing of policy rates in the US. Barclays analysts highlight that the three year forward market implied policy rate is currently 80 bps higher than the Fed Dots, despite the Fed not changing its communication. The below left chart shows that the markets were not as removed from the Fed's guidance even during the taper tantrum episode or the 2016 elections. During the taper tantrum, the market pricing of the policy rate 3y forward rose to 60 bps above the "dot." Analysts also highlight that the implied interest rate volatility is also beginning to rise sharply in a manner suggesting that the markets are getting uncertain about the outlook for policy rates (right chart). Interest rate volatility has surpassed the level during the 2016 elections and is now approaching the taper tantrum levels.

FIGURE 7. **Markets are trading further above the "dots" than even during the taper tantrum**



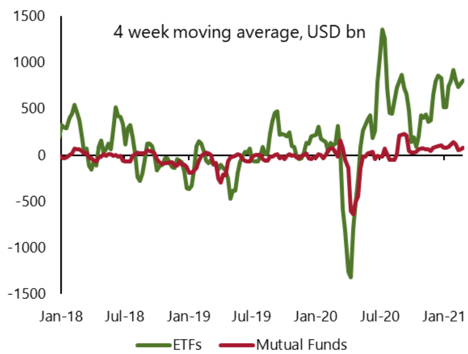
Source: Barclays Research

FIGURE 8. **Interest rate vol has risen sharply**

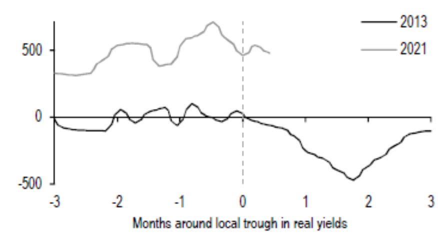


Source: Barclays Research

The sharp rise in inflation expectations has led to strong inflows to the inflation protected securities in the US with a weekly average inflow of almost $600 mn in the last six months (left chart). This compares with weekly average of just $70 mn over 2014-2019. JP Morgan analysts note that the retail demand for such products has remained strong despite the underperformance of inflation protected securities observed over recent weeks. The right chart shows the 4-week moving average of weekly inflows into the 10 largest TIPS ETFs in recent months compared with the 2013 episode. Through the spring of 2013, inflows averaged close to zero, and as soon as the real yield sell-off began in earnest, it was accompanied by an acceleration in weekly outflows. Meanwhile, despite a 40 bp rise in 10-year real yields over the past two weeks, inflows have so far continued at the very robust pace observed over recent months.



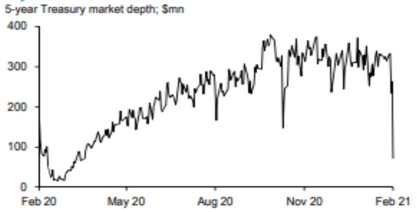
4-week moving average of weekly inflows into top 10 TIPS-related ETFs around local trough in real yields*; $mn



* Dates used: 4/26/13 and 2/10/21
Source: Bloomberg Finance L.P., J.P. Morgan

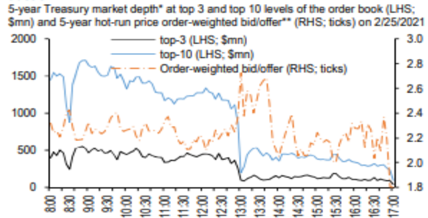
The volatility experienced in interest rates markets last week was also exacerbated by a disruption of market liquidity dynamics. JPM analysts note that Treasury market depth has declined significantly, to levels not seen since the early spring of 2020 (left chart). At a higher resolution, the analysis notes that the deterioration in depth was particularly severe around 1pm on Thursday as volumes surged and the most rapid sequence of the sell-off took place. JPM analysts thus stipulate that a steep decline in market depth also contributed to the outsized moves in yields late in the week.

Exhibit 6: Market depth declined significantly over the last two days…
5-year Treasury market depth; $mn



* * Market depth is the sum of the three bids and offers by queue position, using the top 3 bids and offers in Treasury notes and bonds, averaged between 8:30 and 10:30am daily.
Source: J.P. Morgan, BrokerTec

Exhibit 7: …and in particular, depth dropped deteriorated throughout the morning on Thursday, hitting a low point after the 7-year auction…
5-year Treasury market depth* at top 3 and top 10 levels of the order book (LHS; $mn) and 5-year hot-run price order-weighted bid/offer** (RHS; ticks) on 2/25/2021



* Market depth defined as the total notional available in the central limit order book (CLOB) at the best three prices, averaged across both the bid and ask stacks. We take snapshots of the live order book for every $500mn in traded notional, and average market depth measurements from these snapshots, thus forming a volume-weighted average.
** We take the spread between the top 5 bids and offers on both sides of the order book, weighted by the volume of orders at each level.
Source: J.P. Morgan, BrokerTec

Europe

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European equities advanced around 1.0-1.5% with recovery and re-opening stocks outperforming. Airlines (+3%). consumer services (+2.2%) and consumer financing sector (+2%) rose on re-opening hopes. Interestingly, despite the recent outperformance of cyclical shares as compared to defensive sector, value shares have continued to lag growth stocks, despite rising yields and expectation of broader economic recovery.

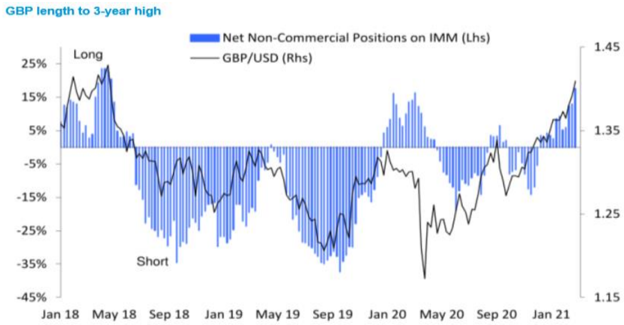
Exhibit 1 : Value vs. Growth has not rebounded as strongly as Cyclicals vs. Defensives
Europe

Source: Datastream, Worldscope, Goldman Sachs Global Investment Research

European sovereign bond markets opened higher this morning with 10-year bund yields down 5 bps and Southern European spreads tightening 1-2 bps. Market participants were mostly digesting the recent communication out the ECB with regards to the increase in sovereign bond yields. Some analysts saw the comments from the ECB board members as a signal that the central bank may ramp up its purchases under the pandemic emergency purchase program (PEPP). That said, market participants seem to disagree whether at this stage the increase in yields already qualifies as tightening of financial condition that the central bank would respond to. In this context, an increased attention will be paid to the weekly PEPP purchases reports to gauge ECB's sensitivity to yield curve moves.

United Kingdom

Bank of England officials have so far adopted a more relaxed view around rising bond yields. Both the deputy governor Ramsden and chief economist Haldane saw the recent increase in yields as a reflection of the positive news around the economy. Analysts have noted that the communication raises further doubts around the expansion of the asset purchase program envelope from the current £895bn. Investors attention will be now focused on the Budget delivered by Chancellor Sunak on Wednesday (3rd March) with contacts expecting 2021/22 deficit to remain around 8% of GDP. Gilt yields edged lower today (-3 bps 10-year) after trading as high as 0.83% on Friday. **The sterling (+0.3%) was trading just below 1.40 mark as the latest commitment of traders reports suggest that long positions are at the highest level in three years.**



Bloomberg Finance LP, Deutsche Bank

Other Mature Markets

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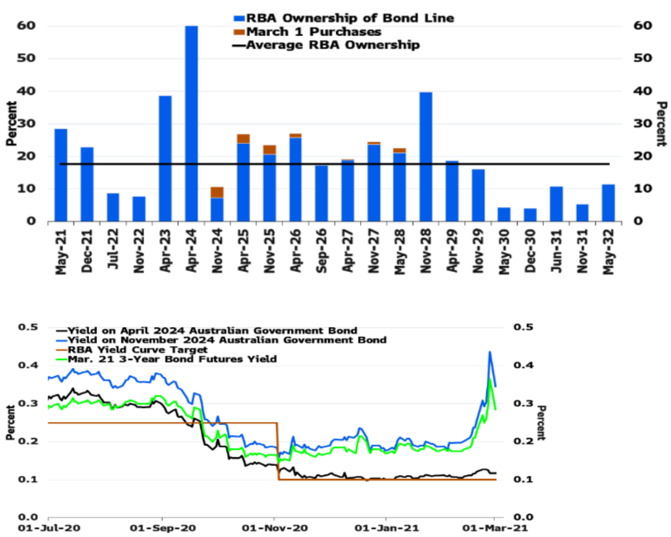
Japan

JGB yields declined (10-year: -0.6 bp; 30-year: -2.5 bps) as the global bond sell-off eased. The Bank of Japan left its bond purchase amount unchanged. Analysts noted that JGB yields are currently attractive, but investors are reluctant to increase their positions ahead of the policy review. **Manufacturing PMI improved to 51.4 in February from 50.6 in January.** Meanwhile, the auto sales declined 2.2% y/y in February, the first time in five months, partly a byproduct of the worldwide chip shortage. **Japanese yen depreciated (-0.1%); equities gained (NIKKEI: +2.4%).**

Australia

The Reserve Bank of Australia (RBA) bought 4 bn Australia dollars ($3.1 bn) of bonds to control yields. Following an unscheduled purchase of 3 bn Australian dollars ($2.3 bn) of shorter-maturity bonds last Friday, the RBA today doubled the size of its regular purchase of longer-maturity bonds. The RBA offered to buy bonds maturing between November 2024 and May 2028; however, the purchases were largely front-loaded. Some analysts expected that the RBA would accelerate the bond purchases as the 3-year benchmark is still above the RBA's target a 0.1%, while others suggested that the RBA may soon shift its purchase focus to the November 2024 bond to bring down yields across the curve. **Government bond yields declined (3-year: -0.2 bp; 10-year: -24.7 bps); Australian dollar appreciated (+0.5%); equities gained (+1.7%).**

RBA May Need to Refocus Purchases to the November 2024 Bond Line



Source: Bloomberg.

Emerging Markets

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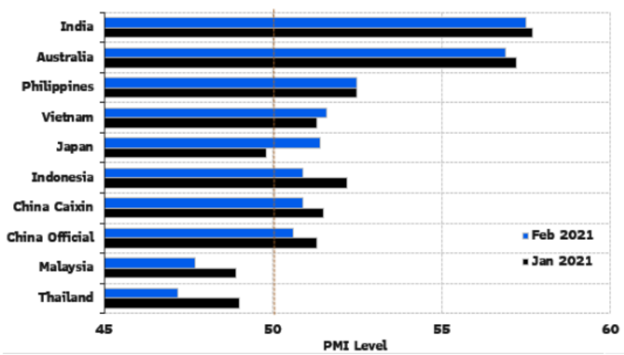
Latin American equity markets were mixed on Friday. Colombia outperformed as equities rose 1.8%, followed by Mexico (+0.6%), while Brazil (-2.0%) and Argentina (-1.0%) saw losses. Local currencies were broadly weaker. The Chilean peso was the worst performer, depreciating 1.6% against the dollar, followed by the Brazilian real (-1.5%) and the Colombian peso. 10-year government bond yields were generally lower.

Asian stock markets gained, +1.6% on net, led by Hong Kong (+1.6%), Chinese (CSI 300: +1.5%) and Indonesian (+1.5%) equities. Market sentiment generally improved as the global bond sell-off eased. Furthermore, **February PMI data remained solid in most Asian countries**, with the exceptions of Malaysia and Thailand. Malaysian (-0.6%) and Thai (+0.1%) equities underperformed regional peers. **Asian currencies were mixed.** Chinese yuan (+0.3%) and Indian rupee (+0.2%) appreciated, while Thai baht (-0.4%) depreciated. **Most government bond yields declined** (for 10-year, Indonesia: -3.6 bps; Singapore: -3.2 bps). Yields rose in Philippines (10-year: +4.9 bps) on the back of accelerating inflation expectations (to 4.7% y/y in February from 4.2% in January).

Asia PMIs



EMEA equities and currencies recovered some of last week's losses. Turkish equities (+2.1%) and the lira (+2.1%) outperformed as the Turkish government is expected to gradually ease pandemic restrictions later today. Turkish GDP growth disappointed but was still positive at 1.7% q/q in 2020Q4 (3.9% expected). South African equities (+2.3%) and the rand (+0.3%) are higher after President Ramaphosa eased lockdown restrictions in response to a sharp fall in the daily rate of new infections. Russian equities (+0.6%) and the ruble (+0.6%) also posted gains. Equities also rose in Eastern Europe, with Hungary (+2%) outperforming.

Key Emerging Market Financial Indicators

Last updated:	Level		Change				
3/1/21 8:08 AM	Last 12m	index	1 Day	7 Days	30 Days	12 M	YTD
Major EM Benchmarks				%			%
MSCI EM Equities		53.73	1.1	-7	-2	33	4
MSCI Frontier Equities		28.86	-0.1	-3	-1	5	2
EMBIG Sovereign Spread (in bps)		357	11	13	0	26	7
EM FX vs. USD		56.99	0.4	-1	-1	-2	-2
Major EM FX vs. USD				%, (+) = EM currency appreciation			
China Renminbi		6.47	0.2	0	0	8	1
Indonesian Rupiah		14255	-0.1	-1	-2	0	-1
Indian Rupee		73.55	-0.1	-1	-1	-1	-1
Argentine Peso		89.75	0.1	0	-2	-31	-6
Brazil Real		5.59	0.3	-2	-3	-20	-7
Mexican Peso		20.82	0.2	0	-2	-7	-4
Russian Ruble		74.16	0.6	0	3	-10	0
South African Rand		15.09	0.2	-3	0	2	-3
Turkish Lira		7.24	2.6	-3	-1	-15	3
EM FX volatility		10.75	0.2	0.7	0.3	2.6	0.0

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

Emerging Market Fund Flows

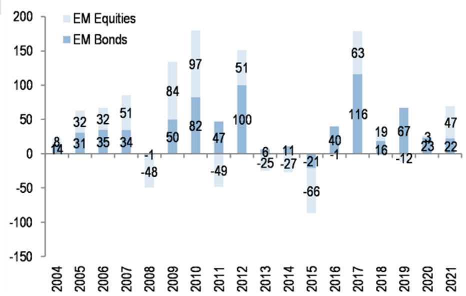
EM bond fund flows reverted to modest inflows last week (+$1.7 bn), while EM equity funds continued to see strong inflows (+$6.3 bn). Inflows to EM bond funds were mainly driven by the inflows to local currency bond funds (+$1.8 bn), partially offset by the outflows from hard currency bond funds (-$87 mn). From a regional perspective, inflows to Asia ex-Japan equity funds reached a one-month high at +$4.4 bn, followed by Latin America equity funds (+$39 mn) and EMEA equity funds (+$1 mn)**.** Year-to-date flows to EM bonds and equities were +$22.4 bn and +$47.1 bn, respectively.

Exhibit 1: Weekly Cross-Asset Flows

USD billion

	Asset	8w flows (8w ago → current)	This wk	YTD
Fund Flows	**EM Bonds and Equities**		8.0	69.5
	EM Bonds		1.7	22.4
	Hard Ccy		-0.1	10.3
	Local Ccy		1.8	12.1
	EM Equities		6.3	47.1
	US HG		3.6	57.8
	US HY		-0.8	-1.5
	Global Equities		25.9	55.4
	EM Bond and Equity ETFs		3.3	24.7
	EM Bond ETFs		0.5	4.9
	EM Equity ETFs		2.9	19.8
	Non-resident EM flows*		-7.8	0.5
	EM Local Bonds		-2.6	2.0
	EM Equities		-5.2	-1.5

Exhibit 2: Annual EM bond and equity fund flows

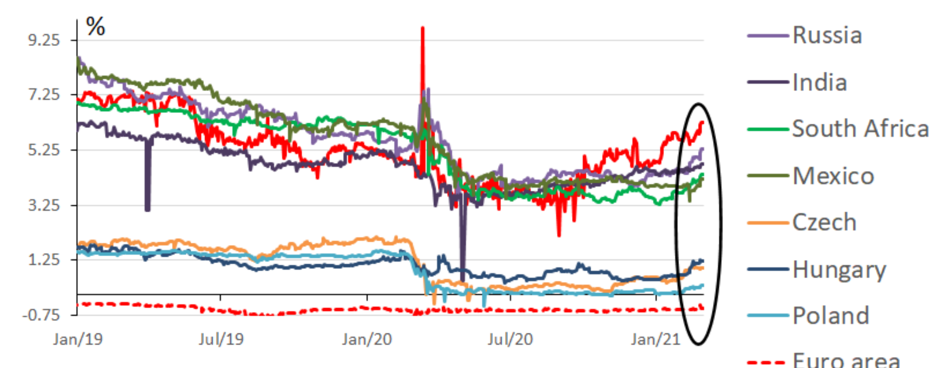


*Using high frequency non-resident EM portfolio flow data where available. Source – All charts and data in this report: J.P. Morgan, EPFR Global, Bloomberg Finance L.P.

Monetary Policy in EMEA

Forward markets have not reversed any of the additional central bank tightening priced recently. Since early February, traders priced in about 70 bps of extra hikes in South African and Russia compared to 50 bps in Hungary and 40 bps in the Czech Republic. **Traders will closely monitor February inflation releases in Turkey (Wednesday) and Russia (Friday) for signs of a further acceleration in price pressures.** Headline inflation in Turkey is expected to rise to 15.40% y/y (from 14.97% in January) and core inflation to 16% y/y (from 15.50%). In Russia, headline inflation of 5.5% y/y (5.2% expected) and core inflation of 5.0% y/y (from 4.6%) is expected for February.

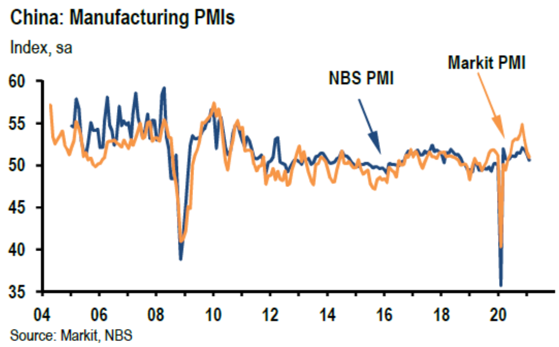
EM: Monetary policy rates a year ahead (from forwards, %)



Source: Bloomberg and IMF staff

China

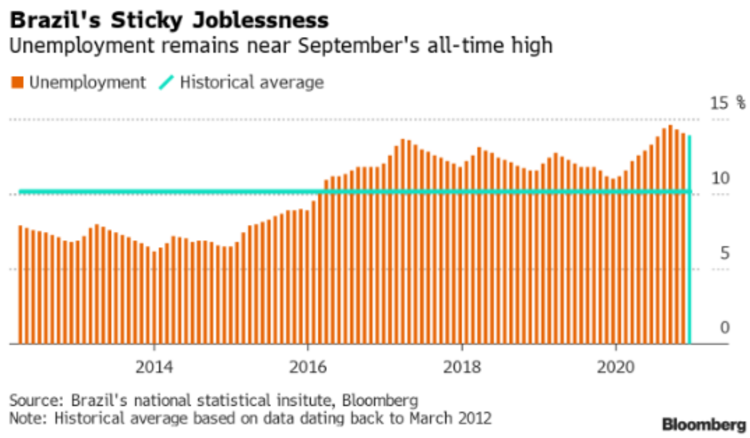
Manufacturing PMIs moderated more than expected in February. Both official and Caixin (exports-oriented) manufacturing PMIs weakened to 50.6 and 50.9, respectively, below market expectations at 51.0 and 51.4. Official non-manufacturing PMI also dropped more than expected, contributing to the decline in PMI composite (51.6 in February vs. 52.8 in January). Analysts noted that the declines could be attributed to seasonal factors (i.e., Chinese New Year) and containment measures to curb the spread of the virus. **Equities gained** (Shanghai Comp: +1.2%; Shenzhen Comp: +2.4%). Share prices recovered from the heavy sell-off last week. **RMB appreciated** (onshore: +0.3%; offshore: +0.2%).



Source: JP Morgan.

Brazil

Brazil's unemployment rate reached 13.9% in three months through December 2020, close to market expectations (14.0%). The seasonally adjusted unemployment rate increased to 14.7% from 14.6% in the previous month. Despite the elevated unemployment rate, analysts expected employment to continue recovering in the future since the labor market has been lagging the rebound in economic activity. **Separately, Brazil posted a primary budget surplus of BRL 58.4 bn in January,** above the consensus estimates (BRL 49.6 bn). The government's net debt to GDP declined to 61.6% in January from 63.0% in December, while gross debt to GDP slightly increased to 89.7% from 89.2%. **Brazilian markets posted losses last Friday, as domestic equities fell 2.0% and the real depreciated 1.5% against the dollar.**



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Global Financial Indicators

Last updated: 3/1/21 8:07 AM	Level		Change				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities					%		%
United States		3827	-0.5	-1	1	30	2
Europe		3679	1.2	-1	4	10	4
Japan		29664	2.4	-1	6	40	8
China		3551	1.2	-2	1	23	2
Asia Ex Japan		95	-1.4	-6	-2	38	6
Emerging Markets		54	1.1	-7	-2	33	4
Interest Rates					basis points		
US 10y Yield		1.44	4.0	8	37	30	53
Germany 10y Yield		-0.31	-5.1	3	21	30	26
Japan 10y Yield		0.16	-0.7	3	10	31	13
UK 10y Yield		0.78	-3.9	10	46	34	58
Credit Spreads					basis points		
US Investment Grade		92	-0.3	6	-3	-26	-3
US High Yield		357	12.4	11	-16	-114	-23
Europe IG		50	-1.7	1	-2	-17	2
Europe HY		256	-9.6	5	-10	-48	13
EMBIG Sovereign Spread		357	11.0	13	0	26	7
Exchange Rates					%		
USD/Majors		91.07	0.2	1	0	-7	1
EUR/USD		1.20	-0.2	-1	0	8	-1
USD/JPY		106.8	0.2	2	2	-1	3
EM/USD		57.0	0.4	-1	-1	-2	-2
Commodities					%		
Brent Crude Oil ($/barrel)		65	1.3	0	16	29	26
Industrials Metals (index)		147	0.9	-1	11	43	11
Agriculture (index)		53	0.7	1	4	37	9
Implied Volatility					%		
VIX Index (%, change in pp)		25.2	-2.8	1.7	-5.0	-14.9	2.5
US 10y Swaption Volatility		85.9	-3.2	7.2	26.0	-16.0	25.7
Global FX Volatility		8.3	0.0	0.8	0.7	0.9	0.3
EA Sovereign Spreads					10-Year spread vs. Germany (bps)		
Greece		135	-2.4	12	16	-59	15
Italy		101	-1.3	7	-13	-70	-10
Portugal		57	-1.2	1	2	-39	-3
Spain		67	-1.6	0	6	-22	5

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)						
3/1/2021	Level		Change (in %)					Level		Change (in basis points)				
8:08 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		6.47	0.2	0.0	0	8	1		3.4	0.5	0	8	49	10
Indonesia		14255	-0.1	-1.0	-2	0	-1		6.6	3.9	14	34	-18	58
India		74	-0.1	-1.4	-1	-1	-1		6.4	3.1	11	39	-9	49
Philippines		49	-0.1	0.2	-1	4	-1		3.5	0.3	1	-13	-66	-17
Thailand		30	-0.4	-0.7	-1	4	-1		1.8	-0.8	22	44	59	48
Malaysia		4.06	-0.1	-0.3	0	4	-1		3.0	8.9	13	45	17	46
Argentina		90	0.1	-0.4	-2	-31	-6		41.5	-1.5	-97	-887	-1074	-1461
Brazil		5.59	0.3	-2.3	-3	-20	-7		7.3	10.9	56	78	131	169
Chile		719	0.9	-1.5	2	13	-1		3.1	-2.1	20	35	-52	36
Colombia		3608	-0.4	-1.4	0	-4	-5		5.6	-2.4	32	43	8	50
Mexico		20.82	0.2	-0.4	-2	-7	-4		6.1	-1.6	16	51	-49	51
Peru		3.6	0.0	0.1	0	-7	-1		4.2	-1.4	15	42	5	64
Uruguay		43	0.2	-0.8	-3	-10	-2		7.0	0.1	2	-20	-262	-23
Hungary		301	-0.5	-2.0	-2	1	-1		2.1	-0.5	27	52	51	56
Poland		3.76	-0.4	-1.6	0	3	-1		0.9	2.6	16	36	-76	28
Romania		4.0	-0.2	-0.9	0	7	-2		2.9	12.0	30	57	-63	17
Russia		74.2	0.6	0.2	3	-10	0		6.5	8.0	15	54	64	78
South Africa		15.1	0.2	-2.7	0	2	-3		9.8	-1.4	2	16	58	16
Turkey		7.24	2.6	-3.1	-1	-15	3		13.5	-0.6	23	27	145	42
US (DXY; 5y UST)		91	0.2	1.2	0	-7	1		0.73	-0.3	13	30	-21	37

	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		5419	1.5	-3	0	38	4		199	0	-2	-9	30	-9
Indonesia		6339	1.5	1	4	16	6		158	0	-9	-25	-5	-29
India		49850	1.5	0	3	30	4		148	0	-4	-7	10	-3
Philippines		6873	1.1	-1	1	1	-4		83	0	-9	-17	13	-22
Malaysia		1567	-0.7	0	0	6	-4		113	0	-2	-3	9	3
Argentina		48432	-1.0	-5	-2	38	-5		1459	0	19	8	-570	91
Brazil		110035	-2.0	-2	-6	6	-8		253	0	0	-16	58	3
Chile		4612	0.0	1	5	12	10		126	0	-6	-16	-14	-18
Colombia		1359	1.8	1	0	-12	-5		207	0	-4	-15	44	2
Mexico		44593	0.6	-1	4	8	1		348	0	-9	-34	55	-12
Peru		22530	-1.5	-1	4	23	8		133	0	-4	-3	22	1
Hungary		44591	1.8	3	2	11	6		65	0	-6	-15	-42	-31
Poland		57530	1.0	-1	0	17	1		-22	0	-4	-11	-54	-21
Romania		10250	0.5	0	-1	12	5		210	13	18	6	12	7
Russia		3372	0.7	-2	2	21	3		159	0	-5	-3	19	-7
South Africa		67650	2.3	0	8	33	14		357	0	-4	-35	25	-23
Turkey		1508	2.4	-3	1	42	2		421	0	-5	-47	34	-24
Ukraine		523	0.2	0	0	-2	5		479	0	12	-21	127	-12
EM total		54	1.2	-7	-2	33	4		421	0	17	-10	97	128

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

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