



Global Markets Monitor

Monetary and Capital Markets Department
Global Markets Analysis Division

Monday, March 11, 2019

- **US markets look past weak payroll report ([link](#))**
- **Bank of England tightens banks' liquidity requirements ([link](#))**
- **Deutsche Bank and Commerzbank shares gain on further merger speculation ([link](#))**
- **Hard currency EM debt issuance jumps to \$20 bn last week ([link](#))**
- **Argentine peso strengthens from record lows after central bank raised key rate by 600 bps ([link](#))**
- **[Special Feature on recent slump and rebound in EM capital flows \(attached\)](#)**

[US](#) | [Europe](#) | [Other Mature](#) | [Emerging Markets](#) | [Market Tables](#)

Market sentiment improves after last week's losses

Markets took a breather this morning and started the week in calm fashion, brushing off last week's poor performance. Most bourses in Europe and Asia traded modestly higher whilst S&P 500 futures also gained. Banks helped European stocks to their first advance in three sessions, with Commerzbank shares among the biggest winners on reports it's edging closer to a merger with Deutsche Bank. In emerging markets, Chinese stocks led the gains with a 1.9% rise while India (+1.0%) also advanced. Stocks in the EMEA region were more mixed with Russia (-0.6%) underperforming. In currency markets, the dollar was marginally stronger this morning whilst the Argentine peso (+2.8%) bounced back on Friday from record lows after the central bank raised its key rate by 600 bps.

As markets ponder the implications of last week's shockingly low US payroll number and the ECB's surprise downgrade of its euro area GDP forecast, the coming week could bring fresh challenges. The UK faces three crucial Brexit votes, with the market optimists hoping for a significant postponement of the Brexit deadline. The US jobs report brings more scrutiny to CPI (tomorrow) and durable goods (Wednesday). With the ECB downgrade, euro area data such as industrial production (Wednesday) and CPI (Friday) assume greater significance. Amidst the political headlines, the UK gets industrial production data tomorrow. The highlight in Japan is the upcoming BOJ meeting which concludes on Friday, with some expecting the Japanese central bank to join the ECB in marking down its economic forecasts. China will also report on industrial production and retail sales on Wednesday and India reports trade data on Thursday and Friday.

Key Global Financial Indicators

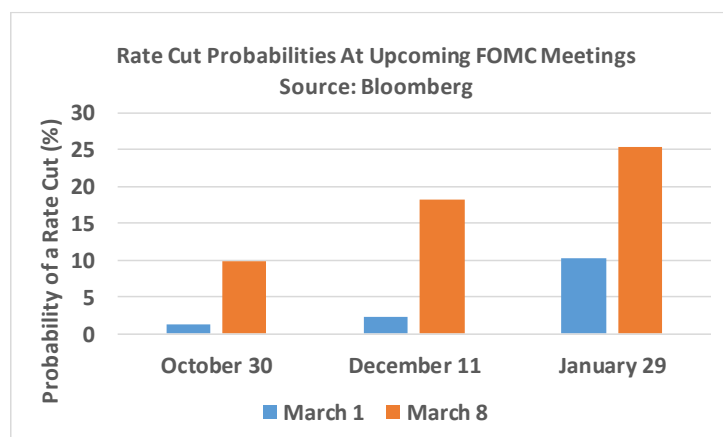
| Last updated: 3/11/19 8:12 AM | Level | | Change from Market Close | | | | YTD |
|--------------------------------------|----------|--------|--------------------------|--------|---------|------|-----|
| | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | |
| Equities | | | % | | | | % |
| S&P 500 | | 2743 | -0.2 | -2 | 1 | -2 | 9 |
| Eurostoxx 50 | | 3294 | 0.3 | -1 | 4 | -4 | 10 |
| Nikkei 225 | | 21125 | 0.5 | -3 | 4 | -2 | 6 |
| MSCI EM | | 42 | 1.4 | -2 | -1 | -16 | 7 |
| Yields and Spreads | | | bps | | | | |
| US 10y Yield | | 2.65 | -1.1 | -8 | -1 | -25 | -4 |
| Germany 10y Yield | | 0.07 | -0.2 | -9 | -5 | -58 | -18 |
| EMBIG Sovereign Spread | | 353 | 7 | 10 | -8 | 66 | -61 |
| FX / Commodities / Volatility | | | % | | | | |
| EM FX vs. USD, (+) = appreciation | | 62.9 | 0.2 | -1 | -1 | -11 | 1 |
| Dollar index, (+) = \$ appreciation | | 97.3 | 0.0 | 1 | 0 | 8 | 1 |
| Brent Crude Oil (\$/barrel) | | 66.2 | 0.7 | 1 | 8 | 1 | 23 |
| VIX Index (% change in pp) | | 16.2 | 0.1 | 2 | 0 | 2 | -9 |

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

United States

[back to top](#)

The Treasury market held steady despite the surprise payroll print. Although Treasuries soared on Thursday after the ECB's surprise GDP downgrade pulled global government bond yields lower, Friday's payroll report had a much more limited impact as the 10-year yield fell just 2 bps to 2.62%. Contacts reported a widespread belief in the market that the jobs report was an anomaly and not the beginning of a negative trend. They placed more emphasis on the stronger than expected wage growth numbers than the headline jobs data and predicted that the Fed would take a similar view. Wage growth has now reached its fastest pace of the expansion at 3.4%. However, the futures markets did move in a more dovish direction compared to a week earlier, predicting higher odds of a rate cut at FOMC meetings at the end of the year and in January 2020. This morning, **US retail sales came higher than expected** in January at +0.2% mom versus the consensus forecast of no gain. The ex-autos release was 0.9% (vs. 0.3%). The December print, however, was downwardly revised to -1.6% mom (from -1.2% previously). Markets were little changed following the data, although Treasury yields were slightly higher.

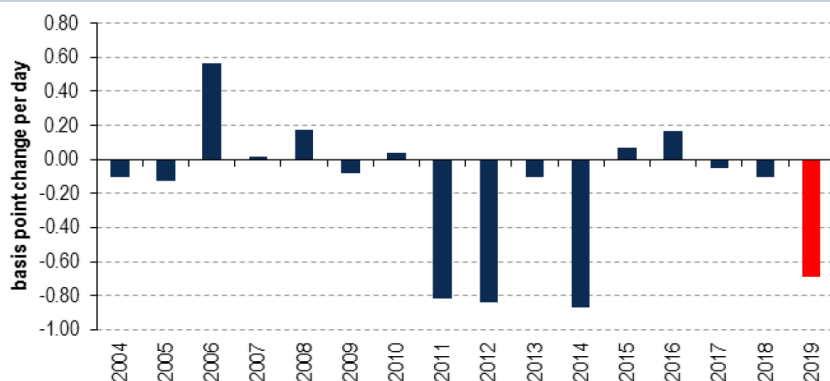


Price action in the stock market appeared to corroborate this more optimistic view of the weak jobs data. Despite an initial selloff in index futures and larger intra-day losses in the cash markets, the major indexes ended with limited declines in line with the overall weak tone that has prevailed over the past two

weeks. Since the week ending February 22, the S&P 500 has declined on 8 of the 10 trading days but the total loss over the period was a relatively modest 2%. With the Q1 2019 earnings season not far away and the outcome of the China-US trade negotiations still uncertain, contacts report that investors have stayed on the sidelines for now but remain cautiously optimistic. The S&P 500 index is still just 7% below the record close set on September 20th last year.

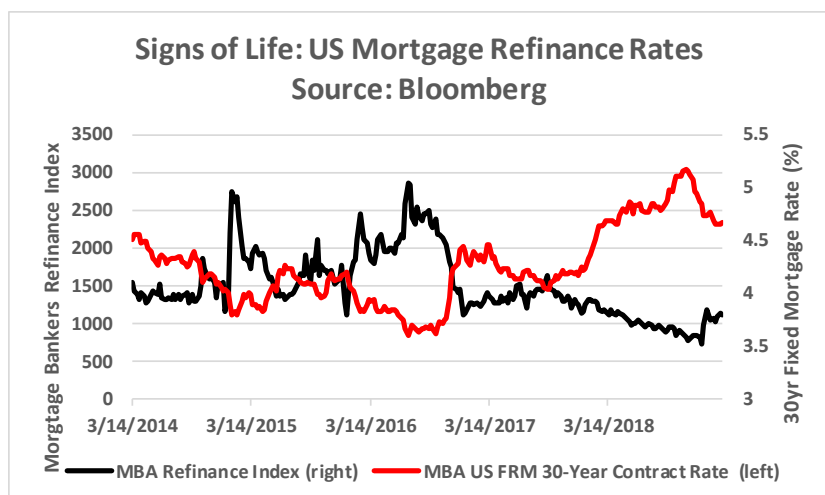
US Treasury rates have been highly sensitive to news and data releases in 2019, according to analysts. Good data points or good news headlines have sent 10-year yields 26 bps higher while bad data releases or bad news headlines have sent them 16 bps lower. The Treasury market's sensitivity to news is back up to the levels seen during the European crisis and the oil price collapse of 2014-15. Negative headlines on the US-China trade imbroglio, Brexit and the slowing world economy have pushed Treasury yields well below the 2019 forecasts of most analysts. The beta of yields to news days is 0.70% so far in 2019, compared to just 0.10 last year. Some speculate that rates have room to rise this year if the trade deal is resolved as most expect and Brexit is postponed. Others are more pessimistic, arguing that global growth rates are unlikely to pick up and that the US cycle may be coming to an end.

Chart 10: 10y rate beta to news in 2019 looks like the 2011-12 Euro crisis and 2014 oil crisis



Source: BofA Merrill Lynch Global Research. Note: the y-axis shows the cumulative basis point 10y move divided by # of news days, ie the "beta" of rates to news.

Prepayment risk is higher in the US mortgage-backed security (MBS) market as unexpectedly low mortgage lending rates have finally led to an uptick in home owner mortgage refinancing. Although refinance rates are still very low by historical standards, the change in behavior has drawn attention from MBS investors. The prepayment risks in the TBA (To-Be-Announced) 30-year MBS market have increased and contacts report that investors are now favoring MBS created from specified pools with more easily predictable prepayment risks over the more generic bonds sold in the TBA market. Although the MBS market is much smaller than its pre-crisis peak and the old interest rate hedging pressures from the large Fannie Mae and Freddie Mac portfolios no longer exist, higher MBS prepayment risk can still be a source of volatility for interest rates. Investors still keep a close eye on prepayment risk even if they are not directly involved in the MBS market.



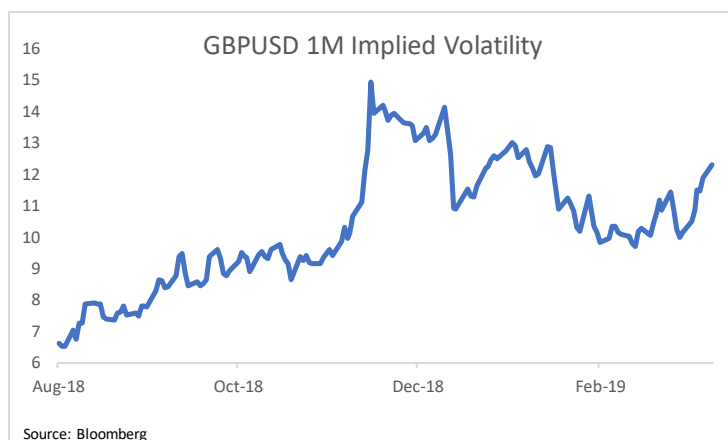
Europe

[back to top](#)

Equities gained modestly this morning. The Euro Stoxx 50 was up by 0.3% with banks (+1.5%) the best performing sector on the back of gains for Deutsche Bank and Commerzbank (see below). **Sovereign yields were mixed.** Gilt yields fell by 2-3 bps while BTPs were 4-6 bps higher. Other countries saw smaller moves. Bund yields were a fraction lower after disappointing IP data for January (-0.8% mom vs. +0.5% expected).

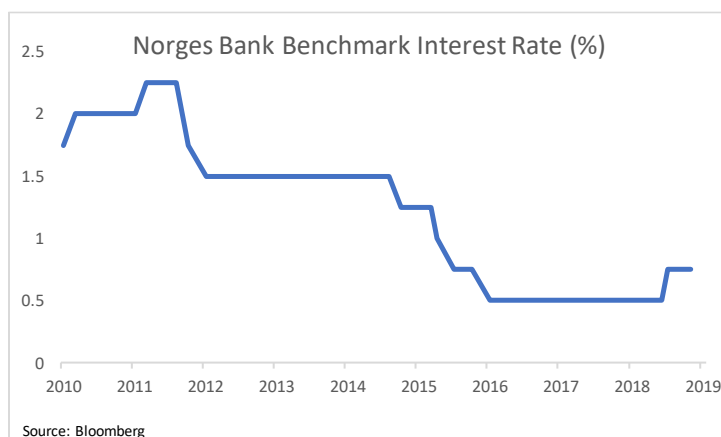
PM May is expected to suffer another heavy defeat in tomorrow's vote on her Brexit deal. Conservative MPs are said to be preparing for a similar loss as in January when the deal was defeated by 230 votes. May spoke to EC president Juncker yesterday with no progress reported after the call. Media reports point to greater pressure on May to resign as no clear path to resolve the impasse has presented itself with 18 days to go to the Brexit deadline. Most analysts expect parliament to reject a no deal path following a defeat of May's deal but then accept a requested extension in a subsequent vote.

Reports indicate that the Bank of England has tightened banks' liquidity requirements ahead of the March 29 Brexit deadline. Some banks are said to be faced with an extension of LCR requirements to cover 100 days of severe stress with intraday checks by the regulator at some institutions. The move follows an agreement by the central bank and the ECB to activate foreign exchange swap lines ahead of the UK's possible EU exit. Despite the approaching deadline, **markets continue to trade in an orderly manner although sterling has weakened somewhat, and implied volatility started to climb in recent sessions.**



Shares in Deutsche Bank (+2.7%) and Commerzbank (+4.4%) soared as rumors continue to intensify of an impending merger between the two banks. Deutsche CEO Sewing is said to have dropped his resistant to the merger while continued low interest rates are added to the problems facing the lender. Last week's ECB meeting strengthened expectations that interest rates in the region will remain low for longer, adding to concerns over banks' profitability. Markets have now pushed out their expected timing for a rate hike to the end of next year.

The Norwegian krone appreciated after inflation data increased speculation of monetary policy tightening. Inflation came in at 3% yoy in February having been expected to decline to 2.8%. The monthly rise was also higher than expected at 0.8% (0.6% expected). The numbers have raised expectations that the central bank will increase interest rates from their current level of 0.75% at the bank's meeting next week. The bank raised the rate for the first time in eight years last month. The krone appreciated against all major currencies, including 0.7% against the euro to a one-week-high of 9.77.



Other Mature Markets [back to top](#)

Japan


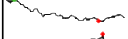



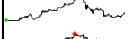
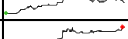
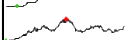

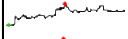


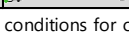

Japanese equities edged higher, their first gain in four sessions while the yen weakened a touch. Amid a dearth of significant news, the Nikkei gained 0.5% while the Topix gained 0.6%, with chemicals and telecommunications shares providing the biggest boost, while the yen was little changed at ¥111.1/dollar. Investors are focusing on the upcoming Bank of Japan meeting later in the week and speech from Governor

Kuroda. Market consensus expects no change in policy stimulus. That said, there is also a broadly-held expectation for the Cabinet Office to revise down its economic assessment in April.

Emerging Markets

[back to top](#)

Key Emerging Market Financial Indicators

| Last updated: 3/11/19 8:10 AM | Level | | Change | | | | YTD |
|----------------------------------|---|-------|-----------------------------------|--------|---------|------|------|
| | Last 12m | index | 1 Day | 7 Days | 30 Days | 12 M | |
| Major EM Benchmarks | | | % | | | | % |
| MSCI EM Equities |  | 41.64 | 1.4 | -2 | -1 | -16 | 7 |
| MSCI Frontier Equities |  | 28.17 | 0.3 | -1 | -1 | -21 | 8 |
| EMBIG Sovereign Spread (in bps) |  | 353 | 7 | 10 | -8 | 66 | -61 |
| EM FX vs. USD |  | 62.86 | 0.1 | -1 | -1 | -12 | 1 |
| Major EM FX vs. USD | | | %, (+) = EM currency appreciation | | | | |
| China Renminbi |  | 6.72 | 0.0 | 0 | 1 | -6 | 2 |
| Indonesian Rupiah |  | 14291 | 0.2 | -1 | -2 | -4 | 1 |
| Indian Rupee |  | 69.89 | 0.4 | 1 | 2 | -7 | 0 |
| Argentine Peso |  | 41.19 | 2.8 | -3 | -8 | -51 | -9 |
| Brazil Real |  | 3.87 | 0.3 | -2 | -3 | -16 | 0 |
| Mexican Peso |  | 19.48 | 0.0 | -1 | -1 | -5 | 1 |
| Russian Ruble |  | 66.07 | 0.4 | -1 | 0 | -14 | 5 |
| South African Rand |  | 14.39 | 0.4 | -1 | -4 | -18 | 0 |
| Turkish Lira |  | 5.44 | 0.0 | -1 | -3 | -29 | -3 |
| EM FX volatility |  | 8.34 | 1.3 | 0.1 | -0.6 | 0.6 | -1.4 |

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

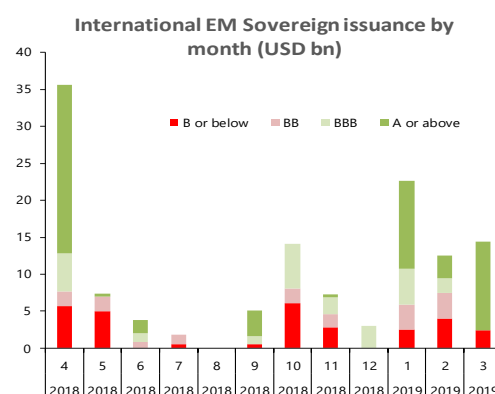
EM hard currency issuance

Hard currency debt issuance was very strong last week with \$20 bn of issuance of sovereign and corporate debt. State of Qatar (Aa3/AA-/AA-) issued the largest EM deal of the year with a \$12 bn deal, split between 5, 10 and 30 year maturities. The issuance was only announced earlier in the week and the large size caught many market participants by surprise. Demand was very strong with order books reaching \$50 bn (4.2x ratio), the largest EM book of the year. In comparison, Saudi Arabia issued \$7.5 bn in January with books over the \$27 bn (3.6x ratio). **Sri Lanka (B2/B/B)** returned to the bond market after roughly a year. Order books reached \$7.5 bn for a final issuance size of \$2.4 bn with the issuer finding strong demand amongst fund managers (90% of total), from the US and Europe. Bondradar reported that according to a central bank official the spread of more than 500 bp above the U.S. Treasury was high but given the political crisis and other uncertainties the country has faced with in the past few months, these are better rates compared to what they originally planned.

Hard currency EM weekly debt issuance in \$bn:

| Year | Week | Sov + Corp | | | Sov | Corp | Financial | Other |
|------|------|------------|------|-----|------|------|-----------|-------|
| | | Global EM | IG | HY | | | | |
| 2019 | 10 | 20.0 | 13.0 | 6.3 | 14.4 | 5.6 | 2.5 | 0.5 |
| 2019 | 9 | 8.7 | 6.3 | 2.1 | 2.3 | 6.5 | 1.7 | 1.3 |
| 2019 | 8 | 11.4 | 2.4 | 7.9 | 4.0 | 7.4 | 3.8 | 0.0 |
| 2019 | 7 | 9.2 | 4.1 | 5.1 | 5.8 | 3.4 | 2.5 | 1.5 |
| 2019 | 6 | 2.6 | 1.3 | 1.3 | 0.5 | 2.1 | 0.0 | 1.2 |
| 2019 | 5 | 7.9 | 3.6 | 3.5 | 1.0 | 6.9 | 2.9 | 0.0 |
| 2019 | 4 | 9.3 | 1.3 | 5.3 | 3.4 | 5.9 | 1.7 | 0.9 |
| 2019 | 3 | 7.7 | 5.5 | 2.2 | 2.8 | 4.9 | 4.7 | 1.1 |
| 2019 | 2 | 18.9 | 14.3 | 3.7 | 15.4 | 3.4 | 1.4 | 0.0 |
| 2019 | 1 | 0.8 | 0.0 | 0.8 | 0.0 | 0.8 | 0.0 | 0.0 |

Source: Bondradar



EM fund flows

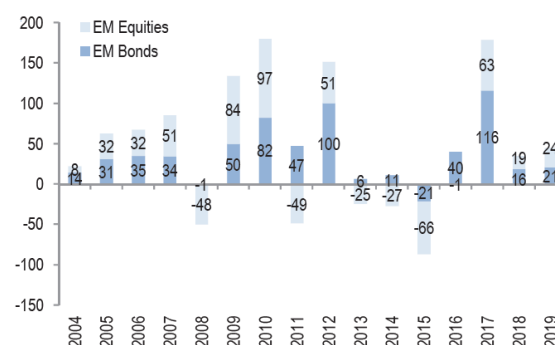
EPFR EM bond fund inflows increased for the second week, while EM equity fund flows continued, albeit at a slower pace. EM bond fund flows were \$1.8 bn (up from +\$1.5 bn last week). In contrast to the start of the year, inflows over the past 4 weeks have been focused in actively-managed funds (+\$4.5 bn) rather than ETFs (+\$946 mn). EM equity fund flows were +\$836 mn (down from \$1.8bn). Year to date flows to EM bonds and equities as of last week stand at +\$20.5 bn and +\$24.2 bn, respectively. JP Morgan increased its forecast to \$30-40 bn of EM-dedicated bond fund inflows for 2019, from flat previously. Their proprietary surveys show longer-term institutional/crossover investors show demand picking up substantially in 2019 demonstrating sponsorship for the asset class outside of the retail universe that is mostly captured by the EPFR data.

Exhibit 1: Weekly Cross-Asset Flows
USD billion

| Asset | 8w flows (8w ago → current) | This wk | YTD |
|-------------------------|-----------------------------|---------|-----|
| EM Bonds and Equities | 2.6 | 44.7 | |
| EM Bonds | 1.8 | 20.5 | |
| Hard Ccy | 1.2 | 15.7 | |
| Local Ccy | 0.6 | 4.8 | |
| EM Equities | 0.8 | 24.2 | |
| US HG | 2.7 | 17.4 | |
| US HY | -0.9 | 9.9 | |
| Global Equities | -5.8 | -15.5 | |
| EM Bond and Equity ETFs | 0.8 | 27.4 | |
| EM Bond ETFs | 0.2 | 7.9 | |
| EM Equity ETFs | 0.7 | 19.5 | |
| Non-resident EM flows* | -1.5 | 18.4 | |
| EM Local Bonds | -0.2 | 7.2 | |
| EM Equities | -1.3 | 11.2 | |

*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

Exhibit 2: Annual EM bond and equity fund flows
USD billion



China

New loan growth and total social financing both moderated and were short of expectations in February. New loans totaled RMB 885.8 bn, lower than consensus expectation of RMB 950 bn. Meanwhile, TSF came in at RMB 703 bn, down from RMB 4.6 tn previously and well short of expectations of RMB 1.3 tn. Notably, bills financing decreased from RMB 516 bn in January to RMB 169.5 bn in February, and the shrinkage of off-balance sheet financing (RMB 364.8 bn) pulled TSF lower. At a press conference over the weekend, PBC governor Yi Gang noted that judging from the combined credit data for the first two months, TSF slowdown seen last year has ended and the series is stabilizing. **Both the onshore and offshore RMB held steady on the day** (onshore CNY: 6.72/dollar; offshore CNH: 6.73/dollar) **while equities pressed ahead**, partially recovering recent losses despite warnings from State media on market speculation. The

Shanghai Composite gained 1.9% following the 4.4% decline on Friday. The Shenzhen Composite rose 3.9%, fulling erasing the 3.8% loss sustained last Friday.

Argentina

The peso appreciated by 2.8% against the dollar on Friday from a record low as the central bank raised its benchmark interest rate. Before market open the central bank unexpectedly announced two auctions of its 7-day Leliqs which reference the benchmark rate. The rate was raised by 603 bps to 57.9%, the highest since January 14. Investors were disappointed Thursday when the bank raised the benchmark rate marginally for the 11th time in 12 days. The dollar's global rally, coupled with more negative Argentine economic data and worsening inflation expectations, led to the peso's underperformance last week (-3.3% against the dollar on a weekly basis).

Exhibit 3: Inflation expectations continue to rise

REM Median CPI expectations for Dec-2019 (%)

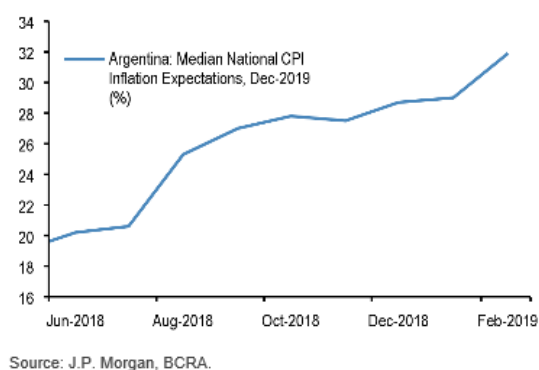


Exhibit 4: The Leliq rate has increased, maintaining some support for the ARS

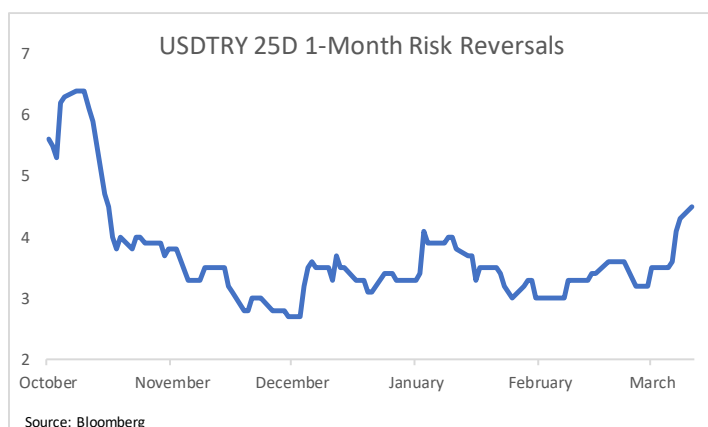
Leliq rate (%)

Source: J.P. Morgan, BCRA



Turkey





























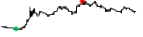
The lira held steady this morning despite disappointing GDP data. Annual growth in Q4 came in at -3% as opposed to consensus expectations for a 2.5% slide. The quarterly number was in line with expectations. The numbers represent the first time the country falls into a recession in a decade ahead of coming municipal elections later this month. The poor data may facilitate a loosening of monetary policy where interest rates remain at the elevated level of 24%. The lira weakened by 0.5% immediately after the release but pared losses later in the session. Investors have started to increase their bearish bets on the currency with risk reversals rising in recent sessions.



List of GMM Contributors (Global Markets Analysis Division, MCM Department)
Anna Ilyina*Division Chief***Peter Breuer***Deputy Division Chief***Will Kerry***Deputy Division Chief***Evan Papageorgiou***Deputy Division Chief***Sergei Antoshin***Senior Economist***John Caparusso***Senior Financial Sector Expert***Sally Chen***Senior Economist***Fabio Cortés***Senior Economist***Mohamed Jaber***Senior Financial Sector Expert***David Jones***Senior Financial Sector Expert***Sanjay Hazarika***Senior Financial Sector Expert***Rebecca McCaughrin***Senior Financial Sector Expert***Juan Solé***Senior Economist***Jeffrey Williams***Senior Financial Sector Expert***Akihiko Yokoyama***Senior Financial Sector Expert***Dimitris Drakopoulos***Financial Sector Expert***Tryggvi Gudmundsson***Economist***Henry Hoyle***Financial Sector Expert***Robin Koepke***Economist***Thomas Piontek***Financial Sector Expert***Rohit Goel***Financial Sector Expert***Jochen Schmittmann***Economist***Ilan Solot***Financial Sector Expert***Nour Tawk***Economist***Martin Edmonds***Senior Data Mgt Officer***Yingyuan Chen***Senior Research Officer***Piyusha Khot***Research Assistant***Xingmi Zheng***Research Assistant*

Disclaimer: This is an internal document. It is produced by the Global Markets Analysis Division (GA) of the Monetary and Capital Markets Department. It reflects GA staff's interpretation and analysis of market views and developments. Market views presented may or may not reflect a consensus of market participants. GA staff do not independently verify the accuracy of all data and events presented in this document.

Global Financial Indicators

| Last updated: 3/11/19 8:13 AM | Level | | Change | | | | YTD |
|----------------------------------|---|--------|----------------------------------|--------|---------|------|------|
| | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | |
| Equities | | | % | | | | % |
| United States |  | 2743 | -0.2 | -2 | 1 | -2 | 9 |
| Europe |  | 3294 | 0.3 | -1 | 4 | -4 | 10 |
| Japan |  | 21125 | 0.5 | -3 | 4 | -2 | 6 |
| China |  | 3027 | 1.9 | 0 | 14 | -8 | 21 |
| Asia Ex Japan |  | 68 | -0.9 | -2 | 0 | -14 | 7 |
| Emerging Markets |  | 42 | 1.4 | -2 | -1 | -16 | 7 |
| Interest Rates | | | basis points | | | | |
| US 10y Yield |  | 2.65 | -1.1 | -8 | -1 | -25 | -4 |
| Germany 10y Yield |  | 0.07 | -0.2 | -9 | -5 | -58 | -18 |
| Japan 10y Yield |  | -0.03 | 0.0 | -4 | 0 | -9 | -4 |
| UK 10y Yield |  | 1.17 | -2.4 | -11 | -2 | -33 | -11 |
| Credit Spreads | | | basis points | | | | |
| US Investment Grade |  | 120 | 0.7 | 0 | -2 | 28 | -27 |
| US High Yield |  | 421 | -0.6 | 20 | -12 | 77 | -100 |
| Europe IG |  | 64 | -1.1 | 2 | -9 | 15 | -24 |
| Europe HY |  | 287 | -2.6 | 10 | -27 | 40 | -66 |
| EMBIG Sovereign Spread |  | 353 | 7.0 | 10 | -8 | 66 | -61 |
| Exchange Rates | | | % | | | | |
| USD/Majors |  | 97.30 | 0.0 | 1 | 0 | 8 | 1 |
| EUR/USD |  | 1.12 | 0.1 | -1 | 0 | -9 | -2 |
| USD/JPY |  | 111.1 | 0.0 | 1 | -1 | -4 | -1 |
| EM/USD |  | 62.9 | 0.2 | -1 | -1 | -11 | 1 |
| Commodities | | | % | | | | |
| Brent Crude Oil (\$/barrel) |  | 66 | 0.7 | 1 | 8 | 1 | 23 |
| Industrials Metals (index) |  | 120 | 0.1 | -1 | 3 | -11 | 10 |
| Agriculture (index) |  | 40 | -0.1 | -2 | -5 | -19 | -3 |
| Implied Volatility | | | % | | | | |
| VIX Index (% change in pp) |  | 16.2 | 0.1 | 1.6 | 0.2 | 1.5 | -9.2 |
| 10y Treasury Volatility Index |  | 3.6 | -0.1 | -0.3 | -0.1 | -0.7 | -1.0 |
| Global FX Volatility |  | 7.4 | 0.1 | 0.2 | -0.6 | -0.3 | -1.6 |
| EA Sovereign Spreads | | | 10-Year spread vs. Germany (bps) | | | | |
| Greece |  | 370 | -0.9 | 18 | -19 | 17 | -45 |
| Italy |  | 248 | 4.9 | -10 | -30 | 112 | -2 |
| Portugal |  | 128 | -0.3 | -3 | -26 | 6 | -20 |
| Spain |  | 110 | 12.1 | 9 | -2 | 31 | -7 |

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

[back to top](#)

Emerging Market Financial Indicators

| Last updated: 3/11/2019 8:10 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 | | 6.72 | 0.0 | -0.3 | 1 | -6 | 2 | | 3.2 | -2.1 | 0 | 10 | -73 | -4 |
| Indonesia | | 14291 | 0.2 | -1.1 | -2 | -4 | 1 | | 8.1 | 8.9 | 11 | 7 | 101 | -10 |
| India | | 70 | 0.4 | 1.5 | 2 | -7 | 0 | | 7.5 | -2.4 | -3 | -2 | -33 | 5 |
| Philippines | | 52 | 0.0 | -0.9 | 0 | 0 | 1 | | 5.5 | -1.5 | -10 | -21 | 59 | -83 |
| Thailand | | 32 | 0.0 | 0.4 | -1 | -1 | 2 | | 2.6 | -1.0 | -2 | 1 | 24 | -2 |
| Malaysia | | 4.09 | 0.0 | -0.3 | 0 | -5 | 1 | | 3.9 | -0.8 | -5 | -5 | -6 | -17 |
| Argentina | | 41 | 2.8 | -3.3 | -8 | -51 | -9 | | 21.8 | -2.5 | 26 | 133 | 531 | -122 |
| Brazil | | 3.87 | 0.3 | -2.3 | -3 | -16 | 0 | | 8.2 | -6.6 | -3 | 21 | -18 | 4 |
| Chile | | 671 | 0.1 | -1.8 | -1 | -10 | 3 | | 4.3 | -3.5 | -8 | -5 | -53 | -16 |
| Colombia | | 3174 | -1.0 | -2.4 | -2 | -9 | 3 | | 6.3 | -3.5 | -10 | -9 | -17 | -18 |
| Mexico | | 19.48 | 0.0 | -1.0 | -1 | -5 | 1 | | 8.2 | -1.7 | -9 | -17 | 59 | -49 |
| Peru | | 3.3 | 0.0 | -0.2 | 0 | -2 | 2 | | 5.5 | -1.1 | -5 | -4 | 63 | -18 |
| Uruguay | | 33 | -0.3 | -1.1 | -1 | -14 | -2 | | 10.4 | 13.3 | 17 | 22 | | -27 |
| Hungary | | 281 | -0.1 | -0.9 | 1 | -10 | 0 | | 2.1 | 2.1 | -4 | 11 | 38 | -13 |
| Poland | | 3.82 | 0.1 | -0.9 | 0 | -11 | -2 | | 2.3 | 0.1 | -10 | 6 | -26 | 0 |
| Romania | | 4.2 | -0.1 | -1.0 | 0 | -11 | -4 | | 4.0 | 0.0 | -14 | -11 | -1 | -23 |
| Russia | | 66.1 | 0.4 | -0.5 | 0 | -14 | 5 | | 8.1 | 0.0 | 2 | 12 | 127 | -32 |
| South Africa | | 14.4 | 0.4 | -1.1 | -4 | -18 | 0 | | 9.4 | -5.1 | -10 | 5 | 68 | -18 |
| Turkey | | 5.44 | 0.0 | -1.1 | -3 | -29 | -3 | | 16.2 | 8.0 | 45 | 98 | 380 | -73 |
| US (DXY; 5y UST) | | 97.3 | 0.0 | 0.7 | 0 | 8 | 1 | | 2.44 | 1.0 | -9 | -3 | -21 | -7 |

| | 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 | | 3027 | 1.9 | 0 | 14 | -8 | 21 | | 178 | 8 | -1 | -5 | 16 | -16 | |
| Indonesia | | 6366 | -0.3 | -2 | -2 | -1 | 3 | | 200 | 9 | 8 | 2 | 24 | -36 | |
| India | | 37054 | 1.0 | 3 | 2 | 11 | 3 | | 164 | -3 | -1 | -12 | 41 | -32 | |
| Philippines | | 7709 | -1.1 | 0 | -4 | -8 | 3 | | 95 | 8 | 7 | 3 | -3 | -26 | |
| Malaysia | | 1665 | -0.9 | -2 | -1 | -10 | -2 | | 130 | 7 | 3 | 1 | 20 | -32 | |
| Argentina | | 33020 | -0.5 | -7 | -11 | 0 | 9 | | 742 | -12 | 11 | 62 | 352 | -73 | |
| Brazil | | 95365 | 1.1 | -2 | 1 | 10 | 9 | | 244 | 8 | 9 | -1 | 19 | -29 | |
| Chile | | 5275 | 0.3 | 0 | -2 | -6 | 3 | | 134 | 9 | 3 | -3 | 16 | -32 | |
| Colombia | | 1503 | -1.0 | -1 | 2 | 1 | 13 | | 192 | 8 | 3 | -7 | 20 | -36 | |
| Mexico | | 41587 | -0.1 | -2 | -4 | -14 | 0 | | 317 | 7 | -4 | -6 | 80 | -37 | |
| Peru | | 20503 | -0.1 | 0 | 2 | -2 | 6 | | 139 | 8 | 4 | -6 | -2 | -29 | |
| Hungary | | 40565 | 0.7 | 0 | 2 | 6 | 4 | | 116 | 9 | 8 | 5 | 20 | -32 | |
| Poland | | 59518 | 0.1 | -1 | -1 | -4 | 3 | | 56 | 11 | 7 | 5 | 4 | -29 | |
| Romania | | 7916 | 0.9 | 1 | 7 | -7 | 7 | | 200 | 2 | 9 | 1 | 73 | -21 | |
| Russia | | 2461 | -0.6 | -1 | -2 | 7 | 4 | | 215 | 8 | 5 | -7 | 51 | -37 | |
| South Africa | | 55506 | 0.0 | -1 | 4 | -6 | 5 | | 301 | 6 | 9 | -12 | 67 | -64 | |
| Turkey | | 101299 | -0.2 | -3 | -3 | -13 | 11 | | 432 | 5 | 16 | 14 | 132 | 3 | |
| Ukraine | | 558 | 0.1 | 1 | 1 | 59 | 0 | | 659 | -5 | 10 | -76 | 227 | -128 | |
| EM total | | 42 | 1.4 | -2 | -1 | -16 | 7 | | 353 | 7 | 10 | -8 | 66 | -61 | |

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