



- S&P 500 drops 12%; VIX rises above the GFC peak levels ([link](#))
- Market liquidity remains strained ([link](#))
- Euro-area peripheral sovereign spreads to German bunds continue to widen ([link](#))
- Australian stocks rise; participants ordered to reduce trading activity ([link](#))
- Japanese banks borrow \$32 bn through the BoJ-Fed swap line ([link](#))
- Philippines close financial markets until further notice ([link](#))
- Reserve Bank of India injects rupee and USD liquidity ([link](#))
- Chile's central bank cuts rates by 75 bps to 1%, the largest cut since 2009 ([link](#))

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Markets under strain after yesterday's historical sell-off

European bourses and US equity futures fluctuated as investors remain on edge about the economic impact of widespread shutdowns and following yesterday's historical sell-off in US equities. Despite the significant measures announced by Fed on Sunday, the S&P 500 index plummeted 12% yesterday, its worst single-day drop since 1987. Trading conditions remain volatile, with the VIX index slightly off yesterday's historical record highs. US Treasury yields rose moderately this morning while oil prices traded below \$30/barrel. Euro-area peripheral sovereign spreads to German bunds continued to widen while credit spreads remained under pressure, with the Itraxx cross-over index 20 bps wider. In emerging markets, market sentiment and trading conditions remain challenging, with equities generally lower, bond spreads wider and currencies weaker to the dollar.

Market contacts report strained liquidity across markets. Cross-currency basis swaps remain wide, despite recent central bank actions, indicating that US dollar funding remains expensive. Thin trading volumes are the norm in fixed income markets, with little appetite from banks to support risk taking. In emerging markets, currency trading has remained relatively liquid, but liquidity is very limited in U.S. dollar bonds and local rates as repo markets are not functioning well. A number of central banks followed the Fed in easing monetary policy across the globe overnight while some authorities are beginning to resort to curbs on trading activity (Australia) and even more extreme measures such as closing all trading activity in their domestic financial markets (Philippines).

Key Global Financial Indicators

Last updated: 3/17/20 8:24 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		2386	-12.0	-13	-29	-15	-26
Eurostoxx 50		2416	-1.4	-17	-37	-29	-35
Nikkei 225		17012	0.1	-14	-28	-21	-28
MSCI EM		32	-2.2	-15	-28	-26	-30
Yields and Spreads			bps				
US 10y Yield		0.79	-24.2	-1	-80	-180	-113
Germany 10y Yield		-0.39	7.3	40	1	-47	-20
EMBIG Sovereign Spread		589	3	134	285	242	296
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		54.7	-0.9	-4	-8	-14	-11
Dollar index, (+) = \$ appreciation		99.4	1.3	3	0	3	3
Brent Crude Oil (\$/barrel)		29.9	-0.5	-20	-48	-55	-55
VIX Index (% change in pp)		81.9	-0.8	35	68	69	68

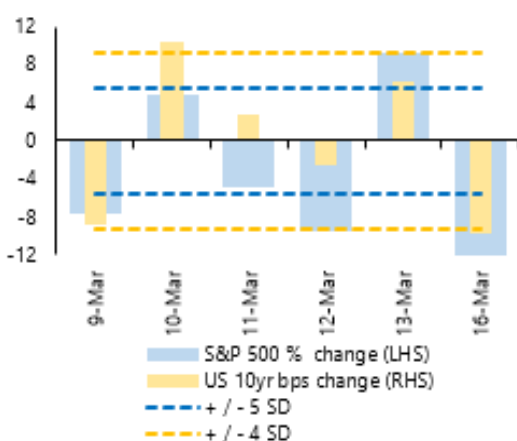
Colors denote **tightening**/easing financial conditions for observations greater than ± 1.5 standard deviations. Data source: Bloomberg.

United States

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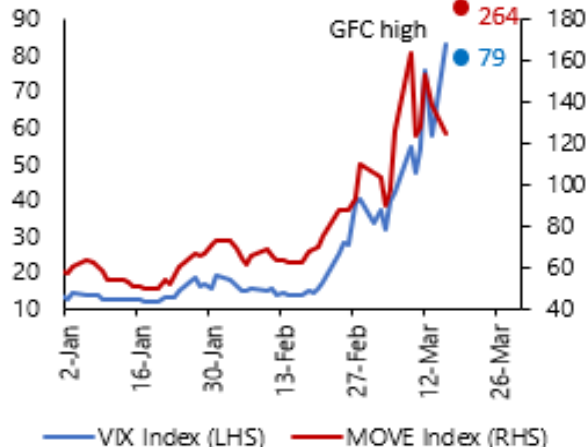
The global markets sell-off resumed on Monday, reversing the late session rally on Friday. Despite the significant measures announced by Fed yesterday, **the S&P 500 index plummeted 12%, its worst single-day drop since 1987**. 10-year US Treasury yields also declined by 22 bps (to 74 bps now), and the VIX rose by 25 percentage points to 82.7- surpassing the peak levels seen during the GFC. Brent crude also slid below \$30 / barrel reflecting the weakening of economic activity globally. The Fed conducted six Treasury operations on Monday, and bought a total of \$40 bn in securities which compares with dealer bids worth \$97 bn. Fed's repo operations were undersubscribed, however, with the first operation registering \$129.6 bn of bids (vs the max limit of \$175 bn) and the second operation registering \$19.4 bn of bids (vs the max limit of \$500 bn).

Daily changes in S&P 500 and US 10yr yields



Source: Bloomberg; Note: Standard deviations are corresponding to daily changes over the last 30 years

VIX (equities) and MOVE (UST)



Source: Bloomberg

Selected Asset Moves, March 16, 2020

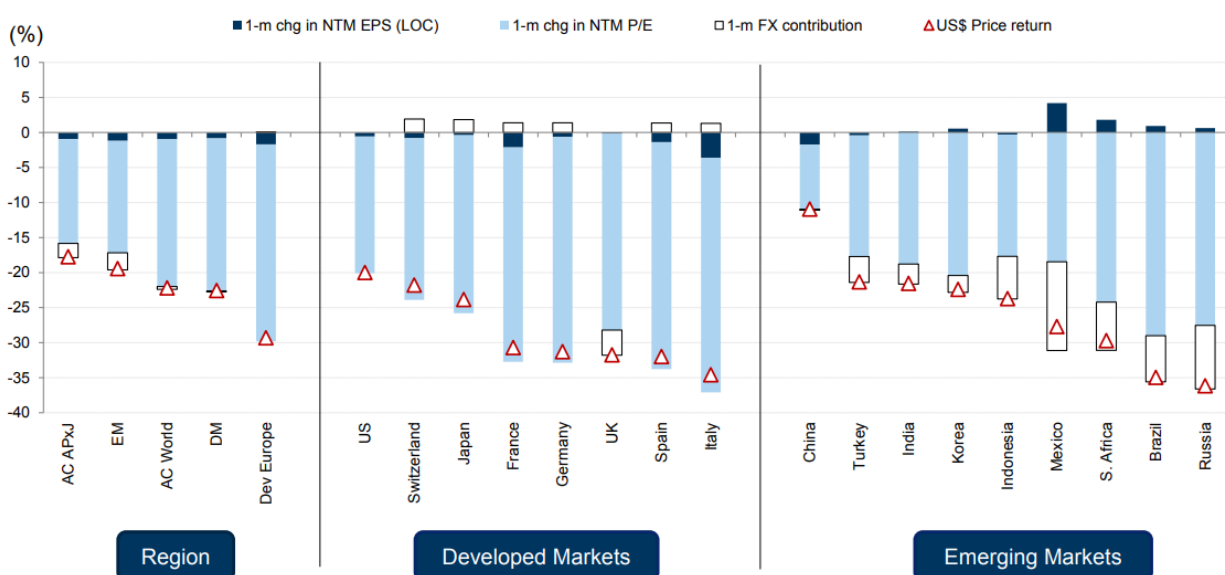
	Daily Move	Move since 2020 peak / trough	Worst since
S&P 500	-12.0%	-29.5%	December 2018
Stoxx 600 Europe	-4.9%	-34.4%	June 2013
iShares EM ETF	-12.5%	-31.7%	February 2016
VIX	+25 points to 82.7	From 12 to 83	Data availability (1990)
MOVE	-14 points to 124.5	From 50 to 124	July 2009
US Libor-OIS	+9 bps to 78 bps	From 12 bps to 78 bps	May 2009
US FRA-OIS	-49 bps to 30 bps	From 11 bps to 30 bps	December 2019
3-month euro-dollar basis swap	-31 bps to -82 bps	-95 bps (dollars more expensive)	December 2017
3-month dollar-yen basis swap	-41 bps to -120 bps	-130 bps (dollars more expensive)	Data availability (2011)

Source: Bloomberg

This morning, **US retail sales for Feb were weaker-than-expected**, dropping -0.5% mom, underperforming the consensus estimates of +0.2% mom (and vs. an upwardly revised +0.6% mom in Jan). US Treasury yields were little changed immediately after the release.

The MSCI world has declined by more than 20% from last month's peaks. However, analysts highlight that a majority of the decline has come through a valuation compression, rather than an adjustment of earnings. While this potentially reflects the fact that equities had a close to record year in 2019, with >90% of total returns from valuation expansion, it also implies further downside in case recession risks materialize further. Goldman Sachs analysis highlighted that equity markets are now pricing in a flat earnings growth but not a sharp decline yet – as is generally associated with a recession.

Exhibit 8: 1-month returns of global equity indices (in US\$) decomposed into valuation change, earnings revision and FX contribution



Source: I/B/E/S, MSCI, FactSet, Goldman Sachs Global Investment Research

The municipal bond sector also came under stress recently, with a sharp increase in the yield ratio to US Treasuries. Analysts highlighted that ratios have moved from historical lows in February to historical highs now. The speed of the move was also unprecedented in nature and several magnitudes faster than the quickest underperformance on record. The move in the 10-year and 30-year yield ratios corresponded to a 13 and 11 standard deviation moves respectively. The market stress has also coincided with a sharp spike in the demand for liquidity from municipal bond holders. Morgan Stanley analysts also commented that the lack of buyer diversity, the inability to short municipal bonds, and the decline in committed capital implies that most municipal bond holders increase or decrease their demand for the same reasons and at the same time.

Exhibit 1: Muni yield ratios moved to all-time highs, remain elevated

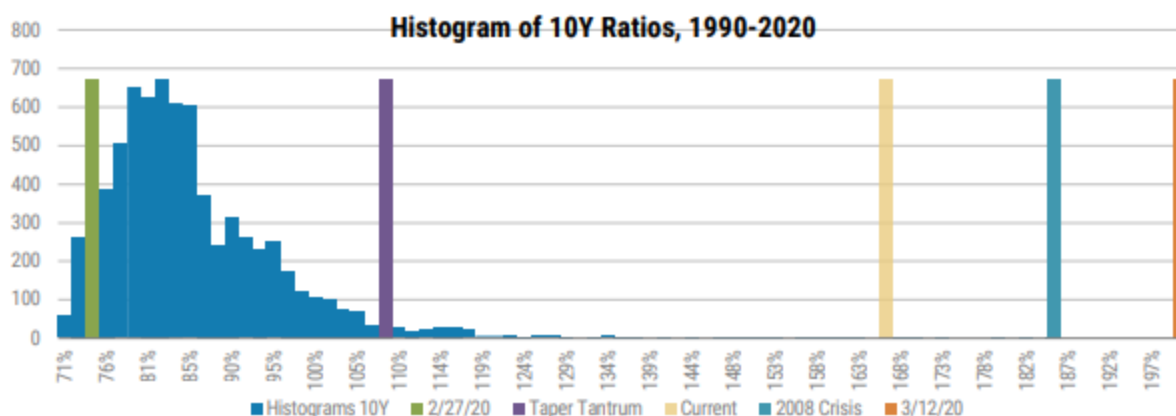


Exhibit 3: Muni bid wanted volume spiked

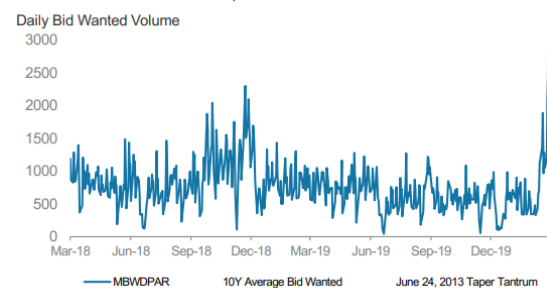
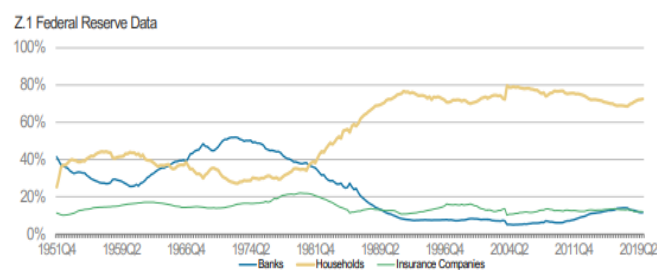


Exhibit 4: Individual investors are the main muni holders

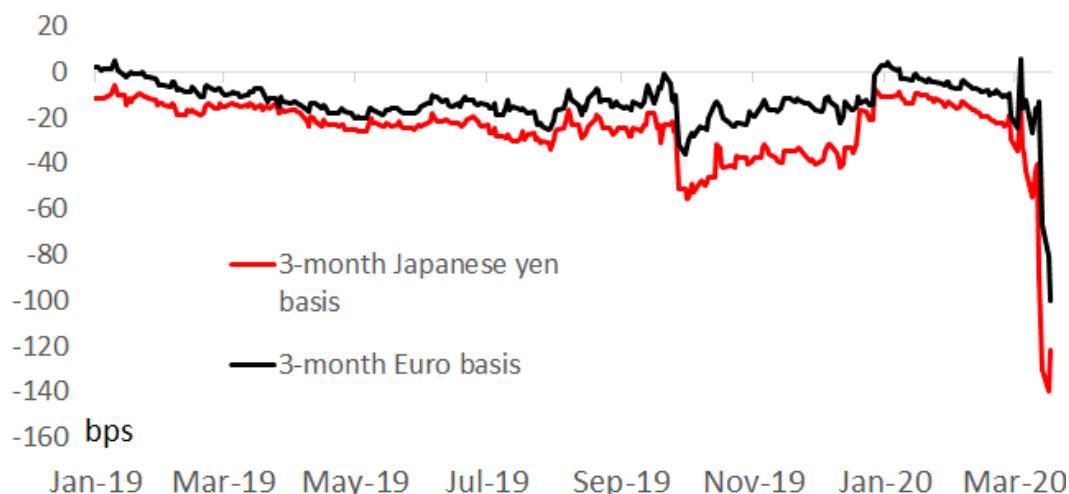


Liquidity conditions in FX and bond markets

Still wide cross-currency basis swaps indicate that USD funding remains expensive despite recent central bank actions. Contacts add that price data provide only a partial picture as transactions remain limited. Turning to bond markets, contacts report that **fixed income markets are generally still functioning albeit in thin volumes with little appetite of the banks to support risk taking.** Bond futures trade -but at a slow pace- whereas voice trading in US Treasuries and swaps are just a fraction of normal, with negligible liquidity in volatility products. Contacts believe that bank desks working from home has also contributed to trading pressures with some banks hesitant to quote bid-ask spreads. Nevertheless, there are no obvious signs of counterparty aversion as happened after the bankruptcy of Lehman Brothers. Contacts at bond funds, report that they have been able to increase cash holdings

ahead of potential redemptions, but this has come at a price. In emerging markets, currency trading has remained relatively liquid, but liquidity is very limited in U.S. dollar bonds and rate markets with no sizable bid for local sovereign or semi-sovereign bonds as repo markets are not functioning well.

Cross-currency basis swaps (bps, against USD)

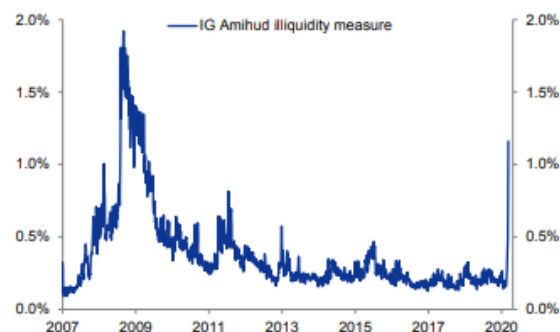


Source: Bloomberg and IMF

In credit markets, corporate bond market liquidity has started to deteriorate sharply. The Amihud measure (Exhibit 1) has jumped to levels comparable to those seen during the GFC. The sizeable jump shown in Exhibit 1 is also remarkable considering the fact that spreads are still much tighter relative to the levels reached during the global financial crisis. A similar trend is visible when looking at bid-ask spreads. Analysts also highlighted that the Fed's toolkit to directly intervene in the corporate bond market appears much more limited, as compared to Treasuries, which could continue to weigh on credit markets.

Exhibit 1: Despite much tighter spreads relative to the 4Q2008, the Amihud measure has jumped to levels comparable to the global financial crisis

The five day moving average of the daily median Amihud score in the IG market. The daily Amihud score for each CUSIP is calculated as the average absolute change in price across sequential non-retail trades (normalized by trade size) for those CUSIPs that traded at least 3 times in a day.

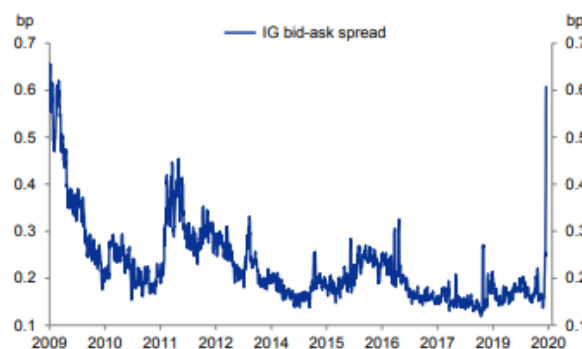


Note: As of close March 13.

Source: TRACE, Goldman Sachs Global Investment Research

Exhibit 3: Bid-ask spreads, which we generally view as a conservative measure, have also spiked

The five-day moving average of the weighted average daily bid ask spread* in the IG market. The daily weighted average bid ask spread is calculated for each CUSIP by subtracting the weighted average price of the all of buys in a day minus the sells and then aggregating that up to the index by weighting on the total trading volume for each CUSIP.



Note: Bid-ask spread data starts in December 2008 when TRACE began differentiating trade types between buys and sells. As of close March 13.

Source: TRACE, Goldman Sachs Global Investment Research

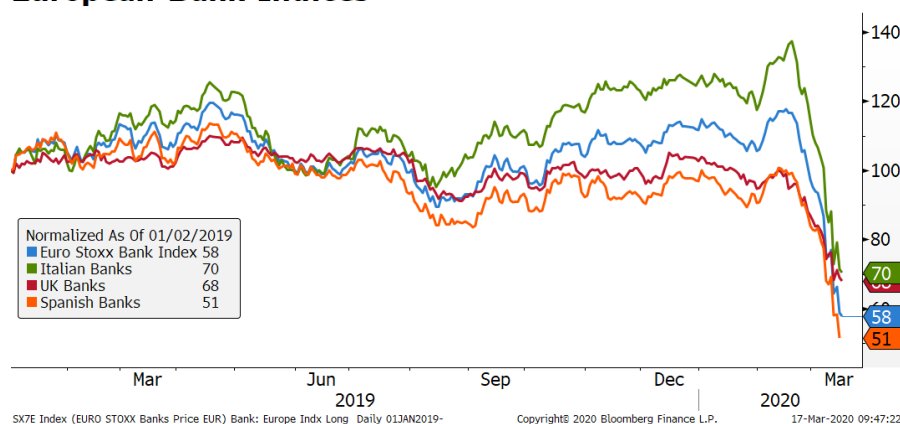
Europe

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Equity markets oscillated through the morning, with even small gains earlier in the session. DAX (-0.8%), CAC 40 (-0.5%), EuroStoxx 600 (-1.0%). Spanish stocks were up 2.3% and Italy's Titans 30 was 0.8% higher.

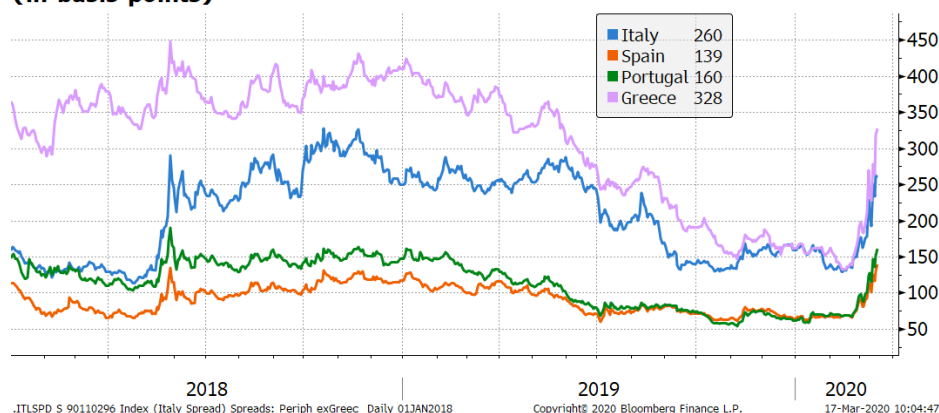
European banks were down 0.3% at the time of writing, in a very volatile session. The nosedive in European lenders is showing no signs of abating, with **losses from the peak in February at 50% for Euro-area banks and 30% for UK-based lenders.** Analysts worry that the ongoing crisis will require generous regulatory and accounting forbearance from regulators to avoid a large drop in capital ratios. In particular, the **IFRS 9-driven provisions could wreak havoc across balance sheets as it'll require substantial increases in provisions in Q1 and Q2.** In this context, market contacts welcomed the decision by the **EBA to postpone its 2020 stress tests.**

European Bank Indices

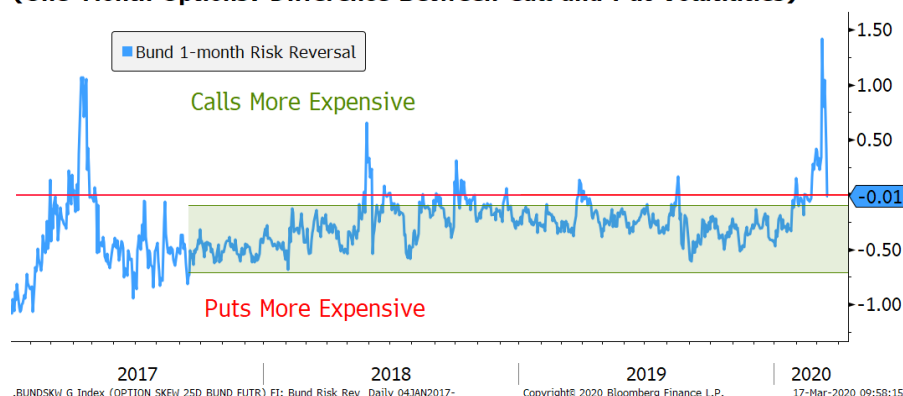


Peripheral sovereign spreads to German bunds continued to widen. Yield differentials for Greece, Italy, and Portugal are approaching – or surpassing in the case of Spain – the highs seen throughout 2018. German 10-year yields traded at -0.41% (+5 bps); French OATs were at 0.27% (+11 bps); Italian at 2.19% (+3 bps); Spanish at 0.99% (+14 bps); and Greece at 2.88% (+16 bps). **One-month bund risk-reversals have come down dramatically to close to neutral** (chart below). The sharp turn-around could signal that markets have stopped seeing the bund as a safe-haven asset, as coronavirus infections reach 7,232 in Germany.

Selected European Sovereign Spreads to 10yr Bunds (in basis points)

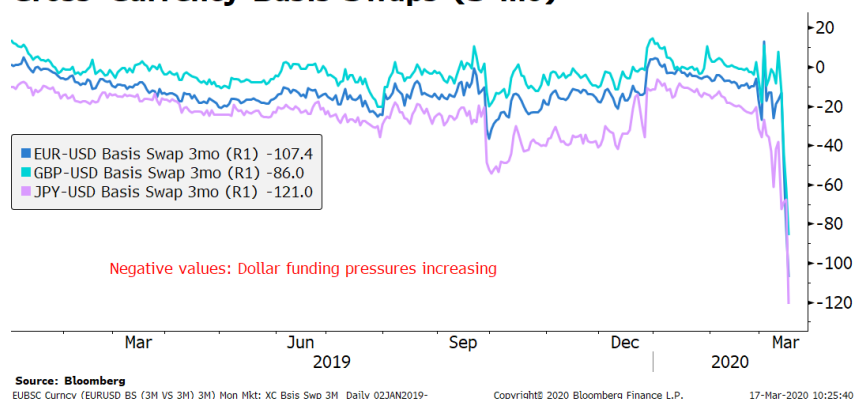


German Bund Risk Reversals (One-Month Options: Difference Between Call and Put Volatilities)



In money markets, **dollar funding pressures increased overnight**, taking the yen-dollar cross-currency basis to -121 bps, the euro-dollar to -107 bps, and the pound-dollar to -86 bps. There are **reports of banks hoarding dollars as they anticipate a surge in liquidity needs from corporates**. Expected higher corporate defaults will also impinge on banks ability to maintain a steady inflow of US dollars.

Cross-Currency Basis Swaps (3 mo)



Other Mature Markets

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Australia

Stocks gained 5.7% after their worst day on record yesterday. High trading volume has led to an order backlog at the Australian stock exchange. To ensure the functioning of the exchange, **the Australian Securities and Investments Commission ordered large equity market participants to reduce their number of executed trades** by 25% from the levels executed on Friday until further notice. The Australian dollar depreciated 0.6%. Bond yields rose 15 bps.

Japan

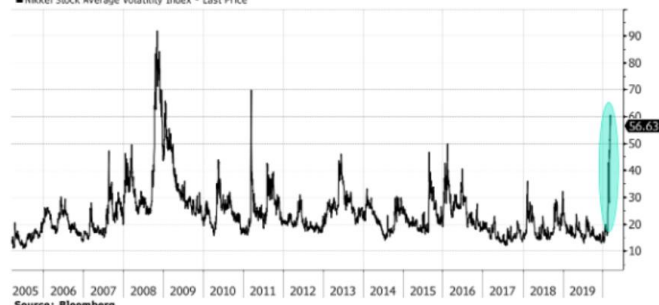
Banks borrowed \$32 bn through the BoJ-Fed swap line. In the biggest use of the Fed swap line by Japan since 2008, banks borrowed \$30.3 bn for 84 days at 0.370% and \$2.05 bn in the 7-day tenor operation at 0.410%. The operation follows the enhancement of existing swap lines between the Fed and major central banks including the BoJ on Sunday. The Fed lowered the rate by 25 basis points and added a new 84-day tenor in addition to the 1-week tenor. **USDYEN cross currency swap spreads tightened**

initially but ended the day little changed. The Topix equity index gained 2.6%, the yen weakened 0.8%, and JGB yields were stable.

Wild Swings

Nikkei 225 volatility reaches highest since 2011

■ Nikkei Stock Average Volatility Index - Last Price



Emerging Markets

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Market sentiment and trading conditions in emerging markets remain under strain. In Asia, equities fell -0.6% on net with wide dispersion across markets. Trading in Philippine stocks (alongside bonds and currencies) was halted until further notice. Indonesia (-5.0%) underperformed significantly and triggered a trading halt for the third time this week. China (Shanghai -0.3%; Shenzhen -0.4%) declined but pared losses of more than -2.5% intraday. **Sovereign yields** rose across the board, except for South Korea, which fell -6.6 bps. **Spot currencies depreciated**, with the Indonesian rupiah (-1.6%), South Korean won (-1.4%) and Malaysian ringgit (-1.0%) weakening the most. **Cross currency swap spreads were mostly wider.** **EMEA stocks were mixed while most currencies weakened**, with the Hungarian forint (-2.2%) and the Polish zloty (-2.1%) underperforming. Polish equities (+6%) outperformed as the country is expected to announce a large stimulus plan later today. **In Latam**, equity markets sold off on Monday. Colombia underperformed as the equity index fell 15%, followed by Chile (-14%) and Brazil (-14%). Local currencies were broadly lower. The Mexican peso was the worst performer depreciating 4.2% against the dollar, followed by the Brazilian real (-3.3%) and the Chilean peso (-2%). 10-year government bond yields dropped 39 bps in Colombia but rose 70 bps in Brazil.

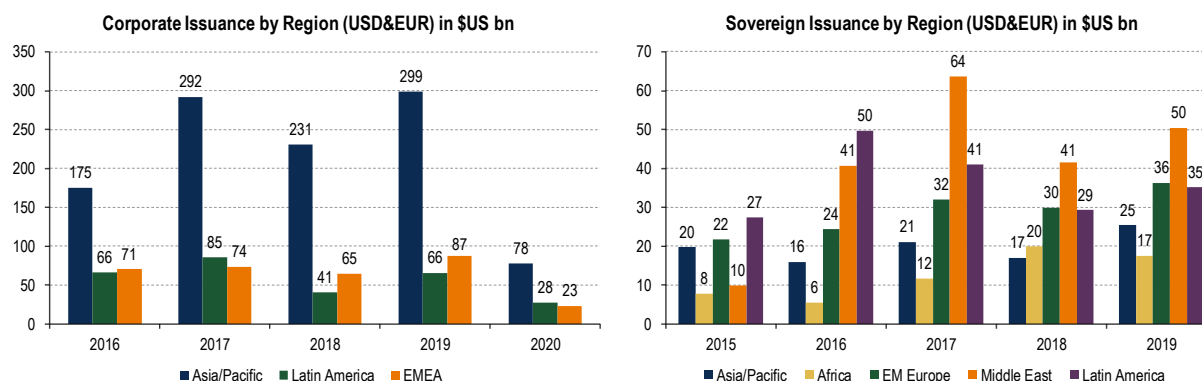
Key Emerging Market Financial Indicators

Last updated: 3/17/20 8:21 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		31.63	-0.6	-15	-28	-26	-30
MSCI Frontier Equities		20.45	-10.1	-14	-32	-29	-33
EMBIG Sovereign Spread (in bps)		590	4	135	286	243	297
EM FX vs. USD		54.76	-0.8	-4	-8	-14	-11
Major EM FX vs. USD			% (+) = EM currency appreciation				
China Renminbi		7.02	-0.4	-1	-1	-4	-1
Indonesian Rupiah		15173	-1.6	-5	-10	-6	-9
Indian Rupee		74.24	0.0	0	-4	-8	-4
Argentine Peso		63.04	-0.2	-1	-2	-36	-5
Brazil Real		5.00	-3.2	-6	-13	-24	-20
Mexican Peso		23.02	-0.6	-9	-19	-17	-18
Russian Ruble		75.03	-0.7	-5	-15	-14	-17
South African Rand		16.68	0.2	-4	-10	-13	-16
Turkish Lira		6.49	-0.9	-5	-7	-16	-8
EM FX volatility		13.17	0.0	3.5	6.7	5.3	6.6

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

EM Bond Issuance

EM corporate bond issuance declined to \$2.5 bn last week, from \$5.4 bn the week before, while there was no EM sovereign issuance placed for the second consecutive week. Despite declines in recent weeks, total issuance is at \$172 bn year-to-date, approximately 35% more than last year's issuance during the same period, with Latin America being the main driver. Last week's corporate issuance was entirely placed by Chinese corporates, and all the bond issued were investment-grade bonds.



Source: BofA Merrill Lynch Global Research, Bond Radar, Bloomberg

China

Onshore bond defaults reached CNY23.9 bn year-to-date as of March 16, from CNY16.4 bn over the same period in 2019. Spreads stand at over 13% relative to government bonds, but have been relatively stable over the last couple of years. **Regarding covid-19, the authorities reported 21 new cases as of March 16 and only one was a local case in Wuhan.** Foreign companies have seen a gradual resumption of activity, with Dow Inc, a US chemical company, stating that it has seen demand bounce back over the past two weeks. Equities (Shanghai -0.3%; Shenzhen -0.4%) and the onshore/ offshore RMB (-0.2%) were relatively stable.

Philippines

The Philippines closed financial markets until further notice. The closure came into effect today. The closure is indefinite, but Bloomberg reported a target is to re-open on March 19. Meanwhile, President Duterte widened a month-long lockdown of Manila to the entire Luzon island. Separately, central bank governor Benjamin Diokno has said that BSP is leaning towards a 50bps policy rate cut during the meeting scheduled on March 19. **Year-to-date, equities fell -31.7%, the peso -1.6%, and 10-year bond yield rose 74 bps to 3.41%.**

The Philippines halted stock, bond and currency trading until further notice

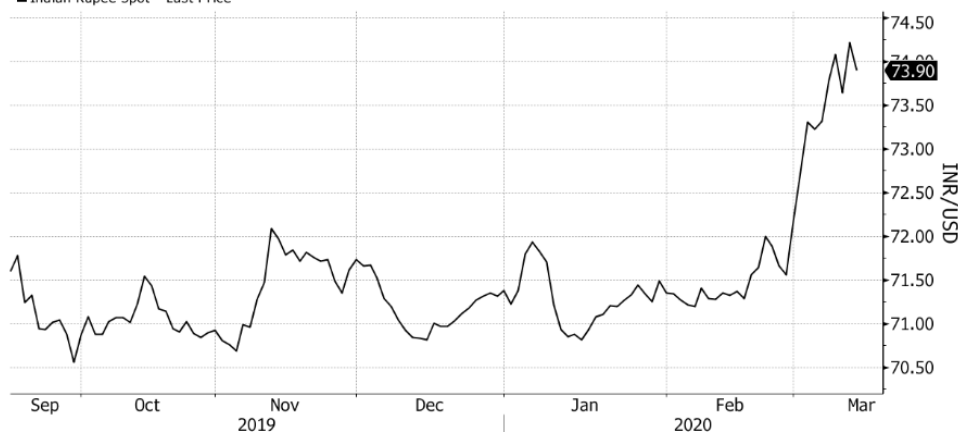


India

The Reserve Bank of India (RBI) announced that it will boost liquidity to cushion risks from covid-19. The central bank announced INR1 tn of long-term repo operations and a new round of forex swaps worth \$2 bn (to be conducted on March 23) to provide dollar liquidity. RBI Governor Shaktikanta Das said that the decision on interest rates lies with the Monetary Policy Committee, and the meeting is scheduled on April 3. To tackle the virus, the government is closing all educational establishments, gyms, museums, cultural and social centers and theaters. The country has so far reported 125 confirmed cases and three deaths. 10-year bond yields rose 1.4 bps, the Indian rupee strengthened 0.2% and equities rose 0.4%.

Rupee has tumbled amid surging foreign outflows from stocks and bonds

■ Indian Rupee Spot - Last Price



Source: Bloomberg

Sri Lanka

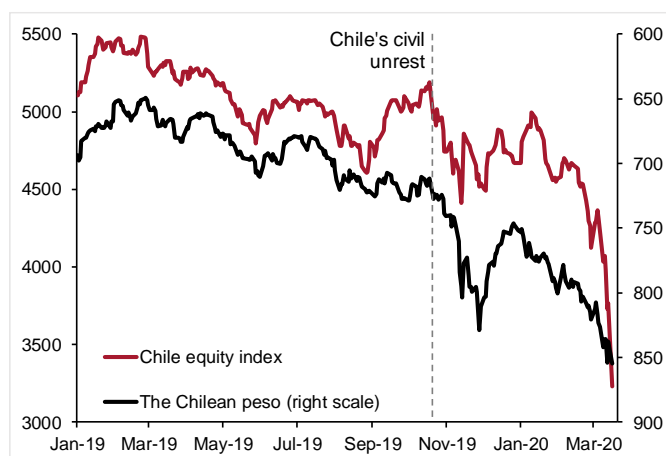
The Central Bank cut 25bps in an unscheduled meeting on March 16. The Standing Lending Facility Rate and Standing Deposit Facility Rate were reduced to 7.25% and 6.25%, respectively. The Statutory Reserve Ratio was lowered by 100bps to 4%. The statement said that the decision was due to the urgent need to support economic activity amid the rapid global spread of covid-19 and the possible further spread in Sri Lanka. Sri Lanka has 19 confirmed cases as of March 16 (from 11 the previous day), according to the WHO. ColomboPage reported that the government has declared an extension of the holiday on March 16 for another three days until March 19. **The Colombo Stock Exchange was shut to adhere to government efforts to slow the spread of the virus.**

Vietnam

The State Bank of Vietnam lowered key interest rates to support the economy. The central bank said that in its statement that it cut its refinance rate by 100bps to 5% and also reduced the overnight lending rate in the inter-bank market by the same quantum to 6%. Its discount rate was cut by 50bps to 3.5% from 4%. **Equities fell -0.3% while the Vietnamese dong was stable.**

Chile

Chile's central bank cut its benchmark rate by 75 bps to 1% on Monday, the largest rate cut since 2009. In the statement, the central bank emphasized that Chile's economy has suffered a significant deterioration due to the outbreak of coronavirus and the civil unrest since last October. Also, the central bank announced measures to inject liquidity, such as allocating \$4 bn to purchase inflation-linked bank bonds and providing additional credit to banks. Despite the monetary policy stimulus announced, Chilean assets suffered notable losses amid global selloffs. Domestic equities fell as much as 14% yesterday, and the peso weakened 2% against the dollar.



Source: Bloomberg

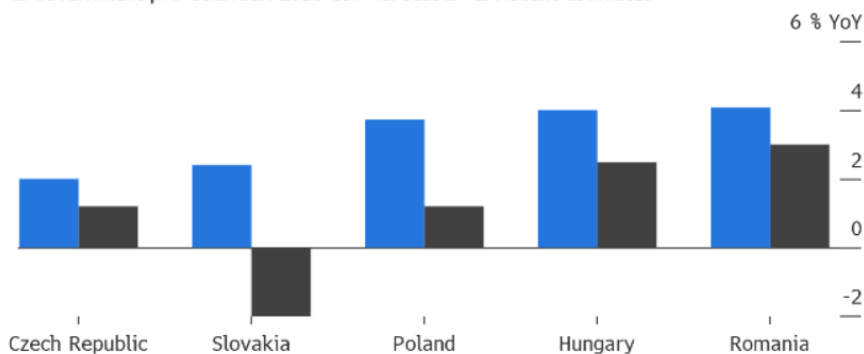
The Czech Republic

The Czech National Bank lowered its policy rate by 50 bps, reversing its February rate hike to combat the hit from the virus outbreak. Policy makers lowered the benchmark to 1.75% at an emergency meeting yesterday. Governor Jiri Rusnok noted that the bank was ready to lower rates further and to counter any “excessive moves” in the koruna. The koruna appreciated +0.7% to the euro this morning. Across the region in Eastern Europe, others are expected to join the Czech central bank in lowering rates as growth outlook for the region is being revised lower.

External Shock

East EU economies are bracing for coronavirus impact

■ Government pre-outbreak 2020 GDP forecasts ■ Recent estimates



Source: finance ministries; recent estimates by Komerční Banka, Bank of America, Credit Agricole, Erste Bank, Všeobecná Uverová Banka

Bloomberg

Saudi Arabia

The Saudi Arabian Monetary Authority eased policy to counter the impact of slumping oil prices. The central bank lowered both the repo rate and the reverse repo rate by 75 bps to 1% and 0.50%, respectively. This move followed the rate cut by the Fed as the Kingdom pegs its currency to the US dollar.

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Global Financial Indicators

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Europe		2416	-1.4	-17	-37	-29	-35
Japan		17012	0.1	-14	-28	-21	-28
China		2780	-0.3	-7	-7	-8	-9
Asia Ex Japan		55	-11.4	-14	-24	-21	-25
Emerging Markets		32	-2.2	-15	-28	-26	-30
Interest Rates			basis points				
US 10y Yield		0.79	-24.2	-1	-80	-180	-113
Germany 10y Yield		-0.39	7.3	40	1	-47	-20
Japan 10y Yield		0.02	0.1	7	5	5	3
UK 10y Yield		0.49	5.5	25	-15	-72	-33
Credit Spreads			basis points				
US Investment Grade		244	4.2	76	139	126	147
US High Yield		850	20.5	203	437	440	457
Europe IG		126	3.5	26	84	67	81
Europe HY		637	18.5	181	426	370	430
EMBIG Sovereign Spread		589	3.0	134	285	242	296
Exchange Rates			%				
USD/Majors		99.38	1.3	3	0	3	3
EUR/USD		1.10	-1.6	-2	2	-3	-2
USD/JPY		106.9	-1.0	-1	3	4	2
EM/USD		54.7	-0.9	-4	-8	-14	-11
Commodities			%				
Brent Crude Oil (\$/barrel)		30	-0.5	-20	-48	-55	-55
Industrials Metals (index)		98	-1.0	-5	-8	-19	-14
Agriculture (index)		36	0.4	-6	-10	-13	-14
Implied Volatility			%				
VIX Index (%, change in pp)		81.9	-0.8	34.6	68.2	69.0	68.1
10y Treasury Volatility Index		9.8	-0.7	-0.7	5.5	6.0	5.6
Global FX Volatility		13.0	0.0	3.2	7.7	6.2	7.0
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		357	32.9	112	222	-14	191
Italy		279	16.3	67	148	38	119
Portugal		164	11.7	36	94	41	101
Spain		141	10.8	28	72	30	76

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: 3/17/2020 8:20 AM	Exchange Rates							Local Currency Bond Yields (GBI EM)						
	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
	vs. USD		(+)= EM appreciation					% p.a.						
China		7.02	-0.4	-0.9	-1	-4	-1		2.8	2.3	10	-13	-39	-38
Indonesia		15173	-1.6	-5.4	-10	-6	-9		7.5	6.1	26	84	-33	39
India		74	0.0	-0.2	-4	-8	-4		6.5	-7.1	17	-8	-97	-38
Philippines		52	-0.3	-2.7	-3	1	-2		4.1	0.4	10	-1	-130	-17
Thailand		32	-0.6	-2.8	-4	-2	-8		1.4	-3.2	41	2	-125	-22
Malaysia		4.35	-1.0	-2.6	-5	-6	-6		3.1	-0.5	27	23	-79	-24
Argentina		63	-0.2	-0.8	-2	-36	-5		53.4	44.8	377	-636	3021	-917
Brazil		5.00	-3.2	-5.6	-13	-24	-20		6.8	-14.9	66	98	-124	51
Chile		855	-2.0	-1.5	-7	-22	-12		3.0	-32.6	-3	-52	-124	-26
Colombia		4081	-1.9	-6.6	-17	-24	-19		8.6	80.4	242	308	236	264
Mexico		23.02	-0.6	-9.5	-19	-17	-18		7.6	0.0	92	101	-55	70
Peru		3.6	-1.0	-1.3	-5	-7	-7		5.6	53.1	134	138	26	112
Uruguay		45	-1.2	-4.1	-15	-25	-16		10.7	10.0	32	79	13	-21
Hungary		315	-2.1	-5.7	-2	-12	-6		2.2	30.0	100	59	9	102
Poland		4.06	-2.0	-5.8	-3	-7	-7		1.8	-1.9	50	-12	-48	-7
Romania		4.4	-1.6	-2.8	0	-5	-3		4.9	53.0	129	135	83	94
Russia		75.0	-0.7	-4.7	-15	-14	-17		7.8	30.1	155	198	-25	168
South Africa		16.7	0.2	-4.4	-10	-13	-16		11.0	62.8	134	160	159	152
Turkey		6.49	-0.9	-5.1	-7	-16	-8		12.1	46.5	47	84	-463	36
US (DXY; 5y UST)		99	1.3	3.0	0	3	3		0.54	5.0	-13	-88	-185	-115

	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		2780	-0.3	-7	-7	-8	-9		238	11	37	69	61	62
Indonesia		4457	-5.0	-15	-24	-31	-29		336	12	86	172	138	180
India		30579	-2.6	-14	-26	-20	-26		275	20	63	143	114	150
Philippines		5335	0.0	-15	-27	-32	-32		243	14	97	172	144	177
Malaysia		1257	-1.9	-12	-18	-25	-21		235	16	78	131	105	123
Argentina		25698	-9.7	-15	-34	-24	-38		3539	0	734	1508	2815	1770
Brazil		71168	-13.9	-17	-38	-28	-38		391	-2	106	193	149	176
Chile		3232	-14.1	-21	-30	-39	-31		335	3	102	193	202	202
Colombia		998	-15.0	-27	-40	-37	-40		406	-2	140	241	217	243
Mexico		38085	0.0	-8	-15	-10	-13		604	-2	117	309	297	312
Peru		15215	-4.6	-12	-23	-27	-26		279	-2	95	166	142	172
Hungary		31103	-3.7	-19	-31	-25	-33		202	-2	1	93	81	116
Poland		40051	6.1	-11	-31	-34	-31		120	-2	6	86	62	102
Romania		7120	-0.1	-18	-30	-9	-29		324	47	34	150	125	151
Russia		2209	-2.5	-12	-29	-11	-27		299	-3	58	156	85	168
South Africa		41058	1.4	-17	-29	-27	-28		601	1	122	267	297	281
Turkey		85904	-2.3	-15	-29	-17	-25		669	-2	146	280	249	268
Ukraine		531	0.0	0	1	-6	4		990	12	255	636	365	570
EM total		32	-0.6	-15	-28	-26	-30		590	4	135	286	243	297

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

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Coronavirus (Covid-19) Dashboard						
	Latest	Change or relative change				
		1 Day	7 Days	YTD	Since global intensification (Feb 19)	Since Chinese intensification (Jan 20)
Equity Markets	Index	Relative change (in %) except VIX				
China						
CSI 300 (Large Cap/Main Equity Index)	3710	-0.5	-9.1	-9.4	-8.4	-11.4
CSI 500 (Mid-Cap Index)	5212	0.2	-8.2	-1.1	-7.0	-6.7
CSI 1000 (Small-Cap Index)	5643	-0.3	-9.1	1.4	-6.2	-5.2
Japan (Nikkei)	17012	0.1	-14.4	-28.1	-27.3	-29.4
Korea (Kospi)	1672	-2.5	-14.8	-23.9	-24.3	-26.1
United States (S&P 500)	2386	-12.0	-13.1	-26.1	-29.5	-28.3
Europe (Eurostoxx 600)	280	-1.7	-16.6	-32.7	-35.5	-34.0
MSCI Global	410	-9.1	-16.6	-27.5	-29.3	-29.2
MSCI Asia ex. Japan	550	-5.5	-12.0	-20.1	-20.0	-22.7
Asia Pacific Airlines	108	-2.2	-13.5	-29.5	-21.0	-27.6
Luxury Goods	500	-7.4	-19.3	-35.4	-33.7	-37.0
Hotels Restaurants & Leisure	234	-13.3	-24.6	-39.3	-39.5	-41.3
Volatility Index (VIX, change in pp)	82	-0.4	35.0	68.5	67.9	70.2
Interest Rates	Percent	Change (in basis points)				
US 10y Yield	0.79	7	-1	-113	-77	-103
Germany 10y Yield	-0.39	7	40	-20	3	-17
Eurodollar - April 2020	0.68	-6	-6	104	-96	-105
Eurodollar - June 2020	0.40	-2	8	129	-115	-129
Eurodollar - December 2020	0.38	0	10	125	-105	-123
Exchange Rates	Level	Relative change (in %) (+) = Appreciation				
Chinese Renminbi (per USD)	7.02	-0.4	-0.9	-0.8	-0.3	-2.3
Japanese Yen (per USD)	106.9	-1.0	-1.2	1.6	4.0	3.0
Euro (in USD)	1.10	-1.6	-2.5	-1.9	-1.8	0.8
Dollar Index	99.4	1.4	3.1	3.1	-0.3	1.8
EM FX index	54.7	-0.9	-4.5	-10.9	-7.8	-10.2
EM Bond Spreads on USD Debt	Basis points	Change (in basis points)				
EMBI Global Diversified	586	62	116	296	284	296
EMBI Asia	343	30	68	166	170	168
EMBI Latam	627	77	129	319	304	317
China	236	9	35	60	68	63
Local Currency Bond Yields (GBI EM)	Percent	Change (in basis points)				
China	2.77	2	10	-38	-15	-33
Mexico	7.64	0	92	70	104	73
Brazil	6.76	-15	66	51	100	59
South Africa	11.04	63	134	152	160	156
Turkey	12.06	47	47	36	67	154
Commodities	Dollars	Relative change (in %)				
Brent Crude Oil (per ton)	29.9	-0.5	-19.7	-54.7	-49.4	-54.2
Gold (per troy ounce)	1479.5	-2.3	-10.3	-2.5	-8.2	-5.2