



- Bank valuation models imply bad debt costs above Global Financial Crisis ([link](#))
- Treasuries and IG credit rallied on Fed's open-ended QE and new credit facilities ([link](#))
- European bank AT1s decline sharply in value ([link](#))
- South Korea announces a \$39 bn financial market stabilization package ([link](#))
- Russian GDP could shrink up to 10% in 2020 in downside scenarios ([link](#))
- New Zealand rolls out 6-month mortgage holiday for COVID-19 victims ([link](#))

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Markets bounce on monetary and fiscal measures, but liquidity remains poor

Markets took a respite from the relentless drubbing of recent sessions, though analysts warn that it is far too early to conclude that the crisis has peaked. Liquidity remains very thin in many markets, though market contacts suggest that the aggressive policy response in recent days has helped to arrest a further decline in trading conditions, at least for the moment. Asian equities gained about 5% and currencies broadly appreciated against the US dollar. European share prices were also sharply higher despite ominous data. The March eurozone PMI composite printed at 31.4, below even the sharply reduced 38.8 consensus estimate. The index printed at 51.6 in February. Dollar funding conditions were little improved in Japan, despite Japanese banks taking a record \$90bn USD liquidity, most of it at the longer 3-month maturity, from the BoJ via its swap line with the Fed. Swap spreads for other were relatively stable, although Korean spreads came in somewhat from high levels. USD demand at this morning's ECB dollar auction was again fairly modest, with \$4.1 bn awarded to 7 bidders.

Key Global Financial Indicators

Last updated: 3/24/20 8:19 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		2237	-2.9	-6	-31	-20	-31
Eurostoxx 50		2616	5.3	3	-28	-21	-30
Nikkei 225		18092	7.1	6	-23	-16	-24
MSCI EM		31	6.3	-3	-27	-27	-32
Yields and Spreads			bps				
US 10y Yield		0.82	-5.9	-26	-55	-162	-110
Germany 10y Yield		-0.36	1.5	7	12	-35	-18
EMBIG Sovereign Spread		682	-23	106	364	328	389
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		53.4	0.6	-3	-10	-15	-13
Dollar index, (+) = \$ appreciation		101.5	-1.0	2	2	5	5
Brent Crude Oil (\$/barrel)		27.6	2.2	-4	-51	-59	-58
VIX Index (% change in pp)		36.2	-25.4	-40	11	20	22

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

United States

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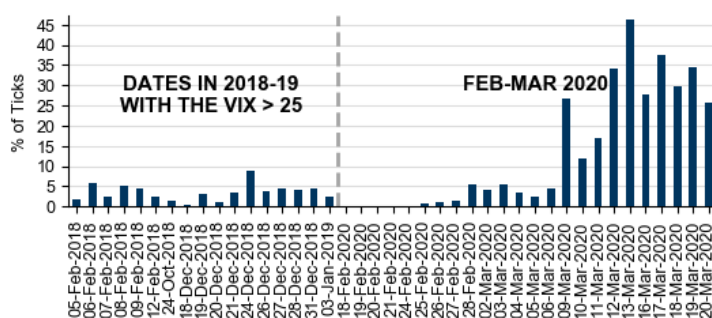
US stocks dropped again after lawmakers failed to agree on a fiscal stimulus package. Markets gapped higher at the open following the new round of stimulus measures from the Fed, but the momentum quickly gave way on the lack of progress on the fiscal front. The S&P 500 tumbled 3%, with financials, health care and defensive sectors losing 4-6%. Implied volatility fell for a 3rd straight session, with the VIX declining 4 points to 62. Contacts continue to highlight the very poor liquidity condition in the equity futures markets. As volatility spiked, liquidity has fallen to the point where there has been a median of just 10 E-mini contracts (\$1.5 mn notional) in the order book. In addition, the frequency of E-mini futures showing a price gap (consecutive trades with a difference in price wider than 1 tick = 25 cents) has risen sharply, more than double the frequency seen during the 2018 year-end.

Daily median E-mini future bid-ask depth (\$mm notional), based on 1-minute intraday snapshots



Source: Goldman Sachs Global Investment Research, Reuters

Estimated percent of intraday ticks with E-mini front-month futures wider than 25 cents, based on 1-minute intraday snapshots; dates shown are dates in 2018-9 with the VIX over 25, and all dates Feb 18-present



Source: Goldman Sachs Global Investment Research, Reuters

Treasury yields declined and the curve flattened after the announcement of open-ended QE. The 2-year yield was little changed at 0.31%, with the 10- and 30-year yields down 7 bps each to 0.78% and 1.34%. Contacts noted some tentative signs of improvement in market functioning, after 3 consecutive Fed's purchase of \$75 bn in Treasuries. The spread between off-the-run and on-the-run 10-year Treasuries have tightened to 3 bps, the lowest level in two weeks, indicating a reduced premium for liquidity. The Fed will buy \$625 bn of securities this week, bringing the total asset purchase from last week to over \$1 tn. The desk will buy \$75 bn Treasuries and about \$50 bn MBS daily, with the latter raised from about \$32 bn announced last week.

The IG credit market was boosted by the new credit facilities. The US IG CDS spread dropped 30 bps to 125 bps, with IG credit spread widening by only 8 bps to 359 bps (vs 20+ bps on average last week), while prices of credit ETFs eligible for Fed purchases jumped (LQD +7.3%). Issuance remains robust with over \$19.4 bn priced in the primary market, bringing the YTD total to \$120 bn. High yield bond spreads continued to widen at a fast pace, widening 54 bps to 1088 bps.

US IG credit and IG ETF



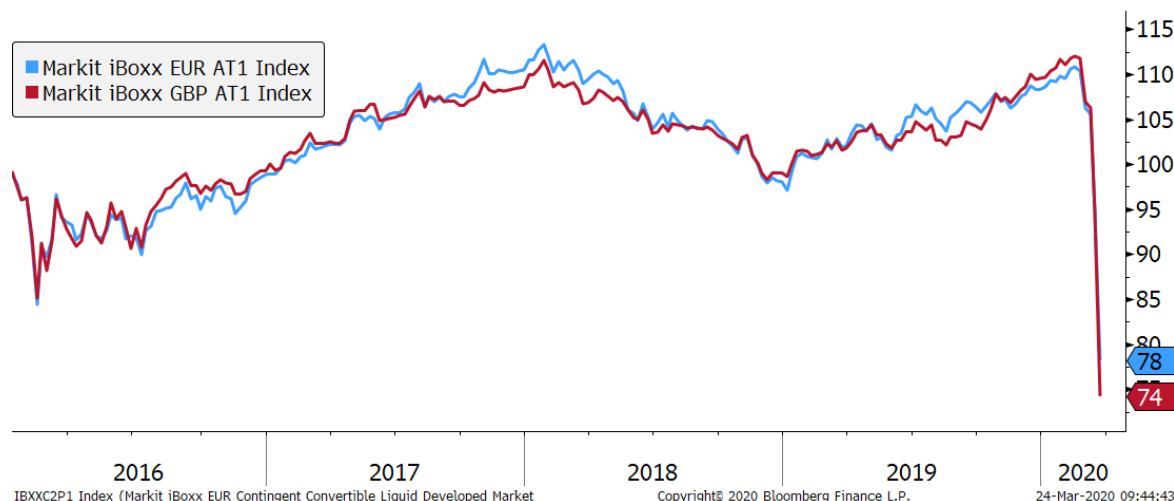
Source: Bloomberg

The Fed's two new corporate credit facilities, one aimed at the primary market (PMCCF) and the other at the secondary market (SMCCF), will likely have \$200 bn of buying power. The facilities are due to run till September 30, with the possibility to extend if necessary. These facilities aim to stabilize market condition in the near term, as they target relatively short maturity debt (primary markets <4 years; secondary markets <5 years). On rating requirements, the Fed' programs are more stringent than the ECB's. If a bond is rated by more than one rating agency, both (or 2 out of 3 ratings) must be IG, rather than just the highest rating under the ECB program. Similar to the BoE's but different from the ECB's, the Fed's facilities will only buy debt from US business with materials operations in the US, though the exact threshold is unclear. The only US issuers directly excluded are those expected to receive direct financial assistance under pending federal legislation, which would likely include airlines etc. The universe of eligible debt is estimated at around \$2 tn, a quarter of which is issued by banks, which do not appear to be excluded despite similar limitations by the ECB. Issuer exposure limits are set at 10% of all outstanding over a one-year look-back window and on the ETF, the limit is set at 20% of the current underlying asset value.

Europe [back to top](#)

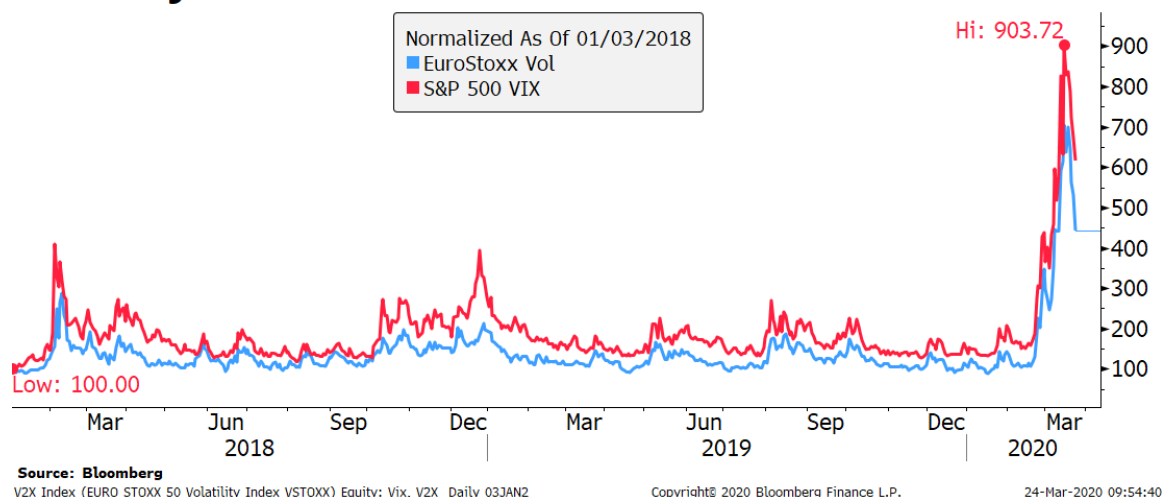
Equity markets. DAX (%), CAC 40 (%), EuroStoxx 600 (%), Italy's Titans 30 (%), and Spanish Ibex (%). Bank stocks (%). **Banks are expected to announced dividend suspensions to cope with the unfolding crisis.** Santander (+3.6%) has already done so today: the Spanish lender will consolidate this year's payout into the next one in May 2021. Banks' AT1 securities – bonds convertible into equity when an institution runs into trouble – have plummeted in value, reflecting the poor prospects investors assign to the sector.

AT1 Securities: Market Indices



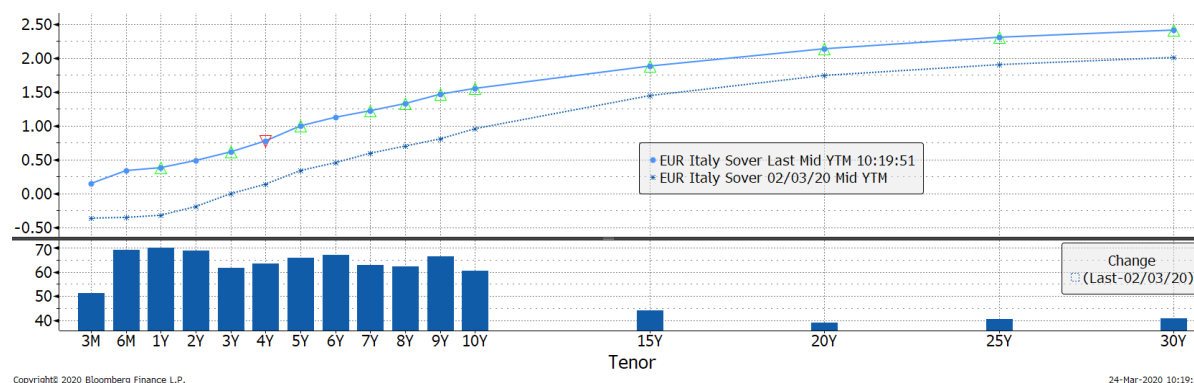
The **main equity volatility indices** have retreated some from historic highs earlier this month.

Volatility Indices



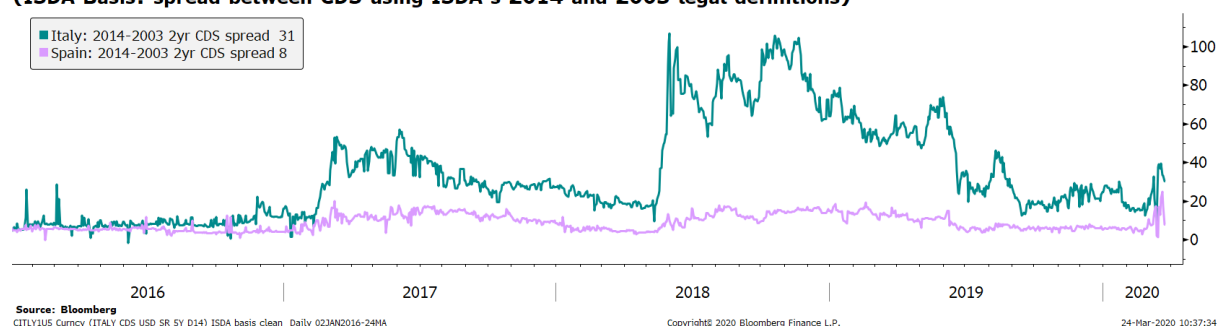
Sovereign debt markets traded in cautious risk-on mode today. The German 10-year yield added 2 bps to -0.36% whereas Italian yields dropped 2 bps to 1.56%. Since early February, the sovereign yield curve in Italy – the country most ravaged by coronavirus in Europe – has shifted upwards about 60 to 70 bps across the 1- to 10-year tenors. The 10-year spread to German bunds stands at 192 bps, while **the ISDA spread – seen by many as an indicator of the likelihood of a country leaving the eurozone – has increased in recent days for both Italy and Spain.**

Italy: Sovereign Yield Curve



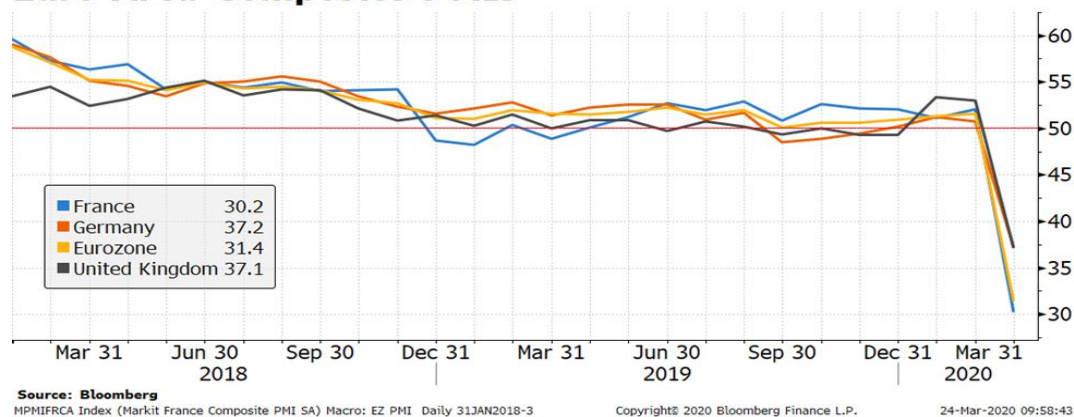
Eurozone Political Risk Measures

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



European PMIs paint a bleak picture of the eurozone economies in March, with most of them sinking deeply into contractionary territory: French composite: 30.2 from 52.0, German composite 37.2 from 50.7, Eurozone composite: 31.4 from 51.6. The UK's composite index also dropped to 37.1 from 53.0. Spanish and Italian PMIs are due later this week.

Euro Area Composite PMIs

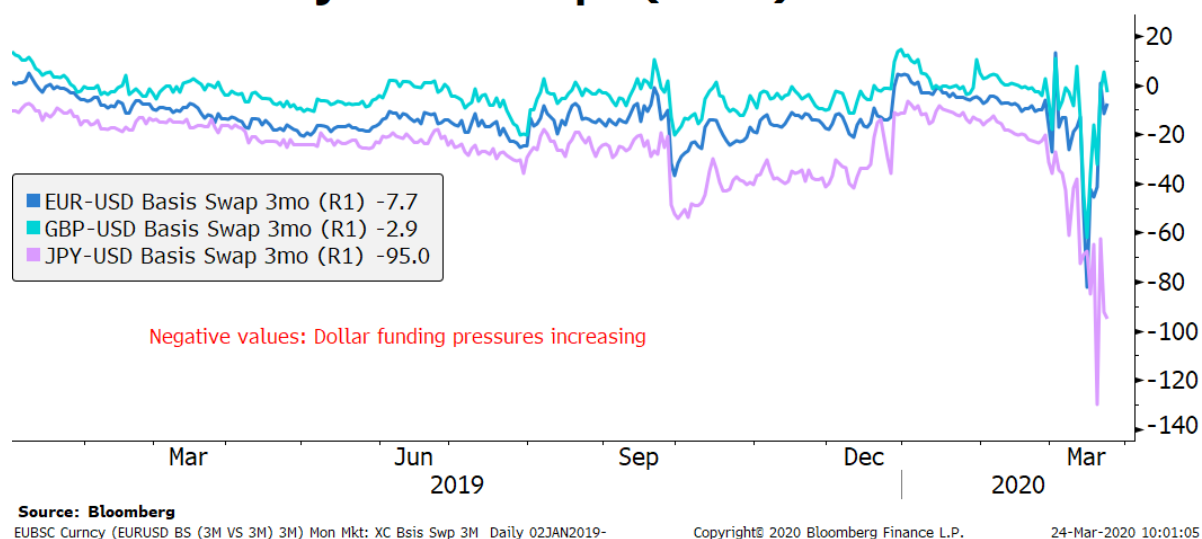


Spreads in **European credit markets** have come down somewhat today as risk sentiment improved. Dollar funding pressures remain elevated in the yen-dollar market but have abated for the euro-dollar and pound-dollar pairs.

European Corporate Credit Spreads



Cross-Currency Basis Swaps (3 mo)



Other Mature Markets

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Japan

Equities posted strong gains. The broader Topix advanced 3.2%, the Nikkei surged 7.1%. The Topix which is the target of the BoJ's equity ETF buying had outperformed in recent weeks. **The BoJ allotted \$90 bn dollars through BoJ-Fed swap line to banks on Tuesday**, of which close to \$74 bn was at the 3-month maturity and the remainder with 7-day maturity. The yen appreciated and JGB yields declined.

New Zealand

The Reserve Bank of New Zealand (RBNZ) announced a slew of measures including relaxing capital rules for banks. Banks' core funding ratio will be reduced to 50% from 75%. The authorities also unveiled a six-month mortgage holiday for people whose incomes have been affected by COVID-19 and the details will be finalized and released in the coming days. The government and banks will implement a NZD6.25 bn Business Finance Guarantee Scheme, which will provide short-term credit to cushion the financial stress for solvent small and medium-sized companies. **Separately, RBNZ Governor Adrian Orr said that the central bank could broaden its quantitative easing program if needed.** The central bank could consider additional assets including corporate bonds and local government debt, but is far away from doing so at present. **The New Zealand dollar appreciated 1.6% while 10-year bond yield rose 3.7bps.**

Banks

Proprietary valuation models currently imply higher bad debt costs than the Global Financial Crisis.

Credit Suisse analysts using the proprietary HOLT valuation model published an estimate that current bank valuations imply levels of loan impairment on par with or greater than losses experienced during the Global Financial Crisis. European banks are currently priced for a 3.2% incremental write-down to the loan book, compared to 2.8% observed during the GFC; US banks are priced for 10.3% loan losses, compared with 7.1% during the GFC. Asian banks are similar, with implied write-downs of 2.7%, compared with 1.6% during the GFC but well below the 8% average loan losses experienced through the Asian Financial Crisis. Sell-side analysts generally agree that bank earnings will weaken very significantly over the next year, and banks in some regions may be compelled to curtail dividend payouts; but most argue that listed banks' fundamental solvency will remain intact.

	Aggregate 2008 - 2010 loan loss provisions	Pre-crisis ave. loan loss provisions (2002 - 2007)	Incremental loan loss provisions taken (2008-2010)	Market implied incremental loan loss
Europe	3.3%	0.5%	2.8%	3.2%
US	7.8%	0.7%	7.1%	10.3%
APAC	2.7%	1.1%	1.6%	2.7%

Source: Credit Suisse HOLT

Note: APAC consists of Korea, Singapore, Indonesia, Malaysia, Thailand and the Philippines.

Emerging Markets

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Asian markets traded risk on. Equities gained 5.1% on net, currencies appreciated across the board, and sovereign yield declined for the riskier credits. **Latin American equity markets were mostly lower yesterday.** Equities in Chile (-5.8%), Brazil (-5.2%), Mexico (-3.8%) and Peru (-2.4%) have seen another day of large losses. Colombian equities (2.2%) have advanced. Currency markets were relatively quiet. The Colombian peso (-1.5%) and Mexican peso (-0.3%) have depreciated against the dollar. The Chilean peso (0.4%) has appreciated. In Bolivia, the Supreme Electoral Tribunal said that it was suspending the

electoral process for two weeks since May 3 vote has become unfeasible after the national measures due to the coronavirus outbreak. Country's top electoral authority also called on political parties, the government and congress to set a new date for the vote.

Key Emerging Market Financial Indicators

Last updated: 3/24/20 8:20 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		30.61	6.3	-3	-27	-27	-32
MSCI Frontier Equities		19.66	-3.4	-4	-32	-31	-35
EMBIG Sovereign Spread (in bps)		682	-23	106	364	328	389
EM FX vs. USD		53.35	0.6	-3	-10	-15	-13
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		7.06	0.4	-1	0	-5	-1
Indonesian Rupiah		16575	-3.7	-10	-16	-14	-16
Indian Rupee		76.29	-1.4	-3	-6	-10	-6
Argentine Peso		63.77	-0.3	-1	-3	-36	-6
Brazil Real		5.08	1.3	-1	-14	-24	-21
Mexican Peso		24.86	2.0	-8	-23	-24	-24
Russian Ruble		78.73	1.1	-4	-17	-19	-21
South African Rand		17.65	1.1	-6	-14	-19	-21
Turkish Lira		6.49	1.1	-1	-6	-14	-8
EM FX volatility		14.56	0.0	1.5	7.4	6.2	8.0

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

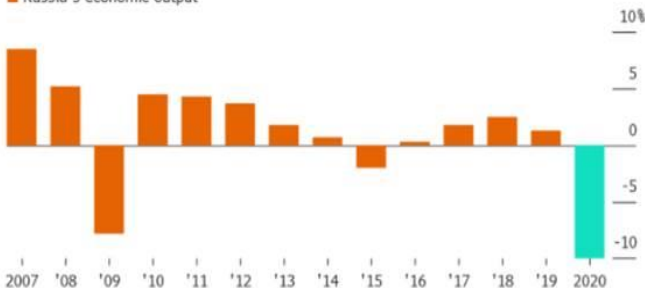
Russia

A full lockdown – a worst-case scenario – could shrink the Russian economy by as much as 10% this year, according to a Bloomberg report of analysis by the government. The economy could contract by 5%-10%, y/y, far worse than the 7.8% contraction seen in 2009 amid the global financial crisis. Growth in Q2 could fall by as much as 30% on an annualized basis, roughly in line with forecasts for most Western economies. A more benign scenario, where the virus outbreak is contained without a full lockdown, could still force the economy to contract by about 1%-1.5% this year. The number of recorded infections in Russia has been rising daily while the slowdowns in the EU and elsewhere are expected to negatively affect its growth outlook as well. Meanwhile, an oil war with Saudi Arabia that could push crude price to below \$20/barrel is also weighing on the economy's outlook. That said, the central bank is still forecasting a small economic expansion this year, and Governor Nabiullina noted last Friday that a rate increase is still possible next month if risks to financial stability worsen. The front-month WTI crude oil futures contract touched \$20/barrel last week and is currently \$24/barrel. Meanwhile, the ruble is 1.2% stronger on the day at RUB 78.67/dollar, having lost 22% of its value on a year-to-date basis, making it the worst performing currency relative to its EMEA peers.

Worst Case

Economic slump in Russia this year could be worse than in 2009 crisis

■ Russia's economic output

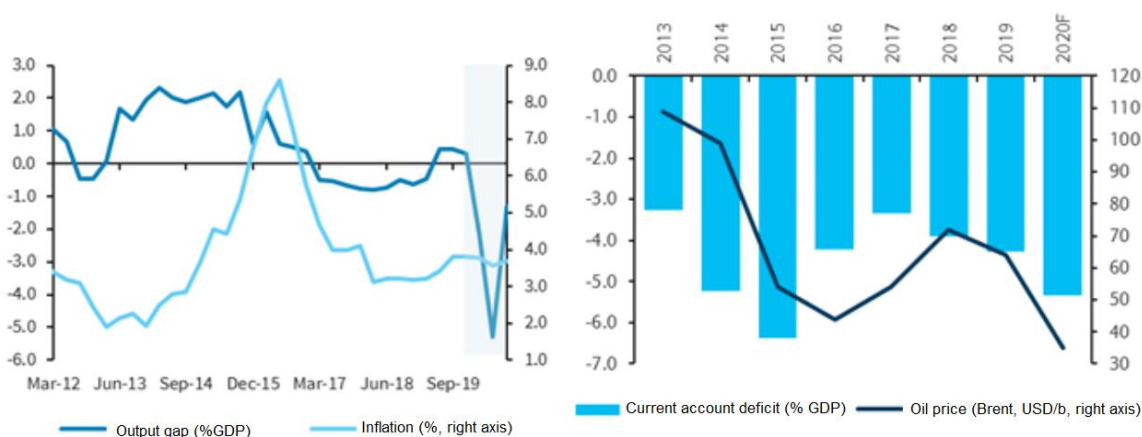


Source: Federal Statistics Service for historical data, forecast by a government official for worst case in 2020

Bloomberg

Colombia

Colombia has intensified measures against the coronavirus before the central bank policy meeting this Friday (March 27th). President Duque announced that the country will be under a 19-day quarantine starting today (March 24th). A decline in domestic demand following the quarantine could contain the current account deficit and the pass-through from the peso depreciation, which were two reasons preventing the central bank from cutting rates, according to Barclays. In this regard, several private banks (e.g. Barclays and Goldman Sachs) now expect a 50 bps cut (to 3.75%) at the March 27th policy meeting. Until now, the Colombian central bank is the only one which hasn't cut the rate as a response to the outbreak amongst major economies of Latin America.



Source: DANE, Barclays Research

Source: Banrep, Barclays Research

China

Equities (Shanghai +2.3%; Shenzhen +2.1%) rose amid progress in normalizing activity. Authorities in Hubei province said that they will lift the lockdown of Wuhan, the origin of COVID-19, on April 8. **Separately, about 20% of micro, small and medium enterprises have benefitted from deferred loan repayment arrangements since January 25.** The banking industry has provided RMB1.8 bn worth of credit support to companies amid the virus outbreak and the grace period for SMEs to payback their principal and interest will last until June 30. **The offshore RMB strengthened +0.5% while the onshore counterpart appreciated +0.2%.**

Korea

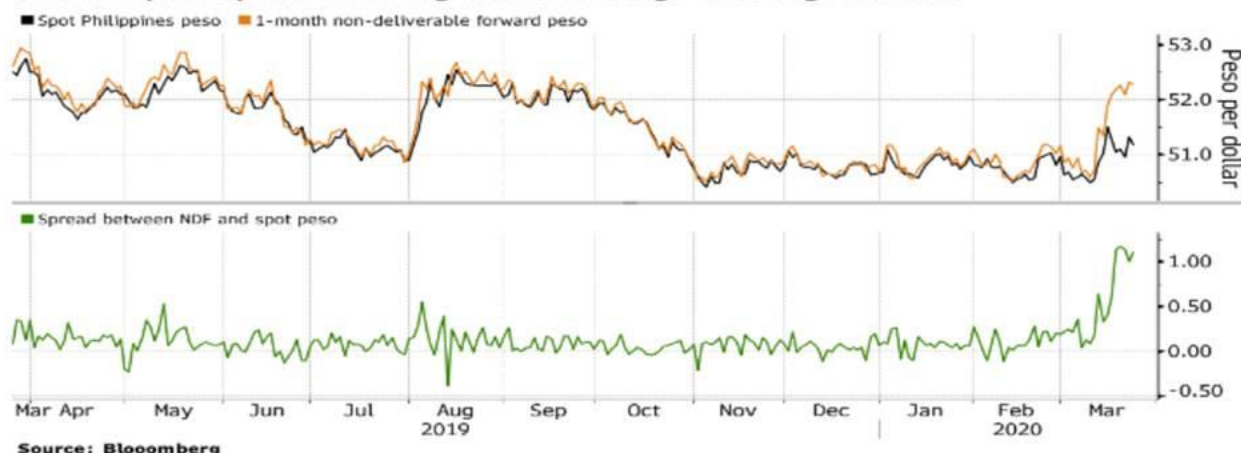
The government announced a KRW48.5 tn (\$39bn) package to stabilize financial markets. It consists of: (1) KRW20 tn bond market stabilization fund, which will purchase corporate bonds and commercial paper, (2) KRW10.7 tn stock stabilization fund, which will invest in indices, rather than individual stocks, and (3) KRW17.8 tn for companies that suffer from liquidity shortage. The bond and stock funds will start investing in early April. The KRW17.8 tn will be used to provide sufficient liquidity to short-term money markets, underwriting of corporate bonds and to increase issuance of collateralized bond obligations for firms with lower ratings. **Equities rose +8.6%, the Korean won appreciated +1.4%, the most in Asia.**

Philippines

The Bangko Sentral ng Pilipinas (BSP) reduced the reserve requirement ratio (RRR) for banks by 200bps to 12%. The cut will be effective March 30 and the central bank is looking to lower RRR by as much as 400bps this year. This announcement comes a day after the BSP announced a plan to purchase PHP300 bn worth of government debt under a three-month repurchase agreement that is renewable for another three months. **Separately, The National Economic and Development Authority said that the budget deficit may widen to 4.4-5.4% of GDP amid aggressive efforts to contain COVID-19.** 2020 GDP growth could be as low as -0.6% or worse if the adverse impact of the virus is felt until June, according

to the economic planning agency. The country has recorded 501 total confirmed cases as of March 24, according to the health ministry. The Philippine peso appreciated +0.7%, 10-year bond yield fell -7.3bps while equities rose +0.6%. **Since the shutdown of financial markets last week, the peso NDF has priced in greater depreciation than the onshore peso.**

Offshore peso spikes following onshore foreign-exchange closures



Indonesia

Bank Indonesia (BI) now requires banks to include domestic non-deliverable forwards (DNDFs) in the calculation of their net open positions (NOP). Banks were hitting regulatory NOP limits and the change gives them more leeway as they can use DNDFs to cover short FX positions. **Separately, a parliamentary panel recommended a temporary easing of the budget deficit limit.** The deficit should be increased to 5% of GDP by issuing a presidential decree from the current cap of 3% to “safeguard the economy during the virus outbreak”. The panel also called for a special presidential decree to grant tax relief to individuals and companies. The parliament would need to amend the law within six months should President Joko Widodo accept the panel’s recommendation and follow through the decree. **Equities fell -1.7%, the rupiah appreciated +0.5% while local currency-denominated 10-year bond yield rose +2.3bps.**

List of GMM Contributors

Global Markets Analysis Division, MCM Department

Anna Ilyina <i>Division Chief</i>	Reinout De Bock <i>Economist</i>	Patrick Schneider <i>Research Officer</i>
Will Kerry <i>Deputy Division Chief</i>	Dimitris Drakopoulos <i>Financial Sector Expert</i>	Jochen Schmittmann <i>Senior Economist</i>
Evan Papageorgiou <i>Deputy Division Chief</i>	Mohamed Jaber <i>Senior Financial Sector Expert</i>	Can Sever <i>Economist (Economist Program)</i>
Sergei Antoshin <i>Senior Economist</i>	David Jones <i>Senior Financial Sector Expert</i>	Juan Solé <i>Senior Economist</i>
John Caparusso <i>Senior Financial Sector Expert</i>	Sanjay Hazarika <i>Senior Financial Sector Expert</i>	Jeffrey Williams <i>Senior Financial Sector Expert</i>
Sally Chen <i>Senior Economist</i>	Frank Hespeler <i>Senior Financial Sector Expert</i>	Akihiko Yokoyama <i>Senior Financial Sector Expert</i>
Yingyuan Chen <i>Senior Research Officer</i>	Rohit Goel <i>Financial Sector Expert</i>	Piyusha Khot <i>Research Assistant</i>
Han Teng Chua <i>Economic Analyst</i>	Henry Hoyle <i>Financial Sector Expert</i>	Xingmi Zheng <i>Research Assistant</i>
Fabio Cortés <i>Senior Economist</i>	Thomas Piontek <i>Financial Sector Expert</i>	

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China		2722	2.3	-2	-10	-12	-11
Asia Ex Japan		54	-2.2	-3	-22	-23	-27
Emerging Markets		31	6.3	-3	-27	-27	-32
Interest Rates			basis points				
US 10y Yield		0.82	-5.9	-26	-55	-162	-110
Germany 10y Yield		-0.36	1.5	7	12	-35	-18
Japan 10y Yield		0.04	-2.9	2	10	11	5
UK 10y Yield		0.44	1.6	-11	-10	-57	-38
Credit Spreads			basis points				
US Investment Grade		354	-3.1	98	239	231	257
US High Yield		1095	3.6	238	644	668	702
Europe IG		106	-8.1	-12	58	37	62
Europe HY		640	-51.2	27	397	357	433
EMBIG Sovereign Spread		682	-23.0	106	364	328	389
Exchange Rates			%				
USD/Majors		101.50	-1.0	2	2	5	5
EUR/USD		1.08	1.0	-2	0	-4	-3
USD/JPY		111.0	0.2	-3	0	-1	-2
EM/USD		53.4	0.6	-3	-10	-15	-13
Commodities			%				
Brent Crude Oil (\$/barrel)		28	2.2	-4	-51	-59	-58
Industrials Metals (index)		92	2.1	-5	-12	-23	-20
Agriculture (index)		37	-0.4	6	-4	-9	-10
Implied Volatility			%				
VIX Index (% change in pp)		36.2	-25.4	-39.7	11.2	19.8	22.5
10y Treasury Volatility Index		12.6	-0.6	3.0	6.9	8.3	8.4
Global FX Volatility		14.2	0.0	1.6	8.1	6.9	8.2
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		281	-4.5	-132	132	-97	116
Italy		194	-1.2	-84	50	-52	35
Portugal		142	8.3	-29	71	14	79
Spain		121	7.7	-26	52	12	56



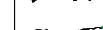
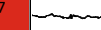




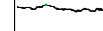
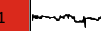










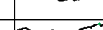
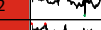
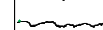





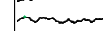








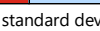
Colors denote **tightening/easing** financial conditions for observations greater than ± 1.5 standard deviations.

Data source: Bloomberg.

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Emerging Market Financial Indicators

Last updated: 3/24/2020 8:21 AM	Exchange Rates							Local Currency Bond Yields (GBI EM)							
	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		
	vs. USD		(+) = EM appreciation						% p.a.						
China		7.06	0.4	-0.8	0	-5	-1		2.8	-3.3	0	-15	-38	-38	
Indonesia		16575	-3.7	-9.9	-16	-14	-16		8.0	-10.3	57	140	30	90	
India		76	-1.4	-2.6	-6	-10	-6		6.6	-9.0	5	3	-84	-25	
Philippines		51	-0.9	0.8	-1	2	-1		4.9	75.8	75	71	-57	57	
Thailand		33	-0.4	-2.1	-4	-4	-9		1.8	-9.2	35	53	-84	17	
Malaysia		4.45	-1.2	-3.1	-5	-9	-8		3.6	-11.4	48	65	-29	25	
Argentina		64	-0.3	-1.4	-3	-36	-6		69.2	0.0	1575	1577	4536	659	
Brazil		5.08	1.3	-1.4	-14	-24	-21		8.2	31.3	145	236	2	195	
Chile		849	1.4	0.0	-5	-20	-11		3.7	8.0	70	3	-47	44	
Colombia		4180	-1.4	-2.4	-18	-25	-21		8.4	0.0	-18	292	229	246	
Mexico		24.86	2.0	-7.7	-23	-24	-24		7.8	21.8	15	117	-26	85	
Peru		3.5	-0.1	0.7	-4	-7	-6		5.9	35.7	22	167	50	134	
Uruguay		45	0.8	0.0	-14	-25	-16		12.8	173.5	209	319	231	189	
Hungary		323	1.8	-2.3	-4	-14	-9		2.0	-17.7	-24	37	10	78	
Poland		4.25	1.0	-4.4	-7	-11	-11		1.4	-14.8	-42	-43	-84	-49	
Romania		4.5	1.0	-1.5	-1	-6	-5		4.5	-43.0	-42	102	49	52	
Russia		78.7	1.1	-4.3	-17	-19	-21		7.4	-11.8	-44	160	-59	124	
South Africa		17.6	1.1	-5.8	-14	-19	-21		12.7	67.8	162	329	312	314	
Turkey		6.49	1.1	-1.4	-6	-14	-8		12.9	20.9	85	121	-442	121	
US (DXY; 5y UST)		101	-1.0	1.9	2	5	5		0.43	2.3	-31	-78	-181	-126	

	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		2722	-3.7	-2	-10	-12	-11		268	-3	30	98	92	92
Indonesia		3990	-28.9	-15	-32	-39	-37		422	35	98	259	226	266
India		25981	#N/A	-17	-37	-32	-37		412	40	157	281	247	287
Philippines		4743	-31.5	-17	-36	-41	-39		304	23	75	232	205	238
Malaysia		1260	-14.2	-2	-18	-24	-21		338	19	119	236	209	226
Argentina		23890	-2.8	-16	-38	-27	-43		4207	-305	595	2136	3439	2438
Brazil		63570	-5.2	-11	-44	-32	-45		458	-20	87	253	206	243
Chile		2898	-0.8	-11	-35	-44	-38		381	-7	49	240	246	248
Colombia		920	-2.1	-8	-44	-42	-45		465	-22	81	296	277	302
Mexico		32964	-2.6	-13	-25	-22	-24		687	-45	95	378	385	395
Peru		14051	-1.8	-8	-27	-33	-32		362	-12	98	244	221	255
Hungary		32056	3.9	2	-28	-24	-30		202	-4	23	78	75	116
Poland		40464	-21.2	1	-27	-33	-30		128	-2	21	81	64	110
Romania		7278	3.4	-4	-26	-9	-27		414	34	90	239	214	241
Russia		2397	#N/A	8	-23	-4	-21		309	-31	33	163	87	178
South Africa		41040	-23.2	-1	-25	-27	-28		764	-14	175	416	450	444
Turkey		87830	-20.4	1	-23	-12	-23		760	-15	95	331	280	359
Ukraine		523	#N/A	-1	-1	-6	3		1140	-72	152	742	504	720
EM total		31	6.3	-3	-27	-27	-32		682	-23	106	364	328	389

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)	3625	2.7	-2.3	-11.5	-10.5	-13.4
CSI 500 (Mid-Cap Index)	5096	1.9	-2.2	-3.3	-9.1	-8.8
CSI 1000 (Small-Cap Index)	5517	1.9	-2.2	-0.9	-8.3	-7.3
Japan (Nikkei)	18092	7.1	6.4	-23.5	-22.7	-24.9
Korea (Kospi)	1610	8.6	-3.7	-26.7	-27.2	-28.8
United States (S&P 500)	2237	-2.9	-6.2	-30.7	-33.9	-32.8
Europe (Eurostoxx 600)	294	4.8	0.9	-29.3	-32.3	-30.7
MSCI Global	384	-3.3	-9.5	-32.1	-33.8	-33.7
MSCI Asia ex. Japan	501	-5.7	-8.1	-27.2	-27.2	-29.6
Asia Pacific Airlines	100	3.8	-7.8	-35.0	-27.2	-33.3
Luxury Goods	493	-3.8	-3.6	-36.3	-34.6	-37.9
Hotels Restaurants & Leisure	217	-3.6	-4.5	-43.8	-44.0	-45.7
Volatility Index (VIX, change in pp)	36	-25.4	-39.7	22.5	21.9	24.1
Interest Rates	Percent	Change (in basis points)				
US 10y Yield	0.82	3	-26	-110	-75	-101
Germany 10y Yield	-0.36	2	7	-18	6	-14
Eurodollar - April 2020	0.97	-6	-22	74	-66	-75
Eurodollar - June 2020	0.50	1	-3	119	-105	-119
Eurodollar - December 2020	0.36	0	7	126	-106	-124
Exchange Rates	Level	Relative change (in %) (+) = Appreciation				
Chinese Renminbi (per USD)	7.06	0.4	-0.8	-1.4	-0.9	-2.9
Japanese Yen (per USD)	111.0	0.2	-3.0	-2.1	0.3	-0.7
Euro (in USD)	1.08	0.9	-1.6	-3.5	-0.2	2.5
Dollar Index	101.5	-0.9	2.0	5.4	1.8	4.0
EM FX index	53.4	0.6	-2.9	-13.1	-10.1	-12.4
EM Bond Spreads on USD Debt	Basis points	Change (in basis points)				
EMBI Global Diversified	721	48	135	431	419	431
EMBI Asia	470	31	127	293	297	295
EMBI Latam	775	57	148	467	452	465
China	268	-3	30	92	100	95
Local Currency Bond Yields (GBI EM)	Percent	Change (in basis points)				
China	2.77	-3	0	-38	-14	-33
Mexico	7.79	22	15	85	119	88
Brazil	8.20	31	145	195	244	204
South Africa	12.66	68	162	314	321	318
Turkey	12.91	21	85	121	152	239
Commodities	Dollars	Relative change (in %)				
Brent Crude Oil (per ton)	27.6	2.2	-3.8	-58.1	-53.3	-57.6
Gold (per troy ounce)	1601.2	3.1	4.8	5.5	-0.7	2.6