



Global Markets Monitor

Monetary and Capital Markets Department
Global Markets Analysis Division

Monday, March 25, 2019

- **US Treasury yields tumble as 3-month, 10-year curve inverts for first time since 2007 ([link](#))**
- **Real yields lead US interest rates lower on dovish FOMC and growth concerns ([link](#))**
- **UK Parliament to vote on Brexit alternatives as pressure mounts on PM May – see Brexit Monitor update ([link](#))**
- **Asian equities sell off on global growth worries ([link](#))**
- **Turkish central bank unexpectedly tightens policy to stem weakening lira ([link](#))**
- **Thai markets mixed as preliminary election results are inconclusive ([link](#))**
- **Brazilian assets slump amid domestic political risks and broader EM sell-off ([link](#))**






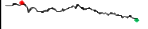





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Risk assets slide as global growth worries continue to disturb markets

Risk sentiment remains weak this morning as investors mull signals around the economic outlook.

Global equities have soured as the sell-off in US shares on Friday spilled over into trading this morning. Asia's losses were led by a 3% decline in Japanese equities, while European indexes are only marginally lower. Last week's sharp drop in major advanced economy sovereign yields has stabilized this morning, but remains top of mind with the 10-year US Treasury yield down 15 bps since the FOMC meeting to 2.47%. Market contacts cite a number of variables have fueled the decline in yields, including disappointing data out of Europe and further follow-through from the FOMC's dovish surprise. While breakeven inflation rates have recently shifted lower, alongside a 1% decline in oil prices, most of the drop in nominal yields can be attributed to a fall in real rates amid the more accommodative tone from major central banks. This has all accompanied a flattening in sovereign yield curves that have driven an underperformance in bank equity shares. EM assets have not been spared from the risk-off sentiment with broad EM equity and currency indexes weakening 2-3%, while elevated sterling volatility continues to stand out as pressure mounts on PM May amid a potential third meaningful vote this week and an Article 50 extension until April 12th.

Key Global Financial Indicators

Last updated: 3/25/19 8:02 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		2801	-1.9	-1	0	8	12
Eurostoxx 50		3302	-0.1	-3	1	0	10
Nikkei 225		20977	-3.0	-2	-3	2	5
MSCI EM		42	-0.7	-2	-3	-10	9
Yields and Spreads			bps				
US 10y Yield		2.47	-9.8	-14	-20	-35	-22
Germany 10y Yield		-0.01	0.9	-9	-11	-53	-25
EMBIG Sovereign Spread		353	-1	10	5	48	-61
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		62.9	0.2	-1	-1	-11	1
Dollar index, (+) = \$ appreciation		96.6	-0.1	0	0	8	0
Brent Crude Oil (\$/barrel)		66.8	-0.4	-1	3	-5	24
VIX Index (% change in pp)		17.1	0.6	4	2	-8	-8

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

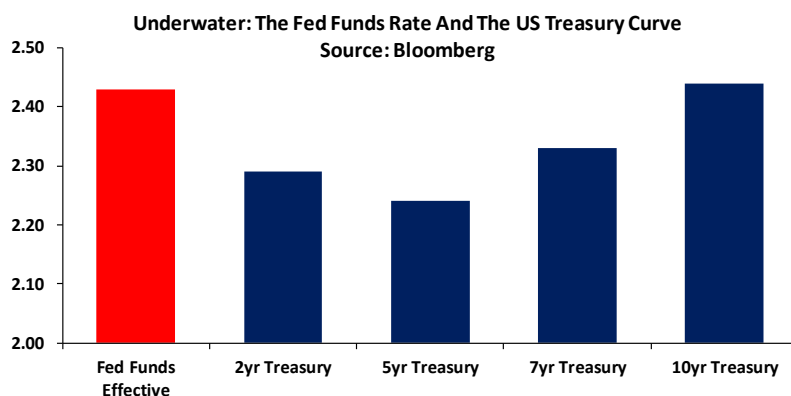
Markets are struggling to absorb the implications of the most dovish FOMC pivot in years and the severe manufacturing slowdown in Europe and Japan. The European data surprise sent the 10-year bund yield below zero for the first time since 2016 while the US yield curve inverted for the first time since 2007. 10-year JGB yields had already gone negative earlier in the month. Central banks around the world are playing defense as the long feared global slowdown starts to bite, even as market participants scramble to readjust after nearly three months of strong gains.

This week brings the latest estimate of US Q4 GDP on Thursday and the widely followed US PCE inflation data report on Friday. The latter assumes even greater importance after the latest FOMC communication as it is committee's favored measure of inflation for the economy. In the euro area, French GDP comes out tomorrow and German retail sales on Wednesday, while euro area confidence numbers will be released on Thursday and inflation data on Friday. The UK reports retail sales on Wednesday and GDP on Friday, while in Japan there will be data on employment, inflation, retail sales and industrial production on Thursday. China reports balance of payments data on Thursday and Friday. Key central bank meetings are due in Mexico and South Africa on Thursday.

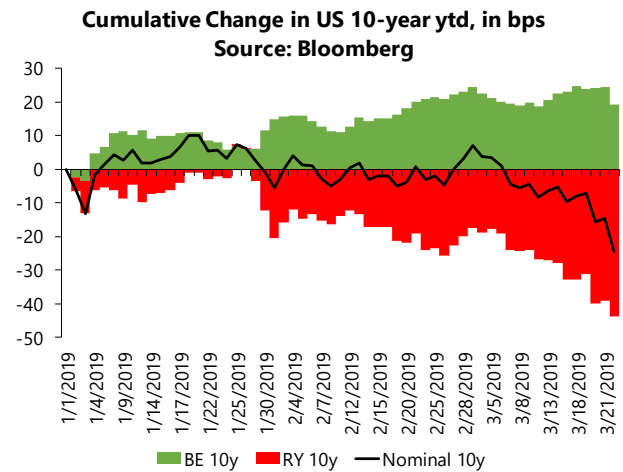
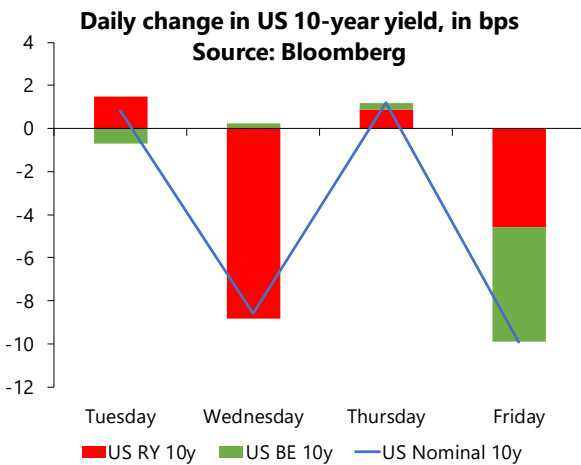
United States

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The large negative surprises in Europe spilled over to US markets on Friday, sending the 10-year Treasury yield to its lowest level in 14 months. The yield curve inverted with the spread between the three-month T-Bill and the 10-year Treasury yields turning negative for the first time since August 2007. At the end of the session, the short- and intermediate-maturity US Treasury yields were trading below the Fed Funds effective rate all the way out to the seven-year note, with the 10-year yield just one basis point above. Meanwhile, equity markets had a very bad day with the major US indexes down 1.8-2.5%. Financial stocks once again underperformed the market (bank equities down over 3%) as investors marked down their forecasts for bank earnings. **This morning, US Treasury yields are up 1 to 2 bps across the curve and S&P 500 futures point to a 0.2% decline at the open.**



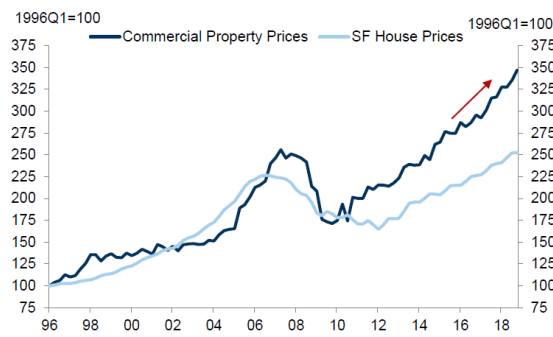
However, the price action of the past few days goes well beyond today's economic surprise. Markets are gradually starting to understand the true magnitude of the Fed's dovish pivot last week. If January saw the return of the Powell Put, March saw the put exercised as the FOMC took both rate hikes out of the dot plot for 2019. This was a surprise for a market that had been divided on whether even one would be removed. Are the markets relieved that the Fed's balance sheet rundown will soon be over, or are they worried that the US economy could be weaker than originally anticipated? Is the Fed behind the curve or ahead of the curve? **The decline in 10-year yields has been led by real yields, both since the FOMC meeting and over the course of the year. This could be a signal that markets are growing pessimistic in their outlook for the US economy.**



Valuations for commercial real estate (CRE) in the US have become highly stretched, pushing spreads down to very tight levels. Commercial real estate (CRE) prices have risen much faster than single family residential prices since the end of the crisis. CRE apartment prices are up 45% from their peak before the crisis compared to just 11% for single family homes. Spreads between the key CRE valuation measure, the capitalization (cap) ratio, and real Treasury rates have narrowed significantly. The capitalization ratio is the ratio of net income from the property to the property price. High property prices usually drive cap ratios lower as rents and operating costs are typically slower to adjust than property prices. Analysts and regulators have expressed concern about trends in the CRE sector and these concerns are accentuated by rising CRE prices. However, others are more optimistic, pointing out that credit standards remain strong and that loan-to-value ratios are much lower than in the pre-crisis era.

Exhibit 1: Commercial real estate prices have appreciated rapidly in recent years

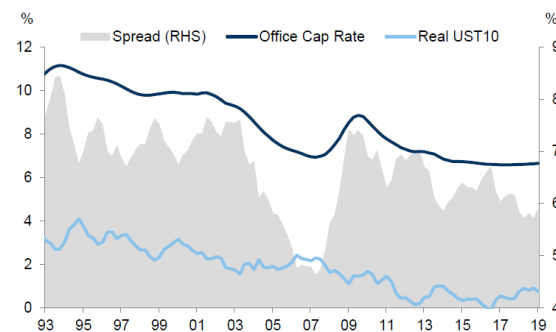
NCREIF commercial property price index vs. Case-Shiller single family house price index



Source: NCREIF, S&P, Goldman Sachs Global Investment Research

Exhibit 2: Commercial real estate cap rates are tight relative to real US Treasury rates

Office commercial property cap rate vs. real 10-year Treasury rate



Real 10-year Treasury rates are computed as the difference between nominal 10-year rates and the 10-year expected inflation rate estimated by the Federal Reserve Bank of Cleveland
<https://www.clevelandfed.org/our-research/indicators-and-data/inflation-expectations.aspx>

Source: CoStar, Federal Reserve Bank of Cleveland, Goldman Sachs Global Investment Research

Europe

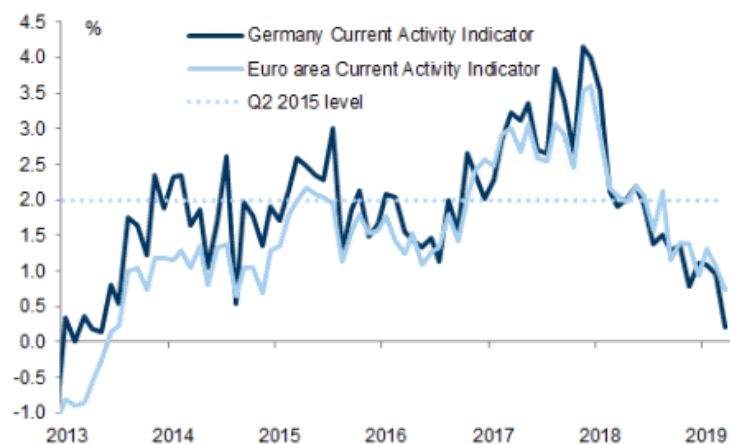
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European bourses are starting the week modestly lower, with the Dax down 0.3% and the EuroStoxx 600 and CAC 40 dropping 0.4% and 0.3%, respectively. In the UK, the FTSE 100 weakened 0.3% and the FTSE 250 0.6%. Bank stocks are flat this morning.

Euro area sovereign bond yields inched up: German 10-year bunds are at 0.00% (+1 bp), French at 0.36% (+1 bp), and Italian at 2.46% (+2 bps).

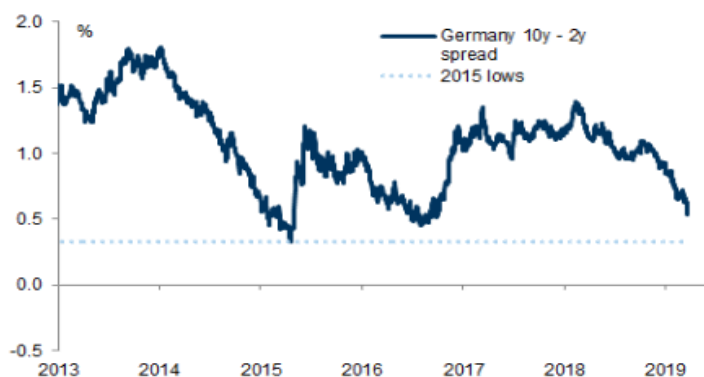
Germany's Ifo indices surprised slightly to the upside. The Business Climate index came in at 99.6 (vs. 98.5), Expectations were at 95.6 (vs. 94.0 expected), and the Current Assessment index stood at 103.8 (vs. 102.9). Despite the slight improvement in sentiment, analysts remain concerned about the strength of overall economic activity in the Eurozone.

Exhibit 1 : German growth is close to stalling



Source: Goldman Sachs Global Investment Research

Exhibit 3 : German curve is not (yet) at the extremes of 2015 flatness



Source: Goldman Sachs, Goldman Sachs Global Investment Research

In the **latest sovereign rating actions** last Friday, S&P affirmed Spain at A- (positive outlook) and Belgium at AA (stable). Fitch affirmed Luxembourg and Denmark at AAA (stable), and DBRS affirmed Spain at A (stable) and Slovakia at A-high (stable).

Deutsche Bank (-1.5%) released its 2018 annual report containing details for its plans in 2019. DB expects a RoTE of 4% in 2019 on the back partly of improving market conditions. Some analysts have pointed out the difficulty of attaining the RoTE target given numerous uncertainties, including the potential merger with Commerzbank (-1.3%). Both banks were underperforming peers today.

On **Brexit news, pressure continues to mount on PM May**, with rumors of imminent revolt even within her own cabinet. Reportedly, May has been asked to name the day of her departure in exchange for support for her Brexit deal. As the government denies the reports, parliament is preparing to vote tonight on whether to take over completely the Brexit timeline. There is still a possibility that the government will put the Withdrawal Agreement up for a third vote this week, while chancellor of the exchequer Hammond has said that a second referendum is a "perfectly coherent proposition."

Below is an update of our Brexit monitor showing recent developments in financial markets. Despite an uptick in volatility, the pound has proved resilient and most other instruments show limited signs of stress ahead of what should be a high-intensity week.

Brexit Monitor

	Indicator	Latest reading	1M Change	YTD	2018 Change
FX markets	1 Sterling spot price	1.32	1%	3%	-6%
	2 GBP CFTC net long	-13,774	34	42	-74
	3 GBPUSD risk reversal	-2.5	-0.1	-0.7	-1.2
	4 GBPUSD 1M implied vol	13	2	0	6
Equity markets	5 FTSE 250 vs FTSE 100	-1%/+4%	-1 ppt	+2 ppts	-3 ppts
	6 FTSE All-Share Banks	3,780	-1%	3%	-20%
	7 CBOE Brexit High 50 excess return	-1%/+4%	-1 ppt	-1 ppt	-2 ppts
	8 FTSE Volatility Index	15	1	-8	13
Bond markets	9 UK 10-Year yield	1.04%	-14 bps	-24 bps	+9 bps
	10 UK-US yield curve slope differential	25 bps	-4 bps	-8 bps	+10 bps
	11 Sterling IG Spreads	157 bps	-8 bps	-20 bps	+58 bps
Clearing	12 LCH equity clearing data	81 mn	4%	-21%	3%
	13 LCH repo clear data	€5.7 tn	-28%	-15%	12%
Other	14 Implied probability of a no deal Brexit from bookmakers	25%	-11 ppts	0 ppts	-8 ppts
	15 Consumer confidence for financial situation (12M ahead)	1.1	1	0	-1.9
	16 Implied probability of a second referendum from bookmakers	30%	+4 ppts	-13 ppts	+22 ppts

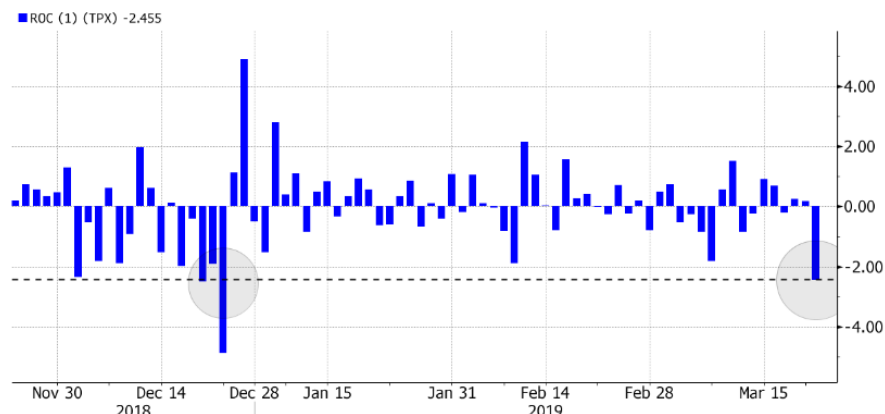
Sources: Bloomberg L.P.; LCH; and IMF staff. Changes are points unless otherwise indicated. LCH data changes represent m-o-m and annualized changes.

Other Mature Markets [back to top](#)

Japanese equities (Nikkei -3.0%; Topix -2.5%) sold off and 10-year JGB yields fell 1.6 bps to -0.09% amid global growth concerns. Among Asian markets, Japanese stocks exhibited the highest sensitivity to the sell-off in the US on Friday. Losses were broad based, with all major sectors deep in the red. **The yen weakened -0.3%.**

Worst Day This Year

Topix falls most since December



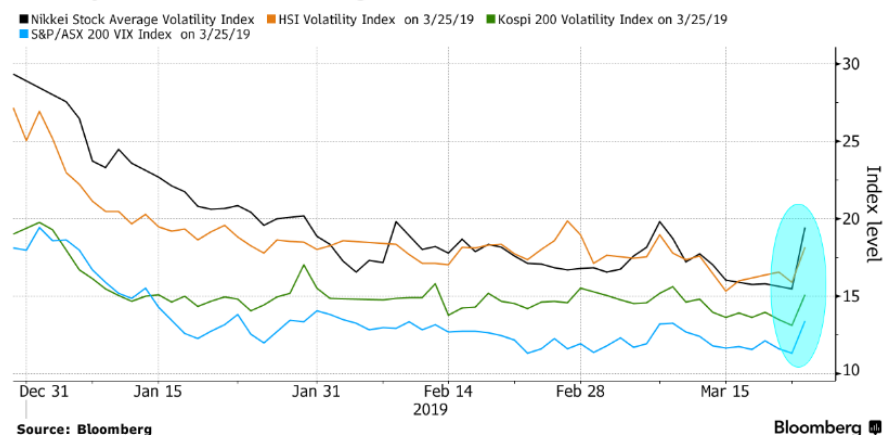
Source: Bloomberg, Tokyo Stock Exchange

Emerging Markets [back to top](#)

Latin American markets sold off sharply last Friday on renewed concerns about global growth punctuated by weak European data, the inversion of the US Treasury yield curve, and a severe decline in US international stocks, as well as increased political risks in Brazil. Equities tumbled 3.7% in Argentina, 3.1% in Brazil, and 2.2% in Mexico. Regional currencies depreciated notably, including a 2.8% drop in the Brazilian real. Long-term bond yields jumped over 30 bps in Brazil, but were mixed in other countries. **Asian** equities (-1.6%) and sovereign bond yields fell across the board. In equities, outside Japan, Hong Kong (-2%) and Shanghai (-2%) posted the largest losses. All Asian bourses closed in the red on the day. Equity volatility surged after moderating so far this year. Regional currencies were mixed and relatively stable with moves in the +/- 0.3% range. **In EMEA**, equity indices are following the global trend lower with declines of nearly 1% in South Africa and 0.5% some Eastern European bourses. The Turkish lira is the outlier in the FX markets, appreciating nearly 2% on a tighter stance by the central bank.

Guess Who's Back

Volatility has returned with a vengeance to Asia stocks



Source: Bloomberg

Bloomberg

Key Emerging Market Financial Indicators

Last updated: 3/25/19 8:10 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		42.43	-0.6	-2	-3	-10	9
MSCI Frontier Equities		28.45	-1.5	-1	-2	-16	9
EMBIG Sovereign Spread (in bps)		353	-1	10	5	48	-61
EM FX vs. USD		62.81	0.1	-1	-2	-11	1
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		6.71	0.1	0	0	-7	2
Indonesian Rupiah		14185	-0.1	0	-1	-3	1
Indian Rupee		68.94	0.1	-1	3	-6	1
Argentine Peso		41.79	-1.8	-4	-6	-52	-10
Brazil Real		3.93	-0.6	-4	-5	-16	-1
Mexican Peso		19.15	-0.3	-1	0	-4	3
Russian Ruble		64.35	0.5	0	2	-11	8
South African Rand		14.47	0.2	0	-4	-20	-1
Turkish Lira		5.69	1.3	-4	-7	-30	-7
EM FX volatility		8.46	0.8	0.7	-0.1	0.6	-1.3

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

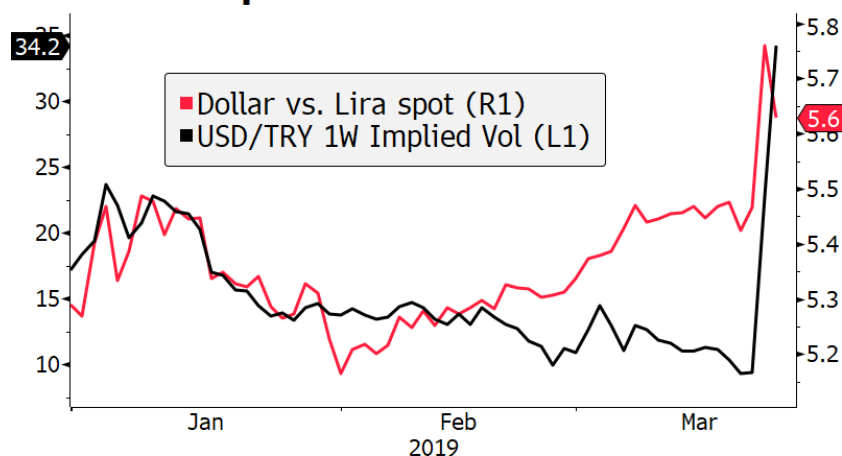
China

Chinese equities (Shanghai -2.0%; Shenzhen -1.4%) fell as the news flow on US-China trade negotiations remains mixed. US President Trump stated over the weekend that a trade deal is 'close'. US Trade Representative Lighthizer and Treasury Secretary Mnuchin will travel to Beijing for the latest round of high-level trade talks scheduled to start on March 28th. However, according to the FT, **China is refusing to budge on Washington's demands that it ease curbs on digital trade.** This is among the several remaining hurdles of an agreement between the US and China. The onshore and offshore yuan appreciated 0.1%.

Turkey

The central bank unexpectedly tightened policy on Friday and reinforced reserve accumulation in response to heightened currency volatility last week. Officials suspended the one-week auctions (rate of 24.0%) for an unspecified period due to "developments in financial markets." This implies that borrowing will happen through the other funding channels such as the overnight rate (25.5%) and late liquidity window (27.0%). In a separate press statement, the central bank reinforced its commitment towards building reserves and said the recent fluctuations were driven by normal transactions and seasonal factors. In addition, the national banking regulator launched an investigation into JP Morgan over a report published on March 22 which it accuses of contributing to the volatility in financial markets. Lastly, many analysts have noted the increase in residents' FX deposits which rose to \$161.4 bn by mid-March, compared with \$157.6 bn earlier in the month. This could reflect faltering confidence in the government's policies. Also recall that Turkey holds local elections on March 31, widely seen as the first electoral test for Erdogan since the June 2018 presidential victory. The lira appreciated close to 2.0% today after having depreciated nearly 6% last week, but measures of implied volatility remain very elevated.

Lira and Implied Vol YTD



Thailand

Muted financial market reaction to preliminary election results. Thailand held its first election since the military takeover in 2014, with preliminary results inconclusive. With 94% of the votes counted, the pro-military and the main opposition party are close in number of votes received. However, in terms of seats, Bloomberg reported that the main opposition party is in the lead. According to analysts, a relatively weak coalition government is the likely outcome of the election. **The Thai baht outperformed (+0.3%), while equities (-1.4%) fell alongside regional peers.**

Russia

The finance ministry borrowed the most in March since 2012, according to Bloomberg. Local currency and Eurobond sales for the month have amounted to \$7.2 bn so far, almost four times the average of the previous two months. The borrowing is seen as precautionary since the government is running a solid trade surplus. Part of the concern comes from the sanction bills being considered in the US Congress, but it's also an opportunistic move given the recent pick up in foreign investor demand (chart). Last week, the finance ministry sold €750 mn and \$3 bn worth of Eurobonds with demand exceeding €3 bn and \$7 bn, respectively.

Foreign investors have started to return to Russian bonds after last-year's rout

Share of non-residents in Russian local bond holdings



Source: Central Bank of Russia

Bloomberg

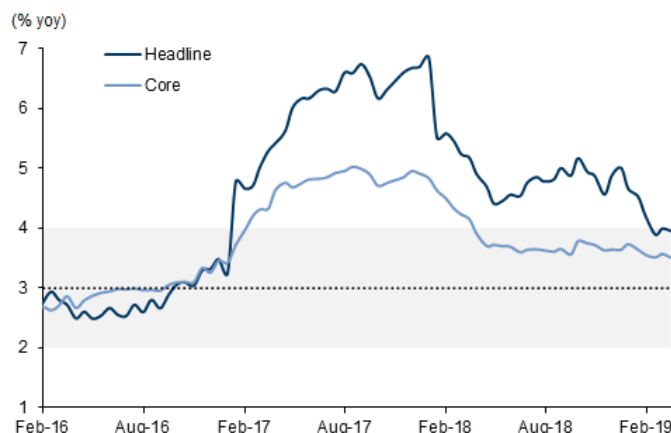
Brazil

Market commentators are concerned that political risks could derail reforms, based on Bloomberg reporting. Brazilian markets fell sharply Friday, as investors continued to assess the implications of the arrest of former President Temer on the potential outcome of pension reform discussions in Congress. Temer's former energy minister and a close ally were also arrested. Both politicians are members of the MDB which is one of the biggest parties in a divided parliament. The arrests took place as lawmakers started to review the government's pension reform bill. Some analysts said Temer's arrest has weakened the outlook in Brazil, and the political focus has shifted away from pension reform. Brazilian stocks dropped 3.1%, the currency depreciated 2.8%, and the 10-year bond yield jumped 32 bps.

Mexico

Inflation slowed unexpectedly in March, bolstering the case for monetary easing later this year. Headline inflation slowed to 3.95% yoy in the first half of March from 3.99% in the prior two-week period. The reading was below the consensus of 3.99% and remained within the target range between 2% and 4%. Inflation eased on perishable foods and a stronger currency. Markets expect that the central bank will leave its policy rate unchanged on March 28. Analysts in Citigroup's survey expect, on average, that the central bank may start cutting rates later this year, based on softening growth and inflation and keying off the Fed's dovish tilt.

Core Inflation Within Inflation Target Band



























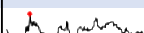




Source: Haver Analytics, Goldman Sachs Global Investment Research

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Global Financial Indicators

Last updated: 3/25/19 8:07 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		2801	-1.9	-1	0	8	12
Europe		3302	-0.1	-3	1	0	10
Japan		20977	-3.0	-2	-3	2	5
China		3043	-2.0	-2	3	-3	22
Asia Ex Japan		70	-2.5	-1	-2	-8	9
Emerging Markets		42	-0.7	-2	-3	-10	9
Interest Rates			basis points				
US 10y Yield		2.47	-9.8	-14	-20	-35	-22
Germany 10y Yield		-0.01	0.9	-9	-11	-53	-25
Japan 10y Yield		-0.08	-1.5	-5	-5	-11	-9
UK 10y Yield		1.04	2.6	-16	-14	-41	-24
Credit Spreads			basis points				
US Investment Grade		123	2.0	4	0	25	-24
US High Yield		427	14.7	17	8	73	-94
Europe IG		70	0.5	11	5	7	-18
Europe HY		283	1.5	16	0	-11	-70
EMBIG Sovereign Spread		353	-1.0	10	5	48	-61
Exchange Rates			%				
USD/Majors		96.60	-0.1	0	0	8	0
EUR/USD		1.13	0.1	0	0	-9	-1
USD/JPY		110.2	-0.2	1	1	-4	0
EM/USD		62.9	0.2	-1	-1	-11	1
Commodities			%				
Brent Crude Oil (\$/barrel)		67	-0.4	-1	3	-5	24
Industrials Metals (index)		120	-0.4	-1	-1	-7	9
Agriculture (index)		41	-0.1	0	-2	-16	-2
Implied Volatility			%				
VIX Index (% change in pp)		17.1	0.6	4.0	2.2	-7.8	-8.4
10y Treasury Volatility Index		4.3	0.7	0.5	0.7	0.2	-0.3
Global FX Volatility		7.3	0.1	0.6	-0.1	-0.4	-1.6
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		377	-0.5	11	10	-8	-38
Italy		250	3.8	13	-16	115	0
Portugal		129	1.2	11	-7	10	-19
Spain		110	0.9	2	4	35	-8

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: 3/25/2019 8:11 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		6.71	0.1	0.0	0	-7	2		3.1	-0.8	-1	7	-70	-5
Indonesia		14185	-0.1	0.4	-1	-3	1		7.7	5.9	-13	-30	76	-44
India		69	0.1	-0.6	3	-6	1		7.4	-3.4	-3	-9	-33	-2
Philippines		53	-0.4	0.3	-1	-1	0		5.5	1.6	3	-10	39	-85
Thailand		32	0.3	0.3	-1	-1	3		2.6	-2.0	-7	-5	20	-7
Malaysia		4.07	-0.1	0.2	0	-4	2		3.9	0.0	-4	-12	-12	-24
Argentina		42	-1.8	-4.3	-6	-52	-10		23.8	56.2	59	283	710	82
Brazil		3.93	-0.6	-3.5	-5	-16	-1		8.2	27.4	19	38	-4	3
Chile		680	-0.1	-2.1	-5	-11	2		4.2	-3.9	-7	-14	-63	-27
Colombia		3126	-1.4	-0.1	-1	-9	4		6.1	4.0	-11	-28	-24	-39
Mexico		19.15	-0.3	-0.5	0	-4	3		8.1	-5.2	-13	-32	47	-67
Peru		3.3	-0.6	-0.3	0	-2	2		5.4	2.4	-3	-25	42	-38
Uruguay		34	-0.6	-0.4	-3	-15	-3		10.4	-4.6	-9	16		-27
Hungary		280	0.0	-1.1	0	-10	0		1.9	-6.7	-25	-10	30	-34
Poland		3.80	0.1	-0.4	1	-11	-2		2.2	-5.2	-6	5	-25	-3
Romania		4.2	0.1	-0.2	0	-11	-3		4.0	3.0	-8	-14	20	-21
Russia		64.3	0.5	0.0	2	-11	8		8.0	4.9	-10	-14	120	-46
South Africa		14.5	0.2	-0.1	-4	-20	-1		9.5	4.1	9	6	93	-5
Turkey		5.69	1.3	-3.9	-7	-30	-7		17.3	78.3	64	159	464	45
US (DXY; 5y UST)		96.6	-0.1	0.1	0	8	0		2.26	1.7	-15	-22	-34	-25

	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		3043	-2.0	-2	3	-3	22		175	-1	-2	-5	4	-19
Indonesia		6411	-1.7	-2	-2	3	3		194	-2	2	-7	11	-42
India		37809	-0.6	-1	4	16	5		161	8	0	-8	21	-35
Philippines		7863	-1.9	0	-1	-1	5		93	-6	-1	1	-8	-28
Malaysia		1649	-1.1	-2	-4	-12	-2		129	0	1	5	7	-33
Argentina		32828	-4.0	-3	-10	4	8		765	-3	42	74	337	-50
Brazil		93735	0.9	-5	-4	11	7		253	1	16	17	10	-20
Chile		5210	-1.0	-2	-5	-5	2		133	-2	1	-3	4	-33
Colombia		1597	-2.1	1	6	9	20		184	-4	-3	-6	-1	-44
Mexico		42292	-2.2	1	-3	-9	2		300	-2	-1	-28	41	-54
Peru		21009	0.4	0	2	2	9		138	-3	3	-3	-19	-30
Hungary		41728	-0.5	-1	2	13	7		124	-3	4	14	18	-24
Poland		59819	-0.5	-1	-1	1	4		57	-7	2	4	5	-28
Romania		7951	0.9	1	2	-8	8		200	4	0	-1	65	-21
Russia		2494	0.0	0	0	9	5		216	-6	5	-1	34	-36
South Africa		55358	-1.3	-1	-1	-2	5		315	1	13	26	57	-50
Turkey		99330	-0.5	-5	-5	-15	9		495	15	79	84	175	66
Ukraine		549	-2.7	-3	-1	55	-2		633	-3	18	-13	167	-154
EM total		42	-0.6	-2	-3	-10	9		353	-1	10	5	48	-61

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