














- Government bond yields blow through records on rate cut bets, weak liquidity ([link](#))
- US payrolls were strong for February but of little comfort for investors ([link](#))
- Brazil's CB intervenes to stem accelerating currency weakness ([link](#))
- Indian markets tumble as authorities seize Yes Bank, India's fourth largest bank ([link](#))
- Yes Bank intervention triggers shockwaves in India's online payment systems ([link](#))
- Oil prices slip further as Russia reported to oppose OPEC production cuts ([link](#))

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Sovereign yields see extraordinary declines as investor fear surges

The market mood is turning darker and more panicked as sovereign bond yields collapse amid reports of deteriorating liquidity. With virus cases continuing to rise in Asia and Europe, moves in US Treasuries have been extraordinary through the overnight session, with 10-year and 30-year yields falling deep into record territory (touching 70 and 130 bps, respectively), spurred by bigger rate cut bets and reports of deteriorating liquidity. Credit markets are showing widening cracks as US funds show the biggest weekly outflows in a decade. Widening in funding stress indicators such as LIBOR-OIS spreads are also spooking markets, although the impact is largely driven by investors adding to policy rate cut expectations, rather than increases in interbank risk premia. Equities and emerging markets look set to extend yesterday's huge selloffs, promising a continuation of unusually high market volatility. In India, authorities' intervention in the fourth largest bank has sent shockwaves through markets as investors lack visibility into creditor treatment and online payment systems go dark.

Key Global Financial Indicators

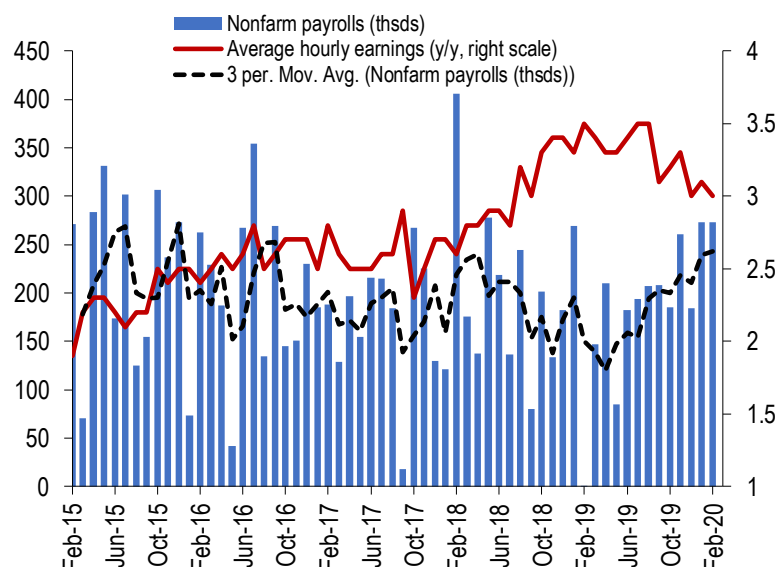
Last updated: 3/6/20 8:17 AM	Level		Change from Market Close				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
Equities			%				%
S&P 500		3024	-3.4	2	-10	9	-6
Eurostoxx 50		3239	-3.7	-3	-15	-3	-14
Nikkei 225		20750	-2.7	-2	-13	-4	-12
MSCI EM		41	-3.5	1	-7	-4	-9
Yields and Spreads			bps				
US 10y Yield		0.71	-14.0	-44	-93	-198	-121
Germany 10y Yield		-0.74	-5.0	-13	-37	-86	-55
EMBIG Sovereign Spread		400	23	29	97	53	107
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		57.8	-0.2	-1	-4	-9	-6
Dollar index, (+) = \$ appreciation		95.9	-0.9	-2	-3	-1	0
Brent Crude Oil (\$/barrel)		47.5	-5.0	-6	-14	-28	-28
VIX Index (% change in pp)		47.5	7.9	7	33	32	34

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

United States

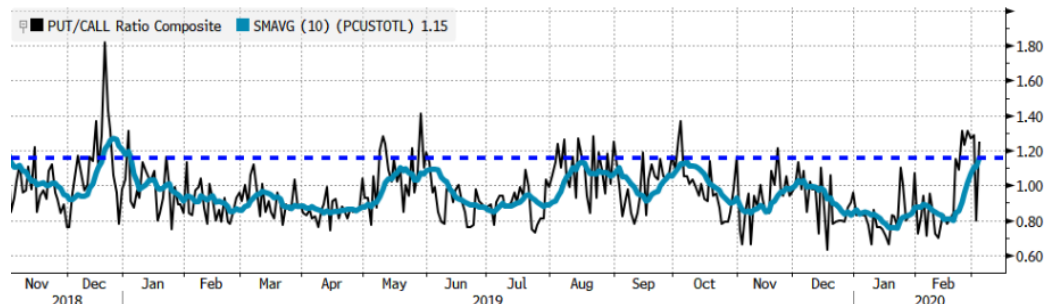
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Jobs report beats expectations by a large margin with 273k. The February nonfarm payrolls report largely reflects developments in the US economy prior to the escalation of the coronavirus epidemic. Nevertheless, the report surpassed estimates of 173k, with the unemployment rate falling back to 3.5%. Average hourly earnings were up 3.0% year on year and have trended down since August 2019. Market reaction was fairly muted given the lagging nature of the report, though the 10-year Treasury yield had fallen about 15 bps overnight from Thursday's close prior to the release amid the focus on Covid-19.



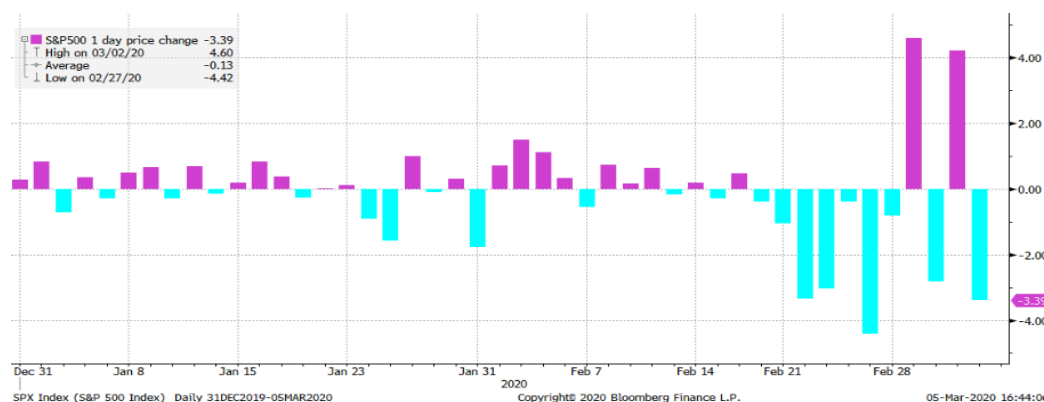
US markets slumped again amid renewed coronavirus fears and profit warnings. Equities fell 3.4%, while Treasuries continued to rally, with yields down 12-13 bps across the curve at the US close. The S&P 500 has moved more than 3% in either direction in 6 of the last 9 trading days. Defensive sectors like utilities and consumer staples were the only market segments to fall less than 2% in Thursday's session, while financials and industrials were down almost 5% on the day. The 10-year and 30-year yields sunk further to record lows at 0.92% and 1.55% respectively at closing. Market sentiment worsened as airlines and the hospitality industry in particular have been reporting weak demand and cancellations both in the US and from abroad, reducing their earnings forecasts for 2020 by significant margins. Economic data released Thursday offered a mixed picture of the US economy that had little effect on the market. Jobless claims for the last week fell to 216k from 219k (vs expectations of 215k), roughly in line with the 3-month average. Headline factory orders for January fell 0.5% (against expectations of a 0.1% decline), though nondefense capital goods orders rebounded from December. The Labor Department revised down nonfarm labor productivity growth for the fourth quarter to 1.2% q/q, which leaves the annual rate 1.8%, broadly in line with trend.

Investors seek equity protection at highest rate since 2018 selloff. The put/call option ratio on equities reached 1.15 for the highest 10-day moving average since December 2018 when the S&P 500 dropped 16% in 3 weeks peak to trough. The benchmark index is now down 10% from its 2020 peak on February 19.

Protection Is in Vogue**Put/Call ratio 10-dma highest since Dec. 2018****Source: Bloomberg**

PCUSTOTL Index (PUT/CALL RATIOS COMPOSITE) Put/Call ratio 5-dma Daily 01NOV2018 Copyright© 2020 Bloomberg Finance L.P. 05-Mar-2020 10:48:43

Market swings have ramped up in size over the last two weeks as volatility spiked. US equities have delivered historic price swings over the last two weeks. The S&P 500 moved more than 2% in either direction in 7 of the last 9 trading days, and more than 3% in 6 of the last 9. Volatility, as measured by the VIX, has hovered near 40 in recent days, after averaging barely 15 as recently as January.



SPX Index (S&P 500 Index) Daily 31DEC2019-05MAR2020

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US mortgage rates hit record low as Treasury rates tumble. The 30-year mortgage rate fell to 3.29% this week according to a Freddie Mac market survey, and is down from 4.94% in December 2018. Some market analysts are skeptical the mortgage rate would fall below 3%, but **the spread between the Treasury yield and mortgage rate has reached a post-GFC high**, suggesting either could be in line for correction. Mortgage applications jumped 15% last week (based on the MBA index) and are up nearly 70% on average through the first 9 weeks of the year--driven largely by refinancing while new purchases have lagged.



NMCMFUS Index (Freddie Mac US Mortgage Market Survey 30 Year Homeowner Commitmen

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The VIX has now been in severe risk-off territory for two weeks. This has not happened since China devaluated its currency in August 2015 and is associated with periods of substantial financial stress (Table). A near-term recovery in sentiment looks unlikely as COVID-19 infections continue to rise outside China and investors struggle to assess impact on global growth.

Table: Initial Dates of Risk-off Episodes and Length of Episode

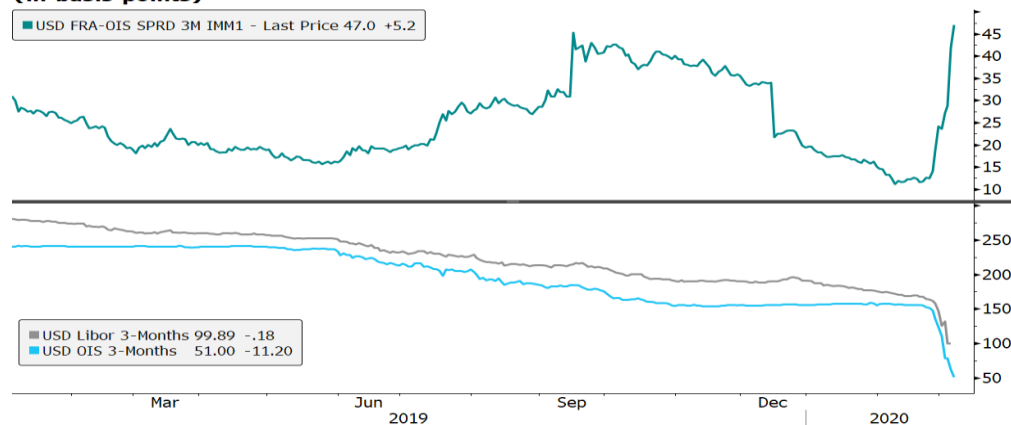
#	Date	Event	Number of days
1	29-Oct-1997	Escalation of Asian crisis	12
2	4-Aug-1998	Concerns on Russian economy	24
3	12-Oct-2000	Fear of slowing U.S. economy	1
4	17-Sep-2001	9/11 Attacks	8
5	10-Jul-2002	Fear of slowing U.S. economy	17
6	10-Aug-2007	BNP Paribas halts withdrawals from three money market	8
7	12-Nov-2007	Disruptions in USD money markets	1
8	17-Sep-2008	Lehman failure	55
9	6-May-2010	Greek crisis	18
10	16-Mar-2011	Uncertainty over impact of Japan's March 11 Earthquake	1
11	4-Aug-2011	Confrontation over U.S. debt ceiling and deterioration of crisis in	19
12	13-Oct-2014	Concerns on global economy	3
13	21-Aug-2015	Devaluation of Chinese renminbi ahead of potential Fed hike	12
14	24-Jun-2016	Brexit referendum	2
15	5-Feb-2018	Fear of higher rates after U.S. NFP report	9
16	11-Oct-2018	Concerns on global economy	1
17	24-Dec-2018	Fear of higher U.S. rates	2
18	5-Aug-2019	Escalation of U.S.-China tensions	1
19	24-Feb-2020	COVID-19 concerns	+10

Note: The dates indicate when the VIX jumps 10 percentage points above its 60-day backward-looking moving average. See De Bock and de Carvalho Filho ("The behavior of currencies during risk-off episodes", 2015, JIMF) for more details.

Source: Bloomberg and IMF staff

Interbank stress measures are rising but mostly reflect rate cut bets rather than bank creditworthiness fears. Contact trading interest rate derivatives argue that Libor-OIS spreads are rising primarily due to expectations of further Fed rate cuts firming. Widening spread premia however will continue to be closely monitored by the markets.

Forward Rate-OIS Spreads (in basis points)



Europe

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Euro area

The euro (+0.9% to \$1.13) gained as contacts believe that the ECB is struggling to disguise its limitations under a consensus approach. Nevertheless, **analysts expect the ECB to cut its depo rate 10 bps and announce other measures at next week's meeting.** Commerzbank, for example, expects the ECB to increase its QE purchases by €20 bn per month to €40 bn per month for six months and eventually also announce a targeted TLTRO for SMEs.

Equities (-3.4%) traded lower. Bank stocks (-4.4%) underperformed. Greek equities (-4%) continue to underperform, **with ytd losses for Greek bank stocks rising to 38%.**

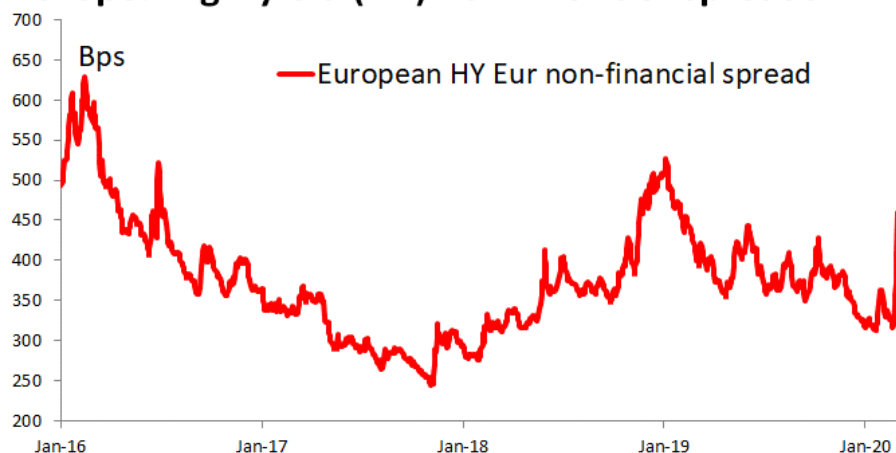
10-yr German yields fell 4 bps to -0.72%. In contrast, 10-yr French yields were little changed.

Southern European 10-yr spreads have widened. Italian 10-yr spreads rose 11 bps to 182 bps and Greek 10-yr spreads trade 14 bps higher at 211 bps.

Italy plans to double stimulus to fight coronavirus to €7.5bn, and the government will also delay a planned referendum in March by up to 3 months.

EPFR reports that there have been extreme outflows from euro-denominated credit funds in both the investment-grade (>\$2.5bn) and high-yield (>\$3bn) segments (for the week ending on 4 March). **High-yield non-financial spreads widened 15 bps to 437 bps.**

Europe: High-yield (HY) non-financial spreads

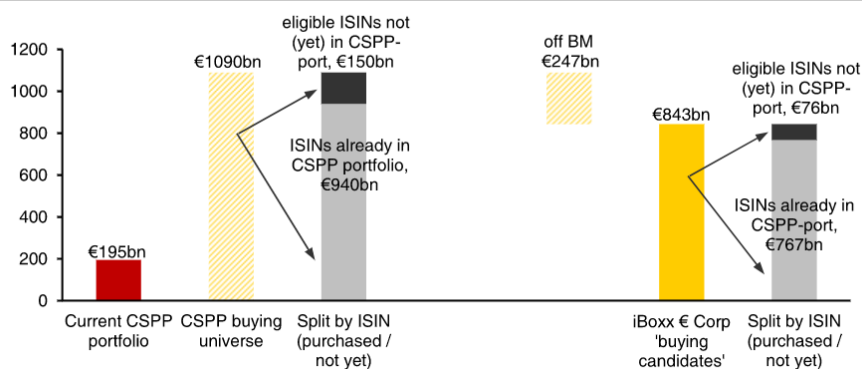


Source: CS, Bloomberg, and IMF staff

Analysts at Commerzbank argue that the ECB could increase its corporate bond purchases. The ECB currently holds €195 bn of corporate bonds in its corporate bond CSPP portfolio out of an investable €1.1 tn. Since the restart of ECB asset purchases in 2019, regular monthly purchases ranged from €4.6 bn to €5.9 bn, while volumes in previous corporate bond QE regularly exceeded €8 bn/month (peak of €9.9 bn in Sep'16).

CSPP: 20% market share just a matter of time!

Breakdown of CSPP-eligible universe, market value in €bn



Source: ECB, Bloomberg, Markit, Commerzbank Research

A popular market-based measure of inflation expectations (5-yr/5-yr inflation swaps) has fallen 6 bps to a new all-time low of 1.03%.

Other Mature Markets[back to top](#)**Japan**

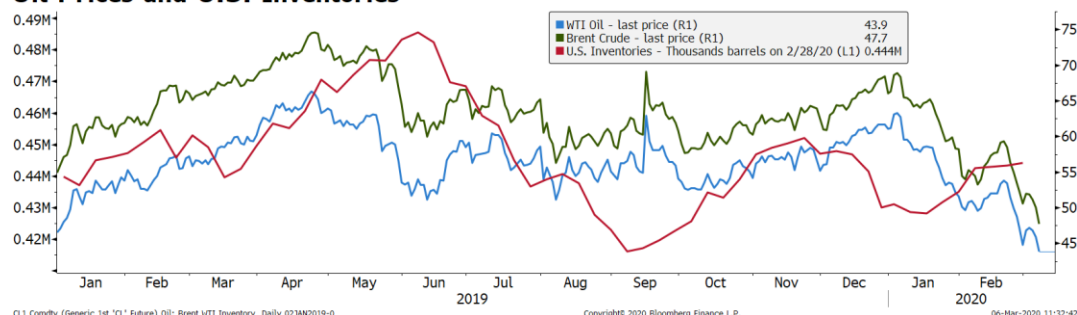
The yen reached its strongest level in 6 months while equities plunged as the broadening spread of coronavirus hit sentiment. Meanwhile, the index of leading indicators from the Cabinet Office fell to its lowest level since the global financial crisis, suggesting that Japan could be entering into a recession. The index of leading indicators, which combines a range of measures including new job postings, stock moves and consumer attitudes, fell to 90.3 in January, its lowest since November 2009. The yen appreciated by 0.4% and gained against its G10 peers. The Topix fell 2.4%, capping its 4th straight week of losses, which now total 15%. Amid recent losses, the Topix index has seen its price-to-book ratio fall below 1.1x, while the Nikkei is a hair shy of 1x. Meanwhile, **JGB yields fall across the curve**. The benchmark 10-year note fell 2 bps to -0.14% while the 5-year note yield fell 4 bps to -0.28% and the 20 year slid 3 bps to 0.17%.

Close to Book Value
Topix approaches price-to-book ratio of 1.0

**Commodities**

Crude prices plummeted gripped by coronavirus fears and lack of agreement by OPEC to slash production. Brent traded at \$48/barrel (-4.3%) and WTI at \$44/barrel (-4.2%). Besides the forecasted global growth in oil demand as an increasing number of countries succumb to the spread of the virus, news emerged that Russia is opposing production cuts proposed by Saudi Arabia.

Oil Prices and U.S. Inventories



Emerging Markets

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Asian currencies were mixed against the dollar, with losses led by the Korean won and the Indian rupee, while equities slumped as coronavirus' death toll rises further. The Korean won reversed recent appreciation to depreciate 0.9%, its biggest loss in nearly two weeks as the number of confirmed coronavirus cases increased further. The rupee, meanwhile, was hard-hit by the latest banking trouble as the authorities seized the operation of Yes Bank. The rupee lost 0.6% on the day and is fast approaching INR 74/dollar, its weakest level since Nov. 2018. The Malaysia ringgit lost 0.1% on the day but remains over 1% stronger on the day, its biggest weekly gain in more than a year as investor focus shifts to OPEC's proposal for a large production cut. The selloff in equities was broad-based, with bourses down by as much as 2.5% (Jakarta Composite) while Korea lost 2.2% and China's Shanghai Composite shed 1.2%. **EMEA equity indices also sunk today**, with stocks in Russia (-4.6%), Hungary (-3.5%), Turkey (-2.3%), and the Czech Republic (-2.2%) falling the most. Currencies strengthened to the US dollar as markets factor in further Fed cuts: Polish zloty (+0.9), Hungarian forint (+0.8%), and Turkish lira (+0.4%). **Global market gyrations continued to drive Latin America's financial markets.** Equities followed the US into another dismal daily performance, declining 4.6% in Brazil, 2.4% in Mexico, 1.3% in Argentina, 1% in Chile, 0.6% in Peru and remaining flat in Colombia. Currencies followed suit, depreciating 1.7% in Colombia, 1.5% in Mexico, 1.2% in Peru, 0.8% in Brazil and Chile and 0.5% in Argentina. Sovereign yield spreads to the US widened across the board, up to 23bps on 10-year \$ debt in Brazil and smaller double-digit increases for 10-year \$ debt in Chile and Mexico, as risk-off sentiment held its grip on investors. Changes in sovereign yield curve slopes did now show any clear pattern, abandoning the flattening seen in the days before.

Key Emerging Market Financial Indicators

Last updated: 3/6/20 8:22 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		40.97	-3.5	1	-7	-4	-9
MSCI Frontier Equities		27.41	-2.2	-3	-10	-3	-10
EMBIG Sovereign Spread (in bps)		400	23	29	97	53	107
EM FX vs. USD		57.78	-0.2	-1	-4	-9	-6
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		6.93	0.2	1	1	-3	1
Indonesian Rupiah		14243	-0.5	1	-4	-1	-3
Indian Rupee		73.78	-0.6	-2	-4	-5	-3
Argentine Peso		62.36	0.1	0	-3	-35	-4
Brazil Real		4.65	-0.7	-4	-8	-17	-13
Mexican Peso		20.26	-2.0	-3	-8	-4	-7
Russian Ruble		68.37	-1.2	-2	-7	-4	-9
South African Rand		15.74	-0.7	0	-5	-9	-11
Turkish Lira		6.11	0.0	2	-2	-11	-3
EM FX volatility		8.14	0.0	0.0	1.6	0.0	1.5

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

China

Early signs of work resumption continue to emerge with Starbucks reporting increasing sales and travel bookings rising. Starbucks is reporting sequential improvements in its weekly sales after it closed about 80% of its 4,300 locations in China in early February. It noted that the vast majority of its China locations have opened again and expects the store's opening rate to reach about 95% at the end of Q1. Meanwhile, reservations for domestic flights and hotels are recovering, based on estimates from online travel company Tongcheng-Elong. Hotel bookings in the week ending on March 1 surged by 40% from the previous week, while peak daily bookings for domestic flights jumped 230% from the lowest level recorded in February. Tongcheng-Elong projects that the overall hotel operating rate in major cities across the country to reach 90% by the end of March. The RMB was little changed on the day with the onshore CNY a touch stronger against the dollar (+0.06%) and the offshore CNH 0.1% stronger.

India

Indian equities tumbled as authorities seized the operation of Yes Bank, the fourth largest lender in the country, in a bid to arrest the widening damage from shadow banks. The intervention was the largest in 13 years and came after reports of surging depositor withdrawals. Under a government-backed proposal, State Bank of India, the nation's largest lender, will lead a consortium that will inject new capital into Yes Bank. The fate of existing depositors, creditors, and shareholders however remains unclear: the RBI capped withdrawals from Yes Bank at INR 50,000 (\$682) for the next 30 days and ordered it not to issue new loans while a rescue plan is slated to be released in 30 days. Yes Bank's shares plunged as much as 85% before paring some losses (-55% to INR 16) after Governor Das indicated that resolution for Yes Bank would be swift. At its peak in August 2019, Yes' shares had traded as high as INR 404 per share. State Bank of India's shares tumbled 6.6% to INR 269. **India's rupee weakened to its lowest since 2018 while equities tumbled** after the RBI seizure of Yes Bank. The rupee weakened past the INR 74/dollar level for the first time since October 2018 before partially reversing its loss (-0.6%) to INR 73.8/dollar; a number of market contacts attributed the recovery to central bank support. Equities fell as much as 3% in early trade before partially recovering. The S&P BSE Sensex ended the day 2.4% lower.

The seizure of Yes Bank and the moratorium on its transactions halted a number of online payments systems that relied on Yes Bank for operations. Yes Bank has been a top provider of fintech infrastructure for online payment services in the country, including its digital payments backbone, the Unified Payments Interface. Bangalore-headquartered PhonePe, a fast-growing digital payments platforms, has been hard hit. PhonePe, which offers an app for sending and receiving money as well as paying for mobile recharges and utilities, has more than 175 million users, including about 8.7 million merchants. Others that depended on Yes Bank included Microsoft's Kaizala mobile chat app, online travel providers MakeMyTrip and Cleartrip, Udaan, a business-to-business software platform that offers a Pay QR code, as well as Walmart Inc.'s Indian payments service.

Yes Contagion

Rupee, stocks slide as RBI supersedes Yes Bank



Source: Bloomberg
SENSEX Index (S&P BSE SENSEX Index) Graph 474 Daily 06MAR2019-06MAR2020

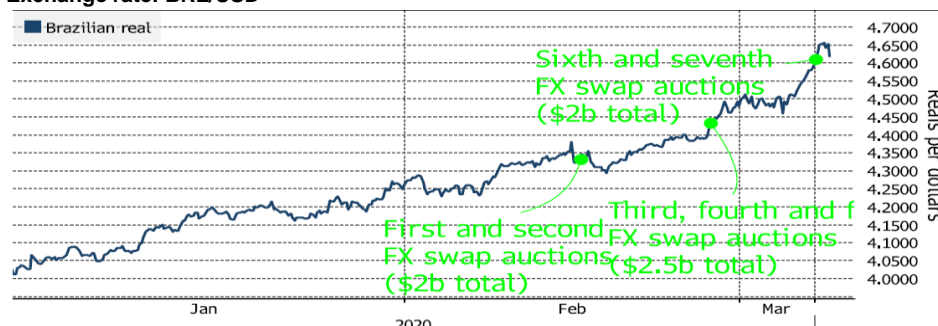
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Brazil

The currency continued to slide over the day despite several central bank FX swap auctions. Three central bank FX swap auctions with a maximal volume of \$3 bn, held over the day, did not completely remove depreciation pressure, leaving the real 0.8% weaker. While markets did not fully exhaust the offered auction volume, some of the intraday depreciation was still reversed during the afternoon. According to Bloomberg, markets now price in a 60% probability of a 50bps rate cut in two weeks' time. **FM Guedes commented that the currency weakness is largely due to the economic impact of COVID-19, rather than a change in the country's risk perception.**

Exchange rate: BRL/USD



Source: Bloomberg.

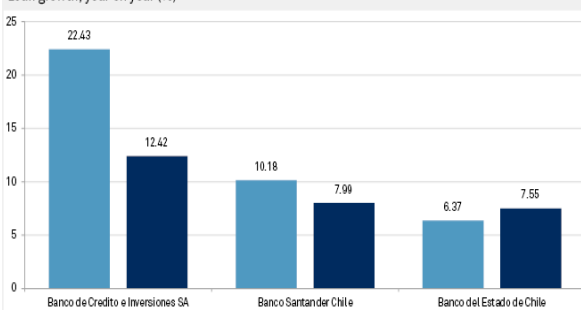
Chile

Chilean banks see valuations decline in line with falling loan growth and profitability and increasing loan loss provisioning increases. The Chilean banking industry, traditionally scored in S&P's banking industry and country risk assessment with the same score as Australia, Japan and the US, faces challenges. In 2019 y/y loan growth reduced substantially (for the three top banks from 22%, 10% and 6% to 12%, 8% and 8%, respectively), while growth rates for loan loss provisions more than doubled for some banks. Higher provisioning reduced the three top banks' profitability, with net income falling by 16% y/y in 2019Q4 and stock values declining up to 40%. As social unrest and the threat of COVID-19 have lowered economic growth forecasts for 2020 to 0.5% to 1.5%, initial expectations for a recovery in loan growth in 2020 have been scaled back to figures as low as 5% in case of a widespread postponement of investments. The implementation of the Basel III framework, which started in 2019 and will continue for six years, is expected to generate an additional capital need of USD 2.8bn for the country's banking sector, roughly equivalent to 15% of profits expected over the transition horizon. According to S&P, Chile's sound supervisory and regulatory framework is however expected to support banks' mitigation efforts aimed at coping with a potentially riskier environment.

Financial highlights of top Chilean banks

■ FY'18 ■ FY'19

Loan growth, year on year (%)¹



Source: S&P Global Market Intelligence

Stock prices of major Chilean banks, normalized to June 6, 2019



Source: Bloomberg.















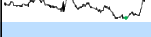







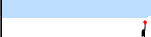
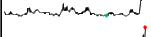





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Global Financial Indicators

Last updated: 3/6/20 8:17 AM	Level		Change				YTD
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Equities			%				%
United States		3024	-3.4	2	-10	9	-6
Europe		3239	-3.7	-3	-15	-3	-14
Japan		20750	-2.7	-2	-13	-4	-12
China		3035	-1.2	5	6	-2	-1
Asia Ex Japan		69	-1.5	1	-5	-1	-6
Emerging Markets		41	-3.5	1	-7	-4	-9
Interest Rates			basis points				
US 10y Yield		0.71	-14.0	-44	-93	-198	-121
Germany 10y Yield		-0.74	-5.0	-13	-37	-86	-55
Japan 10y Yield		-0.12	-0.9	3	-10	-12	-11
UK 10y Yield		0.21	-12.2	-23	-37	-102	-61
Credit Spreads			basis points				
US Investment Grade		137	1.4	10	34	19	40
US High Yield		565	19.6	31	148	157	171
Europe IG		81	11.8	16	38	19	37
Europe HY		383	57.5	79	170	104	175
EMBIG Sovereign Spread		400	23.0	29	97	53	107
Exchange Rates			%				
USD/Majors		95.92	-0.9	-2	-3	-1	0
EUR/USD		1.13	0.9	3	3	0	1
USD/JPY		105.1	1.1	3	5	6	3
EM/USD		57.8	-0.2	-1	-4	-9	-6
Commodities			%				
Brent Crude Oil (\$/barrel)		47	-5.0	-6	-14	-28	-28
Industrials Metals (index)		104	-1.0	0	-4	-15	-9
Agriculture (index)		38	-0.8	0	-2	-6	-7
Implied Volatility			%				
VIX Index (% change in pp)		47.5	7.9	7.4	32.6	31.8	33.7
10y Treasury Volatility Index		8.6	2.0	1.0	4.5	4.9	4.4
Global FX Volatility		7.3	0.0	-0.2	1.9	0.1	1.3
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		215	17.5	21	64	-148	49
Italy		186	10.9	15	53	-60	27
Portugal		96	0.0	0	25	-33	33
Spain		96	5.6	7	29	-3	30

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: 3/6/2020 8:22 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		6.93	0.2	1.0	1	-3	1		2.8	-1.2	-8	-9	-39	-36	
Indonesia		14243	-0.5	0.5	-4	-1	-3		6.6	-2.2	-27	-16	-129	-49	
India		74	-0.6	-2.2	-4	-5	-3		6.4	0.0	-10	-32	-107	-44	
Philippines		51	-0.1	0.6	0	3	0		4.1	-5.6	-3	-6	-142	-21	
Thailand		31	0.5	0.3	-1	1	-5		1.2	1.9	-6	-31	-150	-46	
Malaysia		4.17	-0.2	1.0	-1	-2	-2		2.8	0.8	-6	-33	-117	-56	
Argentina		62	0.1	-0.2	-3	-35	-4		47.7	-96.9	-435	-961	2622	-1486	
Brazil		4.65	-0.7	-3.8	-8	-17	-13		5.8	19.3	-12	-14	-246	-49	
Chile		831	-0.9	-1.2	-6	-21	-9		3.2	-5.5	-44	-18	-116	-6	
Colombia		3581	-1.1	-1.6	-6	-13	-8		5.5	8.4	-11	-9	-92	-45	
Mexico		20.26	-2.0	-3.0	-8	-4	-7		6.5	5.2	-31	-29	-182	-48	
Peru		3.5	-1.2	-0.8	-3	-4	-4		4.1	4.5	-15	-17	-146	-40	
Uruguay		41	-2.2	-4.9	-8	-20	-9		10.3	3.4	43	1	13	-52	
Hungary		296	1.2	3.8	4	-6	0		1.4	-2.7	-21	4	-73	20	
Poland		3.80	0.9	3.4	2	0	0		1.5	1.2	-9	-42	-83	-39	
Romania		4.2	0.8	2.8	2	-1	1		3.5	-9.0	-5	-33	-56	-51	
Russia		68.4	-1.2	-2.2	-7	-4	-9		6.0	10.3	-1	1	-212	-16	
South Africa		15.7	-0.7	-0.5	-5	-9	-11		9.5	9.0	12	10	7	-3	
Turkey		6.11	0.0	2.3	-2	-11	-3		11.0	-10.5	-133	91	-481	-66	
US (DXY; 5y UST)		96	-0.9	-2.3	-3	-1	0		0.54	-14.1	-40	-92	-196	-115	

	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		3035	-1.2	5	6	-2	-1		184	1	5	14	4	8
Indonesia		5499	-2.5	1	-8	-15	-13		232	20	21	63	36	76
India		37577	-2.3	-2	-9	3	-9		172	0	34	39	5	47
Philippines		6770	-1.7	0	-10	-13	-13		137	16	29	65	44	71
Malaysia		1483	-0.5	0	-4	-12	-7		133	2	8	23	6	21
Argentina		36772	-1.3	4	-10	14	-12		2498	142	233	585	1753	729
Brazil		102220	-4.7	-2	-11	8	-12		265	19	19	52	25	50
Chile		4296	-1.0	4	-9	-18	-8		197	9	20	56	65	64
Colombia		1547	0.1	0	-6	1	-7		223	15	15	56	34	60
Mexico		42345	-2.4	2	-5	1	-3		404	21	38	106	83	112
Peru		18718	-0.6	1	-7	-9	-9		157	0	4	41	21	50
Hungary		40884	-4.0	2	-7	0	-11		194	5	31	90	81	108
Poland		49142	-3.2	0	-15	-18	-15		114	6	36	83	60	96
Romania		9433	-1.7	3	-7	19	-5		233	7	25	54	38	59
Russia		2697	-4.2	-3	-13	8	-11		197	8	5	51	-14	66
South Africa		51750	-2.2	1	-10	-8	-9		429	22	27	101	135	109
Turkey		109394	-2.2	3	-11	6	-4		497	20	-16	138	79	96
Ukraine		537	0.0	1	4	-4	5		587	30	100	220	-74	167
EM total		41	-3.5	1	-7	-4	-9		400	23	29	97	53	107

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)	4091	0.5	-0.8	-0.1	1.0	-2.3
CSI 500 (Mid-Cap Index)	5710	0.9	-3.2	8.4	1.9	2.2
CSI 1000 (Small-Cap Index)	6196	1.3	-3.3	11.3	3.0	4.0
Japan (Nikkei)	21083	-1.2	-6.7	-10.9	-9.9	-12.5
Korea (Kospi)	2014	0.6	-4.3	-8.4	-8.9	-11.0
United States (S&P 500)	3023	-2.2	-3.4	-6.4	-10.7	-9.2
Europe (Eurostoxx 600)	381	1.4	-5.8	-8.3	-12.2	-10.1
MSCI Global	528	3.1	-2.7	-6.5	-8.9	-8.7
MSCI Asia ex. Japan	645	1.0	-2.6	-6.3	-6.3	-9.4
Asia Pacific Airlines	126	-0.6	-4.4	-18.2	-8.3	-15.9
Luxury Goods	677	1.9	-1.9	-12.5	-10.3	-14.7
Hotels Restaurants & Leisure	340	1.9	-5.3	-11.9	-12.2	-14.9
Volatility Index (VIX, change in pp)	37	3.2	8.8	22.9	22.3	24.6
Interest Rates	Percent	Change (in basis points)				
US 10y Yield	1.00	-16	-35	-92	-57	-82
Germany 10y Yield	-0.63	0	-11	-44	-21	-41
Eurodollar - March 2020	1.04	19	53	69	-62	-70
Eurodollar - June 2020	0.78	15	56	91	-76	-90
Eurodollar - December 2020	0.71	14	48	91	-72	-90
Exchange Rates	Level	Relative change (in %) (+) = Appreciation				
Chinese Renminbi (per USD)	6.97	-0.1	0.7	-0.1	0.4	-1.5
Japanese Yen (per USD)	107.1	1.1	2.9	1.4	3.8	2.8
Euro (in USD)	1.12	0.4	2.7	-0.3	-3.4	-0.7
Dollar Index	97.2	-0.2	-1.8	0.8	-2.5	-0.4
EM FX index	58.7	0.2	-0.2	-4.4	-1.1	-3.6
EM Bond Spreads on USD Debt	Basis points	Change (in basis points)				
EMBI Global Diversified	369	-4	50	78	67	79
EMBI Asia	217	-1	35	40	44	42
EMBI Latam	387	-3	45	79	64	77
China	180	2	8	4	12	7
Local Currency Bond Yields (GBI EM)	Percent	Change (in basis points)				
China	2.83	-1	-7	-32	-8	-27
Mexico	6.66	-23	8	-28	6	-25
Brazil	5.67	-23	-17	-58	-9	-50
South Africa	9.64	-2	28	12	19	16
Turkey	12.33	-37	18	63	94	181
Commodities	Dollars	Relative change (in %)				
Brent Crude Oil (per ton)	51.9	0.0	-5.6	-21.4	-12.2	-20.4
Gold (per troy ounce)	1642.4	3.3	0.4	8.2	1.9	5.2