



- **ECB leaves depo rate unchanged but announces a package of other measures** ([link](#))
- **Fed boosts liquidity, increases the size of its repo operations** ([link](#))
- **Credit risk in focus as companies start to draw down credit lines** ([link](#))
- **Italian spreads widen amid government actions to expand containment measures** ([link](#))
- **Japanese investors bought record amounts of foreign bonds last week** ([link](#))
- **Asian credit spreads widen to highest levels since 2016** ([link](#))
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## Sell-off resumes as Trump White House address disappoints investors

**Markets plummeted and risk sentiment deteriorated sharply following president Trump's White House address yesterday evening.** A combination of travel restrictions between the US and Europe and underwhelming stimulus measures failed to reassure market participants. Specifically, Trump announced a 30-day travel ban between the US and Europe, that excluded the UK and Ireland. In addition to the travel restrictions, Trump said he had instructed the Small Business Administration to provide loans to businesses that have been impacted by the outbreak. He also urged Congress to provide an additional \$50 bn in funding for the agency and "provide Americans with immediate tax relief".

**European stocks, Asian bourses and US equity futures fell strongly, with the latter hitting "limit down" levels.** The June futures contract on the S&P 500 Index dropped by 5% in overnight trading, triggering volatility circuit breakers. Yesterday, the pandemic declaration by from WHO sent US and Latin American markets sharply lower. Brazil stock markets fell 10% at one point, triggering a second trading halt in three days, while the S&P 500 index lost 4.9%. The VIX index jumped 9 percentage points to 63.1 this morning, underscoring investor concerns. As of yesterday's close, the S&P 500 index had traded above or below 3% in 9 of the previous 13 trading days. US Treasury yields dropped sharply this morning on safe haven flows, with 10-year yields falling 19 bps to 0.68%, while the yen strengthened, oil prices fell and EM currencies weakened against the dollar. Funding, credit and liquidity conditions are worsening. The Fed increased the size of its repo operations to boost liquidity in US money markets. The overnight repo limit was raised to \$175 bn, with two week repos now at \$45 bn and one-month at \$50 bn. Credit risk is also back in focus with corporate bond spreads continuing to widen while some firms start to draw down credit lines. Blackstone Group asked its companies to tap their credit lines and Boeing drew down its \$14 bn credit line yesterday.

Just before publication this morning, **the ECB left its depo and refi rates unchanged but announced a package of balance sheet measures.** First, a new longer-term refinancing operations will provide immediate liquidity support to the financial system with an interest rate equal to the average depo rate (to bridge the period until the TLTRO III operation in June 2020). Second, considerably more favorable terms will be applied in TLTRO III, during the period from June 2020 to June 2021 to all TLTRO III operations outstanding during that same time, with rates that can be as low as 25 bps below the average interest rate

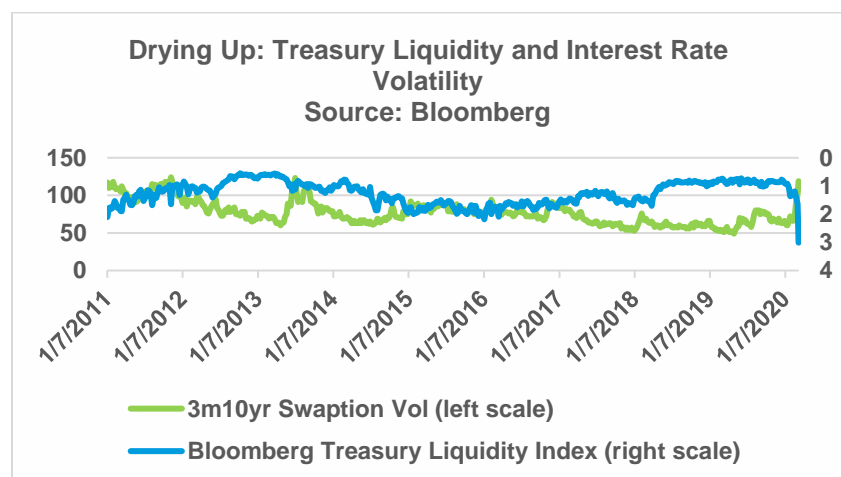
on the deposit facility. Third, a temporary envelope of additional QE of €120 bn will be added till end 2020, ensuring a strong contribution from the private sector purchase programs. Investors await the press conference at 14:30 CET for further details and Q&A. Following the announcement, the euro (+0.3%) reversed earlier losses and 10-yr Italian spreads (+36 bps to 228 bps) widened further. German 10-yr bund yields (-3 bps at -0.78%) are lower today.

Last updated: 3/12/20 8:15 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>			<b>%</b>				<b>%</b>
S&P 500		2741	-4.9	-12	-19	-2	-15
Eurostoxx 50		2728	-6.1	-19	-29	-17	-27
Nikkei 225		18560	-4.4	-13	-22	-14	-22
MSCI EM		37	-6.8	-10	-16	-12	-17
<b>Yields and Spreads</b>			<b>bps</b>				
US 10y Yield		0.68	6.7	-23	-95	-192	-123
Germany 10y Yield		-0.77	-3.1	-9	-40	-83	-59
EMBIG Sovereign Spread		531	55	154	226	179	238
<b>FX / Commodities / Volatility</b>			<b>%</b>				
EM FX vs. USD, (+) = appreciation		55.5	-1.5	-4	-7	-12	-10
Dollar index, (+) = \$ appreciation		96.8	0.3	0	-2	0	0
Brent Crude Oil (\$/barrel)		33.5	-6.5	-33	-40	-50	-49
VIX Index (% change in pp)		63.1	9.2	23	49	49	49

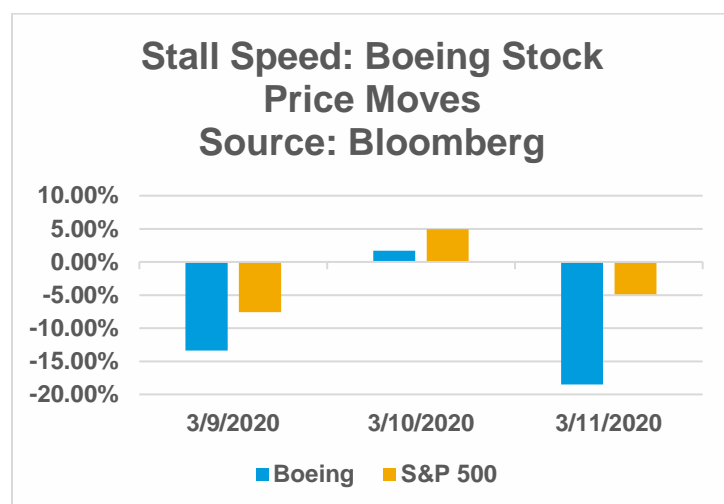
## United States

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**The Fed increased the size of its repo operations to increase liquidity in US money markets.** The overnight repo limit was raised to \$175 bn, with two week repos now at \$45 bn and one-month at \$50 bn. Citi reported that dealers later asked to raise the overnight limit to \$200 bn to make sure that the settlement of government bond auctions on Monday goes smoothly. Liquidity in the Treasury futures and cash markets has declined sharply even in the midst of the safe haven rally. Swaption volatility has spiked while the Bloomberg Treasury Liquidity Index shows liquidity has collapsed. Some analysts think the extreme volatility may have pushed high frequency traders (HFT) out of the market, widening bid-offer spreads for other participants as HFT-related flows tend to dominate trading these days.



**Boeing reported that it plans to draw on all of its \$13.825 bn bank credit line.** The company is being closely watched by analysts seeking to understand the impact of Covid-19 on industrial companies. Already under pressure due to the 737-MAX crisis, Boeing now faces massive cancellations of new orders as airlines around the world retrench in response to the virus. Some airlines are reported to have delayed payments for aircraft already under construction. Boeing is systemically important because of its large and highly skilled workforce and complex and extensive supply chain. Boeing's stock price plunged by 18.5% yesterday and its credit default swap (CDS) spread has surged from 30 bps on March 4 to 260 bps as the market begins to scrutinize the company's cash flow situation. **Blackstone Group asked its companies to tap their credit lines.** Other companies have also sought credit in expectations of troubled times ahead. Norwegian Cruise Lines obtained a \$675 mn revolving loan and Royal Caribbean Cruises has increased its revolver by \$550 mn.



**Treasury volatility was much lower than expected yesterday as rates remained rangebound despite sizeable declines in equities.** After the epic moves on Monday when the 10-year yield went from 0.76% to 0.31% intra-day before ending at 0.54% and then surging to 0.81% on Tuesday, Wednesday saw a few basis points of intra-day swings before the 10-year yield ended 4 bps higher. The bond market could be starting to look through the daily equity market gyrations and take a more measured response to policy developments. Some contacts disagree, contending that historically low interest rates could be beginning to attract sellers of Treasuries. Sovereign wealth funds in the Gulf raising cash by selling Treasuries is a popular theory. However, the latest survey from JP Morgan found that investors are still net short Treasuries despite the historic and unprecedented decline in interest rates, although the net short position has been declining. While many market participants maintain short Treasury positions to hedge interest rate risk on their portfolios, the speed and magnitude of the market moves probably unbalanced their duration hedges, resulting in large mark-to-market losses.

Exhibit 1: Net longs in the J.P. Morgan Treasury Client Survey  
Percent of longs in survey minus percent of shorts, %

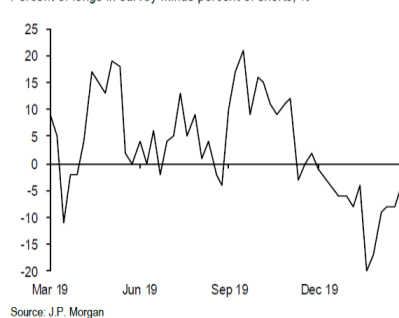
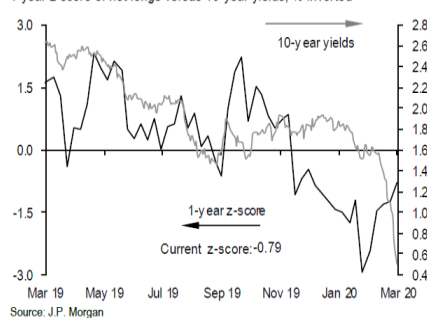


Exhibit 2: Historical client survey z-score versus Treasury yields  
1-year z-score of net longs versus 10-year yields; % inverted



**Analysts are debating what policy measures the Fed might take to support the financial system in the wake of Covid-19.** Bank of America expects the Fed to hit the zero lower bound (ZLB) by the April 29 FOMC meeting, and this is fast becoming a consensus view. Once orthodox monetary policy space has been exhausted, the Fed will need to look elsewhere as it did during the financial crisis. Likely measures include forward guidance and a resumption of “Operation Twist” where the Fed buys long maturity Treasuries and sells short maturity Treasuries to put a cap on long term interest rates, as it did in 2011-12. A resumption of quantitative easing (QE5) by outright purchases of Treasuries and mortgage-backed securities would be next on the list. Negative rates and extending QE to other asset classes are seen as much less likely, although the Bank of Japan has done both. Other measures include a revival of the crisis-era Term Auction Facility (TAF) where the Fed offered collateralized loans to banks and other depository institutions.

**Table 2: Fed toolkit in order of usage**

	Monetary Policy	Liquidity / Credit
Most Likely	Cut Target Rate to Zero	Temporary / Reserve Management OMOs; Central Bank FX Swap Line Adjustments; Discount Window Adjustments
	Employ Forward Guidance	
	"Twist" UST Holdings	Term Auction Facility; Term Securities Lending Facility
	UST QE	
	MBS QE	
	UST Yield Curve Control	Primary Dealer Credit Facility; Targeted Lending Under 13-3 Authority; Other "Unusual & Exigent Measures"
Least Likely	Negative Rates	
	Expanded QE (Credit / Equities)*	

Source: BofA Global Research

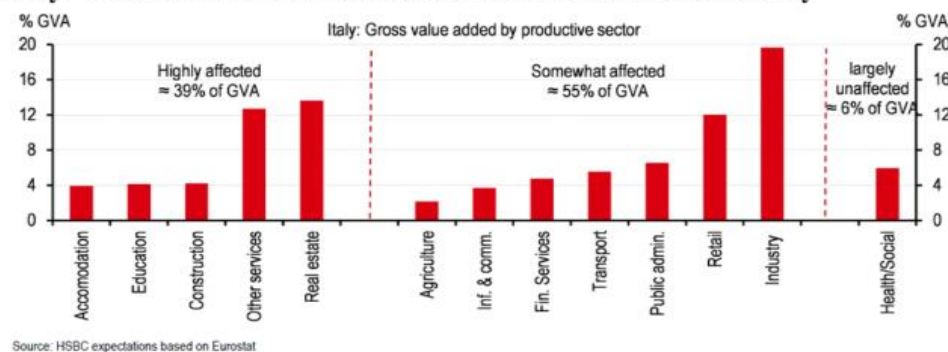
**A Bloomberg survey found that analysts assign a 50% probability of the US entering a recession a recession in 12 months and the consensus probabilities are higher for many other countries, especially in the euro area.** The Institute of Supply Management reported that widespread disruptions to the supply chains of US services and manufacturing companies have already begun.

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**European equities fell sharply and the euro (-0.3% to 1.124) was weaker in line with broader U.S. dollar strength ahead of today's key ECB meeting.** Ahead of today's meeting, contacts widely expected the ECB to cut its depo rate 10 bps to -60 bps (with markets pricing another 10 bps cut in 2020), launch a new TRLTO in order to support SMEs, and increase the tiering multiplier on reserves (to offer banks with a lot of excess liquidity a higher rate of zero). Contacts were divided on announcement of an increase in ECB QE. **10-yr German yields fell 5 bps** to -0.79% ahead of the ECB meeting but have not tested the recent intraday low of -0.90%.

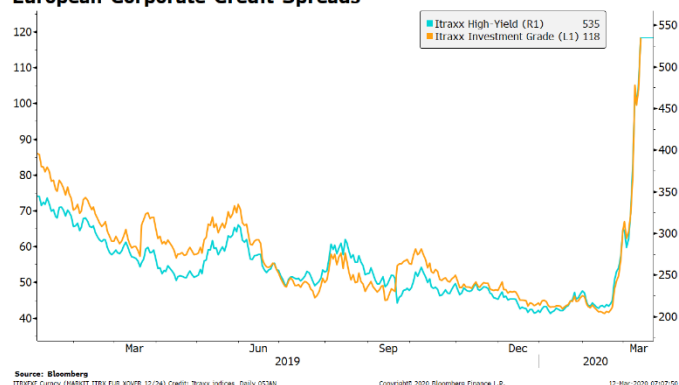
**Southern European 10-yr spreads widened with Italian 10-yr spreads increasing 18 bps to 211 bps-** and Greek 10-yr spreads up 21 bps at 252 bps. **The Italian government announced the closure of most shops and non-essential services and activities across the country,** posing further downside risks to growth forecasts and upside risks to deficit projections (of around 3%GDP). Yesterday, Italy raised its COVID-19 spending response to €25 bn (1.5% of GDP). Measures include €2 bn of support measures for the health system, extension of the short-term working scheme for firms not working at capacity (€2.5 bn), grace periods on mortgage payments (€2 bn) for those losing jobs of working fewer hours as a result of the outbreak, tax breaks for firms and self-employed workers and €1 bn of measures in support of families (e.g. vouchers for parental leave for parents with children aged below 12 covering up to 30% of the salary). **Before the extra containment measures, analysts were already expecting a 2.0% qoq contraction in growth for 2020Q2,** and a full year drop of 1.9% in 2020.

### Italy: The latest round of restrictions affects almost whole economy



**European credit spreads widened further this morning.** Europe's primary market saw three deals yesterday but not much activity is expected for the rest of the week.

### European Corporate Credit Spreads



## Other Mature Markets

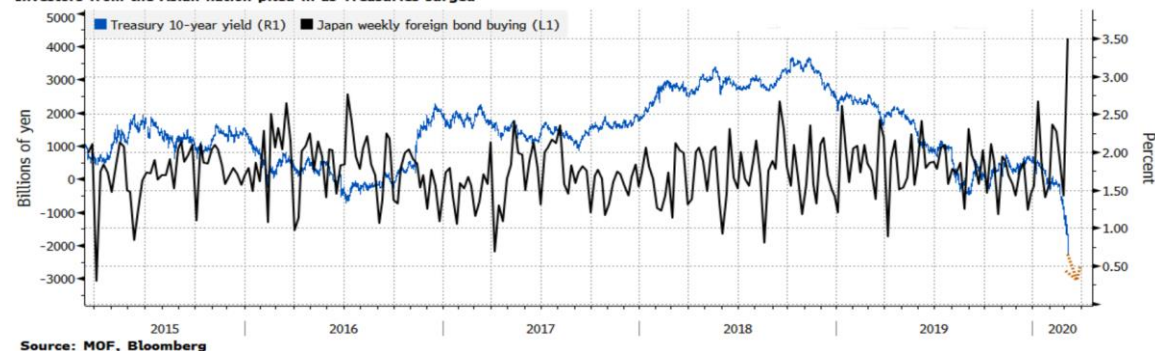
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### Japan

**Japanese investors bought record amounts of foreign debt last week as US yields nosedived.** Weekly net bond outflows reached \$41bn, by far the largest number on record. Analysts speculate that Japan's giant pension fund GPIF might be behind a significant portion of flows. **Part of Japanese foreign debt purchases were likely FX-hedged contributing to the widening in the USD-YEN cross currency basis.** Meanwhile, **equities (-4.1%) sold off across all sectors.** BoJ Governor Kuroda met PM Abe to discuss the situation. He stated after the meeting that the BoJ is monitoring the situation and won't hesitate to take action as needed. The next BoJ MPC is March 18/19. Kuroda said that the BoJ is acting through large asset purchases in the meantime. **JGB yields rose slightly across the curve.**

### Made in Japan

Investors from the Asian nation piled in as Treasuries surged





## Australia






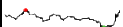

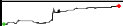
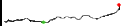

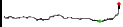

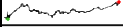

**Australian assets sold off sharply after President Trump announced travel restrictions for Europe.** The risk-off in the wake of Trump's speech overshadowed the announcement of a \$11.4bn fiscal stimulus package geared toward Q2 in Australia. **Equities declined 7.4%, the Australian dollar depreciated 0.4%, and 10-year government bonds spiked 8 bps.**

## Emerging Markets

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**Asian equities (-4.9%) collapsed, reaching late-2018 lows, as president Trump's speech on covid-19 unsettled investors.** The Philippines (-10.3%) and Thailand (-10.0%) dropped significantly, triggering their circuit breakers. China (Shanghai -1.5%; Shenzhen -2.2%) also dropped but outperformed. Regional currencies depreciated, led by losses in the South Korean won (-1.1%), Indonesian rupiah (-1.0%) and Philippine peso (-0.9%). Sovereign bond yields rose across Asia, with Indonesia and Philippines USD-denominated yields rising over 30bps. **EMEA stocks followed Asian peers and plummeted 3% to 8%.** Losses were the largest in UAE (-8.0%), Poland (-7.7%), Hungary (-7.5%), and Bulgaria (-6.9%). Currencies weakened to the dollar by 0.3% to 0.5% in most countries, except the ruble (-2.4%) and the South African rand (-1.5%). **Latin American markets suffered heavy losses Wednesday.** Stock markets plunged, particularly in Brazil (-7.6%) and Colombia (-4.8%). Regional currencies depreciated sharply, notably in Colombia (-3.3%), Brazil (-3.0%), and Mexico (-2.4%). Spreads on 10-year local-currency bonds widened considerably, including a 111 bp widening in Brazil.

Key Emerging Market Financial Indicators

Last updated: 3/12/20 8:19 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
<b>Major EM Benchmarks</b>			%				%
MSCI EM Equities		37.46	-7.1	-10	-16	-12	-17
MSCI Frontier Equities		24.12	-2.5	-14	-20	-15	-21
EMBIG Sovereign Spread (in bps)		533	57	156	228	181	240
EM FX vs. USD		55.44	-1.5	-4	-7	-12	-10
<b>Major EM FX vs. USD</b>			%, (+) = EM currency appreciation				
China Renminbi		7.01	-0.7	-1	-1	-4	-1
Indonesian Rupiah		14522	-1.0	-2	-6	-2	-5
Indian Rupee		74.22	-0.8	-1	-4	-6	-4
Argentine Peso		62.67	-0.1	0	-2	-34	-4
Brazil Real		4.99	-3.4	-7	-13	-24	-19
Mexican Peso		22.47	-4.9	-12	-17	-14	-16
Russian Ruble		75.35	-2.8	-10	-16	-13	-18
South African Rand		16.47	-1.6	-5	-10	-13	-15
Turkish Lira		6.25	-0.7	-2	-3	-13	-5
EM FX volatility		10.21	0.0	2.1	3.5	2.1	3.6

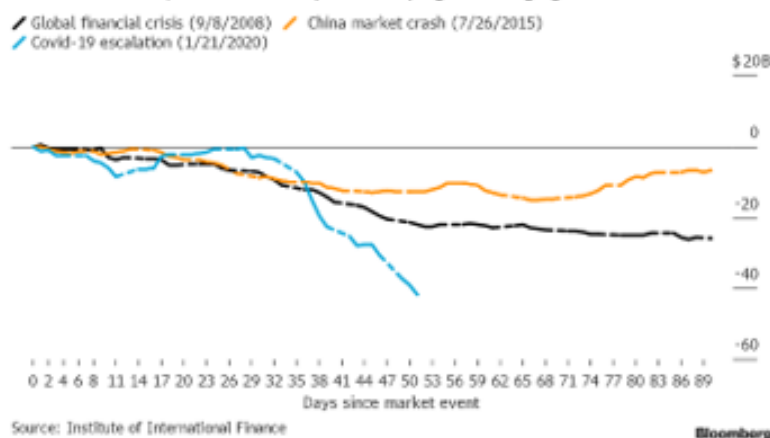
Colors denote **tightening/easing** financial conditions for observations greater than  $\pm 1.5$  standard deviations. Data source: Bloomberg.

## EM Capital Flows

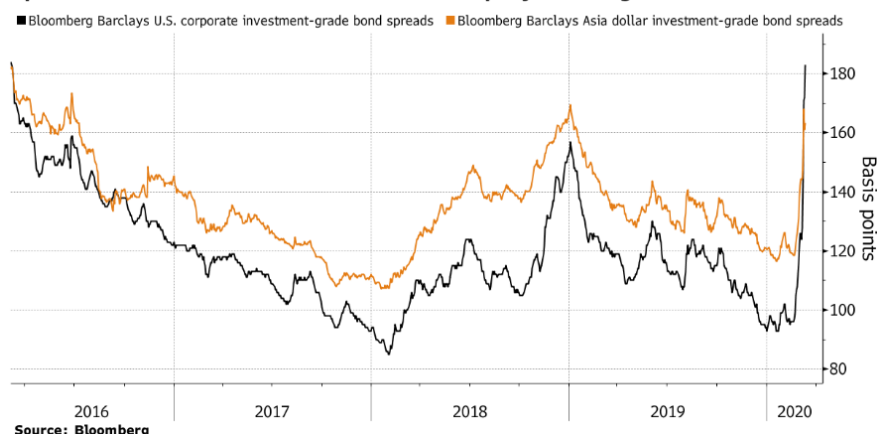
**EM capital outflows have been more severe during the coronavirus outbreak than those in the 2015 China market crash and the global financial crisis.** EM capital outflows have amounted to \$42 bn since the coronavirus outbreak began on January 21, based on IIF data and Bloomberg reporting. The EM outflows intensified in late February and then quickly surpassed the overall amounts of EM capital outflows in 2015 and 2008 measured over 90 days (figure).

**Big Outflows**

In times of crises, investors have pulled the plug on emerging-market investments

**Asian Credit Spreads**

**Asian credit markets face increasing stress, with spreads on dollar investment-grade and high yield widening to the highest since 2016**, amid poor liquidity and reports of portfolio outflows from EM. The high yield market is dominated by Chinese issuers. Chinese issuers face large maturities coming due, with half of China's stress dollar debt (yielding at least 15%) – a total of \$9.4 bn needs to be paid off or refinanced over the next 12 months, according to Bloomberg. Chinese property developers have borrowed a record \$25 bn so far this quarter in the high yield offshore bond market.

**Spreads on U.S. and Asian dollar bonds are rapidly widening****China**

**Equities (Shanghai -1.5%; Shenzhen -2.2%) fell for the second straight day but outperformed other markets, with new virus cases remaining under control.** The authorities reported 15 new confirmed covid-19 cases as of March 11, lower than 24 on the previous day. Six of the new cases were imported cases and eight were from Wuhan. Chinese authorities have imposed quarantine requirements on anyone entering the country as containment efforts shift to imported cases. **Business continued to gradually resume work.** According to the Ministry of Housing and Urban-Rural Development, the restart rate for construction has reached 58% nationwide as of March 10. The logistics sector has reached over 60% resumption rate, with cities such as Shenzhen hitting a high of 97%. Restaurants and retailers are also restarting business. **The onshore and offshore RMB depreciated -0.3%.**

**The State Council called for a targeted reduction in the reserve requirement ratio (RRR) to cushion the impact from the virus.** The cut would be aimed at supporting bank lending to small and medium-sized

enterprises to speed up business resumption and lower financing costs amid the covid-19 outbreak. The authorities also encouraged financial institutions to provide more credit to export-oriented companies. Analysts expect the central bank to announce the RRR cut over the next few days. Credit demand was weak, with February data surprising to the downside. Aggregate financing fell to RMB855.4 bn, missing expectations of RMB1,585.5 bn and lower than January's RMB5,070 bn due to covid-19 and seasonality.

## Indonesia

**Indonesian assets sold off sharply despite heavy intervention.** Local and USD-denominated sovereign bond yields jumped 21bps and 34bps, respectively, while the rupiah depreciated -1% to a near 10-month low, one of the worst performers in Asia. According to Bloomberg, global funds have pulled more than \$2.8 bn from Indonesian bonds this year. Bank Indonesia (BI) has been intervening in the spot currency, non-deliverable forwards and bond markets to stabilize the market. It bought IDR4 bn rupiah bonds in Thursday's auction, exceeding its IDR2 bn target. **To counter the impact of the virus, the government is finalizing details of a second stimulus package.** The second stimulus package would include a waiver of personal income tax and deferral of corporate tax payments for six months, effective from April 1. This will be in addition to the first stimulus package worth \$745 mn announced last month.

**USD/IDR climbs with Indonesian sovereign bond yields**



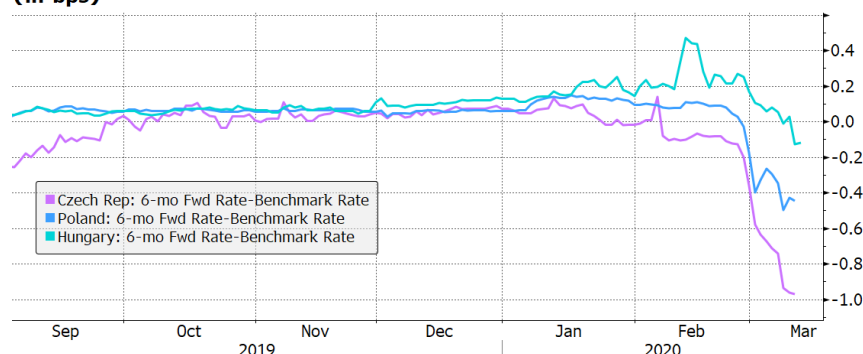
Source: Bloomberg

Bloomberg

## Serbia

**The Serbian Central Bank unexpectedly lowered the policy rate 50 bps to counter the effects of coronavirus.** The SCB set the one-week repo rate at 1.75% from 2.25% one day ahead of its announced MPC meeting. With this move, Serbia is the first country in the region to lower rates in response to the pandemic. Markets expect other central banks to follow suit.

## Central and Eastern Europe: Rate Expectations (in bps)



Source: Bloomberg  
CKFR01 Currency (CZK FRA)

6X9 BH: CEE Fwd Rates Daily 02SEP2019-12MA

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## Russia

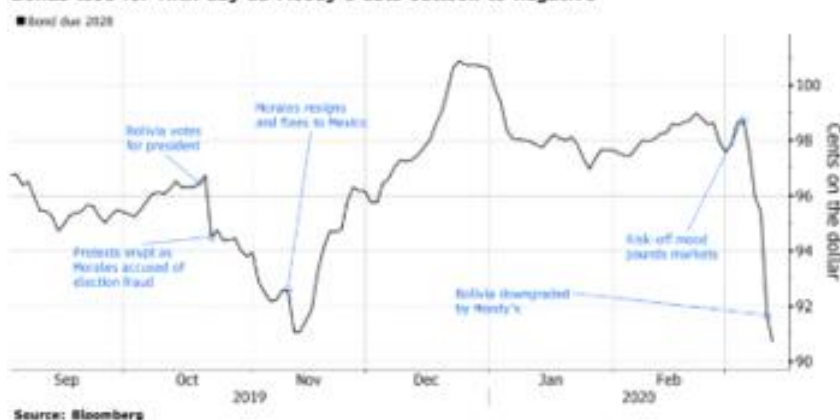
The Russian finance ministry has confirmed its intention to proceed with the purchase of Sberbank from the Central Bank of Russia. The CBR is currently a major share holder in Sberbank, owning 50% of share plus one.

## Bolivia

**Bolivia's credit rating was cut by Moody's from Ba3 to B1 with a negative outlook.** The rating agency said that the country's fiscal and FX buffers have been reduced in recent years and the hydrocarbon sector has challenges because of domestic and external factors. Moody's added that the negative outlook underscores that the new government may face serious challenges in carrying out fiscal adjustments and structural reforms. Bolivian bonds incurred losses for a fifth consecutive day Wednesday, with prices falling to a 14-month low (figure).

### Bolivia Bombs

Bonds lose for fifth day as Moody's cuts outlook to negative



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## Global Financial Indicators

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<b>Equities</b>			%				%
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Europe		2728	-6.1	-19	-29	-17	-27
Japan		18560	-4.4	-13	-22	-14	-22
China		2923	-1.5	-5	0	-4	-4
Asia Ex Japan		65	-4.0	-8	-13	-7	-12
Emerging Markets		37	-6.8	-10	-16	-12	-17
<b>Interest Rates</b>			basis points				
US 10y Yield		0.68	6.7	-23	-95	-192	-123
Germany 10y Yield		-0.77	-3.1	-9	-40	-83	-59
Japan 10y Yield		-0.06	0.9	6	-2	-3	-5
UK 10y Yield		0.25	-5.1	-9	-37	-92	-58
<b>Credit Spreads</b>			basis points				
US Investment Grade		200	13.2	65	97	81	103
US High Yield		695	18.0	150	284	278	302
Europe IG		122	17.8	53	80	61	77
Europe HY		547	67.6	222	337	270	340
EMBIG Sovereign Spread		531	55.0	154	226	179	238
<b>Exchange Rates</b>			%				
USD/Majors		96.77	0.3	0	-2	0	0
EUR/USD		1.12	-0.2	0	3	0	0
USD/JPY		103.6	0.9	3	6	8	5
EM/USD		55.5	-1.5	-4	-7	-12	-10
<b>Commodities</b>			%				
Brent Crude Oil (\$/barrel)		33	-6.5	-33	-40	-50	-49
Industrials Metals (index)		100	-2.1	-5	-7	-18	-13
Agriculture (index)		37	-2.2	-5	-8	-9	-11
<b>Implied Volatility</b>			%				
VIX Index (% change in pp)		63.1	9.2	23.5	49.3	49.3	49.3
10y Treasury Volatility Index		11.0	0.5	4.4	6.7	7.2	6.8
Global FX Volatility		10.1	0.0	2.8	4.7	3.0	4.1
<b>EA Sovereign Spreads</b>			10-Year spread vs. Germany (bps)				
Greece		213	0.0	16	78	-170	48
Italy		208	15.8	32	78	-41	48
Portugal		121	5.2	22	53	-7	58
Spain		105	4.1	15	36	-7	39






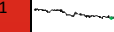

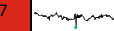



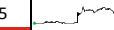



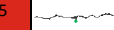

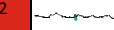

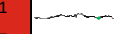
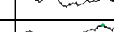
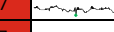
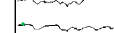


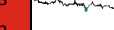
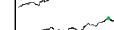







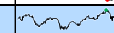
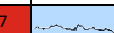


Colors denote **tightening**/**easing** financial conditions for observations greater than  $\pm 1.5$  standard deviations.

Data source: Bloomberg.

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## Emerging Market Financial Indicators

Last updated: 3/12/2020 8:18 AM	Exchange Rates						YTD	Local Currency Bond Yields (GBI EM)						
	Level		Change (in %)					Level		Change (in basis points)				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M		Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
	vs. USD		(+) = EM appreciation					% p.a.						
China		7.01	-0.7	-1.0	-1	-4	-1		2.7	1.6	-8	-14	-43	-43
Indonesia		14522	-1.0	-2.4	-6	-2	-5		7.1	6.7	43	37	-93	-4
India		74	-0.8	-1.2	-4	-6	-4		6.4	6.2	-5	-26	-109	-49
Philippines		51	-1.1	-0.8	-1	3	-1		4.1	-1.9	-3	-2	-137	-18
Thailand		32	-0.6	-0.2	-2	0	-6		1.1	4.6	-4	-33	-153	-52
Malaysia		4.26	-0.8	-2.4	-3	-4	-4		2.9	1.2	8	-14	-106	-49
Argentina		63	-0.1	-0.5	-2	-34	-4		49.7	49.1	98	-1112	2814	-1290
Brazil		4.99	-3.4	-7.5	-13	-24	-19		6.6	67.3	108	73	-144	39
Chile		856	-2.4	-3.8	-8	-22	-12		3.0	-2.4	-26	-42	-128	-26
Colombia		3891	-3.4	-10.6	-12	-18	-16		6.8	59.7	142	131	53	89
Mexico		22.47	-4.9	-11.7	-17	-14	-16		7.3	57.5	91	67	-86	38
Peru		3.5	-0.5	-2.8	-4	-6	-6		4.5	22.5	48	29	-98	3
Uruguay		43	-0.5	-7.5	-13	-24	-14		10.4	10.3	14	38	-2	-42
Hungary		301	-0.8	-0.6	4	-7	-2		1.4	3.0	-6	4	-73	16
Poland		3.88	-1.1	-1.3	1	-2	-2		1.5	15.7	4	-34	-76	-36
Romania		4.3	-0.4	-0.3	2	-1	-1		3.8	16.0	23	9	-18	-19
Russia		75.4	-2.8	-10.3	-16	-13	-18		7.0	21.2	113	109	-109	87
South Africa		16.5	-1.6	-5.1	-10	-13	-15		9.8	5.1	38	32	37	26
Turkey		6.25	-0.7	-2.3	-3	-13	-5		11.4	4.9	22	49	-479	-34
US (DXY; 5y UST)		97	0.2	-0.1	-2	0	0		0.52	-18.0	-15	-93	-189	-117

	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		2923	-1.5	-5	0	-4	-4		212	12	29	43	32	36	
Indonesia		4896	-5.0	-13	-17	-23	-22		296	51	84	129	92	140	
India		32778	-8.2	-15	-21	-13	-21		213	5	41	79	49	88	
Philippines		5736	-9.7	-17	-22	-26	-27		191	48	70	119	91	125	
Malaysia		1419	-1.7	-5	-8	-15	-11		185	15	54	78	55	73	
Argentina		31420	-4.3	-16	-21	-7	-25		3143	168	787	1176	2399	1374	
Brazil		85171	-7.6	-21	-27	-13	-26		375	66	129	171	134	160	
Chile		3980	-2.2	-8	-15	-25	-15		258	5	70	115	120	125	
Colombia		1295	-4.8	-16	-22	-16	-22		337	44	129	170	144	174	
Mexico		38679	-2.2	-11	-15	-7	-11		572	49	189	276	260	280	
Peru		17094	-3.7	-9	-15	-18	-17		217	15	60	103	78	110	
Hungary		33824	-7.4	-21	-24	-17	-27		207	12	18	100	87	121	
Poland		39026	-8.3	-23	-33	-35	-33		120	11	12	86	61	102	
Romania		7783	-7.1	-19	-22	-2	-22		257	0	31	74	57	84	
Russia		2345	-6.0	-17	-25	-5	-23		293	55	104	151	78	162	
South Africa		45708	-6.9	-14	-21	-18	-20		541	59	134	205	237	221	
Turkey		95980	-4.9	-14	-20	-6	-16		600	53	123	211	172	199	
Ukraine		533	0.0	-1	1	-4	5		902	126	345	540	260	482	
EM total		37	-7.1	-10	-16	-12	-17		533	57	156	228	181	240	

Colors denote **tightening/easing** financial conditions for observations greater than  $\pm 1.5$  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)	3951	-1.9	-6.1	-3.6	-2.5	-5.6
CSI 500 (Mid-Cap Index)	5494	-1.7	-5.3	4.3	-2.0	-1.7
CSI 1000 (Small-Cap Index)	6000	-2.0	-5.0	7.8	-0.3	0.8
Japan (Nikkei)	18560	-4.4	-13.0	-21.5	-20.7	-22.9
Korea (Kospi)	1834	-3.9	-12.0	-16.5	-17.0	-18.9
United States (S&P 500)	2741	-4.9	-12.4	-15.1	-19.0	-17.7
Europe (Eurostoxx 600)	313	-6.1	-17.8	-24.8	-27.9	-26.2
MSCI Global	474	-3.6	-9.9	-16.2	-18.3	-18.2
MSCI Asia ex. Japan	617	-1.3	-7.0	-10.4	-10.4	-13.4
Asia Pacific Airlines	118	-5.5	-7.6	-23.1	-13.8	-21.0
Luxury Goods	595	-4.0	-11.5	-23.1	-21.1	-25.0
Hotels Restaurants & Leisure	289	-7.0	-10.6	-25.0	-25.3	-27.6
Volatility Index (VIX, change in pp)	63	9.1	23.4	49.2	48.6	50.9
Interest Rates	Percent	Change (in basis points)				
US 10y Yield	0.68	-19	-23	-123	-88	-114
Germany 10y Yield	-0.77	-3	-9	-59	-35	-55
Eurodollar - March 2020	0.72	2	22	101	-94	-102
Eurodollar - June 2020	0.45	-3	22	124	-109	-123
Eurodollar - December 2020	0.38	5	23	124	-105	-123
Exchange Rates	Level	Relative change (in %) (+) = Appreciation				
Chinese Renminbi (per USD)	7.01	-0.7	-1.0	-0.6	-0.1	-2.0
Japanese Yen (per USD)	103.6	0.9	2.5	4.9	7.0	6.0
Euro (in USD)	1.12	-0.2	0.1	0.3	-4.1	-1.4
Dollar Index	96.8	0.3	0.0	0.4	-2.9	-0.8
EM FX index	55.5	-1.5	-4.2	-9.7	-6.5	-8.9
EM Bond Spreads on USD Debt	Basis points	Change (in basis points)				
EMBI Global Diversified	475	23	119	185	173	185
EMBI Asia	258	4	42	81	85	83
EMBI Latam	512	31	140	204	189	202
China	211	11	28	35	43	38
Local Currency Bond Yields (GBI EM)	Percent	Change (in basis points)				
China	2.72	2	-8	-43	-20	-38
Mexico	7.32	58	91	38	72	41
Brazil	6.64	67	108	39	88	47
South Africa	9.78	5	38	26	33	30
Turkey	11.36	5	22	-34	-3	84
Commodities	Dollars	Relative change (in %)				
Brent Crude Oil (per ton)	33.5	-6.5	-33.1	-49.3	-43.4	-48.7
Gold (per troy ounce)	1624.0	-0.7	-2.9	7.0	0.8	4.0