



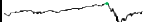



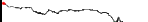
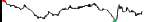

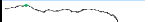

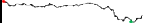

- US stocks surge on optimism over progress toward virus vaccine ([link](#))
- US HY bond issuance picks up but is skewed toward quality and secured issuance ([link](#))
- France and Germany announce joint proposal for €500 bn EU recovery fund ([link](#))
- EM USD sovereign IG issuance has surged while HY sovereign issuance lags ([link](#))
- China is considering extension of loan relief for corporates ([link](#))
- Bank Indonesia unexpectedly keeps rates unchanged to ensure currency stability ([link](#))
- Czech government approves new state loan guarantees for SMEs ([link](#))

[US](#) | [Europe](#) | [Other Mature](#) | [Emerging Markets](#) | [Market Tables](#)

Risk-on mood shows hesitation despite vaccine hopes

The constructive news flow that supported global equity markets yesterday has faded as investors have questioned the rally alongside persistent headwinds from geopolitical tensions. The mood was very positive in markets yesterday, with sentiment boosted by hopes of a vaccine and the Franco-German agreement on the EU recovery fund. European stocks closed sharply higher yesterday, upwards of 5%, and so did US stocks with most equity indexes posting their best daily performance in over a month. There was strong flow-through in Asia with most regional bourses advancing overnight by more than 1%. Core bond yields rose on both sides of the Atlantic with US Treasury yields rising 3 to 11 bps across maturities and the curve steepening by about 8 bps. Moreover, 10-year Italian BTP spreads to German bunds tightened over 20 bps and reached their lowest levels since mid-April. However, market sentiment has turned more cautious this morning with contacts noting that the potential for COVID-19 vaccines and the European Recovery Fund may not become a reality until 2021. On top of this, geopolitical tensions remain very visible. Australian agricultural exports are reportedly at risk of further Chinese measures and US President Trump has threatened to freeze funding for the WHO unless there is significant reform. The US dollar has depreciated so far this week against both major G10 and EM currencies with the broad emerging market currency index appreciating close to 1% and most local EM bourses posting gains between 2 and 4% yesterday despite trading slightly lower this morning.

Key Global Financial Indicators

Last updated: 5/19/20 8:06 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		2954	3.2	1	3	3	-9
Eurostoxx 50		2912	0.0	1	1	-15	-22
Nikkei 225		20433	1.5	0	3	-4	-14
MSCI EM		37	0.0	2	3	-7	-17
Yields and Spreads			bps				
US 10y Yield		0.73	8.3	6	9	-166	-119
Germany 10y Yield		-0.44	2.4	6	3	-34	-26
EMBIG Sovereign Spread		552	-3	-21	-49	192	259
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		53.4	0.5	1	0	-13	-13
Dollar index, (+) = \$ appreciation		99.4	-0.2	-1	0	1	3
Brent Crude Oil (\$/barrel)		35.2	1.0	17	25	-51	-47
VIX Index (% change in pp)		29.3	0.0	-4	-9	13	16

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

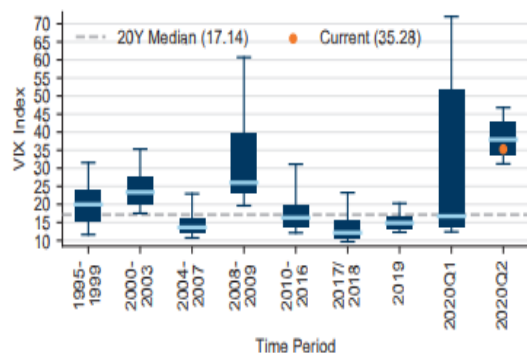
United States

[back to top](#)

US stocks surged the most in almost six weeks after promising early results for an experimental vaccine sparked speculation economies could open back up quickly. S&P 500 closed up 3.2% yesterday led by airlines, hotels and the oil & gas sectors. The stock of the company, Moderna, also jumped 20%. Brent's first contract closed up almost 10%, and US Treasury yields rose significantly across the curve. 2-year, 10-year and 30-year yields were up 3 bps, 8 bps and 11 bps respectively. Issuance also appeared to weigh on the long-end as dollar issuance slate hit \$11.7 bn while investors also looked ahead of Wednesday's \$20b 20-year bond supply. The Treasury sold \$63 bn of 3m-bills at 0.13% and \$54 bn of 6m-bills at 0.15%. Analysts highlighted that the auction stats imply that the market is still absorbing the record amount of supply with ease, even though the secondary flows are biased toward selling. The risk-on sentiment today was also supported by Fed Chairman Powell's comments over the weekend that "the Fed is not out of ammunition by a long shot", even though the U.S. economy's recovery could stretch to the end of 2021. Chair Powell also will testify in front of the Senate Banking Committee on the Cares Act today and analysts expect that he will use the platform to push for additional fiscal stimulus measures.

The VIX declined by 2.6 pts, closing below the 30 level. Goldman analysts highlighted that the VIX returned to the 20s (briefly) faster than it had in the 2011 sell-off and far faster than it did in 2008. However, while VIX is at the bottom of the Q2 range, it still is significantly above the historical average (the VIX was over 30 just 4% of the time in between the GFC and coronavirus crises). Analysis also highlighted that as the prediction market-implied probability of the Democrats winning the US Senate has risen, derivative markets have been pricing in larger implied election-day moves. The 1.5 point bump in the October VIX future and the 3% implied one-day move are far higher than any pricing in the lead-up to the 2012 or 2016 elections

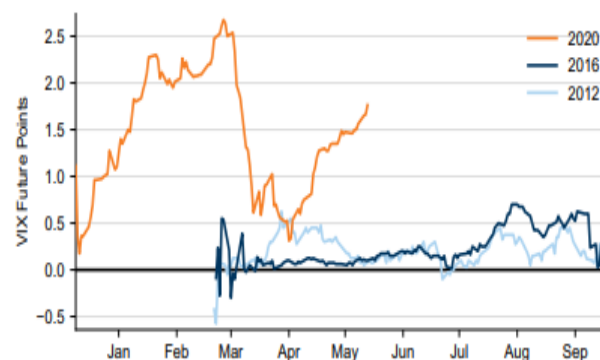
Exhibit 13: The VIX is at the bottom of its Q2 range but far above its historical average
VIX index spot price: box plot shows 5/25/50/75/95th percentiles by period



Source: Goldman Sachs Global Investment Research, Bloomberg

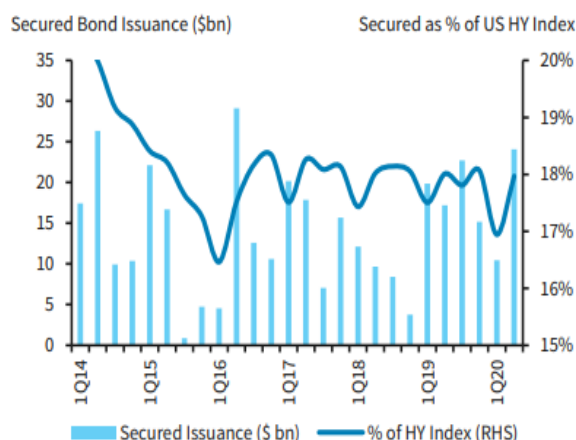
Exhibit 5: November election "bump" has grown as vol has fallen, and is again much larger than it ever was at any period in 2012 or 2016

October VIX future minus the average of the September and November VIX futures each year

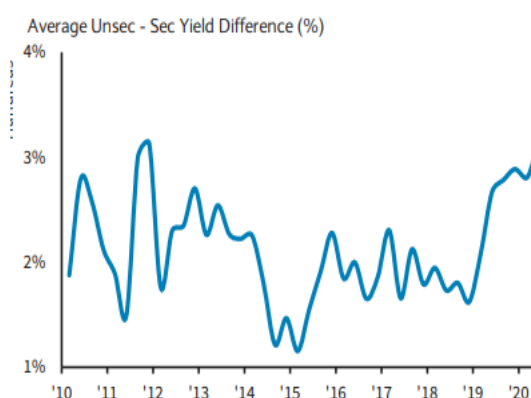


Source: Goldman Sachs Global Investment Research, Reuters

Primary issuance in the HY bond market remained active last week, continuing the trend in recent weeks of a skew toward quality and secured issuance. Since the beginning of April, there has been over \$24 bn of secured bonds issued, with secured issuance making up nearly 50% of the total supply in the last 1.5 months. Despite this, secured issuances make up only 18% of the US HY Index, as the large wave of fallen angels thus far this year (over \$140 bn in par) has offset the elevated secured bond issuance, however, as the investment grade market is almost entirely unsecured. The strong divergence in the issuance has also led to an impact of the yield differentials. The current yield pickup from moving into unsecured bonds is 3.0%, the highest level since 2012 and over 90bp higher than during this time last year, per Barclays analysts.

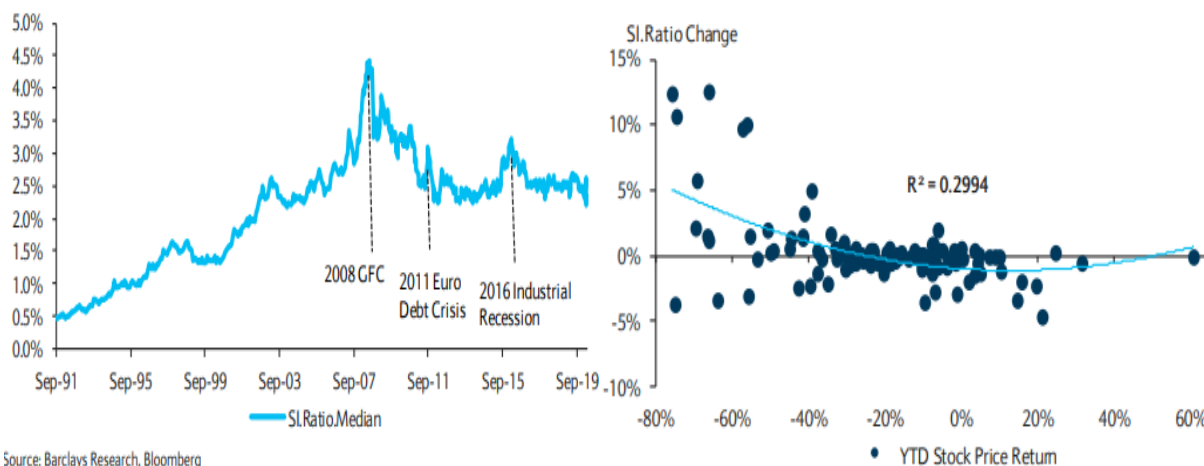
FIGURE 1. Secured Bonds Make up Roughly 18% of the High Yield Index

Source: Bloomberg, Barclays Research

FIGURE 4. The Yield Differential between Secured and Unsecured Pairs Has Reached Its Highest Level since 2012

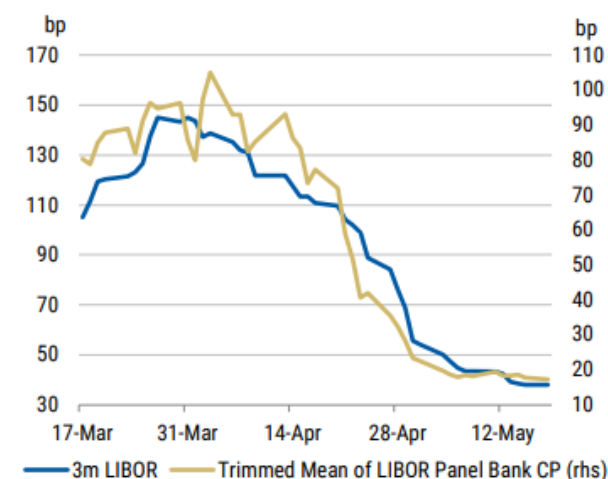
Note: Excludes HCA unsecured and secured bond pairs. Limited to pairs with similar maturity and duration with both bonds trading above \$70.
Source: Bloomberg, Barclays Research

Barclays analysts highlighted that the short-interest ratio for most stocks in the S&P 500 did not increase during the latest sell-off episode, in contrast with the previous episodes including the GFC, euro area crisis and the 2016 sell-off. This is true even for the 90th percentile and 75th percentile of most shorted stocks. A key exception is that it has increased sharply for stocks that have been most impacted by the coronavirus pandemic, including Airlines, Casinos, oil and gas E&Ps and oil and gas services companies.

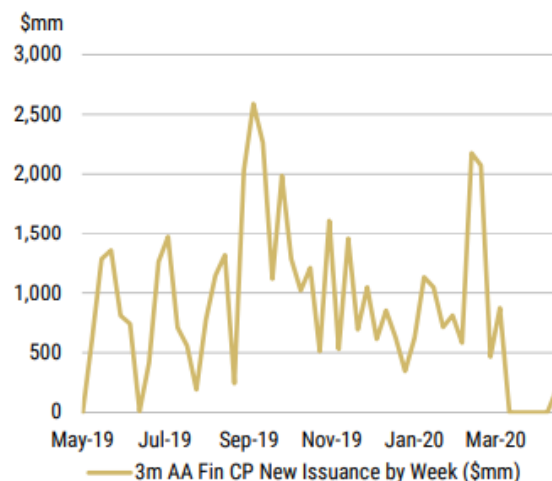


Source: Barclays Research, Bloomberg

The LIBOR/OIS basis continued to tighten and declined by 1.5 bps yesterday to just over 31 bps. Morgan Stanley analysts highlighted that this small decline and slowing pace of tightening is consistent with the leveling off in commercial paper rates that has happened over the last week. Part of the slowdown in tightening may have been due to increased T-bill issuance and the return of 3-month AA financial CP issuance. Indeed, last Thursday was the first day of 3-month AA fin CP issuance since March 26, and there has been a little less than \$800 mn in new issuance over the last week.

Exhibit 1: Trimmed mean of 3m CP offer rates for LIBOR panel banks vs 3m LIBOR

Source: BOOM Data, Morgan Stanley Research

Exhibit 2: 3m AA Financial CP new issuance (7day rolling basis) (\$mm)

Source: Bloomberg, Morgan Stanley Research

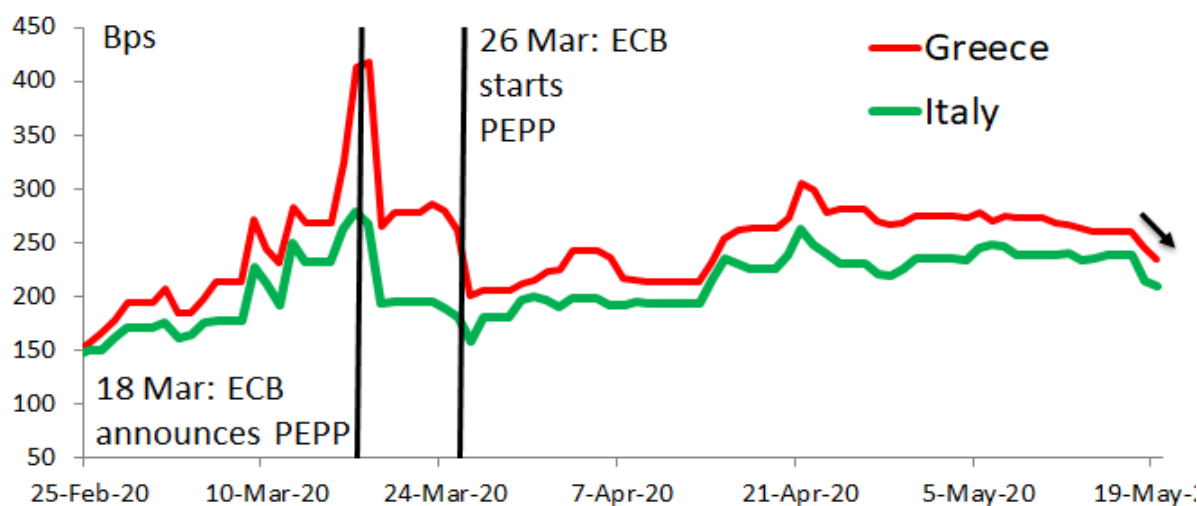
Europe

[back to top](#)

European equities (-1.2%) traded with a cautious tone in line with U.S. equity futures. In contrast, **the euro (+0.5%) rallied**. 10-yr German bund yields (+1 bps to -0.46%) are little changed with 10-yr French yields 2 bps lower at -0.01%.

Southern European spreads fell after France and Germany announced support for a €500 bn EU Recovery Fund based on grants. Today, 10-yr Greek spreads fell 12 bps to 234 bps, Spanish spreads are 9 bps lower at 110 bps, and 10-yr Italian spreads are 5 bps lower. Demand for new BTP Italia retail bonds got off to a good start with strong subscription volume on the first day (not surprising given relatively generous pricing terms and considering the large BTP Italia redemptions this year).

Euro area: 10-year spread over German bunds (bps)

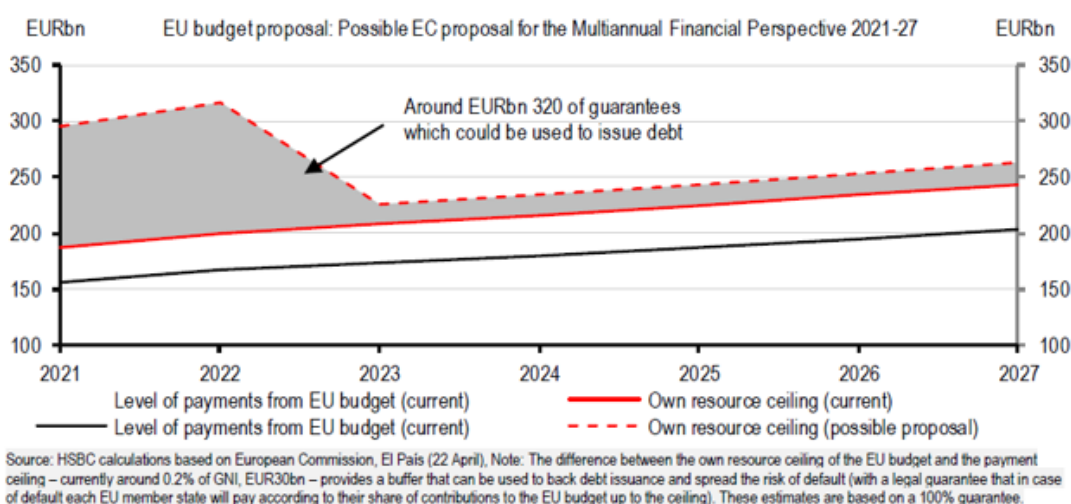


Source: Bloomberg and IMF staff

In a joint statement, French President Emmanuel Macron and German Chancellor Angela Merkel called for a Recovery Fund of “€500 bn of EU budgetary expenditure for the most affected sectors and regions.” Analysts await further details and warn that the fund requires unanimity of EU leaders. **Unanimity could be challenging given that countries such as the Netherlands, Austria, Sweden, and Finland reportedly want to limit the overall amount of support or provide loans rather than grants.** The statement specifies that a swift agreement between the 7-yr EU budget and the Recovery Fund as a package is necessary. **France and Germany want to allow the EC to finance the fund by borrowing in markets on behalf of the EU.** EU debt is eligible to ECB's asset purchases.

As a reminder, EU leaders “all agreed” to work on a Recovery Fund at the 23 April summit with discussions effectively merged with the upcoming negotiations for the 7-yr EU budget (so covering 2021-2027). Based on the figures provided by EC President Ursula von der Leyen during a press conference, HSBC estimates that the EC might be able to issue around €320 bn of debt using the EU budget as guarantee.

Euro area: Lifting own resource ceiling of EU budget could allow EC to issue debt (HSBC)

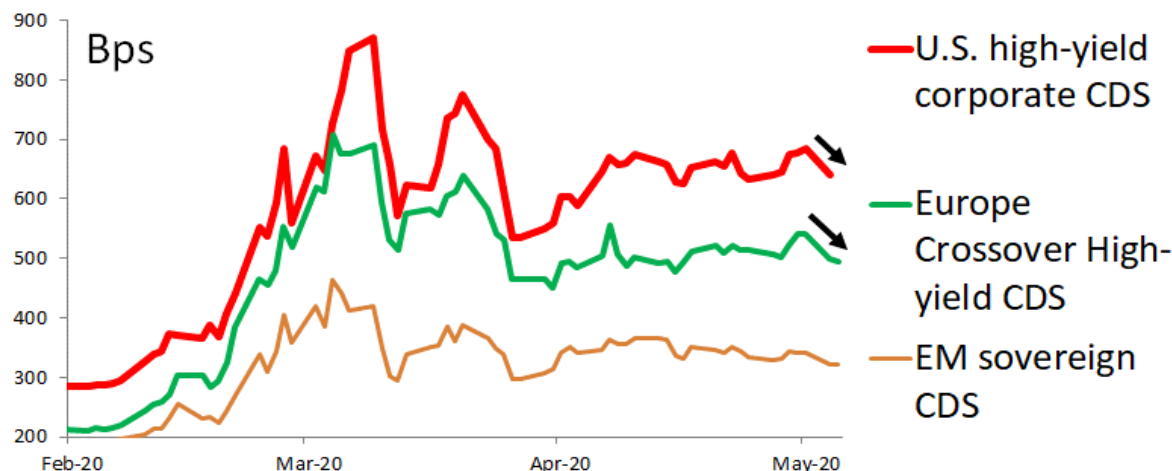


HSBC took a closer look at public sector guarantees, covering loans typically offered to banks to help them extend credit lines to struggling firms. The European Commission calculates that euro area countries have provided guarantees and other liquidity support for almost 24% of GDP, compared to 2% of GDP in the US, 16% in the U.K. and 17% in Japan. Based on the announcements made so far, **the guarantees should cover €822 bn of loans in Germany (25% of GDP), €750 bn in Italy (45% of GDP), €315 bn in France (14% of GDP), and €105 bn in Spain (9% of GDP).** HSBC warns that the headline figure can be misleading as guarantees vary significantly across countries, with **Germany providing the most generous set of guarantees**, which could help the private sector withstand a more prolonged economic downturn.

HSBC expects the euro area's deficit to widen to €1 tn (8.7% of GDP) in 2020 (from 0.6% in 2020), and euro area debt-to-GDP to cross 100% for the first time. Italy is expected to be at top of the table among the large 4 euro area countries with a deficit of 11.0% of GDP and a debt-to-GDP ratio of almost 160% GDP in 2020.

Crossover high-yield spreads fell another 6 bps to 493 bps today. Investment-grade CDS spreads fell 2 bps to 0.82% today even though the market has been digesting record amounts of investment-grade issuance.

Global CDS Credit spreads (Corporate and EM)



Note: Europe Crossover high-yield index comprises 75 equally weighted credit default swaps on the most liquid sub-investment grade European corporate entities.

U.S. high-yield is composed of 100 non-investment grade corporates (B and BB).

EM CDS covers 18 sovereign issuers.

Source: Bloomberg, and IMF staff

Weekly data show that ECB purchases in the Pandemic Emergency Purchase Program remain relatively high. Contacts point out that at the current pace of €6.5 bn per day, the PEPP envelope would be exhausted by mid-September, but consensus is that the ECB will expand purchases at its 4 June meeting.

ECB: Purchases in the Pandemic Emergency Purchase Program (bn euro)

(bn euro)	Weekly Purchases	Trading Days	Daily Pace	Total purchases
Week ending:				
01-Apr	30	5	6	30
08-Apr	21	4	5	51
15-Apr	20	4	5	71
22-Apr	26	5	5	97
29-Apr	22	4	6	119
06-May	34	5	7	153
13-May	29	5	6	182

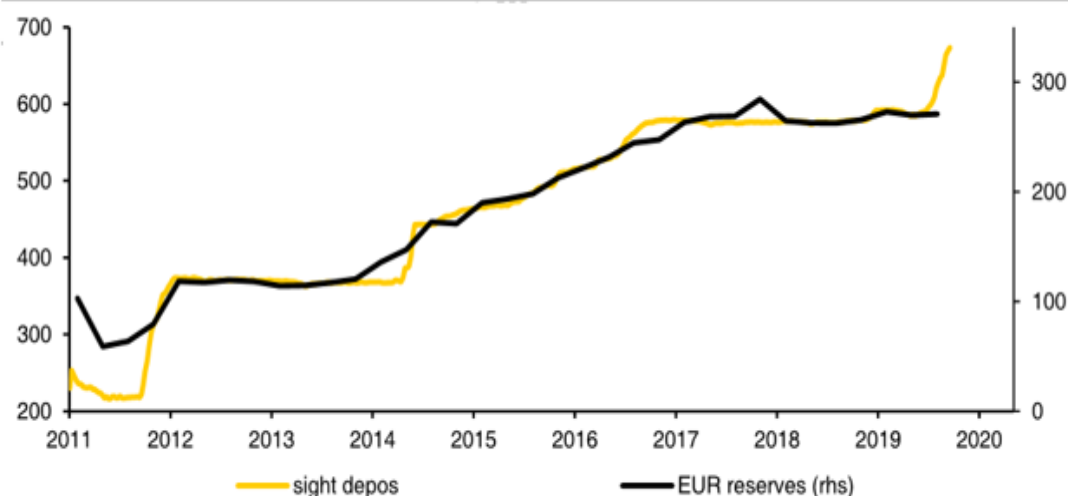
Link: <https://www.ecb.europa.eu/mopo/implement/pepp/html/index.en.html>

Source: ECB, Fred Ducrozet at Pictet, IMF

Commerzbank estimates that an increase in sight deposits at the Swiss National Bank suggests that the SNB net buying of core euro area bonds could have been larger than the ECB's net purchases.

Sight Deposits of Swiss National Bank

SNB sight deposits (weekly data until last week) and EUR currency reserves (quarterly data until Q1), in CHF bn



Source: SNB, Bloomberg, Commerzbank Research

United Kingdom

The British pound (+0.5% to 1.22) is stronger after U.K. employment data were better than expected (with unemployment at 3.9% end March compared to 4.3% expected) and the U.K. government announced plans to cut tariffs post Brexit. Items like dishwashers, freezers and Christmas trees will be able to enter the U.K. tariff-free. Under the plan, £30 bn pounds worth of tariffs will also be removed on supply chain imports (like copper alloy tubes, and screws and bolts). U.K. equities (-0.7%) fell in line with global equities.

Other Mature Markets

[back to top](#)

Australia

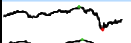

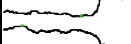


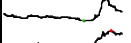
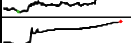
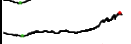
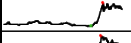
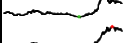

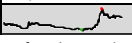
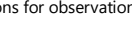

Additional agricultural exports could be subject to Chinese import restrictions. According to Bloomberg, Chinese officials have compiled a list of potential goods that could be targeted through stricter quality checks, anti-dumping probes or tariffs, delaying custom clearances or using state media to encourage boycotts. China already imposed anti-dumping and anti-subsidy duties totaling 80.5% on Australian barley for 5 years effective from today. Australia has indicated that it may appeal to the World Trade Organization. Some analysts suggest a link between Australia's calls for an investigation of the origins of COVID-19 and the measures; China has denied this. **Equities rose +1.8% and the Australian dollar appreciated +0.5%.**

Emerging Markets

[back to top](#)

Asian equities (+1.8%) rose across all markets driven by cyclicals. Currencies appreciated against the dollar led by the Korean won (+0.6%), Malaysian ringgit (+0.6%) and Indonesian rupiah (+0.5%). On COVID-19, Hong Kong SAR said that social distancing rules on religious gatherings at places of worship will be relaxed while the limit of 8 people for public gatherings will be extended until June 4. India's total confirmed cases exceeded 100,000 yesterday with the death toll at more than 3,000. **EMEA equities followed Asian peers higher on hopes of a COVID-19 vaccine being developed sooner than expected.** By country: Russia (+0.5%); Poland (flat); Czech Republic (+0.3%); Saudi Arabia (+1.7%); Turkey is closed for holiday. Currencies strengthened to the dollar by about 0.4%. **Latin American stocks and currencies also began the week posting strong gains** amid the vaccine hope. Stocks in Brazil (+5%) outperformed in the region, followed by stocks in Mexico (+4%), Chile (+4%) and Argentina (+2%). Amongst regional currencies, the Brazilian real (+2%) appreciated the most against the dollar reversing the losses experienced last week as the country overcame domestic political turmoil, followed by the Colombian peso (+1.6%), Mexican peso (+0.8%) and Chilean peso (+0.7%), which were supported by the rising oil prices.

Key Emerging Market Financial Indicators

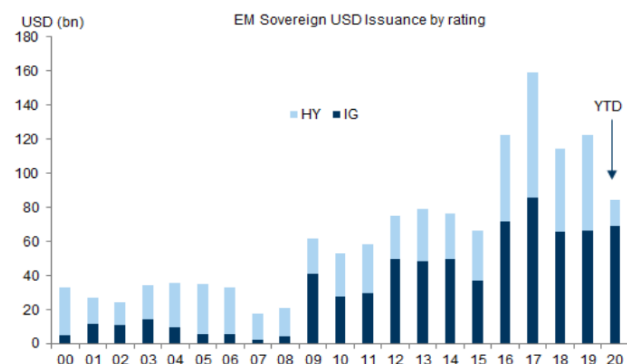
Last updated: 5/19/20 8:12 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		37.44	-0.1	2	3	-7	-17
MSCI Frontier Equities		22.76	2.6	1	3	-19	-25
EMBIG Sovereign Spread (in bps)		549	-6	-24	-52	189	256
EM FX vs. USD		53.45	0.5	1	0	-13	-13
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		7.11	0.0	0	0	-3	-2
Indonesian Rupiah		14770	0.5	1	4	-2	-6
Indian Rupee		75.64	0.4	0	1	-8	-6
Argentine Peso		67.81	-0.1	-1	-3	-33	-12
Brazil Real		5.69	0.5	3	-7	-28	-29
Mexican Peso		23.56	0.8	3	2	-19	-20
Russian Ruble		72.38	0.4	2	4	-11	-14
South African Rand		18.21	0.8	1	4	-21	-23
Turkish Lira		6.79	1.3	3	2	-11	-12
EM FX volatility		11.44	0.0	-0.3	0.1	2.3	4.8

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

Emerging Market Sovereign Debt Issuance

Emerging market USD sovereign issuance has risen sharply over the past months: year-to-date, sovereigns have issued \$84 bn of USD bonds, of which \$69 bn have come from the IG market. The IG issuance is above its annual average according to a Goldman Sachs analyst report. However, the coronavirus outbreak has also resulted in significant dispersion between EM IG and HY issuance, with almost no issuance from HY sovereigns. HY issuance has historically been more endogenous to global market risk and should pick up significantly if risk sentiment improves. Conversely, IG issuance tends to be less impacted by external factors, and therefore the sizeable issuance year-to-date mostly reflects higher funding needs. In the near term, GS analyst estimates suggest that EM USD sovereign issuance will continue to be dominated by IG rated sovereigns and is tracking for a full-year total of around \$115 bn without a further improvement in risk sentiment. However, if risk sentiment improves, and the market for HY sovereigns becomes less challenging, 2020 EM USD issuance could rise to \$140-160 bn (the highest level seen since 2017), reflecting the sizeable funding needs in both IG and HY.

Exhibit 1 : Year-to-date IG issuance is above its annual average, while HY issuance is at a historical low



Source: Dealogic, Goldman Sachs Global Investment Research

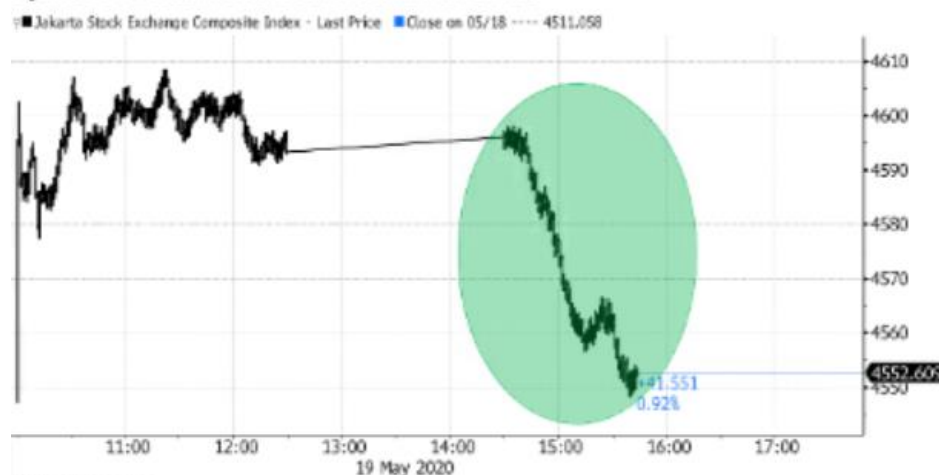
China

China is considering extending loan relief for corporates affected by COVID-19. Bloomberg reported that the regulator and some lenders are discussing to provide loan relief beyond the June 30 deadline by offering flexibility on principal and interest payments. Analysts expect a surge in bad loans in the second half of the year without these measures. Lenders have deferred and rolled over CNY1.5 tn (\$211 bn) in repayments according to Bloomberg. **Equities (Shanghai +0.8%; Shenzhen +1.3%) rose and the RMB was little change.**

Indonesia

Bank Indonesia (BI) left its policy rate unchanged at 4.5% for a second straight month against expectation for a 25 bp cut. Governor Warjiyo said that the decision was aimed at ensuring currency stability and pledged to continue intervening in support of the rupiah. He added that BI sees room for further interest rate cuts in the future given low inflation and the need to support economic growth. The central bank will also provide more liquidity for banks to enable them to restructure SME loans and remain supportive of the government's fund-raising efforts. **Separately, the government announced yesterday that the fiscal deficit target will be widened to 6.27% of GDP from 5.07% previously.** The bulk of the additional budget is aimed at supporting state-owned enterprises and interest rate subsidies for corporates. **Equities rose +0.8%, paring earlier gains, while the rupiah strengthened +0.5%.**

Equities lose steam after central bank holds rate



Source: Bloomberg

Czech Republic

The government has approved almost \$6 bn in state loan guarantees. The support program – named Covid III – has been approved by the Czech parliament and will consist of \$5.9 bn in guarantees for commercial loans to businesses of up to 500 employees. Each loan will have a maximum of \$2 mn in value. The program is the latest addition to the Czech arsenal to fight the economic impact of COVID-19. According to the state-owned Czech-Moravian Guarantee and Development Bank (CMZRB) over 1,500 businesses have already received \$400 mn in support. **The Czech koruna strengthened 0.7% to the dollar today, while equities in Prague advanced 0.3%, slightly underperforming regional peers.**

Serbia

Serbian Q1 GDP came in at +5.0% y/y. Output growth was led by investment and construction, which expanded at a 24% y/y clip. Analysts at Oxford Economics expect that given the brevity of Serbia's lockdown to fight the pandemic, the impact on 2020 GDP will be relatively mild, leading to a contraction of about 1.7%. Even with the lockdown, which started on March 15, Serbia managed to attract \$83 mn in foreign capital inflows in March - only 8.5% less than the month prior – according to trade minister Ljajic. The minister had expected inflows to grow by 15% if there had not been a pandemic.












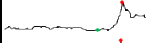






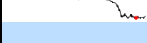



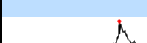

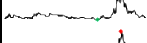
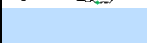

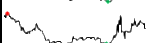

List of GMM Contributors

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>	Sanjay Hazarika <i>Senior Financial Sector Expert</i>	Juan Solé <i>Senior Economist</i>
John Caparusso <i>Senior Financial Sector Expert</i>	Frank Hespeler <i>Senior Financial Sector Expert</i>	Jeffrey Williams <i>Senior Financial Sector Expert</i>
Sally Chen <i>Senior Economist</i>	Rohit Goel <i>Financial Sector Expert</i>	Akihiko Yokoyama <i>Senior Financial Sector Expert</i>
Yingyuan Chen <i>Financial Sector Expert</i>	Henry Hoyle <i>Financial Sector Expert</i>	Piyusha Khot <i>Research Assistant</i>
Han Teng Chua <i>Economic Analyst</i>	Thomas Piontek <i>Financial Sector Expert</i>	Xingmi Zheng <i>Research Assistant</i>
Fabio Cortés <i>Senior Economist</i>		

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Global Financial Indicators

Last updated: 5/19/20 8:08 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		2954	3.2	1	3	3	-9
Europe		2912	0.0	1	1	-15	-22
Japan		20433	1.5	0	3	-4	-14
China		2899	0.8	0	2	1	-5
Asia Ex Japan		65	3.4	2	3	-2	-11
Emerging Markets		37	0.0	2	3	-7	-17
Interest Rates			basis points				
US 10y Yield		0.73	8.3	6	9	-166	-119
Germany 10y Yield		-0.44	2.4	6	3	-34	-26
Japan 10y Yield		0.01	1.3	0	-2	6	2
UK 10y Yield		0.28	2.6	3	-2	-75	-54
Credit Spreads			basis points				
US Investment Grade		196	-0.4	-9	8	74	98
US High Yield		715	-3.1	-33	2	282	321
Europe IG		81	-2.7	-3	-4	15	37
Europe HY		490	-9.0	-13	-15	206	282
EMBIG Sovereign Spread		552	-3.0	-21	-49	192	259
Exchange Rates			%				
USD/Majors		99.42	-0.2	-1	0	1	3
EUR/USD		1.09	0.3	1	1	-2	-2
USD/JPY		107.8	-0.4	-1	0	2	1
EM/USD		53.4	0.5	1	0	-13	-13
Commodities			%				
Brent Crude Oil (\$/barrel)		35	1.0	17	25	-51	-47
Industrials Metals (index)		97	0.4	2	2	-14	-15
Agriculture (index)		35	0.2	0	-2	-9	-16
Implied Volatility			%				
VIX Index (% change in pp)		29.3	0.0	-3.8	-8.9	13.3	15.5
10y Treasury Volatility Index		4.7	-0.3	-0.6	-2.4	0.6	0.6
Global FX Volatility		8.9	0.0	-0.1	-0.6	1.9	2.9
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		232	-13.9	-35	-32	-121	67
Italy		208	-5.9	-31	-18	-68	48
Portugal		123	-9.3	-20	-21	7	60
Spain		111	-9.1	-18	-18	13	46

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

Data source: Bloomberg.

[back to top](#)

Emerging Market Financial Indicators

Last updated: 5/19/2020 8:14 AM	Exchange Rates							Local Currency Bond Yields (GBI EM)						
	Level		Change (in %)					Level		Change (in basis points)				
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	YTD
	vs. USD		(+)= EM appreciation					% p.a.						
China		7.11	0.0	-0.3	0	-3	-2		2.6	1.5	3	11	-73	-57
Indonesia		14770	0.5	0.9	4	-2	-6		7.7	-8.5	-33	-12	-47	58
India		76	0.4	-0.2	1	-8	-6		6.2	-0.4	-4	-30	-125	-69
Philippines		51	0.4	-0.8	0	4	0		4.5	-1.2	-9	-55	-59	20
Thailand		32	0.5	0.8	2	0	-6		1.3	0.3	1	-20	-126	-28
Malaysia		4.35	0.4	-0.5	0	-4	-6		2.8	0.0	4	-10	-102	-54
Argentina		68	-0.1	-0.7	-3	-33	-12		43.5	91.4	212	-813	1174	-1908
Brazil		5.69	0.5	3.5	-7	-28	-29		5.9	-14.9	11	22	-235	-32
Chile		821	0.7	0.4	4	-15	-8		2.5	-8.3	-21	-68	-161	-81
Colombia		3853	1.6	1.2	3	-13	-15		5.6	-6.2	-19	-78	-73	-40
Mexico		23.56	0.8	3.4	2	-19	-20		6.2	-1.0	7	-70	-197	-73
Peru		3.4	0.3	-0.3	-1	-2	-3		4.3	-4.5	-5	-26	-102	-24
Uruguay		44	0.0	-0.8	-1	-20	-15		11.2	0.1	-32	-122	8	31
Hungary		320	1.1	1.2	2	-9	-8		1.5	-5.5	-15	-16	-47	35
Poland		4.16	0.6	1.3	0	-7	-9		1.0	2.9	-16	-10	-139	-94
Romania		4.4	0.3	0.7	1	-4	-3		4.0	1.0	1	-16	-25	0
Russia		72.4	0.4	1.9	4	-11	-14		5.2	-10.6	-45	-86	-259	-88
South Africa		18.2	0.8	1.2	4	-21	-23		10.1	-28.2	-2	-61	66	55
Turkey		6.79	1.3	3.0	2	-11	-12		11.8	-12.4	-8	-169	-910	9
US (DXY; 5y UST)		99	-0.2	-0.5	0	1	3		0.37	-0.5	4	1	-181	-133

	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		2899	0.8	0	2	1	-5		245	-6	-10	1	67	69
Indonesia		4549	0.8	-1	-2	-22	-28		307	-11	-23	-35	114	151
India		30196	0.6	-4	-4	-20	-27		301	-10	-25	-17	142	176
Philippines		5556	1.4	-2	-4	-27	-29		168	-5	-11	-11	86	102
Malaysia		1424	1.0	3	1	-11	-10		242	-9	-12	-41	114	130
Argentina		40287	2.3	4	35	21	-3		2724	26	-286	-763	1777	955
Brazil		81194	4.7	3	3	-10	-30		426	2	5	34	170	211
Chile		3763	3.9	1	-1	-24	-19		250	-1	-18	-41	116	117
Colombia		1083	2.8	-1	-9	-28	-35		334	-2	-16	-33	143	171
Mexico		37112	4.0	-1	7	-15	-15		580	1	-30	-81	267	288
Peru		15679	3.2	3	8	-21	-24		218	-2	-18	-45	79	111
Hungary		35533	0.6	1	7	-11	-23		210	1	-9	-1	111	124
Poland		45978	0.2	1	1	-19	-20		89	1	-4	-43	41	71
Romania		8349	0.6	-1	5	2	-16		340	-12	-1	-8	146	167
Russia		2696	0.1	2	6	5	-11		225	-3	-25	-48	18	94
South Africa		51958	1.1	3	6	-8	-9		589	-8	-54	-50	276	269
Turkey		101983	0.0	4	4	17	-11		661	1	-18	-94	142	260
Ukraine		500	0.0	0	0	-12	-2		723	7	-1	-125	75	303
EM total		37	-0.1	2	3	-7	-17		549	-6	-24	-52	189	256

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

[back to top](#)