














- Total leverage exposure for US GSIBs rose sharply in Q1 ([link](#))
- ECB to offer first PELTRO loans to banks starting today ([link](#))
- UK auctions bonds due in 2023 at negative yield ([link](#))
- BoJ to hold unscheduled meeting on Friday to discuss further funding programs ([link](#))
- Korea creates special purpose vehicle to purchase corporate bonds and CP ([link](#))
- Bank of Thailand cuts rate to record low of 0.5% and downgrades growth outlook ([link](#))

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## Markets mixed as investors grow skeptical on vaccine

**Global risk assets are trading mixed as wavering vaccine enthusiasm initially prompted a partial pullback in risk appetite.** Yesterday, the S&P 500 took a step back after three consecutive days of gains and posted declines of 1% after a volatile session. Outside of 10-year Italian BTP/German bund spread tightening, investors showed little reaction to the announced EU recovery fund proposal and the virtual testimony before the Senate by US Treasury Secretary Mnuchin and Fed Chair Powell drew little market reaction as the officials reaffirmed their commitment to supporting the economy. Rather, markets seemed to focus on a report released late yesterday that triggered concerns that an effective vaccine may still be a long way off, which ultimately dampened risk sentiment. US Treasury yields initially declined 1 to 4 bps across maturities, but have reversed the moves this morning and S&P 500 futures are pointing to a 1% rebound. Asian and European equities are mixed across major indexes this morning as investors continue to reassess the ongoing economic reopening against the risks of a flare-up in new virus cases. Policy support has also remained top of mind as the BOJ called for an unscheduled policy meeting this Friday where it is expected to announce more funding programs for banks and a new lending program for small companies. Emerging markets are also mixed across regions, while Russian assets outperformed following more resilient Q1 GDP growth data.

Key Global Financial Indicators

Last updated: 5/20/20 8:05 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>							
S&P 500		2923	-1.0	2	4	3	-10
Eurostoxx 50		2907	0.1	3	0	-14	-22
Nikkei 225		20595	0.8	2	5	-3	-13
MSCI EM		37	0.3	2	4	-7	-17
<b>Yields and Spreads</b>							
US 10y Yield		0.69	-3.8	4	8	-173	-123
Germany 10y Yield		-0.47	-0.4	6	-2	-38	-28
EMBIG Sovereign Spread		542	-10	-39	-69	185	249
<b>FX / Commodities / Volatility</b>							
EM FX vs. USD, (+) = appreciation		53.6	0.4	2	1	-13	-13
Dollar index, (+) = \$ appreciation		99.3	-0.1	-1	-1	1	3
Brent Crude Oil (\$/barrel)		35.5	2.5	22	39	-51	-46
VIX Index (% change in pp)		28.9	-1.6	-6	-15	13	15

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

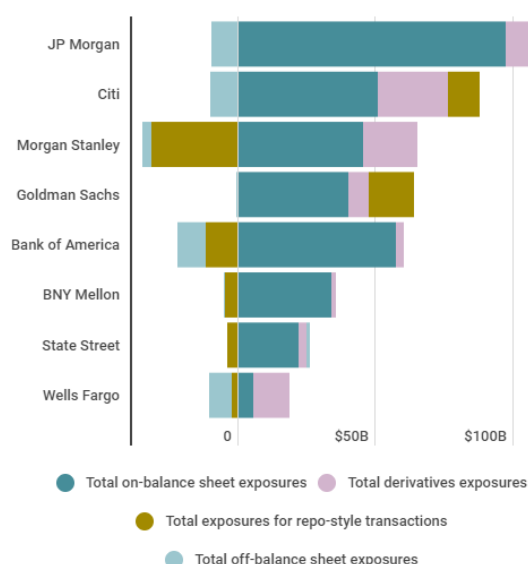
## United States

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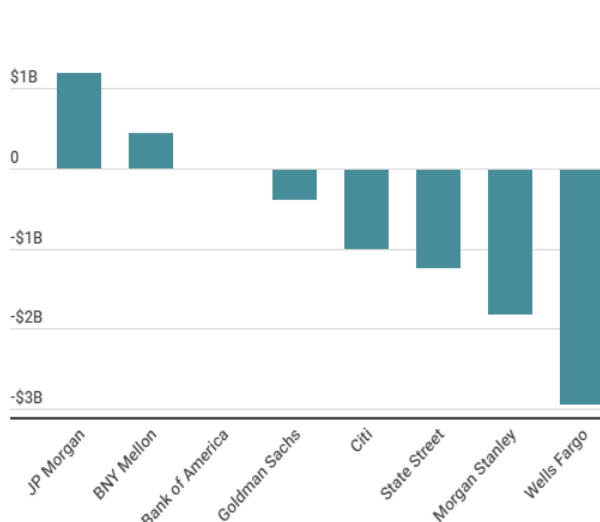
**Amid high intraday volatility, the S&P 500 closed down 1.0%, retracing the gains made earlier in the day.** Reports circulated towards the end of the session that Moderna's vaccine study, which was credited in part for Monday's rally, did not produce enough critical data to assess its success. Correspondingly, US Treasury yields declined by 1-4 bps across the curve, and volatility rose. Earlier, Fed Chair Powell reiterated during a Senate hearing that the central bank is ready to use all the weapons in its arsenal to help the U.S. economy endure the coronavirus pandemic. At the presentation, Treasury Secretary Mnuchin said that he plans to use all of the \$500 bn that Congress provided to help the economy through direct lending from his agency and by backstopping lending programs at the Fed. Today, the dearth of market-moving economic data will be overshadowed by the minutes to the April FOMC minutes, and the first auction of the 20-year Treasury bond in more than three decades (details below).

**A build-up of derivatives exposures and on-balance sheet assets swelled the total leverage exposures of the eight US GSIBs in Q1 2020.** Aggregate leverage exposure, as used to define the banks' SLR, stood at \$14.7 tn, up almost 3% q/q and 6% y/y. Derivatives exposures grew the fastest at 5% q/q. State Street and Wells Fargo saw their swaps holdings grow the most by 20% and 16%, respectively. On-balance sheet assets, including loans and securities, expanded 4% on aggregate. In contrast, repo and off-balance sheet assets fell, by 1% and 3%, respectively. Morgan Stanley and State Street saw their repo exposures fall the sharpest by 14% each. US banks saw their credit and market RWAs surge in Q1. But, operational RWAs either stayed flat or shrunk. Aggregate operational RWAs at the eight US GSIBs fell by \$5.7 bn to \$1.86 tn. Wells Fargo and Morgan Stanley saw the most decline, while JPM and BNY Mellon were the only banks to see an increase in operational RWAs.

Changes in leverage exposure, Q4 2019 – Q1 2020



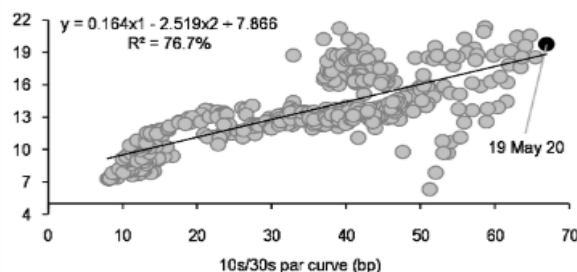
Q4 2019 - Q1 2020 operational RWA changes at US G-Sibs



[Download data](#)

**Investor focus remains on the US Treasury's auction of the 20-year bond, for the first time since 1986 (at 1 PM today).** Since the auction was announced last Thursday, long end yields are sitting near their highest levels of the past two months. JPM analysts highlight that the when-issued 20-year yields appear fairly valued along the curve, after adjusting for rate levels and curve slope. However, the historical experience of bond introductions has been mixed. While the 30-year bonds' reintroduction in 2006 was met with a lot of success, it took a longer time for end-user demand to percolate for the 7-year note.

10s/20s/30s par Treasury butterfly regressed on 10s/30s Treasury par curve (bp), and 20-year par Treasury yields (%), regression over the last 2 years; bp



[Return to previous for the 1 year view](#)

Statistics for 30-year bond reintroduction in Feb. 2006 and 7-year note introduction in 2009, compared to average over subsequent 6 months; bp

	30-year bond		7-year note	
	Feb '06	Next 6-aucn avg	Feb '09	Next 6-aucn avg
End-user demand (%)	65.7	25.7	42.4	50.9
Auction tail (bp)	-5.0	2.1	2.5	0.2
Bid-to-cover ratio	2.1	2.1	2.1	2.5

Source: J.P. Morgan

**MSCI analysis highlights that the recovery of liquidity indicators continued for corporate bonds across all regions.** Transaction costs decreased further for both IG and HY corporate bonds, in the last week. The dispersion of quoted prices decreased further, indicating improving market efficiency as per the analysis. Despite the improvement however, the levels are still much worse than the peak of the December 2018 high-yield credit sell-off, which was a significant liquidity deterioration event that saw transaction costs almost double.

**Cost of forced selling of USD 10M in one trading day**



## Europe

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Investors are paying close attention to EU politics after France and Germany proposed a €500 bn market-funded EU Recovery Fund based on grants. The EU27 will require unanimity to go ahead with the fund. When discussing the Franco-German proposal, German FM Scholz drew parallels to the famed “Hamiltonian moment” when U.S. Treasury Secretary Hamilton assumed all the debt incurred by U.S. states during the War of Independence.

**Austrian Chancellor Kurz plans to present a proposal for loan-based aid “in the coming days”** together with Dutch, Danish and Swedish governments. **Italian PM Conte is expected to ask EC President Von der Leyen to increase the size of the Recovery Fund beyond €500 bn.** In terms of timeline, EC President Von der Leyen is scheduled to present the EC’s formal proposal on 27 May, to be discussed by Finance Ministers on 11 June, followed by EU leaders at their 18/19 June summit in Brussels.

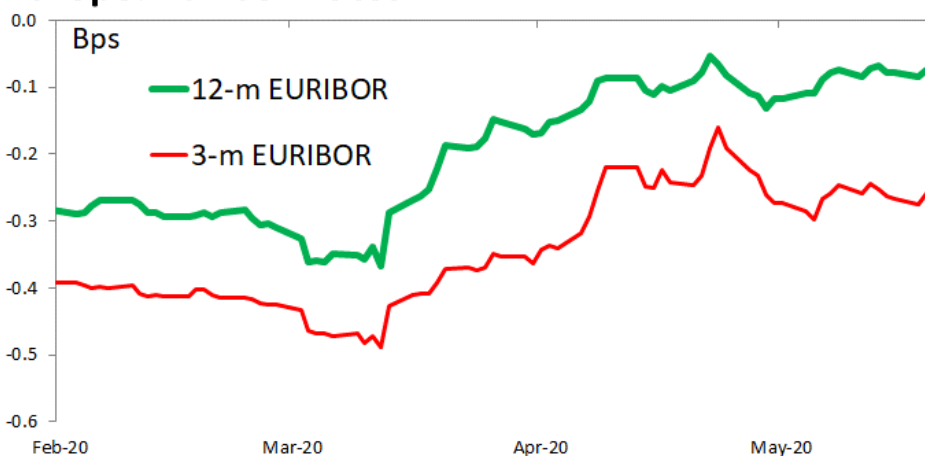
**European equities (+0.3%) traded with little direction.** 10-yr German bund yields were little changed. The euro (+0.2% to \$1.09) edged higher. **Southern European spreads are consolidating at lower levels reached in the wake of the Franco-German Recovery Fund proposal.** 10-yr Greek spreads trade at 234 bps, Spanish spreads at 112 bps, and 10-yr Italian spreads at 212 bps.

**BTP Italia has so far raised €9 bn in its first two days.** The retail bond has a real coupon of minimum 1.4%, plus a premium of 0.8% if held to maturity, with capital protection against deflation (compared to 5-year inflation-linked BTP yielding ~0.5%).

**Euro area governments are continuing to lift restrictions.** From this week restaurants, bars, non-essential shops and museums are reopening in Italy. Portugal, Belgium, Denmark and Poland are also reopening food and drink outlets and shops. On 14 May, France and Germany agreed to reopen the common borders by 15 June. On 16 May, the Italian PM signed a decree to resume foreign tourism from 3 June. Brussels has recommended to keep intra-EU travel restrictions in place until 15 June.

**Today, the ECB will hold the first Pandemic Emergency Longer-term Refinancing Operation (PELTRO) with a maturity of September 2021.** The operations provide longer-term funding to banks with decreasing tenors, so starting with a tenor of 16 months in the first operation and ending with a tenor of 8 months in the last operation. **The pricing is less attractive compared to the TLTRO that will be launched in June.** PELTROs offer a rate just 25 bps below the ECB's Main Refinancing Rate (currently at 0) compared to rate as low as -1% that will be available on the June TLTRO. Analysts expect a + €1.3trn allocation in the June TLTRO but believe that **PELTROs could be more attractive to smaller banks for whom TLTROs reporting requirements represent a higher hurdle.** ECB chief economist Lane argued that PELTROs will be "especially valuable for those banks with business models that focus on lending to sectors not covered by the TLTRO program", which could refer to real estate or government finance. **Contacts think that the PELTRO should support a smooth functioning of euro area money markets.** Nevertheless, EURIBOR fixing have remained at relatively high levels.

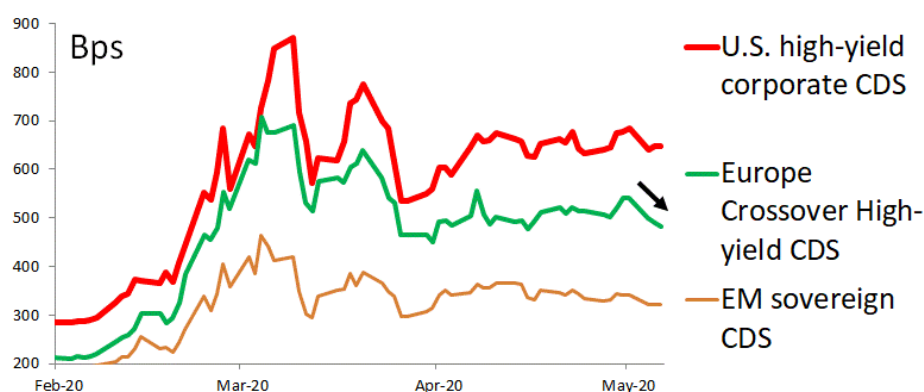
## Europe: Euribor Rates



Source: Bloomberg, and IMF staff

**Crossover high-yield spreads fell another 9 bps to 481 bps today.** Investment-grade CDS spreads fell 1 bps to 0.81%.

## 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).

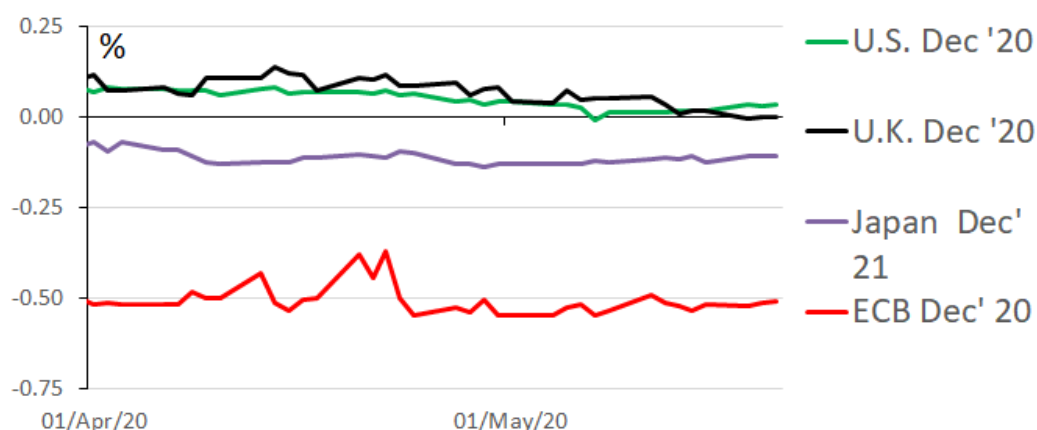
EM CDS covers 18 sovereign issuers.

Source: Bloomberg, and IMF staff

## United Kingdom

The British pound was little changed after the U.K. sold bonds at a negative rate for the first time ever ahead of a parliamentary testimony by governor Bailey. £3.75 bn of bonds due 2023 were sold at a negative yield of -0.003%. Swaps are pricing in a policy rate just below zero by December 2020. Headline inflation was lower than expected at 0.8% y/y in April (0.9% expected). Reductions in household energy and fuel inflation drove the fall in headline CPI.

## G-4 Policy Rates at end 2020 (from swaps, %)



Source: Bloomberg WIRP and IMF staff

## Other Mature Markets

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### Japan

The BoJ announced that it will hold an unscheduled Monetary Policy Meeting on Friday. The stated purpose of the meeting is: "To discuss monetary control matters based on the report by the Bank staff, in response to the instruction by the Chairman at the MPM held on Apr 27, 2020, on a possible new measure to provide funds to financial institutions." Expectations are for an announcement of new measures to provide funds for banks as well as a new lending program for small companies. Japanese equities posted modest gains at +0.8% and the yen has traded slightly weaker (-0.2%) to the USD.

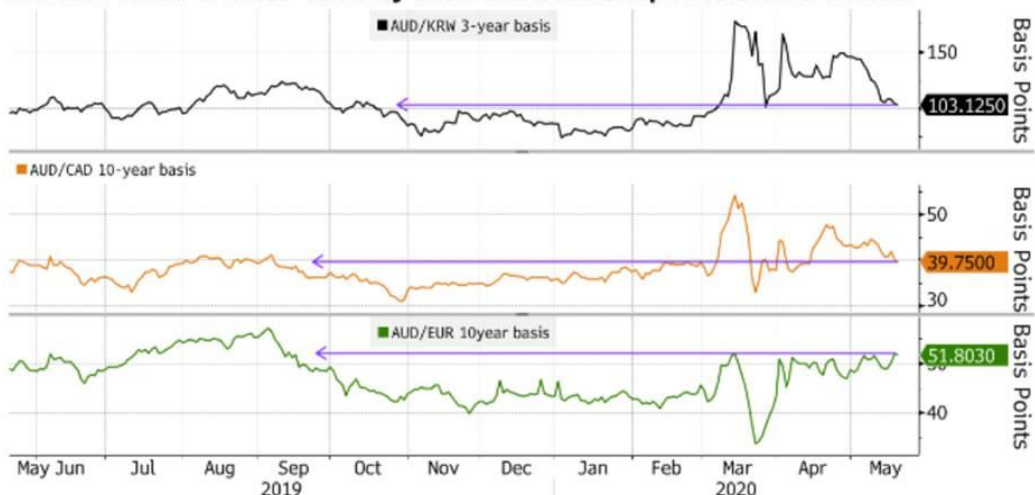


## Australia

**Australia's bond market is attracting foreign issuers on attractive swap pricing.** Foreign issuers such as the Export-Import Bank of Korea, the province of Alberta Canada and BNG Bank, a Dutch public sector agency, have tapped the Australian bond market this week. Issuing in AUD and swapping the proceeds into KRW, EUR, or CAD is attractive for issuers due to the significant positive cross-currency basis of the AUD vis-à-vis these currencies. Separately, the recent tightening of the yen basis has reduced hedging costs for Yen based investors in AUD bonds. Japanese investors bought a net JPY107.9 bn (\$1 bn) of long-term Australian debt in March, the biggest purchase since June 2019. **Equities gained +0.2% and the Australian dollar was little changed.**

### Economic Sense

#### Elevated levels of cross-currency basis see issuers tap Aussie bond market



### Better Value

#### Currency-hedged Aussie bonds score over their U.S. peers for yen investors


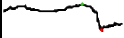





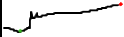
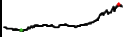


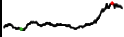
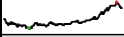



## Emerging Markets

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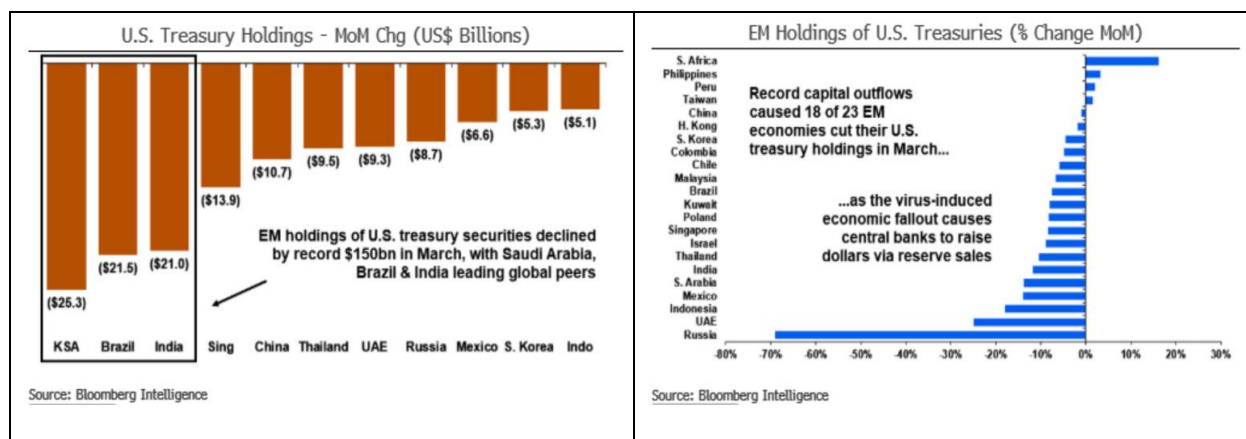
**Asian equities were mixed with a small gain (+0.3%) on net.** Indian equities (+1.8%) outperformed while Singapore (-0.8%) and China (Shenzhen -1%, Shanghai -0.5%) fell. Currencies were stable except the Indonesia rupiah (+0.4%) and the Korean won (-0.4%). On COVID-19, Korea is reopening schools in phases with high school seniors returning on Wednesday while middle- and elementary-school students will follow in the coming weeks. Singapore will begin reopening some businesses on June 2. The Philippines are considering downsizing lockdowns to villages from regions. **EMEA bourses were mixed.** By country: Russia (+1.5%); Turkey (+0.7%); Poland (+0.7%); Czech Republic (+0.8%); Bulgaria (-1.4%); Hungary (-0.2%); Egypt (-1.5%). Currencies strengthened against the dollar marginally (+0.1%), except the South African rand, which gained 1.7% as authorities announce a phased reopening. **Latin American stocks experienced losses while currencies were mixed on Tuesday amid the late-day pullback in risk appetite.** Stocks in Mexico (-3.4%) saw the most losses, followed by stocks in Argentina (-2%), Colombia (-1.5%), Chile (-1%) and Brazil (-0.6%). Amongst regional currencies, the Brazilian real (-0.7%) depreciated the most against the dollar, while Mexican peso (+0.6%), Colombian peso (+0.5%) and Chilean peso (+0.4%), all strengthened against the dollar.

Key Emerging Market Financial Indicators

Last updated: 5/20/20 8:10 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
<b>Major EM Benchmarks</b>			%				%
MSCI EM Equities		37.14	0.3	2	4	-7	-17
MSCI Frontier Equities		22.79	0.1	3	5	-19	-25
EMBIG Sovereign Spread (in bps)		542	-10	-39	-69	185	249
EM FX vs. USD		53.59	0.4	2	1	-13	-13
<b>Major EM FX vs. USD</b>			%, (+) = EM currency appreciation				
China Renminbi		7.10	0.0	0	0	-3	-2
Indonesian Rupiah		14710	0.4	1	5	-2	-6
Indian Rupee		75.80	-0.2	0	1	-8	-6
Argentine Peso		67.91	-0.1	-1	-3	-33	-12
Brazil Real		5.73	0.5	3	-7	-28	-30
Mexican Peso		23.39	1.0	3	3	-18	-19
Russian Ruble		71.74	1.1	3	5	-10	-14
South African Rand		18.01	1.8	3	5	-20	-22
Turkish Lira		6.79	-0.2	3	2	-11	-12
EM FX volatility		11.19	0.0	-0.6	-0.2	2.2	4.6

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

**EM central banks sold a record \$150 bn of US Treasury securities in March, as market turmoil driven by COVID-19 forced 18 of 23 EM economies to cut their holdings**, per Bloomberg reports. Saudi Arabia, Brazil and India accounted for nearly half of all U.S. Treasuries sold by EM economies in March, prompting the Federal Reserve to roll out short-term currency-swap lines that allow foreign central banks to raise dollars without liquidating securities via the secondary market.



### Korea

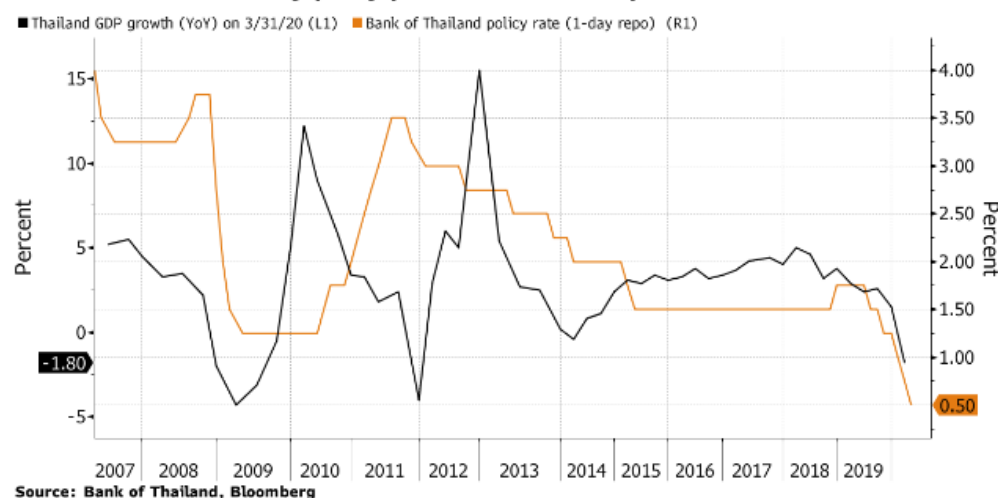
Korea is moving forward with a special purpose vehicle (SPV) to buy corporate bonds and commercial paper. The KRW10 tn (\$8.2 bn) SPV will be funded through a public bank and by the Bank of Korea (KRW8 tn senior loan). The SPV will purchase corporate bonds of AA to BB ratings and maturity below three years; and commercial paper and short-term notes. The SPV will operate for 6 months and could be doubled to the previously announced KRW20 tn if needed. **Equities rose +0.5%, 10-year bond yield fell -3 bps and the won depreciated -0.4%.**

### Thailand

The Bank of Thailand (BOT) cut its policy rate by 25 bps to a record low of 0.5% as expected. The monetary policy committee (MPC) voted 4-3 to reduce rates which marked the third cut in the last 4 meetings. The central bank expects the economy to contract more than the previous expectation of -5.3%. The monetary policy statement also mentioned that baht strength could negatively impact the economic recovery. **Equities rose +0.7%, the baht was stable, and 10-year bond yields fell 3bps.**

## Growth and Rates

### How Thailand's monetary policy pairs with economic performance

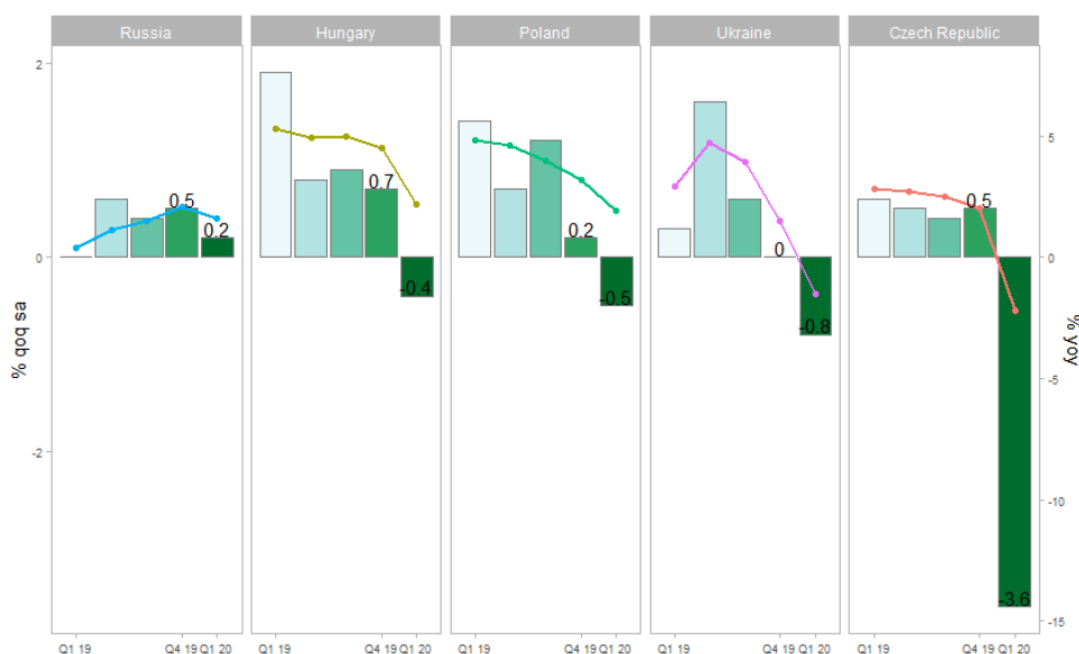




## Russia

**Russian Q1 real GDP growth slowed to 1.6% y/y from 2.1% y/y in the previous quarter.** Analysts at Credit Suisse note that the Russian economy did not slow down as much as many feared in the first quarter (consensus was at 1.8% y/y) given that the lockdown was implemented in late March and that a large share of trade with China is in the form of energy contracts with fixed terms. On a q/q basis, Russian GDP printed at +0.2%, the highest rate among peers in the region.

Figure 1. Russia: Real GDP growth in 1Q was the highest in the region



Source: the BLOOMBERG PROFESSIONAL™ service, Credit Suisse

## Turkey

**The central banks of Turkey and Qatar have reportedly tripled the limit of their existing FX swap line to \$15 bn.** The central banks noted that the measure was geared at safeguarding financial stability and fostering bilateral trade. Separately, the **Turkish banking regulator has exempted Euroclear Bank and Clearstream Banking from limitations imposed on local banks in their lira transactions with foreign banks.** The regulator noted that the lifting of the limits aims at preventing a negative impact on lira bond swap operations. Last week, the Turkish regulator had already exempted BNP, UBS, and Citi from a ban on lira trading. The central bank is expected to cut interest rates by 25-75 bps at its next meeting tomorrow. **The Turkish lira weakened 0.3% to the dollar today, while equities advanced 0.7%.**

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## Global Financial Indicators

Last updated: 5/20/20 8:08 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
<b>Equities</b>			%				%
United States		2923	-1.0	2	4	3	-10
Europe		2907	0.1	3	0	-14	-22
Japan		20595	0.8	2	5	-3	-13
China		2884	-0.5	0	1	0	-5
Asia Ex Japan		65	-0.6	1	3	-1	-12
Emerging Markets		37	0.3	2	4	-7	-17
<b>Interest Rates</b>			basis points				
US 10y Yield		0.69	-3.8	4	8	-173	-123
Germany 10y Yield		-0.47	-0.4	6	-2	-38	-28
Japan 10y Yield		0.01	0.0	1	-2	5	2
UK 10y Yield		0.23	-1.8	2	-11	-83	-60
<b>Credit Spreads</b>			basis points				
US Investment Grade		192	-0.8	-11	0	70	95
US High Yield		713	-1.4	-46	-13	282	319
Europe IG		80	-1.8	-8	-4	14	36
Europe HY		482	-8.1	-39	-22	198	275
EMBIG Sovereign Spread		542	-10.0	-39	-69	185	249
<b>Exchange Rates</b>			%				
USD/Majors		99.25	-0.1	-1	-1	1	3
EUR/USD		1.10	0.4	1	1	-2	-2
USD/JPY		107.6	0.1	-1	0	2	1
EM/USD		53.6	0.4	2	1	-13	-13
<b>Commodities</b>			%				
Brent Crude Oil (\$/barrel)		36	2.5	22	39	-51	-46
Industrials Metals (index)		97	-0.2	2	2	-14	-15
Agriculture (index)		35	0.5	1	-1	-10	-16
<b>Implied Volatility</b>			%				
VIX Index (% change in pp)		28.9	-1.6	-6.3	-14.9	12.6	15.2
10y Treasury Volatility Index		4.7	-0.3	-0.3	-2.4	0.5	0.6
Global FX Volatility		8.7	0.0	-0.3	-0.7	1.7	2.7
<b>EA Sovereign Spreads</b>			10-Year spread vs. Germany (bps)				
Greece		231	-2.2	-33	-43	-120	65
Italy		212	2.2	-21	-27	-67	52
Portugal		123	0.6	-14	-26	9	61
Spain		112	1.5	-14	-22	15	47

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: 5/20/2020 8:11 AM	Exchange Rates							Local Currency Bond Yields (GBI EM)							
	Level		Change (in %)					YTD	Level		Change (in basis points)				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	Last 12m		Latest	1 Day	7 Days	30 Days	12 M		
	vs. USD		(+) = EM appreciation						% p.a.						
China		7.10	0.0	-0.1	0	-3	-2		2.6	2.8	4	14	-70	-54	
Indonesia		14710	0.4	1.1	5	-2	-6		7.6	-8.0	-30	-20	-55	50	
India		76	-0.2	-0.5	1	-8	-6		6.2	-1.7	-8	-32	-126	-71	
Philippines		51	0.0	-0.8	0	4	0		4.5	-3.4	-15	-59	-62	17	
Thailand		32	0.2	0.7	2	0	-6		1.4	3.6	4	-16	-122	-24	
Malaysia		4.35	0.0	-0.6	0	-4	-6		2.8	0.1	0	-9	-102	-54	
Argentina		68	-0.1	-0.7	-3	-33	-12		44.0	51.1	310	-762	1225	-1857	
Brazil		5.73	0.5	2.8	-7	-28	-30		5.9	-4.2	-20	18	-240	-36	
Chile		818	0.3	0.5	4	-15	-8		2.4	-4.0	-21	-72	-165	-85	
Colombia		3835	0.5	1.2	4	-13	-15		5.5	-7.4	-22	-86	-81	-47	
Mexico		23.39	1.0	3.4	3	-18	-19		6.2	-0.8	12	-71	-198	-74	
Peru		3.4	0.0	0.2	-1	-2	-3		4.3	2.9	-4	-24	-99	-21	
Uruguay		44	1.5	0.9	-1	-19	-14		11.2	2.9	-30	-119	11	34	
Hungary		320	0.1	2.2	1	-9	-8		1.6	3.3	-12	-12	-44	38	
Poland		4.15	0.5	1.8	0	-7	-8		1.0	4.8	-3	-6	-134	-89	
Romania		4.4	0.3	1.2	1	-4	-3		4.0	4.0	6	-12	-21	4	
Russia		71.7	1.1	3.1	5	-10	-14		5.3	1.1	-37	-85	-258	-87	
South Africa		18.0	1.8	2.7	5	-20	-22		10.2	11.7	17	-50	78	67	
Turkey		6.79	-0.2	2.7	2	-11	-12		11.8	0.0	-3	-169	-910	9	
US (DXY; 5y UST)		99	-0.1	-1.0	-1	1	3		0.34	0.6	2	0	-187	-135	

	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		2884	-0.5	0	1	0	-5		241	-4	-12	-3	64	65	
Indonesia		4546	-0.1	0	-1	-23	-28		302	-9	-31	-44	110	146	
India		30819	2.1	-4	-3	-22	-25		296	-5	-30	-22	137	171	
Philippines		5582	0.5	-1	-3	-27	-29		169	-3	-13	-16	88	103	
Malaysia		1435	0.8	3	2	-11	-10		235	-7	-18	-45	108	123	
Argentina		39389	-2.2	1	29	18	-5		2789	6	-262	-664	1878	1020	
Brazil		80742	-0.6	4	2	-12	-30		425	-3	-14	23	171	210	
Chile		3730	-0.9	3	0	-24	-20		247	-1	-25	-46	115	114	
Colombia		1068	-1.4	1	-9	-28	-36		332	-6	-31	-43	141	169	
Mexico		35862	-3.4	-4	4	-18	-18		577	-9	-51	-102	266	285	
Peru		15462	-1.4	0	6	-22	-25		218	-3	-27	-51	83	111	
Hungary		35360	-0.3	2	7	-11	-23		211	-1	-8	-3	115	125	
Poland		46252	0.7	2	1	-18	-20		90	-1	-5	-42	46	72	
Romania		8382	0.0	2	6	2	-16		337	-3	-8	-11	143	164	
Russia		2760	1.8	6	9	7	-9		218	-8	-34	-66	17	87	
South Africa		52055	0.2	4	7	-6	-9		580	-10	-61	-71	271	260	
Turkey		102534	0.5	3	4	18	-10		645	-12	-32	-79	132	244	
Ukraine		500	0.0	0	0	-12	-2		725	-6	4	-153	88	305	
EM total		37	0.3	2	4	-7	-17		542	-10	-39	-69	185	249	

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

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