








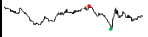





- Year-to-date US investment grade corporate bond issuance surpasses \$1 trillion ([link](#))
- Higher FX-hedged returns attract foreign investors to US corporate bonds ([link](#))
- ECB expected to increase its Pandemic QE Program by €500 billion ([link](#))
- Japanese equities fall on weaker than expected economic data ([link](#))
- National Bank of Poland cuts policy rate to 0.10% citing economic shock from virus ([link](#))
- Banxico meeting minutes signal near-term prudence but more rate cuts if needed ([link](#))

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

Risk-on sentiment fades amid US-China uncertainty

After gaining through most of the week, global equities have slipped and have posted modest losses as US-China tensions continued to ramp up. Yesterday, US equities traded above the neutral line for most of the day, but the gains were unwound in the last hour of trading after US President Trump announced plans to hold a news conference on China later today. In addition, an executive order from the US President aimed at new regulations on social media companies further dented market sentiment and drove weakness in tech sector stocks. The late turnaround in risk assets during the US session was partially felt in Asia overnight with equity markets in the region mixed and Japanese indexes underperforming on some weak data prints. European bourses are also retreating this morning, down close to 1%, and major sovereign yields are moving lower with 10-year US Treasury and German Bund yields down about 2-3 bps. Emerging market currencies are holding up well against the dollar as the broad emerging market currency index has appreciated over 1% this week, adding to a 2% gain last week. Oil prices are softer this morning amid the US-China anxieties, but front-month WTI is on track to post its largest-ever monthly gain (+78%) as the loosening of lockdown measures have boosted demand prospects.

Key Global Financial Indicators

Last updated: 5/29/20 8:18 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		3030	-0.2	2	3	9	-6
Eurostoxx 50		3083	-0.4	6	3	-7	-18
Nikkei 225		21878	-0.2	7	11	4	-8
MSCI EM		37	0.2	-1	-1	-8	-17
Yields and Spreads			bps				
US 10y Yield		0.66	0.8	0	4	-160	-126
Germany 10y Yield		-0.44	-2.5	4	5	-27	-26
EMBIG Sovereign Spread		514	-10	-21	-108	146	221
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		54.7	0.2	1	2	-11	-11
Dollar index, (+) = \$ appreciation		98.0	-0.4	-2	-2	0	2
Brent Crude Oil (\$/barrel)		34.6	-2.0	-2	54	-50	-48
VIX Index (% change in pp)		29.1	0.5	0	-2	11	15

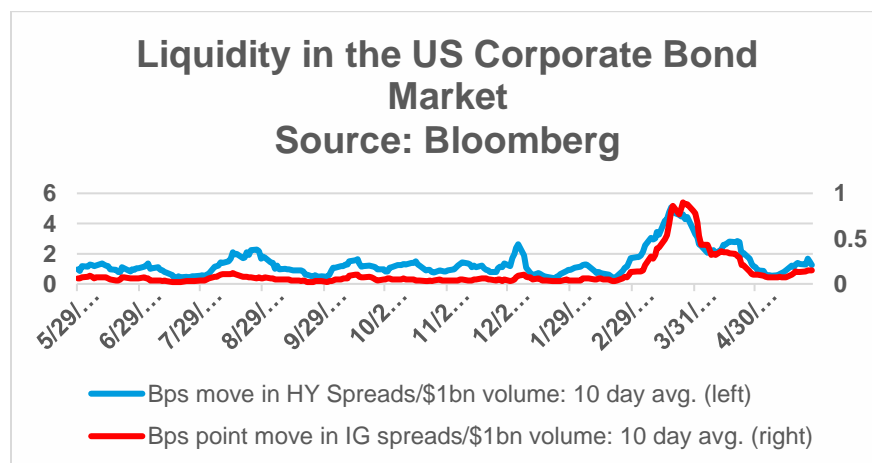
Colors denote tightening/easing financial conditions for observations greater than ±1.5 standard deviations. Data source: Bloomberg.

United States

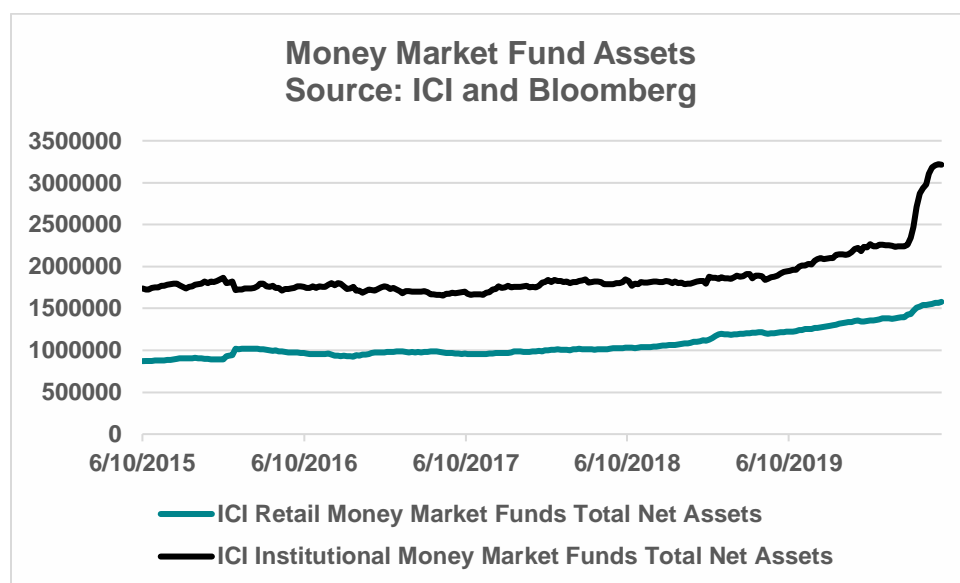
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The second to last trading day of May ended on a down note as US-China tensions made stocks give up early gains to end in the red. The US President is to hold a press conference on China later today, raising fears of further escalation. The President's economic advisor Larry Kudlow remarked yesterday that China made a "huge mistake" in passing the new security law. The President's rhetoric on social media companies also unnerved markets and weighed on technology stocks late in the US session. Nevertheless, it has been a good month for stocks across most of the globe as well as corporate bonds, oil and other risk assets, and global markets are clearly making a bet on a V-shaped recession. In the S&P 500 almost 95% of stocks are trading above their 50-day moving average, the best performance since 1991. Most of the 90%+ performances since 2009 came in the wake of steep market selloffs and were followed by months of gains. Meanwhile, the red-hot US corporate bond market exceeded \$1 tn of issuance this year, the fastest this mark has been reached in any year. Among a slew of new deals on Thursday, the hotel company Marriott (BBB-/Baa3) sold 10-year bonds that were 10 times oversubscribed. In other news, pending home sales were weaker than expected, down 21.8% on a mom basis compared to the -17.3% consensus forecast, the biggest decline in a decade. The annualized number was -34.6% (vs. -28.7%).

Liquidity in the US corporate bond market is almost back to pre-COVID-19 levels for both investment grade and high yield corporate bonds. Analysts attribute this to the announcement of large-scale Fed purchases of corporate bonds and bond ETFs, which immediately calmed the market, brought spreads down and restored liquidity. However, the smoother market conditions are the product of the announcement effect of the Fed policy rather than actual purchases. So far, the Fed's Corporate Credit Facility holds just ETF assets, although it is expected to commence buying assets in the Primary Market Corporate Credit Facility (PMCCF) and Secondary Market Corporate Credit Facility (SMCCF) very soon. The success of the Fed's policy is underlined by the fact that it restored stability despite the flood of new corporate bond issuance.

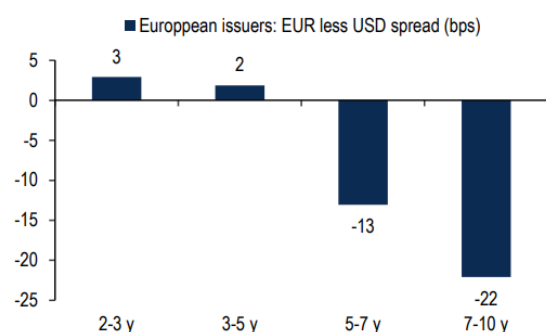


US companies are on a borrowing spree, raising \$1.1 tn of excess debt in 2020 through the bond market and bank credit lines compared to previous years, according to Bloomberg. This adds to the already high debt companies had accumulated prior to the crisis, amounting to \$10 tn of debt outstanding or about 30% of GDP, a pre-crisis record. Unlike in previous years, when companies used a lot of cash to buy back shares and pay dividends, this time the money is probably being used to build up cash reserves as a buffer against the economic downturn. The amount of excess debt is approximately equivalent to the \$1 tn rise in the holdings of institutional money market funds, which is where many companies tend to hold their cash reserves. Some analysts think the equity rally since March 23 is partly caused by the perception that high corporate cash reserves will enable many US companies to ride out the COVID-19 storm. It remains to be seen whether these reserves are high enough to outlast the economic disruptions that seem inevitable in the months ahead.



US corporate bonds look attractive to European investors as cheaper dollar funding costs and the weaker dollar make US assets yield more than their euro area counterparts. Using cross-currency basis swaps to hedge out the FX risk, euro area investors can earn higher returns on US dollar bonds. The returns are especially high for shorter maturities, which make them even more appealing due to their lower interest rate risk relative to longer maturity bonds. A similar dynamic exists if the FX risk is hedged using the forward FX market, specifically three-month forwards. Analysis by Bank of America shows that the sectors offering the best hedged returns are retail, technology and tobacco companies. Automotive and utilities companies currently yield the worst returns. Contacts report that foreign buyers have been very active in the US corporate bond markets in recent weeks.

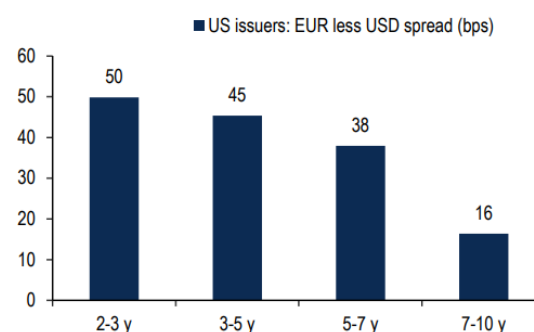
Figure 7: Fully FX-hedged EUR less USD IG bond spread relative value: European issuers



Note: the chart plots issuer-matched spreads on a fully currency hedged basis. We use maturity matched cross currency basis swaps to fully currency hedge principal and interest rate payments, and forward FX rates to fully hedge the stream of spread payments. We also adjust for the difference in quoting conventions with a 3 to 6M Euribor swap.

Source: BofA Global Research, Bloomberg, ICE Data Indices, LLC

Figure 8: Fully FX-hedged EUR less USD IG bond spread relative value: US issuers



Note: the chart plots issuer-matched spreads on a fully currency hedged basis. We use maturity matched cross currency basis swaps to fully currency hedge principal and interest rate payments, and forward FX rates to fully hedge the stream of spread payments. We also adjust for the difference in quoting conventions with a 3 to 6M Euribor swap.

Source: BofA Global Research, Bloomberg, ICE Data Indices, LLC

In data releases this morning, the core PCE deflator, the Fed's preferred measure of inflation, came in slightly worse than expected at -0.4% versus the consensus forecast of -0.3%. The headline number was a little better than expected at -0.5% (vs. -0.6%). Personal spending fell by 13.6% (vs. -12.9%) and personal income fell by 10.5% (vs. -5.9%). The market response was relatively muted although Treasury yields were slightly lower.

Europe

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European equities (-0.7%) and 10-yr bund yields (-3 bps to -0.44%) are lower ahead of President Trump's press conference later today on China policies. Bank stocks (-3.0%) underperformed. **The euro (+0.5% to \$1.114) gained** in line with broader U.S. dollar weakness and with **some contacts pointing to better-than-expected retail sales data in Germany.**

Italian and Greek spreads edged 2-3 bps higher with analysts in wait-and-see mode on the EU Recovery Fund. The European Commission's "Next Generation EU" proposal for a €750 bn Recovery Fund has been well received and the Eurogroup will further discuss the recovery fund on 11 June. 10-yr Greek spreads trade at 195 bps, and 10-yr Italian spreads at 188 bps.

German retail sales fell a less than expected 5.3% m/m in April (compared to an expected 12% contraction). Spending in supermarkets has been resilient and spending online surged.

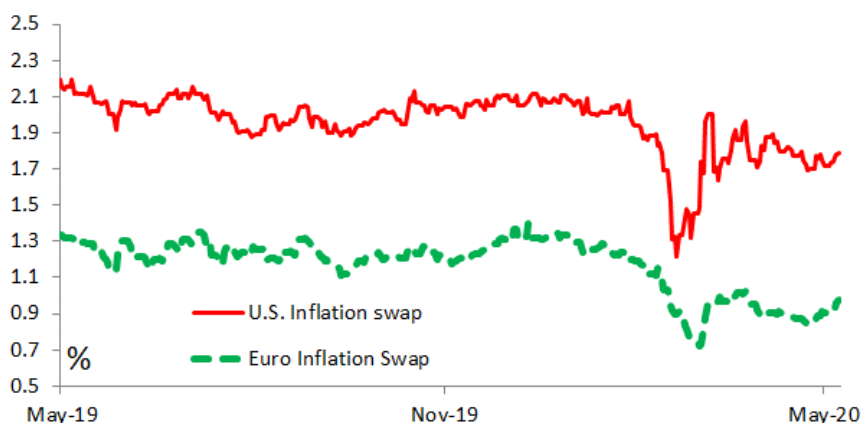
German retail sales volumes

1Q99 = 100



Euro area headline inflation fell to 0.1% y/y in May from 0.4% in April (as expected), the lowest reading since June 2016. **Core inflation stayed at 0.9% y/y (0.8% expected).** Headline inflation in Spain fell deeper into negative territory (to -0.9% y/y). Italy headline prices are also in deflation (-0.2% y/y in May from -0.1% in April). **Euro area inflation 5-yr/5-yr inflation swaps are steady at 97 bps** (up 7 bps in past 5 days).

Inflation swaps: 5-yr/5-yr in euro area and U.S.



On Thursday next week, **the ECB is expected to increase its Pandemic Emergency Purchase Program by €500 bn** (from €750 bn currently) and likely extend the program beyond December 2020 but not make any changes to policy rates.

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>

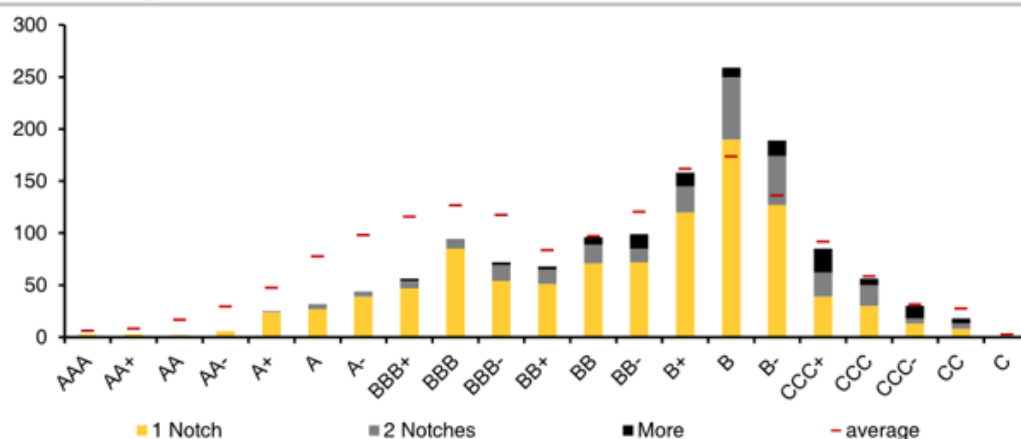
Source: ECB, Fred Ducrozet at Pictet, IMF

Crossover high-yield spreads rose 16 bps to 431. Investment-grade CDS spreads are also 2 bps higher at 73 bps. Inflows into €-credit funds (€IG & €HY) have continued for a 9th consecutive week (EPFR data, week ending Wednesday). **In the past week euro-area investment-grade investors absorbed more than €10 bn in €-benchmark supply.**

Commerzbank expects that more downgrades of investment-grade bonds will ultimately force the ECB to buy bonds of fallen angels (bonds downgraded from investment-grade to junk). While the pace has moderated somewhat, **the share of ratings with "negative outlook" or on "watch negative" remains at record highs across Europe and North America.**

Negative ratings actions in 2020 so far versus annual average since 1997

Negative senior rating actions 2020 vs annual average since '97, Europe & North America, notched ratings using iBoxx methodology

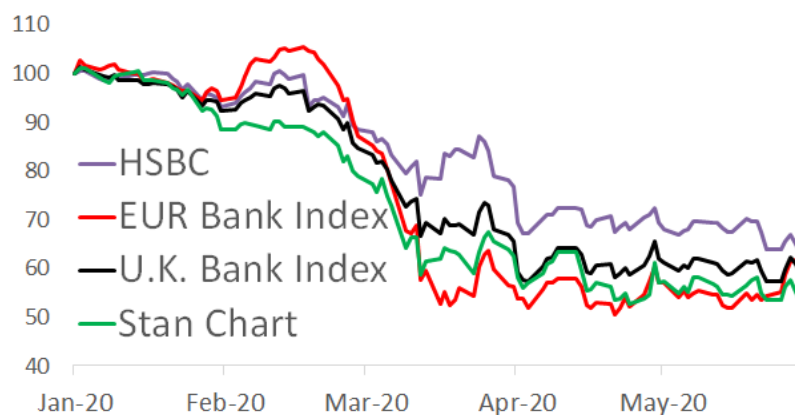


Source: Bloomberg, Rating Agencies, Commerzbank Research

United Kingdom

U.K. banks exposed to Hong Kong, such as HSBC and Standard Chartered have seen share price falls.

U.K. Bank equities (1 Jan 2020: 100)



Source: Bloomberg and IMF

Other Mature Markets

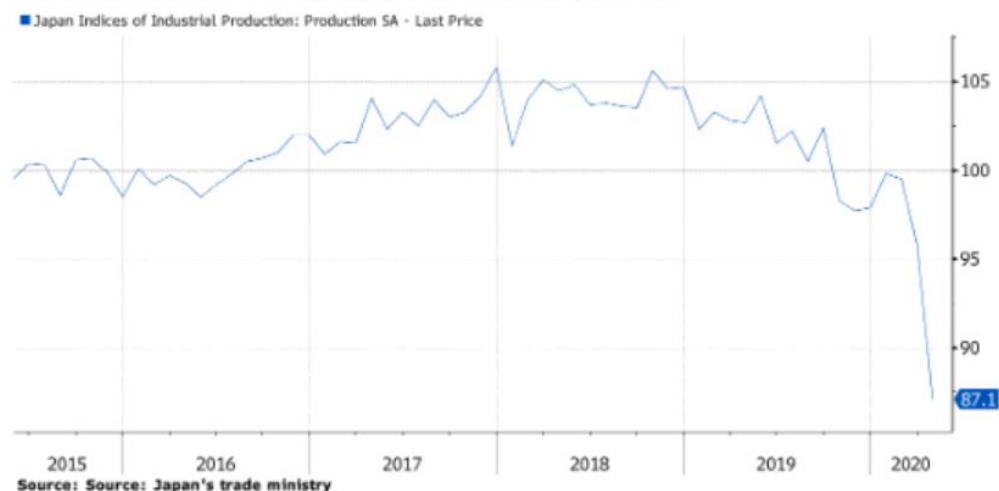
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Japan

Equities fell (-0.9%) following poor economic data with autos and electronics underperforming.

Industrial production fell -9.1% m/m in April (consensus -5.7%), the most since the 2011 tsunami, led by declines in autos and steel output. Retail sales also declined sharply, shrinking -9.6% m/m in April (consensus -6.9%). The Cabinet Office said yesterday that it expects activity to resume gradually but “an extremely severe situation is expected to continue.” The Tokyo Metropolitan government is planning to move to phase 2 of its reopening plan from Monday, allowing shopping malls, gyms and movie theatres to reopen, according to Nikkei. **The yen appreciated +0.4% and 10-year JGB yield rose +0.7bps.**

Japan's production is dropping quickly amid the pandemic







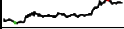

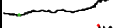
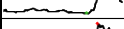



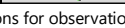


Emerging Markets

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Asian equities were little changed on net ahead of President Trump's announcement on China. Hong Kong SAR (-0.7%) underperformed for a second day while Chinese stocks rose (Shanghai +0.2%; Shenzhen +0.9%). Philippines outperformed significantly (+4.8%) on further easing of restrictions in Manila and three surrounding regions, where strict stay-at-home orders except for the young and elderly are lifted. The rest of the country will also transition to looser regulations. Currencies were stronger against the dollar led by the Indonesian rupiah (+0.7%). On other COVID-19 developments, Vietnam is considering accepting foreign tourists only from countries that have not seen new virus infections. **Central and Eastern European equities moved lower while most Middle Eastern peers posted small gains.** By country: Russia (-1.8%); Turkey (-0.3%); Poland (-0.7%); Czech Republic (-0.9%); Morocco (+0.6%); Bahrain (+0.5%); Qatar (+0.2%). Currencies gained to the dollar, led by the Czech koruna (+0.9%), the Hungarian forint (+0.7%), and the Polish zloty (+0.7%). **Latin American equity markets suffered losses on Thursday.** Argentina underperformed as the equity index fell 3.6%, followed by Chile (-3%) and Brazil (-1.1%). Local currencies were mixed. The Brazilian real underperformed, depreciating 2.5% against the dollar, while the Chilean peso (+1.7%) and the Colombian peso (+1%) saw gains. 10-year government bond yields rose 13 bps in Colombia and but dropped 12 bps in Chile.

Key Emerging Market Financial Indicators

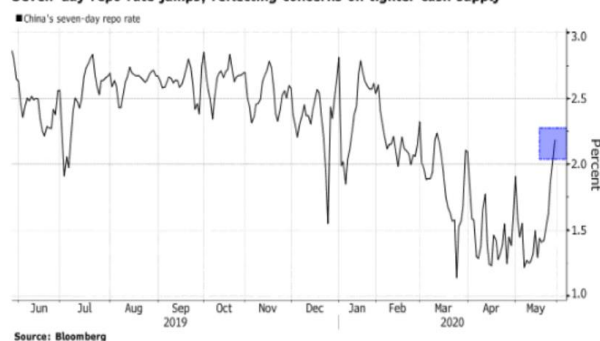
Last updated: 5/29/20 8:21 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		37.09	0.2	-1	-1	-8	-17
MSCI Frontier Equities		23.71	0.4	3	3	-18	-22
EMBIG Sovereign Spread (in bps)		513	-11	-22	-109	145	220
EM FX vs. USD		54.70	0.3	1	2	-11	-11
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		7.14	0.1	0	-1	-3	-2
Indonesian Rupiah		14610	0.7	1	5	-1	-5
Indian Rupee		75.62	0.2	0	0	-8	-6
Argentina Peso		68.44	-0.1	-1	-3	-35	-13
Brazil Real		5.35	1.1	3	0	-26	-25
Mexican Peso		22.05	0.7	3	8	-13	-14
Russian Ruble		70.45	0.0	2	4	-8	-12
South African Rand		17.44	0.4	1	4	-16	-20
Turkish Lira		6.83	-0.3	0	2	-12	-13
EM FX volatility		10.84	0.0	-0.1	-0.4	2.4	4.2

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

China

US-China tensions remain in the news as US President Trump is set to announce policies on China later today. President Trump said that his administration is “not happy with China” and Larry Kudlow, his economic advisor, added that China made “a huge mistake” in passing the Hong Kong SAR national security bill. Meanwhile, China said it will take necessary countermeasures in response to foreign meddling in Hong Kong affairs according to a statement by the Chinese embassy in the US. Canada and Australia also issued a joint statement with the US, urging China to reconsider the security law. **Separately, China's seven-day repo rate is at the highest level in two weeks on a looming liquidity shortage.** At least RMB2.7 tn (\$380 bn) of short-term debt and loans will mature in June according to Bloomberg. The People's Bank of China (PBC) added a net RMB300 bn (\$41.9 bn) today, bringing the net injection to RMB670 bn this week. This marked the largest weekly injection since the week ending January 19. **Equities (Shanghai +0.2%; Shenzhen +0.9%) rose while the RMB was little changed.**

Seven-day repo rate jumps, reflecting concerns on tighter cash supply



U.S.-based investors turn bearish on Chinese stocks



Indonesia

Indonesia's 10-year bond yield has fallen more than 50 bps in May to 7.3%, outperforming regional peers. This has been partly driven by an improvement in foreign interest with overseas investors purchasing \$466 mn Indonesian bonds so far in May according to the finance ministry. Bank Indonesia has been allowed to participate in the primary market since late-March in addition to its secondary market purchases. Bank Indonesia has bought IDR22.8 tn (\$1.6 bn) of government bonds in the primary market so far. **The rupiah appreciated +0.7% today, the best performer in the region, while equities rose +0.8%.**

Indonesian yields slide amid foreign inflows, rupiah strength



Poland

The Polish central bank (NBP) lowered interest rates unexpectedly. The NBP set the reference rate at 0.10% (-40 bps from before), the Lombard rate to 0.00% from 0.50%, and the rediscount rate at 0.11%. The move – which is the third rate cut in as many months – was justified as a measure to fight the negative economic impact from the pandemic after growth indicators worsened in April, the NBP noted. Equities of most banks operating in Poland fell following the decision, notably those of Pekao (-3.4%), MBank (-0.7%) and Santander (-3.5%). Separately, Q1 GDP growth was reported at +2.0% y/y, even as the quarter-on-quarter figure contracted 0.4%. The broad equity index is 0.3% lower while the zloty gained 0.6% to the dollar.

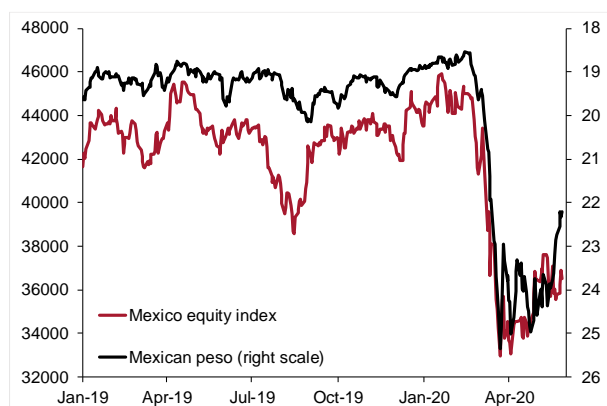
Russia

Russian GDP plummeted 12% in April according to the Economy Ministry. The sharp contraction in activity was led by a 37.9% drop in consumer services and a 23.4% contraction in retail sales. Unemployment in April stood at 5.6%. The deputy governor of the central bank said yesterday that the Bank

intends to maintain its accommodative monetary policy stance until inflation returns to the 4% target. Inflation is currently running at 3.1% and the CB has suggested that it may cut rates 100 bps at its next meeting in mid-June. **Equities in Moscow dropped 2.1% today and the ruble weakened 0.1% to the dollar.**

Mexico

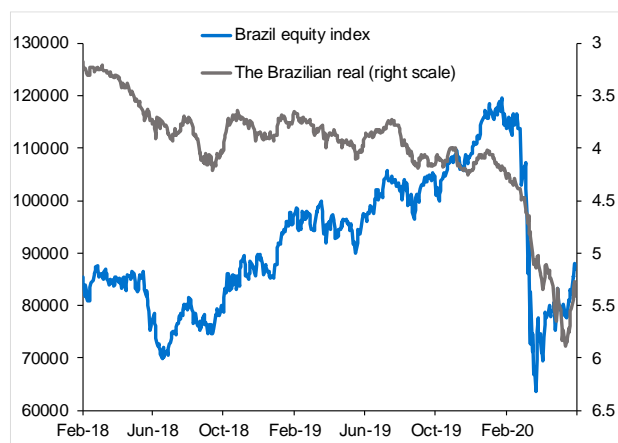
Mexico's central bank published on Thursday the minutes from the May 14 Monetary Policy Committee meeting. In the meeting, the MPC cut its policy rate by 50 bps to 5.5%, in a unanimous decision. The minutes showed broad concerns about economic growth, inflation risks, and capital outflows, which would make monetary policy outlook uncertain and complex. Analysts continue to expect only one more interest rate cut in 2020. Mexican assets were mixed yesterday, with domestic equities falling 1% and the peso appreciating 0.6% against the dollar.



Source: Bloomberg

Brazil

Brazil's Treasury held the biggest bond auction of the year on Thursday. According to the press report, the Treasury raised 10.8 reais by selling 11.7 bn bonds in total, including 6 mn notes due Apr.2021, 1.7 mn notes due Apr.2022, and 4 mn notes due Jan.2024. Analysts commented that this action could be viewed as the government increasing its short-term cash in response to the increasing expenditures in the COVID-19 pandemic. Also, analysts expected the country's fiscal deficit to hit a record high in the second quarter of 2020. Brazilian assets suffered losses yesterday. Domestic equities slide 1.1% and the real weakened 2.5% against the dollar.



Source: Bloomberg

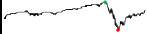




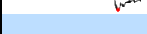
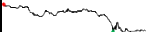











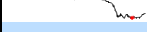



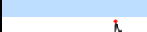

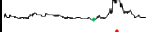
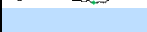
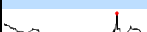


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Global Financial Indicators

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Equities			%				%
United States		3030	-0.2	2	3	9	-6
Europe		3083	-0.4	6	3	-7	-18
Japan		21878	-0.2	7	11	4	-8
China		2852	0.2	1	1	-2	-6
Asia Ex Japan		63	-0.4	-3	-3	-3	-14
Emerging Markets		37	0.2	-1	-1	-8	-17
Interest Rates			basis points				
US 10y Yield		0.66	0.8	0	4	-160	-126
Germany 10y Yield		-0.44	-2.5	4	5	-27	-26
Japan 10y Yield		0.01	0.3	1	4	10	2
UK 10y Yield		0.18	-2.7	1	-10	-71	-64
Credit Spreads			basis points				
US Investment Grade		174	0.0	-9	-20	45	77
US High Yield		646	1.1	-38	-118	187	253
Europe IG		73	2.9	-8	-6	1	28
Europe HY		429	13.9	-54	-48	122	222
EMBIG Sovereign Spread		514	-10.0	-21	-108	146	221
Exchange Rates			%				
USD/Majors		97.98	-0.4	-2	-2	0	2
EUR/USD		1.11	0.6	2	2	0	-1
USD/JPY		107.1	0.5	0	0	2	1
EM/USD		54.7	0.2	1	2	-11	-11
Commodities			%				
Brent Crude Oil (\$/barrel)		35	-2.0	-2	54	-50	-48
Industrials Metals (index)		97	0.3	-1	1	-13	-15
Agriculture (index)		35	0.1	0	1	-15	-16
Implied Volatility			%				
VIX Index (% change in pp)		29.1	0.5	-0.5	-2.2	11.2	15.3
10y Treasury Volatility Index		4.7	-0.3	0.0	-0.5	0.0	0.6
Global FX Volatility		7.8	0.0	-0.5	-1.1	1.0	1.9
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		196	2.5	-24	-72	-136	30
Italy		189	4.3	-20	-36	-93	29
Portugal		96	-0.1	-26	-44	-7	33
Spain		100	-0.3	-12	-30	8	34

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

Data source: Bloomberg.

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Emerging Market Financial Indicators

Last updated: 5/29/2020 8:21 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		7.14	0.1	0.0	-1	-3	-2		2.7	1.4	10	32	-66	-45
Indonesia		14610	0.7	0.7	5	-1	-5		7.5	5.7	-7	-51	-63	33
India		76	0.2	0.5	0	-8	-6		6.1	0.2	-7	-20	-117	-80
Philippines		51	0.2	0.2	0	3	0		4.4	-2.0	-6	-51	-69	9
Thailand		32	0.1	0.3	2	0	-6		1.4	3.2	7	0	-114	-20
Malaysia		4.35	0.2	0.4	0	-4	-6		2.8	-0.8	-3	-9	-105	-59
Argentina		68	-0.1	-0.5	-3	-35	-13		45.3	-60.3	-55	163	1173	-1726
Brazil		5.35	1.1	3.4	0	-26	-25		5.5	-0.6	-33	-64	-235	-79
Chile		808	1.7	-0.7	5	-12	-7		2.4	-10.6	7	-35	-145	-86
Colombia		3699	0.9	1.9	9	-9	-11		5.2	5.0	-12	-123	-101	-72
Mexico		22.05	0.7	3.1	8	-13	-14		6.3	-3.7	3	-54	-175	-65
Peru		3.4	0.3	-0.8	-1	-2	-4		4.3	-0.3	5	-50	-90	-26
Uruguay		43	0.2	0.4	-1	-19	-14		10.4	2.9	-26	-163	-82	-43
Hungary		313	0.8	2.6	4	-6	-6		1.7	-5.5	8	1	-24	49
Poland		3.99	0.8	3.8	5	-3	-5		0.7	-25.3	-30	-31	-153	-115
Romania		4.4	0.5	2.1	2	-2	-2		3.9	-10.0	-17	-29	-39	-12
Russia		70.5	0.0	1.7	4	-8	-12		5.3	1.7	9	-52	-240	-80
South Africa		17.4	0.4	1.0	4	-16	-20		9.8	3.1	6	-131	40	29
Turkey		6.83	-0.3	-0.3	2	-12	-13		11.2	6.2	0	33	-979	-54
US (DXY; 5y UST)		98	-0.4	-1.9	-2	0	2		0.31	-2.5	-2	-5	-176	-138

	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		2852	0.2	1	1	-2	-6		240	-2	-2	-7	63	64
Indonesia		4754	0.8	5	4	-22	-25		276	-3	-15	-72	72	120
India		32424	0.7	5	-1	-18	-21		256	-1	-17	-77	102	131
Philippines		5839	4.8	4	3	-25	-25		163	-2	-9	-29	73	97
Malaysia		1473	1.1	3	7	-9	-7		207	-15	-24	-78	79	95
Argentina		38986	-3.6	-2	17	15	-6		2680	-72	-85	-1369	1748	911
Brazil		86949	-1.1	5	5	-10	-25		380	1	-23	-54	118	165
Chile		3658	-3.0	-2	-9	-25	-22		222	1	-10	-73	82	89
Colombia		1086	-0.3	2	-5	-27	-35		285	1	-18	-126	82	122
Mexico		36508	-1.0	3	-1	-15	-16		531	-9	-20	-156	214	239
Peru		15778	0.3	2	6	-20	-23		189	-5	-12	-77	48	82
Hungary		36090	-0.6	3	4	-12	-22		201	-1	-12	-12	87	115
Poland		47745	-0.7	4	4	-16	-17		76	-5	-14	-54	25	58
Romania		8744	-0.3	2	6	3	-12		328	-8	-7	-39	120	155
Russia		2740	-1.5	1	3	4	-10		207	3	-7	-67	-8	76
South Africa		50770	-1.2	1	0	-8	-11		575	10	3	-107	265	255
Turkey		105087	-0.2	3	3	21	-8		639	6	13	-44	88	238
Ukraine		500	0.0	0	0	-12	-2		735	6	4	-172	84	315
EM total		37	0.2	-1	-1	-8	-17		513	-11	-22	-109	145	220

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

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