Global Markets Monitor
TUESDAY, OCTOBER 27, 2020

GLOBAL MARKETS ANALYSIS — Monetary and Capital Markets

- **US equities decline close to 2% driven by losses in COVID-sensitive sectors** (link)
- **ECB bank lending survey confirms lending conditions are tightening** (link)
- **Q4 Italian GDP growth expected to be hit by latest round of virus-related restrictions** (link)
- **Emerging market bond issuance remains robust; tracking average pace for 2H2020** (link)
- **Turkish lira hits new low amid geopolitical tensions and last week's policy rate hold** (link)
- **Korean GDP posts solid gain in Q3 amid export resilience** (link)

US | Europe | Other Mature | Emerging Markets | Market Tables

Markets trade cautiously under the weight of rising virus cases

Market sentiment is stabilizing this morning following significant selling pressure across global equity markets yesterday as hopes faded on stimulus and attention turned back to worrying COVID-19 trends. Yesterday's broad pull-back in risk appetite has been attributed to a combination of factors including surging COVID-19 outbreaks, geopolitical tensions, some guarded earnings outlooks following Q3 reports, and the decreasing likelihood of a pre-election US fiscal deal. The S&P 500 traded decidedly lower (-2%), its largest one-day selloff in a month, with many travel- and energy-related names among the worst performers. The VIX also hit a two-month high and oil prices shed close to 3%, while safe haven assets advanced as 10-year Treasury yields declined 4 bps and the yield curve reversed some of its recent steepening trend. Overnight, stocks in Asia and Europe have been mixed to mostly lower, but the declines have been moderate and S&P 500 futures are posting slight gains. European equities have been boosted by better Q3 earnings reports, and some key firms will report later today in the US. EM currencies are edging higher this morning as US dollar strength recedes, while the Turkish lira continues to witness steady depreciation and has weakened over 4% since the central bank kept rates on hold last week.

Key Global Financial Indicators

Last updated: 10/27/20 8:06 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities					%		%
S&P 500		3401	-1.9	-1	3	13	5
Eurostoxx 50		3101	-0.2	-4	-1	-14	-17
Nikkei 225		23486	0.0	0	1	3	-1
MSCI EM		46	-1.3	1	6	8	2
Yields and Spreads					bps		
US 10y Yield		0.80	-0.5	1	14	-100	-112
Germany 10y Yield		-0.58	-0.3	2	-5	-22	-40
EMBIG Sovereign Spread		404	0	-16	-13	68	111
FX / Commodities / Volatility					%		
EM FX vs. USD, (+) = appreciation		55.1	0.2	0	2	-10	-10
Dollar index, (+) = $ appreciation		92.9	-0.1	0	-2	-5	-4
Brent Crude Oil ($/barrel)		40.8	0.7	-6	-3	-34	-38
VIX Index (%, change in pp)		32.1	-0.4	3	6	19	18

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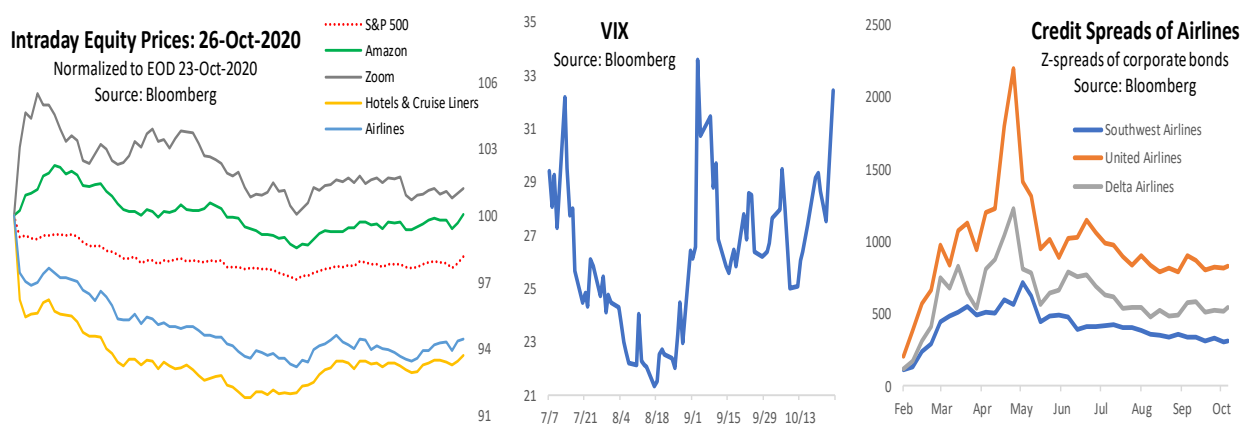
United States   back to top

Markets were driven by concerns regarding coronavirus cases rising in the US and Europe alongside growing pessimism around the prospect of further US fiscal aid before the presidential election. The S&P 500 lost -2% with the price movements mixed across sectors: energy and industrial companies were hit the most, while stay-at-home stocks (e.g., Zoom) outperformed the index. The volatility index (VIX) increased by 5 points to 32.5, approaching a 2-month high. Correspondingly, US Treasury 10Y yields fell 4 bps, and the yield curve reversed some of its recent steepening trend.

In data releases this morning, September durable goods orders were much higher than forecast (1.9% vs. 0.5% consensus expectations) as were durable goods ex-transportation (0.8% vs. 0.4%), indicating that manufacturers continue to benefit from steady demand.

As the second wave of COVID-19 intensifies, valuations of COVID-sensitive industries are under pressure again. Amid the general sell-off in the equity markets (left chart below) and the spike in volatility (middle chart), companies sensitive to lockdowns and COVID-restrictions were hit the most as investors are reconsidering the expected duration and harshness of the health crisis. While industries like Hotels & Cruise Liners and Airlines were losing around 6-7% of its equity prices, the stay-at-home stocks (e.g., Zoom and Amazon) outperformed the market. Importantly, while the equity valuations of COVID-sensitive companies are very reactive to the waves of COVID-19, their credit spreads have essentially stayed at the been unchanged, representing already relatively distressed level (right chart): e.g., the z-spreads for Southwest and United airlines rose by 7-8 bps which is a rather insignificant change considering their base levels of spreads.

Intraday Equity Prices: 26-Oct-2020
Normalized to EOD 23-Oct-2020
Source: Bloomberg

- ······· S&P 500
- —— Amazon
- —— Zoom
- —— Hotels & Cruise Liners
- —— Airlines

VIX
Source: Bloomberg

Credit Spreads of Airlines
Z-spreads of corporate bonds
Source: Bloomberg

- —— Southwest Airlines
- —— United Airlines
- —— Delta Airlines

While many analysts have temporarily downgraded US Treasuries to the "underweight" category, demand for the bonds is still driven by the safe haven status during risk-off episodes. As the chances of the Blue Wave are increasing, investors are pricing-in higher levels of inflation into the longer end of the nominal yield curve and analysts suggest some rotation towards inflation-protected Treasury bonds. However, this upward trend in the nominal Treasury yields is persistently interrupted by frequent episodes of COVID-driven sell-offs of risky assets which put downward pressure on UST yields: first, as investors see no alternative to nominal Treasury bonds in terms of ability to absorb massive repositioning from risky assets; second, due to the muted prospects for a faster economic recovery - both factors pushing longer-term nominal yields down in risk-off episodes.
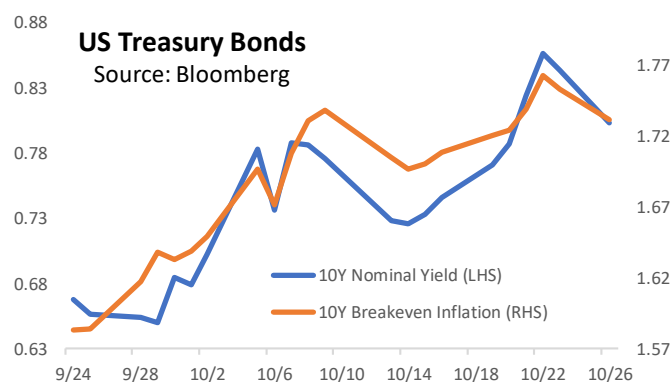
JPMorgan analysts point out that COVID-19 and election risks could be muting the impact of positive earnings surprises. The near-term performance of equity markets is heavily impacted by a set of dominant macroeconomic factors: the policy mix preference of the elected US president, the fiscal stimulus package, the COVID-19 vaccine along with the speed and breadth of the second wave - all having an impact that overshadows the effect of companies' released earnings. Going forward, amid the elevated uncertainty – due to the record number of registered cases (left chart) and still meaningful chances of gridlock between the elected US president and the Senate - stocks are expected to continue under-delivering against their option implied earnings moves. While the uncertainty around the US presidential elections seems gradually fading away – the chances of Joe Biden's victory are estimated at around ¾ by most analysts - the views on the chances of the Blue Wave are more heterogeneous: e.g., Citi's internal team assigns only modest probability of the Blue Wave (at around 35% versus 40% probability of a deep gridlock), while less than 50% of the participants surveyed by Citi think that the Blue Wave is the most likely outcome of 2020 election (right chart).
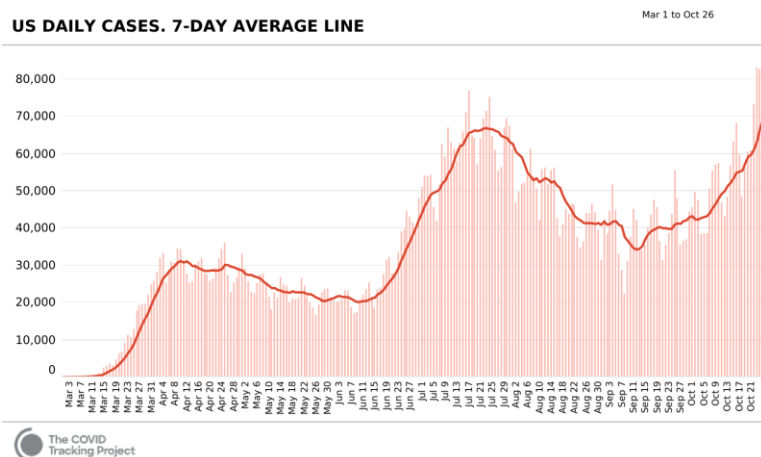
**Figure 6. What do you think is the most likely outcome of the 2020 election?**
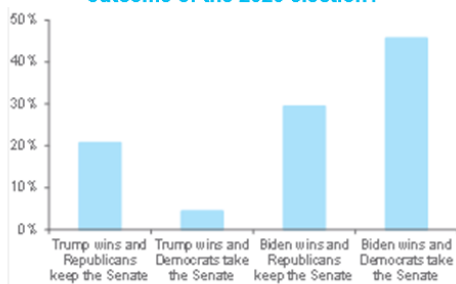
Source: CitiFX - CitiFX US Election Survey Results. Survey conducted between October 9 and October 15 with 92 respondents. Senate majority assumes 50 Senators and the Vice President tie-breaking vote or 51 Senators.

Europe   **back to top**

European stocks continued to decline for the second day with most indices down around 0.5% and France (-1%) underperforming. Technology sector (+0.65%) was up as SAP shares recovered. Banking stocks were also up (+1%) as HSCB was the next bank to deliver better than expected profits for Q3. Overall European banking shares have underperformed the Euro STOXX aggregate index by 25% this year, although the gap has started to narrow recently. Both HSBC and Santander management were reported hoping to be able to pay dividends given the better than expected results, subject to the ECB easing its regulations.

**European Stock Indices**

Source: Bloomberg, IMF
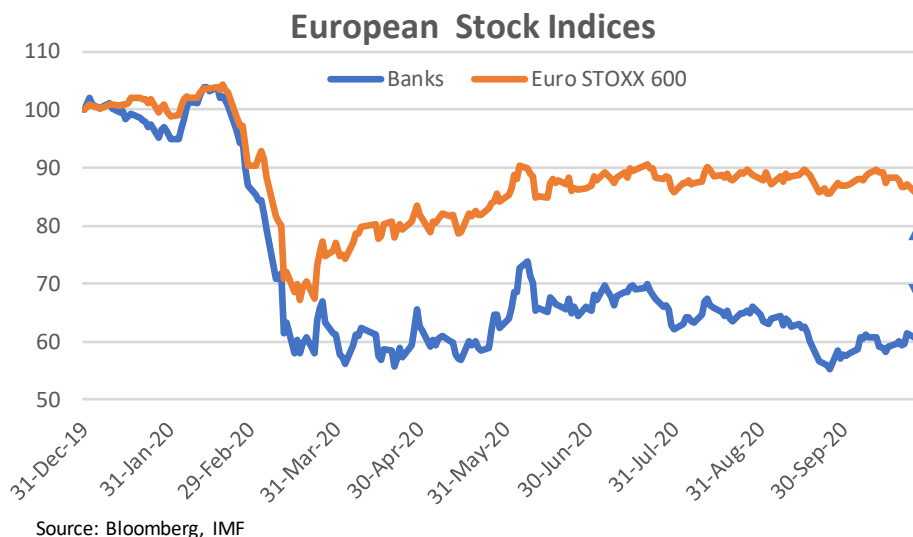
German bunds were stable and **Southern European spreads tightened by 2-3 bps**. The euro and the sterling were little changed.

The ECB bank lending survey confirms significant tightening of corporate and household lending conditions in Q3. The tightening is primarily driven by banks' risk perception and it has been largely anticipated in the previous quarter. Credit standard are expected to tighten further in Q4 due to uncertainty around recovery and expiry of various fiscal support measures. There has been a sharp drop in demand for corporate loans, reflecting a decline in emergency liquidity needs. By contrast, household demand for loans has increased, primarily on the back of the mortgage sector. The survey also focused on ad-hoc topics such as access to funding and various ECB operations. Overall, banks noted significant improvement in funding access in Q3, particularly through debt securities issuance and money market access.

Changes in credit standards applied to the approval of loans or credit lines to enterprises, and contributing factors
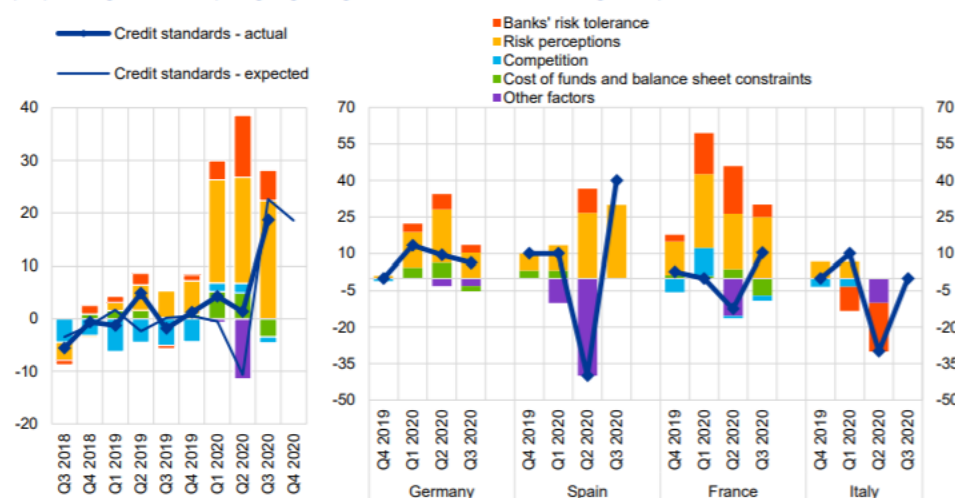
Banks' assessment of funding conditions and the ability to transfer credit risk off the balance sheet
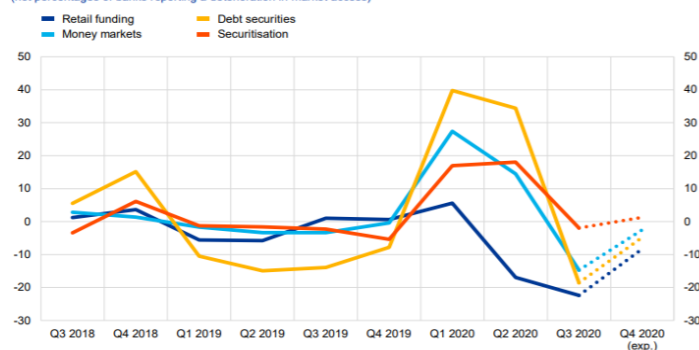
Note: The net percentages are defined as the difference between the sum of the percentages for "deteriorated considerably" and "deteriorated somewhat" and the sum of the percentages for "eased somewhat" and "eased considerably".

The Eurozone 2021 fiscal impulse maybe lower than expected on EU recovery grant delays. With Eurozone members submitting their draft budgets to the EC, analyst conclude that fiscal stance will remain expansionary in 2021. The overall Eurozone deficit is expected to decline from 8.7% in 2020 to 5.7% in 2021 with discretionary fiscal measures accounting for 2% of GDP and 0.7% of GDP respectively. **Analyst estimate the overall 2021 Eurozone fiscal impulse at around 1.2-1.5% of GDP,** but these consider the EU grant disbursements as per national budget projections. By contrast, media reports suggest that officials in Brussels are worried that the fiscal stance in many European economies is too close to neutral when looking purely on national efforts. Furthermore, the reliance of fiscal stimulus programs on disbursement from the EU recovery fund makes the economic recovery vulnerable to rule of law or the approval delays.
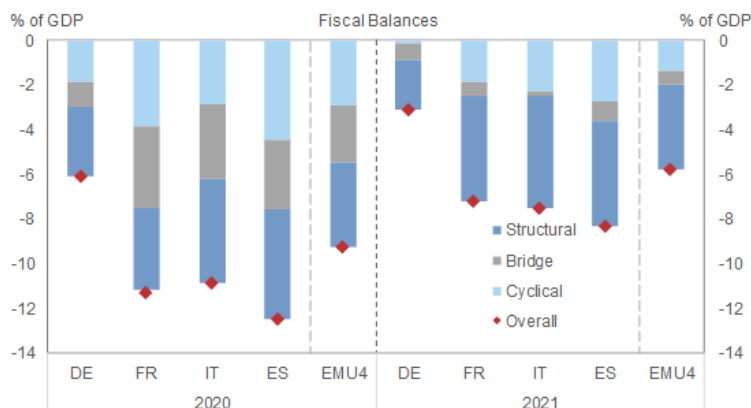
Notes: The EMU-4 aggregate is calculated as a GDP-weighted average throughout this publication.

Source: Goldman Sachs Global Investment Research

The latest round or restriction in Italy could reduce Q4 GDP growth by 1.5 pp. Measures that came into effect on Monday include a full shut down of recreational, sport and art facilities as well as a 6pm cut-off for bars and restaurants. At this stage, the restrictions are set to last for a month until 24th November. The affected hospitality and leisure sectors account for 5% of Italy's economy and the direct effect could reduce Q4 GDP quarterly growth by 1.5 pp with further impact from indirect effects on consumer and business confidence. The government already announced support measures in form of grants and short-term work schemes worth €5 bn (0.3% of GDP). Contacts point to downside risks arising from both longer duration of existing measures as well as further restriction tightening as the cases in intensive care units continue to climb.

Figure 1: The sectors hit by the latest restrictions account for around 5% of Italy's GDP

Source: HSBC, OECD. Note: * This might depend on how the statistical institutes accounts for schools potenntially being shut.
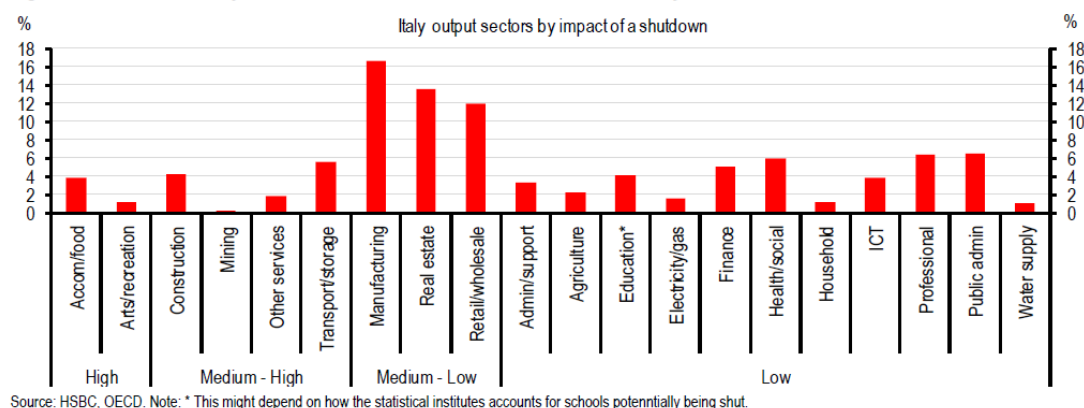
Other Mature Markets   back to top

In Japan, equities were little changed; the Japanese yen appreciated (+0.1%). **In Australia,** equities declined (-1.7%), while the Australian dollar depreciated (-0.1%). Market participants noted that the stock market sell-off was largely driven by weakening global risk sentiment.

Emerging Markets   back to top

Asian stock markets were mixed today. Philippine (-1.2%) and Korean (-0.6%) equities led the decline, while share prices rose in India (+0.6%) and Malaysia (+0.4%). **Most Asian currencies appreciated, led by Korean won (+0.2%) and Indian rupee (+0.2%).** Indian markets outperformed today on the news of a defense agreement with the United States. China ramped up purchases of U.S. goods in September, but it remains far from the full-year target under the Phase One trade deal (still at 38.5%). Industrial profits increased 10.1% y/y in September. Chinese equities gained (CSI 300: +0.2%); RMB was little changed following reports the PBOC could remove the counter-cyclical factor in the daily fixing. **EMEA equities were trading mixed this morning** with indices up in the UAE (+1.1%) and Turkey (+0.9%) while down in Russia (-0.8%) and South Africa (-0.3%). **EMEA currencies were little changed except for the South African rand (+0.8%) and the Turkish lira (-0.7%). Latin American equities declined yesterday, with the MSCI Latam index down 0.6%, dragged down by weaker US markets and falling oil prices.** Mexican stocks fell 1.2%, while Brazilian stocks were only marginally down. Most regional currencies were slightly lower. Government bond yields were mixed, down 3 bps in Brazil and little changed in Mexico. Chilean markets were mixed after the historic referendum, with equities down 2.7% but the peso up 0.7%.

EM Bond Issuance, $ bn

July-October

	Total	Sovereign	Corporate	Financial	Supra	Muni/Local Gov't
ASIA (non-Japan)	136.2	8.9	77.3	44.5	0.0	5.5
CHINA	86.5	6.0	47.2	27.8	0.0	5.5
Latam	31.3	8.9	18.0	2.9	1.5	0.0
CEEMEA	69.2	33.9	23.7	10.7	0.8	0.0
EM total	236.7	51.8	119.0	58.1	2.3	5.5

Week ending 10/26

	Total	Sovereign	Corporate	Financial	Supra	Muni/Local Gov't
ASIA (non-Japan)	9.8	0.0	7.4	1.4	0.0	1.0
CHINA	5.5	0.0	4.2	0.3	0.0	1.0
Latam	0.8	0.0	0.8	0.0	0.0	0.0
CEEMEA	6.2	2.0	1.6	2.6	0.0	0.0
EM total	16.8	2.0	9.8	4.0	0.0	1.0

July-October

	Total	Sovereign	Corporate	Financial	Supra	Muni/Local Gov't
July	65.0	13.9	33.7	15.7	0.0	1.5
August	36.6	5.0	21.3	7.8	0.4	0.7
September	84.7	18.8	36.9	24.0	1.3	1.0
October	59.8	14.1	27.1	10.6	0.6	2.2

Source: Bloomberg, BondRadar, and IMF staff calculations.

Key Emerging Market Financial Indicators

Last updated:	Level		Change				YTD
10/27/20 8:09 AM	Last 12m	index	1 Day	7 Days	30 Days	12 M	YTD
Major EM Benchmarks			%				%
MSCI EM Equities		45.72	0.2	1	6	8	2
MSCI Frontier Equities		26.59	-1.7	0	3	-7	-12
EMBIG Sovereign Spread (in bps)		404	0	-16	-13	68	111
EM FX vs. USD		55.07	0.2	0	2	-10	-10
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		6.71	0.1	0	2	5	4
Indonesian Rupiah		14625	0.2	0	2	-4	-5
Indian Rupee		73.72	0.2	0	0	-4	-3
Argentine Peso		78.25	-0.2	-1	-3	-24	-23
Brazil Real		5.60	0.4	0	1	-29	-28
Mexican Peso		20.85	0.4	1	8	-8	-9
Russian Ruble		76.42	0.0	1	3	-17	-19
South African Rand		16.10	0.8	2	6	-10	-13
Turkish Lira		8.14	-0.7	-3	-4	-30	-27
EM FX volatility		11.08	0.0	0.2	-1.1	3.9	4.5

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

Emerging Market Bond Issuance

EM bond issuance remained robust in the week ending yesterday (table). Total EM bond issuance in October through yesterday reached almost $60 bn, close to the monthly average in July-September of $62 bn. The weekly issuance amounted to almost $17 bn. CEEMEA, China, and other Asia were major contributors last week, while Latin America lagged. Sector-wise, corporates issued almost $10 bn last week, followed by financials ($4 bn) and sovereigns ($2 bn by Oman).

Emerging Market FX Positioning

Blackrock shorts U.S. dollar against Asian currencies. According to Bloomberg, Blackrock, the world's largest asset manager, is shorting the dollar on expectations that unprecedented fiscal and monetary stimulus will prolong its weakening regardless of the U.S. election outcome. Blackrock holds a modest short in the U.S. dollar against some Asian currencies like Chinese yuan, Indian rupee and Indonesian rupiah, noting that these currencies are best positioned to benefit from a weakening U.S. dollar as investors seek higher-yielding assets. Blackrock's move followed other global asset managers like Goldman Sachs and UBS.

Dollar Bears
Speculators turned bearish on the greenback for first time since 2018 in August

Source: Bloomberg
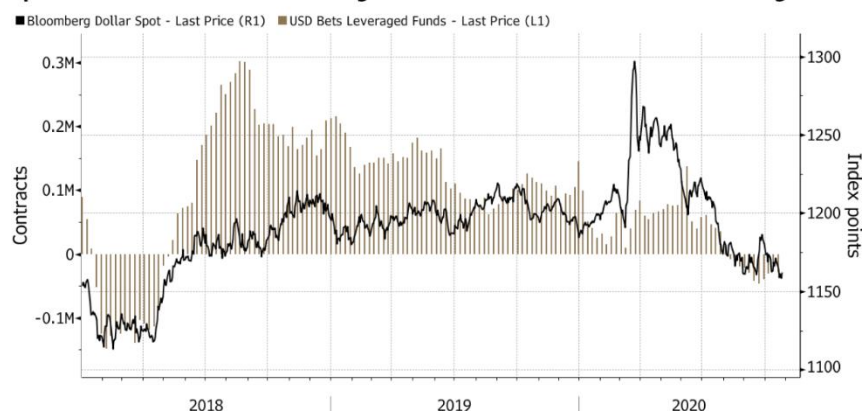
Turkey

The Turkish lira depreciated through TRY 8 per dollar on Monday, and domestic stocks dropped close to 5%, amid rising geopolitical tensions. The lira weakened 1.6% to 8.086 per dollar, the biggest decline among major EM currencies yesterday. This extended a nine-week streak of depreciation, its longest rout since 1999. Turkey's central bank rattled investors last week by unexpectedly keeping rates on hold, a move that halted a brief appreciation in the currency ahead of the decision. The authorities have already spent foreign-exchange reserves faster than any other major emerging economy to try to support the lira, according to Bloomberg reports. Foreign investors sold $13.3 bn of Turkish equities and bonds this year, the most since at least 2005. Market contacts noted that foreign investor interest in Turkish assets is being impacted by a string of geopolitical risks. Turkey's government faces possible US sanctions over the purchase of a missile system from Russia and is engaged in territorial disputes in the eastern Mediterranean and the Caucasus.

New Level
Turkey's lira weakens past 8 per U.S. dollar, hitting new record-low

Source: Bloomberg
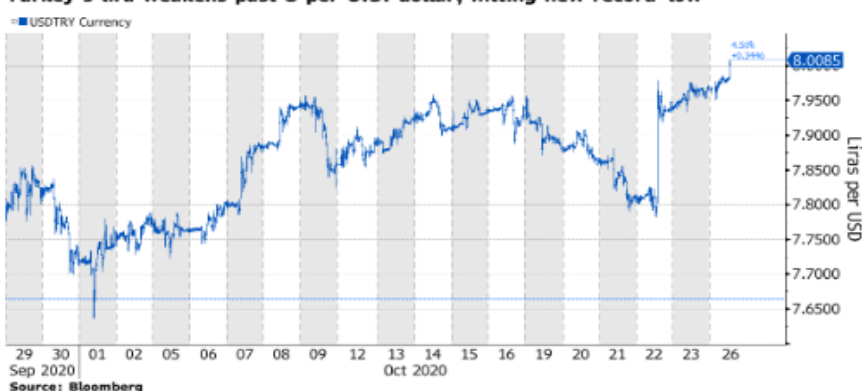
Brazil

Bank lending growth remained strong in September, with total loans slightly above expectations. Freely allocated credit to corporates surged 22.6% y/y in real terms and directed credit to corporates accelerated to +3.3% y/y (figure) on the back of credit stimulus and other support measures by the central bank and government, based on the analysis and reporting by Goldman Sachs. Total credit grew 13.1% y/y in nominal terms or 9.7% in real terms. Lending rates on corporate loans fell 70 bps to 11.4% and rates on household loans declined 100 bps to 38%. NPLs on freely allocated credit edged 20 bps lower to 3.10% in September, with a 20 bp decline in household NPLs to 4.6% and a 10 bp decline in corporate NPLs to 1.5%.

Total Credit to Individuals (real growth)

Source: BCB, Goldman Sachs Global Investment Research
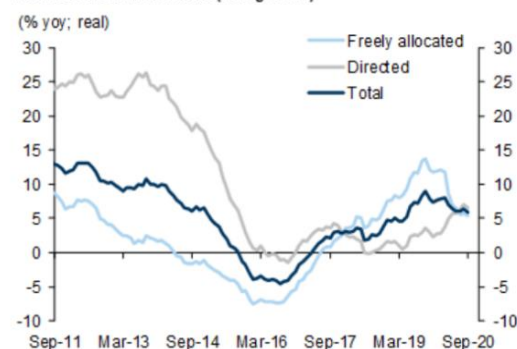
Total Credit to Corporates (real growth)

Source: BCB, Goldman Sachs Global Investment Research
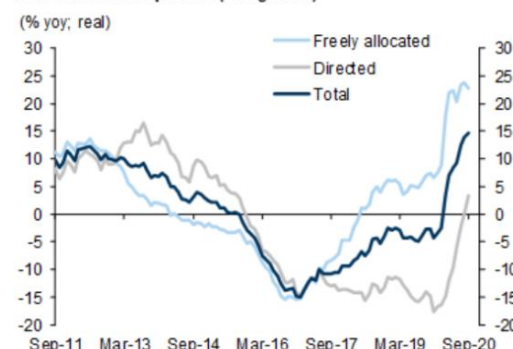
Chile

Moody's said that the risk for significant institutional revisions is low given that key elements of the country's economic model, such as free markets and central bank independence, and will be preserved in a new constitution, based on Bloomberg reporting. The credit rating agency expects that drafting of a new constitution will help diminish social discontent and contain continued protests. However, the process may bring in some uncertainty through mid-2022 and may potentially result in higher government spending and more regulation which could in turn weigh on investment and competitiveness. Chilean stocks declined the most in the region (-2.7%) but the currency appreciated, and government bond yields fell in contrast with regional trends yesterday.

Korea

Korea's real GDP grew 1.9% q/q in 2020Q3, stronger than expected. On a yearly basis, the economy remained in contraction, with a 1.3% y/y decline (stronger than an expected 1.8% decline). The robust economic recovery was driven by a surge in exports that benefited from continued demand for tech products and a pickup in China's economy. Consumption remained weak due to tighter containment measures to curb the second-wave outbreak in late summer; however, consumption is expected to pick up in 2020Q4 amid easing social distancing rules. **The government officials warned about Korean won's strength following a strong currency rally.** Korean won was among the best performer in the region, appreciating 4.3% in the past month. The statement said that the government will closely monitor the market developments and will take measures to stabilize markets if needed. **Korean won appreciated (+0.2%); equities declined (-0.6%).**

Clawing Back
South Korea's economy is recovering from recession

■ Gross domestic product growth Q/Q

Source: Bank of Korea

Bloomberg
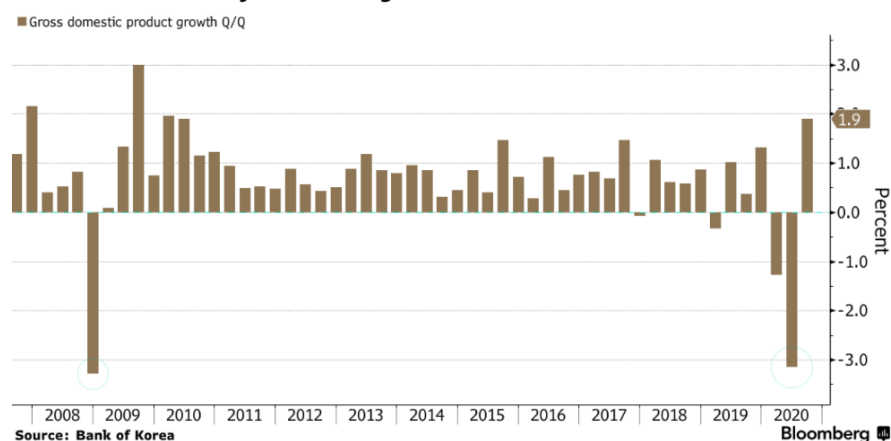
List of GMM Contributors

Global Markets Analysis Division, MCM Department
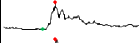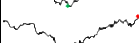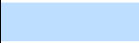
Anna Ilyina
Division Chief

Nassira Abbas
Deputy Division Chief

Antonio Garcia-Pascual
Deputy Division Chief

Evan Papageorgiou
Deputy Division Chief

Sergei Antoshin
Senior Economist

John Caparusso
Senior Financial Sector Expert

Yingyuan Chen
Financial Sector Expert

Han Teng Chua
Economic Analyst

Fabio Cortés
Senior Economist

Reinout De Bock
Economist

Dimitris Drakopoulos
Financial Sector Expert

Deepali Gautam
Research Officer

Rohit Goel
Financial Sector Expert

Sanjay Hazarika
Senior Financial Sector Expert

Frank Hespeler
Senior Financial Sector Expert

Henry Hoyle
Financial Sector Expert

Mohamed Jaber
Senior Financial Sector Expert

Phakawa Jeasakul
Senior Economist

Piyusha Khot
Research Assistant

Natalia Novikova
IMF Resident Representative in Singapore

Dmitri Petrov
Financial Sector Expert

Thomas Piontek
Financial Sector Expert

Patrick Schneider
Research Officer

Can Sever
Economist (Economist Program)

Juan Solé
Senior Economist

Jeffrey Williams
Senior Financial Sector Expert

Dmitry Yakovlev
Senior Research Officer

Akihiko Yokoyama
Senior Financial Sector Expert

Xingmi Zheng
Research Assistant

Global Financial Indicators

Last updated: 10/27/20 8:08 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		3406	-1.9	-1	3	13	5
Europe		3101	-0.2	-4	-1	-14	-17
Japan		23486	0.0	0	1	3	-1
China		3254	0.1	-2	1	10	7
Asia Ex Japan		80	-1.1	1	7	16	9
Emerging Markets		46	-1.3	1	6	8	2
Interest Rates			basis points				
US 10y Yield		0.80	-0.5	1	14	-100	-112
Germany 10y Yield		-0.58	-0.3	2	-5	-22	-40
Japan 10y Yield		0.03	-0.4	1	2	17	4
UK 10y Yield		0.27	-0.2	9	8	-41	-55
Credit Spreads			basis points				
US Investment Grade		124	0.9	-1	-13	5	27
US High Yield		511	10.9	6	-55	64	118
Europe IG		58	-0.2	3	-2	8	13
Europe HY		337	-3.5	6	-8	109	130
EMBIG Sovereign Spread		404	0.0	-16	-13	68	111
Exchange Rates			%				
USD/Majors		92.91	-0.1	0	-2	-5	-4
EUR/USD		1.18	0.2	0	1	7	5
USD/JPY		104.6	0.2	1	1	4	4
EM/USD		55.1	0.2	0	2	-10	-10
Commodities			%				
Brent Crude Oil ($/barrel)		41	0.7	-6	-3	-34	-38
Industrials Metals (index)		121	0.4	-1	6	3	6
Agriculture (index)		43	0.3	2	10	8	3
Implied Volatility			%				
VIX Index (%, change in pp)		32.1	-0.4	2.8	5.7	19.5	18.3
US 10y Swaption Volatility		71.6	0.3	-2.2	27.4	-0.4	9.6
Global FX Volatility		8.6	0.0	0.2	-1.1	2.3	2.6
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		153	3.0	7	-2	-4	-12
Italy		129	-2.9	-4	-12	-2	-31
Portugal		73	-1.5	-4	-7	14	10
Spain		75	-1.5	-4	-3	12	10

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

Emerging Market Financial Indicators

Last updated: 10/27/2020 8:10 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		6.71	0.1	-0.4	2	5	4		3.3	0.6	-4	8	7	18
Indonesia		14625	0.2	0.2	2	-4	-5		6.6	-1.9	-4	-19	-56	-50
India		74	0.2	-0.3	0	-4	-3		6.0	-1.2	-6	-18	-82	-88
Philippines		48	0.0	0.5	0	6	5		3.6	-0.4	-1	-8	-75	-74
Thailand		31	0.1	0.1	2	-3	-4		1.5	-0.6	0	2	-9	-14
Malaysia		4.17	-0.1	-0.4	0	0	-2		2.5	1.5	4	-10	-94	-85
Argentina		78	-0.2	-0.9	-3	-24	-23		48.2	55.0	265	620	-860	-1443
Brazil		5.60	0.4	0.1	1	-29	-28		6.3	-2.3	13	53	49	7
Chile		772	0.5	2.0	2	-6	-3		2.6	-2.4	-13	-10	-47	-66
Colombia		3814	-0.7	0.8	2	-11	-14		5.3	8.0	13	19	-39	-63
Mexico		20.85	0.4	1.3	8	-8	-9		6.1	-0.3	-1	17	-84	-85
Peru		3.6	-0.2	-0.4	0	-8	-8		4.1	-0.2	0	-3	-23	-37
Uruguay		43	0.0	0.3	0	-12	-12		7.4	-1.5	-1	-22	-381	-352
Hungary		309	0.2	-0.5	2	-4	-4		1.7	-0.9	5	-3	69	55
Poland		3.87	0.1	-0.3	1	-1	-2		0.6	-2.3	-3	-13	-116	-127
Romania		4.1	0.1	0.0	1	4	4		3.2	-1.0	-3	-11	-62	-79
Russia		76.4	0.0	1.2	3	-17	-19		5.7	1.8	0	-21	-62	-47
South Africa		16.1	0.8	2.4	6	-10	-13		10.1	-2.2	-6	-16	86	61
Turkey		8.14	-0.7	-3.4	-4	-30	-27		13.9	38.6	70	129	113	221
US (DXY; 5y UST)		93	-0.1	-0.2	-2	-5	-4		0.34	-0.6	1	8	-127	-135

	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		4699	0.2	-2	3	21	15		214	0	0	-4	28	38
Indonesia		5128	-0.3	1	4	-18	-19		214	-1	9	-26	40	58
India		40522	0.9	0	8	3	-2		206	0	-2	-28	76	81
Philippines		6415	-1.2	5	10	-19	-18		127	-1	11	-21	51	61
Malaysia		1500	0.4	-1	-1	-4	-6		148	2	5	-18	27	36
Argentina		49597	-5.6	1	18	44	19		1447	1	14	117	-723	-322
Brazil		101017	-0.2	2	4	-6	-13		305	-3	8	-30	80	90
Chile		3706	-2.7	1	3	-25	-21		170	0	10	-19	37	37
Colombia		1177	0.1	-1	0	-28	-29		241	0	12	-26	71	78
Mexico		38246	-1.2	2	5	-12	-12		467	-4	-13	-45	171	175
Peru		17844	-1.2	1	1	-9	-13		150	-1	6	-25	27	43
Hungary		33102	0.3	-1	4	-21	-28		109	1	-1	-19	17	23
Poland		47738	0.7	-1	-1	-17	-17		14	-1	-3	-11	-13	-4
Romania		8729	-0.2	-1	-3	-10	-13		237	6	4	-26	55	64
Russia		2763	-0.8	-1	-5	-4	-9		199	0	4	-19	20	68
South Africa		54574	-0.6	-1	2	-1	-4		482	0	-3	-53	175	162
Turkey		1154	0.8	-5	3	15	1		627	-1	26	-5	180	226
Ukraine		501	0.0	0	0	-4	-2		726	-4	16	4	276	306
EM total		46	0.2	1	6	8	2		404	0	-16	-13	68	111

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

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