



Global Markets Monitor

Monetary and Capital Markets Department
Global Markets Analysis Division

Friday, September 14, 2018

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- **US 10-year Treasury implied volatility near all-time low** ([link](#))
- **ESTER recommended to replace EONIA as euro benchmark rate** ([link](#))
- **The Central Bank of Russia raises policy rates by 25 bps to 7.50%** ([link](#))
- **Argentine peso depreciates 3.5% against dollar despite broad EMFX strength** ([link](#))

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Little price action in a calm trading session

A relatively uneventful overnight session appears ready to give way to the weekend. Major currencies are mixed against the US dollar, with the US dollar index is about 0.9% weaker on the week. Sovereign bond yields are up to 2 bps higher in Europe and North America, continuing the modest rise in global yields observed throughout most of the week. Next week is a comparatively light data week in the US, with housing and PMI data figuring most prominently. Euro area CPI will be released next week (consensus 2.0% yoy vs 2.1% yoy in July). In Japan, the BoJ will hold a policy meeting, though no substantive policy changes are expected. In addition, the ruling Liberal Democratic Party will hold its leadership election, with current Prime Minister Abe widely expected to win the nomination to serve a third term. In emerging markets, central banks in Brazil, Hungary and South Africa will hold policy rate meetings, though no changes are anticipated.

Key Global Financial Indicators

| Last updated: 9/14/18 8:21 AM | Level | | Change from Market Close | | | | YTD |
|--------------------------------------|---|-------|--------------------------|--------|---------|------|-----|
| | Last 12m | Index | 1 Day | 7 Days | 30 Days | 12 M | |
| Equities | | | % | | | | % |
| S&P 500 |  | 2889 | 0.0 | 0 | 2 | 16 | 8 |
| Eurostoxx 50 |  | 3353 | 0.8 | 2 | -2 | -5 | -4 |
| Nikkei 225 |  | 22821 | 1.0 | 1 | 4 | 15 | 0 |
| MSCI EM |  | 41 | 0.5 | -1 | -2 | -8 | -12 |
| Interest Rates | | | bps | | | | |
| US 10y Yield |  | 2.98 | 1.3 | 10 | 10 | 79 | 57 |
| Germany 10y Yield |  | 0.42 | 0.7 | 6 | 11 | 2 | -1 |
| Japan 10y Yield |  | 0.11 | -0.1 | 0 | 1 | 8 | 6 |
| FX / Commodities / Volatility | | | % | | | | |
| Dollar index, (+) = \$ appreciation |  | 94.9 | 0.1 | 0 | -2 | 3 | 3 |
| Brent Crude Oil (\$/barrel) |  | 79.2 | -0.7 | 3 | 9 | 44 | 18 |
| VIX Index (% change in pp) |  | 12.7 | -0.4 | -2 | -2 | 2 | 2 |

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

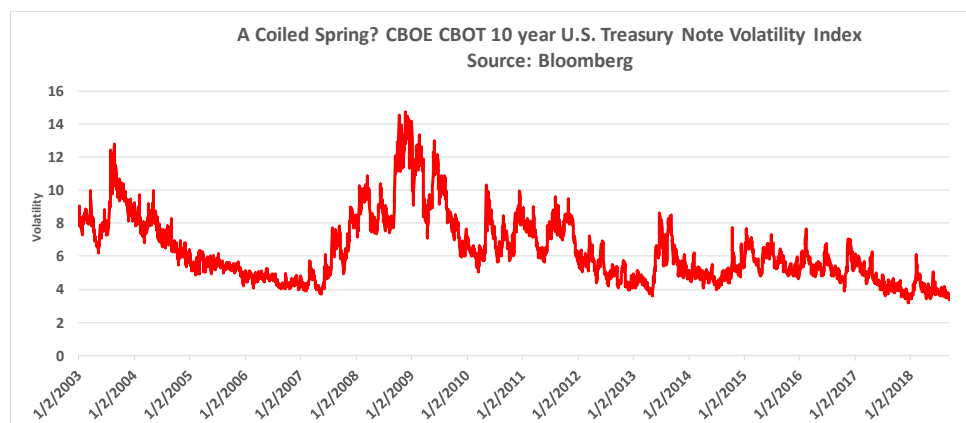
United States

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On Thursday, markets experienced another session of small moves although the overall investor mood seemed to be somewhat brighter. The Turkish central bank's rate hike set a positive tone for emerging markets and the lower-than-expected US CPI report kept Treasury yields stable, postponing the 10-year yield's march to the 3% level for yet another day. A recovery in technology stocks enabled US indexes to post modest gains while Treasuries ended little changed. A strong 30-year Treasury auction on the heels of Wednesday's strong 10-year auction underlined the continuing demand for longer maturity Treasuries. The Cleveland Fed reported its latest estimate for 10-year inflation at 2.13%, unchanged from the month before. Congress approved a series of bills to keep the government funded through December 7th.

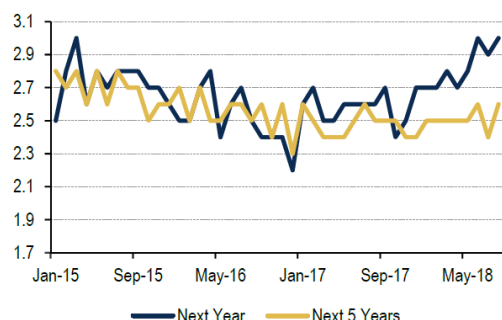
US retail sales for August came in much weaker than expected at 0.1% versus the consensus forecast of 0.4%. The closely watched retail sales ex-autos print was 0.3% versus the 0.5% consensus forecast. However, July data was revised higher for both retail sales measures, somewhat mitigating the downside surprise. Both Treasury yields and the dollar were slightly lower following the data.

The implied volatility of 10-year Treasuries is close to the all-time low set last December despite record short positions on Treasury futures. Option traders do not see much scope for rising Treasury volatility, possibly due to continued safe-haven buying amidst global uncertainty and relatively transparent guidance on interest rate policy from the Fed. In addition, recent inflation data do not raise any immediate worries about inflation risks. However, prior historical lows in 2007 and 2013 came just before massive upswings in volatility due to the financial crisis and the European crisis respectively. Some investors worry that today's low Treasury volatility is like a coiled spring, setting up the market for a major reversal if adverse circumstances were to arise. Others are more sanguine, pointing out that investors frequently short Treasury futures to hedge interest rate risk, and that record short futures positions do not necessarily mean that investors are short the bond market in aggregate.



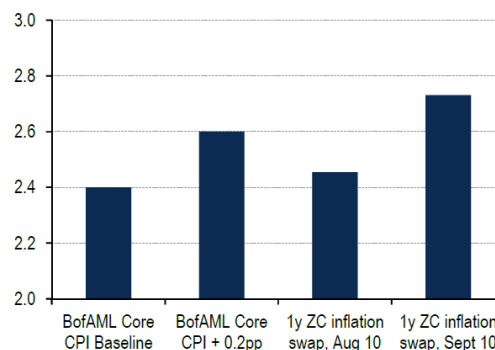
Survey and market-based indicators suggest that tariffs may be starting to impact US inflation expectations. The University of Michigan survey shows that consumers see inflation next year as higher than inflation five years from now, which some analysts interpret as a sign that consumers think tariffs may push up inflation in the short term. The August FOMC minutes also noted the potential for tariffs to push up short term inflation expectations. Inflation swap pricing indicates that the market estimate of one-year forward inflation ticked up from just over 2.4% on August 10 to 2.7% on September 10. Normally, oil prices are one of the primary drivers of short-term consumer inflation expectations. However, oil prices have levelled off in August and September, another indication that tariffs have replaced oil prices as the primary drivers of short term inflation expectations.

Chart 15: Survey measures suggest near term increase in inflation (%)
University of Michigan Survey of Consumers



Source: University of Michigan Survey of Consumers

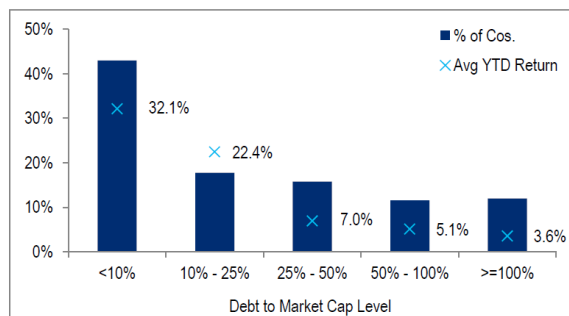
Chart 16: 1y implied core CPI from inflation swaps



Source: BofA Merrill Lynch Global Research, Bloomberg, USDA

Among mid-cap and small-cap companies, stock prices of companies with the smallest amount of debt have done better than the stock prices of more leveraged companies this year. This trend does not apply to large cap companies such as those in the S&P 500 index, which tend to have much higher levels of debt and easier access to capital markets. Among small cap stocks in the Russell 2000 index, more than 60% of the companies have debt to market-cap ratios of less than 25%, and these companies have delivered the best YTD returns relative to their peers. Among the companies in the Russell mid cap index, more than 50% of the companies have debt/market cap below 25% and they have also been the best performers in their cohort. Some analysts draw an optimistic conclusion from this about the health of corporate America, arguing that while corporate debt levels have risen over the past five years they have yet to reach dangerous levels. In their view, the credit cycle has more room to run.

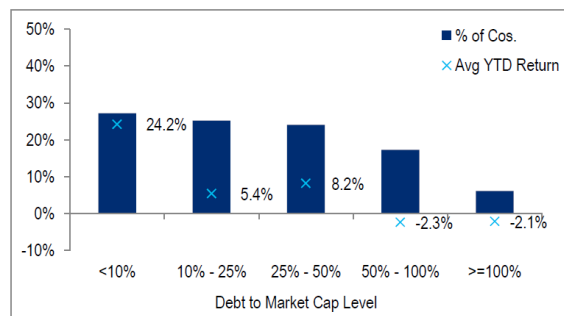
Figure 2. Small Cap Distribution of Debt to Mkt Cap vs. YTD Return



Source: FactSet, Russell, Citi Research

Note: Based on R2000 constituents ex. Fin. Services under Russell Sector

Figure 3. Mid Cap Distribution of Debt to Mkt Cap vs. YTD Return



Source: FactSet, Russell, Citi Research

Note: Based on Russell Midcap constituents ex. Fin. Services under Russell Sector

Europe

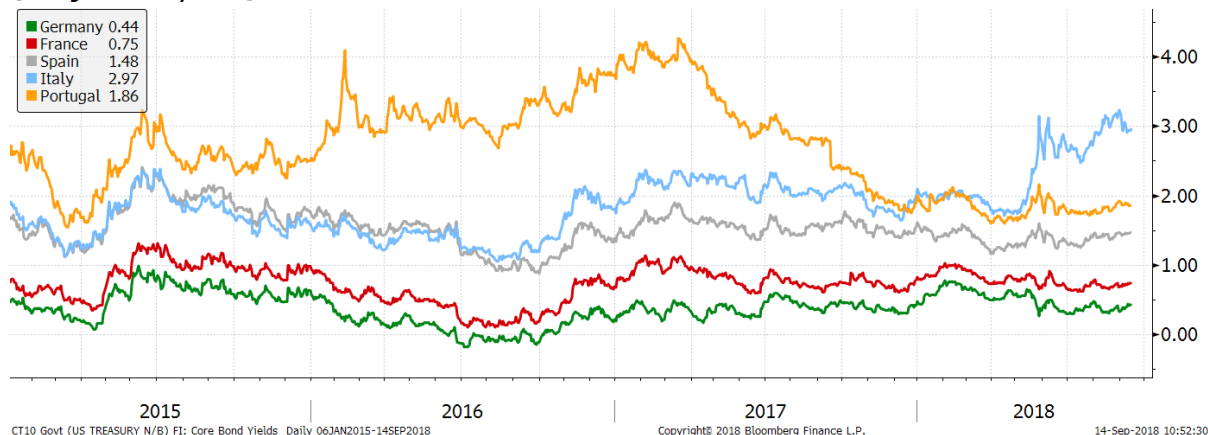
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European equities inched higher: DAX (+0.3%), CAC 40 (+0.3%), and EuroStoxx 600 (+0.2%). Bank stocks (+0.2%) performed in line with broad market indices.

Sovereign debt markets traded mostly sideways today, leaving yields unchanged across tenors and countries. Rating agency S&P is expected to leave Portugal's sovereign rating unchanged later today. The country's 10-year sovereign yield is unchanged today at 1.86%.

Selected Government Bond Yields

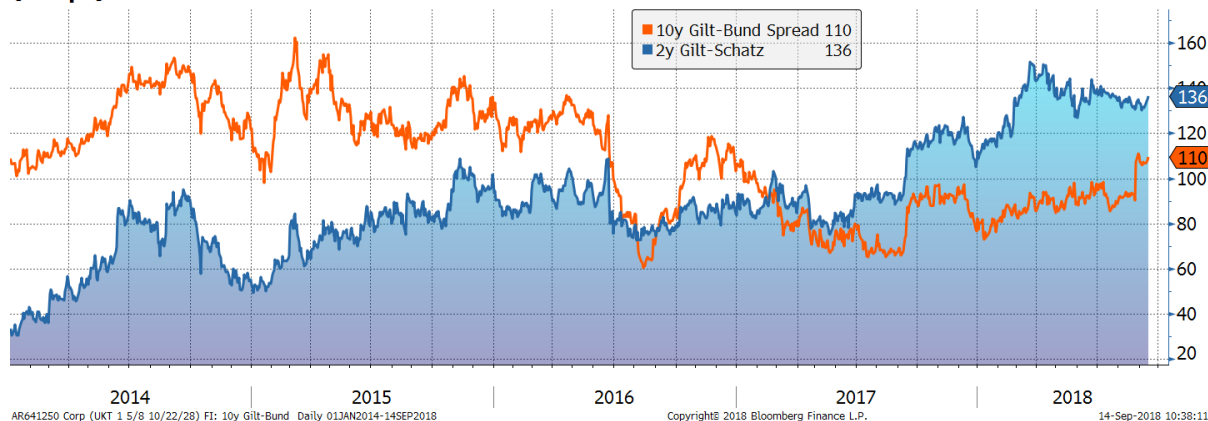
(10-yr Yields, in %)



Gilt yields are also unchanged at 1.52% for the 10-year bond and 0.81% for the 2-year note. Governor Carney warned yesterday that the BoE may not cut policy rates – as it did after the Brexit referendum – following a no-deal exit on March 2019. He added that the consequences of a hard Brexit could be as dire as the 2008 crisis, including a 35% loss in property values. The spread between 2-year UK and German bonds is at 136 bps, its highest level since 2006.

Gilt-Bund Spreads

(in bps)



The Working Group on Euro Risk-Free Rates has recommended the adoption of ESTER to replace EONIA rates as benchmark. The new rate ESTER will reflect eurozone banks' cost of borrowing and will be calculated by the ECB by October 2019 at the latest. The working group is an industry-led initiative that was established by the ECB, the Belgian Financial Services and Markets Authority (FSMA), the European Securities and Markets Authority (ESMA) and the European Commission to identify and recommend alternative risk-free rates that could serve as benchmarks to financial contracts in the eurozone.

Other Mature Markets [back to top](#)

Japan








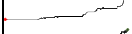


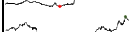


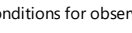
Equities advanced while the yen held steady amid improved sentiment regarding EM currencies. The Topix gained 1.1% and the Nikkei, 1.2%, boosted by exporters. Meanwhile, the yen was unchanged at

111.82 per dollar. Risk sentiment improved after Turkey raised interest rates to stem further weakening of its currency. That said, investors remain cautious amid lingering tension between the U.S and China. Developments next week will garner much investor attention, including the BoJ's policy meeting, the ruling Liberal Democratic Party's leadership election and the release of August CPI. The BoJ is expected to keep its policy settings unchanged; PM Abe is expected to be re-elected to his third term while higher food and commodity prices are expected to lift inflation, though it will likely remain well below the BoJ's 2% target.

Emerging Markets

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Key Emerging Market Financial Indicators

| Last updated: 9/14/18 8:22 AM | Level | | Change | | | | YTD |
|--|---|--------|-----------------------------------|--------|---------|------|-----|
| | Last 12m | index | 1 Day | 7 Days | 30 Days | 12 M | |
| Prices/Returns of Major EM Benchmarks | | | % | | | | % |
| MSCI EM Equities |  | 41.44 | 0.5 | -1 | -2 | -8 | -12 |
| MSCI Frontier Equities |  | 27.64 | 0.1 | 0 | -3 | -11 | -17 |
| Hard Currency Sovereign Debt |  | 816.58 | 0.2 | 0 | 0 | -4 | -5 |
| Local Currency Sovereign Debt |  | 15.95 | 0.6 | 1 | -3 | -18 | -16 |
| Major EM FX vs. USD | | | %, (+) = EM currency appreciation | | | | |
| China Renminbi |  | 6.85 | 0.2 | 0 | 1 | -4 | -5 |
| Indonesian Rupiah |  | 14790 | 0.0 | 1 | -1 | -10 | -8 |
| Indian Rupee |  | 71.84 | 0.2 | 0 | -3 | -11 | -11 |
| Argentine Peso |  | 38.34 | 0.0 | -2 | -22 | -56 | -51 |
| Brazil Real |  | 4.16 | -0.1 | -2 | -7 | -25 | -20 |
| Mexican Peso |  | 18.93 | 0.5 | 1 | 1 | -6 | 4 |
| Russian Ruble |  | 68.22 | 1.1 | 1 | -1 | -15 | -15 |
| South African Rand |  | 14.76 | 1.4 | 4 | -2 | -11 | -16 |
| Turkish Lira |  | 6.20 | 2.4 | 6 | 11 | -44 | -39 |
| Dollar vs. Mature FX (DXY index) |  | 94.87 | 0.1 | 0 | -2 | 3 | 3 |

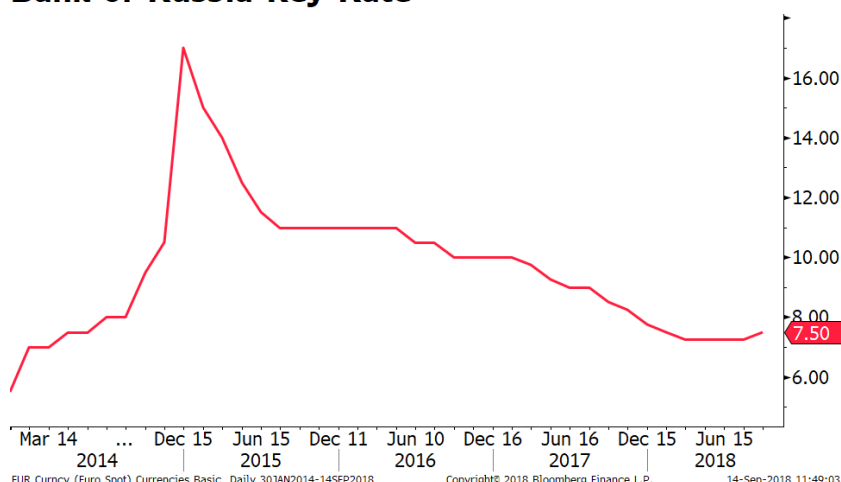
Colors denote **tightening**/easing financial conditions for observations greater than ± 1.5 standard deviations. Data source: Bloomberg.

Emerging market currencies were mainly stronger on Thursday. The largest gains were in Turkey (+4.3%) whose central bank surprised markets by raising interest rates 625 bps, double the Bloomberg consensus. Meanwhile, a soft CPI print for the US kept Treasury yields relatively unmoved. The rate hike by the central bank of Turkey was interpreted as a reassertion of independence, which improved sentiment in the EM space. The Russian ruble is up 0.6% after the central bank surprised markets with a 25 bp hike. In Latin America, losses were led by the Argentine peso (-3.5%). The peso depreciated despite the government's announcement that it will plans to save 196 billion pesos from spending cuts in its 2019 budget. In Brazil, the *real* also depreciated by -1%, as uncertainty over the elections continues.

Russia

The central bank followed through on its recent hawkish signals and delivered a small surprise at today's policy meeting. The key rate was raised by 25 bps to 7.50%, against the majority of analysts who had expected no change. This was the first hike since late 2014. The bank has also extended its decision to stop FX purchase until the end of the year to reduce pressure on the currency. The ruble appreciated 0.6% against the euro-dollar basket and stocks are down slightly after the move.

Bank of Russia Key Rate

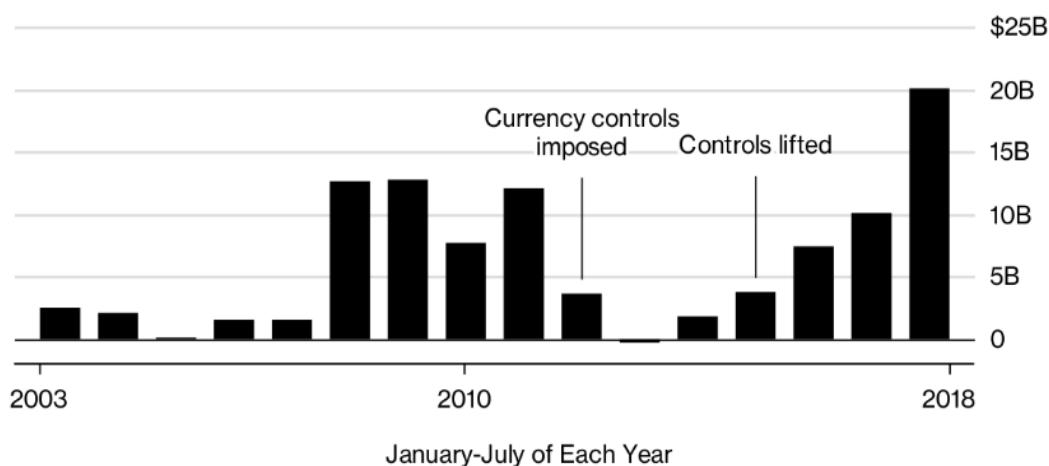


Argentina

The Argentine peso depreciated by 3.5% on Thursday, while inflation rose 3.9% from July to August, bringing annual inflation to 34.4%. Analysts speculate that inflation is likely to worsen more this year, given the depreciation of the peso, the slowdown of economic growth, and the impact of the drought. Data for inflation was released an hour before the end of Thursday's trading session. However, the peso had already registered losses throughout the day, despite the government's announcement that it plans to save 196 bn pesos from spending cuts in 2019. Other market participants explain that the current crisis is of confidence, and is also domestically driven, as local investors' confidence in the peso has been eroded after decades of crises. An analyst report shows that 2018 experienced the fastest pace in US dollar purchases for Argentina, which inevitably places further downward pressures on the peso. The Argentine peso was one of the few underperforming EM currencies on Thursday, as sentiment was lifted following the central bank of Turkey's surprise hike.

Argentines are buying dollars at the fastest pace in at least 15 years

■ Net Foreign Asset Purchases



Central Bank of Argentina

Bloomberg

Brazil

The *real* depreciated by -1.13% on Thursday after right-wing candidate Bolsonaro's son stated during a radio interview that his father's health was in very serious condition. Bolsonaro, who had gotten stabbed the week prior, has been recovering after a second surgery on Wednesday. His son also stated that he will not be able to return to the campaign before the first round of elections.

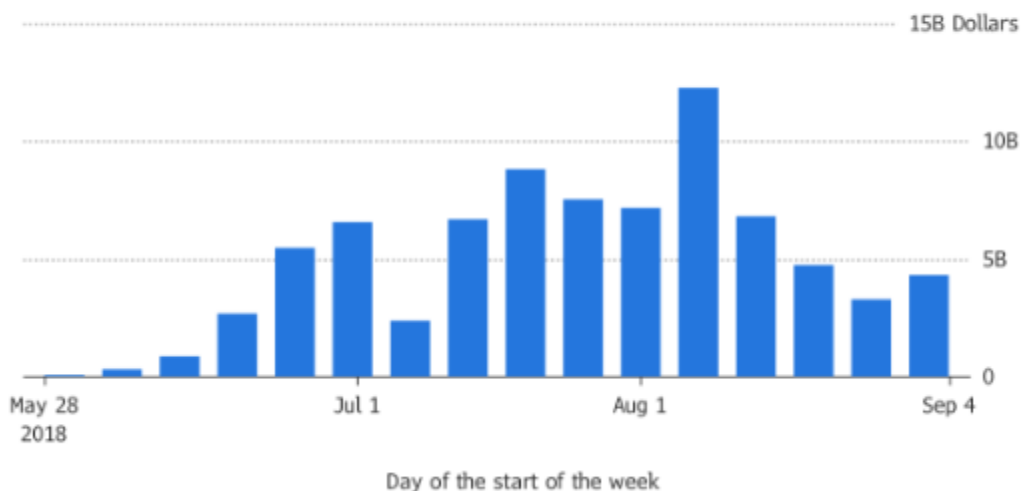
China

The RMB was little changed amid improved sentiment regarding EM assets. The onshore CNY ended the day at 6.85, a level it has held for the week; the offshore CNH, also steady, held on to its weekly gains at 6.84. DTCC data indicated that bearish bets against the RMB had fallen in recent weeks. The notional value of new options betting on a weakening RMB past the 7-per-dollar level fell to a 2-month low last week. That said, the total value of outstanding contracts for RMB put options, at \$130 bn, remains at a 7-month high. The selloff in EM assets and concerns that the ongoing trade war with the US could dent China's economy have all weighed on the RMB in recent months. **August activity data were mixed.** Industrial production rose 6.1% yoy, in line with expectations; retails sales was a touch stronger than expected (+9.0% yoy vs. expectations of +8.8% yoy) while fixed asset investment continued to moderate, registering 5.3% yoy, down from 5.5% in July. **Equities lost ground**, underperforming other Asian bourses. The Shanghai Composite shed 0.2%, partially reversing the 1.2% gain yesterday while the tech-heavy Shenzhen Composite lost 0.8% and is down to its lowest level in more than 3 ½ years.

To Short, or Not to Short

Traders add bearish wagers albeit at a slower pace amid PBOC's supportive measures

■ Notional value of weekly new yuan put options with strike price at 7 or weaker levels











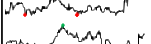











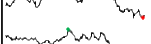

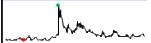






DTCC, Bloomberg

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Global Financial Indicators

| Last updated: 9/14/18 8:23 AM | Level | | Change | | | | YTD |
|----------------------------------|---|--------|----------------------------------|--------|---------|------|------|
| | Last 12m | Latest | 1 Day | 7 Days | 30 Days | 12 M | |
| Equities | | | % | | | | % |
| United States |  | 2889 | 0.0 | 0 | 2 | 16 | 8 |
| Europe |  | 3353 | 0.8 | 2 | -2 | -5 | -4 |
| Japan |  | 22821 | 1.0 | 1 | 4 | 15 | 0 |
| China |  | 2687 | 1.1 | 0 | -4 | -21 | -19 |
| Asia Ex Japan |  | 69 | 0.4 | -1 | -2 | -6 | -10 |
| Emerging Markets |  | 41 | 0.5 | -1 | -2 | -8 | -12 |
| Interest Rates | | | basis points | | | | |
| US 10y Yield |  | 2.98 | 1.3 | 10 | 10 | 79 | 57 |
| Germany 10y Yield |  | 0.42 | 0.7 | 6 | 11 | 2 | -1 |
| Japan 10y Yield |  | 0.11 | -0.1 | 0 | 1 | 8 | 6 |
| UK 10y Yield |  | 1.49 | 0.9 | 8 | 24 | 35 | 30 |
| Credit Spreads | | | basis points | | | | |
| US Investment Grade |  | 102 | -0.3 | -3 | 0 | -10 | 10 |
| US High Yield |  | 338 | -1.2 | -8 | -10 | -56 | -38 |
| Europe IG |  | 61 | -1.0 | -4 | -9 | 9 | 16 |
| Europe HY |  | 281 | -2.4 | -9 | -28 | 54 | 47 |
| EMBIG Sovereign Spread |  | 368 | -4.0 | -10 | 2 | 80 | 83 |
| Exchange Rates | | | % | | | | |
| Dollar Index (DXY) |  | 94.87 | 0.1 | 0 | -2 | 3 | 3 |
| USDEUR |  | 1.16 | 0.0 | 0 | 2 | -2 | -3 |
| USDJPY |  | 111.6 | -0.3 | -1 | -1 | -1 | 1 |
| EM FX vs. USD |  | 61.2 | 0.6 | 1 | 0 | -13 | -12 |
| Commodities | | | % | | | | |
| Brent Crude Oil (\$/barrel) |  | 79 | -0.7 | 3 | 9 | 44 | 18 |
| Industrials Metals (index) |  | 116 | 0.2 | 1 | -3 | -8 | -16 |
| Agriculture (index) |  | 42 | -0.2 | -1 | -4 | -14 | -11 |
| Implied Volatility | | | % | | | | |
| VIX Index (% change in pp) |  | 12.7 | -0.4 | -1.9 | -2.0 | 2.2 | 1.7 |
| 10y Treasury Volatility Index |  | 3.4 | -0.1 | -0.3 | -0.7 | -0.8 | -0.1 |
| Global FX Volatility |  | 8.9 | 0.0 | -0.1 | -0.3 | 0.6 | 1.6 |
| EA Sovereign Spreads | | | 10-Year spread vs. Germany (bps) | | | | |
| Greece |  | 403 | -6.1 | -39 | -26 | -141 | -9 |
| Italy |  | 296 | 1.0 | -10 | -14 | 92 | 95 |
| Portugal |  | 185 | -1.3 | -3 | 0 | -97 | -9 |
| Spain |  | 146 | -0.1 | 1 | 1 | -12 | -11 |

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: 9/14/2018 8:24 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 | | 6.85 | 0.2 | -0.2 | 1 | -4 | -5 | | 3.7 | 2.1 | 6 | 17 | -7 | -32 |
| Indonesia | | 14790 | 0.0 | 0.8 | -1 | -10 | -8 | | 8.7 | 3.9 | 7 | 88 | 199 | 210 |
| India | | 72 | 0.2 | 0.1 | -3 | -11 | -11 | | 8.3 | -0.2 | 7 | 34 | 136 | 82 |
| Philippines | | 54 | -0.4 | -0.4 | -1 | -6 | -8 | | 6.2 | 0.6 | 29 | 29 | 138 | 136 |
| Thailand | | 33 | 0.3 | 0.6 | 2 | 2 | 0 | | 2.9 | 3.2 | 5 | 11 | 64 | 58 |
| Malaysia | | 4.15 | -0.1 | -0.1 | -1 | 1 | -2 | | 4.1 | 0.5 | 0 | 7 | 30 | 23 |
| Argentina | | 38 | 0.0 | -2.4 | -22 | -56 | -51 | | 24.9 | 10.1 | 83 | 361 | 961 | 889 |
| Brazil | | 4.16 | -0.1 | -2.5 | -7 | -25 | -20 | | 10.4 | -9.2 | -25 | 40 | 166 | 141 |
| Chile | | 685 | 0.6 | 0.3 | -4 | -9 | -10 | | 4.8 | -1.3 | 2 | 0 | 39 | 1 |
| Colombia | | 3046 | 0.0 | 1.3 | -1 | -4 | -2 | | 6.6 | -3.1 | 5 | 12 | 29 | 37 |
| Mexico | | 18.93 | 0.5 | 1.3 | 1 | -6 | 4 | | 8.1 | -3.6 | 2 | 27 | 115 | 38 |
| Peru | | 3.3 | 0.0 | -0.2 | -1 | -3 | -3 | | 5.6 | 0.1 | 7 | 13 | 19 | 38 |
| Uruguay | | 33 | 0.2 | -0.5 | -4 | -12 | -12 | | 11.4 | -21.2 | -21 | 111 | | 285 |
| Hungary | | 279 | 0.1 | 0.4 | 1 | -7 | -7 | | 2.6 | -0.1 | 4 | 3 | 92 | 134 |
| Poland | | 3.71 | 0.0 | 0.4 | 2 | -3 | -6 | | 2.6 | -3.3 | 0 | 7 | 0 | -8 |
| Romania | | 4.0 | 0.0 | 0.1 | 2 | -3 | -3 | | 4.3 | -1.0 | -3 | -2 | 152 | 49 |
| Russia | | 68.2 | 1.1 | 1.5 | -1 | -15 | -15 | | 8.5 | -14.5 | -5 | 43 | 102 | 122 |
| South Africa | | 14.8 | 1.4 | 3.9 | -2 | -11 | -16 | | 9.7 | -4.4 | -5 | 31 | 51 | 43 |
| Turkey | | 6.20 | 2.4 | 6.2 | 11 | -44 | -39 | | 22.7 | -27.1 | -37 | 44 | 1215 | 1079 |
| US (DXY; 5y UST) | | 95 | 0.1 | -0.2 | -2 | 3 | 3 | | 2.88 | 1.5 | 14 | 13 | 111 | 67 |

| | 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 | | 2687 | 1.1 | 0 | -4 | -21 | -19 | | 186 | -2 | -3 | 1 | 34 | 34 |
| Indonesia | | 5858 | 1.0 | 3 | 0 | 0 | -8 | | 207 | -2 | -4 | 18 | 36 | 41 |
| India | | 37718 | 0.8 | -1 | 0 | 17 | 11 | | 171 | -3 | 5 | 15 | 38 | 61 |
| Philippines | | 7517 | 0.9 | -2 | -2 | -7 | -12 | | 103 | -2 | -9 | -4 | 12 | 8 |
| Malaysia | | 1793 | 0.4 | 0 | 1 | 0 | 0 | | 133 | -3 | -7 | 0 | -1 | 23 |
| Argentina | | 29745 | 2.0 | 3 | 14 | 25 | -1 | | 687 | -11 | -39 | -56 | 302 | 337 |
| Brazil | | 75125 | 0.6 | 1 | -3 | 0 | -2 | | 326 | -1 | -5 | 28 | 76 | 92 |
| Chile | | 5262 | 0.0 | 2 | 1 | 2 | -5 | | 136 | -5 | -5 | -5 | 10 | 17 |
| Colombia | | 1510 | 2.0 | 0 | -1 | 1 | 0 | | 182 | -2 | -3 | -11 | -4 | 8 |
| Mexico | | 49255 | 0.7 | 1 | 1 | -2 | 0 | | 277 | -2 | -7 | -14 | 39 | 32 |
| Peru | | 19027 | 1.4 | 0 | -5 | 5 | -5 | | 143 | -2 | -7 | -15 | 3 | 6 |
| Hungary | | 36140 | 0.1 | -3 | 1 | -5 | -8 | | 113 | -2 | -10 | -13 | 21 | 25 |
| Poland | | 57522 | 1.2 | -2 | -2 | -11 | -10 | | 52 | -2 | -11 | -15 | 2 | 5 |
| Romania | | 8234 | -0.3 | -1 | 2 | 2 | 6 | | 187 | 0 | 1 | 6 | 60 | 73 |
| Russia | | 2361 | 0.9 | 2 | 3 | 15 | 12 | | 244 | -3 | 4 | 0 | 76 | 66 |
| South Africa | | 55779 | -0.3 | -2 | -4 | -1 | -6 | | 354 | -3 | -9 | 50 | 100 | 100 |
| Turkey | | 93806 | 1.7 | 1 | 1 | -13 | -19 | | 539 | -8 | -35 | -22 | 265 | 250 |
| Ukraine | | 529 | 0.0 | 1 | 4 | 82 | 68 | | 561 | -24 | -54 | -18 | 111 | 106 |
| EM total | | 25 | 0.4 | -1 | -2 | -4 | -6 | | 368 | -4 | -10 | 2 | 80 | 83 |

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