








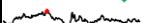





- **Suga to be Japan's new PM** ([link](#))
- **UK Parliament to vote on controversial Brexit bill** ([link](#))
- **Confident investors reduce demand for S&P 500 hedges** ([link](#))
- **Peru President faces impeachment** ([link](#))
- **Israel imposes new virus lockdown** ([link](#))
- **Fitch downgrades Turkey to B-** ([link](#))
- **Philippines central bank to increase lending to government** ([link](#))

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

Markets higher ahead of key week for central banks

Global markets have started the week in high spirits, as stocks advance in Europe and Asia and U.S. equity futures point to a very strong open. Multiple central banks are meeting this week with the Fed on Wednesday the main focus. Analysts do not expect any change in Fed policy but hope to see further details around the new average inflation targeting framework. Interestingly, market-based inflation expectations have actually declined since the Jackson Hole conference. The markets also expect the Bank of England and the Bank of Japan to stay on hold on Thursday. In the UK, Brexit developments are being closely monitored as the Parliament is set to vote on the controversial Internal Market Bill. In Japan, newly elected PM Suga is expected to deliver policy continuity although some market contacts see now higher chance of further fiscal stimulus already by year-end.

Key Global Financial Indicators

Last updated: 9/14/20 8:07 AM	Level		Change from Market Close				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
S&P 500		3341	0.1	-3	-1	11	3
Eurostoxx 50		3319	0.1	0	0	-7	-11
Nikkei 225		23559	0.7	2	1	7	0
MSCI EM		44	1.0	-1	-1	5	-2
Yields and Spreads			bps				
US 10y Yield		0.67	0.5	-5	-4	-123	-125
Germany 10y Yield		-0.49	-0.5	-2	-7	-4	-30
EMBIG Sovereign Spread		417	-3	6	-4	83	124
FX / Commodities / Volatility			%				
EM FX vs. USD, (+) = appreciation		55.6	0.1	0	1	-9	-10
Dollar index, (+) = \$ appreciation		93.1	-0.3	0	0	-5	-3
Brent Crude Oil (\$/barrel)		39.9	0.1	-5	-11	-34	-40
VIX Index (% change in pp)		26.5	-0.4	-4	4	13	13

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

Global Markets

This is shaping up to be an eventful week, with the main focus on Wednesday's FOMC statement and press conference. Many observers think the Fed will link rate moves with inflation outcomes, but not many expect such a move to come at this meeting. The BOJ and BOE have their meetings on Thursday. Markets are also in the process of evaluating the prospect of a new administration in Japan under the new Prime Minister. The consensus view is that continuity will prevail, with Abenomics still in place and BOJ head Kuroda remaining at his post. Worries about Brexit are on the rise as EU negotiations stall. Meanwhile, there will be more central bank meetings for markets to assess, including Brazil (Wednesday) and South Africa (Thursday).

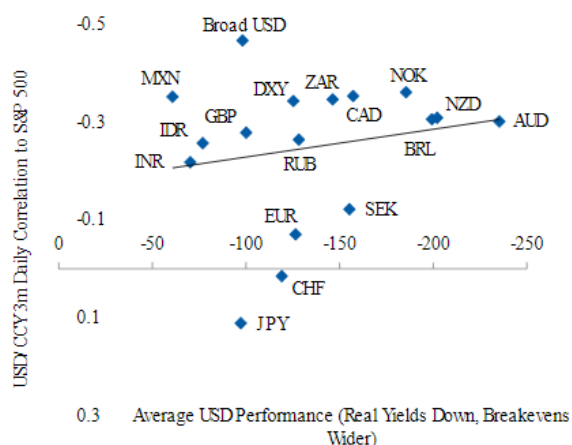
Selected Global Data Releases

Source: Bloomberg

Country	Data	Consensus Forecast
US	Retail sales	+1% headline, +1% ex-auto
US	Housing starts	1485K
US	U. of Michigan Consumer Survey	75
Germany	ZEW business sentiment survey	69
Euro area	CPI	-0.4%, -0.2% core
Japan	CPI	+0.2% headline
UK	CPI	-0.6% headline, +0.6% core

Currencies that are sensitive to risk tend to appreciate versus the dollar when the dollar weakens, and US breakeven yields and inflation expectations rise. If inflation does pick up, the Fed's new policy could continue to push global markets higher. A sustained period of average inflation targeting in the US could be as a bullish factor for global markets. Emerging market risk assets have also participated in the recent rally. The risks arise from the possibility of new outbreaks and lockdowns and further damage to the world economy. Delays in vaccine development are another potential bearish factor.

Exhibit 5: Risk-sensitive currencies tend to gain vs. USD the most when US real yields fall and breakevens widen



Source: Macrobond, Morgan Stanley Research

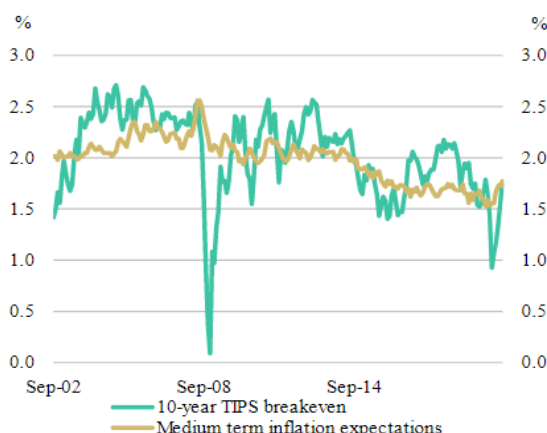
United States

[back to top](#)

Last week ended with markets in a fretful mood with amidst growing doubts about the passage of a new US fiscal support package. Friday's trading saw a large 3% intra-day swing in the technology dominated Nasdaq 100, with the index ending in the red although the Dow posted modest gains, down 11% from its recent record close on September 2. According to market convention, a 10% decline is regarded as a correction, while a 20% decline is regarded as a bear market. A Bloomberg story that Softbank may cut back on its large recent equity option purchases may have been a factor on Friday. News reports that Congress could adjourn before the elections without passing a new fiscal package also weighed on sentiment. Investors are worried that both political parties will prefer waiting until January, when Democrats hope to gain, or the Republicans to retain power. On a global basis, stocks suffered a second consecutive week of declines since the rebound began in March, the first such two-week period since the recovery began. Treasury yields were lower, and the dollar weakened.

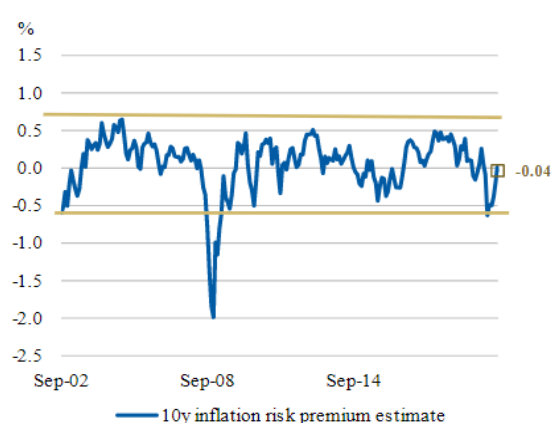
Dollar weakness and the economic rebound have raised inflation expectations, pushing Treasury Inflation Protected Securities (TIPS) real yields lower and TIPS breakeven yields (the yield spread between TIPS and the equivalent nominal Treasury) higher. This has been a key factor behind the risk rally across the globe in the face of accommodative monetary policies worldwide. In the US, medium term inflation expectations surveys remain anchored to historic lows, showing that real economy inflation expectations are very sticky and only tend to move when inflation actually appears. However, if the Fed convinces markets that it really is prepared to be very patient with inflation overshoots, this could push breakevens even higher. Despite the recent rally, with the 10-year breakeven yield trading at 1.67% the market is pricing inflation over the next 10 years of around 1.3%-1.4%, if the difference between CPI and PCE (the Fed's preferred inflation measure) remains in the 0.3%-0.4%. Sustained inflation over 2% will be very bullish for breakevens.

Exhibit 19: 10y breakeven alongside evolution of inflation expectations



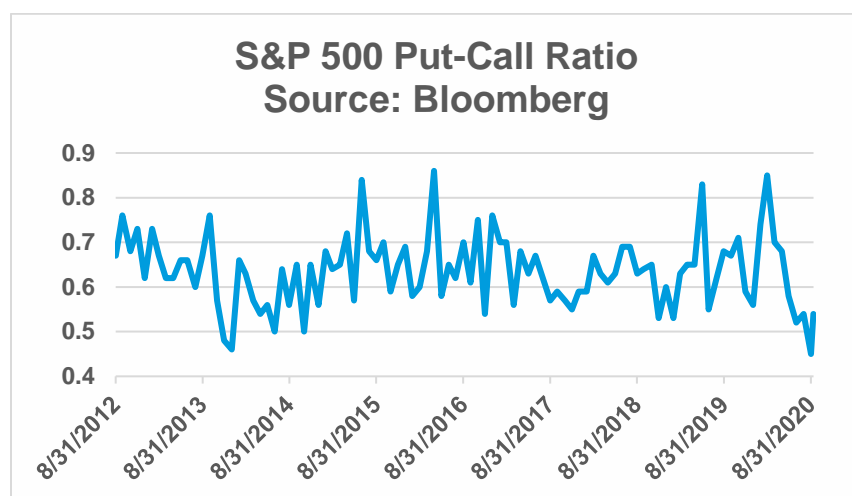
Source: Bloomberg, Morgan Stanley Research

Exhibit 20: Inflation risk premiums in the 10y TIPS breakeven

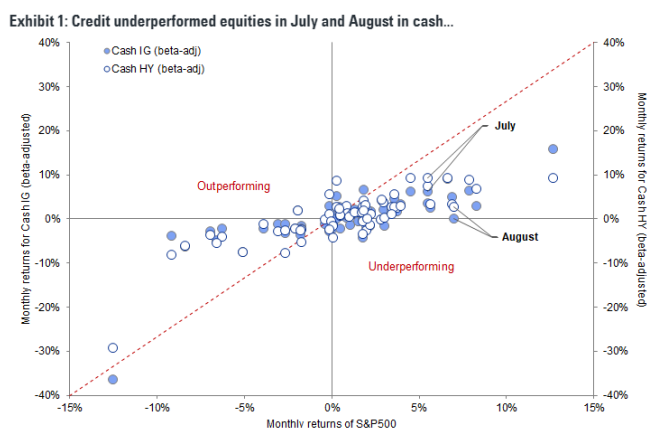


Source: Bloomberg, Morgan Stanley Research

The S&P 500 put-call ratio is near historic lows, indicating that investors remain confident about stock market prospects despite the recent selloff and heightened volatility. The demand for put options which protect against equity price declines tends to rise in periods of market stress when investor worries are high. The demand for call options which benefit from rising equity prices tends to rise when investors are confident and less worried about price declines. Call options are in higher demand at the moment, suggesting that further equity price rises are expected. However, hedging demand could tick higher this week ahead of Friday's quadruple witching hour," when options and futures on equity indexes and individual stocks.



Both investment grade (IG) and high yield (HY) bond markets underperformed equities in July and August. Credit markets did not benefit from the summer rally to new equity market records. So far in September, credit markets have done better than stocks, but Goldman believes that bond market underperformance could continue in the near future. The narrow nature of the equity rally means that many companies that issue bonds have not seen their own stock prices move significantly higher, and in some cases their stock prices have actually declined. This spills over to less positive risk sentiment in the credit market. In addition, heavy new supply from companies seeking to lock in low funding costs before the election could also put pressure on credit spreads.



Source: Bloomberg Barclays, Goldman Sachs Global Investment Research

Europe

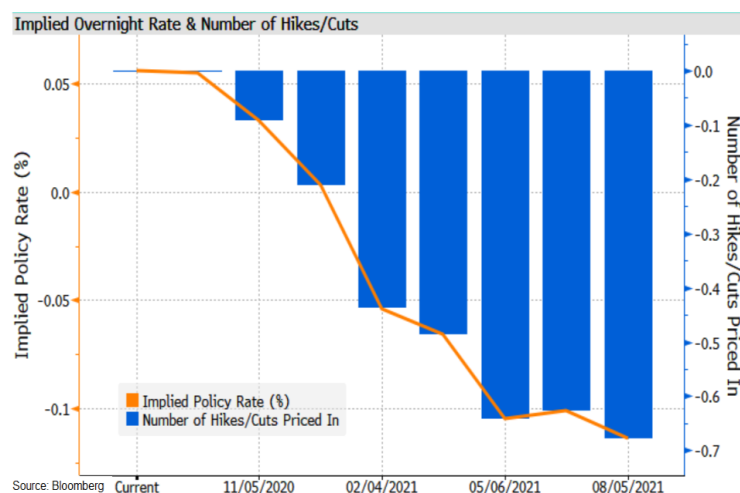
[back to top](#)

Equities in Europe are trading little changed except for Italy (-0.4%). The energy sector continues to underperform as the major oil and gas firms warn over uncertainty in oil demand.

German bund yields are lower by 2 bps and Southern European spreads are 1-2 bps tighter. The euro (+0.3%) and the sterling (+0.5%) benefited from the weaker dollar.

UK Prime Minister Boris Johnson is expected to submit the highly controversial Internal Market Bill to Parliament amidst growing rebellion from fellow MP's and senior members of the Conservative party. While market contacts expect the bill to pass the vote tonight, the actual prospects of re-writing the Withdrawal Agreement next week remain unclear given the growing opposition. **The sterling has managed**

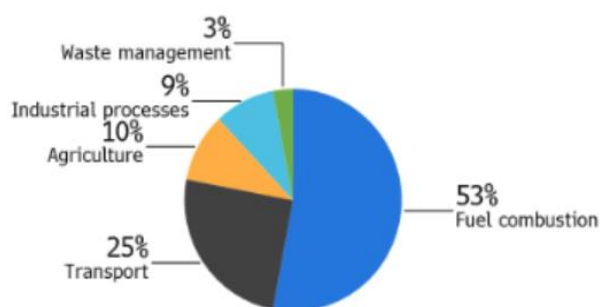
to stabilize above 1.28 against the dollar despite the recent tension. The rising risk of a no-deal Brexit is likely to get increased attention from the Bank of England (BOE) on Thursday. The **market consensus expects unchanged policies with further stimulus measures delayed until December**, and growing chances of policy action in November should a hard Brexit or winddown of fiscal support measures become the central bank's baseline. At this stage the analyst consensus forecast is for a £60bn boost to the QE package, although market is also pricing 15 bps of rate cuts by Q2 2021.



The EU will announce a new emission-cut plan this week increasing its 2030 climate goal targets. The new goal would seek to lower the EU emission to 55% from 1990 level as compared to 40% currently and require up to €350bn of additional annual investment into production and infrastructure. In 2019 the emissions stood at 25% below 1990 levels. The modernization of the automobile sector is in focus as it produces more than half of total greenhouse gas emission. Some of the required funding will come from the EU recovery fund as well as the EU budget as disbursement will carry climate goal conditionality.

Polluting Fuels

Sources of EU greenhouse-gas emissions in 2018



Source: European Environment Agency

Bloomberg

Other Mature Markets

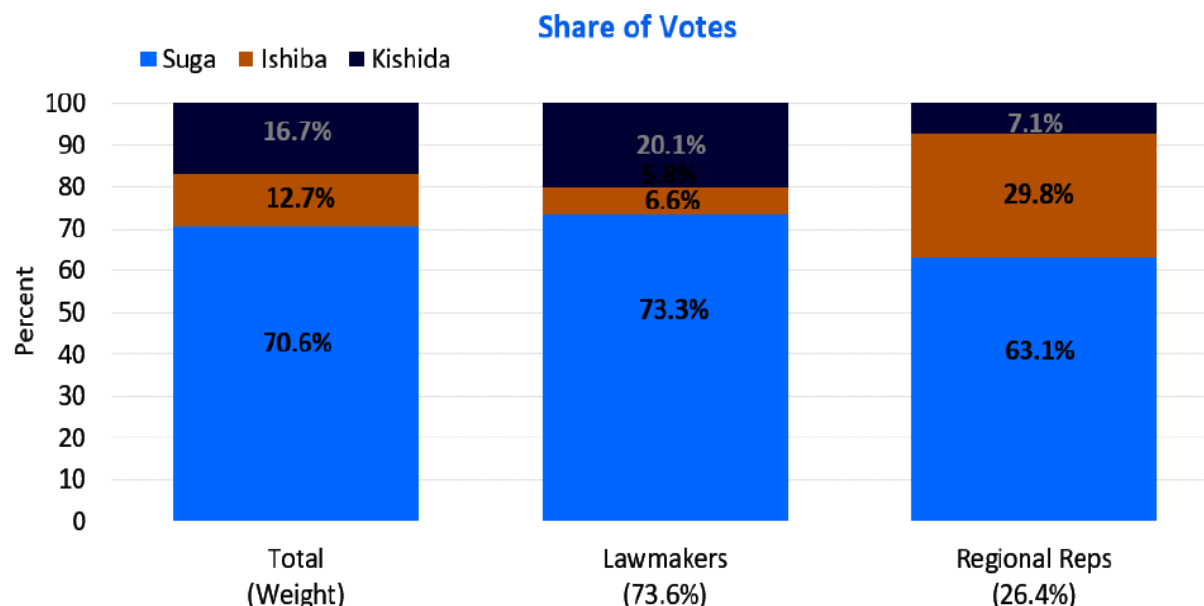
[back to top](#)

Japan

Yoshihide Suga is to be Japan's new Prime Minister. Chief Cabinet Secretary Suga won the Liberal Democratic Party's leadership contest by an overwhelming majority (377 out of 534 votes). The party will use its parliamentary majority to install Suga as the new Prime Minister. Suga has said that he will continue the 'Abenomics' monetary policy, that the sales tax does not need to be raised again for another decade,

that Japan's alliance with the United States will remain the cornerstone of his government's foreign policy, and that he will push ahead with regulatory reform and tackle vested interest. Meanwhile, Finance Minister Aso mentioned that an early election could happen soon to legitimize the new administration. Equities gained (NIKKEI: +0.7%); Japanese yen appreciated (+0.2%); JGB yields were little changed.

Suga Wins LDP Leadership Election



Source: Bloomberg.

Emerging Markets [back to top](#)

EMEA central banks are expected to leave rates unchanged in Poland (at 0.10%) on Tuesday and in Russia (at 4.25%) on Friday. In contrast, analysts expect the South African Reserve Bank to cut its policy rate 25 bps (to 3.25%) on Thursday. Most stock markets were higher, and most currencies appreciated. **Asian stock markets and currencies gained today on rising confidence about a vaccine**, with bourses led by Indonesia (+2.9%) and Korea (+1.3%). **Korea outperformed** on relaxed social-distancing restrictions. **Bank Indonesia reportedly has intensified its intervention in currency markets** to keep the rupiah from depreciating further given downward pressures after the reintroduction of containment measures in Jakarta. **In India, wholesale prices increased 0.16% y/y in August**, compared with market expectations of a decline by 0.35% y/y. **In Latin America**, the Peruvian Sol underperformed on Friday (-0.8% against the dollar) on the back of news that congress was set vote this week on whether to start impeachment proceedings against President Vizcarra. The Mexican peso outperformed (+0.8% against the dollar) completing the 5th consecutive week of positive returns. The peso is now 12% below its mid-February 2020 level after declining by as much as 27% following the COVID-19 selloff.

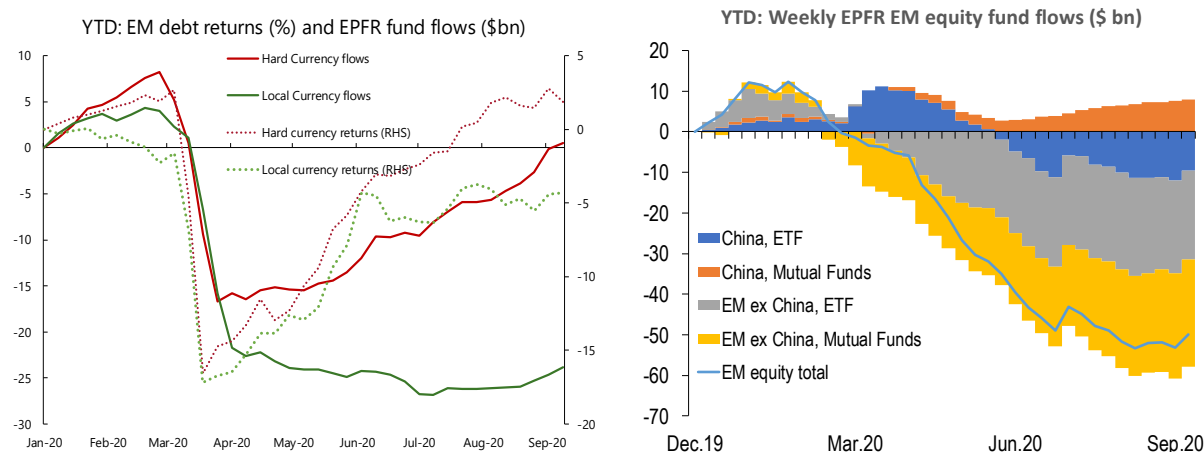
Key Emerging Market Financial Indicators

Last updated: 9/14/20 8:12 AM	Level		Change				YTD
	Last 12m	index	1 Day	7 Days	30 Days	12 M	
Major EM Benchmarks			%				%
MSCI EM Equities		43.93	1.0	-1	-1	5	-2
MSCI Frontier Equities		25.35	0.6	0	4	-10	-16
EMBIG Sovereign Spread (in bps)		417	-3	6	-4	83	124
EM FX vs. USD		55.58	0.1	0	1	-9	-9
Major EM FX vs. USD			%, (+) = EM currency appreciation				
China Renminbi		6.82	0.2	0	2	4	2
Indonesian Rupiah		14880	0.1	-1	-1	-6	-7
Indian Rupee		73.49	0.1	0	2	-3	-3
Argentine Peso		74.91	-0.1	-1	-3	-25	-20
Brazil Real		5.30	0.3	0	2	-23	-24
Mexican Peso		21.19	0.4	2	4	-8	-11
Russian Ruble		75.41	-0.7	0	-3	-15	-18
South African Rand		16.66	0.4	0	4	-12	-16
Turkish Lira		7.49	-0.2	-1	-2	-24	-21
EM FX volatility		11.31	0.2	0.1	0.1	3.2	4.7

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

EM fund flows

EM dedicated bond funds saw their 10th consecutive week of inflows last week (\$1.85 bn vs \$3.2 bn the week before). Inflows have continued despite returns being stagnant over the last month or so. Year to date hard currency flows are now back to positive territory at \$1 bn but for local debt they remain negative at \$23 bn. Equity fund (ex-China) inflows rebounded to \$0.6 bn (-\$0.8 bn previous week) while China flows rebounded to \$2.7 bn (-\$0.5 bn previous week). Year to date equity flows have stabilized around \$50 bn over the last month.



Source: Haver

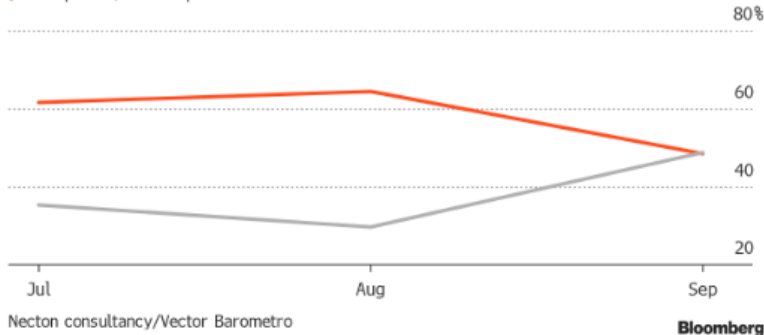
Brazil

Congress members are pessimistic about tax reform occurring in 2020. A survey by a consultancy group found that just 48.4% expect that the planned reforms will pass through either the lower house or the senate before year-end. A previous survey carried out in August showed 64.4% confidence. Bloomberg notes that even though the reform is backed by the heads of both chambers, it faces resistance from powerful lobbies, including local governments that fear losing revenue. November's municipal elections represent another challenge as they are set to slow the congressional agenda.

Curbing Expectations

Congress leaders who believe a tax reform in 2020

Will pass / Won't pass

**China**

Home price growth accelerated in August. New home prices increased 0.56% m/m in August, up from 0.47% m/m in July, while existing home prices increased 0.34% m/m. Price appreciation accelerated as credit growth rebounded more-than-expected in August and wider property curbs did little to damp buyer enthusiasm. Policymakers have in recent months stepped up regulatory caution against developers' leverage. In August, cities including Nanjing and Wuxi followed Shenzhen in tightening home-purchase rules. Beijing has emphasized the need to ensure housing market stability, following President Xi's slogan "housing is not for speculation". At the moment, a renewed fear of missing out on home price increases housing demand. Equities gained (CSI 300: +0.5%); RMB appreciated (+0.2%).

Bouncing Back

China home prices have rebounded steadily since the coronavirus outbreak

Existing-home prices / New-home prices



Source: Source: China's statistics bureau

Source: Bloomberg.

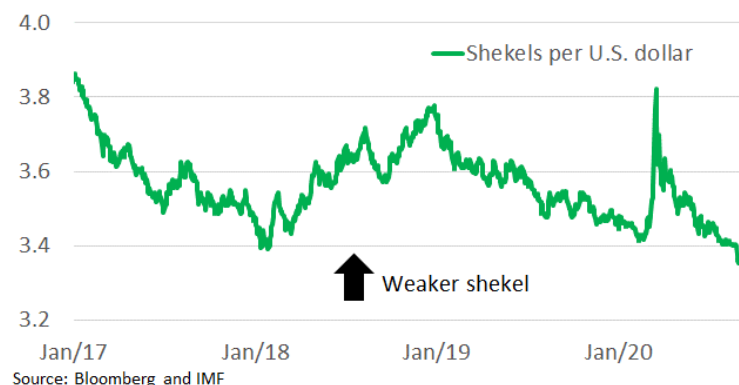
The People's Bank of China (PBOC) issued new rules to regulate financial holding companies. The new regulations will require licenses for certain nonfinancial companies that do financial business, including those that are designated as financial holding companies. Companies with a banking operation and financial assets of more than 500 billion yuan (\$73.3 billion), or those with financial assets exceeding 100 billion yuan (\$14.7 billion) must seek a license. Any application must be submitted within 12 months after the rules take effect on November 1. Those that are denied a license must sell their stakes in the financial companies or give up control. The PBOC also named Ant Group, Citic Group, China Everbright Group, and Merchants Group as financial holding companies.

Israel

The government announced strict limits to movement, gatherings and economic activity for at least three weeks. The second lockdown (since the one of March-May) coincides with major Jewish holidays

and comes as new cases of COVID-19 rose to 4000/day. **Schools and shopping centers will close, and Israelis must stay within 500 meters of their home except for travel to work.** The finance ministry estimates that the new restrictions will cost the economy ILS 19 bn (\$5.5 billion) and **the government will reportedly present a relief program by Thursday.** Stocks (+1.4%) are higher today but are 4.7% lower for the month (and down 16% in 2020). The Israeli shekel (+0.8%) also recovered from some recent losses but has depreciated 2.4% against the U.S. dollar so far in September.

Israel: Shekel back above 3.4 per U.S. dollar in September



Peru

The sol underperformed on Friday (-0.8% against the dollar) on news that congress will vote this week on a motion to initiate impeachment proceedings against President Vizcarra. The motion for impeachment started after a congressman presented tapes casting doubts on the President's actions in relation to a graft-probe investigation. On Sunday Bloomberg reported that two main opposition parties have rescinded their support for the impeachment proceedings, but they are still requesting an investigation on Vizcarra. Congress is scheduled to vote on the motion on Friday. The government is expected to file a lawsuit Monday to halt the impeachment proceedings. Congress will also vote on a motion to remove Finance Minister Maria Antonieta Alva on Monday, due to another motion presented last week alleging she did not do enough to fight the pandemic. This motion was signed by 36 lawmakers from four of the nine parties in Congress but is expected to fail given that 66 votes are required for a majority.

Last Thursday, the BCRP decided to maintain its expansionary monetary policy stance, holding the reference interest rate at 0.25% while implementing further liquidity injection operations. The impact of these liquidity injections has been quite sizeable so far. As of September 9th, the BCRP's liquidity injection operations have totaled PEN 61 bn, of which PEN 44 bn were associated with government-backed repos, according to JP Morgan. Also, for the phase two of the "Reactiva Peru" credit program, the BCRP has auctioned PEN24.8 bn at an average interest rate of 1.7%. Credit to the private sector showed in July grew by 14.2% y-o-y while average credit interest rates declined in August to 9.9%

Figure 2: BCRP monetary liabilities in Icl currency %oya



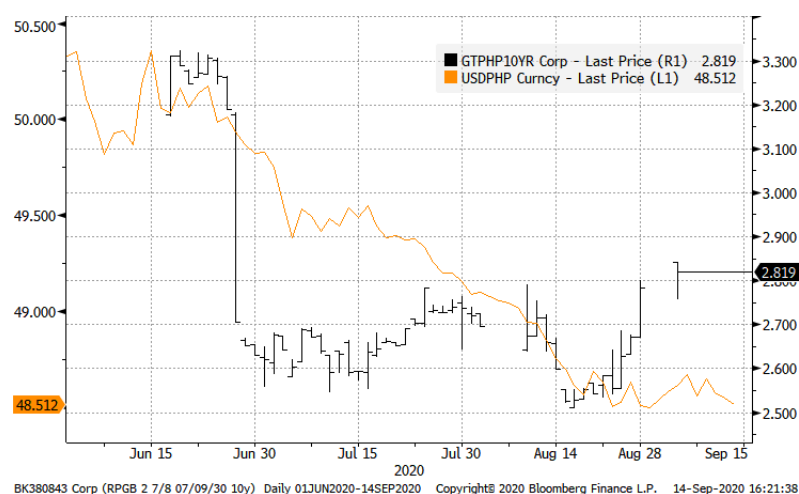
Figure 3: Credit to the private sector and interest rates



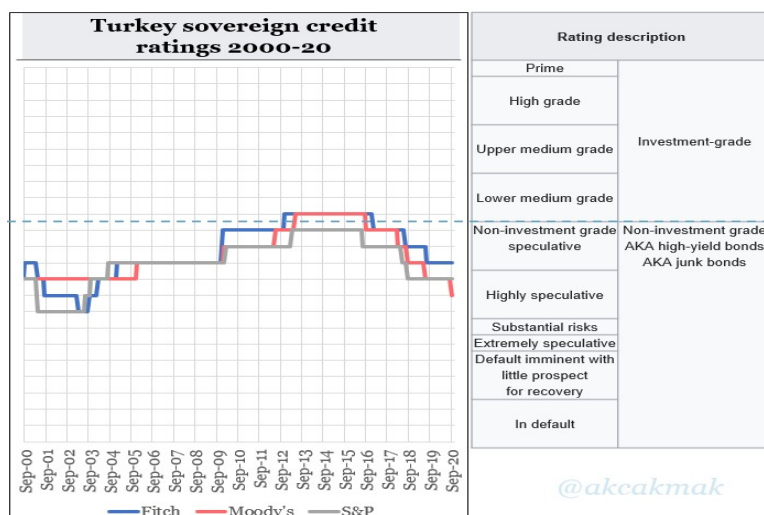
Philippines

Governor Diokno said that the central bank is prepared to lend more to the government. The government proposed a higher cap to enable it to get financing from the central bank to help finance the efforts to counter the impact of the pandemic. The new law effectively raises the amount that the central bank may lend the government to 30% of average revenue in the last three years, from the previous 20% limit. The additional amount must be borrowed within two years and repaid within one year, although the deadline can be extended by another year. Under the new law, the government can tap additional credit from the central bank worth as much as 282 billion pesos (\$5.8 billion). In March, the central bank directly bought zero-interest government securities from the Treasury under a 3-month repurchase agreement that was renewed for another three months. **The Treasury turned down all bids for 1-year treasury bills as banks sought higher yields ahead of the central bank's issuance of its own securities this week.** Banks were positioning in anticipation of the central bank's securities offer on September 18 as well as the outcome of the Federal Reserve policy meeting this week. Market reactions were muted, with the peso and government bond yields little changed. Equities gained (+0.5%).

Philippine Peso and 10-year government yield



Source: Bloomberg.



South Africa

South Africa is considering a sovereign gender-bond to encourage the participation of women in government plans. **The bond would be used to finance projects or companies that meet gender-related criteria** to help ensure that women are an integral part of proposals focusing on infrastructure investment. According to media reports, the plan will be finalized within three weeks.

Turkey

The lira (-0.3%) edged lower after **Moody's cut Turkish rating**

deeper into junk (to B2, the lowest rating it ever gave to Turkey) and **warned of a possible balance-of-payments crisis**. The sovereign credit rating of B2 is five levels below investment grade and on par with Egypt, Jamaica and Rwanda. **Moody's maintains a negative outlook**, pointing out that fiscal metrics could deteriorate faster than currently expected. The central bank meets next week September 24 and some contacts expect a hike as the Turkish lira has remained under pressure.

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Global Financial Indicators

Last updated: 9/14/20 8:08 AM	Level		Change				YTD
	Last 12m	Latest	1 Day	7 Days	30 Days	12 M	
Equities			%				%
United States		3351	0.1	-2	-1	11	4
Europe		3319	0.1	0	0	-7	-11
Japan		23559	0.7	2	1	7	0
China		3279	0.6	0	-2	8	7
Asia Ex Japan		77	1.1	-1	0	11	4
Emerging Markets		44	1.0	-1	-1	5	-2
Interest Rates			basis points				
US 10y Yield		0.67	0.5	-5	-4	-123	-125
Germany 10y Yield		-0.49	-0.5	-2	-7	-4	-30
Japan 10y Yield		0.02	-0.6	-3	-3	17	3
UK 10y Yield		0.19	0.6	-6	-6	-57	-63
Credit Spreads			basis points				
US Investment Grade		130	-0.1	2	6	-3	33
US High Yield		521	1.2	14	14	68	128
Europe IG		56	0.2	3	1	9	12
Europe HY		324	-1.9	0	-20	80	118
EMBIG Sovereign Spread		417	-3.0	6	-4	83	124
Exchange Rates			%				
USD/Majors		93.05	-0.3	0	0	-5	-3
EUR/USD		1.19	0.2	0	0	8	6
USD/JPY		106.0	0.2	0	1	2	2
EM/USD		55.6	0.1	0	1	-9	-10
Commodities			%				
Brent Crude Oil (\$/barrel)		40	0.1	-5	-11	-34	-40
Industrials Metals (index)		118	0.4	0	5	-1	3
Agriculture (index)		39	-0.1	1	7	2	-6
Implied Volatility			%				
VIX Index (% change in pp)		26.5	-0.4	-4.3	4.4	12.7	12.7
US 10y Swaption Volatility		52.4	-0.5	-4.4	-1.7	-35.7	-9.6
Global FX Volatility		9.5	0.0	0.3	0.5	2.4	3.5
EA Sovereign Spreads			10-Year spread vs. Germany (bps)				
Greece		157	-2.5	-5	2	-46	-8
Italy		150	3.4	-1	9	17	-10
Portugal		80	-1.3	-4	0	3	17
Spain		77	-1.7	-4	-1	2	12

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

Data source: Bloomberg.

[back to top](#)

Emerging Market Financial Indicators

Last updated: 9/14/2020 8:22 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		6.82	0.2	0.2	2	4	2		3.3	-0.1	-1	14	19	13
Indonesia		14880	0.1	-0.9	-1	-6	-7		6.8	-5.9	6	9	-57	-31
India		73	0.1	-0.2	2	-3	-3		6.2	3.0	12	20	-54	-68
Philippines		49	0.1	0.3	1	8	4		3.6	-2.0	0	-4	-74	-67
Thailand		31	-0.1	0.3	-1	-2	-5		1.5	-3.7	-6	2	-20	-15
Malaysia		4.14	0.2	0.4	1	0	-1		2.5	1.4	9	12	-83	-82
Argentina		75	-0.1	-0.6	-3	-25	-20		42.9	-96.6	-161	-39	-2709	-1969
Brazil		5.31	0.2	-0.2	2	-23	-24		5.7	2.3	29	41	-104	-60
Chile		771	-0.3	0.5	4	-8	-2		2.6	-0.4	6	16	-12	-70
Colombia		3708	0.0	0.2	1	-9	-11		5.0	1.0	-1	-14	-74	-97
Mexico		21.20	0.4	1.9	4	-8	-11		5.9	-2.5	-4	-2	-139	-100
Peru		3.6	-0.8	-1.3	0	-7	-7		4.1	4.7	1	6	-17	-37
Uruguay		42	0.1	-0.1	0	-14	-12		7.8	-6.0	-20	-54	-309	-311
Hungary		301	0.2	1.1	-3	0	-2		1.7	-3.5	2	9	53	52
Poland		3.75	0.2	0.1	-1	5	1		0.8	-1.5	-4	0	-107	-109
Romania		4.1	0.2	0.4	0	5	4		3.4	0.0	6	-17	-35	-62
Russia		75.4	-0.7	0.4	-3	-15	-18		5.8	3.3	3	25	-110	-35
South Africa		16.7	0.4	0.4	4	-12	-16		10.1	0.9	9	-1	85	63
Turkey		7.49	-0.2	-0.6	-2	-24	-21		13.0	-11.9	-29	-60	-207	127
US (DXY; 5y UST)		93	-0.3	0.3	0	-5	-4		0.26	0.6	-4	-4	-149	-143

	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		4651	0.5	0	-1	17	14		214	2	2	6	28	38
Indonesia		5162	2.9	-1	-2	-19	-18		218	-3	-1	-2	47	62
India		38757	-0.3	1	2	4	-6		219	0	7	11	83	94
Philippines		5997	0.5	1	-1	-25	-23		131	-4	-7	13	63	65
Malaysia		1511	0.4	0	-3	-6	-5		147	1	1	2	24	35
Argentina		45840	-2.2	2	-6	52	10		2147	-3	-9	56	87	378
Brazil		98363	-0.5	-2	-3	-5	-15		304	-7	2	-6	77	89
Chile		3713	0.7	-4	-8	-26	-20		168	-5	-5	3	40	35
Colombia		1212	-0.6	-2	5	-23	-27		247	-5	5	19	73	84
Mexico		36335	0.4	0	-7	-15	-17		466	-9	16	-6	139	174
Peru		18026	-0.4	-1	-2	-7	-12		148	-2	-1	9	37	41
Hungary		34849	0.2	-1	-5	-13	-24		118	-4	-11	-15	31	32
Poland		50702	-0.1	0	-4	-13	-12		26	0	0	-4	1	8
Romania		9388	1.0	4	7	2	-6		254	0	8	14	69	81
Russia		2925	0.5	0	-4	5	-4		206	-8	5	17	16	75
South Africa		56252	0.3	3	-1	-2	-1		495	0	8	-17	189	175
Turkey		1110	0.6	1	2	8	-3		605	6	22	-81	101	204
Ukraine		500	0.0	0	0	-3	-2		631	-5	23	-57	176	211
EM total		44	0.9	-1	-1	5	-2		417	-3	6	-4	83	124

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