

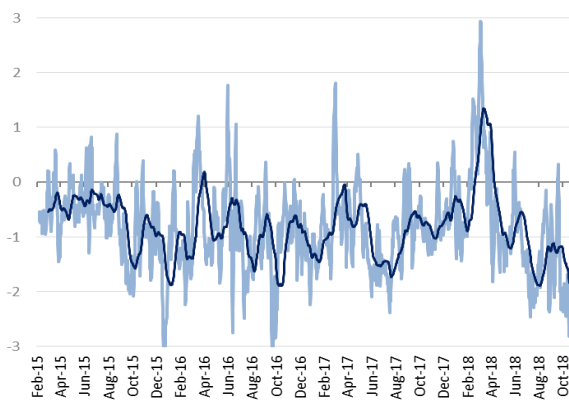
Geo-World: Conflict & Protest October

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The main geopolitical hot spot this month has been the death of Saudi journalist Jamal Khashoggi in Saudi Arabia's consulate building in Istanbul, turning the attention on Riyadh. How the Trump administration would respond is still uncertain. Moreover, major powers' security strategies with regard to Syria are still unclear. On November 6, the US midterm elections will be held. The possibility of US to withdraw from Intermediate-Range Nuclear Forces Treaty (INF) increased the risks regarding European security. German Chancellor Merkel's decision to step down as party chair also rose uncertainty in Europe in the medium term. In Latin America, some hot spots remained, while tensions eased off in Asia.

The international attention is once again on the Middle Eastern region in October

Figure 1 BBVA Research Foreign Affairs Sentiment Index US-Saudi Arabia (It goes from -10 (negative sentiment) to 10 (positive sentiment). Darker line is the mov. avg 30 days)



Source: BBVA Research & www.gdelt.org

The killing of Saudi Journalist has focused the global attention in October.

Jamal Khashoggi's death and Syria related disputes put more uncertainty on the Middle Eastern security.

The US midterm elections will be held on November 6.

As midterm elections near in the US, border security becomes a hot topic for Trump administration.

The US and Russia had a new disagreement on nuclear security.

Trump administration expressed its willingness to retreat from a critical nuclear treaty signed by Washington and Moscow in 1980s.

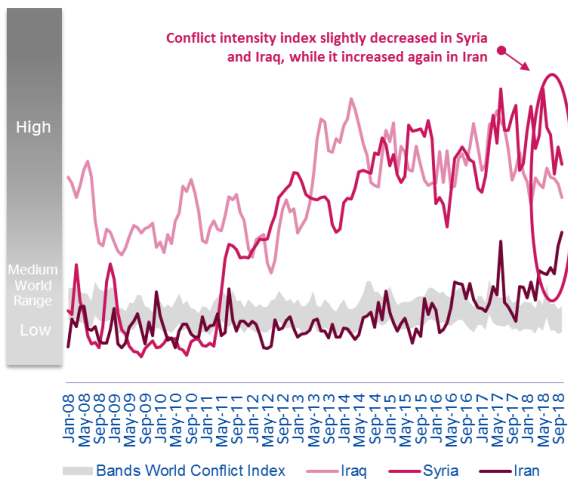
The BBVA Research World Conflict Intensity Index¹ mildly increased during October. The main developments during the month were:

- **The killing of the Saudi journalist Khashoggi in Saudi Arabia's consulate in Istanbul caught the international attention.** Riyadh accepted that Khashoggi had been killed inside the consulate and arrested 18 suspects. Turkish officials stated that Ankara would not allow any cover-up. In the meantime, it was reported that Turkey shared the results of the investigation with the U.S. intelligence and government. Turkey and the U.S. are preparing for joint patrols in Syria's Manbij. **On the other hand, at the end of October, Turkish Armed Forces began shelling YPG positions in Tal Abyad** (a border town controlled by YPG in the eastern bank of Euphrates). President Erdogan had said that Ankara finalized preparations for broader military operations. The U.S. backs YPG in eastern Syria. **In Idlib, Turkey backed groups retreated from demilitarized zones.** Hayat Tahrir al-Sham's stance (former al-Nusra) is still undefined but it had signalled that it would not challenge Turkey-Russia deal. President Putin had said that Russia was satisfied with Idlib deal and progress was on track. **U.S. demanded the cessation of hostilities in Yemen. New Iraqi Prime Minister Abdul-Mahdi took the office.** He has till the first week of November to fill the government posts.
- **U.S. President has ordered to send around 5.000 troops to U.S.-Mexico border to stop the flow of some 3.500 people escaping from El Salvador, Honduras and Nicaragua.** The U.S. will have its midterm elections on November 6. These state elections could have a great impact on policy measures in 2019-20, particularly if Washington is gridlocked through divided control of Congress and the White House until 2020.

1: Details about methodology can be found in the following link: [Methodology, tracking protests and conflicts](#)

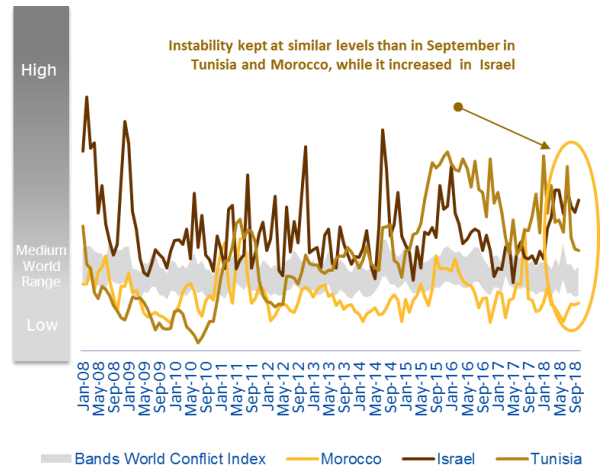
■ On October 20, U.S. President Trump stated that the U.S. would withdraw from the Intermediate-Range Nuclear Forces (INF) Treaty that was signed during 1980s. The treaty eliminated all nuclear missiles within the range between 500-5.500 kilometres. President Trump accused Russia of not respecting the deal. In response, Russian President Putin said that European countries hosting U.S. nuclear missiles could become targets if Washington officially withdraws from the treaty. Yet, Russia also inked in a draft resolution to the UN to preserve the INF Treaty. On October 26, South and North Korea agreed to destroy 22 guard posts along the border and also decided to establish a joint military committee to prevent tensions on the border. Meanwhile, it was reported that the U.S. could hit China with further tariffs if Washington and Beijing could not reach an agreement to end trade dispute. Presidents Trump and Xi Jinping agreed to meet on the sidelines of the upcoming G20 meeting in Argentina. By taking 55.6% of overall votes, right-wing candidate Jair Bolsonaro won the presidential elections in Brazil. German Chancellor Angela Merkel said that she would step down as chair of the Christian Democratic Union (CDU) in December and would not run as chancellor in 2021 elections. Her remarks came after CDU's defeat in regional elections.

Figure 2 BBVA Research Middle East Conflict Intensity Index 2008-18 (Number of conflicts / Total events)



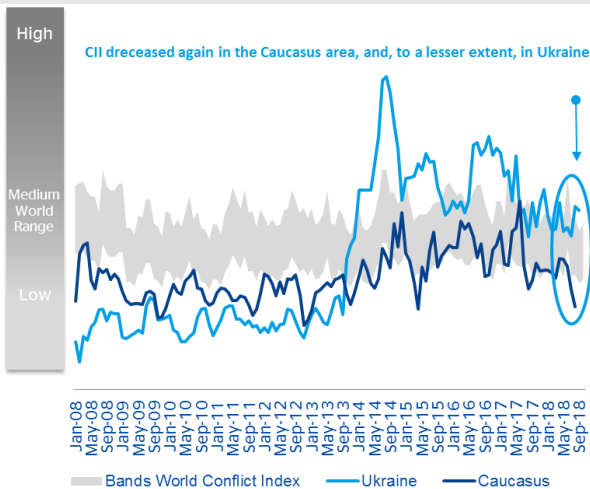
Source: www.dgelt.org & BBVA Research

Figure 3 BBVA Research North Africa Conflict Intensity Index 2008-18 (Number of conflicts / Total events)



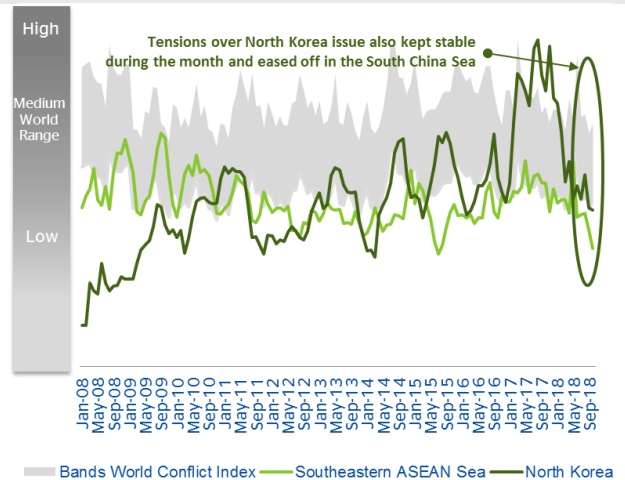
Source: www.dgelt.org & BBVA Research

Figure 4 BBVA Research Eastern Europe Conflict Intensity Index 2008-18 (Number of conflicts / Total events)



Source: www.dgelt.org & BBVA Research

Figure 5 BBVA Research Asia Conflict Intensity Index 2008-18 (Number of conflicts / Total events)

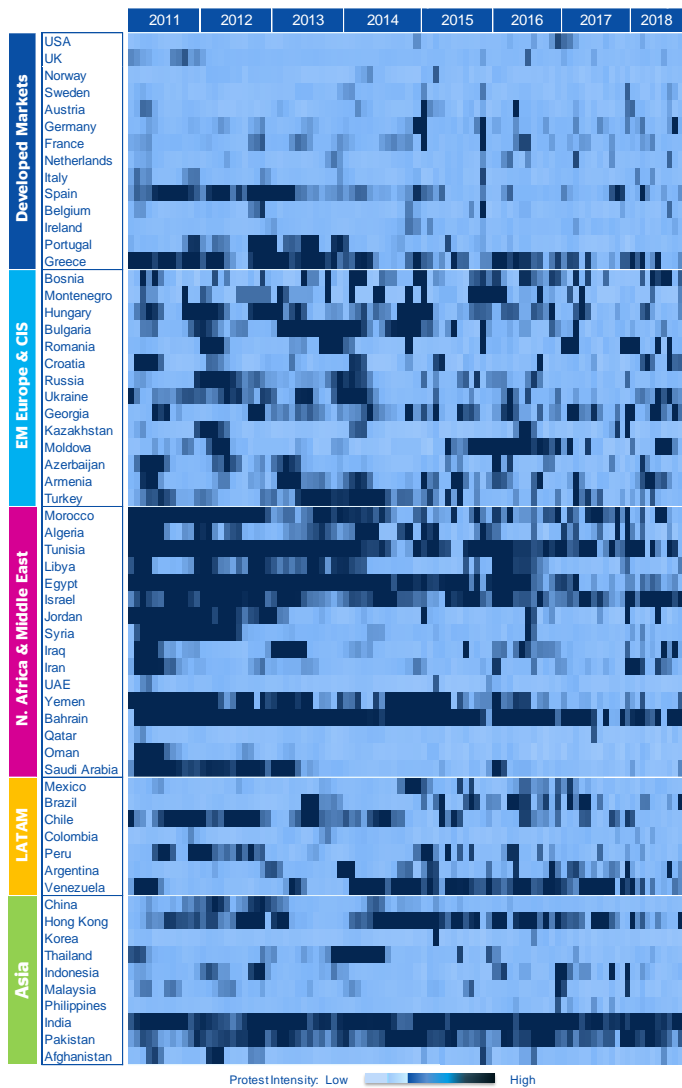


Source: www.dgelt.org & BBVA Research

Social unrest increased during October compared to the previous month

The World Protest Index rose in October (as shown by our BBVA Research World Protest Intensity Index²). According to the BBVA Research World Protest Intensity Map, the key facts were:

Figure 6 BBVA Research World Protest Intensity Map Jan 2011 – Oct 2018 (Number of protests / Total events)



Source: www.dgelt.org & BBVA Research

- In regional terms, the main focus of instability continued in the Middle East and North Africa as well as in some Eastern European countries. Social noise eased off in Western Europe. In Latin America and Asia, the main hot spots remained:
- Europe remained calm. The index increased in Spain given the political noise and once again in Greece given pressures on the banking sector and fears it may be drowned by non-performing loans.
- In Emerging Europe, the general elections of Bosnia raised social unrest where the nationalists came out reinforced. Uncertainty reigned in Georgia since the presidential elections will go to a runoff. Croatia continued to face difficulties in joining Schengen.
- In North Africa and the Middle East, Israel intensified its military operations in Gaza with air strikes. In Libya, violence rose amid new clashes between militias. Bahrain remained at high level of instability, while it eased off in Tunisia.
- In Latin America, the Brazilian elections with the victory of Bolsonaro led some uncertainties and doubts for governance emerged in a polarized country. The recession in Argentina and the situation in Venezuela continued in the spotlight.
- In Asia, social demonstrations for political freedom took place in Hong Kong. Social unrest also rose in Pakistan. China-India army drills mark a return to the levels of military cooperation.

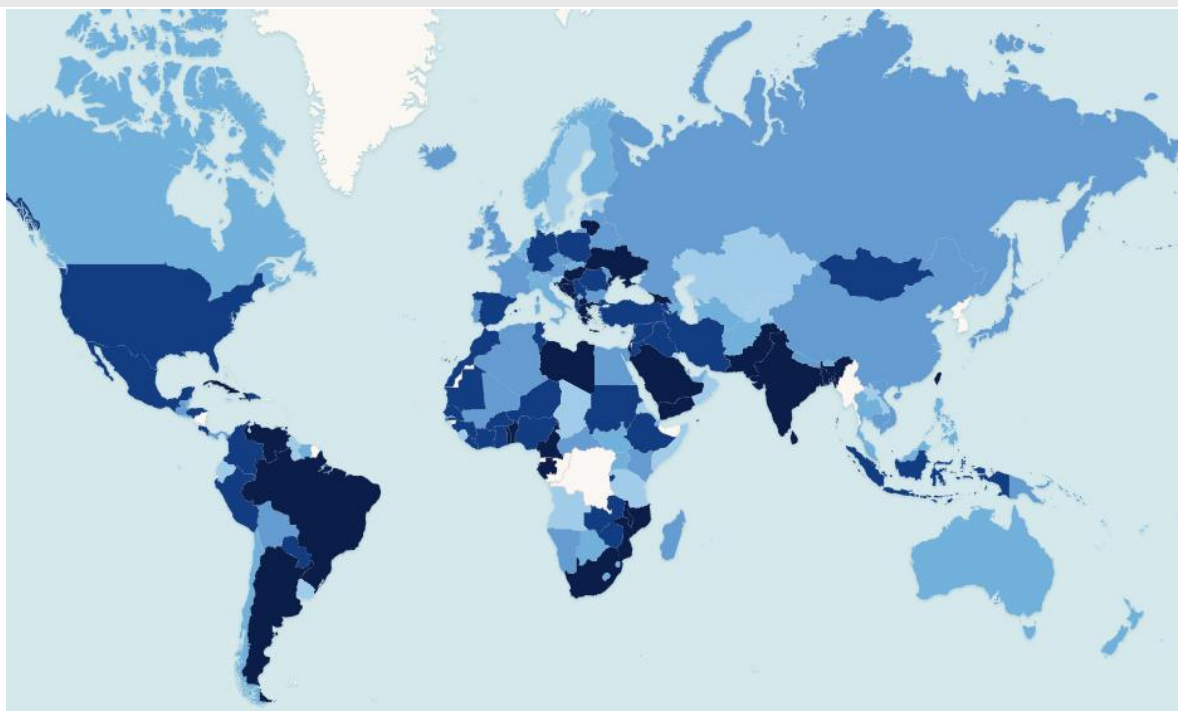
Summary

In Middle East, the killing of Saudi journalist has been on the spotlight during the month. On the other hand, the new situation in Idlib could continue to prevent the risk of humanitarian catastrophe if all parties would respect the deal. Yet, the situation in the eastern bank of Euphrates in Syria could increasingly become important for the coming months. We should keep an eye to US midterm elections outcome. The rift between Washington and Moscow over the nuclear security could become a risk factor and it should be also closely monitored.

2: Details about methodology can be found in the following link: [Methodology, tracking protests and conflicts](#).

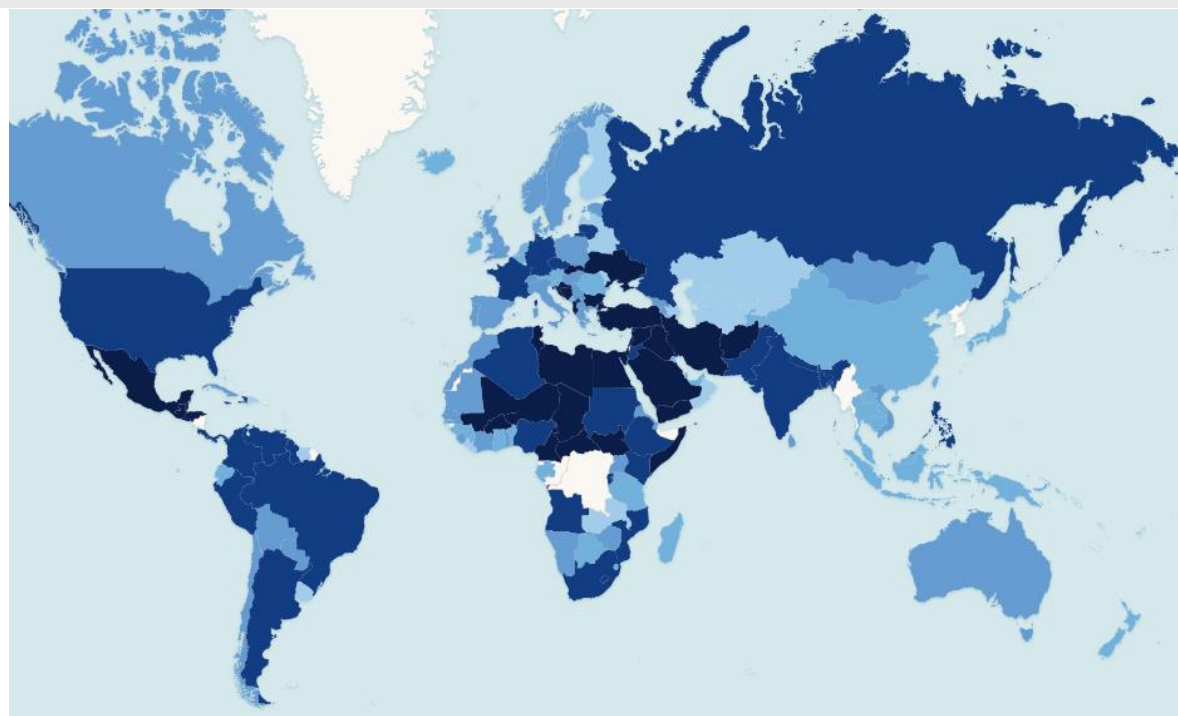
ANNEX

Figure 7 BBVA Research World Protest Map October 18
(Number of protest events / Total events by country. Darker colors indicate higher values of the index)



Source: BBVA Research and www.gdelt.org

Figure 8 BBVA Research World Conflict Map October 18
(Number of conflict events / Total events by country. Darker colors indicate higher values of the index)



Source: BBVA Research and www.gdelt.org

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