BBVA Research

Market Comment | Plummeting oil prices rattle financial markets

Global Financial Markets Unit
11 Dec 2015

- **Mixed data in the US.** US retail sales increased in November below estimates (by 0.2% MoM; consensus: 0.3%), whereas ex-auto and gas they rose more than was estimated (by 0.4% MoM; consensus: 0.3%). Meanwhile, PPI final demand increased unexpectedly (by 0.3% MoM; consensus: 0.0%). On another front, the December University of Michigan sentiment index rose less than expected (by 0.5 points to 91.8; consensus: 92.0).

- **Germany's CPI harmonised data confirmed the increase in November** (by 0.3% YoY; BBVAe and consensus: 0.3%). The improvement was due to the slight decrease in services prices, which were offset by the lower decline in oil and goods prices. The inflation rate excluding energy moderated in November (1.3% YoY, from 1.4% YoY). On another front, Italian industrial production rose more than expected in October (by 0.5% MoM; BBVAe: 0.2%, consensus: 0.3%).

- **Low take-up at the sixth ECB TLTRO, in line with expectations.** The ECB announced that eurozone banks had borrowed only EUR18.3bn in its sixth TLTRO (targeted long-term refinancing operations), in line with market expectations. Only 55 banks tapped the facility for funds, compared with 88 banks that tapped for EUR15.6bn in the previous round in September. The reason for the low demand at this auction would be the abundant liquidity surplus in the markets. The total take-up at the six operations amounts to EUR418bn.

- **High volatility in financial markets, waiting for the Fed.** Oil prices plunged, hitting a seven-year low this week (West Texas Intermediate: -10.1% to USD35.93/bbl, and Brent -10.3% to USD38.55/bbl), after the OPEC meeting decided to maintain their production quotas unchanged. Moreover, IEA December oil market report foresees a slowdown in oil demand in 2016 to 1.2 million b/d from the current 1.8 million b/d in 2015, increasing concern not only about the trend for oil prices but also about the economic cycle, as oil demand is taken as a bellwether of the global economy. Furthermore, the fall in China's international currency reserves also adds concerns about the economic cycle. The fall in oil prices has determined the pace of the financial markets in the week before the (expected) Fed lift-off, encouraging a risk-off mood, especially at the end of the week. The emerging markets were the most sensitive to the falls in commodity prices, as both EM currency and bond markets were under pressure in the week. However, the developed markets also tracked the effects of the lower oil price, especially through the energy and utilities equity sectors. On the other hand, the effect of last week's statement by the ECB, which fell short of market expectations, has still remained as a market driver during the week. The EURUSD cross reached the threshold of 1.10. The risk-off mood at the end of the week helped European bonds to rebound, with sovereign yields dropping during the week (GER 10Y: -14bp, FRA 10Y: -14bp, ITA 10Y: -12bp, SPA 10Y: -11bp, POR 10Y: -4bp) but standing above pre-ECB meeting levels. In the same vein as European yields, US treasury yields decreased in all tenors (2Y: -3bp, 10Y: -10bp). Equity markets dropped across the board (S&P 500: -3.1%, Euro Stoxx: -3.7%, IBEX: -4.3%, CAC: -3.4%, DAX: -3.6%), dragged mainly by the energy and basic resources sectors, but also cyclical sectors such as

Autos and Chemicals. On the FX markets, the USD depreciated against major currencies (EUR: +0.97%, GBP: +0.67%, JPY: +1.62%). However, G10 commodity-linked currencies have depreciated strongly against the USD. Similarly, EM currencies depreciated against the US dollar, especially those linked to oil prices (MXN: -4.3%, BRL: -3.3%, COP: -3.1%, RUB: -2.5%). Meanwhile, bond yields in emerging markets surged during the week (Brazil 10Y: +28bp, Russia 10Y: +16bp, Colombia 10Y: +18bp, Mexico 10Y: +13bp). In Turkey, investors' concern increased about the impact of the new measures on the budget balance is on the rise: Turkey's equity index fell (-5.4%), and the 10Y yield increased (41bp) while the lira depreciated (2.7%).

FOMC meeting Preview

- The FOMC is heading into the December meeting with a rate hike announcement in its back pocket. All signs are pointing to a 25 basis point increase in the target range for the federal funds rate, with markets pricing in near 80% probability of liftoff. Labor markets have shown real improvement, with the latest data offsetting the small blip in job growth that caused some concerns of a slowdown in August and September. Inflation remains low, but significant downward pressures seem to have stabilized for the most part. Despite the fact that some economic reports have failed to gain momentum in the fourth quarter (especially those related to manufacturing and the strength of the USD), most FOMC members seem comfortable finally raising rates at this time. This holds in line with our expectations for a hike by the end of 2015 yet does not change our view for a very gradual pace of increases in 2016. It is important to remember that the Fed has heavily emphasized the future path of interest rates rather than just the jump itself, as this is just one hike of many more to come on the road to normalization.

Update 17.30 CET 11 December, 2015

Table1

(Current level and changes at daily, weekly, monthly and annual frequencies)

Debt markets *(changes in bp)*
Developed Markets
US 2-yr 0,91 (-3) (-3) (4) (25)
US 5-yr 1,61 (-7) (-10) (-11) (-4)
US 10-yr 2,17 (-6) (-10) (-16) (0)

Japan 10-yr 0,32 (1) (-2) (0) (-1)

GER 2-yr -0,35 (-2) (-5) (1) (-25)
GER 5-yr -0,11 (-2) (-10) (-3) (-13)
GER 10-yr 0,54 (-3) (-14) (-7) (0)

Belgium 10-yr 0,84 (-2) (-14) (-5) (1)
France 10-yr 0,86 (-2) (-14) (-7) (4)
Greece 10-yr 8,52 (0) (28) (97) (-123)
Ireland 10-yr 1,04 (-5) (-16) (-12)
Italy 10-yr 1,53 (-2) (-12) (-10) (-36)
Netherlands 10-yr 0,69 (-3) (-14) (-8) (1)
Portugal 10-yr 2,44 (1) (-4) (-30) (-24)
Spain 10-yr 1,62 (0) (-11) (-21) (1)

Emerging Markets
Brazil 10-yr 15,86 (13) (28) (40) (349)
Chile 10-yr 4,62 (0) (-1) (-3) (63)
Colombia 10-yr 8,65 (0) (18) (43) (155)
Mexico 10-yr 6,39 (3) (13) (27) (56)
Peru 10-yr 7,08 (3) (4) (-9) (163)

Poland 10-yr 3,12 (9) (22) (29) (60)
Russia 5-yr 9,97 (1) (16) (40) (-423)
Russia 10-yr 9,53 (0) (10) (8) (-347)
Turkey 10-yr 10,44 (23) (41) (81) (257)

India 10-yr 7,78 (0) (2) (9) (-10)
Indonesia 10-yr 8,72 (13) (17) (8) (90)

Country risk *(changes in bp)*
Developed Markets
10-yr sovereign spreads *(against Germany)*
Belgium 30 (1) (1) (2) (1)
France 32 (1) (0) (0) (4)
Greece 798 (3) (42) (104) (-123)
Ireland 50 (-2) (-2) (-5) (-21)
Italy 100 (1) (2) (-3) (-35)
Netherlands 15 (0) (-0,1) (-1) (1)
Portugal 191 (4) (9,7) (-23) (-24)
Spain 108 (3) (3) (-14) (1)

5-yr sovereign spreads *(against Germany)*
Belgium 7 (1) (-1) (-3) (-7)
France 14 (0) (-1) (-2) (-2)
Greece 1614 (2) (10) (3) (481)
Ireland 25 (1) (-1) (-9) (-15)
Italy 61 (2) (6) (3) (-33)
Netherlands 0 (0) (-1,8) (-3) (-8)
Portugal 122 (6) (7) (-34) (-22)
Spain 74 (3) (6) (-3) (-12)

2-yr sovereign spreads *(against Germany)*
Belgium 8 (0) (-1) (1) (2)
France 6 (0) (-2,5) (-2) (-1)
Ireland 19 (0) (-2) (2) (8)
Italy 43 (4) (8) (3) (-20)
Netherlands 2 (1) (-1) (0) (-5)
Portugal 45 (0) (-6) (-8) (-6)
Spain 42 (3) (6) (3) (-8)

5-yr sovereign CDS
5-yr CDS Belgium 33 (-1) (0) (0) (-16)
5-yr CDS France 26 (1) (-1) (-2) (-21)
5-yr CDS Germany 13 (0) (0) (-1) (-5)
5-yr CDS Greece 1038 (24) (44) (-55) (-243)
5-yr CDS Ireland 43 (0) (1) (-3) (-8)
5-yr CDS Italy 93 (1) (-4) (-2) (-43)
5-yr CDS Netherlands 16 (-1) (0) (0) (-5)
5-yr CDS Portugal 172 (2) (-9) (-22) (-28)
5-yr CDS Spain 81 (1) (-4) (-6) (-15)
5-yr CDS UK 19 (1) (0) (2) (-3)
5-yr CDS US 20 (0) (-1) (0) (3)

Emerging Markets
5-yr sovereign CDS
5-yr CDS Brazil 472 (28) (28) (67) (273)
5-yr CDS Chile 142 (8) (14) (20) (47)
5-yr CDS Colombia 252 (9) (22) (45) (113)
5-yr CDS Mexico 175 (7) (16) (26) (72)
5-yr CDS Peru 201 (7) (14) (31) (85)
5-yr CDS Venezuela 4361 (316) (-582) (-284) (-144)

5-yr CDS Poland75 (0) (1) (1) (5)
5-yr CDS Russia 293 (5) (15) (16) (-183)
5-yr CDS Turkey 280 (4) (16) (24) (98)

5-yr CDS China 109 (3) (5) (8) (23)
5-yr CDS India 152 (1) (2) (-10) (-19)
5-yr CDS Indonesia 243 (11) (17) (27) (87)

Credit risk
Risk indicators *(changes in percentage except for BAA spreads, bp)*
VIX 21,64 (11,9) (46,1) (34,7) (-4)
VSTOXX26,41 (7,7) (16,4) (20,9) (-4)
EM EFT volatility index 29 (11) (26) (22) (30)
Dollar/euro volatility 9,8 (-1,2) (-1,4) (-17,8) (2)
EM FX volatility index 11 (0) (3) (3) (1)
Credit spread (BAA) 325,8 (5,8) (9,7) (3) (65)
US bonds volatility index 72 (0) (1) (3) (5)

Bank risk *(changes in bp)*
US banks CDS 76 (0) (0) (3) (7)
EMU banks CDS 81 (1) (3) (0) (-3)
UK banks CDS 77 (1) (3) (1) (18)

Large Spanish banks CDS 121 (3) (8) (-4) (43)
Medium Spanish banks CDS 158 (6) (9) (1) (44)

Greek banks CDS 1532 (12) (68) (271) (648)
Russian banks CDS 373 (-17) (-10) (-15) (-214)

Corporate risk *(changes in bps)*
US Non-financial CDS 0 (0) (0) (0) (-157)
EMU Non-financial CDS 0 (0) (0) (0) (-107)
UK Non-financial CDS 0 (0) (0) (0) (-113)

Interbank markets *(changes in bp)*
UEM OIS spread 3m 11 (0) (1) (-3) (0)
UEM OIS spread 12m 34 (1) (3) (-3) (-6)
UEM TED spread 3m 32 (0) (3,4) (2) (7)

US OIS spread 3m 18 (1) (3) (6) (4)
US OIS spread 12m 53 (3) (5) (7) (19)
US TED spread 3m 28 (1) (3) (5) (6)

Spain Ted Spread 3m -2 (0) (-5,9) (-10) (-7)

EONIA Index -0,23 (0) (-9,4) (-10) (-38)
Euribor 3m -0,13 (0) (-1,5) (-5) (-21)
Euribor 12m 0,06 (0) (-1) (-3) (-26)

Libor 3m 0,5 (0) (4) (14) (25)
Libor 12m 1,05 (0) (4) (13) (43)

Stock markets *(Changes in percentage)*
Developed Markets
Main equity indices
S&P500 2027,2 (-1,2) (-3,1) (-2,3) (-2)
DowJones 17362,2 (-1,2) (-2,7) (-1,9) (-3)
Nikkei 19230,5 (1) (-1,4) (-2,3) (10)
FTSE 100 5971,7 (-1,9) (-4,3) (-5,2) (-9)
EuroStoxx 50 3208,3 (-1,9) (-3,7) (-7) (2)
IBEX9647,7 (-1,3) (-4,3) (-7) (-6)
DAX 10364,3 (-2,2) (-3,6) (-5) (6)
CAC4555,3 (-1,7) (-3,4) (-8) (7)
MIB 21021,8 (-1,8) (-4,5) (-6,1) (11)
ASE Athens 578,3 (0,3) (-4,8) (-13,4) (-30)

Bank stocks
US banks 94 (-1,8) (-5,8) (-6,1) (-6)
JPM 64,7 (-1,4) (-4,7) (-3,9) (3)
Citi 51,8 (-1,6) (-6) (-5,6) (-4)
BoA 16,9 (-1,7) (-5) (-4,7) (-5)
MS 32,8 (-1,9) (-7,2) (-6,4) (-16)
GS 178 (-2,3) (-6,3) (-9,8) (-8)

UK banks 83,4 (-2,6) (-5,6) (-6,6) (-17)
HSBC 500,2 (-2,1) (-4,4) (-4,5) (-18)
RBS 286,3 (-2,2) (-5,8) (-8,2) (-27)
Barclays 210,5 (-3,4) (-8,3) (-9,3) (-14)
Lloyds 70,2 (-2,6) (-3,9) (-4,5) (-7)

EMU banks 104,4 (-2,1) (-6,1) (-10,6) (4)
BNP 51,3 (-1,9) (-4,8) (-10,4) (4)
Crédit Agricole 10,2 (-2,2) (-8) (-10,2) (-5)
Deutsche Bank 21,2 (-4,5) (-8,5) (-14,3) (-15)
ING 12,1 (-1,1) (-4,2) (-11,9) (11)
Intesa 3 (-1,7) (-4,9) (-4,7) (24)
SG 40,6 (-2,5) (-7) (-9,6) (16)
Unicredito 5,1 (-1,3) (-5,8) (-14,5) (-5)

Large Spanish banks 77,6 (-2) (-5,8) (-10,9) (-22)
Santander 4,6 (-1,6) (-6,7) (-11,4) (-34)
BBVA 7 (-2,4) (-5,2) (-10,5) (-11)

Medium Spanish banks 85,1 (-0,9) (-6,3) (-4) (-15)
Caixabank 3,5 (0,4) (-4,7) (-1,2) (-21)
Popular 3,2 (-0,7) (-6,1) (-7,2) (-23)
Sabadell 1,7 (-1) (-6,3) (-4,5) (-18)
Bankinter 6,6 (-1,2) (-5,5) (-2,8) (-2)
Bankia 1,1 (-2) (-8,7) (-4,4) (-11)

Greek banks 4 (4,7) (-4,2) (-75,8) (-96)
Alpha Bank2,2 (5,9) (12,4) (-45,8) (-91)
Pireus Bank0,2 (0) (-65,1) (-95) (-100)
National Central Bank0,4 (10,4) (-44,1) (-94,7) (-98)
Eurobank Ergasias0,9 (1,1) (0,5) (-64,2) (-95)

Emerging Markets
Main equity indices
MSCI Latam 60384 (-0,48) (-1,7) (-3,6) (-9,6)
Ibovespa (Brazil) 45175 (-1) (-0,4) (-4) (-9,7)
Mexbol 42064 (-0,9) (-2,2) (-5,1) (-2,5)

MSCI EM Europe 4200 (-0,16) (-4) (-6,7) (-5,3)
Poland 1757 (-2,3) (-5,9) (-13,1) (-24,1)
Micex (Russia) 1720 (-0,7) (-2) (-1,2) (23,2)
Ise 100 (Turkey) 70280 (-2,9) (-5,4) (-14) (-18)

MSCI EM Asia 656 (-0,09) (-2,7) (-3,4) (-8,9)
Shanghai Composite (China) 3435 (-0,61) (-2,6) (-5,9) (6,2)
Jakarta Composite (Indonesia) 4394 (-1,6) (-2,5) (-1,3) (-16)

Bank stocks
Turkish banks 71 (-4,6) (-6,6) (-15,4) (-29,1)
Akbank T.A.S. 6 (-4,7) (-6) (-16) (-25,2)
Garanti 7 (-5,3) (-7,1) (-14,9) (-27,3)
Turkiye Is Bankasi 4 (-3,7) (-7) (-15,2) (-34,7)

Russian banks 146 (-1,2) (-1,3) (2,5) (45,9)
Sberbank 98 (-2) (-4,8) (4,4) (78,8)
VTB Bank 0,1 (-0,1) (4,7) (-0,4) (13)

Currencies *(in percentage, positive for dollar depreciation)*
Developed Markets
EURUSD 1,099 (0,42) (0,97) (2,3) (-9,2)
GBPUSD 1,52 (0,35) (0,67) (0) (-2,4)
USDJPY 121,11 (0,37) (1,62) (1,4) (-1,1)
DXY 97,54 (0,4) (0,8) (1,5) (-8)

Emerging Markets
USDARS (Argentina) 9,77 (-0,2) (-0,4) (-1,7) (-15,4)
USDBRL (Brazil) 3,88 (-1,7) (-3,3) (-3,1) (-45,8)
USDCLP (Chile) 709,39 (-0,8) (-1) (-1,6) (-16,9)
USDCOP (Colombia) 3300,04 (-1,6) (-3,1) (-12,2) (-38,9)
USDMXN (Mexico) 17,36 (-1) (-4,3) (-3,8) (-17,8)
USDPEN (Peru) 3,38 (-0,1) (-0,3) (-2) (-13,4)
LACI 64,51 (-1,1) (-2,8) (-3,4) (-21,5)

USDPLN (Poland) 3,97 (0,1) (-0,1) (-1,2) (-12,1)
USDRUB (Russia) 69,77 (-1,4) (-2,5) (-6,6) (-20,7)
USDTRY (Turkey) 2,97 (-1,6) (-2,7) (-3,3) (-27,4)

USDCNY (China) 6,46 (-0,3) (-0,8) (-1,4) (-4)
USDINR (India) 66,9 (-0,3) (-0,3) (-0,9) (-5,6)
USDIDR (Indonesia) 13993 (-0,3) (-1,1) (-2,9) (-13)
ADXY 106,39 (-0,4) (-1,1) (-1,2) (-5,7)

Commodities *(change in percentage)*
Brent 38,55 (-3) (-10,3) (-15,8) (-32,8)
WTx 35,93 (-2,3) (-10,1) (-16,3) (-32,6)
Copper 211,9 (2,6) (2,2) (-4,4) (-25,3)
Gold 1075,83 (0,4) (-1) (-1) (-9)
CRB Index 381,66 (0) (-1,3) (-0,6) (-12,8)
CRB (food) index 355,95 (0) (-3,2) (-0,5) (-3,6)
Baltic Dry Index 534 (0) (-5,2) (-10,9) (-31,7)

Source: Bloomberg, Datastream and Haver

(Current level and changes at daily, weekly, monthly and annual frequencies)

Debt markets *(changes in bp)*
Developed Markets
US 2-yr 0,91 (-3) (-3) (4) (25)
US 5-yr 1,61 (-7) (-10) (-11) (-4)
US 10-yr 2,17 (-6) (-10) (-16) (0)

Japan 10-yr 0,32 (1) (-2) (0) (-1)

GER 2-yr -0,35 (-2) (-5) (1) (-25)
GER 5-yr -0,11 (-2) (-10) (-3) (-13)
GER 10-yr 0,54 (-3) (-14) (-7) (0)

Belgium 10-yr 0,84 (-2) (-14) (-5) (1)
France 10-yr 0,86 (-2) (-14) (-7) (4)
Greece 10-yr 8,52 (0) (28) (97) (-123)
Ireland 10-yr 1,04 (-5) (-16) (-12)
Italy 10-yr 1,53 (-2) (-12) (-10) (-36)
Netherlands 10-yr 0,69 (-3) (-14) (-8) (1)
Portugal 10-yr 2,44 (1) (-4) (-30) (-24)
Spain 10-yr 1,62 (0) (-11) (-21) (1)

Emerging Markets
Brazil 10-yr 15,86 (13) (28) (40) (349)
Chile 10-yr 4,62 (0) (-1) (-3) (63)
Colombia 10-yr 8,65 (0) (18) (43) (155)
Mexico 10-yr 6,39 (3) (13) (27) (56)
Peru 10-yr 7,08 (3) (4) (-9) (163)

Poland 10-yr 3,12 (9) (22) (29) (60)
Russia 5-yr 9,97 (1) (16) (40) (-423)
Russia 10-yr 9,53 (0) (10) (8) (-347)
Turkey 10-yr 10,44 (23) (41) (81) (257)

India 10-yr 7,78 (0) (2) (9) (-10)
Indonesia 10-yr 8,72 (13) (17) (8) (90)

Country risk *(changes in bp)*
Developed Markets
10-yr sovereign spreads *(against Germany)*
Belgium 30 (1) (1) (2) (1)
France 32 (1) (0) (0) (4)
Greece 798 (3) (42) (104) (-123)
Ireland 50 (-2) (-2) (-5) (-21)
Italy 100 (1) (2) (-3) (-35)
Netherlands 15 (0) (-0,1) (-1) (1)
Portugal 191 (4) (9,7) (-23) (-24)
Spain 108 (3) (3) (-14) (1)

5-yr sovereign spreads *(against Germany)*
Belgium 7 (1) (-1) (-3) (-7)
France 14 (0) (-1) (-2) (-2)
Greece 1614 (2) (10) (3) (481)
Ireland 25 (1) (-1) (-9) (-15)
Italy 61 (2) (6) (3) (-33)
Netherlands 0 (0) (-1,8) (-3) (-8)
Portugal 122 (6) (7) (-34) (-22)
Spain 74 (3) (6) (-3) (-12)

2-yr sovereign spreads *(against Germany)*
Belgium 8 (0) (-1) (1) (2)
France 6 (0) (-2,5) (-2) (-1)
Ireland 19 (0) (-2) (2) (8)
Italy 43 (4) (8) (3) (-20)
Netherlands 2 (1) (-1) (0) (-5)
Portugal 45 (0) (-6) (-8) (-6)
Spain 42 (3) (6) (3) (-8)

5-yr sovereign CDS
5-yr CDS Belgium 33 (-1) (0) (0) (-16)
5-yr CDS France 26 (1) (-1) (-2) (-21)
5-yr CDS Germany 13 (0) (0) (-1) (-5)
5-yr CDS Greece 1038 (24) (44) (-55) (-243)
5-yr CDS Ireland 43 (0) (1) (-3) (-8)
5-yr CDS Italy 93 (1) (-4) (-2) (-43)
5-yr CDS Netherlands 16 (-1) (0) (0) (-5)
5-yr CDS Portugal 172 (2) (-9) (-22) (-28)
5-yr CDS Spain 81 (1) (-4) (-6) (-15)
5-yr CDS UK 19 (1) (0) (2) (-3)
5-yr CDS US 20 (0) (-1) (0) (3)

Emerging Markets
5-yr sovereign CDS
5-yr CDS Brazil 472 (28) (28) (67) (273)
5-yr CDS Chile 142 (8) (14) (20) (47)
5-yr CDS Colombia 252 (9) (22) (45) (113)
5-yr CDS Mexico 175 (7) (16) (26) (72)
5-yr CDS Peru 201 (7) (14) (31) (85)
5-yr CDS Venezuela 4361 (316) (-582) (-284) (-144)

5-yr CDS Poland75 (0) (1) (1) (5)
5-yr CDS Russia 293 (5) (15) (16) (-183)
5-yr CDS Turkey 280 (4) (16) (24) (98)

5-yr CDS China 109 (3) (5) (8) (23)
5-yr CDS India 152 (1) (2) (-10) (-19)
5-yr CDS Indonesia 243 (11) (17) (27) (87)

Credit risk
Risk indicators *(changes in percentage except for BAA spreads, bp)*
VIX 21,64 (11,9) (46,1) (34,7) (-4)
VSTOXX 26,41 (7,7) (16,4) (20,9) (-4)
EM EFT volatility Index 29 (11) (26) (22) (30)
Dollar/euro volatility 9,8 (-1,2) (-1,4) (-17,8) (2)
EM FX volatility index 11 (0) (3) (3) (1)
Credit spread (BAA) 325,8 (5,8) (9,7) (3) (65)
US bonds volatility index 72 (0) (1) (3) (5)

Bank risk *(changes in bp)*
US banks CDS 76 (0) (0) (3) (7)
EMU banks CDS 81 (1) (3) (0) (-3)
UK banks CDS 77 (1) (3) (1) (18)

Large Spanish banks CDS 121 (3) (8) (-4) (43)
Medium Spanish banks CDS 158 (6) (9) (1) (44)

Greek banks CDS 1532 (12) (68) (271) (648)
Russian banks CDS 373 (-17) (-10) (-15) (-214)

Corporate risk *(changes in bps)*
US Non-financial CDS 0 (0) (0) (0) (-157)
EMU Non-financial CDS 0 (0) (0) (0) (-107)
UK Non-financial CDS 0 (0) (0) (0) (-113)

Interbank markets *(changes in bp)*
UEM OIS spread 3m 11 (0) (1) (-3) (0)
UEM OIS spread 12m 34 (1) (3) (-3) (-6)
UEM TED spread 3m 32 (0) (3,4) (2) (7)

US OIS spread 3m 18 (1) (3) (6) (4)
US OIS spread 12m 53 (3) (5) (7) (19)
US TED spread 3m 28 (1) (3) (5) (6)

Spain Ted Spread 3m -2 (0) (-5,9) (-10) (-7)

EONIA Index -0,23 (0) (-9,4) (-10) (-38)
Euribor 3m -0,13 (0) (-1,5) (-5) (-21)
Euribor 12m 0,06 (0) (-1) (-3) (-26)

Libor 3m 0,5 (0) (4) (14) (25)
Libor 12m 1,05 (0) (4) (13) (43)

Stock markets *(Changes in percentage)*
Developed Markets
Main equity indices
S&P500 2027,2 (-1,2) (-3,1) (-2,3) (-2)
DowJones 17362,2 (-1,2) (-2,7) (-1,9) (-3)
Nikkei 19230,5 (1) (-1,4) (-2,3) (10)
FTSE 100 5971,7 (-1,9) (-4,3) (-5,2) (-9)
EuroStoxx 50 3208,3 (-1,9) (-3,7) (-7) (2)
IBEX9647,7 (-1,3) (-4,3) (-7) (-6)
DAX 10364,3 (-2,2) (-3,6) (-5) (6)
CAC4555,3 (-1,7) (-3,4) (-8) (7)
MIB 21021,8 (-1,8) (-4,5) (-6,1) (11)
ASE Athens 578,3 (0,3) (-4,8) (-13,4) (-30)

Bank stocks
US banks 94 (-1,8) (-5,8) (-6,1) (-6)
JPM 64,7 (-1,4) (-4,7) (-3,9) (3)
Citi 51,8 (-1,6) (-6) (-5,6) (-4)
BoA 16,9 (-1,7) (-5) (-4,7) (-5)
MS 32,8 (-1,9) (-7,2) (-6,4) (-16)
GS 178 (-2,3) (-6,3) (-9,8) (-8)

UK banks 83,4 (-2,6) (-5,6) (-6,6) (-17)
HSBC 500,2 (-2,1) (-4,4) (-4,5) (-18)
RBS 286,3 (-2,2) (-5,8) (-8,2) (-27)
Barclays 210,5 (-3,4) (-8,3) (-9,3) (-14)
Lloyds 70,2 (-2,6) (-3,9) (-4,5) (-7)

EMU banks 104,4 (-2,1) (-6,1) (-10,6) (4)
BNP 51,3 (-1,9) (-4,8) (-10,4) (4)
Crédit Agricole 10,2 (-2,2) (-8) (-10,2) (-5)
Deutsche Bank 21,2 (-4,5) (-8,5) (-14,3) (-15)
ING 12,1 (-1,1) (-4,2) (-11,9) (11)
Intesa 3 (-1,7) (-4,9) (-4,7) (24)
SG 40,6 (-2,5) (-7) (-9,6) (16)
Unicredito 5,1 (-1,3) (-5,8) (-14,5) (-5)

Large Spanish banks 77,6 (-2) (-5,8) (-10,9) (-22)
Santander 4,6 (-1,6) (-6,7) (-11,4) (-34)
BBVA 7 (-2,4) (-5,2) (-10,5) (-11)

Medium Spanish banks 85,1 (-0,9) (-6,3) (-4) (-15)
Caixabank 3,5 (0,4) (-4,7) (-1,2) (-21)
Popular 3,2 (-0,7) (-6,1) (-7,2) (-23)
Sabadell 1,7 (-1) (-6,3) (-4,5) (-18)
Bankinter 6,6 (-1,2) (-5,5) (-2,8) (-2)
Bankia 1,1 (-2) (-8,7) (-4,4) (-11)

Greek banks 4 (4,7) (-4,2) (-75,8) (-96)
Alpha Bank2,2 (5,9) (12,4) (-45,8) (-91)
Pireus Bank0,2 (0) (-65,1) (-95) (-100)
National Central Bank0,4 (10,4) (-44,1) (-94,7) (-98)
Eurobank Ergasias0,9 (1,1) (0,5) (-64,2) (-95)

Emerging Markets
Main equity indices
MSCI Latam 60384 (-0,48) (-1,7) (-3,6) (-9,6)
Ibovespa (Brazil) 45175 (-1) (-0,4) (-4) (-9,7)
Mexbol 42064 (-0,9) (-2,2) (-5,1) (-2,5)

MSCI EM Europe 4200 (-0,16) (-4) (-6,7) (-5,3)
Poland 1757 (-2,3) (-5,9) (-13,1) (-24,1)
Micex (Russia) 1720 (-0,7) (-2) (-1,2) (23,2)
Ise 100 (Turkey) 70280 (-2,9) (-5,4) (-14) (-18)

MSCI EM Asia 656 (-0,09) (-2,7) (-3,4) (-8,9)
Shanghai Composite (China) 3435 (-0,61) (-2,6) (-5,9) (6,2)
Jakarta Composite (Indonesia) 4394 (-1,6) (-2,5) (-1,3) (-16)

Bank stocks
Turkish banks 71 (-4,6) (-6,6) (-15,4) (-29,1)
Akbank T.A.S. 6 (-4,7) (-6) (-16) (-25,2)
Garanti 7 (-5,3) (-7,1) (-14,9) (-27,3)
Turkiye Is Bankasi 4 (-3,7) (-7) (-15,2) (-34,7)

Russian banks 146 (-1,2) (-1,3) (2,5) (45,9)
Sberbank 98 (-2) (-4,8) (4,4) (78,8)
VTB Bank 0,1 (-0,1) (4,7) (-0,4) (13)

Currencies *(in percentage, positive for dollar depreciation)*
Developed Markets
EURUSD 1,099 (0,42) (0,97) (2,3) (-9,2)
GBPUSD 1,52 (0,35) (0,67) (0) (-2,4)
USDJPY 121,11 (0,37) (1,62) (1,4) (-1,1)
DXY 97,54 (0,4) (0,8) (1,5) (-8)

Emerging Markets
USDARS (Argentina) 9,77 (-0,2) (-0,4) (-1,7) (-15,4)
USDBRL (Brazil) 3,88 (-1,7) (-3,3) (-3,1) (-45,8)
USDCLP (Chile) 709,39 (-0,8) (-1) (-1,6) (-16,9)
USDCOP (Colombia) 3300,04 (-1,6) (-3,1) (-12,2) (-38,9)
USDMXN (Mexico) 17,36 (-1) (-4,3) (-3,8) (-17,8)
USDPEN (Peru) 3,38 (-0,1) (-0,3) (-2) (-13,4)
LACI 64,51 (-1,1) (-2,8) (-3,4) (-21,5)

USDPLN (Poland) 3,97 (0,1) (-0,1) (-1,2) (-12,1)
USDRUB (Russia) 69,77 (-1,4) (-2,5) (-6,6) (-20,7)
USDTRY (Turkey) 2,97 (-1,6) (-2,7) (-3,3) (-27,4)

USDCNY (China) 6,46 (-0,3) (-0,8) (-1,4) (-4)
USDINR (India) 66,9 (-0,3) (-0,3) (-0,9) (-5,6)
USDIDR (Indonesia) 13993 (-0,3) (-1,1) (-2,9) (-13)
ADXY 106,39 (-0,4) (-1,1) (-1,2) (-5,7)

Commodities *(change in percentage)*
Brent 38,55 (-3) (-10,3) (-15,8) (-32,8)
WTx 35,93 (-2,3) (-10,1) (-16,3) (-32,6)
Copper 211,9 (2,6) (2,2) (-4,4) (-25,3)
Gold 1075,83 (0,4) (-1) (-1) (-9)
CRB Index 381,66 (0) (-1,3) (-0,6) (-12,8)
CRB (food) index 355,95 (0) (-3,2) (-0,5) (-3,6)
Baltic Dry Index 534 (0) (-5,2) (-10,9) (-31,7)

Source: Bloomberg, Datastream and Haver

*CDS, EMBI & MSCI indices with one day delay
**Credit spread (BAA) with two days delay

Security Market Operations is available for reference at the following web site: www.bbva.com / Corporate Governance”.

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