

# Market Comment | Financial markets started the week in cautious mood

Global Financial Markets Unit  
13 Jun 2016

- **China economic indicators confirm continuing weakness.** Retail sales moderated in May (10% YoY, forecast 10.1%, previous 10.1%). Furthermore, fixed asset investment declined in May (9.6% YTD YoY, consensus 10.5% YTD YoY, previous 10.5% YTD YoY). However, industrial production growth remained stable in May at 6.0% YoY.
- **The European Central bank bought EUR 348mln of European corporate bonds** in the week ending in June 10, the amount seems lower than expected. However, it is too early to draw conclusions as corporate asset purchase program began in June 8, the amount purchases represent only 3 day of purchases.
- **Financial markets started the week in cautious mood ahead of the FOMC meeting on Wednesday.** Furthermore, as the UK's EU referendum approaches, uncertainties about Brexit are weighing on financial markets (the 1M British pound implied volatility jumped to 28%). With most of the safe-haven bond yields at record lows, gold attracted most of the safe-haven flows, with its price increasing by +0.8% today, while the industry commodities and oil declined. However, the US 10Y yield extended its downward trend today, while the 10Y German yield ended the session broadly unchanged, after touching 0.011% earlier in the day. Risk-off mood weighed on peripheral bonds, with their yields increasing across the board (Spain +7 bps, Italy +7 bps, Portugal +12 bps, Greece +35 bps). European equity markets extended their falls on Monday (Euro Stoxx50 -2.0%), with the financial sector (banks -3.8% and insurance -3%) leading the decline. Record low yields and Brexit jitters might be dragging financial sector stock prices. The Italian, Greek and Portuguese banking sectors were the worst performers. Furthermore, weak economic data in China also weighed on China's equity markets (-3%), while Japanese markets also declined (3.5%) due to the impact of the strong yen. US equity markets currently declining slightly (-0.4%), but the surge in the S&P500 implied volatility suggests that concerns remain (VIX +14% to 19.2).
- In FX markets, the US dollar had a mixed performance, but mostly depreciated against G-10 currencies (euro 0.3%, Japanese yen 0.7%) and appreciated against EM currencies (MXN 1%, COL 0.4%, BRL -1.1%). The British ended broadly flat but it registered a high volatility.

## FOMC preview:

June's FOMC meeting holds at least some chance of a rate hike announcement, despite the fact that the latest employment report put a damper on the Fed's plans to move forward. Chair Yellen mentioned in a recent speech that "Although this labor market report was, on balance, concerning, let me emphasize that one should never attach too much significant to any single monthly report. Other timely indicators from the labor market have been more positive." Even with this disappointing job growth, labor market conditions

remain healthy and near the Fed's maximum employment objectives. Furthermore, inflation continues to move gradually towards their target, the global outlook has improved, and financial market volatility has declined. Therefore, the Fed should feel comfortable moving ahead with another rate increase on the soon side, especially considering that this is only the second of (hopefully) many increases. Delaying even further makes the next increase that much more difficult, paving the way for more excuses to keep kicking the can down the road.

Update 18.00 CET 13 June, 2016

Table 1

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

**Debt markets (changes in bp)**

*Developed Markets*

US 2-yr 0.71 (2) (9) (-6) (-34)  
 US 5-yr 1.12 (4) (1) (-1) (-64)  
 US 10-yr 1.61 (3) (1) (-1) (-68)  
 Japan 10-yr 0.16 (2) (5) (-4) (-42)  
 GER 2-yr -0.55 (-1) (-1) (-4) (-21)  
 GER 5-yr -0.43 (0) (-2) (-6) (-39)  
 GER 10-yr 0.02 (0) (-1) (-1) (-61)  
 Belgium 10-yr 0.45 (2) (-1) (-1) (-10) (-52)  
 France 10-yr 0.41 (2) (-5) (-1) (-10) (-58)  
 Greece 10-yr 7.84 (25) (47) (43) (-45)  
 Ireland 10-yr 0.71 (3) (3) (-3) (-3)  
 Italy 10-yr 1.46 (7) (-3) (-1) (-14)  
 Netherlands 10-yr 0.28 (1) (-5) (-12) (-64)  
 Portugal 10-yr 3.22 (12) (2) (-1) (-17)  
 Spain 10-yr 1.5 (7) (-3) (-10) (-47)

*Emerging Markets*

Brazil 10-yr 12.65 (-1) (20) (49) (-387)  
 China 10-yr 4.57 (0) (0) (13) (-1) (-9)  
 Colombia 10-yr 7.94 (-1) (5) (-1) (-1) (-72)  
 Mexico 10-yr 14.18 (2) (20) (-1) (-2)  
 Peru 10-yr 6.11 (3) (3) (-1) (-1) (-19)  
 Poland 10-yr 3.18 (7) (-2) (17) (24)  
 Russia 5-yr 8.83 (0) (-14) (-1) (-1) (-165)  
 Russia 10-yr 8.65 (0) (-14) (-1) (-1) (-160)  
 Turkey 10-yr 9.55 (10) (28) (-1) (-1) (-92)  
 India 10-yr 7.52 (3) (5) (10) (-24)  
 Indonesia 10-yr 7.44 (-1) (-1) (-1) (-1) (-111)

**Country risk (changes in bp)**

*Developed Markets*

10-yr sovereign spreads (against Germany)  
 Belgium 42 (2) (2) (0) (0)  
 France 38 (2) (2) (0) (2)  
 Greece 751 (40) (153) (186) (16)  
 Ireland 75 (2) (4) (22)  
 Italy 143 (7) (5) (46)  
 Netherlands 23 (1) (0) (8) (2) (7)  
 Portugal 103 (1) (8) (12) (13)  
 Spain 148 (7) (4) (1) (34)  
 5-yr sovereign spreads (against Germany)  
 Belgium 18 (2) (1) (2) (3) (2)  
 France 24 (1) (1) (4) (12)  
 Greece 164 (0) (0) (0) (0) (0)  
 Ireland 39 (2) (2) (2) (1) (2)  
 Italy 92 (7) (5) (17) (27)  
 Netherlands 15 (1) (1) (3) (20) (18)  
 Portugal 245 (2) (15) (10) (134)  
 Spain 37 (6) (4) (1) (25)

*2-yr sovereign spreads (against Germany)*

Belgium 5 (0) (1) (1) (1)  
 France 11 (0) (0) (1) (0) (0)  
 Ireland 18 (1) (0) (2) (4)  
 Italy 55 (4) (0) (0) (0)  
 Netherlands 7 (1) (4) (5) (10)  
 Portugal 117 (1) (12) (0) (12)  
 Spain 54 (8) (0) (0) (19)

**Credit risk**

*Developed Markets (changes in percentage except for S&A spreads, bps)*

VIX 19.44 (14.2) (4.2) (4.4) (34.9) (1)  
 VIX30 35.36 (13.7) (4.2) (4.6) (15)  
 EM EFT volatility index 28 (15) (33) (19) (21)  
 Delinquency volatility 102.4 (4) (13) (0) (5) (20)  
 EM FX volatility index 11 (1) (0) (0) (4)  
 Credit spread (S&A) 291.3 (2) (0) (0) (-1) (-1) (-31)  
 US bonds volatility index 75 (0) (13) (17) (11)

**Interbank markets (changes in bp)**

LEM OIS spread 3m 1 (0) (0) (2)  
 LEM OIS spread 12m 37 (0) (0) (-1) (-1) (-3)  
 LEM TED spread 3m 36 (0) (0) (0) (0) (-4)  
 US OIS spread 3m 27 (1) (0) (2) (4)  
 US OIS spread 12m 79 (1) (4) (5) (23)  
 US TED spread 3m 41 (-1) (1) (5) (4)  
 Spain Ted Spread 3m 4 (5) (5) (1) (8) (8)  
 EONIA Index -0.33 (0) (0) (2) (1) (0)  
 Euribor 3m -0.26 (0) (4) (-1) (-1) (-13)  
 Euribor 12m -0.02 (0) (0) (-1) (-8)  
 Libor 3m 0.66 (0) (-1) (3) (4)  
 Libor 12m 1.27 (0) (-1) (5) (10)

**Stock markets (Changes in percentage)**

*Developed Markets*

Main equity indices  
 S&P500 2088 (4) (4) (-1) (-1) (-1) (-1)  
 Dow Jones 1786 (3) (3) (-3) (-3) (-3) (-3)  
 Nikkei 18919 (3) (3) (-3) (-3) (-3) (-3)  
 FTSE 100 6465 (1) (1) (-1) (-1) (-1) (-1)  
 Euro Stoxx 50 2803 (2) (2) (-2) (-2) (-2) (-2)  
 BSE3000 3 (2) (2) (-2) (-2) (-2) (-2)  
 CAC 40 5671 (4) (4) (-4) (-4) (-4) (-4)  
 CAC4027 (-1) (4) (1) (1) (1) (1)  
 MIB 16221 (1) (1) (-1) (-1) (-1) (-1)  
 ASE Athens 594 (6) (-3) (9) (-7) (-4) (-6)

*Bank stocks*

US banks 80 (-4) (-4) (4) (4) (1) (1)  
 JPM 63.7 (4.3) (4.3) (3) (3) (4)  
 Cit 16.6 (4.9) (4.9) (4) (4) (5)  
 BkA 13.8 (4.5) (4.5) (3) (3) (4)  
 MS 24.4 (4) (4) (-3) (-3) (-2)  
 GS 149.4 (4) (4) (4) (4) (5) (5)  
 H8C 430.8 (4) (4) (3) (3) (1) (1) (20)  
 RBS 216.1 (1) (1) (7) (7) (5) (5) (28)  
 Barclays 165.2 (2) (2) (8) (8) (1) (1) (-25)  
 Lloyds 64.2 (4) (4) (2) (2) (0) (0) (-52)  
 EMU banks 74.5 (3) (3) (4) (4) (-7) (-3) (31)  
 BNP 43 (2) (2) (7) (7) (1) (1) (-8)  
 Credit Agricole 7.9 (3) (3) (3) (3) (1) (1) (-27)  
 Deutsche Bank 13.6 (3) (3) (-1) (-1) (-6) (-7) (48)  
 HSBC 10 (1) (1) (1) (1) (7) (7) (20)  
 Intesa 2 (5) (5) (1) (1) (-1) (-1) (36)  
 SOI 39 (4) (4) (3) (3) (1) (1) (26)  
 Unicredit 2.3 (4) (4) (-1) (-1) (-2) (-6) (56)

*Large Spanish banks*

Santander 59.4 (3) (3) (9) (9) (4) (4) (67) (-21)  
 Santander 3.7 (3) (3) (8) (8) (7) (7) (-18)  
 BBVA 5.2 (3) (3) (1) (1) (4) (4) (-24)  
 Medium Spanish banks 61 (2) (2) (5) (5) (8) (8) (-9) (1) (-20)  
 Caixabank 2.1 (3) (3) (1) (1) (-1) (-1) (-4) (-33)  
 Popular 1.4 (4) (4) (2) (2) (5) (5) (-4) (-48)  
 Sabadell 1.4 (2) (2) (7) (7) (8) (8) (13)  
 Bankinter 1.1 (2) (2) (3) (3) (7) (7) (-1) (-17)  
 Bankia 0.7 (1) (1) (6) (6) (1) (1) (33)  
 Greek banks 3.5 (7) (-1) (7) (-1) (7) (-1) (22)  
 Alpha Bank 2 (5) (5) (1) (1) (1) (1) (19)  
 Piraeus Bank 2 (4) (4) (2) (2) (9) (9) (25)  
 National Central Bank 2 (4) (4) (4) (4) (1) (1) (-36) (0) (36)  
 Eurobank Ergasias 0.6 (-1) (-1) (-2) (-2) (9) (9) (23)

*Emerging Markets*

*Main equity indices*

MSCI Latin 6478 (2) (2) (-1) (-1) (4) (4) (9) (2)  
 Dow Jones BR 49377 (4) (4) (-4) (-4) (7) (7) (13) (9)  
 Mexico 44188 (-1) (-1) (-4) (-4) (-2) (-2) (1) (1)  
 MSCI EM Europe 4418 (-1) (-1) (-5) (-5) (-1) (-1) (4) (4)  
 Poland 1780 (4) (-1) (-1) (-1) (-1) (-4) (-4)  
 MSCI Russia 1504 (0) (0) (-6) (-6) (0) (0) (1) (1) (8) (8)  
 Ise 100 (Turkey) 76534 (4) (4) (-2) (-2) (6) (6) (7) (7)  
 MSCI EM Asia 661 (4) (4) (0) (0) (3) (3) (0) (0) (1)  
 Shanghai Composite (China) 2933 (3) (3) (-3) (-3) (-3) (-3) (-3) (-3) (-20)  
 Jakarta Composite (Indonesia) 6007 (-4) (-4) (-1) (-1) (0) (0) (1) (1)

*Bank stocks*

Turkish banks 70 (4) (4) (2) (2) (6) (6) (5) (6) (2)  
 Akbank T.A.S. 8 (2) (2) (1) (1) (1) (1) (1) (1) (1)  
 Garanti 7 (4) (4) (-2) (-2) (-4) (-4) (-5) (-5)  
 Turkey to Bankers 4 (-7) (-7) (-4) (-4) (0) (0) (-4) (-4)  
 Russian banks 176 (0) (0) (2) (2) (0) (0) (1) (1) (16)  
 Sberbank 134 (0) (0) (4) (4) (1) (1) (1) (1) (1)  
 VTB Bank 1 (0) (0) (4) (4) (5) (5) (4) (4)

**Currencies (in percentage, positive for dollar depreciation)**

EURUSD 1.09 (0) (0) (2) (2) (4) (4) (4) (4) (3)  
 GBPUSD 1.42 (4) (4) (1) (1) (1) (1) (-4) (-4) (3)  
 USDJPY 106.16 (0) (0) (7) (7) (3) (3) (2) (2) (11) (7)  
 DXY 94.42 (0) (0) (4) (4) (4) (4) (3) (3)

*Emerging Markets*

USDARS (Argentina) 13.78 (0) (0) (2) (2) (0) (0) (2) (2) (6) (6)  
 USDRIL (Brazil) 3.45 (-1) (-1) (0) (0) (1) (1) (1) (1) (1) (1)  
 USDCNY (China) 684.81 (2) (2) (-1) (-1) (-2) (-2) (0) (0) (1) (1) (5)  
 USDCOP (Colombia) 2984.18 (4) (4) (-1) (-1) (-1) (-1) (-1) (-1) (-1) (-1) (3) (3)  
 USDMXN (Mexico) 18.81 (-1) (-1) (-5) (-5) (-4) (-4) (7) (7) (9) (9)  
 USDPEN (Peru) 3.22 (0) (0) (2) (2) (0) (0) (1) (1) (2) (2)  
 LACI 63.81 (-7) (0) (-1) (-1) (1) (1)  
 USDRPLN (Poland) 3.91 (4) (4) (-1) (-1) (-1) (-1) (-1) (-1) (0) (0)  
 USDRUB (Russia) 65.75 (4) (4) (-2) (-2) (-1) (-1) (-1) (-1) (0) (0)  
 USDTRY (Turkey) 2.55 (0) (0) (-4) (-4) (-5) (-5) (0) (0)  
 USDCNY (China) 6.59 (4) (4) (-3) (-3) (-1) (-1) (-1) (-1) (-1) (-1) (1) (1)  
 USDIR (India) 57.14 (4) (4) (-2) (-2) (-2) (-2) (8) (8) (2) (2) (8) (8)  
 USDIR (Indonesia) 1326 (0) (0) (0) (0) (0) (0) (0) (0) (0) (0)  
 ADXY 105.86 (0) (0) (-3) (-3) (-4) (-4) (0) (0)

**Commodities (change in percentage)**

Brent 58.19 (2) (2) (1) (1) (1) (1) (1) (1) (1) (1)  
 WTI 48.72 (4) (4) (-1) (-1) (-4) (-4) (3) (3) (6) (6)  
 Copper 206 (1) (1) (-3) (-3) (-2) (-2) (6) (6)  
 Gold 1203.02 (0) (0) (1) (1) (0) (0) (2) (2)  
 Baltic Dry Index 610 (0) (0) (-5) (-5) (-4) (-4) (27) (27)  
 S&P GSCI Spot commodity index 381.264 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (5) (5) (23) (23)  
 S&P GSCI Brent Spot 433.328 (2) (2) (2) (2) (2) (2) (8) (8) (2) (2) (8) (8)  
 S&P GSCI Metal Spot 268.02 (0) (0) (-2) (-2) (-2) (-2) (1) (1)  
 S&P GSCI Agricultural Spot 332.268 (0) (0) (2) (2) (0) (0) (1) (1) (7) (7) (17) (17)

Source: Bloomberg, Datastream and IHS



**Current level and changes at daily, weekly, monthly and annual frequencies**

**Debt markets (changes in bp)**

US 2-yr 0.71 (2) (9) (6) (34)  
 US 5-yr 1.12 (4) (13) (11) (64)  
 US 10-yr 1.81 (3) (13) (14) (66)  
 Japan 10-yr -0.16 (2) (6) (4) (42)  
 GER 2-yr -0.55 (1) (1) (4) (21)  
 GER 5-yr -0.43 (0) (2) (4) (39)  
 GER 10-yr -0.32 (0) (4) (13) (41)  
 Belgium 10-yr 0.48 (2) (4) (4) (18) (52)  
 France 10-yr 0.41 (2) (5) (10) (58)  
 Greece 10-yr 7.58 (35) (47) (43) (45)  
 Ireland 10-yr 0.77 (1) (3) (9)  
 Italy 1.46 (7) (1) (5) (34)  
 Netherlands 10-yr 0.26 (1) (5) (12) (54)  
 Portugal 10-yr 3.22 (12) (3) (1) (71)  
 Spain 10-yr 1.5 (2) (4) (10) (47)

**Emerging Markets**

Brazil 10-yr 12.66 (-1) (20) (49) (387)  
 China 10-yr 5.57 (0) (4) (12) (69)  
 Colombia 10-yr 7.94 (-1) (5) (-13) (172)  
 Mexico 10-yr 6.14 (7) (20) (25) (140)  
 Peru 10-yr 6.11 (3) (3) (10) (119)  
 Poland 10-yr 3.18 (7) (2) (17) (24)  
 Russia 5-yr 8.83 (0) (-4) (-13) (-160)  
 Russia 10-yr 8.86 (0) (-4) (-20) (-60)  
 Turkey 10-yr 9.55 (10) (28) (-15) (-92)  
 India 10-yr 7.52 (2) (5) (10) (24)  
 Indonesia 10-yr 7.44 (-1) (16) (-16) (111)

**Country risk (changes in bp)**

**Developed Markets**

1-yr sovereign spreads (against Germany)  
 Belgium 42 (2) (2) (3) (0)  
 France 38 (2) (2) (3) (2)  
 Greece 781 (34) (53) (56) (16)  
 Ireland 75 (3) (3) (4) (22)  
 Italy 143 (7) (5) (46)  
 Netherlands 23 (1) (0) (2) (7)  
 Portugal 320 (11) (8) (12) (113)  
 Spain 148 (7) (4) (1) (34)

**5-yr sovereign spreads (against Germany)**

Belgium 19 (0) (1) (2) (3) (2)  
 France 24 (1) (1) (4) (12)  
 Greece 168 (0) (0) (0) (39)  
 Ireland 39 (2) (2) (2) (12)  
 Italy 92 (7) (5) (17) (37)  
 Netherlands 19 (1) (1) (2) (20) (18)  
 Portugal 245 (12) (10) (10) (134)  
 Spain 57 (0) (4) (1) (25)

**2-yr sovereign spreads (against Germany)**

Belgium 5 (0) (1) (1) (1)  
 France 11 (0) (2) (1) (3) (8)  
 Ireland 18 (1) (0) (2) (4)  
 Italy 55 (4) (0) (23)  
 Netherlands 7 (1) (4) (5) (19)  
 Portugal 111 (7) (12) (12) (72)  
 Spain 54 (6) (5) (0) (19)

**Credit risk**

**Top 100 companies (changes in percentage except for BAA spreads, bps)**

VM 19.44 (14.2) (42.4) (34.9) (1)  
 VSTOXX 36.36 (13.7) (45.9) (40) (12)  
 EM EFT volatility index 28 (15) (23) (19) (21)  
 Delianum volatility 12 (5.4) (10) (02.5) (05)  
 EM FX volatility index 11 (1) (5) (0) (4.5)  
 Credit spread (BAA) 281.9 (9) (9) (5) (1.9) (131)  
 US bonds volatility index 75 (0) (13) (17) (11)

**Interbank markets (changes in bp)**

USA OIS spread 3m 3 (0) (0) (0) (2)  
 USA OIS spread 12m 37 (0) (0) (1) (3)  
 USA TED spread 3m 36.8 (0) (0) (5) (5)  
 USA OIS spread 3m 27 (1) (0) (2) (4)  
 USA OIS spread 12m 79 (1) (0) (3) (23)  
 USA TED spread 3m 41 (-1) (1) (5) (4)  
 Spain Ted Spread 3m 4 (5) (4) (1) (6) (8)  
 EGBAA Index -0.33 (0) (0) (2) (1) (0)  
 Euribor 3m -0.26 (0) (4) (-1) (-13)  
 Euribor 12m -0.02 (0) (0) (-1) (-6)  
 Libor 3m 0.67 (0) (1) (1) (3) (4)  
 Libor 12m 1.27 (0) (1) (1) (3) (10)

**Stock markets (Changes in percentage)**

**Developed Markets**

Main equity indices  
 S&P500 2066.8 (4.4) (-1.1) (1) (1) (2)  
 Dow Jones 17065.7 (4.3) (-3.5) (0) (5) (2)  
 Nikkei 16019.2 (3.6) (-3.4) (-3.8) (-16)  
 FTSE 100 6861.0 (2.6) (-1) (1) (1) (1)  
 Euro Stoxx 50 2853.5 (4.4) (-4.9) (-8) (13)  
 IBSX300 8 (2.2) (-5.9) (-4) (-1) (-15)  
 DAX 8027.4 (-1.9) (-4.5) (-2) (-1) (-5)  
 CAC40 27 (-1.9) (-4.6) (-1.5) (-1) (-5)  
 MIB 16021.2 (2.9) (-6.7) (-5.8) (-22)  
 ASE Athens 594.6 (-3.9) (-7) (-4) (-6)

**Bank stocks**

US banks 80.4 (0.4) (4.4) (-1.6) (16)  
 JPM 63.7 (2.3) (-2.5) (3) (1) (4)  
 Cit 43.6 (4.8) (4.8) (0) (8) (16)  
 BAC 13.8 (4.6) (4.3) (-2.8) (-18)  
 MS 28.4 (4.4) (4.3) (3) (28)  
 GS 143.4 (4.3) (4.9) (-5) (-17)  
 HSBC 430.8 (4.7) (-3.8) (1) (7) (-20)  
 RBS 216.1 (1) (7) (3) (1) (26)  
 Barclays 165.2 (2.7) (-8.3) (1) (4) (-25)  
 Lloyds 142.1 (2) (7) (8) (1) (-12)  
 EMU banks 74.5 (-3.8) (9.4) (-7.3) (31)  
 BNP 43 (2.9) (-7.3) (-1) (-18)  
 Credit Agricole 7.9 (3.3) (8.7) (4.5) (12)  
 Deutsche Bank 11.8 (-3.5) (10) (4.7) (40)  
 ING 10 (1.3) (8) (3) (28)  
 Intesa 2 (5.9) (10) (-1) (-12) (-36)  
 SOI 31.4 (3.3) (10.7) (-5) (-4) (-20)  
 Unicredit 2.3 (5.3) (12.8) (22) (6)

**Large Spanish banks**

Santander 37 (3.3) (-8.7) (-7.5) (18)  
 BBVA 5.2 (-2.5) (-7) (0) (-24)  
 Medium Spanish banks 61 (2.5) (-9.4) (-9) (1) (-26)  
 Caixabank 2.1 (3.1) (-11) (-10) (4) (33)  
 Psoeja 1.4 (-4.2) (-9) (0) (-4) (-40)  
 Sabadell 1.4 (-2.2) (-7) (8) (3) (13)  
 Bankia 6.1 (2.3) (8) (3) (11) (12)  
 Bankia 0.7 (-1.4) (-4) (4) (8) (33)

**Greek banks**

Alpha Bank 6 (5.9) (11) (0) (1) (19)  
 Piraeus Bank 2 (4.2) (-20.9) (-28) (2) (-25)  
 National Central Bank 2 (1.4) (-0.8) (0) (-8) (-36)  
 Eurobank Ergasias 8 (4) (-15) (1) (-23) (-23)

**Emerging Markets**

**Main equity indices**

MSCI Latin America 12 (29) (-1.8) (4) (9) (2)  
 Bovespa (Brazil) 49377 (4.1) (-2.1) (-7.3) (13) (9)  
 Merval 14748 (1) (2) (4) (1) (4) (1)  
 MSCI EM Europe 4418 (-1.8) (-0.5) (-1) (-5) (4)  
 Poland 1780 (-0.1) (-2) (-4.3)  
 Mexico (Bolsa) 1964 (0) (0) (0) (1) (0) (1)  
 Ise 100 (Turkey) 7654 (-0.5) (-2) (-6) (-2) (-3) (6) (7)  
 MSCI EM Asia 661 (4.9) (0) (3) (3) (5) (0) (1)  
 Shanghai Composite (China) 2833 (-3.2) (3.4) (0) (1) (0) (1)  
 Jakarta Composite (Indonesia) 4807 (-4.8) (-1.8) (0) (1) (5)

**Bank stocks**

Turkish banks 78 (0.5) (-2) (6) (0) (5) (8) (2)  
 Akbank TA 5.9 (2.3) (-3) (1) (16) (9)  
 Garanti 7 (4.7) (-2) (4) (-5) (1)  
 Taurus Bank 4 (6.7) (-4) (-4) (4) (8)  
 Russian banks 176 (0) (1) (2) (8) (16)  
 Sberbank 134 (0) (-0.4) (10) (1) (31)  
 VTB Bank 0 (1) (-4) (7) (5) (8) (7)

**Currencies (in percentage, positive for dollar depreciation)**

**Developed Markets**

EURUSD 1.129 (0.20) (4.6) (-0.8) (3.9)  
 GBPUSD 1.41 (0.28) (-1.36) (-1) (-3) (3)  
 USDJPY 106.18 (0.76) (1.3) (2.6) (11.7)  
 DXY 94.42 (0.2) (-0.6) (-0.3) (4.3)

**Emerging Markets**

USDARS (Argentina) 13.78 (0.2) (0) (2) (6) (-6) (5)  
 USDBRL (Brazil) 1.40 (-1.1) (1) (0) (7) (12) (7)  
 USDCNY (China) 684.01 (-4.1) (-4.7) (0) (1) (3) (5)  
 USDCOP (Colombia) 2854.16 (-0.4) (0) (1) (2) (1) (6)  
 USDMXN (Mexico) 18.81 (-1) (-0.8) (-4) (7) (-9) (3)  
 USDPIN (Philippines) 3.32 (-2) (-2) (-1) (1) (2) (4)  
 LACI 63.81 (-0.7) (0) (-1) (1) (1) (9)  
 USDPIN (Poland) 3.91 (-0.5) (-1.9) (-0.8) (0) (3)  
 USDBRL (Russia) 65.75 (-4) (-4) (-0.7) (-1) (3) (9) (3)  
 USDTYR (Turkey) 2.82 (-0.4) (-0) (-1) (5) (0)  
 USDOY (China) 6.59 (0.4) (-0.3) (-1) (1) (-1) (4)  
 USDIRI (India) 67.14 (-0.8) (-0.2) (-0.8) (-1) (5)  
 USDIRI (Indonesia) 1558 (0) (0) (0) (0) (0) (4)  
 ADXY 106.86 (0) (-0.3) (-0.4) (0) (3)

**Commodities (change in percentage)**

Brent 50.19 (2) (1) (4) (4) (24) (3)  
 WTI 48.73 (-0.7) (-1.9) (4) (3) (31) (6)  
 Copper 206 (1.5) (-2) (6) (-6) (-2) (3)  
 Gold 1203 (0) (0) (1) (1) (6) (21)  
 Baltic Dry Index 616 (0) (0) (5) (-4) (-7) (6)  
 S&P GSCI Spot commodity index 315.264 (-1.7) (1) (9) (5) (23) (3)  
 S&P GSCI Brent Spot 433.208 (-2) (5) (2) (6) (6) (2) (28) (1)  
 S&P GSCI Metals Spot 208 (0) (-2) (0) (1) (1) (7)  
 S&P GSCI Agricultural Spot 332.268 (-0.6) (0) (2) (8) (10) (7) (12)

Source: Bloomberg, Dealog and IHS



**Current level and changes at daily, weekly, monthly and annual frequencies**

**Debt markets (changes in bp)**

**US Treasury**  
 US 2-yr 0.71 (-2) (-9) (-4) (34)  
 US 5-yr 1.12 (-4) (-13) (-11) (64)  
 US 10-yr 1.81 (-3) (-7) (-14) (46)  
 Japan 10-yr -0.16 (-2) (-6) (-4) (-42)  
 GER 2-yr -0.55 (-1) (-1) (-4) (-21)  
 GER 5-yr -0.43 (-2) (-9) (-7) (-39)  
 GER 10-yr -0.20 (-6) (-1) (-1) (-41)  
 Belgium 10-yr 0.42 (-7) (-4) (-10) (-32)  
 France 10-yr 0.41 (-7) (-5) (-10) (-58)  
 Greece 10-yr 7.88 (-26) (-47) (-34) (-48)  
 Ireland 10-yr 6.77 (-7) (-3) (-3) (-9)  
 Italy 10-yr 1.46 (-7) (-1) (-5) (-34)  
 Netherlands 10-yr 2.28 (-1) (-5) (-12) (-54)  
 Portugal 10-yr 3.22 (-2) (-2) (-1) (-7)  
 Spain 10-yr 1.5 (0) (-2) (-12) (-27)

**Emerging Markets**

Brazil 10-yr 12.65 (-1) (20) (49) (-387)  
 Chile 10-yr 4.17 (0) (4) (13) (-6)  
 Colombia 10-yr 7.94 (-1) (5) (-1) (-13) (-72)  
 Mexico 10-yr 6.14 (-7) (-2) (25) (-12)  
 Peru 10-yr 6.11 (3) (3) (-10) (-119)  
 Poland 10-yr 3.18 (7) (2) (17) (-24)  
 Russia 5-yr 8.83 (0) (-4) (-1) (-16)  
 Russia 10-yr 8.65 (0) (-14) (20) (-90)  
 Turkey 10-yr 9.55 (10) (26) (-75) (-92)  
 India 10-yr 7.52 (3) (5) (10) (-24)  
 Indonesia 10-yr 7.44 (-1) (-16) (-16) (-111)

**Country risk (changes in bp)**

**Investment Grade**

10-yr sovereign spreads (against Germany)  
 Belgium 42 (2) (2) (8)  
 France 38 (2) (2) (8)  
 Greece 781 (34) (53) (56) (16)  
 Ireland 79 (3) (3) (22)  
 Italy 143 (7) (3) (8) (6)  
 Netherlands 23 (1) (0) (-2) (7)  
 Portugal 202 (11) (8) (-8) (12) (13)  
 Spain 148 (7) (4) (1) (34)

**Syri sovereign**

10-yr sovereign spreads (against Germany)  
 Belgium 19 (2) (1) (2) (2)  
 France 24 (1) (1) (4) (12)  
 Greece 1646 (0) (0) (0) (0)  
 Ireland 39 (2) (3) (2) (13)  
 Italy 92 (7) (0) (17) (0)  
 Netherlands 19 (1) (18) (3) (20) (18)  
 Portugal 245 (12) (10) (10) (134)  
 Spain 87 (6) (4) (1) (25)

**2-yr sovereign**

2-yr sovereign spreads (against Germany)  
 Belgium 5 (0) (1) (1) (1)  
 France 11 (0) (2) (1) (3) (8)  
 Ireland 18 (1) (0) (2) (4)  
 Italy 55 (4) (0) (0) (23)  
 Netherlands 7 (1) (4) (5) (15)  
 Portugal 117 (7) (13) (2) (172)  
 Spain 54 (6) (9) (9) (19)

**Credit risk**

**Bank indicators (changes in percentage except for BAA spreads, bp)**

VIX 19.84 (1.2) (0.2) (4.4) (9) (1)  
 VSTOXX 34.36 (1.7) (4.2) (9) (45) (6) (12)  
 EM EFT volatility index 28 (15) (3) (18) (0)  
 Dollar Euro volatility 12.5 (4) (1) (2) (8) (5) (20)  
 EM FX volatility index 11 (1) (0) (0) (6)  
 Credit spread (BAA) 291.9 (2) (6) (5) (-1) (-31)  
 US bonds volatility index 75 (0) (13) (17) (11)

**Interbank markets (changes in bp)**

LEM OIS spread 3m 9 (0) (0) (0) (-2)  
 LEM OIS spread 12m 27 (0) (0) (1) (1) (0)  
 LEM TED spread 3m 36 (0) (0) (0) (-5) (-5)  
 US OIS spread 3m 27 (1) (0) (2) (4)  
 US OIS spread 12m 79 (1) (0) (0) (22)  
 US TED spread 3m 41 (-1) (0) (1) (-4)  
 Spain Ted Spread 3m -4 (-6) (-8) (-1) (-8) (-8)  
 EONIA Index -0.33 (0) (0) (2) (1) (-20)  
 Euribor 3m -0.26 (0) (-6) (-1) (-1) (-15)  
 Euribor 12m -0.02 (0) (0) (-1) (-8)  
 Libor 3m 0.65 (0) (-1) (2) (4)  
 Libor 12m 1.27 (0) (-1) (5) (15)

**Stock markets (Changes in percentage)**

**Main equity indices**

S&P500 2086.81 (4) (-1) (1) (1) (1)  
 Dow Jones 17896.3 (-2) (-3) (4) (6) (5) (2)  
 Nikkei 16976.2 (-2) (-3) (-4) (-6) (-16)  
 FTSE 100 6645 (-2) (-1) (-8) (-1) (-1)  
 EuroStoxx 50 2853.5 (-2) (-4) (-9) (-2) (-8)  
 IBSXBRX80 (-2) (-2) (-9) (-1) (-13)  
 DAX 9657.4 (-1) (-4) (-6) (-2) (-16)  
 CASDAQ27 (1) (4) (-1) (-5) (-5)  
 MB 16621.9 (-2) (-9) (-5) (-5) (-22)  
 AEX Athens 534 (-3) (-8) (-7) (-4) (-6)

**Bank stocks**

US banks 80.4 (-4) (-4) (-4) (-1) (-16)  
 JPM 63.7 (-3) (-3) (-3) (-1) (-4)  
 Cit 41.6 (-4) (-4) (-4) (-2) (-8)  
 Bk of Am 13.8 (-6) (-6) (-3) (-2) (-8)  
 MS 25.4 (-4) (-5) (-3) (-2) (-2)  
 GS 149.4 (-4) (-4) (-5) (-1) (-17)  
 HSB 430.9 (-0.7) (-3.9) (-1.7) (-20)  
 RBS 216.1 (-1) (-7) (-7) (-1) (-26)  
 Banters 195.2 (-2) (-3) (-3) (-4) (-25)  
 Lloyds 64.2 (-4) (-2) (-7) (-1) (-12)  
 EMU banks 74.5 (-3.9) (-3.9) (-7.3) (-31)  
 BNP 43 (2) (0) (2) (-1) (-8)  
 Credit Agricole 7.9 (-3) (-3) (-8) (-4) (-27)  
 Deutsche Bank 13.4 (-3) (-3) (-5) (-5) (-27)  
 ING 10 (-3) (-3) (-8) (-3) (-20)  
 Intesa 3 (-5) (-5) (-1) (-1) (-2) (-8)  
 SG 31.6 (-3) (-3) (-18) (-3) (-4) (-26)  
 Unicredit 2.3 (-5) (-3) (-2) (-2) (-16)

**Large Spanish banks**

BBVA 5.2 (-3) (-5) (-10) (-6) (-24)  
 Masdum Spanish banks 61 (-2.5) (-2.4) (-8.4) (-8) (-1)  
 Caixabank 2.1 (-2) (-1) (-1) (-1) (-1) (-30)  
 Pegasus 1.4 (-2) (-2) (-9) (-2) (-4) (-49)  
 Sabadell 1.4 (-2) (-2) (-9) (-2) (-4) (-49)  
 Bankinter 6.1 (-2) (-2) (-8) (-3) (-1) (-7)  
 Bankia 0.7 (-4) (-5) (-11) (-4) (-13)  
 Greek banks 3.5 (-7) (-13) (-7) (-3) (-22)  
 Alpha Bank 2 (-6) (-9) (-11) (-8) (-11) (-19)  
 Piraeus Bank 2 (-5) (-8) (-9) (-2) (-2) (-28)  
 National Central Bank 2 (-10) (-4) (-20) (-6) (-26) (-35)  
 Eurobank Ergasias 0 (-6) (-6) (-15) (-1) (-23) (-9)

**Emerging Markets**

**Main equity indices**

MSCI Latin 6479 (-2) (-2) (-1) (-8) (-4) (-8)  
 Bovespa (Brazil) 43771 (-1) (-1) (-2) (-1) (-7) (-13)  
 Merval 44748 (-1) (-2) (-2) (-1) (-4)  
 MSCI EM Europe 4419 (-1) (-9) (-9) (-9) (-1) (-9)  
 Poland 1780 (-1) (-1) (-1) (-2) (-4)  
 Mexico (Russia) 1984 (-6) (-6) (-6) (-1) (-8)  
 Ise 100 (Turkey) 7658 (-5) (-5) (-2) (-2) (-2) (-8)  
 MSCI EM Asia 651 (-0) (-5) (-3) (-3) (-5) (-1)  
 Shanghai Composite (China) 2833 (-3) (-3) (-3) (-4) (-1) (-20)  
 Jakarta Composite (Indonesia) 4887 (-4) (-6) (-1) (-8) (-1) (-5)

**Bank stocks**

Turkish banks 78 (-0.5) (-2) (-6) (-5) (-6) (-2)  
 Akbank T.A.S. 8 (0) (-1) (-1) (-1) (-1) (-16)  
 Garanti 7 (-2) (-2) (-2) (-4) (-5)  
 Turkey Is Bankasi 4 (-0.7) (-2) (-4) (-4) (-4)  
 Russian banks 176 (0) (-1) (-2) (-8) (-7)  
 Sberbank 134 (0) (-4) (-1) (-1) (-1) (-1)  
 VTB Bank 0 (-1) (-1) (-1) (-1) (-1) (-8)

**Currencies (in percentage, positive for dollar depreciation)**

EURUSD 1.129 (-0.2) (-0.6) (-0.8) (-0.9)  
 GBPUSD 1.42 (-0.2) (-0.1) (-0.1) (-1) (-1)  
 USDJPY 106.16 (-0.76) (-1.1) (-1.2) (-0.9) (-1.7)  
 DXY 94.42 (-0.2) (-0.6) (-0.6) (-0.3)

**Commodity prices**

USDARS (Argentina) 13.78 (0) (0) (2) (8) (6.5)  
 USDRB (Brazil) 2.46 (-1) (-1) (-1) (-1) (-1) (-12)  
 USDCNY (China) 66.81 (0) (1) (1) (1) (1) (1)  
 USDCOP (Colombia) 2964.18 (-0.4) (-1) (-1) (-1) (-1) (-1)  
 USDMX (Mexico) 18.81 (0) (0) (0) (1) (1) (1)  
 USDPCH (Peru) 3.32 (0) (-2) (-6) (-6) (-6) (-6)  
 LACSI (0) (-7) (0) (1) (1) (1)  
 USDRN (Poland) 3.91 (-0.6) (-1) (-1) (-1) (-1) (-1)  
 USDRB (Russia) 62.75 (-0.4) (-0.4) (-0.7) (-1) (-1) (-1)  
 USDRY (Turkey) 2.32 (-0.4) (-0.4) (-0.4) (-0.4) (-0.4) (-0.4)  
 USDCNY (China) 6.59 (-0.4) (-0.4) (-0.3) (-1) (-1) (-1)  
 USDRIN (India) 87.14 (-0.6) (-0.2) (-0.8) (-1) (-1) (-1)  
 USDRID (Indonesia) 1209 (0) (0) (0) (0) (0) (0)  
 ADRY 165.85 (0) (-2) (-3) (-4) (-3) (-3)

**Commodities (change in percentage)**

Brent 52.19 (-0.7) (-0.7) (-4) (-4) (-34)  
 VIX 48.72 (-0.7) (-1) (-1) (-4) (-3) (-1)  
 Copper 206.1 (-1) (-1) (-2) (-2) (-2) (-2)  
 Gold 1202.80 (0) (0) (1) (1) (1) (1)  
 Baltic Dry Index 670 (0) (0) (0) (0) (0) (0)  
 S&P GSCI Spot Commodity Index 381.364 (-1.7) (-1.9) (-5) (-6) (-23)  
 S&P GSCI Brent Spot 433.289 (-2) (-2) (-2) (-2) (-2) (-2)  
 S&P GSCI Metals Spot 298.202 (0) (0) (0) (0) (0) (0)  
 S&P GSCI Agricultural Spot 332.268 (-0.6) (-0.6) (-0.6) (-0.6) (-0.6) (-0.6)

Source: Bloomberg, Datastream and IHS

CDS, EMBI & MSCI indices with one day delay

\*\*Credit spread (BAA) with two days delay

\*\*\*S&P GSCI with one day delay

#### DISCLAIMER

This document and the information, opinions, estimates and recommendations expressed herein, have been prepared by Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter called "BBVA") to provide its customers with general information regarding the date of issue of the report and are subject to changes without prior notice. BBVA is not liable for giving notice of such changes or for updating the contents hereof.

This document and its contents do not constitute an offer, invitation or solicitation to purchase or subscribe to any securities or other instruments, or to undertake or divest investments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

Investors who have access to this document should be aware that the securities, instruments or investments to which it refers may not be appropriate for them due to their specific investment goals, financial positions or risk profiles, as these have not been taken into account to prepare this report. Therefore, investors should make their own investment decisions considering the said circumstances and obtaining such specialized advice as may be necessary. The contents of this document are based upon information available to the public that has been obtained from sources considered to be reliable. However, such information has not been independently verified by BBVA and therefore no warranty, either express or implicit, is given regarding its accuracy, integrity or correctness. BBVA accepts no liability of any type for any direct or indirect losses arising from the use of the document or its contents. Investors should note that the past performance of securities or instruments or the historical results of investments do not guarantee future performance.

The market prices of securities or instruments or the results of investments could fluctuate against the interests of investors. Investors should be aware that they could even face a loss of their investment. Transactions in futures, options and securities or high-yield securities can involve high risks and are not appropriate for every investor. Indeed, in the case of some investments, the potential losses may exceed the amount of investment and, in such circumstances; investors may be required to pay more money to support those losses. Thus, before undertaking any transaction with these instruments, investors should be aware of their operation, as well as the rights, liabilities and risks implied by the same and the underlying stocks. Investors should also be aware that secondary markets for the said instruments may be limited or even not exist.

BBVA or any of its affiliates, as well as their respective executives and employees, may have a position in any of the securities or instruments referred to, directly or indirectly, in this document, or in any other related thereto; they may trade for their own account or for third-party account in those securities, provide consulting or other services to the issuer of the aforementioned securities or instruments or to companies related thereto or to their shareholders, executives or employees, or may have interests or perform transactions in those securities or instruments or related investments before or after the publication of this report, to the extent permitted by the applicable law.

BBVA or any of its affiliates' salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to its clients that reflect opinions that are contrary to the opinions expressed herein. Furthermore, BBVA or any of its affiliates' proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. No part of this document may be (i) copied, photocopied or duplicated by any other form or means (ii) redistributed or (iii) quoted, without the prior written consent of BBVA. No part of this report may be copied, conveyed, distributed or furnished to any person or entity in any country (or persons or entities in the same) in which its distribution is prohibited by law. Failure to comply with these restrictions may breach the laws of the relevant jurisdiction.

In the United Kingdom, this document is directed only at persons who (i) have professional experience in matters relating to investments falling within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (as amended, the "financial promotion order"), (ii) are persons falling within article 49(2) (a) to (d) ("high net worth companies, unincorporated associations, etc.") Of the financial promotion order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the financial services and markets act 2000) may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The remuneration system concerning the analyst/s author/s of this report is based on multiple criteria, including the revenues obtained by BBVA and, indirectly, the results of BBVA Group in the fiscal year, which, in turn, include the results generated by the investment banking business; nevertheless, they do not receive any remuneration based on revenues from any specific transaction in investment banking.

BBVA is not a member of the FINRA and is not subject to the rules of disclosure affecting such members.

"BBVA is subject to the BBVA Group Code of Conduct for Security Market Operations which, among other regulations, includes rules to prevent and avoid conflicts of interests with the ratings given, including information barriers. The BBVA Group Code of Conduct for



Security Market Operations is available for reference at the following web site: [www.bbva.com / Corporate Governance](http://www.bbva.com / Corporate Governance)".

BBVA is a bank supervised by the Bank of Spain and by Spain's Stock Exchange Commission (CNMV), registered with the Bank of Spain with number 0182.