

Market Comment | Bond yields soared while Brexit concerns were rekindled this week

Global Financial Markets Unit
07 Oct 2016

- **Today's release of payroll data was slightly down on market expectations** (156K, 175K consensus) but August's data was revised upwards (167K vs 151K). September's job gains still remains solid, while the unemployment rate inched upwards to 5% (4.9% previous month), due to an increase in the labor force participation. Moreover, average hourly earnings increased according to expectations (2.6%YoY, prior 2.4%YoY).
- Lingering "hard" Brexit concerns rekindled. **The depreciation of the GBP during the week (-4% against the USD) is close related to the clarification of the Brexit strategy by PM May** and her intervention at her party's conference. The UK will trigger the process by invoking article 50 of the EU Treaty by March 2017 but, more importantly, will prioritise immigration controls over taking part in the single market. This has been interpreted as a "hard Brexit" option, which might have a stronger negative impact of British GDP in the long term. In addition, the announcement by the UK government of restrictive measures on immigration and the reaction to Mrs May's announcements by the French and German leaders have also contributed to the perception that a hard Brexit is more likely.
- **Financial markets started the week by easing the previous negative sentiment somewhat.** First, fading concerns about Deutsche Bank (+4.8%), as news suggested that the bank could settle on a lower fine from the US Department of Justice. According to media, the bank has been exploring alternatives to avoid a bailout to reinforce its capital position, if needed. In addition, the oil prices rebound, on the back of last month's OPEC deal, also contributed to extending the positive mood and increasing moderately **market-based inflation expectations both in the US and the EZ during the week** (+11 bps and +3 bps respectively), although they still remain at very low levels.
- In the US, sustained gains in employment and positive ISM confidence data, in combination with hawkish comments from Fed officials, contributed to US's **rate hike expectations which inched up during the week** (from 60% to 64% for a December hike). In this context, the US curve inched up during the week (10YUS +15 bps). EZ sovereign yields also increased during the week, amid **rumors about "building consensus" within the ECB to taper QE**. However, the **ECB minutes** did not mention this possibility at all and, instead, revealed the ongoing concerns on inflation and the need to proceed with full implementation of QE in a smooth manner. Portugal and the UK's debt were under pressure: they were the standout performers. Portugal's yields soared (10YPOR +27 bps) after DBRS's warning about the "vicious cycle of high debt and low growth", ahead of its rating decision on October 21st, while in the UK, "hard Brexit" concerns affected government bond yields (10YUK +24 bps) to some extent, but particularly to the pound.
- **Having said that, despite some volatility, in the equity markets it remained almost unchanged during the week** (Eurostoxx50 -0.1%). Nonetheless, the banking sector outperformed (EZ banks +4.2%, US banks +3.1%, UK banks 2.4%) in the week, probably favored by higher bond yields. In the US, stock

prices were also little changed (S&P500 -0.6%), hovering around historically high levels, while China remained closed during the week.

- On the other hand, lingering “hard” Brexit concerns were rekindled after British Prime Minister said that the UK would trigger Article 50 in March 2017. UK markets suffered across the board during the week. On FX markets, apart from the GBP, that today in the span of just two minutes **plunged more than 6% against the USD to \$1.18** sending it to the lowest level in 31 years, although partially recovered afterwards, **the USD appreciated as investors focused on the Fed monetary policy path.** The stronger dollar meant that EM currencies depreciated during the week (PLN -0.3%, MXN +0.6%, CLP -1.8%, TRY -1.8%, COP -1%), despite the upward trend in oil prices (+7%).

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Table 1

Debt markets (10Y, % change in bp)					
	level	Daily	Weekly	Monthly	YTD
Developed Markets					
US (2-yr)	0.85	0.3	9.0	12	29
US	1.75	0.9	15.2	21	52
GER (2-yr)	0.67	0.2	1.4	0	-32
Germany	0.02	3.7	13.8	14	-61
France	0.31	3.0	12.8	15	-67
Spain	1.02	1.0	13.9	9	-75
Italy	1.38	3.6	15.0	30	-22
Portugal	3.60	8.4	26.7	62	108
Greece	8.32	4.6	3.7	8	3
Japan (2-yr)	0.27	0.2	1.4	8	-26
Japan	0.06	3.0	-1.1	-32	-32
Emerging Markets					
Brazil	11.45	3.3	13.4	54	506
Chile	4.24	0.7	6.9	-12	-42
Colombia	7.19	-0.2	18.2	20	-147
Mexico	6.09	0.5	4.4	31	-17
Peru	5.77	0.0	0.0	12	-154
Poland	3.04	2.3	12.0	28	10
Russia	8.23	0.6	7.2	23	-132
Turkey	9.45	0.0	-4.0	14	-102
India	7.48	-2.5	-3.1	0	-17
Indonesia	7.11	5.7	5.3	23	-163
Country risk (bp, change in bp)					
Developed Markets					
10-yr sovereign spread vs Germany					
France	30	-0.7	1.0	1	-6
Italy	136	-0.1	5.2	16	39
Portugal	358	4.7	12.9	48	169
Spain	100	-2.7	0.1	-5	-14
2-yr sovereign spread vs Germany					
France	5	-0.3	0.6	1	2
Italy	58	0.4	0.7	3	26
Portugal	108	2.0	-1.0	-5	63
Spain	46	0.4	-1.0	-3	11
Emerging Markets					
5-yr sovereign CDS *					
Brazil	266	-3	-8	20	-225
Chile	88	0	-1	15	-39
Colombia	178	2	6	17	-61
Mexico	158	-3	-14	25	-12
Peru	103	1	-1	-4	-83
Venezuela	2,984	31	-344	-1,297	-3,059
Poland	72	2	-3	1	0
Russia	219	1	10	16	-83
Turkey	244	-2	-19	7	-29
China	105	0	0	10	-3
India	137	0	0	9	-11
Indonesia	148	-1	-5	10	-78
Risk indicators					
Volatility indicators (%)					
VIX	13	3.7	0	11	-5
VSTOXX	20	5.1	2	9	-2
EM EFT volatility index	23	-0.1	2	15	2
Dollar/euro volatility	8	1.9	19	11	-16
EM FX volatility index	10	0.3	-2	7	-11
Credit spread (BAA/Baa)	262	0.7	-6	-3	-61
US bonds volatility index	64	2.7	6	0	-5
Banking 5y CDS (bps) *					
US	80	-0.7	-6	8	5
EZ	120	0.2	-8	14	36
UK	104	-1.2	1	21	27
Large Spanish	128	-2.2	5	17	-9
Medium Spanish	153	-0.9	-6	6	-4
Corporate 5y CDS (bps) *					
US Non-financial	199	-0.7	-6	8	5
UK Non-financial	108	0.2	-3	14	36
EZ Non-financial	141	2.0	2	-3	-51
Interbank markets (% change in bp)					
EONIA Index	0.35	0.00	0.0	0.0	-0.2
Euribor 3m	-0.30	0.00	0.0	0.0	-0.2
Euribor 12m	-0.06	0.00	0.0	0.0	-0.1
Libor 3m	0.87	0.00	0.0	0.0	0.3
Libor 12m	1.58	0.00	0.0	0.0	0.4
EZ TED spread 3m	51.4	1.40	1.7	1.4	10.6
Stock markets (%)					
Asian indices					
S&P500	2,155	-0.3	-0.6	-11	5
Dow Jones	18,238	-0.2	-0.4	-2	5
Nikkei	16,860	-0.2	2.5	-1	-11
FTSE 100	7,039	0.6	2.0	3	13
EuroStoxx 50	3,090	0.7	0.1	3	8
HKEX	6,628	-1.5	-1.7	-4	-10
DAX	10,487	0.8	0.2	-2	-2
CAC	4,451	-0.6	0.1	-2	-4
IBEX	16,419	0.4	0.1	5	-23
ASE Athens	577	0.5	2.1	0	-9
MSCI Latam *	73,344	0.2	2.0	0	24
Bovespa (Brazil)	60,948	0.5	4.4	1	41
MoBIEX	47,655	-0.6	0.9	1	11
MSCIEM Europe *	4,493	0.2	0.2	-2	6
Poland	1,752	-0.6	2.5	-3	-16
Mircex (Russia)	1,980	0.2	0.1	4	12
Ise 100 (Turkey)	77,976	0.1	1.9	0	9
MSCIEM Asia *	731	0.4	0.8	0	11
Shanghai Com (China)	3,005	0.0	0.0	-3	-15
Jakarta (Indonesia)	5,377	-0.8	-1.0	0	17
Banking sector					
US banks					
JPM	68.1	0.3	2.2	1	3
Citi	49.2	0.2	4.1	4	5
BofA	16.2	-0.4	3.3	3	-4
MS	32.3	-0.4	0.6	2	1
GS	168.3	0.7	4.4	11	7
EZ banks					
BNP	49.2	1.3	7.5	5	-6
Credit Agricole	9.1	-0.3	3.5	5	-16
Deutsche Bank	12.1	0.8	4.8	-6	-46
ING	11.2	-0.4	2.3	-1	-10
Intesa	2.0	-0.3	1.4	-7	-35
SG	32.7	0.4	6.4	1	-23
Unicredit	2.1	-0.5	2.8	-9	-59
UK banks					
HSC	72.0	-0.7	2.4	0	-18
RBS	617.9	2.5	6.8	9	15
RIB	181.8	-2.0	1.7	-8	-40
Bancays	172.9	-0.8	3.0	2	-21
Lloyds	52.6	-4.3	-3.5	-9	-28
Large Spanish banks					
Santander	62.9	1.3	0.7	-4	-17
Santander	4.0	-2.0	0.6	-4	-13
BBVA	5.4	-0.7	0.7	-4	-20
Medium Spanish banks					
Casabank	59.8	-0.7	2.5	-3	-27
Populär	2.4	0.3	5.8	-3	-26
Populär	1.1	-0.2	1.5	-8	-59
Sabadell	69.0	-0.7	0.7	-4	-20
Banque	1.1	-2.2	0.2	7	-29
Banque	6.5	-0.7	2.3	-2	-1
Currencies (% net for currency depreciation)					
Developed					
EURUSD	1.12	0.2	0.6	0.6	2
GBPUSD	1.25	-1.3	-4.0	-6.7	-15
USDJPY	103.22	0.7	-1.8	-1.5	14
DDX	96.05	0.1	-1.2	-1.8	2
Emerging					
USDARS (Argentina)	15.22	0.0	0.6	-1.1	-18
USDZAR (Brazil)	3.22	0.3	1.4	-0.7	19
USDCLP (Chile)	660.90	-0.3	-1.8	-1.1	6
USDCOP (Colombia)	2912	0.4	-0.1	-1.8	8
USDMXN (Mexico)	19.27	-0.2	0.6	-4.9	-12
USDPEN (Peru)	3.41	0.0	-0.7	-1.3	0
USDPLN (Poland)	64.39	0.1	0.6	-2.2	3
USDPLN (Poland)	3.83	0.1	-0.3	0.2	2
USD RUB (Russia)	62.04	0.1	1.3	3.4	14
USDTRY (Turkey)	3.05	-0.5	-1.8	-4.0	-5
USDCNY (China)	6.67	0.0	0.0	-1.1	-3
USDINR (India)	66.69	0.0	-0.1	-0.5	-1
USDIDR (Indonesia)	12,989	0.0	0.4	0.7	6
ADXY	107.0	0.1	-0.4	-0.8	0
Commodities (%)					
Brent	52.4	-0.2	6.8	9	41
WTI	50.3	-0.2	4.3	11	36
Copper	217	0.9	-1.6	4	2
Gold	1,255	0.0	-4.6	-7	18
S&P Spot commodity *	373	0.3	2.3	6	20
S&P Brent Spot *	447	1.3	4.6	9	39
S&P Metals Spot *	279	-0.3	-1.6	3	10
S&P Agricultura *	294	-1.7	-0.2	1	4

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Emerging Markets					
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Risk indicators					
Volatility indicators (%)					
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UK Non-financial	141	2.0	2	-3	-51
Interbank markets (% changes in bps)					
level	Daily	Weekly	Monthly	YTD	
EONIA Index	-0.35	0.00	0.0	0.0	-0.2
Eurobor 3m	-0.30	0.00	0.0	0.0	-0.2
Eurobor 12m	0.06	0.0	0.0	0.0	-0.1
Libor 3m	0.87	0.00	0.0	0.0	0.3
Libor 12m	1.58	0.00	0.0	0.0	0.4
EZ TED spread 3m	51.4	1.40	1.7	1.4	10.6
Stock markets (%)					
level	Daily	Weekly	Monthly	YTD	
Main indices					
S&P500	2,155	-0.3	-0.6	-1	5
Dow Jones	18,238	-0.2	-0.4	-2	5
Nikkei	16,860	-0.2	2.5	-1	-11
FTSE 100	7,039	0.6	2.0	3	13
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MBI	16,419	-0.4	0.1	-5	-23
ASE Athens	577	0.5	2.1	0	9
MSCI Latam *	73,344	0.2	2.0	0	24
Bovespa (Brazil)	60,948	0.5	1.4	1	-41
Moedol	47,655	-0.6	0.9	1	11
MSCI EM Europe *	4,493	0.2	0.2	2	6
Poland	1,752	-0.6	2.5	-3	-6
Moscú (Russia)	1,980	-0.2	0.1	-4	-12
Ise 100 (Turkey)	77,976	0.1	1.9	0	9
MSCI EM Asia	731	0.4	0.8	0	11
Shanghai Com (China)	3,005	0.0	0.0	-3	-15
Jakarta (Indonesia)	5,377	-0.8	-1.0	0	17
Banking sector					
level	Daily	Weekly	Monthly	YTD	
US banks					
JPM	87.0	0.0	3.1	2	7
Citi	68.1	0.3	2.2	1	3
BoA	49.2	0.2	4.1	4	-5
MS	16.2	0.4	3.3	3	-4
GS	32.3	-0.4	0.6	2	1
Wells Fargo	168.3	0.7	4.4	-1	-7
EZ banks	79.0	0.2	4.2	-1	-27
BNP	49.2	1.3	7.5	5	-6
Credit Agricole	9.1	-0.3	3.5	5	-16
Deutsche Bank	12.1	0.8	4.8	6	-46
ING	11.2	-0.4	2.3	-1	-10
Intesa	2.0	-0.3	1.4	7	-35
SG	32.7	0.4	6.4	1	-23
Unicredit	2.1	-0.5	2.8	-9	-59
UK banks	72.0	0.7	2.4	0	18
HSBC	617.9	2.5	6.8	9	15
RBS	181.8	-2.0	1.7	-8	-40
Barclays	172.9	-0.8	3.0	2	21
Lloyds	52.6	-4.3	-3.5	-9	-28
Large Spanish banks	62.9	-1.3	0.7	-4	-17
Santander	4.0	-2.0	0.6	-4	-13
BBVA	5.4	-0.7	0.7	-4	-20
Medium Spanish banks	59.3	-0.7	2.5	-3	-27
Cabobank	2.4	0.3	5.8	-3	-26
Popular	1.1	-0.2	1.5	-8	-59
Sabadell	69.0	-0.7	0.7	-4	-20
Bankinter	1.1	2.2	0.2	7	-29
Bankia	6.5	-0.7	2.3	-2	-1
Currencies (% net for currency depreciation)					
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD					
EURUSD	1.12	0.2	-0.6	-0.6	3
GBPUSD	1.25	-1.3	-4.0	-6.7	-15
USDJPY	103.22	0.7	-1.8	-1.5	14
DXU	96.65	-0.1	1.2	-1.8	-2
Emerging					
level	Daily	Weekly	Monthly	YTD	
USDARS (Argentina)					
USDARS (Argentina)	15.22	0.0	0.6	-1.1	-18
USDBRL (Brazil)					
USDBRL (Brazil)	3.22	0.3	1.4	0.7	19
USDCLP (Chile)					
USDCLP (Chile)	608.90	-0.3	-1.8	-1.1	6
USDCOP (Colombia)					
USDCOP (Colombia)	2912	-0.3	6.0	-1.8	8
USDMXN (Mexico)					
USDMXN (Mexico)	19.27	-0.2	0.6	-4.9	-12
USDPEN (Peru)					
USDPEN (Peru)	3.41	0.0	-0.7	-1.3	0
LACI					
LACI	64.39	0.1	0.6	-2.2	3
USDPLN (Poland)					
USDPLN (Poland)	3.83	0.1	-0.3	0.2	2
USD RUB (Russia)					
USD RUB (Russia)	62.04	0.1	1.3	3.4	14
USDTRY (Turkey)					
USDTRY (Turkey)	3.05	-0.5	-1.8	-4.0	-5
USDCNY (China)					
USDCNY (China)	6.67	0.0	0.0	0.1	-3
USDINR (India)					
USDINR (India)	66.69	0.0	-0.1	-0.5	-1
USDIDR (Indonesia)					
USDIDR (Indonesia)	12,989	0.0	0.4	0.7	6
ADXY	107.0	0.1	-0.4	-0.8	0
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
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Brent	52.4	-0.2	6.8	9	41
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Copper	217	0.9	-1.6	4	2
Gold	1,255	0.0	-4.6	-7	18
S&P Spot commodity *	373	-0.3	2.3	6	20
S&P Brent Spot *	447	1.3	4.6	9	-39
S&P Metals Spot *	279	-0.3	-1.6	3	10
S&P Agricultural *	294	-1.7	-0.2	1	4

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Germany	0.02	3.7	13.8	14	-61
France	0.31	3.0	12.8	15	-67
Spain	1.02	1.0	13.9	9	-75
Italy	1.38	3.6	19.0	30	-22
Portugal	3.60	8.4	26.7	62	108
Greece	8.32	4.6	3.7	8	3
Japan (2-yr)	-0.27	0.2	1.4	8	-26
Japan	-0.06	3.0	-1.1	-32	-32
Emerging Markets	level	Daily	Weekly	Monthly	YTD
Brazil	11.45	-3.3	-13.4	-54	-506
Chile	4.24	0.7	6.9	-12	-42
Colombia	7.19	-0.2	16.2	20	-147
Mexico	6.00	-0.5	4.4	31	-17
Peru	5.77	0.0	0.0	12	-154
Poland	3.04	2.3	12.0	28	10
Russia	8.23	0.6	7.2	23	132
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India	7.48	-2.5	-3.1	0	-17
Indonesia	7.11	5.7	3.3	23	-163
Country risk (bp, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	30	-0.7	-1.0	1	6
Italy	136	-0.1	5.2	16	39
Portugal	358	4.7	12.9	48	169
Spain	100	-2.7	0.1	5	-14
2-yr sovereign spread vs Germany					
France	5	0.3	0.6	1	2
Italy	58	0.4	0.7	3	26
Portugal	108	2.0	-1.0	5	63
Spain	46	0.4	-1.0	-3	11
Emerging Markets	level	Daily	Weekly	Monthly	YTD
5-yr sovereign CDS *					
Brazil	266	-3	-8	20	-225
Chile	88	0	-1	15	-39
Colombia	178	2	6	17	-61
Mexico	158	-3	-14	25	12
Peru	103	1	-1	4	-83
Venezuela	2,984	31	-344	-1,297	-3,059
Poland	72	2	-3	0	0
Russia	219	1	10	16	-63
Turkey	244	-2	-19	7	-29
China	105	0	0	10	3
India	137	0	0	9	-11
Indonesia	148	-1	3	10	-78
Risk indicators					
Volatility indicators (%)	level	Daily	Weekly	Monthly	YTD
VIX	13	3.7	0	11	-5
VSTOXX	20	5.1	2	9	-2
EM EFT volatility index	23	-0.1	2	15	-2
Dollar/euro volatility	8	1.9	1.9	11	-16
EM FX volatility index	10	0.3	2	7	-11
Credit spread (BAA) (bps)	262	-0.7	-8	-3	-61
US bonds volatility index	64	2.7	6	0	-5
Banking by CDS (bps) *	level	Daily	Weekly	Monthly	YTD
US	80	-0.7	6	0	5
EZ	120	0.2	-3	14	36
UK	104	-1.2	1	21	27
Large Spanish	129	-2.2	-5	17	-9
Medium Spanish	153	-6.9	-6	6	-4
Corporate by CDS (bps) *	level	Daily	Weekly	Monthly	YTD
US Non-financial	199	-0.7	-6	8	5
EZ Non-financial	108	-0.2	-14	14	36
UK Non-financial	141	2.0	2	-3	-51
Interbank markets (% changes in bp)					
level	Daily	Weekly	Monthly	YTD	
EURIBOR Index	-0.35	0.00	0.0	0.0	-0.2
EURIBOR 3m	-0.30	0.00	0.0	0.0	-0.2
EURIBOR 12m	-0.06	0.00	0.0	0.0	-0.1
LIBOR 3m	0.87	0.00	0.0	0.0	0.3
LIBOR 12m	1.50	0.00	0.0	0.0	0.4
EZ TED spread 3m	51.4	1.40	1.7	1.4	10.6
Stock markets (%)					
Main indices	level	Daily	Weekly	Monthly	YTD
S&P500	2,155	-0.3	-0.6	-1	5
Dow Jones	18,238	-0.2	-0.4	-2	5
Nikkei	16,860	-0.2	2.5	-1	-11
FTSE 100	7,039	0.6	-0.0	3	13
EuroStoxx 50	3,000	-0.7	-0.1	-3	-8
IBEX	8,628	-1.5	-1.7	-4	-10
DAX	10,487	-0.8	0.2	2	2
CAC	4,451	-0.6	0.1	2	-4
MBI	16,419	0.4	0.1	5	23
ASE Athens	577	0.5	2.1	0	-9
MSCI Latam *	73,344	0.2	2.0	0	24
Ibovespa (Brazil)	60,948	0.5	4.4	1	41
Moody's	47,655	-0.6	0.9	1	11
MSCI EM Europe *	4,493	0.2	0.2	-2	6
Poland	1,752	-0.6	2.5	-3	-6
Mex (Russia)	1,980	-0.2	0.1	-4	12
hs 100 (Turkey)	77,976	0.1	1.9	0	9
MSCI EM Asia *	731	0.4	0.8	0	11
Shanghai Com (China)	3,005	0.0	0.0	-3	-15
Jakarta (Indonesia)	5,377	-0.8	-1.0	0	17
Banking sector	level	Daily	Weekly	Monthly	YTD
US banks	87.6	0.0	3.1	2	-7
JPM	68.1	0.3	2.2	1	3
Citi	49.2	0.2	4.1	4	-5
BNA	16.2	-0.4	3.3	3	-4
MS	32.3	-0.4	0.6	2	1
GS	168.3	0.7	4.4	-1	-7
EZ banks	79.0	0.2	4.2	-1	-27
BNP	49.2	1.3	7.5	5	-6
Credit Agricole	9.1	-0.3	3.5	5	-16
Deutsche Bank	12.1	0.8	4.8	6	-46
ING	11.2	-0.4	2.3	-1	-10
Intesa	2.0	-0.3	1.4	-7	-35
SG	32.7	0.4	6.4	1	23
UniCredit	2.1	-0.5	2.8	9	-59
UK banks	72.0	-0.7	2.4	0	-18
HSBC	617.9	2.5	6.8	9	15
RBS	181.8	-2.0	1.7	-8	-40
Barclays	172.9	-0.8	0.0	2	-21
Lloyds	52.6	-4.3	-3.5	-9	-28
Large Spanish banks	62.9	-1.3	0.7	-4	-17
Santander	4.0	-2.0	0.6	-4	-13
BBVA	5.4	-0.7	0.7	-4	-20
Medium Spanish banks	59.8	-0.7	2.5	-3	-27
Celabank	2.4	0.3	5.8	3	26
Popular	1.1	-0.2	1.5	-8	-59
Sabadell	69.0	-0.7	0.7	-4	-20
Bankinter	1.1	-2.2	0.2	-7	-29
Banque	6.5	-0.7	-2.3	-2	-1
Currencies (% red by currency depreciation)					
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD	1.12	0.2	-0.6	0.6	3
GBPUSD	1.25	-1.3	-4.0	6.7	15
USDJPY	103.22	0.7	-1.8	-1.5	14
DXY	96.65	0.1	-1.2	-1.8	2
Emerging	level	Daily	Weekly	Monthly	YTD
USDARS (Argentina)	15.22	0.0	0.5	-1.1	-18
USDRL (Brazil)	3.22	0.3	1.4	0.7	19
USDCJP (China)	668.90	-0.3	-1.8	-1.1	6
USDCOP (Colombia)	2912	-0.3	-1.0	1.8	8
USDMMW (Mexico)	19.27	-0.2	0.6	-4.8	-12
USDPEN (Peru)	3.41	0.0	-0.7	1.3	0
LACI	64.39	0.1	0.5	-2.2	3
USDPLN (Poland)	3.83	0.1	-0.3	0.2	2
USDRLB (Russia)	62.04	0.1	1.3	3.4	14
USDTRY (Turkey)	3.05	-0.5	-1.8	-4.0	-5
USDCNY (China)	6.67	0.0	0.0	-0.1	-3
USDINR (India)	66.69	0.0	-0.1	0.5	-1
USDIDR (Indonesia)	12,989	0.0	0.4	0.7	6
ADXY	107.0	0.1	-0.4	-0.8	0
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
Brent	52.4	-0.2	6.8	9	41
WTI	50.3	-0.2	4.3	11	36
Copper	217	0.9	1.6	4	2
Gold	1,255	0.0	-4.6	-7	18
S&P Spot commodity *	373	0.3	2.3	6	20
S&P Brent Spot *	447	1.3	4.6	9	39
S&P Metals Spot *	279	-0.3	-1.6	3	10
S&P Agricultural *	294	-1.7	-0.2	1	4

Debt markets (10Y %, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US 10-yr	0.85	0.1	9.0	12	20
US	1.75	0.9	15.2	21	52
GER 10-yr	-0.67	0.2	1.4	0	-32
Germany	0.02	3.7	13.8	14	-61
France	0.31	3.0	12.8	15	-67
Spain	1.02	1.0	13.9	9	-75
Italy	1.38	3.6	19.0	30	-22
Portugal	3.60	8.4	26.7	62	108
Greece	8.32	4.6	3.7	8	3
Japan (2-yr)	-0.27	0.2	1.4	8	-26
Japan	-0.06	3.0	-1.1	-32	-32
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
Brazil	11.45	-3.3	-13.4	-54	-506
Chile	4.24	0.7	6.9	-12	-42
Colombia	7.19	-0.2	16.2	20	-147
Mexico	6.00	-0.5	4.4	31	-17
Peru	5.77	0.0	0.0	12	-154
Poland	3.04	2.3	12.0	28	10
Russia	8.23	0.6	7.2	23	132
Turkey	9.45	0.0	-4.0	14	-102
India	7.48	-2.5	-3.1	0	-17
Indonesia	7.11	5.7	3.3	23	163
Country risk (bp, changes in bp)					
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France	5	0.3	0.6	1	2
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Portugal	108	2.0	-0.0	5	63
Spain	46	0.4	-1.0	-3	11
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
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Brazil	266	-3	-8	20	-225
Chile	88	0	-1	15	-39
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Mexico	158	-3	-14	25	12
Peru	103	1	-1	4	-83
Venezuela	2,984	31	-344	-1,297	-3,059
Poland	72	2	-3	0	0
Russia	219	1	10	16	-83
Turkey	244	-2	-19	7	-29
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Volatility indicators (%)	level	Daily	Weekly	Monthly	YTD
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US bonds volatility index	64	2.7	6	0	-5
Banking by CDS (bps) *					
level	Daily	Weekly	Monthly	YTD	
US	80	-0.7	6	0	5
EZ	120	0.2	-3	14	36
UK	104	-1.2	1	21	27
Large Spanish	129	-2.2	5	17	9
Medium Spanish	153	-6.9	-6	6	-4
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level	Daily	Weekly	Monthly	YTD	
US Non-financial	199	-0.7	-6	8	5
EZ Non-financial	108	-0.2	-3	14	36
UK Non-financial	141	-2.0	2	-3	-51
Interbank markets (% changes in bp)					
level	Daily	Weekly	Monthly	YTD	
EURIBOR Index	-0.35	0.00	0.0	0.0	0.2
EURIBOR 3m	-0.30	0.00	0.0	0.0	0.2
EURIBOR 12m	-0.06	0.00	0.0	0.0	-0.1
LIBOR 3m	0.87	0.00	0.0	0.0	0.3
LIBOR 12m	1.50	0.00	0.0	0.0	0.4
EZ TED spread 3m	51.4	1.40	1.7	1.4	10.6
Stock markets (%)					
Main indices	level	Daily	Weekly	Monthly	YTD
S&P500	2,155	-0.3	-0.6	-1	5
Dow Jones	18,238	-0.2	-0.4	-2	5
Nikkei	16,860	-0.2	2.5	-1	-11
FTSE 100	7,039	0.6	-0.0	3	13
EuroStoxx 50	3,000	-0.7	-0.1	-3	-8
IBEX	8,628	-1.5	-1.7	-4	-10
DAX	10,487	-0.8	0.2	2	2
CAC	4,451	-0.6	0.1	2	-4
MBI	16,419	0.4	0.1	5	23
ASE Athens	577	0.5	2.1	0	9
MSCI Latam *	73,344	0.2	2.0	0	24
Ibovespa (Brazil)	60,948	0.5	4.4	1	41
Mobix	47,655	-0.6	0.9	1	11
MSCIEM Europe *	4,493	0.2	0.2	2	6
Poland	1,752	-0.6	2.5	-3	-6
Mex (Russia)	1,980	-0.2	0.1	-4	12
hs 100 (Turkey)	77,976	0.1	1.9	0	9
MSCIEM Asia *	731	0.4	0.8	0	11
Shanghai Com (China)	3,005	0.0	0.0	-3	-15
Jakarta (Indonesia)	5,377	-0.8	-1.0	0	17
Banking sector					
level	Daily	Weekly	Monthly	YTD	
US banks	87.6	0.0	3.1	2	-7
JPM	68.1	0.3	2.2	1	3
Citi	49.2	0.2	4.1	4	-5
BNA	16.2	-0.4	3.3	3	-4
MS	32.3	-0.4	0.6	2	1
GS	168.3	0.7	4.4	-1	-7
EZ banks	79.0	0.2	4.2	-1	-27
BNP	49.2	1.3	7.5	5	-6
Credit Agricole	9.1	-0.3	3.5	5	-16
Deutsche Bank	12.1	0.8	4.8	-6	-46
ING	11.2	-0.4	2.3	-1	-10
Intesa	2.0	-0.3	1.4	-7	-35
SG	32.7	0.4	6.4	1	23
UniCredit	2.1	-0.5	2.8	-9	-59
UK banks	72.0	-0.7	2.4	0	-18
HSBC	617.9	2.5	6.8	9	15
RBS	181.8	-2.0	1.7	-8	-40
Barclays	172.9	-0.8	0.0	2	-21
Lloyds	52.6	-4.3	-3.5	-9	-28
Large Spanish banks	62.9	-1.3	0.7	-4	-17
Santander	4.0	-2.0	0.6	-4	-13
BBVA	5.4	-0.7	0.7	-4	-20
Medium Spanish banks	59.8	-0.7	2.5	-3	-27
Celabank	2.4	0.3	5.8	3	26
Popular	1.1	-0.2	1.5	-8	-59
Sabadell	69.0	-0.7	0.7	-4	-20
Bankinter	1.1	-2.2	0.2	-7	-29
Bankia	6.5	-0.7	-2.3	-2	-1
Currencies (% red by currency depreciation)					
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD	1.12	0.2	-0.6	0.6	3
GBPUSD	1.25	-1.3	-4.0	6.7	15
USDJPY	103.22	0.7	-1.8	-1.5	14
DXY	96.65	0.1	-1.2	-1.8	2
Emerging					
level	Daily	Weekly	Monthly	YTD	
USDARS (Argentina)	15.22	0.0	0.6	-1.1	-18
USDRL (Brazil)	3.22	0.3	1.4	0.7	19
USDCLP (Chile)	668.90	-0.3	-1.8	-1.1	6
USDCOP (Colombia)	2912	-0.3	-1.0	1.8	8
USDQW (Mexico)	19.27	-0.2	0.6	-4.8	-12
USDPEN (Peru)	3.41	0.0	-0.7	1.3	0
LACI	64.39	0.1	0.6	-2.2	3
USDPLN (Poland)	3.83	0.1	-0.3	0.2	2
USDRLB (Russia)	62.04	0.1	1.3	3.4	14
USDTRY (Turkey)	3.05	-0.5	-1.8	-4.0	-5
USDCNY (China)	6.67	0.0	0.0	-0.1	-3
USDINR (India)	66.69	0.0	-0.1	0.5	-1
USDIDR (Indonesia)	12,989	0.0	0.4	0.7	6
ADXY	107.0	0.1	-0.4	-0.8	0
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
Brent	52.4	-0.2	6.8	9	41
WTX	50.3	-0.2	4.3	11	36
Copper	217	0.9	1.6	4	2
Gold	1,255	0.0	-4.6	-7	18
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S&P Metals Spot *	279	-0.3	-1.6	3	10
S&P Agricultural *	294	-1.7	-0.2	1	4

Debt markets (10Y, %, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US 10-yr	0.85	0.1	9.0	12	20
US	1.75	0.9	15.2	21	52
GER 10-yr	-0.67	0.2	1.4	0	-32
Germany	0.02	3.7	13.8	14	-61
France	0.31	3.0	12.8	15	-67
Spain	1.02	1.0	13.9	9	-75
Italy	1.38	3.6	19.0	30	-22
Portugal	3.60	8.4	26.7	62	108
Greece	8.32	4.6	3.7	8	3
Japan (2-yr)	-0.27	0.2	1.4	8	-26
Japan	-0.06	3.0	-1.1	-32	-32
Emerging Markets	level	Daily	Weekly	Monthly	YTD
Brazil	11.45	-3.3	-13.4	-24	-506
Chile	4.24	0.7	6.9	-12	-42
Colombia	7.19	-0.2	16.2	20	-147
Mexico	6.00	-0.5	1.4	31	-17
Peru	5.77	0.0	0.0	12	-154
Poland	3.04	2.3	12.0	28	10
Russia	8.23	0.6	7.2	23	132
Turkey	9.45	0.0	-4.0	14	-102
India	7.48	-2.5	-3.1	0	-17
Indonesia	7.11	5.7	3.3	23	163
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Portugal	108	2.0	-0.0	5	63
Spain	46	0.4	-1.0	-3	11
Emerging Markets	level	Daily	Weekly	Monthly	YTD
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Brazil	266	-3	-8	20	-225
Chile	88	0	-1	15	-39
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Mexico	158	-3	-14	25	12
Peru	103	1	-1	4	-83
Venezuela	2,984	31	-344	-1,297	-3,059
Poland	72	2	-3	0	0
Russia	219	1	10	16	-63
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China	105	0	0	10	3
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Indonesia	148	-1	3	10	-78
Risk indicators					
Volatility indicators (%)					
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US Non-financial	199	-0.7	-6	8	5
EZ Non-financial	108	-0.2	-14	14	36
UK Non-financial	141	2.0	2	-3	-51
Interbank markets (% changes in bp)					
EONIA Index	-0.35	0.00	0.0	0.0	0.2
Eurobor 3m	-0.30	0.00	0.0	0.0	0.2
Eurobor 12m	-0.06	0.00	0.0	0.0	-0.1
Libor 3m	0.87	0.00	0.0	0.0	0.3
Libor 12m	1.50	0.00	0.0	0.0	0.4
EZ TED spread 3m	51.4	1.40	1.7	1.4	10.6
Stock markets (%)					
Main indices					
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MB	16,419	0.4	0.1	5	23
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Ibovespa (Brazil)	60,948	0.5	4.4	1	41
Moody's	47,655	-0.6	0.9	1	11
MSCI EM Europe *	4,493	0.2	0.2	2	5
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Banking sector					
US banks	87.6	0.0	3.1	2	-7
JPM	68.1	0.3	2.2	1	3
Citi	49.2	0.2	4.1	4	-5
BAA	16.2	-0.4	3.3	3	-4
MS	32.3	-0.4	0.6	2	1
GS	168.3	0.7	4.4	-1	-7
EZ banks	79.0	0.2	4.2	-1	-27
BNP	49.2	1.3	7.5	5	6
Crédit Agricole	9.1	-0.3	3.5	5	-16
Deutsche Bank	12.1	0.8	4.8	6	-46
ING	11.2	-0.4	2.3	-1	-10
Intesa	2.0	-0.3	1.4	-7	-35
SG	32.7	0.4	6.4	1	23
UniCredit	2.1	-0.5	2.8	9	-59
UK banks	72.0	-0.7	2.4	0	-18
HSBC	617.9	2.5	6.8	9	15
RBS	181.8	-2.0	1.7	-8	-40
Barclays	172.9	-0.8	0.0	2	-21
Lloyds	52.6	-4.3	-3.5	-9	-28
Large Spanish banks	62.9	-1.3	0.7	-4	-17
Santander	4.0	-2.0	0.6	-4	-13
BBVA	5.4	-0.7	0.7	-4	-20
Medium Spanish banks	59.8	-0.7	2.5	-3	-27
Cabobank	2.4	0.3	5.8	3	26
Popaer	1.1	-0.2	1.5	-8	-59
Sabaskil	69.0	0.7	0.7	-4	-20
Bankinter	1.1	-2.2	0.2	-7	-29
Bankia	6.5	-0.7	-2.3	-2	-1
Currencies (% red by currency depreciation)					
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD	1.12	0.2	-0.6	0.6	3
GBPUSD	1.25	-1.3	-4.0	6.7	15
USDJPY	103.22	0.7	-1.8	-1.5	14
DXY	96.65	0.1	-1.2	-1.8	2
Emerging	level	Daily	Weekly	Monthly	YTD
USDARS (Argentina)	15.22	0.0	0.6	-1.1	-18
USDRL (Brazil)	3.22	0.3	1.4	0.7	19
USDCJP (China)	668.90	-0.3	-1.8	-1.1	6
USDCOP (Colombia)	2912	-0.3	-1.0	1.8	8
USDMXN (Mexico)	19.27	-0.2	0.6	-4.8	-12
USDPEN (Peru)	3.41	0.0	-0.7	1.3	0
LACI	64.39	0.1	0.6	-2.2	3
USDPLN (Poland)	3.83	0.1	-0.3	0.2	2
USDRL (Russia)	62.04	0.1	1.3	3.4	14
USDTRY (Turkey)	3.05	-0.5	-1.8	-4.0	-5
USDCNY (China)	6.67	0.0	0.0	-0.1	-3
USDINR (India)	66.69	0.0	-0.1	0.5	-1
USDIDR (Indonesia)	12,989	0.0	0.4	0.7	6
ADXY	107.0	0.1	-0.4	-0.8	0
Commodities (%)					
Developed	level	Daily	Weekly	Monthly	YTD
Brent	52.4	-0.2	6.8	9	41
WTX	50.3	-0.2	4.3	11	36
Copper	217	0.3	1.6	4	2
Gold	1,255	0.0	-4.6	-7	18
S&P Spot commodity *	373	0.3	2.3	6	20
S&P Brent Spot *	447	1.3	4.6	9	39
S&P Metals Spot *	279	-0.3	-1.6	3	10
S&P Agricultural *	294	-1.7	-0.2	1	4

Source: Bloomberg, Datastream and Haver

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