

Market Comment | Mild moods in the financial markets, ahead of a busy week

Global Financial Markets Unit
17 Oct 2016

- **Financial markets started this eventful week with uncertainty as market-implied volatility increased across the board (VIX +2.1%, VSTOXX +6%),** that lowered risk-asset prices slightly. The monetary stance of major central banks would be one of the main drivers in financial markets: **next Thursday's ECB** monetary policy meeting along with the focus on Fed's interest rates route map, when **important FOMC members are set to speak** during the week (Fischer, Williams, Harker, Kaplan, Dudley, Tarullo) giving fresh hints on Fed's monetary policy stance (whose probabilities remain at 17% for a November hike and 66% for a December hike).
- In addition, the **last US presidential debate before the elections** (Wednesday) -even though the difference between both candidates in recent polls widened- and some **economic indicators in the US** (US inflation and housing starts) might also drive financial market performance. Investors will also pay attention to **China's economic indicators** (Q3 GDP, industrial production and housing prices), after the surprising fall in China's export data, published last week.
- In this context, the **equity prices inched down across the board**, especially in Europe (Eurostoxx50 -0.6%, Dax -0.7%, Ibex35 -0.4%) with an **outperforming banking sector** (EZ banks, +0.6%). The losses were less intense in US (S&P500 -0.1%), in the Q3 corporate earnings session. In Asia, stock prices showed mixed performances: Drops in China (Shanghai -0.7%), while in Japan shares rose (Nikkei +0.3%) after BoJ's Koruda comments on the positive outlook of Japan's economy and supportive monetary policy.
- Against this backdrop, **the trading session started with significantly higher sovereign bond yields**, led by UK government bonds that reached post-referendum highs, affected by the **"hard" Brexit concerns**. This move could respond to the sharp increase in inflation expectations (around 3.5%) due to GBP's depreciation pass-through. Nonetheless, **the rise moderated as the session progressed** (10YUK +3 bps, 10YUS -3 bps, 10YGER 0 bps, 10YFRA +1 bps), especially in European peripherals, whose risk premium decreased (SPA -1 bps, POR -4 bps).
- Under these circumstances, **USD appreciated** (the DXY index reached its highest level since March: 97.93). On the other hand, the **EM currencies showed mixed performances** (MXN +0.6%, CLP -0.1%, TRY -0.4%, COP +0.1%) despite the poor performance of oil prices (-1%) driven by higher US oil production, which rekindled concerns about oil oversupply.

Update 18:00 CET 17 October, 2016

Table 1

Debt markets (10Y, %, changes in bps)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US (2-yr)	0.81	-2.4	2.0	8	24
US	1.77	-3.0	5.0	8	50
GR (2-yr)	0.66	0.2	0.9	1	31
Germany	0.06	0.3	0.1	2	57
France	0.34	0.5	-0.4	1	65
Spain	1.12	-1.0	8.8	4	66
Italy	1.40	2.2	0.6	7	19
Portugal	3.26	-4.5	-18.2	-17	74
Green	8.44	6.4	15.4	16	15
Japan (2-yr)	0.27	0.0	0.6	-1	26
Japan	0.05	0.7	-1.4	32	32
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
Brazil	11.37	-3.4	2.5	89	514
Chile	4.22	0.0	5.5	-3	-44
Colombia	7.05	0.0	-2.8	12	-161
Mexico	6.03	-2.4	-0.5	-1	-23
Peru	5.70	0.0	-6.5	5	-160
Poland	3.07	2.3	0.6	13	12
Russia	8.50	13.8	26.3	41	-105
Turkey	9.81	9.0	29.0	28	66
India	7.44	0.8	-3.7	4	20
Indonesia	7.09	6.5	-1.7	2	-165
Country risk (bp, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	29	0.8	-0.3	-1	-7
Italy	135	2.5	0.7	5	38
Portugal	320	-4.2	-18.1	-19	131
Spain	106	-0.7	8.9	2	8
2-yr sovereign spread vs Germany					
France	4	-1.2	-1.1	-1	1
Italy	58	0.7	0.0	-1	26
Portugal	96	1.1	-7.1	-18	51
Spain	44	0.1	-1.5	-4	9
Emerging Markets					
5-yr sovereign CDS *	level	Daily	Weekly	Monthly	YTD
Brazil	264	6	-2	-10	-228
Chile	90	4	0	2	-37
Colombia	170	4	1	3	61
Mexico	148	3	-9	5	22
Peru	103	3	-1	-8	-82
Venezuela	3,551	239	312	678	2,492
Poland	75	5	2	3	3
Russia	229	-6	10	22	-72
Turkey	248	-4	3	3	-25
China	105	0	0	4	-4
India	137	0	-1	6	-11
Indonesia	151	-2	2	5	-76
Risk factors					
Volatility indicators (%)	level	Daily	Weekly	Monthly	YTD
VIX	16	2.1	23	1	-2
VSTOXX	21	6.0	7	0	-2
EM ET volatility index	23	-0.7	5	5	2
DollarEuro volatility	8	3.3	1	14	-19
EM FX volatility index	10	-1.0	0	-5	-10
Credit spread (BAA/10ys)	266	3.0	2	-11	57
US bonds volatility index	65	0.7	3	6	-4
Banking 5y CDS (bps) *	level	Daily	Weekly	Monthly	YTD
US	76	-3.0	-3	-1	1
EZ	116	-2.9	-1	7	33
UK	107	-2.4	2	17	29
Large Spanish	127	-2.2	-2	7	-10
Medium Spanish	156	-0.4	2	3	-2
Corporate 5y CDS (bps) *	level	Daily	Weekly	Monthly	YTD
US Non-financial	205	-3.0	-3	-1	1
EZ Non-financial	111	-2.9	-1	7	33
UK Non-financial	142	-1.8	-4	3	50
Interbank markets (% , changes in bp)					
level	Daily	Weekly	Monthly	YTD	
EDNA Index	0.35	0.00	0.0	0.0	0.2
Euro3m	0.31	0.00	0.0	0.0	0.2
Barclay 12m	0.07	0.00	0.0	0.0	-0.1
Libor 3m	0.88	0.00	0.0	0.0	0.3
Libor 12m	1.59	0.00	0.0	0.0	0.4
EZ TED spread 3m	54.3	-1.58	-0.3	10.2	13.5
Stock markets (%)					
Main indices	level	Daily	Weekly	Monthly	YTD
S&P500	2,130	-0.1	1.6	-1	4
Dow Jones	18,109	-0.2	-1.2	-1	4
Nikkei	16,900	0.3	0.2	3	-11
FTSE 100	6,948	-0.9	-2.1	3	11
EuroStoxx 50	3,008	-0.6	-0.9	1	8
IBEX	8,734	-0.4	0.4	0	-8
DAX	10,504	-0.7	-1.1	1	-2
CAC	4,450	-0.5	-1.0	2	-4
MBI	16,615	0.1	-0.1	0	-22
ASE Athens	586	-0.5	0.5	6	7
MSCI Latin *	74,058	0.5	0.7	3	25
Ibovespa (Brazil)	62,127	0.6	0.7	7	43
Mobivt	47,787	0.2	-1.0	4	11
MSCI EM Europe *	4,466	-0.0	-0.2	0	5
Poland	1,714	-0.3	-2.9	-2	-8
Mico (Russia)	1,957	-0.5	-2.2	-2	11
Ive 100 (Turkey)	77,438	-0.2	-0.5	0	8
MSCI Asia *	714	0.4	-1.9	1	8
Shanghai Com (China)	3,041	-0.7	-0.2	1	-14
Jakarta (Indonesia)	5,410	1.3	0.6	5	18
Banking sector	level	Daily	Weekly	Monthly	YTD
US banks	87.2	-0.3	-1.7	2	-7
JPM	67.4	-0.2	-1.8	1	2
Ch	48.7	0.1	-1.8	3	6
BofA	15.9	0.5	-2.3	2	5
MS	31.9	-0.4	-1.9	0	0
GS	169.9	-0.4	-0.7	1	6
EZ banks	79.3	0.6	-0.2	2	-27
BNP	48.5	0.6	-1.2	6	-7
Crédit Agricole	9.3	0.6	0.8	6	15
Deutsche Bank	12.2	-0.1	-2.2	7	-46
ING	11.3	0.4	0.7	4	-9
Intesa	2.0	1.0	-0.6	-4	35
SG	33.0	0.3	-0.4	3	-23
UniCredit	2.2	2.3	1.3	3	-58
UK banks	70.8	-0.5	-1.6	-2	-19
HSBC	613.6	-1.0	-1.8	7	14
RBS	170.4	-1.4	-4.6	-12	-44
Barclays	169.6	-0.4	-1.6	0	23
Lloyds	52.8	0.7	0.8	7	-28
Large Spanish banks	65.3	0.1	3.2	5	13
Santander	4.0	-0.3	1.4	2	-11
BBVA	5.7	0.4	4.7	7	15
Medium Spanish banks	59.2	0.8	-0.9	3	-28
Calebank	2.5	2.4	4.3	11	24
Poplar	1.0	1.1	-6.5	-9	-62
Subsidi	72.9	0.4	4.7	7	-15
Banque	1.1	0.3	1.6	-4	30
Banif	6.4	-0.1	-0.8	-1	-2
Currencies (% , not for currency depreciation)					
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD	1.10	0.2	-1.3	2.2	1
GBPUSD	1.22	0.0	-1.4	7.9	17
USDJPY	103.93	0.2	-0.3	1.8	14
DNV	97.93	0.1	1.0	2.8	1
Emerging	level	Daily	Weekly	Monthly	YTD
USDARS (Argentina)	15.24	-0.5	-0.3	-1.1	-18
USDZAR (Brazil)	3.20	0.3	0.3	3.2	19
USDCJP (China)	670.84	-0.1	-0.2	0.0	5
USDCOP (Colombia)	2920	0.1	0.2	0.3	8
USDMXN (Mexico)	18.89	0.6	0.2	2.4	10
USDPEN (Peru)	3.40	0.1	-0.1	0.4	0
LUCI	64.82	0.3	0.1	1.8	4
USDPLN (Poland)	3.93	-0.1	-2.7	2.2	0
USD RUB (Russia)	63.09	-0.2	-1.9	2.5	13
USDTRY (Turkey)	3.10	-0.4	-1.0	-4.5	6
USDCNY (China)	6.74	-0.1	-0.4	-0.9	-4
USDINR (India)	66.89	-0.3	-0.5	0.2	-1
USDOR (Indonesia)	13,069	-0.3	-0.7	0.8	5
ADXY	106.0	-0.1	-0.8	0.9	0
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
Brent	51.4	-1.0	-3.2	10	38
WTX	49.8	-1.1	-3.1	13	34
Copper	2.11	0.1	-3.9	-2	-1
Gold	1,256	0.3	-0.3	5	18
S&P Spot commodity *	376	0.0	-0.7	7	21
S&P Brent Spot *	448	-0.1	-1.4	12	40
S&P Metals Spot *	276	-0.5	-2.4	2	9
S&P Agricultural *	303	1.0	2.3	5	7

Debt markets (10Y, %, changes in bps)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US (2-yr)	0.81	-2.4	-2.0	8	-24
US	1.77	-3.0	5.0	8	-50
GER (2-yr)	-0.66	0.2	0.9	1	-31
Germany	0.06	-0.3	-0.1	2	-57
France	0.34	0.5	-0.4	1	-65
Spain	1.12	-1.0	8.8	4	-66
Italy	1.40	2.2	0.6	7	-19
Portugal	3.26	-4.5	-18.2	-17	-74
Greece	8.44	6.4	15.4	-16	15
Japan (2-yr)	-0.27	0.0	0.6	-1	-26
Japan	-0.05	0.7	-1.4	-32	-32
Emerging Markets	level	Daily	Weekly	Monthly	YTD
Brazil	11.37	-3.4	2.5	89	511
Chile	4.22	0.0	5.5	-3	-44
Colombia	7.05	0.0	-2.8	-12	-161
Mexico	6.03	-2.4	0.5	-1	-23
Peru	5.70	0.0	-6.5	5	-160
Poland	3.07	2.3	-0.6	13	12
Russia	8.50	13.8	26.3	41	105
Turkey	9.81	9.0	29.0	28	-66
India	7.44	-0.8	-3.7	-4	-20
Indonesia	7.09	6.5	-1.7	2	-165
Country risk bps, changes in bps	level	Daily	Weekly	Monthly	YTD
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	29	0.8	-0.3	1	7
Italy	135	2.5	0.7	5	38
Portugal	320	-4.2	-18.1	-19	131
Spain	106	-0.7	8.9	2	-8
2-yr sovereign spread vs Germany					
France	4	-1.2	-1.1	-1	1
Italy	58	0.7	0.0	-1	26
Portugal	96	1.1	-7.1	-18	51
Spain	44	0.1	1.5	-4	9
Emerging Markets	level	Daily	Weekly	Monthly	YTD
5-yr sovereign CDS *					
Brazil	264	6	-2	-10	-228
Chile	90	4	0	2	-37
Colombia	178	4	1	3	-61
Mexico	148	3	-9	5	-22
Peru	103	-1	-1	8	-82
Venezuela	3,551	239	312	-678	2492
Poland	75	1	2	3	3
Russia	229	-6	10	22	-72
Turkey	248	-4	3	3	-25
China	105	0	0	4	-4
India	137	0	-1	6	-11
Indonesia	151	-2	2	5	-76
Risk indicators	level	Daily	Weekly	Monthly	YTD
Volatility indicators (%)					
VIX	16	2.1	2.3	1	-2
VSTOXX	21	6.0	7	0	-2
EM EFT volatility Index	23	-0.7	5	5	2
Dolar/euro volatility	8	3.3	1	14	-19
EM FX volatility index	10	-1.0	0	5	-10
Credit spread (BAA) (bps)	266	3.0	2	-11	57
US bonds volatility index	65	0.7	3	-6	-4
Banking 5y CDS (bps) *					
US	76	-3.0	-3	-1	1
EZ	116	-2.9	-1	7	33
UK	107	-2.4	2	17	29
Large Spanish	127	-2.2	2	7	-10
Medium Spanish	156	-0.4	2	3	-2
Emerging 5y CDS (bps) *					
US Non-financial	205	-3.0	-3	-1	1
UK Non-financial	111	-2.9	-1	7	33
EZ Non-financial	142	1.8	4	3	-50
Interbank markets (%), changes in bps	level	Daily	Weekly	Monthly	YTD
EONIA Index	-0.35	0.00	0.0	0.0	-0.2
Eurobor 3m	-0.31	0.00	0.0	0.0	-0.2
Eurobor 12m	-0.07	0.0	0.0	0.0	-0.1
Libor 3m	0.88	0.00	0.0	0.0	0.3
Libor 12m	1.59	0.00	0.0	0.0	0.4
EZ TED spread 3m	54.3	-1.50	-0.3	10.2	13.5
Stock markets (%)	level	Daily	Weekly	Monthly	YTD
Main indices					
S&P500	2,130	-0.1	-1.6	-1	4
Dow Jones	18,109	-0.2	-1.2	-1	4
Nikkei	16,900	0.3	0.2	3	-11
FTSE 100	6,948	-0.9	-2.1	3	11
EuroStoxx 50	3,008	-0.6	-0.9	1	8
IBEX	8,734	-0.4	0.4	0	8
DAX	10,504	-0.7	-1.1	1	-2
CAC	4,450	-0.5	-1.0	2	-4
MBI	16,615	0.1	0.1	0	-22
ASE Athens	586	-0.5	0.5	6	-7
MSCI Latam *	74,058	0.5	0.7	5	25
Bovespa (Brazil)	62,127	0.6	0.7	7	43
MobdI	47,787	0.2	-1.0	4	11
MSCI EM Europe *	4,466	0.0	-0.6	0	5
Poland	1,714	-0.3	-2.9	-2	8
Mex (Russia)	1,957	-0.5	-2.2	-1	11
Ise 100 (Turkey)	77,438	-0.2	-0.5	0	8
MSCI EM Asia	714	0.4	-1.9	1	8
Shanghai Com (China)	3,041	-0.7	-0.2	1	-14
Jakarta (Indonesia)	5,410	1.3	0.6	5	18
Banking sector					
US banks	87.2	-0.3	-1.7	2	7
JPM	67.4	-0.2	-1.8	1	2
Citi	48.7	0.1	-1.8	3	-6
BoA	15.9	0.5	-2.3	2	5
MS	31.5	-0.4	-1.9	0	0
GS	169.9	0.4	-0.7	1	6
EZ banks	79.3	0.6	-0.2	2	27
BNP	48.5	0.6	-1.2	6	7
Credit Agricole	9.3	0.6	0.0	6	-15
Deutsche Bank	12.2	-0.1	-2.2	7	-46
ING	11.3	0.4	0.7	4	-9
Intesa	2.0	1.0	-0.6	-4	-35
SG	33.0	0.3	0.4	3	-23
Unicredit	2.2	2.3	1.3	3	-58
UK banks	70.8	-0.5	-1.6	2	19
HBC	613.6	-1.8	-1.8	7	14
RBS	170.4	-1.4	-4.6	-12	-44
Barclays	169.6	0.4	-1.6	0	23
Lloyds	52.8	0.7	0.8	-7	-28
Large Spanish banks	65.3	0.1	3.2	5	13
Santander	4.0	-0.3	1.4	2	-11
BBVA	5.7	0.4	4.7	7	15
Caixa	59.2	0.0	-0.9	-3	-26
Medium Spanish banks	2.5	2.4	4.3	-1	-24
Popular	1.0	1.1	-6.5	-9	-62
Sabadell	72.9	0.4	4.7	7	15
Bankinter	1.1	0.3	-1.6	-4	-30
Banika	6.4	-0.1	-0.8	-1	-2
Currencies (%), net for currency depreciation	level	Daily	Weekly	Monthly	YTD
Developed					
EURUSD	1.10	0.2	-1.3	-2.2	1
GBPUSD	1.22	0.0	-1.4	-7.9	-17
USDJPY	103.93	0.2	-0.3	-1.8	14
DKY	97.93	0.1	1.0	-2.8	1
Emerging					
USDARS (Argentina)	15.24	-0.5	-0.3	-1.1	-18
USDBRL (Brazil)	3.20	0.3	0.3	3.2	19
USDCJP (Chile)	670.84	-0.1	-0.2	0.0	5
USDCLP (Colombia)	2920	0.1	-0.2	0.3	8
USDMXN (Mexico)	18.89	0.6	0.2	2.4	-10
USDPEN (Peru)	3.40	0.1	-0.1	-0.4	0
LACI	64.92	0.3	0.1	1.8	4
USDPOLN (Poland)	3.93	-0.1	-2.7	-2.2	0
USDRUB (Russia)	63.09	-0.2	-1.9	2.5	13
USDTRY (Turkey)	3.10	-0.4	-1.0	-4.5	-6
USDCNY (China)	6.74	-0.1	0.4	0.9	4
USDINR (India)	66.89	-0.3	-0.5	0.2	-1
USDIDR (Indonesia)	13,069	-0.3	-0.7	0.8	5
ADXY	106.0	-0.1	-0.8	-0.9	0
Commodities (%)	level	Daily	Weekly	Monthly	YTD
Brent	51.4	-1.0	-3.2	10	38
Wti	49.8	-1.1	-3.1	13	24
Copper	211	0.1	-3.9	2	-1
Gold	1,256	0.3	-0.3	5	18
S&P Spot commodity *	376	0.0	-0.7	7	21
S&P Brent Spot *	448	-0.1	-1.4	12	-80
S&P Metals Spot *	276	-0.5	-2.4	2	9
S&P Agricultural *	303	1.0	2.3	5	7

Source: Bloomberg, Datastream and Haver

Debt markets (10Y %, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US 10-yr	0.81	-2.4	-2.0	8	24
US	1.77	-3.0	5.0	8	50
GER 10-yr	-0.66	0.2	0.9	-1	-31
Germany	0.06	-0.3	-0.1	2	-37
France	0.34	0.5	-0.4	1	-65
Spain	1.12	-1.0	8.8	4	-66
Italy	1.40	2.2	0.6	7	-19
Portugal	3.26	-4.5	-18.2	-17	-74
Greece	8.44	6.4	15.4	-16	15
Japan (2-yr)	-0.27	0.0	0.6	1	-26
Japan	-0.05	0.7	-1.4	-32	32
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
Brazil	11.37	-3.4	2.5	89	514
Chile	4.22	0.0	5.5	-3	-44
Colombia	7.05	0.0	-2.8	-12	-161
Mexico	6.03	-2.4	0.5	-1	-23
Peru	5.70	0.0	-6.5	5	-160
Poland	3.07	2.3	-0.6	13	12
Russia	8.50	13.8	26.1	41	105
Turkey	9.81	9.0	29.0	28	66
India	7.44	-0.8	-3.7	-4	-20
Indonesia	7.09	6.3	-1.7	2	165
Country risk (bp, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	29	0.8	-0.3	-1	-7
Italy	135	2.5	0.7	5	38
Portugal	320	-4.2	-18.1	-19	131
Spain	106	-0.7	8.9	2	-8
2-yr sovereign spread vs Germany					
France	4	-1.2	-1.1	-1	1
Italy	58	0.7	0.0	-1	26
Portugal	96	1.1	-7.1	-10	51
Spain	44	0.1	-1.5	-4	9
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
5-yr sovereign CDS *					
Brazil	264	6	-2	-10	-228
Chile	90	4	0	2	-37
Colombia	178	4	1	3	-61
Mexico	148	3	9	5	22
Peru	103	3	-1	-8	-82
Venezuela	3,551	239	312	-678	-2,492
Poland	75	1	2	3	3
Russia	229	-6	10	22	-72
Turkey	248	-4	3	3	25
China	105	0	0	4	-4
India	137	0	-1	6	-11
Indonesia	151	-2	2	5	-76
Risk indicators					
Volatility indicators (%)					
level	Daily	Weekly	Monthly	YTD	
VIX	16	2.1	2.3	1	-2
VSTOXX	21	6.0	7	0	-2
EM EFT volatility index	23	0.7	5	5	2
Dollar/euro volatility	8	3.3	1	14	-19
EM FX volatility index	10	-1.0	0	5	10
Credit spread (BAA) (bps)	266	3.0	2	-11	-57
US bonds volatility index	65	0.7	3	6	-4
Banking by CDS (bps) *					
level	Daily	Weekly	Monthly	YTD	
US	76	-3.0	3	-1	1
EZ	116	-2.9	-1	7	33
UK	107	-2.4	2	17	29
Large Spanish	127	-2.2	-2	7	10
Medium Spanish	156	-0.4	2	3	-2
Corporate by CDS (bps) *					
level	Daily	Weekly	Monthly	YTD	
US Non-financial	205	-3.0	-3	-1	1
EZ Non-financial	111	-2.9	-1	7	33
UK Non-financial	142	-1.8	4	3	-50
Interbank markets (% changes in bp)					
level	Daily	Weekly	Monthly	YTD	
EONIA Index	-0.35	0.00	0.0	0.0	-0.2
Eurobor 3m	-0.31	0.00	0.0	0.0	-0.2
Eurobor 12m	-0.07	0.00	0.0	0.0	-0.1
Libor 3m	0.88	0.00	0.0	0.0	0.3
Libor 12m	1.59	0.00	0.0	0.0	0.4
EZ TED spread 3m	54.3	-1.50	-0.3	10.2	13.5
Stock markets (%)					
Main indices					
level	Daily	Weekly	Monthly	YTD	
S&P500	2,130	-0.1	-1.6	-1	4
Dow Jones	18,109	-0.2	-1.2	-1	4
Nikkei	16,900	0.3	0.2	3	-11
FTSE 100	6,948	-0.9	-2.1	3	11
EuroStoxx 50	3,008	-0.6	-0.9	1	-8
IBEX	8,734	-0.4	0.4	0	8
DAX	10,504	-0.7	-1.1	1	2
CAC	4,450	-0.5	-1.0	2	-4
MB	16,615	0.1	-0.1	0	22
ASE Athens	586	-0.5	0.5	6	-7
MSCI Latam *	74,058	0.5	0.7	5	25
Ibovespa (Brazil)	62,127	0.6	0.7	7	43
Moody	47,787	0.2	-1.0	4	11
MSCIEM Europe *	4,466	0.0	0.6	0	5
Poland	1,714	-0.3	-2.9	-2	-8
Mex (Russia)	1,957	-0.5	-2.2	-2	11
hs 100 (Turkey)	77,438	-0.2	-0.5	0	8
MSCIEM Asia *	714	0.4	-1.9	1	8
Shanghai Com (China)	3,041	-0.7	-0.2	1	-14
Jakarta (Indonesia)	5,410	1.3	0.6	5	18
Banking sector					
level	Daily	Weekly	Monthly	YTD	
US banks	87.2	-0.3	-1.7	2	-7
JPM	67.4	-0.2	-1.8	1	2
Citi	48.7	0.1	-1.8	3	6
BNA	15.0	-0.5	-2.3	2	5
MS	31.9	-0.4	-1.9	0	0
GS	169.9	-0.4	-0.7	1	-6
EZ banks	79.3	0.6	-0.2	2	-27
BNP	48.5	0.6	-1.2	6	-7
Credit Agricole	9.3	0.6	0.8	6	-15
Deutsche Bank	12.2	-0.1	-2.2	7	-46
ING	11.3	0.4	0.7	4	-9
Intesa	2.0	1.0	-0.6	-4	-35
SG	33.0	0.3	-0.4	3	23
UniCredit	2.2	2.3	1.3	3	58
UK banks	70.8	-0.5	-1.6	-2	-19
HSBC	613.6	-1.0	-1.8	7	14
RBS	170.4	-1.4	-4.6	-12	-44
Barclays	189.6	-0.4	1.6	0	23
Lloyds	52.8	0.7	0.8	-7	-28
Large Spanish banks	65.3	0.1	3.2	5	-13
Santander	4.0	-0.3	1.4	2	-11
BBVA	5.7	0.4	4.7	7	-15
Medium Spanish banks	59.2	0.8	-0.9	-3	-28
Cabobank	2.5	2.4	4.3	1	24
Popular	1.0	1.1	6.5	9	-62
Sabadell	72.9	0.4	4.7	7	-15
Bankinter	1.1	0.3	-1.6	-4	-30
Banque	6.4	-0.1	-0.8	-1	-2
Currencies (% red by currency depreciation)					
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD	1.10	0.2	-1.3	2.2	1
GBPUSD	1.22	0.0	-1.4	7.9	17
USDJPY	103.93	0.2	-0.3	-1.8	14
DXY	97.93	0.1	-1.0	2.8	1
Emerging					
level	Daily	Weekly	Monthly	YTD	
USDARS (Argentina)	15,241	-0.5	-0.3	-1.1	-18
USDRL (Brazil)	3.20	0.3	0.3	3.2	19
USDCLP (Chile)	670.84	-0.1	-0.2	0.0	5
USDCOP (Colombia)	2920	0.1	0.2	0.3	8
USDQW (Mexico)	19.89	0.5	0.2	2.4	-10
USDPEN (Peru)	3.40	0.1	-0.1	0.4	0
LACI	64.92	0.3	0.1	1.8	4
USDPLN (Poland)	3.93	-0.1	-2.7	2.2	0
USDRL (Russia)	63.09	-0.2	-1.9	2.5	13
USDTRY (Turkey)	3.10	-0.4	-1.0	-4.5	-6
USDCNY (China)	6.74	-0.1	-0.4	-0.9	-4
USDIN (India)	66.89	-0.3	-0.5	0.2	-1
USDIDR (Indonesia)	13,069	-0.3	-0.7	0.8	5
ADXY	106.0	-0.1	-0.8	-0.9	0
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
Brent	51.4	-1.0	-3.2	10	38
WTX	49.8	-1.1	-3.1	13	34
Copper	211	0.1	-0.9	2	-1
Gold	1,256	0.3	-0.3	5	18
S&P Spot commodity *	376	0.0	-0.7	7	21
S&P Brent Spot *	448	-0.1	-1.4	12	40
S&P Metals Spot *	276	-0.5	-2.4	2	9
S&P Agricultural *	303	1.0	2.3	5	7

Source: Bloomberg, Datastream and Haver

Debt markets (10Y %, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US 10-yr	0.81	-2.4	-2.0	8	24
US	1.77	-3.0	5.0	8	50
GER 10-yr	0.66	0.2	0.9	-1	-31
Germany	0.96	-0.3	-0.1	2	-37
France	0.34	0.5	-0.4	1	-65
Spain	1.12	-1.0	8.8	4	-66
Italy	1.40	2.2	0.6	7	-19
Portugal	3.26	-4.5	-18.2	-17	74
Greece	8.44	6.4	15.4	-16	15
Japan (2-yr)	-0.27	0.0	0.6	-1	-26
Japan	-0.05	0.7	-1.4	-32	32
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
Brazil	11.37	-3.4	2.5	89	514
Chile	4.22	0.0	5.5	-3	-44
Colombia	7.05	0.0	-2.8	-12	-161
Mexico	6.03	-2.4	0.5	-1	-23
Peru	5.70	0.0	-6.5	5	-160
Poland	3.07	2.3	-0.6	13	12
Russia	8.50	13.8	26.1	41	105
Turkey	9.81	9.0	29.0	28	66
India	7.44	-0.8	-3.7	-4	-20
Indonesia	7.09	6.3	-1.7	2	165
Country risk (bp, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	29	0.8	-0.3	-1	-7
Italy	135	2.5	0.7	5	38
Portugal	320	-4.2	-18.1	-19	131
Spain	106	-0.7	8.9	2	-8
2-yr sovereign spread vs Germany					
France	4	-1.2	-1.1	-1	1
Italy	58	0.7	0.0	-1	26
Portugal	96	1.1	-7.1	-10	51
Spain	44	0.1	-1.5	-4	9
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
5-yr sovereign CDS *					
Brazil	264	6	-2	-10	-228
Chile	90	4	0	2	-37
Colombia	178	4	1	3	-61
Mexico	148	3	9	5	22
Peru	103	3	-1	-8	-82
Venezuela	3,551	239	312	-678	-2,492
Poland	75	1	2	3	3
Russia	229	-6	10	22	-72
Turkey	248	-4	3	3	25
China	105	0	0	4	-4
India	137	0	-1	6	-11
Indonesia	151	-2	2	5	-76
Risk indicators					
Volatility indicators (%)	level	Daily	Weekly	Monthly	YTD
VIX	16	2.1	2.3	1	-2
VSTOXX	21	6.0	7	0	-2
EM EFT volatility index	23	0.7	5	5	2
Dollar/euro volatility	8	3.3	1	14	-19
EM FX volatility index	10	-1.0	0	5	10
Credit spread (BAA) (bps)	266	3.0	2	-11	-57
US bonds volatility index	65	0.7	3	6	-4
Banking by CDS (bps) *					
level	Daily	Weekly	Monthly	YTD	
US	76	-3.0	3	-1	1
EZ	116	-2.9	-1	7	33
UK	107	-2.4	2	17	29
Large Spanish	127	-2.2	-2	7	10
Medium Spanish	156	-0.4	2	3	-2
Corporate by CDS (bps) *					
level	Daily	Weekly	Monthly	YTD	
US Non-financial	205	-3.0	-3	-1	1
EZ Non-financial	111	-2.9	-1	7	33
UK Non-financial	142	-1.8	4	3	-50
Interbank markets (% changes in bp)					
level	Daily	Weekly	Monthly	YTD	
EONIA Index	-0.35	0.00	0.0	0.0	-0.2
Eurobor 3m	-0.31	0.00	0.0	0.0	-0.2
Eurobor 12m	-0.07	0.00	0.0	0.0	-0.1
Libor 3m	0.88	0.00	0.0	0.0	0.3
Libor 12m	1.59	0.00	0.0	0.0	0.4
EZ TED spread 3m	54.3	-1.50	-0.3	10.2	13.5
Stock markets (%)					
Main indices	level	Daily	Weekly	Monthly	YTD
S&P500	2,130	-0.1	-1.6	-1	4
Dow Jones	18,109	-0.2	-1.2	-1	4
Nikkei	16,900	0.3	0.2	3	-11
FTSE 100	6,948	-0.9	-2.1	3	11
EuroStoxx 50	3,008	-0.6	-0.9	1	-8
IBEX	8,734	-0.4	0.4	0	8
DAX	10,504	-0.7	-1.1	1	2
CAC	4,450	-0.5	-1.0	2	-4
MBI	16,615	0.1	-0.1	0	22
ASE Athens	586	-0.5	0.5	6	-7
MSCI Latam *	74,058	0.5	0.7	5	25
Ibovespa (Brazil)	62,127	0.6	0.7	7	43
Moody's	47,787	0.2	-1.0	4	11
MSCIEM Europe *	4,466	0.0	0.6	0	5
Poland	1,714	-0.3	-2.9	-2	-8
Mex (Russia)	1,957	-0.5	-2.2	-2	11
hs 100 (Turkey)	77,438	-0.2	-0.5	0	8
MSCIEM Asia *	714	0.4	-1.9	1	8
Shanghai Com (China)	3,041	-0.7	-0.2	1	-14
Jakarta (Indonesia)	5,410	1.3	0.6	5	18
Banking sector					
level	Daily	Weekly	Monthly	YTD	
US banks					
US banks	87.2	-0.3	-1.7	2	-7
JPM	67.4	-0.2	-1.8	1	2
Citi	48.7	0.1	-1.8	3	6
BNA	15.0	-0.5	-2.3	2	5
MS	31.9	-0.4	-1.9	0	0
GS	169.9	-0.4	-0.7	1	-6
EZ banks					
EZ banks	79.3	0.6	-0.2	2	-27
BNP	48.5	0.6	-1.2	6	-7
Credit Agricole	9.3	0.6	0.8	6	-15
Deutsche Bank	12.2	-0.1	-2.2	7	-46
ING	11.3	0.4	0.7	4	-9
Intesa	2.0	1.0	-0.6	-4	-35
SG	33.0	0.3	-0.4	3	23
UniCredit	2.2	2.3	1.3	3	58
UK banks					
UK banks	70.8	-0.5	-1.6	-2	-19
HSBC	613.6	-1.0	-1.8	7	14
RBS	170.4	-1.4	-4.6	-12	-44
Barclays	189.6	-0.4	1.6	0	23
Lloyds	52.8	0.7	0.8	-7	-28
Large Spanish banks					
Large Spanish banks	65.3	0.1	3.2	5	-13
Santander	4.0	-0.3	1.4	2	-11
BBVA	5.7	0.4	4.7	7	-15
Medium Spanish banks					
Medium Spanish banks	59.2	0.8	-0.9	-3	-28
Cabobank	2.5	2.4	4.3	1	24
Popular	1.0	1.1	6.5	9	-62
Sabadell	72.9	0.4	4.7	7	-15
Bankinter	1.1	0.3	-1.6	-4	-30
Banisa	6.4	-0.1	-0.8	-1	-2
Currencies (% red by currency depreciation)					
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD					
EURUSD	1.10	0.2	-1.3	2.2	1
GBPUSD	1.22	0.0	-1.4	7.9	-17
USDJPY	103.93	0.2	-0.3	-1.8	14
DXY	97.93	0.1	-1.0	2.8	1
Emerging					
level	Daily	Weekly	Monthly	YTD	
USDARS (Argentina)	15,241	-0.5	-0.3	-1.1	-18
USDRL (Brazil)	3.20	0.3	0.3	3.2	19
USDCLP (Chile)	670.84	-0.1	-0.2	0.0	5
USDCOP (Colombia)	2920	0.1	0.2	0.3	8
USDQW (Mexico)	19.89	0.5	0.2	2.4	-10
USDPEN (Peru)	3.40	0.1	-0.1	0.4	0
LACI	64.92	0.3	0.1	1.8	4
USDPLN (Poland)	3.93	-0.1	-2.7	2.2	0
USDRLB (Russia)	63.09	-0.2	-1.9	2.5	13
USDTRY (Turkey)	3.10	-0.4	-1.0	-4.5	-6
USDCNY (China)	6.74	-0.1	-0.4	-0.9	-4
USDINR (India)	66.89	-0.3	-0.5	0.2	-1
USDIDR (Indonesia)	13,069	-0.3	-0.7	0.8	5
ADXY	106.0	-0.1	-0.8	-0.9	0
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
Brent					
Brent	51.4	-1.0	-3.2	10	38
WTX	49.8	-1.1	-3.1	13	34
Copper	211	0.1	-0.9	2	-1
Gold	1,256	0.3	-0.3	5	18
S&P Spot commodity *	376	0.0	-0.7	7	21
S&P Brent Spot *	448	-0.1	-1.4	12	40
S&P Metals Spot *	276	-0.5	-2.4	2	9
S&P Agricultural *	303	1.0	2.3	5	7

Source: Bloomberg, Datastream and Haver

* 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".

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.