

# Market Comment | Geopolitical tensions had a mild impact on financial markets

Global Financial Markets Unit  
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- **Geopolitical tensions had a mild impact on financial markets, failing to increase global risk premiums**, as the market perceived the selective attack launched by the US, UK and France against Syria as an isolated event, since Russia had only condemned the intervention without taking further retaliatory action. Nonetheless, geopolitical concerns are far from having abated, since the US will adopt further sanctions against Russia today
- **The US retail sales report for March allayed fears about a slowdown in private consumption.** Retail sales grew above expectations, and excluding auto and gas components matched growth expectations. The increase was also broadly based among components, suggesting that the weakness seen recently was transitory ([see](#)). Nonetheless, trade concerns weighed on the Empire Fed survey, with optimism about the six-month outlook plunging.
- Against this background, equity indices increased in Asia, except in China where opening measures may have weighed slightly on the indices, while they slightly decreased in the Eurozone. **In the US equity volatility is currently declining slightly further**, boosting equity indices at the start of the session, on the back of lower trade war concerns between US and China, limited escalation of geopolitical concerns and positive company earnings announcements.
- **The rebound in equity markets on the back of lower risk aversion, weighed on bond markets**, with 10Y yields increasing across the board. Nonetheless, peripheral risk premiums narrowed slightly further, although Spain's rating upgrade by Moody's ([see](#)) failed to compress the risk premium much further, suggesting that the rating upgrade was already priced in. Portugal's bond market outperformed ahead of this Friday's Moody's decision on Portuguese sovereign rating.
- **In FX the US depreciated slightly against other major currencies, with the euro trading in the upper bound of the 1.23-1.24 range. EM currencies have been broadly stable today**, with the Russian rouble waiting for the announcement of new sanctions. The Turkish lira depreciated slightly ahead of this week's central bank monetary policy meeting. **Oil prices declined**, after geopolitical tensions moderated

Table1

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| Debt markets (10Y % changes in bp)           |         |       |        |         |     |
|--|---------|-------|--------|---------|-----|
| Developed Markets                            | level   | Daily | Weekly | Monthly | YTD |
| US (2-yr)                                    | 2.39    | 2.0   | 10.7   | 10      | 47  |
| US   | 2.85    | 2.0   | 6.8    | 2       | 38  |
| GER (2-yr)                                   | 0.58    | 0.6   | 0.6    | 0       | 3   |
| Germany                                      | 0.53    | 1.5   | 2.2    | 5       | 6   |
| France                                       | 0.75    | 1.0   | 1.3    | 7       | 7   |
| Spain  | 1.24    | 0.6   | 0.6    | -14     | -45 |
| Italy  | 1.80    | 0.6   | 3.1    | -18     | -38 |
| Portugal                                     | 1.65    | -0.3  | -4.6   | -14     | -36 |
| Greece                                       | 4.05    | -6.2  | 4.9    | 17      | 6   |
| Japan (2-yr)                                 | -0.15   | 0.4   | 0.4    | -1      | -1  |
| Japan  | 0.05    | 0.7   | 0.1    | 0       | 0   |
| Emerging Markets                             |         |       |        |         |     |
| Brazil                                       | 9.88    | -1.9  | 0.3    | 42      | 37  |
| Chile  | 4.40    | -1.7  | -6.2   | -12     | -12 |
| Colombia                                     | 6.42    | 0.5   | -2.4   | -29     | -2  |
| Mexico                                       | 7.36    | 1.8   | 0.7    | -21     | -22 |
| Peru   | 4.70    | 1.3   | 6.3    | 10      | -17 |
| Poland                                       | 3.09    | 6.3   | 4.7    | 18      | -22 |
| Russia                                       | 7.53    | -1.8  | 11.9   | 28      | -11 |
| Turkey                                       | 12.77   | 5.0   | 7.0    | 34      | 141 |
| India  | 7.49    | 6.1   | 26.4   | -14     | 10  |
| Indonesia                                    | 6.60    | 3.6   | -3.1   | -11     | 31  |
| Country risk (bp, changes in bp)             |         |       |        |         |     |
| Developed Markets                            | level   | Daily | Weekly | Monthly | YTD |
| 10-yr sovereign spread vs Germany            |         |       |        |         |     |
| France                                       | 23      | -0.5  | -0.9   | -2      | -6  |
| Italy  | 128     | -0.9  | 0.9    | -13     | -37 |
| Portugal                                     | 113     | -3.8  | -6.8   | -9      | -35 |
| Spain  | 72      | -0.9  | -1.6   | -17     | -36 |
| 2-yr sovereign spread vs Germany             |         |       |        |         |     |
| France                                       | 9       | -0.6  | -0.7   | -2      | -7  |
| Italy  | 28      | -1.2  | 0.3    | -9      | -9  |
| Portugal                                     | 39      | 0.1   | 2.9    | -27     | -29 |
| Spain  | 25      | -0.4  | -1.4   | -8      | -2  |
| Emerging Markets                             |         |       |        |         |     |
| 5-yr sovereign CDS *                         |         |       |        |         |     |
| Brazil                                       | 169     | 4.0   | 1      | 24      | 8   |
| Chile  | 47      | 1.5   | -1     | 4       | -2  |
| Colombia                                     | 99      | 0.4   | -3     | 3       | -6  |
| Mexico                                       | 104     | 1.1   | -1     | -1      | -3  |
| Peru   | 73      | 0.0   | -4     | 2       | 1   |
| Poland                                       | 49      | 0.5   | 1      | 3       | 0   |
| Russia                                       | 142     | 0.0   | 23     | 37      | 25  |
| Turkey                                       | 200     | -1.8  | 2      | 27      | 35  |
| China  | 60      | -1.0  | -4     | 5       | 9   |
| India  | 74      | -0.8  | -3     | 6       | 5   |
| Indonesia                                    | 97      | -3.6  | -4     | 8       | 12  |
| Risk indicators                              |         |       |        |         |     |
| Volatility indicators (change in bp)         |         |       |        |         |     |
| VIX  | 17      | -0.6  | -5     | 0       | 7   |
| VST OXX                                      | 15      | -0.8  | 3      | -1      | 1   |
| EM EFT volatility index                      | 21      | -0.7  | 4      | 0       | 4   |
| Dollar Euro volatility                       | 6       | 0.1   | 0      | 0       | 0   |
| EM FX volatility index                       | 8       | -0.1  | 0      | 0       | 0   |
| Credit spread (BAA) (change in bps)          | 176     | -2.0  | -7     | -4      | -1  |
| US bonds volatility index                    | 51      | 0.3   | -1     | -7      | 2   |
| Inflation expectations (%)                   |         |       |        |         |     |
| US Inflation expectations (5Y5Y)             | 2.44    | -     | 8      | 6       | 12  |
| EZ Inflation expectations (5Y5Y)             | 1.68    | -     | 0      | -1      | -6  |
| Banking 5y CDS (bps) *                       |         |       |        |         |     |
| US   | 54      | -0.9  | -5     | 5       | 12  |
| EZ   | 54      | -1.4  | -5     | 6       | 14  |
| UK   | 47      | -0.8  | -3     | 4       | 6   |
| Large Spanish                                | 45      | -1.6  | -5     | 4       | 9   |
| Medium Spanish                               | 71      | 0.7   | 1      | 3       | -4  |
| Corporate 5y CDS (bps) *                     |         |       |        |         |     |
| US Non-financial                             | 157     | -0.9  | -5     | 5       | 12  |
| EZ Non-financial                             | 67      | -1.4  | -5     | 6       | 14  |
| UK Non-financial                             | 103     | -1.2  | -2     | 5       | 11  |
| Interbank markets (% change in bp)           |         |       |        |         |     |
| level  |         |       |        |         |     |
| EONIA Index                                  | 0.36    | 0     | 0      | 0       | 1   |
| Euro3 3m                                     | 0.33    | 0     | 0      | 0       | 0   |
| Euro3 12m                                    | 0.19    | 0     | 0      | 0       | 0   |
| Libor 3m                                     | 2.35    | 1     | 2      | 21      | 66  |
| Libor 12m                                    | 2.73    | 1     | 2      | 14      | 62  |
| Stock markets (%)                            |         |       |        |         |     |
| Main indices                                 |         |       |        |         |     |
| S&P500                                       | 2,672   | 0.6   | 2.3    | -3      | -1  |
| Dow Jones                                    | 24,541  | 0.7   | 2.3    | -1      | -1  |
| Nikkei                                       | 21,836  | 0.3   | 0.7    | 0       | -4  |
| FTSE 100                                     | 7,204   | -0.8  | 0.1    | 1       | -6  |
| EuroStoxx 50                                 | 3,439   | -0.3  | 0.7    | 1       | -1  |
| IBEX   | 9,760   | -0.1  | 0.2    | 1       | -3  |
| DAX  | 12,389  | -0.4  | 1.0    | 0       | -4  |
| CAC  | 5,308   | -0.1  | 0.8    | 1       | 0   |
| MIB  | 23,340  | 0.0   | 1.2    | 3       | 7   |
| ASE Athens *                                 | 821     | 1.2   | 2.5    | 0       | 0   |
| MSCI Latam *                                 | 91,054  | -0.9  | 0.1    | -1      | 6   |
| Bovespa (Brazil)                             | 83,319  | -1.2  | 0.0    | -2      | 7   |
| Mobol  | 48,778  | 0.0   | 1.5    | 2       | -3  |
| MSCI EM Europe *                             | 5,340   | -1.0  | -3.6   | 5       | -1  |
| Poland                                       | 2,300   | 0.4   | 1.7    | -1      | -7  |
| Micex 10 (Russia)                            | 4,205   | -1.0  | 2.8    | 6       | -2  |
| Ise 100 (Turkey)                             | 110,688 | 1.0   | -2.2   | -6      | -6  |
| MSCI EM Asia *                               | 933     | -0.3  | 1.7    | 3       | -1  |
| Shanghai Com (China)                         | 3,111   | -1.5  | -0.9   | -5      | -7  |
| Jakarta (Indonesia)                          | 6,287   | -0.4  | 1.8    | 2       | -1  |
| Banking sector                               |         |       |        |         |     |
| level  |         |       |        |         |     |
| US banks                                     | 1415    | 0.1   | 0.5    | 6       | -1  |
| JPM  | 110.3   | 0.0   | -0.1   | 4       | 2   |
| CB   | 69.9    | -1.5  | 0.7    | -5      | -6  |
| BofA   | 29.5    | -0.9  | -1.2   | -8      | -1  |
| MS   | 53.6    | 1.2   | 0.4    | 6       | 3   |
| GS   | 258.8   | 1.1   | 2.6    | -3      | 1   |
| EZ banks                                     | 107.2   | 0.1   | 1.3    | -1      | -2  |
| BNP  | 61.5    | 0.1   | 1.0    | -1      | -1  |
| Crédit Agricole                              | 13.4    | 0.3   | 1.9    | -1      | -4  |
| Deutsche Bank                                | 11.6    | -0.7  | 1.1    | 9       | -27 |
| ING  | 14.1    | -0.5  | 2.0    | 0       | 8   |
| Intesa                                       | 3.1     | 0.2   | 1.8    | 2       | 12  |
| SG   | 44.4    | 0.4   | 0.3    | -1      | 3   |
| Unicredit                                    | 17.3    | 0.5   | -0.1   | 2       | 10  |
| UK banks                                     | 88.6    | -0.9  | 0.9    | 0       | -4  |
| HSBC   | 672.0   | -1.9  | 0.3    | -4      | -12 |
| RBS  | 263.4   | -0.5  | 0.8    | 2       | -5  |
| Barclays                                     | 213.6   | 0.1   | 1.1    | 3       | 5   |
| Lloyds                                       | 67.7    | -0.7  | 1.6    | 1       | 0   |
| Large Spanish banks                          | 80.1    | 0.3   | 0.2    | 0       | -5  |
| Santander                                    | 3.4     | 0.4   | 0.6    | 1       | -1  |
| BBVA   | 6.4     | 0.2   | -0.1   | -2      | -9  |
| Medium Spanish banks                         | 77.4    | 0.2   | 1.2    | 0       | 1   |
| CaixaBank                                    | 4.0     | -0.2  | 0.9    | 4       | 0   |
| Sabadell                                     | 1.7     | -0.3  | 3.5    | 5       | 3   |
| Bankinter                                    | 8.5     | 0.2   | 1.0    | -2      | 7   |
| Bankia                                       | 3.7     | -0.7  | 0.3    | 3       | 0   |
| Currencies (% not for currency depreciation) |         |       |        |         |     |
| Developed                                    |         |       |        |         |     |
| EUR/USD                                      | 1.24    | 0.3   | 0.4    | 0.5     | 3   |
| GBP/USD                                      | 1.43    | -0.6  | 1.4    | 2.8     | 5   |
| USD/JPY                                      | 107.25  | 0.1   | -0.4   | -0.9    | 4   |
| DXY  | 89.53   | -0.3  | -0.3   | 0.7     | -3  |
| Emerging                                     |         |       |        |         |     |
| USD/ARS (Argentina)                          | 20.22   | 0.0   | 0.2    | 0.5     | -10 |
| USD/BRL (Brazil)                             | 3.43    | -0.2  | -0.2   | 4.4     | -5  |
| USD/CLP (Chile)                              | 597.04  | -0.4  | 1.1    | 1.4     | 2   |
| USD/COP (Colombia)                           | 2732    | -0.7  | 1.7    | 4.0     | 7   |
| USD/MXN (Mexico)                             | 18.05   | 0.0   | 1.7    | 3.5     | 8   |
| USD/PEN (Peru)                               | 3.22    | 0.0   | 0.4    | 1.2     | 0   |
| LACI   | 63.94   | 0.0   | 0.7    | 0.2     | 1   |
| USD/PLN (Poland)                             | 3.36    | 0.7   | 1.4    | 1.9     | 3   |
| USD/RUB (Russia)                             | 62.26   | -0.2  | -2.9   | -8.4    | -8  |
| USD/TRY (Turkey)                             | 4.11    | -0.4  | -1.0   | 5.2     | 9   |
| USD/CNY (China)                              | 6.26    | 0.0   | 0.5    | 0.7     | 3   |
| USD/INR (India)                              | 65.49   | -0.4  | -0.7   | -0.9    | -3  |
| USD/IDR (Indonesia)                          | 13,780  | -0.2  | -0.1   | 0.2     | -2  |
| ADXY   | 111.6   | 0.0   | 0.1    | 0.3     | 1   |
| Commodities (%)                              |         |       |        |         |     |
| level  |         |       |        |         |     |
| Brent  | 71.6    | -1.4  | -4.3   | 10      | 8   |
| WTI  | 66      | -1.6  | 4.6    | 8       | 10  |
| Copper                                       | 310     | 1.2   | 1.1    | 0       | -5  |
| Gold   | 1348    | 0.2   | 0.9    | 2       | 2   |
| S&P Spot commodity *                         | 468     | 0.3   | 3.6    | 6       | 6   |
| S&P Brent Spot *                             | 612     | 0.7   | 5.1    | 11      | 8   |
| S&P Metals Spot *                            | 383     | -0.6  | 1.9    | 2       | -3  |
| S&P Agricultural *                           | 305     | -0.7  | -0.2   | 1       | 7   |
| * With one day delay                         |         |       |        |         |     |

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Fuente: BBVA Research, Datastream and Haver

| Debt markets (10Y % changes in bp)             |         |       |        |         |     |
|--|---------|-------|--------|---------|-----|
| Developed Markets                              | level   | Daily | Weekly | Monthly | YTD |
| US (2-yr)                                      | 2.39    | 2.9   | 10.7   | 10      | 4.7 |
| US   | 2.85    | 2.0   | 6.8    | 2       | 3.8 |
| GER (2-yr)                                     | 0.58    | 0.6   | 0.6    | 0       | 3   |
| Germany  | 0.53    | 1.5   | 2.2    | -5      | 6   |
| France   | 0.75    | 1.0   | 1.3    | -7      | -7  |
| Spain  | 1.24    | 0.6   | 0.6    | -14     | -45 |
| Italy  | 1.80    | 0.6   | 3.1    | -18     | -38 |
| Portugal                                       | 1.65    | -0.3  | -4.6   | -14     | -36 |
| Greece   | 4.05    | -6.2  | 4.9    | -17     | -6  |
| Japan (2-yr)                                   | -0.15   | 0.4   | -0.4   | -1      | -1  |
| Japan  | 0.02    | 0.7   | 0.1    | 0       | 0   |
| Emerging Markets                               |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| Brazil   | 9.88    | -1.9  | 0.3    | 42      | -37 |
| Chile  | 4.40    | -1.7  | 6.2    | 12      | -12 |
| Colombia                                       | 6.42    | 0.5   | -2.4   | -29     | -2  |
| Mexico   | 7.36    | 1.8   | 8.7    | 21      | -22 |
| Peru   | 4.70    | 1.3   | 6.3    | 10      | -17 |
| Poland   | 3.09    | 6.3   | 4.7    | -18     | -22 |
| Russia   | 7.53    | -1.8  | 11.9   | 28      | -11 |
| Turkey   | 12.77   | 5.0   | 7.0    | 34      | 141 |
| India  | 7.49    | 6.1   | 26.4   | -14     | 10  |
| Indonesia                                      | 6.00    | 3.6   | -3.1   | -11     | 31  |
| Country risk (bp, changes in bp)               |         |       |        |         |     |
| Developed Markets                              | level   | Daily | Weekly | Monthly | YTD |
| 10-yr sovereign spread vs Germany              |         |       |        |         |     |
| France   | 23      | -0.5  | -0.9   | -2      | -6  |
| Italy  | 128     | -0.9  | 0.9    | -13     | -37 |
| Portugal                                       | 113     | -1.8  | -6.8   | -9      | -35 |
| Spain  | 72      | -0.9  | -1.6   | -17     | -36 |
| 2-yr sovereign spread vs Germany               |         |       |        |         |     |
| France   | 9       | -0.6  | -0.7   | -2      | -7  |
| Italy  | 28      | -1.2  | -0.9   | -9      | -9  |
| Portugal                                       | 39      | 0.1   | 2.9    | -27     | -29 |
| Spain  | 25      | -0.4  | -1.4   | -8      | -2  |
| Emerging Markets                               |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| 5-yr sovereign CDS *                           |         |       |        |         |     |
| Brazil   | 160     | 4.0   | 1      | 24      | 8   |
| Chile  | 47      | 1.5   | -1     | 4       | -2  |
| Colombia                                       | 99      | 0.4   | -3     | 3       | -6  |
| Mexico   | 104     | 1.1   | -1     | -1      | -3  |
| Peru   | 73      | 0.0   | -4     | 2       | 12  |
| Poland   | 49      | 0.5   | 1      | 3       | 0   |
| Russia   | 142     | 0.0   | 23     | 37      | 25  |
| Turkey   | 200     | -1.8  | 2      | 27      | 35  |
| China  | 60      | -1.0  | -4     | 5       | 9   |
| India  | 74      | -0.8  | -3     | 6       | 5   |
| Indonesia                                      | 97      | -3.6  | -4     | 8       | 12  |
| Risk indicators                                |         |       |        |         |     |
| Volatility indicators (change in pp)           |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| VIX  | 17      | -0.6  | -5     | 0       | 7   |
| VSTOXX   | 15      | -0.8  | -3     | -1      | 1   |
| EM EFT volatility Index                        | 21      | -0.7  | -4     | 0       | 4   |
| Dollar/Euro volatility                         | 6       | 0.1   | 0      | 0       | 0   |
| EM FX volatility Index                         | 8       | -0.1  | 0      | 0       | 0   |
| Credit spread (BAA) (change in bps)            | 176     | -2.0  | -7     | -4      | -1  |
| US bonds volatility index                      | 51      | -0.3  | -1     | -7      | -7  |
| Inflation expectations (%)                     |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| US Inflation expectations (5Y5Y)               | 2.44    | -     | 8      | 6       | 12  |
| EZ Inflation expectations (5Y5Y)               | 1.68    | -     | 0      | -1      | -6  |
| Banking 5y CDS (bps)                           |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| US   | 54      | -0.9  | -5     | 5       | 12  |
| EZ   | 54      | -1.4  | -5     | 6       | 14  |
| UK   | 47      | -0.8  | -3     | 4       | 6   |
| Large Spanish                                  | 45      | -1.6  | -5     | 4       | 9   |
| Medium Spanish                                 | 71      | 0.7   | -1     | 3       | -4  |
| Corporate 5y CDS (bps) *                       |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| US Non-financial                               | 157     | -0.9  | -5     | 5       | 12  |
| EZ Non-financial                               | 67      | -1.4  | -5     | 6       | 14  |
| UK Non-financial                               | 103     | -1.2  | -2     | 5       | 11  |
| Interbank market (% changes in bp)             |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| EONIA Index                                    | -0.36   | 0     | 0      | 0       | 1   |
| Euribor 3m                                     | -0.33   | 0     | 0      | 0       | 0   |
| Euribor 12m                                    | -0.19   | 0     | 0      | 0       | 0   |
| Libor 3m                                       | 2.35    | 1     | 2      | 21      | 66  |
| Libor 12m                                      | 2.73    | 1     | 2      | 14      | 62  |
| Stock markets (%)                              |         |       |        |         |     |
| Main indices                                   | level   | Daily | Weekly | Monthly | YTD |
| S&P500   | 2,672   | 0.6   | 2.3    | -3      | -1  |
| Dow Jones                                      | 24,541  | 0.7   | 2.3    | -1      | -1  |
| Nikkei   | 21,836  | 0.3   | 0.7    | 0       | -4  |
| FTSE 100                                       | 7,204   | -0.8  | 0.1    | 1       | -6  |
| EuroStoxx 50                                   | 3,439   | -0.3  | 0.7    | 1       | -1  |
| IBEX   | 9,760   | -0.1  | 0.2    | 1       | -3  |
| DAX  | 12,389  | -0.4  | 1.0    | 0       | -4  |
| CAC  | 5,308   | -0.1  | 0.8    | 1       | 0   |
| MIB  | 23,340  | 0.0   | 1.2    | 3       | 7   |
| ASE Athens *                                   | 921     | 1.2   | 2.5    | 0       | 0   |
| MSCI Latam *                                   | 91,054  | -0.9  | 0.1    | -1      | 6   |
| Ibovespa (Brazil)                              | 83,318  | -1.2  | 0.0    | -2      | 7   |
| Mobtel   | 48,718  | 0.0   | 1.5    | 2       | -3  |
| MSCI EM Europe *                               | 5,340   | -1.0  | -3.6   | 5       | -1  |
| Poland   | 2,300   | -0.4  | 1.7    | -1      | -7  |
| Mobx 10 (Russia)                               | 4,205   | -1.0  | 2.8    | -6      | 2   |
| Ice 100 (Turkey)                               | 110,688 | 1.0   | -2.2   | -6      | -6  |
| MSCI EM Asia *                                 | 933     | -0.3  | 1.7    | -3      | 1   |
| Shanghai Com (China)                           | 3,111   | -1.5  | -0.9   | -5      | -7  |
| Jakarta (Indonesia)                            | 6,287   | -0.4  | 1.6    | -2      | -1  |
| Banking sector                                 |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| US banks                                       |         |       |        |         |     |
| JPM  | 110.3   | 0.0   | -0.1   | -4      | 2   |
| CB   | 69.9    | -1.5  | 0.7    | -5      | -6  |
| BoA  | 29.5    | -0.9  | -1.2   | -8      | -1  |
| MS   | 53.6    | 1.2   | 0.4    | -6      | 3   |
| GS   | 258.6   | 1.1   | 2.6    | -8      | 1   |
| EZ banks                                       |         |       |        |         |     |
| BNP  | 107.2   | 0.1   | 1.3    | -1      | -2  |
| Crédit Agricole                                | 61.5    | 0.1   | 1.0    | -1      | -1  |
| Deutsche Bank                                  | 13.4    | 0.3   | 1.9    | -1      | -4  |
| ING  | 11.6    | -0.7  | 1.1    | 9       | -27 |
| Intesa   | 14.1    | -0.5  | 2.0    | -1      | -8  |
| SG   | 3.1     | 0.2   | 1.8    | 2       | 12  |
| UniCredit                                      | 44.4    | 0.4   | 0.3    | -1      | 3   |
| UK banks                                       |         |       |        |         |     |
| HSBC   | 17.3    | 0.5   | -0.1   | 2       | 10  |
| RBS  | 88.6    | -0.9  | 0.9    | 0       | -4  |
| Barclays                                       | 672.0   | -1.9  | 0.3    | -4      | -12 |
| Lloyds   | 263.4   | 0.5   | 0.8    | 2       | -5  |
| Bank of Scotland                               | 213.6   | 0.1   | 1.1    | 3       | 5   |
| Santander                                      | 67.7    | -0.7  | 1.6    | 1       | 0   |
| Large Spanish banks                            |         |       |        |         |     |
| Santander                                      | 80.1    | -0.3  | 0.2    | 0       | -5  |
| BBVA   | 5.4     | 0.4   | 0.6    | 1       | -1  |
| Medium Spanish banks                           | 6.4     | 0.2   | -0.1   | -2      | -9  |
| CaixaBank                                      | 77.4    | 0.2   | 1.2    | 0       | 1   |
| Sabadell                                       | 4.0     | 0.2   | 0.9    | 4       | 0   |
| Bankinter                                      | 1.7     | -0.3  | 3.5    | 5       | 3   |
| Bankia   | 8.5     | 0.2   | 1.0    | -2      | 7   |
| Bankia   | 3.7     | 0.7   | -0.3   | -3      | -9  |
| Commodities (% incl for currency depreciation) |         |       |        |         |     |
| Developed                                      | level   | Daily | Weekly | Monthly | YTD |
| EURUSD   | 1.24    | 0.3   | 0.4    | 0.5     | 3   |
| GBPUSD   | 1.43    | 0.6   | 1.4    | 2.8     | 5   |
| USDJPY   | 107.25  | 0.1   | -0.4   | -0.9    | 4   |
| DXY  | 89.53   | -0.3  | -0.3   | -0.7    | -3  |
| Emerging                                       |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| USDARS (Argentina)                             | 20,222  | 0.0   | -0.2   | 0.5     | -10 |
| USDRL (Brazil)                                 | 3.43    | -0.2  | 0.2    | 4.4     | 4   |
| USDCLP (Chile)                                 | 597.04  | -0.4  | 1.1    | 1.4     | 2   |
| USDCOP (Colombia)                              | 2732    | -0.7  | 1.7    | 4.0     | 7   |
| USDMMN (Mexico)                                | 18.05   | 0.0   | 1.7    | 3.5     | 8   |
| USDPEN (Peru)                                  | 3.22    | 0.0   | 0.4    | 1.2     | 0   |
| LACI   | 63.94   | 0.0   | 0.7    | 0.2     | 1   |
| USDPLN (Poland)                                | 3.36    | 0.7   | 1.4    | 1.8     | 3   |
| USD RUB (Russia)                               | 62.26   | -0.2  | -2.9   | -8.4    | -8  |
| USDTRY (Turkey)                                | 4.11    | -0.4  | -1.0   | -5.5    | -9  |
| USD CNY (China)                                | 6.28    | 0.0   | 0.5    | 0.7     | 3   |
| USD INR (India)                                | 65.49   | -0.4  | 0.7    | -0.9    | -3  |
| USD IDR (Indonesia)                            | 13,780  | -0.2  | -0.1   | -0.2    | -2  |
| ADXY   | 111.6   | 0.0   | 0.1    | 0.3     | 1   |
| Commodities (Ct)                               |         |       |        |         |     |
|  | level   | Daily | Weekly | Monthly | YTD |
| Brent  | 71.6    | -1.4  | 4.3    | 10      | 8   |
| WTX  | 66      | -1.6  | 4.6    | 8       | 10  |
| Copper   | 310     | 1.2   | 1.1    | 0       | -5  |
| Gold   | 1348    | 0.2   | 0.9    | 2       | 2   |
| S&P Spot commodity *                           | 468     | 0.3   | 3.6    | 6       | 6   |
| S&P Brent Spot *                               | 672     | 0.7   | 5.1    | 11      | 8   |
| S&P Metals Spot *                              | 383     | -0.6  | 1.9    | 2       | -3  |
| S&P Agricultural *                             | 305     | -0.7  | -0.2   | 1       | 7   |

\* With one day delay

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Fuente: BBVA Research, Datastream and Haver

| Debt markets (10Y % changes in bp)                  |         |       |        |         |     |  |
|---|---------|-------|--------|---------|-----|--|
| Developed Markets                                   | level   | Daily | Weekly | Monthly | YTD |  |
| US (2-yr)   | 2.39    | 2.9   | 10.7   | 10      | 47  |  |
| US  | 2.85    | 2.0   | 6.8    | 2       | 38  |  |
| GER (2-yr)  | -0.58   | 0.6   | 0.6    | 0       | 3   |  |
| Germany   | 0.53    | 1.5   | 2.2    | 5       | 6   |  |
| France  | 0.75    | 1.0   | 1.3    | 7       | 7   |  |
| Spain   | 1.24    | 0.6   | 0.6    | 14      | 45  |  |
| Italy   | 1.80    | 0.6   | 3.1    | -18     | -38 |  |
| Portugal  | 1.65    | -0.3  | -4.6   | -14     | -36 |  |
| Greece  | 4.05    | -6.2  | 4.9    | -17     | -6  |  |
| Japan (2-yr)  | -0.15   | 0.4   | -0.4   | -1      | -1  |  |
| Japan   | 0.05    | 0.7   | 0.1    | 0       | 0   |  |
| <b>Emerging Markets</b>                             |         |       |        |         |     |  |
| Brazil  | 9.88    | -1.9  | 0.3    | 42      | -37 |  |
| Chile   | 4.40    | -1.7  | -6.2   | -12     | -12 |  |
| Colombia  | 6.42    | 0.5   | -2.4   | 29      | -2  |  |
| Mexico  | 7.36    | 1.8   | 6.7    | 21      | -22 |  |
| Peru  | 4.70    | 1.3   | 6.3    | 10      | -17 |  |
| Poland  | 3.09    | 6.3   | 4.7    | 18      | -22 |  |
| Russia  | 7.53    | -1.8  | 11.9   | 28      | -11 |  |
| Turkey  | 12.77   | 5.0   | 7.0    | 34      | 141 |  |
| India   | 7.49    | 6.1   | 26.4   | -14     | 10  |  |
| Indonesia   | 6.68    | 2.6   | 3.1    | -11     | 31  |  |
| <b>Country risk (bp changes in bp)</b>              |         |       |        |         |     |  |
| <b>Developed Markets</b>                            |         |       |        |         |     |  |
| <b>10-yr sovereign spread vs Germany</b>            |         |       |        |         |     |  |
| France  | 23      | -0.5  | -0.9   | 2       | -6  |  |
| Italy   | 128     | -0.9  | 0.9    | -13     | -37 |  |
| Portugal  | 113     | -1.8  | -6.8   | 9       | -35 |  |
| Spain   | 72      | -0.9  | -1.6   | -17     | -36 |  |
| <b>2-yr sovereign spread vs Germany</b>             |         |       |        |         |     |  |
| France  | 9       | -0.6  | -0.7   | -2      | -7  |  |
| Italy   | 28      | -1.2  | -0.9   | 9       | -9  |  |
| Portugal  | 39      | 0.1   | 2.9    | -27     | -29 |  |
| Spain   | 25      | -0.4  | -1.4   | -8      | -2  |  |
| <b>Emerging Markets</b>                             |         |       |        |         |     |  |
| <b>5-yr sovereign CDS *</b>                         |         |       |        |         |     |  |
| Brazil  | 169     | 4.0   | 1      | 24      | 8   |  |
| Chile   | 47      | 1.5   | -1     | 4       | -2  |  |
| Colombia  | 99      | 0.4   | -3     | 3       | -6  |  |
| Mexico  | 104     | 1.1   | -1     | 1       | -3  |  |
| Peru  | 73      | 0.0   | -4     | 2       | 1   |  |
| Poland  | 49      | 0.5   | 1      | 3       | 0   |  |
| Russia  | 142     | 0.0   | 23     | 37      | 25  |  |
| Turkey  | 200     | -1.8  | 2      | 27      | 35  |  |
| China   | 60      | -1.0  | -4     | 5       | 9   |  |
| India   | 74      | -0.8  | -3     | 6       | 5   |  |
| Indonesia   | 97      | -3.6  | -4     | 8       | 12  |  |
| <b>Risk indicators</b>                              |         |       |        |         |     |  |
| <b>Volatility indicators (change in sp)</b>         |         |       |        |         |     |  |
| VIX   | 17      | -0.6  | -5     | 0       | 7   |  |
| VSTOXX  | 15      | -0.8  | -3     | -1      | 1   |  |
| EM EFT volatility index                             | 21      | -0.7  | 4      | 0       | 4   |  |
| Dollar/euro volatility                              | 6       | 0.1   | 0      | 0       | 0   |  |
| EM FX volatility index                              | 8       | -0.1  | 0      | 0       | 0   |  |
| Credit spread (BAA) (change in bps)                 | 176     | -2.0  | -7     | -4      | -1  |  |
| US bonds volatility index                           | 51      | -0.3  | -1     | -7      | -2  |  |
| <b>Inflation expectations (%)</b>                   |         |       |        |         |     |  |
| US Inflation expectations (EY5Y)                    | 2.44    | -     | 0      | 6       | 12  |  |
| EZ Inflation expectations (EY5Y)                    | 1.68    | -     | 0      | -1      | -6  |  |
| <b>Banking 5y CDS (bps) *</b>                       |         |       |        |         |     |  |
| US  | 54      | -0.9  | 5      | 5       | 12  |  |
| EZ  | 54      | -1.4  | 5      | 6       | 14  |  |
| UK  | 47      | -0.8  | -3     | 4       | 6   |  |
| Large Spanish                                       | 45      | -1.6  | -5     | 4       | 9   |  |
| Medium Spanish                                      | 71      | 0.7   | -1     | 3       | -4  |  |
| <b>Corporate 5y CDS (bps) *</b>                     |         |       |        |         |     |  |
| US Non-financial                                    | 157     | -0.9  | -5     | 5       | 12  |  |
| EZ Non-financial                                    | 67      | -1.4  | -5     | 6       | 14  |  |
| UK Non-financial                                    | 103     | -1.2  | -2     | 5       | 11  |  |
| <b>Interbank markets (% changes in bp)</b>          |         |       |        |         |     |  |
| EONIA Index   | -0.36   | 0     | 0      | 0       | 1   |  |
| Euribor 3m  | -0.33   | 0     | 0      | 0       | 0   |  |
| Euribor 12m   | -0.19   | 0     | 0      | 0       | 0   |  |
| Libor 3m  | 2.35    | 1     | 2      | 21      | 66  |  |
| Libor 12m   | 2.73    | 1     | 2      | 14      | 62  |  |
| <b>Stock markets (%)</b>                            |         |       |        |         |     |  |
| <b>Main indices</b>                                 |         |       |        |         |     |  |
| S&P500  | 2,672   | 0.6   | -2.3   | -3      | -1  |  |
| Dow Jones   | 24,541  | 0.7   | 2.3    | -1      | -1  |  |
| Nikkei  | 21,836  | 0.3   | 0.7    | 0       | -4  |  |
| FTSE 100  | 7,204   | -0.8  | 0.1    | 1       | -6  |  |
| EuroStoxx 50  | 3,439   | -0.3  | 0.7    | 1       | -1  |  |
| IBEX  | 9,760   | -0.1  | 0.2    | 1       | -3  |  |
| DAX   | 12,389  | -0.4  | 1.0    | 0       | -4  |  |
| CAC   | 5,308   | -0.1  | 0.8    | 1       | 0   |  |
| MB  | 23,340  | 0.0   | 1.2    | 3       | 7   |  |
| ASE Athens  | 821     | 1.2   | 2.5    | 0       | 0   |  |
| MSCI Latam*   | 91,054  | -0.9  | 0.1    | -1      | 6   |  |
| Bovespa (Brazil)                                    | 83,318  | -1.2  | 0.0    | -2      | 7   |  |
| Mexbol  | 48,778  | 0.0   | 1.5    | 2       | -3  |  |
| MSCI EM Europe*                                     | 5,340   | -1.0  | -3.6   | 5       | -1  |  |
| Poland  | 2,300   | -0.4  | 1.7    | -1      | -7  |  |
| Mosx 10 (Russia)                                    | 4,205   | -1.0  | 2.8    | 6       | 2   |  |
| Ise 100 (Turkey)                                    | 110,688 | 1.0   | -2.2   | 6       | -6  |  |
| MSCI EM Asia*                                       | 933     | -0.3  | 1.7    | 3       | 1   |  |
| Shanghai Com (China)                                | 3,111   | -1.5  | -0.9   | -5      | -7  |  |
| Jakarta (Indonesia)                                 | 6,287   | -0.4  | 1.8    | -2      | -1  |  |
| <b>Banking sector</b>                               |         |       |        |         |     |  |
| US banks  | 141.5   | -0.1  | 0.5    | 6       | -1  |  |
| JPM   | 110.3   | 0.0   | -0.1   | 4       | 2   |  |
| Citi  | 69.9    | -1.5  | 0.7    | -5      | -6  |  |
| BoA   | 29.5    | -0.9  | -1.2   | 8       | -1  |  |
| MS  | 53.6    | 1.2   | 0.4    | 6       | 3   |  |
| GS  | 258.8   | 1.1   | 2.6    | -3      | 1   |  |
| EZ banks  | 107.2   | 0.1   | 1.3    | -1      | -2  |  |
| BNP   | 61.5    | 0.1   | 1.0    | -1      | -1  |  |
| Crédit Agricole                                     | 13.4    | 0.3   | 1.9    | -1      | -4  |  |
| Deutsche Bank                                       | 11.6    | -0.7  | 1.1    | 9       | -27 |  |
| ING   | 14.1    | -0.5  | 2.0    | -1      | -8  |  |
| Intesa  | 3.1     | 0.2   | 1.8    | 2       | 12  |  |
| SG  | 44.4    | 0.4   | 0.3    | -1      | 3   |  |
| Unicredit   | 17.3    | 0.5   | -0.1   | 2       | 10  |  |
| UK banks  | 88.6    | -0.9  | 0.9    | 0       | -4  |  |
| HSC   | 672.0   | -1.9  | 0.3    | -4      | -12 |  |
| RBS   | 263.4   | -0.5  | 0.8    | 2       | -5  |  |
| Bankers   | 213.6   | 0.1   | 1.1    | 3       | 5   |  |
| Lloyds  | 67.7    | -0.7  | 1.6    | 1       | 0   |  |
| Large Spanish banks                                 | 80.1    | 0.3   | 0.2    | 0       | 5   |  |
| Santander   | 5.4     | -0.4  | 0.6    | 1       | -1  |  |
| BBVA  | 6.4     | 0.2   | 0.1    | 2       | 8   |  |
| Medium Spanish banks                                | 77.4    | 0.2   | 1.2    | 0       | 1   |  |
| Cabotbank   | 4.0     | 0.2   | 0.9    | 4       | 0   |  |
| Sabotek   | 1.7     | -0.3  | 3.5    | 5       | 3   |  |
| Bankinter   | 8.5     | 0.2   | 1.0    | -2      | 7   |  |
| Bankia  | 3.7     | 0.7   | -0.3   | -3      | -9  |  |
| <b>Currencies (% not for currency depreciation)</b> |         |       |        |         |     |  |
| <b>Developed</b>                                    |         |       |        |         |     |  |
| EURUSD  | 1.24    | 0.3   | 0.4    | 0.5     | 3   |  |
| GBPUSD  | 1.43    | 0.6   | 1.4    | 2.8     | 5   |  |
| USD JPY   | 107.25  | 0.1   | -0.4   | -0.9    | 4   |  |
| DNV   | 69.53   | -0.3  | -0.3   | 0.7     | -3  |  |
| <b>Emerging</b>                                     |         |       |        |         |     |  |
| USDARS (Argentina)                                  | 20.22   | 0.0   | -0.2   | 0.5     | -10 |  |
| USD BRL (Brazil)                                    | 3.43    | -0.2  | -0.2   | 4.4     | 5   |  |
| USD CLP (Chile)                                     | 597.04  | -0.4  | 1.1    | 1.4     | 2   |  |
| USD COP (Colombia)                                  | 2732    | -0.7  | 1.7    | 4.0     | 7   |  |
| USD MXN (Mexico)                                    | 18.05   | 0.0   | 1.7    | 3.5     | 8   |  |
| USD PEN (Peru)                                      | 3.22    | 0.0   | 0.4    | 1.2     | 0   |  |
| LACI  | 63.94   | 0.0   | 0.7    | 0.2     | 1   |  |
| USD PLN (Poland)                                    | 3.36    | 0.7   | 1.4    | 1.9     | 3   |  |
| USD RUB (Russia)                                    | 62.26   | -0.2  | 2.9    | 0.4     | -8  |  |
| USD TRY (Turkey)                                    | 4.11    | -0.4  | -1.0   | -5.5    | -9  |  |
| USD CNY (China)                                     | 6.28    | 0.0   | 0.5    | 0.7     | 3   |  |
| USD INR (India)                                     | 65.49   | -0.4  | -0.7   | -0.9    | -3  |  |
| USD IDR (Indonesia)                                 | 13,780  | -0.2  | 0.1    | 0.2     | -2  |  |
| ADXY  | 111.6   | 0.0   | 0.1    | 0.3     | 1   |  |
| <b>Commodities (%)</b>                              |         |       |        |         |     |  |
| Brent   | 71.6    | -1.4  | -4.3   | 10      | 8   |  |
| WTX   | 66      | -1.6  | -4.6   | 8       | 10  |  |
| Copper  | 210     | 1.2   | 1.1    | 0       | -5  |  |
| Gold  | 1348    | 0.2   | 0.9    | 2       | 2   |  |
| S&P Spot commodity *                                | 468     | 0.3   | 3.6    | 6       | 6   |  |
| S&P Brent Spot *                                    | 612     | 0.7   | 5.1    | 11      | 8   |  |
| S&P Metals Spot *                                   | 383     | -0.6  | 1.9    | 2       | -3  |  |
| S&P Agricultural *                                  | 305     | -0.7  | -0.2   | 1       | 7   |  |
| * With one day delay                                |         |       |        |         |     |  |

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Fuente: BBVA Research, Datastream and Haver

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