

Market Comment | European assets continued suffering from uncertainty in Italy

Global Financial Markets Unit
29 May 2018

- **The political outlook in Italy remained in the forefront, triggering a sharp flight to quality in European bond markets and also dragging US Treasury yields lower.** President Mattarella commissioned Carlo Cottarelli (ex-IMF) yesterday to form a technical government that will not gain the confidence of the parliament, but he will still be able to manage the country until the new elections, probably in autumn. The Five Star Movement and the Lega have strongly criticised Mattarella and have called for protests this weekend. They also made strong criticism of the European establishment (France and Germany). The Five Star Movement has called for the impeachment of Mattarella, but has no chance of moving forward, while rumours about a pre-election coalition between Five Star and the League to go together to the potential upcoming elections also add some uncertainty.
- **In this context, the Italian risk premium jumped to 280 bps, its highest level since 2013,** also fostered by safe-haven flows which drove the yield of the German bund below 0.30%. The movement in the short term of the sovereign curve was even more abrupt, increasing by around 180 bps in the 2Y segment. **The extent of the contagion to other peripherals has varied during the session although Portugal was underperforming Spain all the time.** Nonetheless, early this morning the Spanish risk premium touched 150 points (its highest since 2016) while it has been smothered as the session went by.
- **Sharp drop in European equity indices at the end of the session,** despite the slight improvement since noon, when peripheral indices were down by almost 3%. Nonetheless, the peripheral equity indices have had several days in a row of heavy losses, led by the banking sector with falls which even reached 6% in some cases.
- In this context the **EUR renewed its minimum level against the USD within 2018** but, in line with other assets, it recovered progressively as the session went by to close hovering around 1.155 against the USD.
- The US market has taken a secondary role given the events in Europe although the downward trend in sovereign interest rates continued. **The 10Y UST yield is walking away from the 3% threshold** as the recent events in Italy, and cautious mood shown by Bullard about the Fed's pace of tightening (see) weighed. In the same line, **equity markets went down sharply** in their first trading day in the week after yesterday's bank holiday.
- **Despite the sharp drop in core developed yields (US and Germany), emerging currencies also showed a negative performance against the USD.** The TRY and BRL (currencies that led the recent deterioration) were the main exceptions in a context of poor performance of oil prices (hovering around 75 USD per barrel).

Table1
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Debt markets (10Y, % changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US (2-yr)	2.40	8.0	17.3	9	48
US (10-yr)	2.82	-11.3	-24.1	-14	36
GER (2-yr)	-0.77	-9.7	-16.4	-19	-16
Germany	0.26	-8.7	-30.3	-31	-21
France	0.65	-4.6	-17.9	-14	-17
Spain	1.82	3.5	16.3	36	1
Italy	3.18	49.3	84.9	144	108
Portugal	2.20	12.4	23.3	54	19
Greece	4.79	29.9	39.8	86	68
Japan (2-yr)	-0.14	-0.4	-0.7	-1	-1
Japan	0.03	-2.1	-2.1	-1	-1
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
Brazil	11.25	8.3	53.9	147	99
Chile	4.57	0.0	-1.6	10	6
Colombia	6.81	-0.3	-4.0	17	16
Mexico	7.66	1.0	9.8	19	8
Peru	5.39	1.4	-5.6	45	51
Poland	3.27	4.7	1.6	23	-4
Russia	7.46	3.9	1.1	7	-18
Turkey	13.51	16.0	69.0	138	215
India	7.76	2.0	-5.4	-1	37
Indonesia	21.5	0.0	-37.6	1.0	86
Country risk (bp, changes in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	40	4.1	12.4	17	11
Italy	292	58.0	115.2	175	129
Portugal	194	21.1	53.6	86	40
Spain	136	18.2	46.6	67	22
2-yr sovereign spread vs Germany					
France	18	6.9	6.4	10	2
Italy	351	199.6	271.0	331	310
Portugal	114	35.5	59.3	56	46
Spain	73	18.0	42.3	50	46
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
5-yr sovereign CDS *					
Brazil	192	0.4	-2	21	31
Chile	53	0.0	-3	3	4
Colombia	114	0.4	1	7	9
Argentina	347	0.0	-4	56	109
Mexico	121	0.4	-4	7	14
Peru	86	0.3	-2	11	14
Venezuela	16,599	0.0	0	0	0
Poland	60	0.2	3	11	11
Russia	128	0.0	-9	-4	10
Turkey	264	0.5	-23	72	100
China	55	-0.9	2	-1	5
India	89	-0.5	0	13	20
Indonesia	112	-4.8	-13	6	27
Risk indicators					
level	Daily	Weekly	Monthly	YTD	
Volatility indicators (change in pp)					
VIX	16	2.6	3	0	6
VSTOXX	20	2.4	7	7	7
EM EFT volatility index	21	2.6	3	4	4
Dollar/euro volatility	8	0.7	1	2	2
EM FX volatility index	9	0.0	0	1	1
Credit spread (BAA)(change in bp)	196	11.3	13	15	18
US bonds volatility index	5.4	0.0	2	3	5
Inflation expectations (%)					
level	Daily	Weekly	Monthly	YTD	
US inflation expectations (5Y5Y)					
US	2.38	-5	-4	6	6
EZ inflation expectations (5Y5Y)					
EZ	1.66	-	-5	-4	-8
Banking Sy CDS (bps) *					
level	Daily	Weekly	Monthly	YTD	
US	55	0.4	2	0	13
EZ	78	0.6	13	28	39
UK	52	0.3	5	9	11
Large Spanish	87	0.5	24	42	51
Medium Spanish	89	0.6	11	21	14
Corporate Sy CDS (bps) *					
level	Daily	Weekly	Monthly	YTD	
US Non-financial	153	0.4	2	0	13
EZ Non-financial	76	0.6	13	28	39
UK Non-financial	108	0.1	2	3	15
Interbank markets (% changes in bp)					
level	Daily	Weekly	Monthly	YTD	
EOHA Index					
EOHA Index	-0.37	0	0	0	0
Euribor 3m					
Euribor 3m	-0.32	0	0	1	1
Euribor 12m					
Euribor 12m	-0.19	0	0	0	0
Libor 3m					
Libor 3m	2.32	0	-1	-4	62
Libor 12m					
Libor 12m	2.73	0	-3	-4	62
Stock markets (%)					
level	Daily	Weekly	Monthly	YTD	
Main indices					
S&P500	2,696	-0.9	-1.0	1.0	0
Dow Jones	24,385	-1.5	-1.8	0.3	-2
Nikkei	22,358	-0.5	-2.6	-0.5	-2
FTSE 100	7,633	-1.3	-3.1	1.7	0
Euro Stoxx 50	3,426	-1.6	-4.4	2.6	-2
IBEX	9,521	-2.5	-6.1	-4.1	-6
DAX	12,667	-1.5	-3.8	0.7	-2
CAC	5,438	-1.3	-3.6	0.8	3
MB	21,351	-2.7	-8.0	-10.8	-2
ASE Athens	738	-2.3	-7.5	-13.1	-10
MSCI Latam *	83,117	2.7	5.2	9.9	-3
Ibovespa (Brazil)	76,752	1.9	-7.2	-11.2	-1
Mexbol (Mexico)	44,926	0.2	-1.5	-7.0	-10
Merval (Argentina)	29,078	1.5	6.2	-3.1	-6
MSCI EM Europe *	5,403	0.5	-0.9	-1.2	0
Poland	2,192	-1.2	-2.5	-3.7	-11
Micex 10 (Russia)	4,449	-1.0	-1.6	0.9	0
Ise 100 (Turkey)	105,113	-1.3	1.7	-2.3	-11
MSCI EM Asia *	936	0.3	0.2	2.3	2
Shanghai Com (China)	3,130	-0.5	-2.9	1.2	-7
Jakarta (Indonesia)	6,068	1.5	5.8	2.7	-5
Banking sector					
level	Daily	Weekly	Monthly	YTD	
US banks					
JPM	106.4	-3.8	-5.8	-2.7	-1
Cit	66.1	-3.4	-7.0	-4.2	-11
BAK	79.3	-3.0	-5.2	-2.9	-2
MS	50.7	-4.4	-7.7	-2.3	-3
GS	228.7	-2.7	-3.9	-4.6	-11
EZ banks					
BNP	93.4	-3.9	-9.4	-14.2	-15
BNP	57.2	-4.5	-8.7	-10.0	-8
Credit Agricole	12.0	-3.3	-9.2	-12.0	-14
Deutsche Bank	9.8	-4.6	-10.5	-14.2	-38
ING	12.6	-3.4	-6.6	-9.1	-18
Intra	2.4	-4.1	-12.5	-23.4	-11
SG	39.2	-2.9	-6.1	-13.6	-9
Unicredit	14.0	-5.6	-16.3	-22.0	-11
UK banks					
HSBC	89.1	-2.4	-4.4	0.4	-3
RBS	723.2	13.2	3.0	0.5	-5
RBS	280.0	-3.3	5.4	4.3	1
Barclays	198.8	-3.6	-5.8	-4.9	-2
Dynis	64.3	-2.1	-4.1	-0.8	-5
Large Spanish banks					
Santander	71.0	-4.8	-11.6	-12.5	-16
Banque	4.6	-5.4	-12.1	-13.0	-15
BBVA					
BBVA	5.9	-4.2	-11.1	-12.1	-17
Medium Spanish banks					
Cajabank	3.7	-4.7	-12.1	8.5	-7
Sabadell	1.5	-6.8	-10.0	8.5	-11
Baninter	8.2	-1.3	-7.9	5.6	3
Banika	3.3	-5.2	-10.8	-10.2	-19
Commodities (% net for currency depreciation)					
level	Daily	Weekly	Monthly	YTD	
Development					
EURUSD					
EURUSD	1.155	-0.6	-1.9	-4.8	-4
GBPUSD					
GBPUSD	1.33	-0.4	-1.3	-3.8	-2
USDJPY					
USDJPY	108.62	0.7	2.1	0.4	3
DXY					
DXY	94.80	0.4	1.3	3.6	3
Emerging					
level	Daily	Weekly	Monthly	YTD	
USDARS (Argentina)					
USDARS	24.93	0.5	-2.7	-21.4	-35
USDBRL (Brazil)					
USDBRL	3.73	0.2	2.2	7.8	-14
USDCIP (Chile)					
USDCIP	627.78	0.5	-0.5	-3.3	-3
USDCOP (Colombia)					
USDCOP	2893	0.8	-1.4	-3.1	-1
USDMXN (Mexico)					
USDMXN	19.74	-0.7	0.2	-6.1	-1
USDPEN (Peru)					
USDPEN	3.28	-0.1	-0.3	-1.4	-1
USDRUB (Russia)					
USDRUB	58.49	-0.4	-0.9	-6.9	-8
USDPOL (Poland)					
USDPOL	3.74	0.9	2.7	7.7	-8
USDTRY (Turkey)					
USDTRY	62.69	0.6	-2.4	0.9	-9
USDCNY (China)					
USDCNY	4.55	0.7	2.6	-12.5	-21
USDINR (India)					
USDINR	67.87	-0.7	0.3	-1.8	-7
USDIRR (Indonesia)					
USDIRR	13.995	0.0	1.0	-0.7	-4
ADXY					
ADXY	109.4	0.4	-0.5	-1.5	-1
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
Brent					
Brent	75.2	-0.2	-5.5	5	13
WTI					
WTI	67	-2.0	-7.8	-2	10
Copper					
Copper	307	0.1	-1.6	1	-6
Gold					
Gold	1303	0.4	0.9	-2	1
S&P Spot commodity *					
S&P Spot commodity *	482	0.0	-2.6	2	9
S&P Brent Spot *					
S&P Brent Spot *	651	0.0	-3.9	4	15
S&P Metal Spot *					
S&P Metal Spot *	396	0.0	0.8	2	-2
S&P Agricultural *					
S&P Agricultural *	317	0.0	1.8	3	11

* With one day delay
Source: Bloomberg, Datastream and Haver

Fuente: BBVA Research

Debt markets (10Y % change in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
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GER (2-yr)	0.77	-9.7	-16.4	-19	-16
Germany	0.26	-8.7	-10.3	-31	-21
France	0.65	-4.6	-17.9	-14	-17
Spain	1.62	9.5	16.3	36	1
Italy	3.18	49.3	64.9	144	108
Portugal	2.20	12.4	23.3	54	19
Greece	4.79	29.9	39.8	86	68
Japan (2-yr)	-0.14	-0.4	-0.7	-1	-1
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level	Daily	Weekly	Monthly	YTD	
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Colombia	6.61	-0.3	-4.0	17	16
Mexico	7.66	1.0	-9.8	19	8
Peru	5.39	1.4	5.6	45	51
Poland	3.27	4.7	1.6	23	-4
Russia	7.46	3.9	1.1	7	-18
Turkey	13.51	116.0	63.0	128	215
India	7.76	2.0	-5.4	-1	37
Indonesia	7.15	0.0	-37.6	18	86
Country risk (bp, change in bp)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	40	4.1	12.4	17	11
Italy	292	58.0	115.2	175	129
Portugal	194	21.1	53.6	86	40
Spain	136	10.2	45.6	67	22
2-yr sovereign spread vs Germany					
France	18	6.9	6.4	10	2
Italy	357	159.6	217.0	311	210
Portugal	114	35.5	59.3	56	46
Spain	73	18.0	42.3	50	46
Emerging Markets					
level	Daily	Weekly	Monthly	YTD	
5-yr sovereign CDS *					
Brazil	192	0.4	-2	21	31
Chile	53	0.0	-3	3	4
Colombia	114	0.4	1	7	9
Argentina	347	0.0	-4	56	109
Mexico	121	0.4	-4	7	14
Peru	86	0.3	-2	11	14
Venezuela	16,599	0.0	0	0	0
Poland	60	0.2	3	11	11
Russia	128	0.0	-9	-4	10
Turkey	264	0.5	-23	72	100
China	55	-0.9	-2	-4	5
India	89	-0.5	0	13	20
Indonesia	112	-4.8	-13	6	27
Risk indicators					
level	Daily	Weekly	Monthly	YTD	
Volatility indicators (change in pp)					
VIX	16	2.6	3	0	6
VSTOXX	20	2.4	7	7	7
EM EFT volatility index	21	2.6	3	3	4
Dollar/euro volatility	6	0.7	1	2	2
EM FX volatility index	9	0.0	0	1	1
Credit spread (BAA) change in bp	196	11.3	13	16	18
US bonds volatility index	54	0.0	2	3	5
Inflation expectations (%)					
level	Daily	Weekly	Monthly	YTD	
US Inflation expectations (5Y5Y)					
US	2.38	-	5	8	6
EZ Inflation expectations (5Y5Y)	1.66	-	5	4	8
Banking 5Y CDS (pp) *					
level	Daily	Weekly	Monthly	YTD	
US	55	0.4	2	0	13
EZ	78	0.6	12	28	39
UK	52	0.3	5	9	11
Large Spanish	87	0.5	24	42	51
Medium Spanish	89	0.6	11	21	14
Composite 5Y CDS (pp) *					
level	Daily	Weekly	Monthly	YTD	
US Non-financial	153	0.4	2	0	13
EZ Non-financial	76	0.6	13	28	39
UK Non-financial	108	0.1	2	3	15
Interbank markets (% change in bp)					
level	Daily	Weekly	Monthly	YTD	
COBA Index					
COBA Index	-0.37	0	0	0	0
Eurobor 3m					
Eurobor 3m	-0.32	0	0	1	1
Eurobor 12m					
Eurobor 12m	-0.19	0	0	0	0
Libor 3m					
Libor 3m	2.32	0	-1	-4	62
Libor 12m					
Libor 12m	2.73	0	-3	-4	62
Stock markets (%)					
level	Daily	Weekly	Monthly	YTD	
Main indices					
S&P500	2,696	-0.9	-1.0	1.0	0
Dow Jones	24,385	-1.5	-1.8	0.3	-2
Nike	22,358	-0.5	-2.6	0.5	-2
FTSE 100	7,633	-1.3	-3.1	1.7	0
EuroStoxx 50	3,428	-1.6	-4.4	2.6	-2
IBEX	9,521	-2.5	-6.1	-4.1	-6
DAX	12,667	-1.5	-3.8	0.7	-2
CAC	5,438	-1.3	-3.6	0.8	3
MB	21,351	-2.7	-8.0	-10.8	-2
ASE Athens	738	-2.3	-7.5	-13.1	-10
MSCI Latam *					
MSCI Latam *	63,117	-2.7	-5.2	-9.9	-3
Ibovespa (Brazil)	76,752	1.9	-7.2	-11.2	-1
Mercol (Mexico)	44,926	0.2	-1.5	-7.0	-10
Merval (Argentina)	29,978	1.5	6.2	3.1	6
MSCI EM Europe *					
MSCI EM Europe *	5,403	0.5	-0.9	1.2	0
Poland	2,192	-1.2	-2.5	3.7	-11
Mixe 10 (Russia)	4,449	-1.0	-1.6	0.9	9
Ise 100 (Turkey)	105,113	-1.3	1.7	-2.3	-11
MSCI EM Asia *					
MSCI EM Asia *	936	0.3	0.2	2.3	2
Shanghai Com (China)	3,120	-0.6	-2.8	1.2	-7
Jakarta (Indonesia)	6,068	1.5	5.8	2.7	-5
Banking sector					
level	Daily	Weekly	Monthly	YTD	
US banks					
US banks	140.9	-3.5	-5.9	3.3	5
JPM	106.4	-3.8	-5.8	2.2	-1
Cit	66.1	-3.4	-7.0	4.2	-11
BofA	29.3	-3.0	-5.2	2.9	2
MS	50.7	-4.4	-7.7	2.3	-3
GS	228.7	-2.7	-3.9	4.6	-11
EZ banks					
EZ banks	93.4	-3.9	-9.4	-14.2	-15
BNP	57.2	-4.5	-8.7	-10.0	-8
Credit Agricob	12.0	-3.3	-9.2	-12.0	-14
Deutsche Bank	9.8	-4.6	-10.5	-14.2	-38
ING	12.6	-3.4	-6.6	9.1	-18
Intesa	2.4	-4.1	-12.5	-22.4	-11
SG	39.2	-2.9	-6.1	-13.6	-9
Unicredit	14.0	-5.6	-16.3	-22.0	-11
UK banks					
UK banks	89.1	-2.4	-4.4	0.4	-3
HSBC	72.2	-1.3	-3.0	0.5	5
RBS	280.0	-3.3	-5.4	4.3	1
Barclays	198.8	-3.6	-5.8	4.9	-2
Lloyds	64.3	-2.1	-4.1	0.8	5
Large Spanish banks					
Large Spanish banks	71.0	-4.8	-11.6	-12.5	-16
Santander	4.6	-5.4	-12.1	-13.0	-15
BBVA					
BBVA	5.9	-4.2	-11.1	-12.1	-17
Medium Spanish banks					
Medium Spanish banks	71.2	-4.0	-9.8	-7.6	-7
Caixabank	3.7	-4.7	-12.1	8.5	-7
Sabadel	1.5	-6.8	-10.0	8.5	-11
Bankiár	8.2	-1.3	-7.9	5.6	3
Bankia	3.3	-5.2	-10.8	-10.2	-19
Currencies (% net for currency depreciation)					
level	Daily	Weekly	Monthly	YTD	
Developed					
EURUSD	1,155	-0.6	-1.9	-4.8	-4
GBPUSD	1,33	-0.4	-1.3	-3.8	-2
USDJPY	108.62	0.7	2.1	0.4	3
DXY	94.80	0.4	1.3	3.6	3
Emerging					
level	Daily	Weekly	Monthly	YTD	
USDARS (Argentina)					
USDARS (Argentina)	24,93	-0.9	-2.7	-21.4	-35
USDBRL (Brazil)					
USDBRL (Brazil)	3.73	0.2	-2.2	-7.8	-14
USDCUP (Cuba)					
USDCUP (Cuba)	627.78	-0.5	0.5	3.3	-3
USDCOP (Colombia)					
USDCOP (Colombia)	2893	-0.6	-1.4	-3.1	1
USDMXN (Mexico)					
USDMXN (Mexico)	19.74	-0.7	0.2	-6.1	-1
USDPEN (Peru)					
USDPEN (Peru)	3.28	-0.1	-0.3	-1.4	-1
IACI					
IACI	58.49	-0.4	0.9	-6.9	8
USDPIN (Poland)					
USDPIN (Poland)	3.74	-0.9	-2.7	-7.7	8
USDRLB (Russia)					
USDRLB (Russia)	62.69	-0.6	-2.4	0.9	9
USDTRY (Turkey)					
USDTRY (Turkey)	4.55	0.7	2.6	-12.5	-21
USDCNY (China)					
USDCNY (China)	6.42	-0.3	-0.8	-1.3	1
USDINR (India)					
USDINR (India)	67.87	-0.7	0.3	-1.9	-7
USDIDR (Indonesia)					
USDIDR (Indonesia)	13,995	0.0	1.0	-0.7	4
ADXY	109.4	-0.4	-0.5	1.5	-1
Commodities (%)					
level	Daily	Weekly	Monthly	YTD	
Brent					
Brent	75.2	-0.2	5.5	1	13
WTX	67	-2.0	-7.8	2	10
Copper	307	0.1	-1.6	1	6
Gold	1303	0.4	0.9	-2	-1
S&P Spot commodity *	482	0.0	-2.6	2	9
S&P Wheat Spot *	651	0.0	-3.9	4	15
S&P Meat Spot *	386	0.0	0.8	2	-2
S&P Agri Kultur *	317	0.0	1.8	3	11
* With one day delay					
Source: Bloomberg, Datastream and Haver					

Fuente: BBVA Research

Debt markets (10Y, %, changes in bps)					
Developed Markets	level	Daily	Weekly	Monthly	YTD
US (2-yr)	2.40	-0.0	-17.3	9	48
US	2.82	-11.3	-24.1	-14	36
GER (2-yr)	0.77	-9.7	-16.4	-19	-16
Germany	0.26	-6.7	-20.3	-31	-21
France	0.65	-4.6	-17.9	-14	-17
Spain	1.62	9.5	16.3	26	1
Italy	3.19	49.3	64.9	144	108
Portugal	2.20	12.4	23.3	54	19
Greece	4.79	29.9	39.8	66	68
Japan (2-yr)	-0.14	-0.4	-0.7	-1	-1
Japan	0.03	-2.1	-2.1	-1	-1
Emerging Markets	level	Daily	Weekly	Monthly	YTD
Brazil	11.25	8.3	53.9	147	99
Chile	4.57	0.0	-1.6	10	6
Colombia	6.61	0.3	-4.0	17	16
Mexico	7.66	1.0	-9.8	19	8
Peru	5.39	1.4	-5.6	45	51
Poland	3.27	4.7	1.6	23	-4
Russia	7.46	3.9	1.1	7	-18
Turkey	13.51	-16.0	-89.0	128	215
India	7.76	2.0	-5.4	-1	37
Indonesia	7.15	0.0	-7.5	18	86
Country risk (bp, changes in bps)	level	Daily	Weekly	Monthly	YTD
Developed Markets	level	Daily	Weekly	Monthly	YTD
10-yr sovereign spread vs Germany					
France	40	4.1	12.4	17	11
Italy	292	58.0	115.2	175	129
Portugal	194	21.1	53.6	86	40
Spain	136	19.2	46.6	67	22
2-yr sovereign spread vs Germany					
France	18	6.9	5.4	10	2
Italy	357	199.6	277.0	331	320
Portugal	114	35.5	59.3	56	46
Spain	73	15.0	42.3	50	46
Emerging Markets	level	Daily	Weekly	Monthly	YTD
5-yr sovereign CDS *					
Brazil	192	0.4	-2	21	31
Chile	53	0.0	-3	3	4
Colombia	114	0.4	1	7	9
Argentina	347	0.0	-4	56	109
Mexico	121	0.4	-4	7	14
Peru	86	0.3	-2	11	14
Venezuela	16,599	0.0	0	0	0
Poland	69	0.2	3	11	11
Russia	128	0.0	-9	-4	10
Turkey	264	0.5	-23	72	100
China	55	-0.9	-2	-4	5
India	89	-0.5	0	13	20
Indonesia	112	-4.8	-13	6	27
Risk indicators	level	Daily	Weekly	Monthly	YTD
Volatility Indicators (change in bps)					
VIX	16	2.6	3	0	6
VSTOXX	20	2.6	7	7	7
EMSTT volatility index	21	0.6	3	3	4
Dollar/euro volatility	8	0.7	1	2	2
EM FX volatility index	9	0.0	0	1	1
Credit spread (BAA) (change in bps)	186	11.3	13	16	18
US bonds volatility index	54	0.0	2	3	5
Interest rate expectations	level	Daily	Weekly	Monthly	YTD
US inflation expectations (5YSY)					
US inflation expectations (5YSY)	2.38	-	-5	-8	6
EZ inflation expectations (5YSY)	1.66	-	-5	-4	8
Banking 5y CDS (bps) *	level	Daily	Weekly	Monthly	YTD
US	55	0.4	2	0	13
EZ	78	0.6	13	28	39
UK	52	0.3	5	9	11
Large Spanish	87	0.5	24	42	51
Medium Spanish	89	0.6	11	21	14
Corporate 5y CDS (bps) *	level	Daily	Weekly	Monthly	YTD
US Non-financial	153	0.4	2	0	13
EZ Non-financial	76	0.6	13	28	39
UK Non-financial	108	0.1	2	3	15
Interbank markets (change in bp)	level	Daily	Weekly	Monthly	YTD
EOBA Index	-0.37	0	0	0	0
Euro3m	-0.32	0	0	1	1
Euro3 12m	-0.19	0	0	0	0
Libor 3m	2.32	0	-1	-4	62
Libor 12m	2.73	0	-3	-4	62
Stock markets (%)	level	Daily	Weekly	Monthly	YTD
World indices	level	Daily	Weekly	Monthly	YTD
S&P500	2,696	-0.9	-1.0	1.0	0
Dow Jones	24,385	-1.5	-1.8	0.3	-2
Nikkei	22,358	0.5	-2.6	0.5	2
FTSE 100	7,633	-1.3	-3.1	1.7	0
EuroStoxx 50	3,428	-1.6	-4.4	-2.6	-2
IBEX	9,521	2.5	-6.1	-4.1	-6
DAX	12,667	-1.5	-3.8	0.7	-2
CAC	5,438	-1.3	-3.6	-0.8	3
MBI	21,251	-2.7	-5.0	-10.8	-2
ASE Athens	738	-2.3	-7.5	-13.1	-10
MSCI Latam *	83,117	-2.7	-5.2	-9.9	-3
Bovespa (Brazil)	76,752	1.9	-7.2	-11.2	-1
Mexcel (Mexico)	44,926	0.2	-1.5	-7.0	-10
Merval (Argentina)	29,078	1.5	-6.2	-3.1	-6
MSCI EM Europe *	5,403	0.5	-0.9	-1.2	0
Poland	2,192	-1.2	-2.6	-3.7	-11
Mexco 10 (Russia)	4,449	-1.0	-1.6	-0.9	8
Ru 1000 (Turkey)	105,113	-1.3	-1.7	-2.3	-11
MSCI EM Asia *	936	0.3	0.2	2.3	2
Shanghai Com (China)	3,120	0.5	-2.9	1.2	-7
Jakarta Indonesia	6,068	1.5	-5.8	-2.7	5
European banks	level	Daily	Weekly	Monthly	YTD
US banks					
JPM	106.4	-3.8	-5.8	-2.7	-1
Ch	66.1	-3.4	-7.0	-4.2	-11
BoA	29.3	-3.0	-5.2	-2.9	-2
MS	50.7	-4.4	-7.7	-2.3	-3
GS	228.7	-2.7	-3.9	-4.6	-11
EZ banks					
BNP	97.2	-4.5	-8.7	-10.0	8
Credit Agricole	12.0	-3.3	-9.2	-17.0	-14
Deutsche Bank	9.8	-4.6	-10.5	-14.2	-38
ING	12.6	-3.4	-5.6	-9.1	-18
Intesa	2.4	-6.1	-12.5	-22.4	-11
SG	39.2	-2.9	-6.1	-13.6	-9
Unicredit	14.0	-5.6	-16.3	-22.0	-11
UK banks					
HSBC	723.2	-1.3	-3.0	0.5	5
RBS	280.0	-3.3	-5.4	-4.3	1
Barclays	198.8	-3.6	-5.9	-4.9	2
Ukys	64.3	-2.1	-4.1	0.8	5
Large Spanish banks					
Santander	71.0	-4.8	-11.6	-12.5	-16
Santander	4.6	-5.4	-12.1	-13.0	-15
BBVA	5.9	-4.2	-11.1	-12.1	-17
Medium Spanish banks					
Cajabank	3.7	-4.7	-12.1	8.5	-7
Sabadel	1.5	-6.8	-10.0	8.5	-11
Banque	8.2	-1.3	-7.9	3.8	3
Banque	3.3	-5.2	-10.8	-10.2	-19
Currencies (%; red for currency depreciation)	level	Daily	Weekly	Monthly	YTD
Developed	level	Daily	Weekly	Monthly	YTD
EURUSD					
GBPUSD	1.33	0.4	-1.3	-3.8	-2
USDJPY	108.62	0.7	2.1	0.4	3
USDCHF	94.80	0.4	1.3	3.6	3
Emerging	level	Daily	Weekly	Monthly	YTD
USDARS (Argentina)	24.93	0.9	-2.7	-21.4	35
USDZAR (South)	3.73	0.2	-2.2	-7.8	-14
USDCLP (Chile)	627.78	0.5	-0.5	-3.3	-3
USDCOP (Colombia)	2893	0.6	-1.4	-3.1	1
USDUSDN (Mexico)	19.74	0.7	0.2	6.1	-1
USDPEN (Peru)	3.28	-0.1	-0.3	-1.4	-1
IACI	58.49	-0.4	-0.9	-6.9	-8
USDPLN (Poland)	3.74	0.0	-2.7	-7.7	8
USDRLB (Russia)	62.69	-0.6	-2.4	0.9	9
USDTRY (Turkey)	4.55	0.7	2.6	-12.5	21
USDCNH (China)	6.42	0.3	-0.8	-1.3	1
USDINR (India)	67.87	-0.7	0.3	-1.8	-7
USDIDR (Indonesia)	13,995	0.0	1.0	-0.7	-4
ADXY	109.4	-0.4	-0.5	-1.5	-1
Commodities (%)	level	Daily	Weekly	Monthly	YTD
Brent	75.2	-0.2	-0.5	1.1	13
WTX	67	-2.0	-7.8	2	10
Copper	307	0.1	-1.6	1	-6
Gold	1363	0.4	0.9	-2	-1
S&P Spot commodity *	482	0.0	-2.6	2	9
S&P Brent Spot *	651	0.0	-3.9	4	15
S&P WTI Spot *	386	0.0	-0.8	2	2
S&P Agricultural *	317	0.0	1.8	3	11

Source: Bloomberg, Delistream and Haver

Fuente: BBVA Research

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