China works hard to contain coronavirus as focus shifts to US primary elections

By Gustavo Medeiros

Markets were shaken by fears of a disorderly spread of coronavirus across China and into the rest of the World. Large moves in oil prices, US Treasuries and other markets, alongside the bold response from China suggest that anxiety over coronavirus may be close to peaking. Over the coming weeks, the Democratic primary elections in the US will grab some attention and weigh on the US Dollar. In Emerging Markets, Argentina announced the schedule for debt re-profiling. The Chinese government and private sector worked hard to contain coronavirus. The Indian budget struck a balance between countercyclical spending and fiscal prudence. Ukraine's Supreme Court delayed indefinitely a ruling on Privatbank's nationalisation. The new Peruvian parliament sidelined Fujimori. In Brazil, both Congress and the Executive stated the aim of implementing administrative and tax reforms in 2020. The Romanian government faced a no-confidence vote. Lebanon approved the Budget and received signals from financial support from Russia. The Mexican government beat its own 2019 fiscal target in spite of technical recession. Russia issued information on the expected fiscal easing over the next five years.

Emerging Markets	Next year forward PE/Yield	Spread over UST	P&L (5 business days)
MSCI EM	11.0	–	-5.09%
MSCI EM Small Cap	10.3	–	-5.27%
MSCI Frontier	10.9	–	-1.96%
MSCI Asia	11.5	–	-5.19%
Shanghai Composite	8.9	–	-3.17%
Hong Kong Hang Seng	7.1	–	-8.36%
MSCI EMEA	9.1	–	-4.50%
MSCI Latam	12.2	–	-4.91%
GBI-EM-GD	5.00%	–	-1.15%
ELMI+	3.93%	–	-0.97%
EM FX spot	–	–	-1.46%
EMBI GD	4.78%	323 bps	0.57%
EMBI GD IG	3.31%	173 bps	1.13%
EMBI GD HY	6.80%	527 bps	-0.08%
CEMBI BD	4.68%	322 bps	0.12%
CEMBI BD IG	3.43%	197 bps	0.40%
CEMBI BD Non-IG	6.46%	500 bps	-0.26%

Global Backdrop	Next year forward PE/Yield/Price	Spread over UST	P&L (5 business days)
S&P 500	16.7	–	-2.10%
1-3yr UST	1.34%	–	0.27%
3-5yr UST	1.34%	–	0.67%
7-10yr UST	1.53%	–	1.28%
10yr+ UST	2.02%	–	2.15%
10yr+ Germany	-0.44%	–	2.14%
10yr+ Japan	0.00%	–	0.63%
US HY	5.52%	390 bps	-0.26%
European HY	3.40%	387 bps	-0.37%
Barclays Ag	1.25%	-28 bps	0.83%
VIX Index*	18.84	–	4.28%
DXY Index*	97.50	–	-0.46%
EURUSD	1.1079	–	0.54%
USDJPY	108.53	–	-0.34%
CRY Index*	170.31	–	-5.45%
Brent	56.3	–	-5.14%
Gold spot	1579	–	-0.22%

Note: Additional benchmark performance data is provided at the end of this document. *See last page for index definitions.

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- **Argentina:** Finance Minister Martin Guzman announced the timeline for debt restructuring. A debt sustainability analysis will be carried out by the second week of February and a formal offer to bondholders will then be made by the second week of March. The government hopes to get acceptance for its offer by the end of March. We expect discussions with both bondholders and the IMF to take place on a continuing basis behind closed doors with ample room for speculation leading to some market volatility. Ultimately, the government will prioritise maturity extension over haircuts, in our view, as the tight deadline and the large number of investors involved makes a lengthy and complex negotiation infeasible. Private creditors hold USD 131bn of Argentinian bonds of which USD 67bn are foreign-law debt. In other news, the state oil company YPF announced a preliminary agreement to sell an 11% stake in the oil field Bandurria Sur to Equinor and Shell for USD 355m. The sale will be seen as an indicator of Argentina's ability to attract foreign investors in the oil and gas sector, which is of vital economic importance. Finally, the Province of Buenos Aires has offered investors an early coupon payment in exchange for a later repayment of principal.

- **China:** Jack Ma, the founder of Alibaba, announced a CNY 1bn fund to buy medical supplies for the Hubei province and its capital, Wuhan. He has already donated CNY 100m from his foundation to fund a vaccine for coronavirus. Alibaba has made its productivity software Dingding available to ten million companies, thereby supporting remote working as the number of people quarantined due to the virus rises. In other news, manufacturing PMI moderated to 50.0 in January from 50.2 in December, which was in line with consensus

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Emerging Markets

expectations. The Caixin PMI inched lower to 51.1 in January from 51.5 in December. The People's Bank of China (PBOC) announced a CNY 1.2tn (USD 171bn) reverse repo operation and CNY 300bn (USD 43bn) in re-lending for the banking system in a bid to shore up liquidity during the current coronavirus outbreak.

- India: The Ministry of Finance presented new guidance for the 2020 fiscal year (which ends in March. The fiscal deficit is seen to widen to 3.8% of GDP versus the original 3.3% of GDP budget target. The expected fiscal deficit for the 2021 fiscal year was also increased to 3.5% of GDP from the previous target of 3.0% of GDP. New fiscal measures include a cut in income tax for the lower-income segment of the population in order to boost demand as well as the abolition of dividend taxes in order to encourage private sector confidence. The government increased its privatisation target to INR 2.1tn in FI 2021, which is more than double from previous year's target, and includes an initial public offering of a stake in Life Insurance Corporation of India. In order to finance the higher deficit, the government has increased the limit of foreign ownership of local bonds to 15% from the current 9% limit. In other news, manufacturing PMI surged to 55.3 in January, which is the highest level in 8 years, buoyed by consumer and intermediate goods.

- Ukraine: The Supreme Court delayed indefinitely a ruling on a legal challenge over the nationalisation of Privatbank, which is the country's biggest bank, previously owned by Ihor Kolomoisky. The suspension of the ruling removes a critical tail risk for the new USD 5.5bn IMF loan approved in December. In other news, the National Bank of Ukraine cut its policy rate by 2.5% to 11.0%, which was a surprise relative to the consensus expectation of a 2.0% cut. The larger than expected rate cut is justified by the strong disinflationary trend in Ukraine. Consumer prices index (CPI) inflation dropped to 4.1% in 2019 from 9.8% in 2018. Inflation in 2019 was almost 1.0% lower than the midpoint of the central bank's 5.0% inflation target.

- Peru: The Parliamentary election in Peru delivered fragmentation with ten parties now holding seats. The largest party, Accion Popular, received only 10.1% of the votes. The election result is likely to usher a period of stability, partly due to the large number of new members and partly due to the demise of many traditional corrupt political actors and parties. Interim President Martin Vizcarra emerged as a winner, because, with an approval rate north of 80%, he will command the legislative agenda. The main loser was Keiko Fujimori, daughter of former President Alberto Fujimori. Her party, Fuerza Popular, received only 12 seats in the 130 Lower House compared to 73 seats in the previous parliament. This was a double blow, because a court order also sent Keiko back into preventive prison until at least 27 April 2021, barring her from running in the presidential election next year.

- Brazil: Roberto Campos, Chairman of the Central Bank of Brazil, explained that the latest increase in CPI inflation as temporary, signalling a 25 bps rate cut in the upcoming meeting on 5 February 2020. National Treasury Secretary Mansueto Almeida said the Brazil's Congress aims to approve administrative reforms in 2020. Besides administrative reforms, Lower House Speaker Rodrigo Maia said that he wants to approve a comprehensive tax reform in spite of municipal elections in October 2020. Finance Minister Paulo Guedes secured a crucial win last week when President Jair Bolsonaro agreed to transfer the government investment programme (PPI) from Office of the Chief of Staff to the Economy Ministry. In other news, the current account deficit was USD 5.7bn in December, while foreign direct investment (FDI) reached USD 9.4bn. Both numbers were slightly worse than consensus expectations. The 2019 current account deficit reached USD 50.8bn, which was fully funded by USD 78.6bn of FDI. Brazil's unemployment rate declined to 11.0% in December, which is the lowest level since March 2016. On the fiscal side, the government's primary deficit closed the year at BRL 95.0bn (USD 22.3bn), which is the lowest deficit in five years and better than the government's initial target of BRL 139bn (USD 32.6bn).

- Romania: The Socialist PSD party filed a no-confidence vote against the PNL minority government. The government seems likely to fall since PSD holds 45.5% of the seats in parliament versus only 20.0% for PNL. Ironically, PNL may benefit the most from an early election as polls give the party close to 45.0% of voting intentions compared to 21.0% for PSD. However, a dissolution of the government would not automatically lead to early election. If the government falls, the President picks a new Prime Minister, who will then seek a vote of confidence in Parliament. Only after two failed votes of confidence, which have to be held within 60 days, is an early election called.

- Lebanon: Several meetings between the Finance Minister, the Central Bank Governor and the Banking Association took place last week. While no detailed announcements were released to the public, local press sources suggest that reform plans will focus on achieving financial stability before implementing tough economic reforms, such as electricity sector reform, oil and gas licencing and tackling corruption. Technical aspects of the reform include banking sector recapitalisation, a larger deposit guarantee scheme leading to orderly deposit withdrawals, as well as cutting interest rates to improve debt sustainability. Taxes on bank profits are likely to be introduced to support government revenues. The measures, which are still under discussion, will be subject to a confidence vote in parliament before moving to implementation. The refinancing of external liabilities, including a possible Eurobond swap with domestic banks to lengthen maturities and thereby reduce pressure on the central bank's reserves remains a priority, in our view. In other news, Russia pledged up to USD 1bn of support in the form of central bank deposit.

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- **Mexico:** Retail sales rose by 1.7% in the month of November, rebounding from a 2.3% decline in October. Internet sales surged at a monthly pace of 26.5%. The trade balance was in surplus to the tune of USD 3.1bn in December, which took the surplus for 2019 to USD 5.8bn surplus (0.5% of GDP). This is the largest surplus since 1996. Exports rose 2.3% and imports declined 1.9% compared the 2018. The primary fiscal surplus increased to 1.1% of GDP, which was slightly above the Budget target of 1.0% of GDP. Overall, economic activity remained sluggish. GDP growth contracted at a rate of 0.1% (qoq) in Q4 2019, which took full-year GDP growth to -0.1%. The weak data in Q4 2019 provides a low carry-over to 2020 GDP growth, which could disappoint relative to the already low expectation of a mere 1.0% real GDP expansion in 2020.

- **Russia:** The unemployment rate was unchanged at 4.6% in December. Retail sales expanded at a rate of 1.9% on a yoy basis in December, while real wages were 2.7% higher yoy in November. Both disappointed relative to consensus expectations. Preliminary estimates from the Ministry of Finance pointed to a real GDP growth rate of 2.4% on a yoy basis in December compared to 1.9% yoy in November. Finance Minister Anton Siluanov announced an extra RUB 4.1tn (USD 66.7bn) in spending by 2024 in order to meet the social development targets set by President Vladimir Putin.

- **Kenya:** The Central Bank of Kenya (CBK) cut the policy rate by 0.25% to 8.25% against a consensus expectation of rate stability. A benign inflation outlook due to good rains and low electricity prices were the main reasons for the decision to cut the policy rate. CBK may cut the policy rate further even as growth rebounds to above the 6.0% level as long as the current account deficit remains below 5.0% of GDP and FX reserves are strong. The key for the macroeconomic outlook going forward is the implementation of the government's promised fiscal consolidation.

Snippets:

- **Chile:** The Central Bank of Chile kept the policy interest rate unchanged at 2.25% in line with consensus expectations. The economic data improved in December as manufacturing, industrial production and retail sales all surprised to the upside.
- **Colombia:** The Central Bank kept the policy rate unchanged at 4.25% in line with consensus. Governor Juan Jose Echavarria said the staff estimate for the non-accelerating inflation rate of unemployment is higher than previously thought, thus signalling a low disposition towards rate cuts.
- **Costa Rica:** The fiscal deficit widened to 7.0% GDP in 2019 from 5.8% in 2018. This was higher than the government's estimate and consensus expectations, due mainly to lower nominal GDP growth and higher interest payments. Interest payments reached 4.2% of GDP in 2019 from 3.5% of GDP in 2018.
- **Dominican Republic:** Real GDP growth was 5.1% in 2019 compared to 7.0% in 2018. Construction, financial services and utilities were the main contributors to GDP growth. The current account deficit was 1.4% of GDP, unchanged from 2018.
- **Egypt:** Finance Minister Mohamed Maait said he is working on measures to broaden the VAT base from 70k to 550k taxpayers by linking databases and closing tax loopholes.
- **Gabon:** The government concluded a USD 750m buyback of its 2024 bond, which was funded by issuance of a new USD 1,000m 10-year benchmark bond. Oil production increased to 210K of barrel/day (b/d) from 200K b/d in September.
- **Ghana:** Moody's revised the outlook for Ghana's B3 (B-) sovereign credit rating to positive from stable. The rating agency cited improved policy consistency and better management of contingent liabilities. The Central Bank of Ghana kept the policy rate unchanged at 16.0%, which was in line with expectations.
- **Hungary:** The National Bank of Hungary kept policy rates unchanged; the deposit rate was kept at -0.05% and the benchmark base rate was kept at 0.90%. The unemployment rate inched down to 3.3% in December from 3.5% in November as average gross wages rose 13.9% on a yoy basis in November from 11.6% yoy in October.
- **Indonesia:** CPI inflation was unchanged at a yoy rate of 2.7% in January (in line with consensus expectations).
- **Nigeria:** Foreign exchange reserves dropped to USD 38.1bn in December from USD 38.7bn in November.
- **Pakistan:** CPI inflation jumped to 14.6% on a yoy basis in January, which is the highest level in 12 years. CPI inflation was 12.6% yoy in December. Higher food prices alongside evidence of some pass-through from a weaker Rupee were the main contributors to higher inflation. If so, inflation should come down again soon.
- **Poland:** The rate of real GDP growth decelerated to 4.0% for the full year of 2019 from 5.1% in 2018. Growth slowed more markedly in Q4 2019, setting a weak base for 2020. The unemployment rate inched up to 5.2%, in line with expectations.

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- **Saudi Arabia:** Private sector credit rose by 7.0% on a yoy basis in December, which is the highest since 2016. Foreign exchange reserves held by the Saudi Arabia Monetary Authority were broadly stable at USD 499.5bn in December. Reserves account for around four years of imports, or 65% GDP.
- **South Korea:** Factory output rose 3.5% in seasonally adjusted terms in the month of December led by a sharp increase in machinery production for the electronics industry. Industrial production surged to 4.2% on a yoy basis in December from a 0.2% yoy decline in November, surprising consensus expectations and pointing to broad-based recovery across various industries. Exports rose by 4.8% on a yoy basis and imports increased by 5.7% yoy in January.
- **Sri Lanka:** The Central Bank cut the policy rate by 0.5% to 7.5% in a big surprise to consensus expectations of no cut.
- **Thailand:** The current account surplus rose to USD 4.1bn in December from USD 3.4bn in November despite a marginal reduction on the trade surplus, which was USD 1.9bn in December compared to USD 2.0bn in November. The private investment index declined by 2.7% on a yoy basis in December, alongside a drop in manufacturing and agriculture production.
- **Turkey:** The December trade deficit widened to USD 4.3bn, which was in line with expectations. The trade deficit for 2019 as a whole was USD 31.2bn compared to USD 55.1bn in 2018. The CPI inflation rate rose to 12.2% on a yoy basis in January from 11.8% yoy in December. The core inflation rate accelerated to 9.9% yoy.
- **Uganda:** CPI inflation slowed to 3.4% in January 2020 from 3.6% in December 2019. Inflation remains within the 1.7% to 3.8% range since 2018. The policy rate is 9%.
- **Vietnam:** CPI inflation rose at a rate of 6.4% on a yoy basis in January from 5.2% in December on the back of a rise in pork prices. The trade deficit narrowed to USD 100m in January from USD 1bn in December. Retail sales rose at a rate of 10.2% on a yoy basis in December from 11.8% yoy in December. Industrial production was -5.5% on a yoy basis in January from +6.2% yoy in December.
- **Zambia:** The CPI inflation rate rose to 12.5% on a yoy basis in January from 11.7% yoy in December. The trade balance rose to USD 400m surplus in December, which took the total surplus to USD 0.8bn for 2019 as a whole. This represented as sharp turnaround from the deficit of USD 4.8bn deficit in 2018.

Global backdrop

Conspiracy theories, misinformation and fearmongering about coronavirus seem to spread faster in social media than the real virus does in the real world. As of 3 February at 6am GMT, John Hopkins research reported to 17,389 confirmed cases of which 183 were outside China and 362 deaths, all in China. The Lancet, a medical journal, unveiled a study, which estimates that as many as 75,000 people are infected. If confirmed, this would indicate a fatality rate closer to 0.5% instead of the 2.1% rate (dividing the number of deaths by the number of confirmed cases). If the Lancet is more accurate than official estimates, coronavirus fatality rates would be more in line with normal flu (fatality rate of 0.05%) than SARS (fatality rate ~9%). From a market perspective, however, mortality rates appear to matter less than the panic caused by the illness.

Coronavirus significantly disrupted travel across China during its most important holiday, the Lunar New Year which started on 25 January. Authorities extended the holiday by three days to 2 February, but fourteen local governments announced delays to recommencement of normal activity until 10 February. The impact of coronavirus on consumption and broader economic activity are likely to be felt mostly in China and its Asian neighbours. Most bank economists estimate a 1.0%-2.0% reduction in the rate of Chinese Q1 2020 real GDP growth to 4.0%-5.0% followed by a 'v-shaped' recovery, assuming the virus peaks within the next two months. The impact would be more severe if the number of cases in China keeps increasing after the end of Q1 2020 or if the number of cases abroad increase significantly. Full-year 2020 GDP growth in China could be reduced by anything from 0.1% to 1.3% depending on the severity of the outbreak.

Ultimately, the economic impact on China will also depend on countercyclical monetary and fiscal policy easing from Beijing and local governments. Today, PBOC cut the 7 and 14 day reverse repo rate to 2.4% from 2.5% and injected CNY 1.2tn (USD 171bn) to the banking system to "ensure ample liquidity during the special period of virus control". Scientists are likely to unveil progress in halting the advance of the disease, in our view. Researchers from the Hong Kong University claimed to have produced a vaccine, but it would still take a few months to test it on animals and another year to conduct clinical trials in humans.

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Global backdrop

The Democratic Party primaries in the US are likely to emerge as another source of global macro risk over the coming weeks. Polls in the first two states voting for the nomination, Iowa (3 February) and New Hampshire (11 February) show increased support for Democratic candidate Bernie Sanders, who is now in the lead. The only other candidate rising in the polls is Senator Amy Klobuchar, whereas Joe Biden, Elizabeth Warren and Pete Buttigieg are all falling behind. At the same time, Michael Bloomberg, the centrist former mayor of New York, who opted out of the first stage of the primaries, has risen to fourth position in the polls with 9% support on a national level according to a poll conducted by Wall Street Journal/NBC. The same poll shows Bernie Sanders with 27% of voting intentions, which means that he is virtually tied with Joe Biden at 26%. An eventual Sanders nomination is not currently on the radar screens of many investors, in our view. An increase in the level of political risk in the US would negatively impact the US dollar as foreign investors seek to hedge the currency exposure in their overweight position in US assets. The Federal Reserve kept the range of the Fed funds rate unchanged at 1.5% to 1.75%. The Fed signalled a marginally more dovish stance given inflation dynamics and the coronavirus.

In terms of the latest US economic data, durable goods were stronger than expected, rising 2.4% in December led by a strong rebound in defence orders. Consumer confidence measured by the Conference Board Index rose to 131.6 in January, from 128.2 in December. Wholesale inventories contracted by 0.1% in December. In the housing market, new home sales inched down by 0.4% to 694k in December, while pending home sales declined at a rate of 4.9% in December, which was a significant disappointment versus consensus expectations. The core PCE inflation index (the Fed's preferred price measure) rose to 1.6% on a yoy basis in December from 1.5% yoy in November. Lastly, real GDP growth recorded a 2.1% expansion in Q4 2019 in line with consensus expectations. Business investment declined by 1.5%, whereas government spending rose by 2.7%. Private domestic demand expanded at 1.4%, the slowest pace since 2015. Demand indicators are generally stronger than supply-side indicators, which is consistent with late-stage economic expansion.

The UK government announced that China's telecom company Huawei will be allowed to help in building UK's 5G network in spite of intense pressure from the US. The UK's decision is in line with that taken by Germany last year. The decision suggests that UK is following the EU multilateral philosophy of taking pragmatic decisions when choosing partners in critical strategic technological developments. In other UK news, the Bank of England kept the monetary policy rate unchanged at 0.75% with two dissenters in favour of a cut. The statement justified the decision to leave rates unchanged citing stronger global GDP growth and reduced uncertainty over Brexit. It would not be surprising if the Bank of England became more concerned about inflation in the next quarters. With the unemployment rate at a 40-year low 3.7%, the labour market has very little slack and labour shortages are likely to increase due to Brexit. Net immigration from the EU has declined from close to 200k people in 2016 to fewer than 100k in 2018. The UK government has also pledged to increase expenditure by 1% GDP over the coming two years to alleviate the impact of Brexit, which could put further pressure on prices.

In the rest of Europe, Euro area manufacturing PMI rose to 47.5 in January from 46.1 in December and the services PMI inched lower to 52.2 from 51.6 over the same period. The slowdown was mainly driven by France, which has seen a massive wave of protests against pension reform. European peripheral economies also slowed. Q4 2019 real GDP growth slowed to 1.0% on a yoy basis from 1.2% yoy in Q3 2019, led by contractions in France and Italy. The Euro area unemployment rate inched down to 7.4%, which is close to the lowest level achieved since 2007. The rate of CPI inflation increased to 1.4% on a yoy basis in January, from 1.3% yoy in December. The German IFO survey declined to 95.9 from 96.3 due to a sharp drop on the expectation's index to 92.9 from 93.3.

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Benchmark performance

Emerging Markets	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI EM	-4.66%	-4.66%	-4.66%	4.08%	8.22%	4.86%
MSCI EM Small Cap	-3.98%	-3.98%	-3.98%	1.71%	3.88%	2.05%
MSCI Frontier	-0.06%	-0.06%	-0.06%	12.56%	6.80%	3.50%
MSCI Asia	-4.45%	-4.45%	-4.45%	5.39%	9.11%	5.36%
Shanghai Composite	-2.41%	-2.41%	-2.41%	17.98%	0.31%	0.59%
Hong Kong Hang Seng	-8.30%	-8.30%	-8.30%	-3.68%	5.47%	1.09%
MSCI EMEA	-4.78%	-4.78%	-4.78%	-0.14%	4.66%	2.50%
MSCI Latam	-5.59%	-5.59%	-5.59%	-3.24%	6.37%	4.63%
GBI EM GD	-1.29%	-1.29%	-1.29%	6.22%	5.78%	2.44%
ELMI+	-1.31%	-1.31%	-1.31%	1.08%	3.20%	1.95%
EM FX Spot	-2.68%	-2.68%	-2.68%	-5.15%	-2.23%	-4.19%
EMBI GD	1.52%	1.52%	1.52%	11.85%	6.72%	6.36%
EMBI GD IG	2.29%	2.29%	2.29%	15.91%	7.84%	5.71%
EMBI GD HY	0.64%	0.64%	0.64%	7.78%	5.52%	7.33%
CEMBI BD	1.54%	1.54%	1.54%	11.79%	6.39%	6.10%
CEMBI BD IG	1.59%	1.59%	1.59%	12.21%	6.25%	5.02%
CEMBI BD Non-IG	1.48%	1.48%	1.48%	11.22%	6.65%	7.96%

Global Backdrop	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
S&P 500	-0.04%	-0.04%	-0.04%	21.67%	14.53%	12.35%
1-3yr UST	0.55%	0.55%	0.55%	3.89%	1.99%	1.39%
3-5yr UST	1.43%	1.43%	1.43%	6.33%	2.97%	2.02%
7-10yr UST	3.22%	3.22%	3.22%	11.16%	4.97%	2.67%
10yr+ UST	6.85%	6.85%	6.85%	21.87%	9.21%	3.77%
10yr+ Germany	4.88%	4.88%	4.88%	12.14%	6.87%	3.99%
10yr+ Japan	0.77%	0.77%	0.77%	4.36%	3.08%	3.65%
US HY	0.03%	0.03%	0.03%	9.40%	5.87%	5.99%
European HY	0.10%	0.10%	0.10%	8.46%	3.99%	4.49%
Barclays Ag	1.28%	1.28%	1.28%	6.58%	4.32%	2.60%
VIX Index*	0.00%	36.72%	36.72%	16.73%	71.74%	8.71%
DXY Index*	0.11%	1.15%	1.15%	2.01%	-2.37%	4.16%
CRY Index*	0.00%	-8.33%	-8.33%	-5.67%	-11.85%	-25.11%
EURUSD	-0.12%	-1.20%	-1.20%	-3.13%	2.73%	-3.50%
USDJPY	0.16%	-0.07%	-0.07%	-1.24%	-3.64%	-7.69%
Brent	-3.25%	-14.74%	-14.74%	-10.33%	-0.95%	-2.83%
Gold spot	-0.52%	4.04%	4.04%	20.29%	29.37%	25.24%

*VIX Index = Chicago Board Options Exchange SPX Volatility Index. *DXY Index = The Dollar Index. *CRY Index = Thomson Reuters / CoreCommodity CRM Commodity Index.

Source: Bloomberg, JP Morgan, Barclays, Merrill Lynch, Chicago Board Options Exchange, Thomson Reuters, MSCI, total returns.
Figures for more than one year are annualised other than in the case of currencies, commodities and the VIX, DXY and CRY which are shown as percentage change.

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