

# China's policy 'u-turn' reaffirmed

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- Higher US CPI and jobless claims led to a steepening of the yield curve.
- China shed some more light on stimulus plans, without revealing scope of fiscal expansion, yet.
- Korean bonds will enter the FTSE WGBI and Indian bonds on the FTSE EM GBI in Q4 2025.
- Indonesia's President-elect Prabowo reappointed Sri Mulyani as Finance Minister.
- IMF ask Pakistan to remove tax incentives for industry.
- Moody's explained reasons behind their Brazil credit rating upgrade to investors.
- AMLO's judiciary reform to be reviewed by the Supreme Court.
- Dominican Republic outline details of long-awaited fiscal reform.
- Ghana upgraded to CCC+ by Fitch.

Contents	Page
Global Macro	2
EM Asia	3
Latin America	5
Central and Eastern Europe	7
Central Asia, Middle East & Africa	8
Developed Markets	9
Benchmark Performance	10
Explore Further Insights	11

## Last Week Performance and Comments

EM Debt	Yield	Change (bp)	Spread	5 day Change	EM Equity*	PE 1yr BF	5 day Change	Comments
GBI-EM GD	6.25%	3	–	-0.8%	MSCI EM	12.5	-1.7%	<ul style="list-style-type: none"> <li>• EM bonds sold off in line with global bonds last week.</li> <li>• HY outperformed IG, with spreads absorbing some of the yield move.</li> <li>• EM equities underperformed, led by some reversal of October's rally in Chinese stocks.</li> <li>• EM ex-China basis rose 0.6%, in line with ACWI and marginally below MSCI World.</li> </ul>
GBI-EM FX Spot	–	–	–	-0.8%	MSCI EM ex-China	13.3	0.6%	
ELMI+	6.83%	-14	–	-0.6%	MSCI EMEA	10.2	0.5%	
EMBI GD	7.69%	-1	356 bps	-0.5%	MSCI Latam	8.9	-2.9%	
EMBI GD ex-default	6.75%	6	262 bps	-0.5%	MSCI EM Asia	13.4	-2.0%	
EMBI GD IG	5.38%	12	115 bps	-0.9%	MSCI China	10.8	-7.0%	
EMBI GD HY	10.51%	8	645 bps	-0.2%	MSCI India	23.6	0.2%	
EMBI HY ex-default	8.08%	-1	402 bps	-0.2%	MSCI EM Growth	17.2	-1.3%	
CEMBI BD	6.51%	10	250 bps	-0.3%	MSCI EM Value	9.5	-2.1%	
CEMBI BD IG	5.42%	9	141 bps	-0.3%	MSCI EM Small Cap	14.0	-0.9%	
CEMBI BD HY	8.07%	11	406 bps	-0.2%	MSCI Frontier	8.8	1.1%	

Global Debt	Yield	Change (bp)	Spread	5 day Change	Global Backdrop*	PE 1yr BF	5 day Change	Comments
2yr UST	3.96%	-4	–	0.0%	MSCI ACWI	18.3	0.6%	<ul style="list-style-type: none"> <li>• The yield curve steepened, with the 30-yr yield 11bps higher, and the 2-yr 4bps lower. <ul style="list-style-type: none"> <li>– This was driven by weaker jobs numbers, but higher than expected CPI inflation.</li> <li>– Poor auction demand for 10-year bonds also contributed to the move.</li> </ul> </li> <li>• The dollar rose 0.5% on higher yields.</li> <li>• Commodities gave back some of their geopolitical risk-driven gains.</li> </ul>
5yr UST	3.90%	4	–	-0.1%	MSCI World (DM)	19.3	0.9%	
10yr UST	4.10%	7	–	-0.7%	S&P 500	21.9	1.1%	
30yr UST	4.41%	11	–	-1.7%	VIX Fut.**	21.1%	-1.5%	
10yr Germany	2.27%	1	–	-1.0%	DXI Index**	103.0	0.5%	
10yr Japan	0.95%	7	–	-1.2%	EUR*	1.092	-0.6%	
Global Agg.***	3.51%	5	36 bps	-0.6%	JPY*	149.3	-0.8%	
US Agg. IG***	4.93%	5	77 bps	-0.5%	CRY Index**	291.0	-0.9%	
EU Agg. IG***	3.30%	3	78 bps	-0.3%	Brent**	78.2	-3.3%	
US Corp HY***	7.24%	14	294 bps	-0.3%	Gold**	2,658	0.4%	
EU Corp HY***	6.36%	4	348 bps	0.0%	Bitcoin**	63,844	3.4%	

## Global Macro

There was a record influx of capital into Chinese stocks and Emerging Market (EM) equities last week, highlighting a surge in investor interest. Improving sentiment around China has a strong net positive effect on wider EM, as China holds a large weight in most EM equity indices. In China, a growing trend has seen consumers preferring to save rather than invest or spend, which has become a key concern for the country's economic recovery. The Politburo and the People's Bank of China (PBoC) have announced monetary and fiscal stimulus measures, but it remains unclear whether these actions will reverse this conservative consumer behaviour, particularly when the scale and focus of further fiscal stimulus efforts are still uncertain. Nevertheless, we believe the policy U-turn in Beijing is more important in the medium-term than market participants' anxiety for details, which may be a slow drip until the US election on 5 November.

In the US, the consumer prices index (CPI) report showed inflation higher than expected, and jobless claims reached their highest point since August 2023. This sent bond yields higher, with the yield curve steepening. Both datapoints were probably warped by temporary disruptions from recent storms. These disruptions are likely to continue in the coming weeks, making it more difficult for the 'data-dependent' US Federal Reserve (Fed).

### Geopolitics

US President Joe Biden and Israel's Prime Minister Benjamin Netanyahu held a much-anticipated 30-minute phone call – believed to be their first contact since August – which included discussions on Israel's intended retaliation to Iran's missile strike last week. President Biden has said Israel must defend itself, but not by attacking Iranian nuclear sites or its oil industry.

The US expanded sanctions against Iran's petroleum and Petrochem sectors, including measures against the 'Ghost Fleet' that carries Iran's illicit oil to buyers around the world. Iran oil exports rose to 1.7m barrels of oil per day on average in 2024 since sanctions were lifted.

China is conducting major military drills across the Taiwan Strait, involving army, navy, and rocket forces. The drills will simulate a blockade of the island and control of key ports and areas. Taiwan called the drills "irrational and provocative", while China said the drills are a "stern warning to the separatist acts of Taiwan independent forces".

## EM Asia

### Economic data

Deflation in Chinese producer prices, India holds rates, Korea cuts by 25 basis points (bps).

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
China	Money Supply M2 (YoY)	Sep	6.4%	6.4%	6.3%	• Food prices rose 3.3% yoy from 2.8% in Aug and 0% in Jul, but core CPI inflation declined to 0.1% yoy from 0.3% in Aug. Producer price deflation deepen adding stimulus urgency.
	PPI (YoY)	Sep	-2.8%	-2.6%	-1.8%	
	CPI (YoY)	Sep	0.4%	0.6%	0.6%	
	Foreign Reserves (USD)	Sep	3,316bn	3,308bn	3,288bn	
India	RBI Repurchase Rate	Oct-09	6.5%	6.5%	6.5%	• RBI sees balance of risk tilted towards inflation.
	RBI Cash Reserve Ratio	Oct-09	4.5%	4.5%	4.5%	• Softest IP in two years due to heavy rains, weaker consumer and intermediate goods.
	Industrial Production (YoY)	Aug	-0.1%	1.0%	4.8%	
Indonesia	Foreign Reserves (USD)	Sep	149.9bn	–	150.2bn	
Malaysia	Industrial Production (YoY)	Aug	4.1%	5.5%	5.3%	• Weak mining output drove IP lower despite the continuous growth in electronic goods production.
	Foreign Reserves (USD)	Sep-30	119.7bn	–	117.6bn	
South Korea	BOK Base Rate	Oct-11	3.25%	3.25%	3.50%	• Cautious forward guidance from BoK after cut.
	BoP Current Account Balance (USD)	Aug	6,595.3m	–	8,966.0m	• Weaker as tech exports decline from high base.
Taiwan	Exports (YoY)	Sep	4.5%	10.9%	16.8%	• Exports growth beginning to moderate more meaningfully, CPI lower than expected.
	CPI (YoY)	Sep	1.8%	2.0%	2.4%	
Thailand	CPI (YoY)	Sep	0.6%	0.8%	0.4%	• Inflation softer than expected on lower energy. Inflation should accelerate in Q4 due to recent floods and during tourism season boost.
	CPI NSA (MoM)	Sep	-0.1%	0.0%	0.1%	
	CPI Core (YoY)	Sep	0.8%	0.8%	0.6%	
Vietnam	Domestic Vehicle Sales (YoY)	Sep	33.5%	–	3.7%	• Strongest so far in 2024 by some margin.

Source information is at the end of the document.

### Commentary

**China:** The Ministry of Finance (MoF) outlined the fiscal stimulus package that needs to be discussed and approved by the National People's Congress (NPC) in late October. As expected, the emphasis on risks was clear with local debt refinancing, bank recapitalisation and backstopping the real estate market in focus. There was no direct support announced for consumption and second-child families, which is disappointing, but those may still be discussed by legislators. The MoF allowed local governments to tap RMB 400bn of unused bond quota carried from previous years, thus not requiring NPC approval. Last week, Vice Premier He Lifeng stressed the importance of the property market, calling it the “wind vane” of the macro economy. He urged to extend more loans to housing projects on the “whitelist” and significantly expand the coverage of the “whitelist” programme, as he vowed to work hard to ensure delivery of homes. He also urged the increase and better use of the PBoC relending programme to purchase unsold homes to be used as affordable housing.

Last week, the MSCI China index declined by 8.2%, a healthy correction after a 39% rally from 11 September to 7 October. We continue to see more upside than downside to Chinese stocks due to attractive valuations, a real catalyst to backstop prices as the PBoC is allowing non-financial corporates to borrow at relending rates (2.25%) to buy back their stocks, and the U-turn on the willingness to backstop macroeconomic risks (local government and real estate) and stimulate the economy, if necessary.

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## EM Asia (continued)

**India:** Government bonds also to be included in FTSE EMGBI from September 2025 but will only result in USD 3-4bn of inflows.

**Indonesia:** Reuters reported Finance Minister Sri Mulyani Indrawati was one of the incumbents attending at meeting by President-elect Prabowo Subianto to chose his cabinet ahead of his inauguration later this week.

**Pakistan:** The International Monetary Fund (IMF) directed Pakistan to cease the establishment of industrial zones offering investment incentives like tax breaks and subsidies. This move aims to create a more equitable investment landscape and protect the country's tax base. The decision may significantly impact Pakistan's efforts to attract Chinese industries, particularly as Prime Minister Shehbaz Sharif is actively trying to encourage Chinese companies to relocate to Pakistan as part of a broader initiative to gain momentum for projects under the Belt and Road Initiative. The directive is expected to have immediate consequences, particularly for a new export processing zone planned at Pakistan Steel Mills in Karachi, which could face challenges due to the lack of incentives.

**South Korea:** Government bonds are to be included in FTSE WGBI, effective November 2025. Korean bond swap spreads tightened, and the curve flattened slightly on the news. The expected inflow is USD 50-70bn which is equivalent to 2.2% of the WGBI. The outstanding balance of Korean Government bonds is USD 710bn.

## Latin America

### Economic data

Benign inflation data across the board.

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Argentina	National CPI (MoM)	Sep	3.5%	3.6%	4.2%	• Core CPI down to 3.3%, the lowest since Jan '22.
	National CPI (YoY)	Sep	209%	209%	237%	• High-frequency data points to disinflation in Oct.
Brazil	IBGE Inflation IPCA (YoY)	Sep	4.42%	4.44%	4.24%	• Inflation ticks up 20bp, but softer retail sales suggests the disinflation task may not be too great.
	Retail Sales (YoY)	Aug	5.1%	4.2%	4.6%	
	Retail Sales (MoM)	Aug	-0.3%	-0.6%	0.6%	
Chile	Trade Balance (USD)	Sep	1,816m	1,400m	1,132m	• CPI lower on food and energy prices, as core CPI rose 0.3% mom and 3.8% yoy in Sep, up from 3.7% in Aug.
	CPI (MoM)	Sep	0.1%	0.3%	0.3%	
	CPI YoY Chained	Sep	4.1%	4.4%	4.7%	
Colombia	CPI (MoM)	Sep	0.24%	0.26%	0.00%	• Services (transportation and tourism) and rent prices remain sticky, but core goods flatlined.
	CPI (YoY)	Sep	5.81%	5.83%	6.12%	
Mexico	CPI (YoY)	Sep	4.58%	4.61%	4.99%	• Bi-weekly CPI declines suggests sequential disinflation. Agricultural prices declined, while energy and managed prices rose marginally.
	CPI (MoM)	Sep	0.05%	0.08%	0.01%	
	CPI Core (MoM)	Sep	0.28%	0.31%	0.22%	• Core inflation below 4% – lowest since Feb 2021.
	Bi-Weekly CPI (YoY)	Sep-30	4.50%	4.55%	4.66%	
	Bi-Weekly CPI	Sep-30	-0.02%	0.03%	0.09%	• Banxico minutes showed two of the five members willing to accelerate the pace of rate cuts to 50bps.
	Bi-Weekly Core CPI	Sep-30	0.05%	0.10%	0.21%	
	Industrial Production NSA (YoY)	Aug	-0.9%	0.4%	2.1%	• Softer IP weight in favour of the 'doves'.
	International Reserves Weekly (USD)	Oct-04	226,318m	–	226,846m	
Peru	Reference Rate	Oct-10	5.25%	5.00%	5.25%	• BCPRH held rates on a possible increase in Q4 inflation.

Source information is at the end of the document.

### Commentary

**Brazil:** Moody's explained, in an investor call organised by Barclays, why it upgraded Brazil from Ba2 to Ba1 with a positive outlook. The key reason behind the upgrade was the better growth environment and significant structural reforms approved since 2015. Despite the risk premium in Brazilian assets at similar levels to 2015, fundamentals are much better today, according to Moody's. There is no political crisis, or massive contingent liabilities. Moody's expects Brazil structural gross domestic product (GDP) growth to have shifted to 2.5%, from below 1.0% pre-reforms. Brazil's nominal deficit is high, but the primary deficit is manageable. Interest to revenue is now at around 15% and is likely to revert to its mean of 12%. Locals are negative, and assuming a 'no reform' scenario driving primary deficit to 2% of GDP, which is very different to what the government is signalling. Moody's sees debt/GDP stabilising at 82% of GDP, with a slow improvement to a primary surplus by 2028. It highlights that Brazil could move into a virtuous cycle with some structural reforms on the spending side, like healthcare, education, and social security de-indexations.

**Ecuador:** The government mandated a 50% reduction in electricity usage for certain industrial firms due to the worst drought experienced in 60 years, which has severely impacted the hydroelectric power supply. The decision sparked a backlash from business associations, which argued the move is causing economic losses, and was implemented without prior consultation with the industry. One of the key sectors affected is shrimp aquaculture, which may face a USD 75m monthly decrease in exports due to the reduced power supply.

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## Latin America (continued)

**Mexico:** The Supreme Court is preparing to review a proposed judicial overhaul from former President Andrés Manuel López Obrador, which permitted the election of judges by popular vote. Critics, including the US and various stakeholders, warn this reform jeopardises judicial independence and democratic oversight.

Consequently, the Supreme Court has accepted four requests to assess the effects on the separation of powers. There is a (slim) possibility of annulment if legislative processes are deemed to have been violated during the process of its approval. However, President Claudia Sheinbaum insisted the overhaul will proceed, while president of the Senate Gerardo Fernández Noroña said the Supreme Court doesn't have the right to review acts of Congress, and that the reform will be implemented.

**Dominican Republic:** The government announced a long-awaited fiscal reform, expected to boost revenue by 1.5% of GDP, though this falls short of the earlier anticipated increase of 2-2.5%. Key revenue gains will come from eliminating value-added tax (VAT) exemptions and enforcing the 18% VAT more broadly. Additionally, there will be higher income taxes for businesses and individuals, based on income brackets, as well as new taxes on property, and alcoholic and sugary drinks.

Spending reforms include a 21% increase to a social assistance programme from USD 27 to USD 33 monthly, which focuses on subsidising food consumption for the poorest 10% of the population. This will require an additional USD 83m annually in social aid. The public sector minimum wage will also increase from USD 167 to USD 250 a month. This reform process has taken nearly three years to finalise, and no significant market reaction is expected, as the Dominican Republic remains a stable investment environment.

**Panama:** The government proposed a USD 26bn budget for 2025, representing a 15% decrease compared with 2024, with a fiscal deficit of 3% of GDP. Panama's fiscal deficit through June 2024 stood at 4% of GDP. The budget forecasts nominal economic growth of 5% and inflation of 2% for 2025.

Central and Eastern Europe

Economic data

Inflation under control in Czech Republic, Hungary, Romania.

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Czech Republic	CPI (MoM)	Sep	-0.4%	-0.5%	0.3%	• Higher than expected inflation driven by food prices.
	CPI (YoY)	Sep	2.6%	2.4%	2.2%	
Hungary	CPI (MoM)	Sep	-0.1%	0.0%	0.0%	• Inflation at target, 3%, but weak currency making it harder for NBH to ease.
	CPI (YoY)	Sep	3.0%	3.1%	3.4%	
	Retail Sales (YoY)	Aug	4.1%	2.8%	2.5%	
	Trade Balance (EUR)	Aug P	671m	250m	167m	
Romania	Retail Sales (YoY)	Aug	9.2%	–	7.6%	• Inflation now lowest in three years, but growing deficit expected to be inflationary.
	Trade Balance (EUR)	Aug	-2,880.8m	–	-2,947.0m	
	GDP (YoY)	2Q F	0.9%	0.8%	0.8%	
	CPI (MoM)	Sep	0.3%	0.3%	0.2%	
	CPI (YoY)	Sep	4.6%	4.7%	5.1%	

Source information is at the end of the document.

## Central Asia, Middle East & Africa

### Economic data

Industry slowing in Turkey.

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Egypt	CPI Core (YoY)	Sep	25.0%	–	25.1%	• Disinflation driven by base effects should keep the CBE from cutting rates from 27.25%
	Urban CPI (YoY)	Sep	26.4%	–	26.2%	
South Africa	Manufacturing Prod NSA (YoY)	Aug	-1.2%	0.1%	1.6%	
	Manufacturing Prod SA (MoM)	Aug	-0.6%	0.2%	1.6%	
Türkiye	Industrial Production (YoY)	Aug	-5.3%	-2.0%	-4.0%	• Deeper IP contraction calls for policy rate cuts as soon as inflation allows.
	Industrial Production (MoM)	Aug	-1.6%	–	0.3%	
	Unemployment Rate	Aug	8.5%	–	8.8%	• Partially due to lower participation rate. The broad jobless rate rose by 70bps to 27.2%
	Current Account Balance	Aug	4.32bn	4.20bn	0.57bn	

Source information is at the end of the document.

### Commentary

**Ghana:** Fitch Ratings upgraded Ghana's sovereign long-term local-currency rating to CCC+ while affirming the long-term foreign-currency rating at RD (Restricted Default). It also assigned CCC+ ratings to new US dollar-denominated bonds issued on 9 October as part of Ghana's Eurobond restructuring, while affirming the CC rating on US dollar bonds partially guaranteed by the International Development Association. The CCC+ rating reflects Ghana's anticipated credit profile after the restructuring, characterised by declining debt levels, supported by ongoing fiscal consolidation efforts, but still facing elevated liquidity risks.

**Ethiopia:** Ethiopia's Finance Minister Ahmed Shide indicated bondholders will need to accept "some haircut" as part of the country's debt restructuring process. The government plans to meet with bondholders during this month's IMF and World Bank meetings to discuss the restructuring terms. The Finance Minister said he also expects foreign direct investment (FDI) to double over the next two to three years, increasing from USD 3bn in 2023. In the last quarter, FDI was 12% higher than the previous year.



## Developed Markets

### Economic data

Higher inflation and weaker labour markets in the US, likely due to hurricanes.

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Japan	BoP Current Account Balance (JPY)	Aug	3,804bn	2,956bn	3,193bn	
	PPI (YoY)	Sep	2.8%	2.3%	2.6%	
	Money Stock M2 (YoY)	Sep	1.3%	–	1.3%	
UK	Industrial Production (YoY)	Aug	-1.6%	-0.5%	-1.2%	
	Trade Balance (GBP/Mn)	Aug	-955m	-5,925m	-7,514m	
	Industrial Production (MoM)	Aug	-0.50%	0.2%	-0.8%	
United States	MBA Mortgage Applications	Oct-04	-5.1%	–	-1.3%	• Sharp decline in mortgage applications despite lower mortgage rates.
	Trade Balance (USD)	Aug	-70.4bn	-70.5bn	-78.9bn	
	CPI (MoM)	Sep	0.2%	0.1%	0.2%	
	CPI Ex Food and Energy (MoM)	Sep	0.3%	0.2%	0.3%	• Higher continuing and jobless claims, coupled with an uptick in inflation in September feels somewhat stagflationary. The Fed will hope this doesn't become a trend
	CPI (YoY)	Sep	2.4%	2.3%	2.5%	
	CPI Ex Food and Energy (YoY)	Sep	3.3%	3.2%	3.2%	
	Initial Jobless Claims	Oct-05	258k	230k	225k	
	Continuing Claims	Sep-28	1,861k	1,830k	1,819k	
	PPI Final Demand (YoY)	Sep	1.8%	1.6%	1.7%	
	PPI Ex Food and Energy (YoY)	Sep	2.8%	2.6%	2.4%	
	U. of Mich. Sentiment	Oct P	68.9	71.0	70.1	

Source information is at the end of the document.

### Commentary

**United States:** The Biden administration is preparing to launch a new initiative aimed at providing fresh financing to developing nations experiencing cash shortages, with the goal of preventing potential debt crises. This proposal, named the Pathway for Sustainable Growth, will be officially announced by US Treasury Under Secretary Jay Shambaugh. The programme will involve collaboration between the IMF and the World Bank, as well as both sovereign and private creditors, to support countries in managing financial difficulties before reaching the point of needing debt restructuring. The initiative is designed to assist countries facing temporary financial challenges by offering significant financing tied to reform measures, while also ensuring the sustainability of their debt levels. By focusing on early intervention, the programme will seek to provide relief and avoid deeper financial crises in participating nations.

Bank stocks hit their highest level since before the collapse of Silicon Valley Bank as better-than-expected profits from JPMorgan Chase and Wells Fargo boosted hopes of an economic 'soft landing' in the country. Quarterly earnings fell at both banks year over year, by 2% for JP Morgan and 11% at Wells Fargo. However, analysts forecast JPMorgan would report quarterly net income of USD 12.1bn and Wells USD 4.5bn. JPMorgan's shares rose 4.4% in New York on Friday, while Wells gained 5.6%.

## Benchmark Performance

Emerging Markets	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI EM	-0.9%	-0.9%	15.8%	24.3%	-0.3%	5.3%
MSCI EM ex-China	-1.2%	-1.2%	11.3%	25.2%	3.1%	8.0%
MSCI EMEA	-2.1%	-2.1%	7.6%	17.7%	-7.5%	0.0%
MSCI Latam	-2.3%	-2.3%	-14.5%	2.1%	6.5%	1.3%
MSCI Asia	-0.7%	-0.7%	20.3%	26.9%	0.2%	6.2%
MSCI China	-0.2%	-0.2%	29.1%	23.2%	-6.8%	0.3%
MSCI India	-3.1%	-3.1%	21.5%	35.1%	10.3%	16.0%
MSCI EM Growth	-0.1%	-0.1%	18.4%	26.2%	-2.7%	5.2%
MSCI EM Value	-1.9%	-1.9%	12.9%	22.2%	2.3%	5.3%
MSCI EM Small Cap	-2.2%	-2.2%	10.4%	20.8%	4.5%	11.6%
MSCI Frontier	-0.2%	-0.2%	10.5%	15.2%	-3.2%	3.3%
GBI-EM-GD	-2.5%	-2.5%	2.4%	11.0%	0.0%	-0.2%
GBI-EM China	-0.7%	-0.7%	5.0%	9.4%	1.2%	4.3%
EM FX spot	-1.9%	-1.9%	-2.6%	1.0%	-2.8%	-3.1%
ELMI+ (1-3m NDF)	-1.5%	-1.5%	2.2%	7.7%	0.7%	0.8%
EMBI GD	-1.0%	-1.0%	7.6%	18.3%	-0.5%	0.7%
EMBI GD IG	-1.7%	-1.7%	3.4%	12.3%	-3.3%	-0.8%
EMBI GD HY	-0.2%	-0.2%	12.0%	24.5%	2.4%	2.1%
CEMBI BD	-0.5%	-0.5%	8.0%	14.5%	1.0%	2.6%
CEMBI BD IG	-0.8%	-0.8%	5.8%	12.1%	-0.7%	1.2%
CEMBI BD HY	-0.1%	-0.1%	11.2%	18.0%	3.5%	4.6%

Global Backdrop	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI ACWI	0.1%	0.1%	18.8%	30.0%	7.8%	12.2%
MSCI World (DM)	0.3%	0.3%	19.2%	30.6%	8.9%	13.1%
S&P 500	1.0%	1.0%	23.3%	34.8%	11.8%	16.2%
DXY Index**	2.2%	2.2%	1.7%	-3.4%	9.6%	4.6%
EUR*	-2.1%	-2.1%	-2.5%	1.9%	-3.5%	-1.6%
JPY*	-4.2%	-4.2%	-9.5%	-5.0%	-10.8%	-7.3%
CRY Index**	2.1%	2.1%	10.3%	2.5%	7.4%	13.1%
Brent**	9.0%	9.0%	1.5%	-13.9%	-2.3%	6.4%
Gold**	0.7%	0.7%	28.9%	38.3%	16.0%	15.6%
Bitcoin**	0.6%	0.6%	49.9%	137.1%	3.9%	133.1%
1-3yr UST	-0.4%	-0.4%	3.7%	6.1%	1.1%	1.4%
3-5yr UST	-1.1%	-1.1%	3.1%	7.1%	-0.6%	0.6%
7-10yr UST	-2.0%	-2.0%	1.9%	8.5%	-3.2%	-1.0%
10yr+ UST	-3.8%	-3.8%	-1.5%	10.9%	-9.0%	-4.7%
10yr+ Germany	-1.8%	-1.8%	-2.5%	8.4%	-10.1%	-7.0%
10yr+ Japan	-1.0%	-1.0%	-5.1%	-3.1%	-5.5%	-3.9%
Global Agg.***	-2.2%	-2.2%	1.3%	9.2%	-3.6%	-1.3%
US Agg. IG***	-1.5%	-1.5%	2.9%	9.8%	-1.7%	0.1%
EU Agg. IG***	-0.6%	-0.6%	1.8%	7.9%	-3.3%	-2.1%
US Corp HY***	-0.5%	-0.5%	7.5%	15.6%	3.0%	4.6%
EU Corp HY***	0.0%	0.0%	7.0%	13.2%	2.5%	3.1%

Source and notations for all tables in this document: Source: Bloomberg, JP Morgan, Barclays, Merrill Lynch, Chicago Board Options Exchange, Thomson Reuters, MSCI. As at latest data available on publication date. \*EMBI GD and EMBI GD HY Yield/Spread ex-default yields and spreads calculated by Ashmore. Defaulted EMBI securities includes: Ethiopia, Ghana, Lebanon, Sri Lanka, and Venezuela. \*\*Price only. Does not include carry. \*\*\*Global Indices from Bloomberg. Price to Earnings: 12 months blended-forward. Index Definitions: VIX Index: Chicago Board Options Exchange SPX Volatility Index. DXY Index: The Dollar Index. CRY Index: Thomson Reuters/CoreCommodity CRM Commodity Index. 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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