

Scott Bessent pick boosts bonds, Brazil's fiscal reforms disappoint

By Gustavo Medeiros and Ben Underhill

- Bond yields moved sharply lower as markets priced in Scott Bessent's sound economic plans.
- Mexican peso and Canadian dollar recovered after brief selloff, after tariff rhetoric from Trump was met with signs of cooperation from USMCA partners.
- Ceasefire agreement reached between Hezbollah and Israel. Implementation is key.
- Zelensky shed new light on potential ceasefire conditions.
- India's GDP growth missed expectations.
- The Bank of Korea cut rates 25bp to 3.0%.
- Sri Lanka's debt restructuring shows upside potential, with upgrade to 'Caa1.'
- Brazil's fiscal reforms disappointed, with tax cuts leading to BRL sell-off.
- El Salvador received a Moody's upgrade to B3 as IMF support is likely, easing debt pressures.
- Protests in Georgia after the government delayed EU membership talks until 2029.
- Moody's changed Angola's outlook from positive to stable citing debt profile challenges.

Contents	Page
Global Macro	2
EM Asia	4
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	6.31%	0	-	0.0%	MSCI EM	11.9	-0.5%	<ul style="list-style-type: none"> • Local EM bonds recovered 0.7% over the week, largely driven by FX as the USD weakened. • USD Sovereign bonds rose 1%, with duration support after US Treasury yields rallied. • EM equities sold off -0.8% driven by ex-China with LATAM particularly weak.
GBI-EM FX Spot	-	-	-	0.0%	MSCI EM ex-China	12.9	0.1%	
ELMI+	6.89%	-43	-	0.2%	MSCI EMEA	10.1	-0.9%	
EMBI GD	7.66%	1	339 bps	1.0%	MSCI Latam	8.5	-2.8%	
EMBI GD ex-default	6.88%	-14	260 bps	1.0%	MSCI EM Asia	12.6	-0.3%	
EMBI GD IG	5.59%	-11	124 bps	1.0%	MSCI China	9.8	-2.1%	
EMBI GD HY	10.20%	-14	597 bps	0.9%	MSCI India	22.5	2.8%	
EMBI HY ex-default	8.11%	-17	388 bps	0.9%	MSCI EM Growth	16.9	-0.3%	
CEMBI BD	6.68%	-8	249 bps	0.4%	MSCI EM Value	9.0	-0.7%	
CEMBI BD IG	5.57%	-8	138 bps	0.5%	MSCI EM Small Cap	13.7	0.9%	
CEMBI BD HY	8.23%	-6	403 bps	0.2%	MSCI Frontier	9.0	0.4%	

Global Debt	Yield	Change (bp)	Spread	5 day Change	Global Backdrop*	PE 1yr BF	5 day Change	Comments
2yr UST	4.20%	-18	-	0.3%	MSCI ACWI	18.5	0.8%	<ul style="list-style-type: none"> • US Treasury curve moved uniformly lower, between 22-25bp after Scott Bessent appointment as Treasury Secretary. • S&P 500 also reacted well to this news, adding 1.4%. • DXY index moved -1.2% lower on lower US treasury yields. • Oil moved lower due primarily to ceasefire in Lebanon and possibility of this broadening.
5yr UST	4.09%	-21	-	0.6%	MSCI World (DM)	19.6	1.0%	
10yr UST	4.21%	-19	-	1.3%	S&P 500	22.4	1.4%	
30yr UST	4.39%	-20	-	2.8%	VIX Fut.**	0.2	-1.8%	
10yr Germany	2.12%	-12	-	3.1%	DXI Index**	105.9	-1.0%	
10yr Japan	1.05%	-4	-	0.3%	EUR*	1.1	1.4%	
Global Agg.***	3.57%	-12	35 bps	1.2%	JPY*	149.8	3.1%	
US Agg. IG***	5.11%	-14	75 bps	1.1%	CRY Index**	286.7	0.2%	
EU Agg. IG***	3.11%	-12	86 bps	1.0%	Brent**	73	-3.3%	
US Corp HY***	7.19%	-4	266 bps	0.4%	Gold**	2,662	-2.0%	
EU Corp HY***	6.09%	2	334 bps	0.2%	Bitcoin**	96,714	-0.3%	

Global Macro

Price action in currency markets last week showed that markets are taking Trump's ongoing rhetoric, (for now, on Truth Social rather than from the White House), about tariffs with a pinch of salt. After his comments on imposing a 25% tariff on all goods from Canada and Mexico last weekend caused a brief sell-off in the CAD and MXN, the exchange rates recovered in just two days. Both Sheinbaum and Trudeau both spoke to Trump last week. After a phone conversation, Sheinbaum commented that she was confident there will be 'no potential tariff war' between Mexico and the US, although they did not discuss tariffs with Trump directly. Trump's reaction on Truth Social to the conversation indicated willingness from Sheinbaum to work with the US to limit illegal immigration through Mexico. Trudeau went one step further and flew to Mar-a-Lago, promising Trump him to increase surveillance over the long joint border according to a senior Canadian official. Trump said the meeting was 'very productive.' Trudeau posted on X *"Thanks for dinner last night, President Trump. I look forward to the work we can do together, again"*. The tone certainly sounds conciliatory.

During the week, long dollar positioning also began to unwind with the DXY index moving down from 107.5 on Friday the 22nd of November to 105.7 last Friday, as treasury yields fell across the curve. We think that the dollar may have more downside in the short-term. FOMC minutes now suggest that another cut in December is happening, with futures markets now pricing a 65% probability of a 25bp cut. Furthermore, an influential ECB member, Isabel Schnabel pushed back against a 50bp cut in the short term. The BOJ is likely to hike at the December meeting after Tokyo CPI came in hot in November and wage negotiations are skewed in favour of employees. A lower interest rate differential between the dollar and the two other major reserve currencies, the Euro and the Yen, will put pressure on the USD in the short term.

Trump had more to say this weekend on Truth Social: *"The idea that the BRICS Countries are trying to move away from the dollar while we stand-by and watch is OVER. We require a commitment from these countries that they will neither create a new BRICS currency, nor back any other ccy to replace the mighty U.S. Dollar or, they will face 100% tariffs and should expect to say goodbye to selling into the wonderful U.S. Economy."*

The dollar hegemony matter is complex and the practical implications of the post ambiguous, in our view. One of the key reasons that the dollar has the 'exorbitant privilege' of being the world's reserve currency is because mercantilist countries have large surpluses with the US, and these surpluses are recycled largely into the US Treasury market. As Michael Pettis neatly put it: *"Reducing the trade deficit would benefit American businesses, workers and middle-class savers. Increasing USD dominance would benefit Wall Street and the sanctioning power of the US government. The US must decide which constituency is more important"*.¹ Furthermore, the dollar has been losing market share both in terms of global foreign exchange reserves and as a percentage of trade settlement. Nevertheless, the dollar rose over the last decade. Losing more market share or even a change in the trend to a depreciating greenback doesn't mean the dollar will lose its hegemony. The hegemony is associated with the soundness of the US capital markets and the US military strength. The best way of preserving both would be implementing thoughtful policies as prescribed by Scott Bessent, which may well drive the dollar weaker by design.²

Geopolitics:

Donald Trump named Kash Patel, a loyalist and 'Deep State' critic, to lead the FBI, with plans to dismiss Chris Wray before his term ends in 2027. Trump declared, *"For too long, the partisan Department of Justice has been weaponized against me and other Republicans – not anymore."*³

Israel has entered a 60-day ceasefire with Hezbollah, though the situation remains fragile. Both sides have accused the other of violations of the ceasefire. Lindsey Graham indicated Trump is pushing for a Gaza ceasefire before his inauguration, tied to the release of 101 hostages.⁴

Russia/Ukraine developments include North Korean troops reportedly integrating with Russian units in Ukraine. Meanwhile, Vladimir Putin praised Trump as *"a smart and experienced politician"*. Ukrainian President Volodymyr Zelenskyy suggested a ceasefire deal could be possible if territory under his control is brought *"under the NATO umbrella"*, allowing for diplomatic negotiations over the rest later.

¹ See – <https://x.com/michaelxpettis/status/1863079259746492856>

² See – *Trump 2.0: Implications for Emerging Markets*, Market Commentary, 12 November 2024.

³ See – <https://www.axios.com/2024/11/30/trump-staff-investigation-fbi-do>

⁴ See – <https://www.axios.com/2024/11/29/trump-gaza-ceasefire-hostage-deal>

Global Macro (continued)

Syria faces a power vacuum in Aleppo as Syrian rebel forces move in, taking advantage of Israel's strikes into Iran and Hezbollah, as well as Russia's focus in Ukraine.

French politics remains volatile. National Rally leader Jordan Bardella threatening to activate a censure vote against Prime Minister Michel Barnier unless concessions are made.

Australia has passed a law banning children under 16 from using social media.

EM Asia

Economic data

Surprise second rate cut in Korea, strong exports in Thailand continue.

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
China	Industrial Profits YTD (YoY)	Oct	-4.3%	-	-3.5%	
	Industrial Profits (YoY)	Oct	-10.0%	-	-27.1%	
South Korea	Consumer Confidence	Nov	100.7	-	101.7	
	Business Survey Manufacturing	Dec	66	-	71	
	BOK Base Rate	Nov-28	3.00%	3.25%	3.25%	• BoK surprised with 2nd rate cut, directed at mitigating impact of Trump tariffs on economy. Lowered growth forecast to below 2% for 2025.
	Industrial Production (YoY)	Oct	6.3%	2.2%	-1.3%	
	Industrial Production SA (MoM)	Oct	0.0%	0.2%	-0.2%	
Taiwan	Industrial Production (YoY)	Oct	8.9%	9.2%	11.2%	• Taiwan raised 2025 GDP outlook 4bp to 3.29% after Q3 upside surprise on strong exports.
	GDP (YoY)	3Q P	4.2%	4.0%	4.0%	
Thailand	Customs Exports (YoY)	Oct	14.6%	5.1%	1.1%	• Thailand exports jumped in December with strong demand for tech products and food. Q4 exports expected to stay strong. Ministry not worried about tariffs as Thailand will negotiate to get best terms'
	Customs Imports (YoY)	Oct	15.9%	6.4%	9.9%	
	BoP Current Account Balance (USD)	Oct	700m	600m	559m	
	Gross International Reserves (USD)	Nov-22	234.6bn	-	234.0bn	
	Exports (YoY)	Oct	14.2%	-	1.10%	
	Trade Balance (USD)	Oct	1,446m	-	2,470m	

Source information is at the end of the document.

Commentary

India: GDP growth fell short of expectations, registering a year-on-year expansion of 5.4% compared to the anticipated 6.5%. The undershoot was primarily driven by weaker performance in agriculture, mining, and manufacturing sectors. The data reinforces the case for the Reserve Bank of India (RBI) to adopt a looser monetary stance, potentially allowing some currency depreciation to support economic recovery.

South Korea: The Bank of Korea responded to growth concerns by cutting its policy rate by 25 basis points to 3.0%. The decision, however, revealed a split among the board, with two of the six members advocating for no change. This highlights ongoing uncertainty about the economic outlook and the extent of required monetary easing, particularly with possibility of US tariffs.

Sri Lanka: Moody's assigned a 'Caa1' credit rating to the restructured bonds and placed them under review for an upgrade, though they remain categorised as Selective Default (SD) and Restricted Default (RD) by S&P and Fitch, respectively. The Central Bank of Sri Lanka has simplified its monetary policy framework by moving to a single interest rate mechanism. The newly introduced Overnight Policy Rate has been set at 8%, marking a 50-basis-point reduction from the previous average weighted call money rate. HSBC expects further rate cuts in the near term as the central bank continues its efforts to stabilize the economy and stimulate growth.

Latin America

Economic data

Brazil fiscal soap opera.

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Brazil	FGV CPI IPC-S	Nov-22	0.04%	-	0.2%	
	Current Account Balance (USD)	Oct	-5,880m	-6,200m	-6,863m	
	Foreign Direct Investment (USD)	Oct	5,717m	5,000m	5,229m	
	IBGE Inflation IPCA-15 (MoM)	Nov	0.62%	0.5%	0.5%	
	IBGE Inflation IPCA-15 (YoY)	Nov	4.77%	4.6%	4.5%	
	FGV Inflation IGPM (MoM)	Nov	1.30%	1.2%	1.5%	• Inflation above all estimates in November, after Brazilian real dropped to a record low as public spending cuts disappointed.
	FGV Inflation IGPM (YoY)	Nov	6.33%	6.2%	5.6%	
	Total Outstanding Loans (BRL)	Oct	6,255bn	-	6,210bn	
	Net Debt % GDP	Oct	-	62.2%	62.4%	
Chile	Retail Sales (YoY)	Oct	4.5%	3.0%	3.9%	• Better retail sales and unemployment rate as manufacturing production and copper also expand more than expected.
	Unemployment Rate	Oct	8.6%	8.6%	8.7%	
	Manufacturing Production (YoY)	Oct	3.0%	2.8%	-1.1%	
	Copper Production Total	Oct	492,804	-	478,035	
Colombia	Urban Unemployment Rate	Oct	9.5%	8.9%	9.2%	
	National Unemployment Rate	Oct	9.1%	-	9.1%	
Mexico	Current Account Balance (USD)	3Q	733m	-911m	2,854m	
	International Reserves Weekly (USD)	Nov-22	225,528m	-	225,361m	
	Trade Balance (USD)	Oct	370.8m	-659.2m	-578.9m	

Source information is at the end of the document.

Commentary

Argentina: Economic activity has been recovering at an annualised pace of 9.7% since April, according to JP Morgan. Key growth sectors include manufacturing (+6.3%), construction (+5.2%), commerce (+4.3%), hospitality (+4.9%), and financial intermediation (+11.3%). Growth projections for 2024 and 2025 have been revised to -3.0% year-on-year and +5.2%, respectively, with forecast risks for 2025 skewed to the upside, reflecting optimism about continued economic recovery.

Brazil: Finance Minister Fernando Haddad announced a long-awaited fiscal consolidation program to sustain its fiscal deficit framework. The markets took this as a negative surprise. The BRL 70bn adjustment announced was expected, with BRL 30bn planned for 2025 and BRL 40bn for 2026. Haddad proposed exempting workers earning less than BRL 5,000 per month from income tax, offset partially by tax increases for those earning more than BRL 50,000. However, the math does not add up. The proposed exemption would reduce the number of regular taxpayers by a third and cut annual tax collection by approximately BRL 35bn (0.3% of GDP). Given that the top 0.5% of the economically active population earns more than BRL 50,000 per month, even a substantial tax hike on this group would fail to offset the loss. Brazil's tax system remains highly regressive, with a heavier reliance on consumption taxes than income tax. Encouragingly, the leaders of both houses of Congress issued statements saying they would not back the new tax measures if they would result in a decline in tax revenues. It is time Brazilian Congress takes back the fiscal reigns, before its too late.

Latin America (continued)

El Salvador: Moody's upgraded El Salvador's sovereign rating to B3, aligning with S&P and one notch above Fitch's CCC+ rating. Recent debt management operations have significantly eased the country's payment schedule, with bond prices nearing par value across the yield curve. Moody's noted that external bond amortizations through 2029 are now low and manageable due to recent buybacks, reinforcing favourable market sentiment. Bloomberg reported a strong likelihood of a staff-level agreement with the IMF for approximately USD 1.4bn, potentially enhancing fiscal stability further.

Panama: S&P downgraded Panama's sovereign rating to BBB-, bringing it in line with Moody's Baa3 and one notch above Fitch's BB+ rating. The downgrade reflects reduced fiscal flexibility and heightened vulnerability to economic challenges. S&P's stable outlook anticipates gradual fiscal consolidation under Panama's new government, supported by growth rates higher than peers. Moody's, however, lowered Panama's outlook to negative, citing a larger-than-expected fiscal deficit above 6% of GDP in 2024 and rising debt-to-GDP nearing 61%. These developments underline significant hurdles to rapid fiscal consolidation and economic resilience.

Central and Eastern Europe

Economic data

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Czech Republic	GDP (QoQ)	3Q P	0.4%	0.3%	0.3%	• GDP ticks up QoQ in Q3, forecast to reach 1.6% YoY in Q4.
	GDP (YoY)	3Q P	1.3%	1.3%	1.3%	
Poland	Average Gross Wages (YoY)	Oct	10.2%	10.4%	10.3%	• Better retail sales and industrial output but inflation remains sticky. Drop in November only temporary on base effects, CPI projected to bounce back to 5% YoY and continue rising in Q1 2025.
	Sold Industrial Output (YoY)	Oct	4.7%	1.8%	-0.4%	
	PPI (MoM)	Oct	0.4%	0.1%	-0.3%	
	PPI (YoY)	Oct	-5.2%	-5.6%	-6.2%	
	Retail Sales (YoY)	Oct	2.3%	0.6%	-2.2%	
	Unemployment Rate	Oct	4.9%	5.0%	5.0%	
	GDP (YoY)	3Q F	2.7%	-	2.7%	
	CPI (MoM)	Nov P	0.4%	0.4%	0.3%	
	CPI (YoY)	Nov P	4.6%	4.6%	5.0%	

Source information is at the end of the document.

Commentary

Georgia: Protests broke out in Tbilisi after Prime Minister Irakli Kobakhidze announced that the government would not pursue EU membership talks before 2029. The statement, made shortly after Parliament confirmed a new cabinet, drew sharp criticism from President Salome Zourabichvili. Georgia had applied for EU membership in 2022, but the bloc has not formally agreed to open negotiations for the years-long process.

Hungary: Moody's affirmed the 'BBB' sovereign credit rating but changed the outlook to negative citing downward risk to growth, debt prospects and institutional risks.

Romania: Last week's presidential election results are under scrutiny as the Constitutional Court investigates claims of external interference. The controversy centres on one candidate allegedly receiving massive exposure and preferential treatment on TikTok, violating electoral law. A recount could alter the outcome, potentially advancing a Social Democratic Party (PSD) candidate to the second round, increasing political uncertainty. In parallel, legislative elections brought a fragmented parliament, as expected, but with more than 50% of seats allocated to centre-left parties. With 99% of the votes counted, the chamber of elections voting split was:

- PSD: 22.3% (socialist)
- AUR: 17.9% (far-right)
- PNL: 13.4% (liberals)
- USR: 12.2% (progressive)
- SOS: 7.2% (far-right)
- UDMR: 6.4% (Hungarian minority party)
- POT: 6.3% (far-right)

Central Asia, Middle East & Africa

Economic data

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Nigeria	Central Bank Interest Rate	Nov-26	27.50%	27.75%	27.25%	• Smaller than expected hike, inflation lofty.
Saudi Arabia	M3 Money Supply (YoY)	Oct	9.2%	-	10.5%	
	SAMA Net Foreign Assets SAR	Oct	1,546.4bn	-	1,625.6bn	
South Africa	PPI (YoY)	Oct	-0.7%	-0.2%	1.0%	
	Trade Balance Rand	Oct	14.6bn	3.3bn	12.8bn	
Turkey	Real Sector Confidence SA	Nov	103.4	-	102.2	
	Capacity Utilisation	Nov	76.1%	-	74.9%	
	Trade Balance (USD)	Oct	-5.91bn	-5.70bn	-5.14bn	• Turkey now in technical recession after two quarters of negative quarterly growth. Rate cuts imminent.
	GDP (YoY)	3Q	2.1%	2.5%	2.5%	
	GDP SA/WDA (QoQ)	3Q	-0.20%	-0.20%	-0.20%	

Source information is at the end of the document.

Commentary

Angola: President Biden is scheduled to visit Angola today and tomorrow, marking his first and final trip to the African continent during his tenure. He is set to meet with President João Lourenço, a meeting that had been postponed since October. Moody's has adjusted Angola's credit rating outlook from positive to stable, citing a slower pace of fiscal consolidation than previously anticipated. The agency now forecasts modest fiscal deficits in the coming years, with debt-to-GDP stabilizing slightly below 60%. While refinancing risks have diminished, Moody's notes that Angola continues to face a challenging debt profile.

Senegal: S&P has affirmed Senegal's credit rating at B+ but revised the outlook from stable to negative. This decision, made on October 18, 2024, reflects concerns over fiscal slippage and potential economic challenges. The agency is likely awaiting the results of a national audit, expected later this month, before considering further rating actions. Previously, on October 18, S&P had downgraded the outlook from stable to negative, indicating apprehensions about the country's fiscal trajectory.

Developed Markets

Economic data

Country	Event	Period	Actual	Survey	Prior/Revised	Comments
Eurozone	M3 Money Supply (YoY)	Oct	3.4%	3.4%	3.2%	
	Consumer Confidence	Nov F	-13.7	-	-13.7	
	CPI Estimate (YoY)	Nov	2.3%	2.3%	2.0%	
	CPI (MoM)	Nov P	-0.2%	-0.2%	0.3%	• Prices declining month over month, jump in core YoY inflation down to energy base effects.
	CPI Core (YoY)	Nov P	2.8%	2.8%	2.7%	
Japan	Jobless Rate	Oct	2.50%	2.50%	2.40%	
	Job-To-Applicant Ratio	Oct	1.25	1.24	1.24	
	Tokyo CPI (YoY)	Nov	2.6%	2.2%	1.8%	• Inflation speeding higher as energy subsidies fade, but overall price growth in line with BoJ projections. Labour market relatively tight with jobs to applicants ratio ticking up only slightly.
	Tokyo CPI Ex-Fresh Food (YoY)	Nov	1.9%	2.0%	1.8%	
	Retail Sales (YoY)	Oct	1.6%	2.0%	0.7%	
	Industrial Production (MoM)	Oct P	3.0%	4.0%	1.6%	
UK	Mortgage Approvals	Oct	-	64.5k	65.6k	
United States	Chicago Fed Nat Activity Index	Oct	-0.4	-0.28	-0.27	
	Dallas Fed Manf. Activity	Nov	-2.7	-1.8	-3	
	FHFA House Price Index (MoM)	Sep	0.70%	0.30%	0.40%	
	New Home Sales	Oct	610k	725k	738k	• New home sales at 2Y low, reflecting impact of hurricanes on the south, as well as affordability, as mortgage costs have spiked with rates higher. Mortgage rates have risen from 6% to 7% recently.
	Conf. Board Consumer Confidence	Nov	111.7	111.8	109.6	
	Richmond Fed Manufact. Index	Nov	-14	-11	-14	
	MBA Mortgage Applications	Nov-22	6.3%	-	0.017	
	GDP Annualised (QoQ)	3Q S	2.8%	2.8%	2.8%	• Consumer spending powers solid GDP growth, with business investment also expanding.
	Personal Consumption	3Q S	3.5%	3.7%	3.7%	
	GDP Price Index	3Q S	1.9%	1.8%	1.8%	
	Core PCE Price Index (QoQ)	3Q S	2.1%	2.2%	2.2%	
	Wholesale Inventories (MoM)	Oct P	0.2%	0.1%	-0.2%	
	Durable Goods Orders	Oct P	0.2%	0.5%	-0.4%	
	Durables Ex Transportation	Oct P	0.1%	0.1%	0.4%	
	Initial Jobless Claims	Nov-23	213k	215k	215k	
	Continuing Claims	Nov-16	1,907k	1,892k	1,898k	• Continuing claims higher showing some increasing tightness in labour market. Lower jobless claims perhaps reflects some pre-Christmas mercy.
	Personal Income	Oct	0.6%	0.3%	0.3%	
	Personal Spending	Oct	0.4%	0.4%	0.6%	
	Core PCE Price Index (MoM)	Oct	0.3%	0.3%	0.3%	
	Pending Home Sales (MoM)	Oct	2.0%	-2.0%	7.5%	

Source information is at the end of the document.

Benchmark Performance

Emerging Markets	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI EM	-3.5%	-7.8%	7.8%	12.2%	-1.5%	3.0%
MSCI EM ex-China	-3.0%	-6.8%	5.1%	12.5%	1.9%	6.0%
MSCI EMEA	-1.5%	-4.6%	4.9%	9.7%	-5.7%	-0.8%
MSCI Latam	-5.5%	-10.3%	-21.6%	-15.0%	6.2%	-0.1%
MSCI Asia	-3.2%	-7.7%	11.9%	15.8%	-1.6%	3.6%
MSCI China	-4.7%	-10.4%	15.9%	12.0%	-8.5%	-2.8%
MSCI India	-1.2%	-9.3%	13.7%	24.5%	9.2%	13.1%
MSCI EM Growth	-3.5%	-7.1%	10.1%	13.4%	-4.1%	2.6%
MSCI EM Value	-3.5%	-8.6%	5.2%	10.8%	1.2%	3.3%
MSCI EM Small Cap	-2.9%	-6.8%	5.2%	10.3%	3.4%	9.9%
MSCI Frontier	-0.6%	-1.2%	9.4%	12.6%	-3.5%	2.7%
GBI-EM-GD	-0.9%	-5.5%	-0.8%	1.8%	0.3%	-0.7%
GBI-EM China	-1.0%	-2.1%	3.5%	5.0%	0.2%	3.7%
EM FX spot	-1.8%	-5.3%	-6.0%	-5.7%	-2.8%	-3.6%
ELMI+ (1-3m NDF)	-1.0%	-3.5%	0.2%	1.5%	0.8%	0.4%
EMBI GD	0.9%	-0.8%	7.8%	14.0%	0.0%	0.7%
EMBI GD IG	0.2%	-2.7%	2.3%	8.1%	-3.8%	-1.1%
EMBI GD HY	1.6%	1.1%	13.5%	20.1%	3.9%	2.6%
CEMBI BD	0.4%	-0.4%	8.0%	12.0%	1.2%	2.5%
CEMBI BD IG	0.4%	-1.0%	5.6%	9.6%	-0.8%	1.0%
CEMBI BD HY	0.5%	0.3%	11.7%	15.6%	4.0%	4.4%

Global Backdrop	Month to date	Quarter to date	Year to date	1 year	3 years	5 years
MSCI ACWI	3.2%	0.9%	19.7%	26.0%	7.1%	11.1%
MSCI World (DM)	4.0%	1.9%	21.2%	27.6%	8.2%	12.2%
S&P 500	5.3%	4.3%	27.3%	33.7%	11.0%	15.5%
DXY Index**	1.9%	5.1%	4.6%	3.1%	3.2%	1.5%
EUR*	-3.1%	-5.4%	-5.7%	-5.2%	-3.9%	-2.2%
JPY*	1.0%	-5.0%	-10.4%	-6.9%	-12.6%	-8.7%
CRY Index**	2.5%	0.6%	8.7%	4.8%	8.1%	9.7%
Brent**	-0.7%	1.3%	-5.7%	-12.5%	-0.3%	3.1%
Gold**	-3.0%	1.0%	29.0%	30.2%	14.3%	12.7%
Bitcoin**	38.3%	51.6%	127.5%	156%	18.4%	65.8%
1-3yr UST	0.2%	-0.4%	3.7%	5.0%	1.2%	1.3%
3-5yr UST	0.3%	-1.5%	2.6%	4.9%	-0.5%	0.5%
7-10yr UST	0.6%	-2.8%	1.2%	5.2%	-3.7%	-1.2%
10yr+ UST	1.0%	-4.3%	-1.9%	6.7%	-10.8%	-4.9%
10yr+ Germany	4.3%	1.9%	1.2%	8.9%	-10.8%	-6.1%
10yr+ Japan	-1.2%	-2.3%	-6.3%	-4.7%	-6.0%	-4.1%
Global Agg.***	-0.1%	-3.4%	0.0%	4.3%	-4.0%	-1.5%
US Agg. IG***	0.7%	-1.8%	2.6%	6.7%	-2.0%	-0.1%
EU Agg. IG***	1.7%	0.9%	3.4%	7.2%	-3.1%	-1.6%
US Corp HY***	1.0%	0.4%	8.5%	13.1%	3.7%	4.7%
EU Corp HY***	0.7%	1.2%	8.3%	12.1%	3.1%	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. DX Y 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, DX Y and CRY which are shown as percentage change.

Explore Further Insights

Live at the Sub-ICs

13 November 2024



Qatar: Do investors risk myopia for a country with a vision?

The economic roadmap Towards the end of the 1990s, Qatar saw a step-change in the magnitude and sustainability of its economic growth based on a competitive LNG value chain with global reach....

[Find out more →](#)

Market Commentary

12 November 2024



Trump 2.0: Implications for Emerging Markets

While Donald Trump's election victory was far from a surprise, the strength of the mandate he won was impressive. Trump captured all seven of the pivotal swing states needed for Electoral College success...

[Find out more →](#)

Subscribe to our Insights

At Ashmore we want to keep you well informed and engaged on both the local and global macro events shaping our investments in Emerging Markets. By subscribing, you get notified as soon as we publish our content. [Find out more →](#)

Head office

Ashmore Investment Management Limited, 61 Aldwych, London, WC2B 4AE T: +44 (0)20 3077 6000

Local offices

Bogota T: +57 1 316 2070	Jakarta T: +6221 2953 9000	Riyadh T: +966 11 483 9100	Lima T: +511 391 0396	Fund prices www.ashmoregroup.com Bloomberg FT.com Reuters S&P Lipper
Dubai T: +971 440 195 86	Mumbai T: +9122 6269 0000	Singapore T: +65 6580 8288		
Dublin T: +353 1588 1300	New York T: +1 212 661 0061	Tokyo T: +81 03 6860 3777		

www.ashmoregroup.com  [@AshmoreEM](https://twitter.com/AshmoreEM)

No part of this article may be reproduced in any form, or referred to in any other publication, without the written permission of Ashmore Investment Management Limited © 2024.

Important information: This document is issued by Ashmore Investment Management Limited (Ashmore), which is authorised and regulated by the Financial Conduct Authority. The information and any opinions contained in this document have been compiled in good faith, but no representation or warranty, express or implied, is made as to accuracy, completeness or correctness. Save to the extent (if any) that exclusion of liability is prohibited by any applicable law or regulation, Ashmore, its officers, employees, representatives and agents expressly advise that they shall not be liable in any respect whatsoever for any loss or damage, whether direct, indirect, consequential or otherwise however arising (whether in negligence or otherwise) out of or in connection with the contents of or any omissions from this document. Past performance is not a reliable indicator of future results. This document does not constitute and may not be relied upon as constituting any form of investment advice and prospective investors are advised to ensure that they obtain appropriate independent professional advice before making any investment.