

Quarterly Report

EAGLEs

Madrid,
First Quarter 2013
Economic Analysis

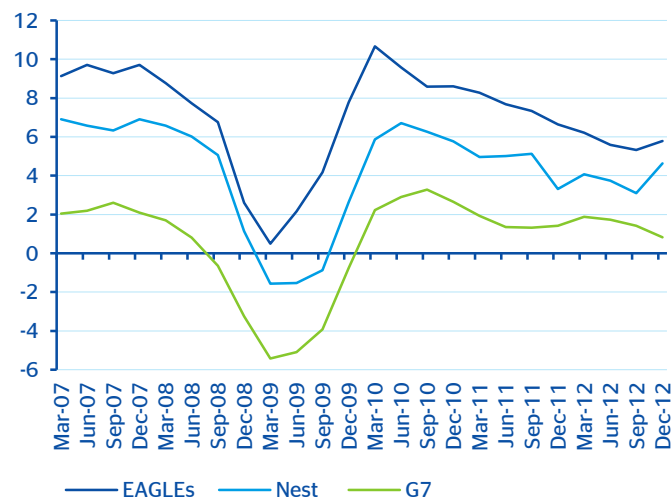
- **After bottoming out in Q3/12, growth momentum in Asia has begun to pick up (albeit at a mild pace) while in Latin America the rebound could have started already in Q4/12.** In Emerging Europe, growth slightly improved although it still underperformed relative to expectations (Turkey grew 1,4% y/y on 4Q/13 below expectations).
- **Asia's rebound was mainly due to accommodative domestic policies, credit growth and positive spillovers from China.** Sound economic performance in the Andean countries was partially offset with subpar growth in Brazil though the latter is expected to rebound on the back of strong fiscal and monetary stimuli implemented during 2012.
- **Turkey's adjustment remains with lower than expected GDP growth in Q4/12.** Still, the external sector (to non-EU markets) was the tail wind offsetting a weaker domestic demand across the board.
- **Downside risks remain on the domestic and external side,** specially if the European crisis heightens again, new policy mistakes arise in the US or the global risk premium rises anew for any other reason.
- **EAGLEs will further enjoy the blessings of its "new normal" status** (higher growth with less vulnerabilities). Still, **managing success and depleting imbalances remains imperative** to overcome sources of risk such as asset price bubbles or capital flow reversals.
- **Q1/13 was initially characterized by a reversal of capital flows away from developing markets** due to weaker fundamentals and some sudden change in investors' mood. The latest events on the Eurozone crisis could reverse regional flows again away from Europe.
- **Nominal exchange rate developments were dominated by monetary efforts to maintain currencies undervalued** amid raising capital flows and the **more aggressive easing campaign by the Bank of Japan.**
- **In most cases, headline inflation has accelerated but core measures remain at bay and expectations well anchored.** Countries with pegged regimes are suffering the most due to excessive pass-through.
- **Most of EMs central banks are on an easing bias mode allowing inflation to hover at or above their targets, this could end soon if inflation largely overshot.**
- **Fiscal policy will be less expansionary in many emerging countries during 2013** specially in countries where the accumulated imbalances are larger and where public debt dynamics may be worse
- **Special topic: Emerging middle class in "fast-track" mode**

| | |
|-------------------|------|
| Activity | 2 → |
| External sector | 4 → |
| Consumer Prices | 5 → |
| Monetary Policy | 6 → |
| Domestic Credits | 7 → |
| Financial Markets | 8 → |
| Special Topic | 11 → |
| Statistical Annex | 13 → |

Activity: GDP

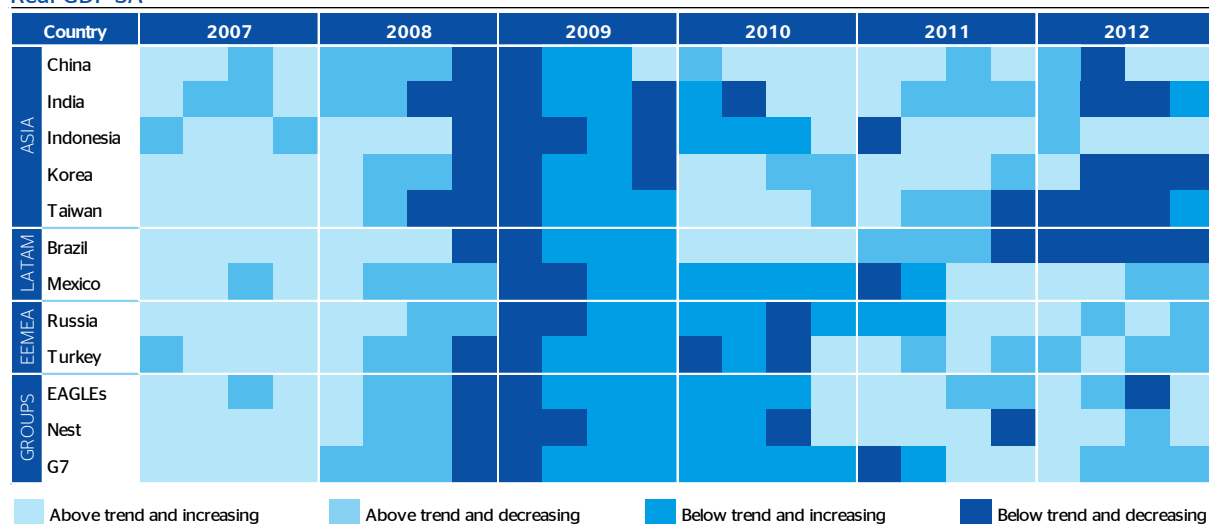
- **After bottoming out in Q3/12, growth momentum in Asia has been picking up, albeit at a mild pace.** The pickup is due to accommodative domestic policies, strong domestic demand, and positive spillovers from rising growth in China. External headwinds continue to weigh on the more open and export-oriented economies, such as Korea and Taiwan.
- **In Latin America growth might have rebounded during the last part of Q4/12** amid a better perception of the foreign outlook. Sound economic performance in the Andeans was partially offset with a modest growth in Brazil though the latter is expected to rebound on the back of strong fiscal and monetary stimuli. The region will further enjoy the blessings of its “new normal” nature (higher growth with less vulnerabilities) but managing success and depleting imbalances remains imperative.
- **In Emerging Europe, Turkey and Russia underperformed**, losing part of the gap to the rest of EEMEA gained before. **In Turkey the adjustment continued, with a lower growth than expected growth in 4Q/12.** Still, the foreign sector (to non-EU markets) was the tail wind offsetting a weaker domestic demand. In **Russia growth decelerated** during the last months despite efforts to sustain an eroded domestic demand. Overheating and imbalance accumulation are the plot for risks.

Real GDP NSA YoY percentage point change



Source: BBVA Research and Haver

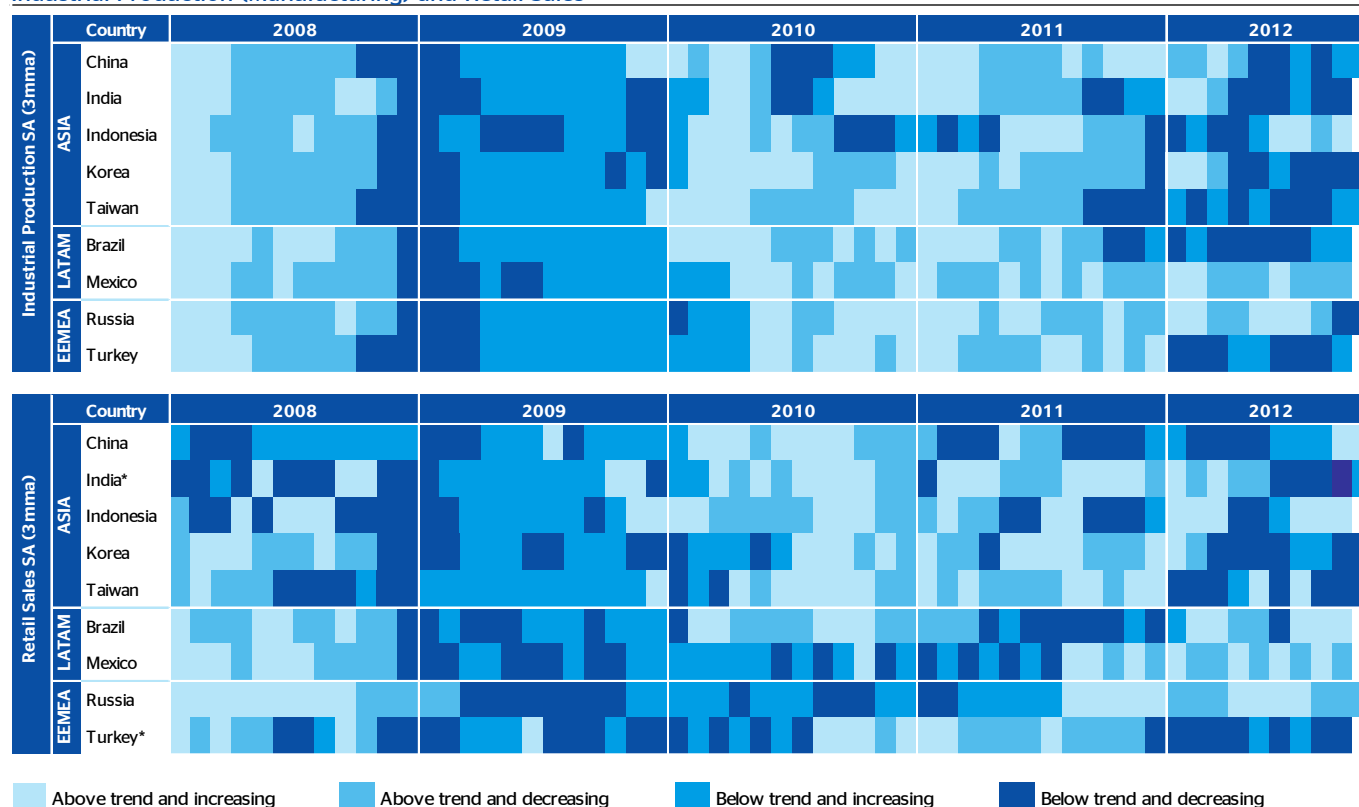
Real GDP SA



Source: BBVA Research and Haver

Activity: Industrial Production & Retail Sales

Industrial Production (Manufacturing) and Retail Sales



Note: India: Motor Vehicle Sales: Total (2003AY=100).

Note: Turkey: Registered Motor Vehicles (Units) (2003AY=100).

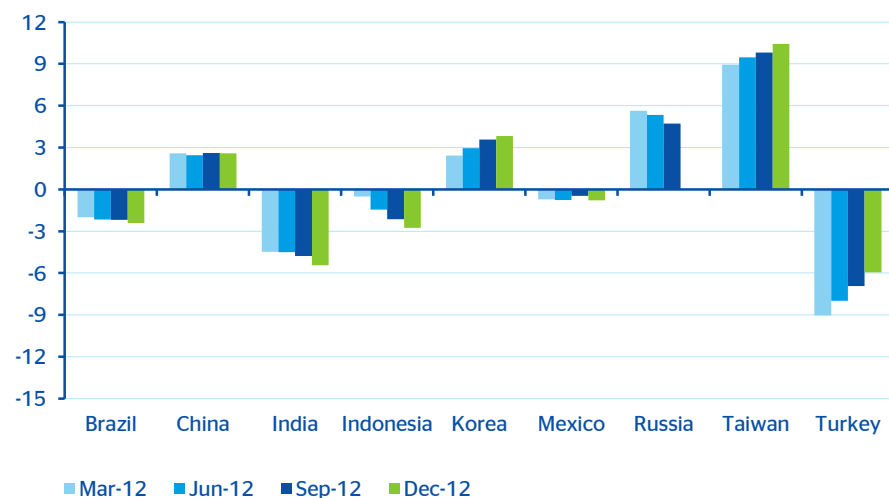
Source: BBVA Research, Haver and CEIC

- Retail sales in the emerging world showed a mixed picture.** Strong figures in Indonesia, the Philippines and Russia contrast with those from China, Brazil, Mexico and Turkey where fiscal policy has become less benign. Mounting inflation pressures will erode purchasing parity in Asian economies, specially in those with semi pegged exchange rates. The monetary accommodation in Brazil should reinforce consumption during the first quarter of 2013.
- Strains from global demand and financial uncertainty weighted in the manufacturing sector.** Economies with strong links to Europe and fully open economies in Asia were hit the hardest. Other economies showed some signs of stabilization while early indicators anticipated a moderate rebound in the near future, especially in the ASEAN economies where strong domestic demand and intraregional trade are supporting growth.

External Sector: Current Account & Trade Balance

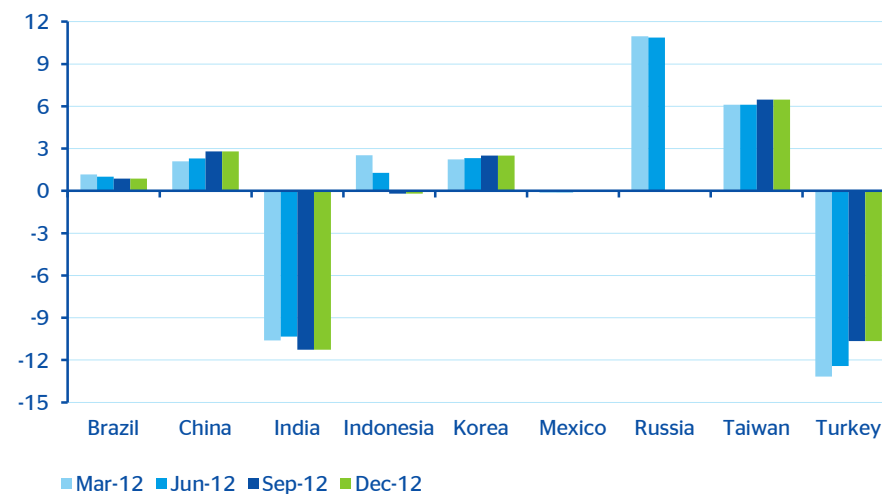
- **Mexico's strategy to rebalance its export portfolio** guarantees further gains in trade. **Incipient domestic demand recovery should weight down on balances in Brazil and China.** Trade surplus remained in Korea and Taiwan.
- **South to South trade flows among EMs partially offset a weaker demand** from the developed economies and the slowing world trade
- **Early from some PMI export orders anticipate a world trade recovery trend to continue in the near term.**
- **The domestic demand adjustment has prompted a healthy adjustment in the Turkish current account deficit** (10% in 2011 to 6% in 2012).

Current Account as % of GDP (accumulated for the last 4 quarters)



Note: Lack of data India, Korea, Mexico, Russia and Turkey in the last period.
Source: BBVA Research and Haver

Trade Balance as % GDP (accumulated for the last 4 quarters)

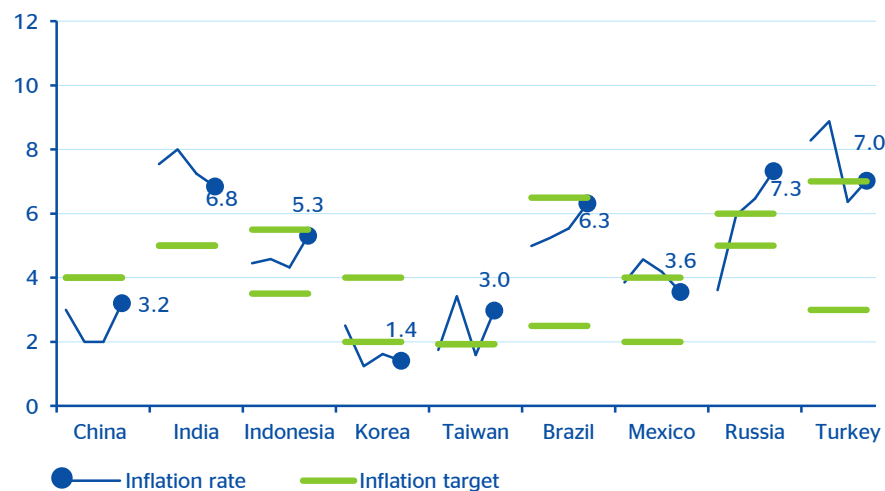


Note: Lack of data for Korea, Russia and Turkey in the last period.
Source: BBVA Research and Haver

Consumer Prices: Headline & Core Inflation

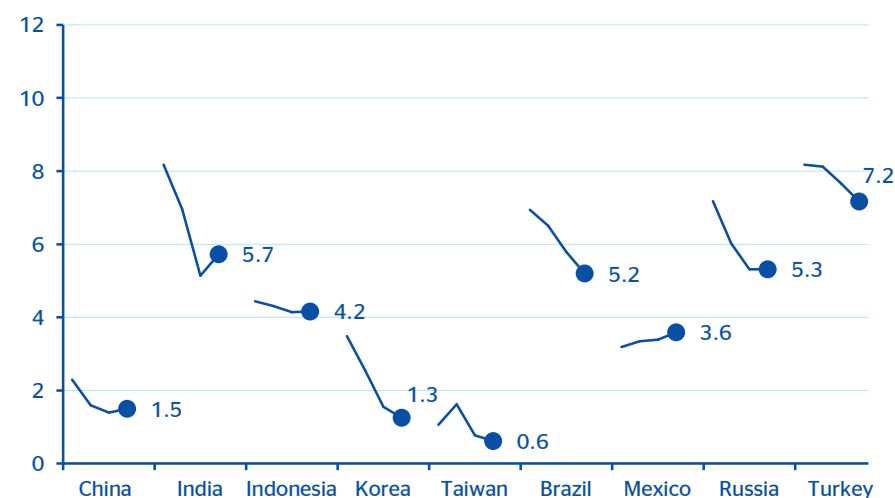
- **In most places of Asia, prices pressures remain subdued** and despite the expected rebound in activity, inflation will remain manageable. Yet that is not the case in India, Singapore, and Indonesia, where inflation is or is becoming a source of concern. **In the Andean countries and Mexico inflation remains anchored while in Brazil pressures are mounting** despite weaker activity than envisaged.
- **Headline inflation remains moderate in China and Korea**, but hovers at or above other central banks' target band in the rest of the Eagles. **Price pressures have escalated significantly in Russia and Turkey** but on supply shocks and tax hikes solely, remaining thus out of the worry zone. The CBRT sees inflation pressures under control and expectations well anchored.
- In general headline inflation has accelerated while core measures remain at bay. Countries with pegged regimes are suffering the most due to excessive pass-through. **Most of EMs central banks are on an easing bias and are allowing inflation to hover at or above their targets**, this could end soon if inflation largely overshoot, some acceleration was registered on the back of stronger growth or a QE exit was imminent urging the need for CB action amid capital flows.

Inflation Rates YoY percentage point change: (-9m, -6m, -3m, Current)



Source: BBVA Research and Haver

Core Inflation YoY percentage point change: (-9m, -6m, -3m, Current)

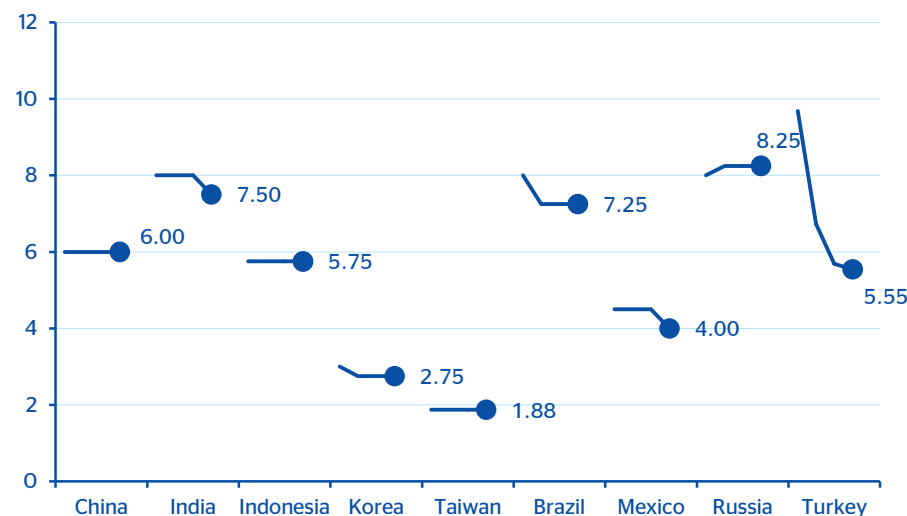


Source: BBVA Research and Haver

Monetary Policy: Reference & Real Interest Rates

- **Central banks in Mexico and Russia have recently cut their official rates following the easing trend of India, Korea and Thailand.** In the very short run new further monetary accommodation is expected in China as part of stimulus measures. **Turkey continued to narrow the interest corridor to discourage capital flows**
- **Some countries in LatAm (non-Andeans and not Brazil) still pursue an expansionary policy while many countries in Asia maintain an easing bias.** This is likely to remain as such in absence of background inflation pressures yet, proactive support policies and amid the recent quest for maintaining a weaker currency. The bias in Brazil is to the upside.
- That said, **a policy change towards restriction cannot be ruled out in the future and there is a non-negligible chance that the change is put forward if mounting imbalances further accumulate** (Indonesia), excess liquidity brings protracted inflationary processes to assets or if the exit from QE at the Fed prompts immediate CBs action to prevent massive flow turnarounds.

Central Bank Reference Rates (%): (-9m, -6m, -3m, Current)



Source: BBVA Research and Haver

Real Interest Rates (%): (-9m, -6m, -3m, Current)



Source: BBVA Research and Haver

Domestic Credit: Lending

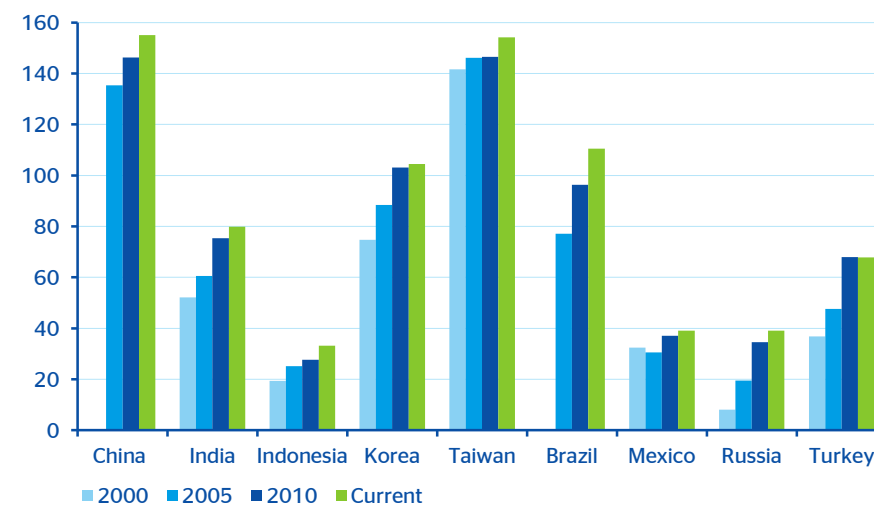
- Domestic credit yoy growth decelerated or remained stable in most of the EAGLE members, while it picked up in Turkey amid massive capital inflows.
- Credit growth needs to be monitored in China because of the fast pace of growth in the non-bank (shadow) banking system, which is giving rise to domestic financial risks.
- Credit in Mexico decelerated strongly once again while it sustained over the two digits growth in Russia, Indonesia, Turkey and Brazil.
- Most EAGLEs sustain credit to GDP levels more or less consistent to their cyclical stand point, but the risk of overheating and mounting imbalances needs to be monitored.

Domestic Credits YoY percentage point change: (1Q12, 2Q12, 3Q12, 4Q12)



Note: Lack of data for India, Korea, Mexico and Russia in 3Q 2012.
Source: BBVA Research and Haver

Domestic Credits as % of GDP

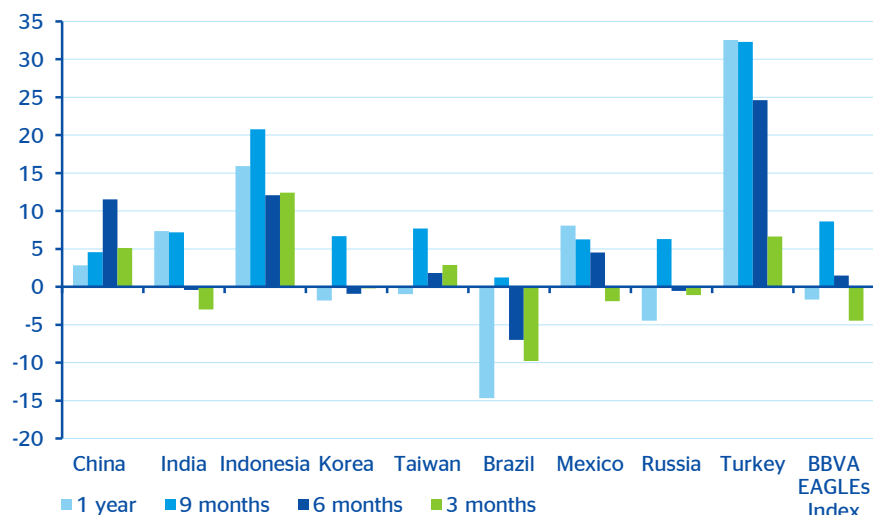


Note: Lack of data for China in the year 2000.
Source: BBVA Research and Haver

Financial Markets: Stock Markets, Equity & Bond Flows

- **Q1/13 was characterized by a reversal of capital flows away from developing markets** due to weaker fundamentals, a risk off mood among the developed countries, an increasing risk premium in EMs (+25bp on average) and talks on a possible earlier exit from QE in the US. Global flows fund a safe haven back in the US while regional flows harbored into the Eurozone.
- **There was a clear stock market underperformance around EMs (only Turkey and Indonesia improved) associated with the fresh capital flow reversals to developed markets.**
- **Financial Tensions in DMs had visibly diminished during the first quarter until the Cyprus bail out resurfaced** concerns on the sovereign – financial European gridlock. There is a high probability that the latest capital flows into developed markets reverse back again due to the renewed need to find safe havens.

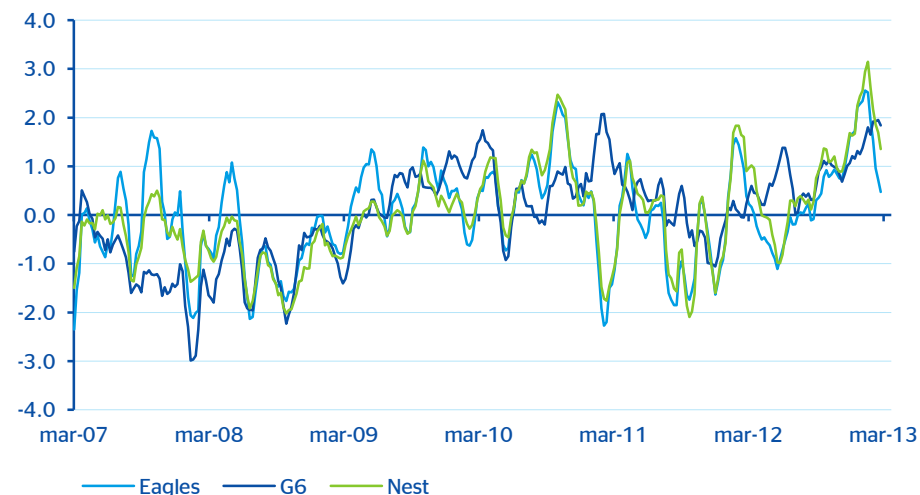
Stock Market Returns (%)



Source: BBVA Research and Bloomberg

Equity and Bond flows:

Standardized units for the 2007-2012 period (over 4-week average data)

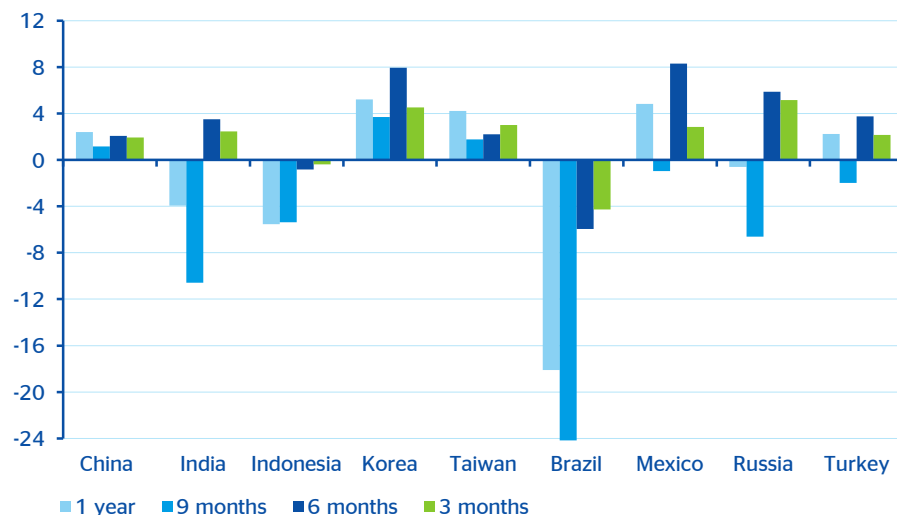


Source: BBVA Research and EPFR

Financial Markets: Nominal & Effective Exchange Rates

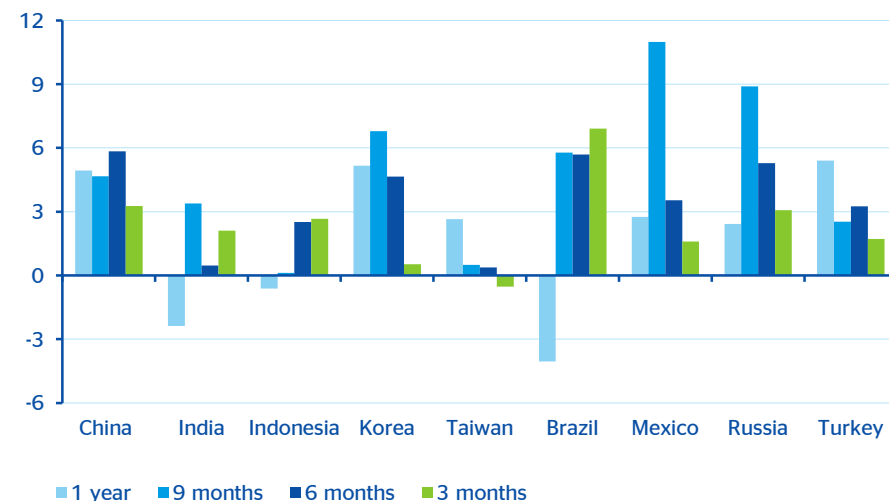
- **Nominal exchange rates developments were dominated by monetary efforts to maintain currencies undervalued amid rising capital flows and the more aggressive easing campaign by the Bank of Japan.** Depreciation efforts were visible across the board specially in comparison to the figures registered a year ago. Forced depreciation contributed slightly to inflationary pressures (pass-through).
- **In real terms, appreciation pressures continued across the board on the back of narrowing price differentials to trading partners.** Countries with pegged regimes experienced rising appreciations in real term that bond to appreciation pressures. Mexican and Korean currencies were allowed to float to market references.

FX Returns (%) (data available up to march 25th)



Source: BBVA Research and Bloomberg

Change in the Real Effective Exchange Rate: (data available up to October 2012)
Broad indices 2005=100 + (-) indicates appreciation (depreciation) (%)

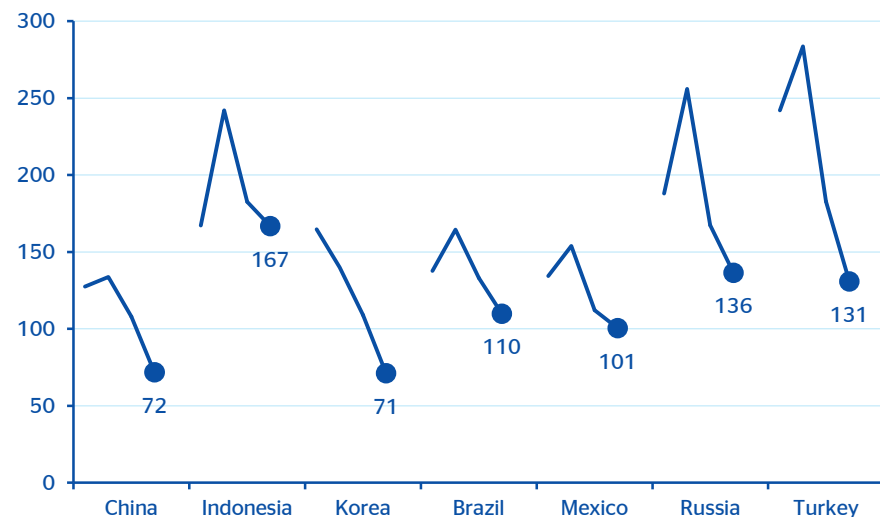


Source: BBVA Research and BIS

Financial Markets: Risk Premiums & Sovereign Credit Ratings

- **Risk premiums decreased further** again this quarter as a result of stronger fundamentals and less vulnerabilities (new normal). Long-term fundamentals remain strong and warrant some room for upgrade in many countries such as South Korea, Indonesia, the Philippines (Fitch gave investment grade to the Philippines in March 2013), Hungary and Russia. We maintain Turkey, at investment grade position (Fitch gave investment grade to Turkey in November and S&P upgraded).
- **Global liquidity “push” has brought risk premiums below the equilibrium level of sovereign spreads** for the EAGLEs. The EMBI indexes kept trading in Q1/13 at an average range of 150-200bp, far below peak levels of 250-400bp in June 2012.
- Nevertheless this trend could soon come to an end as risk premiums are reverting amid the outlook for not so strong fundamentals in the future, a new risk-off mode among developed countries attached to better financial conditions (before the Cyprus event) and rumors of an Fed's QE earlier exit.

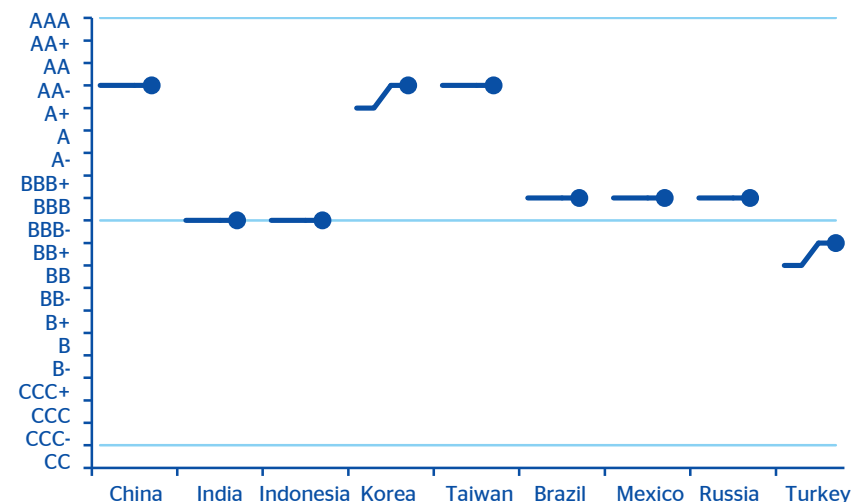
5 Year CDS (bp): (-9m, -6m, -3m, Current)



Note: Lack of data for India and Taiwan.

Source: BBVA Research and Bloomberg

Sovereign Credit Ratings: (-9m, -6m, -3m, Current)



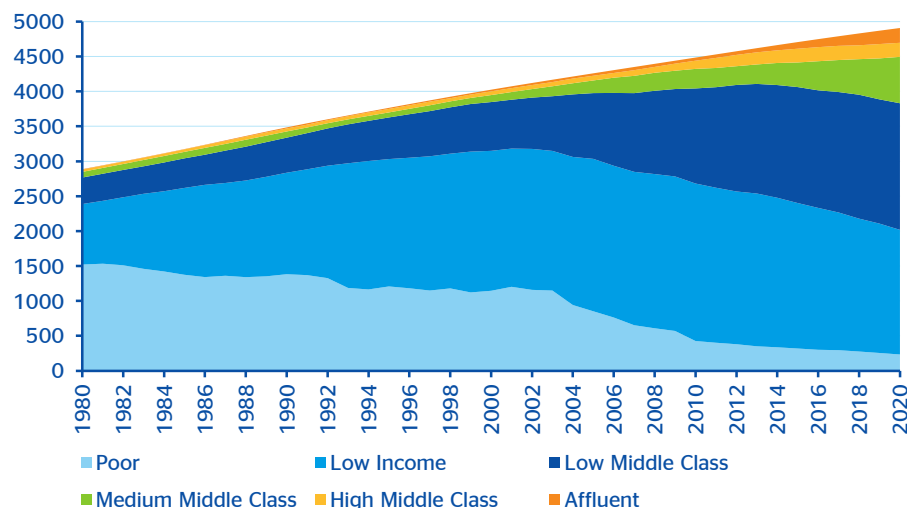
Note: For each country a simple average is calculated from ratings done by Moody's, S&P and Fitch after converting them into a numerical scale from 0 ('D') to 20 ('AAA'); values are rounded to zero decimals.

Source: BBVA Research and Bloomberg

Special topic: Emerging middle class in “fast-track” mode

- **An explosive process is already underway.** Low-income and poor people stood at about 80% of the population in emerging countries during the 80s and 90s. **Things started to change dramatically in 2000**; in fact, by 2010, 660 million people had been added to the first stages of the middle class. In the same vein, **medium and high middle classes more than doubled in a decade.**
- **The middle-class boom will accelerate this decade.** According to our forecasts, the ranges of lowest income will keep on losing share in the distribution, reducing to 40% in 2020 from 60% in 2010. This will be reflected in **a vast transition of population to low and medium middle classes, adding 400 million people more in each segment. Wealthier citizens will also rise considerably.**
- **Middle classes are spreading very fast in Asia, now led by China whereas India is also giving birth to an incipient medium middle class.** In Emerging Europe and Latin America recovery from the crises has brought about a significant increase in the share of middle classes.

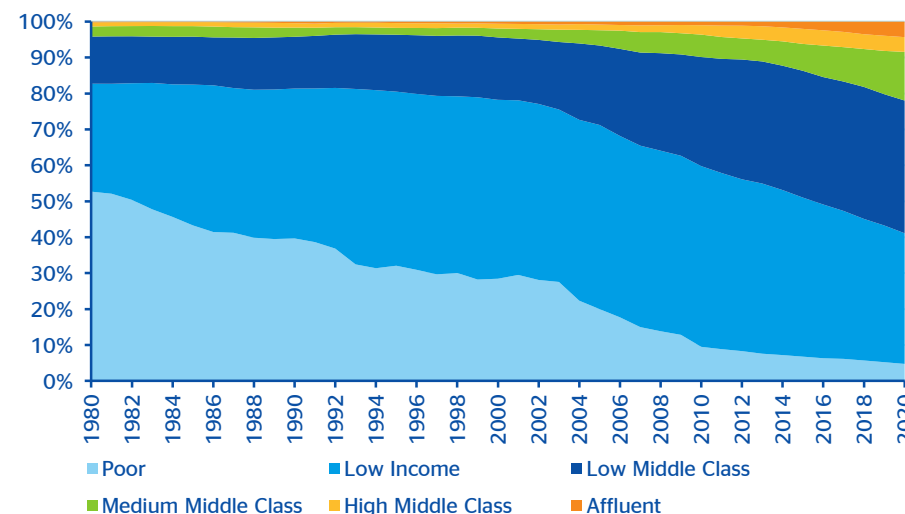
Population in Emerging Economies by range of GDP per capita (millions)



Note: Poor: up to 1,000 USD per year); Low income: 1,000-5,000 USD; Low middle class: 5,000-15,000 USD; Medium middle class: 15,000-25,000 USD; High middle class: 25,000 to 40,000 USD; Affluent: over 40,000 USD

Source: BBVA Research

Population in Emerging Economies by range of GDP per capita (in %)



Note: Poor: up to 1,000 USD per year); Low income: 1,000-5,000 USD; Low middle class: 5,000-15,000 USD; Medium middle class: 15,000-25,000 USD; High middle class: 25,000 to 40,000 USD; Affluent: over 40,000 USD

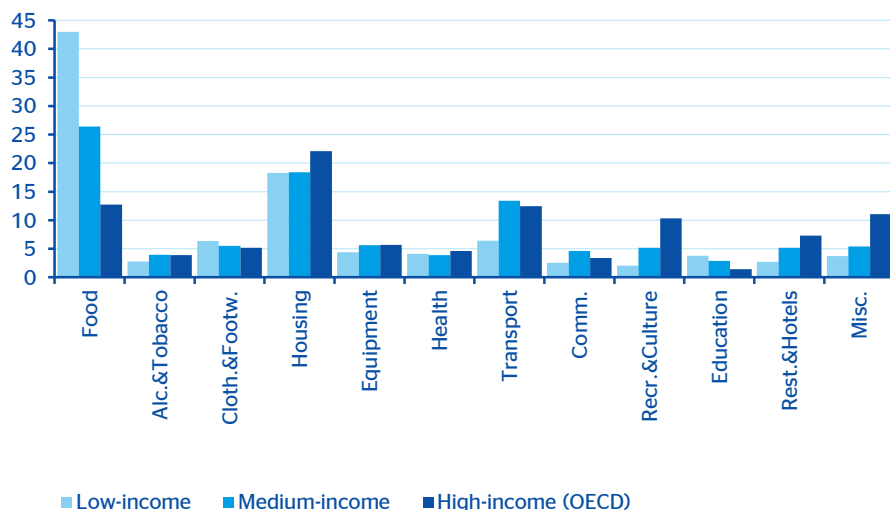
Source: BBVA Research

Special topic: Emerging middle class in “fast-track” mode

- The booming new middle class in the emerging world implies that discretionary expenditure will increase much more than food consumption. **Transport, leisure, personal products and financial services will be among the most benefited. China is already undergoing the most relevant transition, mimicking rapid development of Korea some decades ago.** In Latin America, Peru and Colombia aspire to consolidate medium-income condition, with positive implications in non-basic expenditure. Mexico and Turkey will start the ‘wealthy transition’ shortly after 2020.
- The extension of middle classes entails economic and social benefits.** A sustained high growth is behind impressive gains in purchasing power during the 21st century. However, what should be considered an achievement has also brought about **some challenges. The most important one may be increasing inequality notwithstanding the reduction in poverty levels. A “healthy” leveraging and supply policies will also be key factors** to extend current trends and avoid middle income traps.

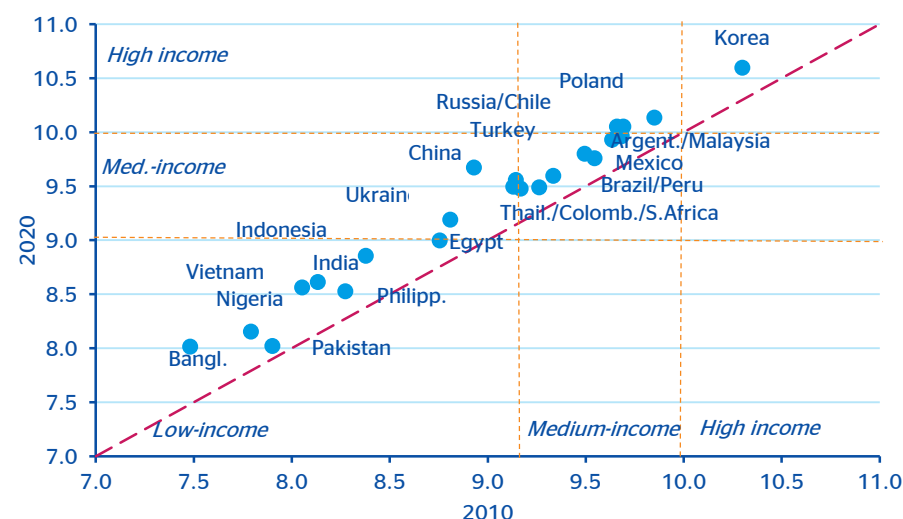
Read more in [EAGLEs Economic Watch “Emerging middle class in “fast-track” mode](#)

Consumption patterns by country groups (2010)



Source: BBVA Research and Haver

Real GDP per capita transition between 2010 and 2020 (log of USD)



Source: BBVA Research and IMF

Statistical Annex

Activity

Table 1

Retail Sales (percentage change real % y/y)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|------|-------|------|-----|------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|------|------|------|------|-----|
| | Jun | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 10.2 | 10.0 | 10.3 | 9.7 | 11.2 | 11.2 | n.a. | n.a. | 11.1 | 10.5 | 10.4 | 11.5 | 11.4 | 11.1 | 12.9 | 12.6 | 12.4 | 11.9 | 10.2 | 8.9 |
| India | 12.4 | 15.0 | 21.9 | 0.9 | 24.2 | 9.4 | 13.5 | 11.2 | 11.0 | 8.6 | 9.7 | 6.2 | 4.3 | -5.1 | -9.2 | 13.0 | 10.0 | 9.0 | | |
| Indonesia | 14.8 | 19.1 | -5.9 | 6.0 | 11.1 | 10.1 | 15.1 | 11.6 | 12.5 | 11.7 | 8.1 | 14.3 | 19.9 | 10.6 | 19.2 | 19.3 | 17.3 | 15.1 | 7.1 | |
| Korea | 2.6 | 3.8 | 1.7 | 3.9 | 2.5 | 3.0 | 3.2 | 3.1 | 2.0 | 0.2 | 1.0 | 0.4 | 3.0 | 1.3 | 1.8 | -1.1 | 1.7 | -0.3 | -5.2 | |
| Taiwan | 4.3 | 2.0 | 5.3 | 3.3 | 3.1 | 4.2 | -4.0 | 3.1 | 2.4 | 1.3 | 4.3 | 0.5 | 1.2 | 0.4 | -2.6 | -0.4 | 0.1 | 0.2 | -2.9 | |
| Brazil | 7.1 | 6.3 | 5.2 | 4.2 | 6.7 | 6.7 | 7.8 | 10.6 | 12.5 | 6.0 | 8.3 | 9.4 | 7.2 | 10.0 | 8.5 | 9.2 | 8.4 | 5.1 | 5.9 | |
| Mexico | 3.1 | 2.7 | 4.7 | 3.0 | 7.5 | 3.5 | 4.3 | 7.6 | 4.3 | 2.5 | 5.2 | 5.6 | 2.6 | 4.9 | 3.9 | 3.6 | 3.4 | -1.8 | 1.8 | |
| Russia | 6.1 | 8.2 | 9.5 | 9.1 | 8.5 | 9.4 | 7.5 | 8.0 | 7.5 | 7.0 | 7.2 | 7.2 | 5.5 | 4.4 | 4.5 | 4.0 | 4.4 | 5.0 | 3.5 | 2.4 |
| Turkey | 67.9 | -11.3 | 11.4 | 2.3 | -4.4 | -21.3 | -20.0 | -22.0 | -17.8 | -12.9 | -10.0 | -15.3 | -10.1 | -5.8 | -5.4 | -4.8 | 8.1 | 0.0 | -2.3 | |

Note: India. Motor Vehicle Sales: Total, Turkey Registered Motor Vehicles: Units

Source: BBVA Research, Haver and CEIC

Table 2

Industrial Production: Manufacturing (YoY, % Growth)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|------|------|------|------|------|------|-------|------|------|------|------|------|------|------|------|------|------|------|------|-----|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 14.0 | 13.5 | 13.8 | 13.2 | 12.4 | 12.8 | 11.4 | 11.4 | 11.9 | 9.3 | 9.6 | 9.5 | 9.2 | 8.9 | 9.2 | 9.6 | 10.1 | 10.3 | 9.9 | 9.9 |
| India | 3.1 | 3.9 | 3.1 | -6.0 | 6.6 | 2.8 | 1.1 | 4.1 | -3.6 | -1.8 | 2.6 | -3.2 | 0.0 | 2.4 | -1.6 | 9.9 | -0.6 | -0.7 | 2.7 | |
| Indonesia | 10.8 | 4.2 | 14.0 | 6.9 | 0.9 | 2.6 | 2.3 | 11.4 | -1.8 | 2.7 | 3.1 | 0.9 | -0.6 | -9.3 | 3.9 | 9.5 | 12.6 | 12.0 | 11.5 | |
| Korea | 3.4 | 5.2 | 7.0 | 4.2 | 3.9 | 2.4 | -3.2 | 15.7 | 0.6 | -0.5 | 3.2 | 0.5 | -0.4 | -2.4 | -0.7 | -1.9 | 1.9 | -0.6 | 7.7 | |
| Taiwan | 3.6 | 4.4 | 2.1 | 0.9 | -5.3 | -8.6 | -17.3 | 8.4 | -3.6 | -2.0 | 0.0 | -2.2 | -0.1 | 1.3 | 3.1 | 4.7 | 5.4 | 2.5 | 19.9 | |
| Brazil | -0.5 | 2.4 | -1.4 | -1.9 | -2.9 | -1.5 | -2.7 | -4.7 | -2.7 | -3.7 | -4.6 | -5.6 | -2.4 | -1.6 | -3.1 | 2.8 | -0.6 | -3.8 | 5.9 | |
| Mexico | 4.5 | 4.8 | 5.2 | 4.3 | 4.4 | 3.5 | 6.7 | 7.5 | 3.7 | 5.2 | 4.8 | 5.2 | 5.7 | 4.1 | 1.9 | 4.8 | 3.8 | -0.9 | 2.0 | |
| Russia | 5.4 | 7.1 | 4.5 | 5.8 | 5.0 | 3.5 | 4.8 | 6.3 | 2.4 | 3.6 | 7.0 | 3.4 | 6.7 | 4.0 | 3.2 | 3.0 | 4.0 | 2.8 | 0.5 | 0.6 |
| Turkey | 7.1 | 7.1 | 15.3 | 10.3 | 7.8 | 2.2 | 1.7 | 3.7 | 2.7 | 3.0 | 6.3 | 0.9 | 2.9 | -3.8 | 4.9 | -6.7 | 15.6 | -2.6 | 3.4 | |

Source: BBVA Research and Haver

Table 3

Consumer Confidence Index

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 105.6 | 105.0 | 103.4 | 100.5 | 97.0 | 100.5 | 103.9 | 105.0 | 100.0 | 103.0 | 104.2 | 99.3 | 98.2 | 99.4 | 100.8 | 106.1 | 105.1 | 103.7 | 104.5 | 108.2 |
| India* | 53.6 | 52.6 | 50.4 | 52.0 | 51.0 | 54.2 | 57.5 | 56.6 | 54.7 | 54.9 | 54.8 | 55.0 | 52.9 | 52.8 | 52.8 | 52.9 | 53.5 | 54.4 | | |
| Indonesia | 111.8 | 110.6 | 115.0 | 116.2 | 114.3 | 116.6 | 119.2 | 111.7 | 107.3 | 102.5 | 109.0 | 114.4 | 113.5 | 115.7 | 117.7 | 119.5 | 120.1 | 116.4 | 116.2 | 116.8 |
| Korea | 103.0 | 99.0 | 99.0 | 101.0 | 105.0 | 100.0 | 98.0 | 102.0 | 102.0 | 106.0 | 106.0 | 101.0 | 100.0 | 101.0 | 99.0 | 100.0 | 100.0 | 99.0 | 102.0 | 102.0 |
| Taiwan | 86.8 | 86.9 | 85.6 | 84.0 | 79.9 | 77.6 | 78.6 | 79.7 | 81.3 | 78.9 | 77.6 | 76.4 | 75.1 | 75.2 | 74.4 | 72.7 | 72.1 | 71.1 | 72.8 | 75.2 |
| Brazil | 121.0 | 117.3 | 114.3 | 117.6 | 121.0 | 122.1 | 120.1 | 120.4 | 123.5 | 125.7 | 124.9 | 121.0 | 119.1 | 119.0 | 121.1 | 123.6 | 122.1 | 121.4 | 121.1 | 116.8 |
| Mexico | 95.5 | 93.4 | 92.4 | 90.6 | 89.5 | 90.8 | 95.4 | 93.6 | 93.4 | 97.2 | 96.3 | 95.5 | 98.9 | 97.6 | 94.0 | 94.9 | 94.2 | 99.0 | 100.0 | 95.5 |
| Russia* | 80.0 | 81.0 | 84.0 | 84.0 | 82.0 | 81.0 | 84.0 | 84.0 | 84.0 | 85.0 | 90.0 | 81.0 | 80.0 | 81.0 | 82.0 | 80.0 | 79.0 | 80.0 | | |
| Turkey | 81.6 | 78.5 | 80.5 | 76.5 | 77.8 | 78.8 | 79.0 | 79.7 | 79.3 | 75.8 | 78.1 | 76.8 | 77.0 | 74.3 | 72.1 | 69.3 | 72.6 | 73.6 | 75.8 | 76.7 |

Note: India: PMI: Manufacturing (NSA, 50+=Expansion)

Note: Russia: Consumer confidence sentiment overall

Source: BBVA Research, Haver, Bloomberg and HSBC

Table 4

GDP (YoY, % Growth)

| Country | 2009 | | | 2010 | | | | | 2011 | | | | | 2012 | | | | | 2012 |
|-----------|-------|------|------|------|------|------|------|-----|------|------|-----|-----|-----|------|-----|------|-----|-----|------|
| | Jun | Sep | Dec | 2009 | Mar | Jun | Sep | Dec | 2010 | Mar | Jun | Sep | Dec | 2011 | Mar | Jun | Sep | Dec | |
| China | 8.1 | 9.6 | 10.7 | 8.8 | 12.1 | 10.3 | 9.6 | 9.8 | 10.5 | 9.8 | 9.5 | 9.1 | 8.9 | 9.3 | 8.1 | 7.6 | 7.4 | 7.9 | 7.8 |
| India | 5.9 | 9.3 | 7.7 | 6.6 | 11.4 | 9.5 | 8.6 | 9.2 | 9.7 | 9.9 | 7.5 | 6.5 | 6.0 | 7.5 | 5.1 | 5.5 | 5.3 | 4.5 | 5.1 |
| Indonesia | 4.1 | 4.3 | 5.6 | 4.6 | 5.9 | 6.3 | 5.8 | 6.8 | 6.2 | 6.5 | 6.6 | 6.5 | 6.5 | 6.5 | 6.3 | 6.4 | 6.2 | 6.1 | 6.2 |
| Korea | -2.1 | 1.0 | 6.3 | 0.3 | 8.7 | 7.6 | 4.5 | 4.9 | 6.4 | 4.3 | 3.5 | 3.6 | 3.4 | 3.7 | 2.8 | 2.4 | 1.6 | 1.5 | 2.1 |
| Taiwan | -6.6 | -1.4 | 8.8 | -1.8 | 13.1 | 12.9 | 11.6 | 6.2 | 10.9 | 7.4 | 4.6 | 3.5 | 1.2 | 4.2 | 0.6 | -0.1 | 0.7 | 3.7 | 1.2 |
| Brazil | -2.4 | -1.5 | 5.3 | -0.3 | 9.3 | 8.8 | 6.9 | 5.3 | 7.6 | 4.2 | 3.3 | 2.1 | 1.4 | 2.8 | 0.8 | 0.5 | 0.9 | 1.4 | 0.9 |
| Mexico | -9.4 | -5.3 | -2.0 | -6.0 | 4.4 | 7.5 | 5.1 | 4.2 | 5.3 | 4.3 | 2.9 | 4.4 | 3.9 | 3.9 | 4.9 | 4.5 | 3.2 | 3.2 | 3.9 |
| Russia* | -11.2 | -8.6 | -2.6 | -7.9 | 4.1 | 5.0 | 3.8 | 5.1 | 4.5 | 3.5 | 3.4 | 5.0 | 5.1 | 4.2 | 4.8 | 4.3 | 3.0 | 2.1 | 3.5 |
| Turkey | -7.8 | -2.8 | 5.9 | -4.9 | 12.6 | 10.4 | 5.3 | 9.3 | 9.4 | 12.4 | 9.3 | 8.7 | 5.3 | 8.9 | 3.3 | 2.9 | 1.6 | 1.4 | 2.3 |

(*) 4T12 estimated

Source: BBVA Research and Haver

External Sector

Table 5

Exports (YoY, % Growth)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|------|------|------|------|------|------|-------|------|------|------|------|-------|-------|-------|-------|------|------|-------|------|-------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 20.4 | 24.5 | 17.0 | 15.8 | 13.7 | 13.3 | -0.5 | 18.4 | 8.9 | 5.0 | 15.3 | 11.3 | 1.0 | 2.7 | 9.9 | 11.6 | 2.9 | 14.0 | 25.0 | 21.8 |
| India | 63.6 | 47.2 | 45.9 | 31.8 | 8.3 | -3.9 | 10.2 | 6.7 | -5.7 | 10.8 | -4.2 | -5.5 | -14.8 | -9.7 | -10.8 | -1.6 | -4.2 | -1.9 | 0.8 | 4.2 |
| Indonesia | 39.5 | 35.9 | 44.0 | 17.8 | 8.3 | 1.5 | 6.6 | 8.9 | 5.4 | -2.3 | -8.0 | -16.0 | -7.6 | -24.7 | -9.4 | -9.6 | -3.6 | -9.9 | -1.2 | |
| Korea | 21.1 | 25.5 | 18.0 | 7.6 | 11.5 | 8.2 | -7.3 | 20.4 | -1.5 | -5.0 | -0.8 | 1.0 | -8.8 | -6.2 | -2.0 | 1.0 | 3.8 | -6.0 | 10.9 | -8.6 |
| Taiwan | 17.7 | 7.2 | 9.9 | 11.7 | 1.2 | 0.6 | -16.7 | 10.4 | -3.1 | -6.5 | -6.2 | -3.1 | -11.5 | -4.0 | 10.3 | -1.9 | 0.8 | 8.9 | 21.6 | -15.8 |
| Brazil | 25.9 | 36.0 | 23.6 | 20.5 | 23.1 | 5.8 | 6.1 | 7.7 | 8.4 | -3.0 | 0.0 | -18.3 | -5.6 | -14.4 | -14.1 | -1.7 | -6.0 | -10.8 | -1.1 | -13.7 |
| Mexico | 19.3 | 16.9 | 13.6 | 13.2 | 10.2 | 8.1 | 10.5 | 16.3 | 3.4 | 11.6 | 6.7 | -0.4 | 8.7 | 0.6 | 1.8 | 13.0 | 1.3 | 3.6 | 0.0 | |
| Russia | 33.8 | 40.0 | 27.8 | 30.4 | 33.1 | 20.3 | 30.9 | 15.1 | 7.3 | -1.7 | 4.7 | -7.3 | -1.7 | -7.3 | -1.5 | 0.0 | -4.0 | -5.4 | -1.7 | |
| Turkey | 24.0 | 31.9 | 20.7 | 8.6 | 18.1 | 5.5 | 8.4 | 16.8 | 11.8 | 6.4 | 20.0 | 16.6 | 8.2 | 14.1 | 20.5 | 10.9 | 24.3 | 1.3 | 11.2 | |

Source: BBVA Research and Haver

Table 6

Imports (% YoY Growth)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|------|------|------|------|-------|------|-------|------|------|------|-------|-------|------|-------|-------|------|------|------|------|-------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 24.0 | 30.0 | 20.7 | 28.5 | 22.0 | 11.7 | -15.2 | 40.0 | 5.4 | 0.3 | 13.2 | 6.2 | 4.7 | -2.5 | 2.4 | 2.3 | 0.0 | 6.1 | 29.0 | -15.2 |
| India | 38.4 | 47.5 | 34.7 | 26.8 | 35.6 | 38.1 | 28.8 | 21.7 | 24.3 | 3.3 | -7.4 | -13.5 | -7.6 | -5.1 | 5.1 | 7.4 | 6.4 | 6.3 | 6.1 | 2.6 |
| Indonesia | 28.4 | 23.9 | 57.1 | 28.2 | 18.3 | 25.3 | 15.9 | 26.5 | 12.7 | 13.8 | 14.9 | 11.0 | 0.9 | -8.4 | 1.2 | 11.4 | 10.0 | -5.4 | 6.8 | |
| Korea | 25.1 | 28.7 | 29.4 | 15.4 | 11.2 | 13.6 | 3.7 | 23.9 | -1.2 | -0.4 | -1.4 | -5.7 | -5.4 | -9.7 | -6.1 | 1.6 | 0.9 | -5.3 | 3.9 | -10.7 |
| Taiwan | 13.8 | 6.2 | 10.6 | 11.7 | -10.4 | -2.7 | -12.2 | 1.2 | -5.9 | 1.8 | -10.6 | -8.5 | -3.3 | -7.9 | 1.2 | -1.8 | 0.1 | 1.5 | 22.4 | -8.5 |
| Brazil | 17.1 | 32.2 | 13.8 | 19.5 | 21.9 | 17.7 | 17.8 | 5.0 | 6.5 | 2.0 | 2.9 | -3.7 | -5.1 | -13.9 | -13.7 | 1.7 | -2.6 | -4.5 | 14.6 | 3.1 |
| Mexico | 19.2 | 16.9 | 18.5 | 11.8 | 10.6 | 7.4 | 12.3 | 15.9 | 3.1 | 12.1 | 7.4 | -2.1 | 5.8 | 1.1 | -5.1 | 16.4 | 4.7 | 0.2 | 9.5 | |
| Russia | 30.6 | 26.6 | 17.5 | 19.2 | 22.9 | 13.2 | 18.6 | 14.1 | 6.5 | -0.8 | 0.0 | -2.7 | 8.2 | -0.5 | 0.0 | 7.3 | -1.0 | 2.4 | 10.1 | |
| Turkey | 31.0 | 27.5 | 35.5 | 15.2 | 8.8 | 0.2 | 3.3 | 1.5 | -4.5 | -8.0 | 3.0 | -5.4 | -1.1 | -4.3 | -6.0 | -5.7 | 12.3 | -3.7 | 7.6 | |

Source: BBVA Research and Haver

Table 7

Current Account Balance (% of GDP)

| Current Account Balance (% of GDP) | | | | | | | | | | | | | | | | | | | |
|------------------------------------|------|------|------|------|------|------|------|------|------|-------|-------|------|------|------|------|------|------|------|------|
| Country | 2009 | | | | 2010 | | | | | 2011 | | | | | 2012 | | | | |
| | Jun | Sep | Dec | 2009 | Mar | Jun | Sep | Dec | 2010 | Mar | Jun | Sep | Dec | 2011 | Mar | Jun | Sep | Dec | 2012 |
| China* | n.a. | n.a. | n.a. | 5.2 | 2.1 | 3.2 | 5.7 | 4.5 | 3.9 | 1.9 | 3.5 | 3.0 | 2.5 | 2.7 | 1.4 | 2.8 | 3.6 | 2.5 | 2.6 |
| India | -1.5 | -3.1 | -3.6 | -2.1 | -3.4 | -3.5 | -4.7 | -2.4 | -3.5 | -1.4 | -4.0 | -4.4 | -4.7 | -3.6 | -4.9 | -4.0 | -5.5 | -5.2 | -4.9 |
| Indonesia | 1.8 | 1.2 | 2.5 | 2.0 | 1.2 | 0.8 | 0.6 | 0.5 | 0.7 | 1.5 | 0.1 | 0.3 | -1.1 | 0.2 | -1.4 | -3.6 | -2.4 | -3.6 | -2.8 |
| Korea | 5.6 | 3.9 | 3.3 | 3.9 | 0.0 | 4.3 | 4.0 | 3.1 | 2.8 | 0.5 | 1.9 | 2.7 | 4.0 | 2.3 | 1.0 | 4.0 | 5.1 | 4.8 | 3.7 |
| Taiwan | 11.4 | 8.4 | 11.0 | 11.4 | 10.0 | 10.5 | 8.3 | 8.3 | 9.3 | 9.1 | 7.3 | 8.6 | 10.4 | 8.9 | 9.4 | 9.5 | 9.9 | 12.7 | 10.4 |
| Brazil | -0.6 | -1.1 | -2.4 | -1.4 | -2.5 | -2.3 | -2.1 | -2.0 | -2.2 | -2.6 | -1.7 | -1.7 | -2.6 | -2.1 | -2.1 | -2.3 | -1.6 | -3.5 | -2.4 |
| Mexico | -1.4 | -1.4 | -0.7 | -0.7 | -0.4 | -0.2 | 0.2 | -0.2 | -0.2 | -0.4 | -0.6 | -0.9 | -0.8 | -0.8 | -0.7 | -0.8 | -0.5 | -0.8 | -0.7 |
| Russia | 2.8 | 4.5 | 4.3 | 3.9 | 10.4 | 5.2 | 1.4 | 3.0 | 5.0 | 7.7 | 4.7 | 3.6 | 5.7 | 5.4 | 8.8 | 3.9 | 1.4 | 3.2 | 4.3 |
| Turkey | -3.3 | -0.7 | -2.5 | -2.0 | -5.7 | -5.8 | -4.9 | -8.2 | -6.2 | -11.6 | -11.3 | -7.4 | -8.5 | -9.7 | -8.9 | -7.1 | -3.5 | -5.9 | -6.4 |

*China: Lack of quarterly data before 2010

Source: BBVA Research and Haver

Table 8

Real Effective Exchange Rate (2005=100)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | 2013 | | | |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 100.5 | 101.2 | 104.4 | 105.5 | 106.1 | 107.8 | 109.4 | 108.0 | 108.4 | 108.1 | 108.7 | 108.7 | 108.7 | 108.3 | 107.5 | 107.9 | 109.6 | 110.1 | 111.9 | 113.7 |
| India | 103.1 | 101.1 | 98.8 | 96.6 | 94.3 | 92.0 | 95.0 | 97.4 | 96.0 | 94.8 | 91.7 | 90.7 | 92.5 | 92.3 | 93.3 | 94.8 | 92.5 | 91.8 | 92.5 | 93.7 |
| Indonesia | 100.7 | 100.7 | 100.2 | 99.2 | 98.6 | 99.0 | 98.6 | 98.5 | 97.6 | 97.2 | 96.9 | 96.8 | 97.2 | 96.7 | 94.6 | 94.1 | 94.4 | 94.4 | 95.6 | 97.0 |
| Korea | 103.4 | 101.6 | 98.4 | 96.0 | 98.1 | 97.7 | 98.1 | 99.0 | 99.1 | 98.0 | 97.3 | 97.6 | 99.3 | 99.7 | 99.6 | 100.7 | 102.8 | 103.7 | 105.7 | 104.3 |
| Taiwan | 100.5 | 99.1 | 97.9 | 97.0 | 97.5 | 98.2 | 98.5 | 97.8 | 98.7 | 99.5 | 100.7 | 100.8 | 100.9 | 101.1 | 100.9 | 101.3 | 101.6 | 101.8 | 102.1 | 101.3 |
| Brazil | 110.0 | 107.7 | 100.6 | 100.3 | 100.3 | 98.6 | 102.0 | 104.9 | 100.2 | 97.7 | 92.9 | 90.9 | 92.4 | 92.0 | 91.0 | 91.0 | 90.5 | 90.0 | 92.8 | 96.2 |
| Mexico | 103.7 | 98.7 | 93.5 | 91.8 | 91.3 | 92.0 | 94.8 | 98.5 | 98.6 | 95.7 | 92.2 | 91.3 | 95.7 | 96.6 | 97.8 | 98.3 | 98.2 | 99.7 | 101.3 | 101.3 |
| Russia | 107.4 | 103.3 | 99.3 | 98.4 | 100.9 | 100.5 | 102.3 | 105.5 | 107.5 | 107.2 | 104.8 | 101.1 | 104.5 | 105.1 | 104.6 | 105.3 | 105.6 | 106.9 | 109.6 | 110.1 |
| Turkey | 86.0 | 81.7 | 82.5 | 84.2 | 87.2 | 86.2 | 88.9 | 91.2 | 89.5 | 90.8 | 91.7 | 92.1 | 93.3 | 93.2 | 91.4 | 92.4 | 94.1 | 92.8 | 95.0 | 94.4 |

Source: BBVA Research, BIS and Haver

Table 9

Nominal Effective Exchange Rate (2005=100)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 98.1 | 98.7 | 101.5 | 102.7 | 103.5 | 104.8 | 105.2 | 104.1 | 105.0 | 105.1 | 106.1 | 106.5 | 106.3 | 105.8 | 105.0 | 105.7 | 106.9 | 106.6 | 107.5 | 108.4 |
| India | 97.0 | 94.8 | 92.2 | 89.9 | 87.6 | 85.7 | 88.1 | 90.2 | 88.5 | 86.2 | 83.1 | 81.6 | 82.6 | 82.0 | 82.5 | 84.1 | 81.9 | 81.5 | 82.1 | 83.1 |
| Indonesia | 99.1 | 98.6 | 97.9 | 97.3 | 96.5 | 96.4 | 95.7 | 95.7 | 95.2 | 95.0 | 94.6 | 93.8 | 93.4 | 92.5 | 90.8 | 90.2 | 90.3 | 90.2 | 90.5 | 91.5 |
| Korea | 102.6 | 100.4 | 97.7 | 95.7 | 97.6 | 97.0 | 97.4 | 98.1 | 98.8 | 98.0 | 96.9 | 97.2 | 99.0 | 99.4 | 99.1 | 100.3 | 102.6 | 103.8 | 105.4 | 104.3 |
| Taiwan | 102.5 | 101.4 | 100.2 | 99.0 | 99.5 | 100.0 | 100.6 | 101.4 | 102.7 | 102.8 | 103.4 | 102.6 | 102.2 | 101.8 | 102.4 | 102.9 | 103.9 | 104.2 | 105.0 | 104.2 |
| Brazil | 107.6 | 105.3 | 98.3 | 97.8 | 97.4 | 95.6 | 98.6 | 101.3 | 97.2 | 94.4 | 89.5 | 87.5 | 88.5 | 88.2 | 87.2 | 86.9 | 85.8 | 85.0 | 87.1 | 90.2 |
| Mexico | 104.6 | 99.7 | 94.4 | 92.1 | 90.6 | 90.5 | 93.0 | 96.8 | 97.4 | 95.1 | 91.8 | 90.3 | 94.1 | 95.1 | 96.3 | 96.3 | 95.3 | 96.6 | 98.0 | 98.2 |
| Russia | 101.9 | 98.5 | 95.1 | 94.1 | 96.2 | 95.7 | 97.0 | 100.0 | 102.0 | 101.8 | 98.9 | 94.4 | 96.1 | 96.9 | 96.5 | 96.9 | 96.7 | 97.7 | 99.0 | 99.4 |
| Turkey | 84.7 | 80.1 | 80.7 | 79.9 | 81.4 | 80.3 | 82.3 | 84.2 | 83.0 | 83.2 | 84.2 | 85.2 | 86.4 | 86.1 | 84.1 | 83.5 | 84.6 | 83.4 | 83.9 | 83.5 |

Source: BBVA Research, BIS and Haver

Table 10

Unemployment Rate (%)

| Unemployment Rate (%) | | | | | | | | | | | | | | | | | | | |
|-----------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Country | 2009 | | | | 2010 | | | | | 2011 | | | | | 2012 | | | | |
| | Jun | Sep | Dec | 2009 | Mar | Jun | Sep | Dec | 2010 | Mar | Jun | Sep | Dec | 2011 | Mar | Jun | Sep | Dec | 2012 |
| China | 4.3 | 4.3 | 4.3 | 4.3 | 4.2 | 4.2 | 4.1 | 4.1 | 4.2 | 4.1 | 4.1 | 4.1 | 4.1 | 4.1 | 4.1 | 4.1 | 4.1 | 4.1 | 4.1 |
| India* | na. | n.a. | n.a. | 10.7 | n.a. | n.a. | n.a. | n.a. | 10.0 | n.a. | n.a. | n.a. | n.a. | 9.8 | n.a. | n.a. | n.a. | n.a. | |
| Indonesia* | n.a. | 7.9 | n.a. | 7.9 | 7.4 | n.a. | 7.1 | n.a. | 7.1 | 6.8 | n.a. | 6.6 | n.a. | 6.6 | 6.3 | n.a. | 6.1 | | |
| Korea | 3.8 | 3.7 | 3.5 | 3.6 | 4.3 | 3.5 | 3.6 | 3.4 | 3.7 | 3.8 | 3.4 | 3.2 | 3.1 | 3.4 | 3.4 | 3.3 | 3.1 | 3.0 | 3.2 |
| Taiwan | 5.9 | 6.0 | 5.9 | 5.8 | 5.6 | 5.3 | 5.1 | 4.8 | 5.2 | 4.6 | 4.4 | 4.3 | 4.3 | 4.4 | 4.2 | 4.2 | 4.3 | 4.2 | 4.2 |
| Brazil | 8.6 | 7.9 | 7.2 | 8.1 | 7.4 | 7.3 | 6.6 | 5.7 | 6.7 | 6.3 | 6.3 | 6.0 | 5.2 | 6.0 | 5.8 | 5.9 | 5.4 | 4.9 | 5.5 |
| Mexico | 5.5 | 5.8 | 5.5 | 5.5 | 5.4 | 5.4 | 5.2 | 5.5 | 5.4 | 5.2 | 5.4 | 5.3 | 5.0 | 5.2 | 5.0 | 5.0 | 4.8 | 5.0 | 5.0 |
| Russia | 8.5 | 7.8 | 8.0 | 8.4 | 8.8 | 7.4 | 6.8 | 6.9 | 7.5 | 7.5 | 6.6 | 6.2 | 6.3 | 6.6 | 6.3 | 5.3 | 5.1 | 5.1 | 5.5 |
| Turkey | 13.8 | 13.2 | 13.2 | 14.0 | 14.2 | 11.2 | 11.1 | 11.2 | 11.9 | 11.4 | 9.5 | 9.0 | 9.3 | 9.8 | 10.2 | 8.4 | 8.8 | 9.5 | 9.2 |

*Lack of quarterly data for India and Indonesia.

Source: BBVA Research, Bloomberg and Haver

Inflation

Table 11

Consumer Price Index (YoY, % Growth)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|------|-----|------|-----|-----|------|------|------|------|------|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 6.5 | 6.2 | 6.1 | 5.5 | 4.2 | 4.1 | 4.5 | 3.2 | 3.6 | 3.4 | 3.0 | 2.2 | 1.8 | 2.0 | 1.9 | 1.7 | 2.0 | 2.5 | 2.0 | 3.2 |
| India | 9.4 | 9.8 | 10.0 | 9.9 | 9.5 | 7.7 | 7.2 | 7.6 | 7.7 | 7.5 | 7.5 | 7.6 | 7.5 | 8.0 | 8.1 | 7.3 | 7.2 | 7.3 | 6.6 | 6.8 |
| Indonesia | 4.6 | 4.8 | 4.6 | 4.4 | 4.2 | 3.8 | 3.7 | 3.6 | 4.0 | 4.5 | 4.5 | 4.5 | 4.6 | 4.6 | 4.3 | 4.6 | 4.3 | 4.3 | 4.6 | 5.3 |
| Korea | 4.5 | 4.7 | 3.8 | 3.6 | 4.2 | 4.2 | 3.4 | 3.1 | 2.6 | 2.5 | 2.5 | 2.2 | 1.5 | 1.2 | 2.0 | 2.1 | 1.6 | 1.4 | 1.5 | 1.4 |
| Taiwan | 1.3 | 1.3 | 1.4 | 1.3 | 1.0 | 2.0 | 2.4 | 0.3 | 1.3 | 1.4 | 1.7 | 1.8 | 2.5 | 3.4 | 3.0 | 2.3 | 1.6 | 1.6 | 1.1 | 3.0 |
| Brazil | 6.9 | 7.2 | 7.3 | 7.0 | 6.6 | 6.5 | 6.2 | 5.8 | 5.2 | 5.1 | 5.0 | 4.9 | 5.2 | 5.2 | 5.3 | 5.4 | 5.5 | 5.8 | 6.2 | 6.3 |
| Mexico | 3.5 | 3.4 | 3.1 | 3.2 | 3.5 | 3.8 | 4.0 | 3.9 | 3.7 | 3.4 | 3.9 | 4.3 | 4.4 | 4.6 | 4.8 | 4.6 | 4.2 | 3.6 | 3.3 | 3.6 |
| Russia | 9.0 | 8.2 | 7.2 | 7.2 | 6.8 | 6.1 | 4.2 | 3.7 | 3.7 | 3.6 | 3.6 | 4.3 | 5.6 | 6.0 | 6.6 | 6.6 | 6.5 | 6.6 | 7.1 | 7.3 |
| Turkey | 6.3 | 6.7 | 6.2 | 7.7 | 9.5 | 10.4 | 10.6 | 10.4 | 10.4 | 11.1 | 8.3 | 8.9 | 9.1 | 8.9 | 9.2 | 7.8 | 6.4 | 6.2 | 7.3 | 7.0 |

Source: BBVA Research and Haver

Table 12

Producer Price Index (YoY, % Growth)

| Country | 2011 | | | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|------|------|------|------|------|------|------|------|------|-----|------|------|------|------|------|------|------|------|------|------|------|------|
| | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 6.8 | 7.1 | 7.5 | 7.3 | 6.5 | 5.0 | 2.7 | 1.7 | 0.7 | 0.0 | -0.3 | -0.7 | -1.4 | -2.1 | -2.9 | -3.5 | -3.6 | -2.8 | | | | |
| India | 9.6 | 9.5 | 9.4 | 9.8 | 10.0 | 9.9 | 9.5 | 7.7 | 7.2 | 7.6 | 7.7 | 7.5 | 7.5 | 7.6 | 7.5 | 8.0 | 8.1 | 7.3 | 7.2 | 7.3 | 6.6 | 6.8 |
| Indonesia | 7.1 | 7.1 | 8.2 | 7.6 | 8.1 | 7.5 | 7.5 | 6.3 | 6.2 | 5.6 | 6.1 | 6.0 | 5.5 | 4.9 | 3.8 | 6.0 | 4.8 | 4.8 | 3.7 | 4.3 | 2.6 | 3.2 |
| Korea | 7.5 | 7.2 | 7.0 | 6.9 | 6.2 | 5.8 | 5.1 | 4.3 | 3.3 | 3.1 | 2.4 | 1.9 | 1.0 | 0.0 | -0.6 | -0.2 | 0.2 | -0.5 | -0.8 | -1.2 | -1.6 | -1.6 |
| Taiwan | 3.4 | 3.9 | 4.0 | 4.1 | 5.1 | 5.8 | 4.9 | 4.3 | 4.4 | 1.8 | -0.2 | -0.6 | -0.9 | -1.8 | -1.6 | -0.9 | -2.3 | -3.7 | -3.9 | -4.0 | -3.8 | -2.2 |
| Brazil | 10.3 | 9.6 | 9.1 | 8.1 | 7.5 | 6.6 | 4.9 | 4.1 | 3.1 | 1.8 | 1.8 | 2.8 | 4.4 | 5.5 | 7.9 | 9.0 | 9.2 | 8.0 | 7.7 | 9.1 | 9.1 | |
| Mexico | 4.5 | 4.8 | 5.0 | 5.2 | 5.7 | 6.4 | 6.8 | 6.9 | 6.7 | 6.0 | 5.6 | 5.2 | 5.6 | 5.7 | 4.7 | 4.4 | 4.1 | 3.4 | 2.8 | 1.8 | 1.6 | 2.1 |
| Russia | 18.6 | 19.7 | 16.4 | 16.4 | 18.6 | 17.1 | 13.3 | 12.5 | 9.8 | 7.3 | 8.2 | 6.8 | 3.1 | 4.7 | 5.4 | 7.3 | 11.8 | 8.9 | 6.6 | 5.2 | 4.8 | 4.6 |
| Turkey | 9.6 | 10.2 | 10.3 | 11.0 | 12.1 | 12.6 | 13.7 | 13.3 | 11.1 | 9.1 | 8.2 | 7.7 | 8.1 | 6.4 | 6.1 | 4.6 | 4.0 | 2.6 | 3.6 | 2.5 | 1.9 | 1.8 |

Source: BBVA Research, Haver and CEIC

Money and Finances

Table 13

Policy rates (% Per Annum)

| Country | Description | 2011 | | | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|---------|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|------|------|------|------|------|------|------|------|------|------|
| | | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | Prime Lending Rate | 6.31 | 6.31 | 6.56 | 6.56 | 6.56 | 6.56 | 6.56 | 6.56 | 6.56 | 6.56 | 6.56 | 6.56 | 6.56 | 6.31 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| India | Reserve Bank of India REPO Cutoff Yield | 7.25 | 7.50 | 8.00 | 8.00 | 8.25 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 7.75 | 7.75 |
| Indon. | Bank Indonesia Reference Interest Rate | 6.75 | 6.75 | 6.75 | 6.75 | 6.75 | 6.50 | 6.00 | 6.00 | 6.00 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 |
| Korea | South Korea Official Bank | 3.00 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.00 | 3.00 | 3.00 | 2.75 | 2.75 | 2.75 | 2.75 | 2.75 |
| Taiwan | CB of China Taiwan Discount Rate Daily | 1.75 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 | 1.88 |
| Brazil | Brazil SELIC-TAR | 12.00 | 12.25 | 12.50 | 12.00 | 12.00 | 11.50 | 11.00 | 11.00 | 10.50 | 10.50 | 9.75 | 9.00 | 8.50 | 8.50 | 8.00 | 7.50 | 7.50 | 7.25 | 7.25 | 7.25 | 7.25 | 7.25 |
| Mexico | Bank of Mexico Official Overnight Rate | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| Russia | Russia Refinancing Rate | 8.25 | 8.25 | 8.25 | 8.25 | 8.25 | 8.25 | 8.25 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.25 | 8.25 | 8.25 | 8.25 | 8.25 | 8.25 |
| Turkey | Effective funding rate | 6.25 | 6.25 | 6.25 | 5.75 | 5.75 | 6.01 | 6.45 | 7.88 | 8.87 | 7.62 | 8.15 | 8.74 | 9.69 | 9.15 | 8.05 | 6.73 | 6.14 | 5.79 | 5.69 | 5.57 | 5.61 | 5.55 |

Source: BBVA Research, Bloomberg and Haver

Table 14

Deposit Rates (% Per Annum)

| | | 2011 | | | | | | | | 2012 | | | | | | | | | | 2013 | | | |
|-----------|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Country | Deposit rates | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 3-Month CD Rate | 3.25 | 3.25 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.25 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| India | Deposit Rate | | | | | | | | | | | | | | | | | | | | | | |
| | Minimum | 7.75 | 8.25 | 8.40 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.00 | 8.00 | 8.00 | 8.30 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 7.50 |
| Indonesia | 3-Month time deposit | 6.91 | 6.95 | 6.88 | 6.90 | 7.05 | 7.11 | 6.99 | 6.81 | 6.68 | 6.52 | 6.31 | 6.00 | 5.89 | 5.76 | 5.67 | 5.61 | 5.69 | 5.66 | 5.81 | 5.81 | 5.81 | 5.81 |
| Korea | 91-Day CD Rate | 4.20 | 4.20 | 4.20 | 4.20 | 4.10 | 4.10 | 4.10 | 4.10 | 4.00 | 4.00 | 4.00 | 4.00 | 3.90 | 3.90 | 3.70 | 3.40 | 3.40 | 3.40 | 3.30 | 3.30 | 3.30 | 3.30 |
| Taiwan | 3-Month NTD | | | | | | | | | | | | | | | | | | | | | | |
| | Deposit | 0.87 | 0.87 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 | 0.94 |
| Brazil | 30-Day CD Rate | 11.82 | 11.78 | 12.28 | 11.95 | 11.04 | 10.32 | 10.62 | 10.62 | 10.62 | 9.29 | 8.93 | 8.29 | 8.11 | 7.85 | 7.73 | 7.29 | 7.11 | 6.67 | 6.86 | 6.86 | 6.86 | 6.86 |
| Mexico | 1-Month Financial Prom. Notes (%) | 0.95 | 0.96 | 0.95 | 0.94 | 0.96 | 0.97 | 0.97 | 0.97 | 0.96 | 0.97 | 0.96 | 0.97 | 0.99 | 0.98 | 0.96 | 0.95 | 0.99 | 1.41 | 1.42 | 1.42 | 1.42 | 1.42 |
| Russia | 1-Month Time Deposit | 4.10 | 4.20 | 4.00 | 4.10 | 4.00 | 4.50 | 5.50 | 5.70 | 5.80 | 5.30 | 5.30 | 5.50 | 5.20 | 5.40 | 5.30 | 5.20 | 5.50 | 5.80 | 6.00 | 6.10 | 6.10 | 6.10 |
| Turkey | 3-Month Time Deposit TL | 14.75 | 14.89 | 15.01 | 14.99 | 14.92 | 15.13 | 15.28 | 16.34 | 16.38 | 16.37 | 16.36 | 16.34 | 16.34 | 16.32 | 16.28 | 16.23 | 16.35 | 16.39 | 16.43 | 16.43 | 16.43 | 16.43 |

Source: BBVA Research and Haver

Table 15

M2 (YoY, % Growth)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 19.71 | 18.53 | 18.03 | 13.43 | 13.25 | 14.20 | 12.41 | 12.95 | 13.43 | 12.80 | 13.21 | 13.63 | 13.90 | 13.50 | 14.80 | 14.10 | 13.90 | 13.79 | 15.92 | 15.20 |
| India | 4.49 | 5.02 | 3.86 | 1.43 | 2.18 | 6.67 | 6.71 | 6.57 | 5.96 | 8.32 | 9.20 | 13.56 | 9.90 | 11.32 | 10.76 | | 11.24 | 6.85 | 7.78 | |
| Indonesia | 15.65 | 17.21 | 16.19 | 15.98 | 16.26 | 16.43 | 17.17 | 17.75 | 18.79 | 20.24 | 20.88 | 20.91 | 19.12 | 17.84 | 18.24 | 18.07 | 17.42 | 14.86 | 14.39 | |
| Korea | 4.19 | 3.90 | 4.54 | 4.06 | 4.29 | 5.48 | 4.84 | 5.01 | 6.38 | 4.53 | 5.73 | 6.54 | 5.56 | 5.69 | 5.56 | 4.68 | 4.62 | 4.81 | 5.40 | |
| Taiwan | 6.29 | 5.76 | 5.73 | 5.28 | 5.18 | 4.84 | 5.13 | 4.95 | 5.13 | 4.39 | 4.64 | 4.20 | 3.43 | 4.31 | 3.71 | 3.24 | 3.50 | 3.46 | 2.90 | 3.74 |
| Brazil | 22.68 | 22.37 | 21.94 | 21.27 | 20.67 | 18.72 | 18.08 | 16.97 | 15.81 | 14.91 | 14.71 | 14.19 | 13.15 | 12.31 | 11.18 | 10.99 | 9.88 | 9.04 | 7.80 | |
| Mexico | | | 9.06 | | | 11.91 | | | 13.20 | | | 14.03 | | | 11.04 | | | 8.27 | | |
| Russia | 22.06 | 20.78 | 21.43 | 19.71 | 20.01 | 22.34 | 22.32 | 21.78 | 21.16 | 20.69 | 20.86 | 19.10 | 17.94 | 16.67 | 14.79 | 15.78 | 14.42 | 11.94 | 13.24 | |
| Turkey | 21.04 | 19.97 | 19.98 | 19.12 | 16.27 | 11.52 | 10.54 | 7.83 | 7.65 | 6.89 | 7.17 | 5.48 | 5.42 | 7.06 | 7.37 | 7.84 | 8.98 | 10.25 | 13.10 | 13.20 |

*Note: Quarterly data

Source: BBVA Research and Haver

Table 16

Domestic Credits (YoY, % Growth)

| Country | 2011 | | | | | | 2012 | | | | | | | | | | | | 2013 | |
|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| China | 15.6 | 15.5 | 15.7 | 15.3 | 16.2 | 17.1 | 16.3 | 16.9 | 18.2 | 17.7 | 17.7 | 18.4 | 18.6 | 18.2 | 19.3 | 18.5 | 17.4 | 17.1 | 17.8 | |
| India | 18.7 | 18.3 | 18.4 | 17.3 | 17.2 | 16.2 | 14.8 | 15.1 | 15.7 | 15.6 | 16.0 | 16.9 | 16.0 | 15.8 | 15.6 | 15.3 | 16.8 | 15.2 | 16.3 | |
| Indonesia | 23.5 | 23.9 | 25.2 | 25.8 | 25.8 | 24.7 | 25.2 | 24.2 | 24.9 | 25.9 | 26.1 | 25.7 | 25.2 | 23.6 | 23.0 | 22.8 | 22.6 | 23.1 | 23.1 | |
| Korea | 5.9 | 6.5 | 7.0 | 7.3 | 7.5 | 7.7 | 7.3 | 6.8 | 6.2 | 5.5 | 5.2 | 5.3 | 4.7 | 4.6 | 4.2 | 3.1 | 2.4 | 3.2 | 2.8 | |
| Taiwan | 7.5 | 7.7 | 7.9 | 7.4 | 7.1 | 5.8 | 4.7 | 4.6 | 4.6 | 4.7 | 4.0 | 3.0 | 3.2 | 2.2 | 1.9 | 2.4 | 2.0 | 2.8 | 2.1 | |
| Brazil | 17.0 | 17.3 | 14.1 | 16.1 | 15.6 | 14.8 | 17.6 | 17.9 | 17.1 | 16.7 | 15.3 | 16.3 | 16.6 | 16.3 | 17.7 | 16.7 | 16.6 | 16.9 | 14.6 | |
| Mexico | | | 14.2 | | | 20.6 | | | 12.1 | | | 17.1 | | | 11.1 | | | 7.7 | | |
| Russia | 26.6 | 28.6 | 29.6 | 30.5 | 31.9 | 32.9 | 33.8 | 30.0 | 30.4 | 30.1 | 29.5 | 30.2 | 29.6 | 29.7 | 26.9 | 27.1 | 24.4 | 24.7 | | |
| Turkey | 21.7 | 22.8 | 21.9 | 21.9 | 19.6 | 15.7 | 15.5 | 15.2 | 15.8 | 16.8 | 15.1 | 14.5 | 15.0 | 13.9 | 11.9 | 12.5 | 12.2 | 13.9 | 14.3 | |

*Note: Quarterly data

Source: BBVA Research, Haver and CEIC

Table 17

Swap Spreads

| Country | Description | 3y-1y | | | 10y-5y | | |
|-----------|----------------------------------|---------------|-------------|--------------|---------------|-------------|--------------|
| | | 25 March 2013 | 1 month ago | 3 months ago | 25 March 2013 | 1 month ago | 3 months ago |
| China | Onshore quarterly vs. 7-day repo | 22.0 | 25.0 | 9.0 | 20.0 | 20.0 | 15.0 |
| India | MIBOR Onshore Swap Rates | -31.0 | -40.0 | -48.0 | 7.0 | 6.5 | 9.5 |
| Indonesia | Onshore Quarterly vs. 3mo SBI | 0.0 | 0.0 | 55.0 | n.a. | n.a. | n.a. |
| Korea | Onshore KRW/KRW Swap Rates | -4.2 | 3.2 | 2.7 | 21.7 | 23.5 | 22.5 |
| Taiwan | Onshore TWD/TWD swap rate | 7.8 | 7.0 | 3.5 | 25.5 | 25.0 | 25.5 |
| Brazil | Swap rates pre * DI | 119.0 | 109.0 | 113.1 | n.a. | n.a. | n.a. |
| Mexico* | MXN SWAP (TIIE) | 30.8 | 18.2 | 16.5 | 62.8 | 61.3 | 49.0 |
| Russia | RUB SWAP VS MOSPRIME | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Turkey | TRY SWAP (vs 3M) | n.a. | n.a. | n.a. | 0.0 | 0.0 | 0.0 |

*Mexico (38m-13m; 130m-65m)

Source: BBVA Research and Bloomberg

Table 18

Stock Index Returns (%)

| Country | Description | Index | 1 Month | YTD | 1 Year |
|-----------|-----------------------------|----------|---------|--------|---------|
| China | Shanghai SE Composite Index | 2326.72 | 0.04% | 2.54% | -4.63% |
| India | BSE Sensex 30 Index | 18681.42 | -3.36% | -4.59% | 4.23% |
| Indonesia | Jakarta Composite index | 4777.90 | 1.74% | 10.68% | 22.68% |
| Korea | KOSPI Index | 1977.67 | -1.58% | -0.97% | -2.09% |
| Taiwan | Taiwan TaieX Index | 7856.12 | -1.15% | 2.03% | -1.30% |
| Brazil | Bovespa Index | 55028.85 | -2.81% | -9.72% | -16.55% |
| Mexico | Mexico IPC Index | 42714.75 | -1.80% | -2.27% | 12.57% |
| Russia | RTSSTD Index | 1432.53 | -3.46% | -2.68% | -10.12% |
| Turkey | ISE National 100 Index | 82730.90 | 7.90% | 5.78% | 38.49% |

Source: BBVA Research and Bloomberg

Table 19

FX Returns (%)

| Country | Description | Rate | 1 Month | YTD | 1 Year |
|-----------|-------------------|---------|---------|--------|--------|
| China | Renminbi | 6.21 | -0.36% | -0.32% | -1.54% |
| India | Indian Rupees | 54.18 | 0.56% | -1.48% | 5.78% |
| Indonesia | Rupiah | 9736.00 | 0.34% | -0.58% | 5.86% |
| Korea | Won | 1110.85 | 2.25% | 4.36% | -2.16% |
| Taiwan | New Taiwan Dollar | 29.86 | 0.69% | 2.86% | 0.97% |
| Brazil | Brazilian Real | 2.01 | 1.50% | -1.94% | 11.14% |
| Mexico | Peso | 12.36 | -3.47% | -3.87% | -3.08% |
| Russia | Rouble | 30.92 | 1.60% | 1.30% | 5.63% |
| Turkey | Turkish Lira | 1.82 | 0.79% | 2.24% | 1.27% |

Source: BBVA Research and Bloomberg

Table 20

Government: Credit Profile

| Country | S&P | Moody's | Fitch |
|-----------|------|---------|-------|
| China | AA- | Aa3 | A+ |
| India | BBB- | Baa3 | BBB- |
| Indonesia | BB+ | Baa3 | BBB- |
| Korea | A+ | Aa3 | AA- |
| Taiwan | AA- | Aa3 | A+ |
| Brazil | BBB | Baa2 | BBB |
| Mexico | BBB | Baa1 | BBB |
| Russia | BBB | Baa1 | BBB |
| Turkey | BB | Ba1 | BBB- |

Outlook: Stable Negative Positive

Source: BBVA Research and Bloomberg

Table 21

Fiscal Balance as % of GDP

| Fiscal Balance as % of GDP | | | | | | | | | | | | | | | | |
|----------------------------|----------------------------|------|------|------|-------|------|-------|------|------|------|------|------|------|------|------|------|
| | | 2010 | | | | | 2011 | | | | | 2012 | | | | |
| Country | Description | Mar | Jun | Sep | Dec | 2010 | Mar | Jun | Sep | Dec | 2011 | Mar | Jun | Sep | Dec | 2012 |
| China | Govt Finance: Budget | 6.4 | 4.6 | -1.0 | -11.7 | -1.7 | n.a. | 4.0 | -0.2 | n.a. | n.a. | 5.4 | 3.4 | -2.7 | -9.0 | -0.7 |
| India | Central Govt: Gross Fiscal | -6.4 | -2.4 | -5.5 | -2.0 | -3.8 | -10.2 | -8.4 | -6.1 | -4.6 | -6.7 | -5.8 | -8.6 | -6.6 | -2.8 | -5.5 |
| Indonesia | Govt Finance: Budget | 1.2 | 1.9 | -0.4 | -4.8 | -0.7 | 0.3 | 2.7 | -0.4 | -7.0 | -1.1 | -0.4 | -1.4 | -1.6 | -3.6 | -2.6 |
| Korea | Govt Finance: Budget | -2.6 | -1.5 | 6.2 | 3.1 | 1.4 | -1.5 | 0.7 | 6.1 | 0.6 | 1.5 | -3.8 | -0.1 | 4.7 | 0.6 | 0.4 |
| Taiwan | Central Government | 10.7 | -0.1 | 1.6 | -1.7 | 2.6 | 9.6 | 1.9 | -0.8 | -1.3 | 2.3 | 11.1 | -0.4 | 0.5 | -0.1 | 2.7 |
| Brazil | Natl Tr. Performance Sum. | -5.1 | -1.4 | -1.6 | 1.8 | -1.4 | -4.4 | -0.5 | -1.1 | 0.3 | -1.4 | -0.9 | -0.1 | -4.1 | 1.1 | -1.0 |
| Mexico | Public Sector | -1.8 | -2.2 | -2.6 | -2.8 | -2.9 | -2.8 | -2.9 | -2.7 | -2.5 | -2.5 | -2.7 | -2.5 | -2.3 | -5.1 | -2.6 |
| Russia | Federal Budget | -2.5 | -1.3 | -2.6 | -8.6 | -4.0 | 1.5 | 4.0 | 3.0 | -4.5 | 0.8 | -0.5 | 2.3 | 2.5 | 0.9 | 1.3 |
| Turkey | Central Government | -4.7 | -1.5 | -2.0 | -6.2 | -3.7 | -1.4 | 2.2 | -0.7 | -5.2 | -1.4 | -2.0 | -0.1 | -2.0 | -4.2 | -2.1 |

Source: BBVA Research and Haver

DISCLAIMER

This document and the information, opinions, estimates and recommendations expressed herein, have been prepared by Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter called "BBVA") to provide its customers with general information regarding the date of issue of the report and are subject to changes without prior notice. BBVA is not liable for giving notice of such changes or for updating the contents hereof.

This document and its contents do not constitute an offer, invitation or solicitation to purchase or subscribe to any securities or other instruments, or to undertake or divest investments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

Investors who have access to this document should be aware that the securities, instruments or investments to which it refers may not be appropriate for them due to their specific investment goals, financial positions or risk profiles, as these have not been taken into account to prepare this report. Therefore, investors should make their own investment decisions considering the said circumstances and obtaining such specialized advice as may be necessary. The contents of this document is based upon information available to the public that has been obtained from sources considered to be reliable. However, such information has not been independently verified by BBVA and therefore no warranty, either express or implicit, is given regarding its accuracy, integrity or correctness. BBVA accepts no liability of any type for any direct or indirect losses arising from the use of the document or its contents. Investors should note that the past performance of securities or instruments or the historical results of investments do not guarantee future performance.

The market prices of securities or instruments or the results of investments could fluctuate against the interests of investors. Investors should be aware that they could even face a loss of their investment. Transactions in futures, options and securities or high-yield securities can involve high risks and are not appropriate for every investor. Indeed, in the case of some investments, the potential losses may exceed the amount of initial investment and, in such circumstances, investors may be required to pay more money to support those losses. Thus, before undertaking any transaction with these instruments, investors should be aware of their operation, as well as the rights, liabilities and risks implied by the same and the underlying stocks. Investors should also be aware that secondary markets for the said instruments may be limited or even not exist.

BBVA or any of its affiliates, as well as their respective executives and employees, may have a position in any of the securities or instruments referred to, directly or indirectly, in this document, or in any other related thereto; they may trade for their own account or for third-party account in those securities, provide consulting or other services to the issuer of the aforementioned securities or instruments or to companies related thereto or to their shareholders, executives or employees, or may have interests or perform transactions in those securities or instruments or related investments before or after the publication of this report, to the extent permitted by the applicable law.

BBVA or any of its affiliates' salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to its clients that reflect opinions that are contrary to the opinions expressed herein. Furthermore, BBVA or any of its affiliates' proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. No part of this document may be (i) copied, photocopied or duplicated by any other form or means (ii) redistributed or (iii) quoted, without the prior written consent of BBVA. No part of this report may be copied, conveyed, distributed or furnished to any person or entity in any country (or persons or entities in the same) in which its distribution is prohibited by law. Failure to comply with these restrictions may breach the laws of the relevant jurisdiction.

In the United Kingdom, this document is directed only at persons who (i) have professional experience in matters relating to investments falling within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (as amended, the "financial promotion order"), (ii) are persons falling within article 49(2) (a) to (d) ("high net worth companies, unincorporated associations, etc.") Of the financial promotion order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the financial services and markets act 2000) may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The remuneration system concerning the analyst/s author/s of this report is based on multiple criteria, including the revenues obtained by BBVA and, indirectly, the results of BBVA Group in the fiscal year, which, in turn, include the results generated by the investment banking business; nevertheless, they do not receive any remuneration based on revenues from any specific transaction in investment banking.

BBVA is not a member of the FINRA and is not subject to the rules of disclosure affecting such members.

"BBVA is subject to the BBVA Group Code of Conduct for Security Market Operations which, among other regulations, includes rules to prevent and avoid conflicts of interests with the ratings given, including information barriers. The BBVA Group Code of Conduct for Security Market Operations is available for reference at the following web site: www.bbva.com / Corporate Governance".

BBVA is a bank supervised by the Bank of Spain and by Spain's Stock Exchange Commission (CNMV), registered with the Bank of Spain with number 0182.

This report has been produced by Emerging Markets Unit, Cross-Country Analysis Team

Chief Economist for Emerging Markets

Alicia García-Herrero

+852 2582 3281

alicia.garcia-herrero@bbva.com.hk

Chief Economist,

Cross-Country Emerging Markets Analysis

Álvaro Ortiz Vidal-Abarca

+34 630 144 485

alvaro.ortiz@bbva.com

Gonzalo de Cadenas

+34 660 001 949

gonzalo.decadenas@bbva.com

David Martínez

+34 690 845 429

dmartinez@bbva.com

Alfonso Ugarte

+ 34 91 537 37 35

alfonso.ugarte@bbva.com

With the assistance of:

Diana Posada

diana.posada@bbva.com

Following the EAGLEs on the Web

For our reports



BBVA EAGLEs: website
www.bbvaegles.com

To share discussions



BBVA EAGLEs: LinkedIn discussion group
www.linkedin.com/groups/BBVA-EAGLEs-4120023?home=&gid=4120023&trk=anet_ug_hm

For reports and to send us comments



BBVA EAGLEs: Twitter
<https://twitter.com/#!/BBVAEAGLEs>

BBVA Research

Group Chief Economist

Jorge Sicilia

Emerging Economies:

Alicia García-Herrero

alicia.garcia-herrero@bbva.com.hk

Cross-Country Emerging Markets Analysis

Álvaro Ortiz Vidal-Abarca

alvaro.ortiz@bbva.com

Asia

Stephen Schwartz

stephen.schwartz@bbva.com.hk

Latam Coordination

Juan Ruiz

juan.ruiz@bbva.com

Argentina

Gloria Sorensen

gsorensen@bbva.com

Chile

Alejandro Puente

apuente@bbva.com

Colombia

Juana Téllez

juana.tellez@bbva.com

Peru

Hugo Perea

hperea@bbva.com

Venezuela

Oswaldo López

oswaldo.lopez@bbva.com

Mexico

Carlos Serrano

carlos.serranoh@bbva.com

Macroeconomic Analysis Mexico

Carlos Serrano

carlos.serranoh@bbva.com

Developed Economies:

Rafael Doménech

r.domenech@bbva.com

Spain

Miguel Cardoso

miguel.cardoso@bbva.com

Europe

Miguel Jiménez

mjimenezg@bbva.com

US

Nathaniel Karp

nathaniel.karp@bbvacompass.com

Global Areas:

Financial Scenarios

Sonsoles Castillo

s.castillo@bbva.com

Economic Scenarios

Julián Cubero

juan.cubero@bbva.com

Innovation & Processes

Clara Barrabés

clara.barrabes@bbva.com

Financial Systems & Regulation:

Santiago Fernández de Lis

sfernandezdelis@grupobbva.com

Financial Systems

Ana Rubio

arubiog@bbva.com

Pensions

David Tuesta

david.tuesta@bbva.com

Regulation and Public Policies

María Abascal

maria.abascal@bbva.com

Contact details:

BBVA Research

Paseo Castellana, 81 - 7th floor

28046 Madrid (Spain)

Tel. + 34 91 374 60 00 and + 34 91 537 70 00

Fax. +34 91 374 30 25

bbvaresearch@bbva.com

www.bbvaresearch.com

BBVA Research Asia

43/F Two International Finance Centre

8 Finance Street Central

Hong Kong

Tel: +852 2582 3111

E-mail: research.emergingmarkets@bbva.com.hk