

Market Comment | Risk assets rebounded for first time since Brexit

Global Financial Markets Unit 28 Jun 2016

- Real US GDP growth for 1Q16 was revised up to 1.1% QoQ SAAR from 0.8% in the preliminary estimate. While still sluggish, the figure paints a less gloomy picture compared to the 0.5% reading released a few months ago. Both net exports and non-residential investment (two of the main drags on growth throughout the past year) were revised upwards.
- Draghi calls for greater alignment of policies globally to mitigate the spillover risks from ultraloose monetary measures. Since the ECB president states that global factors are playing on low inflation, weak growth outlook and ultra low interest rates, monetary policies have to look beyond the country jurisdiction. Mr. Draghi considers monetary policy coordination difficult and sees alignment of policies as the better tool to address the factors and challenges that affect economic stability, meaning sharing diagnosis and common interest.
- Risk assets rebounded for first time since the United Kingdom decided to leave the European Union in an unexpected referendum outcome. The most assets that rebounded most today were those that had suffered the biggest falls in previous sessions. UK assets were among them, and the GBP appreciated against the USD (+0.65%) while gilt 10Y yields increased marginally although remaining below the 1% threshold. Although S&P and Fitch cut the UK sovereign rating, the UK yield remained unchanged today as risk-off mood prevailed in UK assets. Apart from the recent sell-off which has encouraged a rebound -, there were others factors that supported the demand for risky assets, (at least for now). Firstly the Italian banking sector was given some breathing space after Matteo Renzi confirmed the rumours of a bailout if the sector faces problems. Although Italy's Government could face some problems with this in the restrictive EU framework concerning state support for lenders, probably they could ask for flexibility after the turnoil in financial markets following the Brexit vote. "Today the rules are very difficult, nonetheless all that needs to be done to give tranquillity and confidence to citizens will be given attention by European institutions and national ones, starting with the Italian government" Renzi said. The slightly better than expected 1Q US GDP revision may also have contributed to the relief rally.
- Against this backdrop, demand for safe-haven assets decreased, while demand for risky assets such as equities increased today. Equity indices increased across the board, led by European indices (S&P: +0.8%, Euro Stoxx: +2.2%, Dax: +1.8%, IBEX:+2.5%). The European banking sector registered the first gains (+3%) after a huge sell-off in previous sessions (-20% since the Brexit outcome). Meanwhile, sovereign yields declined in accordance with a decreasing risk perception: safe-haven curves remained stable (US10Y:+2 bps, UK10Y: 0 bp, GER10Y: 0 bp) while peripheral yields decreased (SPA10Y -10 bps, ITA10Y -14 bps). Despite today's improvement in financial markets, risk measures remained high (VIX stood again below 20%).
- The USD registered mixed performances against its main peers (JPY -0.65%, EUR +0.23%) while commodity prices benefited from the current relief in financial markets in line with other cyclical assets



(WTx:+1.6%, Brent:+1.3%, copper: +2.1%). Both the calm in financial markets and the upward trend in commodity prices contributed to **EM currencies' appreciation against the USD** (MXN +1.3%, BRL +2.2%, TRY:+1.3%).

Update 17.35 CET 28 June, 201 Table 1

BBVA Research

(Current level and changes at daily, weekly, monthly and annual frequencies) Debt markets (changes in bp)	
URVEDDAGE INFINED US 2-yr 0.62 (3) (-14) (-20) (-43) US 5-yr 1.81 (3) (-19) (-30) (-73) US 5-yr 1.81 (2) (-28) (-39) (-28) (-2	
Japan 10-yr 4 22 (3) (7) (40) (48) 0E R 2yr - 0.66 (1) (4) (44) (42) 0E R 3yr - 2.66 (1) (4) (14) (41) 0E R 13yr - 411 (20) (4) (4) (41) 0E R 13yr - 411 (20) (40) (45) (41)	
GER 10-yr 4, 113 (0) (-10) (-25) (-74) Belgiam 10-yr 0.28 (-6) (-16) (-23) (-80) Transon 10-yr 0.24 (-6) (-71) (-23) (-75) Grames (10-yr 0.27 (-73) (FT) (13) (29)	
Migani High 201 (6), (40), (40), (40) Migani High 201 (6), (11), (12), (12) Biess (11), (12), (12), (12) Biess (12), (12), (12), (12), (12) Biess (12), (12), (12), (12), (12) Biess (12), (12), (12), (12), (12), (12) Biess (12), (12	
Brail (B-yr 12.07 (-10)) (-51) (0.71) (-444) Chin (B-yr 4.24 (0)) (0) (-3) (-12) Comma (B-yr 7.24 (-12)) (-4) (-12) Mence (B-yr 5.48 (-12) (-12) (-12)) Mence (B-yr 5.48 (-12) (-12) (-12))	
Poland 19ay 1.01 (4) (4) (6) (6) Ravala Say 16 (4) (435) (50) (-143) Ravala 19ay 16 44 (-168) (43) (-112) Tankey 16-yr 6 19 (-12) (-21) (-68) (-128)	
india (δ-yr 7.45 (-1) (-5) (-2) (-31) Indonesia (0-yr 7.59 (-9) (-50) (-105)	
Country risk (changes in bp) Therefore (against Germany) They soverright appreciate (against Germany)	
Terroright Data Terroright Data Terror 2016 (1916) Terror 2016	
Lip converging Lip converging Lip converging Lip converging France 38 (c) (c) (P) (f) Second 180 (c) (c) (f) Market 100 (c) (f) Second 180 (c) (f) Market 100 (c) (f) Second 180 (c) (f) Market 100 (c) (f) Second 180 (c) (f) Market 100 (c) (f) Second 100 (c) (f) Market 100 (c) (f) Second 100 (c) (f)	
Jyr toorening agenedic (agened carene) Begins 11 (3) (1) (1) False (5 (1) (2) (1) (1)) False (5 (1) (2) (1) (1)) Begins 12 (1) (1) (1) Begins 12 (1) (1) (1) Begins 12 (1) (1) (1) Befins 12 (1) (1) (1) Befins 12 (1) (1) (1) Befins 12 (1) (1) (1) (1) Befins 12 (1) (1) (1) (1) Befins 12 (1) (1) (1) (1) (1)	
6.9 monipul CSI (0.9)	
Seg maximum (251 Seg 25 Aprelia 44 (8) (13) (17) (40001) Seg 25 Seg 14 (8) (14) (17) (14) (14) Seg 25 Seg 14 (14) (14) (17) (14) (14) Seg 25 Seg 14 (14) (14) (15) (14) Seg 25 Seg 14 (14) (14) (15) (15) Seg 25 Seg 14 (14) (15) (15) (15) Seg 25 Seg 14 (14) (15) (15) (15) (15) (15) (15) (15) (15	
Syn C25 Parate 119 (d) (10) (d) Syn C25 Parate 226 (10) (1) (1) (4) Syn C25 Parate 226 (1) (2) (4) (4) Syn C25 Parate 226 (1) (2) (4) (4) Syn C25 Parate 226 (1) (2) (4) (4) Syn C25 Parate 226 (1) (4) (1) (4) Syn C25 Parate 226 (1) (4) (1) (4) Syn C25 Parate 226 (1) (4) (1) (4) Syn C25 (1) (4) (4) (4) (4) Syn C25 (1) (4) (4) (4) (4) (4) (4) (4) Syn C25 (1) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4	
Credit (4): Credit (4): Microbiology Bangers (Higher Court for (5):44 (annexit, ba) Microbiol (4): (4): (4): (4): Microbiol (4): (4): (4): (4): (4): Distribution (4): (4): (4): (4): (4): Distribution (4): (4): (4): (4): (4): (4): Distribution (4): (4): (4): (4): (4): (4): Distribution (4): (4): (4): (4): (4): (4): (4): (4):	
Bank (19) (changes in bo) 16 banks CDS 102 (4) (19) (22) (27) 19 U tanks CDS 152 (10) (29) (22) (72) 19 K banks CDS 152 (22) (29) (47) (74)	
Large Spanish banka: CDS 191 (10) (41) (60) (54) Medium Spanish banka: CDS 216 (0) (33) (40) (59) Greek banks: CDS 1521 (49) (274) (366) (-131) Mexicoli banks: CDS 396 (36) (9) (-12)	
Russian barts CDS 369 (9) (9) (9) (-12) Component risk (Atanges in local) Elle Vals-Antencial CDS 346 (20) (52) (80) (176) UK Nen-Anancial CDS 167 (11) (20) (15) (-5)	
Interhank markets (changes in bp) UEN 05 spread 3m 8 (-1) (-1) (0) (-3) UEN 05 spread 3m 5 (-1) (2) (2) (5) UEN 05 spread 3m 50 (0) (23) (1/-3)	
US DIS spread 3m 35 (-5) (-1) (5) (-5) US DIS spread 3m 35 (-5) (-1) (5) (-5) US DIS spread 1m 35 (-2) (7) (-1) (4) US TED appread 3m 37 (-2) (0) (1) (-4)	
Spain Ted Spread 3m → (10) (10.3)(-11) (-8) ECNA Index -0.34 (2) (-0.1)(1)(-21) Turber 2m → -0.28 (2)(-1.5)(-1.5) Turber 12m → -0.08 (2)(-2)(-1)(-1)	
Liber 3m 0.63 (0) (-1) (-5) (1) Liber 12m 1.2 (0) (-8) (-12) (2)	
Stock markets (Change's in percentage) Development Markets Nan equity Indices of PL/2 PC 11	
Sector 2017 (2014) Sector 2014) Sector 2017 (2014) Sector 2014 Sector 2014 (2014) Sector 2014 Sector 2014 (2014) Sector 2014	
Sand Sander 1997 Set (4:14) (-73) (-143) (-147) (75: 393 22) (24:44) (-145) (-24) (75: 304 23:44) (-36) (-37) (-36) (75: 304 24) (-36) (-37) (-36) (75: 304 24) (-36) (-37) (-	
HSBC 442.7 (1.1) (0.7) (-1.3) (-17) HSB 152 (5) (275) (-203) (-42) HSB(HSB(1)) (-10) (-1	
With Hearts (6.5 - 26, 8) + (46) (26, 5) + (40) With J J J J J (47) (21, 147) With J J J (47) (41, 47) (47) With J J (47) (47) (47) With J J (47) (47) (47) With J (47) (47) (47)	
Large Spanish banks 54.8 (1.7) (-14.8) (-21.7) (-27) Santander 3.4 (1.7) (-16.8) (-23.8) (-28) BOWA 4.8 (1.7) (-15.2) (-28.1) (-28)	
Madeus Samaih Indea 551 (2 6 (114 6)(0 7 (53) Samaiha 7 5 (1)(52 (2 7 1)(56) Papaie 12 (2 10 (-03)(4 6) (56) Samaiha 1 2 (11 (-6) (2 1)(4 6) (57) Samaiha 1 2 (2 1)(4 (-16) (-16)) Samaiha 1 2 (2 1)(4 (-16) (-16)) Samaiha 1 2 (2 1)(4 (-16) (-16)) Samaiha 2 (-16) (-16) (-16) (-16)) Samaiha 2 (-16) (-16) (-16) (-16) (-16)) Samaiha 2 (-16) (-	
Company State Company C	
Energing Mahleb Milo quily Moleci (1) (22) (-13) (88) Milo Manage (Read) 9644 (14) (-13) (-3) (152) Mandal 44040 (-12) (2) (-23) (42) Mandal 44040 (-12) (2) (-23) (42)	
정상 11월 11월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월 11월 12월	
Tania Jacoba Tania Mareka 19 (1) (4) (2) (1) (2) Alasawa T. A. 5 (12) (2) (2) (2) (2) (2) Mareka T. 2 (3) (4) (2) (2) (3) Taniye a Bostowa (1) (3) (2) (1) (2) Mareka Tanis (2) (3) (2) (2) (2) Mareka Tanis (2) (2) (2) (2) (2)	
Sbothank 129 (2.5) (3) (2.9) (27.8) VTB Bank 6.1 (0.4) (4.2) (2.8) (15.6)	
Currence (in parcentage possive for dollar depreciation) Destinguid Married Eventorial Statuto Berland Statuto	
$\label{eq:constraint} \begin{tabular}{lllllllllllllllllllllllllllllllllll$	
USDCIVY (zhina) 6.65 (0) (4.6 (9) (-1.3) (2.4) USDINR (hold) 6.75 (0) (4.7) (-1.4) (2.7) USDINR (hold) 6.75 (0) (4.7) (-1.4) (2.7) USDINR (hold) 6.63 (-3) (-7) (-0.1) (-2.5) (-2.5) (-2.5) (-7) (-0.1) (-2.5)	
Commentative (Privage 10 processing) The 47 R 313463(2011) The 47 R 313463(2011) The 47 R 314642(2011) The 47 R 314463(2011) The 47 R 314764(2011) The 47	



BBVA Research

Current level and changes at daily, weekly, monthly and annual frequencies) rebt markets (changes in bp) evolution fluctuum s 20 002 (0140) (2014)	
$\begin{split} & \sum_{j=1}^{2} p_{ij} (0, 2j) (+(4), (22), (+4)) \\ & \leq y_{ij} (-1, 2j) (+(4), (23), (+3)) \\ & \leq y_{ij} (-1, 2j) (+(4), (23), (+3)) \\ & \leq y_{ij} (-1, 2j) (-2j) (-2j) (-2j) \\ & \leq y_{ij} (-1, 2j) (-2j) (-2j) (-2j) (-2j) \\ & \leq y_{ij} (-2j) (-2j) (-2j) (-2j) (-2j) (-2j) \\ & \leq y_{ij} (-2j) $	
ER 2-yr -0.66 (-1) (-8) (-14) (-32) ER 5-yr -0.56 (-1) (-8) (-15) (-51) ER 19-yr -0.150 (-150) (-51) (-51)	
adgum (5 yr 5 22 (6) (-6) (22) (-60) mans (8 yr 5 2 (6) (-7) (23) (-6) mans (8 yr 5 4 (6) (-7) (23) (-6) mans (8 yr 5 4 (6) (-6) (-5) ma (8 yr 5 4 (-6) (-5) (-5) (-5) ma (8 yr 5 4 (-6) (-5) (-2) (-6)) mans (8 yr 5 (-2) (-6) (-5) (-2) (-6)) mans (8 yr 5 (-2) (-6) (-5) (-6)) mans (8 yr 5 (-2) (-6) (-6)) mans (8 yr 5 (-2) (-6)) mans (8 yr 5 (
sand 10-μγ 0.06 (-00) (-15) (-03) ψγ 10-μγ -14 (-16) (-04) (-05) (-16) etheretands 10-μγ 0.12 (-3) (-17) (-23) (-47) staged 10-47, 15 (-15) (-2) (17) (-63) (-5) (-5) (-5) (-5) (-5) (-5) (-5) (-5)	
readying blocks will by Y 127 (12) (-51) (-51) (-51) (-51) will by Y -127 (-51) (-51) (-51) will by Y -127 (-51) (-51) (-51) (-51) (-51) (-51) (-51) will by F -68 (0) (-6) (-50) (-123) will by F -68 (0) (-6) (-50) (-123)	
oland 19.yr 3.01 (5) (-19) (5) (6) Jussie S-yr 8 (5) (-25) (-50) (-120) Jussie 19.yr 8 44 (5) (-18) (-3) (-12) Jussie 19.yr 9 44 (-12) (-21) (-46) (-128)	
dia 16yr 7.45 (-1) (-5) (-2) (-31) donamia 16yr 7.59 (-5) (-5) (-316) (-116)	
iountry risk (changes in bp) eveloped Markets Syr dowreige spreade (against Germany) elem 20 (40 (01 (3)	
thminda: 22 (4) (43)(2) (7) strigel 326 (43) (46) (28) (38) pain 143 (44) (2) (8) (28)	
yr Isoneneiga spenadis (against Gernany) defplan 21 (3) (1) (15) (13) mesos (1658 (1) (8) (15)) mesos (1658 (1) (8) (15) (15) mesos (16 (13) (5) (13)	
V example prevaled (apple) 2(4) (1) (5) (1) (1) seco 38 (2) (1) (1) (1) (1) seco 38 (2) (1) (1) (1) (1) seco 38 (2) (1) (1) (1) (1) seco 38 (2) (1) (1) (1) (1) set (4) (1) (1) (1) (1) (1)	
y reserving messarily (applied Centering) set (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2	
yr exvenigar CDS yr CDS Beglum 65 (-1) (16) (0) (33) yr CDS Fennoe (16) (13) (0) (23)	
yr Colo Gennawy 26 (1977) (1977) (1977) yr Colo Fereen (1977) (1977) (1977) yr Colo Fereen (1977) (1977) (1977) yr Colo Fereen (1987) (1977) (1977) yr Colo Fereen (1988) (1977) (1977) yr Colo Fereen (1978) (1977) (1977) yr Colo Fereen (1977) (1977) (1977) (1977) yr Colo Fereen (1977) (
γ = compare (24) γ = compare (44) γ < compare (44)	
menging Marketa	
Contraction Section Section Section	
yr CUS INENIOS 187 (6) (19) (15) (16) yr CUS Peni 165 (6) (17) (4) (20) yr CUS Venizuela 453 (248) (-581) (-758) (-1510) yr CUS Menizuela 131 (8) (-18) (9)	
yr CDS Poland110 (5) (16) (26) (26) yr CDS Russis 256 (2) (10) (-1) (46) yr CDS Russis 256 (2) (12) (-6) (-15) yr CDS Russ 25 (3) (12) (-6) (-15)	
yr CDS China 132 (D) (B) (B) (Q4) yr CDS India 196 (B) (12) (26) (38) yr CDS Indiaes 196 (B) (10) (B) (28) radil ris k	
(a) (a) (a) (a) (a) (a) (a) (a) (a)	
Final Table A gamesta for BAA gamesta, bay 20,20,00,00,00,00,00,00,00 B (10,00,00) 20,20,00,00,00,00,00 B (10,00,00) 20,20,00,00,00,00 B (10,00,00) 20,20,00,00,00,00 B (10,00,00) 20,20,00,00,00,00 B (10,00,00) 20,20,00,00,00 B (10,00,00) 20,20,00,00,00,00 B (10,00,00) 20,20,00,00,00,00,00 B (10,00,00) 20,20,00,00,00,00,00,00 B (20,00,00)	
anik (14k (deleges in bp) 5 kenis C05 1102 (4) (16) (22) (27) 10 kenis C05 1102 (4) (56) (22) (27) 10 kenis C05 115 (22) (20) (47) (74)	
K banka CDS 152 623 (20) (47) (74) anga Spanish banka CDS 191 (10) (41) (85) (54) edum Spanish banka CDS 7160 (20) (41) (89)	
meek banks CDS 1521 (49) (274) (365) (-131) osseina banks CDS 369 (9) (9) (9) (-12)	
omporate risk (ohanges in bps) III U Nas-Americai CDS 348 (20) (52) (88) (178) K Nex-Americai CDS 187 (11) (20) (18) (-5)	
tterbank markets (changes in bp) EN Ofs spread 3m 8(-1)(-1)(0(-3) EN Ofs spread 3m 38(-1)(2)(2)(5) EN TED spread 3m 38(0)(2)8(-5)(-3)	
S DIS spread 3m 26 (-1) (1) (8) (3) S DIS spread 12m 25 (-2) (7) (14) (27) S TED spread 3m 37 (-2) (8) (1) (-0)	
pain Ted Spread 3m → (10) (10.3) (-11) (-8) DNA holer -0.34 (0) (-0.1) (11) (-21) salao 2m -4.26 (0) (-1.5) (-21) (-15) salao 2m -4.26 (0) (-1.5) (-21) (-15) salao 2m -4.26 (0) (-1.5) (-21) (
under Land (0) + (0) + (0) + (1) ber 3m (0, 83 (0) + (1) + (5) (1) ber 12m (12) (0) (6) + (12) (2)	
ticck markets (Changes in percentage) him equily indices \$2500, 2017, 2016-241(-3,20(-1))	
zw Jonese 1726(4-3) (0, 7) (-2, 2) (-3, 4) (-1) ketel 15523 (-1) (-5, 2) (-6) (-6) (-7) 755 (-90 - 674, 6, 2, 5) (-1, 5) (-2, 2) (-2) worksnox (6, 2) 756 (-2) (-7, 1) (-6) (-6) (-1) (-1) (-1) (-2) (-2) (-1) (-1) (-1) (-1) (-1) (-1) (-1) (-1	
the many termination the many termination of the second seco	
8 8 8 8 8 9 1 9 1 9 1 9 2 1 9 1 8 9 1 9 1 9 1 9 1 9 1 9 1 9 1 9 1	
SBC 442.7 (1.1) (0.7) (-1.3) (-17) B5 17.5 2 (0.5) (-27.5) (-20.3) (-42) stratury 15.1 (-6.2) (-27.1) (-27.4) (-40) styde 54.7 (7) (-22.2) (-24.5) (-25)	
$ \begin{array}{l} u \mbox{bis} (66.2,26.) (+15.1)(25.1)(40.) \\ (-9.3)(2.5,1)(-17.1)(2.1)(1.0) \\ (-9.3)(2.5,1)(-17.1)(2.1)(-1.0) \\ (-9.3)(2.5,1)(-1.0$	
5 00 (a.), (ma), (ma), (c.), (10) 3 27 (2.3) (21) (27) (37) micedia 1.5 (-1.8) (25.5) (37.1) (43)	
arge Spanish banks 54.8 (1.7) (-14.8) (-21.7) (-27) antandor 3.4 (1.7) (-16.8) (-23.8) (-28) 55.4, 4.8 (.7) (-12.2) (-28.1) (-28)	
$ \begin{array}{l} detus : = periodi handa : d > 3 > 2 < (1 < 4 > (1 < 4 < (1 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < 3 > (2 < (2 < 3 > (2 < (2 < 3 > (2 < (2 < 3 > (2 < (2 < (2 < (2 < (2 < (2 < (2 < (2$	
skinner 5.8 (2.1) (7.9) (-15.8) (-11) snika 0.7 (7.9) (-6.6) (-19.2) (-38) meek banks 2.8 (9.6) (-26.2) (-35.2) (-37)	
neel: banks 2.8 (#8.1) (48.2) (43.5) (43.7) (pas Banks 7.7 (1.3) (4.3) (4.3) (1.1) (4.3) (and bank 2.6) (4.1) (4.6) (4.5) (and bank 2.6) (4.6) (4.6) (4.6) (4.6) (and bank 2.6) (4.6) (4.6) (4.6) (4.6)	
menging liketes him quity indices SCI Latan 6434 (4-141) (-22) (-1.3) (8.6) SCI Latan 7434 (-4.14) (-1.6) (1.6) (52) sensage (Erecut) 44344 (-1.6) (-2.5) (-2.5) sensation 144344 (-1.6) (-2.5) (-2.5) sensation 144344 (-1.6) (-2.5) (-2.5) sensation 144344 (-1.6) (-2.5) (-2.5) sensation 14434 (-1.6) (-2.5) (-2.5) (-2.5) sensation 14534 (-2.5) (-2.5) (-2.5) sensation 14534 (-2.5) (-2	
andrai 44004 (1,2) (2) (2,2) (4,3) SCI UE Uzope 4211 (2,15) (4,2) (4,8) (4,8) SCI UE Uzope 4213 (1,1) (2,1) (4,8) (4,8) Science Russian (162, 0, 5) (2,3) (3,9) (5,1) Science Russian (162, 0, 5) (2,3) (3,9) (5,1) Science Russian (162, 0, 16, 16) (1,1) (3,1)	
icex (nueses) 1852 (0, 5) (-2,8) (-3,9) (5, 1) 6 100 (Tailey) 78229 (2,4) (-0,8) (-1,4) (7,3) SCI E IM Anal 645 (-4,25) (-1,6) (-4,2) (-2,4) SCI E IM Anal 645 (-4,25) (-1,6) (-4,2) (-2,4)	
SCI EM Asia 645 (4.25) (+1.6) (4.2) (-2.4) manghai Companin (Dina) 2813 0.58 (1.2) (5.2) (+1.7) Minis Companin (Dina) 2813 0.58 (1.2) (5.2) (+1.7) Minis Companin (Dina) Minis Manhai M. (1.8) (1.4) (-2.1) (-0.1) Minis Manhai M. (2.1) (-2.1) (-0.1)	
ank decka winks hanks 01 (1.8) (0.4) (2.1) (10) klowit 7.4, 5.8 (1.2) (-0.2) (0.3) (22.5) wanti (0.2) (5.4) (-2, 0.8) (-0.4) while 8 Bankasi 4 (1.5) (-0.5) (0) (-2.6)	
usaina banka 168 (13) (13) (13) (13) (16) Debark (12) (2) (5) (12) (17) 18 Bank 0.1 (0.4) (142) (15) (15.6)	
urrencies (in percentage, positive for dollar depreciation)	
1980/55 1 2010; 23)(-17)(-64)(-17) 50/97 1 2010; 65)(-16)(-6)(-7) 50/97 1 2010; 65)(-2016; 9)(-6) 50/97 1 2010; 65)(-24)(-6)(-6)(-6)(-6)(-6)(-6)(-6)(-6)(-6)(-6	
$\begin{split} & \text{SDMS} : \int_{\mathbb{T}^{2}} \log(2\pi m_{0}) & \text{SDM}(2\pi) \int_{\mathbb{T}^{2}} \log(2\pi m_{0}) & \text{SDM}(2\pi) \int_{\mathbb{T}^{2}} \log(2\pi m_{0}) & \text{SD}(2\pi) \\ & \text{SDC}(2\pi) & \text{SDC}(2\pi) & \text{SDC}(2\pi) & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) & \text{SDC}(2\pi) & \text{SDC}(2\pi) & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) \\ & \text{SDC}(2\pi) & \text{SDC}(2\pi) \\ &$	
30PEN (Pen) 33 (8.8) (4.2) (1.7) (3.5) 40164.16 (1.7) (4.2) (1.8) (2.4) 5021 (1.8) (4.4) (1.1.2) (1.1.1) (1.1.1)	
SSP14 (Poland) 4.81 (1) (2.5) (-1.5) (-2.1) GSRUB (Poland) 4.82 (-1.4) (-1.10) (109) GSRUF (Tuckny) 2.6 (-1.5) (-3.10) (-3.10) SSCRVY (Echnol 6.65 (0) (-3.4) (-3.1) (-2.4)	
8001Y (2) (4) (4) (4) (3) (2) 9001 (4) (4) (4) (4) (2) 9000 (4) (4) (4) (4) (2) 9000 (4) (4) (4) (4) (2) 9000 (4) (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) (4) (4) (4) (4) (4)	
8001Y (2) (4) (4) (4) (3) (2) 9001 (4) (4) (4) (4) (2) 9000 (4) (4) (4) (4) (2) 9000 (4) (4) (4) (4) (2) 9000 (4) (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) (4) (4) (4) 9000 (4) (4) (4) (4) (4) (4) (4) (4) (4) (4)	
SDCNY (Chron) 6.65 (0) (4.5) (4.3) (2.4) SDNR (module 67.55 (0) (4.7) (-1.4) (-2.7) SDDR (modules) 136 (-1.2) (4.2) (2.5) (4.4) DNY 106 38 (0.3) (4.7) (-0.1) (-4.2)	





(Current level and changes at daily, weekly, monthly and annual frequencies)	
Date markets (of strippe in bp) 01.3 yr 4601,044 (30) 01.3 yr 4601,044 (30) 01.5 yr 410 (01)	
GE R 2-yr - 0.65 (-1) (-0) (-14) (-33) GE R 2-yr - 0.65 (-1) (-0) (-16) (-41) GE R 1-9rr - 0.11 (-0) (-16) (-21) (-74)	
C41 Sty - 11 Data (HK)(C41 C41) March Targer Sty - 22 (C41 C41) March Targer Sty - 22 (C41 C41) March Targer Sty - 24 (C41 C41)	
Construction Construction Seal 169 v1 22 07 168 (51) (64) (64) Construction Construling Construling Co	
Poland (3-yr 3.01 (6) (+(0) (-6) (6) Ramai 9-yr 46 (6) (-20) (-40) (+72) Ramai 19-yr 24-19 (+(3) (-20) (+12) Tarking (19-yr 8.18 (+21) (-21) (-60) (+20)	
bris 1997 745 (-1) (-5) (-2) (-3) (-1) (-1) (-1) (-1) (-1) (-1) (-1) (-1	
Developed Mintets Phys sovereign generals (against Germany) Belgium 39 (-5) (0) (5) (5) Fance - 36 (-5) (-13) (1)	
Uningent lateral Uningent lateral Partes Still (2014) Partes Still (2	
Le location per la fact (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	
1 control (masch (patter General) intern + 11(1)(1)(1) intern + 11(1)(1)(1) intern + 11(1)(1)(1) intern + 11(1)(1)(1) intern + 11(1)(1)(1)(1) intern + 11(1)(1)(1)(1) intern + 11(1)(1)(1)(1)(1)(1) intern + 11(1)(1)(1)(1)(1) intern + 11(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1)(1	
Say material Say (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	
5-yr CDS Venezania 4533 (446) (4591) (4580) 5-yr CDS Penedi 100 (16) (10) (20) (20) 5-yr CDS Reasin 266 (2) (10) (-1) (-46) 6-yr CDS Reasin 266 (2) (10) (-1) (-46) 6-yr CDS Teatwy 20) (12) (-4) (-46)	
Py COS Chen (2) (0) (0) (0) (2) Syr COS (hen (2) (0) (0) (0) (2) Syr COS (hen (2) (0) (0) (2) Syr COS (henders 160) (10) (10) (2) Syr COS (henders 160) (10) (10) (2)	
Credit (A): (Credit (A): (Cr	
Δμικί και διαγματικής Δμικί και διαγματικής Δμικί και διαγματικής Δμικής Δμικής Δμικής <td></td>	
Vadua Spania Itania CG 3 26 (1) (2) (2) (2) (2) Backar State CG 3 26 (2) (2) (2) (2) (2) (2) Randar Backar GG 3 26 (2) (2) (2) (2) (2) (2) (2) (2) (2) (2)	
Interbank markets (changes in bp) ER HIG Spress 2m 0 (4) (4) (2) (3) ER HIG Spress 2m 30 (4) (2) (3) ER HIG Spress 30 (4) (2) (5) EX	
US 06 served 1am 36 (4)(1)(8)(3) US 06 served 12m 36 (42)(7)(14)(27) US TED spreed 1am 7 (42)(8)(1)(45)	
Span Tar Signawa Str (10) (0.3) ((1) (0) Shall hand at (3) (1) ((1) (3)) Shall hand at (3) (1) ((1) (3)) Shall hand at (3) (1) ((1)) Later than 100 (10) ((1)) Later than 100 (1)) Later than 100 (10) ((1)) Later than 100 ((1)) ((1)) ((1)) Later than 100 ((1)) ((1)) ((1)) Later than 100 ((1)) ((1	
Stock markets (Changes in percentage) Developed Markets Main equity indices	
How setting Western Address of the set of the se	
Table Model 147 (21) (40) (40) Table X 4.4 (14) (72) (40) (40) 140) Table X 2.4 (14) (40) (40) 140) M 2 214 (14) (140) (20) 140) M 2 214 (14) (140) (20) 140) M 2 214 (14) (140) (20) 140)	
HSBC 442.7 (1.1) (0.7) (4.3) (4.7) HSB 175.2 (0.5) (4.7) (4.4) HSB 175.2 (0.5) (4.7) (4.4) Unyo 54.7 (7) (222) (4.4) Unyo 54.7 (7) (222) (4.5) (55.7) Unyo 45.7 (1.6) (1.5) (55.7)	
Cont Sec: 0.0 Sec: 0.0 <td< td=""><td></td></td<>	
Large Spanish banks 54.8 (17) (-14.8) (-21.7) (-27) Santander 3.4 (1.7) (-16.8) (-23.8) (-28) BAVA. 46.07.1 (-13.2) (-20.11 (-28)	
Votice Sprawn hans (52):10:11-10:10 Scalar (2):11-11:12:11 Scalar (2):11-11:12:11:11 Scalar (2):11-11:11:11 Popular (1):21:11:11:11 Scalar (1):11:11:11 Scalar (1):11:11:11 Scalar (1):11:11:11 Scalar (1):11:11:11:11 Scalar (1):11:11:11 Scalar (1):11:11:11:11:11 Scalar (1):11:11:11 Scalar (1):11:11:11:11:11:11 Scalar (1):11:11:11	
Conce Same 2 & 0 (0) (022) (022) (02) Read Same 27 (71) (023) (021) (13) (03) Read Same 22 (7) (023) (03) (03) (03) Read Same 22 (7) (03) (03) (03) December 2 (7) (03) (03) (03) (03) (03) December 2 (7) (03) (03) (03) (03) (03) (03) (03) (03	
Main equity Indices WSC Later 4494 (F14) (-22) (-13) (0.6) Bearson (Breat) 4984 (F14) (-13) (-16) (-15, 2) Mondori 4466 (F12) (21) (-23) (-5)	
MSCET ME surges GPT (2: 15) (4:2) (4:3) (4:3) Point T22 (7: 1) (4:2) (4:3) (4:3) More Rylanski Mick (4:3) (4:2) (4:3) (4:3) has 100 (Carlwy) More R-4 (4:4) (4:4) (7:3) More R-4 (4:4) (4:4) (4:4) (4:5)	
MSCI EU Alas 465 (025) (-16) (-0.2) (-2.4) Beografie Companie (Enhan) 2511 (0.5 (1.2) (-2.2) (-17.7) Janaha Campanie Manosa 4085 (1.16 (1.16) (-1.16)) Bene Manosa Reste Manosa	
Dank decodes Transin beness (1 + (8, 4, 4, β, 2, 1) (10)) *4 down T - X - 8 (1 - 2) (-2) (2 - 3) (2 - 2) decom R = (2 - 3) (-4, -2) (-4) (-4) Tarlity is the barrane of (1 - 6) (-4) (1 (-2)) (-2) (-2) (-2) (-2) (-2) (-2) (-2) (-2)	
Russian banks 168 (1. 3) (3. 3) (3. 3) (10. 8) Sebestar 13 (2. 3) (3. (2. 3) (7. 8) UB shar 3. 1. 9, 4) (4. 25) (7. 8) <u>Currencies</u> (in percentage, positive for dollar depreciation)	
00000000000000000000000000000000000000	
Control Control <t< td=""><td></td></t<>	
USDPLN (Poland) 4.01 (1) (2.3) (1.5) (2.1) USDRUB (Poland) 4.52 (1.4) (1.1) (2) (10.9) USDRY (Turkey) 2.9 (1.3) (0.3) (2) (0.5)	
USCENT (Family 46 (1) (4) (4) (3) (3) USDEN (644) (47 (4) (4) (1) (4) (2) USDEN (644) (47 (4) (4) (1) (4) (2) (4) USDEN (644) (4) (4) (4) (4) Commod Biss (charge in percentage)	
Camana dia (charge z papeneby) WH 425 (char) (charge z papeneby) WH 255 (char) (char) (char) Second 215 (char) (char) (char) (char) Second 215 (char) (ch	
Source: Shortberg, Catastineen and He ser	



CDS, EMBI & MSCI indices with one day delay **Credit spread (BAA) with two days delay ***S&P GSCI with one day delay

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 are 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 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 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.