

# Market Comment | Markets still quiet despite a slightly higher volatility

Global Financial Markets Unit  
11 May 2017

- **Positive mood in financial markets seems to halt**, especially in equity indices, that were down across the board (Ibex was the worst-performer in EZ with a significant difference), with a slight increase in volatility. Nonetheless, sovereign bond yields were little changed and major currencies were steady, amid a context of sparse economic data and not significant news.
- The **USD were little changed**, despite **Fed's Rosengren** favors three more hikes in 2017 ([see](#)). On the other hand, the EUR also was steady, despite **ECB Constancio** backed loose monetary policy as he said: "Loose for longer is less risky than a premature withdrawal of stimulus" ([see](#)).
- **BoE kept unchanged its monetary policy** ([see](#)) with a slight deterioration in its growth forecast for the UK caused by a potential consumer slowdown. GBP extended losses after the press conference, being among the major movers in the FX market.
- **Oil prices extended the yesterday's recovery**, amid talks on OPEC oil production cuts extension and despite the release of the OPEC monthly report ([see](#)), in which the organisation sees increasing oil supply in this year.

Update 18 CET 11 May, 2017  
Table 1

Debt markets (10Y % changes in bp)						
Developed Markets	level	Daily	Weekly	Monthly	YTD	
US (2-yr)	1.33	-2.0	2.9	10	12	
US (10-yr)	2.40	-1.6	4.4	10	1	
GER (2-yr)	0.67	-0.3	3.4	18	11	
Germany	0.43	0.8	3.7	23	16	
France	0.88	3.2	4.9	-9	7	
Spain	1.65	4.2	4.8	0	14	
Italy	2.30	4.5	4.2	1	43	
Portugal	3.39	-0.2	-2.9	-46	-78	
Greece	5.63	-0.6	-33.4	-108	-125	
Japan (2-yr)	0.18	0.1	2.0	5	1	
Japan	0.05	3.3	1.7	-1	-1	
Emerging Markets						
level	Daily	Weekly	Monthly	YTD		
Brazil	10.12	-4.2	-14.1	9	-150	
Chile	4.05	5.7	4.6	11	-27	
Colombia	6.31	2.1	9.2	-31	-78	
Mexico	7.27	0.2	2.2	4	-37	
Peru	5.52	-5.2	-1.7	-32	-95	
Poland	3.36	-5.6	-11.7	-8	-35	
Russia	7.77	-2.2	-10.5	-35	-68	
Turkey	10.40	6.0	19.0	-29	-60	
India	6.94	-0.1	2.6	13	56	
Indonesia	7.26	0.0	19.9	17	-59	
Country Risk (bp, changes in bp)						
Developed Markets	level	Daily	Weekly	Monthly	YTD	
<b>10-yr sovereign spread vs Germany</b>						
France	45	2.3	1.2	-31	-9	
Italy	186	3.6	0.5	-21	27	
Portugal	296	-1.1	-6.6	-69	-66	
Spain	122	3.3	1.1	-22	6	
<b>2-yr sovereign spread vs Germany</b>						
France	24	0.3	-2.3	-31	13	
Italy	52	-1.3	-7.8	-31	-10	
Portugal	102	-0.7	-5.7	-23	-45	
Spain	40	2.7	-1.8	-26	-8	
Emerging Markets						
level	Daily	Weekly	Monthly	YTD		
<b>5-yr sovereign CDS*</b>						
Brazil	205	-6	-2	-13	-67	
Chile	73	-3	1	0	-9	
Colombia	129	-4	6	-1	-34	
Mexico	116	-4	3	-10	-41	
Peru	100	-2	4	0	-8	
Venezuela	3,876	-75	345	299	29	
Poland	67	0	1	-1	-8	
Russia	152	-4	1	-19	-24	
Turkey	203	-1	5	-30	-69	
China	79	-1	-1	-4	-38	
India	96	0	-1	-2	-31	
Indonesia	125	1	2	-6	-31	
Risk indicators						
Volatility indicators (%)	level	Daily	Weekly	Monthly	YTD	
VIX	11	6.4	4	-28	-1	
VST OXX	14	2.0	-13	-37	-2	
EM EFT volatility index	16	5.9	6	-16	-19	
Dollar Euro volatility	7	-2.4	-10	-46	-34	
EM FX volatility index	8	-0.4	-1	-10	-25	
Credit spread (BAA) (bps)	223	3.6	-2	-5	-4	
US bonds volatility index	55	0.3	-8	-22	-28	
Banking S&P CDS (bps)*						
level	Daily	Weekly	Monthly	YTD		
US	55	-0.4	-2	-6	-17	
EZ	80	0.4	-6	-33	-28	
UK	59	0.5	-3	-22	-31	
Large Spanish	72	0.3	-7	-31	-45	
Medium Spanish	150	-5.5	-5	-15	-1	
Government S&P CDS (bps)*						
level	Daily	Weekly	Monthly	YTD		
US Non-financial	155	-0.4	-2	-6	-17	
EZ Non-financial	91	0.4	-6	-33	-28	
UK Non-financial	110	-1.1	-1	-5	-9	
Interbank markets (changes in bp)						
level	Daily	Weekly	Monthly	YTD		
EONIA Index	-0.36	0.00	0.0	0.0	0.0	
Euribor 3m	-0.33	0.00	0.0	0.0	0.0	
Euribor 12m	-0.12	0.0	0.0	0.0	0.0	
Libor 3m	1.18	0.00	0.0	0.0	0.2	
Libor 12m	1.79	0.00	0.0	0.0	0.1	
EZTED spread 3m	54.6	0.10	1.5	10.8	-11.8	
Stock markets (%)						
Index	level	Daily	Weekly	Monthly	YTD	
<b>US indices</b>						
S&P500	2,357	0.5	0.1	1	5	
Dow Jones	20,861	-0.4	-0.4	1	5	
Nikkei	19,962	0.3	2.7	6	2	
FTSE 100	7,387	0.0	1.9	0	3	
EuroStoxx 50	3,624	-0.6	-0.1	4	9	
IBEX	10,861	-1.6	-1.4	4	15	
DAX	12,711	-0.4	0.5	5	10	
CAC	5,383	-0.3	0.2	6	10	
MIB	21,483	-0.3	1.5	7	9	
ASE Athens	797	0.7	6.4	17	21	
BSE Latham*	78,045	1.0	1.7	2	5	
Ibovespa (Brazil)	67,579	0.3	4.2	5	10	
Hyundai	49,582	-0.7	1.2	0	6	
MSCI EM Europe*	5,039	0.7	1.6	4	0	
Poland	2,365	-0.6	-0.7	6	18	
Micex (Russia)	2,003	-1.3	0.2	1	-12	
Ne 100 (Turkey)	95,114	-1.1	2.2	5	25	
MSCI EM Asia*	790	0.2	1.3	4	14	
Shanghai Com (China)	3,062	0.3	-2.1	-7	-3	
Jakarta (Indonesia)	5,653	-0.8	0.1	0	7	
Banking Sector						
level	Daily	Weekly	Monthly	YTD		
<b>US banks</b>						
JPM	87.0	-0.4	-0.1	2	0	
Citi	60.6	0.3	0.6	3	-1	
BaK	24.1	-0.4	0.9	5	5	
MS	42.8	-0.7	-1.2	3	-2	
GS	223.8	-0.5	-1.2	-2	-8	
<b>EZ banks</b>						
BNP	66.4	0.6	0.1	12	6	
Crédit Agricole	14.2	-0.9	0.4	16	15	
Deutsche Bank	17.3	-0.9	0.6	13	6	
ING	15.3	-0.4	-1.4	9	10	
Intesa	2.8	-0.6	2.6	13	11	
SG	49.3	-0.9	-4.7	9	2	
Unicredit	16.7	-0.7	4.4	23	19	
<b>UK banks</b>						
HSBC	678.0	1.1	2.1	3	1	
RIS	260.8	-0.9	2.3	11	11	
Barclays	206.6	-1.6	-2.5	-4	-12	
Lloyds	69.7	-0.3	0.5	11	8	
<b>Large Spanish banks</b>						
Santander	90.3	-1.7	2.8	6	16	
BBVA	6.1	-1.2	-1.8	8	18	
Mediobanca	7.4	-2.2	-3.7	5	14	
<b>Medium Spanish banks</b>						
Cáscar	85.0	-1.3	-1.2	9	16	
Celabank	4.2	-0.2	-3.1	11	30	
Populr	0.8	-6.6	14.4	19	-20	
Sabadell	1.8	-1.3	0.9	12	33	
Bankinter	0.4	-1.4	0.6	7	12	
Bankia	1.1	-0.8	-3.3	5	8	
Currencies (% ind for currency depreciation)						
Developed	level	Daily	Weekly	Monthly	Year	
EURUSD	1.09	0.0	1.0	2.5	4	
GBPUSD	1.29	-0.4	-0.3	3.2	5	
USDJPY	113.75	0.5	-1.1	3.8	-3	
DKK	99.58	-0.1	0.8	1.3	2	
Emerging						
level	Daily	Weekly	Monthly	Year		
USDARS (Argentina)	15.46	0.3	0.9	-1.3	4	
USD BRL (Brazil)	3.15	0.6	1.2	-0.4	2	
USD CLP (Chile)	670.50	0.2	0.8	2.5	0	
USD COP (Colombia)	2930	0.5	1.7	-1.9	1	
USD MXN (Mexico)	18.88	0.7	0.9	0.5	12	
USD PEN (Peru)	3.28	0.3	0.0	-0.8	3	
LACI	65.24	0.5	0.9	-1.0	6	
USD PLN (Poland)	3.88	-0.2	-0.8	3.1	7	
USD RUB (Russia)	57.01	0.8	2.3	-0.1	6	
USD TRY (Turkey)	3.58	0.2	0.8	3.2	0	
USD CNY (China)	6.90	0.0	-0.1	-0.2	0	
USD INR (India)	64.38	0.4	-0.3	0.2	5	
USD IDR (Indonesia)	13,346	0.1	-0.1	-0.5	1	
ADXY	105.4	0.1	0.0	0.3	2	
Commodities (%)						
level	Daily	Weekly	Monthly	Year		
<b>Brent</b>						
WTI	48	1.7	5.8	-10	-10	
Copper	250	0.7	0.1	-4	-2	
Gold	1224	0.4	0.4	-4	5	
S&P Spot commodity*	376	1.8	2.1	-6	-5	
S&P Brent Spot*	430	3.1	4.3	-11	-11	
S&P Metals Spot*	311	-0.2	-0.9	3	2	
S&P Agricultural*	291	0.8	0.4	-1	-3	



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Poland	67	0	1	-1	-8
Russia	152	-4	1	-10	-24
Turkey	203	-1	5	-30	-69
China	79	-1	-1	-4	-38
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Banking by CDS (bps) *					
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EZ	80	0.4	-6	-33	-28
UK	59	0.5	-3	-22	-31
Large Spanish	72	0.3	-7	-31	-45
Medium Spanish	150	-5.5	-5	-15	-1
Corporate by CDS (bps) *					
US Non-financial	155	-0.4	-2	-6	-17
EZ Non-financial	91	0.4	-6	-33	-28
UK Non-financial	116	-0.1	-1	-5	-9
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level	Daily	Weekly	Monthly	YTD	
EONIA Index	-0.36	0.00	0.0	0.0	0.0
Euribor 3m	-0.33	0.00	0.0	0.0	0.0
Euribor 12m	-0.12	0.00	0.0	0.0	0.0
Libor 3m	1.18	0.00	0.0	0.0	0.2
Libor 12m	1.79	0.00	0.0	0.0	0.1
EZ TED spread 3m	54.6	0.10	1.5	10.8	-11.8
Stock markets (%)					
Main indices	level	Daily	Weekly	Monthly	YTD
S&P500	2,387	-0.5	-0.1	1	5
Dow Jones	20,861	0.4	0.4	1	5
Nikkei	19,962	0.3	2.7	6	2
FTSE 100	7,387	0.0	1.9	0	3
Eurostoxx 50	3,624	-0.6	-0.1	4	9
IBEX	10,861	-1.6	-1.4	4	15
DAX	12,711	-0.4	0.5	5	10
CAC	5,383	-0.3	0.2	6	10
MBI	21,463	0.3	1.5	7	9
ASE Athens	797	0.7	6.4	17	21
MSCI Latam *	79,045	1.0	1.7	2	8
Bovespa (Brazil)	67,579	0.3	4.2	5	10
Movtel	49,582	-0.7	1.2	0	6
MSCI EM Europe *	5,029	0.7	1.6	4	0
Poland	2,365	-0.6	-0.7	6	18
Misc (Russia)	7,003	-1.3	0.2	1	-12
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MSCI EM Asia *	790	0.2	1.3	4	14
Shanghai Com (China)	3,062	0.3	-2.1	-7	-3
Jakarta (Indonesia)	5,653	-0.8	0.1	0	7
Banking sector	level	Daily	Weekly	Monthly	YTD
US banks	118.0	-0.3	-0.2	2	-2
JPM	87.0	-0.4	-0.1	2	0
Citi	60.6	0.3	0.6	3	-1
BoA	24.1	-0.4	0.9	5	5
MS	42.8	-0.7	-1.2	3	-2
GS	223.8	-0.5	1.2	-2	-8
EZ banks	115.1	0.4	-0.3	13	9
BNP	66.4	0.6	0.1	12	6
Credit Agricole	14.2	-0.9	0.4	16	15
Deutsche Bank	17.3	-0.9	0.8	13	6
ING	15.3	-0.4	-1.4	9	10
Intesa	2.8	-0.6	2.6	13	11
SG	49.3	0.9	4.7	9	2
Unicredit	16.7	3.7	4.4	23	19
UK banks	88.6	-0.3	0.5	5	1
HSBC	678.0	-1.1	-1.1	3	1
RBS	260.8	-0.9	-2.1	11	11
Barclays	206.6	-1.6	-2.5	-4	-12
Lloyds	69.7	-0.3	-0.5	11	8
Large Spanish banks					
Sabadell	98.3	-1.7	2.8	6	16
Santander	6.1	-1.2	-1.8	8	18
BBVA	7.4	-2.2	-3.7	5	14
Medium Spanish banks					
CajaBank	25.0	-1.3	-1.2	9	16
Popular	0.8	-6.6	14.4	19	-20
Sabadell	1.8	-1.3	-0.9	12	33
Banquepar	8.4	-1.4	0.6	7	12
Bankia	1.1	-0.8	-3.3	5	8
Currencies (% red for currency depreciation)					
Developed	level	Daily	Weekly	Monthly	Year
EUR/USD	1.09	0.0	1.0	2.5	4
GBP/USD	1.29	-0.4	-0.3	3.2	5
USD/JPY	113.75	0.5	-1.1	3.0	-3
DXY	99.58	-0.1	0.8	1.1	3
Emerging	level	Daily	Weekly	Monthly	Year
USD/ARS (Argentina)	15.46	0.3	-0.9	-1.3	4
USD/BRL (Brazil)	3.15	0.6	1.2	-0.4	2
USD/CLP (Chile)	670.58	0.2	0.8	-2.5	0
USD/COP (Colombia)	293.0	0.9	1.7	-1.9	1
USD/MXN (Mexico)	18.88	0.7	0.9	-0.5	12
USD/PEN (Peru)	3.28	0.3	0.0	-0.8	3
LACI	65.24	0.5	0.9	-1.0	6
USD/PLN (Poland)	3.88	-0.2	-0.8	3.1	7
USD/RUB (Russia)	57.01	0.8	2.3	0.1	6
USD/TRY (Turkey)	3.58	0.2	-0.8	3.2	0
USD/CNY (China)	6.80	0.0	0.1	-0.2	0
USD/INR (India)	64.38	0.4	-0.3	0.2	5
USD/IDR (Indonesia)	13,346	0.1	-0.1	0.5	1
ADXY	105.4	0.1	0.0	0.3	2
Commodities (%)					
level	Daily	Weekly	Monthly	Year	
Brent	51.1	1.7	5.5	-9	-10
WTX	48	-1.7	5.8	-10	-10
Copper	250	0.7	0.1	-4	-2
Gold	1224	0.4	-0.4	-4	5
S&P Spot commodity *	376	1.8	-2.1	-6	-5
S&P Brent Spot *	430	-3.1	-4.3	-11	-11
S&P Metals Spot *	311	-0.2	-0.9	-3	2
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Source: Bloomberg, Datastream and Haver

\* With one day delay

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