

# Market Comment | Calm in markets awaiting this week's Fed meeting

Global Financial Markets Unit 26 Oct 2015

- Negative data in the US. The increase of US new home sales was worse than expected in September, and fell by 61K compared with August, to 468K (consensus: +549K). Meanwhile, the Dallas Fed manufacturing activity index dropped unexpectedly in October by -3.2 points to -12.7 (consensus: -6.5).
- Disappointing business climate data in Germany. The German IFO business climate index dropped in October more than our expectations (by -0.3 points to 108.2; BBVAe: 108.6, consensus: 107.8). The IFO current assessment decreased unexpectedly (by 1.4 points to 112.6; BBVAe: 114.1 consensus: 113.5), whereas IFO expectations rose unexpectedly (by 0.5 points to 103.8; BBVAe: 103.5, consensus: 102.4).
- Calm in markets awaiting this week's Fed meeting. After the high volatility environment of last week, on the back of the increasing market expectations of further stimuli by the ECB, calm predominated at the beginning of the week. Financial markets across the board were broadly unchanged, waiting for this week's Fed meeting. The release of worse-than-expected macroeconomic data in the US and Germany did not have a significant effect in the markets, confirming monetary policy as the dominant current driver for financial markets. Against this backdrop, equity markets stayed unchanged across the board (S&P 500: -0.2% Euro Stoxx: -0.4%, CAC: -0.7%). The Asian markets, which could have tracked the positive effect of the last Chinese's interest rate cut, also remained broadly unchanged (Nikkei: +0.6%, Shanghai: +0.5%). On bond markets, US treasury yields stayed flattened today (2Y: -1bp, 10Y: -3bp), while European yields remained unchanged, with the exception of Portugal (POR 10Y: +7bp). Commodity prices started the week as they finished the last one, as the fall in oil prices continued its negative trend (Brent: -0.4%, WTI: -1.1%), as well as the copper price (-0.2%), even with the accommodative tone exhibited by major central banks, that could enhance the prospects for future global growth. Despite today's falls in commodity prices, the EM currencies showed a mixed performance (RUB: -0.8%, MXN: +0.6%, CLP: +0.2%, TRY: +0.7%), while the USD depreciated against other major currencies (EUR: +0.26%, JPY: +0.45%, GBP: +0.27%).

### FOMC preview

• The chances of a rate hike announcement at October's FOMC meeting (Wednesday) are slim to none. First and foremost, economic data have proven to be weaker-than-expected since the September meeting and even the latest employment reports have disappointed to the downside. The Fed will not be able to justify its data-dependent strategy if they increase rates based off the data released throughout the past month. However, it will be interesting to see additional commentary of how various FOMC members are responding to this prolonged period of inflation and a falling unemployment rate as we are in a unique economic environment compared to the pre-crisis period. Secondly, this FOMC meeting is not associated with any chair press conference or release of updated economic projections. Announcing the first hike at such a time would cause unwanted reaction in financial markets - something the FOMC



desperately wants to avoid. December remains the Fed's target for liftoff, but delays to 1Q16 are highly possible, and the meeting-by-meeting approach will continue into next year.

Update 17.00 CET 26 October, 2015 Table1

## BBVA Research

(Current level and changes at daily, weekly, monthly and annual frequencies)
Debt markets (dharqaa in 2p) Torostoped Markett US 2pr (0.53 (1) (0) (6) (4) US 5pr (1.53 (2) (6) (4) (4) US 5pr (1.53 (2) (57 (12) US 1097 (25 (5 (2) (57 (12)
Japan 10-yr 0.32 (2) (-1) (-1) (-1)
GE R 2-5yr - 4,322 (D) (d) (d) (22) GE R 5-yr - 4,1(D) (d) (d) (1) (4) GE R 15-yr - 6,5(1) (-2) (1) (4)
Belgium 10-yr 8.8 (-1) (-8) (-12) (-3) Yranco 11-yr 0,85 (0) (-8) (-15) (-2) Genera (-10-yr 7,35 (0) (-8) (-7) (-212) Genera (-10-yr 7,35 (0) (-1) (-7) (-212)
$\label{eq:2} \begin{array}{l} \mbox{Hom}(u,t) = 0, \mbox{Hom}(u,t), \mbox{Hom}(u,t),$
$ \begin{array}{l} \mbox{Trency and p (holds) } \\ \mbox{Conts} \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \$
Mexice 10.yr 5.87 (-1) (1) (-18) (3) Pena 10.yr 7.17 (8) (-10) (-47) (12) Penard 10.ar 2 (67) (12)
Poland 19-yr 2,66 (0) (-2) (-10) (17) Russia 6-yr 10,11 (0) (-16) (-100) (-409) Russia 19-yr (100, 9) (-10) (-111) (-209) Tarlwy 10-yr 9,55 (3) (-29) (-96) (168)
India 10-yr 7,81 (3) (4) (-11) (-27) Indonesia 10-yr 8,82 (-8) (-4) (-88) (79)
Country risk (changes in bp) Developed Mariets Hyr sovereign perceds (against Gemany)
Invested Intel     Terrority     Terror
Symmetry (represent) Symmetry parada (spalar Germany) Beljam 12 (0) 0.23 (0) (3)
Lap december 12 (a) (a) (b) (b) (b) (b) (b) (b) (b) (b) (b) (b
2-protecting memory (span)           2-protecting memory (span)           2-protecting (span)
5-yr aswringin CD5 5-yr CD5 Belgium 36 (+1) (+1) (+12) 5-yr CD5 France 30 (+1) (+1) (+16) 5-yr CD5 France 30 (+1) (+1) (+16) 5-yr CD5 Grammy 13 (10) (+1) (+16)
Sectors         Sectors <t< td=""></t<>
Sup convergence COS Sup cost Sense 124 (-7, (-9) (-240) (-247) Sup cost Sense 124 (-5) (-4) (-5) (-20) Sup cost Sense 124 (-5) (-4) (-5) (-20) Sup cost Sense 124 (-5) (-(-1) (-24) (-4) Sup cost Sense 124 (-5) (-(-1) (-4) (-1) (-24) (-5) (-5) Sup cost Sense 124 (-5) (-(-24) (-(-1) (-1) (-1) (-5) (-5)) Sup cost Sense 124 (-5) (-(-24) (-(-1) (-(-1) (-5) (-5))) Sup cost Sense 124 (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-1) (-(-(-1) (-(-1) (-(-(-1) (-(-(-1) (-(-(-(-(-(-(-(-(-(-(-(-(-(-(-(-(-(-(-
S-yr CDS P (alsof73 (-1) (0) (4) (5) S-yr CDS Russia 205 (4) (6) (-76 (-183) S-yr CDS Turkey 249 (-3) (-7) (-46) (67)
5-yr CDS China 102 (4) (3) (-17) (18) 5-yr CDS India 156 (3) (-10) (-25) (-15) 5-yr CDS Indiaetia 202 (-10) (-25) (-45) (47)
C LIGUAL 105 A. Paik indications (changes in percentage except for EAA apreads, bp) VK: (16, 26, 51) (15, 1(32, 21) (4) VK: (16, 26, 51) (15, 21) (27) (4) VK: (16, 26, 51) (15, 21) (27) (40) (16, 54) (16
C and it /16. 16. The Sector ID Repeat to percentage accept for 26.4 generate, bp) VM 13.2.6 (10.6) 16.2 (20.7.6) 16. (17.7.6) 16.1 (20.7.6) 16. (17.7.6) 17.1 (20.7.6) 16. (17.7.6) 17.1 (20.7.6) 17.7.7 (20.7.6) 17.1 (20.7.6) Content generative (20.7.6) (20.7.6) Content generative (20.7.6) (20.7.6) 16. (20.7.6) 17.1 (20.7.6) 16. (20.7.6) 17.1 (20.7.6) 1
Bank (14), (changes in bp) US banks CDS 78 (2), (4), (4), (5) ENU banks CDS 78 (40), (13), (19), (7) UK banks CDS 88 (4), (13), (20), (12)
Large Spanish banks CDS 110 (4) (46) (48) (23) Medum Spanish banks CDS 145 (45) (48) (27) (31)
Greek banks CDS 2404 (-2) (3) (25) (1520) Russian banks CDS 414 (-10) (-15) (-74) (-173)
Corporate File (charges in box) US Non-Amendia CDS 8 (8) (9) (9) (1457) EW Vien-Amendia CDS 9 (8) (9) (9) (147) UK Non-Amendia CDS 9 (8) (9) (9) (113)
Interbank markets (changes in bp) UEM Of Spread Ten 12 (6)(2)(1)(1) UEM Of Spread Ten 35 (6)(2)(5)(6) UEM TD spread Ten 36 (6)(4)(4)(2)(6)
U(U) U(D) a sporeed from 30 (9)(3)(3)(4) U(B) TED sporeed 3m 38 (6)(4)(42)(6) U(S OIS spreed 3m (15 (8)(6)(-1)(2)
US OE spread 3m 15 (0) (0) (-1) (2) US OE spread 2m 51 (1) (-2) (0) (10) US TE spread 3m 22 (-1) (0) (-1) (0) Spain Ted Spread 3m 8 (-1) (-3, 4) (3) (3)
EONIA Index .4,13 (0) (0,8) (1) (-28) Evaluati 30 .4,08 (0) (-1) (-2) (-4) Evaluat 12m .0,11 (0) (-2) (-4) (-22)
Liker 3m 0,32 (0)(1)(4) (0) (7) Liker 12m 0,33 (0)(1)(4) (20)
Stock markets (Changes in percentage) Developed Markets Main equity indices
State state
Stant accose (2) Senses 54-(4-3):1(-2):(54):(4) 349: 552:(4-5):(32):(57):(5) 542:(54):(4):(4):(7):(5) 453:(2):(4):(4):(5):(5):(4):(5):(5):(5):(5):(5):(5):(5):(5):(5):(5
00 (0.3.7.7.7.8.7.9.10) VISBC 5147 (7.6.9.10,4.9.1,4.10) VISBC 5147 (7.6.9.10,4.9.1,4.10,1.10) Beadges 2374 (4.6.9.10,6.1,4.10,1.10) Beadges 2374 (4.6.9.1,2.10,1.10) Upper 73,6.4.4.2,1.5.16(12)
Vargen // Java (All City) (0.1), (0.1) 809 532 (-42), (1.0), 44 (-10) 809 533 (-42), (1.0), 44 (-10) 809 533 (-42), (1.0), 44 (-10) 800 - (1.0), 64 (-10), 64 800 - (1.0), (1.0)
lintesa 322 (4) 3) (2) 3) (2) 3) 50 (43) (4) (4) (4) (14) (4) Uniceedite 6 (47) (27) (17,3) (13)
Large Spanish banks 89 (-0.3) (1.7) (11,8) (-11) Santander 5,2 (-1.2) (1.7) (13) (-26) BSVA 8, (1,0) (2,7) (11) (48)
Madeus Garante hanka (H. B., 10, 18), 80, (d) Canadat (J. F. (d. A. (J. B.), (16)) Pagear 33, (A2) (A2), (J. B.), (16) Sabalit (J. C. (J. (J. B.), (16)) Bakarter (J. C. (J. (J. B.), (16)) Bakarter (J. C. (J. (J. B.), (16)) Bakarter (J. C. (J. (J. B.), (16)) (J. (J. (J. (J. B.), (16))) (J. (J. (J. (J. (J. (J. (J. (J. (J. (J.
umman (z. 4. 20. 27104) (10. 4710) Aphe Binks (20. 4. 25. 4. 27104) Aphe Binks (20. 4. 2710) (1. 10. (20. 71, 174) Historia E Canada (7. 16. 8) (20. 162) Hatoria E Canada (7. 16. 8) (20. 162) Establish (20. 163) (20. 163)
Billin coupling         Billin cou
Mandal 44911 (42) (0,8) (5,4) (4,1) MSGEE HE Europe 4552 (0,4) (0,7) (5,3) (2,7) Period 2111 (0,2) (0) (1,3) (4,3)
MSCI EN E unope 4552 (9,47) (9,7) (5,3) (2,7) Forand 2111 (9,21)(9) (13) (4,5) Marce Russian (1714 (46) (4,2) (5,4) her 100 (Univery) 70052 (-1,1) (4,6) (6,2) (-2,5) Her 100 (Univery) 70052 (-1,1) (4,6) (6,2) (-2,5)
MSCI E M Aala 697 (6,69) (0,9) (7,8) (3,2) Shangha Composite (China) 3400 (8,5) (1,3) (6,1) (6) Jakata Composite (Indonesia) 4682 (0,8) (2,7) (10,5) (-10)
$\label{eq:starshift} \begin{array}{l} \text{Barch decks} \\ Hease the key $$7(<3)$ (<) (5) (<2) (<) (<) (<5) (<5) (<5) (<5) (<5) (<5) $
Transport & Bankansk (42,2) (4,6) (4,6) (45) Ranslam banks 138 (42,2) (4,7) (4,7) (4,6) (4,6) Sobebank 22 (3,8) (5,6) (2,7) (1,7) (3,7,8) Sobebank (2,7) (3,7) (4,7) (4,7,8) The Samk (2,1(4,2) (4,7) (4,7) (4,7)
Currencles (in percentage, positive for dollar depreciation)
EUROSED 1: 586 (238); 4.24) (-4.8) (-4.7) 6009020 (-14.8) (-71 (02.7) (-3.5) USEDIFY 1: 2322 (-6.4) (-1.19) (-6.7) (-1) 0: 056 (-1.2) (-2) (-7,7) (
USDACK: Operating 3.2 (41) (43.1.4.5) (47.0.1)           USDACK: Operating 3.2 (41) (44.5.6.5)           USDACK: Operating 3.2 (41.1.6) (45.0.1)
USDPLN Proleed 3.86 (4.1) (4.1) (4.7) (9.1) USDRUB (Russia) 62.86 (4.6) (4.6) (4.8) USDRV (Tunky 2.66 (4.7) (4.6) (5) (4.8)
USDCNY (Chan) 6.35 (4) (6,1) (6,5) (2,3) USDCN (pola) 64.37 (4,2) (4,2) (1,8) (2,5) USDCN (bottomin) 1546 (4,2) (4) (7,1) (40,2) MAY (100,7 (42) (2,2) (1,9) (4,6)
Commodities (change in percentage) Breat 47,52 (A)(-A) (-A) (-A) With 443 (-A) (-A) (-A) (-A) With 443 (-A) (-A) (-A) (-A)
Camana di da (danga in perendope) en el 242 (44,61,61,61,71,61,61) with - 443 (24,61,61,61,61,71,61,71) del 1982, 243,61,61,61,71,61,71) del 1982, 243,61,61,61,61,61,61,61,61,61,61,61,61,61,
Source: Elcomberg, Datastream and Haver





[Current level and changes at daily, weekly, monthly and annual frequencies]	
Debt markets (changes in bp) Developed Markets US 2-yr 0.05 (10) (4) (4)	
Uncerpton Statute (1) (4) (4) (4) 105 Syr (1) (4) (4) (4) (4) 105 Syr (1) (4) (4) (4) 105 Syr (1) (4) (3) (4) (4) 105 Statute (1) (4) (4) Japan 10-yr 0,32 (2) (4) (4) (-1)	
2000 (1997) 9.00 (a) (b) (c) (c) (c) (c) (c) (c) (c) (c) (c) (c	
GER 16-yr 0.5 (4) (7) (41) (4) Belgian 16-yr 0.8 (4) (4) (42) (43) Research Rev 0.8 (4) (12) (43) (12) (43)	
$ \begin{array}{l} \mbox{Birgian 15} \mbox{For $3,6$+1,4$(6)+51,(2)$} \\ \mbox{France $15$-1,4$(2),6$(3),(2)$} \\ \mbox{France $15$-1,4$(2),6$(3),(2)$} \\ \mbox{France $15$-1,6$,(3),(2)$} \\ \mbox{France $15$-1,6$,(3),(3),(2)$} \\ France $15$-1,6$,(3),(3),(3),(3),(3),(3),(3),(3),(3),(3)$	
Netherlands 10-yr 0.88 (-1) (-8) (-13) (-2) Pottigal 10-yr 2,44 (7) (8) (-12) (-25) Sgain 10-yr 2,44 (7) (-13) (-25) (2)	
$\label{eq:constraint} \begin{split} & [transformation] (blacks) \\ & Chile (15) e_{1}(15) (5) (10) (10) (10) (10) (10) \\ & Chile (15) e_{1}(15) (10) (10) (10) \\ & Chile (15) e_{1}(15) (10) (10) (10) \\ & Medice (15) e_{1}(15) (15) (10) \\ & Medice (15) e_{1}(15) (15) (15) \\ & Medice (15) e_{1}(15) (15) (15) (15) \\ & $	
Poland 16-yr 2,08 (0) (-2) (-10) (17) Russia Gwr 10, 11 (0) (-10) (-10) (-40) Russia 16-yr (100) (-10) (-10) (-20) Turkyr 10-yr 9,55 (0) (-29) (-56) (168)	
19996 (1997) (1026) (9) (-11) (-2090) Turkey 10-yr 9:55 (5) (-28) (-56) (168) India 10-yr 7:81 (5) (-4) (-11) (-27) Indiaecosa 11-yr 4:82 (-5) (-4) (-48) (79)	
Country risk (changes in bp)	
Developed Relations (b) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1	
Tanco 2 () (2) (2) (2) (2) Based 3 (2) (2) (4) (47) (200) Interd 6 (2) (2) (4) (13) 49, 100 (1) (3) (40) (25)	
Netherlands 17 (1) (-2) (-2) (2) Portugal 194 (8) (12,5) (-2) (-20) Spain 114 (1) (-40 (-25) (7)	
Syr sovereign spreads (against Germany) Belgum 12 (0) (0.2) (0.1) France 18 (0) (1) (-4) (2)	
Greece 1912 (0) (0) (11) (478) triand 32 (0) (2) (-1) (-3) taigy 62 (1) (-5) (-53) (-52)	
(a)     (a)     (b)     (	
2.yr sovereign, spread e (ogelist Gernany) Bergum (1) (0) (0) (0) Trance (5) (0) (2) (-1)	
2 ( 0.0000) a loss of approx 0.00000	
Spain 35 (2) (0) (-7) (-15) S-yr sovernign CD 5	
Syr CDS Generary 13 (0 (-1) (-1) (-1) Syr CDS Generary 13 (0 (-1) (-16) Syr CDS Generary 13 (0 (-1) (0) (-30) Syr CDS Generary 13 (0 (-1) (0) (-30) (-302)	
5-yr CDS Iwland - 47 (-0) (-1) (-1) (-3) 5-yr CDS Iwly - 104 (-4) (-0) (-0) (-3) 5-yr CDS Iwl/netaendd - 17 (-0) (-1) (-0) (-4) 5-yr CDS Iwl/netaendd - 41 (-10) (-10) (-4) 5-yr CDS Iwl/netaendd - 41 (-10) (-10) (-4)	
Ser obvergence CD3 Ser CD3 Beau 41 (7) (5) (-20) (247) Ser CD3 (264 12) (-5) (-4) (-3) (27) Ser CD3 (264 12) (-5) (-4) (-5) (-5) (-5) (-5) (-5) (-5) (-5) (-5	
5-yr CDS P etu 169 (2) (2) (4) (54) 5-yr CDS Vencuels 5115 (294) (43) (-1324) (510)	
Syr CDS Poland73 (+) (0) (4) (3) Syr CDS Russia 263 (4) (6) (-78) (-183) Syr CDS Turkey 249 (-3) (-7 (-46) (87)	
Syr CDS China 102 (-4) (-3) (-17) (16) Syr CDS India 156 (-5) (-10) (-25) (-15) Syr CDS Indianais 202 (-14) (-45) (-47)	
Credit in its hourses in precentings encored for GAA spreads, bp) VAI 123, 63, 1153, 1452, 144 VAI 123, 64, 1153, 1452, 144 VAI 123, 64, 1153, 1452, 144 VAI 124, 64, 1153, 1454, 145	
Ell FX:colatility index 11 (1) (2) (-16) (2) Credit apravel (24A) 3252 (-25) (-5, 5) (7) (01) US bonds volatility index 71 (0) (0) (-7) (-3)	
Bank (Isk (changes in bp) US banks CDS 78 (2) (4) (8) ENU banks CDS 78 (4) (-13)(-19) (-7) UK banks CDS 68 (-5) (-13) (-20) (12)	
UK banks CDS 68 (4) (-13) (-28) (12) Large Spenish banks CDS 119 (4) (-16) (-10) (33) Medium Sgerski banks CDS 146 (-5) (-18) (-27) (-11)	
иточин суряны сайла счос нар (с) (160) (27)(37) Greek banks CDS 2404 (-2) (3) (25) (150) Ransin banks CDS 2414 (-2) (-5) (-24) (-72)	
Corporate r146 (charges in bpd) US Non-Amancai (CS 5 00, 00, 01) (+57) El W Hon-Amancai (CS 5 00, 00) (+67) UK Non-Amancai (CS 5 0, 00) (+0) (+13)	
End o Manamatal Colo 9 (0) (0) (0) (10) 7 IK Non-family Colo 8 (0) (0) (0) (13) Interbank markets (changes in bo)	
Interbank markets (changes in bp) UEM ICS avenus der 12 (0) (2) (1) (1) UEM ICS avenus der 35 (0) (2) (3) (6) UEM TED spresd 3m 36 (0) (4,1) (-2) (6)	
US DIS spread 3m 15 (0) (0) (-1) (2) US DIS spread 12m 51 (1) (-2) (0) (18) US TE D spread 3m 32 (-1) (0) (-1) (18)	
Spain Ted Spread Jm 8 (4) (-3,4) (3) (3)	
EONIA Index 4,13 (0) (0.8) (1) (.28) Euribor 3m - 4,06 (0) (-1) (-2) (-14) Euribor 12m - 0,11 (0) (-2) (-4) (-22)	
Liker 3m 0,32 (0) (1) (0) (7) Liker 12m 0,13 (0) (1) (1) (20)	
Stock markets (Changes in percentage) Developed text sectors Main equity indices Main equity indices Main equity indices	
State media (Section 1998)           State media (Section 1997)           State State (Section 1997)           Marker State (Section 1997)           Marker State (Section 1997)           Betonetaria (Section 1997)           Beton	
Eurostanos, 50: 3411,3 (-4,4) (4,3) (13) (0) BEX10473,6 (0, 2,6) (12,7) (2) DAX: 10756,9 (0) (5,2) (14,5) (10) CAC46005,6 (-6,7) (13) (12, 3) (14)	
MI® 22393,3 (4.6) (3.0) (4.6) (19) ASE Athens 718 (0.0) (4.6) (7.5) (-13)	
$\label{eq:second} \begin{split} & \text{Bank accele} \\ & Bank as $4,4,5,1,1,2,3,1,1,2,1,4,0,0,1,2,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1$	
BoA 16,5 (4,4) (2) (5, 9) (4) MS 32,5 (4,5) (6) (1,6) (4) GS 187,5 (1,1) (9,9) (6) (4)	
UK baris $65.2 (4.5) (9, 4) (4.2) (-7)$ $8526 \le 18.47 (4.26) (6.4) (5.4) (-16)$ $8566 \le 237 (4.60) (10.1) (2.4) (-17)$ 8667 (19.2) (2.5) (1.7) (0.1) 8667 (7.5) (4.4) (7.7) (6.1)	
Bendays 200,7 (42) (44) (47) (0) Llayds 77,5 (44) (2,7) (5) (2) Fill Inanis - 17 (42) (42) (10) (10)	
EVEN basis v 177 (d. 2), (f. 3) (VE) (10) EVEN basis 17, (d. 2), (f. 3) (VE) (0) EVEN basis 17, (d. 2), (f. 3), (f.	
NG 13.4 (0.6) (0.6) (0.6) (0.6) News 3.2 (4.2) (4.2) (4.2) (2.2) S0 (4.3) (4.3) (1.5) (1.5) (2.4) S0 (4.3) (2.4) (1.5) (2.4) (1.5) (2.4)	
Unicidente 6 (-2,7,1,2,7) (1,1,3) (13) Large Spanish banks 89 (-2,3) (1,7) (11,8) (-11) Santander 5,2 (-1,2) (1,1) (15) (-26) 89 (A, 8,1, 0,2) (-2,1) (11) (4)	
881VA 8,1 (0,3) (2,1) (11) (4) Medium Spanish basis 91 (8,1) (-3,0) (8,8) (-4) Conventer 3,2 (4,6) (-5,7) (-6) (-1)	
Madeura Garapha banda (1 (1 (1, 13)) (3) (1 (4)) Gonzaleta (2, 4 (3, 1)) (4)) Popura (2, 6 (2)) (5) (5) (5) (5) Sabadet (1 (5, 4)) (5) (5) (5) (4) Bankiter (5) (1, 1) (5) (5) (4) Bankiter (5) (1, 1) (5) (5) (1) Bankiter (2) (1) (2) (3) (3)	
Bankin 1,2 (2,9) (4,9) (10,9) (3) Greek banks 25,9 (4,1) (11,1) (30,7) (74) Arbe Banki 1,2 (3), (15) (7, 10,7)	
Greek banks 25.9 (4,1)(11,1) (20,7) (74) Alphe Bank) (-2,6)(-15)(-7,2) Prous Bank) (-1,127) (-0,1) (-2,7) National Control Bank (7,4,8) (5,2) (-2,6) National Control Bank (7,4,8) (5,1) (-2,6) National Control Resource (7,4,8) (-2,6) National Control Resource (7,4,6) (-2,6) (	
Emerging Markets	
Main equily indices MSCI Latan 64379 (9,23)(12) (4.9) (-3,6) Boospan (Barry 14732 14,67) (-4,7) (-4,4) (-4,4) Mandal -44911 (-6,2) (5,8) (5,4) (-6,1)	
MSCI EIH Europe 4552 (0,43) (0,7) (5,3) (2,7) Poland 2111 (0,2) (0) (1,3) (4,8) Mines (Russia) (127 (4,8) (4,2) (5,6) (2,8) Jae 100 (Turkey) 70252 (-1,1) (-4,6) (6,2) (-7,5)	
lae 100 (Turkey) 70202 (-1,1) (-0,6) (6,2) (-7,5) MSC II III A sale 697 (0,96) (99) (7,0) (-3,2) Shanghai Composite (China) 3-030 (0,5) (-1,3) (-7,1) (-6) Janatra Composite (Indonesia) 4952 (0,6) (-2,7) (-10,5) (-10)	
Dath Boccel Turksh Backs 79 (-2,3) (-1) (6,5) (-36,5) Albask T.A.S. 7 (-2,3) (-2,3) (7,5) (-16,7) General (-6,2,2) (0,7) (-16,8) Turklye Is Bankasi S (-2,3) (-0,6) (4,6) (-26)	
Russian benta 136 (-0,2) (-0,7) (-7,6) (57,6) Sobelank 22 (-2,6) (58,6) (25,6) (57,6) VTB Bank 0,1 (-2,3) (-4) (7,4) (7,9)	
Currencies (in percentage, positive for dollar depreciation)	
Developed Markets URIVSD 1:145 (0.26) (2,47) (-1,8) (-4,7) GBPUSD 1:54 (0,27) (-4,7) (0,7) (-1,5) USDIPY (1302 (-4,4) (-1,18) (-4,7) (-1) DDY 56,8 (0,2) (-2) (-4,8) (-7,2)	
scauser + cashMd (0.42) (+1.73) (40, ( ) (+1)	
Control 10000000         Control 1000000000000000000000000000000000000	
Compare Name         Compare Nam         Compare Name         Compare Nam         Compare Name         Compare Name <td></td>	
Compare Name         Compare Nam         Compare Name         Compare Nam         Compare Name         Compare Name <td></td>	
Longetter Termine 1 and 2 (12) (12) (12) (12)     Longetter Termine 1 and 2 (12) (12) (12) (12)     Longetter Termine 1 and 2 (12) (12) (12)     Longet	
Longetter Termine 1 and 2 (12) (12) (12) (12)     Longetter Termine 1 and 2 (12) (12) (12) (12)     Longetter Termine 1 and 2 (12) (12) (12)     Longet	
Example 1 (a) (a) (b) (b) (b) (b) (b) (b) (b) (b) (b) (b	
Comparing the second seco	

### BBVA Research

\*CDS, EMBI & MSCI indices with one day delay \*\*Credit spread (BAA) with two days 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.