

Summary

- **COVID-19:** The total number of cases recorded globally has surpassed 131 million, according to Johns Hopkins University & Medicine. Circa 673 million doses of vaccine have been administered globally, at a latest rate of 6.2m doses a day. Reported deaths have reached circa 2.9 million.
- **Equities:** Globally, stocks are broadly positive this morning. In Europe, the Stoxx 600 (+0.7%) reached a new record in early trading hours. The FTSE 100 (+1.2%), the DAX (+1.0%), and the CAC 40 (+0.3%) were also all positive. In the US, futures for the S&P 500 (-0.2%) and the Dow Jones Industrial Average (-0.1%) are marginally down, after the indexes closed at record highs on yesterday.
- **VIX:** The CBOE market volatility index and the Euro Stoxx 50 volatility both increased by +0.8% and +1.0% today, up to 18.1 and 17.1 respectively, below their long term averages of 19.9 and 23.9.
- **Bonds:** The UK 10-year gilt yield and the US 10-year treasury yield both remained stable at 0.83% and 1.71% respectively. The German 10-year bund yield increased +3bps to -0.3%.
- **Currency:** Sterling and the euro are currently \$1.38 and \$1.18. Currency hedging benefits for US dollar denominated investors into the UK and Eurozone are 0.67% and 1.82% on a five year basis.
- **Oil:** Brent Crude and the West Texas Intermediate (WTI) are up +1.3% and +1.5% this morning at \$63.0 and \$59.5.
- **Baltic Dry:** The Baltic Dry declined increased by +1.3% to 2,072 on the 1st April. While this level is -11% below the March peak of 2,319, it remains +52% higher than the start of the year.
- **Gold:** Gold increased by +0.3% this morning to \$1,732 per troy ounce, the highest level in more than a week.
- **Eurozone Unemployment:** The unemployment rate for the Eurozone stood at 8.3% in February for the second consecutive month. This level is higher than 7.3% recorded one year ago and above market expectations of 8.1%.
- **US service sector:** The ISM Services PMI jumped to 63.7 in March from 55.3 a month earlier. Above 50 is considered expansionary. The reading points to the strongest growth in services activity ever recorded.

Research

William Matthews
Partner, Head of Commercial Research
+44 20 3909 6842
william.matthews@knightfrank.com

Victoria Ormond
Partner, Capital Markets Research
+44 20 7861 5009
victoria.ormond@knightfrank.com

Daniel Tomaselli
Senior Research Analyst, Capital Markets
+44 20 8106 1392
daniel.tomaselli@knightfrank.com

Antonia Haralambous
Research Analyst, Capital Markets
+44 20 3866 8033
antonia.haralambous@knightfrank.com

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Economic Dashboard



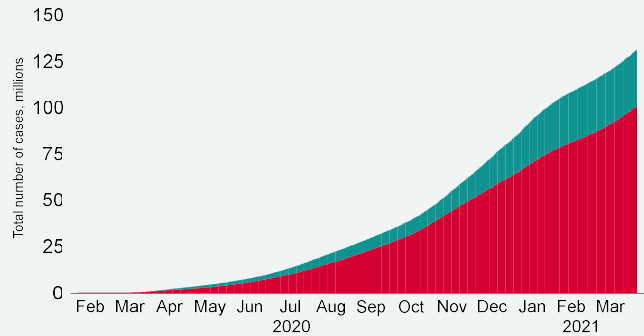
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COVID-19

Cumulative number of global cases

■ World excl US ■ US

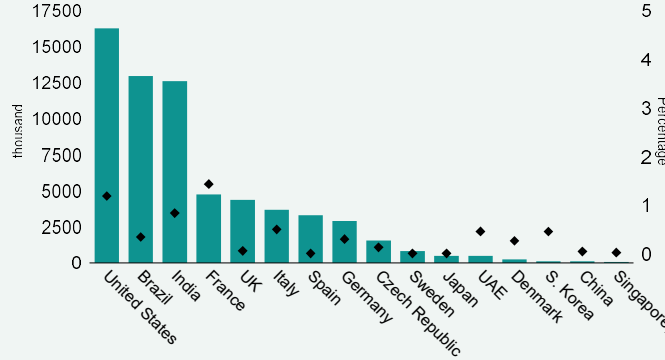


Source: Knight Frank, Macrobond. Last modified: 05 April 2021 16:56 GMT.

The number of total confirmed cases reached 131.0 million on the 5 April, an increase of 562k new cases over the day prior.

Cumulative number of cases by country

■ Number of total cases, lhs ◆ Last day change, rhs

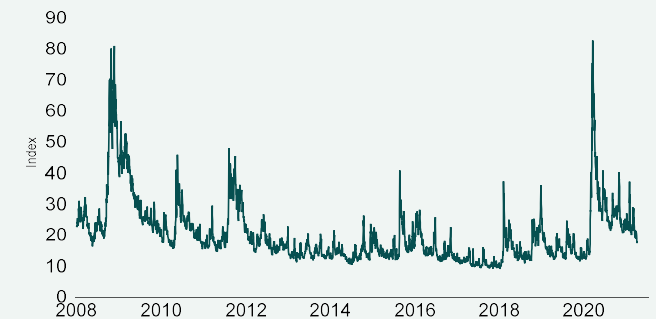


Source: Knight Frank, Macrobond.

The chart presents the number of cumulative cases (left axis) and the percentage change of new cases against the day before (right axis).

Volatility Index

—US, S&P 500 Volatility Index (VIX)



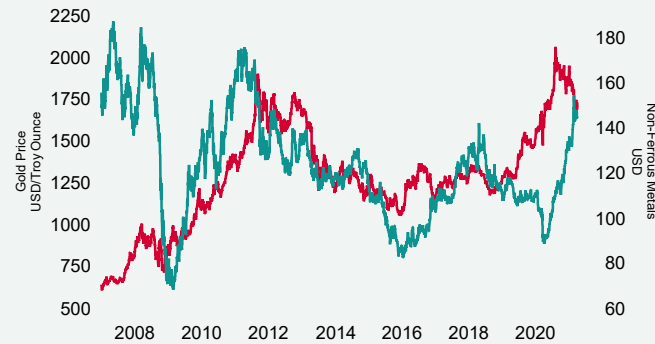
Source: Knight Frank, Macrobond. Last modified: 05 April 2021 21:51 GMT.

The CBOE VIX (colloquially known as the Investor fear gauge) is an indication of near term S&P 500 stock price volatility based on underlying options.

Commodities

Gold and non-ferrous metals price, USD

—Gold, USD, lhs —Non-Ferrous Metals Index, USD, rhs



Source: Knight Frank, Macrobond. Last modified: 06 April 2021 00:00 GMT.

	5 Apr	D/D (%)	YTD (%)
Gold, USD	1727	1.2	-8.9
Non-Ferrous Metals, USD	144	-0.5	11.2

Brent Crude and West Texas Intermediate oil price

—Brent Crude —West Texas Intermediate (WTI)

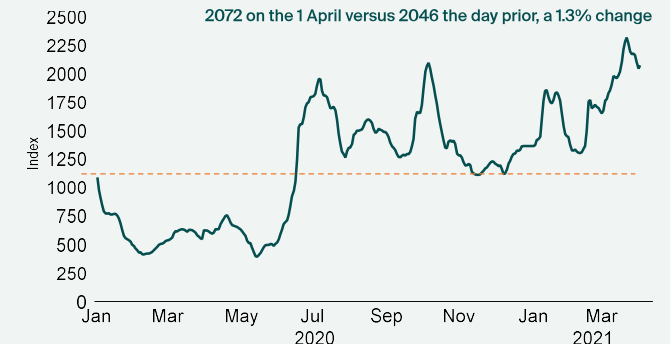


Source: Knight Frank, Macrobond. Last modified: 05 April 2021 23:10 GMT.

Brent crude monitors the level of demand for raw materials and is a measure of economic activity. Lately also influenced by Saudi-Russia price war.

Baltic Dry Index (BDI)

—World, Baltic Exchange, Shipping, Dry Index (BDI), USD



Source: Knight Frank, Macrobond. Last modified: 01 April 2021 13:30 GMT.

Baltic Dry Index is a measure of what it costs to ship raw materials and is a leading indicator of global demand. A lower value means lower demand.

Research

William Matthews
Partner, Head of Commercial Research
+44 20 3909 6842
william.matthews@knightfrank.com

Victoria Ormond
Partner, Capital Markets Research
+44 20 7861 5009
victoria.ormond@knightfrank.com

Daniel Tomaselli
Senior Research Analyst, Capital Markets
+44 20 8106 1392
daniel.tomaselli@knightfrank.com

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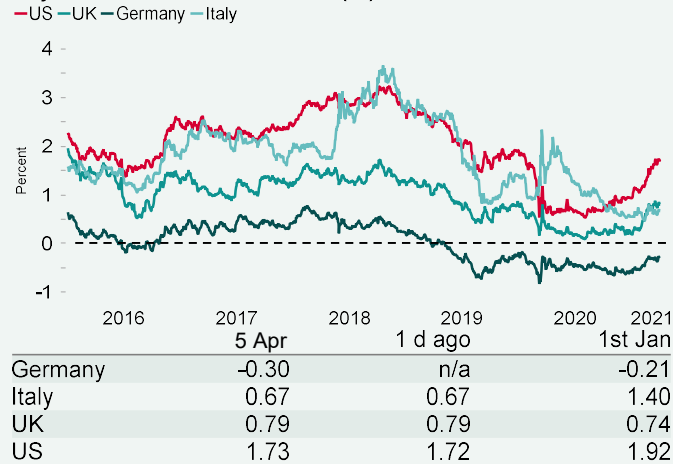


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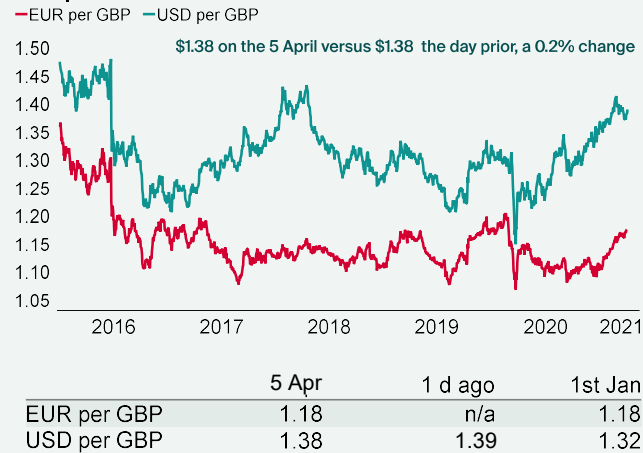
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Bonds and currencies

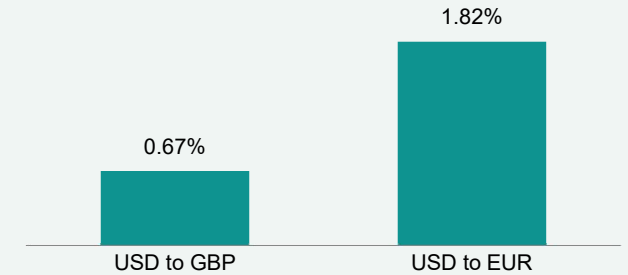
10y Government Bond Yield (%)



FX Spot Rates



Currency hedging benefit p.a. based on a five year forward

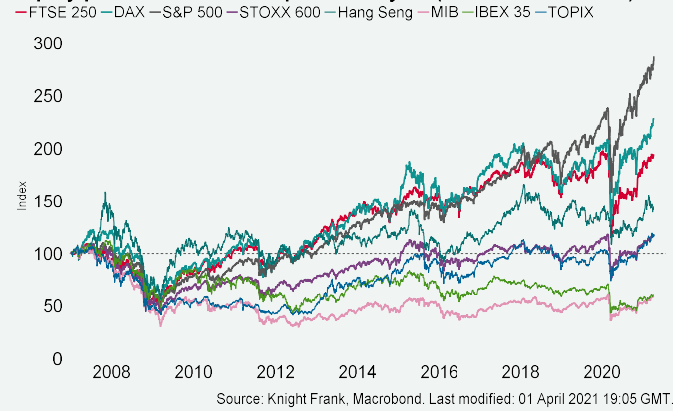


Source: Knight Frank, Investing.com

Approximate additional return per annum that dollar denominated investors may obtain based on five year currency hedge.

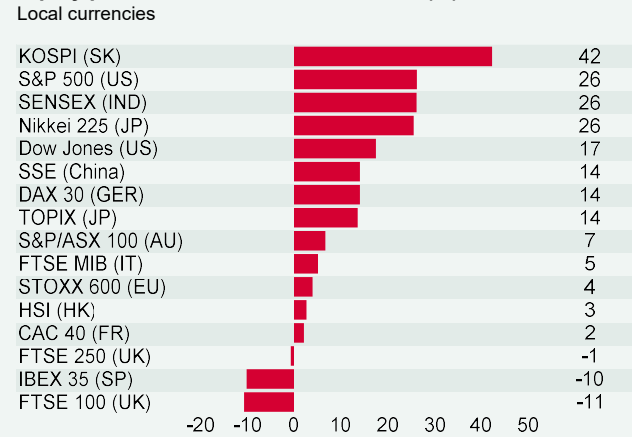
Equity and REIT

Equity performance: since previous cycle (1st Jan 2007 = 100)



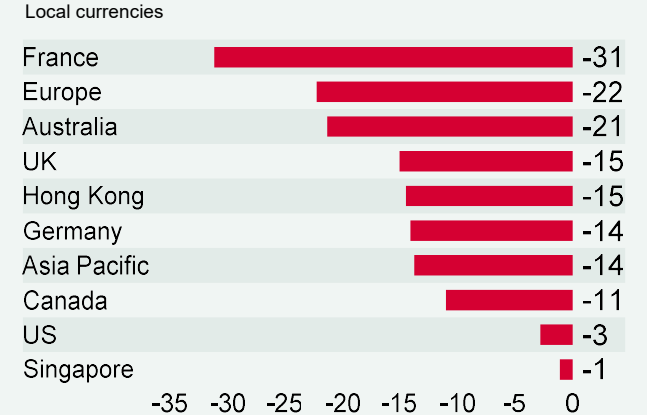
The chart presents the performance of selected equity indexes since the months prior to the global financial crisis (2007).

Equity performance: since 1st Jan 2020 (%)



Source: Knight Frank, Macrobond

REIT performance: since 1st Jan 2020 (%)



Source: Knight Frank, Macrobond

Research

William Matthews
Partner, Head of Commercial Research
+44 20 3909 6842
william.matthews@knightfrank.com

Victoria Ormond
Partner, Capital Markets Research
+44 20 7861 5009
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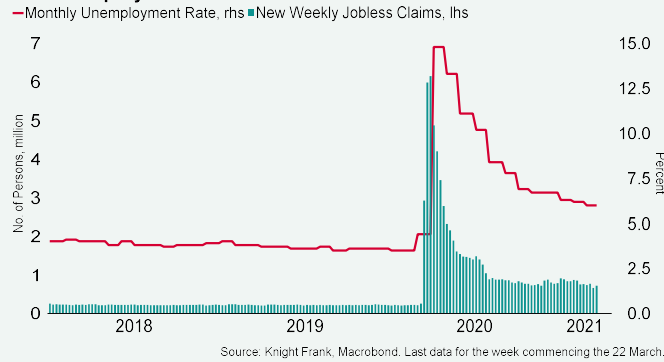


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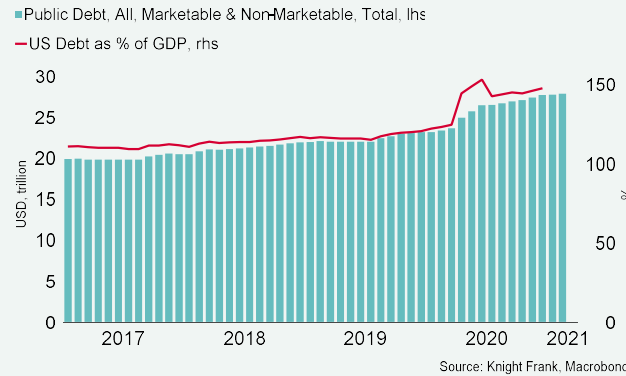
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US unemployment

US Unemployment



US Public Debt



The chart presents the number of Americans that each week file for unemployment benefits (left axis) and the overall monthly unemployment rate (right axis)

The chart presents the amount of American government debt (left axis) compared to debt as a percentage of total US GDP (right axis).

Fiscal policy

Fiscal measures details

UK	£330bn+ : Government backed loans and guarantees equivalent to 15% of UK GDP. SMEs given access to cash grants. Support for furloughed employees of 80% salary ≤£2,500 per month. Furlough scheme extended until October 2020 with employers sharing the cost from August. Taxable grant for self-employed <£50k trading profit, worth 80% of monthly profits up to £2.5k, paid as a lump sum.
USA	\$3.0tn : 2 nd package passed 23 rd April, worth \$483 billion, increasing US stimulus to \$3 trillion (15% GDP).
EU	€1.35tn : This includes €240bn to the European Stability Mechanism, and €200bn in EIB guarantees. On 4 th June, the ECB extended the pandemic purchase programme (PEPP) until June 2021, purchasing an additional €600bn in bonds, taking total stimulus to €1.35tn. €750bn : a new recovery package for EU member states announced in July including €390bn in grants and €360 in interest free loans.
Germany	€880bn : The emergency aid measure approved on Monday 23 rd of March. In June an additional €130bn fiscal stimulus programme including VAT rate cut to 16% from 19% and one off 'children's bonus' payment.
Italy	€400bn : The stimulus announced on the 7 th April €25bn : Emergency package to support businesses and families.
France	€100bn : The stimulus announced on the 3 rd September €45bn : The aid package for SMEs and other hard-hit sectors announced by the French government on 17 th of March. Includes deferred corporate tax, social security charges and two months state payments to laid off workers. €300bn : government backed loans.
Spain	€200bn : the aid package includes government loan guarantees to ensure liquidity for SMEs (the government said it would provide businesses with "all the liquidity they need"), other government commitments and private money.
Japan	\$2.2tn : Further stimulus announced in late May added \$1.1 trillion to the country's stimulus package, bringing total stimulus to \$2.18 trillion or 40% of GDP.
Hong Kong	HK\$10k for every adult citizen (c.£7bn).

Source: Knight Frank, various sources

Monetary policy

Central Banks Policy Rates

	Current Rate	Rate at 1/1/2020	YTD Change
Advanced Economies			
Australia	0.10%	0.75%	0 bps
Canada	0.25%	1.75%	0 bps
Euro Area	0.00%	0.00%	0 bps
France	0.00%	0.00%	0 bps
Germany	0.00%	0.00%	0 bps
Italy	0.00%	0.00%	0 bps
Sweden	0.00%	-0.25%	0 bps
Japan	-0.10%	-0.10%	0 bps
United Kingdom	0.10%	0.75%	0 bps
United States	0.25%	1.75%	0 bps
Developing Economies			
Brazil	2.75%	4.50%	75 bps
China	4.35%	4.35%	0 bps
India	4.00%	5.15%	0 bps
Mexico	4.00%	7.25%	-25 bps
Russia	4.50%	6.25%	25 bps
Saudi Arabia	1.00%	2.25%	0 bps
South Korea	0.50%	1.25%	0 bps
Turkey	19.00%	12.00%	200 bps

Central Bank Assets Purchasing Programme

	Lastest (\$)	MoM (%)	YoY (%)
Advanced Economies			
Australia	304 bn	5.8%	81.0%
Canada	458 bn	4.1%	395.9%
Euro Area	8.88 tn	2.9%	62.4%
France	2.1 tn	-0.1%	69.4%
Germany	3.01 tn	0.3%	52.8%
Italy	1.66 tn	0.0%	50.4%
Sweden	162 bn	0.0%	81.3%
Japan	6.6 tn	-2.1%	23.7%
United Kingdom	1.1 tn	0.9%	92.6%
United States	7.69 tn	1.6%	34.1%
Developing Economies			
Brazil	436 bn	-4.2%	-10.5%
China	5.93 tn	-1.4%	15.0%
India	407 bn	1.0%	33.7%
Mexico	228 bn	-1.6%	10.8%
Russia	701 bn	0.0%	-0.9%
Saudi Arabia	489 bn	-0.9%	-3.2%
South Korea	482 bn	-2.2%	15.6%
Turkey	110 bn	-1.0%	10.0%

Research

William Matthews
Partner, Head of Commercial Research
+44 20 3909 6842
william.matthews@knightfrank.com

Victoria Ormond
Partner, Capital Markets Research
+44 20 7861 5009
victoria.ormond@knightfrank.com

Daniel Tomaselli
Senior Research Analyst, Capital Markets
+44 20 8106 1392
daniel.tomaselli@knightfrank.com

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Research Analyst, Capital Markets
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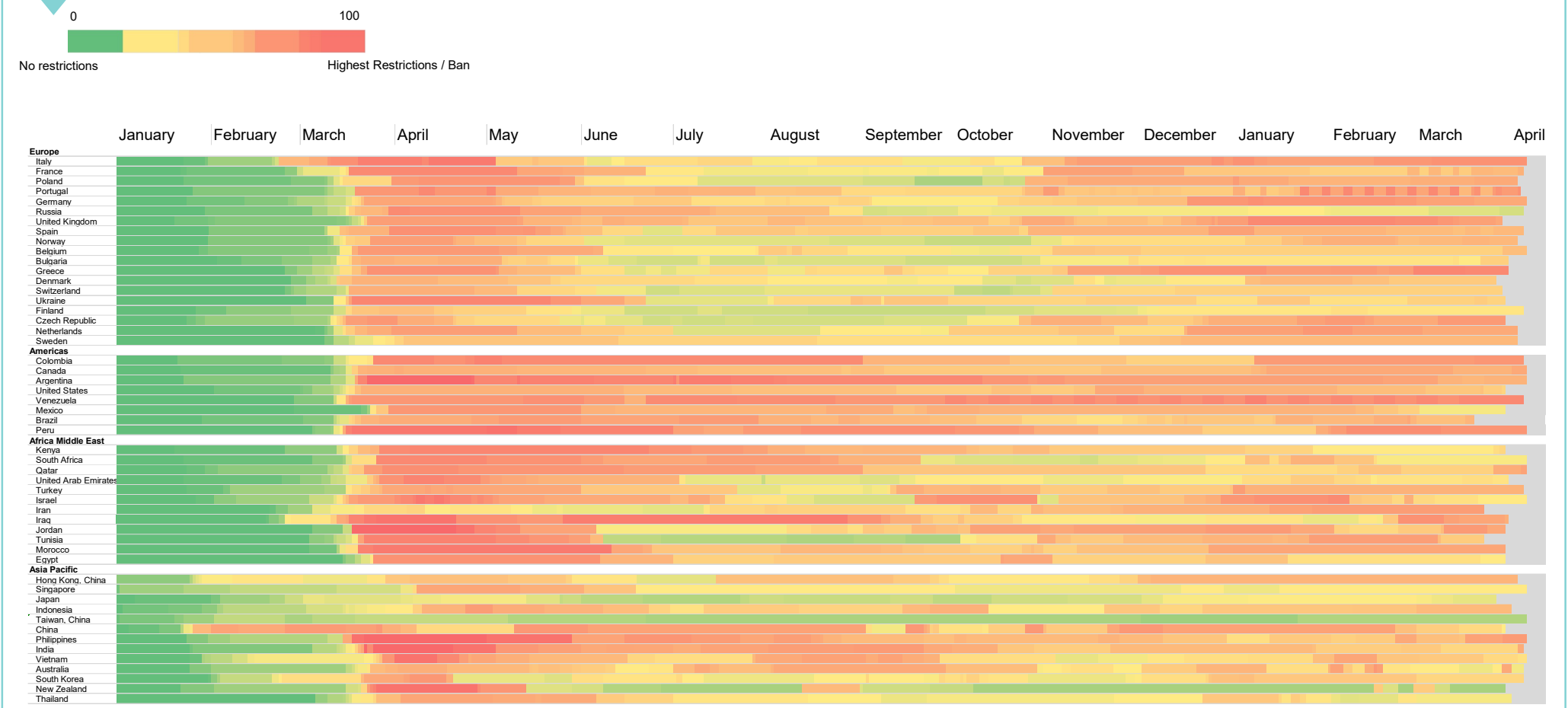
Economic Dashboard

06 April 2021



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Timeline of Covid-19 containment measures and their stringency



This chart shows the change in severity of containment measures over time, up to the latest data. Green indicates a score of zero or no restrictions, while the darkest red indicates the highest restrictions or complete bans. Where grey, no new data is available.

Source: Knight Frank, Macrobond, Oxford University

Research

William Matthews
Partner, Head of Commercial Research
+44 20 3909 6842
william.matthews@knightfrank.com

Victoria Ormond
Partner, Capital Markets Research
+44 20 7861 5009
victoria.ormond@knightfrank.com

Daniel Tomaselli
Senior Research Analyst, Capital Markets
+44 20 8106 1392
daniel.tomaselli@knightfrank.com

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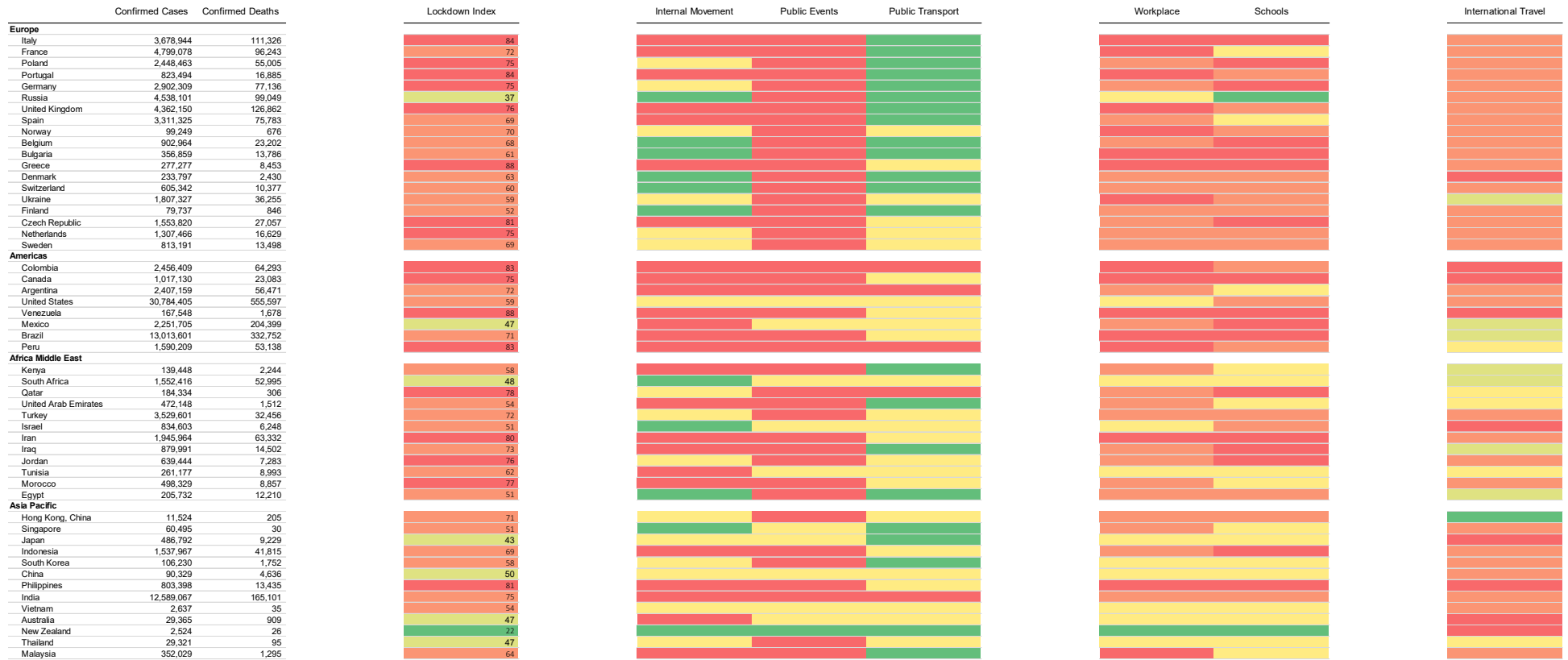
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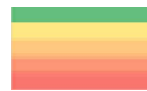
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Overview of the severity of Covid-19 and the resulting containment measures



	Confirmed Cases	Confirmed Deaths
Europe		
Italy	3,678,944	111,326
France	4,799,078	96,243
Poland	2,448,463	55,005
Portugal	823,494	16,895
Germany	2,902,309	77,136
Russia	4,538,101	99,049
United Kingdom	4,362,150	126,862
Spain	3,311,325	75,783
Norway	99,249	676
Belgium	902,964	23,202
Bulgaria	356,859	13,786
Greece	277,277	8,453
Denmark	233,797	2,430
Switzerland	605,342	10,377
Ukraine	1,807,327	36,255
Finland	79,737	846
Czech Republic	1,553,820	27,057
Netherlands	1,307,466	16,629
Sweden	813,191	13,498
Americas		
Colombia	2,456,409	64,293
Canada	1,017,130	23,083
Argentina	2,407,159	56,471
United States	30,784,405	555,597
Venezuela	167,548	1,678
Mexico	2,251,705	204,399
Brazil	13,013,601	332,752
Peru	1,590,209	53,138
Africa Middle East		
Kenya	139,448	2,244
South Africa	1,552,416	52,995
Qatar	184,334	306
United Arab Emirates	472,148	1,512
Turkey	3,529,601	32,456
Israel	834,603	6,248
Iran	1,945,964	63,332
Iraq	879,991	14,502
Jordan	639,444	7,283
Tunisia	261,177	8,993
Morocco	498,329	8,857
Egypt	205,732	12,210
Asia Pacific		
Hong Kong, China	11,524	205
Singapore	60,495	30
Japan	486,792	9,229
Indonesia	1,537,967	41,815
South Korea	106,230	1,752
China	90,329	4,636
Philippines	803,398	13,435
India	12,589,067	165,101
Vietnam	2,637	35
Australia	29,365	909
New Zealand	2,524	26
Thailand	29,321	95
Malaysia	352,029	1,295

Lockdown Index key & Scale
 No Restrictions: 0 – 25
 Recommended Restrictions: 26 – 50
 Enforced Restrictions: 51 – 75
 Highest Restrictions / Ban: 76 – 100



Internal movements	Public events	Public transport	Value
No measure	No measure	No measure	0
Recommended	Recommended	Recommended	1
Restriction	Required	Required	2

Workplace	Schools	Value
No measure	No measure	0
Recommended	Recommended	1
Required closure of some sectors	Some level of schooling required to close	2
Required closure for all but essential work	All schools required to close	3

International travel	Value
No measure	0
Screening	1
Quarantine arrivals from high risk regions	2
Ban on high risk regions	3
Total border closure	4

In line with some of the fewest reported cases and the smallest reported deaths attributed to COVID-19, New Zealand has the lowest 'lockdown index' score at 22, indicating the restrictions in place are generally recommendations and are not enforced. Countries including Iraq, Argentina and Colombia have some of the highest 'lockdown index' scores.

For most countries, public transport has the most relaxed restrictions. Tunisia, Norway, Poland, Netherlands and Greece are the only countries with no measures implemented on public events. Meanwhile, across the world, there is some measure of restriction on international travel. However, France is the exception, where international travel is freely permitted with no measures implemented.

Source: Knight Frank, Macrobond, Oxford University

Research

William Matthews
 Partner, Head of Commercial Research
 +44 20 3909 6842
 william.matthews@knightfrank.com

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 Partner, Capital Markets Research
 +44 20 7861 5009
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