

COVID-19 Dashboard

12 August 2020



Internal and key client use only

Summary

- **Lockdown:** A three day lockdown has been reintroduced in Auckland, New Zealand, following a family, who hadn't recently travelled, presenting with COVID-19. Nationwide, large gatherings have also been restricted.
- **Equities:** In Europe, the STOXX 600 and the CAC 40 are both +0.3% over the morning, while the DAX and FTSE 250 are both -0.1%. In the US, futures for the S&P 500 are up +0.8%. In Asia, the Hang Seng (+1.4%), Topix (+1.2%) and Kospi (+0.6%) closed higher, while the CSI 300 (-0.7%) and the S&P / ASX 200 (-0.1%) were down.
- **VIX:** The CBOE market volatility index remains volatile in itself, with the index increasing +8.6% yesterday, before decreasing -5.2% over the morning to 23.6. This level remains elevated, relative to its long term average. In Europe, the Euro Stoxx 50 volatility price index has increased +0.6% to 23.5, but remains below the long term average of 23.9.
- **Bonds:** The US 10-year treasury yield has softened +3bps to 0.67%, the UK 10-year gilt yield +2bps to 0.22% and the German 10-year bund yield +1bp to -0.46%.
- **Currency:** Sterling and the euro remain steady at \$1.31 and \$1.18, respectively. Hedging benefits for US dollar denominated investors into the UK and the eurozone are 0.29% and 1.11% per annum on a five-year basis.
- **Baltic Dry:** The Baltic Dry index gained a further +0.3% yesterday, lifting the index to 1,510.
- **Oil:** Brent Crude and the West Texas Intermediate (WTI) are up +1.3% and +1.4% over the morning, to \$45.09 per barrel and \$42.20 per barrel. Both Brent Crude and the WTI are the highest they have been since early March.
- **Gold:** The price of gold has declined back below \$2,000 after contracting -5% to \$1,921. Gold surpassed \$2,000 on 4th August and remained above for the following 4 sessions.
- **UK GDP:** The UK has entered into its first recession in 11 years, with GDP declining -20.4% in Q2 2020, following a -2.2% fall in Q1. While the reduction in GDP is slightly smaller than expectations of -20.5%, it remains the largest quarterly decline in GDP on record. According to the ONS, GDP has recovered by 8.7% over June, but remains -17.2% than February, before the full onset of COVID-19 in the UK.

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COVID-19 Dashboard

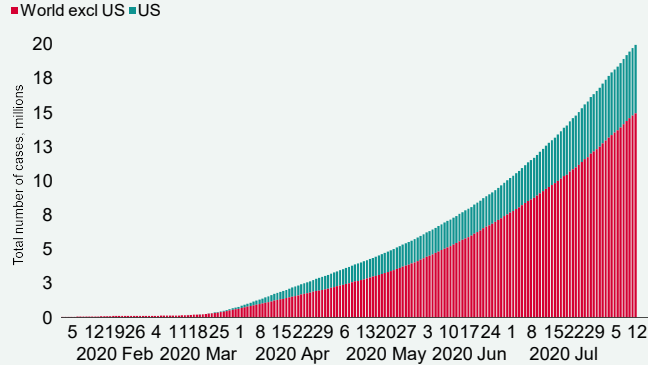
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COVID-19

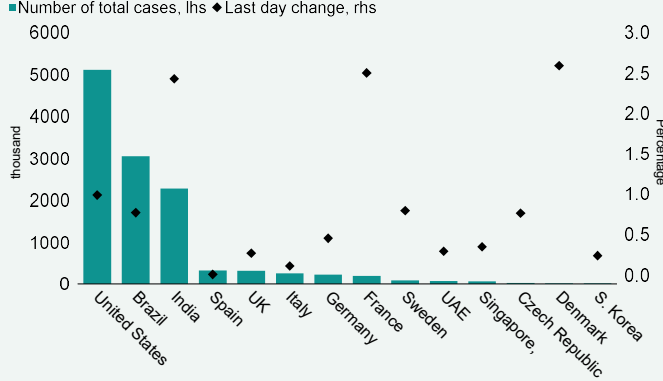
Cumulative number of global cases



Source: Knight Frank, Macrobond. Last modified: 11 August 2020 19:29, 11 August 2020 19:29 GMT.

The number of total confirmed cases reached 19.9 million on the 11 August, an increase of 218k new cases over the day prior.

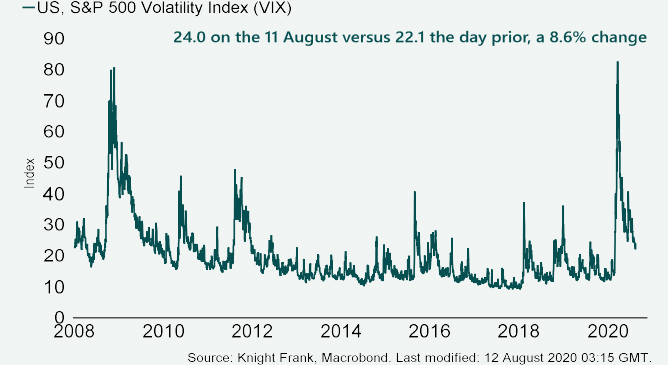
Cumulative number of cases by country



Source: Knight Frank, Macrobond. Last modified: 11 August 2020 00:00 GMT.

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

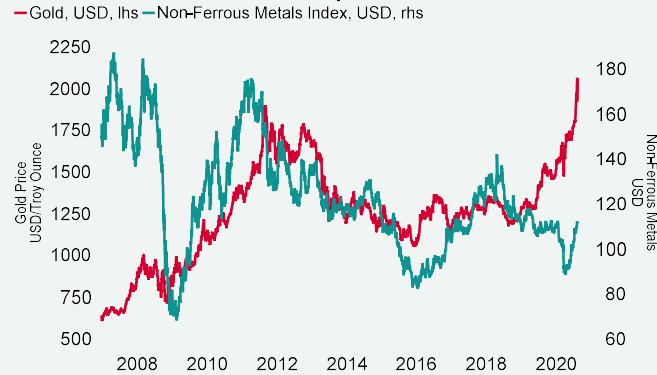


Source: Knight Frank, Macrobond. Last modified: 12 August 2020 03:15 GMT.

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

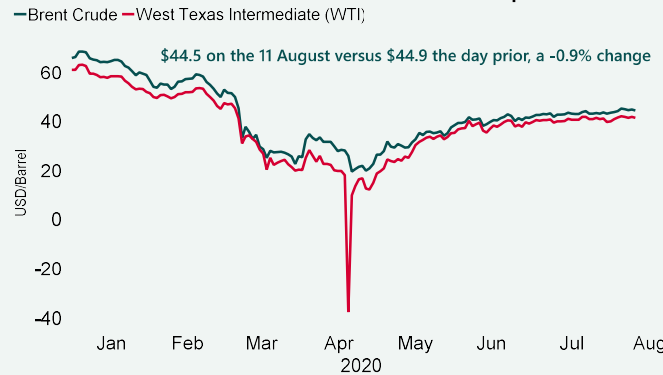
Gold and non-ferrous metals price, USD



Source: Knight Frank, Macrobond. Last modified: 12 August 2020 00:00 GMT.

	11 Aug	D/D (%)	YTD (%)
Gold, USD	1921	-5.6	26.6
Non-Ferrous Metals, USD	112	-0.2	1.1

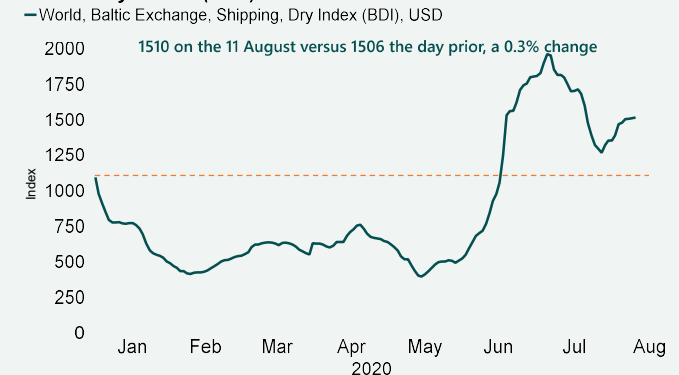
Brent Crude and West Texas Intermediate oil price



Source: Knight Frank, Macrobond. Last modified: 11 August 2020 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)



Source: Knight Frank, Macrobond. Last modified: 11 August 2020 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.

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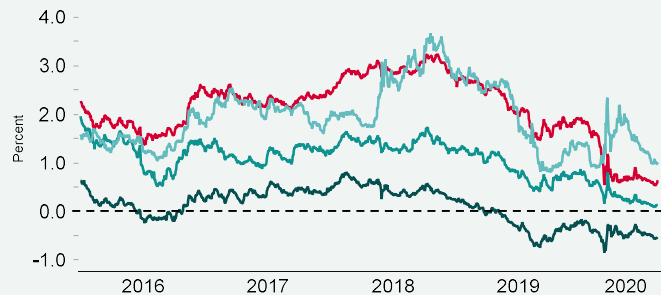


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Bonds and currencies

10y Government Bond Yield (%)

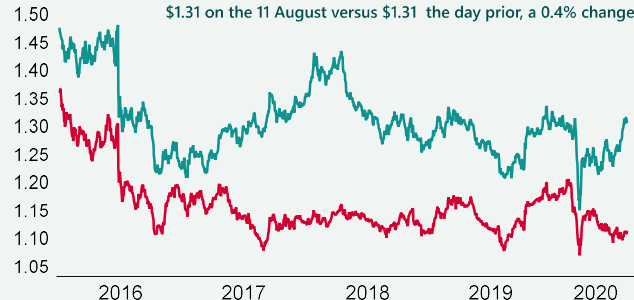
—US —UK —Germany —Italy



	11 Aug	1 d ago	1st Jan
Germany	-0.53	-0.54	-0.19
Italy	1.01	0.98	1.40
UK	0.13	0.13	0.82
US	0.64	0.59	1.92

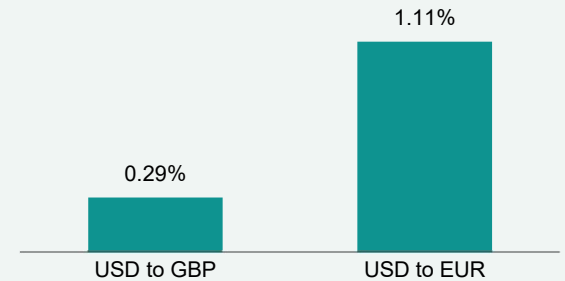
FX Spot Rates

—EUR per GBP —USD per GBP



	11 Aug	1 d ago	1st Jan
EUR per GBP	1.11	1.11	1.18
USD per GBP	1.31	1.31	1.32

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

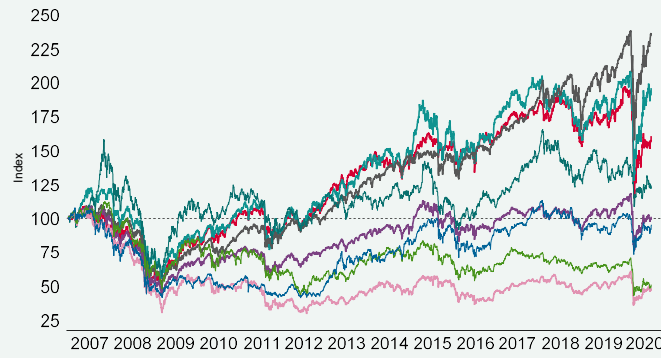


Source: Knight Frank, Investing.com
Approximate additional return per annum that dollar denominated investors may obtain based on five year currency hedge.

Equity and REIT

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

—FTSE 250 —DAX —S&P 500 —STOXX 600 —Hang Seng —MIB —IBEX 35 —TOPIX

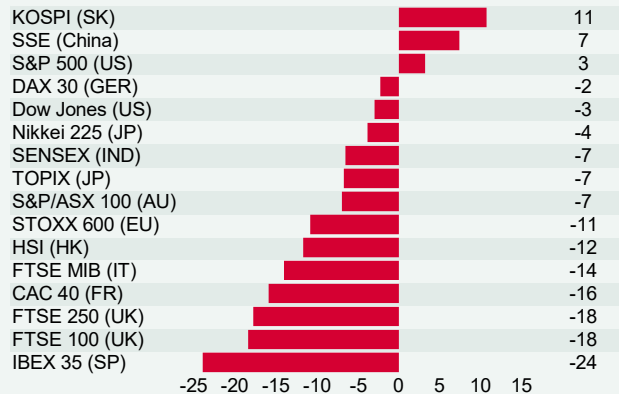


Source: Knight Frank, Macrobond. Last modified: 11 August 2020 19:05 GMT.

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

Equity performance: YTD (%)

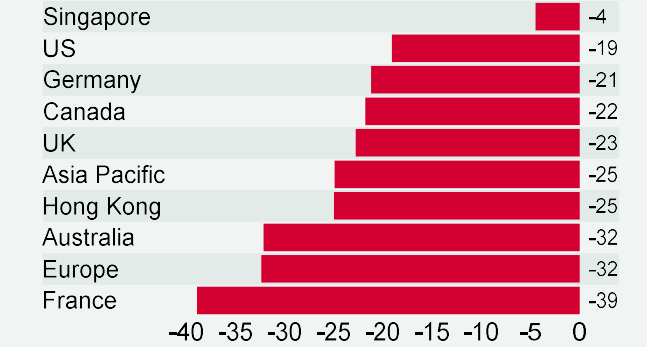
Local currencies



Source: Knight Frank, Macrobond

REIT performance: YTD (%)

Local currencies



Source: Knight Frank, Macrobond

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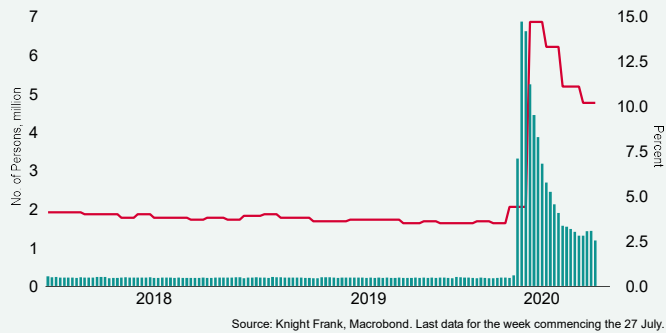


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US indicators

US Unemployment

— Monthly Unemployment Rate, rhs — New Weekly Jobless Claims, lhs



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

2020 Presidential Winner (probability of winning, %)

— Trump — Biden



	12 Aug	1 week ago	1 month ago
Trump	44%	41%	40%
Biden	59%	60%	62%

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	€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	0.25%	0.75%	-50 bps
Canada	0.25%	1.75%	-150 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%	25 bps
Japan	-0.10%	-0.10%	0 bps
United Kingdom	0.10%	0.75%	-65 bps
United States	0.25%	1.75%	-150 bps
Developing Economies			
Brazil	2.00%	4.50%	-250 bps
China	4.35%	4.35%	0 bps
India	4.00%	5.15%	-115 bps
Mexico	5.00%	7.25%	-225 bps
Russia	4.25%	6.25%	-200 bps
Saudi Arabia	1.00%	2.25%	-125 bps
South Korea	0.50%	1.25%	-75 bps
Turkey	8.25%	12.00%	-375 bps

Central Bank Assets Purchasing Programme

	Lastest (\$)	MoM (%)	YoY (%)
Advanced Economies			
Australia	198 bn	1.8%	69.5%
Canada	387 bn	14.3%	335.9%
Euro Area	7.53 tn	5.9%	43.9%
France	1.78 tn	15.4%	40.7%
Germany	2.68 tn	7.5%	37.3%
Italy	1.49 tn	7.3%	33.1%
Sweden	142 bn	7.5%	50.4%
Japan	6.31 tn	3.4%	16.7%
United Kingdom	783 bn	-0.1%	-1.5%
United States	6.95 tn	-0.2%	83.7%
Developing Economies			
Brazil	529 bn	2.6%	-4.1%
China	5.14 tn	-0.2%	-2.7%
India	357 bn	1.2%	32.2%
Mexico	218 bn	3.7%	13.2%
Russia	650 bn	2.9%	3.1%
Saudi Arabia	481 bn	2.9%	-7.8%
South Korea	445 bn	2.9%	7.7%
Turkey	104 bn	-3.6%	-4.4%

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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, various sources

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

	Confirmed Cases	Confirmed Deaths	Lockdown Index	Internal Movement	Public Events	Public Transport	Workplace	Schools	International Travel
Europe									
Italy	248,803	35,181	48						
France	194,029	30,305	31						
Poland	48,789	1,756	40						
Portugal	51,848	1,740	65						
Germany	213,067	9,175	57						
Russia	867,343	14,532	63						
United Kingdom	307,184	46,364	68						
Spain	305,767	29,499	64						
Norway	9,362	256	34						
Belgium	71,065	9,859	65						
Bulgaria	12,414	415	42						
Greece	4,973	210	46						
Denmark	14,185	616	56						
Switzerland	35,838	1,705	45						
Ukraine	75,490	1,788	54						
Finland	7,512	331	38						
Czech Republic	17,529	388	36						
Netherlands	56,381	6,153	40						
Sweden	81,540	5,760	37						
Americas									
Colombia	345,714	11,624	82						
Canada	118,172	8,962	67						
Argentina	213,522	4,009	89						
United States	4,823,891	158,256	69						
Venezuela	22,299	195	86						
Mexico	456,100	49,698	71						
Brazil	2,859,073	97,256	73						
Peru	447,624	20,228	81						
Africa Middle East									
Kenya	23,873	391	73						
South Africa	529,877	9,298	81						
Qatar	111,805	178	78						
United Arab Emirates	61,860	355	60						
Turkey	236,112	5,784	48						
Israel	78,324	565	53						
Iran	317,483	17,802	64						
Iraq	137,556	5,094	93						
Jordan	1,231	11	48						
Tunisia	1,601	51	27						
Morocco	28,500	435	70						
Egypt	94,875	4,930	60						
Asia Pacific									
Hong Kong	3,754	43	67						
Singapore	54,254	27	52						
Japan	42,263	1,026	31						
Indonesia	116,871	5,452	63						
Taiwan	445	7	19						
South Korea	14,499	302	50						
China	88,328	4,677	82						
Philippines	115,980	2,123	80						
India	1,964,536	40,699	80						
Vietnam	717	9	75						
Australia	19,444	247	72						
New Zealand	1,219	22	69						
Thailand	3,330	58	49						
Malaysia	9,023	125	57						

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
Some level of schooling required to close	Some level of schooling required to close	2
Required closure of some sectors	All schools required to close	3
Required closure for all but essential work		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, Taiwan has the lowest 'lockdown index' score at 19, indicating the restrictions in place are generally recommendations and are not enforced. Countries including Iraq, Kenya and Peru have some of the highest 'lockdown index' scores.

For most countries, public transport has the most relaxed restrictions. Taiwan, Tunisia, Norway, Poland, Netherlands, Ukraine, and New Zealand 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 and Egypt are the exceptions, where international travel is freely permitted with no measures implemented.

Source: Knight Frank, Macrobond, Oxford University, Last Updated: 12/08/2020

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