

COVID-19 Dashboard

6 July 2020



Internal and key client use only

Summary

- **COVID-19:** The total number of recorded cases globally has now exceeded 11 million, with 528k reported deaths, according to the World Health Organisation. One quarter of the cases are in the US.
- **Equities:** In Europe, the STOXX 600 is up +1.5%, while the DAX and the FTSE 250 have seen increases of +1.9% and +1.5%. In Asia, the CSI 300 closed +5.7% higher, the biggest one-day rise since February 2019. The Hang Seng (3.8%), Kospi (+1.7%) and Topix (+1.6%) were also up on close. In the US, futures for the S&P 500 and the Dow Jones Industrial Average are +1.7% and +2.1%.
- **VIX:** The CBOE market volatility index and the Euro Stoxx 50 volatility price index remain below 30, sitting at 28.50 and 28.11 respectively. Both indices remain above their long term averages however, indicating further expectations of near-term volatility.
- **Bonds:** The UK 10-year gilt yield, US 10-year treasury yield and German 10-year bund yield are currently 0.21%, 0.69% and -0.43%.
- **Currency:** Both sterling and the euro have slightly appreciated this morning to \$1.25 and \$1.13, respectively. Hedging benefits for US dollar denominated investors into the UK and the eurozone are currently 0.27% and 1.11% per annum on a five-year basis.
- **Baltic Dry:** The Baltic Dry has increased for 25 consecutive sessions, up +3.9% to 1,894 on Friday. The index was last this high on 16th October and has recovered by 1,501 points since mid-May. This indicates improving demand for raw materials and subsequently manufacturing, as well as some adjustment to the supply side.
- **Oil:** Brent Crude and the West Texas Intermediate (WTI) both remain above \$40, currently at \$43.52 and \$40.88 per barrel, respectively.
- **UK Construction:** The Construction PMI increased to 55.3 in June from 28.9 in May, considerably above market expectations of 47.0. This is the steepest increase in the index since July 2018. Figures above 50 are considered expansionary.

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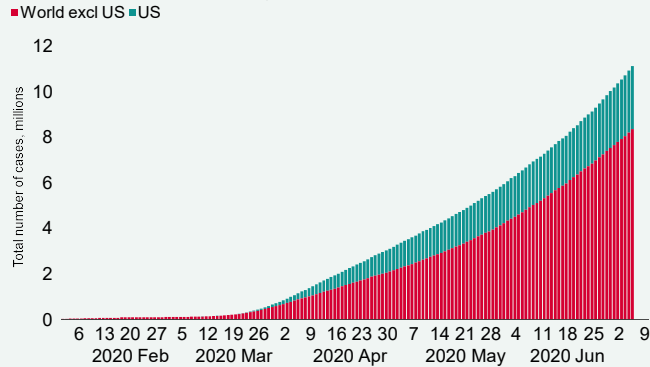
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COVID-19

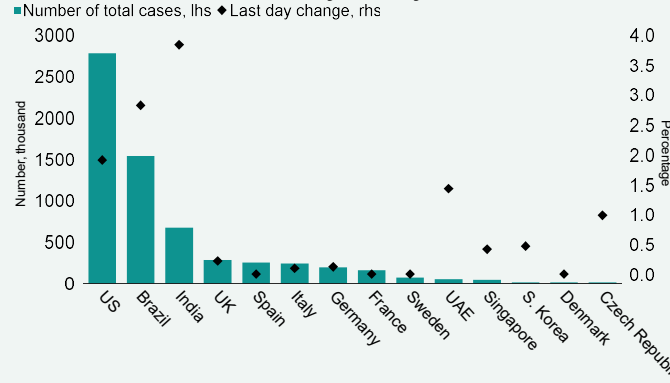
Cumulative number of global cases



Source: Knight Frank, Macrobond. Last modified: 05 July 2020 17:31 GMT.

The number of total confirmed cases reached 11.1 million on the 5 July, an increase of 203k new cases over the day prior.

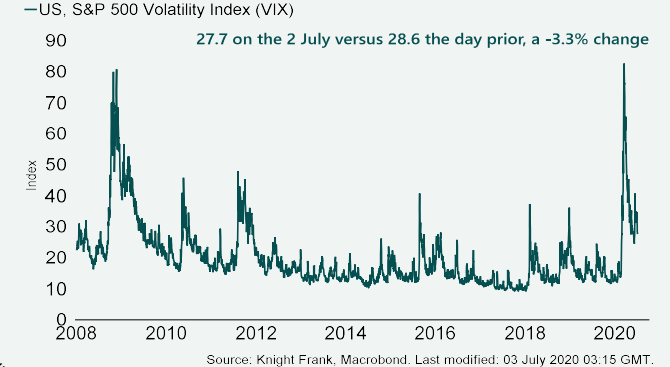
Cumulative number of cases by country



Source: Knight Frank, Macrobond. Last modified: 05 July 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

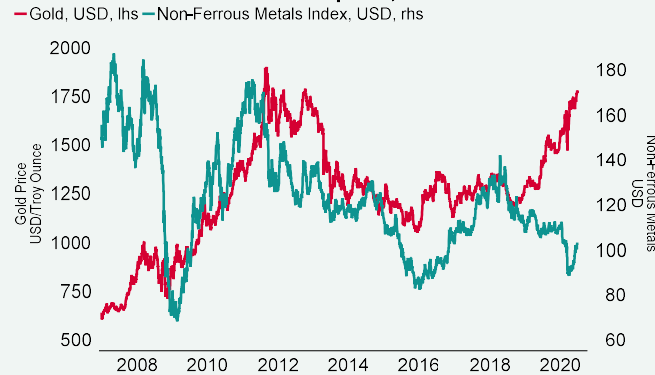


Source: Knight Frank, Macrobond. Last modified: 03 July 2020 03:15 GMT.

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

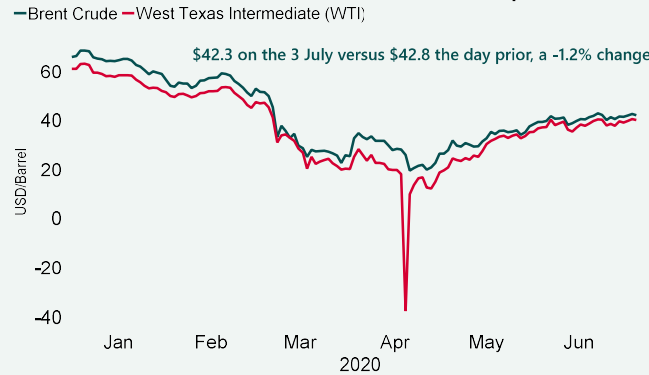
Gold and non-ferrous metals price, USD



Source: Knight Frank, Macrobond. Last modified: 04 July 2020 00:00 GMT.

	3 Jul	D/D (%)	YTD (%)
Gold, USD	1774	0.3	17.0
Non-Ferrous Metals, USD	103	0.9	-6.8

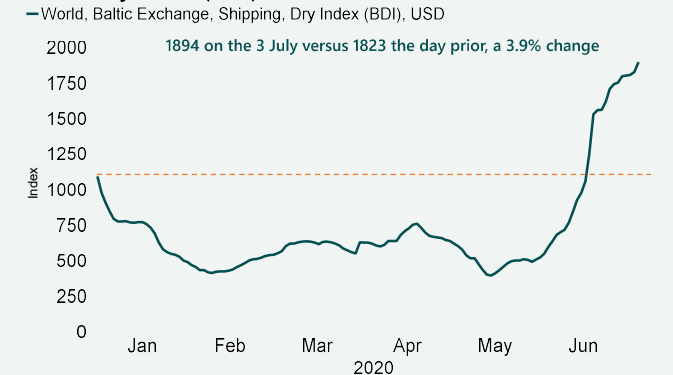
Brent Crude and West Texas Intermediate oil price



Source: Knight Frank, Macrobond. Last modified: 05 July 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: 03 July 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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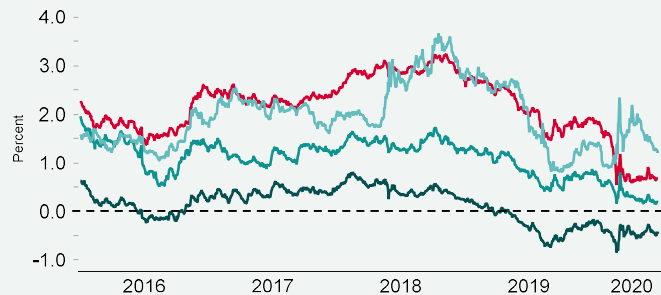


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Bonds and currencies

10y Government Bond Yield (%)

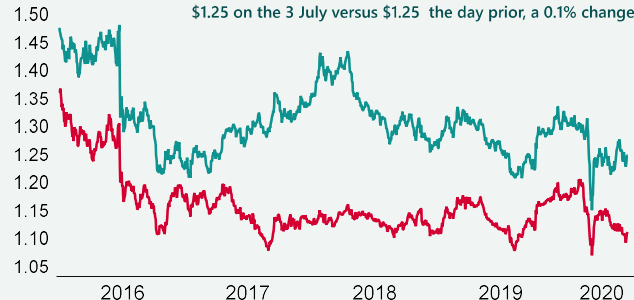
—US —UK —Germany —Italy



	3 Jul	1 d ago	1st Jan
Germany	-0.46	-0.42	-0.19
Italy	1.25	1.21	1.40
UK	0.22	0.23	0.74
US	0.68	0.68	1.92

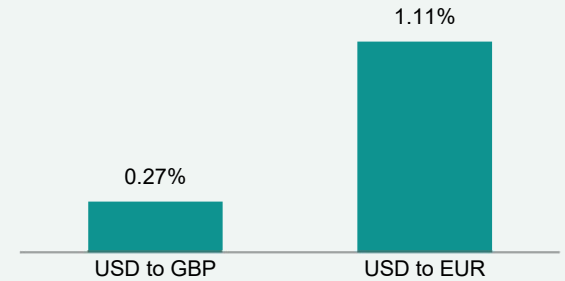
FX Spot Rates

—EUR per GBP —USD per GBP



	3 Jul	1 d ago	1st Jan
EUR per GBP	1.11	1.11	1.18
USD per GBP	1.25	1.25	1.32

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



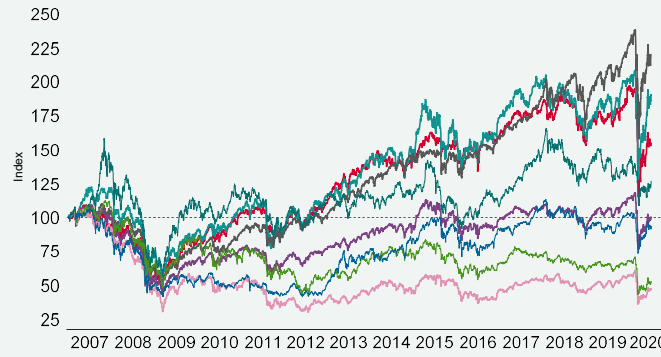
Source: Knight Frank, Investing.com

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

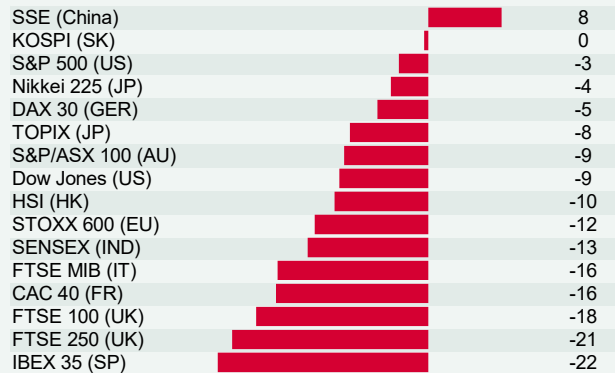


Source: Knight Frank, Macrobond. Last modified: 03 July 2020 19:05 GMT.

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

Equity performance: YTD (%)

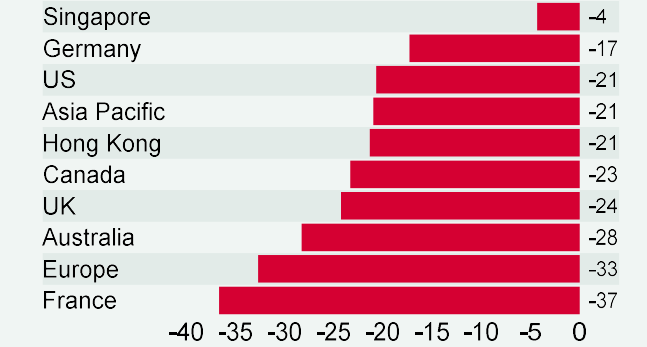
Local currencies



Source: Knight Frank, Macrobond

REIT performance: YTD (%)

Local currencies



Source: Knight Frank, Macrobond

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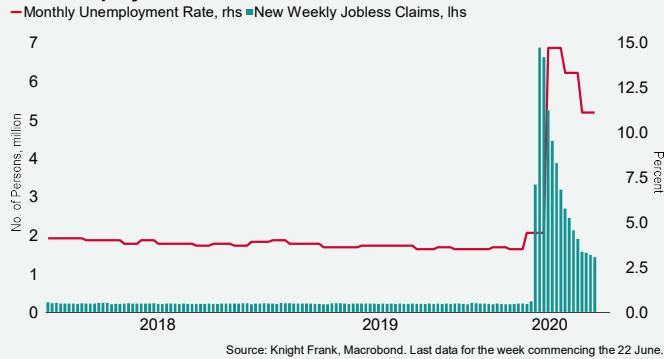
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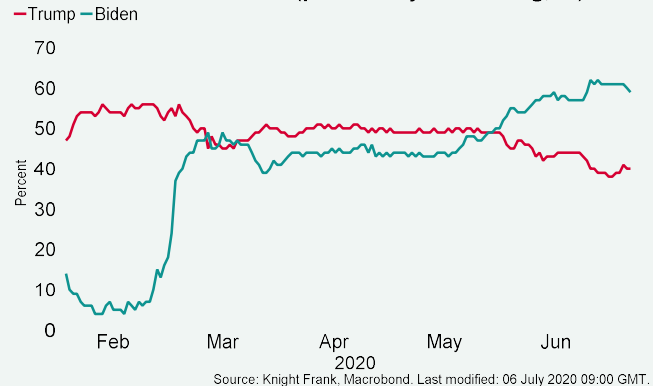
US indicators

US Unemployment



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, %)



	6 Jul	1 week ago	1 month ago
Trump	40%	39%	47%
Biden	59%	61%	54%

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
Germany	€880bn : The emergency aid measure approved by the German Cabinet 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 April to help businesses hurt by a national lockdown. €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	2.25%	4.50%	-225 bps
China	4.35%	4.35%	0 bps
India	4.00%	5.15%	-115 bps
Mexico	5.00%	7.25%	-225 bps
Russia	4.50%	6.25%	-175 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	194 bn	3.5%	54.0%
Canada	340 bn	22.2%	293.3%
Euro Area	7.01 tn	14.7%	31.9%
France	1.54 tn	3.8%	25.8%
Germany	2.46 tn	13.2%	23.2%
Italy	1.27 tn	4.7%	16.6%
Sweden	133 bn	4.9%	35.6%
Japan	6.02 tn	2.4%	14.7%
United Kingdom	745 bn	-0.6%	-6.3%
United States	7.01 tn	-1.9%	83.6%
Developing Economies			
Brazil	517 bn	7.6%	-7.0%
China	5.15 tn	1.2%	-0.9%
India	349 bn	-2.0%	33.7%
Mexico	218 bn	5.7%	6.4%
Russia	631 bn	-1.8%	1.2%
Saudi Arabia	468 bn	1.5%	-10.6%
South Korea	433 bn	3.8%	1.0%
Turkey	107 bn	-1.7%	14.5%

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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	240,961	34,818	39						
France	166,378	29,875	66						
Poland	35,146	1,492	51						
Portugal	42,782	1,587	67						
Germany	195,674	9,003	55						
Russia	661,165	9,683	73						
United Kingdom	283,757	43,995	70						
Spain	250,103	28,368	38						
Norway	8,902	251	34						
Belgium	61,727	9,765	46						
Bulgaria	5,315	232	39						
Greece	3,458	192	43						
Denmark	12,815	606	63						
Switzerland	31,884	1,685	31						
Ukraine	45,887	1,185	64						
Finland	7,241	328	30						
Czech Republic	12,178	351	35						
Netherlands	50,357	6,109	40						
Sweden	70,639	5,411	46						
Americas									
Colombia	106,110	3,641	87						
Canada	104,760	8,642	65						
Argentina	69,928	1,385	93						
United States	2,739,879	128,740	69						
Venezuela	6,273	57	87						
Mexico	238,511	29,189	71						
Brazil	1,496,858	61,884	77						
Peru	292,004	10,045	80						
Africa Middle East									
Kenya	6,941	152	87						
South Africa	168,061	2,844	77						
Qatar	97,897	118	81						
United Arab Emirates	49,469	317	69						
Turkey	202,284	5,167	64						
Israel	27,542	325	69						
Iran	232,863	11,106	45						
Iraq	53,708	2,160	93						
Jordan	1,136	9	48						
Tunisia	1,178	50	27						
Morocco	12,969	229	74						
Egypt	71,299	3,120	55						
Asia Pacific									
Hong Kong	1,242	7	42						
Singapore	44,310	26	54						
Japan	19,068	976	28						
Indonesia	59,394	2,987	68						
Taiwan	445	7	19						
South Korea	12,967	282	57						
China	84,830	4,641	71						
Philippines	38,805	1,274	83						
India	625,544	18,213	76						
Vietnam	355	-	52						
Australia	8,001	104	70						
New Zealand	1,180	22	19						
Thailand	3,180	58	54						
Malaysia	8,643	121	40						

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, New Zealand and Taiwan have 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, Hong Kong 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, Italy and Iran are the exceptions, where international travel is freely permitted with no measures implemented.

Source: Knight Frank, Macrobond, Oxford University, Last Updated: 06/07/2020

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