

## Summary

- **Lockdown:** In England, from tomorrow, outdoor pools can reopen, as well as outdoor theatres and music venues, with limited audiences. From 13<sup>th</sup> July, beauticians, tattooists, spas, tanning salons and other close contact services can reopen, albeit with some services remaining restricted. Indoor gyms, swimming pools and sports facilities will also be able to reopen from 25<sup>th</sup> July, with restrictions such as reduced capacity.
- **Equities:** In Europe, the STOXX 600 and the DAX are up +0.3% and +0.4%, respectively, while the FTSE 250 has declined -0.1%. In the US, futures for the S&P 500 and the Dow Jones Industrial Average are both down -0.4%. In Asia, the CSI 300 and the Hang Seng were both -1.8% lower on close. The Topix (-1.4%), Kospi (-0.8%) and S&P/ASX (-0.6%) also closed lower.
- **VIX:** The CBOE market volatility index and the Euro Stoxx 50 volatility price index have both increased back above 30 to 30.58 and 30.23. This indicates further expectations of near-term volatility.
- **Bonds:** The UK 10-year gilt yield, US 10-year treasury yield and the German 10-year bund yield have all compressed by -2bps this morning to 0.14%, 0.59% and -0.48%, respectively.
- **Currency:** Both sterling and the euro remain flat at \$1.26 and \$1.13. Hedging benefits for US dollar denominated investors into the UK and the eurozone are 0.31% and 1.07% per annum on a five-year basis.
- **Baltic Dry:** The Baltic Dry index has declined for the third consecutive day following a 26 session rally, down -2.1% to 1,810. This has been largely driven by a contraction in the capesize index, which declined by -5.2% over the course of yesterday.
- **Oil:** Brent Crude and the West Texas Intermediate (WTI) are both down over the morning by -2.4% and -2.7% to \$41.34 per barrel and \$38.55 per barrel, respectively.
- **US Unemployment:** There were 1.31 million new unemployment applications in the week to 4<sup>th</sup> July, lower than the 1.41 million new applications the week prior and below expectations of 1.38 million. US labour force participation for June was 61.5%, +1.3% higher than the recent low of 60.2% in April.

## 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

## Important Notice

© Knight Frank LLP 2020 – This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank LLP to the form and content within which it appears. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 8AN, where you may look at a list of members' names.

# COVID-19 Dashboard

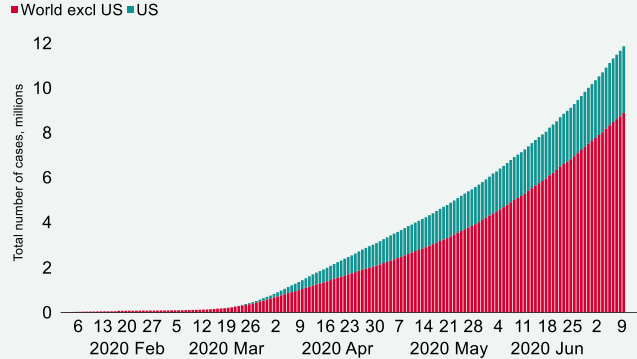
10 July 2020



Internal and key client use only

## COVID-19

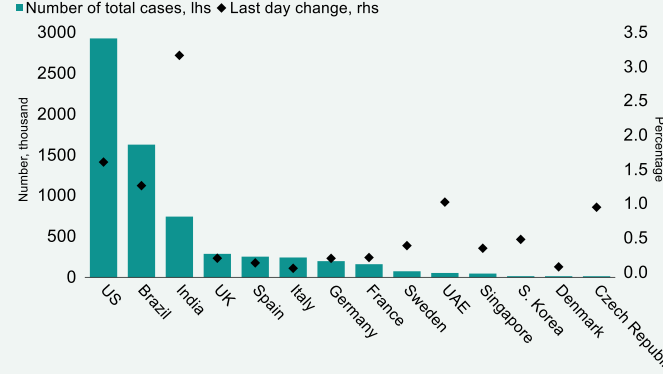
### Cumulative number of global cases



Source: Knight Frank, Macrobond. Last modified: 09 July 2020 18:39 GMT.

The number of total confirmed cases reached 11.9 million on the 9 July, an increase of 205k new cases over the day prior.

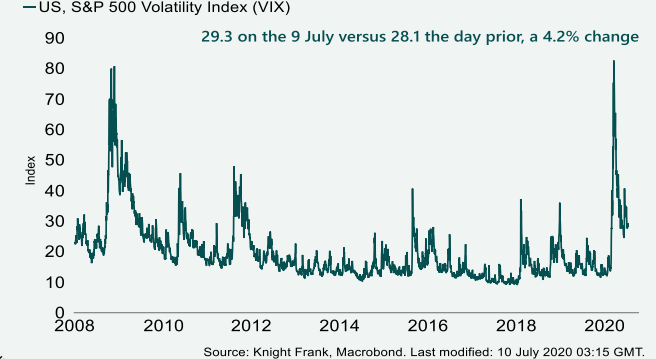
### Cumulative number of cases by country



Source: Knight Frank, Macrobond. Last modified: 08 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

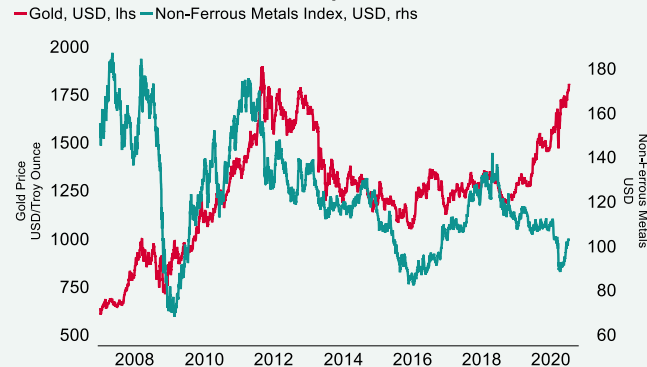


Source: Knight Frank, Macrobond. Last modified: 10 July 2020 03:15 GMT.

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

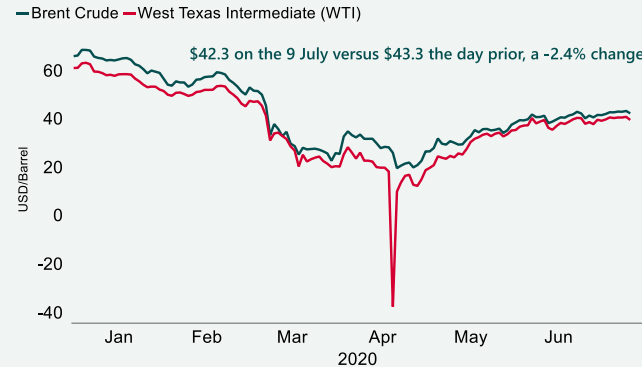
### Gold and non-ferrous metals price, USD



Source: Knight Frank, Macrobond. Last modified: 10 July 2020 00:00 GMT.

	9 Jul	D/D (%)	YTD (%)
Gold, USD	1802	0.5	18.8
Non-Ferrous Metals, USD	103	0.2	-7.2

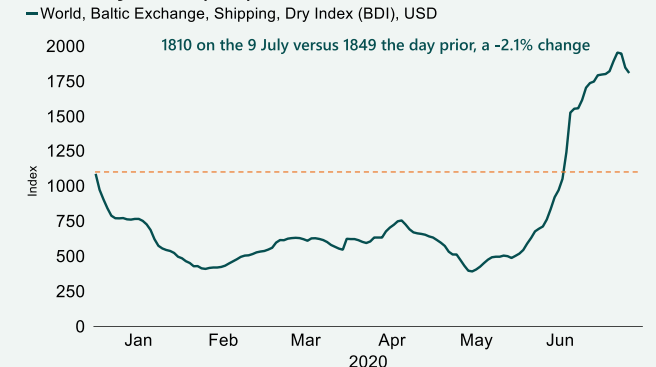
### Brent Crude and West Texas Intermediate oil price



Source: Knight Frank, Macrobond. Last modified: 09 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: 09 July 2020 13:00 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

### Antonia Haralambous

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

### Important Notice

© Knight Frank LLP 2020 – This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank LLP to the form and content within which it appears. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 8AN, where you may look at a list of members' names.

# COVID-19 Dashboard

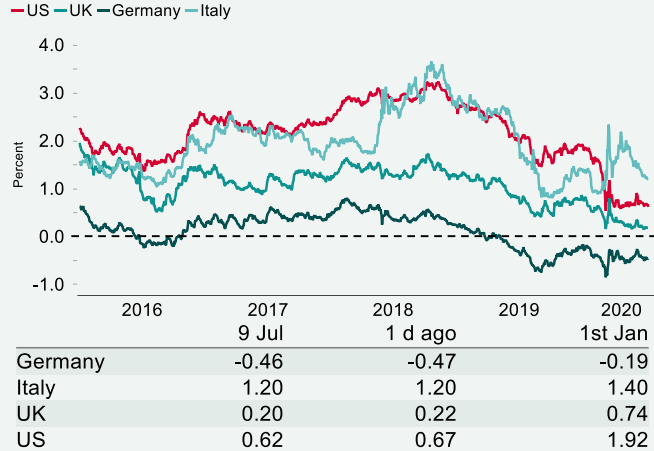
10 July 2020



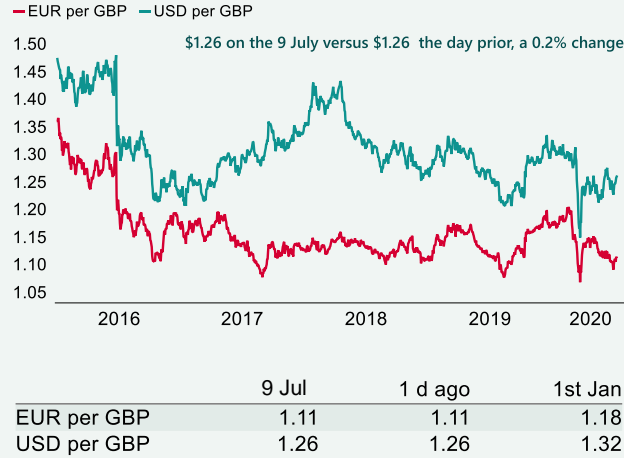
Internal and key client use only

## Bonds and currencies

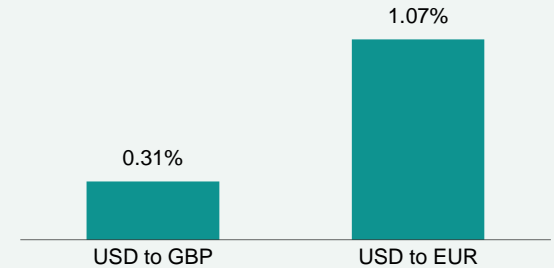
### 10y Government Bond Yield (%)



### FX Spot Rates



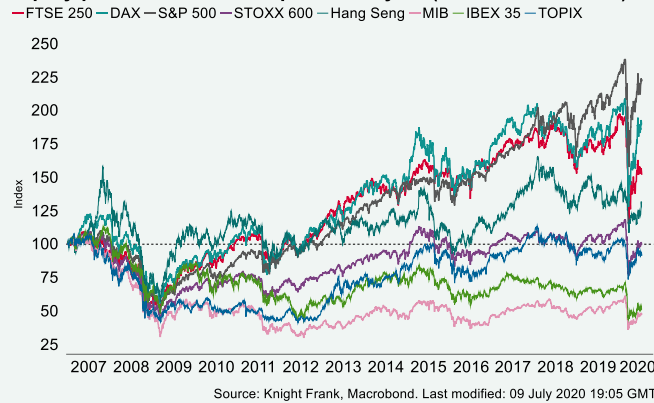
### Currency hedging benefit p.a. based on a five year forward



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

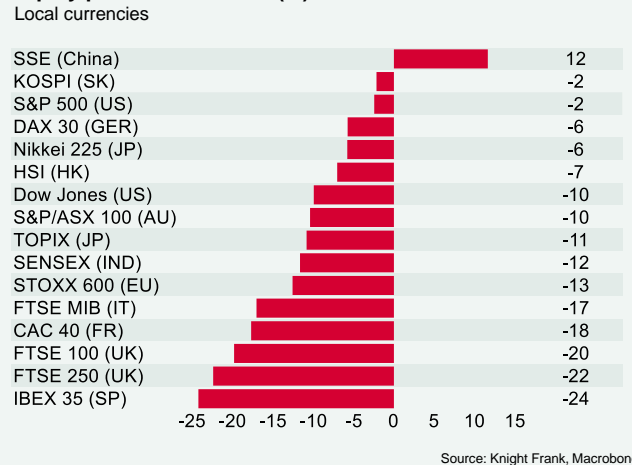
## Equity and REIT

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

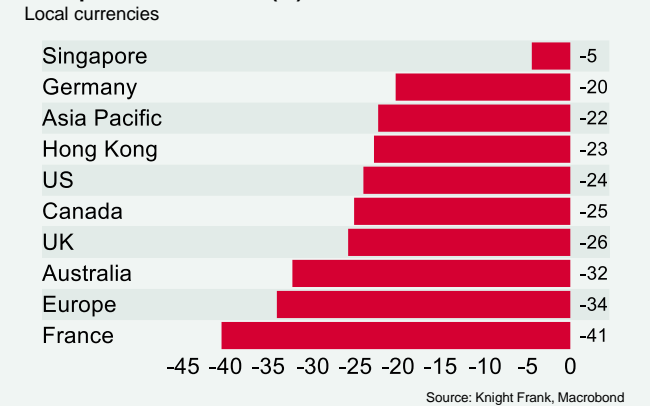


The chart presents the performance of selected equity indexes since the months prior to the global financial crisis (2007).

### Equity performance: YTD (%)



### REIT performance: YTD (%)



## 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

### Important Notice

© Knight Frank LLP 2020 – This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank LLP to the form and content within which it appears. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 8AN, where you may look at a list of members' names.

# COVID-19 Dashboard

10 July 2020

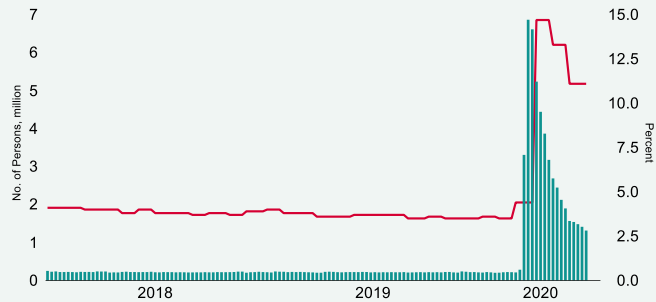


Internal and key client use only

## US indicators

### US Unemployment

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



Source: Knight Frank, Macrobond. Last data for the week commencing the 29 June.

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



Source: Knight Frank, Macrobond. Last modified: 10 July 2020 07:00 GMT.

	10 Jul	1 week ago	1 month ago
Trump	42%	39%	43%
Biden	60%	61%	57%

## Fiscal policy

### Fiscal measures details

<b>UK</b>	<b>£330bn+</b> : 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.
<b>USA</b>	<b>\$3.0tn</b> : 2 <sup>nd</sup> package passed 23 <sup>rd</sup> April, worth \$483 billion, increasing US stimulus to \$3 trillion (15% GDP).
<b>EU</b>	<b>€1.35tn</b> : This includes €240bn to the European Stability Mechanism, and €200bn in EIB guarantees. On 4 <sup>th</sup> June, the ECB extended the pandemic purchase programme (PEPP) until June 2021, purchasing an additional €600bn in bonds, taking total stimulus to €1.35tn
<b>Germany</b>	<b>€880bn</b> : The emergency aid measure approved by the German Cabinet on Monday 23 <sup>rd</sup> 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.
<b>Italy</b>	<b>€400bn</b> : The stimulus announced on the 7 April to help businesses hurt by a national lockdown. <b>€25bn</b> : Emergency package to support businesses and families.
<b>France</b>	<b>€45bn</b> : The aid package for SMEs and other hard-hit sectors announced by the French government on 17 <sup>th</sup> of March. Includes deferred corporate tax, social security charges and two months state payments to laid off workers. <b>€300bn</b> : government backed loans.
<b>Spain</b>	<b>€200bn</b> : 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.
<b>Japan</b>	<b>\$2.2tn</b> : 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.
<b>Hong Kong</b>	<b>HK\$10k</b> 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
<b>Advanced Economies</b>			
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
<b>Developing Economies</b>			
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 (%)
<b>Advanced Economies</b>			
Australia	195 bn	2.3%	59.1%
Canada	340 bn	22.2%	293.3%
Euro Area	7.07 tn	12.4%	33.5%
France	1.54 tn	3.8%	25.8%
Germany	2.49 tn	13.1%	20.3%
Italy	1.39 tn	9.3%	23.0%
Sweden	132 bn	-1.7%	32.6%
Japan	6.02 tn	2.4%	14.7%
United Kingdom	752 bn	-0.5%	-5.4%
United States	6.92 tn	-3.4%	81.4%
<b>Developing Economies</b>			
Brazil	517 bn	7.6%	-7.0%
China	5.15 tn	1.2%	-0.9%
India	349 bn	-2.0%	33.7%
Mexico	210 bn	-3.5%	10.3%
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%	14.9%

## 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

### Important Notice

© Knight Frank LLP 2020 – This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank LLP to the form and content within which it appears. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 8AN, where you may look at a list of members' names.

# COVID-19 Dashboard

10 July 2020



Internal and key client use only

## 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

### 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

### Important Notice

© Knight Frank LLP 2020 – This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank LLP to the form and content within which it appears. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 8AN, where you may look at a list of members' names.

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

Country	Confirmed Cases	Confirmed Deaths	Lockdown Index	Internal Movement	Public Events	Public Transport	Workplace	Schools	International Travel
<b>Europe</b>									
Italy	240,961	34,818	56						
France	166,378	29,875	53						
Poland	35,146	1,492	51						
Portugal	42,782	1,587	67						
Germany	195,674	9,003	43						
Russia	661,165	9,683	73						
United Kingdom	283,757	43,995	70						
Spain	250,103	28,368	50						
Norway	8,902	251	34						
Belgium	61,727	9,765	43						
Bulgaria	5,315	232	47						
Greece	3,458	192	43						
Denmark	12,815	606	60						
Switzerland	31,884	1,685	33						
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	41						
<b>Americas</b>									
Colombia	106,110	3,641	87						
Canada	104,760	8,642	69						
Argentina	69,928	1,385	81						
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						
<b>Africa Middle East</b>									
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	65						
Egypt	71,299	3,120	60						
<b>Asia Pacific</b>									
Hong Kong	1,242	7	42						
Singapore	44,310	26	54						
Japan	19,068	976	28						
Indonesia	59,394	2,987	54						
Taiwan	445	7	19						
South Korea	12,967	282	57						
China	84,830	4,641	82						
Philippines	38,805	1,274	83						
India	625,544	18,213	74						
Vietnam	355	52	52						
Australia	8,001	104	73						
New Zealand	1,180	22	18						
Thailand	3,180	58	49						
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
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 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, Greece, Netherlands, Hong Kong, Malaysia 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, Egypt and Iran are the exceptions, where international travel is freely permitted with no measures implemented.

Source: Knight Frank, Macrobond, Oxford University. Last Updated: 10/07/2020

**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

**Important Notice**

© Knight Frank LLP 2020 – This report is published for general information only and not to be relied upon in any way. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no responsibility or liability whatsoever can be accepted by Knight Frank LLP for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank LLP in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of Knight Frank LLP to the form and content within which it appears. Knight Frank LLP is a limited liability partnership registered in England with registered number OC305934. Our registered office is 55 Baker Street, London, W1U 8AN, where you may look at a list of members' names.