

COVID-19 Dashboard

14 July 2020



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Summary

- **Lockdown:** In the US, California joins Texas and Arizona in reimposing lockdown measures. With immediate effect, bars, cinemas and dine-in restaurants statewide will close, while indoor leisure activities, places of worship and hairdressers will shut in 30 of the most affected counties. Meanwhile, England joins Scotland in making face coverings in shops and supermarkets mandatory, coming into effect on 24th July.
- **VIX:** The investor fear gauges remain volatile in themselves, with the CBOE market volatility index increasing +18% yesterday to 32.2, falling back this morning by -4.0% to 30.9. The Euro Stoxx 50 volatility price index was down over yesterday by -4.6%, closing at 27.1, before increasing over the morning +7.4% to 29.2. Both indices indicate expectations of near-term volatility.
- **Equities:** In Europe, the STOXX 600 is down over the morning at -1.2%, while the FTSE 250 and the DAX have both recorded losses of -1.4%. In the US, futures for the S&P 500 and the Dow Jones Industrial Average are up +0.3 and +0.4%. In Asia, stocks closed lower across the main indices.
- **Bonds:** The UK 10-year gilt yield has compressed by -3bps this morning to 0.15%. The German 10-year bund yield has also compressed, down -2bps to -0.44%, while the US 10-year treasury yield is flat at 0.62%.
- **Currency:** Sterling has depreciated to \$1.25, while the euro remains flat at \$1.13. Hedging benefits for US dollar denominated investors into the UK and the eurozone is currently 0.33% and 1.07% per annum on a five-year basis.
- **Baltic Dry:** The Baltic Dry index decreased by -1.0% to 1,792 yesterday. Growth in the index has moderated since 6th July, predominantly driven by a contraction in the capesize index.
- **Oil:** Brent Crude and the West Texas Intermediate (WTI) are both down over the morning by -1.2% and -1.6% to \$42.22 per barrel and \$39.49 per barrel, respectively.
- **UK Economy:** Following a contraction of -6.9% in March and a record -20.4% decline in April, monthly GDP grew by +1.8% in May, below market expectations of +5.5%. GDP for the three months to May 2020 declined by -19.1%, according to the ONS.

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COVID-19 Dashboard

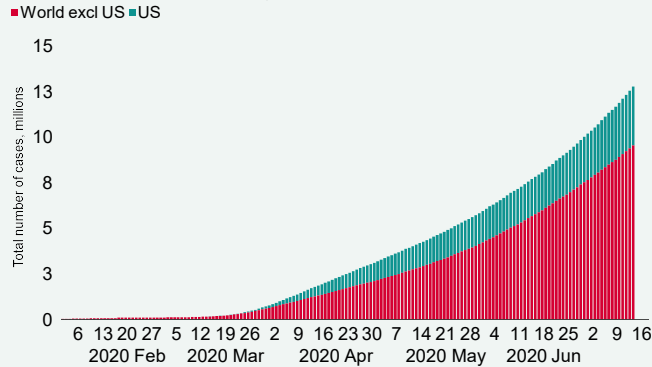
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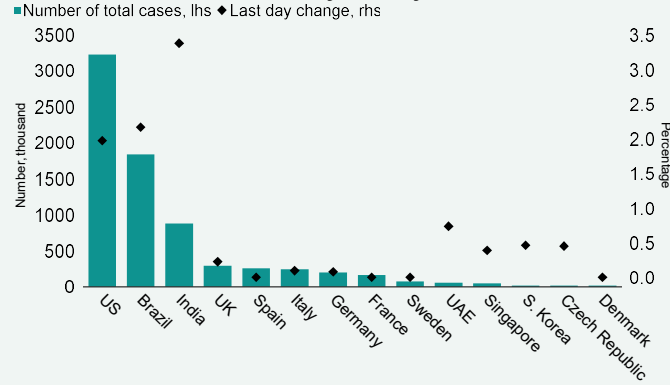
COVID-19

Cumulative number of global cases



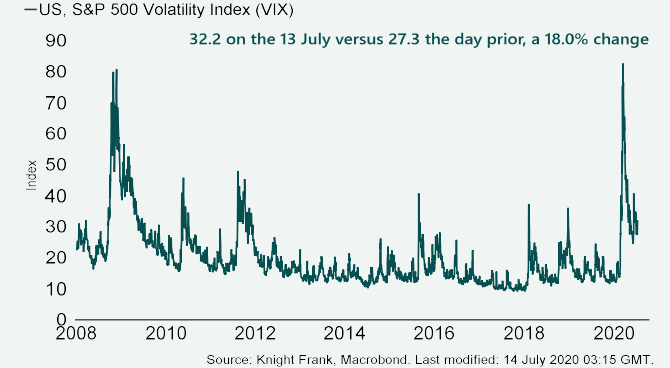
The number of total confirmed cases reached 12.8 million on the 13 July, an increase of 216k new cases over the day prior.

Cumulative number of cases by country



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

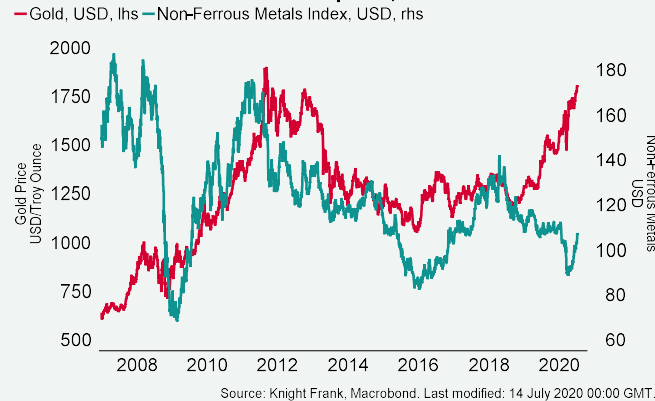
Volatility Index



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.

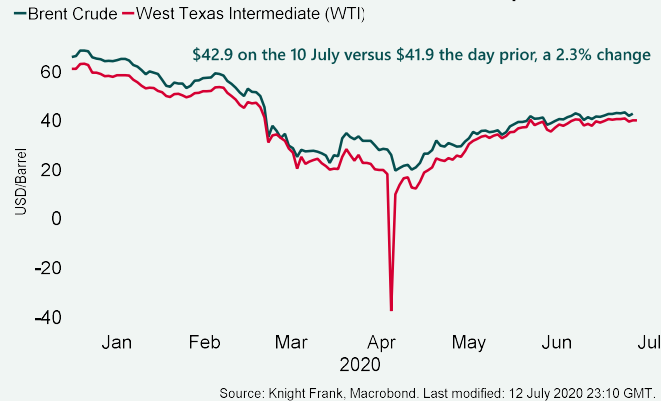
Commodities

Gold and non-ferrous metals price, USD



	13 Jul	D/D (%)	YTD (%)
Gold, USD	1803	0.0	18.8
Non-Ferrous Metals, USD	107	1.1	-3.8

Brent Crude and West Texas Intermediate oil price



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)



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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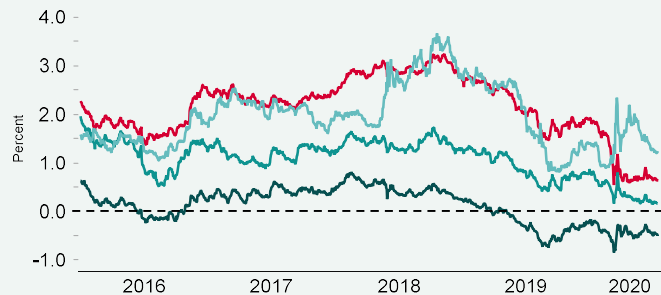


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Bonds and currencies

10y Government Bond Yield (%)

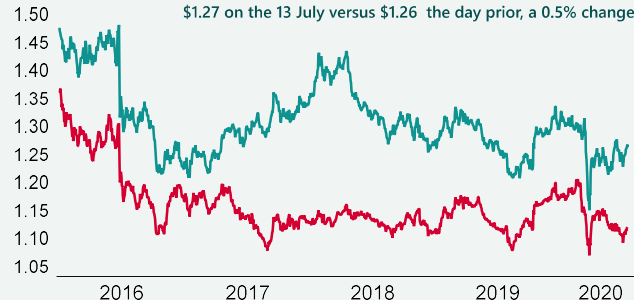
—US —UK —Germany —Italy



	13 Jul	1 d ago	1st Jan
Germany	-0.48	-0.50	-0.19
Italy	1.24	1.22	1.40
UK	0.23	0.19	0.74
US	0.64	0.65	1.92

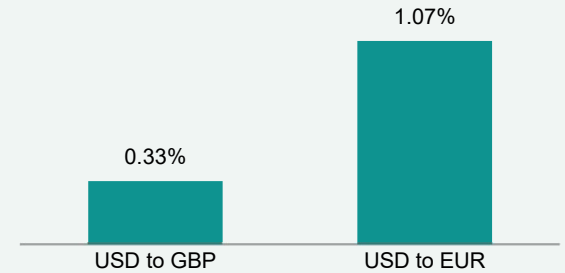
FX Spot Rates

—EUR per GBP —USD per GBP



	13 Jul	1 d ago	1st Jan
EUR per GBP	1.12	1.12	1.18
USD per GBP	1.27	1.26	1.32

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



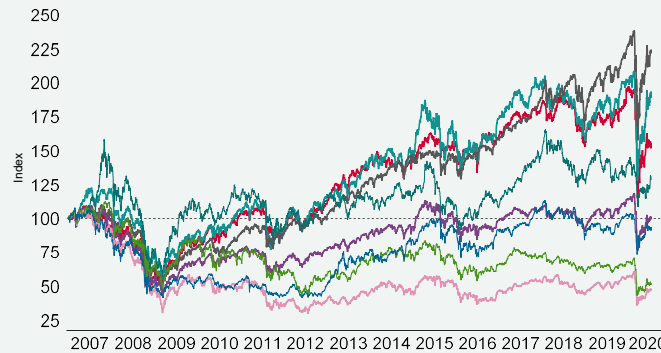
Source: Knight Frank, Investing.com

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

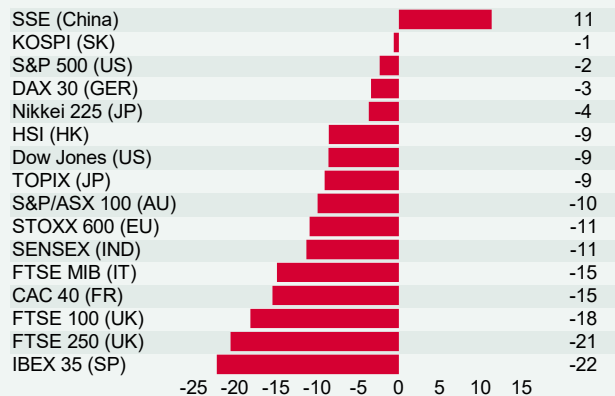


Source: Knight Frank, Macrobond. Last modified: 13 July 2020 19:05 GMT.

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

Equity performance: YTD (%)

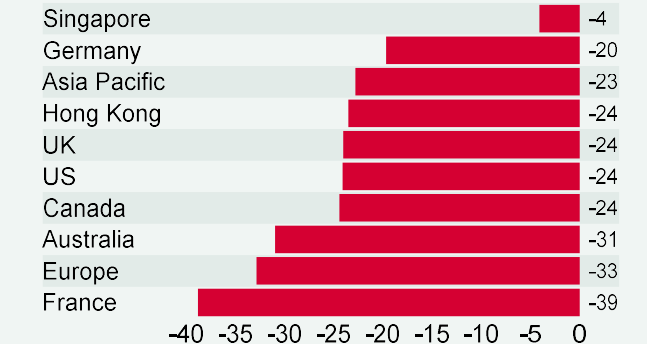
Local currencies



Source: Knight Frank, Macrobond

REIT performance: YTD (%)

Local currencies



Source: Knight Frank, Macrobond

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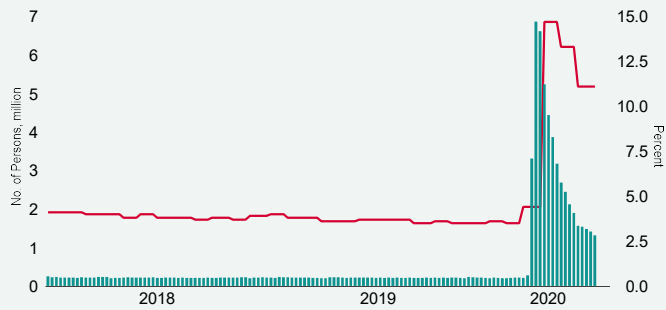


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US indicators

US Unemployment

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

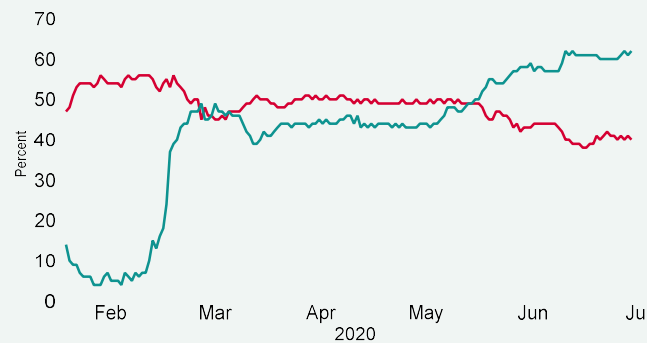


Source: Knight Frank, Macrobond. Last data for the week commencing the 29 June.

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: 14 July 2020 05:00 GMT.

	14 Jul	1 week ago	1 month ago
Trump	40%	42%	43%
Biden	62%	60%	58%

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	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	6.1 tn	1.4%	16.8%
United Kingdom	754 bn	-0.5%	-5.1%
United States	6.92 tn	-3.4%	81.4%
Developing Economies			
Brazil	517 bn	7.6%	-7.0%
China	5.14 tn	-0.2%	-2.7%
India	357 bn	1.2%	32.2%
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	108 bn	-2.4%	13.9%

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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	243,061	34,954						
France	170,752	30,004						
Poland	37,891	1,571						
Portugal	46,512	1,660						
Germany	198,963	9,064						
Russia	727,162	11,335						
United Kingdom	289,603	44,819						
Spain	253,908	28,403						
Norway	8,965	252						
Belgium	62,707	9,782						
Bulgaria	7,525	268						
Greece	3,803	193						
Denmark	12,946	609						
Switzerland	32,798	1,685						
Ukraine	54,133	1,398						
Finland	7,294	329						
Czech Republic	13,174	352						
Netherlands	50,967	6,128						
Sweden	74,898	5,526						
Americas								
Colombia	150,445	5,307						
Canada	107,579	8,783						
Argentina	100,153	1,818						
United States	3,304,942	135,205						
Venezuela	9,465	89						
Mexico	299,750	35,006						
Brazil	1,864,681	72,100						
Peru	326,326	11,870						
Africa Middle East								
Kenya	10,105	185						
South Africa	276,242	4,079						
Qatar	103,598	147						
United Arab Emirates	54,854	333						
Turkey	212,993	5,363						
Israel	38,670	362						
Iran	257,303	12,829						
Iraq	77,506	3,150						
Jordan	1,179	10						
Tunisia	1,263	50						
Morocco	15,745	250						
Egypt	81,158	3,769						
Asia Pacific								
Hong Kong	1,469	7						
Singapore	45,961	26						
Japan	21,502	982						
Indonesia	75,699	3,606						
Taiwan	445	7						
South Korea	13,479	289						
China	85,117	4,641						
Philippines	56,259	1,534						
India	878,254	23,174						
Vietnam	372	-						
Australia	9,797	108						
New Zealand	1,194	22						
Thailand	3,220	58						
Malaysia	8,718	122						

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	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: 14/07/2020

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