

COVID-19 Dashboard

10 June 2020



Internal and key client use only

Summary

- **Equities:** The Nasdaq composite closed at a record high, briefly hitting 10,000 points yesterday. The index is heavily tech weighted (50% of composite), followed by consumer services (20%) and healthcare (10%). European stocks have seen gains over the morning, led by the CAC 40 in Paris, which added +1.0%, followed by the FTSE 250 and STOXX 600, which were both up +0.7%. Other gains were recorded by the FTSE 100 (+0.6%) and Frankfurt's DAX (+0.5%). In Asia, the Hang Seng and S&P/ASX 200 were broadly flat, while the Topix closed -0.2% lower.
- **VIX:** The “investor fear gauge”, the CBOE market volatility index is currently 27.0 and the Euro Stoxx 50 volatility price index has nudged back up above 30, to 30.3. Both of these indices remain elevated, 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 have all seen further reductions this morning to 0.32%, 0.80% and -0.32% respectively.
- **Currency:** Both sterling and the euro have appreciated slightly to \$1.28 and \$1.14. Hedging benefits for US dollar denominated investors into the UK and the Eurozone have decreased to 0.28% and 1.12% per annum on a five-year basis, respectively.
- **Baltic Dry:** The Baltic Dry Index increased for its seventh consecutive session yesterday, up +2.3% to 714. This is the first time the index has been above 700 since 21st April. While the index is closer to recovering to the 757 seen on 20th April, it is some way away from the 1,090 seen at the end of last year.
- **Oil:** Oil prices have depreciated this morning, as concerns regarding the oversupply of oil reemerged. According to American Petroleum Institute (API) estimates, US crude oil inventories increased by 8.4 million barrels for the week ending 5th June, compared to analyst expectations of a reduction in inventory of 1.7 million barrels. Brent Crude is currently down -1.6% to \$40.51 a barrel, while the West Texas Intermediate (WTI) has declined -2.5% to \$37.97 per barrel.

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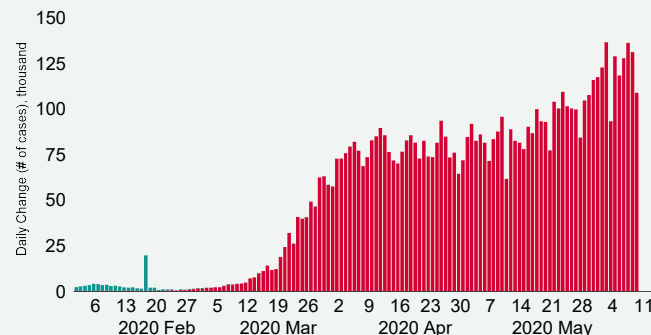


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COVID-19

New cases per day

■ World (ex-China) ■ China

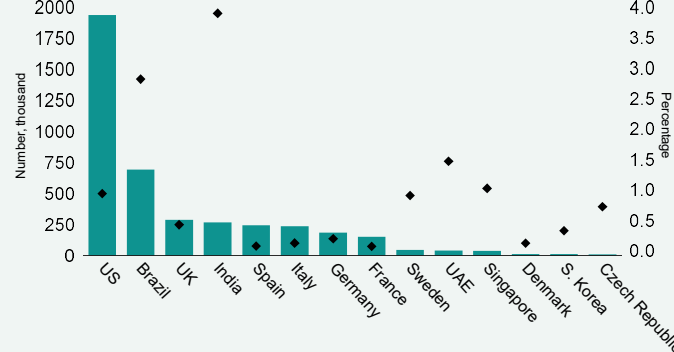


Source: Knight Frank, Macrobond. Last modified: 09 June 2020 19:12, 09 June 2020 19:12 GMT.

The number of total confirmed cases reached 7040k on the 9 June, an increase of 109k new cases over the day prior.

Cumulative number of cases

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

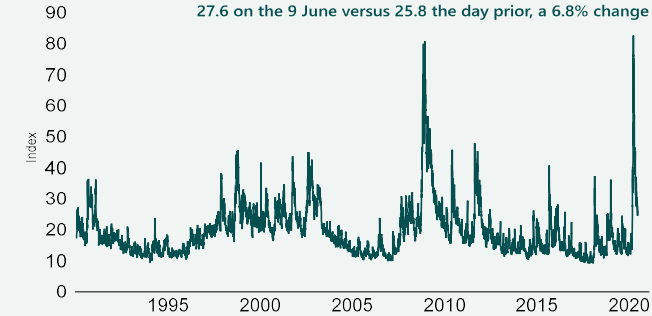


Source: Knight Frank, Macrobond. Last modified: 09 June 2020 00:00 GMT.

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

—US, S&P 500 Volatility Index (VIX)



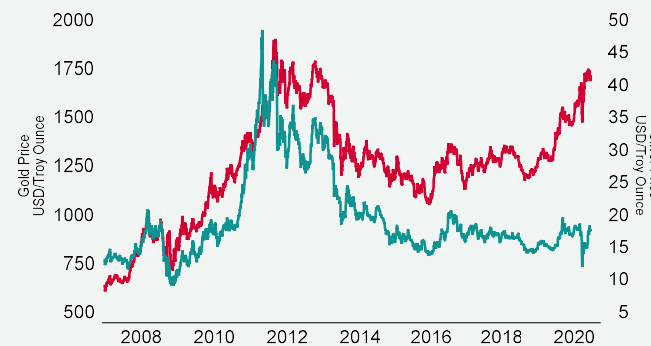
Source: Knight Frank, Macrobond. Last modified: 10 June 2020 03:15 GMT.

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 silver price, USD

—Gold, USD, lhs —Silver, USD, rhs

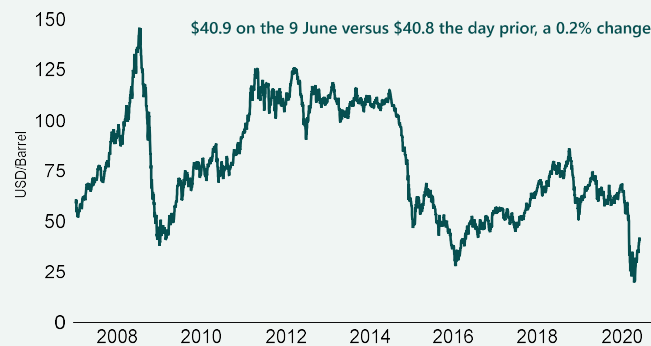


Source: Knight Frank, Macrobond. Last modified: 10 June 2020 06:30 GMT.

	9 June	D/D (%)	YTD (%)
Gold, USD	1714	1.8	13.0
Silver, USD	17.5	0.8	-1.7

Brent crude and global commodity price index

—Crude Oil, Brent

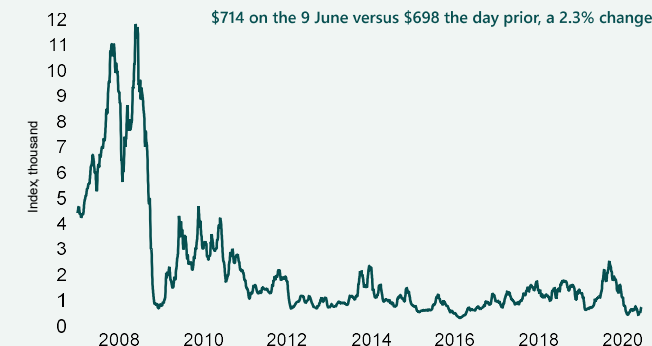


Source: Knight Frank, Macrobond. Last modified: 10 June 2020 02:30 GMT.

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: 09 June 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.

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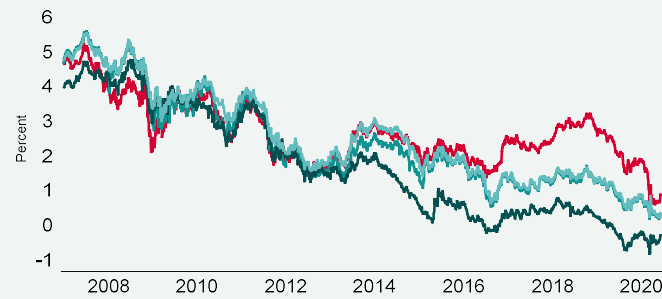


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Bonds and currencies

10y Government Bond Yield (%)

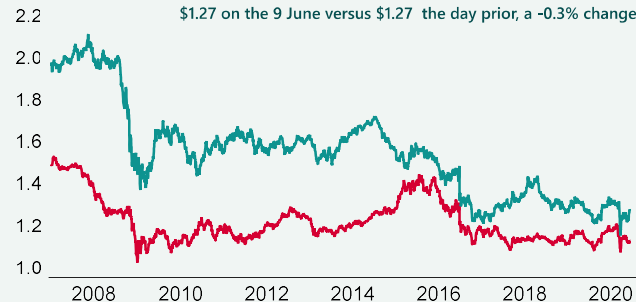
—US —UK —Germany —United Kingdom, Bank of England



	9 Jun	1 d ago	1st Jan
Germany	-0.32	-0.26	-0.19
UK	0.32	0.34	0.74
US	0.84	0.88	1.92

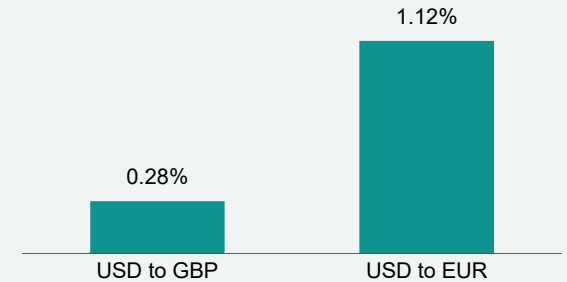
FX Spot Rates

—EUR per GBP —USD per GBP



	9 Jun	1 d ago	1st Jan
EUR per GBP	1.12	1.12	1.18
USD per GBP	1.27	1.27	1.32

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

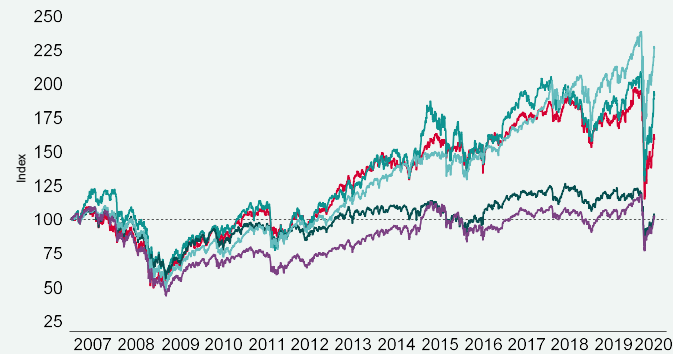


Source: Knight Frank, Investing.com
Approximate additional return per annum that dollar denominated investors may obtain based on five year currency hedge.

Equity and REIT

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

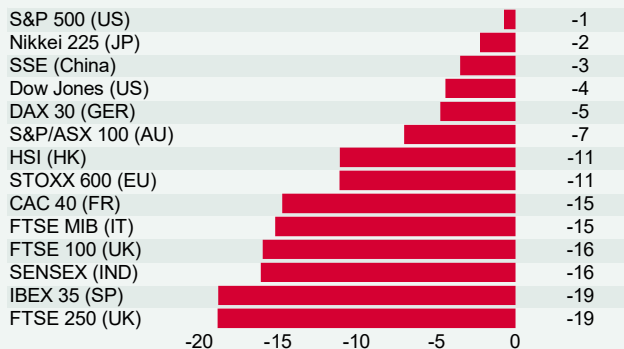
—FTSE 250 —DAX —FTSE 100 —S&P 500 —STOXX 600



Source: Knight Frank, Macrobond. Last modified: 09 June 2020 19:05 GMT.

Equity performance: YTD (%)

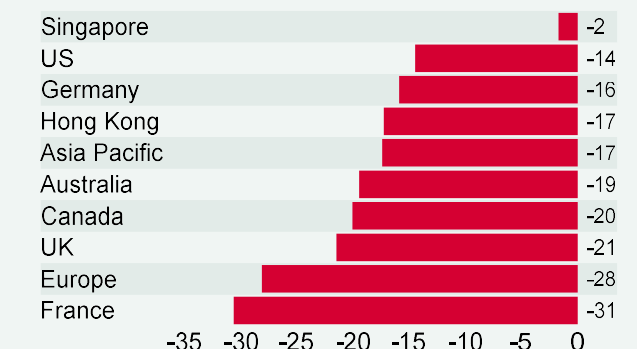
Local currencies



Source: Knight Frank, Macrobond

REIT performance: YTD (%)

Local currencies



Source: Knight Frank, Macrobond

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

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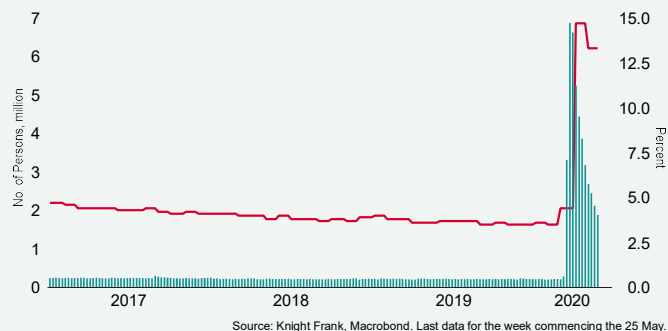


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US indicator

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)

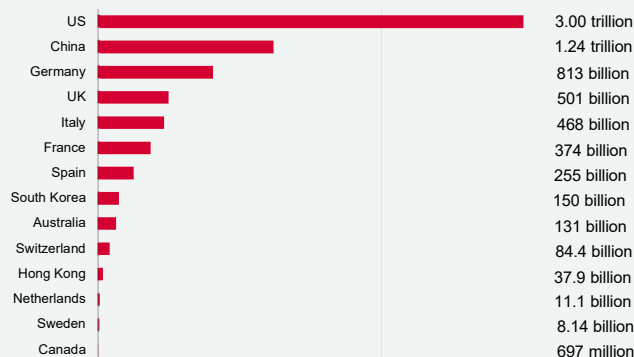
Monetary policy

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	3.00%	4.50%	-150 bps
China	4.35%	4.35%	0 bps
India	4.00%	5.15%	-115 bps
Mexico	5.50%	7.25%	-175 bps
Russia	5.50%	6.25%	-75 bps
Saudi Arabia	1.00%	2.25%	-125 bps
South Korea	0.50%	1.25%	-75 bps
Turkey	8.25%	12.00%	-375 bps

Fiscal policy

Fiscal measures by selected governments (YTD total, \$)



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	€750bn : 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	\$10bn : The aid package issued in early March for SMEs and self-employed workers. Additional economic stimulus measures are expected.
Hong Kong	HK\$10k for every adult citizen (c.£7bn).

Source: Knight Frank, various sources

Central Bank Assets Purchasing Programme

	Lastest (\$)	MoM (%)	YoY (%)
Advanced Economies			
Australia	190 bn	12.5%	47.4%
Canada	278 bn	103.7%	223.1%
Euro Area	6.34 tn	7.8%	20.5%
France	1.49 tn	7.7%	20.5%
Germany	2.26 tn	6.2%	12.1%
Italy	1.27 tn	4.7%	16.6%
Sweden	134 bn	10.0%	37.8%
Japan	5.93 tn	2.4%	13.6%
United Kingdom	795 bn	0.2%	2.5%
United States	7.17 tn	7.0%	86.2%
Developing Economies			
Brazil	480 bn	-0.6%	-14.3%
China	5.09 tn	-1.2%	-1.7%
India	351 bn	8.6%	33.2%
Mexico	218 bn	5.7%	6.4%
Russia	642 bn	-6.1%	4.5%
Saudi Arabia	461 bn	-5.1%	-9.9%
South Korea	433 bn	3.8%	1.0%
Turkey	109 bn	8.4%	14.0%

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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.

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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	234,998	33,899	60						
France	153,977	29,155	65						
Poland	26,561	1,157	65						
Portugal	34,493	1,479	71						
Germany	184,193	8,674	50						
Russia	467,673	5,859	75						
United Kingdom	286,194	40,542	65						
Spain	241,550	27,136	81						
Norway	8,504	238	55						
Belgium	59,226	9,595	75						
Bulgaria	2,727	160	44						
Greece	2,952	180	62						
Denmark	11,948	589	63						
Switzerland	30,882	1,660	63						
Ukraine	26,999	788	73						
Finland	6,981	323	42						
Czech Republic	9,628	327	40						
Netherlands	47,574	6,013	69						
Sweden	44,730	4,659	46						
Americas									
Colombia	39,236	1,259	87						
Canada	95,688	7,800	71						
Argentina	22,781	664	91						
United States	1,942,363	110,514	73						
Venezuela	2,377	22	85						
Mexico	117,103	13,699	82						
Brazil	672,846	35,930	77						
Peru	196,515	5,465	90						
Africa Middle East									
Kenya	2,767	84	94						
South Africa	48,285	998	81						
Qatar	68,790	54	83						
United Arab Emirates	38,808	276	72						
Turkey	170,132	4,692	79						
Israel	17,915	298	75						
Iran	171,789	8,281	53						
Iraq	12,366	346	93						
Jordan	808	9	56						
Tunisia	1,087	49	80						
Morocco	8,224	208	94						
Egypt	34,079	1,237	84						
Asia Pacific									
Hong Kong	1,106	4	53						
Singapore	37,910	25	81						
Japan	17,174	916	31						
Indonesia	31,186	1,851	68						
Taiwan	443	7	22						
South Korea	11,814	273	57						
China	84,191	4,638	82						
Philippines	21,895	1,003	78						
India	256,611	7,135	75						
Vietnam	331	-	66						
Australia	7,260	102	59						
New Zealand	1,154	22	33						
Thailand	3,119	58	69						
Malaysia	8,322	117	75						
Lockdown Index key & Scale				Internal movements		Public events	Public transport	Value	
No Restrictions: 0 – 25				No measure	No Measure	No measure		0	
Recommended Restrictions: 26 – 50				Recommended	Recommended	Recommended		1	
Enforced Restrictions: 51 – 75				Restriction	Required	Required		2	
Highest Restrictions / Ban: 76 – 100									
				Workplace		Schools	Value		International travel
				No measure	No measure		0		No measure
				Recommended	Recommended		1		Screening
				Required closure of	Some level of				Quarantine arrivals from
									big cities
									2