

# COVID-19 Dashboard

1 June 2020



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## Summary

- **Equities:** Global equities were up this morning. The FTSE 100 and CAC 40 both added circa +1.5% in the first hour of trading this morning, according to the FT. Hong Kong's Hang Seng Index increased +3.4%, while China's CSI 300 gauge of Shanghai and Shenzhen listed shares added +2.7%. Meanwhile, STOXX 600, is on track for a three-month high. Futures for the S&P 500 are also up +0.3%.
- **VIX:** The "investor fear gauge", the CBOE market volatility index, continues to run below 30, currently sitting at 29.3 this morning. However, this remains elevated, indicating further expectations of near-term volatility.
- **Bonds:** The US 10-year treasury yield has increased by +3bps to 0.67%. The UK 10-year government bond yield and the German 10-year bund yield are currently, 0.20% and -0.42%, respectively.
- **Currency:** Sterling has appreciated slightly to \$1.24, while the euro remains at \$1.11. Hedging benefits for US dollar denominated investors into the UK closed out at 0.23% per annum on a five-year basis on Friday. The currency hedging benefit of US dollar denominated investors into the Eurozone similarly closed out at 1.03% per annum on a five-year basis.
- **Baltic Dry:** The Baltic Dry Index closed back above 500 on Friday, at 504. Nevertheless, there remains some way to go to recover back to 757 seen on 20<sup>th</sup> April before an 18 session rout or to 1,090 seen at the end of last year.
- **Oil:** Oil prices remain above \$30 a barrel, with the West Texas Intermediate (WTI) at \$35.45 a barrel and Brent Crude \$37.79 a barrel.
- **European PMIs:** The IHS Markit manufacturing PMI for the eurozone reached a two-month high at 39.4 in May, as governments eased coronavirus restrictions. However, a figure below 50 is considered contractionary. In Italy, the manufacturing PMI rose to 45.4 in May, from 31.1 the month prior, however, this is the 22<sup>nd</sup> consecutive month that the indicator has been below 50 for the country. In Spain, the manufacturing PMI remains significantly below 50 at 38.3, up from 30.8 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

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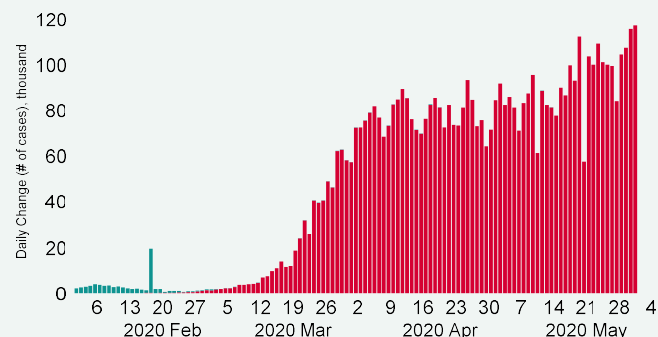


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## COVID-19

### New cases per day

World (ex-China) China

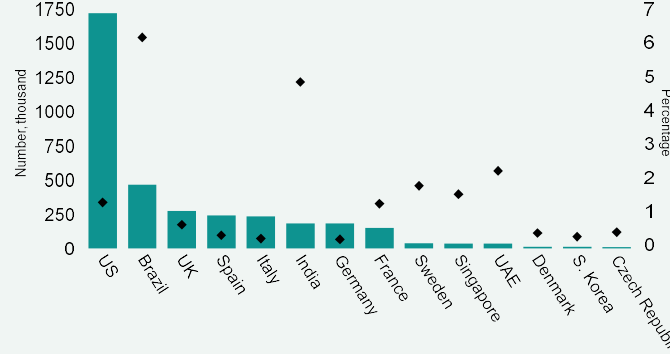


Source: Knight Frank, Macrobond. Last modified: 31 May 2020 16:27 GMT.

The number of total confirmed cases reached 5935k on the 31 May, an increase of 118k new cases over the day prior.

### Cumulative number of cases

Number of total cases, lhs ♦ Last day change, rhs



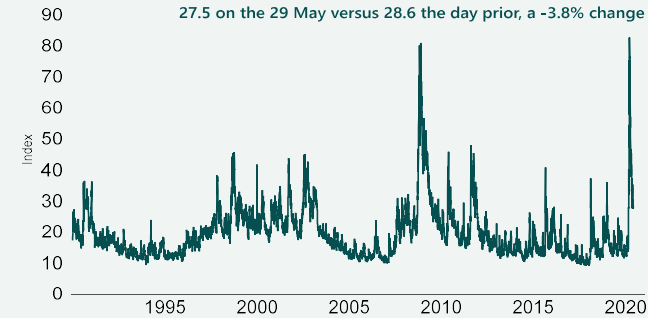
Source: Knight Frank, Macrobond. Last modified: 31 May 2020 00:00 GMT.

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

## Investor sentiment

### Volatility Index

US, S&P 500 Volatility Index (VIX)



Source: Knight Frank, Macrobond. Last modified: 30 May 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

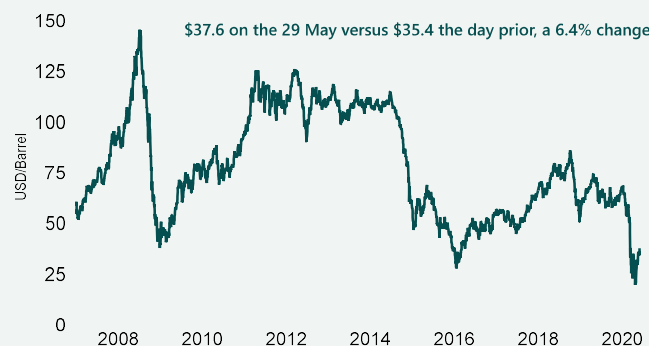


Source: Knight Frank, Macrobond. Last modified: 30 May 2020 06:30 GMT.

	29 May	D/D (%)	YTD (%)
Gold, USD	1729	1.2	14.0
Silver, USD	17.8	3.5	0.1

### Brent crude and global commodity price index

Crude Oil, Brent

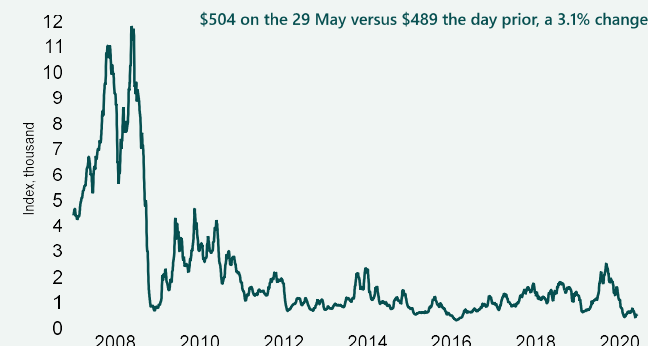


Source: Knight Frank, Macrobond. Last modified: 01 June 2020 06:00 GMT.

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: 29 May 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

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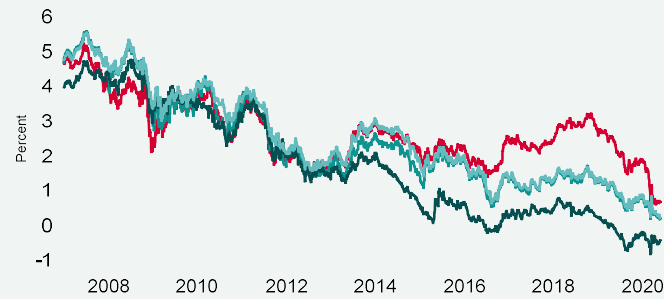


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## Bonds and currencies

### 10y Government Bond Yield (%)

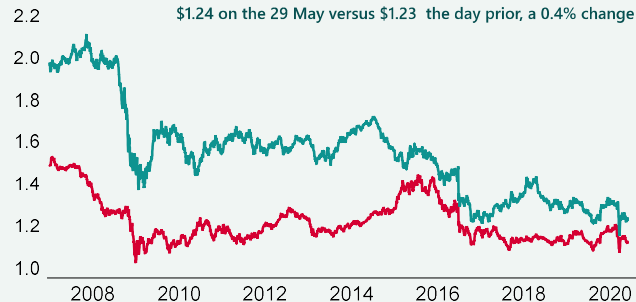
—US —UK —Germany —United Kingdom, Bank of England



	29 May	1 d ago	1st Jan
Germany	-0.41	-0.40	-0.19
UK	0.18	0.21	0.74
US	0.65	0.70	1.92

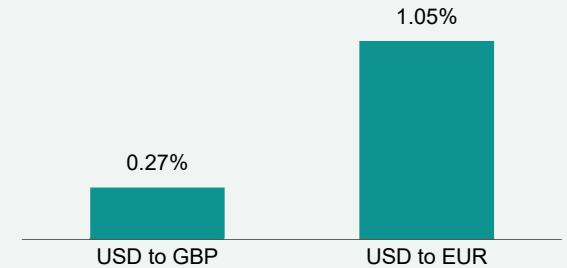
### FX Spot Rates

—EUR per GBP —USD per GBP



	29 May	1 d ago	1st Jan
EUR per GBP	1.11	1.11	1.18
USD per GBP	1.24	1.23	1.32

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

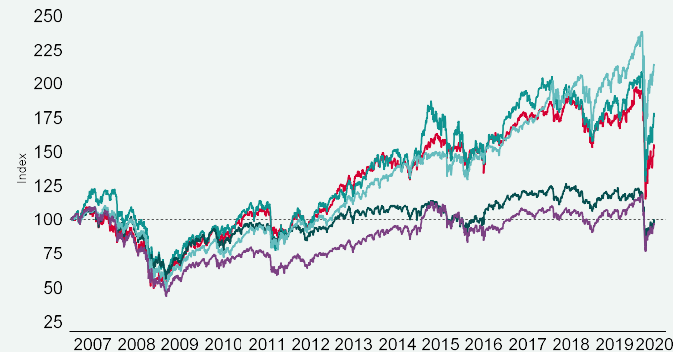


Source: Knight Frank, Investing.com  
Approximate additional return per annum that dollar denominated investors may obtain based on five year currency hedge.

## Equity and REIT

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

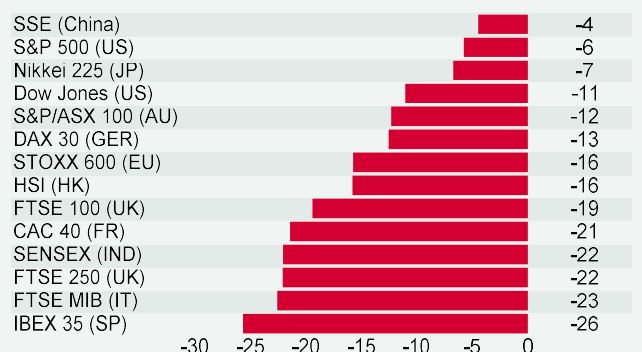
—FTSE 250 —DAX —FTSE 100 —S&P 500 —STOXX 600



Source: Knight Frank, Macrobond. Last modified: 29 May 2020 19:05 GMT.

### Equity performance: YTD (%)

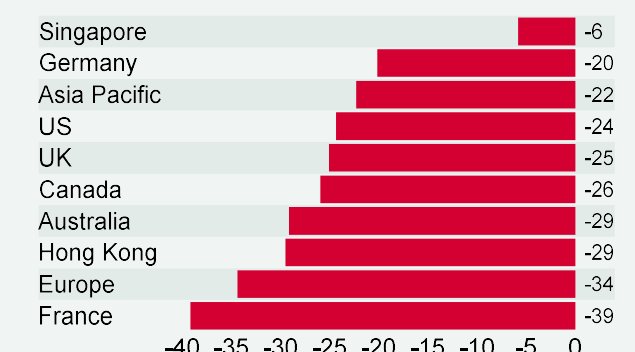
Local currencies



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).

## 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

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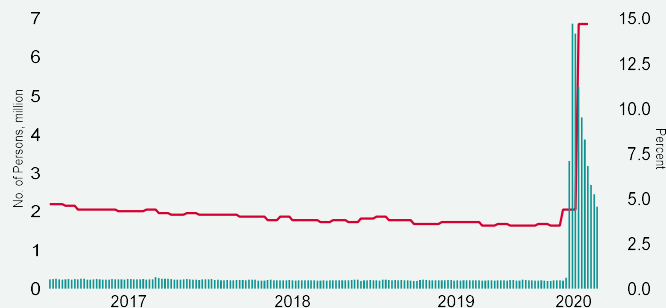


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## US indicator

### US Unemployment

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



Source: Knight Frank, Macrobond. Last data for the week commencing the 18 May.

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

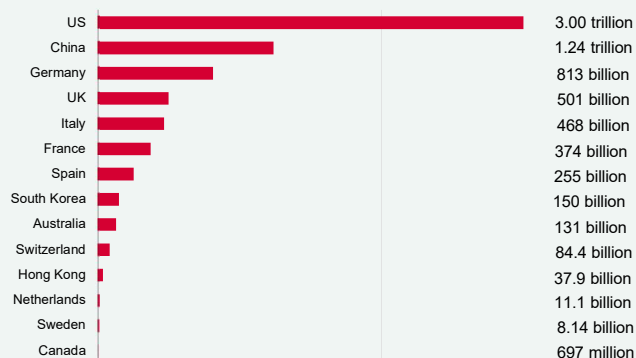
## Monetary policy

### Central Banks Policy Rates

	Current Rate	Rate at 1/1/2020	YTD Change
<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	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 , \$)



Source: Knight Frank, Macrobond.

### Fiscal measures details

<b>UK</b>	<b>£330bn+</b> : Government backed loans and guarantees equivalent to 15% of UK GDP. SMEs will be granted access to cash grants of more than £25k to tackle the crisis. Support for furloughed employees of 80% salary ≤£2,500 per month. Furlough has been extended until October 2020, with employers to start 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 in June.
<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>€500bn</b> : The EU member states passed this stimulus package, which includes €240bn to the European Stability Mechanism, as well as €200bn in guarantees from the European Investment Bank.
<b>Germany</b>	<b>€750bn</b> : The emergency aid measure approved by the German Cabinet on Monday 23 <sup>rd</sup> of March.
<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>\$10bn</b> : The aid package issued in early March for SMEs and self-employed workers. Additional economic stimulus measures are expected.
<b>Hong Kong</b>	<b>HK\$10k</b> for every adult citizen (c.£7bn).

Source: Knight Frank, various sources

### Central Bank Assets Purchasing Programme

	Lastest (\$)	MoM (%)	YoY (%)
<b>Advanced Economies</b>			
Australia	181 bn	8.7%	46.4%
Canada	278 bn	103.7%	223.1%
Euro Area	6.08 tn	5.1%	15.9%
France	1.49 tn	7.7%	20.5%
Germany	2.17 tn	4.8%	9.1%
Italy	1.22 tn	3.0%	11.2%
Sweden	127 bn	8.9%	32.7%
Japan	5.88 tn	3.2%	14.7%
United Kingdom	795 bn	0.2%	2.5%
United States	7.1 tn	7.2%	84.2%
<b>Developing Economies</b>			
Brazil	480 bn	-0.6%	-14.3%
China	5.09 tn	-1.2%	-1.7%
India	351 bn	8.6%	33.2%
Mexico	206 bn	3.2%	4.5%
Russia	684 bn	-0.6%	12.9%
Saudi Arabia	461 bn	-5.1%	-9.9%
South Korea	417 bn	0.7%	-5.4%
Turkey	107 bn	6.8%	17.0%

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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.

### Research

**William Matthews**  
Partner, Head of Commercial Research  
+44 20 3909 6842  
william.matthews@knightfrank.com

**Victoria Ormond**  
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+44 20 7861 5009  
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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	
<b>Europe</b>														
Italy		232,664	33,340											
France		151,496	28,771											
Poland		23,571	1,061											
Portugal		32,203	1,396											
Germany		181,482	8,500											
Russia		396,575	4,555											
United Kingdom		272,826	38,376											
Spain		239,228	27,125											
Norway		8,411	236											
Belgium		58,186	9,453											
Bulgaria		2,513	140											
Greece		2,915	175											
Denmark		11,633	571											
Switzerland		30,762	1,656											
Ukraine		23,204	696											
Finland		6,826	316											
Czech Republic		9,230	319											
Netherlands		46,257	5,951											
Sweden		37,113	4,395											
<b>Americas</b>														
Colombia		28,236	890											
Canada		90,179	7,073											
Argentina		16,201	528											
United States		1,770,394	103,781											
Venezuela		1,459	14											
Mexico		87,512	9,779											
Brazil		498,440	28,834											
Peru		155,671	4,371											
<b>Africa Middle East</b>														
Kenya		1,888	63											
South Africa		30,967	643											
Qatar		55,262	36											
United Arab Emirates		33,896	262											
Turkey		163,103	4,515											
Israel		17,012	284											
Iran		148,950	7,734											
Iraq		6,179	195											
Jordan		734	9											
Tunisia		1,076	48											
Morocco		7,780	204											
Egypt		23,449	913											
<b>Asia Pacific</b>														
Hong Kong		1,082	4											
Singapore		34,366	23											
Japan		16,851	891											
Indonesia		25,773	1,573											
Taiwan		442	7											
South Korea		11,468	270											
China		84,128	4,638											
Philippines		17,224	950											
India		182,143	5,164											
Vietnam		327	-											
Australia		7,185	103											
New Zealand		1,154	22											
Thailand		3,081	57											
Malaysia		7,762	115											
<b>Lockdown Index key &amp; Scale</b>														
No Restrictions: 0 – 25														
Recommended Restrictions: 26 – 50														
Enforced Restrictions: 51 – 75														
Highest Restrictions / Ban: 76 – 100														
<b>Internal movements</b>														
No measure														
Recommended														
Restriction														
<b>Public events</b>														
No Measure														
Recommended														
Required														
<b>Public transport</b>														
No measure														
Recommended														
Required														
<b>Workplace</b>														
No measure														
Recommended														
Required closure of some sectors														
Required closure for all but essential work														
<b>Schools</b>														
No measure														
Recommended														
Some level of schooling required to close														
All schools required to close														
<b>International travel</b>														
No measure														
Screening														
Quarantine arrivals from high risk regions														
Ban on high risk regions														
Total border closure														

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 22, indicating the restrictions in place are generally recommendations and are not enforced. Countries including Peru, the Philippines and Kenya have some of the highest 'lockdown index' scores.

For most countries, public transport has the most relaxed restrictions. Sweden and Taiwan are the only countries where there are no measures implemented on public events. Meanwhile, across the world, there is some measure of restriction on international travel. However, the UK and Iran are the exceptions, where international travel is freely permitted with no measures implemented.

Source: Knight Frank, Macrobond, Oxford University, Last Updated: 01/06/2020

### 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

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