

COVID-19 Dashboard

2 June 2020



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Summary

- **Equities:** Global equities continue to recover some of their year to date (YTD) losses. The S&P 500 YTD losses are now just -5%, led by significant weighting to tech and communication companies. Amazon, the third largest constituent is currently up +34% YTD and Microsoft, the largest index constituent is up +16%. The remaining top 5 constituents of Apple, Facebook and Alphabet A are up +10%, +13% and +7%, respectively. Elsewhere, Japan's Topix added +1.5% this morning, while Hong Kong's Hang Seng increased +0.7%. China's CSI 300 gauge of Shanghai and Shenzhen listed shares added +0.3%. Across Europe, the FTSE 100 saw gains of +0.4% this morning, while Frankfurt's DAX increased by +2.6% after a three-day break.
- **VIX:** The "investor fear gauge", the CBOE market volatility index, remains below 30, currently at 27.8. The Euro Stoxx 50 volatility price index is also below 30. Both of these indices remain elevated, indicating further expectations of near-term volatility.
- **Bonds:** The UK 10-year government bond has increased by +3bps to 0.23%. While both the US 10-year treasury yield and the German 10-year bund yield has compressed slightly to 0.66% and -0.41%, respectively.
- **Currency:** Both sterling and the euro have appreciated slightly to \$1.25 and \$1.12, respectively. Hedging benefits for US dollar denominated investors into the UK closed out at 0.20% per annum on a five-year basis yesterday. 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 increased by +3.2% yesterday to 520 from 504 the day prior. However, there remains some way to pare back its losses to 757 recorded on 20th April or to 1,090 seen at the end of last year.
- **Oil:** Oil prices have appreciated this morning, remaining firmly above \$30 a barrel. The West Texas Intermediate (WTI) has increased 2.54% to at \$36.34 a barrel and Brent Crude has increased 1.17% to \$39.49 a barrel. This comes following initial discussions between OPEC and Russia regarding the possibility of extending cuts in oil production, instead of tapering cuts from July onwards, as originally planned.

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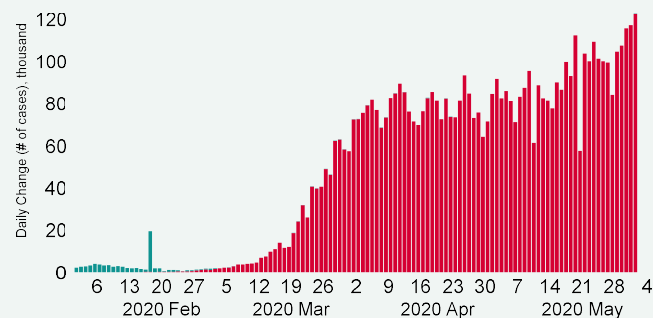


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COVID-19

New cases per day

■ World (ex-China) ■ China

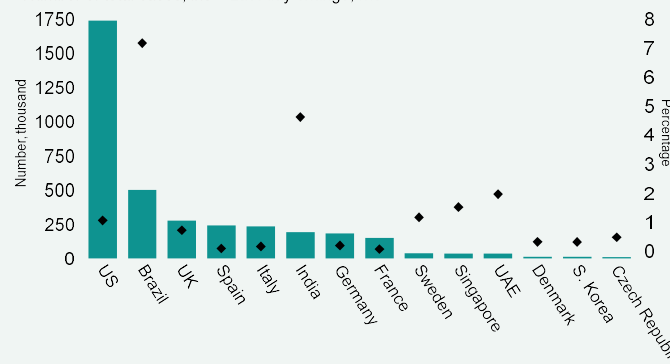


Source: Knight Frank, Macrobond. Last modified: 01 June 2020 18:27 GMT.

The number of total confirmed cases reached 6058k on the 1 June, an increase of 123k new cases over the day prior.

Cumulative number of cases

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



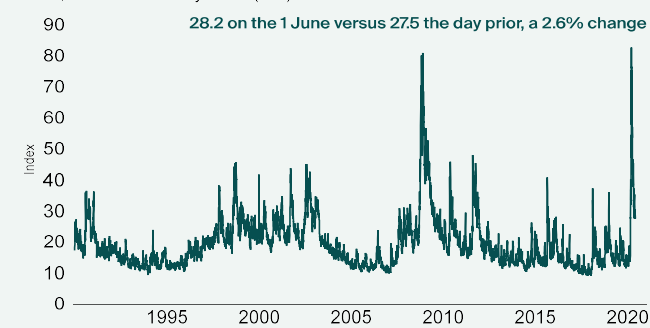
Source: Knight Frank, Macrobond. Last modified: 01 June 2020 00:00 GMT.

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

Investor sentiment

Volatility Index

—US, S&P 500 Volatility Index (VIX)



Source: Knight Frank, Macrobond. Last modified: 02 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

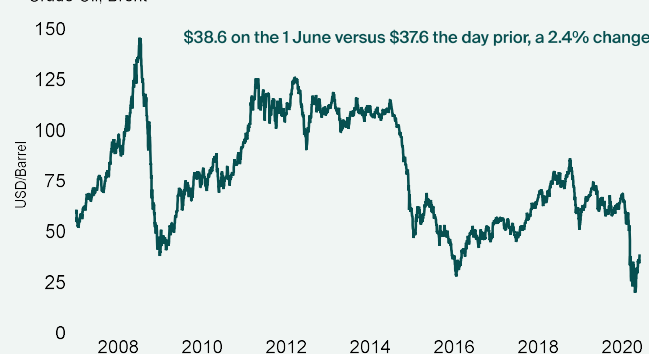


Source: Knight Frank, Macrobond. Last modified: 02 June 2020 06:30 GMT.

	1 June	D/D (%)	YTD (%)
Gold, USD	1739	1.2	14.7
Silver, USD	18.3	5.3	2.6

Brent crude and global commodity price index

—Crude Oil, Brent

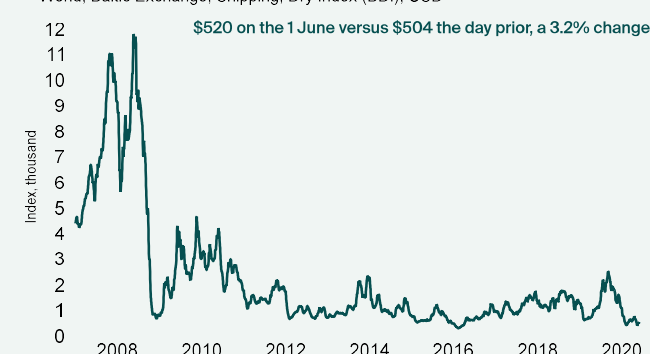


Source: Knight Frank, Macrobond. Last modified: 02 June 2020 02:30 GMT.

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: 01 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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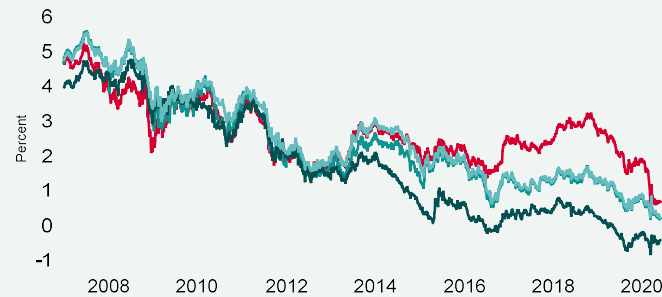


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Bonds and currencies

10y Government Bond Yield (%)

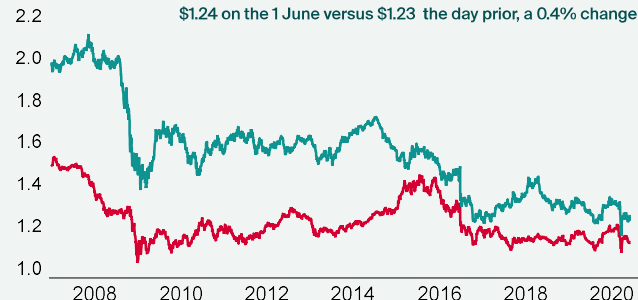
—US —UK —Germany —United Kingdom, Bank of England



	1 June	1 d ago	1st Jan
Germany	-0.41	-0.41	-0.19
UK	0.23	0.18	0.74
US	0.66	0.65	1.92

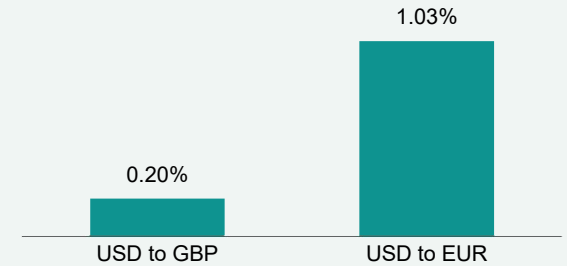
FX Spot Rates

—EUR per GBP —USD per GBP



	1 June	1 d ago	1st Jan
EUR per GBP	1.12	1.11	1.18
USD per GBP	1.24	1.23	1.32

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

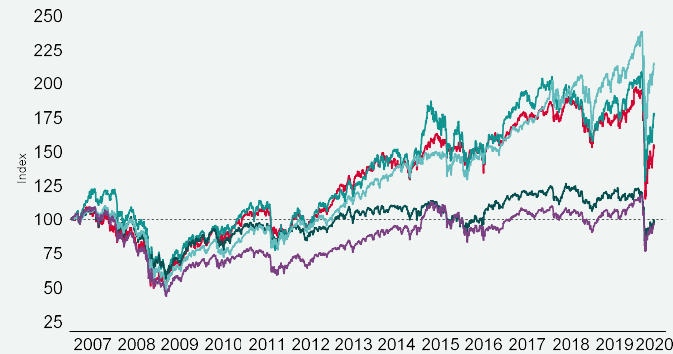


Source: Knight Frank, Investing.com
Approximate additional return per annum that dollar denominated investors may obtain based on five year currency hedge.

Equity and REIT

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

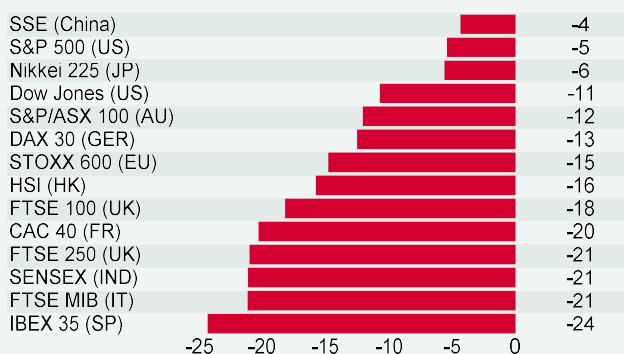
—FTSE 250 —DAX —FTSE 100 —S&P 500 —STOXX 600



Source: Knight Frank, Macrobond. Last modified: 01 June 2020 19:05 GMT.

Equity performance: YTD (%)

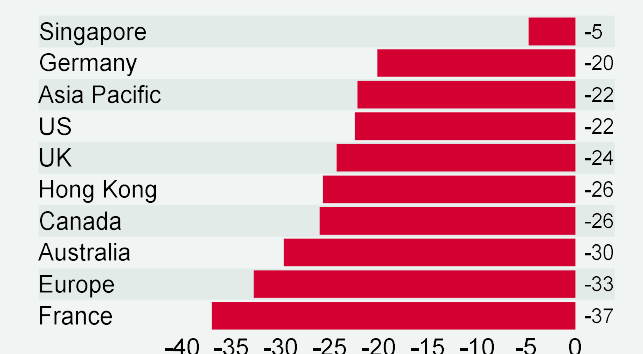
Local currencies



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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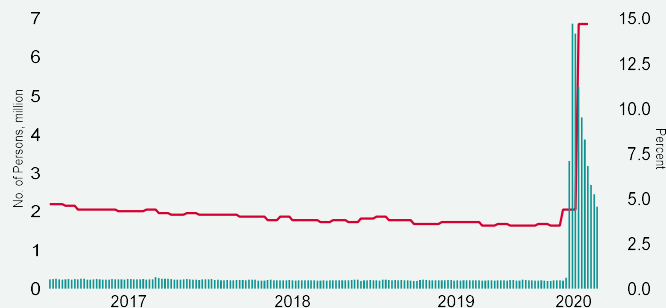


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US indicator

US Unemployment

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



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)

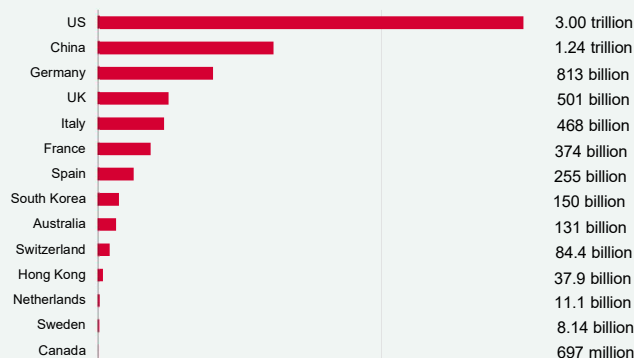
Monetary policy

Central Banks Policy Rates

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



Source: Knight Frank, Macrobond.

Fiscal measures details

UK	<p>£330bn+: 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.</p> <p>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.</p> <p>Taxable grant for self-employed <£50k trading profit, worth 80% of monthly profits up to £2.5k, paid as a lump sum in June.</p>
USA	<p>\$3.0tn: 2nd package passed 23rd April, worth \$483 billion, increasing US stimulus to \$3 trillion (15% GDP).</p>
EU	<p>€500bn: 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.</p>
Germany	<p>€750bn: The emergency aid measure approved by the German Cabinet on Monday 23rd of March.</p>
Italy	<p>€400bn: The stimulus announced on the 7 April to help businesses hurt by a national lockdown.</p> <p>€25bn: Emergency package to support businesses and families.</p>
France	<p>€45bn: The aid package for SMEs and other hard-hit sectors announced by the French government on 17th of March. Includes deferred corporate tax, social security charges and two months state payments to laid off workers.</p> <p>€300bn: government backed loans.</p>
Spain	<p>€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.</p>
Japan	<p>\$10bn: The aid package issued in early March for SMEs and self-employed workers. Additional economic stimulus measures are expected.</p>
Hong Kong	<p>HK\$10k for every adult citizen (c.£7bn).</p>

Source: Knight Frank, various sources

Central Bank Assets Purchasing Programme

	Lastest (\$)	MoM (%)	YoY (%)
Advanced Economies			
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	5.93 tn	2.4%	13.6%
United Kingdom	795 bn	0.2%	2.5%
United States	7.1 tn	7.2%	84.2%
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	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	5.7%	12.5%

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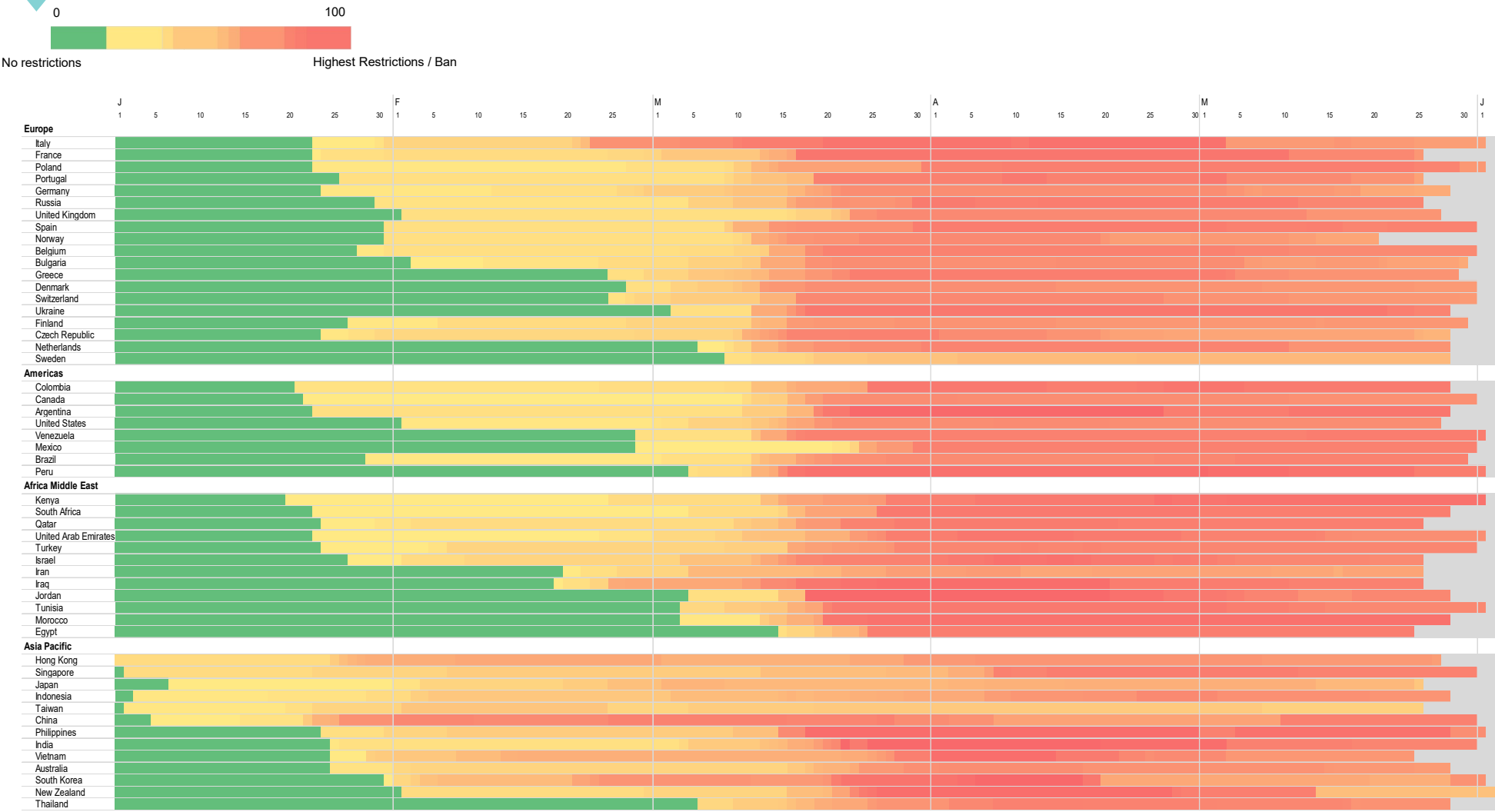
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Timeline of Covid-19 containment measures and their stringency



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		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											
Americas														
Colombia		28,236	890											
Canada		90,179	7,073											
Argentina		16,201	528											
United States		1,770,384	103,781											
Venezuela		1,459	14											
Mexico		87,512	9,779											
Brazil		498,440	28,834											
Peru		155,671	4,371											
Africa Middle East														
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											
Asia Pacific														
Hong Kong		1,082	4											
Singapore		34,366	23											
Japan		16,851	291											
Indonesia		25,773	1,573											
Taiwan		442	7											
South Korea		11,468	270											
China		84,126	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											
Lockdown Index key & Scale														
No Restrictions: 0 – 25														
Recommended Restrictions: 26 – 50														
Enforced Restrictions: 51 – 75														
Highest Restrictions / Ban: 76 – 100														
Internal movements														
No measure														
Recommended														
Restriction														
Public events														
No Measure														
Recommended														
Required														
Public transport														
No measure														
Recommended														
Required														
Value														
No measure														
Recommended														
Restriction														
Workplace														
No measure														
Recommended														
Required closure of some sectors														
Required closure for all but essential work														
Schools														
No measure														
Recommended														
Some level of schooling required to close														
All schools required to close														
Value														
No measure														
Recommended														
Screening arrivals from high risk regions														
Quarantine arrivals from high risk regions														
Ban on high risk regions														
Total border closure														
Value														
No measure														
Screening arrivals from high risk regions														
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: 02/06/2020

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