

COVID-19 Dashboard

16 June 2020



Internal and key client use only

Summary

- **COVID-19 Cases:** One week after surpassing 7 million global COVID-19 cases, yesterday, the total reached 8 million. In Beijing, 27 new cases have been identified, linked to a wholesale market. This comes as New Zealand confirmed two new cases, ending the country's 24-day streak with no new coronavirus infections.
- **Equities:** Futures for the S&P 500 and the Dow Jones Industrial Average currently indicate increases of +1.2% and +1.6%, respectively. In Europe, the STOXX 600 is up +2.1%, while the FTSE 250 has added +2.5% over the morning. In Asia, the Topix closed +4.1% higher and the Hang Seng +2.7%. In South Korea, trading was briefly suspended after futures for the Kospi 200 rose more than +5% from the previous day's close.
- **VIX:** After declining by -4.7% yesterday to 34.4, the "investor fear gauge", the CBOE market volatility index is currently 34.0. The index remains 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 are currently 0.22%, 0.73% and -0.43%.
- **Currency:** Sterling has appreciated slightly to \$1.26, while the euro remains at \$1.13. Hedging benefits for US dollar denominated investors into the UK and the eurozone have increased to 0.29% and 1.12% per annum on a five-year basis, respectively.
- **Baltic Dry:** The Baltic Dry Index increased for its 11th consecutive session yesterday, up +5.4% to 973. The index is closer to paring back its losses from the beginning of the year, where it was 1,090 on January 1st.
- **Oil:** Brent Crude is currently up +0.6% to just below \$40 a barrel at \$39.94, while the West Texas Intermediate (WTI) has appreciated +1.3% to \$37.60 per barrel.
- **UK Employment:** Supported by the furlough scheme, UK unemployment remained at 3.9% for the three-months to April 2020. However, weekly hours worked between February and April 2020 saw the largest annual decrease on record, falling by -8.9% compared to the same period in 2019. The period from March to May 2020 saw the largest fall in vacancies since 2001, declining by circa -60% to 476,000, last seen in H1 2012.

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

16 June 2020

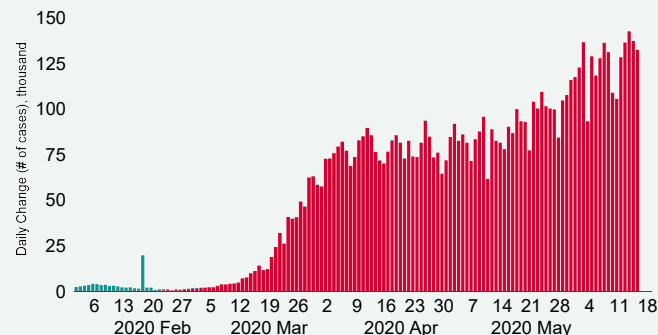


Internal and key client use only

COVID-19

New cases per day

World (ex-China) China

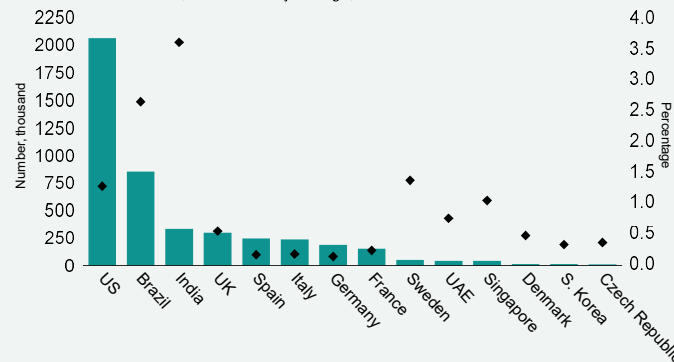


Source: Knight Frank, Macrobond. Last modified: 15 June 2020 20:47 GMT.

The number of total confirmed cases reached 7823k on the 15 June, an increase of 133k new cases over the day prior.

Cumulative number of cases

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

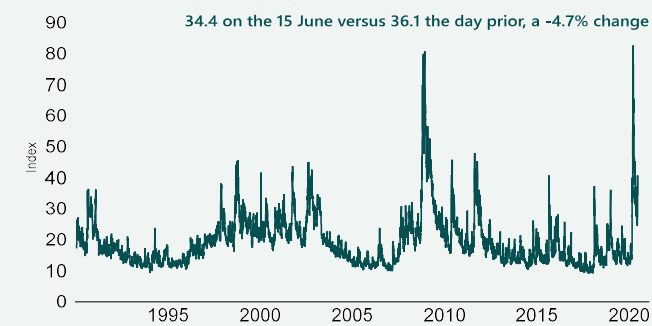


Source: Knight Frank, Macrobond. Last modified: 15 June 2020 00:00 GMT.

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)



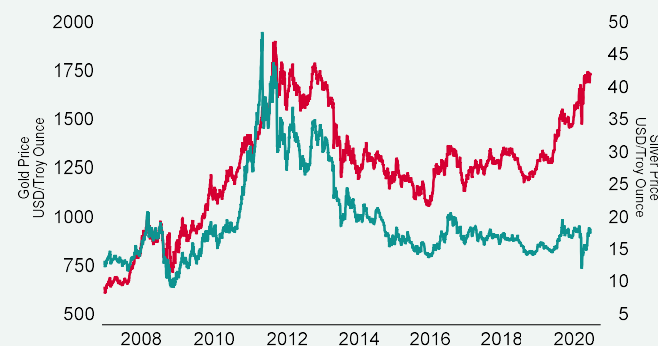
Source: Knight Frank, Macrobond. Last modified: 16 June 2020 03:15 GMT.

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

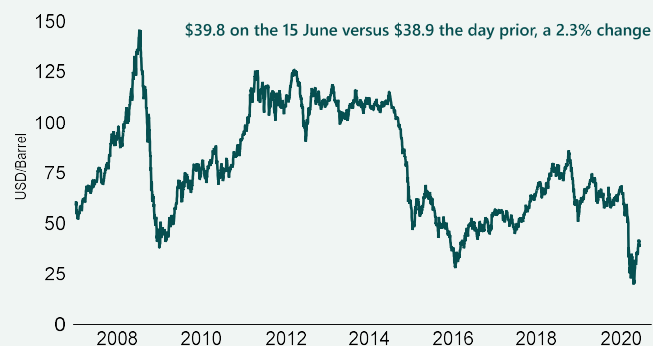


Source: Knight Frank, Macrobond. Last modified: 16 June 2020 06:30 GMT.

	15 June	D/D (%)	YTD (%)
Gold, USD	1725	-0.1	13.7
Silver, USD	17.4	-1.5	-2.6

Brent crude and global commodity price index

Crude Oil, Brent

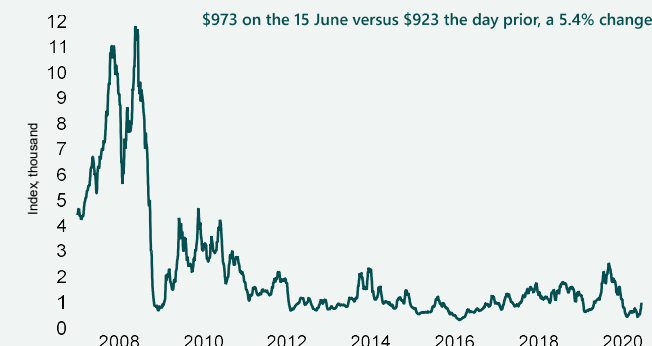


Source: Knight Frank, Macrobond. Last modified: 15 June 2020 23:10 GMT.

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)

World, Baltic Exchange, Shipping, Dry Index (BDI), USD



Source: Knight Frank, Macrobond. Last modified: 15 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.

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

16 June 2020

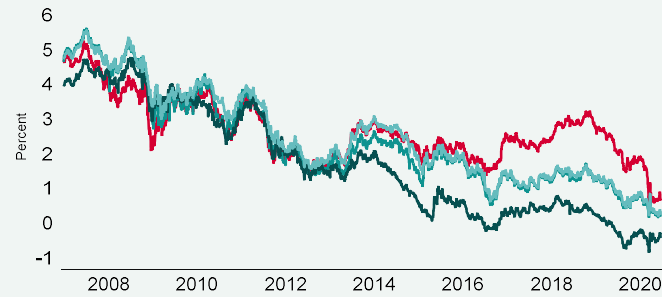


Internal and key client use only

Bonds and currencies

10y Government Bond Yield (%)

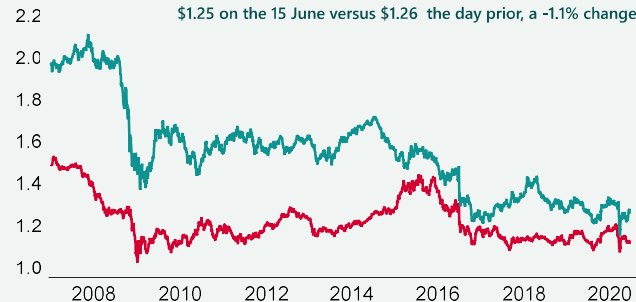
—US —UK —Germany —United Kingdom, Bank of England



	15 Jun	1 d ago	1st Jan
Germany	-0.43	-0.40	-0.19
UK	0.20	0.20	0.74
US	0.71	0.71	1.92

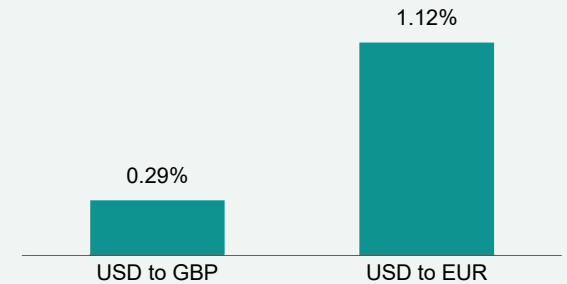
FX Spot Rates

—EUR per GBP —USD per GBP



	15 Jun	1 d ago	1st Jan
EUR per GBP	1.12	1.11	1.18
USD per GBP	1.25	1.26	1.32

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



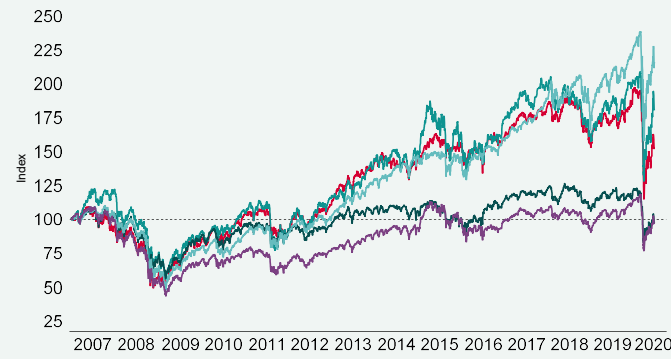
Source: Knight Frank, Investing.com

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)

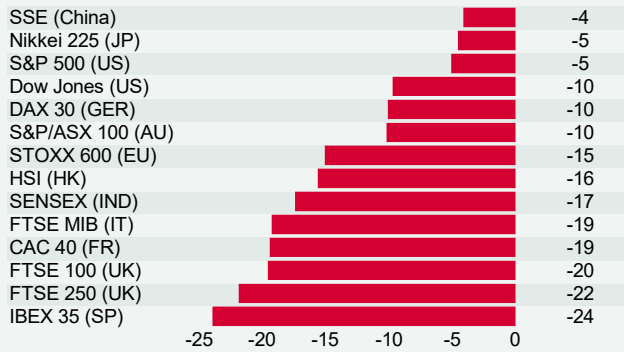
—FTSE 250 —DAX —FTSE 100 —S&P 500 —STOXX 600



Source: Knight Frank, Macrobond. Last modified: 15 June 2020 19:05 GMT.

Equity performance: YTD (%)

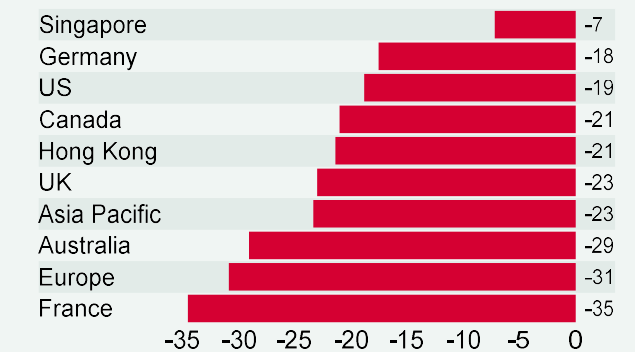
Local currencies



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).

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 prepared 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

16 June 2020

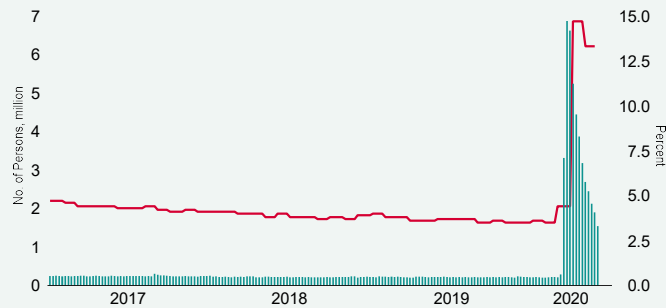


Internal and key client use only

US indicators

US Unemployment

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

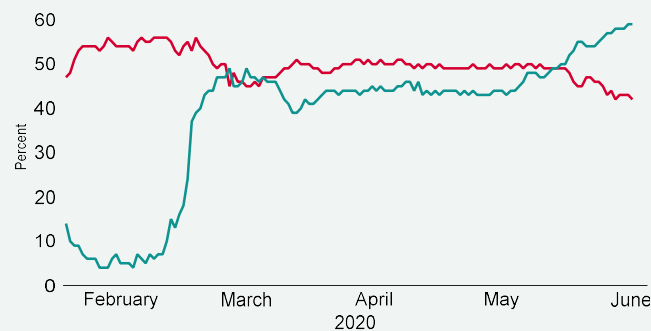


Source: Knight Frank, Macrobond. Last data for the week commencing the 1 June.

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

— Trump — Biden



Source: Knight Frank, Macrobond. Last modified: 16 June 2020 07:00 GMT.

Based on Predictit, the online political futures market in which users purchase shares and bet on the outcome of political and financial events.

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

Central Bank Assets Purchasing Programme

	Lastest (\$)	MoM (%)	YoY (%)
Advanced Economies			
Australia	190 bn	11.3%	48.5%
Canada	340 bn	22.2%	293.3%
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	6.01 tn	3.3%	14.5%
United Kingdom	795 bn	0.2%	2.5%
United States	7.17 tn	4.8%	86.2%
Developing Economies			
Brazil	517 bn	7.6%	-7.0%
China	5.15 tn	1.2%	-0.9%
India	349 bn	-2.0%	33.7%
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	110 bn	10.4%	17.5%

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	\$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

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

16 June 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.

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 prepared 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.

Source: Knight Frank, various sources

COVID-19 Dashboard

16 June 2020



Internal and key client use only

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	236,989	34,345	48									
France	157,220	29,407	60									
Poland	29,392	1,247	54									
Portugal	36,690	1,517	71									
Germany	186,461	8,791	50									
Russia	528,964	6,948	75									
United Kingdom	295,889	41,698	70									
Spain	243,928	27,136	61									
Norway	8,606	242	40									
Belgium	60,029	9,655	50									
Bulgaria	3,290	174	44									
Greece	3,121	183	62									
Denmark	12,193	597	63									
Switzerland	31,034	1,676	39									
Ukraine	31,154	889	73									
Finland	7,104	326	42									
Czech Republic	10,024	329	40									
Netherlands	48,783	6,059	63									
Sweden	51,614	4,874	46									
Americas												
Colombia	50,939	1,667	87									
Canada	98,776	8,146	71									
Argentina	31,564	833	91									
United States	2,094,069	115,732	73									
Venezuela	2,978	25	81									
Mexico	146,837	17,141	73									
Brazil	867,624	43,332	77									
Peru	229,736	6,688	90									
Africa Middle East												
Kenya	3,594	103	94									
South Africa	70,038	1,480	81									
Qatar	79,602	73	83									
United Arab Emirates	42,294	289	69									
Turkey	178,239	4,807	48									
Israel	19,121	302	75									
Iran	187,427	8,837	53									
Iraq	20,209	607	93									
Jordan	961	9	56									
Tunisia	1,096	49	30									
Morocco	8,734	212	77									
Egypt	44,598	1,575	71									
Asia Pacific												
Hong Kong	1,112	4	53									
Singapore	40,604	26	78									
Japan	17,502	925	28									
Indonesia	38,277	2,134	58									
Taiwan	443	7	22									
South Korea	12,121	277	57									
China	84,335	4,638	78									
Philippines	25,930	1,088	83									
India	332,424	9,520	75									
Vietnam	334	-	66									
Australia	7,320	102	54									
New Zealand	1,154	22	22									
Thailand	3,135	58	57									
Malaysia	8,453	121	64									
	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	Workplace	Schools	Value	International travel	Value
				No measure	No Measure	No measure	0	No measure	No measure	0	No measure	0
				Recommended	Recommended	Recommended	1	Recommended	Recommended	1	Screening	1
				Restriction	Required	Required	2	Required closure of	Some level of		Quarantine arrivals from	2
								schoolies required to			high risk regions	