

COVID-19 Dashboard

28 May 2020



Internal and key client use only

Summary

- **Lockdown:** Across Europe, lockdown measures continue to cautiously ease. However, in South Korea, Seoul and the surrounding metropolitan areas, are to face two weeks of strengthened quarantine measures, following a spike in COVID-19 cases. 82 infections have been traced back to a Coupang warehouse. The SoftBank backed Coupang is South Korea's largest ecommerce operator.
- **Equities:** Global equities have continued to rise this morning. Increases were led by the FTSE 250 and Europe's STOXX 600, which both added +1.0%, followed by Frankfurt's DAX (+0.9%) and the FTSE 100 (+0.7%). DJIA and S&P 500 futures are also up +0.6% and +0.3%, respectively. However, Hong Kong's Hang Seng index bucked the trend, moderating by -0.8%.
- **VIX:** The "investor fear gauge" has remained under 30 for the third consecutive day, albeit is currently up 0.9% this morning at 29.3. This remains elevated, indicating further expectations of near-term volatility.
- **Baltic Dry:** Yesterday saw the Baltic Dry Index decline for the first time in nine sessions, moderating by -0.8% to 502, however the index is still above 500. Nevertheless, there remains some way to go to recover back to 757 seen on 20th April before an 18 session rout or to 1,090 seen at the end of last year.
- **Bonds:** The UK 10-year government bond yield is currently 0.20%, while the US 10-year treasury yield is 0.68%. The German 10-year bund yield is -0.42%, while the yield gap with Italian 10-year bond is at its lowest since 9th April, at 191bps.
- **Currency:** Sterling and the euro remain at \$1.23 and \$1.10, respectively. Hedging benefits for US dollar denominated investors into the UK have increased slightly to circa 0.28% per annum on a five-year basis. The currency hedging benefit of US dollar denominated investors into the Eurozone is 1.04% per annum on a five-year basis.
- **Oil:** Oil prices have fallen further this morning, however they remain above \$30 a barrel. The West Texas Intermediate (WTI) declined by -1.0% to \$32.48 a barrel, while Brent Crude was down -2.6% to \$33.84 a barrel.

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

28 May 2020

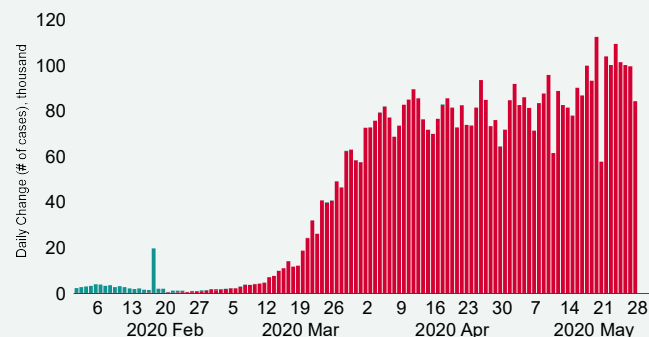


Internal and key client use only

COVID-19

New cases per day

World (ex-China) China

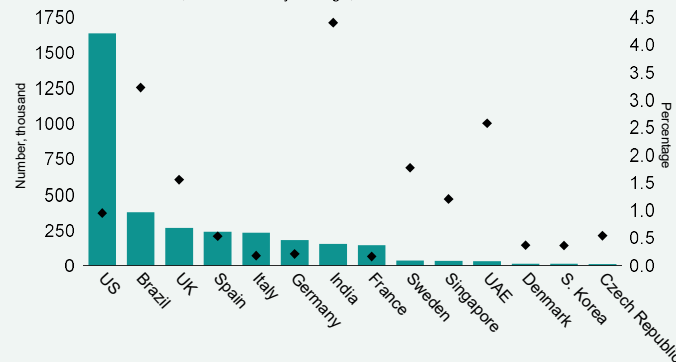


Source: Knight Frank, Macrobond. Last modified: 27 May 2020 19:46 GMT.

The number of total confirmed cases reached 5489k on the 27 May, an increase of 84k new cases over the day prior.

Cumulative number of cases

Number of total cases, lhs Last day change, rhs



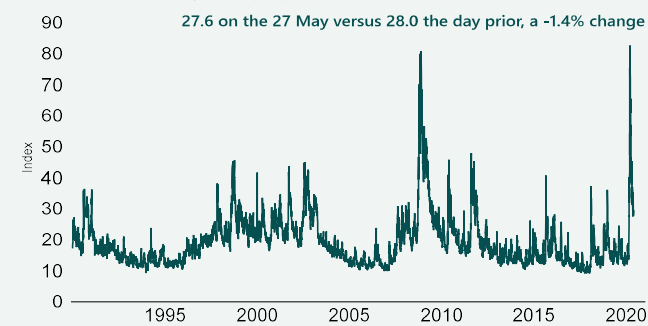
Source: Knight Frank, Macrobond. Last modified: 27 May 2020 00:00 GMT.

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: 28 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

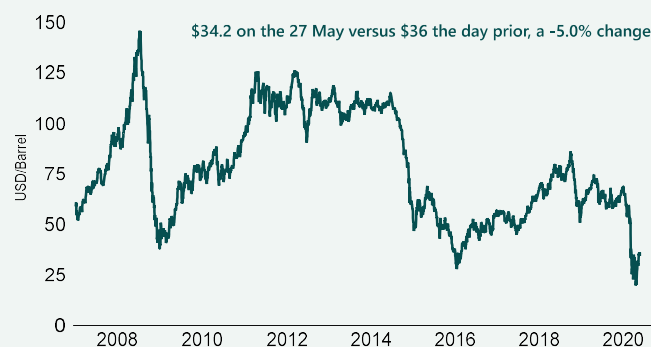


Source: Knight Frank, Macrobond. Last modified: 28 May 2020 06:30 GMT.

	27 May	D/D (%)	YTD (%)
Gold, USD	1709	-1.1	12.6
Silver, USD	17.2	2.2	-3.3

Brent crude and global commodity price index

Crude Oil, Brent

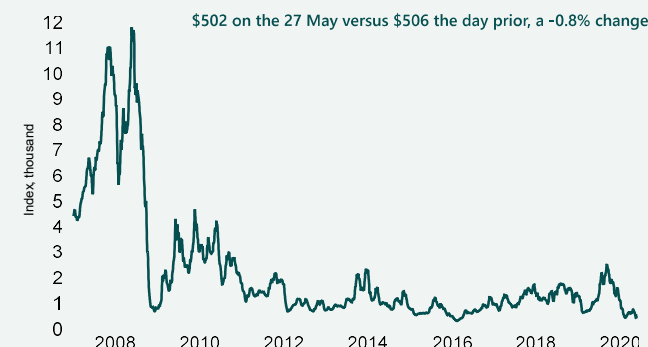


Source: Knight Frank, Macrobond. Last modified: 28 May 2020 02:30 GMT.

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: 27 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

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

28 May 2020

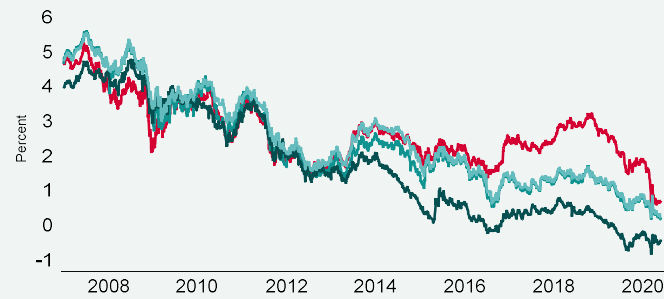


Internal and key client use only

Bonds and currencies

10y Government Bond Yield (%)

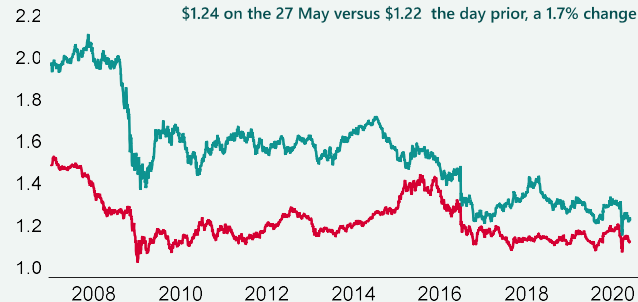
—US —UK —Germany —United Kingdom, Bank of England



	27 May	1 d ago	1st Jan
Germany	-0.44	-0.42	-0.19
UK	0.18	0.21	0.74
US	0.68	0.69	1.92

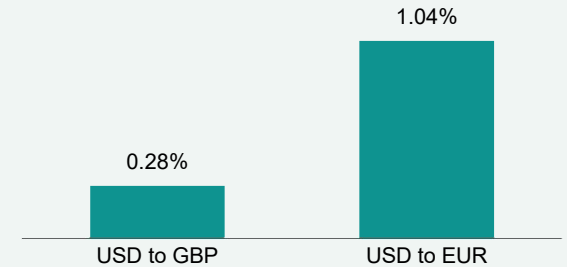
FX Spot Rates

—EUR per GBP —USD per GBP



	27 May	1 d ago	1st Jan
EUR per GBP	1.13	1.12	1.18
USD per GBP	1.24	1.22	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)

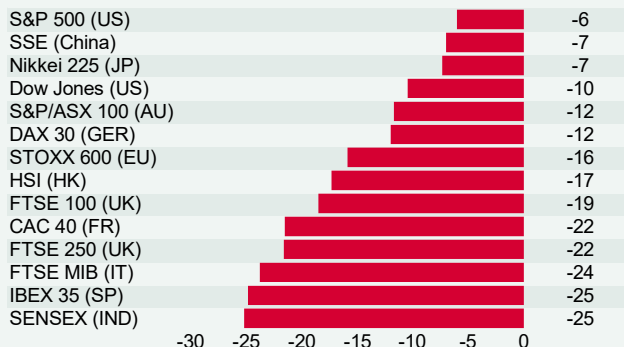
—FTSE 250 —DAX —FTSE 100 —S&P 500 —STOXX 600



Source: Knight Frank, Macrobond. Last modified: 27 May 2020 19:05 GMT.

Equity performance: YTD (%)

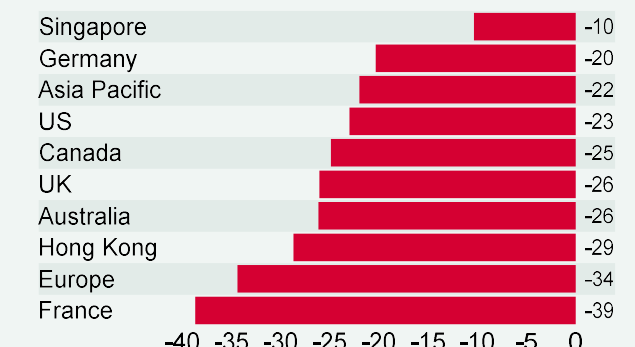
Local currencies



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

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

28 May 2020

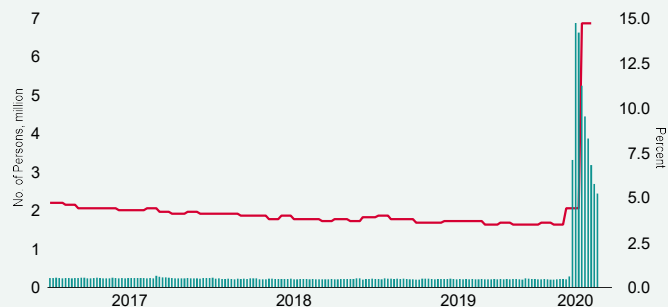


Internal and key client use only

US indicator

US Unemployment

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



Source: Knight Frank, Macrobond. Last data for the week commencing the 11 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)

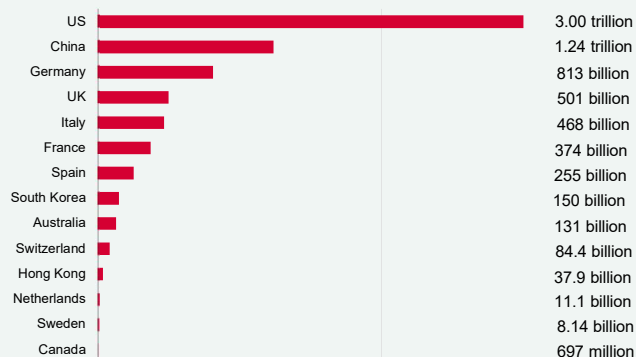
Monetary policy

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	£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. 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.
USA	\$3.0tn : 2 nd package passed 23 rd April, worth \$483 billion, increasing US stimulus to \$3 trillion (15% GDP).
EU	€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.
Germany	€750bn : The emergency aid measure approved by the German Cabinet on Monday 23 rd of March.
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	175 bn	5.1%	43.4%
Canada	278 bn	103.7%	223.1%
Euro Area	6.08 tn	5.1%	15.9%
France	1.39 tn	11.7%	11.6%
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	7.04 tn	8.0%	82.2%
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	485 bn	-3.8%	-3.8%
South Korea	417 bn	0.7%	-5.4%
Turkey	109 bn	10.5%	18.3%

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.

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

COVID-19 Dashboard

28 May 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 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.

Source: Knight Frank, various sources

COVID-19 Dashboard

28 May 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		230,555	32,955	64									
France		145,555	28,530	77									
Poland		22,074	1,024	83									
Portugal		31,007	1,342	69									
Germany		179,364	8,349	71									
Russia		362,342	3,807	78									
United Kingdom		265,227	37,048	67									
Spain		236,259	27,117	79									
Norway		8,364	235	55									
Belgium		57,455	9,334	74									
Bulgaria		2,460	133	59									
Greece		2,892	173	69									
Denmark		11,428	563	66									
Switzerland		30,678	1,647	66									
Ukraine		21,584	644	88									
Finland		6,628	312	64									
Czech Republic		9,050	317	55									
Netherlands		45,578	5,856	69									
Sweden		34,440	4,125	41									
Americas													
Colombia		23,003	776	87									
Canada		86,636	6,639	71									
Argentina		13,215	484	91									
United States		1,681,212	98,916	73									
Venezuela		1,211	11	85									
Mexico		74,560	8,134	83									
Brazil		391,222	24,512	70									
Peru		129,751	3,788	96									
Africa Middle East													
Kenya		1,348	52	94									
South Africa		24,264	524	84									
Qatar		47,207	28	83									
United Arab Emirates		31,086	253	74									
Turkey		158,762	4,397	79									
Israel		16,757	281	75									
Iran		139,511	7,508	56									
Iraq		4,848	169	82									
Jordan		718	9	70									
Tunisia		1,051	48	69									
Morocco		7,577	202	94									
Egypt		18,756	797	84									
Asia Pacific													
Hong Kong		1,066	4	64									
Singapore		32,343	23	81									
Japan		16,651	858	41									
Indonesia		23,165	1,418	71									
Taiwan		441	7	23									
South Korea		11,265	269	40									
China		84,103	4,638	82									
Philippines		14,669	886	94									
India		151,767	4,337	79									
Vietnam		327	-	66									
Australia		7,133	102	64									
New Zealand		1,154	21	36									
Thailand		3,045	57	79									
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													
No measure													
Recommended													
Required													
Workplace													
No measure													
Recommended													
Some level of													
schooling required to													
close													
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													
International travel													
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, Jordan and Iran are the exceptions, where international travel is freely permitted with no measures implemented.

Source: Knight Frank, Macrobond, Oxford University, Last Updated: 27/05/2020

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

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.