
Quarterly Credit Report

Q3/2017

Volume 7, No 2



Introduction

The Quarterly Credit Report (QCR) is an analysis of credit outlooks across regions, economies and sectors. This analysis incorporates probabilities of default (PD) generated by the Risk Management Institute - Credit Research Initiative's (RMI-CRI) default forecast model, a part of the RMI Credit Research Initiative at the National University of Singapore (NUS). The QCR provides insights on trends in credit outlooks to credit professionals, investors and researchers.

QCR Volume 7, Issue 2 covers the third quarter of 2017. We discuss the general credit outlook for a selection of economies from around the world, based on relevant indicators, and relate this discussion to forecasts provided by RMI-CRI's PD model.

The appendices in this volume include a comprehensive overview of various outputs that are produced by the operational PD system of RMI-CRI. While the PD system output's default forecasts at horizons ranging from one month to five years, the QCR reports only 1-year PDs in order to allow the reader to make consistent comparisons. In addition to the PD produced by the RMI-CRI system, the appendices provide important macroeconomic, corporate credit and sovereign risk indicators. These summarize the credit situation, as well as make detailed data available for reference purposes.

The commentary in the QCR is based on median PD of *exchange-listed firms* within economies and industry sectors. Classification into economies is based on each firm's country of domicile, and classification into industry sectors is based on each firm's Level I Bloomberg Industry Classification. An exception is the banking and real estate sectors, where firms are included based on the Level II Bloomberg Industry Classifications. The daily frequency PD graphs in the written commentary are aggregates of firms that have a PD in both the first ten days and last ten days of the quarter. This prevents, for example, drops in the aggregate PD when high PD firms default and leave the sample.

The economies that are considered in each region are based on a selection of 87 economies covered by RMI's default forecast model.

The developed economies of Asia-Pacific include: Australia, Hong Kong, Japan, New Zealand, Singapore, South Korea and Taiwan.

The emerging economies of Asia-Pacific include: Bangladesh, China, India, Indonesia, Kazakhstan, Malaysia, Pakistan, the Philippines, Sri Lanka, Thailand and Vietnam.

Latin America includes: Argentina, Brazil, Chile, Colombia, Jamaica, Mexico, Peru and Venezuela.

North America includes: Canada and the US.

Eastern Europe includes: Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, the former Yugoslav Republic of Macedonia, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tunisia, Turkey and Ukraine.

Western Europe includes: Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Italy, Ireland, Luxembourg, Malta, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK.

Africa & the Middle East includes: Bahrain, Botswana, Egypt, Ghana, Israel, Kenya, Kuwait, Jordan, Malawi, Mauritius, Namibia, Morocco, Oman, Nigeria, Rwanda, Saudi Arabia, South Africa, Tunisia, Uganda, United Arab Emirates and the United Republic of Tanzania.

Credit Research Initiative

The QCR is a companion publication to the Weekly Credit Brief and Credit Brief on Singapore SMEs, with all three publications produced as part of the Credit Research Initiative undertaken by RMI.

These publications supplement RMI-CRI's operational probability of default (PD) model. The model takes financial statements and market data from a database of more than 66,000 listed firms and estimates a PD for each firm, effectively transforming big data into smart data. The outputs from the RMI-CRI PD model are available free for all users at:

www.rmicri.org

As of September 2017, the PD system covers 127 economies in Africa, Asia-Pacific, Latin America, North America, the Middle East and Europe. The probabilities of default include historical data for firms that are now delisted from exchanges or firms that have defaulted. PDs aggregated at the region, economy and sector level are also available. The full list of firms is freely available to users who can give evidence of their professional qualifications to ensure that they will not misuse the data. General users who do not request global access are restricted to a list of 5,000 firms. The PD system operates in a transparent manner, and a detailed description of our model is provided in a [Technical Report](#) available on our website.

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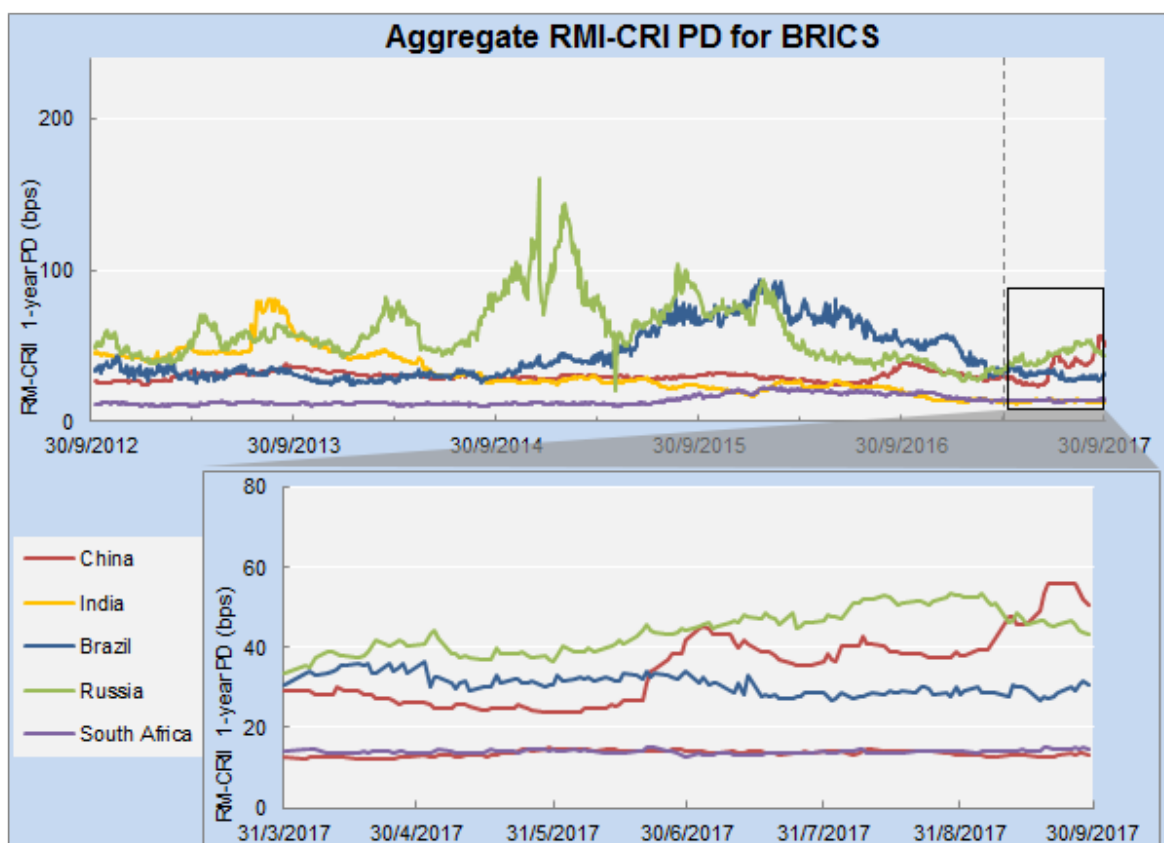
Acronyms

ADR	Average Default Rates
BI	Bank of Indonesia
BOE	The Bank of England
CAD	Current Account Deficit
CDS	Credit Default Swap
CLI	Composite Leading Indicator
CRI	Credit Research Initiative
ECB	European Central Bank
ELA	Emergency Liquidity Assistance
ESI	Economic Sentiment Indicator
ESMA	European Securities and Markets Authority
EU	The European Union
FTV	Financing-to-value
FDI	Foreign Direct Investment
FX	Foreign Exchange
GFC	2008-2009 Global Financial Crisis
INR	Indian Rupee
ISTAT	Italian National Institute of Statistics
LATDB	Liquid assets to deposits and short-term borrowings ratio
LHS	Left-hand side of graph
LTV	Loan-to-value
MAS	Monetary Authority of Singapore
MIDF	Malaysian Industrial Development Finance Berhad
MLF	Medium term Lending Facility
MPC	Monetary Policy Committee
MOM	Ministry of Manpower
MoM	Month on Month

NIM	Net Interest margin
NODX	Non-oil domestic exports
NPA	Non-performing assets
NPL	Non-performing loan
OECD	Organisation for Economic Co-operation and Development
OJK	Otoritas Jasa Keuangan (Financial Services Authority of Indonesia)
OPR	Overnight Policy Rate
PBOC	The People's Bank of China
PCA	Prompt Corrective Action
PD	Probability of Default
PDiR	Probability of Default Implied Ratings
PMI	Purchasing Managers Index
PCI	Performance of Construction Index
PSI	Performance of Services Index
PSL	Pledged Supplementary Lending facility
QCR	Quarterly Credit Report
QoQ	Quarter on Quarter
REITS	Real Estate Investment Trusts
RBA	Reserve Bank of Australia
RBI	Reserve Bank of India
RMI	Risk Management Institute
RMI-CRI	Risk Management Institute Credit Research Initiative
RHS	Right-hand side of graph
RRR	Reserve requirement ratio
Sebi	Securities and Exchange Board of India
SDF	Standing Deposit Facility
SLF	Standing Lending Facility
WAIR	Weighted average interest rate
WMP	Wealth Management Product
YoY	Year On Year

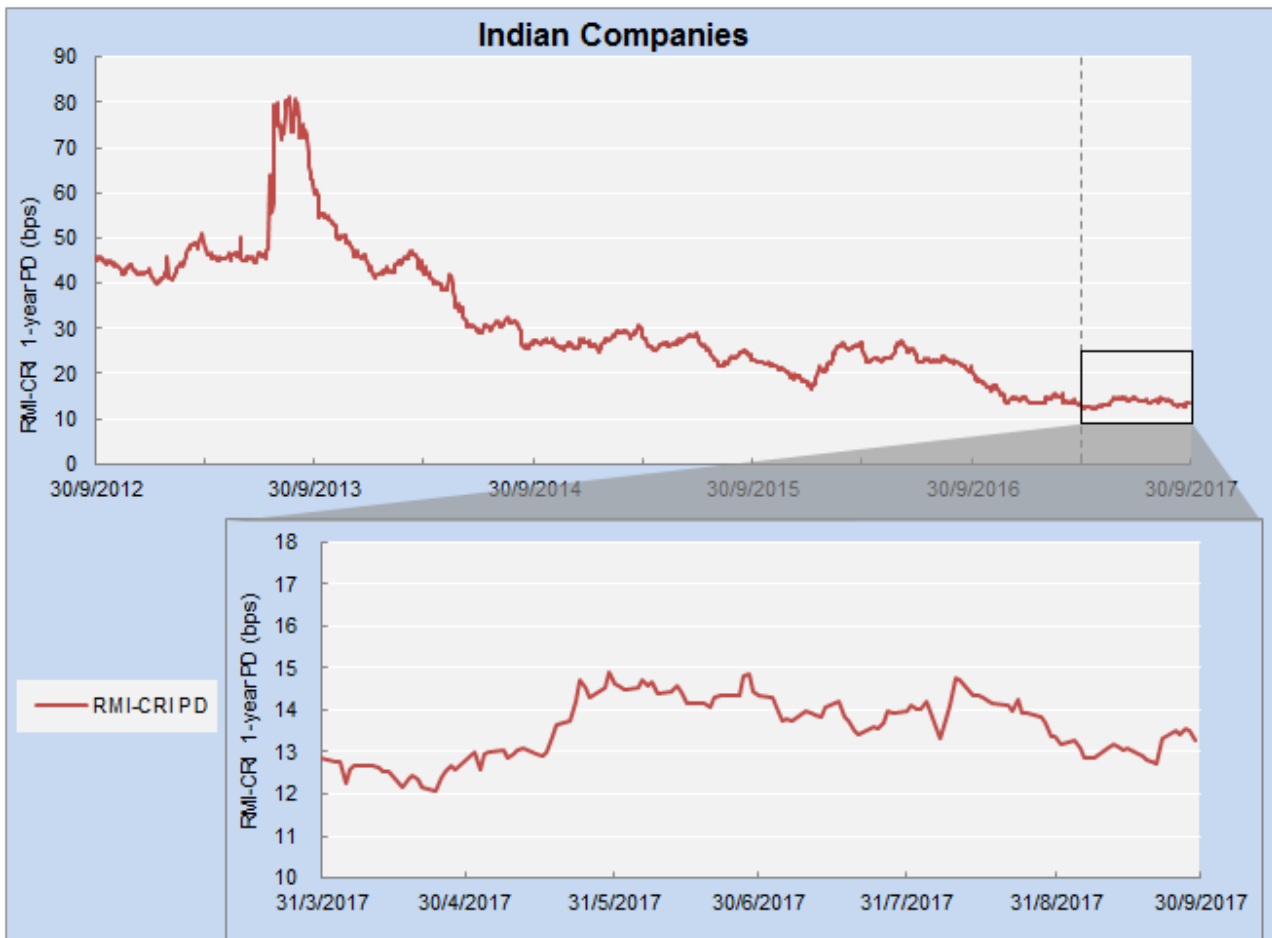
BRICS

Unlike last quarter when listed companies in BRICs delivered mixed result, all the four countries saw the credit profile improving in the third quarter. The RMI-CRI aggregate PD for China decreased the most, followed by Brazil, Russia, and India. Despite the strong credit improvement, China's economic growth slowed slightly in Q3 due to the government's efforts to rein in its property market and financial risk. By contrast, trading activities expand better than expected, supporting China's economy. While Brazil's credit score synchronized with its expected GDP growth in Q3, Russia can hardly maintain a positive credit performance due to the slowing GDP growth, mostly coming from the weaker expansion in industrial production. Although India saw the slowest credit improvement among all in Q3, the economic prospect is promising as its economic growth rebounded in Q3, halting a five-quarter slide, since its businesses started to ease the pressures from the rollout of GST.



Indian Companies

The aggregate 1-year RMI PD for Indian companies has been steady during the third quarter of 2017. Economic conditions are starting to make progress as domestic demand has begun to pick up since the early third quarter and the local manufacturing sector is seeing more activities due to higher output. Inflation rates dropped slightly due to falling prices in the primary articles despite improving demand. Current account deficit widened on account of a higher trade deficit brought about by larger increase in merchandise imports relative to exports. However, this circumstance is expected to be momentary as local producers ramp up production to meet demand. The depreciation of the Indian Rupee against major currencies such as the USD and the EUR due to policy normalization is also expected to improve trade balance and narrow Indias current account deficit in the near term.



Economy

- Indias real Gross Domestic Product for Q1 2017 grew at an annual rate of 5.7% against a 7.1% expansion in the same quarter last year. Sectors that experienced strong growth YoY include trade, hotels, transport and communication (11.1%), public administration and defence (9.5%), and electricity, gas and water supply (7.0%). According to IMF, growth in India is forecast to stay further in 2018 and 2019 at 7.2% and 7.7% YoY respectively following strong government spending and data revisions that show stronger momentum in the first part of the year.^{1,2}

- September saw a sustained expansion in the Indian manufacturing sector, supported by increases in both output and new orders, albeit at slower rates. The Nikkei India Manufacturing PMI was unchanged at 51.2 in September since August from a four-month low of 50.9 in June, indicating a modest improvement in manufacturing sector business conditions. Firms attributed this to increases in inflows of new orders and a stronger domestic demand condition amid favourable economic condition. The introduction of GST, as well as greater prices for steel and petroleum products reported caused cost pressures for firms during September. This is explained by the fact that competitive conditions compelled them to increase output charges at a marginal pace.³
- The annual rate of inflation, based on monthly Wholesale Price Index (WPI), increased to an annual rate of 2.60% in September from an annual rate of 0.90% for the month of June. The wholesale price index declined slightly by 0.4% over the previous month. The slight decline is mainly due to falling prices in primary articles, which constitutes a smaller percentage compared to fuel and power and manufactured products that experience increases in price. The MCX India Crude Oil Spot Index increased to 3391 from 2981 in Q3 2017 amid improvements in domestic demand.⁴
- Indias current account deficit (CAD) widened to USD 14.3bn (2.4% of GDP) in Q3 2017 from USD 3.4bn (1.4% of GDP) in Q2 2017. The current account deficit is higher than USD 0.4bn (0.1% of GDP) in Q1 2016. The widening of the CAD on a YoY basis is primarily due to a higher trade deficit of USD 41.2bn brought about by a larger increase in merchandise imports relative to exports. Net services receipts reported a rise on a YoY basis due to an increase in net earnings from travel, transport, construction and other business services. Transfer receipts, mainly representing remittances by Indians employed overseas also increased by 5.3% to USD 16.1bn on a YoY basis.⁵
- During Q3, the Indian Rupee (INR) depreciated 0.62% against the US dollar. Speculations of a Fed Fund rate hike in December amid improving conditions in the Indian economy, albeit at its infancy, most likely contributed to INR depreciation. On the bright side, taxation and sectoral-ownership reforms are expected to enhance Indias attractiveness as a destination for foreign direct investments. Foreign portfolio inflows during the quarter amount to USD 2.56bn.⁶

Monetary

- According to the bi-monthly monetary policy statement on Oct 4th 2017, the RBI kept the policy rate (repo rate) at 6.0%. The reverse repo rate under the liquidity adjustment facility was set at 5.75%. Similarly, the Bank Rate was fixed at 6.25%.⁷
- Surplus liquidity persisted even as the government cash balances have been building up since mid-September 2017 due to advance tax outflows. Currency in circulation increased moderately by INR 569bn in Q3 compared to INR 1.96tn in Q2. Consistent with the guidance given in April 2017 on liquidity, RBI conducted six series of open market sales operation to absorb INR 600bn of surplus liquidity. It also issued treasury bills (of tenors ranging from 312 days to 329) amounting to INR 1tn. Shifting attention to the Monetary Policy Committee, the MPC in August had recently clung to its commitment to not fall for the temptation to cut rates amid low inflation, the recent demonetisation exercise and uncertainties as the new GST law kicked in. This could potentially restore and strengthen the publics faith on the independence of the monetary policy of India.^{8,9}
- The MPC observed that CPI level has risen by around 2% since its last meeting. From a global perspective, the price pressures coincided with an escalation of global geopolitical uncertainty and heightened volatility in financial markets due to US Feds plans to increase interest rates and the ECBs plan to normalize its QE policy. The MPC

opined that prices of goods in general (excluding domestic food) are expected to build momentum following this. With the likelihood of an output gap widening in the near future, the MPC decided to keep headline inflation at close to 4%, while keeping policy stance neutral and monitoring incoming economic changes very carefully.¹⁰

- The Reserve Bank of India (RBI) submitted a fresh proposal to the government for introducing a new liquidity management tool as it grapples with strong foreign inflows and an ongoing detrimental excess liquidity problem. Named the Standing Deposit Facility (SDF), it is a remunerated facility that will not require the provision of collateral for liquidity absorption. This is the second time such proposal has been made, after it was earlier rejected by the ministry since it gave RBI the discretion to set interest rates outside the purview of the monetary policy panel.¹¹

Funding & Liquidity

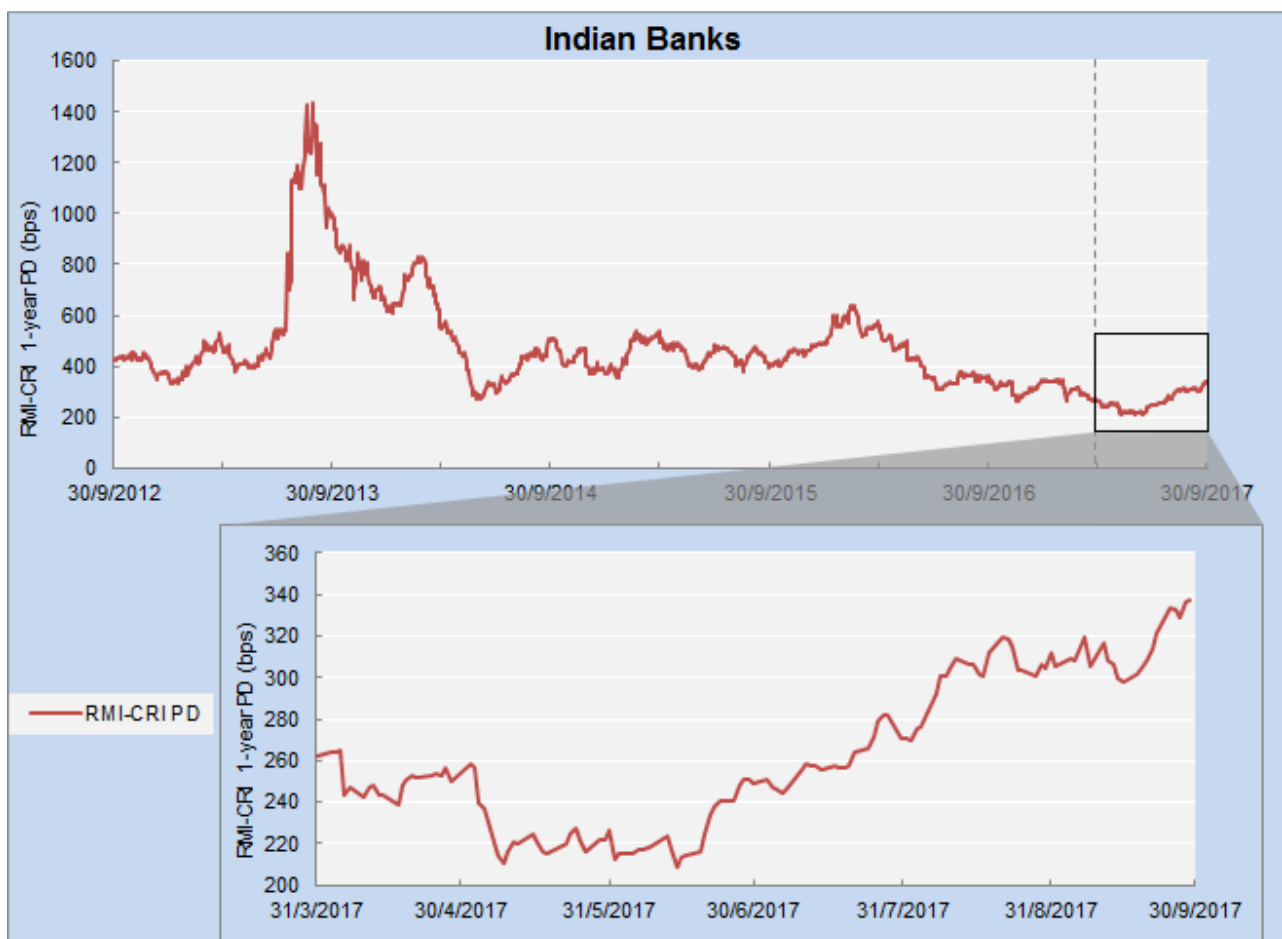
- Yields on Indias 10-year government sovereign bonds increased to 6.662% at the end of Q3 from 6.564% as of September 29th, 2017. This uptrend is likely due to the fact that both the US Federal Reserve and the ECB are expected to unwind their quantitative easing (QE) programs in view of improving economies.
- India is still struggling with the excess liquidity problem in the financial system as foreign investments into debt and shares have reached a net USD 31bn this year, compared with USD 2.7bn last year, due to factors including Indias low inflation and improving economic growth. The strong inflow forced RBI to buy more than USD 10bn in spot market and USD 10bn in forwards this year, which causes increasing liquidity as unintended consequences. This comes in an important moment when RBIs effort to suck up excess liquidity was just about to take shape.¹²

Sovereign Credit Ratings

- Moodys, Fitch and S&P kept their ratings on the sovereign bonds of India at Baa3, BBB- and BBB- respectively in Q3 2017. All big three rating agencies maintained the same outlook on the sovereign debts as in the previous quarter at positive, stable and stable respectively.

Indian Banks

The aggregate 1-year RMI PD for Indian banks has again started to deteriorate with higher rates from July to September 2017. The non-performing loan problem, which has been a bane to both private and public banks, has turned for worse just when the PSU bank capital injection plan by the RBI seemed to be showing results. In view of this, PM Modis cabinet approved a plan to recapitalize PSU banks over the next two years, while betting on its commitment to keep fiscal deficit at certain level. On the liquidity side, increasing foreign direct investments (FDI) due to low-priced financial assets which offered promising returns over the quarter served as a counterforce against RBIs plan to absorb excess liquidity in the market. RBI is currently keeping an eye on the prevailing macroeconomic factors and a neutral stance on its policy as it continues waiting for further developments before deciding whether or not to change the prevailing interest rate.



Profitability

- Bad loan problem continues to be the bane of many public sector banks in India. In a recent development in August 2017, the State Bank of India (SBI), the country's largest lender by assets, fell sharply following a surprise jump in bad loans, depressing profits. The increase in bad loans was way higher than investor expectations and stemmed from SBI's merger with six smaller Indian lenders earlier this year. This was exacerbated by a slump in commodity prices and a dip in India's economic growth in the early quarters.¹³
- India's cabinet on October 2017 approved a USD 32.43bn plan to recapitalize its state banks over the next two years, following the lacklustre performance of public sector banks. The Indian finance ministry officials also added that the bank recapitalization would be followed by a series of reforms in the sector. Major rating agencies and the

chairman of top lender SBI welcomed the move, calling it bold and courageous. This is considering the fact that India has planned to keep its fiscal deficit at 3.2% of GDP for the current fiscal year and it is not immediately clear what the impact will be on the country's bottom line.¹⁴

- Non-financial borrowings increased 6.19% to INR 3.09tn on Sep 29 from INR 2.91tn at the end of Q3 2017. Other liabilities such as time deposits with non-financial institutions decreased to INR 4.86tn in Q3 from INR 4.94tn in Q2.¹⁵
- The Credit-Deposit ratio for the banking system increased to 73.02% on Sep 29, 2017 from 72.26% on Jun 23, 2017. This was mainly due to the increase in bank credit from INR 76.6tn to INR 80.1tn during the second quarter.¹⁶

Funding & Liquidity

- The weighted-average call money rate, the interest rate on short-term finance repayable on demand, increased from 6.07% as of Jun 30, 2017 to 5.88% as of Sep 29, 2017. The call money rates were generally lower than the repo rate during Q4, indicating a stable banking system.¹⁷
- The amount of cash on the balance sheet of Indian banks increased from INR 727bn in Jun 23, 2017 to INR 824bn on Sep 29. This reflected the excess liquidity in the Indian market due to the recent foreign inflow. It also goes to show that RBIs need to further step up its effort to curb liquidity in the market while at the same time not yield to the temptation to cut interest rates.¹⁸
- Deposit rates generally decreased in Q3 2017. According to the Reserve Bank of India's daily call money rates, interest rates decreased to 6.35% on Sep 15, 2017, from 6.25% in Q2 2017.¹⁹
- During Q3 2017, the RBI withdrew a total of INR 27.94tn from the banking system via liquidity operations, with almost INR 11.56tn during the month of September. The Reserve Bank of India stepped up its liquidity operations under the liquidity management framework to absorb excess liquidity in the market. Surplus liquidity has been aggressively taken out of the market and liquidity has returned to normal standards as seen from the cash balance.^{20,21,22}

Asset Quality

- Indian Overseas Bank, the Chennai-based PSU bank with the highest bad-debt ratio, has some strategies up its sleeve to resolve its bad loan problems. Technology will play a role as the bank develops a smartphone app that provides officers with daily prompts to take action against delinquent borrowers. The bank is also trying to get the tax department to share details of defaulters' income and assets so that it can assess their ability to repay promptly and to liquidate the account if necessary. RBI's data show that the bad-debt ratio of the Indian Overseas Bank shot up to 22.4% as of March 31st compared to 17.4% on a YoY basis. This continues to be worrying as the firm has reported five straight quarters of losses so far – a sign that the firm's situation is not getting better anytime soon.²³
 - Private sector banks continue to perform better than their PSU counterparts as some of them have either been able to contain bad assets and even improve asset quality. HDFC Bank, India's largest private sector lender by assets, reported a 20.1% YoY rise in net profit in Q3 2017. The firm's gross non-performing assets as a percentage of gross advances was at 1.26% for the quarter, compared with 1.24% last quarter. Current and savings account ratio is growing by 23.6% over the previous year, signalling healthy growth.²⁴
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Chinese Companies

China managed to meet market expectation by lodging 6.8% GDP growth YoY in the third quarter of 2017 as Chinese firms credit quality improved during the same period. The 1-year aggregate PD for Chinese firms decreased in Q3 2017. The growth in GDP was supported by the growth in industrial output and retail sales. The government also expects economic growth in the second half of 2017 to be supported by increase in household spending. However, increase in financial risks in the economy over the past quarters has prompted the government to implement measures to control risk and leverage in the system while maintaining growth. The central bank in China tightened supervision on trust companies and banks and imposed restriction on consumer loans which are being used for property investments. Deleveraging in the financial system continue to be the focus of the central bank especially in the area of shadow banking activities such as wealth management products and off-balance sheet businesses. Preventing and controlling financial risk in the financial sector continue to be a priority for policymakers.



Economy

- The Chinese economy advanced 6.8% YoY in the third quarter of 2017, as compared to a 6.9% growth in the second quarter of 2017, matching market consensus. The growth was supported by the increase in industrial output and retail sales while fixed asset investment rose the least in nearly 18 years. Industrial production grew by 6.6% while retail sales rose by 10.3%. Fixed asset investment increased by 7.5%, missing market expectations of 7.7%. Fixed asset investment grew slower in the power, mining and transport industry while investment in oil and gas extraction grew faster. The government expects the country economy to grow 6.5% in 2017.²⁵
- Consumer prices in China rose 1.6% YoY in September 2017, higher than the 1.5% growth in June 2017. Politically sensitive food prices declined by 1.4% while non-food

cost rose 2.4%. Cost of consumer goods went up by 0.7% while services went up by 3.3%.²⁶

- Chinas official unemployment rate remained at 3.95% at the end of September 2017, the lowest since 2012. The Ministry of Human Resources and Social Security mentioned that the number of new jobs was 300,000 higher than in the same period a year earlier. A total of 10.97 million new jobs were created in the first nine months of the year.²⁷
- The Chinas Caixin manufacturing purchasing managers index (PMI) increased to 51 in October 2017, from 50.4 in June 2017, in line with market consensus. Manufacturing PMI in China averaged 49.57 from 2011 until 2016, reaching an all-time high of 52.30 in January of 2013 and a record low of 47.20 in September of 2015.^{28,29}
- Investment in fixed assets, a crucial driver of the economy, went up by 7.5% YoY reaching CNY 46tn in the first nine months of 2017 and the growth rate was 0.3% lower than that of the first eight months. Real estate investment continued to deliver strong growth rate as it went up by 8.1% YoY in the first nine months of 2017. The investment in residential buildings, which accounted for 68% of real estate investment, went up by 10.4%.^{30,31}
- Chinas exports and imports grew in September as global demand holds strong. Exports rose 8.1% from a year ago while imports surged 18.7%. Trade surplus for the month was registered at USD 28.47bn. Chinas September trade surplus was the lowest since March 2017.³²

Monetary

- Chinas central bank continued to maintain its interest rate at 4.35% for 24 months. The central banks cut interest rates on 23 October 2015 for the sixth time in less than a year. The central bank continues to use various policy tools to maintain liquidity and ensure reasonable growth in credit financing.³³
- Chinas primary rates rose slightly as demand for cash rose near the end of September. Net fund injections has kept liquidity in the market relatively sufficient. The volume-weighted average rate of the benchmark seven-day repo increased slightly as compared to the rates from a week earlier while the overnight Shanghai Interbank Offered Rate (SHIBOR) were slightly higher. The central bank will continue to pursue a prudent and neutral monetary policy in 2017.³⁴
- The required reserve ratio (RRR) continued to remain at 17% in Q3 2017 after cutting 0.5% in March 2016. In a series of reductions, the central bank has brought the reserve ratio down from its 2011 peak of 21.5%. Even though the RRR remains, it has cut the RRR for banks that meet certain requirements for lending to small businesses and the agricultural sector starting in 2018. The central bank has also been relying on market-based policy tools such as the short- and medium-term facility and reverse repos operations to adjust liquidity and market interest rates.^{35,36}

- Chinas foreign exchange reserves increased by USD 12bn MoM to USD 3.109tn in September 2017, slightly more than market had expected. This was the eighth consecutive month of increase in foreign exchange reserves after declining for the second half of 2016 bringing the reserves to the lowest level since February 2011 as the central bank slow the CNY depreciation. Meanwhile, gold reserves value had fell from USD 77.7bn in August 2017 to USD 76bn in September 2017. Foreign Exchange Reserves in China averaged USD 919bn from 1980 until 2017, reaching an all-time high of USD 3.99tn in June of 2014 and a record low of USD 2.26bn in December of 1980. ^{37,38}

Funding & Liquidity

- 10-year government bond yield rose from 3.56% in June to 3.61% at the end of September 2017. 1-year government bill yield however remained flat at 3.44% over the same period. ³⁹
- The 3-month 5-day average SHIBOR had decreased from 4.55% on 30 June 2017 to 4.36% on 30 September 2017. ⁴⁰
- The value of new yuan loans provided by the Chinese banks stood at CNY 1.27tn in September 2017 as compared to CNY 1.09tn in August 2017, beating market expectation of CNY 1.1tn. Banks Balance Sheet in China averaged CNY 614.74bn from 2004 to 2017, reaching an all-time high of CNY 2.51tn in January 2016 and a record low of CNY -32.10bn in July 2005. ⁴¹

Policy

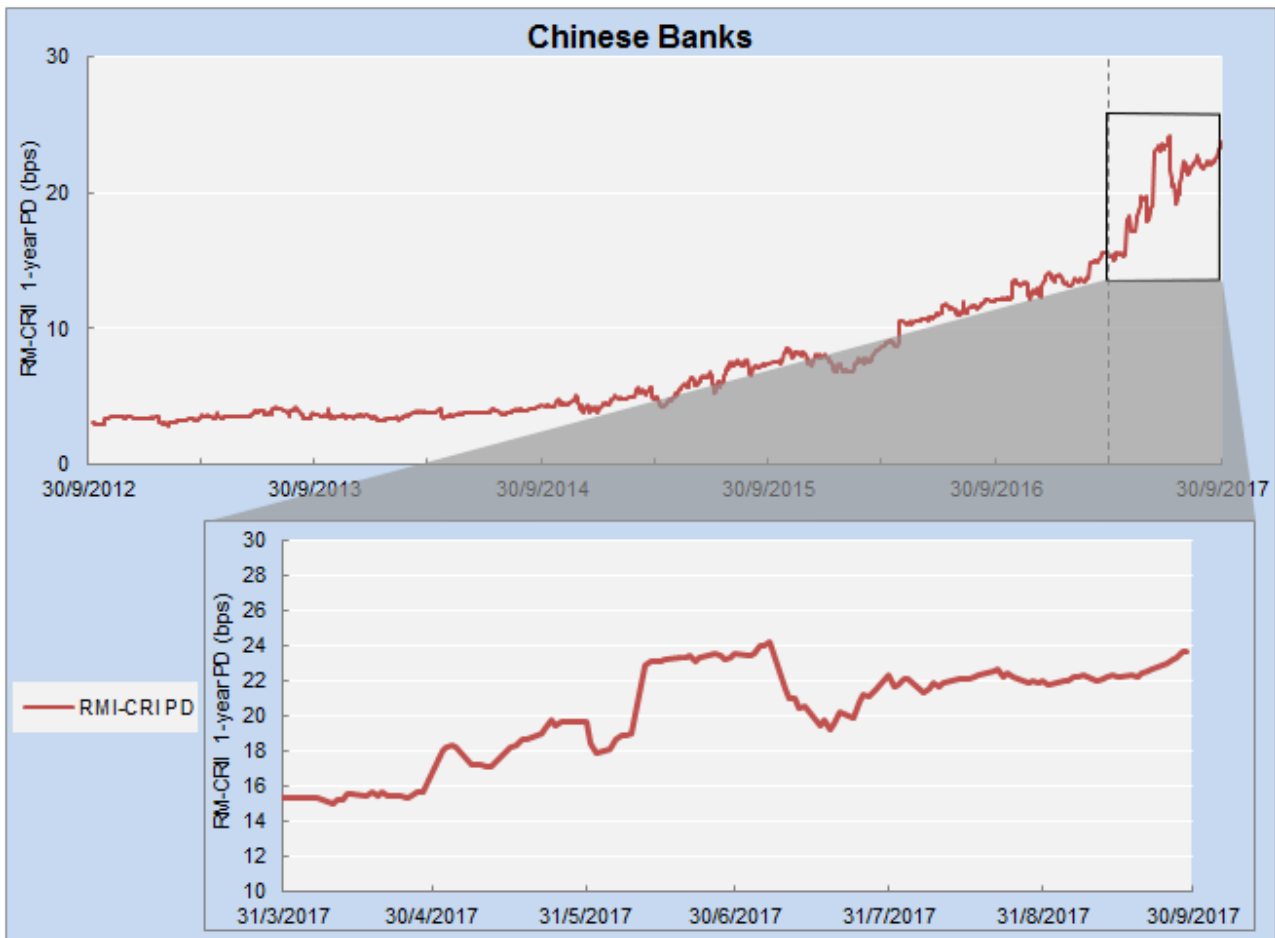
- Chinas economic growth in the third quarter slowed slightly to 6.8% in Q3 2017, due to a softening in property investment and construction. This is in parallel with the governments campaign against riskier lending by pushing up borrowing cost. Controlling risk and deleveraging continues to be Chinas top financial policy in 2017. There is a build-up of risk in the financial system due to leveraged investments and over-borrowing. The increased risk has prompted S&P Global Ratings to downgrade Chinas sovereign credit rating in September 2017. Aggregate financing stood at CNY 1.82tn which rose more than estimated. Despite the focus to control risk and deleverage, the PBOC implemented new moves to steer credit to small businesses and agriculture sector where credit is considered scarce. It will reduce the cash reserves of some banks based on certain criteria of lending to these parts of the economy. With a stable economic growth, policymakers continue to push for structural reforms to avert financial risk. ^{42,43}

Sovereign Credit Ratings

- Fitch and Moodys maintained its rating credit rating for China assigning rating A+ with a stable outlook and A1 with a stable outlook respectively. S&P downgraded Chinas rating to A+ from AA- but maintained its stable outlook.

Chinese Banks

The 1-year aggregate PD for Chinese banks ticked up slightly in Q3 2017 despite the crackdown on unregulated shadow banking and the disposal of bad debts. Non-performing loans of the big commercial lenders fell slightly in the third quarter of 2017 except for Bank of China which saw its non-performing loans ratio rise. The average net interest margins of the big banks rose slightly as compared to a fall in the other listed banks. This could be due to the bigger banks stronger funding profile and lower reliance on market funding. Reducing risk in the Chinese financial system is still of top priority for the government as it implement measures to limit financial risk. Reprimanding corrupt financiers and tightening regulations over lending practices are some of the measures being employed.



Profitability

- Chinas largest banks managed to lodge higher third quarter profits as compared to a year earlier and the overall non-performing loans in September were lower compared to the previous quarter except for Bank of China which reported a higher non-performing loan ratio and a flat net income. The improved profitability of the banks were driven by the double digit increase in lending income together with an improvement in interest margins. Net interest margins were boosted as regulators sought to curb interbank borrowings which helped the big banks as net lenders into the market. Demand for mortgages and infrastructure loans is helping to drive lending income at some of these major banks but analysts are expecting loan growth to slow next year as regulators are paying close attention to the health and risk of the financial system. ⁴⁴

Funding & Liquidity

- Chinas central bank injected a net CNY 56.7bn into financial institutions via its short- and medium-term lending facility (MLF) and lent CNY 298bn via its standing lending facility (SLF) in September. The outstanding amount of MLF and SLF were CNY 4.35tn and CNY 68.85bn respectively at the end of September. The central bank has kept liquidity relatively ample ahead of a key Communist Party meeting in October after it injected liquidity in June to avoid a crunch as the government tightened regulations to force banks to deleverage. ⁴⁵

Regulations

- The China Banking Regulatory Commission (CBRC) crackdown on illicit banking activities have achieve its early targets and 20 sets of new regulations to increase supervision will be issued this year. These new regulations will cover policy banks, online lending, interest rate risks and asset management firms. Banks have also completed the self-assessment on risks under a crackdown on shadow banking activities. Interbank, wealth management products and off-balance sheet businesses are core focus of the regulator. Checks on banks off balance sheet wealth management products have been increased and crackdown on risky lending behaviour has also stepped up. The PBOC will start to include negotiable certificates of deposit in its quarterly risk assessments from 1Q 2018. The CBRC is also encouraging banks to speed up disposal of non-performing loans and maintain its push for asset-backed securitization of NPLs. ⁴⁶
- Trust companies are being targeted as the heart of the vast shadow banking industry due to its unrestrained lending practices. Compliance and background checks which strived to improve greater transparency are being pressured to be implemented on these trust companies. One of the challenges facing regulators is that the trusts are formed in a complex structure which funnel funds through complex webs of beneficiaries thus making difficult to trace the transactions. The industry is now approximately a tenth the size of Chinas commercial banking sector. To improve regulations on trust companies, they have to start registering the details of their products and identifying the ultimate borrower of funds. ⁴⁷
- Chinese banking regulators have informed lenders to crack down on the use of consumer loans to finance home purchases so as to cool down the overheated property market and control financial risk. Chinese banks have enforce a strict minimum downpayment of 20% on first mortgages and 60% for second homes in big cities. However, these can be averted if homebuyers use other sources of credit to finance the downpayment. Notices were being issued to banks in the past weeks to require them to examine the usage of loans is being diverted into property. All personal consumption loans above CNY 0.2mn and household operation loans above CNY 1mn will be examined. The property market is of great concern to the government. The government has banned the resale of homes in eight large cities within two or three years of purchase and also implemented tighter housing financings. ⁴⁸

Asset Quality

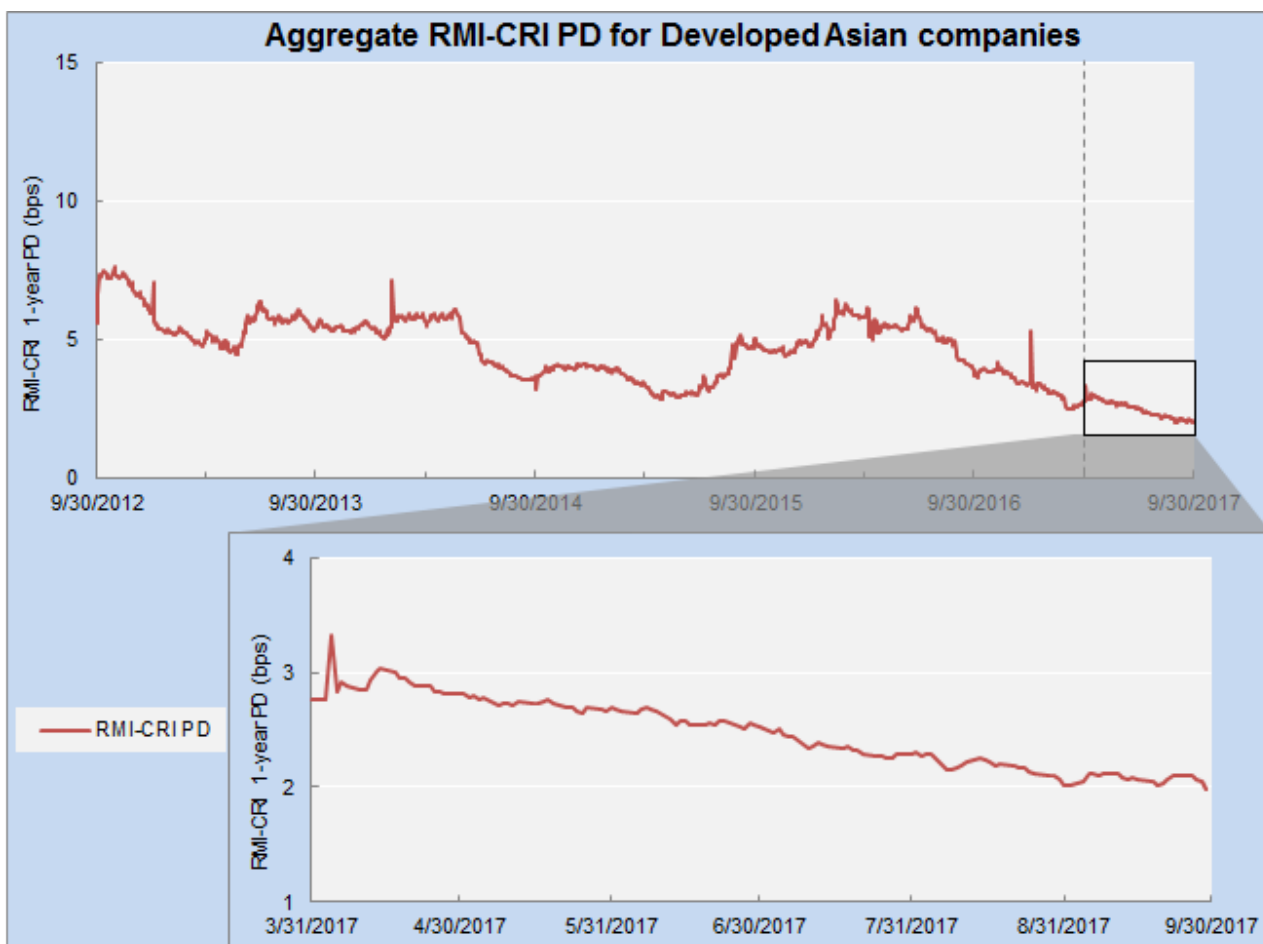
- The China Banking Regulatory Commission announced that the non-performing loan ratio of commercial banks in China steadied at 1.74%. The banks total non-performing loans amounted to CNY 1.67tn, up from CNY 1.64tn while the banks weighted average core Tier 1 capital adequacy ratio stood at 10.72% up from 10.64% a quarter earlier. ⁴⁹

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- ³⁹ November 8, 2017, [Yield of Government Securities](http://www.chinamoney.com), China Foreign Exchange Trade System, <http://www.chinamoney.com>
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- ⁴² October 19, 2017, [China's Q3 economic growth slows as expected, property measures bite](http://www.reuters.com), Reuters, <http://www.reuters.com>
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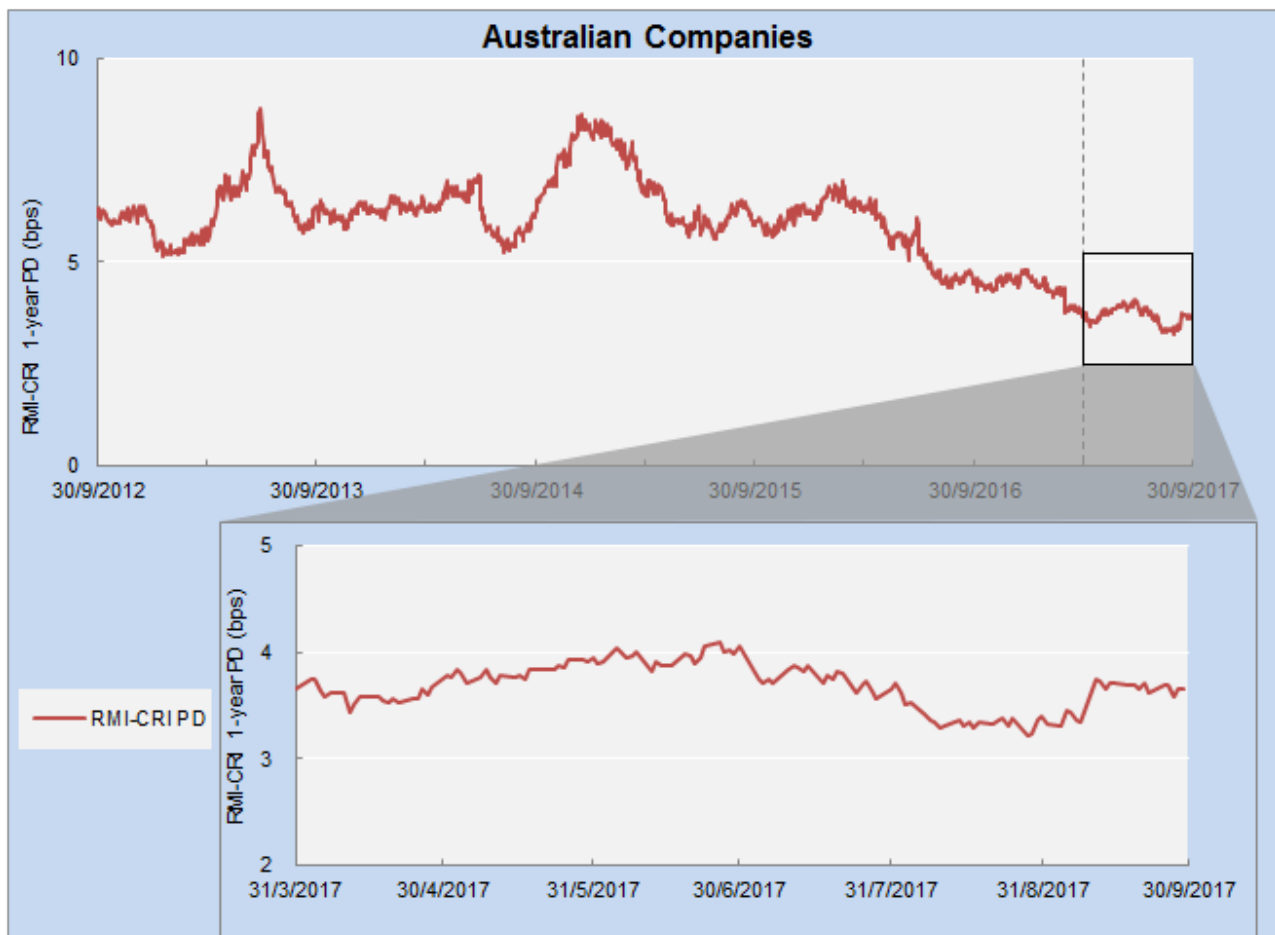
Asia-Pacific - Developed economies

The RMI-CRI aggregate 1-year PD for listed companies in the developed Asia Pacific slightly declined during the third quarter of 2017, suggesting stable and robust credit profile. All major countries have seen GDP YoY expansion. Singapore's economy grew at the fastest pace since end 2013 during Q3 with 5.2% GDP YoY growth. This is mainly due to the strong manufacturing sector and the improvement in services sector despite the poor performance in the construction sector. Likewise, Taiwan also reported a 3.1% GDP YoY growth, the highest level for the past 10 quarters supported by strong exports as it grew by 11.1% YoY and the manufacturing sector grew at 4.3%. Like Taiwan, South Korea's economy grew 1.4% YoY attributed to the strong export figures from the booming semiconductors industry. The Bank of Korea announced that South Korea's economy is expected to hit 3% GDP growth YoY thanks to the growing exports. Developed Asia Pacific economies are expected to do well for the year due to robust global demand.



Australian Companies

The aggregate 1-year RMI PD for Australian companies remained stable during Q3 2017. Based on Q3 data, economic growth expanded with a surge in public investment and household consumption. Unemployment rate dropped to a four-year low rate in September while the manufacturing sector and services sector grew at a lower speed. Going forward, the credit outlook for Australian firms remain dependent on the rebalancing of the economy as the mining sector slows and the continuous concern of household incomes and debt levels. Attempts to support economic growth is also assisted by RNAs loose monetary policy.



Economy

- The Australian economy expanded by 0.8% from Q1 2017 to Q2 2017, higher than the 0.3% growth from Q4 2016 to Q1 2017. The economy increased by 1.8% YoY, in line with Central Banks forecast but is lower than its 2.5% growth in 2016. ⁵⁰
- The higher GDP growth in Q2 was driven largely by a surge in public investment and rising household consumption. Government spending, including roads, rail and a major of new hospital, added 0.8% points to the growth. While a 0.7% growth in household consumption contributed 0.4% to growth despite ongoing weakness in household disposable income growth. ⁵¹
- The Reserve Bank of Australias (RBA) had left the cash rate unchanged at 1.5%, amid improvements in the global economy although uncertainties remain. The economy is growing moderately, with inflation predicted to remain low but expected to rise gradually as the economy strengthens. Australia is forecasted to grow at 3% over the next few years. ⁵²

- The unemployment rate dropped to a four-year low rate at 5.5% in September, 0.2% lower than a year before. 19,800 jobs have been added to the economy between August and September 2017. Meanwhile, the labour force participation rate was 65.2%, basically unchanged from August and in line with forecast. ⁵³
- The Australian Performance of Manufacturing Index (PMI), as reported by The Australian Industry Group, stood at 54.2 in September, a decrease of 5.6 points from August. Recovery in manufacturing activity is continuing, but the PMI in September suggests that the growth is decelerating. Expansion in the non-metallic mineral products, apartment and infrastructure construction, mining and agricultural equipment, renewable and utilities contributed to the rise. The equivalent index for services (PSI) fell by 0.9 points to stand at 52.1 in September, a seventh consecutive month of expansion. Also, the Australian Performance of Construction Index (PCI) was at 54.7 points in September, down by 0.6 points from August. ^{54,55, 56}
- Key export prices dropped 3.0% in Q3 2017, relative to the previous quarter and 14.2% increase from the corresponding 2016 quarter. Beverages and tobacco posted the highest increase in prices in this quarter. Through the year to Q3 2017, the 14.2% rise in export prices was driven by coal, coke and briquettes. ^{57,58}

Monetary Policy

- The Reserve Bank of Australia (RBA) last lowered its benchmark interest rate to a record low of 1.5% in August 2016 to stimulate economic activity, and has since maintained the rate. Amid a forecast that a strengthening labor market will drive wage gains and faster inflation, monetary policy is largely seen to be on hold for the near future. ^{59,60}

Funding & Liquidity

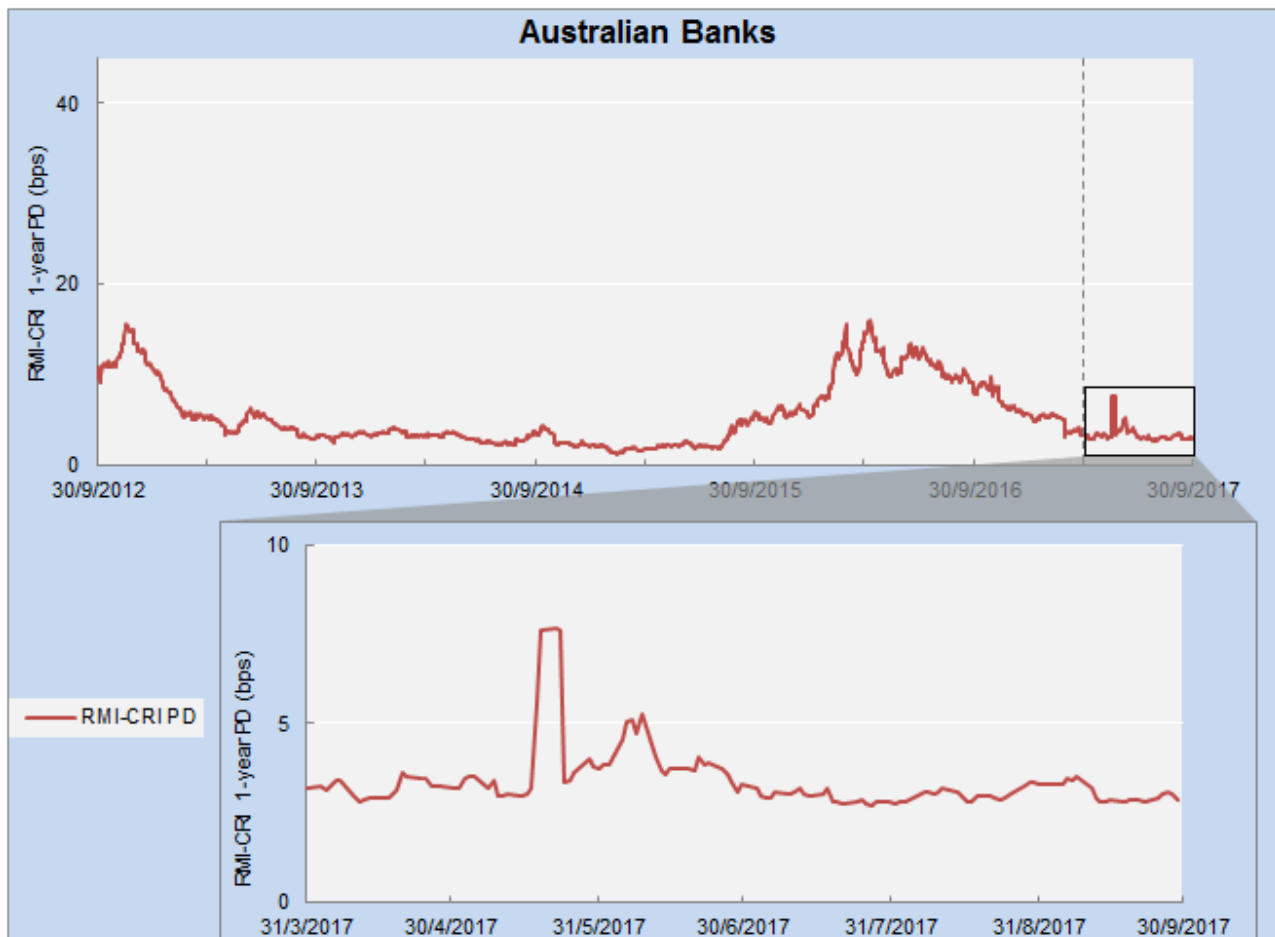
- Yields on 10-year Australian government bonds remained relatively flat throughout the quarter. The previous quarter reported a high of 2.56% in April 2017, while yields in September was 2.7%, 120 basis points higher than the RBA lending rate. ⁶¹
- The 3-year fixed lending rates to small businesses increased to 5.35% in September 2017, a growth from 5.25% in June 2017. While lending rates for owner-occupied housing loan dropped 5 basis points in the latest quarter to 5.20%. ⁶²
- Average commercial lending during the quarter increased driven mainly by lending to business sector as total loans to financial intermediaries remain flat in Q3 2017. Meanwhile, total lending to individuals was higher by 0.8% quarter-on-quarter. ⁶³

Sovereign Credit Ratings

- Standard & Poors and Fitch Ratings maintained their AAA ratings on Australia, while Moodys maintained their Aaa rating. All three rating agencies had stable outlooks on the governments credit, with the exception of S&P, which had a negative outlook. ⁶⁴

Australian Banks

The aggregate 1-year RMI PD remained stable over the quarter. Earnings may come under pressure from the increasing cost of regulations as regulators attempt to increase banks capital ratio. The profitability of banks has improved and housing continued to be the main profit driver. However, high and rising household debt level would be a headwind and many financial institutions were downgraded by rating agencies in recent months. Asset performances continue to improve as bad debt expenses dropped to a historic new level. This will assist banks to report record profit in 2017.



Profitability

- The big banks in Australia, ANZ, NAB, Westpac and Commonwealth Bank posted a combined profit of AUD 41.59bn this financial year, an increase of 6.4% on last year. Banks are still earning record profits driven by modest lending growth. But analysts indicated that banks may cut work to maintain profitability under sustained political pressure and margin deterioration.

Funding & Liquidity

- Increasing funding and capital costs have resulted in net interest margins of 201 basis points, down 5 basis points from previous year. Currently, banks Liquidity Coverage Ratios are reasonably above the 100% minimum requirement and deposits inflow has been strong. But concerns still derived from high and rising household debt and ratings of many Australian financial institutions were downgraded by rating agencies in recent months.⁶⁵

Asset Quality

- Bad debt expenses in Australian big four banks dropped 22.5% to AUD 5.29bn compared to 2016. Cash profits for the sector has been increasing, with 3% lift for Westpac to AUD 10.66bn and 2.5% growth for NAB to AUD 8.78bn. Asset quality continued to improve, implying another potential earnings boost from lower bad and doubtful debts.
^{66,67}

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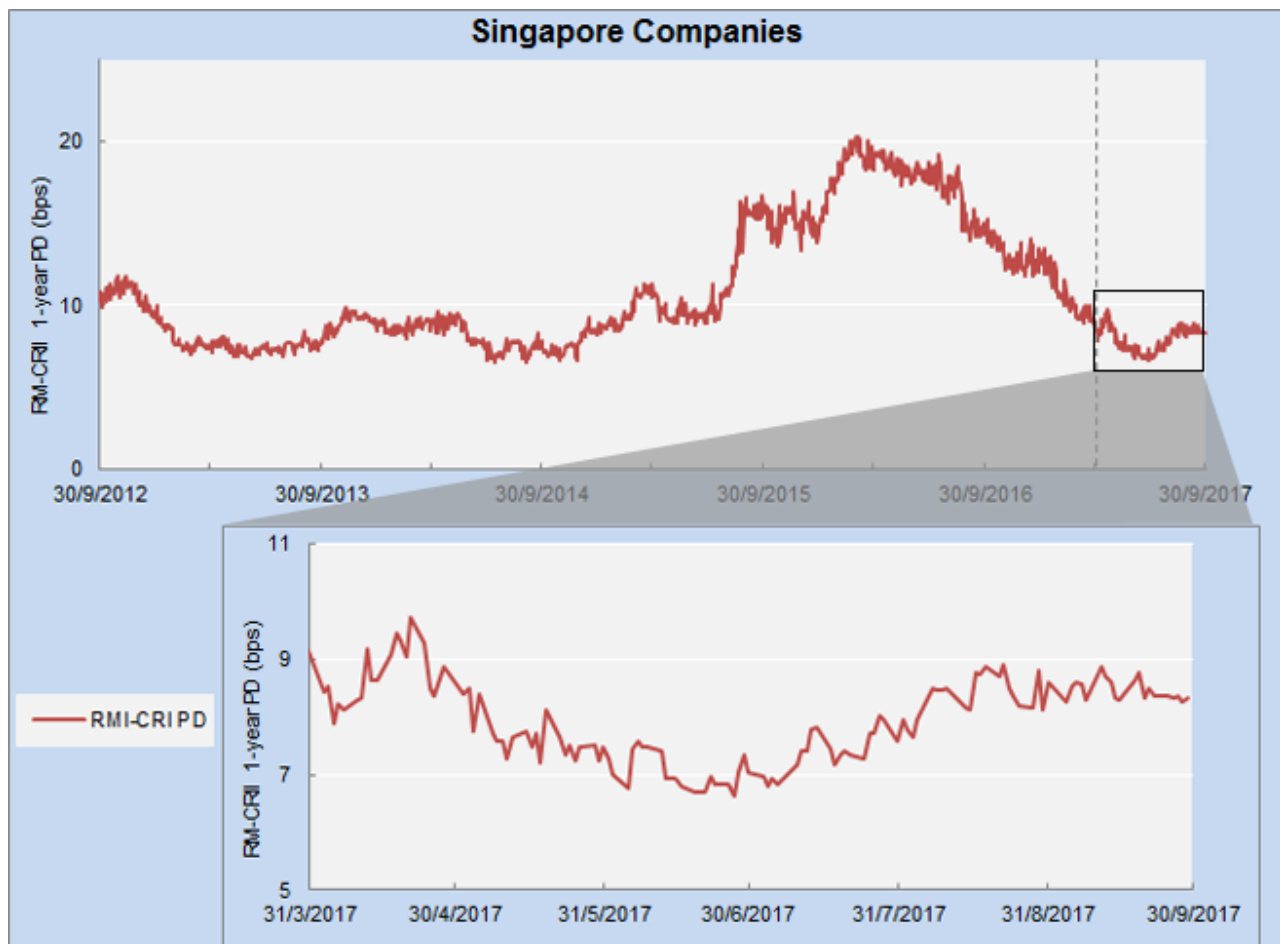
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Singapore Companies

The RMI-CRI 1-year aggregate PD for Singapore continued to rise slightly in the third quarter of 2017, despite the strong economic growth demonstrated over the quarter. External demand has been strong for Singapore, but domestic demand has remained sluggish and the government is actively looking for ways to encourage spending by households. Besides stimulating domestic demand, Singapore is undergoing economic restructuring as part of its efforts to increase productivity to make growth more sustainable. The strong growth in Q3 is regarded by some economists as a cyclical upswing. Focusing on the long term, Singapore is in the midst of upgrading its workforce and infrastructures to cope with future challenges. Inflation in Singapore has been stable over Q3, but employment figures suggest that Singapore is reducing its reliance on foreign labor for growth. Monetary policy of Singapore remained unchanged from Q2 with the MAS being conservative and dovish in its exchange rate policy. As for funding & liquidity, yield and lending data show that there is ample liquidity in the Singaporean market with credit expanding at a reasonable pace.



Economy

- Advance estimates released by the Ministry of Trade and Industry indicated a substantial growth in Singapore's GDP over the third quarter of 2017. GDP growth of Q3 2017 is estimated to be around 4.6%, up from the 2.9% from the preceding quarter and this is the strongest growth the nation has experienced in three years. The manufacturing sector continued to outperform like previous quarters but the strengthening services sector also contributed to a more broad-based growth. The manufacturing sector expanded by 15.5% YoY, powered by demand from electronics manufacturing and precision engineering. However, the pace of growth in manufacturing is expected to moderate for the rest of 2017. Focus has been placed on the services sector which

has been gaining momentum in growth over the past few quarters. The services sector expanded by 2.6% YoY, driven by growth in finance & insurance, wholesale & retail trade and transportation & storage. Although economic growth in Q3 2017 may have beaten expectations, the official GDP growth forecast for 2017 remains between 2% to 3%. Disappointing performance in the construction sector is weighing down the overall economic growth. The construction sector contracted 6.3% YoY in the third quarter.⁶⁸

- CPI-All Items inflation and MAS Core Inflation came in at 0.4% and 1.5% respectively in September 2017. Food inflation was 1.2% in June, remaining constant as August as the pace of price increase for non-cooked food and prepared meals are similar for both months. Private road transport inflation eased to 2.1% from 2.6% in the preceding month due to a larger decline in car prices and smaller increases in petrol price compared to the same period last year. Services inflation edged up to 1.5% from 1.4% in August, due to a fast pace of increase in telecommunication services fees. CPI less imputed rentals on owner-occupied accommodation remained unchanged at 1.5% in September as the increase in services inflation offsets lower private road transport inflation.⁶⁹
- The overall unemployment rate including foreigners decreased slightly from 2.2% in June 2017 to 2.1% in September 2017. The unemployment rate for residents remained unchanged at 3.1% while unemployment rate for citizens showed a slight decline from 3.3% to 3.2%. MOM revealed total employment contracted in the third quarter with 2,500 fewer workers. This is predominantly due to a decrease in the number of work permit holders in the construction and manufacturing sectors. However, this contraction has been easing compared to the first two quarters of 2017.⁷⁰
- Survey results released by the Singapore Institute of Purchasing and Materials Management showed that Septembers PMI experienced an increment of 0.2 point to 52.0 from the previous month. This is the 13th straight month that Singapore's manufacturing sector had experienced an expansion and Septembers PMI reading is a record high since April 2011. The increase in manufacturing activity can be attributed to a faster rate of expansion in all key indicators. However, stocks of finished goods and input prices recorded slower rate of expansion.⁷¹
- The seasonally adjusted retail sales in September 2017 decreased by 4.2% on a MoM basis and 0.5% on a YoY basis compared to September 2016. Excluding motor vehicles, retail sales decline 0.2% MoM while rising by 3.3% YoY. The total retail sales value in September 2017 was estimated at SGD 3.4bn, lower than SGD 3.5bn in September last year. The seasonally adjusted sales of food&beverage services in September 2017 decreased 1.1% MoM and 0.3% YoY. The total sales value of food&beverage services in September 2017 was estimated at SGD 712mn, lower than the SGD 714mn last September.⁷²
- Singapore's NODX decreased by 1.1% YoY in September 2017 as electronic NODX return to lower levels from the high base a year ago. Growth for non-electronics continued at a moderate pace. Country wise, NODX to majority of the top markets rose in September 2017 with growth led by Malaysia, China and Japan. Growth in both imports and exports also led to the increase in total trade over the year in September 2017.⁷³

Monetary

- MAS has maintained its stance on the exchange rate-based monetary policy after its semi-annual review in October. The rate of appreciation of the Singapore dollar nominal effective exchange rate will be maintained at zero percent and the width of its exchange rate policy band will be unchanged. Despite economic growth being above expectations and core inflation being stable, MAS has decided to continue adopting

a dovish approach. The neutral stance suggests that monetary policies in Singapore are unlikely tighten anytime soon, especially when economic indicators like the labour market data remains weak.⁷⁴

Funding & Liquidity

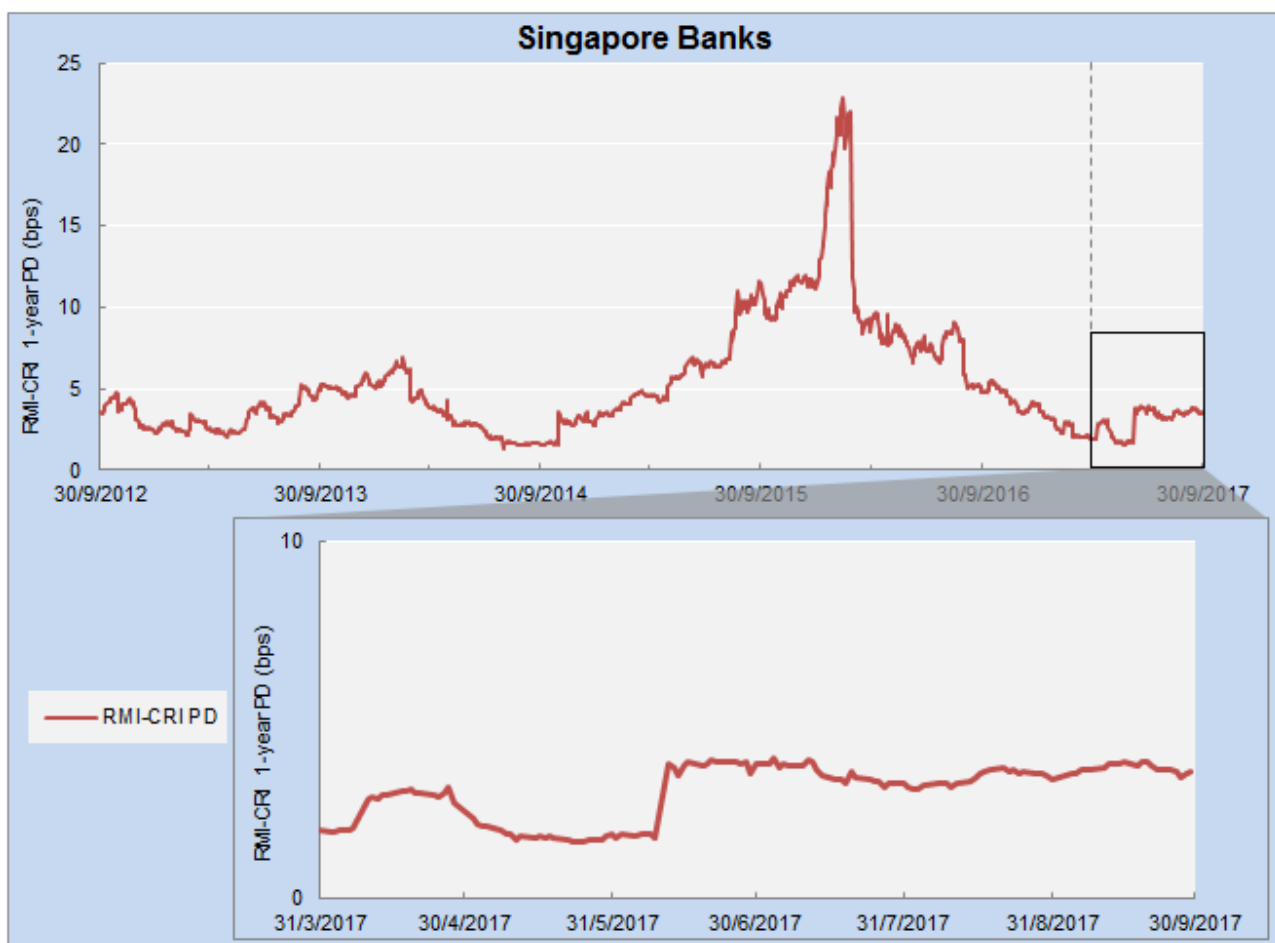
- Yields of 10-year Singapore government bonds increased to 2.1520% on 29 September 2017 from 2.0907% on 30 June 2017.
- Lending to non-bank customers rose from SGD 635bn in Q2 2017 to SGD 640bn in Q3 2017. Total loans to businesses rose by approximately SGD 2bn from a quarter ago while loans to consumers increased from SGD 254bn in June 2017 to SGD 257bn in September 2017.⁷⁵
- The amount of outstanding sovereign bonds increased by SGD 2.6bn to SGD 105.6bn ending Q3 2017.⁷⁶
- The prime lending rate remained constant at 5.28% in Q3 2017.⁷⁷

Sovereign Credit Ratings

- All three major rating agencies kept their highest investment grade ratings for Singapore sovereign bonds over Q3 2017.

Singapore Banks

The RMI-CRI 1-year aggregate PD for Singapore banks remained roughly constant during the third quarter of 2017. UOB and OCBC continued their strong performance from the previous quarter to post higher earnings during Q3. However, DBS suffered a 25% decline in earnings due to the special provisions made during the quarter to clean up bad loans on its balance sheets. Earnings of Singapore banks continue to be driven by higher interest income and fees from wealth management and loan growth. Funding & liquidity condition are largely healthy, with local deposits expanding again after the contraction in the previous quarter. As for capital levels and asset quality, Singapore banks remain as some of the most robust banks in the world and is compliant with all capital requirements. Asset quality is improving as banks are recognizing more bad loans instead of putting them under doubtful or special mention. As such, we witnessed an increase of NPL ratios in Singapore banks over the quarter.



Profitability

- Singapore banks mostly reported higher earnings in the third quarter of 2017. Quarterly net profits in OCBC and UOB gained by 12% and 8% respectively from the same period last year. However, net profits of DBS suffered a substantial decline of 25% due to provisions for bad debts from the underperforming energy sector. Although OCBC and UOB are also affected by provisions for bad loans, situations in these two banks are not as severe as in DBS. The strong performance of OCBC and UOB are driven by higher fees and interest income from wealth management and a rising interest rate environment. However, operating expense has been on the rise for UOB which has partially offset its net profits. DBS took a conservative stance on its NPAs by doubling the allowance for bad debts. Although the impacts on the banks profitability is obvious

in Q3 2017, DBS is expected to have cleaned its books and it is unlikely for more bad debts to be added into its balance sheet. ^{78,79,80}

- Data from the Monetary Authority of Singapore showed that the amount of corporate loans issued to non-bank customers increased marginally by 0.81% to SGD 640.6bn at the end of Q3 2017 from the previous quarter. ⁸¹

Funding & Liquidity

- Total deposits in Singapore banks expanded slightly by SGD 0.5bn in Q3 2017. Local currency deposits increased by SGD 1.49bn, after a contraction of SGD 2.74bn in Q2 2017. Foreign currency deposits decreased by about SGD 1bn during Q3 2017. ⁸²
- Singapore's fixed deposit rates remained the same during Q3 2017 for both 3-month, 6-month and 12-month deposits. Current fixed deposit rates are at 0.14%, 0.20% and 0.33% respectively. The prime lending rate was also unchanged at 5.28% during the third quarter. ⁸³

Capital Levels & Regulations

- All three Singapore banks kept their Tier 1 Common Equity ratios to be well above the recommended Basel III guidelines, making them some of the most well-capitalized banks in the world. The three banks are expected to maintain this capital position to comply with the upcoming International Accounting Standards Board IFRS9, which becomes effective in 2018.

Asset Quality

- Loans placed under the "special mention" category declined to 2.18% of total exposure at the end of Q2 2017, from 2.29% in the quarter before. Loans classified as doubtful lowered to 0.33% of total exposure. Loans marked as a loss fell back to 0.18% in Q2 to the same level as Q4 2016. Overall, asset quality in banks improved from both QoQ and YoY perspectives. ⁸⁴
- NPL ratios at DBS, UOB and OCBC saw some movements in Q3 2017. Overall NPL ratio at DBS rose from 1.5% in Q2 to 1.7% in Q3 and the bank added SGD 815mn of specific allowances for NPLs. NPL ratio at UOB increased to 1.6% in Q3 due to a large account in the oil and gas sector. However, the bank indicates that its NPL coverage is at 108% and its balance sheet remains strong. NPL ratio for OCBC remained stable at 1.3% and the bank continues to maintain a healthy coverage ratio. ^{85,86,87}

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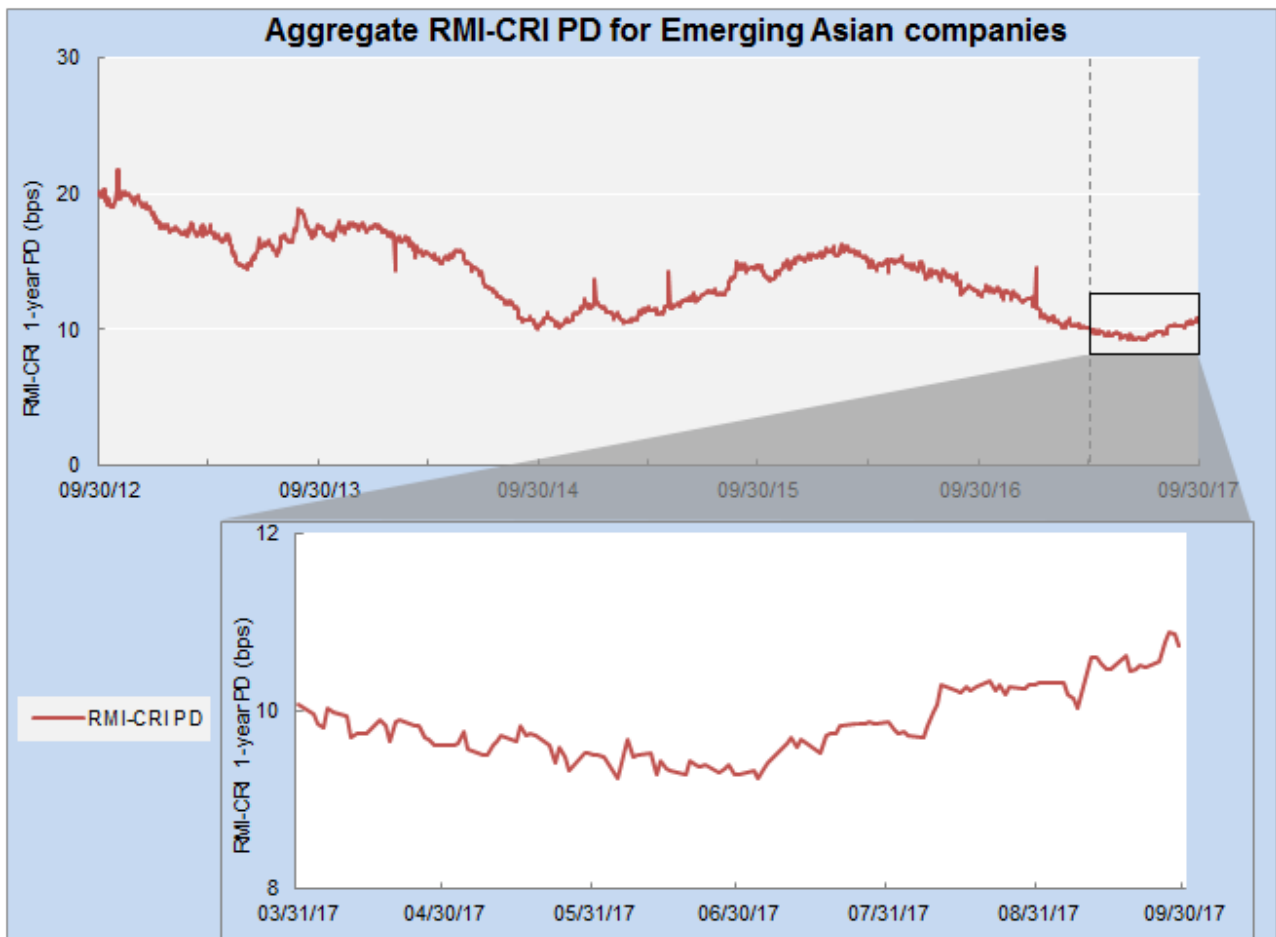
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- ⁸²Sep 2017, [Deposits \(excluding SGD NCDs\) of DBUs by types of non-bank customers](https://secure.mas.gov.sg/), MAS, <https://secure.mas.gov.sg/>
- ⁸³Sep 2017, [Interest rates of banks and finance companies](https://secure.mas.gov.sg/), MAS, <https://secure.mas.gov.sg/>
- ⁸⁴Sep 2017, [Banks: Classified Exposures](https://secure.mas.gov.sg/), MAS, https://secure.mas.gov.sg
- ⁸⁵Oct 26, 2017, [OCBC Group Reported Third Quarter 2017 Net Profit of SGD 1.06 billion](https://www.ocbc.com), OCBC, <https://www.ocbc.com>
- ⁸⁶Nov 3, 2017, [UOB Group Reports Nine Months 2017 Earnings at SGD 2.54 billion](http://www.uobgroup.com), UOB, <http://www.uobgroup.com>
- ⁸⁷Nov 6, 2017, [DBS third-quarter earnings at SGD 822 million, quarterly total income crosses SGD 3 billion for first time](https://www.dbs.com), DBS, <https://www.dbs.com>

Asia-Pacific - Emerging economies

The RMI-CRI aggregate 1-year PD for listed corporations in emerging Asia, excluding India and China, climbed slightly during the third quarter of 2017. In terms of economic growth, emerging economies in Asia Pacific such as Indonesia, Thailand and Malaysia has performed well helped by a combination of strong exports, infrastructure projects and increasing domestic consumption. Indonesias economy is expected to grow faster in 2017 as compared to 2016 due to increasing exports and higher consumer spending. Construction sector in Malaysia is expected to grow by 8% this year and it is becoming the fastest growth sector in the economy. Service sector is still worth more than half of the economy and it is expected that Malaysia will grow at least 5.2% this year. Thailand also managed to grow its exports in tandem with the economic expansion of trading partners and improving commodity prices. Thailands exports grew 12.5% in the third quarter and private consumption also grew 3.1%, up from 3% in the previous quarter. This helped Thailand to grow its GDP higher than expected by 4.3% in third quarter of 2017.



Indonesian Companies

The RMI-CRI aggregate 1-year PD for Indonesian companies slightly increased for Q3 2017. Indonesia's economy experienced a growth of 5.06% YoY in Q3 2017, higher than that in Q2 2017. Indonesia's inflation decreased for the third quarter of 2017, with a CPI of 3.72% from 4.37% in Q2. Trade surplus in Q2 2017 increased to USD 1.76bn, where most of which was derived from non-oil and gas trade.



Economy

- The Indonesian economy expanded by 5.06% YoY in Q3 2017, a faster pace as compared to the previous period but below market expectations of 5.13%. Private consumption and fixed investment were the main drivers behind the growth of the economy in this quarter (at 4.93% and 7.11% respectively). In addition, exports rose at a faster pace (at 17.27% compared to 3.36% in Q2 2017) and government spending rose.⁸⁸

- The Consumer Price Index (CPI) of Indonesia reached 3.72% in September. Respectively, the inflation of volatile food reached 0.47% (YoY), core inflation at 3.00% (YoY), inflation of administered prices at 9.32% (YoY). Going forward, inflation is projected to stay at 4% throughout 2017. Therefore, it is important that the central and regional governments as well as Bank Indonesia strengthen their coordination to keep inflation at check.⁸⁹
- Wages of Indonesian workers likely increased in Q3 2017. Nominal wage of farmers per day increased by 0.42% during Q3 2017 from IDR 50,003 in July 2017 to IDR 50,213 in September 2017.⁹⁰
- Indonesia's trade balance recorded an increasing surplus in June 2017, primarily supported by the decreasing deficit of oil and gas trade balance, which was higher than the decreasing surplus of non-oil and gas trade balance. Trade balance surplus in September 2017 recorded USD 1.76bn. The non-oil and gas trade surplus decreased to USD 2.26bn in June 2017 while oil and gas trade balance deficit decreased to USD 0.50bn. The decrease in non-oil and gas import is driven by the reduction in import of machinery and mechanical devices, vehicles and spare parts, and organic chemicals. Bank Indonesia maintained a positive outlook on the national account performance.⁹¹
- According to Nikkei Indonesia Manufacturing Purchasing Managers Index (PMI), Indonesias PMI fell from 50.4 in September to 50.1 in October. This reflected a stagnation in business conditions in Indonesia and a stabilization in output over the month.⁹²

Monetary

- On October 18th and 19th 2017, the Bank Indonesia (BI) Board of Governors agreed to hold the BI 7-day repo rate, deposit facility rate, and lending facility rate at 4.25%, 3.50% and 5.00% respectively. The decision is consistent with Bank Indonesias efforts to maintain macroeconomic and financial system stability, while considering the dynamics of global and domestic economy. Looking forward, Bank Indonesia will continue to coordinate with the Government to reinforce the policy mix in order to maintain macroeconomic stability, financial system stability and strengthen fundamentals of Indonesias economy.⁹³

Funding & Liquidity

- Yield on Indonesias 5-year bonds dropped to 6.13% in end September 2017 from 6.74% in the first business day of July. The drop in yield might be attributed to the continuous after-effects of S&P sovereign credit rating upgrade and President Jokowi's stance on accommodating foreign investments and boost fiscal spending on value-adding sectors such as infrastructures. The relatively decent performance in the export and household spending sectors during the third quarter might also keep yields low.

- Indonesias official reserve assets position stood at USD 129.4bn as of end-September 2017, higher than the end of August 2017 level registered at USD 128.8bn. The increase was primarily attributable to foreign exchange receipts, among others from tax revenues, government oil & gas export proceeds, withdrawal of government foreign loans, and auction of Bank Indonesia foreign exchange bills. Bank Indonesia considered the official reserve assets as able to strengthen the resilience of the external sector and maintain the sustainability of Indonesian economic growth.⁹⁴
- Long-term external debt grew 2.6% (YoY) in September 2017. Long-term external debt remained dominant in Indonesias external debt and stood at USD 293.9bn or 86.5% of total external debt in September 2017. Long-term external debt consisted of public sector external debt amounting to USD 171.5bn (58.3% of total long-term external debt) and private sector external debt amounting to USD 122.4bn (41.7% of total long-term external debt). Meanwhile, short-term external debt grew 12.6% (YoY). Short-term external debt amounted to USD 45.9bn (13.5% of total external debt), comprised of private sector external debt amounting to USD 43.1bn (93.8% of total short-term external debt) and public sector external debt amounting to USD 2.9bn (6.2% of total short-term external debt).⁹⁵

Politics

- On 8th September 2017, some 1,000 people took part in a rally near the famous Borobudur Buddhist temple in central Java, in response to the brutal crackdown on minority Rohingya Muslims in Myanmars western Rakhine State. In addition, thousands more who planned to participate in the rally were barred from entering the area, as about 3,000 security personnel were mobilized to maintain order, and multiple checkpoints were set up the night before. The protest was called by the Islamic Defenders Front and other radical Islamist groups, which have been attempting to translate public sympathy for the Rohingyas plight into political ammunition against President Joko Widodo. Such sectarian rift between the Muslim majority and minority Buddhists in Indonesia stokes fears that communal tensions will add to the headwinds already facing Southeast Asias biggest economy. Notes Sep 14, 2017, [Myanmar's Rohingya crisis is roiling Indonesian politics](https://asia.nikkei.com/), Nikkei Asian Review <https://asia.nikkei.com/>

Sovereign Credit Ratings

- Moodys and Fitch kept their ratings on the local currency long term bonds of Indonesia at Baa3 and BBB- ratings respectively in Q3, with a positive outlook. S&P continued to maintain its outlook on Indonesias sovereign bond at BBB- with a stable outlook, keeping it at investment grade level. This reflected the Indonesian governments consistent effort to ramp up productive spending and attract foreign investments. Notes Jul 20, 2017 [Indonesian Sovereign Rating: Market Data and Info](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

Indonesian Banks

The RMI-CRI aggregate 1-year PD for Indonesian banks increased for Q3 2017. Loans extended by Indonesian banks grew 7.86 percent in September from a year earlier, versus 8.26 percent in August. Meanwhile, non-performing loans (NPL) stood at 3.0% (gross) or 1.4% (net).⁹⁶



Profitability

- Indonesian banks in general saw a faster increase in profitability amid improving performance in the commodity sector. The three largest majority state-owned Indonesian banks (Bank Mandiri, Bank Rakyat Indonesia and Bank Negara Indonesia) reported a QoQ increase in net income of 4.1%, 4.5% and 17.5% respectively.

Funding & Liquidity

- The liquidity ratio (liquid asset/bank deposit) of Indonesian banks improved from 21.2% at end of Q2 2017 to 23.4% in August 2017.⁹⁷
- The Jakarta 3-month interbank rate decreased from 6.95% at the beginning of Q3 2017 to 5.20% by the end of Q3 2017. Similarly, the 1-month interbank rate decreased from 6.25% at the beginning of Q3 2017 to 4.78% by the end of Q3 2017.⁹⁸

Regulation

- In order to realise a steadily growing, inclusive and sustainable national economy, Indonesia issued a new regulation on 18 July 2017 that required financial institutions to apply sustainable principles to models, processes and practices at the level of business policy and decision making. Under the new regulations, financial services institutions are required to prepare and submit Sustainability Reports to the Financial Services Authority annually, latest by 30 April of the next year. The aim of this regulation was to realise Indonesias commitment to provide financial sources to allow climate change mitigation and adaptation, and thereby contribute to the achievement of sustainable development goals that include guarantee of environmental integrity, as well as the current and future generations safety, capacity, prosperity and life quality.⁹⁹

Asset Quality

- According to Bank Indonesia, the financial system remained stable. Capital adequacy ratio and liquidity ratio of Indonesian banks, as of August 2017, stood at 23.1% and 23.4% respectively, while non-performing loans (NPL) stood at 3.0% (gross) or 1.4% (net). The potential growth of deposit and credit are likely to improve in line with the lower reference rate and macroprudential policy easing, combined with the progress made in terms of banking and corporate sector consolidation. Furthermore, economic financing through the capital market is expected to increase in line with financial market deepening efforts.¹⁰⁰

⁹⁸Nov 6, 2017, [Indonesia GDP Annual Growth Rate](http://www.tradingeconomics.com/), Trading Economics, <http://www.tradingeconomics.com/>

⁹⁹Oct 2, 2017, [Inflation in September 2017 Controlled](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

⁹⁰Oct 16, 2017, [Nominal and Real Revenues of Farm Laborers in Indonesia \(IDR\)](http://www.bps.go.id/index.php), Indonesian Statistics Bureau (BPS), <http://www.bps.go.id/index.php>

⁹¹Oct 16, 2017, [Indonesias Trade Balance Records Surplus](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

⁹²Nov 1, 2017, [Business conditions stagnate in October](https://www.markiteconomics.com), Markit Economics, <https://www.markiteconomics.com>

⁹³Oct 19, 2017, [Bank Indonesia Holds Policy Rate: Global Economy Improves, Domestic Economic Recovery Continues](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

⁹⁴Oct 6, 2017, [Official Reserve Assets Continued to Increase to USD 129.4 Billion](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

⁹⁵Sep 15, 2017, [External Debt Statistics of Indonesia - September 2017](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

⁹⁶Oct 28, 2017, [Indonesia's Sept loan growth at 7.86 percent y/y](https://www.reuters.com), Reuters, <https://www.reuters.com>

⁹⁷Oct 19, 2017, [Bank Indonesia Holds Policy Rate: Global Economy Improves, Domestic Economic Recovery Continues](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

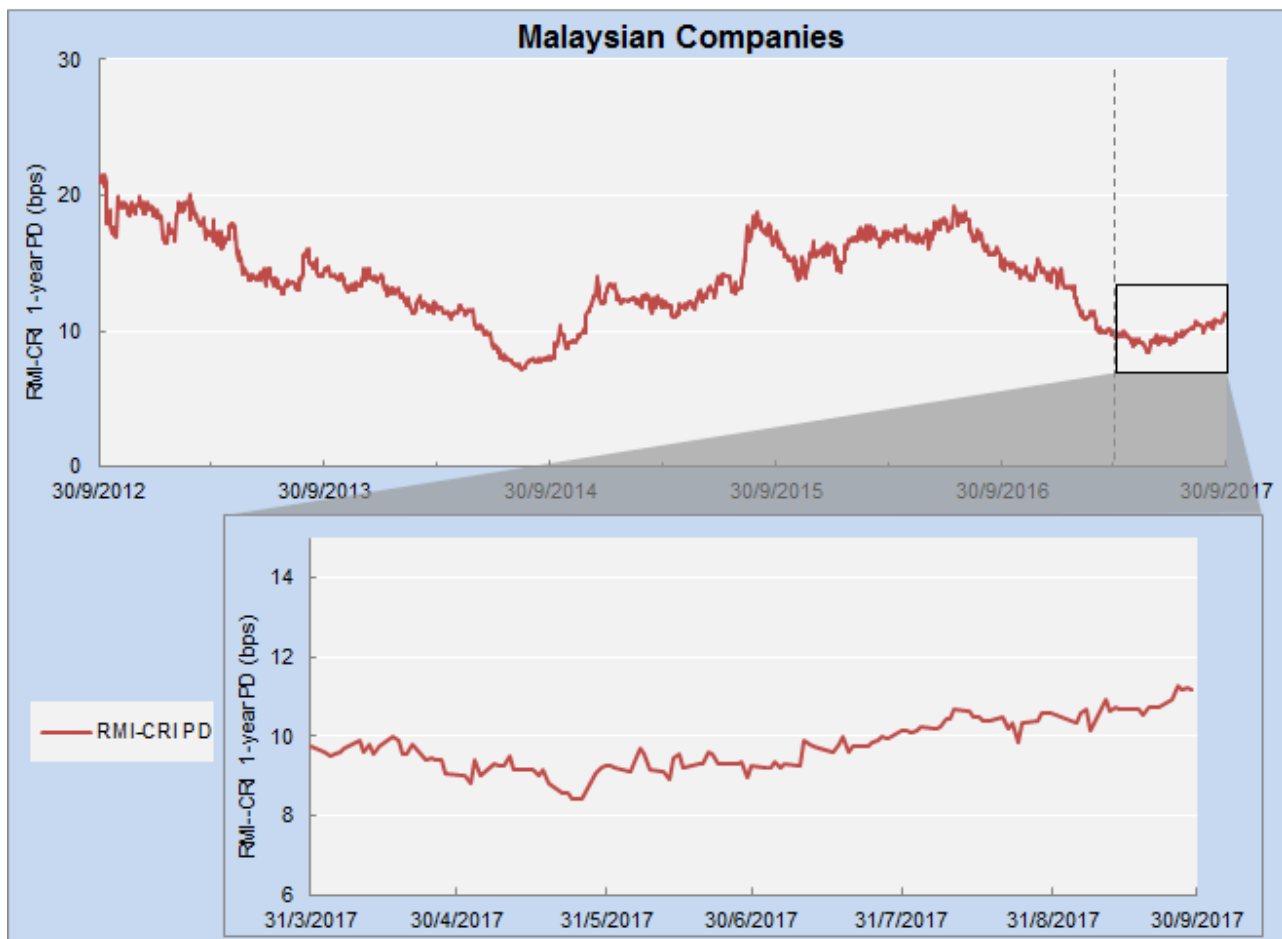
⁹⁸Nov 10, 2017, [Jakarta Interbank Offered Rate \(JIBOR\)](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

⁹⁹Jul 18, 2017, [Regulation of Financial Services Authority on Application of Sustainable Finance to Financial Services Institution, Issuer and Publicly Listed Companies](http://www.ifc.org/), International Finance Corporation, <http://www.ifc.org/>

¹⁰⁰Oct 19, 2017, [Bank Indonesia Holds Policy Rate: Global Economy Improves, Domestic Economic Recovery Continues](http://www.bi.go.id), Bank Indonesia, <http://www.bi.go.id>

Malaysian Companies

The RMI-CRI aggregate 1-year PD for Malaysian companies increased slightly over Q3 2017. Malaysia's economy has been improving over the third quarter of 2017 as exports continue to increase and strong domestic demand contributes to economic growth, reflected by the rising CPI on a YoY basis. Unemployment rate remained at 3.4%.



Economy

- GDP of Malaysia increased by 6.2% YoY to MYR 287.2bn in Q3 2017 on the back of domestic demand and investment. Domestic demand increased 6.6% YoY. Private consumption expanded by 7.2% YoY on the back of better labor market conditions. On the supply side, private investment registered a stronger growth of 7.9% YoY and the manufacturing and services sectors remained the key drivers. Public consumption expanded by 4.2% YoY, following faster growth in emoluments amid continued prudence in spending on supplies and services. Public investment turned around to register positive growth of 4.1% during Q3 compared to -5.0% in Q2. ¹⁰¹

- Malaysias CPI rose by 4.3% on a YoY basis in September 2017. Among the major groups which recorded increases were the indices for Transport (+15.8 per cent), Food & Non-Alcoholic Beverages (+4.6 per cent), Furnishings, Household Equipment & Routine Household Maintenance (+2.8 per cent), Restaurants and Hotels (+2.6 per cent), Health (+2.5 per cent), and Housing, Water, Electricity, Gas & Other Fuels (+2.4 per cent).¹⁰²
- Malaysias unemployment rate remained at 3.4%. The labour force participation rate in Malaysia is stable between 67% to 68% during the third quarter of 2017.¹⁰³
- In September 2017, Malaysias export expanded MYR 9.2bn, up by 15.2% YoY to MYR 78.3bn. Imports also recorded a increase of MYR 2.3bn (+3.7%) to MYR 69.7 bn. Exports increased due to the higher exports to China (+MYR 2.4bn), Hong Kong (+MYR 1.3bn), the European Union (+MYR 1.1bn) and Indonesia (+MYR 969.1mn). Higher imports were mainly from Singapore (+MYR 2.3bn), Taiwan (+MYR 1.4bn), China (+MYR 967.2mn) and the Republic of Korea (+MYR 873.0mn).¹⁰⁴

Monetary

- As of Sep 17, Bank Negara Malaysia announced that it decided to maintain the Overnight Policy Rate (OPR) at 3%, citing global economy growth sustained momentum, Malaysias growth in 2017 will be stronger than earlier expected, headline inflation level continued its moderating trend and strong capital and liquidity buffers in the banking system.¹⁰⁵
- In September 2017, broad money (or M3), which measures the money supply, increased by 5% YoY to MYR 1.70tn.¹⁰⁶
- The ringgit appreciated against all regional currencies by 0.3% to 3.1% in September, supported by non-resident inflows of RM5.8 billion into the Government bond market. The international reserves of Bank Negara Malaysia amounted to USD 101.4bn as of 13 October 2017.¹⁰⁷

Funding & Liquidity

- The market indicative yield on the 10-year Malaysia government securities stabled at to 3.93% in September, the same as June. The same yield measure on 5-year Malaysia government securities decreased to 3.58% from 3.62% over the same period.
- Bank lending to finance, insurance and business activities decreased to MYR 3.47bn in September 2017 from MYR 4.31bn one year ago. Meanwhile, loans disbursed to the manufacturing and the wholesale, retail trade, restaurants and hotels segments over the last quarter increased to MYR 5.71bn and MYR 6.96bn respectively.¹⁰⁸

Regulations and Politics

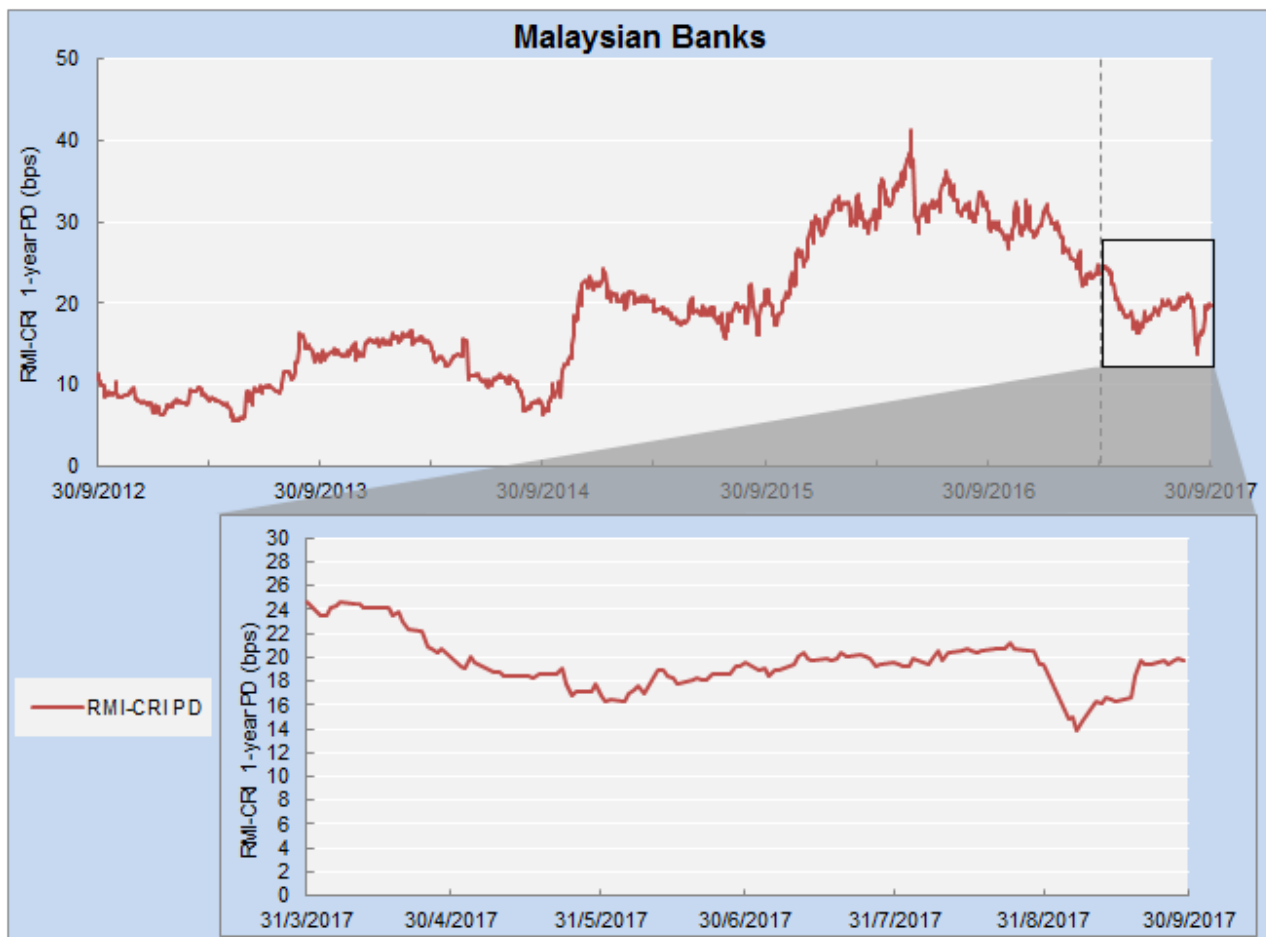
- 1Malaysia Development Bhd.s (1MDB) bonds were steady ahead of a USD 603mn arbitration payment to Abu Dhabis sovereign wealth fund. The obligation is half the amount 1MDB and the Malaysian finance ministry agreed to make to International Petroleum Investment Co. as settlement, with a second payment due at the end of 2017. The cost of insuring Malaysias sovereign notes from default are at the lowest in almost three years.¹⁰⁹
- The Guidance Notes to the Code of Ethics (CoE) for the Financial Services Industry (FSI) has been lunched by the Financial Services Professional Board (FSPB) to instil a culture of professionalism in the industry through the development and advocacy of professional and ethical standards. The FSPB CoE, which was launched in January 2016, outlines a set of five broad fundamental principles to which institutions and individuals in the FSI should adhere to. The five principles are competence, integrity, fairness, confidentiality and objectivity. The Guidance Notes provide additional guidance on how each of the principles in the CoE applies in practice.¹¹⁰
- On October 10, a statement made by Malay rulers expressed concern over the divisive actions of people who have gone overboard in expressing their conviction. Such actions is putting the countrys harmony at risk. The impacts are more severe because people may associate such actions with Islam. The rulers echoed the strong stance taken by Sultan of Johor, Sultan Ibrahim Sultan Iskandar of Johor and Raja Muda of Perlis, Tuanku Syed Faizuddin Putra Jamalullail in prohibiting muslim-only launderettes in both of the states. NotesOct 11, 2017 [Rulers are concerned over actions of some](#), Daily Express, <http://www.dailyexpress.com.my/>

Sovereign Credit Ratings

- The Malaysian government maintained its sovereign credit ratings at all three rating agencies. The country was rated at A3, A- and A- respectively by Moodys, S&P and Fitch. All three agencies assigned a stable outlook for their ratings on Malaysia.

Malaysian Banks

The RMI-CRI aggregate 1-year PD for Malaysian banks remained relatively flat as the banking system remained well capitalized through an increase in loan application for finance, insurance and business activities. Increasing total bank deposits continue ensuring liquidity in Malaysian banks. Though asset quality worsened slightly the financials of Malaysian banks remained in the safety zone.



Lending

- The amount of bank loan applications has increased to MYR 68.44bn in March 2017 from MYR 64.6bn in June. Loan application for finance, insurance and business activities had decreased to MYR 3.47bn in September 2017 from MYR 3.86bn in June 2017. ¹¹¹
- The base lending rate of Malaysian commercial banks increased to 6.68% in September from 6.65% in June. The weighted base rate also increased to 3.63% in Q3 2017 from 3.61% in Q2 2017. ¹¹²

Funding & Liquidity

- Total bank deposits increased to MYR 1.736tn in September from 1.713tn in June 2017. The repurchase agreement increased to MYR 14.2bn in September 2017 from MYR 12.2bn in June 2017.¹¹³
- Savings deposit in banking system slightly increased to MYR 151.86bn in September 2017 from MYR 151.81bn in June.¹¹⁴

Capital Levels & Regulations

- The Common Equity Tier 1 Capital ratio for Malaysian banks increased to 13.2% in September 2017 from 12.9% in June 2017. Similarly, the Tier 1 Capital Ratio increased to 14.1% from 13.8% in the same period. Notes Oct 31, 2017, [Monthly Statistics](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

Asset Quality

- The value of impaired loans at Malaysian banks had increased slightly to MYR 26.02bn in September from MYR 25.54bn in June 2017. The ratio of net impaired loans to net total loans remained at 1.2% on a QoQ basis.¹¹⁵

¹⁰¹ Nov 17, 2017, [Key Highlights on Economic and Financial Developments in 3Q2017](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹⁰² Oct 20, 2017, [Consumer Price Index Malaysia September 2017](#), Department of Statistics Malaysia, <https://www.statistics.gov.my>

¹⁰³ Nov 09, 2017, [Key Statistics of Labour Force in Malaysia, September 2017](#), Department of Statistics Malaysia, <https://www.statistics.gov.my>

¹⁰⁴ Nov 03, 2017, [Monthly External Trade Statistics September 2017](#), Department of Statistics Malaysia, <https://www.statistics.gov.my>

¹⁰⁵ Sep 07, 2017, [Monetary Policy Statement](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹⁰⁶ Oct 31, 2017, [Broad Money, M3](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹⁰⁷ Oct 17, 2017, [MONTHLY HIGHLIGHTS C SEPTEMBER 2017](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹⁰⁸ Oct 31, 2017, [Monthly Statistics](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹⁰⁹ July 28, 2017, [1MDB bonds steady before deadline for USD 603m debt payment](#), The Star Online, <https://www.thestar.com.my/>

¹¹⁰ Oct 05, 2017, [FSPB launches guidance notes to code of ethics](#), The Star Online, <https://www.thestar.com.my/>

¹¹¹ Oct 31, 2017, [Monthly Statistics](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹¹² Oct 31, 2017, [Monthly Statistics](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

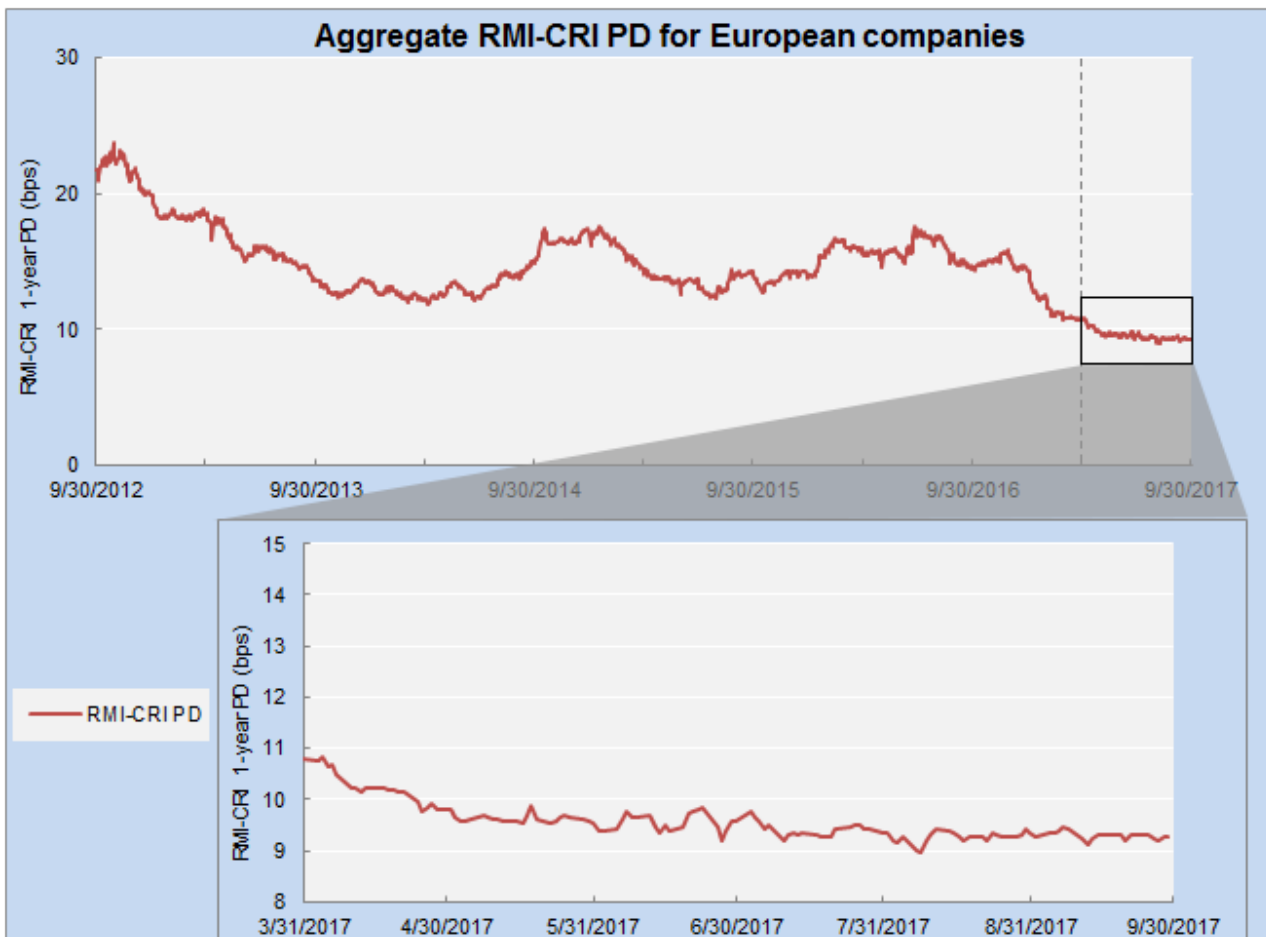
¹¹³ Oct 31, 2017, [Monthly Statistics](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹¹⁴ Oct 31, 2017, [Monthly Statistics](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

¹¹⁵ Oct 31, 2017, [Monthly Statistics](#), Bank Negara Malaysia, <http://www.bnm.gov.my>

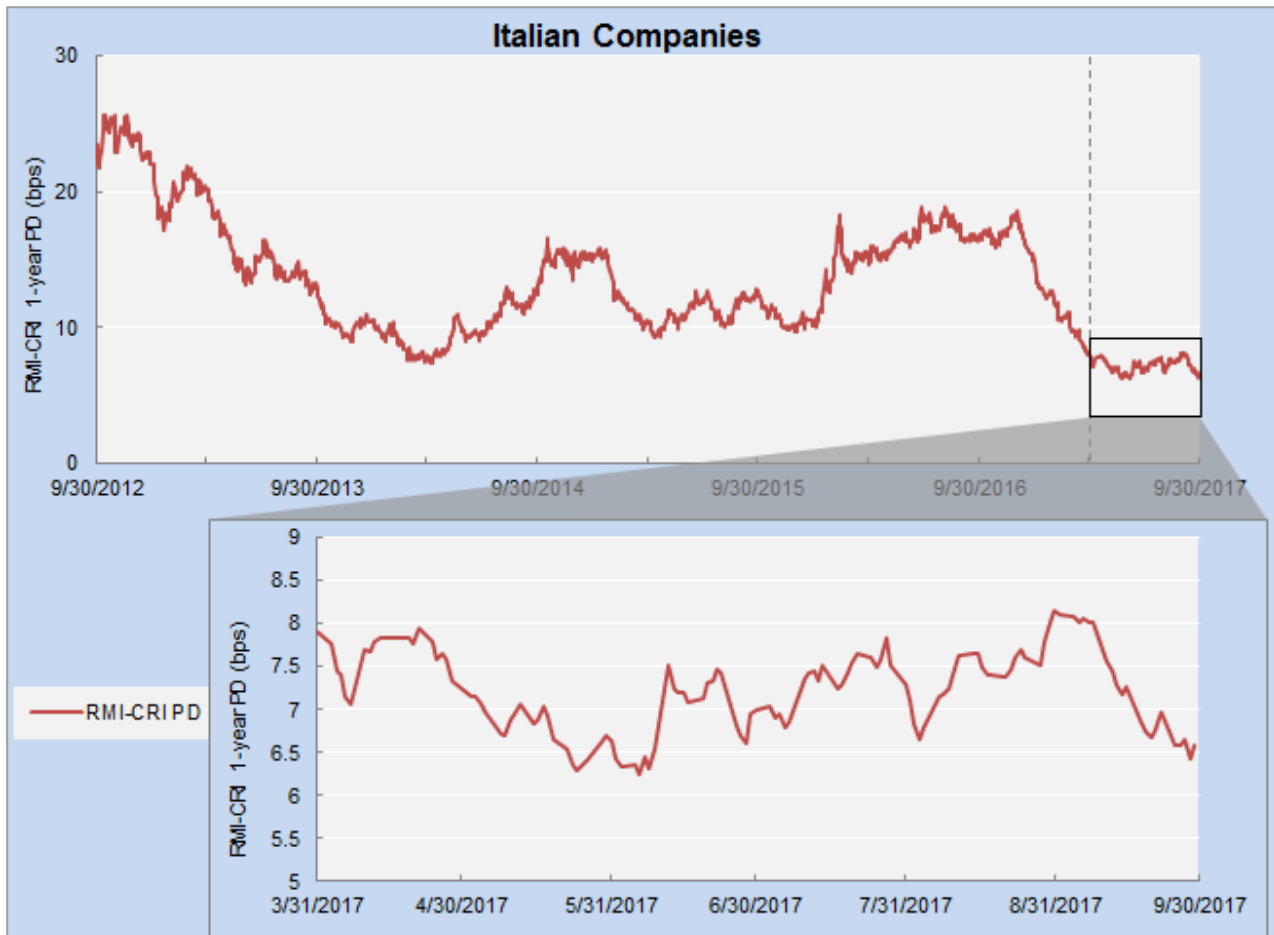
Europe

The RMI-CRI aggregate 1-year PD for European firms remained low during Q3 and nearly unchanged from Q2. Corporate credit profiles remained healthy in the face of a strong euro, which has appreciated against the US dollar following a backdrop of improving economic data and improving political sentiment in Europe. The ECB has been attempting to normalize monetary policy in a balanced way that brings inflation below 2% without comprising the present economic growth momentum. Economic growth in the euro zone has surprised to the upside as the unemployment rate has dropped into the single digits. The ECB forecasts economic growth to be north of 2.2%, which puts it on track for the strongest growth in 10 years. Much of the political uncertainty in the region centered around Italy and Spain, given Catalonia’s campaign for independence but the risks of further political divide remained relatively contained. Borrowing costs in the European bond markets dropped to record lows helped by continued bond buying by the ECB. Credit rating agency upgrades and the decline in corporate bond yields both create a constructive and favorable credit outlook for European firms moving forward.



Italian Companies

The aggregate 1-year RMI PD for Italian companies continued its downward trend since the start of 2017 and fell slightly during Q3 2017. Q3 saw credit outlook of Italian companies strengthening with the Italian economy demonstrating a robust performance. In view of the recovering economy, S&P upgraded Italys credit rating from BBB- to BBB. The upgrade came as a surprise to many, but it shows the confidence of rating agencies towards the outlook of the Italian economy. S&P justified their upgrade on the basis of a firm economic recovery with rising private-sector investment and employment. The Italian government is also expected to make significant progress in reducing its high sovereign debt. However, political uncertainties are still threats that may disrupt Italys road to recovery. Recent changes to Italys political structure and the upcoming general elections can threaten to destabilize the Italian economy. Watchful eyes still need to be placed on the continuous development of Italy politics. As for European Commission regulators, rules have been relaxed on how Italy can deal with its budget deficit. Pressure from the regulators are easing and more flexibility is given to the Italian government to allocate its budget to prevent suffocating the recovery in Italy. Overall, Italys credit position improved over Q3 2017 with a more optimistic future outlook.



Economy

- The GDP of Italy is estimated to increase by 0.5% moving from Q2 2017 to Q3 2017. The economy expanded 1.8% year-over-year as Italy continues to rebound from Eurodebt crisis back in 2011. Italys growth was in tandem with the economic acceleration of the European block, with Germany posting stronger than expected earning as well. Increased demand for exports was attributed to have been the cause of the better than expected growth. ECB bond purchases also helped to stimulate the Italian economy in Q3. However, economists warned against using cheap money injected by ECB to spur

growth. Italy has failed to make significant progress in cutting down on red tape as well as reducing labor costs. The question remains on whether Italy will be able to sustain its economic growth organically without the stimulus from ECB.^{116,117}

- Italy's unemployment rate remained unchanged at 11.1% in September 2017, the same level as August 2017. The country ended the quarter with 23.14mn people employed. 2.891mn people were unemployed, a 1.26% increase from the previous quarter. Youth unemployment (aged 15-24) was 35.7%, up 0.6 percentage points over August.¹¹⁸
- Italy's manufacturing Purchasing Managers Index (PMI) – an index of sentiment in the manufacturing sector – has improved to a six-and-a-half year peak of 56.3 in September. Significant growth was witnessed in September with the rapid expansion of incoming new business in the Italian economy. Capital goods, in particular, was in strong demand for both total and export new business. Positive projections also prompted manufacturers to increase their capacity as capacity pressures build up.¹¹⁹
- Italy's services PMI reported slower growth of the service sector, marked by the lower business activity index of 53.2 in September 2017. On the overall, companies are still increasing their staffing levels and the implicit growth is still solid, considering the index is comfortably above the no-change mark of 50.0. However, the rise is the weakest since March 2017 after falling from 55.1 in August 2017. Service providers are nonetheless positive about the future outlook, confident that demand and new work will continue to support the growth of new activity in the coming 12 months. From the price perspective, average operating costs continued to rise and the rise is indicative of the higher staffing costs and other input prices. Cost inflation is at its highest since May 2017.¹²⁰
- The European Commission Italy Economic Sentiment Indicator (ESI), which assesses the economic outlook of EU countries as a weighted average of the industrial, services, construction, retail and consumer sectors, reported a reading of 110.9, 109.1 and 105.5 for September, August and July respectively. These figures are significantly higher than the 106.4 average reported over Q2 2017.¹²¹
- The confidence climate index increased in September 2017 from 111.2 to 115.5. The personal and current components of the index improved from 105.6 to 106.5, and 109.3 to 112.3 respectively. The balance concerning expectations on unemployment fell by a large margin from 30.5 to 11.7, while outlook of the expectations on inflation was negative, increasing from -9.5 to -3.8.¹²²
- Retail sales, indexed by the Markit Retail PMI increased marginally in September with a reading of 50.2. This is the first monthly increase in retail sale since December 2015. Although growth is positive, sales levels in September has been largely disappointing when compared to the sales target. Despite so, retailers record the strongest optimism since March 2017. Gross margins of retailers continued to deteriorate due to increased discounting and promotional events, as well as a more competitive landscape.¹²³

Funding & Liquidity

- Yields on 10-year Italian bonds fluctuated widely during Q3 2017, from the 2.343% high on 7th July 2017 to the 1.924% low on 7th September 2017. The fluctuations are largely a result of the mixed signals sent out by the ECB during the quarter. Yield on Italian bonds edged higher at the start of the quarter due to expectations that the ECB is approaching its limit of Bunds and will start unwinding extraordinary stimulus to Italy. However, the outsized buying of Italian debt continued and yield on Italian debts reverted to low levels due to the continuous injection from the ECB.
- Interest rates on loans (other than bank overdrafts) to non-financial corporations fell

during Q3 2017, down from 2.36% in June 2017 to 2.29% in September 2017. Bank interest rates (including revolving loans, overdrafts and extended credit card credit) to corporations rose for July and August 2017 before falling to 3.04% in September 2017. Loans for house purchases decreased from 2.07% to 2.02% in the third quarter.^{124,125,126}

- Preliminary estimates for outstanding loans to non-financial institutions stood at 741,835, the lowest amount Italy has seen in recent years. Total outstanding loans overall decreased by 3.83% from the previous quarter.¹²⁷

Politics

- Recent developments in Italian politics suggest that the country could be slipping backwards in terms of political structure. The new electoral law allot parliamentary seats to the main parties according to their share received in the elections. A fragmented parliament would most likely lead to the formation of an unstable and ideologically heterogeneous government that proved to be destabilizing back in the 1990s. At the same time, the new electoral law also provided the context for former Italian Prime Minister, Silvio Berlusconi, to return to power. As the leader of Forza Italia, Berlusconi commands authority in Italian politics even though he is not able to contend for the parliament in 2018 due to his previous conviction of tax fraud. The upcoming Italian general elections before May 2018 will likely reshape the political landscape of Italy and affect the degree of political stability. Continuous attention need to be put on the developments leading up to the general elections next year.¹²⁸
- Although bad loans in Italy fell to a three-year low over Q3 2017, Italian banks are still under pressure to reduce the backlog of impaired debts. Eurozone regulators are calling for tighter regulations on Italian banks to tackle the stockpile of non-performing loans. Other than requiring banks to hold more collateral against new lending, regulators are asking for similar rules to be applied to the backlog of bad loans. The Italian government has protested against the proposal, citing reasons that the tightening regulations may suffocate Italys banking system by making banks more reluctant to lend and risk inducing a new credit crisis.¹²⁹
- Italys latest published public accounts were that of Q2 2017. Total expenditures and total revenues for Q2 increased by 1.6% and 1.3% respectively. The increase in total expenditures was attributed to increase in current expenditures by 1.3% and a jump of 4.8% in total capital expenditures. Increases in total revenues were driven by growth of current taxes on income and wealth (+1.8%), taxes on production and imports (+1.9%) and social contributions (+2.3%). The Government deficit to GDP ratio was 0.5%, a slight increase compared with the second quarter of 2016. Italys debt-to-GDP ratio is set to stand at 134.7% based on latest data in Q2 2017.^{130,131}
- In July, the European Commission indicated that it may grant Italy some flexibility in dealing its budget deficit. In response, Italy proposed to cut its structural budget deficit by 0.3% of its GDP in 2018. The flexibility is to allow for a faster recovery of the Italian economy. However, the Italian government must still deliver significant fiscal adjustments ensuring that a fall in its public debt. The current target is to bring down Italys total budget deficit in 2017 to 2.1% of its GDP.¹³²

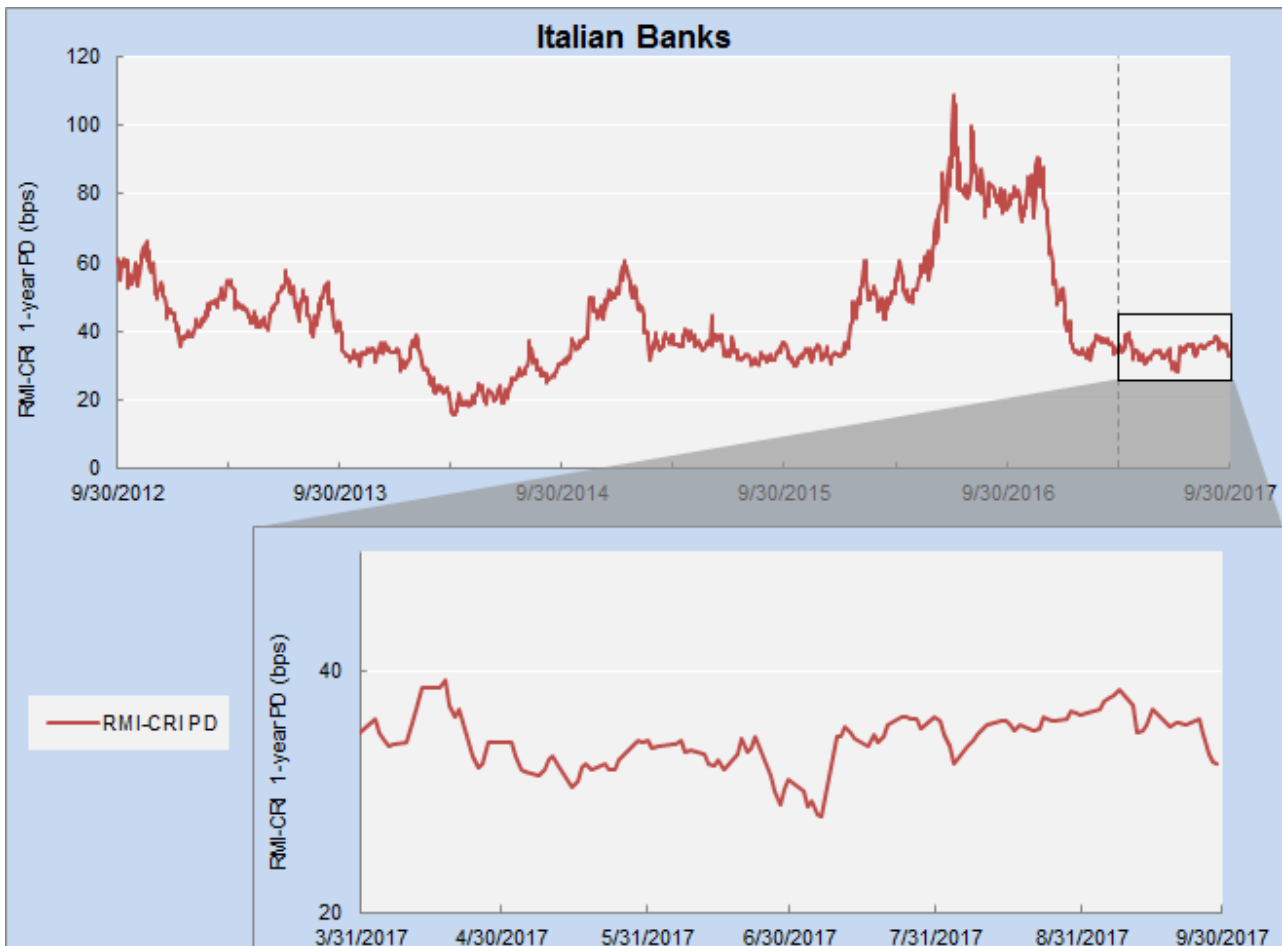
Sovereign Credit Ratings

- Moodys retained its rating of Baa2 with a negative outlook due to uncertain prospects of the Italian economy and its ongoing negotiations with the European Commission. Fitch did not revise its ratings after downgrading Italy from BBB+ to BBB on 21 April. S&P unexpectedly upgraded Italys rating from BBB- to BBB on 27 October with a stable

outlook. S&P justifies the upgrade by citing a strengthening economic outlook, signs of a pickup in employment and improvements in the heavily indebted banking sector.¹³³

Italian Banks

The aggregate 1-year RMI PD for Italian banks decreased slightly over Q3 2017 as Italian banks began to stabilize and the threat of an imminent meltdown of Italys banking sector is dissipating. The worst for Italian banks is deemed to over but Italian banks are still facing challenges. Investors remain doubtful of Italian banks profitability as they lag behind their European competitors in terms of modernization and technology. To improve its profitability, Italian banks embarked on a push towards innovation and transform its business model. The new emphasis has been put on developing IT systems to better serve customers and capture a bigger share of the market. Funding and liquidity has been adequate for Italian banks over Q3, with interest charged on business loans on the decline and credit supply to medium sized and large manufacturing continue to be favorable. In the meantime, asset quality at Italian banks continue to improve with NPL ratios decreasing due to the transfer of non-performing assets from banks to asset management firms specializing in loan recovery. The liquidation of Banca Popolare di Vicenza and Veneto Banca proved to be an effective solution to the high levels of NPL in Italy. Coverage ratio also increased in Q3, reflecting the improving health of Italian banks.



Profitability

- As concerns of a meltdown subside, Italian banks can be said to have overcome the systematic risk in general. However, Italian banks are still having a hard time trying to raise capital as investors remain unsure about their profitability. After the completion of bailouts and reforms in the Italian banking system, the new focus of Italian banks is to rebuild investors confidence through proving that they are profitable. The profitability of Italian banks is very much dependent on the economic growth of Italy as well as the interest rate charged. As the Italian economy starts to recover, profit forecast and outlook for Italian banks are increasingly favorable. Shares of Italian banks rebounded

by 8% compared to the 1% uptick in the Europe STOXX 600 Banks Index. UniCredit, Italys biggest lender, also posted a net profit of EUR 838mn excluding one-off items in Q3 2017. The substantial jump in earnings compared to the same period in 2016 sent a strong signal to investors on the future profitability of Italian banks.^{134,135}

Funding & Liquidity

- Coupons on new 5-year euro-denominated Italian bank bond issuances increased to 1.02% during Q3 while 3-month Euribor rate fluctuated slightly during the quarter.
- The 12-month percentage change in deposits of funds by Italian residents was 6.4% in September 2017, while total deposits of non-domestic residents rose by 1.13%. Bank funding from the Eurosystem grew by 35.4% compared to September 2016, while debt securities issued by banks fell 13.9% compared to the same period last year. Total deposits and postal savings by residents and non-financial corporations was EUR 235.62bn, based on latest data published in Q1 2017.^{136,137}
- Interest charged on business loans (other than bank overdrafts) of over EUR 1mn to non-financial institutions was 1.146% in June 2017, up from the 1.232% reported in March 2017. Similar loans with collateral and/or guarantees were charged with an interest rate of 1.592%, down from 2.039% charged during June 2016. Bank interest rate on loans to sole proprietors was 2.987% in June 2017, down from 3.174% in the same period last year.¹³⁸
- The Bank of Italys liabilities to Euro-area financial counterparties totaled EUR 124.8bn in September 2017.¹³⁹
- Italian bank liabilities towards the Eurosystem remained constant at EUR 255bn from May 2017 to August 2017. Lenders increased their funds held at the ECB by 46.1% YoY in August 2017 while capital and reserves decreased to EUR 438bn during the three months ending August 2017.¹⁴⁰
- According to the latest bank lending survey, Italian banks reported that their credit supply standards continued to ease in Q2, indicating favorable credit supply conditions for medium sized and large manufacturing firms. In a separate business confidence survey, credit access conditions were reported to be basically unchanged for service and manufacturing firms. However, the same conditions were tightened for construction firms. Supply conditions continued to be favorable towards medium-sized and large firms.¹⁴¹

Asset Quality

- The Bank of Italy said that the ratio of new non-performing loans to outstanding loans fell during Q2 to 2.0% from 2.4% in the preceding quarter. The non-performing ratio for loans to firms fell to approximately 3% while a similar measure for loans to households also witnessed a slight drop from the 1.6% in Q1.¹⁴²
- Share of non-performing loans to total loans fell in Q2 mainly due to the liquidation of Banca Popolare di Vicenza and Veneto Banca and the transferring their non-performing assets to an asset management specializing in the recovery of non-performing loans. In the meantime, coverage ratio at Italian banks has improved from 52.8% to 55.3%.

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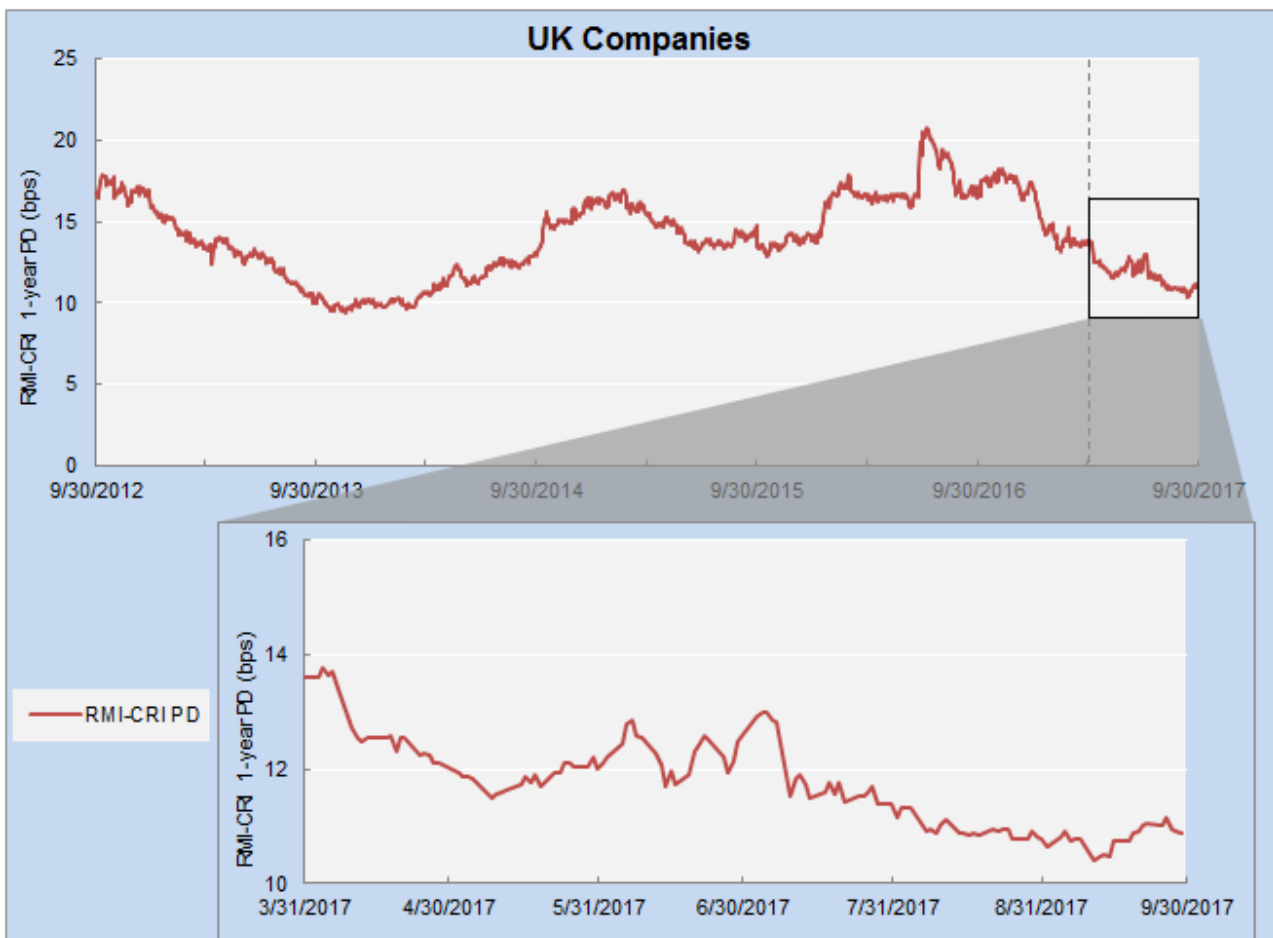
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UK Companies

The aggregate RMI-CRI 1-year PD for companies in the UK has been steadily improving following positive and optimistic economic growth over the third quarter. GDP growth exceeded forecasts, growing by 0.4% QoQ, while unemployment continued to dip. However, the manufacturing and construction sectors continued posting negative growth since Q4 2016 due to the lack of contracts as foreign investors likely looked for other countries to invest in due to the lack in clarity of the post-Brexit term deals. Despite so, on the domestic level, improving economic activities across the miscellaneous sector seemed to suggest increasing confidence on the economic outlook by domestic consumers. Trade deficits widened to GBP 10.8bn on account of the decrease in exports to non-EU countries exceeding the increase in exports to EU countries. Continued uncertainty brought by Brexit and the complex dealings on various areas, such as trade, migration, etc. with respect to the UK are set to be challenges that Britain will face in the near term.



Economy

- The UK's Q3 2017 GDP exceeded forecasts, growing by 0.4% QoQ, up from 0.3% in the previous quarter. Q3 2017 growth was primarily driven by services, which grew by 0.4% compared to 0.5% growth in Q2 2017 due to strong performance in computer programming, motor trades and retail trade. All main sectors within production experienced positive growth, namely manufacturing (1.0%), mining and quarrying (1.5%), electricity, gas steam and air conditioning supply (0.4%) and water supply, sewerage, waste management and remediation activities (0.4%). As a side note, this quarter marked the return of the manufacturing sector to positive growth. Agriculture, government services and financial services are estimated to have grown by 1.0%, 0.1% and 0.6% in Q3 2017. ¹⁴³

- The unemployment rate was 4.3% for the period of June 2017 to August 2017, down from 5.0% recorded during this same period one year ago, and lower than the 4.5% recorded in the preceding three months of March to May 2017. The employment rate was 75.1%, 0.2 percentage points higher than the previous three months, and 0.6% higher on a YoY basis. Estimates indicate that average weekly earnings for employees in real terms fell by 0.4% excluding bonuses, compared to last year. 79.6% of men aged 16 to 64 were in work, while 70.7% of women were in work.¹⁴⁴
- Consumer spending showed some improvement in Q3 2017 based on Visas UK Consumer Spending Index, registering a marginal increase against the same period last year. If looked in isolation, e-commerce, a part of consumer spending, registered a 6.5% increase against a 2.6% drop in Face-to-Face spending - an evidence that spending may in fact be better than expected. Consumers are also starting to spend more on small treats such as jewelry, beauty products and trips to hair salons, rather than clothing and big ticket items such as car purchases and air travel. This is reflected by a 10.1% increase in the miscellaneous category.¹⁴⁵
- In the 3 months up to August 2017, the deficit on trade in goods and services (including erratic commodities) widened to GBP 10.8bn from a deficit of GBP 8.9bn for the 3 months to May 2017. The widening deficit is attributed to a switch from a surplus to a deficit on the balance of erratic commodities that can have large effects on headline movements. The value of goods exported to non-EU countries continue to be higher than those exported to EU countries. As a result of this, Q3 2017 saw the decrease in exports to non-EU countries (8.8%) more than offset the increase in exports to EU countries (4.1%). Overall, trade imports in goods and services increased by 2.5% while exports decreased 1.4% in the similar sector.¹⁴⁶
- The Markit/CIPS Purchasing Managers Index (PMI) for the manufacturing sector stood at 55.9 in September 2017, down from August's four-month high of 56.7, but above its long-run average of 51.7. Manufacturing production rose for the fourteenth month running in September. The rate of expansion, however, eased due to growth slowdowns across the consumer, intermediate and investment goods sub-sectors. Despite so, companies reported solid demand in both solid and overseas market and maintained positive outlook on the prospect. This is reflected by their efforts to expand overseas customer bases, improved efficiency, company expansion and investment plans and new product launches. Consequently, September saw further job creation at manufacturers, albeit slightly below August's three-year record.¹⁴⁷
- In the construction sector, the PMI index read 48.1 in September, down from 51.1 in August, signaling the fastest decline in overall construction output since July 2016. Lower volumes of construction work due to a lack of new infrastructure projects to replace completed projects reflected marked falls in both commercial and civil engineering activity during September. Work on commercial development projects, new business volumes and sub-contractor usage also experienced decline following political headwinds and slowdown of activities in this sector. House building was the only area of construction to actively register an expansion in September, albeit at a six-month low rate. Further down the road, fragile demand conditions would be expected to weigh on construction firms expectation for growth. This is plausible given that business investment prospects still drew concerns due to uncertainty around the path to Brexit.¹⁴⁸

Monetary

- In its latest meeting on monetary policy in Q3 2017 happening on September 14th 2017, the Monetary Policy Committee (MPC) of the Bank of England voted 7-2 to maintain the Bank Rate at 0.25%. The Committee also voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases at GBP 10bn and maintain the stock of UK government purchases at GBP 435bn. The purchasing activities would be financed by the issuance of central bank reserves. Twelve-month CPI inflation reached above 2.9% in September 2017, which is higher than anticipated. UKs Central Bank expects inflation to rise beyond 3% in the near future on account of Brexit and the depreciation of the British pound. ¹⁴⁹
- CPI grew by 2.8% year-on-year in September 2017, up from 2.7% in August 2017. This marked its second rise since March 2012. Rising prices for food and recreational goods, along with transport costs were the main contributors to the rise in the rate. These factors causing the increase in CPI were partially offset by downward contributions from a range of goods and services, in particular clothing prices. Air fares and fuel price constitute the key drivers to the growth of CPI in the transportation sector, which is the largest contributor to CPI increase in this period. Recreation and culture also had a large upward effect, with prices rising by 0.8% between August and September 2017 driven by sales of computer games. ¹⁵⁰

Politics

- For the first time, the UK has explicitly acknowledged that it has financial obligations to the EU after Brexit. This is a stronger assertion than PM Theresa Mays previous reference to Britain being willing to reach a fair settlement of unspecified obligations. According to the EU bloc, Britains exit liability is estimated to have stood up to EUR 100bn gross. Despite the acknowledgment of UKs obligation to the EU, neither has Britain submitted a position paper on financial issues nor has it quantified exactly how much the obligations are. The British side saw the statement as progress made in hopes that it can immediately start talking about trades with the EU. ¹⁵¹
- The UK reiterated its commitment to an open border between Northern Ireland and the Republic, as it softened its position on a range of Brexit-related issues. In a position paper on the Irish border, the UK effectively ruled out any physical infrastructure, including passport checks and cameras, despite the commitment to controlling immigration after Brexit. The UK also promised to maintain the frictionless flow of goods with the EU. However, this was met with skepticism from the Irish government and business organizations, which criticized that the position paper lacked clarity and brought up even more questions about issues such as migration, trade, farm standards and electricity near the border. ¹⁵²
- British PM Theresa May is facing pressure from her own party over Brexit after The Labour Party announced that it would change tack and campaign to make Britain extend its membership of the EU single market and customs union for several years. Delaying Brexit transition would potentially put Britains future relationship with the EU up for grabs at the next general election scheduled for 2022 - a maneuver by the now stronger Labour said to benefit British companies. ¹⁵³
- Theresa May hoped to break the stalemate in Brexit negotiations in a defining speech in Florence by vowing to strengthen legal protection for EU citizens living in the UK. She was also considering whether the European Court of Justice (ECJ) case law should be taken into account by British judges where relevant to the citizen rights. This has brought attention within the cabinet following the speech on the final shape of Brexit. Some include the need to form a bespoke final deal with the EU instead of the usual

Canadian-style free trade agreement or Norway-style negotiation agreement, while others warned Britain not to put too much money on the table now, as it will exhaust the UK of all its leverage. ¹⁵⁴

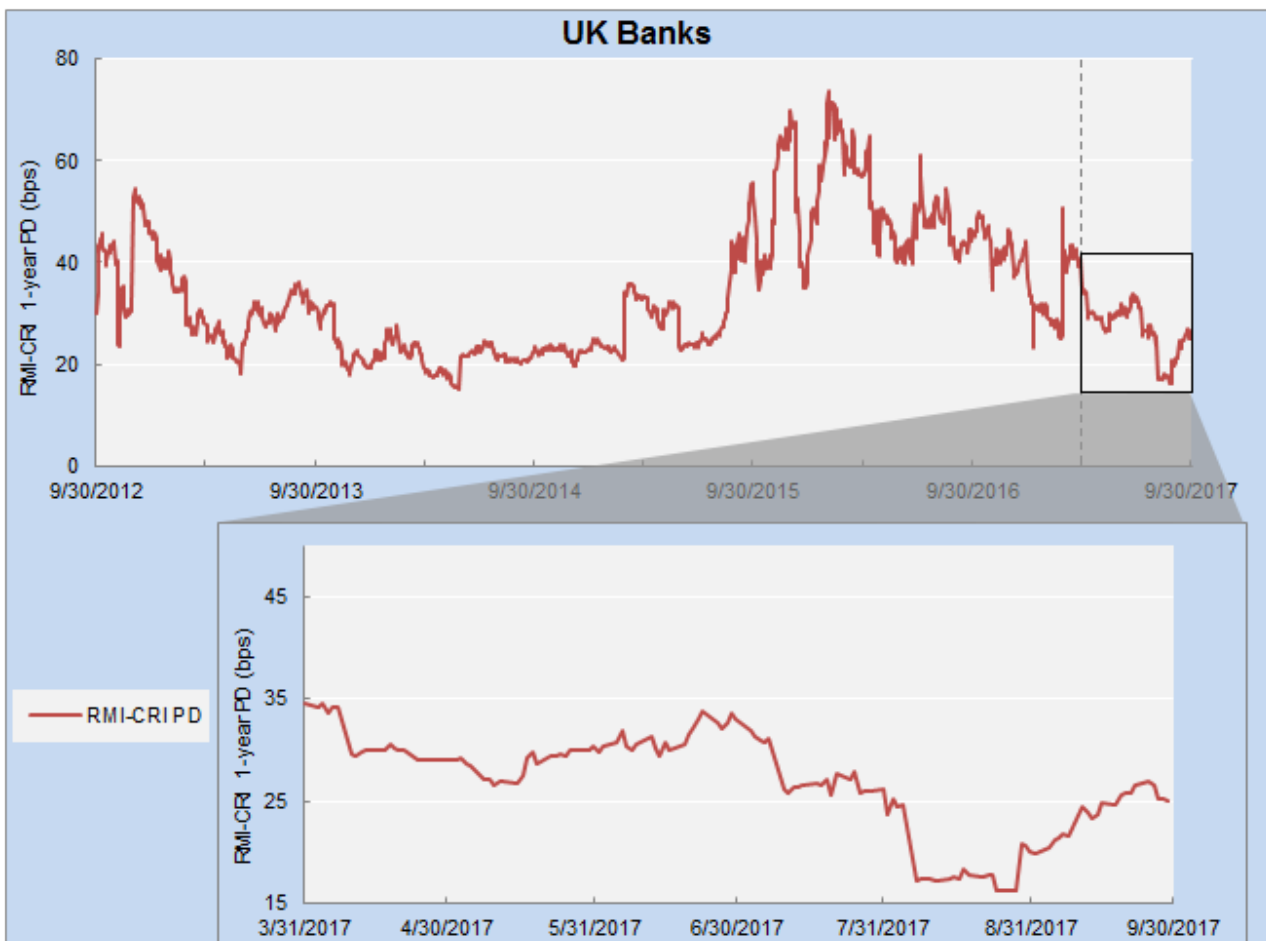
- The Chancellor of the Exchequer, Philip Hammond, would keep to his promise to keep fiscal spending to a certain level despite pressures from other parties as he feared that investors would be further spooked should the fiscal framework adopted about a year ago be abandoned on top of Brexit. At the same time, the chancellor is also grappling with weak forecasts that could wipe out a huge portion of the GBP 26bn buffer set aside to steer the economy through the process of leaving the EU and beyond. This is further worsened by the need for Hammond to find GBP 8bn to fund items such as Theresa Mays GBP 1bn confidence and supply deal with the DUP and the plan to raise national interest rates for the self-employed. ¹⁵⁵

Sovereign Credit Ratings

- Moodys long term rating on the UK is downgraded to Aa2, one notch below Aa1, which was last quarters registered rating and two notches below the highest possible Aaa rating. This is likely due to heightened political headwinds and uncertainty that Brexit brings as March 2019 approaches the period in which free movement of people between the EU and the UK ends. Meanwhile, S&Ps rating kept unchanged on the countrys foreign and local currency long term debt at AAu, one notch below the coveted AAA. Fitch Ratings also kept the sovereigns long term debt rating at AA, one rank from its highest rating of AAA. Both S&P and Fitch maintained a negative outlook on the UK, while Moodys kept a stable outlook on the UK after the downgrade.

UK Banks

The RMI-CRI aggregate 1-year PD for banks in the United Kingdom improved slightly in Q3 2017, moving in tandem with the 1-year PD for UK companies but is still higher than the latter. This suggests that the banking sector in the UK still retains higher level of risk due to Brexit uncertainty and the shift of the European headquarters of many companies to other EU countries. In terms of fundamentals, profitability in terms of net income showed mixed signals as a number of banks reported falling and increasing net income. The outlook for UK banks seemed benign for now following an increase in net fees and commissions despite decrease in dividend payments. The FTSE 350 Banks Index declined by 0.41% over the quarter.



Profitability

- According to the Monetary financial institutions quarterly income and expenditure tables released by the Bank of England, the net interest receivable increased from GBP 16.23bn in Q1 2017 to GBP 16.35bn in Q2 2017. Interest receivable was GBP 31.11bn, while interest payable was GBP 15.76bn. While interest payable on deposits increased by over 4%, interest receivable from loans and advances increased by slightly over 5%.¹⁵⁶
- Banks reported an increase in net fees and commissions, up to GBP 4.97bn across Q2 2017 from GBP 4.84bn in Q1 2017. Dividends paid by banks decreased by more than 8%, from GBP 5.01bn in Q1 2017 to GBP 4.58bn in Q2 2017.
- In terms of net income, Barclays reported a net profit of GBP 648.6mn in Q3 2017, down from GBP 662.5mn in Q2 2017. On the other hand, Lloyds reported an increase in net profit at GBP 1.57bn in Q3 2017 from GBP 742.9mn in Q2 2017. HSBC reported a decrease in net profit to USD 3.53bn in Q3 2017 from USD 4.38bn in the second quarter of 2017. The Royal Bank of Scotland (RBS) also similarly reported a lower net income at GBP 698.2mn in the third quarter of 2017 compared to GBP 1.05bn in Q2 2017, marking the first fall in 2017 ever since net profit has been increasing over the quarters starting from the beginning of the year.

Funding & Liquidity

- According to the Bank Liabilities Survey produced by the Bank of England, UK banks and building societies reported that total funding volumes increased in the three months to mid-September 2017. Within the total, retail deposit funding was reported to have remained unchanged, while wholesale debt funding, wholesale deposits and funding via central bank operations was reported to have increased significantly. Lenders expect total funding volumes to increase significantly in Q4 2017, driven by non-retail deposit funding.¹⁵⁷
- Investor demand for wholesale debt increased significantly in Q3 2017, with hedge funds and other asset managers having been the largest contributors. This is in conjunction with the increase in demand from retail investors by 1.3%. Lenders expect investor demand for wholesale debt to remain broadly unchanged in Q4 2017.
- Wholesale debt funding from commercial paper decreased by 7.3% in Q3 2017 and is expected to stay still in the next quarter, while funding from short-term repo/securities lending increased by 0.6% this quarter.

Asset Quality

- The total write-offs of sterling denominated loans dropped from GBP 1.02bn in Q1 2017 to GBP 955mn in Q2 2017, despite an increase in credit-card write-offs to individuals, which increased from GBP 357mn to GBP 386mn. Write-offs to private non-financial corporations decreased from GBP 453mn to GBP 306mn from Q1 2017 to Q2 2017. Write-offs to non-residents increased significantly to GBP 76mn from GBP 8mn in the previous quarter.¹⁵⁸
- Write-offs on loans denominated in foreign currency increased from GBP 161mn in Q1 2017 to GBP 162mn in Q2 2017, driven by more than 11% increase in the write-offs on loans to non-residents, which constitute the largest share of the total write-offs.

¹⁴³RefUKone

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Appendices

The appendices provide readers with a comprehensive overview of various outputs that are produced by RMI-CRI's operational PD system. While the PD system provides default forecasts at horizons ranging from one month to five years, here only RMI-CRI 1-year PDs are reported. In addition to the PD produced by the RMI-CRI system, important macroeconomic, corporate credit and sovereign risk indicators are provided. These summarize the credit situation at a glance, as well as provide detailed data for reference purposes.

Appendix [A](#) and Appendix [B](#) give RMI-CRI 1-year aggregate PD where the aggregations are by region, economy and sector. In these sections, the RMI-CRI 1-year aggregate PD is based on the median PD of active listed firms. These are given as month-end data, and are based on RMI's default forecast model calibrated on October 6, 2017, using data up to September 30, 2017. For a detailed description of RMI-CRI's default forecast model, the [Technical Report](#) is available on our website.

Appendix [A](#) provides 1-year aggregate PD by economy and sector. For each economy, the graph on the left shows the time series of 1-year aggregate PD for all exchange listed firms within the economy (thick blue, left axis), and the time series of the number of firms with PD (thin orange, right axis). The table on the right provides the median and standard deviation of PDs for firms within ten industry sectors at the end of Q2 2017 and Q3 2017. Note that the statistics are for firms that have a PD at both dates so that consistent comparisons can be made. The median and standard deviation of the difference of individual PD is also given. The industry sectors are based on the Level I Bloomberg Industry Classification.

Appendix [B](#) gives 1-year aggregate PD by the seven regions of Asia-Pacific developed, Asia-Pacific emerging, North America, Latin America, Eastern Europe, Western Europe and Africa & the Middle East. The top two graphs of each regions show the time series of the distribution of Probability of Default implied Ratings (PDiR). The PDiR methodology is described in the last section of Appendix [D](#). The different colored areas in the graph indicate different PDiR classes. From the bottom, the blue area indicates the percentage of CCC/C firms, the bottom-most white area indicates B firms, the orange area indicates BB firms, the middle white area indicates BBB firms, the green area indicates A firms, the top-most white area indicates AA firms, and the maroon area indicates AAA firms.

The bottom 12 graphs in each region show the time series of RMI-CRI 1-year aggregate PD for all exchange listed firms in the region, all non-financial firms in the region, and firms in each of the ten industry sectors in the region. Each graph shows the PD in thick blue on the left axis and the count of firms with PD in thin orange on the right axis.

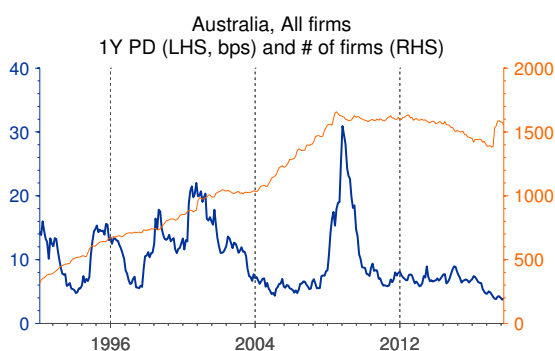
Appendix [C](#) provides common macroeconomic, corporate credit and sovereign risk indicators for each economy along with the RMI-CRI 1-year aggregate PD for financial and non-financial firms. The graphs on the left give historical context to the values, and the table on the right gives the data from the previous five quarters. For variables that are more frequent than quarterly, the last value in the quarter is used. But if a variable is available at a monthly frequency and the end of March data was not available at the time this report was compiled, the previous month's data is given with an asterisk.

Appendix [D](#) gives a more detailed description of the data in Appendix [C](#), along with a description of the PDiR.

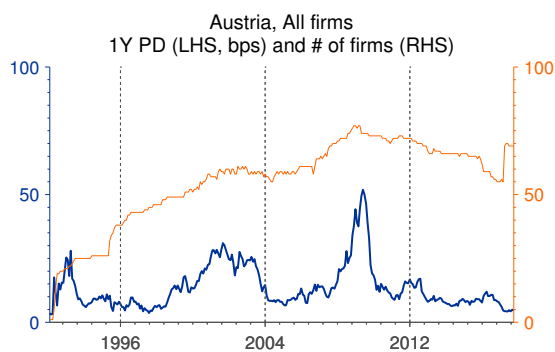
A PD by economies



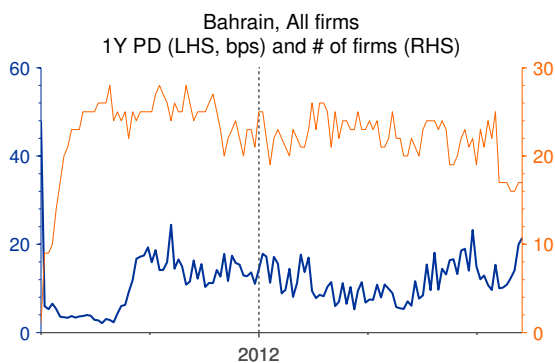
Argentina	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	11	26.3	42.6	18.2	31.3	-0.7	24.3
Basic Materials	7	75.0	53.5	32.1	56.8	-0.3	34.9
Communications	3	1.4	0.8	1.3	45.8	0.1	45.2
Consumer Cyclical	6	14.0	40.8	11.6	23.6	-3.3	17.7
Consumer Non-cyclical	16	5.9	26.8	5.0	31.9	0.0	9.5
Diversified	2	20.7	23.1	11.9	12.7	-8.9	10.4
Energy	4	20.3	18.0	17.9	18.7	-1.6	2.9
Industrial	7	5.7	4.1	3.7	4.2	-0.2	2.2
Technology	1	0.2	-	0.2	-	0.0	-
Utilities	11	3.1	7.6	3.4	10.6	0.3	6.2



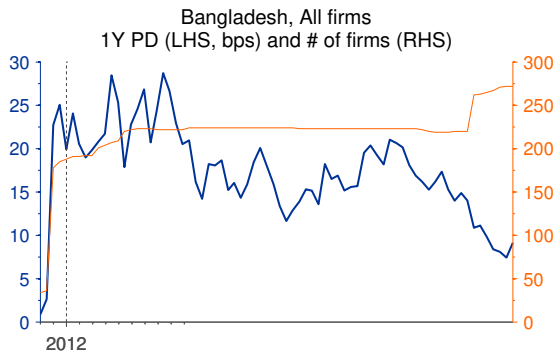
Australia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	164	1.0	32.6	1.4	26.9	0.0	27.9
Basic Materials	529	5.7	33.0	5.1	37.7	-0.0	21.0
Communications	100	4.8	23.6	4.4	27.5	0.1	20.4
Consumer Cyclical	84	1.8	9.3	1.8	10.8	0.1	4.6
Consumer Non-cyclical	246	2.6	60.8	3.2	45.6	0.1	37.3
Diversified	7	1.9	6.7	1.9	13.6	0.0	7.0
Energy	169	9.6	64.1	9.0	56.4	-0.0	37.1
Industrial	110	4.7	29.7	4.8	30.6	0.0	16.8
Technology	120	5.7	33.3	5.4	37.2	0.0	36.2
Utilities	13	3.4	15.8	4.1	33.8	0.8	25.3



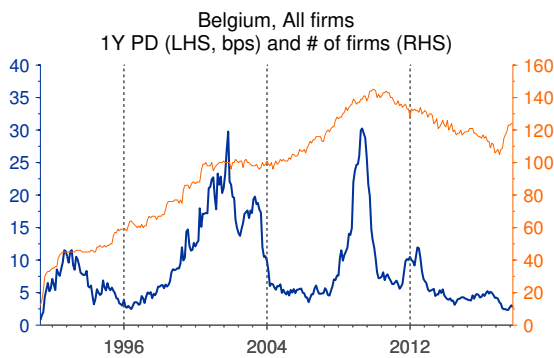
Austria	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	22	5.4	18.6	9.5	25.1	0.2	12.5
Basic Materials	3	2.2	1.5	2.1	2.6	-0.1	2.4
Communications	1	0.9	-	0.8	-	-0.1	-
Consumer Cyclical	10	5.1	21.1	7.0	32.6	1.0	13.0
Consumer Non-cyclical	6	7.8	8.6	9.5	9.8	0.1	4.7
Energy	4	5.2	2.9	4.6	4.5	0.0	2.0
Industrial	17	2.7	12.5	3.3	10.1	-0.3	4.9
Technology	4	7.0	5.3	5.6	5.8	-0.2	2.1
Utilities	2	1.2	1.5	0.8	0.8	-0.5	0.7



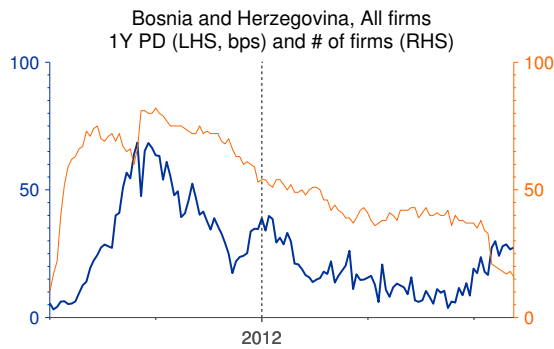
Bahrain	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	10	36.9	54.0	30.9	62.3	1.3	12.6
Basic Materials	1	5.6	-	5.6	-	0.1	-
Communications	1	1.5	-	2.7	-	1.2	-
Consumer Cyclical	3	0.5	0.4	0.0	0.0	-0.4	0.4
Industrial	1	13.8	-	21.4	-	7.6	-



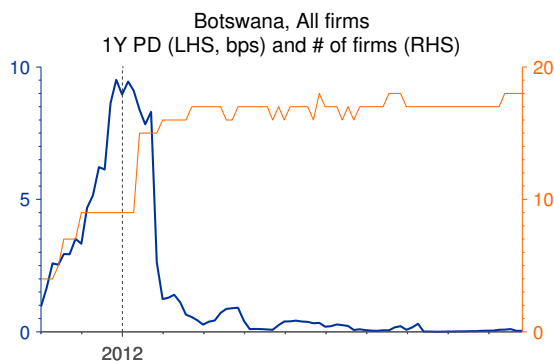
Bangladesh	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	98	19.0	32.3	17.6	28.4	-0.2	15.6
Basic Materials	16	3.9	19.2	4.4	22.6	1.2	6.1
Communications	7	1.3	6.7	1.6	4.5	0.1	3.0
Consumer Cyclical	60	9.7	36.2	10.5	33.4	0.6	10.6
Consumer Non-cyclical	41	5.6	19.7	7.6	20.6	0.2	6.8
Diversified	1	20.1	-	13.6	-	-6.4	-
Energy	5	8.2	6.3	8.3	8.3	1.0	2.4
Industrial	31	7.7	13.5	7.2	13.8	0.1	6.0
Technology	1	1.8	-	2.1	-	0.3	-
Utilities	7	3.2	27.0	2.7	28.0	0.3	1.4



Belgium	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	35	1.9	40.0	1.7	42.8	-0.1	6.8
Basic Materials	8	2.9	14.8	1.9	11.2	-0.4	8.0
Communications	7	3.0	30.1	5.0	29.1	0.6	4.5
Consumer Cyclical	6	3.5	3.2	4.6	2.8	-0.1	1.6
Consumer Non-cyclical	29	2.7	8.9	2.7	10.2	0.3	7.0
Diversified	6	0.3	0.8	0.2	2.4	-0.1	1.8
Energy	2	19.9	20.3	22.7	12.9	2.8	7.4
Industrial	23	4.9	17.2	4.6	20.2	0.4	3.9
Technology	4	1.4	1.4	2.4	2.6	0.5	1.6
Utilities	2	0.8	0.4	0.6	0.2	-0.2	0.6



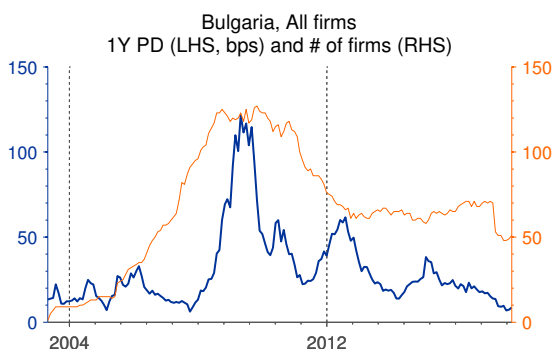
Bosnia and Herzegovina	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Basic Materials	3	24.1	10.4	28.1	18.5	1.8	9.7
Communications	2	3.2	3.7	0.9	1.0	-2.3	2.7
Consumer Cyclical	1	75.5	-	67.0	-	-8.4	-
Consumer Non-cyclical	2	5.6	4.3	13.3	13.7	7.7	9.4
Energy	1	10.4	-	22.1	-	11.7	-
Industrial	2	81.6	60.1	70.9	45.3	-10.7	14.8
Utilities	4	59.5	26.9	65.5	31.6	2.4	8.2



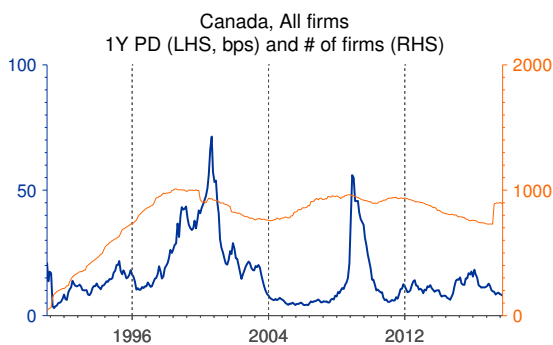
Botswana	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	10	0.2	9.2	0.1	23.1	-0.0	13.9
Consumer Cyclical	4	0.0	0.0	0.0	0.0	-0.0	0.0
Consumer Non-cyclical	2	3.3	4.7	3.9	5.5	0.6	0.8
Energy	1	0.0	-	0.0	-	0.0	-
Industrial	1	0.1	-	0.3	-	0.2	-



Brazil	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	54	36.0	184.7	39.8	194.5	0.7	68.1
Basic Materials	19	62.4	80.2	65.4	111.2	0.3	53.9
Communications	6	6.4	78.1	4.4	84.1	-0.7	12.4
Consumer Cyclical	48	40.3	296.9	27.3	347.1	-0.2	150.7
Consumer Non-cyclical	42	16.9	282.2	18.7	174.6	-0.3	133.7
Diversified	6	24.3	140.0	5.7	155.1	0.7	23.1
Energy	11	18.6	356.4	25.8	417.7	0.5	354.1
Industrial	26	84.6	486.7	69.1	588.6	-0.8	239.3
Technology	6	30.7	356.0	35.1	340.8	0.1	26.8
Utilities	26	23.4	58.5	45.7	53.6	-0.6	24.7



Bulgaria	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	11	11.4	5.9	10.7	8.4	1.0	4.7
Basic Materials	3	10.4	2.1	8.2	3.6	1.4	4.1
Communications	1	31.2	-	36.3	-	5.0	-
Consumer Cyclical	1	5.4	-	7.0	-	1.6	-
Consumer Non-cyclical	8	9.8	11.8	11.7	24.8	1.1	14.7
Diversified	9	13.7	9.7	15.5	13.7	0.5	11.1
Energy	2	53.7	57.2	40.7	43.0	-13.0	14.2
Industrial	12	3.5	8.3	5.0	9.0	1.3	2.8
Utilities	1	5.1	-	7.3	-	2.2	-



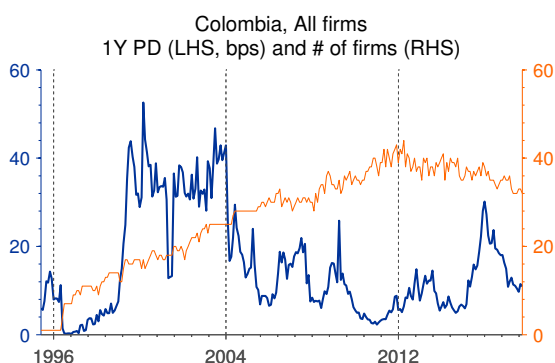
Canada	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	140	2.2	214.0	2.2	183.7	-0.0	50.8
Basic Materials	250	17.6	192.5	14.8	453.8	-0.3	423.8
Communications	45	6.8	339.1	6.2	286.5	-0.0	182.0
Consumer Cyclical	59	1.9	105.4	1.6	41.2	-0.0	93.4
Consumer Non-cyclical	107	7.5	189.4	9.5	234.3	-0.0	94.8
Diversified	4	88.3	116.5	23.5	50.8	-57.5	74.5
Energy	129	20.3	245.9	18.2	352.6	-0.5	205.1
Industrial	70	5.9	130.4	4.5	144.2	-0.0	65.5
Technology	39	14.8	139.4	21.8	150.4	0.0	90.5
Utilities	16	3.5	49.2	4.3	39.2	-0.0	23.9



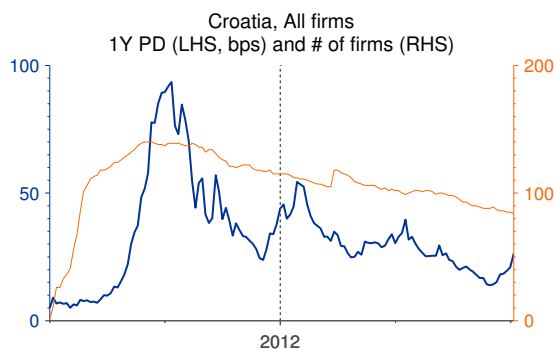
Chile	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	26	3.9	37.0	3.3	17.9	-0.4	23.4
Basic Materials	13	2.7	29.1	2.3	13.7	-0.4	19.6
Communications	3	12.5	2.3	11.6	7.8	-0.9	5.9
Consumer Cyclical	11	3.8	29.9	2.0	23.5	-0.4	6.8
Consumer Non-cyclical	23	1.2	25.3	2.3	21.0	0.1	10.6
Diversified	5	3.1	6.2	3.0	7.8	-0.2	2.4
Energy	2	4.3	6.1	4.7	6.6	0.3	0.5
Industrial	23	2.2	7.2	2.1	10.2	0.2	4.7
Technology	1	0.9	-	0.9	-	-0.0	-
Utilities	12	1.4	31.1	1.0	7.2	-0.1	26.6



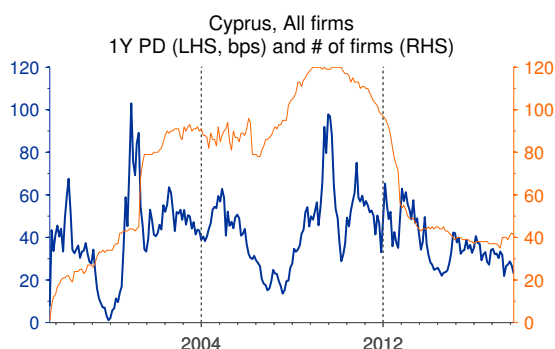
China	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	276	31.8	90.8	26.6	80.8	-1.9	26.7
Basic Materials	413	45.6	68.5	33.0	59.9	-9.8	26.1
Communications	209	22.1	93.9	14.7	96.7	-2.8	28.5
Consumer Cyclical	645	31.9	82.9	24.5	119.1	-3.7	88.7
Consumer Non-cyclical	605	15.9	91.3	12.4	73.7	-2.4	28.1
Diversified	31	63.8	92.4	52.4	77.3	-9.8	31.5
Energy	116	48.9	61.3	39.8	56.1	-6.7	26.7
Industrial	1111	40.4	90.0	31.0	81.6	-5.1	33.7
Technology	242	23.1	47.8	15.7	47.0	-4.4	19.6
Utilities	89	40.1	64.3	36.1	57.8	-3.4	18.6



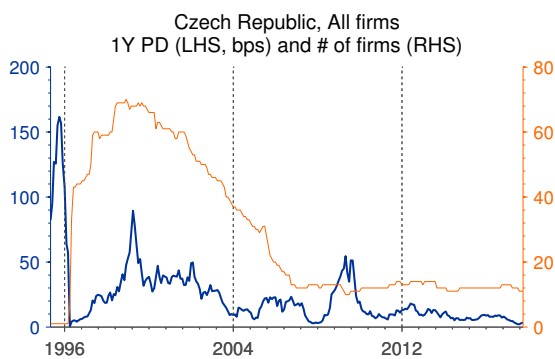
Colombia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	9	23.7	23.3	24.1	18.5	-0.1	10.1
Basic Materials	2	5.4	4.3	7.5	8.2	2.1	3.9
Communications	1	0.8	-	2.2	-	1.4	-
Consumer Cyclical	2	81.1	68.6	66.0	24.2	-15.1	44.5
Consumer Non-cyclical	1	0.1	-	0.1	-	-0.0	-
Diversified	2	51.2	38.4	49.0	35.1	-2.2	3.4
Energy	4	13.6	59.4	6.7	14.7	-7.0	44.7
Industrial	8	7.4	10.7	5.7	17.2	0.3	9.1
Utilities	3	9.6	5.5	10.1	6.9	-0.0	2.8



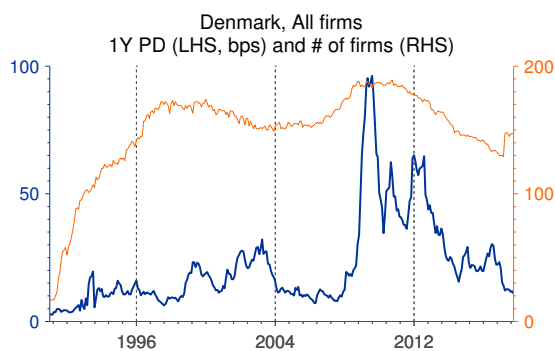
Croatia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	9	28.7	68.4	35.4	69.1	2.6	16.2
Basic Materials	2	73.6	38.5	100.3	73.3	26.7	34.9
Communications	4	11.3	96.3	16.5	83.0	0.8	14.5
Consumer Cyclical	28	7.4	51.2	12.3	58.4	1.7	11.4
Consumer Non-cyclical	22	51.9	93.6	54.1	142.9	9.5	83.9
Diversified	1	42.1	-	40.9	-	-1.2	-
Energy	2	1.4	1.6	1.7	1.8	0.3	0.2
Industrial	15	22.1	54.7	35.9	1204.2	4.1	1157.2



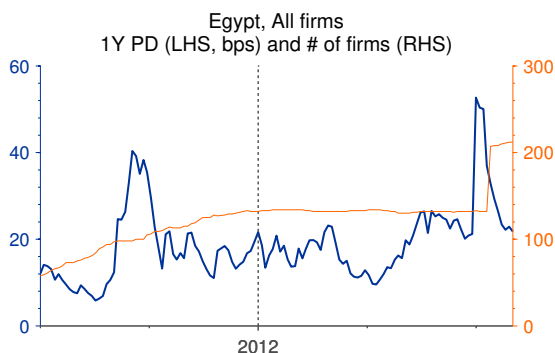
Cyprus	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	14	31.9	90.9	25.8	78.9	-1.9	24.5
Basic Materials	3	28.3	5.3	19.3	5.0	-9.1	9.3
Consumer Cyclical	6	22.8	20.4	30.1	17.3	0.5	8.6
Consumer Non-cyclical	5	27.1	29.5	13.3	14.1	-11.1	21.9
Energy	2	78.5	53.5	102.2	31.2	23.6	84.7
Industrial	3	7.1	25.3	6.8	13.1	-0.5	12.4
Technology	2	54.9	72.2	66.5	88.0	11.7	15.8



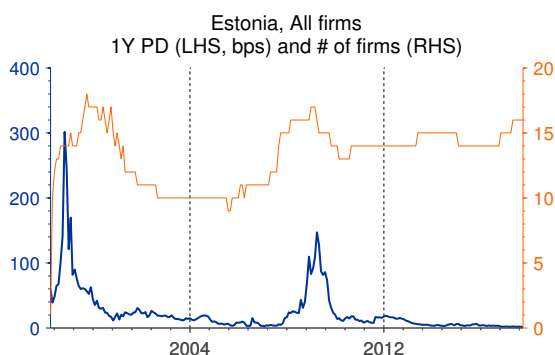
Czech Republic	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	2	7.1	0.7	7.1	0.8	0.0	1.5
Communications	1	1.7	-	1.2	-	-0.4	-
Consumer Cyclical	2	0.9	0.2	2.2	0.3	1.3	0.6
Consumer Non-cyclical	2	1.4	0.8	1.9	2.1	0.4	1.3
Diversified	1	6.7	-	7.6	-	0.9	-
Energy	2	3.8	4.3	3.8	3.4	0.0	1.0
Utilities	1	8.2	-	4.6	-	-3.6	-



Denmark	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	41	21.6	32.6	22.7	131.5	-1.1	108.0
Basic Materials	1	1.8	-	0.6	-	-1.1	-
Communications	7	9.8	29.5	9.8	24.5	-0.7	5.2
Consumer Cyclical	16	17.7	43.4	18.7	39.3	-0.1	11.3
Consumer Non-cyclical	34	5.0	15.8	4.1	18.7	-0.0	10.2
Diversified	1	51.4	-	3.0	-	-48.3	-
Energy	2	13.3	11.0	13.3	8.9	-0.0	2.2
Industrial	31	12.7	77.1	10.7	60.2	-0.7	22.7
Technology	10	13.4	31.5	9.6	57.8	-2.0	34.0
Utilities	2	31.2	40.4	21.3	28.5	-9.9	11.9



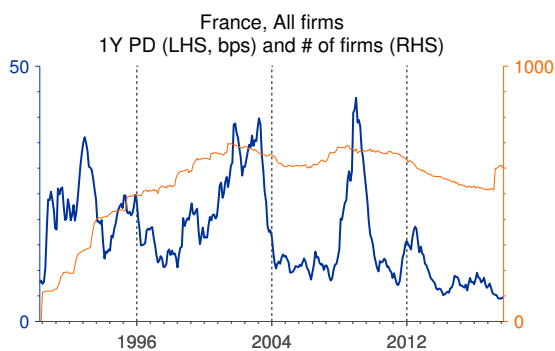
Egypt	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	68	33.3	46.1	25.0	27.3	-5.0	22.8
Basic Materials	23	17.1	35.1	12.6	20.1	-3.6	20.3
Communications	7	49.5	37.5	25.1	32.7	0.1	37.5
Consumer Cyclical	23	31.8	30.5	26.8	20.2	-2.2	16.0
Consumer Non-cyclical	48	17.3	22.8	15.6	16.7	-0.1	11.9
Diversified	1	1.8	-	1.6	-	-0.3	-
Energy	1	104.0	-	79.3	-	-24.7	-
Industrial	37	19.7	29.9	18.9	24.2	-0.2	16.8
Technology	1	19.6	-	20.3	-	0.7	-
Utilities	1	26.0	-	17.1	-	-8.9	-



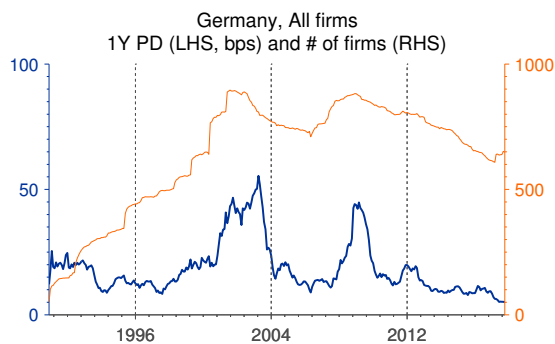
Estonia	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	4	10.0	17.7	11.8	13.9	0.2	4.5
Communications	1	2.0	-	1.5	-	-0.5	-
Consumer Cyclical	5	1.3	16.5	1.3	17.7	-0.0	1.4
Consumer Non-cyclical	1	2.6	-	2.4	-	-0.2	-
Industrial	4	1.9	4.0	1.5	4.7	0.2	1.0
Utilities	1	0.4	-	0.2	-	-0.2	-



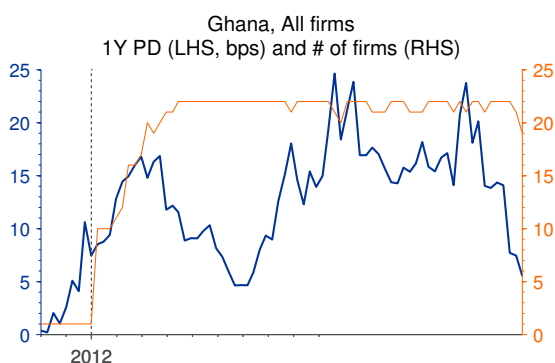
Finland	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	19	5.7	6.3	7.4	7.6	-0.4	6.8
Basic Materials	7	2.9	4.6	2.9	4.2	-0.1	3.2
Communications	15	3.2	24.3	3.8	18.5	-0.1	6.5
Consumer Cyclical	13	4.1	4.5	3.8	6.5	0.6	5.7
Consumer Non-cyclical	25	2.2	54.5	4.1	62.6	0.3	8.5
Energy	2	15.4	18.2	30.7	40.7	15.3	22.5
Industrial	35	3.5	16.1	3.6	27.7	0.9	12.3
Technology	15	2.2	6.3	4.6	5.4	0.2	2.3
Utilities	1	1.7	-	0.6	-	-1.0	-



France	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	91	2.7	20.7	3.4	22.0	-0.0	13.5
Basic Materials	19	6.8	51.0	12.6	57.4	0.1	10.5
Communications	55	5.6	16.9	4.9	20.7	0.0	12.4
Consumer Cyclical	86	5.1	45.1	5.1	17.0	0.2	43.2
Consumer Non-cyclical	131	4.7	10.8	5.2	12.2	0.0	9.3
Diversified	8	4.1	39.4	4.6	43.6	0.5	5.0
Energy	12	3.9	8.2	4.2	11.0	-0.4	9.9
Industrial	109	3.3	19.5	4.1	28.3	0.1	11.9
Technology	68	3.8	33.2	4.8	30.7	-0.1	8.3
Utilities	10	4.9	7.9	4.2	3.9	-0.1	5.8



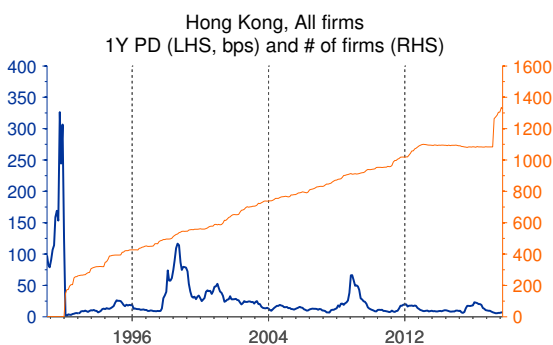
Germany	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	141	6.7	27.4	6.3	48.1	0.0	35.7
Basic Materials	27	4.3	14.4	3.9	33.5	-0.4	20.7
Communications	62	6.0	24.0	8.9	26.0	0.3	15.6
Consumer Cyclical	77	4.1	73.0	4.3	48.9	-0.2	53.2
Consumer Non-cyclical	96	4.6	49.5	4.6	35.0	0.1	24.9
Diversified	4	24.5	24.6	18.6	30.4	1.1	14.0
Energy	17	9.5	284.3	12.7	227.5	0.4	68.3
Industrial	119	4.4	66.8	3.6	64.0	-0.2	44.3
Technology	65	3.1	30.3	4.1	304.4	-0.0	277.2
Utilities	11	4.1	14.6	3.5	22.8	-0.5	9.3



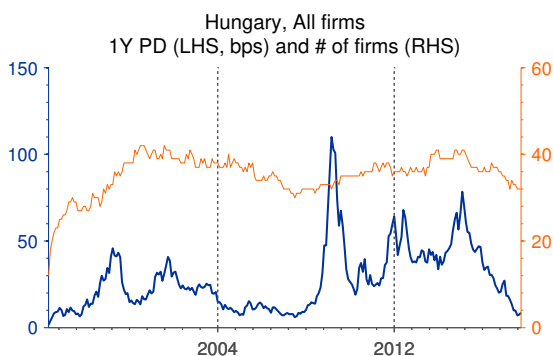
Ghana	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	8	16.3	14.6	10.7	15.9	-0.4	7.1
Basic Materials	2	25.4	27.1	26.4	29.6	1.0	2.5
Consumer Non-cyclical	7	1.7	23.7	1.7	25.2	-0.0	2.0
Energy	2	14.1	0.2	3.1	2.9	-11.0	3.1



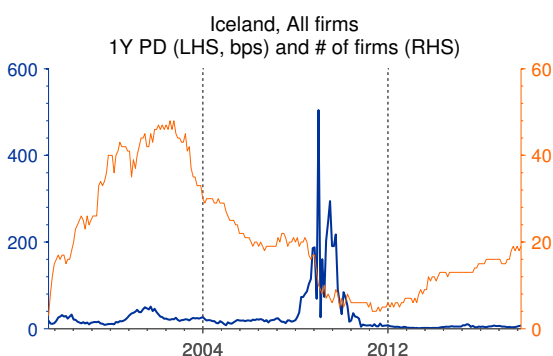
Greece	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	18	21.3	54.3	23.0	66.6	1.5	17.4
Basic Materials	10	13.1	44.7	20.2	26.1	0.0	24.4
Communications	10	37.8	133.6	29.6	45.2	-1.9	142.4
Consumer Cyclical	34	22.6	53.8	18.0	50.8	-0.1	29.3
Consumer Non-cyclical	35	19.9	31.7	15.2	58.2	-0.0	42.8
Diversified	1	16.4	-	12.0	-	-4.5	-
Energy	5	3.8	16.2	4.2	11.6	-0.3	4.9
Industrial	49	58.5	1358.6	51.0	1387.5	0.1	1448.3
Technology	9	9.1	18.1	12.1	20.5	3.2	15.5
Utilities	4	3.1	23.1	4.5	23.1	0.1	2.1



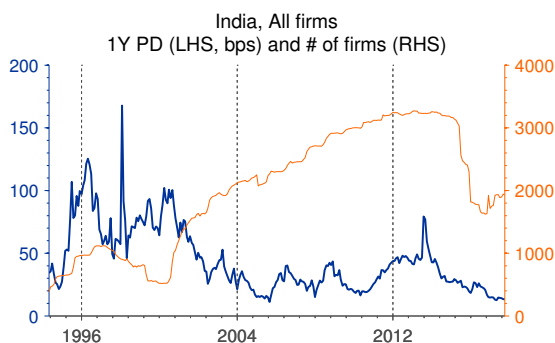
Hong Kong	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	302	7.0	50.1	8.5	76.0	0.0	43.1
Basic Materials	57	14.4	83.6	16.0	66.0	0.2	31.9
Communications	83	5.0	19.1	6.1	38.3	0.1	30.1
Consumer Cyclical	283	3.5	47.6	3.7	54.9	0.0	18.8
Consumer Non-cyclical	170	4.2	58.2	5.1	185.6	0.1	166.4
Diversified	35	2.8	114.6	5.9	151.0	0.1	41.4
Energy	48	14.1	80.0	16.5	180.2	-0.1	135.8
Industrial	234	8.9	53.1	9.0	59.3	0.0	45.7
Technology	55	7.6	54.1	7.4	83.4	0.7	60.9
Utilities	19	3.9	6.1	4.7	8.1	0.0	6.1



Hungary	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	10	7.5	20.7	12.8	16.5	1.0	13.5
Communications	3	45.3	208.0	8.8	15.2	-36.5	193.0
Consumer Cyclical	2	14.0	16.6	13.7	12.8	-0.4	3.8
Consumer Non-cyclical	6	11.1	39.3	22.6	24.1	0.4	27.8
Diversified	1	5.7	-	7.1	-	1.4	-
Energy	3	10.3	7.5	8.2	5.5	-2.1	2.2
Industrial	2	10.4	0.4	8.5	0.6	-2.0	0.9
Technology	1	21.4	-	40.9	-	19.6	-
Utilities	3	1.0	5.3	0.5	2.9	-0.4	2.4



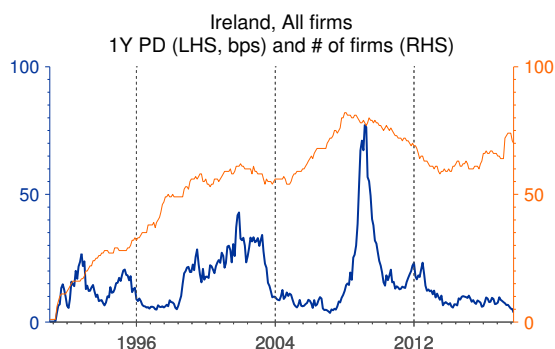
Iceland	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	6	4.4	0.7	11.5	3.7	7.0	3.7
Communications	2	2.1	0.6	5.5	1.7	3.4	1.1
Consumer Cyclical	2	18.4	23.0	18.8	17.8	0.4	5.2
Consumer Non-cyclical	3	3.4	1.8	7.3	1.7	3.5	0.3
Energy	2	9.4	2.4	17.7	2.5	8.3	0.1
Industrial	2	1.6	0.8	3.0	1.3	1.4	2.2
Technology	1	3.6	-	6.6	-	3.0	-



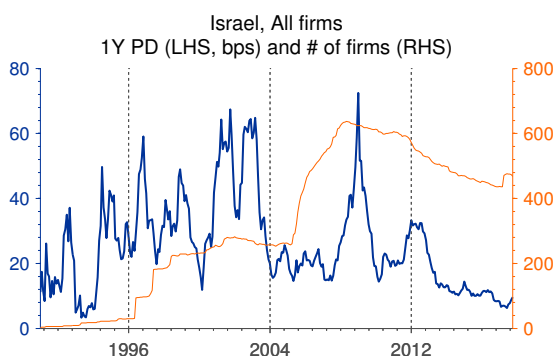
India	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	233	25.7	166.6	27.6	186.7	-0.0	72.1
Basic Materials	238	14.8	63.3	13.1	111.5	-0.1	60.6
Communications	77	14.5	67.5	14.2	82.9	-0.1	23.9
Consumer Cyclical	373	12.8	122.1	13.6	168.4	-0.0	75.9
Consumer Non-cyclical	306	9.7	68.6	8.4	74.1	-0.0	30.3
Diversified	21	15.2	103.0	14.9	127.9	0.5	38.3
Energy	40	29.9	92.4	26.2	134.4	-0.3	49.2
Industrial	423	14.4	82.2	14.1	97.9	-0.0	40.9
Technology	97	9.1	82.5	8.1	108.1	-0.1	51.4
Utilities	32	51.3	150.2	54.0	146.6	-0.1	65.3



Indonesia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	129	26.0	46.9	27.3	42.4	0.5	18.8
Basic Materials	46	22.3	57.0	22.8	49.2	1.7	24.6
Communications	29	19.5	60.4	21.1	59.8	0.0	27.0
Consumer Cyclical	72	15.5	32.9	17.0	57.4	0.8	33.8
Consumer Non-cyclical	80	9.1	93.6	14.1	71.5	0.1	53.0
Diversified	2	35.5	46.5	24.2	32.2	-11.3	14.4
Energy	34	8.9	85.2	10.7	103.1	-0.4	91.5
Industrial	80	19.9	65.6	17.8	105.5	0.6	49.1
Technology	7	3.1	53.8	5.7	56.0	1.2	4.9
Utilities	3	14.7	18.3	16.6	28.9	9.2	12.6



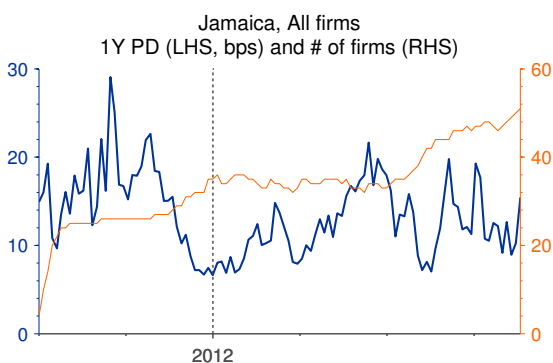
Ireland	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	8	4.9	18.9	3.4	28.8	-0.9	14.8
Basic Materials	10	20.1	27.4	16.6	12.3	-5.1	19.1
Communications	4	26.3	333.7	30.5	99.7	1.9	236.1
Consumer Cyclical	7	4.4	32.4	1.2	1.4	-1.4	32.8
Consumer Non-cyclical	25	4.2	78.1	3.2	119.4	-0.1	41.7
Energy	8	39.8	52.4	76.0	88.0	17.3	55.4
Industrial	6	2.9	9.4	1.8	5.3	-0.6	4.2
Technology	2	0.0	0.0	0.2	0.3	0.2	0.3



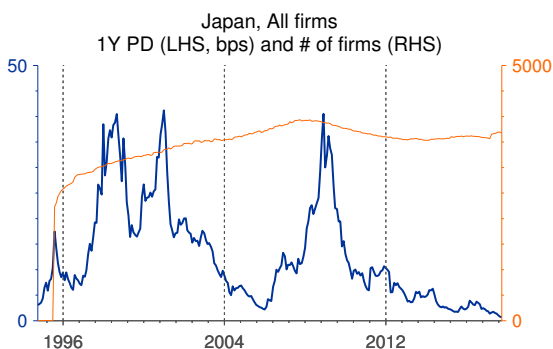
Israel	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	118	9.3	52.9	13.3	39.2	1.3	27.9
Basic Materials	14	6.7	26.0	6.9	17.6	0.2	11.9
Communications	34	8.4	110.0	7.6	130.0	0.6	50.4
Consumer Cyclical	47	8.4	18.8	13.6	39.5	2.9	30.7
Consumer Non-cyclical	97	7.5	59.1	7.7	61.2	0.1	68.6
Diversified	9	8.3	5.8	11.4	6.4	1.3	4.2
Energy	28	6.0	27.8	14.4	35.4	6.4	21.5
Industrial	82	6.1	36.7	8.4	50.4	0.7	20.1
Technology	35	4.4	42.7	6.9	119.6	0.1	83.6



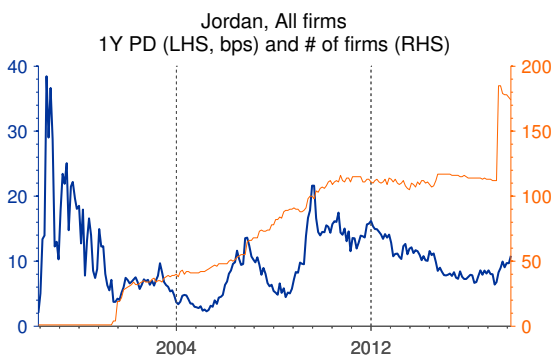
Italy	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	59	15.7	56.8	15.2	54.6	-1.4	13.8
Basic Materials	4	3.8	4.3	3.8	0.8	-0.1	3.8
Communications	37	11.5	14.3	11.2	14.7	-0.1	9.9
Consumer Cyclical	50	6.4	7.6	4.8	13.7	-0.1	9.4
Consumer Non-cyclical	38	3.9	12.8	3.0	13.1	-0.3	3.6
Diversified	2	9.4	0.1	6.9	0.6	-2.5	0.8
Energy	18	8.5	18.5	12.6	18.4	-0.5	13.6
Industrial	48	5.0	10.7	4.5	12.2	-0.2	5.4
Technology	15	8.4	6.8	9.2	6.9	0.0	4.0
Utilities	14	4.0	33.9	2.6	22.8	-1.1	11.4



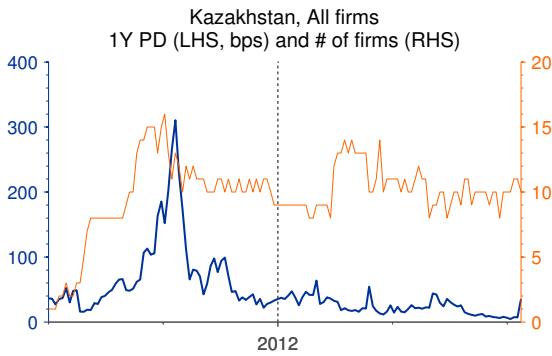
Jamaica	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	15	14.6	40.3	16.4	43.8	3.9	13.9
Basic Materials	2	36.8	49.3	7.5	2.2	-29.3	47.1
Communications	3	114.3	68.6	121.1	57.2	11.7	45.7
Consumer Cyclical	6	4.7	19.4	6.2	10.9	0.2	8.9
Consumer Non-cyclical	13	17.5	24.0	17.5	22.0	0.1	16.1
Diversified	3	42.6	25.3	20.0	46.3	0.8	40.0
Industrial	5	7.8	57.5	13.6	12.1	-3.4	47.0
Technology	1	0.2	-	0.8	-	0.6	-



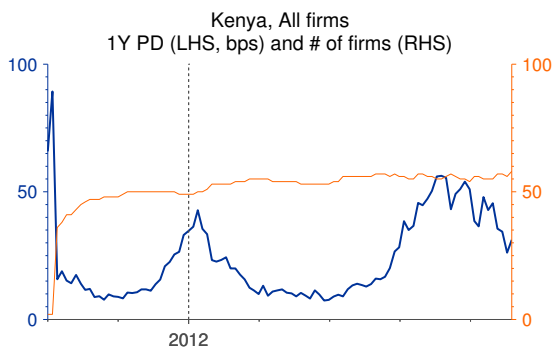
Japan	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	350	6.2	26.5	3.6	26.4	-0.7	14.4
Basic Materials	233	1.8	5.2	1.0	4.1	-0.6	2.3
Communications	280	1.0	7.3	0.5	7.7	-0.2	4.6
Consumer Cyclical	852	1.4	55.3	0.7	55.4	-0.4	4.3
Consumer Non-cyclical	621	0.5	4.6	0.3	3.6	-0.1	2.7
Diversified	2	20.1	13.7	21.2	27.1	1.2	13.4
Energy	17	4.1	12.5	2.3	12.1	-0.4	8.8
Industrial	964	1.8	9.5	0.9	68.7	-0.5	63.1
Technology	304	1.0	7.9	0.5	9.5	-0.2	3.0
Utilities	21	4.0	16.6	2.7	14.9	-1.4	2.3



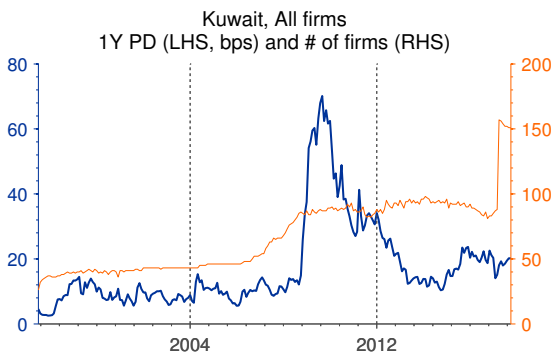
Jordan	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	88	6.6	20.2	9.2	21.0	0.1	8.8
Basic Materials	16	13.5	37.2	15.2	39.5	0.0	11.2
Communications	2	41.6	19.3	42.2	28.7	0.6	9.4
Consumer Cyclical	13	11.0	53.9	11.1	53.8	0.0	10.8
Consumer Non-cyclical	26	12.4	62.6	9.8	88.5	0.0	34.4
Diversified	2	24.3	33.9	43.1	59.5	18.8	25.6
Energy	2	6.8	9.6	8.4	11.9	1.6	2.3
Industrial	21	14.9	65.0	14.4	68.3	0.3	9.1
Technology	1	144.7	-	181.6	-	36.9	-
Utilities	2	35.3	31.2	43.3	38.3	8.0	7.1



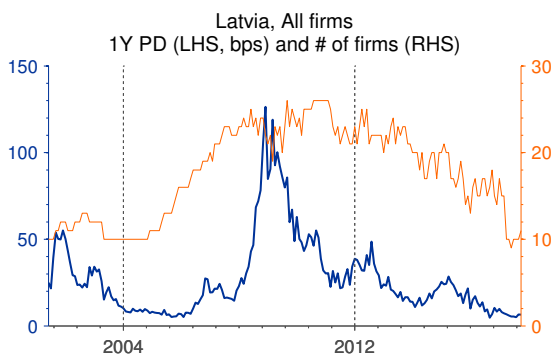
Kazakhstan	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	4	83.9	562.9	212.9	189.0	64.4	412.1
Basic Materials	1	1.7	-	3.4	-	1.7	-
Communications	2	68.3	93.8	42.4	57.3	-25.9	36.6
Energy	1	2.3	-	3.1	-	0.8	-
Utilities	1	1.3	-	1.3	-	0.1	-



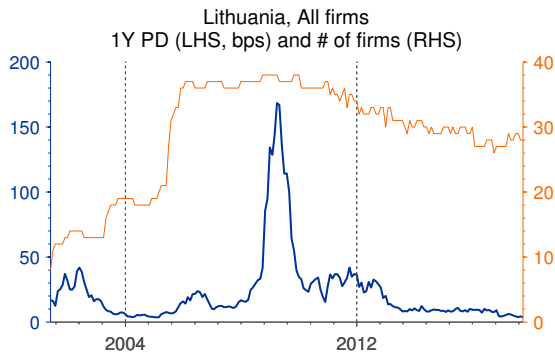
Kenya	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	20	68.0	51.1	47.6	44.4	-12.2	16.3
Basic Materials	3	18.6	118.4	10.5	174.5	-0.5	56.4
Communications	5	9.0	16.1	9.9	8.7	-0.1	10.7
Consumer Cyclical	6	93.0	167.5	63.5	162.8	-16.9	21.3
Consumer Non-cyclical	10	6.9	156.4	5.9	120.2	-1.2	54.7
Diversified	4	22.5	70.2	17.7	48.8	-4.9	21.6
Energy	2	66.6	79.6	55.2	61.9	-11.4	17.7
Industrial	5	34.2	49.1	29.6	52.2	-0.9	4.3
Utilities	1	262.9	-	164.6	-	-98.4	-



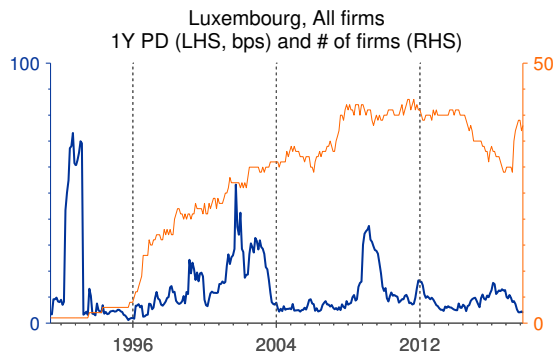
Kuwait	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	83	21.0	33.6	21.3	31.9	-1.1	15.0
Basic Materials	4	3.1	15.3	4.6	14.4	-0.1	1.8
Communications	6	8.1	19.6	7.5	27.2	0.1	12.9
Consumer Cyclical	11	6.6	46.1	11.8	39.2	-0.2	8.1
Consumer Non-cyclical	10	4.5	30.8	5.4	33.0	1.5	7.0
Diversified	4	10.2	6.5	9.9	6.9	-0.0	0.8
Energy	6	54.0	60.5	53.2	75.0	5.2	16.5
Industrial	22	26.8	23.2	27.1	21.8	0.9	9.1
Technology	1	0.7	-	1.7	-	1.0	-



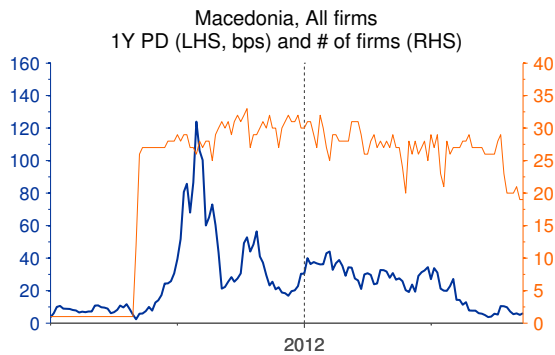
Latvia	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Communications	1	0.5	-	0.6	-	0.2	-
Consumer Cyclical	2	62.7	19.1	34.4	20.4	-28.3	1.3
Consumer Non-cyclical	3	3.7	2.3	3.6	3.5	0.3	1.6
Industrial	3	17.8	19.6	18.2	18.3	-0.7	1.7
Utilities	1	6.1	-	6.5	-	0.3	-



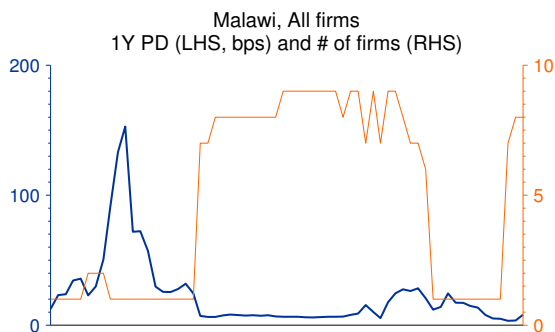
Lithuania	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	6	2.5	12.3	1.5	12.6	-0.0	1.8
Basic Materials	1	2.1	-	1.4	-	-0.8	-
Communications	1	0.2	-	0.0	-	-0.2	-
Consumer Cyclical	5	9.5	23.7	17.4	28.7	7.9	5.7
Consumer Non-cyclical	7	4.7	33.4	6.7	25.6	0.8	9.8
Energy	1	1.5	-	0.5	-	-1.0	-
Industrial	2	43.6	3.3	29.1	32.3	-14.4	29.0
Utilities	5	2.1	8.4	1.1	8.6	-0.0	3.8



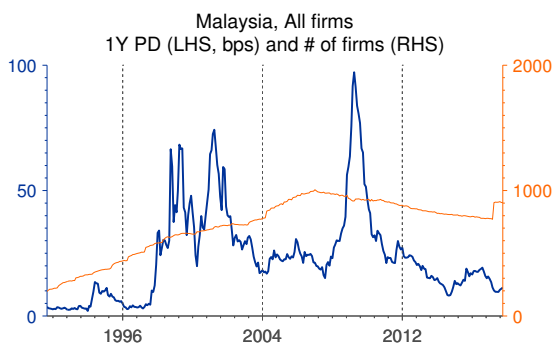
Luxembourg	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	12	3.5	62.5	4.0	25.6	-0.1	39.4
Basic Materials	5	6.6	6.0	4.7	6.3	-0.6	1.8
Communications	4	13.5	272.8	14.2	109.2	-1.0	163.8
Consumer Cyclical	2	30.0	37.7	3.5	3.1	-26.5	34.6
Consumer Non-cyclical	4	0.8	5.5	0.8	4.9	-0.2	0.7
Industrial	7	9.7	47.1	3.9	135.3	-0.6	89.1
Technology	3	0.8	1.1	0.8	1.9	0.1	0.8
Utilities	1	18.7	-	2.3	-	-16.4	-



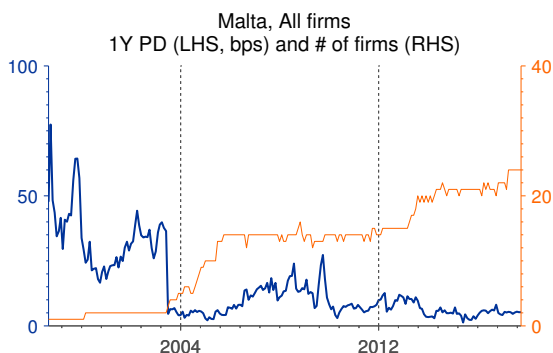
Macedonia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	6	15.3	32.5	19.8	20.1	1.2	20.3
Basic Materials	2	8.6	4.4	12.3	5.9	3.7	1.6
Communications	1	0.9	-	1.4	-	0.5	-
Consumer Cyclical	2	4.4	6.2	3.9	5.2	-0.4	0.9
Consumer Non-cyclical	4	0.2	1.4	1.8	1.3	0.5	1.1
Energy	1	23.3	-	19.0	-	-4.3	-
Industrial	3	4.1	3.0	3.8	13.9	0.6	11.5



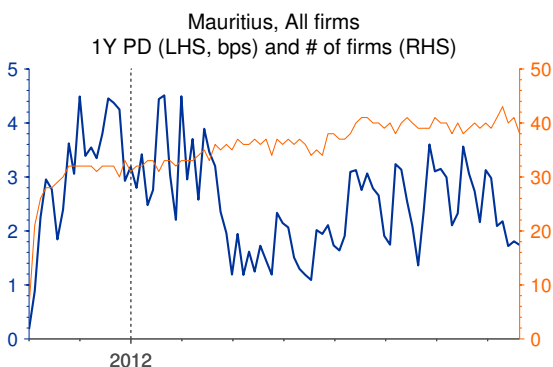
Malawi	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Communications	1	4.9	-	5.8	-	0.8	-



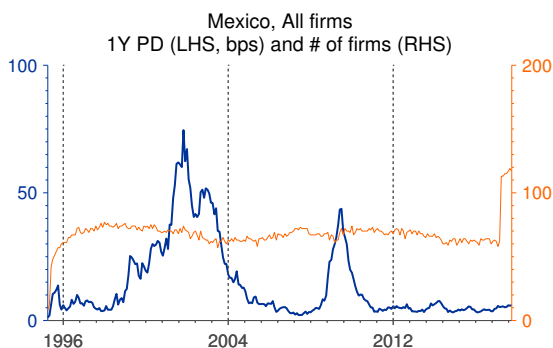
Malaysia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	129	11.6	79.5	16.4	58.6	0.4	33.0
Basic Materials	64	13.2	104.2	15.5	240.0	0.1	161.5
Communications	37	8.7	60.6	11.2	73.0	0.5	29.4
Consumer Cyclical	117	9.7	35.9	13.3	44.6	0.5	24.4
Consumer Non-cyclical	148	2.9	169.5	2.7	98.9	0.0	98.7
Diversified	23	10.7	77.8	12.3	54.7	0.4	41.9
Energy	32	38.2	409.4	27.5	312.7	-1.1	221.8
Industrial	277	9.7	64.1	11.4	89.0	0.3	40.8
Technology	64	14.0	59.3	10.9	66.8	0.0	34.0
Utilities	6	6.9	15.5	7.7	16.9	0.8	1.6



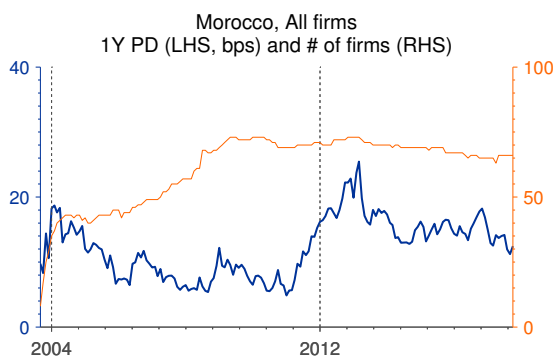
Malta	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	12	5.1	9.8	5.9	10.7	0.4	9.3
Communications	3	19.7	10.2	35.0	21.1	15.3	11.0
Consumer Cyclical	5	2.7	4.1	4.7	3.3	-0.9	3.4
Consumer Non-cyclical	2	4.0	5.6	3.3	4.7	-0.6	0.9
Energy	1	25.0	-	14.9	-	-10.1	-
Industrial	1	0.0	-	0.0	-	-0.0	-



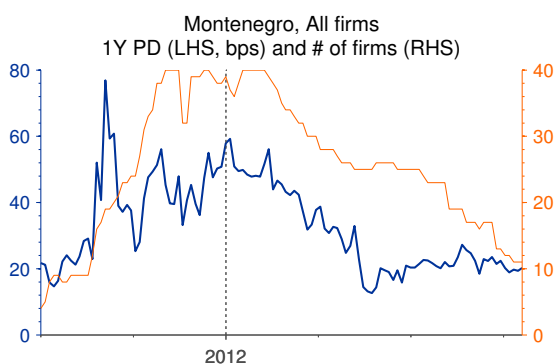
Mauritius	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	15	7.2	22.9	4.3	25.3	0.0	9.8
Basic Materials	1	1.8	-	1.3	-	-0.5	-
Consumer Cyclical	8	2.0	16.4	2.2	13.1	-0.1	7.2
Consumer Non-cyclical	6	2.9	5.6	1.6	7.1	-0.2	2.5
Diversified	4	1.6	1.0	1.7	1.1	0.4	0.7
Energy	1	0.0	-	0.0	-	0.0	-
Industrial	3	3.2	7.5	3.7	5.0	0.0	2.6



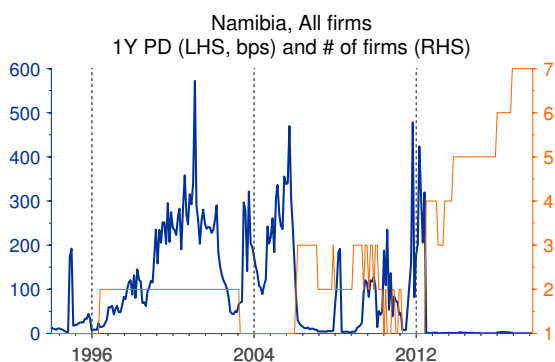
Mexico	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	30	6.6	27.2	6.7	34.5	0.0	13.0
Basic Materials	10	8.3	19.9	7.5	27.0	0.2	8.5
Communications	8	6.7	46.1	5.4	30.0	-1.5	28.1
Consumer Cyclical	24	4.4	33.1	5.8	37.5	0.2	8.7
Consumer Non-cyclical	16	0.8	6.6	1.4	6.7	-0.0	1.6
Diversified	4	5.2	8.5	5.4	10.9	0.6	2.7
Industrial	19	6.6	226.3	9.1	203.7	0.6	60.0
Utilities	2	9.8	12.9	16.8	23.0	7.0	10.1



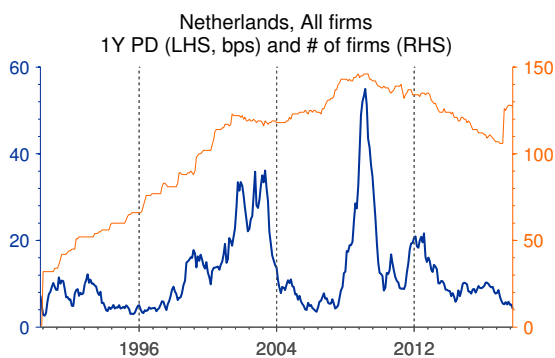
Morocco	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	19	25.8	53.8	22.6	53.8	0.1	6.0
Basic Materials	9	13.8	25.4	6.4	19.2	-4.8	9.6
Communications	1	0.1	-	0.1	-	0.0	-
Consumer Cyclical	7	24.1	24.0	21.2	19.9	-1.4	4.9
Consumer Non-cyclical	9	2.9	5.5	3.9	5.6	0.3	1.6
Diversified	1	18.8	-	10.1	-	-8.8	-
Energy	1	1.3	-	1.3	-	0.1	-
Industrial	11	39.8	63.0	23.8	59.2	-0.2	7.0
Technology	5	8.4	46.3	8.2	23.1	-0.2	23.3
Utilities	3	4.6	18.8	5.6	19.4	1.0	0.7



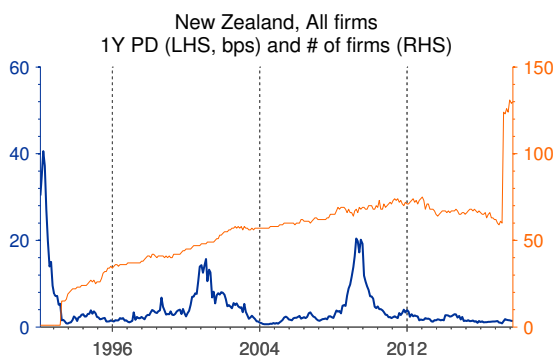
Montenegro	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Communications	1	14.2	-	15.5	-	1.3	-
Consumer Cyclical	3	16.9	17.3	12.9	17.5	-0.3	2.2
Consumer Non-cyclical	4	22.4	8.1	23.9	7.4	0.7	1.1
Energy	1	19.5	-	20.3	-	0.8	-
Utilities	2	13.2	0.2	19.5	4.2	6.3	4.4



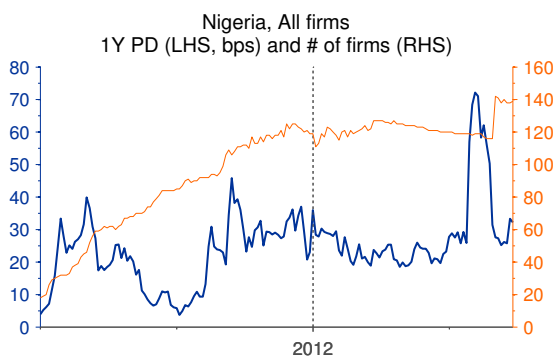
Namibia	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	3	0.0	0.4	0.0	0.3	-0.0	0.0
Consumer Non-cyclical	3	0.1	0.1	0.0	0.1	-0.0	0.2
Diversified	1	36.6	-	39.6	-	3.0	-



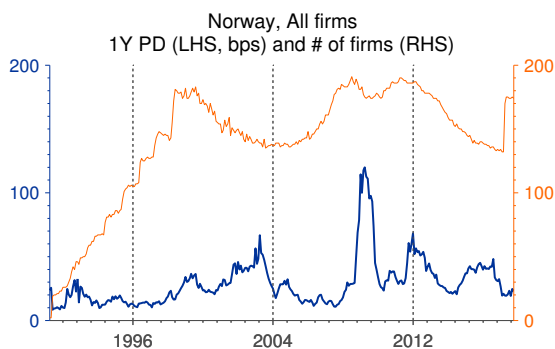
Netherlands	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	23	7.0	42.3	7.6	41.9	-0.3	23.3
Basic Materials	6	1.6	31.8	1.3	10.8	-0.3	21.4
Communications	10	7.0	75.0	5.8	12.9	-0.1	71.8
Consumer Cyclical	12	4.9	74.3	4.1	81.9	-0.1	10.8
Consumer Non-cyclical	33	3.9	23.5	2.7	20.6	-0.1	15.6
Energy	8	7.9	19.4	3.9	20.8	-0.2	4.6
Industrial	21	6.6	101.4	5.9	112.9	-0.3	42.1
Technology	14	3.2	13.3	2.9	14.4	0.0	4.2



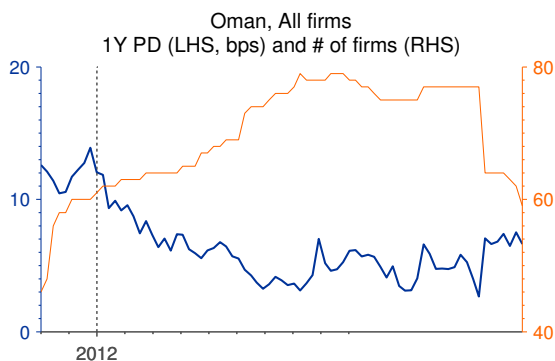
New Zealand	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	22	0.2	63.1	0.5	167.4	0.0	126.8
Basic Materials	1	11.0	-	1.7	-	-9.3	-
Communications	8	5.7	56.2	6.2	83.0	-0.1	33.2
Consumer Cyclical	16	1.2	29.9	1.3	24.2	-0.0	11.6
Consumer Non-cyclical	35	0.8	570.5	0.8	613.9	0.0	43.5
Energy	5	6.0	9.5	5.1	6.8	-1.7	9.3
Industrial	17	3.3	133.0	4.1	320.0	0.0	187.6
Technology	11	3.6	16.4	2.7	17.1	0.0	4.7
Utilities	6	0.3	0.4	0.2	0.3	-0.0	0.2



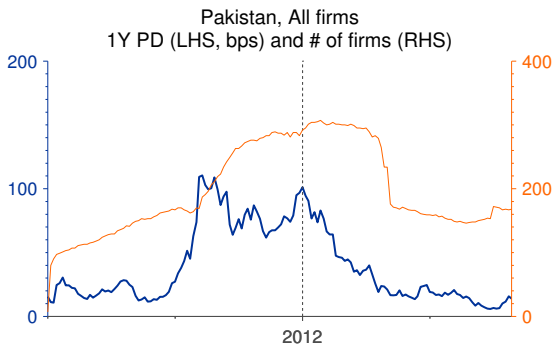
Nigeria	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	49	27.8	62.0	34.3	86.3	3.8	36.9
Basic Materials	9	32.9	36.5	20.0	44.1	0.5	10.4
Communications	5	30.1	17.3	44.3	38.5	5.4	25.8
Consumer Cyclical	13	46.0	75.2	48.0	109.2	11.0	40.1
Consumer Non-cyclical	31	14.3	55.0	18.2	73.3	-0.0	38.6
Energy	9	56.3	63.3	44.6	86.8	15.3	31.7
Industrial	19	27.3	101.5	20.5	137.9	0.9	42.7
Technology	3	39.1	7.4	39.1	19.5	8.1	15.3



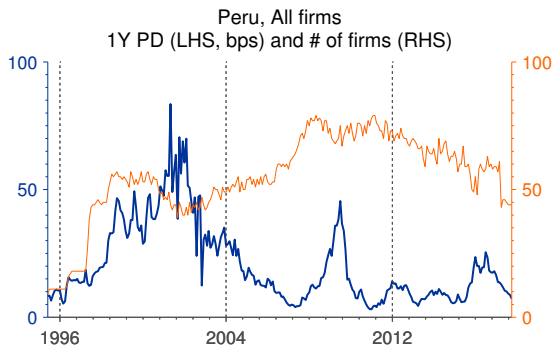
Norway	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	40	24.8	31.7	22.9	41.5	-0.1	16.2
Basic Materials	5	6.6	24.3	3.4	28.1	-1.3	6.5
Communications	7	13.9	32.5	18.5	32.0	4.6	9.1
Consumer Cyclical	7	6.9	62.3	11.2	103.2	0.9	43.6
Consumer Non-cyclical	24	10.4	34.1	10.3	35.3	0.3	14.2
Diversified	1	9.0	-	10.8	-	1.9	-
Energy	28	49.9	72.5	46.1	128.4	-2.7	72.6
Industrial	46	28.8	67.6	24.7	90.4	-1.0	39.4
Technology	9	25.5	33.4	49.8	71.8	20.4	44.7
Utilities	1	13.8	-	7.1	-	-6.7	-



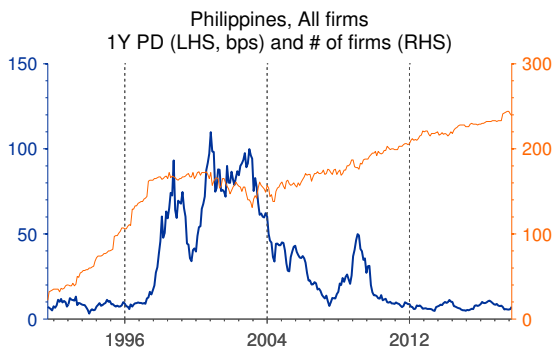
Oman	2017Q2		2017Q3		Q3-Q2		
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	23	17.0	23.7	29.7	26.8	3.7	18.0
Basic Materials	3	10.9	10.7	7.8	7.8	-3.1	2.8
Communications	2	1.8	2.3	1.6	1.7	-0.2	0.6
Consumer Non-cyclical	6	5.1	6.7	3.9	7.0	-0.1	1.0
Diversified	1	0.0	-	0.0	-	-0.0	-
Energy	5	3.4	115.5	4.2	107.4	0.3	9.0
Industrial	10	0.5	24.9	0.6	22.1	-0.0	3.5
Utilities	9	3.7	13.9	5.4	11.2	0.0	6.4



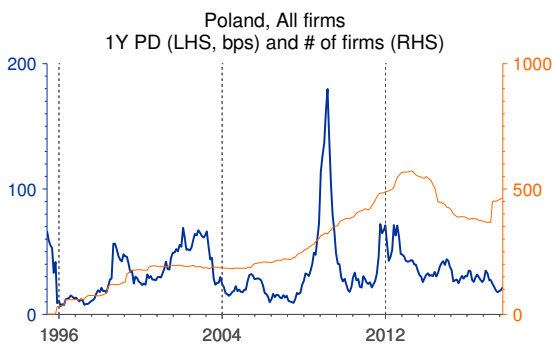
Pakistan	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	33	48.0	75.7	63.3	91.1	5.2	50.7
Basic Materials	22	9.4	74.9	12.1	61.2	4.7	16.0
Communications	5	58.3	69.4	68.7	87.8	8.1	25.0
Consumer Cyclical	30	12.5	89.9	22.7	82.0	4.3	13.8
Consumer Non-cyclical	26	1.5	19.4	3.5	26.9	0.5	11.4
Energy	10	3.7	15.0	11.0	18.9	1.9	5.1
Industrial	28	1.8	17.1	5.1	16.4	1.3	6.6
Technology	1	8.4	-	9.3	-	0.8	-
Utilities	9	14.9	11.2	16.4	14.4	0.3	11.5



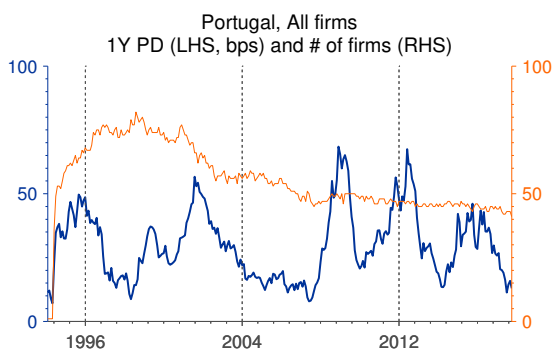
Peru	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	8	9.3	6.5	9.7	7.9	-0.6	4.5
Basic Materials	13	6.8	9.1	3.1	8.6	-2.4	3.5
Communications	1	37.2	-	28.2	-	-9.0	-
Consumer Cyclical	1	1.0	-	0.6	-	-0.4	-
Consumer Non-cyclical	10	11.8	41.3	9.7	32.4	-1.2	12.4
Diversified	1	165.6	-	99.9	-	-65.7	-
Energy	2	67.9	94.4	61.7	85.9	-6.2	8.5
Industrial	3	17.4	42.9	9.3	15.0	-8.1	27.9
Utilities	4	1.3	3.8	1.6	4.1	0.3	0.4



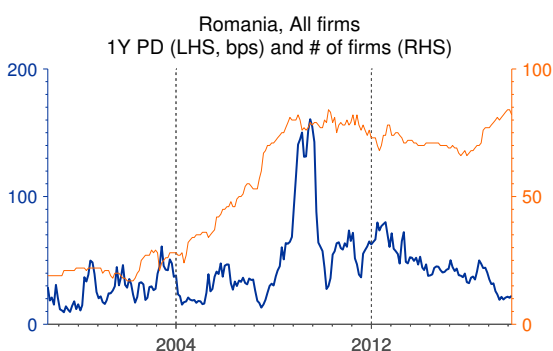
Philippines	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	77	10.1	22.2	11.1	21.9	0.0	11.6
Basic Materials	26	5.6	30.2	4.4	35.5	-0.0	15.8
Communications	16	5.6	13.0	6.9	13.1	-0.0	4.0
Consumer Cyclical	29	4.0	14.3	5.4	15.1	-0.0	3.4
Consumer Non-cyclical	33	4.5	21.9	7.2	25.9	0.5	13.6
Diversified	15	2.6	16.3	1.7	27.8	0.0	13.9
Energy	13	4.0	14.0	4.7	11.5	-0.1	13.2
Industrial	13	3.1	16.0	7.3	41.7	0.2	26.4
Technology	3	4.6	0.5	8.8	3.6	5.0	3.7
Utilities	14	3.2	6.7	3.7	8.0	0.7	2.6



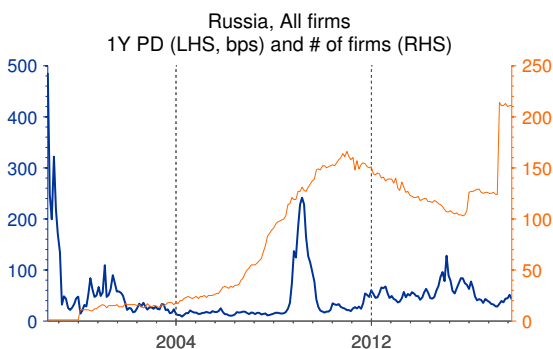
Poland	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	85	20.3	63.5	26.5	58.7	1.6	23.8
Basic Materials	23	10.0	21.3	13.4	30.0	1.9	12.1
Communications	32	15.8	228.2	22.3	348.8	0.9	273.3
Consumer Cyclical	54	13.6	101.6	15.8	90.1	1.4	21.5
Consumer Non-cyclical	59	15.0	96.4	22.5	259.0	1.8	166.3
Energy	16	46.4	258.8	46.2	262.8	0.6	18.3
Industrial	124	17.9	86.9	24.6	231.1	3.7	176.7
Technology	40	15.4	75.6	14.1	98.6	1.1	58.2
Utilities	9	16.9	16.7	11.5	26.6	-3.0	10.8



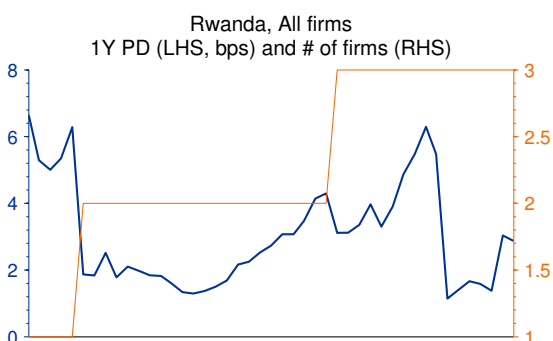
Portugal	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	3	27.0	32.8	28.0	28.1	0.2	5.2
Basic Materials	6	5.3	15.1	3.0	19.5	-0.5	4.7
Communications	5	3.6	2.9	2.6	8.0	-1.0	8.2
Consumer Cyclical	7	17.1	27.6	20.8	23.6	-3.6	7.0
Consumer Non-cyclical	5	6.0	54.4	7.5	111.0	1.6	56.7
Diversified	2	7.0	6.1	11.2	7.9	4.1	1.8
Energy	1	1.9	-	1.3	-	-0.6	-
Industrial	7	27.0	34.4	26.4	19.5	0.1	15.8
Technology	3	24.1	74.1	35.1	74.6	3.7	6.1
Utilities	2	6.2	4.1	3.5	0.4	-2.7	3.8



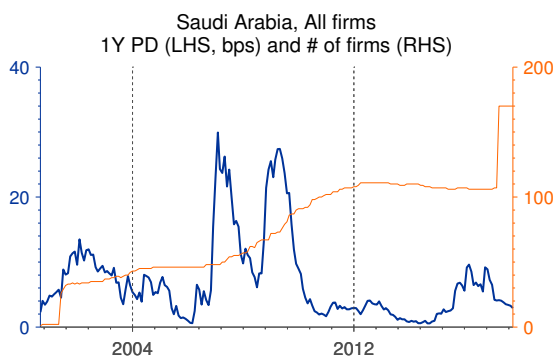
Romania	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	10	16.8	29.2	23.4	21.3	4.8	14.5
Basic Materials	9	37.3	21.6	38.6	15.4	-0.9	10.7
Communications	1	14.2	-	15.6	-	1.4	-
Consumer Cyclical	12	18.5	29.4	16.3	24.4	-0.9	12.8
Consumer Non-cyclical	10	14.1	43.0	9.3	39.6	0.3	10.2
Energy	8	15.3	74.1	15.3	107.1	0.4	36.1
Industrial	26	27.5	49.5	32.5	43.4	-1.0	13.4
Utilities	4	2.4	2.2	2.8	1.1	-0.3	2.1



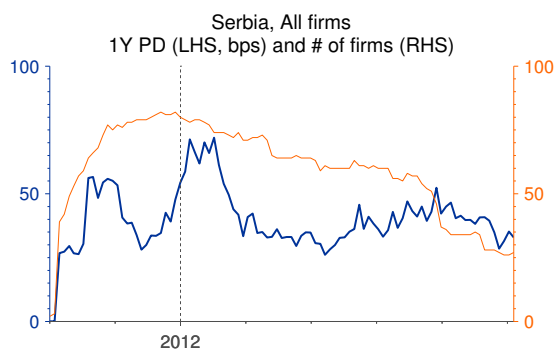
Russia	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	21	56.0	44.0	69.3	58.9	4.7	44.6
Basic Materials	33	22.1	41.4	18.8	54.5	-2.3	27.2
Communications	12	26.7	67.7	20.7	62.7	5.5	86.5
Consumer Cyclical	17	50.4	368.9	67.9	2035.9	-6.8	1669.6
Consumer Non-cyclical	25	27.3	66.9	30.2	294.1	-3.7	247.9
Diversified	2	107.2	86.3	102.7	44.7	-4.5	41.6
Energy	21	25.6	42.4	31.1	33.9	3.9	27.1
Industrial	21	41.4	590.7	39.4	803.1	-0.3	221.3
Technology	3	69.1	23.8	26.1	50.2	-23.0	35.3
Utilities	53	82.4	141.4	63.7	218.5	-11.7	95.0



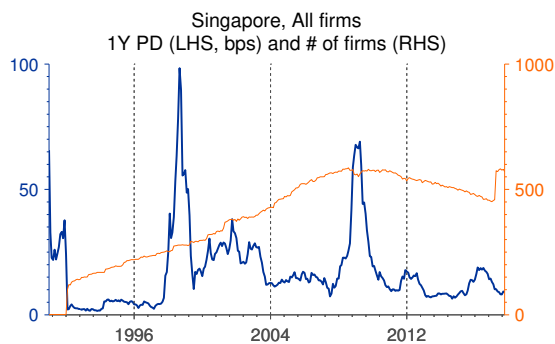
Rwanda	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	2	0.8	1.1	1.4	2.0	0.6	0.9
Consumer Non-cyclical	1	6.8	-	6.1	-	-0.6	-



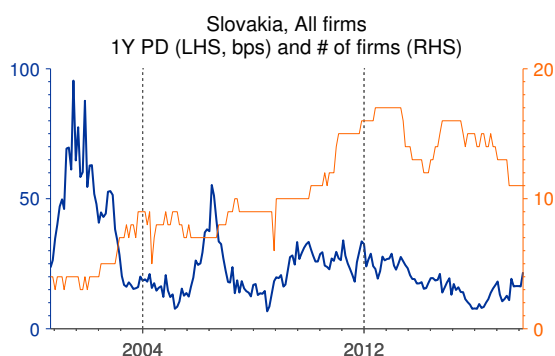
Saudi Arabia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	60	0.9	7.4	0.6	7.0	-0.1	3.6
Basic Materials	19	16.4	214.1	10.4	114.1	-1.3	100.5
Communications	7	38.0	48.5	33.1	24.6	-0.8	38.8
Consumer Cyclical	19	3.1	17.8	1.9	17.0	-0.7	2.6
Consumer Non-cyclical	25	4.0	10.5	4.2	8.0	-0.7	3.4
Diversified	3	19.5	26.1	15.1	21.1	-4.4	5.1
Energy	2	22.9	10.2	18.2	7.6	-4.7	2.6
Industrial	34	2.4	16.6	2.9	12.3	-0.4	6.0
Utilities	1	44.5	-	49.4	-	4.8	-



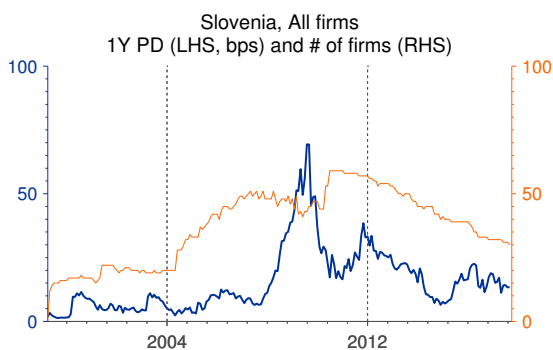
Serbia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	4	35.5	24.2	41.0	22.5	-3.3	14.0
Basic Materials	3	4.6	7.3	17.6	12.8	3.2	11.2
Consumer Cyclical	2	25.2	31.9	24.2	29.3	-1.0	2.6
Consumer Non-cyclical	5	72.6	51.9	45.3	57.3	-25.1	39.0
Diversified	2	65.4	78.7	177.2	206.9	111.8	128.2
Energy	1	7.9	-	5.3	-	-2.6	-
Industrial	9	35.1	40.5	32.9	33.2	-0.2	27.7



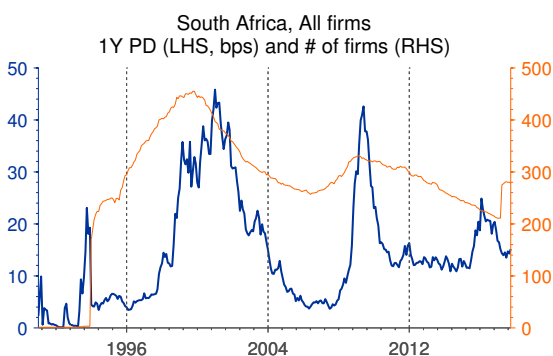
Singapore	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	120	1.9	91.5	1.9	96.2	-0.0	26.4
Basic Materials	27	16.9	65.8	13.0	112.1	-0.2	74.7
Communications	25	15.2	119.6	14.8	56.8	0.1	68.1
Consumer Cyclical	78	11.2	145.1	8.5	181.5	-0.0	106.0
Consumer Non-cyclical	79	5.8	66.3	6.7	84.7	0.0	32.2
Diversified	10	2.6	24.9	2.4	24.5	-0.4	2.8
Energy	27	49.0	429.2	91.6	217.4	-1.3	388.2
Industrial	169	13.7	67.7	14.9	85.4	-0.0	48.9
Technology	23	5.9	150.1	4.3	91.1	-0.0	86.6
Utilities	3	28.2	98.6	30.0	135.5	1.8	37.1



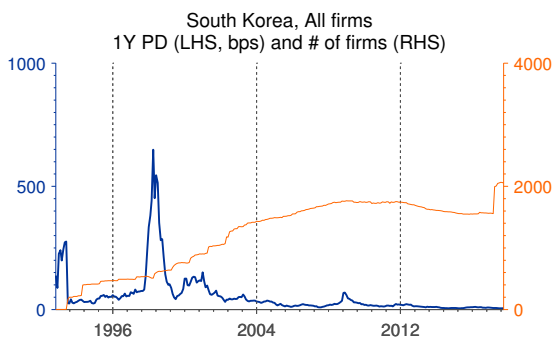
Slovakia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	4	68.2	151.4	54.1	146.8	-7.7	11.8
Basic Materials	1	29.8	-	45.5	-	15.7	-
Consumer Cyclical	1	0.2	-	0.4	-	0.3	-
Consumer Non-cyclical	2	11.1	7.5	14.3	14.1	3.3	6.6
Energy	1	8.8	-	12.1	-	3.3	-
Industrial	1	10.4	-	11.6	-	1.2	-
Technology	1	27.2	-	28.3	-	1.1	-



Slovenia	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	6	16.0	25.3	14.7	25.2	0.3	4.6
Basic Materials	3	8.4	6.5	6.7	5.8	-1.2	1.0
Communications	1	3.3	-	4.1	-	0.8	-
Consumer Cyclical	6	13.6	9.5	8.6	8.0	-0.5	3.9
Consumer Non-cyclical	8	15.6	52.9	13.9	47.6	-0.5	7.2
Diversified	1	97.4	-	94.7	-	-2.7	-
Energy	1	1.2	-	0.9	-	-0.3	-
Industrial	3	16.3	43.1	18.0	31.9	1.1	11.2
Technology	1	25.0	-	17.6	-	-7.4	-



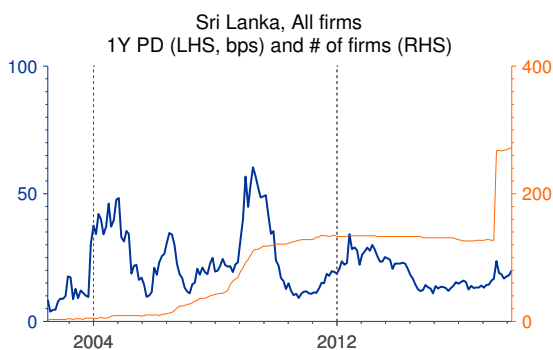
South Africa	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	81	15.7	219.9	15.2	202.9	0.1	40.7
Basic Materials	36	27.3	138.7	21.1	160.3	-1.2	47.2
Communications	13	11.9	295.1	6.6	88.4	-0.5	210.8
Consumer Cyclical	34	6.8	1101.0	9.1	796.1	-0.0	307.3
Consumer Non-cyclical	39	12.3	96.2	11.0	134.6	0.3	57.5
Diversified	10	6.1	34.6	10.1	33.4	-0.0	19.6
Energy	8	23.3	276.0	23.9	157.4	-1.1	119.7
Industrial	42	27.9	106.7	26.5	141.5	0.3	92.8
Technology	11	5.6	311.3	6.7	21.0	-0.0	302.6



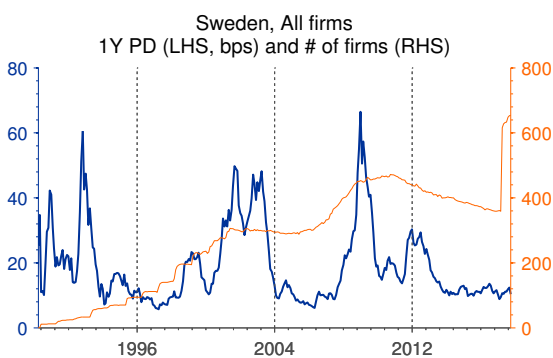
South Korea	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	81	14.9	40.0	18.1	47.5	1.7	17.8
Basic Materials	188	4.6	28.2	3.9	109.3	-0.0	89.4
Communications	201	3.7	182.8	4.2	197.6	0.0	19.3
Consumer Cyclical	314	7.0	30.1	7.3	102.7	0.2	87.0
Consumer Non-cyclical	355	3.0	44.5	2.5	50.1	-0.0	32.7
Diversified	39	0.0	8.8	0.0	10.6	-0.0	2.0
Energy	14	9.1	33.1	7.0	23.0	-1.3	12.8
Industrial	550	6.9	109.6	8.3	121.3	0.3	28.8
Technology	264	4.0	118.3	4.1	141.5	-0.0	42.7
Utilities	17	10.9	38.4	13.3	14.3	-0.4	30.0



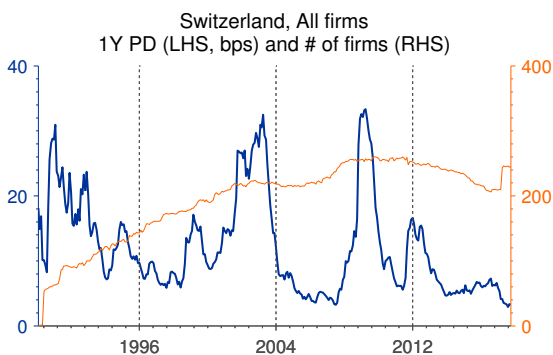
Spain	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	32	9.3	224.6	8.3	120.2	-0.0	106.5
Basic Materials	9	2.4	12.6	4.0	12.5	0.1	4.8
Communications	18	8.1	16.9	8.3	14.0	0.5	12.0
Consumer Cyclical	14	4.3	23.8	6.9	33.8	-0.3	21.4
Consumer Non-cyclical	33	3.9	26.1	4.8	42.2	0.3	21.1
Energy	5	4.1	5.2	3.8	23.4	0.2	19.3
Industrial	30	6.3	19.9	7.3	24.7	0.2	9.1
Technology	5	1.1	3.1	2.8	22.9	1.3	20.5
Utilities	7	2.2	5.5	2.2	6.7	-0.4	1.5



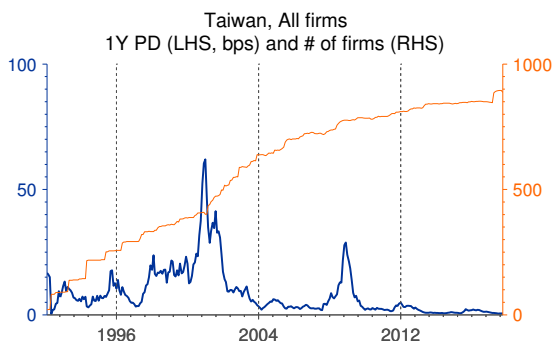
Sri Lanka	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	87	37.3	70.6	50.5	68.6	1.8	24.4
Basic Materials	14	8.8	66.9	14.8	47.9	1.1	20.4
Communications	4	1.8	7.9	2.7	11.5	0.9	3.6
Consumer Cyclical	61	12.0	33.6	14.9	47.8	2.0	19.4
Consumer Non-cyclical	55	13.6	46.8	12.3	38.1	0.0	21.0
Diversified	13	16.7	48.0	19.8	52.4	1.5	16.3
Energy	3	1.4	3.9	1.8	6.5	0.4	2.6
Industrial	23	8.1	129.5	10.1	116.7	0.5	73.4
Technology	2	15.8	10.4	15.9	7.9	0.1	2.4
Utilities	5	10.8	11.4	10.8	11.8	0.0	1.5



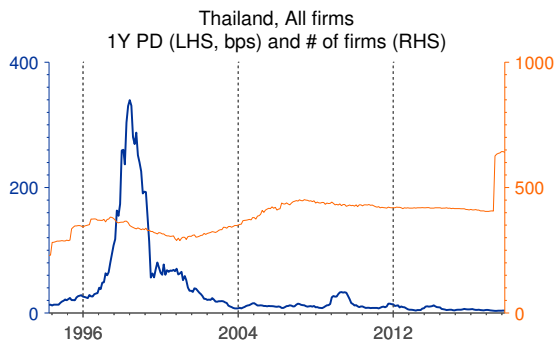
Sweden	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	89	8.1	230.7	9.3	125.7	0.2	162.3
Basic Materials	27	15.8	99.9	11.2	106.6	-0.1	85.9
Communications	59	22.4	48.1	18.4	46.9	1.2	35.9
Consumer Cyclical	72	7.6	42.8	7.5	31.2	0.1	27.7
Consumer Non-cyclical	175	12.1	39.2	10.4	50.8	0.2	33.2
Diversified	5	5.3	10.6	7.7	18.1	0.0	7.8
Energy	17	11.5	16.2	14.9	18.6	1.6	5.3
Industrial	121	9.8	58.7	11.8	49.7	1.0	48.2
Technology	55	12.1	31.3	11.7	126.8	0.9	100.9
Utilities	2	8.4	0.8	7.5	1.8	-0.9	1.0



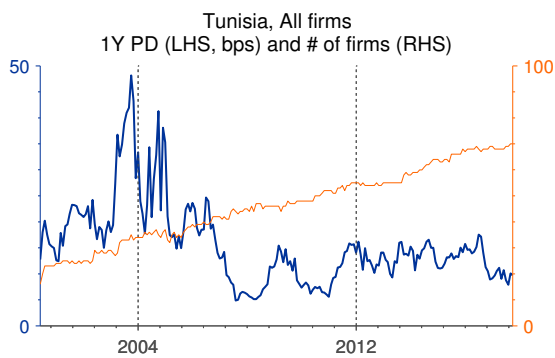
Switzerland	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	69	5.3	32.0	4.0	16.2	-0.1	19.6
Basic Materials	14	1.5	12.5	1.0	9.5	-0.2	3.8
Communications	10	2.2	17.8	2.2	12.0	-0.8	6.2
Consumer Cyclical	19	3.8	27.3	3.6	39.5	-0.2	16.9
Consumer Non-cyclical	44	1.8	132.3	1.9	87.0	-0.1	78.8
Diversified	3	2.9	23.5	1.7	13.6	-1.2	9.9
Energy	5	116.1	85.3	35.9	70.9	-28.4	44.0
Industrial	62	1.8	18.4	1.9	16.6	-0.1	6.1
Technology	11	7.3	45.2	8.4	27.1	0.9	23.6
Utilities	5	1.2	9.5	1.3	9.0	-0.5	2.9



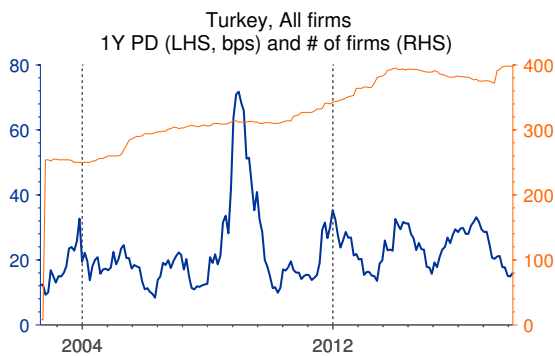
Taiwan	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	81	1.3	6.9	1.3	6.1	-0.0	4.3
Basic Materials	78	0.2	4.7	0.3	4.2	0.0	1.5
Communications	42	0.5	7.5	0.5	8.5	0.0	3.4
Consumer Cyclical	149	0.3	4.6	0.4	6.8	0.0	3.9
Consumer Non-cyclical	60	0.0	2.5	0.0	1.9	0.0	1.1
Diversified	1	0.1	-	0.1	-	-0.0	-
Energy	8	4.3	2.6	2.3	2.3	-1.3	1.6
Industrial	310	0.8	21.7	0.7	19.4	0.0	3.2
Technology	150	0.5	8.6	0.7	6.4	0.0	4.6
Utilities	6	0.0	0.1	0.0	0.1	-0.0	0.1



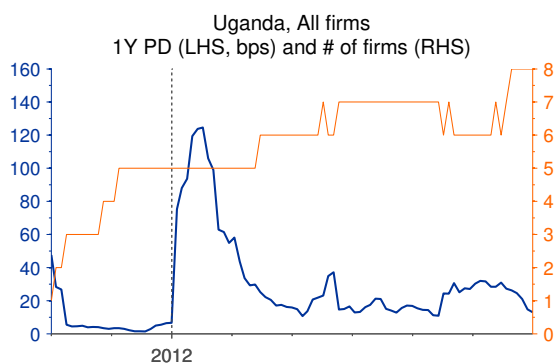
Thailand	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	114	7.1	15.9	6.9	16.6	-0.0	8.0
Basic Materials	55	4.5	266.9	5.1	327.0	0.3	61.8
Communications	46	4.4	28.2	4.3	34.4	0.0	10.4
Consumer Cyclical	132	2.5	16.3	2.5	15.2	0.0	6.9
Consumer Non-cyclical	97	1.4	11.5	1.4	10.3	-0.0	3.4
Diversified	6	0.9	31.6	1.1	27.3	0.0	4.4
Energy	18	3.0	17.7	2.2	17.5	-0.1	2.1
Industrial	133	3.8	14.9	3.5	17.3	0.0	6.4
Technology	14	5.3	164.9	6.6	252.3	1.1	90.8
Utilities	16	1.5	4.3	1.9	7.5	0.1	4.6



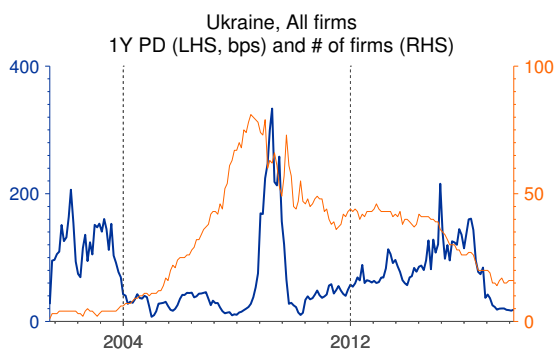
Tunisia	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	24	29.8	65.2	23.9	44.0	-1.8	50.5
Basic Materials	4	4.4	16.5	3.5	16.9	-0.0	1.1
Communications	4	16.0	15.2	22.4	14.9	0.6	7.7
Consumer Cyclical	10	0.5	44.0	1.0	31.2	0.1	12.9
Consumer Non-cyclical	9	5.0	25.5	6.7	30.9	3.4	9.1
Diversified	1	1.9	-	2.8	-	0.9	-
Energy	1	0.1	-	0.1	-	0.0	-
Industrial	13	9.5	43.2	10.4	33.6	-0.6	18.4
Technology	2	31.8	39.0	28.2	34.6	-3.6	4.4



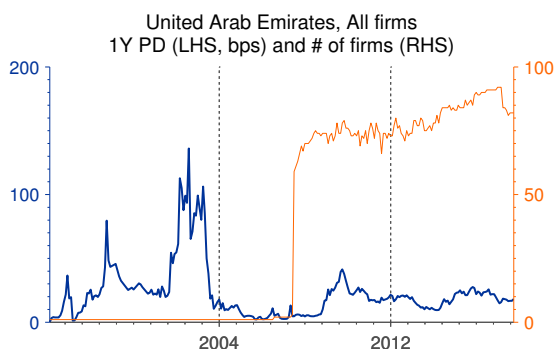
Turkey	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	102	24.1	34.4	24.5	33.8	-0.0	16.3
Basic Materials	37	10.6	19.6	11.1	13.9	-0.1	12.0
Communications	13	15.1	14.2	13.2	14.1	-1.7	10.6
Consumer Cyclical	94	23.0	76.0	19.4	115.9	-1.2	46.4
Consumer Non-cyclical	54	14.5	23.1	15.3	16.5	-1.1	15.0
Diversified	10	22.9	40.2	23.4	59.2	-3.2	25.1
Energy	5	13.1	21.4	3.6	15.0	-2.6	12.1
Industrial	70	13.7	19.8	13.6	19.4	-0.6	8.5
Technology	4	17.3	21.2	8.6	20.3	-2.4	6.9
Utilities	8	14.2	14.6	15.6	17.5	1.0	4.4



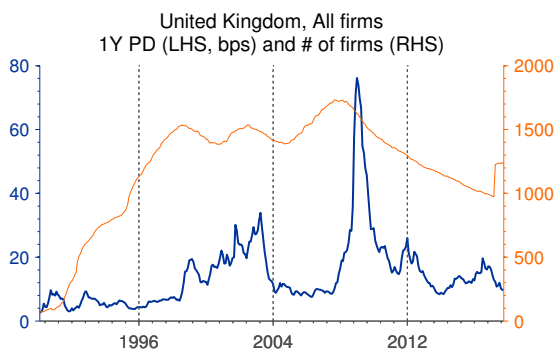
Uganda	2017Q2			2017Q3		Q3-Q2	
	#	Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	4	27.5	12.1	16.8	12.3	-5.3	5.9
Communications	1	0.0	-	0.0	-	-0.0	-
Consumer Non-cyclical	1	0.9	-	0.5	-	-0.4	-
Industrial	1	22.7	-	8.6	-	-14.2	-
Utilities	1	48.4	-	29.4	-	-19.0	-



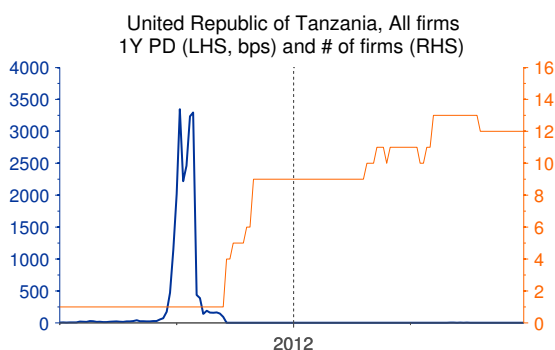
Ukraine	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	1	130.8	-	154.3	-	23.6	-
Consumer Non-cyclical	8	16.6	60.7	31.5	69.3	-2.3	25.5
Diversified	1	8.3	-	13.0	-	4.7	-
Energy	2	209.7	67.3	239.1	28.8	29.3	38.5
Industrial	2	10.8	12.3	10.4	9.0	-0.4	3.4
Utilities	1	18.1	-	20.1	-	2.0	-



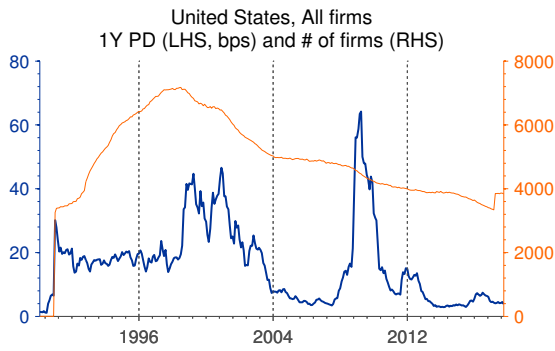
United Arab Emirates	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	42	16.3	24.5	19.9	26.7	0.1	19.1
Communications	3	0.4	48.4	0.5	95.3	0.1	46.9
Consumer Cyclical	5	33.2	24.6	25.8	28.7	1.9	6.9
Consumer Non-cyclical	10	8.5	24.3	15.2	24.5	0.3	15.9
Energy	4	25.0	47.8	19.3	214.4	0.5	167.0
Industrial	16	16.1	76.0	18.2	63.2	1.5	19.1
Utilities	1	226.0	-	143.8	-	-82.1	-



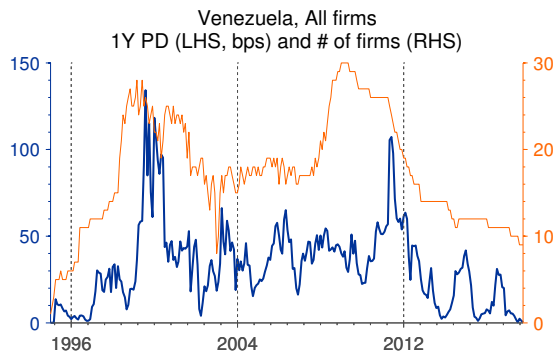
United Kingdom	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	227	10.9	127.7	8.1	48.1	-1.0	102.7
Basic Materials	93	25.2	66.4	21.0	63.9	-0.2	39.6
Communications	105	14.2	160.2	14.2	92.7	-1.0	101.0
Consumer Cyclical	155	12.6	61.4	8.1	227.4	-1.4	211.1
Consumer Non-cyclical	248	8.0	36.9	7.0	88.0	-0.2	83.0
Diversified	7	40.0	30.0	32.2	42.7	0.0	28.0
Energy	100	29.8	175.3	29.5	283.9	-1.3	142.0
Industrial	169	9.5	42.3	9.4	47.1	-0.6	36.9
Technology	98	8.8	33.5	7.8	45.2	-0.4	27.0
Utilities	11	6.7	17.7	6.6	48.1	-0.4	31.3



United Republic of Tanzania	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	4	10.2	20.4	10.5	20.6	0.2	0.7
Basic Materials	1	0.1	-	0.0	-	-0.1	-
Consumer Non-cyclical	2	0.3	0.3	0.1	0.0	-0.1	0.2
Energy	2	25.6	36.2	13.8	19.5	-11.8	16.7
Industrial	3	0.7	9.1	0.6	12.3	-0.1	3.1



United States	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	878	4.4	184.0	4.5	232.5	-0.0	90.9
Basic Materials	132	6.6	252.6	4.6	146.3	-0.1	121.8
Communications	267	4.6	308.7	4.3	324.0	0.0	114.0
Consumer Cyclical	440	3.7	313.5	3.6	191.7	-0.0	206.4
Consumer Non-cyclical	900	5.0	258.0	4.9	226.2	-0.0	142.8
Diversified	9	9.1	497.0	28.6	191.3	0.0	308.1
Energy	271	19.0	462.4	14.4	783.5	-0.6	490.3
Industrial	461	2.2	92.7	1.8	171.3	-0.0	135.6
Technology	319	1.7	177.6	1.6	124.2	-0.0	126.5
Utilities	82	0.4	29.2	0.3	17.3	-0.1	14.7



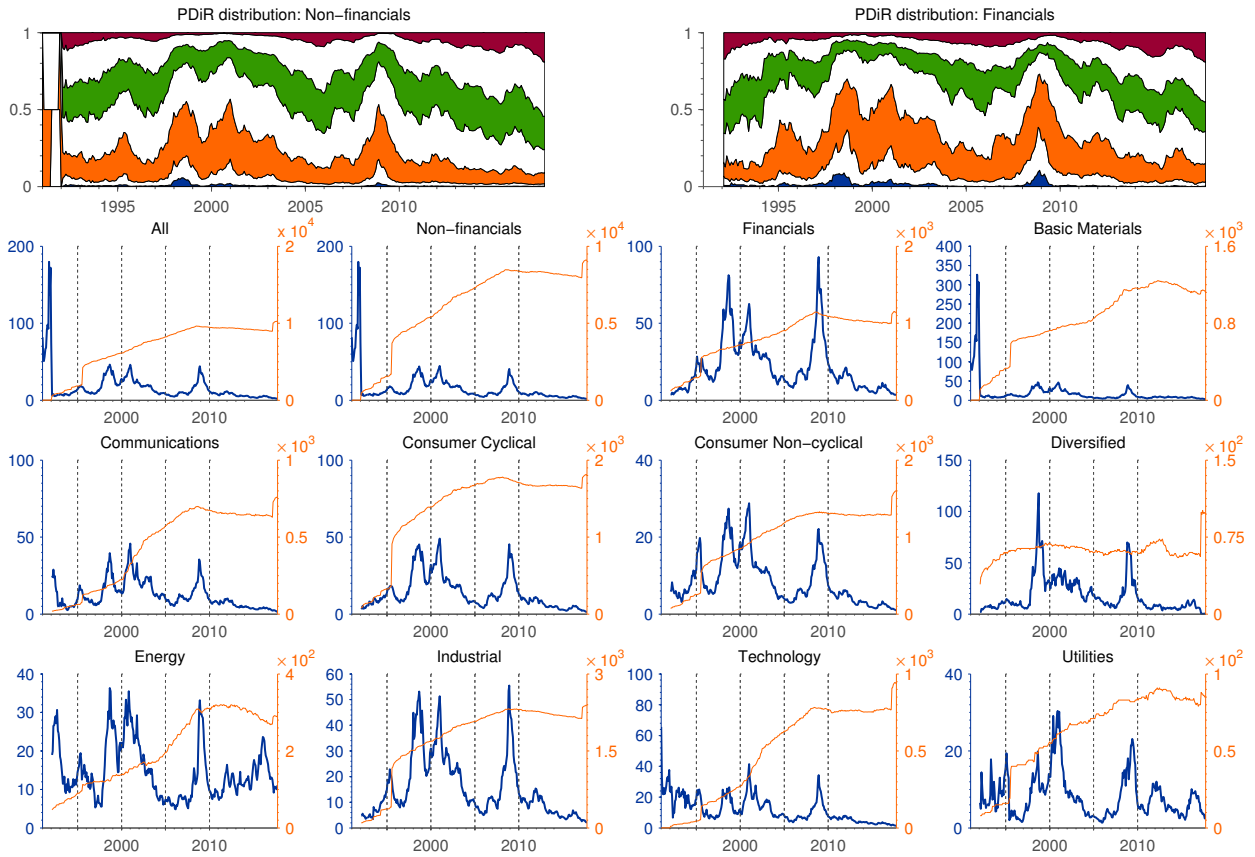
Venezuela	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	6	0.3	0.5	0.5	1.3	0.3	0.8
Basic Materials	2	3.1	4.4	30.8	43.6	27.7	39.2
Industrial	1	0.1	-	0.0	-	-0.1	-



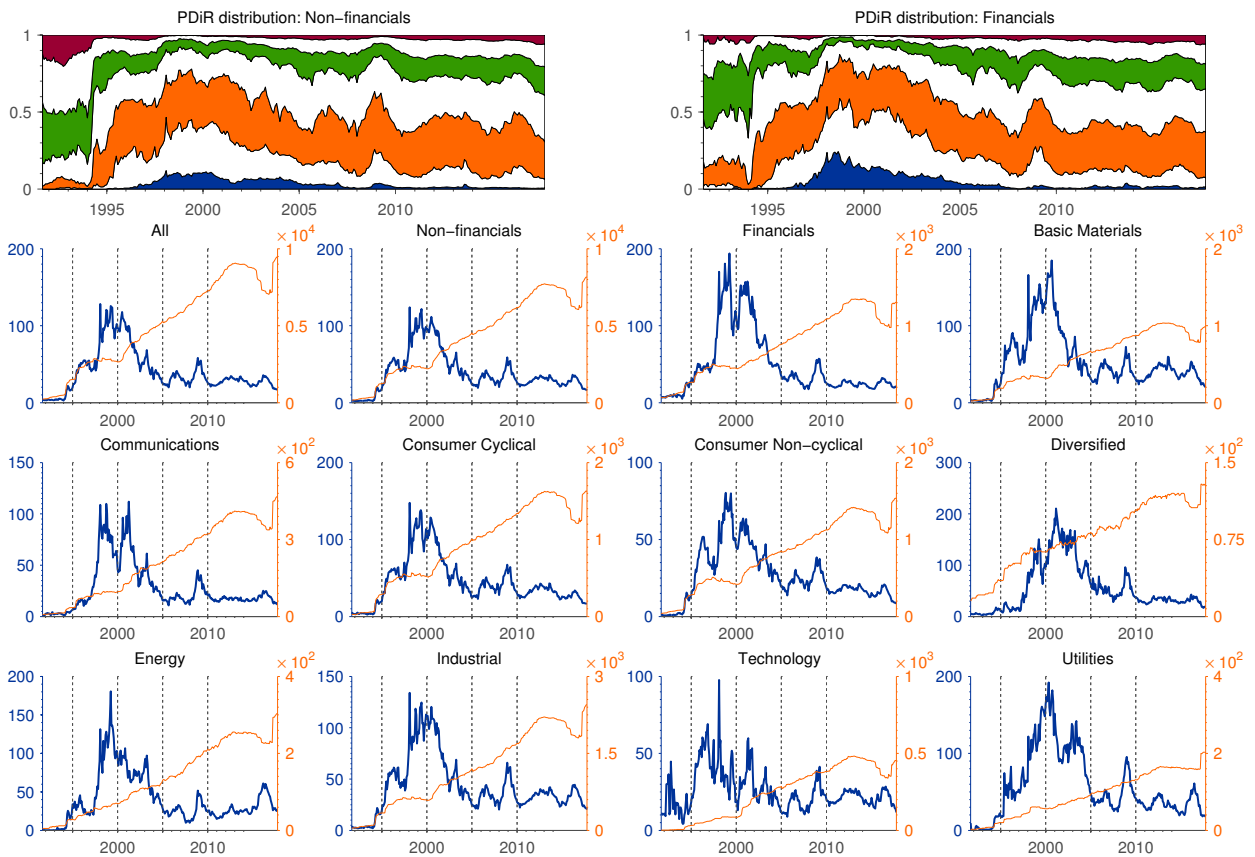
Vietnam	#	2017Q2		2017Q3		Q3-Q2	
		Median	St.Dev.	Median	St.Dev.	Median	St.Dev.
Financials	87	10.9	43.6	13.5	48.3	1.9	19.2
Basic Materials	65	14.0	76.7	11.7	48.5	0.4	52.7
Communications	20	18.0	66.2	22.5	63.1	0.0	17.2
Consumer Cyclical	70	20.4	99.9	22.9	51.1	0.5	65.2
Consumer Non-cyclical	96	7.0	75.9	10.8	47.1	0.7	51.2
Diversified	15	15.1	32.2	21.1	46.5	2.8	17.9
Energy	22	57.6	71.0	45.7	100.4	0.0	64.3
Industrial	259	26.1	149.4	28.8	78.9	1.9	94.8
Technology	6	2.7	12.6	8.1	18.8	2.2	6.9
Utilities	19	4.3	15.5	3.9	14.8	0.2	6.0

B PD by regions

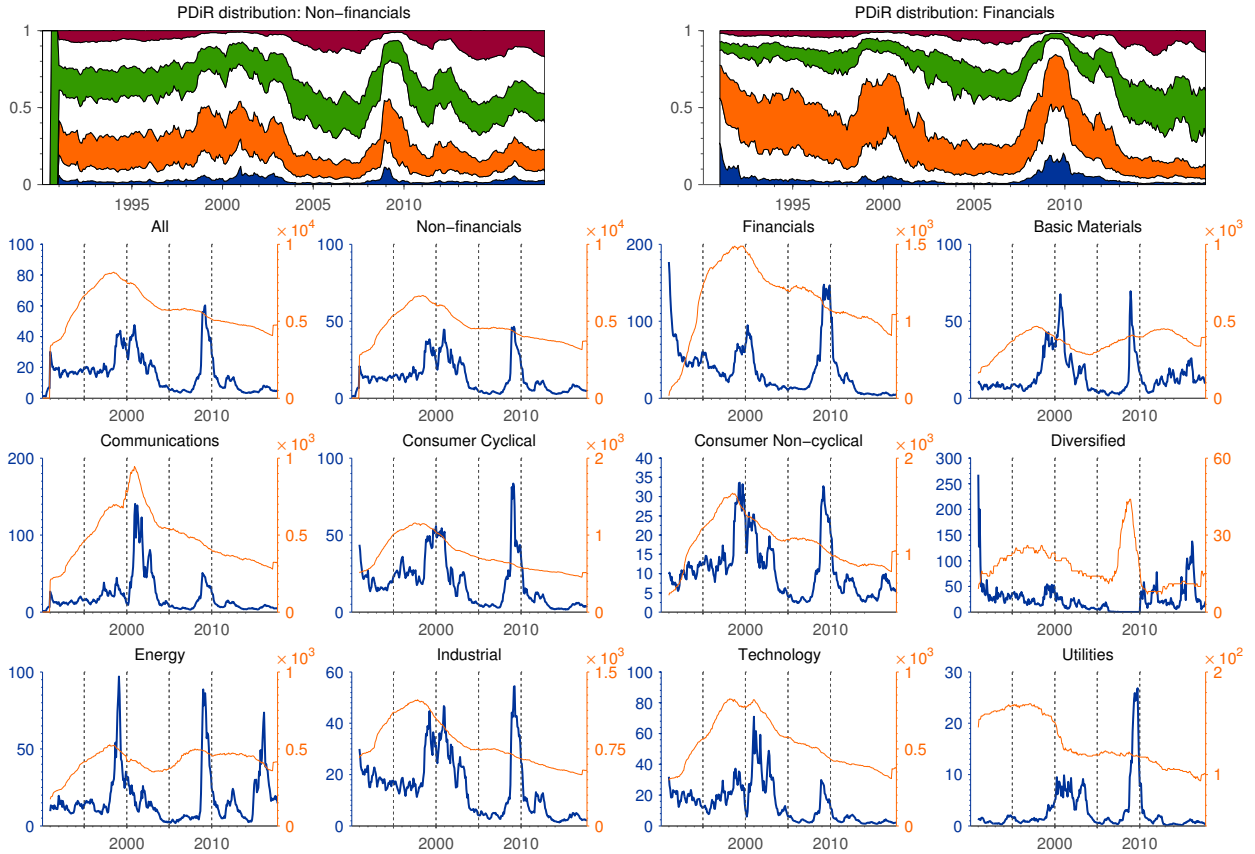
Asia Pacific - developed economies



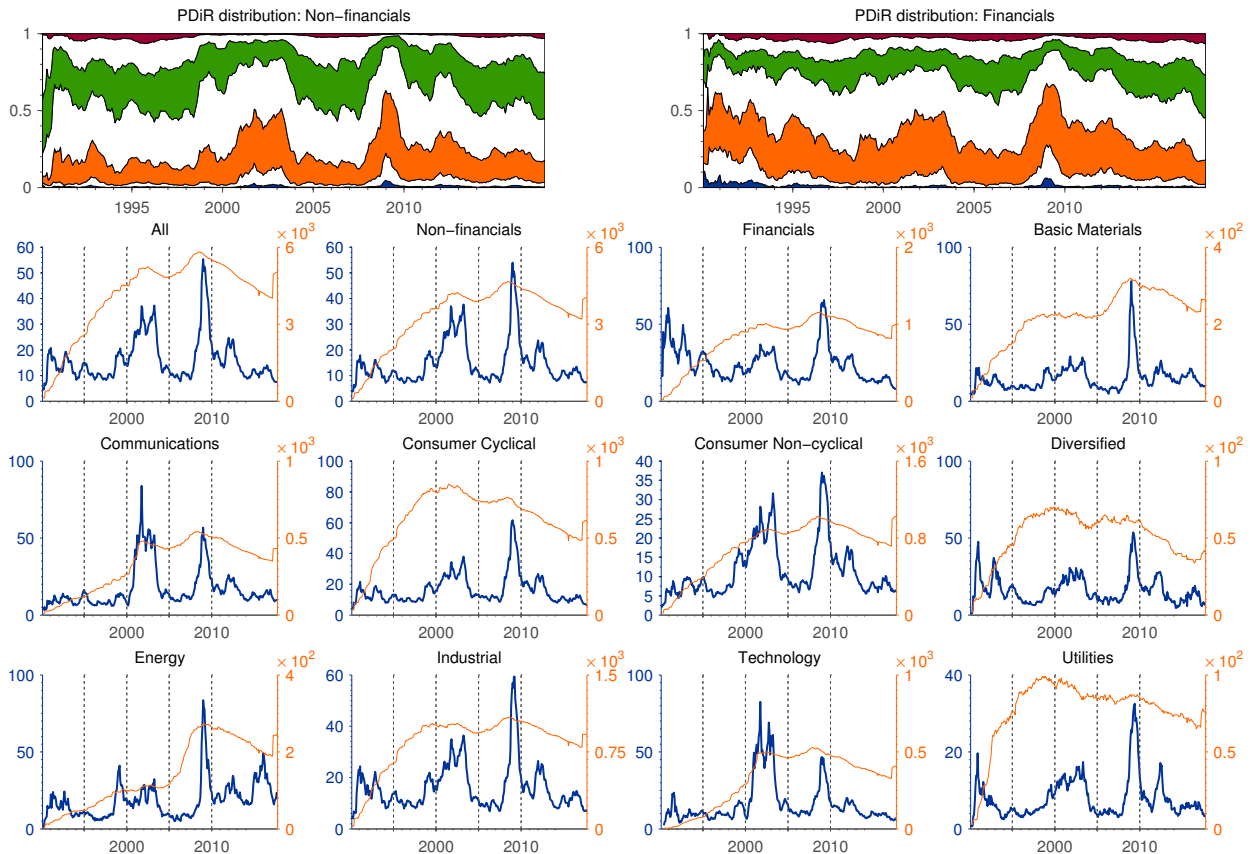
Asia Pacific - emerging economies



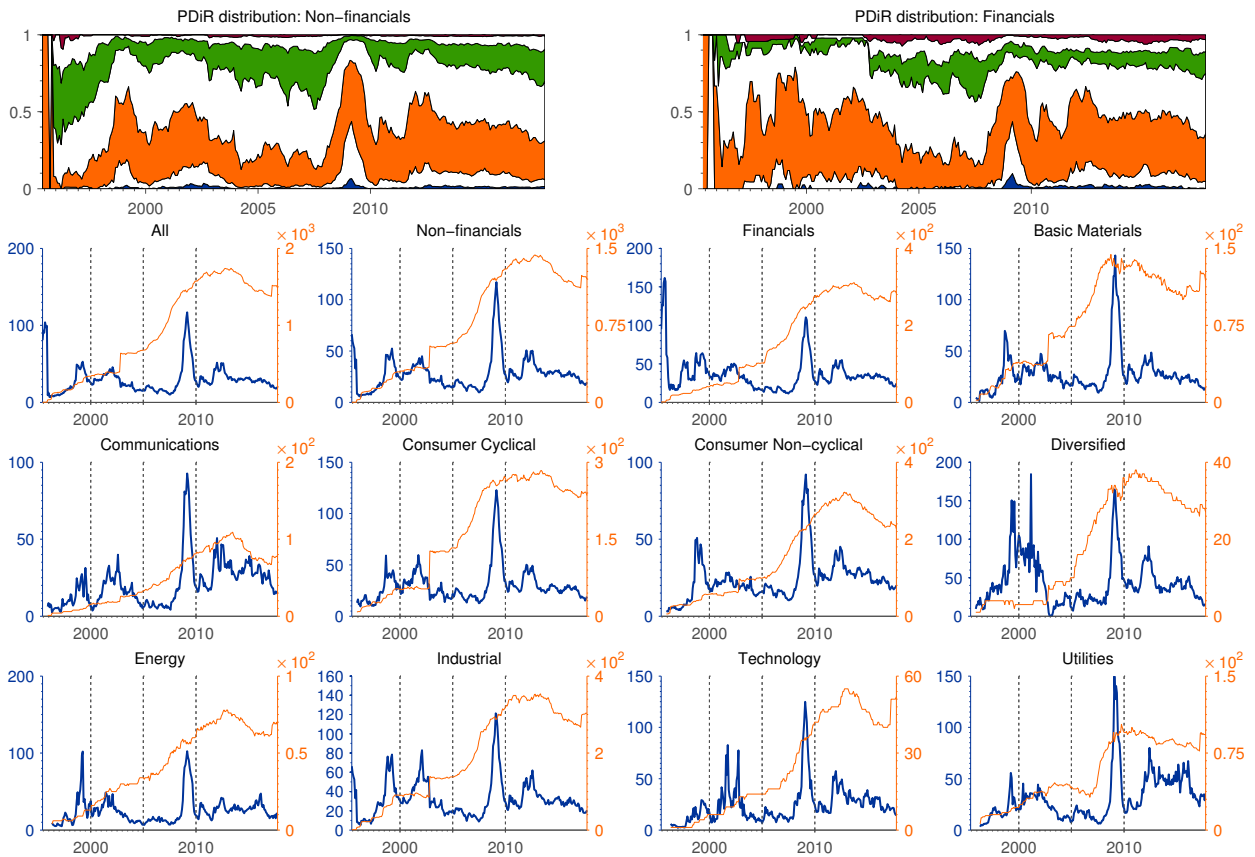
North America



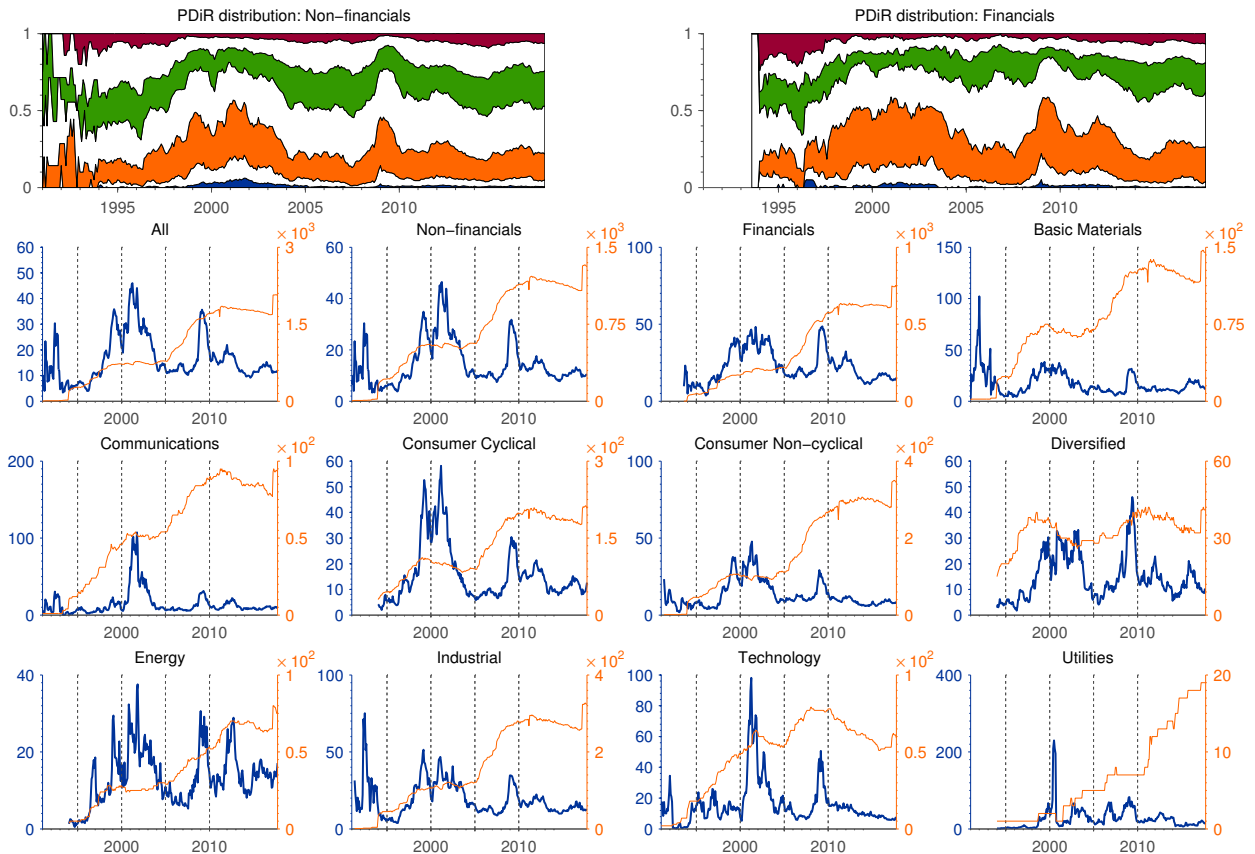
Western Europe



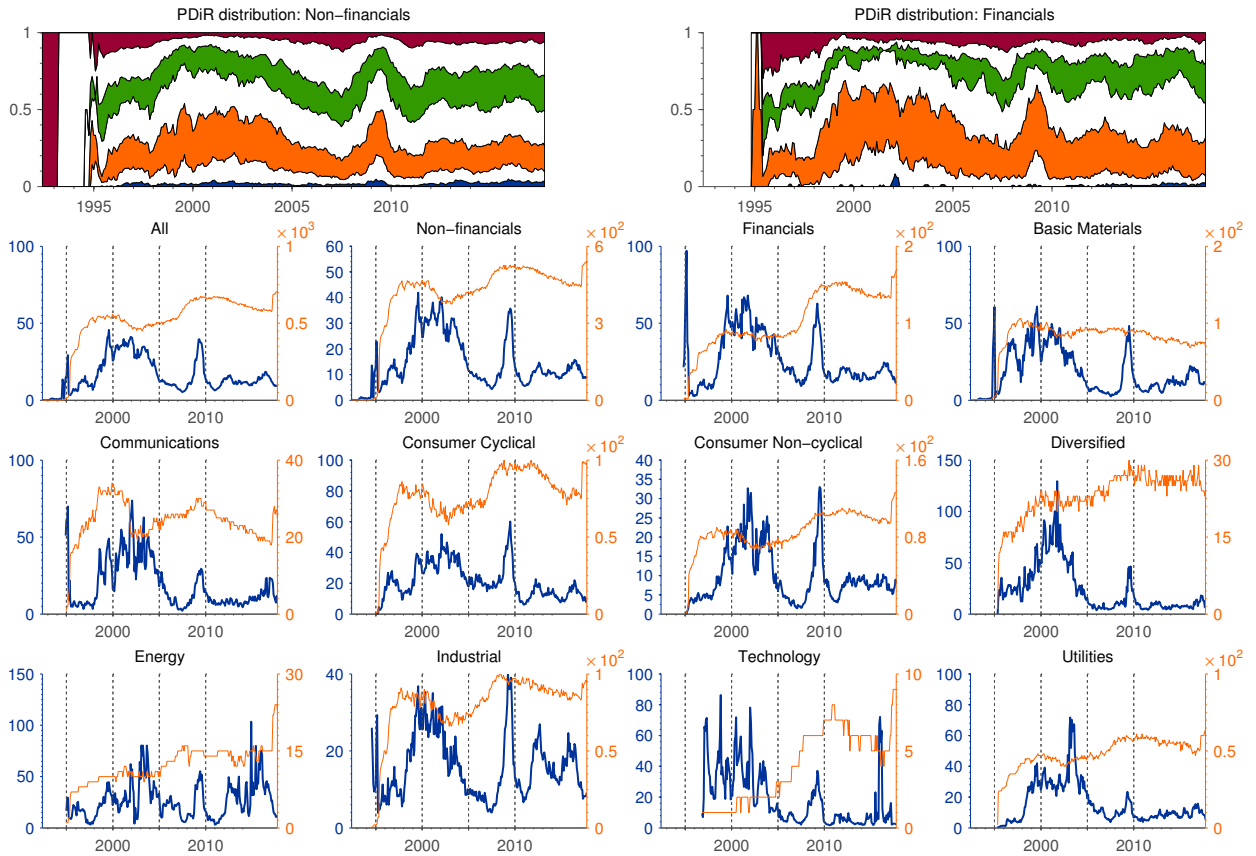
Eastern Europe



Africa ME

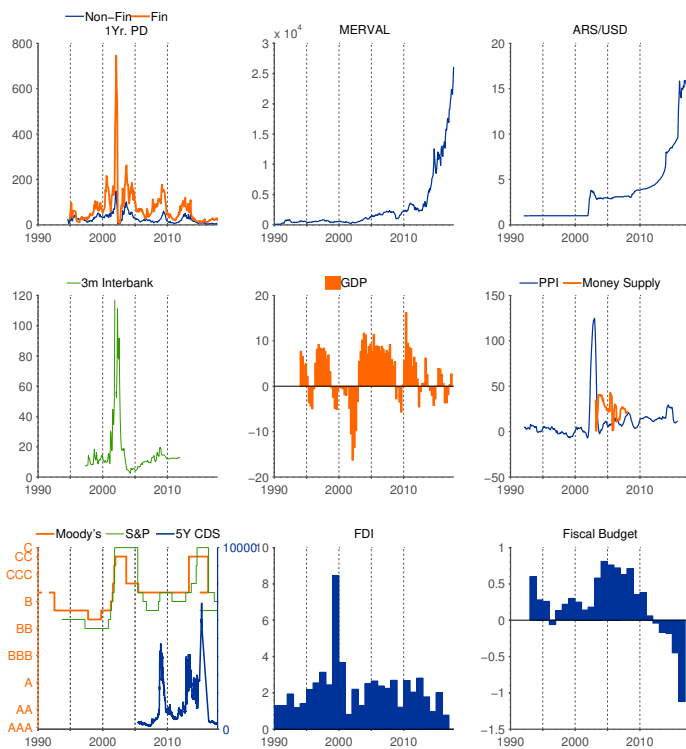


Latin America

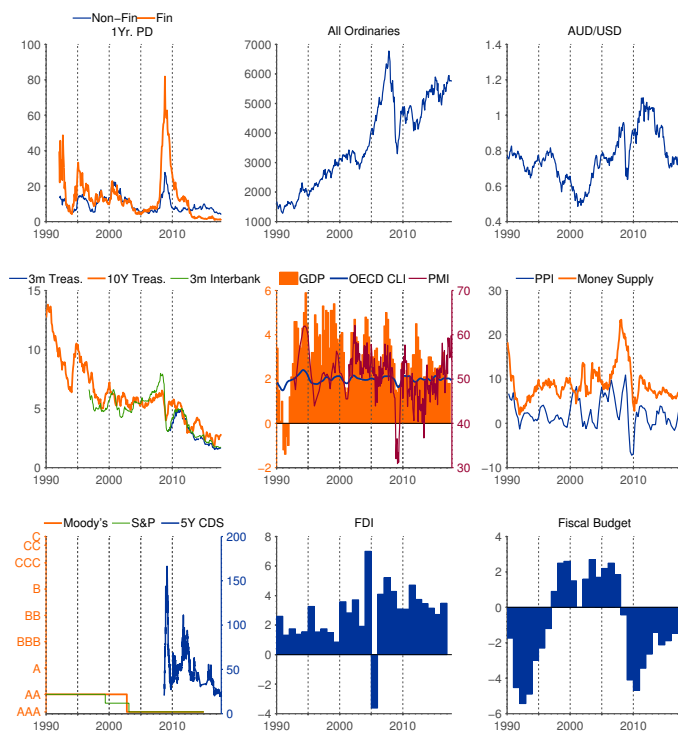


C Macroeconomic Indicators

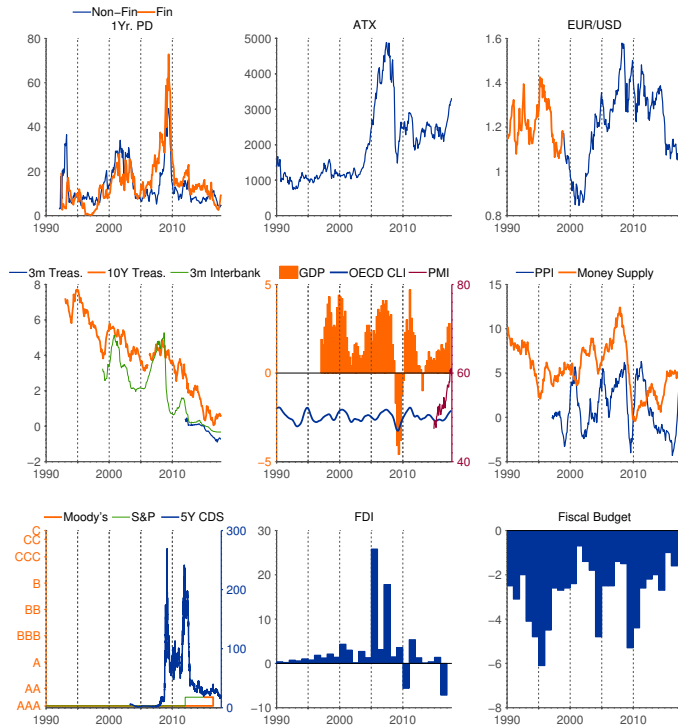
Descriptions of the data contained in this section are provided in Appendix D.



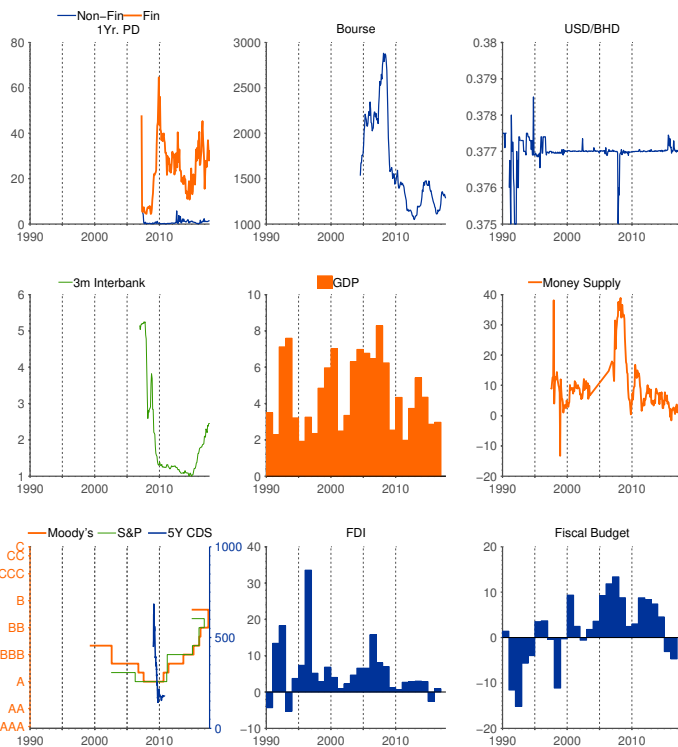
Argentina	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	5.63	5.64	4.18	4.66	4.52
1Yr. PD, Fin.	21.55	26.05	20.45	26.30	18.20
Merval	16676	16918	20265	21913	26078
ARS/USD	15.31	15.88	15.39	16.63	17.32
GDP (YoY%)	-3.7	-1.9	0.4	2.7	-
Sov. Rating, Moody's	B3	B3	B3	B3	B3
Sov. Rating, S&P	B+	B+	B+	B+	B+
5Y CDS (bps)	381.72	419.36	364.20	323.12	283.87
FDI (%GDP)	-	0.77	-	-	-
Fiscal Budget (%GDP)	-	-1.12	-	-	-



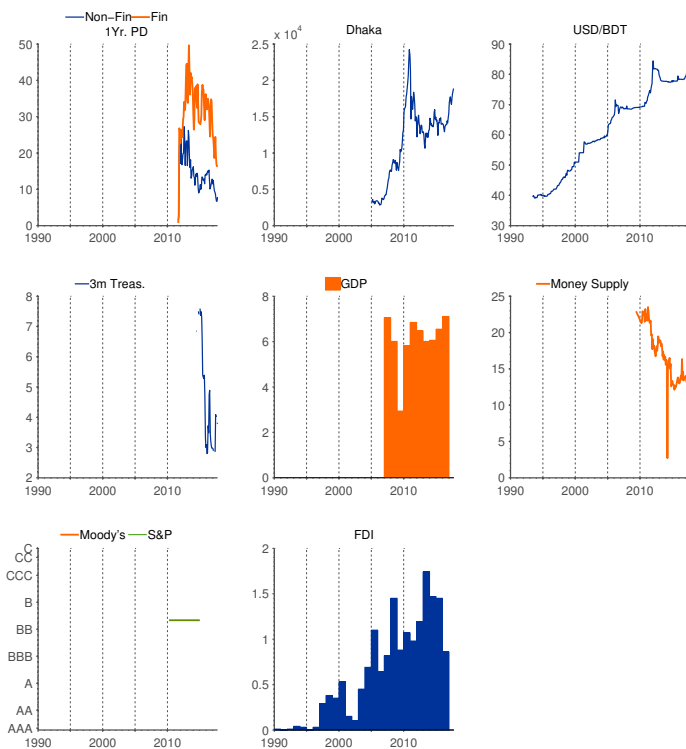
Australia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	5.04	5.46	4.42	4.74	4.45
1Yr. PD, Fin.	1.18	1.30	1.13	1.03	1.45
All Ordinaries	5525	5719	5904	5764	5745
AUD/USD	0.77	0.72	0.76	0.77	0.78
3m Treas. Yield (%)	1.53	1.70	1.55	1.63	1.71
10Y Treas. Yield (%)	1.91	2.77	2.70	2.60	2.84
3m Interbank (%)	1.72	1.80	1.79	1.71	1.71
GDP (YoY%)	1.9	2.4	1.8	1.8	-
OECD CLI	100.15	100.11	100.14	99.99	99.70*
PMI	49.8	55.4	57.5	55.0	54.2
PPI (YoY%)	-0.7	1.1	3.5	3.7	2.0
Money Supply (YoY%)	5.6	6.7	6.7	7.8	6.8
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
5Y CDS (bps)	25.66	24.83	25.51	21.93	23.10
FDI (%GDP)	-	3.48	-	-	-
Fiscal Budget (%GDP)	-	-1.47	-	-	-



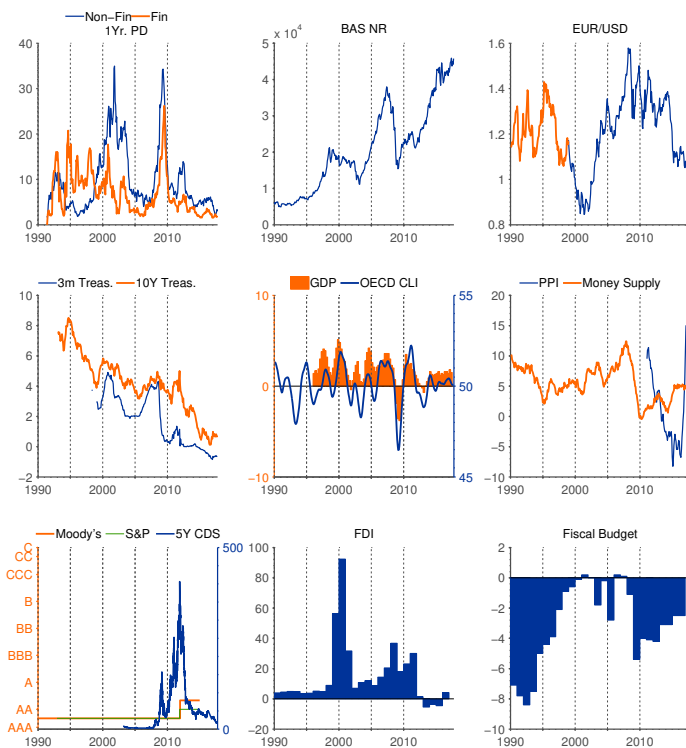
Austria	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	9.36	7.04	4.53	3.70	4.39
1Yr. PD, Fin.	4.73	4.07	2.75	5.38	9.49
ATX	2405	2618	2829	3107	3316
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	-0.70	-0.82	-0.82	-0.66	-0.73
10Y Treas. Yield (%)	0.10	0.43	0.54	0.71	0.63
3m Interbank (%)	-0.30	-0.32	-0.33	-0.33	-0.33
GDP (YoY%)	1.3	1.7	2.6	2.8	-
OECD CLI	99.74	100.30	100.87	101.32	101.48*
PMI	53.5	56.3	56.8	60.7	59.4
PPI (YoY%)	-2.0	0.5	2.5	1.3	1.8
Money Supply (YoY%)	5.1	5.1	5.2	5.0	5.1
Sov. Rating, Moody's	Aa1	Aa1	Aa1	Aa1	Aa1
Sov. Rating, S&P	AA+	AA+	AA+	AA+	AA+
5Y CDS (bps)	25.9	28.1	22.5	20.1	18.5
FDI (%GDP)	-	-7.18	-	-	-
Fiscal Budget (%GDP)	-	-1.60	-	-	-



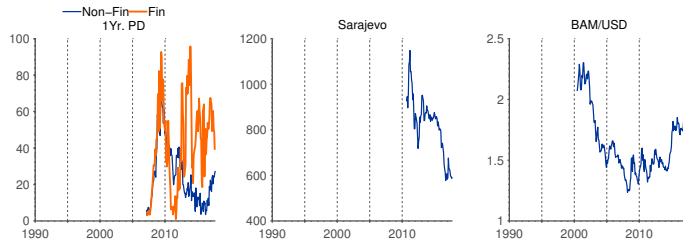
Bahrain	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	1.00	1.00	1.06	1.13	1.37
1Yr. PD, Fin.	36.92	15.50	27.45	36.93	32.45
Bourse	1150	1220	1356	1310	1283
USD/BHD	0.38	0.38	0.38	0.38	0.38
3m Interbank (%)	1.88	2.10	2.30	2.40	2.45
GDP (YoY%)	-	2.97	-	-	-
Money Supply (YoY%)	2.70	1.06	1.63	1.42	1.66
Sov. Rating, Moody's	B1	B1	B1	B1	B1
Sov. Rating, S&P	BB-	BB-	BB-	BB-	BB-
FDI (%GDP)	-	0.88	-	-	-
Fiscal Budget (%GDP)	-	-4.71	-	-	-



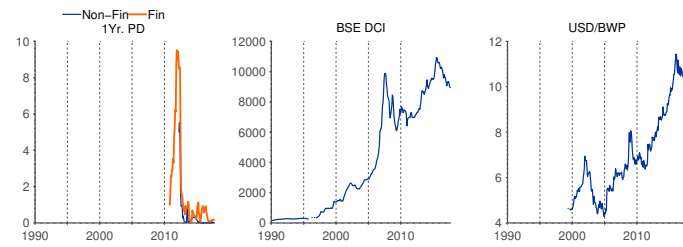
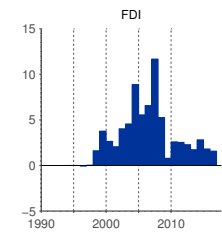
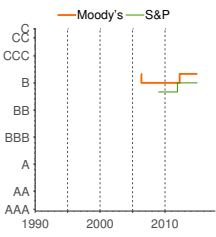
Bangladesh	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	11.37	11.48	9.73	7.57	7.87
1Yr. PD, Fin.	34.79	25.08	18.64	18.97	16.43
Dhaka	14429	15478	17738	17517	18882
USD/BDT	78.38	78.92	80.25	80.64	82.31
3m Treas. Yield (%)	3.20	2.98	2.89*	4.09	3.80
GDP (YoY%)	-	7.1	-	-	-
Money Supply (YoY%)	13.4	13.8	13.1	10.9	11.7*
Sov. Rating, Moody's	Ba3	Ba3	Ba3	Ba3	Ba3
Sov. Rating, S&P	BB-	BB-	BB-	BB-	BB-
FDI (%GDP)	-	0.86	-	-	-



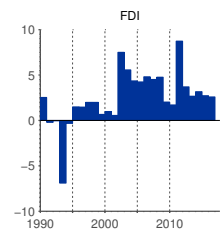
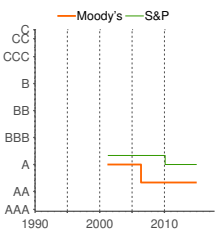
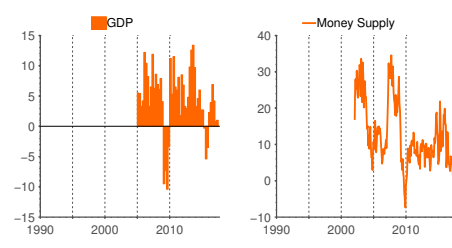
Belgium	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	5.14	4.19	2.99	2.40	3.01
1Yr. PD, Fin.	2.22	1.54	1.92	1.94	1.93
BAS NR	42424.0	43085.0	44607.4	43715.0	45780.7
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	-0.75	-0.85	-0.66	-0.65	-0.64
10Y Treas. Yield (%)	0.14	0.53	0.85	0.80	0.73
GDP (YoY%)	1.6	1.4	1.8	1.5	-
OECD CLI	100.38	100.43	100.25	100.08	100.06*
PPI (YoY%)	0.8	9.3	12.6	6.1	6.4
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	Aa3	Aa3	Aa3	Aa3	Aa3
Sov. Rating, S&P	AA	AA	AA	AA	AA
5Y CDS (bps)	-	33.66	27.05	19.56	18.38
FDI (%GDP)	-	4.17	-	-	-
Fiscal Budget (%GDP)	-	-2.50	-	-	-

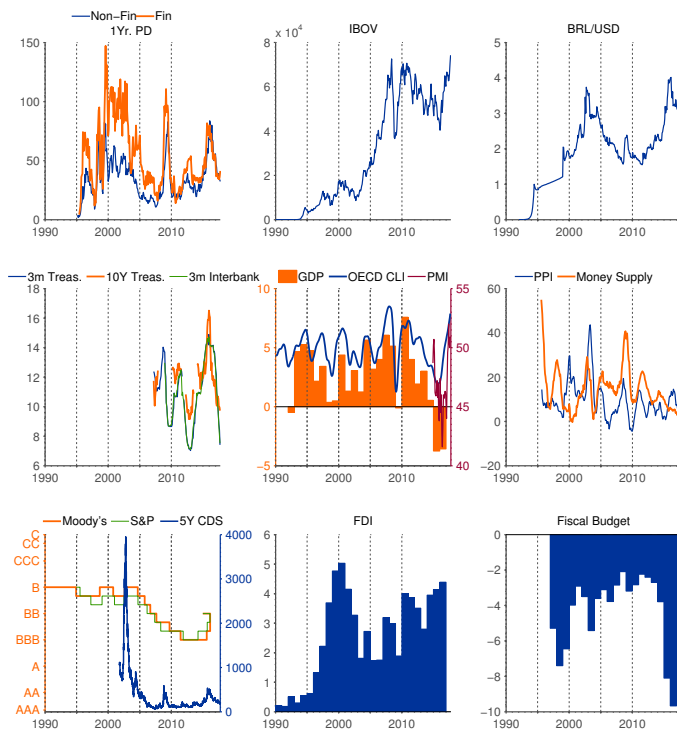


Bosnia and Herzegovina	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	8.46	22.35	23.80	24.58	27.42
1Yr. PD, Fin.	50.92	67.48	49.28	50.52	39.02*
Sarajevo	577	583	631	597	592
BAM/USD	1.74	1.86	1.83	1.71	1.65
Sov. Rating, Moody's	B3	B3	B3	B3	B3
Sov. Rating, S&P	B	B	B	B	B
FDI (%GDP)	-	1.57	-	-	-

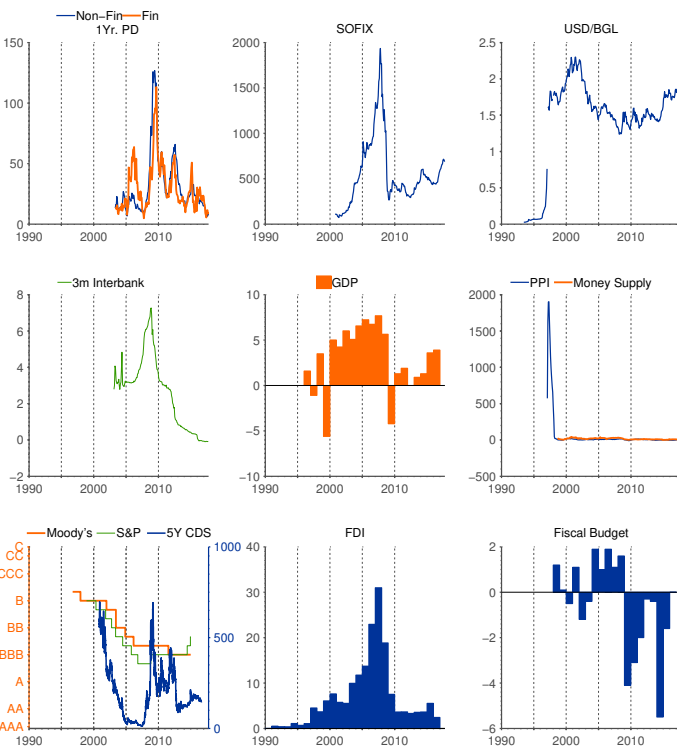


Botswana	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	0.00	0.00	0.01	0.02	0.00
1Yr. PD, Fin.	0.12	0.08	0.14	0.18	0.15
BSE DCI	9797	9401	9225	9244	8930
USD/BWP	10.48	10.69	10.41	10.23	10.30
GDP (YoY%)	6.9	4.2	0.8	1.0	-
Money Supply (YoY%)	3.5	5.4	1.6	0.8	4.5*
Sov. Rating, Moody's	Aa3	Aa3	Aa3	Aa3	Aa3
Sov. Rating, S&P	A	A	A	A	A
FDI (%GDP)	-	2.59	-	-	-

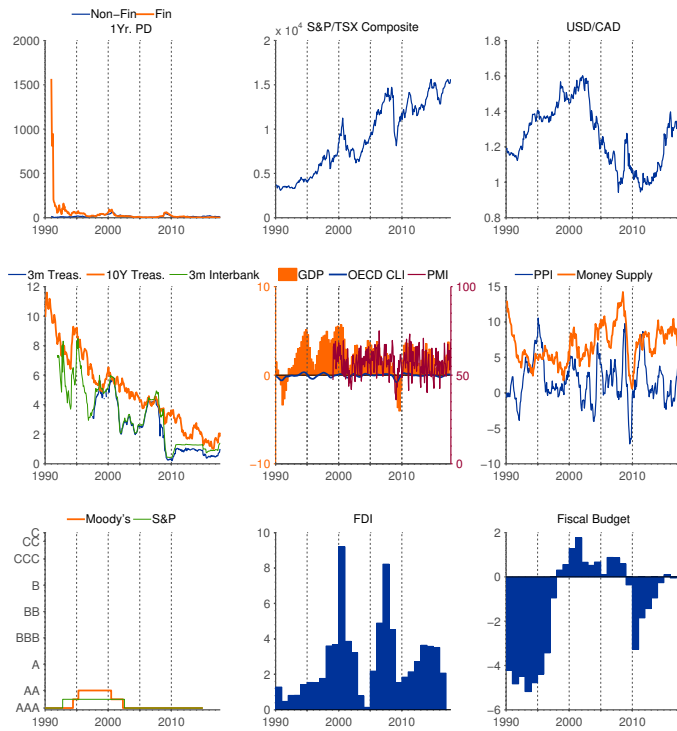




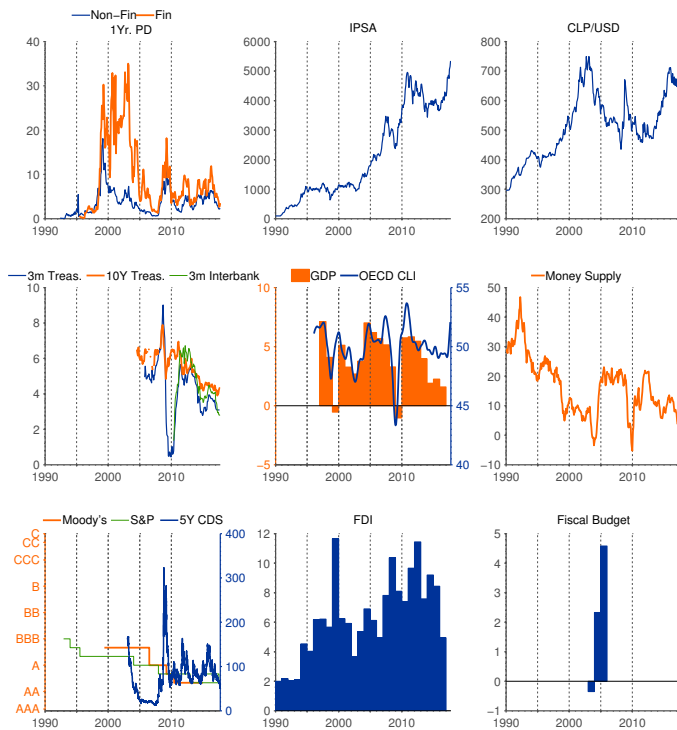
Brazil	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	50.02	55.76	38.47	39.16	32.37
1Yr. PD, Fin.	53.24	51.68	38.10	35.97	41.34
IBOV	58367.1	60227.3	64984.1	62900.0	74293.5
BRL/USD	3.26	3.25	3.12	3.31	3.16
3m Treas. Yield (%)	13.72	12.94	10.90	9.38	7.42
10Y Treas. Yield (%)	11.58	11.40	10.06	10.54	9.73
3m Interbank (%)	13.80	12.96	11.00	9.42	7.53
GDP (YoY%)	-	-3.6	-	-	-
OECD CLI	99.95	100.65	101.35	102.18	102.89*
PMI	46.0	45.2	49.6	50.5	50.9
PPI (YoY%)	12.3	7.6	4.9	-3.2	-3.9
Money Supply (YoY%)	5.3	3.8	3.8	6.2	6.5
Sov. Rating, Moody's	Ba2	Ba2	Ba2	Ba2	Ba2
Sov. Rating, S&P	BB	BB	BB	BB	BB
5Y CDS (bps)	272.81	280.76	226.44	242.29	195.91
FDI (%GDP)	-	4.39	-	-	-
Fiscal Budget (%GDP)	-	-9.67	-	-	-



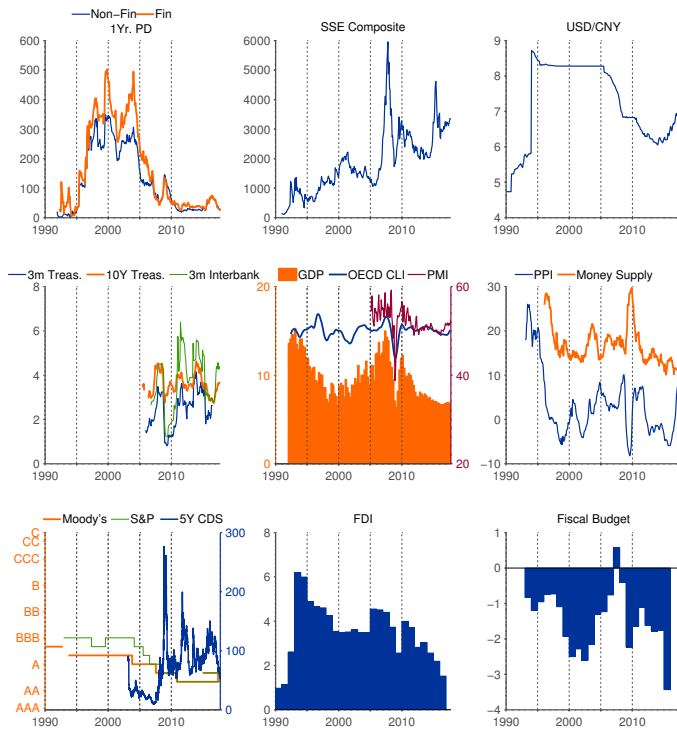
Bulgaria	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	17.63	15.05	13.68	8.95	8.65
1Yr. PD, Fin.	19.12	22.85	9.25	11.36	9.63
SOFIX	505	586	634	703	688
USD/BGL	1.74	1.86	1.84	1.71	1.66
3m Interbank (%)	-0.05	-0.07	-0.10	-0.08	-0.08
GDP (YoY%)	-	3.9	-	-	-
PPI (YoY%)	-2.4	0.6	2.1	2.7	6.0
Money Supply (YoY%)	8.7	7.6	8.5	7.0	8.2
Sov. Rating, Moody's	Baa2	Baa2	Baa2	Baa2	Baa2
Sov. Rating, S&P	BB+	BB+	BB+	BB+	BB+
5Y CDS (bps)	142.9*	-	-	-	-
FDI (%GDP)	-	2.43	-	-	-
Fiscal Budget (%GDP)	-	0.00	-	-	-



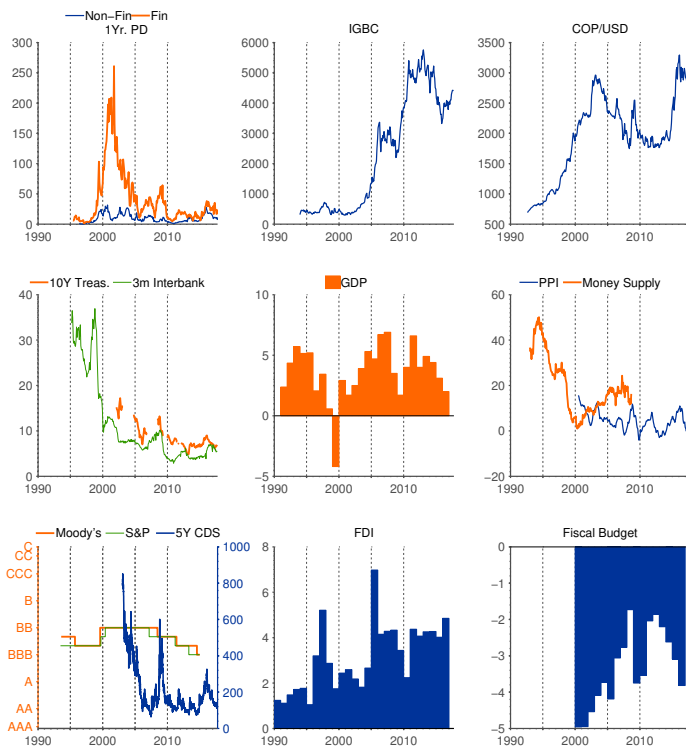
Canada	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	12.81	14.03	12.37	12.71	10.17
1Yr. PD, Fin.	4.45	3.69	2.41	2.28	2.16
S&P/TSX Composite	14726	15288	15548	15182	15635
USD/CAD	1.31	1.34	1.33	1.30	1.25
3m Treas. Yield (%)	0.53	0.46	0.55	0.71	1.00
10Y Treas. Yield (%)	1.00	1.72	1.63	1.76	2.10
3m Interbank (%)	0.90	0.94	0.94	1.07	1.42
GDP (YoY%)	1.5	2.0	2.3	3.7	-
OECD CLI	99.68	100.13	100.38	100.41	100.37*
PMI	68.1	49.4	67.6	63.9	68.6
PPI (YoY%)	-0.3	2.3	5.2	3.3	1.5
Money Supply (YoY%)	8.3	8.3	7.9	6.2	4.1
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
FDI (%GDP)	-	2.07	-	-	-
Fiscal Budget (%GDP)	-	-0.05	-	-	-



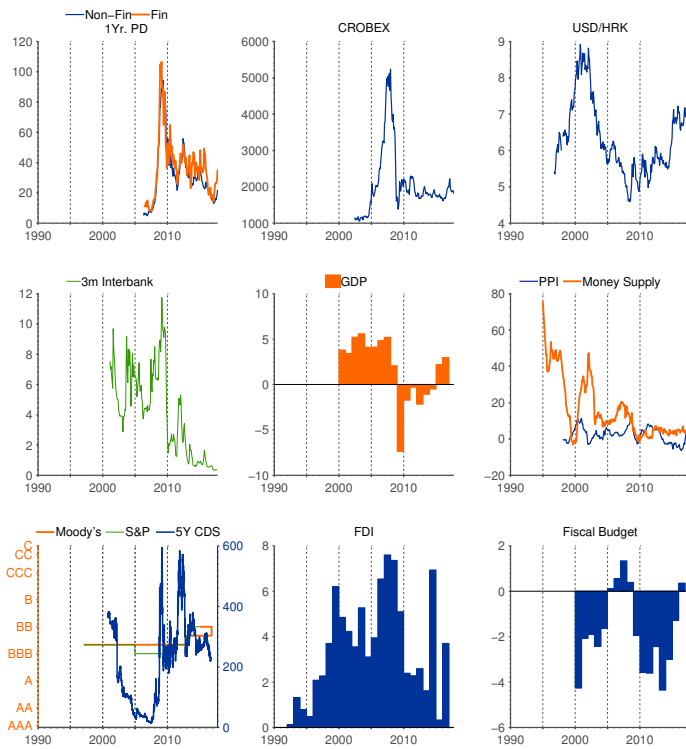
Chile	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	5.38	3.72	3.06	2.25	2.31
1Yr. PD, Fin.	7.65	4.85	4.83	3.89	3.53
IPSA	4015.3	4151.4	4783.4	4747.2	5341.9
CLP/USD	657.3	670.7	660.3	663.8	639.0
3m Treas. Yield (%)	3.61	3.35	3.09	3.09	3.09*
10Y Treas. Yield (%)	4.22	4.37	4.20	4.01	4.32
3m Interbank (%)	4.04	4.09	3.43	2.97	2.78
GDP (YoY%)	-	1.6	-	-	-
OECD CLI	99.44	99.28	99.22	100.68	102.08*
Money Supply (YoY%)	8.50	7.34	4.97	4.88	5.28
Sov. Rating, Moody's	Aa3	Aa3	Aa3	Aa3	Aa3
Sov. Rating, S&P	A+	A+	A+	A+	A+
5Y CDS (bps)	86.43	83.25	72.16	65.85	58.78
FDI (%GDP)	-	4.95	-	-	-



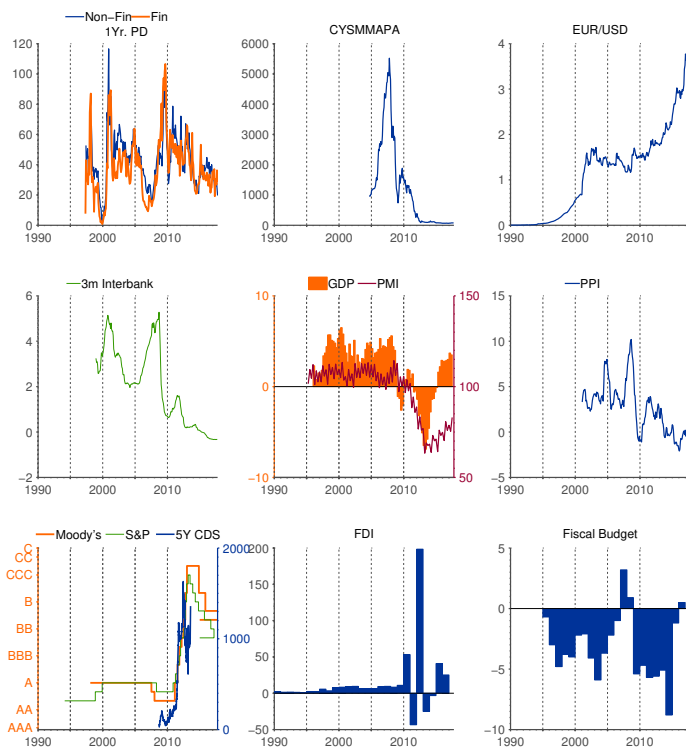
China	2016		2017		Q3
	Q3	Q4	Q1	Q2	
1Yr. PD, Non-Fin. (bps)	62.37	54.73	36.55	32.54	23.76
1Yr. PD, Fin.	65.34	61.68	37.00	31.66	26.24
SSE Composite	3005	3104	3223	3192	3349
USD/CNY	6.67	6.95	6.89	6.78	6.65
3m Treas. Yield (%)	2.63*	-	-	-	-
10Y Treas. Yield (%)	2.74	3.06	3.29	3.57	3.62
3m Interbank (%)	2.80	3.27	4.39	4.50	4.36
GDP (YoY%)	6.7	6.8	6.9	6.9	6.8
OECD CLI	99.15	99.07	99.18	99.75	100.12*
PMI	50.4	51.4	51.8	51.7	52.4
PPI (YoY%)	0.10	5.50	7.60	5.50	6.90
Money Supply (YoY%)	11.50	11.30	10.60	9.40	9.20
Sov. Rating, Moody's	A1	A1	A1	A1	A1
Sov. Rating, S&P	A+	A+	A+	A+	A+
5Y CDS (bps)	106.50	113.67	81.99	69.43	62.00
FDI (%GDP)	-	1.52	-	-	-



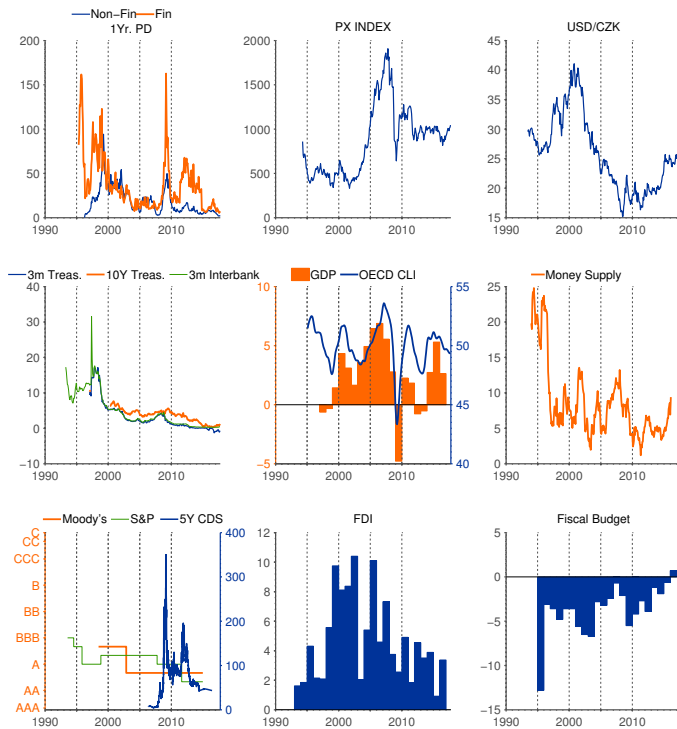
Colombia	2016		2017		Q3
	Q3	Q4	Q1	Q2	
1Yr. PD, Non-Fin. (bps)	17.36	13.06	11.20	9.92	6.80
1Yr. PD, Fin.	25.55	27.43	33.34	23.72	24.13
IGBC	3939	3995	4097	4363	4413
COP/USD	2881	3001	2874	3043	2939
10Y Treas. Yield (%)	7.00	7.11	6.65	6.42	6.57
3m Interbank (%)	6.97	5.46	6.22	5.85	5.45
GDP (YoY%)	-	2.0	-	-	-
PPI (YoY%)	3.38	1.62	0.55	-0.84	1.18
Sov. Rating, Moody's	Baa2	Baa2	Baa2	Baa2	Baa2
Sov. Rating, S&P	BBB	BBB	BBB	BBB	BBB
5Y CDS (bps)	169.9	164.2	134.0	136.1	122.2
FDI (%GDP)	-	4.85	-	-	-
Fiscal Budget (%GDP)	-	-3.82	-	-	-



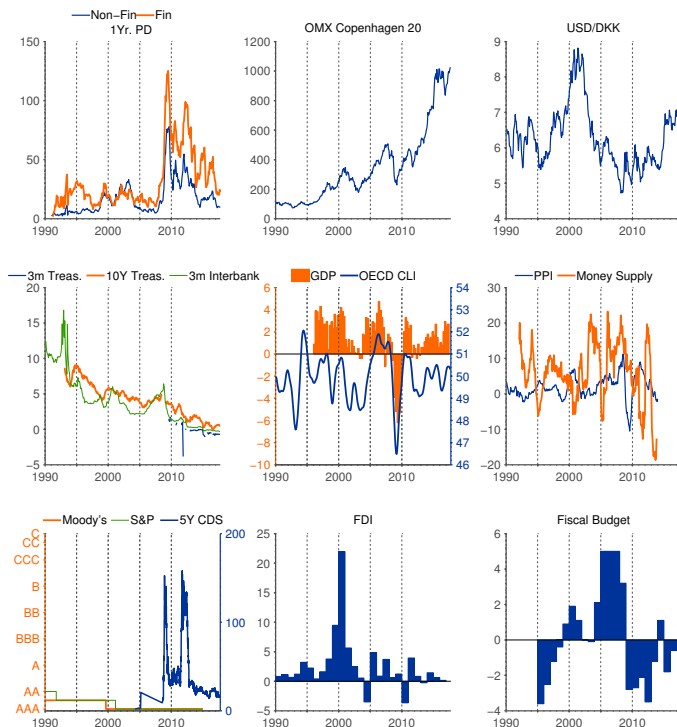
Croatia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	19.86	15.97	13.92	15.41	21.94
1Yr. PD, Fin.	16.34	17.43	19.99	26.18	35.41
CROBEX	1941	1995	1989	1866	1811
USD/HRK	6.69	7.18	6.99	6.49	6.34
3m Interbank (%)	0.61	0.57	0.33	0.36	0.36
GDP (YoY%)	-	3.0	-	-	-
PPI (YoY%)	-3.2	0.0	1.2	0.3	1.9
Money Supply (YoY%)	4.3	4.7	3.7	2.9	3.3
Sov. Rating, Moody's	Ba2	Ba2	Ba2	Ba2	Ba2
Sov. Rating, S&P	BB	BB	BB	BB	BB
5Y CDS (bps)	225.9	-	-	-	-
FDI (%GDP)	-	3.70	-	-	-
Fiscal Budget (%GDP)	-	0.36	-	-	-



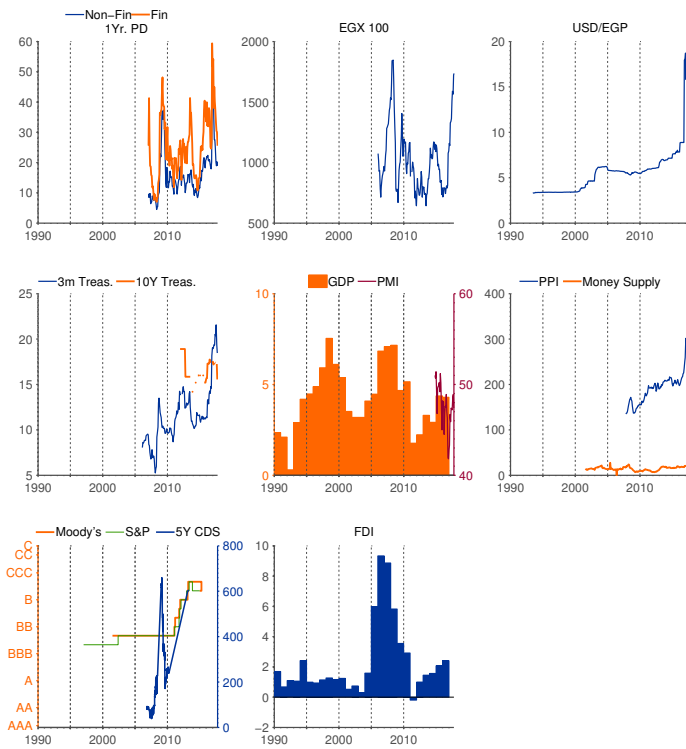
Cyprus	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	35.39	31.33	28.00	27.16	19.65
1Yr. PD, Fin.	24.94	35.65	37.09	30.33	28.83
CYSMMAPA	66.2	66.4	68.1	76.7	74.1
EUR/USD	3.00	3.52	3.64	3.52	3.56
3m Interbank (%)	-0.30	-0.32	-0.33	-0.33	-0.33
GDP (YoY%)	2.90	3.00	3.70	3.50	-
PMI	75.9	78.7	75.4	83.0	-
PPI (YoY%)	0.1	0.2	0.0	1.0	0.6
Sov. Rating, Moody's	Ba3	Ba3	Ba3	Ba3	Ba3
Sov. Rating, S&P	BB+	BB+	BB+	BB+	BB+
FDI (%GDP)	-	25.15	-	-	-
Fiscal Budget (%GDP)	-	0.50	-	-	-



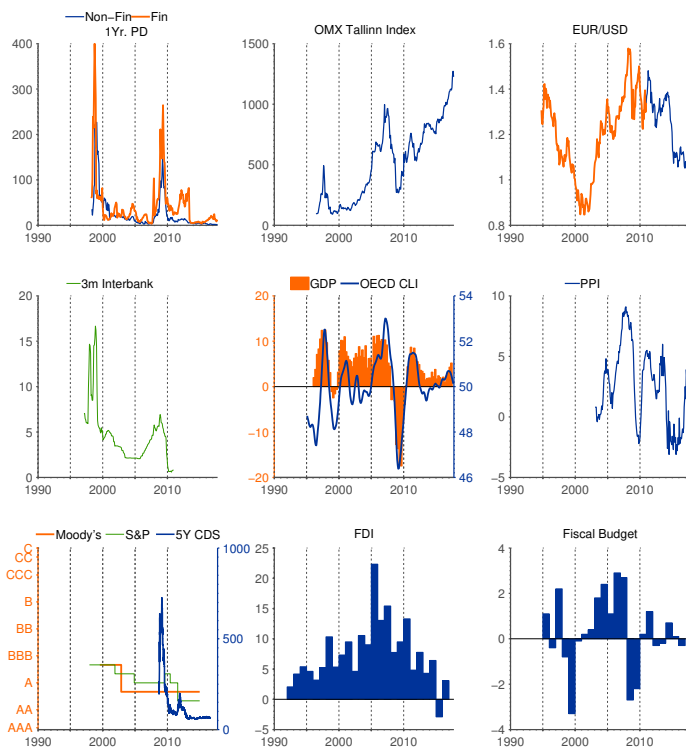
Czech Republic	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	6.55	5.33	3.75	1.84	2.42
1Yr. PD, Fin.	13.32	10.42	10.89	7.13	7.13
PX INDEX	864	922	981	980	1045
USD/CZK	24.04	25.70	25.38	22.86	22.00
3m Treas. Yield (%)	-0.72	-0.97	-0.89	-0.41	-0.67
10Y Treas. Yield (%)	0.29	0.55	1.00	0.96	1.24
3m Interbank (%)	0.29	0.28	0.28	0.30	0.47
GDP (YoY%)	-	2.6	-	-	-
OECD CLI	99.67	99.71	99.59	99.39	99.37*
Sov. Rating, Moody's	A1	A1	A1	A1	A1
Sov. Rating, S&P	AA-	AA-	AA-	AA-	AA-
FDI (%GDP)	-	3.37	-	-	-
Fiscal Budget (%GDP)	-	0.70	-	-	-



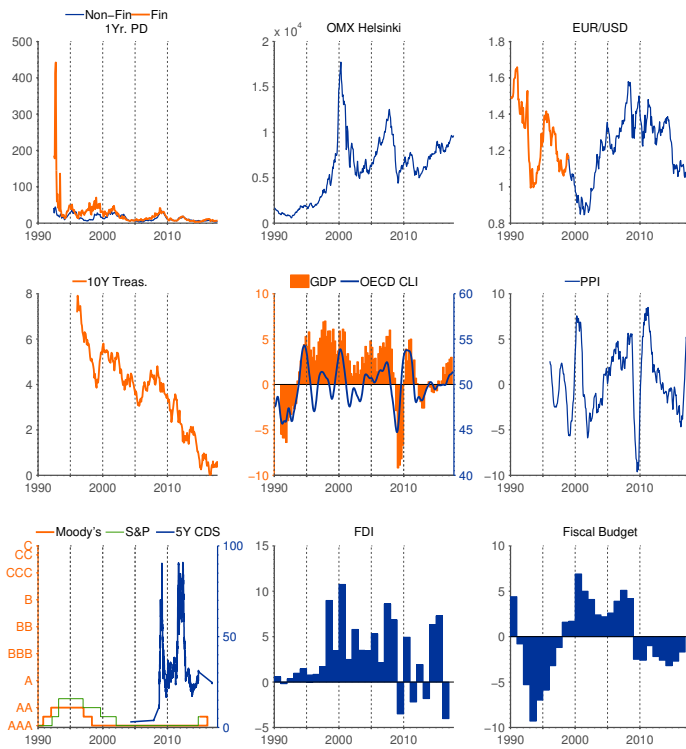
Denmark	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	16.81	15.85	9.31	10.38	9.61
1Yr. PD, Fin.	39.49	30.85	22.86	21.63	22.72
OMX Copenhagen 20	897.1	884.0	915.5	988.1	1024.1
USD/DKK	6.63	7.07	6.98	6.51	6.30
3m Treas. Yield (%)	-0.66	-0.79	-0.69	-0.68	-0.68
10Y Treas. Yield (%)	0.01	0.33	0.60	0.67	0.55
3m Interbank (%)	-0.19	-0.23	-0.26	-0.24	-0.31
GDP (YoY%)	2.0	2.9	2.5	2.7	-
OECD CLI	99.75	100.18	100.43	100.43	100.30*
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
5Y CDS (bps)	23.69	22.69	17.04	18.35	15.39
FDI (%GDP)	-	0.15	-	-	-
Fiscal Budget (%GDP)	-	-0.60	-	-	-



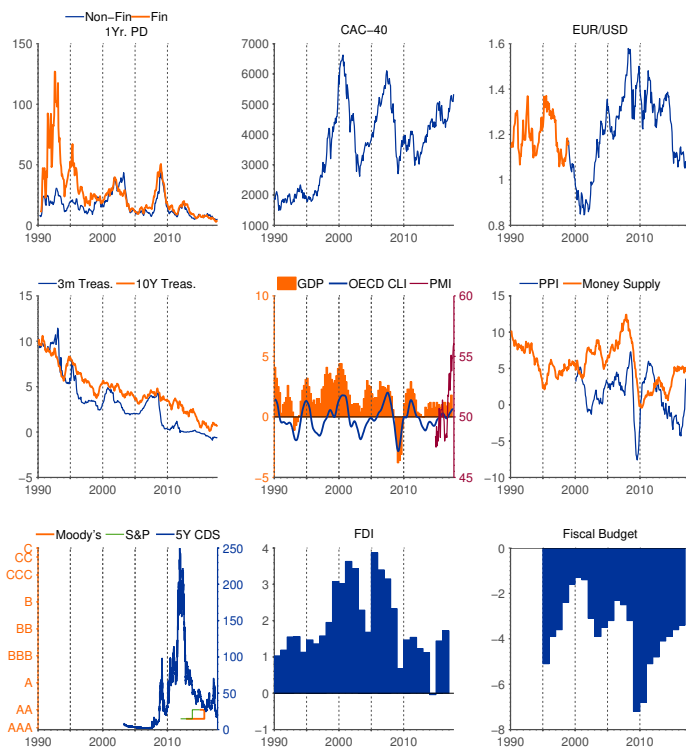
Egypt	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	17.92	47.47	27.59	20.12	18.93
1Yr. PD, Fin.	24.59	51.71	45.00	33.33	25.56
EGX 100	790.3	1096.0	1327.7	1509.2	1723.8
USD/EGP	8.88	18.13	18.17	18.13	17.64
3m Treas. Yield (%)	14.78	19.04	19.38	20.38	18.46
10Y Treas. Yield (%)	17.40*	17.40	17.40	17.40	15.55
GDP (YoY%)	-	4.3	-	-	-
PMI	46.3	42.8	45.9	47.2	47.4
PPI (YoY%)	225.5	259.3	278.2	291.4	307.6*
Money Supply (YoY%)	18.0	20.2	19.1	23.5	21.6
Sov. Rating, Moody's	B3	B3	B3	B3	B3
Sov. Rating, S&P	B-	B-	B-	B-	B-
FDI (%GDP)	-	2.41	-	-	-



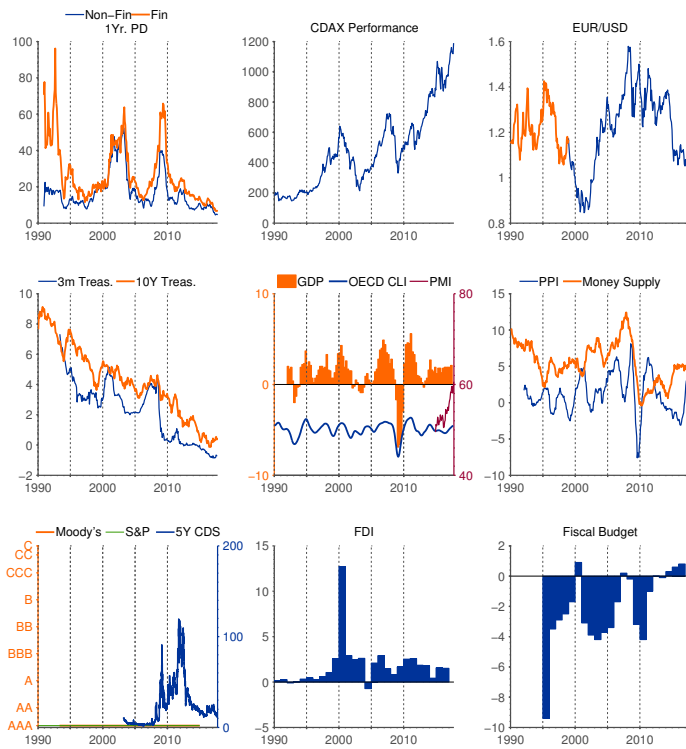
Estonia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	2.91	1.76	1.79	1.64	1.42
1Yr. PD, Fin.	20.91	16.59	24.42	10.04	11.83
OMX Tallinn Index	1001	1076	1122	1137	1226
EUR/USD	1.12	1.05	1.07	1.14	1.18
GDP (YoY%)	2.4	3.2	4.3	5.2	-
OECD CLI	100.64	100.68	100.60	100.35	100.13*
PPI (YoY%)	-0.9	2.5	3.1	3.3	4.5
Sov. Rating, Moody's	A1	A1	A1	A1	A1
Sov. Rating, S&P	AA-	AA-	AA-	AA-	AA-
5Y CDS (bps)	65.7*	-	-	-	-
FDI (%GDP)	-	3.09	-	-	-
Fiscal Budget (%GDP)	-	-0.30	-	-	-



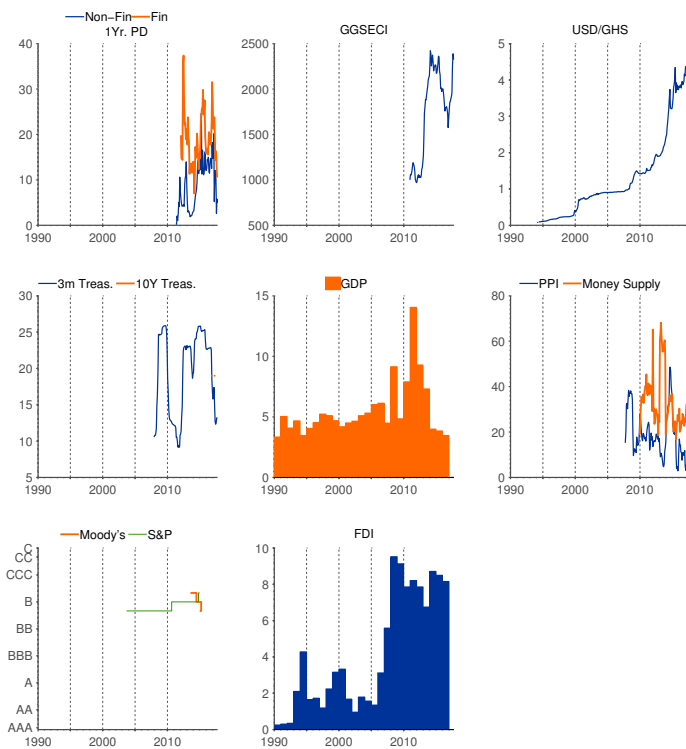
Finland	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	6.06	5.21	3.81	3.12	3.77
1Yr. PD, Fin.	7.07	9.09	4.97	5.55	7.62
OMX Helsinki	8626	8902	9165	9568	9652
EUR/USD	1.12	1.05	1.07	1.14	1.18
10Y Treas. Yield (%)	0.03	0.35	0.45	0.50	0.62
GDP (YoY%)	2.3	2.4	2.8	3.0	-
OECD CLI	100.47	100.93	101.11	101.28	101.39*
PPI (YoY%)	-1.4	2.4	4.7	3.3	4.0
Sov. Rating, Moody's	Aa1	Aa1	Aa1	Aa1	Aa1
Sov. Rating, S&P	AA+	AA+	AA+	AA+	AA+
5Y CDS (bps)	-	24.1	-	-	-
FDI (%GDP)	-	-4.03	-	-	-
Fiscal Budget (%GDP)	-	-1.70	-	-	-



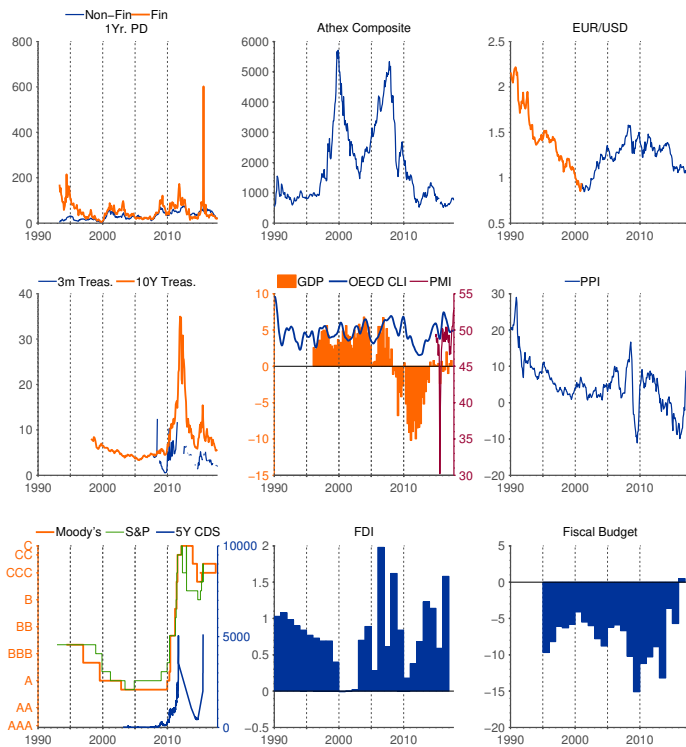
France	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	6.97	6.65	5.25	4.71	4.87
1Yr. PD, Fin.	4.93	5.66	4.96	2.75	3.57
CAC-40	4448	4862	5123	5121	5330
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	-0.69	-0.90	-0.57	-0.60	-0.59
10Y Treas. Yield (%)	0.19	0.69	0.97	0.81	0.74
GDP (YoY%)	0.9	1.2	1.1	1.8	-
OECD CLI	99.92	100.17	100.40	100.62	100.62*
PMI	49.7	53.5	53.3	54.8	56.1
PPI (YoY%)	-1.5	1.6	2.9	1.6	2.1
Money Supply (YoY%)	5.1	5.1	5.2	5.0	5.1
Sov. Rating, Moody's	Aa2	Aa2	Aa2	Aa2	Aa2
Sov. Rating, S&P	AA	AA	AA	AA	AA
5Y CDS (bps)	29.20	37.01	50.37	21.81	20.42
FDI (%GDP)	-	1.72	-	-	-
Fiscal Budget (%GDP)	-	-3.40	-	-	-



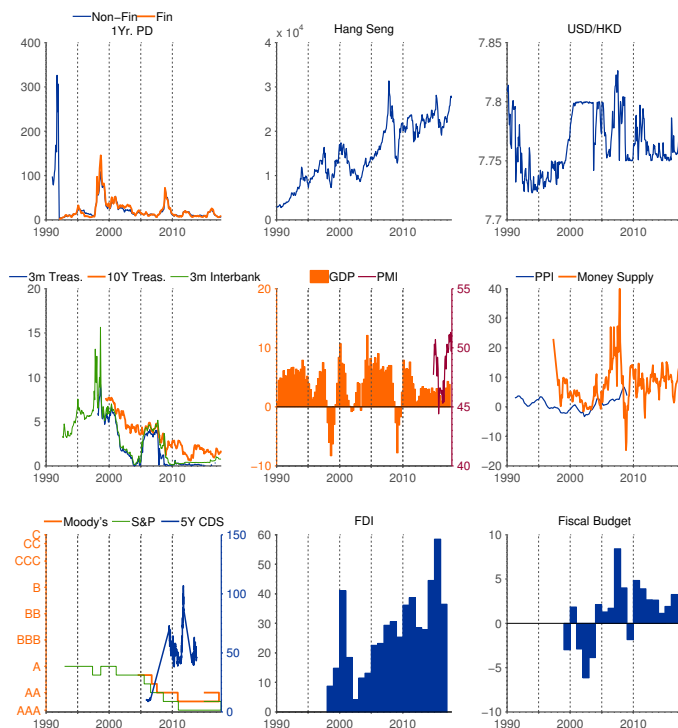
Germany	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	8.41	7.97	5.84	4.73	4.49
1Yr. PD, Fin.	10.63	10.54	7.61	6.73	7.13
CDAX Performance	971	1043	1121	1132	1190
EUR/USD	1	1	1	1	1
3m Treas. Yield (%)	-0.76	-0.85	-0.82	-0.82	-0.70
10Y Treas. Yield (%)	-0.12	0.21	0.33	0.47	0.46
GDP (YoY%)	1.9	1.9	1.9	2.1	-
OECD CLI	99.61	100.06	100.45	100.78	100.88*
PMI	54.3	55.6	58.3	59.6	60.6
PPI (YoY%)	-1.4	1.0	3.1	2.4	3.1
Money Supply (YoY%)	5.1	5.1	5.2	5.0	5.1
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
5Y CDS (bps)	19.2	21.8	17.1	15.5	12.5
FDI (%GDP)	-	1.51	-	-	-
Fiscal Budget (%GDP)	-	0.80	-	-	-



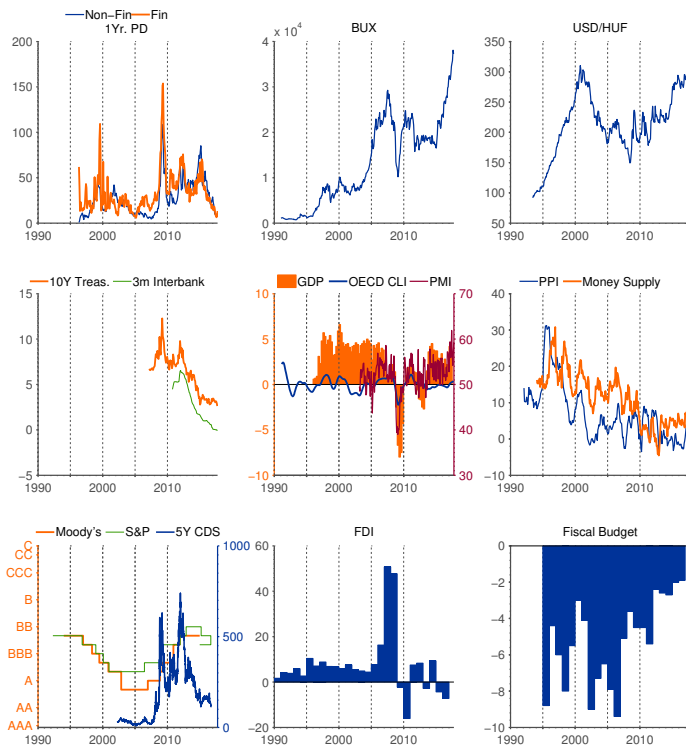
Ghana	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	14.65	14.72	5.20	10.12	4.94
1Yr. PD, Fin.	19.37	27.80	23.81	16.30	10.72
GGSECI	1775	1689	1865	1965	2326
3m Treas. Yield (%)	22.87	16.75	17.39	12.32	13.15
10Y Treas. Yield (%)	-	19.00*	-	19.00*	-
GDP (YoY%)	-	3.5	-	-	-
PPI (YoY%)	9.7	4.8	6.0	3.2	7.6
Money Supply (YoY%)	26.5	24.6	32.5	33.0	33.7*
Sov. Rating, Moody's	B1	B1	B1	B1	B1
Sov. Rating, S&P	B-	B-	B-	B-	B-
FDI (%GDP)	-	8.16	-	-	-



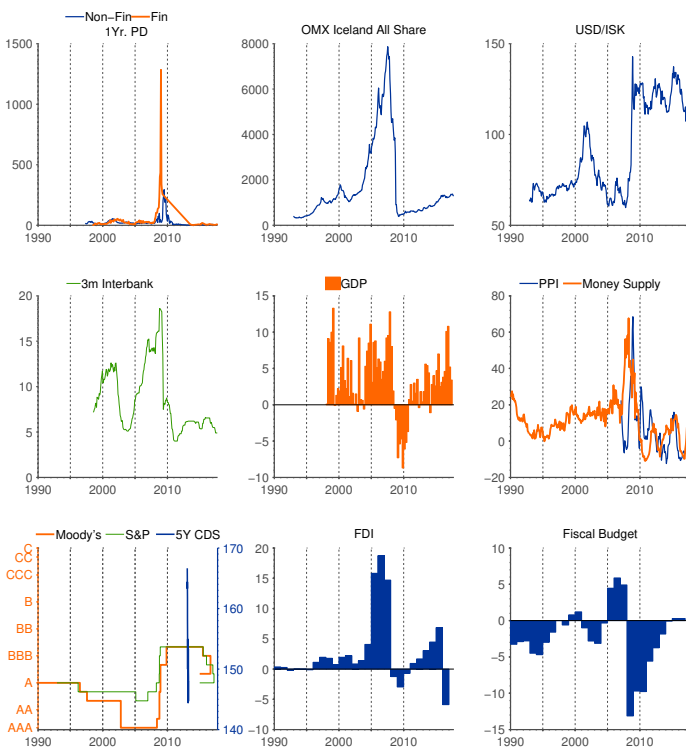
Greece	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	51.46	47.02	35.34	23.84	23.20
1Yr. PD, Fin.	38.83	32.12	32.93	19.59	23.02
Athex Composite	565.5	643.6	666.1	823.7	755.6
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	3.34	2.59	2.43*	-	2.02
10Y Treas. Yield (%)	8.28	7.11	6.99	5.42	5.66
GDP (YoY%)	2.0	-1.0	0.4	0.8	-
OECD CLI	100.88	99.93	99.73	99.94	99.81*
PMI	49.2	49.3	46.7	50.5	52.8
PPI (YoY%)	-3.2	3.0	6.0	1.2	4.1
Sov. Rating, Moody's	Caa2	Caa2	Caa2	Caa2	Caa2
Sov. Rating, S&P	CCC+	CCC+	CCC+	CCC+	CCC+
FDI (%GDP)	-	1.58	-	-	-
Fiscal Budget (%GDP)	-	0.50	-	-	-



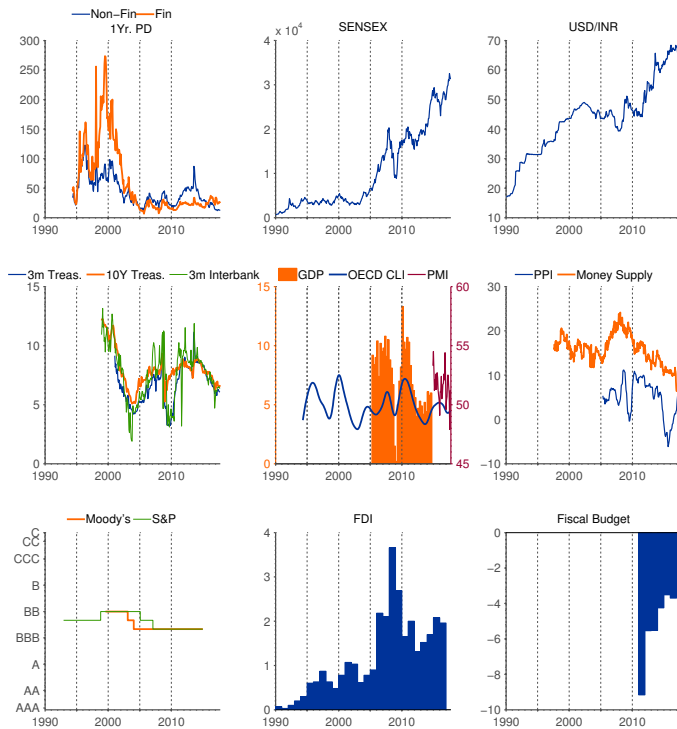
Hong Kong	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	10.12	9.68	6.52	5.82	6.19
1Yr. PD, Fin.	12.04	9.05	6.17	7.09	8.46
Hang Seng	23297	22001	24112	25765	27554
USD/HKD	7.76	7.76	7.77	7.81	7.81
3m Treas. Yield (%)	-	0.33*	-	-	-
10Y Treas. Yield (%)	1.06	1.97	1.67	1.49	1.71
3m Interbank (%)	0.59	1.02	0.94	0.78	0.78
GDP (YoY%)	2.0	3.2	4.3	3.8	-
PMI	49.3	50.3	49.9	51.1	51.2
Money Supply (YoY%)	7.80	8.90	13.70	15.90	13.20
Sov. Rating, Moody's	Aa2	Aa2	Aa2	Aa2	Aa2
Sov. Rating, S&P	AA+	AA+	AA+	AA+	AA+
FDI (%GDP)	-	36.49	-	-	-
Fiscal Budget (%GDP)	-	3.26	-	-	-



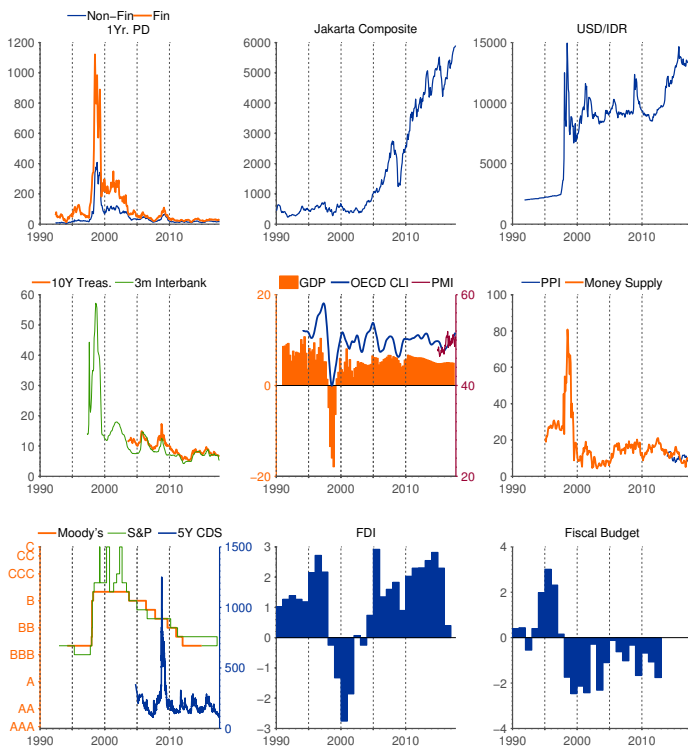
Hungary	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	24.19	28.83	14.36	9.99	8.06
1Yr. PD, Fin.	19.71	16.89	18.04	7.86	13.25
BUX	27664	32003	31634	35205	37291
USD/HUF	274.35	294.36	289.83	270.29	263.74
10Y Treas. Yield (%)	2.88	3.16	3.25	3.08	2.62
3m Interbank (%)	0.59	0.21	0.05	0.01	-0.11
GDP (YoY%)	2.20	1.60	4.20	3.20	-
OECD CLI	99.36	99.82	100.35	100.55	100.77*
PMI	57.2	52.8	55.9	56.9	59.3
PPI (YoY%)	-2.6	0.5	4.2	1.5	4.1
Money Supply (YoY%)	4.20	7.08	7.66	10.11	11.69*
Sov. Rating, Moody's	Ba1	Ba1	Ba1	Ba1	Ba1
Sov. Rating, S&P	BBB-	BBB-	BBB-	BBB-	BBB-
5Y CDS (bps)	115.11	-	-	-	-
FDI (%GDP)	-	-7.27	-	-	-
Fiscal Budget (%GDP)	-	-1.90	-	-	-



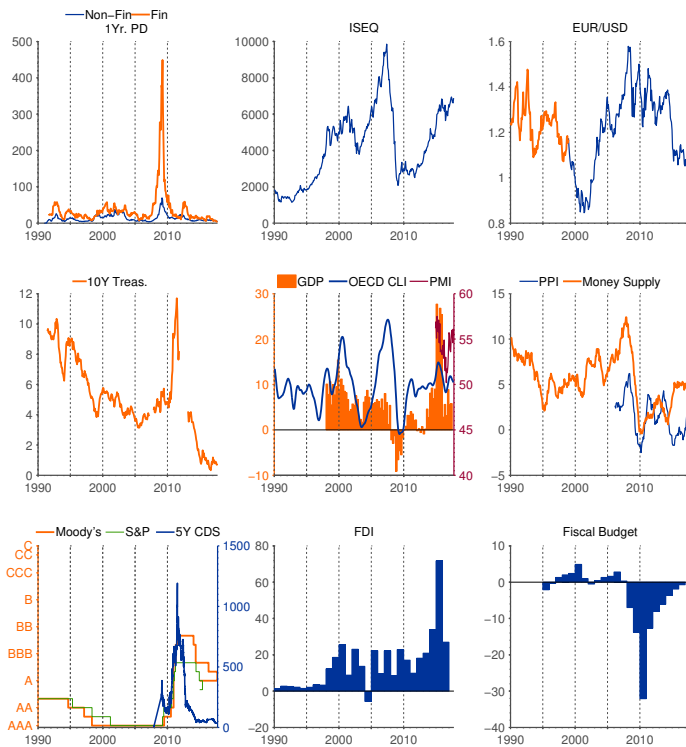
Iceland	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	5.30	6.92	4.47	3.21	6.69
1Yr. PD, Fin.	6.62	4.49	3.31	4.42	11.52
OMX Iceland All Share	1209	1232	1291	1347	1286
USD/ISK	113.82	113.34	113.49	101.81	106.11
3m Interbank (%)	5.95	5.60	5.50	4.90	4.90
GDP (YoY%)	10.1	10.8	5.2	3.4	-
PPI (YoY%)	-5.50	-6.10	-7.10	-10.20	-1.40
Money Supply (YoY%)	-8.41	-4.64	7.55	5.18	7.58
Sov. Rating, Moody's	A3	A3	A3	A3	A3
Sov. Rating, S&P	A	A	A	A	A
FDI (%GDP)	-	-5.88	-	-	-
Fiscal Budget (%GDP)	-	0.29	-	-	-



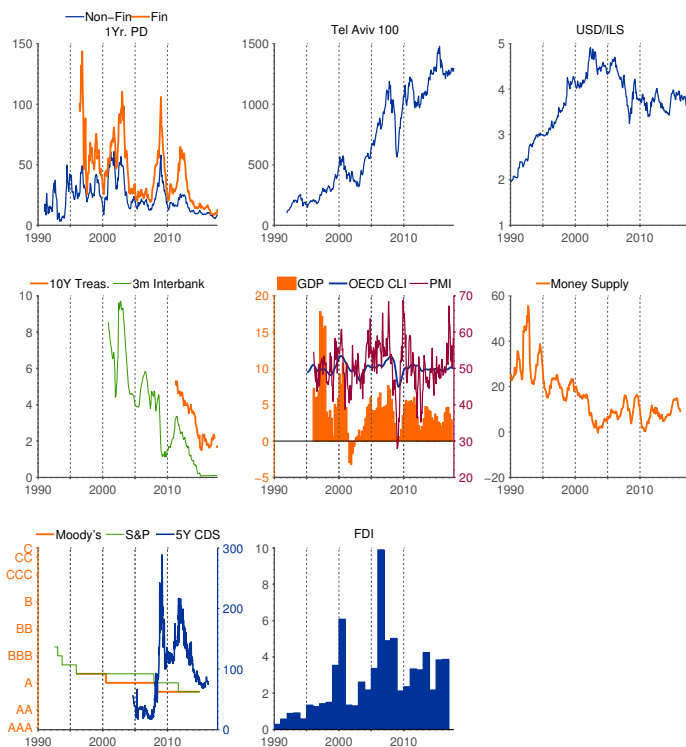
India	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	19.95	13.39	12.22	13.44	12.69
1Yr. PD, Fin.	27.73	33.55	25.64	24.56	24.81
SENSEX	27866	26626	29621	30922	31284
USD/INR	66.61	67.92	64.85	64.58	65.28
3m Treas. Yield (%)	6.42	6.20	5.78	6.29	6.08
10Y Treas. Yield (%)	6.82	6.51	6.68	6.51	6.66
3m Interbank (%)	7.04	5.36	6.14	6.47	6.38
OECD CLI	99.73	99.43	99.30	99.37	99.48*
PMI	52.1	49.6	52.5	50.9	51.2
PPI (YoY%)	1.4	2.1	5.1	0.9	2.6
Money Supply (YoY%)	11.7	6.5	7.3	7.4	6.0
Sov. Rating, Moody's	Baa3	Baa3	Baa3	Baa3	Baa3
Sov. Rating, S&P	BBB-	BBB-	BBB-	BBB-	BBB-
FDI (%GDP)	-	1.96	-	-	-
Fiscal Budget (%GDP)	-	-3.70	-	-	-



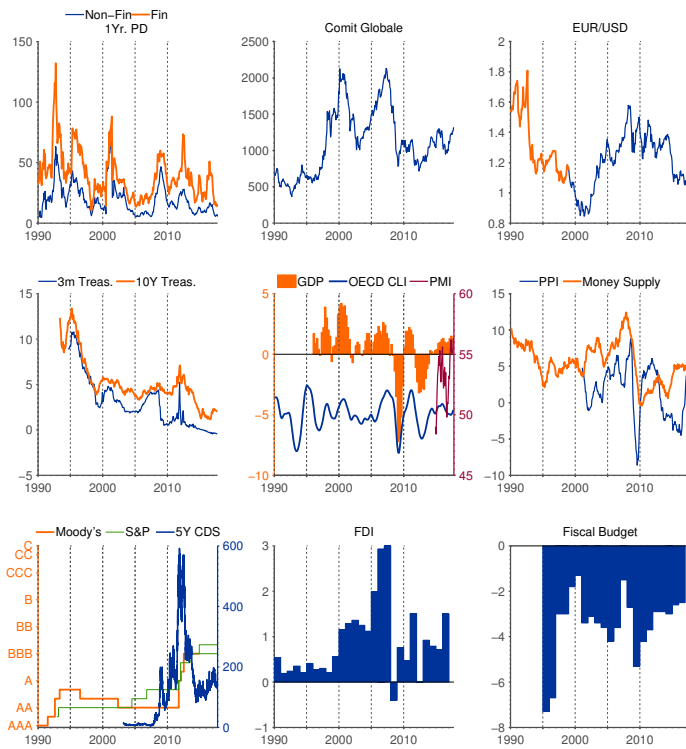
Indonesia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	16.96	18.16	14.40	16.18	16.59
1Yr. PD, Fin.	28.34	30.42	29.10	25.73	27.04
Jakarta Composite	5365	5297	5568	5830	5901
USD/IDR	13042.00	13473.00	13322.00	13348.00	13472.00
10Y Treas. Yield (%)	7.06	7.97	7.04	6.83	6.50
3m Interbank (%)	7.10	7.46	6.87	7.01	5.20
GDP (YoY%)	5.0	5.0	5.0	4.9	-
OECD CLI	99.21	99.58	100.21	101.12	101.61*
PMI	50.9	49.0	50.5	49.5	50.4
PPI (YoY%)	11.0	8.7	6.8	2.5	0.5
Money Supply (YoY%)	5.1	10.0	10.0	10.3	10.9
Sov. Rating, Moody's	Baa3	Baa3	Baa3	Baa3	Baa3
Sov. Rating, S&P	BBB-	BBB-	BBB-	BBB-	BBB-
5Y CDS (bps)	152.15	157.90	127.55	117.41	104.39
FDI (%GDP)	-	0.40	-	-	-



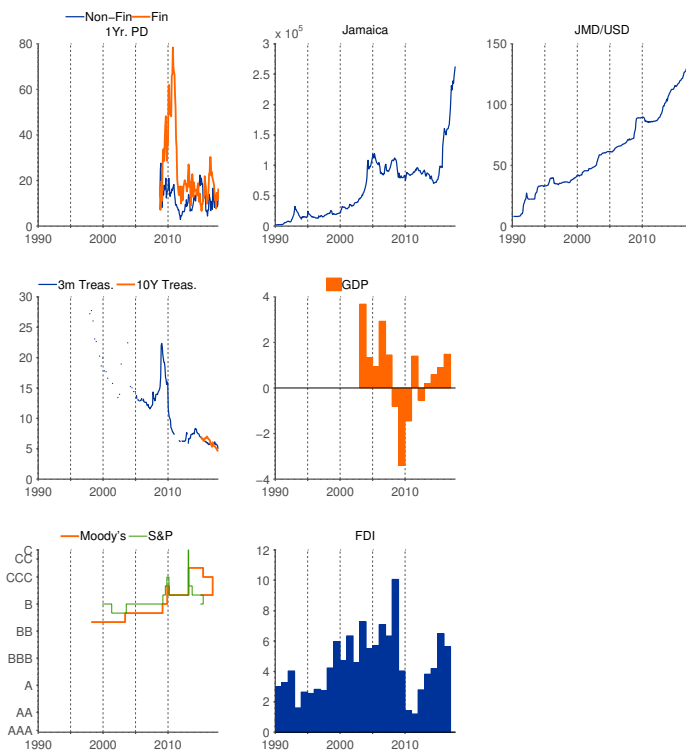
Ireland	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	7.10	8.62	7.68	6.24	3.69
1Yr. PD, Fin.	10.20	10.78	7.03	5.80	3.44
ISEQ	6035	6517	6659	6828	6882
EUR/USD	1.12	1.05	1.07	1.14	1.18
10Y Treas. Yield (%)	0.33	0.75	1.00	0.90	0.74
GDP (YoY%)	3.1	8.9	5.6	5.8	-
OECD CLI	99.64	100.63	100.91	100.51	100.23*
PMI	51.3	55.7	53.6	56.0	55.4
PPI (YoY%)	-0.7	0.2	1.8	2.0	2.8
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	A2	A2	A2	A2	A2
Sov. Rating, S&P	A+	A+	A+	A+	A+
5Y CDS (bps)	-	63.75	50.86	39.71*	31.72*
FDI (%GDP)	-	26.92	-	-	-
Fiscal Budget (%GDP)	-	-0.70	-	-	-



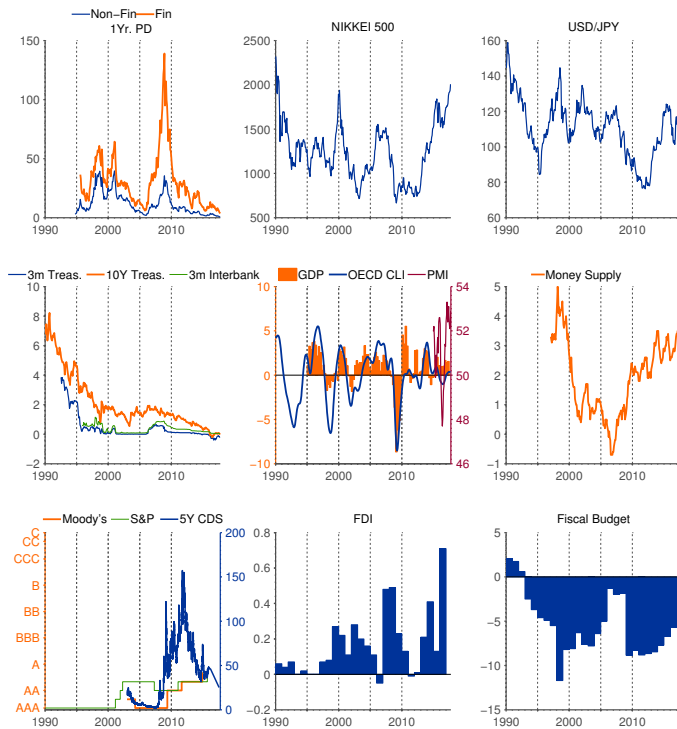
Israel	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	8.05	7.85	6.26	6.64	8.74
1Yr. PD, Fin.	9.56	9.15	8.68	9.26	13.35
Tel Aviv 100	1262	1282	1252	1289	1292
USD/ILS	3.76	3.84	3.62	3.50	3.54
10Y Treas. Yield (%)	1.73	2.06	2.36	2.13*	1.76
3m Interbank (%)	0.10	0.10	0.10	0.10	0.10
GDP (YoY%)	4.6	4.7	3.7	3.0	-
OECD CLI	99.73	100.02	100.28	100.12	100.03*
PMI	52.1	67.2	54.8	50.3	58.4*
Sov. Rating, Moody's	A1	A1	A1	A1	A1
Sov. Rating, S&P	A+	A+	A+	A+	A+
FDI (%GDP)	-	3.87	-	-	-



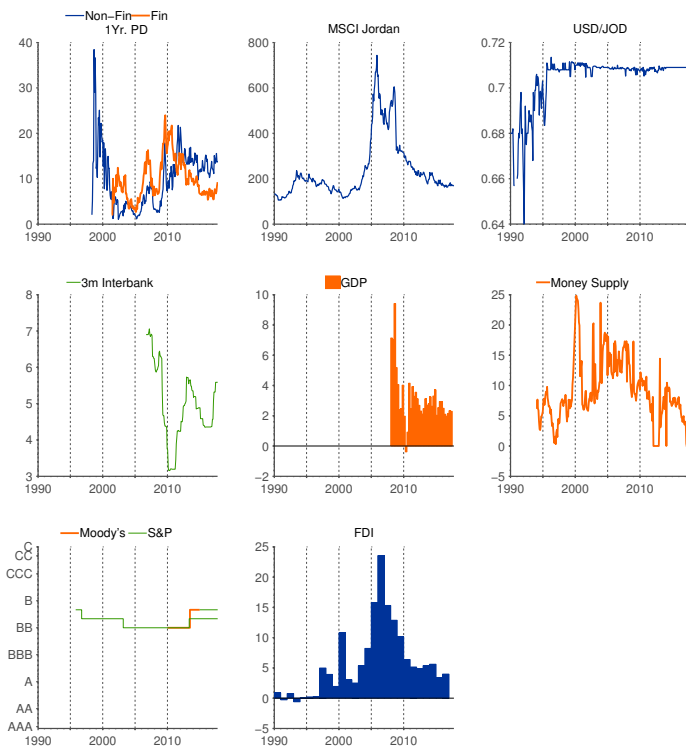
Italy	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	14.26	12.43	6.79	6.26	5.36
1Yr. PD, Fin.	41.30	31.20	15.45	15.71	13.95
Comit Globale	965	1124	1208	1219	1319
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	-0.39	-0.46	-0.33	-0.38	-0.41
10Y Treas. Yield (%)	1.19	1.81	2.32	2.16	2.11
GDP (YoY%)	0.9	1.0	1.3	1.5	-
OECD CLI	100.11	100.07	99.99	100.13	100.40*
PMI	51.0	53.2	55.7	55.2	56.3
PPI (YoY%)	-0.8	0.9	3.3	2.5	2.0
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	Baa2	Baa2	Baa2	Baa2	Baa2
Sov. Rating, S&P	BBB	BBB	BBB	BBB	BBB
5Y CDS (bps)	150.82	157.22	170.09	145.62	138.29
FDI (%GDP)	-	1.50	-	-	-
Fiscal Budget (%GDP)	-	-2.50	-	-	-



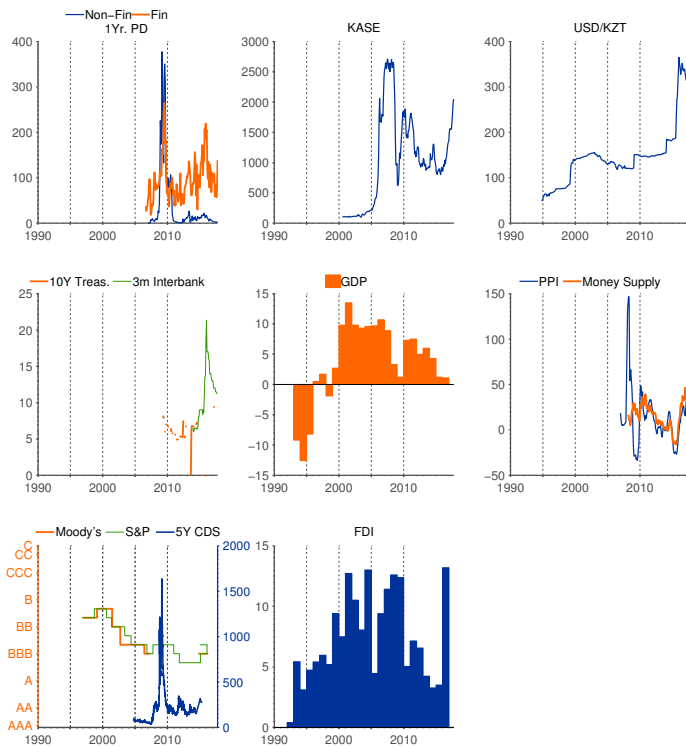
Jamaica	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	10.55	13.32	13.58	10.75	13.90
1Yr. PD, Fin.	23.77	19.40	11.43	14.55	16.44
Jamaica	164474	192274	223834	235043	262729
JMD/USD	127.58	128.85	128.13	128.34	129.55
3m Treas. Yield (%)	5.86	5.68	6.13	5.77	4.98
10Y Treas. Yield (%)	5.45	5.84	5.38	5.00	4.78
GDP (YoY%)	-	1.5	-	-	-
Sov. Rating, Moody's	B3	B3	B3	B3	B3
Sov. Rating, S&P	B	B	B	B	B
FDI (%GDP)	-	5.64	-	-	-



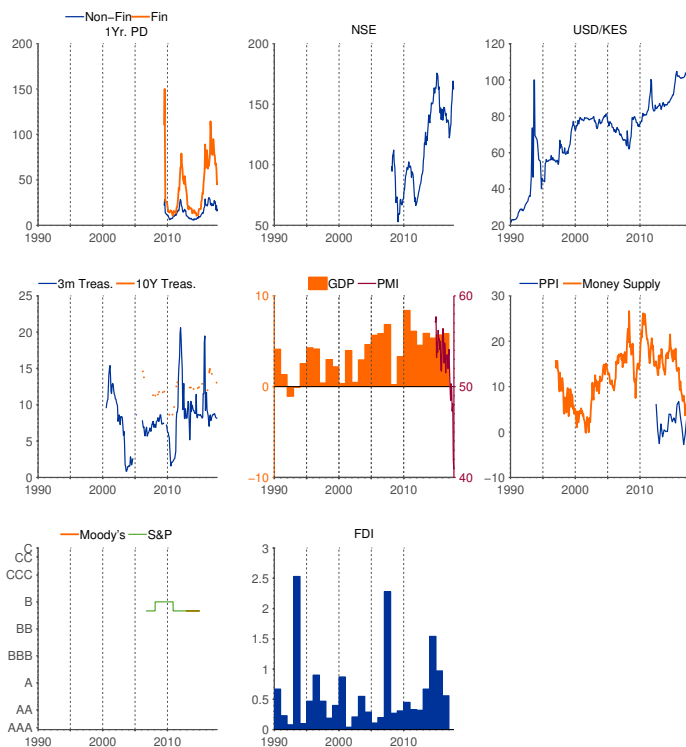
Japan	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	2.09	1.75	1.43	1.23	0.61
1Yr. PD, Fin.	8.74	7.31	7.72	6.25	3.57
NIKKEI 500	1572	1744	1760	1910	2007
USD/JPY	101.35	116.96	111.39	112.39	112.51
3m Treas. Yield (%)	-0.40	-0.39	-0.20	-0.09	-0.17
10Y Treas. Yield (%)	-0.09	0.05	0.07	0.09	0.07
3m Interbank (%)	0.06	0.06	0.06	0.06	0.06
GDP (YoY%)	1.0	1.7	1.4	1.6	-
OECD CLI	99.71	99.97	100.10	100.15	100.12*
PMI	50.4	52.4	52.4	52.4	52.9
Money Supply (YoY%)	2.90	3.40	3.50	3.30	3.40
Sov. Rating, Moody's	A1	A1	A1	A1	A1
Sov. Rating, S&P	A+	A+	A+	A+	A+
5Y CDS (bps)	-	-	-	-	25.17*
FDI (%GDP)	-	0.71	-	-	-
Fiscal Budget (%GDP)	-	-5.67	-	-	-



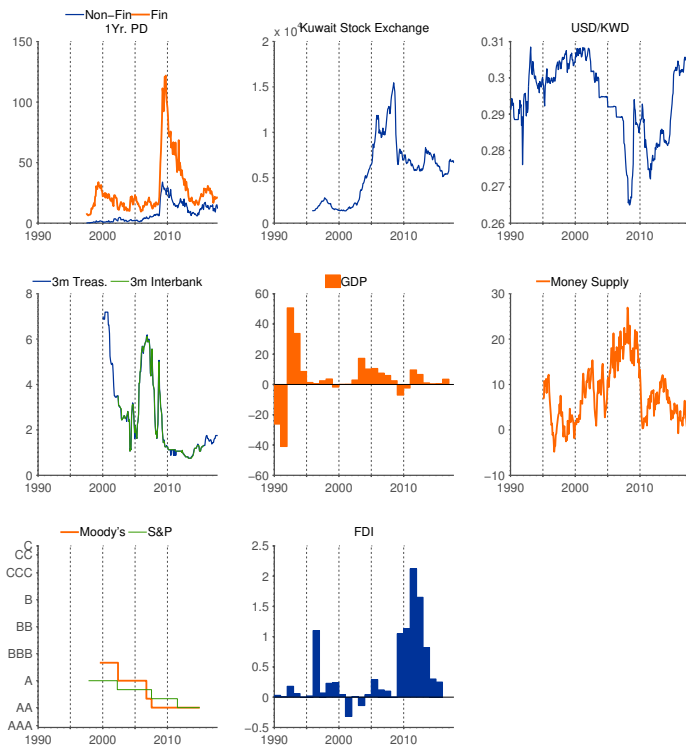
Jordan	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	12.58	12.09	15.10	14.26	13.79
1Yr. PD, Fin.	6.10	6.16	6.95	6.76	9.24
MSCI Jordan	163	172	182	172	167
USD/JOD	0.71	0.71	0.71	0.71	0.71
3m Interbank (%)	4.36	4.57	5.32	5.59	5.59
GDP (YoY%)	2.0	2.1	2.3	2.3	-
Money Supply (YoY%)	4.94	4.02	-0.16	2.38	0.63*
Sov. Rating, Moody's	B1	B1	B1	B1	B1
Sov. Rating, S&P	B+	B+	B+	B+	B+
FDI (%GDP)	-	3.98	-	-	-



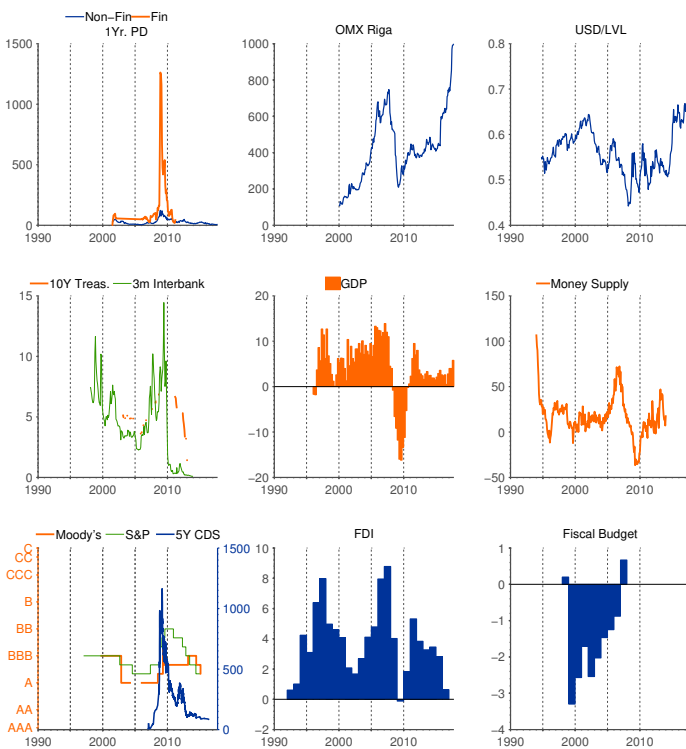
Kazakhstan	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	7.02	3.75	2.83	1.84	3.06
1Yr. PD, Fin.	68.42	91.52	108.87	83.92	138.84
KASE	1191	1358	1554	1660	2049
USD/KZT	335.84	333.69	313.65	322.18	340.68
10Y Treas. Yield (%)	-	-	9.40	-	-
3m Interbank (%)	14.00	13.00	12.00	11.50	11.25
GDP (YoY%)	-	1.1	-	-	-
PPI (YoY%)	26.1	15.5	26.7	9.6	9.5
Money Supply (YoY%)	32.54	46.39	30.68	27.46	26.04
Sov. Rating, S&P	BBB-	BBB-	BBB-	BBB-	BBB-
FDI (%GDP)	-	13.20	-	-	-



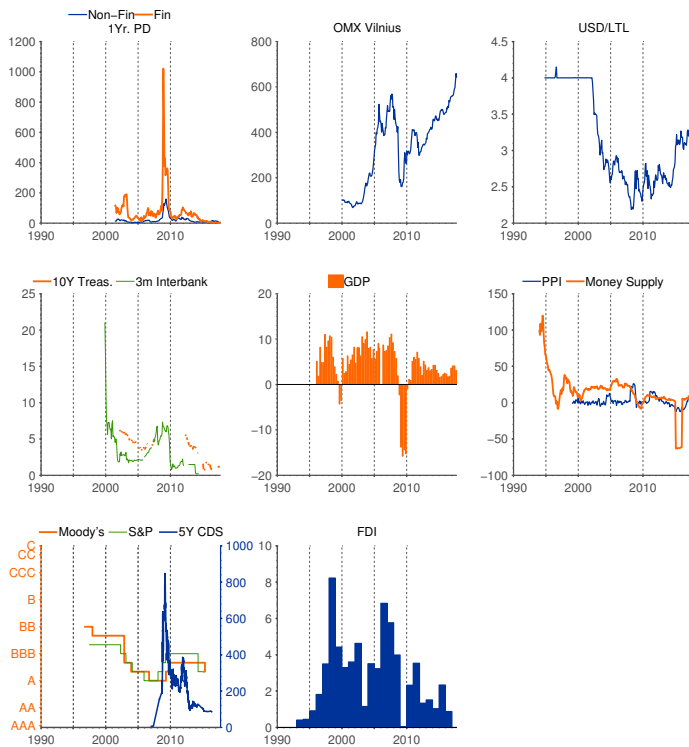
Kenya	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	24.21	23.14	27.23	16.89	17.97
1Yr. PD, Fin.	100.81	77.38	78.22	67.98	47.62
NSE	137	133	131	153	162
3m Treas. Yield (%)	7.82	8.55	8.76	8.28	8.13
10Y Treas. Yield (%)	15.04*	14.26*	-	-	13.07
GDP (YoY%)	-	5.8	-	-	-
PMI	53.5	54.1	48.5	47.3	40.9
PPI (YoY%)	-2.8	-0.5	3.4	6.4	5.4
Money Supply (YoY%)	8.01	3.67	6.41	6.00	7.67*
Sov. Rating, Moody's	B1	B1	B1	B1	B1
Sov. Rating, S&P	B+	B+	B+	B+	B+
FDI (%GDP)	-	0.56	-	-	-



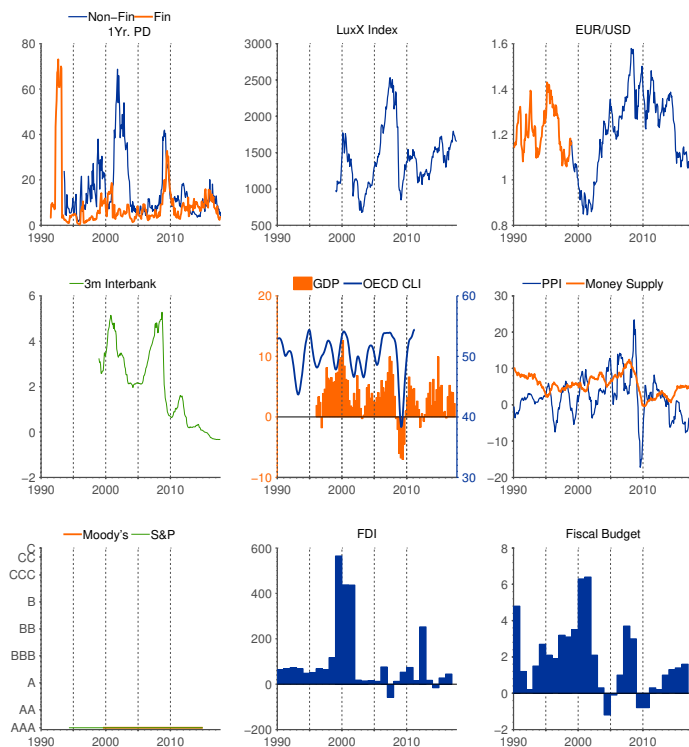
Kuwait	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	14.00	15.15	11.99	13.89	11.94
1Yr. PD, Fin.	26.46	22.79	20.44	21.11	20.92
Kuwait Stock Exchange	5398	5748	7029	6763	6680
USD/KWD	0.30	0.31	0.30	0.30	0.30
3m Treas. Yield (%)	1.56	1.44	1.56	1.75	1.75
GDP (YoY%)	-	3.5	-	-	-
Money Supply (YoY%)	2.56	3.50	0.66	0.31	2.74*
Sov. Rating, Moody's	Aa2	Aa2	Aa2	Aa2	Aa2
Sov. Rating, S&P	AA	AA	AA	AA	AA



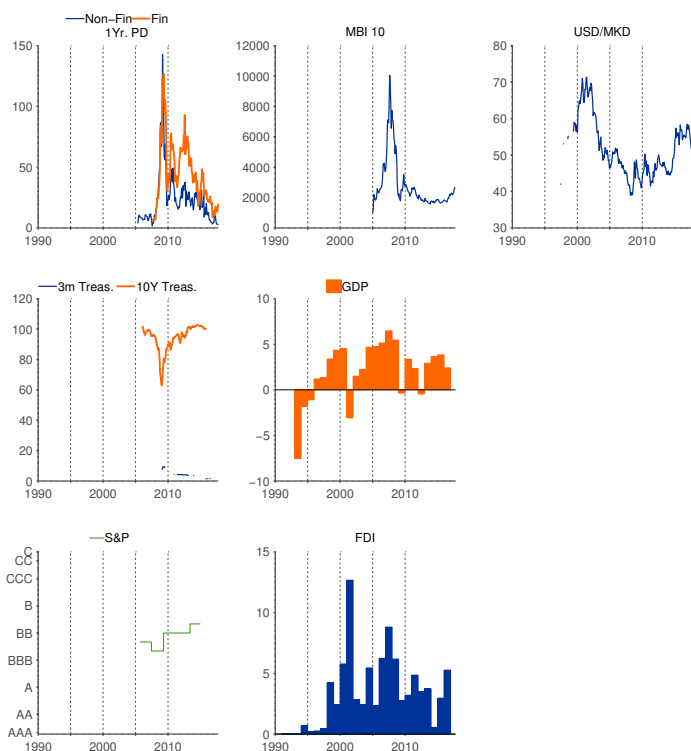
Latvia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	6.76	9.78	6.74	5.43	6.47
OMX Riga	709	734	770	970	999
USD/LVL	0.63	0.67	0.66	0.62	0.59
GDP (YoY%)	0.5	2.8	4.0	4.0	5.8
Sov. Rating, Moody's	A3	A3	A3	A3	A3
Sov. Rating, S&P	A-	A-	A-	A-	A-
FDI (%GDP)	-	0.64	-	-	-



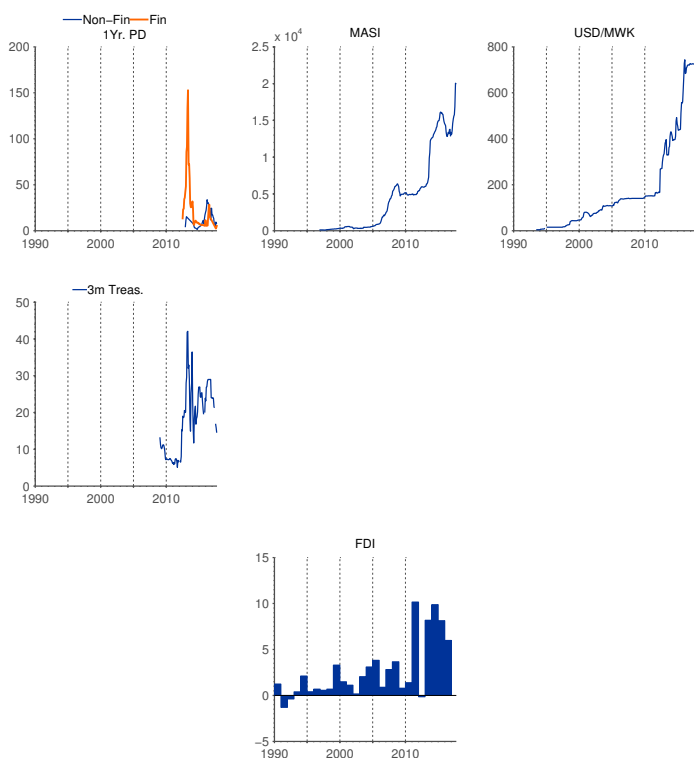
Lithuania	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	9.48	14.16	12.84	4.68	6.27
1Yr. PD, Fin.	2.95	3.23	2.36	2.54	1.50
OMX Vilnius	544	558	565	597	642
USD/LTL	3.07	3.28	3.24	3.02	2.92
10Y Treas. Yield (%)	-	-	-	1.15	1.18*
GDP (YoY%)	1.8	3.6	4.1	4.1	3.1
PPI (YoY%)	-0.6	5.5	8.2	1.3	3.9
Money Supply (YoY%)	6.60	7.30	8.00	-	-
Sov. Rating, Moody's	A3	A3	A3	A3	A3
Sov. Rating, S&P	A-	A-	A-	A-	A-
FDI (%GDP)	-	0.88	-	-	-



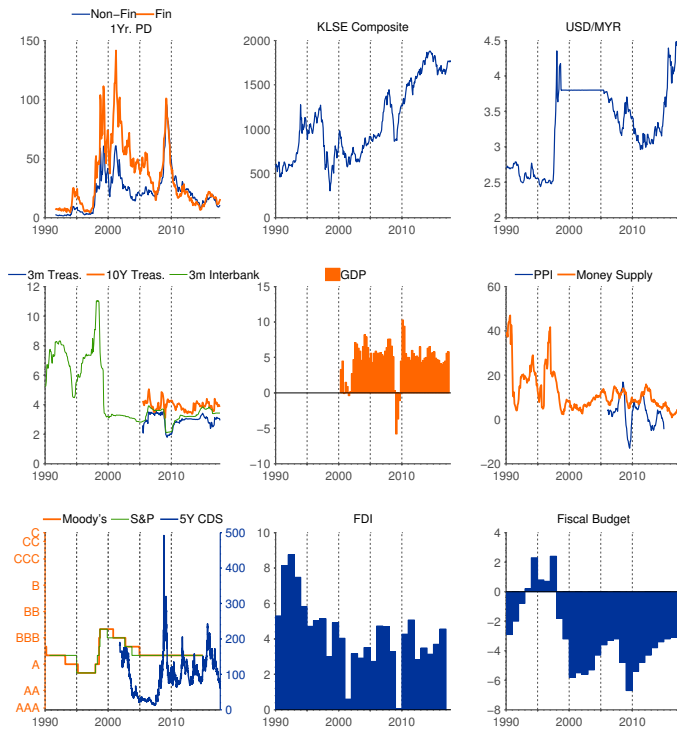
Luxembourg	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	12.94	11.08	8.47	7.12	3.81
1Yr. PD, Fin.	7.84	7.15	8.43	2.82	4.00
LuxX Index	1578	1669	1795	1711	1652
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Interbank (%)	-0.30	-0.32	-0.33	-0.33	-0.33
GDP (YoY%)	5.2	4.1	4.0	2.2	-
PPI (YoY%)	-7.4	-6.2	-3.3	-3.2	0.9
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
FDI (%GDP)	-	44.80	-	-	-
Fiscal Budget (%GDP)	-	1.60	-	-	-



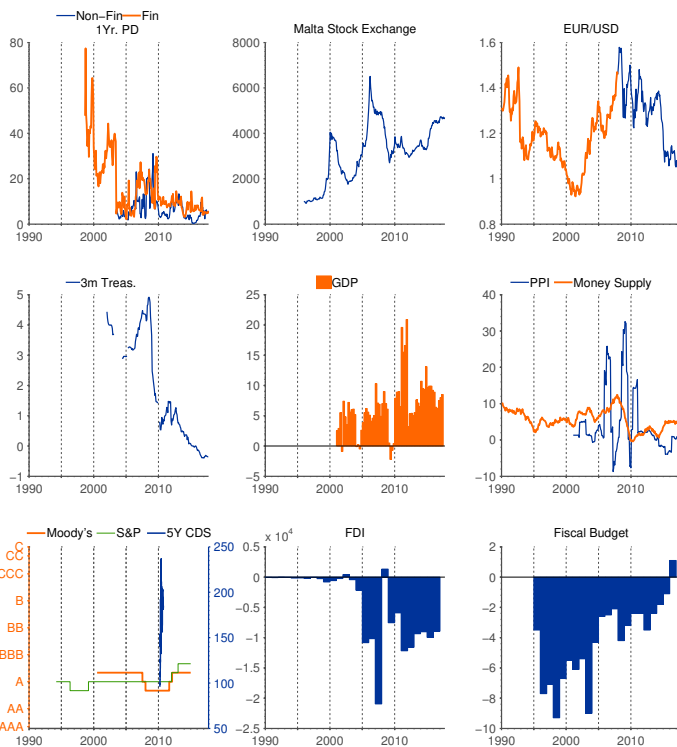
Macedonia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	4.22	4.42	10.64	3.46	3.13
1Yr. PD, Fin.	20.80	9.44	10.41	15.34	19.85
MBI 10	1954	2135	2251	2282	2689
USD/MKD	54.69	58.46	57.78	53.84	52.08
3m Treas. Yield (%)	1.60*	-	-	-	-
GDP (YoY%)	-	2.4	-	-	-
Sov. Rating, S&P	BB-	BB-	BB-	BB-	BB-
FDI (%GDP)	-	5.26	-	-	-



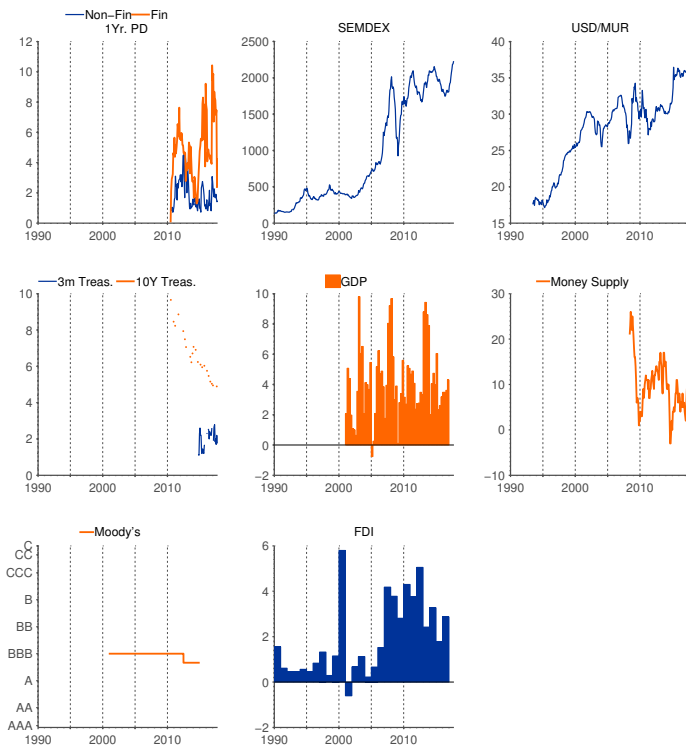
Malawi	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	11.86	17.32	13.51	4.94	8.02
1Yr. PD, Fin.	15.09*	-	-	-	6.16
MASI	13744	13321	14578	15773	19920
3m Treas. Yield (%)	28.99	24.00	23.93	21.30*	14.50
FDI (%GDP)	-	5.98	-	-	-



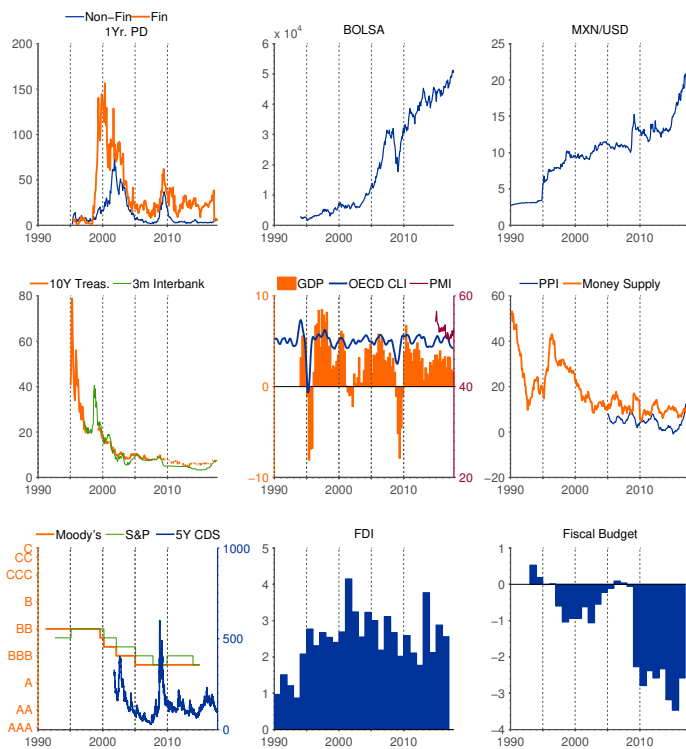
Malaysia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	15.91	14.46	9.85	9.04	10.28
1Yr. PD, Fin.	17.07	17.63	11.40	11.84	15.81
KLSE Composite	1653	1642	1740	1764	1756
USD/MYR	4.14	4.49	4.43	4.29	4.22
3m Treas. Yield (%)	2.58	3.06	3.15	3.07	2.93
10Y Treas. Yield (%)	3.55	4.23	4.15	3.93	3.93
3m Interbank (%)	3.40	3.41	3.43	3.43	3.43
GDP (YoY%)	4.3	4.5	5.6	5.8	-
Money Supply (YoY%)	2.30	3.10	4.50	4.30	5.00
Sov. Rating, Moody's	A3	A3	A3	A3	A3
Sov. Rating, S&P	A-	A-	A-	A-	A-
5Y CDS (bps)	120.84	138.38	105.21	85.45	68.99
FDI (%GDP)	-	4.56	-	-	-
Fiscal Budget (%GDP)	-	-3.10	-	-	-



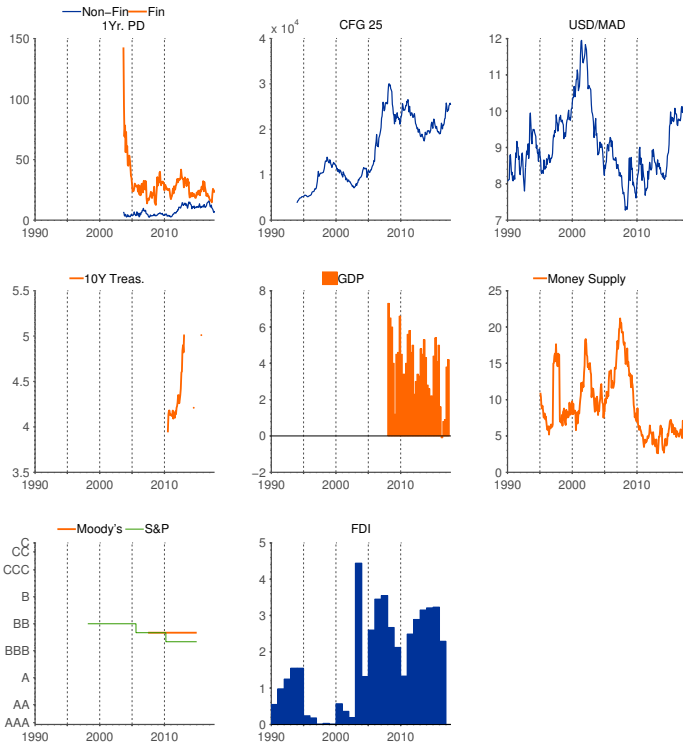
Malta	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	4.95	5.81	5.69	4.80	4.87
1Yr. PD, Fin.	11.75	4.13	5.37	5.09	5.85
Malta Stock Exchange	4467	4631	4718	4697	4694
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	-0.39	-0.39	-0.35	-0.34	-0.36
GDP (YoY%)	6.2	7.5	8.0	8.5	-
PPI (YoY%)	0.4	0.3	0.8	0.8	1.1
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	A3	A3	A3	A3	A3
Sov. Rating, S&P	BBB+	BBB+	BBB+	BBB+	BBB+
FDI (%GDP)	-	-8933.10	-	-	-
Fiscal Budget (%GDP)	-	1.10	-	-	-



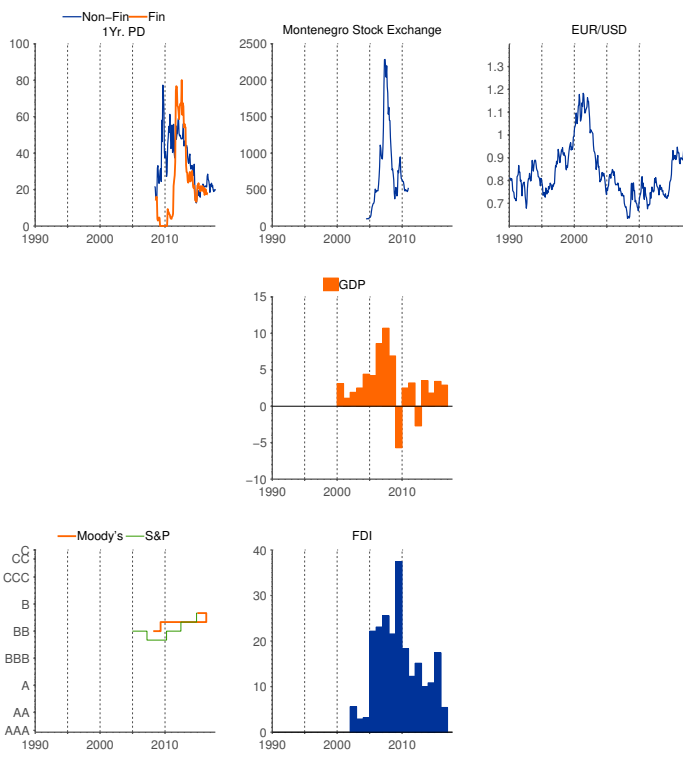
Mauritius	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	0.81	2.71	2.26	1.91	1.47
1Yr. PD, Fin.	4.03	9.42	8.68	7.16	4.28
SEMDEX	1830	1808	1933	2123	2230
3m Treas. Yield (%)	2.20	2.60*	2.65	2.00	1.75
10Y Treas. Yield (%)	5.16*	5.04*	4.95*	-	4.89*
GDP (YoY%)	3.6	4.3	-	-	-
Money Supply (YoY%)	5.00	3.00	9.00	9.00	11.00*
Sov. Rating, Moody's	Baa1	Baa1	Baa1	Baa1	Baa1
FDI (%GDP)	-	2.87	-	-	-



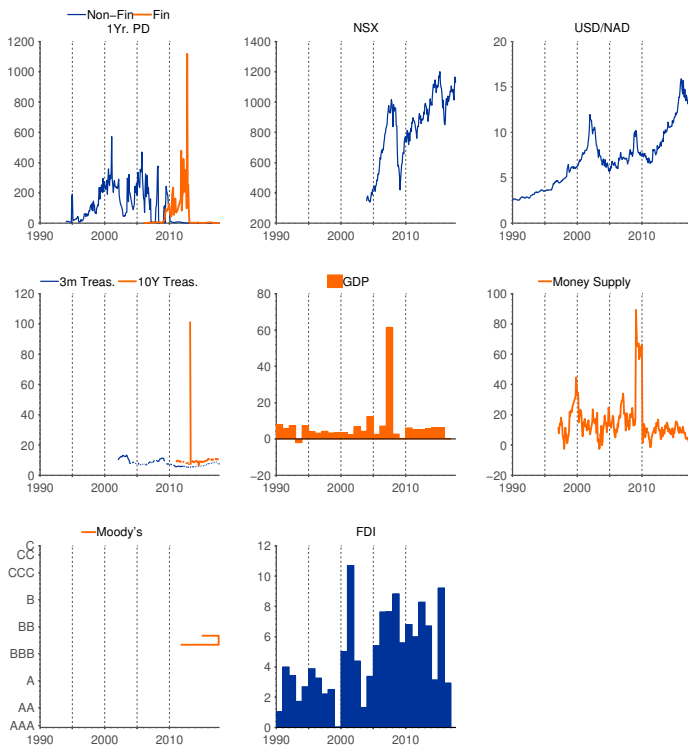
Mexico	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	2.64	3.72	5.09	5.06	6.03
1Yr. PD, Fin.	26.73	28.01	5.53	6.55	6.26
BOLSA	47246	45643	48542	49857	50346
MXN/USD	19.39	20.73	18.72	18.12	18.25
10Y Treas. Yield (%)	5.99	7.25	7.40	6.97	6.88*
3m Interbank (%)	5.15	6.19	6.93	7.40	7.38
GDP (YoY%)	2.1	3.3	3.2	1.9	1.6
OECD CLI	100.85	99.92	98.87	98.54	98.49*
PMI	51.9	50.2	51.5	52.3	52.8
PPI (YoY%)	6.6	10.3	10.7	6.5	4.9
Money Supply (YoY%)	10.10	10.60	9.10	7.80	8.80
Sov. Rating, Moody's	Baa1	Baa1	Baa1	Baa1	Baa1
Sov. Rating, S&P	BBB+	BBB+	BBB+	BBB+	BBB+
5Y CDS (bps)	166.81	155.91	130.28	112.63	110.31
FDI (%GDP)	-	2.56	-	-	-
Fiscal Budget (%GDP)	-	-2.58	-	-	-



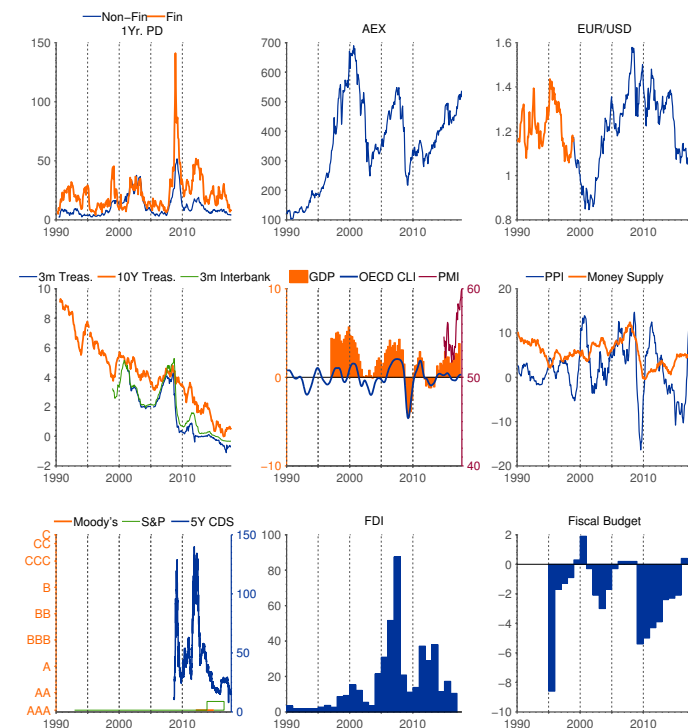
Morocco	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	14.91	13.31	12.40	8.62	7.47
1Yr. PD, Fin.	19.51	17.03	15.84	25.84	22.58
CFG 25	21282	24464	23883	25205	25358
USD/MAD	9.73	10.13	10.06	9.64	9.42
GDP (YoY%)	0.8	0.9	3.8	4.2	-
Money Supply (YoY%)	5.90	4.70	5.60	4.70	5.33
Sov. Rating, Moody's	Ba1	Ba1	Ba1	Ba1	Ba1
Sov. Rating, S&P	BBB-	BBB-	BBB-	BBB-	BBB-
FDI (%GDP)	-	2.29	-	-	-



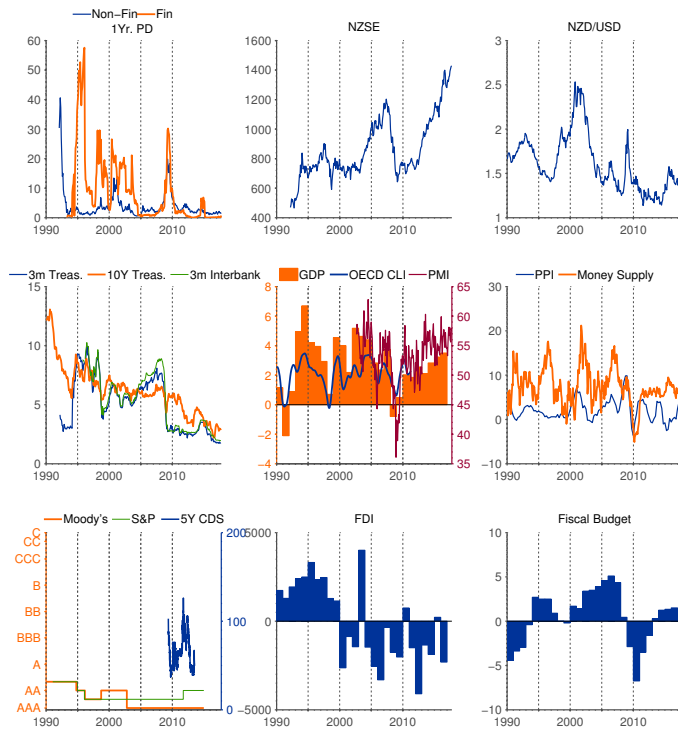
Montenegro	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	24.67	22.91	21.44	18.89	20.27
1Yr. PD, Fin.	17.40*	-	-	-	-
EUR/USD	0.89	0.95	0.94	0.88	0.85
GDP (YoY%)	-	2.9	-	-	-
Sov. Rating, Moody's	B1	B1	B1	B1	B1
Sov. Rating, S&P	B+	B+	B+	B+	B+
FDI (%GDP)	-	5.43	-	-	-



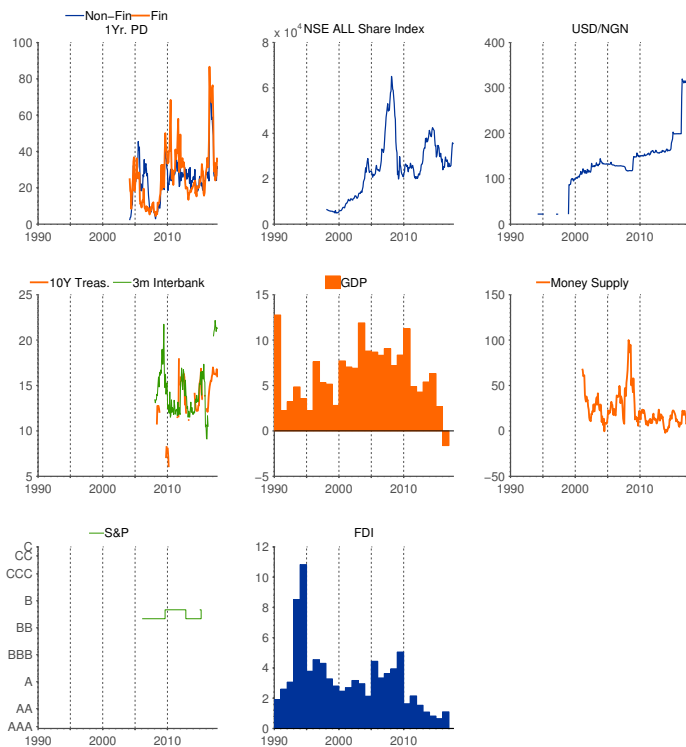
Namibia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	0.11	0.07	0.13	0.19	0.08
1Yr. PD, Fin.	0.99	0.22	0.19	0.01	0.02
NSX	1027	1069	1067	1014	1128
3m Treas. Yield (%)	8.08	8.61	8.87	7.74	7.52
10Y Treas. Yield (%)	10.25	10.28*	10.41	10.49	10.43*
GDP (YoY%)	-	0.2	-	-	-
Money Supply (YoY%)	4.29	4.90	1.54	7.77	6.30*
Sov. Rating, Moody's	Ba1	Ba1	Ba1	Ba1	Ba1
FDI (%GDP)	-	2.94	-	-	-



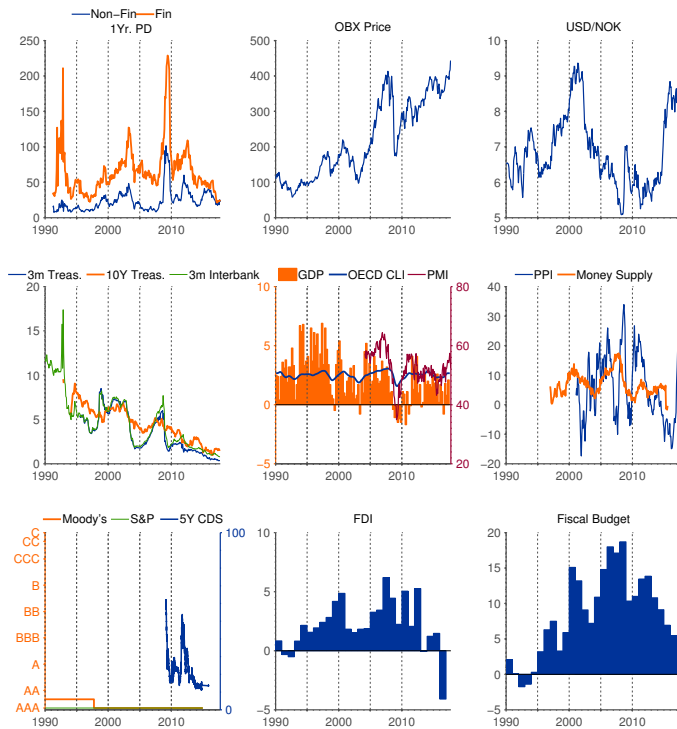
Netherlands	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	6.29	6.18	4.56	4.60	3.77
1Yr. PD, Fin.	21.59	16.80	10.27	7.00	7.59
AEX	452	483	517	507	537
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	-0.78	-1.11	-0.78	-0.64	-0.71
10Y Treas. Yield (%)	0.00	0.36	0.58	0.66	0.58
3m Interbank (%)	-0.30	-0.32	-0.33	-0.33	-0.33
GDP (YoY%)	2.4	2.7	2.6	3.8	-
OECD CLI	99.65	99.87	100.15	100.28	100.30*
PMI	53.4	57.3	57.8	58.6	60.0
PPI (YoY%)	-4.0	4.9	8.7	2.4	6.4
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
5Y CDS (bps)	25.11	27.65	21.31	19.54	17.21
FDI (%GDP)	-	10.48	-	-	-
Fiscal Budget (%GDP)	-	0.40	-	-	-



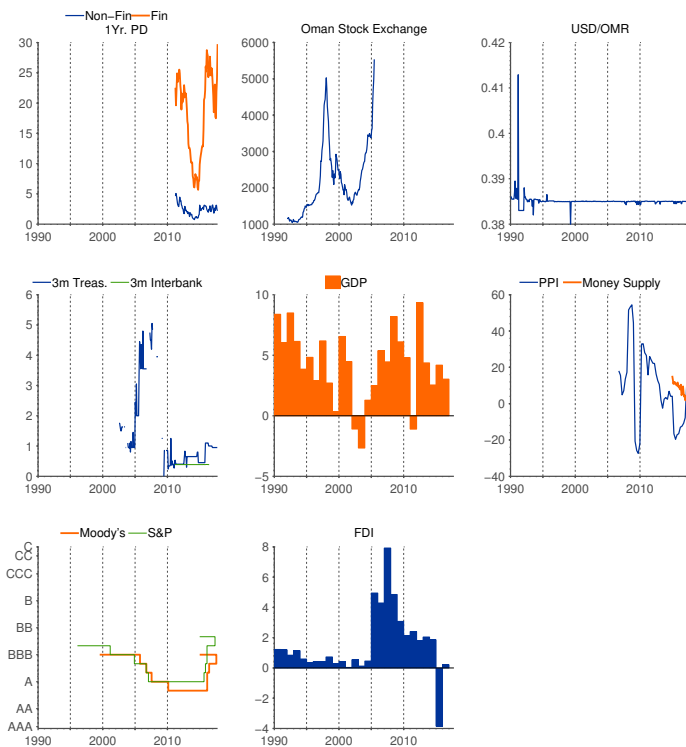
New Zealand	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	1.37	2.09	1.63	1.65	1.41
1Yr. PD, Fin.	0.14	0.17	0.15	0.20	0.73
NZSE	1375	1281	1322	1392	1429
NZD/USD	1.37	1.44	1.43	1.36	1.39
3m Treas. Yield (%)	1.91	1.75	1.77	1.84	1.77
10Y Treas. Yield (%)	2.27	3.33	3.19	2.98	2.97
3m Interbank (%)	2.20	2.00	2.00	1.99	1.96
GDP (YoY%)	-	3.5	-	-	-
PMI	57.2	54.6	58.1	56.0	57.5
PPI (YoY%)	0.1	2.5	4.1	5.2	-
Money Supply (YoY%)	4.80	6.40	6.40*	-	-
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AA	AA	AA	AA	AA
FDI (%GDP)	-	-2311.00	-	-	-
Fiscal Budget (%GDP)	-	1.51	-	-	-



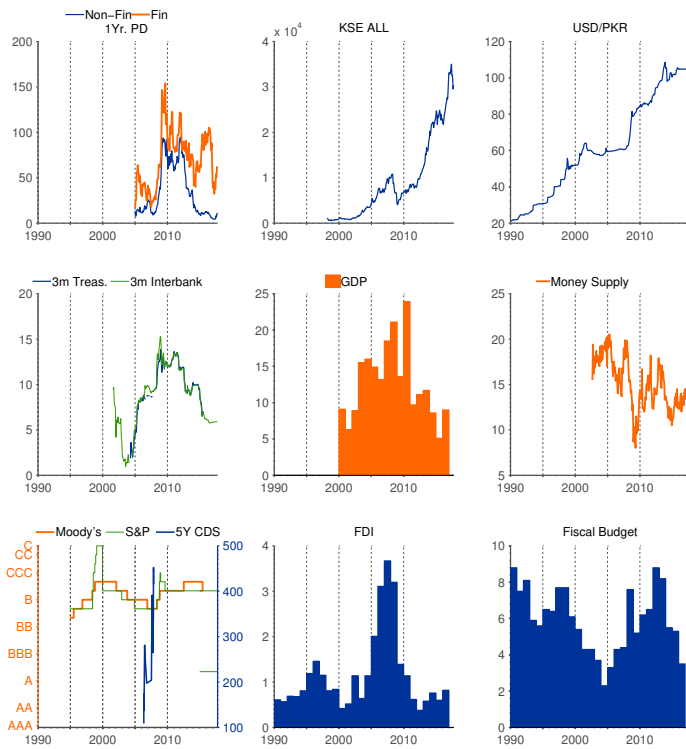
Nigeria	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	72.12	53.10	26.28	25.45	30.55
1Yr. PD, Fin.	71.06	76.43	28.79	26.73	34.31
NSE ALL Share Index	28335	26875	25516	33117	35440
USD/NGN	315.00	315.33	314.29	322.25	358.99
10Y Treas. Yield (%)	15.54	16.24	16.29	16.19	15.90
3m Interbank (%)	-	-	20.93	21.61	21.21
GDP (YoY%)	-	-1.6	-	-	-
Money Supply (YoY%)	17.61	17.78	8.96	-0.44	-0.30
Sov. Rating, S&P	B+	B+	B+	B+	B+
FDI (%GDP)	-	1.10	-	-	-



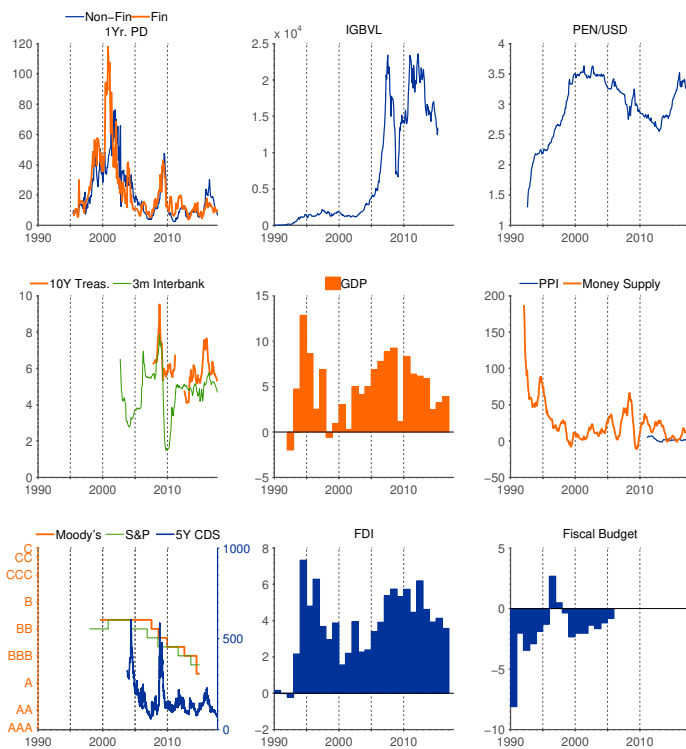
Norway	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	27.19	22.81	18.90	23.32	22.40
1Yr. PD, Fin.	35.94	34.84	21.30	23.27	22.94
OBX Price	358	397	396	390	444
USD/NOK	7.98	8.64	8.60	8.35	7.96
3m Treas. Yield (%)	0.48	0.51	0.41	0.35	0.36
10Y Treas. Yield (%)	1.21	1.65	1.64	1.65	1.59
3m Interbank (%)	1.15	1.17	0.97	0.83	0.81
GDP (YoY%)	-0.8	1.8	0.8	2.1	-
OECD CLI	99.57	100.27	100.66	100.63	100.64*
PMI	52.4	52.2	55.0	55.2	52.3
PPI (YoY%)	-6.1	7.2	16.1	3.2	8.7
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
FDI (%GDP)	-	-4.10	-	-	-
Fiscal Budget (%GDP)	-	5.48	-	-	-



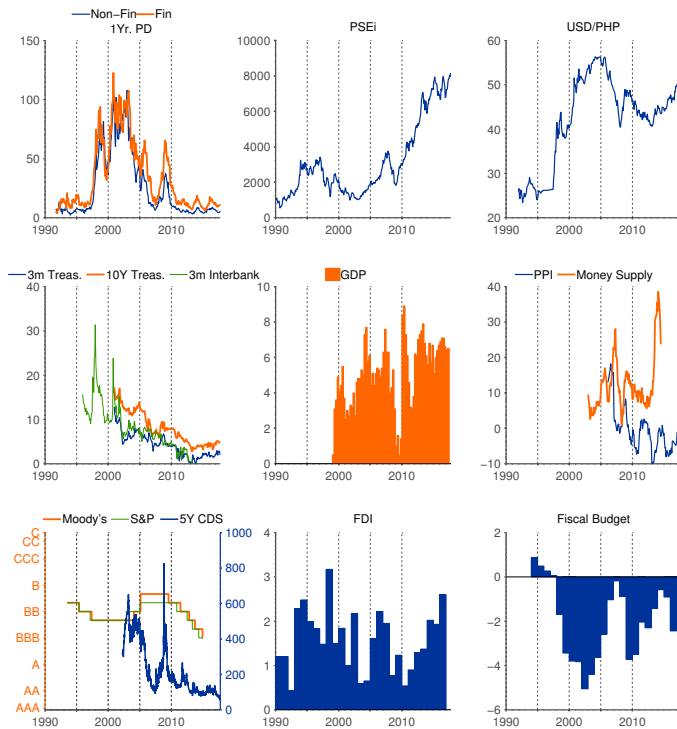
Oman	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	2.06	3.17	1.92	3.08	2.21
1Yr. PD, Fin.	24.56	23.29	19.62	17.48	29.74
USD/OMR	0.39	0.39	0.39	0.39	0.38
3m Treas. Yield (%)	1.00	0.95	0.95	0.95	0.95
GDP (YoY%)	-	3.0	-	-	-
PPI (YoY%)	-10.8	-7.8	12.4	12.5	-
Money Supply (YoY%)	5.57	1.83	3.06	3.77	0.79*
Sov. Rating, Moody's	Baa2	Baa2	Baa2	Baa2	Baa2
Sov. Rating, S&P	BB+	BB+	BB+	BB+	BB+
FDI (%GDP)	-	0.21	-	-	-



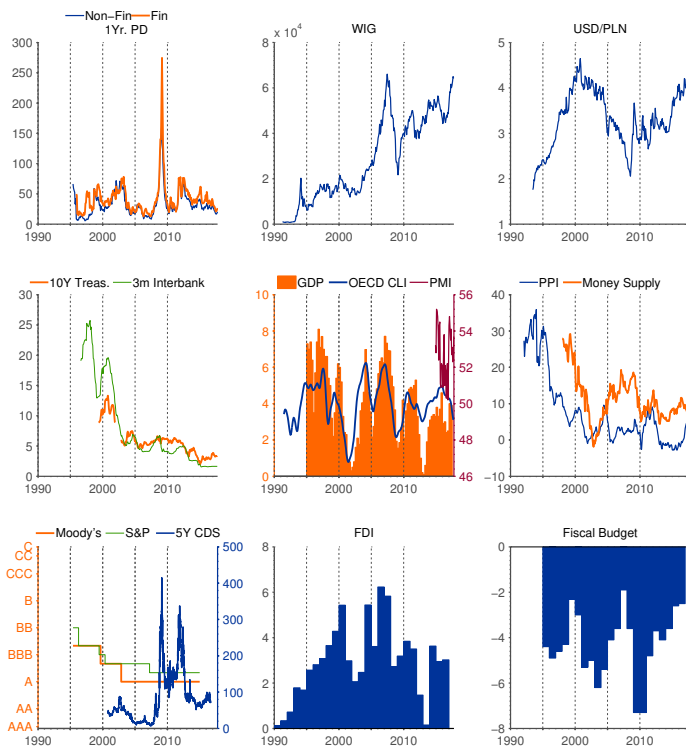
Pakistan	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	5.87	5.14	4.23	7.94	11.12
1Yr. PD, Fin.	80.19	44.88	32.35	53.69	59.65
KSE ALL	27682	32842	32985	32494	30396
USD/PKR	104.66	104.83	104.85	104.91	105.42
3m Interbank (%)	5.79	5.87	5.87	5.89	5.90
GDP (YoY%)	-	9.0	-	-	-
Money Supply (YoY%)	12.70	14.50	13.60	13.70	12.70
Sov. Rating, Moody's	B3	B3	B3	B3	B3
Sov. Rating, S&P	A-	A-	A-	A-	A-
FDI (%GDP)	-	0.82	-	-	-
Fiscal Budget (%GDP)	-	3.50	-	-	-



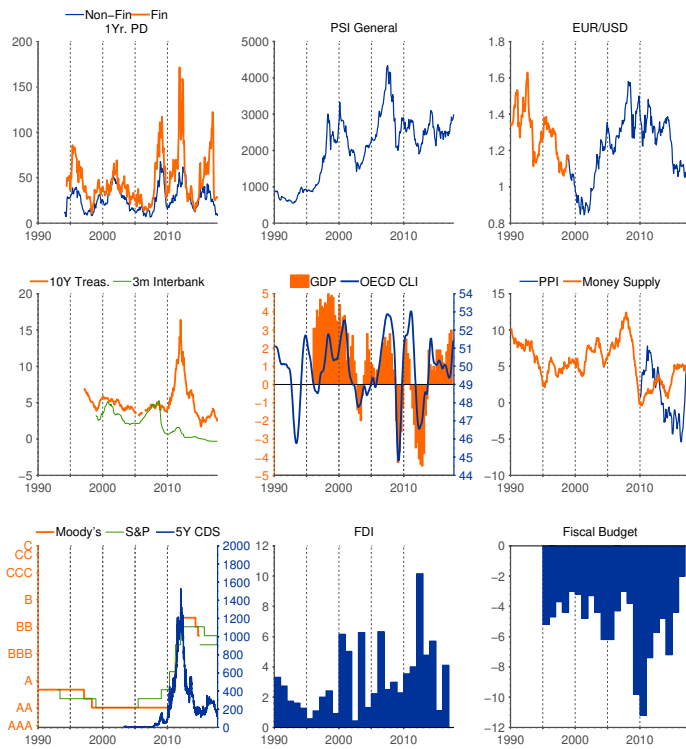
Peru	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	18.59	18.98	13.82	10.08	6.39
1Yr. PD, Fin.	12.83	11.02	9.68	9.31	9.86
PEN/USD	3.38	3.36	3.25	3.25	3.27
10Y Treas. Yield (%)	5.77	6.38	5.77	5.54	5.29
3m Interbank (%)	5.24	5.27	5.20	5.05	4.68
GDP (YoY%)	-	3.9	-	-	-
PPI (YoY%)	1.5	1.9	1.8	1.4	0.8
Money Supply (YoY%)	18.00	11.50	14.50	12.50	10.50
Sov. Rating, Moody's	A3	A3	A3	A3	A3
Sov. Rating, S&P	BBB+	BBB+	BBB+	BBB+	BBB+
5Y CDS (bps)	102.69	108.02	102.15	85.54	83.23
FDI (%GDP)	-	3.57	-	-	-



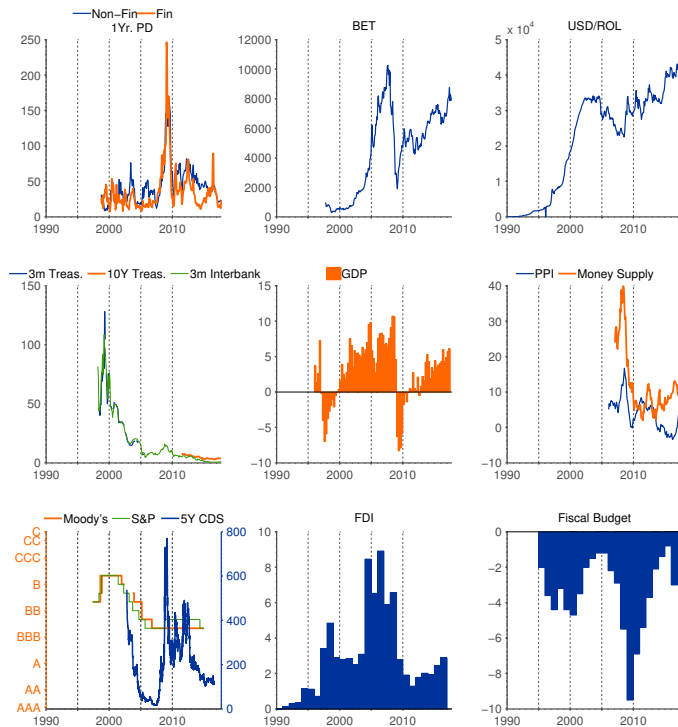
Philippines	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	7.17	6.63	5.31	4.36	5.53
1Yr. PD, Fin.	11.57	12.59	10.40	10.14	11.13
PSEi	7630	6841	7312	7843	8171
USD/PHP	48.47	49.60	50.20	50.47	50.87
3m Treas. Yield (%)	1.59	2.15	2.96	2.81	2.02
10Y Treas. Yield (%)	3.65	4.63	5.08	5.06	4.61
GDP (YoY%)	7.1	6.6	6.4	6.5	-
PPI (YoY%)	-4.4	-4.2	-0.5	-1.9	-0.3*
Sov. Rating, Moody's	Baa2	Baa2	Baa2	Baa2	Baa2
Sov. Rating, S&P	BBB	BBB	BBB	BBB	BBB
5Y CDS (bps)	116.82	109.67	81.80	77.37	65.14
FDI (%GDP)	-	2.60	-	-	-
Fiscal Budget (%GDP)	-	-2.44	-	-	-



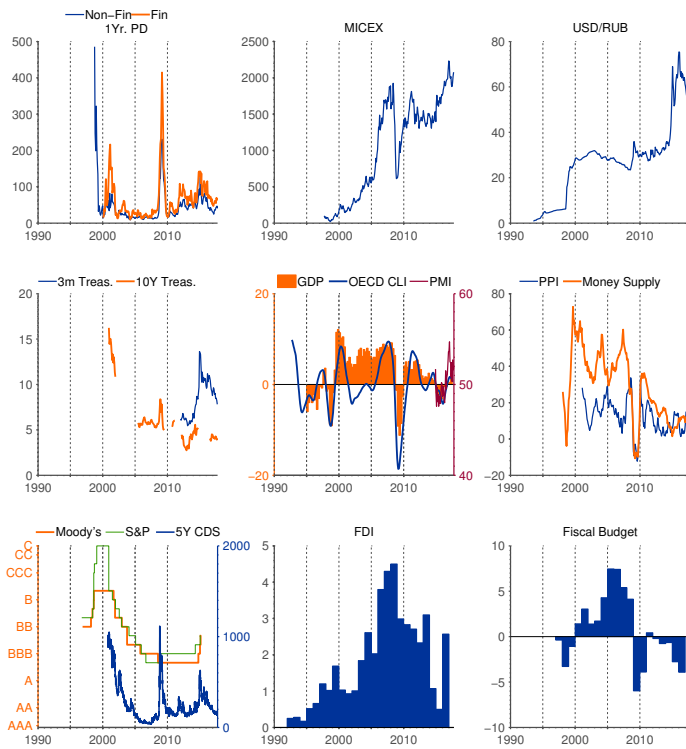
Poland	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	24.56	31.20	22.25	16.51	20.27
1Yr. PD, Fin.	30.37	38.85	29.24	20.83	26.63
WIG	47085	51754	57911	61018	64290
USD/PLN	3.82	4.19	3.97	3.70	3.65
10Y Treas. Yield (%)	2.92	3.63	3.49	3.32	3.37
3m Interbank (%)	1.61	1.63	1.63	1.63	1.63
GDP (YoY%)	2.4	2.5	4.0	3.9	-
OECD CLI	100.34	100.29	100.12	99.52	99.10*
PMI	52.2	54.3	53.5	53.1	53.7
PPI (YoY%)	0.2	3.2	4.8	1.8	3.1
Money Supply (YoY%)	9.40	9.60	7.80	5.00	5.40
Sov. Rating, Moody's	A2	A2	A2	A2	A2
Sov. Rating, S&P	A-	A-	A-	A-	A-
5Y CDS (bps)	70.50	-	-	-	-
FDI (%GDP)	-	3.02	-	-	-
Fiscal Budget (%GDP)	-	-2.50	-	-	-



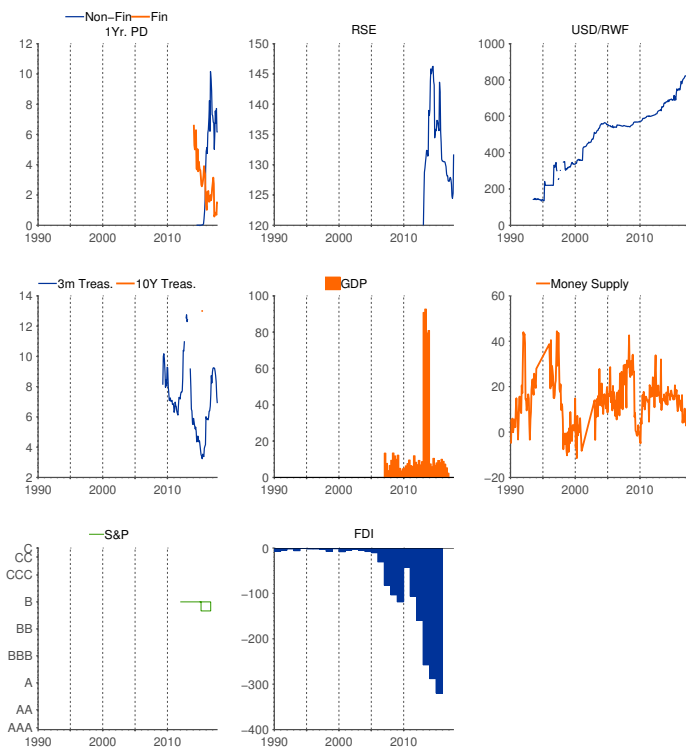
Portugal	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	23.62	23.65	20.08	9.12	7.90
1Yr. PD, Fin.	82.34	122.47	26.10	27.02	28.00
PSI General	2481	2520	2725	2826	2996
EUR/USD	1.12	1.05	1.07	1.14	1.18
10Y Treas. Yield (%)	3.33	3.76	3.98	3.03	2.39
3m Interbank (%)	-0.30	-0.32	-0.33	-0.33	-0.33
GDP (YoY%)	1.8	2.2	2.8	3.0	-
OECD CLI	99.68	99.37	99.57	100.65	101.42*
PPI (YoY%)	-1.9	1.5	4.9	2.7	2.7
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	Ba1	Ba1	Ba1	Ba1	Ba1
Sov. Rating, S&P	BBB-	BBB-	BBB-	BBB-	BBB-
5Y CDS (bps)	302.70	274.01	238.70	196.40	127.88
FDI (%GDP)	-	4.11	-	-	-
Fiscal Budget (%GDP)	-	-2.00	-	-	-



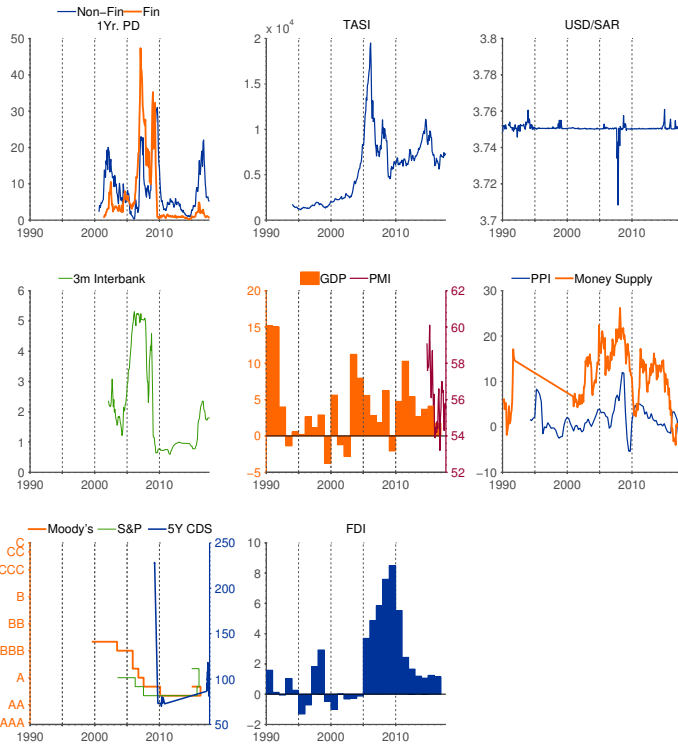
Romania	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	40.53	31.71	20.90	21.74	22.40
1Yr. PD, Fin.	35.28	32.52	13.46	16.79	23.40
BET	6937	7085	8069	7855	7878
USD/ROL	39525.00	43130.51	42751.51	39947.20	38894.02
10Y Treas. Yield (%)	2.84	3.47	3.86	3.92	4.09
3m Interbank (%)	0.50	0.68	0.66	0.65	1.35
GDP (YoY%)	4.3	4.8	5.7	6.1	-
PPI (YoY%)	-1.5	0.9	3.9	2.5	4.3
Money Supply (YoY%)	12.24	9.75	12.25	9.04	12.25
Sov. Rating, Moody's	Baa3	Baa3	Baa3	Baa3	Baa3
Sov. Rating, S&P	BBB-	BBB-	BBB-	BBB-	BBB-
5Y CDS (bps)	111.85*	-	-	-	-
FDI (%GDP)	-	2.88	-	-	-
Fiscal Budget (%GDP)	-	-3.00	-	-	-



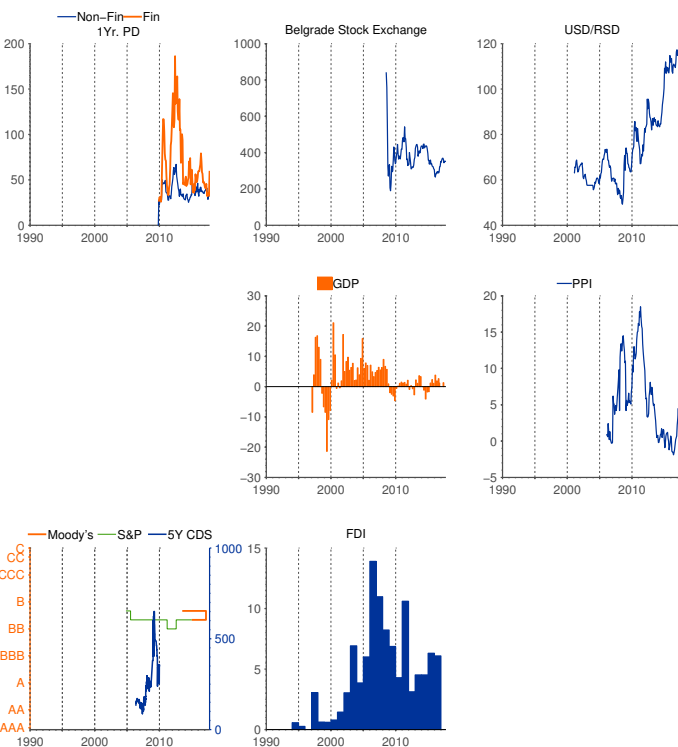
Russia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	39.09	30.91	32.61	42.65	40.49
1Yr. PD, Fin.	59.15	53.32	55.81	55.14	69.27
MICEX	1978	2233	1996	1880	2077
USD/RUB	62.85	61.27	56.26	58.94	57.49
3m Treas. Yield (%)	9.80	8.78	9.50	8.46	7.81
10Y Treas. Yield (%)	3.79	4.46	4.17	4.28	4.04
GDP (YoY%)	-0.4	0.3	0.5	2.5	-
OECD CLI	100.09	100.71	100.80	100.47	100.43*
PMI	51.1	53.7	52.4	50.3	51.9
PPI (YoY%)	4.4	7.4	11.3	2.9	6.8
Money Supply (YoY%)	12.70	9.20	11.10	10.50	9.50
Sov. Rating, Moody's	Ba1	Ba1	Ba1	Ba1	Ba1
Sov. Rating, S&P	BB+	BB+	BB+	BB+	BB+
5Y CDS (bps)	219.66	231.35*	166.70	169.23	142.08
FDI (%GDP)	-	2.57	-	-	-
Fiscal Budget (%GDP)	-	-3.93	-	-	-



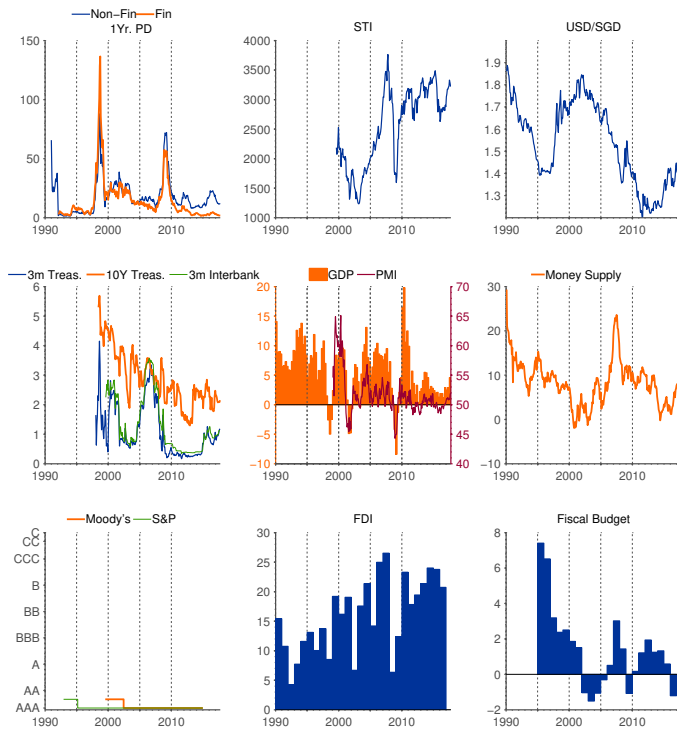
Rwanda	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	9.63	7.25	5.02	6.75	6.15
1Yr. PD, Fin.	1.65	2.74	0.57	0.79	1.44
RSE	128	127	128	125	132
3m Treas. Yield (%)	7.47	8.97	9.23	8.72	6.91
GDP (YoY%)	5.3	2.3	-	-	-
Money Supply (YoY%)	4.20	5.70	5.90	6.30*	-
Sov. Rating, S&P	B	B	B	B	B



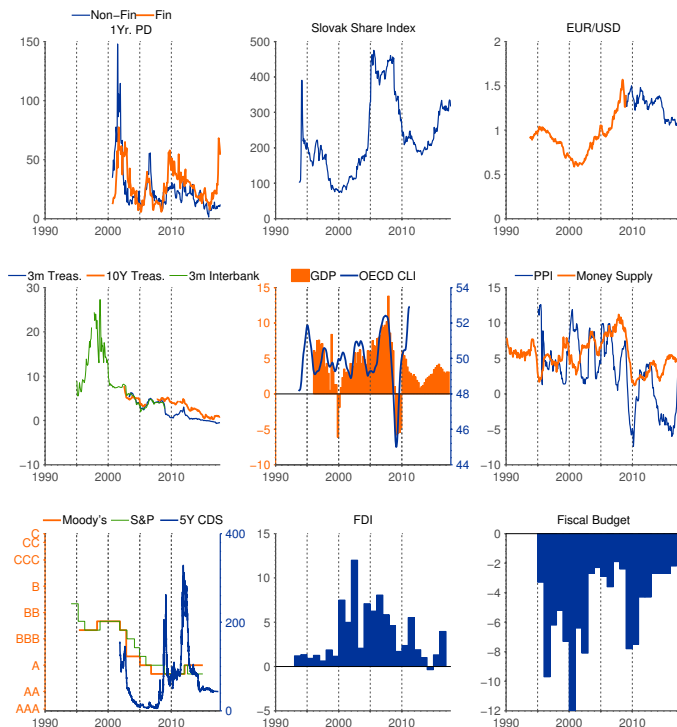
Saudi Arabia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	21.51	13.95	6.20	6.42	5.22
1Yr. PD, Fin.	2.91	1.26	0.94	0.95	0.61
TASI	5623	7210	7002	7426	7283
USD/SAR	3.75	3.75	3.75	3.75	3.75
3m Interbank (%)	2.36	2.04	1.74	1.78	1.79
GDP (YoY%)	-	1.7	-	-	-
PMI	55.3	55.5	56.4	54.3	55.5
PPI (YoY%)	2.5	1.5	-2.4	-2.0	-1.1
Money Supply (YoY%)	-4.00	0.70	0.00	2.60	1.00
Sov. Rating, Moody's	A1	A1	A1	A1	A1
Sov. Rating, S&P	A-	A-	A-	A-	A-
5Y CDS (bps)	-	-	-	118.18	85.54
FDI (%GDP)	-	1.15	-	-	-



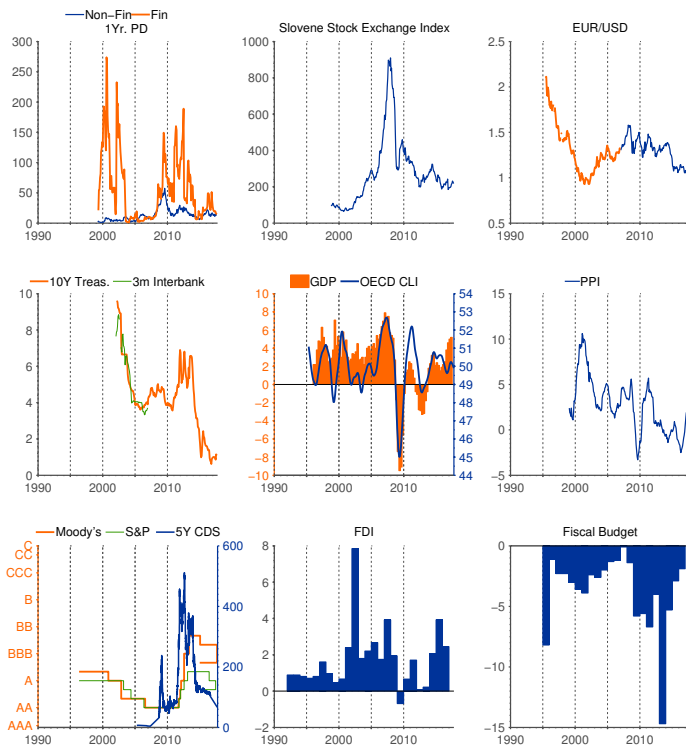
Serbia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	35.60	37.74	38.67	28.50	31.86
1Yr. PD, Fin.	47.00	43.26	45.50	35.48	59.95
Belgrade Stock Exchange	294	352	368	344	349
USD/RSD	109.49	117.29	115.97	105.39	100.87
GDP (YoY%)	2.6	-	1.2	1.3	-
PPI (YoY%)	0.2	2.2	2.9	4.5*	-
Sov. Rating, Moody's	Ba3	Ba3	Ba3	Ba3	Ba3
Sov. Rating, S&P	BB-	BB-	BB-	BB-	BB-
FDI (%GDP)	-	6.09	-	-	-



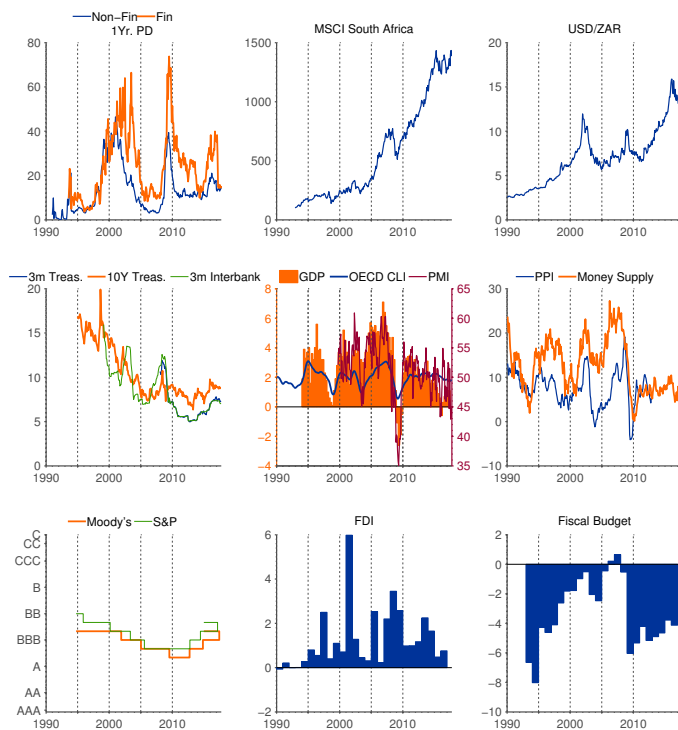
Singapore	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	20.46	16.67	13.23	11.51	11.65
1Yr. PD, Fin.	3.67	3.38	2.55	1.91	1.92
STI	2869	2881	3175	3226	3220
USD/SGD	1.36	1.45	1.40	1.38	1.36
3m Treas. Yield (%)	0.71	1.06	0.93	0.98	1.19
10Y Treas. Yield (%)	1.78	2.47	2.25	2.09	2.15
3m Interbank (%)	0.87	0.97	0.95	1.00	1.12
GDP (YoY%)	1.2	2.9	2.5	2.9	4.6
PMI	50.1	50.6	51.2	50.9	52.0
Money Supply (YoY%)	5.00	7.70	7.20	7.00	5.30
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
FDI (%GDP)	-	20.74	-	-	-
Fiscal Budget (%GDP)	-	-1.21	-	-	-



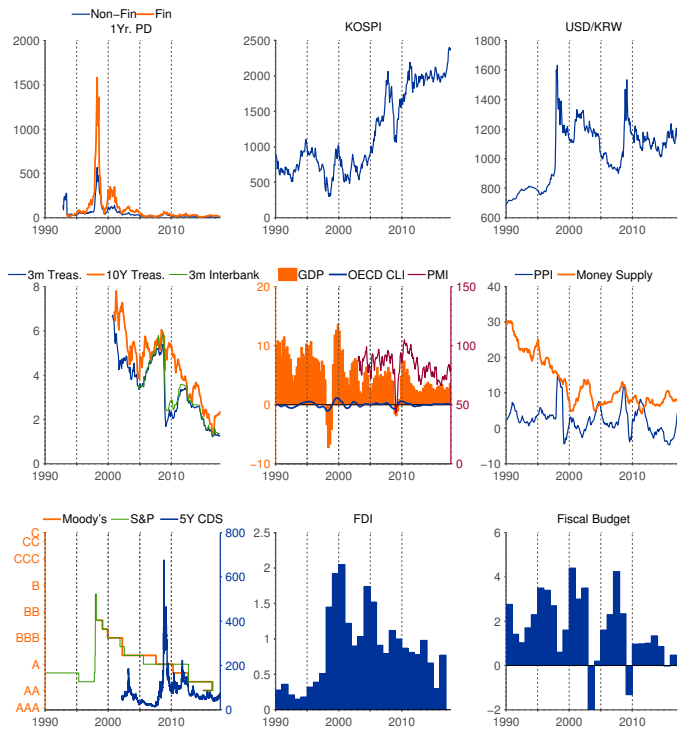
Slovakia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	10.05	8.66	8.58	10.37	12.07
1Yr. PD, Fin.	22.80	21.34	29.61	68.23	54.13
Slovak Share Index	309	319	305	329	317
EUR/USD	1.12	1.05	1.07	1.14	1.18
3m Treas. Yield (%)	-0.29	-0.34	-0.59	-0.52	-0.47
10Y Treas. Yield (%)	0.27	0.90	1.09	1.02	0.86
GDP (YoY%)	3.1	2.9	3.1	3.1	-
PPI (YoY%)	-3.2	-1.8	3.0	1.4	2.1
Money Supply (YoY%)	5.10	4.90	5.10	5.30	5.40
Sov. Rating, Moody's	A2	A2	A2	A2	A2
Sov. Rating, S&P	A+	A+	A+	A+	A+
5Y CDS (bps)	44.21	-	-	43.46	-
FDI (%GDP)	-	3.96	-	-	-
Fiscal Budget (%GDP)	-	-2.20	-	-	-



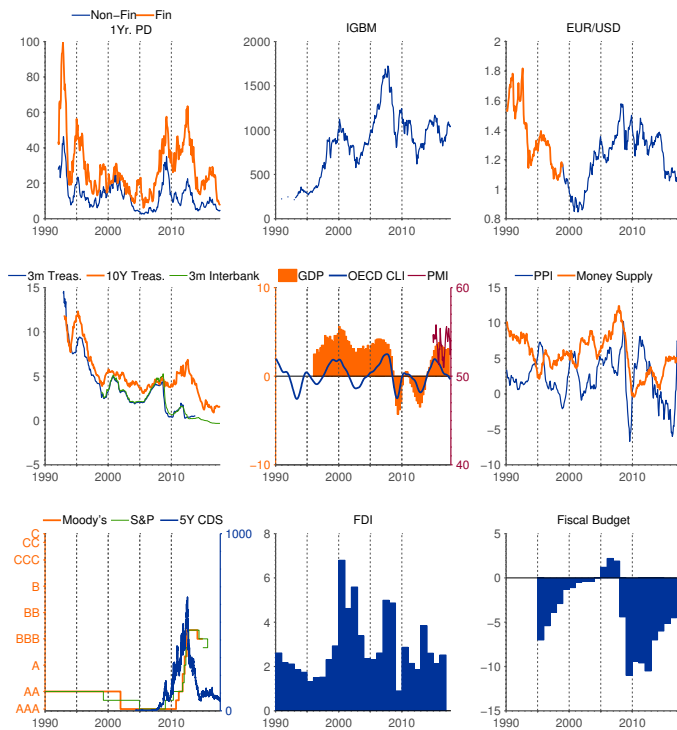
Slovenia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	12.06	15.31	14.61	14.23	13.40*
1Yr. PD, Fin.	26.97	27.68	19.16	16.01	14.65*
Slovene Stock Exchange Index	227	192	196	218	218
EUR/USD	1.12	1.05	1.07	1.14	1.18
10Y Treas. Yield (%)	0.75	0.96	0.99	0.86	1.09*
GDP (YoY%)	3.8	4.6	5.0	5.2	-
OECD CLI	99.63	99.91	100.23	100.14	99.90
PPI (YoY%)	-0.9	0.5	1.9	2.2	2.3
Sov. Rating, Moody's	Baa1	Baa1	Baa1	Baa1	Baa1
Sov. Rating, S&P	A+	A+	A+	A+	A+
5Y CDS (bps)	102.37*	-	-	-	65.87
FDI (%GDP)	-	2.45	-	-	-
Fiscal Budget (%GDP)	-	-1.90	-	-	-



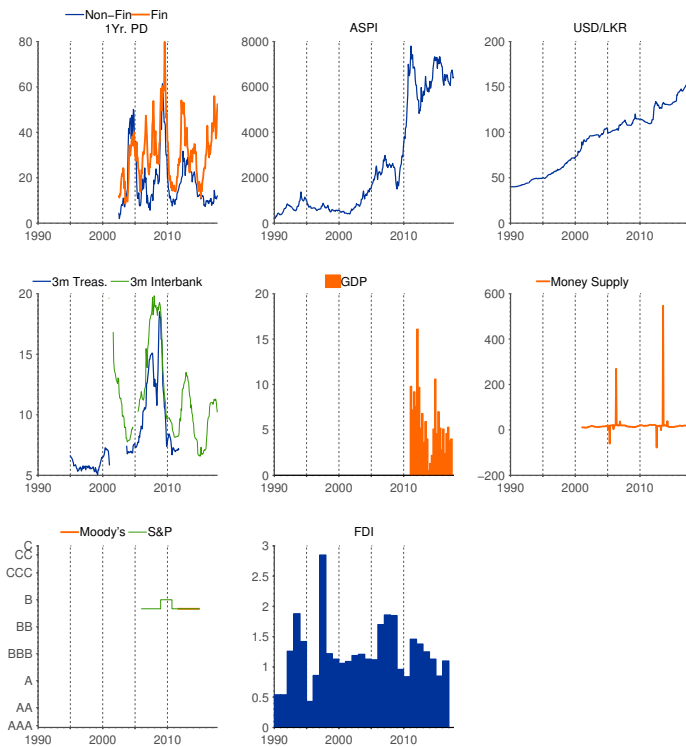
South Africa	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	17.31	13.49	14.12	12.96	14.56
1Yr. PD, Fin.	39.93	35.35	14.80	15.84	15.21
MSCI South Africa	1343	1276	1295	1305	1386
USD/ZAR	13.72	13.74	13.41	13.07	13.56
3m Treas. Yield (%)	7.36	7.79	7.42	7.58	7.24
10Y Treas. Yield (%)	8.73	9.02	8.89	8.93	8.76
3m Interbank (%)	7.36	7.36	7.36	7.34	6.99
GDP (YoY%)	0.7	0.7	1.0	1.1	-
OECD CLI	99.57	99.62	99.36	99.36	99.61*
PMI	48.5	46.7	52.2	46.7	44.9
Money Supply (YoY%)	5.64	6.07	5.54	5.85	6.72
Sov. Rating, Moody's	Baa3	Baa3	Baa3	Baa3	Baa3
Sov. Rating, S&P	BB+	BB+	BB+	BB+	BB+
FDI (%GDP)	-	0.76	-	-	-
Fiscal Budget (%GDP)	-	-4.13	-	-	-



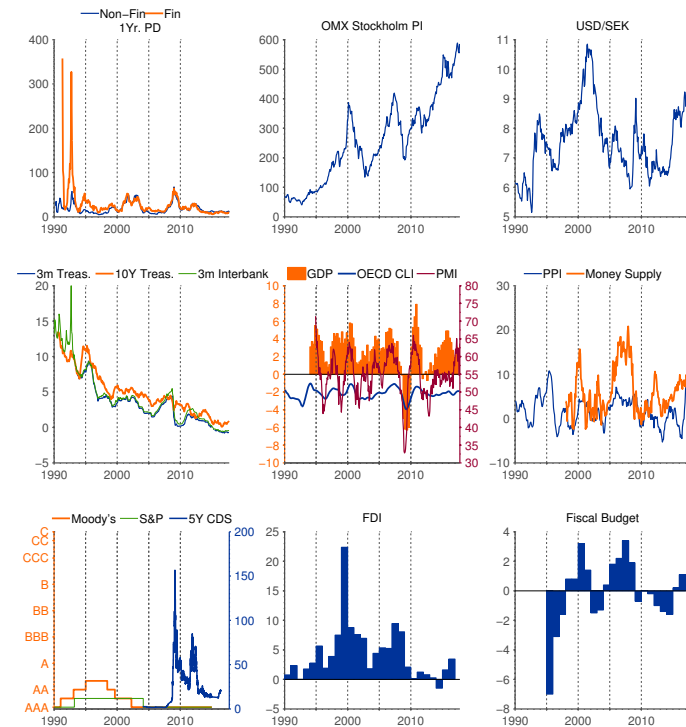
South Korea	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	6.50	6.73	5.71	4.96	5.17
1Yr. PD, Fin.	19.97	24.28	22.22	13.75	17.92
KOSPI	2044	2026	2160	2392	2394
USD/KRW	1101.13	1205.83	1118.45	1144.14	1145.44
3m Treas. Yield (%)	1.26	1.32	1.30	1.30	1.28
10Y Treas. Yield (%)	1.42	2.09	2.19	2.21	2.37
3m Interbank (%)	1.32	1.47	1.42	1.38	1.37
GDP (YoY%)	2.6	2.4	2.9	2.7	3.6
OECD CLI	100.52	100.63	100.72	100.59	100.33*
PMI	74.0	72.0	81.0	84.0	83.0
PPI (YoY%)	-1.1	1.8	4.3	2.8	3.6
Money Supply (YoY%)	7.80	8.10	7.30	6.70	6.20*
Sov. Rating, Moody's	Aa2	Aa2	Aa2	Aa2	Aa2
Sov. Rating, S&P	AA	AA	AA	AA	AA
5Y CDS (bps)	41.84	44.00	50.77	52.68	73.94
FDI (%GDP)	-	0.77	-	-	-
Fiscal Budget (%GDP)	-	0.47	-	-	-



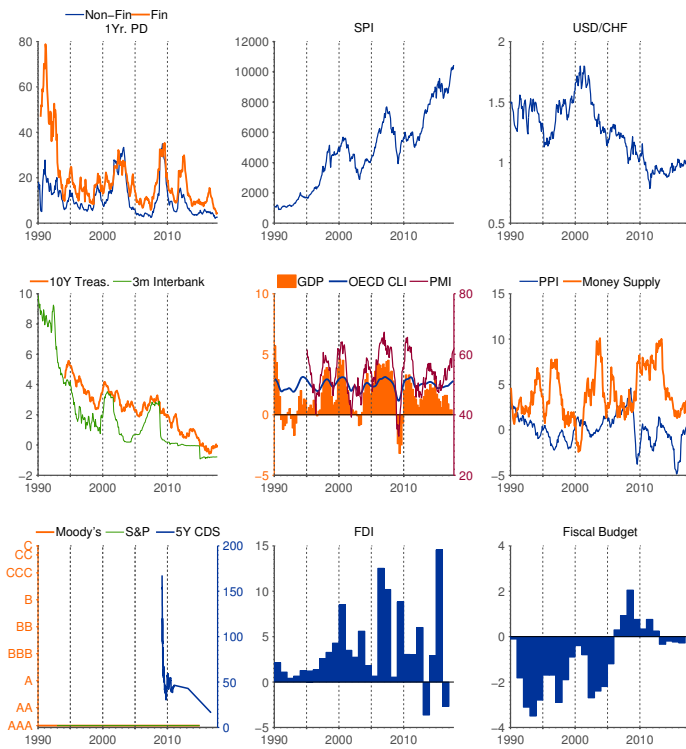
Spain	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	7.75	7.96	5.30	4.68	4.96
1Yr. PD, Fin.	24.66	23.58	10.56	9.42	8.25
IGBM	884	944	1055	1052	1048
EUR/USD	1.12	1.05	1.07	1.14	1.18
10Y Treas. Yield (%)	0.88	1.38	1.67	1.54	1.60
3m Interbank (%)	-0.30	-0.32	-0.33	-0.33	-0.33
GDP (YoY%)	3.2	3.0	3.0	3.1	-
OECD CLI	100.24	100.19	100.07	99.83	99.64*
PMI	52.3	55.3	53.9	54.7	54.3
PPI (YoY%)	-2.0	2.9	5.8	3.2	3.4
Money Supply (YoY%)	5.10	5.10	5.20	5.00	5.10
Sov. Rating, Moody's	Baa2	Baa2	Baa2	Baa2	Baa2
Sov. Rating, S&P	BBB+	BBB+	BBB+	BBB+	BBB+
5Y CDS (bps)	83.61	75.62	77.96	64.99	63.55
FDI (%GDP)	-	2.52	-	-	-
Fiscal Budget (%GDP)	-	-4.50	-	-	-



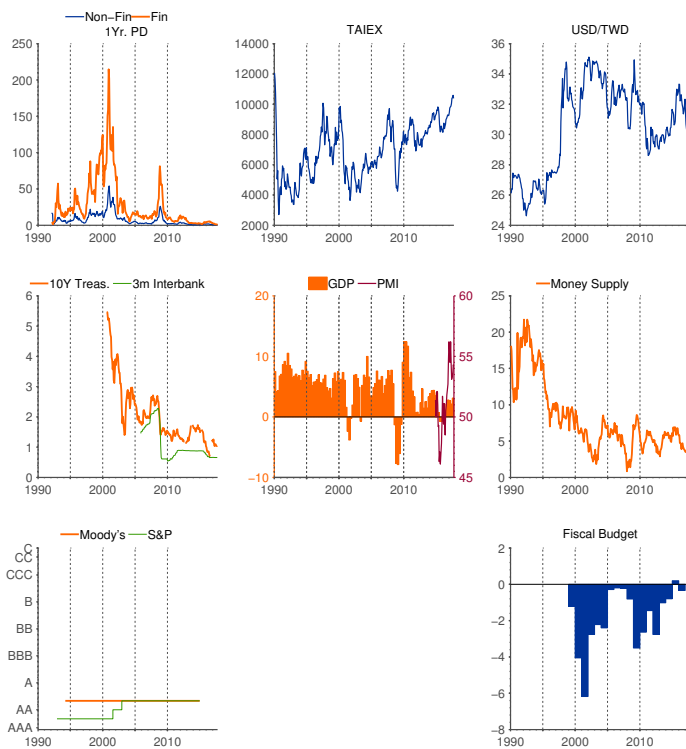
Sri Lanka	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	10.83	9.32	14.42	11.41	12.15
1Yr. PD, Fin.	34.98	40.28	55.96	37.28	52.71
ASPI	6535	6228	6062	6747	6438
USD/LKR	146.67	149.71	152.13	153.36	153.08
3m Interbank (%)	11.00	11.01	11.26	11.30	10.20
GDP (YoY%)	4.6	5.3	3.8	4.0	-
Money Supply (YoY%)	19.10	18.90	21.20	22.50	11.30*
Sov. Rating, Moody's	B1	B1	B1	B1	B1
Sov. Rating, S&P	B+	B+	B+	B+	B+
FDI (%GDP)	-	1.10	-	-	-



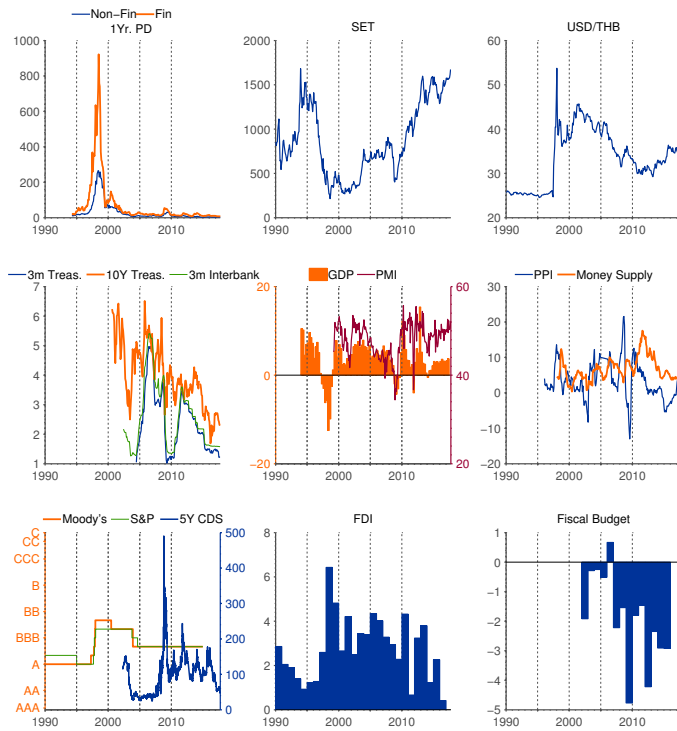
Sweden	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	10.63	10.41	10.90	11.47	10.47
1Yr. PD, Fin.	9.67	9.56	8.93	8.10	9.27
OMX Stockholm PI	518	535	563	577	586
USD/SEK	8.57	9.11	8.97	8.43	8.15
3m Treas. Yield (%)	-0.75	-0.80	-0.64	-0.70	-0.70
10Y Treas. Yield (%)	0.17	0.56	0.60	0.66	0.92
3m Interbank (%)	-0.51	-0.59	-0.44	-0.50	-0.47
GDP (YoY%)	2.7	1.9	2.2	3.0	-
OECD CLI	99.19	99.58	100.08	100.28	100.19*
PMI	54.9	60.3	65.1	62.3	63.7
PPI (YoY%)	-0.1	6.5	6.5	4.8	4.3
Money Supply (YoY%)	8.66	7.22	10.27	11.08	10.29
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
FDI (%GDP)	-	3.45	-	-	-
Fiscal Budget (%GDP)	-	1.10	-	-	-



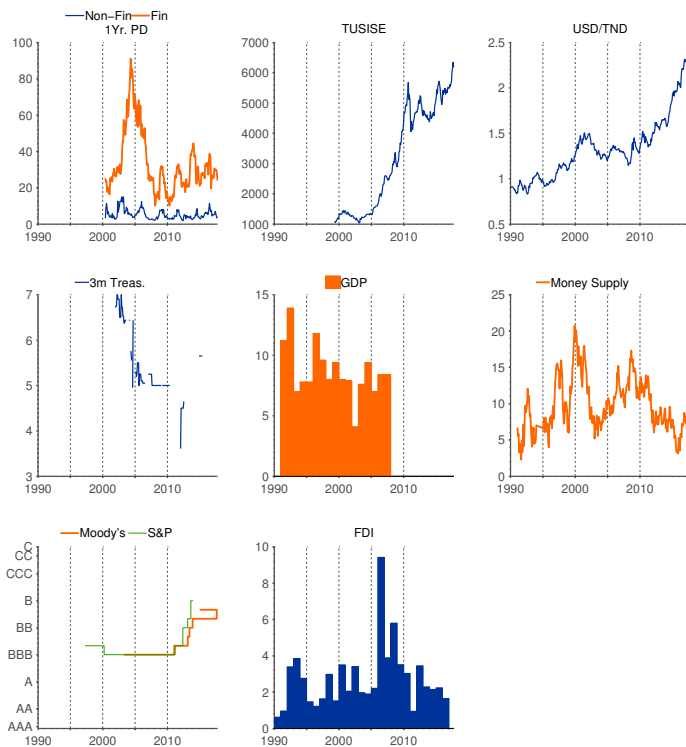
Switzerland	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	4.05	4.29	3.42	2.52	2.47
1Yr. PD, Fin.	11.61	9.04	6.29	5.29	4.17
SPI	8883	8966	9638	10128	10447
USD/CHF	0.97	1.02	1.00	0.96	0.97
10Y Treas. Yield (%)	-0.55	-0.19	-0.09	-0.02	-0.02
3m Interbank (%)	-0.81	-0.79	-0.79	-0.79	-0.79
GDP (YoY%)	1.6	0.9	0.4	0.4	-
OECD CLI	99.50	99.85	100.39	100.86	101.19*
PMI	54.4	56.2	58.6	60.1	61.7
PPI (YoY%)	0.0	-0.2	0.5	-0.6	-0.1
Money Supply (YoY%)	2.97	3.00	3.02	4.03	4.40
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AAA	AAA	AAA	AAA	AAA
5Y CDS (bps)	17.01	-	-	-	-
FDI (%GDP)	-	-2.69	-	-	-
Fiscal Budget (%GDP)	-	-0.28	-	-	-



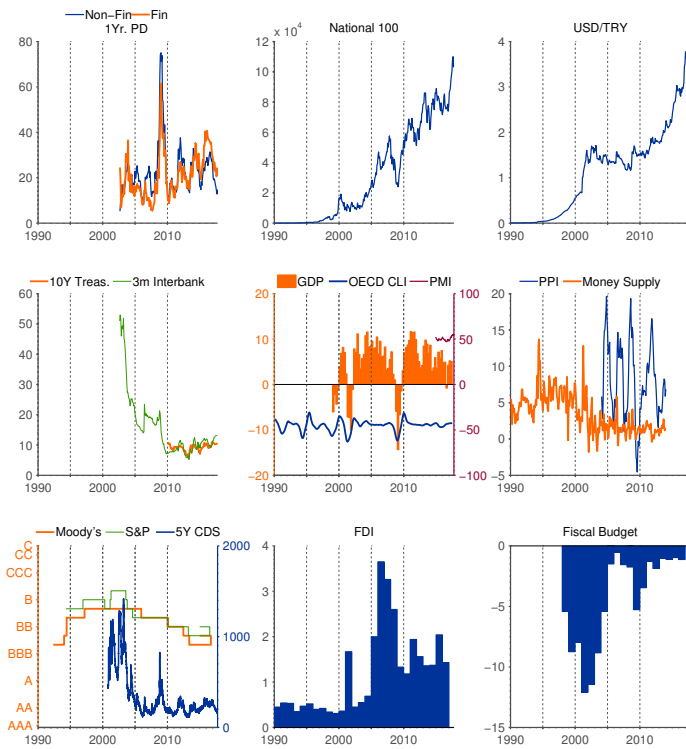
Taiwan	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	1.10	0.87	0.65	0.45	0.51
1Yr. PD, Fin.	4.03	2.72	2.14	1.35	1.28
TAIEX	9167	9254	9812	10395	10384
USD/TWD	31.36	32.33	30.35	30.43	30.32
10Y Treas. Yield (%)	0.69*	1.22	1.12	1.10	1.05
3m Interbank (%)	0.66	0.66	0.66	0.66	0.66
GDP (YoY%)	2.1	2.8	2.7	2.1	3.1
PMI	52.2	56.2	56.2	53.3	54.2
Money Supply (YoY%)	3.98	3.55	3.59	3.57	3.58
Sov. Rating, Moody's	Aa3	Aa3	Aa3	Aa3	Aa3
Sov. Rating, S&P	AA-	AA-	AA-	AA-	AA-
Fiscal Budget (%GDP)	-	-0.34	-	-	-



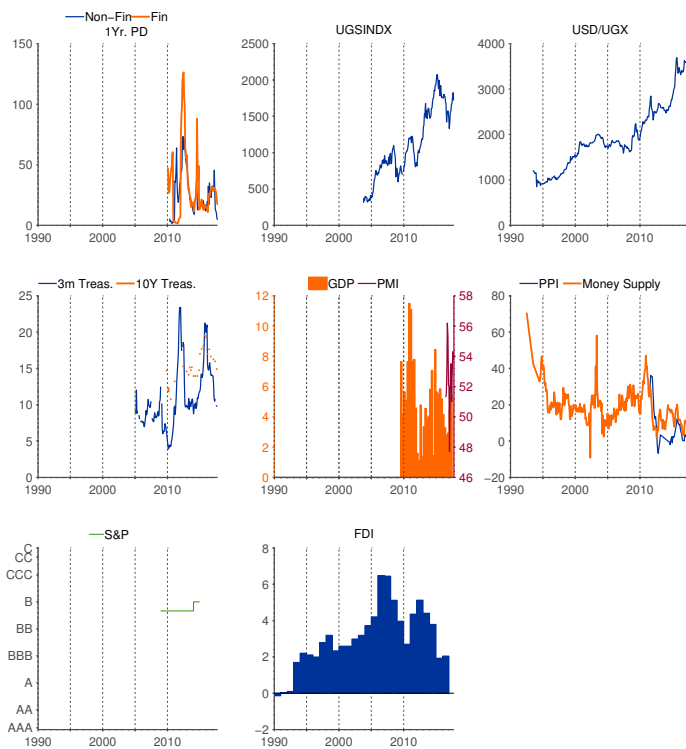
Thailand	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	3.69	3.10	2.76	2.97	2.99
1Yr. PD, Fin.	10.99	10.20	7.33	7.50	6.79
SET	1483	1543	1575	1575	1673
USD/THB	34.59	35.84	34.35	33.93	33.31
3m Treas. Yield (%)	1.45	1.50	1.48	1.40	1.21
10Y Treas. Yield (%)	2.10	2.65	2.69	2.48	2.29
3m Interbank (%)	1.59	1.59	1.59	1.59	1.57
GDP (YoY%)	3.2	3.0	3.3	3.7	-
PMI	50.3	50.3	52.6	50.7	52.2
PPI (YoY%)	-0.7	1.1	2.6	-1.2	0.5
Money Supply (YoY%)	3.93	4.20	3.25	4.31	4.92
Sov. Rating, Moody's	Baa1	Baa1	Baa1	Baa1	Baa1
Sov. Rating, S&P	BBB+	BBB+	BBB+	BBB+	BBB+
5Y CDS (bps)	86.68	81.59	54.24	61.88	50.47
FDI (%GDP)	-	0.42	-	-	-



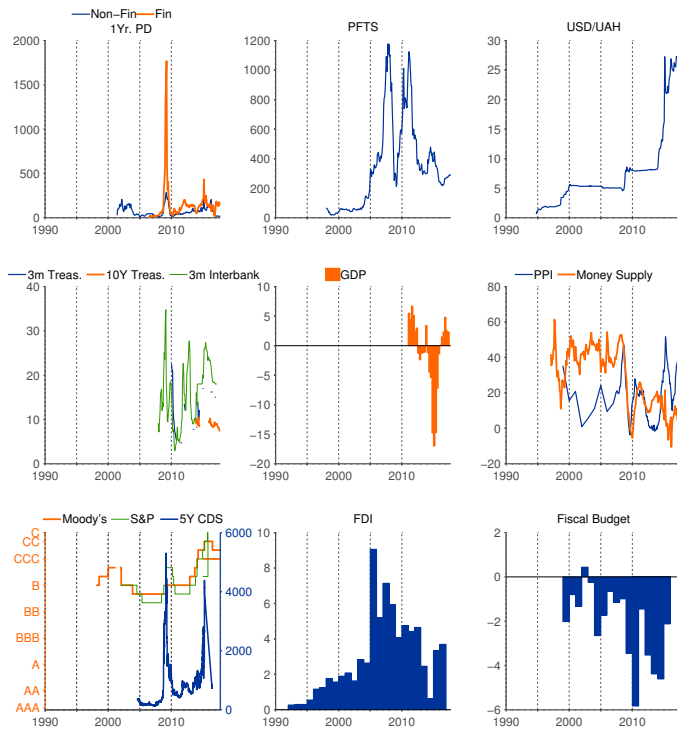
Tunisia	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	7.64	5.39	5.24	5.24	3.76
1Yr. PD, Fin.	19.64	26.87	30.65	29.80	23.88
TUSISE	5342	5489	5543	6023	6181
USD/TND	2.20	2.32	2.29	2.45	2.48
Money Supply (YoY%)	7.58	8.05	6.37	9.22	9.90
Sov. Rating, Moody's	B1	B1	B1	B1	B1
FDI (%GDP)	-	1.65	-	-	-



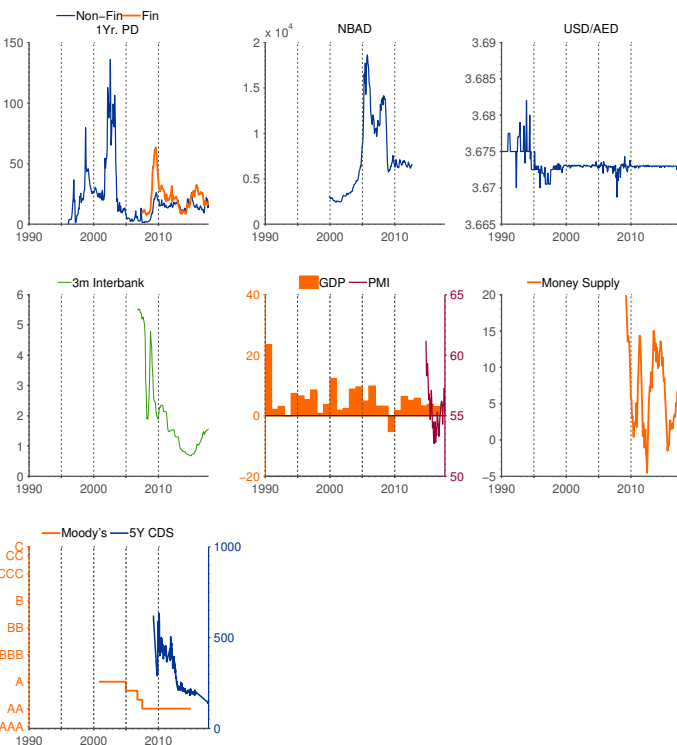
Turkey	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	28.27	24.05	19.50	15.77	14.74
1Yr. PD, Fin.	35.50	29.12	26.77	24.13	24.46
National 100	76488	78139	88947	100440	102908
USD/TRY	3.00	3.52	3.64	3.52	3.56
10Y Treas. Yield (%)	9.52	11.08	10.65	10.27	10.68
3m Interbank (%)	9.13	10.13	12.41	13.02	13.12
GDP (YoY%)	-0.8	4.2	5.2	5.0	-
OECD CLI	6.66	7.06	7.38	7.55	-
PMI	48.3	47.7	52.3	54.7	53.5
Sov. Rating, Moody's	Ba1	Ba1	Ba1	Ba1	Ba1
Sov. Rating, S&P	BB	BB	BB	BB	BB
5Y CDS (bps)	261.62	273.17	239.28	194.72	187.51
FDI (%GDP)	-	1.43	-	-	-
Fiscal Budget (%GDP)	-	-1.13	-	-	-



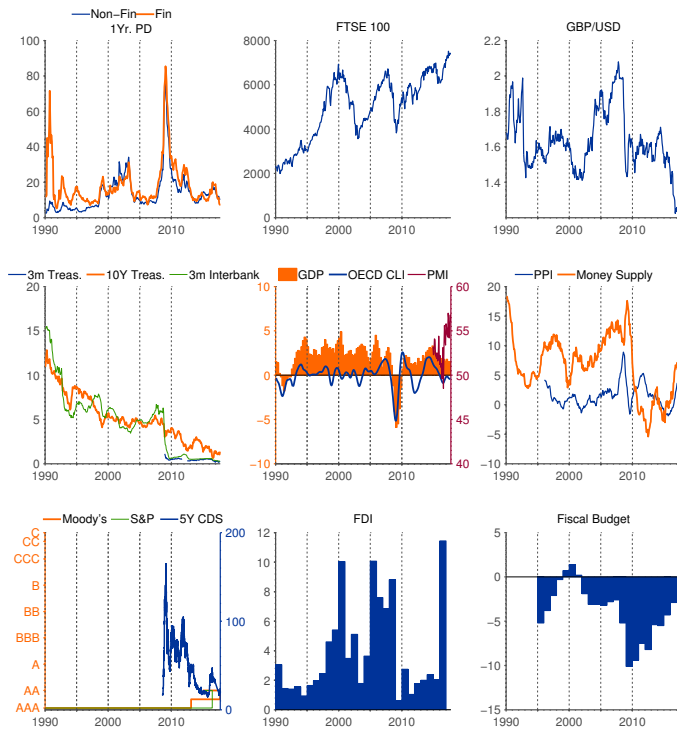
Uganda	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	22.94	31.80	45.46	11.80	4.53
1Yr. PD, Fin.	31.09	31.56	30.91	27.49	16.80
UGSINDX	1536	1477	1558	1678	1718
3m Treas. Yield (%)	14.12	14.00	11.10	10.82*	9.79
10Y Treas. Yield (%)	16.64	-	16.26*	15.98*	14.92*
GDP (YoY%)	2.8	2.9	4.5	5.4	-
PMI	56.2	52.0	53.5	52.8	53.8
PPI (YoY%)	0.3	2.4	4.5	-	-
Money Supply (YoY%)	3.30	11.14	12.60	13.55	13.14*
Sov. Rating, S&P	B	B	B	B	B
FDI (%GDP)	-	2.05	-	-	-



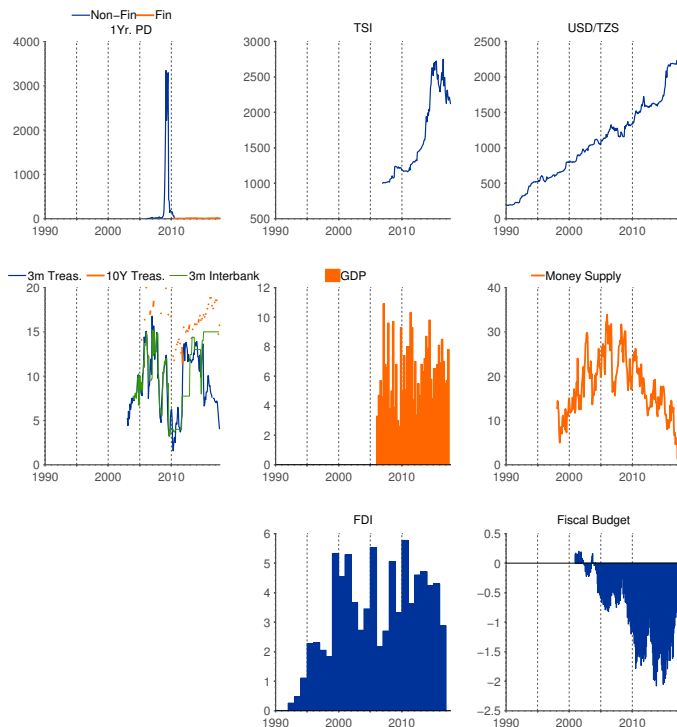
Ukraine	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	40.32	25.02	17.95	17.52	16.74
1Yr. PD, Fin.	33.53	95.71	162.87	130.76	154.31
PFTS	240	265	272	286	294
USD/UAH	25.93	27.30	27.06	26.08	26.58
3m Treas. Yield (%)	-	15.00	-	-	-
10Y Treas. Yield (%)	8.56	8.76	9.07	8.20	7.38
3m Interbank (%)	18.33	18.00	18.00	-	-
GDP (YoY%)	2.3	4.8	2.5	2.3	-
PPI (YoY%)	19.6	35.7	38.3	26.3	22.4
Money Supply (YoY%)	12.60	10.90	6.70	6.50	6.60
Sov. Rating, Moody's	Caa2	Caa2	Caa2	Caa2	Caa2
Sov. Rating, S&P	B-	B-	B-	B-	B-
5Y CDS (bps)	757.11*	-	-	-	-
FDI (%GDP)	-	3.69	-	-	-



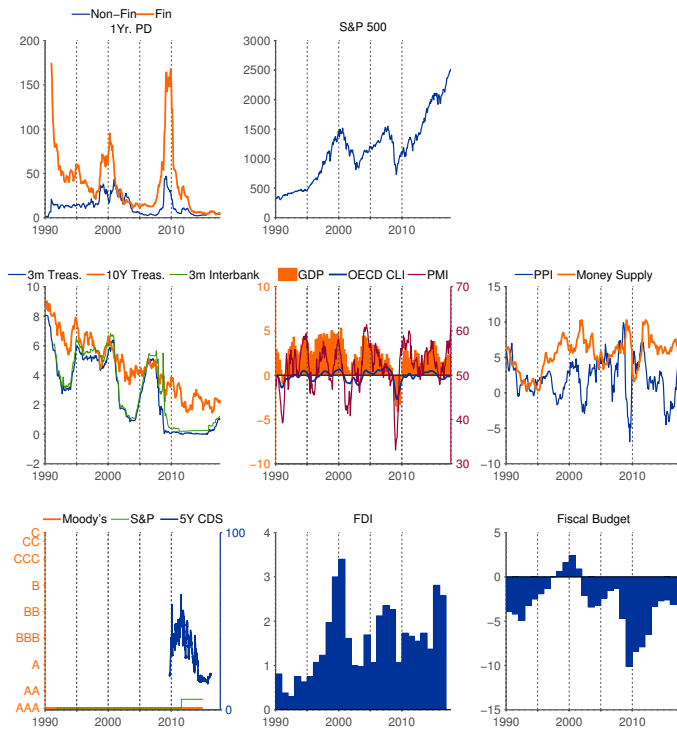
United Arab Emirates	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	11.71	9.31	17.85	18.13	16.39
1Yr. PD, Fin.	25.00	19.41	19.12	16.28	19.22
USD/AED	3.67	3.67	3.67	3.67	3.67
3m Interbank (%)	1.27	1.48	1.47	1.51	1.56
GDP (YoY%)	-	3.0	-	-	-
PMI	54.1	55.0	56.2	55.8	55.1
Money Supply (YoY%)	3.52	5.11	6.70	7.20	6.53
Sov. Rating, Moody's	Aa2	Aa2	Aa2	Aa2	Aa2
5Y CDS (bps)	-	-	-	-	146.80



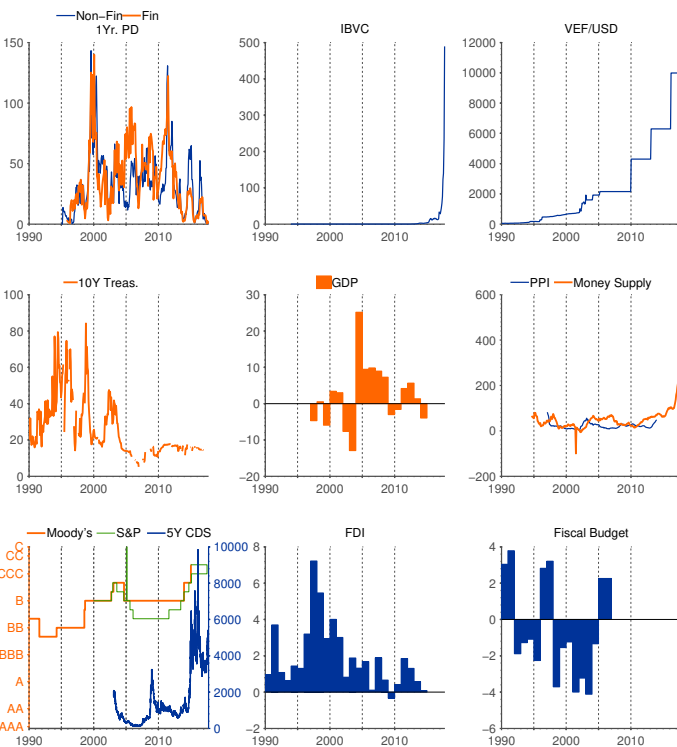
United Kingdom	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	15.82	15.34	12.27	12.13	10.62
1Yr. PD, Fin.	18.59	19.00	12.33	11.32	7.50
FTSE 100	6899	7143	7323	7313	7373
GBP/USD	1.30	1.23	1.25	1.30	1.34
3m Treas. Yield (%)	0.32	0.16	0.27	0.17	0.28
10Y Treas. Yield (%)	0.75	1.24	1.14	1.26	1.37
3m Interbank (%)	0.38	0.37	0.34	0.31	0.34
GDP (YoY%)	1.8	1.6	1.8	1.5	1.5
OECD CLI	99.39	99.80	99.82	99.60	99.54*
PMI	55.6	55.8	54.3	54.2	56.0
PPI (YoY%)	1.2	2.9	3.7	3.3	3.3
Money Supply (YoY%)	6.10	6.30	6.70	5.40	4.80
Sov. Rating, Moody's	Aa2	Aa2	Aa2	Aa2	Aa2
Sov. Rating, S&P	AA	AA	AA	AA	AA
5Y CDS (bps)	32.45	30.73	-	19.94	23.73
FDI (%GDP)	-	11.44	-	-	-
Fiscal Budget (%GDP)	-	-2.90	-	-	-



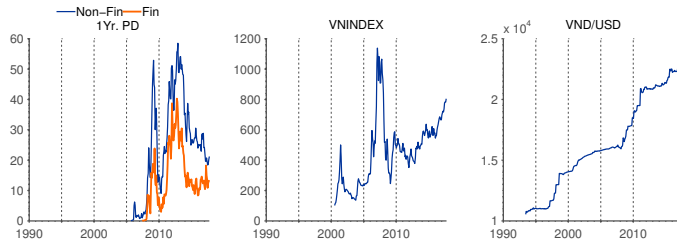
United Republic of Tanzania	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	0.57	0.26	0.21	0.53	0.34
1Yr. PD, Fin.	8.78	10.94	16.90	10.17	10.50
TSI	2478	2198	2315	2217	2117
3m Treas. Yield (%)	7.50	7.09	7.20	5.53	4.10
10Y Treas. Yield (%)	17.64*	18.34*	18.56	14.76	15.75*
3m Interbank (%)	15.00	15.00	15.00	15.00	15.00*
GDP (YoY%)	7.0	5.5	5.7	7.8	-
Money Supply (YoY%)	7.20	4.70	6.00	9.40	9.80*
FDI (%GDP)	-	2.88	-	-	-
Fiscal Budget (%GDP)	-1.06	-0.67	-0.83	-0.85	-0.62*



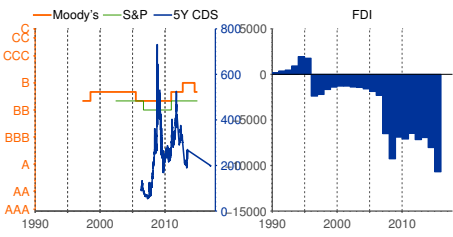
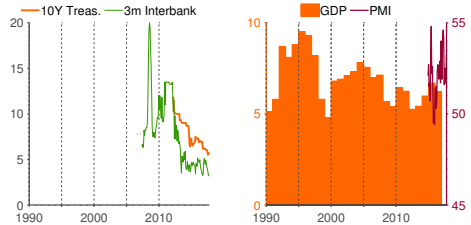
United States	2016		2017		Q3
	Q3	Q4	Q1	Q2	
1Yr. PD, Non-Fin. (bps)	6.37	5.06	4.31	3.98	3.60
1Yr. PD, Fin.	6.49	3.54	3.66	4.39	4.56
S&P 500	2168	2239	2363	2423	2519
3m Treas. Yield (%)	0.27	0.50	0.75	1.01	1.04
10Y Treas. Yield (%)	1.59	2.44	2.39	2.30	2.33
3m Interbank (%)	0.78	0.78	1.05	1.10	1.25
GDP (YoY%)	1.5	1.8	2.0	2.2	2.3
OECD CLI	99.16	99.53	99.73	99.72	99.73*
PMI	51.7	54.5	57.2	57.8	60.8
PPI (YoY%)	-0.1	1.9	3.8	2.2	3.3
Money Supply (YoY%)	7.40	7.00	6.30	5.60	5.10
Sov. Rating, Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Sov. Rating, S&P	AA+	AA+	AA+	AA+	AA+
FDI (%GDP)	-	2.58	-	-	-
Fiscal Budget (%GDP)	-	-3.10	-	-	-



Venezuela	2016		2017		Q3
	Q3	Q4	Q1	Q2	
1Yr. PD, Non-Fin. (bps)	17.26	4.56	2.72	0.10	0.05
1Yr. PD, Fin.	22.36	7.01	7.50	0.34	0.47
IBVC	13	32	44	123	489
VEF/USD	9987.50	9987.50	9990.05	9985.05	10155.80
10Y Treas. Yield (%)	14.62	14.24	-	-	-
Money Supply (YoY%)	113.30	158.80	206.90	326.50	533.90
Sov. Rating, Moody's	Caa3	Caa3	Caa3	Caa3	Caa3
Sov. Rating, S&P	CCC-	CCC-	CCC-	CCC-	CCC-
5Y CDS (bps)	2946.27	3749.67	3571.02	3562.06	5191.26



Vietnam	2016		2017		
	Q3	Q4	Q1	Q2	Q3
1Yr. PD, Non-Fin. (bps)	26.91	24.18	19.69	18.40	21.21
1Yr. PD, Fin.	12.35	11.71	18.24	10.88	13.41
VNINDEX	686	665	722	776	804
VND/USD	22296.00	22761.00	22755.00	22731.00	22730.00
10Y Treas. Yield (%)	6.50	6.20	6.07	5.80	5.60
3m Interbank (%)	3.25	5.10	4.90	4.00	3.20
GDP (YoY%)	-	6.2	-	-	-
PMI	52.9	52.4	54.6	52.5	53.3
Sov. Rating, Moody's	B1	B1	B1	B1	B1
Sov. Rating, S&P	BB-	BB-	BB-	BB-	BB-
5Y CDS (bps)	-	-	197.34*	-	-



D Data notes

This Appendix provides a comprehensive list of the macroeconomic and capital market data provided in Appendix C as well as their sources. Most of the data was obtained from Bloomberg. In some cases, the data was not available in Bloomberg and was obtained directly from primary sources. In either case, the primary sources for the data are listed in the tables below. The data was retrieved during October 2017 and every effort has been made to verify its accuracy.

The last section of this Appendix describes the Probability of Default implied Rating (PDiR). The PDiR has been introduced to aid intuition about PD values for individual companies.

Stock index (top-center graph) The one-year return on an economy's stock index is one input variable for RMI's default forecast model. The stock indices used in the model are the ones that are displayed in Appendix C. A list of the stock indices included in Appendix C can be found [here](#).

FX rate (top-right graph) Foreign exchange (FX) rates are quoted by market convention against the US dollar. For Eurozone countries, a fixed official rate is used to convert the domestic currency to the Euro prior to the introduction of the common currency. In the graphs, the FX rate for the domestic currency before the economy adopted the Euro is in orange, and the FX rate for the Euro after the Euro was adopted is in blue. The table below shows the conversion dates and rates. The exchange rate for the Cypriot Pound is excluded due to scaling reasons.

Conversion to Euro

Economy	Conversion Date	Conversion Rate (per Euro)	Economy	Conversion Date	Conversion Rate (Per Euro)
Austria	31/12/1998	13.7603	Italy	31/12/1998	1936.27
Belgium	31/12/1998	40.3399	Luxembourg	31/12/1998	40.3399
Estonia	31/12/2010	15.6466	Malta	31/12/2007	0.4293
Finland	31/12/1998	5.94573	Netherlands	31/12/1998	2.20371
France	31/12/1998	6.55957	Portugal	31/12/1998	200.482
Germany	31/12/1998	1.95583	Slovakia	31/12/2008	30.126
Greece	31/12/2000	340.75	Slovenia	31/12/2006	239.64
Ireland	31/12/1998	0.787564	Spain	31/12/1998	166.386

10-year treasury bond yield (middle-left graph) All 10-year treasury bond yields are based on Bloomberg indices except for the following list: Bank Negara Malaysia for Malaysia, Korea Financial Investment Association for South Korea and Philippine Dealing & Exchange Corp for Philippines.

3-month government bond yield (middle-left graph) The primary sources of the 3-month government bond yields are listed in [here](#).[†]

3-month interbank rate (middle-left graph) The primary sources of the 3-month interbank rates can be found [here](#).

[†]The RMI CRI model uses Germany's three-month Bublic rate for all eurozone countries after their adoption of the euro. For the period before joining the eurozone, their own interest rates are used where available.

GDP (middle-center graph, left axis) Real GDP YoY changes are seasonally-adjusted except for China, Hong Kong, Iceland, India, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand. A list of primary sources of the GDP data can be found [here](#).

OECD CLI (middle-center graph, right axis) The OECD Composite Leading Indicator for each economy is intended to provide early signals of turning points between different trends in the economic cycle. For forecasting purposes, peaks in CLI are candidate early signals of downturns in the economic cycle, and troughs in the CLI are candidate early signals of upturns in the economic cycle. More information can be obtained at www.oecd.org/std/clits. The OECD CLI shown in Appendix C is amplitude adjusted with a deduction of 50 for the purpose of presentation along with the PMI.

PMI (middle-center graph, right axis) The Purchasing Manager's Index or similar indices are used to reflect an economy's manufacturing activities. An index reading above 50 indicates an expansion of manufacturing activity while a reading below 50 indicates a contraction. An exception is the Business Survey Index used in South Korea, which has 100 as its benchmark. A list of primary sources of the Purchasing Managers Index data can be found [here](#).

PPI (middle-right graph) The Producers' Price Index or similar indices are presented as YoY changes. A list of primary sources of the Producers' Price Index data can be found [here](#).

Money Supply (middle-right graph) YoY growth of money supply uses M3 when it is available for an economy. The exceptions are: Brazil, Chile, China, Cyprus, the Czech Republic, Indonesia, Jordan, Kazakhstan, Latvia, Lithuania, Mexico, Nigeria, Norway, Pakistan, Peru, Romania, Russia, Sri Lanka, Taiwan, Thailand and the US where M2 is used; and Croatia and the UK where M4 is used. For Eurozone countries, data after the adoption of the Euro represents total money supply growth of the Euro. A list of primary sources of the Money Supply data can be found [here](#).

Sovereign credit ratings (bottom-left graph, left axis) For most of the economies, the Standard & Poor's and Moody's sovereign ratings are for foreign currency long term debt. Moody's ratings for France, Germany, India, Japan, Netherlands, Singapore, Switzerland, Taiwan, United Kingdom and the United States are foreign currency long term issuer ratings instead. Among the above mentioned economies, France, Germany, Switzerland, United Kingdom and the United States ratings are cited from Moody's website directly, with the remainder of the data from Moody's and S&P retrieved from Bloomberg. For graphical purposes, selective or restricted defaults are reflected as C grades in the graphs. For example, according to S&P data, Indonesia had selective default events on March 29, 1999; April 17, 2000 and April 23, 2002, seen as C grades in the graphs above.

5Y CDS spread (bottom-left graph, right axis) 5-year Credit Default Swap spreads are for each economy's long term sovereign debt. All of the CDS data is sourced from Bloomberg.

FDI (bottom-center graph) FDI into each economy is presented as a percentage of GDP. The World Bank is the primary source of all FDI data.

Fiscal budget (bottom-right graph) Fiscal budget is presented as a percentage of GDP. A list of primary sources of the Fiscal Budget data can be found [here](#).

PDiR

The PDiR has been introduced to aid intuition about what different values of 1-year PD from RMI-CRI’s default forecast model imply about a firm’s credit quality. In short, the 1-year PD for a firm is used to imply a credit rating based on historically observed default rates for credit rating agency ratings.

The table at right classifies firms into S&P-equivalent PDiR based on their 1-year PD. For example, if a firm has a 1-year PD of 50bps, then it will be assigned an S&P-equivalent rating of BB. The upper bounds for each PDiR are derived using default and rating transition data provided by credit rating agencies to the European Securities and Markets Authority (ESMA) Central Ratings Repository.[†] RMI-CRI uses this data to compute issuer-weighted 1-year average default rates (ADR) for each rating’s cohort, using ratings data from 2006-2015.

PDiR	Upper bound (bps)
AAA	0.16
AA	2.39
A	9.28
BBB	35.95
BB	139
B	539
CCC/C	–

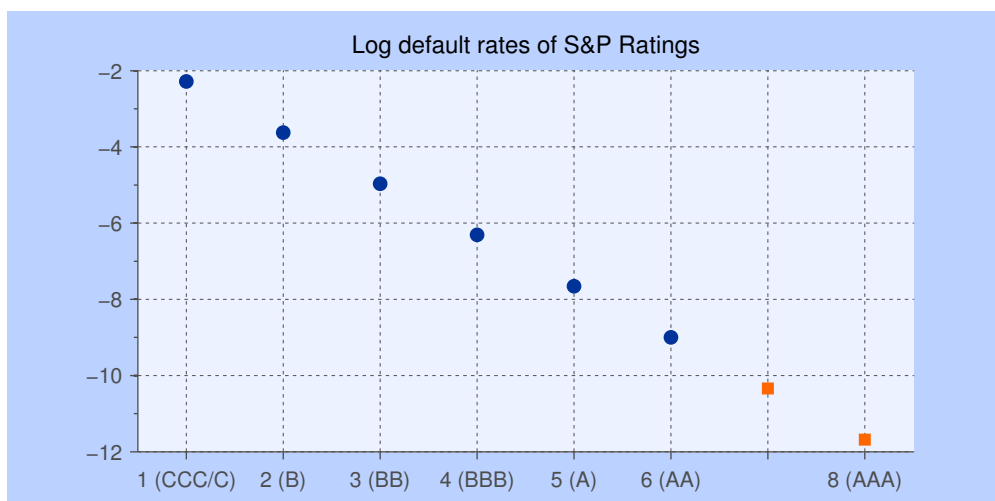
Computing the boundaries between different PDiR classes: The blue circles in the graph below indicate the logarithm of the observed ADR for firms rated by S&P with ratings from AA down to CCC/C.

Given the linear relationship between the observed log default rates and the ratings, we interpolate the log default rate for each rating notch from this result by plotting a line of best fit through the observed points. We then take the boundary between PDiR classes as the mid-point of the interpolated log default rates.

For example, the upper bound for BBB is computed as:

$$UB(BBB) = \exp\left(\frac{\log(ADR(BBB)) + \log(ADR(BB))}{2}\right).$$

For the upper boundary for AAA firms, a mid-point of observed log ADR cannot be taken as the ADR is zero for S&P rated AAA firms. Instead, a line of best fit can be plotted through the six observed points for the other rating classes in order to extrapolate the orange squares. However, taking the default rate based on the first extrapolated orange square results in a boundary that leads to a far larger fraction of PDiR-rated AAA firms as compared to actual rated AAA firms. Thus, the boundary between AA and AAA is taken as the mid-point between the first and second orange square.



[†]Central Ratings Repository, European Securities and Markets Authority (ESMA).

About RMI and the Credit Research Initiative

The NUS RMI was established in August 2006 as a research institute at NUS dedicated to the area of financial risk management. The establishment of RMI was supported by the MAS under its program on Risk Management and Financial Innovation. RMI seeks to complement, support and develop Singapore's financial sector's knowledge and expertise in risk management, and thereby help to take on the challenges arising from globalization, structural change and volatile financial markets.

CRI is a non-profit project undertaken by NUS-RMI in response to the 2008-2009 GFC. The CRI takes a "public good" approach to credit ratings by providing the outputs from our default forecast system in a transparent, non-profit basis. In the current phase, the CRI model generates PDs on a daily basis for corporate entities in 127 economies in Africa, Asia-Pacific, Europe, Latin America, the Middle East and North America. Our PD can serve as a benchmark against traditional rating agencies' systems or internal credit analyses for industry analysts and business professionals. For more information about RMI and the CRI project, please visit our main site at <http://rmicri.org>

Usage, redistribution and publication of data

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