

MAKING SENSE OF THIS WORLD

03 December 2018



R&R Weekly Column By Brunello Rosa



The US and China Reach a Truce on Trade, But the G20 Fails to Condemn Protectionism

As we predicted in our column last week, the meeting between US and China that occurred on the sidelines of the G20 summit in Buenos Aires resulted in an agreement that will allow the countries to continue negotiating with one another on trade during the next few months. The US has agreed to postpone by three months its planned increase in tariffs, from 10% to 25%, on \$200bn worth of Chinese goods exported to the US; tariffs which would have otherwise gone into effect on January 1st, 2019. As we expected, this meeting was not the place at which a full-fledged agreement could take place, given the unresolved issues that exist between the two countries (especially in terms of the protection of intellectual property and the imbalance resulting from the closed nature of the Chinese economy relative to the American economy) and the deeper technological competition that is underlying their "trade skirmishes" with one another. All the same, this Christmas truce is a welcome development, as it removes one element of uncertainty for market participants on the verge of closing their books for 2018.

In contrast, the communique released at the end of the G20 summit is not likely to be a step in the right direction. Apart from being vague in general, there are three clear commitments the G20 fails to make in it. First, the communique does not explicitly condemn "protectionism" as it used to, but instead only says that world leaders "note current trade issues...recognize the contribution that the multilateral trading system has made", and that the "system is currently falling short of its objectives and there is room for improvement." Second, the G20 failed to endorse the UN's Global Compact For Migration after a number of countries, including the US, Hungary, Switzerland, and Italy, explicitly pulled out or showed reservations. The communique simply says that "large movements of refugees are a global concern with humanitarian, political, social and economic consequences. [G20 leaders] emphasize the importance of shared actions to address the root causes of displacement and to respond to growing humanitarian needs." Finally, the G20 communique confirms that Europe remains united in its support for the Paris agreement on climate change, whereas the US has confirmed its withdrawal from the agreement (only one day before the COP24 climate summit in Poland is set to begin), failing to put the weight of the entire G20 behind global environmental commitments.

Somebody willing to see the glass half full could say that at least this G20 meeting ended with less acrimony than did the G7 meeting in Canada in June 2018, where even the pictures taken showed tensions among various world leaders. For those inclined to be optimistic at the beginning of this festive season, one can perhaps focus on a few factors that are now lifting investor sentiment. In addition to this new truce in the US-China "trade war", there is also the more cooperative approach that has recently taken by the Italian government regarding its budget (an attempt to prevent the opening of a excessive deficit procedure by the European Commission early next year), as well as the less hawkish tone taken by US Federal Reserve chairman Jay Powell in his recent speech on financial stability. All of these factors, though somewhat clouded by the possibility of there being a negative reaction should the UK parliament reject the deal between the UK and the EU on the British withdrawal agreement on December 11th, might provide positive support to risky assets as 2018 comes to an end. Still, given the number of risks that remain, investors are likely to stay cautious during the final part of 2018 and into 2019.

Our Recent Publications

ECB PREVIEW: We Do Not Expect A Radical Shift In Policy in December, by Brunello Rosa and Nouriel Roubini,
 30 November 2018



MAKING SENSE OF THIS WORLD, 3 December 2018



The Week Ahead

In the US, labour market indicators is expected to remain stable. Wage growth is likely to remain unchanged (average hourly earnings November, c: 3.1% y-o-y; p: 3.1%), the number of new jobs will mildly decline (non-farm payrolls November, c: +205k m-o-m; p: 250k) and the unemployment rate will remain at a 49-year low (November, c: 3.7%; p: 3.7%).

No policy rates changes are expected in Canada and Australia. CBs are expected to keep policy rates on hold in Canada (BoC, c: 1.75%; p: 1.75%) and Australia (RBA, c: 1.5%; p: 1.5%).

The Quarter Ahead

Leading indicators show that the US economy will remain strong. Q3-2018 GDP growth remained stable (a: 3.5% q-o-q ann.; c: 3.5%; p: 3.5%) as did headline inflation in November (PCE October, a: 2.0% y-o-y; c: 2.0%; p: 2.0%). Next week, the ISM Manufacturing PMI is expected to rise (November, c: 58.0; p: 57.7). Markets have priced in a hike in December (82.7% likelihood, pw: 74.1) although Fed's Chairman Powell comments reduced the expectations of three hikes in 2019 to 9.2% (from 21.4% a month earlier).

The EZ economy will continue to show signs of deceleration... Last week, inflation fell below expectations (CPI October, c: 2.0%; c: 2.1% y-o-y; p: 2.2%), driven by core prices (Core CPI August, a: 1.0%; c: 1.1% y-o-y; p: 1.1%). Falling inflation increased demand for bonds (Germany 10y yield, -3bps to 0.31%), particularly in Italy (10y yield, -20bps to 0.34%)

... while political risks pile up: a) In Italy, banks' exposure to government debt has increased: in October: banks bought a net EUR 6.9bn of Italian government bonds, increasing their sovereign holdings by EUR 54bn since May, in sharp contrast to the sustained wave of selling (EUR -68bn) by foreign investors in the same period; b) In the UK, the vote to approve the Brexit deal negotiated with—and already approved by—the EU has been set for December 11. Its approval by the British parliament is not granted, as PM May is still seeking support among Conservative MPs.

US-China trade concerns are likely to linger on. The US and China agreed on postponing the imposition of tariffs—scheduled for January—for three months in order to work on a deal. China—under growing pressure given that its manufacturing sector is approaching contraction levels (NBS PMI November, a: 50.0; c: 50.2; p: 50.2)—committed to increase imports from the US. In parallel, a new NAFTA agreement between the US, Canada and Mexico was signed.

Geopolitical risks are rising... Last week, Russia and Ukraine had clashes off the coast of Crimea, with the latter requesting NATO support. Russia's bonds and the RUB fell to a 2.5-year low

... but EMs will continue to enjoy demand from fixed income investors. Despite the deteriorating geopolitical environment, Russia announced the upcoming sale of EUR 1bn of 7-year Eurobonds. Strong preliminary demand reduced yield guidance from 3% to ~2.875%. Russia's last international issuance (USD4bn in March) included provisions allowing payments in other currencies if the government was denied access to USD.

Oil prices could decline in the short term. Brent prices stabilized w-o-w (-0.2% to 58.7 USD/b) as markets expect Opec to deliver a moderate output cut in its meeting next Thursday. However, the cut might not materialize, given that: a) KSA is under pressure by the US to maintain output; b) Opec allies seem comfortable with current prices; and c) KSA has stated that the country will not undertake cuts on its own. In the near term, if the decline does not materialize, prices could fall further.

Last Week's Review

Gains across asset classes, lifted by expectations of a shorter-than-expected tightening cycle. Fed's Chairman Jerome Powell declared that interest rates were "just below their neutral level", signalling that the tightening cycle might be weaker than expected in 2019. The comment lifted global markets: w-o-w, prices rose across asset classes and geographies; stocks benefitted the most, particularly in the US (MSCI ACWI, 3.3%; S&P 500, 4.8%; Eurostoxx 50, 1.1%; MSCI EMs, 2.6%) and volatility fell below its long-term average (VIX, -3.4 to 18.1; 52w avg.: 15.2; 10y avg.: 18.6). Bond prices also rose, led by US (US Reuters index, 0.4%) and EMs (BAML EMs index, 0.4%). Yields fell across DMs (US 10y yield, -3bps to 3.01%) and the USD strengthened against a basket of currencies (DXY, +0.4%) and all DM currencies (EUR/USD, -0,2% to 1.132).

Francisco Quintana contributed to this Viewsletter.

The picture in the front page comes from this website



@RosaRoubini



Rosa & Roubini



Rosa&Roubini Associates

For more information, please call us on +44 (0)207 1010 718 or send us an email to info@rosa-roubini-associates.com

www.rosa-roubini-associates.com

118 Pall Mall, London SW1Y 5ED







Abbreviations, Acronyms and Definitions

AMP Justice and Development Party, Turkey mon. annualized mon.	а	Actual	LN	Northern League, Italy
Argentinian Peso mb Million barrels per dey or willion barrels per dey or mb Million barrels per dey or many	AKP	Justice and Development Party, Turkey	M5S	Five Star Movement, Italy
ovg. Average mb/d Million barrels per day ho ho Billion MENA Middle East North Africa 180C Bank of Canada MHP Nationalist Movement Party, Turkey 180C Bank of England mn Million Barrels per day NAFTA North-American Free Trade Agr. North-American Fre	ann.	annualized	m-o-m	Month-on-month
Billion Billion Billion Billion BoC Bonk of Canada MHP Nationalist Movement Party, Turkey Million BoE Bonk of England mn Million Boll Bonk of Japon NAFTA North-American Free Trade Agr. North Atlantic Treaty Organization for Economic Cooperation and Development BS Bollone sheet Opec Organization for Economic Cooperation and Development BS Bollone sheet Opec Organization for Economic Cooperation and Development CGA Current occount PPP Peet-to-peer CGA Current occount PPP Peet-to-peer CGB Central bank of Bahrain PCE Personal Consumption Expenditures CGBC Central Bank of Ruwalt PE Price to earnings ratio CGBC Central Bank of Ruwalt PE Price mainsiste CGT Consensus PPM Prime ministe CGT Control Bank of Ruwalt PPM Prime ministe CGT Control Bank of Ruwalt PPM Prime ministe CGT Consumer Price Index PPM Privalous week CONY Chinese Yuan CPI Consumer Price Index PPW Previous week CONY Chinese Yuan Dow Jones Industrial Average Index QGB	ARS	Argentinian Peso	mb	Million barrels
BoC Bank of Canada mn Million BoI Bank of Japan MAFTA North-American Fee Trade Agr. BoI Bank of Japan NAFTA NORTH-American Fee Trade Agr. bpd Barrels per day NAFO NATO North Atlantic Treaty Organizat. bps Basis points OECD Organization for Economic Cooperation and Development BS Balance sheet Opec Organization of Petroleum Exporting Countries C C Consensus p Previous C/A Current account P2P Peer-to-peer CB Central bank of Navait PEC Personal Consumption Expenditures CBB Central Bank of Suvait PE Price to canning ratio CBK Central Bank of Suvait PE Price to canning ratio CBT Central Bank of Turkey PM Prime minister CDU Christian Democratic Union, Germany PM Prime minister CPI Consumer Price Index pw PP Price to canning ratio CPI Consumer Price Index pw PP Price to canning ratio CPI Consumer Price Index PW PP Price to canning ratio CPI Consumer Price Index PW PP Price to canning ratio CPI Consumer Price Index PW PP Price to canning ratio CPI Consumer Price Index PW PRIMING PRICE PRIC	avg.	Average	mb/d	Million barrels per day
BoE Bank of England mn MAIIIon Both of Japan NAFTA North-American Free Trade Agr. bpd Barrels per day NATO NATO North Atlantic Treaty Organizat. bps Basis points OCCD Organization for Economic Cooperation and Development BS Balaince Sheet Opec Organization of Petroleum Exporting Countries C COnsensus PP Pere-to-peer CA Current account PPP Peer-to-peer CB Central bank of Bahrain PCE Personal Consumption Expenditures CBB Central Bank of Ruwait PE Price to earnings ratio CBB Central Bank of Nuwait PE Price to earnings ratio CBT Central Bank of Turkey PM Ph Prime minister CBT Central Bank of Turkey PM Ph Prime minister CBT Central Bank of Survey PM PM Prime minister CDU Christian Democratic Union, Germany PMI Purchasing managers' index CPI Consumer Price Index PW Previous week CPI Consumer Price Index PW Previous week CPI Consumer Price Index QCB Cator Central Bank CPI Consumer Central B	bn	Billion	MENA	Middle East and North Africa
Boll Bank of Japan NAFTA North-American Free Trade Agr. bpd Barrels per day NATO North Altantic Treaty Organizatio. bps Busis points OECD Organization for Economic Cooperation and Development BS Bolance sheet Opec Organization for Economic Cooperation and Development CC Consensus p Previous Peroleum Exporting Countries CC CC Consensus PBOC People's Bank of China CC CC CONSENSUS PEROLEUM PROPRIES CONSENSUS PEROLEUM PROPRISE CONSENS	ВоС	Bank of Canada	MHP	Nationalist Movement Party, Turkey
bpd Barsis per day NATO North Atlantic Treaty Organizat. bps Basis points OECD Organization for Economic Cooperation and Development BS Balance sheet Opec Organization of Petroleum Exporting Countries C Consensus p Previous C/A Current account P.P.P Peer-to-peer CB Central bank of Bahrain P.C.E People's Bank of China CBB Central Bank of Rawait P.E.P.P. Peer-to-peer CBK Central Bank of Kwwait P.E.P.P. Per Price to earnings ratio CBT Central Bank of Mawait P.P.P.P. Peer Price to earnings ratio CBT Central Bank of Kwwait P.P.P.P. Peer Price to earnings ratio CBT Central Bank of Kwwait P.P.P.P. Peer Price to earnings ratio CBT Central Bank of Kwwait P.P.P.P. Peer Price to earnings ratio CBT Consume Price Index Q.B.P.P.P. Peer Price to earnings ratio CPI Consumer Price Index Q.C.B. Quatro Central Bank DIFM Dow Jones Industriol Average Index Q.G.B. Quatro Central Bank	BoE	Bank of England	mn	Million
bys Basis points OECD Organization for Economic Cooperation and Development BS Balance sheet Opec Organization for Economic Cooperation and Development C Consensus p Previous CA Current account P2P Peer-to-peer CB Central bank of Bahrain PEE Personal Consumption Expenditures CBB Central Bank of Furkey PM Price to earnings ratio CBT Central Bank of Turkey PM Price to earnings ratio CBT Central Bank of Turkey PM Price to earnings ratio CBT Central Bank of Turkey PM Price to earnings ratio CBT Central Bank of Turkey PM Price to earnings ratio CDU Christian Democratic Union, Germany PMI Pure minister CDU Christ	BoJ	Bank of Japan	NAFTA	North-American Free Trade Agr.
BS Balance sheet C Consensus P P Previous C Central bank Bahrain PCE Personal Consumption Expenditures C Personal Consumption Expenditures C Personal Consumption Expenditures C Personal Consumption Expenditures C P Personal Consumption Expenditures C Consumer Price Index C C Consumer Price Index C C C Q Quartectory C Christs Price Index C Q C Quartectory C C Q Quartectory C C Q Quartectory C Q Q Quartectory C Q Q Quartectory C Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q Q	bpd	Barrels per day	NATO	North Atlantic Treaty Organizat.
C Consensus p P Prévious C/A Current account P2P Peer-to-peer CB Central bank PBoC People's Bank of China CBB Central Bank of Bahrain PCE Personal Consumption Expenditures CBK Central Bank of Kuwait PE Price to earnings ratio CBT Central Bank of Turkey PM PM Prime minister CDU Christian Democratic Union, Germany PMI Purchasing managers' index CNY Chinese Yuan pps Percentage points CPI Consumer Price Index pw Previous week DIAN Dow Jones Industrial Average Index QCB Qatar Central Bank DIEM Dow Jones Emerging Markets Index QAR Qatari Riyal d-o-d Day-on-day QE Quarter-on-quarter EC European Commission RE Real estate ECB European Central Bank RBA Reserve Bank of Australia ECU European Court of Justice RRR RR Reserve Requirement Ratio ELA US Energy Information Agency RUB Russian Rouble EM Emerging Markets EP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European Inlion UAE United Kingdom EUR Euro EUR Euro US Federal Reserve Board EV European Olmon Market Committee USD/b USD per barrel FRB US Federal Reserve Board FK Foreign exchange VAT Value added tox FK Foreign exchange VAT V	bps	Basis points	OECD	Organization for Economic Cooperation and Development
C/A Current account P2P Peer-to-peer People's Bank of China PBoC People's Bank of China Central Bank of Bahrain PCE Personal Consumption Expenditures PFE Price to earnings ratio PFE PFICE TO Earnings ratio PFE PFE PFICE TO Earnings ratio PFE	BS	Balance sheet	Орес	Organization of Petroleum Exporting Countries
CB Central Bank of Bohrain PBOC People's Bank of China CBB Central Bank of Suwait PE Personal Consumption Expenditures CBT Central Bank of Turkey PM Price to earnings ratio CBT Central Bank of Turkey PM Prime minister CDU Christian Democratic Union, Germany PMI Purchasing managers' index CNY Chinese Yuan pps Percentage points CPI Consumer Price Index QCB Qator Central Bank DILA Dow Jones Industrial Average Index QCB Qator Central Bank DIEM Dow Jones Emerging Markets Index QAR Qatar Central Bank Oby -on-day QE Quantitative easing DY US Dollar Index Q-o-q Quarter-on-quarter EC European Central Bank RBA Reserve Real state EC European Central Bank RBA Reserve Requirement Ratio EC European Central Bank RBA Reserve Requirement Ratio EM European Darliament In Trillion	с	Consensus	р	Previous
CBB Central Bank of Bahrain PCE Personal Consumption Expenditures CBK Central Bank of Kuwait PE Price to earnings ratio CBT Central Bank of Turkey PM Prime minister CDU Christian Democratic Union, Germany PMI Purchosing managers' index CDV Christian Democratic Union, Germany pps Percentage points CPI Consumer Price Index pw Previous week DIJA Dow Jones Industrial Average Index QCB Qatar Central Bank DIEM Dow Jones Emerging Markets Index QAR Qatar Central Bank d-0-d Doy-on-day QE Quartiev-on-quarter EC European Commission RE Real estate EC European Central Bank RBA Reserve Bank of Australia ECI European Central Bank RBA Reserve Bank of Australia ECI European Central Bank RBA Reserve Bank of Australia ECI European Central Bank RBA Reserve Bank of Australia EA Everopean Central Ba	C/A	Current account	P2P	Peer-to-peer
CBK Central Bank of Kuwait PE Price to earnings ratio CBT Central Bank of Turkey PM Prime minister CDU Christian Democratic Union, Germany PMI Prime minister CDV Chinese Yuan pps Percentage points CPI Consumer Price Index ppw Previous week DJIA Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Emerging Markets Index QR Qatar Riyal d-o-d Day-on-day DXY US Dollar Index Q-o-q Quantitative easing DXY US Dollar Index Q-o-q Quantitative easing ECE European Commission RE Real estate ECE European Control Bank RBA Reserve Bank of Australia ECI European Court of Justice RRR Reserve Requirement Ratio ELIA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament In Trillion EPS Earnings per share TRY Turkish Lira EU European UNA United Kingdom EUR Euro EUR Euro EUR Euro EUR Euro US United States Dollar FOMC US Federal Reserve USD United States Dollar FOMC US Federal Reserve USD United States Dollar FRR Foreign exchange VAT Value added tax FRR Foreign exchange VAT Value added tax FRR Foreign exchange VAT Value added tax FRR Fiscal Year FRY Fiscal Year UX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GPP British pound GOP Gross domestic product W Week-on-week IMF International Monetary Fund IMR Indian Rupee Y Year IPPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial J-y-t-d Year-to-date JPP Japanese yen LAR South African Rand	СВ	Central bank	PBoC	People's Bank of China
CBT Central Bank of Turkey PM Prime minister CDU Christian Democratic Union, Germany PMI Purchasing managers' index CNY Chinese Yuan pps Percentage points CPI Consumer Price Index pw Previous week DJIA Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Industrial Average Index QCB Quantitative easing DJEM Quarter-on-quarter EC European Commission RE RE Real estate ECB European Commission RE RE Real estate ECB European Control Justice RRR RR Reserve Bank of Australia ECI European Court of Justice RRR RR Reserve Bank of Australia ECI European Court of Justice RRR Reserve Bank of Australia ECI European Parliament In Trillion EFF European Union UAE United Aria Emirates EU European Union UAE United Kingdom EEU European Union UAE United Kingdom EEU European Union UAE United States FEE Eurozone FEE Eurozone FEE Eurozone FEE Eurozone FEE Eurozone FEE Eurozone FOMC US Federal Reserve Board UST USD per barrel FFRB US Federal Reserve Board UST UST ressury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-O-W Week-on-week IMR Indian Rupee IV-C-d Year-on-year IRR Iranian Rial	CBB	Central Bank of Bahrain	PCE	Personal Consumption Expenditures
CDU Christian Democratic Únion, Germany PMI purchasing managers' index CNY Chinese Yuan pps Percentage points CPI Consumer Price Index pp Previous week Previous Pre	CBK	Central Bank of Kuwait	PE	Price to earnings ratio
CNY Chinese Yuan pps Percentage points CPI Consumer Price Index pw Previous week DJIA Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Emerging Markets Index QAR Qatar Riyal d-0-d Doy-on-doy QE Quontitotive easing DXY US Dollar Index q-0-q Quarter-on-quarter EC European Central Bank RBA Reserve Bank of Australia ECG European Central Bank RBA Reserve Bank of Australia ECI European Conditivative RRR Reserve Bank of Australia ECI European Parliament In Trillion EPS Earnings per share ITRY Turkish Lira EU European Parliament In Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro UK United Kingdom EZ Eurozane US United States Fed US Federal Reserve USD United States Fed US Federal Reserve USD United States FEM US Federal Reserve WISD USD per barrel FRB US Federal Reserve WISD USD per barrel FRB US Federal Reserve WISD USD per barrel FRB US Federal Reserve Board UST Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WOTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-0-W Week-on-week IMF International Monetary Fund W-0-W Week-on-weer IMF Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African R	CBT	Central Bank of Turkey	PM	Prime minister
CPI Consumer Price Index pw Previous week DJIA Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Emerging Markets Index QAR Qatari Riyal d-0-d Day-on-day QE Quantitative easing DXY US Dollar Index q-0-q Quarter-on-quarter EC European Commission RE Real estate ECB European Court of Justice RRR Reserve Bank of Australia ECI European Court of Justice RRR Reserve Requirement Ratio EIA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament tn Trillion EP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro UK United States Dollar EZ Eurozone US US United States Fed US Federal Open Market Committee USD/b USD per barrel FRB US Federal Open Market Committee USD/b USD per barrel <td>CDU</td> <td>Christian Democratic Union, Germany</td> <td>PMI</td> <td>Purchasing managers' index</td>	CDU	Christian Democratic Union, Germany	PMI	Purchasing managers' index
DJIA Dow Jones Industrial Average Index QCB Qatar Central Bank DJEM Dow Jones Emerging Markets Index QAR Qatari Riyal d-o-d Day-on-day QE Quantitative easing DXY US Dollar Index q-o-q Quarter-on-quarter EC European Commission RE Real estate ECB European Court of Justice RRR Reserve Requirement Ratio ECI European Court of Justice RRR Reserve Requirement Ratio ELIA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament tn Trillion EP European Parliament tn Trillion EP European Union UAE Uhited Arab Emirates EU European Union UAE United Arab Emirates EU European Union UAE United States Fed US Federal Reserve US United States Fed US Federal Reserve US United States FRB	CNY	Chinese Yuan	pps	Percentage points
DJEM Dow Jones Emerging Markets Index QAR Qatari Riyal d-o-d Day-on-day QE Quontitative easing DXY US Dollar Index q-o-q Quarter-on-quarter EC European Commission RE Real estate ECB European Central Bank RBA Reserve Bank of Australia ECI European Court of Justice RRR RBA Reserve Requirement Ratio ELIA US Energy Information Agency RBB Russian Rouble REM Emerging Markets SWF Sovereign Wealth Fund Trillion EPS Earnings per share TRY Turkish Lira United Arab Emirates EUR European Union UAE United Arab Emirates EUR European Union UAE United States Fed US Federal Reserve Board US US United States US Perbarrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W W-o-w Week-on-week IMR International Monetary Fund INR Indian Rujae Y-t-d Year-to-date Jupy In Jupy Japanese yen LAR South African Rand LAR SOUTH African R	CPI	Consumer Price Index	pw	Previous week
d-o-d Day-on-day QE Quantitative easing DXY US Dollar Index q-o-q Quarter-on-quarter EC European Commission RE Real estate ECB European Commission RBA Reserve Bank of Australia ECI European Court of Justice RBR RESERVE Bank of Australia ECI European Court of Justice RBR RESERVE Bank of Australia ECI European Court of Justice RBR RESERVE Bank of Australia ECI European Court of Justice RBR RBBA RESERVE Bank of Australia ECI European Court of Justice RBR RBBA RESERVE Bank of Australia ECI European Court of Justice RBR RBBA RESERVE Bank of Australia ECI European Parliament RBI RUS ROUBLE FUNDED EPS European Parliament In Trillion EPP European Parliament In Trillion EPP European Parliament In Trillion EPP European Union UAE United Arab Emirates EUR European Union UAE United Arab Emirates EUR European US UNK United States FEE US Federal Reserve USD United States FFE US Federal Reserve USD United States Dollar FOMC US Federal Reserve Board UST USD per barrel FRB US Federal Reserve Board UST USD per barrel FRB US Federal Reserve Board UST USD per barrel FRF V Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week-on-week IMF International Monetary Fund W-o-w Week-on-week IMF International Monetary Fund W-o-w Week-on-week IMR Indian Rupee IPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial Y-t-d Year-to-date IPO Years 10-year	DJIA	Dow Jones Industrial Average Index	QCB	Qatar Central Bank
DXY US Dollar Index q-o-q Quarter-on-quarter EC European Commission RE Real estate ECB European Control Bank RBA Reserve Bank of Australia ECI European Court of Justice RRR REServe Requirement Ratio EIA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro UK United Kingdom EZ Eurozone US United States Fed US Federal Reserve USD United States Fed US Federal Reserve USD United States Dollar FOMC US Federal Reserve Board UST UST per barrel FRB US Federal Reserve Board UST UST Freasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W W Week IMF International Monetary Fund IMR Indian Rupee Y Y Year IPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial Y-t-d Year-to-date IJPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	DJEM	Dow Jones Emerging Markets Index	QAR	Qatari Riyal
EC European Commission RE REA Real estate ECB European Central Bank RBA Reserve Bank of Australia ECJ European Court of Justice RRR RESERVE Requirement Ratio EIA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament In Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro EUR Euroone UK United Kingdom EZ Eurozone US United States Fed US Federal Reserve USD United States FOMC US Federal Open Market Committee USD/b USD per barrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WOO World Trade Organisation GDP Gross domestic product W W Week INR Indian Rupee V Y Year-on-year IRR Inaian Rial Y-0-Y Year-on-year IRR Iranian Rial Y-1-d Year-to-date IPY Japanese yen ZAR South African Rand k thousand	d-o-d	Day-on-day	QE	Quantitative easing
ECB European Central Bank RBA Reserve Bank of Australia ECI European Court of Justice RRR Reserve Requirement Ratio EIA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European UNK United Kingdom EZ Eurozone US United States Fed US Federal Reserve USD United States FoMC US Federal Open Market Committee USD/b USD per barrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W W-O-W Week-on-week IMR International Monetary Fund IMR Indian Rupee Y -O-Y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR SOUth African Rand Little TITLE TRANIC	DXY	US Dollar Index	q-o-q	Quarter-on-quarter
ECJ European Court of Justice RRR Reserve Requirement Ratio EIA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EPP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro EZ Eurozone US United States Fed US Federal Reserve USD United States Dollar FOMC US Federal Reserve Board UST UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WO WOrld Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week-on-week INR Indian Rupee Y Year IPO Initial public Offering IPY Japanese yen ZAR South African Rand k thousand	EC	European Commission	RE	Real estate
ElA US Energy Information Agency RUB Russian Rouble EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro EUR Euro UK United Kingdom EZ Eurozone US United States Fed US Federal Reserve USD United States Dollar FOMC US Federal Reserve USD United States Dollar FOMC US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week IMR Indian Rupee Y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand	ECB	European Central Bank	RBA	Reserve Bank of Australia
EM Emerging Markets SWF Sovereign Wealth Fund EP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro UK United Kingdom EZ Eurozone US United States Fed US Federal Reserve USD United States Dollar FOMC US Federal Reserve USD USD per barrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week-on-week INR Indian Rupee Y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand	ECJ	European Court of Justice	RRR	Reserve Requirement Ratio
EP European Parliament tn Trillion EPS Earnings per share TRY Turkish Lira EU European Union UAE United Arab Emirates EUR Euro UK United States EUR Euro US US United States Fed US Federal Reserve USD United States Dollar FOMC US Federal Open Market Committee USD/b USD per barrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week-on-week INR Indian Rupee Y Year IPO Initial public offering Y-o-Y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand	EIA	US Energy Information Agency	RUB	Russian Rouble
EPS Earnings per share EU European Union EUR Euro EUR Euro UK United Kingdom EZ Eurozone Fed US Federal Reserve FoMC US Federal Open Market Committee USD United States Dollar FOMC US Federal Reserve Board FX Foreign exchange FX Foreign exchange FY Fiscal Year GCC Gulf Cooperation Council GBP British pound GDP Gross domestic product WTO World Trade Organisation GDP Gross domestic product WHO Week IMF Indian Rupee IPO Initial public offering IRR Iranian Rial JY-t-d YEAR UK United States Dollar United States Dollar USS United States Dollar USS United States Dollar USS United States Dollar United States Dollar USS United States Dollar USD United States Dollar United States Dollar USD United States Dollar UNITED States USD United States Dollar USD United States Doll	EM	Emerging Markets	SWF	Sovereign Wealth Fund
EUR Euro UK United Arab Emirates EUR Euro EUR Euro EUR Euroone EZ Eurozone Fed US Federal Reserve FOMC US Federal Open Market Committee FRB US Federal Reserve Board FX Foreign exchange FY Fiscal Year GCC Gulf Cooperation Council GBP British pound GDP Gross domestic product INF International Monetary Fund INR Indian Rupee INR Iranian Rial JPY Japanese yen K US Eurozone USS United States Dollar USS United States USD United States VAT USD per barrel USD per barrel VSD VST reasury bills/bonds VST value added tax VAT Value added tax VIX Chicago Board Options Exchange Volatility Index WTI West Texas Intermediate World Trade Organisation Week Week Week IMF International Monetary Fund W-o-w Week-on-week INR Iranian Rial Y-t-d Year-on-year IRR South African Rand LAR South African Rand LAR South African Rand LAR LAR South African Rand	EP	European Parliament	tn	Trillion
EUREuroUKUnited KingdomEZEurozoneUSUnited StatesFedUS Federal ReserveUSDUnited States DollarFOMCUS Federal Open Market CommitteeUSD/bUSD per barrelFRBUS Federal Reserve BoardUSTUS Treasury bills/bondsFXForeign exchangeVATValue added taxFYFiscal YearVIXChicago Board Options Exchange Volatility IndexGCCGulf Cooperation CouncilWTIWest Texas IntermediateGBPBritish poundWTOWorld Trade OrganisationGDPGross domestic productwWeekIMFInternational Monetary Fundw-o-wWeek-on-weekINRIndian RupeeyYearIPOInitial public offeringy-o-yYear-on-yearIRRIranian Rialy-t-dYear-to-dateJPYJapanese yenZARSouth African Randkthousand2y; 10y2-year; 10-year	EPS	Earnings per share	TRY	Turkish Lira
EZ Eurozone US United States Fed US Federal Reserve USD United States Dollar FOMC US Federal Open Market Committee USD/b USD per barrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W-O-W Week-On-week IMF International Monetary Fund W-O-W Week-on-week INR Indian Rupee Y-O-Y Year-On-year IPO Initial public offering Y-O-Y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand	EU	European Union	UAE	United Arab Emirates
Fed US Federal Reserve USD United States Dollar FOMC US Federal Open Market Committee USD/b USD per barrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W-o-w Week-on-week IMF International Monetary Fund W-o-w Week-on-week INR Indian Rupee Y-o-y Year-on-year IPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	EUR	Euro	UK	United Kingdom
FOMC US Federal Open Market Committee USD/b USD per barrel FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week-on-week INR Indian Rupee y Y Year IPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand	EZ	Eurozone	US	United States
FRB US Federal Reserve Board UST US Treasury bills/bonds FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week-on-week INR Indian Rupee Y Y Year IPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand	Fed	US Federal Reserve	USD	United States Dollar
FX Foreign exchange VAT Value added tax FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-w Week-on-week INR Indian Rupee y Y Year IPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	FOMC	US Federal Open Market Committee	USD/b	USD per barrel
FY Fiscal Year VIX Chicago Board Options Exchange Volatility Index GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product W Week IMF International Monetary Fund W-o-W Week-on-week INR Indian Rupee Y Year IPO Initial public offering Y-o-y Year-on-year IRR Iranian Rial Y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	FRB	US Federal Reserve Board	UST	US Treasury bills/bonds
GCC Gulf Cooperation Council WTI West Texas Intermediate GBP British pound WTO World Trade Organisation GDP Gross domestic product w Week IMF International Monetary Fund w-o-w Week-on-week INR Indian Rupee y Year IPO Initial public offering y-o-y Year-on-year IRR Iranian Rial y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	FX	Foreign exchange	VAT	Value added tax
GBP British pound WTO World Trade Organisation GDP Gross domestic product w Week IMF International Monetary Fund w-o-w Week-on-week INR Indian Rupee y Year IPO Initial public offering y-o-y Year-on-year IRR Iranian Rial y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	FY	Fiscal Year	VIX	Chicago Board Options Exchange Volatility Index
GDP Gross domestic product w Week IMF International Monetary Fund w-o-w Week-on-week INR Indian Rupee y Year IPO Initial public offering y-o-y Year-on-year IRR Iranian Rial y-t-d Year-to-date JPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	GCC	Gulf Cooperation Council	WTI	West Texas Intermediate
IMFInternational Monetary Fundw-o-wWeek-on-weekINRIndian RupeeyYearIPOInitial public offeringy-o-yYear-on-yearIRRIranian Rialy-t-dYear-to-dateJPYJapanese yenZARSouth African Randkthousand2y; 10y2-year; 10-year	GBP	British pound	WTO	World Trade Organisation
INRIndian RupeeyYearIPOInitial public offeringy-o-yYear-on-yearIRRIranian Rialy-t-dYear-to-dateJPYJapanese yenZARSouth African Randkthousand2y; 10y2-year; 10-year	GDP	Gross domestic product	W	Week
IPOInitial public offeringy-o-yYear-on-yearIRRIranian Rialy-t-dYear-to-dateJPYJapanese yenZARSouth African Randkthousand2y; 10y2-year; 10-year	IMF	International Monetary Fund	W-O-W	Week-on-week
IRRIranian Rialy-t-dYear-to-dateJPYJapanese yenZARSouth African Randkthousand2y; 10y2-year; 10-year	INR	Indian Rupee	у	Year
JPY Japanese yen ZAR South African Rand k thousand 2y; 10y 2-year; 10-year	IPO	Initial public offering	у-о-у	Year-on-year
k thousand 2y; 10y 2-year; 10-year	IRR	Iranian Rial	y-t-d	Year-to-date
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	JPY	Japanese yen	ZAR	South African Rand
KSA Kingdom of Saudi Arabia	k	thousand	2y; 10y	2-year; 10-year
	KSA	Kingdom of Saudi Arabia		

Rosa & Roubini

Rosa & Roubini Associates Ltd is a private limited company registered in England and Wales (Registration number: 10975116) with registered office at 118 Pall Mall, St. James's, London SW1Y 5ED, United Kingdom. VAT registration number GB 278 7297 39. Analyst Certification: We, Brunello Rosa and Nouriel Roubini, hereby certify that all the views expressed in this report reflect our personal opinion, which has not been influenced by considerations of Rosa&Roubini Associates's business, nor by personal or client relationships. We also certify that no part of our compensation was, is or will be, directly or indirectly, related to the views expressed in this report. Disclaimer: All material presented in this report is provided by Rosa & Roubini Associates-Limited for informational purposes only and is not to be used or considered as an offer or a solicitation to sell or to buy, or subscribe for securities, investment products or other financial instruments. Rosa & Roubini Associates Limited does not conduct "investment research" as defined in the FCA Conduct of Business Sourcebook (COBS) section 12 nor does it provide "advice about securities" as defined in the Regulation of Investment Advisors by the U.S. SEC. Rosa & Roubini Associates Limited is not regulated by the FCA, SEC or by any other regulatory body. Nothing in this report shall be deemed to constitute financial or other professional advice in any way, and under no circumstances shall we be liable for any direct or indirect losses, costs or expenses nor for any loss of profit that results from the content of this report or any material in it or website links or references embedded within it. The price and value of financial instruments, securities and investment products referred to in this research and the income from them may fluctuate. Past performance and forecasts should not be treated as a reliable quide of future performance or results; future returns are not quaranteed; and a loss of original capital may occur. This research is based on current public information that Rosa & Roubini Associates considers reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. Rosa & Roubini Associates, its contributors, partners and employees make no representation about the completeness or accuracy of the data, calculations, information or opinions contained in this report. Rosa & Roubini Associates has an internal policy designed to minimize the risk of receiving or misusing confidential or potentially material non-public information. We seek to update our research as appropriate, but the large majority of reports are published at irregular intervals as appropriate in the author's judgment. The information, opinions, estimates and forecasts contained herein are as of the date hereof and may be changed without prior notification. This research is for our clients only and is disseminated and available to all clients simultaneously through electronic publication. Rosa & Roubini Associates is not responsible for the redistribution of our research by third party aggregators. This report is not directed to you if Rosa & Roubini Associates is barred from doing so in your jurisdiction. This report and its content cannot be copied, redistributed or reproduced in part or whole without Rosa & Roubini Associates' written permission.

