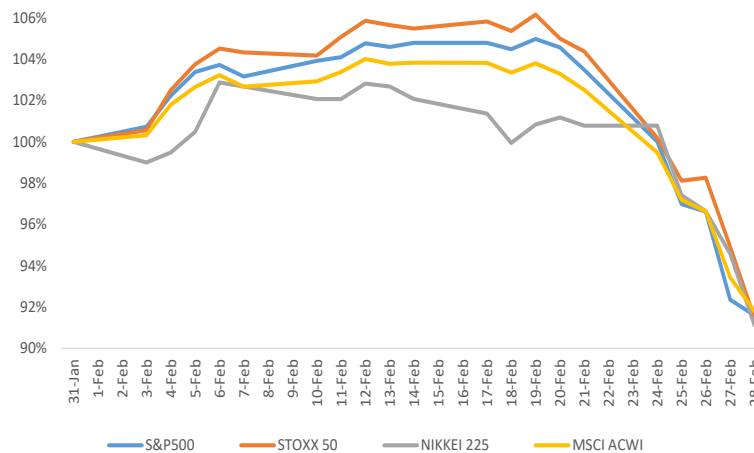


# MONTHLY MARKETS REPORT – FEBRUARY 2020

## EQUITIES

EQUITIES			
INDICES	LAST CLOSE	1 MONTH (%)	YTD (%)
US			
S&P 500	2.954,22	-8,41%	-8,56%
DOW JONES	25.409,36	-10,07%	-10,96%
NASDAQ	8.567,37	-6,38%	-4,52%
EUROPE			
STOXX 50	3.329,49	-8,55%	-11,10%
FTSE 100	6.580,61	-9,68%	-12,75%
DAX	11.890,35	-8,41%	-10,25%
ASIA			
NIKKEI 225	21.142,96	-8,89%	-10,63%
CSI 300	3.940,05	-1,59%	-3,82%
LATAM			
BOVESPA	104.171,60	-8,43%	-9,92%
MERVAL	34.973,18	-12,80%	-16,07%
CHILE SLCT	4.122,63	-9,83%	-11,72%
OTHERS			
MSCI WORLD	2.141,12	-8,59%	-9,22%
MSCI ACWI	512,76	-8,21%	-9,28%
VIX	40,11	112,90%	191,07%



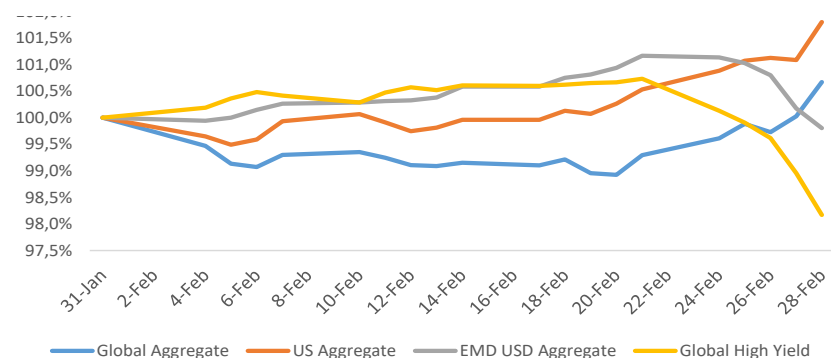
Stock market indices ended a black month, with substantial negative returns due to growing concerns of Covid-19 developments over the world, following confirmation of numerous cases in different countries – leading to increased probabilities of the virus spreading globally.

This situation, despite a good corporate earnings season, has led to global markets to remain under pressure on a pessimistic tone, while renowned international institutions keep on cutting back their global growth forecasts for this year as a result of lower activity levels.

Volatility as measured by the VIX Index climbed above 40 points, something which hadn't happened since 2011.

## FIXED INCOME INDICES

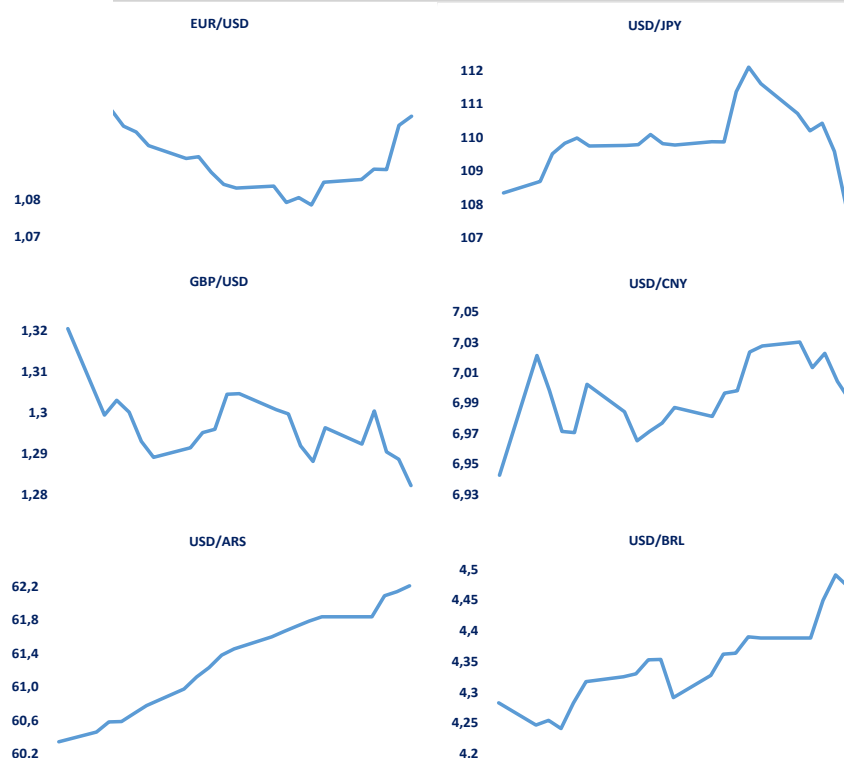
INDICES	CURRENT SPREAD	SPREAD 01/01/2020	MTD (%)	YTD (%)
Global Aggregate	47	36	0,67%	1,96%
U.S. Aggregate	50	39	1,80%	3,76%
Global High Yield	566	335	-1,83%	-1,71%
EM USD Aggregate	365	223	-0,20%	1,34%



Under the current context of uncertainty and lower forecasts of global economic growth, the likelihood of new cuts on monetary policy interest rates around the world, especially from the FED and the European Central Bank, have led the 10 year Treasuries to historic lows.

On the other hand, emerging market debt and high yield debt fell as investors sought shelter.

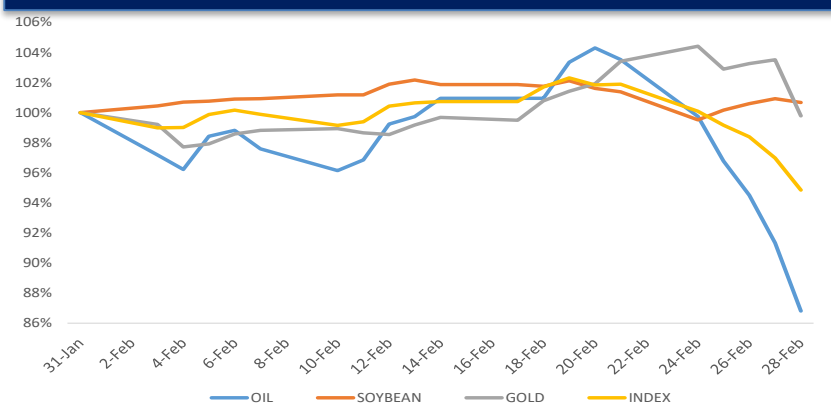
## CURRENCIES (MONTHLY PERFORMANCE)



In a similar pattern to that of overall financial markets, currencies showed erratic behavior mirroring investor sentiment. In this sense, despite volatility throughout the month, February ended without major variations compared with the end of January. On the other hand, the region's currencies depreciated against the dollar, and once again the Brazilian Real was the currency that took the greatest hit.

As could be expected, the commodities universe is paralyzed due to the global uncertainty which is heavily impacting raw materials, given the closing of borders as a means of preventing the pandemic from spreading even further. On the other hand, and while new cuts of global economic growth forecasts due to coronavirus are revealed, oil prices took the direct hit of fluctuating energy demand from the leading global economies.

## COMMODITIES



## MACRO DATA

		Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20
US	PMI Comp	54.6	53.0	50.9	51.5	52.6	50.7	51.0	50.9	52.0	52.7	53.3	49.6
	INFLATION	1.9	2.0	1.8	1.6	1.8	1.7	1.7	1.8	2.1	2.3	2.5	2.5
	UNEMPLOYMENT	3.8	3.6	3.6	3.7	3.7	3.7	3.5	3.6	3.5	3.5	3.6	3.6
EUROPE	PMI Comp	53.3	52.8	52.9	53.6	53.2	53.5	51.6	52.2	51.9	52.8	52.5	52.8
	INFLATION	0.8	1.3	0.8	1.1	0.9	0.9	1.0	1.1	1.3	1.3	1.1	1.1
	UNEMPLOYMENT	7.7	7.6	7.6	7.5	7.6	7.5	7.5	7.5	7.5	7.4	7.4	7.4
JAPAN	PMI Comp	50.4	50.8	50.7	50.8	50.6	51.9	51.5	49.1	49.8	48.6	50.1	47.0
	INFLATION	0.5	0.9	0.7	0.7	0.5	0.3	0.2	0.2	0.5	0.8	0.7	0.7
	UNEMPLOYMENT	2.5	2.4	2.4	2.3	2.3	2.3	2.4	2.4	2.2	2.2	2.4	2.4
CHINA	PMI Comp	52.9	52.7	51.5	50.6	50.9	51.6	51.9	52.0	53.2	52.6	51.9	
	INFLATION	2.3	2.5	2.7	2.7	2.8	2.8	3.0	3.8	4.5	4.5	5.4	5.4
	UNEMPLOYMENT	3.8	3.7	3.7	3.7	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6
BRAZIL	GDP	1.2	0.6	0.6	0.6	1.1	1.1	1.1	1.0	1.2	1.2	1.2	1.2
	INFLATION	4.6	4.9	4.7	3.4	3.2	3.4	2.9	2.5	3.3	4.3	4.3	4.2
	UNEMPLOYMENT	12.7	12.5	12.3	12.0	11.8	11.8	11.8	11.8	11.6	11.2	11.0	11.2
ARGENTINA	GDP	-6.1	-5.8	-5.8	-5.8	0.0	0.0	0.0	0.6	-1.7	-1.7	-1.7	-1.7
	INFLATION	52.5	53.4	54.7	53.3	52.6	52.2	50.8	47.2	49.0	50.6	48.6	
	UNEMPLOYMENT	9.1	10.1	10.1	10.1	10.6	10.6	10.6	10.6	9.7	9.7	9.7	9.7
CHILE	GDP	3.6	1.5	1.5	1.5	1.9	1.9	1.9	3.3	3.4	3.4	3.4	3.4
	INFLATION	2.5	2.4	2.8	2.7	2.6	2.6	2.2	2.7	2.8	3.0	3.5	3.5
	UNEMPLOYMENT	6.9	6.9	7.1	7.1	7.2	7.2	7.0	7.0	6.9	7.0	7.4	

PMI: An indicator that measures economic activity. A figure over 50 indicates expansion whereas below 50 it indicates contraction.  
Source: Bloomberg