

## Economics

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# Emerging Markets Daily and Week Ahead

## CEEMEA Edition

- **Focus on Zambia — What ails the kwacha?** With a broadly positive economic outlook in the short term, it seems that the political uncertainty is the main factor keeping the kwacha under pressure in the short term.
- **Czech Republic — January retail sales data suggest stagnation to continue.** Private consumption is likely to remain weak as real wage growth is still down and as fiscal consolidation continues.
- **Israel — A benign CPI but uncertain outlook should support ILS.** The February CPI was flat as expected, but inflation expectations are likely to stay elevated, and this should help support the ILS near term.
- **Poland — Labour market likely to weaken in February.** In our view, the labour market is going to weaken further in the coming months.
- **Next Week's Key Events —** We are above consensus in both **Poland's** industrial output for February and **Hungary's** rise in average gross wages. We think the slowing of Poland's industrial output will come later. For Poland, we expect the hike in minimum wages accelerated regular wages.

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Figure 1. Event Calendar

Time	Country	Indicator	Period	Actual	Citi	Market	Previous (revision)
<b>Yesterday's events</b>							
08:00	Czech Rep.	Export Prices (%YoY)	Jan	5.4	-	-	3.5
08:00	Czech Rep.	Import Prices (%YoY)	Jan	7.0	-	-	5.1
08:00	Czech Rep.	Producer Prices (%YoY)	Feb	3.6	-	3.9	4.1
08:00	Czech Rep.	Retail Sales (%YoY)	Jan	1.3	1.5	0.7	1.6
08:00	Turkey	Unemployment Rate (%)	Dec	9.8	-	-	9.1
14:00	Poland	Budget Performance, ytd (% of Plan)	Feb	46.8	-	-	15.1
16:30	Israel	Consumer Prices (%YoY)	Feb	1.7	-	1.7	2.0
<b>Today's events</b>							
08:00	Turkey	Consumer Confidence	Feb	-	-	-	92.2
10:00	CEE	ZEW Economic Expectations	Mar	-	-	-	-19.5
13:00	Poland	Employment (%YoY)	Feb	-	0.6	-	0.9
13:00	Poland	Average Gross Wages (%YoY)	Feb	-	5.3	-	8.1

Source: National Sources, Bloomberg, Citi Investment Research and Analysis (CIRA)

See Appendix A-1 for Analyst Certification, Important Disclosures and non-US research analyst disclosures.

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## Focus on Zambia

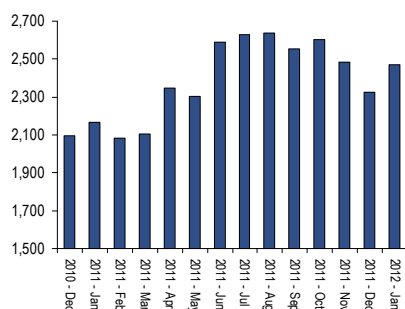
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### What ails the kwacha?

**The performance of the kwacha so far in 2012 is a conundrum from a purely economic perspective.** Certainly compared to its East African neighbours, the macroeconomic fundamentals in Zambia are broadly positive. As highlighted by the IMF in a press statement following their recent Article IV visit, the “macroeconomic performance in 2011 was positive and expected to remain robust in 2012” notably on the growth front.

**Although we do have concerns about the macroeconomic outlook in the medium to long term, this will probably only have an impact on the kwacha in 2013-14.** In particular, our longer term concerns about the kwacha relate to the decision to increase government spending and the erosion of the current account deficit. Having run a very modest fiscal deficit in recent years, the government is now aggressively seeking to ramp up spending, which should see the fiscal deficit rise to around 4% of GDP this year and to around 5% in 2013. Moreover, rising government spending against the background of strong growth has continued to suck in imports, leading to an erosion of the current account surplus. We think the surplus could fall to 1.2% of GDP in 2012, from an average of around 4% in 2009-11. African countries running twin deficits often see their currencies come under pressure, unless they clearly have in place the financing, or are prepared to use a tight monetary policy to help support the currency. But this is a trend for the future.

Figure 2. Foreign exchange reserves (US\$ m)



Source: Haver Analytics

**Instead, the most plausible explanation for current kwacha weakness seems to lie on the political side of the equation.** In some ways this is surprising, and even counter intuitive for a country which has just held one of Africa’s most orderly elections leading to an extremely smooth transfer of power from the Movement for Multiparty Democracy (MMD), which had held power since 1991, to the long time opposition party, the Patriotic Front (PF). While such a transfer could have been a boost for the currency, even given the populist leanings of the PF, the subsequent political confusion is probably driving an outflow of capital, both from the limited foreign investors in the local debt market and more crucially, from Zambians. In particular, there seem to be a number of unresolved political issues which may be driving this capital flight:

- First, some of the actions of the new PF government may have been perceived as political vindictive: for example, the manner in which the ZAMTEL privatization was reversed and even the recent decision to de-register the MMD for unpaid fees. In many ways, this was captured in Fitch’s March 1 decision to put Zambia’s outlook on “negative” even though, as it noted, the overall thrust of policy on anti-corruption and to examine poorly made policy decisions by the previous government is probably a long term positive for the country.
- Second, the new government has failed to present a united front in public and the four reshuffles of senior ministers in less than six months, largely for making contradictory statements on official government policy issues, has created uncertainty over the official policy stance and over shadowed the voices of reason within the government, led by the finance minister, Alexander Chikwanda.

**In some ways, much of the above is to be expected.** Being in opposition and criticizing government policy for a decade or more is much easier than being in government with little actual experience, and having to make decisions and to try and meet the high expectations created by the transfer of power. But until the political uncertainty does die away and the outflows slow, the pressure is likely to remain on the kwacha in the short term in our view.

## Country Analysis

### Czech Republic

#### January retail sales data suggest stagnation to continue

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**January retail sales data suggest stagnation might continue.** Retail sales in volume terms shrank 0.7% YoY seasonally-adjusted in January. That compares to the 3.3% YoY growth in December. If one takes cars out of the series however, then retail sales would have continued to grow for the fourth month in a row: 0.5% after a cumulative rise of 0.4% in 4Q11, mainly driven by the sale of clothes and electronics.

**Nevertheless, confidence indicators and labour market conditions do not bode well for retail sales.** While the base effect is supportive for the recovery in retail sales growth (it suggests an average growth at 0.5%YoY in 2H12), confidence indicators remain poor despite being slightly improved in the case of consumers, and stabilised in the case of retailers.

**All in all, private consumption is likely to remain weak due to weak real wage growth and fiscal consolidation,** which is the key reason why we expect the CNB Bank Board to keep its policy rate unchanged at 0.75% unless the labour market improves (this we expect to happen in 2H13). For more see our comments on likely further VAT hike in [Emerging Markets Daily: CEEMEA Edition](#).

For more see [Czech Republic Macro Flash - Despite better core retail sales, still not on growth path](#)

### Israel

#### A benign CPI but uncertain outlook should support ILS

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**Israel's CPI for February was in line with expectations at 0% on the month, and 1.7%YoY.** What's interesting is the disparity between inflation itself and inflation expectations. The annual rate of inflation has fallen from 3% in September to 1.7%, but meanwhile inflation expectations have shifted up dramatically during this period: the 2-year breakeven was 2% in September last year but is now 2.7%. This rise in inflation expectations has occurred despite some clear evidence that the outlook for Israeli domestic demand has not been that great: house prices fell late last year (and housing costs included in the CPI were flat last month); private consumption spending fell in annualised terms in Q4; and the outlook for credit markets is weak, as Israeli banks are under some burden to raise capital to meet the Bank of Israel's new minimum standards. So the explanation for this rise in inflation expectations must come largely from cost-push, rather than demand-pull, factors. Fuel and electricity prices are the main culprits here.

**Inflation expectations are unlikely to shift down substantially, and expectations of a rate hike should support the ILS.** Although we think GDP growth will be sub-3% this year (from 4.7% last year) the rise in inflation expectations will probably not reverse itself soon, largely because of unresolved cost-push issues, and also because the data seems set to improve: the February PMI, published yesterday, rose to 44.5 from 36.1 in January, and this was partly based on a 9.5ppt rise in domestic orders. With improvements like this it seems that inflation expectations are likely to stay elevated near term. Meanwhile, the rise in inflation expectations has shifted the market's view about monetary policy: small rate hikes are now priced into the FRA curve for 2012. Our view is that the Bank of Israel will leave rates unchanged this year, but expectations of tighter monetary policy will probably prove to be ILS-positive. The scope for near-term ILS appreciation will be strengthened if, as we suspect, the market grows less concerned about the imminent threat of an Israeli attack on Iran.

## Poland

### Labour market likely to weaken in February

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**In our view, the labour market is going to weaken further in the coming months.** Our estimates look for another deceleration in employment growth to 0.7%YoY after a deep fall in the employment growth rate to 0.9%Y in January due to a sample change by the statistical office. We expect demand for labour to weaken. At the same time, wage growth pressure should remain weak. In our view, the wage growth rate in the corporate sector declined in January to 5.3%YoY, which shows a correction from one-off jump to over 8% in January resulting from accelerated bonus payments before the introduction of increased disability pension contribution by employers. We expect further moderation in wage growth in the coming months.

## Next Week's Key Events

- We are above consensus in both **Poland's** industrial output for February and **Hungary's** rise in average gross wages. We think the slowing of Poland's industrial output will come later. For Poland, we expect the hike in minimum wages accelerated regular wages.

Figure 3. Next Week's Key Events

Time	Country	Indicator	Period	Citi Forecast	Mkt Forecast	Previous	Comment
<b>During the week</b>							
18 – 22	Bahrain	Consumer Prices (% YoY)	Feb	-	-	-0.2	-
18 – 25	U.A.E.	Consumer Prices (% YoY)	Feb	-	-	0.7	-
19 – 23	South Africa	Leading Indicator	Jan	-	-	132.1	-
19 – 26	U.A.E.	Dubai Airport Cargo Volumes (%YoY)	Feb	-	-	-2.6	-
20 – 22	Russia	Disposable Income (%YoY)	Feb	-	3.0	2.3	-
20 – 22	Russia	Real Wages (%YoY)	Feb	-	8.7	9.0	-
20 – 22	Russia	Retail Sales (%YoY)	Feb	-	7.1	6.8	-
20 – 22	Russia	Unemployment Rate (%)	Feb	-	6.6	6.6	-
20 – 22	Russia	Investment in Productive Cap (%YoY)	Feb	-	10.5	15.6	-
20 – 26	Hungary	Economic Sentiment	Mar	-	-	-22.5	-
20 – 26	Hungary	Business Confidence	Mar	-	-	-12.4	-
20 – 26	Hungary	Consumer Confidence	Mar	-	-	-51.2	-
<b>Monday 19 March</b>							
08:00	South Africa	Current Account (ZAR bn)	4Q	-	-110.4	-114.6	-
08:00	South Africa	Current Account (% of GDP)	4Q	-	-3.9	-3.8	-
10:00	South Africa	BER Consumer Confidence	1Q	-	-	5	-
13:00	Poland	Industrial Output (%YoY)	Feb	9.8	8.8	9.0	Industrial output should remain relatively strong in the near-term then decline in the few months after.
13:00	Poland	Producer Prices (%YoY)	Feb	6.4	6.5	8.0	-
<b>Tuesday 20 March</b>							
-	Egypt	Foreign Trade Balance (US\$bn)	Jan	-	-	-2.6	-
-	Israel	Inflation Forecast (%)	Mar	-	-	2.4	-
-	Israel	Leading 'S' Indicator (%MoM)	Feb	-	-	0.2	-
07:00	South Africa	Leading Indicator	Jan	-	-	132.1	-
08:00	Hungary	Average Gross Wages (%YoY)	Jan	4.9	3.5	10.1	The impact of early bonus payments in Dec 2011 ahead of the January tax hikes is likely to be compensated.
09:30	South Africa	Nonfarm Payrolls (%YoY)	4Q	-	-	2.5	-
13:00	Poland	Core Inflation (%YoY)	Jan	-	-	3.1	-
13:00	Poland	Core Inflation (%YoY)	Feb	-	2.7	-	-
<b>Wednesday 21 March</b>							
-	-	No key data release expected	-	-	-	-	-
<b>Thursday 22 March</b>							
-	Egypt	Deposit Rate (%)	Mar	9.25	-	9.25	-
-	Egypt	Lending Rate (%)	Mar	10.25	-	10.25	-
08:00	South Africa	Consumer Prices (%YoY)	Feb	-	6.3	6.3	-
13:00	Poland	MPC minutes	-	-	-	-	-
<b>Friday 23 March</b>							
09:00	Turkey	Foreign Tourist Arrivals (%YoY)	Feb	-	-	0.6	-

Source: National Statistics Offices, National Central Banks, Bloomberg, Citi Investment Research and Analysis

## Country Previews

### Hungary

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	Period	Citi Forecast	Market Forecast	Previous Release
Average Gross Wages (%YoY)	Jan	4.9	3.5	10.1

Source: Hungarian Central Statistical Office, National Bank of Hungary, Bloomberg and Citi Investment Research and Analysis

#### Average Gross Wages, Jan

The impact of early bonus payments in Dec 2011 ahead of the January tax hikes is likely to be compensated. Minimum wage hikes may accelerate regular wages.

### Poland

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	Period	Citi Forecast	Market Forecast	Previous Release
Industrial Output (%YoY)	Feb	9.8	8.8	9.2

Source: Central Statistical Office, National Bank of Poland, Bloomberg and Citi Investment Research and Analysis

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#### Industrial Output, Feb

We expect industrial output accelerated in February to 9.8%YoY from 9.2%YoY in January. Our estimate is slightly above market consensus at below 9%. We see some negative risk to our forecast due to much weaker than expected PMI manufacturing index for February, which declined to 50 pts. On the other hand, the Samar motor vehicle research institute data showed quite high growth in car output in February by 11.2%MoM, which was above our assumptions incorporated in our model. Industrial output still remains relatively strong, among others due to zloty weakening in the previous months. However, as the PMI index decline resulted mainly from fall in both exports and domestic orders, which with some lag should translate into weakening of industrial production in the next months.

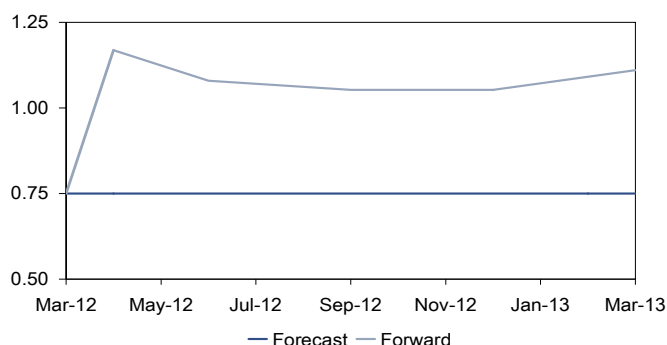
# Local Interest Rates

Figure 4. CEEMEA monetary policy watch

		Spot	Last Move		Next Move		2012 Year-end forecast
			Date	Amount (bp)	Date	Amount (bp)	
Czech Republic	2 Week Repo Rate	0.75	Jun-11	-25	2H13	+25	0.75
Hungary	14-Day Repo Rate	7.00	Dec-11	+50	Dec-12	-25	6.75
Israel	Base Rate	2.50	Jan-12	-25	2Q12	-25	2.25
Poland	7-Day Repo Rate	4.50	Jun-11	+25	Sep-12	-25	4.00
Romania	Refinancing Rate	5.50	Feb-12	-25	Mar-12	-25	5.00
Russia	Refinancing Rate	8.00	Dec-11	-25	Apr-12	-25	7.50
S. Africa	Average Repo rate	5.50	Nov-10	-50	Sep-12	+50	6.50
Turkey	1-Week Repo Rate	5.75	Aug-11	-50	3Q13	+25	5.75
Ukraine	Discount Rate	7.75	Aug-10	-75	Apr-12	-25	7.50

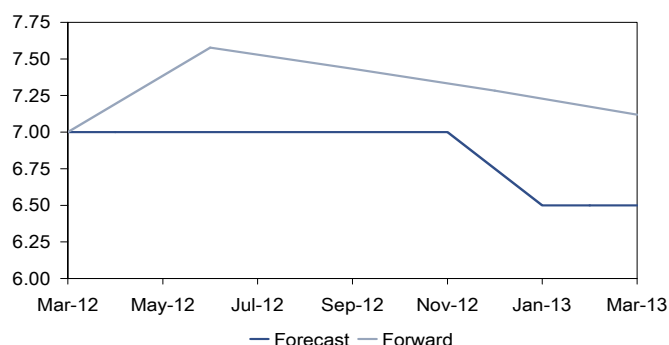
Source: Citi Investment Research and Analysis

Figure 5. Czech Republic (Percent)



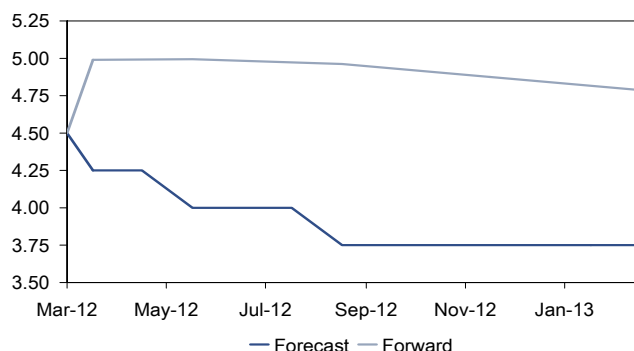
Source: Bloomberg, Citi Investment Research and Analysis. Note: 41bp spread 3M PRIBOR vs. CNB's rate.

Figure 6. Hungary (Percent)



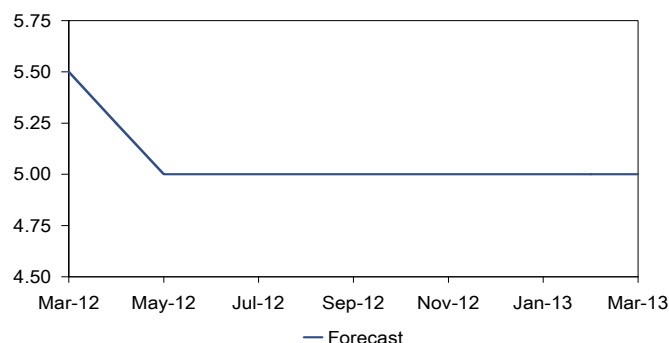
Source: Bloomberg, Citi Investment Research and Analysis

Figure 7. Poland (Percent)



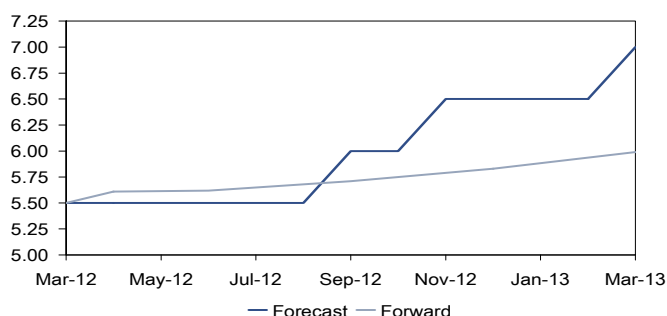
Source: Bloomberg, Citi Investment Research and Analysis

Figure 8. Romania (Percent)



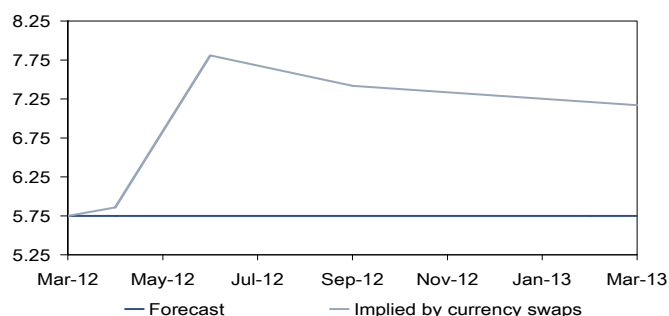
Source: Bloomberg, Citi Investment Research and Analysis

Figure 9. South Africa (Percent)



Source: Bloomberg, Citi Investment Research and Analysis

Figure 10. Turkey (Percent)



Source: Bloomberg, Citi Investment Research and Analysis

# Global Foreign Exchange Forecasts

Figure 11. Citi Foreign Exchange Forecasts (as of 15 March)

		Market data			Forecasts			Returns**	
		spot	3m Fwd	12m Fwd	0-3 mos	6-12 mos	long-term	3 mos rtn	12 mos rtn
<b>G10</b>									
Euro	EURUSD	1.30	1.30	1.31	1.30	1.25	1.30	-0.3%	-4.3%
Japanese yen	USDJPY	84	84	83	83	80	85	-0.7%	-3.9%
British Pound	GBPUSD	1.57	1.57	1.56	1.57	1.53	1.65	0.0%	-1.8%
Swiss Franc	USDCHE	0.93	0.93	0.93	0.93	0.98	0.96	0.0%	5.4%
Australian Dollar	AUDUSD	1.04	1.03	1.00	1.05	1.00	0.90	1.7%	-0.4%
New Zealand Dollar	NZDUSD	0.81	0.80	0.79	0.82	0.76	0.63	2.2%	-3.5%
Canadian Dollar	USDCAD	0.99	0.99	1.00	0.98	0.98	0.97	-1.4%	-2.6%
Dollar Index*	DXY	80.51	80.53	80.46	80.44	82.26	80.17	-0.1%	2.2%
<b>G10 Crosses</b>									
Japanese yen	EURJPY	109	109	109	108	100	111	-1.0%	-8.0%
Swiss Franc	EURCHF	1.21	1.21	1.21	1.21	1.22	1.25	-0.2%	0.8%
British Pound	EURGBP	0.83	0.83	0.84	0.83	0.81	0.79	-0.3%	-2.6%
Swedish Krona	EURSEK	8.92	8.96	9.06	8.85	8.75	8.65	-1.3%	-3.4%
Norwegian Krone	EURNOK	7.59	7.62	7.72	7.55	7.50	7.50	-1.0%	-2.8%
Norwegian Krone	NOKSEK	1.18	1.18	1.17	1.17	1.17	1.15	-0.3%	-0.6%
Australian Dollar	AUDNZD	1.29	1.29	1.27	1.28	1.32	1.43	-0.5%	3.2%
Australian Dollar	AUDJPY	87	86	84	87	80	77	1.0%	-4.2%
<b>Asia</b>									
Chinese Renminbi	USDCNY	6.33	6.35	6.36	6.32	6.24	6.11	-0.4%	-1.8%
Hong Kong Dollar	USDHKD	7.76	7.76	7.76	7.75	7.76	7.75	-0.1%	0.0%
Indonesian Rupiah	USDIDR	9173	9409	9782	9100	9300	9200	-3.3%	-4.9%
Indian Rupee	USDINR	49.9	51.3	53.3	50.5	50.0	48.5	-1.5%	-6.2%
Korean Won	USDKRW	1126	1138	1151	1135	1110	980	-0.3%	-3.6%
Malaysian Ringgit	USDMYR	3.05	3.07	3.11	3.06	2.98	2.89	-0.3%	-4.2%
Philippine Peso	USDPHP	42.9	43.5	43.9	43.0	42.0	41.5	-1.2%	-4.4%
Singapore Dollar	USDSGD	1.27	1.27	1.27	1.26	1.23	1.19	-0.7%	-2.5%
Thai Baht	USDTHB	30.8	31.0	31.4	30.8	30.3	30.0	-0.5%	-3.5%
Taiwan Dollar	USDTWD	29.5	29.5	29.3	29.7	28.8	28.2	0.6%	-1.6%
<b>EMEA</b>									
Czech Koruna	EURCZK	24.6	24.6	24.7	24.4	25.1	24.0	-1.0%	1.6%
Hungarian Forint	EURHUF	293	297	306	300	285	290	1.1%	-6.9%
Polish Zloty	EURPLN	4.15	4.19	4.31	4.15	4.20	3.90	-1.0%	-2.5%
Israeli Shekel	USDILS	3.79	3.81	3.85	3.80	3.95	3.90	-0.3%	2.6%
Russian Ruble	USDRUB	29.6	29.9	31.0	30.0	33.3	32.2	0.1%	7.1%
Russian Ruble Basket		35.3	33.6	34.0	35.3	34.0	37.0	36.5	0.0%
Turkish Lira	USDTRY	1.81	1.84	1.94	1.80	1.90	1.80	-2.3%	-2.2%
South African Rand	USDZAR	7.69	7.79	8.12	7.70	8.10	8.80	-1.1%	-0.2%
<b>LATAM</b>									
Brazilian Real	USDBRL	1.82	1.86	1.94	1.82	1.75	1.65	-2.1%	-9.8%
Chilean Peso	USDCLP	487	492	506	480	500	490	-2.5%	-1.2%
Mexican Peso	USDMXN	12.7	12.8	13.1	12.1	12.3	12.2	-5.4%	-6.1%
Colombian Peso	USDCOP	1764	1782	1834	1730	1800	1850	-2.9%	-1.9%

\* The DXY forecasts are implied from the forecasts of the constituent crosses.

\*\* Returns are relative to forwards

Source: Citi Investment Research and Analysis. Note: These forecasts are a joint venture between Citi's foreign exchange, global macro and technical strategy groups and our developed and emerging markets economists. Details are available in Global Foreign Exchange: Forecasts March 2012, published on 15 March 2012.



## Selected Market Indicators

Figure 12. Selected Market Indicators

Currency Performance				Local Rates*				Equities			
	Spot (Prev Close)	Change (%) 1 Day	1 M		Last Close	Change 1 Day	1 M		Last Index Level	Change (%) 1 Day	1 M
Europe (vs euro)				Europe				Europe			
Bulgaria Lev	1.96	0.00%	0.00%	Bulgaria	0.26	0.01	-0.01	Bulgaria SOFIX	314	1.12%	2.91%
Croatia Kuna	7.51	-0.09%	-0.91%	Croatia	1.20	-0.13	-4.25	Croatia CROBEX	1830	0.63%	4.78%
Czech Koruna	24.5	-0.54%	-2.53%	Czech	0.74	-0.02	0.02	Czech PX50	993	-0.65%	-1.15%
Hungary Forint	291	-0.80%	-0.44%	Hungary	6.29	0.00	0.03	Hungary BUX	19378	0.00%	1.74%
Poland Zloty	4.12	-0.89%	-1.48%	Poland	4.36	0.01	0.11	Poland WIG020	2339	0.06%	0.41%
Romania Lei	4.39	0.39%	0.83%	Romania	1.84	0.01	-0.29	Romania BSE	5238	0.34%	3.30%
Russia Ruble	38.4	-0.26%	-2.89%	Russia	5.05	-0.08	0.50	Russia RTS (US\$)	1755	0.16%	6.73%
Serbia Dinar	111	0.03%	2.41%	Serbia	NA	NA	NA	Serbia BELEX15	545	-0.52%	0.89%
Turkey Lira***	1.80	-0.54%	1.62%	Turkey	9.37	0.20	3.03	Turkey ISE	61279	0.73%	2.71%
Ukraine Hryvnia***	8.03	0.15%	-0.02%	Ukraine	3.40	0.00	0.20	Ukraine PFTS	527	-0.64%	-7.00%
Middle East (vs USD)				Middle East				Middle East			
Bahrain Dinar	0.38	0.00%	0.00%	Bahrain	0.50	0.00	0.00	Bahrain BHSE All-Sh	1152	0.26%	0.84%
Egypt Pound	6.03	-0.01%	-0.03%	Egypt	9.69	0.00	0.01	Egypt HERMES	512	1.18%	1.38%
Israel Shekel	3.78	-0.32%	0.91%	Israel (1M)	2.50	0.00	0.00	Israel TA-100	1016	-0.35%	0.18%
Jordan Dinar	0.71	0.03%	0.04%	Jordan	3.23	0.06	0.23	Jordan ASE	1993	0.14%	1.97%
Kuwait Dinar	0.28	0.05%	0.42%	Kuwait (1M)	0.56	0.00	0.00	Kuwait KWSE	6200	0.59%	3.18%
Lebanon Pound	1505	0.07%	0.03%	Lebanon	NA	NA	NA	Lebanon BLOM (US\$)	1214	0.16%	2.83%
Qatar Rial	3.64	-0.02%	-0.01%	Qatar	NA	NA	NA	Qatar DSM 20	8660	0.38%	-0.40%
S Arabia Riyal	3.75	0.00%	0.00%	S Arabia	0.58	0.00	0.03	S Arabia TASI	7568	0.00%	11.02%
UAE Dirham	3.67	0.00%	0.00%	UAE (1M)	0.98	0.00	-0.01	UAE ADSMI	2626	-0.16%	5.48%
Sub-Saharan Africa (vs USD)				Sub-Saharan Africa**				Sub-Saharan Africa			
Botswana Pula	0.14	0.44%	0.00%	Botswana	NA	NA	NA	Botswana DCIBT	7057	0.32%	1.07%
Ghana Cedi	1.73	0.17%	1.65%	Ghana	NA	NA	NA	Ghana GSE	1015	-1.32%	1.77%
Kenya Shilling	82.5	0.32%	-0.33%	Kenya	NA	NA	NA	Kenya NSEK	3326	-0.20%	5.84%
Malawi Kwacha	166	0.00%	-0.33%	Malawi	NA	NA	NA	Malawi	NA	NA	NA
Nigeria Naira	158	0.13%	-0.47%	Nigeria (1M)	NA	NA	NA	Nigeria NGSE	21073	0.00%	1.96%
S. Africa Rand	7.61	-1.59%	-1.79%	S. Africa (1M)	5.49	0.00	0.00	S. Africa JALSH	34215	-38.79%	-38.23%
Tanzania Shilling	1595	0.00%	0.16%	Tanzania	6.25	0.00	0.00	Tanzania	NA	NA	NA
Zambia Kwacha	5275	0.04%	0.67%	Zambia	NA	NA	NA	Zambia	NA	NA	NA
Commodities				FX Volatility				Major Indices			
Gold \$/troy oz.	1650	0.82%	-3.87%	EUR - CZK	7.23	-4.49%	-11.96%	US NYSE	1401	0.49%	3.75%
Platinum \$/troy oz.	1678	0.79%	3.00%	EUR - HUF	11.51	-1.54%	-10.39%	US NASDAQ	3056	0.50%	4.24%
Silver \$/troy oz.	32.43	1.94%	-3.01%	EUR - PLN	9.46	-0.37%	-5.21%	UK FTSE 100	5936	-0.15%	0.62%
Copper US\$/ton	8474	0.00%	0.96%	EUR - RON	4.50	0.00%	-10.00%	France CAC 40	3579	0.40%	6.02%
Tin US\$/lb	1182	-0.84%	-3.41%	USD - RUB	10.71	-1.24%	-7.49%	Germany DAX	7143	0.90%	6.17%
Natural Gas US\$	2.1	0.00%	-15.32%	USD - ZAR	15.21	1.03%	-6.63%	Japan Nikkei 225	10123	0.72%	11.83%
Oil US\$ Brent Crude	123.6	-1.18%	4.90%	USD - TRY	10.85	-1.21%	-11.00%	FTSE Global	384	0.57%	3.02%
CRB All Commod	316	0.13%	0.52%	USD - ILS	8.28	-0.45%	-4.94%	FTSE Emerging	635	-0.54%	1.16%

Source: Bloomberg, Citi Investment Research and Analysis. Note: Equities are local currency unless otherwise stated; FX Volatility is the mid price At-the Money (ATM) 1M term; \* Overnight unless otherwise stated. \*\*Weekly data on 3 month rates except S Africa. \*\*\* Turkey Lira & Ukraine Hryvnia are against the US dollar.

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