mercati, intermediari, istituzioni
FinRiskAlert

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Il termometro dei mercati finanziari (11 Dicembre 2020)

a cura di Emilio Barucci e Daniele Marazzina

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CALMA

L'iniziativa di Finriskalert.it "Il termometro dei mercati finanziari" vuole presentare un indicatore settimanale sul grado di turbolenza/tensione dei mercati finanziari, con particolare attenzione all'Italia.

Il termometro dei mercati finanziari						
11-Dec-20	Legenda					
Valutazione complessiva		Calma		↑	miglioramento	
				↔	stabile	
		Tensione		↓	peggioramento	
Mercati italiani	11-Dec		4-Dec	27-Nov	20-Nov	13-Nov
Rendimento borsa italiana	-2.15	↓	-0.78	2.97	3.84	6.21
Volatilità implicita borsa italiana	22.57	↓	21.24	20.37	21.89	22.48
CDS principali banche 10Ysub	322.77	↔	322.40	332.82	348.73	362.60
Tasso di interesse ITA 2Y	-0.46	↓	-0.45	-0.44	-0.44	-0.41
Spread ITA 10Y/2Y	0.99	↑	1.05	1.00	1.04	1.04
Mercati europei	11-Dec		4-Dec	27-Nov	20-Nov	13-Nov
Rendimento borsa europea	-1.51	↓	0.33	1.74	1.04	7.12
Volatilità implicita borsa europea	18.03	↓	17.67	17.26	18.50	19.50
Rendimento borsa ITA/Europa	-0.64	↑	-1.10	1.24	2.81	-0.91
Spread ITA/GER	1.16	↔	1.13	1.15	1.18	1.18
Spread EU/GER	0.47	↔	0.45	0.46	0.47	0.48
Politica monetaria, cambi e altro	11-Dec		4-Dec	27-Nov	20-Nov	13-Nov
Euro/Dollaro	1.211	↔	1.214	1.195	1.185	1.182
Spread US/GER 10Y	1.53	↓	1.51	1.43	1.41	1.44
Euribor 6M	-0.523	↑	-0.510	-0.506	-0.512	-0.504
Prezzo Oro	1846	↔	1834	1785	1874	1893
Spread 10Y/2Y Euro Swap Curve	0.26	↑	0.30	0.27	0.27	0.30

Significato degli indicatori

- Rendimento borsa italiana: rendimento settimanale dell'indice della borsa italiana FTSEMIB;
- Volatilità implicita borsa italiana: volatilità implicita calcolata considerando le opzioni at-the-money sul FTSEMIB a 3 mesi;
- Future borsa italiana: valore del future sul FTSEMIB;
- CDS principali banche 10Ysub: CDS medio delle obbligazioni subordinate a 10 anni delle principali banche italiane (Unicredit, Intesa San Paolo, MPS, Banco BPM);
- Tasso di interesse ITA 2Y: tasso di interesse costruito sulla curva dei BTP con scadenza a due anni;
- Spread ITA 10Y/2Y : differenza del tasso di interesse dei BTP a 10 anni e a 2 anni;
- Rendimento borsa europea: rendimento settimanale dell'indice delle borse europee Eurostoxx;
- Volatilità implicita borsa europea: volatilità implicita calcolata sulle opzioni at-the-money sull'indice Eurostoxx a scadenza 3 mesi;
- Rendimento borsa ITA/Europa: differenza tra il rendimento settimanale della borsa italiana e quello delle borse europee, calcolato sugli indici FTSEMIB e Eurostoxx;
- Spread ITA/GER: differenza tra i tassi di interesse italiani e tedeschi a 10 anni;
- Spread EU/GER: differenza media tra i tassi di interesse dei principali paesi europei (Francia, Belgio, Spagna, Italia, Olanda) e quelli tedeschi a 10 anni;
- Euro/dollaro: tasso di cambio euro/dollaro;
- Spread US/GER 10Y: spread tra i tassi di interesse degli Stati Uniti e quelli tedeschi con scadenza 10 anni;
- Prezzo Oro: quotazione dell'oro (in USD)
- Spread 10Y/2Y Euro Swap Curve: differenza del tasso della curva EURO ZONE IRS 3M a 10Y e 2Y;
- Euribor 6M: tasso euribor a 6 mesi.

I colori sono assegnati in un'ottica VaR: se il valore riportato è superiore (inferiore) al quantile al 15%, il colore utilizzato è l'arancione. Se il valore riportato è superiore (inferiore) al quantile al 5% il colore utilizzato è il rosso. La banda (verso l'alto o verso il basso) viene selezionata, a seconda dell'indicatore, nella direzione dell'instabilità del mercato. I quantili vengono ricostruiti prendendo la serie storica di un anno di osservazioni: ad esempio, un valore in una casella rossa significa che appartiene al 5% dei valori meno positivi riscontrati nell'ultimo anno. Per le prime tre voci della sezione "Politica Monetaria", le bande per definire il colore sono simmetriche (valori in positivo e in negativo). I dati riportati provengono dal database Thomson Reuters. Infine, la tendenza mostra la dinamica in atto e viene rappresentata dalle frecce: ↑,↓, ↔ indicano rispettivamente miglioramento, peggioramento, stabilità rispetto alla rilevazione precedente.

RDB update 10.2020

12/12/2020 07:38:51

EIOPA has recently (05.11.2020) published the risk dashboard (RDB) update as of October 2020.

The RDB is published on a quarterly basis, showing the level of risk for 8 (=7+1) risk categories. The latest outcome is reported in the table below, compared to the previous one (July 2020):

Risks	Level	Trend
1. Macro risks	Very high	→
2. Credit risks	High	→
3. Market risks	High	↘
4. Liquidity and funding risks	Medium	↘
5. Profitability and solvency	High	→
6. Interlinkages and imbalances	Medium	→
7. Insurance (underwriting) risks	Medium	↘
8. Market perceptions	Medium	→

Risks	Level	Trend
1. Macro risks	Very high	→
2. Credit risks	Medium	↓
3. Market risks	Medium	↓
4. Liquidity and funding risks	Medium	→
5. Profitability and solvency	Medium	↓
6. Interlinkages and imbalances	Medium	→
7. Insurance (underwriting) risks	Medium	→
8. Market perceptions	Medium	↓

Some comments

1. **Macro risks [very high, constant]**

This is an overarching category affecting the whole economy, which considers economic growth, monetary policies, consumer price indices and fiscal balances. The ongoing pandemic of COVID-19 is affecting the macroeconomic outlook, which remains at a very high level of risk. The occurrence of a second wave of the pandemic in the EU is expected to take a toll on the economic growth forecast for 20Q4, which remains negative at -4.3% (cross-country weighted average). The EU GDP is expected to recover in 21Q2, even if with less growth than the global average.

The consumer price index inflation remains well under the ECB target; an upward movement in 20Q3 is expected to be offset by a downward correction in 20Q4. Overall, the forecast for the average inflation on the next four quarters stands at 0.48%. The 10-year swap rates decline further, with all currencies experiencing a flattening on the long end. The indicator considered by EIOPA, defined as a weighted average of rates for EUR, GBP, CHF and USD sets a new low record of -0.06%. The pandemic forced governments to introduce fiscal measures to support the economy; this is expected to worsen the fiscal balance across all countries and particularly for UK and US. The central banks' balance sheet expanded significantly (+43% w.r.t previous quarter) due to their accommodative monetary policies. After rising significantly last April 2020, the unemployment rate stabilized at the end of the second quarter.

- **Credit risks [medium, large decrease]**

This category measures the vulnerability to the credit risk by looking at the relevant credit asset classes exposures combined with the associated metrics (e.g. government securities and credit spreads on sovereigns).

After skyrocketing in March 2020, the CDS spreads decreased significantly in June and this trend has continued in September, albeit with less vigour; the CDS spread level is still above the pre-pandemic situation. The average credit quality step of investments remains stable (1.83; +0.08), still corresponding to an S&P rating between A and AA.

The exposures of the Insurers in different asset classes remain quite stable and around

- 30.0% in European sovereign bonds, whose CDS spreads has declined
- 11.8% in non-financial corporate bonds, whose spreads have declined
- 7.7% in unsecured financial corporate bonds, whose spreads has declined
- 3.2% in secured financial corporate bonds, whose spreads has declined
- 0.3% in loans and mortgages

- **Market risks [medium, large decrease]**

This vulnerability of the insurance sector to adverse developments is evaluated based on the investment exposures, while the current level of riskiness is evaluated based on the volatility of the yields together with the difference between the investment returns and the guaranteed interest rates. The financial markets has stabilized after the high level of volatility of March, and hence the market risk has decreased to a medium level, even though the economic outlook remains uncertain. The volatility of bonds, the largest asset class (61% of exposure), continues decreasing, reaching levels below the pre-pandemic situation; the equity market (5.3%) volatility has declined too, even though it has not yet reached the pre-pandemic levels. The volatility in property investments (3% exposure) remains stable.

- **Liquidity and funding risk [medium, constant]**

The vulnerability to liquidity shock is monitored measuring the lapse rate, the holding in cash and the issuance of catastrophe bonds (low volumes or high spreads correspond to a reduction in the demand which could form a risk). The median liquid assets ratio is stable at 66.7%; the issued bond volumes has increased sharply (9bln euro, +5bln), and the average ratio of coupons to maturity has increased as well. Lapse rates in life business are based on annual data, and hence do not yet incorporate the effects of the pandemic; the 19Q4 value shows an increase in the median lapse rate to 3%; a further increase is expected due to the impact of the outbreak of COVID-19.

- **Profitability and solvency [medium, large decrease]**

The solvency level is measured via SCR and quality of OF, while the profitability via return on investments and combined ratio for the life and non-life sectors. Solvency positions improved slightly in 20Q2, while remaining below 19Q4 levels. In particular, SCR ratios for groups increased, while for non-life undertakings it remained almost unchanged; for life companies, the median of SCR ratio declined by 6.6 p.p. to 222%; it is also worth noticing that the distribution has widened, showing a more heterogeneous situation with respect to the pre-pandemic state. Profitability indicators show a deterioration in the first half of 2020.

- **Interlinkages and imbalances [medium, constant]**

Interlinkages are assessed between primary insurers and reinsurers, insurance and banking sector and among the derivative holdings. The exposure towards domestic sovereign debt is considered as well. The risk remains at medium level: the median of premiums ceded to reinsurers has slightly increased, while investments in banks, insurances and other financial institutions remain almost unchanged, as did the investments in domestic sovereign debt.

- **Insurance (underwriting) risk [medium, constant]**

Indicators for insurance risks are gross written premia, claims and losses due to natural catastrophes. The life premium growth rate has plunged to negative values due to the severe impact of the pandemic. Non-life premium growth has reported a slight decrease as well, despite remaining positive. The median exposure of the loss ratio decreases by 1.6 p.p. to 62.6%, likely due to a reduced number of claims incurred during the lockdowns imposed by several EU countries. The catastrophe loss ratio (10.7%) remains at the same level of the previous quarter.

- **Market perception [medium, large decrease]**

The market perception's risk settles at medium level, with a decreasing trend. The quantities assessed are relative stock market performances (insurance stocks has outperformed the Stoxx 600 both in life and non-life segments), price to earnings ratio (increased from the previous assessment: median 11.4%), CDS spreads (median value stable 51%) and external rating outlooks (where negative changes in rating has exceeded the number of positive changes).

DBS Bank's Digital Exchange to Begin Trading Crypto 'Next Week'

10/12/2020 16:30:21

DBS Bank of Singapore has officially announced the arrival of its digital assets exchange, with trading to start next week...

https://www.coindesk.com/dbs-banks-digital-exchange-to-begin-trading-crypto-next-week

Basel III Monitoring Report

10/12/2020 16:29:23

This report presents the results of the Basel Committee's latest Basel III monitoring exercise, based on data as of 31 December 2019. The report sets out the impact of the Basel III framework that was initially agreed in 2010 as well as the effects of the Committee's December 2017...

https://www.bis.org/bcbs/publ/d512.htm

ESMA ISSUES LATEST DOUBLE VOLUME CAP DATA

10/12/2020 16:28:45

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, has updated today its public register with the latest set of double volume cap (DVC) data under the Markets in Financial Instruments Directive (MiFID II)...

https://www.esma.europa.eu/press-news/esma-news/esma-issues-latest-double-volume-cap-data-3

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