

MacroResearchBoard

**mr**b** partners**

Independent Investment Strategy

# Emerging Markets Indicators

---

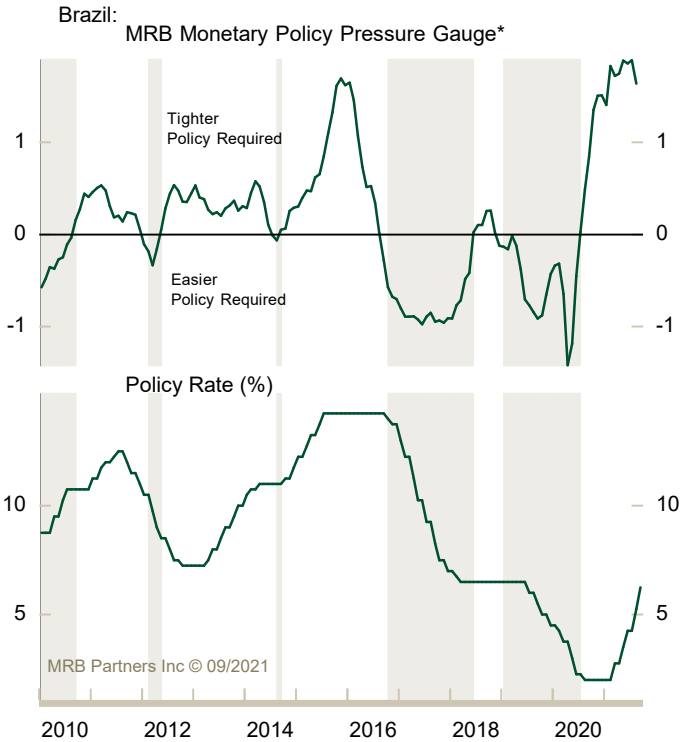
September 2021

Equities .....	2
Foreign Exchange .....	13
Fixed Income .....	22

# Equities

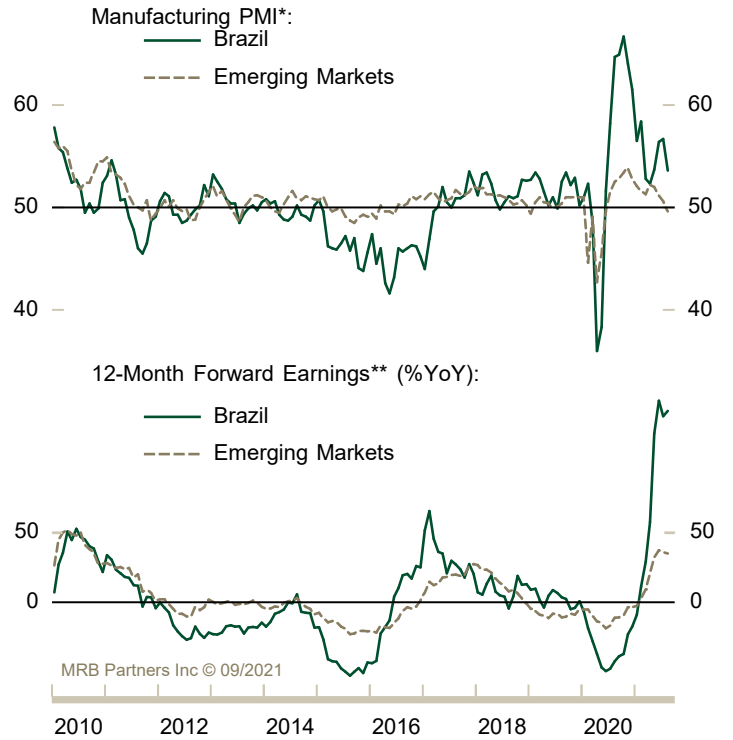
# Brazil: Underweight

## Policy



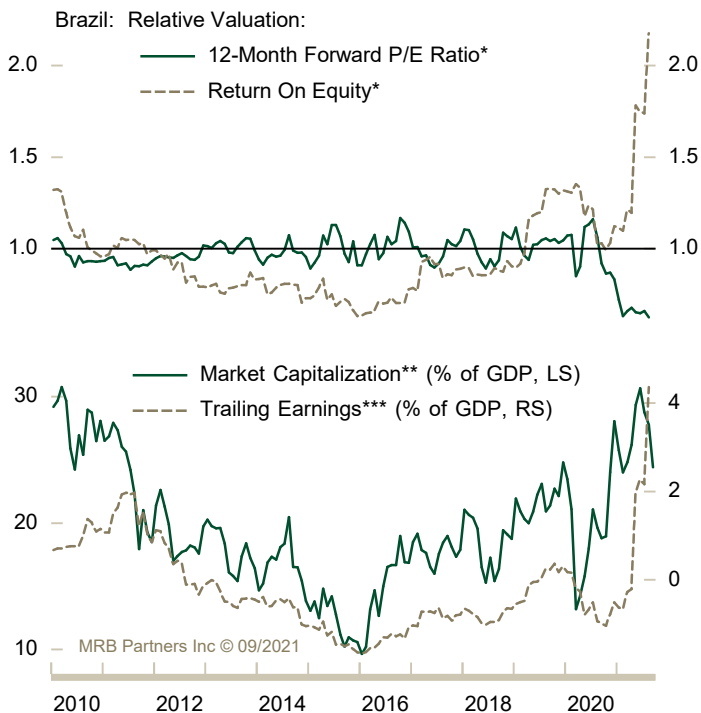
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Growth



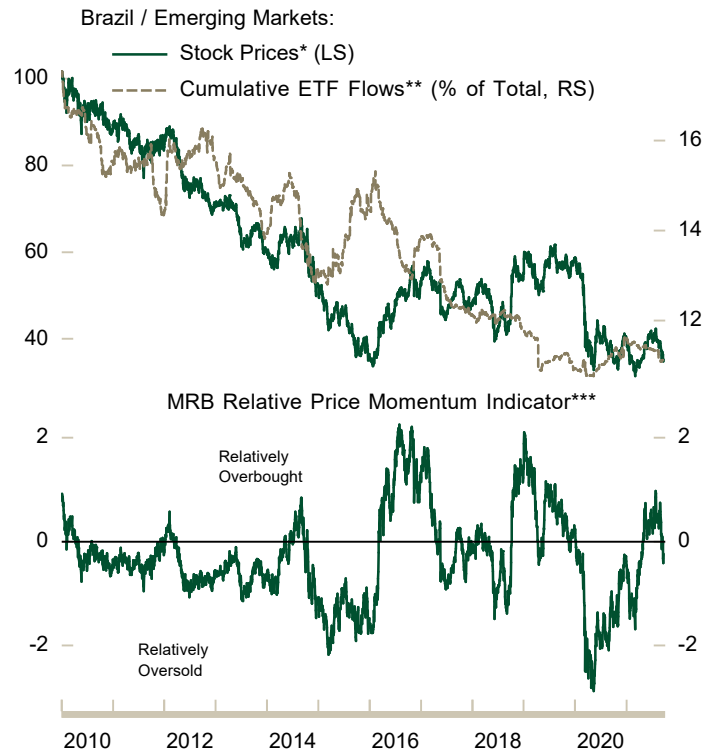
\* Source: Markit Economics  
 \*\* U.S. dollars; source: MSCI

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI

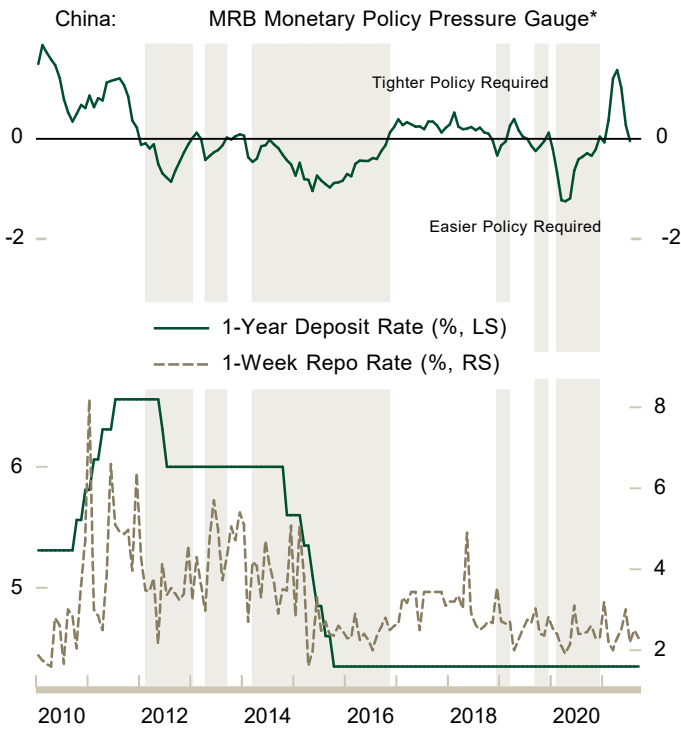
## Technical



\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\* Standardized

# China: Overweight

## Policy



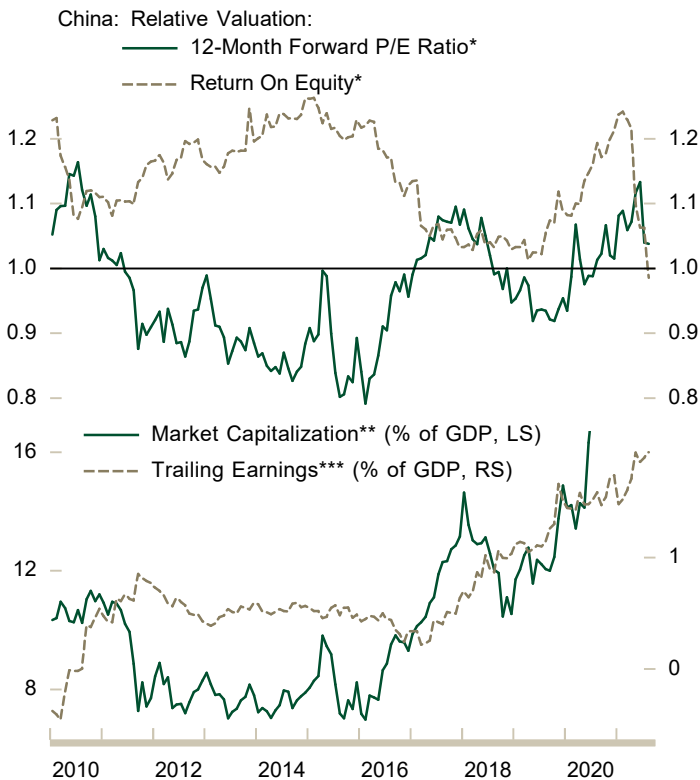
\* Includes growth and inflation components; standardized  
Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0  
MRB Partners Inc ◦ 09/2021

## Growth



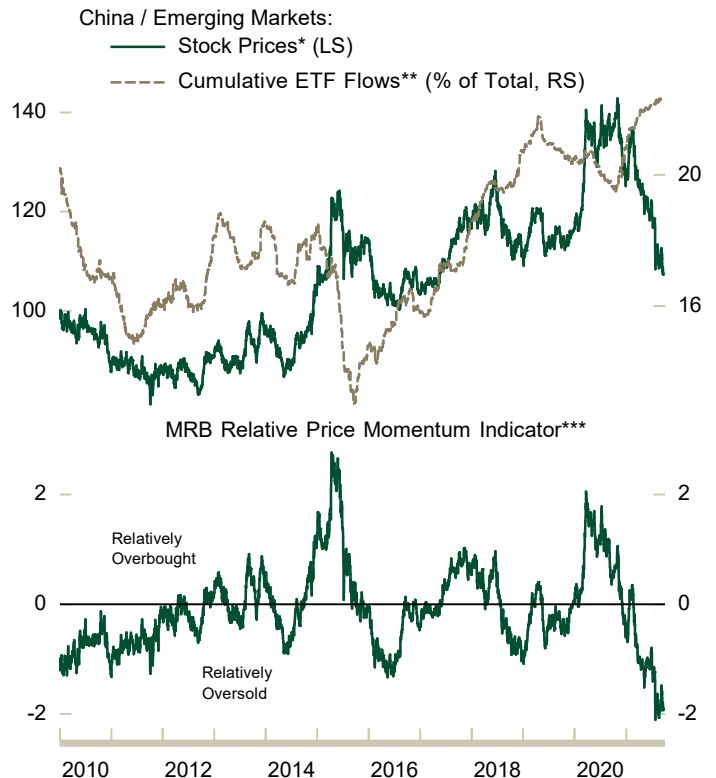
\* Source: Markit Economics  
\*\* U.S. dollars; source: MSCI

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
MRB Partners Inc ◦ 09/2021

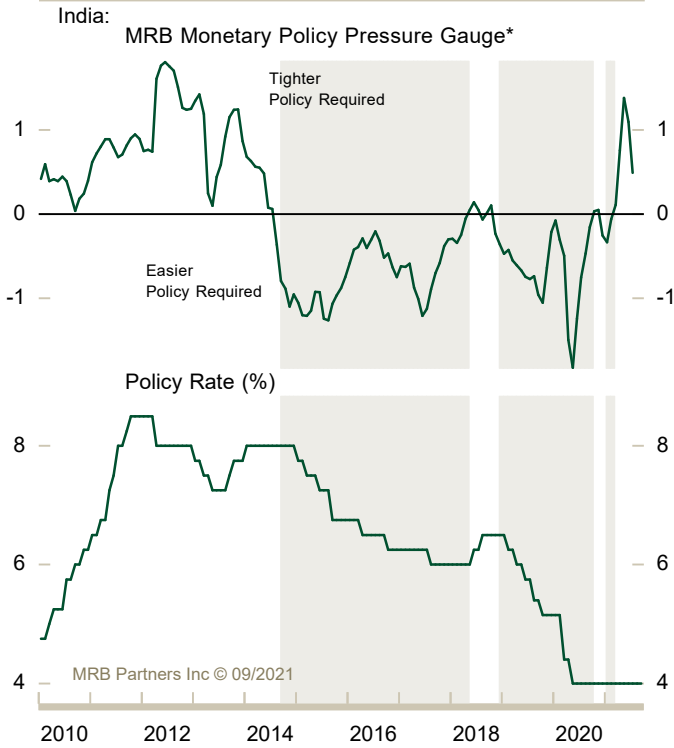
## Technical



\* U.S. dollars; rebased; source: MSCI  
\*\* Source: Bloomberg  
\*\*\* Standardized  
MRB Partners Inc ◦ 09/2021

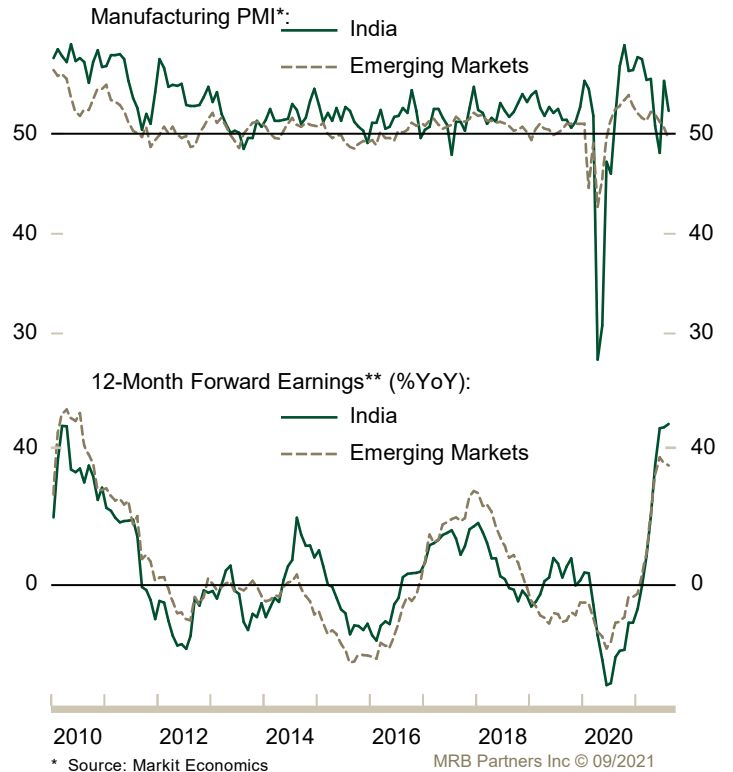
# India: Overweight

## Policy



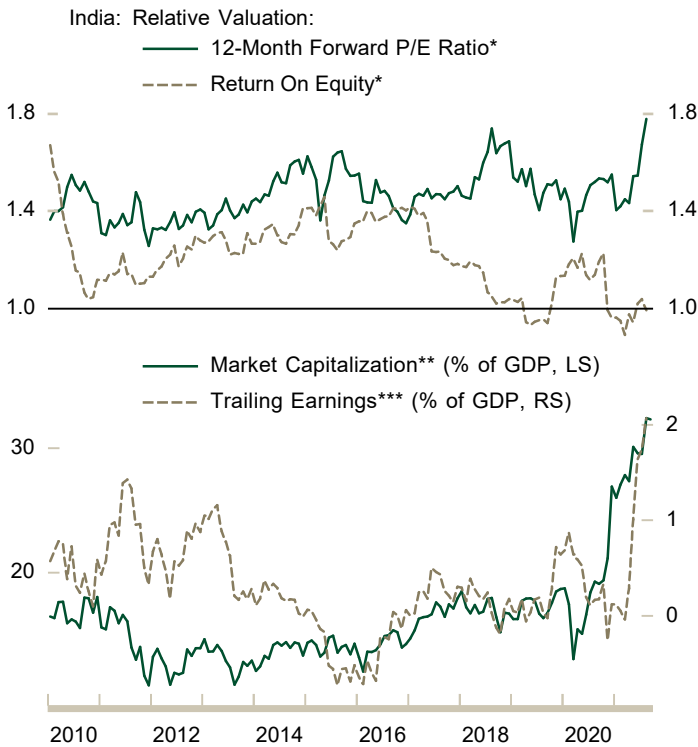
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Growth



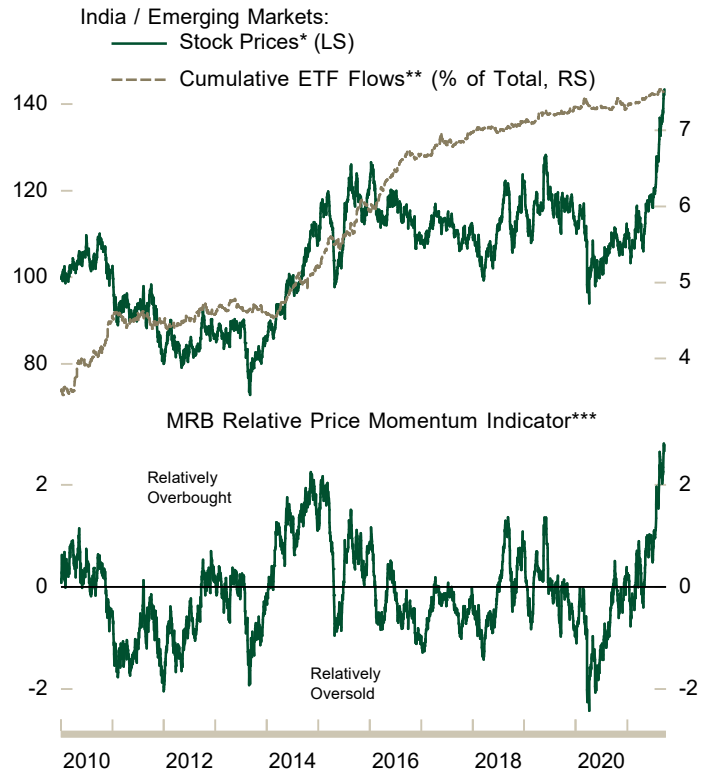
\* Source: Markit Economics  
 \*\* U.S. dollars; source: MSCI

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI  
 MRB Partners Inc © 09/2021

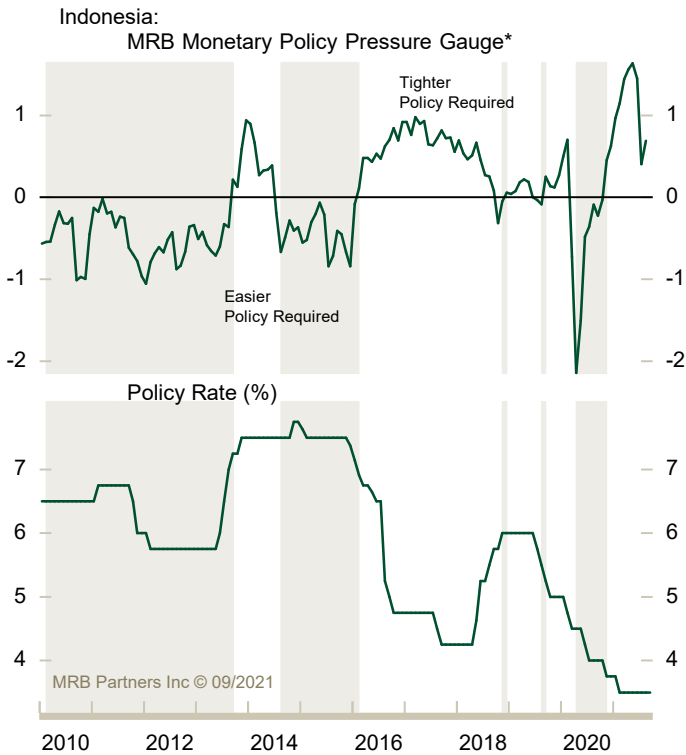
## Technical



\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\* Standardized  
 MRB Partners Inc © 09/2021

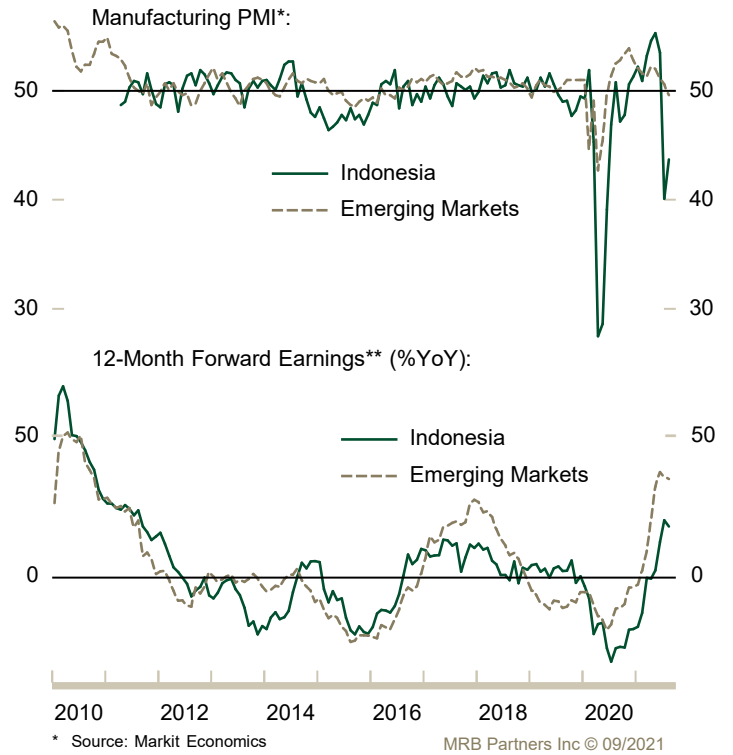
# Indonesia: *Overweight*

## Policy



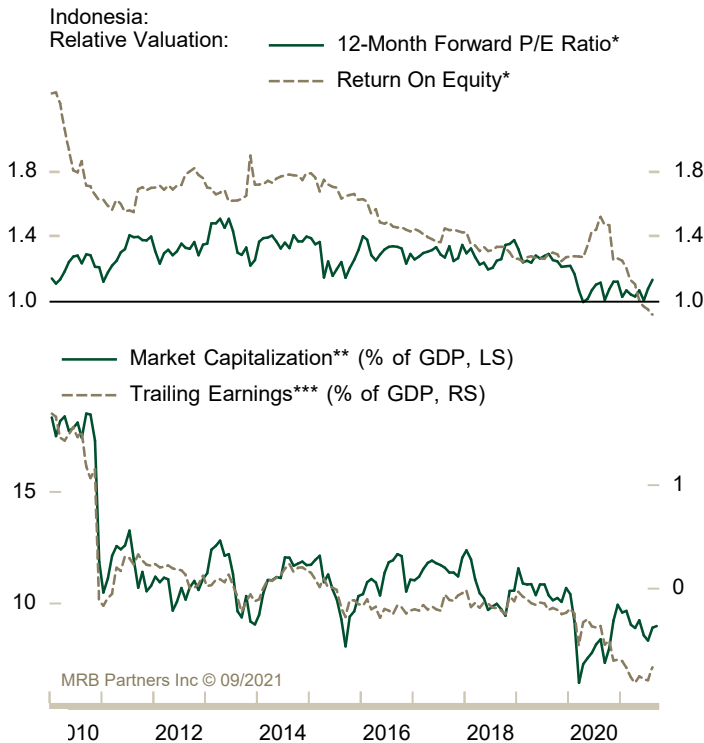
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Growth



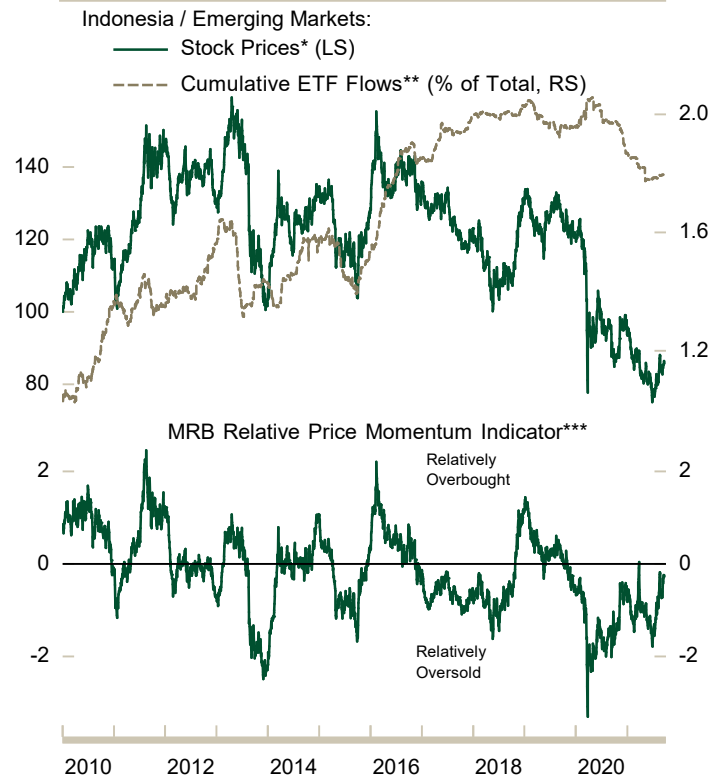
\* Source: Markit Economics  
 \*\* U.S. dollars; source: MSCI

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI

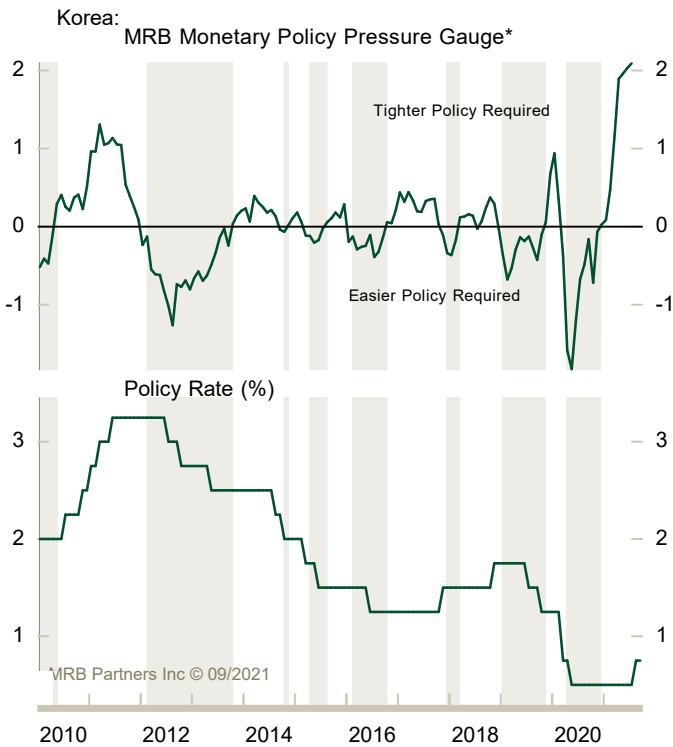
## Technical



\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\* Standardized

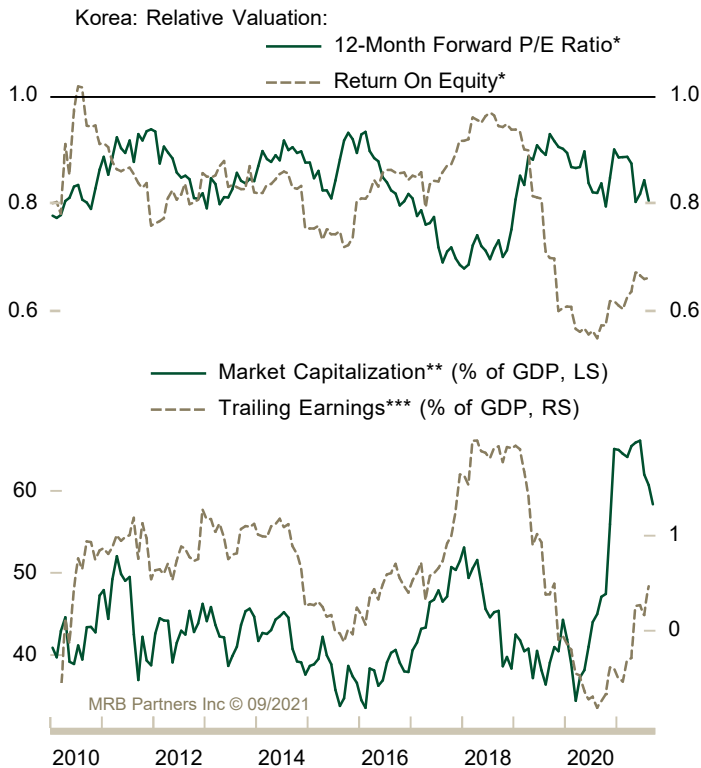
# Korea: Overweight

## Policy



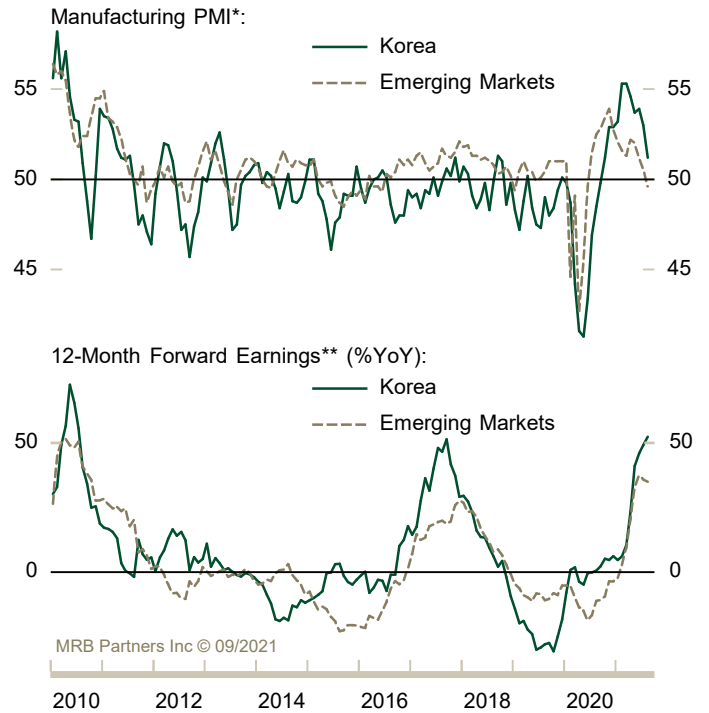
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Valuation



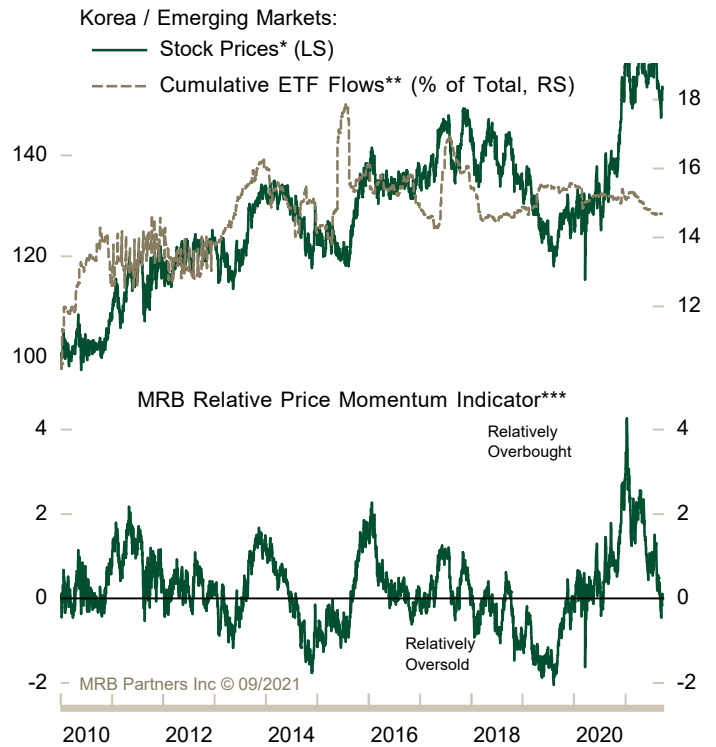
\* Relative to emerging market benchmark; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI

## Growth



\* Source: Markit Economics  
 \*\* U.S. dollars; source: MSCI

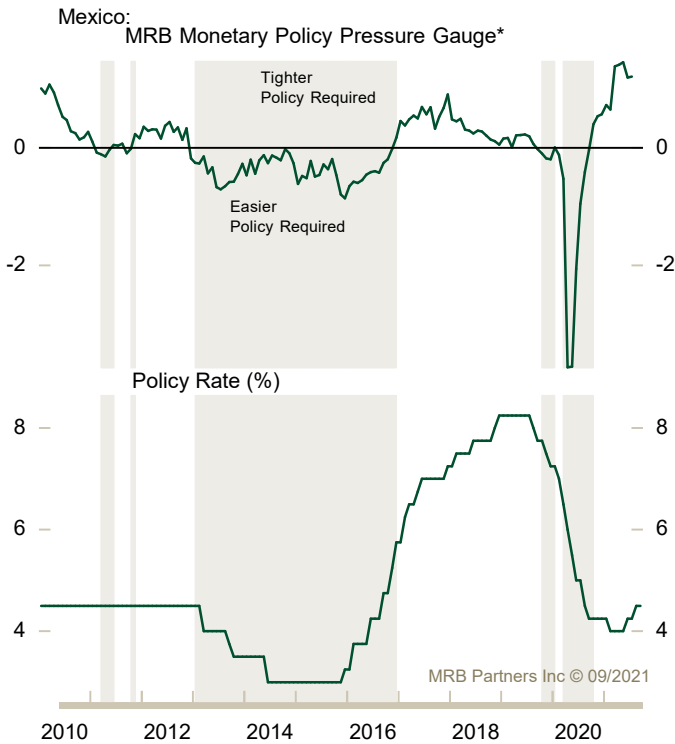
## Technical



\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\*\* Standardized

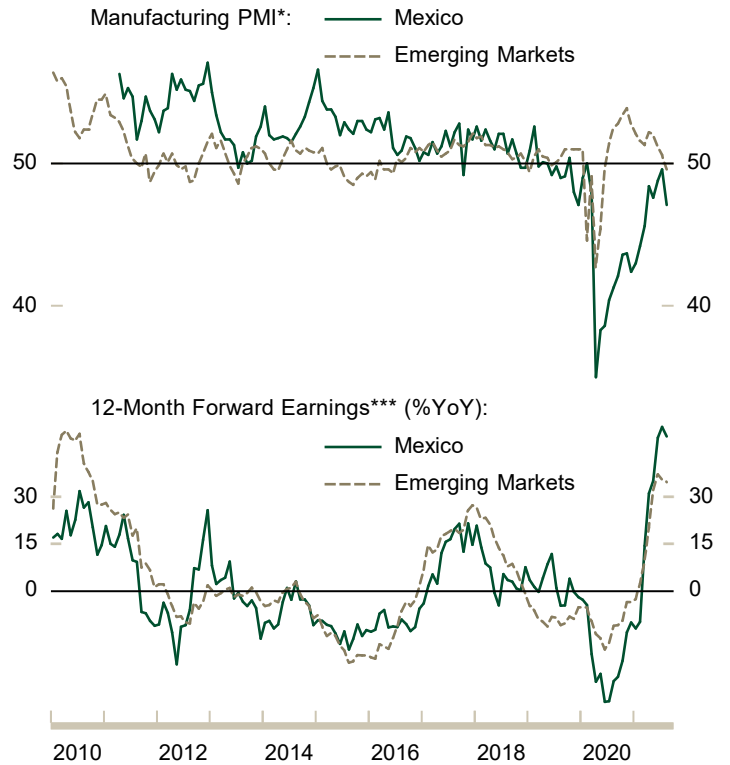
# Mexico: Underweight

## Policy



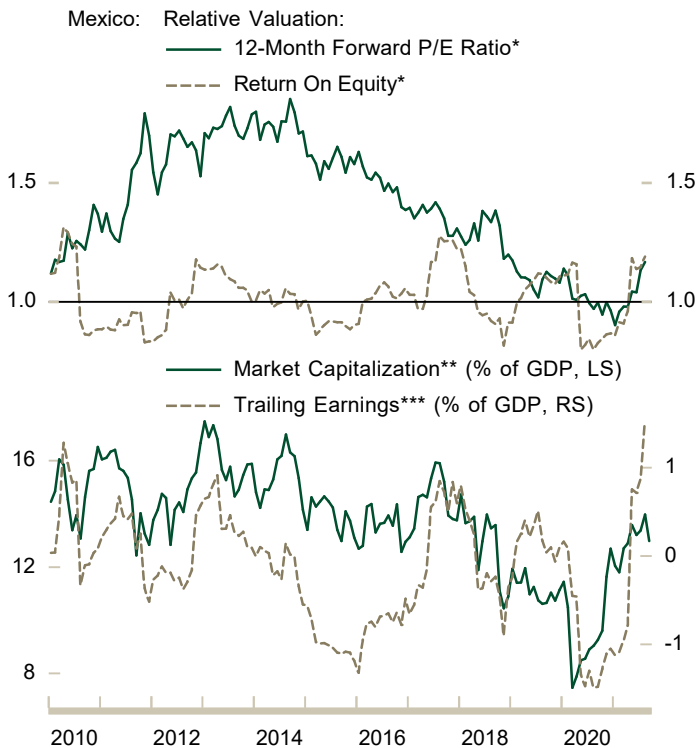
\* Includes growth and inflation components; standardized  
Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Growth



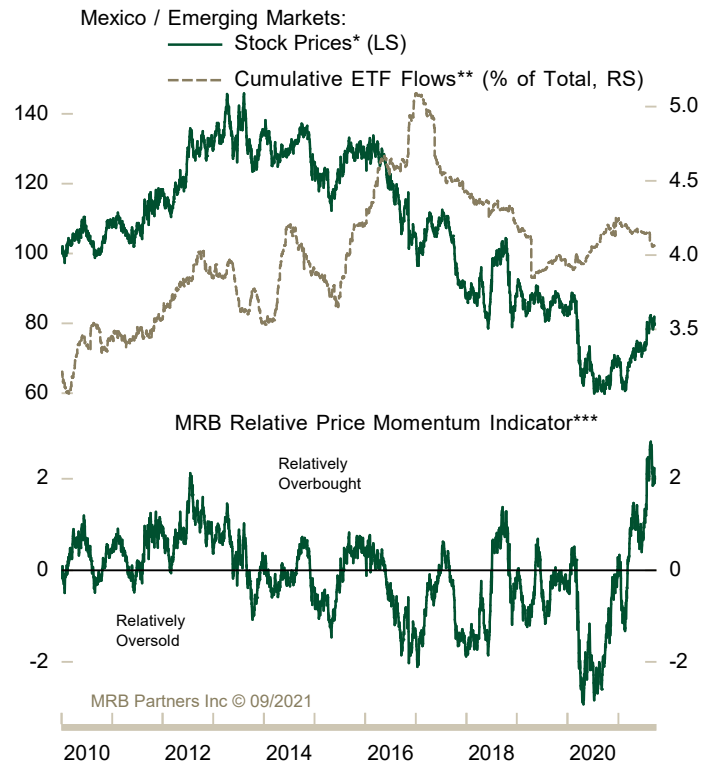
\* Source: Markit Economics  
\*\* U.S. dollars; source: MSCI  
MRB Partners Inc © 09/2021

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
\*\* Source: MSCI  
\*\*\* Standardized; source: MSCI  
MRB Partners Inc © 09/2021

## Technical

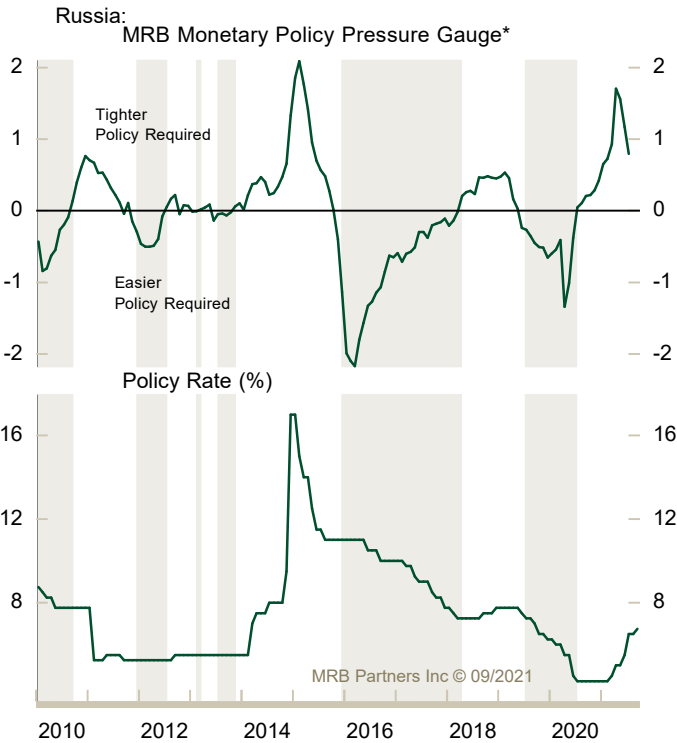


\* U.S. dollars; rebased; source: MSCI  
\*\* Source: Bloomberg  
\*\*\* Standardized



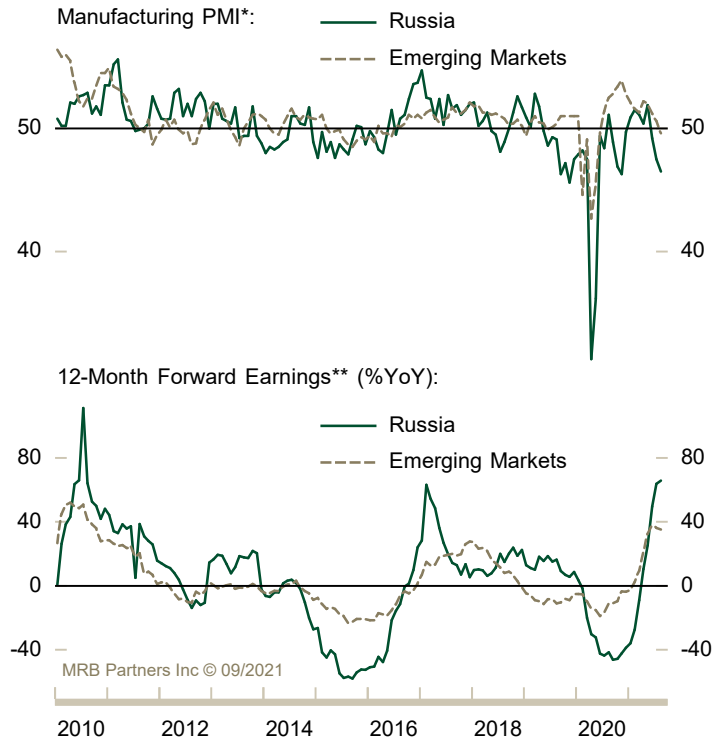
# Russia: Underweight

## Policy



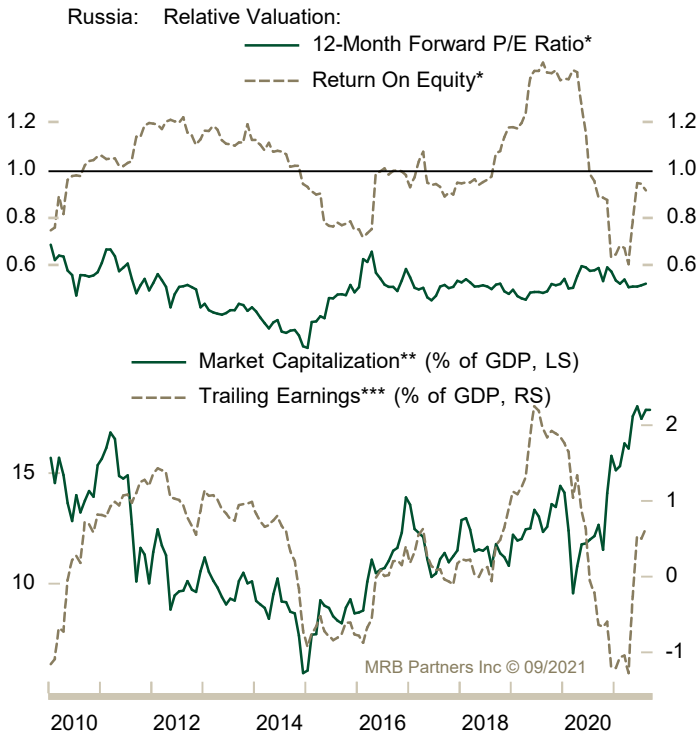
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Growth



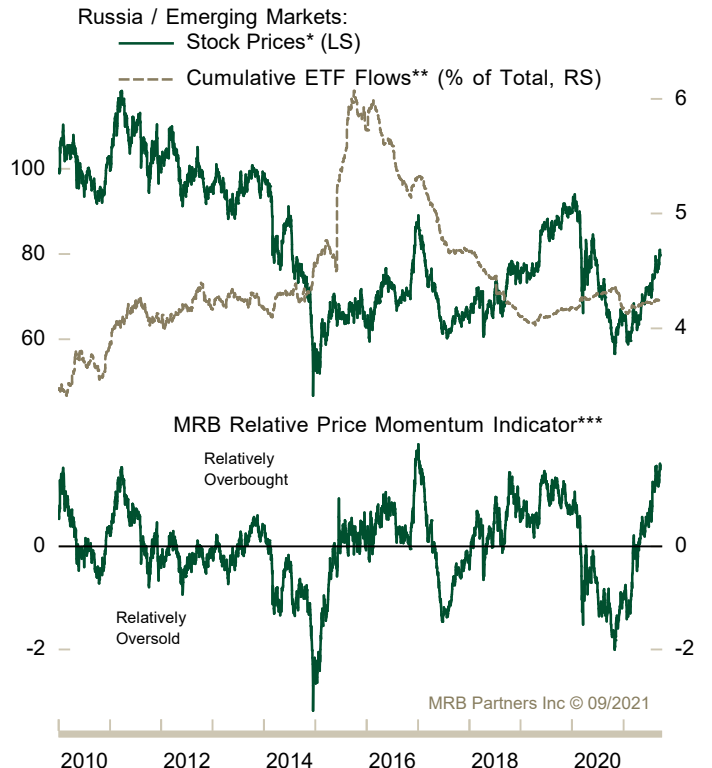
\* Source: Markit Economics  
 \*\* U.S. dollars; source: MSCI

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI

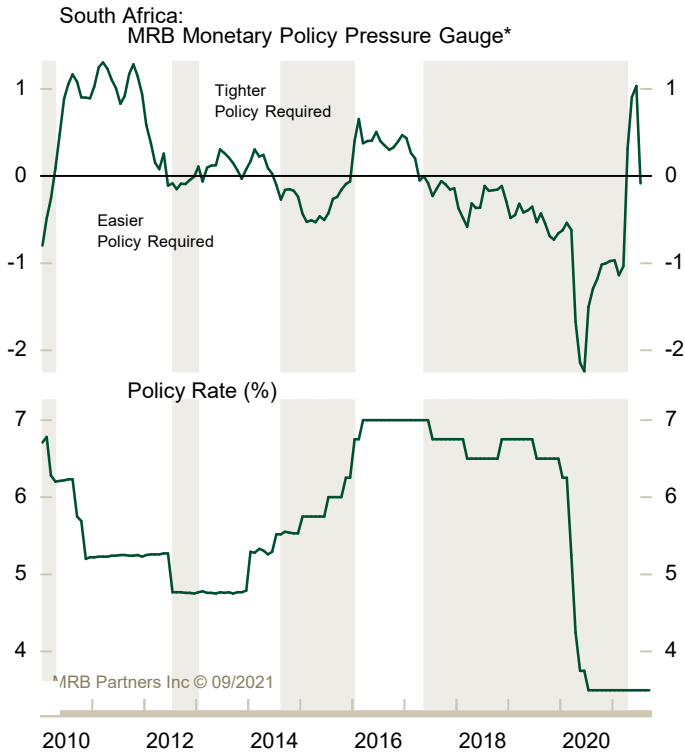
## Technical



\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\* Standardized

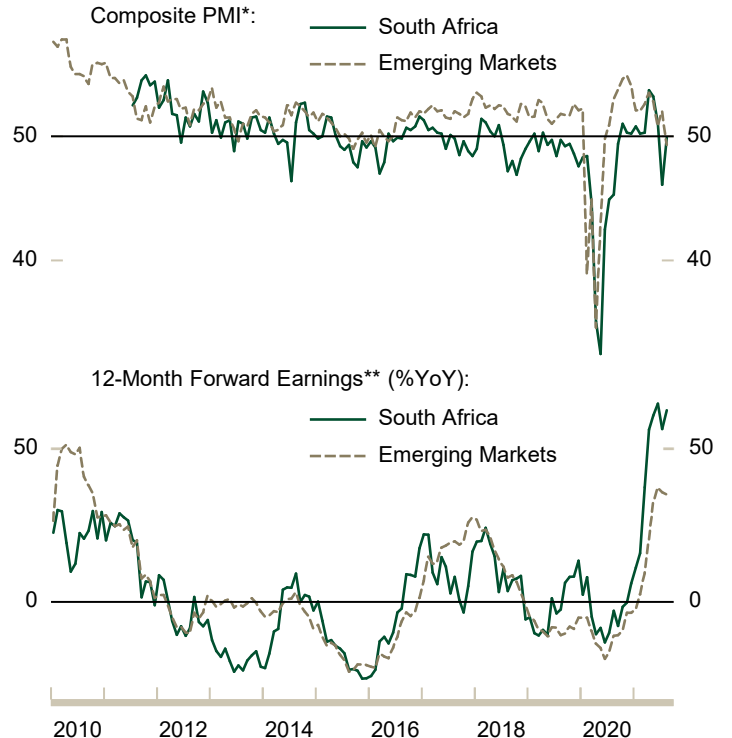
# South Africa: *Underweight*

## Policy



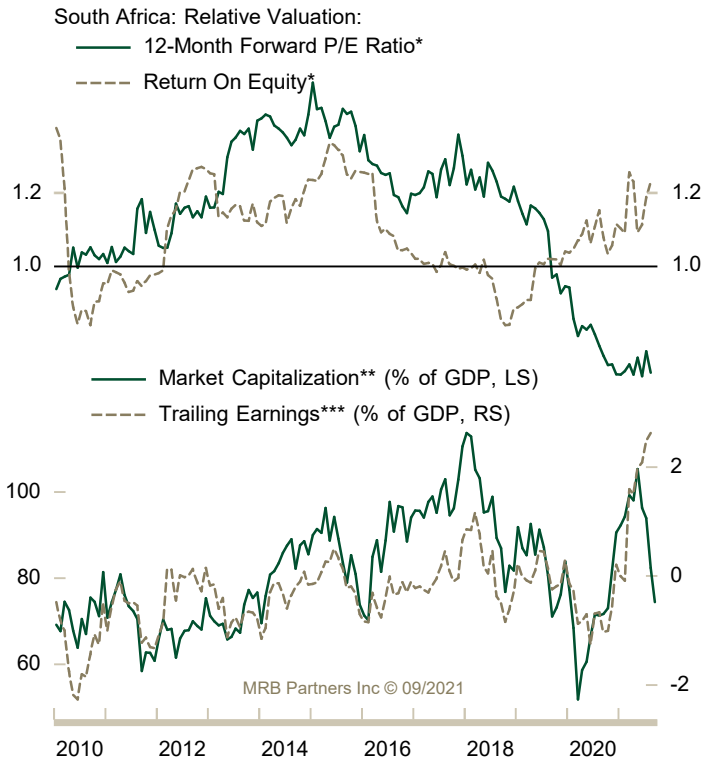
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Growth



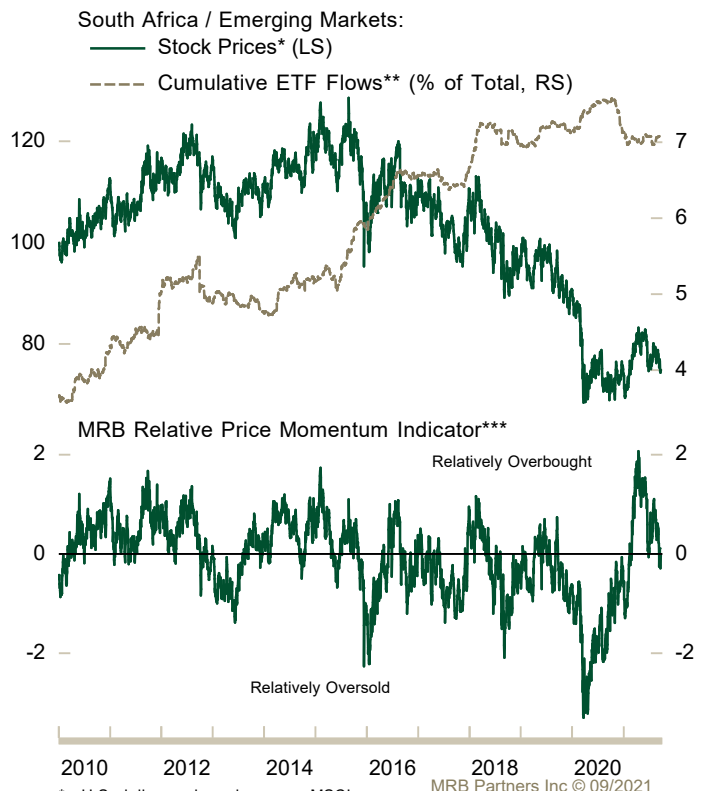
\* Source: Markit Economics  
 \*\* U.S. dollars; source: MSCI

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI

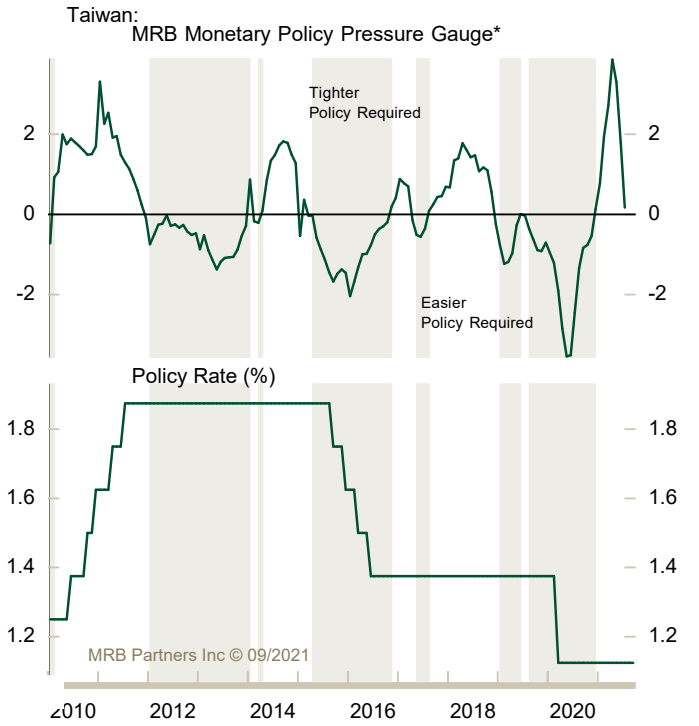
## Technical



\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\* Standardized

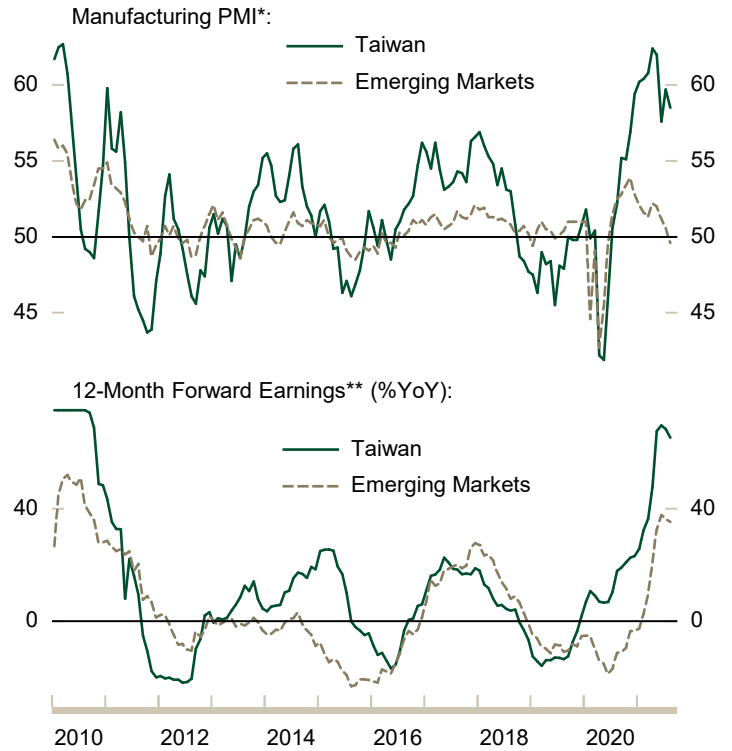
# Taiwan: Overweight

## Policy



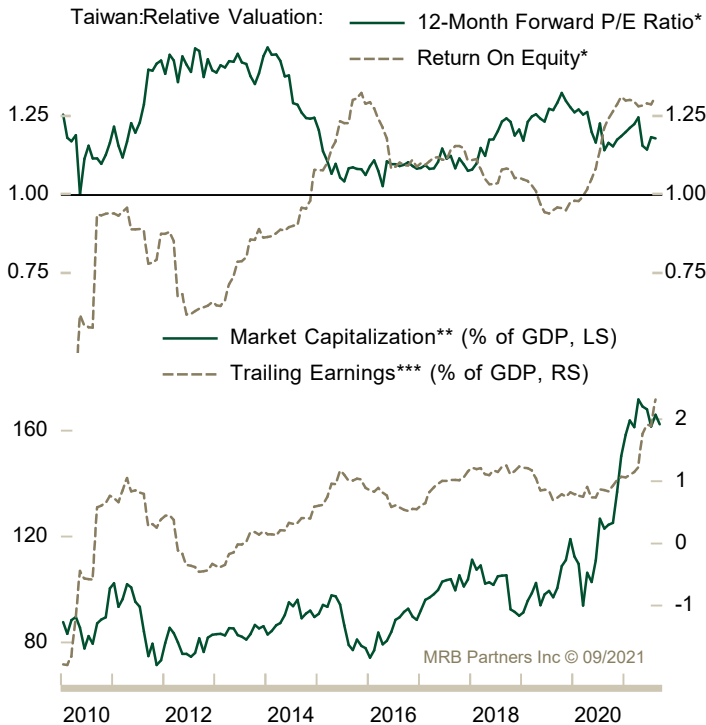
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Growth



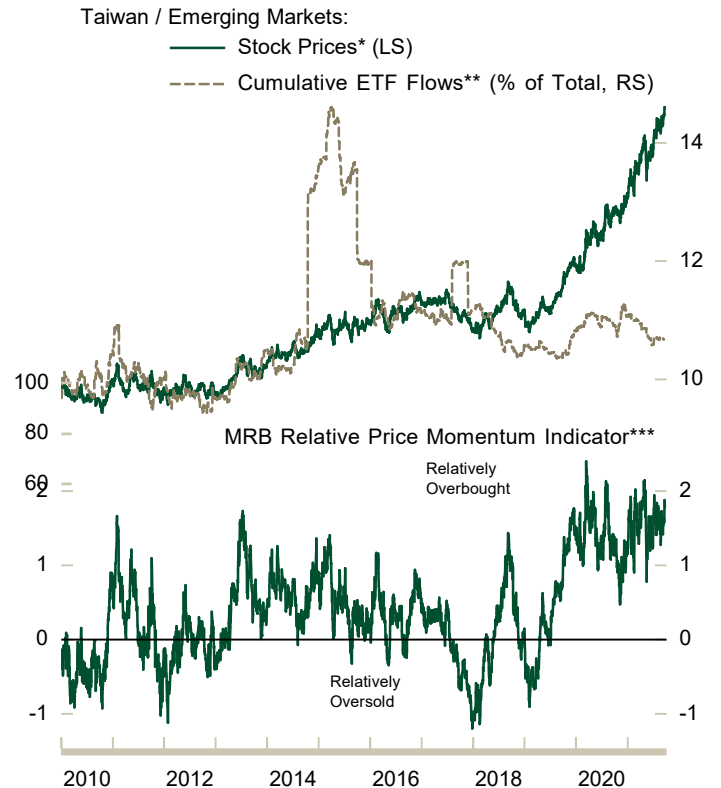
\* Source: Markit Economics  
 \*\* U.S. dollars; truncated above 75; source: MSCI

## Valuation



\* Relative to emerging market benchmark; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI

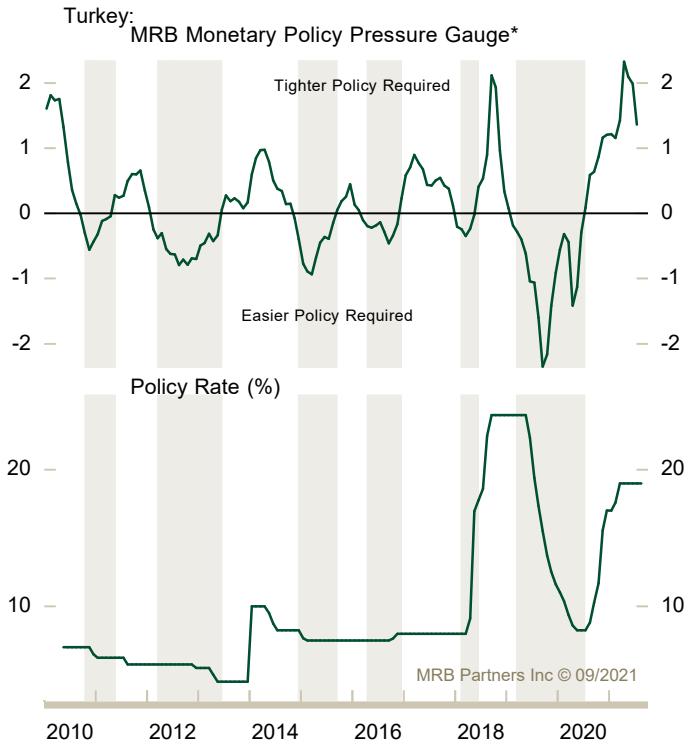
## Technical



\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\* Standardized

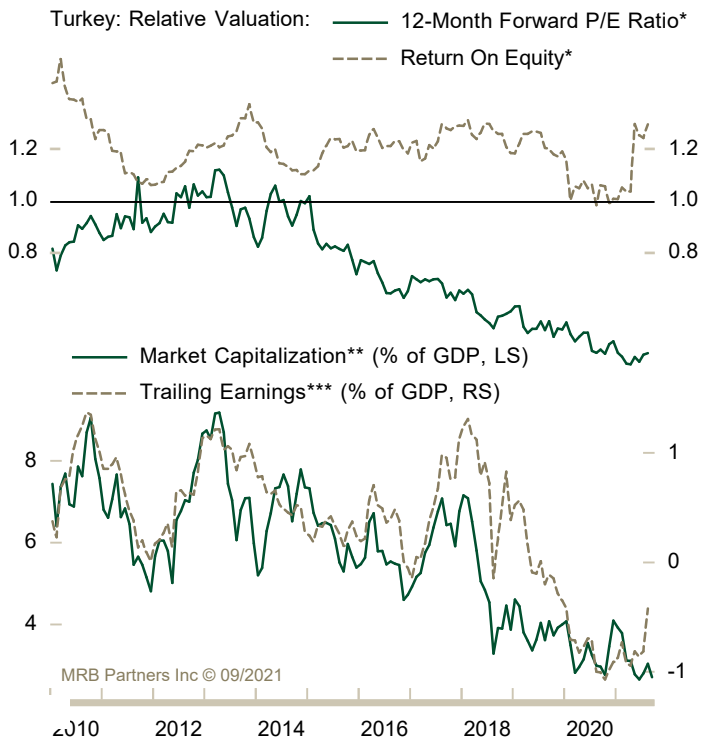
# Turkey: Underweight

## Policy



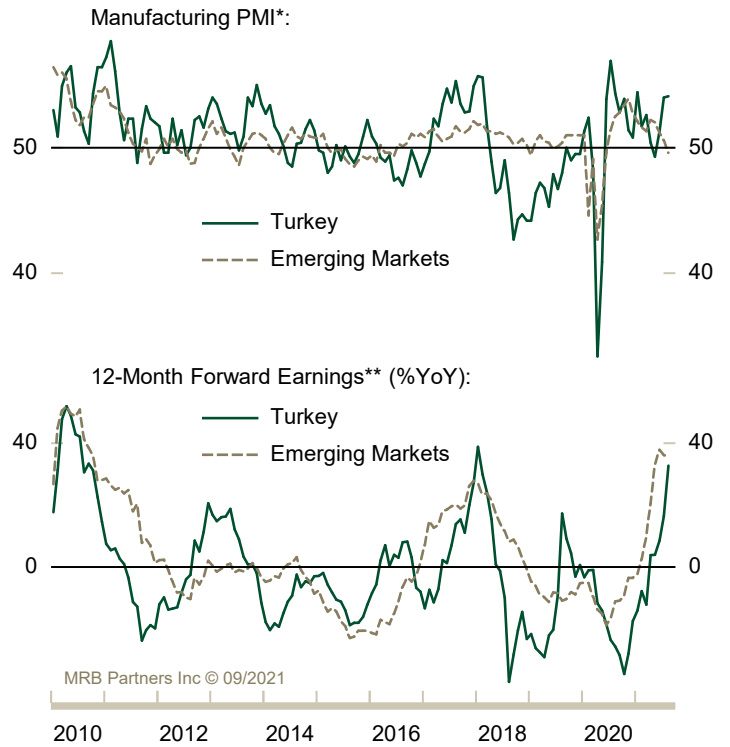
\* Includes growth and inflation components; standardized  
 Note: Shaded for periods where the MRB Monetary Policy Pressure Gauge is below 0

## Valuation



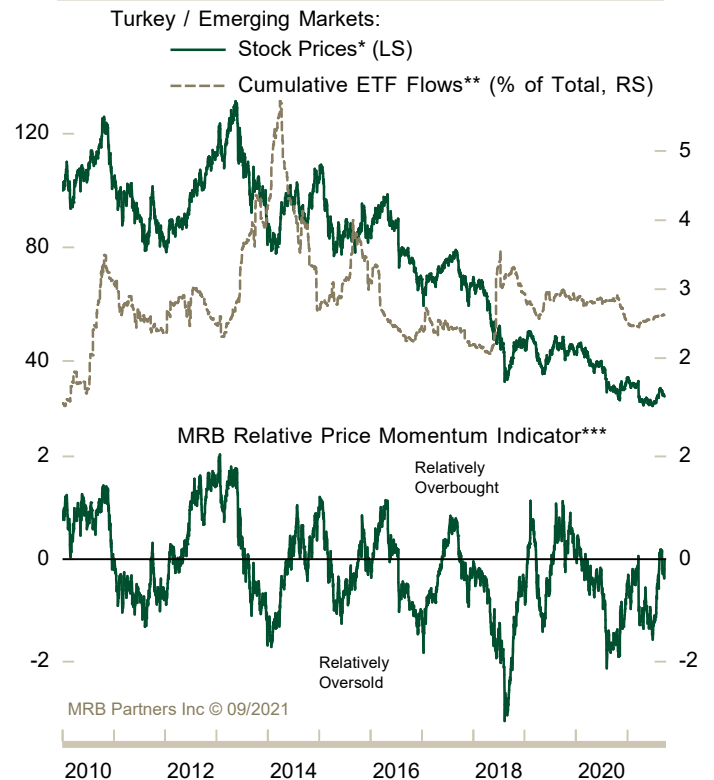
\* Relative to sector-weighted emerging market valuation; sector adjusted; source: MSCI  
 \*\* Source: MSCI  
 \*\*\* Standardized; source: MSCI

## Growth



\* Source: Markit Economics  
 \*\* U.S. dollars; source: MSCI

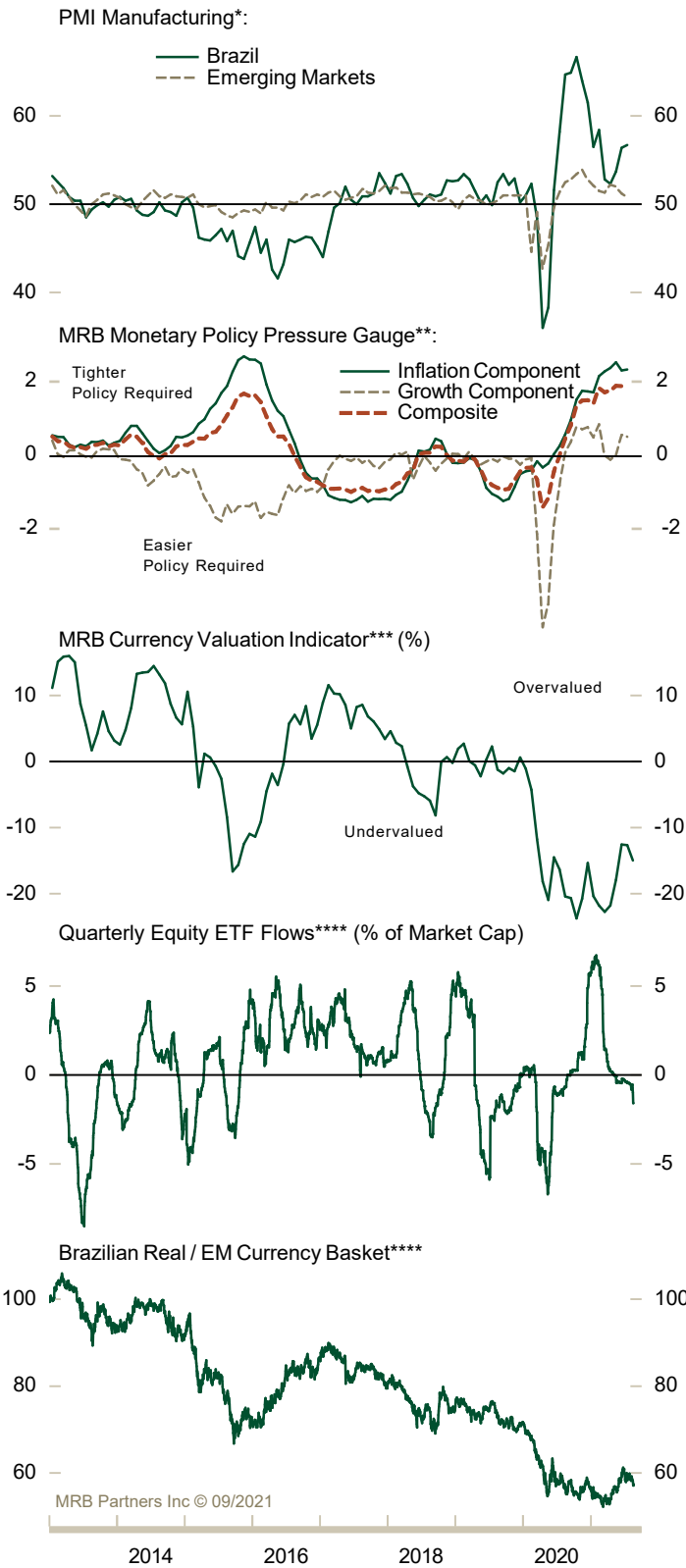
## Technical



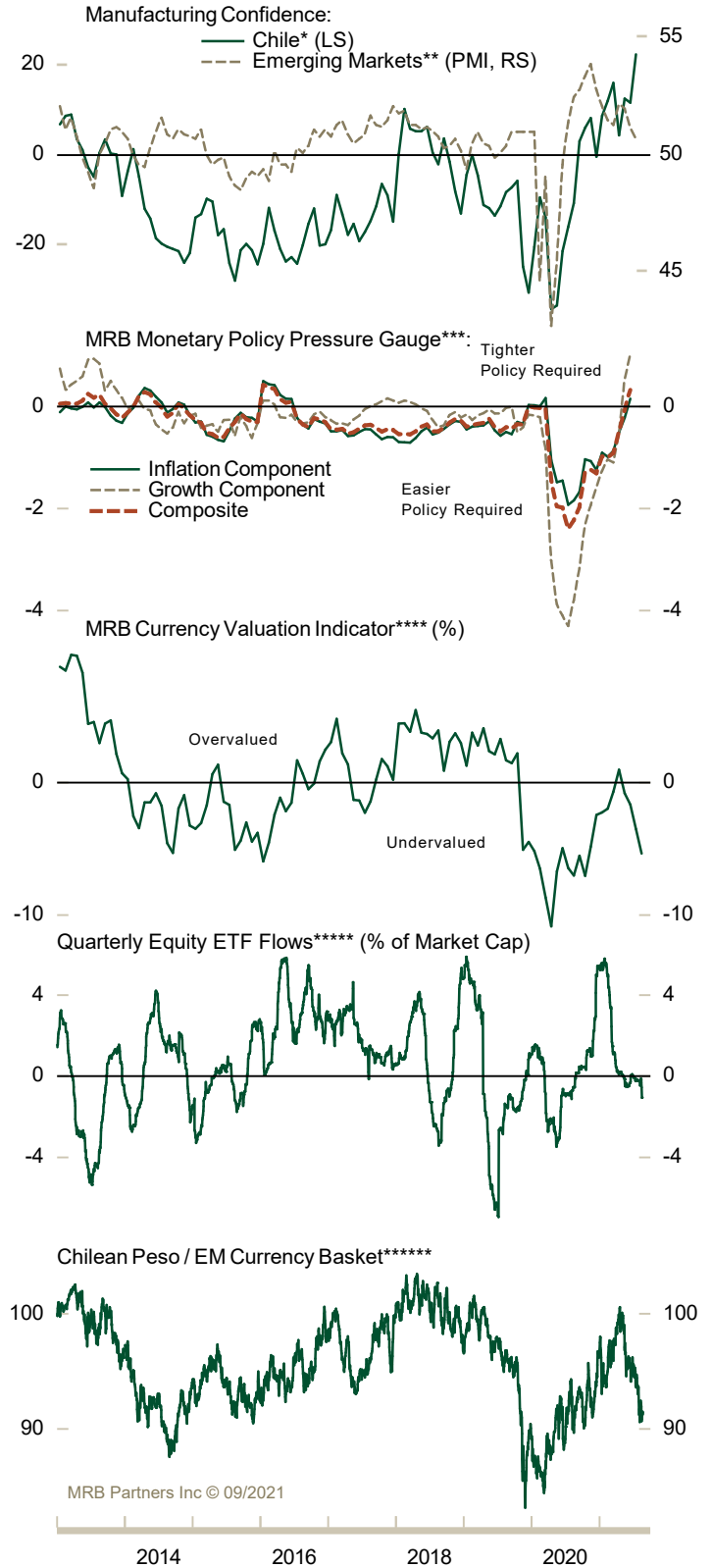
\* U.S. dollars; rebased; source: MSCI  
 \*\* Source: Bloomberg  
 \*\*\* Standardized

# Foreign Exchange

## Brazil: Overweight



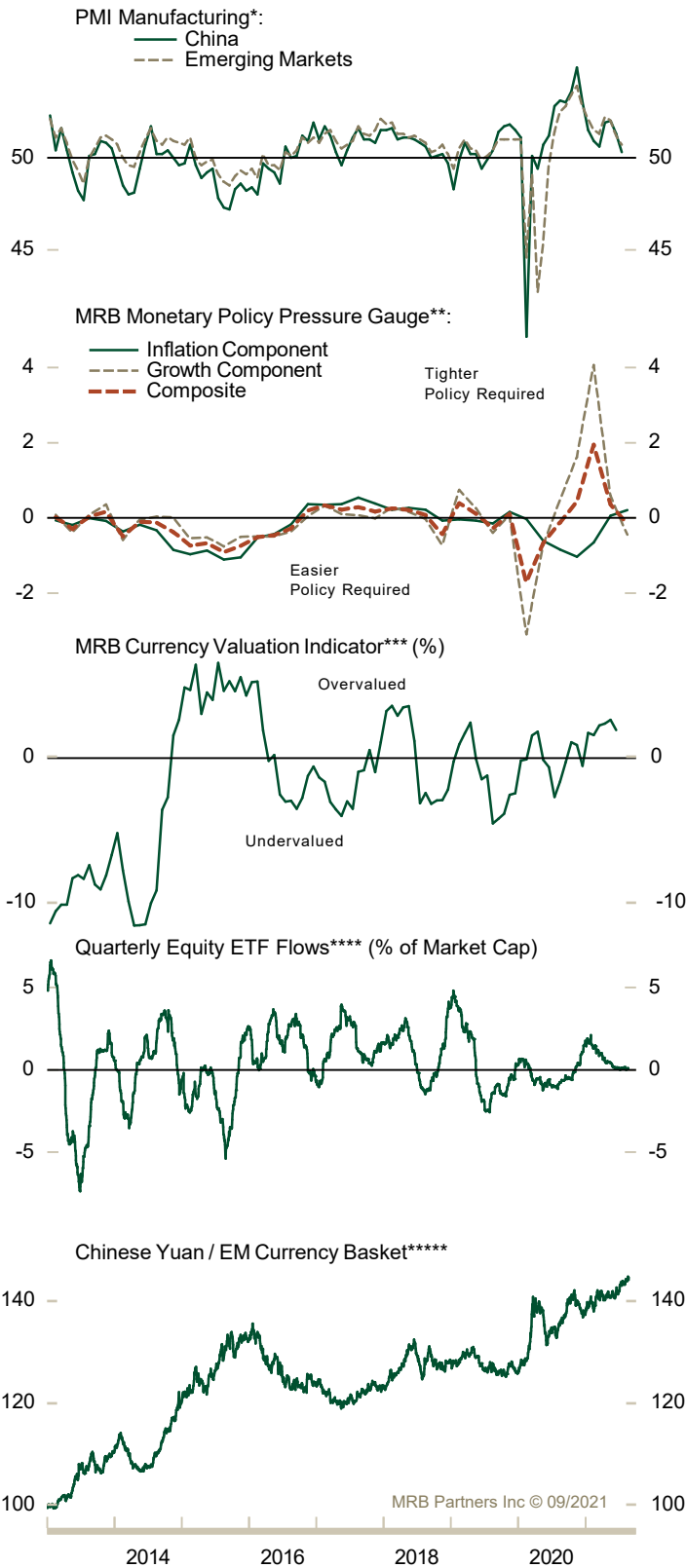
## Chile: Overweight



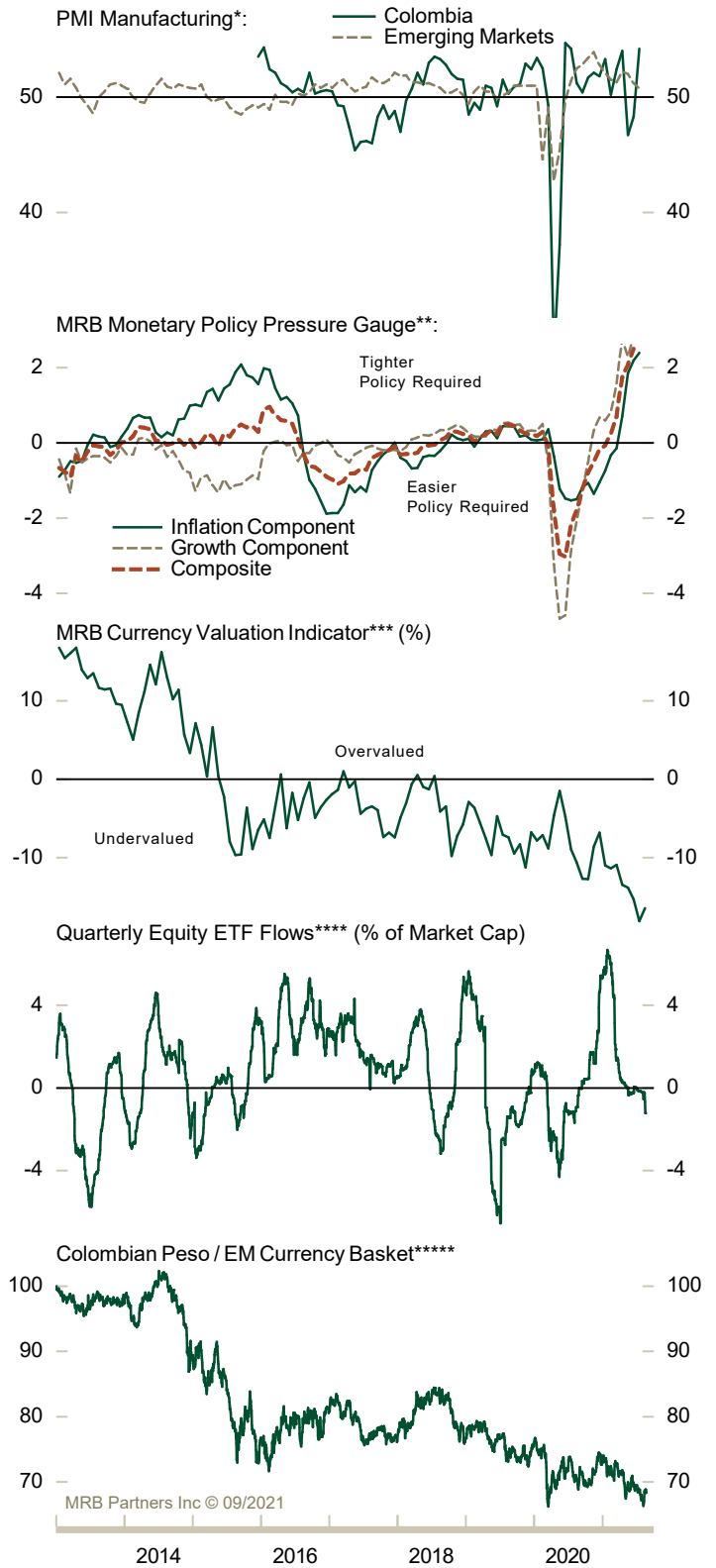
\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

\* Source: OECD  
 \*\* Source: Markit Economics  
 \*\*\* Includes growth and inflation components; standardized  
 \*\*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

## China: Neutral



## Colombia: Overweight

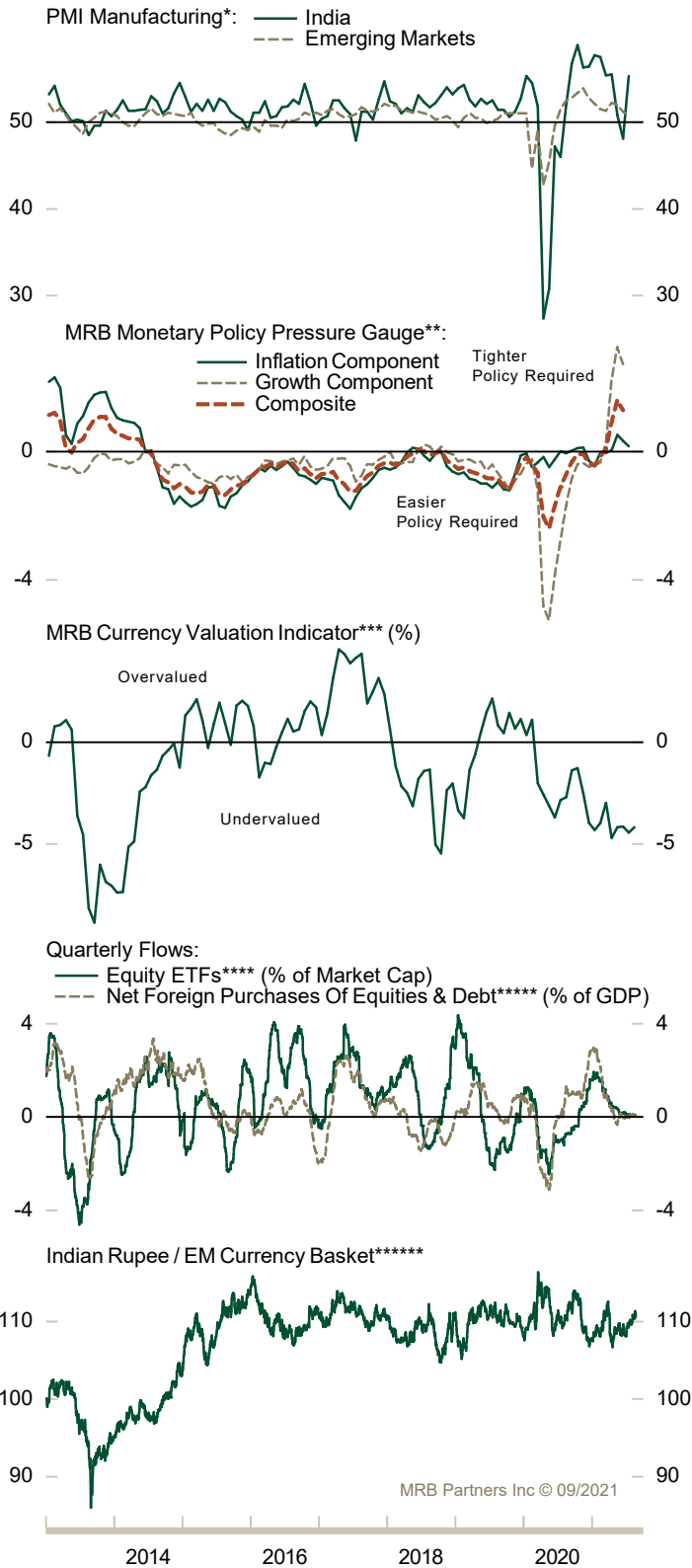


\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

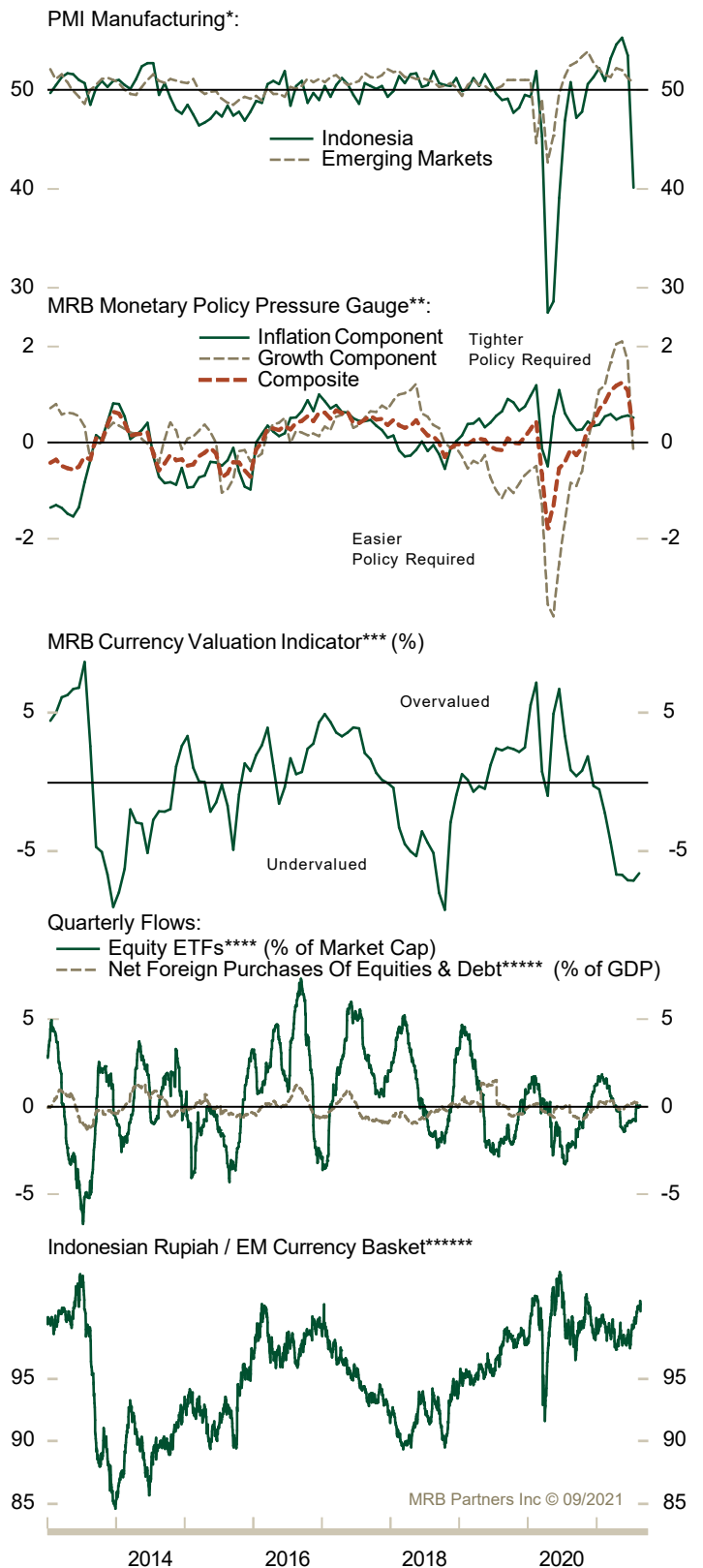
Note: China's PMI is truncated at 40 in panel 1

## India: Overweight



\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Source: Securities and Exchange Board of India  
 \*\*\*\*\* Equally-weighted aggregate

## Indonesia: Overweight



\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Source: Jakarta Stock Exchange  
 \*\*\*\*\* Equally-weighted aggregate

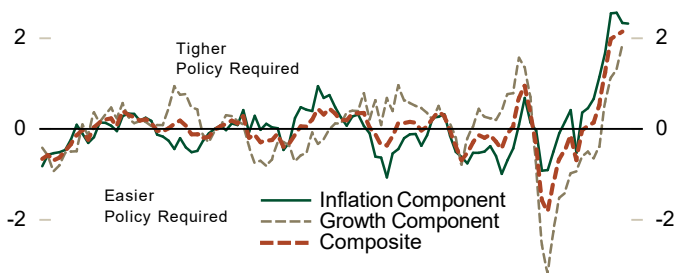


## Korea: Overweight

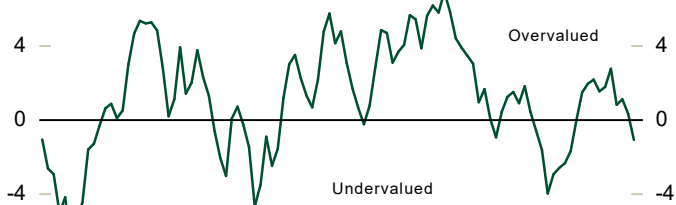
PMI Manufacturing\*:



MRB Monetary Policy Pressure Gauge\*\*:

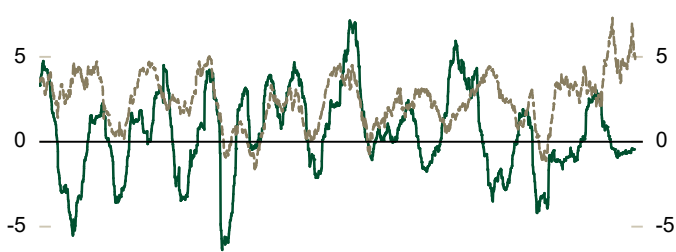


MRB Currency Valuation Indicator\*\*\* (%)

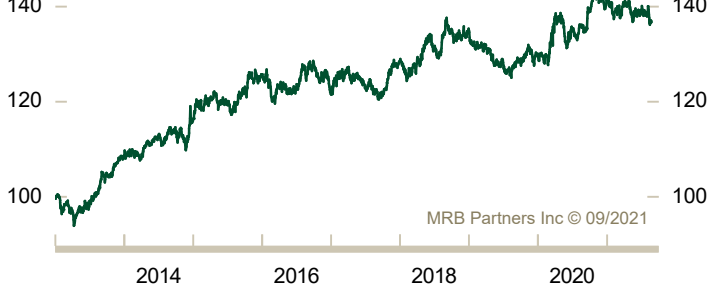


Quarterly Flows:

— Equity ETFs\*\*\*\* (% of Market Cap)  
 - - - Net Foreign Purchases Of Equities & Debt\*\*\*\*\* (% of GDP)



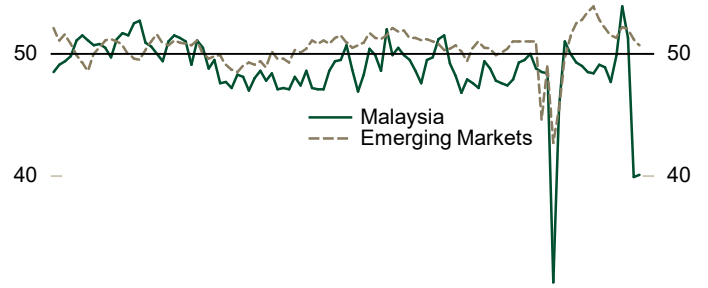
Korean Won / EM Currency Basket\*\*\*\*\*



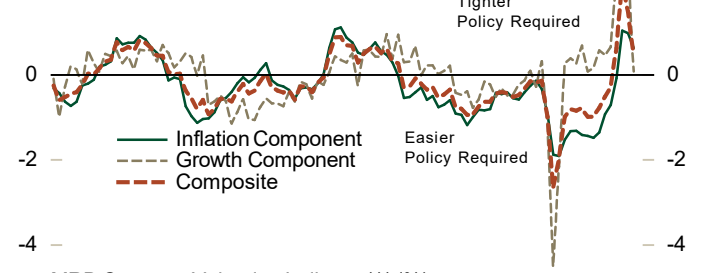
\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Source: Korea Stock Exchange  
 \*\*\*\*\* Equally-weighted aggregate

## Malaysia: Overweight

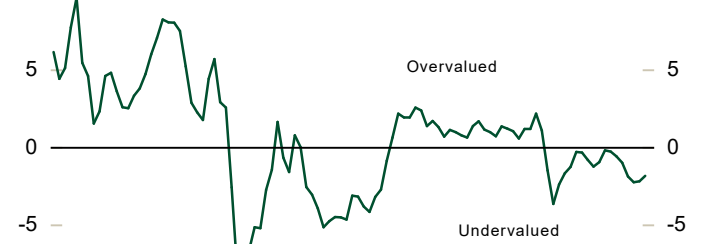
PMI Manufacturing\*:



MRB Monetary Policy Pressure Gauge\*\*:

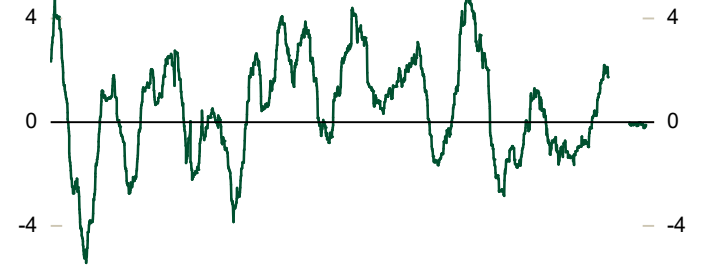


MRB Currency Valuation Indicator\*\*\* (%)

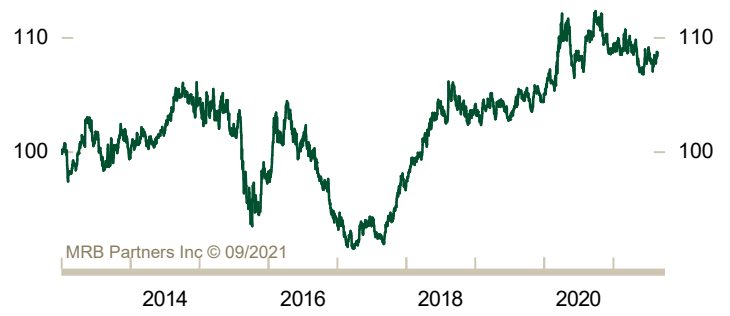


Quarterly

Equity ETF Flows\*\*\*\* (% of Market Cap)

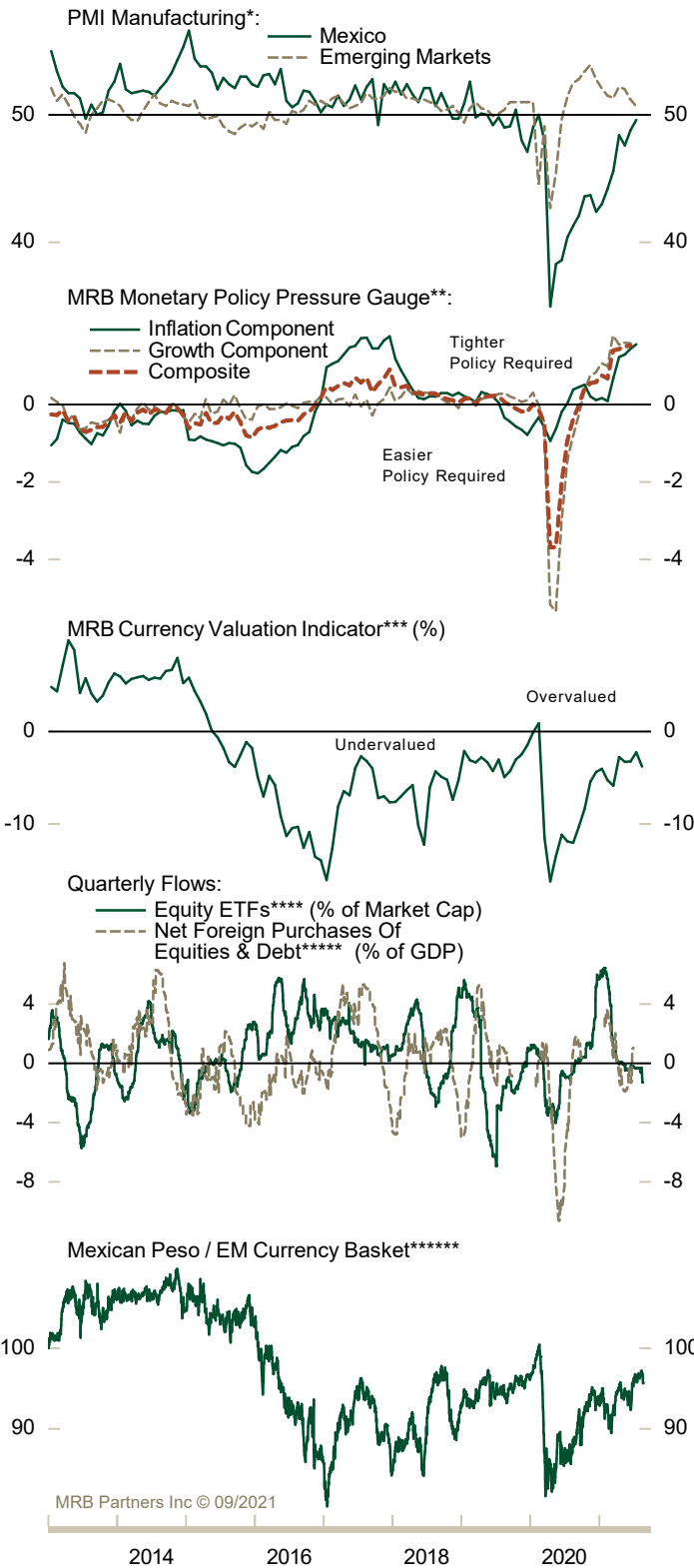


Malaysian Ringgit / EM Currency Basket\*\*\*\*\*



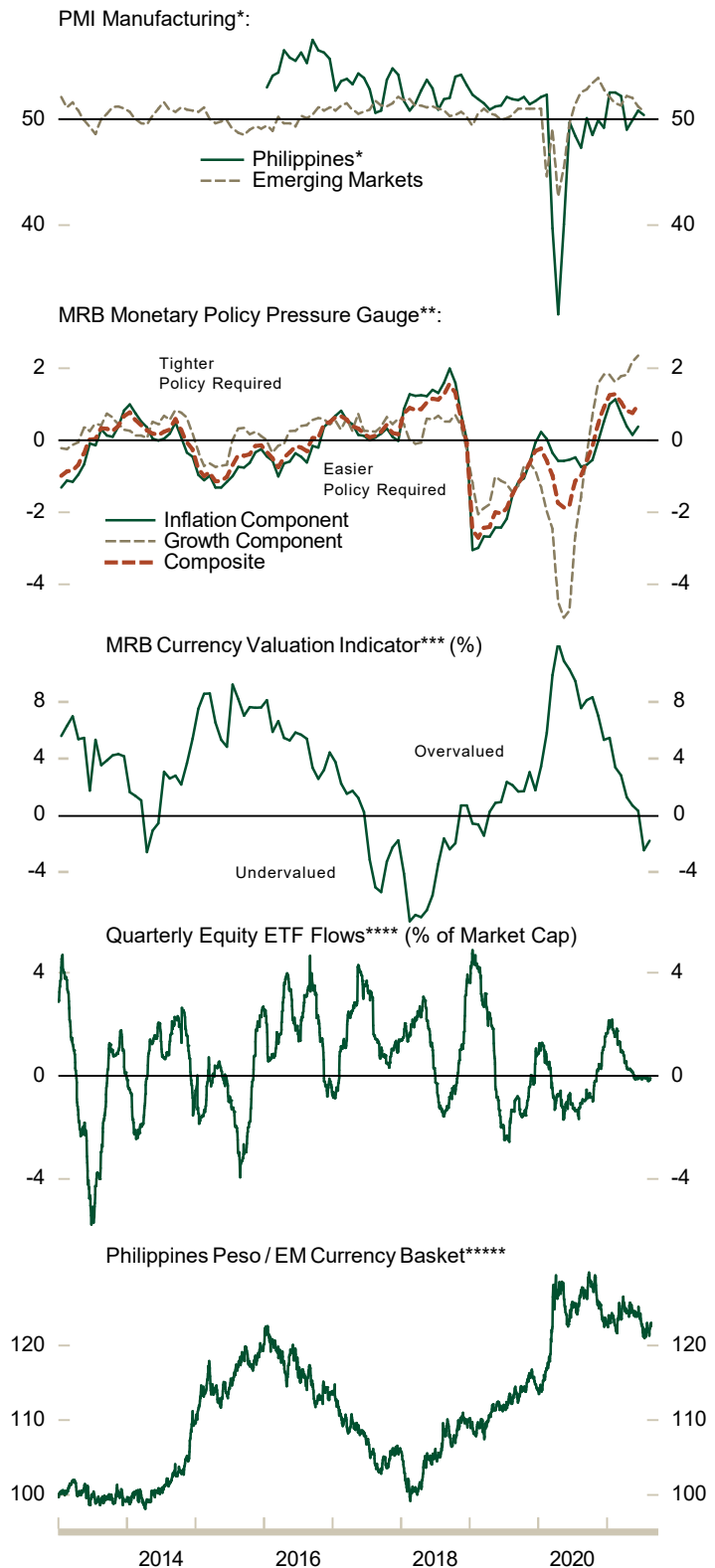
\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

## Mexico: Neutral



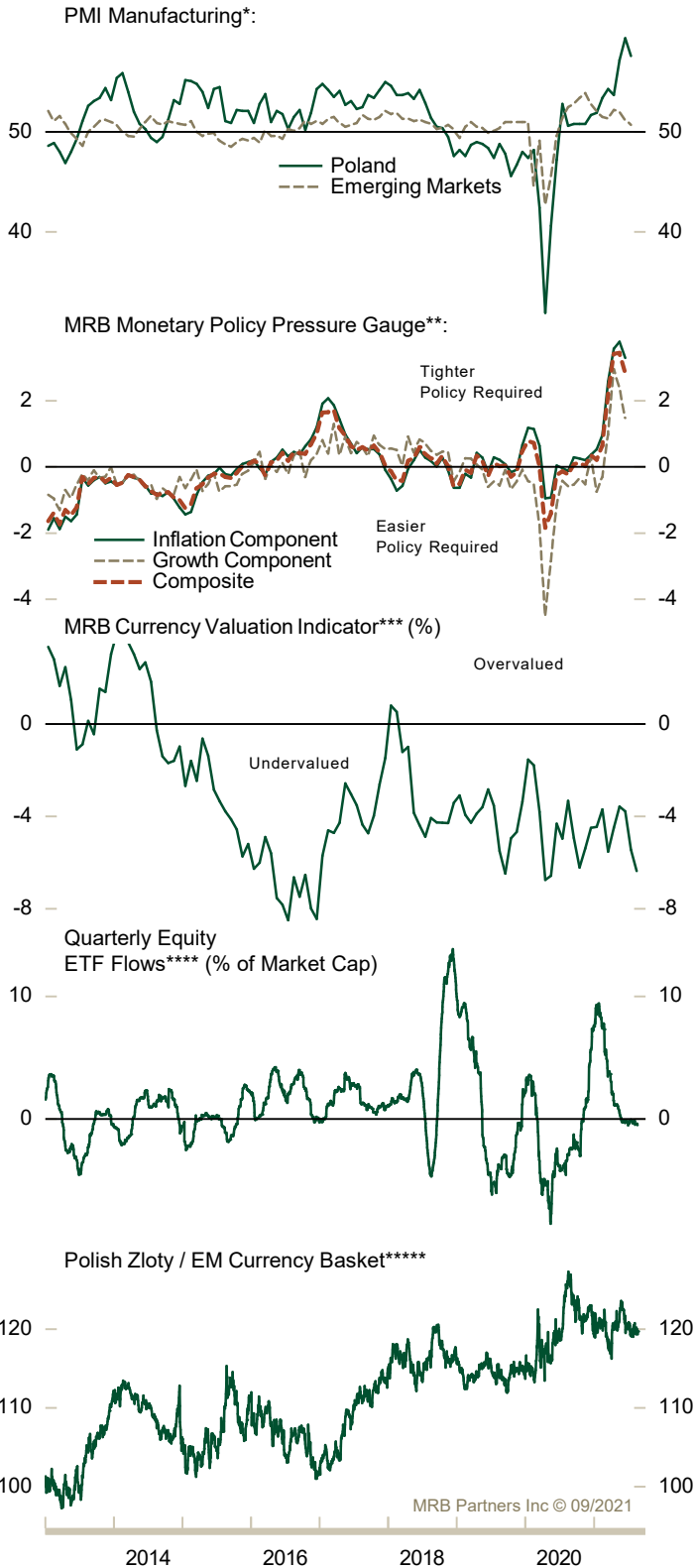
\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Source: Banco de Mexico  
 \*\*\*\*\* Equally-weighted aggregate

## Philippines: Underweight

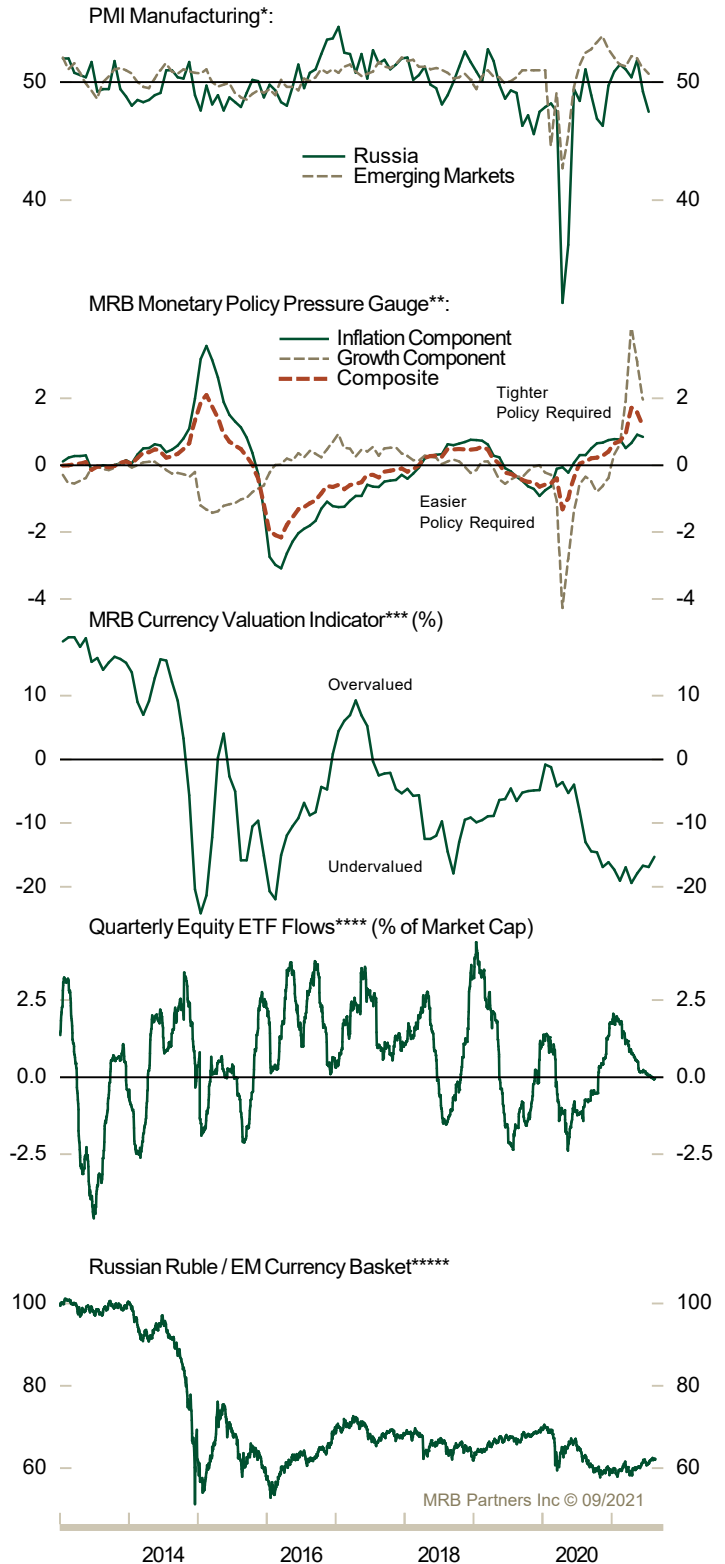


\* Source: Markit Economics  
 \*\* Source: Philippine Statistics Authority  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

## Poland: Neutral



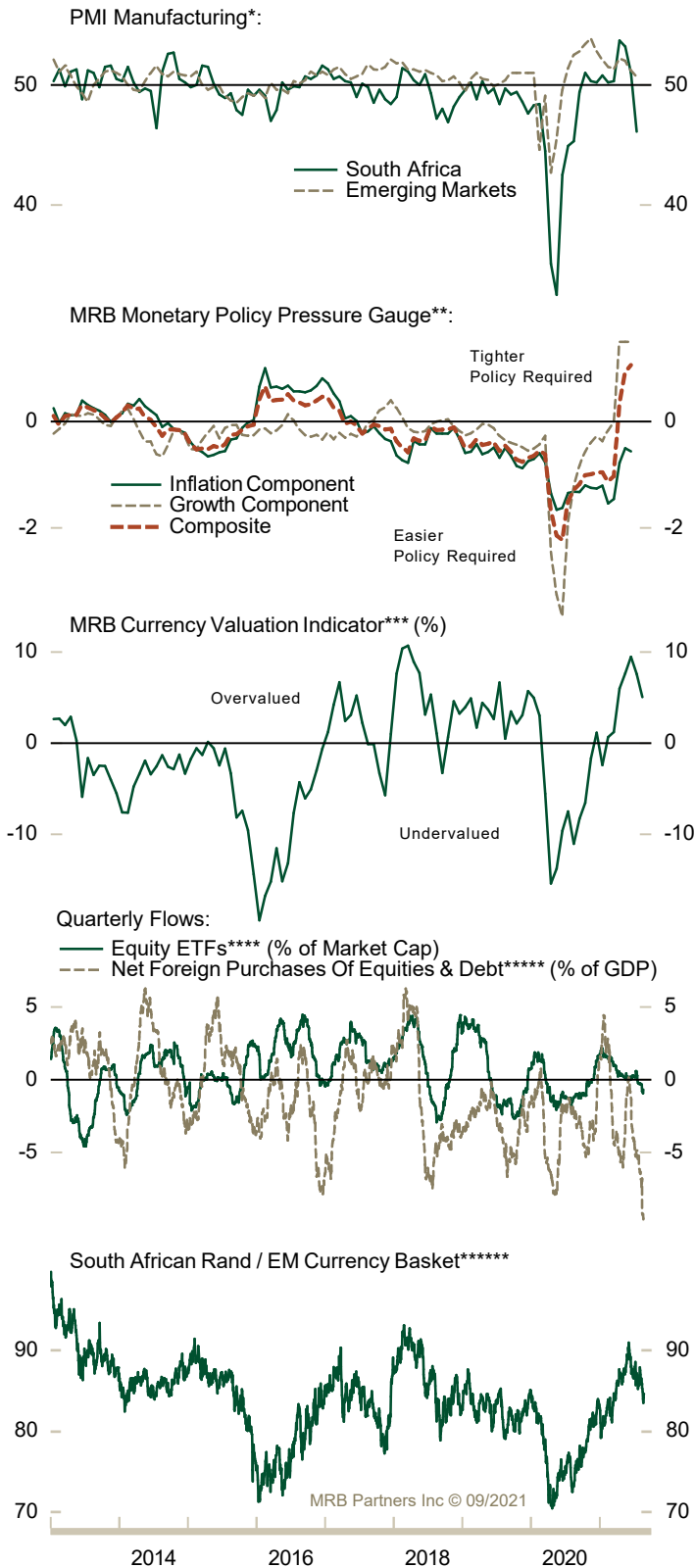
## Russia: Neutral



\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

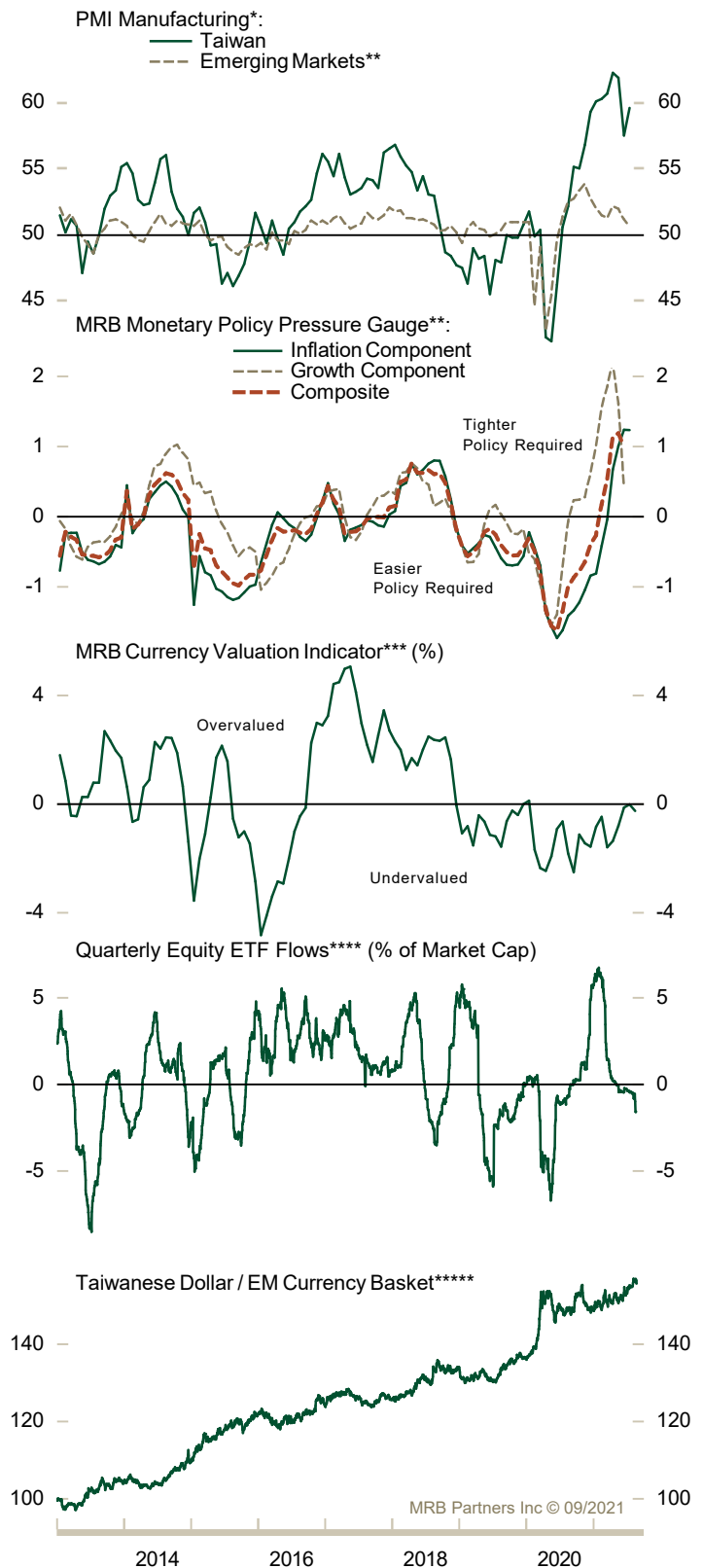
\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

## South Africa: Neutral



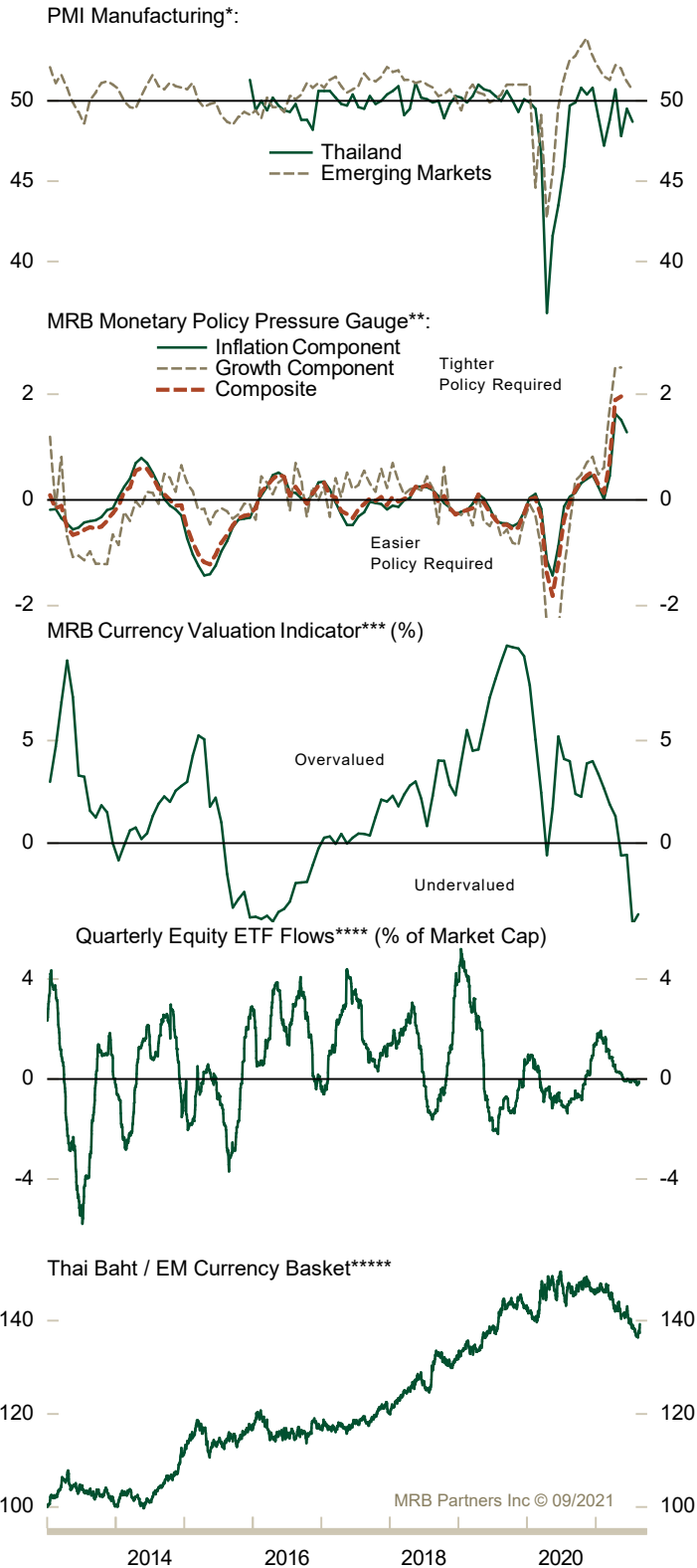
\* Source: Markit Economics  
 \*\* Includes growth and inflation components; truncated above 1.5; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Source: Johannesburg Stock Exchange

## Taiwan: Overweight

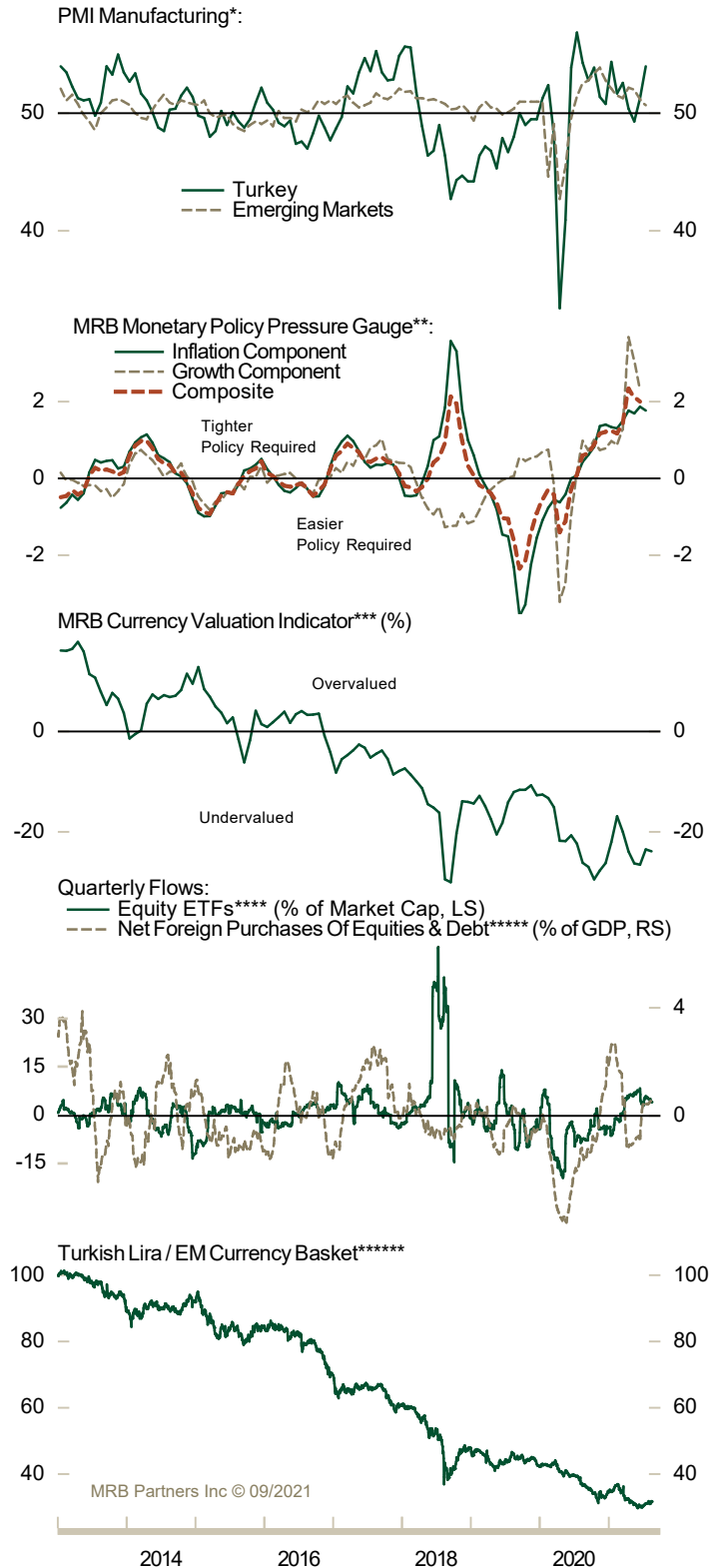


\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

# Thailand: Underweight



# Turkey: Neutral

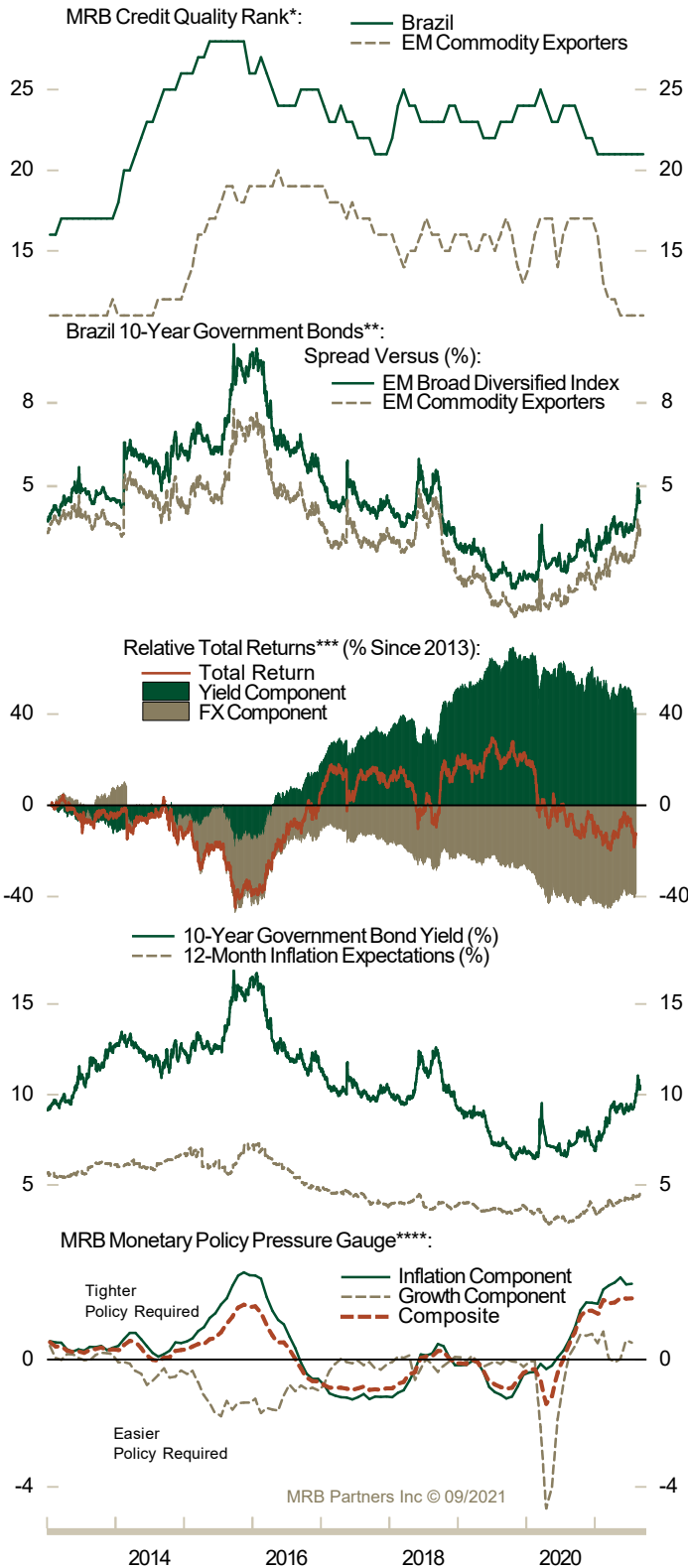


\* Deviation from trend; truncated below 98; source: OECD  
 \*\* Includes growth and inflation components; truncated above 2.5; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Equally-weighted aggregate

\* Source: Markit Economics  
 \*\* Includes growth and inflation components; standardized  
 \*\*\* Deviation from MRB Fair Value Estimate  
 \*\*\*\* Source: Bloomberg  
 \*\*\*\*\* Source: Turkey Central Registry Agency Inc.  
 \*\*\*\*\* Equally-weighted aggregate

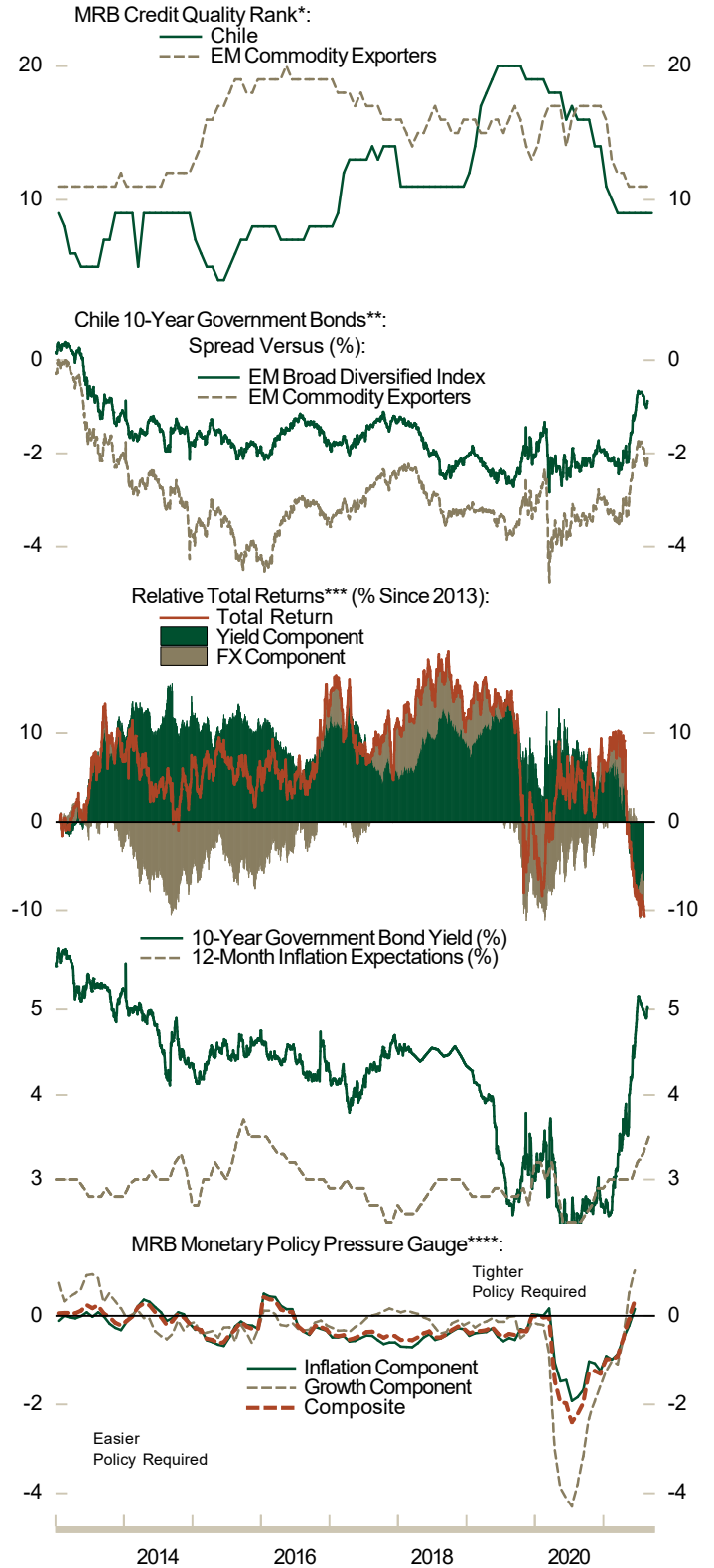
# Fixed Income

## Brazil: Maximum Overweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

## Chile: Underweight

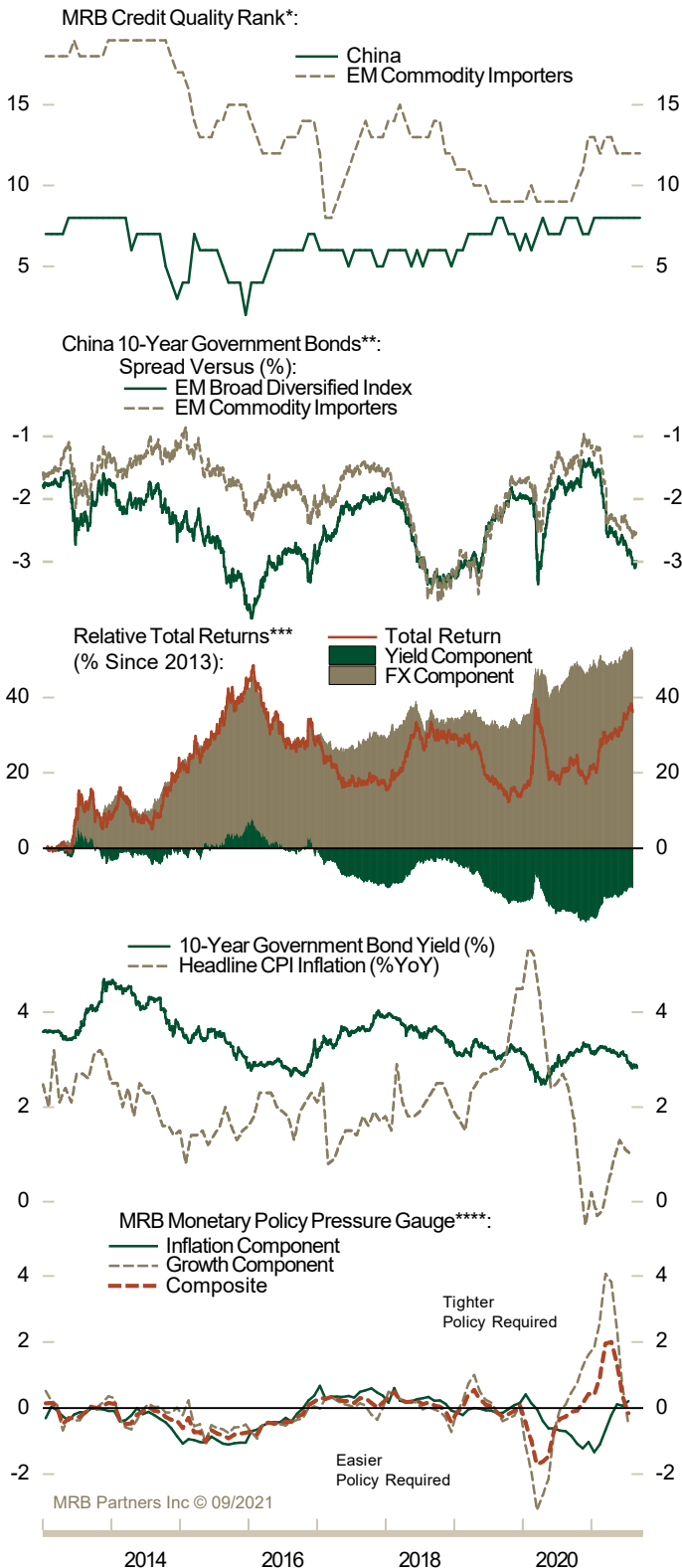


\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

MRB Partners Inc © 09/2021

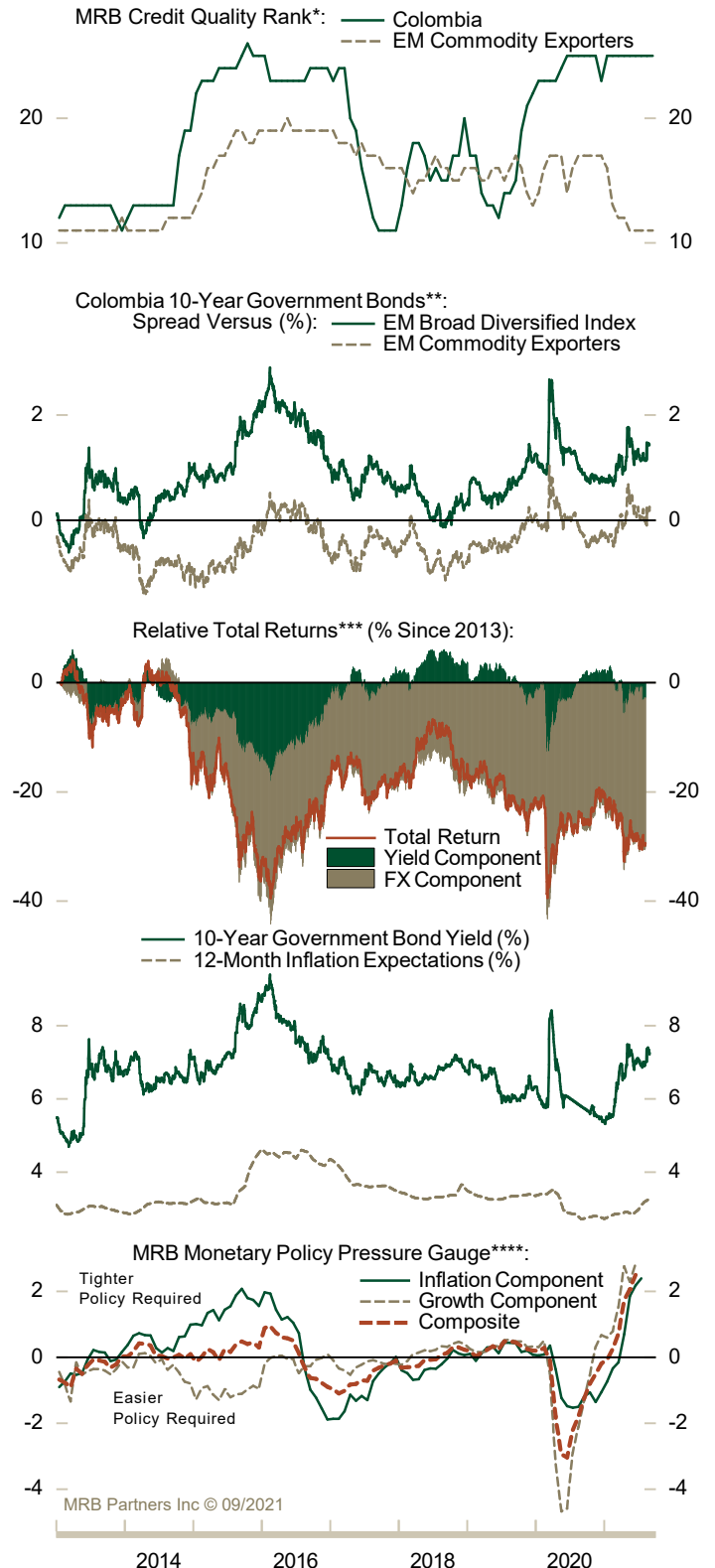


## China: Underweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

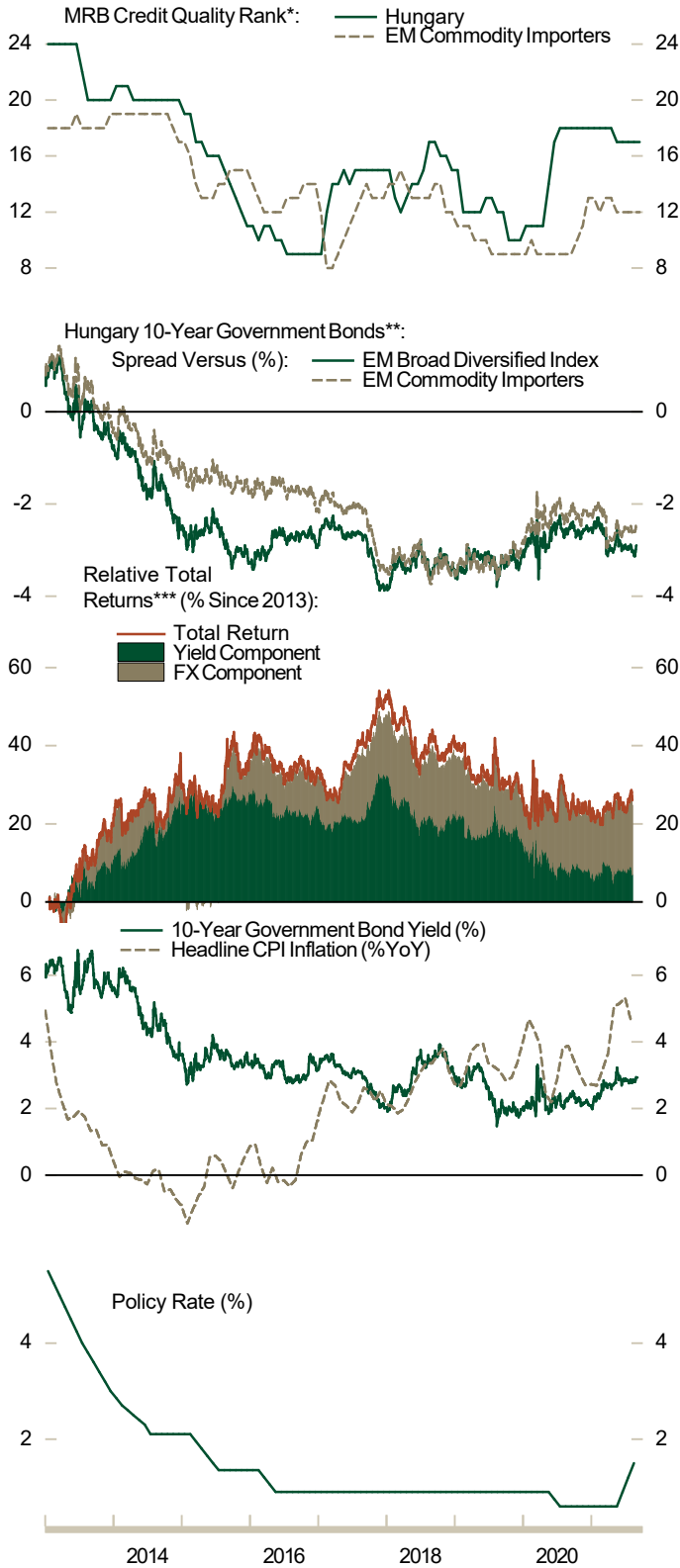
## Colombia: Overweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized



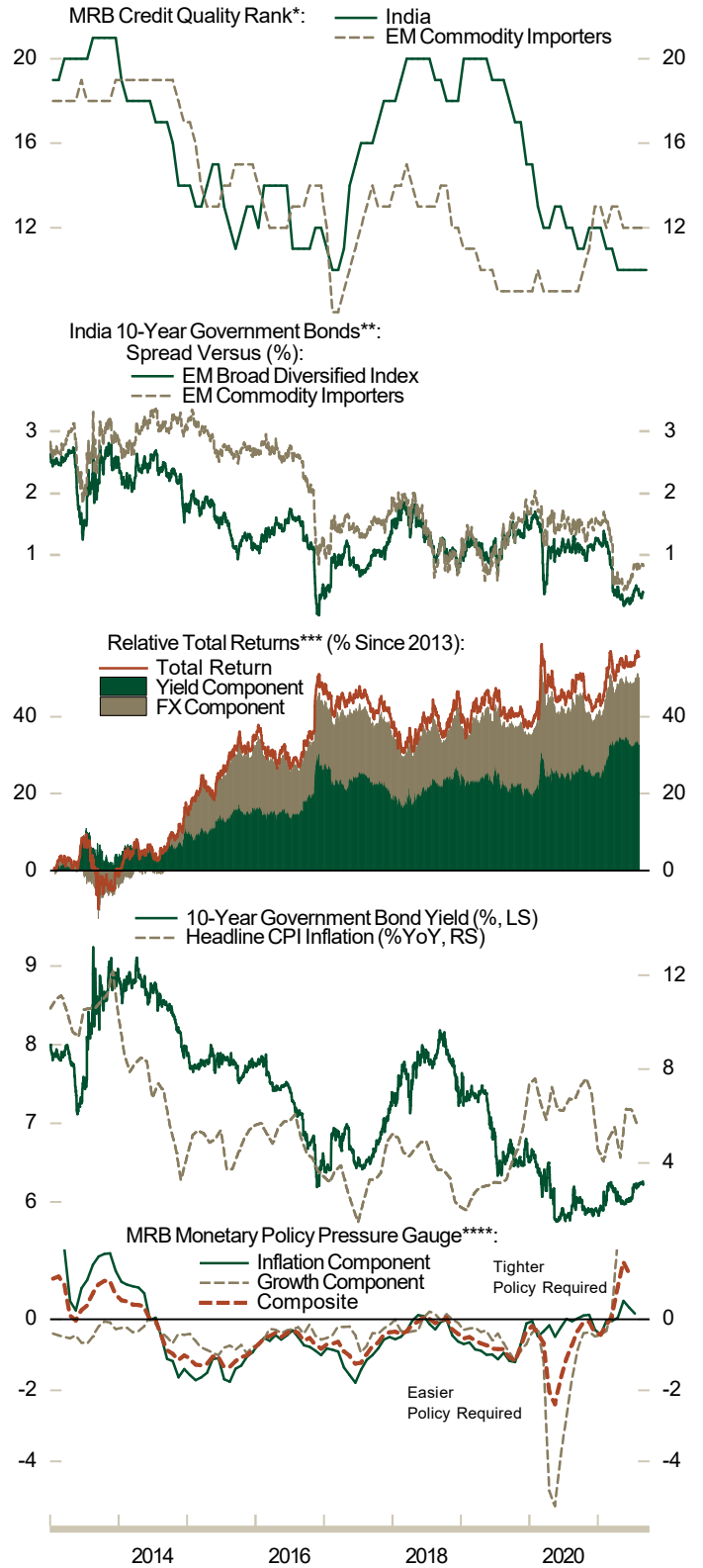
## Hungary: Underweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate

MRB Partners Inc © 09/2021

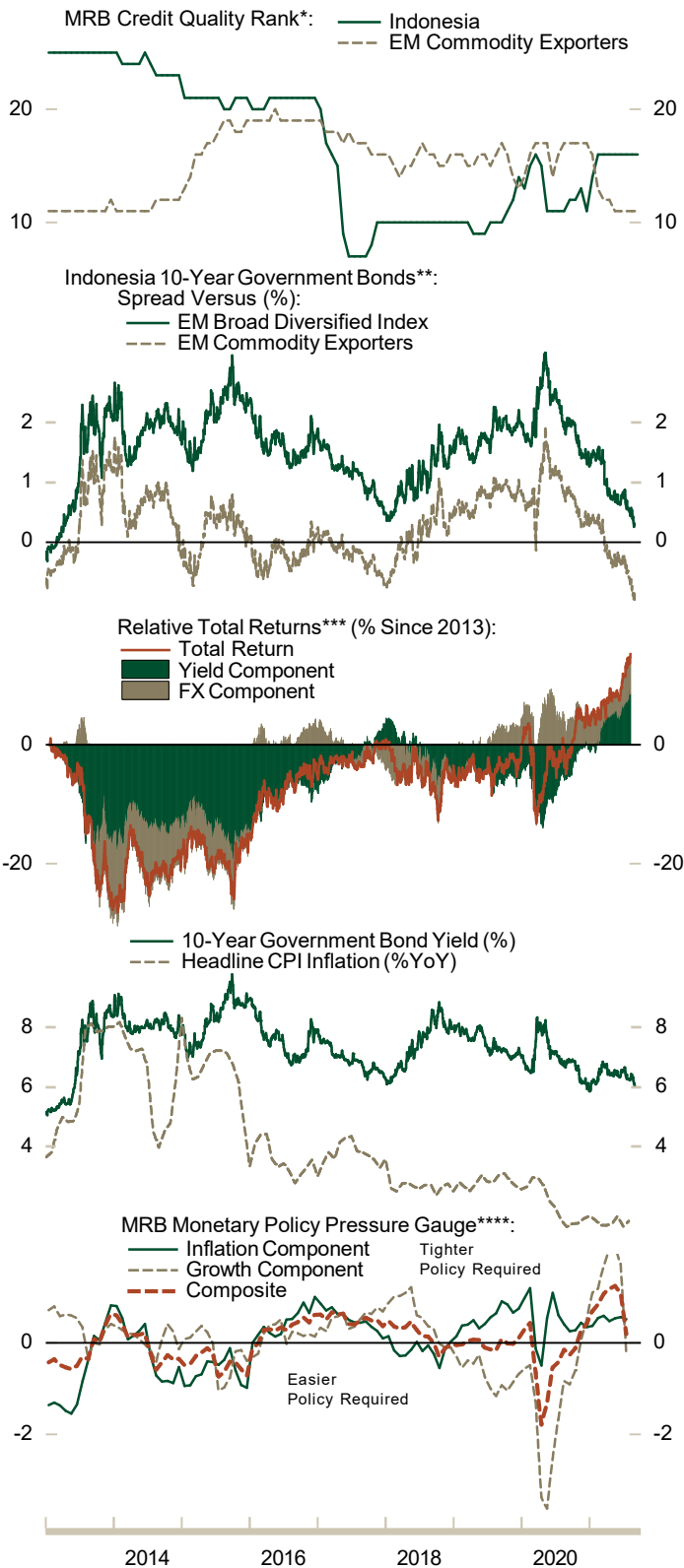
## India: Underweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

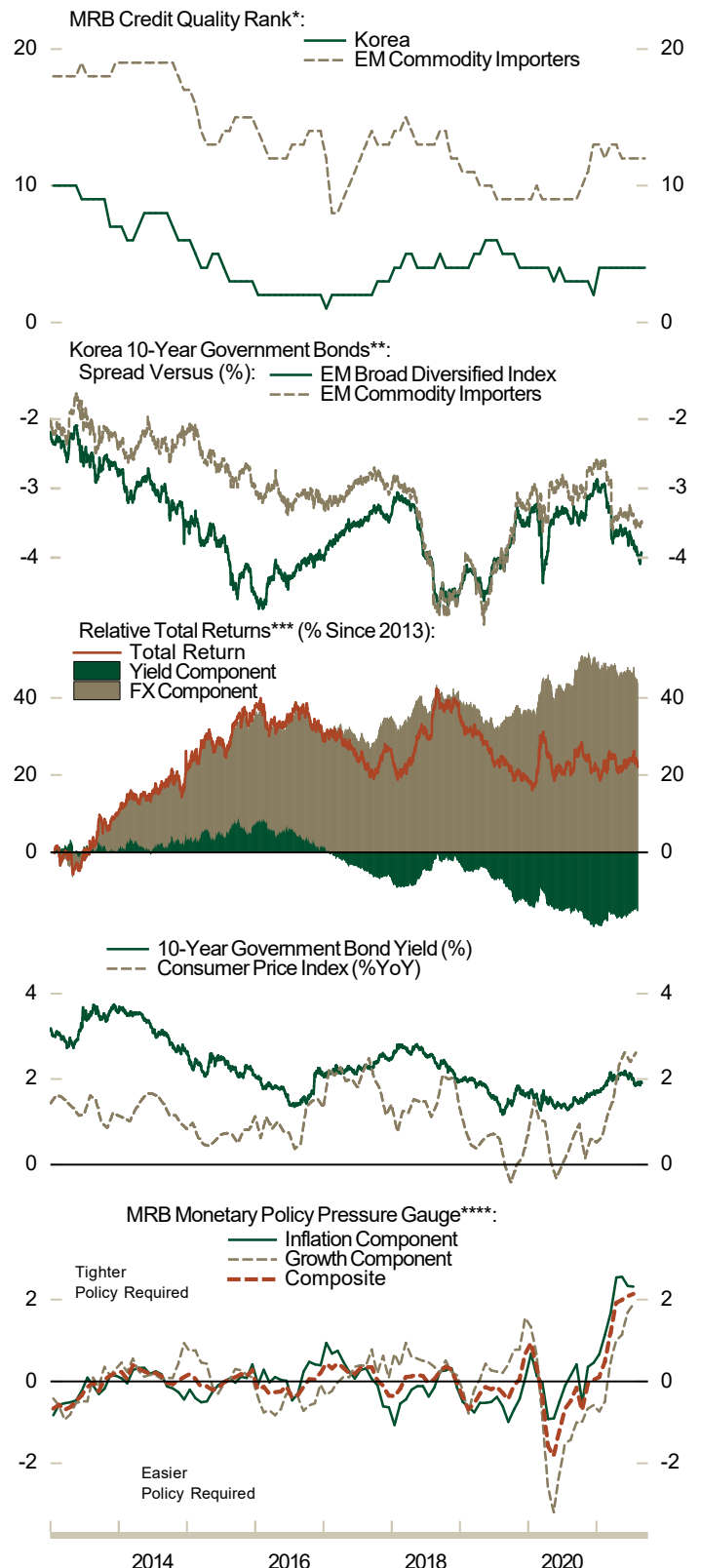
MRB Partners Inc © 09/2021

## Indonesia: *Neutral*



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized  
 MRB Partners Inc ◦ 09/2021

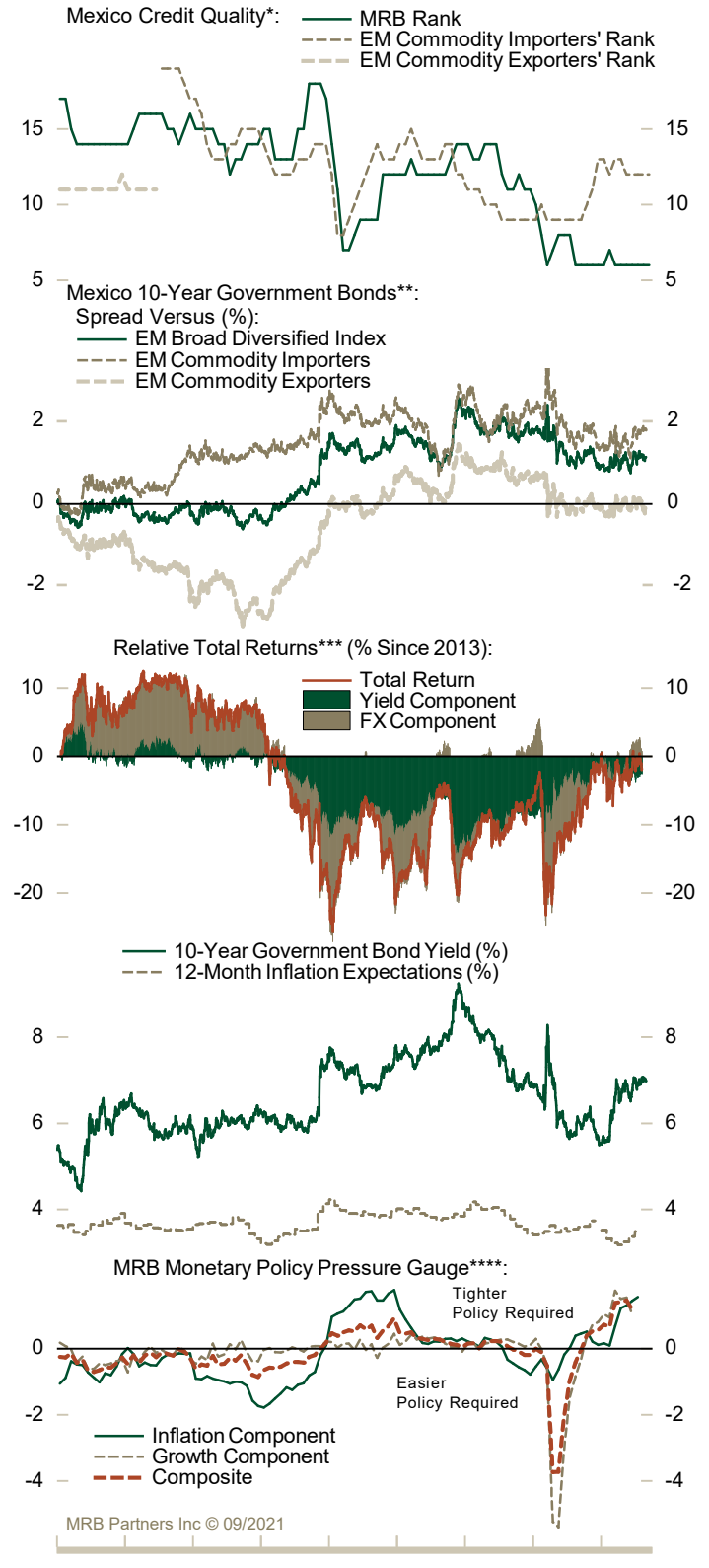
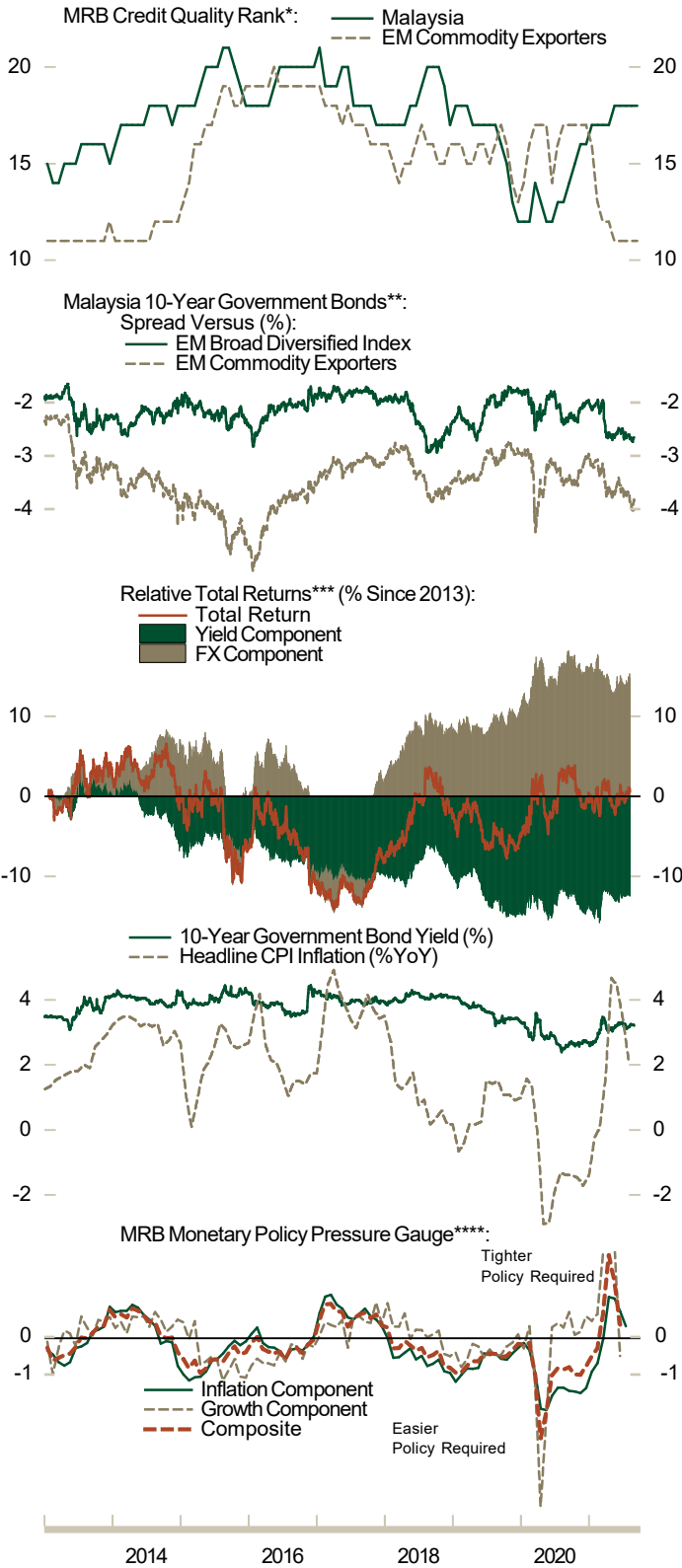
## Korea: *Underweight*



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized  
 MRB Partners Inc ◦ 09/2021

# Malaysia: Neutral

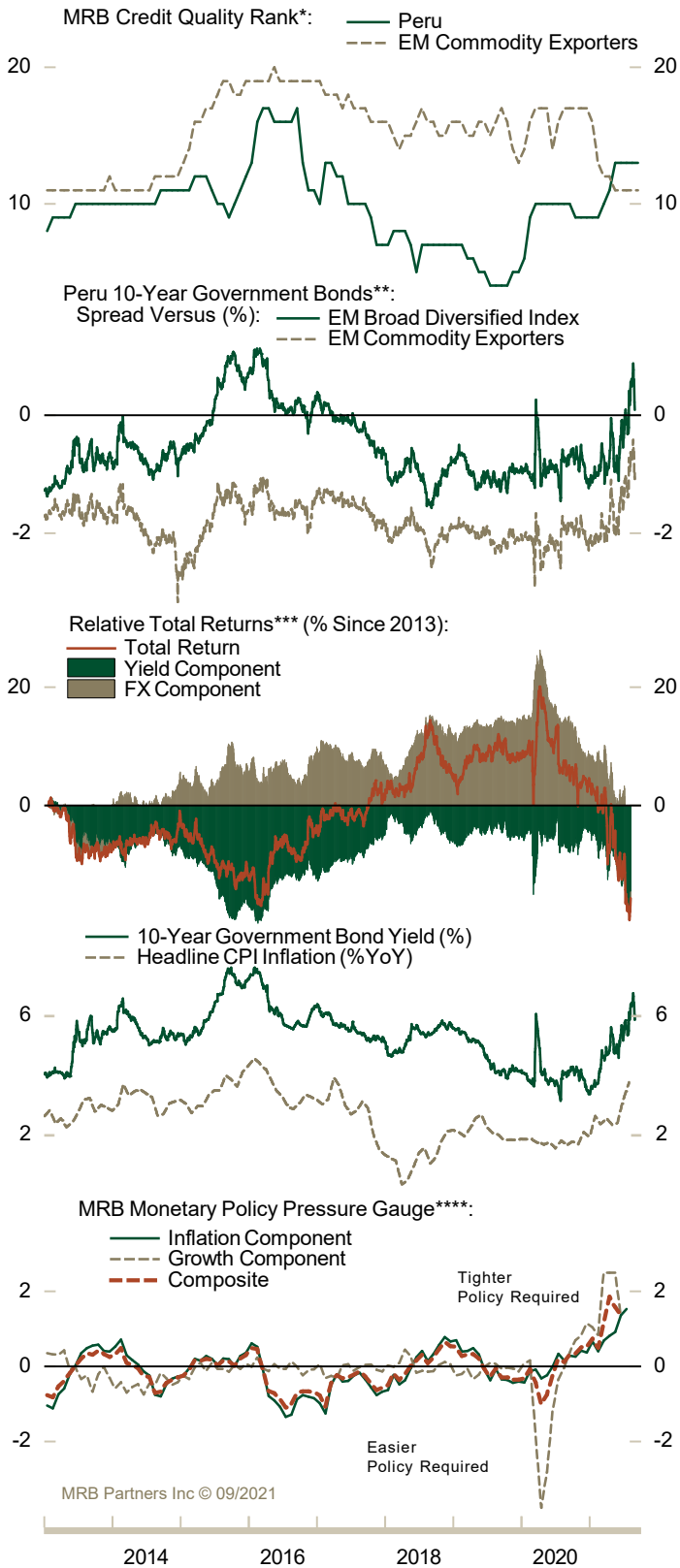
# Mexico: Underweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized  
 MRB Partners Inc © 09/2021

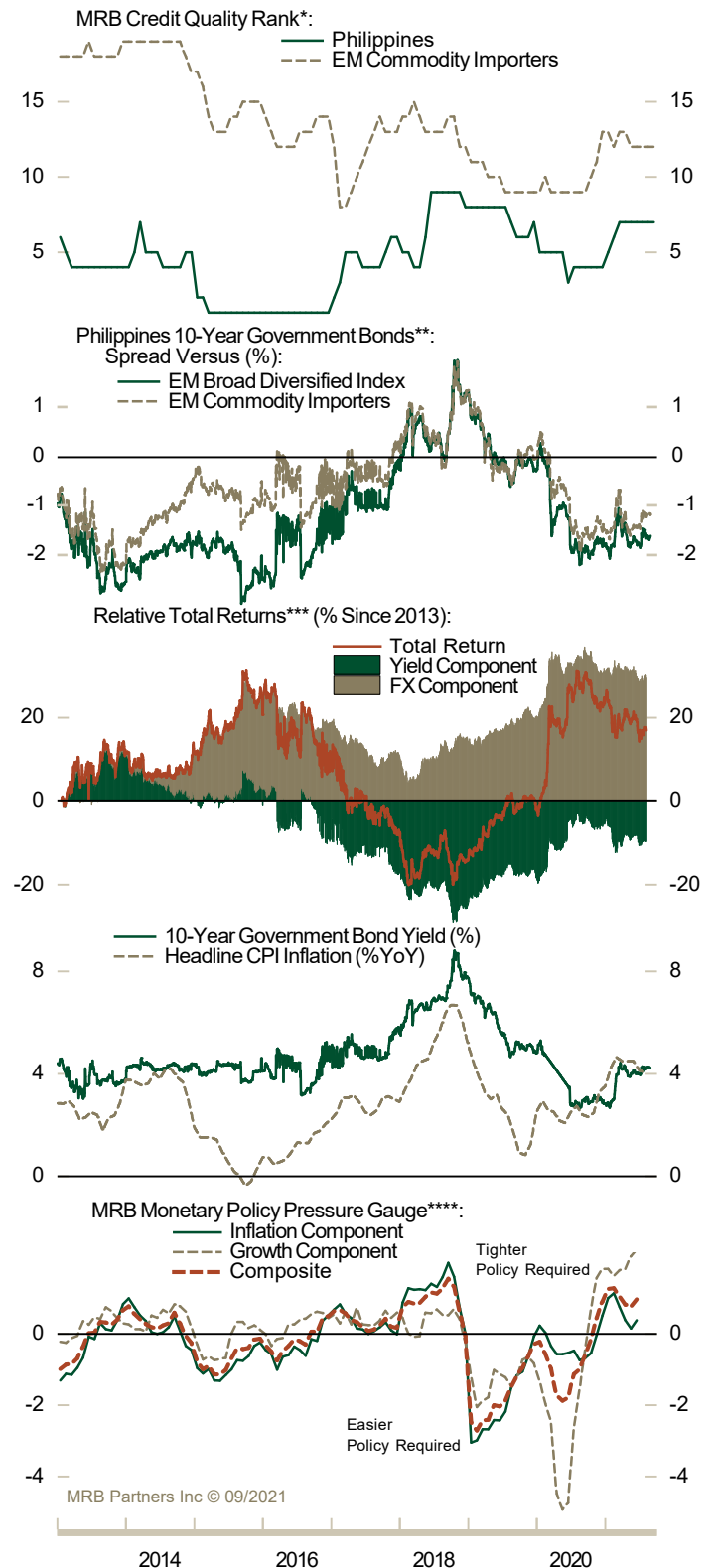
\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

## Peru: Neutral



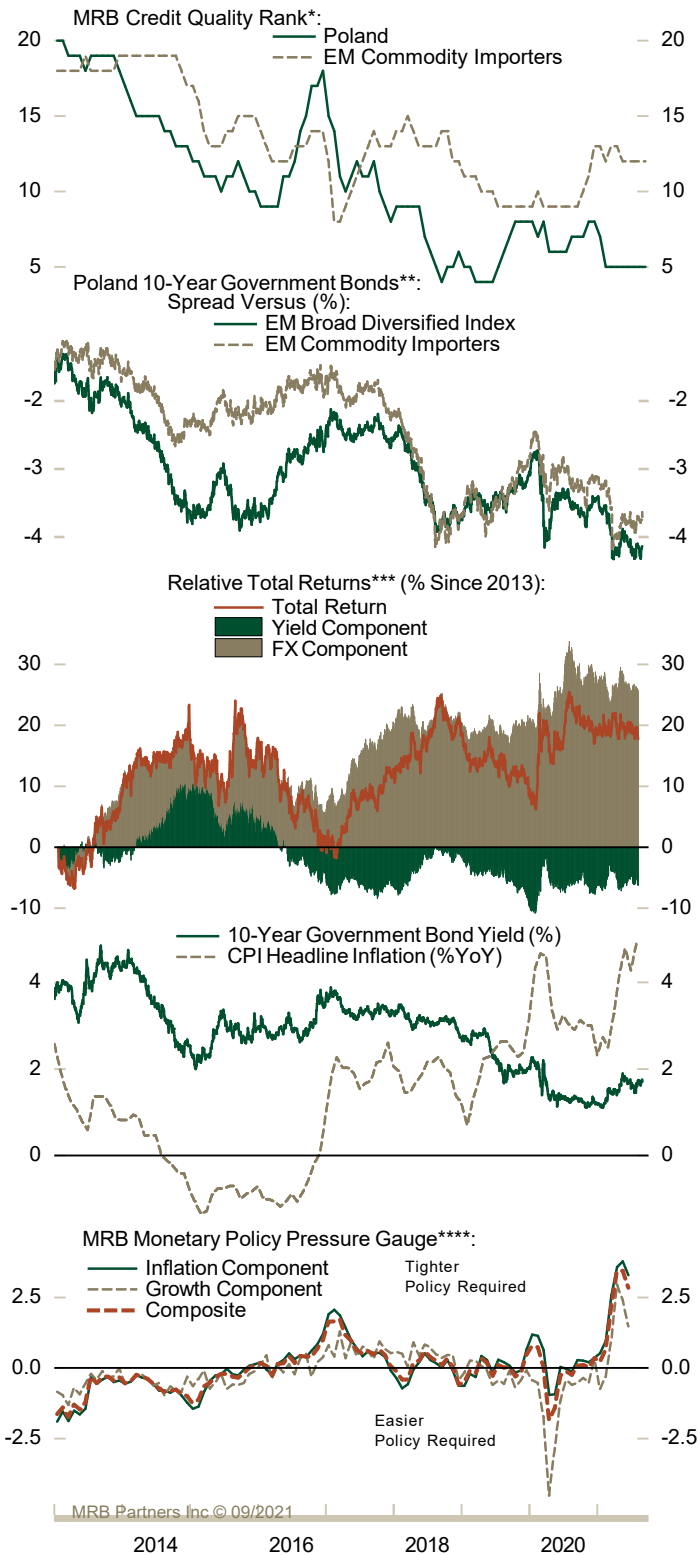
\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

## Philippines: Underweight



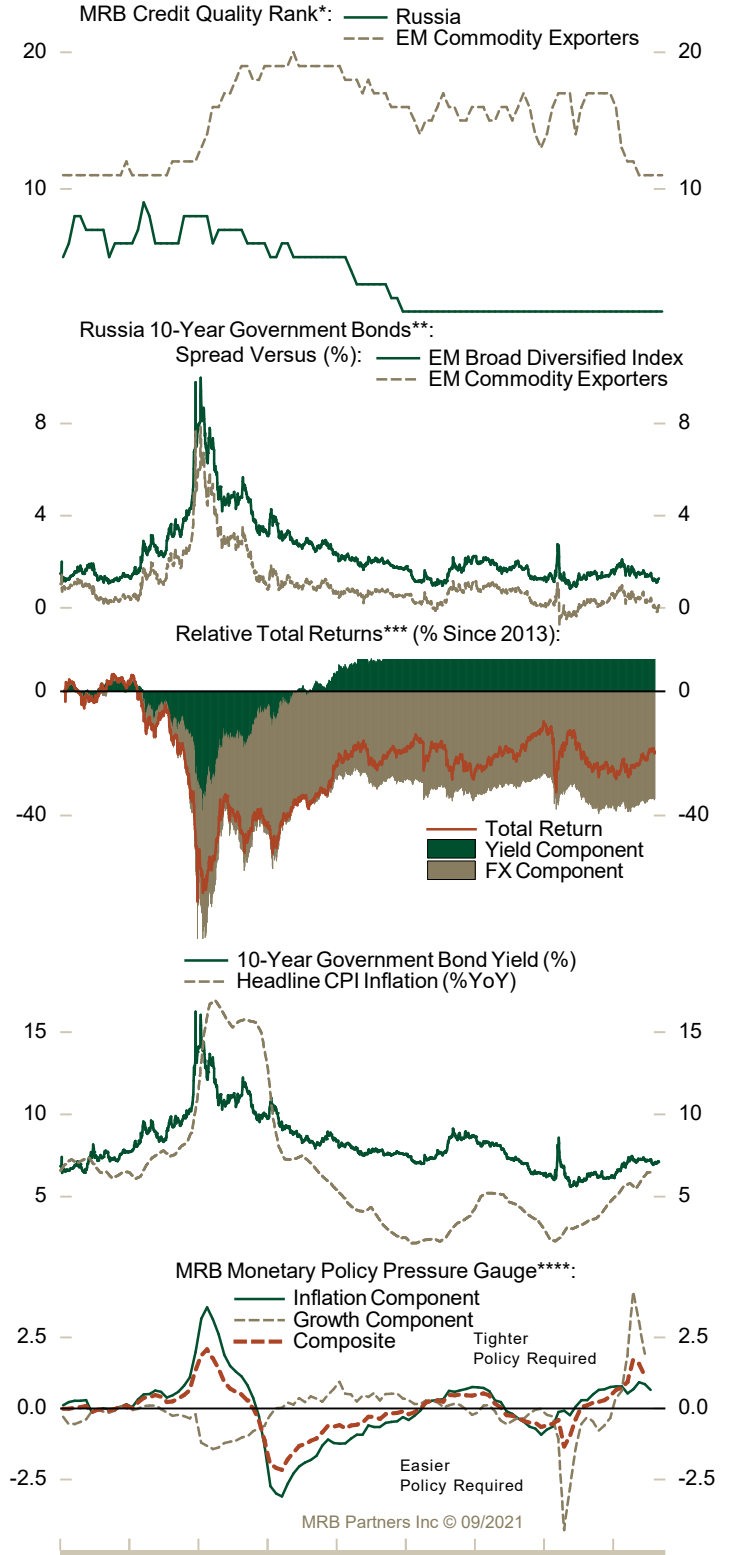
\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

## Poland: Underweight



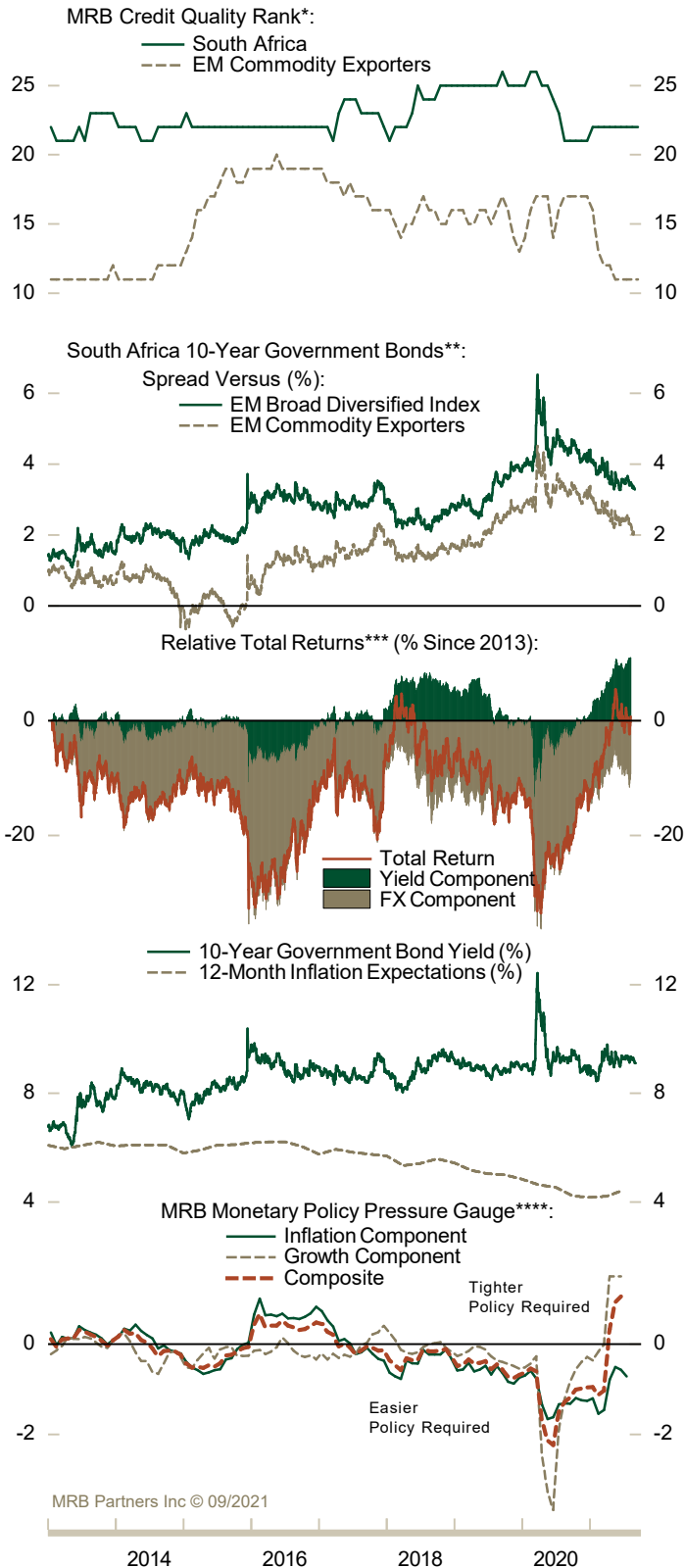
\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

## Russia: Overweight



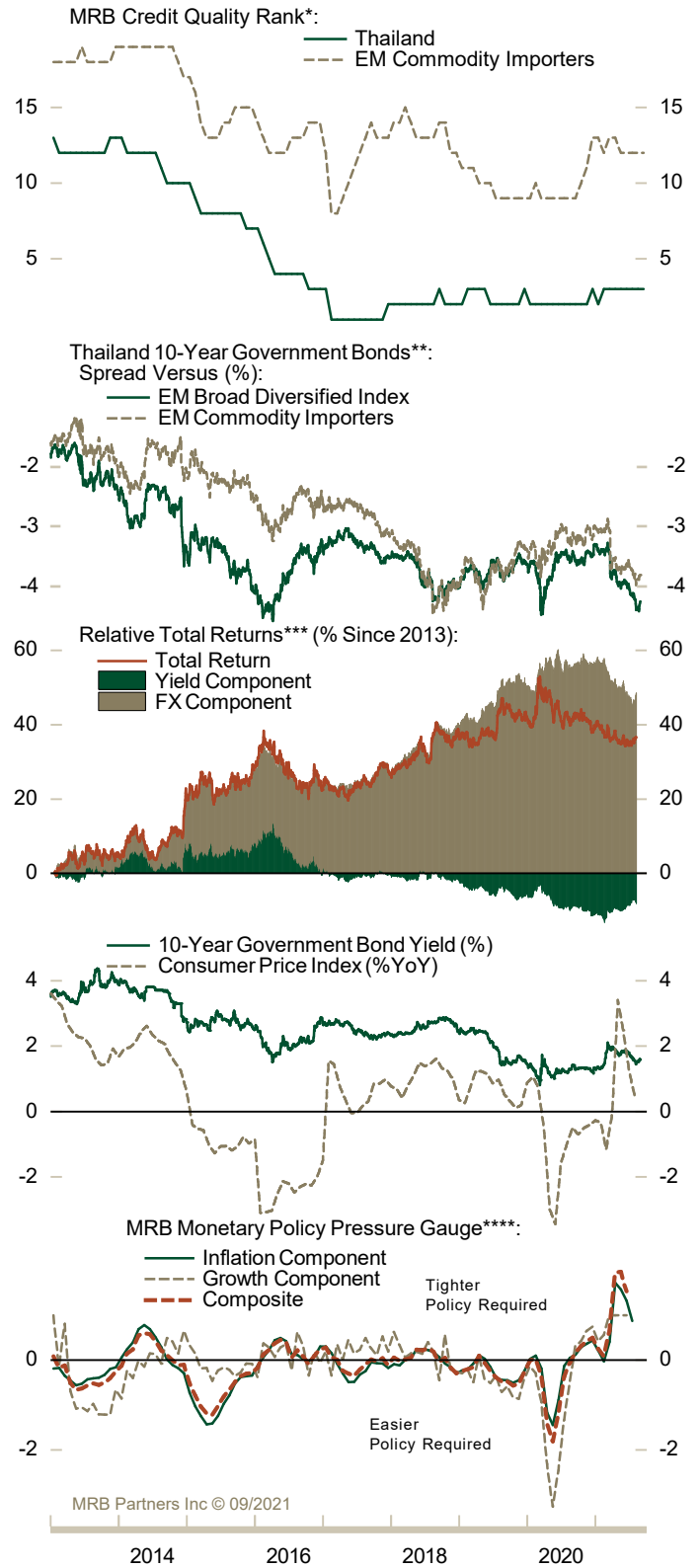
\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

## South Africa: Overweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; truncated above 2.5; standardized

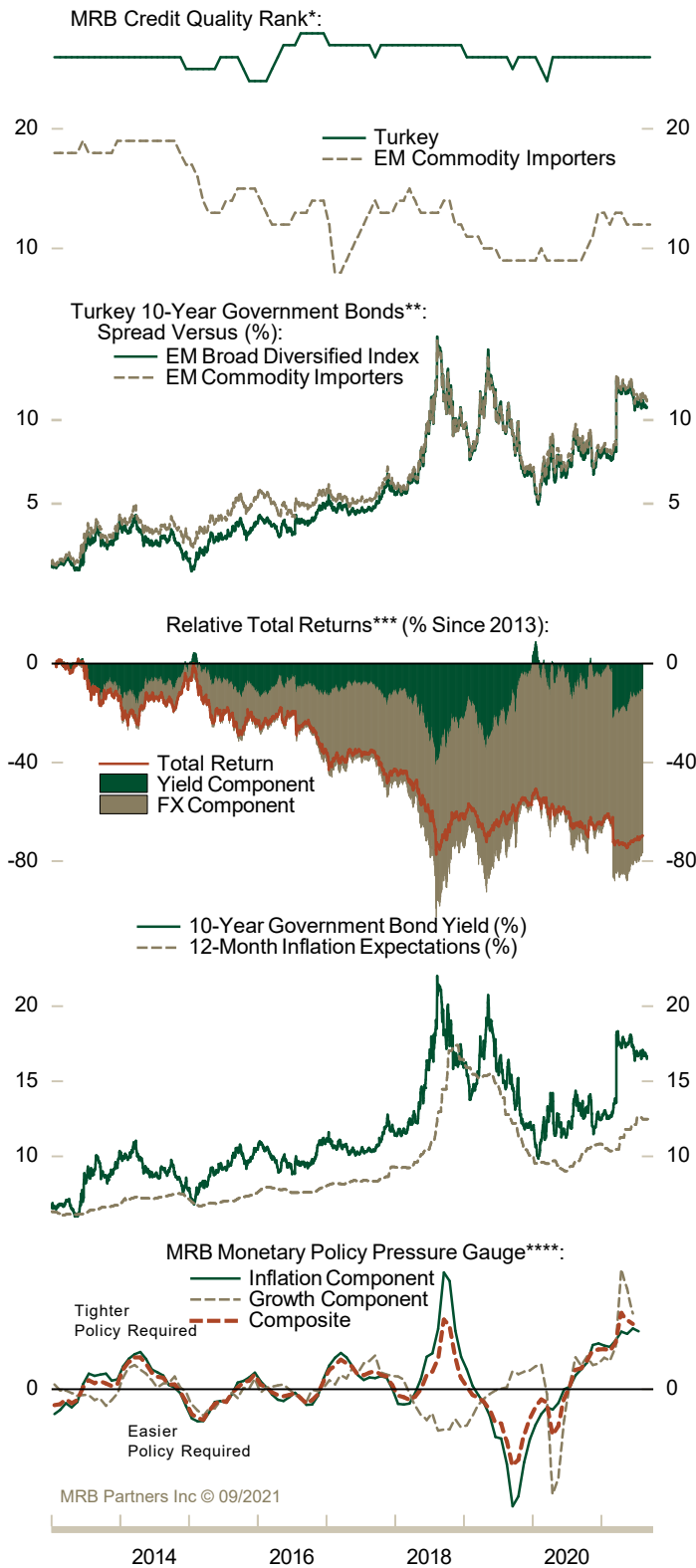
## Thailand: Underweight



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; truncated above 1; standardized



# Turkey: *Neutral*



\* Based on 13 credit quality metrics; higher number = lower ranking  
 \*\* Source: Bloomberg  
 \*\*\* Relative to an equally weighted EM aggregate  
 \*\*\*\* Includes inflation and growth components; standardized

**MRB - The Macro Research Board** is a privately-owned independent top-down research firm that provides integrated, global, multi-asset investment strategy as well as actionable absolute and relative return ideas. Our views incorporate a long-term outlook based on in-depth thematic research, together with a rigorous set of frameworks and forecasting models/indicators that drive 6-12 month asset market performance. MRB's team of analysts and strategists leverage the firm's robust research engine and their extensive experience to form one cohesive house view and ensure that investment strategy is articulated in a client-friendly manner.

For more information, please contact:

**Client Relations**

[clientrelations@mrpartners.com](mailto:clientrelations@mrpartners.com)

**London**

24 Old Bond Street, 3rd Floor  
London, W1S 4AP, United Kingdom  
Tel +44 (0) 20 3667 2160

**Montreal**

1275 Ave. des Canadiens-de-Montréal, Suite 500  
Montreal, Quebec H3B 0G4, Canada  
Tel +1 514 558 1515

**New York**

1345 Avenue of the Americas, FL 2  
New York, NY, 10105, United States  
Tel +1 212 390 1148

### MRB Research Coverage

**Weekly Macro Strategy**

**Global Macro & Investment Themes**

**Tactical Asset Allocation Strategy**

**Absolute Return Strategy**

**Developed Market Strategy**

**Emerging Market Strategy**

**Global Equity Strategy**

**U.S. Equity Sectors Strategy**

**Global Fixed Income Strategy**

**Foreign Exchange Strategy**

**Commodity Strategy**

**Weekly Webcasts**

Copyright 2021©, MRB Partners Inc. All rights reserved.

The information, recommendations and other materials presented in this document are provided for information purposes only and should not be considered as an offer or solicitation to sell or buy securities or other financial instruments or products, nor to constitute any advice or recommendation with respect to such securities or financial instruments or products. This document is produced for general circulation and as such represents the general views of MRB Partners Inc., and does not constitute recommendations or advice for any specific person or entity receiving it.

This document is the property of MRB Partners Inc. and should not be circulated without the express authorization of MRB Partners Inc. Any use of graphs, text or other material from this report by the recipient must acknowledge MRB Partners Inc. as the source and requires advance authorization.

MRB Partners Inc. relies on a variety of data providers for economic and financial market information. The data used in this report are judged to be reliable, but MRB Partners Inc. cannot be held accountable for the accuracy of data used herein.