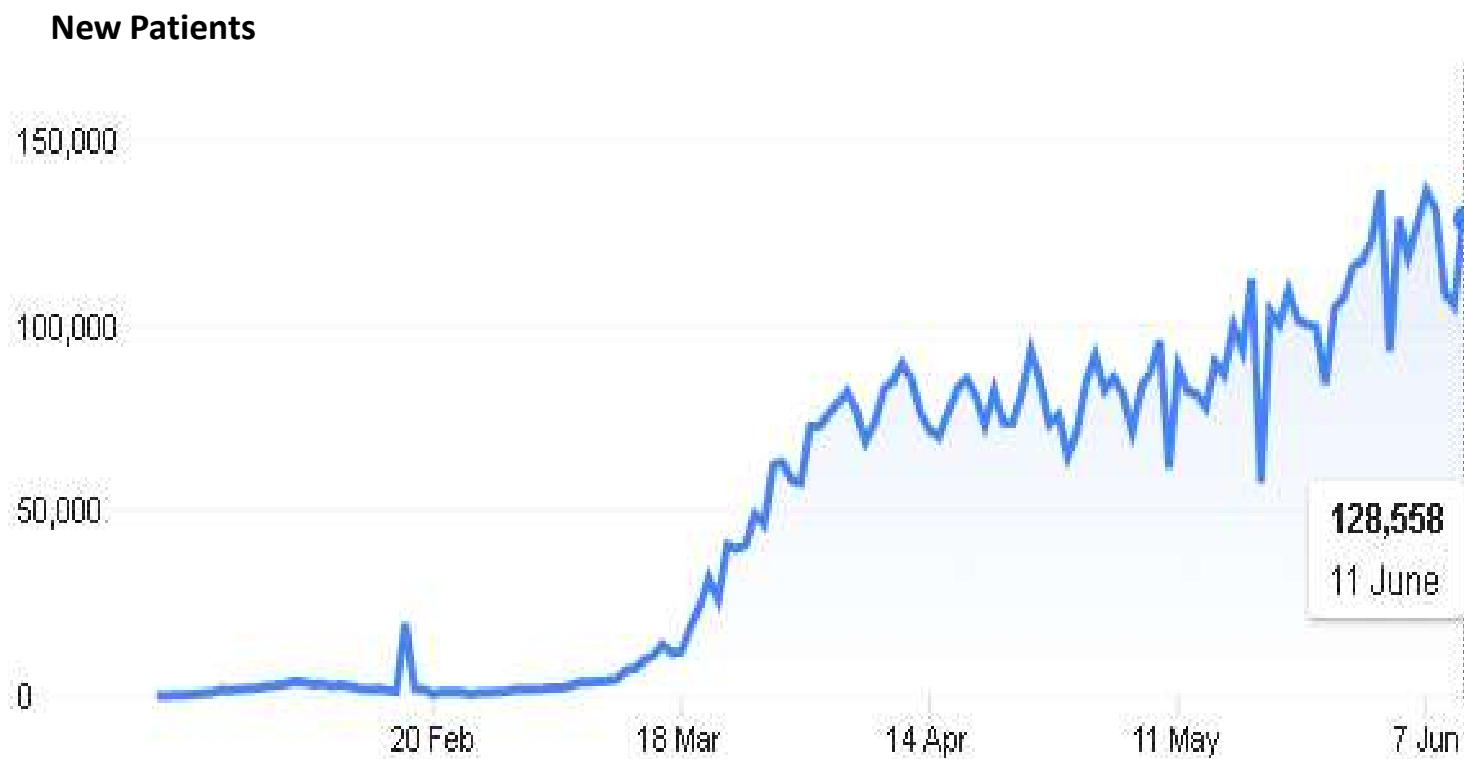


# Market Conditions 1H 2020

Akira Hoshino  
Head of FX, Citi Japan

# Covid19



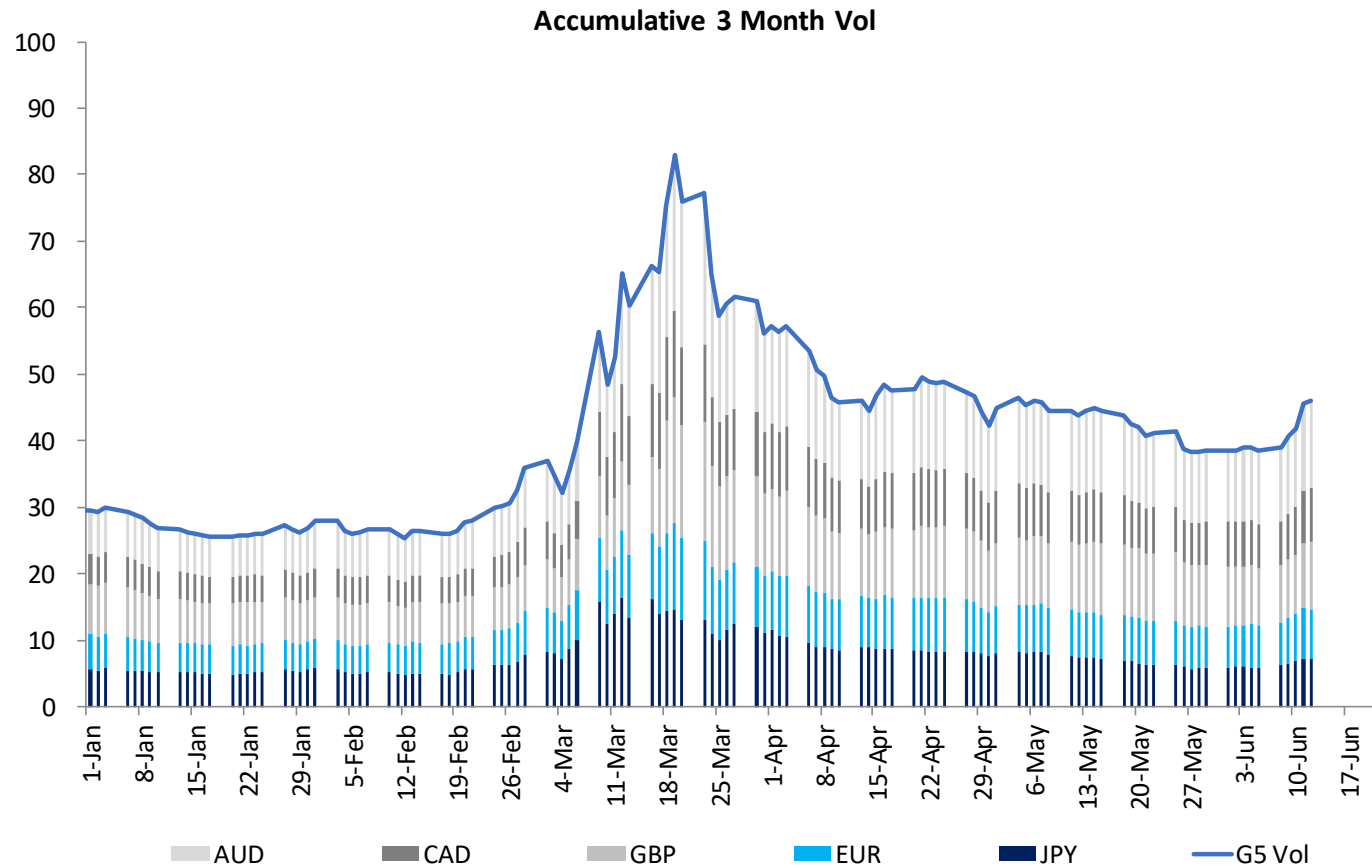
Source : Google

# What Happened Macro Picture



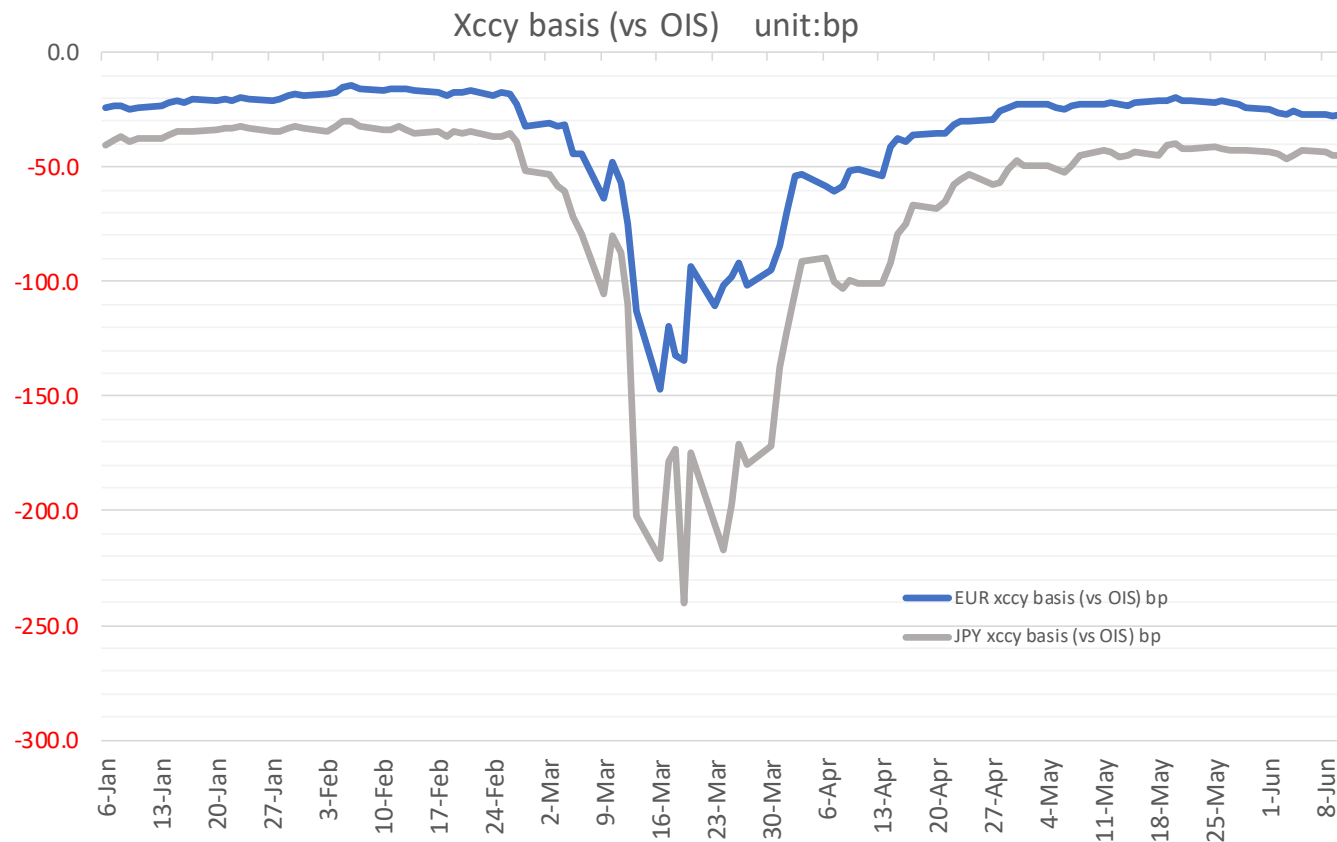
Source : Bloomberg, Citi

# What Happened Volatility



Source : Bloomberg, Citi

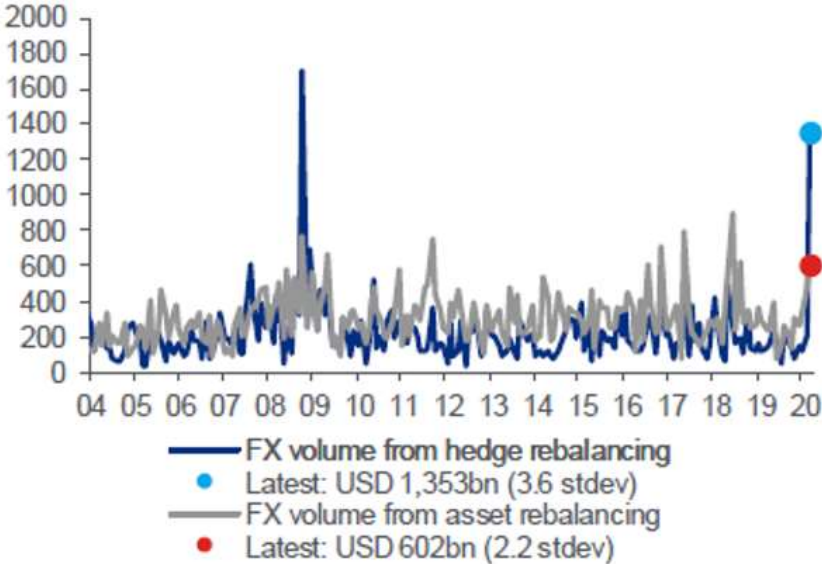
# What Happened Funding Condition



Source : Citi

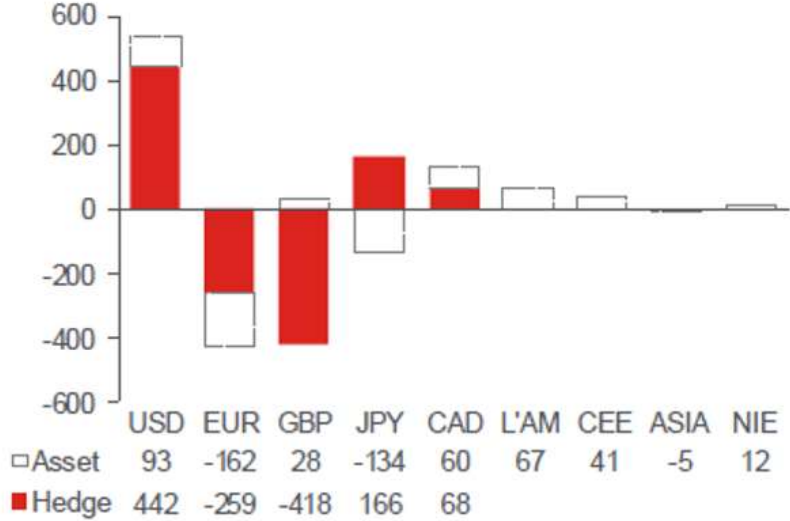
# What Happened Month-End Flow1

Past maximum estimated FX rebalancing volumes: USDbn



Source: Citi, as of Friday 20-Mar-20

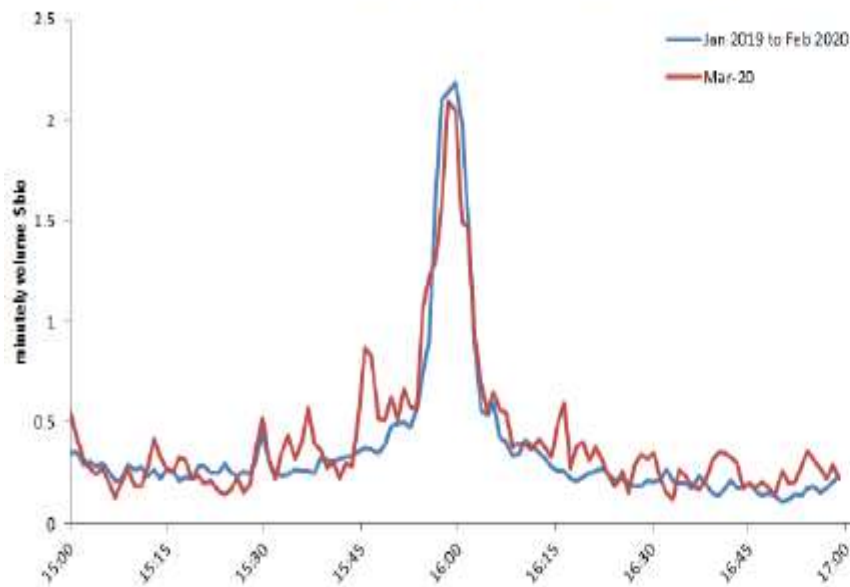
Net FX impact of asset & hedge rebalancing trades: USDbn



Source: Citi, as of Friday 20-Mar-20

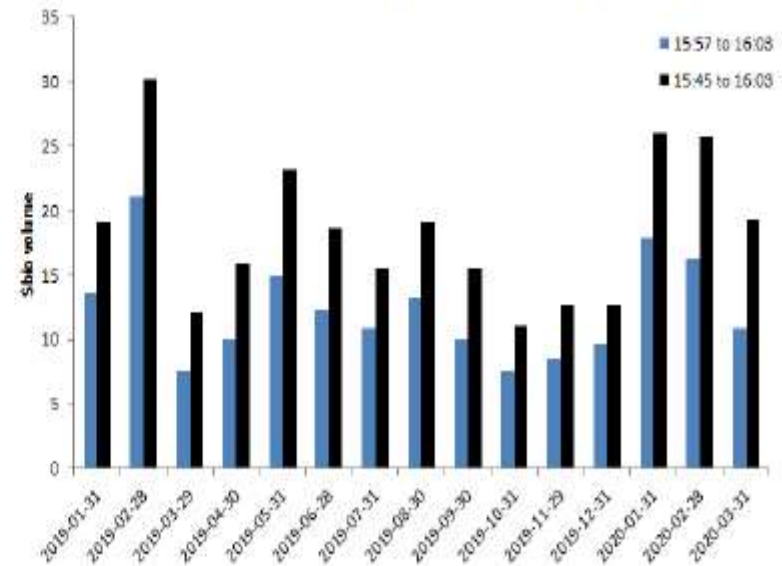
# What Happened Month-End Flow2

Minutely core interbank volume around 4pm for month end



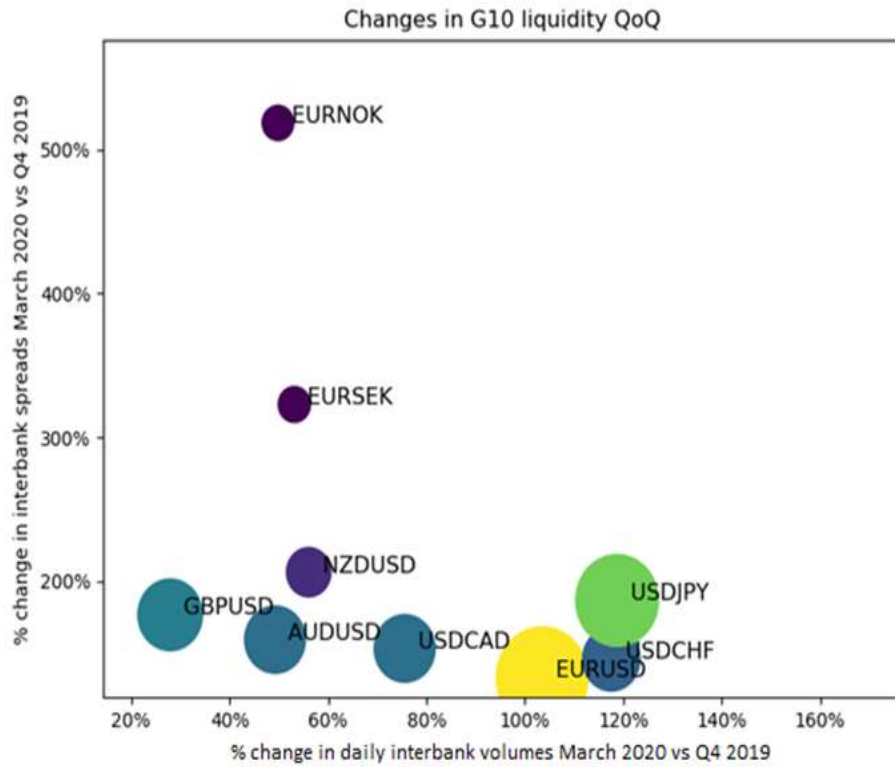
Source: Citi

Core interbank volumes over month end WM fix

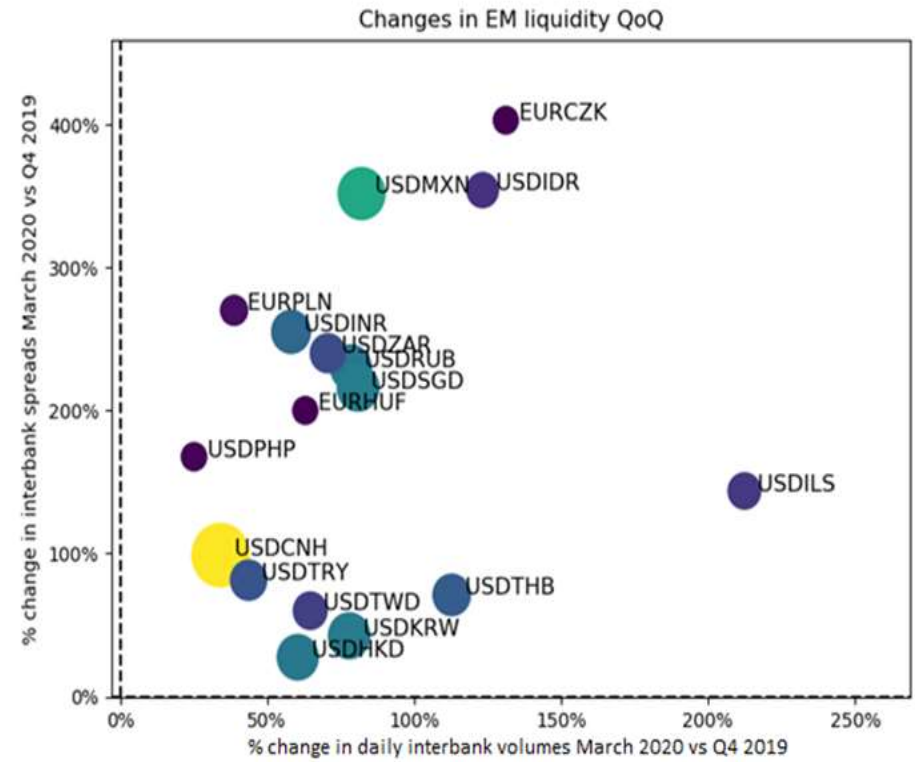


Source: Citi

# Microstructure Spreads



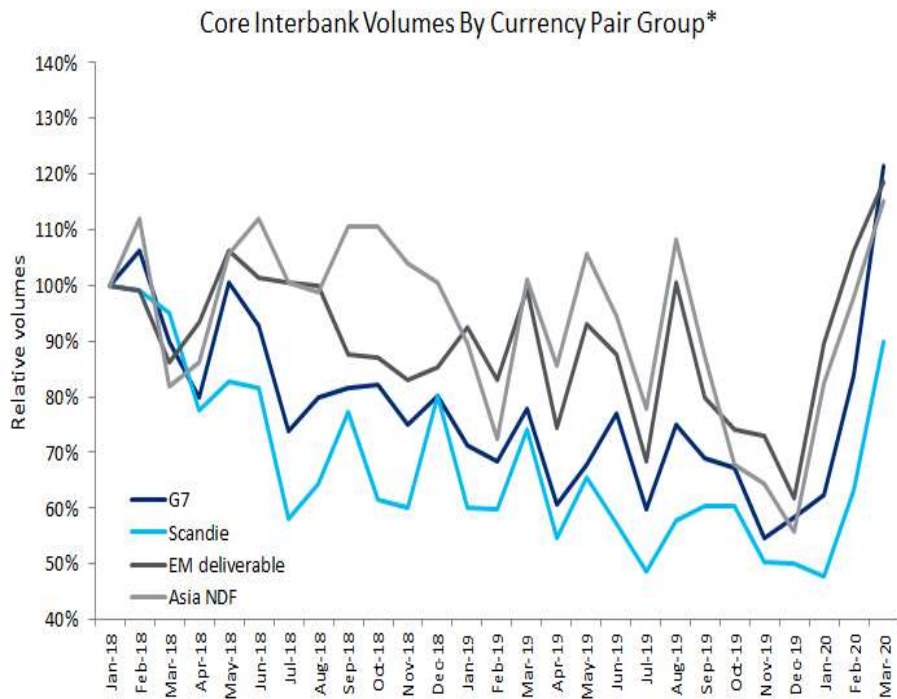
Source: Citi



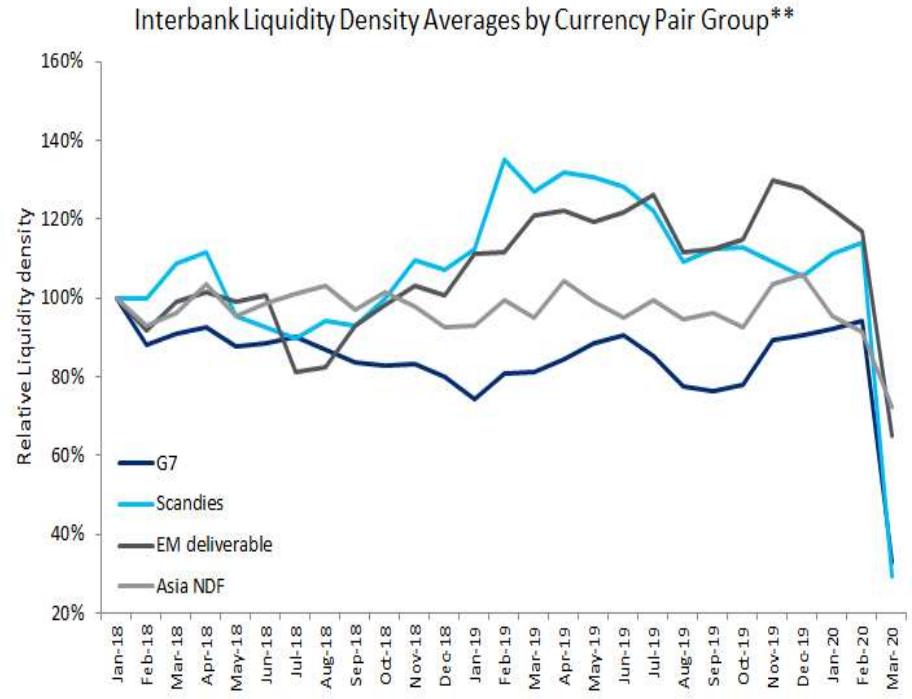
Source: Citi



# Microstructure High Level Liquidity Changes



Source : Citi

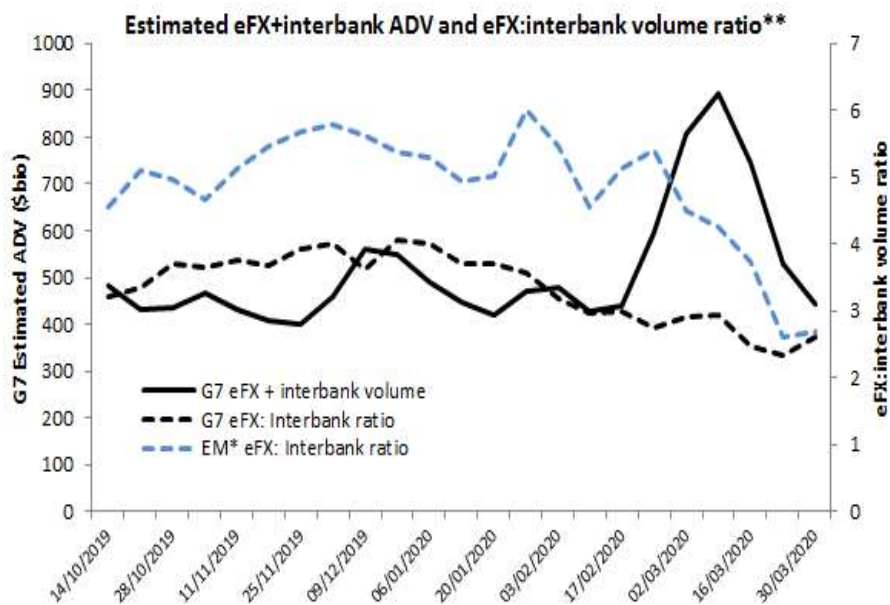


Source: Citi

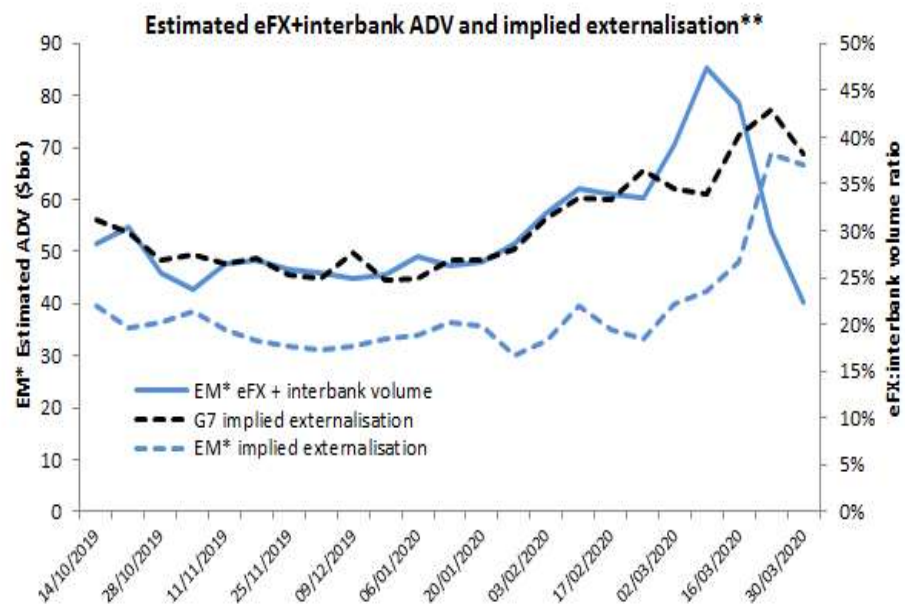
\*Some numbers are derived from estimates. This excludes mid-matching or internalising venues. Numbers are benchmarked relative to January 2018.

\*\*Averages of currency pairs taken within group

# Microstructure Changes in Externalisation



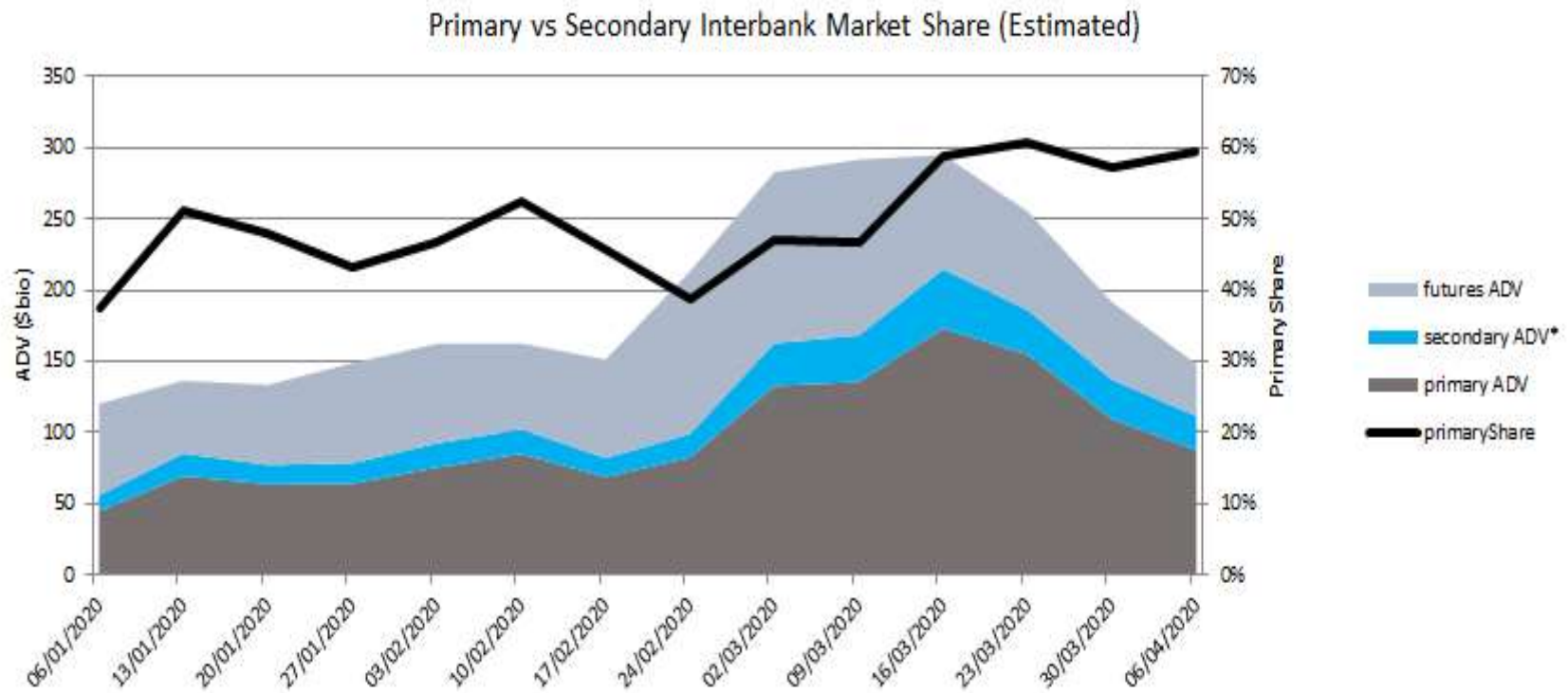
Source : Citi



Source : Citi

\*\*eFX volume is estimated total client volume traded electronically for spot and outright. Implied externalisation is taken as eFX volume divided by estimated interbank volume. Underlying data is based on estimates.

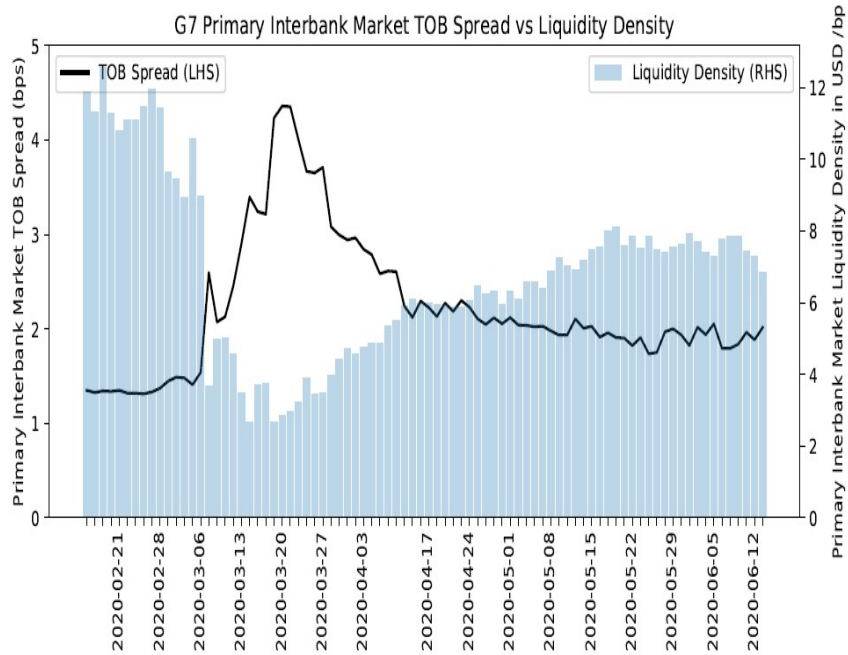
# Microstructure Execution Properties



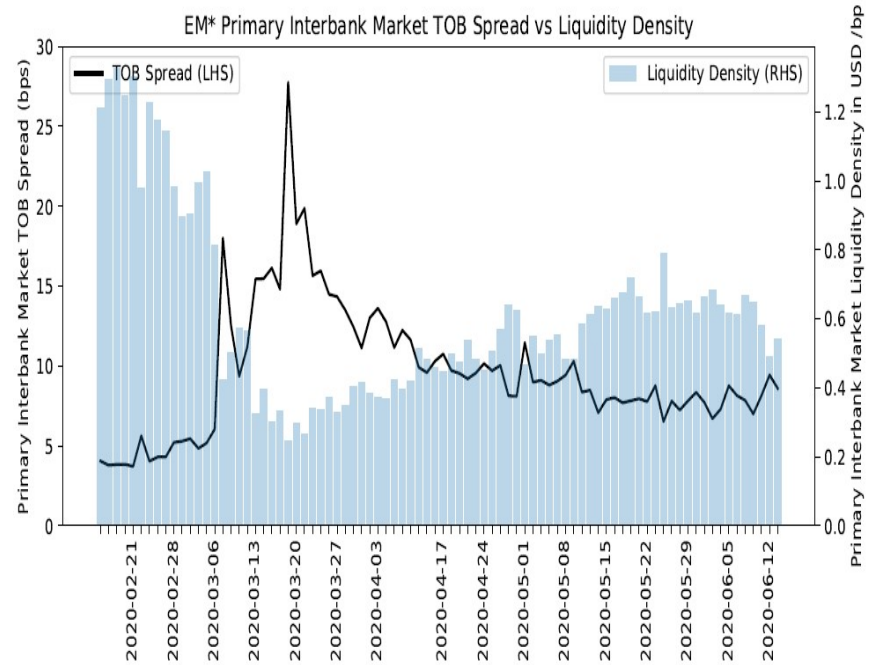
Source : Citi

\*Secondary volumes are sampled from a subset of executions

# A Light At The End Of The Tunnel?



Source: Citi



Source: Citi

\*This is a basket of CEEMEA and USDMXN deliverables

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