

A Lens for Country Vulnerabilities

WEEKLY VIEW FROM THE DESK | March 23, 2026

[LINK TO WEEKLY RETURNS TABLE](#)

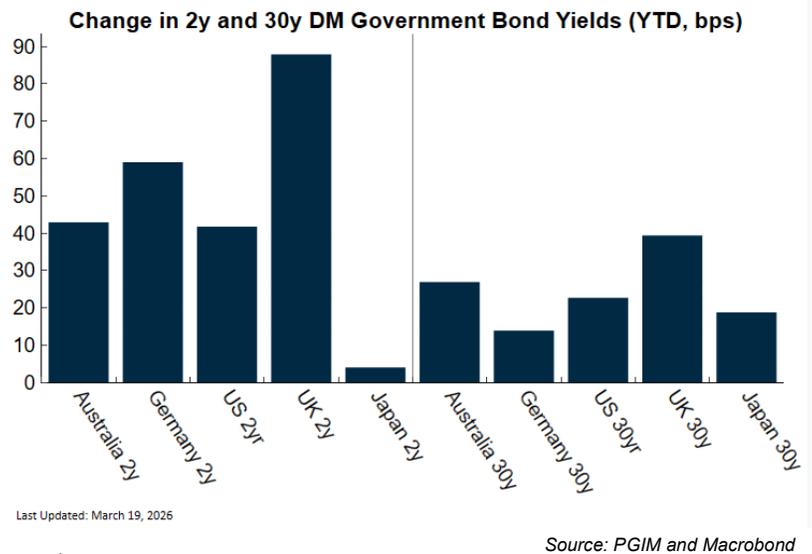
MACRO

- As we consider the global effects of the war in Iran, we're viewing country sensitivities from several aspects, such as **exposure to Gulf energy imports, policy scope in the context of macro conditions, tail risk buffers, and structural factors**. For example, Japan and China appear more vulnerable from the perspective of Gulf energy imports (see the accompanying chart), while African oil exporters, the U.S., the UK, and Germany appear less exposed.
- Across the aspects referenced above, Pakistan, Sri Lanka, and Egypt appear in the vulnerable categories except for structural factors. Malaysia, Peru, Poland, and the U.S. appear in most of the stable categories, with the exception of policy scope for the U.S.
- When viewing the prospects for global growth, we don't believe conditions have reached the "demand destruction" phase. One way to estimate the effects of the price surge is that each 10% increase in crude oil prices reduces global growth by 0.1 percentage point, i.e., a 60% increase in prices leads to a reduction of 0.6pp.
- From a global market perspective, asset prices have reacted more sharply to the Iran conflict than similar historical periods (e.g., days of oil/equity price increases/decreases of +1.0/-0.5% since 2010), suggesting that recent moves have been more influenced by position unwinds rather than an abrupt reconsideration of fundamentals.



DEVELOPED MARKET RATES

- The latest round of central bank meetings conveyed a wait-and-see approach to the surge in energy prices, and potential rate-hike scenarios also indicated some segmentation across flatter DM yield curves (see accompanying chart). Indeed, front-end rates continue to appear vulnerable to positioning unwinds and central bank disappointment, while the intermediate portion of the curve may reflect more of the business cycle. As energy prices rose, back-end rates rose to a lesser degree, indicating that they could remain range bound given their dedicated buyer bases.
- While market pricing may point to potential Fed rate hikes, recent market moves may be more indicative of the clearing level for risk and changing levels of liquidity as opposed to a wholesale repricing of fundamentals.
- U.S. MBS spreads cheapened on the recent volatility. The selling was reportedly heavy amongst accounts that were covering volatility exposure and those who were hedging the duration added during the prior MBS spread rally. Despite the move higher in rates, origination activity also continued, adding another degree of technical pressure to the sector.



IG CORPORATES

- The recent steepening of the 10s30s curve aligns with our view that a wave of supply from large M&A and AI-related deals, along with expectations for potential Fed cuts, would reprice the back end. One hallmark of large M&A and AI deals is their reliance on longer maturity tranches to help clear primary markets more easily. The influx of this long-dated paper is particularly significant, as it reverses a trend of lower issuance in the back end driven by the Fed's rate-hiking cycle in 2022 that has led to very tight spreads for longer maturities.
- We expect the confluence of longer maturity issuance stemming from M&A, AI, and rate cuts will continue to push the 10s30s curve closer to its historical median level of 39 bps. 15y+ issuance tends to increase during rate-cutting cycles, providing another potential tailwind for longer-date supply.
- Europe corporates held up comparatively well last week during a remarkably volatile time. New issuance has been limited, though a few deals were priced with decent concessions, and we expect most new issuance will be put on hold until there are more stable conditions.

LEVERAGED FINANCE

- U.S. HY bond spreads tightened marginally last week while yields rose to nine-month high amid the escalating conflict in the Middle East, driving the largest weekly outflow from HY mutual funds (-\$3.34B) since the tariff turmoil last April. After the fourth straight week of total

return losses, this is now the longest negative streak since October 2023, another period of geopolitical uncertainty. All credit tiers saw negative returns, with lower quality outperforming.

- Total returns were mixed across high yield sectors, with energy, cable, and technology outperforming. Paper, air transportation, and containers underperformed. The primary market was quiet, with only one energy deal pricing. For context, March issuance is now \$10.5B (\$5.7B ex-refi), which is quite light considering March's monthly volume has historically ranked third with respect to monthly volume averaging \$32B since 2010. That said, two large deals expected to price early this week (Electronic Arts and Nexstar/Tegna) would materially lift MTD supply.
- U.S. bank loans were stable last week, with packaging, airlines, and building products underperforming. New issue supply was a focus, with \$12B in deals launching last week. We remain somewhat cautious over the short term amid heavy near-term supply and continued single-name, idiosyncratic volatility.
- European high yield bond spreads were flat on the week, with energy-sensitive cyclicals widening. Loans overall remained resilient amid ongoing single-name volatility as ongoing CLO formation continues to support the higher-quality portion of the market.

EMERGING MARKETS

- Price action across EMs remains in sync with developments from the Middle East, and markets are likely to stay on edge amid an uncertain growth trajectory. EM hard currency sovereign spreads moved wider as the conflict escalated. Weaker, more vulnerable issuers exhibited the largest moves. Those with less direct exposure, "cushions" from the Iran war, or better investor positioning and technicals were relative outperformers. Spreads widened across rating categories, but the dispersion is playing out based on name, oil sensitivity and region, in particular for lower-rated names. Global liquidity is playing a supporting role with the economic outlook in flux. We continue to believe that EM all-in will benefit from changes over the longer term, and bottom-up stories can generate alpha. Tails are wider, so sizing of relative risks is key.
- Volatility picked up in EMFX as Brent oil prices rose and Fed rate cuts got priced out. High-beta currencies and oil importers away from Europe (THB, INR, CLP, EGP) underperformed. EUR was stronger, and CE3 were top performers on the week. The market continues to focus on the oil market and flows through the Strait of Hormuz. We have focused USD buying on oil importers like THB, INR and TRY. Given the fluid situation, we are on alert to adjust back to a favorable short USD environment on any signs of a de-escalation in the Middle East.
- Local yields widened again amid Brent's surge. Last week started on firmer footing, as investors found some confidence the war might be nearing an end. However, strikes on energy infrastructure reversed that sentiment. Higher oil prices continued to support repricing of rate expectations with central banks viewed as more likely to hike. One notable difference last week was that curves started to flatten and forward curves were inverting. This is a sign that investors are turning their attention to second-order effects from dislocations in the energy market—namely, the negative impact on growth. Turkey was the worst performer, followed by South Africa and Chile. Only CZK was lower in yield on the week. We believe market pricing for central banks has been overdone and growth implications should cause a move lower in yields, but we are not ready to add risk given ongoing volatility.
- EM corporate spreads widened by 2 bps last week, characterized by significant regional and sectoral variations. Sentiment felt weaker as the week progressed, leaving HY as an underperformer. The sharp rates selloff is also masking some of the weakness in spreads with the total return negative. The property and transportation sectors continued to underperform. Metals and mining also underperformed given the correlation with global growth. Petrochemical spreads are benefiting. Turkish and Brazilian corporates remained under pressure. We reduced our rating on EM corporates given the relative outperformance of spreads versus developed markets and potential deterioration in fundamentals with higher rates and weaker FX.

SECURITIZED PRODUCTS

- CMBS conduit AAA primary spreads tightened modestly last week while subordinate spreads widened, with As in the low +200s and BBB-'s approaching +500. SASB spreads were wider in the secondary market. Top-tier AAA floaters are pricing at +130-135. Fixed-rate seniors are pricing at +105-110. CRE CLO spreads were wider, with AAA new issue at +155, while tier-two issuers were 5-15 bps wider. Four deals priced—two SASB, one CRE CLO, and one agency.
- In RMBS, Non-QM spreads were range-bound last week, but issuer tiering continued to widen. Second-liens drifted wider as CRTs were rangebound. Non-QA issuance slowed amid elevated macro volatility, but overall activity remained steady with 11 deals totaling \$4.9B pricing, led by three non-QM's and three Prime 2.0 transactions.
- U.S. CLO spreads softened broadly. Primary spreads widened across the capital structure, with mezz tranches impacted the most and dispersion increasing as investors differentiate based on underlying portfolios. European CLOs widened across the capital structure, with mezz tranches widening more than seniors. Issuance reached \$5.2B across 12 deals in the U.S. and €900M across two deals in Europe.
- ABS spreads widened on broader market volatility—around 5 bps in senior tranches, and 10bps and 15bps among BBBs and BBs, respectively. Primary activity was light and we expect the global pipeline will be market volatility dependent over the near term.

MUNICIPALS

- While YTD exempt returns are still positive, the rise in yields has put a damper on absolute returns. Munis have held up fairly well on a relative basis to taxable. AAA yields are at YTD highs as issuance is peaking.
- The technical backdrop appears to be weakening and is likely to be seasonally softer until mid-year. Concessions are expected given the technical picture and dealer inventories that are stretched.

THE RETURNS TABLE AS OF MARCH 20, 2026

	Duration	YTM	OAS	WTD	Yield / OAS change (bps)				Total return (%)				
					MTD	QTD	YTD	Prior year	WTD	MTD	QTD	YTD	Prior year
Sovereign rates													
U.S. 2-Year	1.85	3.90	---	18	52	43	43	-6	-0.24	-0.76	-0.05	-0.05	3.38
U.S. 5-Year	4.47	4.01	---	15	51	28	28	0	-0.56	-1.96	-0.46	-0.46	3.72
U.S. 10-Year	8.00	4.38	---	10	44	21	21	14	-0.76	-3.17	-0.78	-0.78	3.15
U.S. 10-Year Breakeven	--	2.39	---	1	13	14	14	5	---	---	---	---	---
U.S. 10-Year TIPS	4.44	2.00	---	10	31	9	9	9	-0.78	-2.34	-0.21	-0.21	4.26
U.S. 20-Year	12.69	4.97	---	8	42	18	18	39	-1.05	-4.95	-1.40	-1.40	-0.92
U.S. 30-Year	15.62	4.94	---	4	33	10	10	38	-0.58	-4.71	-0.55	-0.55	-1.99
U.S. SOFR	---	---	---	-3	-6	-25	-25	-67	0.07	0.21	0.81	0.81	4.24
UK 10-Year	7.41	4.99	---	17	76	52	52	35	-1.15	-4.58	-2.20	-2.20	2.61
Germany 10-Year	8.44	3.04	---	6	40	19	19	26	-0.51	-2.99	-0.70	-0.70	1.14
Switzerland 10-Year	9.01	0.37	---	-1	19	10	10	-31	0.02	-1.71	-0.61	-0.61	3.35
Japan 10-Year	7.91	2.27	---	2	16	21	21	76	0.00	-0.92	-0.87	-0.87	-3.47
Australia 10-Year	7.96	5.02	---	7	37	28	28	65	-0.60	-2.55	-1.26	-1.26	0.02
Canada 10-Year	8.15	3.55	---	5	43	12	12	55	-0.33	-2.98	-0.23	-0.23	-0.36
Major fixed income multi-sector indices YTW													
Global Aggregate Unhedged	6.32	3.82	31	0	3	3	3	-3	-0.14	-3.10	-1.10	-1.10	4.17
Global Aggregate Hedged	6.32	3.82	31	0	3	3	3	-3	-0.40	-2.09	-0.48	-0.48	3.37
U.S. Aggregate	5.96	4.66	29	-1	2	3	3	-5	-0.51	-2.38	-0.68	-0.68	3.77
Euro-Aggregate (Unhedged)	6.28	3.34	49	1	8	7	7	-4	-0.50	-2.68	-0.80	-0.80	1.67
Japanese Aggregate	8.24	2.06	0	0	0	0	0	0	-0.03	-0.97	-0.73	-0.73	-4.21
Major fixed income credit indices YTW													
Mortgage-Backed (Agency)	5.49	4.96	24	0	4	3	3	-10	-0.69	-2.45	-0.41	-0.41	5.02
Global IG Corporate Bonds	5.97	4.80	90	-3	5	10	10	-3	-0.12	-3.13	-1.55	-1.55	5.38
U.S. IG Corporate Bonds	6.88	5.22	87	-5	3	10	10	-3	-0.27	-2.63	-1.20	-1.20	3.89
European IG Corporate	4.61	3.69	92	1	9	13	13	1	-0.48	-2.25	-0.97	-0.97	2.20
U.S. High Yield Bonds	3.42	7.46	312	1	21	46	46	-2	-0.31	-1.51	-0.82	-0.82	6.04
European High Yield Bonds	3.31	6.28	324	-1	27	42	42	8	-0.51	-1.96	-1.05	-1.05	2.73
U.S. Leveraged Loans	0.3	8.86	508	2	-18	53	53	17	0.09	0.53	-0.56	-0.56	4.77
European Leveraged Loans	0.3	8.42	531	3	7	57	57	42	0.01	-0.13	-0.86	-0.86	2.20
EM Hard Currency Sovereigns	6.34	7.23	274	10	15	20	20	-57	-1.09	-3.15	-1.14	-0.50	9.58
EM Corporates	4.35	6.64	240	2	-3	2	2	-17	-0.55	-1.65	-0.02	-0.02	6.04
EM Currencies	---	6.66	---	0	1	1	1	0	0.00	-2.60	-0.22	-0.22	9.03
EM Local Rates	5.29	6.33	6	0	1	0	0	0	-0.32	-2.26	-1.09	-1.09	5.53
CMBS	3.76	4.74	69	-1	2	-6	-6	-17	-0.43	-1.72	-0.11	-0.11	5.22
ABS	2.83	4.47	48	0	-1	-4	-4	-9	-0.32	-1.08	0.03	0.03	4.48
CLOs	3.99	5.05	137	0	8	5	5	-11	0.09	-0.04	0.78	0.78	5.41
Municipal Bonds	6.28	3.67	---	11	38	7	7	-8	-0.49	-1.92	0.23	0.23	4.16

	Total return (%)						Change (%)						
	Level	WTD	MTD	QTD	YTD	Prior year	Spot	WTD	MTD	QTD	YTD	Prior year	
Equity / volatility indices													
S&P 500 Index	6,506	-1.9	-5.3	-4.7	-4.7	16.3	FX / commodities						
DAX	22,380	-4.6	-11.5	-8.6	-8.6	-2.7	EUR / USD	1.2	1.4	-2.0	-1.5	-1.5	6.6
Stoxx 600	573	-3.7	-9.3	-2.7	-2.7	7.3	USD / JPY	159.2	-0.3	2.0	1.6	1.6	7.0
Nikkei 225	53,373	-0.8	-9.3	6.1	6.1	44.1	GBP / USD	1.3	0.8	-1.0	-1.0	-1.0	2.9
Shanghai Composite	3,957	-3.4	-4.9	-0.2	-0.2	19.1	EUR / CHF	0.9	0.9	0.4	-2.0	-2.0	-4.7
MSCI ACWI Index	981	-1.8	-7.0	-3.0	-3.0	18.5	USD / CHF	0.8	-0.4	2.4	-0.6	-0.6	-10.6
FTSE 100	9,918	-3.2	-8.7	0.7	0.7	17.8	USD (DXY)	99.6	-0.7	2.1	1.3	1.3	-4.0
MOVE Index	109	19.4	48.3	70.2	70.2	13.7	Oil	98.3	-0.4	45.9	71.2	71.2	44.0
VIX Index	27	-1.5	34.8	79.1	79.1	35.3	Gold	4492.4	-10.5	-14.9	4.0	4.0	47.5

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U.S. Investment Grade Corporate Bonds: Bloomberg Barclays U.S. Corporate Bond Index: The Bloomberg Barclays U.S. Investment Grade Corporate Bond Index covers U.S.D-denominated, investment-grade, fixed-rate or step up, taxable securities sold by industrial, utility and financial issuers. It includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements. Securities included in the index must have at least 1 year until final maturity and be rated investment-grade (Baa3/BBB-/BBB-) or better using the middle rating of Moody's, S&P, and Fitch.

European Investment Grade Corporate Bonds: Bloomberg Barclays European Corporate Bond Index (unhedged): The Bloomberg Barclays Euro-Aggregate: Corporates bond Index is a rules-based benchmark measuring investment grade, EUR denominated, fixed rate, and corporate only. Only bonds with a maturity of 1 year and above are eligible.

U.S. High Yield Bonds: ICE BofAML U.S. High Yield Index: The ICE BofAML U.S. High Yield Index covers US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, and at least one year remaining term to final maturity as of the rebalancing date.

European High Yield Bonds: ICE BofAML European Currency High Yield Index: This data represents the ICE BofAML Euro High Yield Index value, which tracks the performance of Euro denominated below investment grade corporate debt publicly issued in the euro domestic or eurobond markets. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P, and Fitch). Qualifying securities must have at least one year remaining term to maturity, a fixed coupon schedule, and a minimum amount outstanding of €100 M. ICE Data Indices, LLC, used with permission. ICE DATA INDICES, LLC IS LICENSING THE ICE DATA INDICES AND

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U.S. Senior Secured Loans: The iBoxx USD Leveraged Loan index family represents the main sections of the USD leveraged loan market. Index constituents are derived using selection criteria such as loan type, minimum size, liquidity, credit ratings, initial spreads and minimum time to maturity.

European Senior Secured Loans: The index universe of the S&P UBS Western European Leveraged Loan Index is meant to represent assets or activity in Western Europe, and includes loans denominated in EUR, GBP, or USD.

Emerging Markets U.S.D Sovereign Debt: JP Morgan Emerging Markets Bond Index Global Diversified: The Emerging Markets Bond Index Global Diversified (EMBI Global) tracks total returns for U.S.D-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, and Eurobonds. It limits the weights of those index countries with larger debt stocks by only including specified portions of these countries' eligible current face amounts of debt outstanding. To be deemed an emerging market by the EMBI Global Diversified Index, a country must be rated Baa1/BBB+ or below by Moody's/S&P rating agencies. Information has been obtained from sources believed to be reliable, but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2021, J.P. Morgan Chase & Co. All rights reserved.

Emerging Markets Local Debt (unhedged): JPMorgan Government Bond Index-Emerging Markets Global Diversified Index: The Government Bond Index-Emerging Markets Global Diversified Index (GBI-EM Global) tracks total returns for local currency bonds issued by emerging market governments.

Emerging Markets Corporate Bonds: JP Morgan Corporate Emerging Markets Bond Index Broad Diversified: The CEMBI tracks total returns of U.S. dollar-denominated debt instruments issued by corporate entities in Emerging Markets countries.

Emerging Markets Currencies: JP Morgan Emerging Local Markets Index Plus: The JP Morgan Emerging Local Markets Index Plus (JPM ELM+I) tracks total returns for local currency-denominated money market instruments.

Municipal Bonds: Bloomberg Barclays Municipal Bond Indices: The index covers the U.S.D-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds. The bonds must be fixed-rate or step ups, have a dated date after Dec. 13, 1990, and must be at least 1 year from their maturity date. Non-credit enhanced bonds (municipal debt without a guarantee) must be rated investment grade (Baa3/BBB-/BBB- or better) by the middle rating of Moody's, S&P, and Fitch.

U.S. Treasury Bonds: Bloomberg Barclays U.S. Treasury Bond Index: The Bloomberg Barclays U.S. Treasury Index measures U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index.

Mortgage Backed Securities: Bloomberg Barclays U.S. MBS - Agency Fixed Rate Index: The Bloomberg Barclays U.S. Mortgage Backed Securities (MBS) Index tracks agency mortgage backed pass-through securities (both fixed-rate and hybrid ARM) guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The index is constructed by grouping individual TBA-deliverable MBS pools into aggregates or generics based on program, coupon and vintage.

Commercial Mortgage-Backed Securities: Bloomberg Barclays CMBS: ERISA Eligible Index: The index measures the performance of investment-grade commercial mortgage-backed securities, which are classes of securities that represent interests in pools of commercial mortgages. The index includes only CMBS that are Employee Retirement Income Security Act of 1974, which will deem ERISA eligible the certificates with the first priority of principal repayment, as long as certain conditions are met, including the requirement that the certificates be rated in one of the three highest rating categories by Fitch, Inc., Moody's Investors Services or Standard & Poor's.

Palmer Square AAA CLO DM Index represents the discount margin of CLO AAA rated tranches in the Palmer Square CLO Senior Index, which is designed to reflect the investable universe of U.S CLO senior original rated AAA and AA debt issued after Jan 1, 2011.

Global Aggregate Bond Index is a measure of global investment grade debt from twenty four local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

U.S. Aggregate Bond Index: Bloomberg Barclays U.S. Aggregate Bond Index: The Bloomberg Barclays U.S. Aggregate Index covers the U.S.D-denominated, investment-grade, fixed-rate or step up, taxable bond market of SEC-registered securities and includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS sectors. Securities included in the index must have at least 1 year until final maturity and be rated investment-grade (Baa3/ BBB-/BBB-) or better using the middle rating of Moody's, S&P, and Fitch.

Euro Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, euro-denominated, fixed rate bond market, including treasuries, government-related, corporate and securitized issues. Inclusion is based on currency denomination of a bond and not country of risk of the issuer.

Japanese Aggregate Bond Index The Japanese Aggregate Index contains fixed-rate investment-grade securities denominated in Japanese yen and registered as domestic bonds. The index is composed primarily of local currency sovereign debt but also includes government-related, corporate, and securitized bonds.

The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. There is over U.S.D 9.9 trillion indexed or benchmarked to the index, with indexed assets comprising approximately U.S.D 3.4 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

The DAX Index is a total return index of 30 selected German blue chip stocks traded on the Frankfurt Stock Exchange. The equities use free float shares in the index calculation. The DAX has a base value of 1,000 as of December 31, 1987. As of June 18, 1999 only XETRA equity prices are used to calculate all DAX indices.

The STOXX 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 17 countries of the European region.

The Nikkei 225 Index is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange. The Nikkei Stock Average was first published on May 16, 1949.

Shanghai Composite Index is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange. The index was developed on December 19, 1990.

MSCI ACWI is a free-float weighted equity index. It was developed with a base value of 100 as of December 31 1987. MXWD includes both emerging and developed world markets.

FTSE 100 is a capitalization-weighted index of the 100 most highly capitalized companies traded on the London Stock Exchange. The equities use an investibility weighting in the index calculation. The index was developed with a base level of 1000 as of December 30, 1983.

MOVE Index is a yield curve weighted index of the normalized implied volatility on 1-month Treasury options. It is the weighted average of volatilities on the CT2, CT5, CT10, and CT30. (weighted average of 1m2y, 1m5y, 1m10y and 1m30y Treasury implied vols with weights 0.2/0.2/0.4/0.2, respectively).

VIX Index is a financial benchmark designed to be an up-to-the-minute market estimate of the expected volatility of the S&P 500® Index, and is calculated by using the midpoint of real-time S&P 500 Index (SPX) option bid/ask quotes.

Bloomberg Commodity Index Bloomberg Commodity Index (BCOM) is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

The U.S. Dollar Index indicates the general international value of the USD. The USDX does this by averaging the exchange rates between the USD and major world currencies. The ICE US computes this by using the rates supplied by some 500 banks.

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