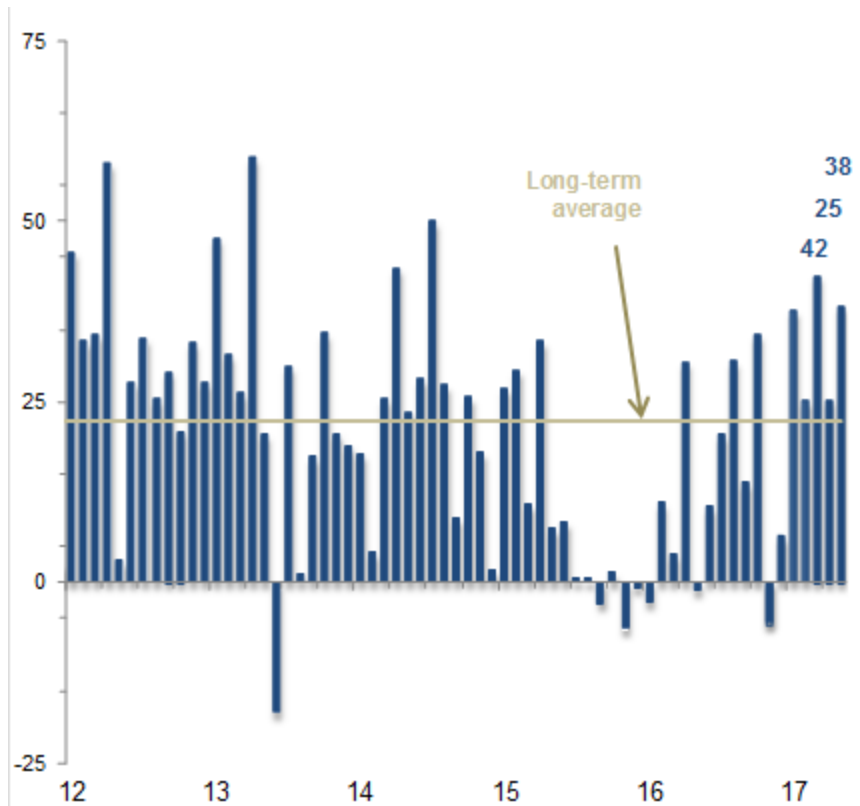


Emerging Markets: Risk Appetite is Back

Net capital flows to Emerging Markets (USD bn) excluding China and Russia, as of May 2017



Sources: Euler Hermes. Allianz Research

Since the beginning of 2017, **capital flows to Emerging Markets** hover above the long-term average although they are still below levels seen five years ago

The **positive momentum** is set to continue in the second half of 2017

Countries which offer high yields, such as **Brazil, South Africa, and Turkey**, are poised to benefit the most