

Geopolitics

BBVA Research Big Data Geopolitics Monitor

Big Data Unit
19 February 2025

US and Russia maintain talks to put an end to the Russia-Ukraine war. While EU leaders meet to look for unified response

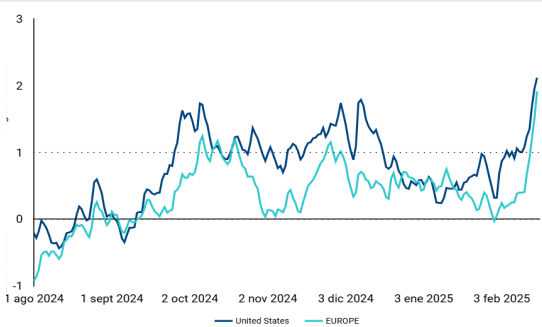
US and Russian Officials first Talks on Russia-Ukraine: US and Russia held their first high-level talks since the onset of the Ukraine war in Riyadh. Both sides committed to forming high-level teams tasked with developing a diplomatic channel to address bilateral issues and work towards a comprehensive, permanent resolution. During the discussions, key issues such as territorial disputes, security guarantees, and economic cooperation were prominently featured. Russia highlighted its interest in restoring economic ties and joint investments, while the US emphasized that any concessions would emerge from rigorous, closed-door diplomacy. The talks have raised concerns among Ukrainian and European leaders, who fear that sidelining Ukraine might lead to a settlement favoring Moscow's terms.

EU leaders maintain meeting to respond to the US Peace proposal for Russia-Ukraine: European Leaders to maintain a new meeting today: European leaders struggled to reach a unified response to US President Trump's controversial proposal to negotiate a peace deal with Russia over Ukraine—a plan that notably sidelines both Ukraine and European voices during yesterday's emergency summit in Paris convened by French President Emmanuel Macron. Discussions centered on issues such as deploying peacekeepers to monitor any potential agreement, although officials reassured their commitment to supporting Ukraine and increasing defense spending, the group found itself divided amid what many view as a significant shift in US policy. In light of these unresolved issues, European and allied leaders are set to reconvene at a second emergency summit in Paris today. This follow-up meeting will include an expanded group of participants, adding additional EU members— such as Lithuania, Estonia, Latvia, the Czech Republic, Greece, Finland, Romania, Sweden, and Belgium— along with NATO allies Canada and Norway, in an effort to forge a coordinated strategy.

The BBVA Monitor: Conflict Intensity Indicators Rise in Europe and the US Amid Efforts to Resolve the Russia-Ukraine Conflict

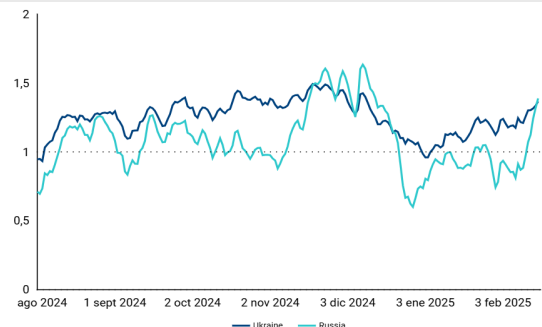
- **The conflict intensity indicators** rose sharply this week in the US and most of the European countries, in addition to Russia and Ukraine. This increase reflects ongoing involvement in diplomatic efforts to resolve the Russia-Ukraine war. Talks between the United States and Russia continued in pursuit of a solution, while the European Union is striving to present a unified response (Fig.1, Fig. 2, Fig. 3).
- The **geopolitical risk** indicators increased in Argentina, whereas they continued to ease in other countries (Fig.3 and Fig. 4). In Canada and Mexico, these indicators also declined, placing both countries within the neutral range (Fig. 3 and Fig. 5).

Fig1. **CONFLICT INDEX: UNITED STATES & EUROPE**
(28-day weighted moving avg, normalized by its own history)



Source: .BBVA Research & www.gdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays)

Fig2. **CONFLICT INDEX: UKRAINE & RUSSIA**
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.gdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays)

*The selection of news has been enriched by the BBVA Research Geo Assistant developed with Chat-GPT.

Fig3. **BBVA RESEARCH GEOPOLITICS MONITOR "SIGNAL" CHANGES**

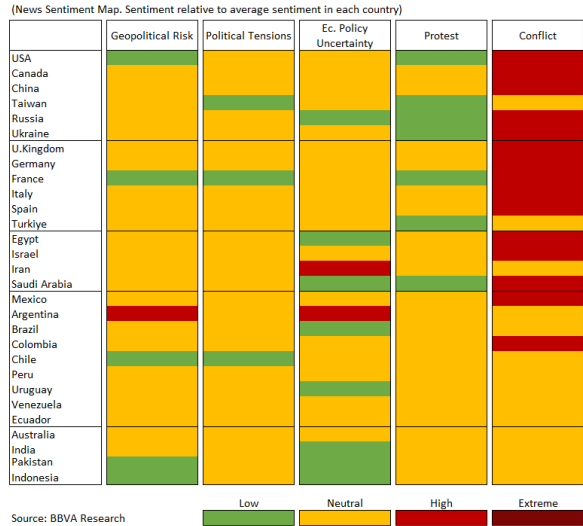
(Signals in Geopolitical Risk, Political Tensions, Economic Policy Uncertainties, Protest and Conflict according to Standard Dev)

BBVA Research Geopolitics Monitor main "Signal" changes after the Hamas-Israel Conflict

Summary of Signals After Hamas-Israel Conflict February 11th, 2025



Summary of Signals After Hamas-Israel Conflict February 18th, 2025



Source: BBVA Research and www.qdelt.org.

Fig4. **GEOPOLITICAL RISK INDEX: LATAM**

(28-day weighted moving avg, normalized by its own history)

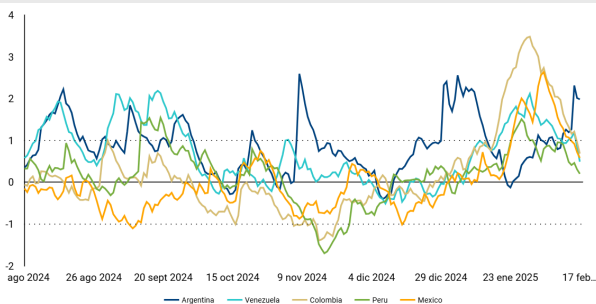


Fig5. **GEOPOLITICAL RISK INDEX: CA&AR&US&MX&CH**

(28-day weighted moving avg, normalized by its own history)

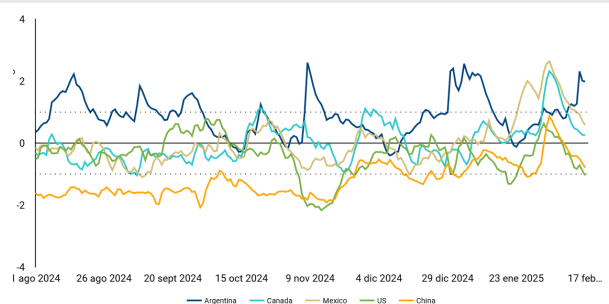
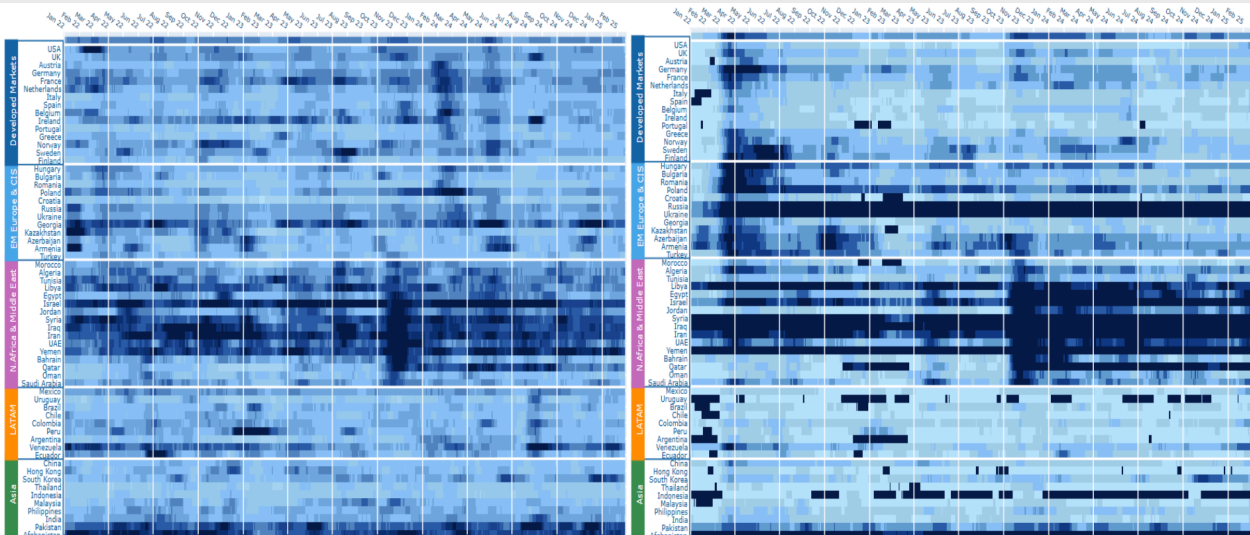


Fig6. **BBVA RESEARCH PROTEST AND CONFLICT HEAT MAPS**

(Evolution of Protest and Conflict over time by regions)



Methodological annex: indicators' construction

We have developed a daily tracker with weekly updates to monitor protest and conflict indicators for every country in the world from 2019 to present day. To construct this, we use a rich 'big database' of international events (GDELT), created by Leetaru and Schrodt (2013). GDELT is an open-source database that extracts and parses digital news monitoring world events covered by news media from nearly every corner of the world, whether broadcast, printed, or published on the web, in over 100 languages, every moment of every day, updated every 15 minutes. Thus, it contains a comprehensive and high-resolution catalog of geo-referenced events and themes.

Using different dictionaries, several thousands of taxonomies and themes are identified in the news pieces to classify the information. The algorithms used by GDELT also identify emotions, organizations, locations, news sources, and events across the world as well as their average sentiment using Natural Language Processing (NLP) techniques and the lexicon approach.

The included indicators are:

- Geopolitical Risk: or sentiment (weighted by coverage) of the country's geopolitical risk perception.
- Political Tensions: or sentiment (weighted by coverage) of the country's political tensions.
- Economic Policy Uncertainty or sentiment (weighted by coverage) about the country's economic policy uncertainty, also disaggregated by media origin.
- Protests or coverage regarding social protests or unrest in the country.
- Conflict or coverage of armed conflicts, which go beyond verbal protests.
- Bilateral Tensions or the sentiment (weighted by coverage) between a specific pair of countries that appear together in the news article (plus NATO and EU).

The indicators track the evolution of tensions and are normalized by their country's history since 2019, thus they are all expressed in terms of standard deviations from their historical patterns. Indicators usually lie within the range [-1,1]. Therefore, when the values exceed one (the upper boundary of the range), this means escalating tensions. While it's possible to observe simultaneous tensions arising in multiple countries (for example, due to geopolitical events affecting several nations, as seen in some of our heatmaps), using these indicators for direct quantitative comparisons of risk levels between countries is not recommended.

We apply a weighted moving average of 28 days (to include four complete weeks with the same number of days of the weeks) to reduce the noise of daily information and identify signals more clearly. The weights have been calculated using a discrete geometric distribution such that it puts more weight on recent data and less on past data (see Graph 1). Aggregating by weeks, the weight of the most recent week has a weight of 68%, the past week 22%, the previous 7%, and the fourth 3%. The weight of the 28 days can be seen in the following image. In such a way, the indicators reflect what has been happening in the last few days.

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