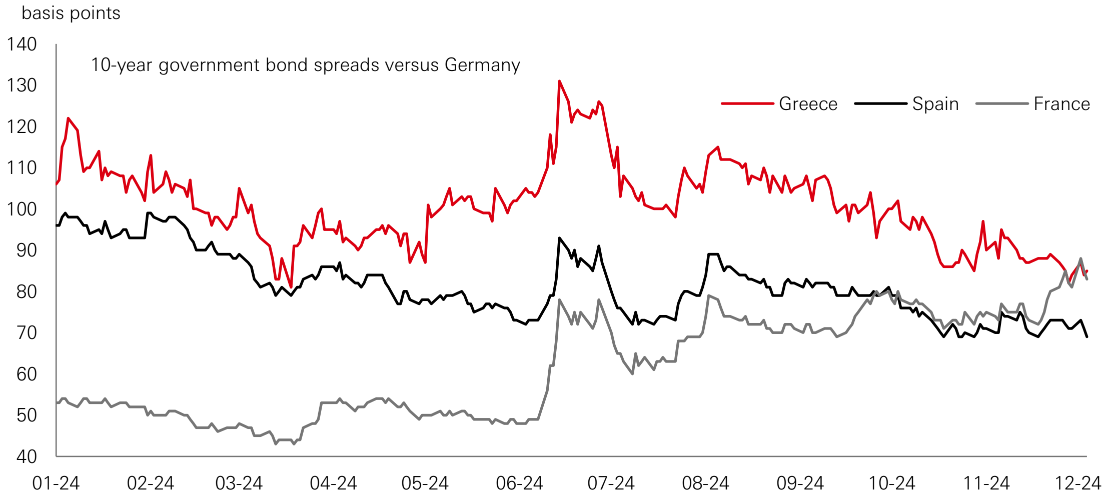
HSBC Asset Management

Investment Weekly

6 December 2024

For Professional Clients only.

Chart of the week – Political realities bite in France



Are good economics now bad politics? Recent developments in France are a case in point. IMF forecasts show the country's public finances are on an unsustainable path, with the debt ratio expected to reach almost 130% of GDP by the end of the decade. But with the French parliament split into three blocs, there is limited political will to find a solution. French Prime Minister Barnier's proposed EUR60bn budget consolidation saw him swiftly ejected from office.

Amid the political impasse, France's 10-year government bond spread over Germany has moved higher, and is now above that of Spain and Portugal. Yet, in our view, this is not a marker of an imminent crisis. In the words of financial wags, it's not a "Truss moment". Spreads in France have not blown out in the same way they did in the UK in September 2022, when then-Prime Minster Truss introduced a budget that incorporated significant unfinanced tax cuts, worsening debt sustainability. No such measures are being touted in France for the time being.

The market reaction to this week's events in France has been sanguine. That reflects today's better economic reality versus 2022 – ongoing disinflation, central bank rate cuts, and decent global growth. The ECB also provides an ultimate backstop against disorderly market dynamics in the eurozone via the Transmission Protection Instrument (TPI), even if this comes with strings attached. So, although events require monitoring, and the distinction between the eurozone core and periphery is blurring, this is likely to be a slow-burn issue rather than the start of a new crisis.

Market Spotlight

Hedge funds in a higher-for-longer world

With inflation remaining a bit sticky in places, and fiscal activism still in play, it makes sense that investors expect a fairly shallow rate cutting cycle in 2025. The ability of central banks to insulate the economy and markets against adverse shocks – the so called "Fed put" – looks constrained.

So, there is considerable uncertainty about the direction of the bond-stock correlation in 2025. What if bonds can no longer act as a reliable portfolio diversifier? This is a key question posed in our Investment Outlook 2025.

We think many alternative asset classes offer an attractive solution. Hedge funds, for example, have exhibited consistently low correlations to stocks over the past three years. This coincides with a period of higher rates and a higher dispersion of equity returns which typically benefits "stock picking" strategies that hedge funds embed. This contrasts with the 2010s when record-low interest rates were causing nearly all stocks to rise in unison. For 2025, an environment of rising uncertainty and market volatility would likely to keep dispersion high. And for those hedge funds with significant unencumbered cash balances, higher rates would provide a further boost to their total return.

US stock valuations →

Stretched US valuations and the 2025 outlook

European Equities →

European challenges but also opportunities

Asia high-yield →

Increased diversification for Asia credit investors

Read our latest views: Investment Outlook 2025

The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Past performance does not predict future returns. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. Diversification does not ensure a profit or protect against loss.

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 06 December 2024.

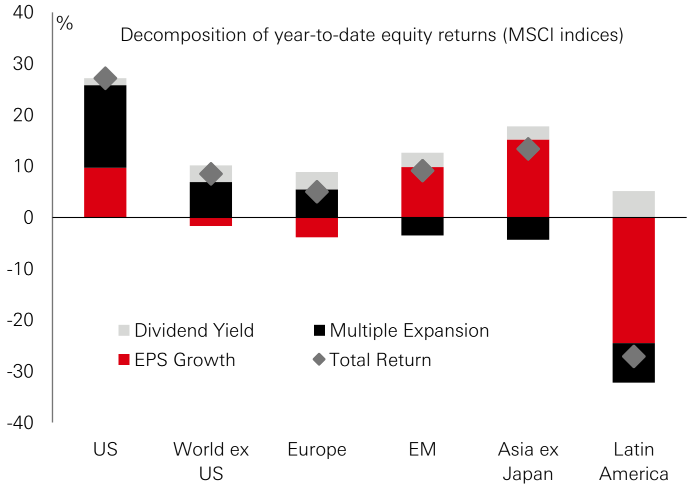
Lens on...

Multiple concerns

Barring a major shock between now and the new year, US stock markets are set to notch up world beating performance in 2024. To many this comes as no surprise in a year where the soft landing was delivered, profit growth rebounded, and AI started delivering on its huge potential. But where does this leave us for 2025?

We think US markets can continue to perform well. The prospects of tax cuts and deregulation is the icing on top of the cake that is a resilient US economy. Profit growth is likely to remain strong, even if current expectations of c. 15% for 2025 EPS growth look somewhat optimistic.

But a key challenge will be valuations. Decomposing year-to-date equity returns shows multiple expansion has been responsible for the bulk of US gains this year, unlike in emerging markets – particularly in Asia - where profits and dividends have driven stocks higher. This leave US stocks trading on a 12-month forward PE of 22.0x, well above the last 10-year average of 18.6x. As we explain in our Investment Outlook 2025, stretched US valuations along with a "broadening out" of profit growth across the world makes it important to look beyond recent winners.

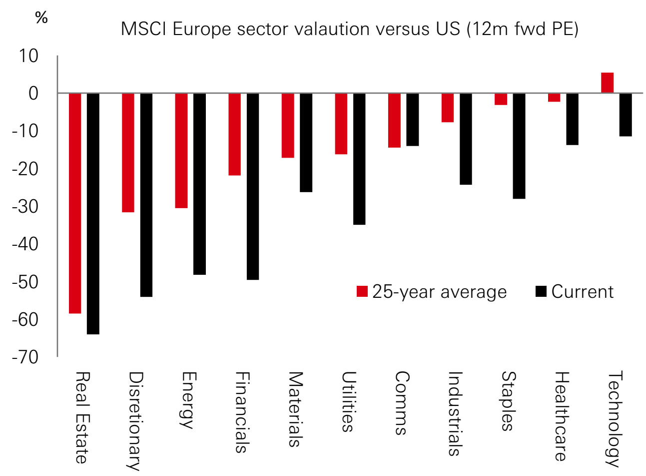


Europe on sale?

Despite a good start to 2024, European equities have struggled for momentum since the summer, while US stocks have zipped ahead. Year-to-date this leaves European stocks experiencing their worst relative performance to the US in close to 50 years.

Investor pessimism around Europe is perhaps unsurprising. The export-dependent bloc is weighed down by weak global trade growth, exposure to soft Chinese demand, and competition from China's lower cost carmakers. German Fortune 500 companies have announced over 60,000 layoffs this year with more expected to come. On top of the bad economic news, the region's politics looks troubling (see main story).

The outcome is a European market that now looks very cheap. MSCI Europe is on a trailing PE of 15.3x versus 30x for the US. At the sector level, discounts look particularly pronounced for consumer staples, healthcare, financials and industrials. So, although caution is warranted, some re-rating is possible – triggered perhaps by scope for China reflation, or government support for domestic "world class" brands. A weaker euro helps. And bargain hunters are likely to be out in force, making M&A and buyback activity a potential boost in 2025.

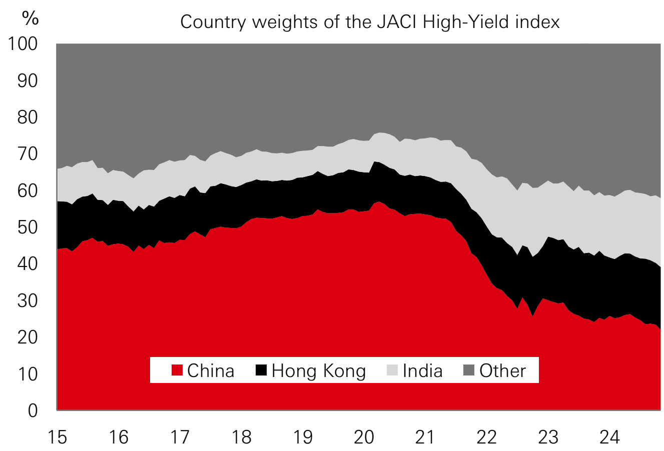


Asia high yield's evolution

2024 has been a great year for Asia's credit markets, especially for high-yield bonds. The benchmark JACI high-yield index has delivered double-digit returns. Following a tough period for the market post-pandemic, several factors have reignited investor enthusiasm.

Firstly, exposure to China has fallen considerably as troubled real estate names have defaulted and dropped off indices. This "flushing out" process has resulted in a market that is not only more geographically and sectorally diverse, but also has a much lower average default rate. Many companies now operate with healthy balance sheets and easy access to cheap local funding channels.

This leaves the asset class in a strong position for 2025. Yields remain higher versus historical levels and DM equivalents, providing room for further spread compression. Of course, China's macro situation is a key risk to monitor, and there is likely to be noise around tariffs. But improved diversification – including increased exposure to fast-growing India – and ongoing China stimulus measures should limit the downside.



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Asset class views

Our baseline macro scenario is for a soft-ish landing, characterised by growth falling below trend and inflation returning to target. But the data flow is likely to remain bumpy and the outlook remains uncertain. Risk asset valuations are stretched in many areas. That means that any deterioration in corporate fundamentals could create market volatility. A defensive positioning in portfolios remains appropriate, which includes selective exposures to fixed income, risk assets, and private markets.

House view represents a 12-month investment view across major asset classes in our portfolios.

	Asset Class	- View +	Comments
Macro Factors	Global growth	■■■□□●■■■	A defensive positioning in investment portfolios remains appropriate given continuing risk of macro disappointment or weakness. We prefer to access the growth factor in laggard regions, such as Asia and emerging markets
	Duration	■■■□●□■■■	The US Treasury yield curve, which has steepened significantly over the past year, could experience a further "bear steepening", with investors demanding greater compensation for longer-term inflation and interest rate uncertainty. Nonetheless, carry remains appealing and, if adverse economic outcomes prevail, there is scope for strong returns in global duration
	Emerging Markets	■■■□□□●■■	The EM growth outlook is a relative bright spot in a global context. Falling inflation and Fed policy easing should pave the way for more countries to cut rates. Supportive policy in China has buoyed confidence but all eyes are on more pro-growth measures. A stronger US dollar is a risk
Bonds	US 10yr Treasuries	■■■□●□■■■	Yields have risen recently on resilient economic data, a repricing of rate expectations, and uncertainty about how the US policy agenda might impact fiscal deficits and inflation trends. But USTs still provide an attractive yield and scope for capital gains if the economy weakens markedly
	EMD Local	■■■□□□●■■	The pricing out of Fed policy easing and a stronger US dollar are headwinds to EM bonds and the outlook is more mixed now. But despite upward pressure on global rates, lower oil and commodity prices could keep the medium-term disinflation path unchanged, with EM local yields declining
	Asia Local	■■■□□□●■■	The macro backdrop and manageable inflation risk across the region are broadly supportive. We continue to expect a shallow monetary easing cycle given near-term FX volatility and financial stability concerns, and do not anticipate a major rise in yields in the region in the short run
Credits	Global Credit	■■■□□●■■■	Valuations are rich, with spreads reaching 30-year tights and most non-financial sectors at or near historical tights. Financials, especially banks, remain relatively attractive. Technicals remain highly supportive and 'all in' yields continue to attract strong inflows
	Global High-Yield	■■■●□□■■■	HY spreads remain historically tight despite cooling in the US economy, with spreads way below historical averages. Nevertheless 'all in' yields are high. For now, still reasonable growth and moderating inflation mean that the fundamental backdrop is supportive
	Asia Credit	■■■□□●■■■	Asia IG spreads are expected to remain within a tight range, with carry strategies a key contributor to alpha generation. Stable regional credit fundamentals and shorter duration compared to global credit markets are positives. 'All in' yields are attractive
	EMD Hard Currency Bonds	■■■□□●■■■	Both EM corporate and sovereign credit spreads should perform well in the current environment. The additional impact of weaker currencies can help EM firms with dollar-derived revenues, particularly those that have deleveraged and cut their financing needs
Equities	DM Equities	■■■□□●■■■	Markets face potential volatility amid slowing global growth and geopolitical risks, although falling rates should be supportive. We expect more broadening out for asset returns beyond the US technology sector and mega-cap growth into other regions, sectors, and styles
	EM Equities	■■■□□□●■■	The EM growth outlook is a relative bright spot in a global context, with disinflation and ongoing Fed rate cuts expected to be supportive. Stock and currency market valuations remain undemanding. Idiosyncratic trends within EMs imply scope for portfolio diversification too
	Asia ex Japan	■■■□□●■■■	Asian markets offer broad sector diversification and reasonable valuations. China policy measures and other structural stories in the region are also positives. Technology industries are still the profit engine, but markets with high external exposure are more vulnerable to external shocks
Alternatives	Global Private Equity	■■■□●□■■■	With tighter financial conditions raising the cost of leverage, PE funds may face challenges in delivering consistently strong returns. However, increasing economic headwinds can create attractive entry points for longer-term investors. The investment case is about alpha, not beta
	Global Real Estate	■■■□□□●■■	Real estate values are bottoming, although office values are still falling. Investment activity could remain subdued given uncertainty over global growth and the repricing of rate cuts. Valuations are still supportive, but the sector is vulnerable to macro disappointment
	Infrastructure Debt	■■■□□□●■■	Infrastructure debt is currently expected to offer stronger returns than global credits, and experiences lower spread volatility during economic slowdowns. It has strong defensive attributes, offers inflation-linked cash flows and benefits from thematic drivers such as the green transition

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Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 02 December	US	ISM Manufacturing Index	Nov	48.4	46.5	The ISM index rose to its highest level since June, but remains low. Gains came from new orders and employment
	BR	S&P Global Manufacturing PMI	Nov	52.3	52.9	Brazil's PMI remained in expansion territory as resilient domestic demand encouraged firms to scale up production volumes
	MX	S&P Global Manufacturing PMI	Nov	49.9	48.4	Whilst remaining in contraction territory, the November reading indicated softer falls in total sales and production volumes
Tue. 03 December	US	JOLTS Job Openings	Oct	7.74mn	7.37mn	The JOLTS survey was mixed. Openings and quits rebounded, with still low layoffs. Hiring pulled back to a cycle low
	BR	GDP (qoq)	Q3	0.9%	1.4%	Despite slowing in Q324, GDP has strengthened over the last year, fuelled by fiscal stimulus and domestic demand
Wed. 04 December	US	ISM Services Index	Nov	52.1	56.0	The ISM services index surprised to the downside in November, but the index still signals expansion in the sector
	US	Fed Chair Powell	Dec	-	-	Powell said the Fed can afford "to be a little more cautious" on the path to a neutral stance, citing the strong US economy
Fri. 06 December	IN	RBI Repo Rate	Dec	6.50%	6.50%	The RBI kept the policy rate unchanged in December, but cut cash reserve ratio to boost liquidity to balance growth-inflation risks
	US	Change in Non-Farm Payrolls	Nov	-	12.0k	The underlying trend in non-farm payrolls has slowed recently, mirroring the message from other labour market measures
	US	Univ. of Michigan Sentiment Index (Prelim)	Dec	-	71.8	The University of Michigan's confidence index has risen steadily, aided by improving household income expectations

US - United States, BR - Brazil, MX - Mexico, IN - India

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 09 December	CN	CPI (yoy)	Nov	0.5%	0.3%	Inflation remains soft, reflecting muted price pressures among non-food items and ongoing demand/supply imbalances
Tue. 10 December	US	NFIB Index of Small Business Optimism	Nov	94.1	93.7	The small business optimism index has risen gradually since the spring, although the components have been mixed
	BR	CPI (yoy)	Nov	4.8%	4.8%	Headline inflation has increased steadily since the spring, driven by a weaker currency and tight labour market conditions
	AU	RBA Cash Target Rate	Dec	4.35%	4.35%	The RBA should keep rates unchanged near-term amid its cautious stance on inflation, despite downbeat Q3 GDP growth
	CN	Trade Balance (USD)	Nov	92.0bn	95.7bn	China's sizeable trade surplus should persist given resilient external demand, albeit with the risk of rising trade tensions
Wed. 11 December	US	CPI (yoy)	Nov	2.7%	2.6%	Headline inflation is expected to edge up on energy prices in November. Core inflation is likely to remain stable at 3.3%
	BR	Banco de Brazil SELIC Target Rate	Dec	12.00%	11.25%	Rising inflation expectations, a weaker BRL and an overheating economy point to more aggressive policy tightening
	CA	BoC Policy Rate	Dec	3.25%	3.75%	October's solid employment report and firmer CPI suggest a close call between a 25bp or 50bp cut
Thu. 12 December	US	PPI (mom)	Nov	0.3%	0.2%	Core PPI has picked up recently, led by modestly higher core goods and core services inflation
	EZ	ECB Deposit Rate	Dec	3.00%	3.25%	Recent inflation data have been encouraging. The majority of recent ECB speeches point to further gradual policy easing
	JP	TANKAN Business Conditions Manufacturing Index	Q4	13.0	13.0	Large manufacturers' business confidence has risen since Q123, medium-term price expectations are just above 2%
	IN	Industrial Production (yoy)	Oct	3.5%	3.1%	Favourable base effects should support y/y growth, although weaker infrastructure output remains a concern
	IN	CPI (yoy)	Nov	5.7%	6.2%	Moderating vegetable price inflation should allow headline inflation to return to the RBI's target range

CN - China, US - United States, BR - Brazil, AU - Australia, CA - Canada, EZ - Euro Zone, JP - Japan, IN - India

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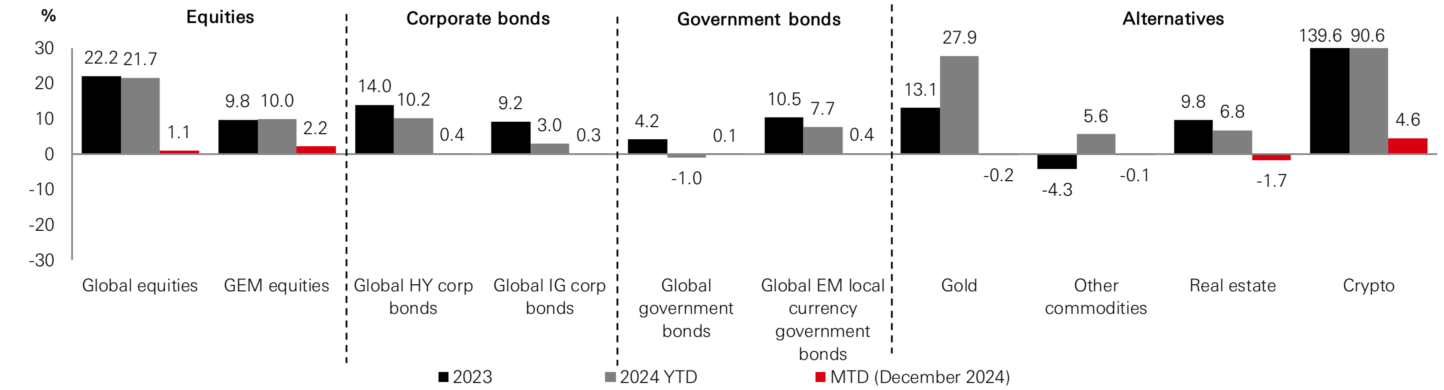
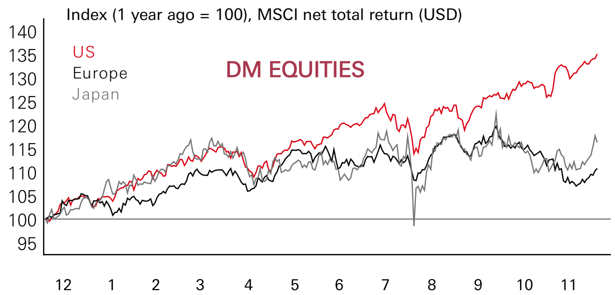
Market review

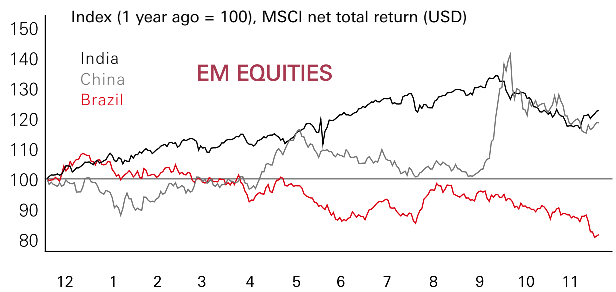
This week

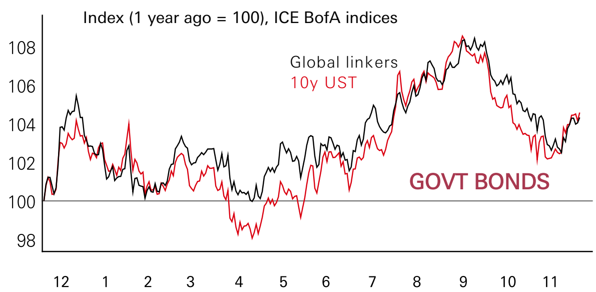
Positive risk market appetite persists despite increased political tensions, and the US Dollar index consolidated. Core government bonds were range-bound, as Fed Chair Powell stated the Fed "can afford to be a little more cautious" on the path to a neutral policy stance. In US equities, the S&P500 touched an all-time high but lagged the Nasdaq. The Euro Stoxx 50 rallied, with France's CAC rebounding. The Nikkei 225 strengthened on higher machinery makers as the yen traded sideways (vs USD). EM stock markets were broadly higher, led by India's Sensex index. The Shanghai Composite and Hang Seng advanced ahead of China's Central Economic Work Conference whereas rising political worries weighed on Korea's Kospi index. In commodities, oil edged higher as the OPEC+'s decided to delay a plan to roll back production cuts to April 2025. Gold edged lower, while copper gained.

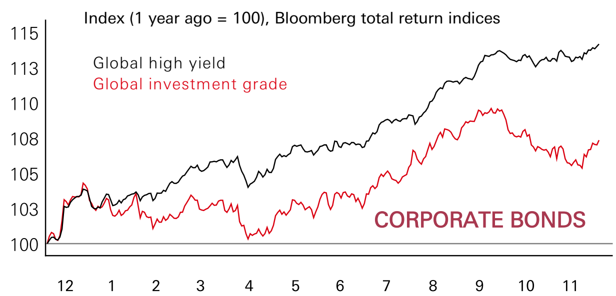
Selected asset performance

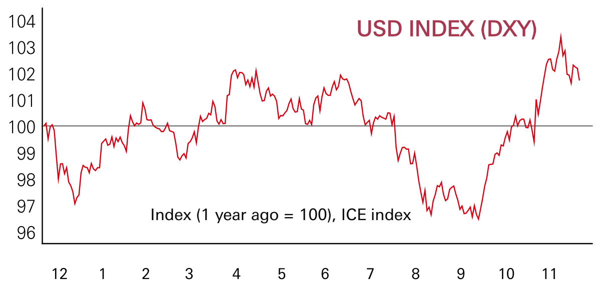


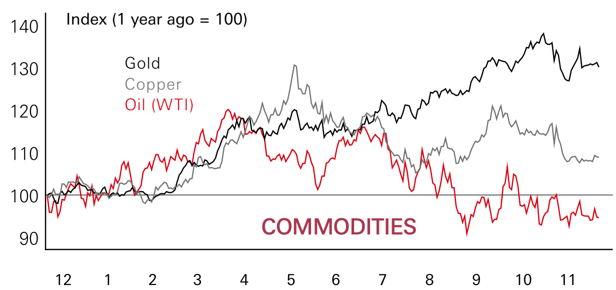












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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am am UK time 06 December 2024. Note: Asset class performance is represented by different indices. Global Equities: MSCI ACWI Net Total Return USD Index. Gem Equities: MSCI Emerging Net Total Return USD Index. Corporate Bonds: Bloomberg Barclays Global HY Total Return Index value unhedged. Bloomberg Barclays Global IG Total Retrun Index unhedged. Government bonds: Bloomberg Barclays Global Aggregate Treasuries Total Return Index. JP Morgan EMBI Global Total Return local currency. Commodities and real estate: Gold Spot $/OZ/ Other commodities: S&P GSCI Total Return CME. Real Estate: FTSE EPRA/NAREIT Global Index TR USD. All the data above is in in USD, total return, month-to-date terms.

Market data

Equity Indices	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low	Fwd P/E (X)
World									
MSCI AC World Index (USD)	872	1.1	2.0	8.7	25.9	20.0	874	691	20.5
North America									
US Dow Jones Industrial Average	44,766	-0.3	2.4	11.0	24.2	18.8	45,074	36,022	23.9
US S&P 500 Index	6,075	0.7	2.5	12.3	33.5	27.4	6,095	4,547	25.1
US NASDAQ Composite Index	19,701	2.5	3.8	18.0	39.3	31.2	19,790	14,139	36.1
Canada S&P/TSX Composite Index	25,680	0.1	4.2	12.7	26.7	22.5	25,760	20,125	17.4
Europe									
MSCI AC Europe (USD)	553	2.0	1.0	-2.6	8.0	3.6	595	508	14.4
Euro STOXX 50 Index	4,952	3.1	3.1	4.5	10.4	9.5	5,122	4,381	14.6
UK FTSE 100 Index	8,349	0.7	2.2	2.1	11.1	8.0	8,474	7,404	12.2
Germany DAX Index*	20,359	3.7	6.9	11.2	22.2	21.5	20,373	16,345	15.5
France CAC-40 Index	7,331	1.3	-0.5	-0.3	-1.4	-2.8	8,259	7,030	14.3
Spain IBEX 35 Index	12,119	4.1	5.4	8.5	18.1	20.0	12,129	9,799	11.5
Italy FTSE MIB Index	34,626	3.6	2.0	4.0	14.2	14.1	35,474	29,926	10.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	586	1.6	-1.9	3.8	17.0	10.7	632	490	14.9
Japan Nikkei-225 Stock Average	39,091	2.3	-1.0	7.4	16.9	16.8	42,427	31,156	20.6
Australian Stock Exchange 200	8,421	-0.2	2.7	5.1	17.3	10.9	8,515	7,062	19.4
Hong Kong Hang Seng Index	19,898	2.4	-3.1	14.1	20.9	16.7	23,242	14,794	9.2
Shanghai Stock Exchange Composite Index	3,407	2.4	0.7	23.2	14.8	14.5	3,674	2,635	13.4
Hang Seng China Enterprises Index	7,145	2.9	-3.0	17.0	26.2	23.9	8,373	4,943	8.6
Taiwan TAIEX Index	23,193	4.2	-0.1	8.2	33.6	29.3	24,417	17,152	18.8
Korea KOSPI Index	2,428	-1.1	-5.3	-4.6	-2.7	-8.6	2,896	2,387	10.0
India SENSEX 30 Index	81,821	2.5	1.8	0.8	17.5	13.3	85,978	69,101	23.3
Indonesia Jakarta Stock Price Index	7,340	3.2	-0.6	-5.0	3.6	0.9	7,911	6,699	12.4
Malaysia Kuala Lumpur Composite Index	1,613	1.2	-1.3	-2.4	11.6	10.9	1,685	1,440	15.0
Philippines Stock Exchange PSE Index	6,710	1.4	-6.4	-3.3	6.4	4.0	7,605	6,158	11.4
Singapore FTSE Straits Times Index	3,805	1.8	5.6	10.1	23.3	17.4	3,843	3,052	12.0
Thailand SET Index	1,451	1.6	-1.1	1.6	4.4	2.5	1,507	1,273	16.8
Latam									
Argentina Merval Index	2,211,583	-2.1	11.9	28.5	147.2	137.9	2,326,959	859,521	9.3
Brazil Bovespa Index*	127,858	1.7	-1.9	-5.0	1.8	-4.7	137,469	118,685	8.5
Chile IPSA Index	6,660	1.3	1.2	6.6	12.5	7.5	6,838	5,823	12.0
Colombia COLCAP Index	1,395	0.2	2.2	5.0	23.0	16.7	1,451	1,129	5.5
Mexico S&P/BMV IPC Index	51,757	3.9	0.0	1.3	-4.3	-9.8	59,021	49,459	12.0
EEMEA									
Saudi Arabia Tadawul Index	11,932	2.5	-1.3	-1.4	6.8	-0.3	12,883	11,138	N/A
South Africa JSE Index	86,846	2.8	1.8	6.7	15.2	12.9	87,884	71,635	12.6
Turkey ISE 100 Index*	9,936	2.9	12.1	1.7	26.5	33.0	11,252	7,203	6.5

*Indices expressed as total returns. All others are price returns.

Equity Indices - Total Return	1-week Change (%)	1-month Change (%)	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
Global equities	1.1	2.2	9.0	21.7	27.8	25.7	72.7
US equities	0.8	2.9	13.4	28.9	35.4	35.5	105.0
Europe equities	2.0	1.2	-2.2	6.4	10.9	11.1	34.0
Asia Pacific ex Japan equities	1.6	-1.8	4.0	13.2	19.8	2.5	25.7
Japan equities	2.6	3.6	1.4	11.5	15.3	13.0	30.9
Latam equities	2.0	-4.8	-6.5	-20.0	-13.1	18.4	-1.8
Emerging Markets equities	2.2	-2.6	2.7	10.0	15.7	-1.8	18.6

All total returns quoted in USD terms and subject to one-day lag.
Data sourced from MSCI AC World Total Return Index, MSCI USA Total Return Index, MSCI AC Europe Total Return Index, MSCI AC Asia Pacific ex Japan Total Return Index, MSCI Japan Total Return Index, MSCI Emerging Latin America Total Return Index, and MSCI Emerging Markets Total Return Index
Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

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Market data

Bond indices - Total Return	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
BarCap GlobalAgg (Hedged in USD)	586	0.2	1.7	0.3	6.4	4.4
JPM EMBI Global	914.1	0.4	2.1	1.1	11.0	7.7
BarCap US Corporate Index (USD)	3365.6	0.3	2.0	-0.3	7.2	4.5
BarCap Euro Corporate Index (Eur)	259.4	0.2	1.3	2.1	6.9	5.3
BarCap Global High Yield (Hedged in USD)	630.5	0.4	1.5	3.3	14.5	11.3
Markit iBoxx Asia ex-Japan Bond Index (USD)	227.0	0.1	1.0	0.3	8.0	6.2
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	262	0.3	0.0	2.1	16.8	14.2

Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

Currencies (vs USD)	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.06	1.06	1.07	1.11	1.08	1.10	1.12	1.03	0.0
GBP/USD	1.27	1.27	1.29	1.31	1.26	1.27	1.34	1.23	0.1
CHF/USD	1.14	1.14	1.14	1.19	1.14	1.19	1.20	1.08	0.2
CAD	1.40	1.40	1.39	1.36	1.36	1.32	1.42	1.32	-0.2
JPY	150	150	155	142	147	141	162	140	0.0
AUD/USD	0.64	0.65	0.66	0.67	0.65	0.68	0.69	0.64	-1.3
NZD/USD	0.59	0.59	0.59	0.62	0.61	0.63	0.64	0.58	-1.0
Asia									
HKD	7.78	7.78	7.78	7.80	7.81	7.81	7.84	7.76	0.0
CNY	7.26	7.25	7.18	7.10	7.16	7.10	7.30	7.01	-0.2
INR	84.7	84.5	84.3	83.9	83.3	83.2	84.8	82.6	-0.2
MYR	4.42	4.45	4.40	4.33	4.67	4.59	4.81	4.09	0.6
KRW	1419	1397	1401	1335	1313	1288	1445	1286	-1.6
TWD	32.4	32.5	32.2	31.9	31.5	30.7	32.9	30.6	0.3
Latam									
BRL	6.01	5.97	5.68	5.60	4.90	4.86	6.12	4.80	-0.6
COP	4415	4433	4412	4174	4000	3855	4566	3738	0.4
MXN	20.2	20.4	20.1	20.0	17.3	17.0	20.8	16.3	0.8
ARS	1012	1010	993	956	364	808	1014	364	-0.2
EEMEA									
RUB	100.8	106.5	97.2	90.5	92.9	89.5	114.7	82.7	5.4
ZAR	18.0	18.1	17.6	17.9	19.0	18.4	19.4	17.0	0.3
TRY	34.8	34.7	34.2	34.0	28.9	29.5	34.8	28.9	-0.3

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	1-week basis point change*
US Treasury yields (%)							
3-Month	4.41	4.49	4.53	5.05	5.39	5.33	-8
2-Year	4.15	4.15	4.26	3.65	4.59	4.25	0
5-Year	4.07	4.05	4.27	3.49	4.10	3.85	3
10-Year	4.17	4.17	4.43	3.71	4.10	3.88	0
30-Year	4.32	4.36	4.61	4.02	4.21	4.03	-4
10-year bond yields (%)							
Japan	1.05	1.04	0.97	0.85	0.63	0.61	1
UK	4.28	4.24	4.56	3.89	3.94	3.53	4
Germany	2.11	2.09	2.40	2.17	2.20	2.02	2
France	2.89	2.89	3.17	2.88	2.74	2.56	0
Italy	3.20	3.28	3.73	3.62	3.93	3.69	-8
Spain	2.76	2.79	3.15	2.99	3.19	2.98	-3
China	1.95	2.03	2.12	2.14	2.70	2.56	-8
Australia	4.22	4.34	4.63	3.88	4.28	3.96	-12
Canada	3.08	3.09	3.31	2.96	3.28	3.11	-1

*Numbers may not add up due to rounding.

Commodities		1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	2,639	-0.2	-0.8	5.7	30.3	27.9	2,790	1,973
Brent Oil	72.1	0.3	-3.4	2.5	-1.6	-3.1	85	68
WTI Crude Oil	68.4	0.5	-4.1	3.2	-1.1	-2.3	81	64
R/J CRB Futures Index	286.4	-0.2	1.8	7.3	10.3	8.6	300	258
LME Copper	9,075	0.7	-2.9	0.9	9.5	6.0	11,105	8,127

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Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 06 December 2024.

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