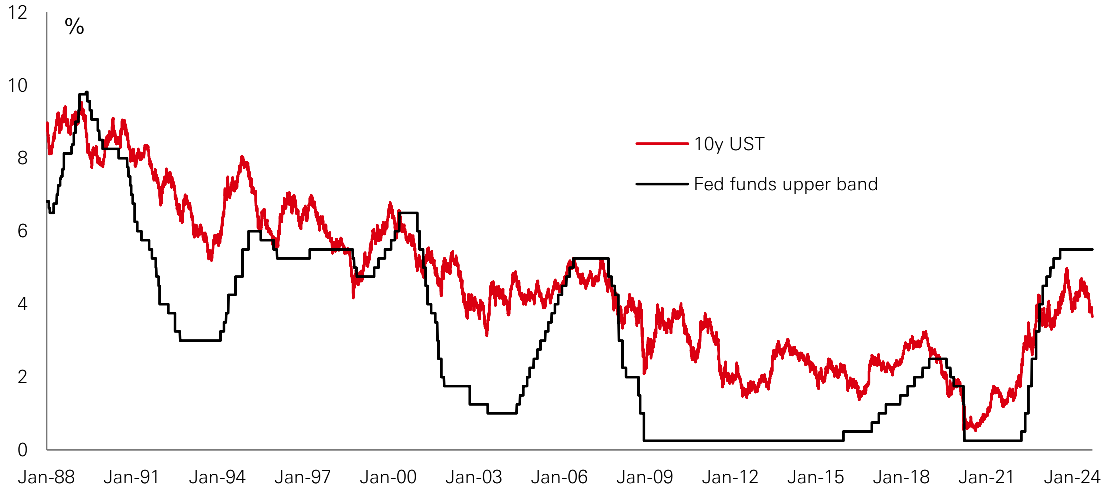
HSBC Asset Management

Investment Weekly

13 September 2024
For Professional Clients only.

Chart of the week – Treasuries and the Fed policy cycle



Markets are pricing in an approximate 40% chance of a 50bp Fed cut on 18 September. This is despite an unexpectedly strong August core inflation print of 0.3% month-on-month. Shelter costs were the main culprit behind the upside surprise. Excluding shelter, core inflation is running at only 1.1% on a six-month annualised basis, suggesting that price pressures are under control and allowing the Fed to put more weight on the labour market leg of its mandate.

Here, the August data were mixed; unemployment ticked down, having jumped in July, but payrolls were softer than expected. Overall, a broad swathe of data suggests the labour market is continuing to cool, but relatively gradually, which helps explain why the overwhelming consensus among economists is for a 25bp cut. However, the funds rate is at restrictive levels and, based on current market pricing, is only likely to return to a neutral stance around mid-2025.

Given policy acts with a lag, the risk that labour market cooling turns into labour market freezing will remain elevated for some time to come. **This alone is likely to lead to further bouts of volatility in markets**. And if those risks then crystallise, the Fed will be forced to cut aggressively. So, while Treasury yields have fallen markedly of late**, they can still play an important role in hedging portfolios against downside growth scenarios**.

Small Caps →

Why valuations could appeal to multi-asset investors

Currencies →

Exploring recent moves in the Mexican peso

Asian Equities →

Diversification benefits of emerging Asian stocks

Read our latest views: China Insights – economy in transition

Market Spotlight

UK stocks breaking out

Since the 16 July peak of the S&P 500, there has been a significant rotation in performance within the global equity space. Previous winners such as US tech have been lagging, while unloved regions and sectors – value, defensives, EM, and small caps – have taken the lead. For developed markets, this reversal of fortune for UK equities has been particularly striking.

We think as part of the wider broadening-out story, UK stocks can continue to be a relative winner. The market remains unloved and cheap, with the MSCI UK trading at a significant valuation discount versus its own 10-year average 12m forward PE. The UK market is also defensive, with significant weights in consumer staples and healthcare that can better withstand a deterioration in global economic conditions. And although a stronger pound might be a headwind to export-oriented firms – especially in the large-cap space – this can be offset by cheaper input costs from abroad. **With EPS growth expected to jump into double-digits for 2025, the overall profits picture also looks good**.

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.00am UK time 13 September 2024.

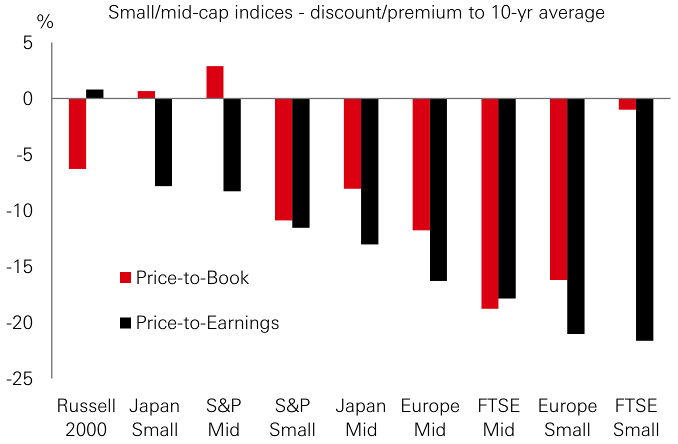
Lens on...

Small cap value

When volatility hit global stocks in August, and mega-cap tech firms sold off sharply, small-caps proved to be a surprise winner. And while the rally in smaller firms has since cooled, it gave us an insight into how quickly small cap value can react to steady growth and the prospect of rate cuts.

While growth uncertainty still weighs on investor sentiment, **smaller-cap deep valuation discounts to large-caps (and to their own history) could protection to the downside** – along with exposure to upside on improving news. Most developed market indices show small- and mid-cap stocks trading 10-25% below their 10-year average measures like price/earnings (PE) and price/book. By contrast, the S&P 500 currently trades at a 30% premium to its 10-year average 12m forward PE.

Europe and Japan look particularly unloved, with the former expecting rate cuts and the latter an eventual return to inflation, boosting nominal profit growth. Overall, our central scenario of a softish economic landing could leave small caps well positioned to benefit from a broadening out of market performance – and play a useful role in multi-factor, multi-sector strategies.

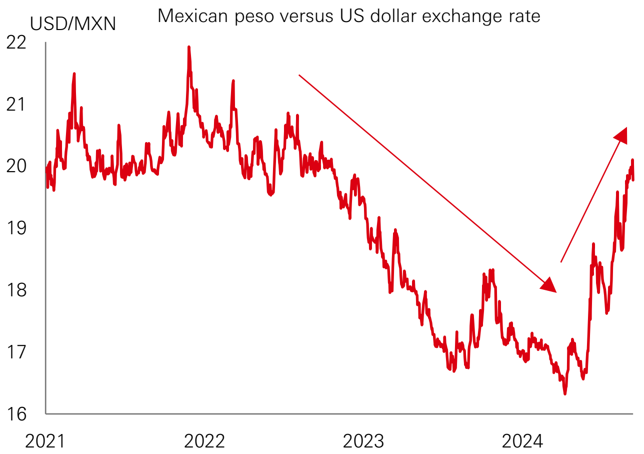


What happened to the super peso?

The Mexican peso has been one of the strongest performing EM currencies in recent years. This has come on the back of proactive central bank policy, a solid fiscal position, and strong economic ties with the outperforming US economy. Other more structural factors such as continuing growth in remittances and supply chain 'nearshoring' have also played a role.

Against a backdrop of elevated interest rate differentials, the peso has also seen interest from international investors engaging in 'carry trades' (where traders borrow in low rate currencies and buy higher rate assets). But this summer's rapid unwinding of popular carry trades has put significant pressure on the currency, just as factors like domestic politics and the imminent US election have pushed uncertainty higher.

After the recent retreat, it now seems likely the so-called super peso will settle in a new range, with further declines capped by Mexico's structural appeal and a weaker US dollar. And **even with a rate-cutting cycle under way, rates in relative terms are likely to remain attractive among EM markets**. *Happy Independence Day to our Mexican readers!*

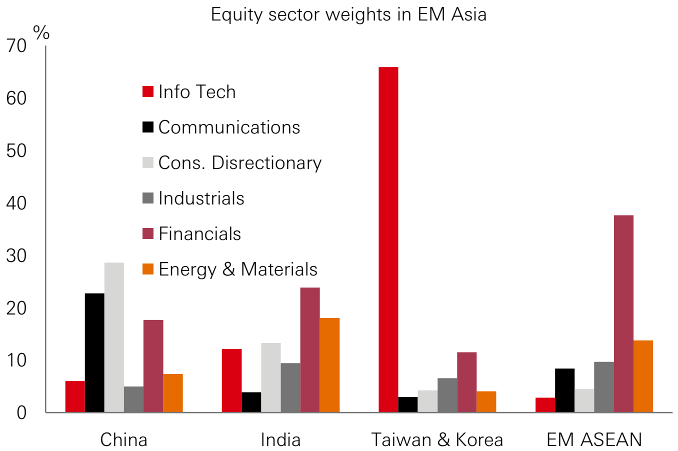


Emerging and diverging in Asia

While global technology stocks have suffered badly in recent bouts of market volatility, analysts are upbeat on the sector in emerging Asia. Profit growth expectations have recently picked-up on solid international demand for semiconductors and positive profits figures from Chinese tech heavyweights.

But a catch for the region's tech players is a potential slowdown in global growth. While firms in markets like Taiwan and Korea have enjoyed years of strong demand, recent sector weakness has revealed some vulnerability to external headwinds and downside growth risks in the US.

The good news for investors is that while tech is expected to remain a profit engine for the region, emerging Asian markets also offer broad sector diversification. Against a backdrop of uncertain global growth, domestically-focused markets like China, India, and ASEAN – where tech has a relatively small overall sector weighting – are less reliant on external demand. **We see this regional diversification as a key attraction for global investors**.



Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. This information shouldn't be considered as a recommendation to buy or sell specific sector/stocks mentioned. Any views expressed were held at the time of preparation and are subject to change without notice. HSBC Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection, or target. Diversification does not ensure a profit or protect against loss. Source: HSBC Asset Management. Macrobond, Bloomberg, Datastream. Data as at 11.00am UK time 13 September 2024.

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		Improving inflation data and increasing concern regarding downside risks to growth have pulled yields lower. Nonetheless, carry remains appealing and, if adverse economic outcomes prevail, there is scope for strong returns in global duration. We favour the US and UK curves
	Emerging Markets		The EM growth outlook is a relative bright spot in a global context. Falling inflation and imminent 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
Bonds	10yr US Treasuries		Yields have reversed the rise seen earlier in the year, as inflation and labour data have started to surprise to the downside. The market is now pricing in meaningful Federal Reserve rate cuts, but USTs still provide an attractive yield and scope for capital gains if the economy weakens markedly
	EMD Local		Real yields remain high in many EM local markets and long-term valuations are attractive. Fed easing is likely to maintain downward pressure on the USD and allow EM FX appreciation that would provide an important tailwind to returns for international investors
	Asia Local		There is scope for rate cuts among regional central banks later this year, depending on the Fed, as inflation risk across the region has been broadly manageable. The macro backdrop is supportive, with countries including India, Indonesia and Thailand having a more favourable rates outlook
Credits	Global Credit		Global credit is expensive with most non-financial spreads at near-cyclical tights. Financials, particularly banks, look attractive but less so than they were at the start of 2024. All-in yields continue to support inflows, helping long duration corporate credit
	Global High-Yield		HY spreads remain historically tight despite cooling in the US economy. 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 provides opportunities for carry strategies with shorter duration and a better supply outlook versus global peers. Asia HY may still have room for modest spread-tightening given a solid macro backdrop and policy support in China, despite rich valuations in non-China markets
	EMD Hard Currency Bonds		EM credit spreads could benefit from Fed rate cuts, but this prospect has already driven a re-rating of the asset class. Spreads are at historic tights and it is difficult to see further compression, although we remain cyclically-constructive
Equities	DM Equities		Markets face potential volatility amid slowing global growth and political uncertainty. On the upside, global corporate profits look significantly less concentrated and lopsided for FY2024 and into 2025, which could support a broadening out of performance
	EM Equities		The EM growth outlook is a relative bright spot in a global context, with disinflation and anticipation of future Fed rate cuts being supportive. Stock and currency market valuations remain undemanding. Idiosyncratic trends within EMs imply scope for portfolio diversification too
	Asia ex Japan		The earnings outlook is being supported by a pick-up in the semiconductor cycle, continuing Chinese policy support and other regional cyclical and structural growth stories. Valuations remain undemanding but there are risks from global growth uncertainty and geopolitical developments
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		Capital values are expected to bottom in 2024, although office space may take longer. Yield spreads with US Treasuries are expected to widen once rates eventually fall. Investment volumes should start to increase from H2 from the lowest levels since 2011. We prefer a focus on quality and prime property with high occupancy and inflation protected leases
	Infrastructure Debt		Infrastructure debt currently offers stronger expected 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

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future.
This information shouldn't be considered as a recommendation to buy or sell specific sector/stocks mentioned. Any views expressed were held at the time of preparation and are subject to change without notice.
Source: HSBC Asset Management. Data as at 11.00am UK time 13 September 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 09 September	MX	Headline Inflation (yoy)	Aug	5.0%	5.6%	Inflation eased amid services disinflation, giving scope for further gradual near-term policy easing
	CN	CPI (yoy)	Aug	0.6%	0.5%	A halt in food deflation pushed headline CPI higher in August, core inflation remains soft reflecting weak domestic demand
Tue. 10 September	US	NFIB Index of Small Business Optimism	Aug	91.2	93.7	Small business optimism fell in August after four consecutive increases. Firms reported much weaker earnings
	BR	CPI (yoy)	Aug	4.2%	4.5%	Headline and core inflation moderated in August but remain higher than April/May, supporting the case for a rate hike
	UK	Unemployment Rate, ILO	Jul	4.1%	4.2%	Unemployment ticked down but pay growth cooled to its lowest in over two years, keeping the BoE on track to cut in November
	CN	Trade Balance (USD)	Aug	91.0bn	84.7bn	A widening trade surplus was driven by an unexpected pick-up in exports while downbeat imports reflect soft domestic demand
Wed. 11 September	UK	GDP Estimate (mom)	Jul	0.0%	0.0%	UK GDP was flat in July, the second consecutive month of stagnation, signalling a weak start to Q3 2024
	US	CPI (yoy)	Aug	2.5%	2.9%	Headline inflation fell, but core inflation showed some stickiness amid stronger monthly rises in housing and services prices
Thu. 12 September	EZ	ECB Deposit Rate	Sep	3.50%	3.75%	The ECB cut rates by 25bps as inflation approaches the 2% target and growth falters. Future moves will be "data dependent"
	IN	CPI (yoy)	Aug	3.7%	3.6%	Headline inflation edged up on stronger food prices but remained below target while core inflation trends are benign
	IN	Industrial Production (yoy)	Jul	4.8%	4.2%	Production growth picked up, led by a jump in capital goods and stable durables. Softening construction growth is a concern
Sat. 14 September	CN	Industrial Production (yoy)	Aug	4.7%	5.1%	Production growth may decelerate further, despite a pick-up in high-end manufacturing activities and export resilience
	CN	Retail Sales (yoy)	Aug	2.50%	2.7%	A slowdown in retail sales growth should resume, suggesting still-soft domestic demand and weak consumer confidence

MX - Mexico, CN - China, US - United States, BR - Brazil, UK - United Kingdom, EZ - Eurozone, IN - India

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Tue. 17 September	US	Retail Sales (mom)	Aug	-0.2%	1.0%	US retail sales are expected to soften as worsening labour market conditions prompt a more cautious consumer
Wed. 18 September	US	Housing Starts	Aug	1.31mn	1.24mn	US housing starts have been relatively stable recently but building permits hint at further weakness
	US	Fed Funds Rate (upper band)	Sep	5.25%	5.50%	Fed Chair Powell's Jackson Hole speech sealed a rate cut in September with August's core CPI data suggesting a 25bp move
	BR	Banco de Brazil SELIC Target Rate	Sep	10.75%	10.50%	July's hawkish minutes, rising inflation expectations, and strong domestic demand point to a rate hike in September
	ID	Bank Indonesia Rate	Sep	6.25%	6.25%	Benign CPI readings offer room to start easing, but BI may wait for the Fed to cut rates first
	UK	CPI (yoy)	Aug	2.2%	2.2%	Headline inflation may rise near-term, but the core rate should ease as services sector inflation softens
Thu. 19 September	US	Existing-Home Sales	Aug	3.88mn	3.95mn	US existing home sales remain near cycle lows amid stretched affordability and low inventory
	JP	CPI excluding fresh food and energy (yoy)	Aug	3.0%	2.8%	Tokyo core CPI, a good predictor of Nationwide core CPI, edged higher in August
	UK	BoE MPC Base Rate	Sep	5.00%	5.00%	The BoE should keep policy on hold in September given Governor Bailey has signalled a lack of urgency to cut rates
	NW	Norges Bank Sight Deposit Rate	Sep	-	4.50%	Norges Bank remains hawkish given ongoing inflation worries and recent NOK weakness, with a rate cut unlikely this year
	TY	CBRT 1 Week Repo Lending Rate	Sep	50.00%	50.00%	Inflation is easing but remains high. Economists expect the CBRT to leave its policy rate unchanged in September
Fri. 20 September	JP	BoJ Policy Rate	Sep	-	0.25%	The BoJ is adopting a "wait and see" stance near-term, assessing the impact of recent market turmoil on the Japanese economy

US - United States, BR - Brazil, ID - Indonesia, UK - United Kingdom, JP - Japan, NW - Norway, TY - Turkey

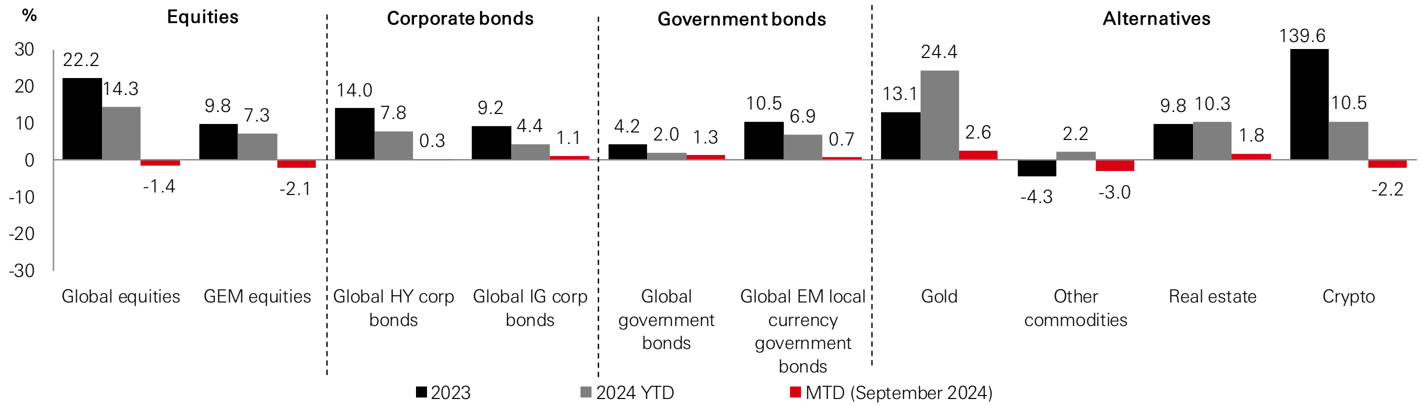
Source: HSBC Asset Management. Data as at 11.00am UK time 13 September 2024. This information shouldn't be considered as a recommendation to buy or sell specific sector/stocks mentioned. Any views expressed were held at the time of preparation and are subject to change without notice.

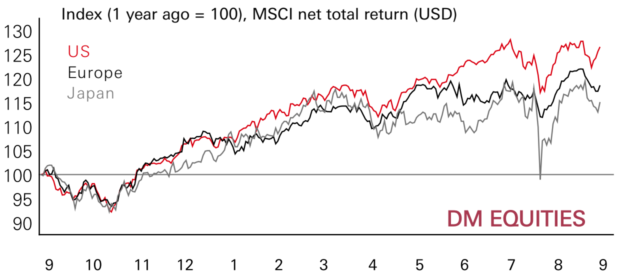
Market review

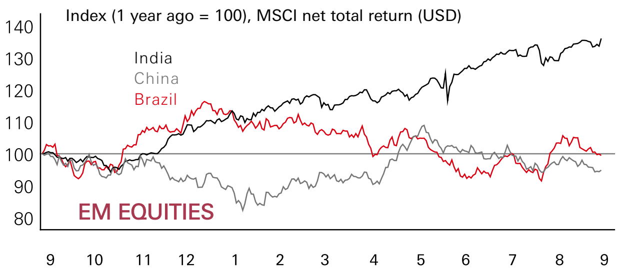
This week

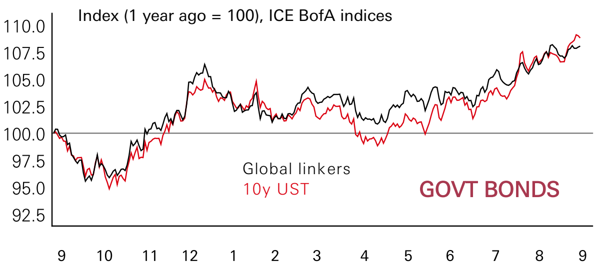
Risk markets rebounded ahead of the US Fed's FOMC meeting next week, with rising expectations a possible 50bp cut. Core government bonds rallied, with US Treasuries faring better than German Bunds. The European Central Bank delivered a 25bp cut in the deposit rate, with ECB president Lagarde reiterating that future cuts would remain "data dependent". The US dollar DXY index fell to a 2024 low. US equities saw a broad-based rally, led by tech stocks, with the Euro Stoxx 50 and Japan's Nikkei 225 also on course to finish the week higher. In emerging markets, the tech-dominant Korea Kospi index posted modest gains and India's Sensex index resumed its upward trend. Ongoing disinflation worries pushed China's Shanghai Composite index close to 2024 lows. In commodities, oil prices stabilised late in the week, after falling sharply on supply concerns. Gold reached fresh historic highs.

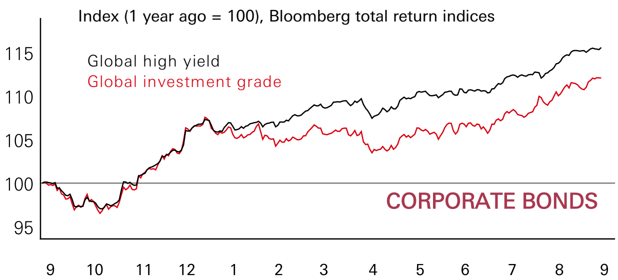
Selected asset performance

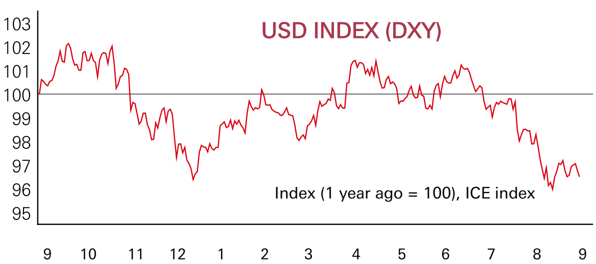


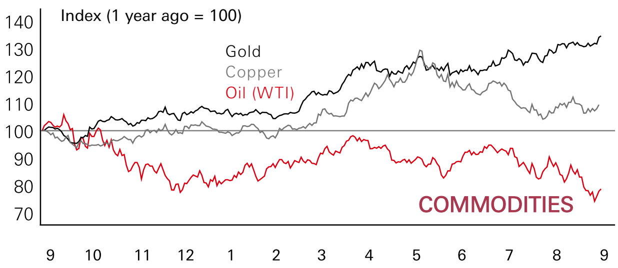












Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. This information shouldn't be considered as a recommendation to buy or sell specific sector/stocks mentioned.

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.00am UK time 13 September 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)	822	2.4	2.8	2.7	20.9	13.0	834	628	19.0
North America									
US Dow Jones Industrial Average	41,097	1.9	3.3	6.3	18.9	9.0	41,585	32,327	20.6
US S&P 500 Index	5,596	3.5	3.0	3.0	25.3	17.3	5,670	4,104	23.0
US NASDAQ Composite Index	17,570	5.3	2.2	-0.6	27.2	17.0	18,671	12,544	33.3
Canada S&P/TSX Composite Index	23,475	3.0	3.8	8.2	15.8	12.0	23,483	18,692	16.1
Europe									
MSCI AC Europe (USD)	569	0.3	2.7	1.4	15.6	6.7	588	459	14.0
Euro STOXX 50 Index	4,827	1.9	2.8	-2.2	14.3	6.7	5,122	3,993	13.6
UK FTSE 100 Index	8,266	1.0	0.4	1.3	9.8	6.9	8,474	7,280	12.2
Germany DAX Index*	18,608	1.7	4.5	1.9	18.9	11.1	18,991	14,630	13.7
France CAC-40 Index	7,450	1.3	2.4	-3.4	3.1	-1.2	8,259	6,774	13.7
Spain IBEX 35 Index	11,486	2.8	7.1	3.8	21.9	13.7	11,496	8,879	11.0
Italy FTSE MIB Index	33,489	0.6	4.6	-0.4	17.6	10.3	35,474	27,078	9.3
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	566	0.3	1.7	0.3	12.7	7.0	588	469	14.1
Japan Nikkei-225 Stock Average	36,582	0.5	1.0	-5.5	11.8	9.3	42,427	30,488	20.7
Australian Stock Exchange 200	8,100	1.1	3.5	4.5	13.2	6.7	8,149	6,751	18.5
Hong Kong Hang Seng Index	17,369	-0.4	1.1	-4.1	-3.6	1.9	19,706	14,794	8.2
Shanghai Stock Exchange Composite Index	2,704	-2.2	-5.7	-10.7	-13.4	-9.1	3,174	2,635	10.8
Hang Seng China Enterprises Index	6,072	-0.6	0.4	-5.5	-2.6	5.3	6,986	4,943	7.4
Taiwan TAIEX Index	21,760	1.5	-0.2	-2.5	31.2	21.4	24,417	15,976	17.7
Korea KOSPI Index	2,575	1.2	-1.8	-6.5	1.6	-3.0	2,896	2,274	9.9
India SENSEX 30 Index	82,891	2.1	5.0	7.9	22.9	14.7	83,116	63,093	23.5
Indonesia Jakarta Stock Price Index	7,812	1.2	6.2	14.4	12.6	7.4	7,833	6,640	14.7
Malaysia Kuala Lumpur Composite Index	1,652	-0.1	2.6	2.6	13.7	13.6	1,685	1,412	15.2
Philippines Stock Exchange PSE Index	7,023	1.3	5.6	9.9	14.2	8.9	7,110	5,920	12.0
Singapore FTSE Straits Times Index	3,563	3.1	9.3	7.2	10.7	9.9	3,573	3,042	11.4
Thailand SET Index	1,424	-0.2	9.8	8.6	-7.2	0.6	1,551	1,273	15.8
Latam									
Argentina Merval Index	1,790,058	4.0	12.5	11.5	223.5	92.5	1,830,229	536,113	8.4
Brazil Bovespa Index*	134,029	-0.4	1.2	12.1	13.4	-0.1	137,469	111,599	8.9
Chile IPSA Index	6,343	1.6	-0.4	-2.2	7.2	2.3	6,838	5,363	10.6
Colombia COLCAP Index	1,320	-0.6	-1.8	-4.7	22.5	10.5	1,451	1,068	6.6
Mexico S&P/BMV IPC Index	52,000	1.8	-3.1	-0.5	0.9	-9.4	59,021	47,765	11.9
EEMEA									
Saudi Arabia Tadawul Index	11,843	-2.1	0.4	3.0	6.5	-1.0	12,883	10,262	N/A
South Africa JSE Index	81,877	0.6	1.1	7.2	11.7	6.5	84,801	69,128	11.7
Turkey ISE 100 Index*	9,515	-2.6	-4.1	-8.4	18.7	27.4	11,252	7,203	4.9

*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	2.4	3.0	3.1	14.3	22.8	17.2	69.2
US equities	3.5	3.1	3.3	17.7	26.5	26.5	96.6
Europe equities	0.3	2.9	1.8	9.2	18.7	9.7	42.5
Asia Pacific ex Japan equities	0.5	2.1	1.4	9.3	15.6	-7.5	24.1
Japan equities	-0.3	4.1	3.6	9.6	15.4	1.5	36.8
Latam equities	0.4	-2.8	3.5	-14.1	-1.7	12.3	7.1
Emerging Markets equities	0.2	0.7	1.0	7.3	13.2	-10.4	18.5

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.

Past performance does not predict future returns.
Source: HSBC Asset Management. Bloomberg. Data as at 11.00am UK time 13 September 2024.

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	0.3	1.2	4.0	9.4	4.4
JPM EMBI Global	906.9	0.3	2.0	4.5	14.5	6.9
BarCap US Corporate Index (USD)	3387.9	0.4	2.1	4.8	12.0	5.2
BarCap Euro Corporate Index (Eur)	253.9	-0.1	0.5	2.6	8.5	3.1
BarCap Global High Yield (Hedged in USD)	611.8	0.2	1.9	3.9	15.2	8.0
Markit iBoxx Asia ex-Japan Bond Index (USD)	226.6	0.1	1.1	3.3	11.0	6.0
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	255	-0.5	-0.2	1.9	17.1	11.3

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	1.11	1.11	1.10	1.07	1.07	1.10	1.12	1.04	0.0
GBP/USD	1.31	1.31	1.29	1.28	1.25	1.27	1.33	1.20	-0.1
CHF/USD	1.18	1.19	1.16	1.12	1.12	1.19	1.20	1.08	-0.5
CAD	1.36	1.36	1.37	1.37	1.35	1.32	1.39	1.32	-0.1
JPY	141	142	147	157	147	141	162	140	1.0
AUD/USD	0.67	0.67	0.66	0.66	0.64	0.68	0.69	0.63	0.4
NZD/USD	0.62	0.62	0.61	0.62	0.59	0.63	0.64	0.58	-0.2
Asia									
HKD	7.80	7.80	7.79	7.81	7.83	7.81	7.84	7.77	0.0
CNY	7.10	7.10	7.16	7.25	7.27	7.10	7.32	7.08	0.0
INR	83.9	83.9	84.0	83.5	83.0	83.2	84.0	82.6	0.1
MYR	4.30	4.33	4.45	4.71	4.68	4.59	4.81	4.30	0.7
KRW	1330	1335	1366	1374	1330	1288	1400	1283	0.3
TWD	32.0	31.9	32.5	32.3	32.0	30.7	32.9	30.6	-0.2
Latam									
BRL	5.63	5.60	5.46	5.36	4.92	4.86	5.86	4.80	-0.5
COP	4209	4174	4032	4148	3950	3855	4403	3738	-0.8
MXN	19.4	20.0	19.0	18.4	17.2	17.0	20.2	16.3	2.7
ARS	960	956	940	902	350	808	960	350	-0.4
EEMEA									
RUB	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A	#N/A N/A	#VALUE!
ZAR	17.8	17.9	18.1	18.4	18.8	18.4	19.6	17.6	0.3
TRY	34.0	34.0	33.5	32.3	26.9	29.5	34.5	26.9	0.1

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	4.92	5.05	5.18	5.38	5.45	5.33	-13
2-Year	3.59	3.65	3.93	4.70	4.97	4.25	-6
5-Year	3.43	3.49	3.67	4.24	4.38	3.85	-5
10-Year	3.65	3.71	3.84	4.24	4.25	3.88	-6
30-Year	3.98	4.02	4.16	4.40	4.34	4.03	-4
10-year bond yields (%)							
Japan	0.84	0.85	0.84	0.97	0.71	0.61	-1
UK	3.77	3.89	3.89	4.12	4.34	3.53	-11
Germany	2.14	2.17	2.18	2.47	2.65	2.02	-3
France	2.85	2.88	2.92	3.17	3.19	2.56	-3
Italy	3.53	3.62	3.57	3.94	4.44	3.69	-10
Spain	2.95	2.99	3.03	3.32	3.72	2.98	-4
China	2.07	2.14	2.22	2.30	2.65	2.56	-6
Australia	3.82	3.88	4.00	4.19	4.15	3.96	-6
Canada	2.89	2.96	3.03	3.33	3.69	3.11	-7

*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	2,567	2.8	4.1	11.4	34.5	24.4	2,573	1,811
Brent Oil	72.7	2.3	-9.0	-10.6	-13.2	-3.4	88	69
WTI Crude Oil	69.8	3.2	-9.1	-9.7	-12.4	-1.6	83	65
R/J CRB Futures Index	273.0	2.3	-1.2	-7.7	-5.1	3.5	300	258
LME Copper	9,216	2.4	2.9	-5.9	9.5	7.7	11,105	7,856

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future.
Source: HSBC Asset Management. Bloomberg. Data as at 11.00am UK time 13 September 2024.

Content ID: D023324_V1.0; Expiry Date: 13.03.2025