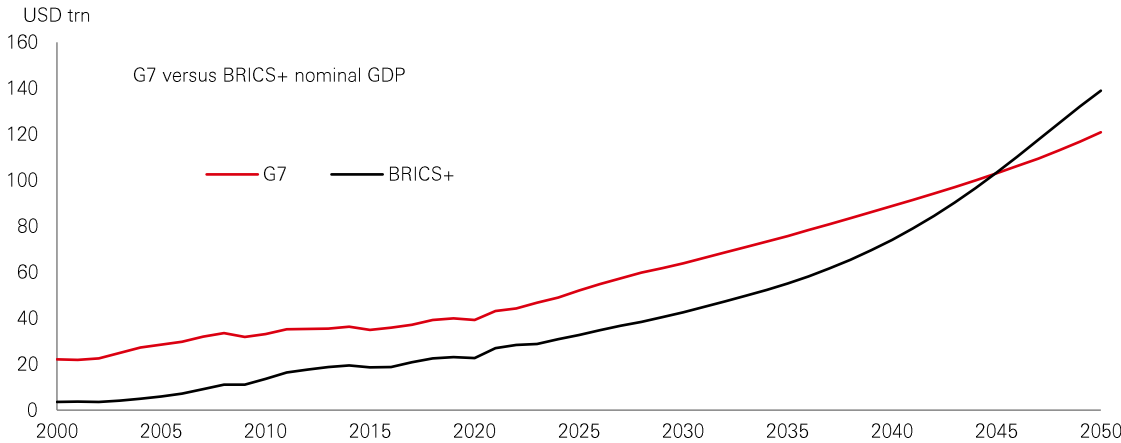


# Investment Weekly

21 June 2024  
For Professional Clients only.

## Chart of the week – Growing economic power in the global south



Investment markets continue to embed a positive outlook for global economic and corporate earnings growth – consistent with limited damage from the impact of high rates. Market implied measures of volatility are at rock-bottom levels, and sentiment is bullish. But we think geopolitics remains a key risk to this benign outcome for markets.

Heading into H2, a number of significant events in the political calendar could inject more volatility into investment markets – elections in France and the US in particular, will be watched closely. Political risks look to be stacking up.

And more generally, **the global economic system looks more susceptible to geopolitical shocks** now. The global economy is fragmenting. Globalisation is running out of steam. This has come as economic power shifts to Asia and emerging markets – the share of world GDP from the BRICS-plus is set to accelerate beyond the G7 in the next couple of decades – allowing them to increasingly flex their economic muscles.

There will be some ‘winners’ from this global shift. India, Mexico, and Southeast Asian economies such as Vietnam and Malaysia can benefit from the trends of ‘friend-shoring’ and ‘near-shoring’. **Country-level economic performance is set to be increasingly idiosyncratic** – good news for investors hoping to find diversification in their EM allocation. But the big picture consequence is a more volatile and unpredictable economic regime, with structurally higher interest rates.

### Central Banks →

Rethinking the outlook for policy rates

### Currencies →

Why the Japanese yen could be poised to recover in H2

### Equity Markets →

Exploring the recent rally in Turkish stocks

## Market Spotlight

### Premium yields from private credit

The fast-growing private credit market has been well positioned to benefit from the current higher-for-longer rates environment. As a largely floating rate asset class, current yields of more than 11% are higher than many other credits, and greater than the historic returns from global equities over the last decade.

After growing rapidly for more than 10 years, new private credit fundraising fell slightly in 2023, to an expected USD200 billion. Recent data suggests that decline has continued in 2024. In part, it’s because higher rates are putting pressure on some borrowers and reducing demand in areas of the market.

But our credit specialists think more certainty on the timetable for rate cuts will reinvigorate the market. And while lower base rates would mean yields easing back from current highs, private credit will remain a relatively high yielding portfolio diversifier that carries an illiquidity premium. Meanwhile, the ongoing retrenchment of banks from many areas in which they were historically dominant should mean the market for private lending continues to grow.



**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.** 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. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection, or target.

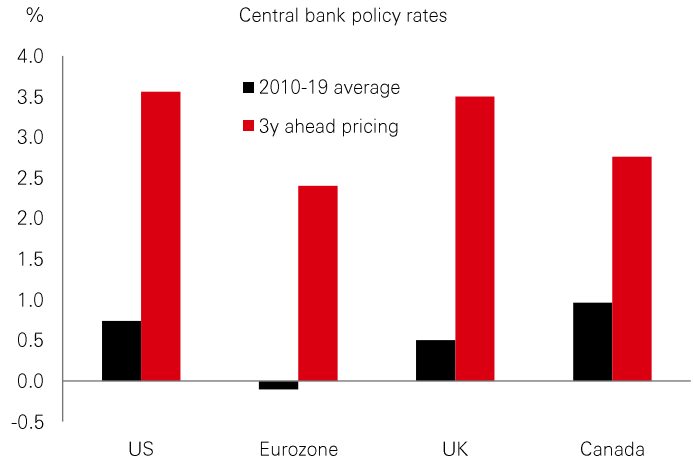
### A new regime for rates

Coming into 2024, markets were pricing between five and seven rate cuts for the major western central banks. Now, they are looking for one to three, depending on the central bank in question.

Importantly, this does not just represent a delay to the rate cutting cycle; longer-term policy rate expectations have also shifted up meaningfully over the past six months, from levels that were already well above the pre-Covid norm.

Ultimately, the resilience of economies in the face of high policy rates has convinced markets that the neutral interest rate has risen across economies, and we have moved decisively away from the post-GFC era of ultra-low rates.

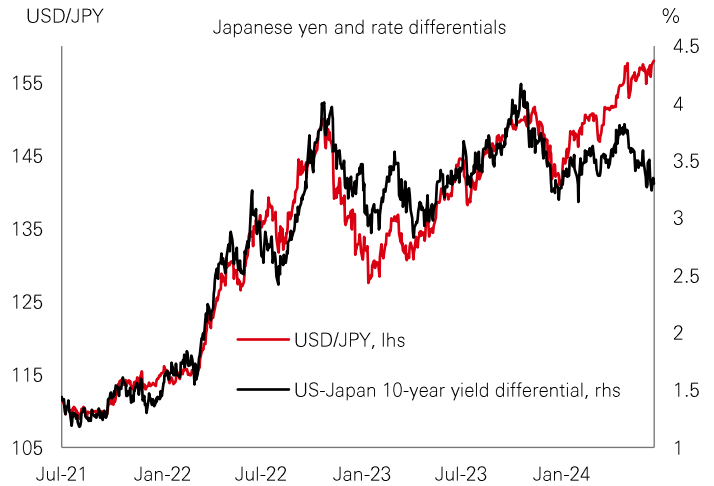
This has left **yields across a range of fixed income assets at attractive levels**, allowing us to **'put cash to work'**. In addition, high quality bonds can provide some protection should any downside growth risks materialise, given central banks have ample room to cut rates if needed.



### Year of the yen?

This was meant to be the year of the yen. How differently things have played out. The currency is down 11% year-to-date against the US dollar – hitting a 34-year low. The rationale for a yen resurgence in 2024 was simple – Fed cuts combined with gradual Bank of Japan normalisation. But the Fed has delayed its rate cutting cycle. And the Bank of Japan has underwhelmed with its exit from ultra-accommodative policy – with last week’s BoJ meeting disappointing investors expecting detail on the paring back of its bond buying – leaving the currency vulnerable.

We think **H2 could see a revival in the yen’s fortunes**. We have a scenario for modest dollar depreciation from here as US growth leadership wanes and the Fed tees up its first cut. The yen also looks disconnected from underlying rate differentials, which based on 10-year rates suggests a level closer to 140 is appropriate. But vital to a recovery of the currency will be more rapid BoJ normalisation which in turn requires greater evidence of sustained inflationary pressures.



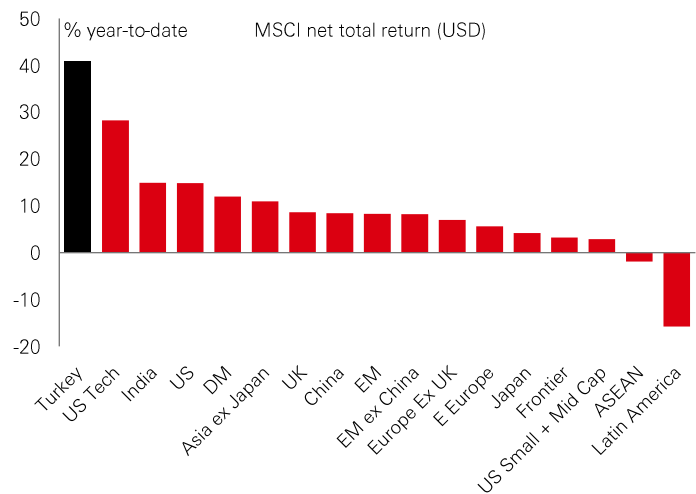
### Turkey’s mega-rally

Turkey’s stock markets began 2024 on a solid footing. The last time we wrote about the market, in early March, momentum was already building, with foreign investors enthused by a shift to more orthodox economic policymaking, and increased activity from a strong domestic retail base. Since then, the MSCI Turkey index has rallied by another 25%.

#### Our Turkey specialists think there is room for further gains.

The government still seems committed to reducing inflation, with recent news flow indicating that Finance Minister Şimşek will continue to prioritise it. Our analysts expect CPI inflation to begin a steep descent from here, falling from 75% in May to around 50% by year end.

They think this can help equity multiples continue to edge higher from still-depressed levels (and well below the 10x average before 2017). They also factor in a decent 10% of earnings growth for 2024 and a stellar 38% for 2025, with financials, insurance and service sectors potentially outperforming names more sensitive to higher financing costs and a stronger lira.



### Past performance does not predict future returns.

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.00am UK time 21 June 2024.



## Asset class views

Our baseline macro scenario is for a soft-ish landing, involving a slowdown in growth and further disinflation. 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 optimistic market expectations versus a lingering risk of macro disappointment or weakness. We prefer to access the growth factor in laggard regions, such as Asia and emerging markets
	Duration	■	■	■	■	Robust growth and inflation data have put upward pressure on yields so far in H1. Carry remains appealing and, in adverse economic outcomes, there is scope for strong returns in global duration. We favour the US and UK curves
	Emerging Markets	■	■	■	■	The outlook for EMs is bolstered by China policy support feeding through to the real economy, eventual Fed easing, and a growth premium versus the West. Disinflation is an ongoing process, especially in Latam and Europe, allowing EM central banks to lead the cutting cycle
Bonds	10yr US Treasuries	■	■	■	■	Yields have ground higher over the course of H1, driven by resilient growth and inflation data. However, growth could disappoint expectations in H2, meaning investors price in more cuts. We anticipate yield curve steepening by the end of the year
	EMD Local	■	■	■	■	Real yields remain high in many EM local markets, but the chief risk is sticky inflation that delays rate cuts and keeps the US dollar strong. A pick-up in industrial metals points to an improving EM growth outlook, which could help local bonds weather any delays to Fed policy easing
	Asia Local	■	■	■	■	Regional central banks are expected to keep policy on hold near term, with gradual easing only expected after the Fed begins to cut rates. 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 tightness. 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	■	■	■	■	Valuations are expensive with spreads well below historical averages. The market prices a global soft landing. Despite tight spreads, 'all in' yields are high. 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 tightness and it is difficult to see further compression, although we remain cyclically-constructive
Equities	DM Equities	■	■	■	■	Investor sentiment is buoyed by confidence in the soft landing, and leadership from quality growth. But as investor perceptions shift, the market is discounting a lot of good news. Risks of an adverse surprise are rising, even if an imminent growth collapse looks unlikely
	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 overall growth outlook is solid, with valuations remaining fair. Chinese policy support is helping to stabilise investor confidence. India's earnings outlook is supportive despite stretched valuations. Korea and Taiwan continue to benefit from the upswing in the semiconductor cycle
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.**

Source: HSBC Asset Management. Data as at 11.00am UK time 21 June 2024.



## Key Events and Data Releases

### This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 17 June	CN	1-year MLF rate	Jun	2.50%	2.50%	The PBOC kept the MLF rate unchanged. Targeted measures are needed amid weak loan demand, focused on credit quality.
	CN	Retail Sales (yoy)	May	3.7%	2.3%	Retail sales surprised on the upside in May but were distorted by the timing of holidays. The underlying trend remains weak
	CN	Industrial Production (yoy)	May	5.6%	6.7%	Industrial production slowed but remained solid in May, supported by high-end manufacturing and external demand
Tue. 18 June	AU	RBA Interest Rate Decision	Jun	4.35%	4.35%	The RBA remains hawkish, stating it "will do whatever is necessary" to return inflation to target. RBA Governor Bullock acknowledged a rate hike was discussed and was "not ruling anything in or out"
	US	Retail Sales (mom)	May	0.1%	-0.2%	US retail sales surprised on the downside in May, with March and April also revised down, pointing to softer consumer spending in Q2 2024
Wed. 19 June	BR	COPOM Interest Rate Decision	Jun	10.50%	10.50%	COPOM unanimously decided to pause their easing cycle, highlighting the need for vigilance amid unanchored inflation expectations
Thu. 20 June	UK	BoE Interest Rate Decision	Jun	5.25%	5.25%	The BoE left policy unchanged in June. Some members stated the decision not to ease was "finely balanced", suggesting a rate cut in August remains possible
	US	Housing Starts (mom)	May	-5.5%	4.2%	US housing starts retreated in May to their lowest level since June 2020 amid elevated mortgage rates
Fri. 21 June	JP	Nationwide CPI excluding fresh food & energy (yoy)	May	2.1%	2.4%	Core inflation slowed further as service sector price pressure moderated
	EZ	HCOB Composite PMI	Jun (P)	50.8	52.2	The manufacturing and services PMI both weakened in June, suggesting growth ended Q2 on a softer footing
	IN	S&P Global Composite PMI	Jun (P)	60.9	60.5	India's composite PMI is consistent with further robust growth
	US	S&P Global Composite PMI	Jun (P)	-	54.5	The US composite PMI has been giving a more positive growth signal than the equivalent ISM survey

P – Preliminary, Q – Quarter CN – China, AU – Australia, US – United States, BR – Brazil, UK – United Kingdom, JP – Japan, EZ – Eurozone, IN – India

### The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 24 June	JP	Summary of Opinions from Board Members at June meeting	Jun			June's BoJ meeting should reveal diverging opinions over the timing of the next rate hike amid the uncertain economic outlook
	GE	IFO Business Climate Index	Jun	89.3	89.3	IFO's business climate index has been recovering gradually since early 2024, but has lagged a sharper pick up in the composite PMI
Tue. 25 June	US	Case Shiller 20 City House Price Index (yoy)	May	-	7.4%	The Case Shiller 20 City House Price Index has been rising at a solid pace since March 2023 amid ongoing supply-side constraints
	US	Conference Board Consumer Confidence Index	Jun	100.0	102.0	June's fall in the University of Michigan's consumer confidence index poses a downside risk to the Conference Board measure
Wed. 26 June	US	New Home Sales (mom)	May	2.5%	-4.7%	US new home sales have been erratic recently but remained within the range seen since mid-2022, as high mortgage rates constrain demand
Thu. 27 June	PH	Philippines Central Bank Interest Rate Decision	Jun	6.50%	6.50%	The BSP should keep policy on hold in June, but leave the door open for a rate cut in H2 2024, possibly in August
	TK	Turkish Central Bank Interest Rate Decision	Jun	50.00%	50.00%	Continued elevated inflation point to a cautious stance by Turkey's central bank near-term
	MX	Banxico Interest Rate Decision	Jun	11.00%	11.00%	Rising fiscal concerns, the Mexican Peso's recent weakness and sticky service sector inflation point to no near-term policy change
	US	Biden-Trump First Debate	Jun			Recent opinion polls show Trump ahead of Biden in 7 key US states. The Democrats are marginally ahead in the race for the House while the Republicans lead the race for the Senate
Fri. 28 June	JP	Tokyo CPI ex fresh food & energy (yoy)	Jun	1.6%	1.7%	Core inflation has slipped below 2.0% in recent months amid goods price deflation and some one-off factors weighing down services
	JP	Industrial Production (mom)	May (P)	2.0%	-0.9%	Industrial production should rebound in June, but ongoing supply problems in the auto sector remain a hurdle
	US	Core PCE	May	2.6%	2.8%	The core PCE, the Fed's favoured inflation gauge, should ease in coming months but the trajectory towards 2% is likely to be bumpy

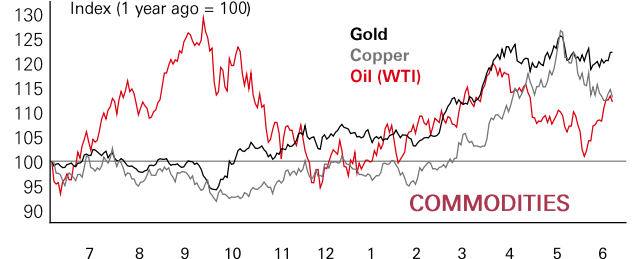
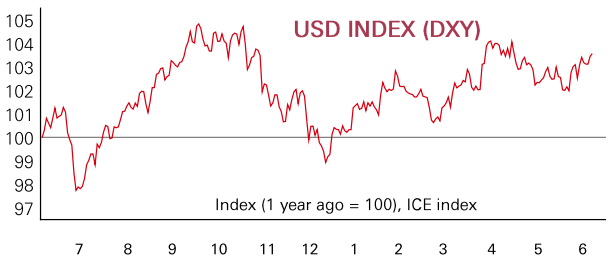
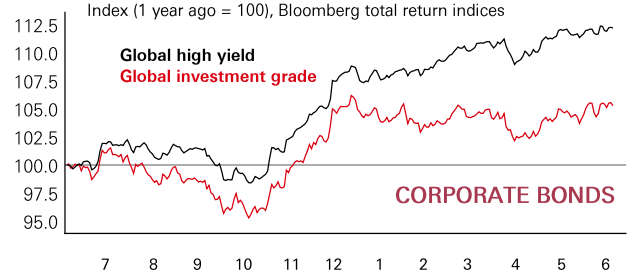
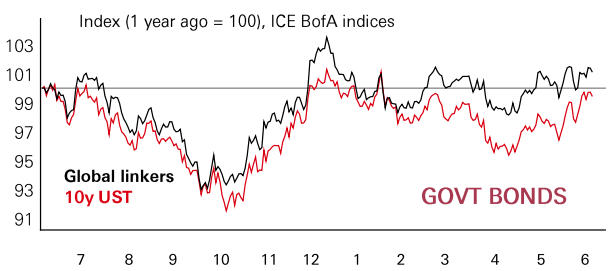
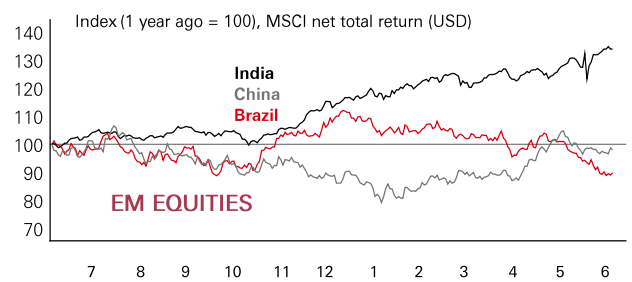
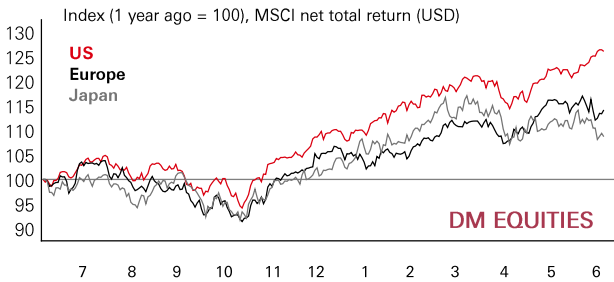
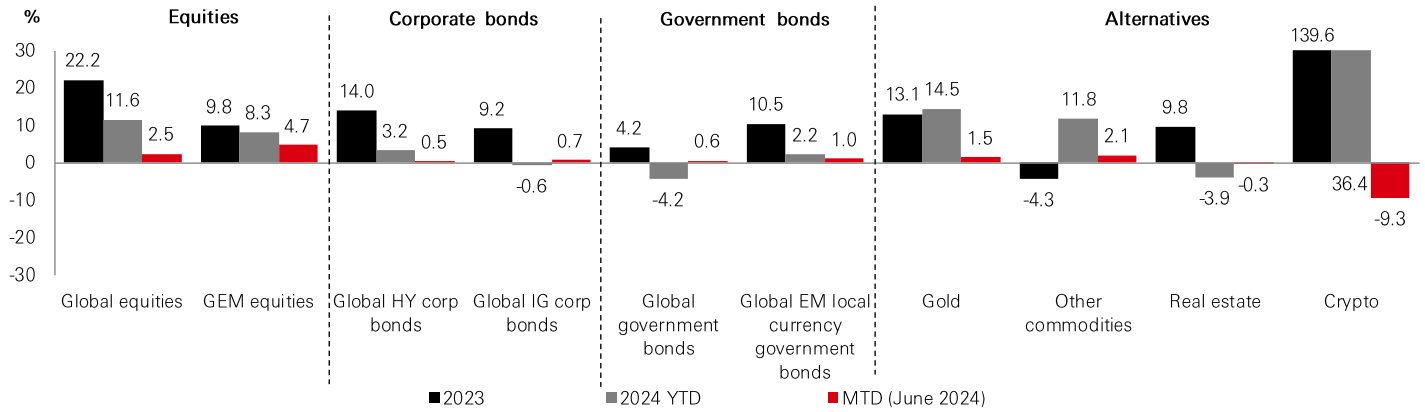
P – Preliminary, Q – Quarter JP – Japan, GE – Germany, US – United States, PH – Philippines, TK – Turkey, MX – Mexico

Source: HSBC Asset Management. Data as at 11.00am UK time 21 June 2024.

## This week

Risk appetite remained positive amid a light week for economic data, with core government bonds largely range-bound. Ten-year French sovereign yields stabilised after the recent sell-off, with the European Commission suggesting that seven EU countries should be added to the EU Excessive Deficit Procedure. In a holiday-shortened week, US equities rose modestly, with the tech-driven Nasdaq testing new highs. The Euro Stoxx 50 index rebounded, led by French stocks, whilst Japan's Nikkei 225 weakened as the yen fell to a two-month low against the US dollar. There was a mixed performance in EM equities, with Brazil's stocks edging higher despite Banco do Brasil pausing its easing cycle. The Shanghai composite index fell modestly amid mixed Chinese data, while India's Sensex was flat. In commodities, oil prices continued to recover on rising demand optimism. Copper and gold rose.

## Selected asset performance



## Past performance does not predict future returns

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.00am UK time 21 June 2024.





## 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)
<b>World</b>									
MSCI AC World Index (USD)	804	0.9	1.1	2.7	19.0	10.6	807	628	18.8
<b>North America</b>									
US Dow Jones Industrial Average	39,135	1.4	-1.9	-1.6	15.3	3.8	40,077	32,327	19.3
US S&P 500 Index	5,473	0.8	2.9	4.4	25.4	14.7	5,506	4,104	22.4
US NASDAQ Composite Index	17,722	0.2	5.3	8.0	31.2	18.1	17,937	12,544	32.9
Canada S&P/TSX Composite Index	21,581	-0.3	-3.9	-2.3	9.5	3.0	22,555	18,692	14.6
<b>Europe</b>									
MSCI AC Europe (USD)	562	1.8	-1.9	0.7	11.3	5.4	578	459	14.2
Euro STOXX 50 Index	4,908	1.4	-2.8	-2.9	13.5	8.5	5,122	3,993	13.8
UK FTSE 100 Index	8,189	0.5	-2.7	3.9	8.3	5.9	8,474	7,216	11.9
Germany DAX Index*	18,154	0.8	-3.1	-0.1	13.3	8.4	18,893	14,630	13.2
France CAC-40 Index	7,624	1.6	-6.4	-6.8	5.0	1.1	8,259	6,774	13.5
Spain IBEX 35 Index	11,016	0.2	-2.8	1.4	16.7	9.0	11,470	8,879	10.9
Italy FTSE MIB Index	33,286	1.9	-3.8	-3.0	20.6	9.7	35,474	26,864	9.1
<b>Asia Pacific</b>									
MSCI AC Asia Pacific ex Japan (USD)	572	1.6	1.0	6.0	9.4	8.2	573	469	14.7
Japan Nikkei-225 Stock Average	38,596	-0.6	-0.9	-5.4	15.0	15.3	41,088	30,488	22.1
Australian Stock Exchange 200	7,796	0.9	-0.7	0.2	6.6	2.7	7,911	6,751	17.3
Hong Kong Hang Seng Index	18,029	0.5	-6.2	6.9	-6.2	5.8	20,361	14,794	9.0
Shanghai Stock Exchange Composite Index	2,998	-1.1	-5.1	-2.6	-6.2	0.8	3,322	2,635	11.2
Hang Seng China Enterprises Index	6,440	1.0	-5.6	9.1	-1.0	11.6	7,024	4,943	8.5
Taiwan TAIEX Index	23,253	3.3	9.5	15.1	35.2	29.7	23,406	15,976	20.7
Korea KOSPI Index	2,784	0.9	2.2	1.1	7.8	4.9	2,813	2,274	11.2
India SENSEX 30 Index	77,085	0.1	4.2	6.1	21.3	6.7	77,852	62,854	22.0
Indonesia Jakarta Stock Price Index	6,880	2.2	-4.3	-6.2	2.6	-5.4	7,454	6,622	12.6
Malaysia Kuala Lumpur Composite Index	1,590	-1.1	-2.0	3.2	14.1	9.3	1,633	1,370	14.2
Philippines Stock Exchange PSE Index	6,158	-3.5	-7.2	-11.6	-4.1	-4.5	7,071	5,920	10.7
Singapore FTSE Straits Times Index	3,306	0.3	-0.1	2.7	2.6	2.0	3,393	3,042	10.5
Thailand SET Index	1,306	0.0	-4.7	-5.9	-14.2	-7.7	1,579	1,282	14.2
<b>Latam</b>									
Argentina Merval Index	1,576,462	-0.4	-0.3	28.6	266.7	69.6	1,665,774	391,831	9.4
Brazil Bovespa Index*	120,446	0.7	-5.5	-6.0	0.0	-10.2	134,392	111,599	7.5
Chile IPSA Index	6,589	1.1	-1.8	1.6	13.9	6.3	6,838	5,363	11.2
Colombia COLCAP Index	1,376	-0.2	-4.5	4.1	19.5	15.1	1,451	1,045	7.2
Mexico S&P/BMV IPC Index	53,333	2.1	-6.0	-5.9	-1.4	-7.1	59,021	47,765	12.3
<b>EEMEA</b>									
Russia MOEX Index	3,123	-2.9	-8.9	-5.0	10.8	0.8	3,522	2,741	N/A
South Africa JSE Index	80,143	4.0	0.4	10.7	6.0	4.2	81,364	69,128	11.0
Turkey ISE 100 Index*	10,738	2.5	-1.4	17.5	107.0	43.7	11,088	5,153	5.5

\*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	0.9	1.2	3.2	11.6	21.0	19.0	67.2
US equities	0.8	2.7	4.3	14.8	26.8	30.8	95.8
Europe equities	1.9	-1.7	2.2	7.5	14.4	10.2	40.4
Asia Pacific ex Japan equities	1.6	1.3	6.7	9.4	12.3	-10.2	23.4
Japan equities	-1.6	-3.0	-6.4	4.2	8.8	6.7	35.7
Latam equities	0.8	-11.6	-12.0	-15.8	-7.7	3.2	-0.6
Emerging Markets equities	1.8	0.5	5.4	8.3	12.0	-12.1	17.8

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 21 June 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)	564	-0.1	0.9	1.0	4.5	0.5
JPM EMBI Global	867.4	-0.1	0.3	1.2	9.1	2.2
BarCap US Corporate Index (USD)	3226.2	-0.3	1.0	1.2	5.2	0.2
BarCap Euro Corporate Index (Eur)	247.6	-0.2	0.2	0.5	6.4	0.5
BarCap Global High Yield (Hedged in USD)	588.5	0.1	0.3	1.5	13.0	3.9
Markit iBoxx Asia ex-Japan Bond Index (USD)	219.2	-0.1	0.8	1.7	6.0	2.5
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	251	0.1	0.8	3.2	11.8	9.3

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 (%)
<b>Developed markets</b>									
EUR/USD	1.07	1.07	1.09	1.09	1.10	1.10	1.13	1.04	-0.1
GBP/USD	1.26	1.27	1.27	1.27	1.28	1.27	1.31	1.20	-0.3
CHF/USD	1.12	1.12	1.10	1.11	1.12	1.19	1.20	1.08	-0.2
CAD	1.37	1.37	1.37	1.35	1.32	1.32	1.39	1.31	0.3
JPY	159	157	156	152	142	141	160	137	-1.0
AUD/USD	0.66	0.66	0.67	0.66	0.68	0.68	0.69	0.63	0.5
NZD/USD	0.61	0.61	0.61	0.60	0.62	0.63	0.64	0.58	-0.3
<b>Asia</b>									
HKD	7.80	7.81	7.80	7.82	7.83	7.81	7.85	7.79	0.1
CNY	7.26	7.26	7.24	7.20	7.18	7.10	7.35	7.09	-0.1
INR	83.5	83.6	83.3	83.2	82.0	83.2	83.7	81.7	0.0
MYR	4.71	4.72	4.70	4.72	4.65	4.59	4.81	4.50	0.2
KRW	1388	1379	1363	1322	1292	1291	1400	1257	-0.7
TWD	32.4	32.4	32.3	31.9	30.9	30.6	32.7	30.5	-0.1
<b>Latam</b>									
BRL	5.45	5.38	5.12	4.98	4.76	4.85	5.48	4.70	-1.4
COP	4172	4137	3814	3902	4147	3875	4427	3739	-0.8
MXN	18.3	18.5	16.6	16.7	17.1	17.0	19.0	16.3	0.8
ARS	906	903	889	854	252	808	906	253	-0.3
<b>EEMEA</b>									
RUB	87.8	89.6	90.2	91.9	84.2	89.5	102.4	82.7	2.0
ZAR	17.9	18.4	18.1	18.8	18.3	18.4	19.6	17.4	2.7
TRY	32.9	32.8	32.2	32.0	23.6	29.5	32.9	24.9	-0.3

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	1-week basis point change*
<b>US Treasury yields (%)</b>							
3-Month	5.36	5.38	5.38	5.38	5.28	5.33	-2
2-Year	4.71	4.70	4.83	4.64	4.72	4.25	0
5-Year	4.24	4.24	4.43	4.25	3.96	3.85	0
10-Year	4.23	4.22	4.41	4.27	3.72	3.88	1
30-Year	4.37	4.35	4.55	4.43	3.81	4.03	2
<b>10-year bond yields (%)</b>							
Japan	0.97	0.94	0.98	0.74	0.38	0.61	3
UK	4.04	4.05	4.13	3.99	4.40	3.53	-2
Germany	2.37	2.36	2.50	2.40	2.43	2.02	1
France	3.16	3.12	2.97	2.85	2.96	2.56	3
Italy	3.89	3.93	3.79	3.67	4.05	3.69	-4
Spain	3.24	3.29	3.26	3.21	3.37	2.98	-5
China	2.26	2.30	2.31	2.29	2.67	2.56	-4
Australia	4.21	4.12	4.25	4.09	3.98	3.96	9
Canada	3.34	3.28	3.57	3.52	3.39	3.11	6

\*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	2,362	1.3	-2.4	8.3	22.2	14.5	2,450	1,811
Brent Oil	85.7	3.8	3.7	2.2	16.0	12.6	90	72
WTI Crude Oil	81.4	4.2	3.9	2.4	17.3	13.5	85	66
R/J CRB Futures Index	295.4	0.5	-0.2	3.1	9.1	12.0	300	258
LME Copper	9,726	-0.2	-10.4	8.7	13.1	13.6	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 21 June 2024.

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