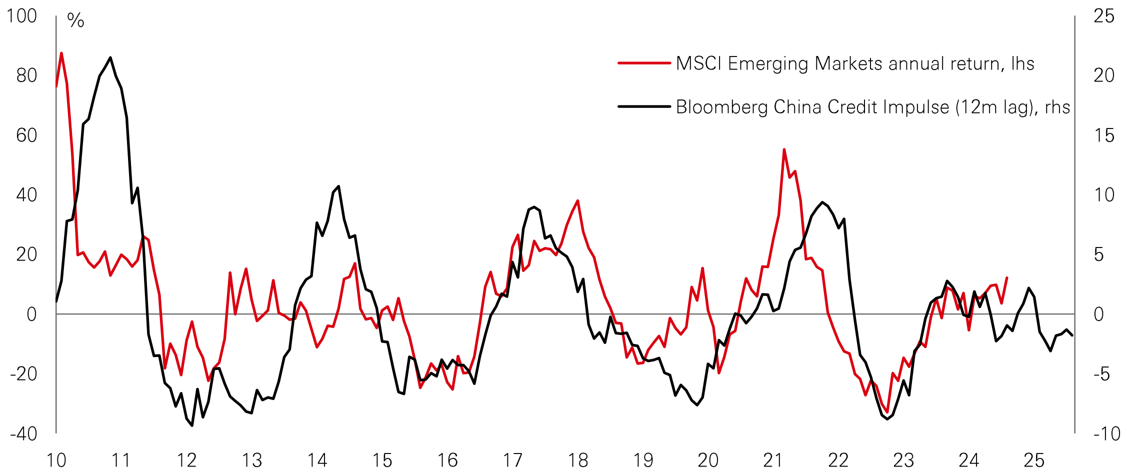
Investment Weekly

27 September 2024
For Professional Clients only.

Chart of the week – China's policy push



Chinese policymakers have unveiled a raft of new measures aimed at reviving the stock market, together with an easing of monetary policy and more efforts to stabilise the property sector. **The move is a co-ordinated policy push to boost economic confidence and asset markets**.

For markets, new measures include facilities to give eligible financial institutions liquidity to buy stocks, support share buybacks, and help major shareholders raise holdings. A national stabilisation fund is also under consideration. The securities regulator also issued guidelines to promote M&A and restructuring to help boost the value of listed firms.

On monetary policy, the 7-day reverse repo rate was cut by -20bp to 1.5%, and the reserve requirement ratio for large banks was lowered, boosting liquidity. For the property sector, supportive measures include lower rates for existing mortgages, a lower downpayment ratio for second homes, and more funding for the property destocking scheme.

The moves follow last week's US rate cuts, which eased pressure on the yuan and gave China's central bank room to cut rates as it seeks to reflate the economy. **The near-term effect on stocks is clearly positive – with China's Shanghai Composite index rising nearly 13% this week, and EM markets enjoying a broad pick-up in sentiment (see chart)**. Chinese leaders have also vowed to intensify fiscal support, and further improve the focus and effectiveness of policy measures. This is welcome, given that a sustainable recovery in Chinese stocks is likely to hinge on clear signs of macro reflation and a corporate earnings recovery.

Market Spotlight

'Hyper-sensitive' markets

Investment markets are 'hyper-sensitive' to macro news. But with inflation in retreat, and faster labour market cooling now the top risk for investors, the source of hyper-sensitivity has shifted. It's the jobs data that moves markets now.

A new report by researchers at the Bank for International Settlements documents this idea well. The authors find that market hyper-sensitivity has become more acute in recent years because of an increasingly data dependent US Fed, which has focused on the next few months rather than longer run policy anchors.

This has fostered a **'data point dependency' in investment markets**. This summer's bouts of volatility caused by surprises in non-farm payrolls data and core CPI inflation were a good example. It showed how short-term data can be noisy, and why it's not healthy when the data cycle controls market trends.

It means **the surprisingly-low stock market volatility seen earlier this year is unlikely to return**. Hyper-sensitive markets, the risk of faster growth cooling, election uncertainty, geopolitical tensions, plus an interest rate market already expecting the Fed funds rate to be 3% by next summer, **all point to a more volatile environment in Q4.**

European Stocks →
Why European equities have seen a performance pick-up

Asian High Yield →
Factors driving the strong performance of Asian credit

European Bonds →
Exploring converging yields in French and Spanish bonds

Read our latest views: China Insights – economy in transition

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.
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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.00am UK time 27 September 2024.

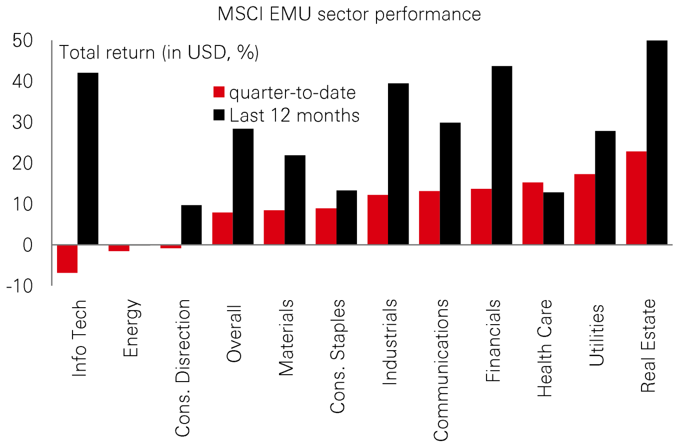
Lens on...

China policy boosts European stocks

China's new package of economic stimulus helped drive European stock markets higher this week. European firms have relatively high exposure to China, so new policy support and robust signalling of more measures to come have been welcomed. It's particularly good news for countries like Germany, which continues to labour under an industrial downturn.

Market gains have come amid a broadening out of performance across sectors in Q3. The bloc's relatively modest exposure to the technology sector compared to the US, has played in its favour. And despite some weakness in recent macro and company news, investors have remained risk-on. Expectations of a soft landing have been particularly helpful to left behind, rate-sensitive sectors, with real estate, healthcare, and utilities in top spot during the quarter.

European stocks currently trade on a 5% discount to their long run average 12-month forward price-earnings ratio of 13x. Earnings have lagged but are expected to rise to 10.2% in 2025. **That could present selective value opportunities, but earnings could also be sensitive to a more pronounced global slowdown** – so some caution is warranted.

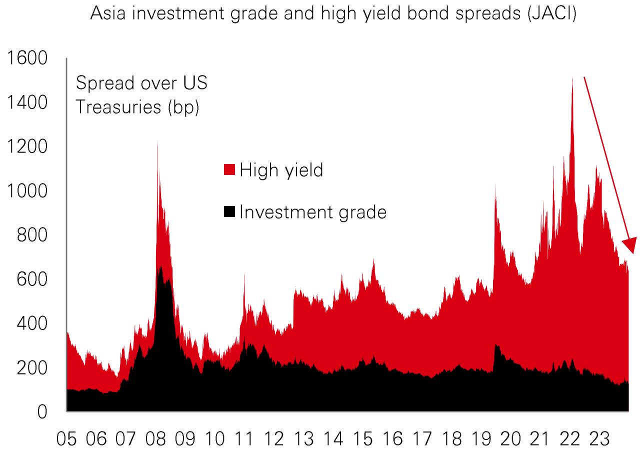


Asia high yield's blistering run

A quick glance at the returns of major credit markets this year, shows Asia high yield as a standout performer. Spreads – as measured by the benchmark JP Morgan Asia Credit Index (JACI) – have collapsed, continuing the strong recovery from late 2022's yield spike as a number of China's beleaguered property developers defaulted.

This week's China stimulus package is good news for the asset class. Not only does it boost cyclically sensitive names in the region but also helps provide a floor for China property names – the most volatile part of the universe. And with this sector now a much smaller component of the overall index, default rates should continue to moderate. Exposure to non-China names is also increasing, including in growth superstars such as India and ASEAN economies. **The trend of increasing country and sector diversification implies significantly less volatility over time**.

Spreads remain high versus their 10-year historical range, implying room for further gains. But tactically, our Asia credit experts think some caution is warranted following the blistering run and macro and geopolitical risks.

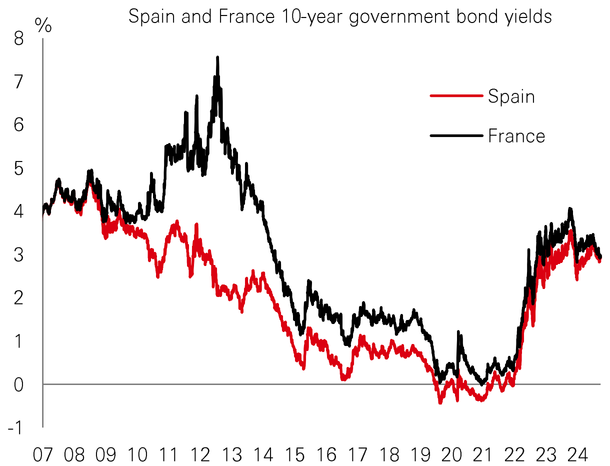


Eurozone's blurred lines

Yields on 10-year French bonds rose above their Spanish equivalents this week for the first time since 2007. The yield gap between the two has tightened in recent months, after trading as wide as 45bp earlier in 2024.

Eurozone peripheral country bonds, including Spain's, have been in particular demand since the ECB began cutting rates in June. Investors have been attracted by their relatively high yields, as well as positive signs of fiscal consolidation and improving debt ratios. Italy, Portugal, and Greece have also captured attention. By comparison, there has been growing unease over France's deteriorating public finances and political uncertainty, which has put pressure on its bond spreads.

Recent market pricing offers evidence of a blurring of lines between the eurozone's traditional core bond markets (Germany and France) and its riskier periphery. On fundamentals, **our fixed income team continue to favour Spain over France**, although the main risk to peripheral bonds lies in a significant growth slowdown, given that peripheral spreads are a correlated play on the global liquidity and growth cycle.



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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	−−−○○○■++	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 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	US 10yr 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	−−−○○○■++	With Fed policy easing under way, there is scope for rate cuts among regional central banks, with inflation risk across the region broadly manageable. The macro backdrop is supportive, with India, Indonesia, Korea, and the Philippines 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, 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 credit spreads (both IG and HY) are likely to narrow in response to a sustained US easing cycle in the medium term. Attractive 'all in' yields and solid fundamentals are supportive but tight spreads and the potential for a re-rating of global risks could add near-term pressure
	EMD Hard Currency Bonds	−−−○■○+++	EM sovereigns should benefit from Fed rate cuts. They have underperformed competitor asset classes like global HY recently, which is at odds with fundamental improvements and ratings upgrades. Also, it is a high-duration asset class and more exposed to moves in core yields
Equities	DM Equities	−−−■○○+++	Markets face potential volatility amid slowing global growth and political uncertainty, 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	−−−○○○■++	The earnings outlook is supported by solid demand for tech-related products and services, room for monetary easing, 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 as US rates 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

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Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 23 September	US	Composite PMI (Flash)	Sep	54.4	54.6	The US composite PMI edged lower, driven by worsening manufacturing conditions with new orders slumping
	EZ	Composite PMI (Flash)	Sep	48.9	51.0	The composite PMI dropped below 50, signalling contraction, for the first time since February, with widespread weakness
	IN	S&P Global Manufacturing PMI (Flash)	Sep	56.7	57.5	India's PMI fell on softer growth in new business and export orders, but the index remains at an elevated level
	UK	S&P Global Composite PMI (Flash)	Sep	52.9	53.8	The flash PMI softened in September but remained in expansion territory for the 11th consecutive month
Tue. 24 September	CN	7-day Reverse Repo Rate	Sep	1.50%	1.70%	Authorities announced a package of stimulus measures to revive the property sector and market sentiment
	US	Consumer Confidence Index, Conference Board	Sep	98.7	105.6	Consumer confidence surprised to the downside. The "hard to get" jobs index fell, signalling worsening labour market concerns
	AU	RBA Cash Target Rate	Sep	4.35%	4.35%	The RBA dropped its reference to rate hikes, despite its caution on inflation. Markets still expect the first cut in late 24/early 25
	GE	IFO Business Confidence Index	Sep	85.4	86.6	The IFO fell for its fifth consecutive month, mirroring the downbeat message from the latest ZEW and flash PMI surveys
	US	S&P Case-Shiller 20 House Prices (mom)	Jul	0.3%	0.5%	House price inflation slowed amid higher inventories of housing, still-restrictive mortgage rates and a cooling labour market
Wed. 25 September	SW	Riksbank Policy Rate	Oct	3.25%	3.50%	The Riksbank maintained its gradual approach to policy easing but signalled the possibility of a 50bp move in future
Thu. 26 September	US	GDP, Final (qoq)	Q2	3.0%	3.0%	GDP remained unrevised in Q2, as expected. However, household income and savings were revised up notably
	MX	Banxico de Mexico, Overnight Lending Rate	Sep	10.50%	10.75%	Banxico lowered rates 25bp in September, keeping the door open for further gradual loosening amid easing inflation worries
Fri. 27 September	JP	Tokyo CPI excluding food and energy (yoy)	Sep	1.2%	1.2%	Tokyo core CPI was unchanged in September. Goods price and service sector inflation moved sideways
	US	PCE Price Index (yoy)	Aug	-	2.5%	PCE inflation has moved back onto an improving trend over the summer, allowing the Fed to embark on an easing cycle

US - United States, EZ - Eurozone, IN - India, UK - United Kingdom, CN - China, AU - Australia, GE - Germany, SW - Sweden, MX - Mexico, JP - Japan

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 30 September	CN	Manufacturing PMI	Sep	49.3	49.1	The official manufacturing PMI is likely to remain in contraction territory (<50) given still-soft domestic demand
Tue. 01 October	JP	Unemployment Rate	Aug	2.6%	2.7%	Labour market conditions remain tight as worsening demographics result in a falling labour force
	JP	Tankan Business Conditions Manufacturing Index	Q3	13.0	13.0	The BoJ's Tankan measure of large manufacturers' confidence has been broadly stable since Q423
	US	ISM Manufacturing Index	Sep	47.7	47.2	The ISM manufacturing index has been in contraction territory since April. Weak new orders suggest little upside in the near term
	US	JOLTS Job Openings	Aug	-	7.67mn	US job openings have normalised, layoffs remain low. Declining quits rate are consistent with moderating wage pressures
	BR	S&P Global Manufacturing PMI	Sep	-	50.4	The manufacturing PMI has been on a declining trend since April with weakening evident in new orders and output
	KO	S&P Global Manufacturing PMI	Sep	-	51.9	Korea's manufacturing PMI should stay above 50 near-term, reflecting solid regional trade flows and chip demand
	EZ	HICP, Flash (yoy)	Sep	2.0%	2.2%	Service sector inflation should moderate due to an unwinding of seasonal factors. Wage growth should weaken in H224
Wed. 02 October	MX	S&P Global Manufacturing PMI	Sep	-	48.5	The manufacturing PMI has fallen into contraction territory recently, with new orders, output, and employment all below 50
Thu. 03 October	US	ISM Services Index	Sep	51.6	51.5	The ISM services index has been relatively volatile of late but has trended lower since the start of 2024
Fri. 04 October	US	Change in Non-Farm Payrolls	Sep	140.0k	142.0k	US non-farm payrolls have trended lower recently, in line with other labour market indicators, such as job openings

CN - China, JP - Japan, US - United States, BR - Brazil, KO - South Korea, EZ - Eurozone, MX - Mexico

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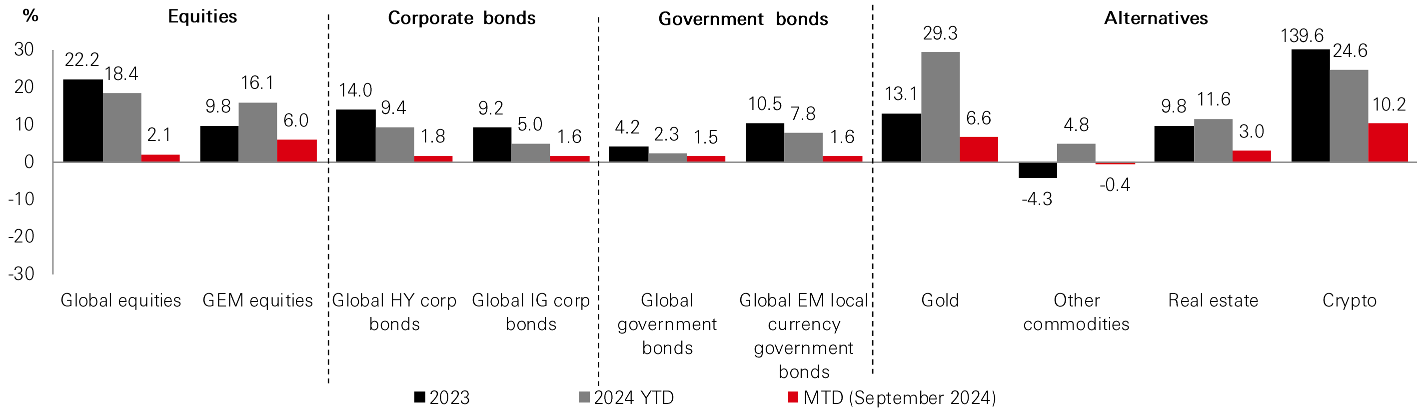
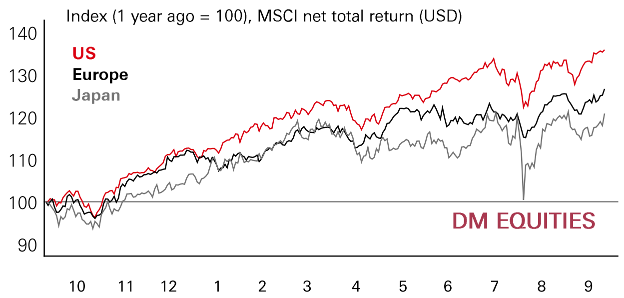
Market review

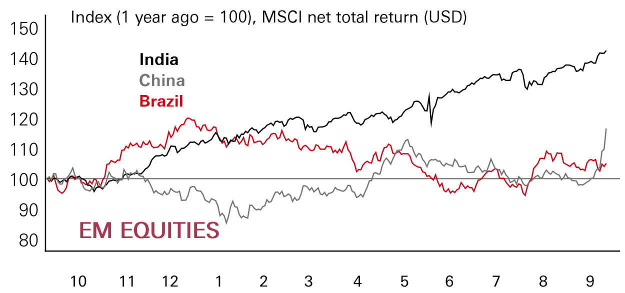
This week

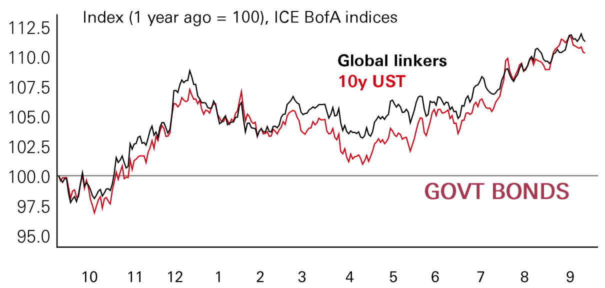
Risk assets rallied on details of a comprehensive stimulus package to support the Chinese economy, with China's Politburo pledging further fiscal action to come. Core government bonds softened with Treasuries underperforming Bunds ahead of key US employment data. Global equities were broadly positive, led by a rally across emerging markets. China's Shanghai Composite and Hong Kong's Hang Seng indices surged, with Chinese stocks enjoying their strongest week since 2008. Korea's Kospi and India's Sensex posted modest gains. In developed markets, the Euro Stoxx 600 touched new highs, outperforming the S&P 500, with China-exposed luxury goods stocks recording notable gains. Japan's Nikkei 225 also performed well, supported by a weaker yen. In commodities, oil prices retreated on rising supply worries. Copper and gold were both on course to close the week higher.

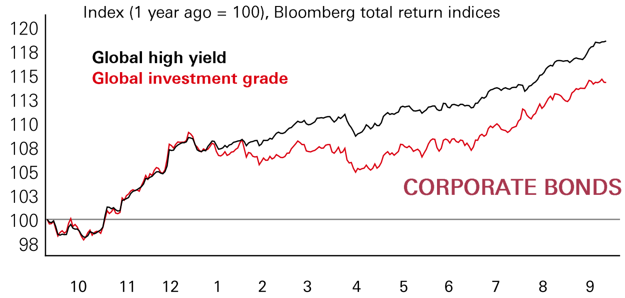
Selected asset performance

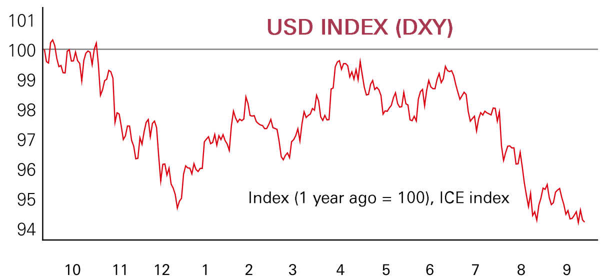


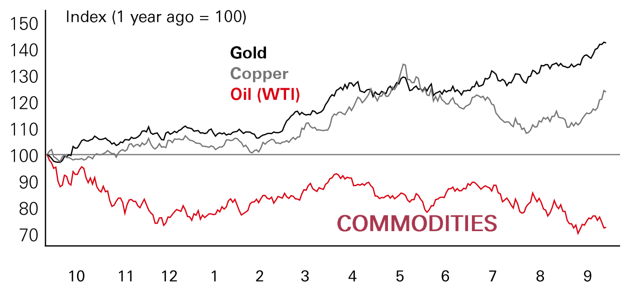












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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.00am UK time 27 September 2024. Note: Asset class performance is represented by different indices. Global Equities: MSCI ACWI Net Total Return USD Index. Gem Equities: MSCI Emerging 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)	851	1.6	2.4	5.8	30.1	17.0	853	628	19.4
North America									
US Dow Jones Industrial Average	42,175	0.3	2.2	7.7	25.7	11.9	42,300	32,327	21.2
US S&P 500 Index	5,745	0.8	2.1	4.8	34.4	20.5	5,767	4,104	23.7
US NASDAQ Composite Index	18,190	1.3	2.5	1.9	38.9	21.2	18,671	12,544	34.3
Canada S&P/TSX Composite Index	24,034	0.7	3.3	9.5	23.7	14.7	24,107	18,692	16.5
Europe									
MSCI AC Europe (USD)	591	2.5	1.2	6.5	24.4	10.7	592	459	14.7
Euro STOXX 50 Index	5,056	3.8	3.2	3.1	22.4	11.8	5,122	3,993	14.4
UK FTSE 100 Index	8,331	1.2	-0.2	1.8	9.7	7.7	8,474	7,280	12.4
Germany DAX Index*	19,418	3.7	3.9	6.6	27.6	15.9	19,410	14,630	14.3
France CAC-40 Index	7,770	3.6	2.7	3.2	9.9	3.0	8,259	6,774	14.3
Spain IBEX 35 Index	11,985	2.0	5.8	9.4	28.4	18.6	12,005	8,879	11.5
Italy FTSE MIB Index	34,602	2.5	2.4	4.3	23.5	14.0	35,474	27,078	9.5
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	612	4.8	6.3	8.4	25.1	15.7	614	469	14.8
Japan Nikkei-225 Stock Average	39,830	5.6	4.0	1.2	23.0	19.0	42,427	30,488	22.2
Australian Stock Exchange 200	8,212	0.0	1.7	5.8	16.8	8.2	8,246	6,751	19.0
Hong Kong Hang Seng Index	20,632	13.0	15.4	16.5	17.1	21.0	20,743	14,794	9.5
Shanghai Stock Exchange Composite Index	3,088	12.8	8.4	4.8	-0.6	3.8	3,174	2,635	12.0
Hang Seng China Enterprises Index	7,300	14.4	15.8	15.4	20.3	26.5	7,359	4,943	8.7
Taiwan TAIEX Index	22,823	3.0	2.9	-0.4	39.9	27.3	24,417	15,976	18.5
Korea KOSPI Index	2,650	2.2	-1.5	-4.8	7.5	-0.2	2,896	2,274	10.3
India SENSEX 30 Index	85,572	1.2	4.7	8.0	29.4	18.5	85,978	63,093	24.2
Indonesia Jakarta Stock Price Index	7,697	-0.6	1.3	10.5	10.9	5.8	7,911	6,640	14.5
Malaysia Kuala Lumpur Composite Index	1,660	-0.5	0.5	4.7	15.3	14.1	1,685	1,412	15.4
Philippines Stock Exchange PSE Index	7,428	2.4	6.5	16.2	16.5	15.2	7,474	5,920	12.7
Singapore FTSE Straits Times Index	3,573	-1.4	5.1	6.9	11.7	10.3	3,653	3,042	11.5
Thailand SET Index	1,450	-0.1	6.3	10.7	-3.1	2.4	1,485	1,273	16.1
Latam									
Argentina Merval Index	1,715,671	-5.9	6.2	4.9	208.0	84.5	1,856,002	543,252	6.9
Brazil Bovespa Index*	133,010	1.5	-2.8	7.0	16.3	-0.9	137,469	111,599	9.0
Chile IPSA Index	6,530	3.1	2.4	0.4	13.3	5.4	6,838	5,363	11.0
Colombia COLCAP Index	1,332	0.8	-0.7	-3.3	20.2	11.4	1,451	1,084	6.6
Mexico S&P/BMV IPC Index	53,591	2.7	2.1	2.4	4.2	-6.6	59,021	47,765	12.3
EEMEA									
Saudi Arabia Tadawul Index	12,374	2.4	1.6	5.5	11.7	3.4	12,883	10,262	N/A
South Africa JSE Index	87,743	4.7	3.8	11.1	21.6	14.1	87,803	69,128	12.7
Turkey ISE 100 Index*	9,760	-1.4	0.1	-8.6	18.8	30.6	11,252	7,203	5.1

*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	1.6	2.5	6.2	18.4	32.2	22.8	77.7
US equities	0.7	2.2	5.1	21.0	35.8	30.7	105.1
Europe equities	2.5	1.3	6.8	13.4	27.8	16.1	49.7
Asia Pacific ex Japan equities	4.8	6.6	9.4	18.2	28.2	2.9	37.7
Japan equities	2.8	0.8	7.3	13.4	21.0	6.3	41.2
Latam equities	2.1	-0.2	5.1	-11.3	6.2	20.6	11.4
Emerging Markets equities	5.2	6.0	8.4	16.1	25.8	-0.6	31.3

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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Source: HSBC Asset Management. Bloomberg. Data as at 11.00am UK time 27 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	0.0	0.9	4.0	10.7	4.3
JPM EMBI Global	914.7	-0.1	1.6	5.6	17.5	7.8
BarCap US Corporate Index (USD)	3389.1	-0.3	1.2	5.2	14.2	5.2
BarCap Euro Corporate Index (Eur)	255.2	0.4	1.1	3.0	9.5	3.6
BarCap Global High Yield (Hedged in USD)	619.2	0.1	1.7	5.2	17.8	9.3
Markit iBoxx Asia ex-Japan Bond Index (USD)	227.5	0.0	0.9	3.8	12.3	6.4
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	260	0.8	1.2	3.5	20.4	13.4

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	1.12	1.12	1.12	1.07	1.05	1.10	1.12	1.04	0.0
GBP/USD	1.34	1.33	1.33	1.26	1.21	1.27	1.34	1.20	0.5
CHF/USD	1.18	1.18	1.19	1.11	1.09	1.19	1.20	1.08	0.7
CAD	1.35	1.36	1.34	1.37	1.35	1.32	1.39	1.32	0.7
JPY	143	144	144	161	150	141	162	140	0.5
AUD/USD	0.69	0.68	0.68	0.66	0.64	0.68	0.69	0.63	1.2
NZD/USD	0.63	0.62	0.63	0.61	0.59	0.63	0.64	0.58	1.3
Asia									
HKD	7.77	7.79	7.80	7.81	7.82	7.81	7.84	7.77	0.2
CNY	7.01	7.05	7.12	7.27	7.31	7.10	7.32	7.01	0.5
INR	83.7	83.6	83.9	83.5	83.2	83.2	84.0	82.6	-0.2
MYR	4.13	4.20	4.35	4.72	4.71	4.59	4.81	4.11	1.9
KRW	1312	1332	1331	1386	1349	1291	1400	1283	1.5
TWD	31.6	32.0	31.9	32.5	32.2	30.6	32.9	30.5	1.2
Latam									
BRL	5.44	5.51	5.51	5.50	5.05	4.85	5.86	4.80	1.3
COP	4159	4152	4038	4166	4105	3875	4427	3739	-0.2
MXN	19.6	19.4	19.8	18.4	17.7	17.0	20.2	16.3	-0.7
ARS	967	963	949	911	350	808	969	350	-0.5
EEMEA									
RUB	92.9	92.4	91.6	85.5	97.1	89.5	102.4	82.7	-0.6
ZAR	17.1	17.4	17.7	18.5	19.2	18.4	19.6	17.1	1.6
TRY	34.2	34.1	34.0	32.8	27.2	29.5	34.5	27.4	-0.2

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	4.60	4.65	5.10	5.37	5.47	5.33	-5
2-Year	3.62	3.59	3.90	4.71	5.14	4.25	3
5-Year	3.56	3.50	3.65	4.30	4.68	3.85	6
10-Year	3.79	3.74	3.82	4.29	4.61	3.88	5
30-Year	4.12	4.08	4.11	4.43	4.72	4.03	4
10-year bond yields (%)							
Japan	0.85	0.84	0.88	1.07	0.73	0.61	1
UK	3.99	3.90	4.00	4.13	4.36	3.53	9
Germany	2.16	2.21	2.29	2.45	2.84	2.02	-5
France	2.95	2.96	3.01	3.27	3.40	2.56	-2
Italy	3.47	3.55	3.67	4.02	4.79	3.69	-8
Spain	2.95	3.00	3.10	3.35	3.94	2.98	-5
China	2.18	2.04	2.19	2.21	2.69	2.56	14
Australia	3.96	3.92	3.91	4.41	4.38	3.96	4
Canada	3.01	2.95	3.06	3.47	4.09	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	2,668	1.7	5.7	14.6	42.3	29.3	2,686	1,811
Brent Oil	71.8	-3.6	-8.7	-14.3	-14.6	-4.6	88	69
WTI Crude Oil	68.0	-4.3	-8.7	-14.3	-14.6	-3.8	83	65
R/J CRB Futures Index	284.6	0.8	1.5	-2.3	-1.0	7.9	300	258
LME Copper	10,036	5.9	6.2	5.5	23.7	17.3	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.

Costs may vary with fluctuations in the exchange rate**.** Source: HSBC Asset Management. Bloomberg. Data as at 11.00am UK time 27 September 2024.

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