HSBC

Asset Management

Investment Weekly

2 February 2024
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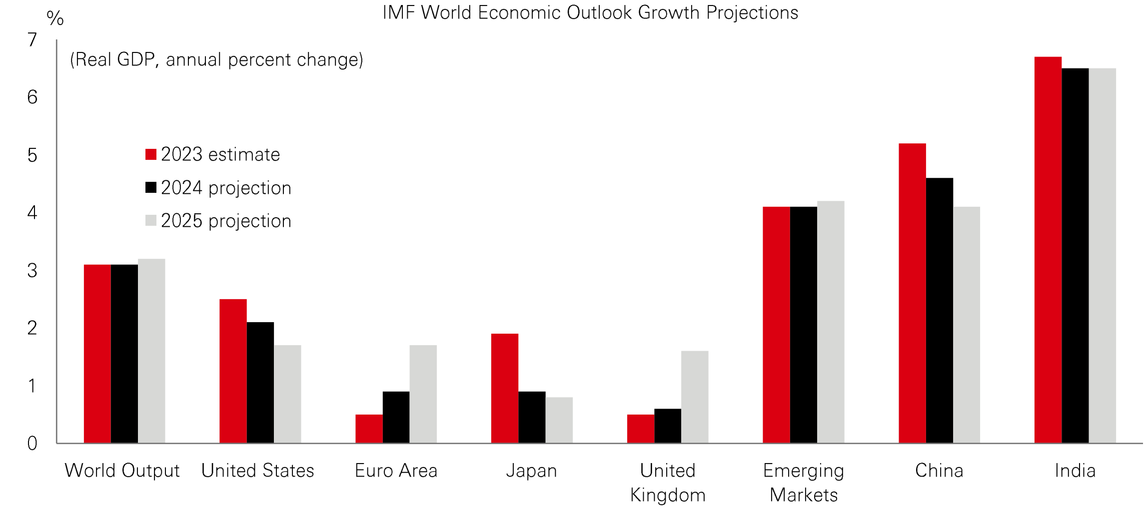
Chart of the week – Global growth outlook



The IMF has published its freshly updated global forecasts, including views on the path towards an economic soft landing. In summary, it anticipates resilient global growth with some regional divergence: slower growth in the US, a fiscal boost helping in China, a better year for Europe and accelerating growth in many emerging markets - including India as the fastest growing economy. It also predicts rapid disinflation.

For investors, is this the real deal? Or just a comfy consensus? Economic data confirms that we are in a soft landing, and markets appear priced for it. But a key question is whether it can stick? The answer lies in four trends to watch:

1) Inflation – sustained disinflation is essential for rate cuts, but the 'last mile' of disinflation can be hard work. Geopolitical risks this year are yet another reason why we believe the inflation landscape will remain spiky.

2) Economic growth – the outlook for 2024 remains tricky, but markets appear to be 'priced for perfection'. That means any bad news on growth could be doubly bad in markets.

3) Labour markets – Unemployment rates are at historic lows, but weaker growth could weaken labour markets, although any slowdown ought to be shallow and short-lived.

4) Productivity – Rapid advances in AI could boost productivity, but for now the scenario for profits looks tricky - slowing nominal growth, and pressure on pricing power, wages, and input costs are all potential headwinds.

Market Spotlight

Mixed outlook for Q4 Asia earnings

Companies across Asia are due to publish 2023 fourth quarter earnings reports in the coming weeks. In terms of profit growth, we're expecting a continuation of the trend for wide regional dispersion.

It comes after a generally strong year for Asian stocks, with markets in Taiwan, India and Korea all enjoying double-digit price gains. The big exception was the underperformance of China and Hong Kong, where sentiment has been cool – despite positive profit growth – prompting Chinese authorities last week to signal new efforts to stabilise confidence and revive equity prices.

Overall, we remain broadly positive on Asian equities given appealing valuations in places, and the robust outlook for earnings. But dispersion in profit growth across the continent reinforces our view that investors should be selective. The bull case lies in the potential for some Asian central banks to cut rates earlier than the Fed, which could buoy corporate profits. There are also signs of a cyclical upswing in technology and semiconductor sectors boosting China, Taiwan and Korea, as well as strong structural growth stories in countries like India and Indonesia. But caution is needed, with softening western demand and geopolitical tensions being potential headwinds.

Interest Rates →

Policymakers tread carefully on inflation and rate cuts

UK Equities →

Is the UK stock market priced for crisis or recovery?

High Yield Credit →

Exploring the risks posed by the debt maturity wall

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.

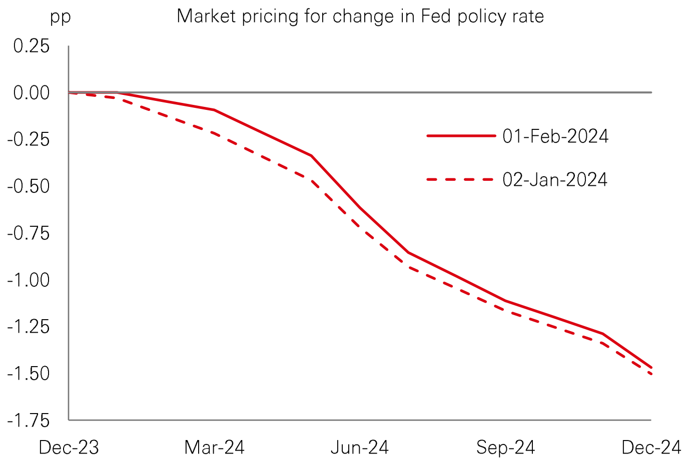
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 02 February 2024.

Fed treading carefully

Key conclusions from the Fed's January meeting were that the Committee is pleased with progress on inflation and views rate cuts as likely in 2024, but needs more evidence that recent inflation trends will be sustained. As such, Powell noted a March rate cut is unlikely.

The cautious approach is understandable given this cycle's unusual nature. The situation is made worse by data quality issues – a concern for a "data dependent" central bank. Labour data are afflicted by low survey return rates and, in some cases, give conflicting messages; the latest releases showed job openings edging up and renewed consumer optimism regarding job prospects, yet the employee quit rate is below pre-pandemic levels – not usually a sign of a strong labour market. Revisions to CPI data due on February 9th could change the inflation picture; as Powell noted, they did last year.

Ultimately, the Fed will tread carefully in the coming months. But with policy "well into restrictive territory", if it wants to nail the soft landing, it needs to begin easing policy sooner rather than later, before inflation settles at 2% and before any marked economic weakness emerges.



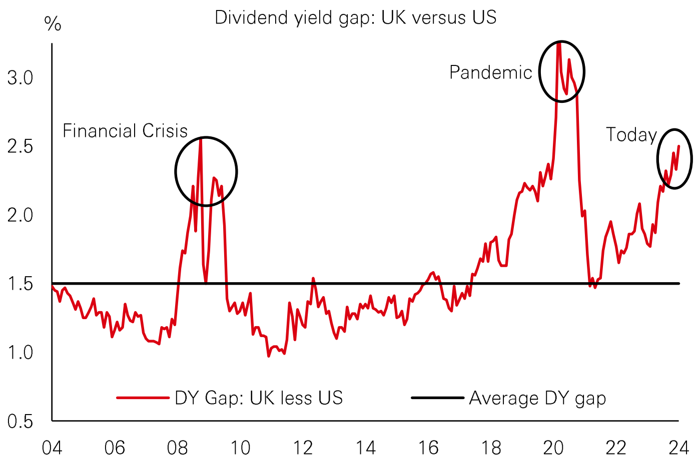
UK equities - more akin to crisis than recovery?

The stock market love-in with US technology has left UK equities in the dust – but the differing market performances go beyond just tech.

The UK FTSE 250 domestically exposed mid-caps have lagged the US Russell 2000 by 30% over the past five years. Today's 4% dividend yield offers a gap to the US that is 2.5x wider than normal. Indeed, the wider UK market not only trades on a 20% discount to history on a 12-month forward PE, it also offers an above-average yield gap to the US. That's a gap more aligned with the great financial crisis or Covid pandemic than business as usual.

Yet, UK economic data looks promising in places. While GDP has been weak, the UK PMI services index has risen steadily since November, and real household disposable income, a key driver of consumer spending, is gaining traction.

This week, the Bank of England said inflation had fallen faster than expected but that rate cuts would have to wait until it was sure inflation would reach, and stay, at its 2% target. Once it does, the prospect of rate cuts might offer a much-needed boost to UK stocks?



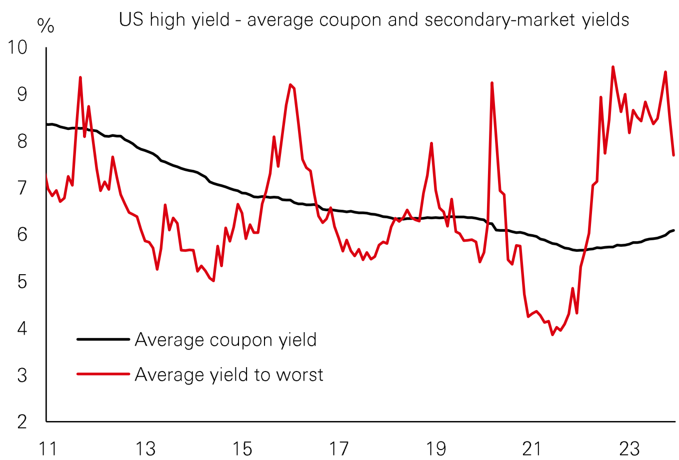
How risky is the high-yield debt maturity wall?

With market interest rates materially higher than two years ago, there are legitimate concerns about refinancing risks for the corporate sector.

The wall of debt maturity for US high-yield debt starts to build in a meaningful way from 2025 onwards. And typically, firms tend to start refinancing about a year before debt actually becomes due. So, a key question for investors is whether debt refinancing can become a source of financial instability.

It needs to be remembered that the average effective rate of financing for the corporate sector rises only gradually. Moreover, at an aggregate level corporate balance sheets do not look stretched - although interest coverage ratios have declined, they have done so from extremely elevated levels in 2021 and are currently around pre-pandemic levels.

However, interest rates are likely to settle at higher levels than in the past. As more debt is refinanced, it is likely that some issuers will face distress and default. On balance, refinancing is an important risk but should not become, of and by itself, a source of systemic financial instability.



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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 02 February 2024.

Asset class views

We continue to argue for a 'defensive growth' portfolio positioning, with a preference for selective areas of global fixed income. Our central scenario is consistent with a "problem of interest" for risk assets over the next 12 months. Inflation and interest rates are likely to remain elevated and fiscal policies are likely to have a more influential role in the direction of global economies than they have since the global financial crisis.

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 asset allocation remains appropriate against a backdrop of elevated recession risk and market pricing which is consistent with a "soft landing" outcome in major developed markets
	Duration		After a sell-off in longer dated bonds in 2023, yields have eased back from their highs as markets begin to anticipate a timetable for rate cuts. A valuation reset and improved term premium mean that duration is being rewarded again
	Emerging Markets		Disinflationary trends are continuing to play out with many EM central banks likely to begin or continue cutting rates in early 2024. This supports the EM fixed income outlook. Sticky inflation and growth concerns remain the major risks
Bonds	10yr US Treasuries		Ten-year yields are likely to fall and the yield curve gradually steepen through 2024 as the Fed moves towards rate cuts. Resilient labour markets and sticky inflation have driven a narrative of higher-for-longer rates, but expectations are now shifting towards a timetable of policy easing
	Asia Local Bonds		Asia's more resilient growth impulse should be supportive. As core inflation moderates further, most central banks may have room for rate cuts in H2 2024 following a potential Fed policy easing, though bonds could stay volatile in the short run alongside moves in Treasury yields
	China Bonds		More proactive liquidity support from policymakers is likely, in addition to the already accommodative monetary backdrop. Although long-term diversification benefits remain intact, strong primary supply could limit the upside in the medium term
Credits	Global Credit		Credit spreads can widen as the economic cycle deteriorates and the risk of defaults increases. Nevertheless, amid stable corporate balance sheets, there are good income opportunities
	EM Corporate Bonds		EM sovereigns and EM corporates are at an inflection point after a dramatic improvement in EM creditworthiness. IMF-driven fiscal improvements and improved debt-GDP profile bode well for EM corporates, which have superior underlying quality, ratings momentum, and net issuance scarcity
	Asia IG		Disinflation with resilient growth is good for carry strategies like Asia IG with manageable default risks and improving macro fundamentals. Targeted fiscal and macro-prudential support by Chinese authorities for strategic priorities is a positive
	EMD Hard Currency Bonds		The technical environment is strong, with sovereigns expected to underperform corporates given the ongoing supply from governments compared to more prudence from EM corporate borrowers. Downside risks exist as deteriorating US economic data weighs on default risk pricing globally
Equities	DM Equities		There is continued scope for near-term gains given economic resilience, but recession risks remain. Valuations look slightly stretched in the US, while activity is sluggish in the eurozone and Asia. Equities in Japan look interesting in the context of a more robust earnings outlook
	EM Equities		EM risk premiums generally look generous, and the growth outlook is a relative bright spot in a global context. However, China's cyclical outlook is concerning and consistent with a more cautious view of EM overall. Policy support in China has increased, but more is needed
	Asia ex Japan		Macro uncertainties, geopolitics, margin erosion, and earnings downgrades remain key risks, but more policy rollouts in China to sustain growth momentum and less aggressive tightening by Asian central banks may offer some support. Dispersion in regional markets remains likely
Alternatives	Global Private Equity		As tighter financial conditions raise the cost of leverage, PE funds may face challenges in delivering as strong returns. However, the possibility of recession can create good entry points for longer-term investors. The investment case is about alpha, not beta
	Global Real Estate		Occupier fundamentals have been resilient. Sectors like logistics benefit from embedded rental growth, healthy occupier demand and thematic tailwinds. While office fundamentals are deteriorating, best in class offices post healthy rental growth
	Infrastructure Debt		Infrastructure debt offers better expected returns than global credits, with lower spread volatility during recessionary periods. In the event of a recession, infrastructure equity's defensive attributes are beneficial, with thematic drivers coming from the green transition

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Source: HSBC Asset Management. Data as at 11am UK time 02 February 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Monday 29 January	JP	Jobless Rate	Dec	2.4%	2.5%	The unemployment rate remains low, reflecting a continued tight labour market
Tuesday 30 January	EZ	GDP (seasonally adjusted, qoq)	Q4 A	0.1%	-0.1%	The euro area narrowly avoided a technical recession in late 2023, with latest data pointing to continued weakness
	MX	GDP (qoq)	Q4 P	0.10%	1.1%	Mexican growth slowed markedly in Q423, pointing to scope for lower rates in coming months as disinflation pressures build
	US	Conference Board Consumer Confidence	Jan	114.8	108	The US conference board consumer confidence index has risen recently, aided by easing inflation worries
Wed. 31 January	JP	Industrial Production (mom)	Dec P	1.8%	-0.9%	
	CN	Official Manufacturing PMI	Jan	49.2	49	The official PMI readings continue to indicate weak sentiment. More policy support is needed amid lingering macro uncertainties
	US	FOMC Interest Rate Decision	Jan	5.50%	5.50%	The Fed requires "greater confidence" that US inflation is moving sustainably towards 2% before easing. Fed chair Powell stated a March easing was "probably not the most likely case"
	BR	COPOM Interest Rate Decision	Jan	11.25%	11.75%	The Brazilian central bank maintained its gradual easing stance, signalling further modest rate cuts near-term
Thurs. 01 Feb.	CN	Caixin Manufacturing PMI	Jan	50.8	50.8	
	SW	Riksbank Interest Rate Decision	Feb	4.0%	4.0%	The Riksbank left rates unchanged in early 2024, hinting at rate cuts in coming months if inflation prospects remain favourable
	EZ	CPI Estimate (yoy)	Jan	2.8%	2.9%	Disinflationary pressures persist, led by the goods sector. Lower wage growth is crucial for a continued moderation of service sector inflation
	UK	Bank of England Interest Rate Decision	Mar	5.25%	5.25%	The BoE dropped its tightening bias, with risks now viewed "more evenly balanced". BoE governor Bailey downplayed talk of an early rate cut, citing persistently high service sector inflation
	US	ISM Manufacturing	Jan	49.1	47.1	Manufacturing confidence remains low amid continued global headwinds
Friday 02 February	US	Change in Nonfarm Payrolls (000s)	Jan	-	216	Payrolls have been robust recently but other labour market measures point to softening underlying conditions, Wage pressures are easing

P – Preliminary, Q – Quarter, F – Final EZ- Eurozone, GE – Germany, MX – Mexico, SW- Sweden, JP – Japan, BR – Brazil

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 05 February	US	Q4 corporate earnings (during the week)				So far, nearly 50% US companies have reported Q4 earnings. 80% were beats, but the bar was low. Outperformers include Semis, Consumer Staples, IT & Utilities. Laggards were interest rate sensitive sectors, including Real Estate
	EZ	S&P Global Composite PMI	Jan F	47.9	47.9 P	
	US	S&P Global Composite PMI	Jan F	52.3	52.3 P	
	US	ISM Services	Jan	52.1	50.6	Service sector sentiment has softened recently, SMEs vulnerable to higher US rates
Tues. 06 February	AU	Reserve Bank of Australia Interest Rate Decision	Feb	4.35%	4.35%	The RBA is expected to tone down its tightening bias further following disinflation progress and softening economic data
	GE	Factory Orders (yoy)	Dec	-4.6%	-4.4%	The German corporate sector continues to face a challenging backdrop, both cyclically and structurally
Wed.07 February	GE	Industrial Production (mom)	Dec	-0.2%	-0.7%	
Thurs. 08 February	CN	CPI (yoy)	Jan	-0.5%	-0.3%	Soft goods demand and food prices remain the key deflationary pressure, with core inflation staying modest
	IN	Reserve Bank Interest Rate Decision	Feb	4.5%	4.5%	The RBI is expected to keep rates unchanged, with any adjustment on its "accommodation withdrawal" stance in focus
	BR	IBGE Inflation IPCA (yoy)	Jan		4.6%	
	MX	Banco de Mexico Interest Rate Decision	Feb	11.25%	11.25%	The Mexican central bank looks set to remain on hold but rising disinflationary pressures should allow scope for easing in coming months
	MX	CPI (yoy)	Jan	-	4.7%	

P – Preliminary, Q – Quarter, F – Final EZ- Eurozone, CN – China, IN – India, MX – Mexico, BR – Brazil, AU – Australia, GE – Germany

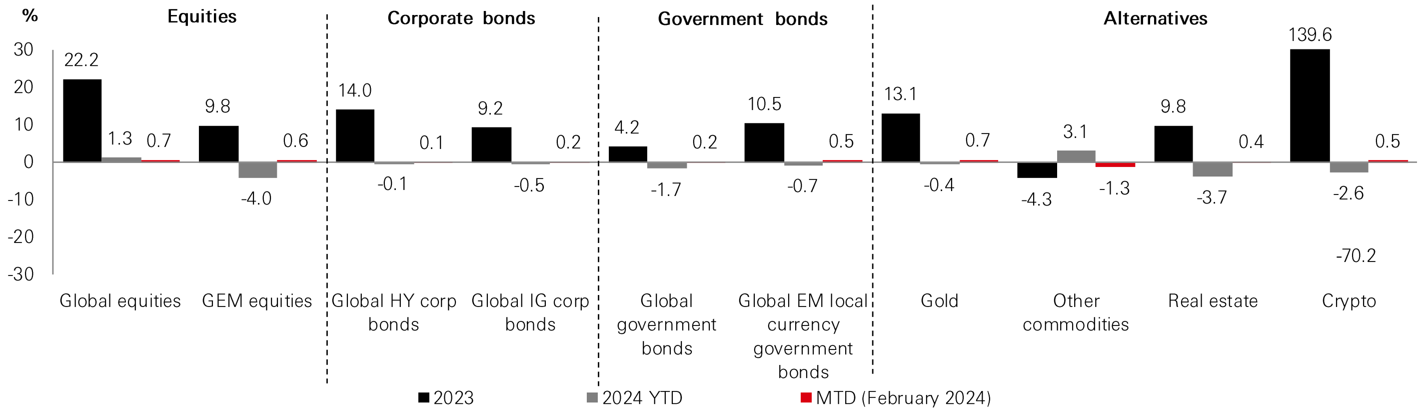
Source: HSBC Asset Management. Data as at 11am UK time 02 February 2024.

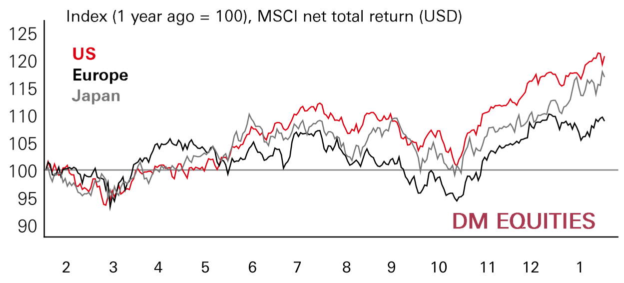
Market review

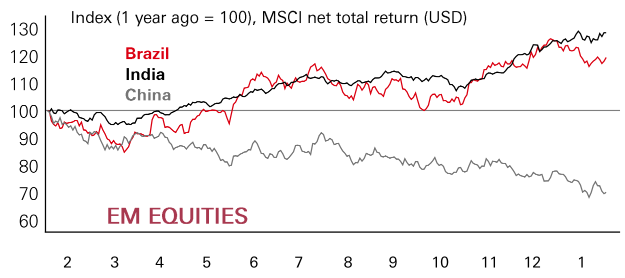
This week

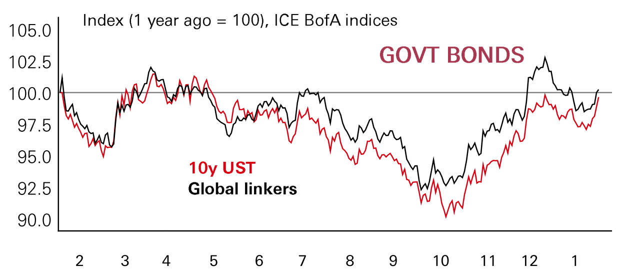
Diminishing hopes of an early Fed easing weighed on risk markets as Fed Chair Jay Powell stated a March easing was "not the most likely case". Core government bonds rallied on weak US labour market data and renewed concerns about US regional banks. The US Dollar remains firm. The S&P 500 edged higher, faring better than the Nasdaq and the Russell 2000 amid mixed Q4 US earnings. The Euro Stoxx 50 index was range-bound, while Japan's Nikkei posted modest gains. In EM, the recent rally in the Shanghai Composite was short-lived on worries about the property sector, while India's Nifty 50 index reached a record high. In commodities, the recent rally in energy prices ran out of steam, and gold moved back towards recent highs.

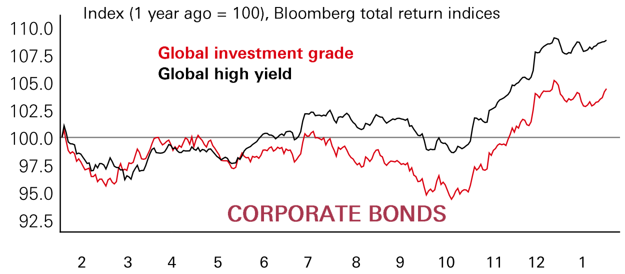
Selected asset performance

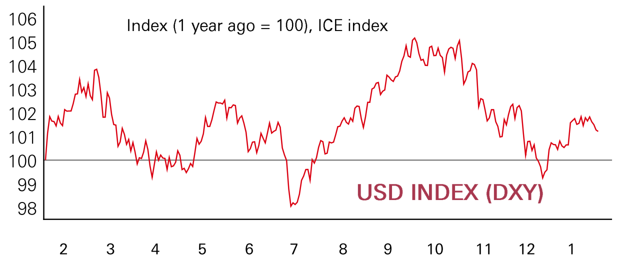


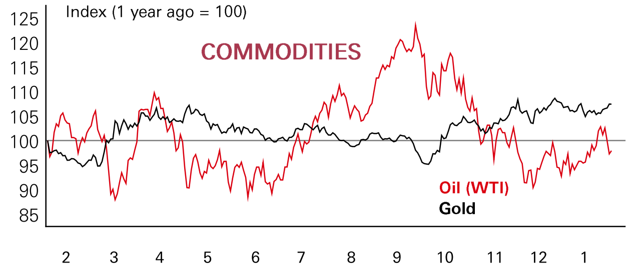












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Market data

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)	736	0.3	2.0	12.3	11.1	1.2	739	607	17.2
North America									
US Dow Jones Industrial Average	38,520	1.1	2.1	13.8	13.1	2.2	38,589	31,430	18.3
US S&P 500 Index	4,906	0.3	3.4	13.6	17.4	2.9	4,931	3,809	20.6
US NASDAQ Composite Index	15,362	-0.6	4.0	15.6	25.9	2.3	15,631	10,983	27.5
Canada S&P/TSX Composite Index	21,119	0.0	1.2	7.6	1.8	0.8	21,251	18,692	14.3
Europe									
MSCI AC Europe (USD)	529	-0.2	0.3	11.1	4.8	-0.8	538	459	13.0
Euro STOXX 50 Index	4,673	0.8	3.5	12.1	10.2	3.3	4,675	3,981	12.8
UK FTSE 100 Index	7,654	0.2	-0.9	2.8	-2.1	-1.0	8,047	7,207	11.0
Germany DAX Index*	16,989	0.2	1.3	12.2	9.5	1.4	17,003	14,458	11.8
France CAC-40 Index	7,635	0.0	1.4	8.1	6.5	1.2	7,703	6,774	12.8
Spain IBEX 35 Index	10,110	1.7	-0.7	9.2	9.5	0.1	10,301	8,501	10.4
Italy FTSE MIB Index	30,828	1.5	1.0	8.2	13.8	1.6	30,922	24,751	8.4
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	504	-0.5	-4.0	5.1	-9.6	-4.7	562	469	12.8
Japan Nikkei-225 Stock Average	36,158	1.1	8.0	13.2	32.0	8.0	36,985	26,633	22.0
Australian Stock Exchange 200	7,699	1.9	0.9	11.6	2.5	1.4	7,704	6,751	17.1
Hong Kong Hang Seng Index	15,534	-2.6	-7.5	-9.8	-29.3	-8.9	22,312	14,794	7.4
Shanghai Stock Exchange Composite Index	2,730	-6.2	-7.8	-9.3	-16.9	-8.2	3,419	2,666	9.4
Hang Seng China Enterprises Index	5,219	-2.6	-8.0	-11.7	-30.5	-9.5	7,645	4,943	6.5
Taiwan TAIEX Index	18,060	0.4	1.2	10.1	15.8	0.7	18,139	15,187	16.4
Korea KOSPI Index	2,615	5.5	-2.0	11.6	5.9	-1.5	2,676	2,274	10.3
India SENSEX 30 Index	72,086	2.0	0.3	12.5	20.3	-0.2	73,428	57,085	23.7
Indonesia Jakarta Stock Price Index	7,239	1.4	-1.2	7.2	5.1	-0.5	7,404	6,543	1.6
Malaysia Kuala Lumpur Composite Index	1,517	0.7	4.4	5.3	1.8	4.3	1,521	1,369	13.6
Philippines Stock Exchange PSE Index	6,707	0.3	2.3	12.3	-4.0	4.0	7,028	5,920	11.6
Singapore FTSE Straits Times Index	3,180	0.6	-1.6	3.2	-5.5	-1.9	3,397	3,042	10.3
Thailand SET Index	1,384	1.2	-3.4	-1.4	-17.7	-2.2	1,693	1,352	14.4
Latam									
Argentina Merval Index	1,302,467	3.9	40.0	99.1	423.4	40.1	1,303,418	207,676	7.5
Brazil Bovespa Index*	128,481	-0.4	-3.2	11.7	16.7	-4.3	134,392	96,997	8.1
Chile IPSA Index	6,051	-0.1	-2.6	10.8	13.9	-2.4	6,449	5,097	10.1
Colombia COLCAP Index	1,278	-0.4	4.5	16.4	1.4	6.9	1,303	1,045	6.6
Mexico S&P/BMV IPC Index	57,828	1.7	1.5	16.1	7.3	0.8	58,338	47,765	13.3
EEMEA									
Russia MOEX Index	3,223	1.9	4.0	0.8	43.7	4.0	3,287	2,141	N/A
South Africa JSE Index	74,989	-0.1	-1.0	5.0	-6.0	-2.5	80,531	69,128	9.9
Turkey ISE 100 Index*	8,703	4.3	14.1	13.6	83.1	16.5	8,763	4,311	5.3

*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	0.3	2.0	12.7	1.3	13.0	17.0	63.2
US equities	0.3	3.5	14.3	2.8	18.9	29.0	92.3
Europe equities	-0.2	0.3	11.5	-0.7	7.7	15.0	39.6
Asia Pacific ex Japan equities	-0.5	-4.0	5.4	-4.7	-7.2	-23.6	11.5
Japan equities	2.8	4.5	13.0	3.8	16.4	5.2	37.5
Latam equities	0.5	-2.1	15.0	-3.6	17.3	32.3	12.7
Emerging Markets equities	-0.3	-3.3	5.9	-4.0	-3.6	-23.3	5.7

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)	562	1.2	0.5	5.9	3.9	0.2
JPM EMBI Global	842.7	1.2	0.0	8.2	4.5	-0.7
BarCap US Corporate Index (USD)	3233.3	1.5	1.0	9.0	3.7	0.4
BarCap Euro Corporate Index (Eur)	246.7	0.7	0.3	4.7	4.5	0.2
BarCap Global High Yield (Hedged in USD)	568.1	0.3	0.6	7.6	8.2	0.3
Markit iBoxx Asia ex-Japan Bond Index (USD)	215.2	0.9	0.8	6.0	3.5	0.7
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	236	0.2	2.2	9.5	-1.5	2.8

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	1.09	1.09	1.09	1.06	1.09	1.10	1.13	1.04	0.3
GBP/USD	1.28	1.27	1.26	1.22	1.22	1.27	1.31	1.18	0.5
CHF/USD	1.17	1.16	1.18	1.10	1.10	1.19	1.20	1.06	1.0
CAD	1.34	1.35	1.33	1.37	1.33	1.32	1.39	1.31	0.6
JPY	147	148	142	150	129	141	152	128	1.0
AUD/USD	0.66	0.66	0.68	0.64	0.71	0.68	0.71	0.63	0.4
NZD/USD	0.62	0.61	0.63	0.59	0.65	0.63	0.65	0.58	1.1
Asia									
HKD	7.82	7.81	7.82	7.82	7.84	7.81	7.85	7.79	-0.1
CNY	7.18	7.18	7.14	7.31	6.73	7.10	7.35	6.74	0.0
INR	82.9	83.1	83.3	83.3	82.2	83.2	83.5	81.6	0.2
MYR	4.72	4.73	4.61	4.75	4.25	4.59	4.79	4.25	0.3
KRW	1322	1336	1301	1343	1220	1291	1364	1224	1.1
TWD	31.2	31.3	30.8	32.3	29.7	30.6	32.5	29.7	0.2
Latam									
BRL	4.91	4.91	4.92	4.96	5.04	4.85	5.34	4.70	0.0
COP	3888	3911	3882	4044	4618	3875	4994	3806	0.6
MXN	17.1	17.2	17.0	17.5	18.7	17.0	19.3	16.6	0.6
ARS	827	824	811	350	188	808	828	188	-0.4
EEMEA									
RUB	90.5	89.9	91.1	93.3	70.6	89.5	102.4	70.0	-0.7
ZAR	18.6	18.8	18.6	18.4	17.1	18.4	19.9	17.1	0.9
TRY	30.5	30.3	29.7	28.4	18.8	29.5	30.7	18.4	-0.6

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	5.33	5.35	5.36	5.43	4.61	5.33	-2
2-Year	4.23	4.35	4.32	4.99	4.10	4.25	-12
5-Year	3.83	4.04	3.91	4.63	3.49	3.85	-21
10-Year	3.88	4.14	3.93	4.66	3.39	3.88	-26
30-Year	4.11	4.37	4.07	4.80	3.54	4.03	-26
10-year bond yields (%)							
Japan	0.67	0.71	0.61	0.92	0.49	0.61	-4
UK	3.80	3.96	3.64	4.38	3.00	3.53	-16
Germany	2.17	2.30	2.07	2.72	2.07	2.02	-13
France	2.68	2.79	2.60	3.32	2.51	2.56	-11
Italy	3.73	3.82	3.71	4.63	3.90	3.69	-9
Spain	3.09	3.20	3.02	3.77	2.99	2.98	-11
China	2.43	2.50	2.57	2.66	2.90	2.56	-7
Australia	3.98	4.24	4.00	4.79	3.54	3.96	-26
Canada	3.27	3.52	3.18	3.85	2.83	3.11	-25

*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	2,054	1.8	-0.2	3.4	7.4	-0.4	2,135	1,805
Brent Oil	79.3	-4.5	4.5	-7.0	1.9	3.0	90	70
WTI Crude Oil	74.4	-4.7	5.3	-8.4	1.7	3.5	87	63
R/J CRB Futures Index	269.7	-1.4	2.7	-4.4	-0.7	2.2	290	254
LME Copper	8,502	-0.5	-0.5	4.4	-6.1	-0.7	9,223	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 11am UK time 02 February 2024.

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