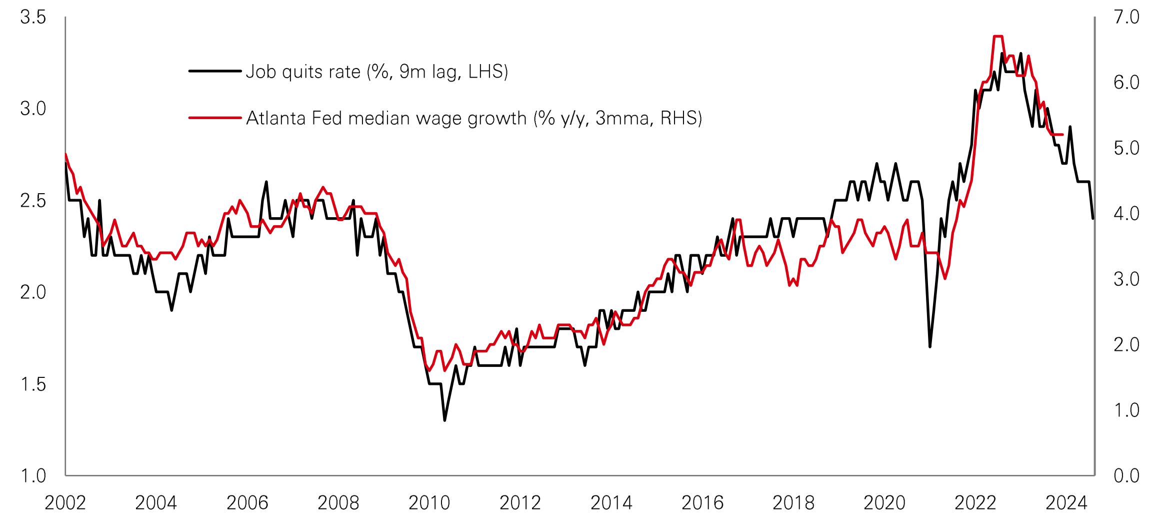
HSBC

Asset Management

Investment Weekly

12 January 2024
For professional client and institutional investor use only

Chart of the week – Cooling labour market



The December US CPI numbers were a timely reminder that inflation is not dead yet and that markets may be getting ahead of themselves in pricing a high chance that the Fed kicks off its easing cycle in March.

A solid 0.3% month-on-month print for core CPI means that while inflation has been going in the right direction for some time, the six-month annualised rate of core CPI (the Fed has referenced the six-month change as a good guide to the trend) is still running above 3%.

Equally, headline labour market data point to continued resilience, with payrolls growing at over 200k in December and the unemployment rate still below 4.0%. That said, other data suggest the labour market is cooling; the quits rate (a measure of people voluntarily leaving a job, usually to move to another) has fallen markedly and this points to a further softening of wage growth in 2024.

Hence, while the timing of the first Fed rate cut is up for debate, **a combination of improving inflation trends and lower wage growth should be enough to convince the Fed to ease policy meaningfully from Q2 2024**. We see 150bp of cuts this year.

Market Spotlight

Outlook for Asian earnings

China's misfiring growth recovery was a key feature of Asian economic and market performance last year. But across the broader region, growth was resilient – and in some cases stellar – despite the headwinds of higher interest rates and a slowdown in global trade.

In equity markets, earnings growth among Asian stocks was solid. That translated into strong stock market gains, especially in India, South Korea and Taiwan. But Chinese and Hong Kong shares suffered from cooling sentiment and poor price momentum, with the MSCI China index falling 12%.

This year, lower inflation, the potential for some Asian central banks to ease policy in H2, and signs of a recovery in some manufacturing sectors, are encouraging. 2024 EPS growth is pencilled in at an achievable 10-12%.

Markets to watch include India, Japan, and South Korea, where the momentum from last year's upside surprises could persist. As for China, 2024 EPS growth forecasts stand at around 14-15%, but much will depend on the intensity of policy support and proactive fiscal measures as the country endeavours to boost growth. Positively, 2023 EPS looks to deliver growth of around 8-9% despite well publicised macro challenges.

2024 Elections →
What a record year for elections means for markets

European Equities →
Why valuations hold appeal in European shares

Global Trade →
Exploring the inflationary impact of trade disruption

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 12 January 2024.

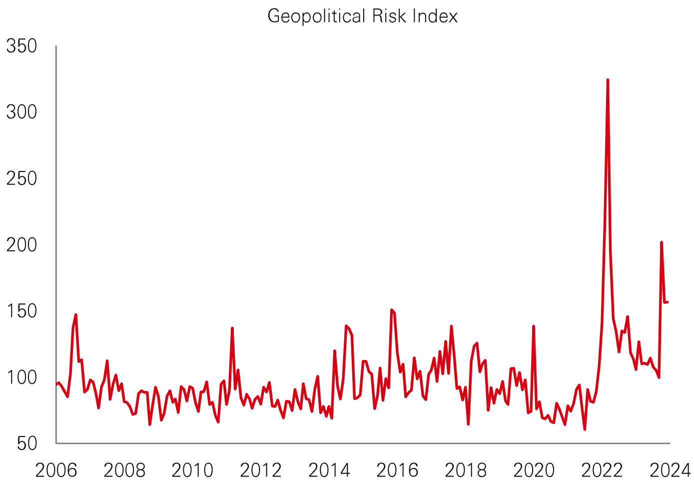
Lens on…

Positioning for an election extravaganza

2024 is set to be a record-breaking year for elections worldwide. More than 60 countries, accounting for around 4.2 billion people, are preparing to go to the polls. The first major election of the year will be in Taiwan, with its citizens voting this weekend (13 January).

For investors, the immediate impact of national elections has historically been confined to short-term market volatility. Academic research points to a potential doubling of normal return variance in stock markets during the week of a vote. After that, markets tend to take the results in their stride.

But while election-driven volatility might present tactical opportunities in places, care is needed. After all, geopolitical tensions have risen sharply recently, and the 'rally in everything' in markets late last year has squeezed risk premiums, diminishing the margin of safety. While investors continue to warm to the prospect of near-term rate cuts and a soft landing, **there are still significant downside risks in this backdrop of elevated uncertainty**.



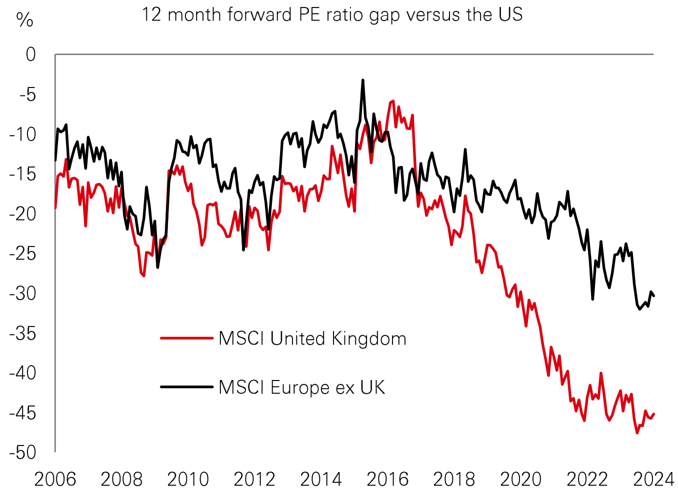
Worth keeping European stocks on the radar

European equity markets enjoyed a risk-on rally in the final weeks of 2023, but they still face challenges in the months ahead.

Macro indicators point to stagnation in H1. Growth challenges mixed with disinflation could compress pricing power, squeeze margins and put corporates on the back foot. That shows up in MSCI EPS forecasts, where 2024 growth of 5.3% in Europe is just over half that expected in the US.

More broadly, asset allocators looking for defensive exposure against a potential slowdown may find it harder in Europe – especially outside the UK – given the region's tilt towards the cyclical factor.

Despite this, European stocks could still hold appeal. Over the past five years, MSCI Europe is up around 50%, versus a near doubling in the US. This leaves Europe's 12-month forward PE discount to the US well above long run averages. In the latest BofA Fund Manager survey, Europe and the UK were reportedly the two most underweight regions globally. **Given the pessimism priced in, we continue to keep Europe on the radar** and look for potential re-rating triggers.

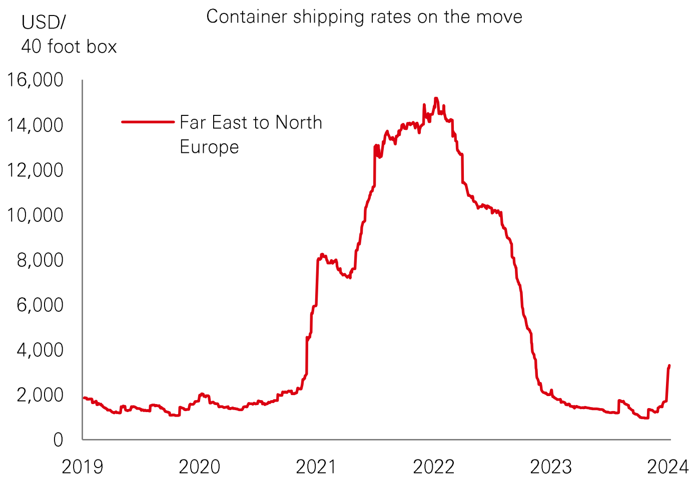


Shipping disruption pushes up container costs

During the Covid pandemic, freight rates surged amid supply chain disruptions and a switch from services to goods consumption. This reversed over the course of 2022 and 2023 as economies reopened.

Since mid-November, however, there has been a notable pickup in the costs to ship containers from the Far East to North Europe. This comes as threats to merchant shipping vessels in the lower Red Sea has led to a major rerouting of cargo ships, with vessels opting for the significantly longer route around the Cape of Good Hope.

Recent events are a reminder that geopolitical risks, extreme weather, and commodity price volatility have scope to disrupt the disinflation process. With the "easy wins" on disinflation centred on goods now over, and wage growth – a key driver of services inflation – still high, downside inflation surprises may be less prevalent. **Market assumptions of Spring rate cuts look optimistic**.



Past performance does not predict future returns.

Source: HSBC Asset Management. Macrobond, Bloomberg, Refinitiv, Xeneta Shipping Index by Compass. Data as at 11am UK time 12 January 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

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. Data as at 11am UK time 12 January 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Monday 08 Jan.	GE	Factory Orders (yoy)	Nov	-4.3%	-7.1%	
Tuesday 09 Jan.	GE	Industrial Production (mom)	Nov	-0.7%	-0.3%	Industrial production has fallen for six consecutive months, highlighting the current poor backdrop for the corporate sector
	EZ	Unemployment Rate	Nov	6.4%	6.5%	The unemployment rate dipped to a new historic low but other labour market measures are less encouraging
	MX	CPI (yoy)	Dec	4.7%	4.3%	Headline inflation has risen recently, but core inflation continues to soften, keeping the door open for potential easing in coming months
Thursday 11 Jan.	BR	IBGE Inflation IPCA (yoy)	Dec	china	4.68%	Disinflation pressures persist, pointing to further gradual rate cuts near-term
	US	CPI (yoy)	Dec	3.4%	3.1%	Core goods inflation remains in a downward trend though the near-term outlook could be bumpy. Service sector inflation continues to decline gradually, with a further improvement dependent on a continued cooling of labour market conditions
Friday 12 January	CN	Trade Balance (USD bn)	Dec	75.3	68.4	Upbeat trade data reflected favourable base effects and strong auto shipments, but weaker external and domestic demand are headwinds
	CN	CPI (yoy)	Dec	-0.3%	-0.5%	Weak food prices and goods demand are weighing on headline inflation. Core CPI remains modest
	CN	PPI (yoy)	Dec	-2.7%	-3.0%	Annual producer price inflation remains in deflation territory
	IN	CPI (yoy)	Dec	-	5.6%	Higher food prices remain the key upside risk to headline inflation, core inflation should moderate further
	IN	Industrial Production (yoy)	Nov	-	11.7%	Industrial production should remain resilient, supported by government subsidies, robust construction activity and supply diversification in Asia
Saturday 13 Jan	TW	Presidential election				

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

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Monday 15 January	EZ	Industrial Production (mom)	Nov	-0.3%	-0.7%	The industrial sector in the Eurozone continues to struggle particularly in Germany
	SWI	World Economic Forum in Davos Switzerland, with this years theme "Rebuilding Trust"				
	US	US markets closed for Martin Luther King Jr. Holiday				
Tuesday 16 Jan.	GE	Zew Expectation of Economic Growth	Jan	12	12.8	Investors' expectations about the German economy have stabilised recently but remain low
Wednesday 17 Jan.	CN	GDP (yoy)	Q4	5.2%	4.9%	More proactive fiscal measures, targeted policies and liquidity supports are necessary to maintain economic growth into 2024
	CN	Retail Sales (yoy)	Dec	8.0%	10.1%	Retail sales may show a decent yoy growth, aided by favourable base effects, but sequential momentum may soften further on weak household sentiment
	CN	Industrial Production (yoy)	Dec	6.8%	6.6%	The manufacturing sector continues to show signs of stabilisation amid policy supports though external headwinds remain a concern
	UK	CPI (yoy)	Dec	3.8%	3.9%	
	US	Retail Sales Advance (mom)	Dec	0.4%	0.3%	
	US	Industrial Production (mom)	Dec	-0.1%	0.2%	The corporate sector remains in cautious mode although balance sheets remain healthy
Thursday 18 Jan.	US	Housing Starts (mom)	Dec	-9.3%	14.8%	Housing starts have benefited recently from lower mortgage rates, but the outlook remains challenging
Friday 19 January	JP	National CPI ex Fresh Food, Energy (yoy)	Dec	3.7%	3.8%	Disinflation pressures continue in the goods sector, but service sector inflation is gradually rising
	US	Existing Home Sales (mom)	Dec	0.5%	0.8%	
	US	Uni. of Michigan Consumer Sentiment	Jan P	68	69.7	The University of Michigan's consumer confidence measure has improved recently as inflation concerns have ebbed

P – Preliminary, Q – Quarter, F – Final
EZ- Eurozone, JP – Japan, SWI – Switzerland, CN – China, GE – Germany

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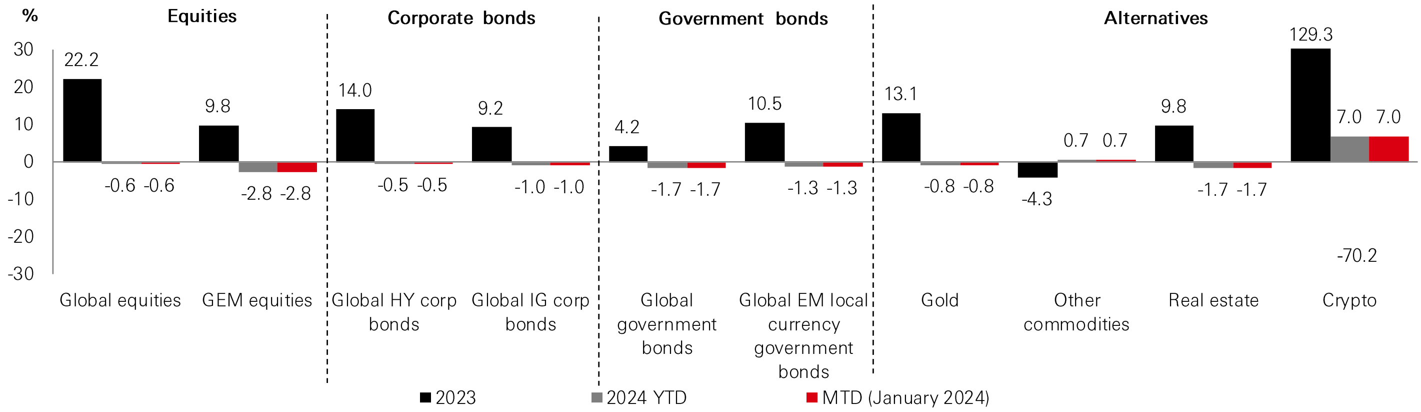
Source: HSBC Asset Management. Data as at 11am UK time 12 January 2024.

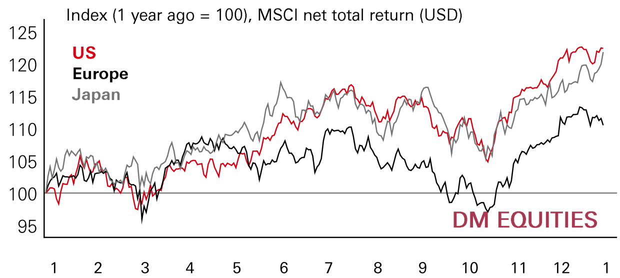
Market review

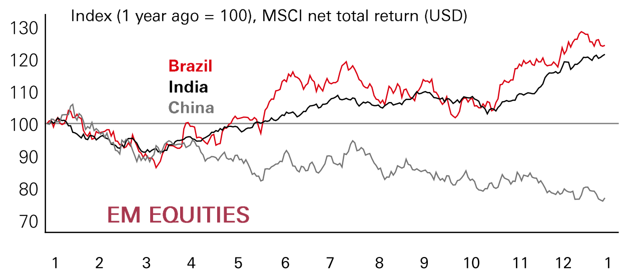
This week

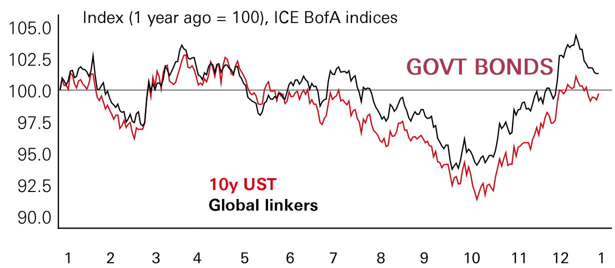
Risk markets were resilient despite an upside surprise in US CPI, with core government bonds consolidating after recent losses. Futures markets are currently pricing in a better than even chance of a 25bp rate cut at March's FOMC meeting, with the funds rate falling to 4% by year-end. Both the S&P 500 and Nasdaq trended higher but the broader Russell 2000 maintained its poor start to 2024 ahead of Q4 US earnings. The Euro Stoxx 50 struggled to make headway, but Japan's Nikkei was propelled to multi-decade highs, aided by a weaker yen. In emerging markets, China's Shanghai Composite drifted lower as investors nervously await Q4 GDP data. In commodities, mounting geopolitical tensions boosted oil prices, with gold grinding higher. Meanwhile, Bitcoin welcomed the SEC's approval of bitcoin ETFs, which could boost liquidity.

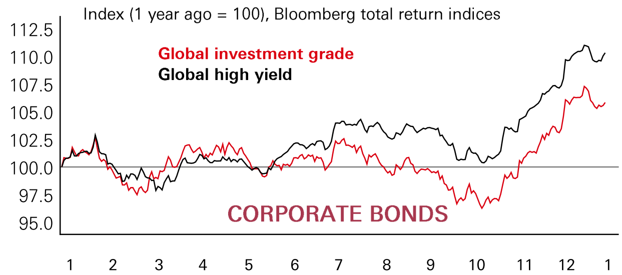
Selected asset performance

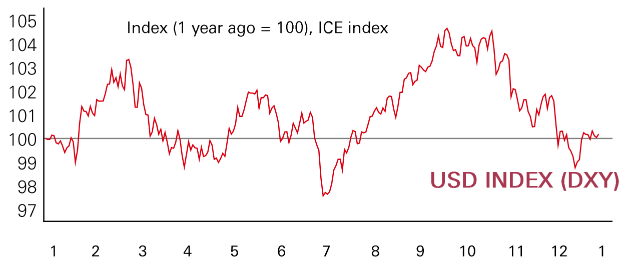


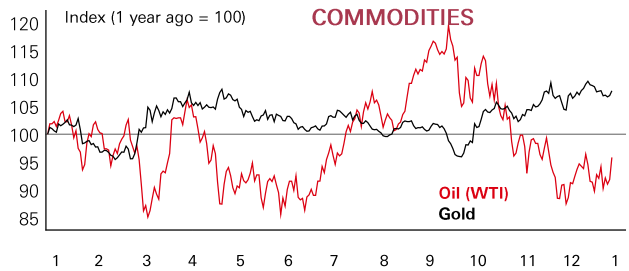












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Market data

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)	722	1.0	2.8	8.8	13.9	-0.6	730	607	16.8
North America									
US Dow Jones Industrial Average	37,711	0.7	3.1	12.1	10.3	0.1	37,802	31,430	18.0
US S&P 500 Index	4,780	1.8	2.9	9.9	20.0	0.2	4,799	3,809	20.1
US NASDAQ Composite Index	14,970	3.1	3.0	10.3	36.1	-0.3	15,150	10,797	27.5
Canada S&P/TSX Composite Index	20,918	-0.1	3.4	7.3	3.5	-0.2	21,091	18,692	13.9
Europe									
MSCI AC Europe (USD)	522	-1.0	1.5	7.9	6.6	-2.1	538	459	12.6
Euro STOXX 50 Index	4,474	0.2	-1.4	6.6	8.4	-1.1	4,593	3,981	12.1
UK FTSE 100 Index	7,628	-0.8	1.1	-0.2	-2.1	-1.4	8,047	7,207	10.9
Germany DAX Index*	16,656	0.4	-0.8	8.0	10.6	-0.6	17,003	14,458	11.4
France CAC-40 Index	7,450	0.4	-1.2	4.9	6.8	-1.2	7,654	6,774	12.3
Spain IBEX 35 Index	10,088	-0.8	-0.3	8.1	14.3	-0.1	10,301	8,501	10.4
Italy FTSE MIB Index	30,506	0.2	0.5	7.1	18.5	0.5	30,864	24,751	8.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	511	-0.9	1.8	2.5	-4.9	-3.3	563	469	12.8
Japan Nikkei-225 Stock Average	35,577	6.6	8.3	9.5	34.5	6.3	35,840	25,748	21.2
Australian Stock Exchange 200	7,498	0.1	3.6	5.7	3.0	-1.2	7,633	6,751	16.5
Hong Kong Hang Seng Index	16,245	-1.8	-0.8	-10.9	-24.5	-4.7	22,701	15,972	7.7
Shanghai Stock Exchange Composite Index	2,882	-1.6	-4.0	-7.3	-8.9	-3.1	3,419	2,868	9.7
Hang Seng China Enterprises Index	5,482	-2.2	-2.4	-12.5	-25.0	-5.0	7,774	5,399	6.8
Taiwan TAIEX Index	17,513	0.0	0.4	4.1	18.9	-2.3	17,957	14,701	15.9
Korea KOSPI Index	2,525	-2.1	-0.4	1.8	6.8	-4.9	2,676	2,274	9.7
India SENSEX 30 Index	72,568	0.8	4.3	9.3	21.0	0.5	72,721	57,085	23.7
Indonesia Jakarta Stock Price Index	7,241	-1.5	1.6	4.4	9.2	-0.4	7,404	6,543	1.8
Malaysia Kuala Lumpur Composite Index	1,487	0.0	2.8	3.0	-0.1	2.2	1,504	1,369	13.3
Philippines Stock Exchange PSE Index	6,643	0.2	5.6	6.1	-2.8	3.0	7,138	5,920	11.5
Singapore FTSE Straits Times Index	3,192	0.2	2.9	-0.8	-2.3	-1.5	3,408	3,042	10.3
Thailand SET Index	1,414	-1.0	2.9	-2.6	-16.2	-0.2	1,696	1,355	14.5
Latam									
Argentina Merval Index	1,043,924	-1.1	3.4	37.2	345.8	12.3	1,125,924	207,676	9.3
Brazil Bovespa Index*	130,649	-1.0	3.4	11.6	16.8	-2.6	134,392	96,997	7.9
Chile IPSA Index	6,029	-0.3	2.0	3.9	15.9	-2.7	6,449	5,097	10.0
Colombia COLCAP Index	1,283	-0.9	11.7	15.4	-4.0	7.4	1,348	1,045	6.5
Mexico S&P/BMV IPC Index	55,439	-1.3	1.8	11.4	3.4	-3.4	58,338	47,765	12.6
EEMEA									
Russia MOEX Index	3,195	1.9	5.8	0.6	46.2	3.1	3,287	2,141	N/A
South Africa JSE Index	73,791	-0.9	1.6	0.5	-6.2	-4.0	81,338	69,128	9.6
Turkey ISE 100 Index*	7,939	4.1	2.5	-3.9	59.7	6.3	8,563	4,311	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	1.0	2.9	9.1	-0.6	15.9	15.1	66.5
US equities	1.8	3.0	10.4	0.1	22.0	26.6	95.5
Europe equities	-1.0	1.6	8.2	-2.1	9.5	11.1	41.9
Asia Pacific ex Japan equities	-0.9	2.0	2.9	-3.3	-2.4	-20.7	17.9
Japan equities	2.8	5.7	9.1	1.7	18.8	1.5	36.6
Latam equities	-1.4	5.3	16.3	-3.1	19.5	26.5	18.6
Emerging Markets equities	-0.7	2.1	3.7	-2.8	0.2	-20.7	12.3

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 11am UK time 12 January 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)	558	0.3	1.6	5.7	4.2	-0.5
JPM EMBI Global	837.4	0.6	2.0	8.9	6.6	-1.3
BarCap US Corporate Index (USD)	3204.5	1.0	2.3	8.7	4.1	-0.5
BarCap Euro Corporate Index (Eur)	244.1	0.0	0.8	4.5	5.2	-0.9
BarCap Global High Yield (Hedged in USD)	564.5	0.8	2.5	8.2	9.8	-0.3
Markit iBoxx Asia ex-Japan Bond Index (USD)	213.4	0.5	1.6	5.5	4.0	-0.2
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	232	0.8	3.1	8.0	-1.2	1.4

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	1.09	1.09	1.08	1.05	1.09	1.10	1.13	1.04	0.0
GBP/USD	1.27	1.27	1.26	1.22	1.22	1.27	1.31	1.18	0.1
CHF/USD	1.17	1.18	1.14	1.10	1.08	1.19	1.20	1.06	-0.4
CAD	1.34	1.34	1.36	1.37	1.34	1.32	1.39	1.31	-0.1
JPY	145	145	145	150	129	141	152	127	-0.4
AUD/USD	0.67	0.67	0.66	0.63	0.70	0.68	0.72	0.63	-0.4
NZD/USD	0.62	0.62	0.61	0.59	0.64	0.63	0.65	0.58	-0.2
Asia									
HKD	7.82	7.81	7.81	7.82	7.81	7.81	7.85	7.79	-0.1
CNY	7.17	7.15	7.18	7.31	6.73	7.10	7.35	6.69	-0.3
INR	82.9	83.2	83.4	83.2	81.6	83.2	83.5	80.9	0.3
MYR	4.65	4.66	4.68	4.71	4.36	4.59	4.79	4.23	0.2
KRW	1314	1316	1314	1338	1246	1291	1364	1216	0.2
TWD	31.1	31.0	31.5	32.1	30.4	30.6	32.5	29.6	-0.4
Latam									
BRL	4.87	4.88	4.97	5.05	5.10	4.85	5.34	4.70	0.1
COP	3928	3878	3996	4262	4687	3875	4994	3806	-1.3
MXN	16.9	16.9	17.3	18.0	18.8	17.0	19.3	16.6	-0.1
ARS	815	812	367	350	181	808	815	181	-0.4
EEMEA									
RUB	88.3	90.9	90.3	97.7	68.2	89.5	102.4	67.0	2.9
ZAR	18.7	18.7	19.0	19.0	16.8	18.4	19.9	16.7	0.1
TRY	30.1	29.8	29.0	27.7	18.8	29.5	30.2	18.4	-1.0

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	5.37	5.37	5.38	5.49	4.58	5.33	0
2-Year	4.27	4.38	4.73	5.07	4.14	4.25	-11
5-Year	3.91	4.01	4.22	4.69	3.54	3.85	-10
10-Year	3.99	4.05	4.20	4.70	3.44	3.88	-6
30-Year	4.20	4.20	4.31	4.85	3.58	4.03	-1
10-year bond yields (%)							
Japan	0.59	0.60	0.72	0.75	0.50	0.61	-1
UK	3.81	3.79	3.96	4.42	3.33	3.53	3
Germany	2.21	2.16	2.22	2.78	2.15	2.02	5
France	2.70	2.70	2.77	3.40	2.61	2.56	0
Italy	3.77	3.85	4.00	4.76	3.99	3.69	-8
Spain	3.12	3.15	3.24	3.90	3.14	2.98	-3
China	2.52	2.53	2.66	2.70	2.88	2.56	-1
Australia	4.07	4.13	4.33	4.37	3.60	3.96	-6
Canada	3.24	3.26	3.40	4.04	2.90	3.11	-1

*Numbers may not add up due to rounding.

Commodities		1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	2,045	0.0	3.3	9.4	7.8	-0.9	2,135	1,805
Brent Oil	80.6	2.4	9.7	-3.2	0.9	4.7	91	69
WTI Crude Oil	75.1	1.8	9.1	-5.8	-1.0	4.9	88	64
R/J CRB Futures Index	264.1	-0.7	2.3	-5.0	-3.5	0.1	290	254
LME Copper	8,383	-0.9	0.3	4.9	-8.8	-2.1	9,551	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 12 January 2024.

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