

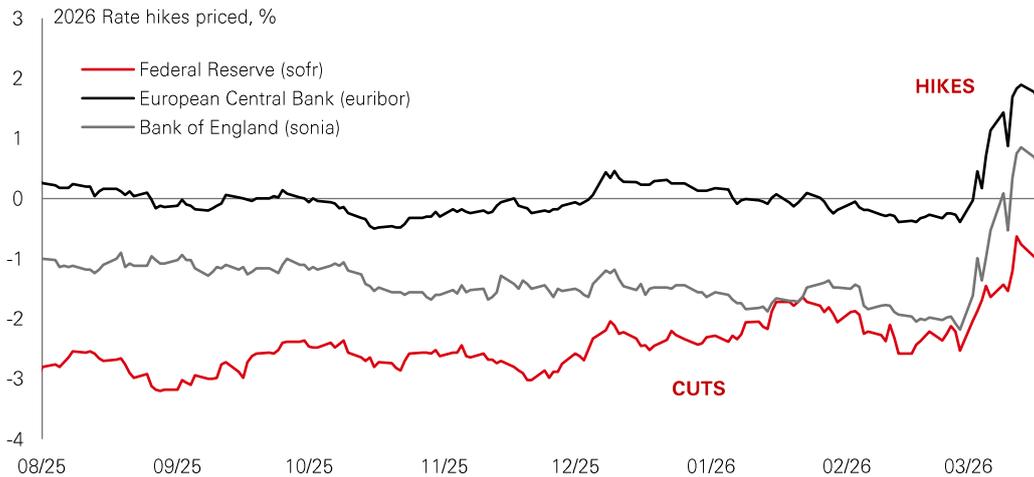
Investment Weekly

20 March 2026

For Professional Clients only. Marketing Communication.



Chart of the week – A hawkish turn



In the wake of the recent oil shock, markets have priced in a more hawkish path for interest rates. This is a logical reaction, as higher commodity prices directly boost CPI inflation. The 2022 oil price spike and subsequent surge in policy rates demonstrated just how significant a monetary policy response can be, accounting for a large portion of the market damage that year.

But is 2022 the right playbook for today? For inflation to remain persistent, an initial shock must be transmitted through the broader macro system. Today, this might be less of a threat than a few years ago. Western GDP growth rates are notably weaker than they were back then, US growth is unbalanced, labour markets are fragile, and monetary policy is neutral-to-mildly restrictive. Furthermore, amid strained public finances, there will likely be only a tepid fiscal response to support households through this crisis. We are operating in an environment where so called “second-round” effects of the initial shock – driven by higher wage demands and increased corporate pricing – are likely to be limited.

After several years of overshooting inflation targets, some central banks may still feel the need to tighten policy. However, given the oil shock also implies downside growth risks, major central banks opted to talk-the-talk with “hawkish holds” rather than walk-the-walk and hike. This approach helps prevent inflation expectations from unanchoring, effectively buying policymakers time. It also suggests that once the current crisis subsides, the easing cycle can continue. **That would probably result in a very different market outcome to 2022** – one where the volatility episode is transitory and the stock-bond correlation stays closer to zero. [#oilshock](#) [#rates](#) [#volatility](#)

Market Spotlight

EM resilience in turbulent times

Geopolitical events and spiking commodity prices have upended 2026’s big market theme of “broadening out”. European stocks, for example, have gone from outperformers to underperformers. But emerging markets are proving resilient. In today’s risk-off situation, the dollar has been strengthening at a similar pace to that seen in Q1 2022. Capital flight back to the dollar usually means EM outflows, weaker currencies, and worsening EM debt burdens.

But there are clear signs of EM resilience. First, not all EM currencies are down. The Colombian peso is up in March. And currencies in Brazil, China, and Mexico have all outperformed the dollar year-to-date. Second, EM assets haven’t tracked the dollar move down. Investors have been de-risking from popular trades, but price action also implies a recognition that EM fundamentals have improved. And third, once we account for the safety characteristics of US Treasuries in this episode, EM bonds still have lower volatility than Global ex US Government bonds.

The broadening-out trade has been interrupted, **but EMs are still looking resilient** – if you know where to look. [#EM](#) [#broadeningout](#)

China Macro →

Exploring the new growth targets and Five-Year Plan

Asia Dividends →

How income stocks play a key role in Asia returns

Fixed Income →

Behind the factors driving credit markets this year

Read our latest views:
Investment Monthly
March 2026

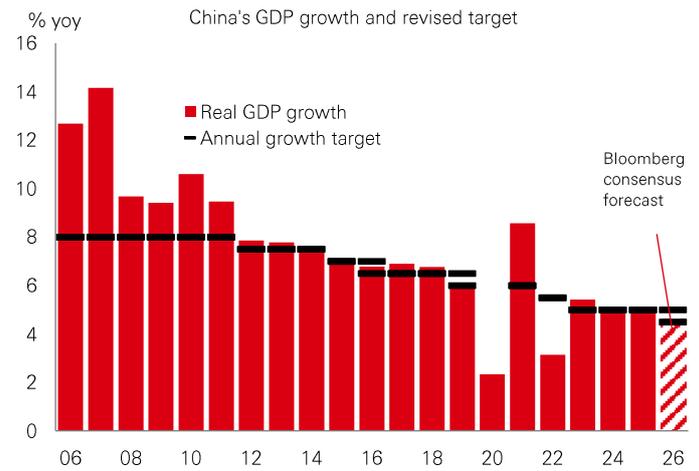
The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. Past performance does not predict future returns. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector, or security. Diversification does not ensure a profit or protect against loss. Any views expressed were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Source: HSBC Asset Management, Bloomberg, Macrobond. Data as at 7.30am UK time 20 March 2026.

Fortress China

China’s stock market has been remarkably resilient in the face of rising geopolitical risks. Despite being a major energy importer – and vulnerable to commodity price shocks – China’s strategic reserves, diversified sourcing and import routes, and expanded energy mix, are providing energy resilience. No surprise then that its new Five-Year Plan (FYP) prioritises energy security, the green transition, and energy infrastructure.

Policymakers ratified the FYP at the recent “Two Sessions” meetings and set a new 2026 real GDP growth target of 4.5-5.0% (from “around 5%” last year). That change is a nod to the competing demands of supporting stable economic expansion whilst minimising bottlenecks and risks.

The new FYP marks a shift in policy focus from rapid growth to quality growth, economic resilience, and national security. Apart from energy, that means boosting domestic consumption, accelerating tech and innovation to drive productivity, and an emphasis on self-reliance – with AI a key focus. Efforts to build a more unified national market, as well as capital market reforms to attract foreign investors, are also priorities. Overall, **China’s market resilience, policy support, tech focus, and relatively low valuations**, continue to support our positive view. [#china](#) [#stocks](#)

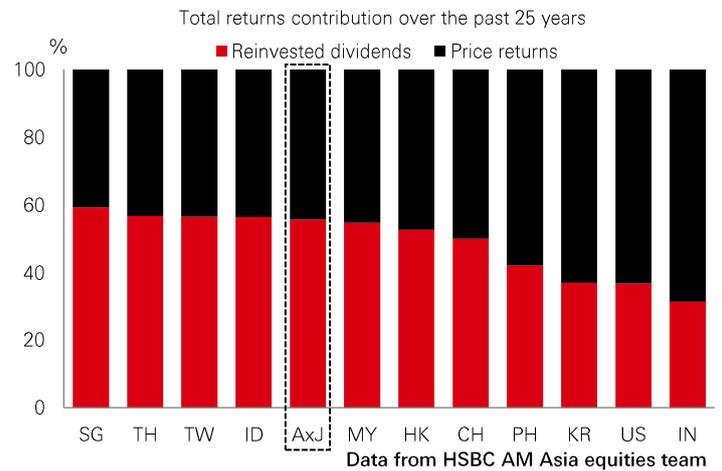


Paying dividends

Warren Buffett once observed that the “secret sauce” to solid returns lay in good quality, dividend-paying stocks. Part of the appeal of dividends is their resilience, even in downturns. In today’s uncertain geopolitical climate, that explains why dividend strategies have performed well lately.

Dividends are particularly influential in Asia (ex-Japan), where payouts account for more than half of total returns over the past 25 years – compared to more like a third in the US. There are reasons why this could be increasingly appealing to global investors. First, the combination of a stream of dividends, lower relative valuations, and growth upside makes Asia a potentially attractive source of diversification from more expensive, lower-yielding markets, like the US. Second, countries like Korea and China are taking policy action to encourage firms to boost payouts. Third, Asian firms are in increasingly good financial shape when it comes to cash and profits, giving them more flexibility to reward shareholders.

With policy and geopolitics driving uncertainty, Asia’s **dividend track record and increasingly shareholder-friendly outlook** should appeal to investors looking for Buffett’s “secret sauce”. [#dividends](#) [#asia](#)



Mind the gap

It’s been a tricky year for Western credit markets. US investment grade and high-yield spreads entered 2026 at multi-year tight, leaving them priced for perfection and vulnerable to macro disappointments, as well as geopolitical turmoil that has dominated headlines.

Where does this leave investors? Fortunately, corporate earnings remain solid and a hawkish pivot for the Federal Reserve looks unlikely. But the high-yield sector faces challenges, from K-shaped dynamics in the US (cyclical and industrials have been underperforming), to geopolitics, and concerns over private credit and software names. Although spreads have widened this year, investors may not be compensated for the exposure to these risks. Caution remains the watchword.

The story for IG is a bit different. Year-to-date spread widening has been relatively contained, anchored by robust balance sheets, insulating the asset class from macro headwinds. Supply dynamics are worth monitoring: record net new issuance is expected in 2026 amid AI-related spending. Even so, IG’s resilience during recent volatility makes it a **logical choice for fortifying portfolios in rocky times**. [#credit](#) [#spreads](#)



Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector, or security. Diversification does not ensure a profit or protect against loss. Any views expressed were held at the time of preparation and are subject to change without notice. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Costs may vary with fluctuations in the exchange rate. Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 20 March 2026.



Asset class views

Our baseline macro scenario is for solid global growth, some sticky inflation, modest interest rate cuts, and reduced policy uncertainty. But risk asset valuations are stretched in many areas. That means that any deterioration in corporate fundamentals could create market volatility. A cautiously pro-risk 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	■	■	■	■	■	■	■	Global growth has remained solid, but the outlook is highly uncertain, and inflation is sticky. Consequently, a cautiously pro-risk stance in investment portfolios appears appropriate. We prefer to access the growth factor in regions with lower valuations, such as Asia and emerging markets
	Duration	■	■	■	■	■	■	■	The shape of the yield curve is highly dependent on Fed policies, and the fiscal and inflation outlook. We expect a trend of modest steepening over the medium term, as US fiscal concerns build. If adverse economic outcomes prevail, there is scope for strong returns in global duration
	Emerging Markets	■	■	■	■	■	■	■	The EM growth outlook is a relative bright spot in a global context. Limited inflation pressures, Fed policy easing, and a weaker USD in 2025 have paved the way for more countries to cut rates. China policy remains supportive, but global trade fragmentation is a challenge
Bonds	US 10yr Treasuries	■	■	■	■	■	■	■	Yields have been in a relatively narrow channel of late and the near-term outlook appears range bound. Sticky inflation, fiscal concerns and better-than expected growth could push yields higher. Significantly lower yields are likely to require clear evidence that the labour market is cracking
	EMD Local	■	■	■	■	■	■	■	EM local currency bonds have benefited from a backdrop of high real yields, strong fundamentals, and a weaker US dollar. Real rates remain high in many EM majors. While EM disinflation is slowing, the trend for policy easing should continue, with some potentially significant rate cuts in places
	Asia Local	■	■	■	■	■	■	■	Asia's sound external fundamentals, debt profiles, and policy mix help lower the sensitivity of local rates to external financial volatility. Real yields are attractive in places, and the local inflation and liquidity backdrop is still supportive, though the monetary easing cycle is at a mature stage
Credits	Global Credit	■	■	■	■	■	■	■	IG credit spreads remain close to long-run tights, but all in yields are reasonable. IG issuance is picking up but corporate balance sheets are healthy, and the profits outlook remains positive. We think parts of the IG universe can be a potential hedge in portfolios
	Global High-Yield	■	■	■	■	■	■	■	Global high yield spreads have compressed further from already tight levels amid strong risk-on sentiment. Growth and inflation risks and policy uncertainty present potential risks, but strong corporate earnings could offset this. We prefer a defensive stance with a focus on quality credits
	Asia Credit	■	■	■	■	■	■	■	Asia IG benefits from attractive all-in yields and limited issuance amid accommodative onshore funding conditions. Credit fundamentals remain sound, and shorter duration helps reduce volatility. We emphasise a selective approach given idiosyncratic growth drivers
	EMD Hard Currency Bonds	■	■	■	■	■	■	■	EM hard currency sovereign bonds continue to benefit from strong fundamentals. Spreads have been well-behaved, reflecting the positive ratings stories of many EMs. EM corporate bonds are highly correlated to EM sovereigns but have also had a positive story in their own right
Equities	DM Equities	■	■	■	■	■	■	■	We expect a broadening out of global market leadership beyond the US, with episodic volatility. DM equity risk premiums remain positive, but there are downside risks to the earnings outlook if the macro backdrop deteriorates. The US market is also very concentrated
	EM Equities	■	■	■	■	■	■	■	EM equity valuations still exhibit material discounts to DMs. They could benefit from several structural and cyclical tailwinds, though ongoing uncertainties could trigger episodic volatility. Allocation strategies should increasingly consider country- and sector-specific factors
	Asia ex Japan	■	■	■	■	■	■	■	Asian markets offer broad sector diversification and high-quality growth opportunities. China's reflationary efforts, prudent policy support across the region, and other long-term themes still serve as positives. However, persistent external uncertainties could amplify market volatility
Alternatives	Private Markets	■	■	■	■	■	■	■	With elevated macro uncertainty, private credit yields remain attractive due to their continued illiquidity premium that suits long-term investors. In private equity, a recovery in PE-funded buy-out activity could widen its appeal as a source of long-term returns and a portfolio diversifier
	Hedge Funds	■	■	■	■	■	■	■	Hedge funds can be good diversifiers in an environment of elevated inflation and should there be sharp upticks in volatility. Macro and CTA strategies can be potentially attractive alternatives to bonds when there are positive stock-bond correlations
	Real Assets	■	■	■	■	■	■	■	Real estate investment activity shows signs of improvement, and the returns outlook appears healthy given yield expansion on the back of higher income. Meanwhile, infrastructure assets currently offer high dividend yields and provide exposure to key growth themes like AI and the energy transition

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. Diversification does not ensure a profit or protect against loss. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. Costs may vary with fluctuations in the exchange rate. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Source: HSBC Asset Management. Data as at 7.30am UK time 20 March 2026.



Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 16 March	CN	Industrial Production (yoy)	Feb	6.3%	-	Industrial production continued to see solid expansion, supported by robust exports and high-end manufacturing activities
	CN	Retail Sales (yoy)	Feb	2.8%	-	Retail sales growth picked up modestly in the Jan-Feb period following weak December readings
	US	Industrial Production (mom)	Feb	0.2%	0.7%	Whilst IP did better than expected, higher oil prices are likely to weigh on manufacturing going forward. AI capex may act a cushion
Tue. 17 March	ID	Bank Indonesia Rate	Mar	4.75%	4.75%	BI removed the reference to monitoring the room for rate cuts in its statement, whilst tightening regulations on FX purchases
	AU	RBA Cash Target Rate	Mar	4.10%	3.85%	The RBA delivered a second successive 25bp hike amid ongoing inflationary pressures. The decision was split 5-4
Wed. 18 March	US	PPI (mom)	Feb	0.7%	0.5%	Food and energy prices drove PPI higher, with the March PPI likely to see larger increases amid elevated global oil prices
	US	Fed Funds Rate (upper bound)	Mar	3.75%	3.75%	The Fed remained on hold acknowledging geopolitical risks. The accompanying dot-plot still anticipates a rate cut later this year
	BR	Banco Central do Brazil SELIC Target Rate	Mar	14.75%	15.00%	Banco do Brazil delivered a cautious 25bp rate cut, providing no forward guidance amid increased uncertainty about the outlook
	CA	BoC Policy Rate	Mar	2.25%	2.25%	BoC signalled policy on hold near-term, highlighting the "dilemma" posed by downside growth risks and upside inflation risks
Thu. 19 March	EZ	ECB Deposit Rate	Mar	2.00%	2.00%	The ECB left policy unchanged with the revised staff projections seeing higher inflation and lower growth
	JP	BoJ Policy Rate	Mar	0.75%	0.75%	BoJ left policy on hold. Some members view the balance of risks as "slightly weighted" towards higher inflation than lower growth
	UK	BoE MPC Base Rate	Mar	3.75%	3.75%	BoE voted unanimously to keep the bank rate unchanged but MPC members emphasised a willingness to hike if needed
	SW	Riksbank Policy Rate	Mar	1.75%	1.75%	The Riksbank is in wait-and-see mode, amid elevated uncertainty. The headline inflation forecast for 2026 was revised up

CN - China, US - United States, ID - Indonesia, AU - Australia, BR - Brazil, CA - Canada, EZ - Eurozone, JP - Japan, UK - United Kingdom, SW - Sweden

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 23 March	JP	CPI (yoy)	Feb	1.4%	1.5%	Core CPI (ex-fresh food) should moderate on government-related energy caps. Services inflation has softened since Q325
	US	Composite PMI, Flash	Mar	-	51.9	The composite PMI has fallen since summer 2025, giving a conflicting signal to the ISM surveys, which have risen
Tue. 24 March	EZ	Composite PMI, Flash	Mar	-	51.9	Rising geopolitical tensions point to softer business confidence amid rising uncertainty. The price components may rise
	CL	Banco Central de Chile Policy Rate	Mar	-	4.50%	Inflation has fallen below the central bank's 3% target but rising concerns over higher energy prices could keep policy on hold
	IN	Composite PMI, Flash	Mar	-	58.9	The composite PMI could fall on the back of higher oil prices, albeit from above average levels
Wed. 25 March	UK	CPI (yoy)	Feb	-	3.0%	Inflation may soften in February, but a renewed rise is likely in the coming months given surging oil and gas prices
	GE	IFO Business Confidence Index	Mar	-	88.6	IFO's business confidence measure has edged higher in early 2026, mirroring the German composite PMI
Thu. 26 March	MX	Banxico de Mexico, Overnight Lending Rate	Feb	-	7.00%	Ongoing disinflation points to scope for a modest rate cut near-term. The risk is that renewed FX weakness prompts a pause
	NW	Norges Bank Sight Deposit Rate	Mar	-	4.00%	Sticky core inflation and a tight labour market herald a prolonged pause ahead of key wage negotiations. Higher oil prices aid GDP

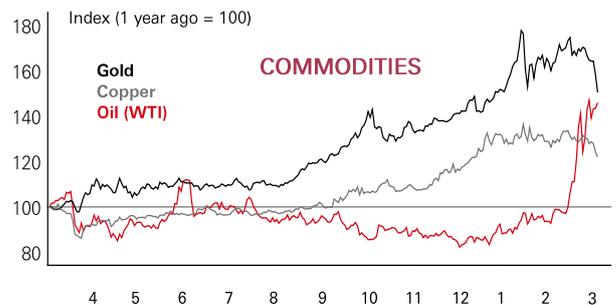
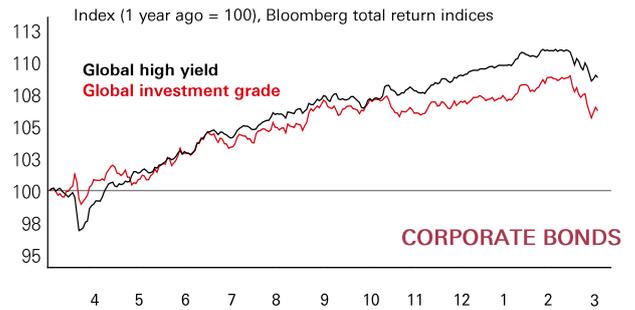
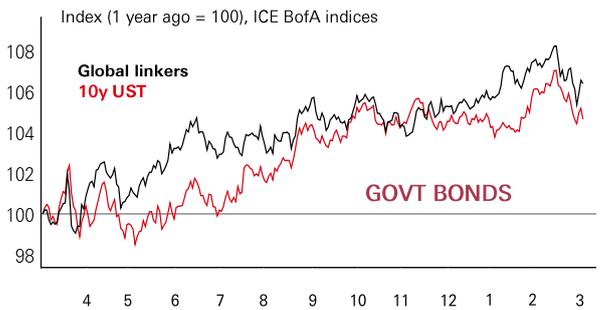
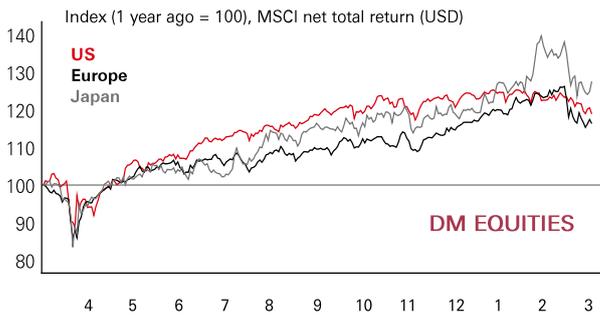
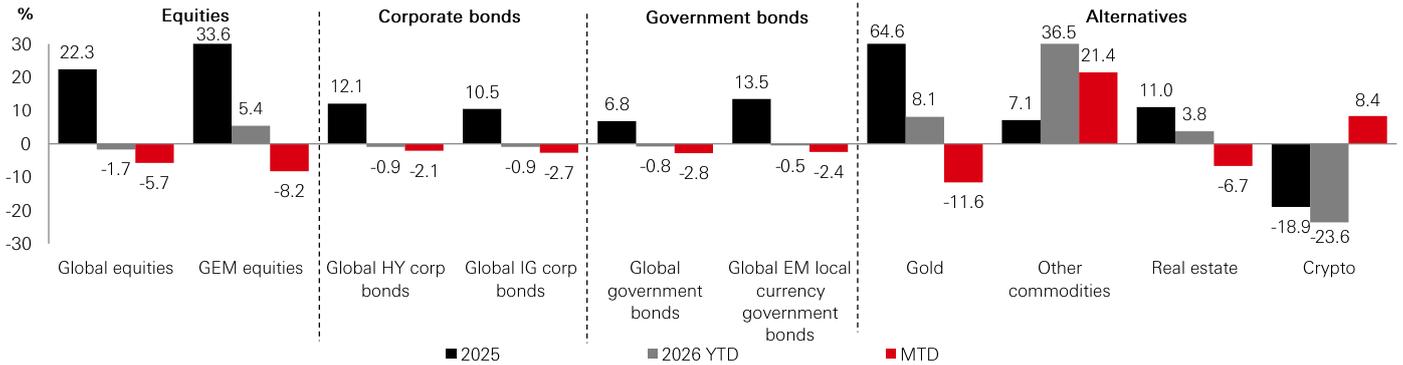
JP - Japan, US - United States, EZ - Eurozone, CL - Chile, IN - India, UK - United Kingdom, GE - Germany, MX - Mexico, NW - Norway

For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Source: HSBC Asset Management. Data as at 7.30am UK time 20 March 2026.

This week

Elevated geopolitical uncertainty is weighing on risk markets, with energy prices remaining volatile. The US dollar retreated following recent rallies, while gold prices weakened further. The US Treasury yield curve flattened: short-end yields rallied as Fed rate cut expectations were largely pared back, while long-end yields stabilised after surging over the past two weeks. In equities, emerging markets fared better than developed markets, with commodity-driven markets in Latin America a key driver. EM Asian bourses traded mixed: Chinese equities weakened. India's Sensex rebounded modestly, and Korea's Kospi surged. Across DM, the S&P 500 drifted lower, with losses in Consumer Staples and Materials offsetting gains in Energy, while the small-cap Russell 2000 edged higher. European stocks saw widespread weakness, as Japan's Nikkei 225 also declined.

Selected asset performance



Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index. Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 20 March 2026. 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 Global HY Total Return Index value unhedged. Bloomberg Global IG Total Return Index unhedged. Government bonds: Bloomberg 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 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)	995	-0.4	-5.5	-1.3	18.0	-1.9	1,064	723	18.1
North America									
US Dow Jones Industrial Average	46,021	-1.2	-7.3	-4.4	9.7	-4.2	50,513	36,612	20.4
US S&P 500 Index	6,606	-0.4	-4.4	-3.3	16.7	-3.5	7,002	4,835	20.6
US NASDAQ Composite Index	22,091	-0.1	-3.5	-5.2	24.9	-5.0	24,020	14,784	24.8
Canada S&P/TSX Composite Index	31,855	-2.1	-5.8	0.3	27.1	0.5	34,544	22,228	16.3
Europe									
MSCI AC Europe (USD)	677	-1.5	-9.5	-2.3	11.9	-3.2	756	516	15.2
Euro STOXX 50 Index	5,614	-1.8	-8.4	-2.5	3.0	-3.1	6,200	4,540	15.4
UK FTSE 100 Index	10,064	-1.9	-5.8	1.7	15.6	1.3	10,935	7,545	13.3
Germany DAX Index*	22,840	-2.6	-9.6	-6.0	-0.7	-6.7	25,508	18,490	15.0
France CAC-40 Index	7,808	-1.3	-8.3	-4.2	-3.5	-4.2	8,642	6,764	14.9
Spain IBEX 35 Index	16,906	-0.9	-7.0	-1.5	27.1	-2.3	18,574	11,583	13.4
Italy FTSE MIB Index	43,701	-1.4	-6.0	-2.4	11.5	-2.8	47,651	31,946	12.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	762	0.5	-5.0	8.4	28.5	5.6	831	507	13.9
Japan Nikkei-225 Stock Average	53,373	-0.8	-6.1	7.8	41.4	6.0	59,332	30,793	21.5
Australian Stock Exchange 200	8,428	-2.2	-7.2	-2.2	6.4	-3.3	9,201	7,169	16.7
Hong Kong Hang Seng Index	25,258	-0.8	-4.4	-1.7	4.3	-1.5	28,056	19,260	12.2
Shanghai Stock Exchange Composite Index	3,976	-2.9	-2.6	2.2	16.6	0.2	4,197	3,041	15.6
Hang Seng China Enterprises Index	8,578	-1.1	-4.3	-3.6	-4.2	-3.8	9,770	7,101	11.3
Taiwan TAIEX Index	33,544	0.4	-0.2	21.1	49.9	15.8	35,579	17,307	18.1
Korea KOSPI Index	5,781	5.4	-0.5	43.8	119.2	37.2	6,347	2,285	9.2
India SENSEX 30 Index	74,900	0.5	-9.6	-11.8	-1.9	-12.1	86,159	71,425	18.0
Indonesia Jakarta Stock Price Index	7,107	-0.4	-14.1	-17.5	11.4	-17.8	9,174	5,883	14.1
Malaysia Kuala Lumpur Composite Index	1,721	1.3	-1.8	3.3	14.4	2.4	1,771	1,387	15.1
Philippines Stock Exchange PSE Index	6,019	-0.7	-6.9	1.7	-4.8	-0.6	6,674	5,584	9.4
Singapore FTSE Straits Times Index	4,941	2.0	-1.5	8.1	25.7	6.3	5,041	3,372	15.2
Thailand SET Index	1,426	1.2	-3.6	13.9	20.7	13.2	1,545	1,054	15.0
Latam									
Argentina Merval Index	2,768,682	4.8	-3.6	-11.8	17.2	-9.3	3,296,502	1,635,451	9.8
Brazil Bovespa Index*	180,271	1.5	-5.4	13.8	36.6	11.9	192,624	122,887	9.5
Chile IPSA Index	10,473	0.1	-3.5	1.6	38.3	-0.1	11,721	7,136	13.4
Colombia COLCAP Index	2,200	0.9	-9.0	7.4	36.8	6.4	2,562	1,536	9.5
Mexico S&P/BMV IPC Index	65,199	-0.7	-8.7	1.9	22.8	1.4	72,111	49,799	12.7
EEMEA									
Saudi Arabia Tadawul Index	10,946	0.5	0.0	4.7	-6.9	4.3	12,075	10,194	N/A
South Africa JSE Index	110,572	-3.8	-10.1	-3.7	23.5	-4.5	129,339	77,165	13.7
Turkey ISE 100 Index*	13,048	-0.3	-6.4	15.0	33.0	15.9	14,533	8,873	4.0

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	-0.4	-5.4	-1.0	-1.7	19.6	68.1	60.4
US equities	-0.3	-4.2	-3.3	-3.5	17.5	72.6	74.0
Europe equities	-1.5	-9.3	-1.9	-2.9	14.9	53.9	49.8
Asia Pacific ex Japan equities	0.6	-4.7	8.8	5.9	31.1	63.6	24.7
Japan equities	0.3	-7.1	6.2	4.8	23.9	66.2	37.2
Latam equities	1.1	-8.9	11.8	9.9	46.6	69.1	72.5
Emerging Markets equities	0.5	-5.6	8.2	5.4	32.2	68.1	24.7

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.

Past performance does not predict future returns. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index.

Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 20 March 2026.



Market data

	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
Bond indices - Total Return						
BarCap GlobalAgg (Hedged in USD)	609	0.1	-1.1	0.3	3.9	0.1
JPM EMBI Global	1012.6	-0.4	-2.4	-0.3	9.5	-0.5
BarCap US Corporate Index (USD)	3532.4	0.6	-1.6	-0.1	4.8	-0.4
BarCap Euro Corporate Index (Eur)	264.1	-0.1	-1.7	-0.4	2.6	-0.6
BarCap Global High Yield (Hedged in USD)	686.4	-0.2	-1.8	-0.2	7.5	-0.5
Markit iBoxx Asia ex-Japan Bond Index (USD)	242.4	-0.1	-1.0	0.1	5.2	0.0
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	286	-0.7	-1.9	0.3	6.0	0.1

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 2025	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.16	1.14	1.18	1.17	1.09	1.17	1.21	1.07	1.3
GBP/USD	1.34	1.32	1.35	1.34	1.30	1.35	1.39	1.27	1.3
CHF/USD	1.27	1.26	1.29	1.26	1.13	1.26	1.32	1.13	0.2
CAD	1.37	1.37	1.37	1.38	1.43	1.37	1.44	1.35	-0.2
JPY	158	160	155	158	149	157	160	140	0.8
AUD/USD	0.71	0.70	0.71	0.66	0.63	0.67	0.72	0.59	1.4
NZD/USD	0.59	0.58	0.60	0.58	0.58	0.58	0.61	0.55	1.8
Asia									
HKD	7.83	7.83	7.81	7.78	7.77	7.78	7.85	7.75	-0.1
CNY	6.89	6.90	6.90	7.04	7.25	6.99	7.35	6.83	0.1
INR	93.4	92.5	91.0	89.7	86.4	89.9	93.4	83.8	-1.0
MYR	3.94	3.94	3.90	4.08	4.43	4.06	4.51	3.88	0.0
KRW	1498	1499	1447	1478	1468	1440	1507	1347	0.1
TWD	32.0	31.9	31.5	31.5	33.0	31.4	33.3	28.8	-0.2
Latam									
BRL	5.22	5.32	5.18	5.54	5.68	5.47	6.10	5.12	1.9
COP	3678	3698	3709	3824	4172	3778	4478	3581	0.6
MXN	17.8	17.9	17.1	18.0	20.2	18.0	21.1	17.1	1.1
ARS	1395	1398	1376	1449	1069	1452	1492	1068	0.2
EEMEA									
RUB	86.1	80.2	76.8	80.5	84.5	78.8	89.9	74.1	-7.4
ZAR	16.8	16.9	16.0	16.8	18.2	16.6	19.9	15.6	0.7
TRY	44.3	44.2	43.8	42.8	37.8	43.0	44.3	36.9	-0.2

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2025	1-week basis point change*
US Treasury yields (%)							
3-Month	3.69	3.68	3.67	3.60	4.29	3.63	1
2-Year	3.79	3.72	3.48	3.48	3.96	3.47	8
5-Year	3.88	3.86	3.65	3.69	4.01	3.73	2
10-Year	4.25	4.28	4.08	4.15	4.24	4.17	-3
30-Year	4.84	4.90	4.72	4.82	4.56	4.84	-7
10-year bond yields (%)							
Japan	2.27	2.25	2.11	2.02	1.51	2.06	2
UK	4.84	4.82	4.35	4.52	4.64	4.48	2
Germany	2.96	2.98	2.74	2.89	2.78	2.85	-2
France	3.64	3.67	3.30	3.61	3.48	3.56	-3
Italy	3.78	3.79	3.34	3.58	3.91	3.55	-1
Spain	3.46	3.49	3.15	3.33	3.42	3.29	-3
China	1.84	1.83	1.79	1.83	1.84	1.86	1
Australia	5.02	4.95	4.73	4.75	4.37	4.74	7
Canada	3.44	3.51	3.22	3.47	3.01	3.43	-7

*Numbers may not add up due to rounding.

Commodities	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low	
Gold	4,668	-7.0	-8.6	7.6	53.3	8.1	5,595	2,957
Brent Oil	107.5	4.3	50.8	80.0	57.9	78.3	120	58
WTI Crude Oil	94.0	-3.0	41.9	67.0	46.0	64.9	113	55
R/J CRB Futures Index	364.2	-0.4	17.1	23.4	18.5	21.9	366	280
LME Copper	12,147	-5.0	-6.3	2.2	22.2	-2.2	14,528	8,105

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index. Costs may vary with fluctuations in the exchange rate.

Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 20 March 2026.

Important Information

For Professional Clients and intermediaries within countries and territories set out below; and for Institutional Investors and Financial Advisors in the US. This document should not be distributed to or relied upon by Retail clients/investors.

The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. The performance figures contained in this document relate to past performance, which should not be seen as an indication of future returns. Future returns will depend, inter alia, on market conditions, investment manager's skill, risk level and fees. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries and territories with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries and territories in which they trade.

The contents of this document may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose. All non-authorized reproduction or use of this document will be the responsibility of the user and may lead to legal proceedings. The material contained in this document is for general information purposes only and does not constitute advice or a recommendation to buy or sell investments. Some of the statements contained in this document may be considered forward looking statements which provide current expectations or forecasts of future events. Such forward looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. We do not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements. This document has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument in any jurisdiction in which such an offer is not lawful. The views and opinions expressed herein are those of HSBC Asset Management at the time of preparation and are subject to change at any time. These views may not necessarily indicate current portfolios' composition. Individual portfolios managed by HSBC Asset Management primarily reflect individual clients' objectives, risk preferences, time horizon, and market liquidity. Foreign and emerging markets: investments in foreign markets involve risks such as currency rate fluctuations, potential differences in accounting and taxation policies, as well as possible political, economic, and market risks. These risks are heightened for investments in emerging markets which are also subject to greater illiquidity and volatility than developed foreign markets. This commentary is for information purposes only. It is a marketing communication and does not constitute investment advice or a recommendation to any reader of this content to buy or sell investments nor should it be regarded as investment research. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination. This document is not contractually binding nor are we required to provide this to you by any legislative provision.

All data from HSBC Asset Management unless otherwise specified. Any third-party information has been obtained from sources we believe to be reliable, but which we have not independently verified.

HSBC Asset Management is the brand name for the asset management business of HSBC Group, which includes the investment activities that may be provided through our local regulated entities. HSBC Asset Management is a group of companies in many countries and territories throughout the world that are engaged in investment advisory and fund management activities, which are ultimately owned by HSBC Holdings Plc. (HSBC Group).

- In Australia, this document is issued by HSBC Bank Australia Limited ABN 48 006 434 162, AFSL 232595, for HSBC Global Asset Management (Hong Kong) Limited ARBN 132 834 149 and HSBC Global Asset Management (UK) Limited ARBN 633 929 718. This document is for institutional investors only and is not available for distribution to retail clients (as defined under the Corporations Act). HSBC Global Asset Management (Hong Kong) Limited and HSBC Global Asset Management (UK) Limited are exempt from the requirement to hold an Australian financial services license under the Corporations Act in respect of the financial services they provide. HSBC Global Asset Management (Hong Kong) Limited is regulated by the Securities and Futures Commission of Hong Kong under the Hong Kong laws, which differ from Australian laws. HSBC Global Asset Management (UK) Limited is regulated by the Financial Conduct Authority of the United Kingdom and, for the avoidance of doubt, includes the Financial Services Authority of the United Kingdom as it was previously known before 1 April 2013, under the laws of the United Kingdom, which differ from Australian laws;
- In Bermuda, this document is issued by HSBC Global Asset Management (Bermuda) Limited, of 37 Front Street, Hamilton, Bermuda which is licensed to conduct investment business by the Bermuda Monetary Authority;

- In France, Belgium, Netherlands, Luxembourg, Portugal, Greece, Finland, Norway, Denmark and Sweden this document is issued by HSBC Global Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026);
- In Germany, this document is issued by HSBC Global Asset Management (Deutschland) GmbH which is regulated by BaFin (German clients) respectively by the Austrian Financial Market Supervision FMA (Austrian clients);
- In Hong Kong, this document is issued by HSBC Global Asset Management (Hong Kong) Limited, which is regulated by the Securities and Futures Commission. This content has not been reviewed by the Securities and Futures Commission;
- In India, this document is issued by HSBC Asset Management (India) Pvt Ltd. which is regulated by the Securities and Exchange Board of India;
- In Italy and Spain, this document is issued by HSBC Global Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026) and through the Italian and Spanish branches of HSBC Global Asset Management (France), regulated respectively by Banca d'Italia and Commissione Nazionale per le Società e la Borsa (Consob) in Italy, and the Comisión Nacional del Mercado de Valores (CNMV) in Spain;
- In Malta, this document is issued by HSBC Global Asset Management (Malta) Limited which is regulated and licensed to conduct Investment Services by the Malta Financial Services Authority under the Investment Services Act;
- In Mexico, this document is issued by HSBC Global Asset Management (Mexico), SA de CV, Sociedad Operadora de Fondos de Inversión, Grupo Financiero HSBC which is regulated by Comisión Nacional Bancaria y de Valores;
- In the United Arab Emirates, this document is issued by HSBC Investment Funds (Luxembourg) S.A. – Dubai Branch (Level 20, HSBC Tower, PO Box 66, Downtown Dubai, United Arab Emirates) regulated by the Capital Market Authority (CMA) in the UAE to conduct investment fund management, portfolios management, fund administration activities (CMA Category 2 license No.2020000336) and promotion activities (CMA Category 5 license No.2020000327).
- In the United Arab Emirates, this document is issued by HSBC Global Asset Management MENA, a unit within HSBC Bank Middle East Limited, U.A.E Branch, PO Box 66 Dubai, UAE, regulated by the Central Bank of the U.A.E. and the Capital Market Authority in the UAE under CMA license number 602004 for the purpose of this promotion and lead regulated by the Dubai Financial Services Authority. HSBC Bank Middle East Limited is a member of the HSBC Group and HSBC Global Asset Management MENA are marketing the relevant product only in a sub-distributing capacity on a principal-to-principal basis. HSBC Global Asset Management MENA may not be licensed under the laws of the recipient's country of residence and therefore may not be subject to supervision of the local regulator in the recipient's country of residence. One of more of the products and services of the manufacturer may not have been approved by or registered with the local regulator and the assets may be booked outside of the recipient's country of residence.
- In Singapore, this document is issued by HSBC Global Asset Management (Singapore) Limited, which is regulated by the Monetary Authority of Singapore. The content in the document/video has not been reviewed by the Monetary Authority of Singapore;
- In Switzerland, this document is issued by HSBC Global Asset Management (Switzerland) AG. This document is intended for professional investor use only. For opting in and opting out according to FinSA, please refer to our website; if you wish to change your client categorization, please inform us. HSBC Global Asset Management (Switzerland) AG having its registered office at Gartenstrasse 26, PO Box, CH-8002 Zurich has a licence as an asset manager of collective investment schemes and as a representative of foreign collective investment schemes. Disputes regarding legal claims between the Client and HSBC Global Asset Management (Switzerland) AG can be settled by an ombudsman in mediation proceedings. HSBC Global Asset Management (Switzerland) AG is affiliated to the ombudsman FINOS having its registered address at Talstrasse 20, 8001 Zurich. There are general risks associated with financial instruments, please refer to the Swiss Banking Association ("SBA") Brochure "Risks Involved in Trading in Financial Instruments";
- In Taiwan, this document is issued by HSBC Global Asset Management (Taiwan) Limited which is regulated by the Financial Supervisory Commission R.O.C. (Taiwan);
- In Turkiye, this document is issued by HSBC Asset Management A.S. Turkiye (AMTU) which is regulated by Capital Markets Board of Turkiye. Any information here is not intended to distribute in any jurisdiction where AMTU does not have a right to. Any views here should not be perceived as investment advice, product/service offer and/or promise of income. Information given here might not be suitable for all investors and investors should be giving their own independent decisions. The investment information, comments and advice given herein are not part of investment advice activity. Investment advice services are provided by authorized institutions to persons and entities privately by considering their risk and return preferences, whereas the comments and advice included herein are of a general nature. Therefore, they may not fit your

financial situation and risk and return preferences. For this reason, making an investment decision only by relying on the information given herein may not give rise to results that fit your expectations.

- In the UK, this document is issued by HSBC Global Asset Management (UK) Limited, which is authorised and regulated by the Financial Conduct Authority;
- In the US, this document is issued by HSBC Securities (USA) Inc., an HSBC broker dealer registered in the US with the Securities and Exchange Commission under the Securities Exchange Act of 1934. HSBC Securities (USA) Inc. is also a member of NYSE/FINRA/SIPC. HSBC Securities (USA) Inc. is not authorized by or registered with any other non-US regulatory authority. The contents of this document are confidential and may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose without prior written permission.
- In Chile, operations by HSBC's headquarters or other offices of this bank located abroad are not subject to Chilean inspections or regulations and are not covered by warranty of the Chilean state. Obtain information about the state guarantee to deposits at your bank or on www.cmfchile.cl;
- In Colombia, HSBC Bank USA NA has an authorized representative by the Superintendencia Financiera de Colombia (SFC) whereby its activities conform to the General Legal Financial System. SFC has not reviewed the information provided to the investor. This document is for the exclusive use of institutional investors in Colombia and is not for public distribution;
- In Costa Rica, the Fund and any other products or services referenced in this document are not registered with the Superintendencia General de Valores ("SUGIVAL") and no regulator or government authority has reviewed this document, or the merits of the products and services referenced herein. This document is directed at and intended for institutional investors only.
- In Peru, HSBC Bank USA NA has an authorized representative by the Superintendencia de Banca y Seguros in Perú whereby its activities conform to the General Legal Financial System - Law No. 26702. Funds have not been registered before the Superintendencia del Mercado de Valores (SMV) and are being placed by means of a private offer. SMV has not reviewed the information provided to the investor. This document is for the exclusive use of institutional investors in Perú and is not for public distribution;
- In Uruguay, operations by HSBC's headquarters or other offices of this bank located abroad are not subject to Uruguayan inspections or regulations and are not covered by warranty of the Uruguayan state. Further information may be obtained about the state guarantee to deposits at your bank or on www.bcu.gub.uy.

Copyright © HSBC Global Asset Management Limited 2026. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of HSBC Asset Management.

Content ID: D067211; Expiry Date: 20.09.2026