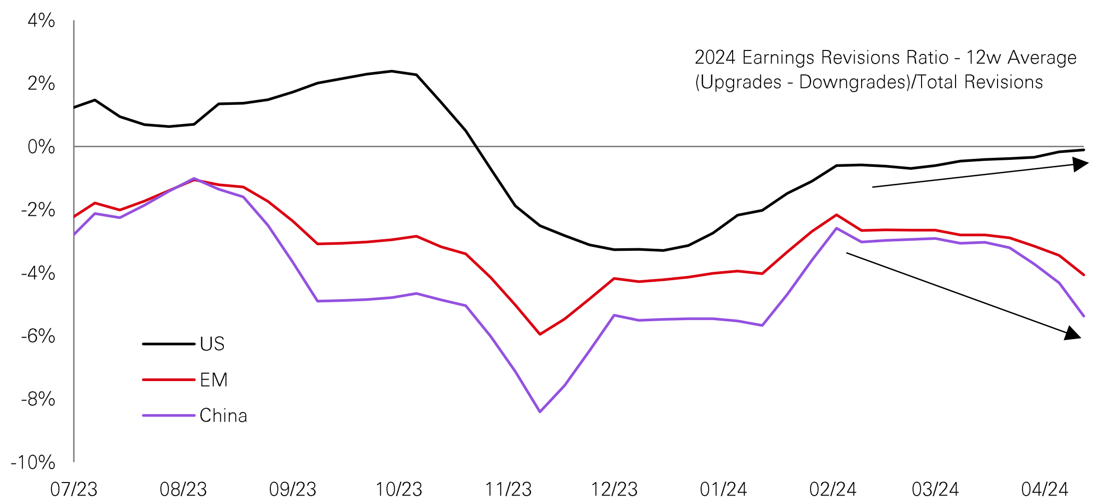
HSBC Asset Management

Investment Weekly

26 April 2024
For Professional Clients only.

Chart of the week – Diverging earnings momentum



Investor sentiment continues to be hobbled by a higher-for-longer US interest rate outlook. **This makes this Q1 earnings season especially important**. On this front, results have been mixed so far, with Q1 EPS growth now expected at just 0.5% year-on-year, lower than the 3.4% predicted as recently as last month. It's still early days and a lot will hinge on the performance of the 'Magnificent Seven' technology mega-caps.

US profits expectations for the full year 2024 have been on an improving trend over the past few months. This has come amid ongoing economic resilience. And analysts expect EPS growth to become less dependent on the big tech names as the year progresses. Nevertheless, we still have concerns about the strong growth numbers pencilled in for Q4 and 2025 (18% and 14% respectively), and see room for disappointment in the context of stretched valuations.

By contrast, most EM stock markets have seen a downward trend in earnings revisions, led by China, Hong Kong and ASEAN. In part, this divergence reflects the strain of higher-for-longer Fed rates, as well as FX volatility caused by the strong US dollar. Add to that China's macro challenges, which are still dragging on regional sentiment, it's no wonder analysts have been cooling on the outlook.

But it's not all bad. Q1 earnings in Asia have so far modestly surprised to the upside. Trade flows are improving amid a recovery in chip demand. And policy support in China is showing signs of success. If that continues, the earnings outlook can stabilise. Overall, relatively **undemanding EM valuations keep us positive on the asset class**.

Market Spotlight

Frontier resilience

Frontier market stocks have been caught up in the global equity sell-off this month. Nevertheless, the drawdown has been relatively minor (-4%) despite the prospect of higher-for-longer US rates weighing on performance.

One possible reason for this is that the frontier basket benefits from low intra-country correlations. This implies diversified performance and lower volatility. Frontier markets are generally dominated by domestic investors with idiosyncratic local issues also driving sentiment. With frontier stocks looking relatively under-owned by global investors (and seemingly undervalued), we think this makes for a strong investment case.

But that's not all. Correlations vis-a-vis EMs and DMs are also low, making exposure a potential source of portfolio diversification. Frontiers are also some of the world's fastest growing economies – including Asian giants such as the Philippines and Vietnam (22% and 16% of MSCI Frontier Emerging, respectively). The former is expected to see further benefits from 'friend-shoring', while the latter is expected to lead the way in Asia's policy easing cycle.

Gold is Shining →

Exploring the drivers behind the recent winning streak in the gold price

Return of the 60/40 →

How a classic diversified strategy could still be working for investors

Asia Rates Outlook →

What Indonesia's surprise rate hike means for policy across Asia

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.

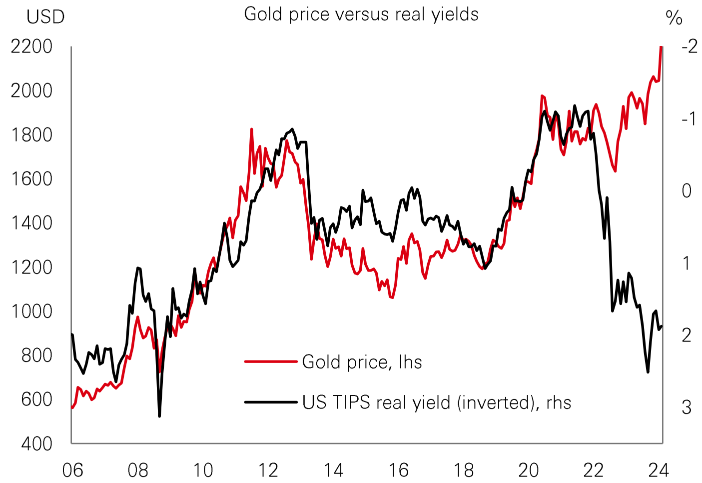
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.30am UK time 26 April 2024.

All that glitters

Gold has broken higher since the start of March, rising by as much as 15%. Renewed concern about persistent inflation is likely to have played a role, given that gold has historically been an inflation hedge. But gold also tends to benefit from investor anxiety, which has been rising on recent geopolitical tensions.

On a more structural basis, gold has done well recently as investors confront longer-term challenges such as climate change, economic fragmentation, and resource nationalism – which are all inflationary and raise economic uncertainty. We have also seen major EMs diversify their FX reserves away from dollar-denominated assets amid geopolitical tensions and discomfort with the US fiscal position.

One consequence of these developments is that the historically close inverse correlation between the gold price and real US Treasury yields has, for now, broken down. This is one reason to be cautious on the yellow metal even if it is likely to remain in favour by investors looking for a potential portfolio hedge in the 'multi-polar world'.

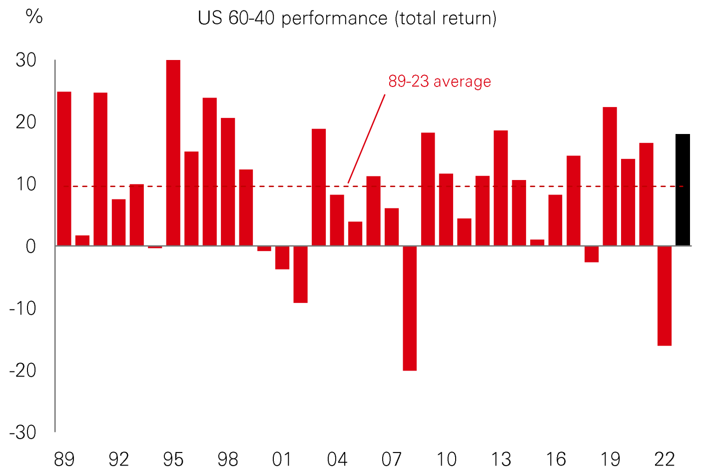


Putting cash to work in portfolios

The classic 60/40 stock-bond portfolio – which balances upside exposure to equities with the downside protection of bonds – has been a historically reliable way of delivering solid risk-adjusted returns. But it stopped working in 2022, as the two usually uncorrelated assets both fell. Amid elevated inflation and an uncertain outlook, the risk of persistently high stock-bond correlations has been cited as a reason to give up on the strategy.

But its death seems greatly exaggerated. Last year, the 60/40 saw a solid gain of 18% on a total return basis and is up year-to-date. In part, that's been driven by a rebound in stocks. But with the market pricing-in a higher-for-longer rates outlook, bond yields remain elevated. This makes the income component from bonds a meaningful source of returns in the mix.

And if we get an adverse growth shock or policy rate cuts, there is potential for capital gains from bonds. What will be crucial, however, is further progress on disinflation. This would bring back the idea of central bank 'policy puts' that can lower the stock-bond correlation.

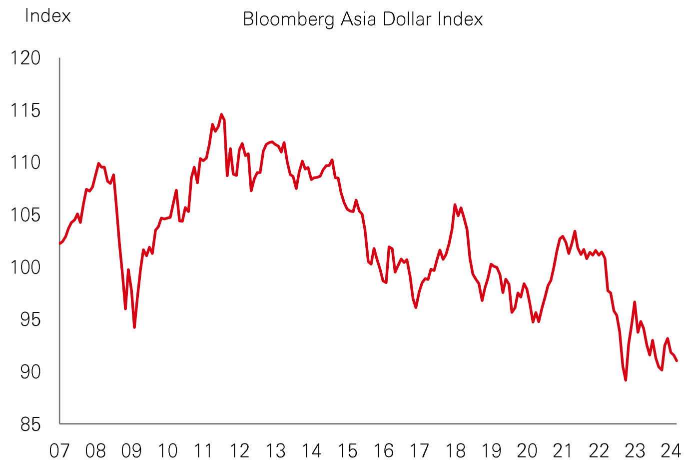


Surprise in Indonesia

Against a backdrop of a growing number of global central banks cutting interest rates, headlines about a surprise rate hike in Indonesia this week were attention-grabbing. Bank Indonesia Governor Warjiyo justified the decision to raise interest rates to 6.25% as a response to "worsening global risks" and as a "pre-emptive and forward looking" measure to assert inflation control.

Across Asia, the key macro discussion is about the implication of higher-for-longer US interest rates and the stronger oil price. A hawkish Fed and 'king dollar' push Asian currencies lower and casts doubt over any rate cutting cycle.

Recent data in Asia has shown some modest inflation surprises, and favourable base effects are set to fade during Q2. That means that there is little urgency for Asian central banks to follow the lead of the Latam and East European early rate cutters. Crucially, this week's BI move shouldn't be seen as a turn in strategy back to rate hikes; that's not warranted on growth and inflation trends. Instead, the Asia rate cut cycle looks delayed and, when it comes, could be shallower than analysts had assumed.



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. Macrobond, Bloomberg. Data as at 11.30am UK time 26 April 2024.

Asset class views

Our baseline macro scenario is for a soft-ish landing, involving a slowdown in growth and further disinflation. But the data flow is likely to remain bumpy and the outlook remains uncertain. Risk asset valuations are stretched in many areas. That means that any deterioration in corporate fundamentals could create market volatility. A defensive positioning in portfolios remains appropriate, which includes selective exposures to fixed income, risk assets, and private markets.

House view represents a 12-month investment view across major asset classes in our portfolios.

	Asset Class	- View +	Comments
Macro Factors	Global growth	□□□□■□□□□	A defensive positioning in investment portfolios remains appropriate given optimistic market expectations versus a lingering risk of macro disappointment or weakness. We prefer to access the growth factor in laggard regions, such as in Asia and emerging markets
	Duration	□□□□□□■□□	Robust growth and inflation data have put upward pressure on yields so far in H1. Carry remains appealing and, in adverse economic outcomes, there is scope for strong returns in global duration. We favour the US and UK curves
	Emerging Markets	□□□□□□■□□	The outlook for EMs is bolstered by China policy support feeding through to the real economy, eventual Fed easing, and a growth premium versus the West. Disinflation is an ongoing process, especially in Latam and Europe, allowing EM central banks to lead the cutting cycle
Bonds	10yr US Treasuries	□□□□□□■□□	Yields have ground higher over the course of H1, driven by resilient growth and inflation data. However, growth could disappoint expectations in H2, meaning investors price in more cuts. We anticipate yield curve steepening by the end of the year
	EMD Local	□□□□□□□■□	EM local-currency bonds have performed well. Proactive central banks in Latam and Europe are leading the global cutting cycle. And many economies have seen rapid disinflation. We remain overweight Brazil, Indonesia, Mexico, Peru and South Africa
	Asia Local	□□□□□□■□□	The near-term outlook for Asia bonds is stable. A Fed pivot later this year and less hawkish Asian central banks could boost performance. We are positive on Indonesia, India, and Korea – markets which benefit from carry and the prospect of capital gains driven by rate cuts
Credits	Global Credit	□□□□□■□□□	Global credit is expensive with most non-financial spreads at near-cyclical tights. Financials, particularly banks, look attractive but less so than they were at the start of 2024. All-in yields continue to support inflows, helping long duration corporate credit
	Global High-Yield	□□■□□□□□□	Valuations are expensive with spreads falling sharply in recent months. The market prices a global soft landing. But the tight spreads in HY are offset by a high 'all-in' yield. And corporate fundamentals are not a source of concern
	Asia Credit	□□□□□■□□□	Valuations are expensive as spreads approach historic tights. The rising chance of a US soft landing mitigates the risk of material spread widening. Economic resilience within Asia, plus China policy action, support the regional credit market outlook today
	EMD Hard Currency Bonds	□□□□■□□□□	EM credit spreads could benefit as the Fed moves towards cutting rates, but this prospect has already driven a re-rating of the asset class. Spreads are at historic tights and it is difficult to see further compression, although we remain cyclically-constructive
Equities	DM Equities	□□□■□□□□□	The bull market continues, bolstered by confidence in the soft landing, and leadership from quality growth. But as investor perceptions shift, the market is discounting a lot of good news. Risks of an adverse surprise are rising, even if an imminent growth collapse looks unlikely
	EM Equities	□□□□□□■□□	The EM growth outlook is a relative bright spot in a global context, with disinflation and the prospect of Fed rate cuts being supportive. Stock and currency market valuations remain undemanding. Idiosyncratic trends within EMs imply scope for portfolio diversification too
	Asia ex Japan	□□□□□□■□□	Asia is a strong performer year-to-date. Chinese policy activism is rebuilding investor confidence in the market. India fundamentals are supportive, with strong EPS growth, despite elevated valuations. Korea and Taiwan continue to benefit from the upswing in the semiconductor cycle
Alternatives	Global Private Equity	□□□□■□□□□	With tighter financial conditions raising the cost of leverage, PE funds may face challenges in delivering consistently strong returns. However, increasing economic headwinds can create attractive entry points for longer-term investors. The investment case is about alpha, not beta
	Global Real Estate	□□□□□□□■□	In a more benign macro environment, real estate sub-sectors with a more secure income profile and lower leverage should outperform. Following recent price corrections driven by higher interest rates, there may be opportunities for value-add or opportunistic strategies to acquire at a low base
	Infrastructure Debt	□□□□□□□■□	Infrastructure debt currently offers stronger expected returns than global credits, and experiences lower spread volatility during economic slowdowns. It has strong defensive attributes, offers inflation-linked cash flows and benefits from thematic drivers such as the green transition

Source: HSBC Asset Management. Data as at 11.30am UK time 26 April 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 22 April	CN	Loan Prime Rate (1yr)	Apr	3.45%	3.45%	The PBOC left both the 1yr and 5yr LPR unchanged, after keeping the MLF unchanged previously
	MX	IGAE Economic Activity Index (mom)	Feb	1.4%	-0.9%	The IGAE increased for the first time since September, with the monthly rise the largest in almost three years
Tue. 23 April	EZ	HCOB Eurozone Composite PMI	Apr (P)	51.4	50.3	The eurozone composite PMI improved in early Q2 but the rise has been focused on the service sector with manufacturing confidence lacklustre
	US	S&P Global Composite PMI	Apr (P)	50.9	52.1	The US composite PMI fell to a four-month low in April. The employment component dropped to its lowest level since May 2020, hinting at weaker labour market conditions
	IN	Composite PMI	Apr (P)	62.2	61.8	The composite PMI has been trending higher in recent months, highlighting India's still-strong growth dynamic
Wed. 24 April	GE	IFO Business Climate Index	Apr	89.4	87.9	IFO's business climate index increased in April, the third consecutive monthly rise, suggesting growth is picking up
Thu. 25 April	US	GDP (qoq annualised)	Q1	1.6%	3.4%	US growth slowed by more than expected reflecting a surge in imports. Domestic demand growth remained robust
	TK	Turkey Central Bank Interest Rate Decision	Apr	50.0%	50.0%	Turkey's central bank maintained a restrictive policy stance in the face of uncomfortably high inflation
Fri. 26 April	JP	BoJ Monetary Policy Meeting	Apr	0.10%	0.10%	The BoJ kept policy on hold in April. The FY24 inflation forecast was upgraded to 2.8%, but FY25 and FY26 inflation projections were slightly below the BoJ's 2% target
	US	Core PCE Deflator (yoy)	Mar	-	2.8%	

P – Preliminary, Q – Quarter **EZ – Eurozone, TK – Turkey, IN – India, GE – Germany, CN – China, MX – Mexico, JP – Japan**

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 29 April	US	Q1 US earnings				Close to 1/3 of US companies have reported Q1 results. Healthcare, communication services and staples are at the top with almost no misses. Materials have fared worse and sit at the bottom
Tue. 30 April	JP	Industrial Production (mom)	Mar (P)	3.5%	-0.6%	Industrial production should rebound in March following a sharp decline through the January-February period
	CN	Official Manufacturing PMI	Apr	50.3	50.8	Declines in the US and eurozone manufacturing PMIs in April suggest downside risks to China's equivalent surveys
	EZ	Eurozone CPI (yoy)	Apr (P)	2.4%	2.4%	Goods disinflation continues apace but services sector inflation has been sticky recently amid Easter distortions
	EZ	Eurozone GDP (qoq)	Q1 (P)	0.2%	-0.1%	Eurozone growth should eke out a slight rise in Q1 2024 after stagnating in 2023. Services are likely to be the driver of any improvement
	US	Employment Cost Index (qoq)	Q1	1.0%	0.9%	The employment cost index is likely to have risen at a solid pace in Q1, but should moderate through 2024 as the labour market cools
	US	Conference Board Consumer Confidence Index	Apr	104.1	104.7	The Conference Board consumer confidence index may have declined in April, reflecting recent stronger inflation and softer equity markets
	MX	GDP (qoq)	Q1 (P)	-	0.1%	Mexican growth slowed in Q4 2023 and monthly activity data suggest a slow start to 2024
Wed. 1 May	US	ISM Manufacturing Index	Apr	50.1	50.3	The ISM manufacturing index is expected to decline modestly following a fall in the US S&P Global manufacturing PMI
	US	FOMC Interest Rate Decision	Jun	5.50%	5.50%	Fed Chair Powell cautioned recently that rates are likely to stay at current levels "for longer than expected" after a "lack of progress" on US inflation, mirroring comments from other FOMC members
Fri. 3 May	EZ	Eurozone Unemployment Rate	Mar	6.5%	6.5%	The eurozone unemployment rate remains at historic lows and the PMI employment surveys are consistent with further modest job gains
	US	Change in Non-Farm Payrolls	Apr	250k	303k	Non-farm payrolls have surprised to the upside recently but other labour market indicators hint at a gradual cooling in labour market conditions
	US	ISM Services Index	Apr	52.0	51.4	The ISM services index is expected to rise, although the US S&P Global services PMI suggests some downside risk

P – Preliminary, Q – Quarter **CN – China, EZ – Eurozone, IN – India, MX - Mexico, JP – Japan**

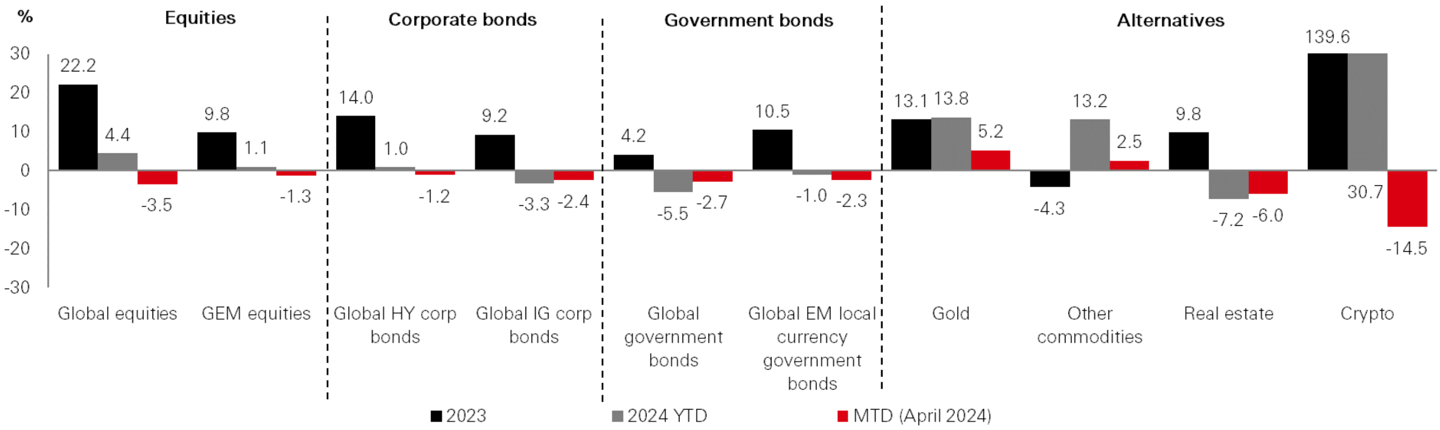
Source: HSBC Asset Management. Data as at 11.30am UK time 26 April 2024.

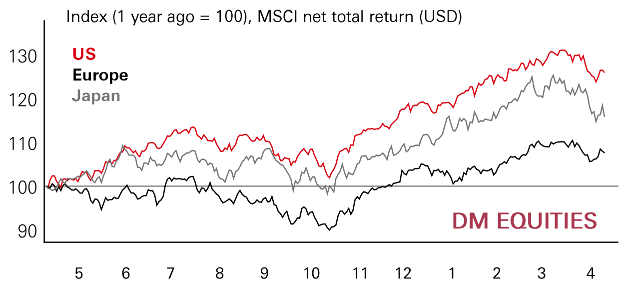
Market review

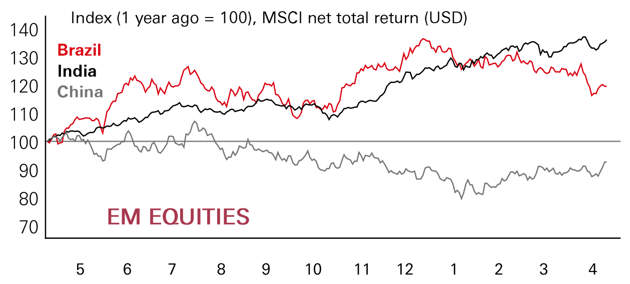
This week

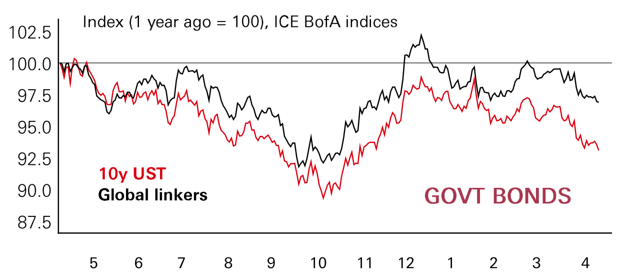
Rising US inflation worries weighed on core government bonds, with risk markets resilient and the DXY index softer. The US core PCE deflator surprised on the upside in Q1 2024, reinforcing the current market narrative of higher for longer US rates ahead of next week's FOMC meeting. US equities posted decent gains in choppy trading amid mixed Q1 earnings. The Euro Stoxx 50 index eked out small gains on improving sentiment towards the eurozone economy. Broad-based yen weakness boosted the Nikkei as the BoJ left policy on hold in April, with the FY24 inflation forecast upgraded to 2.8%. In EM, the Shanghai Composite index fell modestly amid lingering economic concerns in China, but India's Sensex remained in positive territory. In commodities oil snapped a two week losing streak on persistent supply concerns. Easing geopolitical concerns weighed on gold.

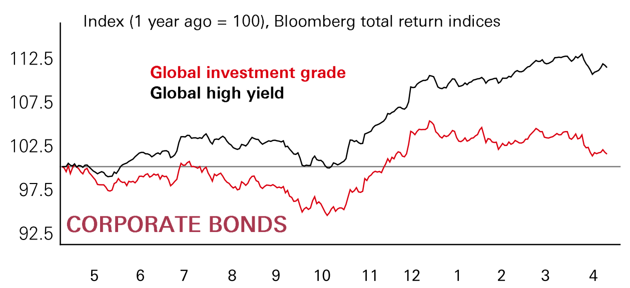
Selected asset performance

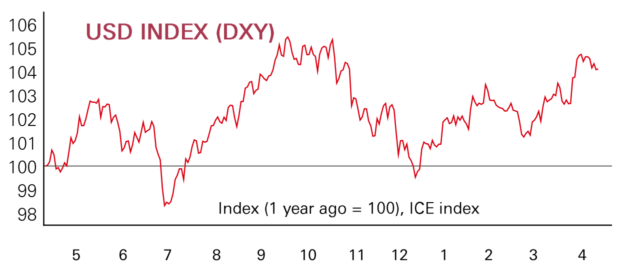


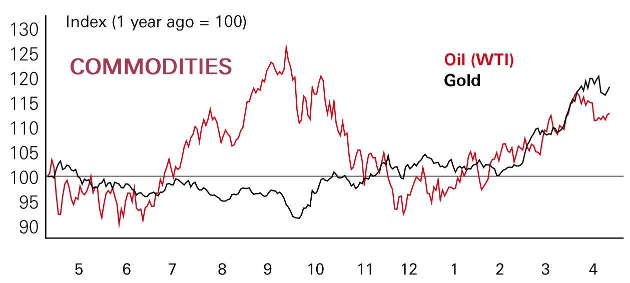












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Market data

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)	756	1.7	-2.9	3.0	17.6	3.9	786	628	17.8
North America									
US Dow Jones Industrial Average	38,086	0.3	-3.0	-0.1	14.4	1.1	39,889	32,327	18.7
US S&P 500 Index	5,048	1.6	-3.0	3.2	24.5	5.8	5,265	4,048	20.7
US NASDAQ Composite Index	15,612	2.2	-4.3	1.0	31.7	4.0	16,539	11,833	28.0
Canada S&P/TSX Composite Index	21,885	0.4	-0.1	3.6	7.5	4.4	22,380	18,692	14.8
Europe									
MSCI AC Europe (USD)	543	1.1	-2.6	2.4	5.3	1.9	562	459	14.0
Euro STOXX 50 Index	4,972	1.1	-1.8	7.2	14.3	10.0	5,122	3,993	13.8
UK FTSE 100 Index	8,108	2.7	2.2	6.2	3.3	4.8	8,137	7,216	11.8
Germany DAX Index*	18,050	1.8	-1.8	6.4	14.3	7.8	18,567	14,630	13.0
France CAC-40 Index	8,038	0.2	-1.8	5.3	7.7	6.6	8,254	6,774	14.0
Spain IBEX 35 Index	11,092	3.4	0.9	11.6	19.3	9.8	11,140	8,879	11.1
Italy FTSE MIB Index	34,240	0.9	-1.3	12.7	26.3	12.8	34,908	26,000	9.1
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	532	3.3	-0.8	5.0	4.1	0.5	546	469	13.9
Japan Nikkei-225 Stock Average	37,935	2.3	-6.1	6.1	33.5	13.4	41,088	28,242	21.8
Australian Stock Exchange 200	7,576	0.1	-2.6	0.3	3.5	-0.2	7,911	6,751	16.8
Hong Kong Hang Seng Index	17,651	8.8	6.2	10.7	-10.7	3.5	20,361	14,794	8.6
Shanghai Stock Exchange Composite Index	3,089	0.8	1.9	6.1	-5.4	3.8	3,419	2,635	10.9
Hang Seng China Enterprises Index	6,270	9.1	7.6	17.0	-5.8	8.7	7,024	4,943	8.0
Taiwan TAIEX Index	20,121	3.0	0.0	11.8	30.9	12.2	20,884	15,284	17.7
Korea KOSPI Index	2,656	2.5	-3.7	7.2	6.9	0.0	2,779	2,274	10.8
India SENSEX 30 Index	73,730	0.9	1.7	4.3	22.3	2.1	75,124	59,955	21.3
Indonesia Jakarta Stock Price Index	7,036	-0.7	-4.5	-1.4	1.8	-3.3	7,454	6,563	13.1
Malaysia Kuala Lumpur Composite Index	1,575	1.8	2.4	4.6	11.4	8.3	1,576	1,369	13.8
Philippines Stock Exchange PSE Index	6,629	2.9	-3.9	-0.9	1.4	2.8	7,071	5,920	11.1
Singapore FTSE Straits Times Index	3,280	3.3	1.4	3.8	-0.4	1.2	3,393	3,042	10.7
Thailand SET Index	1,360	2.1	-1.3	-0.6	-11.9	-3.9	1,579	1,330	14.7
Latam									
Argentina Merval Index	1,245,144	4.7	2.5	-0.7	308.5	33.9	1,334,440	281,361	7.5
Brazil Bovespa Index*	124,646	-0.4	-1.7	-3.4	21.8	-7.1	134,392	101,064	7.7
Chile IPSA Index	6,312	-0.8	-3.2	4.2	18.5	1.8	6,731	5,282	10.2
Colombia COLCAP Index	1,350	1.3	2.4	5.3	13.9	12.9	1,426	1,045	7.0
Mexico S&P/BMV IPC Index	57,086	2.2	-0.2	0.4	5.7	-0.5	59,021	47,765	13.0
EEMEA									
Russia MOEX Index	3,454	-0.5	5.1	9.2	31.8	11.4	3,488	2,484	N/A
South Africa JSE Index	75,078	2.3	2.0	0.0	-3.9	-2.4	79,212	69,128	11.7
Turkey ISE 100 Index*	9,886	2.0	12.2	18.4	106.7	32.3	9,907	4,311	4.5

*Indices expressed as total returns. All others are price returns.

Equity Indices - Total Return	1-week Change (%)	1-month Change (%)	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
Global equities	1.7	-2.8	3.4	4.4	19.5	12.5	57.1
US equities	1.7	-3.0	3.4	6.0	26.5	21.9	81.9
Europe equities	1.3	-2.1	3.4	2.9	8.2	8.7	35.8
Asia Pacific ex Japan equities	3.3	-0.7	5.6	1.1	6.9	-18.4	12.0
Japan equities	0.9	-6.3	2.6	3.6	16.4	3.4	34.0
Latam equities	0.9	-3.5	-4.2	-8.1	17.3	21.7	13.2
Emerging Markets equities	2.5	-0.9	5.0	1.1	9.1	-18.3	8.0

All total returns quoted in USD terms and subject to one-day lag.
Data sourced from MSCI AC World Total Return Index, MSCI USA Total Return Index, MSCI AC Europe Total Return Index, MSCI AC Asia Pacific ex Japan Total Return Index, MSCI Japan Total Return Index, MSCI Emerging Latin America Total Return Index, and MSCI Emerging Markets Total Return Index
Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

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Source: HSBC Asset Management. Bloomberg. Data as at 11.30am UK time 26 April 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)	551	-0.4	-1.5	-0.8	2.0	-1.8
JPM EMBI Global	840.3	-0.3	-2.1	0.9	6.8	-1.0
BarCap US Corporate Index (USD)	3117.3	-0.3	-2.4	-2.2	0.9	-3.2
BarCap Euro Corporate Index (Eur)	245.0	-0.2	-0.7	-0.1	5.4	-0.5
BarCap Global High Yield (Hedged in USD)	575.5	0.2	-0.8	1.6	12.3	1.6
Markit iBoxx Asia ex-Japan Bond Index (USD)	213.6	-0.2	-1.1	0.1	3.1	-0.1
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	242	0.1	-0.3	2.9	6.7	5.5

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	1.07	1.07	1.08	1.09	1.10	1.10	1.13	1.04	0.7
GBP/USD	1.25	1.24	1.26	1.27	1.25	1.27	1.31	1.20	1.1
CHF/USD	1.10	1.10	1.11	1.16	1.12	1.19	1.20	1.08	-0.2
CAD	1.37	1.38	1.36	1.35	1.36	1.32	1.39	1.31	0.7
JPY	157	155	152	148	134	141	157	133	-1.4
AUD/USD	0.65	0.64	0.65	0.66	0.66	0.68	0.69	0.63	1.8
NZD/USD	0.60	0.59	0.60	0.61	0.61	0.63	0.64	0.58	1.1
Asia									
HKD	7.83	7.83	7.82	7.81	7.85	7.81	7.85	7.79	0.0
CNY	7.25	7.24	7.22	7.18	6.93	7.10	7.35	6.89	-0.1
INR	83.3	83.5	83.3	83.1	81.8	83.2	83.6	81.7	0.1
MYR	4.77	4.78	4.72	4.73	4.46	4.59	4.81	4.43	0.3
KRW	1375	1382	1340	1336	1337	1291	1400	1257	0.5
TWD	32.6	32.5	31.9	31.3	30.7	30.6	32.7	30.5	-0.2
Latam									
BRL	5.16	5.20	4.98	4.91	5.05	4.85	5.29	4.70	0.8
COP	3956	3905	3857	3911	4527	3875	4728	3739	-1.3
MXN	17.3	17.1	16.6	17.2	18.1	17.0	18.5	16.3	-1.0
ARS	874	871	857	824	222	808	874	222	-0.3
EEMEA									
RUB	91.9	93.1	92.5	89.9	82.1	89.5	102.4	75.1	1.3
ZAR	19.0	19.1	19.0	18.8	18.4	18.4	19.9	17.4	0.8
TRY	32.6	32.5	32.2	30.3	19.4	29.5	32.8	19.3	-0.1

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	5.39	5.37	5.36	5.35	5.11	5.33	2
2-Year	5.00	4.99	4.59	4.35	3.95	4.25	1
5-Year	4.71	4.67	4.22	4.04	3.50	3.85	4
10-Year	4.69	4.62	4.23	4.14	3.45	3.88	7
30-Year	4.79	4.71	4.40	4.37	3.70	4.03	8
10-year bond yields (%)							
Japan	0.89	0.85	0.73	0.71	0.46	0.61	4
UK	4.34	4.23	3.97	3.96	3.73	3.53	12
Germany	2.60	2.50	2.35	2.30	2.39	2.02	10
France	3.10	3.01	2.83	2.79	2.96	2.56	9
Italy	3.97	3.93	3.65	3.82	4.27	3.69	4
Spain	3.39	3.31	3.18	3.20	3.44	2.98	8
China	2.31	2.26	2.32	2.50	2.80	2.56	5
Australia	4.52	4.26	4.03	4.24	3.30	3.96	26
Canada	3.87	3.74	3.50	3.52	2.86	3.11	13

*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	2,346	-1.9	7.7	16.2	18.0	13.7	2,432	1,811
Brent Oil	89.3	2.3	4.3	8.8	20.2	16.6	92	69
WTI Crude Oil	83.9	2.0	3.5	8.4	19.8	16.3	87	63
R/J CRB Futures Index	297.7	-0.2	3.4	8.8	12.3	12.8	298	254
LME Copper	9,865	-0.1	11.3	15.4	15.3	15.3	9,988	7,856

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future.
Source: HSBC Asset Management. Bloomberg. Data as at 11.30am UK time 26 April 2024.

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0684-24; EXP 31.10.2024