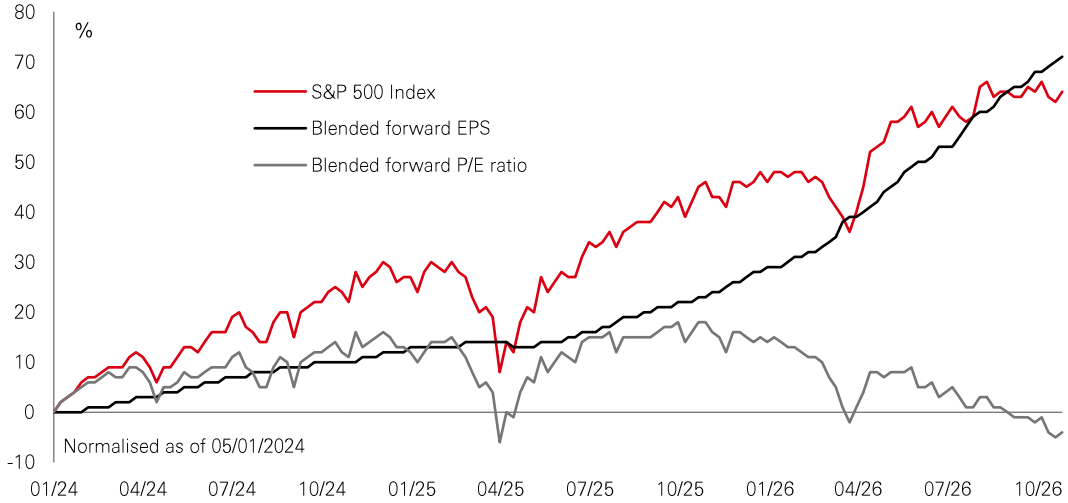
HSBC Asset Management

Investment Weekly

6 November 2026
For Professional Clients only. Marketing Communication.



Chart of the week – Profits power ahead



Global equities have demonstrated remarkable resilience this year, holding near record highs despite a barrage of macroeconomic headwinds. Markets have had to contend with surging oil prices, 10-year US Treasury yields exceeding 5%, renewed Fed rate hikes, and growing scrutiny over the durability of the AI boom.

Part of this resilience reflects powerful buffers within the broader macro system. More activist fiscal and industrial policy, cushioned energy reserves and market flexibility, and rapid private-sector supply-chain adaptation have enabled economies to absorb external shocks that might previously have triggered a downturn.

At the market level, booming corporate profits have done the heavy lifting. The Q3 reporting season has underscored this fundamental strength, with the S&P 500 on track for a third consecutive quarter of earnings growth above 25%, backed by near-record margins and broad-based revenue expansion. Surging forward earnings estimates have outpaced index price gains in 2026, resulting in a P/E valuation de-rating.

Beneath the surface, however, profit leadership is shifting. Mega-cap earnings momentum is slipping against lofty expectations, leaving the "Magnificent Seven" trailing broader index growth. This leaves markets in a delicate balancing act. With cash and short-duration bonds yielding around 5%, the opportunity cost of equities has risen. Amid elevated rates and geopolitical uncertainty, **fading mega-cap dominance could test market resilience – reinforcing the need to broaden exposure across sectors and regions**. #profits #megacaps

Market Spotlight

More than the parts

Traditional portfolios can suffer from an illusion of diversification. Managed in isolated silos, they often double up on the same underlying risks – only discovering the overlap when markets sell off together.

In a new paper, our multi-asset team explores the Total Portfolio Approach (TPA), adopted by major funds like CalPERS and GIC. Rather than viewing investments through isolated labels, TPA aims to balance four core macro forces driving returns: economic growth, duration (interest-rate sensitivity), inflation, and defensive resilience.

Because stocks, credit, and private equity all rely on economic growth – while government and corporate bonds share duration risk – traditional portfolios are often lopsided, leaving them short of inflation and crisis protection. **Under a "one portfolio, one purpose" mindset, teams break down walls to plug those gaps,** making room for inflation hedges like commodities and crisis buffers like gold and defensive hedge funds.

Rather than a disruptive overhaul, our team views TPA as a pragmatic evolution – combining specialist building blocks with agile, factor-aware decisions for stronger long-term returns. Read more here. #TPA #multiasset

US midterms →

The potential market implications of a blue wave

EM debt →

Why EM debt has been resilient despite global risks

Japan bonds →

G7 topping yields offer value despite fiscal slippage risks



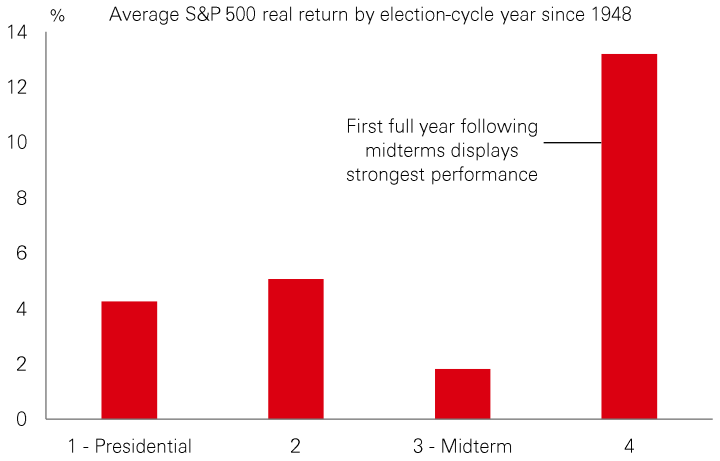
The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. The level of yield is not guaranteed and may rise or fall in the future. Past performance does not predict future returns. For informational purposes only and should not be construed as a recommendation to invest in the specific company, 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. 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, Factset, Bloomberg, Macrobond. Data as at 7.30am UK time 06 November 2026.

Beyond the blue wave

A "blue wave" has swept Washington, with Democrats flipping both Houses of Congress. Historically, the year following midterms is the strongest of the presidential cycle for US stocks. In theory, passing the vote lifts election uncertainty, and when the result produces divided government, gridlock further reduces policy risk by blocking major legislative shifts. **Yet investors face choppy waters: without a 2027 budget, a mid-December shutdown looms, the economy is still absorbing a big energy shock, and questions surround AI regulation**.

Broad stock markets have been consolidating since mid-year, **but powerful churn is building beneath the surface**. Rapid profit tailwinds are cooling, interest-rate headwinds are intensifying, and AI spillovers are reshaping market leadership. Investors will need to get used to a "rolling rotation" between sectors and countries – shifting from tech to value and defensives, with neglected markets like India back in favour.

Shifting tides also reach the dollar. Roughly 15% above its long-run real average, the greenback rode the tech trade; if tech cools and the Fed underdelivers on 2027 rate hikes, the "dollar down" theme returns. #USmidterms #multiasset

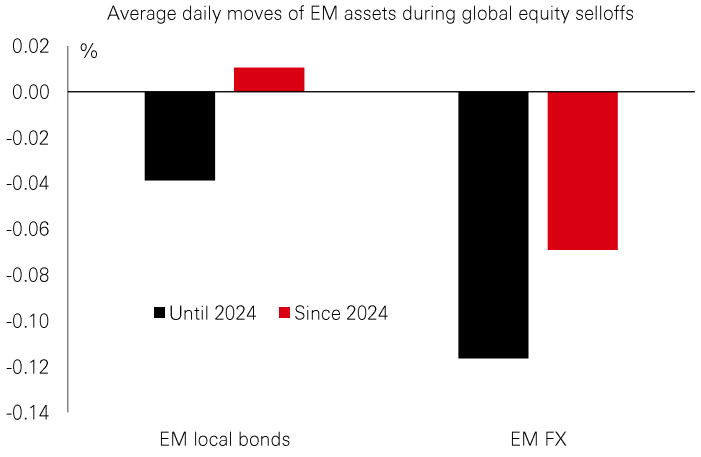


No longer catching a cold

An old adage holds that when global markets sneeze, emerging markets (EM) catch a cold. By that logic, EM local-currency bonds should be reeling. Since mid-August, they have faced a barrage of shocks: elevated oil prices amid Middle East tensions, an AI-led global equity sell-off, and a hawkish repricing of US interest rates. Adding to the pressure, fiscal jitters have rattled Brazil, one of the largest EM debt markets.

Yet instead of succumbing to contagion, the asset class has shown immunity. The JPMorgan GBI-EM Global Diversified Index has edged only modestly lower since its August peak, staying roughly flat over the past six months. Since 2024, EM local bonds have even eked out slight average gains during global equity sell-offs, while currency drops have softened.

Crucially, Brazil's fiscal fever hasn't triggered indiscriminate selling across peers. **Underpinned by stronger policy credibility, healthier macro fundamentals, and attractive real yields, EM local debt has come of age**. This resilience lets investors look past isolated country flare-ups – reinforcing the case for selective EM exposure despite global headwinds. #EMdebt #fixedincome

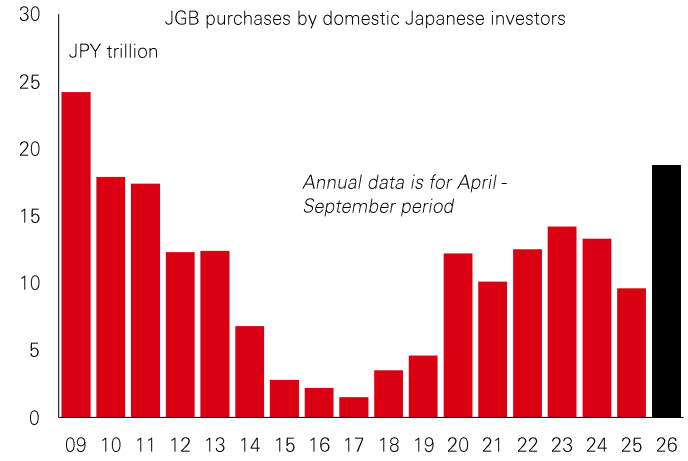


No place like home

After years chasing returns abroad, Japanese capital is flocking back to native shores. With domestic yields at multi-decade highs, local institutions are stepping in to absorb supply – offering a counterweight as the Bank of Japan shrinks its bond portfolio.

This homecoming is gathering momentum. Domestic investors bought a net ¥18.8 trillion of Japanese government bonds (JGBs) in April–September, their strongest first-half spree in 17 years, with pension-backed trust banks accounting for nearly half. October's 20-year auction also drew record demand, with bids nearly six times the competitive allocation. Fiscal risk in France – where Japanese investors hold an estimated ¥23 trillion in bonds – could spur further repatriation.

Yet what makes sense for yen-based institutions looks less compelling for global portfolios. Locals can now match long-term liabilities at home while avoiding steep FX-hedging costs on foreign debt. For global investors, however, JGB yields still lag other major markets – offering scant cushion against a poor fiscal trajectory and the risk of an inflation overshoot. #Japan #bonds



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. Source: HSBC Asset Management. Macrobond, Bloomberg, Refinitiv, FactSet. Data as at 7.30am UK time 06 November 2026.

Asset class views

The global economy is currently being shaped by "two shocks and a boom". The first shock is inflationary, with the Middle East conflict pushing oil prices higher. The second is mildly disinflationary: "China shock 2.0", driven by China's surging tech and green energy exports. The "boom" is the surge in US AI-related investment, supporting demand and activity. In this confusing macro landscape, episodic volatility is to be expected. But as spillovers from the AI capex boom become more apparent, strong profits performance should broaden beyond borders, with EM well-positioned to benefit.

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, with the Fed delivering less tightening than the market is pricing. 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 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 are expected to remain range-bound in the near-term, reflecting both resilient growth and continued fiscal uncertainty. Further ahead, easing inflation and a restrictive policy stance should put some modest downward pressure on 10-year rates
	EMD Local		Local rates are likely to remain differentiated as the Middle East conflict feeds through unevenly. Latam and parts of Africa are potentially better-placed to continue easing, while higher energy-driven inflation is potentially more of a near-term issue for the rates path in EM Europe and Asia
	Asia Local		Fiscal policy has been Asia's first line of defence against energy shock. Monetary policy responses have had a near-term hawkish tilt, but have varied regionally, creating idiosyncratic market opportunities. Asian bonds offer good diversification benefits for global portfolios
Credits	Global Credit		Tight spreads are balanced by attractive all-in yields and healthy balance sheets. However, higher yields, energy-related margin pressure, and rich valuations argue for a quality bias, with investment grade remaining a credible bond substitute
	Global High-Yield		Resilient growth supports corporate fundamentals, but tight spreads provide limited compensation for downside risks. Higher-for-longer rates, elevated energy costs, and geopolitical shocks could widen spreads, favouring selectivity and stronger issuers over broad high-yield exposure
	Asia Credit		Tight spreads leave limited room for further compression to offset rates and geopolitical risks. The relative resilience of Asia credits is aided by shorter duration, robust local funding markets, and lower external vulnerability as corporate fundamentals remain sound
	EMD Hard Currency Bonds		The EM fixed income outlook is constructive, supported by improving quality, supply discipline, and AI-driven growth in Asia. Scarcity and improving fundamentals make EM an increasingly attractive diversifier, and enables selective positioning away from concentrated geopolitical hotspots
Equities	DM Equities		Global indices have pushed higher, with strong profits growth driven by the AI boom and steady real rates. We expect "broadening out 2.0" driven by AI spillovers to upstream and downstream sectors. However, a persistently elevated oil price and higher for longer rates could pose a risk to growth
	EM Equities		Idiosyncratic drivers have supported earnings upgrades across many EMs. Geopolitical tensions may raise volatility, but EMs are structurally more resilient. Favourable valuations and improving profit growth should underpin performance
	Asia ex Japan		The strong earnings outlook in Asian markets has been largely driven by the AI investment boom, but the region also offers broad sector exposure. Risks of supply chain disruption due to geopolitical tensions persist, but supportive macro policies and other long-term growth themes remain positives
Alternatives	Commodities		Investors need to monitor the size, speed and persistence of the recent oil shock to gauge its impact on the growth/inflation mix, corporate profits, and market sentiment. In precious metals, gold's long-term outlook is supported by its appeal as a haven, a portfolio diversifier, and a store of value
	Hedge Funds		Hedge funds can be good diversifiers in an environment of elevated inflation and market phases where there are sharp upticks in volatility. Macro and CTA strategies can be particularly attractive alternatives to bonds when there are positive stock-bond correlations
	Real Assets		In Real Estate, investment activity is stabilising with capital value growth continuing to be driven by rental income and income growth. Infrastructure is in demand as the backbone of long-term themes like AI data centres, energy transition, and transport networks

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. 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 06 November 2026.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 02 November	US	ISM Manufacturing Index	Oct	55.5	54.5	Manufacturing momentum remains firm, reinforcing the resilience of growth despite lingering inflation pressures
Tue. 03 November	US	JOLTS Job Openings	Sep	7.52mn	7.19mn	Job openings and worker mobility improved while layoffs remained low, signalling resilient labour demand, despite subdued hiring
	BR	Manufacturing PMI	Oct	46.1	44.8	Output declined for the sixth consecutive month, with weak demand keeping a lid on output prices
	MX	Manufacturing PMI	Oct	49.5	50.3	The headline index dipped back into contraction, with labour shedding increasing. Cost pressures intensified
	AU	RBA Cash Target Rate	Nov	4.85%	4.60%	The RBA raised rates as expected (6-3), while Governor Bullock signalled a pause to assess the impact from the latest hikes
	US	Midterm Elections				The Democrats achieved a clean sweep in the mid-terms, gaining a majority in the House of Representatives and Senate
Wed. 04 November	US	ISM Services Index	Oct	54.5	54.9	The headline index moderated slightly, with new orders and activity weakening while employment picked up
	BR	Banco Central do Brazil SELIC Target Rate	Nov	13.75%	13.75%	Rates were left unchanged as rising inflation concerns were offset by increasing downside growth risks
	SW	Riksbank Policy Rate	Nov	2.00%	1.75%	The Riksbank raised rates 25bp amid growing fiscal-related inflation concerns, signalling further hikes are likely near-term
	EZ	HICP, Flash (yoy)	Oct	4.0%	3.8%	Energy prices boosted the headline rate to its highest since September 2023. Core inflation was unchanged at 2.5%
	US	ADP Employment Report (mom)	Oct	86k	86k	Private-sector hiring remained steady and slightly exceeded expectations, suggesting the labour market is gradually recovering
Thu. 05 November	MX	Banxico de Mexico, Overnight Lending Rate	Nov	6.25%	6.50%	After a surprise 25bp rate cut by the Mexican central bank, its forward guidance signalled a prolonged pause
	UK	BoE MPC Base Rate	Nov	4.00%	3.75%	The BoE voted 8-1 to raise rates 25bp, with Mann arguing for a 50bp rise. CPI is expected to rise to "around 5%" in Q227
	NW	Norges Bank Sight Deposit Rate	Nov	4.50%	4.50%	Rates were left unchanged, but Norges bank kept the door open for further rate rises to ensure inflation returns to its 2% target
Fri. 06 November	US	Change in Non-Farm Payrolls	Oct	-	29k	Recent employment data point to steady job creation, supporting the narrative of continued labour market resilience

US - United States, BR - Brazil, MX - Mexico, AU - Australia, SW - Sweden, EZ - Euro Zone, UK - United Kingdom, NW - Norway

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 09 November	US	Earnings	Q3			US Q3 earnings are strong, with quarterly growth at 30%. Beats in energy, tech and materials. 2026 EPS growth is c.35%.
	CN	CPI (yoy)	Oct	0.8%	0.9%	Underlying CPI inflation may remain subdued despite lingering supply-side price pressures. PPI inflation may pick up further
Tue. 10 November	US	NFIB Index of Small Business Optimism	Oct	-	97.9	The headline index has moderated recently on renewed energy price strength, but remains around its long-run average level
	US	CPI (yoy)	Oct	3.9%	3.7%	Headline inflation should edge up on higher energy prices. Core prices are expected to rise by 0.2% mom but with an upside risk
	CN	Trade Balance (USD)	Oct	127.0bn	133.5bn	Strong demand and higher prices for tech and high-end manufacturing products should underpin China's external trade
Thu. 12 November	BR	CPI (yoy)	Oct	-	4.6%	Headline inflation has been steady recently. Service sector inflation remains sticky amid tight labour market conditions
	IN	CPI (yoy)	Oct	6.0%	5.5%	India's CPI readings may continue to reflect higher food prices and more broad-based underlying inflation pressures
Fri. 13 November	US	PPI (mom)	Oct	0.4%	1.3%	Headline PPI inflation is likely to moderate, core trade services has moved higher recently

US - United States, CN - China, BR - Brazil, IN - India

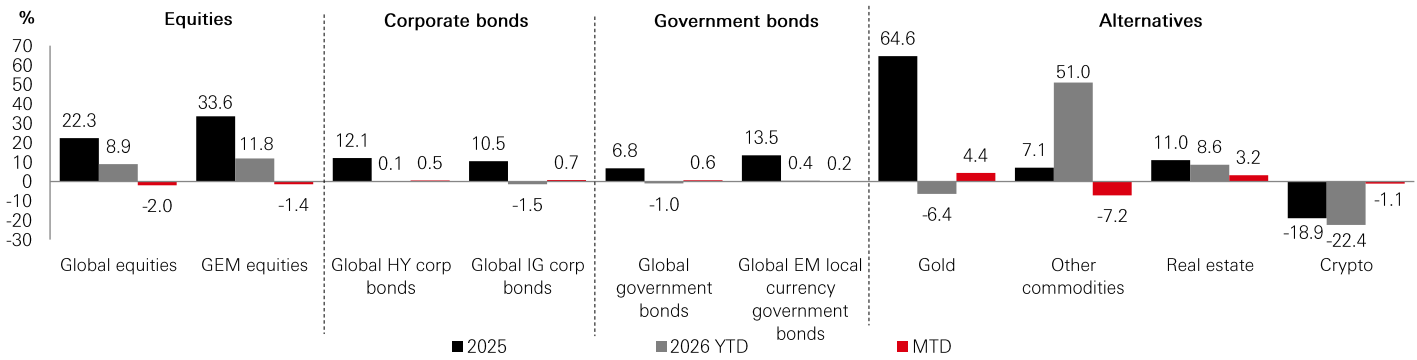
For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided 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. 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. Data as at 7.30am UK time 06 November 2026.

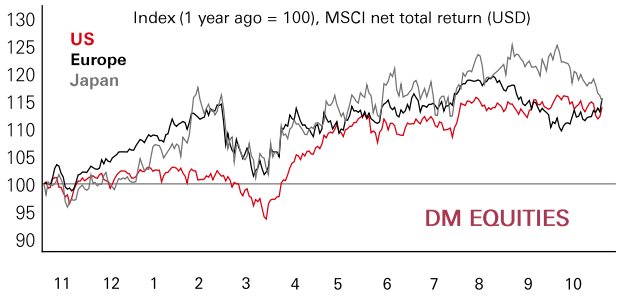
Market review

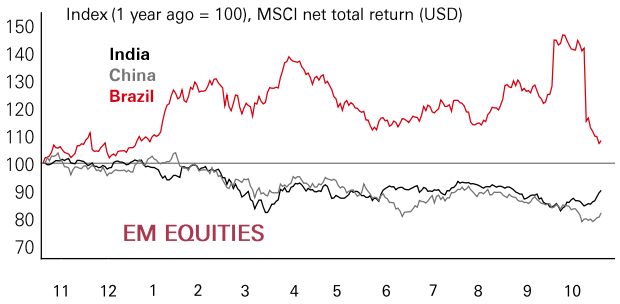
This week

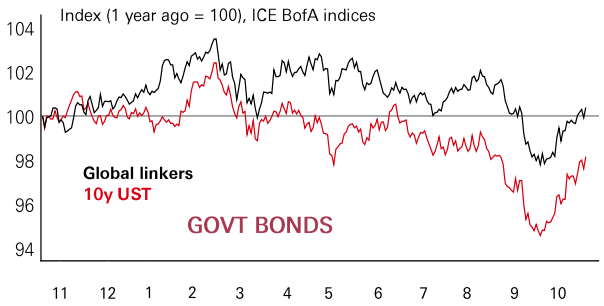
Global equities were mixed amid market and sector rotations, with semiconductor and AI-related shares weakening noticeably after the Democrats secured a clean sweep in the US midterm elections. In the US, the S&P 500 and Nasdaq fell, while the Philadelphia Semiconductor Index recorded mid-teen percentage losses amid growing concerns over AI regulation. Meanwhile, the Euro Stoxx 50 advanced, led by gains in banking stocks. Asian bourses delivered a mixed performance. Liquidity-support measures from the regulators revived policy optimism and lifted Chinese equities, while Indian equities led regional gains on the back of lower oil prices. However, semiconductor-heavy markets, such as Korea's Kospi, declined notably. In fixed income, US Treasury yields fell as inflation concerns eased. The dollar index was broadly stable, although the US dollar diverged against its major peers. Gold prices rose, while copper prices fell.

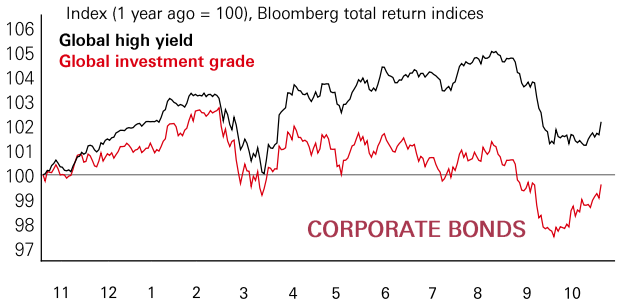
Selected asset performance

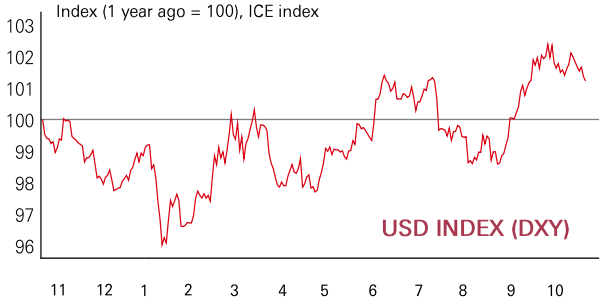


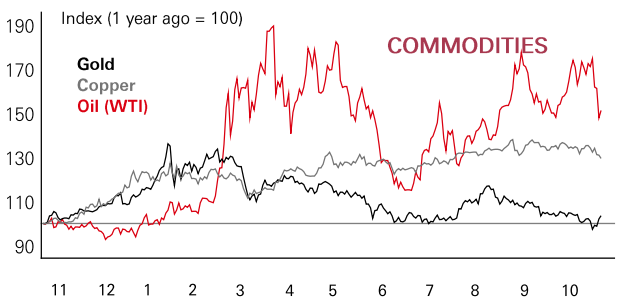












Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were 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 06 November 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 Retrun 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 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)	1,093	-2.0	-5.3	-4.6	10.2	7.7	1,163	958	17.7
North America									
US Dow Jones Industrial Average	51,523	-0.5	0.0	-4.4	9.8	7.2	54,744	45,057	20.5
US S&P 500 Index	7,354	-3.0	-5.9	-4.6	9.4	7.4	7,845	6,317	19.9
US NASDAQ Composite Index	24,315	-4.4	-11.9	-7.7	5.5	4.6	27,723	20,690	26.3
Canada S&P/TSX Composite Index	35,605	0.0	-0.1	-1.5	19.2	12.3	37,069	29,531	16.8
Europe									
MSCI AC Europe (USD)	743	1.8	2.5	-3.0	12.5	6.2	777	646	15.4
Euro STOXX 50 Index	6,232	1.6	-0.6	-4.2	11.1	7.6	6,577	5,377	15.6
UK FTSE 100 Index	10,783	0.5	2.3	-0.8	10.8	8.6	10,989	9,424	12.7
Germany DAX Index*	26,325	2.0	3.4	0.7	10.9	7.5	26,693	21,864	17.5
France CAC-40 Index	8,205	3.0	4.3	-5.7	3.0	0.7	8,755	7,505	14.3
Spain IBEX 35 Index	19,486	4.5	0.2	-3.4	20.9	12.6	20,357	15,725	14.2
Italy FTSE MIB Index	50,506	2.0	-1.5	-5.9	17.3	12.4	54,042	41,616	13.4
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	805	-1.7	-9.8	-6.5	11.6	11.4	929	684	11.4
Japan Nikkei-225 Stock Average	57,435	-9.3	-18.7	-12.6	12.9	14.1	72,832	48,235	19.7
Australian Stock Exchange 200	9,021	1.3	3.3	-2.7	2.2	3.5	9,297	8,262	18.8
Hong Kong Hang Seng Index	24,517	5.3	1.0	-4.0	-7.4	-4.3	28,056	22,518	11.4
Shanghai Stock Exchange Composite Index	3,646	1.3	-5.1	-6.5	-9.0	-8.1	4,259	3,574	13.6
Hang Seng China Enterprises Index	8,289	5.4	2.0	-2.5	-11.4	-7.0	9,646	7,404	10.4
Taiwan TAIEX Index	39,702	-12.2	-20.3	-10.6	42.3	37.1	49,969	26,396	18.0
Korea KOSPI Index	5,060	-11.7	-27.1	-19.6	25.7	20.1	9,386	3,833	5.2
India SENSEX 30 Index	80,016	7.5	9.5	1.3	-4.0	-6.1	86,159	71,293	20.2
Indonesia Jakarta Stock Price Index	4,974	-1.6	-19.7	-21.6	-40.3	-42.5	9,174	4,824	8.0
Malaysia Kuala Lumpur Composite Index	1,612	-0.2	-1.3	-7.2	-0.4	-4.0	1,771	1,593	14.6
Philippines Stock Exchange PSE Index	5,762	1.4	1.5	-8.2	-1.3	-4.8	6,674	5,564	9.0
Singapore FTSE Straits Times Index	5,157	-4.1	-9.5	-8.5	15.0	11.0	5,829	4,415	16.0
Thailand SET Index	1,474	-2.9	-6.8	-8.7	12.2	17.0	1,658	1,232	13.3
Latam									
Argentina Merval Index	2,848,945	0.0	-1.7	-8.1	-4.2	-6.6	3,395,937	2,516,582	7.7
Brazil Bovespa Index*	166,191	-1.0	-19.3	-5.3	8.4	3.1	209,713	150,296	7.8
MSCI IPSA (Chile) Index	5,251	2.1	-6.3	-7.5	6.7	-3.2	6,062	4,849	11.6
Colombia COLCAP Index	2,484	-0.3	-4.0	5.7	21.4	20.1	2,627	2,000	9.8
Mexico S&P/BMV IPC Index	71,088	1.9	8.8	7.1	12.7	10.5	72,111	61,455	13.8
EEMEA									
Saudi Arabia Tadawul Index	10,095	1.8	-4.7	-6.6	-10.7	-3.8	11,592	9,368	N/A
South Africa JSE Index	113,286	5.3	4.0	-1.8	2.9	-2.2	129,339	106,047	10.6
Turkey ISE 100 Index*	11,238	4.4	-9.2	-18.6	1.5	-0.2	15,205	10,374	5.1

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	-2.0	-5.3	-4.3	8.9	11.6	71.5	56.0
US equities	-3.1	-6.2	-4.7	7.8	9.8	73.1	61.1
Europe equities	1.8	2.6	-2.7	8.6	15.2	66.6	48.4
Asia Pacific ex Japan equities	-1.7	-9.8	-6.0	13.4	13.8	71.8	40.2
Japan equities	-1.3	-7.0	-2.6	16.0	15.9	66.6	51.9
Latam equities	-0.6	-16.9	-8.4	5.4	11.1	37.8	74.4
Emerging Markets equities	-1.4	-11.4	-6.5	11.8	13.0	70.2	37.8

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 06 November 2026.

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)	613	0.5	2.0	0.3	0.8	0.8
JPM EMBI Global	1022.1	0.2	1.3	-1.7	1.6	0.4
BarCap US Corporate Index (USD)	3526.5	0.5	2.5	-0.2	0.0	-0.5
BarCap Euro Corporate Index (Eur)	265.7	0.4	0.8	-0.8	-0.2	0.0
BarCap Global High Yield (Hedged in USD)	698.0	0.4	0.2	-1.8	2.6	1.2
Markit iBoxx Asia ex-Japan Bond Index (USD)	243.9	0.4	1.3	-0.2	1.1	0.6
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	294	0.6	-0.2	-0.8	3.6	3.0

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	1.12	1.12	1.13	1.15	1.15	1.17	1.21	1.11	0.2
GBP/USD	1.34	1.34	1.33	1.35	1.31	1.35	1.39	1.30	0.1
CHF/USD	1.22	1.21	1.20	1.23	1.24	1.26	1.32	1.19	0.9
CAD	1.41	1.40	1.42	1.40	1.41	1.37	1.43	1.35	-0.6
JPY	158	158	158	158	153	157	164	152	-0.3
AUD/USD	0.69	0.70	0.70	0.70	0.65	0.67	0.73	0.64	-2.4
NZD/USD	0.56	0.56	0.56	0.59	0.56	0.58	0.61	0.56	-1.3
Asia									
HKD	7.84	7.84	7.85	7.84	7.78	7.78	7.85	7.77	0.1
CNY	6.67	6.65	6.71	6.75	7.12	6.99	7.12	6.64	-0.2
INR	94.0	95.0	96.4	95.2	88.6	89.9	97.0	88.4	1.0
MYR	4.06	4.06	4.09	4.09	4.18	4.06	4.18	3.88	0.0
KRW	1355	1334	1339	1424	1450	1440	1562	1321	-1.6
TWD	32.8	32.5	31.8	32.2	30.9	31.4	33.0	30.9	-0.7
Latam									
BRL	5.49	5.44	4.98	5.11	5.35	5.47	5.61	4.88	-1.0
COP	3231	3195	3242	3151	3786	3778	3928	3024	-1.1
MXN	18.8	18.8	18.0	17.2	18.6	18.0	18.9	16.9	0.0
ARS	1545	1537	1520	1499	1451	1452	1553	1347	-0.5
EEMEA									
RUB	81.5	80.5	85.1	82.6	81.2	78.8	88.0	70.0	-1.3
ZAR	16.5	16.7	16.5	16.4	17.4	16.6	17.5	15.6	1.0
TRY	50.2	49.9	49.2	47.6	42.1	43.0	50.2	42.0	-0.4

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	4.06	4.08	4.12	3.82	3.85	3.63	-1
2-Year	4.46	4.59	4.80	4.25	3.56	3.47	-13
5-Year	4.59	4.72	5.03	4.40	3.68	3.73	-13
10-Year	4.82	4.93	5.28	4.68	4.08	4.17	-11
30-Year	5.24	5.31	5.66	5.22	4.68	4.84	-6
10-year bond yields (%)							
Japan	2.64	2.77	3.09	2.77	1.68	2.06	-14
UK	5.13	5.28	5.37	4.94	4.43	4.48	-15
Germany	3.24	3.32	3.48	3.14	2.65	2.85	-8
France	4.78	4.97	4.75	3.93	3.44	3.56	-19
Italy	4.34	4.51	4.53	3.92	3.41	3.55	-18
Spain	3.83	3.95	4.07	3.58	3.17	3.29	-12
China	1.57	1.64	1.68	1.71	1.81	1.86	-7
Australia	4.98	5.12	5.40	4.92	4.37	4.74	-13
Canada	3.67	3.80	3.93	3.62	3.10	3.43	-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	4,045	4.4	-2.9	-4.6	1.7	-6.3	5,595	3,870
Brent Oil	99.7	-12.1	2.1	28.5	58.1	65.4	114	59
WTI Crude Oil	91.4	-12.2	3.4	24.2	53.7	60.6	105	56
R/J CRB Futures Index	390.5	-5.0	-5.6	3.6	29.8	30.7	429	292
LME Copper	13,844	-2.2	-4.0	-1.8	29.6	11.4	14,875	10,608

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.
Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 06 November 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-authorised 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, Spain 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) respective 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, this document is issued by HSBC Global Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026), through its Italian branch, regulated by Banca d'Italia and Commissione Nazionale per le Società e la Borsa (Consob);
•In Japan, this document is issued by HSBC Asset Management (Japan) Ltd (JRN 3010001124868), regulated by the Financial Services Agency;
•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.20200000336) and promotion activities (CMA Category 5 license No.20200000327).
•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 ("SUGEVAL") 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: D082829_V1.0 ; Expiry Date: 06.05.2027