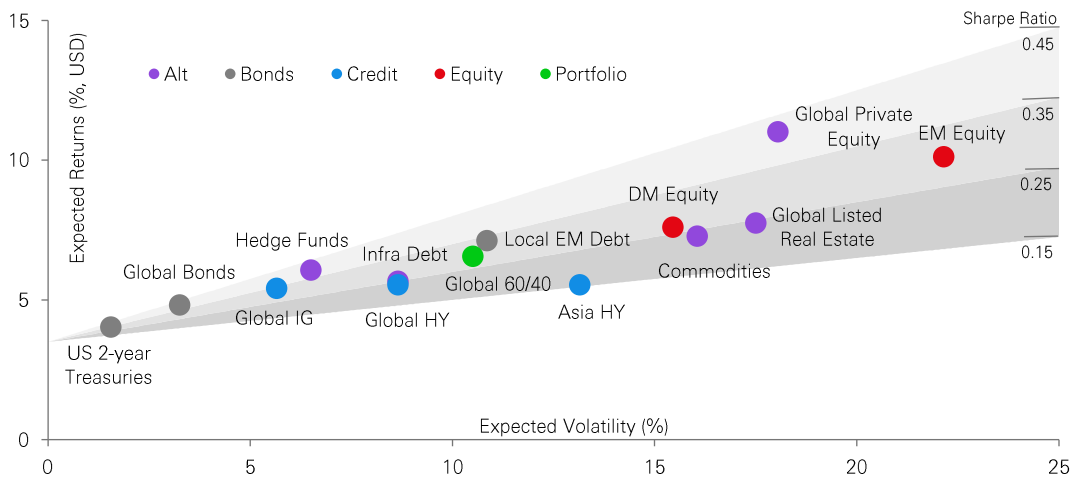


Investment Weekly

16 October 2026

For Professional Clients only. Marketing Communication.

Chart of the week – Zooming out on expected returns



If investors could only know one thing about markets, what would they choose? Next quarter's earnings? Next month's CPI? The next Fed move? Somewhere at the top of the list should probably be expected returns. Carefully calibrated, they tell us where medium-term asset class returns are heading. They're the single most important piece of information for long-term investors — the foundation of strategic asset allocation.

So what do expected returns tell us today? We have just updated our annual Capital Market Assumptions, building expected returns from policy scenarios, economic trends, and market valuations. Three conclusions stand out.

First, **we're in a world of shocks and a boom**. That means a higher-for-longer rate environment. Expected returns for cash and many fixed income assets have risen meaningfully.

Second, **higher rates are squeezing equity valuations**. Concerns about US concentration and tech dominance are well-known — but expected returns point to a potentially preferable approach: rotate toward international and emerging markets, where valuations and risk premia are more attractive.

Third, supply-driven volatility forces us to rethink "safe assets." G7 bonds now offer higher carry and can rally hard if there was a recession scare. But when risks span both disinflation and sticky inflation, there's no longer a single portfolio hedge. **In this new age of uncertainty, investors need to diversify their diversifiers**. Think real assets, commodities, hedge funds, and active currency strategies. Check out the full report [2026 Capital Market Assumptions](#) for the details. [#capitalmarketassumptions](#) [#longtermthinking](#)

Market Spotlight

Silent treatment

Michael Woodford's joint 2026 Nobel Prize in economics with Robert E Hall recognised their work on the "microeconomic foundations of macroeconomic stabilisation". Woodford's contribution was to show that monetary policy operates not only through today's interest rate, but also through expectations of future policy. Credible signals about borrowing costs can therefore influence spending, investment and prices immediately, making forward guidance a stabilisation tool.

That logic sits uneasily with Kevin Warsh's approach as Federal Reserve chair. Warsh argues that detailed guidance can make policy inflexible, encourage investors to trade the Fed's words rather than economic data and weaken price discovery. He has removed guidance from FOMC statements, shortened them and declined to submit a personal dot plot. Ultimately, Woodford and some FOMC members, such as Christopher Waller, see forward guidance as an instrument; Warsh sees it as a constraint.

With markets accustomed to consistent doses of forward guidance, Warsh's "figure it out yourself" approach is the monetary equivalent of going cold turkey. **Expect an uncomfortable time in markets – with potentially higher volatility and risk premiums – as investors navigate the withdrawal.** [#Fed](#) [#forwardguidance](#)

IMF outlook →

How the global economy is resilient yet vulnerable

EM versus Frontier →

How Frontiers can help diversify your portfolio

Gold after the rally →

What role for gold in portfolios now?

Read our latest views:
[2026 Capital Market Assumptions](#)

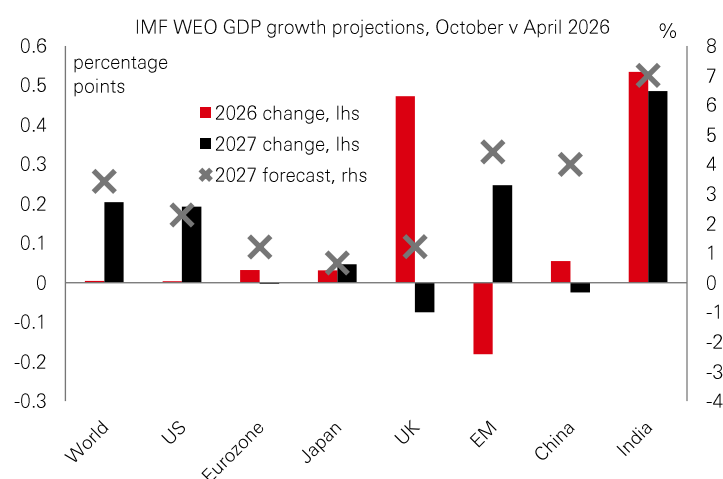
The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. The level of yield is not guaranteed and may rise or fall in the future. Past performance does not predict future returns. For informational purposes only and should 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 16 October 2026.

Taking the strain

The IMF's latest World Economic Outlook is called "Resilience Under Strain, Urgent Choices". For investors, macro "resilience" to a barrage of shocks in recent years has been critical to providing markets the opportunity to perform. The IMF highlights two key drivers of this resilience: the AI boom, and a flexible global energy market. World GDP growth is now expected to be around 3% this year, with an upgrade of 0.5 percentage points versus April numbers to 3.5% in 2027.

There are also some positive takeaways from the latest inflation forecasts. Unsurprisingly, headline inflation projections for the US and Europe have been revised upwards for 2026 and 2027. But the longer-term inflation trajectory for the US has been *downgraded* and still anchored at around 2%. **This is the bull case for beaten-up fixed income markets despite lingering concerns over bond supply.**

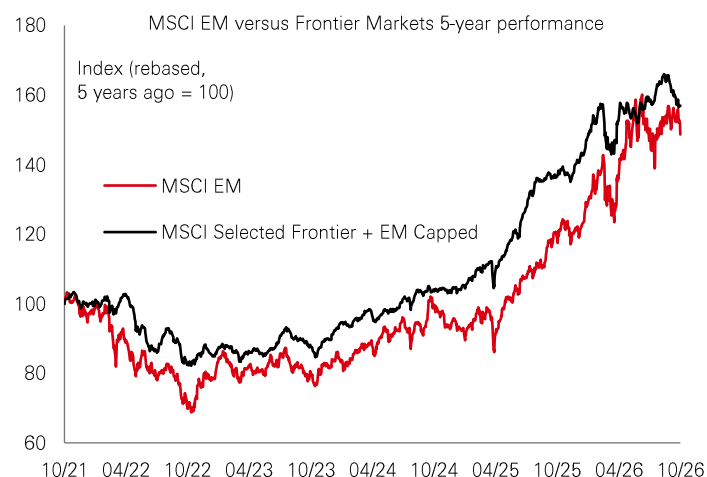
But it's clear the IMF are worried. They identify key "strains" such as higher borrowing costs, AI concentration risks, and dwindling energy inventories that need to be tackled via "urgent choices". So, the global economy is tougher than you might think, but **there's still plenty out there that can still deliver a nasty surprise to markets.** #IMF #GDP



When the chips are up

EM equities are having a stellar year so far. And this follows a blistering 2025. But whereas last year was a broad-based acceleration in EM performance, helped by Fed cuts and a weaker dollar, this year's gains have been concentrated in the semiconductor heavyweights of Korea and Taiwan. With major uncertainty over the durability of the AI and semis boom, it's important to think hard about diversification right now. One option is to do nothing: other parts of the EM basket that have lagged in 2026 – namely China and India – can hedge in case the AI trade falters.

It also makes sense to look at Frontier markets. Encompassing both energy winners and losers, they continue to offer investors a diversified opportunity set with lower sensitivity to the fortunes of AI and strong local ownership. This helps keep volatility relatively subdued. And although Frontier markets have underperformed EM this year, zooming out, they have a better track record, helped by **exposure to some of the world's fastest growing economies**. Indeed, the latest IMF numbers have growth in Vietnam – the biggest index constituent – upgraded by 1.3 percentage points to a whopping 8.4% in 2026. #EM #Frontier

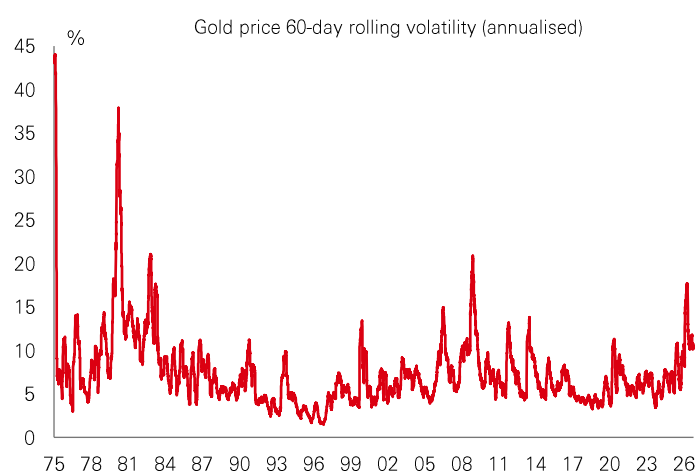


Gold is no silver bullet

Gold's spectacular bull run, which saw prices climb to well above USD5,000 per ounce earlier this year, has fizzled out. Prices are down and volatility is up. Should investors throw in the towel?

As we discuss in our latest Capital Market Assumptions paper, there is still a compelling strategic rationale for the metal in portfolios as geopolitical fragmentation and central bank reserve diversification keep demand supported. The "debasement trade" of shifting capital into "hard assets" such as gold can continue as concerns over debt and inflation linger. And although volatility has spiked, it doesn't look that bad compared to history.

But recent market action has shown gold failing to hedge against equity drawdowns. With leveraged capital crowded into gold, tumbling stocks trigger margin calls that force investors to unwind positions to raise cash. So although gold looks to be a robust hedge against systemic risks in a "multi-polar" world, it's not guaranteed to work as a short-term volatility dampener. It's a reminder that no single asset can weather every type of market stress, and why **diversifying the diversifiers remains a crucial strategy for investors right now.** #gold #diversification



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 16 October 2026.



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

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 16 October 2026.



Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 12 October	IN	CPI (yoy)	Sep	5.5%	4.8%	India's CPI data continued to show higher food prices alongside firmer underlying inflationary pressures
Tue. 13 October	US	NFIB Index of Small Business Optimism	Sep	97.9	98.7	The survey points to renewed price pressure on small firms amid higher interest rates. Future business conditions deteriorated
		IMF World Economic Outlook				IMF WEO states that the global economy remains resilient, but inflation risks have increased
Wed. 14 October	US	CPI (yoy)	Sep	3.7%	3.4%	US CPI rose more than expected, with a notable uptick in the rental components. Energy inflation remains a key driver of the headline
	US	Speech by Fed Governor Waller				Waller noted higher Treasury yields are "doing some of the Fed's work" by curbing demand in interest-rate-sensitive sectors
	CN	CPI (yoy)	Sep	0.9%	0.8%	A mild rebound in headline CPI and a further rise in PPI reflected supply-led reflation. Underlying inflation remained subdued
	CN	Trade Balance (USD)	Sep	133.5bn	119.1bn	Strong demand and higher prices for tech hardware continued to drive exports, further widening the trade surplus
Thu. 15 October	US	PPI (mom)	Sep	1.3%	0.5%	PPI surprised to the upside, increasing the risks of a strong core PCE reading and an October hike by the FOMC
	US	Retail Sales (mom)	Sep	0.8%	1.3%	The stronger-than-anticipated outturn was driven by gas station sales and furniture. There were sharp falls in other categories
	JP	Speech by BoJ Deputy Governor Koeda				Koeda stated neutral rate is "considerably" above 1% and inflation is becoming "anchored" around BoJ's target
Fri. 16 October	US	Industrial Production (mom)	Sep	-	0.0%	Industrial production continues to trend higher, while manufacturing surveys remain upbeat

IN - India, US - United States, CN - China, JP - Japan

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 19 October	US	Earnings	Q3			~7% of S&P500 reported, mostly being financials. 86% of firms reported beats so far, with consumer cyclicals seeing the least
	CN	Industrial Production (yoy)	Sep	5.4%	5.2%	Extended export strength, robust high-tech manufacturing and strategic sectors should underpin industrial production
	CN	Retail Sales (yoy)	Sep	0.5%	0.4%	Retail sales are expected to remain soft. Spending on services should outperform spending on consumer goods
	CN	GDP (yoy)	Q3	4.4%	4.3%	Growth remains uneven with new-economy sectors strong but weak domestic demand weighing on traditional industries
Wed. 21 October	ID	Bank Indonesia Rate	Oct	5.75%	5.75%	While rate decisions are guided by domestic macro conditions, the BI uses other tools to ease pressures on the rupiah
	UK	CPI (yoy)	Sep	-	3.1%	Headline inflation should rise on higher petrol prices. Core inflation may increase amid sticky services inflation
Thu. 22 October	JP	CPI (yoy)	Sep	-	1.9%	Higher energy prices are likely to lift the headline rate. The core rate (ex. energy and food) has increased recently
	KO	Bank of Korea Base Rate	Oct	3.00%	3.00%	The BoK may pause after back-to-back hikes but should remain focused on above-target inflation, pointing to further tightening
	TY	CBRT 1 Week Repo Lending Rate	Oct	36.00%	37.00%	Easing price pressures should allow the CBRT to deliver a 100bp rate cut near-term. Real interest rates remain elevated
	PH	Central Bank Policy Rate	Oct	5.25%	5.00%	The BSP is expected to hike rates further as price pressures persist amid lingering geopolitical and weather-related risks
Fri. 23 October	IN	Composite PMI, Flash	Oct	-	55.9	Recent manufacturing and services PMI readings suggest recovering sentiment, supported by improving local demand

CN - China, ID - Indonesia, UK - United Kingdom, JP - Japan, KO - South Korea, TY - Turkey, PH - Philippines, 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 16 October 2026.

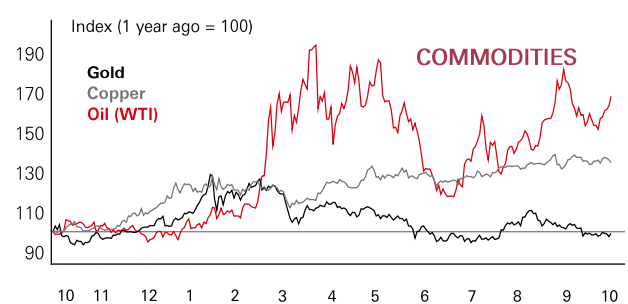
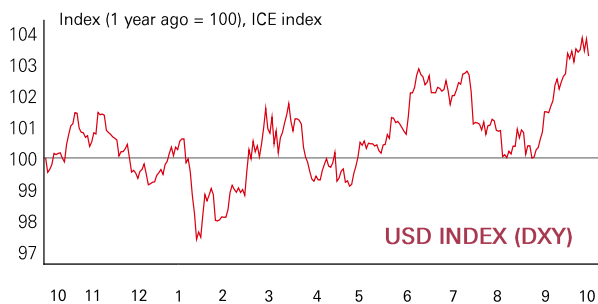
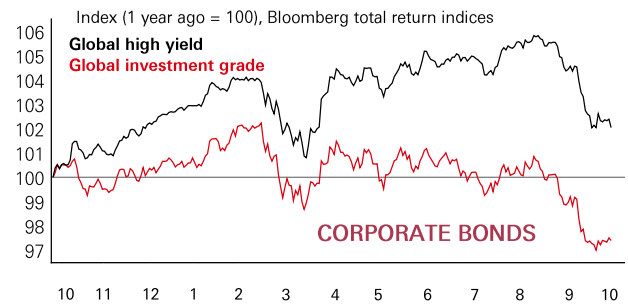
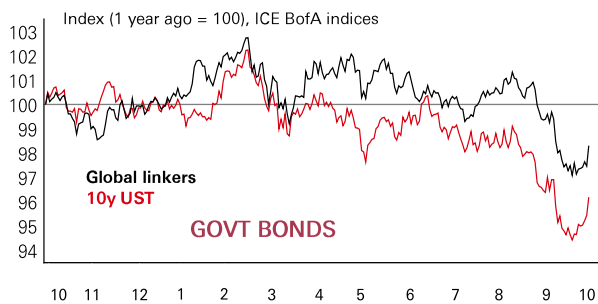
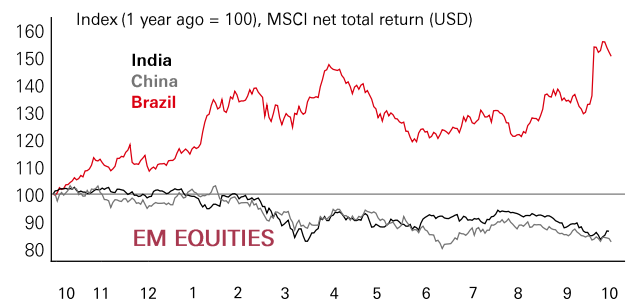
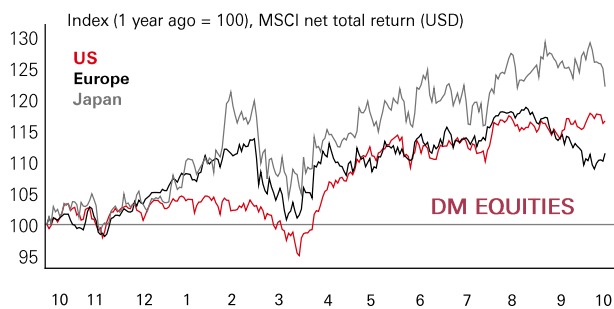
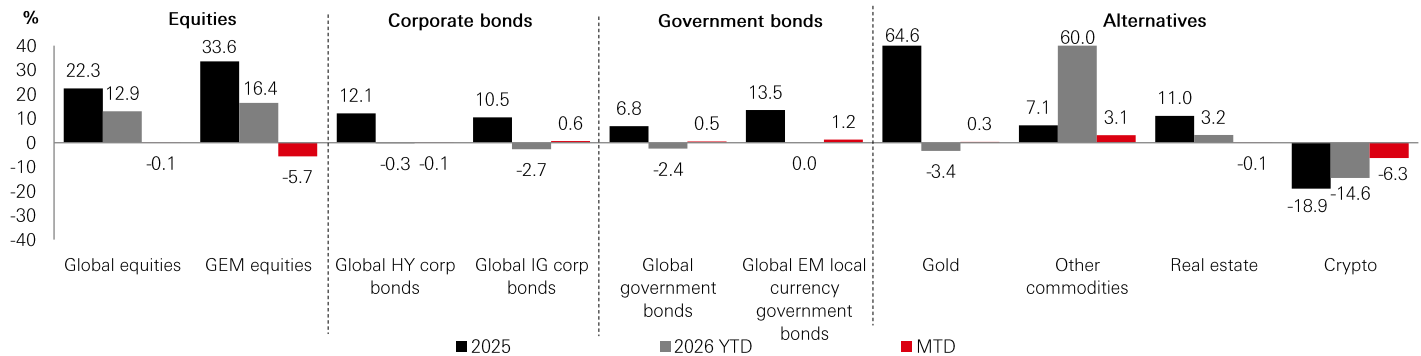


Market review

This week

Renewed concerns over elevated AI valuations and financing conditions, together with upbeat US inflation prints, weighed on market sentiment. Demand for safe-haven assets supported major sovereign bonds. The US Treasury yield curve bull-flattened, while longer-dated European yields also broadly declined. In the US, the S&P 500, Nasdaq and Philadelphia Semiconductor Index fell as investors rotated out of AI-related stocks and into defensive sectors such as Healthcare and Staples. Weakness extended across Asian markets, led by a double-digit decline in Korea's Kospi, while Japan's Nikkei 225 also slid. China's Shanghai Composite slipped ahead of the release of Q3 GDP data, whereas India's Sensex gained. European bourses remained resilient, however. In FX markets, major currencies drifted higher against the dollar. EM currencies traded mixed, as the Indian Rupee rebounded following the RBI's latest measures.

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 16 October 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 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)	1,133	-1.2	0.5	1.0	15.1	11.7	1,163	958	18.0
North America									
US Dow Jones Industrial Average	52,178	1.0	1.4	-0.7	13.5	8.6	54,744	45,057	20.9
US S&P 500 Index	7,744	-0.9	2.5	2.8	16.8	13.1	7,845	6,317	21.1
US NASDAQ Composite Index	26,713	-2.4	2.8	3.2	18.4	14.9	27,723	20,690	30.2
Canada S&P/TSX Composite Index	36,137	1.3	1.8	2.3	18.6	14.0	37,069	29,531	17.1
Europe									
MSCI AC Europe (USD)	725	1.4	-2.3	-2.4	7.9	3.7	777	646	15.0
Euro STOXX 50 Index	6,168	-0.1	-1.6	-1.8	9.1	6.5	6,577	5,377	15.6
UK FTSE 100 Index	10,840	2.7	1.4	2.5	14.9	9.2	10,989	9,277	12.4
Germany DAX Index*	25,383	1.2	-0.6	1.9	4.6	3.6	26,619	21,864	16.8
France CAC-40 Index	7,935	1.7	-2.5	-5.3	-3.1	-2.6	8,755	7,505	14.0
Spain IBEX 35 Index	19,178	0.8	-2.3	-0.7	22.6	10.8	20,357	15,409	14.1
Italy FTSE MIB Index	49,398	-0.7	-4.9	-5.7	16.6	9.9	54,042	41,360	13.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	824	-5.8	-5.0	-4.4	15.3	14.1	929	684	11.9
Japan Nikkei-225 Stock Average	65,636	-4.9	2.7	-1.8	36.0	30.4	72,832	47,494	21.4
Australian Stock Exchange 200	8,807	1.0	1.3	-0.4	-2.9	1.1	9,297	8,262	17.7
Hong Kong Hang Seng Index	24,301	0.4	-1.7	-2.8	-6.1	-5.2	28,056	22,518	10.9
Shanghai Stock Exchange Composite Index	3,727	-2.3	-4.2	-4.0	-4.8	-6.1	4,259	3,675	13.3
Hang Seng China Enterprises Index	8,171	0.3	-0.4	-1.8	-11.8	-8.3	9,646	7,404	9.9
Taiwan TAIEX Index	47,283	-4.1	3.1	3.6	71.0	63.2	49,969	26,396	20.6
Korea KOSPI Index	5,738	-13.4	-14.6	-15.9	53.1	36.2	9,386	3,676	5.5
India SENSEX 30 Index	74,624	3.0	0.4	-3.3	-10.6	-12.4	86,159	71,293	18.2
Indonesia Jakarta Stock Price Index	5,233	-14.1	-18.7	-14.3	-35.6	-39.5	9,174	5,318	9.7
Malaysia Kuala Lumpur Composite Index	1,613	0.3	-3.9	-6.3	0.0	-4.0	1,771	1,598	14.4
Philippines Stock Exchange PSE Index	5,786	1.5	-2.2	-8.5	-5.0	-4.4	6,674	5,564	8.9
Singapore FTSE Straits Times Index	5,439	0.7	-3.5	-1.8	24.9	17.1	5,829	4,312	16.3
Thailand SET Index	1,573	-0.3	0.7	-3.8	21.8	24.9	1,658	1,232	14.1
Latam									
Argentina Merval Index	2,859,051	1.1	-5.6	-10.2	48.2	-6.3	3,395,937	1,898,083	7.9
Brazil Bovespa Index*	204,324	-2.3	10.1	17.5	43.7	26.8	209,713	141,248	9.6
MSCI IPSA (Chile) Index	5,509	-0.6	-2.4	-0.1	16.2	1.6	6,062	4,690	12.1
Colombia COLCAP Index	2,581	1.9	2.7	12.9	35.9	24.8	2,627	1,885	10.7
Mexico S&P/BMV IPC Index	67,663	2.4	6.5	2.0	8.2	5.2	72,111	60,599	13.3
EEMEA									
Saudi Arabia Tadawul Index	10,107	-2.6	-6.2	-5.7	-13.6	-3.7	11,782	10,035	N/A
South Africa JSE Index	110,172	1.5	-3.0	-0.1	-2.5	-4.9	129,339	106,047	10.3
Turkey ISE 100 Index*	12,070	-1.6	-8.0	-15.3	16.4	7.2	15,205	10,054	5.5

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	-1.2	0.6	1.3	12.9	16.6	78.5	67.1
US equities	-0.9	2.5	2.9	13.7	17.4	82.1	78.2
Europe equities	1.5	-2.3	-2.0	6.0	10.5	63.1	48.2
Asia Pacific ex Japan equities	-5.8	-4.8	-3.8	16.1	17.6	79.8	42.6
Japan equities	-3.1	-3.0	1.9	17.9	20.6	75.7	57.0
Latam equities	-1.8	7.1	11.2	25.1	39.3	71.3	94.6
Emerging Markets equities	-5.9	-4.5	-2.9	16.4	19.0	81.5	41.3

All total returns quoted in USD terms and subject to one-day lag.

Data sourced from MSCI AC World Total Return Index, MSCI USA Total Return Index, MSCI AC Europe Total Return Index, MSCI AC Asia Pacific ex Japan Total Return Index, MSCI Japan Total Return Index, MSCI Emerging Latin America Total Return Index, and MSCI Emerging Markets Total Return Index

Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

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 16 October 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)	606	0.6	0.3	-1.0	-0.6	-0.4
JPM EMBI Global	1017.7	0.7	-0.9	-2.2	2.0	0.0
BarCap US Corporate Index (USD)	3480.7	0.9	-0.3	-2.0	-2.0	-1.8
BarCap Euro Corporate Index (Eur)	264.4	0.4	0.4	-1.0	-0.9	-0.5
BarCap Global High Yield (Hedged in USD)	695.8	0.0	-1.3	-1.9	3.0	0.9
Markit iBoxx Asia ex-Japan Bond Index (USD)	242.1	0.4	-0.3	-1.0	0.3	-0.1
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	294	-0.2	-0.7	-0.2	4.0	3.1

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	1.12	1.12	1.15	1.14	1.17	1.17	1.21	1.11	0.2
GBP/USD	1.33	1.32	1.34	1.35	1.34	1.35	1.39	1.30	0.5
CHF/USD	1.21	1.20	1.21	1.24	1.26	1.26	1.32	1.19	0.3
CAD	1.42	1.43	1.40	1.40	1.41	1.37	1.43	1.35	0.5
JPY	158	158	156	162	150	157	164	149	0.3
AUD/USD	0.69	0.70	0.71	0.70	0.65	0.67	0.73	0.64	-0.6
NZD/USD	0.57	0.56	0.57	0.58	0.57	0.58	0.61	0.56	0.7
Asia									
HKD	7.85	7.85	7.84	7.84	7.77	7.78	7.85	7.77	0.0
CNY	6.69	6.69	6.71	6.77	7.12	6.99	7.13	6.69	0.1
INR	94.9	96.7	96.0	96.4	87.8	89.9	97.0	87.6	1.9
MYR	4.08	4.09	4.09	4.07	4.23	4.06	4.23	3.88	0.0
KRW	1340	1344	1376	1481	1417	1440	1562	1331	0.3
TWD	32.5	31.9	31.9	32.3	30.6	31.4	32.5	30.5	-1.8
Latam									
BRL	5.10	4.99	5.15	5.10	5.44	5.47	5.61	4.88	-2.2
COP	3169	3189	3127	3230	3845	3778	3969	3024	0.6
MXN	18.4	18.4	17.2	17.4	18.4	18.0	18.8	16.9	0.0
ARS	1514	1516	1512	1476	1407	1452	1528	1347	0.2
EEMEA									
RUB	83.8	85.2	84.2	78.1	80.1	78.8	88.0	70.0	1.7
ZAR	16.5	16.5	16.4	16.4	17.3	16.6	17.6	15.6	0.2
TRY	49.5	49.3	48.7	47.1	41.8	43.0	49.5	41.5	-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	4.17	4.14	4.06	3.78	3.93	3.63	2
2-Year	4.75	4.79	4.74	4.14	3.42	3.47	-4
5-Year	4.90	5.02	4.88	4.27	3.55	3.73	-12
10-Year	5.09	5.24	5.02	4.55	3.97	4.17	-15
30-Year	5.43	5.60	5.36	5.08	4.58	4.84	-17
10-year bond yields (%)							
Japan	2.94	3.01	2.99	2.71	1.65	2.06	-7
UK	5.37	5.44	5.30	4.97	4.50	4.48	-7
Germany	3.41	3.48	3.51	3.13	2.57	2.85	-7
France	4.79	4.85	4.46	3.93	3.34	3.56	-6
Italy	4.48	4.57	4.36	3.94	3.36	3.55	-9
Spain	4.02	4.09	3.97	3.59	3.09	3.29	-7
China	1.65	1.68	1.68	1.74	1.84	1.86	-3
Australia	5.23	5.34	5.35	4.90	4.15	4.74	-10
Canada	3.83	3.88	3.94	3.53	3.08	3.43	-5

*Numbers may not add up due to rounding.

		1-week Change	1-month Change	3-month Change	1-year Change	YTD Change	52-week High	52-week Low
Commodities		(%)	(%)	(%)	(%)	(%)		
Gold	4,172	-0.5	-2.2	4.9	-3.6	-3.4	5,595	3,887
Brent Oil	105.4	0.7	4.6	30.5	71.3	75.1	107	59
WTI Crude Oil	97.4	6.0	-0.1	27.6	68.6	71.1	102	56
R/J CRB Futures Index	417.5	0.7	-2.0	11.0	42.1	39.7	429	292
LME Copper	14,347	-1.3	0.8	5.5	34.8	15.5	14,875	10,430

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 16 October 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 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, 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 branch of HSBC Global Asset Management (France), regulated by Banca d'Italia and Commissione Nazionale per le Società e la Borsa (Consob) in Italy;
- 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 Türkiye, this document is issued by HSBC Asset Management A.S. Türkiye (AMTU) which is regulated by Capital Markets Board of Türkiye. 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: D080152_v1.0 ; Expiry Date: 16.04.2027