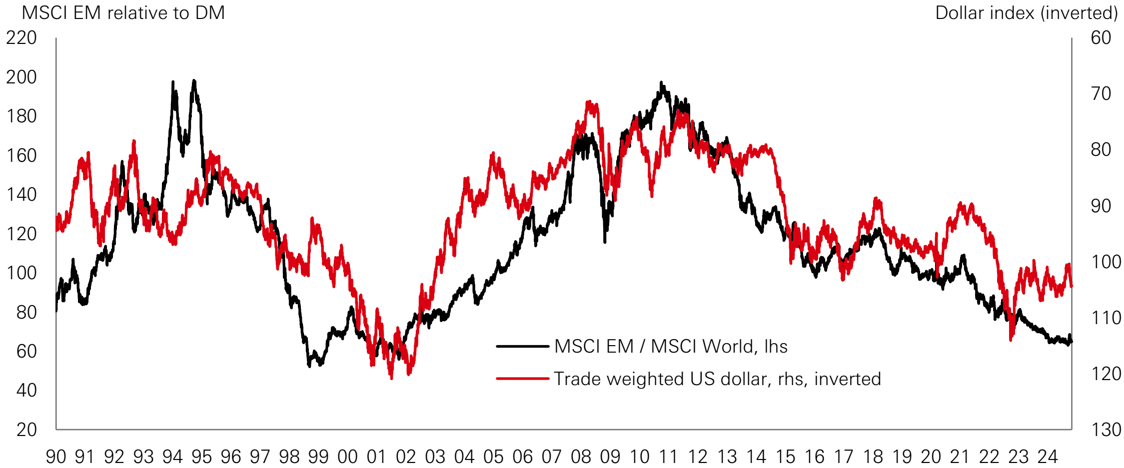
Investment Weekly

1 November 2024
For Professional Clients only.

Chart of the week – US dollar and EM assets



The recent strengthening of the US dollar (USD) has put emerging market assets under pressure. Will it continue?

The stronger dollar and rising US Treasury yields have been driven by a string of better-than-expected US economic data. The moves also reflects investor uncertainty about how the US policy agenda might impact fiscal deficits and inflation trends. New industrial policies, for example, could leave the Fed with less room to cut rates, boosting up the USD further.

However, the dollar outlook isn't straightforward. Last week's BRICS summit highlighted an ongoing trend for de-dollarisation; the reduced use of the USD in world trade and financial transactions. It's notable that in emerging market FX reserves, the dollar is becoming less dominant. But this process is very gradual and seems likely to take decades.

Back to today, our central scenario is one of ongoing disinflation, Fed cuts, and softer US growth. For 2025, so-called US exceptionalism may be coming to an end. And these forces are consistent with lower US bond yields and a weaker USD. **On balance, we think a weakening USD trend is still likely in 2025. That should support the outlook for EM asset classes**.

Market Spotlight

Capital markets outlook

Our new Capital Market Assumptions paper is packed with ideas to support asset allocators – with a longer-term perspective on market and macro developments.

From the research, three conclusions stand out. First is that a medium-term economic regime of more volatile inflation and a new fiscal/monetary policy mix raises our assumption for interest rates. And that **reinforces the appeal of core fixed income and the 'all in' yields from 'senior' credit asset classes** like infrastructure debt, asset backed securities, and global investment grade.

Second, **the most compelling valuation anomaly today is in emerging markets**. EM fixed income and equity returns look higher than in most of the G7, and we expect EM currencies to appreciate materially over the medium term. Opportunities in India, North Asia, and frontier markets stand out, as do themes in local currency EM bonds.

Third, as the economic environment becomes more uncertain, **there needs to be a larger role for private markets and other alternatives**. That means focusing on diversifiers like hedge funds or commodities, the double-digit yields in private credit and infrastructure equity, and the emerging value in real estate and private equity.

Rates Outlook →
Will the Fed cut rates again at its November meeting?

Fixed Income →
How Gilt yields reacted to this week's UK Budget

Global Equities →
Why US stock markets outperformed in October

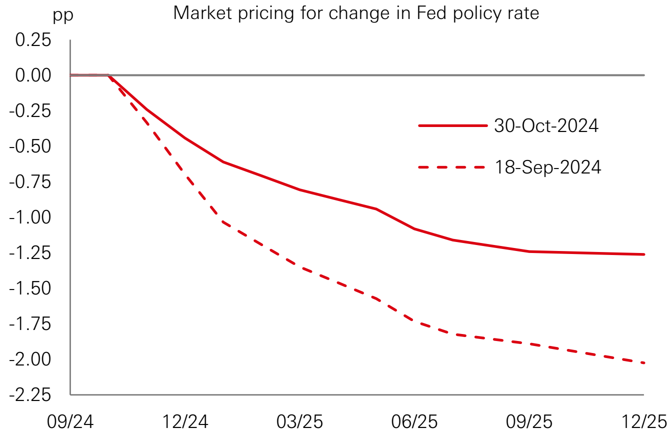
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 01 November 2024.

Fed takes it slow

The Fed's November meeting will take place after the US elections. While the election could bring with it some market volatility, the Fed is likely to look through this and focus on the recent data.

On that front, it is in a more comfortable position than in September, when it opted to cut rates by 50bp. On average, activity data have surprised to the upside, after a run of softer readings over the summer. Labour data have been mixed – employment measures have remained robust, despite depressed new hiring and layoffs picking up in September. Overall, the Fed is likely to be relaxed about growth and labour developments. And while core PCE inflation picked up on a month-on-month basis in September, the six-month annualised pace of change – something Powell has mentioned the Fed looks at – is running only marginally above target, at 2.3%.

We see a 25bp cut being delivered this month, in line with market pricing. To maximise the chances of a soft landing, **we expect the Fed to opt for a further steady stream of cuts at subsequent meetings to bring the funds rate down to a more 'neutral' level by mid-2025**.

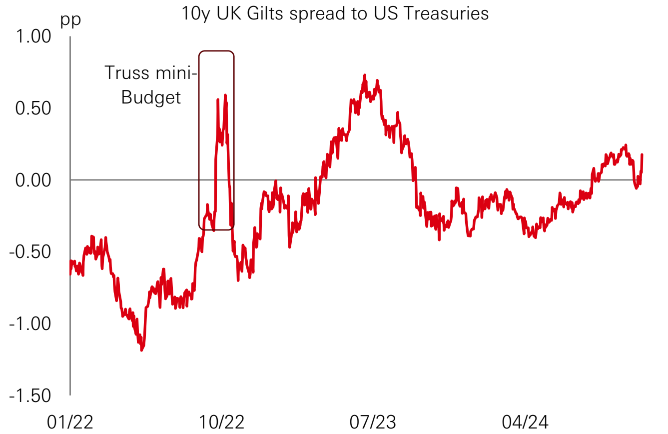


Budget ambitions

The Gilt market initially took Chancellor Reeves' inaugural UK Budget in its stride, but this proved short-lived with yields rising sharply the following day. What rattled investors? Heading into the Budget, much of the talk had been of tax hikes. On this front, Reeves didn't disappoint. What investors hadn't banked on was the forecast increase in borrowing to fund extra public spending – GBP 32bn per year (around 1% of GDP). This is an expansionary Budget, despite the hefty rise in taxes.

The Office for Budget Responsibility forecasts that higher government investment and current spending will boost GDP by around 0.5pp in FY2025/26, but this impact fades in subsequent years. Inflation is also expected to be higher, running a little above 2% for much of 2025-2027.

Consequently, the market has priced out a full 25bp BoE rate cut by September 2025 while the 10y gilt yield has risen by c. 15bp from its pre-Budget level. While the market reaction is calmer than following the ill-fated Truss Budget in 2022, it is a reminder that countries with high debt levels and wide deficits are **caught between political pressures to avoid austerity and market pressures to avoid fiscal largesse**.

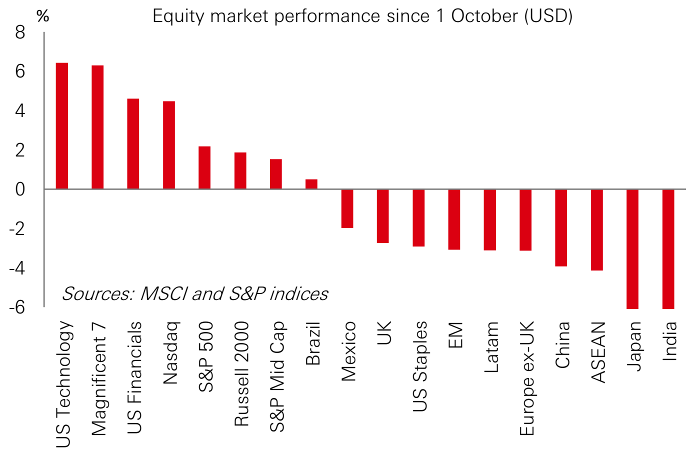


US stocks as a haven

Against a backdrop of decent Q3 earnings and resilient macro data, investors turned even more bullish on US stocks in October. Demand for volatility protection – as measured by the put-to-call ratio – is below average. 'Bulls' still outweigh 'bears' in the AAII investor sentiment survey, and defensive sectors like Staples have lagged.

Faced with uncertainty over potential economic policy changes in the months ahead, investors have so far opted for the perceived safety of US stocks. Emerging market equities have been weaker, notably in India, ASEAN, and China. Eurozone stocks have also been out of favour.

Amid some reasonable Q3 earnings reports from Magnificent 7 stocks this week, US technology remains in demand – despite average price-to-book valuations at an all-time high of 23x and high overseas exposure, with 60% of sector sales going abroad. But Financials and even US small-caps have outperformed versus the rest of the world. Yet, we think **US stocks could be vulnerable to a shift in mood once the details of any changes to US trade policies are clearer**.



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Source: HSBC Asset Management. Macrobond, Bloomberg, Datastream. Data as at 7.30am UK time 01 November 2024.

Asset class views

Our baseline macro scenario is for a soft-ish landing, characterised by growth falling below trend and inflation returning to target. 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 continuing risk of macro disappointment or weakness. We prefer to access the growth factor in laggard regions, such as Asia and emerging markets
	Duration	□□□□□□■□□	Improving inflation data and increasing concern regarding downside risks to growth have pulled yields lower. Nonetheless, carry remains appealing and, if adverse economic outcomes prevail, there is scope for strong returns in global duration. We favour the US and UK curves
	Emerging Markets	□□□□□□□■□	The EM growth outlook is a relative bright spot in a global context. Falling inflation and Fed policy easing should pave the way for more countries to cut rates. Supportive policy in China has buoyed confidence but all eyes are on more pro-growth measures
Bonds	US 10yr Treasuries	□□□□□□■□□	Yields have reversed the rise seen earlier in the year, as inflation and labour data have started to surprise to the downside. The market is now pricing in meaningful Federal Reserve rate cuts, but USTs still provide an attractive yield and scope for capital gains if the economy weakens markedly
	EMD Local	□□□□□□□■□	Real yields remain high in many EM local markets and long-term valuations are attractive. Fed easing is likely to maintain downward pressure on the USD and allow EM FX appreciation that would provide an important tailwind to returns for international investors
	Asia Local	□□□□□□■□□	With Fed policy easing under way, there is scope for rate cuts among regional central banks, with inflation risk across the region broadly manageable. The macro backdrop is supportive, with India, Indonesia, Korea, and the Philippines having a more favourable rates outlook
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	□□□■□□□□□	HY spreads remain historically tight despite cooling in the US economy, with spreads way below historical averages. Nevertheless 'all in' yields are high. For now, still reasonable growth and moderating inflation mean that the fundamental backdrop is supportive
	Asia Credit	□□□□□■□□□	Asia credit spreads (both IG and HY) are likely to narrow in response to a sustained US easing cycle in the medium term. Attractive 'all in' yields and solid fundamentals are supportive but tight spreads and the potential for a re-rating of global risks could add near-term pressure
	EMD Hard Currency Bonds	□□□□□■□□□	EM sovereigns should benefit from Fed rate cuts. They have underperformed competitor asset classes like global HY recently, which is at odds with fundamental improvements and ratings upgrades. Also, it is a high-duration asset class and more exposed to moves in core yields
Equities	DM Equities	□□□■□□□□□	Markets face potential volatility amid slowing global growth and political uncertainty, although falling rates should be supportive. We expect more broadening out for asset returns beyond the US technology sector and mega-cap growth into other regions, sectors, and styles
	EM Equities	□□□□□□■□□	The EM growth outlook is a relative bright spot in a global context, with disinflation and ongoing Fed rate cuts expected to be supportive. Stock and currency market valuations remain undemanding. Idiosyncratic trends within EMs imply scope for portfolio diversification too
	Asia ex Japan	□□□□□□■□□	The earnings outlook is supported by solid demand for tech-related products and services, room for monetary easing, and other regional cyclical and structural growth stories. Valuations remain undemanding but there are risks from global growth uncertainty and geopolitical developments
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	□□□□□□□■□	Unlisted and quoted real estate has recently returned to favour. It is suited to a backdrop of falling rates and a soft landing and remains cheap versus its longer run averages in the US, but not as cheap in DM. Lower rates should support a bottoming (and even improvement) in capital values in 2024. Valuations are still supportive, but the sector is vulnerable to macro disappointment
	Infrastructure Debt	□□□□□□□■□	Infrastructure debt is currently expected to offer stronger 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

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Source: HSBC Asset Management. Data as at 7.30am UK time 01 November 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Tue. 29 October	US	JOLTS Job Openings	Sep	7.44mn	7.86mn	Job openings fell to their lowest level since January 2021. The quits rate is on a downward trend, heralding softer wage growth
	US	Consumer Confidence Index, Conference Board	Oct	108.7	99.2	The Conference Board consumer confidence index rose sharply in October, with the "jobs plentiful" index rebounding
Wed. 30 October	US	GDP, Flash (qoq)	Q3	2.8%	3.0%	US Q3 GDP remained above trend. Real private domestic sales strengthened, with consumer spending the main driver
	EZ	GDP, Prelim (qoq)	Q3	0.4%	0.2%	Eurozone growth picked up in Q324 but remains lacklustre. Italy lagged France, Germany, and Spain
	UK	Budget	Oct			The UK Budget revealed a significant front-loaded fiscal boost, financed by sizeable tax hikes and rising government borrowing
	MX	GDP, Flash (qoq)	Q3	1.0%	0.2%	Mexican Q3 GDP surprised on the upside, with broad-based strength. But high rates and a fiscal drag are headwinds
Thu. 31 October	US	PCE Price Index (yoy)	Sep	2.1%	2.3%	The US PCE index edged lower in September. The core PCE index remained unchanged at 2.7% yoy
	JP	BoJ Policy Rate	Oct	0.25%	0.25%	The BoJ left policy on hold but signalled further rate hikes if its forecast for Japanese growth and inflation "is realised"
	EZ	HICP, Flash (yoy)	Oct	2.0%	1.7%	Headline inflation returned to the ECB's 2% medium-term target in October. Service sector inflation remains sticky
	CN	NBS Composite PMI	Oct	50.8	50.4	China's PMI improved further following the recent policy boost, led by an expansion in manufacturers' production activities
Fri. 01 November	US	Change in Non-Farm Payrolls	Oct	105k	254k	Payrolls are likely to weaken as a result of hurricane disruption and strikes but underlying labour conditions are also cooling
	US	ISM Manufacturing Index	Oct	47.6	47.2	The ISM has been in contraction territory for most of the time since late 2022 and has weakened further of late

US - United States, EZ - Eurozone, UK - United Kingdom, MX - Mexico, UK - United States, JP - Japan, CN – China

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 04 November	CN	Start of the 5-day NPC Standing Committee meeting	Nov			Market participants will focus on any announcement of fiscal stimulus by the NPC Standing Committee
	US	Q3 earnings	Q3			Around 50% of S&P500 Q3 earnings reported. Tech, financials, and staples top beats. Energy and materials were at the lower end
Tue. 05 November	US	ISM Services Index	Oct	53.3	54.9	The ISM services index has increased recently, driven by higher new orders. The employment index weakened in late Q3
	AU	RBA Cash Target Rate	Nov	4.35%	4.35%	The RBA dropped its reference to raising rates in September but reiterated a rate cut is unlikely soon
	US	Presidential Election	Nov			The Presidential election depends on seven swing states. The Congressional elections will determine how fully the new president can implement their agenda
Wed. 06 November	BR	Banco de Brazil SELIC Target Rate	Nov	11.25%	10.75%	Ongoing concerns about rising inflation expectations point to further rate hikes near-term. The labour market remain tight
Thu. 07 November	US	Fed Funds Rate (upper band)	Nov	4.75%	5.00%	Recent Fed comments are consistent with a 25bp rate cut at November's FOMC meeting following September's 50bp cut
	MX	Headline Inflation (yoy)	Oct	-	4.6%	Core inflation has decelerated steadily since early 2023, driven by goods disinflation. Service sector inflation remains sticky
	UK	BoE MPC Base Rate	Nov	4.75%	5.00%	A gradually improving inflation outlook should prompt a 25bp rate cut in November amid softening growth
	SW	Riksbank Policy Rate	Nov	2.75%	3.25%	With the main measures of inflation at, or below, 2.0%, there is scope for a 50bp rate cut
	CN	Trade Balance (USD)	Oct	73.4bn	81.7bn	The trade balance is expected to narrow further from June's cycle high amid soft global demand
Sat. 09 November	CN	CPI (yoy)	Oct	-	0.4%	Soft CPI data continues to reflect disinflation pressures from non-food items amid demand/supply imbalances

CN - China, US - United States, AU - Australia, MX - Mexico, UK - United Kingdom, BR – Brazil

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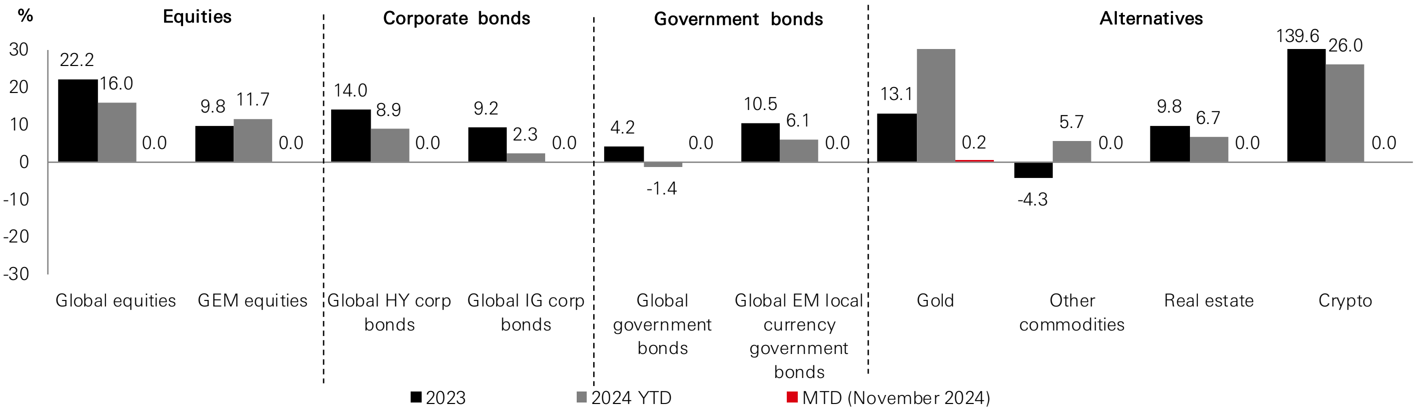
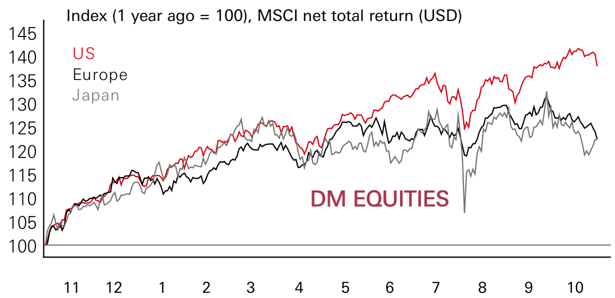
Market review

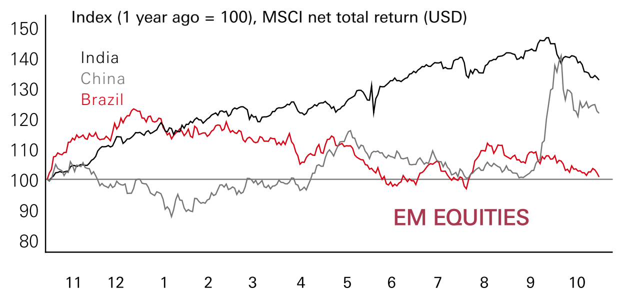
This week

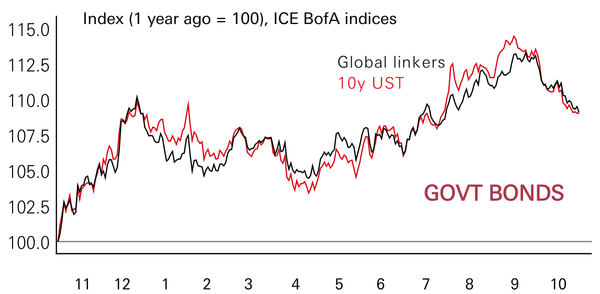
Risk markets are on the defensive ahead of the US presidential election, with the US DXY dollar index consolidating after recent gains. Core government bonds weakened on upward US and Eurozone data surprises. Gilts lagged US Treasuries as investors fretted about the medium-term outlook for government borrowing unveiled in the UK Budget, led by a rise in 2-year yields. In the US, the Nasdaq fell on disappointing outlooks from some tech heavyweights. Weaker tech stocks pressured the Euro Stoxx index. The Nikkei 225 pared most of its gains amid a firmer yen following hawkish comments from BoJ governor Ueda. In EM, the Shanghai Composite index and Hang Seng slipped ahead of the key National People's Congress Standing Committee meeting. India's Sensex index traded sideways. In commodities, easing geopolitical tensions pushed down oil prices. Gold prices reached a new high.

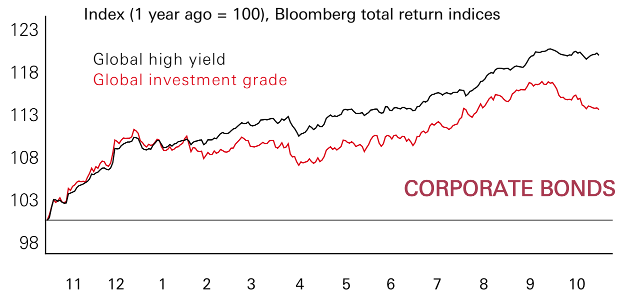
Selected asset performance

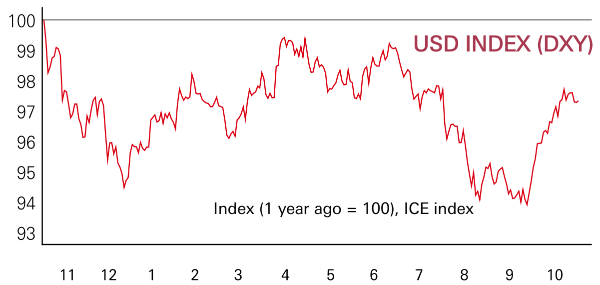


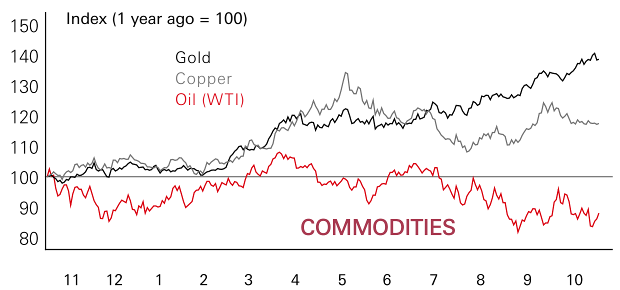












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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am am UK time 01 November 2024. Note: Asset class performance is represented by different indices. Global Equities: MSCI ACWI Net Total Return USD Index. Gem Equities: MSCI Emerging Net Total Return USD Index. Corporate Bonds: Bloomberg Barclays Global HY Total Return Index value unhedged. Bloomberg Barclays Global IG Total Retrun Index unhedged. Government bonds: Bloomberg Barclays 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)	832	-1.6	-1.6	3.6	29.5	14.5	858	637	19.7
North America									
US Dow Jones Industrial Average	41,763	-0.8	-0.9	3.5	25.5	10.8	43,325	33,011	21.8
US S&P 500 Index	5,705	-1.8	-0.1	4.8	34.6	19.6	5,878	4,198	23.6
US NASDAQ Composite Index	18,095	-2.3	1.0	5.2	38.5	20.5	18,785	12,875	33.5
Canada S&P/TSX Composite Index	24,157	-1.3	0.5	6.3	26.6	15.3	24,923	18,908	16.6
Europe									
MSCI AC Europe (USD)	552	-2.4	-4.9	-0.9	18.6	3.5	595	462	14.4
Euro STOXX 50 Index	4,828	-2.3	-2.6	1.3	18.0	6.8	5,122	4,050	14.1
UK FTSE 100 Index	8,110	-1.7	-2.0	-2.1	10.5	4.9	8,474	7,305	12.0
Germany DAX Index*	19,078	-2.0	-0.7	5.5	27.8	13.9	19,675	14,786	14.4
France CAC-40 Index	7,350	-2.0	-3.0	-0.3	6.0	-2.6	8,259	6,874	14.3
Spain IBEX 35 Index	11,673	-1.2	0.0	7.5	28.6	15.5	12,038	9,000	11.1
Italy FTSE MIB Index	34,281	-1.4	1.5	4.3	22.5	12.9	35,474	27,677	10.1
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	590	-1.5	-4.8	4.0	25.1	11.6	632	471	14.9
Japan Nikkei-225 Stock Average	38,054	0.4	-1.5	-0.2	20.4	13.7	42,427	31,156	21.4
Australian Stock Exchange 200	8,119	-1.1	-1.1	0.1	18.7	7.0	8,385	6,781	18.8
Hong Kong Hang Seng Index	20,498	-0.4	-3.0	18.5	19.9	20.2	23,242	14,794	9.6
Shanghai Stock Exchange Composite Index	3,272	-0.8	-1.9	11.6	8.2	10.0	3,674	2,635	12.9
Hang Seng China Enterprises Index	7,340	-0.6	-2.3	20.6	25.3	27.2	8,373	4,943	8.9
Taiwan TAIEX Index	22,780	-2.4	1.7	0.6	42.0	27.0	24,417	15,976	18.3
Korea KOSPI Index	2,542	-1.6	-2.0	-8.5	10.5	-4.3	2,896	2,289	10.3
India SENSEX 30 Index	79,389	0.0	-5.8	-3.0	24.8	9.9	85,978	63,550	22.6
Indonesia Jakarta Stock Price Index	7,504	-2.5	-1.8	2.4	13.0	3.2	7,911	6,640	14.3
Malaysia Kuala Lumpur Composite Index	1,605	-0.8	-3.1	-1.2	11.8	10.3	1,685	1,425	14.8
Philippines Stock Exchange PSE Index	7,143	-2.3	-3.2	6.7	19.6	10.7	7,605	5,920	12.1
Singapore FTSE Straits Times Index	3,550	-1.2	-0.9	3.8	15.4	9.5	3,653	3,052	11.3
Thailand SET Index	1,464	0.0	-0.1	10.7	6.1	3.4	1,507	1,273	16.3
Latam									
Argentina Merval Index	1,848,744	-1.3	6.9	23.2	200.0	98.9	1,902,987	578,412	7.8
Brazil Bovespa Index*	129,713	-0.1	-2.1	1.8	12.7	-3.3	137,469	113,157	9.0
Chile IPSA Index	6,550	-3.0	1.6	2.1	21.1	5.7	6,838	5,363	11.4
Colombia COLCAP Index	1,358	1.8	3.9	1.2	24.8	13.7	1,451	1,086	7.3
Mexico S&P/BMV IPC Index	50,661	-2.2	-3.5	-3.4	1.8	-11.7	59,021	48,977	11.8
EEMEA									
Saudi Arabia Tadawul Index	12,022	1.1	-1.9	-0.2	11.2	0.5	12,883	10,601	N/A
South Africa JSE Index	85,697	-1.5	-1.1	4.7	22.9	11.4	87,884	69,128	12.3
Turkey ISE 100 Index*	8,936	0.3	-4.4	-17.2	18.7	19.6	11,252	7,203	5.3

*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	-1.6	-1.6	3.9	16.0	31.6	16.9	67.7
US equities	-1.7	0.2	5.2	20.4	36.4	25.3	96.9
Europe equities	-2.4	-4.9	-0.5	6.1	21.8	5.4	34.5
Asia Pacific ex Japan equities	-1.6	-4.9	4.5	14.0	28.1	-1.6	26.9
Japan equities	2.7	-5.3	-1.0	8.0	18.7	5.4	29.5
Latam equities	-2.2	-5.0	-2.0	-17.0	0.4	22.6	-1.1
Emerging Markets equities	-1.5	-4.6	3.3	11.7	25.2	-4.2	20.4

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.

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)	578	-0.2	-1.6	0.5	9.4	3.0
JPM EMBI Global	900.2	-0.2	-2.0	2.0	17.1	6.1
BarCap US Corporate Index (USD)	3310.1	-0.2	-2.7	0.6	12.5	2.8
BarCap Euro Corporate Index (Eur)	255.0	-0.5	-0.6	1.0	8.5	3.5
BarCap Global High Yield (Hedged in USD)	620.0	0.0	-0.1	3.5	18.6	9.5
Markit iBoxx Asia ex-Japan Bond Index (USD)	225.7	0.0	-1.1	1.1	11.6	5.6
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	262	-0.1	0.4	2.2	22.3	14.4

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

Currencies (vs USD)	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.09	1.08	1.11	1.08	1.06	1.10	1.12	1.06	0.7
GBP/USD	1.29	1.30	1.33	1.27	1.22	1.27	1.34	1.22	-0.5
CHF/USD	1.15	1.15	1.18	1.15	1.10	1.19	1.20	1.08	-0.1
CAD	1.39	1.39	1.35	1.39	1.39	1.32	1.39	1.32	-0.3
JPY	153	152	144	149	151	141	162	140	-0.1
AUD/USD	0.66	0.66	0.69	0.65	0.64	0.68	0.69	0.63	-0.7
NZD/USD	0.60	0.60	0.63	0.59	0.58	0.63	0.64	0.59	-0.2
Asia									
HKD	7.78	7.77	7.77	7.81	7.82	7.81	7.84	7.76	-0.1
CNY	7.12	7.12	7.02	7.25	7.32	7.10	7.32	7.00	0.0
INR	84.1	84.1	83.8	83.7	83.3	83.2	84.1	82.6	0.0
MYR	4.39	4.34	4.16	4.57	4.77	4.59	4.81	4.09	-1.0
KRW	1379	1393	1326	1369	1357	1291	1400	1283	1.0
TWD	31.9	32.1	31.9	32.8	32.5	30.6	32.9	30.5	0.4
Latam									
BRL	5.79	5.71	5.44	5.75	4.96	4.85	5.86	4.80	-1.4
COP	4426	4333	4223	4086	4109	3875	4429	3739	-2.2
MXN	20.0	20.0	19.6	18.9	17.8	17.0	20.2	16.3	-0.3
ARS	990	985	970	932	350	808	993	350	-0.5
EEMEA									
RUB	97.0	97.3	95.8	85.6	92.6	89.5	100.3	82.7	0.3
ZAR	17.6	17.7	17.4	18.3	18.5	18.4	19.4	17.0	0.2
TRY	34.3	34.3	34.2	33.1	28.3	29.5	34.5	28.3	-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	4.51	4.63	4.57	5.25	5.45	5.33	-12
2-Year	4.18	4.10	3.60	4.15	4.94	4.25	7
5-Year	4.16	4.06	3.51	3.83	4.65	3.85	10
10-Year	4.28	4.24	3.73	3.98	4.73	3.88	4
30-Year	4.45	4.50	4.07	4.28	4.93	4.03	-5
10-year bond yields (%)							
Japan	0.94	0.95	0.85	1.04	0.95	0.61	-1
UK	4.44	4.23	3.94	3.88	4.50	3.53	21
Germany	2.40	2.29	2.04	2.24	2.76	2.02	11
France	3.14	3.05	2.82	2.99	3.38	2.56	10
Italy	3.67	3.51	3.37	3.64	4.72	3.69	16
Spain	3.11	3.00	2.83	3.09	3.83	2.98	11
China	2.14	2.16	2.21	2.13	2.69	2.56	-2
Australia	4.54	4.41	4.01	4.09	4.95	3.96	13
Canada	3.22	3.26	2.95	3.11	3.92	3.11	-4

*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	2,748	0.0	3.2	12.3	38.6	33.2	2,790	1,932
Brent Oil	74.2	-1.9	1.4	-5.0	-6.8	-0.6	86	68
WTI Crude Oil	70.7	-1.4	1.9	-4.6	-6.2	0.6	82	64
R/J CRB Futures Index	279.9	-1.7	-2.3	2.3	0.3	6.1	300	258
LME Copper	9,536	-0.7	-4.4	5.3	17.6	11.4	11,105	8,020

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future.

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Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 01 November 2024.

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