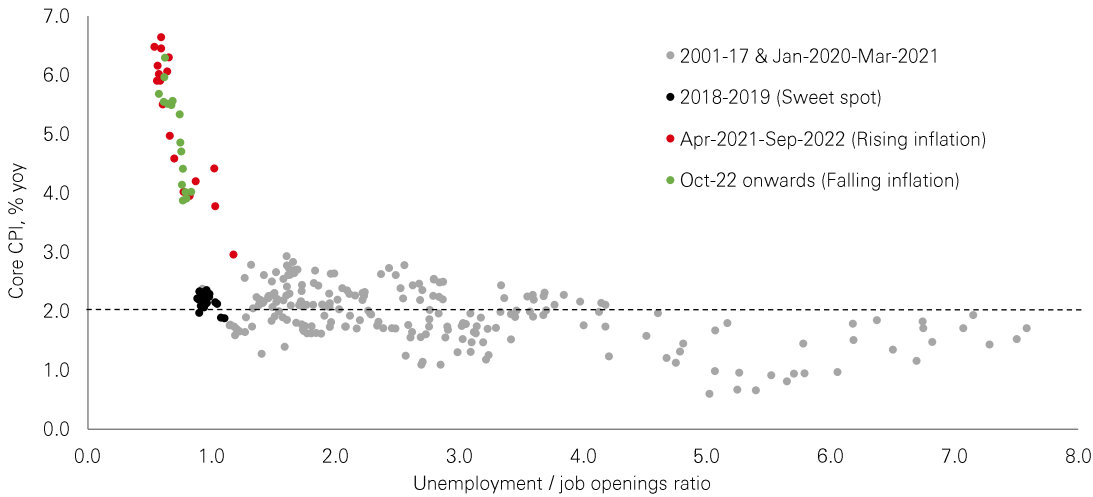


# Investment Weekly

15 March 2024  
For Professional Clients only.

## Chart of the week – The last mile of disinflation



Let's start with the good news! Markets took February's higher-than-expected core CPI number – the third in a row – in their stride. The S&P 500 had its best day in nearly three weeks on the day of the release, suggesting **the market narrative of ongoing disinflation remains intact**. The details of recent data releases support this view with the 'sticky' elements of core inflation improving in February, and several indicators suggesting the labour market is cooling more quickly than headline payrolls numbers would suggest.

Now for the bad news. **The last mile of disinflation may not be straightforward**; data can be volatile – see February's unexpected pickup in producer price inflation – and several risks remain in play. In 2021, investors and the Fed initially brushed off major upside inflation surprises, reassured by the narrative of 'transitory inflation'. But when the upside surprises persisted in 2022, the Fed changed its tune and there was a significant drawdown in risk assets.

Moreover, even in the absence of bad inflation news, history shows us that the gradual cooling of the labour market (that now looks to be well underway) can mutate into a rapid cooling. Even if neither of these risks materialise, the consensus US forecast is for the softest of soft landings, so even **a modest disappointment on growth could pose a headwind to the stock market**.

### Asia Equities →

Why a pick-up in exports could be good for stocks

### US Equities →

Exploring the sectors driving profit growth in 2024

### Japan Equities →

How policy changes could create volatility in markets

## Market Spotlight

### Picking winners in PE

Rising rates and volatile markets have proved to be a major headache for private equity investing recently.

After a post-Covid deal bonanza in 2021, the asset class faced a barrage of challenges. Rising rates hiked borrowing costs, compressed valuations, and deterred trade buyers. And with equity prices falling, the route to sell investments via the stock market – through IPOs – was also closed off. As such, the number of 'exits' from private equity investments fell substantially.

But with markets pricing in rate cuts from this summer, and momentum building in equities, there are signs that deal flow could soon pick up – with IPOs potentially becoming viable once again.

In the meantime, PE managers are likely to have to work harder to generate returns, which could widen the gap between winning and losing funds – a trend which has been evident recently. Industry data suggests there is **wide dispersion between the top and bottom quartile private equity returns**, which reinforces our Asset Management view around the importance of manager selection. While median returns remain relatively attractive, selecting winners can have a meaningful impact on investment outcomes.



**The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Past performance does not predict future returns.**

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 15 March 2024.

### Export-led growth in Asia

Historically, Asian exports tend to be a leading indicator of EM corporate earnings. So, it's promising that year-on-year growth in exports out of Korea, Taiwan and Vietnam has reached double-digits in recent months.

But while the early signs are encouraging, the underlying details are uneven. Technology sector shipments – which have been boosted by a recovery in demand for semiconductors – account for the lion's share of exports out of Korea and Taiwan. In addition, base effects are flattering the numbers because early 2023 was a very weak phase for global trade. More broadly, an uptick in export activity still risks being hampered by potential economic slowdowns in the west, as well as the drag of continuing weakness in China.

But while there are reasons to be cautious, and more evidence is needed that this is a durable upswing, **signs of a turnaround in the global trade cycle is welcome news and supports our optimistic house view for equities in Asia and EM at large.**



### Will profits deliver?

Earnings growth in US markets over the past 12 months has been driven by a few sectors doing much of the heavy lifting. So far, that looks like it will continue in 2024, with **nearly half of the market's 9.8% expected earnings growth coming from its two largest sectors**: Communication Services and Information Technology. Both are expected to see profits growth of around 17%.

While growth in tech-related sectors could continue to be a major contributor to US profits growth overall, valuations are high and vulnerable to disappointment. The US Information Technology sector trades on a forward price-earnings ratio of 28x (versus a 10-year sector average of 18x).

Likewise, more cyclical sectors like discretionary, industrials and financials, could be vulnerable if current expectations of a soft landing fail to materialise. And the performance of classic 'bond proxy' sectors – consumer staples and utilities – could also disappoint in the new paradigm of higher rates. With the market already punishing previously high-flying shares that miss earnings expectations, it remains important to be selective in stock-picking.



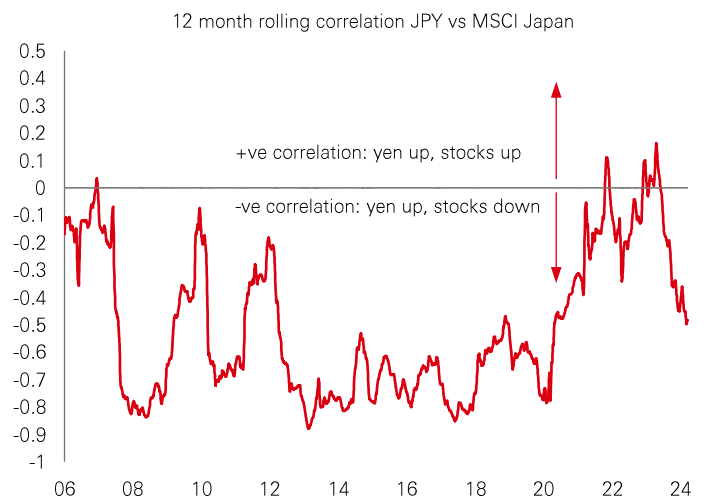
### Japan's NIRP dilemma

Could Japan finally be emerging from its 25-year fight with deflation?

There is growing evidence that a wage-price inflationary pickup is underway – helped by what could be a bumper Shunto pay round this year – and hopes of a recovery in domestic demand. So much so that the Bank of Japan (BoJ) could soon do away with its ultra easy monetary stance – the Negative Interest Rates Policy.

But for investors, there could be bumps ahead. Japanese equities have risen by nearly 23% over the past 12 months, but **meaningful upward pressure on the yen from any policy shift could hurt stocks**, given the current negative correlation between the two.

And if the central bank doesn't normalise – with risks that deflationary pressures may not have been fully eliminated – it could point to weak structural demand and put a question mark over corporate earnings strength, again hurting stock prices. While Japan continues to be one of our preferred DM equity markets, policy surprises could spark volatility, and need to be closely-monitored.



### Past performance does not predict future returns.

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 15 March 2024.



## Asset class views

Our investment strategy remains organised around two themes. First, that ‘bonds are back’ in a phase of higher fixed income yields, amid bumpy disinflation, and 2024 rate cuts. Second, for ‘defensive growth’, which would include a selective approach in credits, an important role for emerging markets in portfolios, and an emphasis on more defensive parts of alternatives (including private credit, hedge funds, infrastructure, and real estate).

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 uncertainty over the precise timing of rate cuts as central banks try to engineer a soft landing. While economic data have been robust, inflation remains sticky and the risk of material economic weakness persists
	Duration	■	■	■	Longer-dated bond yields remain elevated as markets continue to anticipate the likely timetable for rate cuts. An improvement in the term premium reinforces our view that ‘bonds are back’ and that duration is now being rewarded
	Emerging Markets	■	■	■	Disinflationary trends are continuing to play out, with many EM central banks likely to begin or continue cutting rates in 2024. This supports the EM fixed income outlook. Sticky inflation and growth concerns remain the major risks
Bonds	10yr US Treasuries	■	■	■	A resilient labour market and sticky inflation have revived the narrative of higher-for-longer rates. However, the Fed is still likely to cut interest rates from mid-2024 and growth could disappoint expectations in H2. Ten-year yields are likely to fall and the yield curve gradually steepen
	EMD Local	■	■	■	EM local-currency bonds have performed well, with yields falling relative to those in the US. Strong medium-term performance is backed up by solid fundamentals, including strong growth and buffers against external pressures, and improved policy credibility, as well as cheap valuations
	Asia Local	■	■	■	Asia’s growth outlook remains encouraging. Further moderation in core inflation gives most central banks in the region room for rate cuts in H2 2024 should the Fed start to ease policy. Global macro uncertainties and geopolitical developments remain the key risks
Credits	Global Credit	■	■	■	Credit spreads could widen if the economic cycle deteriorates and the risk of defaults increases. However, amid stable corporate balance sheets, there are good income opportunities
	Global High-Yield	■	■	■	A backdrop of resilient fundamentals and shifting rate expectations has meant lower spreads, but rangebound returns in high yield. Valuations potentially do not reflect the possibility of economic weakness and accompanying default risks
	Asia Credit	■	■	■	Macro resilience across Asia is supportive of both IG and HY credit, although some positives such as manageable default risk outside Chinese properties and spread tightening from the non-China exposures, may have been reflected. Growth headwinds in China and DM are challenges
	EMD Hard Currency Bonds	■	■	■	The technical environment is strong, with sovereigns expected to underperform corporates given the ongoing supply from governments compared to more prudent EM corporate borrowers
Equities	DM Equities	■	■	■	There continues to be scope for near-term gains given robust economic data, but the risks of a slowdown remain. Strong momentum has stretched valuations in parts of the market, which could make prices vulnerable to corrections if firms fail to deliver on earnings expectations
	EM Equities	■	■	■	EM risk premiums generally look generous but there are divergent trends across regions. Cyclical and structural growth, and an expected shift by central banks toward rate cutting are positive factors. China’s cyclical outlook is concerning and demands a cautious view of EM overall
	Asia ex Japan	■	■	■	Macro uncertainties remain a key risk but there are promising signs, with Chinese policy support endeavouring to rebuild market confidence, and strong structural and cyclical growth across the region delivering an improving earnings outlook and supporting equity price momentum
Alternatives	Global Private Equity	■	■	■	With tighter financial conditions raising the cost of leverage, PE funds may face challenges in delivering consistently strong returns. However, increasing economic headwinds can create attractive entry points for longer-term investors. The investment case is about alpha, not beta
	Global Real Estate	■	■	■	In a more benign macro environment, real estate sub-sectors with a more secure income profile and lower leverage should outperform. Following recent price corrections driven by higher interest rates, there may be opportunities for value-add or opportunistic strategies to acquire at a low base
	Infrastructure Debt	■	■	■	Infrastructure debt currently offers stronger expected returns than global credits, and experiences lower spread volatility during economic slowdowns. It has strong defensive attributes, offers inflation-linked cash flows and benefits from thematic drivers such as the green transition

Source: HSBC Asset Management. Data as at 11am UK time 15 March 2024.



## Key Events and Data Releases

### This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 11 March	JP	GDP (qoq)	Q4 F	0.1%	-0.1%	Japan avoided a technical recession in H2 2023 due to an upward revision to Q4 capital spending. Consumer spending declined for the third consecutive quarter in Q4
Tues. 12 March	IN	Industrial Production (yoy)	Jan	3.8%	4.2%	Growth slowed in early 2024 but overall production remained resilient, led by consumer durables and construction goods
	IN	CPI (yoy)	Feb	5.1%	5.1%	Food prices remain the main upside driver of headline inflation, with tight monetary policy pushing core inflation down to only 3.3% yoy
	US	CPI (yoy)	Feb	3.2%	3.1%	Gradual disinflation persists, led by the goods sector, but monthly moves could be bumpy. Easing service sector inflation depends on a further cooling in labour market conditions
	BR	IBGE Inflation IPCA (yoy)	Feb	4.5%	4.5%	Service sector inflation remains high amid elevated wage growth
	MX	Industrial Production NSA (yoy)	Jan	2.9%	0.0%	Mexican industrial output firmed in early 2024
Wed. 13 March	EZ	Industrial Production (yoy) wda	Jan	-6.7%	0.2%	Eurozone production data were weighed down by a 29% mom decline in Irish industrial output
Thurs. 14 March	US	Retail Sales (mom)	Feb	0.6%	-1.1%	Consumer spending should slow through the course of 2024 as the labour market cools
Fri. 15 March	US	University of Michigan Consumer Confidence	Mar P	-	76.9	The Michigan consumer confidence measure improved through 2023 as inflation declined, but it remains below average levels

P – Preliminary, F – Final JP – Japan, IN – India, US – United States, BR – Brazil, MX – Mexico, EZ – Eurozone

### The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 18 March	EZ	Q4 Earnings				85% of European companies reported Q4 results. Consumer Staples have been better than expected. Weaker sectors include Utilities, Mining & Industrials. 2024e consensus European growth rose to 4.2%
	CN	Retail Sales (YTD yoy)	Jan-Feb	5.6%	7.2%	Strong domestic demand and holiday spending is supportive for retail sales, demand-side stimulus should help stabilise private consumption
	CN	Industrial Production (YTD yoy)	Jan-Feb	5.3%	4.6%	Production upgrades and targeted support may help manufacturers weather potential challenges ahead
Tue. 19 March	JP	BoJ Interest Rate Decision	Mar	-0.10%	-0.10%	Recent BoJ comments suggest a consensus is building for an end to NIRP, possibly in March amid rising optimism of a virtuous cycle in prices and wages. The FY24 Shunto pay round is a key factor
	AU	RBA Interest Rate Decision	Mar	4.35%	4.35%	Ongoing inflation concerns suggest no near-term policy change
Wed. 20 March	UK	CPI (yoy)	Feb	3.5%	4.0%	Helpful base effects should pull down February's core inflation rate
	US	FOMC Interest Rate Decision	Mar	5.50%	5.50%	The Fed is likely to leave policy unchanged at its March meeting, but a cooling labour market and moderating inflation pressures should prompt a 25bp cut in June
	BR	COPOM Interest Rate Decision	Mar	10.75%	11.25%	Easing price pressures point to a further rate cut
	CN	1yr Loan Prime Rate	Mar	3.45%	3.45%	
Thu. 21 March	EZ	HCOB Global Composite Index	Mar P	49.7	49.2	The eurozone PMIs have improved in recent months, but remain consistent with stagnant growth
	US	S&P Global Composite Index	Mar P	-	52.5	The US PMIs have risen of late, but remain below average levels
	UK	BoE Interest Rate Decision	Mar	5.25%	5.25%	Persistent service sector inflation suggests no early BoE easing
	NW	Norges Bank Interest Rate Decision	Mar	4.50%	4.50%	Better inflation news increases the chance of a June rate cut
	MX	Retail Sales (yoy)	Jan	-	-0.2%	Retails sales growth has been trending lower since mid-2023
	MX	Banxico Interest Rate Decision	Mar	11.13%	11.25%	Lower core inflation should prompt a rate cut in March
	TY	Central Bank Interest Rate Decision	Mar	45.00%	45.00%	High and rising inflation increases the risk of further tightening near-term
Fri. 22 March	GE	Ifo Business Climate Index	Mar	86.0	85.5	Ifo's business confidence measure has remained weak recently, highlighting the challenging environment facing corporates
	MX	IGAE Economic Activity (mom)	Jan	-	0.0%	Elevated real interest rates weighed on growth in late 2023

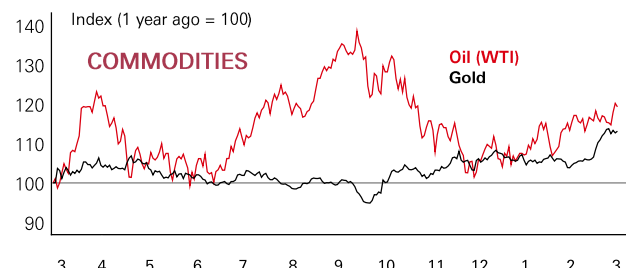
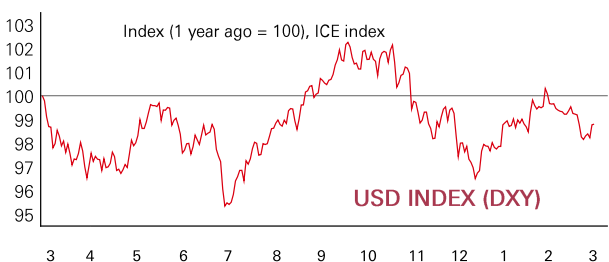
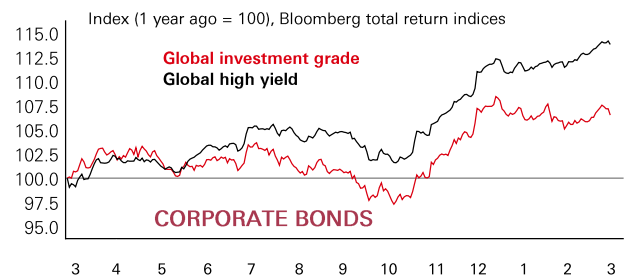
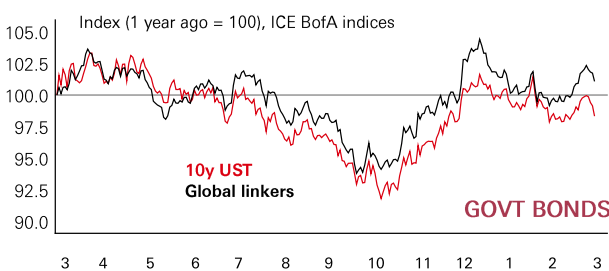
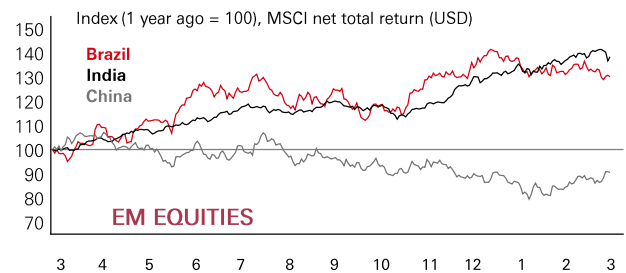
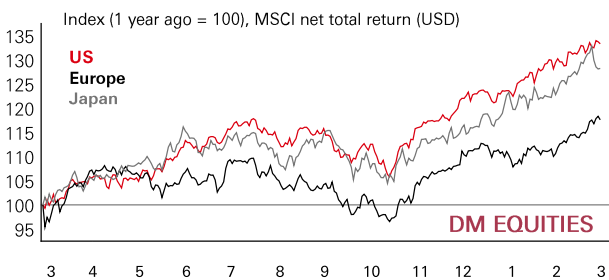
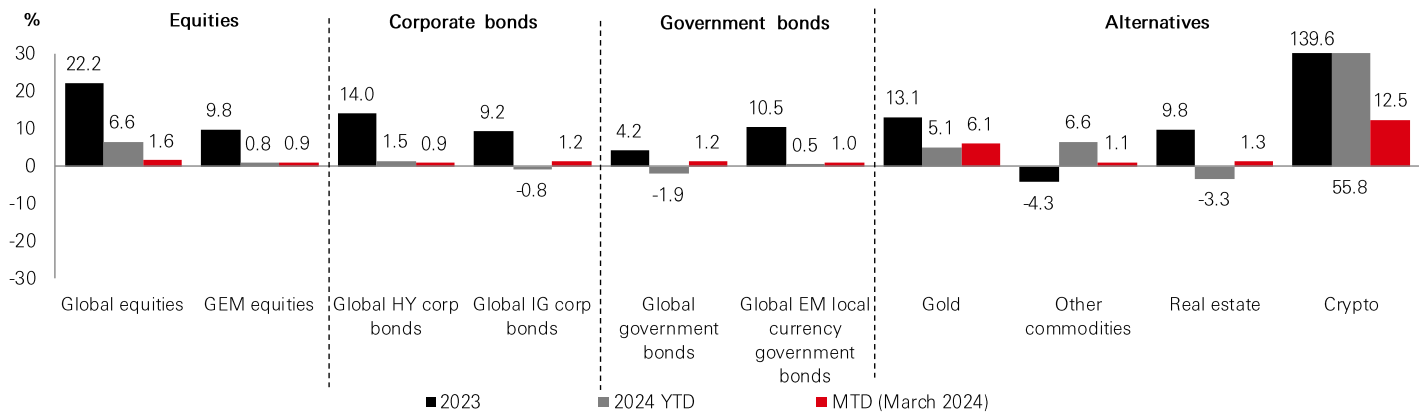
P – Preliminary EZ – Eurozone, CN – China, JP – Japan, AU – Australia, BR – Brazil, NW – Norway, MX – Mexico, TY – Turkey, GE – Germany

Source: HSBC Asset Management. Data as at 11am UK time 15 March 2024.

## This week

Risk markets held firm in a week that saw an upward surprise in US core CPI. Core government bonds weakened ahead of the key FOMC meeting amid rising doubts of a June Fed easing. The US dollar DXY index strengthened. In the US, the S&P 500 and Nasdaq moved sideways but fared better than the interest rate-sensitive Russell 2000. The Euro Stoxx 50 posted modest gains, driven by strong Q4 earnings, but the Japanese Nikkei weakened on heightened expectations that the BoJ would remove its Negative Interest Rate Policy at March's meeting. In EM, China's Shanghai Composite Index softened amid the uncertain economic outlook, and India's Sensex index was also on the defensive. Oil prices rose to a four month high on rising geopolitical tensions and lower US crude oil inventories. Gold took a breather from its recent strong run, while bitcoin reached new highs.

## Selected asset performance



**Past performance does not predict future returns.**

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 15 March 2024.





## 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)
<b>World</b>									
MSCI AC World Index (USD)	773	0.2	2.9	7.8	26.2	6.3	778	607	18.1
<b>North America</b>									
US Dow Jones Industrial Average	38,906	0.5	0.3	4.3	22.1	3.2	39,282	31,430	18.7
US S&P 500 Index	5,150	0.5	2.4	9.1	32.3	8.0	5,189	3,838	21.4
US NASDAQ Composite Index	16,129	0.3	1.4	8.9	41.1	7.4	16,450	11,238	28.5
Canada S&P/TSX Composite Index	21,830	0.4	2.9	6.3	12.6	4.2	22,009	18,692	15.1
<b>Europe</b>									
MSCI AC Europe (USD)	556	0.0	4.8	6.0	20.0	4.3	562	459	13.8
Euro STOXX 50 Index	5,010	1.0	5.6	10.1	24.2	10.8	5,032	3,981	13.8
UK FTSE 100 Index	7,758	1.3	2.1	2.4	5.6	0.3	7,936	7,207	11.4
Germany DAX Index*	17,990	1.0	5.5	7.4	22.1	7.4	18,039	14,458	12.6
France CAC-40 Index	8,184	1.9	5.7	7.7	18.9	8.5	8,218	6,774	13.8
Spain IBEX 35 Index	10,595	2.8	6.7	4.9	21.0	4.9	10,607	8,501	10.6
Italy FTSE MIB Index	33,969	1.7	7.2	11.8	32.9	11.9	34,023	24,751	8.9
<b>Asia Pacific</b>									
MSCI AC Asia Pacific ex Japan (USD)	541	0.7	4.6	4.8	7.5	2.3	545	469	14.0
Japan Nikkei-225 Stock Average	38,708	-2.5	1.4	17.4	42.2	15.7	40,472	26,633	23.8
Australian Stock Exchange 200	7,670	-2.3	0.8	3.1	8.5	1.0	7,853	6,751	17.2
Hong Kong Hang Seng Index	16,721	2.2	4.9	-0.4	-14.4	-1.9	20,865	14,794	8.1
Shanghai Stock Exchange Composite Index	3,055	0.3	6.6	3.8	-6.4	2.7	3,419	2,635	10.7
Hang Seng China Enterprises Index	5,821	2.9	7.6	2.1	-11.3	0.9	7,092	4,943	7.4
Taiwan TAIEX Index	19,683	-0.5	5.6	11.4	27.9	9.8	20,113	15,187	18.1
Korea KOSPI Index	2,667	-0.5	2.0	4.0	12.1	0.4	2,719	2,274	10.6
India SENSEX 30 Index	72,564	-2.1	0.7	1.5	26.1	0.4	74,245	57,085	23.8
Indonesia Jakarta Stock Price Index	7,328	-0.7	0.3	1.9	10.6	0.8	7,454	6,543	1.8
Malaysia Kuala Lumpur Composite Index	1,553	0.8	1.6	6.2	10.6	6.7	1,559	1,369	13.9
Philippines Stock Exchange PSE Index	6,822	-1.7	-0.9	5.3	5.5	5.8	7,021	5,920	11.7
Singapore FTSE Straits Times Index	3,173	0.8	-0.1	1.8	0.0	-2.1	3,393	3,042	10.4
Thailand SET Index	1,386	0.0	-0.1	-0.4	-11.4	-2.1	1,615	1,351	14.7
<b>Latam</b>									
Argentina Merval Index	1,039,095	3.7	-5.0	12.3	395.2	11.8	1,334,440	207,676	5.1
Brazil Bovespa Index*	127,690	0.5	-0.1	-1.9	24.4	-4.8	134,392	96,997	7.9
Chile IPSA Index	6,461	1.9	4.4	5.3	24.3	4.2	6,524	5,097	10.7
Colombia COLCAP Index	1,283	-1.2	3.0	10.4	15.4	7.4	1,316	1,045	6.8
Mexico S&P/BMV IPC Index	56,059	2.0	-2.1	-1.9	7.6	-2.3	59,021	47,765	13.2
<b>EEMEA</b>									
Russia MOEX Index	3,301	-0.4	1.1	8.8	45.9	6.5	3,344	2,237	N/A
South Africa JSE Index	73,296	-0.6	0.1	-2.6	0.5	-4.7	79,456	69,128	9.8
Turkey ISE 100 Index*	8,891	-2.9	-3.8	11.2	73.6	19.0	9,450	4,311	5.4

\*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	0.2	3.1	8.2	6.6	28.4	20.0	65.5
US equities	0.5	2.4	9.3	8.1	34.3	31.3	93.3
Europe equities	0.0	5.1	6.5	4.7	23.4	16.8	40.6
Asia Pacific ex Japan equities	0.7	5.0	5.3	2.6	10.3	-15.5	16.6
Japan equities	-3.5	3.6	10.0	7.9	26.2	7.0	42.6
Latam equities	1.4	-0.2	-1.1	-4.8	28.5	34.1	14.5
Emerging Markets equities	1.2	4.3	5.2	2.7	13.7	-15.5	12.2

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.

Source: HSBC Asset Management. Bloomberg. Data as at 11am UK time 15 March 2024.



## Market data

Bond indices - Total Return	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
BarCap GlobalAgg (Hedged in USD)	557	-0.8	0.3	-0.1	3.5	-0.7
JPM EMBI Global	849.7	-0.5	1.4	0.9	9.6	0.1
BarCap US Corporate Index (USD)	3176.0	-1.0	0.2	-0.9	5.0	-1.4
BarCap Euro Corporate Index (Eur)	245.8	-0.3	0.5	0.1	6.1	-0.2
BarCap Global High Yield (Hedged in USD)	576.3	-0.1	1.4	2.7	14.5	1.8
Markit iBoxx Asia ex-Japan Bond Index (USD)	214.9	-0.4	0.6	1.0	4.3	0.5
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	242	0.3	2.3	6.2	4.2	5.5

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

Currencies (vs USD)	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	52-week High	52-week Low	1-week Change (%)
<b>Developed markets</b>									
EUR/USD	1.09	1.09	1.08	1.09	1.06	1.10	1.13	1.04	-0.4
GBP/USD	1.28	1.29	1.26	1.27	1.21	1.27	1.31	1.20	-0.8
CHF/USD	1.13	1.14	1.14	1.15	1.07	1.19	1.20	1.07	-0.7
CAD	1.35	1.35	1.35	1.34	1.38	1.32	1.39	1.31	-0.4
JPY	149	147	150	142	133	141	152	130	-1.1
AUD/USD	0.66	0.66	0.65	0.67	0.66	0.68	0.69	0.63	-0.9
NZD/USD	0.61	0.62	0.61	0.62	0.62	0.63	0.64	0.58	-1.3
<b>Asia</b>									
HKD	7.82	7.82	7.82	7.80	7.85	7.81	7.85	7.79	0.0
CNY	7.20	7.19	7.19	7.12	6.91	7.10	7.35	6.82	-0.1
INR	82.9	82.8	83.0	83.0	82.6	83.2	83.5	81.6	-0.1
MYR	4.71	4.68	4.78	4.67	4.48	4.59	4.81	4.38	-0.5
KRW	1330	1320	1334	1296	1304	1291	1364	1257	-0.8
TWD	31.6	31.4	31.4	31.2	30.6	30.6	32.5	30.3	-0.7
<b>Latam</b>									
BRL	4.99	4.98	4.97	4.94	5.29	4.85	5.34	4.70	-0.1
COP	3892	3904	3910	3939	4871	3875	4862	3806	0.3
MXN	16.7	16.8	17.0	17.2	19.0	17.0	19.2	16.6	0.6
ARS	850	847	835	801	203	808	850	203	-0.4
<b>EEMEA</b>									
RUB	91.8	91.1	92.4	90.3	76.5	89.5	102.4	75.1	-0.8
ZAR	18.7	18.7	18.9	18.3	18.4	18.4	19.9	17.4	0.2
TRY	32.2	31.9	30.7	29.0	19.0	29.5	32.6	18.9	-0.9

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	1-week basis point change*
<b>US Treasury yields (%)</b>							
3-Month	5.39	5.38	5.37	5.38	4.61	5.33	1
2-Year	4.69	4.47	4.57	4.44	3.89	4.25	22
5-Year	4.28	4.05	4.21	3.91	3.55	3.85	24
10-Year	4.28	4.07	4.23	3.91	3.45	3.88	21
30-Year	4.42	4.25	4.41	4.01	3.64	4.03	17
<b>10-year bond yields (%)</b>							
Japan	0.78	0.73	0.73	0.69	0.32	0.61	5
UK	4.10	3.97	4.05	3.68	3.32	3.53	13
Germany	2.44	2.27	2.36	2.01	2.12	2.02	18
France	2.89	2.72	2.84	2.55	2.69	2.56	17
Italy	3.70	3.58	3.85	3.72	4.11	3.69	12
Spain	3.24	3.08	3.27	2.99	3.25	2.98	17
China	2.34	2.29	2.44	2.64	2.88	2.56	5
Australia	4.13	3.97	4.14	4.14	3.44	3.96	16
Canada	3.53	3.33	3.54	3.12	2.79	3.11	20

\*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	2,171	-0.4	8.3	7.5	13.1	5.2	2,195	1,811
Brent Oil	84.9	3.5	3.4	10.3	20.1	10.6	89	69
WTI Crude Oil	80.8	3.6	4.2	11.8	22.9	12.2	86	65
R/J CRB Futures Index	282.9	2.3	4.3	6.7	11.4	7.2	290	254
LME Copper	8,888	3.6	6.9	4.0	4.5	3.8	9,183	7,856

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

Source: HSBC Asset Management. Bloomberg. Data as at 11am UK time 15 March 2024.

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