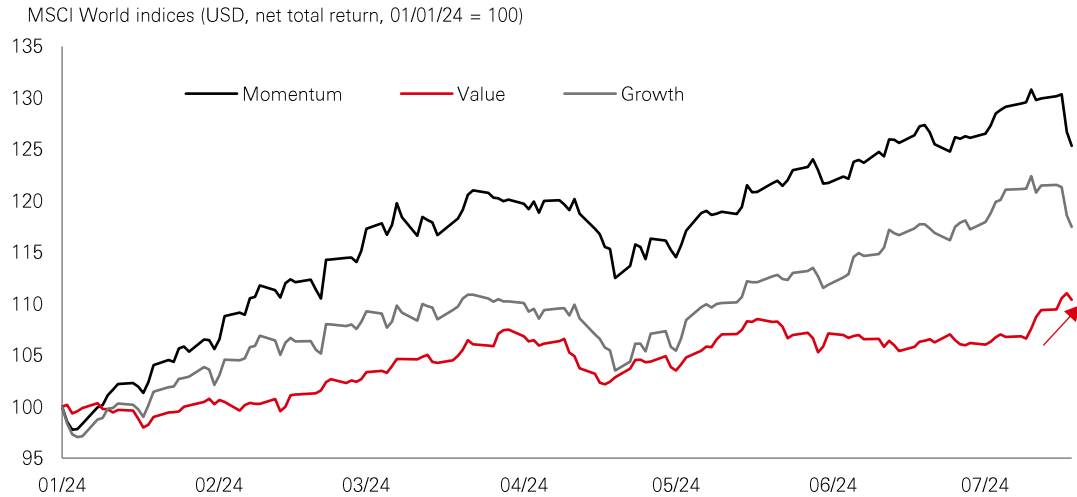


Investment Weekly

19 July 2024
For Professional Clients only.

Chart of the week – Momentum has fared well, does that change in H2?



US stocks have been big winners in 2024 – driven by two key themes. First, the supportive backdrop of resilient growth, falling inflation, and recovering corporate profits, which all point to an economic soft landing. Second, the exceptional outperformance of the so-called Magnificent Seven (Mag 7) technology mega-caps. From a factor perspective, it has meant that Momentum – the tendency for trends to persist – has outpaced Growth, which in turn has trounced Value. But can that continue in H2?

Data shows the US economy is cooling. Renewed expectations of near-term rate cuts has spurred a shift in performance across factor styles, sectors, and stock sizes. Mag 7 prices have taken a hit, and high-flying Momentum and Growth factors have slipped. By contrast, previous laggards like Value, real estate, and small-caps have seen upward moves.

Our analysis points to a less concentrated market performance in H2 amid a broadening out of global profits growth. As Q2 earnings season progresses, there is scope for tech profits to disappoint versus elevated expectations, with other sectors and factors potentially coming to the fore. Meanwhile, political and geopolitical factors are likely to inject more volatility. **Overall, it reinforces our preference for a multi-factor, multi-sector approach.**

Asia Equities →

Exploring the appeal of an Asian 'magnificent seven'

China Outlook →

How policy support is driving profits growth in key sectors

Market Spotlight

Fed turbocharges EM

Emerging market equities have had a good year so far, with the MSCI EM index clocking in double-digit returns. And last week's cooler-than-expected US inflation and increased expectations of Fed easing is undoubtedly good news for the EM asset universe.

Take Latin America for example. An EM laggard this year, a delay to the Fed pivot has forced the likes of Brazil, Mexico, and Chile – which were early rate-cutters – to adopt a more cautious approach. But recent developments in the US revives hopes they can proceed with more easing – which should be good for local asset prices.

The domestic signs are also positive. Underlying inflation in Brazil and Mexico has softened, and Brazil has announced spending cuts to allay fiscal concerns, even if this may weigh on growth. Regional stock markets are also benefiting from a global broadening of profit growth. With LatAm equities trading at a deep discount to the wider EM universe and real yields high, **more good news could help further unlock value in the region's assets.**

Alternatives →

Investment opportunities in Asian infrastructure

**Discover more in our
Mid-Year Outlook**

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. The level of yield is not guaranteed and may rise or fall in the future. This information shouldn't be considered as a recommendation to buy or sell specific sector/stocks mentioned. Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection, or target. Diversification does not ensure a profit or protect against loss.

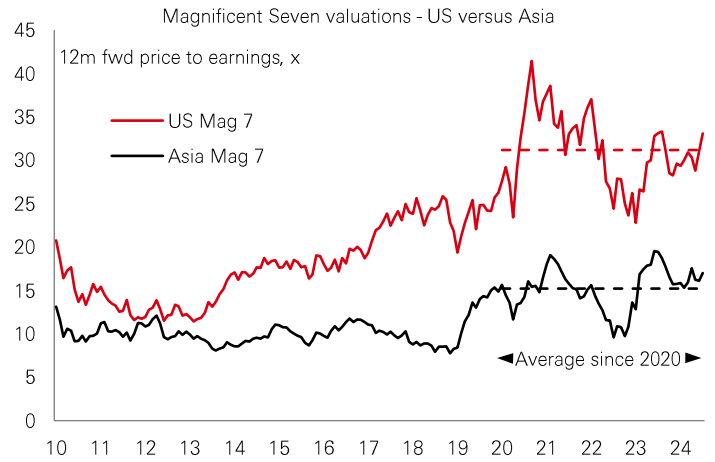
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11.00am UK time 19 July 2024.

Asia's Magnificent Seven

Technology and AI have been the biggest themes in global stocks for two years. Nowhere has that been more evident than in the strong returns of the US's Mag 7 tech stocks. But while those firms dominate headlines, an alternative Mag 7 in Asia could offer similar tech-driven growth at a more reasonable price.

A basket of seven of Asia's largest and fastest-growing chip makers and IT electronics firms has delivered a near 20% annualised return since 2020. While that falls short of the 30% return from the US Mag 7, it handily beats the 14% return from the MSCI USA index over the same period.

Back in 2012, the two Mag 7 groups traded on similar valuations, with forecast price-earnings (PE) ratios of around 12x. But since 2020, the average forecast PE of the US group has jumped to 30x, while the Asia Mag 7 is just half that. **With superior sales and earnings forecasts for 2024 and 2025, the Asia Mag 7 growth outlook looks encouraging,** and could offer a more attractively priced route to investing in the global technology theme.

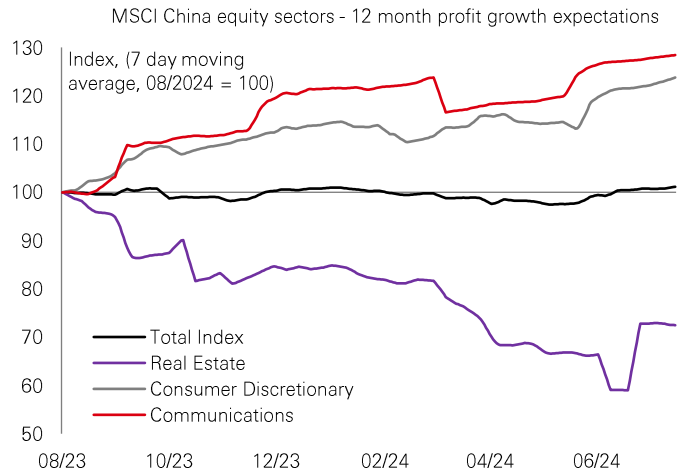


China's profits shift

In China, mixed macro data has translated into some investor concern over the earnings outlook. This coincides with a period of weakness in the country's equity markets that began in late May, despite still solid year-to-date gains. And this week's softer-than-expected Q2 GDP print is unlikely to help.

While government policy support has buoyed confidence, all eyes are on further pro-growth measures that might come after this week's third plenum meetings.

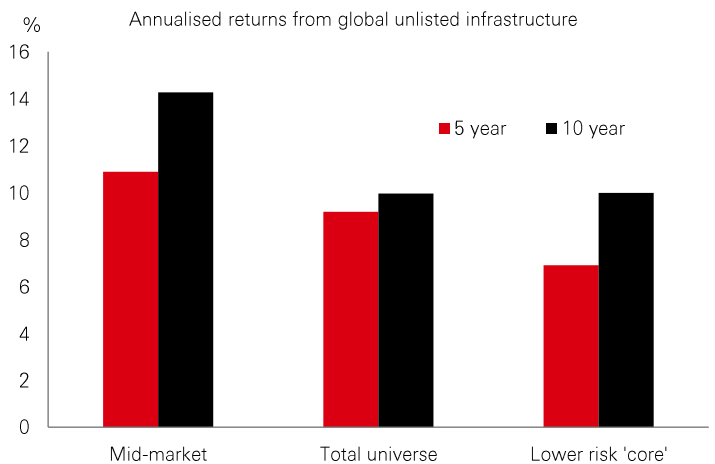
Targeted policy measures so far reflect a shift in China's economy away from reliance on property towards high-tech manufacturing and service sectors. **This is showing up in a pick-up in profit growth expectations for sectors like consumer discretionary and communications services.** These moves have offset a negative trend in the profit outlook for real estate and kept expectations for the broader market steady. But even in real estate, policy support appears to have started stabilising home buyer sentiment. In the context of a market that still offers a significant discount to both DM and EM markets, we continue to be positive.



Upside in Asian infrastructure

Global unlisted infrastructure has become a popular portfolio diversifier over the past 20 years. Some of the strongest returns across the asset class have come from the mid-market, where infrastructure projects tend to be smaller but less prone to cost overruns and delays. It's a part of the market that is sensitive to inflation and elevated rates, so recent progress on disinflation and the prospect of Fed rate cuts could provide a welcome boost. Our investment specialists think Asia, in particular, is a region where vast investment demands offers attractive opportunities.

Globally, the bulk of funds raised for infrastructure investment target the US and Europe. But with countries across Asia requiring huge investments in areas like renewables and digitisation, it's arguably being under-served. In its favour, **Asia offers plentiful projects and lower competition for deals, with many countries enjoying relatively benign inflation – putting them in a solid position to pursue new infrastructure developments.** But there are risks in mid-market projects, so careful deal selection, intensive asset management, and on-the-ground knowledge are essential.



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Source: HSBC Asset Management. Macrobond, Bloomberg, EDHEC indices: Infra100 Midmarket, Infra300, Infra100 Core. Data as at 11.00am UK time 19 July 2024.



Asset class views

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

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

	Asset Class	-	View	+	Comments
Macro Factors	Global growth	■	■	■	A defensive positioning in investment portfolios remains appropriate given optimistic market expectations versus a lingering risk of macro disappointment or weakness. We prefer to access the growth factor in laggard regions, such as Asia and emerging markets
	Duration	■	■	■	Robust growth and inflation data put upward pressure on yields in H1. Carry remains appealing and, in adverse economic outcomes, there is scope for strong returns in global duration. We favour the US and UK curves
	Emerging Markets	■	■	■	The outlook for EMs is bolstered by China policy support feeding through to the real economy, eventual Fed easing, and a growth premium versus the West. Disinflation is an ongoing process, especially in Latam and Europe, allowing EM central banks to lead the cutting cycle
Bonds	10yr US Treasuries	■	■	■	Yields ground higher over the course of H1, driven by resilient growth and inflation data. However, growth could disappoint expectations in H2, meaning investors price in more cuts. We anticipate yield curve steepening by the end of the year
	EMD Local	■	■	■	Real yields remain high in many EM local markets, but the chief risk is sticky inflation that delays rate cuts and keeps the US dollar strong. A pick-up in industrial metals points to an improving EM growth outlook, which could help local bonds weather any delays to Fed policy easing
	Asia Local	■	■	■	Regional central banks are expected to keep policy on hold near term, with gradual easing only expected after the Fed begins to cut rates. The macro backdrop is supportive, with countries including India, Indonesia and Thailand 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	■	■	■	Valuations are expensive with spreads well below historical averages. The market prices a global soft landing. Despite tight spreads, 'all in' yields are high. Reasonable growth and moderating inflation mean that the fundamental backdrop is supportive
	Asia Credit	■	■	■	Asia IG provides opportunities for carry strategies with shorter duration and a better supply outlook versus global peers. Asia HY may still have room for modest spread-tightening given a solid macro backdrop and policy support in China, despite rich valuations in non-China markets
	EMD Hard Currency Bonds	■	■	■	EM credit spreads could benefit from Fed rate cuts, but this prospect has already driven a re-rating of the asset class. Spreads are at historic tights and it is difficult to see further compression, although we remain cyclically-constructive
Equities	DM Equities	■	■	■	Investor sentiment is buoyed by confidence in the soft landing, and leadership from quality growth. But as investor perceptions shift, the market is discounting a lot of good news. Risks of an adverse surprise are rising, even if an imminent growth collapse looks unlikely
	EM Equities	■	■	■	The EM growth outlook is a relative bright spot in a global context, with disinflation and anticipation of future Fed rate cuts being supportive. Stock and currency market valuations remain undemanding. Idiosyncratic trends within EMs imply scope for portfolio diversification too
	Asia ex Japan	■	■	■	The overall growth outlook is solid, with valuations remaining fair. Chinese policy support is helping to stabilise investor confidence. India's earnings outlook is supportive despite stretched valuations. Korea and Taiwan continue to benefit from the upswing in the semiconductor cycle
Alternatives	Global Private Equity	■	■	■	With tighter financial conditions raising the cost of leverage, PE funds may face challenges in delivering consistently strong returns. However, increasing economic headwinds can create attractive entry points for longer-term investors. The investment case is about alpha, not beta
	Global Real Estate	■	■	■	Capital values are expected to bottom in 2024, although office space may take longer. Yield spreads with US Treasuries are expected to widen once rates eventually fall. Investment volumes should start to increase from H2 from the lowest levels since 2011. We prefer a focus on quality and prime property with high occupancy and inflation protected leases
	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

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Source: HSBC Asset Management. Data as at 11.00am UK time 19 July 2024.



Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 15 July	US	Republican National Convention				The National Republican Convention confirmed Trump as presidential nominee, with Trump choosing JD Vance as his vice president
	US	Fed Chair Powell speaks at Economic Club of Washington				Fed Chair Powell welcomed three "better" inflation readings in Q2, acknowledging inflation and labour market in "much better balance"
	CN	3rd plenum starts	Jul			The Chinese government pledged to prioritise "high quality" development and deepen reform moves
	CN	GDP (qoq)	Q2	0.7%	1.6%	GDP growth moderated in Q2. Continued weakness in consumer spending and real estate offset a positive contribution from exports
	CN	Retail Sales (yoy)	Jun	2.0%	3.7%	Retail sales decelerated in June, reflecting weak domestic demand. Policy support is needed to revive consumer confidence
	CN	Industrial Production (yoy)	Jun	5.3%	5.6%	Industrial production was resilient in June, supported by high-end manufacturing and strong exports
Tue. 16 July	US	Retail Sales (mom)	Jun	0.0%	0.3%	US retail sales were resilient in Q2 2024 but should moderate in H2 as the household savings rate rises and labour market conditions soften
Wed. 17 July	UK	CPI (yoy)	Jun	2.0%	2.0%	Service sector inflation surprised on the upside in June, casting doubt on early Bank of England easing
	EZ	Eurozone CPI (yoy)	Jun (F)	2.5%	2.5% (P)	Service sector inflation remains sticky but should slow as wage growth moderates
	ID	Indonesia Central Bank Interest Rate Decision	Jul	6.25%	6.25%	Bank of Indonesia left policy on hold in July, reflecting its commitment to a stable exchange rate, hinting at easing by end-24
	US	Housing Starts (mom)	Jun	3.0%	-4.6%	US housing starts rebounded in June, but elevated mortgage rates are restraining demand
	US	Industrial Production (mom)	Jun	0.6%	0.9%	Industrial production surprised on the upside in June, with the manufacturing sector starting to move out of the doldrums
	EZ	ECB Interest Rate Decision	Jul	3.75%	3.75%	ECB president Lagarde stated September's decision was "wide open", reiterating rate cuts were "data dependent"
Fri. 19 July	JP	Nationwide CPI excluding Fresh Food & Energy (yoy)	Jun	2.2%	2.1%	Service sector inflation softened in June due to one-off factors, with the medium-term outlook driven by the trajectory of wages

P – Preliminary, Q – Quarter, F – Final US – United States, CN – China, UK – United Kingdom, EZ – Eurozone, ID – Indonesia, JP – Japan

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 22 July	US	Q2 Earnings Update	Q2			7% of Q2 US earnings have reported. Financials and consumer discretionary performed better. 2024e EPS growth is up to 10.5%
	CN	Loan Prime Rate (5yr)	Jul	3.95%	3.95%	The PBoC is expected to leave the 5yr loan prime rate unchanged at 3.95% in July
Tue. 23 July	US	Existing Home Sales (mom)	Jun	-2.7%	-0.7%	Weaker pending home sales increases the risk of another fall in existing home sales in June
	TY	Turkish Central Bank Interest Rate Decision	Jul (P)	50.00%	50.00%	Continued elevated inflation points to unchanged rates near-term
Wed. 24 July	IN	HSBC Composite PMI	Jul (P)	-	60.9	India's composite PMI is expected to remain elevated in June, driven by continued strong domestic demand
	EZ	HCOB Composite PMI	Jul (P)	50.8	50.9	Eurozone composite PMI should be weak in July, but remain in expansion territory
	US	S&P Global Composite PMI	Jul (P)	-	54.8	S&P's composite PMI may retreat in July after rising to its highest level since April 2022 in June
	US	New Home Sales (mom)	Jun	3.4%	-11.3%	US new home sales may rebound in June after falling to their lowest level in May since November 2022
	CA	Bank of Canada Interest Rate Decision	Jul	4.7%	4.75%	A downside surprise in June CPI inflation has increased the likelihood of another modest easing, possibly at this meeting
Thu. 25 July	GE	IFO Business Climate Index	Jul	89.0	88.6	The recent rise in IFO's business climate index faltered in June
	US	GDP (qoq annualised)	Q2 (P)	1.8%	1.4%	US GDP should remain modest in Q2, supported by firm consumer spending
Fri. 26 July	US	Core PCE Inflation (yoy)	Jun	2.6%	2.6%	The Fed's favoured inflation gauge is expected to gradually head towards the 2% medium-term target in coming months
	US	University of Michigan Consumer Confidence Index	Jul (F)	-	66.0	Little change is envisaged in the University of Michigan's final consumer confidence index in July amid lingering inflation concerns
	JP	Tokyo CPI excluding fresh food & energy (yoy)	Jul	1.6%	1.8%	Services sector inflation has stabilised recently, goods sector disinflation persists despite the yen's recent weakness

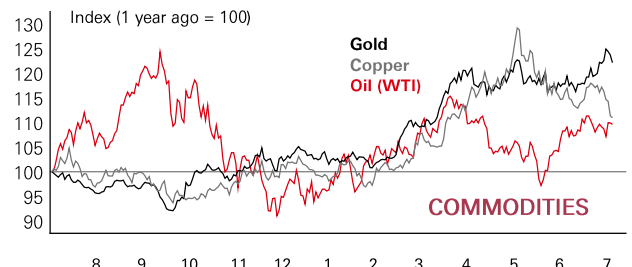
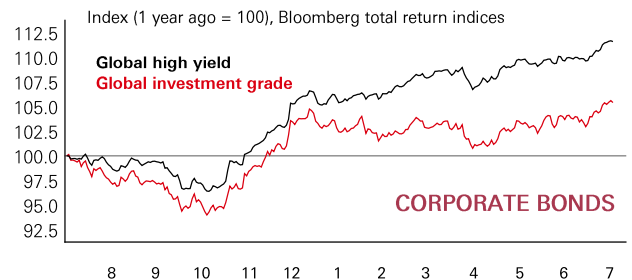
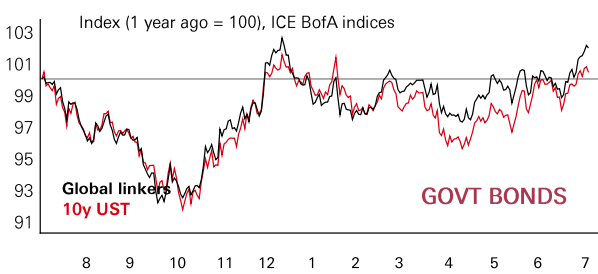
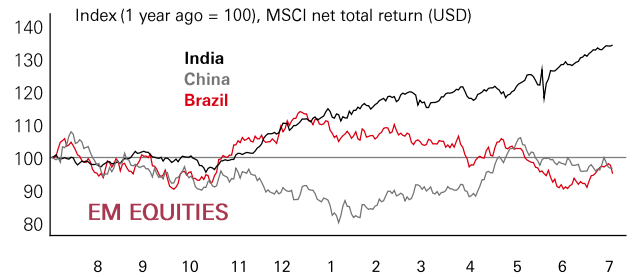
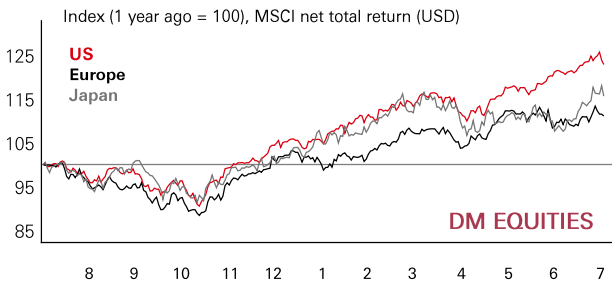
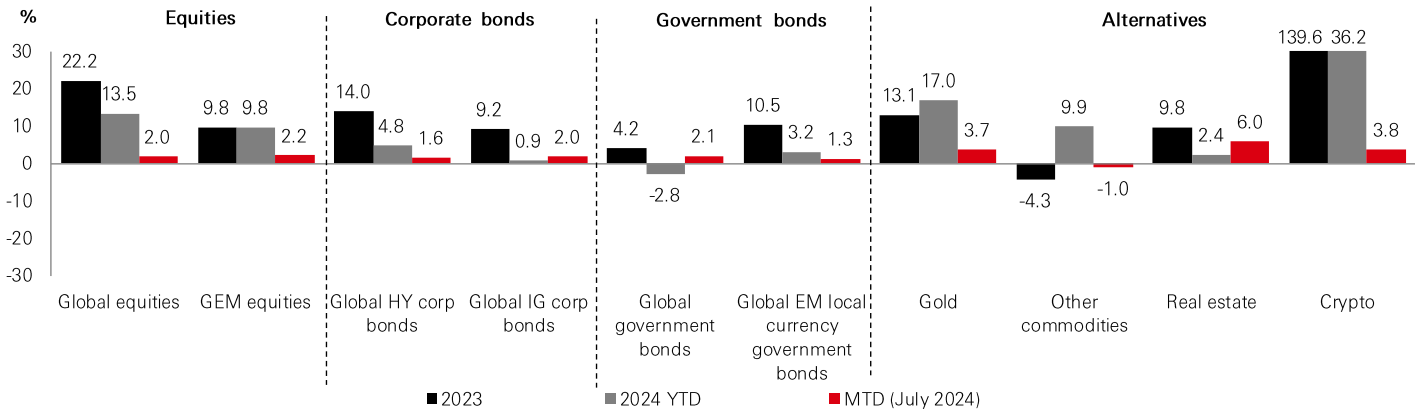
P – Preliminary, Q – Quarter, F – Final US – United States, CN – China, TY – Turkey, IN – India, EZ – Eurozone, CA – Canada, GE – Germany, JP – Japan

Source: HSBC Asset Management. Data as at 11.00am UK time 19 July 2024.

This week

Rising US political uncertainty weighed on risk markets, with the US DXY index remaining on the defensive. Core government bonds were range-bound despite stronger than expected US data. Dovish comments from Fed Chair Powell cemented market expectations of two 25bp rate cuts in H2 2024. ECB president Lagarde stated September's meeting was "wide open", and reiterated rate cuts are "data dependent". US equities saw a rotation away from the tech-dominant S&P500 and Nasdaq to the rate-sensitive Russell 2000. The Euro Stoxx 50 fell, with the defensive Swiss SMI outperforming the Dutch AEX index. Japan's Nikkei suffered as a firmer yen weighed on export-orientated stocks. In EM, the Shanghai Composite weakened amid disappointing Q2 GDP data. India's Sensex reached new highs. In commodities, oil prices traded sideways and copper fell. Gold remains just below all-time highs.

Selected asset performance



Past performance does not predict future returns.

Source: HSBC Asset Management, Macrobond, Bloomberg. Data as at 11.00am UK time 19 July 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 Return 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 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)	817	-1.3	1.5	10.0	16.5	12.4	832	628	19.2
North America									
US Dow Jones Industrial Average	40,665	1.7	4.7	7.1	16.0	7.9	41,376	32,327	20.2
US S&P 500 Index	5,545	-1.3	1.0	11.6	21.4	16.2	5,670	4,104	22.7
US NASDAQ Composite Index	17,871	-2.9	0.1	16.9	24.5	19.1	18,671	12,544	34.9
Canada S&P/TSX Composite Index	22,727	0.2	5.6	4.2	10.9	8.4	22,996	18,692	15.5
Europe									
MSCI AC Europe (USD)	566	-2.0	1.4	5.3	8.6	6.1	578	459	14.2
Euro STOXX 50 Index	4,848	-3.9	-0.8	-1.4	11.1	7.2	5,122	3,993	13.6
UK FTSE 100 Index	8,171	-1.0	-0.4	3.5	7.7	5.7	8,474	7,216	12.0
Germany DAX Index*	18,224	-2.8	0.9	2.7	13.1	8.8	18,893	14,630	13.2
France CAC-40 Index	7,543	-2.4	-0.4	-6.0	2.9	0.0	8,259	6,774	13.6
Spain IBEX 35 Index	11,112	-1.2	0.5	3.6	17.6	10.0	11,470	8,879	10.8
Italy FTSE MIB Index	34,344	-0.7	3.4	1.2	19.6	13.2	35,474	27,078	9.4
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	579	-1.4	1.0	12.4	9.5	9.4	588	469	14.7
Japan Nikkei-225 Stock Average	40,064	-2.7	3.9	8.1	21.8	19.7	42,427	30,488	22.7
Australian Stock Exchange 200	7,972	0.2	2.6	5.3	8.8	5.0	8,084	6,751	18.1
Hong Kong Hang Seng Index	17,418	-4.8	-5.5	7.4	-8.1	2.2	20,361	14,794	8.7
Shanghai Stock Exchange Composite Index	2,982	0.4	-1.2	-2.7	-6.8	0.2	3,322	2,635	11.5
Hang Seng China Enterprises Index	6,165	-5.6	-6.4	7.3	-3.4	6.9	7,024	4,943	8.2
Taiwan TAIEX Index	22,869	-4.4	-1.5	17.1	33.6	27.5	24,417	15,976	20.3
Korea KOSPI Index	2,795	-2.2	-0.1	7.9	7.2	5.3	2,896	2,274	11.0
India SENSEX 30 Index	80,605	0.1	4.2	10.3	20.1	11.6	81,588	63,093	21.2
Indonesia Jakarta Stock Price Index	7,294	-0.5	8.4	2.9	6.8	0.3	7,454	6,640	13.8
Malaysia Kuala Lumpur Composite Index	1,637	1.1	2.3	5.7	16.6	12.5	1,638	1,399	14.9
Philippines Stock Exchange PSE Index	6,792	2.2	6.7	5.4	3.8	5.3	7,071	5,920	11.4
Singapore FTSE Straits Times Index	3,448	-1.4	4.3	8.5	5.3	6.4	3,509	3,042	11.0
Thailand SET Index	1,317	-1.1	1.0	-1.1	-14.3	-7.0	1,579	1,282	14.5
Latam									
Argentina Merval Index	1,528,791	-10.9	-3.0	28.6	237.3	64.4	1,723,015	438,925	7.7
Brazil Bovespa Index*	127,652	-1.0	6.1	2.0	8.6	-4.9	134,392	111,599	8.0
Chile IPSA Index	6,577	0.4	-0.2	3.3	4.1	6.1	6,838	5,363	11.3
Colombia COLCAP Index	1,364	-0.7	-1.2	2.4	16.2	14.2	1,451	1,045	7.2
Mexico S&P/BMV IPC Index	53,043	-3.5	-0.5	-5.0	-1.3	-7.6	59,021	47,765	12.3
EEMEA									
Russia MOEX Index	3,123	0.0	3.2	-10.0	6.1	0.8	3,522	2,741	N/A
South Africa JSE Index	79,859	-2.2	-1.1	8.9	3.6	3.9	82,154	69,128	10.9
Turkey ISE 100 Index*	11,129	0.6	6.3	14.8	69.4	49.0	11,252	6,300	5.6

*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	-1.3	1.6	10.5	13.5	18.4	21.6	68.7
US equities	-1.3	1.1	11.7	16.4	22.5	31.4	96.5
Europe equities	-1.9	1.4	6.6	8.3	11.6	14.8	41.7
Asia Pacific ex Japan equities	-1.4	1.5	13.6	11.1	12.3	-7.1	23.4
Japan equities	-0.6	6.2	8.4	11.3	15.0	12.6	43.1
Latam equities	-3.0	4.2	-4.1	-12.7	-3.9	11.5	1.6
Emerging Markets equities	-1.5	1.5	11.4	9.8	11.2	-9.0	18.3

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.

Source: HSBC Asset Management. Bloomberg. Data as at 11.00am UK time 19 July 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)	569	0.2	0.7	2.8	4.9	1.3
JPM EMBI Global	875.7	-0.3	0.8	3.9	8.3	3.2
BarCap US Corporate Index (USD)	3257.8	-0.2	0.7	4.2	5.4	1.1
BarCap Euro Corporate Index (Eur)	250.2	0.4	1.0	1.9	6.6	1.6
BarCap Global High Yield (Hedged in USD)	595.6	0.1	1.2	3.7	12.4	5.2
Markit iBoxx Asia ex-Japan Bond Index (USD)	221.2	0.0	0.8	3.4	7.0	3.5
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	255	0.3	1.6	5.3	15.8	11.1

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 2023	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.09	1.09	1.07	1.07	1.12	1.10	1.12	1.04	-0.2
GBP/USD	1.29	1.30	1.27	1.24	1.29	1.27	1.30	1.20	-0.5
CHF/USD	1.12	1.12	1.13	1.10	1.16	1.19	1.20	1.08	0.5
CAD	1.37	1.36	1.37	1.38	1.32	1.32	1.39	1.31	-0.6
JPY	158	158	158	155	140	141	162	138	0.2
AUD/USD	0.67	0.68	0.67	0.64	0.68	0.68	0.69	0.63	-1.4
NZD/USD	0.60	0.61	0.61	0.59	0.63	0.63	0.64	0.58	-1.6
Asia									
HKD	7.81	7.81	7.81	7.83	7.81	7.81	7.85	7.79	0.0
CNY	7.27	7.25	7.26	7.24	7.22	7.10	7.35	7.09	-0.3
INR	83.7	83.5	83.5	83.5	82.1	83.2	83.7	81.7	-0.1
MYR	4.69	4.67	4.71	4.78	4.54	4.59	4.81	4.50	-0.3
KRW	1389	1376	1382	1382	1266	1291	1400	1267	-1.0
TWD	32.7	32.5	32.3	32.5	31.1	30.6	32.8	30.5	-0.6
Latam									
BRL	5.55	5.43	5.43	5.20	4.79	4.85	5.70	4.70	-2.1
COP	4047	3922	4162	3905	3977	3875	4427	3739	-3.2
MXN	18.0	17.6	18.4	17.1	16.7	17.0	19.0	16.3	-1.9
ARS	925	919	906	871	268	808	925	269	-0.6
EEMEA									
RUB	87.9	87.9	83.5	93.1	91.0	89.5	102.4	82.7	0.0
ZAR	18.4	18.0	18.0	19.1	17.9	18.4	19.6	17.4	-2.2
TRY	33.1	33.0	32.5	32.5	26.8	29.5	33.2	25.3	-0.2

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	1-week basis point change*
US Treasury yields (%)							
3-Month	5.33	5.33	5.38	5.37	5.40	5.33	0
2-Year	4.48	4.45	4.71	4.99	4.77	4.25	3
5-Year	4.13	4.10	4.24	4.67	3.99	3.85	3
10-Year	4.21	4.18	4.22	4.62	3.75	3.88	2
30-Year	4.42	4.40	4.36	4.71	3.84	4.03	3
10-year bond yields (%)							
Japan	1.04	1.06	0.92	0.85	0.46	0.61	-2
UK	4.09	4.11	4.07	4.23	4.21	3.53	-1
Germany	2.45	2.49	2.40	2.50	2.43	2.02	-5
France	3.10	3.15	3.19	3.01	2.96	2.56	-5
Italy	3.74	3.79	3.94	3.93	4.08	3.69	-5
Spain	3.22	3.26	3.29	3.31	3.44	2.98	-4
China	2.26	2.26	2.25	2.26	2.63	2.56	0
Australia	4.28	4.32	4.18	4.26	3.87	3.96	-4
Canada	3.38	3.41	3.29	3.74	3.36	3.11	-3

*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	2,415	0.2	3.7	1.0	22.2	17.1	2,484	1,811
Brent Oil	84.9	-0.1	0.7	-0.1	11.4	11.9	89	73
WTI Crude Oil	82.6	0.4	2.3	2.1	14.7	15.1	85	69
R/J CRB Futures Index	285.6	-1.7	-3.4	-4.2	4.6	8.2	300	258
LME Copper	9,355	-5.3	-4.4	-5.3	11.0	9.3	11,105	7,856

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

Source: HSBC Asset Management. Bloomberg. Data as at 11.00am UK time 19 July 2024.

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