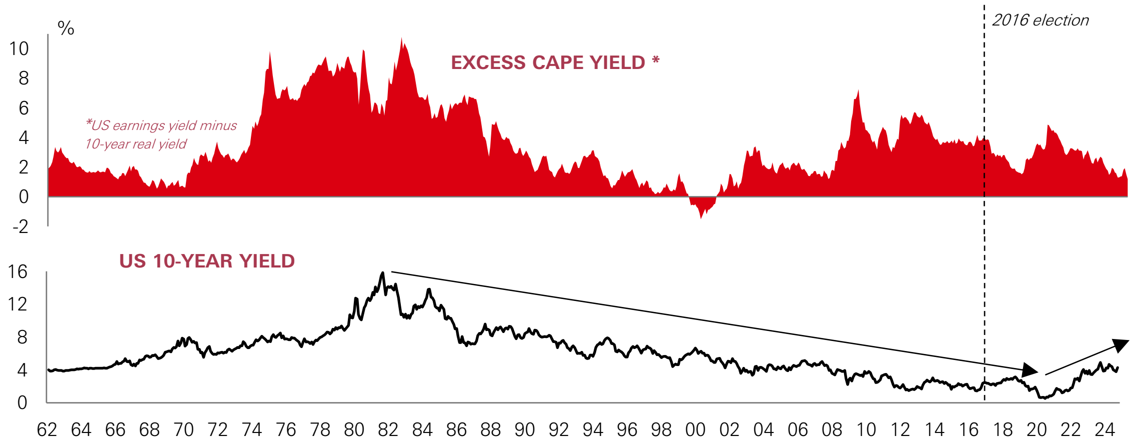
HSBC Asset Management

Investment Weekly

22 November 2024
For Professional Clients only.

Chart of the week – A difficult starting point for US stock valuations



Over the past week, risk markets have paused for breath. US stocks have unwound some of their big post-election gains, high-yield credit spreads have picked up from multi-year lows, and commodity prices have lost ground.

We think recent market action reflects a new reality facing investors. There is a "tug of war" between enthusiasm around significant aspects of the US policy outlook – mainly deregulation and tax cuts – versus concerns about the potentially stagflationary effects of loose fiscal policy and an acceleration of the trend in US isolationism.

US 10-year yields are hovering just below April's year-to-date highs despite the Fed now in easing mode and inflation in a holding pattern, with room for more disinflation in 2025. This is because there is now much greater uncertainty around the inflation outlook, reflected in the recent pick-up in the US term premium.

Structurally higher inflation and interest rates poses many challenges for investment markets. It weighs on the growth and earnings outlook. And it makes stock valuations less attractive versus bonds. The most expensive parts of the stock market such as US mega-cap tech – which look priced for perfection – could be vulnerable.

For 2025, with US economic growth likely to cool off in a big way and the broad stock market valuation backdrop looking a bit stretched, we think there is a good chance the era of US market leadership comes to an end.

Market Spotlight

High flying assets

Four years after being badly hit by Covid travel restrictions, air traffic has finally caught up with 2019 levels – but the global aviation industry's cyclical and structural growth drivers are changing.

New research by our Infrastructure Equity team explores the sector's investment outlook – with a focus on airports, which are a key part of the infrastructure asset class. Overall demand looks robust, but new trends in the traveller 'mix' and geographic growth are emerging. While business travel continues to decline, demand from cohorts travelling for leisure and 'visiting friends and relatives' is growing quickly. And in terms of regional demand, industry forecasts suggest that fast-growing developing nations will contribute 85% of the industry's growth over the next 20 years – with Asia Pacific expected to be a powerhouse.

For airport investors, post-pandemic challenges are giving way to new opportunities, with wealth and demographic trends expected to drive above-GDP growth rates for the industry. Together with offering a wider range of travel destinations, there are opportunities for airports to enhance returns with a wider range of premium services.

Q3 Earnings →

The latest on profits 'beats' and 'misses' in US stocks

Asian Equities →

Why stock buybacks are on the rise in Asian markets

Currencies →

How FX moves post-US election compare to 2016

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. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. 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. 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. Diversification does not ensure a profit or protect against loss.

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 22 November 2024.

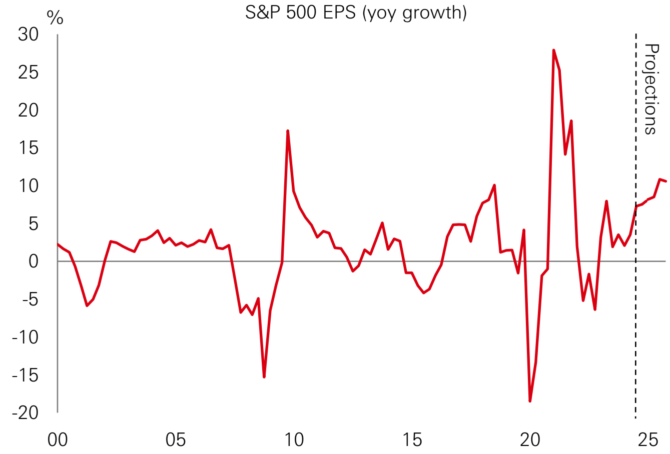
Lens on...

Q3 earnings scorecard

With Q3 earnings season drawing to a close in the US, this week saw results from the market's most closely-watched technology giant, Nvidia. Like the rest of the S&P 500's 'Magnificent 7' tech stocks, Nvidia's quarterly profits were ahead of analyst forecasts for the quarter. Indeed, with more than 90% of companies in the index having reported, around 75% of them have beaten profit expectations.

However, the scale of index-wide profits beats – averaging about 4.3% above estimates, according to Factset – is roughly half that of their 5-year average. Firms may be finding it harder to beat forecasts. And given the index trades on a price-to-earnings ratio of 22.3x (versus its 15-year average of 16.4x), prices could be vulnerable if future earnings disappoint. The communication services, IT and healthcare sectors have seen the largest (aggregate) beats, while energy and materials have seen the largest (aggregate) misses.

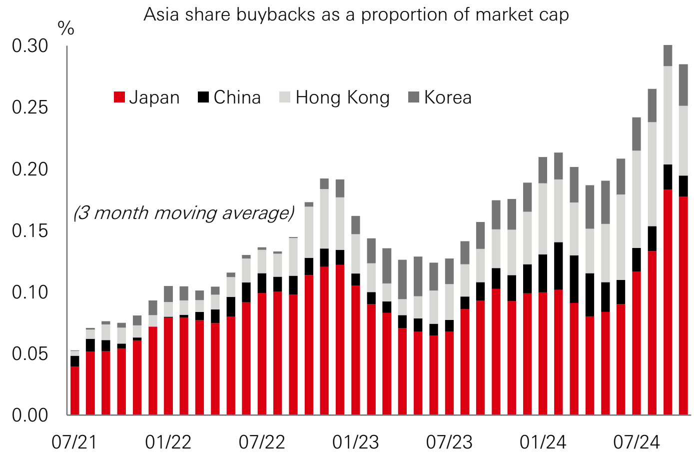
From here, profit growth expectations remain high into 2025. **But against a backdrop of policy uncertainty and a cooling economy, any weakness could lead to heightened volatility.**



Asia's buyback boost

US stock buybacks have boomed in recent years as companies looked to boost earnings-per-share, buoy their valuations, and allocate cash to reward shareholders. Against a backdrop of falling rates – dampening returns on cash holdings – this popularity should persist. But this isn't just a US phenomenon – Asia stock markets have seen a buyback boost too.

A key difference in Asia is that buybacks have been driven by regional efforts to improve corporate governance. Governments have called on firms to be more investor-friendly and improve their valuations. Japan is a prime example, and is now seeing a third consecutive year of record buybacks in 2024. A similar move in Korea – the 'Value-Up' programme – saw a 25% rise in buybacks in H1-24 from H1-23. Chinese authorities have also demanded action on profitability and shareholder returns. Share repurchases there are on course to break domestic records this year, with September's stimulus measures including a RMB300bn relending facility earmarked specifically for share buybacks. **With Asian markets on undemanding valuations, further progress on corporate reforms and share buybacks could provide upside**.

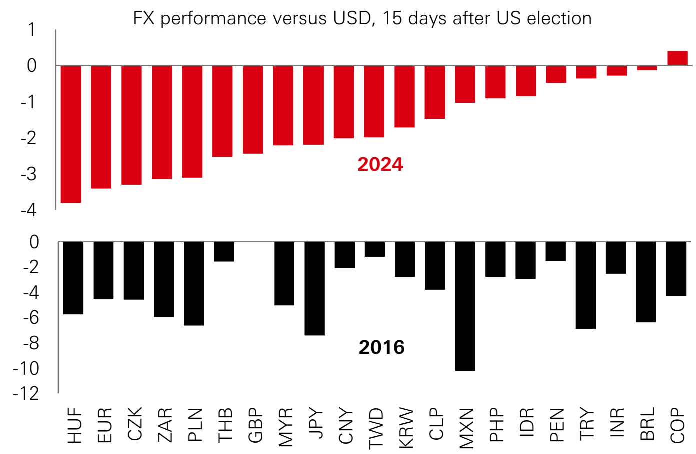


FX moves versus 2016

Recent action with the US dollar looks to be following the 2016 playbook. The DXY index or "dixie" is up around 3-4% since the US election, about the same as in the 15 days following the 2016 poll.

But moves in individual FX pairs show some interesting differences versus the 2016 experience. The most striking contrast is the Mexican peso. This was one of 2016's biggest casualties, and although it's down this time around, it is one of the better performers. Other Latin American currencies have held up well too – the Brazilian real and Columbian peso have hardly budged. This resilience could reflect a hawkish tilt to central bank policymaking in the region in recent months.

Moves in Europe have also been quite different. The euro and some Eastern European currencies have been badly hit by the election result. Trade tariffs would come at a very difficult time for the region's manufacturers. But the good news is FX weakness supports external competitiveness for export-dependent firms. In 2025, US-specific factors – policy and inflation trends – are likely to be a big influence on the dollar. But **global economic and political developments will also be key**.



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Source: HSBC Asset Management. Macrobond, Bloomberg, Datastream. Data as at 7.30am UK time 22 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		The US Treasury yield curve, which has steepened significantly over the past year, could experience a further "bear steepening", with investors demanding greater compensation for longer-term inflation and interest rate uncertainty. Nonetheless, carry remains appealing and, if adverse economic outcomes prevail, there is scope for strong returns in global duration
	Emerging Markets		The EM growth outlook is a relative bright spot in a global context. 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 risen recently on resilient economic data, a repricing of rate expectations, and uncertainty about how the US policy agenda might impact fiscal deficits and inflation trends. 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 geopolitical risks, 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		While solid demand for tech-related products is a profit engine, Asian markets offer broad sector diversification, and overall valuations remain undemanding. China policy support, room for monetary easing, and other structural stories in the region are positives
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		Real estate 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 capital values. 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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Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 18 November	JP	BoJ Governor Ueda speech	Nov	-	-	BoJ governor Ueda reiterated his commitment to further gradual tightening, keeping the door ajar for a December rate hike
Tue. 19 November	US	Housing Starts	Oct	1.31mn	1.35mn	Housing starts inched down, most likely reflecting a temporary drag from recent hurricanes in the south of the US
Wed. 20 November	ID	Bank Indonesia Rate	Nov	6.00%	6.00%	The BI extended its pause due to continued weakness in the rupiah amid continued uncertainty about the Fed policy outlook
	UK	CPI (yoy)	Oct	2.3%	1.7%	UK CPI rose more than expected as September's base effects disappeared, and the higher energy price cap came into play
Thu. 21 November	US	Existing-Home Sales	Oct	3.96mn	3.83mn	Existing-home sales increased in October, likely reflecting the fall in mortgage rates seen from June to September
	JP	CPI (yoy)	Oct	2.3%	2.5%	Japan’s core CPI (excluding food & energy) edged down in October. Services sector inflation rose, goods inflation slowed
	TY	CBRT 1 Week Repo Lending Rate	Nov	50.00%	50.00%	The central bank kept policy steady in November but acknowledged signs of "an improvement in services inflation"
Fri. 22 November	IN	S&P Global Composite PMI (Flash)	Nov	59.5	59.1	India’s composite PMI surprised on the upside in November, driven by higher new business and export sales. Cost pressures intensified
	EZ	Frankfurt European Banking Congress		-	-	ECB President Lagarde is expected to provide forward-looking views on Europe, alongside Nagel and Villeroy de Galhau
	EZ	S&P Global Composite PMI (Flash)	Nov	-	50.0	The eurozone composite PMI has been consistent with subdued growth. Spain is faring better than France, Germany, and Italy
	UK	S&P Global Composite PMI (Flash)	Nov	-	51.8	The UK composite PMI has weakened since the summer, led by weaker new orders. The employment index entered contraction
	US	S&P Global Composite PMI (Flash)	Nov	-	54.1	The US composite PMI has been in expansion territory since early 2023, highlighting resilient US growth

JP - Japan, US - United States, ID - Indonesia, UK - United Kingdom, TY - Turkey, IN - India, EZ - Eurozone

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 25 November	US	Q3 earnings	Q3	-	-	c.90% of Q4 earnings released. US and Europe sector winners: financials, staples, utilities. Losers: real estate, energy/materials
	GE	IFO Business Confidence Index	Nov	86.0	86.5	IFO's business climate index has shown tentative signs of stabilising but remains low
Tue. 26 November	US	Consumer Confidence Index, Conference Board	Nov	112.5	108.7	The Conference Board's consumer confidence index has been volatile recently, remaining range-bound since early 2022
Wed. 27 November	US	PCE Price Index (yoy)	Oct	2.3%	2.1%	PCE inflation is expected to edge up on a mix of slightly stronger core inflation and a boost from energy price base effects
	NZ	RBNZ Official Cash Rate	Nov	4.25%	4.75%	Continued downside growth risks should prompt another 50bp rate cut in November amid fading inflation worries
	US	GDP, 2nd Estimate (qoq annualised)	Q3	2.8%	2.8%	Little change is envisaged with the second estimate of Q3 GDP. Consumer spending remains the main driver of growth
	US	FOMC minutes	Nov	-	-	November's FOMC minutes should provide the rationale for the Fed's shift to a gradual easing stance after September's 50bp cut
Thu. 28 November	JP	Tokyo CPI excluding food and energy (yoy)	Nov	-	1.1%	Tokyo CPI excluding food and energy has remained below 2% since the spring. Service sector inflation has edged higher
	KO	Bank of Korea Base Rate	Nov	3.25%	3.25%	The BoK is likely to hold rates unchanged to assess financial stability and FX risks despite inflation dropping below target
Fri. 29 November	EZ	HICP, Flash (yoy)	Nov	2.4%	2.0%	Headline inflation could edge higher near-term on energy base effects. Service sector inflation remains sticky
Sat. 30 November	CN	NBS Composite PMI	Nov	-	50.8	China's PMI should remain in expansion territory as strong policy signals help stabilise business confidence

US - United States, GE - Germany, NZ - New Zealand, JP - Japan, KO - South Korea, EZ - Eurozone, CN - China

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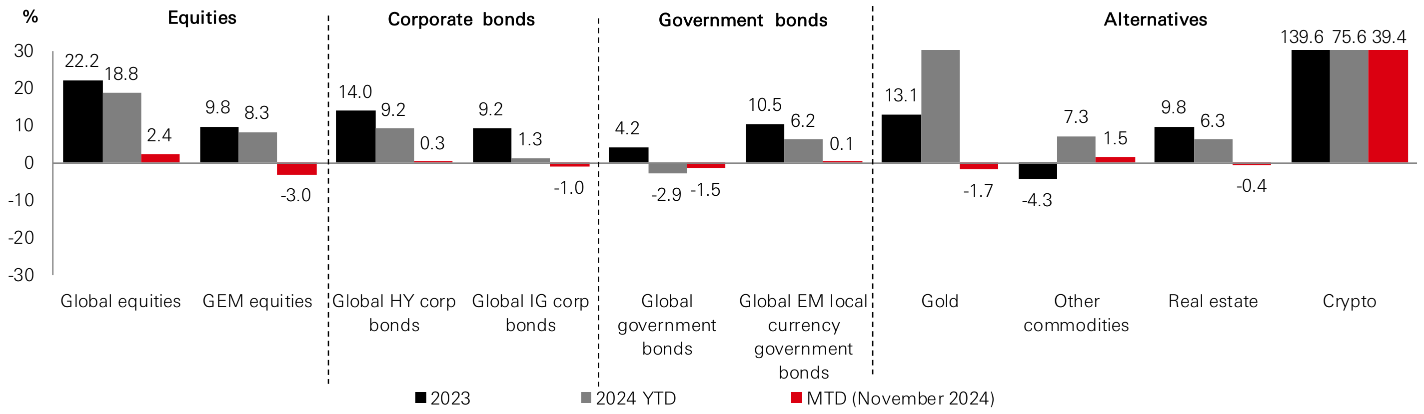
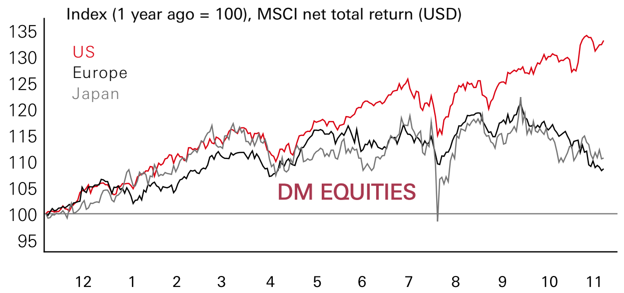
Market review

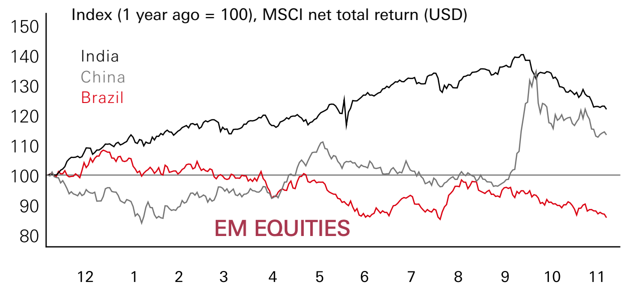
This week

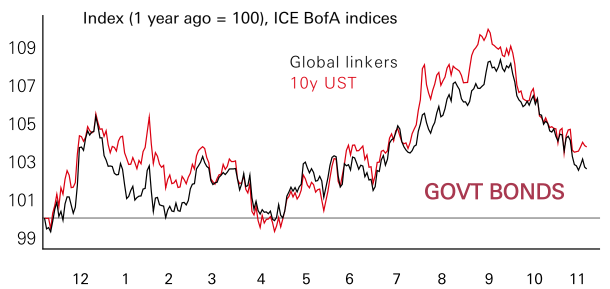
Risk markets were resilient despite heightened geopolitical tensions, with both oil and gold prices rallying. The US DXY dollar index paused for breath after its recent strong run. Core government bonds consolidated ahead of key US inflation data and mixed comments from Fed officials. US equities saw a broad-based rally as investors digested Q3 earnings. The Euro Stoxx index fell modestly, while Japan's Nikkei 225 weakened as the yen rebounded versus the US dollar. BoJ governor Ueda reiterated his commitment to gradual rate hikes. Emerging market stock markets were mixed. The Shanghai Composite and Hang Seng indices finished the week lower, but the tech-driven Korea Kospi index performed well. India's Sensex index fell further. In Latin America, Brazil's Bovespa and Mexico's IPC equity indices were on the defensive. Meanwhile, copper was little changed.

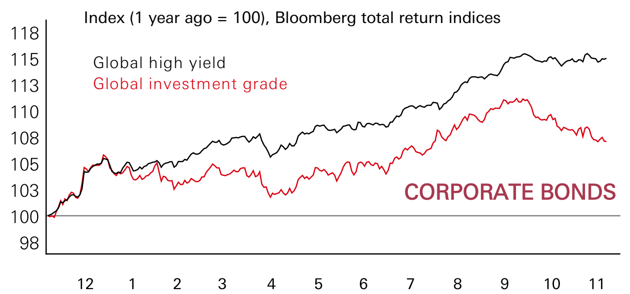
Selected asset performance

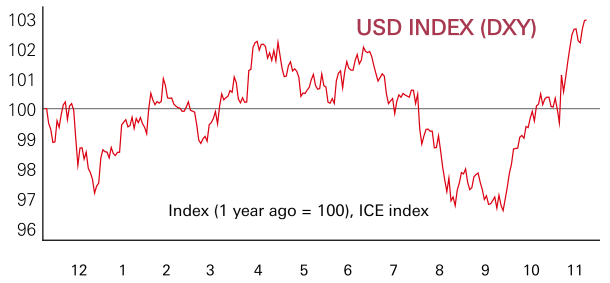


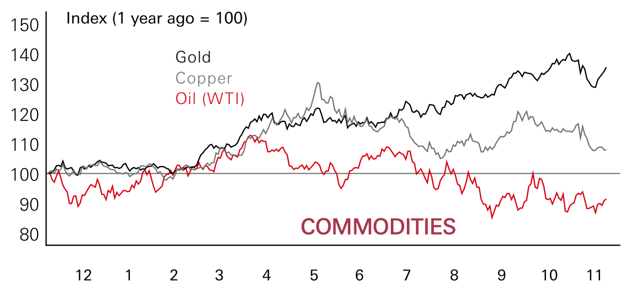












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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am am UK time 22 November 2024. Note: Asset class performance is represented by different indices. Global Equities: MSCI ACWI Net Total Return USD Index. Gem Equities: MSCI Emerging 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)	851	1.0	0.0	3.5	23.4	17.1	865	689	19.9
North America									
US Dow Jones Industrial Average	43,870	1.0	2.2	7.8	24.4	16.4	44,487	35,156	23.3
US S&P 500 Index	5,949	1.3	1.7	6.8	30.6	24.7	6,017	4,537	24.5
US NASDAQ Composite Index	18,972	1.6	2.1	7.7	33.0	26.4	19,366	14,059	34.9
Canada S&P/TSX Composite Index	25,391	2.0	2.7	10.2	26.2	21.1	25,402	19,918	17.3
Europe									
MSCI AC Europe (USD)	532	-0.3	-6.1	-8.0	6.0	-0.3	595	500	13.9
Euro STOXX 50 Index	4,756	-0.8	-3.7	-2.6	9.3	5.2	5,122	4,328	13.9
UK FTSE 100 Index	8,149	1.1	-1.9	-1.7	9.1	5.4	8,474	7,387	11.9
Germany DAX Index*	19,146	-0.3	-1.4	3.5	20.0	14.3	19,675	15,915	14.6
France CAC-40 Index	7,213	-0.8	-4.3	-4.1	-0.7	-4.4	8,259	7,030	14.1
Spain IBEX 35 Index	11,612	-0.2	-1.9	4.1	17.4	14.9	12,038	9,799	11.0
Italy FTSE MIB Index	33,295	-2.6	-4.1	0.0	14.2	9.7	35,474	29,080	9.8
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	577	0.3	-4.3	0.4	14.2	9.1	632	490	14.7
Japan Nikkei-225 Stock Average	38,284	-0.9	-0.3	0.2	14.4	14.4	42,427	31,156	19.9
Australian Stock Exchange 200	8,394	1.3	2.3	4.6	18.7	10.6	8,446	6,986	19.1
Hong Kong Hang Seng Index	19,241	-1.0	-6.1	9.1	8.5	12.9	23,242	14,794	9.3
Shanghai Stock Exchange Composite Index	3,267	-1.9	-0.6	14.7	7.3	9.8	3,674	2,635	13.5
Hang Seng China Enterprises Index	6,892	-1.3	-6.4	10.7	13.5	19.5	8,373	4,943	8.6
Taiwan TAIEX Index	22,904	0.7	-2.7	3.4	32.3	27.7	24,417	17,134	18.0
Korea KOSPI Index	2,501	3.5	-2.7	-7.6	-0.4	-5.8	2,896	2,387	10.1
India SENSEX 30 Index	78,340	1.0	-2.3	-3.3	18.7	8.4	85,978	65,665	22.0
Indonesia Jakarta Stock Price Index	7,204	0.6	-7.5	-3.8	4.3	-0.9	7,911	6,699	13.2
Malaysia Kuala Lumpur Composite Index	1,593	0.0	-3.0	-3.0	9.4	9.5	1,685	1,440	14.8
Philippines Stock Exchange PSE Index	6,780	1.5	-8.5	-2.6	8.4	5.1	7,605	6,158	11.6
Singapore FTSE Straits Times Index	3,747	0.1	4.4	11.1	20.3	15.6	3,767	3,052	11.7
Thailand SET Index	1,448	0.4	-1.5	8.0	2.4	2.3	1,507	1,273	16.7
Latam									
Argentina Merval Index	2,140,096	3.5	18.4	35.7	155.2	130.2	2,186,764	766,620	8.8
Brazil Bovespa Index*	126,922	-0.7	-2.3	-6.1	0.7	-5.4	137,469	118,685	8.5
Chile IPSA Index	6,593	1.0	-1.2	1.8	13.7	6.4	6,838	5,735	11.9
Colombia COLCAP Index	1,388	3.1	3.3	4.0	22.6	16.1	1,451	1,121	5.5
Mexico S&P/BMV IPC Index	50,175	-0.6	-4.2	-5.9	-4.7	-12.6	59,021	49,486	11.7
EEMEA									
Saudi Arabia Tadawul Index	11,841	0.4	-1.0	-2.9	6.7	-1.1	12,883	11,050	N/A
South Africa JSE Index	85,975	2.5	-0.9	2.8	15.0	11.8	87,884	71,635	12.4
Turkey ISE 100 Index*	9,381	-0.1	6.1	-5.4	17.4	25.6	11,252	7,203	5.7

*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	1.1	0.1	3.8	18.8	25.3	19.3	70.1
US equities	1.5	2.2	7.6	26.1	32.5	29.6	102.9
Europe equities	-0.2	-5.9	-7.7	2.3	8.9	3.7	29.9
Asia Pacific ex Japan equities	0.3	-4.3	0.8	11.5	16.9	-3.6	24.4
Japan equities	-0.9	-1.1	-4.5	5.8	11.6	3.3	25.9
Latam equities	-0.8	-5.0	-8.5	-19.3	-12.1	21.0	0.0
Emerging Markets equities	0.1	-5.0	-1.2	8.3	13.0	-6.9	16.9

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.

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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	0.1	-0.2	-0.3	6.9	3.0
JPM EMBI Global	901.1	0.4	0.1	0.4	12.6	6.2
BarCap US Corporate Index (USD)	3301.6	0.1	-0.6	-1.1	8.0	2.5
BarCap Euro Corporate Index (Eur)	256.7	-0.1	0.3	1.6	8.0	4.2
BarCap Global High Yield (Hedged in USD)	625.3	0.3	1.0	3.1	15.8	10.4
Markit iBoxx Asia ex-Japan Bond Index (USD)	225.0	0.0	-0.4	0.1	8.7	5.3
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	261	-0.1	-0.5	1.9	17.2	13.9

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	1.05	1.05	1.08	1.11	1.09	1.10	1.12	1.05	-0.4
GBP/USD	1.26	1.26	1.30	1.31	1.25	1.27	1.34	1.23	-0.3
CHF/USD	1.13	1.13	1.16	1.17	1.13	1.19	1.20	1.08	0.2
CAD	1.40	1.41	1.38	1.36	1.37	1.32	1.41	1.32	0.9
JPY	155	154	151	146	150	141	162	140	-0.3
AUD/USD	0.65	0.65	0.67	0.67	0.65	0.68	0.69	0.64	0.7
NZD/USD	0.58	0.59	0.60	0.61	0.60	0.63	0.64	0.58	-0.4
Asia									
HKD	7.78	7.79	7.77	7.80	7.80	7.81	7.84	7.76	0.0
CNY	7.25	7.23	7.12	7.14	7.16	7.10	7.28	7.00	-0.2
INR	84.5	84.4	84.1	84.0	83.3	83.2	84.5	82.6	-0.1
MYR	4.46	4.47	4.33	4.38	4.68	4.59	4.81	4.09	0.3
KRW	1402	1398	1379	1343	1300	1291	1412	1283	-0.3
TWD	32.5	32.5	32.1	32.0	31.6	30.6	32.9	30.5	-0.2
Latam									
BRL	5.81	5.80	5.69	5.58	4.91	4.85	5.88	4.80	-0.3
COP	4392	4433	4265	4063	4071	3875	4546	3739	0.9
MXN	20.4	20.3	20.0	19.5	17.2	17.0	20.8	16.3	-0.2
ARS	1004	998	984	945	356	808	1004	357	-0.6
EEMEA									
RUB	103.3	100.0	95.8	91.5	88.5	89.5	103.3	82.7	-3.3
ZAR	18.0	18.2	17.5	18.0	18.9	18.4	19.4	17.0	0.8
TRY	34.6	34.4	34.3	33.9	28.8	29.5	34.7	28.8	-0.3

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	4.52	4.49	4.63	5.16	5.41	5.33	3
2-Year	4.35	4.30	4.03	4.00	4.90	4.25	4
5-Year	4.30	4.31	4.01	3.72	4.43	3.85	-1
10-Year	4.42	4.44	4.21	3.85	4.40	3.88	-2
30-Year	4.60	4.62	4.50	4.13	4.54	4.03	-2
10-year bond yields (%)							
Japan	1.08	1.07	0.97	0.87	0.72	0.61	1
UK	4.44	4.47	4.17	3.96	4.15	3.53	-3
Germany	2.34	2.35	2.32	2.24	2.56	2.02	-2
France	3.12	3.08	3.06	2.96	3.12	2.56	4
Italy	3.58	3.55	3.56	3.62	4.31	3.69	2
Spain	3.05	3.06	3.03	3.05	3.55	2.98	0
China	2.08	2.07	2.14	2.16	2.69	2.56	1
Australia	4.54	4.64	4.43	3.89	4.45	3.96	-9
Canada	3.46	3.28	3.23	3.07	3.66	3.11	18

*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	2,695	5.2	-1.9	8.5	35.4	30.7	2,790	1,973
Brent Oil	74.7	5.2	-1.2	-1.1	-5.0	0.0	86	68
WTI Crude Oil	70.6	5.5	-1.0	-0.9	-4.5	1.0	81	64
R/J CRB Futures Index	288.3	3.1	1.4	5.0	4.8	9.3	300	258
LME Copper	9,019	0.2	-5.9	-1.2	8.0	5.4	11,105	8,127

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 22 November 2024.

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