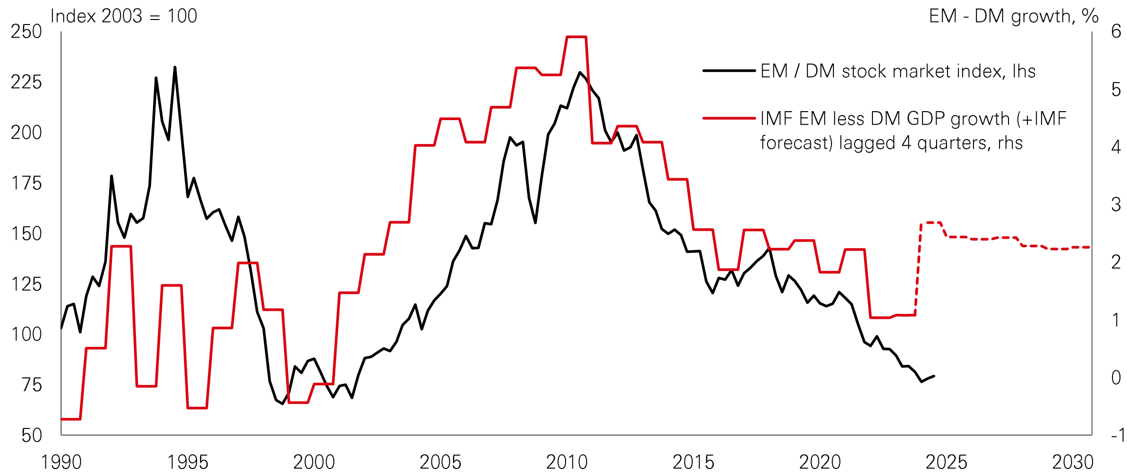
Investment Weekly

25 October 2024
For Professional Clients only.

Chart of the week – EM versus DM growth gap widening



This week's jamboree of finance chiefs and policymakers at the annual meetings of the IMF and World Bank in Washington confirmed what many investors already know; **inflation is in retreat and global growth remains impressively resilient. The soft landing is here**.

For the US, UK, Japan, Southern Europe, and some Emerging Markets (EM), the IMF has upgraded its 2024 scenario. It's a triumph for central bankers. But the challenge for investors, of course, is assessing how much of this good news on the economy is already priced-in.

Heading into 2025, global growth is forecast to continue at 3.2%, adjusted for inflation. US growth is expected to be more normal, at just over 2%. Europe is projected to pick-up, with the cost of living shock fading, to 1.2% in the eurozone and 1.5% in the UK. And EM economies are expected to grow at 4.2% on average – with country differences. Asia looks best placed in EM, with 2025 GDP at 5%. India is still expected to be the fastest growing major economy in the world (IMF forecasts 6.5% GDP in 2025). And frontier economies are also projected to grow strongly next year.

Faced with this macro scenario of the major economies drawing closer together in their growth rates, investors might well ask whether the era of "US exceptionalism" is coming to an end? **Can Europe, Australasia, and the Far East (EAFE) and EMs go from being market laggards to leaders, and outperform the US?**

Market Spotlight

X-factor strategies

We've seen a rotation in global stock markets this year, and new analysis by our Quantitative Equity team of September performance sheds light on where that's been happening.

Quant multi-factor strategies work by weighting to 'factors' like Quality, Value, Momentum, Size (smaller-cap) and Low Risk. So, their performance explains a lot about changing trends in market sentiment.

This year, with so many previous winners (especially in the tech sector) still outpacing the market, Momentum has been strong. But with the Fed cutting rates in September, we saw a shake-up of factor returns during the month. The defensive Quality factor performed best, setting the pace in North America, Asia Pacific ex-Japan, and emerging markets. That supported our view that **market leadership is broadening out across sectors as global policy easing continues and central bankers seek to make the soft landing stick**. And with the cyclical Size factor also relatively strong in North America, Europe, and EMs in September, it showed that **smaller-caps are very much part of that rotation mix, too**. Value ranked in the middle of factor returns globally, but it did perform well in Europe – hinting that investors are feeling more confident about looking beyond expensive US markets for opportunities.

US Stocks →

All eyes on tech valuations during Q3 earnings season

Fiscal Policy →

What the UK Budget might mean for Gilt investors

Emerging Markets →

Exploring return expectations in EMs

Read our latest views: Capital Market Assumptions

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 25 October 2024.

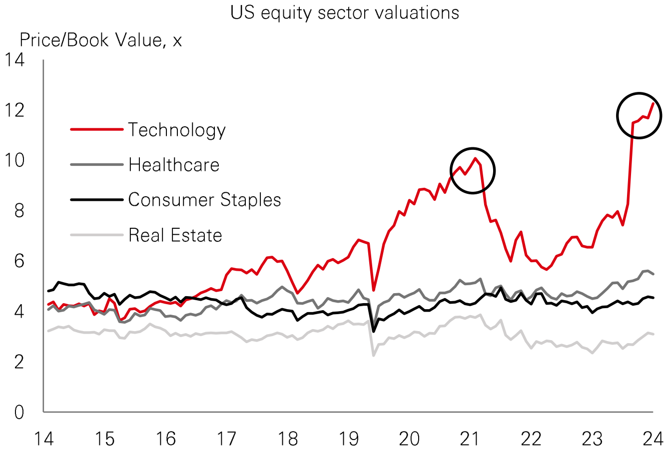
Lens on…

Upbeat earnings

Nearly one-third of S&P 500 firms have reported results for Q3, with the analyst consensus looking for year-on-year earnings growth of 3.5% overall. So far, progress looks good.

Three of the top five earnings growth contributors in Q3 are expected to be Technology firms, with the other two in Healthcare. Based on results versus expectations, Tech, Real Estate, Financials, Staples, and Healthcare have all come in better than average. But Energy and Materials have been at the lower end.

Tech companies are expected to dominate the earnings pie for several quarters to come, but a lot rests on high expectations. The S&P Tech sector currently trades on a trailing price-book value of 12.3x. That's higher than before the sharp sector sell-off in 2021 (see chart), and surpasses its previous all-time high of 12.1x in 2000. As a comparison, Tech stocks are up by nearly 600% over the past decade, while Real Estate and Consumer Staples are up by only 40% and 60% respectively. **With continuing signs of a rotation in sectors and styles, stretched Tech sector valuations demand caution**.

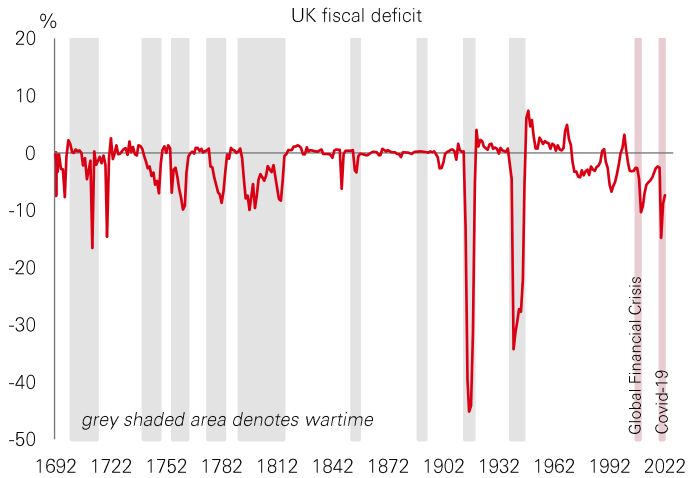


Deficits forever?

Sovereign bond investors are in a jittery mood ahead of the UK Chancellor's inaugural Budget on 30 October. Like many developed and EM economies, the UK's parlous fiscal position is a major challenge. The fiscal deficit is at levels usually associated with wartime, while the net debt/GDP ratio has risen to just shy of 100% in 2023, with the IMF expecting that to worsen.

Higher GDP growth would be the optimal way to fix it, but UK productivity has flatlined since the global financial crisis. Investment as a percentage of GDP has consistently lagged the US and eurozone since the early 1990s.

Major political and economic obstacles make austerity-like policies unworkable. Governments are compelled to pursue active fiscal policies to address inequality, low productivity, and population ageing. The multi-polar world and climate change also require extra spending on defence and the transition to net zero. The upshot is big deficits could be with us for a while. **Despite UK inflation trending lower, gilt yields have remained stubbornly high – a signal that that investors are uneasy**.



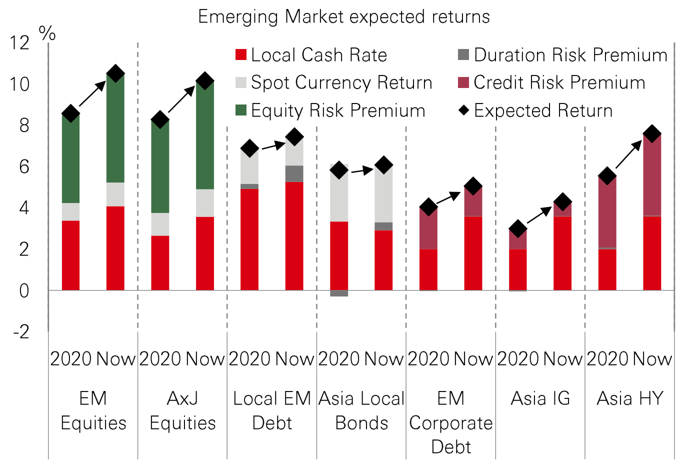
EM opportunity

A key finding of our new Capital Market Assumptions paper is that there is a strategic opportunity for investors in emerging markets.

EM expected returns look good. The **risk premia for asset classes like stocks, EM local-currency bonds, and Asia high-yield bonds are elevated** because policy rates are expected to be a bit higher over the next decade. Good starting valuations mean that, over the long run, investors should be able to harvest income, or achieve capital gains.

In addition, EM currencies could boost potential returns further. Our FX valuation model tracks the misalignment of current spot rates versus a fundamental valuation anchor. And it incorporates how macro fundamentals will evolve over the next decade to move FX equilibrium. Virtually all the EM currency rates we track are expected to appreciate versus the US dollar over the medium term.

Geopolitical risk and a new multi-polar world mark a profound shift in the economic regime. But EM investors could benefit as macro trends in Asia and the Global South diverge from the West.



Source: HSBC Asset Management. Macrobond, Bloomberg, Datastream. Data as at 7.30am UK time 25 October 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 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

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. preparation and are subject to change without notice. HSBC Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection, or target.

Source: HSBC Asset Management. Data as at 7.30am UK time 25 October 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 21 October	CN	PBoC Loan Prime Rate 1Y	Oct	3.10%	3.35%	Chinese banks lowered the 1yr and 5yr LPR by 25bp, following the PBoC's earlier cut to the 7-day reverse repo rate
Tues. 22 October		IMF and World Bank Bi-Annual Meeting				The IMF World Economic Outlook expects growth to be "stable yet underwhelming" near-term, urging for careful policy design
Wed. 23 October	CA	BoC Policy Rate	Oct	3.75%	4.25%	Bank of Canada cut rates by 50bps amid a slowing economy and significant progress on disinflation (1.6% CPI in September)
Thu. 24 October	KO	GDP, Advance (qoq)	Q3	0.1%	-0.2%	Slower-than-expected Q3 growth highlights the downside risks from foreign trade, with a moderation in chip exports
	EZ	S&P Global Composite PMI (Flash)	Oct	49.7	49.6	The PMIs continue to point to falling demand, with new orders, employment, and business confidence showing weak readings
	UK	S&P Global Composite PMI (Flash)	Oct	51.7	52.6	The PMIs point to softer growth and a cooling labour market, with the employment indices dropping below 50
	IN	S&P Global Composite PMI (Flash)	Oct	58.6	58.3	India continues to show robust growth as sales and employment surge. Meanwhile, price pressures intensified
	US	S&P Global Composite PMI (Flash)	Oct	54.3	54.0	The composite PMI edged up on slightly stronger readings for both the manufacturing and services sectors

CN - China, CA - Canada, KO - South Korea, EZ - Eurozone, UK - United Kingdom, IN - India, US - United States

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 28 October	US	Earnings	Q3			Nearly one-third of S&P 500 firms have reported. Results were broadly positive, but 2024 EPS growth forecasts have edged down
Tue. 29 October	US	JOLTS Job Openings	Sep	-	8.04mn	US job openings have trended lower since early 2022. The quits rate has normalised, pointing to moderating wage growth
	US	Consumer Confidence Index, Conference Board	Oct	98.8	98.7	The Conference Board "hard to get" jobs index has increased steadily since spring 2024, signalling a softer labour market
Wed. 30 October	US	GDP, Flash (qoq)	Q3	3.0%	3.0%	US GDP growth is expected to have remained stable at a robust pace in Q3, supported by resilient consumer spending
	EZ	GDP, Prelim (qoq)	Q3	0.2%	0.2%	The eurozone recovery remains fragile with recent PMI surveys pointing to a loss of momentum in Q3
	MX	GDP, Flash (qoq)	Q3	-	0.2%	Mexican GDP growth lost momentum at the end of 2023 and was relatively lacklustre during H1 2024
	UK	Government Budget Announcement				Labour’s first UK Budget should reveal higher taxes and increased public spending. A funding rule change is also likely
Thu. 31 October	US	PCE Price Index (yoy)	Sep	2.1%	2.2%	Headline inflation is likely to fall closer to 2.0%. Core inflation should moderate but is set to remain above 2.5% this month
	JP	BoJ Policy Rate	Oct	0.25%	0.25%	The BoJ should adopt an a "wait and see" stance near-term, awaiting confirmation of a virtuous wage and price cycle
	EZ	HICP, Flash (yoy)	Oct	1.9%	1.7%	Headline inflation is likely to tick up on energy prices but remain below 2.0%. Core inflation is expected to moderate further
	CN	NBS Composite PMI	Oct	-	50.4	China's composite PMI may reach a trough soon given the recent stimulus package and signals of further policy action
Fri. 01 November	US	Change in Non-Farm Payrolls	Oct	140k	254k	September's employment report surprised on the upside, but other labour market indicators point to softer conditions
	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
	BR	S&P Global Manufacturing PMI	Oct	-	53.2	Brazil's manufacturing PMI has remained in expansion territory in 2024, with employment rising significantly and orders picking up
	MX	S&P Global Manufacturing PMI	Oct	-	47.3	Mexico's manufacturing PMI has moved deeper into negative territory. Corporate sector layoffs are rising as demand weakens

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

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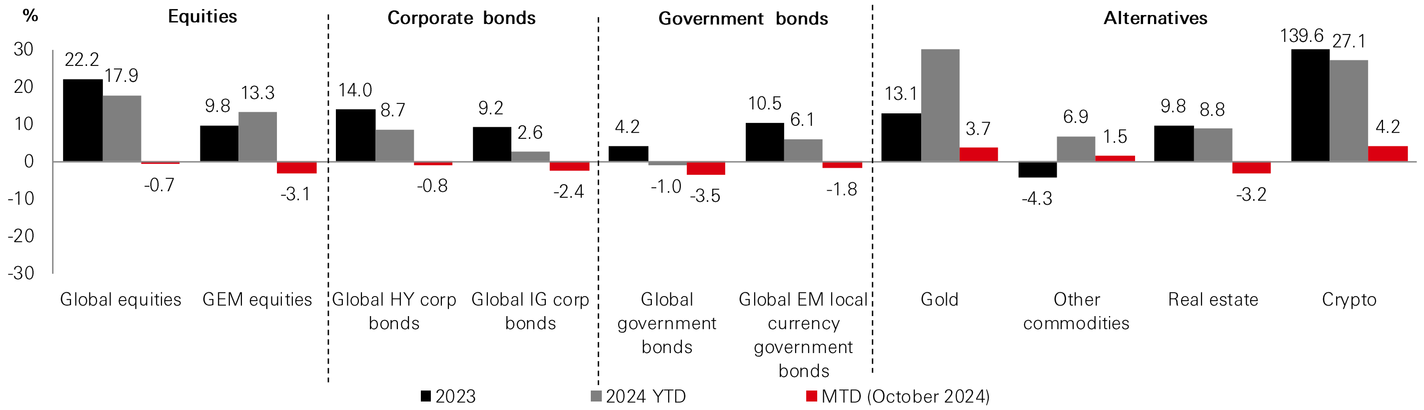
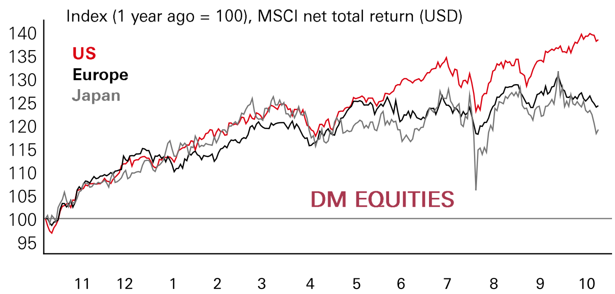
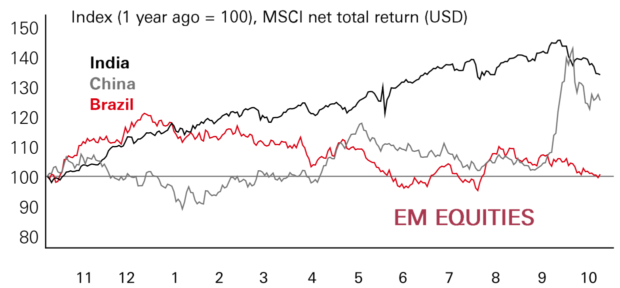
This week

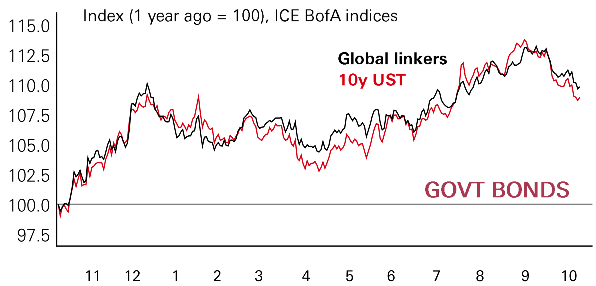
Global markets struck a cautious tone this week ahead of the looming US presidential election on 5 November, and key US payrolls data next week. 10-year US Treasury yields reached a three-month high of 4.26% before easing later in the week, with the US dollar also rallying to a three-month high mid-week on uncertainty over the timetable for Fed rate cuts. In US stocks, both the large-cap S&P 500 and small-cap Russell 2000 declined early in the week despite generally positive Q3 earnings news. The pan-European Stoxx Europe 600 fell, with Japan's Nikkei 225 also seeing declines on political uncertainty ahead of the general election on 27 October. In emerging markets, China's Shanghai Composite was a rare positive performer, but India's Sensex and Korea's Kospi indices both lost ground. In commodities, the oil price was broadly stable and gold traded just short of record highs.

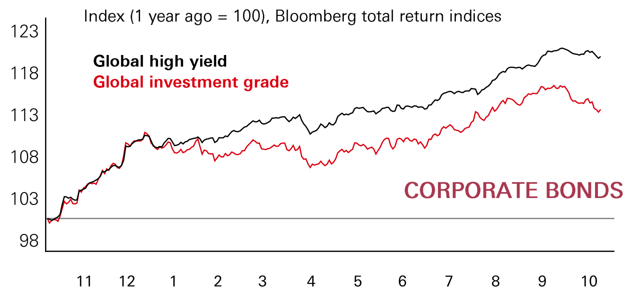
Selected asset performance

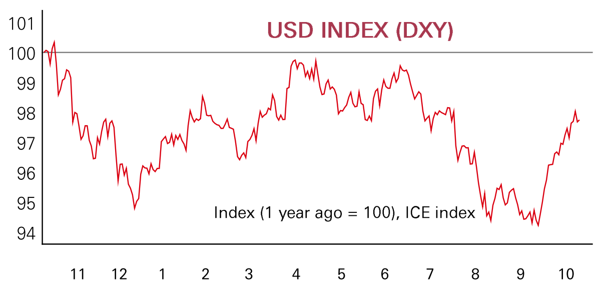


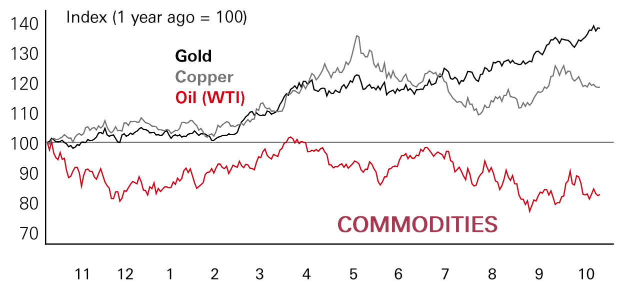












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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am am UK time 25 October 2024. Note: Asset class performance is represented by different indices. Global Equities: MSCI ACWI Net Total Return USD Index. Gem Equities: MSCI Emerging 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)	846	-1.3	0.3	6.1	32.6	16.3	858	628	19.7
North America									
US Dow Jones Industrial Average	42,374	-2.1	1.1	6.1	28.3	12.4	43,325	32,327	22.0
US S&P 500 Index	5,810	-0.9	1.5	7.6	38.8	21.8	5,878	4,104	24.1
US NASDAQ Composite Index	18,415	-0.4	1.8	7.2	43.6	22.7	18,671	12,544	34.4
Canada S&P/TSX Composite Index	24,552	-1.1	2.7	8.6	29.6	17.1	24,923	18,692	16.9
Europe									
MSCI AC Europe (USD)	564	-1.7	-3.4	1.3	20.8	5.7	595	459	14.5
Euro STOXX 50 Index	4,935	-1.0	0.4	2.6	21.2	9.2	5,122	4,007	14.4
UK FTSE 100 Index	8,269	-1.1	0.0	1.0	11.5	6.9	8,474	7,280	12.3
Germany DAX Index*	19,443	-1.1	2.8	6.3	30.6	16.1	19,675	14,655	14.7
France CAC-40 Index	7,503	-1.4	-0.8	1.0	8.5	-0.5	8,259	6,785	14.4
Spain IBEX 35 Index	11,840	-0.7	0.4	6.2	31.8	17.2	12,038	8,879	11.3
Italy FTSE MIB Index	34,699	-1.4	2.5	2.7	26.5	14.3	35,474	27,078	10.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	599	-1.9	0.3	7.2	25.9	13.3	632	469	15.1
Japan Nikkei-225 Stock Average	37,914	-2.7	0.1	0.1	21.2	13.3	42,427	30,538	20.9
Australian Stock Exchange 200	8,211	-0.9	1.0	4.5	19.8	8.2	8,385	6,751	19.0
Hong Kong Hang Seng Index	20,608	-0.9	7.7	21.2	20.6	20.9	23,242	14,794	9.7
Shanghai Stock Exchange Composite Index	3,296	1.1	13.8	14.2	10.8	10.8	3,674	2,635	13.0
Hang Seng China Enterprises Index	7,391	-1.1	9.3	22.9	26.3	28.1	8,373	4,943	9.0
Taiwan TAIEX Index	23,348	-0.6	2.6	2.1	42.7	30.2	24,417	15,976	18.6
Korea KOSPI Index	2,583	-0.4	-0.5	-4.7	9.3	-2.7	2,896	2,274	10.3
India SENSEX 30 Index	79,414	-2.2	-6.8	-0.8	24.0	9.9	85,978	63,093	22.7
Indonesia Jakarta Stock Price Index	7,706	-0.7	-0.5	6.4	12.8	6.0	7,911	6,640	14.7
Malaysia Kuala Lumpur Composite Index	1,629	-1.0	-2.6	0.9	13.0	12.0	1,685	1,425	15.1
Philippines Stock Exchange PSE Index	7,314	-1.4	-0.7	9.7	20.8	13.4	7,605	5,920	12.4
Singapore FTSE Straits Times Index	3,589	-1.4	0.2	4.6	16.6	10.8	3,653	3,042	11.5
Thailand SET Index	1,464	-1.8	0.1	13.3	4.4	3.4	1,507	1,273	16.2
Latam									
Argentina Merval Index	1,849,995	1.5	6.1	20.3	169.6	99.0	1,856,002	568,624	8.0
Brazil Bovespa Index*	130,067	-0.3	-1.2	3.3	15.3	-3.1	137,469	112,098	9.1
Chile IPSA Index	6,726	1.2	4.4	4.4	21.9	8.5	6,838	5,363	11.1
Colombia COLCAP Index	1,338	-1.8	1.2	-1.2	21.1	11.9	1,451	1,084	7.3
Mexico S&P/BMV IPC Index	51,796	-2.3	-2.6	-2.1	6.2	-9.7	59,021	48,229	12.1
EEMEA									
Saudi Arabia Tadawul Index	11,886	-0.2	-3.7	-1.2	13.1	-0.7	12,883	10,354	N/A
South Africa JSE Index	86,937	-0.3	1.1	7.8	23.7	13.1	87,803	69,128	12.5
Turkey ISE 100 Index*	8,873	0.9	-10.3	-18.4	19.5	18.8	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	-1.3	0.4	6.5	17.9	34.7	19.5	72.7
US equities	-0.9	1.7	8.0	22.5	40.5	28.7	103.3
Europe equities	-1.7	-3.3	1.6	8.3	24.1	8.9	38.9
Asia Pacific ex Japan equities	-1.9	0.3	7.9	15.8	29.1	-2.0	30.8
Japan equities	-3.3	-4.4	-0.9	5.9	18.3	5.5	28.9
Latam equities	-0.9	-3.3	0.1	-15.1	4.9	21.0	2.2
Emerging Markets equities	-1.8	-0.1	6.2	13.3	26.4	-5.3	23.7

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)	580	-0.5	-1.0	2.1	10.6	3.3
JPM EMBI Global	900.2	-1.0	-1.5	3.0	18.1	6.1
BarCap US Corporate Index (USD)	3322.2	-0.9	-2.0	2.5	14.2	3.1
BarCap Euro Corporate Index (Eur)	256.8	-0.1	0.7	2.4	10.2	4.3
BarCap Global High Yield (Hedged in USD)	619.2	-0.4	0.1	3.9	19.2	9.3
Markit iBoxx Asia ex-Japan Bond Index (USD)	225.8	-0.4	-0.7	2.2	12.3	5.6
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	262	-0.1	1.3	3.0	22.5	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	1.08	1.09	1.11	1.08	1.06	1.10	1.12	1.05	-0.5
GBP/USD	1.30	1.31	1.33	1.29	1.21	1.27	1.34	1.21	-0.7
CHF/USD	1.15	1.16	1.18	1.13	1.12	1.19	1.20	1.08	-0.1
CAD	1.39	1.38	1.35	1.38	1.38	1.32	1.39	1.32	-0.4
JPY	152	150	145	154	150	141	162	140	-1.6
AUD/USD	0.66	0.67	0.68	0.65	0.63	0.68	0.69	0.63	-1.2
NZD/USD	0.60	0.61	0.63	0.59	0.58	0.63	0.64	0.58	-1.2
Asia									
HKD	7.77	7.77	7.78	7.81	7.82	7.81	7.84	7.76	0.0
CNY	7.13	7.10	7.03	7.25	7.32	7.10	7.32	7.00	-0.3
INR	84.1	84.1	83.6	83.7	83.2	83.2	84.1	82.6	0.0
MYR	4.34	4.31	4.13	4.66	4.78	4.59	4.81	4.09	-0.8
KRW	1390	1369	1337	1383	1349	1291	1400	1283	-1.6
TWD	32.1	32.1	31.9	32.8	32.4	30.6	32.9	30.5	-0.1
Latam									
BRL	5.66	5.69	5.47	5.64	5.00	4.85	5.86	4.80	0.5
COP	4299	4269	4199	4029	4204	3875	4336	3739	-0.7
MXN	19.8	19.9	19.6	18.5	18.3	17.0	20.2	16.3	0.2
ARS	985	981	968	929	350	808	986	350	-0.5
EEMEA									
RUB	97.0	95.3	92.1	85.0	93.4	89.5	100.3	82.7	-1.8
ZAR	17.7	17.6	17.3	18.4	19.1	18.4	19.4	17.0	-0.4
TRY	34.3	34.2	34.1	33.0	28.1	29.5	34.5	28.1	-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	4.58	4.63	4.61	5.31	5.46	5.33	-4
2-Year	4.06	3.95	3.56	4.43	5.12	4.25	11
5-Year	4.01	3.88	3.53	4.13	4.92	3.85	13
10-Year	4.18	4.08	3.78	4.24	4.95	3.88	10
30-Year	4.44	4.39	4.14	4.48	5.09	4.03	5
10-year bond yields (%)							
Japan	0.95	0.97	0.81	1.05	0.85	0.61	-2
UK	4.24	4.06	3.99	4.13	4.61	3.53	18
Germany	2.26	2.18	2.17	2.42	2.89	2.02	8
France	2.99	2.90	2.97	3.12	3.52	2.56	9
Italy	3.47	3.36	3.52	3.78	4.91	3.69	12
Spain	2.95	2.87	2.98	3.24	4.00	2.98	8
China	2.16	2.12	2.04	2.21	2.71	2.56	4
Australia	4.41	4.31	3.91	4.31	4.72	3.96	10
Canada	3.24	3.13	3.01	3.37	4.12	3.11	11

*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	2,732	0.4	2.8	15.5	38.0	32.4	2,758	1,932
Brent Oil	74.7	2.3	2.5	-6.6	-9.9	-0.4	87	68
WTI Crude Oil	70.5	2.6	2.0	-6.6	-9.8	0.3	82	64
R/J CRB Futures Index	282.4	1.0	-1.3	1.0	-0.3	7.0	300	258
LME Copper	9,505	-1.3	-3.1	4.2	18.3	11.0	11,105	7,960

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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