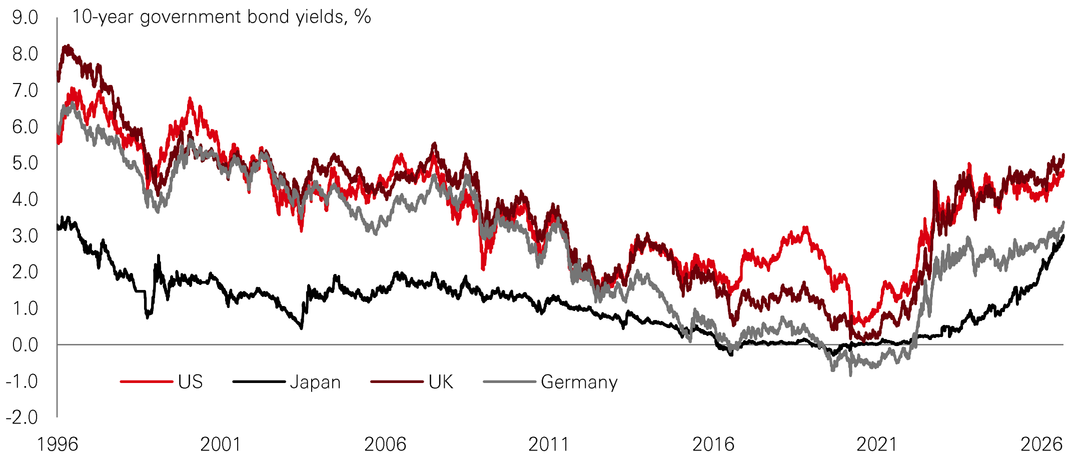
HSBC Asset Management

Investment Weekly

4 September 2026
For Professional Clients only. Marketing Communication.

Chart of the week – Surging bond yields



Government bond yields are making headlines across the G7. US 10-year Treasury yields touched 4.8% this week, their highest since late 2023. In Japan, 10-year JGB yields breached 3.0%, a level not seen since the 1990s, while UK Gilt yields reached new post-GFC highs.

But for investors it is not simply the speed of the rise or the level of yields that matter – it is the reasons for the moves. Looking beneath the surface is therefore crucial. In the US, real yields have driven the increase this year with the term premium also rising. Longer-term inflation expectations have picked up since late June but are still below the level seen coming into 2026. This suggests the market is pricing more than simply a renewed inflation shock: **concerns about fiscal sustainability, debt supply, and geopolitical risk** are increasingly leading investors to demand a greater return for holding long-dated government bonds. The bond vigilantes are getting restless.

Governments may want lower borrowing costs, but investors ultimately decide what return they need to finance them. Treasury Secretary Scott Bessent has already sought to ease pressure on the long end of the US curve, including by increasing Treasury buybacks. The fact that yields have subsequently moved higher again is a reminder that the bond market cannot simply be managed by policymakers.

The good news is that historically, high starting yields and a steeper curve have tended to improve the prospective return from fixed income. Real yields are now relatively attractive by recent standards. **So, the bond sell-off is a risk to watch, but not necessarily one to fear**. For long-term investors, the question may increasingly be whether today's higher yields represent a problem – or an opportunity. #bonds #volatility #vigilantes

Market Spotlight

A Delphic Fed shift

For years before Kevin Warsh's appointment, investors grew accustomed to an Odysseus-like Federal Reserve. Policymakers effectively tied themselves to the mast through pre-commitment and forward guidance. With few major macroeconomic shocks, the outcome was a low-volatility environment and a Fed widely seen as predictable.

That backdrop is shifting, and the Fed appears to be changing with it under its new Chair. Ahead of Jackson Hole, markets debated whether a Warsh-led Fed would simply communicate less clearly or deliberately deploy ambiguity as a policy tool. The message now looks closer to an Apollo-like approach: Delphic communication that pushes investors to infer implications, while avoiding becoming a direct source of market turbulence.

In practice, this resembles a return to a Greenspan-era framework – broad discussions of possible future states of the world and the Fed's reaction function, without explicit commitments. Warsh also highlighted a wide set of macro indicators he is paying attention to. **The message to markets? Become "data-watchers", not "Fed-watchers"**. But the anchor for policy remains firm: a clear commitment to the 2% PCE inflation target. #jacksonhole #policy

Investment Grade Credit →

Why investment grade credit has been so resilient

Profits Outlook →

Why earnings are broadening beyond tech

Emerging Markets →

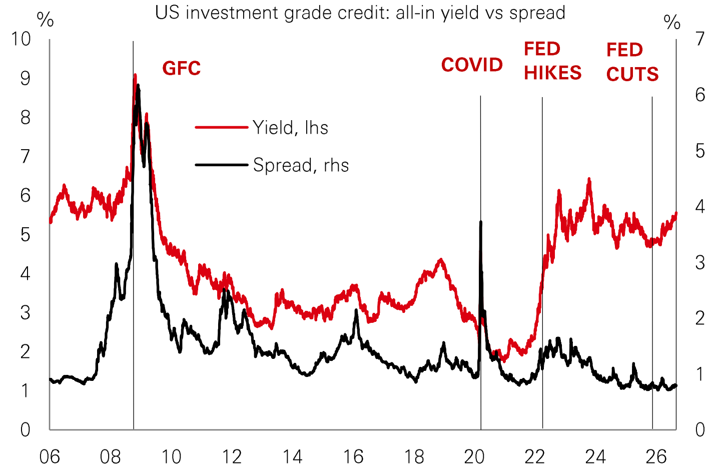
How a weaker US dollar could be a boost for EMs

Credit barely blinks

Government bond markets have been volatile, but credit has barely blinked. Despite the recent sell-off in sovereign debt, US investment grade (IG) spreads remain close to multi-decade tights. At the same time, all-in corporate bond yields are near their highest levels since the global financial crisis. That combination looks unusual – **but it may also be telling us something important**.

Corporate fundamentals remain supportive. Balance sheets are generally strong, profits have held up, and many large investment-grade issuers have termed out borrowing at attractive rates. In contrast, concerns around fiscal trajectories and heavy government bond supply have pushed sovereign term premia higher. The traditional hierarchy between “risk-free” government bonds and high-quality corporate credit therefore looks less clear-cut than it once did.

For multi-asset investors, that creates an interesting portfolio role for IG credit. Tight spreads limit the cushion against a growth shock, but attractive all-in yields and strong fundamentals can still deliver income and resilience. In a world where government bonds diversify less reliably, high-quality credit can help “diversify the diversifiers”. #credit #spreads

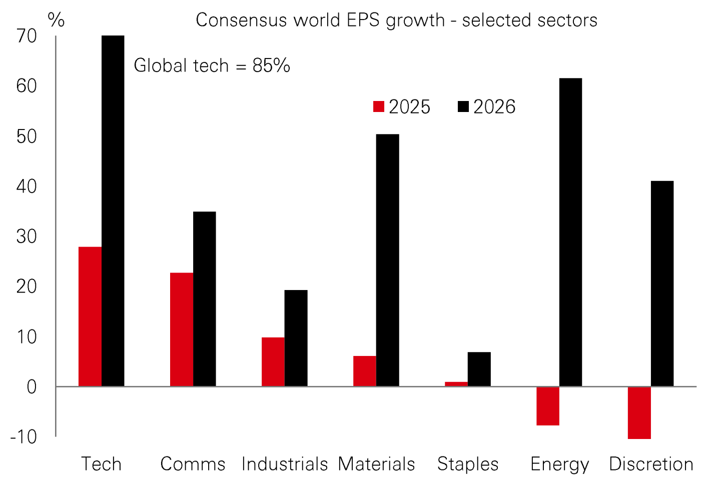


Broadening beyond tech

Technology stocks have done the heavy lifting in markets this year, even as global equities have lived with higher episodic volatility. The engine has been clear: AI-led investment and commodity-linked strength have driven profits, with the US tech sector up around 30% over the past 12 months.

But the AI growth story is maturing, and so are the risks. On valuation measures such as price-to-book, US tech is now the second most expensive sector, with multiples close to 2000-style levels. For investors, the key question has shifted from “will AI work?” to “how will it be financed?” With AI increasingly funded by debt, any pause in capital expenditure – whether from rates, tax changes, or softer monetisation – could hit semiconductor and hardware profits quickly. Meanwhile, free cashflow has rolled over as AI spending outpaces sales, even if balance sheets still look resilient.

While tech profits are still set to lead the market, we expect global profit and valuation gaps between tech and the rest to narrow, **with a “broadening out” of profit growth into non-US markets** and 2026 earnings expectations starting to lift across other sectors. #stocks #sectors

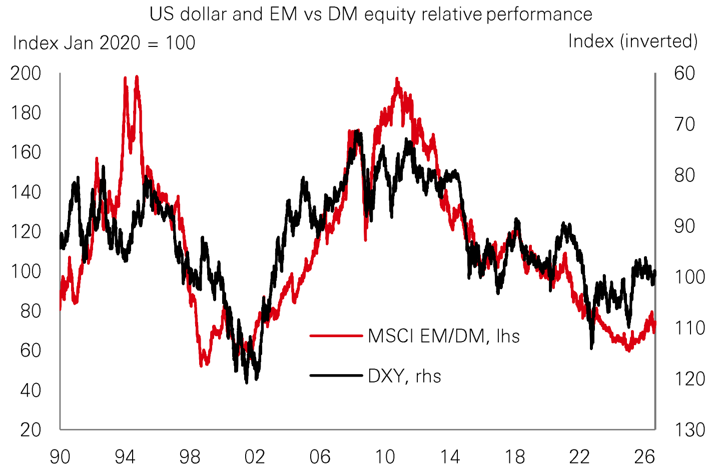


Dollar down, EM up?

When the US dollar weakened in 2025, it helped oxygenate emerging market performance. But with the dollar stronger in 2026, EM returns have been more dispersed. The question now is whether dollar weakness – the so-called debasement trade – can make a comeback. There are good reasons to believe that it could.

First, debt and deficit concerns are weighing on the US bond market and across the G7. If policymakers try to cap long-term Treasury yields, it could shift volatility from bonds into FX. Second, some investors have questioned how hawkish Fed Chair Warsh will ultimately be. Markets may already be priced for close to “maximum hawkishness”; but cooler labour market or inflation data could force a rethink and pressure the dollar. Third, if the AI capex boom falters, it could challenge the US exceptionalism narrative in markets that has underpinned dollar strength. And a weaker dollar fits with a key market theme this year: a broadening out of profit growth towards laggard sectors and regions beyond the US.

Put together, there is a case for a weaker dollar ahead. If global growth holds up, that could provide **the oxygen emerging markets need for another leg of outperformance**. #dollar #emergingmarkets



Asset class views

The global economy is currently being shaped by “two shocks and a boom”. The first shock is inflationary, with the Middle East conflict pushing oil prices higher. The second is mildly disinflationary: “China shock 2.0”, driven by China’s surging tech and green energy exports. The “boom” is the surge in US AI-related investment, supporting demand and activity. In this confusing macro landscape, episodic volatility is to be expected. But as spillovers from the AI capex boom become more apparent, strong profits performance should broaden beyond borders, with EM well-positioned to benefit.

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

	Asset Class	- View +	Comments
Macro Factors	Global growth	□□□□□■□□□	Global growth has remained solid, but the outlook is highly uncertain, and inflation is sticky. Consequently, a cautiously pro-risk stance in investment portfolios appears appropriate. We prefer to access the growth factor in regions with lower valuations, such as Asia and emerging markets
	Duration	□□□□■□□□□	The shape of the yield curve is highly dependent on Fed policies and the fiscal and inflation outlook. We expect a trend of modest steepening, as the Fed eases policy late in the year. 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. Limited inflation pressures, Fed policy easing, and a weaker USD have paved the way for more countries to cut rates. China policy remains supportive, but global trade fragmentation is a challenge
Bonds	US 10yr Treasuries	□□□□□■□□□	Yields have been in a relatively narrow channel of late and the near-term outlook appears range bound as the market struggles to price upside inflation risks and downside growth risks. Significantly lower yields are likely to require clear evidence that the labour market is cracking
	EMD Local	□□□□□□■□□	Local rates are likely to remain differentiated as the Middle East conflict feeds through unevenly. Latam and parts of Africa are potentially better-placed to continue easing, while higher energy-driven inflation is potentially more of a near-term issue for the rates path in EM Europe and Asia
	Asia Local	□□□□□■□□□	Fiscal policy has been Asia’s first line of defence against the energy shock. Monetary policy responses have had a near-term hawkish tilt, but have varied regionally, creating idiosyncratic market opportunities. Asian bonds offer good diversification benefits for global portfolios
Credits	Global Credit	□□□□□■□□□	Investment grade credit spreads remain tight, despite geopolitical headwinds. Fundamentals are supportive, with the balance sheets of investment grade issuers remaining healthy. We maintain a defensive stance with a preference for higher quality credits
	Global High-Yield	□□□□■□□□□	Global high yield spreads remain at relatively tight levels. Growth and inflation risks linked to geopolitical tensions and policy uncertainty present potential headwinds, but robust corporate earnings could offset this. We stay quality-biased, favouring higher-quality HY
	Asia Credit	□□□□□■□□□	Tight spreads leave limited room for further compression to offset rates and geopolitical risks. The relative resilience of Asia credits is aided by shorter duration, robust local funding markets, and lower external vulnerability as corporate fundamentals remain sound
	EMD Hard Currency Bonds	□□□□□□■□□	Spreads are expected to trade sideways from current levels. In Sovereigns, more rating outlooks are improving than deteriorating. The broad EM opportunity set enables selective positioning away from concentrated geopolitical hotspots, while staying ready to add risk where valuations compensate
Equities	DM Equities	□□□□□■□□□	Global indices have pushed higher, with strong profits growth driven by the AI boom and steady real rates. We expect “broadening out 2.0” driven by AI spillovers to upstream and downstream sectors. However, a persistently elevated oil price and higher for longer rates could pose a risk to growth
	EM Equities	□□□□□□■□□	Idiosyncratic drivers have supported earnings upgrades across many EMs. Geopolitical tensions may raise volatility, but EMs are structurally more resilient. Favourable valuations and improving profit growth should underpin performance
	Asia ex Japan	□□□□□□■□□	The strong earnings outlook in Asian markets has been largely driven by the AI investment boom, but the region also offers broad sector exposure. Risks of supply chain disruption due to geopolitical tensions persist, but supportive macro policies and other long-term growth themes remain positives
Alternatives	Commodities	□□□□□□■□□	Investors need to monitor the size, speed and persistence of the recent oil shock to gauge its impact on the growth/inflation mix, corporate profits, and market sentiment. In precious metals, gold’s long-term outlook is supported by its appeal as a haven, a portfolio diversifier, and a store of value
	Hedge Funds	□□□□□□□■□	Hedge funds can be good diversifiers in an environment of elevated inflation and market phases where there are sharp upticks in volatility. Macro and CTA strategies can be particularly attractive alternatives to bonds when there are positive stock-bond correlations
	Real Assets	□□□□□□□■□	In Real Estate, investment activity is stabilising with capital value growth continuing to be driven by rental income and income growth. Infrastructure is in demand as the backbone of long-term themes like AI data centres, energy transition, and transport networks

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. Diversification does not ensure a profit or protect against loss. 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. 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. Source: HSBC Asset Management. Data as at 7.30am UK time 04 September 2026.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 31 August		G20 Finance Meeting				The key themes discussed were China's trade surplus, fiscal policy, and sovereign bond yields
	IN	GDP (yoy)	Q2	7.8%	8.6%	India's macro momentum remains resilient, supported by solid consumption despite higher energy costs and poor weather
	CN	Composite PMI	Aug	49.5	49.3	The manufacturing PMI improved on higher new orders but remained in contraction territory. Services were unchanged
Tue. 01 September	US	ISM Manufacturing Index	Aug	54.6	55.6	Activity remained solid but momentum cooled; new orders and employment softened. Prices paid remain elevated
	US	JOLTS Job Openings	Jul	7271k	7182k	Openings edged up, but hiring fell. Data point to a stable but persistently "low-hire, low-fire" labour market
	EZ	HICP (yoy)	Aug	3.3%	2.9%	Inflation rose on higher energy prices, but core inflation fell on lower services, suggesting limited underlying price pressure
	BR	Manufacturing PMI	Aug	46.3	47.5	The manufacturing downturn deepened, led by lower output and new orders. Hiring fell and price pressures cooled
	MX	Manufacturing PMI	Aug	49.8	51.3	The headline index slipped into contraction territory, driven by weaker export orders. Layoffs increased and cost pressures fell
Wed. 02 September	NZ	RBNZ Official Cash Rate	Sep	2.75%	2.50%	RBNZ delivered back-to-back 25bp hikes aimed at curbing price pressures as policy moves towards a neutral stance
	CA	BoC Policy Rate	Sep	2.25%	2.25%	BoC left policy unchanged but warned upside inflation risks "have increased", hinting at a rate hike before year-end
	JP	Speech by BoJ Governor Ueda				The BoJ Governor stated that policy is focused on potential upside inflation risks. The market is pricing a September rate hike
Thu. 03 September	US	ISM Services Index	Aug	55.4	54.1	Strong domestic demand lifted new orders and input prices higher, suggesting sticky inflation in the coming months
	US	Speech by Fed Governor Waller				Waller noted recent signs of disinflation but if August data suggest this will be temporary, a near-term rate hike "may be appropriate"
Fri. 04 September	US	Change in Non-Farm Payrolls	Aug	-	-23k	August payrolls should rebound, while the unemployment rate may tick higher. Other labour market measures are mixed

IN - India, CN - China, US - United States, EZ - Eurozone, BR - Brazil, MX - Mexico, NZ - New Zealand, CA - Canada, JP - Japan

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Tue. 08 September	US	NFIB Index of Small Business Optimism	Aug	-	99.8	A retracement is possible after July's sharp rise. The small business employment index should be closely monitored
	CN	Trade Balance (USD)	Aug	123.3bn	112.3bn	Strong demand for tech hardware should continue to drive both exports and imports, leaving a sizeable trade surplus
	CL	Banco Central de Chile Policy Rate	Sep	-	4.50%	Policy looks set to remain unchanged near-term amid softer domestic demand and ongoing geopolitical uncertainty
Wed. 09 September	CN	CPI (yoy)	Aug	0.9%	0.5%	Headline inflation is expected to rise, but underlying inflation pressures remain limited
Thu. 10 September	US	PPI (mom)	Aug	0.4%	0.0%	Higher energy prices should lift the headline rate. Core goods PPI has stabilised recently, but trade services remain volatile
	EZ	ECB Deposit Rate	Sep	2.50%	2.25%	Recent hawkish ECB comments point to another 25bp rate hike. ECB president Lagarde may hint at further tightening
	TY	CBRT 1 Week Repo Lending Rate	Sep	37.00%	37.00%	No imminent policy change is expected but improving funding conditions could allow scope for modest easing before year-end
Fri. 11 September	US	CPI (yoy)	Aug	3.4%	3.4%	Higher energy prices should support the headline rate. The consensus is for a benign core print but with upside risks
	BR	CPI (yoy)	Aug	4.4%	4.4%	Little change is envisaged in headline inflation. Core services inflation remains sticky amid tight labour market conditions

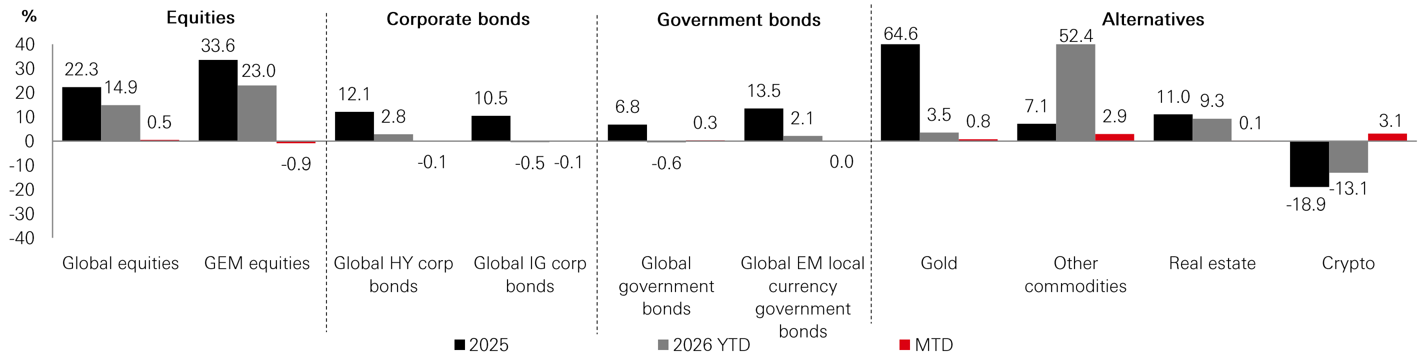
US - United States, CN - China, CL - Chile, EZ - Eurozone, TY - Turkey, BR - Brazil

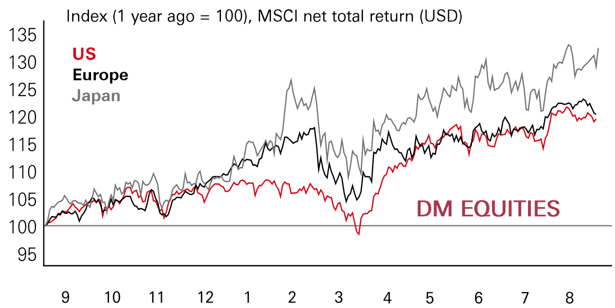
Market review

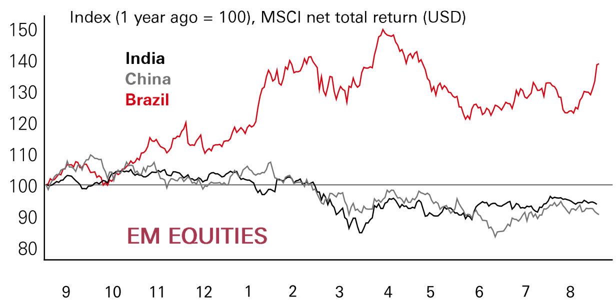
This week

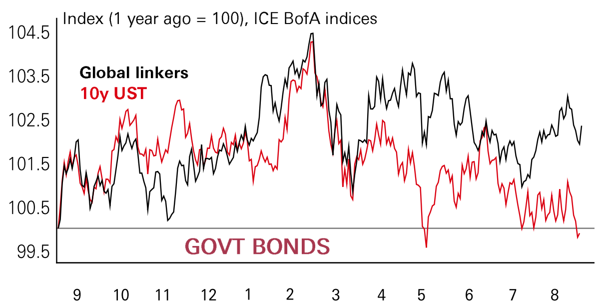
US inflation jitters and fiscal uncertainty continued to fuel volatility in Treasuries ahead of key US employment and inflation reports, while other major sovereign yields also drifted broadly higher. Equity markets were mixed as rising global sovereign bond yields weighed on sentiment: the US S&P 500 traded modestly higher, while the Philly Semiconductor index and the small-cap Russell 2000 extended recent weakness. In Europe, many bourses weakened on rising growth concerns, while the UK FTSE 100 traded sideways, supported by energy and materials. Asian stock indices diverged: Korea's tech-heavy Kospi fell further, alongside a decline in Japan's Nikkei 225, while Chinese equities rose. In FX, the dollar slipped against major currencies, notably the yen. Oil prices rose sharply in response to a flare-up in the Middle East conflict, while gold recouped some of last week's pullback.

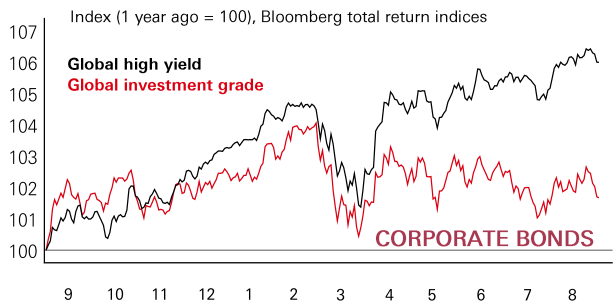
Selected asset performance

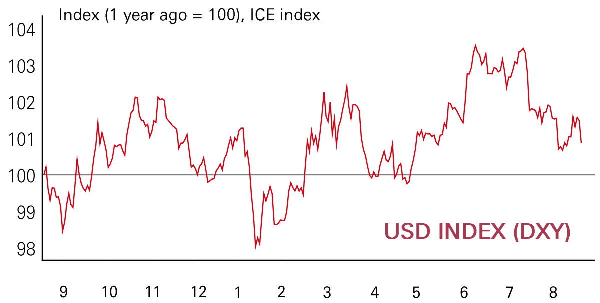


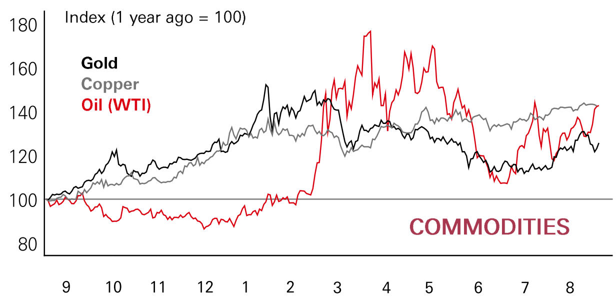












Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed were held at the time of preparation and are subject to change without notice. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index. Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 04 September 2026. 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 Global HY Total Return Index value unhedged. Bloomberg Global IG Total Retrun Index unhedged. Government bonds: Bloomberg 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)	1,155	0.1	0.8	2.1	21.0	13.8	1,163	948	18.1
North America									
US Dow Jones Industrial Average	53,686	0.2	-0.7	4.1	17.7	11.7	54,744	45,057	21.4
US S&P 500 Index	7,748	0.5	0.1	2.2	19.2	13.2	7,817	6,317	21.2
US NASDAQ Composite Index	26,584	0.7	0.0	-0.9	22.5	14.4	27,190	20,690	29.4
Canada S&P/TSX Composite Index	36,633	0.2	2.3	4.0	26.7	15.5	37,069	28,735	17.6
Europe									
MSCI AC Europe (USD)	762	-0.9	-0.3	4.1	18.2	8.9	777	642	15.6
Euro STOXX 50 Index	6,383	-1.6	-1.6	4.6	19.4	10.2	6,577	5,301	16.1
UK FTSE 100 Index	10,832	0.1	-0.4	4.5	17.5	9.1	10,989	9,156	13.3
Germany DAX Index*	26,003	-2.1	-0.8	4.2	9.4	6.2	26,619	21,864	16.8
France CAC-40 Index	8,286	-1.4	-4.4	0.5	7.6	1.7	8,755	7,505	14.9
Spain IBEX 35 Index	20,000	-0.2	-0.1	9.4	34.1	15.6	20,357	14,724	14.9
Italy FTSE MIB Index	52,245	-0.7	-2.4	4.1	24.4	16.2	54,042	41,360	14.1
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	879	-1.4	2.7	-3.1	32.7	21.7	929	662	12.3
Japan Nikkei-225 Stock Average	65,094	-2.0	1.8	-3.5	52.9	29.3	72,832	42,067	21.2
Australian Stock Exchange 200	9,014	-0.9	-1.4	3.8	2.1	3.4	9,297	8,262	18.4
Hong Kong Hang Seng Index	25,736	0.6	-0.5	1.9	2.7	0.4	28,056	22,518	11.3
Shanghai Stock Exchange Composite Index	3,966	0.3	3.7	-2.3	5.3	-0.1	4,259	3,733	14.0
Hang Seng China Enterprises Index	8,574	1.0	0.0	0.8	-4.1	-3.8	9,770	7,404	10.2
Taiwan TAIEX Index	46,511	0.4	7.3	1.8	92.4	60.6	48,219	24,168	20.5
Korea KOSPI Index	6,733	-0.8	5.9	-22.1	110.4	59.8	9,386	3,185	6.4
India SENSEX 30 Index	76,715	-0.7	-2.2	3.2	-5.0	-10.0	86,159	71,546	18.9
Indonesia Jakarta Stock Price Index	6,661	2.2	5.4	14.1	-15.3	-23.0	9,174	5,318	11.2
Malaysia Kuala Lumpur Composite Index	1,707	-1.1	-1.5	1.4	8.2	1.6	1,771	1,576	15.2
Philippines Stock Exchange PSE Index	6,088	2.2	-3.3	3.0	-0.3	0.6	6,674	5,584	9.5
Singapore FTSE Straits Times Index	5,815	2.0	3.6	14.8	35.3	25.2	5,783	4,265	17.3
Thailand SET Index	1,591	0.2	-1.6	-0.2	27.0	26.3	1,658	1,232	14.3
Latam									
Argentina Merval Index	3,058,093	2.6	-4.1	-3.7	53.6	0.2	3,395,937	1,635,451	8.8
Brazil Bovespa Index*	185,188	5.4	4.1	8.7	31.3	14.9	199,355	139,832	9.0
Chile IPSA Index	11,315	-1.1	2.9	9.8	23.3	8.0	11,721	8,669	12.7
Colombia COLCAP Index	2,534	3.1	6.7	13.7	36.7	22.6	2,562	1,823	10.7
Mexico S&P/BMV IPC Index	65,436	-0.1	-2.1	-2.9	9.3	1.8	72,111	59,331	13.2
EEMEA									
Saudi Arabia Tadawul Index	11,033	-1.8	1.6	0.4	3.5	5.2	11,782	10,194	N/A
South Africa JSE Index	116,688	-1.3	2.1	3.8	16.2	0.7	129,339	100,433	10.5
Turkey ISE 100 Index*	13,932	-4.8	1.8	0.4	28.7	23.7	15,205	10,054	2.7

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	0.9	2.3	14.9	22.6	75.2	67.2
US equities	0.5	0.2	2.3	13.7	19.8	76.6	75.8
Europe equities	-0.9	-0.1	4.4	11.2	21.1	65.0	52.4
Asia Pacific ex Japan equities	-1.3	2.9	-2.4	23.4	35.2	82.0	47.2
Japan equities	1.7	4.8	5.5	22.6	31.4	73.2	58.7
Latam equities	4.8	3.6	8.5	19.8	37.8	55.5	75.9
Emerging Markets equities	-1.1	3.3	-2.5	23.0	37.6	82.6	46.0

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. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index.
Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 04 September 2026.

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)	609	-0.2	-0.4	-0.4	1.4	0.1
JPM EMBI Global	1039.7	-0.2	0.1	-0.1	6.6	2.1
BarCap US Corporate Index (USD)	3524.1	-0.3	-0.5	-1.1	1.1	-0.6
BarCap Euro Corporate Index (Eur)	265.7	-0.3	-0.8	-0.6	0.7	0.0
BarCap Global High Yield (Hedged in USD)	711.6	-0.1	0.2	0.9	6.2	3.2
Markit iBoxx Asia ex-Japan Bond Index (USD)	244.6	-0.1	0.1	-0.1	2.7	0.9
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	298	-0.1	0.7	1.6	6.7	4.4

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 2025	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.16	1.16	1.15	1.16	1.16	1.17	1.21	1.13	0.4
GBP/USD	1.35	1.35	1.35	1.34	1.34	1.35	1.39	1.30	0.0
CHF/USD	1.24	1.24	1.24	1.27	1.24	1.26	1.32	1.22	0.2
CAD	1.38	1.39	1.41	1.39	1.38	1.37	1.42	1.35	0.8
JPY	156	160	158	160	148	157	164	145	2.4
AUD/USD	0.72	0.72	0.70	0.71	0.65	0.67	0.73	0.64	0.6
NZD/USD	0.59	0.59	0.59	0.59	0.58	0.58	0.61	0.56	-0.3
Asia									
HKD	7.84	7.84	7.84	7.83	7.80	7.78	7.85	7.77	0.0
CNY	6.72	6.73	6.75	6.77	7.14	6.99	7.14	6.72	0.2
INR	94.5	95.4	95.4	95.8	88.2	89.9	97.0	87.6	0.9
MYR	4.05	4.02	4.10	4.01	4.23	4.06	4.23	3.88	-0.5
KRW	1353	1375	1430	1532	1395	1440	1562	1352	1.6
TWD	31.7	31.6	32.5	31.5	30.7	31.4	32.5	30.0	-0.4
Latam									
BRL	5.11	5.19	5.13	5.06	5.45	5.47	5.61	4.88	1.6
COP	3142	3204	3196	3562	3987	3778	3986	3024	1.9
MXN	16.9	17.0	17.3	17.3	18.7	18.0	18.8	16.9	0.8
ARS	1508	1512	1496	1437	1363	1452	1515	1321	0.3
EEMEA									
RUB	86.7	85.8	80.6	73.4	81.3	78.8	88.0	70.0	-0.9
ZAR	16.0	16.2	16.4	16.3	17.8	16.6	17.8	15.6	1.2
TRY	48.4	48.2	47.5	46.0	41.2	43.0	48.4	41.2	-0.4

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2025	1-week basis point change*
US Treasury yields (%)							
3-Month	3.82	3.80	3.79	3.70	4.08	3.63	1
2-Year	4.33	4.34	4.19	4.04	3.59	3.47	-1
5-Year	4.51	4.48	4.33	4.18	3.65	3.73	3
10-Year	4.76	4.72	4.61	4.47	4.16	4.17	4
30-Year	5.24	5.21	5.17	4.97	4.85	4.84	3
10-year bond yields (%)							
Japan	2.90	2.92	2.84	2.66	1.59	2.06	-3
UK	5.13	5.06	4.90	4.90	4.72	4.48	7
Germany	3.34	3.28	3.11	3.02	2.72	2.85	6
France	4.20	4.13	3.88	3.67	3.49	3.56	8
Italy	4.16	4.10	3.86	3.77	3.57	3.55	6
Spain	3.78	3.73	3.53	3.45	3.30	3.29	5
China	1.68	1.70	1.71	1.71	1.76	1.86	-1
Australia	5.17	5.10	4.97	4.92	4.35	4.74	8
Canada	3.79	3.72	3.55	3.44	3.35	3.43	7

*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	4,473	0.4	9.7	0.0	26.1	3.6	5,595	3,540
Brent Oil	95.5	8.4	22.5	8.5	45.5	58.6	98	59
WTI Crude Oil	91.5	9.7	23.0	8.6	47.8	60.6	93	56
R/J CRB Futures Index	416.7	2.5	11.6	8.5	38.7	39.5	417	292
LME Copper	14,334	0.3	1.9	2.9	44.8	15.4	14,528	9,860

Past performance does not predict future returns. 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. Index returns assume reinvestment of all distributions and do not reflect fees or expenses. You cannot invest directly in an index.

Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 04 September 2026.

Important Information

For Professional Clients and intermediaries within countries and territories set out below; and for Institutional Investors and Financial Advisors in the US. This document should not be distributed to or relied upon by Retail clients/investors.

The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. The performance figures contained in this document relate to past performance, which should not be seen as an indication of future returns. Future returns will depend, inter alia, on market conditions, investment manager's skill, risk level and fees. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries and territories with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries and territories in which they trade.

The contents of this document may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose. All non-authorised reproduction or use of this document will be the responsibility of the user and may lead to legal proceedings. The material contained in this document is for general information purposes only and does not constitute advice or a recommendation to buy or sell investments. Some of the statements contained in this document may be considered forward looking statements which provide current expectations or forecasts of future events. Such forward looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. We do not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements. This document has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument in any jurisdiction in which such an offer is not lawful. The views and opinions expressed herein are those of HSBC Asset Management at the time of preparation and are subject to change at any time. These views may not necessarily indicate current portfolios' composition. Individual portfolios managed by HSBC Asset Management primarily reflect individual clients' objectives, risk preferences, time horizon, and market liquidity. Foreign and emerging markets: investments in foreign markets involve risks such as currency rate fluctuations, potential differences in accounting and taxation policies, as well as possible political, economic, and market risks. These risks are heightened for investments in emerging markets which are also subject to greater illiquidity and volatility than developed foreign markets. This commentary is for information purposes only. It is a marketing communication and does not constitute investment advice or a recommendation to any reader of this content to buy or sell investments nor should it be regarded as investment research. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination. This document is not contractually binding nor are we required to provide this to you by any legislative provision.

All data from HSBC Asset Management unless otherwise specified. Any third-party information has been obtained from sources we believe to be reliable, but which we have not independently verified.

HSBC Asset Management is the brand name for the asset management business of HSBC Group, which includes the investment activities that may be provided through our local regulated entities. HSBC Asset Management is a group of companies in many countries and territories throughout the world that are engaged in investment advisory and fund management activities, which are ultimately owned by HSBC Holdings Plc. (HSBC Group).

- In Australia, this document is issued by HSBC Bank Australia Limited ABN 48 006 434 162, AFSL 232595, for HSBC Global Asset Management (Hong Kong) Limited ARBN 132 834 149 and HSBC Global Asset Management (UK) Limited ARBN 633 929 718. This document is for institutional investors only and is not available for distribution to retail clients (as defined under the Corporations Act). HSBC Global Asset Management (Hong Kong) Limited and HSBC Global Asset Management (UK) Limited are exempt from the requirement to hold an Australian financial services license under the Corporations Act in respect of the financial services they provide. HSBC Global Asset Management (Hong Kong) Limited is regulated by the Securities and Futures Commission of Hong Kong under the Hong Kong laws, which differ from Australian laws. HSBC Global Asset Management (UK) Limited is regulated by the Financial Conduct Authority of the United Kingdom and, for the avoidance of doubt, includes the Financial Services Authority of the United Kingdom as it was previously known before 1 April 2013, under the laws of the United Kingdom, which differ from Australian laws;
- In Bermuda, this document is issued by HSBC Global Asset Management (Bermuda) Limited, of 37 Front Street, Hamilton, Bermuda which is licensed to conduct investment business by the Bermuda Monetary Authority;

- In France, Belgium, Netherlands, Luxembourg, Portugal, Greece, Finland, Norway, Denmark and Sweden this document is issued by HSBC Global Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026);
- In Germany, this document is issued by HSBC Global Asset Management (Deutschland) GmbH which is regulated by BaFin (German clients) respective by the Austrian Financial Market Supervision FMA (Austrian clients);
- In Hong Kong, this document is issued by HSBC Global Asset Management (Hong Kong) Limited, which is regulated by the Securities and Futures Commission. This content has not been reviewed by the Securities and Futures Commission;
- In India, this document is issued by HSBC Asset Management (India) Pvt Ltd. which is regulated by the Securities and Exchange Board of India;
- In Italy, this document is issued by HSBC Global Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026) and through the Italian branch of HSBC Global Asset Management (France), regulated by Banca d'Italia and Commissione Nazionale per le Società e la Borsa (Consob) in Italy;
- In Japan, this document is issued by HSBC Asset Management (Japan) Ltd (JRN 3010001124868), regulated by the Financial Services Agency;
- In Malta, this document is issued by HSBC Global Asset Management (Malta) Limited which is regulated and licensed to conduct Investment Services by the Malta Financial Services Authority under the Investment Services Act;
- In Mexico, this document is issued by HSBC Global Asset Management (Mexico), SA de CV, Sociedad Operadora de Fondos de Inversión, Grupo Financiero HSBC which is regulated by Comisión Nacional Bancaria y de Valores;
- In the United Arab Emirates, this document is issued by HSBC Investment Funds (Luxembourg) S.A. – Dubai Branch (Level 20, HSBC Tower, PO Box 66, Downtown Dubai, United Arab Emirates) regulated by the Capital Market Authority (CMA) in the UAE to conduct investment fund management, portfolios management, fund administration activities (CMA Category 2 license No.20200000336) and promotion activities (CMA Category 5 license No.20200000327).
- In the United Arab Emirates, this document is issued by HSBC Global Asset Management MENA, a unit within HSBC Bank Middle East Limited, U.A.E Branch, PO Box 66 Dubai, UAE, regulated by the Central Bank of the U.A.E. and the Capital Market Authority in the UAE under CMA license number 602004 for the purpose of this promotion and lead regulated by the Dubai Financial Services Authority. HSBC Bank Middle East Limited is a member of the HSBC Group and HSBC Global Asset Management MENA are marketing the relevant product only in a sub-distributing capacity on a principal-to-principal basis. HSBC Global Asset Management MENA may not be licensed under the laws of the recipient's country of residence and therefore may not be subject to supervision of the local regulator in the recipient's country of residence. One of more of the products and services of the manufacturer may not have been approved by or registered with the local regulator and the assets may be booked outside of the recipient's country of residence.
- In Singapore, this document is issued by HSBC Global Asset Management (Singapore) Limited, which is regulated by the Monetary Authority of Singapore. The content in the document/video has not been reviewed by the Monetary Authority of Singapore;
- In Switzerland, this document is issued by HSBC Global Asset Management (Switzerland) AG. This document is intended for professional investor use only. For opting in and opting out according to FinSA, please refer to our website; if you wish to change your client categorization, please inform us. HSBC Global Asset Management (Switzerland) AG having its registered office at Gartenstrasse 26, PO Box, CH-8002 Zurich has a licence as an asset manager of collective investment schemes and as a representative of foreign collective investment schemes. Disputes regarding legal claims between the Client and HSBC Global Asset Management (Switzerland) AG can be settled by an ombudsman in mediation proceedings. HSBC Global Asset Management (Switzerland) AG is affiliated to the ombudsman FINOS having its registered address at Talstrasse 20, 8001 Zurich. There are general risks associated with financial instruments, please refer to the Swiss Banking Association ("SBA") Brochure "Risks Involved in Trading in Financial Instruments";
- In Taiwan, this document is issued by HSBC Global Asset Management (Taiwan) Limited which is regulated by the Financial Supervisory Commission R.O.C. (Taiwan);
- In Turkiye, this document is issued by HSBC Asset Management A.S. Turkiye (AMTU) which is regulated by Capital Markets Board of Turkiye. Any information here is not intended to distribute in any jurisdiction where AMTU does not have a right to. Any views here should not be perceived as investment advice, product/service offer and/or promise of income. Information given here might not be suitable for all investors and investors should be giving their own independent decisions. The investment information, comments and advice given herein are not part of investment advice activity. Investment advice

services are provided by authorized institutions to persons and entities privately by considering their risk and return preferences, whereas the comments and advice included herein are of a general nature. Therefore, they may not fit your financial situation and risk and return preferences. For this reason, making an investment decision only by relying on the information given herein may not give rise to results that fit your expectations.

- In the UK, this document is issued by HSBC Global Asset Management (UK) Limited, which is authorised and regulated by the Financial Conduct Authority;

- In the US, this document is issued by HSBC Securities (USA) Inc., an HSBC broker dealer registered in the US with the Securities and Exchange Commission under the Securities Exchange Act of 1934. HSBC Securities (USA) Inc. is also a member of NYSE/FINRA/SIPC. HSBC Securities (USA) Inc. is not authorized by or registered with any other non-US regulatory authority. The contents of this document are confidential and may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose without prior written permission.

- In Chile, operations by HSBC's headquarters or other offices of this bank located abroad are not subject to Chilean inspections or regulations and are not covered by warranty of the Chilean state. Obtain information about the state guarantee to deposits at your bank or on www.cmfchile.cl;

- In Colombia, HSBC Bank USA NA has an authorized representative by the Superintendencia Financiera de Colombia (SFC) whereby its activities conform to the General Legal Financial System. SFC has not reviewed the information provided to the investor. This document is for the exclusive use of institutional investors in Colombia and is not for public distribution;

- In Costa Rica, the Fund and any other products or services referenced in this document are not registered with the Superintendencia General de Valores (“SUGEVAL”) and no regulator or government authority has reviewed this document, or the merits of the products and services referenced herein. This document is directed at and intended for institutional investors only.

- In Peru, HSBC Bank USA NA has an authorized representative by the Superintendencia de Banca y Seguros in Perú whereby its activities conform to the General Legal Financial System - Law No. 26702. Funds have not been registered before the Superintendencia del Mercado de Valores (SMV) and are being placed by means of a private offer. SMV has not reviewed the information provided to the investor. This document is for the exclusive use of institutional investors in Perú and is not for public distribution;

- In Uruguay, operations by HSBC's headquarters or other offices of this bank located abroad are not subject to Uruguayan inspections or regulations and are not covered by warranty of the Uruguayan state. Further information may be obtained about the state guarantee to deposits at your bank or on www.bcu.gub.uy.

Content ID: D077628_V1.0 ; Expiry Date: 04.03.2027