HSBC

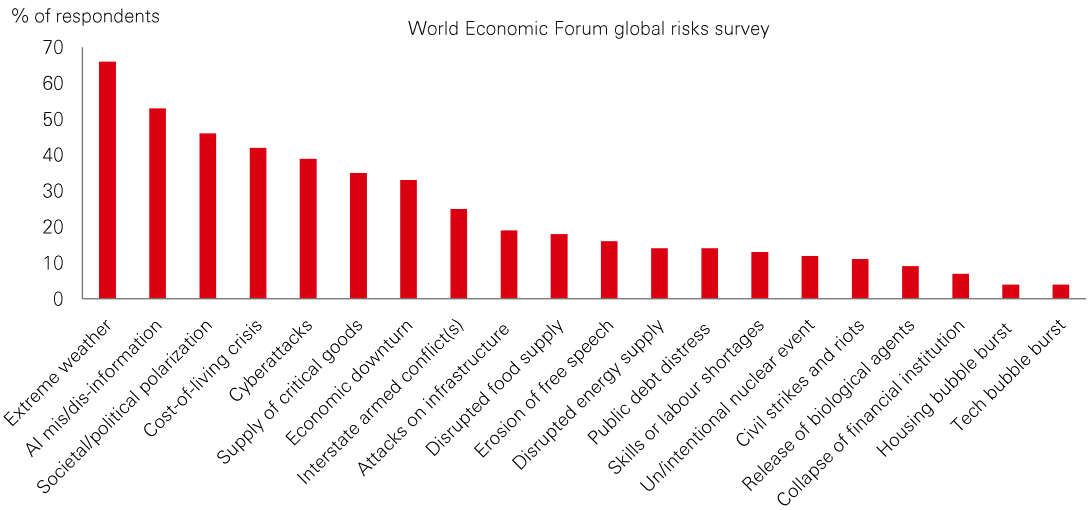
Asset Management

Investment Weekly

19 January 2024

For professional client and institutional investor use only

Chart of the week – The biggest risks in 2024



Switzerland's snow-covered peaks were an idyllic setting for the World Economic Forum in Davos this week - but the global macro backdrop to those discussions was much more inclement.

In its annual Global Risk Survey, WEF found that some of the biggest perceived risks to global stability this year are linked to geopolitical tensions. AI-generated misinformation, societal and political polarization, and armed conflict are among the main concerns. So too, are climate change and cyber insecurity.

It's worth noting that these surveys sometimes over-emphasise recent events at the expense of bigger problems elsewhere. For example, they only put low weight on 'infectious disease' risk in January 2020, and on 'inflation surge' in January 2022. It's a reminder that events and 'black swans' will always be there to surprise investors.

The current crop of perceived risks echo our own view that a new paradigm is emerging and bringing with it a very different economic environment to what we've been used to for much of the 2010s. It is being driven by an increasingly multi-polar world where fiscal policies and climate change will dominate – and mean that 2% inflation becomes a floor rather than a ceiling. The risks highlighted in the WEF report also reaffirm that the current set-up of macro, policy, and geopolitical uncertainty looks particularly difficult for investors to navigate.

Market Sentiment →

Why volatility indicators signal market confidence

China Policy →

China's new plans to support its silver economy

2024 Forecasts →

A cautious view of index expectations this year

Market Spotlight

In search of new diversifiers

Will stock/bond correlations stay high in 2024? It's a popular question from global investors. And no wonder, short run correlations are at their most positive since the 1990s. Usually, stocks and bonds move together when the source of volatility is inflation. But as the global disinflation process continues in 2024, growth volatility is set to become more important again.

That should mean a lower stock/bond correlation – good news for investors. But the long run stock/bond correlation is around zero. And, in our Investment Outlook, we argue that the future inflation profile will be somewhat higher and spikier, compared to how it was in the 2010s.

It means duration is no longer a silver bullet for portfolio diversification. And, from time to time, it might be unreliable. The search for new diversifiers is on. That includes new asset classes – such as hedge funds and private credit. It also includes a greater portfolio role for countries, especially in emerging and frontier markets, which are increasingly going their own way. And don't forget the important role for factor investing and thematics – both of which can be important too.

Find out more in our Investment Outlook for 2024

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

Source: HSBC Asset Management. Macrobond, Bloomberg, World Economic Forum Global Risks Report 2024. Data as at 11am UK time 19 January 2024.

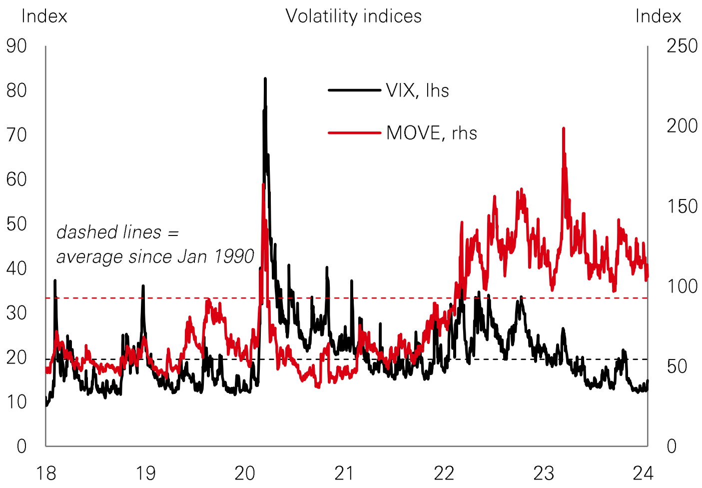
Lens on…

Rock bottom equity volatility

Coinciding with the 'rally in everything' that began in late October, equity market volatility as measured the by VIX index collapsed. On 12 December the index hit 12.07, the lowest reading since just before the Covid shock unfolded in 2020. This reflected investor enthusiasm over policy rate cuts and the market discounted scenario of an economic soft landing and ongoing immaculate disinflation.

January has seen investors scale back expectations of rapid policy easing. This week saw December UK CPI and US retail sales both surprise to the upside, while ECB President Lagarde signalled spring cuts as unlikely. The MOVE index of Treasury market volatility – more sensitive to macro uncertainty – remains elevated, while the VIX breached 15 for the first time since early November.

Despite these moves, the VIX index remains comfortably below its long-term average (since 1990) of just below 20. This implies a significant degree of good news is still discounted by the market, and potential hypersensitivity to macroeconomic and corporate earnings disappointments or geopolitical shocks.

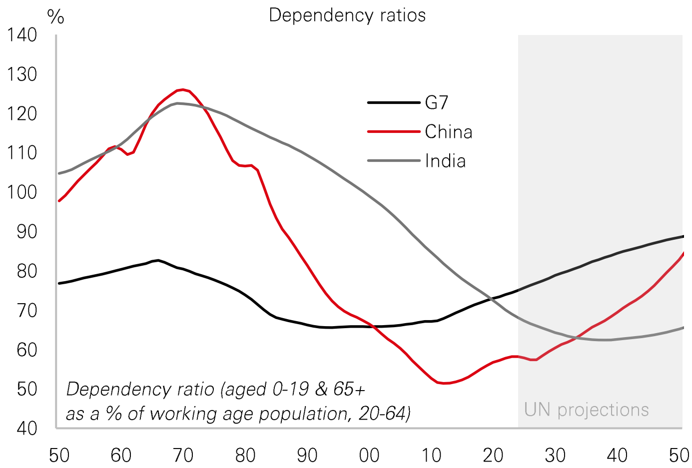


China sets its sights on the silver economy

China said this week that it's looking at ways of strengthening its "silver economy" as it addresses the challenges of its ageing population. A paper issued by the State Council outlined a range of measures to support older citizens, including improved food and health care services, elderly care institutions and support for new industrial parks and new business models.

Policy moves like this are increasingly seen as essential if China is to ease its economic dependence on property and construction-related sectors. From an investment perspective, it fits with some key long-term themes for China, including common prosperity, digitalization, and the green economy.

Our Asia specialists point to the potential for China's silver economy to develop into a major source of demand in the medium-to-longer term, creating business and market opportunities. They range from nursing and housekeeping robotics to biotechnologies and new financial services products designed for senior citizens.



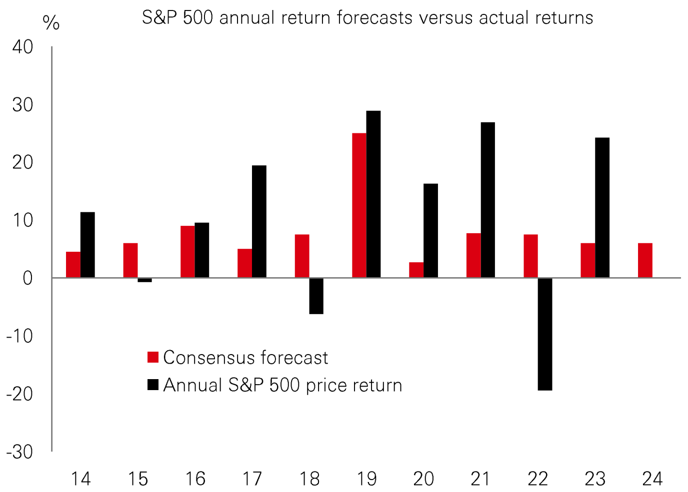
Knowing what you know

The economist John Kenneth Galbraith once observed: "There are two kinds of forecasters: those who don't know, and those who don't know they don't know."

While many would rightly disagree, it's true that some forecasts are more error-prone than others. One with a particularly suspect track record is the annual January ritual for strategists and analysts to predict index returns for the year ahead.

Last year, a late surge in the S&P 500 left annual consensus expectations of 6% in the dust, with the index finishing up 24%. That wasn't unusual. Full-year forecasts for S&P returns have consistently missed the mark over the past decade – often by a wide margin.

This year, the consensus view is again at +6%. The bear case is that last year's blistering bull run has left little space for outperformance in 2024. And with the "easy wins" in the inflation battle over, rate cuts may take a while to materialise. For the bulls, there's the prospect of expected calendar year earnings growth of 11%, with the US economy continuing to prove resilient.



Past performance does not predict future returns.

Source: HSBC Asset Management. Macrobond, Bloomberg, Refinitiv, UN, CNBC, CNN, Forbes, Morningstar, Reuters, USA Today. Data as at 11am UK time 19 January 2024.

Asset class views

We continue to argue for a 'defensive growth' portfolio positioning, with a preference for selective areas of global fixed income. Our central scenario is consistent with a "problem of interest" for risk assets over the next 12 months. Inflation and interest rates are likely to remain elevated and fiscal policies are likely to have a more influential role in the direction of global economies than they have since the global financial crisis.

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 asset allocation remains appropriate against a backdrop of elevated recession risk and market pricing which is consistent with a "soft landing" outcome in major developed markets
	Duration	🟥🟥🟥⬜⬜⬜⬛🟩🟩	After a sell-off in longer dated bonds in 2023, yields have eased back from their highs as markets begin to anticipate a timetable for rate cuts. A valuation reset and improved term premium mean that duration is being rewarded again
	Emerging Markets	🟥🟥🟥⬜⬜⬜⬛🟩🟩	Disinflationary trends are continuing to play out with many EM central banks likely to begin or continue cutting rates in early 2024. This supports the EM fixed income outlook. Sticky inflation and growth concerns remain the major risks
Bonds	10yr US Treasuries	🟥🟥🟥⬜⬜⬜⬛🟩🟩	Ten-year yields are likely to fall and the yield curve gradually steepen through 2024 as the Fed moves towards rate cuts. Resilient labour markets and sticky inflation have driven a narrative of higher-for-longer rates, but expectations are now shifting towards a timetable of policy easing
	Asia Local Bonds	🟥🟥🟥⬜⬜⬜⬛🟩🟩	Asia's more resilient growth impulse should be supportive. As core inflation moderates further, most central banks may have room for rate cuts in H2 2024 following a potential Fed policy easing, though bonds could stay volatile in the short run alongside moves in Treasury yields
	China Bonds	🟥🟥🟥⬜⬜⬜⬛🟩🟩	More proactive liquidity support from policymakers is likely, in addition to the already accommodative monetary backdrop. Although long-term diversification benefits remain intact, strong primary supply could limit the upside in the medium term
Credits	Global Credit	🟥🟥🟥⬜⬜⬛🟩🟩🟩	Credit spreads can widen as the economic cycle deteriorates and the risk of defaults increases. Nevertheless, amid stable corporate balance sheets, there are good income opportunities
	EM Corporate Bonds	🟥🟥🟥⬜⬜⬜⬛🟩🟩	EM sovereigns and EM corporates are at an inflection point after a dramatic improvement in EM creditworthiness. IMF-driven fiscal improvements and improved debt-GDP profile bode well for EM corporates, which have superior underlying quality, ratings momentum, and net issuance scarcity
	Asia IG	🟥🟥🟥⬜⬜⬛🟩🟩🟩	Disinflation with resilient growth is good for carry strategies like Asia IG with manageable default risks and improving macro fundamentals. Targeted fiscal and macro-prudential support by Chinese authorities for strategic priorities is a positive
	EMD Hard Currency Bonds	🟥🟥🟥⬜⬜⬛🟩🟩🟩	The technical environment is strong, with sovereigns expected to underperform corporates given the ongoing supply from governments compared to more prudence from EM corporate borrowers. Downside risks exist as deteriorating US economic data weighs on default risk pricing globally
Equities	DM Equities	🟥🟥⬛⬜⬜⬜🟩🟩🟩	There is continued scope for near-term gains given economic resilience, but recession risks remain. Valuations look slightly stretched in the US, while activity is sluggish in the eurozone and Asia. Equities in Japan look interesting in the context of a more robust earnings outlook
	EM Equities	🟥🟥🟥⬜⬜⬛🟩🟩🟩	EM risk premiums generally look generous, and the growth outlook is a relative bright spot in a global context. However, China's cyclical outlook is concerning and consistent with a more cautious view of EM overall. Policy support in China has increased, but more is needed
	Asia ex Japan	🟥🟥🟥⬜⬜⬜⬛🟩🟩	Macro uncertainties, geopolitics, margin erosion, and earnings downgrades remain key risks, but more policy rollouts in China to sustain growth momentum and less aggressive tightening by Asian central banks may offer some support. Dispersion in regional markets remains likely
Alternatives	Global Private Equity	🟥🟥🟥⬜⬛⬜🟩🟩🟩	As tighter financial conditions raise the cost of leverage, PE funds may face challenges in delivering as strong returns. However, the possibility of recession can create good entry points for longer-term investors. The investment case is about alpha, not beta
	Global Real Estate	🟥🟥🟥⬜⬜⬜⬛🟩🟩	Occupier fundamentals have been resilient. Sectors like logistics benefit from embedded rental growth, healthy occupier demand and thematic tailwinds. While office fundamentals are deteriorating, best in class offices post healthy rental growth
	Infrastructure Debt	🟥🟥🟥⬜⬜⬜⬛🟩🟩	Infrastructure debt offers better expected returns than global credits, with lower spread volatility during recessionary periods. In the event of a recession, infrastructure equity's defensive attributes are beneficial, with thematic drivers coming from 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.

Source: HSBC Asset Management. Data as at 11am UK time 19 January 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Monday 15 Jan.	EZ	Industrial Production (mom)	Nov	-0.3%	-0.7%	The euro area corporate sector remains in difficulty, particularly Germany
	SWI	World Economic Forum in Davos Switzerland, with this year's theme "Rebuilding Trust"				
	US	US markets closed for Martin Luther King Jr. Holiday				
Tuesday 16 Jan.	GE	Zew Expectation of Economic Growth	Jan	15.2	12.8	Business sentiment indicators in Germany have stabilised recently but remain low
Wednesday 17 Jan.	CN	GDP (yoy)	Q4	5.2%	4.9%	GDP growth slowed sequentially in Q4, with the full year number above target amid an uneven recovery and weak housing market
	CN	Retail Sales (yoy)	Dec	7.4%	10.1%	Retail sales showed decent growth on services demand, but weak household sentiment is likely to drag down sequential momentum
	CN	Industrial Production (yoy)	Dec	6.8%	6.6%	The manufacturing sector continues to expand, led by auto makers, but more targeted measures are needed to weather challenges
	UK	CPI (yoy)	Dec	4.0%	3.9%	
	US	Retail Sales Advance (mom)	Dec	0.6%	0.3%	Household spending remains resilient but should soften in coming months on stronger headwinds
	US	Industrial Production (mom)	Dec	0.1%	0.0%	The corporate sector remains in a cautious mode, auto sector output is normalising after the end of the recent UAW strike
Thursday 18 Jan.	US	Housing Starts (mom)	Dec	-4.3%	10.8%	US housing starts have remained relatively high, aided by the recent decline in mortgage rates
Friday 19 January	JP	National CPI ex Fresh Food, Energy (yoy)	Dec	3.7%	3.8%	Core inflation has eased recently, driven by ongoing disinflation in the goods sector. Core services inflation remains firm
	US	Uni. of Michigan Consumer Sentiment	Jan P	-	69.7	The University of Michigan's consumer confidence measure has improved recently as inflation concerns have ebbed

P – Preliminary, Q – Quarter, F – Final EZ- Eurozone, GE – Germany, CN – China, SWI - Switzerland

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Tuesday 23 January	JP	Bank of Japan Interest Rate Decision	Jan	-0.1%	-0.1%	BoJ governor Ueda's latest dovish comments point to no early shift from the negative rate regime. Little change is envisaged in medium-term inflation projections, keeping the BoJ in a cautious mode for now
Wednesday 24 Jan.	EZ	S&P Global Composite PMI	Jan P	48.0	47.6	Eurozone business confidence looks set to remain in the doldrums, pointing to continued stagnation in early 2024
	UK	S&P Global Composite PMI	Jan P	52.6	52.1	
	CA	Bank of Canada Interest Rate Decision	Jan	5.0%	5.0%	Continued price pressures suggest the central bank will remain on hold near-term
	US	S&P Global Composite PMI	Jan P	-	50.9	Manufacturing sentiment remains in negative territory whilst confidence in the service sector is relatively sanguine
Thursday 25 Jan.	SA	Reserve Bank Interest Rate Decision	Jan	8.25%	8.25%	The central bank looks in no hurry to cut rates despite signs that inflation is stabilising
	GE	Ifo Business Climate Index	Jan	86.7	86.4	
	EZ	ECB Interest Rate Decision	Jan	4.0%	4.0%	Recent ECB comments have leaned against "premature" rate cuts. ECB president Lagarde should welcome favourable inflation news but remain concerned about continued strong wage growth
	US	GDP (qoq annualised)	Q4	1.9%	4.9%	Solid consumer spending looks set to support Q4 GDP, business investment is expected to soften
	US	Durable Goods Orders (mom)	Dec P	1.0%	5.4%	
Friday 26 January	US	PCE Core (yoy)	Dec	3.0%	3.2%	The core PCE deflator is predicted to moderate further, heading towards the Fed's 2% medium-term target
	BR	IBGE Inflation IPCA-15 (yoy)	Jan	-	4.7%	Headline inflation should maintain its gradual decline near-term, keeping the central bank in easing mode

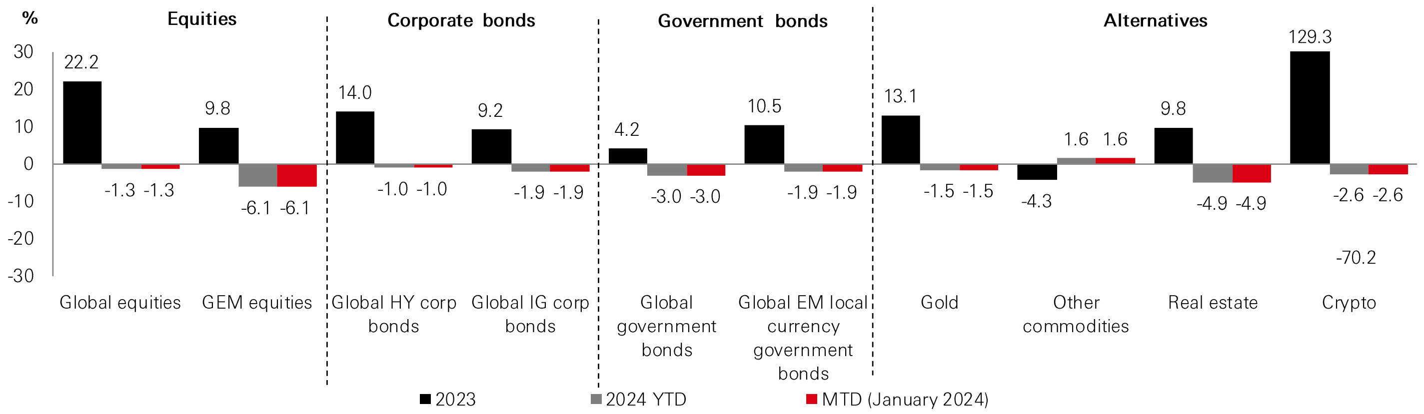
P – Preliminary, Q – Quarter, F – Final
EZ- Eurozone, JP – Japan, BR – Brazil, CA– Canada, SA – South Africa, GE – Germany

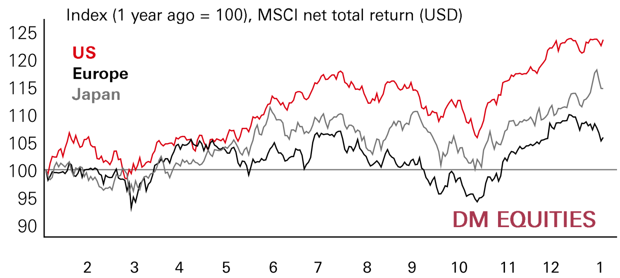
Source: HSBC Asset Management. Data as at 11am UK time 19 January 2024.

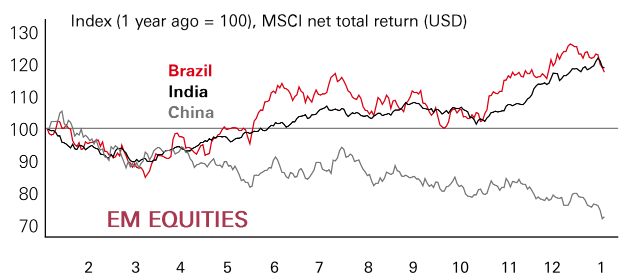
This week

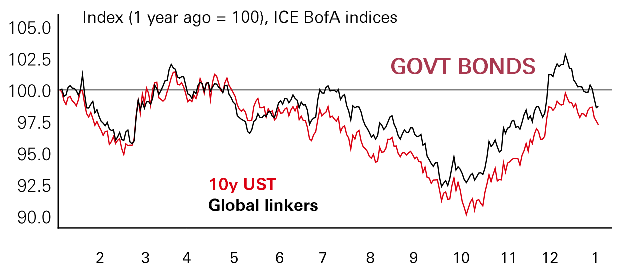
Global equity markets were mixed as they digested Fed governor Waller's latest speech, which pushed back on expectations for rapid US rate cuts. Recent ECB comments have also leaned against "premature" easing. Core government bonds weakened as the US dollar firmed. The S&P 500 was steady, with the Nasdaq outperforming on renewed tech optimism. In contrast, the interest rate sensitive Russell 2000 maintained its recent losing streak. The Euro Stoxx 50 index was range-bound whilst Japan's Nikkei consolidated after recent gains, supported by the weaker yen ahead of an upcoming BoJ meeting. The MSCI EM equity index continued to weaken, led by China: the Shanghai Composite dropped to its lowest level since May 2020 amid ongoing concerns about the Chinese economy. In commodities, Brent crude moved higher, supported by continued geopolitical concerns.

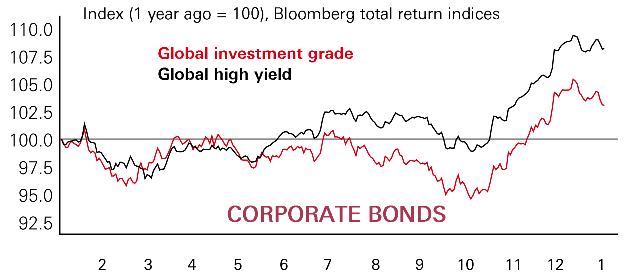
Selected asset performance

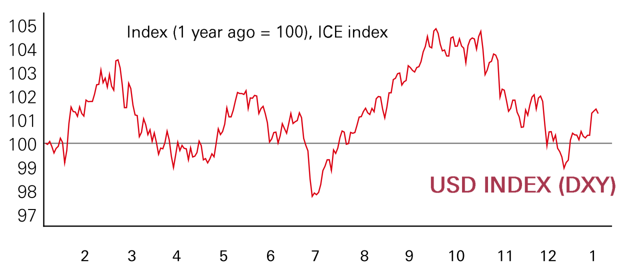


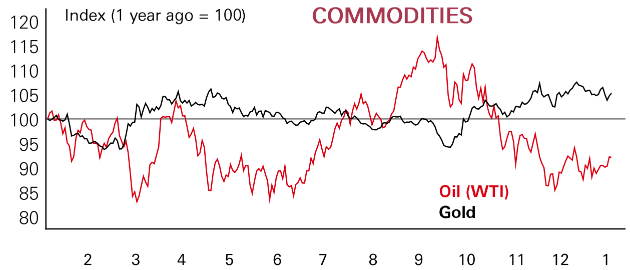












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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 19 January 2024.

Market data

Equity Indices	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low	Fwd P/E (X)
World									
MSCI AC World Index (USD)	717	-1.1	-0.7	10.4	14.3	-1.4	730	607	16.8
North America									
US Dow Jones Industrial Average	37,469	-0.3	-0.2	12.1	13.4	-0.6	37,825	31,430	17.9
US S&P 500 Index	4,781	-0.1	0.3	11.8	22.6	0.2	4,802	3,809	20.2
US NASDAQ Composite Index	15,056	0.6	0.3	14.2	38.7	0.3	15,150	10,805	27.7
Canada S&P/TSX Composite Index	20,757	-1.1	-0.4	7.3	2.0	-1.0	21,141	18,692	13.9
Europe									
MSCI AC Europe (USD)	515	-2.3	-2.5	9.6	5.2	-3.4	538	459	12.6
Euro STOXX 50 Index	4,470	-0.2	-1.4	9.3	9.2	-1.1	4,593	3,981	12.2
UK FTSE 100 Index	7,491	-1.8	-1.9	-0.1	-3.3	-3.1	8,047	7,207	10.7
Germany DAX Index*	16,626	-0.5	-0.7	10.5	11.4	-0.8	17,003	14,458	11.4
France CAC-40 Index	7,415	-0.7	-2.1	7.1	6.7	-1.7	7,654	6,774	12.3
Spain IBEX 35 Index	9,896	-2.0	-2.1	8.2	12.5	-2.0	10,301	8,501	10.2
Italy FTSE MIB Index	30,459	0.0	0.3	9.8	19.0	0.4	30,864	24,751	8.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	493	-3.7	-4.2	2.3	-9.6	-6.8	563	469	12.5
Japan Nikkei-225 Stock Average	35,963	1.1	8.3	14.4	36.2	7.5	36,239	26,321	21.6
Australian Stock Exchange 200	7,421	-1.0	-0.9	6.3	-0.2	-2.2	7,633	6,751	16.2
Hong Kong Hang Seng Index	15,309	-5.8	-7.2	-11.5	-29.3	-10.2	22,701	15,184	7.3
Shanghai Stock Exchange Composite Index	2,832	-1.7	-3.4	-5.8	-12.6	-4.8	3,419	2,761	9.6
Hang Seng China Enterprises Index	5,127	-6.5	-8.3	-13.5	-29.9	-11.1	7,774	5,088	6.4
Taiwan TAIEX Index	17,682	1.0	0.6	7.5	18.4	-1.4	17,957	14,885	16.0
Korea KOSPI Index	2,473	-2.1	-3.7	2.4	3.9	-6.9	2,676	2,274	9.5
India SENSEX 30 Index	71,683	-1.2	0.3	9.2	17.8	-0.8	73,428	57,085	22.6
Indonesia Jakarta Stock Price Index	7,227	-0.2	0.6	5.6	6.0	-0.6	7,404	6,543	1.8
Malaysia Kuala Lumpur Composite Index	1,486	-0.1	1.4	3.0	-0.7	2.2	1,504	1,369	13.3
Philippines Stock Exchange PSE Index	6,504	-2.1	-0.3	4.6	-7.9	0.8	7,138	5,920	11.2
Singapore FTSE Straits Times Index	3,152	-1.2	1.1	1.7	-3.8	-2.7	3,408	3,042	10.2
Thailand SET Index	1,383	-2.2	-0.9	-2.8	-18.1	-2.4	1,694	1,355	14.2
Latam									
Argentina Merval Index	1,133,638	9.7	24.0	48.4	382.0	21.9	1,159,543	207,676	10.9
Brazil Bovespa Index*	127,316	-2.8	-3.4	11.7	12.7	-5.1	134,392	96,997	7.7
Chile IPSA Index	5,868	-1.7	-3.2	2.7	12.7	-5.3	6,449	5,097	9.8
Colombia COLCAP Index	1,276	-1.1	9.1	13.4	-4.2	6.8	1,343	1,045	6.7
Mexico S&P/BMV IPC Index	54,708	-1.6	-5.2	12.1	2.5	-4.7	58,338	47,765	12.5
EEMEA									
Russia MOEX Index	3,166	-0.6	2.7	-2.7	46.0	2.2	3,287	2,141	N/A
South Africa JSE Index	72,757	-2.0	-2.8	2.5	-8.5	-5.4	81,338	69,128	9.5
Turkey ISE 100 Index*	7,973	-0.2	3.2	2.6	47.0	6.7	8,563	4,311	4.8

*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	-0.6	10.8	-1.3	16.3	14.0	61.7
US equities	-0.1	0.2	12.3	0.1	24.5	26.7	90.1
Europe equities	-2.3	-2.4	9.9	-3.3	8.1	10.2	38.3
Asia Pacific ex Japan equities	-3.7	-4.0	2.7	-6.8	-7.2	-25.2	11.8
Japan equities	-2.4	4.1	12.1	0.8	16.1	0.2	34.7
Latam equities	-4.2	-5.2	15.3	-6.4	16.4	23.0	12.6
Emerging Markets equities	-3.5	-3.6	3.7	-6.1	-4.0	-24.9	6.8

All total returns quoted in USD terms and subject to one-day lag.
Data sourced from MSCI AC World Total Return Index, MSCI USA Total Return Index, MSCI AC Europe Total Return Index, MSCI AC Asia Pacific ex Japan Total Return Index, MSCI Japan Total Return Index, MSCI Emerging Latin America Total Return Index, and MSCI Emerging Markets Total Return Index
Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

Past performance does not predict future returns.
Source: HSBC Asset Management. Bloomberg. Data as at 11am UK time 19 January 2024.

Market data

Bond indices - Total Return	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
BarCap GlobalAgg (Hedged in USD)	555	-0.8	-0.6	6.2	3.1	-1.1
JPM EMBI Global	832.3	-1.0	-1.4	9.9	4.6	-1.9
BarCap US Corporate Index (USD)	3177.6	-1.1	-0.7	9.8	2.8	-1.3
BarCap Euro Corporate Index (Eur)	243.5	-0.6	-0.8	5.0	4.1	-1.1
BarCap Global High Yield (Hedged in USD)	562.8	-0.5	0.1	8.8	9.0	-0.6
Markit iBoxx Asia ex-Japan Bond Index (USD)	212.8	-0.5	0.0	6.1	3.0	-0.4
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	233	-0.1	2.3	9.3	-1.7	1.6

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

Currencies (vs USD)	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.09	1.10	1.10	1.06	1.08	1.10	1.13	1.04	-0.6
GBP/USD	1.27	1.28	1.27	1.21	1.24	1.27	1.31	1.18	-0.6
CHF/USD	1.15	1.17	1.16	1.12	1.09	1.19	1.20	1.06	-1.9
CAD	1.35	1.34	1.33	1.37	1.35	1.32	1.39	1.31	-0.4
JPY	148	145	144	150	128	141	152	128	-2.2
AUD/USD	0.66	0.67	0.68	0.63	0.69	0.68	0.72	0.63	-1.3
NZD/USD	0.61	0.62	0.63	0.58	0.64	0.63	0.65	0.58	-2.0
Asia									
HKD	7.82	7.82	7.80	7.82	7.83	7.81	7.85	7.79	0.0
CNY	7.19	7.17	7.12	7.31	6.78	7.10	7.35	6.71	-0.3
INR	83.1	82.9	83.2	83.2	81.4	83.2	83.5	80.9	-0.2
MYR	4.72	4.65	4.68	4.77	4.31	4.59	4.79	4.23	-1.5
KRW	1339	1314	1308	1358	1233	1291	1364	1216	-1.9
TWD	31.4	31.1	31.4	32.4	30.3	30.6	32.5	29.6	-0.9
Latam									
BRL	4.93	4.85	4.86	5.06	5.18	4.85	5.34	4.70	-1.5
COP	3916	3911	3934	4240	4671	3875	4994	3806	-0.1
MXN	17.1	16.9	17.1	18.3	19.0	17.0	19.3	16.6	-1.6
ARS	819	816	803	350	183	808	819	183	-0.4
EEMEA									
RUB	88.3	88.4	90.5	96.8	69.3	89.5	102.4	67.5	0.1
ZAR	19.0	18.7	18.3	19.0	17.3	18.4	19.9	16.9	-1.8
TRY	30.2	30.1	29.1	28.0	18.8	29.5	30.2	18.4	-0.4

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2023	1-week basis point change*
US Treasury yields (%)							
3-Month	5.36	5.35	5.36	5.47	4.64	5.33	0
2-Year	4.36	4.14	4.44	5.16	4.13	4.25	21
5-Year	4.04	3.83	3.93	4.96	3.48	3.85	21
10-Year	4.13	3.94	3.93	4.99	3.39	3.88	19
30-Year	4.35	4.18	4.04	5.11	3.56	4.03	18
10-year bond yields (%)							
Japan	0.66	0.59	0.63	0.84	0.42	0.61	7
UK	3.88	3.79	3.65	4.67	3.27	3.53	9
Germany	2.31	2.18	2.02	2.93	2.06	2.02	13
France	2.80	2.68	2.52	3.55	2.48	2.56	13
Italy	3.84	3.73	3.63	4.94	3.77	3.69	12
Spain	3.22	3.09	2.95	4.04	2.99	2.98	13
China	2.50	2.52	2.63	2.72	2.91	2.56	-2
Australia	4.29	4.07	4.11	4.78	3.32	3.96	22
Canada	3.48	3.22	3.14	4.20	2.75	3.11	26

*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	2,032	-0.8	-0.4	2.9	5.2	-1.5	2,135	1,805
Brent Oil	79.0	0.9	-0.4	-11.1	-2.9	2.6	91	69
WTI Crude Oil	74.1	1.9	0.2	-13.6	-3.9	3.4	88	64
R/J CRB Futures Index	265.5	0.4	-0.8	-7.6	-4.0	0.6	290	254
LME Copper	8,360	0.3	-2.7	4.6	-10.2	-2.3	9,439	7,856

Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future.
Source: HSBC Asset Management. Bloomberg. Data as at 11am UK time 19 January 2024.

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