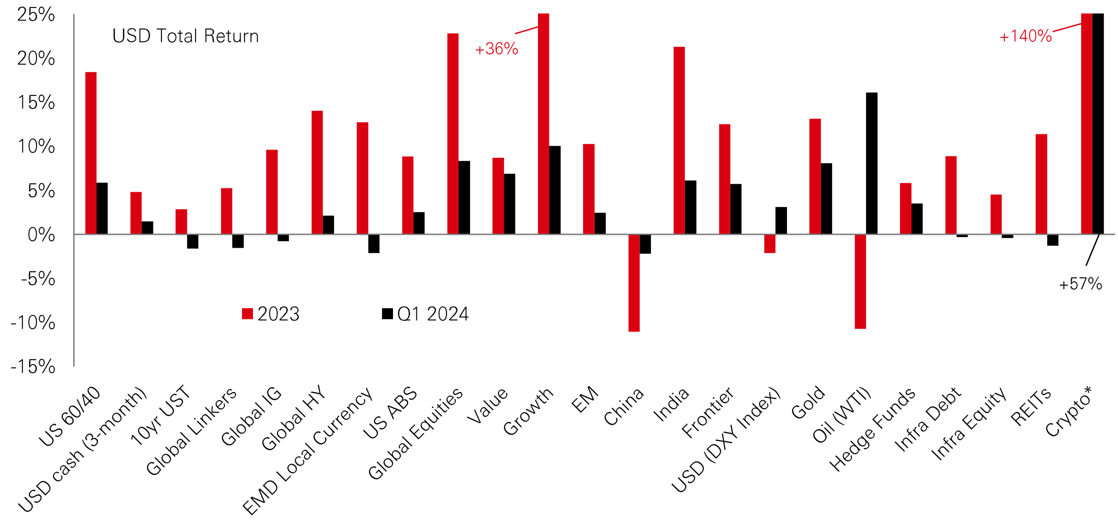
HSBC Asset Management

Investment Weekly

05 April 2024
For Professional Clients only.

Chart of the week – Looking back at markets in Q1



Q1 was a good quarter for stocks, but a tougher one for government bonds. Growing animal spirits boosted risk assets, as economic data remained broadly consistent with a soft-landing scenario. Corporate profits came in better-than-expected, with strong tech sector results and AI enthusiasm keeping quality growth stocks ahead of the pack. Crypto rallied hard, credit spreads moved to multi-year tights, and oil prices rose. And although the market priced out a number of 2024 rate cuts, central bankers are still eyeing a summer policy pivot, helping to buoy risk appetite.

Risk-on sentiment helped EM stocks. As in 2023, returns were dispersed across regions. Frontier stocks continued to perform, extending last year's trend. India continued to outpace China, as investors digested China's economic challenges and India's strong activity data. But, in a change of fortunes, Asia outperformed both Latam and EMEA.

Meanwhile, government bonds struggled as economic resilience and signs of inflation persistence pushed out the timing of rate cuts. This supported the US dollar and gold, with the yellow metal still finding support from diversification efforts by central bank reserve managers.

In the near-term, there's no obvious macro event that will derail the bull market; risk-off catalysts are likely more behavioural. Further out, amid elevated geopolitical uncertainty and restrictive policy settings, there are still risks the soft-landing morphs into something less benign. The profits and default scenario embedded in market pricing looks optimistic. Even if growth isn't about to crumble, we would like to see higher risk premiums versus what is currently available. And **we see better opportunities outside the US, especially in the EM and Frontier space**.

Market Spotlight

Venturing into Venture Capital

The venture capital (VC) market endured significant turbulence in 2023, including a challenging fundraising environment, the failure of Silicon Valley Bank and limited exit market activity. Valuations have also been falling with many companies experiencing 'down rounds' where a firm raises capital at one valuation, and the next time they raise cash, it's at a lower valuation. In the US, for example, 14.2% of deals were 'down rounds' in 2023 – the highest proportion since 2017.

Despite this, we believe that it is possible to be proactive as an investor, targeting parts of the market that are likely to be better protected and experiencing rising demand. Climate tech is one such area. Policy tailwinds provide a long-term path towards innovation as a means hitting climate goals. Climate-focused technologies, such as electric vehicles, are also increasingly becoming a part of daily lives.

More generally, we believe a focus on early-stage investments will help reduce dependence on initial public offerings (IPOs) as a future exit route, leading to some protection from the volatile IPO market.

Equity Factors →

What's the outlook for growth versus value?

Fed Outlook →

Why investors may be too hawkish on their Fed view

Credit Markets →

Why overall credit yields are helping to maintain inflows

Discover more in Why alternatives are still relevant

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.

Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 05 April 2024. * Crypto is represented by Bloomberg Galaxy index

Lens on…

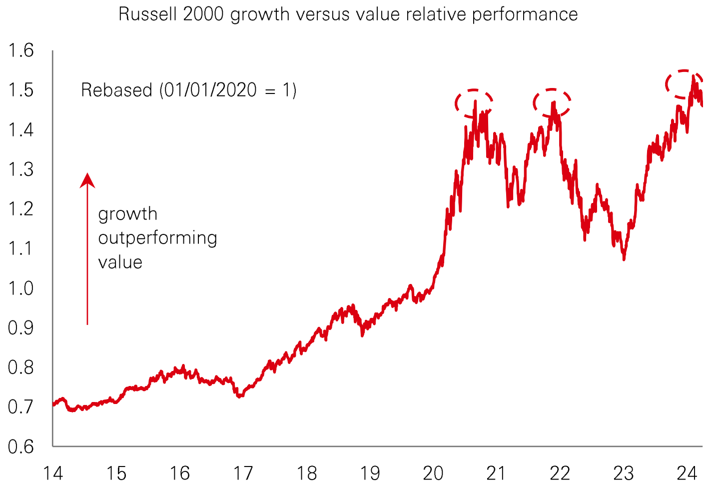
A growth/value 'triple top'

Technical analysts are on high alert with a 'triple top' formation between growth and value stock prices. Can growth stocks break this 'resistance', and keep on winning?

Stock market performance has broadened out in recent weeks, with value holding its own. That's because investors have high confidence in the economic soft landing. Laggard sectors, like materials or industrials, should catch-up. Value stocks look cheap too, trading at a big discount to growth on standard metrics. And, after serial outperformance, growth could be due for profit taking.

On the other hand, if global activity deteriorates, growth stocks are the natural beneficiaries. Their profits are less exposed to macro downturns. Plus, falling bond yields should favour longer duration stocks, like growth companies.

Beyond the cyclical time frame, much will depend on where interest rates finally settle. If we are right, that the economy is heading for a 'new paradigm' of somewhat higher interest rates, that should favour value. For now, like the technical analysts, we'll be watching price action closely.

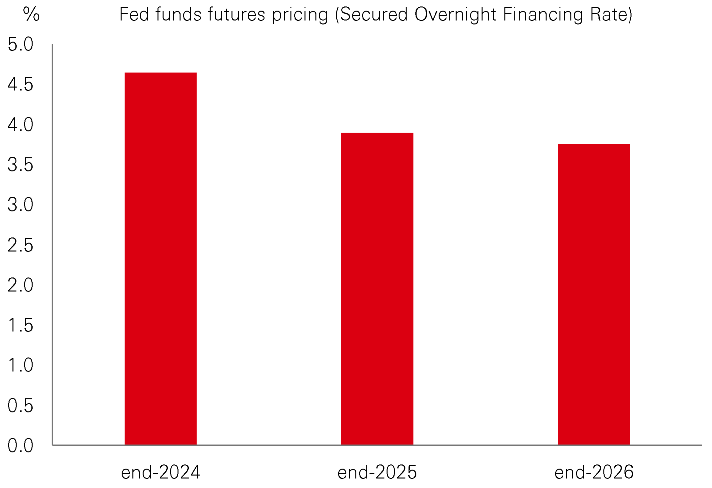


Are markets too hawkish on the Fed outlook?

When discussing the Fed outlook, investors' common question is: *'what if the Fed doesn't cut rates this year?'*. What's implicit here is little concern over disappointing growth outcomes later this year. Market pricing echoes this, at one point this week pencilling-in fewer than the three rate cuts the Fed itself expects. This means downside growth surprises could result in a meaningful pickup in volatility.

However, more importantly, the main argument given for the Fed not cutting this year is that inflation proves to be sticky, reflecting continued strong demand. This is a reasonable concern and probably the main risk to our central 'soft-ish' landing scenario. But what does it mean for 2025 and beyond?

Arguably, **tighter-for-longer policy in the near term increases the risk of a hard landing for the economy further down the road** (and significant rate cuts). Market pricing for Fed funds of around 4.00% at end-2025 and 3.75% by end-2026, therefore, simultaneously appears to be putting a low weight both on downside growth risks and upside inflation risks over the remainder of 2024.

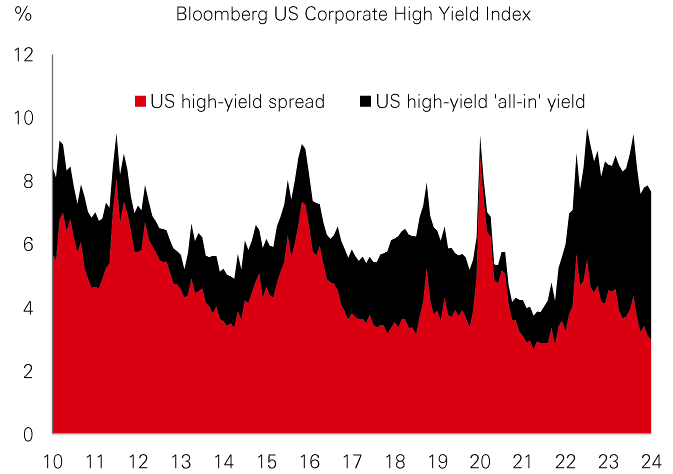


The lure of 'all-in' credit yields

Credit spreads are close to testing multi-decade lows. This weighs on expected returns over the medium-term. But what shields investors is 'all-in yields' are high. That is, much higher policy rates and government bond yields versus the 2010s means corporate bond yields are still at attractive levels. Indeed, many non-investment grade (IG) credit yields exceed historic returns from equity.

Fundamentally, a recovery in corporate profit growth in recent months has supported corporate bond markets. For IG debt, average credit quality has modestly improved with the share of A-rated debt rising at the expense of BBB-rated bonds.

For now, **the lure of all-in yields and a decent profits backdrop keeps credit supported**. But long-term valuations are expensive. This implies a selective and well-researched investment approach is required. Our general preference is for IG over High Yield, while securitised credits look attractive, given less compressed spreads and a floating rate structure in the current high-rate backdrop.



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. Macrobond, Bloomberg. Data as at 11am UK time 05 April 2024.

Asset class views

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

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

	Asset Class	- View +	Comments
Macro Factors	Global growth	□□□□■□□□□	A defensive positioning in investment portfolios remains appropriate given optimistic market expectations versus a lingering risk of macro disappointment or weakness. We prefer to access the growth factor in laggard regions, such as in Asia and emerging markets
	Duration	□□□□□□■□□	Yields have ground higher over the course of Q1, driven by resilient growth and inflation data. Carry remains appealing and, in adverse economic outcomes, there is scope for strong returns in global duration. We favour the US and UK curves
	Emerging Markets	□□□□□□■□□	The outlook for EMs is bolstered by China policy support feeding through to the real economy, an upcoming Fed policy pivot, and a growth premium versus the West. Disinflation is an ongoing process, especially in Latam and Europe, allowing EM central banks to lead the cutting cycle
Bonds	10yr US Treasuries	□□□□□□■□□	Yields have ground higher over the course of Q1, driven by resilient growth and inflation data. However, the Fed is still likely to cut interest rates from mid-2024, and growth could disappoint expectations in H2. We anticipate yield curve steepening by the end of the year
	EMD Local	□□□□□□□■□	EM local-currency bonds have performed well. Proactive central banks in Latam and Europe are leading the global cutting cycle. And many economies have seen rapid disinflation. We remain overweight Brazil, Indonesia, Mexico, Peru and South Africa
	Asia Local	□□□□□□■□□	The near-term outlook for Asia bonds is stable. A Fed pivot and less hawkish Asian central banks should boost performance. We are positive on Indonesia, India, and Korea – markets which benefit from carry and the prospect of capital gains driven by rate cuts
Credits	Global Credit	□□□□□■□□□	Global credit is expensive with most non-financial spreads at our near-cyclical tights. Financials, particularly banks, look attractive but less so than they were at the start of 2024. All-in yields continue to support inflows, helping long duration corporate credit
	Global High-Yield	□□■□□□□□□	Valuations are expensive with spreads falling sharply in recent months. The market prices a global soft landing. But the tight spreads in HY are offset by a high 'all in' yield. And corporate fundamentals are not a source of concern
	Asia Credit	□□□□□■□□□	Valuations are expensive as spreads approach historic tights. The rising chance of a US soft landing mitigates the risk of material spread widening. Economic resilience within Asia, plus China policy action, support the regional credit market outlook today
	EMD Hard Currency Bonds	□□□□■□□□□	EM credit spreads can benefit as Fed rate cuts approach, but this prospect has already driven a re-rating of the asset class. Spreads are at historic tights and it is difficult to see further compression, although we remain cyclically-constructive
Equities	DM Equities	□□□■□□□□□	The bull market continues, bolstered by high confidence in the soft landing, and leadership from quality growth. But as investor perceptions shift, the market is discounting a lot of good news. Risks of an adverse surprise are rising, even if an imminent growth collapse looks unlikely
	EM Equities	□□□□□□■□□	The EM growth outlook is a relative bright spot in a global context, with disinflation and the prospect of Fed rate cuts being supportive. Stock and currency market valuations remain undemanding. Idiosyncratic trends within EMs imply scope for portfolio diversification too
	Asia ex Japan	□□□□□□■□□	Asia is an outperformer year-to-date. Chinese policy activism is rebuilding investor confidence in the market. India fundamentals are supportive, with strong EPS growth, despite elevated valuations. Korea and Taiwan continue to benefit from the upswing in the semiconductor cycle
Alternatives	Global Private Equity	□□□□■□□□□	With tighter financial conditions raising the cost of leverage, PE funds may face challenges in delivering consistently strong returns. However, increasing economic headwinds can create attractive entry points for longer-term investors. The investment case is about alpha, not beta
	Global Real Estate	□□□□□□□■□	In a more benign macro environment, real estate sub-sectors with a more secure income profile and lower leverage should outperform. Following recent price corrections driven by higher interest rates, there may be opportunities for value-add or opportunistic strategies to acquire at a low base
	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

Source: HSBC Asset Management. Data as at 11am UK time 05 April 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 1 April	JP	Tankan Large Manufacturers	Q1	11	13	Business sentiment remains resilient with medium-term inflation expectations marginally above 2%
	CN	Caixin Manufacturing PMI	Mar	51.1	50.9	The Caixin manufacturing PMI has been in expansion territory (>50) since late 2023
	US	ISM Manufacturing Index	Mar	50.3	47.8	The ISM manufacturing index moved into positive territory in March, the first time since October 2022, with price intentions rising further
	BR	S&P Global Manufacturing PMI	Mar	53.6	54.1	Brazil's manufacturing PMI fell but remains in expansion territory
	MX	S&P Global Manufacturing PMI	Mar	52.2	52.3	The manufacturing PMI, while volatile, signals expansion
	CL	Chile Central Bank Interest Rate Decision	Mar	6.50%	7.25%	Chile's central bank remains in easing mode but dropped its commitment to reaching its neutral rate in H2 24
Wed. 3 April	CN	Caixin Services PMI	Mar	52.7	52.5	The Caixin services PMI has picked up since late 2023
	BR	S&P Global Composite PMI	Mar	55.1	55.1	The composite PMI has strengthened recently on improving services and manufacturing confidence
	EZ	Eurozone CPI (yoy)	Mar P	2.4%	2.6%	Slower core inflation pulled headline inflation down in March. However, service sector inflation has been sticky in recent months
	US	ISM Services Index	Mar	51.4	52.6	The ISM services index fell further below its average level in March but remained within the range seen since early 2023
	BR	Industrial production (yoy)	Feb	5.0%	3.7%	Stronger yoy growth reflect base effects. On a mom basis, output fell for a second consecutive month in February
	US	Fed Chair Powell speech	Apr			Fed Chair Powell noted the FOMC needs "greater confidence that inflation is moving sustainably down toward 2%" before cutting rates
Fri. 5 April	US	Change in Non-Farm Payrolls (000s)	Mar	-	275	Non-farm payrolls have surprised on the upside recently but other labour market indicators, such as hiring and quits, point to a softening
	IN	RBI Interest Rate Decision	Mar	6.50%	6.50%	India's central bank is expected to leave policy on hold near-term

P – Preliminary, Q – Quarterly **EZ – Eurozone, MX – Mexico, JP – Japan, BR – Brazil, IN – India, CN – China, CL – Chile**

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 8 April	GE	German Industrial Production (yoy)	Feb	-7.1%	-5.5%	German industrial output has been falling since mid-2023 and leading indicators suggest a further decline in the near term
Tue. 9 April	MX	CPI (yoy)	Mar	4.6%	4.4%	Core inflation has decelerated recently, led by the goods sector. Service sector inflation remains elevated
Wed. 10 April	NZ	RBNZ Interest Rate Decision	Apr	5.50%	5.50%	The RBNZ is likely to hold rates unchanged and may soften its tightening bias further as the economy contracted in H2 23
	US	CPI (yoy)	Mar	3.5%	3.2%	Service sector inflation has been sticky of late, but should improve through 2024 as the labour market cools and shelter costs moderate
	CA	Bank of Canada Interest Rate Decision	Mar	5.00%	5.00%	The Bank of Canada is expected to remain on hold but evidence of a sustained fall in inflation may prompt a rate cut in June
	US	FOMC Meeting Minutes	Mar			March FOMC minutes could shed light on some of the differing views within the committee regarding the likely pace of policy easing
Thu. 11 April	CN	CPI (yoy)	Mar	0.4%	0.7%	Deflationary pressures from food should ease further, but subdued goods demand may weigh on the headline inflation rate
	MX	Industrial Production (yoy)	Mar	-	2.9%	Output growth slowed in late 2023 as manufacturing underperformed
	EZ	ECB Interest Rate Decision	Apr	4.00%	4.00%	The ECB should leave policy on hold in April. There is a growing consensus of a June rate cut, based on further good inflation news
Fri. 12 April	CN	Trade Balance (USD bns)	Mar	70.2	39.7	Electric vehicle demand and a tech sector recovery could mitigate the impact of broader uncertainty about the external demand outlook
	IN	CPI (yoy)	Mar	4.9%	5.1%	India's core inflation should ease further, but food prices continue to pose an upside risk to the headline rate
	IN	Industrial Production (yoy)	Feb	6.1%	3.8%	Industrial production should remain resilient, supported by higher output of consumer durables and construction goods
	US	University of Michigan Consumer Confidence Index	Apr P	78.7	79.4	The index has risen steadily since mid-2022 while medium-term inflation expectations have eased lately

P – Preliminary **EZ – Eurozone, GE – Germany, MX – Mexico, NZ – New Zealand, IN – India, CN – China, CA – Canada**

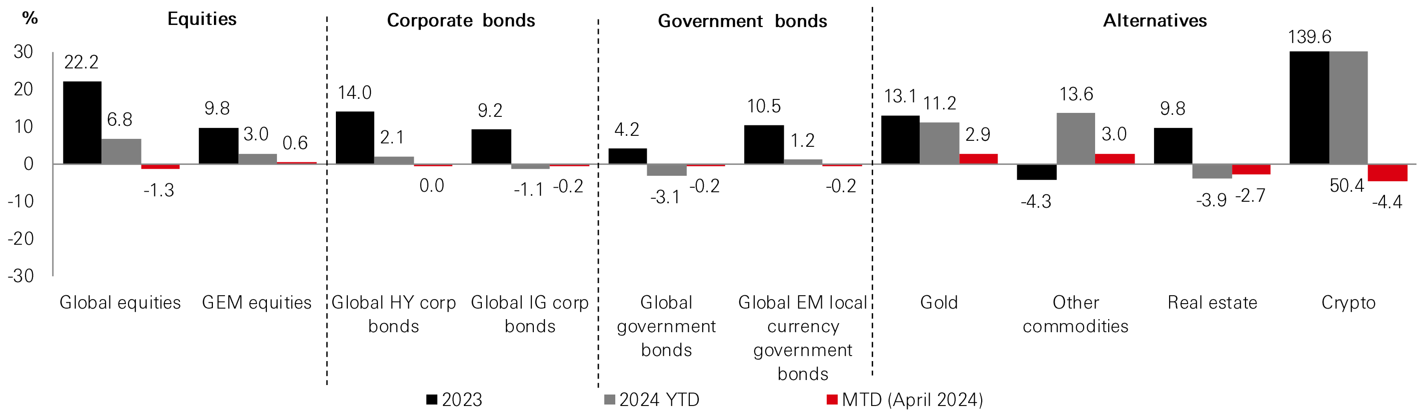
Source: HSBC Asset Management. Data as at 11am UK time 05 April 2024.

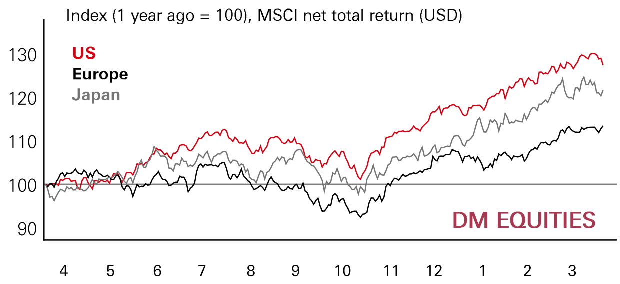
Market review

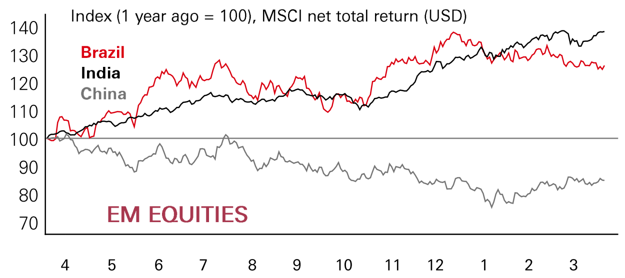
This week

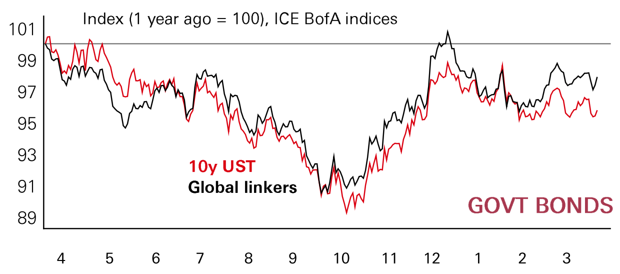
Heightened geopolitical tensions and rising uncertainty over the US rate outlook drove risk assets lower this week. Core government bonds weakened as US Fed Chair Powell stated the Fed needs "*greater confidence that inflation is moving sustainably towards 2%*" before cutting rates, ahead of key US inflation data. US equities were on the defensive with broad-based weakness. The Euro Stoxx 50 index traded sideways whilst Japan's Nikkei 225 fell. EM equities fared better than developed markets; the Shanghai Composite Index posted decent gains in a holiday-shortened week on rising optimism that recent policy measures are gaining traction in the Chinese economy. India's Sensex index also rallied. In commodities, geopolitical tensions and continuing supply uncertainty drove crude oil prices to a six-month high. Gold prices also reached fresh all-time highs, supported by central bank demand.

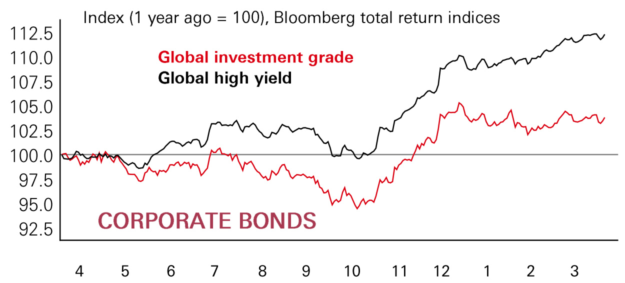
Selected asset performance

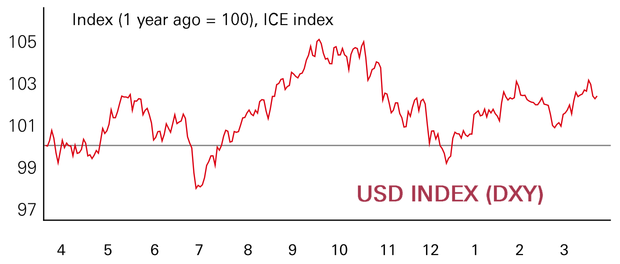


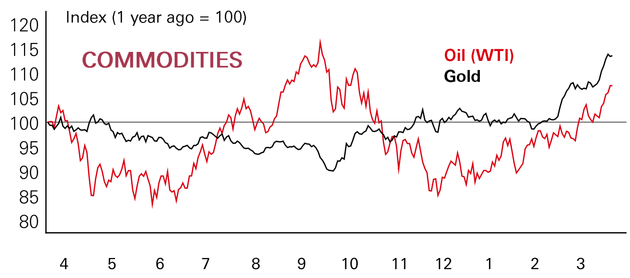












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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 05 April 2024.

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)	773	-1.3	1.6	8.1	19.9	6.4	786	628	18.1
North America									
US Dow Jones Industrial Average	38,597	-3.0	0.0	3.0	15.3	2.4	39,889	32,327	18.6
US S&P 500 Index	5,147	-2.0	1.3	9.6	25.8	7.9	5,265	4,048	21.4
US NASDAQ Composite Index	16,049	-2.0	0.7	10.5	33.8	6.9	16,539	11,799	28.4
Canada S&P/TSX Composite Index	22,052	-0.5	2.4	5.3	9.4	5.2	22,239	18,692	15.3
Europe									
MSCI AC Europe (USD)	560	0.3	2.8	6.1	11.3	4.9	562	459	14.0
Euro STOXX 50 Index	4,998	-1.7	2.2	12.0	16.3	10.6	5,122	3,993	13.7
UK FTSE 100 Index	7,908	-0.6	3.4	2.8	3.2	2.3	8,016	7,216	11.6
Germany DAX Index*	18,134	-1.9	2.5	9.3	16.8	8.3	18,567	14,630	13.0
France CAC-40 Index	8,042	-2.0	1.4	8.4	9.9	6.6	8,254	6,774	13.6
Spain IBEX 35 Index	10,925	-1.4	8.0	7.5	18.0	8.1	11,140	8,879	10.9
Italy FTSE MIB Index	33,903	-2.4	2.3	11.4	26.2	11.7	34,908	26,000	8.9
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	540	0.4	2.6	4.6	3.1	2.0	545	469	14.0
Japan Nikkei-225 Stock Average	38,992	-3.4	-2.8	16.8	40.2	16.5	41,088	27,428	20.3
Australian Stock Exchange 200	7,773	-1.6	0.6	3.8	7.4	2.4	7,911	6,751	17.2
Hong Kong Hang Seng Index	16,724	1.1	3.5	1.1	-17.5	-1.9	20,865	14,794	8.4
Shanghai Stock Exchange Composite Index	3,069	0.9	0.7	4.8	-7.3	3.2	3,419	2,635	11.0
Hang Seng China Enterprises Index	5,864	0.9	5.4	4.6	-14.7	1.6	7,092	4,943	7.7
Taiwan TAIEX Index	20,338	0.2	4.9	16.1	28.2	13.4	20,467	15,284	18.6
Korea KOSPI Index	2,714	-1.2	2.4	5.3	8.8	2.2	2,779	2,274	10.7
India SENSEX 30 Index	74,248	0.8	0.8	3.1	24.4	2.8	74,502	59,094	21.0
Indonesia Jakarta Stock Price Index	7,287	0.0	0.5	-0.9	6.9	0.2	7,454	6,563	1.7
Malaysia Kuala Lumpur Composite Index	1,555	1.2	1.2	4.5	8.8	6.9	1,559	1,369	14.0
Philippines Stock Exchange PSE Index	6,745	-2.3	-2.3	1.7	4.0	4.6	7,071	5,920	11.5
Singapore FTSE Straits Times Index	3,218	-0.2	3.6	1.1	-3.0	-0.7	3,393	3,042	10.6
Thailand SET Index	1,376	-0.2	1.2	-3.7	-12.4	-2.8	1,604	1,351	14.6
Latam									
Argentina Merval Index	1,183,127	-2.5	19.2	12.1	367.9	27.3	1,334,440	247,593	8.8
Brazil Bovespa Index*	127,428	-0.5	-0.5	-3.5	26.2	-5.0	134,392	99,898	7.8
Chile IPSA Index	6,589	-0.8	5.3	8.9	25.8	6.3	6,706	5,147	11.4
Colombia COLCAP Index	1,408	5.6	8.2	8.7	18.0	17.8	1,408	1,045	7.4
Mexico S&P/BMV IPC Index	57,883	0.9	4.3	3.0	8.2	0.9	59,021	47,765	13.7
EEMEA									
Russia MOEX Index	3,388	1.7	2.7	8.0	35.5	9.3	3,410	2,466	N/A
South Africa JSE Index	74,516	0.0	3.1	0.0	-2.8	-3.1	79,456	69,128	9.8
Turkey ISE 100 Index*	9,345	2.2	5.5	22.5	89.9	25.1	9,450	4,311	5.8

*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	-1.3	1.8	8.5	6.8	21.9	18.3	62.3
US equities	-2.0	1.4	9.9	8.1	27.8	28.1	88.6
Europe equities	0.3	3.2	6.7	5.6	14.4	16.4	40.0
Asia Pacific ex Japan equities	0.4	2.9	5.1	2.5	5.8	-15.5	13.2
Japan equities	-1.4	-0.3	10.6	9.4	23.0	7.7	41.5
Latam equities	0.3	1.6	-2.0	-3.6	24.6	33.4	16.4
Emerging Markets equities	0.6	3.0	5.2	3.0	9.0	-15.4	9.4

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 05 April 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)	559	-0.4	0.0	0.5	3.0	-0.4
JPM EMBI Global	858.6	-0.2	1.1	3.1	8.6	1.2
BarCap US Corporate Index (USD)	3186.8	-0.7	-0.1	0.5	2.7	-1.1
BarCap Euro Corporate Index (Eur)	247.6	0.1	0.9	1.4	6.0	0.5
BarCap Global High Yield (Hedged in USD)	580.3	-0.1	1.0	3.6	13.2	2.5
Markit iBoxx Asia ex-Japan Bond Index (USD)	216.0	-0.1	0.3	1.7	4.1	1.0
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	244	0.2	1.4	5.7	6.3	6.3

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	1.08	1.09	1.09	1.09	1.10	1.13	1.04	0.4
GBP/USD	1.26	1.26	1.27	1.27	1.25	1.27	1.31	1.20	0.1
CHF/USD	1.11	1.11	1.13	1.18	1.10	1.19	1.20	1.08	-0.2
CAD	1.36	1.35	1.36	1.34	1.35	1.32	1.39	1.31	-0.1
JPY	151	151	150	145	131	141	152	132	0.0
AUD/USD	0.66	0.65	0.65	0.67	0.67	0.68	0.69	0.63	1.0
NZD/USD	0.60	0.60	0.61	0.62	0.63	0.63	0.64	0.58	0.7
Asia									
HKD	7.83	7.82	7.82	7.81	7.85	7.81	7.85	7.79	-0.1
CNY	7.23	7.22	7.20	7.15	6.88	7.10	7.35	6.83	-0.1
INR	83.3	83.4	82.9	83.2	82.0	83.2	83.5	81.6	0.1
MYR	4.75	4.73	4.74	4.66	4.40	4.59	4.81	4.38	-0.5
KRW	1353	1347	1334	1316	1311	1291	1364	1257	-0.4
TWD	32.1	32.0	31.6	31.0	30.5	30.6	32.5	30.4	-0.2
Latam									
BRL	5.06	5.01	4.96	4.88	5.03	4.85	5.22	4.70	-0.8
COP	3768	3859	3945	3878	4571	3875	4728	3761	2.4
MXN	16.6	16.6	16.9	16.9	18.3	17.0	18.5	16.5	0.0
ARS	862	858	845	812	211	808	862	212	-0.5
EEMEA									
RUB	92.5	92.5	90.9	90.9	80.1	89.5	102.4	75.1	0.0
ZAR	18.6	18.9	19.0	18.7	18.0	18.4	19.9	17.4	1.4
TRY	32.0	32.4	31.7	29.8	19.3	29.5	32.6	19.2	1.1

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	5.35	5.36	5.36	5.37	4.82	5.33	-1
2-Year	4.66	4.62	4.56	4.38	3.78	4.25	4
5-Year	4.32	4.21	4.14	4.01	3.37	3.85	10
10-Year	4.33	4.20	4.15	4.05	3.31	3.88	13
30-Year	4.49	4.34	4.29	4.20	3.57	4.03	15
10-year bond yields (%)							
Japan	0.77	0.72	0.70	0.60	0.47	0.61	5
UK	4.05	3.93	4.01	3.79	3.42	3.53	12
Germany	2.37	2.30	2.32	2.16	2.18	2.02	7
France	2.88	2.81	2.79	2.70	2.68	2.56	7
Italy	3.78	3.68	3.71	3.85	4.01	3.69	10
Spain	3.20	3.16	3.18	3.15	3.21	2.98	5
China	2.29	2.30	2.33	2.53	2.87	2.56	0
Australia	4.10	3.96	4.09	4.13	3.28	3.96	14
Canada	3.55	3.47	3.36	3.26	2.79	3.11	8

*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	2,293	2.8	7.7	12.1	13.5	11.1	2,306	1,811
Brent Oil	91.0	4.6	11.9	16.4	15.9	18.7	91	69
WTI Crude Oil	86.8	4.3	12.1	17.5	17.0	20.3	87	65
R/J CRB Futures Index	296.3	2.1	7.4	11.4	8.9	12.3	296	254
LME Copper	9,335	5.3	9.9	10.3	6.3	9.1	9,398	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 05 April 2024.

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