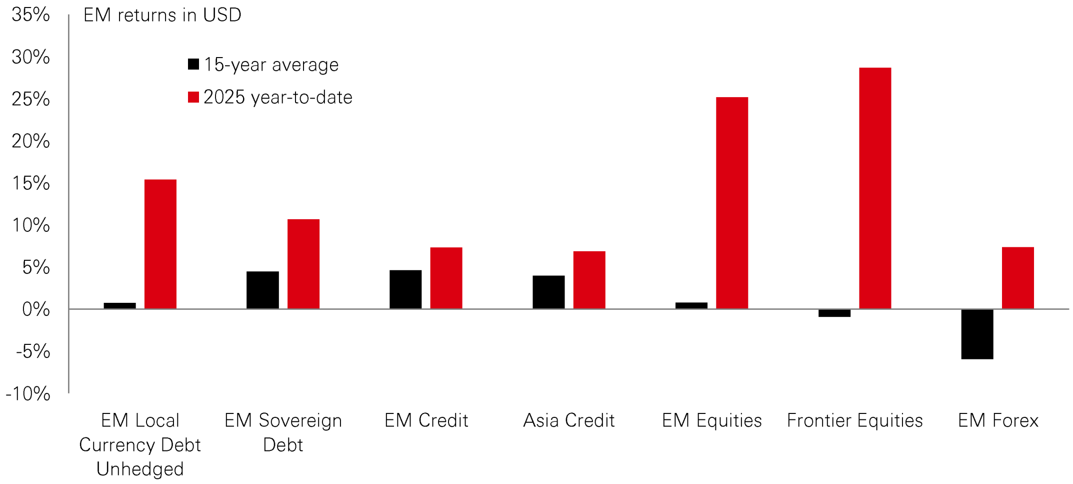
HSBC Asset Management

# Investment Weekly

10 October 2025
For Professional Clients only.

## Chart of the week – Emerging markets' stellar year so far




2025 has offered emerging market believers plenty of bragging rights. After surviving largely unscathed from the most aggressive Fed tightening cycles in decades, EM asset classes have delivered a stellar performance this year helped by the big drop in the US dollar and continued policy easing in many individual EMs. But is the rally just about the favourable external environment, or could something more fundamental be driving renewed investor interest in EMs?

The latest IMF World Economic Outlook tackles this question. The conclusion is that there is indeed more going on than just favourable global conditions. For one, improved policy frameworks have mattered a lot, especially during periods of market stress such as the 2022 global inflation spike. This includes greater policy credibility with more independent central banks, less reliance on FX intervention, deeper local capital markets, and stronger fiscal guardrails. EMs were also more proactive and aggressive in countering inflation with a policy tightening campaign that began a year earlier than the Fed, which in turn allowed EMs to ease more liberally as the inflation threat receded.

Looking ahead, there are important questions worth asking about the EM bull story. Can EMs deliver on the widely held expectation of faster, more resilient macro growth? Could growth global trade fragmentation pose headwinds? And can China continue to beat deflation? Yet, the signals are promising, particularly given the prospect of a medium-term US dollar bear market amid fading US exceptionalism. **And crucially, in a global market backdrop that looks to be "priced for perfection", EMs still benefit from undemanding valuations that can help keep attracting global investor flows**. #emergingmarkets #weo #bullstory

### Market Spotlight

#### Golden Week

China's "Golden Week" holiday drew to a close this week. The annual break traditionally heralds a mass getaway for millions across the country, and a spike in spending on travel and retail. It also meant a week-long hiatus for China's stock markets. Here are some of our post-holiday reflections and what we're watching out for:

**#1. Golden Week travel statistics are breathtaking**. China's Ministry of Transport reckons the total number of trips taken over the eight-day break reached a record high of 2.4 billion – that's up by around 6% on last year.

**#2. While stock markets were closed, this year's re-rating has been impressive**. The MSCI China index is up by around 40% in 2025. Technology has been the growth engine, and further breakthroughs, particularly in AI, could spur further gains. In other sectors, further upside depends on a continuing earnings recovery.

**#3. What upcoming events could provide direction on policy?** Activity data for September and Q3 GDP are due between 15-20 October, and may offer clues on policies to boost consumption in the upcoming 15th Five-Year Plan. That plan will be discussed at the 4th Plenum – a key decision-making session – later in October, and a draft proposal submitted for approval at the National People's Congress in March 2026. 黃金週快樂 Happy Golden Week! #china


US Outlook →

Making sense of the latest US employment data

Japan Policy →

How political developments could influence policy

Infrastructure Equity →

Key themes driving performance in infrastructure

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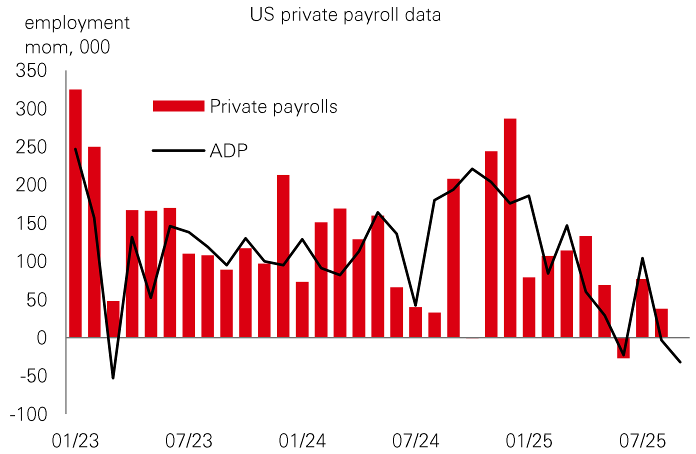
## Is no news good news?

We used to be uncertain, but now we're not so sure. US macro data have become increasingly difficult to read. Payrolls growth has slowed markedly, but the extent to which this is driven by demand, rather than supply, is uncertain. GDP growth, however, is holding up well on the back of rampant AI-related investment and spending by wealthy consumers, helped by equity market gains. To make matters worse, investors and the Fed must now contend with a much-reduced data flow, as the government shutdown has halted the publication of official economic statistics. This is the stuff of nightmares for economists.

Private sector data sources can help fill in some of the gaps but are far from perfect. The ADP employment figures, for example, were weak in September and have been a reasonable guide to the trend in private sector payrolls in recent years. But they can deviate meaningfully from the official numbers in any given month. For now, markets are largely carrying on regardless – perhaps a case of "no news is good news". **But over time, rising uncertainty regarding the state of the economy could create some renewed volatility**. #shutdown #macrodata

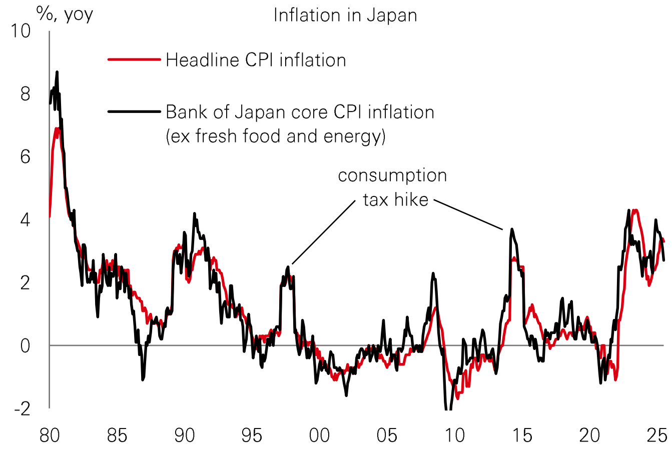



## Japan's record rally

Japanese stocks have rallied to new highs following the election last weekend of Sanae Takaichi as leader of Japan's ruling LDP party. That reaction is partly down to her reported preference for easier fiscal and monetary policy, which could give Japanese stocks added impetus after several years of positive momentum driven by improving profits and investor-friendly corporate governance reforms.

But while Takaichi's sympathy for "Abenomics" is good news for stocks, a major shift in Japan's policy agenda could have broader implications. The combination of a more active fiscal stance and delays to further policy normalisation by the Bank of Japan – including near-term rate hikes – could trigger fiscal worries, stoke inflation, and steepen the rates curve by weighing on longer-dated bonds. Like other regions, including Europe and the US, Japan's 30-year bond yields have seen volatility this year.

But while the fiscal outlook is less clear, the broad market reaction to Japan's political developments has been positive. And **despite the recent rally, we remain positive on Japanese stocks given compelling valuations and improving profitability**. #japan #fiscal

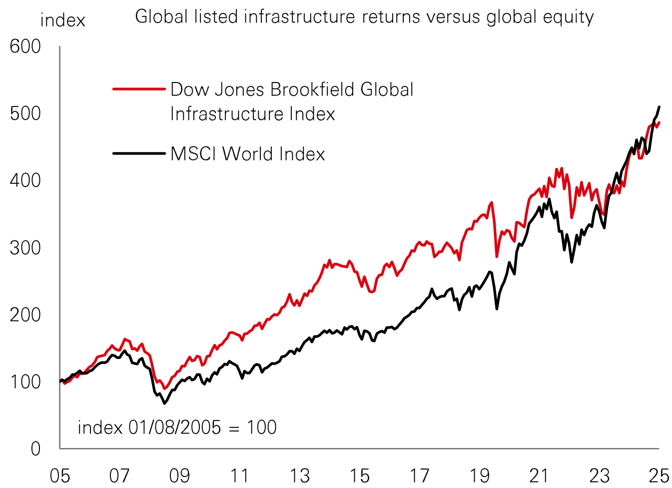



## Powering the future

As a defensive, longer-duration asset class, listed infrastructure has faced headwinds from high rates in recent years. But in the first three quarters of 2025, returns have been strong – with the Dow Jones Brookfield Global Infrastructure index up 13%. Our listed infrastructure team think a mix of strong structural drivers and global policy easing – including US rate cuts – could signal the start of a multi-decade investment cycle.

It's being driven by shifting trends in demographics, energy demand, and digitalisation, which are leading governments to prioritise policy support in areas like electrification (including renewables), AI and data centres, and telecoms. Yet, for investors, infrastructure sector valuations remain potentially compelling. Our listed infrastructure team see particular appeal in Europe's telecoms and energy sectors, as well as the surging demand for electrification from AI data centres across North America.

**While structural drivers and lower rates are tailwinds, infrastructure also benefits from strong underlying characteristics** – like resilient cashflow growth, predictable income, and below-average volatility – which make it a strong diversifier for portfolios. #infrastructure #stocks




 Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 7.30am UK time 10 October 2025

## Asset class views

Our baseline macro scenario is for below-trend growth and above-target inflation in the US while other major economies experience more trend-like growth and limited inflation pressures. But policy uncertainty remains high, and the data flow is likely to remain bumpy. Risk asset valuations are stretched in many areas. That means that any deterioration in corporate fundamentals could create market volatility. A pro-risk albeit defensive positioning in portfolios remains appropriate, which includes selective exposures to fixed income, risk assets, and private markets.

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

| | Asset Class | - View + | Comments |
|---|---|---|---|
| Macro Factors | Global growth | □□□□□■□□□ | A defensive positioning in investment portfolios remains appropriate given continuing risk of macro disappointment or weakness. We prefer to access the growth factor in 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 over the medium term, as US fiscal concerns build. If adverse economic outcomes prevail, there is scope for strong returns in global duration |
| | Emerging Markets | □□□□□□■□□ | The EM growth outlook is a relative bright spot in a global context. Falling inflation, 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 volatile recently, reflecting the uncertain macro and policy outlook. The near-term outlook is for range-bound movement. Inflation risks and fiscal concerns are likely to keep yields above 4%, but yields should be capped to the upside by below-trend growth |
| | EMD Local | □□□□□□□■□ | EM local currency debt has benefited from a backdrop of high real yields, strong fundamentals, and a weaker US dollar. The EM cycle has been unusually strong, which represents the maturity of the asset class and the growing strength and credibility of EM currencies and local bond markets |
| | Asia Local | □□□□□□■□□ | Macro-stability indicators are largely sound, and the inflation outlook is broadly benign. We expect most EM Asian central banks to ease policy opportunistically given growth concerns from US policy/global trade uncertainty, while staying vigilant on FX volatility/financial stability concerns |
| Credits | Global Credit | □□□□■□□□□ | IG credit spreads remain at long-run tights, but all in yields are reasonable. The balance sheets of investment grade issuers are healthy, and the profits outlook remains positive. We think parts of the IG universe can be a potential substitute hedge to government bonds in portfolios |
| | Global High-Yield | □□□■□□□□□ | Global high yield spreads remain tight despite a cooling in the macro outlook. Slower growth, inflation risks, and policy uncertainty all present potential risks, but strong corporate earnings could offset this. We maintain a more defensive stance with a preference for higher quality credits |
| | Asia Credit | □□□□■□□□□ | Spreads have compressed recently. Any future widening is expected to be modest given the balance of macro risks. High all-in yields and low issuance are positives. Trade tensions are a risk, but low duration and strong balance sheet quality are further positives for the asset class |
| | EMD Hard Currency Bonds | □□□□□□■□□ | EM hard-currency debt is a structurally improving asset class with ratings upgrades outpacing downgrades. Moreover, policy stimulus from China and Europe provides some offset to headwinds from trade tariffs. Any spread widening from here is likely to be limited |
| Equities | DM Equities | □□□□□■□□□ | We expect a broadening out of global market leadership beyond the US, with episodic volatility. DM equity risk premiums remain positive, but there are downside risks to the earnings outlook if the macro backdrop deteriorates |
| | EM Equities | □□□□□□■□□ | Premium growth rates are evident in EMs, with equity valuations still exhibiting material discounts to DMs. They could benefit from a weaker US dollar and diversification flows into non-US assets. However, EMs should not be treated as a single bloc given their idiosyncrasies |
| | Asia ex Japan | □□□□□□■□□ | Asian markets offer broad sector diversification and high-quality growth opportunities. Prudent policy easing across the region, China's policy put, and other long-term themes continue to serve as positives, on top of potential diversification flows into non-USD assets |
| Alternatives | Private Credit | □□□□□□■□□ | As interest rates normalise, private credit continues to offer potentially attractive 'all in' yields, and an illiquidity premium that suits long-term investors. It can also serve as a useful portfolio diversifier. Default rates remain consistently low |
| | Hedge Funds | □□□□□□□■□ | Hedge funds can be good diversifiers in an environment of elevated inflation and should there be sharp upticks in volatility. Macro and CTA strategies can be potentially attractive alternatives to bonds when there are positive stock-bond correlations |
| | Global Real Estate | □□□□□□□■□ | Real estate investment activity has slowed in 2025 amid macro uncertainty, but US rate cuts could provide a tailwind. The returns outlook is healthy given yield expansion on the back of higher income. After a multi-year correction, returns are expected to improve towards long-run averages |

**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. Costs may vary with fluctuations in the exchange rate. 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 10 October 2025.

## Key Events and Data Releases

### This week

| Date | Country | Indicator | Data as of | Actual | Prior | Comment |
|---|---|---|---|---|---|---|
| Sat. 04 October | JP | LDP Presidential Election | | | | Sanae Takaichi was voted in as the new LDP president, heralding a more expansionary fiscal stance focused on targeted tax cuts |
| Mon. 06 October | EZ | Philip Lane speech at ECB conference on monetary policy | | | | The ECB Chief Economist reiterated the central bank's commitment to a symmetric 2% inflation medium-term target |
| Wed. 08 October | NZ | RBNZ Official Cash Rate | Oct | 2.50% | 3.00% | The RBNZ delivered a 50bp rate cut, signalling further easing due to downside medium-term growth and inflation risks |
| | US | FOMC Minutes | | | | Most FOMC participants noted it would likely be appropriate to "ease policy further over the remainder of the year". |
| Thu. 09 October | BR | CPI (yoy) | Sep | 5.2% | 5.1% | Consumer prices in Brazil were in line with expectations, with an uptick driven primarily by housing |
| | MX | Headline Inflation (yoy) | Sep | 3.8% | 3.6% | Mexico's inflation rose, but remains within the central bank's target range, supporting expectations for further easing |
| | PH | Central Bank Policy Rate | Oct | 4.75% | 5.00% | BSP delivered a dovish 25bp rate cut, signalling more room for easing amid benign inflation and a softer growth outlook |
| Fri. 10 October | US | Univ. of Michigan Sentiment Index (Prelim) | Oct | - | 55.1 | Michigan consumer confidence has been depressed for a sustained period but is at odds with resilient spending |

**JP - Japan, EZ - Eurozone, NZ - New Zealand, US - United States, BR - Brazil, MX - Mexico, PH - Philippines**

### The week ahead

| Date | Country | Indicator | Data as of | Survey | Prior | Comment |
|---|---|---|---|---|---|---|
| Mon. 13 October | US | Earnings | Q3 | | | The Q3 US earnings season starts in earnest amid rising optimism. Q3 earnings consensus is 8%, 11.4% (2025) and 13.8% (2026) |
| | CN | Trade Balance (USD) | Oct | 100.0bn | 102.3bn | Export growth may moderate but should remain resilient, sustaining a sizeable trade surplus amid tepid import demand |
| | IN | CPI (yoy) | Sep | 1.7% | 2.1% | Headline inflation should stay near the lower end of the RBI's inflation target range, heralding further easing by year-end |
| Tue. 14 October | US | NFIB Index of Small Business Optimism | Sep | - | 100.8 | Business sentiment has recovered since the spring, but remains below end-24. Weaker labour markets are a growing concern |
| | | IMF World Economic Outlook | | | | The IMF's bi-annual world economic outlook should highlight the resilient global economy despite ongoing geopolitical challenges |
| Wed. 15 October | CN | CPI (yoy) | Aug | -0.1% | -0.4% | While subdued food prices continue to suppress headline CPI, core inflation may pick up modestly on policy supports |
| | JP | Lower House Prime Minister Elections | | | | The lower house and upper house of parliament (the National Diet) will vote for a new PM. Sanae Takaichi appears likely to win |
| | US | CPI (yoy) | Sep | 3.1% | 2.9% | Core goods prices have seen a modest passthrough from higher tariffs. Services inflation has softened but the trend is "bumpy" |
| Thu. 16 October | US | PPI (mom) | Sep | 0.3% | -0.1% | A one-off drop in trade services in August should reverse, lifting core PPI. Core goods prices may firm on higher tariffs |
| | US | Retail Sales (mom) | Sep | 0.4% | 0.6% | Retail sales have rebounded during Q3 but should slow in Q4 25/early-26 as higher tariffs crimp real incomes |
| Fri. 17 October | US | Industrial Production (mom) | Sep | 0.1% | 0.1% | Industrial production continues to grow at a relatively modest pace with manufacturing confidence below average levels |

**US - United States*, CN - China, IN - India, JP - Japan**

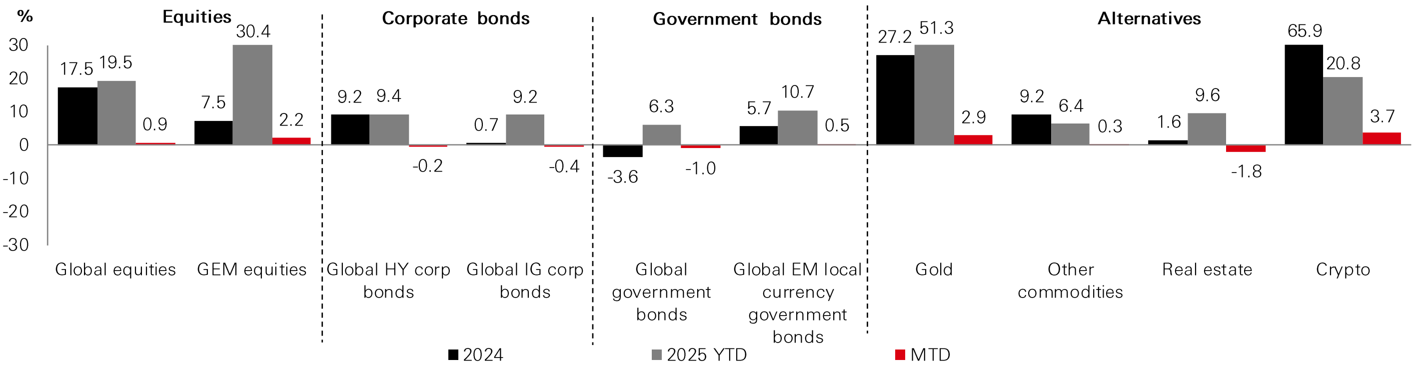
 ***The ongoing government shutdown in the US may delay the expected releases of official data**

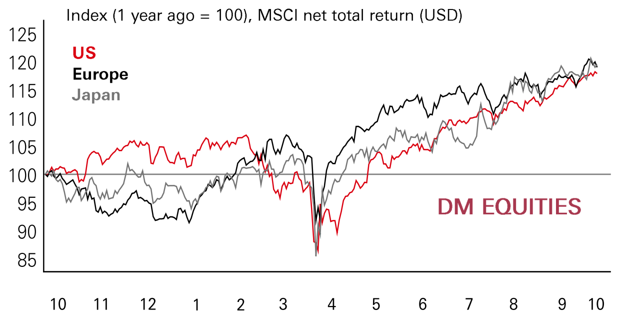
# Market review

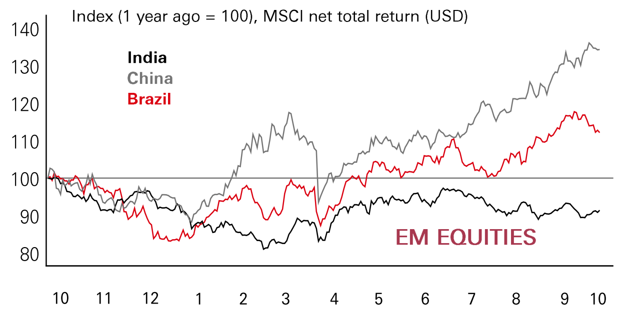
## This week

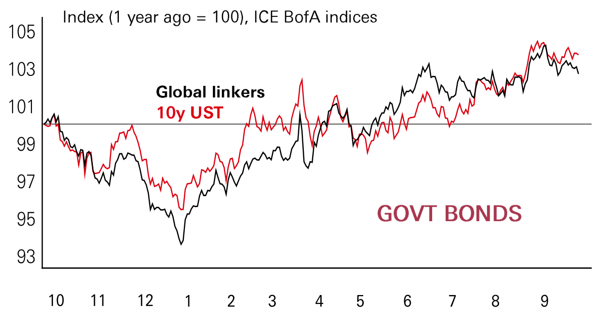
Risk markets rose this week ahead of the start of Q3 earnings season in the US. The US DXY dollar index strengthened, with US government bonds range-bound, supported by a favourable 10-year T-note auction, and amid an ongoing government shutdown. Longer-dated Japanese bonds weakened, steepening the yield curve on rising fiscal uncertainty following Sanae Takaichi's election as leader of the LDP. Political worries also weighed on French OATs. US and Euro area IG and HY credit spreads narrowed. US equities rose across the board, with the S&P 500 – together with Europe's Euro Stoxx 50 and Japan's Nikkei 225 – reaching all-time highs. EM Asian stock markets were mixed in a holiday-shortened week. The Shanghai Composite was boosted by AI stocks. India's Sensex index rose, whilst the Hang Seng index lost ground. The gold price broke above USD4,000 an ounce.

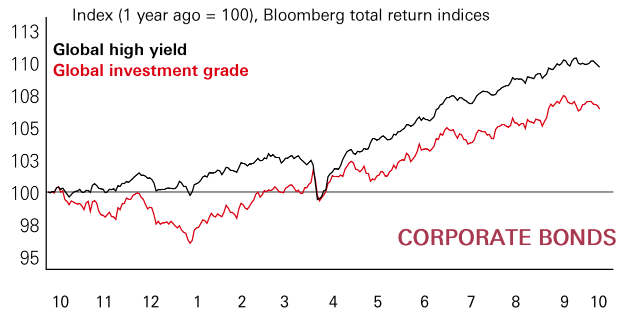
### Selected asset performance



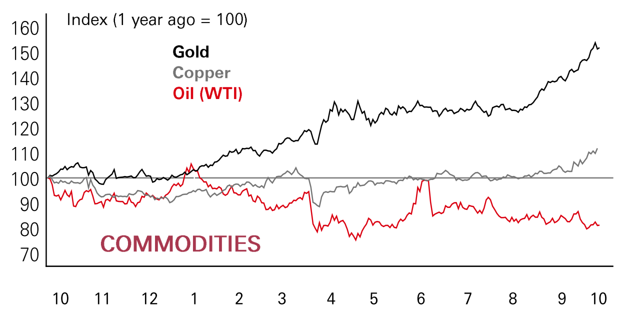








**Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future**. For informational purposes only and should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. Any views expressed 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 am UK time 10 October 2025. Note: Asset class performance is represented by different indices. Global Equities: MSCI ACWI Net Total Return USD Index. Gem Equities: MSCI Emerging Net Total Return USD Index. Corporate Bonds: Bloomberg Barclays Global HY Total Return Index value unhedged. Bloomberg Barclays Global IG Total Retrun Index unhedged. Government bonds: Bloomberg Barclays Global Aggregate Treasuries Total Return Index. JP Morgan EMBI Global Total Return local currency. Commodities and real estate: Gold Spot $/OZ/ Other commodities: S&P GSCI Total Return CME. Real Estate: FTSE EPRA/NAREIT Global Index TR USD. All the data above is in in USD, total return, month-to-date terms.

# Market data

| Equity Indices | Close | 1-week Change (%) | 1-month Change (%) | 3-month Change (%) | 1-year Change (%) | YTD Change (%) | 52-week High | 52-week Low | Fwd P/E (X) |
|---|---|---|---|---|---|---|---|---|---|
| **World** | | | | | | | | | |
| MSCI AC World Index (USD) | 993 | 0.0 | 3.0 | 7.3 | 17.1 | 18.1 | 997 | 723 | 21.4 |
| **North America** | | | | | | | | | |
| US Dow Jones Industrial Average | 46,358 | -0.9 | 1.9 | 3.8 | 9.2 | 9.0 | 47,050 | 36,612 | 22.1 |
| US S&P 500 Index | 6,735 | 0.3 | 3.1 | 7.2 | 16.5 | 14.5 | 6,765 | 4,835 | 25.1 |
| US NASDAQ Composite Index | 23,025 | 1.1 | 5.2 | 11.6 | 25.9 | 19.2 | 23,063 | 14,784 | 36.1 |
| Canada S&P/TSX Composite Index | 30,270 | -0.7 | 3.7 | 11.8 | 24.6 | 22.4 | 30,687 | 22,228 | 18.5 |
| **Europe** | | | | | | | | | |
| MSCI AC Europe (USD) | 666 | -1.2 | 2.2 | 2.5 | 16.7 | 26.0 | 675 | 516 | 16.3 |
| Euro STOXX 50 Index | 5,626 | -0.5 | 4.9 | 3.4 | 13.2 | 14.9 | 5,675 | 4,540 | 17.0 |
| UK FTSE 100 Index | 9,509 | 0.2 | 3.1 | 5.9 | 15.4 | 16.4 | 9,577 | 7,545 | 14.2 |
| Germany DAX Index* | 24,611 | 1.0 | 4.1 | 0.6 | 28.1 | 23.6 | 24,771 | 18,490 | 17.9 |
| France CAC-40 Index | 8,041 | -0.5 | 3.6 | 1.8 | 6.6 | 9.0 | 8,258 | 6,764 | 17.4 |
| Spain IBEX 35 Index | 15,585 | 0.0 | 2.4 | 10.2 | 33.7 | 34.4 | 15,733 | 11,295 | 13.5 |
| Italy FTSE MIB Index | 42,792 | -1.1 | 1.7 | 5.6 | 25.6 | 25.2 | 43,564 | 31,946 | 13.5 |
| **Asia Pacific** | | | | | | | | | |
| MSCI AC Asia Pacific ex Japan (USD) | 716 | 0.1 | 4.2 | 10.8 | 17.0 | 25.8 | 718 | 507 | 17.4 |
| Japan Nikkei-225 Stock Average | 48,185 | 5.3 | 9.9 | 21.5 | 22.4 | 20.8 | 48,597 | 30,793 | 23.9 |
| Australian Stock Exchange 200 | 8,958 | -0.3 | 1.4 | 4.3 | 8.9 | 9.8 | 9,055 | 7,169 | 20.9 |
| Hong Kong Hang Seng Index | 26,376 | -2.8 | 0.7 | 9.8 | 24.1 | 31.5 | 27,382 | 18,671 | 13.0 |
| Shanghai Stock Exchange Composite Index | 3,905 | 0.6 | 2.4 | 11.3 | 18.3 | 16.5 | 3,937 | 3,041 | 15.5 |
| Hang Seng China Enterprises Index | 9,389 | -2.8 | 0.7 | 8.3 | 23.2 | 28.8 | 9,770 | 6,763 | 12.2 |
| Taiwan TAIEX Index | 27,302 | 2.0 | 8.4 | 20.3 | 20.5 | 18.5 | 27,463 | 17,307 | 20.9 |
| Korea KOSPI Index | 3,610 | 1.7 | 8.9 | 13.4 | 38.9 | 50.5 | 3,566 | 2,285 | 13.0 |
| India SENSEX 30 Index | 82,507 | 1.6 | 1.3 | -0.8 | 1.1 | 5.6 | 84,100 | 71,425 | 23.0 |
| Indonesia Jakarta Stock Price Index | 8,230 | 1.4 | 6.9 | 17.5 | 10.0 | 16.2 | 8,273 | 5,883 | 15.0 |
| Malaysia Kuala Lumpur Composite Index | 1,627 | -0.5 | 2.3 | 5.9 | -0.9 | -1.0 | 1,659 | 1,387 | 15.1 |
| Philippines Stock Exchange PSE Index | 6,040 | -1.1 | -1.3 | -6.5 | -18.5 | -7.5 | 7,485 | 5,805 | 9.8 |
| Singapore FTSE Straits Times Index | 4,436 | 0.5 | 2.1 | 8.8 | 23.7 | 17.1 | 4,474 | 3,372 | 14.4 |
| Thailand SET Index | 1,288 | -0.4 | 0.8 | 16.0 | -12.3 | -8.0 | 1,507 | 1,054 | 12.3 |
| **Latam** | | | | | | | | | |
| Argentina Merval Index | 1,924,930 | 6.6 | 5.5 | -7.0 | 8.0 | -24.0 | 2,867,775 | 1,635,451 | 10.9 |
| Brazil Bovespa Index* | 141,708 | -1.7 | -0.4 | 3.6 | 8.7 | 17.8 | 147,578 | 118,223 | 9.0 |
| Chile IPSA Index | 8,819 | -0.8 | -1.7 | 5.7 | 34.0 | 31.4 | 9,285 | 6,463 | 12.2 |
| Colombia COLCAP Index | 1,889 | 1.5 | 0.9 | 12.2 | 44.2 | 36.9 | 1,889 | 1,301 | 7.7 |
| Mexico S&P/BMV IPC Index | 60,819 | -1.9 | 0.5 | 7.2 | 16.1 | 22.8 | 63,183 | 48,770 | 13.3 |
| **EEMEA** | | | | | | | | | |
| Saudi Arabia Tadawul Index | 11,583 | 0.8 | 10.3 | 2.7 | -3.4 | -3.8 | 12,536 | 10,367 | N/A |
| South Africa JSE Index | 110,243 | 0.4 | 6.4 | 13.2 | 29.1 | 31.1 | 111,468 | 77,165 | 13.0 |
| Turkey ISE 100 Index* | 10,727 | -1.2 | 1.3 | 3.8 | 19.7 | 9.1 | 11,605 | 8,567 | 4.6 |

*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 | 0.0 | 3.1 | 7.6 | 19.5 | 18.8 | 86.9 | 84.0 |
| US equities | 0.3 | 3.1 | 7.5 | 15.5 | 18.1 | 93.1 | 101.2 |
| Europe equities | -1.2 | 2.3 | 2.9 | 29.0 | 19.8 | 89.1 | 70.6 |
| Asia Pacific ex Japan equities | 0.1 | 4.3 | 11.3 | 28.1 | 19.3 | 69.2 | 38.9 |
| Japan equities | 0.8 | 1.8 | 12.9 | 21.9 | 18.8 | 74.0 | 53.3 |
| Latam equities | -1.3 | 1.1 | 8.9 | 38.6 | 18.8 | 33.8 | 73.6 |
| Emerging Markets equities | 0.2 | 5.4 | 12.2 | 30.4 | 21.4 | 67.1 | 38.3 |

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 10 October 2025.

# 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) | 604 | 0.0 | 0.1 | 1.6 | 4.1 | 4.2 |
| JPM EMBI Global | 992.8 | 0.0 | 0.8 | 4.6 | 9.5 | 10.7 |
| BarCap US Corporate Index (USD) | 3517.7 | -0.2 | -0.1 | 3.0 | 5.0 | 6.9 |
| BarCap Euro Corporate Index (Eur) | 265.6 | 0.0 | 0.2 | 0.9 | 4.1 | 3.0 |
| BarCap Global High Yield (Hedged in USD) | 674.5 | -0.2 | 0.3 | 2.5 | 9.0 | 7.6 |
| Markit iBoxx Asia ex-Japan Bond Index (USD) | 240.2 | 0.0 | 0.4 | 2.8 | 6.1 | 6.7 |
| Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD) | 283 | 0.0 | 0.9 | 4.0 | 8.2 | 8.5 |

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 2024 | 52-week High | 52-week Low | 1-week Change (%) |
|---|---|---|---|---|---|---|---|---|---|
| **Developed markets** | | | | | | | | | |
| EUR/USD | 1.16 | 1.17 | 1.17 | 1.17 | 1.09 | 1.04 | 1.19 | 1.01 | -1.5 |
| GBP/USD | 1.33 | 1.35 | 1.35 | 1.36 | 1.31 | 1.25 | 1.38 | 1.21 | -1.3 |
| CHF/USD | 1.24 | 1.26 | 1.25 | 1.25 | 1.17 | 1.10 | 1.28 | 1.09 | -1.3 |
| CAD | 1.40 | 1.40 | 1.39 | 1.37 | 1.37 | 1.44 | 1.48 | 1.35 | -0.5 |
| JPY | 153 | 147 | 147 | 146 | 149 | 157 | 159 | 140 | -3.7 |
| AUD/USD | 0.66 | 0.66 | 0.66 | 0.66 | 0.67 | 0.62 | 0.68 | 0.59 | -0.6 |
| NZD/USD | 0.58 | 0.58 | 0.59 | 0.60 | 0.61 | 0.56 | 0.61 | 0.55 | -1.3 |
| **Asia** | | | | | | | | | |
| HKD | 7.78 | 7.78 | 7.79 | 7.85 | 7.77 | 7.77 | 7.85 | 7.75 | 0.0 |
| CNY | 7.12 | 7.12 | 7.12 | 7.18 | 7.08 | 7.30 | 7.35 | 7.06 | 0.0 |
| INR | 88.7 | 88.8 | 88.1 | 85.6 | 84.0 | 85.6 | 88.8 | 83.8 | 0.1 |
| MYR | 4.22 | 4.21 | 4.22 | 4.25 | 4.29 | 4.47 | 4.52 | 4.18 | -0.3 |
| KRW | 1420 | 1407 | 1388 | 1374 | 1354 | 1479 | 1487 | 1346 | -1.0 |
| TWD | 30.6 | 30.4 | 30.3 | 29.2 | 32.2 | 32.8 | 33.3 | 28.8 | -0.6 |
| **Latam** | | | | | | | | | |
| BRL | 5.37 | 5.34 | 5.41 | 5.53 | 5.58 | 6.17 | 6.32 | 5.27 | -0.6 |
| COP | 3886 | 3869 | 3925 | 4011 | 4202 | 4406 | 4546 | 3824 | -0.4 |
| MXN | 18.4 | 18.4 | 18.6 | 18.6 | 19.5 | 20.8 | 21.3 | 18.2 | 0.1 |
| ARS | 1421 | 1425 | 1424 | 1256 | 975 | 1031 | 1475 | 975 | 0.3 |
| **EEMEA** | | | | | | | | | |
| RUB | 81.2 | 82.3 | 84.9 | 74.1 | 96.8 | 113.5 | 115.1 | 74.1 | 1.3 |
| ZAR | 17.2 | 17.2 | 17.5 | 17.7 | 17.5 | 18.8 | 19.9 | 17.1 | 0.2 |
| TRY | 41.8 | 41.7 | 41.3 | 40.1 | 34.2 | 35.4 | 41.9 | 34.1 | -0.4 |

| Bonds | Close | 1-week Ago | 1-month Ago | 3-months Ago | 1-year Ago | Year End 2024 | 1-week basis point change* |
|---|---|---|---|---|---|---|---|
| **US Treasury yields (%)** | | | | | | | |
| 3-Month | 3.94 | 3.95 | 4.03 | 4.35 | 4.64 | 4.31 | -1 |
| 2-Year | 3.58 | 3.58 | 3.54 | 3.87 | 3.96 | 4.24 | 1 |
| 5-Year | 3.72 | 3.71 | 3.60 | 3.93 | 3.89 | 4.38 | 1 |
| 10-Year | 4.13 | 4.12 | 4.05 | 4.35 | 4.06 | 4.57 | 1 |
| 30-Year | 4.71 | 4.71 | 4.70 | 4.87 | 4.36 | 4.78 | 0 |
| **10-year bond yields (%)** | | | | | | | |
| Japan | 1.69 | 1.66 | 1.56 | 1.50 | 0.95 | 1.09 | 3 |
| UK | 4.74 | 4.69 | 4.63 | 4.59 | 4.21 | 4.56 | 6 |
| Germany | 2.69 | 2.70 | 2.65 | 2.70 | 2.26 | 2.36 | -1 |
| France | 3.51 | 3.51 | 3.46 | 3.40 | 3.02 | 3.19 | 0 |
| Italy | 3.49 | 3.51 | 3.46 | 3.56 | 3.53 | 3.52 | -2 |
| Spain | 3.24 | 3.23 | 3.23 | 3.32 | 2.99 | 3.06 | 1 |
| China | 1.85 | 1.87 | 1.82 | 1.66 | 2.16 | 1.68 | -2 |
| Australia | 4.36 | 4.33 | 4.27 | 4.28 | 4.22 | 4.36 | 3 |
| Canada | 3.20 | 3.19 | 3.18 | 3.41 | 3.23 | 3.23 | 2 |

*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 | 3,972 | 2.2 | 9.1 | 19.5 | 51.0 | 51.3 | 4,059 | 2,537 |
| Brent Oil | 64.9 | 0.6 | -3.4 | -2.1 | -13.9 | -9.6 | 76 | 58 |
| WTI Crude Oil | 61.2 | 0.6 | -3.4 | -3.5 | -13.8 | -10.6 | 73 | 54 |
| R/J CRB Futures Index | 299.3 | 0.0 | -0.8 | -0.3 | 3.0 | 0.9 | 317 | 278 |
| LME Copper | 10,747 | 0.3 | 7.3 | 10.8 | 10.5 | 22.6 | 11,000 | 8,105 |

**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. Costs may vary with fluctuations in the exchange rate.
Source: HSBC Asset Management. Bloomberg. Data as at 7.30am UK time 10 October 2025.

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