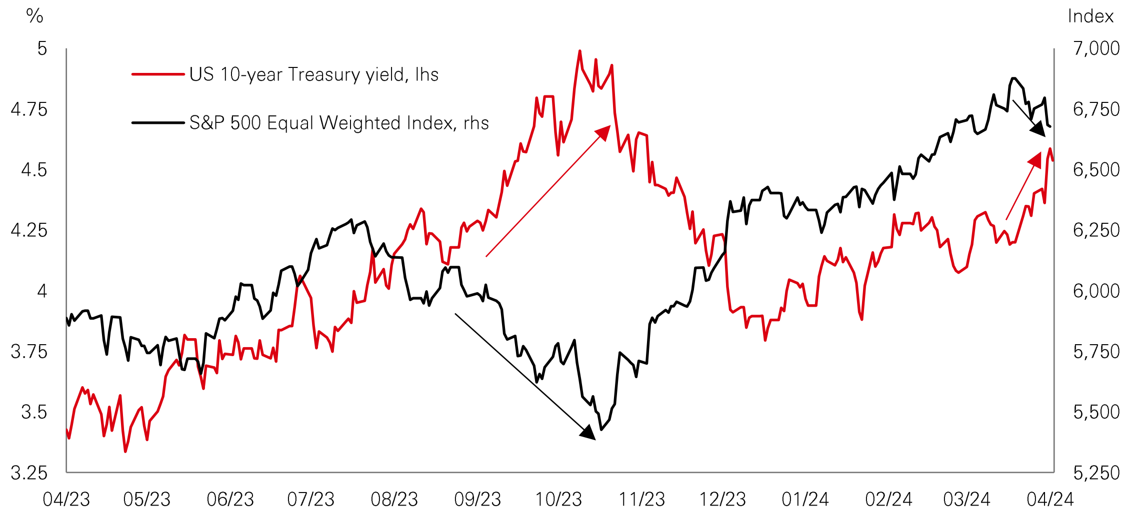
HSBC Asset Management

Investment Weekly

12 April 2024
For Professional Clients only.

Chart of the week – Higher bond yields pressuring stocks



US Treasury yields have risen markedly since the start of the year, with the 10-year yield jumping above 4.5% this week for the first time since mid-November. Market repricing of 2024 Fed rate cuts has been a big driver of the move. This has come amid upside inflation surprises – including this week's March CPI release showing broad-based stickiness in services inflation – and ongoing economic resilience, not least last week's bumper payrolls print. And it has revived the 'higher-for-longer' investor narrative that was such a key feature of market action last autumn.

Despite yields creeping higher, year-to-date gains across the risk asset universe have been impressive. But there are signs that risk markets are beginning to wobble under the strain of higher risk-free rates.

With valuations in pockets of the market looking stretched, **a further leg up in bond yields could present a major challenge to risk asset pricing**. High uncertainty regarding the level of the neutral interest rate means longer-dated yields lack a credible anchor. This makes them sensitive to cyclical developments, or movements in commodity prices.

Most worrying would be if yield moves are driven by sticky inflation or supply-side concerns in the oil market, rather than strong activity. **Adding this to the economic backdrop of moderating growth and still restrictive policy settings, a cautious view on a significant chunk of the Western risk asset universe makes sense to us**.

Asian Stocks →

Looking at the strong performance in Asian equities in Q1

FX Volatility →

How diverging rates policies could cause currency market volatility

Fiscal Outlook →

The US fiscal policy outlook and what it means for multi-asset investors

Market Spotlight

Q1 results season – show us the earnings!

S&P 500 Q1 results season kicks off in earnest this week with big financials dominating the calendar early on. Full year 2024E consensus EPS growth stands at 10% overall, with profit growth of 3% in Q1 rising to 17.5% in Q4.

With the index on a hefty 21x price-earnings (PE) ratio, and rates still elevated, further significant multiple expansion looks challenging, with investors now demanding to see progress on earnings after a muted 2023.

Tech and communication services EPS growth remain at the top in Q1 (c. +20% yoy). Base effects are anticipated to boost Utilities. Five sectors are expected to decline including the cyclicals that rode the recent broadening-out rally, including Industrials, Energy and Materials as investors look beyond Q1. Any upside surprises here could support further market gains. In Financials, it looks more mixed with Banks weakest and Insurance strongest.

Analysts expect the costs of oil, shipping, transport and finance to fall back, even if wages are likely to remain a material headwind. Therefore, we will be closely monitoring outlook statements for signs that the expected H2 recovery in margins – baked into estimates – can materialise. Lastly, previous excitement over AI could also shift to more practical talk of near-term costs.

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. 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 12 April 2024.

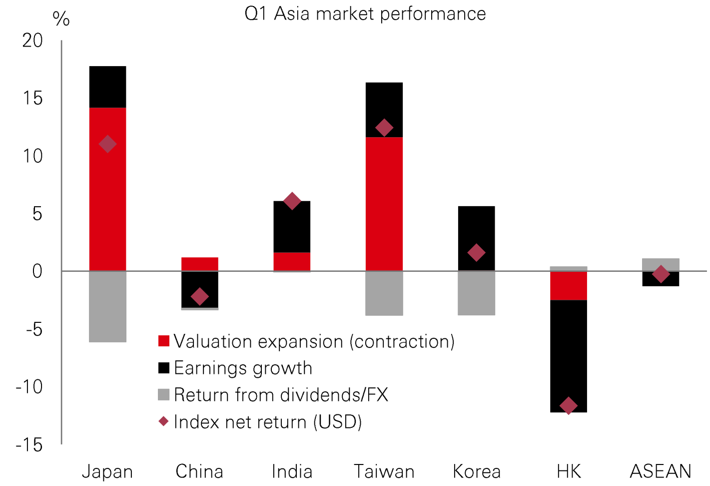
Promising run for Asia stocks

Asian stock markets enjoyed a good run in Q1. And although Japan was the regional outperformer, **Asia ex Japan outperformed both Latam and EMEA**.

Amid the upswing in the semiconductor cycle, Taiwan notched up double-digit gains, beating Korea. But Korea's recently announced 'Value Up' programme – which aims to boost valuations and shareholder returns – will be a key area of investor focus.

Indian stocks extended last year's stellar run. By contrast ASEAN equities finished the quarter flat on a lacklustre growth outlook. But there are some interesting prospects within the bloc. The Philippines, for example, is gaining investor attention given cheap valuations, a healthy earnings outlook, and the prospects of big rate cuts by the central bank over the next year.

Perhaps the key move in Q1 was **in China, where policy measures finally appear to have put a floor under prices**. Domestic growth and property sector headwinds persist, but underweighting China at such low valuations could be a risk.



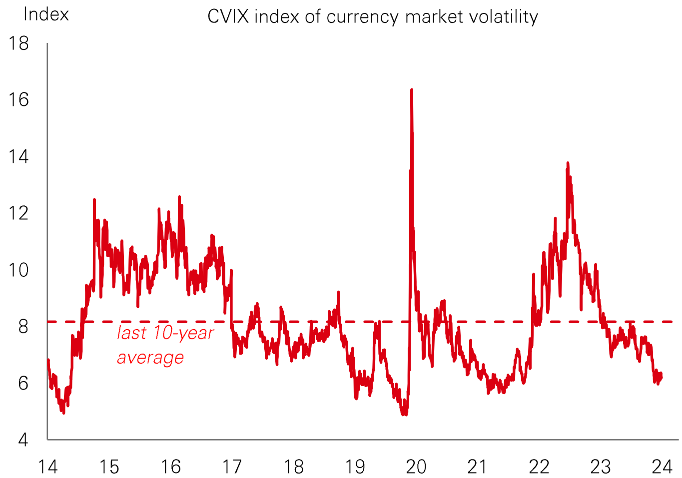
Fed affects FX

For a while now, currency market volatility has been very subdued. This echoes very low levels of implied equity market volatility as measured by the VIX index.

This may reflect growing investor confidence in the 'soft landing' narrative of resilient growth and disinflation across economies, and the idea that global central bank cutting cycles will be fairly synchronised.

The week's US CPI data throws this scenario into doubt. Mounting evidence of sticky US services inflation contrasts with better progress on disinflation in Europe and in many parts of the EM universe. This raises the possibility of growing policy divergence, even if anxieties about FX-driven inflation pressures constrain how much easing outside of the US can be introduced.

As the inflation path becomes bumpier and disinflation becomes more dependent on domestic rather than global factors, there is a good chance currency volatility reignites in the coming months.



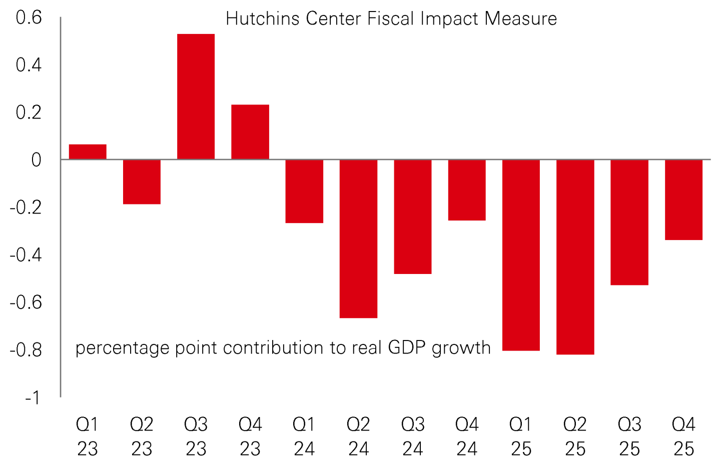
Don't forget about fiscal

The strength of private sector balance sheets explains a big part of why the US economy has been so resilient to the fastest policy tightening cycle since the 1980s. But fiscal policy has also helped.

Last year, business investment saw a modest boost from government incentives under the CHIPS and Science Act and Inflation Reduction Act. There was also a rebound in direct spending by federal and state governments.

But 2024 will be different. Fiscal policy is expected to be contractionary; a drag on economic growth. Previous monetary policy tightening may bite with a lag. And 'higher for longer' interest rates may mean that policy-makers risk recession to defeat sticky inflation. This creates some future risks for GDP and profits growth, and stocks too.

The longer-term fiscal arithmetic will be impacted by the outcome of the US elections. And that will be an important event for investors. **But the key point is that fiscal activism is back and public deficits are likely to remain large**. **We're not heading back to the 2010s, and that has major implications for investors**.



Past performance does not predict future returns.
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 12 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, eventual Fed easing, 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, growth could disappoint expectations in H2, meaning investors price in more cuts. 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 later this year 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 12 April 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Tue. 9 April	US	NFIB Business Confidence Index	Mar	88.5	89.4	Business confidence for small firms fell further in March, with hiring intentions the weakest since May 2020
Wed. 10 April	US	CPI (yoy)	Mar	3.5%	3.2%	Core CPI printed a 0.4% mom increase for the third consecutive month, with core services inflation remaining elevated
	CA	Bank of Canada Interest Rate Decision	Mar	5.00%	5.00%	The Bank of Canada left policy unchanged but hinted further good inflation news could allow room for a possible rate cut in June
	US	FOMC Meeting Minutes	Mar			March FOMC minutes revealed members were "highly attentive" to inflation risks, whilst suggesting tapering of QT will start "fairly soon"
Thu. 11 April	CN	CPI (yoy)	Mar	0.1%	0.7%	Headline inflation slowed, dragged down by lower goods and food prices, pointing to the need for further demand-side stimulus
	MX	Industrial Production (yoy)	Mar	3.3%	2.7%	Output has stagnated on a mom basis in early 2024
	EZ	ECB Interest Rate Decision	Apr	4.00%	4.00%	ECB president Lagarde suggested increased evidence inflation is sustainably converging to its target would warrant a rate cut, probably in June. A "few members" called for an immediate easing
Fri. 12 April	CN	Trade Balance (USD bns)	Mar	58.6	39.7	Chinese exports fell sharply in March apart from autos/integrated circuits. Imports also dropped, reflecting continued weak domestic demand
	KO	Bank of Korea Interest Rate Decision	Apr	3.50%	3.50%	The Bank of Korea kept rates on hold but softened its hawkish bias, stating a rate cut is possible in H224 providing progress on disinflation meets their expectations
	IN	CPI (yoy)	Mar	-	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	-	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	-	-	The University of Michigan consumer confidence index has risen steadily since mid-22 while medium-term inflation expectations have eased lately

P – Preliminary, F – Final **US – United States, CA – Canada, CN – China, MX – Mexico, EZ – Eurozone, KO – Korea, IN – India**

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 15 April	US	Q1 earnings	Apr			Q1 US earnings season begins with financials dominating near-term. Full year 2024E consensus EPS remains at 10%, with profit growth expected to improve through 2024
	EZ	Industrial Production (mom)	Feb	1.0%	-3.2%	Industrial surveys have picked up but are still consistent with contraction
	US	Retail Sales (mom)	Mar	0.4%	0.6%	US retail sales growth has slowed in early 2024
Tue. 16 April	UK	Unemployment Rate (3 months)	Feb	4.0%	3.9%	The labour market is cooling, with underlying average earnings slowing
	CN	Retail Sales (ytd)	Mar	5.4%	5.5%	More targeted measures and demand-side stimulus should help to stabilise private consumption in coming months
	CN	Industrial Production (ytd)	Mar	6.5%	7.0%	Industrial production should remain robust, aided by further policy easing and signs of a recovery in external demand
	CN	GDP (qoq, SA)	Q1	1.6%	1.0%	Recent data hint at a pick-up in growth in Q124 on a quarterly basis
	US	Housing Starts (mom)	Mar	-2.7%	10.7%	Starts have been volatile but range bound since late 2022
	US	Industrial Production (mom)	Mar	0.4%	0.1%	Production has fallen modestly of late, but the ISM manufacturing survey suggests a return to expansion is likely in the near term
	US	IMF publishes World Economic Outlook	Apr			The IMF's World Economic Outlook should be relatively upbeat on global growth, warning against premature rate cuts amid sticky inflation
Wed 17 April	UK	CPI (yoy)	Mar	2.9%	3.4%	Headline inflation should reach the BoE's 2% target in Q224, but service-sector inflation remains elevated
	US	G20 Finance Ministers and Central Bank Governors Meeting	Apr			
Thu. 18 April	US	Existing Home Sales (mom)	Mar	-5.1%	9.5%	Pending home sales point to a decline in existing home sales
Fri. 19 April	MX	Retail Sales (mom)	Feb	-	-0.6%	Restrictive monetary policy has weighed on retail sales in early 2024
	JP	Nationwide CPI ex fresh food & energy (yoy)	Mar	3.0%	3.2%	Higher wage growth should boost service sector inflation in coming months, keeping core inflation above 2% yoy in H224
	IN	Indian People's Assembly Election	Apr			Indian general elections start soon, with results announced in early June

Q – Quarter **US – United States, EZ – Eurozone, UK – United Kingdom, CN – China, MX – Mexico, JP – Japan, IN – India**

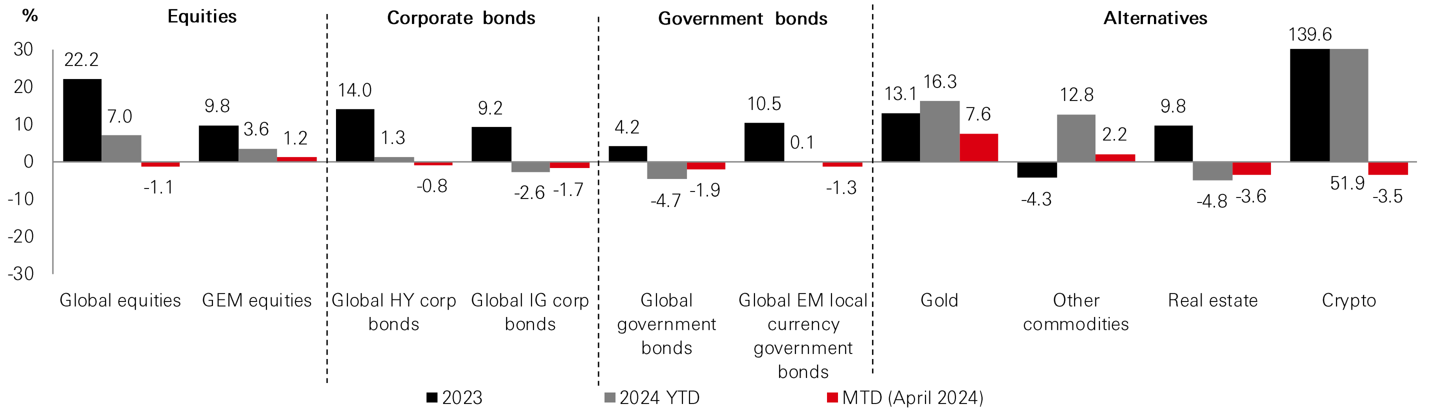
Source: HSBC Asset Management. Data as at 11am UK time 12 April 2024.

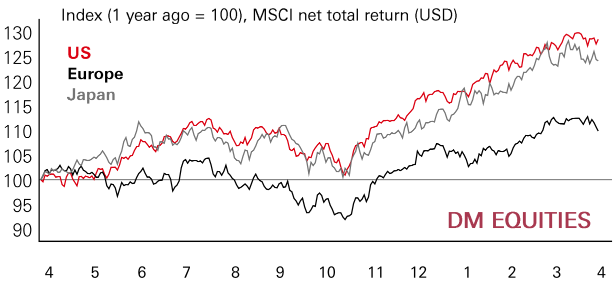
Market review

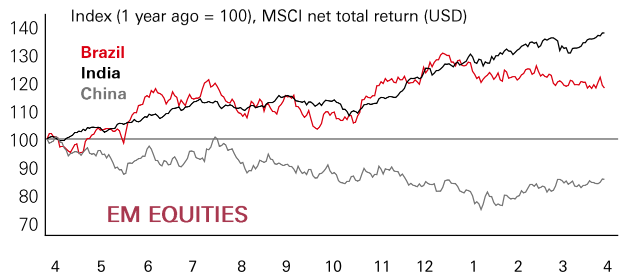
This week

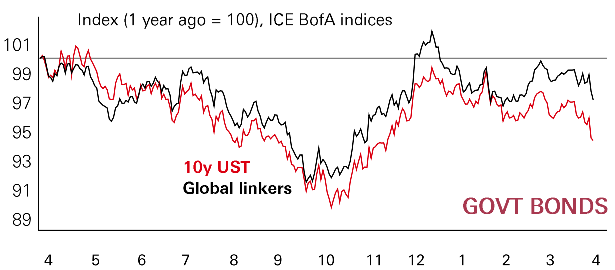
Risk assets took a pause for breath after disappointing US inflation data, with core government bonds weakening amid a re-pricing of US rate expectations. US Treasuries underperformed Bunds as ECB President Lagarde suggested a eurozone rate cut was imminent, probably in June, with a "few members" calling for immediate policy easing. US equities were mixed, with the rate-sensitive Russell 2000 faring worst but large-cap technology stocks recovering some lost ground later in the week. The Eurostoxx 50 index moved sideways whilst Japan's Nikkei rebounded on a weaker yen. In emerging markets, China's Shanghai Composite index fell amid lingering deflation worries, while India's Sensex reached new highs before selling off later on the US inflation print. In commodities, ongoing geopolitical concerns are underpinning energy prices. Gold reached a new high.

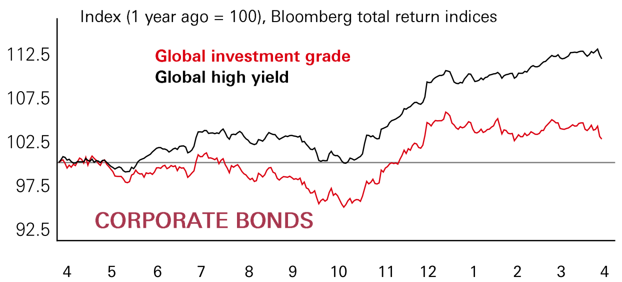
Selected asset performance

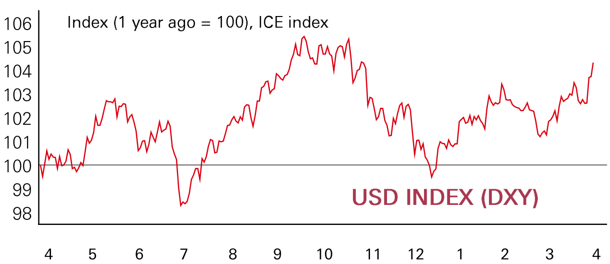


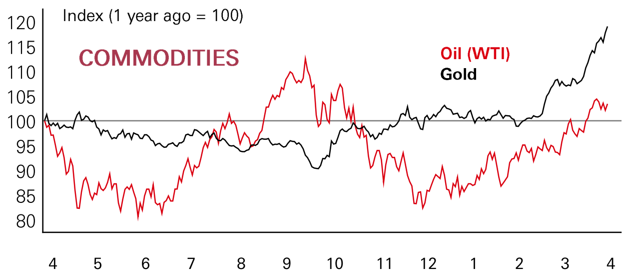












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Market data

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)	775	-0.2	-0.1	6.9	19.6	6.6	786	628	18.2
North America									
US Dow Jones Industrial Average	38,459	-1.1	-1.4	2.3	14.3	2.0	39,889	32,327	18.6
US S&P 500 Index	5,199	-0.1	0.5	8.7	27.1	9.0	5,265	4,048	21.8
US NASDAQ Composite Index	16,442	1.2	1.1	9.8	37.8	9.5	16,539	11,799	29.1
Canada S&P/TSX Composite Index	22,110	-0.7	1.3	5.3	8.1	5.5	22,380	18,692	15.4
Europe									
MSCI AC Europe (USD)	545	-1.4	-2.3	3.3	6.4	2.2	562	459	13.7
Euro STOXX 50 Index	5,007	-0.2	0.5	11.8	15.5	10.7	5,122	3,993	13.7
UK FTSE 100 Index	8,020	1.4	3.5	5.2	2.5	3.7	8,030	7,216	11.7
Germany DAX Index*	18,113	-0.3	0.8	8.4	15.3	8.1	18,567	14,630	13.0
France CAC-40 Index	8,094	0.4	0.1	8.4	9.4	7.3	8,254	6,774	13.7
Spain IBEX 35 Index	10,760	-1.4	3.6	6.6	16.0	6.5	11,140	8,879	10.7
Italy FTSE MIB Index	34,101	0.3	1.0	11.9	23.4	12.4	34,908	26,000	8.9
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	542	0.9	0.0	5.8	3.2	2.4	546	469	14.1
Japan Nikkei-225 Stock Average	39,524	1.4	1.9	11.1	40.7	18.1	41,088	27,952	20.5
Australian Stock Exchange 200	7,788	0.2	1.0	3.9	6.0	2.6	7,911	6,751	17.3
Hong Kong Hang Seng Index	16,722	0.0	-2.2	2.9	-17.7	-1.9	20,865	14,794	8.3
Shanghai Stock Exchange Composite Index	3,019	-1.6	-1.2	4.8	-9.2	1.5	3,419	2,635	10.9
Hang Seng China Enterprises Index	5,880	0.3	-1.2	7.3	-14.4	1.9	7,092	4,943	7.7
Taiwan TAIEX Index	20,737	2.0	4.1	18.4	30.1	15.6	20,884	15,284	18.9
Korea KOSPI Index	2,682	-1.2	0.0	6.2	5.1	1.0	2,779	2,274	10.6
India SENSEX 30 Index	74,245	0.0	0.8	2.3	22.9	2.8	75,124	59,413	21.1
Indonesia Jakarta Stock Price Index	7,287	0.0	-1.3	0.6	7.2	0.2	7,454	6,563	1.7
Malaysia Kuala Lumpur Composite Index	1,551	-0.3	-0.2	4.3	8.1	6.6	1,566	1,369	13.9
Philippines Stock Exchange PSE Index	6,659	-1.3	-3.2	0.2	2.9	3.2	7,071	5,920	11.3
Singapore FTSE Straits Times Index	3,217	0.0	2.4	0.8	-2.1	-0.7	3,393	3,042	10.6
Thailand SET Index	1,396	1.5	1.2	-1.2	-12.3	-1.4	1,604	1,351	14.9
Latam									
Argentina Merval Index	1,259,303	3.7	22.6	21.9	371.9	35.5	1,334,440	259,963	6.4
Brazil Bovespa Index*	127,396	0.5	-0.2	-2.7	19.2	-5.1	134,392	101,064	8.2
Chile IPSA Index	6,727	3.3	3.5	12.7	25.7	8.5	6,731	5,147	11.9
Colombia COLCAP Index	1,415	1.9	10.7	9.6	14.9	18.4	1,426	1,045	7.5
Mexico S&P/BMV IPC Index	56,830	-2.2	3.5	2.2	4.6	-1.0	59,021	47,765	13.5
EEMEA									
Russia MOEX Index	3,458	1.8	3.8	8.6	36.2	11.6	3,460	2,484	N/A
South Africa JSE Index	75,632	1.1	2.9	1.9	-2.7	-1.6	79,456	69,128	10.1
Turkey ISE 100 Index*	9,814	2.0	8.2	22.9	90.7	31.4	9,849	4,311	6.1

*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	-0.2	0.1	7.3	7.0	21.6	17.5	61.9
US equities	-0.1	0.5	8.9	9.2	29.1	27.7	89.4
Europe equities	-1.3	-2.0	4.0	2.9	9.3	11.7	35.4
Asia Pacific ex Japan equities	0.9	0.2	6.4	3.0	6.0	-14.4	13.0
Japan equities	0.4	0.4	5.2	8.6	23.0	7.8	42.3
Latam equities	-0.4	1.3	-2.2	-4.5	16.4	31.5	18.4
Emerging Markets equities	0.9	0.9	6.4	3.6	9.0	-13.8	9.7

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

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Source: HSBC Asset Management. Bloomberg. Data as at 11am UK time 12 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)	554	-0.6	-1.1	-1.0	2.5	-1.3
JPM EMBI Global	849.5	-0.9	-0.4	1.1	7.5	0.1
BarCap US Corporate Index (USD)	3143.8	-0.8	-1.7	-2.1	1.7	-2.4
BarCap Euro Corporate Index (Eur)	246.4	-0.3	0.1	0.6	6.3	0.0
BarCap Global High Yield (Hedged in USD)	577.7	-0.4	0.1	2.1	12.4	2.0
Markit iBoxx Asia ex-Japan Bond Index (USD)	214.4	-0.5	-0.6	0.2	3.4	0.3
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	243	-0.2	0.7	4.2	5.7	6.1

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	1.06	1.08	1.09	1.10	1.10	1.10	1.13	1.04	-1.8
GBP/USD	1.25	1.26	1.28	1.28	1.25	1.27	1.31	1.20	-1.3
CHF/USD	1.09	1.11	1.14	1.17	1.12	1.19	1.20	1.08	-1.3
CAD	1.37	1.36	1.35	1.34	1.34	1.32	1.39	1.31	-1.2
JPY	153	152	148	145	133	141	153	132	-1.1
AUD/USD	0.65	0.66	0.66	0.67	0.67	0.68	0.69	0.63	-1.4
NZD/USD	0.60	0.60	0.62	0.62	0.62	0.63	0.64	0.58	-0.9
Asia									
HKD	7.84	7.83	7.82	7.82	7.85	7.81	7.85	7.79	-0.1
CNY	7.24	7.23	7.18	7.17	6.87	7.10	7.35	6.83	-0.1
INR	83.4	83.3	82.8	82.9	82.1	83.2	83.5	81.6	-0.2
MYR	4.77	4.75	4.68	4.65	4.41	4.59	4.81	4.38	-0.5
KRW	1375	1353	1311	1314	1326	1291	1376	1257	-1.7
TWD	32.3	32.1	31.4	31.1	30.5	30.6	32.5	30.4	-0.7
Latam									
BRL	5.09	5.07	4.97	4.85	4.92	4.85	5.22	4.70	-0.5
COP	3826	3766	3923	3911	4452	3875	4728	3739	-1.6
MXN	16.5	16.5	16.8	16.9	18.1	17.0	18.5	16.3	-0.5
ARS	866	863	845	816	214	808	866	215	-0.3
EEMEA									
RUB	93.5	92.6	91.7	88.4	82.2	89.5	102.4	75.1	-1.0
ZAR	18.8	18.7	18.7	18.7	18.4	18.4	19.9	17.4	-0.4
TRY	32.3	32.0	32.1	30.1	19.3	29.5	32.6	19.3	-0.9

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	5.39	5.36	5.38	5.35	4.94	5.33	3
2-Year	4.92	4.75	4.59	4.14	3.96	4.25	17
5-Year	4.58	4.39	4.15	3.83	3.46	3.85	19
10-Year	4.54	4.40	4.15	3.94	3.39	3.88	14
30-Year	4.64	4.55	4.31	4.18	3.62	4.03	8
10-year bond yields (%)							
Japan	0.85	0.77	0.76	0.59	0.46	0.61	8
UK	4.15	4.07	3.95	3.79	3.57	3.53	8
Germany	2.38	2.40	2.33	2.18	2.37	2.02	-2
France	2.87	2.91	2.78	2.68	2.94	2.56	-4
Italy	3.77	3.81	3.61	3.73	4.21	3.69	-4
Spain	3.19	3.23	3.14	3.09	3.40	2.98	-4
China	2.28	2.29	2.35	2.52	2.82	2.56	-1
Australia	4.27	4.10	3.95	4.07	3.24	3.96	17
Canada	3.73	3.59	3.39	3.22	2.88	3.11	14

*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	2,398	2.9	11.1	17.0	19.0	16.2	2,401	1,811
Brent Oil	90.8	-0.4	11.5	17.1	13.4	18.5	92	69
WTI Crude Oil	86.1	-0.9	11.5	18.1	13.4	19.4	88	65
R/J CRB Futures Index	295.5	-0.7	6.2	11.8	7.2	12.0	298	254
LME Copper	9,563	2.5	10.5	14.7	7.3	11.7	9,591	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 12 April 2024.

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