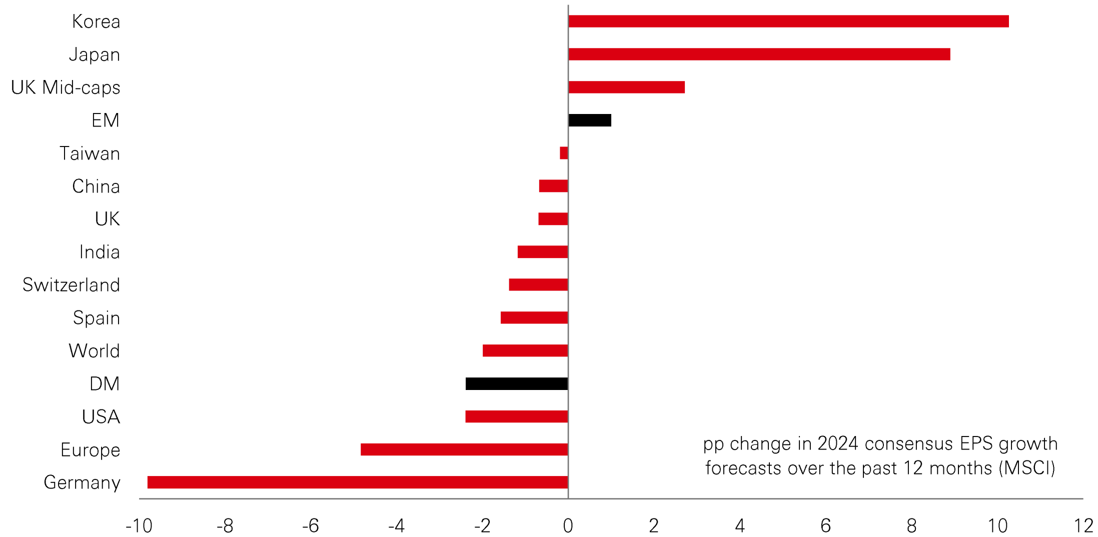
HSBC Asset Management

Investment Weekly

1 March 2024
For Professional Clients only.

Chart of the week – Evolving earnings



The Q4 US earnings season is coming to an end, and results look encouraging. S&P 500 companies are reporting around 8% yoy earnings per share (EPS) growth, comfortably beating pre-earnings-season estimates. Investors will now be looking to this year's numbers, so it's worth reflecting on the evolution of 2024 forecasts over the past year.

MSCI World EPS growth expectations for 2024 have fallen from 10.8% to 8.8%. **Downward revisions to developed markets (DM) EPS explain a big part of this**. Europe has been in stagnation mode for over a year, with an industrial sector downturn weighing heavily on German corporate profitability. US downgrades may reflect expectations of economic softening amid higher rates, with cyclical sectors being marked down the most. But Japan has bucked the trend, with growth up by nine percentage points (see "Japan's new highs" on next page).

Meanwhile, **EM earnings expectations have been upgraded**. Global disinflation and the prospect of Fed rate cuts have supported the outlook. Korea and Taiwan have benefited from an upswing in the semiconductor cycle. China numbers have been stable despite ongoing macro challenges, even if there is a risk of downgrades over the coming months given the backdrop of deflationary pressures and weaker global growth.

Market action across DM and EM hasn't reflected these earnings revisions. While EM equities have enjoyed upgrades, they have underperformed DM markets by 16% over the past year. **This has left relative valuations looking even more stretched** and provides a runway for better investment returns over time.

Fixed Income →

Exploring the outlook for high yield corporate bonds

Japan Equities →

Market breaks new highs for the first time in 34 years

India Growth →

Economic growth beats expectations as stocks soar

Market Spotlight

Thinking small

In recent months, US small businesses have felt an increasing squeeze from financial conditions. Interest rates paid on short term loans are hovering around their highest since the early 2000s and the proportion of firms that view finance as their single biggest problem is on a par with that seen in the aftermath of the financial crisis.

Against that backdrop it's no surprise that small and mid-cap (SMID) market performance has been anaemic. On one hand, a narrow range of mega-caps have wooed the market with a blend of quality and exposure to major market themes, like AI. On the other, SMIDs have been stifled by sticky cost inflation and tight financial conditions.

But the upside of being unloved is that SMIDs look cheap. Despite usually trading at a premium to large-caps, the MSCI World Small Cap index has a forward PE ratio of 15.6x, lower than the MSCI World Large Cap index, on 18.0x. With the prospect of rate cuts this year, those valuations leave SMIDs well-placed if the soft-landing sticks. **It also reinforces our view that small-caps can offer a source of defensive growth to portfolios**.

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. Data as at 11am UK time 01 March 2024.

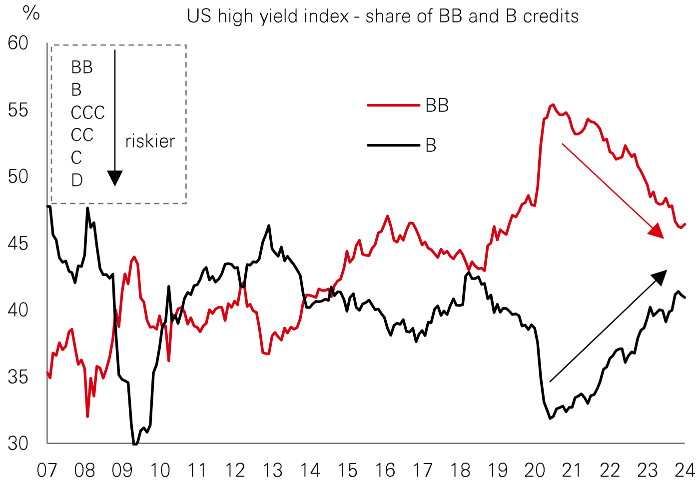
Lens on...

'Rising stars' and falling spreads

Growing investor expectations of an economic soft landing over recent months have manifested in an array of risk asset pricing. High-yield corporate bonds are no exception. Despite the fastest monetary policy tightening cycle since the 1980s, spreads have been hovering below their long-term average for much of the past year.

In our baseline of a softish landing and Fed cuts that begin in the summer, such tight spreads may still provide a reasonable return given generally solid corporate fundamentals - with the exception of a few industries undergoing secular pressures such as media and telecoms, for example.

But investors should not be complacent about risks. We have already talked about the 'maturity wall' facing corporates in the next couple of years. **Index quality is also deteriorating**. Many higher rated BB bonds that were downgraded during the pandemic are returning to the investment grade category – so called 'rising stars'. At the same time, many BB names are being downgraded. This makes the index more vulnerable and may add upward pressure to defaults. Selectivity is key.



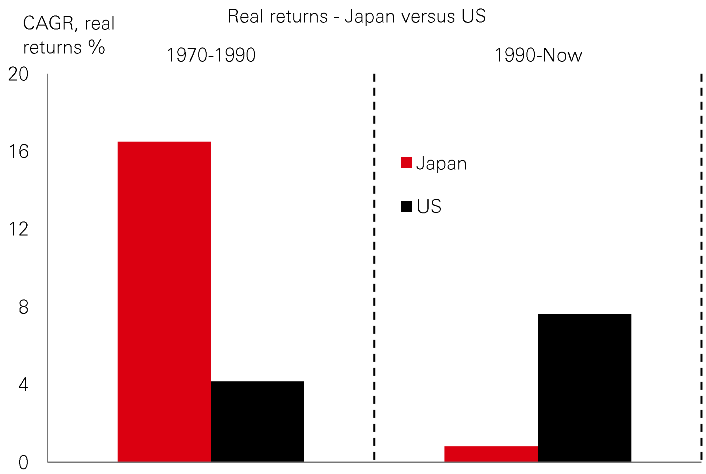
Japan's new highs

Japan's Nikkei 225 index broke to a new high last week, finally surpassing its previous peak reached in December 1989.

It has been a long road to recovery. In the two decades prior to 1989, Japanese equities delivered a real annualised return of 16.5%. But in the 34 years that followed, those returns collapsed to around 1% – while markets like the US accelerated.

Stock prices have risen (the Nikkei is up around 17% in 2024) on signs the economy is emerging from three decades of deflation. They are also benefiting from new investor-friendly initiatives and nominal growth is driving improved ROEs on fitter, lower-leveraged balance sheets.

Japan's consensus EPS growth for 2024E and 2025E averages 11.5% a year (IBES), which puts it in line with the US – but its price-to-book valuation of 1.5x is just a third of that in the US. **Improving momentum in sales, profits, margins, and cash balances means that we continue to be positive on Japanese equities**.



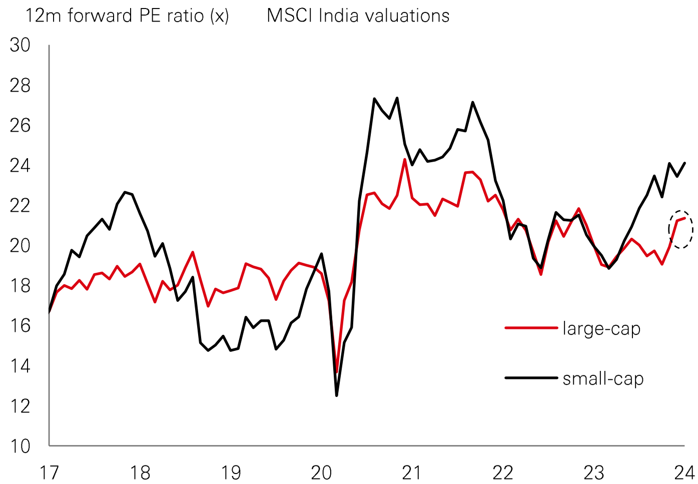
Incredible India

India's strong post-pandemic growth has been an eye-catching theme in emerging markets, and a major driver of a blistering performance in its stock market - which continues to scale fresh highs. This week, its latest GDP data once again beat expectations.

Year-on-year growth in third quarter (October-December) came in at 8.4% (versus forecasts of 6.6%), up from 7.6% in Q2. The usual caveat of not reading too much from one data point applies. Even so, the National Statistics Office hiked its estimates of GDP growth for the 2023-24 year to 7.6% from 7.3%, one of the highest rates in the world.

Broad signals of growth momentum remain very strong. India is benefiting from tailwinds including digitalisation, higher foreign investment, structural reforms and major infrastructure spending.

For the country's stocks, 2024 EPS growth expectations in the low teens looks very achievable in the context of economists pencilling in around 12% nominal growth for the year. We continue to view the country as an attractive option for investors – with large caps a potential focus given relatively modest valuations.



Past performance does not predict future returns.
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 01 March 2024.

Asset class views

Our investment strategy remains organised around two themes. First, that 'bonds are back' in a phase of higher fixed income yields, amid bumpy disinflation, and 2024 rate cuts. Second, for 'defensive growth', which would include a selective approach in credits, an important role for emerging markets in portfolios, and an emphasis on more defensive parts of alternatives (including private credit, hedge funds, infrastructure, and real estate).

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 uncertainty over the precise timing of rate cuts as central banks try to engineer a soft landing. While economic data have been robust, inflation remains sticky and the risk of material economic weakness persists
	Duration		Longer-dated bond yields remain elevated as markets continue to anticipate the likely timetable for rate cuts. An improvement in the term premium reinforces our view that 'bonds are back' and that duration is now being rewarded
	Emerging Markets		Disinflationary trends are continuing to play out, with many EM central banks likely to begin or continue cutting rates in 2024. This supports the EM fixed income outlook. Sticky inflation and growth concerns remain the major risks
Bonds	10yr US Treasuries		A resilient labour market and sticky inflation have revived the narrative of higher-for-longer rates. However, the Fed is still likely to cut interest rates from mid-2024 and growth could disappoint expectations in H2. Ten-year yields are likely to fall and the yield curve gradually steepen
	EMD Local		EM local-currency bonds have performed well, with yields falling relative to those in the US. Strong medium-term performance is backed up by solid fundamentals, including strong growth and buffers against external pressures, and improved policy credibility, as well as cheap valuations
	Asia Local		Asia's growth outlook remains encouraging. Further moderation in core inflation gives most central banks in the region room for rate cuts in H2 2024 should the Fed start to ease policy. Global macro uncertainties and geopolitical developments remain the key risks
Credits	Global Credit		Credit spreads could widen if the economic cycle deteriorates and the risk of defaults increases. However, amid stable corporate balance sheets, there are good income opportunities
	Global High-Yield		A backdrop of resilient fundamentals and shifting rate expectations has meant lower spreads, but rangebound returns in high yield. Valuations potentially do not reflect the possibility of economic weakness and accompanying default risks
	Asia Credit		Macro resilience across Asia is supportive of both IG and HY credit, although some positives such as manageable default risk outside Chinese properties and spread tightening from the non-China exposures, may have been reflected. Growth headwinds in China and DM are challenges
	EMD Hard Currency Bonds		The technical environment is strong, with sovereigns expected to underperform corporates given the ongoing supply from governments compared to more prudent EM corporate borrowers
Equities	DM Equities		There continues to be scope for near-term gains given robust economic data, but the risks of a slowdown remain. Strong momentum has stretched valuations in parts of the market, which could make prices vulnerable to corrections if firms fail to deliver on earnings expectations
	EM Equities		EM risk premiums generally look generous but there are divergent trends across regions. Cyclical and structural growth, and an expected shift by central banks toward rate cutting are positive factors. China's cyclical outlook is concerning and demands a cautious view of EM overall
	Asia ex Japan		Macro uncertainties remain a key risk but there are promising signs, with Chinese policy support endeavouring to rebuild market confidence, and strong structural and cyclical growth across the region delivering an improving earnings outlook and supporting equity price momentum
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 01 March 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Mon. 26 February	JP	National CPI ex Fresh Food, Energy (yoy)	Jan	3.5%	3.7%	Disinflationary pressures persist in the goods sector, while service sector inflation remains on a gradual upward trend
	US	Durable Goods Orders (mom)	Jan P	-6.1%	-0.3%	Corporates maintain a cautious stance as global uncertainty persists
Tues. 27 February	US	Conference Board Consumer Confidence	Feb	106.7	110.9	Consumer sentiment remains relatively high but there are tentative signs that confidence in the labour market is beginning to wane
Wed. 28 February	NZ	RBNZ interest rate announcement	Feb	5.50%	5.50%	The RBNZ maintained its tightening bias, reiterating rates "need to remain at a restrictive level for a sustained period of time" although risks to inflation have become "more balanced"
	US	GDP (qoq annualised)	Q4 S	3.2%	3.3%	Second release of the data
	JP	Industrial Production (mom)	Jan P	-7.5%	1.4%	Industrial production continues to exhibit a volatile pattern amid shutdowns in the auto sector
Thurs. 29 February	IN	GDP (yoy)	Q4	8.4%	7.6%	India showed an upbeat expansion on strong private capex and services demand. Growth should moderate but stay resilient ahead
	US	PCE Core (yoy)	Jan	2.8%	2.9%	The core PCE deflator is heading towards the Fed's 2% target but the pace will be slower than last year and the path could be bumpy
Fri. 01 March	CN	Official Manufacturing PMI	Feb	49.1	49.2	Manufacturers stay cautious while services index improved amid solid holiday spending. More coordinated policy measures are needed
	CN	Caixin Manufacturing PMI	Feb	50.9	50.8	
	EZ	CPI Estimate (yoy)	Feb	2.6%	2.8%	Disinflation is most evident in the goods sector. Easing service sector inflation is dependent upon moderating wage growth, closely monitored by the ECB
	US	ISM Manufacturing	Feb		49.1	Manufacturing is in the doldrums but the worst appears to be over
	BR	GDP (qoq)	Q4	0.0%	0.0%	Brazil's economy could enter a technical recession in early 2024, led by a renewed contraction in services activity

P – Preliminary, S – Second Release **JP – Japan, US – United States, NZ – New Zealand, IN – India, CN – China, EZ – Eurozone, BR – Brazil**

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Mon. 06 March	US/EZ	Q4 earnings				At the end of the US Q4 reporting season, expected EPS growth for 2024e has fallen from 12% to 9.7% (IBES). Europe has been revised down from c.7.5% to c.4%
Tues. 05 March	CN	NPC annual meetings begin				Market focus should be on the 2024 budget/growth targets after recent monetary easing, with more fiscal support expected
	EZ	S&P Global Composite PMI	Feb F	48.9	48.9	
	US	S&P Global Composite PMI	Feb F	-	51.4	
	US	ISM Services	Feb	53.3	53.4	Service sector sentiment remains in expansion territory, but is running at below average levels
	US	Durable Goods Orders (mom)	Jan F	-	-6.1%	
	CA	Bank of Canada Interest Rate Decision	Mar	5.00%	5.00%	The Bank of Canada (BoC) looks set to remain on hold near-term but encouraging inflation data increases the risk of an early rate cut. The BoC is monitoring the impact of higher rates on consumer spending
	US	Super Tuesday	Mar			15 US states hold elections for the Republican nominee for the US presidential election. The only rival to Donald Trump is Nikki Haley
Thurs. 07 March	GE	Factory Orders (yoy)	Jan	-4.6%	2.7%	
	MX	CPI (yoy)	Feb	4.4%	4.9%	Mexican core inflation has been trending lower recently, pointing to a modest rate cut, possibly in March
	EZ	ECB Interest Rate Decision	Mar	4.00%	4.00%	ECB president Lagarde stressed further evidence of disinflation is needed to warrant easing, with the focus on persistent wage pressures. Little change is envisaged in the ECB's macro projections
	US	Fed Chair Powell testifies before Congress				Fed Chair Powell should acknowledge recent upward inflation surprises, signalling there is no urgency to cut rates
Fri. 08 March	GE	Industrial Production (mom)	Jan	0.7%	-1.6%	The German corporate sector faces cyclical and structural headwinds
	US	Change in Nonfarm Payrolls (000s)	Feb	190k	353k	US nonfarm payrolls have surprised on the upside recently, but other labour market indicators show signs of cooling, including declining rates of hiring and quits
Sat. 09 March	CN	CPI (yoy)	Feb	0.2%	-0.8%	Inflation may rebound on the LNY holiday effect, but deflationary pressures remain due to weak goods demand

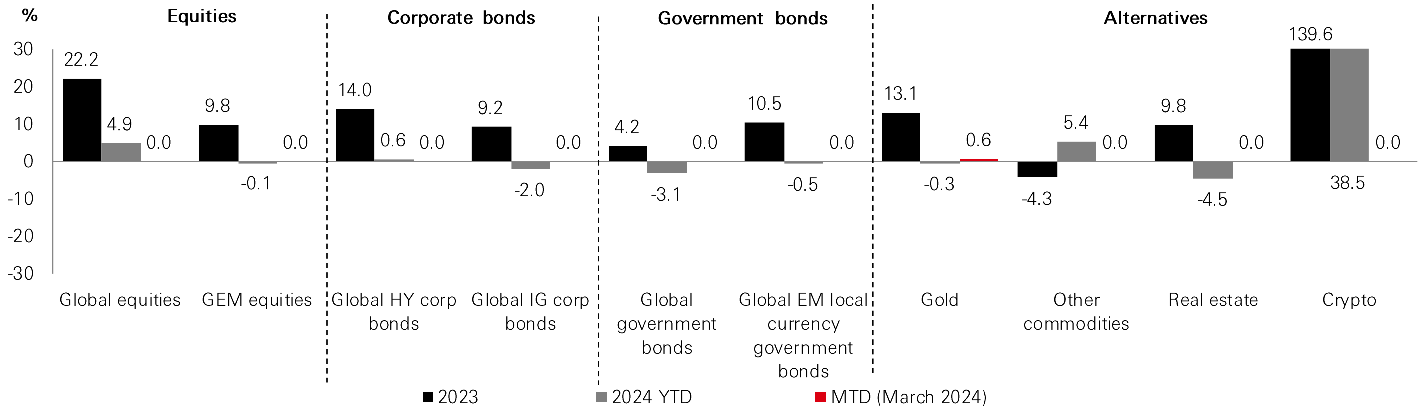
F – Final **US – United States, EZ – Eurozone, CN – China, CA – Canada, GE – Germany, MX – Mexico**

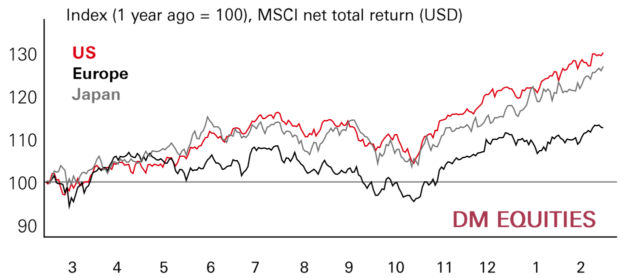
Source: HSBC Asset Management. Data as at 11am UK time 01 March 2024.

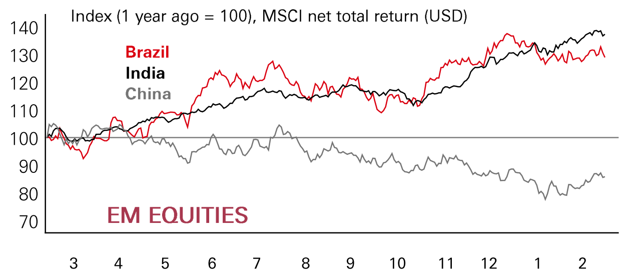
This week

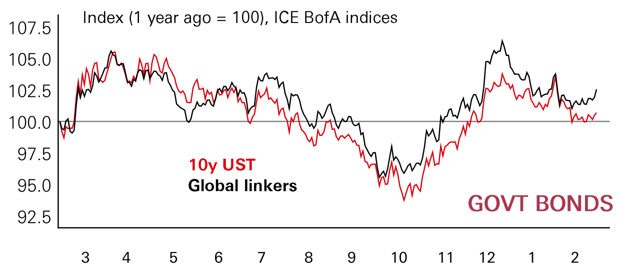
Risk markets were relieved by a consensus print for January's key US core PCE deflator, with core government bonds consolidating after recent weakness. The S&P 500 and Nasdaq reached all-time highs but lagged the Russell 2000 as small caps outperformed. The Euro Stoxx 50 index was little changed, while Japan's Nikkei reached a new high as BoJ member Takata expressed confidence that attainment of the 2% price stability target "was in sight", reinforcing market expectations of an end to the Negative Interest Rate Policy in April. In EM, February saw the Shanghai Composite post its best monthly performance since October 2022 ahead of the National People's Congress meetings. In commodities, oil prices were range-bound. Gold weakened but Bitcoin surged amid the current risk supportive environment.

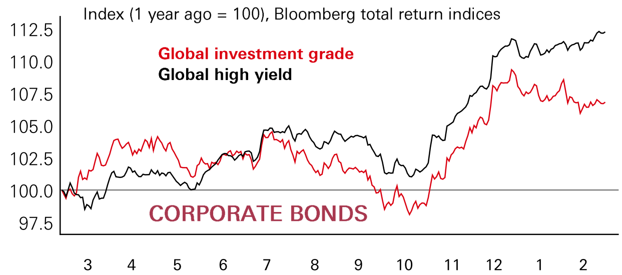
Selected asset performance

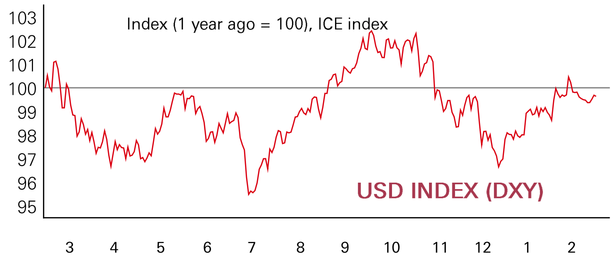


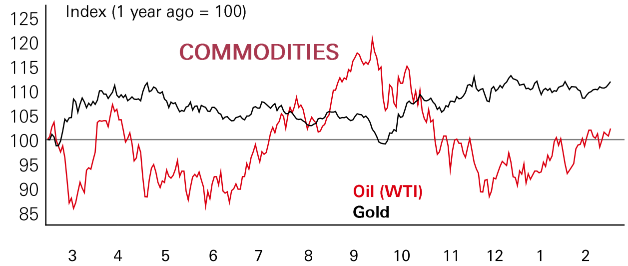












Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future.
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 01 March 2024.

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)	761	0.0	3.5	9.1	21.1	4.7	763	607	17.9
North America									
US Dow Jones Industrial Average	38,996	-0.3	1.2	7.6	19.4	3.5	39,282	31,430	18.7
US S&P 500 Index	5,096	0.1	3.9	10.9	29.0	6.8	5,111	3,809	21.2
US NASDAQ Composite Index	16,092	0.6	4.8	12.5	41.4	7.2	16,134	10,983	28.4
Canada S&P/TSX Composite Index	21,364	-0.2	1.2	4.5	5.4	1.9	21,450	18,692	14.8
Europe									
MSCI AC Europe (USD)	540	-0.6	2.1	6.0	9.9	1.3	545	459	13.4
Euro STOXX 50 Index	4,881	0.2	5.2	10.5	15.8	8.0	4,905	3,981	13.4
UK FTSE 100 Index	7,676	-0.4	0.7	2.0	-3.0	-0.7	7,974	7,207	11.2
Germany DAX Index*	17,740	1.8	5.2	8.2	15.9	5.9	17,817	14,458	12.4
France CAC-40 Index	7,916	-0.6	4.3	7.8	9.4	4.9	7,978	6,774	13.3
Spain IBEX 35 Index	10,072	-0.6	0.6	-0.7	8.0	-0.3	10,301	8,501	10.2
Italy FTSE MIB Index	32,854	0.5	7.1	9.8	20.3	8.2	32,939	24,751	8.7
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	525	-0.7	4.2	4.4	0.8	-0.7	545	469	13.6
Japan Nikkei-225 Stock Average	39,911	2.1	10.8	19.4	45.0	19.3	39,990	26,633	24.0
Australian Stock Exchange 200	7,746	1.3	2.1	9.5	6.8	2.0	7,746	6,751	17.2
Hong Kong Hang Seng Index	16,589	-0.8	6.6	-1.4	-19.5	-2.7	21,006	14,794	8.0
Shanghai Stock Exchange Composite Index	3,027	0.7	9.2	-0.2	-8.6	1.8	3,419	2,635	10.5
Hang Seng China Enterprises Index	5,729	-0.6	9.7	-0.6	-17.1	-0.7	7,101	4,943	7.3
Taiwan TAIEX Index	18,936	0.2	5.4	8.6	21.4	5.6	19,042	15,187	17.3
Korea KOSPI Index	2,642	-0.9	3.9	5.5	9.5	-0.5	2,695	2,274	10.5
India SENSEX 30 Index	73,745	0.8	2.9	9.3	24.1	2.1	73,819	57,085	24.3
Indonesia Jakarta Stock Price Index	7,312	0.2	1.5	3.6	6.8	0.5	7,404	6,543	1.8
Malaysia Kuala Lumpur Composite Index	1,538	-0.7	1.7	5.6	6.1	5.7	1,559	1,369	13.8
Philippines Stock Exchange PSE Index	6,920	0.1	4.5	10.8	4.7	7.3	7,005	5,920	11.9
Singapore FTSE Straits Times Index	3,136	-1.5	-0.2	1.5	-3.7	-3.2	3,393	3,042	10.2
Thailand SET Index	1,367	-2.2	0.0	-0.9	-15.6	-3.4	1,629	1,352	14.4
Latam									
Argentina Merval Index	1,014,712	-8.2	-22.1	16.6	306.6	9.1	1,334,440	207,676	5.1
Brazil Bovespa Index*	129,020	-0.3	0.4	0.7	23.6	-3.8	134,392	96,997	8.0
Chile IPSA Index	6,450	4.2	6.6	9.6	20.0	4.1	6,473	5,097	10.6
Colombia COLCAP Index	1,274	-1.3	-0.3	10.6	6.3	6.6	1,303	1,045	6.8
Mexico S&P/BMV IPC Index	55,414	-2.2	-4.2	2.8	3.6	-3.4	59,021	47,765	12.9
EEMEA									
Russia MOEX Index	3,259	3.7	0.9	3.7	42.9	5.1	3,287	2,235	N/A
South Africa JSE Index	72,666	-2.1	-2.4	-4.0	-7.6	-5.5	79,456	69,128	9.6
Turkey ISE 100 Index*	9,134	-2.6	5.6	13.8	71.6	22.3	9,450	4,311	5.5

*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	3.6	9.4	4.9	23.2	19.4	64.1
US equities	0.2	4.0	11.2	6.9	30.7	31.7	92.6
Europe equities	-0.5	2.2	6.2	1.5	13.0	15.2	38.2
Asia Pacific ex Japan equities	-0.6	4.4	4.8	-0.5	3.5	-19.9	13.3
Japan equities	1.2	3.8	12.0	7.8	26.6	7.4	41.9
Latam equities	-0.5	-1.4	2.0	-5.0	21.1	38.1	17.4
Emerging Markets equities	-0.7	4.1	4.3	-0.1	6.5	-19.1	9.8

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.

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Source: HSBC Asset Management. Bloomberg. Data as at 11am UK time 01 March 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)	556	0.1	-1.0	1.7	5.9	-0.9
JPM EMBI Global	844.3	0.3	0.2	3.9	9.4	-0.5
BarCap US Corporate Index (USD)	3167.2	-0.2	-2.0	1.7	6.6	-1.7
BarCap Euro Corporate Index (Eur)	244.5	-0.3	-0.9	1.4	7.0	-0.7
BarCap Global High Yield (Hedged in USD)	572.2	0.1	0.7	4.6	12.4	1.0
Markit iBoxx Asia ex-Japan Bond Index (USD)	214.5	0.1	-0.3	2.6	5.5	0.3
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	240	0.0	1.6	7.2	2.1	4.5

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 2023	52-week High	52-week Low	1-week Change (%)
Developed markets									
EUR/USD	1.08	1.08	1.09	1.09	1.07	1.10	1.13	1.04	0.0
GBP/USD	1.26	1.27	1.27	1.27	1.20	1.27	1.31	1.18	-0.3
CHF/USD	1.13	1.14	1.17	1.15	1.06	1.19	1.20	1.06	-0.5
CAD	1.36	1.35	1.34	1.35	1.36	1.32	1.39	1.31	-0.5
JPY	150	151	146	147	136	141	152	130	0.0
AUD/USD	0.65	0.66	0.66	0.67	0.68	0.68	0.69	0.63	-0.9
NZD/USD	0.61	0.62	0.61	0.62	0.63	0.63	0.64	0.58	-1.7
Asia									
HKD	7.83	7.82	7.82	7.81	7.85	7.81	7.85	7.79	-0.1
CNY	7.20	7.20	7.18	7.13	6.87	7.10	7.35	6.82	0.0
INR	82.9	82.9	83.0	83.3	82.5	83.2	83.5	81.6	0.0
MYR	4.75	4.78	4.73	4.67	4.47	4.59	4.81	4.38	0.7
KRW	1335	1331	1332	1306	1315	1291	1364	1257	-0.3
TWD	31.6	31.6	31.3	31.5	30.6	30.6	32.5	30.3	-0.2
Latam									
BRL	4.97	4.99	4.91	4.88	5.18	4.85	5.34	4.70	0.5
COP	3926	3964	3888	3964	4830	3875	4885	3806	1.0
MXN	17.0	17.1	17.1	17.2	18.1	17.0	19.2	16.6	0.4
ARS	842	839	827	361	198	808	842	198	-0.4
EEMEA									
RUB	91.4	94.9	90.4	91.0	75.1	89.5	102.4	74.4	3.6
ZAR	19.2	19.3	18.6	18.7	18.1	18.4	19.9	17.4	0.7
TRY	31.3	30.9	30.3	28.9	18.9	29.5	31.4	18.4	-1.4

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	5.35	5.40	5.36	5.35	4.85	5.33	-4
2-Year	4.60	4.69	4.20	4.54	4.88	4.25	-9
5-Year	4.23	4.28	3.81	4.12	4.26	3.85	-5
10-Year	4.23	4.25	3.88	4.20	3.99	3.88	-1
30-Year	4.37	4.37	4.12	4.39	3.95	4.03	0
10-year bond yields (%)							
Japan	0.71	0.71	0.70	0.69	0.50	0.61	0
UK	4.13	4.03	3.74	4.14	3.84	3.53	10
Germany	2.43	2.36	2.15	2.36	2.71	2.02	7
France	2.92	2.83	2.66	2.92	3.19	2.56	9
Italy	3.88	3.80	3.72	4.10	4.56	3.69	9
Spain	3.32	3.25	3.08	3.36	3.66	2.98	7
China	2.38	2.40	2.43	2.68	2.91	2.56	-2
Australia	4.14	4.20	4.01	4.49	3.79	3.96	-5
Canada	3.49	3.46	3.27	3.42	3.41	3.11	3

*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	2,055	1.0	0.0	-0.8	11.9	-0.4	2,135	1,810
Brent Oil	82.9	2.6	5.8	5.7	5.6	8.0	89	69
WTI Crude Oil	79.3	3.6	7.4	6.7	7.9	10.1	86	65
R/J CRB Futures Index	275.1	1.6	2.0	1.6	0.8	4.3	290	254
LME Copper	8,452	-1.4	-1.0	-1.8	-7.1	-1.3	9,183	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 01 March 2024.

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