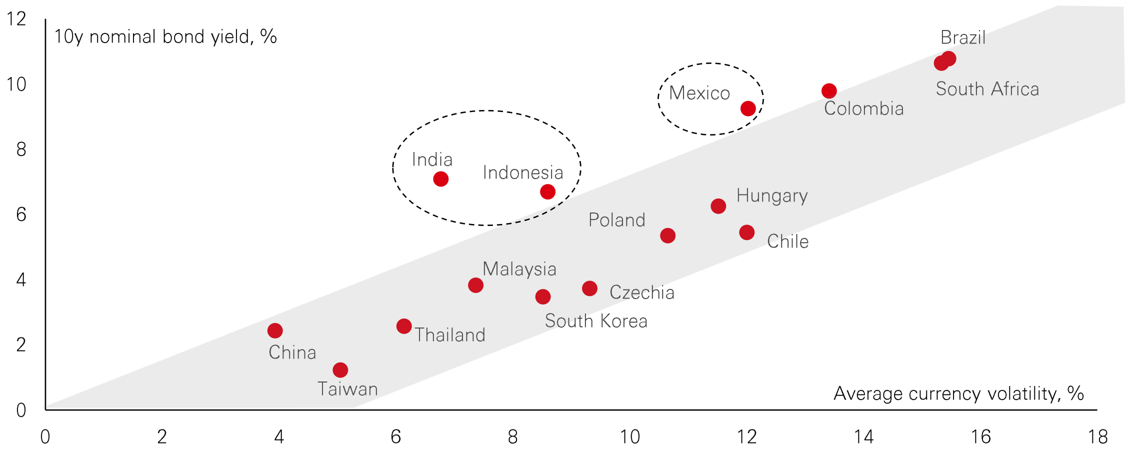
Investment Weekly

23 February 2024
For professional client and institutional investor use only

Chart of the week – Bonds are back (in emerging markets)



Our Asset Management House View continues to be that emerging market (EM) local currency bonds will deliver strong risk-adjusted returns over 2024. That continues a market trend since late 2023, with EM bond yields falling relative to those in the US. Attractive valuations and global disinflation should mean further strong performance.

The investment opportunity arises from EM central banks tightening monetary policy well before the Fed and the ECB. Proactive EM central bankers then created a valuation buffer for their bond markets to weather the fastest global tightening of financial conditions since the 1980s. Recent analysis by the IMF has reflected on how this policy strategy, plus country-specific structural reforms, has materially improved the risk behaviour of the asset class.

Several EM central banks – notably those in Latin America – have started cutting rates already. And many EM bond markets still have materially higher nominal and real yields than the US. Some markets – in particular, India, Mexico and Indonesia – really stand out (see chart).

The near-term path for EM could yet be choppy. The US dollar is vulnerable to bouts of strength, especially given the recent hot US macro data. Or EMs could falter under any phase of market stress. **But the argument for strong medium-term performance is backed up by solid fundamentals – strong growth and buffers against external pressures, and improved policy credibility – as well as cheap valuations.**

Interest Rates →
Bond market reaction to changing rate expectations

Real Estate →
An improving outlook for real estate markets

Global Equities →
Pros and cons of stock market concentration

Market Spotlight

China ramps up policy action

Hopes of further policy support for China's ailing property market were partly fulfilled this week. The People's Bank of China (PBoC) announced a larger-than-expected 25bp cut to the 5-year Loan Prime Rate (LPR) – a key benchmark for mortgage loans and long-term corporate loans – while keeping the 1-year LPR unchanged.

Implicit in this move was an effort to prop-up mortgage demand in the face of persistent weakness in property sales. These headwinds have been a key factor in stifling consumer confidence and economic growth. It will also go some way to mitigate pressure on net interest margins in the banking sector, which have been falling of late.

Investors have viewed the Chinese policy stimulus over the last couple of years as 'piecemeal'. But we think the monetary, fiscal and regulatory measures are starting to add up, potentially contributing up to 1 percentage point to GDP already. Amid evidence of stabilising macro activity and state intervention in the stock market, the recent good run in Chinese stocks could have legs. Meanwhile, a new challenge looms; analysts assume 2024 profits growth of around 15%, but can that be delivered? Recent macro signals of deflation seem to make it a bit harder.

Discover more in our Asia Insights

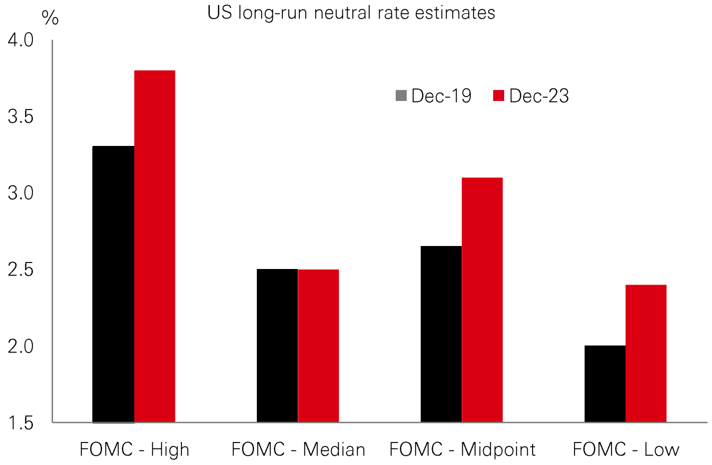
The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Past performance does not predict future returns. The level of yield is not guaranteed and may rise or fall in the future.
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 23 February 2024.

Higher for longer - part II

Since mid-January, markets have scaled back expectations for Western central bank policy easing. This is most evident for the US Fed, reflecting stronger than expected growth, labour and inflation data.

This has revived the 'higher for longer' debate. However, the bond market reaction is a bit different to that seen last September and October. Back then, the 10y US Treasury yield rose far more than the 2y, so the curve steepened. Since mid-January, the curve has become more inverted, suggesting more of a 'tighter for longer' story. The market has not significantly revised the neutral policy rate assumption.

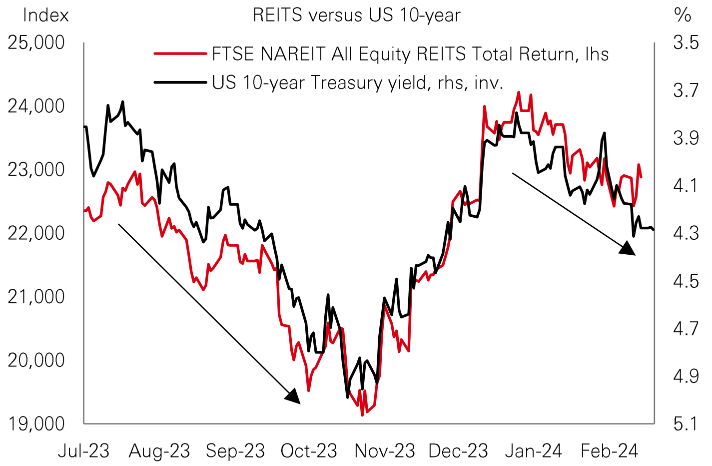
While it seems likely that the neutral rate has increased relative to pre-pandemic estimates, the current Fed funds rate is well above the highest estimate among FOMC members. Policy looks meaningfully restrictive. The longer it remains so, the greater the chance the economy (eventually) enters a downturn, along with risk assets. For us, this a key reason to remain cautious in portfolios.



It's all-REIT

It has been a disappointing start to 2024 for listed real estate investment trusts (REITs) – publicly traded companies that own or operate predominantly income-producing properties. A pick-up in bond yields has been a major culprit behind the drawdown given the interest-rate sensitive nature of the sector. This echoes the bearish phase in markets late last summer when 'higher-for-longer' was a dominant market narrative.

However, with some REITs already trading at a significant discount to underlying asset values, the recent sell-off makes the asset class more attractive relative to unlisted real estate and other asset classes. Private real estate valuations appear to be approaching a floor and M&A activity is increasing, which should help. Fundamentals also look good, with sound REIT balance sheets, solid demand and high occupancy levels across most sectors. Even in the struggling office sector, 'best in class' properties are posting healthy rental growth. But as investors grapple with the likely economic landing zone in 2024, bond market gyrations mean market conditions in the sector could be bumpy.

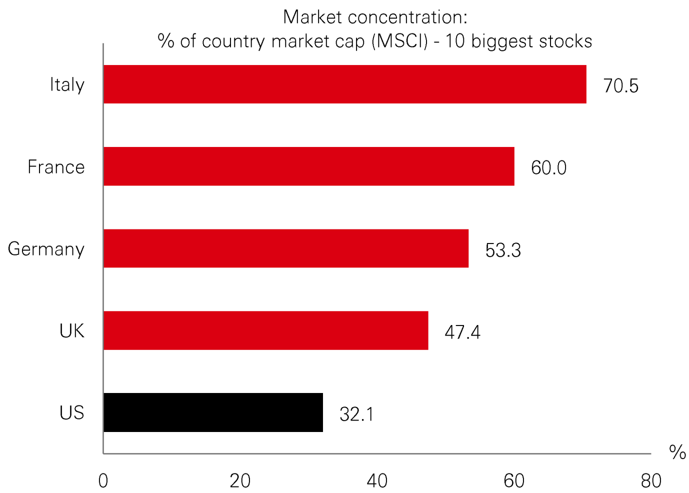


Beware of the crowds

A recent theme in global equities has been the growing concentration of the S&P 500 in a few mega-cap names that have captured the imagination of investors. But this isn't just a US phenomenon – concentration in European equity markets is significantly higher.

Whilst European markets are smaller, the largest 10 stocks (by market cap) per country make up around 50-70% of their respective markets, which looks excessive. When profits are scarce, investors tend to hide out in what they see as earnings growth certainty. Today, European investors are crowding into well-known large cap global plays.

To us, crowding like this signals fear and pessimism about Europe's economic backdrop. While a focus on large cap-quality has been an effective strategy – and concentration isn't necessarily a problem if companies keep delivering on profits - there are opportunity costs. If concerns about stocks left behind are over-cooked, investors could miss out on exposure to any relief rallies – particularly in value stocks, if domestic news surprises to the upside. A preference for value over growth could also work well in a regime of higher inflation and rates.



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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 23 February 2024.

Asset class views

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

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

	Asset Class	- View +	Comments
Macro Factors	Global growth	□□□■□□□□□	A defensive positioning in investment portfolios remains appropriate given that questions remain over the 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 early 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 – 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, though 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 a 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, geopolitics, margin erosion, and earnings downgrades remain key risks, but more policy easing in China to encourage growth momentum, and less aggressive tightening by Asian central banks, may offer some support. Dispersion across regional markets remains likely
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

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Source: HSBC Asset Management. Data as at 11am UK time 23 February 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Monday 19 Feb.	CN	5-year loan prime rate	Feb	3.95%	4.20%	The 5-year LPR was cut by 25bp, the largest on record, while the 1-year LPR was unchanged (3.45%). The more aggressive monetary moves follow recent large liquidity injections to support the economy
Wednesday 21 Feb.	US	Fed publishes Jan meeting minutes				January's minutes confirmed that the Fed is in no rush to cut rates. The FOMC is "highly attentive" to inflation risks, some participants expressed concern that progress towards price stability "could stall"
Thursday 22 Feb.	EZ	HCOB Global Composite PMI	Feb P	48.9	47.9	Eurozone sentiment improved in early 2024, led by the services sector, but remains in contraction territory. Manufacturing confidence worsened, with weakness most prevalent in Germany
	MX	GDP (qoq)	Q4 F	0.1%	0.1%	Mexican growth stagnated in late 2023, dragged down by weaker construction and service activity
	MX	Central bank monetary policy meeting minutes				Mexico's central bank dropped its tightening bias recently and is increasingly mindful of the impact of elevated real interest rates on growth. Lower rates should follow soon
	US	S&P Global Composite PMI	Feb P	51.4	52.0	The S&P PMI remains in positive territory, with both manufacturing and services growing at a modest pace
	IN	HSBC India Composite PMI	Feb P	61.5	61.2	The PMI readings confirmed strong business confidence, supported by India's robust capital expenditure and buoyant domestic demand
	TY	Central bank meeting	Feb	45.0%	45.0%	The Turkish central bank maintained a tightening bias would remain until there is a "significant" and "sustained" fall in inflation
Friday 23 Feb.	GE	Ifo Business Climate Index	Feb	85.5	85.2	

P – Preliminary, Q – Quarter, F – Final **GE – Germany, EZ – Eurozone, MX – Mexico, IN – India, TY – Turkey, CN – China**

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Monday 26 Feb.	US	Q4 earnings				90% of US companies have reported. REITs, consumer finance and freight have seen more downgrades. Staples and tech were stronger. US consensus 2024e EPS growth is 10%
	JP	National CPI ex Fresh Food, Energy (yoy)	Jan	3.3%	3.7%	Disinflationary pressures continue in the goods sector whilst service sector inflation is trending higher
	US	Durable Goods Orders (mom)	Jan P	-4.5%	0.8%	The corporate sector remains in a cautious mode amid the uncertain global outlook
Tuesday 27 Feb.	US	Conference Board Consumer Confidence	Feb	114.8	114.8	Easing inflation concerns have boosted consumer sentiment recently
	US	GDP (qoq annualised)	Q4	3.3%	3.3%	
Wed. 28 Feb.	JP	Industrial Production (mom)	Jan P	-7.0%	1.4%	Industrial production continues to exhibit a volatile pattern amid shutdowns in the auto sector
	NZ	RBNZ interest rate announcement	Feb	5.50%	5.50%	RBNZ should leave policy on hold but the risk is ongoing concerns about elevated inflation prompt another rate hike
Thurs. 29 Feb.	IN	GDP (yoy)	Q4	6.5%	7.6%	While India's growth may moderate in coming quarters, the economy should remain resilient amid cyclical and structural tailwinds
	US	PCE Core (yoy)	Jan	2.8%	2.9%	The core PCE deflator is heading towards the Fed's 2% target but the near-term outlook could be bumpy
Friday 01 March	CN	Official Manufacturing PMI	Feb	49.1	49.2	China's PMI data may still reflect weak sentiment amid structural challenges. More co-ordinated fiscal and monetary policy is needed
	EZ	Unemployment Rate	Jan	-	6.4%	The eurozone unemployment rate has fallen recently to record lows, with wage growth remaining high
	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	49.2	49.1	The US manufacturing ISM has been in contractionary territory for over a year, but has shown tentative signs of improvement lately
	BR	GDP (qoq)	Q4	0.1%	0.1%	After a strong H1 2023, Brazil's economy slowed markedly in H2 and likely grew only marginally at the end of the year

P – Preliminary, Q – Quarter **EZ – Eurozone, IN – India, CN – China, NZ – New Zealand, JP – Japan, BR – Brazil**

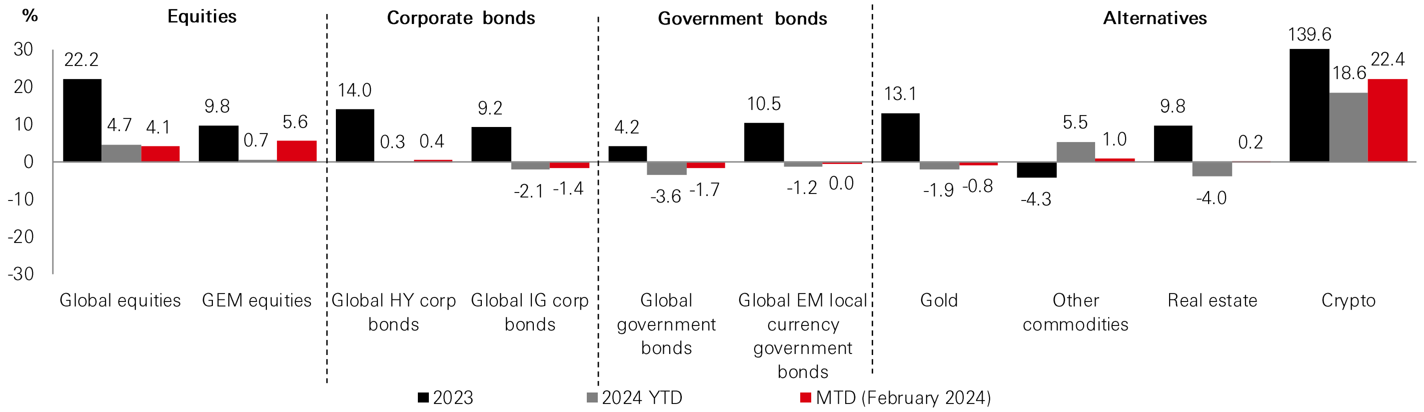
Source: HSBC Asset Management. Data as at 11am UK time 23 February 2024.

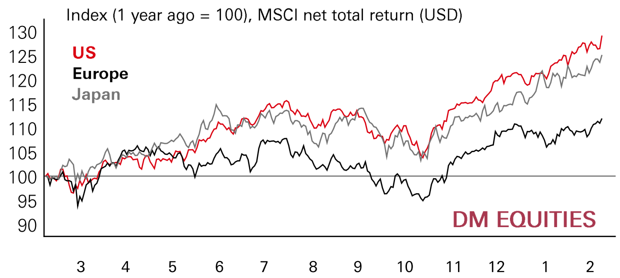
Market review

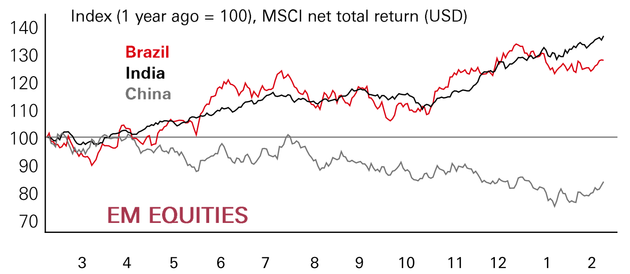
This week

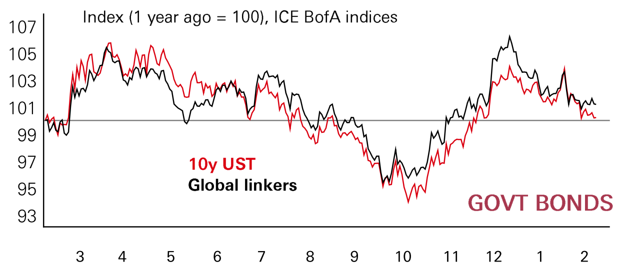
Risk markets rallied as investors digested the latest monthly PMI surveys and Q2 earnings. Core government bonds weakened on hawkish central bank comments. The inexorable rise in US tech stocks powered the S&P 500 and Nasdaq to all-time highs, but the Russell 2000 lagged as small caps continued to struggle. European stocks also benefited from the risk-on sentiment whilst Japan's Nikkei surpassed its 1989 all-time high, supported by rising 2024 earnings expectations and corporate reforms. In EM, a surprise 25bp cut in the 5yr long-term prime rate, the benchmark for Chinese mortgage rates, provided a fillip for the Shanghai Composite. India's Sensex index also performed well amid continued buoyant domestic demand. In commodities, oil prices were supported by lingering supply worries, while gold fell on higher US real yields.

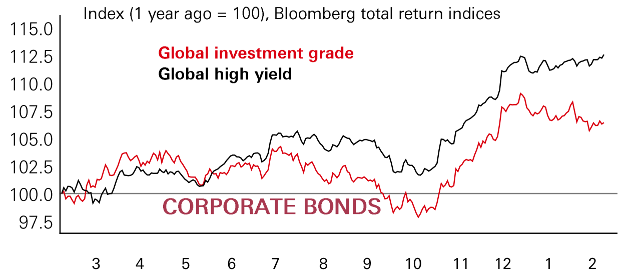
Selected asset performance

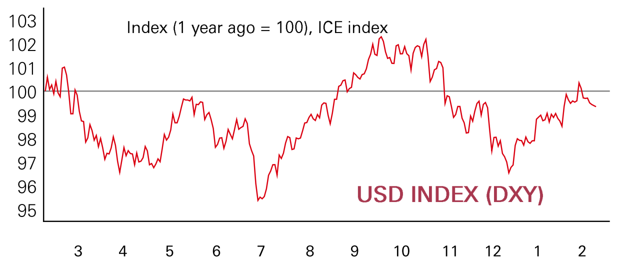


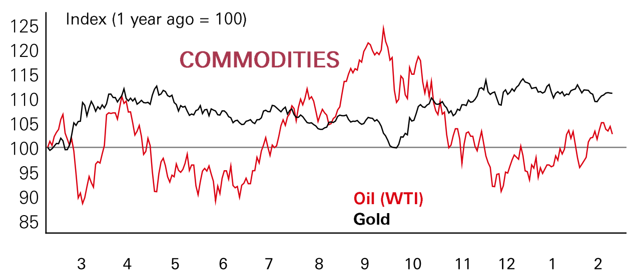












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Market data

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)	760	1.4	4.5	10.0	19.7	4.6	761	607	17.9
North America									
US Dow Jones Industrial Average	39,069	1.1	3.1	10.8	17.8	3.7	39,150	31,430	18.5
US S&P 500 Index	5,087	1.6	4.6	11.6	26.8	6.7	5,094	3,809	21.2
US NASDAQ Composite Index	16,042	1.7	4.0	12.4	38.4	6.9	16,080	10,983	28.3
Canada S&P/TSX Composite Index	21,318	0.3	1.3	6.0	5.6	1.7	21,365	18,692	14.7
Europe									
MSCI AC Europe (USD)	541	1.1	4.8	7.0	9.5	1.3	545	459	13.4
Euro STOXX 50 Index	4,867	2.1	9.0	11.6	14.3	7.6	4,868	3,981	13.3
UK FTSE 100 Index	7,683	-0.4	2.6	2.7	-2.8	-0.7	7,974	7,207	11.1
Germany DAX Index*	17,378	1.5	4.5	8.6	12.3	3.7	17,430	14,458	12.1
France CAC-40 Index	7,953	2.4	7.6	9.3	8.7	5.4	7,955	6,774	13.4
Spain IBEX 35 Index	10,088	2.0	2.3	1.8	9.3	-0.1	10,301	8,501	10.2
Italy FTSE MIB Index	32,586	2.7	8.3	11.5	19.5	7.4	32,590	24,751	8.6
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	528	1.1	5.9	4.1	0.9	-0.1	545	469	13.6
Japan Nikkei-225 Stock Average	39,099	1.6	7.1	16.9	44.3	16.8	39,157	26,633	23.6
Australian Stock Exchange 200	7,644	-0.2	1.7	8.7	4.9	0.7	7,704	6,751	17.0
Hong Kong Hang Seng Index	16,726	2.4	8.9	-6.6	-17.8	-1.9	21,006	14,794	8.1
Shanghai Stock Exchange Composite Index	3,005	4.8	8.4	-1.9	-8.6	1.0	3,419	2,635	10.5
Hang Seng China Enterprises Index	5,765	3.7	12.1	-6.6	-16.0	-0.1	7,101	4,943	7.3
Taiwan TAIEX Index	18,889	1.5	5.7	9.2	21.0	5.3	19,012	15,187	17.3
Korea KOSPI Index	2,668	0.7	7.6	6.1	9.4	0.5	2,695	2,274	10.5
India SENSEX 30 Index	73,143	1.0	3.9	10.8	22.7	1.2	73,428	57,085	24.1
Indonesia Jakarta Stock Price Index	7,295	-0.6	0.5	4.2	6.7	0.3	7,404	6,543	1.8
Malaysia Kuala Lumpur Composite Index	1,549	1.0	3.5	6.6	6.3	6.5	1,556	1,369	13.9
Philippines Stock Exchange PSE Index	6,913	0.6	4.4	10.7	3.4	7.2	6,991	5,920	11.9
Singapore FTSE Straits Times Index	3,185	-1.1	1.6	2.4	-2.5	-1.7	3,393	3,042	10.4
Thailand SET Index	1,398	0.9	3.1	-0.6	-15.4	-1.3	1,668	1,352	14.8
Latam									
Argentina Merval Index	1,076,030	1.0	-10.8	22.4	333.9	15.7	1,334,440	207,676	5.1
Brazil Bovespa Index*	130,241	1.2	1.5	2.9	21.0	-2.9	134,392	96,997	8.2
Chile IPSA Index	6,238	-1.6	4.6	7.4	17.4	0.6	6,449	5,097	10.3
Colombia COLCAP Index	1,279	1.8	1.3	13.4	7.3	7.0	1,303	1,045	6.7
Mexico S&P/BMV IPC Index	57,149	0.0	3.0	7.7	7.7	-0.4	59,021	47,765	13.2
EEMEA									
Russia MOEX Index	3,142	-3.1	-1.1	-2.4	42.0	1.4	3,287	2,189	N/A
South Africa JSE Index	73,890	0.4	0.8	-2.1	-6.5	-3.9	79,456	69,128	9.8
Turkey ISE 100 Index*	9,400	1.6	18.2	19.0	84.8	25.8	9,417	4,311	5.6

*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	1.4	4.6	10.3	4.7	21.8	18.6	64.4
US equities	1.6	4.6	12.1	6.7	28.5	32.1	93.1
Europe equities	1.1	5.0	7.3	1.5	12.5	14.5	39.8
Asia Pacific ex Japan equities	1.2	6.0	4.4	0.0	3.6	-21.6	13.9
Japan equities	1.2	3.7	12.2	6.5	25.3	2.5	39.3
Latam equities	0.8	3.2	4.9	-3.2	21.5	34.4	14.5
Emerging Markets equities	1.3	6.2	4.5	0.7	7.0	-20.6	9.9

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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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	0.0	-0.2	2.7	4.8	-1.2
JPM EMBI Global	838.3	0.2	1.0	4.7	8.0	-1.2
BarCap US Corporate Index (USD)	3164.3	0.1	-0.5	3.5	5.5	-1.8
BarCap Euro Corporate Index (Eur)	244.4	0.1	0.2	3.0	5.7	-0.8
BarCap Global High Yield (Hedged in USD)	570.3	0.4	1.1	5.6	11.9	0.7
Markit iBoxx Asia ex-Japan Bond Index (USD)	213.9	0.2	0.4	3.3	5.0	0.1
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	239	1.0	2.3	7.3	2.4	4.3

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	1.06	1.10	1.13	1.04	0.5
GBP/USD	1.27	1.26	1.27	1.25	1.20	1.27	1.31	1.18	0.6
CHF/USD	1.14	1.14	1.15	1.13	1.07	1.19	1.20	1.06	0.1
CAD	1.35	1.35	1.35	1.37	1.35	1.32	1.39	1.31	0.1
JPY	151	150	148	150	135	141	152	130	-0.3
AUD/USD	0.66	0.65	0.66	0.66	0.68	0.68	0.69	0.63	0.5
NZD/USD	0.62	0.61	0.61	0.60	0.62	0.63	0.64	0.58	1.1
Asia									
HKD	7.82	7.82	7.82	7.80	7.85	7.81	7.85	7.79	0.0
CNY	7.20	7.19	7.17	7.15	6.91	7.10	7.35	6.82	-0.1
INR	82.9	83.0	83.2	83.3	82.7	83.2	83.5	81.6	0.1
MYR	4.78	4.78	4.73	4.68	4.43	4.59	4.81	4.38	0.0
KRW	1331	1336	1333	1297	1297	1291	1364	1257	0.3
TWD	31.6	31.4	31.3	31.5	30.4	30.6	32.5	30.3	-0.6
Latam									
BRL	4.96	4.97	4.95	4.90	5.13	4.85	5.34	4.70	0.0
COP	3929	3908	3958	4068	4858	3875	4889	3806	-0.5
MXN	17.1	17.1	17.3	17.2	18.4	17.0	19.2	16.6	-0.3
ARS	838	835	822	357	195	808	838	195	-0.4
EEMEA									
RUB	94.9	92.4	88.7	88.5	75.7	89.5	102.4	74.2	-2.7
ZAR	19.3	18.9	19.0	18.8	18.2	18.4	19.9	17.4	-2.0
TRY	31.1	30.8	30.3	28.8	18.9	29.5	31.1	18.4	-0.8

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	5.37	5.35	5.41	4.81	5.33	2
2-Year	4.73	4.64	4.37	4.90	4.70	4.25	9
5-Year	4.35	4.27	4.04	4.43	4.11	3.85	7
10-Year	4.33	4.28	4.13	4.40	3.88	3.88	5
30-Year	4.46	4.44	4.36	4.54	3.88	4.03	3
10-year bond yields (%)							
Japan	0.71	0.73	0.67	0.72	0.50	0.61	-2
UK	4.11	4.11	3.98	4.25	3.59	3.53	0
Germany	2.44	2.40	2.35	2.62	2.48	2.02	4
France	2.91	2.88	2.85	3.18	2.95	2.56	4
Italy	3.91	3.88	3.91	4.39	4.38	3.69	3
Spain	3.34	3.30	3.27	3.62	3.44	2.98	5
China	2.40	2.44	2.51	2.70	2.93	2.56	-4
Australia	4.20	4.19	4.19	4.48	3.88	3.96	0
Canada	3.54	3.59	3.48	3.71	3.34	3.11	-5

*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	2,024	0.5	-0.3	1.6	11.0	-1.9	2,135	1,805
Brent Oil	82.5	-1.2	4.2	2.0	5.9	7.2	90	70
WTI Crude Oil	77.4	-1.4	4.2	0.4	6.6	7.4	86	65
R/J CRB Futures Index	274.1	0.6	2.2	-0.4	2.7	3.9	290	254
LME Copper	8,530	0.5	1.5	1.4	-4.2	-0.3	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 23 February 2024.

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