HSBC

Asset Management

Investment Weekly

16 February 2024

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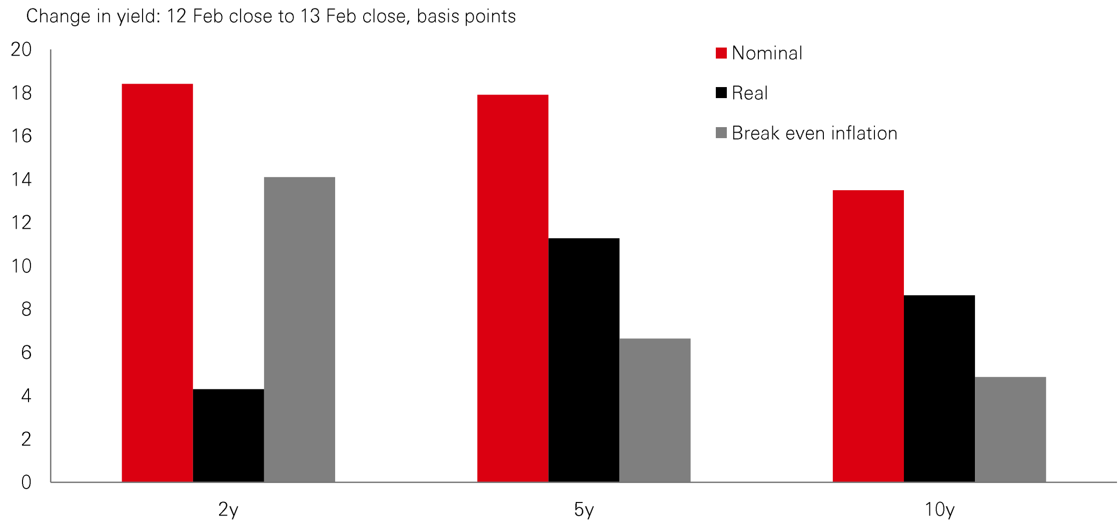
Chart of the week – Inflation shakes up the Treasury market



A surprisingly strong January US CPI number shook up the Treasury market this week. On the day of the data release, 2-year yields surged almost 20bp, with 10-year yields up by over 10bp, on the back of the strongest month-on-month core CPI figure for nine months (0.4% vs the 0.3% consensus forecast). At the short end of the curve, the sell-off largely reflect higher 2-year inflation expectations. Further out, higher real yields played a bigger role.

This initial reaction makes sense if we look at the details of the report and consider the wider economic picture. The details show the strength of core inflation stemmed from services, which tend to be viewed as driven by domestic demand conditions.

Combined with the recent upbeat growth and labour market data, it feeds the narrative that the US economy can tolerate current high interest rates and the Fed will need to maintain restrictive policy for longer.

Equally, economic data rarely moves in a straight line – January's inflation print may be payback for surprisingly good inflation data in H2 2023 and highlights the path to 2% inflation will be bumpy. Even so, **we still expect disinflation to play out over the course of 2024, and inflation close to target in the US and Europe by year-end**.

Market Spotlight

Solid infrastructure

The infrastructure asset class has evolved significantly over recent years. It now encompasses anything from waste disposal facilities to offshore renewable energy. Investor focus has traditionally been on the equity part of the asset class. Infrastructure debt hasn't typically provided the main source of funding for projects (it represents just 13% of the USD1.1trn private market infrastructure asset class). But things are changing fast.

Banks are retrenching from many lending markets, supporting growth in private credit markets. Crucially for investors, the risk/reward trade-off looks compelling. When things go wrong in infrastructure debt, recovery rates are relatively high: 76.9% according to Moody's. And in around a third of cases, the ultimate recovery rate is 100% — in other words, no economic loss.

Also, our house view is that we are heading toward a "new paradigm" of somewhat spikier inflation, shorter economic cycles, and higher interest rates versus the 2010s. In this backdrop, an asset class with predictable or inflation-linked cash flows is a big plus.

Currencies →

What is driving recent movements in the US dollar?

Frontier Markets →

Why frontier equity markets could offer good value

Asian Equities →

A focus on profits in South Korean stocks

Discover more about Infrastructure Debt

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.

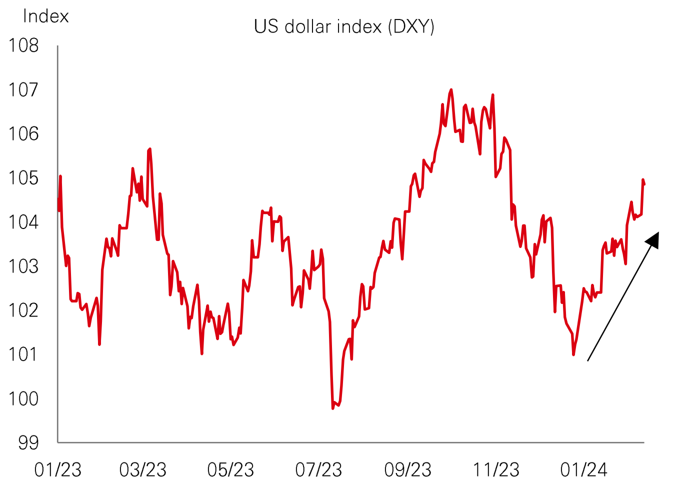
Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 16 February 2024.

Dixie-land

The US dollar index (known as the 'Dixie' after the DXY index that FX pros track) has had a good start to 2024, paring losses from the tail-end of last year. Interest-rate differentials have played a big role in the rebound. Better US growth data and hotter inflation have forced traders to re-assess Fed policy rate cuts. That has boosted the dollar, amid continued weakness in Europe and further Chinese policy easing.

From here, it could get choppy. If growth stumbles and disinflation re-asserts itself, Treasury yields would fall back, meaning that dollar shorts could now be profitable. But further down the track, US election uncertainty or wider market turbulence (and the associated spike in risk aversion) could drive a flight back to the safety of the dollar.

Longer-term, we think a weaker dollar makes sense. On a valuation basis, the currency looks expensive and structurally vulnerable to ballooning trade and fiscal deficits (even if academics debate the power of this effect). What's more, so-called 'de-dollarisation' looks set to slowly grind away at the dollar's global reserve currency status. This trend may be a strong tailwind to investment returns, especially for EM.



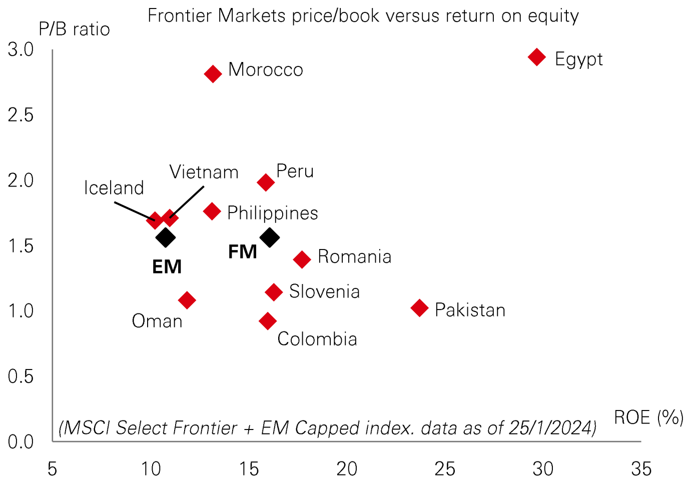
A frontier worth exploring

Frontier equities have done well since late October last year, outperforming their emerging market peers.

Frontier economies are spread across different geographies and have highly varied economic characteristics. This contributes to a low correlation of returns versus EM and DM indices, as well as between individual frontier economies. This is appealing to investors looking for portfolio diversification. And as a group, returns have been less volatile than both EM and DM over the past 10 years.

Even so, they remain under-owned by investors. That's contributing to some appealing regional price/book valuations versus strong returns on equity. And, with a forward price/earnings valuation of under 11x, frontier stocks trade at a greater-than-usual (45%) discount to developed markets and 20% discount to emerging markets.

Potential market catalysts include Fed rate cuts as well as domestic monetary policy easing. The reconfiguration of global supply chains and manufacturing hubs, the liberalisation of the Gulf, and the rise of digitisation all work in favour of frontiers too.

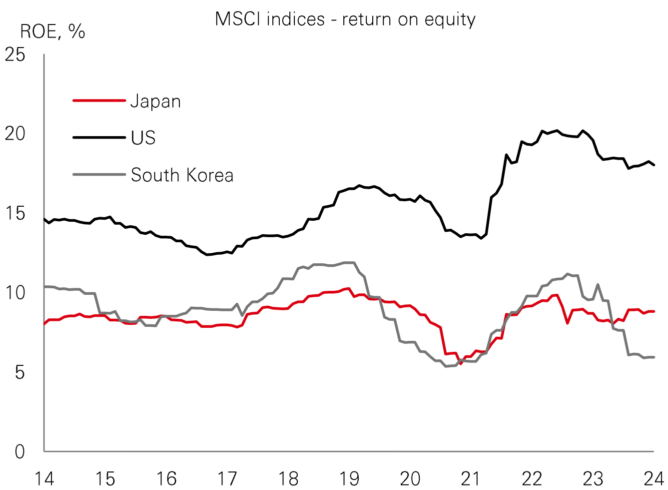


Seoul trade

A major market story in 2023 was the big rally in Japanese stocks, and that's continued in 2024. A resilient economy and yen weakness has buoyed profits and investor enthusiasm. But the Tokyo Stock Exchange's push for reform at undervalued companies was seen as a game-changer for investors looking to unlock value and boost return on equity (ROE). Profitability had languished in the single digits for years.

It seems that South Korea has been watching closely. Recent media reports suggest that regulators in Seoul could introduce a "name and shame" policy, like Japan. Companies trading below their book value will be asked to disclose reforms on a voluntary basis, with a league table of improvers being published.

Alongside an upturn in the global tech cycle and domestic monetary policy easing, we think there is scope for Korean markets to have a positive 2024. But ranking as one Asia's export powerhouses, the likelihood of softer DM growth could be a considerable headwind. Moreover, geopolitical tensions in the region can't be ignored.



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Source: HSBC Asset Management. Macrobond, Bloomberg. Data as at 11am UK time 16 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 asset allocation remains appropriate against a backdrop of elevated recession risk and market pricing which is consistent with a "soft landing" outcome in major developed markets
Macro Factors	Duration	🟥🟥🟥⬜⬜⬜■🟩🟩	After a sell-off in longer dated bonds in 2023, yields have eased back from their highs as markets begin to anticipate a timetable for rate cuts. A valuation reset and improved term premium mean that duration is being rewarded again
Macro Factors	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	🟥🟥🟥⬜⬜⬜■🟩🟩	Ten-year yields are likely to fall and the yield curve gradually steepen through 2024 as the Fed moves towards rate cuts. Resilient labour markets and sticky inflation have driven a narrative of higher-for-longer rates, but expectations are now shifting towards a timetable of policy easing
Bonds	Asia Local Bonds	🟥🟥🟥⬜⬜⬜■🟩🟩	Asia's more resilient growth impulse should be supportive. As core inflation moderates further, most central banks may have room for rate cuts in H2 2024 following a potential Fed policy easing, though bonds could stay volatile in the short run alongside moves in Treasury yields
Bonds	China Bonds	🟥🟥🟥⬜■⬜🟩🟩🟩	More proactive liquidity support from policymakers is likely, in addition to the already accommodative monetary backdrop. Although long-term diversification benefits remain intact, strong primary supply could limit the upside in the medium term
Credits	Global Credit	🟥🟥🟥⬜⬜■🟩🟩🟩	Credit spreads can widen as the economic cycle deteriorates and the risk of defaults increases. Nevertheless, amid stable corporate balance sheets, there are good income opportunities
Credits	EM Corporate Bonds	🟥🟥🟥⬜⬜⬜■🟩🟩	EM sovereigns and EM corporates are at an inflection point after a dramatic improvement in EM creditworthiness. IMF-driven fiscal improvements and improved debt-GDP profile bode well for EM corporates, which have superior underlying quality, ratings momentum, and net issuance scarcity
Credits	Asia IG	🟥🟥🟥⬜⬜■🟩🟩🟩	Disinflation with resilient growth is good for carry strategies like Asia IG with manageable default risks and improving macro fundamentals. Targeted fiscal and macro-prudential support by Chinese authorities for strategic priorities is a positive
Credits	EMD Hard Currency Bonds	🟥🟥🟥⬜⬜■🟩🟩🟩	The technical environment is strong, with sovereigns expected to underperform corporates given the ongoing supply from governments compared to more prudence from EM corporate borrowers. Downside risks exist as deteriorating US economic data weighs on default risk pricing globally
Equities	DM Equities	🟥🟥■⬜⬜⬜🟩🟩🟩	There is continued scope for near-term gains given economic resilience, but recession risks remain. Valuations look slightly stretched in the US, while activity is sluggish in the eurozone and Asia. Equities in Japan look interesting in the context of a more robust earnings outlook
Equities	EM Equities	🟥🟥🟥⬜⬜■🟩🟩🟩	EM risk premiums generally look generous, and the growth outlook is a relative bright spot in a global context. However, China's cyclical outlook is concerning and consistent with a more cautious view of EM overall. Policy support in China has increased, but more is needed
Equities	Asia ex Japan	🟥🟥🟥⬜⬜⬜■🟩🟩	Macro uncertainties, geopolitics, margin erosion, and earnings downgrades remain key risks, but more policy rollouts in China to sustain growth momentum and less aggressive tightening by Asian central banks may offer some support. Dispersion in regional markets remains likely
Alternatives	Global Private Equity	🟥🟥🟥⬜■⬜🟩🟩🟩	As tighter financial conditions raise the cost of leverage, PE funds may face challenges in delivering as strong returns. However, the possibility of recession can create good entry points for longer-term investors. The investment case is about alpha, not beta
Alternatives	Global Real Estate	🟥🟥🟥⬜⬜⬜■🟩🟩	Occupier fundamentals have been resilient. Sectors like logistics benefit from embedded rental growth, healthy occupier demand and thematic tailwinds. While office fundamentals are deteriorating, best in class offices post healthy rental growth
Alternatives	Infrastructure Debt	🟥🟥🟥⬜⬜⬜■🟩🟩	Infrastructure debt offers better expected returns than global credits, with lower spread volatility during recessionary periods. In the event of a recession, infrastructure equity's defensive attributes are beneficial, with thematic drivers coming from the green transition

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Source: HSBC Asset Management. Data as at 11am UK time 16 February 2024.

Key Events and Data Releases

This week

Date	Country	Indicator	Data as of	Actual	Prior	Comment
Monday 12 Feb.	IN	CPI (yoy)	Jan	5.1%	5.7%	Headline inflation slowed on favourable base effects, with core inflation moderating further
	IN	Industrial Production (yoy)	Dec	3.8%	2.4%	Industrial production strengthened at the end of 2023, supported by government subsidies
Tuesday 13 Feb.	GE	Zew Expectation of Economic Growth	Feb	19.9	15.2	The ZEW expectations index has risen for seven consecutive months, but other business survey measures remain weak
	US	CPI (yoy)	Jan	3.1%	3.4%	Goods disinflation continues but core services excluding shelter remains sticky, though this should be temporary as the labour market cools further
Wednesday 14 Feb.	UK	CPI (yoy)	Jan	4.0%	4.0%	
	EZ	GDP (seasonally adjusted, qoq)	Q4 P	0.0%	0.0%	The Eurozone GDP data confirmed stagnant activity at the end of last year
Thursday 15 Feb.	JP	GDP (qoq)	Q4 P	-0.1%	-0.8%	Japan's GDP shrank for two straight quarters following continued weakness in household and business spending
	UK	GDP (qoq)	Q4 P	-0.3%	-0.1%	The UK economy contracted 0.3% in Q4 2023, confirming a technical recession. Downside risks to domestic demand are rising
	US	Retail Sales Advance (mom)	Jan	-0.8%	0.4%	Retail sales showed a larger-than-expected drop after the holiday shopping season. Growth should stay solid in early 2024 before softening in H224
	US	Industrial Production (mom)	Jan	-0.1%	0.0%	Soft data suggests caution in the manufacturing sector of continued global headwinds
Friday 16 Feb.	US	Uni. of Michigan Consumer Sentiment	Feb P	-	79	

P – Preliminary, Q – Quarter **GE – Germany, EZ – Eurozone, IN – India, JP – Japan**

The week ahead

Date	Country	Indicator	Data as of	Survey	Prior	Comment
Monday 19 Feb.	US	Q4 2023 earnings				Close to 80% of companies have reported to date. Technology still has the most beats, followed by Staples. Weakness continues in Real Estate, Discretionary such as Leisure/Autos (& parts) and Freight, and Financials. 2024e growth for the US is at 9.8%
	US	Presidents' Day - markets closed				
Wednesday 21 Feb.	US	Fed publishes Jan meeting minutes				January's minutes should reiterate that the Fed is in no rush to cut rates
Thursday 22 Feb.	EZ	HCOB Global Composite PMI	Feb P	48.5	47.9	Euro area manufacturing and services confidence remains in contraction territory, pointing to weak growth in early 2024
	UK	S&P Global Composite PMI	Feb P	-	52.9	
	EZ	CPI (yoy)	Jan F	2.80%	2.80%	
	MX	GDP (qoq)	Q4 F		0.1%	
	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	-	52	The S&P US manufacturing and services indices have improved recently, highlighting the resilient US economy
	US	Existing Home Sales (mom)	Jan	4.9%	-1.1%	Lower mortgage rates look set to support the housing market near-term amid continued supply constraints
	IN	HSBC India Composite PMI	Feb P	-	61.2	Indian business confidence remains strong, highlighting the encouraging near-term outlook for growth
Friday 23 Feb.	GE	Ifo Business Climate Index	Feb	85.8	85.2	IFO's business confidence measure has weakened recently, reflecting continued caution in the industrial sector

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

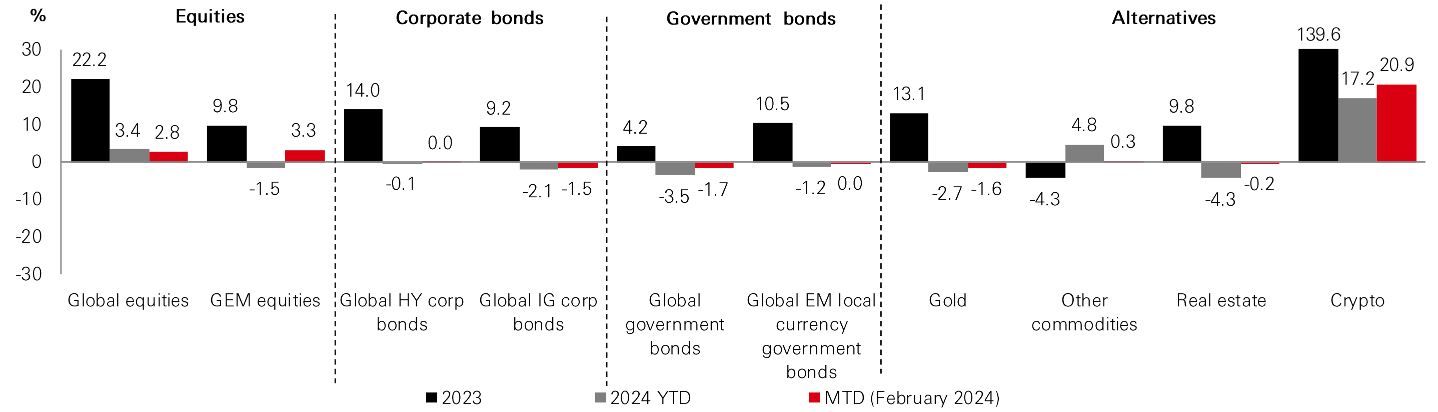
Source: HSBC Asset Management. Data as at 11am UK time 16 February 2024.

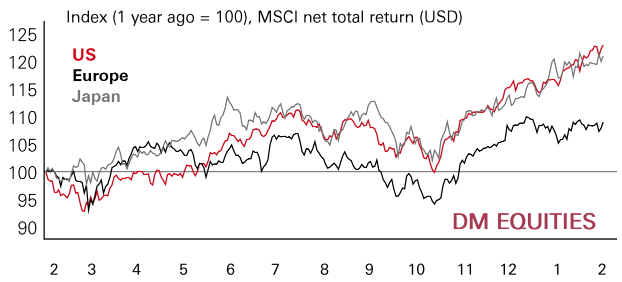
Market review

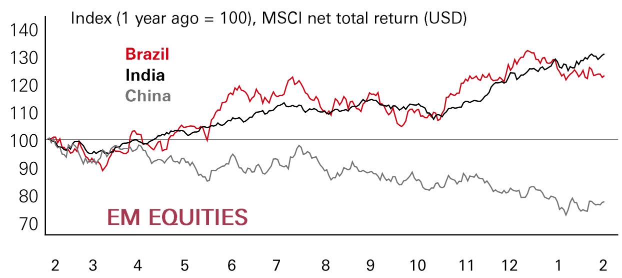
This week

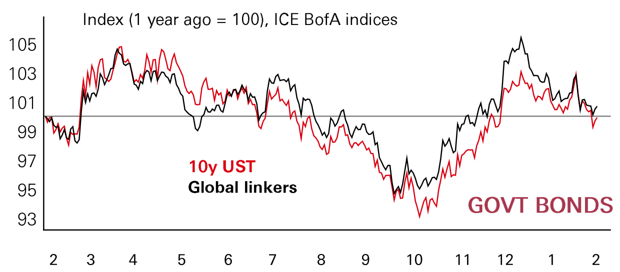
US equity markets held firm in a busy week for data that saw a hotter-than-expected CPI print. That was followed later by weaker-than-expected January retail sales, which lifted hopes that the Fed could soon cut rates. In Europe, the STOXX 600 index hit a two-year high on positive earnings news. US Treasury yields climbed on the latest inflation readings while European bonds traded sideways amid mixed macro data. In Asian markets, Japan's Nikkei refreshed its 34-year highs, aided by the weaker yen, as Japan unexpectedly entered a technical recession. Hong Kong's Hang Seng extended gains amid thin trading during a holiday-shortened week, as China's onshore market remained shut for the Lunar New Year holiday. In commodities, the recent rally in oil prices eased on industry forecasts of lower demand. Gold prices fell for a second successive week.

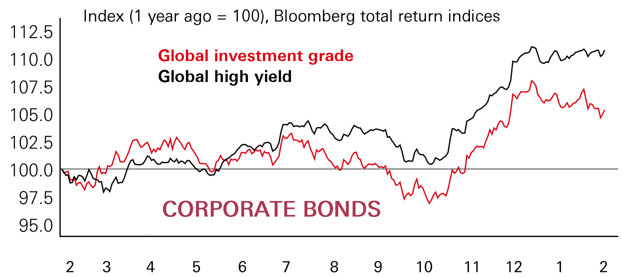
Selected asset performance

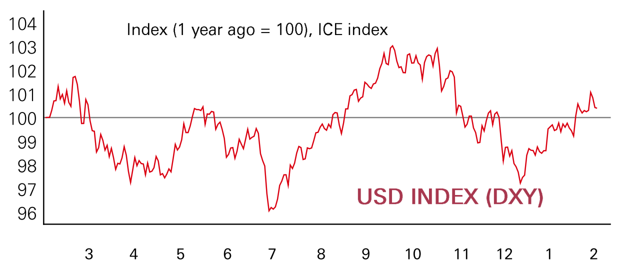


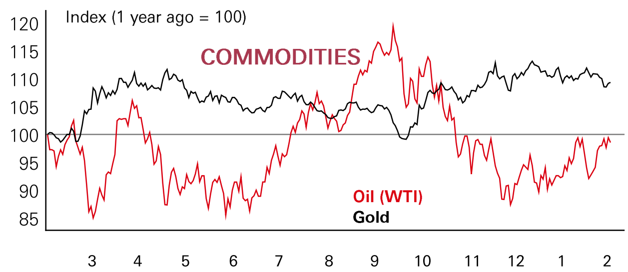












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Market data

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)	751	0.4	4.4	9.8	15.8	3.2	751	607	17.6
North America									
US Dow Jones Industrial Average	38,773	0.3	3.8	11.0	15.1	2.9	38,927	31,430	18.4
US S&P 500 Index	5,030	0.1	5.5	11.6	23.0	5.4	5,048	3,809	21.0
US NASDAQ Composite Index	15,906	-0.5	6.4	12.7	34.2	6.0	16,080	10,983	28.2
Canada S&P/TSX Composite Index	21,223	1.0	1.3	5.8	3.0	1.3	21,251	18,692	14.5
Europe									
MSCI AC Europe (USD)	531	0.5	2.2	7.1	6.2	-0.5	538	459	13.2
Euro STOXX 50 Index	4,772	1.2	7.3	10.9	11.1	5.5	4,783	3,981	13.1
UK FTSE 100 Index	7,676	1.4	1.6	3.6	-4.2	-0.7	8,047	7,207	11.0
Germany DAX Index*	17,171	1.4	3.6	8.8	10.5	2.5	17,198	14,458	11.9
France CAC-40 Index	7,788	1.8	5.3	8.6	5.7	3.2	7,801	6,774	13.1
Spain IBEX 35 Index	9,924	0.3	-0.7	2.7	6.4	-1.8	10,301	8,501	10.1
Italy FTSE MIB Index	31,800	2.1	4.8	8.7	14.2	4.8	31,945	24,751	8.5
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	517	1.0	2.8	2.7	-3.7	-2.3	545	469	13.3
Japan Nikkei-225 Stock Average	38,487	4.3	8.1	15.1	39.0	15.0	38,865	26,633	23.4
Australian Stock Exchange 200	7,658	0.2	3.3	8.5	3.3	0.9	7,704	6,751	17.0
Hong Kong Hang Seng Index	16,340	3.8	3.0	-8.4	-22.1	-4.1	21,307	14,794	7.9
Shanghai Stock Exchange Composite Index	2,866	0.0	-1.0	-6.1	-11.8	-3.7	3,419	2,635	10.0
Hang Seng China Enterprises Index	5,559	4.7	4.0	-9.1	-21.6	-3.6	7,212	4,943	7.0
Taiwan TAIEX Index	18,607	2.8	7.3	8.4	19.7	3.8	18,725	15,187	17.0
Korea KOSPI Index	2,649	1.1	6.1	6.5	7.0	-0.2	2,676	2,274	10.4
India SENSEX 30 Index	72,427	1.2	-1.0	9.8	18.1	0.3	73,428	57,085	23.9
Indonesia Jakarta Stock Price Index	7,336	1.4	1.3	5.4	6.4	0.9	7,404	6,543	1.9
Malaysia Kuala Lumpur Composite Index	1,534	1.4	2.7	4.7	3.3	5.4	1,535	1,369	13.7
Philippines Stock Exchange PSE Index	6,873	0.3	3.6	11.0	0.8	6.6	6,932	5,920	11.8
Singapore FTSE Straits Times Index	3,222	2.7	1.2	2.8	-2.7	-0.6	3,393	3,042	10.4
Thailand SET Index	1,386	-0.2	-1.1	-2.1	-16.4	-2.1	1,670	1,352	14.6
Latam									
Argentina Merval Index	1,093,752	-3.1	3.4	81.6	325.2	17.6	1,334,440	207,676	5.5
Brazil Bovespa Index*	127,804	-0.2	-1.2	2.5	16.2	-4.8	134,392	96,997	8.0
Chile IPSA Index	6,188	2.6	3.7	8.0	13.5	-0.2	6,449	5,097	10.2
Colombia COLCAP Index	1,246	-0.2	-3.6	12.4	1.6	4.3	1,303	1,045	6.6
Mexico S&P/BMV IPC Index	57,252	-0.1	3.9	9.1	6.0	-0.2	59,021	47,765	13.2
EEMEA									
Russia MOEX Index	3,252	0.3	2.3	2.0	51.0	4.9	3,287	2,141	N/A
South Africa JSE Index	73,874	0.6	1.2	0.2	-7.9	-3.9	80,531	69,128	9.8
Turkey ISE 100 Index*	9,268	2.5	15.4	19.1	85.0	24.1	9,306	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	0.4	4.5	10.1	3.4	17.8	15.2	64.2
US equities	0.1	5.7	12.2	5.6	24.7	28.6	92.3
Europe equities	0.6	2.3	7.4	-0.3	9.1	10.8	39.1
Asia Pacific ex Japan equities	1.0	2.9	2.9	-2.2	-1.2	-25.0	14.7
Japan equities	1.2	2.0	10.5	4.2	20.0	-0.7	38.8
Latam equities	0.2	0.2	4.6	-4.6	19.0	28.4	14.1
Emerging Markets equities	1.2	2.9	3.0	-1.5	2.3	-24.6	10.5

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 16 February 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)	555	0.0	-0.4	3.1	4.9	-1.1
JPM EMBI Global	838.2	0.1	0.2	6.0	7.7	-1.2
BarCap US Corporate Index (USD)	3168.6	-0.2	-0.6	4.6	5.4	-1.6
BarCap Euro Corporate Index (Eur)	244.7	0.3	0.1	2.8	5.6	-0.7
BarCap Global High Yield (Hedged in USD)	568.4	0.1	0.7	6.2	11.2	0.4
Markit iBoxx Asia ex-Japan Bond Index (USD)	213.6	-0.1	0.1	3.8	4.5	-0.1
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	237	0.0	0.9	7.7	0.6	3.2

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	-0.1
GBP/USD	1.26	1.26	1.26	1.24	1.20	1.27	1.31	1.18	-0.2
CHF/USD	1.14	1.14	1.16	1.13	1.08	1.19	1.20	1.06	-0.7
CAD	1.35	1.35	1.35	1.38	1.35	1.32	1.39	1.31	-0.1
JPY	150	149	147	151	134	141	152	130	-0.6
AUD/USD	0.65	0.65	0.66	0.65	0.69	0.68	0.69	0.63	0.0
NZD/USD	0.61	0.62	0.61	0.60	0.63	0.63	0.64	0.58	-0.7
Asia									
HKD	7.82	7.82	7.83	7.80	7.85	7.81	7.85	7.79	0.0
CNY	7.19	7.19	7.19	7.24	6.86	7.10	7.35	6.82	0.0
INR	83.0	83.0	83.1	83.2	82.7	83.2	83.5	81.6	0.0
MYR	4.78	4.77	4.69	4.69	4.40	4.59	4.79	4.38	-0.3
KRW	1336	1333	1332	1297	1285	1291	1364	1257	-0.2
TWD	31.4	31.4	31.4	31.9	30.3	30.6	32.5	30.3	0.0
Latam									
BRL	4.97	4.96	4.93	4.87	5.22	4.85	5.34	4.70	-0.4
COP	3910	3921	3942	4088	4927	3875	4976	3806	0.3
MXN	17.0	17.1	17.2	17.2	18.5	17.0	19.2	16.6	0.3
ARS	835	831	818	353	193	808	835	193	-0.4
EEMEA									
RUB	93.2	91.2	88.3	89.3	74.9	89.5	102.4	73.2	-2.2
ZAR	18.9	19.0	19.0	18.4	18.2	18.4	19.9	17.4	0.8
TRY	30.8	30.7	30.1	28.7	18.9	29.5	31.0	18.4	-0.5

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	5.36	5.37	5.36	5.39	4.78	5.33	-1
2-Year	4.60	4.48	4.22	4.84	4.64	4.25	12
5-Year	4.25	4.14	3.93	4.42	4.07	3.85	11
10-Year	4.26	4.18	4.06	4.44	3.86	3.88	9
30-Year	4.43	4.37	4.29	4.61	3.91	4.03	6
10-year bond yields (%)							
Japan	0.73	0.72	0.58	0.79	0.50	0.61	1
UK	4.09	4.08	3.79	4.15	3.50	3.53	0
Germany	2.39	2.38	2.26	2.59	2.48	2.02	1
France	2.87	2.89	2.75	3.15	2.93	2.56	-2
Italy	3.87	3.96	3.83	4.35	4.33	3.69	-9
Spain	3.29	3.37	3.17	3.59	3.44	2.98	-7
China	2.44	2.44	2.53	2.66	2.89	2.56	0
Australia	4.19	4.13	4.15	4.55	3.76	3.96	7
Canada	3.54	3.54	3.36	3.68	3.29	3.11	0

*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	2,007	-0.8	-1.1	1.3	9.3	-2.7	2,135	1,805
Brent Oil	81.9	-0.3	5.2	5.8	2.6	6.5	90	70
WTI Crude Oil	77.2	0.5	6.5	5.4	2.8	7.5	87	63
R/J CRB Futures Index	271.3	-1.1	2.6	0.0	0.4	2.8	290	254
LME Copper	8,399	2.8	0.5	2.2	-6.9	-1.9	9,212	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 16 February 2024.

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