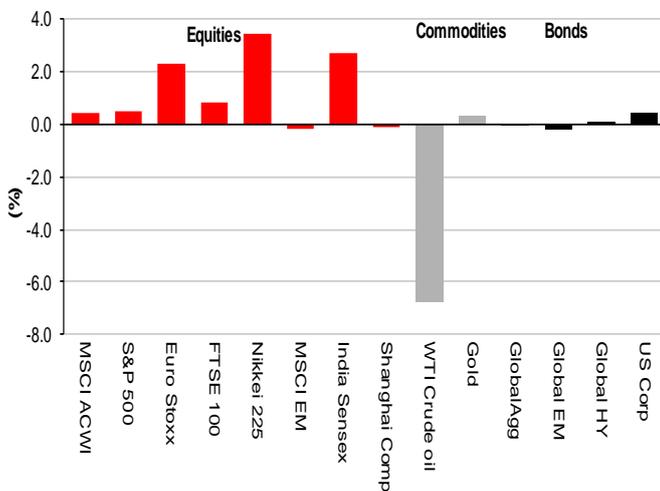


- ▶ Japanese equity markets outperformed this week on the back of a weaker yen, while strong performance in financial stocks supported US and European indices
- ▶ The US August employment report showed nonfarm payrolls gaining 151,000, slightly lower than the expected 180,000, but strong enough to keep the 12-month moving average around the 200,000 mark, where it has been for the past four months
- ▶ In the coming week, the European Central Bank (ECB) September policy meeting is the highlight of the calendar

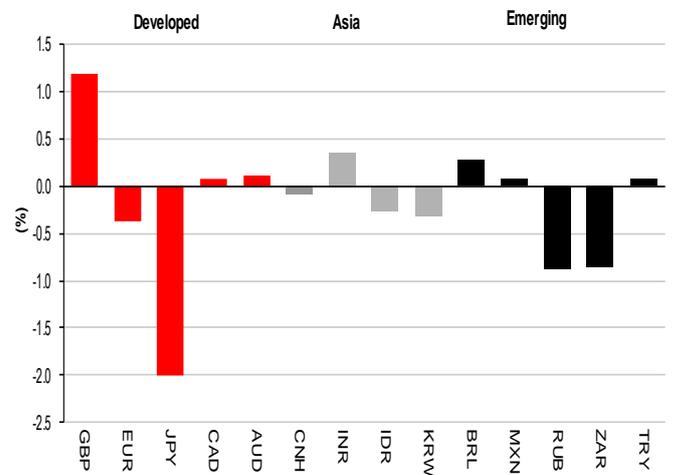
### Movers and shakers

Japan's Nikkei rose strongly...

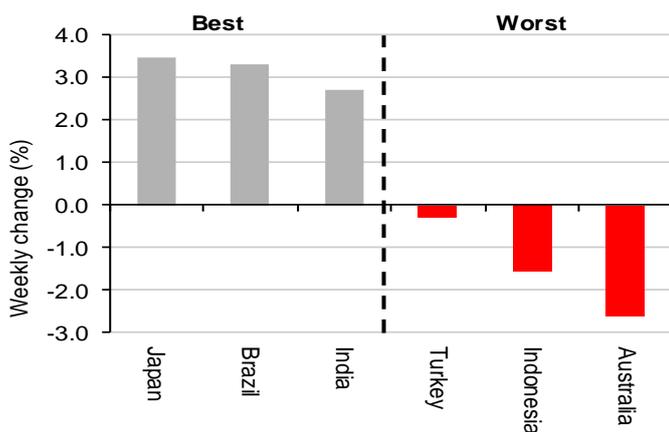


### Currencies (versus US dollar)

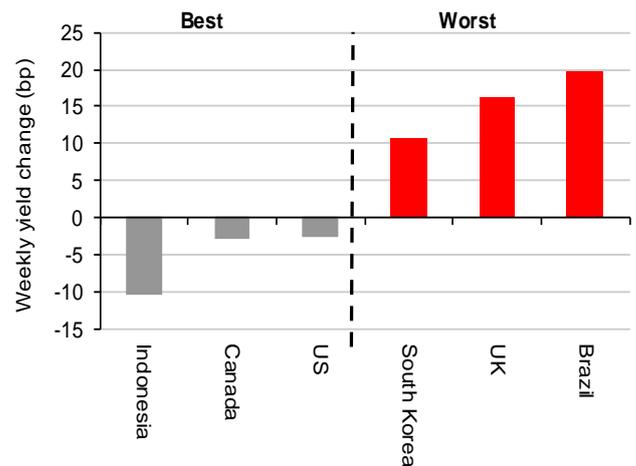
...as the yen declined against the US dollar



### Equities



### Bonds (10-year)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 02 September 2016. All the above charts relate to 26/08/2016 – 02/09/2016. Past performance is not an indication of future returns.

# Macro Data and Key Events

Past Week (29 August – 02 September 2016)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 29 August	US	Personal Spending (mom)	Jul	0.3%	0.3%	0.5%
	US	Core PCE Price Index (yoy)	Jul	1.5%	1.6%	1.6%
Tuesday 30 August	Japan	Jobless Rate	Jul	3.1%	3.0%	3.1%
	US	S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index (yoy)	Jun	5.1%	5.1%	5.3%
Wednesday 31 August	Brazil	COPOM Interest Rate Decision	Aug	14.25%	14.25%	14.25%
	Japan	Industrial Production (yoy)	Jul P	-3.0%	-3.8%	-1.5%
	Eurozone	CPI Estimate (yoy)	Aug	0.3%	0.2%	0.2%
	Eurozone	Unemployment Rate	Jul	10.0%	10.1%	10.1%
	India	GDP (yoy)	Q2	7.6%	7.1%	7.9%
	Brazil	GDP Seasonally Adjusted (qoq)	Q2	-0.5%	-0.6%	-0.4%
	US	Pending Home Sales Index (mom)	Jul	0.7%	1.3%	-0.8%
Thursday 01 September	UK	GfK Consumer Confidence Index	Aug	-8	-7	-12
	China	Official Manufacturing PMI	Aug	49.8	50.4	49.9
Friday 02 September	US	ISM Manufacturing Index	Aug	52.0	49.4	52.6
	US	Change in Nonfarm Payrolls	Aug	180K	151K	275K
	US	Factory Orders (mom)	Jul	2.0%	1.9%	-1.8%

P – Preliminary, Q – Quarter

- ▶ In the **US**, the most anticipated release this week was the August employment report, which showed **nonfarm payrolls** rose 151,000, slightly weaker than the expected 180,000, but strong enough to keep the 12-month moving average around the 200,000 mark, where it has been for the past four months. The unemployment rate held at 4.9% against an expected decline to 4.8%, with the participation rate firm at 62.8%, comfortably in the 62.4%-63.0% range seen over the last two years. The breakdown of the report showed that private-sector payrolls (+126,000) rose at their lowest pace since May (-1,000) and their second-lowest pace since August 2015 (+123,000). Service-sector momentum remains strong, with education and health (+39,000) and leisure and hospitality (+29,000) continuing to post firm gains, while goods-producing sectors were a drag (-24,000), primarily driven by weakness in manufacturing (-14,000) and construction (-6,000). Temporary help services dipped (-3,000) after rising 28,000 over the past two months. Average hourly earnings (+0.1% mom) rose less than expected (+0.2% mom), which translated into a 2.4% yoy increase, down from an upwardly revised 2.7% yoy previously. The average work week fell to 34.3 from 34.4 hours, the lowest since February 2014, which if sustained going forward would place downward pressure on total earned income growth.
- ▶ Also in the US, the **ISM Manufacturing Index** fell more than expected in August, to 49.4 from 52.6 previously (consensus 52.0). Production and new orders declined the most, by 5.8 points and 7.8 points respectively to 49.6 and 49.1. The drop in new orders appears to be domestically driven as new export orders held firm at 52.5. Meanwhile, employment dipped 1.1 points to 48.3, the lowest since March this year. Overall, the latest reading signals that the US manufacturing sector continues to tread water at best, although the reversal is coming from June's one-year high. Elsewhere, **personal spending** rose for a fourth consecutive month in July, up 0.3% mom (in line with expectations), while data for June was revised from 0.4% to 0.5%. Meanwhile, personal income rose 0.4%, led by a 0.5% rise in wages and salaries in line with strong hours and earnings results in the July employment report, and suggesting that private consumption had a strong start in Q3. In terms of inflation, July's **Core PCE Price Index** rose 1.6% yoy for the fifth straight month, and 0.1ppt higher than expectations. The core PCE breakdown showed core goods were -0.6% yoy, medical services +1.1%, rent +3.4%, and other core services +2.5%. In the housing market, the **S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index** edged down 0.1% mom in June (in line with expectations and the same rate as in May), translating to a robust 5.1% yoy increase (0.2ppt below May's print). The recent moderation in US home prices comes on the back of a slight uptick in existing home inventories this year and an increasing proportion of first-time buyers (who tend to buy lower-priced properties) amid improved affordability compared to pre-crisis levels. Finally, **pending home sales** rose 1.3% mom in July, and although this exceeded expectations of 0.7%, the prior month was revised downward to -0.8% mom from +0.2% previously. Looking across the regions, contract signings in the West rose 7.3% mom to their highest level since June 2013, with the Northeast and South rising 0.8% mom each.
- ▶ Despite the employment component of the Markit Eurozone Composite PMI rising to a multi-year high of 53.3 in July, the **eurozone unemployment** rate remained at 10.1%, where it has been since April. While unemployment improved in Germany (4.2% from 4.3%) and Spain (19.6% from 19.9%), France's unemployment rate rose for the second straight month (10.3% from 10.1%).
- ▶ August's **UK Consumer Confidence Index** release was marginally stronger (-7) than the market was expecting (-8). The details showed that consumers' expectations for their personal finances for the coming 12 months recovered from the dip following the Brexit vote (4 versus -1), with the climate for major purchases (7 versus -2 prior) rebounding swiftly. It is worth highlighting that savings intentions (-15 from +1) collapsed to their lowest since September 2013.

- ▶ **Japan's jobless rate** for July came in lower than expected, at 3.0% (consensus at 3.1%), reaching a fresh 21-year low. While employment continued to improve, with a monthly gain of 200,000 (+890,000 over the past four months), the number of job seekers dropped 70,000 to 2.01 million, also the lowest number in 21 years. The job-to-applicant ratio remained stable at a high level (1.37). Labour market strength seemed to provide a strong support to consumption in July as retail sales came out much stronger than expected (+1.4% mom, consensus at +0.8%) and data for June was revised slightly to the upside (from +0.2% to +0.3%).
- ▶ As expected, the **Central Bank of Brazil** kept its **SELIC policy rate** unchanged at 14.25%, where it has been since July 2015. In its policy statement, the Bank noted that the Brazilian economy has stabilised recently with signs of a gradual pickup in economic activity, but continues to operate with "a high level of slack." In its forward guidance, the Bank judged that a loosening of policy will depend on a number of factors that enable the convergence of inflation to the target in 2017 (4.5%). These include: a limited persistence of the impact from the recent food price shock; the need for a further moderation in IPCA components that are more sensitive to monetary policy and economic slack (e.g., services inflation); and progress in Congress with regard to the reform agenda.
- ▶ **China's official manufacturing PMI** for August beat market expectations, coming in at 50.4 (consensus at 49.8), its highest level since October 2014. New orders and new export orders rebounded from 50.4 to 51.3 and from 49.0 to 49.7, respectively, signalling a certain pickup in demand in the near term. Costs remained a concern with the input price component showing a second consecutive month of rapid growth (+2.6 points to 57.2). Meanwhile, the employment component continued to edge up for a second month but remained below 50 (48.4). Nevertheless, the Caixin China Manufacturing PMI declined more than expected, from 50.6 to 50.0. Overall, the PMI surveys suggest that the Chinese economy remained stable after the temporary weakness observed in July (due to adverse weather conditions).
- ▶ **India's economy** expanded 7.1% yoy in Q1 of financial year 2016-17 (consensus 7.6%, 7.9% prior). Private consumption (55% of GDP) continued to drive growth, rising 6.7% yoy, while investment declined 3.1% yoy. Gross Value Added, the central bank's preferred measure of economic activity, was in line with expectations (7.3% yoy, 7.4% prior), with mining and quarrying the only industry falling (-0.4%). Although the pace of GDP growth in the last quarter was the slowest in over a year, underlying momentum points to continued 7%+ growth going forward.

### Coming Week (05-09 September 2016)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 05 September	Turkey	CPI (yoy)	Aug	8.4%	8.8%
	Eurozone	Markit Composite PMI	Aug F	53.3	53.3
Tuesday 06 September	Australia	Reserve Bank of Australia Interest Rate Decision	Sep	1.50%	1.50%
	Germany	Factory Orders (Working Day Adjusted, yoy)	Jul	-0.2%	-3.1%
	Eurozone	GDP (qoq)	Q2 F	0.3%	0.3%
	US	ISM Non-Manufacturing Index	Aug	55.3	55.5
Wednesday 07 September	Germany	Industrial Production (Working Day Adjusted, yoy)	Jul	0.2%	0.5%
	Canada	Bank of Canada Interest Rate Decision	Sep	0.50%	0.50%
Thursday 08 September	China	Trade Balance (USD bn)	Aug	58.4	52.3
	Japan	GDP Annualised Seasonally Adjusted (qoq)	Q2 F	0.2%	0.2%
	Eurozone	ECB Interest Rate Decision	Sep	-0.40%	-0.40%
	Mexico	CPI (yoy)	Aug	2.8%	2.7%
Friday 09 September	China	CPI (yoy)	Aug	1.7%	1.8%
	Turkey	GDP (yoy)	Q2	3.7%	4.8%

Q – Quarter, F – Final

### US

- ▶ August's **ISM Non-Manufacturing Index** is expected to remain essentially unchanged, at 55.3, after July's release dipping slightly more than expected to 55.5 from 56.5 in June. Despite the headline index edging lower, key sub-components remained upbeat. Business activity was strong at 59.3, while new orders, a gauge of future demand, rose to 60.3 – the highest level since October 2015. Meanwhile, although the employment sub-component – which has been quite volatile of late – weakened slightly, it has been a comparatively poor indicator of the continued labour market strength seen this year.

### Europe

- ▶ In Europe, the highlight of the calendar this week is the **ECB September policy meeting**. Recent eurozone activity data has remained broadly resilient in the face of the UK's Brexit vote, although expectation components of a number of sentiment indices have significantly declined, highlighting respondents' anxiety over the potential impact of an anticipated slowdown in the UK economy. This could be reflected in small downward revisions to ECB staff growth projections released at this meeting. Meanwhile, recent inflation data for the region has disappointed, with the flash estimate for August remaining at 0.2% yoy versus expectations of a slight uptick to 0.3%. Given this backdrop, the bank could announce an extension of the EUR80 billion asset purchase programme that expires in March 2017, by another six months. However, further interest rate cuts are unlikely given lingering concerns over the impact on banking sector profitability.

- ▶ The final estimate of **eurozone Q2 GDP** is expected to confirm growth of 0.3% qoq, with the release of the breakdown of components likely to show that household consumption remains the key driver of growth in the region.
- ▶ In **Germany**, given the recent soft patch of factory orders, **industrial production** is expected to register little change in July (+0.1% mom). This would translate into +0.2% yoy and maintains the overall weak growth trend in activity seen over the past two years amid a stagnation of world trade volumes and softness in key export markets.

## China

- ▶ **China's external trade** data for August is expected to see an increase in the trade surplus, from USD52.3 billion in July to USD58.4 billion. The recent improvement in the new export orders component of the manufacturing and non-manufacturing PMI surveys suggests that exports will likely continue to pick up gradually in mom terms, benefitting from the stabilisation of global trade. On a yoy basis though, exports are expected to remain in negative territory, down 3.9% (they fell by 4.4% in July). Meanwhile, the pace of decline in imports is expected to moderate after the weather-related distortions observed in July and on more favourable base effects, from -12.5% yoy in July to -5.0%. China will also release **inflation** data for August. Headline CPI inflation is expected to have slowed down for a fourth consecutive month, by 0.1ppts to 1.7% yoy, reflecting softer domestic economic activity. Meanwhile, producer prices are expected to moderate their decline to -1.0% yoy (the highest reading in two years).

## Market Moves

### Global equities cautious ahead of US jobs report; Japanese indices rallied on a weaker yen

- ▶ **US** equities opened this week higher, with financial shares outperforming as increasing prospects of a US Federal Reserve (Fed) rate hike buoyed the profitability outlook for banking stocks. However, gains were pared as the week progressed, following sharp falls in oil prices with some disappointing data, including a contractionary US ISM Manufacturing Index for August, also weighing on sentiment. Friday's weaker than expected payrolls report suggested that US monetary policy could remain accommodative for longer, providing a lift to prices at the end of the week. Overall, the S&P 500 Index closed up on the week (+0.5%).
- ▶ Similarly in **Europe**, the financial sector led gains in most European bourses this week, while falling oil prices dragged energy shares lower. Investor sentiment was generally underpinned by growth optimism following the surprisingly strong China manufacturing PMI print and expectations of continued policy support ahead of the ECB's meeting next week, given persistent slack in the region's economic recovery, reflected in August's tepid inflation print. Overall, the EURO STOXX 50 Index rose for the second week (+2.3%). The UK's FTSE 100 Index went up slightly (+0.8%) as a stronger pound dampened the profit outlook for multinationals.
- ▶ **Japanese** stocks rose sharply over the week as the yen depreciated against the US dollar in the aftermath of hawkish remarks by Fed Vice Chair Stanley Fischer, boosting the earnings outlook of exporters. Market sentiment was also supported by robust employment data, but weaker than expected industrial production for August dampened market sentiment. The Nikkei 225 Index rose 3.5% over the week. Indian stocks also outperformed other markets in the region, mirroring an appreciation of the rupee on strong demand from foreign investors. Most other markets in the region were flat or declined.

### US Treasuries rose slightly amid disappointing US economic data; stronger than expected economic data added to underperformance of UK gilts

- ▶ The **US Treasury** curve bull steepened this week as some weaker than expected US activity data lowered the prospect of near-term Fed rate hikes and supported demand for perceived "safe-haven" assets. Overall, policy-sensitive two-year yields fell (-5bps to close at 0.79%), while 10-year yields fell by less (-3bps to 1.60%).
- ▶ Most longer-dated **European government bonds** sold off this week, with UK 10-year gilts underperforming (yields rose 17bps to 0.73%) as the unexpected rebound in the August manufacturing PMI survey, hitting a 10-month high, offset support from purchases by the Bank of England's relaunched quantitative easing programme. Meanwhile, benchmark 10-year bund yields edged up (+2bps to -0.05%) and in the primary market the German government auctioned over EUR3 billion in two-year notes. In the periphery, Spanish 10-year bond yields closed up (+9bps to 1.03%) on lingering political concerns as acting Prime Minister Mariano Rajoy was set to lose a confidence vote in forming a new government, raising the chance of another general election this year.

### Asian currencies traded sideways ahead of Friday's US employment report; higher than expected UK manufacturing PMI print provided further support to the British pound

- ▶ The **euro** retreated against the US dollar this week amid hawkish Fed comments, although losses were pared following the disappointing US ISM Manufacturing Index for August, and softer than expected payrolls report on Friday, to finish marginally lower (-0.4%). Meanwhile, the **British pound** extended gains this week (+1.2%) on easing concerns over a Brexit-induced slowdown in the UK economy after August's manufacturing PMI unexpectedly jumped higher (to 53.3, its highest since October last year), dimming the prospect of further Bank of England easing this year.
- ▶ **Most Asian currencies** traded sideways against the US dollar over the week, closing in a very narrow range of +/-0.4% during onshore trading as investors remained cautious after Fed Chair Janet Yellen's speech at the Jackson Hole Symposium, shifting their attention to US nonfarm payrolls. However, the yen depreciated more significantly (-2.0%) against the US dollar amid increasing expectations monetary easing by the Bank of Japan. The Malaysian ringgit depreciated (-1.8%), dragged lower by falling crude oil prices and ahead of the Bank Negara Malaysia policy meeting on 7 September.

## Crude oil prices fell on increasing scepticism over OPEC freeze deal

- ▶ **Crude oil prices** fell this week amid increasing doubts that OPEC members would agree to freeze output in talks scheduled for late September. This follows comments late last week from Iran's oil minister that suggested the country would continue to ramp up production in the coming months to regain lost market share. Furthermore, prices also fell after the release of the U.S. Energy Information Administration weekly report that showed US crude stockpiles rose much more than expected last week (+2.3 million barrels versus expectations of +0.8 million). Overall, WTI for September delivery closed down (-6.7% to USD44.4 per barrel) as did Brent crude (-6.5% to USD46.7 per barrel).
- ▶ **Gold** prices were little changed this week (+0.3% to USD 1,325 per ounce) with downward pressure from hawkish Fed comments offset by support from disappointing US data (the ISM Manufacturing Index and the August employment report), which lowered the prospect of a near-term Fed rate hike.

## Market Data

	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)
<b>Equity Indices</b>									
<b>World</b>									
MSCI AC World Index (USD)	420	0.4	1.7	4.4	8.0	5.2	423	351	17.1
<b>North America</b>									
US Dow Jones Industrial Average	18,492	0.5	1.0	3.7	13.1	6.1	18,668	15,451	17.5
US S&P 500 Index	2,180	0.5	1.1	3.5	11.9	6.7	2,194	1,810	18.5
US NASDAQ Composite Index	5,250	0.6	2.2	5.6	10.5	4.8	5,276	4,210	22.5
Canada S&P/TSX Composite Index	14,796	1.1	2.2	4.7	9.2	13.7	14,856	11,531	19.8
<b>Europe</b>									
MSCI AC Europe (USD)	407	0.8	3.9	2.1	-1.5	-0.9	437	354	16.1
Euro STOXX 50 Index	3,080	2.3	5.9	1.5	-3.7	-5.7	3,524	2,673	14.5
UK FTSE 100 Index	6,895	0.8	3.7	11.5	13.3	10.4	6,955	5,500	17.8
Germany DAX Index*	10,684	0.9	5.3	4.7	6.3	-0.6	11,431	8,699	13.9
France CAC-40 Index	4,542	2.3	4.9	1.7	-0.3	-2.0	5,012	3,892	15.0
Spain IBEX 35 Index	8,909	2.9	7.6	-0.5	-10.4	-6.7	10,632	7,580	15.8
<b>Asia Pacific</b>									
MSCI AC Asia Pacific ex Japan (USD)	444	-0.7	1.1	9.2	13.1	8.1	453	357	14.5
Japan Nikkei-225 Stock Average	16,926	3.5	3.3	2.2	-6.5	-11.1	20,012	14,864	16.8
Australian Stock Exchange 200	5,373	-2.6	-3.0	1.8	5.3	1.5	5,611	4,707	16.7
Hong Kong Hang Seng Index	23,267	1.6	5.1	11.5	11.1	6.2	23,424	18,279	12.9
Shanghai Stock Exchange Composite Index	3,067	-0.1	3.2	4.9	-2.9	-13.3	3,685	2,638	14.4
Hang Seng China Enterprises Index	9,687	1.4	6.1	10.6	4.1	0.3	10,885	7,499	8.4
Taiwan TAIEX Index	8,988	-1.6	-0.9	5.0	11.9	7.8	9,200	7,628	14.5
Korea KOSPI Index	2,038	0.0	1.0	2.7	6.4	3.9	2,065	1,818	11.5
India SENSEX 30 Index	28,532	2.7	2.0	6.3	12.1	9.2	28,582	22,495	17.8
Indonesia Jakarta Stock Price Index	5,353	-1.6	-0.4	10.8	21.6	16.6	5,476	4,034	17.6
Malaysia Kuala Lumpur Composite Index	1,672	-0.7	0.7	2.5	5.1	-1.2	1,729	1,568	16.7
Philippines Stock Exchange PSE Index	7,807	-0.5	-2.9	4.6	10.4	12.3	8,118	6,084	20.0
Singapore FTSE Straits Times Index	2,804	-1.9	-1.8	0.3	-2.6	-2.7	3,105	2,528	13.3
Thailand SET Index	1,521	-1.8	1.6	6.8	10.9	18.1	1,558	1,221	16.1
<b>Latam</b>									
Argentina Merval Index	15,966	1.3	6.0	25.5	47.8	36.7	16,143	8,660	16.9
Brazil Bovespa Index*	59,616	3.3	6.2	19.5	28.3	37.5	59,655	37,046	15.4
Chile IPSA Index	4,140	-0.1	1.2	5.7	9.0	12.5	4,183	3,419	15.2
Colombia COLCAP Index	1,394	1.5	7.0	7.0	14.4	20.9	1,395	1,046	14.9
Mexico Index	47,788	0.9	2.6	5.0	11.2	11.2	48,956	39,924	21.2
<b>EEMEA</b>									
Russia MICEX Index	2,004	0.5	4.8	6.0	18.5	13.8	2,006	1,583	7.3
South Africa JSE Index	53,500	0.0	1.8	-0.4	8.7	5.5	54,761	45,976	17.1
Turkey ISE 100 Index*	76,884	-0.3	1.4	0.8	4.4	7.2	86,931	68,230	9.3

\*Indices expressed as total returns. All others are price returns.

	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
<b>Equity Indices - Total Return</b>					
Global equities	4.9	6.9	10.2	21.9	54.6
US equities	4.0	7.7	13.1	39.0	99.5
Europe equities	2.8	1.7	1.5	3.4	29.7
Asia Pacific ex Japan equities	10.6	10.5	16.5	10.1	18.3
Japan equities	6.0	1.1	7.0	18.1	39.0
Latam equities	19.5	36.1	26.0	-13.9	-28.9
Emerging Markets equities	12.5	15.4	15.8	3.1	-0.3

All total returns quoted in US dollar terms.

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 Markets 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.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 02 September 2016.

Past performance is not an indication of future returns.

## Market Data (continued)

	Close	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)
<b>Bond indices - Total Return</b>						
BarCap GlobalAgg (Hedged in USD)	511	0.0	0.3	2.2	7.1	6.4
JPM EMBI Global	768	-0.2	1.8	6.7	15.2	14.5
BarCap US Corporate Index (USD)	2,812	0.4	0.9	3.8	9.6	9.4
BarCap Euro Corporate Index (Eur)	244	-0.2	0.4	2.7	6.7	6.0
BarCap Global High Yield (USD)	425	0.0	2.1	5.7	11.0	13.6
Markit iBoxx Asia ex-Japan Bond Index (USD)	191	0.0	0.5	3.4	9.5	8.0
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	233	-0.4	0.6	4.7	14.5	12.0

Total return includes income from dividends and interest as well as appreciation or depreciation in the price of an asset over the given period.

<b>Currencies (vs USD)</b>	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015	52-week High	52-week Low
<b>Developed markets</b>								
EUR/USD	1.12	1.12	1.12	1.12	1.12	1.09	1.16	1.05
GBP/USD	1.33	1.31	1.34	1.44	1.53	1.47	1.57	1.28
CHF/USD	1.02	1.02	1.04	1.01	1.03	1.00	1.06	0.97
CAD	1.30	1.30	1.31	1.31	1.33	1.38	1.47	1.25
JPY	103.92	101.84	100.89	108.87	120.33	120.22	123.76	99.02
AUD	1.32	1.32	1.31	1.38	1.42	1.37	1.46	1.28
NZD	1.37	1.38	1.38	1.47	1.58	1.46	1.60	1.36
<b>Asia</b>								
HKD	7.76	7.76	7.76	7.77	7.75	7.75	7.83	7.75
CNY	6.68	6.67	6.63	6.58	6.36	6.49	6.70	6.32
INR	66.83	67.06	66.74	67.29	66.19	66.15	68.79	64.70
MYR	4.09	4.02	4.03	4.15	4.21	4.29	4.48	3.84
KRW	1,117	1,114	1,110	1,187	1,181	1,175	1,245	1,091
TWD	31.67	31.68	31.66	32.60	32.62	32.86	33.79	31.01
<b>Latam</b>								
BRL	3.26	3.27	3.26	3.59	3.76	3.96	4.25	3.11
COP	2,937	2,891	3,102	3,086	3,173	3,175	3,453	2,785
MXN	18.58	18.59	18.93	18.68	16.83	17.21	19.52	16.33
<b>EEMEA</b>								
RUB	65.16	64.59	66.83	66.93	66.95	72.52	85.96	60.59
ZAR	14.49	14.37	14.00	15.58	13.44	15.47	17.92	13.01
TRY	2.95	2.95	2.99	2.95	2.94	2.92	3.10	2.76

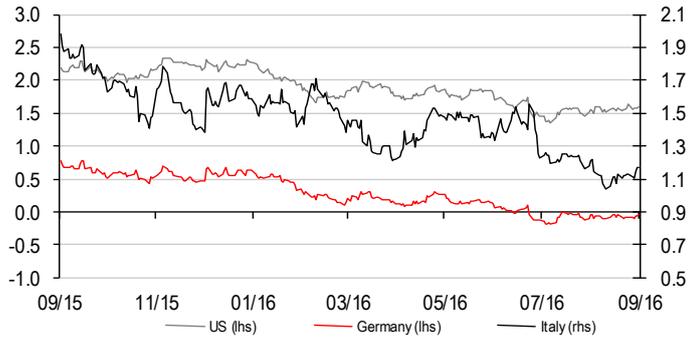
<b>Bonds</b>	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015
<b>US Treasury yields (%)</b>						
3-Month	0.32	0.31	0.27	0.27	0.01	0.16
2-Year	0.79	0.84	0.68	0.89	0.71	1.05
5-Year	1.19	1.24	1.09	1.35	1.51	1.76
10-Year	1.60	1.63	1.56	1.80	2.18	2.27
30-Year	2.28	2.29	2.31	2.58	2.95	3.02
<b>Developed market 10-year bond yields (%)</b>						
Japan	-0.04	-0.08	-0.08	-0.11	0.39	0.26
UK	0.73	0.56	0.81	1.34	1.92	1.96
Germany	-0.05	-0.07	-0.04	0.11	0.78	0.63
France	0.19	0.17	0.19	0.47	1.13	0.99
Italy	1.17	1.13	1.21	1.37	1.98	1.59
Spain	1.03	0.94	1.07	1.48	2.12	1.77

<b>Commodities</b>	Latest	1-week ago (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,325	0.3	-2.8	9.4	16.8	24.8	1,375	1,046
Brent Oil	46.7	-6.5	11.7	-6.7	-7.6	25.2	54	27
WTI Crude Oil	44.4	-6.7	12.5	-9.6	-3.9	20.0	52	26
R/J CRB Futures Index	180	-3.3	1.5	-4.3	-8.5	2.2	204	155
LME Copper	4,630	0.3	-5.4	0.7	-9.6	-1.6	5,441	4,318

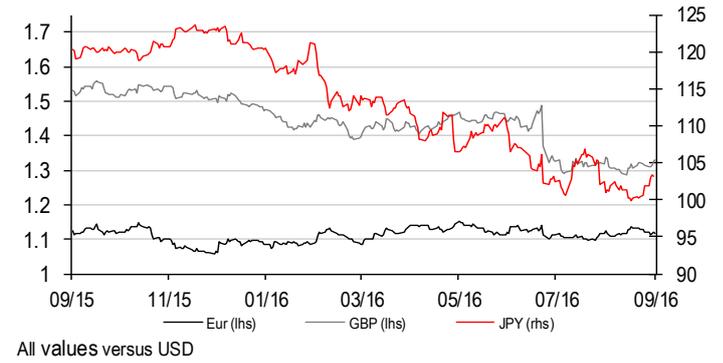
Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 02 September 2016.  
Past performance is not an indication of future returns.

# Market Trends

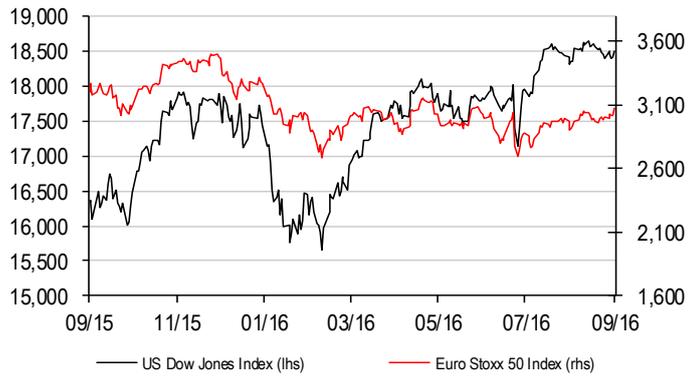
## Government bond yields (%)



## Major currencies (versus US dollar)



## Global equities



## Emerging Asian equities



## Other emerging equities



## Global credit indices



## Emerging markets spreads (USD indices)



## Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 02 September 2016.  
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CA#M1600378

Expiry: September 30, 2016