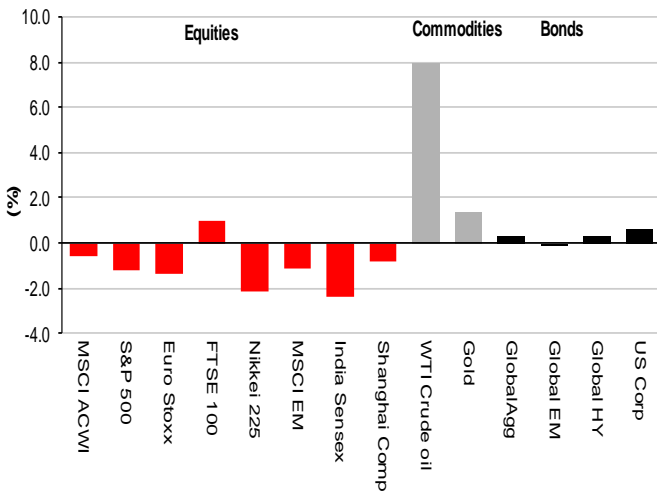


- ▶ Global equity markets declined this week as a renewed bout of global growth concerns weighed on investor risk appetite, although this was offset by solid gains in oil prices
- ▶ Some of these concerns were triggered by data showing German factory orders unexpectedly falling by 1.2% mom in February
- ▶ European Central Bank (ECB) meeting minutes showed that the easing measures announced at the March meeting were "broadly" supported by Governing Council members. The March account makes clear in that respect that the ECB is not "ruling out" further cuts, which remain part of the "toolbox"
- ▶ In the coming week, investors will keep a close eye on a raft of data coming out of the US and China for any further signs of weakness in the global economy

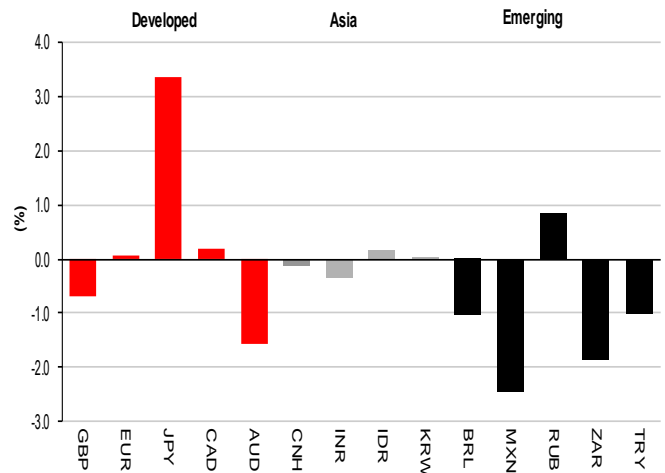
### Movers and shakers

Oil prices rallied this week

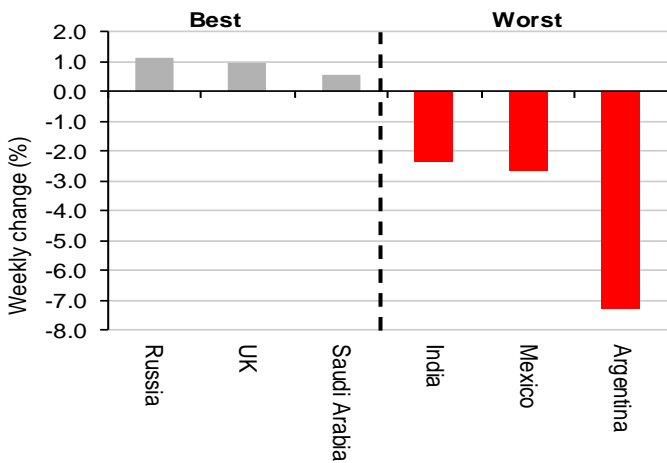


### Currencies (versus US dollar)

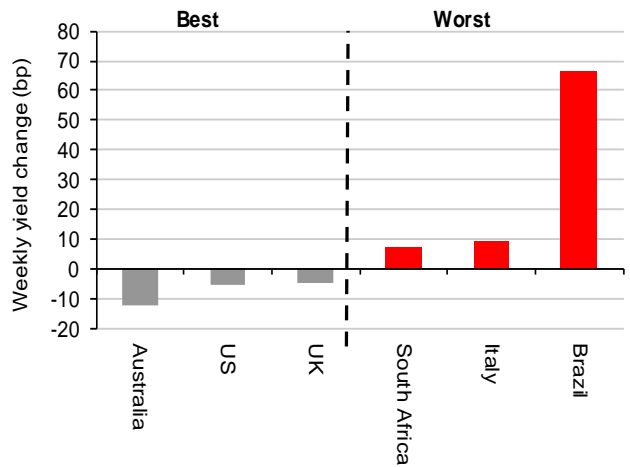
The Japanese yen surged against the US dollar



### Equities



### Bonds (10-year)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 08 April 2016. All the above charts relate to 01/04/2016–08/04/2016.

Past performance is not an indication of future returns.

# Macro Data and Key Events

Past Week (04–08 April 2016)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 4 April	US	Factory Orders (mom)	Feb	-1.7%	-1.7%	1.2%
	US	Durable Goods Orders (mom)	Feb F	-2.8%	-3.0%	-2.8%
Tuesday 5 April	India	RBI Interest Rate Decision (Repurchase Rate)	Apr	6.50%	6.50%	6.75%
	Germany	Factory Orders (mom)	Feb	0.3%	-1.2%	0.5%
	Eurozone	Markit Composite PMI	Mar F	53.7	53.1	53.7 P
	US	ISM Non-Manufacturing Composite Index	Mar	54.2	54.5	53.4
Wednesday 6 April	US	FOMC March Meeting Minutes				
Thursday 7 April	Eurozone	ECB Account of the Monetary Policy Meeting				
	US	Fed Chair Janet Yellen speaks in New York, with Alan Greenspan and Ben Bernanke				
Friday 8 April	Japan	BoP Current Account Adjusted (JPY)	Feb	1571.9bn	1733.5bn	1492.4bn

P – Preliminary, F – Final

- ▶ In the US, the **Federal Open Market Committee's (FOMC) March meeting minutes** provided few surprises. The minutes reaffirmed that the Committee remains more concerned about the global outlook than the domestic economy. There was a bit of a divide between members, with a number arguing the risks of staying on hold for too long and hence in favour of an April hike. However, the majority of Committee members felt that the risks around the global outlook meant caution was required. As a result, they thought that an April hike would signal a sense of urgency that was not warranted given the current conditions. In terms of data, **factory orders** fell 1.7% mom in February, following a downwardly revised 1.2% increase in January, led by weakness in the volatile transportation series (-6.2%). **Durable goods orders** were also confirmed at -3.0% mom, slightly worse than the advance estimate (-2.8%), with orders for mining and oil field equipment plunging 20.1%. Overall, the data shows the continuing headwinds facing US manufacturing amid a stronger dollar, sluggish global trade and a sharp fall in energy sector investment. The **US ISM Non-Manufacturing Composite Index** rose to 54.5 in March, from 53.4 in February, above consensus expectations. The report pointed to a broad-based improvement in underlying components. The business activity (to 59.8 from 57.8), new orders (to 56.7 from 55.5) and employment (to 50.3 from 49.7) components all gained. Overall, the report points to a moderate improvement in non-manufacturing output growth. However, despite this month's gain, the index remains below levels witnessed for most of 2014 and 2015.
- ▶ Over in Europe, the **eurozone PMIs** for March were revised down a few notches, highlighting the risk of moderating growth in the coming months. The manufacturing index was revised 0.1 points lower to 51.6, and the services index was down by 0.9 points to 53.1. For the Markit Composite PMI, this implies a downward revision of 0.6 points to 53.1 in March, still accomplishing a slight increase of 0.1 points from January. **German industrial production** fell 0.5% mom in February, remaining more resilient than the consensus forecast of -1.8% mom. January's growth numbers were revised down from +3.3% mom to +2.3% mom. However, January and February production are still 2.0% above the average of Q4. Industry is therefore set to contribute positively to growth in Germany, and also in the eurozone (since Germany is about 36% of euro area industry). Overall, the decline in industrial production is in line with falls in February's Ifo Business Climate Index (-1 point) and Eurozone Manufacturing PMI (-1.8 points). **German factory orders** unexpectedly fell by 1.2% mom in February, more than offsetting the upwardly revised 0.5% mom gain in January. A large part of the monthly decline was driven by volatile bulk orders and may therefore not be representative of the underlying trend. Looking at the longer-term trend, manufacturing orders have slowed a bit in recent months, but they keep on improving in line with moderate gains in industrial production. Compared to the same month last year, orders were up 0.5% in February. Finally, the **ECB published the March Monetary Policy Committee meeting minutes**. In that meeting, the ECB lowered all policy rates, announced new targeted long-term refinancing operations (TLTROs) and increased the volume of monthly asset purchases. While a "majority of voting members" of the Governing Council approved the measures, opposition seemed to have been larger than at previous meetings. Among the policy tools, the new TLTROs received the broadest approval as they would help to ease credit conditions where this is most needed, that is, for those banks that are not able to borrow on the interbank market. The Governing Council lowered the deposit rate by only 10bps to -0.4% because a number of members warned of the risk for bank profitability and that banks might recoup part of the costs by increasing other fees and charges. The increase in asset purchases and the inclusion of corporate bonds was more controversial, as it could create wrong incentives, and distort the market by benefiting especially those issuers that already had ample access to liquidity.
- ▶ As expected, the **Reserve Bank of India (RBI) eased its monetary policy** and cut the repo rate by 25bps to its lowest level in five years, to 6.50%. Unexpectedly though, the RBI also decided to narrow the policy rate corridor from +/-100bps to +/-50bps thanks to better liquidity management, resulting in an increase of 25bps in the reverse repo rate to 6.00%. The RBI based its decision to cut its policy rates on further progress in reducing inflationary pressures and the government's commitment (in its budget for the current fiscal year) to make progress on fiscal consolidation, which will support the disinflation process going forward. Moreover, the RBI highlighted the importance of ensuring past policy rate cuts are transmitted to lending rates.
- ▶ **Japan's current account balance** for February came in higher than expected, at JPY1733.5 billion in seasonally adjusted terms, the highest level in a year. Most of the gains came from the balance of services, reaching its highest surplus on record thanks to strong inbound tourism and income from overseas investment. The balance of goods showed modest gains and, more importantly, exports and imports both declined, reflecting weaker activity.

## Coming Week (11–15 April 2016)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 11 April	China	CPI Inflation (yoy)	Mar	2.4%	2.3%
Tuesday 12 April	UK	CPI Inflation (yoy)	Mar	0.4%	0.3%
	India	Industrial Production (yoy)	Feb	1.0%	-1.5%
	India	CPI Inflation (yoy)	Mar	5.0%	5.2%
Wednesday 13 April	China	Trade Balance (USD)	Mar	35.0bn	32.6bn
	Eurozone	Industrial Production (mom)	Feb	-0.6%	2.1%
	US	Retail Sales Advance (mom)	Mar	0.1%	-0.1%
	US	Fed Releases Beige Book			
Thursday 14 April	Eurozone	CPI Inflation (yoy)	Mar F	-0.1%	-0.1% P
	UK	Bank of England Interest Rate Decision	Apr	0.5%	0.5%
	US	CPI Inflation (yoy)	Mar	1.0%	1.0%
Friday 15 April	China	Industrial Production (yoy)	Mar	6.0%	5.9%
	China	GDP (yoy)	Q1	6.7%	6.8%
	US	Industrial Production (mom)	Mar	-0.1%	-0.5%
	US	University of Michigan Index of Consumer Sentiment	Apr P	92	91

P – Preliminary, Q – Quarter, F – Final

### US

- ▶ Favourable fundamentals such as solid labour market performance and low energy prices could enable consumers to continue to support economic growth. Data on **retail activity** in March has been solid, with the ISM Non-Manufacturing Composite Index reporting positively on retail trade and the U.S. Bureau of Labor Statistics reporting solid growth in retail employment. Thus, core retail sales (which exclude auto, gasoline, building materials, food services and drinking places sales) are expected to increase 0.3% mom in March. Vehicle sales fell on the month and could weigh on headline retail sales, which are anticipated to rise by only 0.1% mom in March.
- ▶ **Core CPI** showed another surprisingly strong gain of 0.3% for the second consecutive month in February. Although the strength in core CPI inflation was very broad-based in February, the strong gains in core goods prices and medical care service prices were most noteworthy. Looking ahead, the key question is whether the recent acceleration in core goods inflation is sustainable or not. Energy prices increased in March, which could place upward pressure on headline prices, causing inflation to increase by 0.2% mom (+1.0% yoy).
- ▶ The **Fed Beige Book** prepared for the 26-27 April FOMC meeting is expected to show that the economic momentum picked up somewhat at the end of the first quarter. Attention will be focused on how the industrial sector continues to adjust to the various headwinds that it has faced for the past year, the sector's expectations for future activity and any comments on the state of inventory investment. It will also be interesting to see the state of the consumer, especially as measures of consumer activity have been mixed. Finally, comments on the state of the labour market will be worth watching.
- ▶ Manufacturing output growth appears to have remained tepid in March, as hours worked in the manufacturing sector contracted further. Thus manufacturing output is expected to increase 0.1% mom in March while total **industrial production** is expected to fall -0.1% mom, with weakness in mining activity offsetting an increase in utilities output.
- ▶ **The University of Michigan Index of Consumer Sentiment** has remained elevated over the past six months in a 90-93 range as consumer attitudes seemed to fare quite well through the financial market volatility early this year. The preliminary reading of the index in April is expected to increase slightly, by 1 point to 92.

### Europe

- ▶ In Europe, **eurozone industrial production** is expected to drop 0.6% mom in February, in part due to a technical correction after its impressive 2.1% mom jump in January, which was partly driven by higher construction output during the mild winter. Nevertheless, a moderate gain for Q1 as a whole can still be expected.
- ▶ The **Bank of England (BoE) is overwhelmingly expected to keep monetary policy unchanged** in April. Its main focus will be on the meeting minutes and any policy guidance. Based on the slowing domestic growth momentum, low UK inflation, global downside risks and uncertainty generated by the upcoming European Union referendum, the BoE Monetary Policy Committee could continue to give off a cautious tone.
- ▶ Positive base effects from oil price movements could provide a modest boost to the **UK's annual CPI inflation**. But overall, headline and core inflation are likely to remain low. Headline inflation is expected at 0.4% yoy in March.

### Emerging markets and Japan

- ▶ **China's National Bureau of Statistics (NBS)** will release the monthly economic indicators for March as well as GDP data for Q1. **CPI inflation** is expected to have increased moderately, from 2.3% yoy in February to 2.4% in March, as the selling price component of the non-manufacturing PMI survey showed a rebound in March. Moreover, most food prices continued to rise in March, according to

Ministry of Agriculture data.

- ▶ **China's trade data** for March will be published on Wednesday. The 25.1% yoy decline in February, on par with the trough observed during the financial crisis, was mostly due to Lunar New Year seasonal factors. March will likely see a return to positive growth, reflecting lower seasonal biases more than a real improvement in overseas sales as imports in most parts of the world remained soft lately. Exports could have risen by 10.0% yoy, and imports are likely to remain in negative territory on low commodity prices and soft domestic demand. The trade balance could edge up from USD32.6 billion to USD35.0 billion.
- ▶ China's **industrial production** for March could come up at 6.0% yoy compared to 5.9% yoy in December, the last comparable month. The NBS Manufacturing PMI and the Caixin Manufacturing PMI both confirmed that a rebound in industrial activity took place in March, partly correcting the disappointing numbers for January and February (+5.4% for the two-month period). This late rebound in the quarter, probably the consequence of government efforts to stabilise the economy, will likely be insufficient to prevent **GDP growth for Q1** to decline from 6.8% yoy in Q4 to 6.7%. However, the economy could gain traction in Q2 as stimulus measures start to feed through the economy.
- ▶ **India** will publish **industrial production** and CPI inflation data on Tuesday. Industrial production for February is expected to return to positive territory, at 1.0% yoy, after three months of decline. India's manufacturing PMI reached a trough in December, at 49.1, and has since rebounded to 52.4, a level consistent with a moderate expansion in the industrial sector.
- ▶ **India's CPI inflation** for March is expected to continue to decelerate from 5.2% yoy to 5.0% yoy, after the 17-month high reached in January, as base effects wane further. If this downtrend is confirmed in the next few months, it would pave the way for further monetary easing.

## Market Moves

**Global equities declined on a renewed bout of global growth concerns, although weakness was offset by gains in oil prices**

- ▶ US equities broadly retreated this week as fresh concerns over the global economic outlook hit investor sentiment. Overall, the S&P 500 Index fell (-1.2%), with losses led by falls in the financial, utilities, telecom and consumer discretionary sectors. Conversely, energy stocks rose firmly as oil prices rose, and health-care shares extended recent gains on continued speculation of consolidation in the sector. The coming week will be particularly important as Q1 corporate earnings season begins.
- ▶ In Europe, the EURO STOXX 50 Index closed lower this week (-1.4%), led by falls in financial stocks as investors digested the ECB's March meeting minutes that stated that cutting the facility deposit rate further could "unduly increase the pressure on banks' profitability." Lingering concerns around non-performing loans hit Italy's FTSE MIB Index (-1.5%), although losses were pared as plans were confirmed to set up a state-backed fund for distressed lenders. Across all major European bourses, health-care stocks outperformed, and higher oil prices contributed to the UK's FTSE 100 Index rise over the week (+0.9%).
- ▶ Most Asian stock markets declined this week. The Nikkei 225 Index retreated (-2.1%) on the back of a sharp appreciation of the yen and lingering domestic growth concerns. India's SENSEX 30 Index fell (-2.4%) amid investor cautiousness ahead of the corporate earnings season that kicks off next week. China's Shanghai Stock Exchange Composite Index also ended the week lower (-0.8%) as data showing an increase in foreign exchange reserves in March was offset by concerns about the impact of a planned debt-to-equity swap on banks' balance sheets. Speculation that China's inflation may surprise to the upside in the coming months, constraining the ability of the People's Bank of China to ease policy further, also weighed on investor sentiment.

**Treasuries and core European government bond yields fell on heightened risk aversion**

- ▶ In the US, 10-year Treasury yields fell (-5bps to 1.72%) this week on heightened risk aversion as concerns over the global economic outlook intensified. At the shorter end, two-year yields ended -2bps to 0.70% as the FOMC meeting minutes largely confirmed Fed Chair Janet Yellen's dovish policy message from last week. With increased expectations of a "lower for longer" trajectory for policy rates, futures markets currently price in only a 19.6% probability of a June rate hike, 4.4% lower than one week ago.
- ▶ Similarly, core European government bond yields also declined this week. Demand for "safe-haven" assets was supported by International Monetary Fund Chief Christine Lagarde's comments that global growth remains "too slow, too fragile" as well as meeting minutes from the ECB and Fed highlighting caution over the economic outlook. Benchmark German 10-year bund yields fell for the fourth consecutive week (-3bps to 0.10%), hovering around historic lows on Tuesday following February's disappointing German factory orders. Meanwhile, elevated risk aversion, with Wednesday's Dutch referendum result highlighting the region's political divides, led to a sell-off in peripheral government bonds. Portuguese paper significantly underperformed as the government prepared an unscheduled fresh bond offering.

**Japanese yen surges as Prime Minister Abe downplays usefulness of currency intervention**

- ▶ The euro swung between gains and losses against the US dollar this week, ending little changed (+0.07%). A renewed bout of investor risk aversion provided support for the single currency as investors unwound euro-funded carry trades, although this was offset by the dovish tilt of the ECB meeting minutes. Meanwhile, the British pound fell (-0.7%) amid intensifying "Brexit" fears following the Dutch no-vote on the EU-Ukraine partnership.
- ▶ Most Asian currencies traded sideways against the US dollar this week, hovering in a +/-0.4% range, as lingering concerns about

economic growth in the region were offset by a broadly softer tone to the US dollar. However, the Japanese yen rose sharply (+3.4%) as Prime Minister Shinzo Abe downplayed the usefulness of “arbitrary” currency intervention, while Finance Minister Taro Aso highlighted that rapid currency gains were undesirable.

- ▶ Meanwhile, most non-Asian currencies declined against the US dollar this week on weaker investor risk appetite. Falls in the Brazilian real (-1.0%) came as a Brazilian judge ruled on Tuesday that the country’s market-friendly Vice President, Michel Temer, should face impeachment, increasing uncertainty around the near-term political outlook. However, the Russian rouble outperformed (+0.8%) on the back of higher oil prices.

#### **Oil prices gain on decline in US inventories; gold shines as market prices in fewer Fed rate hikes this year**

- ▶ WTI crude prices closed the week higher (+7.8% to USD39.7 per barrel). A decline in the US oil rig count announced late last Friday (to a fresh record low) and unexpected falls in US crude inventories (both in Tuesday’s American Petroleum Institute report by 4.3 million barrels, and Wednesday’s U.S. Energy Information Administration report by 4.9 million barrels) boosted sentiment, despite concerns that the declines may only be temporary. Furthermore, the statement from Kuwait’s governor to OPEC that an agreement could be reached at the 17 April meeting in Doha, even if Iran refuses to freeze output, offset growing investor caution around the impact of the meeting. Brent crude also ended higher (+8.1% to USD41.8).
- ▶ Gold prices gained this week (+1.4% at USD1,239 per ounce), mainly on the back of investor risk aversion, and a further fall in market expectations of Fed rate increases this year also supported demand for the non-yield-generating asset.

## 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)	394	-0.6	2.5	5.1	-8.9	-1.4	444	351	15.7
<b>North America</b>									
US Dow Jones Industrial Average	17,577	-1.2	3.6	7.5	-1.8	0.9	18,351	15,370	16.4
US S&P 500 Index	2,048	-1.2	3.5	6.5	-1.6	0.2	2,135	1,810	17.4
US NASDAQ Composite Index	4,851	-1.3	4.3	4.5	-2.0	-3.1	5,232	4,210	20.7
Canada S&P/TSX Composite Index	13,397	-0.3	0.6	7.6	-11.9	3.0	15,525	11,531	17.9
<b>Europe</b>									
MSCI AC Europe (USD)	394	0.2	1.5	2.4	-14.2	-4.2	479	356	15.0
Euro STOXX 50 Index	2,912	-1.4	-3.0	-4.0	-22.2	-10.9	3,836	2,673	13.2
UK FTSE 100 Index	6,204	0.9	1.3	4.9	-10.6	-0.6	7,123	5,500	16.5
Germany DAX Index*	9,622	-1.8	-0.7	-2.3	-20.1	-10.4	12,391	8,699	12.2
France CAC-40 Index	4,303	-0.4	-2.3	-0.7	-16.2	-7.2	5,284	3,892	14.1
Spain IBEX 35 Index	8,428	-2.0	-3.6	-5.4	-27.7	-11.7	11,885	7,746	13.2
<b>Asia Pacific</b>									
MSCI AC Asia Pacific ex Japan (USD)	406	-1.1	2.1	6.2	-19.3	-1.3	525	357	12.8
Japan Nikkei-225 Stock Average	15,822	-2.1	-5.7	-10.6	-20.1	-16.9	20,953	14,866	14.7
Australian Stock Exchange 200	4,938	-1.2	-3.3	-1.1	-17.2	-6.8	5,996	4,707	16.1
Hong Kong Hang Seng Index	20,370	-0.6	1.8	-0.4	-22.4	-7.0	28,589	18,279	10.9
Shanghai Stock Exchange Composite Index	2,985	-0.8	2.9	-6.3	-25.3	-15.7	5,178	2,638	13.2
Hang Seng China Enterprises Index	8,705	-1.6	2.3	-1.6	-35.0	-9.9	14,963	7,499	7.1
Taiwan TAIEX Index	8,542	-1.3	-1.4	8.2	-10.8	2.4	10,014	7,203	13.1
Korea KOSPI Index	1,972	-0.1	1.3	2.8	-4.2	0.5	2,190	1,801	11.4
India SENSEX 30 Index	24,674	-2.4	0.1	-1.0	-14.1	-5.5	29,095	22,495	15.5
Indonesia Jakarta Stock Price Index	4,847	0.1	0.7	6.6	-11.7	5.5	5,509	4,034	16.6
Malaysia Kuala Lumpur Composite Index	1,718	0.5	1.8	3.7	-7.1	1.5	1,868	1,504	16.5
Philippines Stock Exchange PSE Index	7,247	0.0	4.8	10.2	-10.0	4.2	8,134	6,084	18.4
Singapore FTSE Straits Times Index	2,808	-0.4	1.1	2.1	-18.9	-2.6	3,550	2,528	12.7
Thailand SET Index	1,370	-2.2	-0.4	10.1	-11.3	6.3	1,575	1,221	14.5
<b>Latam</b>									
Argentina Merval Index	12,222	-7.3	-8.8	8.1	8.4	4.7	14,597	8,660	14.0
Brazil Bovespa Index*	50,293	-0.5	2.4	23.8	-6.3	16.0	58,575	37,046	14.0
Chile IPSA Index	3,927	-0.5	2.8	10.3	-1.6	6.7	4,148	3,419	15.2
Colombia COLCAP Index	1,327	-0.5	2.5	20.8	-1.3	15.0	1,422	1,046	15.3
Mexico Index	44,859	-2.6	0.8	11.4	-0.3	4.4	46,308	39,257	19.2
<b>EEMEA</b>									
Russia MICEX Index	1,877	1.1	-1.7	7.4	11.5	6.6	1,924	1,570	7.7
South Africa JSE Index	51,424	-0.3	-1.6	6.9	-2.6	1.4	55,355	45,976	16.9
Turkey ISE 100 Index*	82,502	0.2	6.2	16.8	-0.4	15.0	88,652	68,230	9.4

\*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	5.7	-0.8	-7.1	17.2	25.7
US equities	6.7	0.3	-1.0	36.2	65.3
Europe equities	3.2	-3.4	-11.8	5.5	1.8
Asia Pacific ex Japan equities	6.7	-0.8	-16.9	-3.6	-6.3
Japan equities	-3.0	-7.5	-10.6	9.3	25.5
Latam equities	26.0	15.4	-17.5	-39.4	-48.6
Emerging Markets equities	10.8	3.2	-18.0	-12.6	-23.3

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 08 April 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)	497.9	0.3	1.0	3.1	2.6	3.6
JPM EMBI Global	705.8	-0.1	2.2	5.5	2.7	5.2
BarCap US Corporate Index (USD)	2686.0	0.6	2.7	3.9	0.9	4.5
BarCap Euro Corporate Index (Eur)	236.7	0.3	1.5	2.7	0.6	2.8
BarCap Global High Yield (USD)	388.1	0.3	2.2	4.0	-0.7	3.8
HSBC Asian Bond Index	396.79	0.3	1.9	3.6	3.3	4.2

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

<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	1.14	1.14	1.10	1.09	1.08	1.09	1.17	1.05
GBP/USD	1.41	1.42	1.42	1.45	1.49	1.47	1.59	1.38
CHF/USD	1.05	1.04	1.00	1.01	1.03	1.00	1.10	0.97
CAD	1.30	1.30	1.34	1.42	1.25	1.38	1.47	1.19
JPY	108.07	111.69	112.62	117.26	120.13	120.22	125.86	107.63
AUD	1.32	1.30	1.34	1.44	1.30	1.37	1.46	1.23
NZD	1.47	1.45	1.48	1.53	1.32	1.46	1.60	1.29
<b>Asia</b>								
HKD	7.76	7.75	7.77	7.76	7.75	7.75	7.83	7.75
CNY	6.46	6.48	6.50	6.59	6.20	6.49	6.60	6.19
INR	66.47	66.25	67.35	66.64	62.25	66.15	68.79	62.28
MYR	3.90	3.89	4.12	4.39	3.63	4.29	4.48	3.54
KRW	1,153.78	1,154.03	1,206.70	1,197.84	1,090.97	1,175.06	1,245.13	1,065.21
TWD	32.44	32.26	32.77	33.34	31.07	32.86	33.79	30.35
<b>Latam</b>								
BRL	3.59	3.55	3.75	4.02	3.05	3.96	4.25	2.88
COP	3,090.01	3,037.10	3,205.32	3,267.05	2,490.73	3,174.50	3,452.55	2,351.76
MXN	17.78	17.34	17.93	17.94	14.91	17.21	19.44	14.99
<b>EEMEA</b>								
RUB	67.12	67.68	72.86	74.75	53.65	72.52	85.96	48.14
ZAR	14.98	14.70	15.44	16.30	11.82	15.47	17.92	11.71
TRY	2.85	2.82	2.91	3.02	2.60	2.92	3.08	2.56

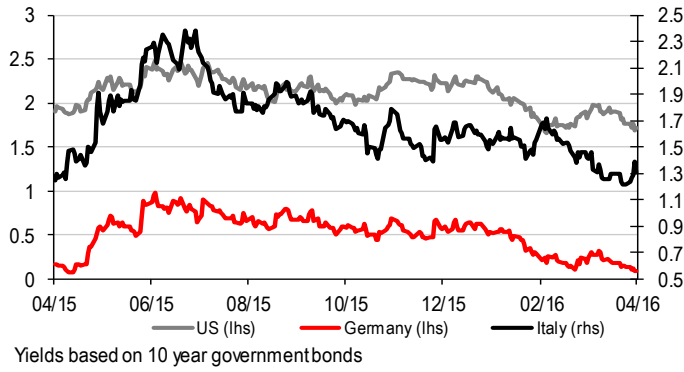
<b>Bonds</b>	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015
<b>US Treasury yields (%)</b>						
3-Month	0.22	0.22	0.30	0.19	0.02	0.16
2-Year	0.70	0.72	0.87	0.93	0.53	1.05
5-Year	1.15	1.21	1.34	1.56	1.35	1.76
10-Year	1.72	1.77	1.83	2.12	1.90	2.27
30-Year	2.55	2.60	2.63	2.91	2.53	3.02
<b>Developed market 10-year bond yields (%)</b>						
Japan	-0.09	-0.07	-0.11	0.22	0.35	0.26
UK	1.36	1.41	1.38	1.77	1.58	1.96
Germany	0.10	0.13	0.18	0.51	0.16	0.63
France	0.43	0.46	0.58	0.88	0.44	0.99
Italy	1.31	1.22	1.42	1.53	1.25	1.59
Spain	1.52	1.44	1.56	1.71	1.19	1.77

	Latest	1-week ago (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
<b>Commodities</b>								
Gold	1,239	1.4	-1.7	12.3	3.1	16.8	1,285	1,046
Brent Oil	41.9	8.5	5.8	25.0	-24.5	12.5	70	27
WTI Crude Oil	39.7	8.0	8.8	19.8	-21.2	7.2	63	26
R/J CRB Futures Index	171	1.8	0.9	1.5	-21.0	-2.9	234	155
LME Copper	4,650	-3.8	-4.5	3.7	-22.6	-1.2	6,481	4,318

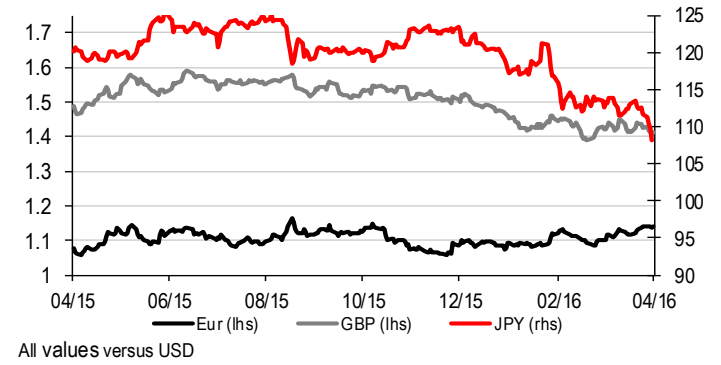
Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 08 April 2016.  
Past performance is not an indication of future returns.

# Market Trends

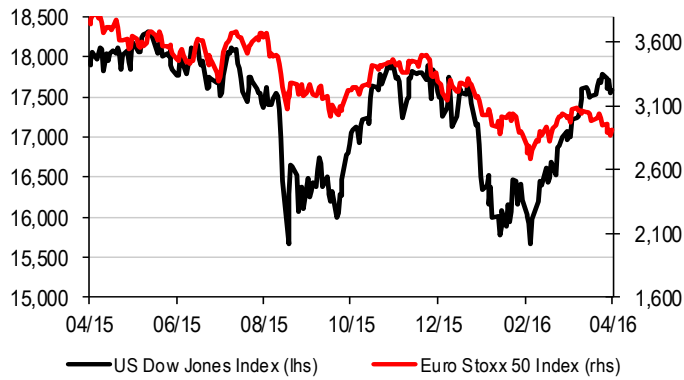
## Government bond yields (%)



## Major currencies (versus US dollar)



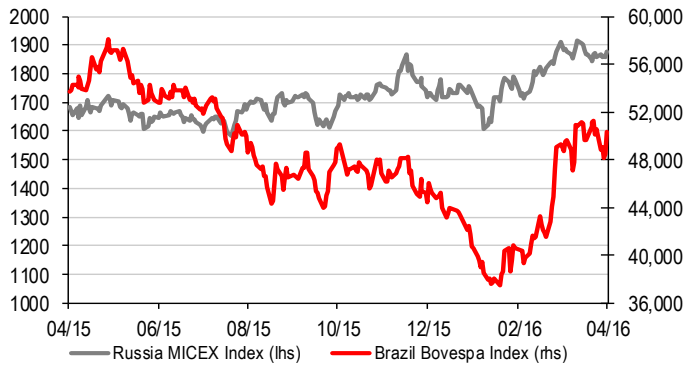
## Global equities



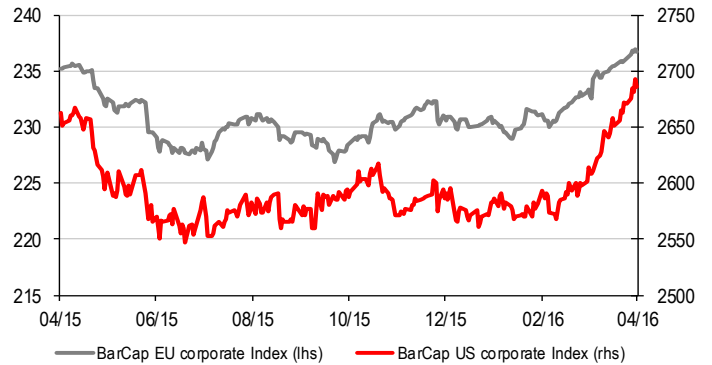
## Emerging Asian equities



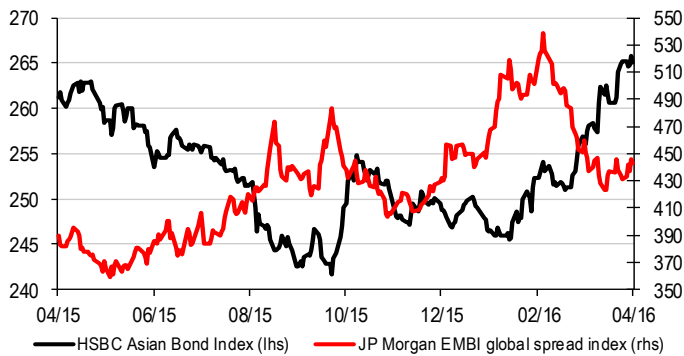
## Other emerging equities



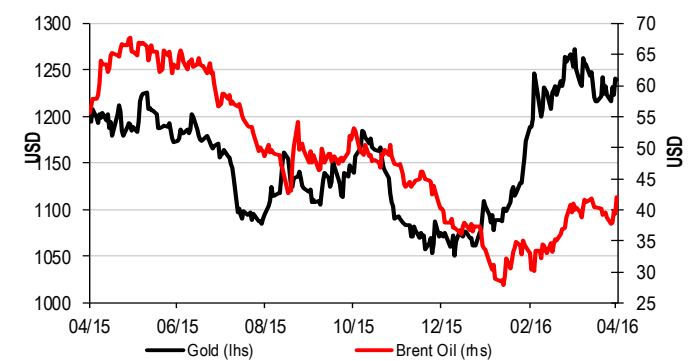
## Global credit indices



## Emerging market spreads (USD indices)



## Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 08 April 2016.  
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