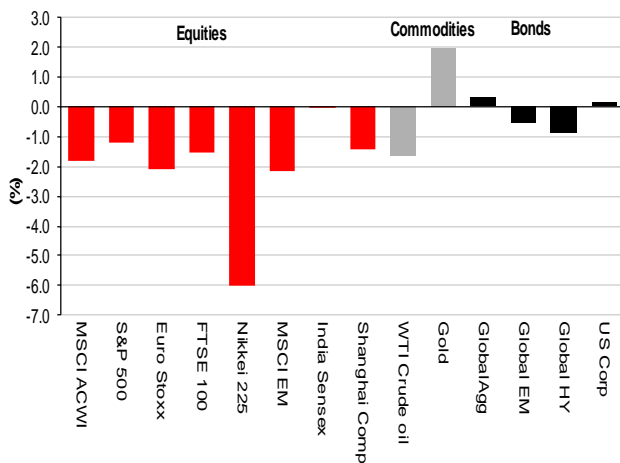


- ▶ Global equities ended the week lower as continued political and economic uncertainty hurt investor risk appetite
- ▶ The US Federal Reserve (Fed) left interest rates unchanged at its June meeting, but it still has two rate rises in its 2016 forecast. Markets do not see a rate rise until late 2017
- ▶ US retail sales signalled a strong start to Q2 for the US consumer but did little to boost market optimism
- ▶ The UK's European Union (EU) referendum is likely to dominate financial markets next week

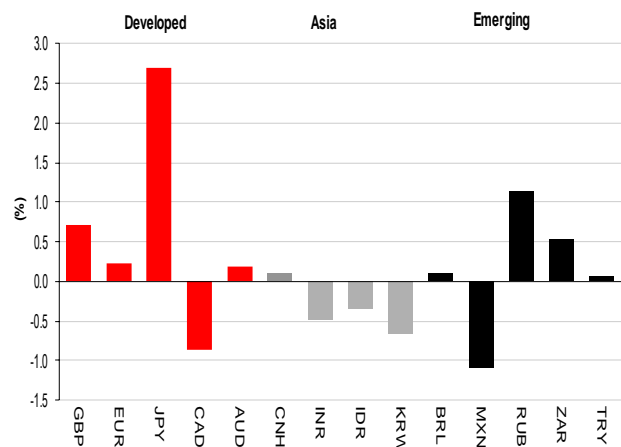
Movers and shakers

The Nikkei 225 Index fell 6% this week

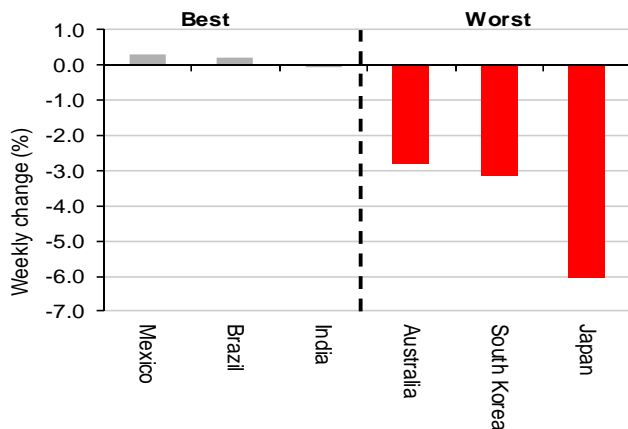


Currencies (versus US dollar)

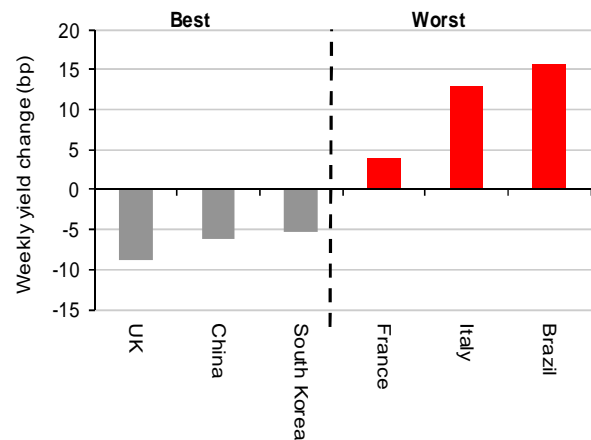
The yen benefited from risk aversion and an inactive BoJ



Equities



Bonds (10-year)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 17 June 2016. All the above charts relate to 10/06/2016 – 17/06/2016. Past performance is not an indication of future returns.

Macro Data and Key Events

Past Week (13-17 June 2016)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 13 June	China	Industrial Production (yoy)	May	6.0%	6.0%	6.0%
	India	CPI (yoy)	May	5.6%	5.8%	5.5%
	China	Retail Sales (yoy)	May	10.1%	10.0%	10.1%
Tuesday 14 June	UK	CPI (yoy)	May	0.4%	0.3%	0.3%
	US	Retail Sales Advance (mom)	May	0.3%	0.5%	1.3%
Wednesday 15 June	UK	ILO Unemployment Rate (3 months, yoy)	Apr	5.1%	5.0%	5.1%
	US	Industrial Production (mom)	May	-0.2%	-0.4%	0.6%
	US	FOMC Interest Rate Decision	Jun	0.5%	0.5%	0.5%
Thursday 16 June	Japan	Bank of Japan Interest Rate Decision	Jun	-0.1%	-0.1%	-0.1%
	Eurozone	CPI (yoy)	May F	-0.1%	-0.1%	-0.1% P
	UK	Bank of England Interest Rate Decision	Jun	0.5%	0.5%	0.5%
	US	CPI (yoy)	May	1.1%	1.0%	1.1%
Friday 17 June	US	Housing Starts (mom)	May	-1.9%	-0.3%	4.9%

P – Preliminary, F – Final

- ▶ In the **US**, as was widely anticipated, the **Fed decided to keep its policy unchanged**, with the target range of the federal funds rate maintained at 0.25%-0.50%. In its statement, the Federal Open Market Committee's (FOMC) assessment of recent economic conditions was mostly positive, particularly on the consumer sector and net exports, while de-emphasizing the low level of job creations in May. The FOMC economic projections showed a downward revision of GDP growth expectations (from +2.2% to +2.0% for 2016 and from +2.1% to 2.0% in 2017) and an upward revision in core-PCE inflation (from +1.6% to +1.7% in 2016 and from +1.8% to +1.9% in 2017). In terms of interest rate forecasts, the FOMC is still of the view that two rate hikes would be appropriate before the end of the year, with a median forecast of 0.875%. However, most notably, six out of the 17 participants thought that only one rate hike would be appropriate this year; in March, only one participant was of this view. The central bank also foresees interest rates at 1.625% in 2017 and 2.375% in 2018, down from 3.0% in March. The long-term policy rate was also revised down, from 3.25% to 3.0%. In her **press conference**, Fed Chair Janet Yellen said that rates may be depressed by "factors that are not going to be rapidly disappearing, but will be part of the new normal." She also said that a rate hike in July or September "is not impossible." In terms of data releases this week, **US retail sales** grew 0.5% mom in May, down from 1.3% mom in April, but stronger than consensus expectations (+0.3%). The retail sales control group rose 0.4% mom (forecast: +0.2%) and was revised higher in April to 1.0% mom (initial: +0.9%). Sales gains were fairly broad-based in May. On the softer side, department store sales (-0.9%) remained tepid through May and building material store sales were also weak (-1.8% mom). Overall, the report is supportive of a consumer-driven bounce back in Q2 GDP growth. **US CPI** rose 0.2% mom (+1.0% yoy) in May, slightly less than consensus expectations, and was boosted in part by higher energy prices (up +1.2% mom), although food prices declined (down -0.2% mom). Core CPI, which excludes food and energy, rose 0.2% mom (+2.2% yoy), in line with consensus. Overall, the data showed continued firming in core inflation, led by acceleration in core services prices.
- ▶ There was an abundance of May activity data for China at the start of the week, which continued to suggest overall stable but subdued growth momentum. **Industrial production** growth remained stable at 6.0% yoy, as expected, and consistent with the stable manufacturing PMI. Nominal **retail sales** grew 10.0% yoy, meeting expectations (+10.1%), while in real terms, sales picked up to 9.7% from 9.3% in April. **Fixed asset investment** came in weaker than expected, rising 9.6% yoy (ytd) in May (consensus: +10.5%) after a 10.5% gain (ytd) in April, as manufacturing and mining fixed asset investment slowed. Industrial production and fixed asset investment of the "new economy" sectors (e.g., high-tech and services) maintained solid growth, while the resource/ energy-intensive and mining sectors suffered large declines. Elsewhere, a recovery in **the property market** continued, with home sales and new housing starts increasing at robust double-digit yoy paces, albeit slightly moderating from the previous month.
- ▶ The **Bank of Japan (BoJ)** followed the Fed's lead and, in an 8-1 vote, kept its policy rate unchanged. The BoJ will continue to increase the monetary base by JPY80 trillion per year, and the interest rate on deposits at the central bank will continue to range from +0.1% to -0.1%. The activity and inflation assessment was also left broadly unchanged, albeit with a slightly more negative tone than in April. However, the BoJ still believes that the recent softness in data is temporary. Going forward, pressures on the BoJ to ease its policy further may mount, as the yen appreciated sharply against the US dollar after the meeting.
- ▶ **India's CPI inflation** accelerated more than expected, to 5.8% yoy in May, from an upwardly revised 5.5% in April (May's consensus was +5.6%). The acceleration was driven mainly by food prices. Core inflation (excluding food and transport) moderated but remained sticky. At its June meeting, the Reserve Bank of India highlighted the uncertainty over the future inflation trajectory, particularly from firming commodity prices, the implementation of the 7th Pay Commission's proposals, a rise in inflation expectations and sticky core inflation..
- ▶ Finally, **MSCI announced a delay to include China's onshore A-shares in its Emerging Markets Index** as part of its 2016 Annual Market Classification Review. MSCI stated that global investors would like China to take further steps toward making its market more accessible and closer to international standards, despite the significant progress made by the Chinese authorities, particularly on the issue of beneficial ownership. Investors' concerns remain over QFII quota allocation, capital mobility, trading suspensions and anti-competitive clauses. However, MSCI will keep A-share inclusion as part of its June 2017 review and did not rule out a potential off-cycle announcement before then if further significant positive developments occur.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 17 June 2016.
Past performance is not an indication of future returns.

Coming Week (20-24 June 2016)

Date	Country	Indicator	Date as of	Survey	Prior
Monday 20 June	Japan	Trade Balance, Adjusted (JPY)	May	113.4bn	426.6bn
Tuesday 21 June	Germany	ZEW Expectation of Economic Growth	Jun	4.8	6.4
	Turkey	CBRT Interest Rate Decision	Jun	7.5%	7.5%
	Brazil	IBGE Inflation IPCA-15 (yoy)	Jun	-	9.6%
	US	Fed Chair Yellen's Semi-Annual Testimony to the Senate Banking Panel			
Wednesday 22 June	US	Existing Home Sales (mom)	May	1.8%	1.7%
Thursday 23 June	Eurozone	Markit Composite PMI	Jun P	53.1	53.1
	US	New Home Sales (mom)	May	-8.7%	16.6%
	UK	UK Referendum on EU Membership			
Friday 24 June	Germany	Ifo Business Climate Index	Jun	107.4	107.7
	US	Durable Goods Orders (mom)	May P	-0.8%	3.4%
	US	University of Michigan Index of Consumer Sentiment	Jun F	94.2	94.3 P

P – Preliminary, F – Final

US

- ▶ In the US, next week's focus will be **Fed Chair Janet Yellen's** delivery of her semi-annual testimony to Congress on monetary policy, which, given its proximity to the recent FOMC meeting and the lack of major data released since her comments, is likely to be similar to comments expressed at the FOMC press conference. Any additional information or deviation will be closely watched.
- ▶ **New home sales** rose 16.6% in April, their strongest increase since 1993 and to their highest level since 2008. However, the market anticipates that this was an overshoot in activity with an 8.7% decline anticipated in May; this would still leave sales levels (570,000) above those of March and continue to point to a general upswing towards the historic average (619,000). **Existing home sales** exceeded expectations in April, rising 1.7% to 5,450,000 annualised, after a 5.7% increase in March. The median sale price also rose firmly despite a continued recovery in inventory from the December multi-year low, pointing to continued strength in the housing market. Existing home sales are expected to rise 1.8% mom in May to 5,520,000.
- ▶ **Durable goods orders** have been anaemic since the middle of 2014. Headline durable goods orders are expected to dip 0.8% in May after a 3.4% increase in April, while core durable goods (excluding transportation orders) are anticipated to edge up 0.1% after increasing 0.5% in April. This would be the first time the core series has increased for three months in a row since Q1 2014.
- ▶ The **University of Michigan Index of Consumer Sentiment** has remained elevated over the past 16 months in the 87-96 range, with consumer sentiment only declining slightly at the start of the year, demonstrating resilience to the global economic concerns. The final June headline number is expected at 94.2, down marginally from 94.3 in the preliminary release. May saw consumers deliver their strongest assessment of current conditions since February 2007 despite the weakness reported in the employment report. The market will pay particular attention to the long-term inflation expectations measure, which fell to a series low of 2.3% in the preliminary release.

Europe

- ▶ In Europe, **Thursday's referendum on the UK's** continued membership in the EU will likely attract the most attention, with the result likely to be known on Friday morning.
- ▶ The **eurozone PMIs** have held steady over the past couple of months. The PMIs point to positive economic growth, but the momentum is softer relative to late last year. The Markit Eurozone Composite PMI is expected to remain stable at 53.1 in June. At the sector level, a marginal slowdown in activity is expected, with the headline Eurozone Manufacturing PMI anticipated to tick down to 51.4 in June from 51.5 in May, given the slowdown in new orders and new export orders, as well as the ticking down of the new orders to inventories ratio in May. In the services sector, the headline PMI is expected to decline to 53.2 in June from 53.3 in May.
- ▶ The **German Ifo** current conditions and expectations measures are back above their respective long-run averages. However, given the recent financial market moves and politically driven volatility, the Ifo Business Climate Index could pull back to 107.4 in June from 107.7 in May.
- ▶ In light of the uncertain outcome of the UK's EU referendum on 23 June and recent downward moves in the stock markets, **German ZEW** survey participants, mostly financial analysts, could be slightly more cautious. The ZEW Expectation of Economic Growth is expected to drop to 4.8 in June, from 6.4 in May.
- ▶ Finally, **European Central Bank President Mario Draghi** speaks at a hearing of the European Parliament on Monday.

Emerging markets/Japan

- ▶ **Japan's seasonally adjusted trade surplus** for May is expected to show a decline from JPY426.6 billion in April to JPY113.4 billion, essentially due to surging energy import prices and weak exports. Crude oil prices rose by close to 7% in May, while the yen depreciated by 3.9% over the same period. Japan remains particularly vulnerable to energy price fluctuation as the country still needs to import significant volumes of fossil fuel products due to the closure of all its nuclear power plants after the Fukushima tragedy in 2011. Moreover, the manufacturing PMI new export orders component decreased in May at its fastest pace since January 2013.

- ▶ The **Central Bank of Turkey**, encouraged by the fall in headline inflation and benign global environment, has cut the overnight lending rate by a total of 125bps in the last three months. The Monetary Policy Committee (MPC) is expected to cut the lending rate by 50bps to 9.00% at its meeting on Tuesday. CPI inflation remaining at 6.6% in May compared to 9.6% in January – and dovish rate projections of FOMC participants – will likely cause the MPC to ignore market concerns that inflation will increase going forward.

Market Moves

Global stock markets stumbled as British EU referendum looms

- ▶ US equities retreated in the early part of the week amid reduced global risk appetite as concerns over the British EU referendum weighed on investor sentiment. Stocks stabilised during the middle of the week as market participants digested the dovish tone struck by the Fed following its June meeting and mixed economic data releases. However, US equities were able to pare back some of their early week losses towards the end of the week. Overall, the S&P 500 Index closed the week down 1.2%.
- ▶ Despite two sessions of temporary respite, European stock markets had a disappointing week with all major European bourses closing lower. The EURO STOXX 50 Index fell (-2.1%), after briefly touching a four-month low on Tuesday, as investors shrugged off better than expected macro data (eurozone industrial production) amid increased political uncertainty. Financial shares led the falls as central bank policy inaction reignited concerns about banking sector profitability in a low interest rate environment, and while tumbling oil prices hit the energy sector.
- ▶ Asian stock markets declined this week, amid growing concerns over the risk of a UK exit from the EU and the global growth outlook, and after the Bank of Japan (BoJ) refrained from expanding monetary stimulus. Japan's Nikkei 225 Index tumbled 6%, with a surge of the yen against the US dollar weighing on exporter shares. China's Shanghai Stock Exchange Composite Index fell 1.4%, as weaker than expected investment data weighed on the index. MSCI decided to delay including China's onshore A-shares in its Emerging Markets Index. India's SENSEX 30 Index ended flat for the week, with optimism growing that the goods and services tax (GST), one of India's most significant economic reforms, could be passed in the coming parliamentary session starting next month.

US Treasury yields fell on lower policy rate outlook; German 10-year bund yields touched negative territory

- ▶ US Treasuries gained modestly (yields fell) amid a dovish Fed statement and elevated risk aversion. Following their June meeting, Fed policymakers released forecasts that suggested a shallower path of monetary tightening and a lower estimate of the longer-run terminal interest rate. Concerns over the outcome of the British EU referendum also weighed on global risk appetite and increased demand for safety assets, thereby driving US government bond yields lower. The latest economic data was mixed, with a better than expected retail sales report being somewhat offset by soft industrial production data. Overall, the yield on the two-year Treasury note fell 4bps to 0.69% and five-year yields slipped 6bps to 1.11%. At the longer end, 10-year yields dropped 3bps to 1.61% and 30-year yields also fell 3bps to 2.42%.
- ▶ Heightened risk aversion was a persistent theme for much of this week as previously discussed. German 10-year bund yields fell into negative territory for the first time on record on Tuesday. Elsewhere, UK 10-year gilt yields also fell to historic lows with the Bank of England (BoE) warning that a "Brexit" vote could lead to a recession. Overall, German 10-year bund yields remained flat at 0.02%, while UK 10-year gilt yields tumbled (-9bps to 1.14%), although all core two-year yields fell. Meanwhile, the flight to safety pushed riskier peripheral government bonds lower (yields rose), with Greek debt underperforming in particular.

Euro and sterling were volatile against the US dollar amid investor jitters; yen surged on BoJ inaction

- ▶ The British pound touched a multi-week low against the US dollar on Tuesday as the debate on the UK's membership in the EU intensified, with opinion polls showing the exit camp moving ahead. Furthermore, the BoE reiterated that in the case of a Leave vote, the outlook for output, inflation and the exchange rate would be particularly uncertain. However, sterling recovered from late Thursday onwards to close the week mostly flat after campaigns were temporarily suspended. Elsewhere, the euro was negatively impacted by UK referendum jitters, swinging sharply between gains and losses before closing flat against the greenback. The US dollar index weakened on the lower US interest rate outlook implied by the FOMC dot plot and on a higher yen following policy inaction in Japan.
- ▶ The Japanese yen surged 2.7%, to its strongest level against the US dollar since August 2014, after the BoJ's inaction and as political uncertainty in Europe fuelled demand for safety assets. Most emerging market Asian currencies fell versus the US dollar, led by the Malaysian ringgit, Philippines peso and Korean won, amid risk aversion and stock market losses. The losses came despite the Fed signalling a more gradual hiking path than projected previously, which supported the Singapore dollar's gains (+0.8%) versus the US dollar.

Market rebalancing fears pushed oil prices lower; gold extended rally on "safe-haven" demand

- ▶ WTI crude oil prices fell this week (-1.7% to USD48.3 per barrel) as global political uncertainty weighed on sentiment. In addition, hopes of near-term market rebalancing faded as the US oil rig count (reported late last Friday) rose for a second consecutive week. A comeback in Canadian production, following the wildfires in Alberta, was also observed. Meanwhile, the American Petroleum Institute reported a rise in crude inventories, and the U.S. Energy Information Administration noted a smaller than expected decline. Overall, Brent crude also ended down (-2.3% to USD49.4 per barrel).
- ▶ A traditional "safe-haven" asset, gold marched higher this week on widespread investor risk aversion. Overall, gold extended its recent rally for the third consecutive week (+2.0%) and to its highest level since the end of April.

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)	394	-1.8	-0.3	-0.5	-8.2	-1.3	438	351	16.0
North America									
US Dow Jones Industrial Average	17,675	-1.1	0.8	1.1	-1.5	1.4	18,189	15,370	16.4
US S&P 500 Index	2,071	-1.2	1.2	1.5	-1.4	1.3	2,133	1,810	17.6
US NASDAQ Composite Index	4,800	-1.9	1.8	0.5	-5.2	-4.1	5,232	4,210	20.8
Canada S&P/TSX Composite Index	13,902	-1.0	-0.1	2.1	-5.6	6.9	14,995	11,531	18.8
Europe									
MSCI AC Europe (USD)	381	-2.5	-3.4	-4.9	-15.5	-7.2	471	356	14.8
Euro STOXX 50 Index	2,849	-2.1	-3.0	-6.4	-16.9	-12.8	3,714	2,673	13.2
UK FTSE 100 Index	6,021	-1.5	-2.4	-2.9	-9.9	-3.5	6,873	5,500	16.1
Germany DAX Index*	9,631	-2.1	-2.6	-2.6	-12.3	-10.3	11,802	8,699	12.1
France CAC-40 Index	4,194	-2.6	-2.4	-5.6	-12.5	-9.6	5,218	3,892	14.0
Spain IBEX 35 Index	8,362	-1.5	-3.9	-6.9	-22.7	-12.4	11,613	7,746	14.6
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	403	-2.6	-0.1	-1.8	-15.9	-2.0	491	357	13.4
Japan Nikkei-225 Stock Average	15,600	-6.0	-6.3	-7.9	-22.8	-18.0	20,953	14,866	15.5
Australian Stock Exchange 200	5,163	-2.8	-4.3	-0.1	-7.7	-2.5	5,728	4,707	16.9
Hong Kong Hang Seng Index	20,170	-4.1	0.3	-1.6	-24.6	-8.0	27,471	18,279	11.0
Shanghai Stock Exchange Composite Index	2,885	-1.4	1.5	-0.7	-41.9	-18.5	4,744	2,638	13.2
Hang Seng China Enterprises Index	8,486	-3.9	0.7	-3.3	-36.7	-12.2	13,753	7,499	7.1
Taiwan TAIEX Index	8,568	-1.7	5.3	-1.9	-6.8	2.8	9,501	7,203	13.5
Korea KOSPI Index	1,953	-3.2	-0.7	-1.7	-4.0	-0.4	2,111	1,801	10.9
India SENSEX 30 Index	26,626	0.0	3.3	7.9	-0.8	1.9	28,578	22,495	17.1
Indonesia Jakarta Stock Price Index	4,835	-0.3	2.2	-1.0	-2.2	5.3	4,992	4,034	15.4
Malaysia Kuala Lumpur Composite Index	1,624	-1.0	-0.6	-4.6	-5.9	-4.0	1,744	1,504	16.0
Philippines Stock Exchange PSE Index	7,622	1.5	1.3	5.7	1.1	9.6	7,792	6,084	19.5
Singapore FTSE Straits Times Index	2,763	-2.1	-0.6	-4.1	-16.9	-4.1	3,384	2,528	12.5
Thailand SET Index	1,421	-0.6	1.0	3.0	-6.2	10.3	1,525	1,221	15.3
Latam									
Argentina Merval Index	13,073	-1.9	0.3	0.8	17.2	12.0	14,597	8,660	13.7
Brazil Bovespa Index*	49,534	0.2	-2.6	-2.7	-7.0	14.3	54,978	37,046	12.9
Chile IPSA Index	3,977	0.6	0.0	2.0	0.7	8.1	4,085	3,419	13.4
Colombia COLCAP Index	1,308	-0.9	-2.6	1.0	-0.9	13.4	1,380	1,046	14.6
Mexico Index	45,306	0.3	-1.2	-0.3	1.1	5.4	46,545	39,257	19.7
EEMEA									
Russia MICEX Index	1,877	-1.4	-1.7	-0.7	12.8	6.6	1,977	1,570	7.1
South Africa JSE Index	52,141	-1.9	-0.7	-2.0	1.1	2.9	54,761	45,976	16.6
Turkey ISE 100 Index*	75,431	-1.9	-2.4	-7.3	-6.5	5.2	86,931	68,230	8.6

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

Equity Indices - Total Return	3-month Change (%)	YTD Change (%)	1-year Change (%)	3-year Change (%)	5-year Change (%)
Global equities	-0.3	-0.7	-6.7	13.7	32.6
US equities	2.5	2.2	-0.3	32.3	75.6
Europe equities	-5.5	-7.3	-14.9	-3.9	2.9
Asia Pacific ex Japan equities	-1.6	-1.4	-13.8	-1.3	0.2
Japan equities	-1.2	-6.6	-8.8	7.1	26.9
Latam equities	-2.5	14.5	-16.1	-31.7	-43.8
Emerging Markets equities	-1.5	1.6	-15.5	-10.4	-18.2

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 17 June 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 (%)
Bond indices - Total Return						
BarCap GlobalAgg (Hedged in USD)	505.0	0.3	1.2	2.3	6.7	5.1
JPM EMBI Global	725.6	-0.5	0.5	3.5	8.4	8.2
BarCap US Corporate Index (USD)	2746.9	0.1	1.4	4.2	6.8	6.9
BarCap Euro Corporate Index (Eur)	238.6	-0.2	0.7	1.6	4.5	3.6
BarCap Global High Yield (USD)	402.6	-0.9	0.7	4.5	3.3	7.7
Markit iBoxx Asia ex-Japan Bond Index (USD)	186.0	0.0	0.6	2.6	6.1	5.3

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 2015	52-week High	52-week Low
Developed markets								
EUR/USD	1.13	1.13	1.13	1.13	1.13	1.09	1.17	1.05
GBP/USD	1.44	1.43	1.45	1.45	1.58	1.47	1.59	1.38
CHF/USD	1.04	1.04	1.02	1.03	1.08	1.00	1.09	0.97
CAD	1.29	1.28	1.29	1.30	1.22	1.38	1.47	1.22
JPY	104.16	106.97	109.14	111.39	123.43	120.22	125.28	103.55
AUD	1.35	1.36	1.37	1.31	1.29	1.37	1.46	1.28
NZD	1.42	1.42	1.47	1.46	1.43	1.46	1.60	1.40
Asia								
HKD	7.76	7.76	7.76	7.76	7.75	7.75	7.83	7.75
CNY	6.59	6.56	6.52	6.48	6.21	6.49	6.60	6.20
INR	67.09	66.76	66.88	66.75	64.12	66.15	68.79	63.31
MYR	4.10	4.07	4.02	4.06	3.76	4.29	4.48	3.70
KRW	1,173	1,165	1,174	1,173	1,118	1,175	1,245	1,097
TWD	32.38	32.32	32.62	32.59	30.91	32.86	33.79	30.68
Latam								
BRL	3.42	3.42	3.49	3.63	3.06	3.96	4.25	3.06
COP	3,010	2,971	3,013	3,074	2,550	3,175	3,453	2,530
MXN	18.84	18.63	18.27	17.32	15.26	17.21	19.44	15.28
EEMEA								
RUB	64.75	65.49	64.79	68.12	53.64	72.52	85.96	51.17
ZAR	15.15	15.23	15.55	15.17	12.26	15.47	17.92	12.05
TRY	2.93	2.93	2.96	2.84	2.71	2.92	3.08	2.63

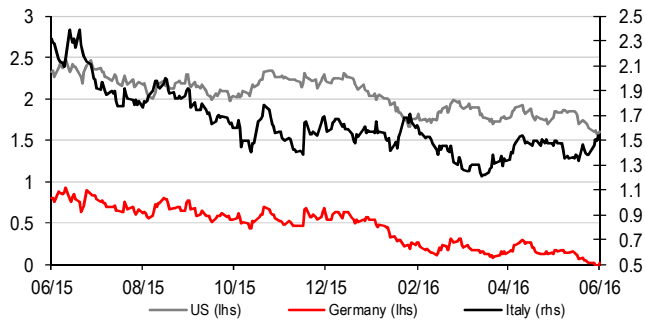
Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015
US Treasury yields (%)						
3-Month	0.25	0.24	0.28	0.28	0.00	0.16
2-Year	0.69	0.73	0.83	0.86	0.65	1.05
5-Year	1.11	1.17	1.30	1.37	1.63	1.76
10-Year	1.61	1.64	1.77	1.90	2.32	2.27
30-Year	2.42	2.45	2.60	2.69	3.09	3.02
Developed market 10-year bond yields (%)						
Japan	-0.16	-0.16	-0.11	-0.05	0.48	0.26
UK	1.14	1.23	1.37	1.45	2.06	1.96
Germany	0.02	0.02	0.13	0.23	0.81	0.63
France	0.43	0.39	0.47	0.57	1.24	0.99
Italy	1.51	1.38	1.45	1.27	2.31	1.59
Spain	1.55	1.43	1.56	1.43	2.32	1.77

	Latest	1-week ago (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Commodities								
Gold	1,299	2.0	1.6	3.3	9.6	22.4	1,316	1,046
Brent Oil	49.4	-2.3	0.2	18.9	-22.7	32.5	65	27
WTI Crude Oil	48.3	-1.7	-0.1	20.0	-19.5	30.3	62	26
R/J CRB Futures Index	192	-0.3	3.5	8.3	-13.9	9.2	227	155
LME Copper	4,535	0.6	-2.6	-10.5	-21.1	-3.6	5,838	4,318

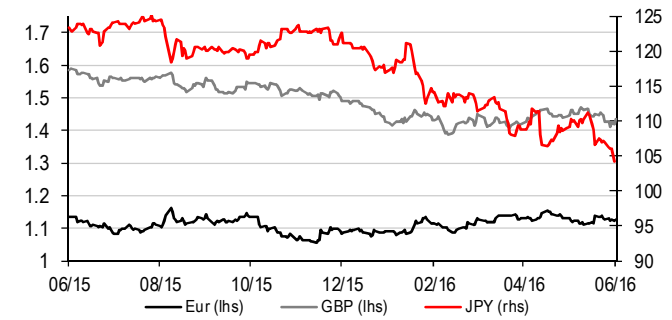
Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 17 June 2016.
Past performance is not an indication of future returns.

Market Trends

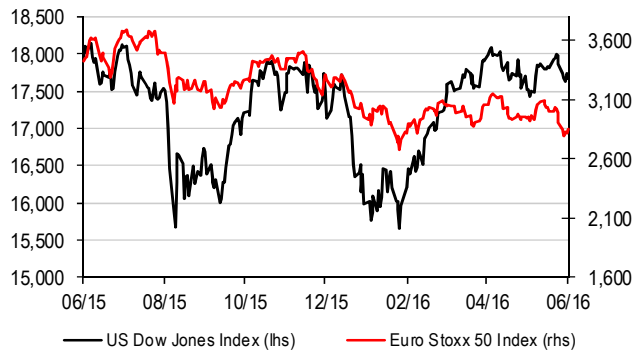
Government bond yields (%)



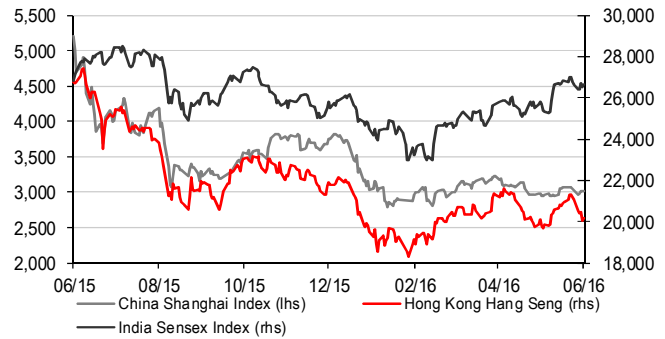
Major currencies (versus US dollar)



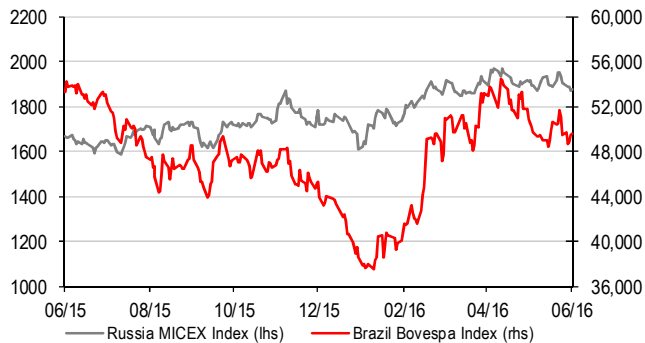
Global equities



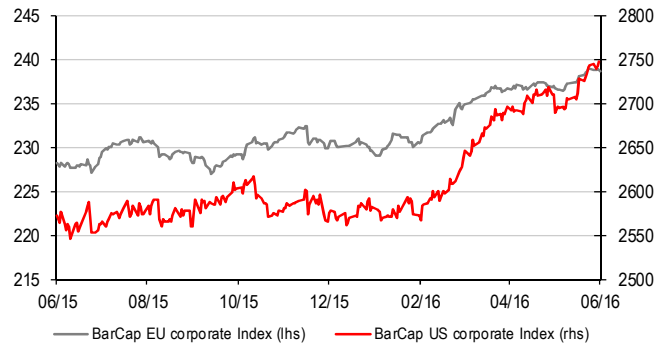
Emerging Asian equities



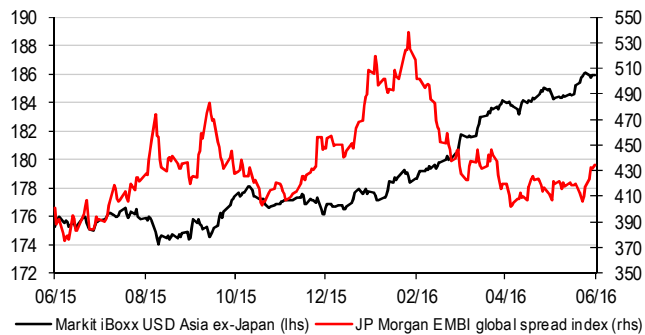
Other emerging equities



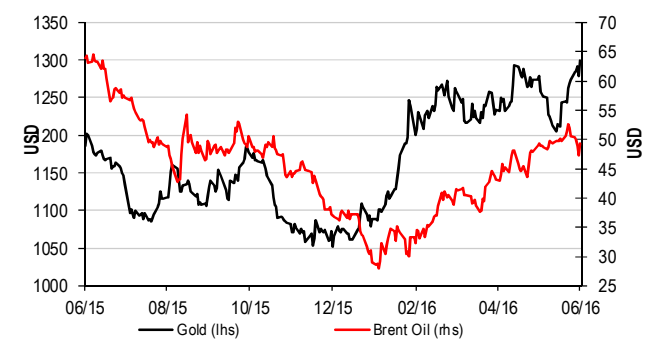
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 17 June 2016.
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Expiry Date: 15 July 2016