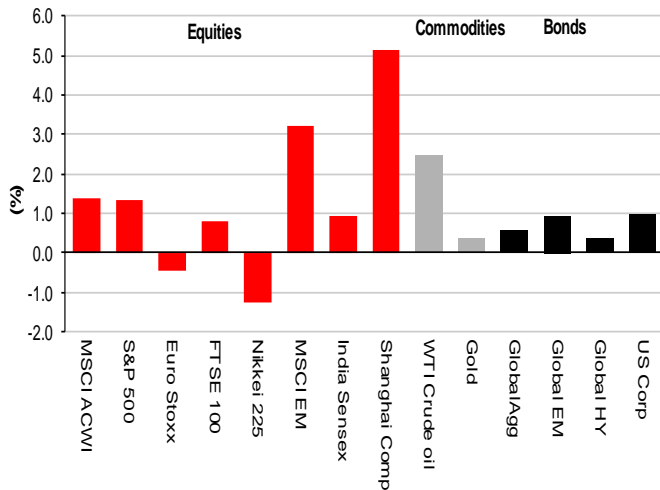


- ▶ Global equity markets were buoyed this week by a rally in commodity prices; however, this was offset by lingering global growth concerns triggered by downgrades to growth and inflation forecasts by several central banks
- ▶ The Federal Open Market Committee (FOMC) kept interest rates unchanged, but its commentary and projections were more dovish than expected. The 2016 interest rate forecasts were lowered. The FOMC is now looking for two rate hikes in 2016 (previously four)
- ▶ The Bank of England (BoE) kept rates on hold as expected. According to the BoE, the 23 June Brexit referendum has increased uncertainty, and this has “driven sterling lower”
- ▶ In the coming week, investor attention will turn to US housing market data, eurozone PMIs and UK inflation

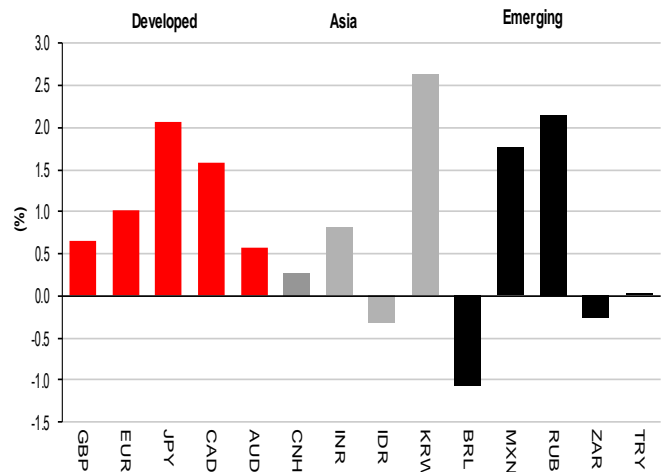
Movers and shakers

Chinese equities rallied as oil extended recent gains

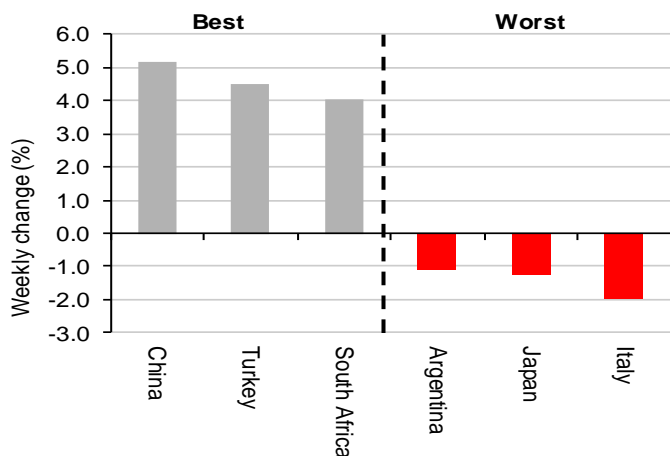


Currencies (versus US dollar)

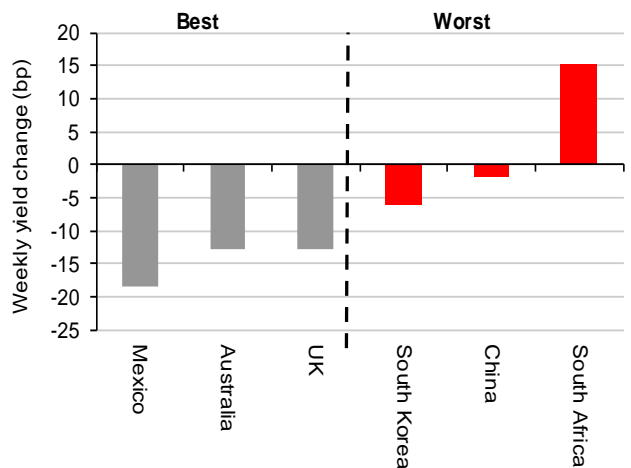
Most currencies rose against the US dollar



Equities



Bonds (10-year)



Sources: Bloomberg, HSBC Global Asset Management. Data as at close of business 18 March 2016. All the above charts relate to 11/03/2016–18/03/2016. Past performance is not an indication of future returns.

Macro Data and Key Events

Past Week (14-18 March 2016)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Monday 14 March	India	CPI (yoy)	Feb	5.5%	5.2%	5.7%
Tuesday 15 March	US	Retail Sales Advance (mom)	Feb	-0.2%	-0.1%	0.2%
	US	NAHB/Wells Fargo Housing Market Index	Mar	59	58	58
	Japan	Bank of Japan Monetary Policy Decision	Mar	-0.1%	-0.1%	-0.1%
Wednesday 16 March	UK	ILO Unemployment Rate (3 Months)	Jan	5.1%	5.1%	5.1%
	US	CPI (yoy)	Feb	0.9%	1.0%	1.4%
	US	Housing Starts (mom)	Feb	4.6%	5.2%	-3.8%
	US	FOMC Interest Rate Decision (Upper Bound)	Mar	0.5%	0.5%	0.5%
	US	Industrial Production (mom)	Feb	-0.3%	-0.5%	0.9%
Thursday 17 March	Eurozone	CPI (yoy)	Feb F	-0.2%	-0.2%	-0.2% P
	UK	Bank of England Interest Rate Decision	Mar	0.5%	0.5%	0.5%
	South Africa	South Africa Reserve Bank Interest Rate Decision	Mar	7.00%	7.00%	6.75%
Friday 18 March	US	University of Michigan Index of Consumer Sentiment	Mar P	92.2	90.0	91.7

P – Preliminary, F – Final

- ▶ In the US, as expected, the **US Federal Reserve (Fed) decided to keep the fed funds target range unchanged**, between 0.25% and 0.50%, with one dissenting vote for a 25bp hike. The overall tone of the policy statement was fairly dovish. FOMC participants acknowledged that the US economy continued to expand at a moderate pace despite hazards overseas. The Fed dovishness was more obvious in the economic projections. The interest rate trajectory was revised downwards, moving closer in line with market expectations, with an implicit forecast of two rate hikes in 2016, down from four in December's economic projections. Interest rate forecasts for the end of 2017 were also cut by 50bps and the longer-run fed funds forecast slipped from 3.50% to 3.25%. Fed Chair Janet Yellen told a press conference that proceeding cautiously would "allow us to verify the labor market is continuing to strengthen despite the risks from abroad." GDP and inflation projections for 2016 and 2017 were also revised down.
- ▶ **In terms of US data, US CPI inflation** declined 0.2% mom in February, in line with consensus expectations. The year-on-year rate dropped to 1.0% yoy, from 1.4% yoy in January, due to base effects. The core CPI (excluding food and energy) surprised to the upside again, rising 0.3% mom in February for the second straight month and was above consensus expectations for a gain of 0.2%. The year-on-year rate rose to 2.3%, matching a high last seen in 2012. **US retail sales** were down 0.1% mom in February, slightly beating consensus expectations of a 0.2% decline. The decline in headline sales was led by gasoline station sales, which posted a 4.4% mom decline, owing to lower retail prices. However, the retail sales control group disappointed in February (0.0% mom), coming in below expectations for a modest 0.2% rise. Perhaps the most informative number in the report was the revision to January sales: core sales growth was marked significantly lower, to 0.17% mom from the initial estimate of 0.62%, suggesting that consumption growth posted a softer rebound in January than previously estimated. On balance, this report suggests less Q1 goods consumption, but the February personal income and spending report (due 28 March) will hold the official estimate. Finally, **US industrial production** fell 0.5% mom in February, below consensus expectations for a 0.3% decline. However, the softness in industrial production largely reflected weak utility demand (which, according to the Fed, was due to unseasonably warm temperatures during the month) and continued weakness in oil-related industries.
- ▶ Over in Europe, **eurozone industrial production** surged 2.1% mom (+2.8% yoy) in January, marking the strongest monthly increase since September 2009. In the same vein, December growth was revised up by 0.5pp to -0.5% mom. The release shows that the eurozone economy is on track to continue its recovery. In particular, underlying momentum seems to be more stable and sustainable than recent market developments and sentiment indicators suggest. **Eurozone headline inflation** was confirmed at -0.2% yoy in February, after +0.3% yoy in January. Core inflation was revised up a notch to 0.8% yoy in February, after +1.0% yoy in January. While energy prices were the biggest drag on inflation, declining by 8.1% yoy, the drop in core inflation is more worrying as core inflation is usually more stable. The **BoE kept monetary policy unchanged** after a unanimous confirmation vote of 9-0. According to the meeting minutes there has been "increased uncertainty surrounding the forthcoming referendum" and that "uncertainty is likely to have been a significant driver of the decline in sterling." The minutes also noted that "it may also delay some spending decisions and depress growth of aggregate demand in the near term."
- ▶ In emerging markets, **India's CPI inflation** eased more than expected in February to 5.2% yoy (versus an expected 5.5%) from January's 5.7% yoy, with the decline mainly due to a correction in food prices, especially for vegetables and pulses. This adds to pressure for the Reserve Bank of India to lower interest rates at its next policy meeting on 5 April. The **South Africa Reserve Bank (SARB) raised the repo rate by 25bps to 7.00%**. The reasons for the hike were a still-protracted breach of the 6% target ceiling and upside inflation risks. The SARB revised down its inflation forecasts, on the back of changed assumptions about the rand, oil prices and electricity tariffs. Headline inflation in 2017 is now expected to average 6.4%, versus 7.0% previously. The SARB now expects the extent of the inflation breach to be more modest, which removes the need for a more aggressive pace of tightening.

Coming Week (21-25 March 2016)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 21 March	US	Existing Home Sales (mom)	Feb	-2.9%	0.4%
Tuesday 22 March	Germany	Ifo Business Climate Index	Mar	106.0	105.7
	UK	CPI (yoy)	Feb	0.4%	0.3%
	Germany	ZEW Expectation of Economic Growth	Mar	5.9	1.0
	Eurozone	Markit Composite PMI	Mar P	53.0	53.0
Wednesday 23 March	Brazil	IBGE Inflation IPCA-15 (yoy)	Mar	10.1%	10.8%
	US	New Home Sales (mom)	Feb	3.2%	-9.2%
Thursday 24 March	US	Durable Goods Orders	Feb P	-2.5%	4.7%
Friday 25 March	Japan	National CPI, ex. Fresh Food and Energy (yoy)	Feb	1.1%	1.1%
	US	GDP Annualised (qq, Third Estimate)	Q4 F	1.0%	1.0% P

P – Preliminary, Q – Quarter, F – Final

US

- ▶ The housing market picked up steam in 2015, buoyed by improving consumer fundamentals. The Pending Home Sales Index, which tends to lead the **existing home sales** by a couple of months, has slowed somewhat recently. Thus a 2.9% decline in existing home sales in February to an annualised 5.31 million is expected. The tight supply of homes available on the market could constrain sales to some extent in the near to medium term, which may lead to increased construction of new homes.
- ▶ **New home sales** declined in January, primarily in the West region where sales returned to near-trend levels after posting outsized gains in November and December. Based on market data for new homes such as homebuilder sentiment, single-family housing starts and permits, new home sales are likely to be on an uptrend in the medium term. Overall, new home sales are expected to rise by 3.2% mom to an annualised 510,000 in February.
- ▶ **Durable goods orders**, particularly for capital equipment, have been trending lower since the middle of 2014. Total durable goods orders are expected to fall 2.5% in February after a 4.7% increase in January, while durable goods excluding transportation orders are likely to drop 0.3%, following a 1.7% rise in January.

Europe

- ▶ In Europe, the **German Ifo Business Climate Index** will likely strengthen in March. An increase of 0.3 points from its 14-month low in February to 106.0 is anticipated. The economic outlook component is expected to gain moderately since concerns about the global economy have eased a little since February, even though the international environment remains challenging for exporters. The strength of the domestic economy was reflected in the assessment of the current situation, which held up well in recent months. Given that some of the external weakness trickles through to the domestic economy, the current assessment may soften a bit in March.
- ▶ Investor confidence, as measured by the **German ZEW Indicator of Economic Sentiment**, may have improved in March from its February lows after activity indicators for January showed that the economy has maintained some momentum. The ZEW Expectation of Economic Growth could improve by 4.9 points to 5.9, while the ZEW Indicator of Economic Sentiment could gain a few points to 53.0.
- ▶ **Eurozone PMIs** are expected to remain stable in March. Eurozone PMIs have shown resilience in the past few months, with both the manufacturing and services PMIs remaining expansionary, in spite of the global market sell-off at the beginning of the year and the related uncertainty about the global economic outlook. In March, the Composite PMI is expected at 53.0, with the Manufacturing PMI climbing 0.2 points to 51.4, and the Services PMI remaining unchanged at 53.3. In Germany, the headline index could remain stable at 54.1. In France, an improvement is expected to 49.6, but it should stay in contractionary territory, as the services sector is still struggling.
- ▶ **The UK's headline inflation** rose in January 2016, helped, finally, by the long-awaited base effects from lower oil prices. Headline CPI and Retail Price Index yoy inflation both rose 0.1 percentage points to 0.3% and 1.3% respectively. Although the retail goods price environment remains very weak, base effects from petrol and food prices may support a further 0.1 percentage point rise to 0.4% yoy CPI inflation in February. However, core CPI is likely to remain subdued at 1.2% yoy in February.

Emerging markets and Japan

- ▶ **Japan's CPI excluding fresh food and energy** (the Bank of Japan's preferred measure of underlying inflation) reached a peak of 1.3% yoy in December before slowing down to 1.1% in January. For February, Japan's core inflation will likely slow down further as private consumption remained weak and imported inflation was undermined by the appreciation of the yen. Meanwhile, inflation expectations have been steadily declining since the end of 2015, with some now pointing to a return to deflation for the first time since the election of Prime Minister Shinzo Abe in 2012.
- ▶ **Brazil's mid-month IBGE inflation IPCA-15** is likely to decelerate to 10.1% yoy in March, from 10.8% in February, reflecting the decline in energy prices. Food price increases are also likely to moderate after the significant increase in the previous months.

Market Moves

Global equity markets buoyed by dovish Fed outcome amid rally in commodity prices, offset by lingering global growth concerns

- ▶ It was a fairly stable first half of the week for US equities as weak retail sales numbers added to investor caution ahead of the FOMC meeting on Wednesday. However, a dovish outcome buoyed risk appetite and contributed to the S&P 500 Index's rise over the week (+1.4%), its fifth consecutive week of gains, driving the Index to its highest levels since the beginning of 2016. Energy and materials shares were among the best performers, further supported by higher commodity prices. Health care stocks, meanwhile, bucked the overall trend with some profit forecast downgrades and lingering concerns over high-pricing practices weighing on the sector.
- ▶ In Europe, last week's aggressive stimulus package from the European Central Bank (ECB) initially bolstered markets and higher oil prices led to solid gains in energy stocks. However, this was offset by lingering growth concerns as the Bank of Japan presented a more downbeat assessment of the Japanese economy, and the Fed and BoE reiterated the fragility of the global economic and financial environment. The Euro STOXX 50 Index finished lower (-0.5%), led by falls in financial stocks. By contrast, positive tax news for the financial and energy sectors from the UK budget and higher metals prices led the UK's FTSE 100 Index to outperform (+0.8%).
- ▶ Asian stock markets outside of Japan and Thailand rose this week, after the Fed scaled back its projection for US interest rate hikes this year. Chinese stocks rallied, with the Shanghai Stock Exchange Composite Index outperforming (+5.2%) amid optimism over continued state support for the market and after data showed a further broad-based recovery of the property market. A modest gain of the yuan versus the US dollar also supported sentiment. However, Japan's Nikkei 225 Index underperformed (-1.3%) amid a stronger yen weighing on the earnings outlook for exporters, and after the Bank of Japan maintained its policy while downgrading its economic and inflation forecasts.

Government bond rally amid dovish Fed and global growth concerns

- ▶ US Treasuries rebounded this week (yields fell) as the FOMC expressed on Wednesday that "global economic and financial developments continue to pose risks," hinting at a more gradual path for policy rates this year. Meanwhile, lingering global growth concerns boosted demand for "safe-haven" assets. Policy-sensitive two-year Treasury yields closed down (-12bps to 0.84%) while 10-year yields fell for the first time in four weeks (-11bps to 1.87%).
- ▶ European government bonds swung between gains and losses before rallying sharply (yields fell) on Thursday after the Fed suggested only two rate hikes by the end of 2016. Gains were extended on Friday as European Central Bank Executive Board member Peter Praet rekindled the possibility of further policy rate cuts. Benchmark German 10-year bund yields ended lower (-6bps to 0.21%), mirroring declines in peripheral yields.

US dollar falls sharply amid more dovish Fed outlook; Brazilian real underperforms

- ▶ The euro opened this week with a softer tone against the US dollar on profit-taking following last week's late rally. However, the single currency rose sharply on Wednesday as the Fed signalled a more gradual interest rate trajectory, pushing the greenback lower. The euro ended up for the third consecutive week (+1.0%). Meanwhile, the weaker US dollar helped the British pound reverse early-week losses amid lingering "Brexit fears" and Chancellor George Osborne's downgrade to GDP growth prospects at his budget speech, to close this week up (+0.7%).
- ▶ Most Asian currencies strengthened against the US dollar this week, led by the Korean won (+2.6%), Japanese yen (+2.1%) and Taiwanese dollar (+1.4%) as the Fed scaled back its path for interest rate increases this year, sparking demand for riskier assets. However, the Indonesian rupiah fell (-0.3%) after Bank Indonesia cut policy rates, adding it will be more cautious in deciding on further policy easing and now focus on strengthening the transmission of monetary policy. The offshore yuan also rose versus the US dollar (+0.3%) as the People's Bank of China strengthened the fixing rate (largely a reflection of US dollar weakness against most other major currencies).
- ▶ Meanwhile, most major non-Asian currencies finished higher against the US dollar this week. The Russian rouble saw significant gains (+2.2%) as oil prices continued to rally. Meanwhile, the Brazilian real saw another rollercoaster week, largely tracking developments in the country's volatile political scene, amid uncertainty over the successful appointment of former President Lula as Chief of Staff offsetting support from the Fed, to finish the week slightly lower (-1.1%).

Oil prices rally amid signs of stronger US demand and weaker US dollar as output freeze meeting confirmed

- ▶ After a negative start to the week, WTI crude oil prices rallied from Wednesday onwards to end the week higher (+2.4% to USD39.4 per barrel). Market sentiment was boosted by Qatar's energy minister (and current OPEC president) confirming 17 April and Doha as the date and location for the next round of negotiations between major producers on a coordinated output freeze. Investors also took encouragement from the U.S. Energy Information Administration weekly report, which showed a lower than expected increase in crude inventories last week to 1.3 million barrels (versus a consensus of 3.2 million), although the refinery utilisation rate and decreases in gasoline stockpiles came in slightly worse than anticipated. Finally, a weaker US dollar also supported prices. Brent crude also ended higher (+2.5% to USD41.4 per barrel).
- ▶ Gold prices were slightly up this week (+0.4% at USD1,255 per ounce). The main support this week came from the weaker dollar following Wednesday's Fed meeting. The yellow metal also continues to find support from lingering global growth concerns as a growing number of global central banks continue to ease monetary policy.

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)
Equity Indices									
World									
MSCI AC World Index (USD)	397	1.4	7.0	1.1	-6.9	-0.5	444	351	16.1
North America									
US Dow Jones Industrial Average	17,602	2.3	7.2	2.8	-2.6	1.0	18,351	15,370	16.1
US S&P 500 Index	2,050	1.4	6.9	2.2	-2.4	0.3	2,135	1,810	17.3
US NASDAQ Composite Index	4,796	1.0	6.9	-2.6	-3.8	-4.2	5,232	4,210	20.3
Canada S&P/TSX Composite Index	13,497	-0.2	4.4	3.6	-9.8	3.7	15,525	11,531	17.9
Europe									
MSCI AC Europe (USD)	401	1.1	6.0	-0.9	-9.8	-2.3	479	356	15.1
Euro STOXX 50 Index	3,060	-0.5	5.7	-6.2	-16.6	-6.4	3,836	2,673	13.7
UK FTSE 100 Index	6,190	0.8	3.6	2.3	-10.9	-0.8	7,123	5,500	16.5
Germany DAX Index*	9,951	1.2	5.1	-6.2	-16.5	-7.4	12,391	8,699	12.5
France CAC-40 Index	4,463	-0.7	5.3	-3.5	-11.3	-3.8	5,284	3,892	14.5
Spain IBEX 35 Index	9,051	-0.4	9.1	-6.9	-18.1	-5.2	11,885	7,746	14.0
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	415	2.5	9.3	2.7	-13.2	0.8	525	357	13.4
Japan Nikkei-225 Stock Average	16,725	-1.3	3.3	-11.9	-14.4	-12.1	20,953	14,866	17.3
Australian Stock Exchange 200	5,183	0.3	3.8	1.5	-11.3	-2.1	5,996	4,707	16.8
Hong Kong Hang Seng Index	20,672	2.3	6.8	-5.0	-14.3	-5.7	28,589	18,279	11.0
Shanghai Stock Exchange Composite Index	2,955	5.2	3.2	-17.4	-17.4	-16.5	5,178	2,638	12.6
Hang Seng China Enterprises Index	8,883	3.8	8.8	-7.8	-25.9	-8.1	14,963	7,499	7.1
Taiwan TAIEX Index	8,811	1.2	6.0	6.7	-8.7	5.7	10,014	7,203	13.4
Korea KOSPI Index	1,992	1.1	4.4	0.9	-1.8	1.6	2,190	1,801	11.6
India SENSEX 30 Index	24,953	0.9	5.5	-2.2	-12.8	-4.5	29,095	22,495	17.9
Indonesia Jakarta Stock Price Index	4,886	1.5	2.2	9.3	-9.7	6.4	5,524	4,034	16.9
Malaysia Kuala Lumpur Composite Index	1,716	1.2	2.2	4.4	-4.5	1.4	1,868	1,504	16.5
Philippines Stock Exchange PSE Index	7,307	2.9	6.7	6.4	-5.8	5.1	8,137	6,084	18.3
Singapore FTSE Straits Times Index	2,907	2.8	9.4	1.9	-13.5	0.8	3,550	2,528	13.1
Thailand SET Index	1,383	-0.7	6.8	7.6	-9.7	7.4	1,575	1,221	14.6
Latam									
Argentina Merval Index	12,906	-1.1	7.6	13.2	14.5	10.5	14,597	8,660	14.2
Brazil Bovespa Index*	50,815	2.4	22.5	15.7	-1.4	17.2	58,575	37,046	14.1
Chile IPSA Index	3,963	3.2	5.2	9.3	2.5	7.7	4,148	3,419	15.2
Colombia IGBC Index	9,700	0.5	7.3	14.1	-2.8	13.5	11,030	7,822	#N/A
Mexico Index	45,482	1.7	4.5	5.9	2.5	5.8	46,130	39,257	19.5
EEMEA									
Russia MICEX Index	1,914	2.0	5.9	11.3	17.3	8.7	1,924	1,570	6.5
South Africa JSE Index	53,824	4.0	8.0	10.5	3.1	6.2	55,355	45,976	18.3
Turkey ISE 100 Index*	82,943	4.5	12.9	14.5	3.8	15.6	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 (%)
Equity Indices - Total Return					
Global equities	1.3	-0.4	-5.3	17.2	33.6
US equities	1.7	-0.3	-2.2	36.5	71.0
Europe equities	-0.4	-1.9	-7.4	4.5	11.4
Asia Pacific ex Japan equities	2.3	0.2	-11.6	-4.5	4.9
Japan equities	-5.0	-6.6	-8.2	14.6	25.3
Latam equities	15.6	17.5	-9.1	-38.8	-43.2
Emerging Markets equities	3.9	3.1	-12.5	-14.6	-15.8

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 18 March 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)	493.4	0.6	0.8	2.5	2.1	2.7
JPM EMBI Global	700.8	0.9	3.9	4.8	5.9	4.5
BarCap US Corporate Index (USD)	2637.1	1.0	2.1	2.3	-0.1	2.6
BarCap Euro Corporate Index (Eur)	234.9	0.2	1.5	1.8	0.1	2.0
BarCap Global High Yield (USD)	385.2	0.3	5.2	3.6	0.5	3.0
HSBC Asian Bond Index	392.57	0.9	1.5	2.9	3.6	3.1

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	1.12	1.11	1.09	1.09	1.09	1.17	1.05
GBP/USD	1.45	1.44	1.43	1.49	1.50	1.47	1.59	1.38
CHF/USD	1.03	1.02	1.01	1.01	1.02	1.00	1.10	0.97
CAD	1.30	1.32	1.37	1.40	1.26	1.38	1.47	1.19
JPY	111.55	113.86	113.24	121.16	120.11	120.22	125.86	110.67
AUD	1.31	1.32	1.40	1.39	1.29	1.37	1.46	1.23
NZD	1.47	1.48	1.51	1.49	1.34	1.46	1.60	1.29
Asia								
HKD	7.76	7.76	7.78	7.75	7.76	7.75	7.83	7.75
CNY	6.47	6.49	6.52	6.48	6.23	6.49	6.60	6.18
INR	66.51	67.05	68.47	66.40	62.69	66.15	68.79	62.10
MYR	4.05	4.09	4.17	4.29	3.71	4.29	4.48	3.54
KRW	1,162.44	1,193.07	1,227.22	1,183.10	1,129.77	1,175.06	1,245.13	1,065.21
TWD	32.36	32.80	33.23	32.94	31.59	32.86	33.79	30.35
Latam								
BRL	3.62	3.59	4.03	3.98	3.21	3.96	4.25	2.88
COP	3,073.00	3,150.95	3,343.69	3,329.45	2,629.35	3,174.50	3,452.55	2,351.76
MXN	17.39	17.70	18.30	17.14	15.10	17.21	19.44	14.76
EEMEA								
RUB	68.24	69.71	76.40	70.75	59.45	72.52	85.96	48.14
ZAR	15.26	15.22	15.41	15.09	12.06	15.47	17.92	11.67
TRY	2.87	2.87	2.97	2.91	2.57	2.92	3.08	2.54

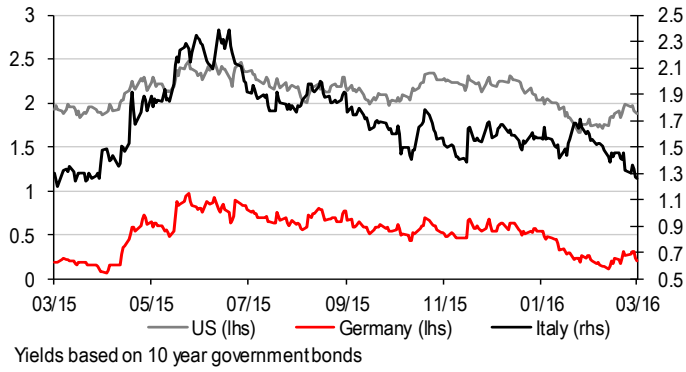
Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2015
US Treasury yields (%)						
3-Month	0.28	0.32	0.29	0.17	0.03	0.16
2-Year	0.84	0.96	0.69	0.95	0.55	1.05
5-Year	1.33	1.49	1.20	1.68	1.39	1.76
10-Year	1.87	1.98	1.74	2.20	1.92	2.27
30-Year	2.68	2.75	2.61	2.92	2.51	3.02
Developed market 10-year bond yields (%)						
Japan	-0.10	-0.01	0.02	0.27	0.36	0.26
UK	1.45	1.57	1.44	1.83	1.60	1.96
Germany	0.21	0.27	0.22	0.55	0.20	0.63
France	0.55	0.62	0.58	0.89	0.47	0.99
Italy	1.26	1.33	1.55	1.57	1.31	1.59
Spain	1.43	1.48	1.70	1.69	1.27	1.77

Commodities	Latest	1-week ago (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,255	0.4	2.0	17.7	7.5	18.3	1,285	1,046
Brent Oil	41.4	2.5	20.8	12.3	-25.9	11.1	70	27
WTI Crude Oil	39.4	2.4	28.2	13.6	-11.7	6.5	63	26
R/J CRB Futures Index	176	1.6	8.9	2.4	-16.8	0.1	234	155
LME Copper	5,070	2.0	10.8	8.2	-10.6	7.7	6,481	4,318

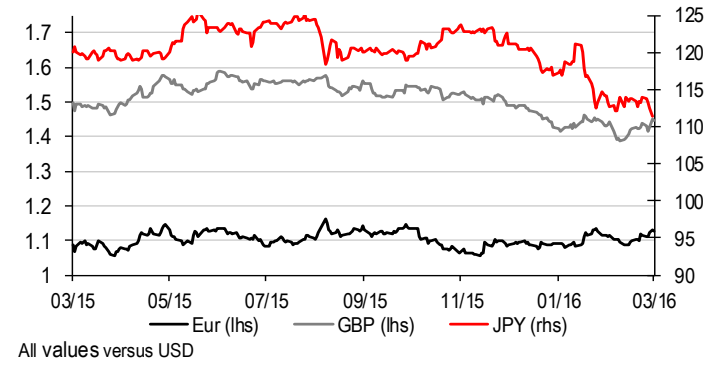
Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 18 March 2016.
Past performance is not an indication of future returns.

Market Trends

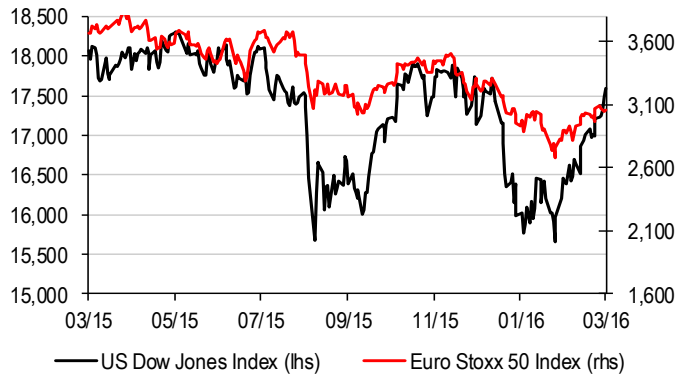
Government bond yields (%)



Major currencies (versus US dollar)



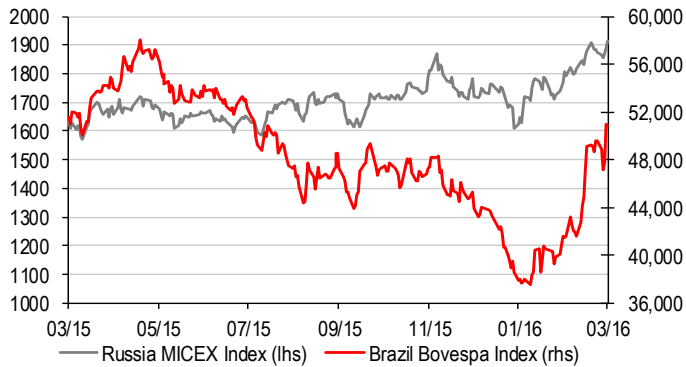
Global equities



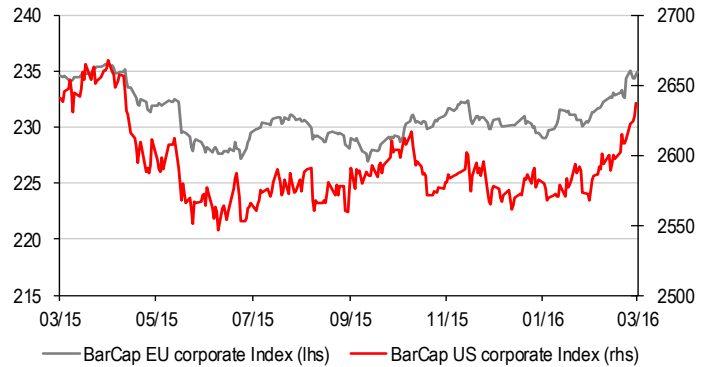
Emerging Asian equities



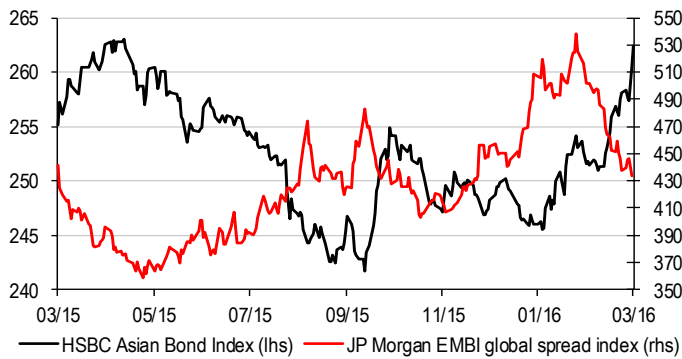
Other emerging equities



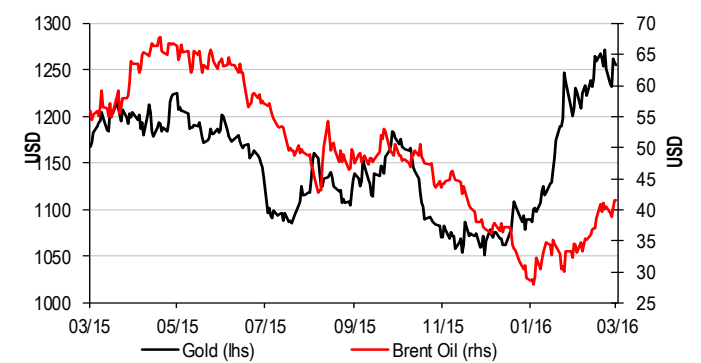
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 18 March 2016.
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