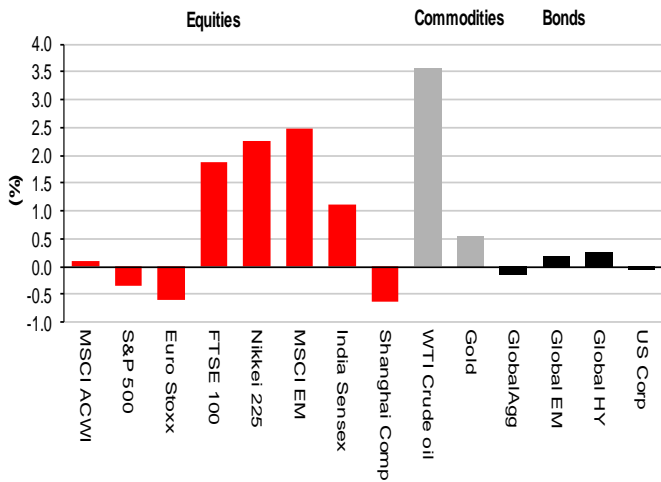


- ▶ US and eurozone equities declined this week amid mixed earnings results and as French election-related optimism faded. Most Asian bourses advanced, however
- ▶ As expected, the Bank of England (BoE) kept policy on hold at its May meeting, in a 7-1 vote. Interestingly, “some” members reiterated that “a more immediate reduction in policy support might be warranted” in the event of further upside news on activity and inflation
- ▶ US headline CPI inflation slowed more than expected in April, to 2.2% yoy from 2.4% previously. Core inflation (excluding food and energy) decelerated for the third month to reach below the US Federal Reserve’s (Fed) 2% target
- ▶ Preliminary Q1 GDP readings feature heavily in next week’s calendar, and a raft of UK and Chinese data releases will also be scrutinised for any signs of a slowdown in activity

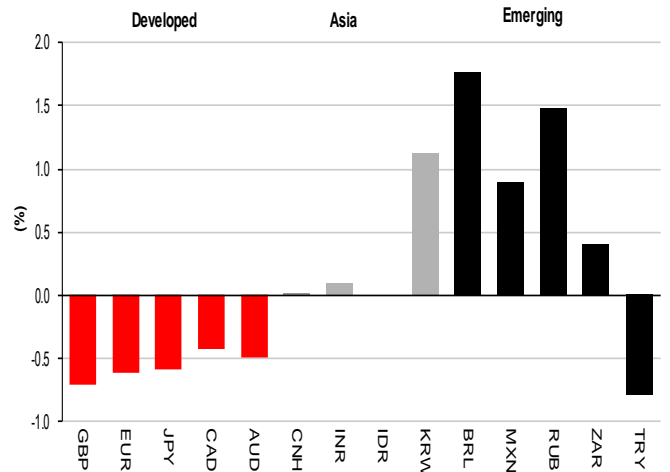
Movers and shakers

Asian equities outperformed; oil recovered

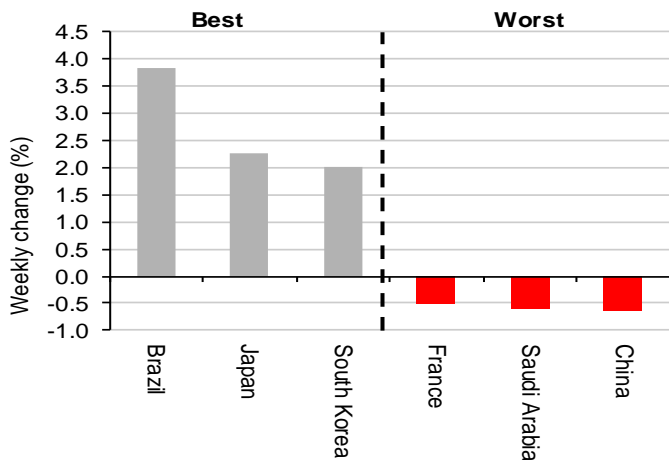


Currencies (versus USD)

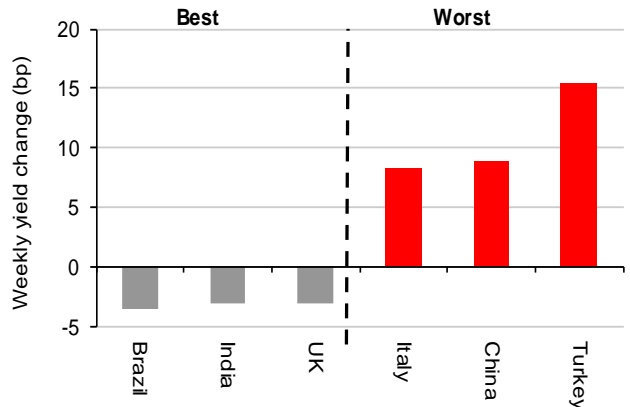
The US dollar rose against major developed market currencies



Equities



Bonds (10-year)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 12 May 2017. All the above charts relate to 05/05/2017 – 12/05/2017. Past performance is not an indication of future returns.

Macro Data and Key Events

Past Week (07-12 May 2017)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Sunday 07 May	France	Final Round of French Presidential Elections	May			
Monday 08 May	China	Trade Balance (USD bn)	Apr	35.2	38.1	23.9
	Germany	Factory Orders (working day adjusted, yoy)	Mar	2.1%	2.4%	4.7%
Tuesday 09 May	Germany	Industrial Production (seasonally adjusted, mom)	Mar	-0.7%	-0.4%	1.8%
	Mexico	CPI (yoy)	Apr	5.7%	5.8%	5.4%
Wednesday 10 May	China	CPI (yoy)	Apr	1.1%	1.2%	0.9%
	Brazil	IBGE Inflation IPCA (yoy)	Apr	4.1%	4.1%	4.6%
Thursday 11 May	UK	Bank of England Interest Rate Decision	May	0.25%	0.25%	0.25%
Friday 12 May	Eurozone	Industrial Production (seasonally adjusted, mom)	Mar	0.3%	-0.1%	-0.1%
	India	CPI (yoy)	Apr	3.3%	3.0%	3.9%
	India	Industrial Production (yoy)	Mar	1.9%	2.7%	-1.2%
	US	CPI (yoy)	Apr	2.3%	2.2%	2.4%
	US	Retail Sales Advance (mom)	Apr	0.6%	0.4%	0.1%
	US	University of Michigan Index of Consumer Sentiment	May P	97.0	97.7	97.0

P – Preliminary

- ▶ In the **US, retail sales** data for April came in weaker than expected, but the previous month's releases were revised upwards. In particular, headline sales rose 0.4% mom, following March's 0.1% gain (versus a -0.2% contraction in the prior estimate). Control group sales (less food, autos and building materials) also disappointed (at +0.2% mom), although the March print was revised up by 0.2 ppts to 0.7% mom, pointing to upside risks to the next Q1 GDP release. Meanwhile, **headline CPI inflation** slowed more than expected in April, to 2.2% yoy (consensus +2.3%) from 2.4% previously. Annual food inflation was little changed over the month, and energy and core inflation dipped slightly. Annual core inflation has decelerated for three consecutive months to dip below the Fed's 2% target in April for the first time since October 2015. The May preliminary reading of the **University of Michigan Index of Consumer Sentiment** survey edged up 0.7 points to 97.7, heading closer towards the multi-year high of 98.5 reached in January. Interestingly, one-year inflation expectations inched up to 2.6%, while medium-term expectations (over five to 10 years) dipped to 2.3% from 2.4%.
- ▶ As expected, the **BoE** kept policy on hold at its **May meeting**, in a 7-1 vote. Interestingly, "some" members reiterated that "a more immediate reduction in policy support might be warranted" in the event of further upside news on activity and inflation. This was in the context that inflation was likely to remain above target at the end of the forecast period (Q2 2020), as well as uncertainty over the persistence of the weak Q1 GDP print (+0.3% qoq). The Bank's May Inflation Report saw little change in the outlook for the UK economy, with 2017 GDP growth nudged down by 0.1 ppts to 1.9%, but increased by the same amount in both 2018 and 2019 (to +1.7% and +1.8% respectively). Inflation is now expected to peak slightly earlier, at 2.8% in Q4 2017, before gradually declining to reach 2.3% in Q2 2020.
- ▶ **German industrial production** for March slipped 0.4% mom seasonally adjusted (+1.9% yoy), from a downwardly revised 1.8% in February. Meanwhile, industrial production at the **eurozone** level contracted by 0.1% mom in March, well below consensus expectations of a 0.3% gain. More positively, the prior month's data was revised up by 0.2 ppts to -0.1% mom. Softness in the last two eurozone industrial production prints is likely to have been driven by sharp declines in energy output. The overall trend for industrial production growth in the region remains broadly stable.
- ▶ **Chinese trade data** for April showed a moderate easing in exports, which slowed down from the remarkably high 16.4% yoy observed in March to 8.0% (consensus at +11.3%). Meanwhile, imports softened notably in April, down from 20.3% yoy to 11.9%, with commodities decelerating on the back of falling prices. Overall, the trade surplus rose to USD38.1 billion, its highest level since January. In the same month, **CPI inflation** rebounded slightly, up from 0.9% yoy in March to 1.2% in April (consensus at 1.1%). The improvement was broad based, with consumer goods and services prices rising at their strongest pace since January. However, food prices remained a drag (-3.5% yoy) for a third consecutive month. Meanwhile, **producer price inflation** came in weaker than expected, down from 7.6% yoy in March to 6.4% in April (consensus at +6.7%), essentially due to a slowdown in producer goods prices and the rapid decline in commodity prices.
- ▶ In Latin America, **Brazil IBGE inflation IPCA** slowed further in April, from 0.2% mom previously to 0.1% mom. A deceleration in education and personal expenses weighed on the headline, but the chief driver was the drop in housing fuel and energy costs, by 1.1% mom. The annual rate came in at 4.1% yoy, the first print below the central bank's target of 4.5% since 2010, which should provide extra room for the bank to ease monetary policy. Meanwhile, base effects saw **Mexican CPI inflation** accelerate to 5.8% yoy in April from 5.4% the previous month, slightly higher than expectations. This latest print was the highest recorded since 2009.
- ▶ **India's CPI inflation** slowed to 3.0% yoy in April, below both expectations (3.3%) and March's upwardly revised print of 3.9%. The deceleration was likely driven by a cut in administered energy prices and easing food inflation. Meanwhile, March **industrial production** rose to 2.7% yoy (-1.2% previously), beating expectations of 1.9%. Production in many categories gained, especially consumer durables (+12.0% yoy, -1.0% previously), and capital goods and consumer non-durables production declined.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 12 May 2017.
Past performance is not an indication of future returns.

Coming Week (15-19 May 2017)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 15 May	China	Industrial Production (yoy)	Apr	7.0%	7.6%
	China	Retail Sales (yoy)	Apr	10.8%	10.9%
	US	NAHB/Wells Fargo Housing Market Index	May	68	68
Tuesday 16 May	UK	CPI (yoy)	Apr	2.6%	2.3%
	Eurozone	GDP (seasonally adjusted, qoq)	Q1 P	0.5%	0.5%
	Germany	ZEW Expectation of Economic Growth	May	22.0	19.5
	US	Housing Starts (mom)	Apr	3.7%	-6.8%
	US	Industrial Production (mom)	Apr	0.4%	0.5%
Wednesday 17 May	Japan	Industrial Production (mom)	Mar F	-	-2.1% P
	UK	ILO Unemployment Rate (3 months)	Mar	4.7%	4.7%
	Eurozone	CPI (yoy)	Apr F	1.9%	1.9% P
	Russia	GDP (yoy)	Q1 A	0.4%	0.3%
Thursday 18 May	Japan	GDP (seasonally adjusted, qoq annualised)	Q1 P	1.8%	1.2%
	UK	Retail Sales, ex Auto Fuel (yoy)	Apr	1.0%	2.6%
	Mexico	Banco de Mexico Interest Rate Decision	May	6.50%	6.50%
Friday 19 May	Eurozone	Consumer Confidence	May A	-3.0	-3.6

P – Preliminary, F – Final, A – Advance, Q – Quarter

US

▶ The May **NAHB/Wells Fargo Housing Market Index**, which measures homebuilders' sentiment, is anticipated to remain unchanged at 68. The strength in the headline has been supported by confidence in both present and future expectations of single-family home sales, as well as traffic of prospective buyers. Meanwhile, **housing starts** is expected to rebound by 3.7% mom to 1,270,000 annualised during April, following a 6.8% slump in March. Looking beyond monthly volatility, housing starts remain on an upward trend, supported by labour market strength and favourable financing conditions, although below pre-financial-crisis levels. The same report is likely to show limited change in building permits during the same month (+0.3% mom).

Europe

▶ In the **UK**, April **CPI inflation** is anticipated to accelerate to 2.6% yoy, the highest rate since September 2013, with price pressures predominantly driven by the lagged effects of sterling weakness; base effects around the timing of Easter should also contribute. The **ILO unemployment rate** for the three months to March is expected to remain at 4.7% for the third consecutive month. Employment growth (3m/3m) is anticipated to increase by 10,000, slightly below the recent trend. Importantly, however, total wage growth is expected to remain muted, with earnings excluding bonuses holding at 2.2% yoy. Finally, April **retail sales excluding auto fuel** are seen expanding 1.0% mom, supported by Easter-related spending and improving weather. This would maintain the annual growth rate at 2.6%, although reinforcing the downward trend since the end of last year.

▶ The second estimate of **eurozone GDP** is expected to be confirmed at 0.5% qoq. Although no full breakdown of components will be available until the final release, household spending is likely to have held up, and net trade may have shifted to a positive growth contribution following a weak Q4.

▶ The May reading of the **German ZEW survey of expectations** is forecast to rise by 2.5 pts to 22.0, which would leave the index at its highest level since August 2015. The victory of market-friendly Emmanuel Macron in the French presidential elections is likely to have boosted sentiment. Continuing robust German economic data and strength in domestic financial markets should see the current situation component also rise, with consensus expecting a 1.9 pt increase to 82.0, edging closer to the post-reunification high of 91.5.

Emerging markets and Japan

▶ The first estimate of **Q1 Russian GDP** growth is anticipated at 0.4% qoq, the second quarter of expansion following nearly two years of recession. The recovery has been supported by easing inflationary pressures (allowing looser monetary policy) and broadly stable oil prices. However, consumer demand remains weighed down by fiscal consolidation and still cautious monetary policy.

▶ Expectations are for **Japan's economy** to have expanded by 1.8% qoq annualised (seasonally adjusted) in **Q1**, up from 1.2% in Q4. A continued recovery in external demand and firmer private consumption likely supported the growth pickup, helping offset a pullback in business investment.

China's April activity data may show slightly softer (yet still solid) growth momentum. **Industrial production** growth may have decelerated to 7.0% yoy in April from 7.6% in March, as hinted by the decline in both official and Caixin manufacturing PMIs, and softer April growth in electricity consumption by secondary industries and daily coal consumption by the top six power-generating groups. **Urban fixed asset investment** (FAI) growth likely edged lower to 9.1% yoy (year-to-date) in April from 9.2% in March, weighed by lower producer price inflation. Manufacturing FAI should have been supported by upbeat external demand, robust profits growth and positive business sentiment. Meanwhile, infrastructure FAI growth was likely buoyed by local public project construction. Elsewhere, property FAI growth could have eased slightly amid intensified policy tightening, but likely stayed firm. Finally, nominal

retail sales growth probably held relatively stable, as higher retail price inflation offset an expected moderation in auto and housing-related sales.

- ▶ The **Mexican central bank** is expected to keep its overnight lending rate unchanged at 6.50%, the first pause in the current hiking cycle since August last year. Although the year-on-year inflation rate surprised to the upside in April, this was mainly due to base effects, with the month-on-month rate subdued at 0.1% (+0.6% previously). Nevertheless, the statement is still likely to convey a hawkish bias, amid some peso weakness since the March meeting, and as the US Fed appears committed to its gradual tightening path.

Market Moves

Mixed earnings weighed on US and European stocks; most Asian bourses advanced

- ▶ **US stocks** dropped this week. Upbeat earnings and a well-received, yet expected, result of the French elections briefly pushed the S&P 500 Index to a record high on Tuesday, but subsequently disappointing earnings in the retail sector and soft economic data releases on Friday saw the index end the week 0.3% lower.
- ▶ Most **European equity markets** ended slightly lower this week, as disappointing earnings weighed on stocks and with the market-friendly outcome of the French elections largely priced in. The EURO STOXX 50 Index shed 0.6% over the week and the soft performance was reflected in most national bourses. Meanwhile, the FTSE 100 Index (+1.9%) outperformed other European markets on upbeat company news in the health-care sector, with weaker sterling providing additional support.
- ▶ Most **Asian stock markets** advanced this week amid investor optimism over corporate earnings and reduced concerns about political risks in Europe. Japan's Nikkei 225 Index posted a 2.3% gain, having risen to a 17-month high on Thursday, helped by yen weakness. Technology shares helped push Korea's KOSPI and Taiwan's TAIEX higher, with upbeat expectations for the new administration in Korea also supporting the country's equity markets. India's SENSEX 30 Index reached fresh record highs, as an improved monsoon forecast supported sentiment and amid continued foreign buying on optimism over the country's economic reform programme. Meanwhile, Chinese onshore stocks declined, as weaker than expected April trade and producer price inflation data raised concerns about the country's economic outlook amid lingering worries over financial regulatory tightening. However, stocks rebounded on Friday ahead of Sunday's Belt and Road Summit and after the central bank injected liquidity.

US Treasuries little changed amid disappointing inflation data; eurozone peripheral bond spreads widened

- ▶ **US Treasuries** were little changed this week, with downward pressure from weak auction demand for bond issues across the curve and high corporate bond issuance offset by weaker than expected April inflation prints on Friday. Overall, 10-year yields declined by 2 bps on the week to 2.33%.
- ▶ **Eurozone peripheral government bond** spreads widened relative to the core this week as Emmanuel Macron's election victory in France raised concerns over an increasing pipeline of fresh issuance in the coming months. Italian 10-year yields rose 8 bps to 2.24% and Spanish 10-year yields rose 7 bps to 1.61%. In the core, German 10-year bund yields closed slightly lower at 0.39%, and French equivalents were little changed (at 0.84%).

Sterling fell as BoE sees lower growth this year; Korean won rose on reform hopes

- ▶ The **euro** depreciated by 0.6% against the US dollar this week, wiping out all of last week's gains, as relief over Emmanuel Macron's victory in the French presidential elections faded. The US dollar was also likely supported by continuing expectations that the Fed will raise interest rates again in June. Meanwhile, **sterling** also fell, by 0.7% against the US dollar, with most of the move coming on Thursday lunchtime after the BoE released its quarterly Inflation Report. The central bank's outlook was broadly unchanged, but the Bank now expects UK growth to be slightly lower this year due to weaker consumer spending, which may have contributed to sterling's softness.
- ▶ The Korean won advanced on strong foreign fund inflows and investor optimism that Moon Jae-in's presidency would result in easing regional geopolitical tensions, reforms of the large family-run conglomerates (chaebols), and the potential for extra fiscal spending. Elsewhere, the Japanese yen weakened and most other **Asian currencies** were flat or slightly weaker against a broadly higher US dollar.

US stockpiles data pushed oil prices higher

- ▶ **Crude oil prices** advanced this week, reversing some of last week's significant losses, with most gains occurring on Wednesday after the US Energy Information Administration reported that US crude stockpiles dropped by 5.2 million barrels last week, easing concerns about a prolonged global supply glut. Overall, WTI for June delivery closed up (+3.5% at USD47.8 a barrel) while equivalent contracts for Brent also finished higher (+3.4% to USD50.8 a barrel).
- ▶ **Gold prices** edged up (+0.5% to USD1,228), with gains occurring at the end of the week amid softness in US stock markets and economic data, with the latter weighing slightly on the prospects of a Fed rate hike in June, ultimately a positive 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)
Equity Indices									
World									
MSCI AC World Index (USD)	460	0.1	2.9	4.7	15.7	9.0	461	379	16.7
North America									
US Dow Jones Industrial Average	20,897	-0.5	1.5	3.1	17.9	5.7	21,169	17,063	17.3
US S&P 500 Index	2,391	-0.3	2.0	3.2	15.8	6.8	2,404	1,992	18.4
US NASDAQ Composite Index	6,121	0.3	4.9	6.8	29.2	13.7	6,133	4,574	23.3
Canada S&P/TSX Composite Index	15,538	-0.3	-0.7	-1.2	12.7	1.6	15,943	13,610	16.8
Europe									
MSCI AC Europe (USD)	451	-0.2	6.4	10.1	14.1	12.6	452	354	15.6
Euro STOXX 50 Index	3,638	-0.6	4.9	11.2	23.9	10.5	3,667	2,678	15.4
UK FTSE 100 Index	7,435	1.9	1.2	2.4	21.8	4.1	7,447	5,789	15.1
Germany DAX Index*	12,770	0.4	5.1	9.5	29.5	11.2	12,783	9,214	14.0
France CAC-40 Index	5,405	-0.5	6.0	12.0	25.9	11.2	5,442	3,956	15.9
Spain IBEX 35 Index	10,897	-2.1	5.2	16.2	25.8	16.5	11,184	7,580	15.2
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	492	1.6	2.7	6.8	22.2	15.4	494	394	13.8
Japan Nikkei-225 Stock Average	19,884	2.3	7.2	2.6	19.4	4.0	19,990	14,864	17.4
Australian Stock Exchange 200	5,837	0.0	-1.6	2.0	8.9	3.0	5,957	5,051	16.1
Hong Kong Hang Seng Index	25,156	2.8	3.5	6.7	26.3	14.3	25,211	19,595	12.5
Shanghai Stock Exchange Composite Index	3,084	-0.6	-5.8	-3.5	8.7	-0.6	3,301	2,781	13.5
Hang Seng China Enterprises Index	10,283	3.6	0.7	1.6	22.2	9.4	10,698	8,176	8.3
Taiwan TAIEX Index	9,987	0.9	1.7	3.3	23.2	7.9	10,019	8,000	14.0
Korea KOSPI Index	2,286	2.0	7.4	10.2	15.6	12.8	2,323	1,893	9.9
India SENSEX 30 Index	30,188	1.1	1.8	6.5	17.1	13.4	30,366	25,181	18.1
Indonesia Jakarta Stock Price Index	5,675	-0.1	0.6	5.7	18.2	7.1	5,746	4,691	16.2
Malaysia Kuala Lumpur Composite Index	1,776	0.7	1.8	4.5	7.7	8.2	1,785	1,612	16.7
Philippines Stock Exchange PSE Index	7,816	-0.3	2.4	8.0	6.7	14.3	8,118	6,499	19.0
Singapore FTSE Straits Times Index	3,255	0.8	2.2	5.0	18.6	13.0	3,274	2,703	14.8
Thailand SET Index	1,544	-1.6	-2.9	-2.6	10.3	0.1	1,601	1,343	15.0
Latam									
Argentina Merval Index	21,502	1.6	3.3	10.3	60.8	27.1	21,667	12,351	9.4
Brazil Bovespa Index*	68,222	3.8	6.8	3.2	28.1	13.3	69,488	48,067	12.8
Chile IPSA Index	4,852	0.2	-0.2	12.5	20.8	16.9	4,905	3,847	17.6
Colombia COLCAP Index	1,444	4.2	4.7	7.1	6.8	6.8	1,445	1,271	13.9
Mexico Index	49,426	-0.1	1.0	3.4	8.2	8.3	50,154	43,902	18.1
EEMEA									
Russia MICEX Index	1,995	-0.4	2.4	-7.8	4.9	-10.7	2,294	1,842	6.4
South Africa JSE Index	54,063	0.9	1.0	2.6	5.1	6.7	54,704	48,936	14.9
Turkey ISE 100 Index*	94,996	1.1	4.4	8.6	21.3	21.6	96,491	70,426	9.3

*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	5.3	9.7	17.9	17.0	61.6
US equities	3.7	7.6	17.9	31.4	89.9
Europe equities	10.7	13.3	16.4	-2.4	44.7
Asia Pacific ex Japan equities	7.5	16.2	25.7	12.5	36.1
Japan equities	2.7	7.2	14.7	25.7	56.5
Latam equities	3.9	15.6	24.0	-14.7	-17.0
Emerging Markets equities	8.0	16.6	26.9	5.7	16.3

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 12 May 2017.

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)	503	-0.2	-0.2	0.9	0.9	0.8
JPM EMBI Global	780	0.2	0.9	2.7	8.1	5.5
BarCap US Corporate Index (USD)	2,782	0.0	0.0	1.4	2.7	2.0
BarCap Euro Corporate Index (Eur)	243	0.2	0.0	0.9	2.7	0.9
BarCap Global High Yield (USD)	452	0.3	1.2	2.5	13.4	4.7
Markit iBoxx Asia ex-Japan Bond Index (USD)	191	-0.1	0.0	1.2	3.3	2.6
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	245	-0.1	0.4	2.2	10.6	4.4

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 2016	52-week High	52-week Low
Developed markets								
EUR/USD	1.09	1.10	1.07	1.06	1.14	1.05	1.14	1.03
GBP/USD	1.29	1.30	1.25	1.25	1.45	1.23	1.50	1.18
CHF/USD	1.00	1.01	1.00	1.00	1.03	0.98	1.05	0.97
CAD	1.37	1.37	1.33	1.31	1.28	1.34	1.38	1.27
JPY	113.38	112.71	109.03	113.22	109.02	116.96	118.66	99.02
AUD	1.35	1.35	1.33	1.30	1.37	1.39	1.40	1.29
NZD	1.46	1.44	1.44	1.39	1.47	1.44	1.50	1.34
Asia								
HKD	7.79	7.78	7.77	7.76	7.76	7.76	7.79	7.75
CNY	6.90	6.90	6.89	6.88	6.52	6.95	6.96	6.52
INR	64.31	64.38	64.67	66.88	66.63	67.92	68.86	63.93
MYR	4.35	4.34	4.43	4.44	4.03	4.49	4.50	3.93
KRW	1,127	1,140	1,142	1,151	1,163	1,206	1,212	1,090
TWD	30.17	30.18	30.53	31.06	32.53	32.33	32.82	29.93
Latam								
BRL	3.12	3.18	3.13	3.12	3.48	3.26	3.64	3.04
COP	2,918	2,949	2,872	2,854	2,946	3,002	3,208	2,822
MXN	18.82	18.99	18.55	20.35	17.97	20.73	22.04	17.90
EEMEA								
RUB	57.09	57.94	56.61	58.31	64.91	61.54	67.70	55.70
ZAR	13.36	13.42	13.46	13.34	15.00	13.74	15.98	12.31
TRY	3.57	3.54	3.65	3.70	2.96	3.52	3.94	2.84

Bonds	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2016
US Treasury yields (%)						
3-Month	0.87	0.88	0.80	0.53	0.26	0.50
2-Year	1.29	1.31	1.20	1.19	0.75	1.19
5-Year	1.85	1.88	1.77	1.89	1.24	1.93
10-Year	2.33	2.35	2.24	2.41	1.75	2.44
30-Year	2.99	2.98	2.89	3.01	2.60	3.07

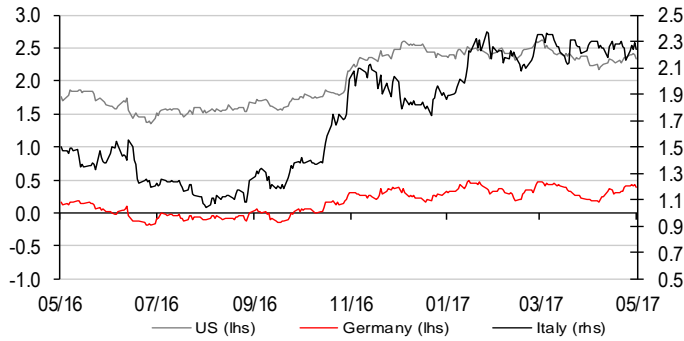
Developed market 10-year bond yields (%)						
	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2016
Japan	0.04	0.02	0.02	0.08	-0.12	0.04
UK	1.09	1.12	1.05	1.25	1.40	1.24
Germany	0.39	0.42	0.20	0.32	0.15	0.20
France	0.84	0.84	0.93	1.05	0.51	0.68
Italy	2.24	2.16	2.29	2.26	1.50	1.81
Spain	1.61	1.55	1.66	1.69	1.62	1.38

Commodities	Latest	1-week ago (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Gold	1,228	0.5	-4.6	-0.4	-2.8	6.6	1,375	1,121
Brent Oil	50.8	3.4	-9.1	-10.4	5.6	-10.6	58	42
WTI Crude Oil	47.8	3.5	-10.0	-11.2	2.4	-11.0	55	39
R/J CRB Futures Index	182	2.1	-3.0	-6.4	-1.1	-5.6	196	177
LME Copper	5,543	-0.8	-1.5	-9.0	20.2	0.1	6,204	4,484

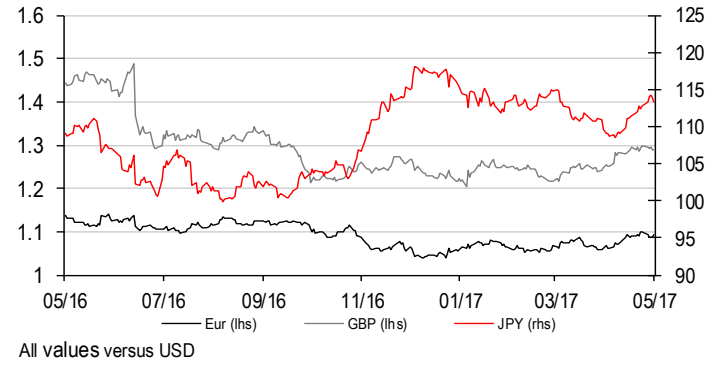
Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 12 May 2017.
Past performance is not an indication of future returns.

Market Trends

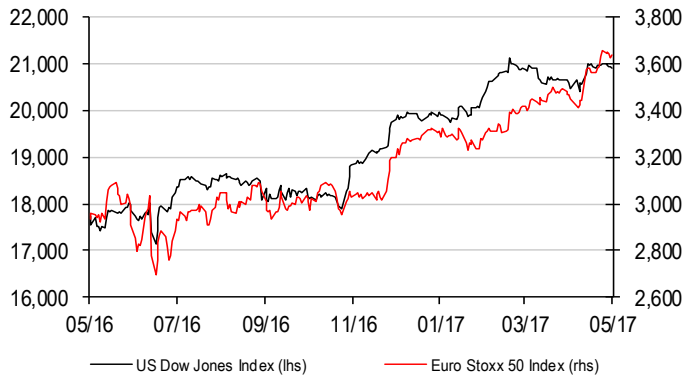
Government bond yields (%)



Major currencies (versus USD)



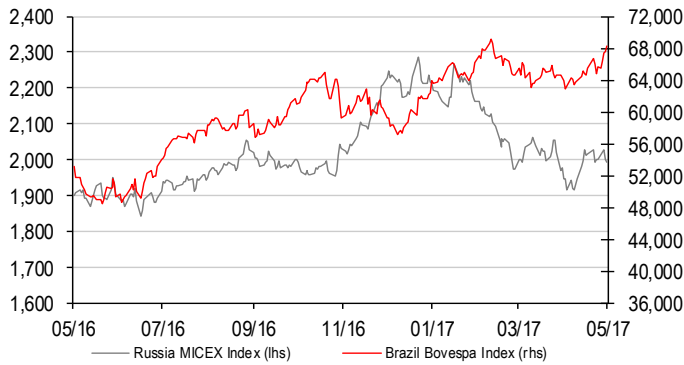
Global equities



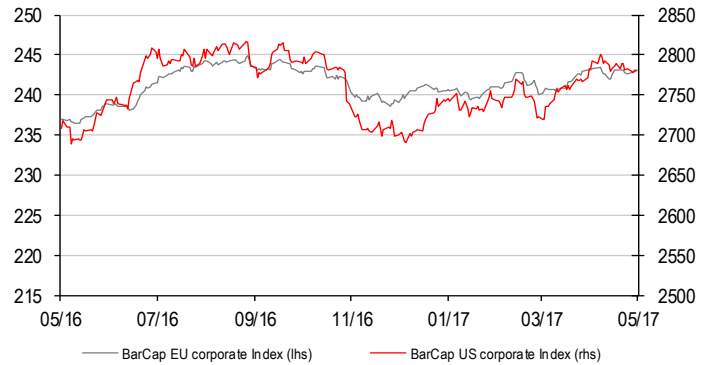
Emerging Asian equities



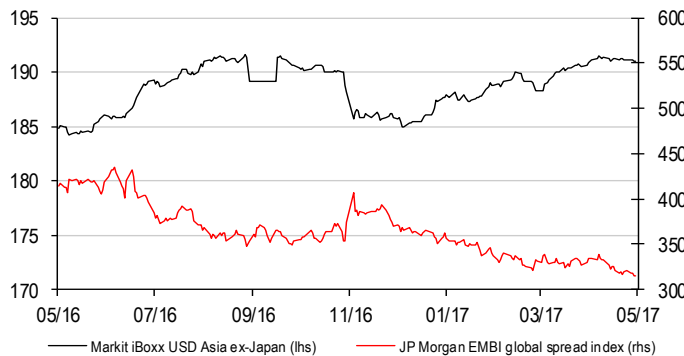
Other emerging equities



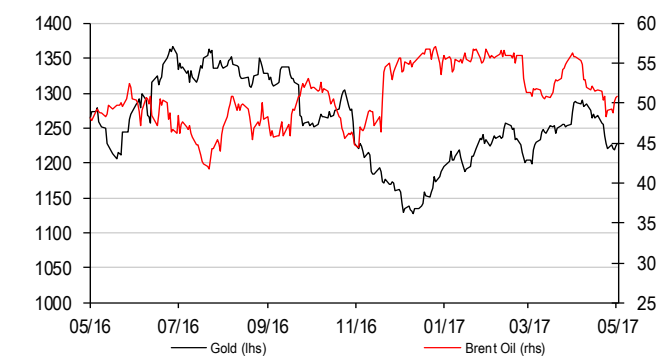
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 12 May 2017.
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