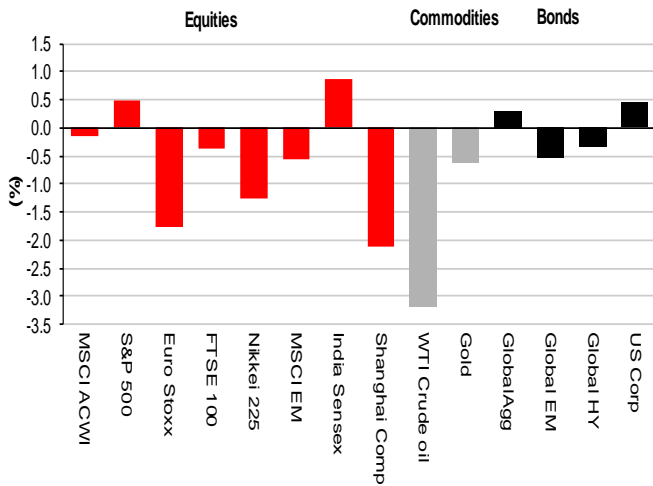


- ▶ Global equities were rattled by political uncertainty in Italy and Spain this week as well as global trade concerns
- ▶ The US imposed tariffs on steel (25%) and aluminium (10%) imported from the EU, Canada and Mexico effective from 1 June 2018. The move prompted swift retaliatory measures from its three allies
- ▶ Italian President Sergio Mattarella again gave the mandate to form a government to Giuseppe Conte, the selected Prime Minister candidate by far-right eurosceptic League and the leftist populist Five Star Movement (5SM), ending three months of political deadlock
- ▶ In the coming week, investor attention will turn to interest rate decisions in India and Turkey and China's trade data

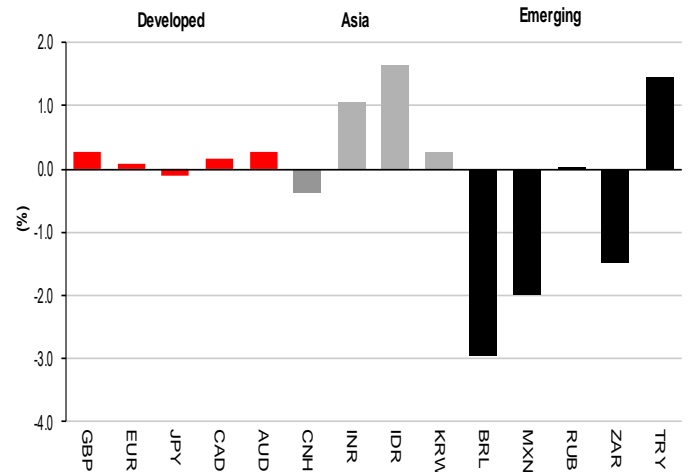
Movers and shakers

Global equity markets and commodities fell this week

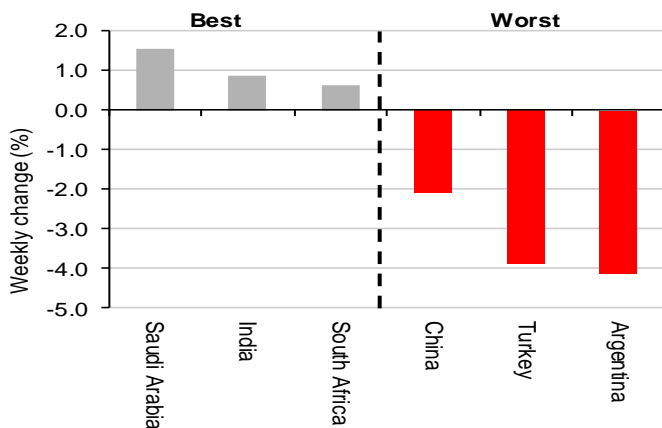


Currencies (versus US dollar)

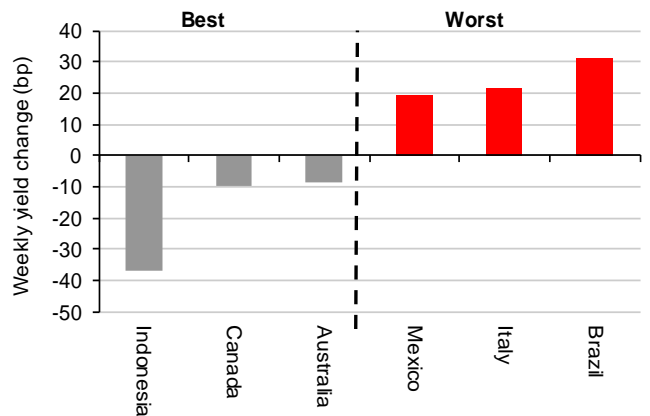
Most developed currencies were little changed against the USD



Equities



Bonds (10-year)



This commentary provides a high-level overview of the recent economic environment and is for information purposes only. It is a marketing communication and does not constitute investment advice or a recommendation to any reader of this content to buy or sell investments; nor should it be regarded as investment research. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 01 June 2018. All the above charts relate to 25/05/2018 – 01/06/2018.

Past performance is not an indication of future returns.

Macro Data and Key Events

Past Week (29 May – 01 June 2018)

Date	Country	Indicator	Data as of	Survey	Actual	Prior
Tuesday 29 May	US	S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index (yoy)	Mar	6.5%	6.8%	6.8%
Wednesday 30 May	US	GDP Annualised (qoq)	Q1 P	2.3%	2.2%	2.2%
	Brazil	GDP (seasonally adjusted, qoq)	Q1	0.3%	0.4%	0.2%
	Canada	Bank of Canada Interest Rate Decision	May	1.25%	1.25%	1.25%
Thursday 31 May	Japan	Industrial Production (mom)	Apr P	1.4%	0.3%	1.4%
	China	Official Manufacturing PMI	May	51.4	51.9	51.4
	Eurozone	Unemployment Rate	Apr	8.4%	8.5%	8.6%
	Eurozone	CPI Estimate (yoy)	May	1.6%	1.9%	1.2%
	India	GDP (yoy)	Q1	7.4%	7.7%	7.0%
	US	PCE Core (yoy)	Apr	1.8%	1.8%	1.8%
	Canada	GDP (qoq, annualised)	Q1	1.8%	1.3%	1.7%
	US	Pending Home Sales (mom)	Apr	0.4%	-1.3%	0.6%
	Friday 01 June	US	Change in Nonfarm Payrolls (000s)	May	190	223
	US	ISM Manufacturing Index	May	58.2	58.7	57.3

P – Preliminary, Q – Quarter

- ▶ The **US announced that it will impose tariffs** on steel (25%) and aluminium (10%) imports from the EU, Canada and Mexico, effective from 1 June 2018. The move prompted swift retaliatory measures from its three allies as: i) Canada will impose tariffs on USD13 billion worth of US imports from 1 July, ii) Mexico will impose proportional tariffs on US farming and industrial products, and iii) although the EU has said it will retaliate on steel and aluminium imports from the US, it has stated tariffs on other goods would not be introduced until March 2021. Notably, there seems to be room for negotiations as the US Secretary of Commerce Wilbur Ross noted “we continue to be quite willing and eager to have further discussions with all those parties.”
- ▶ In terms of data releases, the **US core PCE deflator** was unchanged at 1.8% yoy in April, as expected, and the headline PCE deflator also remained unchanged at 2.0% yoy (in line with expectations). In a solid employment report, **nonfarm payrolls** rose by 223,000 in May, above expectations of 190,000, from a downwardly revised 159,000 (previously 164,000). Average hourly earnings came in stronger than expected at 0.3% mom (+2.7% yoy), while the unemployment rate unexpectedly edged down by 0.1 percentage points to 3.8%, its lowest since April 2000. Overall, the US labour market remains buoyant and there are some signs of at least a modest acceleration in wages, although earnings data remains volatile. **Pending home sales** fell 1.3% mom in April, following two consecutive months of modest increases. The outturn was weaker than expected (+0.4%). None of the major regions recorded gains in sales activity, suggesting a broad-based slowing in momentum. Finally, the **ISM Manufacturing Index** rose to 58.7 in May from 57.3 from April, beating consensus expectations of 58.2. Within the details, new orders rose to 63.7 in May from 61.2 in April, while employment edged up 2.1 points to 56.3.
- ▶ Over in Europe, politics dominated financial market movements this week. In **Italy**, the populist Five Star Movement and League parties agreed to form a **new coalition government**, ending three months of political deadlock. The new government excludes the eurosceptic Paolo Savona as Finance Minister, a contentious appointment that investors believed increased the prospect of a possible resurgence of the euro crisis and was vetoed by the President. Economist Giovanni Tria is the proposed new Finance Minister. Giuseppe Conte was sworn in as the new Prime Minister on Friday and the new government is expected to face votes of confidence by the two houses of parliament early next week. Finally, **Spanish Prime Minister** Mariano Rajoy lost a no-confidence vote on Friday and was ousted from office. He will be replaced by a leader of the opposition Socialist party, Pedro Sanchez.
- ▶ **Eurozone headline CPI inflation** rose to 1.9% yoy in the flash estimate for May, from 1.2% yoy in April, as a large drag from the volatile air fares category due to the timing of Easter unwound. Higher oil prices also pushed energy inflation significantly higher. Nevertheless, services and non-energy industrial goods inflation remained fairly muted. This is reflected in core inflation edging up to 1.1%, remaining in the 0.7%-1.2% range occupied since early 2015.
- ▶ In emerging markets, **India's real GDP growth** accelerated to 7.7% yoy in Q1, from 7.0% in Q4. The rise in yoy growth largely reflected a low base effect and was led by a pickup in consumption (primarily government) and fixed capital investment growth, helping to offset a negative contribution from net exports. Overall, the data shows India's economy continues to recover gradually from demonetisation and GST shocks. **Brazil's economy** grew 0.4% qoq in Q1 (+1.2% yoy), marking the fifth consecutive quarter of growth as the economy continued to recover from a deep recession. Consumer spending picked up 0.4 percentage points to 0.5% qoq, while government spending declined and fixed investment growth slowed.
- ▶ Finally, the **Bank of Canada** held its overnight rate at 1.25%, as expected, but stated that higher interest rates could be warranted to keep inflation near target. Nevertheless, lingering trade tensions prompted officials to reaffirm that policy adjustments would be gradual.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 01 June 2018.

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Coming Week (04-09 June 2018)

Date	Country	Indicator	Data as of	Survey	Prior
Monday 04 June	Turkey	CPI (yoy)	May	12.2%	10.9%
Tuesday 05 June	Australia	Reserve Bank of Australia Interest Rate Decision	Jun	1.5%	1.5%
	Eurozone	Markit Composite PMI	May F	54.1	54.1 P
	South Africa	GDP (yoy)	Q1	2.0%	1.5%
	US	ISM Non-Manufacturing Index	May	57.8	56.8
Wednesday 06 June	India	RBI Interest Rate Decision (repurchase rate)	Jun	6.0%	6.0%
Thursday 07 June	Germany	Factory Orders (working day adjusted, yoy)	Apr	3.6%	3.1%
	Eurozone	GDP (seasonally adjusted, qoq)	Q1 F	0.4%	0.4% P
	Turkey	CBRT Interest Rate Decision (overnight lending rate)	Jun	18.75%	18.00%
	Mexico	CPI (yoy)	May	-	4.6%
Friday 08 June	China	Trade Balance (USD bn)	May	32.3	28.4
	Japan	GDP (seasonally adjusted, qoq annualised)	Q1 F	-0.5%	-0.6%
	Germany	Industrial Production (seasonally adjusted, mom)	Apr	0.4%	1.0%
	Brazil	IBGE Inflation IPCA (yoy)	May	2.7%	2.8%
Saturday 09 June	China	CPI (yoy)	May	1.9%	1.8%

P – Preliminary, Q – Quarter, F – Final

US

▶ The economic data calendar is light next week in the US, with the US Federal Reserve (Fed) entering its blackout period on Saturday prior to its 12-13 June meeting. Incoming business surveys for May suggest elevated sentiment, although some cooling of forward-looking indicators implies businesses are still grappling with trade policy uncertainty. Consistent with the continued optimism, the **ISM Non-Manufacturing Index** is expected to rise to 57.8 in May from 56.8 in April. This would be modestly below the 13-year peak reached in January (59.9). Measures of input prices will be of interest as the Empire State and Philly Fed surveys point to continued upward pressure.

Europe

▶ **German industrial production** is anticipated to expand by 0.4% mom in April. This would leave annual growth at 2.7% yoy, although on a trend basis, activity has moderated since the beginning of the year amid headwinds such as previous gains in the euro and slower world trade growth.

▶ The final estimate of **eurozone Q1 GDP** growth is expected to be confirmed at 0.4% qoq, following a 0.7% expansion over the previous three quarters. The breakdown of components is likely to show a drag coming from net trade, while household spending growth may have moderated.

Emerging markets

▶ **China's export and import growth** for May likely remained robust at 12.6% yoy and 20.4%, respectively, versus 12.7% and 21.5% in April, as suggested by firmer official manufacturing PMI export order and import order sub-indexes. The trade balance is expected at USD32.3 billion in May, up from USD28.4 billion in April. **CPI inflation** may remain largely stable at around 1.8% yoy. Food prices probably fell further sequentially, but non-food price inflation may have edged up, as domestic gasoline prices were also hiked. PPI inflation likely accelerated to 3.9% from 3.4% in April, as hinted by a rise in PMI producer and purchasing price sub-indexes, with higher oil and some other major industrial commodity prices.

▶ The **Reserve Bank of India's** policy meeting on 6 June could mark a turning point in the interest rate cycle. Higher than expected core inflation, a strengthening economic recovery, upside risks to inflation from higher oil prices, a weaker currency and higher minimum support prices all point to a hawkish outcome. The repo rate is expected to be left unchanged, but the policy stance could change from "neutral" to a "withdrawal of accommodation," setting the stage for rate hikes in the second half of 2018.

▶ The **Central Bank of Turkey** is expected to raise the overnight lending rate to 18.75% on Thursday. In an emergency meeting held on 23 May, the late liquidity window lending rate was raised by 300 bps to 16.5%, while all other policy rates were raised on 28 May. The Monetary Policy Committee said that it will maintain a tight policy stance until the inflation outlook improves significantly.

▶ **Mexico CPI** inflation has been slowing steadily from December 2017's 17-year high (+6.77% yoy), but is likely to remain above policymakers' target for some time. Price pressures have been subsiding amid fading effects from 2017's fuel price liberalisation but lingering trade and electoral uncertainties remain key upside risks. The Bank of Mexico's latest quarterly inflation report released this week continues to anticipate inflation to decelerate within the 2%-4% yoy policy target range by Q4 2018.

▶ Finally, **Brazil's IBGE-IPCA inflation** is expected to slow by less than 0.1 percentage points to 2.7% yoy in May, despite an anticipated pickup in the monthly rate. Recent currency volatility may lead to a faster pace of inflation in future months, which prompted the central bank to hold off on further easing at its latest meeting.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 01 June 2018.

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Market Moves

Global equities fell on heightened European political uncertainty and increased US anti-trade rhetoric

- ▶ **US equities** were little changed this week, with investor risk appetite dampened by political uncertainty in Europe (Italy and Spain) and renewed trade tensions between the US and major trading partners. Meanwhile, data releases (May nonfarm payrolls) continued to show a robust economic backdrop. Overall, the S&P 500 Index rose 0.5% and the Dow Jones Industrial Average Index fell 0.5%.
- ▶ **European equities** had a turbulent week on concerns over Italian politics. Italy's FTSE MIB fell for most of the week but recovered on Friday, and Spain's IBEX slid 2.0% while the EURO STOXX 50 Index shed 1.8%. The UK's FTSE 100 Index outperformed, thanks to strong gains in energy shares.
- ▶ **Asian stock markets** ended lower this week, tracking the decline in global equities, amid heightened political uncertainty in Italy as well as concerns about US tariffs on metal imports. Japan's Nikkei 225 Index fell 1.2%, weighed down by a stronger yen. Chinese stocks also ended the week in negative territory despite stronger than expected official PMIs. However, India's SENSEX 30 Index gained 0.9% this week on stronger than expected Q1 GDP numbers.

Core bond yields were little changed; Italy bond yields finished higher after a volatile week

- ▶ **US Treasury yields** ended little changed this week, despite falling sharply (prices rose) at the beginning of the week on demand for perceived safe assets. A much stronger than expected May nonfarm payrolls jobs report, showing wage growth firming, continued to highlight the gradual build-up of cyclical inflation in the economy. Two-year Treasury yields closed 1 bp lower at 2.47% and 10-year yields finished 3 bps lower at 2.90%.
- ▶ The highlight in the **European bond markets** was Italian bond yields, which tracked the country's political uncertainty over the week. At the beginning of the week, 10-year bond yields rose above 3% to levels last seen since 2014, before gradually coming down to close at 2.66% as the situation stabilised. Interestingly, Spanish equivalents ended flat, despite news that Prime Minister Mariano Rajoy lost a confidence vote. In the core, both benchmark German 10-year bond yields closed little changed at 0.38%, despite a stronger than expected May inflation number.

Most currencies gained on a broadly weaker greenback

- ▶ The **euro** depreciated sharply against the US dollar at the beginning of the week, before gradually recovering to finish up 0.1%. The main driver was the political situation in Italy, and major data releases – such as May inflation and news of the US cancelling the temporary exemption of steel and aluminium tariffs for the EU – appeared to have little impact. Elsewhere, British sterling also finished little changed (+0.3%).
- ▶ Most **Asian currencies** appreciated against the US dollar this week. Leading the gains was the Indonesian rupiah (+1.0%), as the Bank of Indonesia raised the seven-day reverse repo rate by 25 bps to 4.75% to safeguard macro and financial stabilities. The Taiwanese dollar and the South Korean won also performed well (both up +0.3%), despite increased trade tensions between the US and China. Meanwhile, the Japanese yen was flat and China's renminbi fell 0.1%.

Crude prices pressured by speculation that OPEC and allied producers will restore production

- ▶ **WTI crude oil prices** edged lower this week, amid ongoing speculation over whether Saudi Arabia and Russia will restore some of their curtailed output. Support came from the U.S. Energy Information Administration weekly report, which showed a large decline in US crude inventories last week. Overall, WTI crude fell 3.2% to close at USD65.7 a barrel, underperforming Brent prices mainly due to ongoing pipeline capacity issues in the US.
- ▶ Meanwhile, **gold prices** fell this week (-0.6% to USD1,294 per troy ounce), with the bulk of losses occurring on Friday following the strong May US employment report, which boosted the US dollar and Treasury yields, weighing on the non-yield-generating precious metal.

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 01 June 2018.

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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)	513	-0.1	0.7	0.2	9.9	-0.1	551	462	15.5
North America									
US Dow Jones Industrial Average	24,635	-0.5	2.2	0.1	16.5	-0.3	26,617	20,994	16.2
US S&P 500 Index	2,735	0.5	3.0	2.1	12.5	2.3	2,873	2,406	17.2
US NASDAQ Composite Index	7,554	1.6	5.9	5.2	20.9	9.4	7,637	6,082	22.8
Canada S&P/TSX Composite Index	16,044	-0.2	2.7	4.2	3.7	-1.0	16,421	14,786	15.6
Europe									
MSCI AC Europe (USD)	469	-1.0	-2.4	-1.7	2.6	-3.8	524	446	14.1
Euro STOXX 50 Index	3,454	-1.8	-2.3	1.6	-3.2	-1.4	3,709	3,262	13.8
UK FTSE 100 Index	7,702	-0.4	2.4	7.3	2.1	0.2	7,904	6,867	14.0
Germany DAX Index*	12,724	-1.7	0.9	4.4	0.5	-1.5	13,597	11,727	13.1
France CAC-40 Index	5,466	-1.4	-1.0	3.9	2.8	2.9	5,657	4,995	14.7
Spain IBEX 35 Index	9,632	-2.0	-3.5	-1.1	-11.5	-4.1	11,048	9,328	12.5
Asia Pacific									
MSCI AC Asia Pacific ex Japan (USD)	565	-0.4	-0.8	-2.1	13.2	-0.9	617	497	13.5
Japan Nikkei-225 Stock Average	22,171	-1.2	-1.5	2.1	11.6	-2.6	24,129	19,240	16.2
Australian Stock Exchange 200	5,990	-0.7	-0.4	0.3	4.4	-1.2	6,150	5,630	16.0
Hong Kong Hang Seng Index	30,493	-0.3	-1.0	-1.8	18.1	1.9	33,484	25,200	11.8
Shanghai Stock Exchange Composite Index	3,075	-2.1	-0.2	-6.1	-0.9	-7.0	3,587	3,041	12.1
Hang Seng China Enterprises Index	12,020	-0.2	-2.5	-3.3	13.2	2.7	13,963	10,204	8.0
Taiwan TAIEX Index	10,949	0.1	2.7	1.5	8.5	2.9	11,270	10,033	14.1
Korea KOSPI Index	2,439	-0.9	-3.0	0.5	4.0	-1.2	2,607	2,310	9.4
India SENSEX 30 Index	35,227	0.9	0.2	3.5	13.1	3.4	36,444	30,681	18.7
Indonesia Jakarta Stock Price Index	5,984	0.1	-0.2	-9.4	4.3	-5.9	6,693	5,669	15.4
Malaysia Kuala Lumpur Composite Index	1,756	-2.3	-6.1	-5.6	-0.4	-2.3	1,896	1,708	15.9
Philippines Stock Exchange PSE Index	7,630	-0.2	-2.4	-9.9	-3.7	-10.8	9,078	7,457	17.4
Singapore FTSE Straits Times Index	3,428	-2.4	-5.2	-2.5	5.9	0.7	3,642	3,193	13.6
Thailand SET Index	1,720	-1.2	-3.4	-6.0	10.0	-1.9	1,853	1,556	15.7
Latam									
Argentina Merval Index	28,437	-4.1	-5.2	-11.2	26.3	-5.4	35,462	20,462	7.6
Brazil Bovespa Index*	77,240	-2.1	-10.3	-9.5	24.0	1.1	88,318	60,544	11.5
Chile IPSA Index	5,471	-1.9	-4.2	-1.0	11.9	-1.7	5,895	4,718	16.3
Colombia COLCAP Index	1,564	2.5	-0.1	6.7	8.4	3.4	1,598	1,415	15.7
Mexico S&P/BMV IPC Index	45,013	-0.2	-6.9	-5.4	-8.3	-8.8	51,772	44,429	15.6
EEMEA									
Russia MOEX Index	2,295	-0.5	-0.5	-0.1	22.8	8.8	2,377	1,775	6.1
South Africa JSE Index	57,282	0.6	-1.6	-1.1	8.4	-3.7	61,777	50,750	14.8
Turkey ISE 100 Index*	99,171	-3.9	-4.9	-15.7	1.9	-14.0	121,532	96,926	6.9

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

	1-Week Change (%)	1-Month Change (%)	3-Month Change (%)	YTD Change (%)	1-Year Change (%)	3-Year Change (%)	5-Year Change (%)
Equity Indices - Total Return							
Global equities	-0.9	0.3	0.1	0.1	11.2	24.4	53.0
US equities	-0.5	2.1	1.5	2.0	12.9	33.2	78.3
Europe equities	-1.7	-2.5	-0.9	-2.8	4.6	11.0	27.2
Asia Pacific ex Japan equities	-0.8	-0.8	-1.8	-0.4	15.7	22.9	40.2
Japan equities	-0.7	-0.6	-0.5	0.5	14.0	21.0	48.9
Latam equities	-3.6	-13.6	-15.8	-8.3	3.2	10.4	-16.8
Emerging Markets equities	-1.4	-3.4	-5.5	-2.6	13.7	19.8	24.8

All total returns quoted in USD terms and subject to one-day lag.

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 01 June 2018.

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)	514	0.3	0.4	0.7	1.3	-0.1
JPM EMBI Global	773	-0.5	-0.8	-2.1	-1.8	-4.3
BarCap US Corporate Index (USD)	2,823	0.5	0.9	-0.3	0.1	-2.7
BarCap Euro Corporate Index (Eur)	245	-0.1	-0.4	-0.4	0.6	-0.7
BarCap Global High Yield (Hedged in USD)	462	-0.3	-0.7	-0.8	1.4	-1.4
Markit iBoxx Asia ex-Japan Bond Index (USD)	192	0.0	0.0	-0.8	-0.1	-2.1
Markit iBoxx Asia ex-Japan High-Yield Bond Index (USD)	244	-1.1	-1.7	-2.9	0.4	-3.0

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

	Latest	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2017	52-week High	52-week Low	1-week Change (%)
Currencies (vs USD)									
Developed markets									
EUR/USD	1.17	1.17	1.20	1.23	1.12	1.20	1.26	1.11	0.1
GBP/USD	1.33	1.33	1.36	1.38	1.29	1.35	1.44	1.26	0.3
CHF/USD	1.01	1.01	1.00	1.06	1.03	1.03	1.09	0.99	0.2
CAD	1.30	1.30	1.28	1.28	1.35	1.26	1.35	1.21	0.2
JPY	109.54	109.41	109.86	106.24	111.37	112.69	114.73	104.56	-0.1
AUD	1.32	1.32	1.34	1.29	1.36	1.28	1.36	1.23	0.3
NZD	1.43	1.45	1.43	1.38	1.42	1.41	1.47	1.32	1.0
Asia									
HKD	7.85	7.85	7.85	7.83	7.79	7.81	7.85	7.79	0.0
CNY	6.42	6.39	6.33	6.36	6.81	6.51	6.84	6.24	-0.4
INR	67.06	67.77	66.66	65.17	64.48	63.87	68.46	63.25	1.0
MYR	3.98	3.98	3.92	3.93	4.29	4.05	4.30	3.85	0.1
KRW	1,075	1,078	1,069	1,086	1,122	1,067	1,158	1,054	0.3
TWD	29.85	29.95	29.65	29.32	30.12	29.73	30.64	28.96	0.3
Latam									
BRL	3.77	3.65	3.51	3.25	3.25	3.31	3.77	3.08	-3.1
COP	2,867	2,879	2,801	2,879	2,893	2,986	3,103	2,685	0.4
MXN	19.94	19.54	18.95	18.85	18.64	19.66	20.05	17.45	-2.0
EEMEA									
RUB	62.22	62.22	63.63	56.82	56.41	57.69	65.04	55.56	0.0
ZAR	12.69	12.50	12.65	11.89	12.89	12.38	14.57	11.51	-1.5
TRY	4.65	4.72	4.10	3.81	3.52	3.80	4.93	3.39	1.4

	Close	1-week Ago	1-month Ago	3-months Ago	1-year Ago	Year End 2017	1-week Basis Point Change
Bonds							
US Treasury yields (%)							
3-Month	1.90	1.89	1.83	1.61	0.97	1.38	2
2-Year	2.47	2.48	2.50	2.21	1.29	1.88	0*
5-Year	2.75	2.77	2.81	2.58	1.76	2.21	-2
10-Year	2.90	2.93	2.96	2.81	2.21	2.41	-3
30-Year	3.05	3.09	3.13	3.08	2.86	2.74	-4
10-year bond yields (%)							
Japan	0.04	0.04	0.04	0.04	0.04	0.04	1
UK	1.28	1.32	1.40	1.47	1.07	1.19	-4
Germany	0.38	0.40	0.56	0.64	0.30	0.42	-2
France	0.70	0.71	0.78	0.91	0.73	0.78	0
Italy	2.66	2.45	1.78	1.94	2.25	2.01	21
Spain	1.43	1.45	1.27	1.50	1.55	1.56	-3
China	3.65	3.64	3.65	3.85	3.63	3.90	1
Australia	2.70	2.79	2.76	2.75	2.40	2.63	-8
Canada	2.25	2.35	2.34	2.18	1.43	2.05	-10

*Numbers may not add up due to rounding

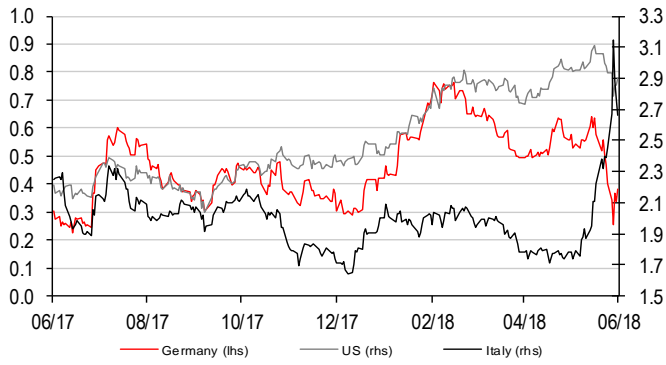
	Latest	1-week Change (%)	1-month Change (%)	3-month Change (%)	1-year Change (%)	YTD Change (%)	52-week High	52-week Low
Commodities								
Gold	1,294	-0.6	-0.8	-1.8	2.2	-0.7	1,366	1,205
Brent Oil	76.8	0.5	5.0	20.3	51.7	14.9	81	44
WTI Crude Oil	65.7	-3.2	-2.3	7.7	35.9	8.8	73	42
R/J CRB Futures Index	202	-0.8	0.2	4.0	12.6	4.0	207	166
LME Copper	6,852	-0.5	1.6	-1.0	20.2	-5.5	7,313	5,553

Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 01 June 2018.

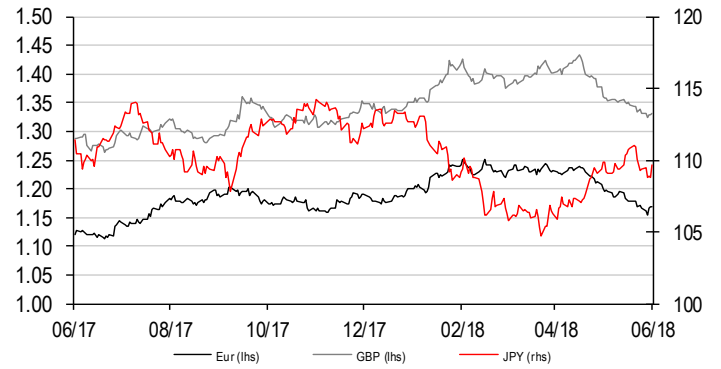
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Market Trends

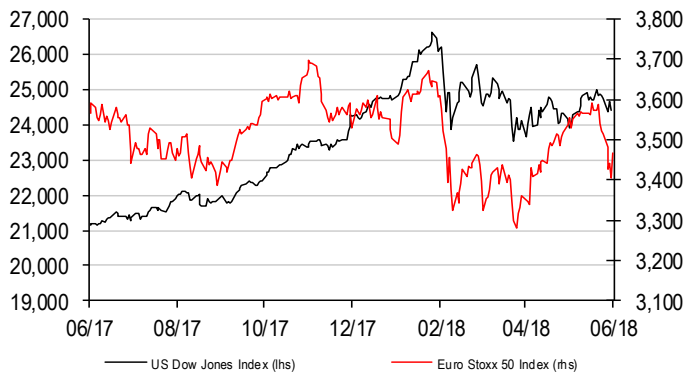
Government bond yields (%)



Major currencies (versus USD)



Global equities



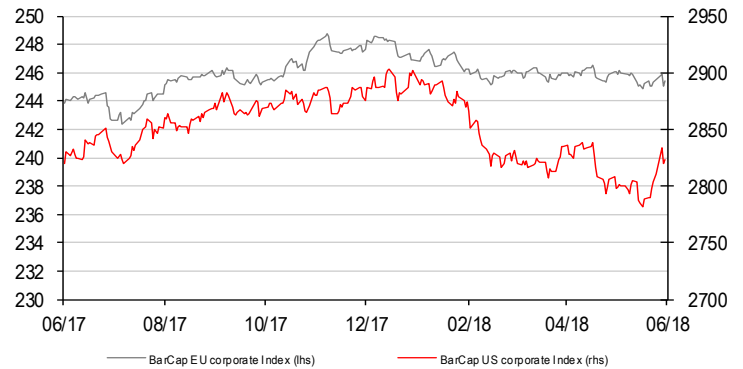
Emerging Asian equities



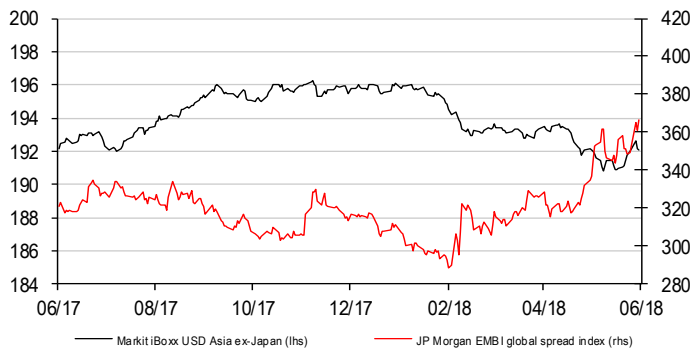
Other emerging equities



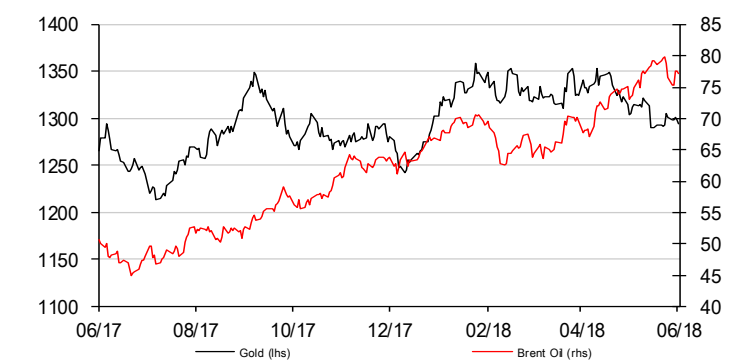
Global credit indices



Emerging markets spreads (USD indices)



Commodities (USD)



Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 01 June 2018.

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Sources: Bloomberg and HSBC Global Asset Management. Data as at close of business 01 June 2018.

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